

NEW WARNING SIGNALS FROM THE BOND MARKET · PAGE 4

# BARRON'S

VOL. CV NO. 20

MAY 19, 2025 \$5.00

## CHEAP OIL, RICH RETURNS

Even as oil prices fall, our  
Roundtable experts find  
13 energy stocks to buy now.

**PAGE 12**



DOW JONES



63142

# INDEX

Our index lists significant companies mentioned in stories and columns, plus Research Reports, and Corrections & Amplifications. The references are to the first page of the item in which the company is mentioned.

For Customer Service, call 1 (800) 544-0422, or go to [customercenter.barrons.com](http://customercenter.barrons.com). For reprints of articles, call 1 (800) 843-0008, or go to [djreprints.com](http://djreprints.com).

<b>A</b> Adobe .....	32	Lockheed Martin .....	35	Netflix .....	23	Puma .....	31
Advanced Micro Devices .....	28	Lowe's .....	7	NextEra Energy .....	20	<b>Q</b> Quanta Services .....	22
AIB Group .....	33	<b>M</b> Match Group .....	35	Nike .....	31	<b>R</b> Ralph Lauren .....	7
Alibaba Group Holding .....	35	Matisse Discounted Bond CEF Strategy .....	55	Nvidia .....	28,30	Ross Stores .....	7
Allstate .....	6	Meta Platforms .....	21,30	<b>O</b> On Holding .....	31	<b>S</b> Salesforce .....	6
Altria Group .....	35	Microsoft .....	6,7,28	Oracle .....	6	Samsung Electronics .....	7
Amazon.com .....	7	Monster Beverage .....	6	<b>P</b> Palantir Technologies .....	6	Seafarer Overseas Growth and Income .....	27
American Superconductor .....	21	<b>N</b> NatWest Group .....	33	Primoris Services .....	20	Shell .....	21
Apple .....	6,7	<b>B</b> Baker Hughes .....	22	<b>S</b> Salesforce .....	6	Skechers USA .....	32
<b>B</b> Baker Hughes .....	22	Birkenstock Holding .....	32	Samsung Electronics .....	7	SLM .....	35
Birkenstock Holding .....	32	BlackRock .....	55	Seafarer Overseas Growth and Income .....	27	SPDR S&P 500 .....	34
BlackRock .....	55	BNP Paribas .....	33	Shell .....	21	<b>T</b> Targa Resources .....	22
BNP Paribas .....	33	Boeing .....	7	Skechers USA .....	32	Target .....	7
Boeing .....	7	BP .....	21	SLM .....	35	TechnipFMC .....	22
BP .....	21	<b>C</b> Capital One Financial .....	7	SPDR S&P 500 .....	34	Tesla .....	27
<b>C</b> Capital One Financial .....	7	Carvana .....	7	<b>T</b> Targa Resources .....	22	Texas Pacific Land .....	6
Carvana .....	7	Cheniere Energy .....	22	Target .....	7	TJX Cos. ....	7
Cheniere Energy .....	22	Chevron .....	14,35	TechnipFMC .....	22	TotalEnergies .....	21
Chevron .....	14,35	Coinbase Global .....	7	Tesla .....	27	TransUnion .....	6
Coinbase Global .....	7	Consumer Discret'y Select Sector SPDR .....	31	Texas Pacific Land .....	6	TreeHouse Foods .....	35
Consumer Discret'y Select Sector SPDR .....	31	Contemporary Amperex Technology .....	7	TJX Cos. ....	7	T. Rowe Price Global Stock .....	27
Contemporary Amperex Technology .....	7	Costco Wholesale .....	6	TotalEnergies .....	21	<b>U</b> Under Armour .....	32
Costco Wholesale .....	6	Cros .....	32	TransUnion .....	6	UnitedHealth Group .....	6,7
Cros .....	32	Cummins .....	10	TreeHouse Foods .....	35	United Parcel Service .....	7
Cummins .....	10	<b>D</b> Deckers Outdoor .....	7,31	T. Rowe Price Global Stock .....	27	<b>V</b> Vestas Wind Systems .....	22
<b>D</b> Deckers Outdoor .....	7,31	Diamondback Energy .....	13	<b>U</b> Under Armour .....	32	Vista Energy .....	21
Diamondback Energy .....	13	Dick's Sporting Goods .....	7,32	UnitedHealth Group .....	6,7	<b>W</b> Walmart .....	4,7,30
Dick's Sporting Goods .....	7,32	Discover Financial Services .....	7	United Parcel Service .....	7	Westwood LBRTY Global Equity .....	27
Discover Financial Services .....	7	Dun & Bradstreet Holdings .....	35	<b>V</b> Vestas Wind Systems .....	22	Williams Cos. ....	22
Dun & Bradstreet Holdings .....	35	<b>E</b> Edgewise Therapeutics .....	35	Vista Energy .....	21	Williams-Sonoma .....	7
<b>E</b> Edgewise Therapeutics .....	35	EQT .....	22	<b>W</b> Walmart .....	4,7,30	Wolverine World Wide .....	31
EQT .....	22	Equifax .....	6	Westwood LBRTY Global Equity .....	27	<b>Z</b> Zillow Group .....	35
Equifax .....	6	Expand Energy .....	21	Williams Cos. ....	22		
Expand Energy .....	21	Experian .....	6	Williams-Sonoma .....	7		
Experian .....	6	Exxon Mobil .....	14	Wolverine World Wide .....	31		
Exxon Mobil .....	14	<b>F</b> Fair Isaac .....	6	<b>Z</b> Zillow Group .....	35		
<b>F</b> Fair Isaac .....	6	FedEx .....	6,7				
FedEx .....	6,7	First Solar .....	22				
First Solar .....	22	Flaherty & Crumrine Pref & Inc Opport'y .....	55				
Flaherty & Crumrine Pref & Inc Opport'y .....	55	Foot Locker .....	7,32				
Foot Locker .....	7,32	<b>G</b> GeneDx Holdings .....	35				
<b>G</b> GeneDx Holdings .....	35	GE Vernova .....	20				
GE Vernova .....	20	Group 1 Automotive .....	7				
Group 1 Automotive .....	7	<b>H</b> Hitachi .....	21				
<b>H</b> Hitachi .....	21	Home Depot .....	6,7				
Home Depot .....	6,7	<b>I</b> Insight Enterprises .....	35				
<b>I</b> Insight Enterprises .....	35	Intesa .....	33				
Intesa .....	33	iShares MSCI Europe Financials .....	33				
iShares MSCI Europe Financials .....	33	<b>J</b> Jack Henry & Associates .....	6				
<b>J</b> Jack Henry & Associates .....	6	<b>K</b> KBC Group .....	33				
<b>K</b> KBC Group .....	33	<b>L</b> Lloyds Banking Group .....	33				
<b>L</b> Lloyds Banking Group .....	33						

## BARRON'S

Lachlan Murdoch, *Executive Chairman, News Corp*  
 Rupert Murdoch, *Chairman Emeritus, News Corp*  
 Robert Thomson, *CEO, News Corp* Almar Latour, *CEO, Dow Jones*

**EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER** Dan Shar

**EDITOR IN CHIEF** David Cho

**EXECUTIVE EDITOR** Bob Rose **SENIOR MANAGING EDITOR** Lauren R. Rublin

**DEPUTY EDITORS** Alex Eule, Ben Levisohn

**EDITORIAL DIRECTOR, MAGAZINE** Phil Roosevelt

**EDITOR AT LARGE** Andy Serwer

**MANAGING EDITORS** Matt Bemer, Abby Carmel, Daren Fonda, Amey Stone, Joe Woelfel

**ASSISTANT MANAGING EDITORS** Henry Cutter, Mel Gray, Mary Romano,  
 Robert Sabat, Rupert Steiner (London bureau chief)

**ASSOCIATE EDITORS** Andrew Bary, Randall W. Forsyth, Jack Hough, Reshma Kapadia, Al Root

**SENIOR WRITERS** Bill Alpert, Nicole Goodkind, Tae Kim, Paul R. La Monica, Megan Leonhardt, Adam Levine,  
 Joe Light, Elizabeth O'Brien, Teresa Rivas, Ian Salisbury, Avi Salzman, Laura Sanicola, Rebecca Ungarino

**REPORTERS** Jacob Adelman, Janet H. Cho, Adam Clark, Catherine Dunn, Sabrina Escobar,  
 George Glover, Anita Hamilton, Callum Keown, Evie Liu, Shaina Mishkin, Josh Nathan-Kazis,  
 Elsa Ohlen, Angela Palumbo, Abby Schultz, Connor Smith, Jacob Sonenshine, Brian Swint,  
 Mackenzie Tatananni, Karishma Vanjani, Andrew Welsh, Nate Wolf

**STORY EDITORS** Ed Lin, Erin McCarthy, Liz Moyer, Patrick O'Donnell, Stacy Ozol,  
 Emily Russell, Ross Snel, Neal Templin, J.J. Thompson

**COPY DESK** Michael J. Burlingham, Robert Teitelman

**IDEAS EDITOR** Matt Peterson

**DEPUTY DIGITAL MANAGING EDITOR** Zoe Szathmary

**DIGITAL PRODUCERS** Robert Cushing, Nick Devor, Clare McKeen

**HEAD OF VISUALS** Chelsea Schiff

**ART DIRECTORS** Shayanne Gal, Sue Ng, Lynne Tuttle

**DATA GRAPHICS EDITOR** Molly Cook Escobar

**PHOTO EDITORS** Alis Atwell, Nicole Silver

**RESEARCHER** Dan Lam

**STATISTICS MANAGER** Michael T. Kokoszka **STATISTICIAN** Darren Chima

**ADVERTISING SERVICES MANAGER** James H. Balmer

**NEWS** [editors@barrons.com](mailto:editors@barrons.com) **STATISTICS** [barronsstats@barrons.com](mailto:barronsstats@barrons.com) **CUSTOMER SERVICE** 800-544-0422

**GLOBAL HEAD, WEALTH & ASSET MANAGEMENT** Jack Otter



DOW JONES

Barron's is a trademark of Dow Jones and its affiliates. Barron's (USPS 044-700) (ISSN 1077-8039) Published every Monday. Editorial and Publication Headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036. Periodicals postage paid at Chicopee, MA and other mailing offices. Regular U.S. subscription rate: one year, \$359.88. Entire editorial content of this publication copyrighted by Dow Jones & Co., Inc. and must not be reproduced in whole or in part without special permission. Unsolicited manuscripts should be accompanied by self-addressed envelope with proper postage. All advertising published in Barron's is subject to the applicable rate card, copies of which are available from the Advertising Director, 1211 Avenue of the Americas, New York, N.Y. 10036. Barron's reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute acceptance of the advertiser's order. Postmaster: Send address changes to Barron's, 200 Burnett Rd., Chicopee, MA 01020.

**P. 12**  
**Energy Roundtable: What to Buy Now**

**Cover Story:** Our panelists tackle a range of topics, from oil and gas prices to AI data center demands to the prospects for clean energy. Plus, 13 picks across the industry.  
**By AVI SALZMAN**

**P. 8**  
**Trump's Pick Is Set to Reshape U.S. Banking**

Banks are cheering Michelle Bowman's nomination as the Fed's new vice chair for supervision. Critics worry about the erosion of financial safeguards.  
**By REBECCA UNGARINO AND NICOLE GOODKIND**

**P. 23**  
**Netflix Stock Is Worth Its Premium Price**

The shares offer a haven from trade turmoil and economic uncertainty as the video streamer pursues new growth avenues.  
**By GEORGE GLOVER**

**P. 24**  
**The Financial Security of Many Is Under Siege**

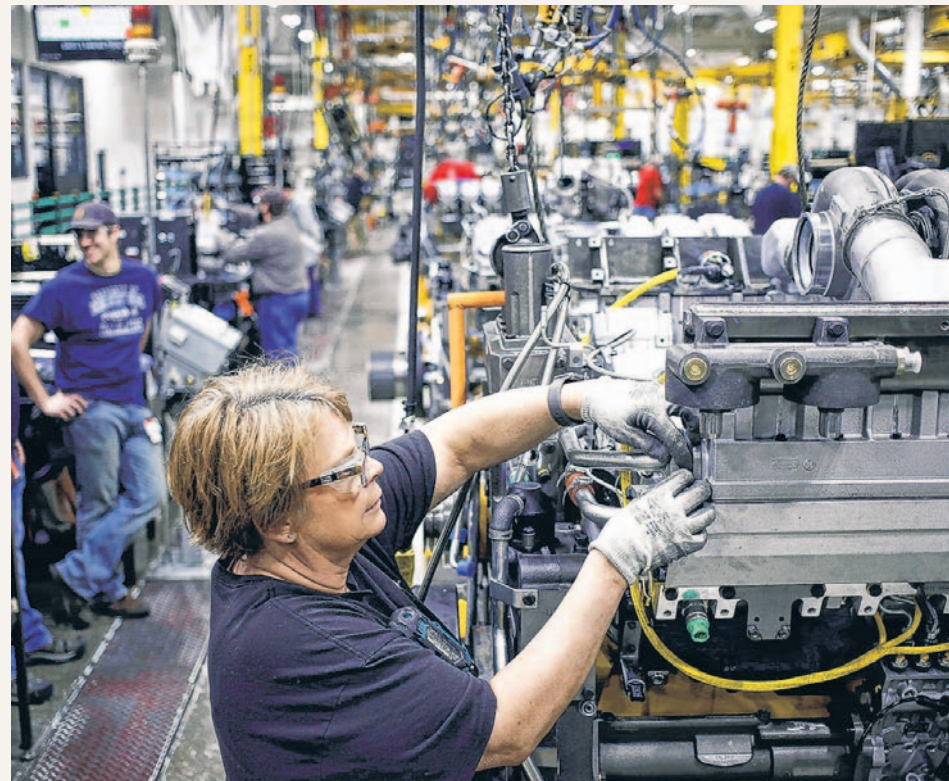
How Republican cost-cutting could hurt millions of vulnerable Americans who rely on Medicaid, Medicare, and Social Security.  
**By ELIZABETH O'BRIEN**

**P. 54**  
**Elon Musk's Modern-Day Company Town**

**The Back Story:** Time will tell if Starbase, Texas, follows a similar trajectory to other U.S. towns run by American industrialists.  
**By KENNETH G. PRINGLE**

**P. 10**  
**Ground Zero in the Trade War**

In Midwest manufacturing hubs such as Columbus, Ind., businesses and workers are suffering from the unintended consequences of the Trump administration's tariff policies.  
**By JOE LIGHT**



The region is home to engine maker Cummins, above, and scores of smaller American manufacturers.

**P. 29**  
**Economy: The Next Iteration of the Fed**

Coming Trump appointments are expected to steer the Federal Reserve on a different course.  
**By NICOLE GOODKIND**

**P. 30**  
**Trader: A Return of the AI Trade**

Investors were encouraged by Nvidia's global growth prospects and promising developments on the trade front.  
**By TERESA RIVAS**

**P. 33**  
**International: Clouds Over European Banks**

Names such as Lloyds, Intesa, and BNP Paribas look like standouts as the backdrop gets tougher.  
**By CRAIG MELLOW**

**P. 34**  
**Striking Price: How to Bet on Trade Deals**

Here's an options strategy that could supercharge returns if other tariff negotiations go well.  
**By STEVEN M. SEARS**

**P. 55**  
**Income: The Fading Glory of Closed-Ends**

**By AMEY STONE**

**P. 4**  
**Up & Down Wall Street: Bonds Send a Warning**

Rising Treasury yields reflect unease with a gaping U.S. deficit that's on its way to getting even bigger. It spells trouble for stocks.  
**By RANDALL W. FORSYTH**

**P. 27**  
**Funds: 9 Ways to Skirt 'Autocracy Risk'**

Markets aren't as reliable when leaders amass outside power, as some fear could happen in the U.S. How to tweak your investment mix.  
**By LEWIS BRAHAM**

**P. 6**  
**Streetwise: A Credit Scorer's Soaring Stock**

Fair Isaac, the company behind FICO scores, has outperformed Apple over the long run. AI could propel the shares even higher.  
**By JACK HOUGH**

**P. 28**  
**Tech Trader: Sovereign AI Is the Next Frontier**

The push by countries for onshore artificial-intelligence data centers is a \$50 billion opportunity for Nvidia, AMD, and others.  
**By ADAM LEVINE**



Cover illustration by Merijn Hos

© 2025 Dow Jones & Company, Inc. All Rights Reserved.

Our newspapers are 100% sourced from sustainable certified mills.

BARRON'S (USPS 044-700) (ISSN 1077-8039) Published every Monday. Editorial and Publication Headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036. Periodicals postage paid at Chicopee, MA and other mailing offices. Postmaster: Send address changes to Barron's, 200 Burnett Rd., Chicopee, MA 01020

Index	P. 2	13Ds	P. 35
Review & Preview	P. 7	Winners & Losers	P. 36
Classifieds	P. 33	Market Data	P. 37
Inside Scoop	P. 35	Mailbag	P. 55

# UP & DOWN WALL STREET

## Why Trump's 'Big, Beautiful Bill' Could Spoil the Stock Party

It wasn't a lost weekend, after all.

Tariff-pocalypse was averted after the U.S. and China stepped back from their threatened triple-digit import fees, sending stocks exuberantly higher early this past week. Equities seemed to lose some of their initial enthusiasm as the week wore on, but it was still their best in more than a month.

The bond market's mood was darker. Treasury yields rose past significant mileage markers as the 10-year benchmark note topped 4.5% and the 30-year long bond approached 5%. More important, those risk-free returns threatened to breach levels that have historically hurt the stock market. While bond yields backed off slightly from those levels, there remained a distinct air of disquiet in the debt market.

That may be traced to the Trump administration's other signal initiative, the so-called big, beautiful bill to extend the 2017 tax cuts due to expire at year end and approve an array of other goodies promised in last year's presidential campaign. The rub is that the BBB, to use the measure's initials, is utterly incompatible with AAA, the top credit rating, which the U.S. Treasury just lost. Again.

Late Friday, Moody's Investors became the last of the major rating firms to strip Uncle Same of its best grade. Standard & Poor's and Fitch Ratings previously demoted the U.S. one notch.

The BBB, as marked up by the tax-writing House Ways and Means Committee and rejected by five House Re-



BY RANDALL W. FORSYTH

publicans this past week, points to even greater federal budget deficits than what's currently in place. The bond market, charged with funding those deficits, seems discomfited by the prospect.

The Joint Committee on Taxation estimated that the bill, including the renewal of the Tax Cut and Jobs Act of 2017, would increase deficits by \$3.8 trillion through 2034, equal to 1.1% of gross domestic product. If the BBB were extended permanently, the Bipartisan Policy Center estimated that the deficit would be \$5.3 trillion higher, or 1.5% of GDP, even including some \$2 trillion in spending cuts through 2034. Based on the behavior of recent Congresses, that seems the more likely bet. Even before these



House Speaker Mike Johnson (R., La.), right, and Rep. Jodey Arrington (R., Texas) at the U.S. Capitol. Republicans planned to work on the tax bill over the weekend.

expanded future deficits, the U.S. government is running up red ink at an annual rate of \$2 trillion, or close to 7% of GDP—a level unprecedented except for recessions or wartime.

Those projections may be optimistic. According to the Penn Wharton Budget Model, the bill would increase the so-called primary deficit by \$6 trillion over 10 years. The primary deficit excludes interest costs, focusing only on spending on programs. But as noted here ad nauseam, the government's interest expense is the fastest-growing part of the budget, especially as old notes and bonds sold during the ultralow-interest-rate era following the 2008-09 financial crisis are refinanced with the current 4% coupons. Debt service now is a bigger burden than the military, which has marked a tipping point historically for great global powers.

Even after the administration backed down from 145% levies on China to a mere 10% or 30% in some cases, Goldman Sachs economists estimate that the U.S. economy faces an increase of some 13 percentage points in the levy on imports, the highest burden since the 1930s during the infamous Smoot-Hawley tariffs. Contrary to the administration's avowed aims, Goldman thinks the tariffs are unlikely to produce much

in the way of onshoring of production. That's especially the case for high-value-added products such as medical equipment and semiconductors, which the firm's economists say are less responsive to price changes.

Moreover, Goldman estimates that real—that is, after inflation—incomes in the U.S. will be reduced by 1.5%-2% per annum by the tariff regime. But that doesn't take into account potential retaliatory actions by trade partners to the U.S. levies, the firm's economists add. That would only exacerbate the economic impact.

While the tariffs are imposing a consumption tax on U.S. consumers, Strategic Securities' Washington analyst team, led by Daniel Clifton, says the bill's tax cuts at least will provide an offset equal to about 1% of GDP. The timing is inexact; the tariffs will hit consumers with higher prices, as Walmart warned this past week, while the tax relief won't arrive until 2026. It's also far from certain that the BBB won't cost even more. A handful of Republicans from blue—read high-tax—states were holding out for a bigger expansion of the state and local tax deduction, otherwise known as SALT.

As Deutsche Bank economists observe, the currently proposed bill may best be thought of as a floor for deficit increases. "In short, there appears to be no serious effort at reining in historically elevated deficits, which remain on track to exceed over 6% of GDP in the coming years," they conclude.

The risks are rising. "Our view is that the nation is headed for a fiscal crisis because the economy cannot sustain budget deficits this big," writes Carl Weinberg, chief economist at High Frequency Economics. "At some point, markets will rebel against unsound fiscal practices, and that includes the wisdom of cutting taxes and increasing the fiscal deficit when the economy is at full employment already, especially if it boosts the public sector debt to more than 100% of GDP," he concludes.

Investors will see a short-term impact as well, according to Mizuho economists Steven Ricchiuto and Alex

U.S. debt service now is a bigger burden than the military, which has marked a tipping point historically for great global powers.

Pelle. "The prospects of a large tax cut add to our view that interest rates at both ends of the yield curve will end the year decidedly higher than they are today," they say.

The bond market's disquiet already is showing in yields reaching 4.5% for the 10-year Treasury and nearly 5% for the long bond. For the latter, the 5% mark was briefly breached in October 2023 before the Treasury backed away from plans to boost longer-term borrowing, but hasn't been seen on a sustained basis since before the financial crisis.

It was a case of the proverbial dog that didn't bark when bond prices failed to benefit from a benign report on April consumer prices this past week, although yields dipped on Thursday following lower-than-expected readings for producer prices and retail sales last month.

The so-called term premium—the extra yield demanded by investors to compensate for the risk of holding longer maturities—has increased, according to BCA Research, owing to the large fiscal deficits and the pull-back by overseas investors because of concerns over Treasuries' safe-harbor status during the first four

months of the Trump administration.

Whatever the reason, the upward trend in long-term Treasury yields is apparent to the disinterested markets. Looking just at the charts, Renaissance Macro Research head Jeffrey deGraaf writes that if the long bond yield "were a stock, we'd tell you to 'buy it.'"

Stocks may have celebrated the deal, but higher yields could end the equity party. The 22V Research team led by Dennis DeBusschere says a further rise in longer-term Treasury yields would pose a "headwind" for risk assets, with 4.7% on the 10-year as a level seen by investors as "obviously problematic for the economy."

Raymond James analysts Tavis C. McCourt and David Vargas write that 4.5% on the benchmark 10-year Treasury has been an important marker for the stock market since 2021. Breaking down the yield impact further, they find returns have "started to noticeably weaken in small-caps once yields are greater than 4.3%, mid-caps once yields are greater than 4.4%, and large-caps once yields are greater than 4.5%."

Above 4.7%, they add, "has been death for equities with almost nothing

working across any index as the equity market starts pricing in recession."

The worst-performing sectors when yields have risen since 2021 have been communications services, consumer discretionary, and financial services, owing to recession fears, and real estate due to leverage concerns. The most resilient sectors since then when yields rise have been utilities, materials, industrials, and energy, they add.

That's a relatively short history. But the experience of most financial-market participants has been limited mainly to the post-financial-crisis period of the lowest interest rates in recorded history, including the never-to-be-repeated nadir of a 0.56% 10-year yield during the Covid crisis of 2020. But as we noted earlier this year, a 4.75% 10-year Treasury yield is the average for the U.S. since the dawn of the Republic in 1790, according to Bank of America's calculations. Today's supposedly high yields merely represent a return to normalcy.

An annual budget deficit of more than 6% of GDP as far as the eye can see—and a publicly held debt bigger than the U.S. economy—is anything but normal. The vaunted Department

of Government Efficiency cuts, initially promising to save \$1 trillion to \$2 trillion, have come up with a fraction of that. Meanwhile, the Congressional Budget Office's deficit projections—which are based on the expiration of the TCJA at year end under current law and none of the added BBB goodies—assume that the 10-year yield will fall to 3.9% by the fourth quarter of 2026 and then remain around there.

That's liable to be wishful thinking. Simple supply and demand suggest that Uncle Sam will have to pay more to borrow to cover the current deficit and roll over older, low-rate debt. Financial repression is the expedient means to deal with the deficit. That essentially means holding down interest rates below the nominal growth of the economy, consisting of real GDP plus inflation. To President Donald Trump, the self-proclaimed King of Debt, the BBB doesn't pose a problem.

But for investors in both bonds and stocks, the debt will weigh on future returns. ■

email: randall.forsyth@barrons.com

It's not too late to add gold to your portfolio.

**OUNZ** | VanEck Merk Gold ETF

Speak with a Gold Specialist **800.826.2333**  
or email us at [info@vaneck.com](mailto:info@vaneck.com)

**VanEck**®

Investing in the VanEck Merk Gold ETF ("OUNZ" or the "Trust") involves significant risk and may not be suitable for all investors. OUNZ is not registered under the Investment Company Act of 1940 (the "1940 Act") and lacks the protections mutual funds or ETFs have under the 1940 Act.

VanEck Merk Gold ETF has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the Trust and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov) or by visiting [vaneck.com/ounz](http://vaneck.com/ounz). Alternatively, the Trust or any authorized participant will arrange to send you the prospectus if you request it by calling 800.826.2333.

The Sponsor for the Trust is Merk Investments, LLC. The Marketing Agent for the Trust is Van Eck Securities Corporation.

© Merk Investments LLC © Van Eck Associates Corporation



vaneck.com



# STREETWISE

Some 90% of U.S. lenders, and credit-reporting firms Equifax, Experian, and TransUnion, rely on Fair Isaac for credit scores of borrowers.

## How Fair Isaac Makes (Lots of) Money With Your FICO Score

“Good gracious a\*\*\* bodacious,” called out a 50-year-

old man recently to a gathered crowd of credit score enthusiasts. This was the Grammy-winning rapper Nelly performing his 2002 chart-topper “Hot in Herre” at FICO World, held on May 6-9 just north of Miami.

I know what you’re wondering, and no, he didn’t do “Shake Ya Tailfeather”—but he did include “Ride Wit Me.” Also, yes, FICO World is an actual thing. It’s hosted by **Fair Isaac**, the credit analytics company. This year it drew 1,500 attendees.

Granted, that’s no Dreamforce, the yearly conference from **Salesforce**, which does sales software. That one drew 45,000 in September and featured Pink and Imagine Dragons, after Elton John backed out on short notice due to an eye infection. Salesforce is a \$279 billion colossus.

But Fair Isaac, based in Bozeman, Mont., has steadily, quietly risen past good gracious levels to bodacious territory. It’s worth \$51 billion, close to **FedEx**, at \$55 billion. An investor who bought Salesforce stock, ticker CRM, on the day of its June 2005 initial public offering has made 6,700%, or 10 times the S&P 500 index’s return. One who bought Fair Isaac, ticker FICO, on the same day isn’t far behind, at 6,500%.

Fair Isaac went public decades earlier at a much smaller size. In July 1987, it sold 1.4 million shares at \$9.50



BY JACK HOUGH

apiece to little acclaim, judging by an 88-word item in The Wall Street Journal. An investor who bought that day has since made 172,000%. Only two companies in the S&P 500 have as long a trading record and have done better over the same stretch, according to FactSet. **Microsoft** has made 217,000%, and **UnitedHealth Group**, 194,000%. More on that in a moment.

By now you might be wondering what in the holy hash brown potatoes explains how a company best known for scoring borrowers on creditworthiness using a scale from 300 to 850 has outperformed Apple over the long run. I can think of five reasons, beyond the early IPO.

1. Fair Isaac has ridden powerful business trends. The company started in 1956, when credit assessment was shifting from paper records to computers. Engineer Bill Fair and mathematician Earl Isaac put up \$400 apiece in start-up capital and sold their first credit score within two years. The Fair Credit Reporting Act in 1970 laid out rules for what would become the big three reporting firms:

**Equifax, Experian, and TransUnion.** The industry needed an independent scorekeeper that could interpret the different reports, and Fair Isaac was the obvious choice.

At the time of the 1987 IPO, American Banker magazine noted that Fair Isaac’s customers included half of the 100 largest banks, plus 12 oil companies, about 40 retailers, and the major “travel and entertainment” card companies. Over the years, society has become ever more credit- and data-driven, and FICO scores, thanks in part to an early endorsement from U.S. government mortgage agencies, are now used by 90% of U.S. lenders, for more than 10 billion credit decisions a year.

2. FICO score customers generally aren’t the payers. Lenders request the scores, but borrowers ultimately pay for them through application fees. These fees are rising, but are still dwarfed by other costs in the loan process—for example, title insurance in the case of a mortgage. Fair Isaac benefits from what economists call inelastic demand, and the rest of us call the ability to raise prices without customers walking away.

3. Fair Isaac can expand its sales and services much faster than its costs. In other words, its business is asset-light and highly scalable. It sells dozens of industry-tailored credit scores worldwide. More than a decade ago, the company launched a cloud-based software suite for making financial decisions. Last year, scores brought in revenue of \$920 million, up 19%, while software made \$798 million, up 8%. The company has lately turned more than half of reve-

nue into operating profit. It has only about 3,700 employees. Among companies of similar market value, **Allstate** has more than 55,000 workers, and **FedEx**, 430,000.

4. Management has been gobbling stock. Last year, Fair Isaac’s free cash flow climbed 30%, to \$607 million. Buybacks totaled even more: \$822 million. The share count has fallen by a third since 2013. BofA Securities calls this a “public LBO,” or leveraged buyout.

5. Part of the return has come from a rising valuation. Shares go for more than 60 times forward earnings projections, up from closer to 30 times earnings at the start of last year. Fair Isaac has become an artificial-intelligence stock. Whether the business can grow into this valuation, or the stock is due for a drop, depends on the mood of fickle growth investors. Wall Street predicts 20%-plus earnings-per-share growth for years to come. BofA recently called the stock a top pick with a price target of \$3,700, implying 70% more upside. Following FICO World, it predicted that Fair Isaac will become “the **Palantir** of the financial industry,” a reference to that company’s strong position in AI. If that were a rap lyric, even Nelly would call it a bold claim.

One last thing: I mentioned that Fair Isaac ranks third in the S&P 500, behind Microsoft and UnitedHealth Group, in returns since July 1987. Other top 10 members, you won’t be surprised to learn, include **Oracle**, **Home Depot**, **Apple**, **Costco Wholesale**, and a maker of natural sodas that hit it big with energy drinks, called **Monster Beverage**. No. 3 and No. 6 get less attention. **Texas Pacific Land** is the product of a failed effort to build a railroad from Texas to California more than 150 years ago. The Texas land set aside for the job was put into a trust and today yields shale drilling royalties. And **Jack Henry & Associates** dates back to 1976 and the layoff of a bank data manager, who borrowed a computer and started what has become a \$13 billion software company. **B**



BARRONS.COM/PODCASTS

## Barron's Streetwise

In a weekly podcast by *Barron's*, columnist Jack Hough looks at the companies, people, and trends you should be watching. This is Wall Street like you've never heard before. Subscribe to Barron's Streetwise on Spotify, Apple Podcasts, or your favorite listening app.

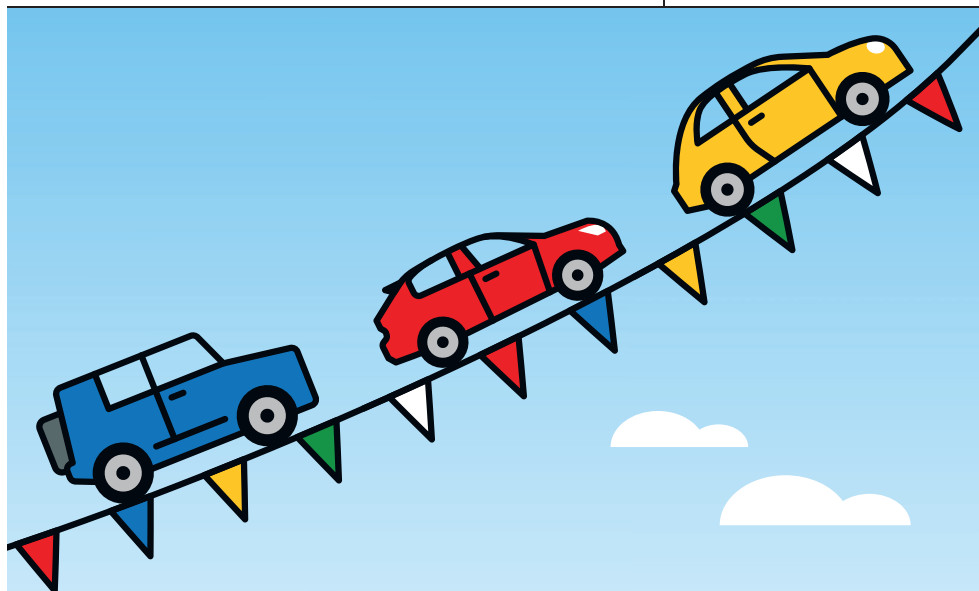
email: jack.hough@barrons.com

# REVIEW & PREVIEW

**42,654.74**  
Dow Industrials: +1405.36

**661.13**  
Dow Global Index: +24.53

Sign up for the Review & Preview daily newsletter at [barrons.com/reviewpreview](http://barrons.com/reviewpreview).



## A Car Play in A Trade War

Shares of online car retailer **Carvana** rallied some 5% on Tuesday after CEO Ernie Garcia argued that tariffs could boost used-car sales. Analysts agree: They expect Carvana's operating profits to more than double in 2025 and jump another 25% in 2026.

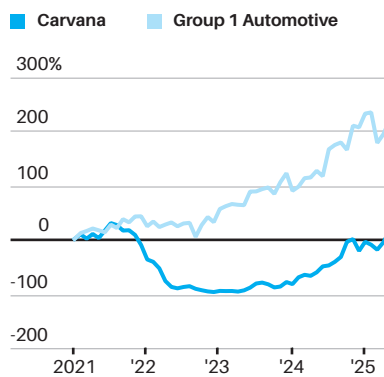
But Carvana's high share price, at 58 times expected 2025 earnings, already reflects that optimism and requires a lot to go right in uncertain times. Investors might do better with another stock with a much cheaper valuation: **Group 1 Automotive**, which rallied 1.2% to more than \$448 on Tuesday after Citigroup's Michael Ward raised his target price to \$495 from \$463.

Group 1 owns more than 330 auto franchises. Wall Street sees relatively modest profit growth: 3.8% in 2025, 6.6% in 2026. But shares trade at less than 11 times 2025 earnings. About 50% of Group 1's revenue comes from new-vehicle sales, compared with 33% for used vehicles, notes CFRA. If tariffs steer shoppers toward used cars instead of new ones, that could cut into Group 1's biggest market.

Still, Ward notes, 25% of Group 1's revenue comes from the United Kingdom, where U.S. tariff plans mean little. He says its multiple could expand as memories of the Covid-era industry's dislocations fade. "Dealer stocks are valued at a 15% discount to pre-Covid levels despite better-than-expected financial performance during and after the crises," he wrote, giving an opportunity for Group 1's double-digit revenue growth in 2025-26. — **Ian Salisbury**

### Revved Up

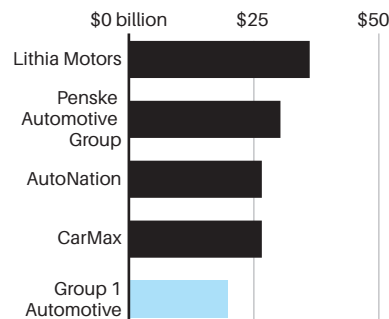
Online auto dealer stocks like Carvana have been volatile. But tariffs so far seem to be a boon, online or off.



Source: FactSet

### Different Roads

The top U.S. vehicle dealers by revenue mix online sales with bricks-and-mortar dealerships. Carvana, just online, is catching up with \$13.7 billion in revenue last year.



Source: company reports

### LAST WEEK

**Markets:** The U.S. and China cut tariffs for 90 days: U.S. on China goods to 30%, China on U.S. goods to 10%. Stocks, Treasury yields, and the dollar rose; gold fell. The Nasdaq surged 4%, the S&P 500 more than 3%. April inflation fell to 2.3%, and investors unwound Federal Reserve rate-cut trades. Stocks fell after **UnitedHealth Group** suspended guidance, the CEO quit, an old one returned, and The Wall Street Journal reported it was under investigation for Medicare fraud. Oil slipped on upbeat comments from President Trump on Iran talks. On the week, the Dow industrials rose 3.4%; the S&P 500, 5.3%; and the Nasdaq Composite, 7.2%. After the Friday close, Moody's downgraded U.S. credit over rising debt, ending its last triple-A rating.

**Companies:** Trump headed to the Middle East, eager for deals. The trip began with Qatar offering him a used **Boeing 747** as a new Air Force One and agreeing to buy 210 new Boeing jets; the Saudis and United Arab Emirates bought artificial-intelligence chips. Trump told drug companies to cut U.S. prices by as much as 80%. **FedEx** will pick up some **Amazon.com** deliveries that **UPS** shed. **Sam-sung** beat **Apple** to market with a thin smartphone. **Coinbase Global** revealed a hack just as it was set to join the S&P 500, replacing **Discover Financial**, which is being bought by **Capital One**.

**Deals:** **Microsoft** and OpenAI are rewriting their partnership. One goal: an initial public offering for OpenAI... **Dick's Sporting Goods** said it would buy **Foot Locker** for \$2.4 billion.

### THIS WEEK

#### Tuesday 5/20

**A solid first-quarter earnings** season winds down, with more retailers on tap after industry bellwether **Walmart** reported strong results but warned of price hikes because of tariffs. **Home Depot** announces results on Tuesday, followed by **Lowe's**, **Target**, and **TJX Cos.** on Wednesday. **Deckers Outdoor**, **Ralph Lauren**, **Ross Stores**, and **Williams-Sonoma** release their earnings on Thursday.

#### Thursday 5/22

**S&P Global releases** both its Manufacturing and Services Purchasing Managers' Indexes for May. Consensus estimates are for a 49.8 reading for the Manufacturing PMI and a 50.6 for the Services PMI. This compares with readings of 50.2 and 50.8, respectively, in April.

**The National Association of Realtors** reports existing-home sales for April. Economists forecast a seasonally adjusted annual rate of 4.1 million homes sold, about 2% more than previously. March's existing-home sales were the lowest for that month since 2009.

#### Friday 5/23

**The Census Bureau** reports new-home sales for April. Expectations are for a seasonally adjusted annual rate of 690,000 new single-family homes sold, 34,000 less than in March.

### THE NUMBERS

**11%**

Drop in visitors coming to the U.S. in March, a result of trade tensions and Easter falling in April.

**21%**

Decline in 2024 marriages in China, a record low, after a decade of decreasing nuptials and population.

**\$5.79**

The average U.S. price per pound of ground beef in March, up nearly 13% in the past year, and a record.

**35%**

Goldman Sachs' estimate of the odds of a recession, down from 45%, after a U.S.-China trade truce.

# Meet Trump's Pick for Banking Boss

Michelle Bowman has roots in community banking. She favors "tailoring" regulations to banks' size, complexity.



BY REBECCA UNGARINO AND NICOLE GOODKIND

Michelle Bowman, a fifth-generation community banker from Kansas and a governor of the Federal Reserve since 2018, is President Donald Trump's pick for vice chair for supervision, a role that would give her oversight of the U.S. banking system. Her confirmation, which could move forward this month in the Senate, represents a defining moment in the broader fight over the future of financial regulation, and would be an important win for advocates of lighter bank regulation.

Bowman, a Republican, is both an outsider whom supporters have cast as Main Street's antidote to big banks' influence, and a Washington insider, a member of the New York bar, and an increasingly influential figure in the monetary-policy realm. Her insider/outsider status has won her fans and foes, and may help her to navigate a difficult and politically charged job.

Bowman is known to prefer limited oversight and holds views that tend to align with bank lobbyists, in contrast to her tough-on-banks predecessor Michael Barr, who stepped down from his supervisory post earlier this year. She has won the support of lawmakers and industry leaders critical of post-financial-crisis banking rules, and a White House eager to ease regulatory pressures while focusing its rhetoric on working Americans.

Wall Street and Main Street banks alike have lobbied for the kind of dialed-back regulation that banking and

regulatory insiders expect Bowman, 53, to pursue. U.S. banks see themselves as much healthier companies than in the years leading up to the 2008-09 financial crisis, and in many ways they are, as postcrisis rule-making intended.

Bank executives argue that the strength and stability that banks have achieved since then warrants a letup of regulations they see as overly burdensome and a hindrance to profit growth.

Many Democrats and consumer-protection advocates view that premise as shortsighted, however, and consider Bowman's advocacy for reduced bank capital requirements and more-transparent stress tests dangerous. (The supervision role was established by the Dodd-Frank Act of 2010, which cemented post-financial-crisis rules to rein in banks and promote accountability.)

Sen. Elizabeth Warren, the Massachusetts Democrat and prominent bank critic who serves on the Senate Banking Committee, said in a statement to *Barron's* that Bowman "has a long track record at the Fed of putting Wall Street over working families, and in her confirmation hearing she refused to answer questions about the damaging economic impacts of President Trump's tariff chaos. Our economy and our financial system can't afford another Trump regulator in a critical role bent on weakening financial safeguards during a time of deep uncertainty."

Bowman declined to comment.

Bowman, known as Miki, was born in 1971 in Honolulu and grew up in a military family that moved frequently. But she has Kansas roots in community banking nearly as old as the state itself. Her great-great-grand-

President Trump has nominated Federal Reserve governor Michelle Bowman as the Fed's vice chair for supervision, a role that would give her oversight of the U.S. banking system.

father helped charter Farmers and Drovers Bank in 1882 in Council Grove, Kan. (current population: about 2,100). The bank now has about \$200 million in assets.

Bowman holds a bachelor's degree in advertising and journalism from the University of Kansas, and a law degree from Washburn University, also in Kansas. She interned during law school for the late Republican Sen. Bob Dole, and her rise thereafter was swift.

Bowman worked as counsel on several House of Representatives committees, then moved into senior roles at the Federal Emergency Management Agency and the Department of Homeland Security under President George W. Bush. She later relocated to London, where her husband, Wesley Bowman, worked as a manager at McKinsey and JPMorgan Chase. In London, she launched a public-affairs firm and led a group that organized Republican interests abroad.

After returning to Kansas in 2010, Bowman joined her family's community bank, where she spent seven years as vice president, focusing on compliance and serving as a trust officer. She became the state's banking commissioner in 2017.

A year later, Trump tapped her for the Federal Reserve Board. Her husband, with whom she has two children, now works as director of finance for Stand Together, a nonprofit founded by Republican donor and prominent Kansas Charles Koch.

Trump selected Bowman for a seat at the Fed that Congress said must be occupied by someone with primary experience working in or supervising community banks. That amendment

to the Federal Reserve Act came in 2015, after a push by community and state banking lobbyists, and reflected concerns that the Fed lacked insight into how its policies affect smaller banks and rural lenders.

Regulators generally define community banks as lenders with less than \$10 billion of assets. Ninety percent of the 4,487 banks insured by the Federal Deposit Insurance Corp. are community banks.

Bowman's nomination to the Fed in 2018 drew mixed reactions. She was confirmed by the Senate on a mostly party-line vote—64 to 34—with several Democrats expressing concern about her limited experience in monetary policy.

Her experience in community banking won her enthusiastic industry endorsements, however. Rebeca Romero Rainey, president and CEO of the Independent Community Bankers of America, says Bowman's "real-world perspective is invaluable and demonstrates a collaborative, informed approach to policymaking grounded in the real economy."

Bankers like her approach in no small part because of her vocal support for "tailoring," or changing banks' regulatory commitments based on their size and complexity, and subjecting smaller banks in particular to lighter supervision. Tailoring is a "strong foundational principle upon which to apply bank regulation and supervision," Bowman said in a speech last year at Harvard Law School.

She has prominent allies in that view. Former St. Louis Fed President James Bullard, who worked with Bowman on community banking issues, says "I think these ideas about tailored regulation are pretty important, because these community banks [are] a completely different business from the very large banks like J.P. Morgan."

Opponents of tailoring say it amounts to a loosening of oversight that prioritizes efficiency over safety. It is part of a wider set of criticisms about Bowman's industry views. Jesse Van Tol, president and CEO of the National Community Reinvestment Coalition, an economic-justice advocacy organization that negotiates community-benefits agreements between banks and community groups, says he has seen a shift in Bowman's posture over time toward favoring big banks. "In some ways, she has become a

voice for the big banks; a voice even for crypto," Van Tol says. "The kinds of things that today she expresses concerns about, the kinds of things she's advocating for in the regulatory framework, are very different from the kinds of things she was focused on when she first started."

Bowman's thinking has also drawn critics inside the Fed. Andrew Levin, an economics professor at Dartmouth College who spent two decades at the Fed, says there "was definitely a feeling that the Federal Reserve Board staff was very condescending to her. She didn't fit this mold of the prominent academic or the distinguished public figure. She's a community banker from Kansas."

Levin is a fan. "I talked to her early on," he says. "I said, 'Miki, hang in there, you're really important.'"

Bowman did just that, and has sometimes been at odds with the Fed's leadership on both regulation and monetary policy. She has pushed back on efforts to raise capital requirements for large banks, warning that across-the-board increases could squeeze smaller institutions and restrict credit in rural communities. That stance put her in conflict with Barr, who spearheaded a regulatory overhaul in the aftermath of the 2023 regional-banking crisis.

The tension came to a head in April 2023, with the release of Barr's report on the collapse of Silicon Valley Bank the prior month. The report criticized the Fed's supervisory failures and called for tougher rules on regional banks. But Bowman, a sitting governor, said she wasn't given the chance to review the report or weigh in before it went public.

"Although this report was published as a report of the board of governors, it was the product of one board member, and was not reviewed by the other members of the board prior to its publication," she said in a speech that June. "There is a genuine question whether these efforts provide a sufficient accounting of what occurred."

It was a rare public airing of internal disagreement. "Miki is a hero of mine," says Levin, the Dartmouth professor, noting that her speech "only strengthens my admiration."

In September 2024, Bowman again took an independent path, this time on interest rates. When the Federal Reserve voted to cut its benchmark rate by half a percentage point, she dissented, favoring a smaller quarter-point move. Large cuts, she has argued, risk sending a "premature

declaration of victory" on inflation, which remains above the central bank's 2% target.

Her dissent marked the first by a Fed governor on a rate decision since 2005, and it proved prescient, given her view that inflation in the U.S. wasn't yet under control.

Bowman has earned respect from some Fed colleagues. "I really got along well with Miki," says former Cleveland Fed President Loretta Mester. "She had her own views, but she would be informed."

Mester recalls that Bowman asked questions, gathered information, and took time to weigh different perspectives before deciding where she stood. "That's refreshing—somebody who wants to be knowledgeable but then is willing to say, 'OK, I took all that in, here's a path forward,'" she says.

Also in Bowman's corner: Local banking leaders, who praise her accessibility. Darrin Williams, CEO of Arkadelphia, Ark.-based Southern Bancorp, recently recalled that he and his colleagues met with Bowman at the St. Louis Fed's nearby offices several years ago. Williams, an adviser to the St. Louis Fed, says he was encouraged by her industry experience and openness to meeting.

Southern Bancorp is a community-development financial institution—a type of lender that provides banking services in underserved markets.

Beyond an impact on banking, Bowman's ascent may point to a looming shift in the Fed's policy goals. With Fed Chair Jerome Powell's term set to expire in May 2026, some Fed watchers expect the central bank to reorient its priorities. The Fed may take a narrower view of its mandate, they say, focusing on price stability and maximum employment but not climate risk, inequality, or other regulatory goals.

Kevin Warsh, a former Fed governor with ties to the Trump administration, is considered a top contender to succeed Powell. Warsh and Bowman met for a conversation in early May at the Hoover Institution's Monetary Policy Conference at Stanford University, prompting speculation that she could play a central role on a Fed leadership team defined by restraint and a return to core functions.

By the time a new Fed chair is confirmed, Bowman will have settled into her supervisory role. Bankers from Wall Street to Kansas are likely to be pleased, but assessing the broader impact of her policies will take longer. ■



## Investing in Education

# Recognizing Financial Literacy Month

We continue to be committed to developing the next generation of business leaders with a strong focus on colleges, universities and high schools. We recognize and thank the many companies and professional individuals that sponsor our program, allowing us to bring our resources to schools at no cost to students.

We invite you to join us in this effort as we continue to welcome schools and sponsors dedicated to diversifying the future of business.

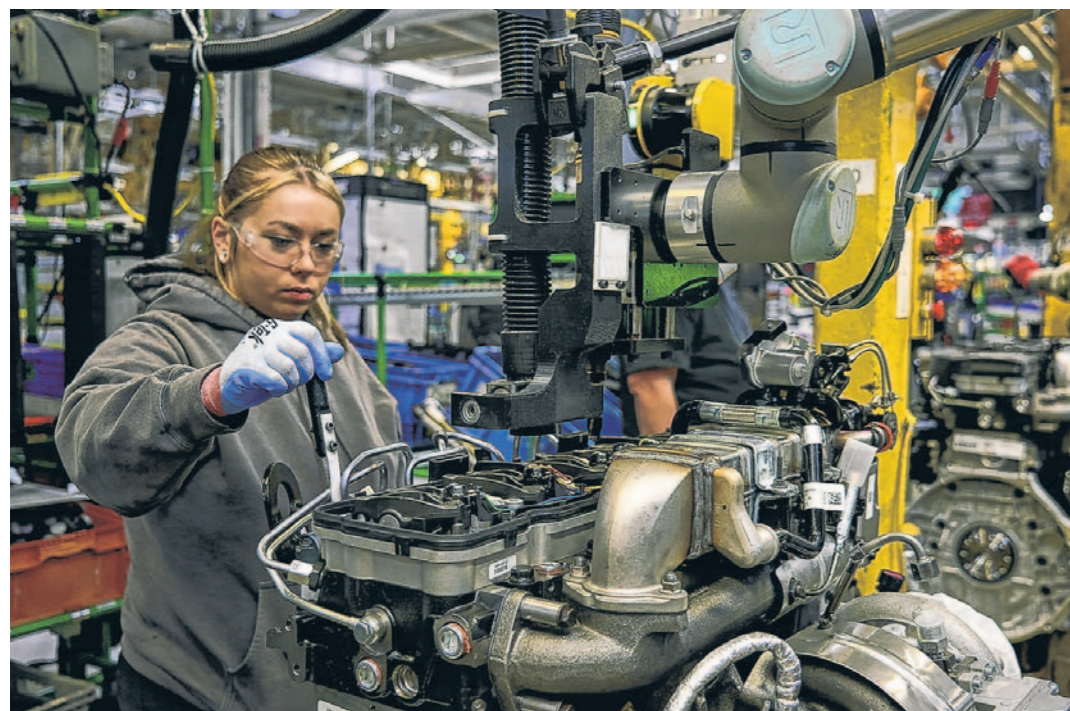
For more information, please contact:  
[BarronsEDU@barrons.com](mailto:BarronsEDU@barrons.com)

POWERED BY

BARRON'S MarketWatch

# The City That Should Love Tariffs Is Worried

Manufacturing mecca Columbus, Ind., is being squeezed by higher import costs and concerns about retaliation abroad.



BY JOE LIGHT

If there's one group of people in America that tariffs are most meant to help, it's the 50,000 or so residents of the Midwest manufacturing mecca that is Columbus, Ind. And yet, two days after President Donald Trump launched his latest round of import taxes in early April, the city's mayor had a message for anyone in Washington who might listen: Please, make it stop.

Set between Indianapolis, Cincinnati, and Louisville, Ky., Columbus has about 40% of its workforce employed in manufacturing-related jobs. Nearly 30% of its gross domestic product is tied to exports. It's the headquarters of **Cummins**, the \$46 billion maker of diesel engines and other power equipment, and scores

of smaller manufacturers that sell American parts around the world.

In other words, Columbus and cities like it are exactly where you would expect to see the economic boost that the administration says tariffs will deliver. Instead, the first month of Trump's global trade war has whipsawed Columbus. Manufacturers and local officials say they are worried about layoffs, rising costs, and lost economic-development projects as companies wait for the dust to settle.

That remains true even after the China trade deal the White House announced this past Monday. Despite the reprieve, trade levies are still far higher than many economists' worst-case scenarios before Trump took office.

"With current tariffs in place, we believe our region will see many adverse effects, which will take years to recover from," wrote Columbus Mayor

Mary Ferdon to Rep. Jefferson Shreve (R., Ind.) and Sens. Todd Young (R., Ind.) and Jim Banks (R., Ind.).

Columbus is getting squeezed on all sides by the trade war. Many goods made here require parts from abroad. Trump's tariffs are making those imports more expensive, putting pressure on local manufacturers' bottom lines. Meanwhile, those businesses' export markets are at risk from retaliatory tariffs. And no one seems to know quite how to plan for tariffs that rise and fall from week to week.

The economic situation isn't as dire as the 2008-09 recession or the Covid-19 shock, but locals are worried.

"I see storm clouds," says Cindy Frey, president of the Columbus Area Chamber of Commerce.

The Cummins engine plant south of downtown shuttered for a week in March, a decision that plant manager Nikki Wheeldon attributed in part to the tariff threat. The plant is expecting a spurt of new business over the summer as it ramps up production on a new engine, leading her to ask some of her 1,000 employees to work weekends, but that hasn't quieted worries.

"They'll make more money—that's good in the short term. Their questions are, 'Should I spend that? Should I save that?'" Wheeldon says. "They're not sure how to behave. There's just a lot of anxiety that comes with that."

Wheeldon's plant sources most of its parts domestically, but relies on Chinese manufacturers for engine blocks, among other components.

Despite the mayor's request for relief, Columbus' federal representatives remain largely supportive of Trump's trade crackdown—like most Republicans. Shreve, the congressman, sent *Barron's* a statement saying he has met with local leaders. "There's heightened uncertainty," he wrote, adding that he's supportive of the administration's trade policy. Young, the senator, said tariffs are useful but "carry downside risk if applied without a clear strategy" and said he wanted more clarity. Banks didn't respond to a request for comment.

Ferdon sent her email just after "Liberation Day," when Trump announced a 10% baseline tariff on all imports and higher "reciprocal" tariffs on most major U.S. trading partners.

She couldn't imagine the roller coaster of tariff announcements and grieves that has come since.

Trump has launched a vast trade

war against virtually the entire world, only to rescind it partway, while insisting he has the right to plunge back in. As of a few days after Ferdon's letter in early April, Trump had imposed 10% tariffs on virtually every country. His new China tariffs shot up to 145%, only to fall to 30% in a surprise announcement by administration officials early on Monday morning. China has likewise retaliated with embargo-level tariffs, only to return to a 10% retaliation. Those figures could rise again this summer after 90-day negotiating clocks expire. Trump has also imposed tariffs on steel and autos, and pledged further levies on other sectors.

Among Trump's shifting goals for the trade war, one message has been consistent: Tariffs are meant to bring manufacturing back to the U.S. The White House has touted announcements by some manufacturers that they plan to increase U.S. production.

But the immediate effect of the trade war has been to freeze many companies' investment plans.

Manufacturing activity contracted for the second straight month in April, according to the Institute for Supply Management. The ISM survey showed that prices for manufacturers' inputs rose to their highest level since June 2022 and that production slowed.

Retaliation would probably hit Columbus hard. Its economy relies disproportionately on exports, as do other similarly situated cities. Exports accounted for some 29% of Columbus' gross domestic product in 2023, according to an analysis for *Barron's* by Moody's Analytics. That makes the city four to five times more reliant on exports than the country as a whole, Moody's says. Other cities whose export share exceeded 20% included Racine, Wis.; Decatur, Ill.; and Greenville, S.C., which are home to consumer goods factories, agricultural companies, and auto manufacturers. All of Columbus' federal representatives are Republicans, making them prime targets for retaliation, as some countries have said they would target red-leaning and swing states.

"Tariffs are a key part of President Trump's America First agenda, but just one part. The Trump administration is also slashing regulations, unleashing American energy, and pushing for tax cuts—including no tax on overtime and full deductions for investments in equipment," said White House spokesman Kush Desai in a statement. Trump is set to repeat the

strong economic performance of his first term, Desai said.

The tariffs are of particular concern to Cummins, which employs more than 7,000 people in the Columbus area. Columbus was already a manufacturing town when Cummins was founded in 1919, but the company's growth supercharged the city.

Its success has changed the face of Columbus. The Cummins Foundation has paid design fees for some local building projects and is credited with popularizing modernist architecture in town. The result is that one of the smallest metro areas in the country has seven National Historic Landmark buildings, designed by midcentury heavyweights such as Finnish-American modernist Eero Saarinen. Before designing the pyramid in front of Paris' Louvre, I.M. Pei drew up the Bartholomew County library in downtown Columbus.

The trade war has clouded Cummins' outlook. Since Trump announced auto-related tariffs in February, its stock has fallen 15%, despite spiking more than 7% after this past weekend's U.S.-China trade agreement. The company this month withdrew its earnings guidance for the year, citing "growing economic uncertainty driven by tariffs."

"A unilateral tariff approach poses significant risks, including increased supply-chain costs, retaliatory tariffs, reduced competitiveness, and lost sales," Cummins said in a statement to *Barron's*. "These challenges could hinder growth and place American manufacturers at a disadvantage in the global market."

The levies are hitting Cummins' suppliers as well. In Edinburgh, Ind., just north of Columbus, GTR Enterprises is waiting for a Chinese manufacturer to complete some molds that it's planning to use to make plastic parts for one of its customers. General Manager Richard Kellems said that even the 145% China tariffs, before they were scaled back, weren't nearly high enough for it to make economic sense to buy the molds from a domestic supplier instead.

Still, GTR's executives hope that the tariffs might benefit the company, just as Trump said they would. Since the April 2 tariff announcement, many companies that use foreign suppliers have asked GTR to give quotes for potential new business. But as of mid-May, none had placed orders. Potential buyers are waiting to see whether tar-

iffs will actually remain in place, says Michael Cirone, chief marketing officer of Manar, GTR's parent company.

"They're preparing and trying to understand who their potential sources are if they need to make a move," Cirone says. "People don't understand what's going to happen. There's a lot of uncertainty right now."

The uncertainty is putting some growth plans on hold. Columbus area economic-development official Jason Hester says that in April, a German company, which he declined to name, decided to shelve a project. Hester says that he attended a major manufacturing conference in Germany last month. He heard from companies that were considering opening plants in the U.S. but were deterred by increased costs the tariffs could bring for equipment and materials they would have to import.

"It's frustrating. It feels like a man-made—I don't want to call it a disaster yet—but a man-made problem," Hester says.

Some Republican lawmakers appear uneasy with Trump's unilateral decision to impose tariffs. A bill that would require congressional signoff on tariffs picked up seven Republican co-sponsors, including Young, one of the Indiana senators whom Columbus Mayor Ferdon asked for relief. Sen. Chuck Grassley (R., Iowa), whose state depends on agriculture exports, also supports it. The bill isn't expected to move forward.

But the uncertainty caused by the global trade war, along with unrelated local issues, are leading Columbus officials to err on the side of caution.

"There are other communities throughout Indiana that are very manufacturing-heavy that are watching it the same way we are," says Ferdon, who, like most elected officials in Indiana, is a Republican. The mayor says she and the city council are likely to limit any budget increases in light of the economic uncertainty. She says that when she speaks to the general public, they often see tariffs as "being a good thing to bring manufacturing back," but the executives who run manufacturers are more cautious. She's hopeful that the administration's negotiations will result in trade deals that ultimately grow the market for Columbus' products around the world.

"I just hope the sooner the better," Ferdon says. "The uncertainty hurts." ■

## BARRON'S Market Insights. In the Palm of Your Hand.

Download the Barron's app for investment analysis, real time stock picks, and breaking business news.



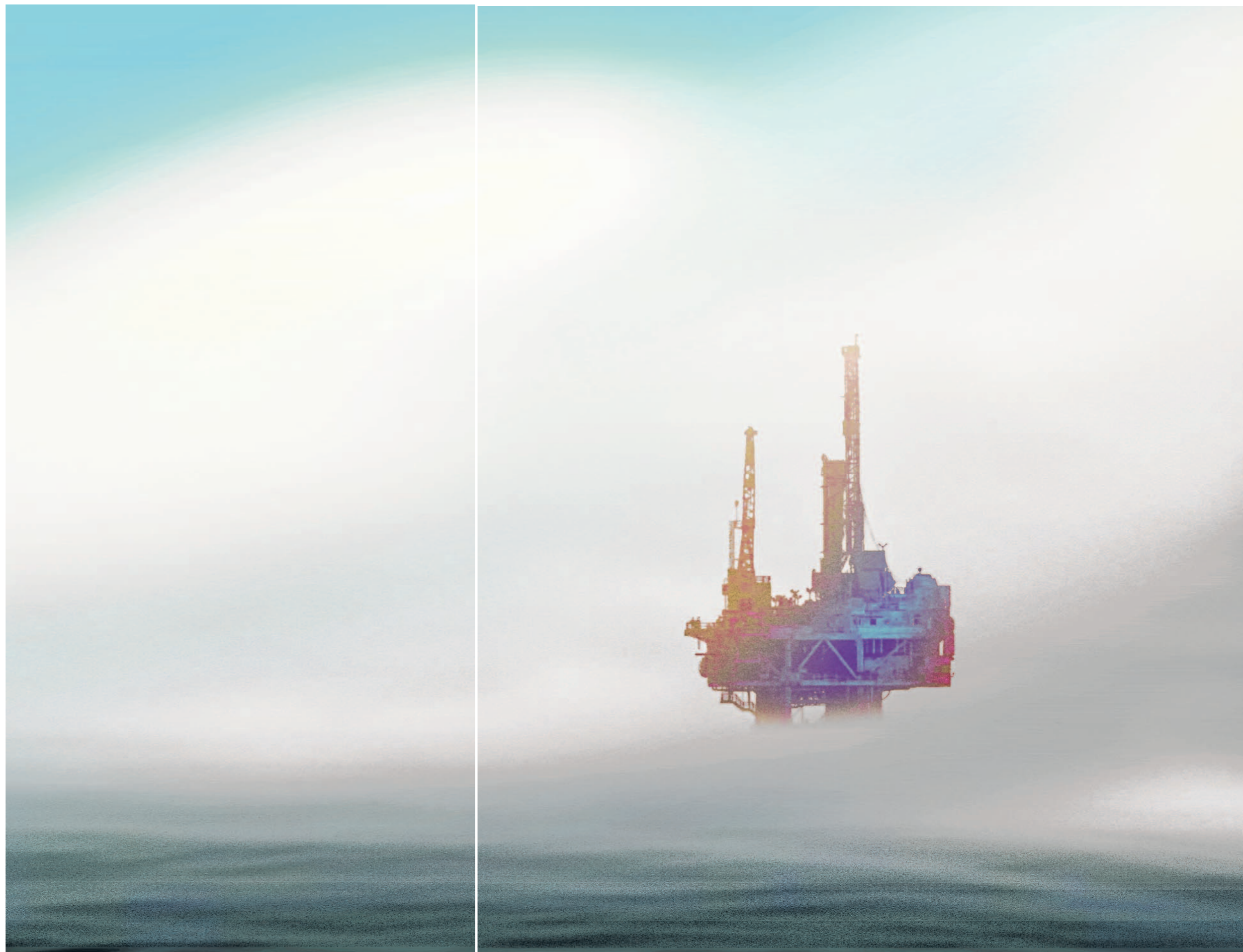
Download the App.  
barrons.com/barronsapp



# 13 WAYS TO PROFIT FROM THE ENERGY MARKET'S UPHEAVAL

• OPEC is pumping, oil prices are falling, shale producers are pulling up rigs. Our experts highlight the winners.

• **BY AVI SALZMAN**



**T**he past few months have ushered in enormous changes for the energy industry, from the resurgence of the Organization of the Petroleum Exporting Countries, or OPEC, to a sudden slowdown in U.S.

shale-oil production. The politics of energy have shifted, too, upending fast-growing industries such as solar power. Nonetheless, some investors see opportunities, given the growing global interest in energy security and the rise of electricity-guzzling technologies such as artificial intelligence.

To understand the landscape for investors, *Barron's* convened a roundtable of industry experts that met on May 8 on Zoom. The group included Natasha Kaneva, head of global commodities strategy at J.P. Morgan; Paul Gooden, portfolio manager at London-based investment firm Ninety One; William Page, portfolio manager at Essex Global Environmental Opportunities Strategy; and Dan Pickering, founder and chief investment officer of Pickering Energy Partners.

An edited version of the roundtable, including a discussion of the panelists' favorite stocks, follows.

***Barron's:* Welcome to the 2025 Energy Roundtable. The energy market is more dynamic than ever, even if it has been a little less profitable, too. OPEC is suddenly getting much more aggressive with oil-production hikes, which has sent global oil prices sharply lower, to about a recent \$60 a barrel. Natural gas, once an afterthought, has become perhaps the central molecule in the energy system. And clean energy is in upheaval, facing policy backlash and uncertainty.**

**Politics is back in a big way, as well. President Donald Trump wants to "drill, baby, drill," but it looks like oil producers are doing the opposite. Diamondback Energy CEO Travis Stice said shale production has peaked. He is planning to pull rigs out of the Permian Basin.**

**Dan, you have spent years in the shale patch. Is Stice right? Is it all downhill from here?**

**Dan Pickering:** The statement from Diamondback was dramatic and eye-catching. I think it was intended to be. Shale is maturing, as you would

expect, given that we're 20 years into it at this point. His comment is about both shale maturity and price. I don't think U.S. production has peaked from shale if oil is \$75 or \$85 or \$95. But there is no question the economics don't work when oil is in the \$50s and \$60s.

It is a bit early to call the end of U.S. shale. But it is definitely a shot across the bow. There isn't an unlimited resource—and particularly not an unlimited resource at prices below \$70 a barrel.

**So far, some other U.S. companies have pulled back production, too, but it is mixed. Chevron and Exxon Mobil are still sticking to their production plans. In general, are most companies going to stick to their guns, or start pulling back?**

**Pickering:** My expectation is this is going to be a slow-moving downturn. Why? We're sitting here with barely 30 days under our belt to understand the potential implications of tariffs, and the accelerated OPEC production. You're seeing smaller and more nimble companies react quickly. It will take some duration and some more information before you see the whole industry start to react.

Exxon and Chevron probably aren't going to drill through a \$50 or \$55 environment for the next two years. They may not announce it, it won't get as many headlines, but the economics simply aren't as good. The economics will dictate some moderation of spending. The industry is going to be focused on the capital discipline pledge it made and lived by for the past four or five years.

These companies will be protecting their balance sheets. They're going to be protecting their dividends. And they're going to hopefully be protecting their free cash. To do that in a \$50 or \$55 world, they're going to have to cut spending to deliver on those pledges. I don't think there is an existential crisis. Balance sheets are generally good across the board. Of course, Exxon and Chevron are fine, but even the smaller guys are in great shape. This isn't the Covid-19 pandemic or the global financial crisis. This is—I hate to use the term, but I will—a run-of-the-mill downturn that the industry knows how to deal with. And it will.

**Natasha, J.P. Morgan recently reduced its price targets for oil. Can**



**Natasha Kaneva**  
Global head of  
commodities strat-  
egy, J.P. Morgan

**you explain why, and where we go from here?**

**Natasha Kaneva:** The reality is we hit our price targets eight months early. We had a Brent crude [the international oil benchmark] price target of \$64 a barrel by the end of 2025. It just happened sooner than we had penciled in, so we pulled forward our price forecast for 2025. We have Brent at \$58 by the end of 2025 now, and West Texas Intermediate [the U.S. benchmark] at \$54.

The biggest move that happened was because of OPEC's announcements. OPEC is winding down its

production cuts much faster and more aggressively than people were expecting. OPEC will increase production to maximize revenue. Producing nine million barrels a day at \$80 makes sense [for Saudi Arabia]. But producing nine million barrels a day at \$60 makes no sense. You maximize production to maximize your revenue.

We believe this will be the OPEC strategy in 2025, early 2026. In 2027, Saudi Arabia will be hosting the Asia Soccer Cup—and then, in 2029, the Winter World Games, and the World Cup in 2034.

**How do sporting events affect their energy decisions? Do they need more revenue as hosts?**

**Kaneva:** First, they are building five stadiums [for the Asian Cup]. For [the World Cup], they are building 15. I'm really excited because the photos are unbelievable. These are the first major international sports events that Saudi Arabia is hosting. You can't have a \$40 oil price at the same time that all these emerging market countries are coming to visit you. So you need this done. The window for the Saudis to do this [increase production] is 2025 or early 2026.

**What will low oil prices do to shale production? Will U.S. oil production be flat, or maybe even down this year?**

**Kaneva:** This year, no. We'll still have growth. In 2026, shale production will be declining. If we are correct on prices, between July of this year and July of next year, there will probably be about 100 fewer rigs in the U.S.

**Paul, you're based in Europe, so maybe you have a different perspective. What will lower prices do to oil supply?**

**Paul Gooden:** I agree that \$55 WTI prices will result in flat U.S. oil production, with a lag. At \$50 WTI, you're looking at production falling by a million barrels a day, again with a 12-month lag. So, in terms of the level at which you can lean in and get more oil exposure [as an investor], \$50 WTI is a good base level where it looks interesting.

In the long term, the energy transition is getting pushed out. Views around when oil demand peaks are getting pushed out—it's probably mid-to-late-2030s now. Even in a \$70 price environment, U.S. shale production is probably going to plateau in, let's say, 2027. What that means is there's almost a decade where shale is no longer acting as a deflationary force. Demand is still growing, albeit at a slowing pace. And that puts OPEC very much in the driver's seat.

So [OPEC is] sweating the oil market at the moment. But if you look out on a three- to five-year view, it is possible to be a bit more constructive. I'm using \$70 Brent long term as a mid-cycle estimate.

**Shale has played a big role—maybe the swing role—in the oil market for years in determining where**

# Morgan Stanley

## Congratulations to Our 2025 Barron's Top 100 Financial Advisors

Taking you further: with our top-ranked Financial Advisors, you get listening more than talking and a personalized plan built on insights and innovative technology. You get access to world-class resources and a high standard of excellence that consistently earn our professionals significant accolades, including top rankings on the industry's prestigious Financial Advisor recognition lists.

Speak to a Morgan Stanley Financial Advisor today and see how we can help you achieve what's most important to you.

### PRIVATE WEALTH MANAGEMENT

**Ron Basu**  
New York, NY

**Dean Braun**  
Seattle, WA

**Maxwell Bull**  
Denver, CO

**Bruce Burrows**  
Garden City, NY

**Adam Carlin**  
Coral Gables, FL

**Andy Chase**  
Menlo Park, CA

**Mark Douglass**  
Menlo Park, CA

**Shawn Fowler**  
Denver, CO

**Troy Griep**  
San Francisco, CA

**James Hansberger**  
Atlanta, GA

**Jonathan Legg**  
Washington, D.C.

**Francis X. Malone**  
Los Angeles, CA

**Marvin McIntyre**  
Washington, D.C.

**Deborah Montaperto**  
Palm Beach, FL

**Jon Neuhaus**  
Los Angeles, CA

**Brian Pfeifler**  
Palm Beach, FL

**Fotios Piniros**  
New York, NY

**Lyon Polk**  
New York, NY

**Michael Sawyer**  
Miami, FL

**Robert Stolar**  
New York, NY

**Gregory Vaughan**  
Menlo Park, CA

**Ron Vinder**  
New York, NY

**Michael Warr**  
Tuscaloosa, AL

**Scott Wilson**  
New York, NY

**Gillian Yu**  
San Francisco, CA

**Drew Zager**  
Los Angeles, CA

### WEALTH MANAGEMENT

**Andrew Harbour**  
Atlanta, GA

**Nicholas Kavallieratos**  
New York, NY

**Dorian McKelvy**  
Menlo Park, CA

**Kevin Peters**  
Palm Beach, FL

**Alan Whitman**  
Pasadena, CA

### GRAYSTONE CONSULTING

**Mark T. Curtis**  
Palo Alto, CA

**Jim Detterick**  
Greenwood Village, CO

**Wm. Craig Dobbs**  
Indianapolis, IN

**Peter Princi**  
Boston, MA

**Robert Scherer**  
Potomac, MD



Connect with a  
top-ranked  
Financial Advisor >

Source: Barron's (Awarded May 2025). This ranking was determined based on an evaluation process conducted by Barron's for the period from Jan 2024-Dec 2024. Neither Morgan Stanley Smith Barney LLC nor its Financial Advisors or Private Wealth Advisors paid a fee to Barron's to obtain or use the ranking. This ranking is based on an algorithm that includes client retention, industry experience, review of compliance records, firm nominations, and quantitative criteria, including assets under management and revenue generated for their firms. Investment performance is not a criterion. Rankings are based on the assessment of Barron's and this ranking may not be representative of any one client's experience. This ranking is not indicative of the Financial Advisor's future performance. Morgan Stanley Smith Barney LLC is not affiliated with Barron's. Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved.

# Morgan Stanley

## Congratulations to Our 2025 Barron's Top 250 Private Wealth Management Teams & Top 100 Institutional Consulting Teams

Taking you further: With our top-ranked teams you get listening more than talking and a personalized plan built on insights and innovative technology. You get access to world-class resources and a high standard of excellence that consistently earn our professionals significant accolades.

Speak to a Morgan Stanley team today and see how we can help you achieve what's most important to you.



Connect with a top-ranked team >



Source: Barron's.com. Awarded in May 2025. Data compiled by Barron's from Jan 2024-Dec 2024. Opinions are Barron's, who evaluated advisors on both quantitative and qualitative factors including client retention, industry experience, review of compliance records, firm nominations, assets under management and revenue generated for their firms. Rankings do not reflect any client experience. For more information on award methodology, scan the QR code above.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

### We are proud to recognize our 2025 Barron's Top 250 Private Wealth Management Teams:

- 415 Group**  
Menlo Park, CA
- 545 Group**  
Menlo Park, CA
- Atlas Group**  
New York, NY
- Bancroft Bleimeyer Sonder Group**  
Scottsdale, AZ
- Carlin Wealth Management**  
Coral Gables, FL
- Cornerstone Group Silicon Valley**  
Boca Raton, CA
- Double Oak Wealth Management Group**  
Birmingham, AL
- ESW Group**  
Los Angeles, CA
- Excelsior Wealth Management**  
New York, NY
- Family Wealth Group**  
New York, NY
- Four Points Group**  
Frederick, MD
- GGM Wealth Management Group**  
New York, NY
- Griep/Jones/Palmer**  
San Francisco, CA
- HLS Wealth Management**  
New York, NY
- Jackson Capital Group**  
Menlo Park, CA
- Lechner Altieri McMahon**  
Boston, MA
- Lerner Winderbaum Team**  
New York, NY
- Moriarity DeHond Mulka & Scherer**  
Chicago, IL
- One Point Wealth Management Group**  
Chicago, IL
- O'Neill - Nee Group**  
Washington, D.C.
- Orchard Wealth Management**  
Lutherville, MD
- Perry Wealth Management**  
Indianapolis, IN
- RM Compass Group**  
Atlanta, GA
- Sage Wealth Management**  
Boca Raton, FL
- SoundView Wealth Management**  
Jericho, NY
- Steinberg Forman Group**  
New York, NY
- Team 581**  
San Francisco, CA
- Team Global**  
New York, NY
- Team Pfeiffer**  
Palm Beach, FL
- The 1550 Group**  
Denver, CO
- The 173 Group**  
Menlo Park, CA
- The 650 Team**  
San Francisco, CA
- The 720 Wealth Management Group**  
Greenwich, CT
- The Abacus Group**  
New York, NY
- The Appleton Schlueter Group**  
San Francisco, CA
- The BHP Group**  
New York, NY
- The Bluestone Group**  
New York, NY
- The Braun Elwell Group**  
Seattle, WA
- The Bromberg Group**  
San Francisco, CA
- The Burbank Group**  
San Francisco, CA
- The Burrows Strzelecki Group**  
Garden City, NY
- The Capitol Wealth Management Group**  
Washington, D.C.
- The Chase Group**  
Menlo Park, CA
- The CWS Group**  
Baltimore, MD
- The Daniels Group**  
Menlo Park, CA
- The Elwaw/Cavalieri Group**  
Miami, FL
- The Finnegan Moye Schatz McLaughlin Boyle Group**  
New York, NY
- The Fowler Group**  
Denver, CO
- The Gallagher Group**  
Chicago, IL
- The Greenfield Team**  
San Francisco, CA
- The Hansberger Group**  
Atlanta, GA
- The Harbor Financial Group**  
Boca Raton, FL
- The Harbor Group**  
New York, NY
- The Houston Constellation Group**  
Houston, TX
- The I Street Group**  
Washington, D.C.
- The Kavallieratos Team**  
New York, NY
- The KLT Group**  
Los Angeles, CA
- The Las Olas Group**  
Fort Lauderdale, FL
- The Legg Wealth Management Group**  
Washington, D.C.
- The Lenox Group**  
New York, NY
- The Lighthouse Wealth Management Group**  
Ponte Vedra Beach, FL
- The Livingstone Condrion Team**  
Boston, MA
- The Maddalena Group**  
Purchase, NY
- The Magellan Group**  
New York, NY
- The Mahoney Team**  
Morristown, NJ
- The Malkin Group**  
New York, NY
- The Malone Neuhaus Group**  
Los Angeles, CA
- The McKelvy Group**  
Menlo Park, CA
- The McKenna Wealth Management Group**  
Oakland, CA
- The MCMP Retirement Planning Group**  
Chicago, IL
- The Meridian Wealth Management Group**  
Atlanta, GA
- The Mountain View Group**  
Mountain View, CA
- The MPW Group**  
Oak Brook, IL
- The Northwest Compass Group**  
Seattle, WA
- The Oaks Group**  
Westlake Village, CA
- The One North Group**  
Scottsdale, AZ
- The Opus Group**  
San Francisco, CA
- The Pacific Wealth Management Group**  
Kirkland, WA
- The Patrick Schwarz Group**  
New York, NY
- The PBFM Insight Group**  
New York, NY
- The Pelican Bay Group Wealth Management**  
Pittsford, NY
- The Peters Group**  
Purchase, NY
- The Polk Wealth Management Group**  
New York, NY
- The Premier Group**  
Atlanta, GA
- The Preserve Group**  
Jericho, NY
- The Princ Group**  
Boston, MA
- The Ricca Group**  
Morristown, NJ
- The Seminara Group**  
Morristown, NJ
- The Shadden Group**  
Long Beach, CA
- The Skyline Wealth Management Group**  
San Jose, CA
- The Sound Shore Wealth Management Group**  
Greenwich, CT
- The Spiro Group**  
New Orleans, LA
- The Strachan Group**  
Boston, MA
- The SVS Wealth Management Team**  
Shrewsbury, NJ
- The Taylor Group**  
New York, NY
- The Traum Vaughan Group**  
Menlo Park, CA
- The Vinder Group**  
New York, NY
- The Warr Group**  
Tuscaloosa, AL
- The Whitman Group**  
Pasadena, CA
- The Winter Street Group**  
Wellesley, MA
- The Wolfslau Group**  
Long Beach, CA
- Trailhead Retirement Planning Group**  
Chicago, IL
- Vantage Wealth Management**  
Atlanta, GA
- Zager Fixed Income Management**  
Los Angeles, CA

### And our 2025 Top 100 Institutional Consulting Teams:

- Fiduciary Consulting Group**  
Greenwood Village, CO
- Graystone Consulting, Boston North Shore**  
Middleton, MA
- Graystone Consulting, Carlsbad**  
Carlsbad, CA
- Graystone Consulting, Charleston**  
Charleston, WV
- Graystone Consulting, Chicago**  
Chicago, IL
- Graystone Consulting, Chicago NW**  
Barrington, IL
- Graystone Consulting, Columbus | Grand Rapids**  
Grand Rapids, MI
- Graystone Consulting, Global Institutional Advisory Solutions**  
New York, NY
- Graystone Consulting, Houston**  
Houston, TX
- Graystone Consulting, Los Angeles | Honolulu**  
Westlake Village, CA
- Graystone Consulting, Metro NY | Allentown PA | Cleveland OH**  
Hudson, OH
- Graystone Consulting, Metropolitan D.C.**  
Potomac, MD
- Graystone Consulting, Miami**  
Miami, FL
- Graystone Consulting, Midwest**  
Oak Brook, IL
- Graystone Consulting, Pittsburgh**  
Sewickley, PA
- Graystone Consulting, Price & Longhurst Group**  
Los Angeles, CA
- Graystone Consulting, Raleigh, Wichita, Dallas & Kansas City**  
Raleigh, NC
- Graystone Consulting, San Antonio**  
San Antonio, TX
- Graystone Consulting, San Francisco**  
San Francisco, CA
- Graystone Consulting, SVLO Chicago Group**  
Chicago, IL
- Graystone Consulting, Tampa**  
Tampa, FL
- Graystone Consulting, The Brice Group**  
Birmingham, MI
- Graystone Consulting, The Dobbs Group**  
Indianapolis, IN
- Graystone Consulting, The Fischer Group**  
Rochester, NY
- Graystone Consulting, The J.K. Meek Group**  
Baltimore, MD
- Graystone Consulting, The Kelliher Corbett Group**  
Norwell, MA
- Graystone Consulting, The Longo Group**  
New York, NY
- Graystone Consulting, The Palo Alto Group**  
Newport Beach, CA
- Graystone Consulting, The Parks Group**  
Milwaukee, WI
- Graystone Consulting, The Robertson Group**  
Columbus, OH
- Graystone Consulting, The Zohny Group**  
San Francisco, CA
- Graystone Consulting, Troy**  
Troy, MI
- Graystone Consulting, Wyomissing**  
Wyomissing, PA

**prices go. Is there now a change in the regime? Does OPEC control things? Are the offshore producers major players again, and is shale in decline or just not as important for the market?**

**Gooden:** If shale will be plateauing over the next couple of years, that means you have to look elsewhere. That's what big oil companies are doing.

At the moment, there is much more activity offshore. There is a lot of activity in Guyana, offshore Brazil. The role of the marginal barrel of oil no longer is U.S. shale. It becomes something else.

**If the U.S. is starting to think about pulling back, does that mean offshore projects and countries with more traditional resources start to grow?**

**Gooden:** No. For the market to physically rebalance, you need shale production to come down, and you need other producers not to add supply. Even if they were to try to add, which I don't think they will do, the cycle times mean that production isn't going to turn up for three, four, five years anyway. So I don't see folks outside the U.S. seeing this as an opportunity to step up activity. On the contrary, to the extent the oil price is going down, it squeezes everyone's free cash flow.

**A lot of the European energy companies had been investing in renewables, and now are pulling back and getting more into oil and natural gas. Is the timing bad on that shift if oil is in a rut for the next 18 months or so?**

**Gooden:** The history of the big European oil majors is that they sold out of oil and gas assets at the trough, and they bought renewable assets at the peak. So they pivoted too quickly. Now you're seeing a reset.

I think they will pace things more appropriately. You need to have projects in the hopper that see you past 2030, given that extended life for oil. Is it mistimed? Maybe, maybe not. It looks mistimed at the moment, given where the oil price is. But that three-to-five-year view suggests we are going to need the oil.

**Bill, you don't have to deal with pesky oil-price predictions. You just have to follow the easy-breezy world of renewables. But all kidding aside, does the drop in oil**

**prices make clean energy a harder sell? People might not buy an electric vehicle if gas prices are \$2.50 a gallon. Presumably, they won't transition to solar energy if low natural-gas prices make electricity cheap.**

**William Page:** The correlation between oil prices and solar ended about 14 years ago. Clean tech now is standing up on its own fundamentals. There have been plenty of hurdles in the way, but right now they aren't related to oil. There is a significant correlation between renewables and natural gas, though.

**Natural-gas prices seem to have held up well, despite the broader**

**energy selloff. Liquefied natural gas, or LNG, seems particularly unstoppable. The U.S. and several other countries are quickly ramping up LNG production. Right now, U.S. natural gas trades for \$3.50 to \$4 per million British thermal units, twice as much as last year. The price is more like \$11 per MMBtu overseas.**

**Yet not everyone is bullish because there is a chance of oversupply within a year or two. Natasha, do you think an oversupply is coming, and if so, what might it do to prices and the companies ramping up to build LNG terminals?**

**Kaneva:** If you look at the numbers, it appears that sometime by 2027 you

will be looking at a significant oversupply in the market. On top of that, people don't know how to think about Russian gas.

For Russia, gas is strategic. It isn't just gas in the ground. Forty percent of Russia's fiscal budget comes from oil and gas, and one-third of that is gas. In my opinion, [Russian President Vladimir] Putin won't allow this gas to sit in the ground and not be developed and sold.

It appears this market will be massively oversupplied on paper. But one thing to keep in mind is that China has been expanding its gas storage aggressively. It increased six times between 2016 and now and will double by the end of 2030.

What that means is that China will become a natural-gas trader. Right now, China is just a consumer because it doesn't have storage capacity, but that will change. When I meet with my China clients, they tell me that anytime the price falls below \$7 [per million British thermal units], they will buy there. So, on paper, the market looks like it will be oversupplied. In terms of pricing, though, we have China playing exactly the same role it plays right now in metals and oil. When the price gets to a particular level, the Chinese buy and they store.

**Is U.S. natural gas going to trade around four bucks over the next couple of years?**

**Kaneva:** We think it will be right there by the summer, and 2026 is still very supportive. That's the right price, maybe even higher. I think 2027 is when you will see substantially lower prices.

**Should natural-gas investors be anxious that we're coming up to a price cliff? Should they get out at a certain time, or is this just a bit of fluctuation during a period of growing demand?**

**Kaneva:** It is a fluctuation. There are a lot of question marks about exactly what could happen.

**On to tariffs. Oil and gas are the quintessential global products. They move pretty freely across borders, and they trade based on global prices. But we are now in an era of geopolitical uncoupling, or maybe unraveling, and free trade seems to be a thing of the past. How does that affect the oil market? Let's start with Paul.**

**William Page**  
Senior portfolio manager, Essex Global Environmental Opportunities Strategy

**American Superconductor**  
AMSC  
\$23.74

**GE Vernova**  
GEV  
\$432.84

**Primoris Services**  
PRIM  
\$76.83

Price as of 5/14/25  
Source: Bloomberg



# ELFY

ALPS Electrification Infrastructure ETF

**ELECTRIFY YOUR PORTFOLIO – POWER AMERICA'S FUTURE**

Discover a multi-decade economic and technological investment opportunity in America's electrification infrastructure.

LEARN MORE | [alpsfunds.com](https://alpsfunds.com) | 1-866-759-5679

***An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit [www.alpsfunds.com](https://www.alpsfunds.com). Read the prospectus carefully before investing.***

*Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.*

*The Fund is new and has limited operating history.*

*ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with Osaic Holdings, Inc. and its subsidiaries (including Ladenburg Thalmann Asset Management).*

*ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.*

*Not FDIC Insured • No Bank Guarantee • May Lose Value*

**SS&C** | ALPS ADVISORS

**Gooden:** On tariffs, the main impact is on the demand side. Most energy trade isn't impacted by tariffs themselves. But to the extent there are tariffs on other goods, it creates uncertainty and reduces trade. It can create an incremental downside, and that has an impact on overall global demand. There is another lens to look at it through, too.

Trump has talked about U.S. energy dominance, both on the oil side and on the gas side. He is pressuring Europe to sign free trade deals that lock out Russian gas and lock in U.S. LNG. Another geopolitical aspect is that Trump can take a fairly relaxed view of the Middle East because the U.S. isn't relying on Middle East oil now. That has a military implication, as well.

#### Natasha, do you agree? Are there other tariff implications?

**Kaneva:** Yes, energy is exempt from tariffs. From that perspective, the administration has been very careful in how they approach it. They want to make sure that supply is there and that prices are low. But there is a lot of angst about how future demand will shape up.

I want to put another side out there. Sixty-dollar oil is cheap oil historically, by any measure. This will start boosting demand, not just demand for energy but global gross domestic product. That is about 40 basis points of additional growth in global GDP. [A basis point is a hundredth of a percentage point.] That is another way to think about it. J.P. Morgan's baseline view is that there will be a recession in the U.S. starting sometime in the third quarter. Clearly, that isn't good for demand at all.

#### So cheap oil might boost demand, but a recession could suppress it?

**Kaneva:** Exactly.

#### Dan, some of the oil companies have said tariffs are affecting the price of supplies such as steel casings. Is that notable, or are tariffs mostly causing generalized anxiety about demand?

**Pickering:** Energy companies are unclear at this point what tariffs are going to do to their cost structure. It certainly isn't positive. The question is, is this a meaningful negative or not? For the most part, folks have felt that it is absorbable or manageable. The bigger issue is the potential de-

mand risk. It just makes an uncertain world more uncertain.

#### Bill, it seems like clean-energy companies are affected by tariffs. Is this something these companies can overcome?

**Page:** Power technology companies have enough inventory on hand. That includes companies like **Primoris Services**. That includes installers and developers like **NextEra Energy**. That includes combined-cycle gas turbines. **GE Vernova** is booked out for 36 months on turbines. They were very clear on their earnings call: The tariff impact on their revenue and profitability is a rounding error relative to their capex. NextEra upped its

domestic supply chain after the Covid-19 pandemic. A lot of the companies in our arena have been negotiating more-diverse supply chains coming out of Covid. Many of them moved outside of China.

A lot of these companies have been safe-harboring [loading up on supplies in advance of tax changes] in anticipation of a rollback of tax incentives per the IRA [Inflation Reduction Act]. From my perspective, the power-tech sector has visibility for 24 months—and in some cases, 36 months. The other thing is that this is critical infrastructure. Demand elasticity for power for the four major data-center players is high. They can push through development costs. And solar and battery

storage are really gaining traction in those markets.

#### There could be a repeal or pruning of the Inflation Reduction Act, which earmarked \$370 billion for clean energy. Do you expect a major impact on clean-energy stocks?

**Page:** My mantra has always been, watch what politicians do, not what they say. It is pretty apparent that offshore wind is in the crosshairs of the administration, as are electric vehicles. There could be a faster sunsetting of the tax credits for these industries. We don't expect the tax credits to fully go away. Many parts of the IRA stay intact.

More important, our position is, let's invest according to the companies' business models and profitability in the absence of any government legislation. We've pared our portfolio away from companies beholden to significant Department of Energy loans and so forth. There are plenty of companies out there that are commercially viable with good capital controls, good capital stewardship, good profitability, good growth.

#### The average investment fund manager has maybe 2% or 3% of their portfolio in energy, or at least in traditional oil and gas. Some managers have none. With low oil prices, how do you make the case that you need to be exposed to traditional energy? Paul, we'll check with you first.

**Gooden:** I manage a dedicated natural-resources fund, so I don't have to face that dilemma. But inflation is something generalist investors are fretting about at the moment. There is a growing sense that inflation is going to be sticky for many reasons: deglobalization, governments running deficits and wanting to inflate away their debt bills, shrinking working-age populations bidding up their wages.

If you're a traditional fund manager, how do you hedge yourself against that? There are a couple of ways. One way is to invest in companies that you believe have pricing power. But you always have to ask yourself, at some point, does that pricing power disappear? Another way to do it is through investing in companies leveraged to physical commodities. There is a finite amount of physical resources, and if there is more currency chasing that because

of deficits, then those commodities should move higher.

Equities played to move toward this should be higher, as well. If you look at some of the big U.S. energy names year to date, they're performing OK, and outperforming the market. One of the reasons for that is that people are looking for inflation hedges. A second reason is that people are looking for fortress balance sheets, which a number of these companies have.

Look, technology has been such a big driver of the U.S. market for so long that people are conditioned to own the stocks. But people are increasingly asking questions about whether they need a bigger exposure to natural resources.

#### Natasha, has oil been a relatively good inflation hedge over the past few years?

**Kaneva:** It is the best. Just looking at asset classes, energy has performed as the best inflation hedge.

#### But the current moment seems unique. We have lower energy prices at the same time that we have anxiety about inflation. Can we make the argument that energy is an inflation hedge in this environment?

**Kaneva:** For 2025 and 2026, this isn't going to work out as an argument, because I take the Trump administration at face value. They are explicit. They need lower energy prices because this will offset inflation from other places. And so far, they have been successful in making sure that prices are low. Hence, I don't think this is the trade that will work out. Precious metals are the next-best-performing asset.

#### Dan, how do you deal with a skeptic who says, I haven't been invested in energy, and it has been OK for me. Why invest now?

**Pickering:** The best argument is the value argument. If we have \$50 oil, these energy companies are still generally fine from a balance-sheet perspective. They will probably have free cash—at least, the big, public companies will. On a net asset value basis, they're baking in something in the \$55 to \$60 a barrel range for WTI—the implied commodity price in the stocks. I think midcycle pricing is 70 bucks and drifting higher.

The argument is, you can buy well

below midcycle pricing, and we know we need hydrocarbons. That's something that the world has figured out over the past five years: Hydrocarbons aren't going away. So you have a cyclical commodity trading below its midcycle pricing, with a view that it is probably unsustainable to be here at this price level for any meaningful length of time, notwithstanding that Trump says we need lower energy prices.

It isn't everyone's cup of tea. Value is out of favor. This has been a growth and momentum market. For energy, things may get worse before they get better. You have to be willing to be patient, and it's a diversifier for a portfolio.

#### Please jump in with some stocks that you think fit the bill.

**Pickering:** Diamondback Energy is a big player in the Permian Basin, and it has gotten much bigger. It has a very low cost structure and a significant amount of inventory. It is a \$40 billion market-cap company that trades at well below the value of its assets. Oil at \$80 a barrel would mean the stock could go to \$190. It is trading closer to \$140, give or take.

Also, at some point in the next five-plus years, I think Diamondback gets bought. It will be on the radar for further consolidation among the Chevrans and Exxons of the world.

I'm going to talk about another company along the lines that Paul discussed earlier. The market will begin to look outside of shale for ideas. One off-the-radar name that is pretty interesting is **Vista Energy**. It is based in Mexico but trades in the U.S. under the ticker symbol VIST. The company has a \$5 billion market cap and produces 120,000 barrels a day in Argentina. Argentina has gotten easier to invest in, given political changes. Vista is going to be a growth company. It operates in the Vaca Muerta shale, which is going to get more attention. It has a good low-cost structure there.

The third name I'd choose is a gas name—**Expand Energy**. It has a \$25-billion market cap and is one of the biggest producers in gas. It trades for four times cash flow. Gas will continue to get better for a while. The company is well managed. There is a lot of volatility in stock prices these days, but we think the stock probably has 25% to 50% upside as gas moves into the \$4 and \$5 range.

Gas exposure makes sense for a portfolio. So Diamondback, Vista, and Expand would be my three oil and gas names.

#### Both Exxon and Chevron have said they want to build natural-gas power plants. Electricity is an area that a lot of oil companies seem to be more interested in. Is this a smart move, or just trend-following?

**Pickering:** As a group, we have done an amazing job not talking about data centers this whole time [laughter]. You know, power is the new shale boom.

**Kaneva:** It is.

**Pickering:** If you're a believer in the whole AI story—and I am—it is going to have to be about power. The electricity story is essentially supply and demand. Supply has been constrained, and there is going to be a dramatic acceleration of growth in power demand. Speed means a lot for some of these data-center players, and gas-fired power plants are about as quick a newbuild as you can do.

Exxon and Chevron are big project-oriented companies. I'm a little nervous they're out over their skis, but supplying gas to power plants makes a ton of sense. My guess is they'll participate in the process and then sell down their interests.

I wouldn't view them as necessarily getting aggressive in the electricity-providing business, but it makes sense. It's energy. The one thing that you have to assume will happen is that the biggest players—**Shell, BP, TotalEnergies**, Exxon, Chevron—will be a part of whatever energy demand looks like in 50 years. They aren't going to be dinosaurs.

#### The conventional wisdom lately has been that maybe the AI and power trade is stalled, if not over. Bill, what is your sense?

**Page:** Data centers are a marginal power-demand driver. They aren't the only driver; there are so many more. But data centers are one of them. Just think about the top four data-center players. **Meta Platforms** just upped by about a factor of two the amount of money they forecast will be going into data centers.

Data centers are about 4% of overall power demand now. We think they will be 10% of demand in five years. The bottom line is, this growth rate for electricity demand means we need a more resilient and robust

#### Paul Gooden's picks

**Baker Hughes**  
BKR  
\$37.84

**Cheniere Energy**  
LNG  
\$233.25

**EQT**  
EQT  
\$56.36

**Shell**  
SHEL  
\$67.09

**Targa Resources**  
TRGP  
\$168.58

**TechnipFMC**  
FTI  
\$31.48

**Williams Cos.**  
WMB  
\$58.20

Price as of 5/14/25  
Source: Bloomberg

grid. My first idea is GE Vernova. The stock has a \$110 billion market cap, and the company just had a really strong quarter. It is booked out through 2028 on gas turbines. It is a really diverse way to play power technology, from gas turbines to substations to renewables, nuclear, and electrification. It has a nuclear joint venture with **Hitachi**. GE Vernova has strong legacy nuclear technology, and small modular reactor technology that I believe is commercially viable, although still a ways out.

The stock looks expensive today. We think it can get more of a market multiple in 36 months, as earnings per share kick in. A call option on GEV is its renewables business. The battery storage business is strong. It is one of the largest wind turbine manufacturers and deployers in the world. We have an estimate of \$15 in earnings per share in 2027, and we think the company will do well north of \$20 in '28 when pricing firms for their turbine business. We have a price target of about \$470.

My second idea is **American Superconductor**. It is based right outside of Boston, and has been around for 25-plus years. The company has an \$820 million market cap. It is in power electronics for the grid. It improves power quality for the industrial economy and for utilities—things like heavy industry, industrial manufacturing, chemical processing.

Large facilities using robotics increasingly use AMSC products. ASMC also has a new ship-protection system for the Navy. Revenue is growing by more than 50%.

#### What is AMSC's advantage over competitors?

**Page:** Their technology is cheaper, faster, and better.

#### Do you have another name?

**Page:** Primoris Services is a pick-and-shovel company that puts the infrastructure in the ground. It is based in Dallas and has a \$3.6 billion market cap. It is among the leading contractors for natural gas, water, sewer, piping—but most important, the energy grid, electrical grid, manufacturing, and construction. Primoris has a strong backlog. The knock on the company over the past several years is too much leverage, but it has geared down the leverage in the past 24 months.



Photograph by Jennifer McCord

Primoris is trading at parity with its peer, **Quanta Services**, with the same growth rate. Free-cash-flow generation has been strong. The driver for this is great infrastructure management, but also, Primoris sends folks out to the field when there is a brown-out or severe weather events such as the forest fires in Los Angeles. This is a good turnaround story. Our price target is \$85, and these days the stock is around \$75.

**Basically, Primoris Services is a go-to contractor you call when you have a major electricity-related project?**

**Page:** Yes, and for infrastructure construction. Think about data centers: From greenfield to completion, it is a five-year project. If you're a semiconductor company looking for U.S. onshoring, you need significant resilience for a great connection, but also behind the meter for distributed power. This is where these guys come in, installing substations and electrical components. And, they install the lines to get the grid connection.

**Would you bottom-fish in any of the more-traditional renewable companies, such as solar manufacturer First Solar or wind company Vestas Wind Systems?**

**Page:** We're not believers in the wind cycle globally. We have a little bit of First Solar. So, if you had to buy one solar company, First Solar is one to own. On renewables development, we like NextEra.

**Thanks. Those are interesting. Paul, what looks exciting to you?**

**Gooden:** Per our compliance department, these aren't investment recommendations. I can talk about what we own.

There are three interesting buckets we own at the moment. The first one is natural gas, in particular U.S. natural gas. The U.S. is about a 105 billion-cubic-foot a day market. It could be 130 Bcf a day by 2030. There is a lot of volume growth there.

We're playing that all across the value chain. On the upstream side of things, we own **EQT**, the No. 2 U.S. gas producer; on the equipment side, **Baker Hughes**. It is a monopolist providing turbo compressors that go into LNG export facilities. And then, on the midstream side, there are a few pretty interesting ideas. One is **Cheniere Energy**, the No. 1 U.S.



**Dan Pickering**  
Founder and chief investment officer, Pickering Energy Partners

**Diamondback Energy**  
FANG  
\$144.82

**Expand Energy**  
EXE  
\$113.31

**Vista Energy**  
VIST  
\$51.39

Price as of 5/14/25  
Source: Bloomberg

LNG exporter, and **Williams Cos.**, the pipeline company. It touches about a third of U.S. natural-gas volumes. The third one is **Targa Resources**, the No. 1 Permian gas gatherer and natural-gas-liquids processor.

The second bucket is this theme around U.S. shale production plateauing. One stock on which I agree with Dan is Vista—the No. 1 pure play in Vaca Muerta in Argentina. Another way you can play the same theme is through **TechnipFMC**, No. 1 in terms of offshore equipment and installation. That market is going through a lot of consolidation, so it is now a

two-player market.

I call the third bucket the self-help bucket. The one I'd highlight there is Shell. Shell has had poor execution for a number of years. Wael Sawan was appointed CEO at the start of 2023, so he is two to 2½ years into his tenure. You're beginning to see the improvements come through. He is improving operational execution. Cost-cutting is starting to come through. Some megaprojects are about to ramp up—for example, LNG Canada. There are big chemical projects in Pennsylvania, as well. And there is more portfolio optimization to come.

**Is there a chance that Shell could buy BP? That has been a rumor for a while and gained steam lately.**

**Gooden:** Look, I think it's possible. It is unlikely over the next one to two years. Shell would say that they're in the first or second innings of unlocking value through the process I talked about. Shell trades at about a 40% discount to Exxon, and at a similar free-cash-flow yield to BP. So I don't think Shell has the license to buy BP at the moment. They need to put their own house in order—but two or three years down the line, possibly.

**If you were given a chance, and you had to put your money in one of the five biggest majors—Exxon, Chevron, Shell, BP, or TotalEnergies—which one would you choose?**

**Gooden:** I would pick Shell, just because of the big discounted valuation to U.S. peers and its fortress balance sheet. Shell is an idiosyncratic stand-alone self-help story.

**OK. Dan, which would you choose?**

**Pickering:** I tend to be more focused on the independents or smaller growth companies. Forced to pick among the majors, I think I'd pick Exxon. It's the biggest. It is a pretty good company inherently. Balance sheet's fabulous. They have some upside associated with the recent acquisition of Pioneer Natural Resources. And their ability to take advantage of dislocations in the market is going to be pretty good.

**Dan, if you believe that oil will trade in this price range for a little while, that isn't super-profitable for these companies. Do you expect prices will rise? Or do you just like the fact that these are stable companies with good balance sheets that should do well even in a longer period of low oil?**

**Pickering:** They will do OK in a longer period of weaker oil. But if oil is at \$55 a barrel for the rest of time, these companies don't make enough money to be interesting. If you think that's the number on a sustainable basis, I don't think you need to invest in the sector. You always have to have a view of the midcycle price, and my view on the midcycle price is higher than here.

**Thank you, everyone. ■**

# Netflix Stock Is Still A Buy Despite Its Lofty Valuation

The streaming-video company's shares were a tariff winner, and that won't change even with the China trade deal.

BY GEORGE GLOVER

**I**n a market that has felt like a horror show for much of 2025, Netflix has been one of the few feel-good stories in town.

The video streamer looks like the rare sort of stock that can outperform no matter what happens on the trade front. Its shares, at a recent \$1,191.53, have jumped 27% since April 2, when President Donald Trump's tariff plans sparked a brutal and broad selloff. The S&P 500 index is up 5% over the same period.

It isn't hard to see why Netflix has become one of the market's go-to havens. It imports content, not goods, so there's little risk of the White House's reciprocal levies driving up its costs. Shares dipped just 2% the day Trump threatened to impose 100% import duties on foreign movies, as investors realized that the company could mitigate much of the earnings impact by either shifting production to the U.S. or raising its prices.

The stock also has a pedigree as a name that can outperform in times of macroeconomic uncertainty, racking up double-digit gains during the Covid-19 pandemic as widespread lockdowns led to users plowing through smash-hit series like *Tiger King* and *The Last Dance*.

But while other perceived havens like gold could struggle now that the Trump administration has brokered a deal with China to cut most tariffs for 90 days, Netflix ought to be able to build on its strong run this year.

The only real mark against the stock right now is valuation. Due to the recent rally, shares aren't cheap—they currently fetch about 43 times

future earnings, meaning they're trading at a significant premium to both the benchmark S&P 500, at 21 times, and the Magnificent Seven group of megacap tech names that it's often compared with, at 27 times.

Still, Netflix averaged a price/earnings ratio of 52 over the past five years, so judging by recent history, it isn't expensive. Over that time, the stock has gone from a "loss-making challenger where everyone was skeptical about how much it's spending on content to a reliable, profitable compounder," Ben James, a strategist at the Edinburgh-based investment management firm Baillie Gifford's U.S. growth fund, tells *Barron's*. The firm

holds a little more than four million shares, a position that's valued at about \$4.5 billion.

The bull case hinges on the idea that the streamer will be able to grow earnings at a fast enough rate to maintain the stock's recent momentum. James argues that operating margins, currently at 27%, could nearly double by the end of 2030.

He says that over the past decade, Netflix has managed to engineer a self-sustaining cycle of growth in which more subscribers means more money to spend on content, which in turn attracts even more users. The streamer has already done the hard work, pouring money into creating a vast library of films and movies.

"It has invested so much in its own content that it has built a flywheel that will be key to growing its margins,"

James says. "When we first invested in 2015, its margins were about 4.5%, and our forecast was they would reach 50% within 10 to 15 years. So, it's over halfway there, and we still think it can get there."

**E**xecutives are targeting a \$1 trillion market capitalization by the end of 2030, The Wall Street Journal reported last month, up from \$508 billion right now. Even at Netflix's current lofty valuation, it would be set to hit the 13-figure threshold if it could manage the necessary margin growth.

The rollout of cheaper subscription plans could also help supercharge profit. Netflix unlocked a fresh revenue stream when it introduced ad-supported tiers in November 2022. Ads accounted for just 4% of revenue in 2024, but the company projects ad revenue to double this year, and its advertising president, Amy Reinhard, said on Wednesday that the ad-supported tiers had added 24 million users over the past six months. James thinks the streamer will soon be able to leverage artificial intelligence to target users and make the tiers more profitable.

Live sports programming could also help the streamer reach untapped markets. It might seem like every household has a Netflix account, but there's still plenty of room for the streamer to grow. For the fourth quarter of 2024, it reported 301.6 million subscribers globally. Three years ago, Chief Financial Officer Spencer Neumann estimated a total addressable market of 700 million to one billion homes.

Netflix might not even be a pure-play streamer for much longer. In February, the company opened its first restaurant, Netflix Bites, in Las Vegas, where fans can tuck into dishes inspired by well-known films and TV shows. It's also set to launch two experiential venues it has dubbed Netflix Houses sometime later this year.

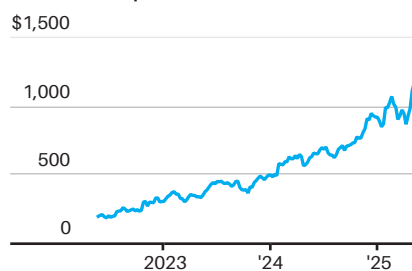
All of that makes for a tempting growth story. Analysts polled by FactSet expect earnings before interest, taxes, depreciation, and amortization, or Ebitda, to rise 26% this year, another 20% in 2026, and then another 18% in 2027.

Despite Netflix's stellar gains this year, investors shouldn't feel like they've missed the boat. Surging profit could quickly make the streamer look cheap again. Sometimes it's worth paying a premium for that. **B**

## Netflix

Subscription streaming service

(NFLX / Nasdaq)



Note: E=estimate

52-Week Change	<b>87.6%</b>
Market Value	<b>\$490 B</b>
2026E P/E	<b>37.2</b>
2026E EPS	<b>\$30.91</b>

Sources: Bloomberg, FactSet



Squid Game characters at the company's first restaurant, Netflix Bites, which opened in February in Las Vegas.

# America's Safety Net: What's Ahead as the GOP Seeks Cuts

House Republicans aim to cut federal spending by \$2 trillion, hitting Medicaid and other programs. How the cuts could impact millions of Americans.



BY ELIZABETH O'BRIEN

The Farina family was relieved when their matriarch, Gloria, qualified for Medicaid in 2023 after a grueling application process. The support allows Gloria, 91, to remain at her assisted-living facility near Atlantic City, N.J., where she receives excellent care.

Gloria and her family worry that

proposed Medicaid cuts could force her out of the place she has called home since 2017. Most of her Social Security check and a tiny pension go to the facility; the family kicks in \$400 to \$500 a month and can't afford much more.

"We've worked all our lives for Social Security, Medicare, and Medicaid," says her son Lou, 65, of West Bradford, Pa. If Gloria had to move in with him or one of his two brothers, they couldn't provide the same care.

**Medicaid recipient Gloria Farina in her apartment at an assisted-living facility near Atlantic City, N.J.**

"It seems insurmountable from a financial perspective," he says.

Millions of Americans may be in a similar predicament. Medicaid, Medicare, and Social Security—the fabric of America's social safety net—are under scrutiny for cost savings by the Trump administration and Republicans in Congress. If some of the Republican proposals go through, critics say, they would undermine government programs that provide health and financial security to much of the country.

Medicaid, covering one in five Americans—or more than 70 million people—is the largest near-term target. On Sunday night, House Republicans unveiled \$880 billion of proposed cuts primarily from energy and health programs over the next decade, mostly coming from Medicaid.

Social Security and Medicare are also being targeted as President Donald Trump and congressional Republicans look for fraud and waste, cut back on services, and seek other ways to save billions from the programs.

Trump has repeatedly promised not to touch benefits for Medicare, Medicaid, and Social Security. But there may be no way for Republicans to pass their ambitious tax-cutting agenda and leave the three programs unscathed. Combined, they account for nearly half of the federal budget, or around \$3 trillion in the 2025 fiscal year. That figure is expected to reach about \$5.8 trillion by 2035—accounting for about 55% of the federal budget and 13% of the country's economic output, which is estimated at \$44.3 trillion. Few would argue that measures aren't needed to slow spending growth, but advocates say there are straightforward—if politically unpopular—ways to do that without compromising benefits.

Even if benefits aren't explicitly cut in the budget bill moving through Congress, the programs face "back-door" cuts that would impose higher costs on retirees and other vulnerable citizens, according to critics like Sen. Elizabeth Warren (D., Mass.).

While the programs will survive in some form, belt-tightening is already happening.

Staffing reductions are working their way through the Social Security Administration, slowing customer service. The administration is also looking for cost savings in broader health spending, including to the federal agency that oversees Meals on Wheels and Medicare enrollment counseling, and funding for the National Institutes of Health, which affects Alzheimer's and other research.

Some retirees feel their financial security is under siege. "I wake up and read the newspaper, and it makes me worried," says Jim Cohen, an octogenarian who recently rallied outside a Social Security office in Manhattan. "Why attack Social Security? It's the foundation of what little safety net we have in this country."

Here's a look at what's ahead for

Medicaid, Social Security, and Medicare as Republicans downsize the government.

## Medicaid

Of all three programs, Medicaid faces the most direct threat to benefits. The program, which is jointly funded by the federal government and the states, has emerged as a sticking point in Republicans' efforts to pass the budget bill, with some GOP lawmakers balking at cuts that would affect care.

Sunday night's draft legislation showed how lawmakers plan to achieve cuts, including new work and reporting requirements for certain adults and freezing the medical provider taxes that states use to help finance their share of the Medicaid program, including long-term care.

Many of the reforms have been long sought by Republicans, who tried to pass a similar measure in 2017. "These are the same types of proposals," says Edwin Park, research professor at the McCourt School of Public Policy at Georgetown University.

Medicaid's reach is vast. Recipients include low-income families, people with disabilities, seniors needing long-term care, and older adults whose near-poverty-level incomes qualify them for Medicaid on top of Medicare. Many middle-class families count on it to care for elderly parents who have exhausted their assets on long-term care.

Rooting out fraud isn't likely to yield much savings. In 2023, the government's Health Care Fraud and Abuse Control unit recovered \$3.4 billion in fraudulent payments across Medicaid and Medicare. The Department of Government Efficiency and other efforts might uncover a bit more, but medical providers are far more likely than beneficiaries to rip off government health programs, according to KFF, a health policy nonprofit, and the government would have to seek savings far beyond individuals to dent the program's cost.

Recipients say the application process is so arduous that defrauding Medicaid would be tough. Lou Farina says he had to take time off work to gather and upload more than 500 documents in support of his mother's application. "I don't know how people can defraud the Medicaid system," he says. "It's a hard process."

The House plan aims to "refocus" Medicaid on the elderly and other vulnerable recipients, including peo-

ple with disabilities and children, Congressman Brett Guthrie (R., Ky.), chairman of the House Committee on Energy and Commerce, said in a statement. The proposal doesn't directly target services for older adults.

However, it's impossible to isolate one group of recipients from such large-scale changes, Democrats and advocates say. "Medicaid is an interconnected ecosystem—if you target one piece, the whole system will be impacted," said Katie Smith Sloan, president and CEO of LeadingAge, an association representing nonprofit aging-services providers, in a statement. "We have been told that the intent of all these policies is not to harm older adults, but they will."

Another proposal in the draft text would freeze the taxes on medical providers that states levy to help finance their Medicaid costs. That would allow congressional lawmakers to say they aren't touching benefits, but since the taxes help finance care, freezing them at today's levels would likely force benefit cuts down the road, advocates say, since that revenue source wouldn't keep pace with healthcare inflation.

A White House spokesperson said the administration was working to slash drug costs within the Medicaid program.

Barb Bryant, 75, says she may not make ends meet without the federal programs. "I don't know what I'd do if those were taken away," says Bryant, who lives in two-bedroom mobile home in Jackson Center, Ohio, and can't work due to physical problems.

A former neurology technician, she lives on less than around \$1,000 a month in Social Security and Supplemental Nutrition Assistance Program, or SNAP, food benefits. Her income makes her eligible for both Medicare and Medicaid, which picks up her Medicare premiums and out-of-pocket costs.

Bryant's food budget may be at risk with the House Committee on Agriculture proposing \$290 billion in cuts to SNAP benefits over 10 years.

Another provision in the budget draft would delay until 2035 the implementation of a Joe Biden-era initiative to make it easier for low-income seniors to enroll in Medicare savings programs like the one Bryant has.

## Social Security

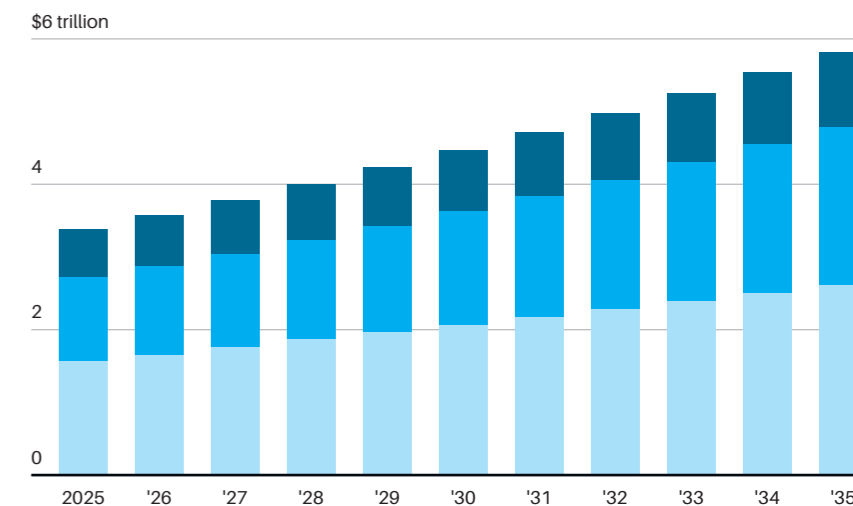
Problems with Social Security are cropping up as the Department of

## The Growing Cost of the Safety Net

Spending on Social Security, Medicare, and Medicaid represents a larger share of the total budget over time.

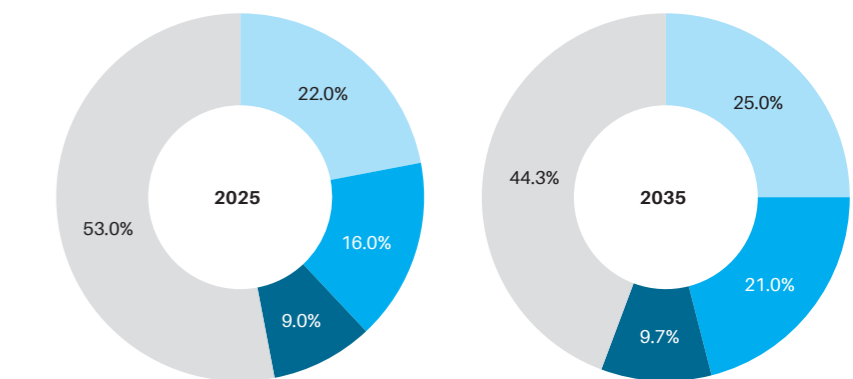
Program spending

■ Social Security ■ Medicare ■ Medicaid



Programs as a percentage of overall federal spending

■ Social Security ■ Medicare ■ Medicaid ■ Other



Sources: Congressional Budget Office, Barron's calculations

Government Efficiency moves to slash spending within the program that will pay out \$1.6 trillion in 2025 to some 70 million Americans. DOGE has laid off personnel, encouraged early retirements, and announced the closure of regional offices. The agency has walked back policies that would reduce phone service for certain transactions, but staffing cuts are making it harder for callers to get through to someone who can help, advisors and advocates report.

DOGE's efforts are necessary to combat waste, fraud, and abuse within Social Security, the Trump administration has said. Elon Musk, the outgoing leader of DOGE, has called the program a "Ponzi scheme." The White House says the Social Security Admin-

istration identified more than 11 million Social Security numbers as belonging to people who are likely dead.

Improper payments documented by the government, including overpayments, have been quite small. The Social Security Administration's Office of the Inspector General estimated \$72 billion of improper payments from fiscal 2015 through 2022, less than 1% of total payments. One overpayment error results from widows remarrying without realizing they need to notify the agency, since their remarriage makes them ineligible to collect on their dead spouse's record; very little is estimated due to fraud. Much of the improper payments have been recouped, the government says.

It isn't that easy to defraud the

country's main record-keeper, says Andrew Biggs, senior fellow at the American Enterprise Institute, a conservative think tank. "They've got your earnings record, they have your birth certificate—what are you going to do?" he says.

For now, it's taking longer to get through to Social Security on the phone, advisors report, and callers have to wait longer for appointments. Social Security recipients are making unnecessary trips to local offices, worried that they need to show up in person to maintain benefits. Consumer advocates say it's only a matter of time before disability benefit determinations—already slow—take even longer to process.

Social Security offices do double duty as enrollment centers for Medicare, so any service disruptions could harm people looking for help signing up for health benefits, says Tricia Neuman, executive director of the Program on Medicare Policy at KFF. "People get stressed out when they first go on Medicare, so they go to Social Security to answer those practical questions needed to avoid financial penalties down the road," Neuman says.

"They're breaking things first and fixing things second," says Jason Fichtner, executive director of the Retirement Income Institute, who worked at the Social Security Administration under Presidents George W. Bush and Barack Obama.

While there are no widespread reports of payments being disrupted, the program faces upheaval. "It's one thing to make legislative change, and it's another thing to add administrative hurdles to make it harder for people to access benefits," says Ed Mills, Washington policy analyst for Raymond James.

The service cuts are a distraction from Social Security's deeper financial problems. Unless Congress comes up with a fix, the retirement trust fund for the program will be depleted in 2033, resulting in automatic benefit cuts of 21%.

Current and near retirees aren't likely to see benefit reductions. By law, the budget reconciliation process under way in Congress can't make changes to Social Security benefits. But de facto cuts, like raising the retirement age for younger workers to be eligible for full benefits, look inevitable as the depletion date nears.

The chaos has caused some 60-somethings to wonder if they should



claim benefits while they still can. Retirees may now be front-loading benefits, with data showing a big spike in claims recently.

Many advisors still recommend waiting until at least full retirement age to claim benefits, however, due to the bigger payouts over a projected life expectancy. If you need the money to live on, file today, says Fichtner, the former Social Security official. If you can afford it, waiting until age 70 will give you the biggest monthly payout.

## Medicare

In its blitz to remake the federal government, the Trump administration has been largely silent on Medicare. Like Social Security, Medicare, which insures 69 million seniors and younger people with certain disabilities, is a politically tough target.

But there are backdoor ways to reduce benefits. One would be shifting more beneficiaries to Medicare Advantage. Project 2025, the conservative policy handbook that has guided some Trump administration actions, calls for making Medicare Advantage the default enrollment option.

**Gloria Farina qualified for Medicaid in 2023 after a lengthy application process. Farina holds a photo of herself at age 13.**



Run by private insurers, the program imposes more obstacles to care than traditional Medicare, requiring prior authorizations for many common procedures and referrals for specialists; there are also skimpier networks of physicians and specialists, which affect access to care.

Pushing people to Medicare Advantage may actually cost the government more than insuring retirees through traditional Medicare. The government doled out a projected \$83 billion more to private insurers in 2024 than it would have paid under original, fee-for-service Medicare, according to the Medicare Payment Advisory Commission, an independent congressional agency. The Trump administration is also increasing payment rates for services to Advantage insurers, hiking them by a projected 5.06% in 2026.

Some hospitals say they're being squeezed. Administrative burdens imposed by Advantage plans are a double whammy on top of their lower reimbursement rates, says Joe Abrutz, administrator of the Cameron Regional Medical Center in rural Cam-

eron, Mo. The hospital has long struggled with federal reimbursements that don't come close to covering its costs as the only medical center within a 40-mile radius.

"Both Democrats and Republicans have failed the rural hospital," says Abrutz, who says he voted for Trump.

Cameron has canceled most of its contracts with Advantage plans after receiving 20% less in reimbursements than it received under traditional Medicare, he says. Only UnitedHealthcare remains, along with BlueCross retirement plans that cover some local auto and municipal workers. Inadequate Medicare and Medicare Advantage payments forced Cameron to close a geriatric psychiatric facility on May 1.

Abrutz says immigration policies are constraining the hospital's staffing. "They have to liberate the visa market for doctors, nurses, and other professionals," he says.

Also indirectly, Trump's policies may affect long-term care. Undocumented workers account for nearly 7% of the country's home health aide workers, according to the American Immigration Council, and deportations will be felt in an industry characterized by low pay and high turnover. Medicare doesn't cover the kind of routine help that most older adults need.

Another agency getting axed by Trump is the Administration for Community Living, which oversees Meals on Wheels, independent Medicare counseling, and other services. And cuts to the National Institutes of Health have imperiled Alzheimer's research, critics say.

Advisors say it may be time to start planning for higher health costs as the government scales back. That may mean saving more. If that sounds daunting, even projecting your future income versus expenses can go a long way.

"Pay better attention to your retirement plan," says David Boniface, president of Legacy Capital Wealth Management in Forest Lake, Minn.

Some advisors say their younger clients want to exclude Social Security from their retirement income projections altogether. A better, still-conservative approach would be to budget for lower benefits.

Retiree Barb Bryant doesn't have that luxury. She hopes benefit cuts don't come to pass, because she and many others won't have much recourse if they do. "It's a really bad situation." **B**

## FUNDS

One could see an early autocracy risk signal in the 2024 Supreme Court ruling extending [absolute immunity to prosecution for presidential acts](#).

# How Fund Managers Are Grappling With 'Autocracy Risk'

**T**he reason Yves Choueifaty avoids Chinese stocks isn't that there's a trade war. It's that Chinese leader Xi Jinping has virtually unlimited power. To the chief investment officer of Paris-based asset manager Tobam, autocracy itself is China's crucial risk factor.

Tobam designed the Tobam Lbrty All World Equity Index, which is tracked by the **Westwood Lbrty Global Equity** exchange-traded fund (ticker: BFRE). Launched in March, the ETF excludes stocks of autocratic countries such as China, Russia, Turkey, and Thailand—not on ethical grounds, but on investment ones.

"There is no sustainable [economic] prosperity without solid democratic institutions," Choueifaty says. He points to research conducted by Nobel Prize-winning economist Daron Acemoglu indicating that the economic growth of autocracies lags behind democracies.

Other fund managers don't exclude autocracies but incorporate what one could call an "autocracy risk factor" into their stock analysis. "We're a growth strategy," says David Eiswert, manager of the top-performing **T. Rowe Price Global Stock** fund (PRGSX). "What we say is we want to be on 'the right side of change.' That's how we think about normal markets, where the rules are fair. But then in China, we basically developed a strategy where we said we need to be on the right side of Xi. It's not about change; it's about understanding

BY LEWIS  
BRAHAM

policy, understanding the companies that are favored. That's a really hard game." The fund currently has just a 3% China stock weighting.

The rules are never fair for citizens or businesses in autocracies because the dictator is above the law and there are no checks and balances from other branches of government. That creates an environment in which corruption and bribery are necessary to gain access to the ruler and either win his favor or avoid his wrath. It also means that economic policies are uncertain and can shift overnight based on the autocrat's whims. Such uncertainty increases market volatility and reduces the equity valuations that investors should be willing to pay.

"A lot of times when autocrats are in a democracy and begin to take control, the first thing they do is try to appease the oligarchs," Eiswert says. "That happened in Nazi Germany, in

Turkey, and in Russia. [The autocrat says:] 'You get to run the steel mills. You get to run the energy [industry]. Of course, I'm going to take my cut, but you're going to get rewarded.'"

At first, the stock prices of those companies go up. But eventually, Eiswert says, investors recognize that "this market is no longer allocating capital in a way we understand." And then you get compression of [stock valuation] multiples."

**E**iswert has begun to see that pattern in the U.S. under President Donald Trump. "An analogy would be **Tesla**, when [Elon] Musk backed Trump, and then Trump won," he says. "Tesla's [stock] fundamentals were quite weak, but the stock price in the back half of 2024 went straight up. So, the market was initially telling you, 'Oh, we get this. This guy's got an unfair advantage right now.' So, the first stage is reward the oligarchs. The leader picks the winners." But the next stage is those stocks fall—which Tesla, down 17% this year, has done.

Analyzing autocracy risk means seeing tariffs only as symptoms of a larger problem. This is an important distinction because the market tends to rally whenever Trump pauses the tariffs. But it's the unchecked power he now has in the executive branch to impose them without congressional approval, which tariffs needed in the past, that is the real risk, as it creates

uncertainty.

This concentration of executive power grew before even Trump's current term. One could see an early autocracy risk signal in the July 2024 Supreme Court ruling extending absolute immunity to prosecution for presidential acts, essentially rendering any president—Republican or Democrat—above the law. Such presidential power has only expanded as Trump has dismantled formerly independent regulatory agencies, challenged basic Constitutional rights like due process, and cut deals with oligarchs seeking his favor.

Eiswert sees the latest tariff-off rallies as short term. "I think the market is pretty sure we're not on an upward sloping line," he says. So, what should investors do? Stick with U.S. stock funds that invest in high-quality but reasonably valued large companies that can perform well in difficult environments. (Small companies don't have the same political clout as large ones.) Or consider a global fund that can reduce or increase its U.S. exposure as the manager sees fit. Eiswert has cut his U.S. weighting from 67.5% a year ago to 58% as of April 30.

Even the strictest autocracies, like China, often have investment opportunities. This is where active management can pay off. "We do come to binary conclusions, but we do it stock by stock, not country by country," says manager Andrew Foster of the top-performing **Seafarer Overseas Growth and Income** fund (SFGIX). "If I went around and said I'm going to not invest in certain countries in the emerging markets because of their politics, I don't think I'd invest in a single one ever. I'd be disappointed in the current politics of each." Instead, he looks for high-quality stocks that are least exposed to autocratic control.

It would be foolish to exclude the U.S. entirely, as it's still far from being like China and Russia. "There is a recession of democracy across the world, including in the U.S.," says Choueifaty. "But for the time being, the U.S. is in a much better situation. Opponents aren't killed. Journalists aren't killed."

Barring an extreme turn of events, it's likely to remain that way. **B**

## Spreading the Risk

These active funds have smaller U.S. stock weightings than their category average, strong performance, and reasonable fees.

Fund / Ticker	Morningstar Category	U.S. Stock Weighting	China Stock Weighting	5-Year Return	Expense Ratio
<b>Causeway Global Value / CGVVX</b>	Global Large-Stock Value	38.9%	1.7%	18.7%	1.10%
<b>Vanguard Global Capital Cycles / VGPMX</b>	Global Large-Stock Value	18.0	2.7	18.6	0.44
<b>Dodge &amp; Cox Global Stock / DODWX</b>	Global Large-Stock Value	49.5	3.1	16.4	0.62
<b>Vanguard Global ESG Select Stock / VEIGX</b>	Global Large-Stock Blend	50.4%	0.0	15.5	0.58
<b>Janus Henderson Global Select / JORNX</b>	Global Large-Stock Blend	57.9	2.2	15.4	0.93
<b>Lord Abbett Global Equity / LGCAIX</b>	Global Large-Stock Blend	55.3	3.0	15.0	0.90
<b>Brown Advisory Global Leaders / BIALX</b>	Global Large-Stock Growth	52.5%	0.0	13.6	0.91
<b>American Funds New Perspective / ANWPX</b>	Global Large-Stock Growth	53.9	1.2	13.2	0.73
<b>T. Rowe Price Global Stock / PRGSX</b>	Global Large-Stock Growth	58.5	2.9	12.3	0.80

Note: Returns are as May 9; five-year returns are annualized.

Source: Morningstar

# TECH TRADER

Countries around the world want to secure their AI future. It could be a **\$50 billion opportunity** for Nvidia, AMD, and other companies.

## Sovereign AI Is the Next Big Trend in Tech. What It Means.

**T**his past week's biggest tech event occurred not on U.S. shores, but in the Kingdom of Saudi Arabia.

President Donald Trump arrived for an official visit with a high-powered retinue of tech leaders that included AI frenemies Elon Musk and Sam Altman to discuss, what else, artificial intelligence.

Like many countries that can afford it, Saudi Arabia wants to make sure it controls its own AI future with onshore "sovereign AI" data centers. It was one of the main reasons for Trump's visit. Saudi leaders needed Trump's OK to get the highest-powered AI chips from U.S.-based **Nvidia**.

Nvidia, for its part, has been pointing to sovereign AI as a growth driver since its November 2023 earnings call.

"National investment in compute capacity is a new economic imperative," CEO Jensen Huang said on that call, about a year after ChatGPT launched the current AI boom. "People realize that they can't afford to export their country's knowledge, their country's culture, for somebody else to then resell AI back to them."

Back then, the first sovereign AI that Huang mentioned was in India, a multicultural tapestry of 22 official languages joined by another 100 that are still in use. It's in India's self-interest that AI language models from other countries don't wipe out its millennia of rich cultural history and to ensure that its nascent tech scene



BY ADAM LEVINE

has access to the latest technology. Thus the need for domestic AI data centers under the national government's control, or sovereign AI.

Pegged around Trump's Tuesday visit, Saudi Arabia announced its vehicle for sovereign investment into AI, called Humain, whose chairman is Saudi Crown Prince Mohammed bin Salman. It's part of his \$100 billion "Project Transcendence," aimed at making Saudi Arabia an international tech hub.

For now, Humain will only use AI chips from start-up Groq, which already operates a data center in Saudi Arabia. But over the next five years, Humain says it will build out massive Saudi data centers populated by the most advanced chips from Nvidia and **Advanced Micro Devices**.

"Our partnership with Nvidia is a bold step forward in realizing the Kingdom's ambitions to lead in AI and advanced digital infrastructure," Tareq Amin, CEO of Humain, said in an Nvidia blog post.

Investors cheered the announcements, sending AI names like Nvidia

and AMD higher this past week.

While it's hard to pin down future revenue tied to these sovereign AI programs, BofA Securities analyst Vivek Arya said that the new deals could eventually be 10% to 15% of annual AI infrastructure revenue. In the long term, that would add up to a total of roughly \$50 billion a year for Nvidia, AMD, and others, Arya estimates.

**T**he announcements this past week are a sign of how political dynamics have changed with the second Trump presidency. In its waning days, the Biden administration announced new export rules to keep advanced AI processors out of China's hands.

Those rules were designed to force sovereign AI companies like Humain to agree to a strict set of conditions to gain access to the best tech from Nvidia.

The test case was G42, a technology arm attached to a United Arab Emirates sovereign-wealth fund. After agreeing to strict U.S. terms, it got the first approval to build a major AI data center on the Arabian peninsula, in partnership with **Microsoft**.

But countries like Saudi Arabia saw the restrictions as too harsh, and Huang believed it would slow down Nvidia's growing sovereign AI business. Trump listened to them.

On the eve of the rules taking effect, Trump's Department of Commerce canceled them in preparation for his Mideast trip, replacing the process with case-by-case approval at the president's discretion. The Saudis were the first to get the thumbs-up.

(There were no such announcements during Trump's trips to Qatar and the United Arab Emirates this past week, though they may still come.)

China still casts a shadow over any deal. The Saudis gave assurances that Humain wouldn't buy AI accelerators or anything else from prohibited Chinese companies like Huawei Technologies. Should Humain knowingly allow a Chinese entity to use its cloud for training models, it would risk access to advanced technology.

But that still doesn't go quite as far as what G42 originally agreed to. It promised not to engage in any sort of commerce with Chinese entities, a pledge not publicly made by the Saudis this past week.

The U.S. also insisted that G42 allow Microsoft to run operations at its Abu Dhabi data center, and submit to U.S. security audits to make sure its actions matched its assurances. Neither of those arrangements have been mentioned by the U.S. or Saudi Arabia.

Trump's new stance on AI exports is ultimately a good news/bad news situation for U.S. firms. Easier AI export terms are a positive for Nvidia, AMD, and other U.S. data center hardware companies.

But Biden's policy was designed to quickly move countries into compliance with stringent U.S. rules around China. Trump's country-by-country approach may actually slow things down in the end. **B**

*A version of this column first ran in the weekly Barron's Tech newsletter. Sign up for free at [barrons.com/newsletters](https://barrons.com/newsletters).*

email: [adam.levine@barrons.com](mailto:adam.levine@barrons.com)



"National investment in compute capacity is a new economic imperative," Nvidia CEO Jensen Huang said a year ago. This past week, Saudi Arabia announced Humain, a sovereign investment vehicle for AI.

# THE ECONOMY

The Fed's intellectual tool kit—the framework guiding how it interprets data and steers the economy—is under scrutiny. [Everyone is a critic.](#)

## The Battle for the Fed's Future Is On. Here's What's at Stake.

**A**s Federal Reserve officials sipped wine and chatted at a conference in sunny California, tension hung in the air—a central bank preparing for a changing of the guard and, potentially, a changing of its mission.

The theme of Stanford's Hoover Institution monetary policy conference last week was "finishing the job," a nod to the Fed's ongoing struggle to bring inflation down to 2% while easing interest rates. But the job, as it turns out, may be unfinishable. And the institution trying to complete it may soon be reshaped.

Behind the genteel panels and policy jargon, one thing was clear: The Greenspan-to-Powell era, a 30-year arc of central bank activism, could be nearing its end. What comes next is a narrower, more restrained version of the Fed that could break with recent precedent on everything from balance sheet strategy to its very purpose.

The Fed's intellectual tool kit—the framework guiding how it interprets data and steers the economy—is under scrutiny. And everyone is a critic.

James Bullard, dean of Purdue University's Daniels School of Business and former president of the St. Louis Fed, argues that the traditional model of managing inflation in a world of "sticky" prices no longer reflects reality. Prices now adjust quickly, he said, while contracts remain rigid. The Fed's mission, then, should go beyond stabilizing inflation and to ensuring money is predictable enough to support those contracts.

BY NICOLE GOODKIND

Jason Furman, a former top White House economist and current professor at Harvard University, sees a different problem. The Fed, he says, relies on an ever-shifting mix of indicators, leaving markets and the public guessing. He advocates for a clearer framework, while others argue the central bank should lean more heavily on rule-based approaches like the Taylor rule, rather than reacting to data in real time.

Inside the Fed, some are calling for internal reforms. Cleveland Fed president Beth Hammack has urged a re-examination of how the Fed uses its balance sheet, including the long-term implications of quantitative easing and tightening. Her predecessor, Loretta Mester, now a professor at the Wharton School, believes policy decision memos have become too terse, pushing investors to read too much into

Chair Jerome Powell's every word.

Powell came into the role as a pragmatic centrist, but history thrust him into the role of economic firefighter. He slashed interest rates to zero during the Covid crisis and oversaw an enormous expansion of the Fed's balance sheet to calm markets. After underestimating early inflation signals, he pivoted—sharply raising rates at the fastest clip in decades.

Now, the Fed has made progress, inflation is falling. But President Donald Trump's tariff and policy shocks threaten to reverse that trend. Core CPI could rise to 3.5% by year's end, warned Capital Economics' Stephen Brown. Apollo Chief Economist Torsten Sløk predicted a stagflation-like environment with rising prices, slowing growth, and limited Fed control.

**P**owell is guiding markets, still trying to land the so-called plane. But with his term expiring next May, and Trump expected to nominate a successor as early as this fall, the Fed may not reach the runway before the crew is replaced.

Powell's successor is widely expected to be Kevin Warsh, a former Fed governor and longtime critic of the central bank's post-financial crisis expansion. Wash has argued for a reduced role for the Fed: less oversight, a smaller balance sheet, and less mission creep. Broader goals involv-

ing climate change, inequality, financial stability may soon be jettisoned in favor of a more singular focus: keeping inflation in check.

Fed governor Michelle Bowman, another Trump appointee and current nominee for vice chair of supervision, represents a similar shift. She's expected to take a lighter regulatory approach than her predecessor, Michael Barr.

Even before they have taken office, their presence at the conference signaled a pivot already under way.

The Fed is preparing to unveil an updated policy framework this summer, a product of months of internal review. But insiders question whether it will matter. With new leadership and a potentially reconstituted committee in 2026, this summer's changes may be short-lived.

Mester expects only modest tweaks, perhaps a more "symmetric" view of the inflation target and improved projections. Others see bigger changes. Former Fed economist Andrew Levin warned of weakening internal checks and transparency at the central bank. If the Fed is to revise its framework, he argued, it must do so with clearer governance, especially amid so much uncertainty.

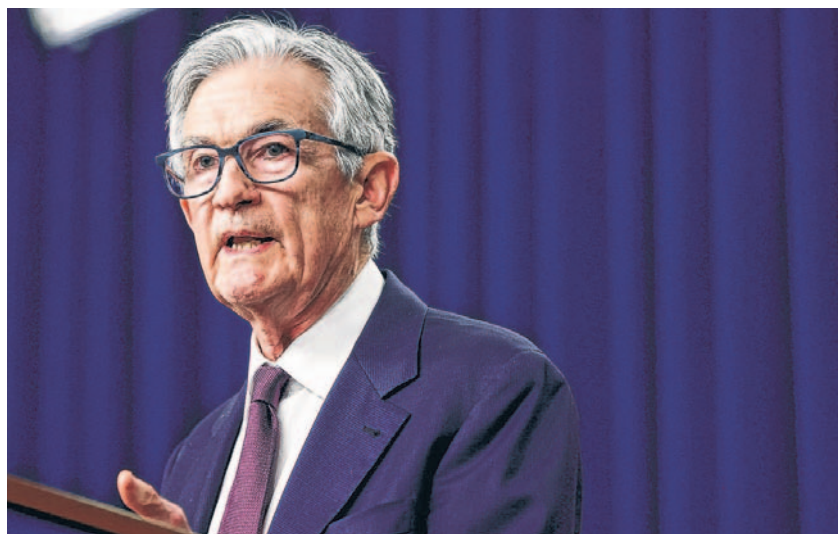
The Warsh view is that the Fed has evolved into a far-reaching, data-heavy institution willing to intervene boldly in crises and steer the economy. Warsh aims to challenge that model, with political and intellectual shifts.

Furman says we are in a "whole new phase of the economy." Even before Trump's new tariffs, inflation had plateaued and Furman doubted it would have fallen much further. Now, the Fed is navigating without a clear sense of where it is headed, he said.

The next era of the Fed may be more constrained. Some welcome that change, seeing it as a return to focus. Others worry that stripping away tools now could leave the Fed underpowered in the next financial crisis.

So what happens when that crisis hits? Some are worried. Some aren't. Let's hope we don't have to find out anytime soon. **B**

The Greenspan-to-Powell era of central-bank activism could be nearing its end. Meanwhile, as critics circle, Fed Chair Jerome Powell is still trying to land the so-called plane and bring inflation back down to 2%.



# MARKET WEEK

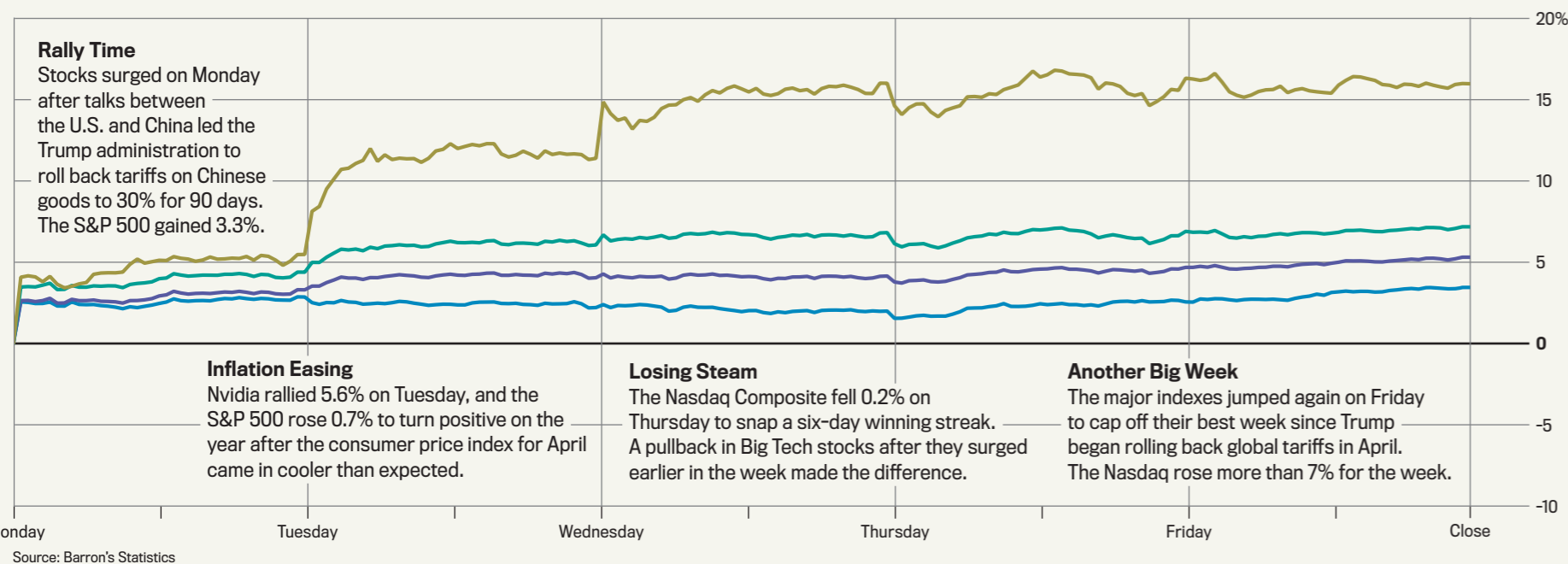


May 12 through May 16, 2025

International Trader	P. 33	13D Filings	P. 35
Striking Price	P. 34	Winners & Losers	P. 36
Inside Scoop	P. 35	Statistics	P. 37

## MARKET PERFORMANCE DASHBOARD

<b>Dow Jones Industrials</b> <b>42,654.74</b> 52-wk: +6.63% YTD: +0.26% Wkly: +3.41%	<b>S&amp;P 500</b> <b>5958.38</b> 52-wk: +12.35% YTD: +1.30% Wkly: +5.27%	<b>Nasdaq Composite</b> <b>19,211.10</b> 52-wk: +15.13% YTD: -0.52% Wkly: +7.15%	<b>Nvidia</b> <b>\$135.40</b> 52-wk: +46.41% YTD: +0.83% Wkly: +16.07%
--	---	--	--



## THE TRADER

### The Good Old Days Are Back—And That's Good Enough

Trade and AI drove stocks this past week—and everything else was noise, even if there was a lot of it. And driven they were. The Dow Jones Industrial Average finished the week up 3.4%, the S&P 500 index rose 5.3%, and the Nasdaq Composite added 7.2%. It wasn't a perfect week, despite the robust gains. Federal Reserve Chair Jerome Powell warned of potentially more erratic inflation in the years to come. April's retail sales slowed meaningfully from March levels. Walmart warned of higher prices. Consumer sentiment tumbled. And Facebook parent Meta Platforms fell on reports



BY TERESA RIVAS

that it's delaying the rollout of its behemoth large-language model. Even President Donald Trump's budget bill seemed to get delayed in the House. None of it mattered. And why should it, when a trade war was averted and the artificial-intelligence trade made a grand return? Monday ushered in a rally on news that the U.S. and China agreed to reduce their so-called reciprocal tariffs by 115 percentage points for 90 days. That's a meaningful reversal after the nations appeared to be at loggerheads over the issue not long before. "Trump folded...abruptly," writes 3Fourteen Research founder Warren Pies, who upgraded stocks to an overweight this past week. "From here, the most logical next step is for the S&P

500 to challenge its all-time highs." The agreement would probably have been enough to drive the rally, but stocks also got a boost from the return of the AI trade, with Nvidia jumping double digits. The stocks had already been bouncing back, but Trump's visit to Saudi Arabia highlighted the growing appetite for sovereign AI, with nations racing to use U.S. chips for onshore projects. On Friday, the president said the United Arab Emirates would be the latest buyer of American AI technology. That was welcome news after worries that Silicon Valley was losing its edge to rivals in China. "Sovereign and enterprise participants [will] be the second biggest source of global AI capex...and we

expect their spending to grow steadily in the coming years," explains Ulrike Hoffmann-Burchardi, chief investment officer for global equities in the UBS chief investment office. That means more global trade bolstered by the U.S.—just like the good old days. Yes, there are still issues. Trump's budget was held up in the house, which means tax cuts are, too, while economic data and earnings continue to weaken. None of it could dampen the mood. "As the weakness of economic soft data has yet to be followed by substantial hard data weakening, worsening earnings sentiment has yet to be followed by worsening earnings growth," writes Tim Hayes, chief global investment strategist at Ned Davis Research. Markets are breathing a sigh of relief. On Wednesday, the Cboe Volatility index, or VIX, fell below 20 for the first time in 30 days. That's good news for investors: When a streak above 20 ends, and the S&P 500 is at least 1% above its 200-day moving average, the index rose a median 4.5% over the six months following the signal, and was higher 70% of the time.

"Investors don't like uncertainty," writes Jason Goepfert, senior research analyst at SentimenTrader. "Uncertainty means volatility, and volatility increases the probability of seeing big negative numbers on account statements. When markets are calm, they're more likely to buy." A quiet market is a bullish market. Enjoy the silence.

### That's Shoe Business

Boots may be made for walking, but comfy shoe stocks are winning the race. Take it from **On Holding** co-CEO Martin Hoffmann, who spoke with *Barron's* after the company's upbeat first-quarter results sent the company's stock up almost 12% on Tuesday. "These products provide a different level of comfort for your daily life, and this is important for your happiness," he says.

"At the same time, I think everyone understands more and more that movement is important." The proof was in the earnings. Switzerland-based On reported a first-quarter profit of 25 cents a share, beating forecasts for 24 cents, on sales of \$863.4 million, above expectations for \$806.9 million. Its footwear sales were up more than 50% from the previous year, while its apparel sales more than doubled.

On also raised its full-year net sales outlook, saying it expects 28% growth, thanks to strong demand, although it tweaked its adjusted earnings before interest, taxes, depreciation, and amortization, or Ebitda, margin to 16.5% to 17.5% for the year, down from a range of 17% to 17.5%, given uncertainty surrounding tariffs.

No matter—Tuesday's jump put the stock up nearly 5% this year, ahead of the broader market and many peers tracked by the **Consumer Discretionary Select Sector SPDR** exchange-traded fund. Hoffman touts the company's LightSpray technology, which significantly reduces carbon dioxide emissions, as well as the manual labor required to make its products, which also gives it more supply-chain flexibility.

Still, the fact that large tariffs on China appear to be on hold helped investor sentiment toward the company and a number of its competitors, as well. Shares of **Puma, Deckers Outdoor, Nike, Wolverine World Wide**, and other footwear companies soared after the agreement to pause levies was reached last weekend, and if the agreement holds, the industry should be able to restart its winning streak.

"The announced reset in U.S./China trade relations and potential for a lasting middle ground reduce direct margin risks and indirect recession odds," wrote Baird analyst Jonathan Komp on Monday, noting that footwear companies "have highlighted greater flexibility in shifting production over a six-to-12 month period, potential price increases,

## IBKR Clients Have Access to Low Margin Rates

### US Margin Loan Rates Comparison - USD 25K

<input type="radio"/> E-Trade	12.70%
<input type="radio"/> Fidelity	12.08%
<input checked="" type="radio"/> Interactive Brokers	5.83% <sup>1</sup>
<input type="radio"/> Schwab	12.08%
<input type="radio"/> Vanguard	12.25%

See website for full comparison and lower rates

The best-informed investors choose Interactive Brokers



[ibkr.com/compareus](https://ibkr.com/compareus)



Trading on margin is only for sophisticated investors with high risk tolerance. You may lose more than your initial investment.

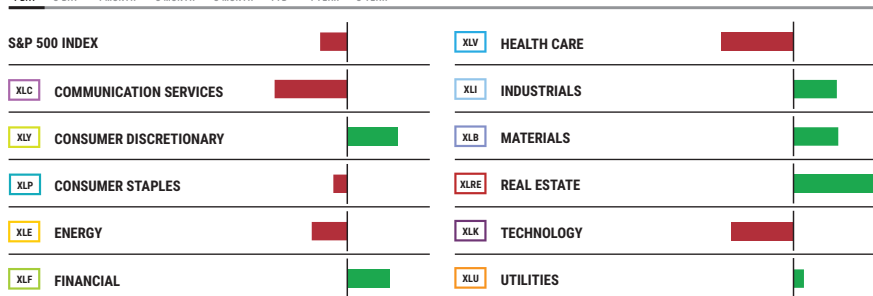
Member - NYSE, FINRA, SIPC - [1] Margin Loan rate as of 2/5/2025. IB calculates the interest charged on margin loans using the applicable rates for each interest rate tier listed on its website. Rates shown apply to IBKR Pro clients only. Rates subject to change. Restrictions apply. For additional information on margin loan rates, see [ibkr.com/interest](https://ibkr.com/interest). 02-IB25-1712-HP

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

## Monitor the Movement of the 11 Sectors and 500 Components of the S&P 500

# SPDRs SECTOR TRACKER

1 DAY 5 DAY 1 MONTH 3 MONTH 6 MONTH YTD 1 YEAR 5 YEAR



Visit [www.sectorspdrs.com](http://www.sectorspdrs.com) or call 1-866-SECTOR-ETF



An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, call 1-866-SECTOR-ETF or visit [www.sectorspdrs.com](http://www.sectorspdrs.com). Read the prospectus carefully before investing.

All ETFs are subject to risk, including possible loss of principal. Sector ETF products are also subject to sector risks and non-diversification risks, which generally results in greater price fluctuations than the overall stock market. Ordinary brokerage commissions apply.

The S&P 500 is an index of 500 common stocks that is generally considered representative of the U.S. stock market. You cannot invest directly in an index.

ALPS Portfolio Solutions Distributor, Inc., a registered broker-dealer, is distributor for the Select Sector SPDR Trust.



## MANSION GLOBAL *Boutique*



iStock.com/Follow TheFlow © 2024 Dow Jones & Company, Inc. All rights reserved. 2E6204

## We curate. You Shop.

Discover your unique style with high-end home goods picked regularly by our team.

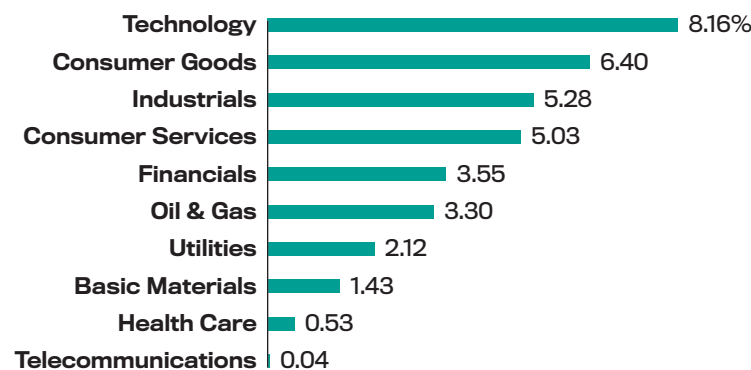
[mansionglobal.com/boutique](http://mansionglobal.com/boutique)



SCAN TO SHOP

## Industry Action

Performance of the Dow Jones U.S. Industrials, ranked by weekly percent change.\*



Source: S&P Dow Jones Indices

and other limiting actions" to help them mitigate the tariff impact, should it return.

The space has also found itself in the midst of a mini buying spree. Investment firm 3G Capital recently agreed to buy **Skechers USA** for a 30% premium, while **Dick's Sporting Goods** shocked the market on Thursday by agreeing to buy **Foot Locker** for a 90% premium.

Now it's back to fundamentals. If tariffs fade from the headlines, sneaker and comfortable-shoe makers seem poised to keep doing well: Athleisure has transcended fashion trends, and officewear has become more casual postpandemic. While laggards like Nike and **Under Armour**, which also reported on Tuesday, bounced this week on the trade agreement news, they remain turnaround stories.

On, despite rising 87% in the past year, looks like a better bet, as does **Birkenstock Holding**, which reported earnings this past week and has also outperformed the broader market over the past 12 months. **Crocs** shares are approaching a double-digit gain for 2025.

When it comes to shoe stocks, remember: It's better to feel good than look good.

### Adobe Can Stand Up to AI

Every year, investors gather in Manhattan for the Sohn Investment Conference, where they listen for stock picks and rub elbows with luminaries such as Greenlight Capital's David Einhorn and Elliott Investment Management's Jesse Cohn.

This year's event took place on a rainy, gloomy day, and might need a little Photo-shop to be Instagram-ready. The outlook for the software's maker, **Adobe**, looks sunny, according to one participant.

Of course, there's no editing of the shares' recent performance. The stock has fallen 6.2% this year as earnings disappointed and generative artificial-intelligence competition

continues to worry investors. Who needs to pay for an Adobe subscription when free tools exist?

Yet with the market for AI growing by leaps and bounds, Heard Capital founder William Heard argued at the conference that AI-assisted images are "not a zero-sum game." AI is still a relatively new offering for Adobe, which will ramp up over time. Even so, the company remains the No. 1 tool for editing, with its AI tool Firefly offering control at the pixel level. That has helped Adobe with both user retention and usage.

Adobe's products are also trained on sourced data with proper licensing, which means the images it creates can be used for commercial purposes. And anyone who has used free AI image generators knows they're far from perfect.

Ultimately, that leads Heard to argue that consensus estimates—which call for Adobe to deliver earnings-per-share growth of more than 10%, to \$20.57, are still too low. If that's the case, Adobe has simply gotten too cheap. Its stock is trading for 18.8 times forward earnings, well below historical values in the 30 to 40 range—so cheap that even bears have been throwing in the towel on the valuation front. Insiders are also putting their money where their mouth is, buying stock. Heard believes that the shares could reach \$700, up 73% from a recent \$417, which represents a price/earnings ratio of 34 times, more in line with historical levels.

Stop us if you think you heard this one before. *Barron's* recommended Adobe last fall, and it has dropped 18% since then. But this time may truly be different. Adobe can go toe-to-toe with lower-end rivals, Heard says, while still demonstrating pricing power with its premium products.

There's reason to hope that the picture is brightening, for the company and the stock. **B**

# INTERNATIONAL TRADER

## It's Been a Big Year for Euro Banks. Can It Last?

BY CRAIG MELLOW

European stocks have been the surprise success story of 2025, and banks the surprise within Europe. The **iShares MSCI Europe Financials** exchange-traded fund has soared by a third this year, boosted by a 9% jump in the euro versus the dollar. U.S. peers have advanced 5%.

Further gains could be tougher. "The catch-up has happened," says Emmanuel Cau, head of European equity strategy at Barclays Investment Bank. "The market may need some time to adjust now."

But with dozens of bank names on offer in a sector Balkanized by national boundaries, there's still plenty of room for stock-picking.

European financials were a big winner from postpandemic global inflation. It forced the European Central Bank to yank up interest rates after 14 years near zero, which meant banks could at long last earn net interest income. Massive spending promises from Germany's new chancellor, Friedrich Merz, added fuel to the bullish fire this year.

European banks still aren't expensive arithmetically. They trade around book value on average, compared with two times in the U.S. Price/earnings ratios are running 40% below other European stocks, says Andrew Stimpson, head of European bank research at Keefe, Bruyette & Woods. Previous rallies have peaked at a 20% discount. "We're still at low multiples," he concludes. "There's definitely more room to go."

The sector's mojo was still working through first-quarter earnings, reported over the past few weeks. Almost 90% of the 38 houses that UBS covers beat profit expectations, reports Jason Napier, head of European banks research.

Shadows loom, however. Europe's economy isn't exactly on fire. Both the European Union and United Kingdom expect gross-domestic-product growth

of about 1% this year.

The ECB is loosening again, slashing its key deposit rate from 4% to 2.25% over the past year. A descent to 1.5%, at the low end of market expectations, would "make life a little trickier for the banks," Stimpson says.

Cheaper money should in theory spur more borrowing. That's constrained for the moment by President Donald Trump's only recently paused trade wars. The EU is a prime target, racking up a \$200 billion-plus goods trade surplus with the U.S. last year and a series of rhetorical insults from the White House. ("The European Union," Trump said, "was formed in order to screw the United States.")

That has left corporate borrowers across the Continent cautious at best, says Johann Scholtz, European bank analyst at Morningstar. "It's hard to see what is going to drive bank earnings from these levels," he says. "None of the banks have lowered guidance to anticipate tariffs."

Scholtz still sees value in one top-10 European bank, **BNP Paribas**, whose shares have struggled to recover from a punishing 2024. "Markets saw Paribas as a proxy for shorting France," he says.

He and other investors are mostly combing second-tier names across the financial archipelago. Barclays' Cau is tilting toward the U.K., favoring High Street mainstays **Lloyds Banking Group** and **NatWest Group**.

Stimpson is focusing on "some of the most profitable names in the sector, which give defensive qualities." That list includes **AIB Group**, or Allied Irish Banks; Italy's **Intesa Sanpaolo**; and Belgium-based **KBC Group**.

European banks are on solid ground. Nonperforming loan ratios in the euro area have dwindled below 2% from more than 7% a decade ago. "The banks have loads of capital," Stimpson comments. "The missing bit is the growth element."

They can't keep performing like growth stocks without growth forever, though. **B**

# CLASSIFIEDS

TO ADVERTISE, CALL 1-800-366-3975

## LEGAL NOTICES

AB Multi-Manager Alternative Fund  
Notice of Offer to Purchase for Cash 10% of its Issued and Outstanding Shares  
at Net Asset Value Per Share

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT  
5:00 P.M., EASTERN TIME, ON MONDAY, JUNE 23, 2025, UNLESS EXTENDED.

AB Multi-Manager Alternative Fund (the "Company"), a statutory trust formed under the laws of the State of Delaware and registered with the U.S. Securities and Exchange Commission as a closed-end, diversified management investment company, is offering to repurchase up to 10% of its outstanding Shares (the "Offer") from the shareholders of the Company ("Shareholders") holding shares of beneficial interest ("Shares"), at their unaudited net asset value per Share determined as of September 30, 2025 or, if the Offer is extended, the last business day of the third month following the month in which the Offer actually expires (the "Valuation Date").

If a Shareholder would like the Company to repurchase all or some of their Shares (in each case, within the limits of the Offer), they should contact their financial advisor or the Bernstein Global Wealth Management unit of AllianceBernstein L.P. ("Bernstein") at (212) 486-5800 to request that written materials relating to the Offer be provided to them. These written materials, which will be sent at no expense to the Shareholder, include the Offer to Repurchase and a Notice of Intent to Tender. A tendering Shareholder must complete, sign, and mail (certified mail return receipt requested is recommended), fax or hand deliver the Notice of Intent to Tender to the Company's agent specified therein, so that it is received before the Repurchase Deadline stated below.

Shareholders who desire to tender Shares for repurchase must do so by 5:00 p.m., New York time on June 23, 2025, unless the Offer is extended (such date and time, as it may be extended, the "Repurchase Deadline"). All determinations as to the receipt of notices from Shareholders relating to the tender of Shares, including, without limitation, determinations whether to excuse or waive certain variations from relevant procedural requirements, will be in the sole discretion of the Company or its designated agents, and any such determination will be final.

The purpose of the Offer is to provide liquidity to Shareholders because the Shares are not listed on any securities exchange. The Offer is not conditioned upon the tender of any minimum number of Shares or any financing condition.

If more than 10% of its Shares are duly tendered to the Company (and not withdrawn) prior to the Repurchase Deadline, the Company will in its sole discretion either: (A) accept a portion of the Shares tendered by each Shareholder on a pro rata basis; (B) accept additional Shares as may be permitted by applicable law; or (C) increase the percentage of Shares to be repurchased and extend the Offer.

Shareholders may tender all of their Shares or any portion thereof up to an amount such that they maintain the minimum required balance of \$20,000 after the repurchase of the Shares by the Company. The Company reserves the right to repurchase a Shareholder's entire interest in the Company if the requested repurchase would otherwise result in a shareholder having an account balance below the minimum required balance.

It is anticipated that the purchase of Shares tendered by a Shareholder will be a taxable transaction for U.S. federal income tax purposes. Participating Shareholders should consult their tax advisor regarding specific tax implications, including potential federal, state, local and foreign tax consequences.

If a Shareholder tenders Shares and the Company accepts those Shares for repurchase, the Company will issue the Shareholder a non-interest bearing, non-transferable promissory note (the "Note") entitling the Shareholder to receive an amount equal to the value of the Shareholder's Shares accepted for repurchase by the Company determined as of the Valuation Date. The Note will be held for the Shareholder in an account with AllianceBernstein Investor Services, Inc., the Company's transfer agent and agent designated for this purpose, and will entitle the Shareholder to receive a payment in cash equal to the value of the Shareholder's Shares repurchased by the Company. The Note will be paid approximately 45 days after the Valuation Date. However, if 95% or more of a Shareholder's Shares are being repurchased, the Shareholder will receive an initial payment equal to 95% of the value of the Shares repurchased and the balance due will be paid promptly after completion of the Company's next annual audit following the Valuation Date. Such audit is expected to be completed in late May, 2026.

Until the Repurchase Deadline, Shareholders have the right to withdraw any tenders of their Shares by giving proper notice to the Company. Shares withdrawn may be re-tendered before the Repurchase Deadline by following the tender procedures. If the Company has not yet accepted a Shareholder's tender of Shares on or prior to July 16, 2025 (i.e., 40 business days from the commencement of the Offer), a Shareholder will also have the right to withdraw their tender of Shares after such date.

The value of the Shares may change between the commencement of the Offer and the Valuation Date (currently expected to be September 30, 2025). Shareholders desiring to obtain the most recent net asset value for their Shares may contact the Company at (877) 354-6789, Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m., New York time. Any estimated net asset value provided by the Company or its authorized agents will be provided to Shareholders for convenience only. Neither the Company nor its agents can give any assurances as to the accuracy of such information; nor can either give any assurance that the final regularly computed, unaudited monthly net asset value will not differ (perhaps significantly) from an estimated net asset value for that month. The Company's net asset value per Share as of March 31, 2025 was \$11.47.

Please note that just as each Shareholder has the right to withdraw their tender, the Company has the right to cancel, amend or postpone this Offer at any time before the Repurchase Deadline. Also realize that although the Offer expires on the Repurchase Deadline, a Shareholder who tenders all of their Shares will remain subject to the risks associated with the fluctuations in the net asset value of the Shares until the Valuation Date, notwithstanding the Company's acceptance of the Shareholder's Shares for repurchase.

The information required to be disclosed by paragraph (d)(1) of Rule 13e-4 under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Repurchase dated May 16, 2025 and is incorporated herein by reference. The information provided herein is qualified entirely by the more detailed information contained in the Offer to Repurchase. The Offer to Repurchase contains important information that should be read carefully before any decision is made with respect to the Offer. This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares. The Offer is made only by the Offer to Repurchase and the related Letter of Transmittal. The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Shares in any jurisdiction in which making or accepting the Offer would violate that jurisdiction's laws.

Questions and requests for assistance may be directed to the Shareholder's financial advisor or to Bernstein at (212) 486-5800.



## SMALL SPACES. BIG OPPORTUNITIES.

Barron's Classifieds is where our readers discover opportunities in real estate, business investments, corporate aircraft, yachts, fine cars and so much more.

For information on advertising, call 1.800.366.3975  
or email [advertising@barrons.com](mailto:advertising@barrons.com)

# THE STRIKING PRICE

## A Trade Deal Strategy To Capture Future Gains

BY STEVEN M. SEARS

**T**rade the market you have, not the one you think you have. It's easier said than done, but at least for now, the market isn't much more complicated.

We know, based on President Donald Trump's deal with the United Kingdom and his detente with China, that trade deals make stocks rally just as surely as tariffs cause declines.

On Monday, stocks surged in reaction to the U.S. lowering reciprocal tariffs on most Chinese goods to 30% from 145% for 90 days, which China matched. The deal was announced on Sunday, suggesting that the Trump administration isn't entirely opposed to a little consideration for investors who have endured extraordinary emotional and financial volatility ever since tariffs were announced on April 2.

If you believe that a comprehensive trade deal with China is forthcoming, consider a "trade deal strategy" to potentially supercharge returns in anticipation that more deals will follow.

Rather than simply buying stocks, which is the simplest approach, the trade deal strategy entails buying stocks, buying call options, and selling put options. Each piece of the strategy is designed to produce profits if the trade thesis is correct.

One simple way to play the strategy is to buy the **SPDR S&P 500** exchange-traded fund (ticker: SPY), buy seven-month calls with strike prices just above the ETF's market price, and sell seven-month puts that are just below the ETF's price. The three-pronged position should benefit from the stock market's current strength and profit from further gains into December.

The strategy is based on the belief that even minor trade negotiation advances will be interpreted by investors as a reason to buy so-called risk assets like stocks and bullish calls and to sell bearish puts.

With SPY at \$594.23, investors who want exposure to the bullish thesis could

buy the December \$630 call for about \$66 and sell the December \$570 put for about \$34.50.

If SPY is at \$700 at the December expiration, the call is worth \$70 and the put would be worthless.

The risk to the options trades is that SPY doesn't advance beyond the call strike price or that it declines. Should the latter occur, investors would be obligated to buy SPY at the \$570 put strike price or to adjust the put to avoid assignment.

During the past 52 weeks, the ETF has ranged from \$481.80 to \$613.23.

We chose a seven-month expiration cycle to provide Trump and his team with ample time to negotiate deals and to give investors enough time to grow more comfortable with Trump's style.

The trade deal strategy serves as a countermeasure to the analytical doom labyrinths that many pundits have fashioned since Trump's tariffs became real on April 2. It assumes that Trump and his emissaries will better explain their trade deal moves to investors. It also assumes that investors will grow more comfortable with Trump's terse toughness at the deal table.

Though Trump is a businessman, his background and business style are dramatically different than most people who work at investment banks, asset management firms, and hedge funds—and especially the diplomats who traditionally negotiate multilateral trade agreements.

Major real estate owners and operators—and it is an exclusive club, especially in New York City—are a world unto themselves. Because they own so many buildings, and because their financing needs are large, major owner-operators live in a rarefied world where they make the rules for everyone who enters.

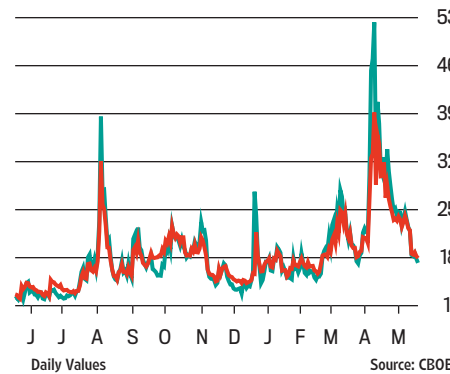
They enjoy an almost limitless power, which is often incomprehensible for investors and politicians who traffic in compromise and negotiated terms. Trump's world is different, and investors who see that are better poised to profit. **B**

Trump's background and business style are dramatically different from the diplomats who traditionally negotiate **multilateral trade agreements**.

### Equity Options

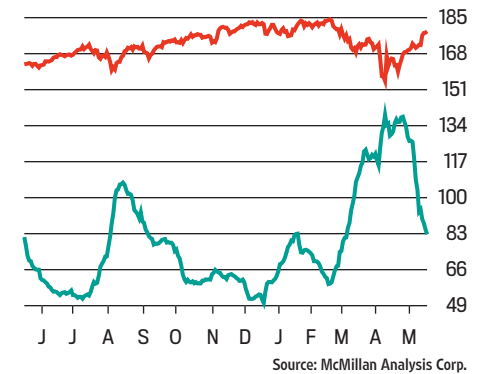
#### CBOE Volatility Index

● VIX Close ● VIX Futures



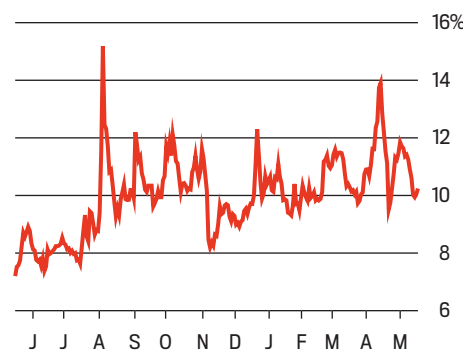
#### The Equity-Only Put-Call Ratio

● Put-Call Ratio ● S&P 500 Index



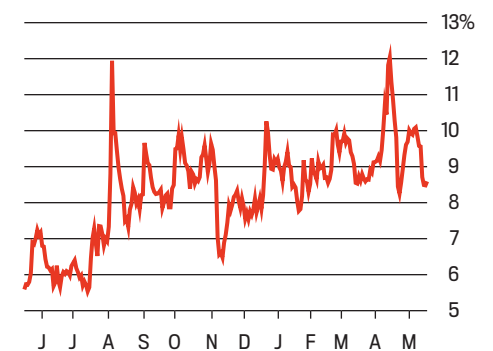
#### SPX Skew

Implied volatility %



#### NDX Skew

Implied volatility %



Skew indicates whether the options market expects a stock-market advance or decline. It measures the difference between the implied volatility of puts and calls that are 10% out of the money and expire in three months. Higher readings are bearish.

### Week's Most Active

Company	Symbol	Tot Vol	Calls	Puts	Avg Tot Vol	IV %ile	Ratio
Septerna	SEPN	12458	7928	4530	148	95	84.2
CytomX Therapeutics	CTMX	31514	24326	7188	760	31	41.5
TPI Composites	TPIC	14186	988	13198	412	77	34.4
iTeos Therapeutics	ITOS	3667	1080	2587	132	78	27.8
NV5 Global	NVEE	2092	1843	249	76	0	27.5
NEXTracker	NXT	121533	84055	37478	5812	18	20.9
Landsea Homes	LSEA	9406	4898	4508	452	51	20.8
EchoStar	SATS	85382	67932	17450	4244	76	20.1
dLocal	DLO	34967	28592	6375	2104	14	16.6
Halozyne Therapeutics	HALO	16822	12503	4319	1152	83	14.6
Exelixis	EXEL	48657	29377	19280	3716	34	13.1
bluebird bio	BLUE	18223	5257	12966	1664	1	11.0
Foot Locker	FL	151862	62003	89859	13912	0	10.9
Aquistic Therapeutics	AQST	8515	7824	691	836	57	10.2
Tencent Music Entertainment	TME	50746	28484	22262	4988	47	10.2
UroGen Pharma	URGN	6361	2908	3453	628	99	10.1
PBF Energy	PBF	60346	53415	6931	6452	81	9.4
Cellebrite DI	CLBT	9482	6523	2959	1040	62	9.1
Endava	DAVA	5738	4317	1421	628	78	9.1
Microvast	MVST	107178	94215	12963	11996	31	8.9

This table of the most active options this week, as compared to average weekly activity—not just raw volume. The idea is that the unusually heavy trading in these options might be a predictor of corporate activity—takeovers, earnings surprises, earnings pre-announcements, biotech FDA hearings or drug trial result announcements, and so forth. Dividend arbitrage has been eliminated. In short, this list attempts to identify where heavy speculation is taking place. These options are likely to be expensive in comparison to their usual pricing levels. Furthermore, many of these situations may be rumor-driven. Most rumors do not prove to be true, so one should be aware of these increased risks if trading in these names.

# INSIDE SCOOP

## Match Group CEO Makes Big Bet on Turnaround

BY CONNOR SMITH

**T**he new chief executive of **Match Group** made another big bet on his efforts to turn around the owner of dating apps like Tinder and Hinge.

Shares of Match Group have struggled in recent years, falling 83% from their record levels in 2021. The stock is down 19.4% since Feb. 4, when the company tapped **Zillow** co-founder Spencer Rascoff as CEO.

Analysts downgrading the stock late last year cited “stagnant” spending on online dating globally.

The stock fell 9.6% on May 8 after the firm reported quarterly results and said it planned to cut its workforce by 13%. During the company’s earnings call prior to the open that morning, Rascoff said he planned to buy \$1 million in stock. Instead, he bought nearly \$2 million.

Rascoff paid just under \$2 million

for 70,885 shares on May 9, according to a filing with the Securities and Exchange Commission. He paid an average price of \$27.89 a share for 53,398 of them and an average price of \$28.54 for 17,487.

Rascoff already bought \$2 million worth of shares at an average price of \$34.41 on Feb. 6. He now owns 137,478 shares of Match.

A company representative referred *Barron's* to Rascoff’s earnings call comments and a subsequent post on LinkedIn.

“100 days in as CEO and more confident than ever in our team and Match Group’s future,” he wrote on LinkedIn. “Friday, I purchased \$2 million of stock of MTCH, in addition to the \$2 million I bought last quarter. Energized by the responsibility and privilege of defining the future of connections for this category.”

Rascoff’s purchase was well timed; Match Group stock was on track to finish the week with a gain of 6.6%. **B**

**CEO Spencer Rascoff paid nearly \$2 million on May 9 for 70,885 shares of Match Group, the languishing owner of online dating apps like Tinder and Hinge.**

## Big Pension Halves Its Stake in Alibaba

**O**ne of the largest pensions in the U.S. recently made major adjustments to its biggest investments.

The New York State Common Retirement Fund halved its investment in the Chinese online company **Alibaba Group Holding** in the first quarter. The fund, for employees of New York state government, sold 181,320 Alibaba American depositary receipts to cut its investment to 169,272 ADRs at the end of the quarter.

The ADRs tumbled when President Donald Trump announced a far-reach-

ing series of tariffs on trading partners in early April. They have recovered ground since, but the U.S.’ trade war with China still weighs on the ADRs.

The fund also cut positions in tobacco firm **Altria Group**, aerospace manufacturer **Lockheed Martin**, and oil-and-gas producer **Chevron** in the first quarter. The pension disclosed the stock trades, among others, in a form that it filed with the Securities and Exchange Commission.

The office of New York State Comptroller Thomas P. DiNapoli, the sole trustee of the pension, didn’t respond to a request for comment on the investment changes. As of the end of 2024, the pension managed \$273.4 billion. It is the third-largest U.S. public pension by assets. — **Ed Lin**

## Increases in Holdings

### **Treehouse Foods (THS)**

**Jana Partners** raised its stake in the packaged-food-and-beverage producer to 5,490,064 shares. Jana did so through the purchase of 566,589 Treehouse shares from May 8 through May 12, 2025, at per share prices ranging from \$21.85 to \$23.10. Following the latest purchases, Jana owns 10.9% of Treehouse’s outstanding stock. Shares of Treehouse have lost more than a third of their value in 2025.

### **GeneDx Holdings (WGS)**

**CMLS Holdings** increased its stake in the health-intelligence company to 4,096,095 shares. CMLS did so through the purchase of 434,848 GeneDx shares from May 2 through May 6, 2025, at per share prices ranging from \$62.45 to \$65.37. Following the latest purchases, CMLS continues to own 14.2% of GeneDx’s outstanding stock. Shares of GeneDx have lost roughly 25.3% of their value in 2025.

### **Edgewise Therapeutics (EWTX)**

**OrbiMed Advisors** raised its stake in the clinical-stage pharmaceutical firm to 15,252,867 shares. OrbiMed did so through the purchase of 496,771 Edgewise shares on April 3, 2025, at a price of \$20.13 per share. Following the latest purchases, OrbiMed continues to own 14.5% of Edgewise’s outstanding stock. Shares of Edgewise have lost roughly 46.2% of their value since the beginning of this year.

## Decreases in Holdings

### **SLM (SLM)**

**Impactive Capital** lowered its

stake in the student-loan lender to 9,193,975 shares. Impactive Capital did so through the sale of 2,225,424 SLM shares from March 25 through May 7, 2025, at per share prices ranging from \$25.35 to \$31.46. Following the latest sales, Impactive Capital continues to own 4.4% of SLM’s outstanding stock, placing Impactive Capital below the 5% threshold that would require it to report further sales. Shares have gained approximately 23% since the beginning of this year.

### **Insight Enterprises (NSIT)**

**ValueAct Capital** reduced its stake in the enterprise information-technology company to 3,461,739 shares. ValueAct Capital did so through the sale of 600,000 Insight Enterprises shares on May 8, 2025, for \$130.94 per share. Following the sale, ValueAct Capital continues to own 10.8% of Insight Enterprises’ outstanding stock. Shares of Insight Enterprises have lost about 9.1% since the beginning of this year.

### **Dun & Bradstreet Holdings (DNB)**

**Cannae Holdings** lowered its stake in the business data and analytics provider to 60,048,691 shares. Cannae Holdings did so through the sale of nine million Dun & Bradstreet shares on May 8, 2025, for \$8.95 per share. Following the sale, Cannae Holdings continues to own 13.5% of Dun & Bradstreet’s outstanding stock. Shares of Dun & Bradstreet have lost approximately 27.4% of their value since the beginning of this year.

These disclosures are from 13Ds filed with the Securities and Exchange Commission. 13Ds are filed within 10 days of an entity’s attaining more than 5% in any class of a company’s securities. Subsequent changes in holdings or intentions must be reported in amended filings. This material is from May 8 through May 14, 2025. Source: **VerityData (verityplatform.com)**

# WINNERS & LOSERS

Saturday Inbox: Sign up for the Market Lab Newsletter every Saturday at [Barrons.com/newsletters](https://Barrons.com/newsletters)

## NYSE Biggest % Movers

### Winners

Name (Sym)	Volume	Close	Change	%Chg.
FootLocker(FL)	122717	23.85	+11.84	+98.6
a.k.a.Brands(AKA)	267	13.91	+5.92	+74.1
VirginGalactic(SPCE)	122252	4.80	+1.73	+56.4
ArcherAviation(ACHR)	285144	13.30	+4.49	+51.0
Beyond(BYON)	18038	6.72	+2.16	+47.4
DigitalBridge(DBRG)	32382	11.95	+3.33	+38.6
NoScalePower(SMR)	73033	24.17	+6.72	+38.5
Oklo(OKLO)	113482	37.72	+9.63	+34.3

### Losers

Name (Sym)	Volume	Close	Change	%Chg.
SuperiorIndsIntl(SUP)	38500	0.53	-2.34	-81.5
3D Systems(DDD)	36273	1.72	-0.65	-27.4
Endava(DAVA)	13013	15.07	-4.85	-24.3
UnitedHealth(UNH)	302539	291.91	-88.73	-23.3
Globant(GLOB)	17510	101.47	-27.32	-21.2
Beachbody(BODI)	85	3.91	-1.04	-21.0
Biohaven(BHVN)	16460	16.02	-4.22	-20.8
Paysafe(PSEF)	3240	12.71	-2.76	-17.8

## NYSE American Biggest % Movers

### Winners

Name (Sym)	Volume	Close	Change	%Chg.
DDC Enterprise(DDC)	1651	4.30	+1.84	+74.8
Tecogen(TGEN)	2874	4.35	+1.18	+37.2
LegacyEducation(LGCV)	450	9.08	+1.89	+26.3
Espey(ESP)	235	36.50	+5.20	+16.6
InfuSystem(INFU)	1066	6.15	+0.78	+14.5
EVI Industries(EVI)	59	17.79	+2.20	+14.1
Venu(VENU)	161	8.75	+1.02	+13.2
Neuraxis(NRXS)	145	2.25	+0.25	+12.5

### Losers

Name (Sym)	Volume	Close	Change	%Chg.
LogProstyle(LGPS)	4891	1.13	-4.07	-78.3
HyperscaleData(GPUS)	5798	5.25	-2.28	-30.3
ExodusMovement(EXOD)	967	35.40	-14.73	-29.4
Micropolis(MCRP)	540	2.18	-0.80	-26.8
US Antimony(UAMY)	22997	2.50	-0.78	-23.8
HiRollerTech(ROLR)	51	2.20	-0.66	-23.1
BrazilPotash(GRO)	936	1.71	-0.51	-23.0
WidePoint(WYYY)	1724	4.22	-1.25	-22.9

## Nasdaq Biggest % Movers

### Winners

Name (Sym)	Volume	Close	Change	%Chg.
AevaTech(AEVA)	18359	18.44	+7.32	+65.8
CoreWeave(CRNV)	124422	80.30	+28.93	+56.3
RenttheRunway(RENT)	604	6.64	+2.35	+54.8
EuropeanWax(EWCZ)	5470	5.40	+1.83	+51.3
ElongPower(ELPW)	740	6.90	+2.22	+47.4
Septerna(SEPN)	43942	9.84	+3.15	+47.1
SuperMicroComp(SMCI)	501957	46.15	+14.16	+44.3
bluebirdbio(BLUE)	13906	4.97	+1.47	+42.0

### Losers

Name (Sym)	Volume	Close	Change	%Chg.
KWaveMedia(KWM)	3008	2.03	-5.17	-71.8
NewFortressEner(NFE)	156723	2.66	-3.66	-57.9
Omeros(OMER)	16956	3.21	-2.96	-48.0
GIBO(GIBO)	2015	3.78	-3.20	-45.8
SolidionTech(STI)	1480	3.52	-1.66	-32.0
UroGenPharma(URGN)	13075	7.31	-3.07	-29.6
Fortrea(FTRE)	32693	4.44	-1.71	-27.8
Coincheck(CNCK)	404	6.61	-2.27	-25.6

## NYSE Most Active

### Volume Percentage Leaders

Name (Sym)	Volume	%Chg.	Close	Change
TXO Partners(TXO)	5626	903.1	15.20	-1.80
UnitedHealth(UNH)	302539	813.5	291.91	-88.73
FootLocker(FL)	122717	460.3	23.85	+11.84
Loar(LOAR)	16294	435.9	85.59	-10.29
EQVVenturesA(EQV)	2322	414.0	10.33	+0.10
Endava(DAVA)	13013	388.3	15.07	-4.85
SOS(SOS)	292	358.8	5.85	+0.23
a.k.a.Brands(AKA)	267	356.4	13.91	+5.92
LionsgateStudios(LION)	10046	297.8	6.82	-0.40
CompassDiversif(CODI)	11422	278.1	7.90	+0.94
Globant(GLOB)	17510	256.4	101.47	-27.32
DiscoverFinSvc(DFS)	41501	254.6	200.05	+9.98
Crawford B(CRD.B)	96	250.0	10.88	+0.73
FlotekIndustries(FTK)	4240	244.9	15.64	+3.82
KoreaElecPwr(KEP)	3281	238.3	9.97	+0.33
Bakkt(BKKT)	6173	220.8	12.79	+2.74
Dick's(DKS)	19863	183.7	184.02	-6.86
OntoInnovation(ONTO)	16666	175.3	99.40	+10.90
CI&T(CINT)	1704	174.1	6.10	-0.06
SaversValue(SVV)	11688	172.3	10.09	-0.95

### By Share Volume

Name (Sym)	Volume	Close	Change	%Chg.
D-WaveQuantum(QBTS)	440718	12.25	+1.16	+10.5
BigBear.ai(BBAI)	415510	3.67	+0.51	+16.1
FordMotor(F)	404860	10.80	+0.37	+3.5
NuHoldings(NU)	342080	13.05	+0.22	+1.7
UnitedHealth(UNH)	302539	291.91	-88.73	-23.3
Hims&HersHealth(HIMS)	290453	64.65	+12.69	+24.4
ArcherAviation(ACHR)	285144	13.30	+4.49	+51.0
BaytexEnergy(BTE)	268233	1.70	+0.07	+4.3
Pfizer(PFE)	267410	22.83	+0.55	+2.5
BankofAmerica(BAC)	227073	44.69	+2.90	+6.9
AT&T(T)	213747	27.72	-0.12	-0.4
ItauUnibanco(ITUB)	201263	6.72	+0.11	+1.7
Transocean(RIG)	198911	2.61	0.00	0.0
Snap(SNAP)	178563	8.75	+0.50	+6.1
Amcor(AMCR)	167199	9.44	+0.32	+3.5
LloydsBanking(LYG)	160325	3.99	+0.10	+2.6
NIO(NIO)	152922	4.10	+0.13	+3.3
Walmart(WMT)	149849	98.24	+1.52	+1.6
Uber(UBER)	148776	91.79	+8.98	+10.8
Wolfspeed(WOLF)	144545	3.90	+0.62	+18.9

### By Dollar Volume

Name (Sym)	\$ Volume	Close	Change	%Chg.
UnitedHealth(UNH)	86549535	291.91	-88.73	-23.3
EliLilly(LLY)	22624421	757.39	+22.82	+3.1
Hims&HersHealth(HIMS)	17292480	64.65	+12.69	+24.4
Walmart(WMT)	14411698	98.24	+1.52	+1.6
Alibaba(BABA)	14226443	123.46	-1.87	-1.5
BerkHathwy B(BRK.B)	13824441	514.31	+0.57	+0.1
TaiwanSemi(TSM)	13741123	194.22	+17.70	+10.0
Uber(UBER)	13289759	91.79	+8.98	+10.8
JPMorganChase(JPM)	11861380	267.56	+14.48	+5.7
Boeing(BA)	11668862	205.82	+10.97	+5.6
Visa(V)	11193551	365.12	+12.58	+3.6
BankofAmerica(BAC)	10015289	44.69	+2.90	+6.9
AbbVie(ABBV)	9320101	184.02	-0.58	-0.3
CapitalOne(COF)	8897832	197.22	+9.46	+5.0
DiscoverFinSvc(DFS)	8281645	200.05	+9.98	+5.3
Salesforce(CRM)	8261719	291.15	+15.73	+5.7
GoldmanSachs(GS)	8251189	619.03	+51.93	+9.2
Fiserv(FI)	7920454	166.66	-17.41	-9.5
ExxonMobil(XOM)	7818249	108.19	+0.88	+0.8
Merck(MRK)	7548207	76.06	+0.09	+0.1

## NYSE American Most Active

### Volume Percentage Leaders

Name (Sym)	Volume	%Chg.	Close	Change
MAG Silver(MAG)	33126	793.3	17.84	+0.92
WidePoint(WYYY)	1724	664.0	4.22	-1.25
LogProstyle(LGPS)	4891	312.7	1.13	-4.07
Acuren(TIC)	4921	268.4	10.35	-0.18
Espey(ESP)	235	221.4	36.50	+5.20
ExodusMovement(EXOD)	967	173.4	35.40	-14.73
ArenaGroup(AREN)	1424	131.3	7.87	+0.76
LogisticProp(LPA)	148	101.1	6.19	+0.08
CaledoniaMining(CMCL)	807	96.0	15.30	+1.29
Electromed(ELMD)	739	74.9	21.55	-0.72
Envela(ELA)	158	69.5	6.48	-0.12
LegacyEducation(LGCV)	450	62.4	9.08	+1.89
AcmeUnited(ACU)	93	59.9	39.81	+1.94
inTEST(INTT)	327	56.5	6.06	-0.04
InfuSystem(INFU)	1066	56.5	6.15	+0.78
IdahoStratRscs(IDR)	1930	56.1	12.60	-1.73
LegatoMergerIII(LEGT)	259	51.0	10.66	+0.08
Venu(VENU)	161	45.6	8.75	+1.02
MastechDigital(MHH)	148	42.3	8.10	+0.21
RadiantLogistics(RLGT)	1196	37.5	6.19	+0.19

### By Share Volume

Name (Sym)	Volume	Close	Change	%Chg.
DenisonMines(DNN)	242006	1.43	-0.11	-7.1
B2Gold(BTG)	221479	2.95	-0.19	-6.1
Northann(NCL)	145907	0.59	+0.19	+47.5
NewGold(NGD)	116436	3.77	-0.41	-9.8
KulrTech(KULR)	103893	1.28	-0.08	-5.9
ITTechPkg(ITP)	62488	0.17	-0.27	-61.0
EquinoxGold(EQX)	61980	5.97	-0.47	-7.3
i-80Gold(IAUX)	59724	0.51	-0.03	-5.9
Senseonics(SENS)	53592	0.53	-0.09	-15.2
Nuburu(BURU)	48791	0.15	+0.00	+0.1
TasekoMines(TGB)	42846	2.01	-0.01	-0.5
VizslaSilver(VZLA)	37356	2.44	+0.09	+3.8
UraniumEner(UEC)	36132	5.29	-0.41	-7.2
EnergyFuels(UUUU)	34592	4.37	-0.39	-8.2
MAG Silver(MAG)	33126	17.84	+0.92	+5.4
SRXHealthSolutions(SRXH)	31396	0.47	-0.21	-30.9
SilvercorpMetals(SVM)	30960	3.56	-0.28	-7.3
NovaGoldRscs(NG)	30726	3.60	-0.18	-4.8
OceanPwrTech(OPTT)	26310	0.57	+0.10	+22.0
AtlasClear(ATCH)	25694	0.26	-0.04	-12.4

### By Dollar Volume

Name (Sym)	\$ Volume	Close	Change	%Chg.
B2Gold(BTG)	645537	2.95	-0.19	-6.1
MAG Silver(MAG)	597327	17.84	+0.92	+5.4
CentrusEnergy(LEU)	490587	95.75	+2.15	+2.3
NewGold(NGD)	435557	3.77	-0.41	-9.8
EquinoxGold(EQX)	375192	5.97	-0.47	-7.3
DenisonMines(DNN)	363792	1.43	-0.11	-7.1
UraniumEner(UEC)	200703	5.29	-0.41	-7.2
EnergyFuels(UUUU)	156601	4.37	-0.39	-8.2
KulrTech(KULR)	148729	1.28	-0.08	-5.9
ImperialOil(IMO)	113754	72.50	+1.33	+1.9
SilvercorpMetals(SVM)	111455	3.56	-0.28	-7.3
NovaGoldRscs(NG)	107113	3.60	-0.18	-4.8
Northann(NCL)	90664	0.59	+0.19	+47.5
VizslaSilver(VZLA)	89604	2.44	+0.09	+3.8
TasekoMines(TGB)	88232	2.01	-0.01	-0.5
OrlaMining(ORLA)	69361	9.10	-2.00	-18.0
US Antimony(UAMY)	60617	2.50	-0.78	-23.8
AvenirSilver(ASM)	55668	2.67	+0.08	+3.1
Acuren(TIC)	51269	10.35	-0.18	-1.7
ParkNational(PRK)	49619	169.51	+6.62	+4.1

## Nasdaq Most Active

### Volume Percentage Leaders

Name (Sym)	Volume	%Chg.	Close	Change

DATA

Statistics from May 12-16, 2025

Table with 2 columns: Metric and Value. Includes Barron's 50-Stock Average (53), Dow Jones Per Share Values (50), Mutual Funds (47), etc.

Table with 2 columns: Metric and Value. Includes Week In Stocks (50), Weekly Bond Statistics (52), Winners & Losers Stocks (36), etc.

Table with 2 columns: Metric and Value. Includes Contact Us, For queries, email us at memberservices@dowjones.com

NEW YORK STOCK EXCHANGE COMPOSITE LIST - NEW HIGHS - NEW LOWS

Main table listing stock prices, changes, and volume. Includes columns for -52-Week High/Low, Name, Tick, Yld, P/E, Last, Chg., Div Amt., and Div. Includes a 'Five-Day Dow Composite' chart and a 'Contact Us' section.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NEW YORK STOCK EXCHANGE COMPOSITE LIST

BARRONS.COM/DATA

Table with columns: -52-Week-High, -52-Week-Low, Name, Ticker, Yld, P/E, Last, Chg., Div. Amt. Multiple columns of stock data.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NEW YORK STOCK EXCHANGE COMPOSITE LIST

BARRONS.COM/DATA

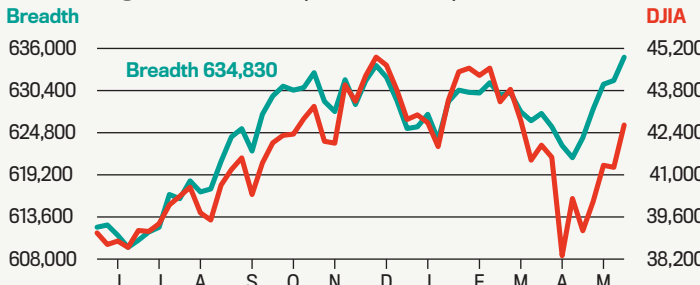
Table with columns: -52-Week-High, -52-Week-Low, Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like GreenBrickPtrs, GreenDot, Greenbrier, etc.

HI

Table with columns: Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like HASustInfrCap, HCA Healthcare, HCL Group, etc.

NYSE Cumulative Daily Breadth vs DJIA

All Around the World: NYSE Composite breadth rose for a fifth week, and the S&P 500 rose 5.3% following Donald Trump's visit to the Middle East. Winning NYSE stocks outpaced losers by more than 3-to-1.



In generating this chart, we subtract each day's NYSE composite declines from that day's advances. The resultant total is added to the next day's total, and so on. When all five days' numbers are added together, this produces the weekly figure we plot. Dec. 31, 1985 = 1000.

Table with columns: -52-Week-High, -52-Week-Low, Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like ICL Group, IDACORP, IDEX, etc.

Table with columns: Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like JBGSMITH Prop, JBTMarel, JELD-WEN, etc.

Table with columns: -52-Week-High, -52-Week-Low, Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like JuniperNetworks, KB Financial, KB Home, etc.

Table with columns: Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like LatamAirlines, LCI Inc, LG Display, etc.

Table with columns: -52-Week-High, -52-Week-Low, Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like LasVegasSands, Lazard, Lear, etc.

Table with columns: Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like MAC Copper, M&T Bank, MBI, etc.

Table with columns: -52-Week-High, -52-Week-Low, Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like McDonald's, McEwenMining, McKesson, etc.

Table with columns: Name, Tck Sym, Yld P/E, Last, Chg., Div Amt. Includes entries like NACCO Inds, N-able, Natl Atlteos, etc.

For non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NEW YORK STOCK EXCHANGE COMPOSITE LIST

BARRONS.COM/DATA

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 6.99 4.66 Nomura, 4.40 2.13 NordicAmTankers, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 47.66 33.15 OFGBancorp, 46.91 34.20 OGE Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 43.92 8.28 PBCS Group, 51.63 13.62 PBF Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 16.58 8.27 ParkHotels, 718.44 488.45 ParkerHannifin, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 10.28 3.45 RayonierAdvMat, 10.28 22.80 Rayonier, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 372.95 260.53 RBC Bearings, 108.30 70.27 RB Global, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 74.46 58.55 Shell, 42.40 28.09 SherwinWilliams, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 50.34 179.43 SAP, 345.59 419.49 S&P Global, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 165.31 55.00 Sea, 20.55 9.40 SeabridgeGold, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 98.02 51.60 Sylvamo, 70.93 40.55 SynchroFin, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 15.30 7.35 TAL Education, 51.34 33.27 TC Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 15.30 7.35 TAL Education, 51.34 33.27 TC Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 15.30 7.35 TAL Education, 51.34 33.27 TC Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 15.30 7.35 TAL Education, 51.34 33.27 TC Energy, etc.

Table with columns: -52-Week-High, Low, Name, Tck, Yld, P/E, Last, Chg., Div. Amt. Includes entries like 15.30 7.35 TAL Education, 51.34 33.27 TC Energy, etc.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA NYSE

Table with columns: -52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

W

Table with columns: -52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

V

Table with columns: -52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

NASDAQ ISSUES

Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

XYZ

Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

NASDAQ ISSUES

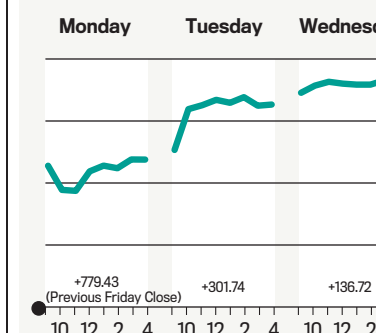
Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

BARRONS.COM/DATA

Five-Day Nasdaq Composite

Dollar Diplocy: Nvidia, Advanced Micro Devices, and Super Micro Computer got Saudi deals. Crypto platform Coinbase got hacked. The Nasdaq Composite ended Friday at 19,211—up 7.2% on the week.



19,260, 18,920, 18,580, 18,240, 17,900

Table with columns: 52-Week-High, Low, Name, Tick Sym, Yld, P/E, Last, Chg., Div Amt.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NASDAQ ISSUES

BARRONS.COM/DATA

Table with multiple columns: 52-Week High/Low, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Contains stock data for various companies like Balcchem, BaldwinInsurance, BancFirst, etc.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NASDAQ ISSUES

BARRONS.COM/DATA

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 55.00 30.10 FovB, 54.86 17.95 FoxFactory, 7.89 0.87 FractyHealth, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 15.55 1.76 GCL Global, 14.48 9.25 GCM Grosvenor, 42.76 3.58 GDEV, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.41 9.06 GSRIIIACqN, 10.01 1.86 GSRIIIACqN, 6.53 2.93 Gaia, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 47.08 31.06 GermanAmBncp, 5.34 1.17 Geron, 81.90 48.96 GibraltarInds, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.28 9.17 GigaCloudTech, 13.11 7.27 Gogo, 44.36 25.33 GolarLNG, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 26.25 18.16 HBT Finl, 11.24 9.90 HCOMIACqN, 62.18 44.91 H20America, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 139.55 82.83 Hawkins, 35.95 18.37 HawthornBchs, 9.24 3.56 HealthCatalyst, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.03 9.81 HennesseeCapVII, 82.49 60.56 HenrySchein, 11.27 7.74 HeritageCommerce, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 17.09 7.02 GarrettMotion, 12.10 6.78 GAUZZ, 31.72 22.74 GenDigital, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 47.09 32.05 IAC, 0.59 0.04 IB Acqn Rt, 32.08 14.93 IBEX, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 83.95 53.56 Incyte, 77.23 45.11 IndependentBank, 40.20 22.52 IndepBkMtl, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 133.53 80.32 Innospec, 6.69 2.60 InnovAge, 12.17 4.91 InnovSolSuprt, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 231.97 108.76 InterDigital, 77.74 31.08 Intapp, 32.66 11.60 IntegralLifeSci, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 35.79 17.06 JakksPacific, 180.89 112.40 J&JSnackFoods, 47.82 24.13 JD.com, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.14 9.90 K&FGrowthII, 0.15 0.10 K&FGrowthIIRt, 89.32 551.33 KLA, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 3.65 1.96 KY FirstFedBncp, 72.37 9.12 KerosTherap, 26.15 20.00 KestraMedTech, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 2.81 0.85 LavaTherap, 125.83 52.48 LGI Homes, 46.64 35.56 LKQ, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 2.81 0.85 LavaTherap, 125.83 52.48 LGI Homes, 46.64 35.56 LKQ, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 14.30 8.09 LibertyGlobalA, 14.91 9.15 LibertyGlobalB, 14.83 8.39 LibertyGlobalC, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.10 9.90 K&FGrowthII, 0.15 0.10 K&FGrowthIIRt, 89.32 551.33 KLA, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 4.43 1.93 Lucid, 1.99 0.33 Lulu'sFashion, 423.32 226.01 Lulemmon, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 152.50 84.00 Macom Tech, 27.50 4.81 MBX Biosci, 109.22 72.27 MGE Energy, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 4.94 1.68 MammothEnergy, 312.60 140.81 ManhattanAssoc, 7.63 4.34 MannKind, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 10.39 9.95 MelarAcqNIA, 8.90 4.55 MelcoResorts, 2610.30 1550.00 MercadoLibre, etc.

Table with columns: 52-Week High/Low, Name, Ticker, Sym, Yld, P/E, Last, Chg., Div Amt. Includes entries like 14.30 8.09 LibertyGlobalA, 14.91 9.15 LibertyGlobalB, 14.83 8.39 LibertyGlobalC, etc.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NASDAQ ISSUES

BARRONS.COM/DATA

Main table containing NASDAQ stock issues with columns for High, Low, Name, Tick, Sym, Yld, P/E, Last, Chg, Div, Amt. Includes sections for O, P, Q, R, S, T, U, V, W, X, Y, Z.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

NASDAQ ISSUES

Table of NASDAQ issues with columns: 52-Week High/Low, Ticker, Name, Price, Change, Div. Amt., Volume. Includes entries like StevenMadden, StitchFix, StockYardsBncp, etc.

Table of NASDAQ issues with columns: 52-Week High/Low, Ticker, Name, Price, Change, Div. Amt., Volume. Includes entries like TreviTherap, TriCoBancshares, VigilNeurosci, etc.

Table of NASDAQ issues with columns: 52-Week High/Low, Ticker, Name, Price, Change, Div. Amt., Volume. Includes entries like Vicor, VictoryCapital, VigilNeurosci, etc.

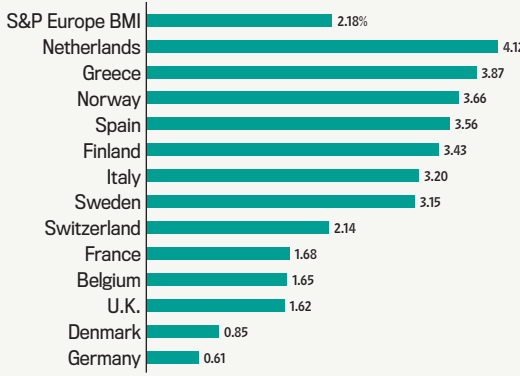
FOREIGN MARKETS

Table of foreign market issues with columns: 52-Week High/Low, Ticker, Name, Price, Change, Div. Amt., Volume. Includes entries like WashTrBcp, WaterstoneFinl, Waystar, etc.

Table of foreign market issues with columns: 52-Week High/Low, Ticker, Name, Price, Change, Div. Amt., Volume. Includes entries like XOMARoyalty, XRP, XBiotech, etc.

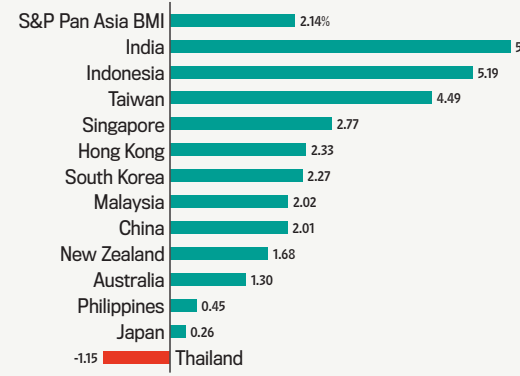
Europe

Growth: Despite the L.A. wildfires, Swiss Re had a strong quarter. GDP in Europe and the U.K. grew, while the U.S. fell.



Asia

Buzz Kill: Optimism about U.S. trade negotiations cooled, ding the China and Hong Kong stock markets.



Key Foreign Stock Market Indexes

Table of key foreign stock market indexes with columns: Index Name, Most Recent Close, Week's % Chg., Year-to-Date Chg., % Chg. Includes entries like Amsterdam AEX, Athens General, Bangkok SET, etc.

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

DATA

TOP 500 EXCHANGE-TRADED PORTFOLIOS

BARRONS.COM/DATA

NOTICE TO READERS: Listed are the top 500 ETFs based on weekly volume.

Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs, columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

NASDAQ

Table of NASDAQ-listed ETFs, columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs (continued), columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs (continued), columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs (continued), columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

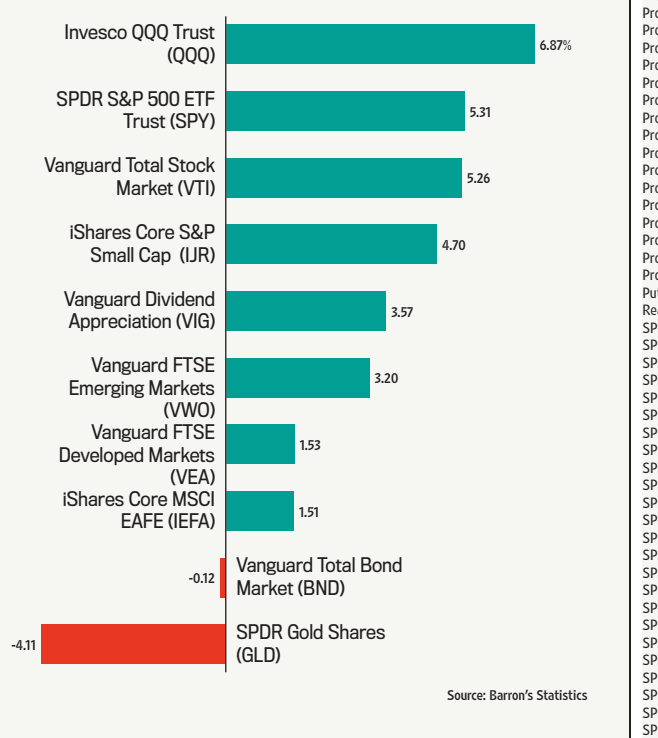
Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs (continued), columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Table with columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Main table of top 500 ETFs (continued), columns: Name, Tck Sym, Yld, Last, Chg, Div Amt.

Selected ETF Leaders



Source: Barron's Statistics

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com



DATA MUTUAL FUNDS

DATA PROVIDED BY LIPPER

BARRONS.COM/DATA

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like CvtScAdv, Dynat Adv, Growth Adv, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like GrInca, HYMUA, InvGloBlFdA, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like JPMorgPrm, USEquity L, L, Laudus Funds, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like Northern Funds, StratIncy p p, Price Funds, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like USSmCldrx nr, SEI Portfolios, CoreFolX, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like DivApplxdAdm, EMAdm n, EnergyAd n, etc.

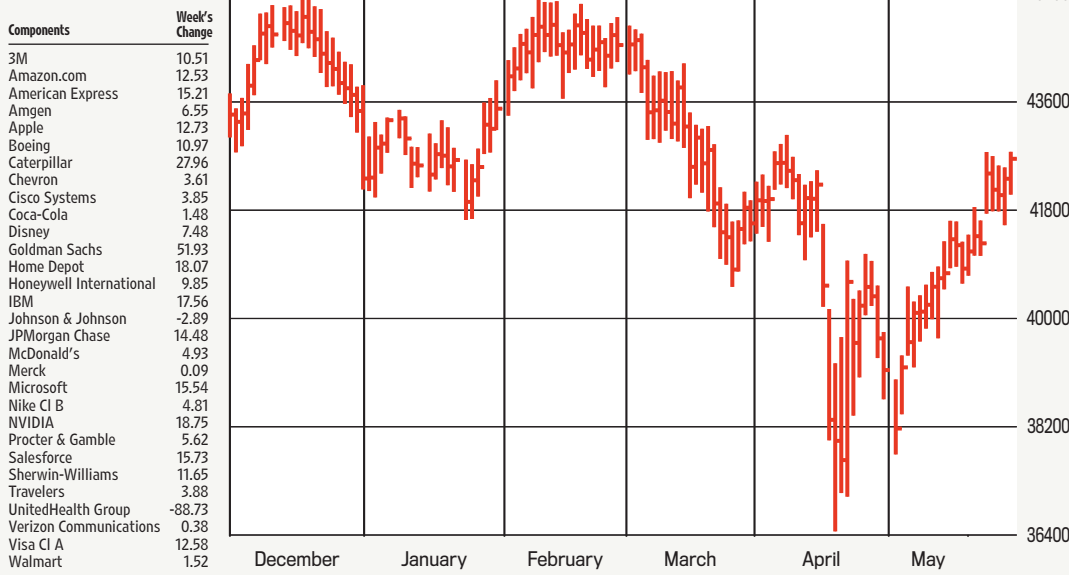
Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like Welltn, Wndsr n, Wndsrll n, etc.

Table with columns: Fund Name, Net Chg., YTD %Ret., 3-Yr. %Ret. Includes funds like Vanguard Index Funds, Vanguard Instl Funds, etc.

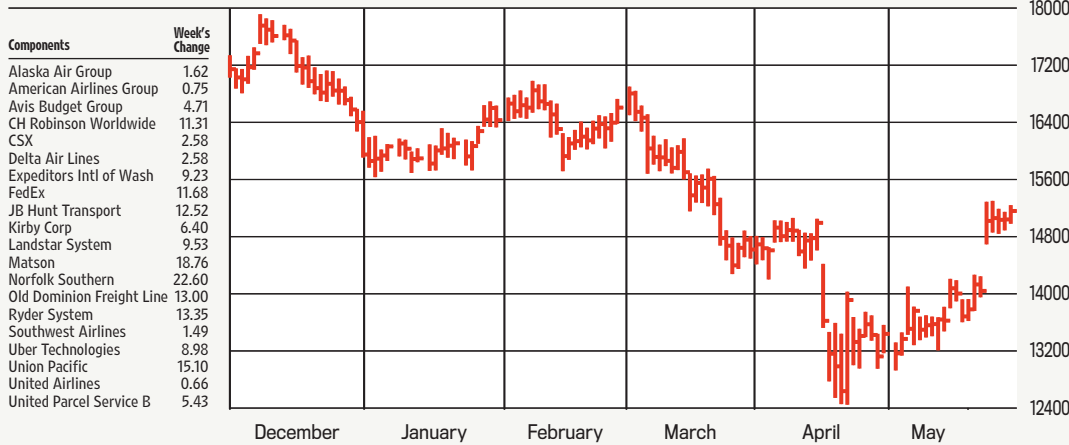
For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

# The Dow Jones Averages

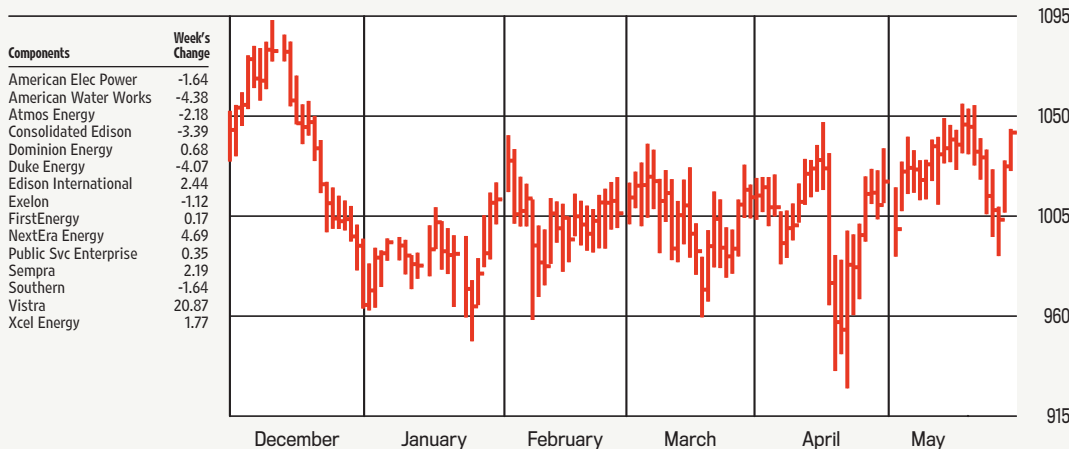
## Industrials



## Transportation



## Utilities



Note: Theoretical highs and lows are shown. A red chart indicates a lower price than the starting period. Green means it's higher than the starting period.

## DJ Half-Hourly Averages

Dow Jones 30 Industrial (divisor: 0.16268413125742)

Daily	May 12	13	14	15	16
Open (t)	42290.30	42232.45	42231.72	41843.42	42402.66
Open (a)	41899.05	42507.33	42150.09	41777.98	42356.20
10:00	42254.86	42272.75	42191.61	41901.31	42337.29
10:30	42172.09	42283.89	42222.33	41919.85	42363.65
11:00	42222.46	42223.49	42148.87	41974.39	42352.16
11:30	42194.40	42259.37	42144.94	42130.34	42344.04
12:00	42105.79	42254.20	42144.58	42183.61	42323.96
12:30	42170.10	42212.10	42089.78	42167.24	42434.95
1:00	42282.11	42208.98	42064.56	42236.01	42519.62
1:30	42301.85	42277.79	41991.01	42245.57	42547.31
2:00	42313.75	42247.75	42041.83	42189.93	42534.23
2:30	42367.40	42221.70	42022.48	42234.54	42590.72
3:00	42350.86	42247.44	42078.99	42300.59	42613.33
3:30	42332.77	42240.52	42043.02	42290.61	42627.32
Close	<b>42410.10</b>	<b>42140.43</b>	<b>42051.06</b>	<b>42322.75</b>	<b>42654.74</b>
High (t)	42767.91	42700.45	42544.16	42512.41	42771.63
Low (t)	41741.32	41781.30	41779.06	41550.33	42057.57
High (a)	42418.05	42507.33	42254.75	42351.42	42663.68
Low (a)	41899.05	42132.04	41952.86	41777.98	42232.56
Change	+1160.72	-269.67	-89.37	+271.69	+331.99

Theoretical (t): High 42771.63 Low 41550.33  
Actual (a): High 42663.68 Low 41777.98

Dow Jones 20 Transport (divisor: 0.15395808703479)

Daily	May 12	13	14	15	16
Open (t)	14851.64	15105.60	15015.39	15002.59	15099.95
Open (a)	14463.37	15097.38	15034.67	15018.02	15072.48
10:00	15056.27	14996.68	15040.83	15036.06	15049.15
10:30	14969.17	15071.05	15037.92	14959.99	15046.98
11:00	14961.76	15039.85	15026.46	15006.94	15085.77
11:30	14932.44	15094.43	15022.14	15037.10	15077.55
12:00	14936.63	15152.95	15075.63	15043.09	15120.29
12:30	14977.78	15131.79	15064.19	15046.56	15140.03
1:00	14971.44	15081.98	15046.44	15030.20	15157.83
1:30	15039.79	15069.99	15024.09	15047.18	15150.21
2:00	15087.48	15095.58	15016.52	15041.89	15160.56
2:30	15057.54	15092.22	14990.40	15028.60	15161.74
3:00	15070.73	15091.32	15034.14	15052.46	15174.87
3:30	15023.40	15118.34	15035.36	15034.29	15172.50
Close	<b>15020.19</b>	<b>15059.68</b>	<b>15035.33</b>	<b>15041.11</b>	<b>15159.32</b>
High (t)	15289.26	15301.37	15190.40	15147.86	15241.58
Low (t)	14691.14	14856.64	14838.71	14887.07	14979.56
High (a)	15099.41	15163.34	15090.03	15064.03	15189.82
Low (a)	14463.37	14975.28	14932.63	14939.28	15022.77
Change	+979.88	+39.49	-24.35	+5.78	+118.21

Theoretical (t): High 15301.37 Low 14691.14  
Actual (a): High 15189.82 Low 14463.37

Dow Jones 15 Utilities (divisor: 1.31844753190630)

Daily	May 12	13	14	15	16
Open (t)	1030.10	1012.79	1005.64	1008.33	1030.27
Open (a)	1032.90	1013.45	1006.60	1007.43	1029.61
10:00	1024.99	1009.29	992.56	1014.44	1030.77
10:30	1022.64	1010.46	993.41	1018.23	1029.46
11:00	1016.94	1011.88	991.87	1017.09	1034.40
11:30	1020.50	1012.55	991.23	1017.69	1036.48
12:00	1014.42	1009.98	994.15	1017.72	1034.86
12:30	1013.51	1011.97	995.07	1018.91	1037.31
1:00	1015.78	1013.04	993.77	1018.72	1037.77
1:30	1017.23	1013.48	998.00	1019.97	1038.31
2:00	1015.43	1014.15	997.00	1021.53	1037.65
2:30	1016.36	1014.42	1001.51	1021.71	1037.59
3:00	1016.23	1010.66	1002.44	1024.23	1039.08
3:30	1015.96	1011.51	1002.77	1027.63	1040.38
Close	<b>1014.08</b>	<b>1007.71</b>	<b>1003.40</b>	<b>1027.40</b>	<b>1042.60</b>
High (t)	1034.98	1026.10	1009.27	1030.09	1044.26
Low (t)	1005.84	995.61	987.01	1006.57	1025.29
High (a)	1034.20	1017.30	1006.60	1028.57	1042.64
Low (a)	1010.14	1003.44	988.62	1007.05	1027.51
Change	-17.34	-6.37	-4.31	+24.00	+15.20

Theoretical (t): High 1044.26 Low 987.01  
Actual (a): High 1042.64 Low 988.62

Dow Jones 65 Composite (divisor: 0.79633160203387)

Daily	May 12	13	14	15	16
Open (t)	13216.38	13225.01	13195.58	13118.23	13287.63
Open (a)	13206.69	13210.74	13175.92	13143.60	13270.04
10:00	13186.26	13218.91	13175.68	13140.71	13276.76
10:30	13196.29	13215.01	13159.68	13161.36	13278.20
11:00	13181.49	13230.35	13167.02	13198.89	13281.74
11:30	13162.71	13235.19	13170.35	13211.50	13281.59
12:00	13185.38	13219.03	13158.01	13207.85	13319.27
12:30	13223.39	13215.81	13151.87	13226.13	13337.25
1:00	13230.59	13234.04	13132.13	13227.23	13342.56
1:30	13242.35	13223.98	13144.22	13213.51	13336.95
2:00	13249.10	13218.20	13139.98	13229.48	13352.17
2:30	13236.17	13229.15	13161.76	13248.20	13361.57
3:00	13232.51	13222.65	13152.16	13250.26	13361.67
3:30	13246.92	13188.92	13158.81	13255.17	13371.01
High (t)	13406.64	13380.50	13299.26	13319.01	13413.55
Low (t)	13033.04	13056.27	13038.09	13033.11	13185.61
High (a)	13261.66	13280.49	13205.58	13263.99	13372.74
Low (a)	13066.14	13186.58	13117.39	13106.36	13240.10
Change	+397.86	-58.00	-30.11	+96.36	+115.84

Theoretical (t): High 13413.55 Low 13033.04  
Actual (a): High 13372.74 Low 13066.14

## Trading Diary

Market Advance/Decline Volumes

Daily	May 12	13	14	15	16
NY Up	1,045,792	738,374	439,888	610,643	912,586
NY Off	263,707	444,104	680,934	457,494	283,953
NY Up - Comp.	4,683,368	3,623,220	2,178,408	2,645,607	3,676,613
NY Off - Comp.	1,297,560	1,851,990	2,886,259	2,267,664	1,119,272
NYSE Amer Up	5,206	7,899	5,366	6,543	18,666
NYSE Amer Off	16,342	6,082	10,579	7,448	20,521
NASD Up	8,838,181	6,015,309	7,565,668	5,309,267	7,503,374
NASD Off	1,850,167	3,161,070	4,123,436	5,170,707	2,947,096
NYSE Arca Up	295,639	224,592	149,595	189,673	156,238
NYSE Arca Off	136,439	123,003	192,360	125,896	97,176
% (QCHA)	+2.23	+5.8	-4.8	+4.3	+6.1
% (QACH)	+27	+1.02	-1.64	-1.5	-5.3
% (QCHAQ)	+3.03	+7.3	-3.1	+3.5	+1.21

Market Advance/Decline Totals

Weekly Comp.	NYSE	NYSE Amer	Nasdaq	NYSE Arca
Total Issues	2,853	308	4,767	2,330
Advances	2,143	136	3,334	1,978
Declines	682	171	1,359	335
Unchanged	28	1	74	17
New Highs	175	12	334	251
New Lows	63	19	266	60

Week ended last Friday compared to previous Friday

NYSE Composite Daily Breadth

Daily	May 12	13	14	15	16
Issues Traded	2,837	2,830	2,835	2,824	2,823
Advances	2,125	1,680	912	1,809	1,930
Declines	663	1,086	1,844	959	816
Unchanged	49	64	79	56	77
New Highs	90	77	56	63	85
New Lows	11	29	26	19	11
Blocks - primary	6,414	6,028	5,343	5,158	5,651
Total (000) - primary	1,317,582	1,191,690	1,147,127	1,078,555	1,208,519
Total (000)	6,014,582	5,516,290	5,233,456	4,991,291	4,850,860

NYSE American Composite

Daily	May 12	13	14	15	16
Issues Traded	300	300	302	300	301
Advances	158	157	88	155	140
Declines	134	134	205	132	144
Unchanged	8	9	9	13	17
New Highs	3	7	3	3	4
New Lows	4	8	5	5	8
Blocks - primary	234	140	157	178	190
Total (000) - primary	22,507	14,171	16,662	14,143	40,253
Total (000)	450,498	429,274	334,973	281,952	375,479

Nasdaq

Daily	May 12	13	14	15	16
Issues Traded	4,593	4,600	4,589	4,560	4,595
Advances	3,310	2,580	1,644	2,546	2,833
Declines	1,166	1,878	2,816	1,875	1,611
Unchanged	117	142	1		

# The Week In Stocks For the Major Indexes

High	12-Month		Weekly		Friday		Weekly		12-Month		Change From	
	Low	% Chg.	High	Low	Close	Chg.	% Chg.	Chg.	% Chg.	12/31	% Chg.	
<b>Dow Jones Indexes</b>												
45014.04	37645.59	30	Indus	42654.74	42051.06	42654.74	1405.36	3.41	2651.15	6.63	110.52	0.26
17754.38	12637.04	20	Transp	15159.32	15020.19	15159.32	1119.01	7.97	-342.11	-2.21	-736.43	-4.63
1079.88	898.82	15	Utilities	1042.60	1003.40	1042.60	11.18	1.08	91.18	9.58	59.86	6.09
14373.96	11713.15	65	Comp	13371.01	13158.81	13371.01	521.95	4.06	630.77	4.95	-20.70	-0.15
<b>Dow Jones Indexes</b>												
61024.05	49067.76	30	US TSM Float	58934.94	57830.71	58934.94	2959.16	5.29	6197.12	11.75	535.69	0.92
1499.87	1208.95	15	US Market	1451.58	1423.95	1451.58	73.15	5.31	158.06	12.22	17.97	1.25
1220.78	838.33	30	Internet	1159.40	1128.66	1159.40	73.81	6.80	219.20	23.31	46.66	4.19
<b>New York Stock Exchange</b>												
20272.04	17188.46	30	Comp-z	19934.06	19628.46	19934.06	614.86	3.18	1545.80	8.41	836.95	4.38
12299.23	10390.42	20	Financial-z	12999.23	12802.16	12999.23	435.26	3.46	2190.35	20.26	955.93	7.94
28478.56	22518.23	25	Health Care-z	23789.97	22518.23	23254.20	-88.13	-0.38	-3082.27	-11.70	-1077.66	-4.43
14584.79	11686.49	25	Energy-z	13231.61	13030.12	13119.13	309.93	2.42	-1465.66	-10.05	-7.95	-0.06
<b>NYSE American Stock Exchange</b>												
5405.73	4390.16	25	NYSE Amer Comp	5215.30	5150.72	5150.90	32.89	0.64	179.71	3.62	464.62	9.91
<b>Standard &amp; Poor's Indexes</b>												
3003.15	2405.92	100	Index	2893.14	2833.70	2893.14	157.12	5.74	370.51	14.69	2.91	0.10
6144.15	4982.77	500	Index	5958.38	5844.19	5958.38	298.47	5.27	655.11	12.35	76.75	1.30
8784.45	7032.71	100	Indus	8465.75	8295.61	8465.75	461.86	5.77	845.22	11.09	10.96	0.13
3390.26	2560.93	100	MidCap	3088.22	3049.56	3088.22	141.95	4.82	71.97	2.39	-32.72	-1.05
1544.66	1106.12	100	SmallCap	1322.39	1303.85	1322.39	58.07	4.59	-16.30	-1.22	-85.78	-6.09
<b>Nasdaq Stock Market</b>												
20173.89	15267.91	30	Comp	19211.10	18708.34	19211.10	1282.19	7.15	2525.14	15.13	-99.69	-0.52
22175.60	17090.40	100	Index	21427.94	20866.15	21427.94	1366.49	6.81	2881.71	15.54	415.76	1.98
12683.06	9339.57	100	Indus	11933.64	11681.47	11933.64	687.48	6.11	2031.47	20.52	27.71	0.23
16820.36	13554.76	100	Insur	16081.35	15589.08	16081.35	268.73	1.70	1637.80	11.34	439.43	2.81
4952.58	3514.60	100	Banks	4307.56	4289.96	4297.14	146.91	3.54	480.69	12.60	-109.52	-2.49
18397.32	13524.30	100	Computer	17570.34	16974.40	17530.14	1349.61	8.34	2277.49	14.93	-191.52	-1.08
513.10	380.10	100	Telecom	493.73	478.98	493.73	17.06	3.58	106.82	27.61	30.12	6.50
<b>Russell Indexes</b>												
3370.65	2719.99	1000	Index	3263.57	3201.93	3263.57	162.96	5.26	360.25	12.41	42.52	1.32
2442.03	1760.71	2000	Index	2113.25	2083.80	2113.25	90.18	4.46	17.54	0.84	-116.90	-5.24
3509.12	2826.03	3000	Index	3390.85	3328.12	3390.85	168.24	5.22	358.86	11.84	34.03	1.01
1961.63	1643.26	100	Value-v	1878.12	1842.90	1878.12	58.43	3.21	117.92	6.70	54.17	2.97
4213.29	3225.04	100	Growth-v	4040.06	3934.02	4040.06	265.62	7.04	590.96	17.13	-2.22	-0.05
3811.57	2991.07	100	MidCap	3621.61	3558.59	3621.61	160.24	4.63	295.93	8.90	88.05	2.49
<b>Others</b>												
11791.23	9141.06	100	Value Line-a	11074.61	10920.07	11074.61	501.33	4.74	589.95	5.63	43.41	0.39
656.04	495.50	100	Value Line-g	594.11	586.28	594.11	25.68	4.52	-12.64	-2.08	-16.84	-2.76
16768.21	12129.52	100	DJ US Small TSM	14705.22	14536.68	14705.22	667.58	4.76	267.90	1.86	-677.31	-4.40
1271.18	1019.88	100	Barron's Future Focus	1219.92	1198.71	1219.92	56.55	4.86	130.55	11.98	16.13	1.34
1356.99	1058.38	100	Barron's 400	1291.43	1267.59	1291.43	62.51	5.09	134.95	11.67	39.54	3.16

High/Low's are based upon the daily closing index. A-Arithmetic Index. G-Geometric Index. V-Value 1000 and Growth 1000 y-Dec. 31,1965=50 z-Dec. 31,2002=5000

## Indexes' P/E's & Yields

DJ latest 52-week earnings and dividends adjusted by Dow Divisors at Friday's close. S&P Dec. 4-quarter's GAAP earnings as reported and indicated dividends based on Friday close. S&P 500 P/E ratios based on GAAP earnings as reported. For additional earnings series, please refer to www.spglobal.com. DJ latest available book values for FY 2023 and 2022, and S&P latest for 2023 and 2022. r-Revised data

	Last Week	Prev. Week	Last Year
<b>DJ Ind Avg</b>	<b>42654.74</b>	<b>41249.38</b>	<b>40003.59</b>
P/E Ratio	23.79	23.01	27.69
Earnings Yield %	4.20	4.35	3.61
Earns \$	1792.92	1792.37	1444.52
Divs Yield %	1.68	1.73	1.82
Divs \$	718.02	715.47	728.48
Mkt to Book	5.36	5.18	5.22
Book Value \$	7964.47	7964.47	7664.40
<b>DJ Trans Avg</b>	<b>15159.32</b>	<b>14040.31</b>	<b>15013.43</b>
P/E Ratio	32.37	29.91	17.32
Earnings Yield %	3.09	3.34	5.77
Earns \$	468.31	469.41	894.79
Divs Yield %	1.59	1.72	1.52
Divs \$	241.75	241.43	236.36
Mkt to Book	3.87	3.59	4.41
Book Value \$	3914.65	3914.65	3514.52
<b>DJ Utility Avg</b>	<b>1042.60</b>	<b>1031.42</b>	<b>951.42</b>
P/E Ratio	19.71	19.31	20.97
Earnings Yield %	5.07	5.18	4.77
Earns \$	52.90	53.42	45.37
Divs Yield %	2.90	2.92	3.33
Divs \$	30.24	30.15	31.65
Mkt to Book	2.21	2.18	2.11
Book Value \$	472.26	472.26	450.45
<b>S&amp;P 500 Index</b>	<b>5958.38</b>	<b>5659.91</b>	<b>5303.27</b>
P/E Ratio	28.35	26.93	27.56
Earnings Yield %	3.53	3.71	3.63
Earns \$	210.16	210.16	192.44
Divs Yield %	1.31	1.38	1.40
Divs \$	78.05	78.11	74.25
Mkt to Book	5.06	4.80	4.79
Book Value \$	1178.57	1178.57	1106.21
<b>S&amp;P Ind Index</b>	<b>8465.75</b>	<b>8003.89</b>	<b>7620.53</b>
P/E Ratio	32.01	30.26	30.91
Earnings Yield %	3.12	3.30	3.24
Earns \$	264.49	264.49	246.55
Divs Yield %	1.16	1.23	1.24
Divs \$	98.20	98.45	94.49
Mkt to Book	6.65	6.29	6.37
Book Value \$	1272.56	1272.56	1195.42

## Stock Volume

	Last Week	Prev. Week	Year Ago	YOY % Chg	
NYSE(a)	5,943,472	5,445,330	4,803,907	23.72	
30 Dow Inds (b)	3,401,605	2,257,465	1,781,440	90.95	
20 Dow Trans (b)	872,135	765,018	455,501	91.47	
15 Dow Utilis (b)	412,999	299,947	282,208	46.35	
65 Dow Stks (b)	4,686,739	3,322,991	2,519,148	86.04	
NYSE American (a)	107,736	102,657	90,585	18.93	
Nasdaq(d)	52,760,925	39,346,953	41,781,872	26.28	
<b>NYSE 15 Most Active</b>					
Average Price	35.61	21.96	22.60	57.57	
% Tot Vol	15.80	15.49	23.87	-33.81	
Stock Offerings \$(z,v)	5,427,200	r3,381,400	6,631,300	-18.16	
<b>Daily Stock Volume</b>					
	5/12	5/13	5/14	5/15	5/16
NYSE(a)	1,317,582	1,191,690	1,147,127	1,078,555	1,208,519
30 Inds (b)	653,817.3	729,866.2	660,230.8	736,433.6	621,257.6
20 Trans (b)	217,488.0	201,119.3	187,285.5	138,344.0	127,898.0
15 Utilis (b)	87,466.4	92,066.7	86,096.0	79,434.9	67,934.7
65 Stks (b)	958,771.8	1,023,052.3	933,612.2	954,212.5	817,090.3
NYSE Amer(a)	22,507	14,171	16,662	14,143	40,253
Nasdaq(d)	10,717,672	9,242,239	11,744,828	10,546,359	10,509,827
<b>NYSE 15 Most Active</b>					
Avg. Price	15.76	42.07	38.02	40.61	52.95
% Tot Vol	14.43	17.33	16.89	18.28	17.24

## NYSE HALF-HOURLY VOLUME

Daily	5/12	5/13	5/14	5/15	5/16
9:30-10:00	167,325	110,607	114,708	97,683	145,690
10:00-10:30	63,536	53,179	45,911	47,879	40,394
10:30-11:00	53,538	45,935	40,050	43,373	39,359
11:00-11:30	44,609	44,145	39,470	38,523	32,240
11:30-12:00	38,672	39,002	32,264	32,305	30,150
12:00-12:30	33,797	33,674	28,762	28,495	29,278
12:30-1:00	31,443	31,164	27,268	26,383	26,868
1:00-1:30	34,361	28,612	29,470	27,090	26,118
1:30-2:00	30,525	31,064	26,348	27,223	26,679
2:00-2:30	31,176	32,773	28,970	27,530	26,983
2:30-3:00	33,597	35,822	30,522	28,250	28,465
3:00-3:30	43,937	40,880	39,256	38,542	35,673
3:30-4:00	711,064	664,833	664,122	615,279	720,622

## Selected IPOs

Ticker	Initial Offer Price	IPO Date	Recent Price	%Chg	
Arrive AI	ARA1	13.00	5/15	10.21	-21.5%
Antalpa Platform	ANTA	12.80	5/14	12.02	-6.1%
eToro	ETOR	52.00	5/14	64.15	23.4%
OMS Energy Technologies	OMSE	9.00	5/13	7.87	-12.6%

## Investor Sentiment Readings

High bullish readings in the Consensus stock index or in the Market Vane stock index usually are signs of market tops; low ones, market bottoms.

	Last Week	2 Weeks Ago	3 Weeks Ago
<b>Consensus Index</b>			
Consensus Bullish Sentiment	51%	47%	45%
<b>AAII</b>			

# Dow Jones U.S. Total Market Industry Groups

Top 20 Weekly Ranked	IG-Sym	Net Change			% Change and Ranking						52 Week		
		Close	Wkly	YTD	Week	Rank	Yr Ago	Rank	YTD	Rank	3 Yr	High	Low
Automobiles	DJUSAU	1196.15	+165.14	-160.96	+16.02	[1]	+80.67	[1]	-11.86	[127]	+10.99	1,587.00	651.62
Automobiles & Parts	DJUSAP	1316.04	+176.85	-164.67	+15.52	[2]	+68.71	[2]	-11.12	[125]	+9.58	1,720.28	762.32
Aluminum	DJUSAL	100.44	+11.89	-28.63	+13.43	[3]	-26.77	[134]	-22.18	[136]	-21.28	161.99	77.10
Semiconductor	DJUSSF	19763.80	+2289.57	60.26	+13.10	[4]	+22.10	[29]	+3.1	[86]	+43.05	21,440.53	13,886.65
Clothing & Accessories	DJUSCF	314.81	+31.98	-20.32	+11.31	[5]	+10.96	[65]	-6.06	[113]	+2.12	373.27	228.08
Technology Hardware & Equip	DJUSTQ	7407.04	+706.09	-431.87	+10.54	[6]	+17.33	[44]	-5.51	[109]	+27.77	8,158.56	5,573.80
Trucking	DJUSTK	1494.22	+131.29	-185.03	+9.63	[7]	-8.59	[108]	-11.02	[124]	+5.65	2,052.56	1,262.20
Recreational Svcs	DJUSRQ	159.63	+13.97	2.38	+9.59	[8]	+54.80	[6]	+1.52	[73]	+27.83	180.21	100.36
Durable Hshld Pdts	DJUSHD	127.52	+9.98	-29.10	+8.49	[9]	-8.58	[107]	-18.58	[133]	-17.56	177.27	97.10
Internet	DJUSNS	4807.72	+368.57	-136.83	+8.30	[10]	+10.57	[69]	-2.77	[104]	+23.12	5,625.57	3,978.59
Railroads	DJUSRR	3239.94	+243.25	35.54	+8.12	[11]	-4.01	[99]	+1.11	[74]	-2.2	3,594.16	2,835.90
Commercial Vehicles	DJUSHR	5043.99	+376.25	241.63	+8.06	[12]	+10.75	[68]	+5.03	[51]	+17.32	5,312.53	3,985.32
Industrial Transportation	DJUSTI	1442.98	+104.04	-103.55	+7.77	[13]	-10.60	[115]	-6.70	[117]	-2.20	1,739.78	1,261.97
Travel & Tourism	DJUSTT	1331.50	+95.69	227.00	+7.74	[14]	+30.53	[12]	+20.55	[8]	+32.10	1,331.50	903.37
Furnishings	DJUSTF	386.35	+27.53	28.34	+7.67	[15]	+11.84	[60]	+7.91	[36]	+4.74	406.94	303.50
Electrical Comps & Equip	DJUSEC	824.45	+58.71	47.80	+7.67	[16]	+18.36	[42]	+6.16	[43]	+21.52	890.89	593.31
Electronic & Electrical Equip	DJUSEE	931.34	+65.44	55.08	+7.56	[17]	+18.60	[41]	+6.29	[42]	+18.13	996.33	676.38
Recreational Products	DJUSTR	358.00	+24.46	-50.06	+7.33	[18]	-27.13	[136]	-12.27	[129]	-11.92	499.05	312.45
Electronic Equipment	DJUSAI	1282.99	+87.31	79.43	+7.30	[19]	+19.12	[39]	+6.60	[41]	+15.12	1,339.72	951.64
Auto Parts	DJUSTA	373.89	+25.22	16.84	+7.23	[20]	-19.43	[125]	+4.72	[54]	-6.34	461.24	292.53

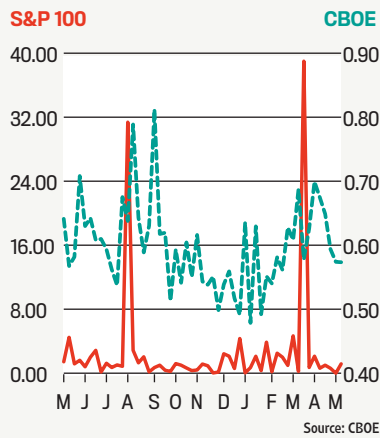
  

Top 20 Yr Ago Ranked	IG-Sym	Net Change			% Change and Ranking						52 Week		
		Close	Wkly	YTD	Week	Rank	Yr Ago	Rank	YTD	Rank	3 Yr	High	Low
Automobiles	DJUSAU	1196.15	+165.14	-160.96	+16.02	[1]	+80.67	[1]	-11.86	[127]	+10.99	1,587.00	651.62
Automobiles & Parts	DJUSAP	1316.04	+176.85	-164.67	+15.52	[2]	+68.71	[2]	-11.12	[125]	+9.58	1,720.28	762.32
Fixed Line Telecom	DJUSTB	164.09	-65	28.50	-4.0	[127]	+59.19	[3]	+21.02	[7]	+11.18	168.97	101.87
Tobacco	DJUSTB	1128.74	+73	275.58	+0.6	[124]	+55.62	[4]	+32.30	[3]	+12.49	1,163.00	715.99
Specialty Retailers	DJUSTS	4530.31	+194.66	812.04	+4.49	[60]	+55.52	[5]	+21.84	[6]	+33.85	4,530.31	2,871.02
Recreational Svcs	DJUSTQ	159.63	+13.97	2.38	+9.59	[8]	+54.80	[6]	+1.52	[73]	+27.83	180.21	100.36
Toys	DJUSTY	1502.88	+74.97	251.36	+5.25	[52]	+49.98	[7]	+20.08	[9]	+15.35	1,503.90	1,001.79
Computer Services	DJUSTD	285.61	+15.45	31.78	+5.72	[40]	+36.88	[8]	+12.52	[18]	+17.71	296.07	199.67
Pipelines	DJUSTP	1068.97	+24.55	-4.56	+2.35	[93]	+33.45	[9]	-4.3	[91]	+14.12	1,223.40	781.43
Leisure Goods	DJUSTE	931.28	+48.45	122.55	+5.49	[45]	+33.29	[10]	+15.15	[13]	+10.44	931.28	698.17
Aerospace	DJUSTA	2591.54	+142.17	506.85	+5.80	[38]	+31.07	[11]	+24.31	[5]	+25.73	2,591.54	1,940.16
Travel & Tourism	DJUSTT	1331.50	+95.69	227.00	+7.74	[14]	+30.53	[12]	+20.55	[8]	+32.10	1,331.50	903.37
Consumer Finance	DJUSTF	782.95	+27.69	77.70	+3.67	[72]	+30.05	[13]	+11.02	[23]	+21.75	782.95	566.02
Apparel Retailers	DJUSTA	1795.91	+99.05	116.19	+5.84	[37]	+29.37	[14]	+6.92	[39]	+24.77	1,795.91	1,367.11
Specialized Consumer Svcs	DJUSTC	3400.93	+89.95	513.44	+2.72	[91]	+28.99	[15]	+17.78	[11]	+25.32	3,400.93	2,539.92
Investment Svcs	DJUSTB	2709.16	+140.36	234.26	+5.46	[46]	+28.31	[16]	+9.47	[26]	+19.10	2,738.51	2,052.91
Drug Retailers	DJUSTD	1142.05	+32.94	256.32	+2.97	[85]	+26.69	[17]	+28.94	[4]	+10.08	1,167.42	828.55
Financial Serv Supersector	DJUSTI	2376.99	+87.17	175.67	+3.81	[69]	+26.57	[18]	+7.98	[33]	+19.69	2,376.99	1,820.16
Financial Serv Sector	DJUSTG	2664.30	+97.70	196.90	+3.81	[70]	+26.57	[19]	+7.98	[34]	+19.69	2,664.30	2,040.17
Telecom Equipment	DJUSTC	2153.37	+141.35	-16.40	+7.03	[22]	+26.56	[20]	-7.6	[93]	+15.25	2,338.97	1,630.41

Groups are weighted by capitalization. 52-week highs and lows are based on daily closes. Dec. 31, 1991-100. In the U.S. listings, % vol chg column shows the change from previous 65-day moving average. Volume figures do not reflect extended trading hours.

## CBOE Put / Call Ratio vs. S&P 100

Readings in the CBOE equity put-call ratio of 60:100 and in the S&P 100 of 125:100 are considered bullish, for instance. Bearish signals flash when the equity put-call level reaches the vicinity of 30:100 and the index ratio hits 75:100.



## Coming Earnings

Company	Consensus Estimate	Year ago
Home Depot (Q1)	3.60	3.63
Palo Alto Networks (Q3)	0.77	0.66
Toll Brothers (Q2)	2.83	4.55
Lowes (Q1)	2.89	3.06
Snowflake (Q1)	0.21	0.14
Target (Q1)	1.69	2.03
TJX (Q1)	0.91	0.93
Advanced Auto Parts (Q1)	-0.81	0.67
Analog Devices (Q2)	1.69	1.40
Intuit (Q3)	10.90	9.88
Workday (Q1)	2.01	1.74
Booz Allen Hamilton (Q4)	1.60	1.33

## Money Rates

	Latest Week	Prev. Week	Yr Ago
Discount Rate (NY)	4.50	4.50	5.50
Prime Rate (base)	7.50	7.50	8.50
Fed Funds Rate			
Avg effective offer	4.33	4.33	5.33
Avg weekly auction-c	4.33	4.33	5.33
T-Bills Rate			
13 weeks, Coupon Yield	4.408	4.325	5.395
13 weeks, Auction Rate	4.300	4.220	5.250
26 weeks, Coupon Yield	4.250	4.234	5.377
26 weeks, Auction Rate	4.105	4.090	5.165
Avg weekly auction-c	4.22	4.20	5.25
Broker Call Rate	6.25	6.25	7.25
Bankers Acceptances			
1 month	4.35	4.35	5.38
2 months	4.40	4.40	5.40
3 months	4.40	4.40	5.41
6 months	4.40	4.40	5.46
Foreign Prime Rates			
Canada	4.95	4.95	7.20
Germany	2.40	2.40	4.50
Japan	1.88	1.88	1.475
Switzerland	0.75	0.75	2.00
Britain	4.25	4.25	5.25
Other Money Rates			
Bank money market-z	0.39	0.40	0.60
Interest Checking-z	0.06	0.06	0.09
6-Month Certif-z	1.73	1.73	1.91
12-Month Certif-z	1.72	1.72	2.04
30 Month Accounts-z	1.32	1.31	1.39
5-Year Certificates-z	1.53	1.53	1.48
U.S. Savings EE Bonds:			
Long-Term (5Yrs+)	2.70	2.60	2.70

## Consensus Estimate

Day	Consensus Est	Last Period
M April Leading Indicators	-0.65%	-0.70%
TH April Existing Home Sales	4,100,000	4,020,000
F April New Home Sales	666,000	724,000

Unless otherwise indicated, times are Eastern. a-Advanced; f-Final; p-Preliminary; r-Revised Source: FactSet

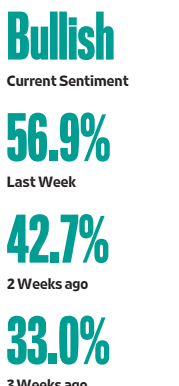
For more information about coming economic reports - and what they mean - go to Barron's free Economic Calendar at www.barrons.com

## Conference Call Calendar

Company	Date	Time	Earnings-Related Period
Analog Devices	May 22	10:00AM	Q2
Autodesk	May 22	5:00PM	Q1
Deckers Outdoor	May 22	4:30PM	Q4
Home Depot	May 20	9:00AM	Q1
Intuit	May 22	4:30PM	Q3
Lowes	May 21	9:00AM	Q1
Metric	May 21	8:00AM	Q4
Palo Alto Networks	May 20	4:30PM	Q3
Ralph Lauren	May 22	9:00AM	Q4
Workday	May 22	4:30PM	Q1

## Delta Market Sentiment Indicator

The Delta MSI measures the position of representative set of stocks relative to an intermediate-term moving average crossover (MAC) point. When greater than 50% of the stocks followed are above this MAC point, the market is bullish. When the indicator is below 50%, risk is elevated and stock exposures should be reduced. Manager uses discretion on asset allocation when MSI is at 50% +/- 3%.



Current Market Exposure: 50% Equities, 50% Bonds, 0% Hedged Equity, 0% Cash  
Source: Delta Investment Management  
www.deltain.com, (415) 249-6337

## Pulse of the Economy

Only includes new reports.	Latest Date	Latest Data	Preceding Period	Year Ago	Yr over Yr % Chg
<b>Economic Growth and Investment</b>					
Durable manufacturing (NAICS) a,	Apr	101.5	101.6	101.2	0.30
Capacity utilization %	Apr	77.7	77.8	78.2	-0.64
Industrial output, a,	Apr	103.9	103.9	102.5	1.37
Manufacturing (NAICS) a,	Apr	100.7	101.1	99.6	1.10
Nondurable manufacturing (NAICS) a	Apr	99.9	100.5	98.0	1.94
<b>Production</b>					
Electric power, (mil. kw hrs) (EEI)	May 10	72,735	74,373	74,842	-2.82
Mining (NAICS) a,	Apr	120.4	120.7	117.6	2.38
Petroleum, related capacity, %	May 9	90.2	89.0	90.4	-0.22
Rotary rigs running, U.S. & Can., (Hughes)	May 16	697	692	718	-2.92
Steel, (thous. tons)	May 10	1,740	1,725	1,715	1.46
Steel, rated capacity, % (AISI)	May 10	77.5	76.8	77.2	0.39
Utilities a	Apr	109.2	105.7	106.0	3.02
<b>Consumption and Distribution</b>					
Business sales, (mil. \$)	Mar 1,919.91	r1,907.31	1,838.08	4.45	
Instinet Research Redbook Avg. (monthly %)	May 10	-0.83	1.48	0.41	....
Baltic Dry Index	May 16	1,388	1,299	1,844	-24.73
Retail store sales, (bil. \$)	Apr	724.1	r723.7	688.6	5.16
<b>Inventories</b>					
Business inventories, (bil. \$)	Mar 2,578.11	r2,575.06	2,514.35	2.54	
Domestic crude oil, (thous. bbls) Comm. (Excl. Lease Stock)	May 9 441,830	438,376	457,020	-3.32	
<b>Trade</b>					
No Activity for this Week					
<b>Inflation</b>					
ECRI Industrial Price Index f	May 16	109.62			

### Barron's Gold Mining Index

12-Month High	12-Month Low	5/15	5/8	Year Ago	Week % Chg.	
1160.42	900.35	Gold mining	1129.67	1156.08	1026.30	-2.28

### Gold & Silver Prices

DJ Energy	5/16	5/9	Year Ago
Gold, troy ounce front month futures price	3182.00	3335.40	2367.30
Silver, troy ounce	32.16	32.68	28.28

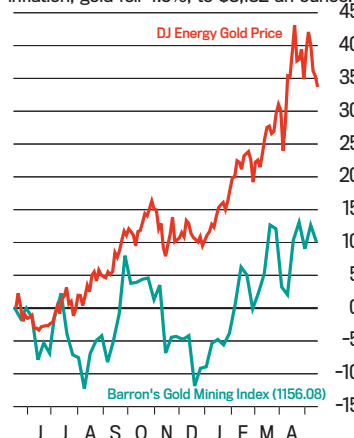
Base for pricing gold and silver contents of shipments and for making refining settlement.

Coins	Price	Premium \$	Premium %
Krugerrand	3315.26	127.51	4.00
Maple Leaf	3347.14	159.39	5.00
Mexican Peso	3851.47	8.00	0.21
Austria Crown	3127.63	3.00	0.10
Austria Phil	3347.14	159.39	5.00
U.S. Eagles	3347.14	159.39	5.00

Premium is the amount over the value of the gold content in the coin. Source Manfra, Tordella & Brookes, Inc. Bullion spot gold price 3187.75

### Gold Performance

**Fearless:** With less worry over tariffs and inflation, gold fell 4.6%, to \$3,182 an ounce.



### Weekly Bond Statistics

New Offerings, (mil \$) (v)	Last Week	Prev. Week	Yr Ago
Corporate (z)	30,097	r41,631	32,605
Municipal (z)	8,863	r10,944	13,624

**Best Grade Bonds-y**  
(Barron's index of 10 high-grade corporate bonds.)  
4.71 4.87 4.00

**Interm-Grade Bonds-y**  
(Barron's index of 10 medium-grade corporate bonds.)  
5.46 5.36 5.06

**Confidence Index**  
(High-grade index divided by intermediate-grade index; decline in latter vs. former generally indicates rising confidence, pointing to higher stocks.)  
86.2 90.9 78.9

**Other Confidence Indicators:**  
**Bloomberg Barclays US Long Treasury\***  
(This index measures the performance of fixed-rate, nominal US Treasuries with at least 10 years to maturity. Jan. 1, 1973=100.)  
3053.00 3078.83 3059.17

**Bloomberg Barclays US Credit**  
(This index includes all publicly issued, fixed-rate, non-convertible, investment-grade, dollar-denominated, SEC-registered corporate debt.)  
3179.14 3176.46 3038.75

**Bond Buyer 20 Bond Index**  
(Index of yields of 20 general obligation municipal bonds.)  
5.20 5.16 3.93

**Bond Buyer Municipal Bond Index**  
(Index of 40 actively-traded tax-exempt bonds; component issues are changed regularly to keep the index a current picture of the market. Source: The Bond Buyer  
4.82 4.79 4.37

**Stock/Bond Yield Gap-s**  
(Difference between yield on highest-grade corporate bonds and yield on stocks on the DJIA.)  
-3.03 -3.14 -2.18

**Yield on DJ Equal Weight US Corp Bond Idx:**  
Corp Bonds, (y) 5.43 5.42 5.51

y-Week ended Thursday. y-Yields to maturity, week ended Thursday. z-Source: LSEG. \*Barclays T-Bond Index discontinued by firm.

### Federal Reserve Data Bank

One week ended May 14:

Member Bank	Prev. Week Change	Year Ago Change
Reserve Chgs. (Mil. \$)		
U.S. Gov't securities:		
Bought outright	6,391,552	+301 -497,486
Federal agency secur:		
Bought outright	2,347	....
Reserve bank credit:		
Primary Credit	2,342	-397 -4,055
Secondary Credit	....	-1 ....
Seasonal Credit	15	.... -10
Float	-311	-5 -76
Other F.R. Assets	46,170	+3,047 +1,616
Total Fed Credit #	6,665,165	+2,551 -645,087
Gold stock	11,041	....
SDR Certif. Accounts	15,200	.... +10,000
Reserv. Curr. Outst.	53,091	+14 +728
Total	6,763,498	+2,343 -633,224
Currency in circ	2,383,761	+851 +36,500
Treas. Cash Hldgs	506	+7 +62
Treas. Fed Deposits	575,846	-7,881 -211,287
Foreign Fed Deposits	9,441	.... -238
Other Fed Deposits	221,975	-1,698 +71,933
Other FR liab/cap	-175,299	+2,286 -60,276
Total factors	3,527,776	-14,743 -499,199
Reserves F.R. banks	3,235,723	+17,087 -134,024
Fgn hold U.S. debt	3,265,818	-1,744 -71,359

### Week's Dividend Payment

This list includes payouts on common stocks.

**NYSE**

**Monday (May 19)**

Ameriprise Financial	1.60
Banco Sant Brasil ADR	.068
Cheniere Energy	.50
CVR Partners	2.26
Delek US Holdings	.255
Global Industrial	.26
SmartFinancial	.08
Southern Copper	.70

**Tuesday (May 20)**

Byline Bancorp	.10
Caterpillar	1.41
Centrais Eletricas ADR	.157
Energy Transfer	.327
NiSource	.28
Norfolk Southern	1.35
Sunoco	.898

**Wednesday (May 21)**

Bank of Butterfield	.44
Brown & Brown	.15
Colony Bancorp	.115
Dolby Laboratories CI A	.33
MGIC Investment	.13
Mueller Water Products	.067
Tenaris ADR	.56

**Thursday (May 22)**

AllianceBernstein	.80
Aptargroup	.45
Armstrong World Ind	.308
Atlas Energy Solutions	.25
Carrier Global	.225
Cohen & Steers	.62
Emerald Holding	.015
Hilltop Holdings	.18
KB Home	.25
Waste Connections	.315

**Friday (May 23)**

Webster Financial	.40
-------------------	-----

### Dividend Payment Boosts

Company Name-Ticker Symbol (Exchange)	Adjusted Yield	Period	To	From	% Increase	Record Date	Ex-Div Date	Payment Date
Advanced Drainage Systems-WMS (NYSE)	0.6	Q	.18	.16	12.5%	5-30	5-30	6-16
Alibaba Group ADR-BABA (NYSE)	0.8	A	1.05	1.00	5.0	6-12	6-12	7-10
Bunge Global-BG (NYSE)	3.5	Q	.70	.68	2.9	5-19	5-19	6-02
Chubb-CB (NYSE)	1.2	Q	.97	.91	6.6	6-13	6-13	7-03
Curtiss-Wright-CW (NYSE)	0.2	Q	.24	.21	14.3	6-16	6-16	7-07
Dole-DOLE (NYSE)	2.2	Q	.085	.08	6.3	6-09	6-09	7-07
Ellsworth Growth & Incm-ECF (NYSE AMER)	6.6	Q	.16	.13	23.1	6-13	6-13	6-23
FR STRATs 2006-2 GS Grp-GJS (NYSE)	6.3	M	.108958	.108417	0.5	5-14	5-14	5-15
Gabelli Gbl Multimedia-GGT (NYSE)	21.2	M	.08	.07	14.3	9-16	9-16	9-23
Gabelli Hithcr & Well-GRX (NYSE)	7.3	Q	.17	.15	13.3	6-13	6-13	6-23
Global Ship Lease CI A-GSL (NYSE)	7.2	Q	.525	.45	16.7	5-23	5-23	6-03
Grupo Supervielle ADR-SUPV (NYSE)	0.0	A	.187035	.169952	10.1	5-19	5-19	5-27
Hafnia-HAFN (NYSE)	17.1	Q	.1015	.0294	245.2	5-23	5-23	6-04
Hamilton Beach Brands-HBB (NYSE)	2.7	Q	.12	.115	4.3	5-30	5-30	6-13
HNI Cp-HNI (NYSE)	2.8	Q	.34	.33	3.0	5-23	5-23	6-11
Hyster-Yale-HY (NYSE)	3.4	Q	.36	.35	2.9	5-30	5-30	6-13
Independence Realty Trust-IRT (NYSE)	3.5	Q	.17	.16	6.3	6-27	6-27	7-18
Intl General Insurance-IGIC (NCM)	0.4	Q	.05	.025	100.0	6-02	6-02	6-18
Landstar System-LSTR (Nasdaq)	1.1	Q	.40	.36	11.1	6-05	6-05	6-24
Marex Group-MRX (Nasdaq)	1.2	Q	.15	.14	7.1	5-27	5-27	6-10
Marriott International-MAR (Nasdaq)	0.9	Q	.67	.63	6.3	5-23	5-23	6-30
Morgan Stanley Dep Pfd F-MSPf (NYSE)	6.8	Q	.434462	.429688	1.1	6-30	6-30	7-15
Morgan Stanley Pfd. E-MSPe (NYSE)	7.0	Q	.45026	.445313	1.1	6-30	6-30	7-15
NACCO Industries CI A-NC (NYSE)	2.5	Q	.2525	.2275	11.0	5-30	5-30	6-16
North Amer Construction-NOA (NYSE)	1.9	Q	.085975	.083342	3.2	6-04	6-04	7-11
OR Royalties-OR (NYSE)	0.8	Q	.055	.045162	21.8	6-30	6-30	7-15
Penske Automotive-PAG (NYSE)	2.9	Q	1.26	1.22	3.3	5-27	5-27	6-03
RLI Corp-RLI (NYSE)	0.8	Q	.16	.15	6.7	5-30	5-30	6-20
Stantec-STN (NYSE)	0.6	Q	.161204	.15753	2.3	6-30	6-30	7-15
Towne Bank-TOWN (Nasdaq)	2.8	Q	.27	.25	8.0	6-27	6-27	7-11
Wstrn Asset Emerg Mkts-EMD (NYSE)	11.2	M	.095	.09	5.6	6-23	6-23	7-01

### Dividend Payment Reductions

Company Name-Ticker Symbol (Exchange)	Adjusted Yield	Period	To	From	% Decrease	Record Date	Ex-Div Date	Payment Date
National Bankshares-NKSH (NCM)	5.8	S	.73	.78	-6.4%	5-27	5-27	6-02
Okeanis Eco Tankers-ECO (NYSE)	1.4	Q	.32	.35	-8.6%	6-03	6-03	6-12
Pangaea Logistics Solns-PANL (NCM)	4.6	Q	.05	.10	-50.0%	6-02	6-02	6-16
Star Bulk Carriers-SBLK (Nasdaq)	8.8	Q	.05	.09	-44.4%	6-06	6-06	6-20
Term-TRMD (Nasdaq)	28.5	Q	.40	.60	-33.3%	5-22	5-21	6-04

### Special Dividends

Company Name-Ticker Symbol (Exchange)	Amount	Record Date	Ex-Div Date	Pay Date
Alibaba Group ADR-BABA (NYSE)	0.95	6-12	6-12	7-10
CuriosityStream-CURI (NCM)	0.10	6-13	6-13	6-20
dlocal-DLO (Nasdaq)	0.53	5-27	5-27	6-10

### Week's Dividend Payment

This list includes payouts on common stocks.

**NASDAQ**

**Monday (May 19)**

AmeriServ Financial	.03
Meridian	.125
Peoples Bancorp	.41

**Tuesday (May 20)**

Bankwell Financial Group	.20
German American Bancorp	.29
Northwest Bancshares	.20

**Wednesday (May 21)**

BCB Bancorp	.16
Entegris	.10
Hanmi Financial	.27
Heritage Financial	.24
Kearny Financial	.11
Northfield Bancorp	.31
Red Rock Resorts CI A	1.00
Univest Financial	.22
West Bancorp	.25
Western New England Bncp	.07

**Thursday (May 22)**

Amalgamated Financial	.14
-----------------------	-----

### Stock Splits/Dividends

NONE

### U.S. Treasury Bills

Maturity	Bid	Asked	Wldy Chg.	Ask Yld.
May 29	4.23	4.22	0.01	4.29
June 03	4.24	4.23	0.02	4.30
June 05	4.23	4.22	0.02	4.29
June 10	4.22	4.22	0.02	4.29
June 12	4.22	4.21	....	4.28
June 17	4.22	4.21	0.01	4.28
June 20	4.23	4.22	....	4.29
June 24	4.23	4.22	0.01	4.30
June 26	4.23	4.21	....	4.28
July 01	4.23	4.22	0.01	4.30
July 03	4.23	4.22	0.01	4.30
July 08	4.22	4.22	0.01	4.29
July 10	4.22	4.21	0.01	4.29
July 15	4.23	4.21	0.01	4.30
July 17	4.22	4.21	....	4.29
July 22	4.22	4.21	0.01	4.30
July 24	4.22	4.21	....	4.30
July 29	4.22	4.21	....	4.30
July 31	4.21	4.20	0.01	4.30
August 05	4.24	4.23	0.03	4.32
August 07	4.24	4.23	0.02	4.33
August 12	4.25	4.24	0.04	4.34
August 14	4.25	4.24	0.04	4.34
August 19	4.25	4.24	0.04	4.35
August 21	4.25	4.24	0.06	4.35
August 28	4.24	4.23	0.05	4.34
September 02	4.24	4.23	0.04	4.34
September 04	4.23	4.22	0.04	4.33
September 09	4.24	4.23	0.04	4.35
September 11	4.22	4.21	0.06	4.32
September 16	4.23	4.22	....	4.34
September 18	4.19	4.18	0.04	4.29
September 25	4.17	4.16	0.04	4.28
October 02	4.16	4.15	0.03	4.27
October 09	4.15	4.14	0.04	4.27
October 16	4.15	4.14	0.03	4.27
October 23	4.13	4.12	0.02	4.25
October 30	4.13	4.12	0.02	4.25
Nov 06 '25	4.12	4.11	0.02	4.25
Nov 13 '25	4.12	4.11	....	4.25
Nov 28 '25	4.06	4.05	0.07	4.15
Dec 26 '25	4.02	4.01	0.06	4.12
Jan 22 '26	4.03	4.02	0.07	4.15
Feb 19 '26	4.02	4.01	0.07	4.15
Mar 19 '26	4.00	3.99	0.06	4.14
Apr 16 '26	3.96	3.95	0.06	4.11
May 14 '26	3.95	3.94	....	4.11

### Top 5 Insider Purchases by Company in 2025

Company	Number of Sym Insiders	Number of Shares	\$ Value	Avg. Price	
Smithfield Foods	SFD	18	168,466	\$3,369,320	\$20.00
Matador Resources	MTDR	14	25,950	1,221,455	\$47.07
Townebank	TOWN	12	24,443	845,199	\$34.58
Flowco	FLOC	11	155,200	3,724,800	\$24.00
Neogen	NEOG	10	174,291	1,090,366	\$6.26

**Top 5 Insider Sales by Company in 2025**

DATA

MARKET LABORATORY

BARRONS.COM/DATA

Week's New Highs and Lows

NYSE

175

New Highs

63

New Lows

Nasdaq

334

New Highs

266

New Lows

NYSE American

12

New Highs

19

New Lows

Only includes COMMON and REIT stocks

NYSE American

NEW HIGHS

ArenaGroup  
AvinoSilver  
dMYSquaredTechA  
Espey  
LogProstyle  
MAG Silver  
Northann  
Tecogen  
VizslaSilver

NEW LOWS

ApimedsPharm  
AtlasClear  
Barnwell  
BrazilPotash  
CanFiteBiopharm  
HiRollerTech  
ITTechPkg  
KairosPharma  
LogisticProp  
LogProstyle  
Micropolis  
SachemCapital  
SpiritAviation  
SRxHealthSolutions  
TMD Energy

Nasdaq

NEW HIGHS

A2ZCust2Mate  
ABVC Bio  
AcadiaPharm  
Addentax  
AevaTech  
AlliedGaming  
Allient  
Alphatec  
AmerPubEduc  
ArchimedesII  
AsteclIndustries  
Astronics  
AvePoint  
AxonEnterprise  
BankwellFinl  
BaselMedical  
BayviewAcqnA  
BiosigTech

BJ's Rest  
BridgewaterBcshs  
CantorEqPtrsl  
CantorEqPtrsII  
CapCleanEn  
CapitalBancorp  
CavcolIndustries  
CenturionAcqnA  
CharterComms  
ChurchillCapIX  
CivistaBcshrs  
CohenCircleA  
ConstructionPtrs  
CoreWeave  
CuriosityStream  
CytomXTherap  
Dave  
DBV Tech  
DeFiDevT  
DeFiTechnologies  
DelcathSystems  
DonegalGroup A  
Duolingo  
DuosTechs  
eBay  
EnlightRenewableEn  
EosEnergy  
EsquireFinancial  
EvolveTech  
Exelixis  
ExpandEnergy  
FARO Tech  
FingerMotion  
FirstWesternFin  
FlagShipAcqn  
FreedomHolding  
FutureVisionII  
Alphatec  
AmerPubEduc  
ArchimedesII  
AsteclIndustries  
Astronics  
AvePoint  
AxonEnterprise  
BankwellFinl  
BaselMedical  
BayviewAcqnA  
BiosigTech

HCMIACqn  
HealthcareSvcs  
HennessyCapVII  
HuronConsulting  
icad  
InfoSvcs  
Inno  
Insulet  
iRhythmTechs  
IsabellaBank  
IsraelAcqns  
JFB Construction  
JFrog  
JourneyMed  
JVSPAC Acqn A  
K&FGrowthII  
Karoo000  
KeenVisionAcqn  
KindlyMD  
Kingstone  
LaureateEduc  
LeonardoDRS  
LibertyBroadbandA  
LibertyBroadbandC  
Life360  
LifeMD  
Limbach  
LincolnEduc  
Liquidia  
LPL Financial  
MagicSoftware  
MagyarBancorp  
Marex  
Marwynn  
MedicusPharma  
MelarAcqnIA  
MercadoLibre  
MetalphaTechnology  
Microvast  
MillicomIntl  
MingtengIntl  
Mogo  
MonsterBev  
MrCooper  
Nathan's  
NationalVision  
NetEase  
Netflix  
NeuroPace  
NewburyStill A  
NewHoldInvTIII  
Nexttracker  
NexxenIntl  
NiagenBio  
Nutanix  
NutexHealth  
NY Mortgage  
OakWoodsAcqnA  
OddityTech  
Okta  
OldPointFinl  
OSI Systems  
PalantirTech  
Palomar  
PathwardFinl  
PatriotNatBncp  
PerdoceoEduc  
PlayaHotels  
PlumAcqnIVA  
PonceFinl  
PriceSmart  
RadiusRecycling  
RedViolet

RegencellBio  
RisingDragon  
RomanDBDR II  
RuanyunEdaiTech  
SemiLEDS  
SenecaFoods A  
SenecaFoods B  
ServiceTitan  
Sezzle  
SI-BONE  
SiebertFin  
SkywardSpecIns  
SLM  
StellarVCapA  
StockYardsBncp  
Take-TwoSftwr  
ThomsonReuters  
ThredUp  
ThumzupMedia  
UrbanOutfitters  
VEON  
VirtuFinancial  
VSE  
WingYipFood  
Winmark  
Woodward  
Zscaler  
  
**NEW LOWS**  
Abpro  
AcrivonTherap  
AdvancedBiomed  
AdvantageSolns  
AdverumBiotech  
Affimed  
Akoya  
AllogeneTherap  
AlzamendNeuro  
AmicusTherap  
AnikaTherap  
ApellisPharm  
ApollomicsA  
AppliedDNA  
AptevoTherap  
AquestiveTherap  
Ardelyx  
Arvinas  
AspireBiopharma  
AteaPharm  
ATN Intl  
AuraBiosciences  
AvaloTherap  
AvitaMedical  
Ayro  
BaselMedical  
BeyondAir  
Biodesix  
BiodexaPharm  
Biofrontera  
BiomeaFusion  
BloomZ  
bluebirdbio  
BoltBiotherap  
BrenmillerEner  
BriaCellTherap  
BT Brands  
Caesarstone  
Campbell's  
CardioDiag  
CarismaTherap  
CarverBancorp  
Chagee  
ChinaLiberalEduc  
Clene

Cloudastructure  
Co-Diagnostics  
Collplant  
comScore  
ConduitPharm  
ContineumTherap  
CrownLNG  
Currenc  
CVRx  
CyclacelPharm  
CytekBiosci  
Cytokinetics  
DayOneBiopharm  
DigiAsia  
DigitalAlly  
Docebo  
DocGo  
DragonflyEnergy  
DynavaxTechs  
Electro-Sensors  
electroCore  
Elutia  
ENDRA LifeSci  
enGene  
EsperionTherap  
FarmerBros  
FemtoTech  
ForafriGlobal  
ForeSightAuto  
Fortrea  
GEN Restaurant  
Genasys  
Genprex  
GlucoTrack  
GoHealth  
GoldenMatrix  
GoodTimesRest  
Greenlane  
HCW Biologics  
HealthcrTriangle  
HighestPerf  
Hyperfine  
Icon  
Immunon  
IN8bio  
IncanxHealthcare  
IndaptusTherap  
Inno  
Inogen  
InspiraTech  
IntelligentLiving  
IntensityTherap  
IovanceBiotherap  
IronwoodPharm  
JadeBiosciences  
JanuxTherap  
Jeffs'Brands  
JianzhiEduc  
KalarisTherap  
KraftHeinz  
KronosBio  
KrystalBiotech  
KWaveMedia  
LakeShoreBio  
Lakeside  
Lavoro  
Lazydays  
LeeEnterprises  
LegendBiotech  
LexariaBioscience  
LianheSowell  
LibertyGlobalB

LichenIntl  
Lipocine  
LongevityHealth  
LoopIndustries  
LQR House  
LyellImmuno  
MainzBiomed  
Mangoceuticals  
MaxCyte  
MaysJW  
MDJM  
MicroCloudHologram  
ModivCare  
MullenAuto  
MyriadGenetics  
NanoVibronix  
NeumoraTherap  
NewEraHelium  
NewFortressEner  
NuCana  
OfficePropIncm  
Ohmyhome  
Omeros  
OmniAb  
OncolyticsBio  
OnKureTherap  
OraSureTechs  
OriginMaterials  
OSR  
Outbrain  
PacBiosciCA  
PassageBio  
PepsiCo  
PharmaCyteBiotech  
PicoCELA  
PlugPower  
PMV Pharm  
PolarPower  
Polyrizon  
Prothena  
Pulmonx  
Quanterix  
QuiptHomeMed  
QVCA  
RackspaceTech  
RanITherap  
RaptTherap  
RedHillBio  
REE Automotive  
RuanyunEdaiTech  
RxSight  
Ryvyl  
Sadot  
SareptaTherap  
SaverOne2014  
ScanTechAI  
SCWorx  
SeresTherap  
ShuttlePharm  
SigmaLithium  
SiloPharma  
SmartKem  
SNDL  
SolarBank  
SolidBiosci  
SolidionTech  
SonimTech  
SowGood  
SUNationEnergy  
Surrozen  
Synchronoss  
Syn daxPharm  
TelomirPharm

TenayaTherap  
TopKingWin  
TransActTechs  
TrawsPharma  
TruGolf  
TwistBiosci  
UnityBiotech  
UroGenPharma  
VandaPharm  
VastRenewables  
VenusConcept  
Veritone  
VirBiotech  
Volcon  
VyneTherap  
Waldencast  
WellgisticsHealth  
WhereFoodComes  
WindtreeTherap  
WingYipFood  
Workhorse  
X4 Pharm  
XChangeTEC.INC  
Y-mAbsTherap  
Yuanbao  
ZappEV  
ZimVie

NYSE

NEW HIGHS

ADT  
ATI  
AXIS Capital  
AdtalemGIBEduc  
Aegon  
AerCap  
AirLease  
AmerHlthcrREIT  
Ampco-Pitt  
Amphenol  
AB InBev  
AnteroMidstream  
APi Group  
ArcherAviation  
AresAcqnII A  
AspenInsurance  
BadgerMeter  
BBVA  
BanocodeChile  
BcoSantChile  
BancoSantander  
BankofButterfield  
BankNY Mellon  
Barclays  
Boeing  
BrookfieldBus  
Calix  
CardinalHealth  
CarpenterTech  
CarriageSvcs  
Carvana  
ChainBridgeBncp  
Chewy  
ColombierAcqnIIA  
COPEL  
COPEL  
CompassMinerals  
ComstockRscs  
CoreCard  
CorpAmAirports  
Corteva  
Coupang  
Credicorp

Crown Holdings  
Curtiss-Wright  
D-WaveQuantum  
Darden  
Deere  
DeutscheBank  
DiscoverFinSvcs  
EQT  
EQV VenturesA  
ESCO Tech  
EmbotellAndinaB  
EmbotellAndinaA  
EncompassHealth  
Enhabit  
Everi  
FlotekIndustries  
FreseniusMedCare  
GE Aerospace  
GenieEnergy  
GrahamHoldings  
GpoAeroportuar  
HartfordIns  
HeicoA  
HeritageInsurance  
HoraceMann  
HowmetAerospace  
ICL Group  
IDT  
IHS Holding  
ING Groep  
InsteelIns  
IntercorpFinSvcs  
IBM  
IntrepidPotash  
ItauUnibanco  
JohnsonControls  
Karman  
KingswayFin  
KoreaElecPwr  
LatamAirlines  
LandBridge  
Lanvin  
Lindsay  
LloydsBanking  
Loar  
MGIC Investment  
Mastercard  
MillroseProp  
Mosaic  
NPK Intl  
NRG Energy  
NaturalGrocers  
NatWest  
NewMarket  
NicoletBankshares  
O-I Glass  
Openlane  
Olo  
OneConnectFin  
PHX Minerals  
PaycomSoftware  
Paymentus  
PlayAGS  
Prudential  
RBC Bearings  
RB Global  
REV  
RTX  
RithmAcqnA  
Roblox  
Rockwell  
Rubrik  
SchwabC

Sea  
SensientTech  
SiriusPoint  
SpiritAeroSys  
Sprott  
Stantec  
Steris  
Stevanato  
SunLifeFinancial  
TE Connectivity  
TIM  
TJX  
TXNM Energy  
Tecnoglass  
TencentMusic  
Toast  
TorontoDomBk  
TraneTech  
TrancntIRlty  
Travelers  
TriumphGroup  
TutorPerini  
UGI  
UL Solutions  
US Foods  
Uber  
UnivInsurance  
UnviTechInst  
WattsWater  
WooriFinl  
WorthingtonEnts  
  
**NEW LOWS**  
AlexandriaRIEst  
AllurionTech

AmbacFin  
B&G Foods  
Biohaven  
Church&Dwight  
ConagraBrands  
ESSTech  
ElevanceHealth  
Endava  
FlowersFoods  
GeneraliMills  
GlobalMedREIT  
Globant  
HealthcareRealty  
HealthpeakProp  
Helm&Payne  
Humana  
JELD-WEN  
Marcus&Millichap  
Merck  
NetPower  
Natuzzi  
Nextdoor  
Organon  
Paysafe  
SK Telecom  
SprucePower  
SuperiorIndsIntl  
TXO Partners  
ThermoFisher  
3D Systems  
Tilly's  
UWM  
UnitedHealth  
Wallbox

Distributions & Offerings

Secondary Distributions of common stocks

Company	Shares Offered	Offer Price	Deal Value USD
Ameren	5,550,416	\$94.00	\$599,999,932
Atara Biotherapeutics	834,237	\$6.61	\$5,514,307
Aura Biosciences	11,735,565	\$4.90	\$57,504,269
Clearpoint Neuro	275,808	\$12.69	\$3,500,004
CNS Pharmaceuticals	325,000	\$1.27	\$411,125
CytomX Therapeutics	76,923,076	\$1.30	\$99,999,999
HCW Biologics	671,140	\$7.45	\$4,999,993
Klaviyo	10,969,078	\$34.00	\$372,948,652
Loar Holdings	9,000,000	\$83.41	\$750,690,000
Sangamo Therapeutics	12,235,000	\$0.50	\$6,117,500
Savers Value Village	15,000,000	\$9.25	\$138,750,000
Somnigroup International	15,376,743	\$62.00	\$953,358,066
Super League Enterprise	5,117,647	\$0.17	\$870,000
TXO Ptnrs LP	11,666,667	\$15.00	\$175,000,005
Waystar Holding	12,500,000	\$38.75	\$484,375,000

Source: LSEG Data & Analytics

Barron's 50-Stock Average

This index is a weighted average of 50 leading issues. Useful in security valuation. Source: Barron's Stats

	May 15 2025	May 8 2025	May 2024	Yr-to-Yr % Chg
S&P 500 Index	5916.93	5663.94	5210.81	13.55
Barron's 50 Index	14663.57	14153.90	13221	10.91
Projected quarterly earn	150.63	151.25	132.89	13.35
Annualized projected earn	602.52	605.01	531.55	13.35
Annualized projected P/E	24.34	23.39	25.0	-2.46
Five-year average earn	556.87	557.12	527.32	5.60
Five-year average P/E	26.33	25.41	25.1	5.02
Year-end earn	549.54	550.16	615.78	-10.76
Year-end P/E	26.68	25.73	21.5	24.27
Year-end earnings yield, %	3.75	3.89	4.7	-19.55
Best grade bond yields, %	4.71	4.87	4.05	16.30
Bond yields/stock ylds, %	1.26	1.25	0.87	44.50
Actual year-end divs	270.02	269.61	258.95	4.28
Actual yr-end divs yld, %	1.84	1.90	1.96	-5.99

For personal non-commercial use only. Do not edit or alter. Reproductions not permitted. To reprint or license content, please contact Barron's reprints department at 800-843-0008 or www.djreprints.com

## THE BACK STORY



Troops and tents are camped on the courthouse grounds during the 1894 strike in Pullman, Ill., now part of Chicago.

# Elon Musk's Company Town Recalls an Earlier Era

Musk joins American industrialists who have sought to marry labor and capital in company-owned communities. It hasn't always gone well.

BY KENNETH G. PRINGLE

**T**he company town built America. Elon Musk is betting it can colonize Mars and save humanity, too.

The latest step in Musk's galactic quest is the incorporation of Starbase, Texas, home to his SpaceX rocket company and about 300 eligible voters, most of them employees. Ninety-seven percent voted earlier this month for incorporation; one is now mayor.

Starbase, near Brownsville and hard on the Mexican border, is dedicated to building and launching Starship, a 400-foot-tall rocket bound for the Red Planet. Incorporation means most municipal functions, from zoning to raising revenue, will be in the hands of Musk, SpaceX's CEO and controlling shareholder.

"Becoming a city will help us continue building the best community possible for the men and women building the future of humanity's place in space," the account for StarbaseTX writes on Musk's social-media platform X.

Musk and Starbase didn't return messages for comment. Musk is also constructing the town of Snailbrook, Texas, near Austin, home to his Boring Company.

Musk joins a host of American industrialists who, from the earliest years of the republic, have sought to create a more perfect union of labor and capital by bringing them together in company-owned communities, free from the meddling of government and unions.

"It is simplicity itself—we are landlord and employers," the railroad-car tycoon George Pullman said of his own eponymous company town on

the outskirts of Chicago. "That is all there is of it."

As Pullman discovered, running a company town is anything but simplicity. While aligning the interests of employers and employees is relatively easy during boom times, it can be impossible during down times. And the consequences of misalignment can be catastrophic, as history shows. "Company housing is as old as the industrial history of the United States," the Bureau of Labor Statistics wrote in a 1920 study.

Some 2,500 company towns once dotted the land, starting in 1791 with Paterson, N.J., Alexander Hamilton's planned industrial city. As late as 1916, a BLS survey found that 34.4% of manufacturing and mining workers lived in company-provided housing. In some cases, bosses "ruled with almost feudal sway," the BLS wrote.

No company towns were as notorious as those in mining country. "You load 16 tons, what do you get? Another day older and deeper in debt," Ernie Ford sang in the 1951 hit song about life in an Appalachian coal-mining town.

Miners performed not only the most dangerous kind of work, where death and dismemberment were routine, but these isolated mountain enterprises brought out the worst paternalistic impulses of owners. Dirt-floor shacks were thrown up, which the workers had to rent—no buying. Wages were often paid in scrip, company-issued money good only in town. Fees were charged for every service, from fuel and water to medical treatment and garbage removal. Armed guards and covert spies kept order.

"[T]he company realized a profit on each of these endeavors," historian Harry M. Caudill writes in *Night Comes to the Cumberland*. "The miner found himself on a treadmill from which he lacked the knowledge and self-discipline to escape."

Attempts to unionize starting in the 1890s led to the confrontations known as the Coal Wars, culminating in the Battle of Blair Mountain, W.Va., the nation's largest armed uprising since the Civil War. "U.S. Troops Called as Miners Wage Furious Drive," reported the Washington, D.C., Herald on Sept. 2, 1921. "Machine Gun Fire Fails to Halt Strikers."

Ten thousand strikers, organized by the United Mine Workers, futilely battled 3,000 armed deputies. Most of the 150 or so killed were strikers. Others

were prosecuted, some ran for the hills, but many returned to the mines and their unpayable debts.

As Ernie Ford sang, even death was no sure escape: "St. Peter, don't you call me 'cause I can't go. I owe my soul to the company store."

Not all company towns were based on blatant exploitation. Some businessmen, such as Pullman (1831-97), believed one's surroundings should nourish "the needs of the body as well as the soul." Pullman made his fortune manufacturing high-quality sleeping cars that he leased to railroads. In 1880, he decided to construct a new factory and company town to the same lofty standards.

Named for its founder, the town featured brick houses with gas and running water—a rarity then—grand civic buildings, parks, and a hotel (with the only bar in town). Things ran relatively smoothly until the Panic of 1893.

"The Great Pullman Boycott!" screamed the Cincinnati Enquirer on June 29, 1894. George Pullman had reacted to the economic downturn by cutting jobs and lowering wages. But he refused to lower rents. The peaceful veneer of the town soon shattered.

A company strike, organized by Eugene Debs' American Railway Union, grew into a nationwide boycott of Pullman cars that shut down American commerce. "Idle Wheels," wrote the St. Louis Post-Dispatch. "Traffic of the Whole West Paralyzed by the Pullman Strike."

On the pretext that the mail was being delayed, President Grover Cleveland sent in U.S. troops. The boycott was broken and Debs jailed, but the dream of Pullman died, too.

Such failures haven't stopped other industrialists from attempting the same formula—John D. Rockefeller (Ludlow, Colo.), Andrew Carnegie (Gary, Ind.), Henry Ford (Fordson, Ky., Fordlandia, Brazil)—with similar results. Things ran well during good times, but wobbled and broke during bad.

As for Musk, he has described the colonization of Mars as "life insurance for life collectively," since "at some point we need to be a multi-planet civilization, because Earth will be incinerated."

His plans call for Starship to launch in 2026, with manned crews to follow. The goal, he said, is "creating a self-sustaining city on Mars." The first Martian company town, no doubt. **B**

# INCOME INVESTING

## Could Pioneer's Fund Liquidation Be a Trend?

BY AMEY STONE

It wasn't quite the shot heard round the world, but it nonetheless came as a shock to the close-knit world of closed-end funds when Pioneer Investments announced this month that it had decided to shutter its entire lineup of the quirky investment vehicles.

"I've been investing for over 35 years, and I've never seen a fund company exit the closed-end fund business en masse," says David Tepper of Tepper Capital Management.

It's another sign of how marginalized this century-old investment structure has become when exchange-traded funds, high-tech separately managed accounts, and interval funds holding private investments are all the rage among asset managers. There have been just one or two new closed-end funds issued in recent years, with many more being merged together or turned into open-end funds or ETFs.

But the more overlooked and underfollowed the funds become, the more opportunity there is for investors. Closed-end funds are issued with a fixed number of shares and can then trade at a discount or premium to the fund's net asset value, depending on investor demand.

Most investors buy the funds for income, which can be boosted by leverage or when the fund decides to return some capital to shareholders. They're illiquid, so they can be more volatile than other fixed-income investments.

Many investors aim to purchase them when the discount is wide. Tepper currently likes some preferred-stock closed-end funds, which have discounts in the 8% to 10% range as well as tax advantages. **Flaherty & Crumrine Preferred Income Opportunity** (ticker: PFO) is one.

Eric Boughton, portfolio manager of **Matisse Discounted Bond CEF Strategy** (MDFIX), an open-end fund that invests in closed-end funds, finds municipal bond funds appealing now. "They are much more

attractively discounted than taxable-bond funds," he says. "They also sport average cash distribution yields of 6.1%, tax-free."

So, what happened at Pioneer? "I think this is more of a 'special case' rather than indicative of a broader trend in the closed-end fund industry," says Boughton. Pioneer was sold to Victory Capital, and its six closed-end funds required new investment management agreements that had to be approved by shareholders. When the votes didn't come in, Victory decided to recommend liquidating the funds.

Activist investors, such as Saba Capital Management, that had stakes in the funds and opposed the vote may have been a factor in Pioneer's decision. Activist investors often buy closed-end funds hoping to force management to take steps to narrow the discount.

To be sure, there are other ways that fund companies deal with activists that don't involve liquidation. They can hold a tender offer to buy back a closed-end fund's shares, or turn it into an ETF or open-end fund. Some investors, like Tepper, were surprised that Victory didn't pursue those options in order to hold on to the funds' roughly \$1 billion in assets.

But Victory, which is retaining Pioneer's other funds and now has about \$300 billion in assets, has no other closed-end funds, says Andrew Daniels, a director of fund manager research at Morningstar. "This gives them a little bit of a clean slate to make various decisions across the complex," he says.

Smaller players could exit the business, but it's unlikely that the largest closed-end players would follow Pioneer's lead. **BlackRock**, which has dozens of closed-end funds and recently resolved a dispute with Saba, declined to comment. But Dave Lamb, head of closed-end funds at Nuveen—which manages 45 of the funds with \$53 billion in assets—says the firm is "committed" to the structure, which offers "higher levels of income and the potential for incremental returns." **B**

# MAILBAG

## For Defense Stocks, Look Abroad, Too

To the Editor:

Not mentioned in "Defense Stocks Are Under Fire. How to Play the New World Order" (Cover Story, May 9) are international shares. Recently hit with a downturn, they're a competitive force to be reckoned with by U.S. companies. And there is, potentially, a lot of buying power behind them with the ramp-up of European defense spending. In Germany, Düsseldorf-based Rheinmetall is one that has seen huge growth and is diversifying to encompass the latest weapon types.

**William Butcher**  
On Barrons.com

### Buffett's Exit Strategy

To the Editor:

So often the elderly, aging founders in family businesses keep a stranglehold on everyone until they are six feet under—and then leave a mess in their wake ("The Secret Thread Between Warren Buffett and Other Game Changers," Up & Down Wall Street, May 8). Children who don't have nearly as much ambition or enthusiasm as the founder end up struggling for power, draining the business, and getting in the way of nonfamily leadership and employees. It's great that Warren Buffett had the vision to step aside and allow others to begin leading Berkshire Hathaway to further success in the future.

**Dwayne Salem**  
Myerstown, Pa.

To the Editor:

In this current social-media-infused period, when online gambling/crypto trading/day trading are conflated with "investing," Andy Serwer's historical analysis was refreshing and much needed. Charles Schwab and Jack Bogle in markets and John Wooden and Gregg Popovich in sports demonstrated authentic, time-

tested approaches that benefited investors first, teammates first. Tariff turmoil provided excessive April showers of uncertainty. Serwer provided the May flowers of perspective.

**Timothy McMahon**  
Manasquan, N.J.

### Medicare Drug-Plan Tool

To the Editor:

"The Perils of Medicare Drug Coverage" (Retirement, May 8) offers some good advice on what to watch for when selecting a Medicare Part D prescription drug plan.

Medicare.gov is a good place for Medicare beneficiaries to start their search. If you enter your list of prescriptions, along with the dosage and the name of the pharmacy where they are purchased, it will rank plans in order of total cost—the price of the plan plus the plan deductible, copays, and coinsurance. It will also tell you if some of your prescriptions aren't covered.

It won't tell you what cost-control measures the plan contains, but it will give you a link to the company website where you can access the plan formulary as well as the summary of benefits for the plan. Medicare.gov also provides the 800 number for the plan.

**Peter G. Young**  
Allen, Texas

Send letters to [Mail@Barrons.com](mailto:Mail@Barrons.com).

To be considered for publication, correspondence must bear the writer's name, address, and phone number. Letters are subject to editing.

The Barron's Daily is our morning briefing for what you need to know for the day. Sign up at [barrons.com/newsletters](https://barrons.com/newsletters).

# BARRON'S

## Tech Trends with an Investment Lens

Gaming. Streaming. Computer chips. And more. Get an inside look at the tech innovations taking consumers and the market by storm—with the **Barron's Tech weekly newsletter**.



**SIGN UP**

[Barrons.com/TechNewsletter](https://Barrons.com/TechNewsletter)