

# Quarterly Securities Report

Daniel O'Hara

## Nebius Group Inc.

The first stock I covered was **Nebius Group**. At the time of my initial analysis, the stock was trading in the mid-\$20s. I projected a short- to medium-term increase in value, which proved accurate as the share price climbed to the low \$40s within a matter of weeks. However, February brought a dramatic shift. As you likely recall, tariff threats and escalating geopolitical tensions erased trillions in stock market value. Nebius was among the hardest-hit companies during this period of instability, with its stock plunging nearly 45%. This sharp decline raised serious concerns among investors about the outlook for this smaller AI-focused cloud infrastructure firm. Over the subsequent months, NBIS traded sideways with a slight downward bias. But unexpectedly, as global tensions eased and the broader technology sector rebounded, Nebius began to recover. Now trading over \$50, it's clear that NBIS has emerged from its downturn—validating my original thesis.

## Geo Group

In January, I shifted focus and analyzed The GEO Group, a multifaceted private provider of correctional and rehabilitation services. At the time, President Trump had recently taken office and was outspoken about his plans for stricter border control and expanded deportation efforts. GEO already maintained multiple contracts with the U.S. government and expected increased spending and new agreements, particularly with agencies like Immigration and Customs Enforcement, as illustrated in the graph below. The company's position at the time indicated near-term growth and strong future revenue potential.

However, GEO has struggled to secure dominance in the market, allowing rival firms to capture contracts it had targeted. Competitors such as Palantir have established key partnerships with the federal government in areas where GEO had anticipated expanding. Since Trump's inauguration, GEO's stock has traded sideways, fluctuating between the high \$20s and low \$30s. Despite this, BayMar maintains that GEO delivers a differentiated service and anticipates revenue growth in 2025, independent of its federal partnerships.

## Strategy (MSTR)

When February started, I was unsure on what to write on, but I was looking into a lot of crypto news and MSTR caught my eye, not in the way it should. I believe that MSTR is a ticking time bomb of leverage waiting to blow. As of right now my stance stays the same even with MSTR's record returns since the publication of our February report. I still think that there is no real value in owning MSTR and that its day of reckoning will come sooner than later. MSTR isn't

generating more revenues or providing more shareholder value, they are just betting that the price of Bitcoin will go up.

## Digital Bridge (DBRG)

March came into picture and the “AI Crash” was slowing down, so I thought I would research a more tangible form of investing in AI. Digital Bridge Group (DBRG) is a global investment firm primarily focused on digital infrastructure, with assets spanning data centers, wireless towers, fiber networks, and edge computing. A significant portion of its portfolio consists of hyperscale data centers, which provide large-scale facilities for cloud service providers, enterprises, and telecom operators. Notable investments include Vantage Data Centers, Edge Connex, Switch, and Databank, all of which operate extensive data center portfolios in high-demand markets across North America, Europe, and Asia. When I called it DBRG was trading around \$7.50 and now is around \$10.08. This 30% can be attributed to the technology and AI sectors rebounding after tariff breaks came into effect. We aren't seeing any rapid developments regarding DBRG, but this is expected. They deal mostly in real estate so it's a much slower game. BayMar still believes that Digital Bridge will be one of the largest PE firms involved in data centers and digital real estate.

## Eli Lilly

My worst pick to date remains Eli Lilly. The morning after our May report was released, LLY plummeted in share price. The catalyst came unexpectedly—CVS Health removed coverage for Lilly's GLP-1 obesity drug, Zepbound, in favor of Novo Nordisk's Wegovy. This decision triggered an intraday decline of approximately 11%. Later that same week, Lilly lowered its 2025 adjusted EPS forecast, citing a \$1.57 billion non-cash charge related to its acquisition of Scorpion Therapeutics. Although the company beat Q1 earnings expectations, the guidance cut and loss of formulary coverage sharply reversed investor sentiment. LLY was initially expected to benefit from Trump's aggressive healthcare policy reforms, but this development was unforeseen. Our outlook has shifted accordingly. While we're uncertain whether Lilly will meet its full-year revenue targets, we anticipate a partial recovery.

## AI Consolidation

For the month of May I wanted to write about something I felt strongly about and that is the overall consolidation. AI and machine learning industries that have become oversaturated with random AI venture capital and startups, creating obscure applications that may not benefit society or economies in the long run. While AI advancement is undeniable, maybe getting ahead of it and restricting the industry could have more beneficial outcomes. There are so many companies making cloud computing software or AI infrastructure that do the same exact thing. What if these markets were more concentrated with fewer competitors and more innovation? Larger scale AI companies would benefit from the economies of scale, able to produce at cheaper costs. It would also simplify trade, regulation, and foreign relations through more manageable data points. This might stop AI from replacing medial jobs and information systems. Since I just wrote about this, I would say that there are no real updates regarding this topic.

---

# Oil and Gas Quarter II Overview

## Chase Boddison

The second quarter of 2025 has been a bit of a rollercoaster for the oil and gas industry. On the surface, things look stable: supply is strong, demand is holding up, and prices haven't gone crazy. But dig a little deeper, and there are signs that trouble could be brewing beneath the calm.

### Supply and Demand

Right now, the world is producing more oil than it's using. This oversupply has helped keep oil prices from rising too much. Global oil production in May reached 105 million barrels per day, which is a bit higher than last year's average. That's partly because countries that had cut production to keep prices high have started increasing output again. Non-OPEC countries like the U.S. and Brazil are also pumping more oil to expand on exporting opportunities.

Meanwhile, demand for oil is growing, but slowly. The International Energy Agency expects demand to grow by about 720,000 barrels per day in 2025, which undercuts their prediction earlier in the year. With supply growing faster than demand, oil inventories are only growing and countries like the US are stockpiling it. That usually pushes prices down, and we've seen that happening already. Analysts now expect oil to average about \$66 per barrel in 2025 and call for the potential of even less next year.

### Geopolitical Complication

While the numbers point to a well-supplied and balanced market, politics are keeping everyone on edge. In June, tensions between the U.S. and Iran flared up again after a military strike. Iran made threats about possibly blocking the Strait of Hormuz, the narrow waterway where about 20% of the world's oil passes through. Even though that hasn't happened, just the possibility spooked the market. Oil prices shot up briefly, showing how quickly things can change when politics get involved.

In the U.S., oil production hit a record high earlier this year. But there are signs that growth might slow in the second half of 2025. That's because many oil companies aren't locking in prices with hedges, which means if prices fall, they could lose money fast. These companies are also spending less money on new projects, which could lead to lower production in the future.

### Natural Gas

Natural gas is facing its own challenges. The U.S. is exporting a lot of gas, and that's pushing prices higher; good for producers, but bad news for consumers and industries that rely on cheap energy. In Europe, gas demand is holding up due to storage needs, but in places like China, demand is down.

Big oil companies are reacting to all of this in different ways. ExxonMobil is continuing to invest heavily in oil and gas projects, betting that fossil fuels will stay important for decades to come. On the other hand, companies like BP have recently cut back their spending on renewable energy, choosing instead to focus more on oil and gas again. That decision has sparked criticism from climate advocates but also reflects the financial pressure these companies are under.

Looking ahead to the second half of the year, the key things to watch will be:

- Conflict with Iran or disruptions near the Strait of Hormuz.
- Whether oil producers stick to their current plans or ramp up output.
- How demand holds up in major economies like China, the U.S., and Europe.
- And whether gas prices stay high or start to level off.

In short, the oil and gas industry is in a strange spot: supply is strong, prices are relatively stable, and profits are still coming in, but the whole system feels fragile. If something breaks, we could see big swings in prices and production. Until then, it's a waiting game.

## Our 2025 Energy Winners

### **Cheniere Energy (LNG) up 9.35% since December 31st:**

Cheniere Energy has performed relatively stable in the first half of this year, with a 9.35% increase since we called it back at the end of December. Considering recent market trends within the energy industry, LNG has performed exceptionally well.

### **Imperial Energy (IMO) up 21.59% since January 31st:**

Imperial Oil has seen a strong start to 2025, rising 21.59% since January 1st. This gain has been fueled by steady earnings growth, increased production from its oil sands operations, and positive investor sentiment around its buyback program and dividend hikes. The company's integrated model, spanning exploration to refining, has helped it weather fluctuations in oil

prices while maintaining solid margins. With continued investment in long-term energy projects and strong financials, Imperial remains a solid performer in the energy sector.

**Nano Nuclear Energy (NNE) is up 29.95% since February 28th:**

In my March report earlier this year, one compelling stock pick I made was Nano Nuclear Energy (NNE). What immediately caught my attention was the company's pioneering approach in the clean energy sector, specifically their focus on building safe, portable micro nuclear reactors. Their collaboration with aRobotics Company stood out to me as a smart move, because it signaled serious intent and capability in scaling their technology, especially with the construction of their new demonstration facility in Westchester County, New York. At that time, they had just completed a major capital raise of over \$130 million, giving them \$120 million in liquidity to aggressively pursue technological advancement and market rollout. Despite posting a modest \$3.11 million loss in Q4 of 2024, I saw that as typical of early-stage innovators reinvesting heavily into themselves rather than a red flag. Jumping to today, and my call has seen steady growth over the past few months, NNE has risen 29.95% since I identified it as a strong opportunity, outperforming many in its sector. Their cutting-edge innovation further solidify their long-term potential, from actively developing four new microreactor models (ZEUS, ODIN, LOKI MMRTM, and KRONOS MMRTM) to being a Diamond sponsor of the SMR Canada Summit 2025, where they're positioning themselves as a thought leader in North American nuclear innovation. With a growing demand for clean, scalable energy solutions and Nano's momentum in the microreactor space, I remain confident in its role as a strong long-term play in the renewable energy movement.

**Schlumberger (SLB) is up nearly 8% since April 30th:**

Since April 30th, Schlumberger has climbed about 8%, reflecting growing confidence in the company's performance and outlook. The rise comes as demand for oilfield services continues to improve, with steady growth in its Production Systems and Digital & Integration segments. The company has also maintained strong free cash flow and improved margins, helping to reinforce investor optimism. As global energy activity remains stable and Schlumberger continues to focus on capital discipline and innovation, its recent gains highlight its position as a reliable player in the energy services sector.

**Energy Transfer LP(ET) is up 3% since we called it in late may:**

Since May 31st, Energy Transfer LP has climbed roughly 3.8%, rising from around \$17.48 to about \$18.14 by June 30th. The company continues to offer a strong quarterly distribution of \$0.3275 per unit, keeping its yield near 7.2%. Q1 2025 earnings showed solid growth, with adjusted EBITDA hitting \$4.1 billion and net income reaching \$1.32 billion. Despite the modest price gain, the stock remains attractively valued, trading below fair value with a forward P/E around 12.4. Analysts remain cautiously optimistic, projecting steady earnings and further upside potential.

In the first 6 months of 2025 Baymar's Energy picks have averaged about a 14.5% return, with lots of room for growth, because of our conservative/innovative approach to investing in energy.

---

Paul Reilly

## SoFi Technologies (SOFI)

In December of 2024 we analyzed SoFi Technology and decided to pitch it in our December report that was released January 1<sup>st</sup>, 2025, since the first day of the market being open in January to now it has risen 16% despite taking major losses during the trade war led by President Donald Trump. In the past month the security has rebounded nearly 22% and is showing strong growth indicators. The stock currently trades at around \$18 and over the course of the last 6 months reached a low of \$9.44 and high of \$18.21. The stock touched around \$9.50 April 3<sup>rd</sup> and fell a total of 35.2% in the first few days of April. The sharp decline in stock price can be attributed to analysts' recommendations changing to a downgrade despite strong Q4 earnings where EPS rose 200% year over year and a 32.7% revenue increase YoY. The reason Wall Street analysts changed their recommendation on SoFi technology in April was due to an array of macroeconomic and geopolitical factors such as economic uncertainties around tariffs and trade war. Analysts considered these conditions and created the verdict that SoFi could potentially see lower demand for its products and services. Tariff conditions did improve after Trump's "liberation day", and as a result the stock is up roughly 50% since then and is about 5% above the price we pitched it at. Because of SoFi's strong financial structure displayed in earnings reports and notable ability to bounce back and after facing adverse factors that could have disrupted its business for months or even years, the BayMar team still recommends SoFi Technology and projects upside potential.

## Rio Tinto Group (RIO)

In January 2025 our analysts investigated Rio Tinto Group and after thorough examination we included it in our monthly report. For the first month after we pitched the position it performed steadily just as we suspected, considering Rio is a long-term hold for us. However, the position saw a sharp decline of roughly 20% in a matter of weeks due to discussion of high tariffs on exports in countries with key distribution sites. Since then, the stock has rebounded to around the price we pitched it at. Although this security has not seen significant gains since the time we picked it, we still consider Rio to be undervalued and a great buy. The losses it took around the start of April do not indicate internal flaws in the company as they were incurred by factors that take place on a macroeconomic scale

## Raytheon Technologies (RTX)

In April 2025 BayMar performed an extensive analysis on RTX, we found the company displayed strong financial standing, surging demand, and large upside potential. Less than two months ago we recommended RTX and since then it has generated returns of 12%. Raytheon



Technologies stock has seen positive returns month to month for the entirety of 2025 and is up 21.42% on the year. RTX has a \$218 billion backlog indicating strong demand and stable sales for years to come. To keep up with the high pace of demand the company established contracts with Northrop Grumman and Nammo as well as investments in manufacturing sites to increase its production levels. With being able to produce more through expanding operations RTX forecasts 4-6% growth in sales by the end of 2025. The business model and structure the company has exhibited sets themselves in a position to benefit from the 6.7% market growth the aerospace and defense industry sees annually. Raytheon has performed better than industry competitors such as Lockheed Martin Corporation (LMT) which is -6% six months into 2025, roughly 27% behind RTX's growth on the year so far.

[Thank You for reading and good luck.](#)

---

*These reports have been prepared by BayMar equity group ("BayMar equity group"). BayMar equity group is referred to collectively as "BayMar equity group" and each individually as a "BayMar equity group Entity." Each report specifies the publisher and owner of that report. All reports are for informational purposes only and presented "as is" with no warranty of any kind, expressed or implied. Under no circumstances should any of these reports or any information herein be construed as investment advice, or as an offer to sell or the solicitation of an offer to buy any securities or other financial instruments. BayMar equity group produces research reports on publicly traded securities and Cryptocurrencies. The reports are the property of the applicable BayMar equity group Entity that published that report. The opinions, information and reports set forth herein are solely attributable to the applicable BayMar equity group Entity and are not attributable to any BayMar equity group Related Person (defined below) (other than the BayMar equity group Entity that published the report).*

*By downloading, accessing, or viewing any research report, you agree to the following Terms of Use. You agree that use of the research presented in any report is at your own risk. You (or any person you are acting as agent for) agree to hold harmless BayMar equity group and each of their affiliates and related parties, including, but not limited to any principals, officers, directors, employees, members, clients, investors, consultants and agents (collectively, the "BayMar equity group Related Persons") for any direct or indirect losses (including trading losses) attributable to any information in a research report. You further agree to do your own research and due diligence before making any investment decision with respect to securities of the issuers covered herein (each, a "Covered Issuer") or any other financial instruments that reference the Covered Issuer or any securities issued by the Covered Issuer. You represent that you have sufficient investment sophistication to critically assess the information, analysis and opinion presented in any BayMar equity group report. You further agree that you will not communicate the contents of reports and other materials made available by BayMar equity group to any other person unless that person has agreed to be bound by these Terms of Use. If you access, download or receive the contents of BayMar equity group reports or other materials on your own behalf, you agree to and shall be bound by these Terms of Use. If you access, download or receive the contents of BayMar equity group reports or other materials as an agent for any other person, you are binding your principal to these same Terms of Use.*

*As of the publication date of a BayMar equity group report, BayMar equity group Related Persons (possibly along with or through its members, partners, affiliates, employees, and/or consultants), BayMar equity group Related Persons clients and/or investors and/or their clients and/or investors have a position (long or short) in one or more of the securities of a Covered Issuer (and/or options, swaps, and other derivatives related to one or more of these securities), and therefore may realize significant gains in the event that the prices of a Covered Issuer's securities decline or appreciate. BayMar equity group and/or the BayMar equity group Related Persons may continue to transact in Covered Issuers' securities for an indefinite period after an initial report on a Covered Issuer, and such position(s) may be long, short, or neutral at any time hereafter regardless of their initial position(s) and views as stated in the BayMar equity group research. BayMar equity group will not update any report or information to reflect changes in positions that may be held by a BayMar equity group Related Person.*

*The research and reports made available by BayMar equity group reflect and express the opinion of the applicable BayMar equity group Entity as of the time of the report only. Reports are based on generally available information, field research, inferences and deductions through the applicable BayMar equity group Entity's due diligence and analytical process. To the best of the applicable BayMar equity group Entity's ability and belief, all information contained herein is accurate and reliable, is not material non-public information, and has been obtained from public sources that the applicable BayMar equity group Entity believe to be accurate and reliable, and who are not insiders or connected persons of the Covered Issuers or who may otherwise owe a fiduciary duty, duty of confidentiality or any other duty to the Covered Issuer (directly or indirectly). However, such information is presented "as is," without warranty of any kind, whether express or implied. With respect to their respective research reports, BayMar equity group Research makes no representation, express or implied, as to the accuracy, timeliness, or completeness of any such information or regarding the results to be obtained from its use. Further, any research report contains a very large measure of analysis and opinion. All expressions of opinion are subject to change without notice, and BayMar equity group does not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them.*

*In no event shall BayMar equity group Research or any BayMar equity group Related Persons be liable for any claims, losses, costs or damages of any kind, including direct, indirect, punitive, exemplary, incidental, special or consequential damages, arising out of or in any way connected with any information presented in any BayMar equity group report. This limitation of liability applies regardless of any negligence or gross negligence of BayMar equity group Research or any BayMar equity group Related Persons. You accept all risks in relying on the information presented in any report.*

*You agree that the information in any BayMar equity group research report is copyrighted, and you therefore agree not to distribute this information in any manner without the express prior written consent of the applicable BayMar equity group Entity. If you have obtained BayMar equity group research reports in any manner other than as provided by BayMar equity group, you may not read such research without agreeing to these Terms of Use. You further agree that any dispute between you and BayMar equity group and their affiliates arising from or related to this report or viewing the material presented herein shall be governed by the laws of the State of Florida, without regard to any conflict of law provisions. The failure of BayMar equity group Research to exercise or enforce any right or provision of these Terms of Use shall not constitute a waiver of this right or provision. You agree that each BayMar equity group Related Person is a third-party beneficiary to these Terms of Use. If any provision of these Terms of Use is found by a court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give effect to the parties' intentions as reflected in the provision and rule that the other provisions of these Terms of Use remain in full force and effect, in particular as to this governing law and jurisdiction provision. You agree that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to BayMar equity group report or related material must be filed within one (1) year after*