

# GLOBAL MARKET SQUARE



## Mixed Market Movements with Coca-Cola Surging on Stellar Earnings, Marriott Stumbles Amid Earnings Miss, and Global Stocks Waver as Trade Tariffs Loom.

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The US and European stock markets closed mixed amid a quiet economic backdrop. However, the corporate earnings parade continues, with Coca-Cola shares surging more than 3% following better-than-expected fourth-quarter earnings and revenue; on the flip side, Marriott also reported revenues for its 1Q25 results that missed expectations, with its fell \$16.41 following a series of adjustments to the company's price targets by various analysts.

Bond yields slightly increased, with the 10-year Treasury yield closing at 4.54%, as the global trade uncertainties rise, underscored by President Donald Trump's recent imposition of a 25% tariff on all steel and aluminum imports into the US, effective from March 4. He also announced plans for reciprocal tariffs on certain trading partners this week.

### The Fed in Focus

During a hearing in the Senate Banking Committee, Federal Reserve Bank Chairman Jerome Powell reaffirmed the central bank's dedication to controlling inflation, indicating that there is no immediate plan to reduce interest rates significantly.

During his testimony, Powell described the economy as **"robust overall"**, with a **"stable"** job market and decreasing inflation rates, although they still exceed the Federal Reserve's target of 2%. He stated, "Given our current policy positioning, which is markedly less stringent than before, and the ongoing strength of the economy, there is no need to rush adjustments to our policy stance. Accelerating the easing of policy could impede our progress on inflation, whereas being too gradual or minimal in our approach might overly suppress economic activity and job growth".

### Corporate Earnings Update

Corporate earnings for the fourth quarter have surpassed expectations, with 65% of S&P 500 companies reporting the earnings are projected to grow by 16% YoY, the strongest since 2021. About 77% of these companies have beaten earnings forecasts by an average of 7.5%. The financials sector has led with more than 50% growth in earnings per share. Other high-growth industries, including technology, consumer discretionary, and communication services, also report robust earnings. Analysts anticipate continued earnings growth into 2025, expecting a 13% rise across the S&P 500, with all sectors likely to report positive earnings growth, supporting a balanced performance between growth and value stocks.

Small business confidence fell in January but remains above historical norms: The NFIB small business index decreased slightly from 105.1 in December to 102.8 in January but stayed above the 30-year average of 98 for the third consecutive month. The survey indicates a lessening concern about inflation among small businesses, with only 18% citing it as their top issue—the lowest figure since 2021. Plans to raise prices in the coming months also decreased, possibly easing inflation pressures. The economic landscape is expected to continue supporting small businesses throughout 2025, with likely capped borrowing costs and a trend toward lowering inflation, which should bolster profit margins.

## Corporate Earnings Parade:

- **Coca-Cola Co. (KO):** reported 4Q24 revenues of \$11,544 billion, up 6%, net income of \$2,195 billion, up 11%, and earnings per share of \$0.51, with a stock price objective of \$71.71, and its stock closed today at \$67.60, up \$3.05.
- **Full-year 2024:** Revenues of \$47,061 billion, up 3%, and net income of \$10,631 billion, down 1%.
- **View Our Report on Coca-Cola:** [KO\\_pdf\\_report\\_2025-02-11-16-23.pdf](#)
- **Marriott International (MAR):** reported 1Q25 revenues of \$6,429 billion, up 5%, net income of \$455 million, down 46%, and earnings per share of \$1.63. Marriott has a stock price objective of \$284.65, and its stock closed today at \$288.04, down \$16.41.
- **Full-year 2024:** Revenues of \$25,100 billion, up 6%, and net income of \$2,335 billion, down 23%.
- **View Our Report on Marriott:** [MAR\\_pdf\\_report\\_2025-02-11-16-24.pdf](#)

## Key Economic Data:

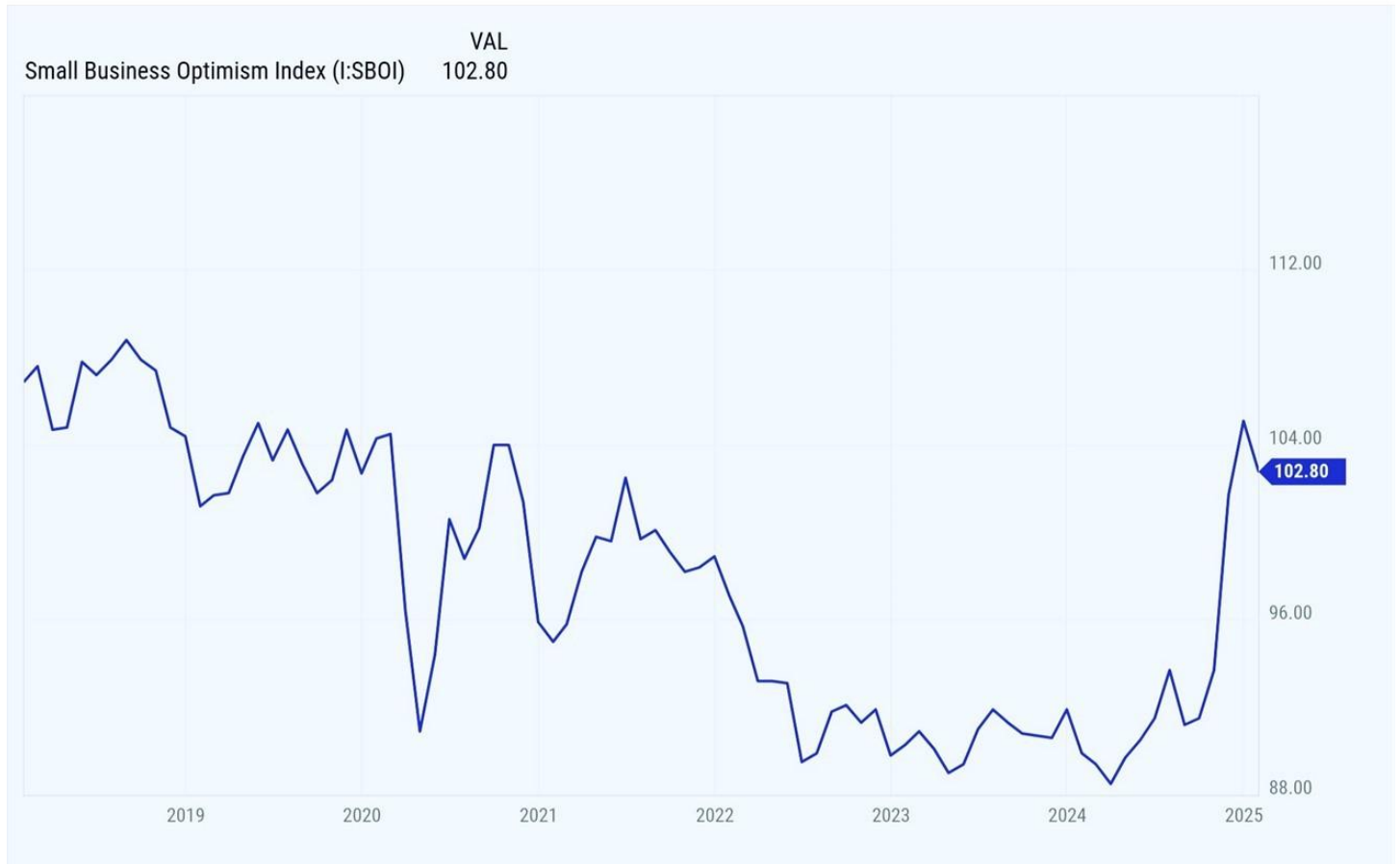
- **China M2 Money Supply YoY:** rose to 7.27%, compared to 7.13% last month.

## Eurozone Summary:

- **Stoxx 600:** Closed at 547.18, up 1.36 points or 0.23%.
- **FTSE 100:** Closed at 8,777.39, up 9.59 points or 0.11%.
- **DAX Index:** Closed at 22,037.83, up 126.09 points or 0.58%.

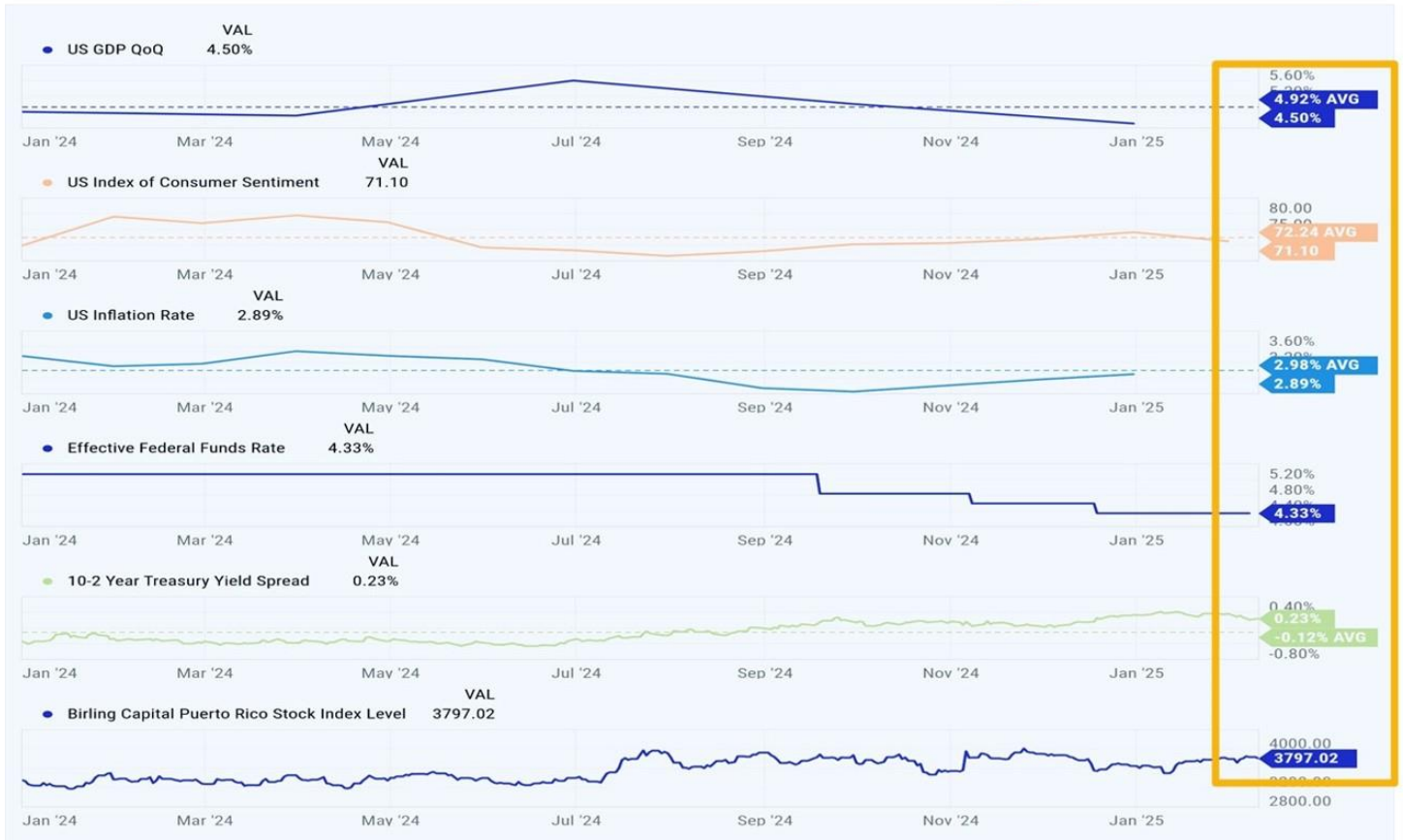
## Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 44,470.41, down 167.01 points or 0.38%.
- **S&P 500:** closed at 6,066.44, up 40.45 points or 0.67%.
- **Nasdaq Composite:** closed at 19,714.27, up 190.87 points or 0.98%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,797.02, down 27.10 points or 0.71%.
- **Birling Capital US Bank Index:** closed at 7,019.42, down 108.74 points or 1.53%.
- **US Treasury 10-year note:** closed at 4.54%.
- **US Treasury 2-year note:** closed at 4.29%.



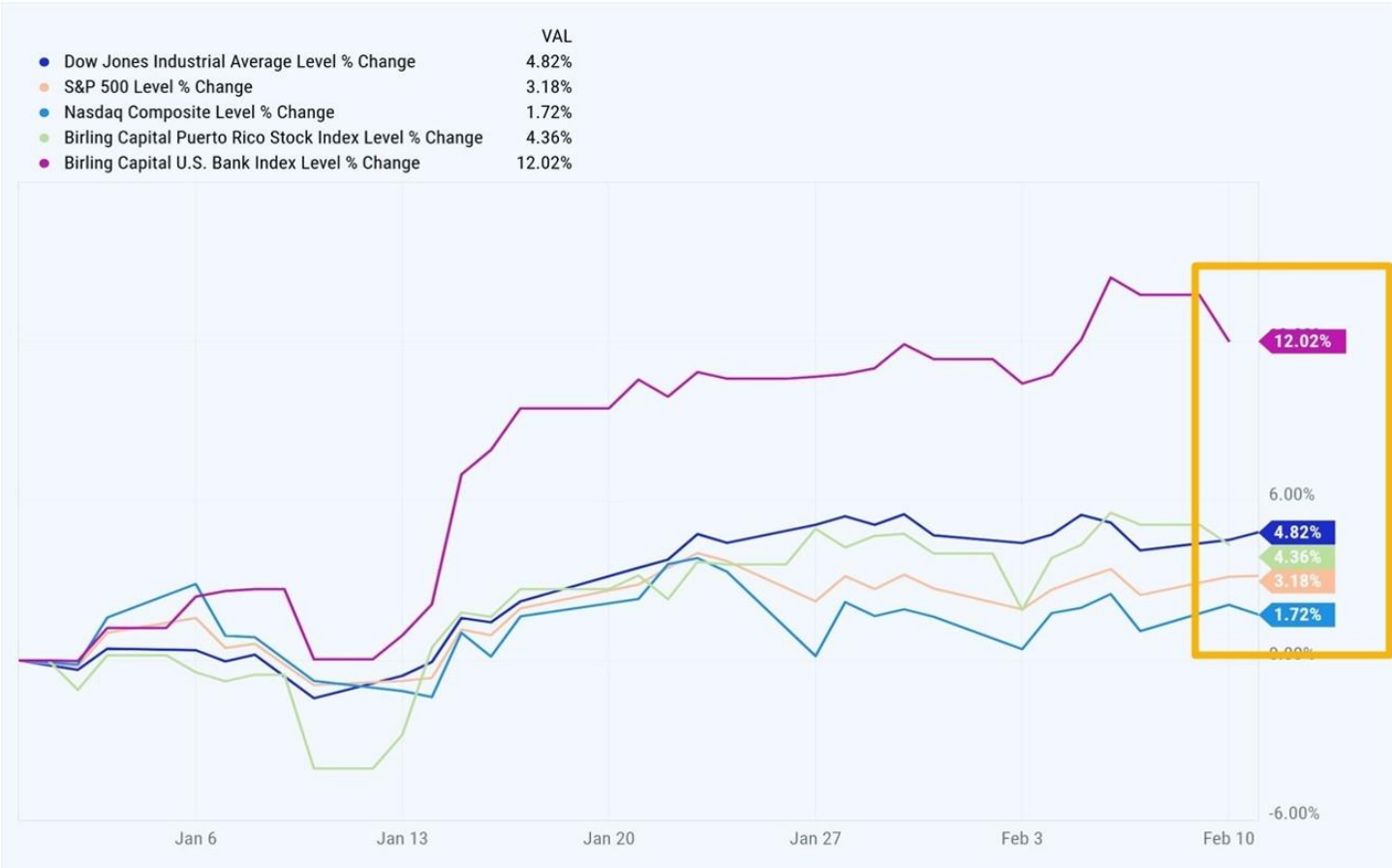


# The Economic Cycle: US GDP QoQ, US Index of Consumer Sentiment, US Inflation Rate, Effective Feds Fund Rate & Birling PR Stock Index





# Dow Jones Industrial Average, S&P 500, Nasdaq Composite, Birling Puerto Rico Stock Index & Birling US Bank Index YTD Returns 2.11.25

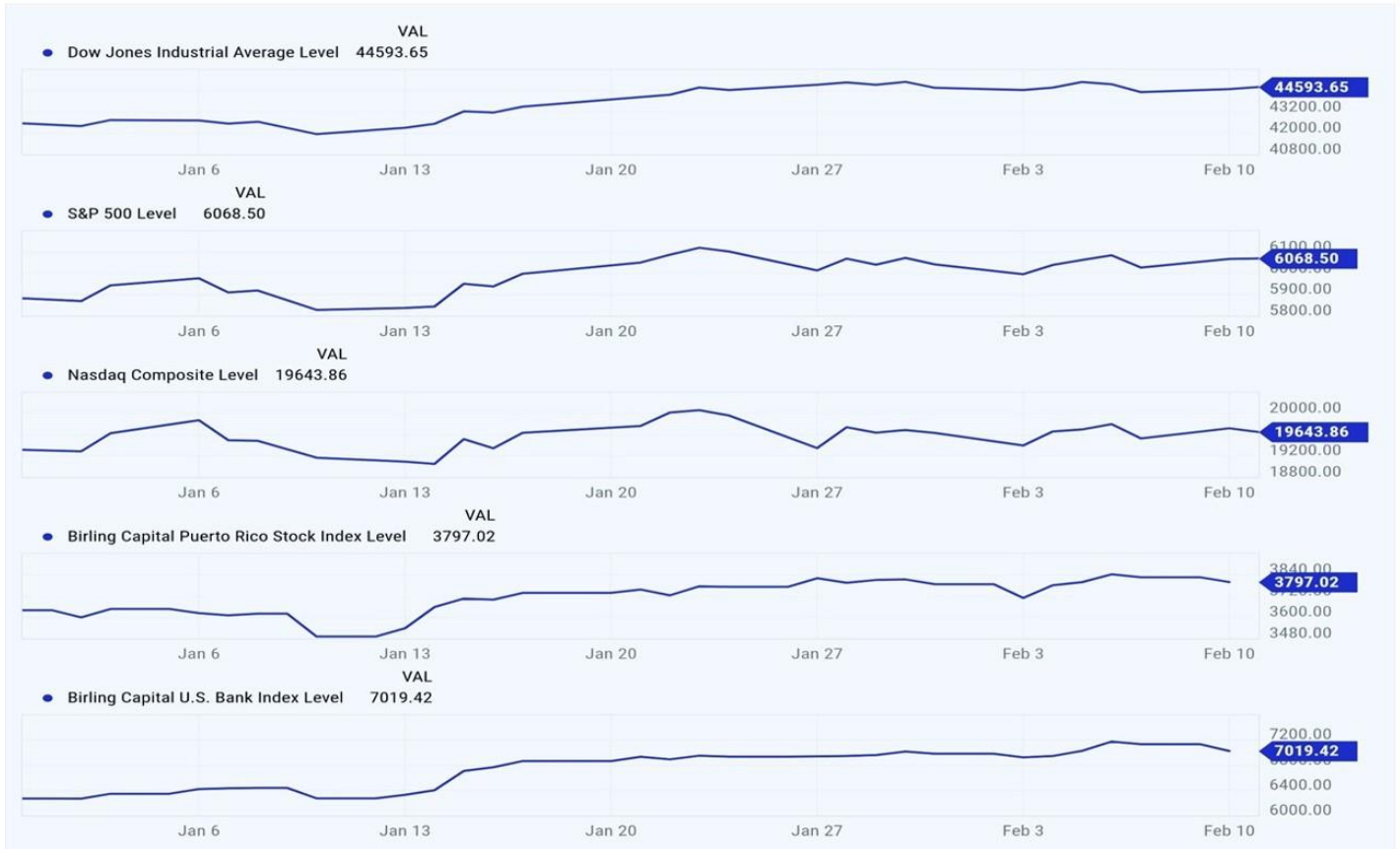




# Wall Street Recap

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