



## Weekly market overview

### Week ahead

- Large technology and healthcare sector companies are scheduled to publish their earnings this week.
- The US will publish the ISM Manufacturing PMI on Monday. Meanwhile, the EU is set to release its Harmonized Index of Consumer Prices on Monday. The UK will release its Monetary Policy Report and BoE Interest Rate Decision on Thursday.

\*For exact dates please check page 6 of the document

EQUITIES	Level	W/W % change	M/M % change	YTD % change
<b>United States</b>				
S&P 500	6,041	-1.0	2.7	2.7
Nasdaq 100	21,478	-1.4	2.2	2.2
Dow Jones 30	44,545	0.3	4.7	4.7
Russell 2000	2,288	-0.9	2.6	2.6
<b>Global</b>				
S&P Europe	2,193	1.7	6.4	6.4
S&P China	2,506	0.3	-1.4	-1.4
S&P Japan	2,612	1.2	-2.7	-2.7
S&P Global	4,192	-0.6	3.2	3.2

FIXED INCOME	Yield, %	1-week ago	1-month ago	31-Dec-2025
<b>United States</b>				
2y US Treasury	4.24	4.27	4.24	4.24
10y US Treasury	4.57	4.62	4.57	4.57
US IG Credit	5.28	5.33	5.31	5.31
US HY Credit	7.27	7.31	7.50	7.50
<b>Europe</b>				
2y German Bund	2.28	2.29	2.09	2.09
10y German Bund	2.46	2.55	2.36	2.36
Europe HY Credit	5.19	5.26	5.20	5.20

### W/W performance of US stocks by style, %

Large-cap	0.6	-1.0	-2.4
	Mid-cap	-0.8	-1.0
		Small-cap	-0.4
Value	Total		Growth

Source: Bloomberg

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### Commentary

**U.S. stocks ended the week mostly lower, with the Nasdaq dropping sharply on Monday due to AI competition fears.** Chinese AI firm DeepSeek unveiled an energy-efficient open-source model, triggering a 17% plunge in NVIDIA shares. However, strong earnings from Meta and Apple helped markets recover later in the week. Trade concerns also weighed on sentiment due to President Trump plans for 25% tariffs on Mexico and Canada, plus a 10% tariff on Chinese goods. Meanwhile, the Fed kept interest rates steady at 4.25%–4.50%, citing stable economic growth and persistent inflation. Core PCE inflation remained at 2.8% in December, above the Fed's 2% target. The U.S. economy grew at 2.3% in Q4, driven by consumer and government spending. Treasury yields fell as market fears over DeepSeek's AI impact eased, and investment-grade corporate bonds saw limited new issuances.

**European stocks surged, with the STOXX Europe 600 Index hitting a record high (+1.78%) after strong earnings and an ECB interest rate cut.** Germany's DAX also reached a new peak, while Italy's FTSE MIB (+0.75%) and France's CAC 40 (+0.28%) saw smaller gains. The UK's FTSE 100 climbed 2.02%, helped by a weaker pound. The ECB lowered rates by 0.25 percentage points to 2.75%, saying inflation is slowing but not yet under full control. Meanwhile, the eurozone economy stalled in Q4, with Germany and France shrinking, while Spain's economy grew 0.8%. Inflation remained 2.8% in Germany and rose to 2.9% in Spain. In the UK, mortgage approvals reached their highest since September 2022, showing signs of housing market stability.

## 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, Comcast Corporation (CMCSA), Omnicom Group Inc. (OMC), and News Corporation (NWSA) are expected to deliver the best results. In Financials, Arch Capital (ACGL), Everest Group Ltd (EG) and The U.S. Bancorp (USB) are considered potential outperformers.

In Consumer Discretionary, the worst performance is expected from Garmin (GRMN), Ebay, Inc (EBAY) and Lululemon (LULU).

\*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
<b>S&amp;P 500</b>	<b>SPY</b>	<b>601.8</b>	-1.0 	<b>2.7</b>	<b>489.3</b>	<b>610.8</b>	<b>Positive</b>
Communications	XLC	102.4	 3.2	5.2	76.5	103.5	Positive
Health Care	XLV	146.9	 1.8	6.8	135.9	159.6	Neutral
Staples	XLP	79.0	 1.4	0.5	72.4	84.5	Neutral
Financials	XLF	51.5	 1.2	6.5	38.4	52.0	Positive
Discretionary	XLY	232.2	 0.9	3.5	166.5	240.3	Negative
Real Estate	XLRE	41.42	 0.2	2.8	35.6	45.6	Neutral
Materials	XLB	88.8	-0.2 	5.5	80.7	97.9	Neutral
Industrials	XLI	138.4	-1.9 	5.0	114.1	144.5	Neutral
Utilities	XLU	77.9	-2.0 	2.9	59.1	83.4	Neutral
Technology	XLK	230.8	-3.5 	-0.7	190.7	242.6	Neutral
Energy	XLE	87.6	-4.0 	2.3	82.4	99.0	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	RCL	Royal Caribbean Cruises Ltd.	266.6	14.9	15.6	15.6	113.1	277.1	278.4	4.4
2	IBM	International Business Machines Corporation	255.7	13.7	16.3	16.3	162.6	261.8	239.1	-6.5
3	BEN	Franklin Resources, Inc.	22.2	10.7	9.6	9.6	18.8	28.6	21.2	-4.7
4	NCLH	Norwegian Cruise Line Holdings Ltd.	28.4	10.4	10.2	10.2	14.7	29.3	30.8	8.7
5	IVZ	Invesco Ltd.	19.2	9.1	10.0	10.0	14.2	19.6	19.8	2.8

### 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	DECK	Deckers Outdoor Corporation	177.4	-18.3	-12.7	-12.7	131.4	224.0	218.6	23.3
2	NVDA	NVIDIA Corporation	120.1	-15.8	-10.6	-10.6	63.7	153.1	173.8	44.7
3	SMCI	Super Micro Computer, Inc.	28.5	-14.3	-6.4	-6.4	17.3	122.9	40.8	43.0
4	UPS	United Parcel Service, Inc.	114.2	-14.1	-9.4	-9.4	109.6	159.0	133.4	16.8
5	PWR	Quanta Services, Inc.	307.6	-14.1	-2.7	-2.7	197.5	365.9	346.3	12.6

### 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	120.1	-15.8	-10.6	-10.6	63.7	153.1	173.8	44.7
2	INTC	Intel Corporation	19.4	-6.7	-3.1	-3.1	18.5	46.6	22.4	15.5
3	AAPL	Apple Inc.	236.0	5.9	-5.8	-5.8	164.1	260.1	251.8	6.7
4	TSLA	Tesla, Inc.	404.6	-0.5	0.2	0.2	138.8	488.5	325.0	-19.7
5	VZ	Verizon Communications Inc.	39.4	-0.4	-1.5	-1.5	37.6	45.4	47.7	21.0
6	AVGO	Broadcom Inc.	221.3	-9.6	-4.6	-4.6	119.8	251.9	243.0	9.8
7	AMD	Advanced Micro Devices, Inc.	116.0	-5.6	-4.0	-4.0	112.8	227.3	169.8	46.5
8	IP	International Paper Company	55.6	-7.4	3.4	3.4	32.7	60.4	56.4	1.3
9	AMZN	Amazon.com, Inc.	237.7	1.2	8.3	8.3	151.6	241.8	248.9	4.7
10	MSFT	Microsoft Corporation	415.1	-6.5	-1.5	-1.5	385.6	468.4	507.0	22.2

\*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, %
<b>USD</b>								
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, %
<b>EUR</b>								
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%
<b>GEL</b>								
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 Crystal	GEL	25	TIBR6M + 4.75%	Feb-23	Feb-25	B-/-/	100.00	13.22%
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

■ 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 February	14:00	EU	Harmonized Index of Consumer Prices, Jan	Palantir Technologies	PLTR	After Market
	19:00	US	ISM Manufacturing PMI, Jan	Mizuho Financial	MFG	N/A
Tuesday 4 February				NXP Semiconductors	NXPI	After Market
	19:00	US	Factory Orders, Dec	Alphabet	GOOGL	After Market
				Merck & Company	MRK	Premarket
				PepsiCo	PEP	Premarket
Wednesday 5 February				Advanced Micro Devices	AMD	After Market
	17:15	US	ADP Employment Change, Dec	Novo Nordisk	NVO	Premarket
	19:00	US	ISM Services PMI, Jan	Toyota Motor	TM	N/A
Thursday 6 February				Walt Disney	DIS	Premarket
	14:00	EU	Retail Sales, Dec	ARM Holdings PLC	ARM	After Market
	16:00	UK	Monetary Policy Report	Amazon	AMZN	After Market
	16:00	UK	BoE Interest Rate Decision	Eli Lilly & Co	LLY	Premarket
Friday 7 February	16:30	UK	BoE's Governor Bailey speech	AstraZeneca	AZN	Premarket
				Linde	LIN	Premarket
	17:30	US	Nonfarm Payrolls, Jan	Nippon Telegraph	NTTY	Premarket
				Honda Motor Co	HMC	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

<b>Communications</b>	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.
<b>Technology</b>	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.
<b>Discretionary</b>	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.
<b>Staples</b>	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.
<b>Health Care</b>	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.
<b>Financials</b>	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.
<b>Industrials</b>	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.
<b>Materials</b>	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.
<b>Energy</b>	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.
<b>Utilities</b>	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.
<b>Real Estate</b>	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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