

Federal Reserve Bank increases rates by 75 basis points taking rates to a 14-year high and Wall Street falls sharply.

November 2, 2022

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The U.S. & European Stock markets closed the session with losses fueled by the Fed's fourth consecutive 75 basis points rate increase taking rates to their highest level in 14 years to a range of 3.75% to 4%. During the Fed's press conference, there were hints that the bank may pivot its aggressive inflation-fighting campaign in the following meetings; however, this is more speculative than factual. The FOMC statement reads, "The Committee anticipates that ongoing increases in the target range will be appropriate to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2% over time".

As soon as the Fed made its statement, the U.S. 10-year treasury note began trading below 4% only to recover closing at 4.10%.

Key Economic Data:

- **ADP Employment Change:** rose to 239,000, up from 192,000 last month, increasing 24.48%.
- **ADP Median Wage YoY:** fell to 7.70%, compared to 7.80% last month.
- **Germany's Unemployment Rate:** fell to 5.30%, compared to 5.40% last month.
- **Germany's Trade Balance:** rose to 3.70 billion, up from 1.20 billion, increasing 208.3%.
- **Germany's Exports MoM:** fell to -0.50%, compared to 2.90% last month.

Puerto Rico COVID-19 Update November 2:

- Daily Cases: 141
- Positivity Rate: 14.17%
- Hospitalizations: 174
- Deaths: 3
- Source Puerto Rico Department of Health.

Eurozone Summary for November 2:

- Stoxx 600 closed at 413.35, down 1.26 points or 0.30%.
- FTSE 100 closed at 7,144.14, down 42.02 points or 0.58%.
- Dax Index closed at 13,256.74, down 82.00 points or 0.61%.

Wall Street Summary for November 2:

- Dow Jones Industrial Average closed at 32,147.76, down 505.44 points or 1.55%.
- S&P 500 closed at 3,759.69, down 96.41 points or 2.50%.
- Nasdaq Composite closed at 10,524.80, down 366.05 points or 3.36%.
- Birling Capital Puerto Rico Stock index closed at 2,765.37, down 1.57 points or 0.06%.
- The U.S. Treasury 10-year note closed at 4.10%.
- The U.S. Treasury 2-year note closed at 4.61%.



Wall Street Recap November 2 ,2022



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