

The University of Michigan Index of Consumer Sentiment rose to 64.60, above expectations, and Wall Street closed higher.

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The U.S. and European stock markets closed the week with solid gains following a better-than-expected CPI reading in the U.S., and today for good measure, the U.S. Index of Consumer Sentiment, published by the University of Michigan, which tracks consumer sentiment in the U.S., rose to 64.60 rising 8.21%.

In our view, the most recent inflation decrease is materially essential since it may motivate the Fed to slow down its interest rate pace.

Additionally, with global supply chains, transportation, and shipping all normalizing, the prices have also decreased.

One critical reminder is that the Fed inflation target is 2% inflation, and the current CPI at 6.45% is still 22.50% above the target or, if we use the Core CPI at 5.69%, it is also 184.5% above the 2% target. We consider the current inflation number too far from the Fed's inflation target for the bank to consider a pause in rates; the most probable outcome is a lesser rate increase.

Key Economic Data:

- **U.S. Index of Consumer Sentiment:** rose to 64.60, up from 59.70 last month, increasing 8.21%.
- **U.S. Export Prices YoY:** fell to 4.99%, compared to 6.14% last month.
- **U.S. Import Prices YoY:** fell to 3.49%, compared to 2.68% last month.
- **Eurozone Industrial Production Index YoY:** fell to 2.00%, compared to 3.40% last month.
- **Germany Real GDP YoY:** fell to 1.20%, compared to 1.70% last quarter.
- **U.K. Industrial Production Index YoY:** fell to -5.10%, compared to -4.70% last month.

Puerto Rico COVID-19 Update January 13:

- Daily Cases: 162
- Positivity Rate: 22.4%
- Hospitalizations: 243
- Deaths: 1
- Source P.R. Department of Health.

Eurozone Summary for January 13:

- Stoxx 600 closed at 452.65, up 2.43 points or 0.54%.
- FTSE 100 closed at 7,844.07, up 50.03 points or 0.64%.
- Dax Index closed at 15,086.52, up 28.22 points or 0.19%.

Wall Street Summary for January 13:

- Dow Jones Industrial Average closed at 34,302.61, up 112.64 points or 0.33%.
- S&P 500 closed at 3,999.09, up 15.92 points or 0.40%.
- Nasdaq Composite closed at 11,079.16, up 78.05 points or 0.71%.
- Birling Capital Puerto Rico Stock index closed at 2,628.43, up 22.49 points or 0.86%.
- U.S. Treasury 10-year note closed at 3.49%.
- U.S. Treasury 2-year note closed at 4.22%.



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