

GLOBAL MARKET SQUARE



U.S. Retail Sales Surge, Walmart's Earnings with Robust Sales Growth along with Falling Jobless Claims Propel Wall Street as Global Markets Regain Momentum.

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The U.S. and European stock markets closed today's session with gains, as U.S. Retail and Food Services Sales rose by 0.97%. Exceeding Dow Jones' projection of 0.3% by 223.33%, retail giant Walmart saw Revenues rise 4.8% to \$169.3 billion, beating expectations.

Moreover, weekly unemployment claims have decreased by 2.99% for the week. The combination of increased sales, robust Walmart revenues, and declining unemployment claims has significantly boosted investors and the broader market, which seeks to rebound from recent volatility from exaggerated recession fears.

Bond yields have risen, and the 10-year Treasury yield closed at 3.92%. In global markets, Asia has experienced an upturn buoyed by Japan's GDP growth surpassing expectations. Europe is also experiencing gains, driven by U.K. inflation coming in lower than anticipated. Meanwhile, the U.S. dollar is gaining strength against major currencies. Furthermore, WTI oil and gold are trading higher in the commodities market.

Reviewing the Five Indexes Year to Date Returns:

- Dow Jones Industrial Average has a YTD Return of 7.62%.
- S&P 500 has a YTD Return of 16.21%.
- Nasdaq Composite has a YTD Return of 17.21%.
- Birling Capital Puerto Rico Stock Index has a YTD Return of 8.52%.
- Birling Capital U.S. Bank Stock Index has a YTD Return of 19.08%.

U.S. Retail Sales Beat Expectations by 233.33%

Retail sales increased by 0.97% in July compared to last month's -0.21%, exceeding expectations of a 0.3% rise by 233.33%. Walmart is often seen as a bellwether for consumer health, reporting substantial second-quarter revenues that rose 4.8%, beating expectations and raising its outlook. The combination of these indicators suggests that while consumers gradually moderate their spending, they remain resilient, which should support ongoing, albeit slower, economic growth.

Jobless Claims Fall

Weekly jobless claims dropped for the second consecutive week to 227,000, lower than the expected 233,000. This indicates that the labor market, while gradually cooling, is slowly finding its balance, which aligns with the "soft landing" scenario that we all hope for in the U.S. economy and signals moderate inflation ahead. A softer labor market typically leads to lower inflation in the services sector, reinforcing market expectations for the Fed interest-rate cuts that should begin in September; the market has three rate cuts priced in for 2024.

Corporate Earnings Parade:

- Walmart, Inc. (WMT) Reported Second-Quarter 2024 Revenues of \$169.3 billion, up 4.8%, Net Income of \$4.5 billion, down 42.96%, and Earnings Per Share of \$0.67, beating on revenues and missing on Net Income. Walmart has a Stock Price Objective of \$73.94. The Stock closed at \$73.18, up 6.58%.

Key Economic Data:

- **U.S. Retail and Food Services Sales MoM:** rose to 0.97%, compared to -0.21% last month.
- **U.S. Initial Claims for Unemployment Insurance:** fell to 227,000, down from 234,000 last week, decreasing -2.99%.
- **U.S. Industrial Production MoM:** Fell -0.64%, compared to 0.27% last month.
- **U.S. Export Prices YoY:** rose to 1.36%, compared to 0.95% last month.
- **U.S. Import Prices YoY:** rose to 1.65%, compared to 1.51% last month.
- **U.S. Business Inventories MoM:** fell to 0.34%, compared to 0.50% last month.
- **U.S. Wholesalers Inventories MoM:** fell to 0.20%, compared to 0.54% last month.
- **NAHB/Wells Fargo US Housing Market Index:** fell to 39.00, down from 41.00 last month.
- **30-Year Mortgage Rate:** rose to 6.49%, compared to 6.47% last week.
- **Canada Wholesale Sales MoM:** is at -1.83%, compared to -2.54% last month.
- **U.K. Real GDP QoQ:** fell to 0.60%, compared to 0.70% last quarter.
- **U.K. Industrial Production Index YoY:** fell to -1.40%, compared to 0.40% last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 509.88, up 5.78 points or 1.15%.
- **FTSE 100:** Closed at 8,347.85, up 66.30 points or 0.80%.
- **DAX Index:** Closed at 18183.24, up 297.64 points or 1.66%.

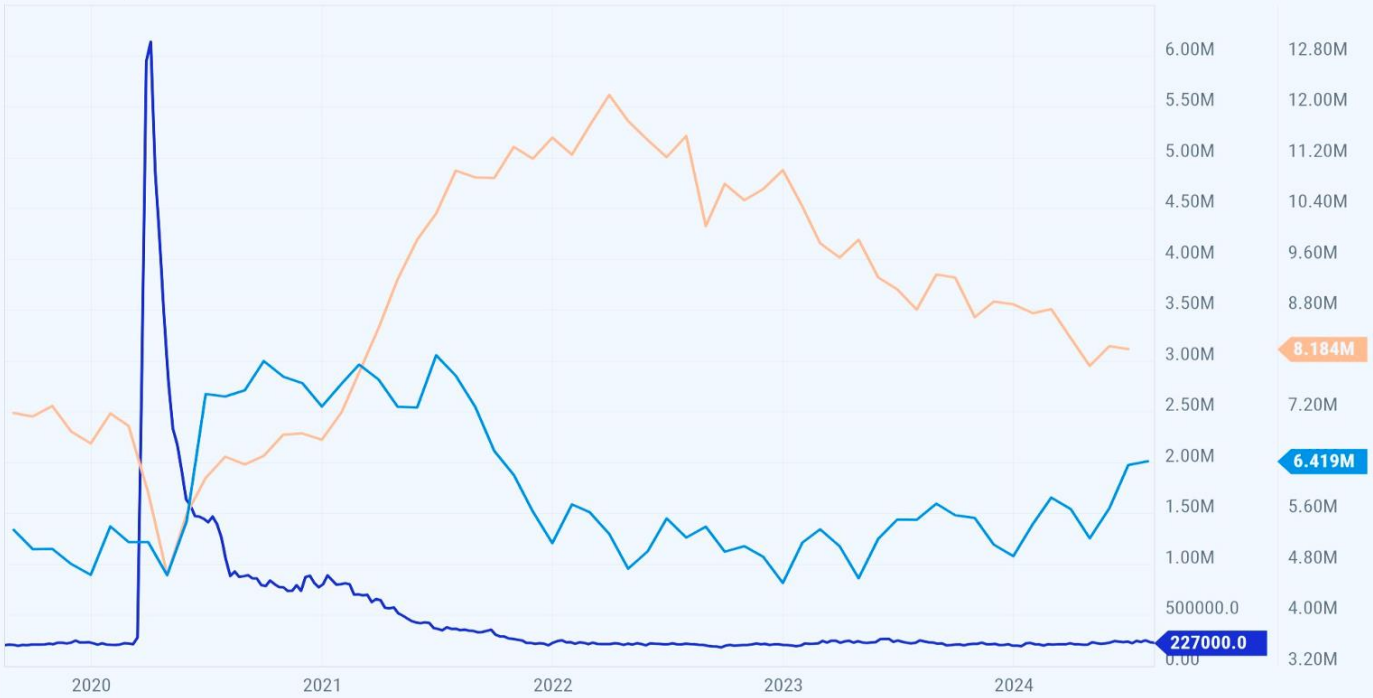
Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 40,563.06, up 554.67 points or 1.39%.
- **S&P 500:** closed at 5,543.22, up 88.01 points or 1.61%.
- **Nasdaq Composite:** closed at 17,592.22, up 401.89 points or 2.34%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,628.15, down 25.35 points or 0.70%.
- **Birling Capital U.S. Bank Stock Index:** closed at 5,190.93, up 81.77 points or 1.60%.
- **U.S. Treasury 10-year note:** closed at 3.92%.
- **U.S. Treasury 2-year note:** closed at 4.08%.



US Initial Claims for Unemployment, US Job Openings & US Job Seekers

- US Initial Claims for Unemployment Insurance 227000.0
- US Job Openings: Total Nonfarm 8.184M
- US Unemployed Persons: Job Seeker 6.419M

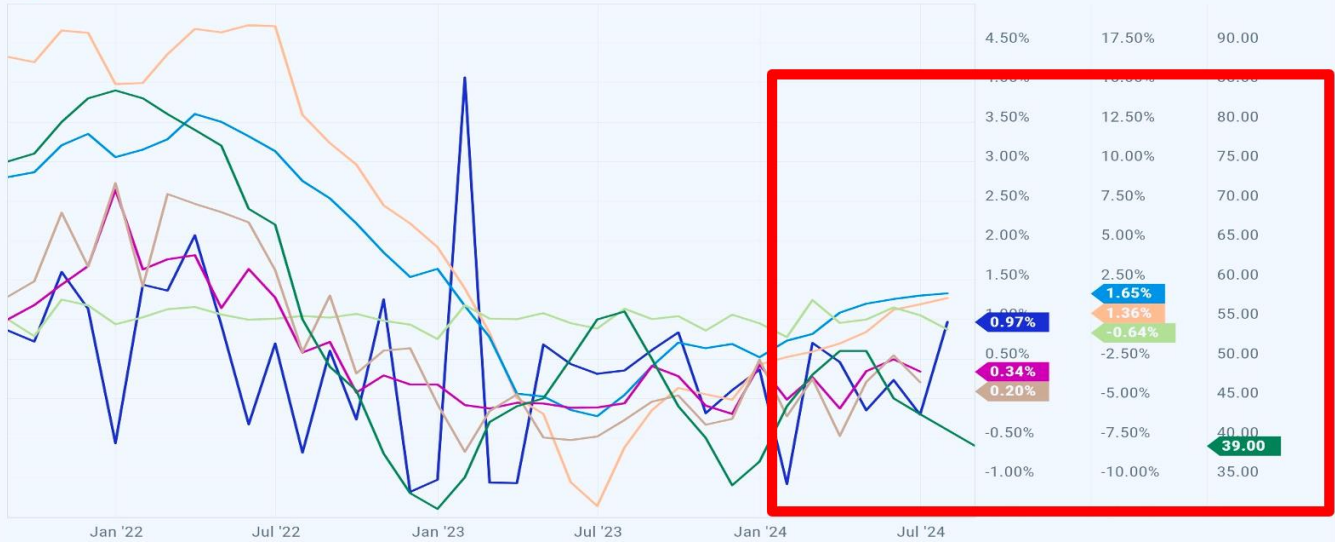




US Retail Sales, US Export Prices, US Import Prices, US Industrial Production, US Business Inventories, US Wholesalers Inventories & NAHB/Wells Fargo US Housing Market Index

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	VAL
US Retail and Food Services Sales MoM	0.97%
US Export Prices YoY	1.36%
US Import Prices YoY	1.65%
US Industrial Production MoM	-0.64%
US Business Inventories MoM	0.34%
US Wholesalers Inventories MoM	0.20%
NAHB/Wells Fargo US Housing Market Index	39.00





Dow Jones, S&P 500, Nasdaq Composite, Birling PR Stock Index, Birling US Bank Index Returns YTD 8.15.24

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	VAL
● Dow Jones Industrial Average Level % Change	7.62%
● S&P 500 Level % Change	16.21%
● Nasdaq Composite Level % Change	17.21%
● Birling Capital Puerto Rico Stock Index Level % Change	8.52%
● Birling Capital U.S. Bank Index Level % Change	19.08%





Wall Street Update

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