

Russia Cuts European Gas Supply until sanctions are lifted; the ISM Services Index shows positive signals, and Wall Street closed down.

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- The U.S. and European stock markets began the holiday-shortened week with a market that moved from positive to negative, only to close with losses.
- In Europe, the Geopolitical is quickly becoming an energy crisis as Russia instructed its state-owned Gazprom to cut European supplies thru its Nord Stream Pipeline until all sanctions are eliminated. Also, OPEC announced a reduction of 100,000 barrels per day, quite a surprise.
- In the US., the broader focus is on inflation, the Federal Reserve Bank monetary policy, and how the economy would perform.
- The ISM Services Index published today shows positive signals with rising new orders and growing employment, as we highlight below.
- Interest rates continued rising today, with the 10-year Treasury yield above 3.33% and the 2-year yield hitting 3.50%. Rates have moved higher following the Fed affirmation that would remain on point to reduce inflation to its 2% target rate. While this is not a surprise, we believe some investors had become hopeful that the Fed would not raise rates and shift its policies, a view we do not share.

Key economic data:

- U.S. Retail Gas Price: fell to \$3.938, down from \$3.993 last week, decreasing -1.38%.
- US ISM Services PMI: rose to 56.90, up from 56.70 last month, an increase of 0.35%.
- US ISM Services New Orders Index: rose to 61.80, up from 59.90 last month, increasing 3.17%.
- US ISM Services Prices Paid Index: fell to 71.50, down from 72.30 last month, a decrease of -1.11%.
- US ISM Services Employment Index: rose to 50.20, up from 49.10 last month, an increase of 2.24%.
- Eurozone Retail Trade YoY: is at -0.90%, compared to -3.20% last month.

Puerto Rico COVID-19 Update September 6:

- Daily Cases: 335, down 8.71%.
- Positivity Rate: 21.69%, down 8.51%.
- Hospitalizations: 282, down 7.54%.
- Deaths: 8, Unchanged.
- Source Puerto Rico Department of Health.

Eurozone Summary for September 6:

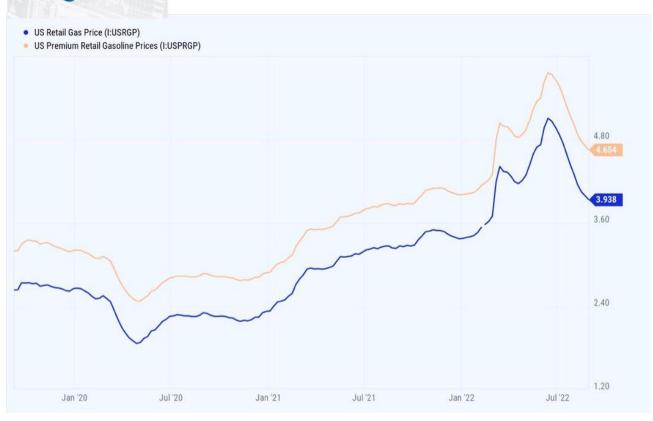
- Stoxx 600 closed at 414.38, up 0.99 points or 0.24%.
- FTSE 100 closed at 7,300.44, up 13.01 points or 0.18%.
- Dax Index closed at 13,871.44, up 110.66 points or 0.87%.

Wall Street Summary for September 6:

- Dow Jones Industrial Average closed at 31,145.30, down 173.14 points or 0.55%.
- S&P 500 closed at 3,908.19, down 16.07 points or 0.41%.
- Nasdaq Composite closed at 11,544.91, down 85.96 points or 0.74%.
- Birling Capital Puerto Rico Stock index closed at 2,656.48, up 0.35 points or 0.01%.
- The U.S. Treasury 10-year note closed at 3.33%.
- The U.S. Treasury 2-year note closed at 3.50%.



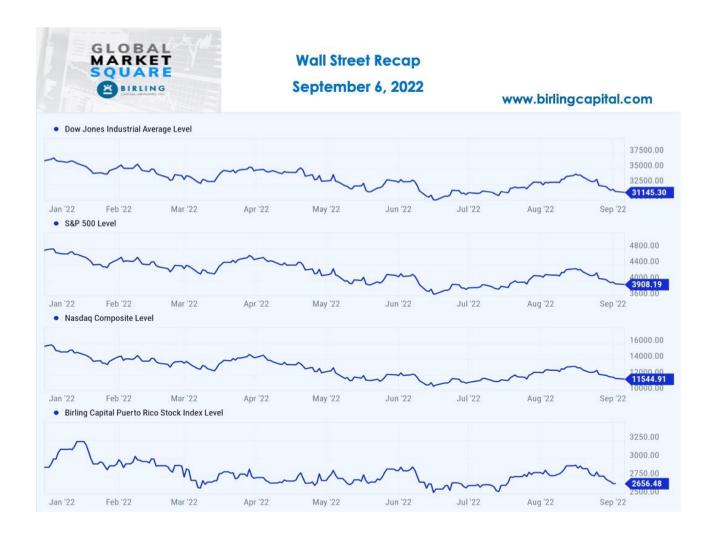
US Retail Gas Price & US Premium Retail Gas Price





US ISM Services PMI, ISM Services New Orders, ISM Services Prices Paid & ISM Services Employment Index





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