

The S&P 500 Sets Another Record, with Markets Holding Steady as Fed Fallout Deepens and NVIDIA Earnings Rise 56% to \$46.743 Billion, Beating Estimates.

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The U.S. and European stock markets closed with mixed results as investors held a cautious stance ahead of NVIDIA's highly anticipated second-quarter earnings, which were due after today's closing bell and did not disappoint. NVIDIA posted blockbuster second-quarter results, with revenues surging 56% to \$46.79 billion and net income jumping 59%, underscoring the company's dominant role in powering AI-driven demand.

The benchmark S&P 500 closed with another record high, while the Dow Jones is just 0.15% from its all-time high, and the tech-heavy Nasdaq sits about 0.57% below its record from earlier this month.

European bourses closed mostly down, while Asia Markets closed mixed, with Tokyo's Nikkei advancing modestly, and Indian equities slid nearly 1% after the Trump administration doubled tariffs on imports from India to 50%.

Bonds and Currencies: Yield Curve Under Pressure

The bond market remains in the grip of last week's turmoil following President Trump's push to dismiss Fed Governor Lisa Cook. Selling pressure persists at the long end of the curve, with 30-year Treasury yields rising to another three basis points today. Shorter maturities have been steadier, and attention now turns to the 5-year Treasury auction, which will provide a clearer gauge of demand for intermediate notes.

Fed Fallout: White House Eyes Regional Presidents

Reports this morning suggest that the Trump administration is exploring ways to exert greater influence over the appointment of Federal Reserve Regional Bank presidents—positions that have historically not been subject to presidential nomination or Senate confirmation. Any such move would heighten concerns about political encroachment on Fed independence. Treasury Secretary Bessent renewed his call for a broad review of the central bank, adding to investor unease. Meanwhile, New York Fed President John Williams argued that the September FOMC meeting should remain "live", signaling the likelihood of a rate cut. Tomorrow, markets will closely watch Governor Christopher Waller's speech; betting markets currently view him as the leading candidate to succeed Chair Powell when his term expires in 2026.

Puerto Rico Labor Markets Update

Covered Period: July 2025

- **Civilian non-institutional population (16+):** Seasonally adjusted estimate of 2,760,000, up 2,000 from June.
- **Self-employed (unadjusted):** 204,000—3,000 more compared to July 2024.
- **Unemployment Rate:** 5.5% in July 2025, unchanged from June.

- **Historical Unemployment:** Puerto Rico's historical unemployment has fallen from 14.40% in 2013 to 5.65% in 2024, a 60.76% decrease
- **Labor Force:** the seasonally adjusted total was 1,238,000, unchanged from June.
- **Labor Force Participation:** was 44.4% in July 2025, down 0.7 percentage points from 45.1% in June.

Corporate Earnings Parade:

- **Royal Bank of Canada (RY):** reported 3Q25 revenues of \$16.985 billion, up 8.37%, net income of \$5.413 billion, up 21%, beating estimates, Earnings Per share of \$3.75, and a Tier 1 Capital of 13.20%. Royal Bank has a Stock Price Objective of \$138.47. View our report on Royal Bank: [RY Overview](#)
- **NVIDIA Corp. (NVDA):** reported 2Q26 revenues of \$46.743 billion, up 56%, net income of \$26.422 billion, up 59%, beating estimates, Earnings Per share of \$1.08, and a Stock Price Objective of \$194.22. View our report on NVIDIA: [NVDA Overview](#)

Economic Data:

- **U.S. Crude Oil Stocks WoW:** fell to -6.014M, down from 3.036M last week.

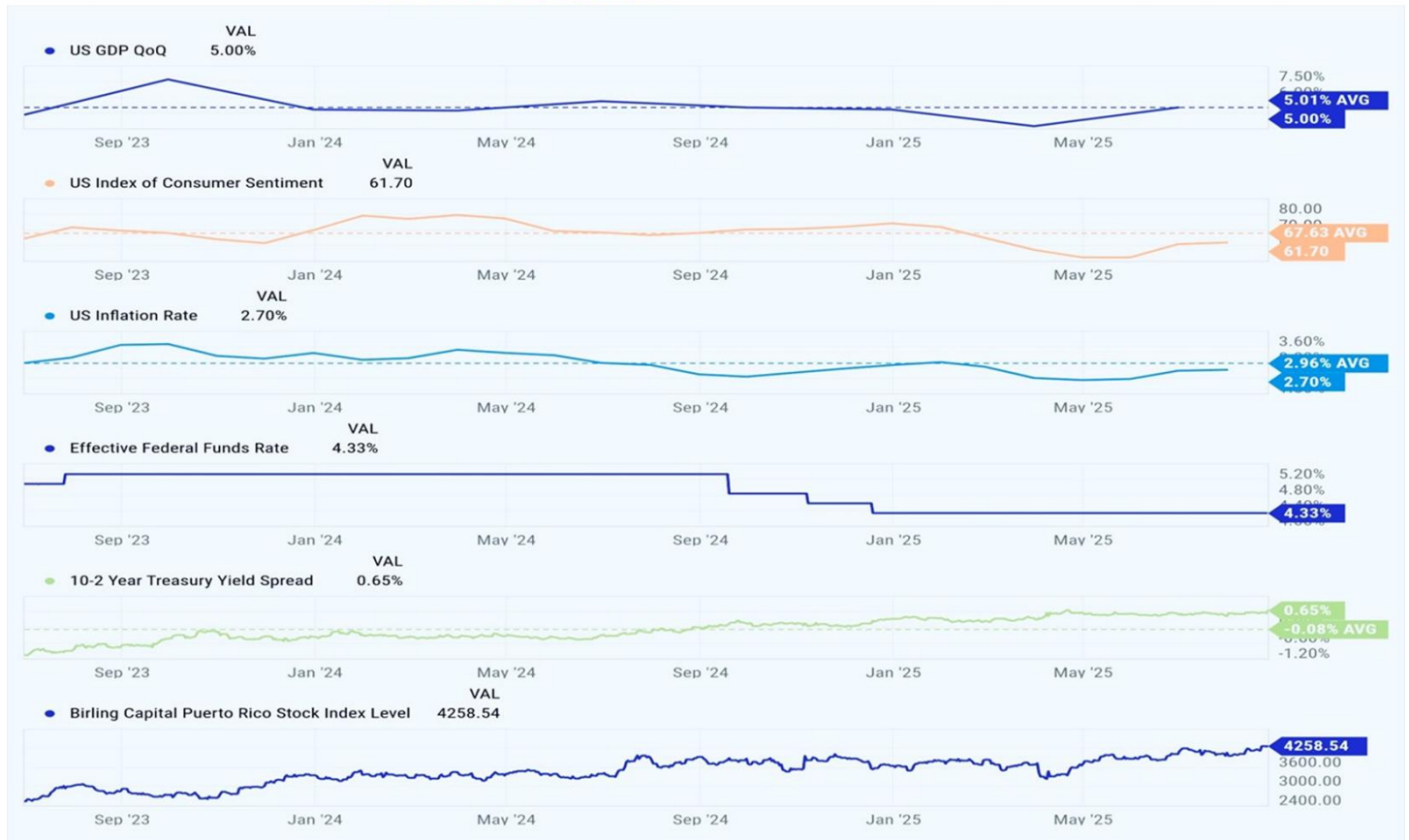
Eurozone Summary:

- **Stoxx 600:** Closed at 554.76, up 0.56 points or 0.10%.
- **FTSE 100:** Closed at 9,255.50, down 10.30 or 0.11%.
- **DAX Index:** Closed at 24,046.21, down 106.66 points or 0.44%.

Wall Street Summary:

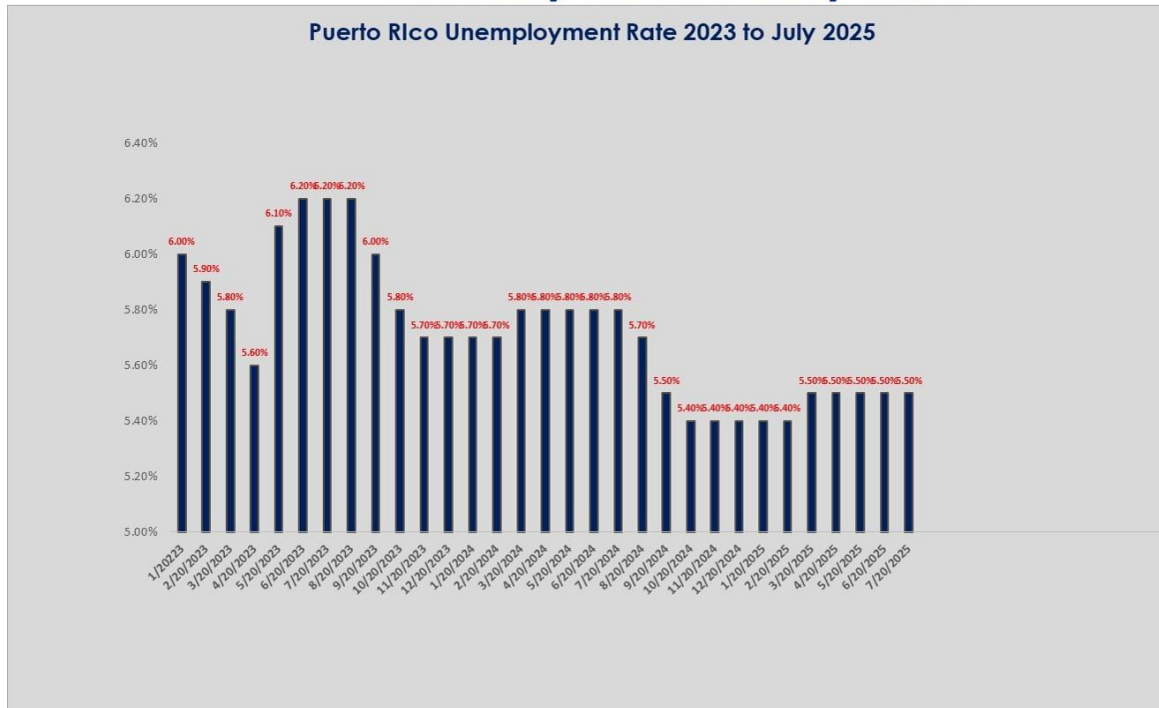
- **Dow Jones Industrial Average:** closed at 45,565.23, up 147.16 points or 0.32%.
- **S&P 500:** closed at 6,481.40, up 15.46 points or 0.24%.
- **Nasdaq Composite:** closed at 21,590.14, up 45.87 points or 0.21%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,258.54, up 17.59 points or 0.41%.
- **Birling Capital U.S. Bank Index:** closed at 7,899.82, up 97.12 points or 1.24%.
- **U.S. Treasury 10-year note:** closed at 4.24%.
- **U.S. Treasury 2-year note:** closed at 3.59%.

The Economic Cycle: US GDP, US Index of Consumer Sentiment, US Inflation Rate, Effective Federal Funds Rate, 10-year US Treasury & Birling PR Stock Index

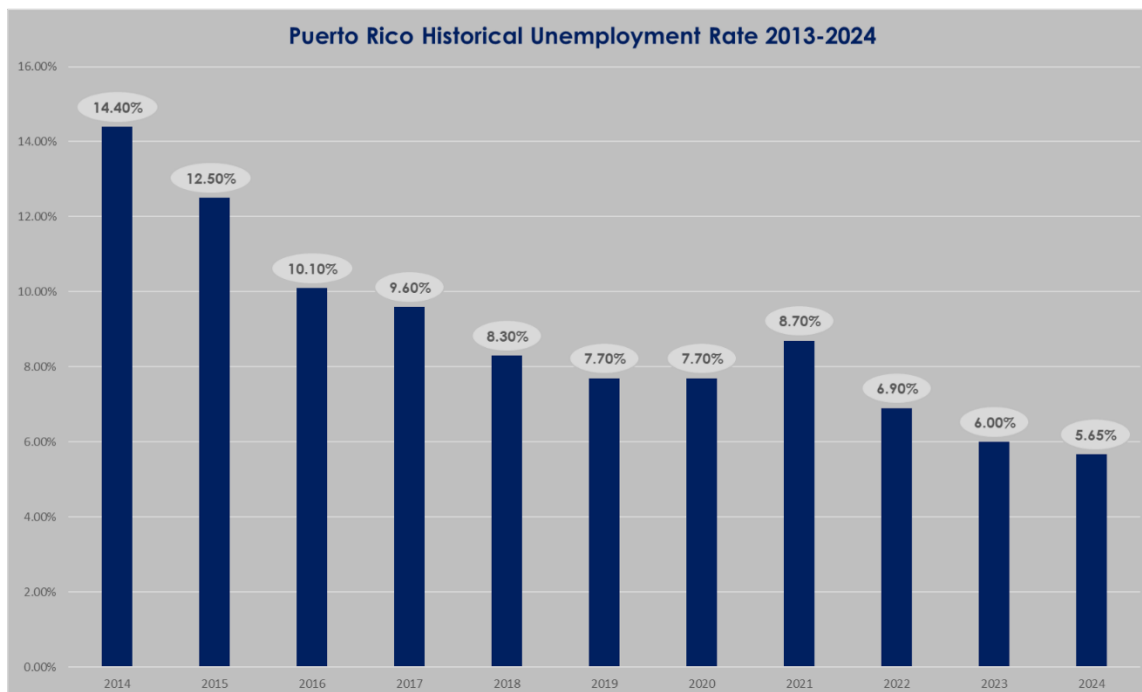


Puerto Rico Unemployment Rate

January 2023 to July 2025



Puerto Rico Historical Unemployment Rate 2013-2024



Wall Street Recap

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