

Tech Titans NVIDIA and Salesforce Earnings Beat Expectations, Not Enough to Drive Markets as Mixed Economic Signals Impact US and European Markets.

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The US and European stock markets closed mostly down as stock markets attempted to snap their losses and embrace the pivotal earnings reports from tech leaders NVIDIA and Salesforce. NVIDIA outperformed expectations with its earnings and revenue figures, but its stock fell today, 8.48%, closing at \$120.61. Salesforce surpassed earnings forecasts but fell short on revenue projections, and its stock fell 4.10% to \$294.73. Today's results took the Nasdaq Composite into contraction with a YTD return of **-3.97%**, followed by the S&P 500 at 0.34% YTD return and the Dow Jones with a 1.59% YTD return; meanwhile, our Birling Puerto Rico Bank Index has a 0.83% YTD return, and the Birling US Bank Index has a 7.27% YTD return.

On the macroeconomic side, the last GDPNow update on GDP growth was 2.3%, and a new update is due **on February 28**. However, initial jobless claims have surpassed analysts' forecasts, indicating a 10% uptick in unemployment filings. Bond yields rose, with the 10-year Treasury yield closing at 4.29% and the 2-year yield at 4.07%.

Tech Titans NVIDIA and Salesforce's financial disclosures captured significant attention. NVIDIA declared earnings of \$0.89 per share and revenues totaling \$39.3 billion for the quarter, exceeding forecasts. CEO Jensen Huang expressed optimism about the ongoing demand for their high-performance chips, especially following advancements in computational models, which may boost future requirements. Despite NVIDIA's positive results, its shares saw only a modest increase in the open, reflecting the lofty expectations set for the firm. Salesforce also reported after the close, beating earnings projections but not meeting revenue expectations. Their outlook for sales and net income in the upcoming quarter was somewhat subdued, influencing early trading sentiment.

Regarding employment trends, last week's jobless claims climbed to 242,000, the highest since December, but still comparatively low by historical standards, where the median over the past 30 years stands at 325,000. This suggests that, generally, the labor market remains robust. Moreover, with nonfarm payroll growth averaging over 200,000 for the past three months and an unemployment rate steady at 4%, consumer spending is expected to continue bolstering economic growth through 2025.

Corporate Earnings Parade:

- **Warner Bros. Discovery, Inc. (WBD):** Reported 4Q24 revenues of \$10,027 billion, down 2%, and net income (loss) of (\$494 million), down 24%, which missed expectations. With a stock price objective of \$12.98, the stock closed today at \$10.99, up \$0.47
- **Full-year 2024:** Revenues were \$39.3 billion, and Net Income (Loss) of \$11.388 billion.
- **Click our report on Warner Bros. Discovery:** [WBD pdf report 2025-02-27-17-59.pdf](#)

Economic Data:

- **US Initial Claims for Unemployment:** rose to 242,000, up from 220,000 last week, increasing 10.00%.
- **US Pending Home Sales YoY:** fell -5.23%, compared to -5.25% last month.
- **US Total Vehicle Sales:** fell to 16.14 million, down from 17.32 million last month, decreasing -6.85%
- **US Durable Goods New Orders MoM:** rose to 3.12%, compared to -1.78% last month.
- **30-Year Mortgage Rate:** fell to 6.85%, compared to 6.87% last week.
- **Kansas City Fed Manufacturing Production Index:** fell -9.00, down from -6.00 last month.
- **Eurozone Consumer Confidence Indicator:** is at -13.60, up from -14.20 last month.
- **Eurozone Economic Sentiment Indicator:** rose to 96.30, up from 95.30 last month, up 1.05%.
- **Japan Industrial Production Index MoM:** is at -0.20%, compared to -2.21% last month.

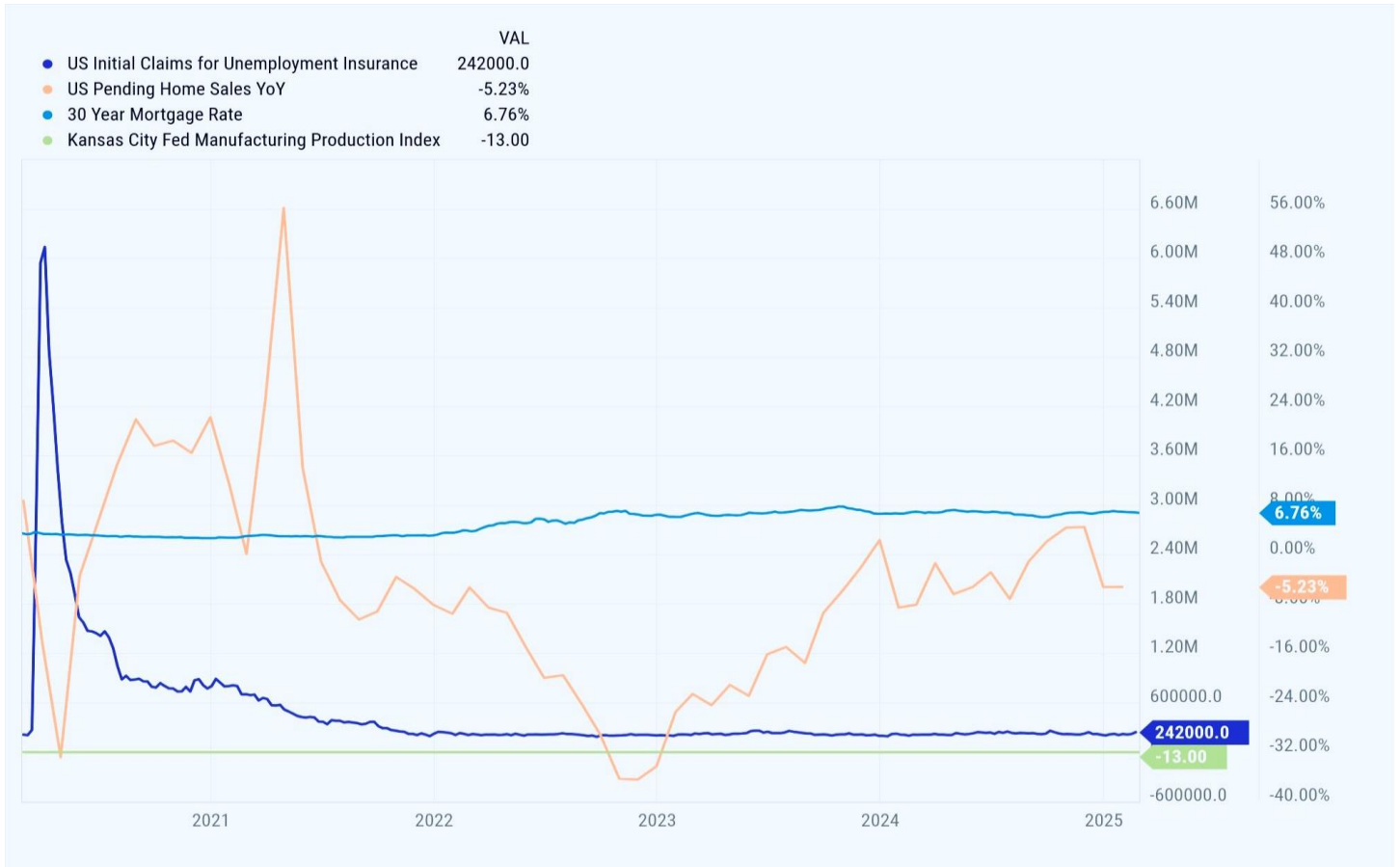
Eurozone Summary:

- **Stoxx 600:** Closed at 557.11, down 2.56 points or 0.46%.
- **FTSE 100:** Closed at 8,756.21, up 24.75 points or 0.28%.
- **DAX Index:** Closed at 22,550.89, down 243.22 points or 1.07%.

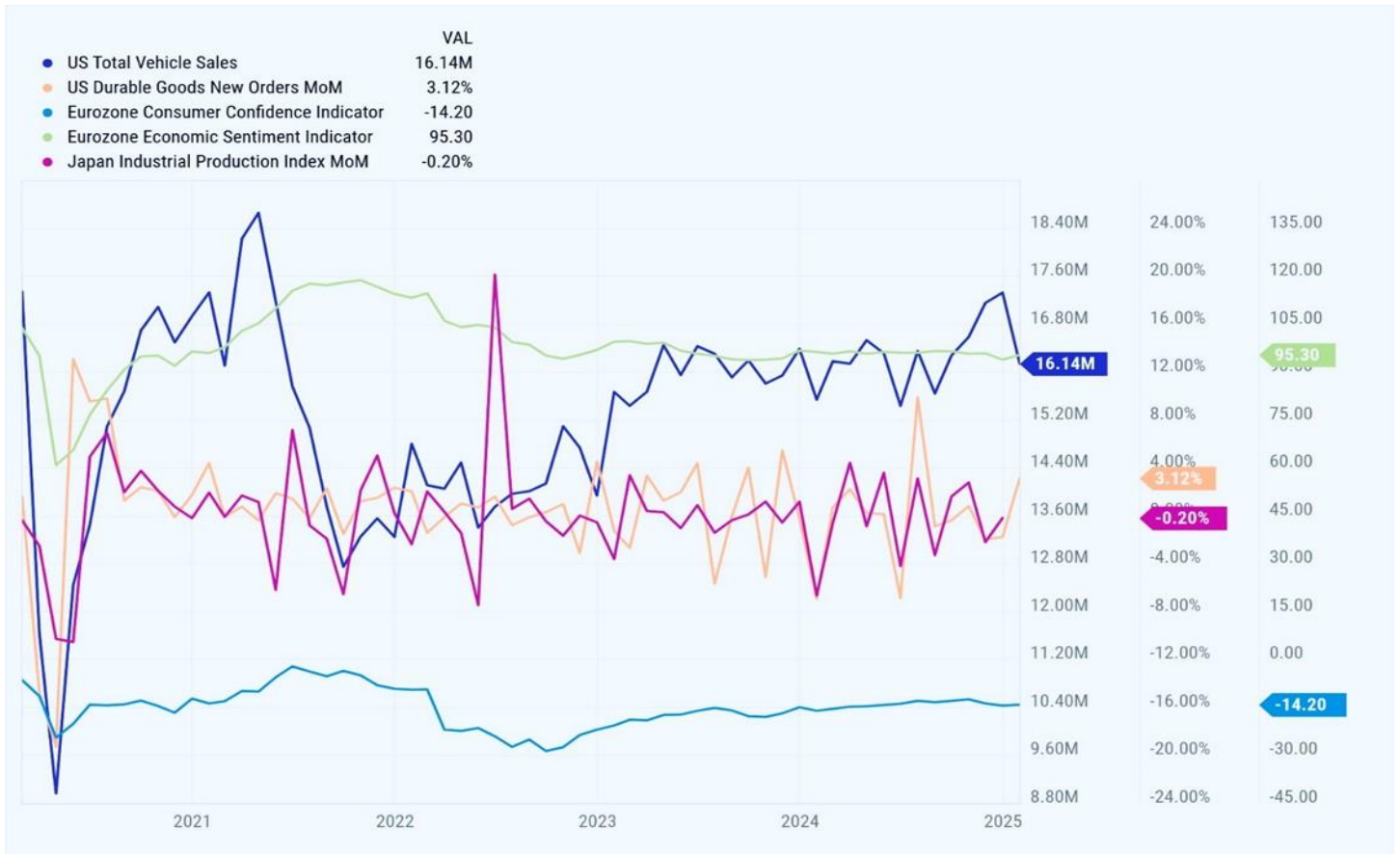
Wall Street Summary:

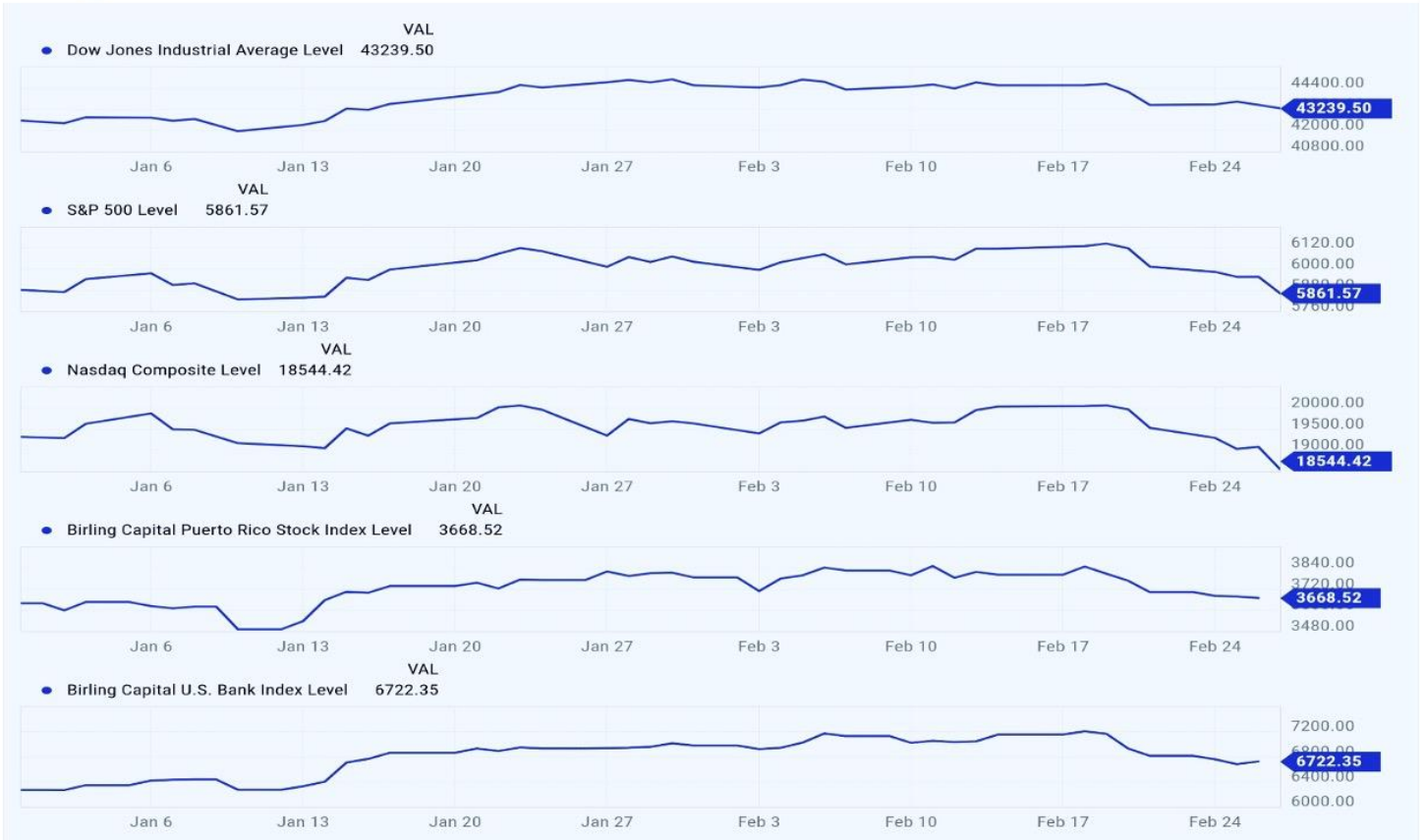
- **Dow Jones Industrial Average:** closed at 43,239.50, down 193.62 points or 0.45%.
- **S&P 500:** closed at 5,861.57, down 94.49 points or 1.59%.
- **Nasdaq Composite:** closed at 18,544.42, down 530.85 points or 2.78%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,668.52, down 7.95 points or 0.22%.
- **Birling Capital US Bank Index:** closed at 6,722.35, up 43.46 points or 0.65%.
- **US Treasury 10-year note:** closed at 4.29%.
- **US Treasury 2-year note:** closed at 4.07%.

US Initial Claims for Unemployment Insurance, US Pending Home Sales YoY, 30 Year Mortgage Rate & Kansas City Fed Manufacturing Production Index



US Total Vehicle Sales, US Durable Goods New Orders MoM, Eurozone Consumer Confidence Indicator, Eurozone Economic Sentiment Indicator & Japan Industrial Production Index







Dow Jones, S&P 500, Nasdaq Composite, Birling Puerto Rico Stock Index & Birling US Bank Index YTD Returns 2.27.25



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