

MARKET UPDATE

29/08/2024

Nvidia shares fall despite results.

Nvidia reported Wednesday better-than-expected Q2 results, and the chipmaker announced a \$50B stock buyback program.

NVIDIA Corporation (NASDAQ:NVDA) dropped more than 4% in premarket trading Thursday.

For the three months ended Jul. 28, the company reported Q2 adjusted earnings of \$0.68 a share on revenue of \$30.04 billion, beating estimates of \$0.64 and \$28.68B respectively.

The stronger quarterly results were supported by a 154% surge in data center revenue to \$26.27B from the same period a year earlier.

For Q3, revenue is expected to be \$32.5B, plus or minus 2%, beating Wall Street estimates of \$31.9B.

The company said it approved an additional \$50.0B share buyback plan.

It also said it expected to speed up production of its Blackwell AI chips starting in Q4 and continuing into fiscal 2026.

Tech and media stocks boost European shares.

European shares inched up on Thursday, with media and technology stocks boosting the index, bucking a global dip after Nvidia (NASDAQ:NVDA)'s quarterly results failed to impress investors.

The pan-European STOXX 600 index was up 0.2%% by 0712 GMT.

Media stocks gained 0.5%, led by a 2.3% jump in Universal Music Group (AS:UMG).

The tech sector rose 0.3%, boosting the index as European investors shrugged off Nvidia's quarterly forecast that failed to meet the lofty expectations of global investors.

In contrast, the oil and gas sector dropped 0.2%, dragged down by a nearly 2% fall in Equinor.

Spain's benchmark IBEX 35 gained 0.1% after data showed that inflation fell to 2.4% in August.

Data on European economic and business sentiment is due at 0900 GMT, while German consumer prices figures are expected at 1200 GMT.



Huawei sees first-half earnings surge.

Chinese tech giant Huawei reported hefty jumps in first-half revenue and net profit on Thursday, with smartphone sales robust and its smart car components business also doing well despite U.S. sanctions.

Net profit for January to June climbed 18% to 54.9 billion yuan (\$7.7 billion) on a 34.3% rise in revenue to 417.5 billion yuan. It was the company's highest revenue for a first half since the same period in 2020.

Huawei did not give an earnings breakdown for individual units, but a spokesperson said its mainstay consumer business, which includes smartphones and PCs, as well as its smart car components unit, performed strongly.

Data from research firm Canalys shows Huawei shipped 22.2 million smartphones in mainland China during the first half, a 55% increase from a year earlier.

Huawei jumped back into the 5G premium smartphone market last year with its Mate 60 series and this year with its high-end P series phones - though most of these sales remain confined to its home market.

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