

# Nasdaq-100 Index®: Q1 2025 Earnings Updates

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- Earnings reports from US tech giants indicate their outlooks remain robust despite shifting trade policies, suggesting sustained demand for cloud computing services, software and digital advertising. This earnings season has also alleviated concerns about capital spending on artificial intelligence (AI) data center buildouts. Amazon, Microsoft, Alphabet and Meta remain poised to allocate over US\$300 billion this year towards capital expenditure (capex).
- Achieving stronger-than-expected quarterly sales and profit growth, **Microsoft's** cloud revenue soared 20% year-over-year to US\$42.4 billion last quarter. Azure and other cloud services revenue surged 33%, with AI driving 16 percentage points of this growth. Despite some capacity constraints, the AI and cloud segments are strong enough to more than offset the near-term uncertainty in the company's hardware business.
- Despite facing significant challenges due to new US restrictions on its China sales, **Nvidia** reported a remarkable 69% increase in quarterly revenues, exceeding analysts' forecasts. Blackwell chips made up nearly 70% of its data center compute revenue in Q1. While just under 50% of its data center revenue came from hyperscalers, the Blackwell ramp is broadening across diverse customer segments. Its quarterly gaming revenue hit a record, rising 42% year over year, fueled by strong sales of its Blackwell architecture.
- With net income rising to US\$17.1 billion, **Amazon** reported stronger-than-expected Q1 earnings and revenue. Amazon Web Services, the largest cloud infrastructure service provider, saw quarterly sales increase 17% to \$29.3 billion, marking the unit's slowest growth in a year. Despite a 5% year-over-year increase in net sales for its online retail division, Amazon issued weaker-than-expected guidance for the second quarter, as the e-commerce giant contends with steep tariffs.
- With profits soaring 35% to US\$16.6 billion, **Meta** delivered impressive Q1 results, underscoring its resilience and ambition to dominate in AI despite external challenges. Meta increased its 2025 capex forecast to a range of US\$64 billion to US\$72 billion. The company unveiled the latest version of its open-source AI model, Llama 4, and introduced a new standalone AI application, Meta AI.
- **Apple's** Q1 revenue reached US\$95.4 billion, surpassing estimates and marking a 5% increase compared to the same period last year. Net sales of iPhones grew 2% year-on-year, totaling US\$46.8 billion, while its services business continued to exhibit robust growth, climbing 12% to US\$26.6 billion. For the June quarter, the company forecasts tariffs to raise overall costs by US\$900 million and expects that most iPhones sold in the US will originate from India.
- Alphabet, **Google's** parent company, reported a 46% increase in Q1 net income, surpassing analysts' expectations. Google search and other revenues rose 10% to US\$50.7 billion, reassuring investors who were concerned about potential weaknesses in search. Its cloud computing division saw a 28% revenue jump to US\$12.3 billion, reflecting continued demand for its data center and network services amid the AI boom. The company plans to invest US\$75 billion in capex this year.
- **Broadcom's** latest quarterly revenue climbed 20% year-over-year, reaching US\$15.0 billion. AI semiconductor revenue surged 46% year-on-year, reaching US\$4.4 billion, fueled by robust demand for networking equipment. The company projects its AI semiconductor revenue will hit US\$5.1 billion. Accounting for 44% of its revenue, infrastructure software revenue increased 25% year-over-year to US\$6.6 billion.

- Tesla’s adjusted net income for Q1 fell short of analysts’ expectations, dropping 39% year-on-year to US\$934 million. The company delivered 336,681 electric vehicles in the first quarter, far fewer than analysts' forecasts. This represents its weakest quarter since 2022, trailing behind China's BYD, which sold 416,388 EVs in the same period. Tesla also cautioned about the substantial impact of tariffs on its energy storage business since it sources LFP battery cells from China.

Name of Company	Revenue growth (yoy)	Profit growth (yoy)	Q1 Revenue Beat/Miss%	Q1 EPS Beat/Miss %
Apple	5%	5%	0.9%	1.4%
Nvidia	69%	31%	1.7%	9.9%
Microsoft	13%	18%	2.4%	7.4%
Amazon	9%	64%	0.3%	16.4%
Alphabet	12%	46%	1.1%	38.8%
Meta	16%	35%	2.3%	22.8%
Broadcom	20%	44%	0.3%	0.7%
Tesla	(9%)	(39%)	(3.8%)	(25.3%)

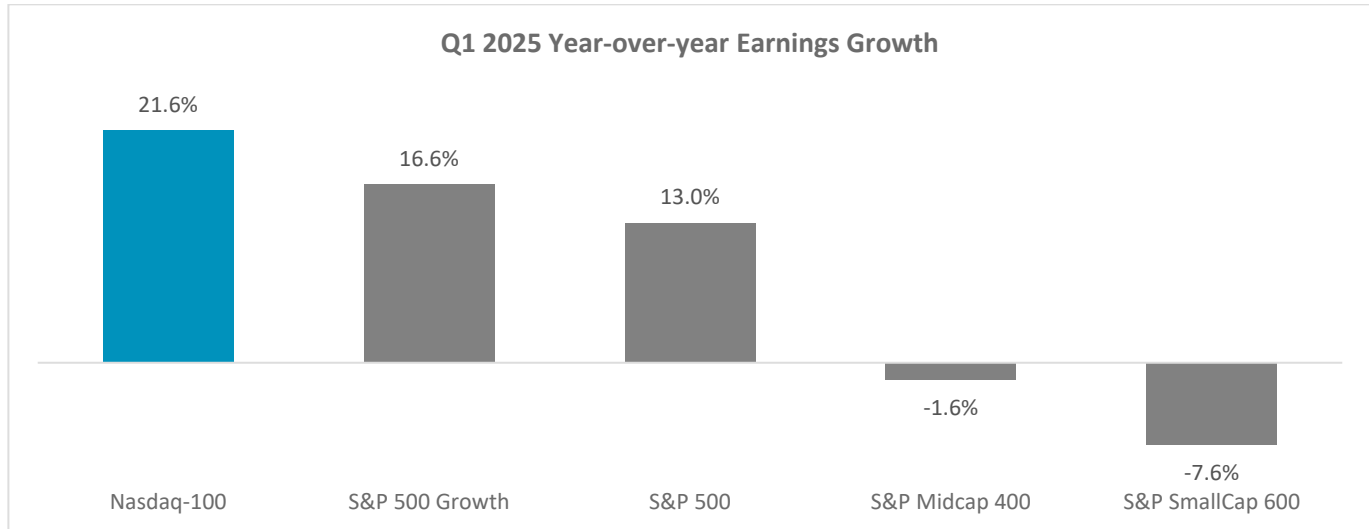
Source: Nasdaq Global Indexes, FactSet, company filings. Note: Figures are on non-GAAP basis.

- Overall, Nasdaq-100® firms beat their revenue and earnings estimates for the quarter by an average of 1.3% and 6.1%, respectively, with 70 of them (82% by weight) exceeding both top and bottom-line estimates.
- The rates of top-line and bottom-line beats by index weight exceed those of the previous quarter. Regarding index constituent count, both the rates of revenue and earnings beats are superior to last quarter.

	Beats		Misses	
	No. of firms / Index weight	Average Beat %	No. of firms / Index weight	Average Miss %
Q1 25 Revenues	76 / 85.2%	2.5%	24 / 14.8%	(2.5%)
Q1 25 Earnings	83 / 89.7%	9.0%	17 / 10.3%	(8.4%)

Source: Nasdaq Global Indexes, FactSet. Data as of June 11, 2025.

Nasdaq-100 companies posted a remarkable 22% earnings growth in Q1, outperforming the S&P 500 by 66%. This marks the third consecutive quarter of over 20% earnings growth for the Nasdaq-100. Within the Nasdaq-100, the technology sector (by ICB Industry) posted a 21% earnings growth.



Source: Nasdaq Global Indexes, FactSet. Data as of June 11, 2025.

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