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Strong demand and spending trends across Carnival's overall portfolio helped offset the disruption, CEO Josh Weinstein said.

Carnival Issues Soft Outlook As Iran War Hits Bookings

The cruise line says recent trends were disrupted the most across Europe

By Connor Hart

Carnival said extreme geopolitical volatility has disrupted bookings, and the company issued a soft outlook for the current quarter as higher fuel costs continue to weigh on profit.

The cruise line said on Tuesday that booking trends during the recent quarter were most disrupted across Europe, particularly in the Mediterranean region.

Chief Executive Josh Weinstein said strong demand and spending trends across Carnival's overall portfolio helped to offset the disruption.

Revenue climbed 5.3% to $6.66 billion in the recent period but came in below Wall Street models for $6.69 billion. At the same time, profit slipped as Carnival's cost-cutting efforts were unable to fully offset higher fuel costs.

Shares fell 4.9%, to $28.72 each, on Tuesday, extending their decline so far this year to about 6%.

Looking ahead, Carnival guided for slightly lower fuel costs in the remainder of 2026, as oil prices have fallen recently. The company said it now expects to pay $2.12 billion for fuel this year, down from a prior forecast of $2.15 billion.

Lower fuel prices, coupled with cost-cutting efforts, gave Carnival confidence to lift its full-year adjusted earnings outlook by a penny, to $2.22 a share. Analysts polled by FactSet expected adjusted earnings of $2.23 a share.

For the current quarter, Carnival guided for adjusted earnings of $1.35 a share, missing analyst views for $1.42 a share.

The company reported a profit of $537 million, or 39 cents a share, in its fiscal second quarter, compared with $565 million, or 42 cents a share, a year earlier. Stripping out one-time items, adjusted earnings were 41 cents a share, ahead of projections for 34 cents a share.

Weinstein said he remains optimistic on Carnival's outlook, as the company is 93% booked for the remainder of 2026 and on track for record net yields in the back half of the year.

"Looking further out, demand for 2027 and beyond remains strong," he added.

Tesla Logs Increase In European Sales

By Mauro Orru

Tesla logged a more than twofold jump in European monthly sales in May as Elon Musk's electric-vehicle maker continues to rebuild strength in a region where Chinese rivals are gaining ground.

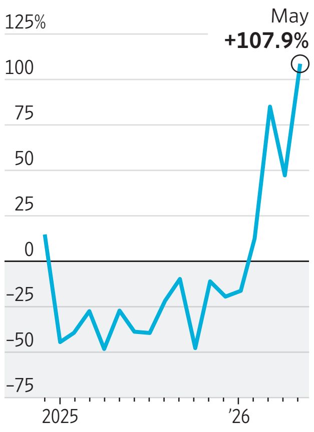
New-car registrations for Tesla models, a reflection of sales, more than doubled on year last month to 28,610 units across the European Union, the U.K., Iceland, Liechtenstein, Norway and Switzerland, according to the European Automobile Manufacturers' Association, an industry body also known as ACEA. In the EU alone, Tesla sold 21,767 vehicles, also more than double from a year earlier.

May marks the fourth consecutive month of growth for Tesla's sales on the continent, a sign that drivers are embracing its lineup of electric vehicles after more than a year in which Chinese rivals were making big gains and Tesla was in decline. February was the first month of higher new-car registrations for the company since December 2024, according to ACEA data.

Aside from Chinese competition and difficulties in convincing drivers to switch to electric, Tesla had also been grappling with customer backlash due to Musk's involvement with the Trump administration while he oversaw the Department of Government Efficiency.

The latest ACEA figures show that the group is steadily regaining momentum in Europe, though competition from Chinese rivals isn't going away: **BYD** registrations more than doubled last month to 32,380 units, according to ACEA data, while Leapmotor logged a nearly sixfold increase to 9,945 vehicles.

Tesla monthly sales in Europe, change from year prior



Source: European Automobile Manufacturers' Association

Tesla's rebound comes as the company seeks approval for its full self-driving technology in the EU. In April, the Netherlands became the first country in the bloc to greenlight the system that helps drivers change lanes and navigate around other vehicles and objects. FSD doesn't make vehicles fully autonomous and is meant to be used only with a fully attentive driver, according to Tesla's website.

Since then, Lithuania, Estonia, Denmark, and Belgium have recognized the Dutch approval, allowing Tesla to roll out FSD in those countries while EU authorities review an application from the Netherlands Vehicle Authority to make FSD available across the bloc.

> Tesla is seeking approval for its full self-driving technology in the EU.

The market for battery-electric vehicles in Europe grew 39% last month. Registrations of hybrid-electric cars gained 8.2%, while plug-in-hybrid models were up more than 13%.

ACEA said monthly passenger-car registrations increased 3.6% in Europe as a whole and 3.2% in the EU.

Sanofi's Multiple Sclerosis Drug Gets EU Approval

By Adrià Calatayud

Sanofi said it received approval in the European Union for a new medicine for multiple sclerosis, months after it was turned down by U.S. drug regulators.

The EU approval comes as Sanofi's new Chief Executive Belen Garijo is seeking to turn around the French drugmaker's research engine, in a bid to accelerate the development of its medicine pipeline.

Sanofi said Tuesday that the drug, Cenrifki, was approved by the European Commission—the bloc's executive arm—for the treatment of secondary progressive MS—a stage of the disease at which patients' disability steadily worsens—without relapses in the previous two years.

The company said it would make Cenrifki—which was known as tolebrutinib during its development phase—commercially available in Germany this year.

Shares of Sanofi rose 1.4% in European trading.

The EU authorization came after the European Medicines Agency earlier this year issued a favorable opinion, in contrast with the U.S. Food and Drug Administration's decision to decline Sanofi's application. The FDA said at the time a favorable benefit-risk profile couldn't be established.

Tolebrutinib is a so-called BTK inhibitor that blocks a protein involved in the immune system to address the underlying process by which MS disability accumulates. Sanofi's Swiss rivals **Roche** and **Novartis** are developing their drugs in the same class for MS.

Sanofi acquired full control over the drug as part of its $3.7 billion deal for Principia Biopharma in 2020.

The company booked a €1.66 billion, or $1.90 billion, write-down on tolebrutinib alongside its 2025 results, citing a reduced probability of approval in light of negative results in a late-stage clinical trial for a different type of MS and its interactions with U.S. and EU drug regulators.

Sanofi said the EU approval was based on results of a late-stage clinical study, with supporting data from two additional trials for the drug in relapsing multiple sclerosis, the most common form of the disease.

BUSINESS WATCH

HEINEKEN

Brewer Taps Peet's For Its Next CEO

Heineken named Rafael Oliveira as its next chief executive officer, ending a period of uncertainty at the top of the world's second-largest brewer with the appointment of the head of Peet's Coffee owner JDE Peet's.

Oliveira is set to take the reins at Heineken from Oct. 1 for a period of four years, the company said. The appointment brings to a close months of speculation after Heineken said at the start of the year that the company veteran Dolf Van den Brink would be stepping down after six years at the helm of the Amsterdam-listed brewer.

Van den Brink's departure from a decadeslong spell at the company came after a period of sliding sales and a hit to the share price. Shares rose 2.2% Tuesday in European trading following the news of the appointment.

Oliveira joins the company after a couple of years as CEO of coffee maker JDE Peet's, which was bought by beverage group Keurig Dr Pepper for $18 billion.

—Joshua Kirby

FEDEX

Higher Costs Hit Earnings

FedEx logged higher revenue in its latest quarter on higher shipping rates and volumes. However, the shipping company's profit ticked down, hurt by costs related to the company's freight spinoff, business optimization and shift to reporting on a calendar-year basis.

The stock fell 6.2% in after-hours trading on Tuesday. At market close, shares were up 36% year to date.

The results come after FedEx spun off its freight division into a separate, publicly traded company on June 1. The breakup is aimed at sharpening FedEx's focus on its core parcel and logistics network.

Chief Executive Raj Subramaniam said FedEx's growth strategy is working, and, with the freight spinoff, the company is positioned to further optimize its network and lower costs.

FedEx's fiscal fourth-quarter profit came in at $1.6 billion, or $6.60 a share, compared with $1.65 billion, or $6.88 a share, a year earlier.

—Kelly Cloonan

CEREBRAS SYSTEMS

Margins Expected To Stay Negative

Cerebras Systems narrowed its loss and reported revenue nearly doubling in its first earnings release as a public company but said it expects its margins to remain negative through the end of the year.

Its shares fell 11% to $202.07 in after-hours trading Tuesday.

The company raised about $5.6 billion in its May initial public offering, fueled by enthusiasm about its flagship Wafer-Scale Engine chip, which is purpose-built for artificial-intelligence models.

The company said it expects to keep operating at a loss, highlighting the heavy costs of the AI build-out. It projected full-year core operating margins, which exclude certain items, of between negative 28% and negative 32%. The release came amid a selloff in the tech sector, as investors worry about AI costs and possible Federal Reserve rate increases.

The company reported a first-quarter loss of $14 million, or 22 cents a share.

—Elias Schisgall