

The Fed's preferred inflation index, the PCE reading, misses consensus estimates of 5.18%, coming in at 5.54%, and Wall Street closes with gains.

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Today, the U.S. & European stock markets oscillated between gains and losses as investors dealt with three vital economic benchmarks: two missed expectations, and one rose above estimates.

The Personal Consumption Expenditures or PCE Index fell to 5.54% below last month and a year ago but above consensus estimates that forecasted a 5.18% reading. Since this is the Fed's preferred inflation reading, this is a big miss, as one may wonder if the aggressive interest rate campaign is having the desired effect. Also, the U.S. Durable Goods New Orders M-o-M fell to -2.09%, while most expected it to rise, and the lower-than-expected reading is a negative development.

GDPNow Update:

- The GDPNow estimate for the fourth quarter was updated today to 3.70% GDP, up from 2.70% on 12/20.

GDPNow Update 12/23/22

Date	GDPNow 4Q	Change
11/23/22	4.30%	2.40%
12/6/22	3.40%	-20.9%
12/9/22	3.20%	-5.9%
12/15/22	2.80%	-12.5%
12/20/22	2.70%	-3.6%
12/23/22	3.70%	37.0%

Key Economic Data:

- U.S. PCE Price Index YoY:** fell to 5.54%, compared to 6.08% last month and below the 5.85% last year.
- U.S. Core PCE Price Index YoY:** fell to 4.68%, compared to 5.05% last month.

- **U.S. Index of Consumer Sentiment:** rose to 59.70, up from 56.80 last month, an improvement of 5.11%.
- **U.S. Durable Goods New Orders MoM:** fell to -2.09%, compared to 0.68% last month.
- **U.S. New Single-Family Houses Sold:** rose to 640,000, up from 605,000 last month, increasing 5.79%.
- **U.S. Personal Income MoM:** fell to 0.36%, compared to 0.68% last month.
- **U.S. Personal Spending MoM:** fell to 0.11%, compared to 0.86% last month.
- **Canada Real GDP MoM:** fell to 0.07%, compared to 0.17% last month.

Puerto Rico COVID-19 Update December 23:

- Daily Cases: 227
- Positivity Rate: 25.34%
- Hospitalizations: 216
- Deaths: 3
- Source P.R. Department of Health.

Eurozone Summary for December 23:

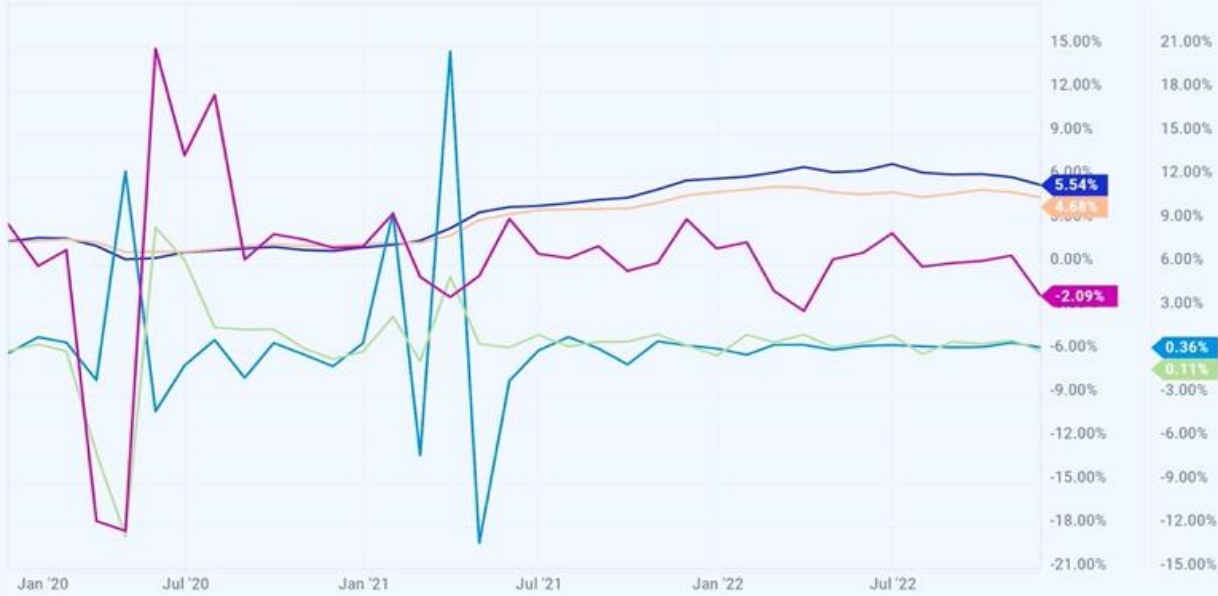
- Stoxx 600 closed at 427.38, up 0.72 points or 0.082%.
- FTSE 100 closed at 7,473.01, up 3.73 points or 0.050%.
- Dax Index closed at 13,949.09, up 35.02 points or 0.26%.

Wall Street Summary for December 23:

- Dow Jones Industrial Average closed at 33,203.93, Up 176.44 points or 0.53%.
- S&P 500 closed at 3,844.82, Up 22.43 points or 0.59%.
- Nasdaq Composite closed at 10,497.86, Up 21.74 points or 0.21%.
- Birling Capital Puerto Rico Stock index closed at 2,451.97, down 6.64 points or 0.27%.
- U.S. Treasury 10-year note closed at 3.75%.
- U.S. Treasury 2-year note closed at 4.31%.

US PCE Index, US Core PCE, US Personal Income, US Personal Spending & US Durable Goods New Orders

- US PCE Price Index YoY
- US Core PCE Price Index YoY
- US Personal Income MoM
- US Personal Spending MoM
- US Durable Goods New Orders MoM





US Housing Snapshot

US New Single Family Houses Sold, US New Single Family Houses Sold M-O-M, US Housing Starts, & 30-Year Mortgage Rate



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