

# GLOBAL MARKET SQUARE



**First Bank Surpasses Estimates Revenues Rise to \$938,201 Million with Earnings Per Share of \$1.81, US Initial Claims for Unemployment Rose 2.76%, and the S&P 500 Breaks Its Record Close.**

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The US and European stock markets closed, showing substantial gains today, with the S&P 500 breaking yesterday another record-setting day. Yields on 10-year Treasuries have climbed to close at 4.65%, creating pressure on the Nasdaq, which closed higher despite this.

The labor market saw a slight increase in initial jobless claims, influenced in part by wildfires near Los Angeles, though the broader trend of minimal layoffs persists. With no significant data releases imminent, the upcoming earnings from major tech companies and the Federal Reserve's interest rate decision will be key drivers for market movements shortly.

The US economy is navigating through fluctuating headlines as the Trump administration implements its policies over the next four years. Although there have been discussions of tariffs on Canada, Mexico, and China, the markets have responded positively to the administration's restraint from immediate tariff impositions on these nations. Trade developments will continue introducing uncertainty, but the impact may be less severe than anticipated. With the Atlanta Fed projecting a 3% GDP growth for the fourth quarter, the economy expanded by 2.7% in 2024, surpassing the long-term trend of 2%.

While a slight deceleration is expected, ongoing consumer resilience and labor market support should sustain robust economic growth.

As we turn our attention to the tech sector next week, approximately 14% of S&P 500 companies have already reported earnings, indicating a promising start to the season. Financial sector reports have highlighted consumer robustness and improving margins. With major players like Microsoft, Meta, Apple, and Amazon on deck, projected earnings growth for these tech giants is expected to exceed 20% for the quarter, compared to a 12% growth forecast for the S&P 500.

## **Corporate Earnings Parade:**

- **First BanCorp. (FBP):** reported 4Q24 revenues of \$241.5 million, up 4.81%, net income of \$75,701 million, down 4.76%, and earnings per-share of \$0.46, surpassing estimates. FBP has a Tier 1 Capital Ratio of 16.30% and a stock price objective of \$23.00.
- Full 2024 Revenues were \$938,201 million, up 0.93%, and net income was \$298,724, down 1.35%. FBP stock closed today at \$20.73, up \$1.14 or 5.82%.
- **View our report on Firstbank, here:** [FBP pdf report 2025-01-23-20-23.pdf](#)

## **Key Economic Data:**

- **US Initial Claims for Unemployment Insurance:** rose to 223,000, up from 217,000 last week, increasing 2.76%.
- **US 4-Week Moving Average of Initial Claims for Unemployment Insurance:** fell to 213,500, up from 212,750 last week.

- **Kansas City Fed Manufacturing Production Index:** fell to -9.000, down from -6.000 last month.
- **30-Year Mortgage Rate:** fell to 6.96%, compared to 7.04% last week.
- **Eurozone Consumer Confidence Indicator:** fell by -14.50, down from -13.80 last month.
- **Eurozone Economic Sentiment Indicator:** fell to 93.70, down from 95.60 last month, decreasing -1.99%.
- **Japan Consumer Price Index YoY:** rose to 2.90%, compared to 2.30% last month.

#### Eurozone Summary:

- **Stoxx 600:** Closed at 530.34, up 2.30 points or 0.44%.
- **FTSE 100:** Closed at 8,565.20, up 20.07 points or 0.23%.
- **DAX Index:** Closed at 21,411.53, up 157.26 points or 0.74%.

#### Wall Street Summary:

- **Dow Jones Industrial Average:** Closed at 44,565.07, up 408.34 points or 0.92%.
- **S&P 500:** Closed at 6,118.71, up 32.39 points or 0.53%.
- **Nasdaq Composite:** Closed at 20,053.68, up 44.34 points or 0.22%.
- **Birling Capital Puerto Rico Stock Index:** Closed at 3,722.154, down 32.69 points or 0.87%.
- **Birling Capital US Bank Index:** Closed 6,888.16, down 40.28 points or 0.58%.
- **US Treasury 10-year note:** closed at 4.65%.
- **US Treasury 2-year note:** closed at 4.29%.



# US Initial Claims for Unemployment & US 4-Week Moving Average of Initial Claims





# Kansas City Fed Manufacturing Production Index & 30-Year Mortgage Rate





# Eurozone Consumer Confidence Indicator, Eurozone Economic Sentiment Indicator & Japan CPI

	VAL
● Eurozone Consumer Confidence Indicator (I:ECCISM)	-14.50
● Eurozone Economic Sentiment Indicator (I:EESI)	93.70
● Japan Consumer Price Index YoY (I:JPIR)	2.90%





# Wall Street Recap

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