

The investor sentiment is betting that the Federal Reserve Bank would reduce its interest rate pace to 25 basis points, and Wall Street closes higher.

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The U.S. and European stock markets began the week with positive gains as investors started evaluating the next move from the Federal Reserve Bank's interest rate campaign, as inflation has consistently decreased and retail sales have suffered.

The Economic data analyzed during the past few weeks shows weakness in both Used and New car sales, sharp decreases in existing and new housing, and the wave of layoffs from tech companies and banks, reaching north of 125,000 jobs lost.

We have been predicting that the Fed's next move would be to increase rates by 25 basis points, ending the 50 basis points pace and pausing to see how the economy behaves.

Corporate Earnings Update:

Last week, the top 6 U.S. Bank holding companies' constituents of the Birling U.S. Bank Index reported their full-year 2022 results; four beat expectations, and two missed them; it's worth noting that the Birling U.S. Bank Index has a 2023 return of 6.57%, below is our review:

1. **Morgan Stanley (MS)**, For the full year 2022, it reached revenues of \$53.66 billion, down 10.20%, and a net income of \$11.029 billion, down 26.63%, beating estimates. The Current stock price target is \$100.46, and so far in 2023 has a return of 13.20%.
2. **Citigroup Inc. (C)**, For the full year 2022, it reached revenues of \$75.33 billion, up 5%, and a net income of \$14.84 billion, down 32%, beating estimates. The Current stock price target is \$56.45, and so far in 2023 has a return of 12.96%.
3. **Wells Fargo & Co (WFC)**, For the full year 2022, it reached revenues of \$73.78 billion, down 6.0%, and a net income of \$13.182 billion, down 38.82%, missing estimates. The Current stock price target is \$52.80, and so far in 2023 has a return of 6.37%.
4. **JP Morgan Chase & Co. (JPM)**, For the full year 2022, it reached revenues of \$128.69 billion, up 6%, and a net income of \$37.67 billion, down 22%, beating estimates. The Current stock price target is \$156.44, and so far in 2023 has a return of 0.73%.
5. **Bank of America Corporation (BAC)**, For the full year 2022, it reached revenues of \$95.0 billion, up 6.62%, and a net income of \$27.5 billion, down 14%, beating estimates, The Current stock price target is \$40.71, and so far in, 2023 has a return of 2.20%.
6. **Goldman Sachs Group (GS)**, For the full year 2022, it reached revenues of \$47.57 billion, down 20%, and a net income of \$11.26 billion, missing estimates. The Current stock price target is \$393.74, and so far in 2023 has a return of -0.45%.

As a Group, the Birling Capital U.S. Bank Stock Index companies achieved these results:

- 2022 Total Revenues: \$474.03 billion
- 2022 Total Net Income: \$115.44 billion
- 2022 Total market capitalization: \$1,210.16 trillion, a \$329.82 billion or 21.41% decrease during 2022.

Key Economic Data:

- **U.S. Retail Gas Price:** rose to \$3.366, up from \$3.331 last week, increasing 1.05%.

Puerto Rico COVID-19 Update January 23:

- Daily Cases: 171
- Positivity Rate: 20.67%
- Hospitalizations: 216
- Deaths: 6
- Source P.R. Department of Health.

Eurozone Summary for January 23:

- Stoxx 600 closed at 454.65, up 2.53 points or 0.56%.
- FTSE 100 closed at 7,784.67, up 14.08 points or 0.18%.
- Dax Index closed at 15,102.95, up 69.39 points or 0.46%.

Wall Street Summary for January 23:

- Dow Jones Industrial Average closed at 33,629.56, up 254.07 points or 0.76%.
- S&P 500 closed at 4,019.81, up 47.20 points or 1.19%.
- Nasdaq Composite closed at 11,364.41, up 223.98 points or 2.17 %.
- Birling Capital Puerto Rico Stock index closed at 2,646.29, up 56.20 points or 2.17%.
- U.S. Treasury 10-year note closed at 3.52%.
- U.S. Treasury 2-year note closed at 4.21%.

The Birling U.S. Bank Index 2023. YTD Returns



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