



FirstBank Reports Strong Q1 Results, Initial Claims of Unemployment Rise 2.78% and Wall Street Rises.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European stock markets closed with gains as Wall Street builds on two consecutive days of gains exceeding 1.5%. On the earnings front, attention is on the Alphabet, which is set to report after the market closes today. First Bancorp (FBP) reported solid first-quarter results, with revenues rising 7.65%, net income rising 4.92%, and Earnings per share of \$0.47, surpassing analysts' expectations.

Asian markets were mixed overnight, and European indices closed with increase despite a stronger-than-expected business sentiment reading in Germany.

In economic news, March durable goods orders significantly outpaced forecasts, driven by a surge in nondefense aircraft and parts. Initial jobless claims for the week stayed low at 222,000, slightly above the previous week's reading of 216,000 but significantly below the 30-year median of approximately 324,000, reflecting a resilient labor market. Bond yields are trending lower this morning, with the 10-year U.S. Treasury yield around 4.33%.

Policy-related developments continue to shape market sentiment. Equity markets have substantially recovered this week, with the S&P 500 up over 1% so far after posting weekly declines in three of the last four weeks. Monday's market sell-off was driven by concerns that President Trump might remove Fed Chair Jerome Powell before his term ends in 2026. However, the mood shifted on Tuesday and Wednesday as President Trump confirmed he has no intention of removing Powell, easing concerns over the Fed's independence. Meanwhile, reports have emerged that the U.S. may seek to lower tariffs on Chinese imports, though no official plans have been announced.

With the S&P 500 rallying by about 8% since April 8, further upside requires substantial progress on trade negotiations rather than speculation. Despite ongoing policy uncertainty, the market fundamentals remain supportive. First-quarter earnings for the S&P 500 are on track to rise by a solid 7%, and while economic growth is moderating, the data does not point to an imminent recession. Signs of a potential de-escalation in the trade war are emerging, though volatility is expected to persist throughout the negotiation process. In light of these developments, we recommend that investors focus on long-term goals and maintain a diversified portfolio strategy.

Corporate Earnings Parade:

- **First BanCorp (FBP):** reported 1Q25 revenues of \$248.1 million, up 7.65%, net income of \$77,059 million, up 4.92%, and earnings per share of \$0.47, surpassing estimates. FirstBank has a Tier 1 Capital Ratio of 16.62% and a stock price objective of \$23.17, and its stock closed today at \$19.11.
- View our report on FirstBank here: [FBP pdf report 2025-04-24-15-15.pdf](#)

Economic Update:

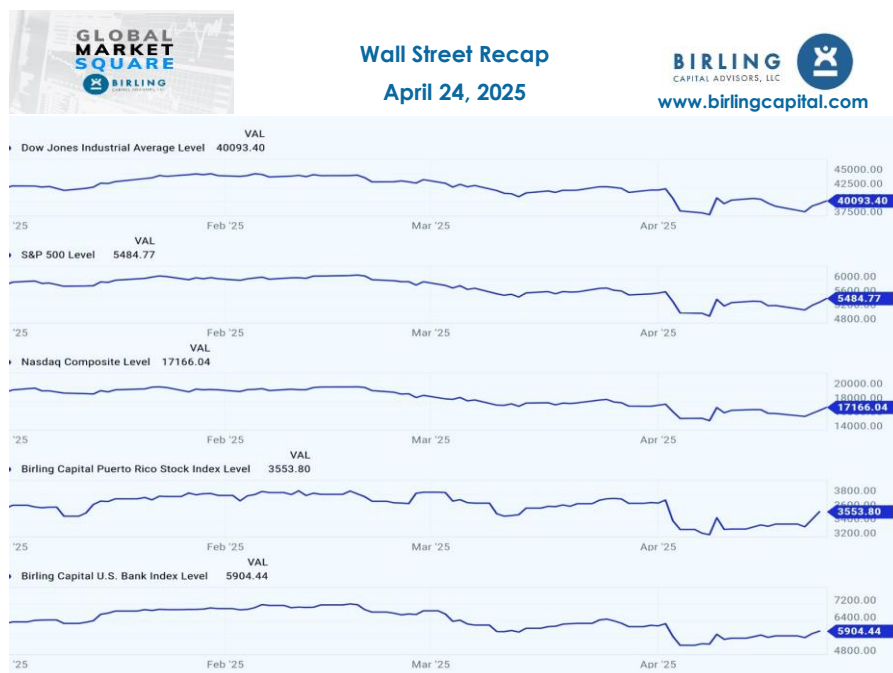
- **U.S. Initial Claims for Unemployment Insurance:** rose to 222,000, up from 216,000 last week, increasing 2.78%.
- **U.S. Existing Home Sales:** rose to 4.26 million, up from 4.09 million last month, increasing 4.16%.
- **30-Year Mortgage Rate:** rose to 6.83%, compared to 6.62% last week.
- **U.S. Durable Goods New Orders MoM:** rose to 9.19%, compared to 0.89% last month.
- **Kansas City Fed Manufacturing Production Index:** rose to 1.000, up from -13.00 last month.
- **Germany Ifo Business Climate Index:** rose to 86.90, up from 86.70 last month.
- **Germany Ifo Business Expectations Index:** fell to 87.40, down from 87.70 last month.
- **Germany Ifo Business Situation Index:** fell to 86.40, up from 85.70 last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 518.61, up 1.84 points or 0.36%.
- **FTSE 100:** Closed at 8,407.44, up 4.26 or 0.051%.
- **DAX Index:** Closed at 22,064.51, up 102.54 or 0.47%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 40,093.40, up 486.83 points or 1.23%.
- **S&P 500:** closed at 5,484.77, up 108.91 points or 2.03%.
- **Nasdaq Composite:** closed at 17,166.04, up 457.99 points or 2.74%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,553.80, up 106.78 points or 3.10%.
- **Birling Capital U.S. Bank Index:** closed at 5,904.44, up 117.58 points or 2.03%.
- **U.S. Treasury 10-year note:** closed at 4.32%.
- **U.S. Treasury 2-year note:** closed at 3.77%.



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