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Stock Spotlight

Howmet Aerospace Inc. (HWM)



**HOWMET
AEROSPACE**

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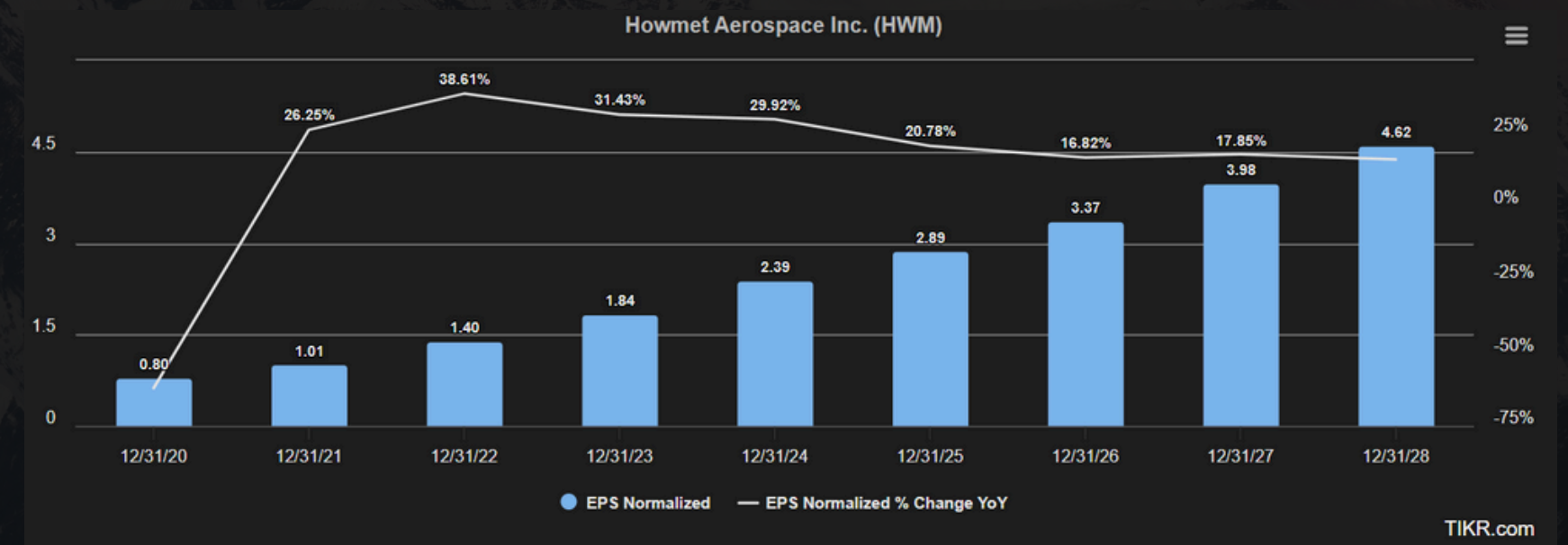
Various indexes were chosen that are generally recognized as indicators or representation of the stock market in general. Indices are typically not available for direct investment, are unmanaged and do not include fees or expenses. Some indices may also not reflect reinvestment of dividends.

Howmet Aerospace Inc

- Howmet Aerospace is one of the newer additions to our T.A.G. Portfolio, adding a 1% allocation on June 24th.
- Howmet Aerospace specializes in a variety of engineered metal products, supplying parts for both the aerospace and transportation industries. Their main products include parts for jets and jet engines, as well as wheels and other systems for commercial trucks.
- Howmet has been in business for over 100 years, and as the inventor of the first aluminum semi-truck wheel in 1948, has always pushed innovation and creativity within the company.

Q2 Earnings

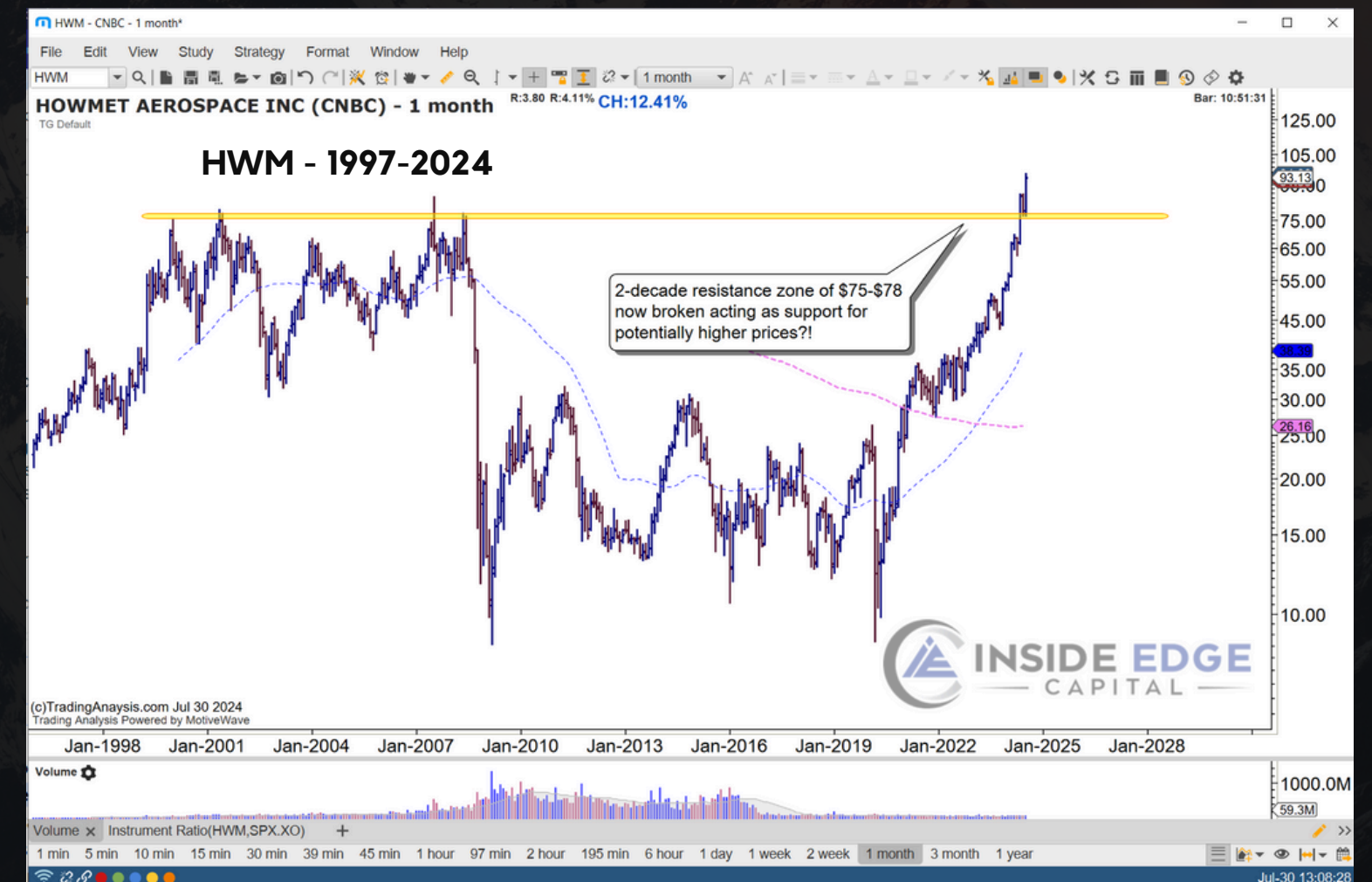
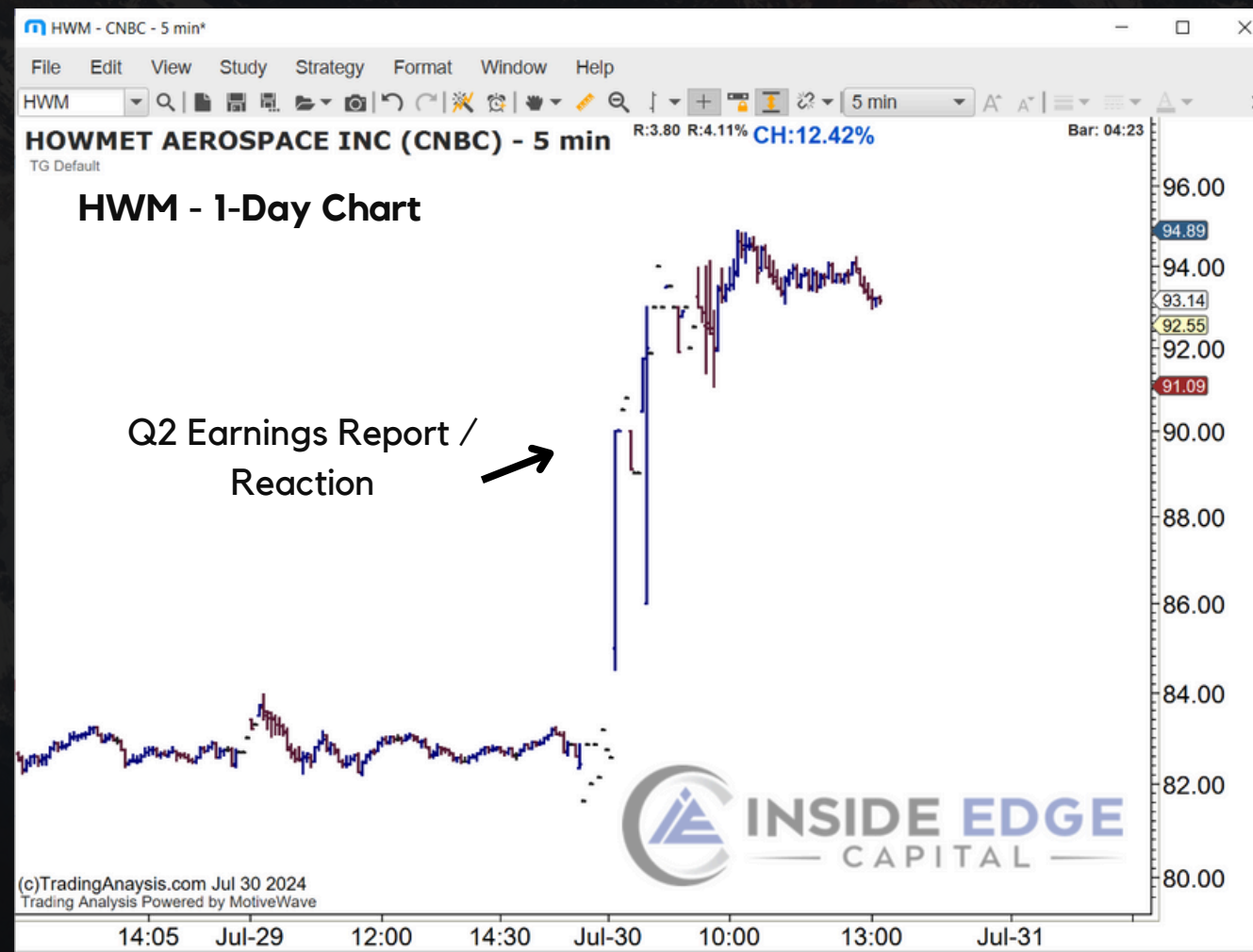
- Howmet Aerospace reported Q2 earnings today on July 30th, and beat analyst estimates on both the top and bottom lines.
- EPS - Reported \$0.67 vs expectations of \$0.60, beating by 12%. Growth rate vs same quarter last year of 52%.
- Revenue - Reported \$1.88B vs expected \$1.84B, beating by 2%. Growth rate vs same quarter last year of 14%
- This trend is expected to continue in the future, with analysts expecting EPS growth from 15%-30% in the coming years as seen in the chart below.





Notable Information from Earnings Call

- Howmet authorized stock repurchases of \$2.487 billion, increasing substantially from the previous \$2 billion.
- Dividend payout is increasing 60% in the third quarter of 2024.
 - From \$.05 a share to \$.08 a share
- 2024 Guidance was raised for all metrics after the strong second quarter.
- Reduced debt by \$23 million.
- Boeing, one of the company's most reliable buyer of their jet parts, has been decreasing their orders because of their recent safety failures, dragging down aerospace sales
- The stock has broken above a 27-year resistance zone of \$75-\$78 now acting as support





THANK YOU!

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