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# TRIVARIATE RESEARCH

## DO TARIFFS AND PRICING MATTER?

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## RESEARCH SUMMARY AND INVESTMENT CONCLUSIONS

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**Background:** We looked at the earnings call transcripts of 2,488 companies for all mentions of both tariff and pricing-related words since March of 2025 using Natural Language Processing (NLP). 918 of the companies (37%) had at least one mention of both tariffs and pricing, with 4,819 total mentions at these companies. Stocks we tag as growth had a relatively smaller percentage of companies mention both issues (29%), vs. value companies (41%). Junk quality companies (48%) were far more likely to mention tariffs and pricing than high quality companies (31%), with more than five mentions per Junk company. Micro cap. companies appear less impacted than mid-or-large caps.

**Sector:** 65% of Materials companies mentioned both tariffs and pricing, the highest of any sector. Consumer Discretionary (58%), and Consumer Staples (52%) appear to also be heavily impacted. Communication Services (16%) and Financials (19%) have by far the fewest mentions on their earnings calls about these subjects.

**Content of NLP searches:** The subjects we assessed included the impact and plans to deal with tariffs. The words “uncertainty” and “indirect impacts” came up most frequently, at 584 total companies, including MSFT, WMT, JPM, BAC, and KO, among others. 527 companies used the words “minimum” or “no direct impact on pricing.” WMT is an example where NLP can appear contradictory, as it was on this list as well. 465 companies discussed supply chain diversification.

**Performance:** We analyzed the returns of each stock, equally-weighted, relative to its industry average, from the time it reported earnings through the end of May 2025, to see if commentary on any of these pricing and tariff-related issues corresponded to investable ideas. Companies discussing absorption, or uncertainty and indirect impacts on average underperformed those that discussed direct price-pass through or benefit due to tariffs by over 3%. Companies indicating they would “wait and see” performed better than those that mentioned “price increases” and “surcharges,” likely because the latter indicates stress on margins.

## INVESTMENT CONCLUSIONS

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We show the stocks, returns, and key quotes from each of 6 tariff / pricing categories.

On all these screens there are far MORE stocks than we show, and of course quotes / text for each of the hundreds of stocks we tracked, so if you are interested in more information, or smaller cap. names, please don't hesitate to reach out to discuss.

**Pricing-related subjects we investigated:**

- 1) Absorption: Slide 8
- 2) Uncertainty and Indirect Impacts: Slide 9
- 3) Price Increases and Surcharges: Slide 10
- 4) "Wait and See": Slide 11
- 5) Benefits Due to Tariffs: Slide 12
- 6) Exemptions, Trade Program Leverage, and Regulatory Channels: Slide 13

# WE ANALYZED 2488 STOCKS FOR TARIFFS AND PRICING COMMENTARY

We looked at the earnings call transcripts of 2,488 companies or all mentions of both tariffs and pricing-related words since March of 2025. 918 of the companies (37%) had at least one mention of both tariffs and pricing, with 4,819 total mentions at these companies. Growth companies had a relatively smaller percentage of companies mention both issues (29%), vs. value companies (41%). Junk quality companies (48%) were far more likely to mention tariffs and pricing than high quality companies (31%), with more than five mentions per Junk company. Micro cap. companies appear less impacted than mid-or-large caps.

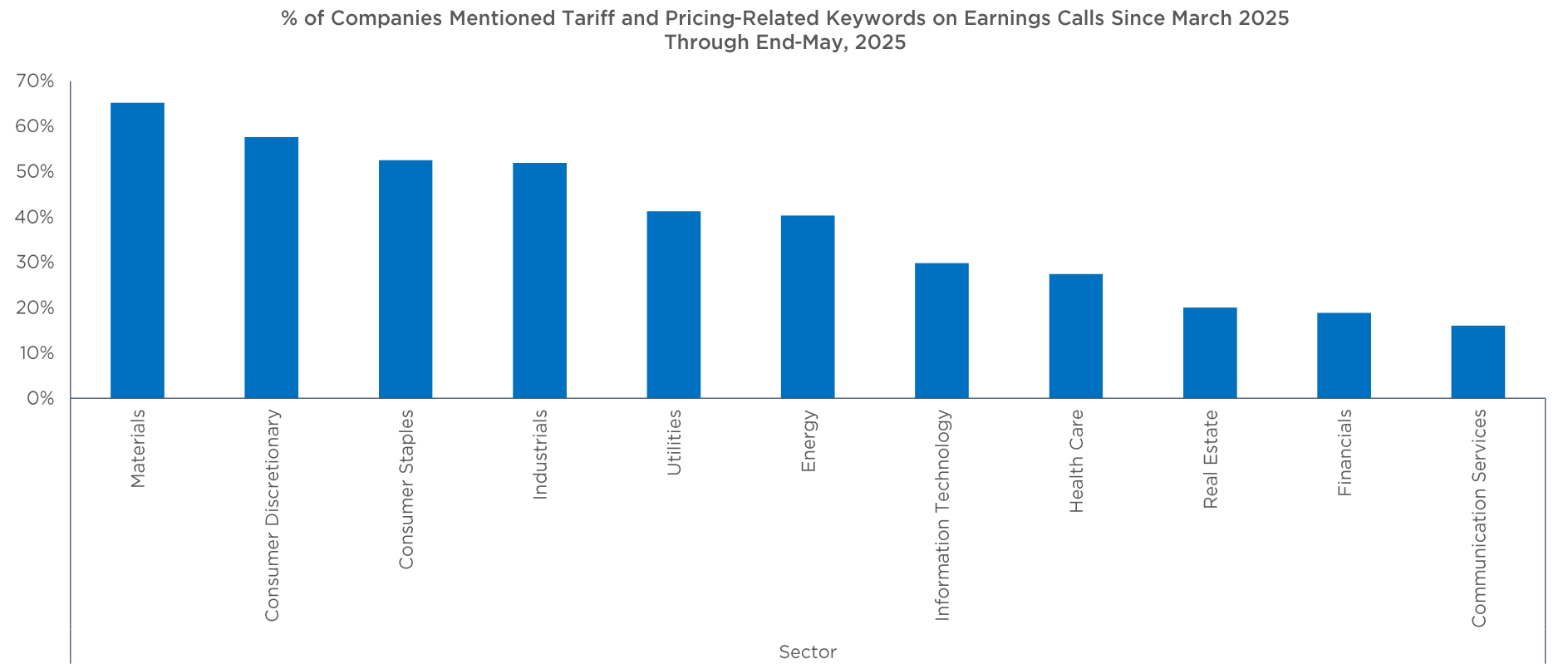
**T3000 Stocks that Mentioned Tariff and Pricing-Related Keywords on the Latest Earnings Call Since March 2025**  
As of End-May, 2025

Category	Cohort	Total Mentions	Companies Mentioned	Total Companies	% Companies Mentioned
Overall		4819	918	2488	37%
Market Cap. Bucket	Mega	82	18	48	38%
	Large	657	107	246	43%
	Mid	1432	239	562	43%
	Small	1838	364	955	38%
	Micro	810	190	677	28%
Style	Growth	1081	235	802	29%
	Neither	2051	347	772	45%
	Value	1652	322	794	41%
Substance	High Quality	812	166	542	31%
	Mid Quality	960	198	554	36%
	Low Quality	1306	228	570	40%
	Junk Quality	1671	304	638	48%

Source: Trivariate Research

# MATERIALS AND CONSUMER STOCKS ARE THE MOST IMPACTED

65% of Materials companies mentioned both tariffs and pricing, the highest of any sector. Consumer Discretionary (58%), and Consumer Staples (52%) appear to also be heavily impacted. Communication Services (16%) and Financials (19%) have by far the fewest mentions on their earnings calls about these subjects.



Source: Trivariate Research

## WE FOCUS ON THE IMPACT AND PLANS AROUND TARIFFS & PRICING

The subjects we assessed included the impact of and plans to deal with tariffs. The words “uncertainty and indirect impacts” came up the most, at 584 total companies, including MSFT, WMT, JPM, BAC, and KO, among others. 527 companies used the words “minimum or no direct impact on pricing.” As you can see below, WMT is an example where NLP can appear contradictory, as it appeared on this list as well. 465 companies discussed supply chain diversification.

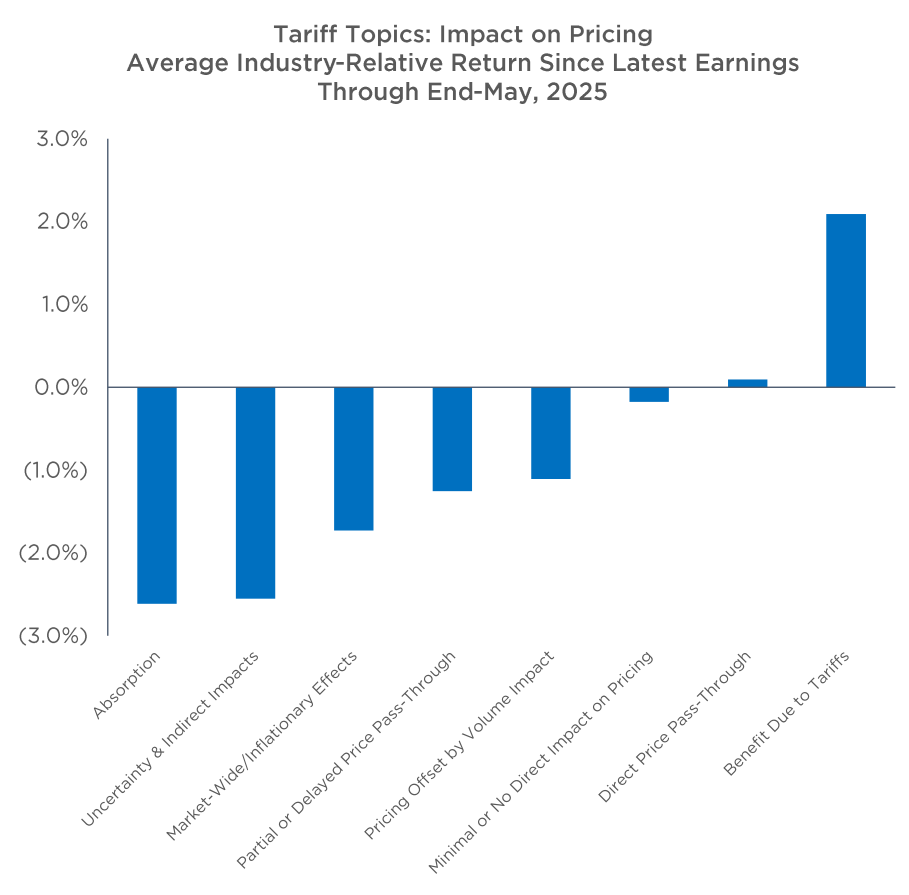
Topics Discussed by T3000 Stocks When They Mentioned Tarriff  
As of End-May, 2025

	Subtopic	Company Count	Top 5 Tickers
Impact	Uncertainty & Indirect Impacts	584	MSFT, WMT, JPM, BAC, KO
	Minimal or No Direct Impact on Pricing	527	WMT, LLY, JNJ, ABBV, KO
	Absorption	198	WMT, LLY, GE, ISRG, BA
	Partial or Delayed Price Pass-Through	182	AMZN, WMT, GE, BA, SYK
	Direct Price Pass-Through	154	WMT, VZ, DE, GEV, TT
	Market-Wide/Inflationary Effects	123	WMT, PGR, DE, CB, ADI
	Benefit Due to Tariffs	93	MMM, CSX, FCX, GLW, AME
	Pricing Offset by Volume Impact	69	CAT, TMO, DE, MMM, COF
Plan	Supply Chain Diversification	465	AAPL, WMT, JPM, LLY, JNJ
	Cost Controls and Productivity Initiatives	414	WMT, KO, GE, PGR, CAT
	Price Increases and Surcharges	339	WMT, GE, RTX, TMO, SYK
	Wait-and-See	221	AAPL, AMZN, WMT, JPM, JNJ
	Exemptions, Trade Program Leverage, and Regulatory Channels	205	GE, ISRG, RTX, PGR, BA
	Customer Communication, and Brand Strategies	68	VZ, BA, TJX, LOW, TT

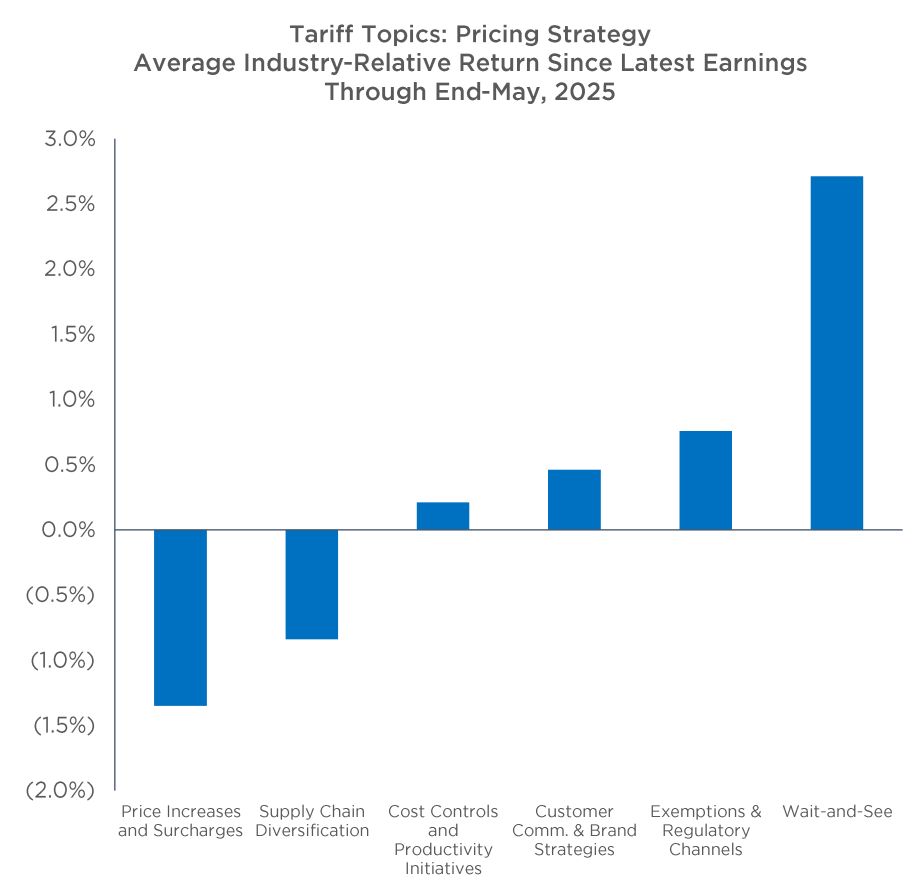
Source: Trivariate Research

# WAIT AND SEE IS BETTER THAN ABSORPTION OR SURCHARGES

We analyzed the returns of each stock, equally-weighted, relative to its industry average, from the time it reported earnings through the end of May 2025, to see if commentary on any of these pricing and tariff related issues corresponded to investable ideas. Companies discussing absorption, or uncertainty and indirect impacts on average underperformed those that discussed direct price-pass through or benefit due to tariffs (left) by over 3%. Companies saying they would “wait and see” performed far better than those that mentioned “price increases and surcharges,” likely because the latter indicates stress on margins (right).



Source: Trivariate Research



Source: Trivariate Research

# STOCKS MENTIONING ABSORPTION

On this and the next several pages we share details on what we searched for and some stock examples. For each of these screens there are MORE stocks than we show, so if you are interested in smaller cap. names, let us know.

**Definition:** The company absorbs tariff costs internally through supply chain shifts, cost reductions, or alternate sourcing, limiting or avoiding passing costs to customers.

**WMT:** “In some cases, we’ll absorb costs within a category or department and not simply pass on a tariff cost attributable to each item individually.”

**ANET:** “We’re looking to mitigate through absorption of tariffs and supply chain fungibility.”

## Largest 15 Companies Whose Executives Discussed Tariff and “Absorption” on the Latest Earnings Call As of End-May, 2025

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
WMT	Walmart Inc.	Consumer Staples	789.85	05/15/2025	20	3%
TJX	The TJX Companies, Inc.	Consumer Discretionary	141.57	05/21/2025	12	(4%)
DE	Deere & Company	Industrials	137.11	05/15/2025	26	2%
ANET	Arista Networks Inc	Information Technology	108.81	05/06/2025	5	(11%)
ROST	Ross Stores, Inc.	Consumer Discretionary	46.07	05/22/2025	3	(7%)
TGT	Target Corporation	Consumer Staples	42.71	05/21/2025	11	(0%)
ROK	Rockwell Automation, Inc.	Industrials	35.57	05/07/2025	25	1%
XYL	Xylem Inc.	Industrials	30.67	04/29/2025	10	(2%)
DOV	Dover Corporation	Industrials	24.37	04/24/2025	11	(4%)
MTD	Mettler-Toledo International Inc.	Health Care	24.01	05/02/2025	13	8%
WAT	Waters Corporation	Health Care	20.78	05/06/2025	8	(0%)
IFF	International Flavors & Fragrances Inc.	Materials	19.58	05/07/2025	4	(3%)
ZBH	Zimmer Biomet Holdings, Inc.	Health Care	18.24	05/05/2025	4	0%
DECK	Deckers Outdoor Corporation	Consumer Discretionary	15.77	05/22/2025	12	(15%)
RPM	RPM International Inc.	Materials	14.62	04/08/2025	14	(5%)

Source: Trivariate Research



# STOCKS MENTIONING UNCERTAINTY & INDIRECT IMPACTS

**Definition:** Tariffs create uncertainty, influencing demand, inventory, customer behavior, or macroeconomic indicators, rather than directly triggering immediate price changes.

**JPM:** “During this transitional period and this elevated uncertainty, you might see some distortions in the data that make it hard to draw larger conclusions.”

**CAT:** “However, the potential impact of tariffs has increased uncertainty and the situation remains fluid.”

**Largest 15 Companies Whose Executives Discussed Tariff and “Uncertainty & Indirect Impacts” on the Latest Earnings Call  
As of End-May, 2025**

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
JPM	JPMorgan Chase & Co.	Financials	733.68	04/11/2025	2	0%
CAT	Caterpillar Inc.	Industrials	163.68	04/30/2025	30	3%
BA	The Boeing Company	Industrials	156.32	04/23/2025	6	6%
HON	Honeywell International Inc.	Industrials	145.68	04/29/2025	5	2%
DE	Deere & Company	Industrials	137.11	05/15/2025	26	2%
CB	Chubb Limited	Financials	118.95	04/23/2025	4	1%
UPS	United Parcel Service, Inc.	Industrials	82.60	04/29/2025	4	(5%)
ORLY	O'Reilly Automotive, Inc.	Consumer Discretionary	77.93	04/24/2025	7	(12%)
COF	Capital One Financial Corporation	Financials	72.47	04/22/2025	4	(1%)
CSX	CSX Corporation	Industrials	59.34	04/16/2025	6	2%
SPG	Simon Property Group, Inc.	Real Estate	53.23	05/12/2025	2	(3%)
GWV	W.W. Grainger, Inc.	Industrials	52.25	05/01/2025	23	(4%)
PCAR	PACCAR Inc	Industrials	49.27	04/29/2025	9	(6%)
GM	General Motors Company	Consumer Discretionary	47.70	05/05/2025	12	(22%)
SLB	Schlumberger Limited	Energy	44.95	04/25/2025	8	(8%)

Source: Trivariate Research

# STOCKS MENTIONING PRICE INCREASES AND SURCHARGES

**Definition:** Companies directly increase product prices or add surcharges to offset the increased costs from tariffs, often aiming for dollar-for-dollar recovery or margin neutrality.

GE: “From there, we expect to primarily mitigate this remaining \$500 million through SG&A cost controls and price increases.”

RTX: “We’ve had experience over the last few years in how to pass along higher costs through pricing to our customers where reasonable.”

**Largest 15 Companies Whose Executives Discussed Tariff and “Price Increases and Surcharges” on the Latest Earnings Call  
As of End-May, 2025**

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
GE	General Electric Company	Industrials	262.24	04/25/2025	13	11%
RTX	RTX Corporation	Industrials	182.33	04/22/2025	7	2%
SYK	Stryker Corporation	Health Care	146.23	05/01/2025	9	2%
ANET	Arista Networks Inc	Information Technology	108.81	05/06/2025	5	(11%)
TT	Trane Technologies plc	Industrials	95.96	04/30/2025	26	12%
MMM	3M Company	Industrials	79.84	04/22/2025	11	(2%)
ECL	Ecolab Inc.	Materials	75.31	04/29/2025	8	1%
ITW	Illinois Tool Works Inc.	Industrials	71.90	04/30/2025	19	(8%)
EMR	Emerson Electric Co.	Industrials	67.15	05/07/2025	6	(3%)
GW	W.W. Grainger, Inc.	Industrials	52.25	05/01/2025	23	(4%)
TEL	TE Connectivity plc	Information Technology	47.47	04/23/2025	10	(2%)
FAST	Fastenal Company	Industrials	47.43	04/11/2025	10	(8%)
KDP	Keurig Dr Pepper Inc.	Consumer Staples	45.73	04/24/2025	31	(2%)
TGT	Target Corporation	Consumer Staples	42.71	05/21/2025	11	(0%)
AME	AMETEK, Inc.	Industrials	41.27	05/01/2025	5	(10%)

Source: Trivariate Research

## STOCKS MENTIONING WAIT-AND-SEE

**Definition:** Companies monitor policy developments, conduct scenario modeling, or adopt a cautious or flexible stance on pricing and supply chain actions, waiting for greater clarity on tariff rules or market impacts before making changes.

**KO:** “Obviously, we’re not immune to global trade dynamics and we’re talking now, knowing what we know today, and we’re mindful the environment can change around us.”

**CAT:** “Obviously, at this stage, as Joe indicated, we’re not taking action until we actually get more clarity obviously.”

**Largest 15 Companies Whose Executives Discussed Tariff and “Wait-and-See” on the Latest Earnings Call  
As of End-May, 2025**

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
KO	The Coca-Cola Company	Consumer Staples	310.34	04/29/2025	8	1%
CAT	Caterpillar Inc.	Industrials	163.68	04/30/2025	30	3%
BA	The Boeing Company	Industrials	156.32	04/23/2025	6	6%
TT	Trane Technologies plc	Industrials	95.96	04/30/2025	26	12%
UPS	United Parcel Service, Inc.	Industrials	82.60	04/29/2025	4	(5%)
DOV	Dover Corporation	Industrials	24.37	04/24/2025	11	(4%)
GPC	Genuine Parts Company	Consumer Discretionary	17.56	04/22/2025	7	5%
FSLR	First Solar, Inc.	Information Technology	16.95	04/29/2025	6	(5%)
CNH	CNH Industrial N.V.	Industrials	15.63	05/01/2025	26	(6%)
PCOR	Procore Technologies, Inc.	Information Technology	10.02	05/01/2025	4	(5%)
HSIC	Henry Schein, Inc.	Health Care	8.52	05/05/2025	8	2%
ESAB	ESAB Corporation	Industrials	7.46	05/02/2025	8	(5%)
ELF	e.l.f. Beauty, Inc.	Consumer Staples	6.34	05/28/2025	16	23%
BOOT	Boot Barn Holdings, Inc.	Consumer Discretionary	4.90	05/14/2025	23	18%
SEE	Sealed Air Corporation	Materials	4.74	05/06/2025	9	6%

Source: Trivariate Research

# STOCKS MENTIONING BENEFIT DUE TO TARIFFS

**Definition:** The company, sector, or supply chain benefits from the imposition of tariffs (e.g., protection from imports, higher domestic prices, stronger demand for local products).

**CSX:** “There are certain products that we compete against that come in from other regions around the world, and perhaps there’s an offensive opportunity take some share here.”

**RRX:** “But also likely upside from higher price and strategic share gain opportunities.”

Companies Whose Executives Discussed Tariff and “Benefit Due to Tariffs” on the Latest Earnings Call  
As of End-May, 2025

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
CSX	CSX Corporation	Industrials	59.34	04/16/2025	6	2%
RRX	Regal Rexnord Corporation	Industrials	8.85	05/06/2025	9	(9%)
ADC	Agree Realty Corporation	Real Estate	8.27	04/23/2025	5	(3%)
FBIN	Fortune Brands Innovations, Inc.	Industrials	6.06	05/07/2025	19	1%
WHR	Whirlpool Corporation	Consumer Discretionary	4.34	04/24/2025	31	3%
NWL	Newell Brands Inc.	Consumer Discretionary	2.21	04/30/2025	17	7%
HBI	Hanesbrands Inc.	Consumer Discretionary	1.75	05/08/2025	11	(9%)
LEG	Leggett & Platt, Incorporated	Consumer Discretionary	1.22	04/29/2025	4	(8%)
TWI	Titan International, Inc.	Industrials	0.46	05/01/2025	5	7%
EAF	GrafTech International Ltd.	Industrials	0.26	04/25/2025	18	30%

Source: Trivariate Research

# STOCKS MENTIONING EXEMPTIONS AND REGULATORY CHANNELS

**Definition:** Companies seek, utilize, or maintain exemptions (USMCA, duty drawback, free trade zones) and engage with legislative or regulatory bodies to optimize tariff outcomes and minimize exposures through policy means.

GE: “We’re leveraging available programs the administration is providing businesses, such as duty drawbacks along with other strategies to optimize our operations like expanding foreign trade zones.”

RTX: “Importantly, nearly 95% of Adient’s parts produced in Mexico and Canada and shipped to the U.S. are USMCA-compliant.”

**Largest 15 Companies Whose Executives Discussed Tariff and “Exemptions, Trade Program Lever” on the Latest Earnings Call  
As of End-May, 2025**

Ticker	Company	Sector	Market Cap. (US\$ Bil.)	Latest Earnings Date as of May 29 <sup>th</sup>	Pricing Keyword Mentions	Industry-relative Return Since Earnings
GE	General Electric Company	Industrials	262.24	04/25/2025	13	11%
RTX	RTX Corporation	Industrials	182.33	04/22/2025	7	2%
BA	The Boeing Company	Industrials	156.32	04/23/2025	6	6%
KLAC	KLA Corporation	Information Technology	100.09	04/30/2025	2	(5%)
MMM	3M Company	Industrials	79.84	04/22/2025	11	(2%)
SRE	Sempra	Utilities	51.25	05/08/2025	2	4%
BKR	Baker Hughes Company	Energy	36.71	04/23/2025	10	(3%)
BAX	Baxter International Inc.	Health Care	15.65	05/01/2025	6	(3%)
SOLV	Solventum Corporation	Health Care	12.65	05/11/2025	3	1%
SWK	Stanley Black & Decker, Inc.	Industrials	10.12	04/30/2025	26	(2%)
FLS	Flowserve Corporation	Industrials	6.52	04/30/2025	27	0%
MOG.A	Moog Inc.	Industrials	5.84	04/25/2025	5	(5%)
TFX	Teleflex Incorporated	Health Care	5.40	05/01/2025	4	(5%)
ITRI	Itron, Inc.	Information Technology	5.27	05/01/2025	2	(5%)
FMC	FMC Corporation	Materials	5.07	05/01/2025	17	(3%)

Source: Trivariate Research

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