



Introductory Presentation

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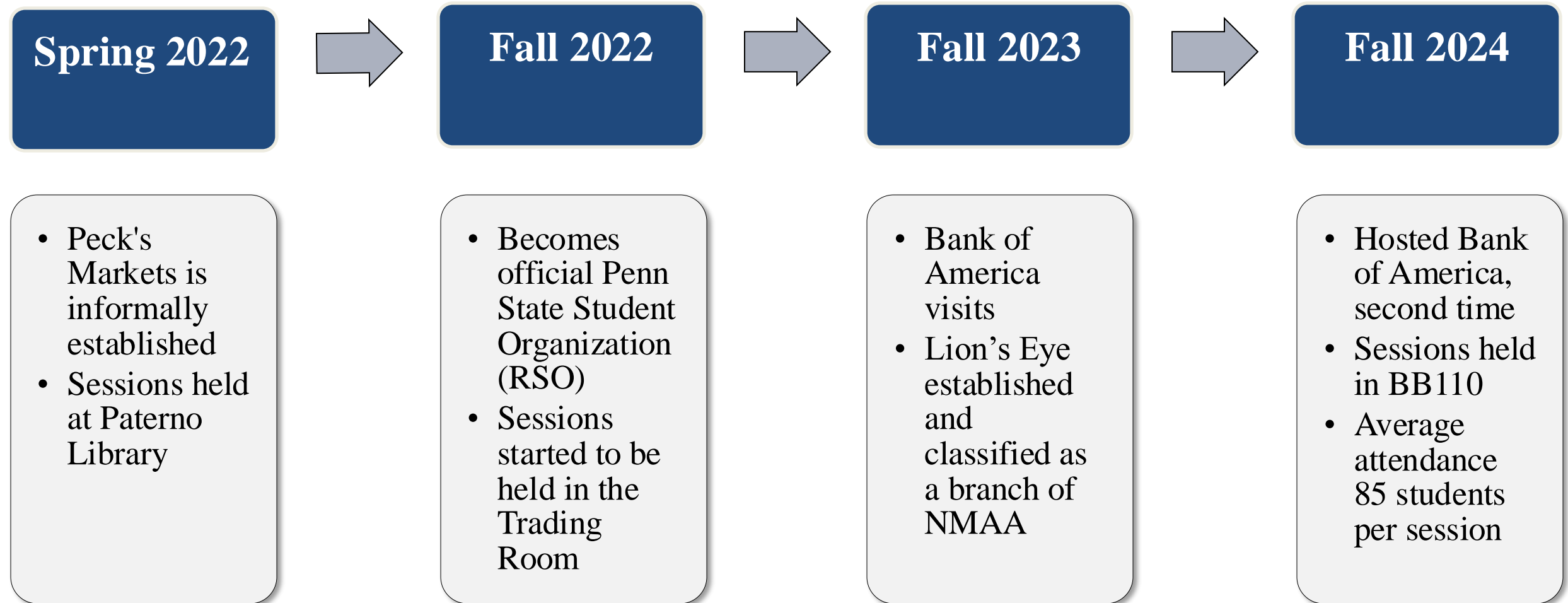
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Agenda



Overview



Nittany Markets

- M – W, 8:00 – 8:45 AM, BB110 / TR
- Presentations on financial markets, earnings, economic policy, and educational topics
- Occasional financial institution-sponsored sessions (ex. Bank of America, JPM)
- Open-discussions, highly interactive atmosphere

Lion's Eye

- Biweekly newsletter
- Covers headlines, equities, FICC, macroeconomics, capital markets, etc.
- Correlates with in-person sessions
- Sent to mailing list, which includes students, Wall Street institutions, and other professionals

Overview, cont.

Nittany Markets FA24 First Meeting



More Pictures



Nittany Markets SP25 First Meeting



Current NMAA Presenters



Mission and Values

“To educate and empower every Penn State student interested in learning and following the financial markets”



Vision

Introductory

- The club started in SP22 with four people discussing market concepts in the Paterno library
- Fast forward to today, NMAA is held in BB110 and averaging 85 students per market session
- NMAA is designed to be educational and collaborative in nature during bi-weekly meeting before the bell
- Ultimate goal is to educate all Smeal students no matter the major to be financially literate
- Understanding the financial markets helps with job interviews and investing

Future Vision

- To establish corporate sponsors such as major financial banks (Bank of America, JPMorgan, Citi, or any markets-facing bank division)
- To continue to grow distribution list for the Lion's Eye to a wider range of Wall Street professionals and potentially professors at Penn State
- To grow and broaden our outreach with a professional website, using external resources within Smeal (if approved), and the Involvement Fair
- To create a weekly podcast to educate individuals on the financial markets as well as hosting qualified individuals to join the podcast as a guest speaker



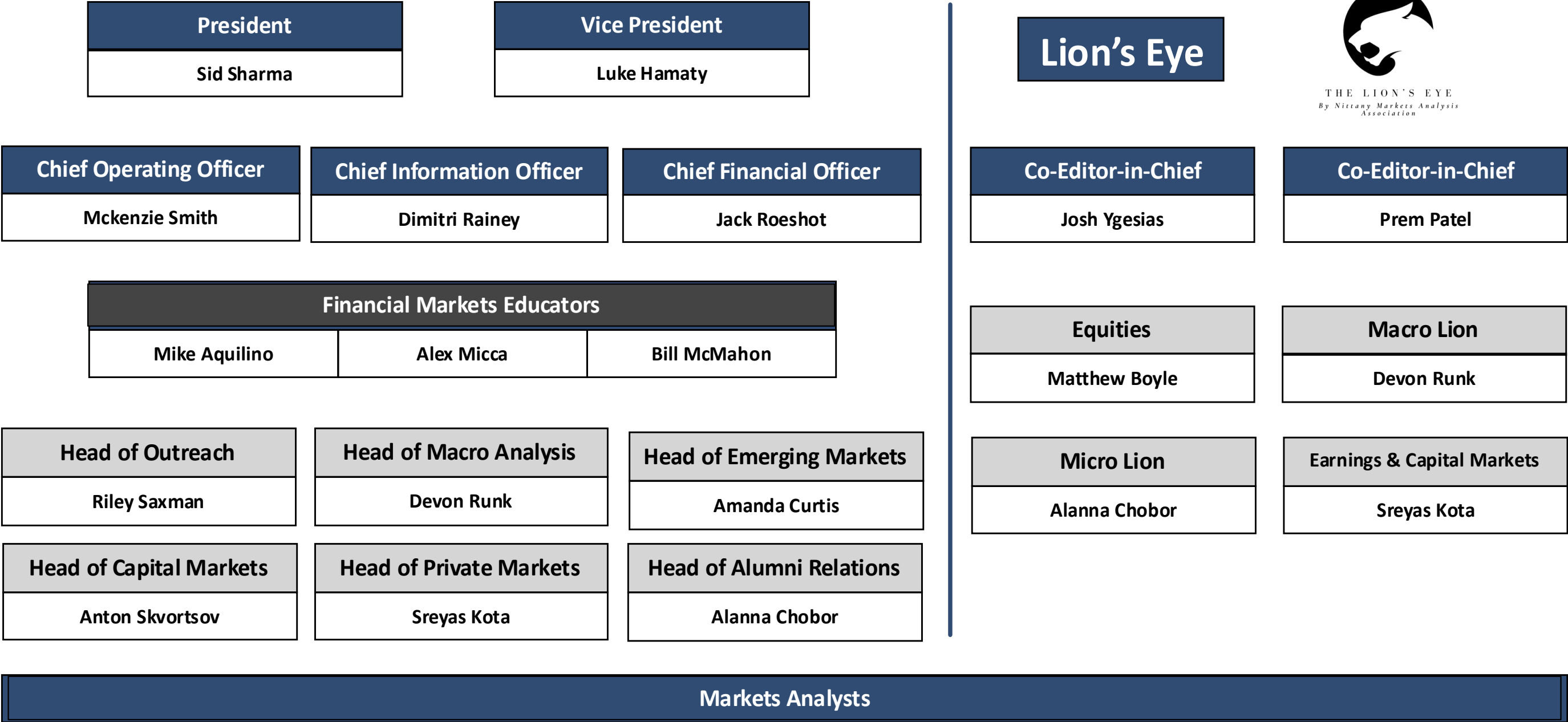
Goals



Organizational Structure

Nittany Markets Analysis Association

Organizational Structure SP25



Lion's Eye



Lion's Eye was formed last year by sophomore, Josh Yglesias. It is a newsletter mirrored like the Wall Street Journal that goes out to Penn State Students and alumni on the street. It provides students real world information that is written by PSU students. It helps prepare students for going into interviews and helps them have an understanding of what is going on in the world.



Josh Yglesias
Co-Editor-in-Chief



Prem Patel
Co-Editor-in-Chief



Matthew Boyle
Equities



Devon Runk
Marco Lion



Alanna Chobor
Micro Lion



Sreyas Kota
Earnings & Capital Markets

Monday, February 10 | The Lion's Eye

Happy Monday Lions,

We hope you all had a great Super Bowl Sunday! Last week we saw some volatility in the markets as we are getting close to the end of earnings season and due to macroeconomic news coming out throughout the week. Be sure to come out to NMAA to stay informed about the markets and how they shape the days ahead. Can't wait to see you all at Monday morning markets and the rest of the week!

Let's get into it.

In Today's Edition

- Donald Trump's Latest Trade Escalation
- "De Minimis" Trade on Pause
- U.S. Drillers Expand Oil and Gas Rigs

Market Snapshot:

S&P 500		Nasdaq		Dow	
\$6,025.99	-0.95%	\$19,523.40	-1.36%	\$44,303.40	-0.99%
Russell 2000		FTSE 100		Vix	
\$2,279.71	-1.19%	\$8,700.53	-0.31%	\$16.54	6.71%

As of Market Close 2/7/2025

Euro/ USD		USD Index		BTC/USD	
\$1.04	0.12%	\$108.04	0.33%	\$96,480.00	0.04%
2-year		10-year		30-year	
4.2861		4.4876		4.6881	
WTI Crude		Brent		Gold	
\$70.62	0.00%	\$75.26	1.31%	\$2,904.40	0.96%

Data from FactSet as of 12:01:00 AM

Upcoming Earnings:

Monday

- McDonalds Corp. (MCD) - Before Open
- monday.com Ltd. (MNDY) - Before Open
- Tower Semiconductor Ltd. (TSEM) - Before Open
- Astera Labs - (ALAB) - After Close
- Vertex Paramaceutic (VRTX) - After Close
- Apollo Commercial Real Estate Finance, Inc. (ARF) - After Close

Tuesday

- Shopify Inc. (SHOP) - Before Open
- Coca-Cola Company (KO) - Before Open
- BP p.l.c (BP) - Before Open
- Marriot International Inc. (MAR) - Before Open
- Carlyle Group L.P. (CG) - Before Open
- DuPont (DD) - Before Open
- TPG (TPG) - Before Open
- Supermicro (SMCI) - After Close
- DoorDash Inc. (DASH) - After Close
- Lyft (LYFT) - After Close
- Zillow, Inc (Z) - After Close

Wednesday

- CVS Health (CVS) - Before Open
- Tenet Healthcare Corp. (THC) - Before Open
- Reddit, Inc (RDDT) - After Close
- Cisco Systems, Inc (CSCO) - After Close

Earnings Recap:

Amazon (AMZN)

Amazon reported its fourth-quarter earnings on February 6, 2025The company delivered strong results, with revenue and earnings surpassing analyst estimates.

- Quarterly net sales increased 10% year-over-year to \$187.8 billion, slightly above the expected \$187.4 billion, while earnings per share reached \$1.86, significantly exceeding the projected \$1.48.
- Amazon Web Services (AWS) revenue grew 19% year-over-year to \$28.8 billion, slightly below analyst expectations of \$28.84 billion.
- Operating income surged to \$21.2 billion, a 61% increase from the same quarter last year, driven by strong performance across all segments.
- For the first quarter of 2025, Amazon forecasts revenue between \$151.0 billion and \$155.5 billion, below analyst expectations of \$158.6 billion.

The stock's reaction was mixed in after-hours trading, as strong Q4 results were tempered by weaker-than-expected Q1 guidance.

Yum! Brands (YUM)

Yum! Brands delivered mixed results on its fourth-quarter earnings on February 6, 2025, earnings met expectations but missing on top

- Quarterly revenue increased 16% to \$2.36 billion, just below the expected \$2.37 billion, while adjusted earnings per share reached \$1.61, meeting the consensus estimate.
- Taco Bell was a standout performer with same-store sales growth of 5%, while KFC's same-store sales remained flat globally but declined 5% in the U.S. market.
- Yum! Brands opened 1,804 new restaurants in Q4, contributing to a 5% year-over-year unit growth, excluding certain divestitures.
- For the full year 2024, the company reported GAAP EPS of \$5.22 and EPS excluding Special Items of \$5.48, representing a 6% increase from the previous year.

Yum! Brands' stock rose over 7% in morning trading

Honeywell Inc. (MAT)

Honeywell International Inc. beat top and bottom on its fourth-quarter earnings

- The company delivered strong results, with both revenue and earnings surpassing analyst estimates.
- Quarterly sales increased 7% to \$10.1 billion, above the expected \$9.86 billion, while adjusted earnings per share reached \$2.47, exceeding the projected \$2.31.
- Organic sales grew 2% year-over-year, or 6% when excluding the impact of the Bombardier agreement announced in December 2024.
- Honeywell's backlog reached a record \$35.3 billion, up 11% compared to the previous year.
- For the full year 2024, Honeywell reported revenues of \$38.5 billion, a 5% increase year-over-year, with adjusted earnings per share of \$9.89.
- The company announced plans to separate its Automation and Aerospace businesses, creating three standalone public companies by 2026.
- The report also outlined weak guidance for the rest of 2025, with adjusted EPS and revenue falling short of analyst expectations.

Honeywell's stock traded down 4.4%

Economic Calendar:

Tuesday, February 11

- NFIB Optimism Index (Jan) (6:00am) - Est. --, Prev. 105.1
- Cleveland Fed President Beth Hammack Speaks (8:50am)
- Fed Chairman Jerome Powell Testifies to Congress (10:00am)
- San Francisco Fed President Daly Speaks (10:20am)
- New York Fed President Williams Speaks (3:30pm)
- Fed Governor Michelle Bowman Speaks (3:30pm)

Wednesday, February 12

- Consumer Price Index (Jan) (8:30am) - Est. 0.3%, Prev. 0.4%
- CPI Year Over Year (8:30am) - Est. 2.8%, Prev. 2.9%
- Core CPI (Jan) (8:30am) - Est. 0.3%, Prev. 0.3%
- Core CPI Year Over Year (8:30am) - Est. 3.1%, Prev. 3.2%
- Fed Chairman Jerome Powell Testifies to Congress (10:00am)
- New York Fed President Williams Speaks (3:30pm)
- Atlanta Fed President Bostic Speaks (2:00pm)
- Monthly U.S. Federal Budget (Jan) (2:00pm) - Prev. -\$22B
- Fed Governor Christopher Waller Speaks (5:05pm)

Thursday, February 13

- Initial Jobless Claims (Feb 8) (8:30am) - Est. --, Prev. 219k
- Producer Price Index (Jan) (8:30am) - Est. 0.3%, Prev. 0.2%
- Core PPI (Jan) (8:30am) - Est. --, Prev. 0.1%
- PPI Year Over Year (8:30am) - Est. --, Prev. 3.3%
- Core PPI Year Over Year (8:30am) - Est. --, Prev. 3.3%

Friday, February 14

- Import Price Index (Jan) (8:30am) - Est. 0.4%, Prev. 0.1%
- Import Price Index Minus Fuel (Jan) (8:30am) - Est. --, Prev. 0.1%
- U.S. Retail Sales (Jan) (8:30am) - Est. 0.0%, Prev. 0.4%
- Retail Sales Minus Autos (Jan) (8:30am) - Est. 0.3%, Prev. 0.4%
- Industrial Production (Jan) (9:15am) - Est. 0.3%, Prev. 0.9%

Macro Lion says:

On Friday last week, we saw Non-Farm Payrolls (NFP) increase by 143.00K m/m in January, below expectations of 170.00K. The strongest job gains were in healthcare and retail trade, which added 44.00K and 34.00K jobs, respectively. Although NFP fell short of expectations, the unemployment rate remained at 4.00%, stronger than analysts’ forecasts of 4.10%. Employment declined in mining, quarrying, and oil and gas extraction. The Bureau of Labor Statistics noted that wildfires in California and below-average national temperatures had no notable impact on these numbers. Despite softer-than-expected job growth, the labor market remains stable, supported by a lower-than-expected unemployment rate and stronger wage growth, as average hourly earnings increased 0.50% m/m, exceeding forecasts of 0.30%.

Meanwhile, the Reserve Bank of India (RBI) began an easing cycle, cutting its benchmark repo rate by 25 bps—the first cut in five years. With the repo rate now at 6.25%, RBI officials have shifted their focus from controlling inflation post-COVID-19 to prioritizing economic growth. With real GDP growth slowing to 6.40% this year from 8.20% last year, analysts anticipate up to 75 bps in total rate cuts during this cycle. By the end of Friday, the Nifty 50—India’s benchmark stock market index—fell 0.50%.

With last week’s focus on unemployment, attention now turns to Wednesday’s inflation reports. Median forecasts for the Consumer Price Index (CPI) project a 2.80% y/y increase, down from December’s 2.90% reading. Core CPI is also expected to decline, with median forecasts showing a 3.10% y/y increase compared to December’s 3.20%

Equities:

All three major indices fell on Friday following a mixed job report, with the economy adding ~143.00 k jobs in January, coming in less than expected. Additionally, on Friday, President Trump announced that more tariffs will be put in place on unspecified countries, adding to fears surrounding inflationary and geopolitical pressures. Equity markets were held back as a result, with investors already dealing with heightened volatility across sectors. Shares of Amazon (AMZN) declined ~4.05% following its earnings report, with guidance coming in lower than consensus and capital expenditure plans rising to represent a ~44.00% y/y increase. Of the Magnificent 7 stocks, NVIDIA and Meta were the only two that closed the week green, with Meta moving higher for its 15th trading session in a row.

FICC:

The 10-year Treasury yield settled around 4.49% following U.S. inflation expectations rising in the month of January due to fears surrounding tariffs. Tariffs, which have been paused for one month, have the potential to cause an increase in inflation, leading to higher-for-longer interest rates. WTI crude oil hovered around \$71.00 per barrel as investors weighed the weaker than expected jobs data and continued concerns about the Chinese economy with overall economic optimism in recent month. Crude oil inventories, which are near all-time lows, are suggesting that crude oil prices may be too low relative to historical inventory levels. Chinese government bond yields remain near historical lows as investors are skeptical that government stimulus will reverse the current economic downturn.

Market News:

Donald Trump's Latest Trade Escalation

As of Sunday, February 9, U.S. President Trump announced a new 25.00% tariff on steel and aluminum in the latest trade escalation. On Monday, February 10, 25.00% tariffs on all steel and aluminum imports into the United States on top of already existing metals will be announced. There is some market skepticism surrounding this announcement as a Canadian government source noted they will not react to this announcement until there is more information or a written order in place. This may come after the fact that Donald Trump has held his tariffs on Canada and Mexico due to agreements with the countries. However, during his first term, Trump did initiate 25.00% tariffs on imported steel and aluminum affecting many companies. The Procter & Gamble Company (PG) noted that during Trump’s first term, they faced ~\$1.40 bn in external costs including tariffs. Companies must adapt to these tariffs just like Procter & Gamble has taken initiative and moved some of its manufacturing sites into India to avoid tariffs.

“De Minimis” Trade on Pause

Last week, Donald Trump delayed ending the trade loophole that allows low-value packages to arrive duty-free from China on Friday, February 7. Trump’s executive order for tariffs on China ended “de minimis” which allows retailers like Shien, Temu and Amazon to send packages to the United States quickly and less expensively. “De minimis” means matter of little importance and in this situation it means that the imports from China bypass typical customs procedure and tariffs worth less than ~\$800.00 that are sent to United States citizens. A report in CY2023 noted that Chinese retailers account for more than 30.00% of all packages shipped to the United States each day under the rule. Analysts have noted, “de minimis” exports may decline almost 60.00%. Through this rule these companies are able to keep their prices low and attractive to customers. While the delay provides temporary relief, it remains uncertain whether the policy will be reinstated in the future. Furthermore, affected companies must proactively assess and adapt to these evolving trade regulations.

Thank You!

Questions?



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