

2.25.25

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**Table 1: Happy bonds needed for happy stocks in 2025**  
Returns in years following S&P 500 up >20% for 2 years in a row

S&P 500 up >20% for 2 years in a row			S&P 500 returns in following 2 years		Treasury returns in following 2 years	
1927	1928	→	1929	1930	1929	1930
31%	38%		-12%	-28%	4%	5%
1935	1936	→	1937	1938	1937	1938
42%	28%		-39%	25%	1%	4%
1954	1955	→	1956	1957	1956	1957
45%	26%		3%	-14%	-3%	6%
1995	1996	→	1997	1998	1997	1998
34%	20%		31%	27%	12%	14%
2023	2024	→	2025	2026	2025	2026
24%	24%		-	-	-	-

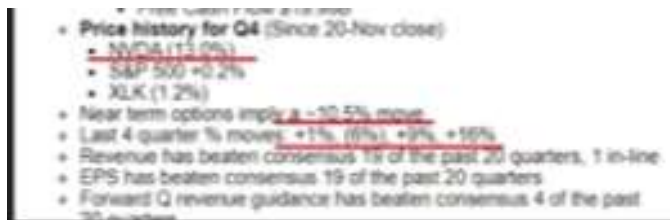
Source: BofA Global Investment Strategy, GFD, Bloomberg

BofA GLOBAL RESEARCH

- Long end of the curve has caught the highest bid
- Bad part is the market has gone down pretty quick after being at all time highs
- From ATH to fear in 5 days. The narrative has switched to growth fears & even the smallest data today confirmed that. Oil is also being sold and rate cut odds are soaring

#### NVDA Earnings Preview

Q4
Revenue \$38.10B vs guidance \$37.5B +/- 2%
• Datacenter \$33.65B
• Gaming \$3.04B
• ProViz \$510.1M
• Automotive and Robotics \$463.5M
• OEM and Other \$95.0M
Non-GAAP gross margin 73.5% vs guidance 73.5% +/- 50 bps
Non-GAAP operating expense \$3.40B vs guidance ~\$3.4B
Non-GAAP operating income \$24.51B
Non-GAAP operating margin 64.3%
EPS \$0.85
Cash from operations \$19.24B
Free Cash Flow \$19.08B
Q1
Revenue \$42.07B
• Datacenter \$37.67B
• Gaming \$2.96B
• ProViz \$512.9M
• Automotive and Robotics \$708.7M
• OEM and Other \$95.1M
Non-GAAP gross margin 72.2%
Non-GAAP operating expense \$3.66B
Non-GAAP operating income \$26.63B
Non-GAAP operating margin 63.3%
EPS \$0.91
Cash from operations \$20.36B
Free Cash Flow \$19.96B
Price history for Q4 (Since 20-Nov close)
• NVDA (+3.0%)
• S&P 500 (+1.2%)
• XLK (+1.2%)



- NVDA is the equal or opposite force tomorrow then PCE & Ukraine peace deal
- Watch the macro for the real move, the only problem I see is if the market gets too jumpy on rate cut odds

#### Plays

- NVDA - play everything except NVDA lol I have had lucky playing after hours, maybe tomorrow actually offers a big move but I care more about the sentiment and sympathies
- I have an old NVDA that was up 65% but now has went red -50% since the selloff came
- UNH/XLV - healthcare has been one of these rotation names & getting targetted by legislation, could be short lived but watch until it ends
- XLP - watch staples in the morning, if they survive past euro close they will go all day, otherwise morning till euro watch for outperformance