

GS US TMT: .. quick hits ..

FICC and Equities | 17 March 2025 | 8:55PM UTC

GS US TMT: All references to "we/us/our" refer to the views and observations of the desk.

GS US TMT: .. quick hits ..

Bit of an 'odd' one today – muted activity levels (market volumes ~10% below YTD levels and nearly ~20% below MTD levels) as price action pointed to a **"defensive bid + some squeeze pockets"**, not a fun combo as the **NDX** finished the day up +55 bps. On this point, looking at the action **by: TMT Mo' Pair** -80 bps .. **HF VIP Info Tech Shorts** **Longs** by ~155 bps .. **R1K Value > Growth** by ~105 bps .. Size: **NDX Equalweight (NDXE)** > **NDX** by ~103 bps (one of largest daily spreads in months) ..

.. while the NDX is now ~3-4% off the local lows (and SPOT, APP, CRWD, HOOD, MNDY types are up 10% in 2-days), at risk of stating the obvious, I don't get the sense that price is 'forcing' the issue for investors yet (NDX still solidly below its 200-dma) **as near-term macro uncertainty is creating some tension into 1Q earnings season next month (e.g. how do 1Q quarters close?) with local price action pointing to more pressure / movement on the short side to manage this move higher** (see GS Most Short Rolling basket up ~5% in 2-days and/or GS Retail/Meme basket up 7%), **rather than 'embracing' the long-side.**

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Top inbound today (not a ton of ?s) .. set-ups into **ACN** print? .. spreads **Semis** today (AI vs x86) .. why the **Mag 7** **wknss** today? (esp **AMZN, META**) .. any rhyme/reason to **Software** moves today? ..

Software .. dynamic stretch, to say the least.. marking to market, **there are ~25 software names on my board down 20%+ YTD** (vs **just 4 names up 20%**, ex-M&A names), which is indicative of the opportunity set out there. At the moment, feels like there is **enough apprehension on the near-term** (linearity into 1Q qtr end) and on the **medium-term** (AI impacts & monetization) such that the group is firmly a **'wait-and-see' for most**. From my seat, while I acknowledge the unknowns, in the spirit of being *opportunistic* – a few areas that I am looking at / are increasingly topical: 1) use the pullback to add to companies that are executing well (**TEAM, MNDY, AAP**, even **INTU** types) **at least as measured by 4Q prints**, and avoid those that aren't (may only get 'harder') .. 2) lean into **more 'defensive' names that may be less exposed to classic "Enterprise Spend"** (think **GWRE, AXON, IOT** types) and 3) try to find names with **genuine valuation support** (**CRM, MSFT** types).

Mag 7 weakness was one of the big question marks today with nothing ‘obvious’ to point to – mostly just a handful of one-offs (AAPL / China smartphones, TSLA share / competition debates) juxtaposed against investors trying to feel their way around quarter-end dynamics (especially as the **Mag 7 correlation to “Defensives” (GSXUDEFs) is now firmly negative** -- after sporting a positive correlation for much of the 2020-2024 era). Big near-term debates is if **the global macro backdrop will support a (+) revision cycle for Mag 7 after flat-lining EPS revisions the last few months? And, if not, will at lower prices = (at least) mean lowered expectations?** .. away from GTC this week, most topical on my end have been AMZN and MSFT with investors triangulating around near-term AWS & Azure trends providing a roadmap to be optimistic into 2Q/2H or not...?

Events tomorrow .. Macro (US Housing Starts .. German ZEW .. BoJ decision overnight) .. **Earnings** pre (IHS, KE Holdings, TME, XPEV, Xiaomi) .. GS hosts: **PWR .. GLW investor day (845am) .. BOX a day (2pm) .. AFRM CFO fireside (11am) .. NVDA: Jensen (CEO) hosting GTC keynote @ 1pm ET ... ADBE hosting Summit 2025- analyst mtg @ 5pm ET .. HPQ Amplify Conf .. DOMO Domopalooza Conf .. Game Developers Conference**

Chart of the day:

This feels like the key debate in the market right now (chart below): does the dark blue line (policy uncertainty) catch down to the light blue line (unemployment rate) – e.g. ‘peak’ uncertainty ... or .. vis versa (the slower economic growth is not yet reflected in macro data)? ...

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Exhibit 3: The key risk is that rising uncertainty presages more meaningful growth or jobs weakness



Source: Haver Analytics, Goldman Sachs Global Investment Research

Source: GIR. [Link](#).

Week ahead

Tues 3/18: Housing Starts

- Earnings: Pre: IHS, KE Holdings, TME, XPEV, Xiaomi
- GS hosts: **PWR**
- **GLW** investor @ 845am ET
- **BOX** analyst day @ 2pm ET
- **AFRM** hosting **CFO fireside chat @ 11am ET**
- **NVDA**: Jensen (CEO) hosting **GTC keynote @ 1pm ET**
- **ADBE** hosting Summit 2025- **analyst meeting @ 5pm ET**
- **HPQ** hosting HP Amplify Conference
- **DOMO** hosting Domopalooza Conference
- Bank of America Global Industrials Conference
- Wolfe Research Virtual Autos Summit
- BofA Electronic Payments Symposium
- Game Developers Conference

Weds 3/19: FOMC

- Earnings: Pre: KC, **Tencent**, WSM;
- GS hosts: **MSFT + Deliveroo + TYL**

- **VERX** investor day @ **830am ET**
- **NVDA** hosting GTC event - **Financial Analyst Q&A @ 1130am ET**
- **SNPS** hosting SNUG event (Synopsis User Community) – **CEO keynote @ 1215pm ET**
- **DOMO** hosting Domopalooza Conference - investor day @ **4pm ET**
- **ADBE** hosting **Summit 2025**
- **HPQ** hosting HP Amplify Conference
- **CFLT** hosting Current Data Streaming in Bengaluru
- Bank of America Global Industrials Conference
- Sidoti Small-Cap Virtual Conference
- Game Developers Conference

Thurs 3/20: Jobless Claims

- Earnings: Pre: **ACN, FDS, Geely, JBL, PDD**; // Post: **MU**
- GS hosts: **MSFT + TYL + FLYW**
- **ALIT** investor day @ **930am ET**
- **MPWR** investor day @ **12pm ET**
- **SNPS** hosting SNUG event (Synopsis User Community) – **OpenAI** Head of HW keynote @ 1230pm ET
- **ADBE** hosting **Summit 2025**
- **DOMO** hosting Domopalooza Conference
- TD Cowen Annual Fiber-to-the-Home Symposium
- Sidoti Small-Cap Virtual Conference
- Game Developers Conference

Fri 3/21:

- Earnings: Pre: **Meituan, NIO**
- **TKO / DASH** to join S&P500 (3/24 open)
- Game Developers Conference