

## Popular Inc. Surpasses Expectations with Revenues Hitting \$2.941 Billion, Net Income Jumps 13.5%, the GDPNow Rises to 3.20%, and Wall Street Closed Higher.

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The US and European stock markets closed with strong gains, with tech stocks recovering from Monday's downturn, triggered by news from Chinese AI startup DeepSeek. They claim their advanced language model rivals top US tech firms and achieves significantly lower costs and computing demands. Meanwhile, bond yields are climbing, with the 10-year US Treasury note closed at 4.55%.

Asian markets showed mixed results, some affected by closures during the Lunar New Year celebrations. The US dollar is strengthening against major peers, and commodities like WTI crude and gold gained.

Attention shifts to the Federal Reserve's FOMC meeting concluding Wednesday. Expectations lean towards maintaining the current federal funds rate, hinting at a moderation in policy easing. With the Fed funds rate at approximately 4.35% and core PCE inflation at an annualized 2.8%, monetary policy remains tight. A neutral rate typically sits about 1% above inflation, suggesting a potential easing to a 3.5%-4.0% range within the year, with bond markets anticipating up to 0.5% in rate cuts.

Major tech firms, including Microsoft, Meta, Apple, and Amazon, are set to release their Q4 earnings this week. Analysts are keen on management insights regarding the competitive pressure from DeepSeek's technological breakthrough.

### Puerto Rico Economic Update: Economic Activity Index:

- The November 2024 Economic Activity Index records its ninth consecutive contraction at - **1.1%**. Decreasing 375% since March 2024.

### GDPNow:

- The GDPNow for the fourth quarter of 2024 was updated on January 28, 2025, to 3.20% from 3.00%, increasing to 6.67%.

### Corporate Earnings Parade:

- **Popular, Inc. (BPOP):** reported 4Q24 revenues of \$755,462 million, up 7.47%, net income of \$177,817 million, up 14.48%, and earnings per share of \$2.51, surpassing estimates. Popular has a Tier 1 Capital Ratio of 16.08% and a stock price objective of \$108.44.
- Full-year 2024 Revenues were \$2,941 billion, up 5.71%, and net income was \$612,800, up 13.50%. Popular stock closed today at \$102.46, -\$1.31 or 1.26%.
- **View our report on Popular here:** [BPOP\\_pdf\\_report\\_2025-01-28-16-24.pdf](#)

## Key Economic Data:

- **US Durable Goods New Orders MoM:** fell -2.23%, compared to -2.00% last month.
- **Case-Shiller Composite 20 Home Price Index YoY:** rose to 4.37%, compared to 4.27% last month.
- **Case-Shiller Home Price Index:** National: rose to \$326,010, up from \$324,590 last month, increasing 0.44%.
- **Richmond Fed Manufacturing Index:** is at -4.00, up from -10.00 last month.
- **Japan Consumer Confidence Index:** fell to 36.20, down from 36.40 last month.

## Eurozone Summary:

- **Stoxx 600:** Closed at 531.60, up 1.91 points or 0.36%.
- **FTSE 100:** Closed at 8,533.87, up 30.16 points or 0.35%.
- **DAX Index:** Closed at 21,430.58, up 148.40 points or 0.70%.

## Wall Street Summary:

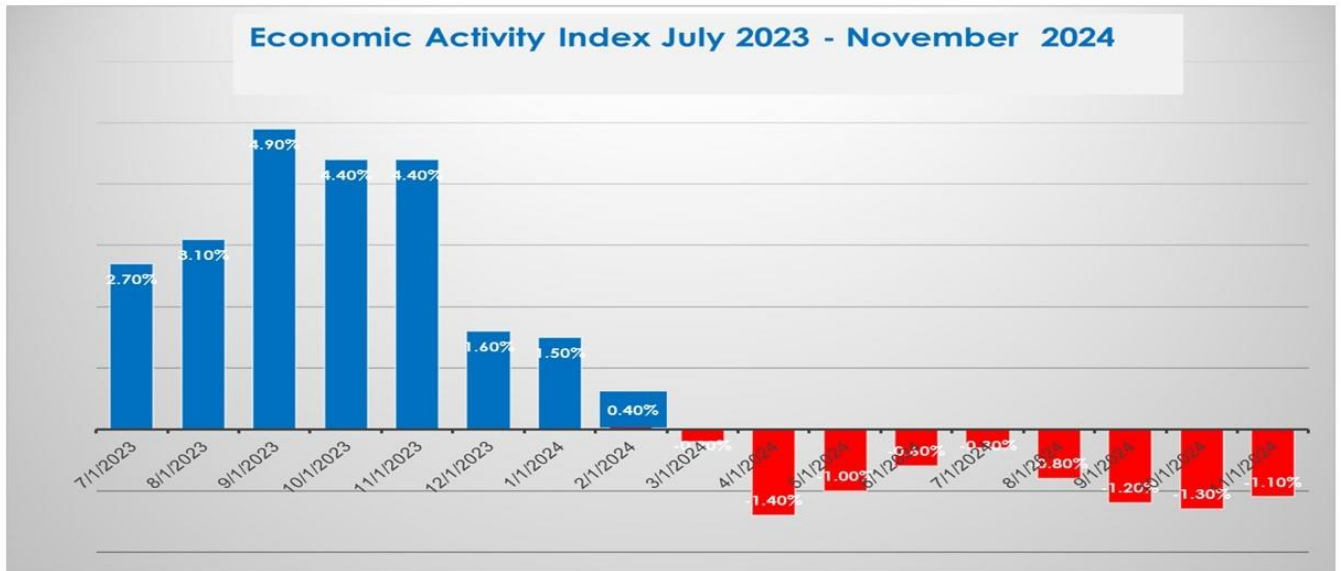
- **Dow Jones Industrial Average:** Closed at 44,850.55, up 136.77 points or 0.31%.
- **S&P 500:** Closed at 6,067.70, up 55.42 points or 0.92%.
- **Nasdaq Composite:** Closed at 19,733.59, up 391.75 points or 2.03%.
- **Birling Capital Puerto Rico Stock Index:** Closed at 3,818.54, up 48.82 points or 1.30%.
- **Birling Capital US Bank Index:** Closed 6,935.39, up 4.78 points or 0.07%.
- **US Treasury 10-year note:** closed at 4.55%.
- **US Treasury 2-year note:** closed at 4.19%.



# Puerto Rico Economic Activity Index

The Puerto Rico Planning Board has a GDP forecast for 2024 of 2.20% in 2023

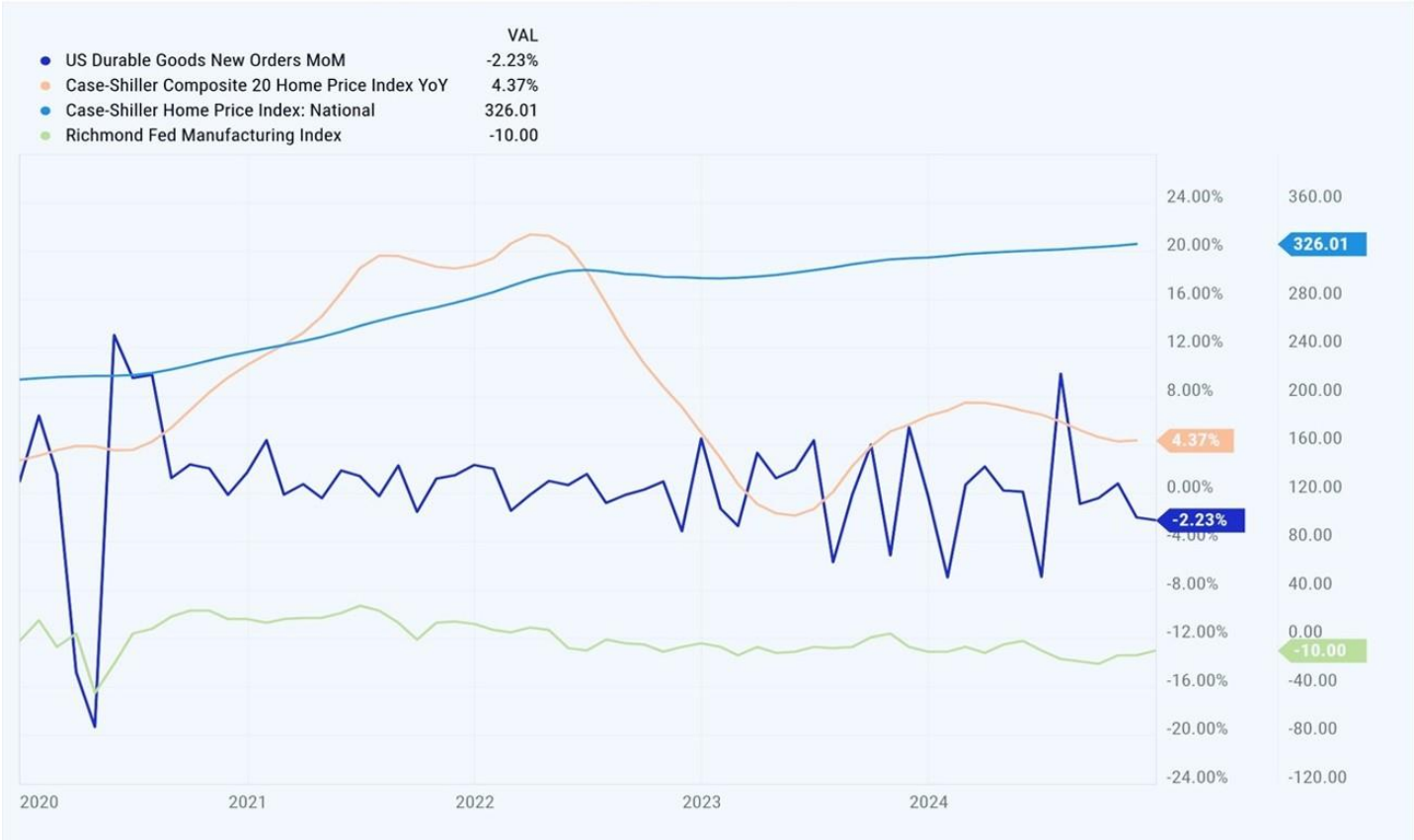
## The November 2024 Economic Activity Index records its ninth consecutive contraction at -1.1%



<b>Date</b>	<b>GDPNow 4Q24</b>	<b>Change</b>
<b>10/31/2024</b>	<b>2.70%</b>	<b>Initial Forecast</b>
<b>11/1/2024</b>	<b>2.30%</b>	<b>-14.81%</b>
<b>11/5/2024</b>	<b>2.40%</b>	<b>4.35%</b>
<b>11/7/2024</b>	<b>2.50%</b>	<b>4.17%</b>
<b>11/15/2024</b>	<b>2.50%</b>	<b>0.00%</b>
<b>11/19/2024</b>	<b>2.60%</b>	<b>4.35%</b>
<b>11/27/2024</b>	<b>2.70%</b>	<b>3.85%</b>
<b>12/2/2024</b>	<b>3.20%</b>	<b>18.52%</b>
<b>12/5/2024</b>	<b>3.30%</b>	<b>3.13%</b>
<b>12/9/2024</b>	<b>3.30%</b>	<b>0.00%</b>
<b>12/17/2024</b>	<b>3.10%</b>	<b>-6.06%</b>
<b>12/18/2024</b>	<b>3.20%</b>	<b>3.23%</b>
<b>12/20/2024</b>	<b>3.10%</b>	<b>-3.13%</b>
<b>12/24/2024</b>	<b>3.10%</b>	<b>0.00%</b>
<b>1/2/2025</b>	<b>2.60%</b>	<b>-16.13%</b>
<b>1/3/2025</b>	<b>2.40%</b>	<b>-7.69%</b>
<b>1/7/2025</b>	<b>2.70%</b>	<b>12.50%</b>
<b>1/9/2025</b>	<b>2.70%</b>	<b>0.00%</b>
<b>1/16/2025</b>	<b>3.00%</b>	<b>11.11%</b>
<b>1/17/2025</b>	<b>3.00%</b>	<b>0.00%</b>
<b>1/28/2025</b>	<b>3.20%</b>	<b>6.67%</b>



# US Durable Goods New Orders, Case-Shiller Composite 20 Home Price Index, Cas-Shiller Home Price Index National & Richmond Fed Manufacturing Index







# Wall Street Recap

## January 28, 2025

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