

The Fiscal Responsibility Act approved by the House raising the Debt Ceiling the Senate must act before the June 5 Default Date, and Wall Street rises.

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The U.S. and European stock markets turned positive as investors approved of the passage in the U.S. House of Representatives of the Fiscal Responsibility Act that increases the Debt Ceiling averting a U.S. default; the bill is on route to the U.S. Senate, which must approve the measure before the June 5 deadline.

The Fiscal Responsibility Act suspends the debt ceiling until 2025, avoiding the U.S. presidential election cycle and upending government spending.

The United States has never defaulted on its debt in its entire history. While the U.S. government has faced periods of financial stress and high debt levels, it has always fulfilled its debt obligations, primarily because the U.S. Treasury has the authority to borrow money, and the U.S. dollar is considered a reliable global currency. However, it is worth noting that there have been instances where the U.S. government came close to defaulting during the debt ceiling crises in 2011 and 2013, but these situations were eventually resolved before a default occurred; we expect this time to be the same.

In economic news, Initial Claims for Unemployment rose slightly to 232,000, ADP Employment Change fell to 278,000, and ADP Median Pay YoY fell to 6.50%. Lastly, U.S. Productivity turned negative, and the U.S. Recession Probability rose to 68.22%, which is not very welcoming news.

As we wrap up May, the five indexes we follow had mixed results, and we rank them by monthly and YTD returns:

1. **Nasdaq Composite:** achieved a return in May of 4.87% and a YTD Return of 23.59%.
2. **S&P 500:** achieved a return in May of 1.16% and a YTD Return of 8.86%.
3. **Dow Jones Industrial Average:** achieved a return of -0.21% in May and YTD Return of -0.72%.
4. **Birling Capital U.S. Bank Stock Index** achieved a return in May of 0.16% and a YTD Return of -3.68%.
5. **Birling Capital Puerto Rico Stock Index** achieved a return of -12.85% in May and a YTD Return of -6.71%.

Key Economic Data:

- **U.S. Initial Claims for Unemployment Insurance:** rose to 232,000, up from 230,000 last week, increasing 0.87%.
- **ADP Employment Change:** fell to 278,000, down from 291,000.0 last month, decreasing -4.47%.
- **ADP Median Pay YoY:** fell to 6.50%, compared to 6.70% last month.

- **U.S. Productivity:** fell to -2.10%, compared to 1.60%.
- **U.S. Recession Probability:** rose to 68.22%, compared to 57.77% last month.
- **U.S. Construction Spending MoM:** rose to 1.24%, compared to 0.33% last month.
- **30-Year Mortgage Rate:** rose to 6.57%, compared to 6.39% last week.
- **Eurozone Consumer Price Index YoY:** fell to 6.11%, compared to 6.97% last month.
- **Eurozone Unemployment Rate:** fell to 6.50%, compared to 6.60% last month.
- **Germany Real Retail Sales YoY:** fell to -8.60%, compared to -5.80% last month.

Eurozone Summary:

- **Stoxx 600** closed at 455.27, up 3.51 points or 0.78%.
- **FTSE 100** closed at 7,490.27, up 44.13 points or 0.59%.
- **Dax Index** closed at 15,853.66, up 189.64 points or 1.21%.

Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,061.57, up 153.30 points or 0.47%.
- **S&P 500** closed at 4,221.02, up 41.19 points or 0.99%.
- **Nasdaq Composite** closed at 13,100.98, up 165.70 points or 1.28%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,351.52, down 47.14 points or 1.97%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,551.00, down 65.07 points or 1.80%.
- **U.S. Treasury 10-year note** closed at 3.61%.
- **U.S. Treasury 2-year note** closed at 4.33%.

US Claims for Unemployment, ADP Employment Change & ADP Median Pay

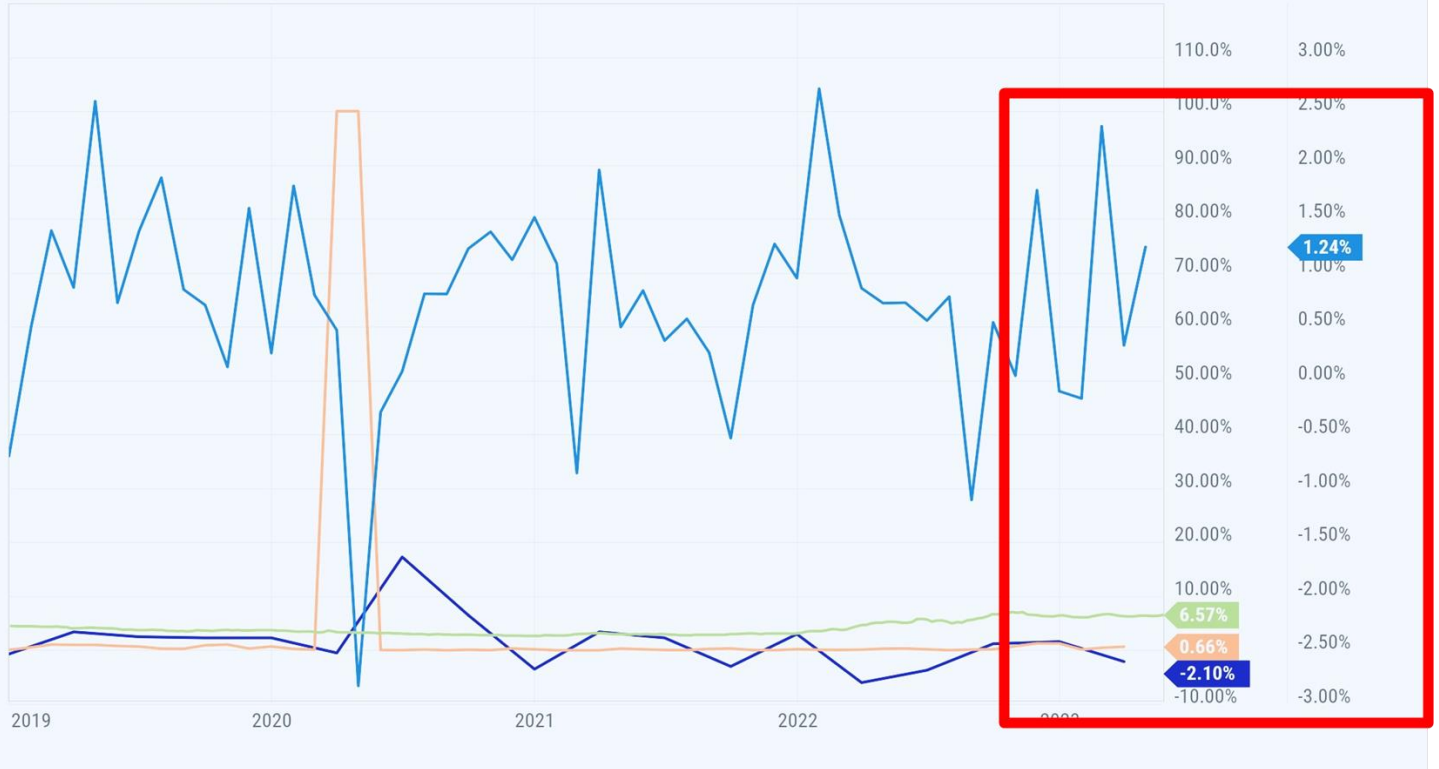
- US Initial Claims for Unemployment Insurance
- ADP Employment Change
- ADP Median Pay YoY





US Productivity, US Recession Probability, US Construction Spending & 30-year Mortgage Rate

- US Productivity
- US Recession Probability
- US Construction Spending MoM
- 30 Year Mortgage Rate

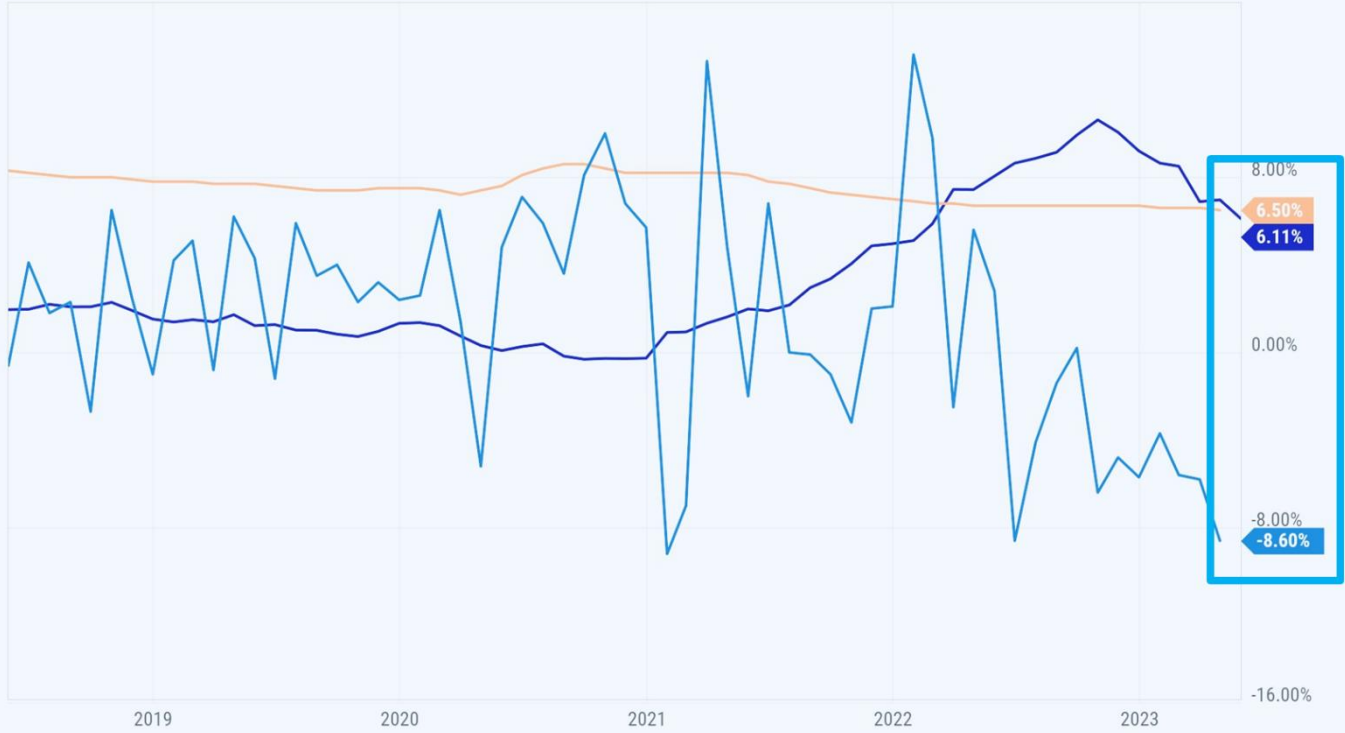




Eurozone CPI, Eurozone Unemployment Rate & Germany Retail Sales

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- Eurozone Consumer Price Index YoY (I:ECPIYY)
- Eurozone Unemployment Rate (I:EURSM)
- Germany Real Retail Sales YoY (I:GCRRS)





Wall Street Recap

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