

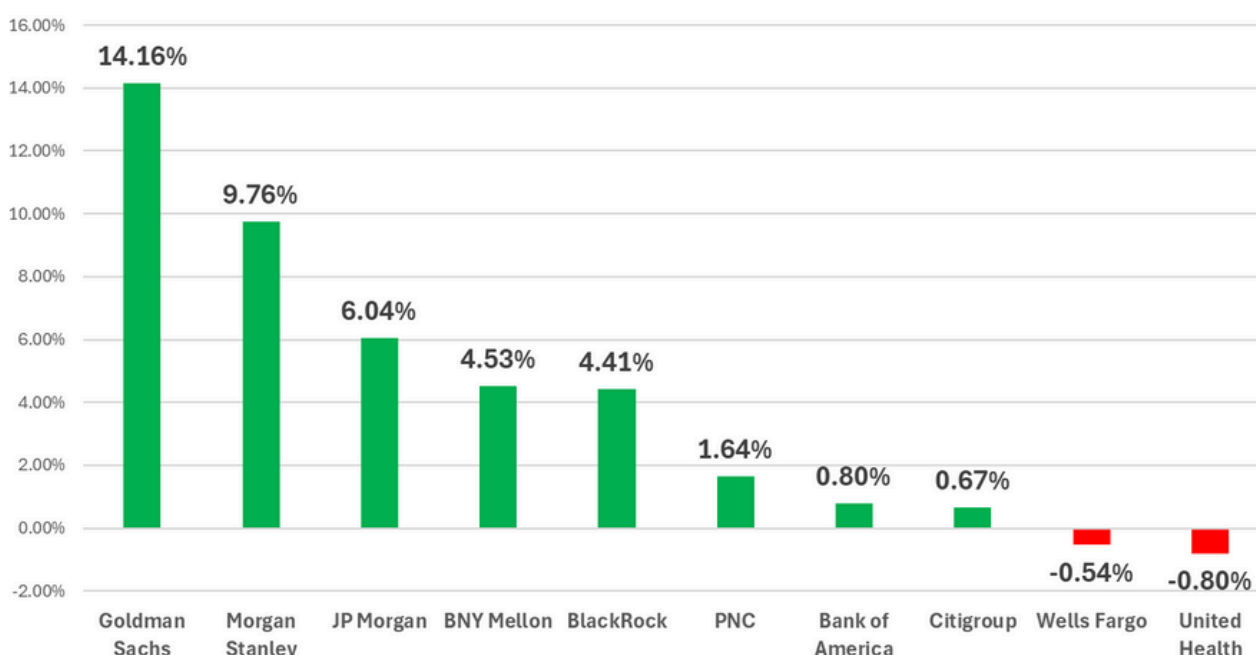
## Q4 2024 Earnings Season - Week One

The final earnings season of the 2024 reporting year commenced this week, with financials taking centre stage. Following a disappointing Christmas season for equity returns, this quarterly earnings report is crucial for the equity market to set a positive tone for 2025.

In terms of earnings beats, Goldman Sachs surpassed revenue expectations by 14.16% for the fourth quarter of 2024, achieving net revenues of \$13.87bn, which marks a 23% increase. Additionally, profits for the quarter climbed to \$4.1bn, reflecting a remarkable 105% rise. Investment Banking saw revenues rise by 24% to \$2.05bn, while the banks Asset and Wealth Management wing saw revenues rise by 8%, up to \$4.72bn. For 2024, net revenues totaled \$53.51bn, with Assets Under Management (AUM) rising by 12% to a record \$3.14 trillion. Goldman Sachs also ranked as the number one firm worldwide for completed mergers and acquisitions. Morgan Stanley saw net revenues rise to \$16.2bn for the fourth quarter, a 26% year over year increase. Investment banking saw a revenue increase of 25%, similar to Goldman Sachs, while pre-tax income rose to \$4.90bn, up from \$2.09bn in Q4 of 2023. CEO Ted Pick called it "one of the strongest years in the firm's history", with full year net revenues reaching \$61.80bn, a record. JP Morgan would follow its competitors, with the US' largest bank posting an earnings beat of 6.04%, with revenues for Q4 totaling \$43.70bn, an increase of 10% from the same time last year. For 2024, JP Morgan posted record profits of \$54bn, an increase of 18% from 2023 with AUM rising to \$4 trillion, an increase of 18%. On a global scale, revenue from investment banking rose by 26% in 2024 to \$86bn, with expectations that this figure could further rise in 2025 due to the new Trump administration, who has made business de regulation and deal making a key priority domestically.

UnitedHealth was the largest non-financial firm to report last week, falling short of revenue expectations despite achieving a 7% year-over-year revenue growth. However, profit margin fell from 5.8% to 5.5%. This marks the first set of corporate results released since the tragic shooting of Brian Thompson, the CEO of the company's UnitedHealthcare division, in New York.

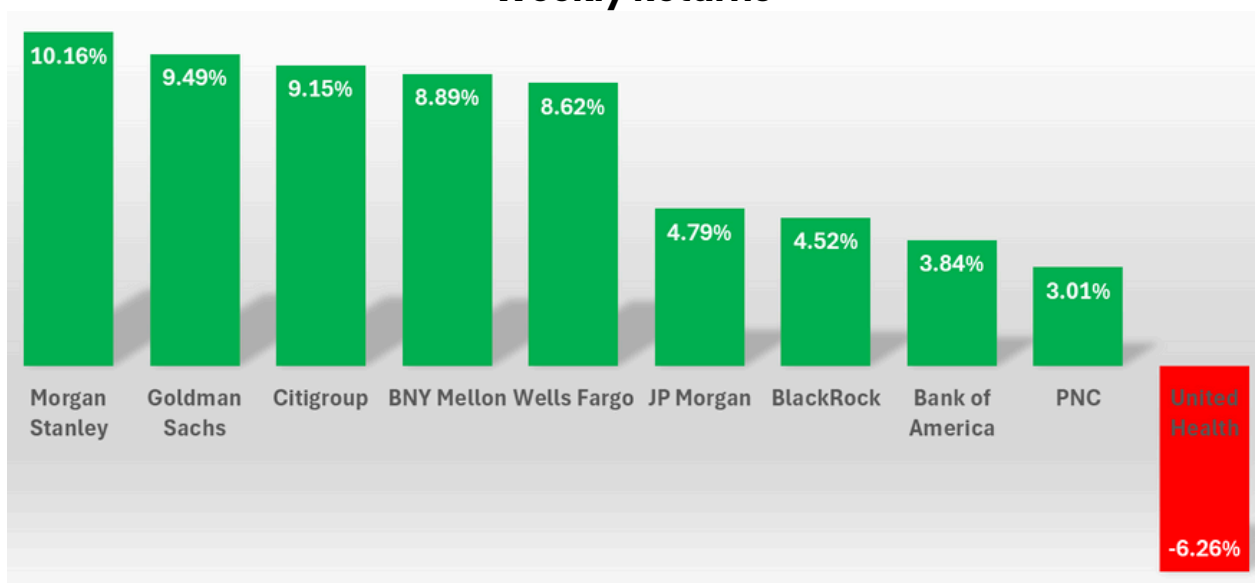
### Forecast vs Actual Revenues - Q4 2024



Source - Seaspray Private

In terms of top weekly performers, Morgan Stanley and Goldman top the list, with Morgan Stanley gaining over 10% since Monday. CitiGroup shares surged by 9.15% this week. Although the company only surpassed revenue estimates by less than one percent, the announcement from the board of directors regarding a new \$20 billion share buyback program caused a significant spike in shares on Tuesday and into Wednesday. CitiGroup posted fourth quarter revenues of \$19.58bn. Similarly, BNY Mellon shares also gained nearly 9% this week, on account of the banks positive earnings, in particular the net interest income, which grew by 7% in Q4. The bank also reported revenues that exceeded estimates by over 4% this week.

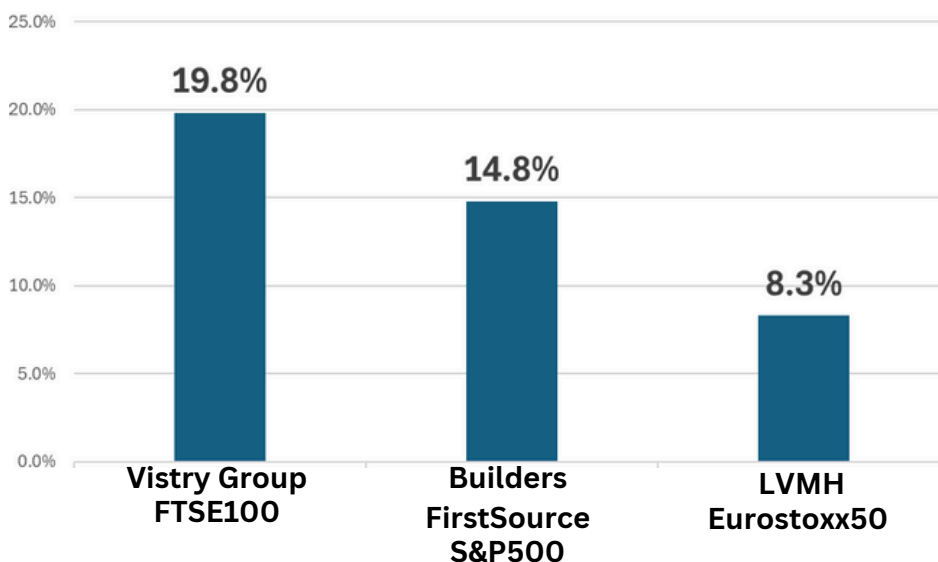
### Weekly Returns



Source - Seaspray Private

Finally, a quick look at the best single equity performers from across the main markets this week. In the US, Builders FirstSource, a company that supplies building products to professional homebuilders, has risen 14.8% this week due to calls by ratings agency's to increase the company's rating to Strong Buy. In Europe, LVMH shares increased by 8.3%, driven by heightened sales of luxury jewellery reported by its competitor Richemont in Q4 2024. Additionally, Vistry Group shares climbed nearly 20% after the home builder announced it would meet its profit forecasts for 2024.

### Best Performers - 13.01.2024 - 16.01.2024



Source - Seaspray Private