GLOBAL MARKET SQUARE
BIRLING CAPITAL ADVISORS, LLC

The Consumer Price Index falls to 7.75%, better than anticipated, and Wall Street rallies, recording the best trading day in two years.

November 10, 2022

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The U.S. & European stock markets closed the session with solid gains following a lower-than-expected Consumer Price Index reading for October 7.75%; the consensus estimates called for a 7.99% CPI. Compared to the 8.20% CPI in September, the decrease is 5.48%, and the lowest CPI increase since January 2022.

The Nasdaq rises 7.35%, the S&P 500 rises 5.54% and the Dow Jones rises 3.70%, the best trading day in two years.

Additionally, the Core CPI reading, which excludes food and energy, fell to 6.31%, below estimates of 6.5% and well below September's number 6.66%.

In addition to seeing the stock markets rise, it also produced several other impacts on the broader markets, including U.S. treasuries, which immediately fell on average of 0.30%, and the U.S. Dollar fell 1.4% against other currencies.

This first significant CPI decrease alleviates some of the pressure the Federal Reserve Bank is having, forcing the bank to increase rates by 75 basis points in an aggressive inflation-fighting campaign.

Key Economic Data:

- **U.S. Consumer Price Index YoY:** fell to 7.75%, compared to 8.20% last month.
- **U.S. Inflation Rate:** fell to 7.75%, compared to 8.20% last month.
- **U.S. Core Consumer Price Index YoY:** fell to 6.31%, compared to 6.66% last month.
- **U.S. Initial Claims for Unemployment Insurance:** rose to 225,000, up from 218,000 last week, increasing 3.21%.
- **30-Year Mortgage Rate:** rose to 6.95%, compared to 7.08% last week.

Puerto Rico COVID-19 Update November 10:

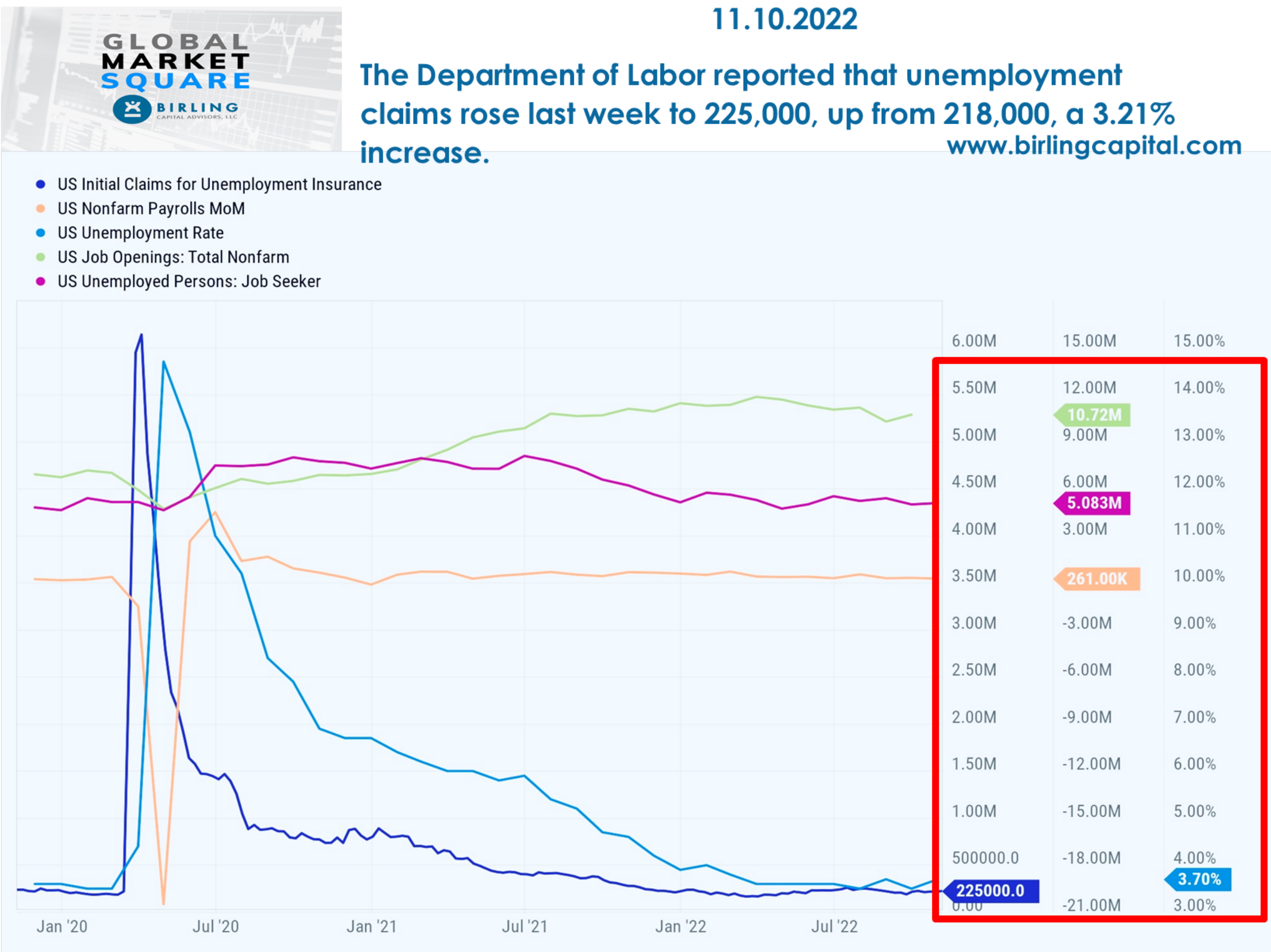
- Daily Cases: 139
- Positivity Rate: 12.53%
- Hospitalizations: 166
- Deaths: 6
- Source P.R. Department of Health.

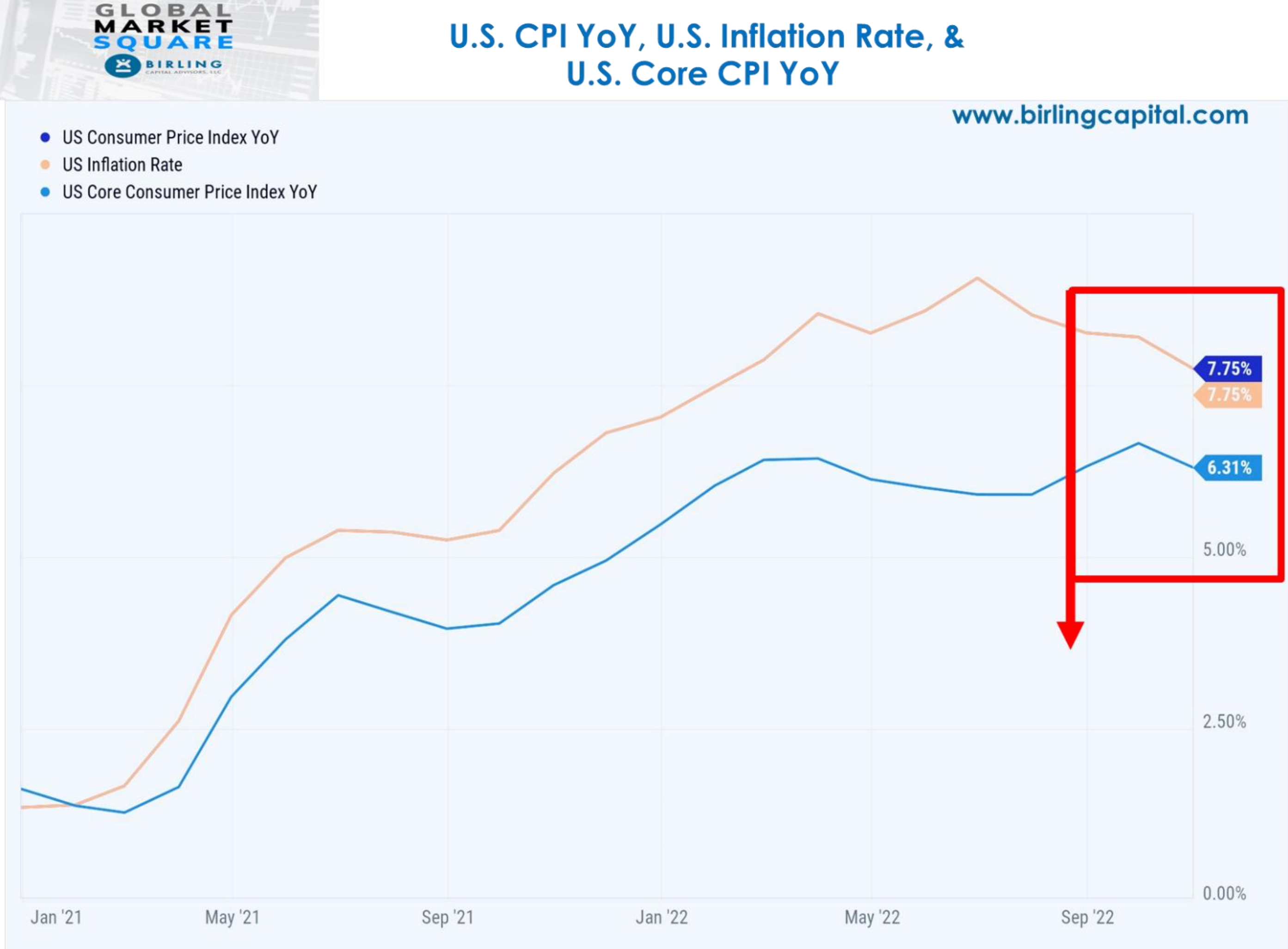
Eurozone Summary for November 10:

- Stoxx 600 closed at 431.80, up 11.46 points or 2.73%.
- FTSE 100 closed at 7,375.34, up 79.09 points or 1.08%.
- Dax Index closed at 14,137.45, up 471.13 points or 3.45%.

Wall Street Summary for November 10:

- Dow Jones Industrial Average closed at 33,715.37, up 1,201.00 points or 3.70%.
- S&P 500 closed at 3,956.37, up 207.80 points or 5.54%.
- Nasdaq Composite closed at 11,114.15, up 760.97 points or 7.35%.
- Birling Capital Puerto Rico Stock index closed at 2,659.39, down -32.94 points or 1.22%.
- U.S. Treasury 10-year note closed at 3.82%.
- U.S. Treasury 2-year note closed at 4.34%.




U.S. CPI YoY, U.S. Inflation Rate, &
U.S. Core CPI YoY
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US Consumer Price Index YoY
US Inflation Rate
US Core Consumer Price Index YoY
7.75%
7.75%
6.31%
5.00%
2.50%
0.00%
Jan '21
May '21
Sep '21
Jan '22
May '22
Sep '22

Wall Street Recap

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Hard or Soft Landing?