



Markets Tread Lightly; All Eyes on Upcoming U.S. Retail Data with Consumer Spending Trends Awaited and Wall Street Closed Up.

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The U.S. and European Stock markets began the week mostly up, albeit with minimal movement, as there were no significant macroeconomic announcements to influence trading. Meanwhile, bond yields have experienced a slight increase, with the 10-year Treasury yield closing at 4.28%.

In Europe, markets are finding their footing after last week's fluctuations caused by political uncertainties in France, which resulted in a 4% decline in the Euro Stoxx 50 Index. In terms of commodities, oil prices are inching up at the beginning of the day, while gold has fallen by about 0.5%.

The U.S. Retail and Food Services Sales data set to be released tomorrow will offer insights into consumer spending patterns. The forecast suggests a 0.3% month-over-month increase in retail sales for May, an improvement from April's stagnant sales figures. The control group retail sales, which remove unpredictable elements like gasoline, vehicles, and building materials spending, are anticipated to rise by 0.4% in May after a 0.3% decrease in April. Signs indicate that consumer activity is slowing down from the heightened levels in late 2023. There have been contractions in control-group retail sales for two out of the past three months and a downward revision of first-quarter personal consumption expenditure from a 2.5% increase to 2%. Nonetheless, we don't foresee a drastic downturn in consumer spending for this year. Solid household finances and consistent income growth should underpin consumer expenditures and contribute to prolonging the economic upturn.

The year 2024 saw a promising start for stocks, with the S&P 500 climbing nearly 15% since January. Market gains have been predominantly driven by sectors such as information technology and communication services, each surging over 24% due to optimism surrounding artificial intelligence advancements and strong corporate earnings growth. On the bond front, investment-grade bonds have turned slightly positive for the year after yields fell after last week's positive inflation news, leading to the Bloomberg U.S. Aggregate Bond Index's most significant weekly gain since December. Among fixed-income assets, emerging-market debt stands out as this year's top performer, with an increase of 2.6%.

As we reprise the results of the five indexes we follow, the results speak for themselves:

1. **Nasdaq Composite** has a YTD Return of **18.96%**.
2. **Birling U.S. Bank Index** has a YTD return of **15.31%**.
3. **S&P 500** has a YTD return of **14.75%**.
4. **Dow Jones Industrial** has a YTD return of **2.89%**.
5. **Birling PR Stock Index** has a YTD return of **-3.05**

Since the **Birling Puerto Rico Stock Index** has a negative YTD return, we look into the individual stocks to see which is dragging the index down:

1. **First Bancorp.** has a YTD Return of **5.35%**, and it closed today at \$17.33 with a stock price objective of \$20.40.
2. **Popular, Inc.** has a YTD Return of **3.36%**, and it closed today at \$84.83 with a stock price objective of \$104.33.
3. **OFG Bancorp.** has a YTD Return of **-2.49%**, and it closed today at \$36.54 with a stock price objective of \$43.00.
4. **Evertec, Inc.** has a YTD Return of **-19.05 %**, and it closed today at \$33.14 with a stock price objective of \$41.40.

Key Economic Data:

- **U.S. Retail Gas Price:** It fell to \$3.551, down from \$3.638 last week and decreasing -2.39%.
- **Japan Machinery Orders YoY:** fell 0.11%, compared to 6.48% last month.

Eurozone Summary:

- **Stoxx 600:** closed at 511.49, up 0.44 points or 0.086%.
- **FTSE 100:** closed at 8,142.15, down 4.71 points or 0.058%.
- **Dax Index:** closed at 18,068.21, up 66.19 points or 0.37%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 38,778.10, up 188.94 points or 0.49%.
- **S&P 500:** closed at 5,473.23, up 41.63 points or 0.77%.
- **Nasdaq Composite:** closed at 17,857.02, up 168.14 points or 0.95%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,241.38, down 17.45 points or 0.54%.
- **Birling Capital U.S. Bank Stock Index** closed at 5,026.46, down 7.77 points or 0.15%.
- **U.S. Treasury 10-year note** closed at 4.28%.
- **U.S. Treasury 2-year note** closed at 4.75%.



Dow Jones Industrial Average, S&P 500, Nasdaq Composite, Birling Puerto Rico Stock Index & Birling US Bank Index YTD Returns 6.17.24

	VAL
● Dow Jones Industrial Average Level % Change	2.89%
● S&P 500 Level % Change	14.75%
● Nasdaq Composite Level % Change	18.96%
● Birling Capital Puerto Rico Stock Index Level % Change	-3.05%
● Birling Capital U.S. Bank Index Level % Change	15.31%





Firstbank, Popular, Oriental & Evertec YTD Returns as of 6.17.24

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	VAL
● First BanCorp Price % Change	5.35%
● Popular Inc Price % Change	3.36%
● OFG Bancorp Price % Change	-2.49%
● Evertec Inc Price % Change	-19.05%

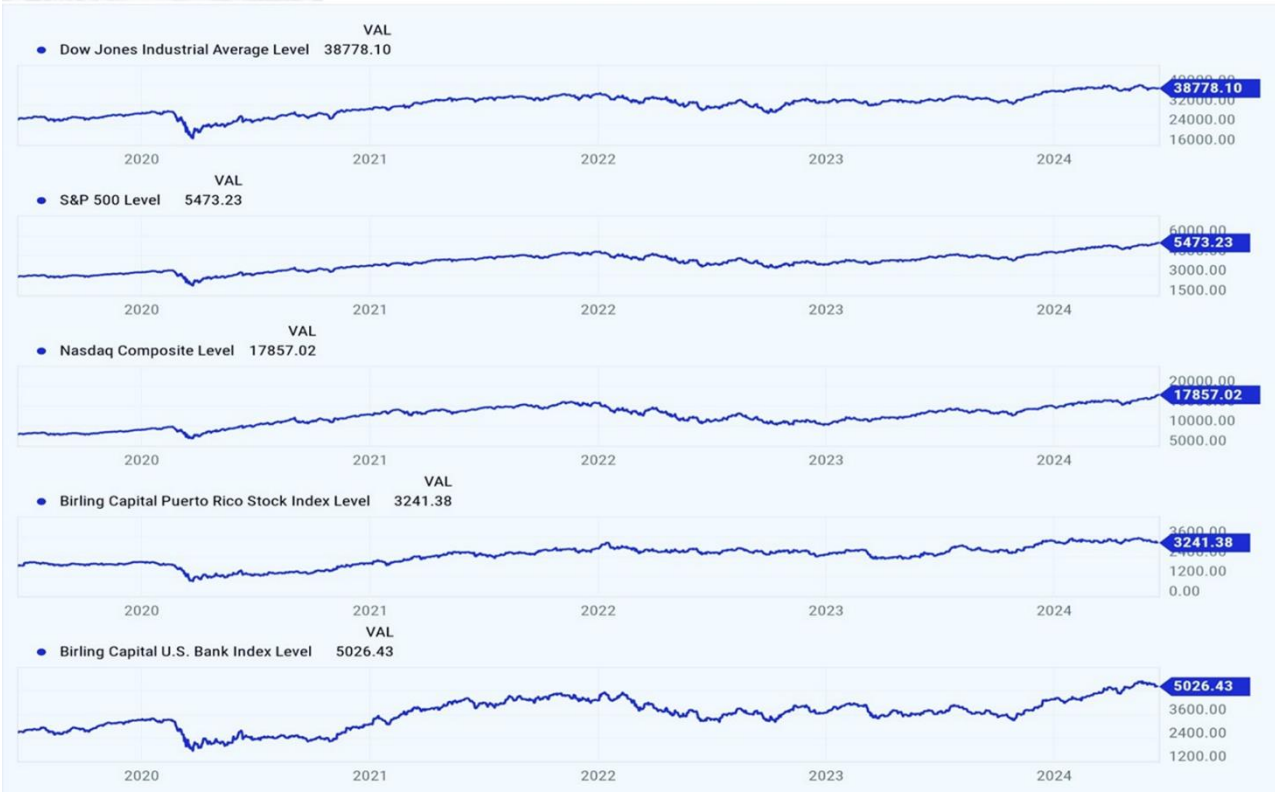




Wall Street Recap

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