

The U.S. unemployment rate fell to 3.50%, with 223,000 new jobs created beating estimates, and Wall Street flies taking the Dow Jones up 700.53 points.

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The U. S. & European stock markets closed the week with gains following a stronger-than-estimated U.S. jobs report that saw jobs to record a 223,000 increase above estimates even though actual jobs growth fell -12.89% month-over-month and the fifth consecutive decrease. The other vital jobs-related metrics also improved, with the unemployment rate dipping to 3.50%, a historic low, and the participation rate marginally increasing to 62.30%.

The Fed's rapidly rising interest rate campaign has slowed the U.S. Jobs machine for the past five consecutive months, evidencing that its campaign is but not at the pace the Fed expects; the result will be higher interest rate increases for a while.

The Federal Reserve FOMC members have expressed that it's appropriate to keep rates higher for longer until inflation shows clear signs of moving back to the 2.0% target. As evidenced by the two key inflation metrics, there is a long way to go as the U.S. CPI at 7.11% is 211% above the Fed's 2% target, and the Fed's preferred metric, the U.S. PCE at 5.54% is 177% above the Fed's 2% target.

In conclusion, we do not expect the Fed to pivot or change course until it determines that inflation is on a solid and consistent downward path; however, since Wall Street lives in the future, traders seem to think inflation has cooled for good, explaining today's rally.

In the Eurozone, the big news is the publication from Eurostat, the statistical office of the European Union, that it projects the Euro area annual inflation will decrease to 9.2% in December 2022, down from 10.1% in November. The main driver is energy, which fell to 25.7% from 34.9%.

Key Economic Data:

- **U.S. Nonfarm Payrolls MoM:** fell to 223,000, down from 256,000 last month, decreasing -12.89%.
- **U.S. Unemployment Rate:** fell to 3.50%, compared to 3.60% last month.
- **U.S. Labor Force Participation Rate:** rose to 62.30%, compared to 62.20% last month.
- **U.S. Durable Goods New Orders MoM:** rose to 1.08%, compared to 0.20% last month.
- **Canada Employment Net Change:** rose to 104,000, up from 10,100 last month, increasing 929.7%.
- **Canada Unemployment Rate:** fell to 5.00%, compared to 5.10% last month.
- **Canada Labour Force Participation Rate:** rose to 65.00%, compared to 64.80% last month.
- **Canada Ivey PMI:** rose to 51.40, up from 50.10 last month, increasing 2.59%.
- **Eurozone Inflation Rate: Excluding Energy, Food, Alcohol, and Tobacco:** is unchanged at 5.00%, compared to 5.00% last month.
- **Eurozone Retail Trade YoY:** fell to -2.80%, compared to -2.60% last month.

- **Eurozone Consumer Confidence Indicator:** is at -22.20, up from -23.90 last month.
- **Eurozone Economic Sentiment Indicator:** rose to 95.80, up from 94.00 last month, increasing 1.91%.
- **Germany Real Retail Sales YoY:** improved to -5.70%, compared to -6.50% last month.

Puerto Rico COVID-19 Update January 6:

- Daily Cases: 151
- Positivity Rate: 29.66%
- Hospitalizations: 221
- Deaths: 11
- Source P.R. Department of Health.

Eurozone Summary for January 6:

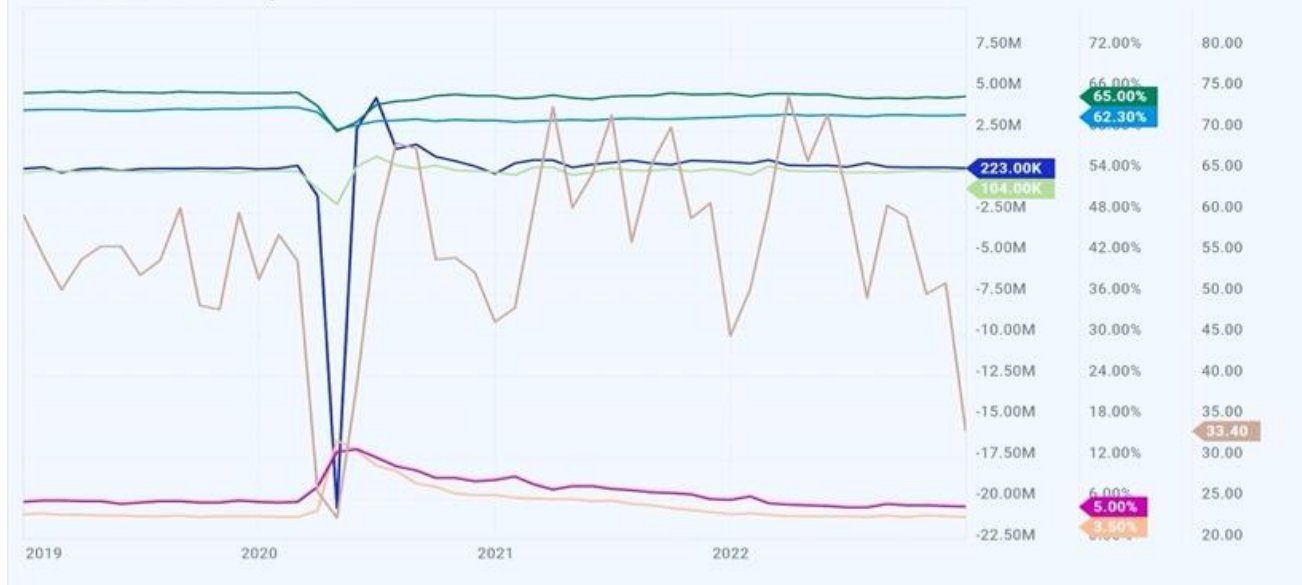
- Stoxx 600 closed at 439.55, down 0.64 points or 0.67%.
- FTSE 100 closed at 7,633.45, up 48.26 points or 0.64%.
- Dax Index closed at 14,436.31, down 54.47 points or 0.38%.

Wall Street Summary for January 6:

- Dow Jones Industrial Average closed at 33,630.51, up 700.53 points or 2.13%.
- S&P 500 closed at 3,895.08, up 86.98 points or 2.28%.
- Nasdaq Composite closed at 10,569.29, up 264.05 points or 2.56%.
- Birling Capital Puerto Rico Stock index closed at 2,526.02, down 24.23 points or 0.95%.
- U.S. Treasury 10-year note closed at 3.55%.
- U.S. Treasury 2-year note closed at 4.24%.

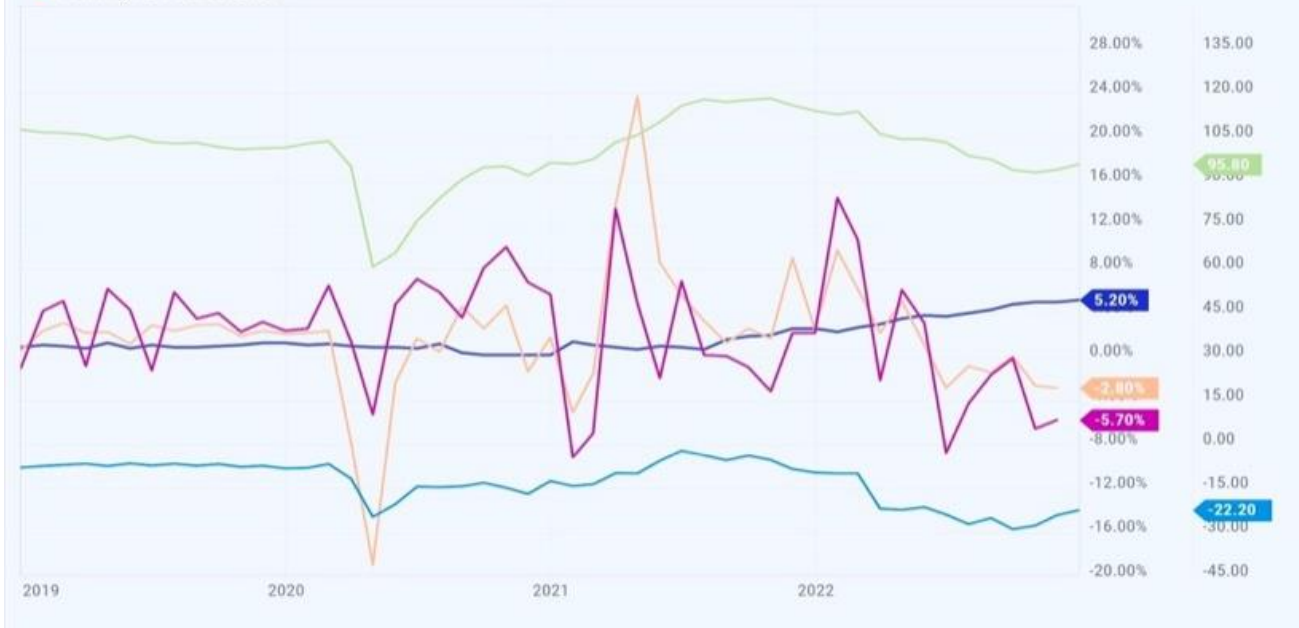
US Nonfarm Payrolls, US Unemployment Rate, US Participation Rate, Canada Employment Change, Canada Unemployment Rate, Canada Ivey PMI & Canada Labour Force Participation Rate

- US Nonfarm Payrolls MoM
- US Unemployment Rate
- US Labor Force Participation Rate
- Canada Employment Net Change
- Canada Unemployment Rate
- Canada Ivey PMI
- Canada Labour Force Participation Rate



Eurozone Inflation Rate, Eurozone Retail Trade, Eurozone Consumer Confidence, Eurozone Economic Sentiment & Germany Retail Sales

- Eurozone Inflation Rate: Excluding Energy, Food, Alcohol, and Tobacco
- Eurozone Retail Trade YoY
- Eurozone Consumer Confidence Indicator
- Eurozone Economic Sentiment Indicator
- Germany Real Retail Sales YoY





Wall Street Recap

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