

Markets Rally on Strong Tech Earnings; Manufacturing and Labor Data Mixed but Resilient.

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The U.S. and European stock markets closed higher, boosted by strong earnings from Microsoft and Meta. Both companies beat expectations on revenue and profits, fueling gains in the technology and communication sectors. Meanwhile, health care and materials are underperforming. Bond yields are slightly higher, with the 10-year Treasury yield at 4.25%.

Asian markets rose after the Bank of Japan kept its policy rate at 0.5%.

The U.S. dollar is strengthening against major global currencies.

Manufacturing Data Shows Mixed Signals

The S&P Global U.S. Manufacturing PMI increased to 50.2 in April, signaling modest growth for a fourth month. However, the ISM Manufacturing Index slipped to 48.7, indicating mild contraction—though still better than expected. Rising tariffs pushed input and output prices, with the ISM price index jumping to 69.8. Despite the mixed results, the overall outlook for manufacturing remains constructive as the sector continues to support broader economic resilience.

Labor Market Still Solid Despite Uptick in Jobless Claims

Initial jobless claims increased to 241,000 last week, slightly above forecasts, though still well below the long-term average of 360,000. Continuing claims rose to 1.9 million. Notably, job cuts fell sharply in April to 105,000 from 275,000 in March, with most layoffs attributed to government cost-cutting—particularly at the Department of Government Efficiency. Despite some volatility, the labor market remains strong. The unemployment rate is 4.2%, and job openings at 7.2 million continue to outnumber the unemployed at 7.1 million. Wages are growing faster than inflation, helping support consumer spending and economic momentum.

Economic Update:

- **U.S. Initial Claims for Unemployment Insurance:** rose to 24,1000, up from 223,000 last week, increasing 8.07%.
- **U.S. ISM Manufacturing PMI:** fell to 48.70, down from 49.00 last month, down -0.61%.
- **U.S. Construction Spending MoM:** fell by -0.49%, compared to 0.57% last month.
- **30 -Year Mortgage Rate:** fell to 6.76%, compared to 6.81% last week.

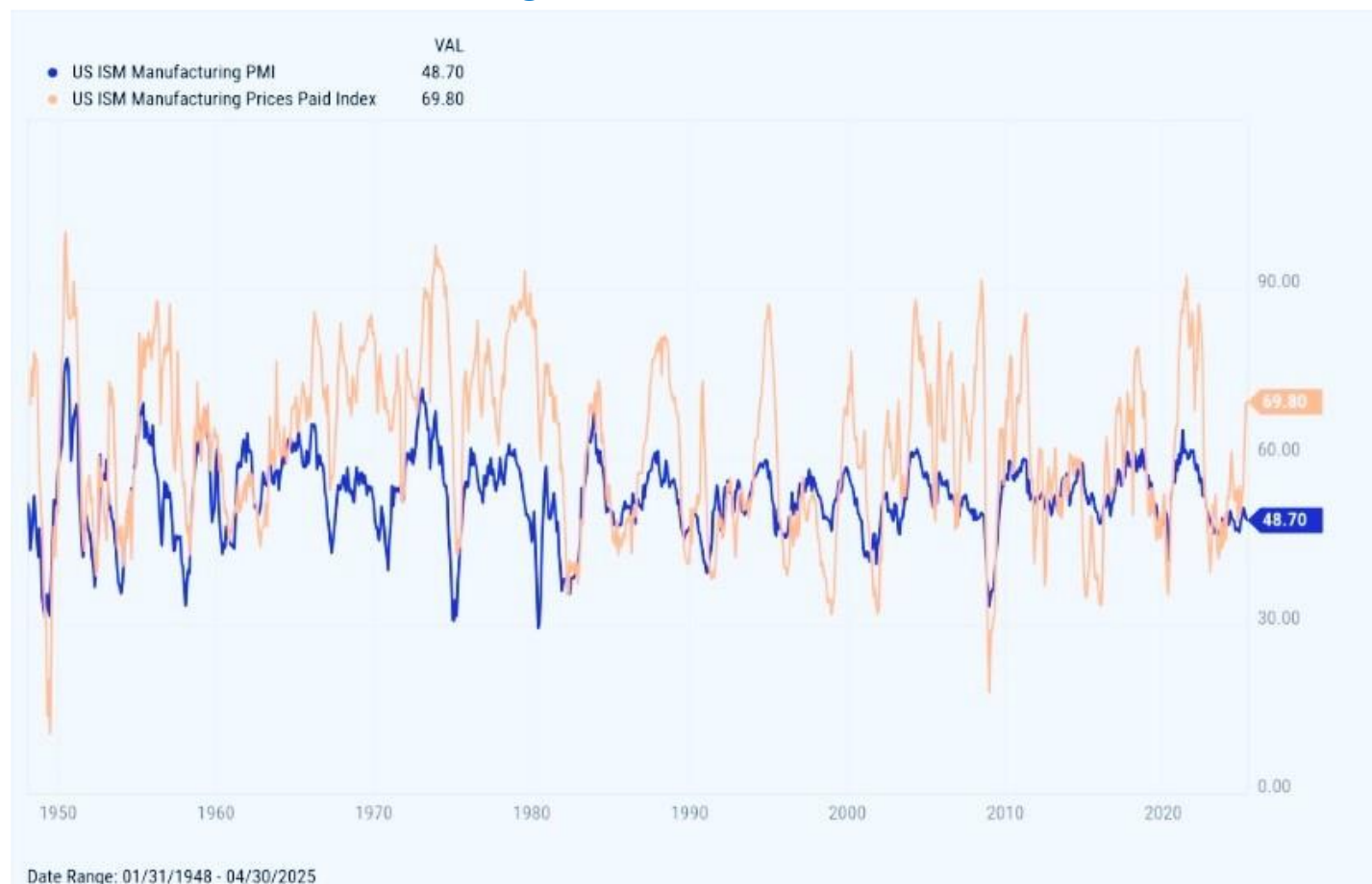
Eurozone Summary:

- **Stoxx 600:** Closed at 527.60, up 2.51 points or 0.48%.
- **FTSE 100:** Closed at 8,496.80, up 1.95 or 0.023%.
- **DAX Index:** Closed at 22,496.98, up 71.15 or 0.32%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 40,752.96, up 83.60 points or 0.21%.
- **S&P 500:** closed at 5,604.14, up 35.08 points or 0.63%.
- **Nasdaq Composite:** closed at 17,710.74, up 264.40 points or 1.52%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,646.31, down 39.17 points or 1.06%.
- **Birling Capital U.S. Bank Index:** closed at 6,092.49, down 12.66 points or 0.21%.
- **U.S. Treasury 10-year note:** closed at 4.25%.
- **U.S. Treasury 2-year note:** closed at 3.70%.

US ISM Manufacturing PMI & US ISM Manufacturing Prices Paid Index



US Initial Claims for Unemployment Insurance; US Job Openings; US Unemployment Persons; 30 Year Mortgage Rate & US ISM Manufacturing PMI





Wall Street Recap May 1, 2025



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