



Weekly market overview

Week ahead

- Large consumer & retail and technology sector companies are scheduled to publish their earnings this week.
- The ECB will release Monetary Policy Statement on Thursday and the EU will publish its GDP report on Friday. Meanwhile, the US will announce its Services PMI on Wednesday and release its GDP data on Friday.

*For exact dates please check page 6 of the document

Commentary

Most US stock indexes fell for a second straight week, though the Dow gained 0.95%. Growth stocks, especially tech giants, underperformed, with the Nasdaq seeing its worst weekly drop since September. NVIDIA fell 8.5% after its earnings report, raising concerns about AI-driven market momentum. Trade worries also weighed on stocks as Donald Trump reiterated plans for new tariffs by March 4. Inflation remains a challenge, with core PCE prices rising 2.6% y/y in January above the Fed's 2% target. Consumer confidence dropped sharply, with expectations for the economy hitting recession-warning levels. GDP grew 2.3% in Q4, unchanged from prior estimates, but jobless claims rose to their highest since October. Treasury yields fell on weak economic data, lifting bond prices. Municipal bonds also gained but lagged behind Treasuries.

European stocks rose, with the STOXX Europe 600 up 0.6%, marking its longest winning streak since 2012. Strong earnings and defense stocks offset trade concerns. Germany's DAX gained 1.2%, Italy's FTSE MIB rose 0.6%, while France's CAC 40 fell 0.5%. The UK's FTSE 100 led with a 1.7% increase. Inflation data was mixed - Germany's held at 2.8%, while France's dropped to 0.9%. GDP data confirmed contractions in Germany (-0.2%) and France (-0.1%). The ECB remained cautious on rate cuts despite confidence in inflation nearing 2%. In the UK, house prices rose 0.4% in January as buyers rushed to close deals before a tax hike. Lower borrowing costs also boosted demand.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	5,955	-1.0	-1.9	1.2
Nasdaq 100	20,884	-3.4	-2.7	-0.6
Dow Jones 30	43,841	1.0	-2.3	3.0
Russell 2000	2,163	-1.5	-5.5	-3.0
Global				
S&P Europe	2,269	0.7	5.0	10.0
S&P China	2,682	-3.0	7.0	5.5
S&P Japan	2,506	-2.1	-2.9	-3.2
S&P Global	4,175	-1.2	-0.6	2.8
FIXED INCOME	Yield, %	1-week ago	1-month ago	31-Dec-2024
United States				
2y US Treasury	4.00	4.19	4.21	4.24
10y US Treasury	4.23	4.42	4.55	4.57
US IG Credit	5.08	5.20	5.27	5.31
US HY Credit	7.25	7.32	7.30	7.50
Europe				
2y German Bund	2.02	2.10	2.27	2.09
10y German Bund	2.39	2.46	2.56	2.36
Europe HY Credit	5.02	4.94	5.27	5.20

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S&P 500 sector highlights












Analysts expect Communications and Financial sectors to outperform market in the following twelve months. Meanwhile, Consumer Discretionary is expected to underperform the broader market.

In Communications, Omnicom Group Inc. (OMC), Alphabet Inc. (GOOGL) and The Interpublic Group of Companies, Inc. (IPG) are expected to deliver the best results. In Financials, PayPal Holdings, Inc. (PYPL), Synchrony Financial (SYF) and Global Payments Inc. (GPN) are considered potential outperformers.

In Consumer Discretionary, the worst performance is expected from Starbucks Corporation (SBUX), Garmin (GRMN), and Yum! Brands, Inc. (YUM).

*For detailed information on sectors please check page 7 of this document

S&P 500 sector review: last week performance

Sector	ETF Ticker	Price, \$	W/W, %	YTD, %	52-week low, \$	52-week high, \$	12 months outlook
S&P 500	SPY	594.2	-1.0 	1.4	493.9	613.2	Positive
Financials	XLFX	52.2	 2.8	8.0	39.5	52.3	Positive
Real Estate	XLRE	43.2	 2.2	6.1	35.6	45.6	Neutral
Health Care	XLV	148.9	 1.7	8.3	135.9	159.6	Neutral
Industrials	XLI	136.3	 1.1	3.5	119.2	144.5	Neutral
Staples	XLP	83.1	 1.1	5.7	72.9	84.5	Neutral
Materials	XLB	88.8	 0.8	5.5	83.0	97.9	Neutral
Energy	XLE	91.0	0.1	6.2	82.8	99.0	Neutral
Communications	XLC	102.0	-1.0 	5.4	76.5	105.6	Positive
Discretionary	XLY	216.0	-1.1 	-3.7	166.5	240.3	Negative
Utilities	XLU	79.2	-1.3 	4.7	61.0	83.4	Neutral
Technology	XLK	225.5	-4.0 	-3.0	190.7	243.1	Neutral

Source: Galt & Taggart Research, Bloomberg, Tipranks, Charles Schwab
 *Percentage price changes given in parentheses indicate w/w changes

Global equities

Last week's strongest performers in S&P 500

#	Ticker	Name	Price, \$	W/W, %	M/M, %	YTD, %	52-week low, \$	52-week high, \$	12M price target, \$*	12M upside potential, %
1	FICO	Fair Isaac Corp.	1886.4	11.1	1.9	-5.3	1,105.7	2,402.5	2,038.2	8.1
2	WST	West Pharmaceutical	232.3	10.2	-32.3	-29.1	197.0	400.9	283.5	22.0
3	AES	The AES Corp.	11.6	9.4	5.3	-9.9	9.9	22.2	15.7	35.3
4	CINF	Cincinnati Financial Corp.	147.8	9.4	6.0	2.9	109.9	161.7	157.0	6.2
5	SOLV	Solventum Corp.	79.8	9.2	6.5	20.7	47.2	96.1	76.5	-4.1

Last week's weakest performers in S&P 500

#	Ticker	Name	Price, \$	W/W, %	M/M, %	YTD, %	52-week low, \$	52-week high, \$	12M price target, \$*	12M upside potential, %*
1	WDC	Western Digital Corporation	48.9	-28.8	-22.2	-17.9	48.0	81.6	78.7	60.8
2	SMCI	Super Micro Computer, Inc.	41.5	-26.1	47.1	36.0	17.3	122.9	50.7	22.4
3	TFX	Teleflex Incorporated	132.8	-24.4	-26.7	-25.4	130.6	249.9	186.1	40.2
4	NTAP	NetApp, Inc.	99.8	-19.8	-16.5	-14.0	86.4	135.4	128.1	28.4
5	VTRS	Viatis Inc.	9.2	-18.0	-17.6	-25.9	8.8	13.6	12.5	35.6

Last week's 10 most traded stocks globally

#	Ticker	Name	Price, \$	W/W, %	M/M, %	YTD, %	52-week low, \$	52-week high, \$	12M price target, \$*	12M upside potential, %
1	NVDA	NVIDIA Corporation	124.9	-7.1	-3.2	-7.0	75.6	153.1	173.5	38.9
2	F	Ford Motor Company	9.6	2.9	-5.3	-3.5	9.1	14.9	10.8	13.4
3	INTC	Intel Corporation	23.7	-4.6	19.8	18.4	18.5	46.6	22.8	-4.1
4	TSLA	Tesla, Inc.	293.0	-13.3	-26.4	-27.5	138.8	488.5	345.6	17.9
5	SMCI	Super Micro Computer, Inc.	41.5	-26.1	47.1	36.0	17.3	122.9	50.7	22.4
6	PFE	Pfizer Inc.	26.4	0.5	-1.2	-0.4	24.5	31.5	31.1	17.6
7	AAPL	Apple Inc.	241.8	-1.5	1.5	-3.4	164.1	260.1	252.9	4.6
8	BAC	Bank of America Corporation	46.1	2.9	-1.6	4.9	34.0	48.1	52.6	14.2
9	AMZN	Amazon.com, Inc.	212.3	-2.0	-10.9	-3.2	151.6	242.5	266.5	25.5
10	GOOGL	Alphabet Inc.	170.3	-5.2	-12.8	-10.0	130.7	207.1	217.9	28.0

*Price targets represent the average price forecasts made during past three months by the highest ranked analysts (primarily from Wall Street). A positive 12 month return target implies an overall "Buy" recommendation by analysts

*Upside potentials for stocks with negative short-term performance may be biased. This is because analysts may take time to reflect in their forecasts any unfavorable information regarding the stock.

Source: Bloomberg, Tipranks

Georgian corporate bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
USD								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-	n/a	n/a
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-	100.00	7.00%
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-	99.99	9.00%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-	99.99	9.00%
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/BB-	99.77	8.75%
Energy Development Georgia	USD	10	8.50%	Jun-23	Jun-25	-/-/-	n/a	n/a
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/	101.08	8.13%
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-	100.91	8.63%
Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-	n/a	n/a
Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-	n/a	n/a
MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-	n/a	n/a
Geosteel	USD	5	8.50%	Dec-23	Dec-25	-/-/-	99.63	8.75%
IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-	99.61	8.75%
Tegeta Motors	USD	5	8.50%	Jun-24	Jun-26	-/-/BB-	n/a	8.63%
Tegeta Motors	USD	3.3	8.50%	Jun-24	Jun-26	-/-/BB-	n/a	8.63%
IG Development	USD	19.5	8.50%	Jul-24	Jul-26	-/-/-	n/a	8.63%
Tegeta Motors	USD	5	8.50%	Jul-24	Jul-26	-/-/BB-	n/a	n/a
MP Development	USD	5	8.75%	Jul-24	Jul-26	-/-/-	n/a	8.75%
JSC BasisBank	USD	20	7.00%	Aug-24	Aug-27	-/-/-	n/a	7.00%
Georgia Real Estate	USD	25	8.50%	Aug-24	Aug-26	-/-/-	n/a	8.50%
Chavchavadze 64B	USD	10	8.75%	Aug-24	Aug-26	-/-/-	n/a	8.75%
Tegeta Motors	USD	5	8.25%	Dec-24	Dec-26	-/-/BB-	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
 Source: Bloomberg, Galt & Taggart

Georgian corporate bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/S cope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-	99.60	6.15%
Tegeta Motors	EUR	10	6.75%	May-24	May-26	-/-/BB-	n/a	n/a
MP Development	EUR	3	7.75%	Jul-24	Jul-26	-/-/-	n/a	7.75%
Silk Real Estate	EUR	7	7.00%	Aug-24	Aug-25	-/-/-	n/a	7.00%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/-	n/a	7.75%
GEL								
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/BB-	100.00	11.58%
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/BB-	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/B+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB/-/-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB/-/-	n/a	n/a
Tegeta Motors	GEL	20	TIBR6M + 3.50%	Jun-23	Dec-25	-/-/BB-	n/a	n/a
Tegeta Motors	GEL	20	14.5%	Dec-23	Dec-25	-/-/BB-	n/a	n/a
Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-26	-/-/BB-	100.00	12.33%
Tegeta Motors	GEL	10	13.50%	Jul-24	Jul-26	-/-/BB-	n/a	n/a
Tegeta Motors	GEL	15	13.50%	Aug-24	Aug-26	-/-/BB-	100.00	13.50%
Nikora Trade	GEL	60	TIBR3M + 3.25%	Oct-24	Oct-29	-/-/BB-	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.25%	Dec-24	Dec-26	-/-/B+	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
 Source: Bloomberg, Galt & Taggart



Week ahead calendar

Macroeconomic releases

Company earnings

	Time (GMT +4)	Country	Event	Company	Ticker	Time
Monday 3 March	05:45	CN	Caixin Manufacturing PMI, Feb	Bunzl	BZLFY	Premarket
	14:00	EU	Harmonized Index of Consumer Prices, Feb	Okta	OKTA	After Market
	19:00	US	ISM Manufacturing PMI	Gitlab	GTLB	After Market
				AST SpaceMobile	ASTS	After Market
Tuesday 4 March	14:00	EU	Unemployment Rate, Dec	Sea	SE	Premarket
				AutoZone	AZO	Premarket
				Ross Stores	ROST	After Market
				Flutter Entertainment	FLTR	After Market
Wednesday 5 March	05:45	CN	Caixin Services PMI, Feb	Adidas	ADDYY	Premarket
	17:15	US	ADP Employment Change, Feb	Marvell	MRVL	After Market
	19:00	US	ISM Services PMI, Feb	Veeva Systems	VEEV	After Market
				JD	JD	N/A
Thursday 6 March	14:00	EU	Retail Sales, Jan	DHL Group	DHLGY	Premarket
	17:15	EU	ECB Monetary Policy Statement	Broadcom	AVGO	After Market
	17:45	EU	ECB Press Conference	Costco	COST	After Market
				Kroger Company	KR	N/A
Friday 7 March	14:00	EU	Gross Domestic Product, Q4	Flughafen Zurich	FLZY	Premarket
	17:30	US	Nonfarm Payrolls, Feb	RLX Technology	RLX	N/A

1. Central bank interest rates have significant impact on equity valuations. Higher rates result in lower discounted values of future earnings, which naturally bring down the stock prices.
2. Inflation is currently a very closely watched macroeconomic statistic, as central banks respond to high inflation by raising interest rates. Generally, developed economies target a 2% annual inflation rate, which is less than current inflation levels in both the US and Eurozone.

Descriptions of key sectors

Communications	Includes companies that produce communication technologies and services. Major industries are internet content & information, telecom services, entertainment, electronic gaming & multimedia, advertising agencies, broadcasting, and publishing. Examples of leading companies in this sector are Alphabet, Meta Platforms, Netflix, T-Mobile, and Walt Disney.
Technology	Includes companies that produce technological goods or services. Major industries are software, semiconductors, consumer electronics, IT services, computer hardware, electronic components, and scientific & technical instruments. Examples of leading companies in this sector are Apple, Microsoft, NVIDIA, Cisco, and IBM.
Discretionary	Includes companies that produce non-essential or luxury goods and services (aka Consumer Discretionary or Consumer Cyclical). Major industries are general and internet retail, auto manufacturing & dealership, apparel, restaurants, travel services & resorts, and gambling. Examples of leading companies in this sector are Amazon, Tesla, Nike, Alibaba, and McDonald's.
Staples	Includes companies that produce goods essential to life (aka Consumer Staples or Consumer Defensive). Major industries are discount stores, household & personal products, beverages, tobacco, packaged foods, confectioneries, farm products, and grocery stores. Examples of leading companies in this sector are Walmart, Procter & Gamble, Coca-Cola, Philip Morris, and Costco.
Health Care	Includes companies that produce health-related products and services. Major industries are drug manufacturing, biotechnology, healthcare plans, medical devices, instruments & supplies, diagnostics & research, and medical care facilities. Examples of leading companies in this sector are Eli Lilly, UnitedHealth Group, Johnson & Johnson, AstraZeneca, and Pfizer.
Financials	Includes companies related to finance and investing. Major industries are banks, insurance, credit services, asset management, capital markets, and financial data & stock exchanges. Examples of leading companies in this sector are Berkshire Hathaway, Visa, JPMorgan, Bank of America, and Goldman Sachs.
Industrials	Includes companies that mainly produce capital goods for manufacturing and construction. Major industries are aerospace & defense, industrial machinery, railroads, farm & heavy construction machinery, freight & logistics, and building products & equipment. Examples of leading companies in this sector are Union Pacific, United Parcel Services, FedEx, General Electric, and Boeing.
Materials	Includes companies that produce raw materials mostly for manufacturing purposes. Major industries are chemicals, industrial metals & mining, precious metals & mining, building materials, agricultural inputs, paper & paper products, and lumber & wood products. Examples of leading companies in this sector are Linde, BHP Group, Rio Tinto, and Dow.
Energy	Includes companies relating to oil, gas, and consumable fuels. Major industries of the sector are oil & gas: exploration & production, midstream, equipment & services, refining & marketing, drilling, uranium, and thermal coal. Examples of leading companies in this sector are Exxon Mobil, Chevron, Shell, Occidental Petroleum, and BP.
Utilities	Includes companies that provide basic utilities, such as gas, water, and electricity. Major industries include regulated electric, renewables, regulated gas, regulated water, and independent power producers. Examples of leading companies in this sector are NextEra Energy, Southern Company, and Duke Energy.
Real Estate	Mainly includes Real Estate Investment Trusts (REITs). Major industries are REIT: specialty, industrial, residential, retail, healthcare facilities, diversified, office, mortgage, hotel & motel, and real estate services. Examples of leading companies in this sector are Prologis, American Tower, and Equinix.

Source: S&P Capital IQ, Corporate Finance Institute

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