

## Oriental Beats Estimates Revenues Rise \$709.6 Million with Net Income increasing by 8.96%, Oracle, ChatGPT, and SoftBank committed to invest \$500 Billion in AI.

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The US and European stock markets closed mostly higher, driven by substantial technological stock gains. However, the big news is that President Donald Trump unveiled a groundbreaking joint venture between tech leaders Oracle, ChatGPT, and SoftBank, which committed to investing up to \$500 billion in artificial intelligence infrastructure over the next four years. Oracle shares surged by approximately 10% following the announcement, positioning technology as one of the top-performing sectors within the S&P 500 during early trading.

In corporate earnings news, Netflix delivered a stellar fourth-quarter report, exceeding profit expectations and achieving record subscriber growth. The company's shares jumped 13% on the news, reinforcing optimism within the media sector.

Asian markets displayed mixed results overnight. Japan's Nikkei gained over 1.5%, buoyed by positive momentum in its domestic market, while Chinese stocks retreated after Donald Trump suggested the US might impose a 10% tariff on Chinese imports as early as February 1. The economic calendar is relatively quiet today, with only the Conference Board's Leading Economic Indicators being the key release we discuss below. Meanwhile, bond yields rose slightly steady, with the 10-year Treasury yield closing at 4.60%.

### Corporate Earnings Take Center Stage

With minimal economic data this week, fourth-quarter earnings have been spotlighted, delivering robust results across multiple sectors. Last week, the top six US banks that posted substantial gains led the earnings parade, while Netflix stood out this week with its better-than-expected profits and subscriber growth.

Thus far, approximately 12% of S&P 500 companies have reported earnings, with year-over-year profit growth trending at about 12% for the fourth quarter. Annual earnings growth for 2024 is on track to reach 9%. Notably, 76% of reporting companies have beaten expectations, with an average upside surprise of 8%. Analysts anticipate continued earnings strength into 2025, with projections calling for a 15% profit increase.

Although the year is still in its early stages, 2025 will feature broad sector leadership. This shift reflects improving sentiment around value stocks, which have lagged behind growth stocks over the past two years due to weaker profit growth.

Corporate Earnings Parade:

- **OFG Bancorp (OFG):** reported 4Q24 revenues of \$181.9 million, up 3.58%, net income of \$50,347 million, up 7.21%, and earnings per share of \$1.09, surpassing estimates. OFG has a Tier 1 Capital Ratio of 14.26% and a stock price objective of \$49.38.
- **Full 2024 Revenues** were \$709,621 million, up 3.93%, and net income was \$198,170, up 8.96%. OFG stock closed today at \$44.10, down \$0.64 or 1.43%.

- For a deeper dive into Oriental, View Our Report here: [OFG Overview](#)

### Key Economic Data:

- **Conference Board Leading Economic Index for the US:** fell by 0.1% in December 2024 to 101.6, down from an increase of 0.4% in November.
- **Conference Board Coincident Economic Index for the US:** rose by 0.4% in December 2024 to 114.1, following a 0.2% increase in November.
- **Conference Board Lagging Economic Index for the US:** increased by 0.1% to 118.5 in December 2024, after an increase of 0.2% in November.

### Eurozone Summary:

- **Stoxx 600:** Closed at 528.04, up 2.06 points or 0.39%.
- **FTSE 100:** Closed at 8,545.13, down 3.16 points or 0.037%.
- **DAX Index:** Closed at 21,254.27, up 212.27 points or 1.01%.

### Wall Street Summary:

- **Dow Jones Industrial Average:** Closed at 44,156.73, up 130.92 points or 0.30%.
- **S&P 500:** Closed at 6,049.24, up 37.13 points or 0.61%.
- **Nasdaq Composite:** Closed at 20,009.34, up 252.56 points or 1.28%.
- **Birling Capital Puerto Rico Stock Index:** Closed at 3,754.84, up 18.88 points or 0.51%.
- **Birling Capital US Bank Index:** Closed 6,928.45, up 67.73 points or 0.99%.
- **US Treasury 10-year note:** closed at 4.60%.
- **US Treasury 2-year note:** closed at 4.29%.



## Oriental, Firstbank, Popular and Evertec Stock Prices as of January 22, 2025

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# The Economic Cycle

January 1, 2024- January 22, 2025





# Wall Street Update

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