



## BUSINESS

# LVMH Stock Rises 3.9% Following H1 Results Release

- Bernard Arnault reportedly plans to open another Louis Vuitton factory in Texas and will not sell LVMH's wines and spirits division.

BY JENNIFER WEIL

**PARIS** – The French stock market smiled Friday on LVMH Moët Hennessy Louis Vuitton's recent first-half financial results, which were released the prior day.

The luxury goods behemoth's stock ended the day up 3.9 percent to 488.70 euros.

As previously reported, LVMH's net profit fell 22 percent to 5.7 billion euros in the first six months of the year, as its key fashion and leather goods division, with brands including Louis Vuitton, Dior and Celine, missed forecasts while Japan sales plummeted. However, the group's other divisions either beat or were in line with expectations.

In a note Friday, Deutsche Bank called LVMH's results "better than we feared," and said it believes an earnings trough is now approaching.

"Investors have been waiting for an opportunity to revisit this stock and the conference call highlighted a number of factors which may encourage this including a 'tangible' recovery in China, market share gains in key brands and potential for structural efficiencies as well as ongoing tight cost management," wrote Adam

Cochrane, a research analyst at Deutsche Bank, in the note, referring to the call with analysts and journalists Thursday evening.

He added "investors now view the risk/reward more favorably now that the 1H is out of the way, 2H forecasts have been rebased on FX and some of the more positive news is digested."

Year-to-date, LVMH stock is down 23.1 percent.

Arnault has been working against various headwinds, the strongest of which is U.S. tariffs. The executive has been trying to help resolve the threat of 30 percent tariffs announced by U.S. President Donald Trump on goods entering the U.S. from the European Union starting Aug. 1.

The luxury titan's family holding companies have also purchased more than \$1 billion of LVMH shares since the end of January, which would make it the owner of more than 50 percent of the group's stock by the beginning of 2026, according to the Wall Street Journal.

Arnault reportedly said he plans to open another Louis Vuitton factory in Texas and will not sell LVMH's wines and spirits division, which has been ailing.



