



Weekly market overview

Week ahead

- Large technology and energy sector companies are scheduled to publish their earnings this week.
- The US will release its Housing Price Index on Tuesday and Annualized GDP on Thursday. Meanwhile, The EU will announce its Business Climate on Thursday.

*For exact dates please check page 6 of the document

Commentary

US Stocks declined in a holiday-shortened week despite record highs midweek. Investor concerns grew over President Trump's proposed tariffs on cars, pharmaceuticals, and lumber, along with weak economic data. Walmart's earnings report on Thursday worsened sentiment. While the company beat expectations, its weak outlook raised fears about consumer spending, following a sharp drop in January retail sales. The housing market also showed weakness, with builder confidence hitting a five-month low and housing-starts falling nearly 10% m/m. Business activity slowed, with the services sector contracting for the first time in two years. Consumer sentiment dropped nearly 10% in February, with inflation expectations rising. US Treasuries rallied as weak data reinforced expectations that the Federal Reserve will keep interest rates steady.

European stocks were mixed as investors assessed US trade policy and geopolitical tensions. The STOXX Europe 600 rose 0.26%, while Germany's DAX fell 1.00% ahead of elections. France's CAC 40 dipped 0.29%, Italy's FTSE MIB gained 1.17%, and the UK's FTSE 100 lost 0.84%. Eurozone business activity barely grew in February, with the Composite PMI at 50.2. Weak new orders and rising costs kept growth sluggish. In the UK, PMI declined, and private sector job losses hit their highest since 2020. UK inflation rose to 3% in January, led by higher transport and food costs, while wages grew 5.9% annually. The jobless rate held steady at 4.4%. Retail sales jumped 1.7% and non-food sales remained weak. Consumer confidence improved slightly but stayed negative.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	6,013	-1.7	-0.6	2.2
Nasdaq 100	21,614	-2.3	0.2	2.9
Dow Jones 30	43,428	-2.5	-1.4	2.1
Russell 2000	2,195	-3.7	-5.3	-1.6
Global				
S&P Europe	2,253	0.3	5.4	9.3
S&P China	2,765	2.5	10.6	8.8
S&P Japan	2,559	-0.7	0.6	-2.2
S&P Global	4,224	-1.1	1.1	4.0
FIXED INCOME	Yield, %	1-week ago	1-month ago	31-Dec-2024
United States				
2y US Treasury	4.19	4.26	4.28	4.24
10y US Treasury	4.42	4.48	4.57	4.57
US IG Credit	5.20	5.24	5.31	5.31
US HY Credit	7.32	7.32	7.31	7.50
Europe				
2y German Bund	2.10	2.11	2.22	2.09
10y German Bund	4.46	2.42	2.48	2.46
Europe HY Credit	4.96	4.96	5.29	5.20

W/W performance of US stocks by style, %

Large-cap	-0.8	-1.7	-2.6
	-1.1	-2.4	-5.8
	-2.6	-3.7	-4.7
	Value	Total	Growth

Source: Bloomberg

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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), The Interpublic Group of Companies, Inc. (IPG) and News Corporation (NWSA) are expected to deliver the best results. In Financials, Arch Capital (ACGL), KKR & Co. Inc. (KKR) and Global Payments Inc. (GPN) are considered potential outperformers.

In Consumer Discretionary, the worst performance is expected from eBay, Inc. (EBAY), Garmin (GRMN), and Starbucks Corporation (SBUX).

*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	599.9	-1.6 	2.4	493.6	613.2	Positive
Staples	XLP	82.2	 1.9	4.5	72.9	84.5	Neutral
Utilities	XLU	80.3	 1.5	6.1	60.6	83.4	Neutral
Health Care	XLV	146.4	 1.1	6.4	135.9	159.6	Neutral
Energy	XLE	90.9	 1.0	6.2	82.8	99.0	Neutral
Real Estate	XLRE	42.2	 0.4	3.8	35.6	45.6	Neutral
Industrials	XLI	134.8	-2.0 	2.3	117.3	144.5	Neutral
Materials	XLB	88.1	-2.0 	4.7	83.0	97.9	Neutral
Financials	XLF	50.8	-2.0 	5.0	39.3	52.3	Positive
Technology	XLK	234.9	-2.1 	1.0	190.7	243.1	Neutral
Communications	XLC	103.0	-2.2 	6.4	76.5	105.6	Positive
Discretionary	XLY	218.4	-3.8 	-2.7	166.5	240.3	Negative

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	SMCI	Super Micro Computer, Inc.	56.1	17.0	72.8	84.0	17.3	122.9	47.9	-14.6
2	ADI	Analog Devices, Inc.	238.9	11.3	7.9	12.4	182.6	247.1	259.9	8.8
3	HAS	Hasbro, Inc.	67.6	11.1	16.6	20.8	48.6	73.5	77.9	15.2
4	TXN	Texas Instruments Incorporated	202.0	10.4	3.5	7.7	159.1	220.4	205.3	1.6
5	BAX	Baxter International Inc.	33.8	9.7	7.4	16.0	28.3	44.0	39.6	17.1

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	AXON	Axon Enterprise, Inc.	513.2	-24.9	-15.3	-13.6	260.3	716.0	636.6	24.0
2	AKAM	Akamai Technologies, Inc.	76.7	-23.3	-19.0	-19.8	76.5	113.4	107.4	39.9
3	CE	Celanese Corporation	52.8	-22.5	-28.7	-23.8	51.2	172.2	68.8	30.4
4	EPAM	EPAM Systems, Inc.	208.8	-21.5	-12.0	-10.7	169.4	317.5	259.0	24.0
5	ODFL	Old Dominion Freight Line, Inc.	180.4	-12.6	-5.3	2.3	165.5	233.3	199.7	10.7

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	134.4	-3.2	-4.5	0.1	66.2	153.1	172.2	28.1
2	INTC	Intel Corporation	24.9	5.4	14.2	24.0	18.5	46.6	22.7	-8.8
3	SMCI	Super Micro Computer, Inc.	56.1	17.0	72.8	84.0	17.3	122.9	47.9	-14.6
4	TSLA	Tesla, Inc.	337.8	-5.1	-20.3	-16.4	138.8	488.5	342.6	1.4
5	AMZN	Amazon.com, Inc.	216.6	-5.3	-6.1	-1.3	151.6	242.5	266.5	23.0
6	AAPL	Apple Inc.	245.6	0.4	10.3	-1.9	164.1	260.1	252.2	2.7
7	BAC	Bank of America Corporation	44.8	-4.6	-4.0	2.0	33.2	48.1	52.6	17.5
8	AMD	Advanced Micro Devices, Inc.	110.8	-2.0	-9.4	-8.2	106.5	227.3	148.3	33.8
9	GOOGL	Alphabet Inc.	179.7	-3.0	-9.3	-5.1	130.7	207.1	218.1	21.4
10	WMT	Walmart Inc.	94.8	-8.9	1.8	4.9	57.6	105.3	108.7	14.7

*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 24 February	14:00	EU	Harmonized Index of Consumer Prices, Jan	Oneok	OKE	After Market
	23:00	US	President Trump speech	Public Storage	PSA	After Market
Tuesday 25 February				Realty Income	O	After Market
				Zoom	ZM	After Market
	18:00	US	Housing Price Index, Dec	Home Depot	HD	Premarket
	19:00	US	Consumer Confidence, Feb	Intuit	INTU	After Market
Wednesday 26 February				American Tower	AMT	Premarket
				Workday	WDAY	After Market
	19:00	US	New Home Sales Change, Jan	Nvidia	NVDA	After Market
				Salesforce	CRM	After Market
Thursday 27 February				Deutsche Telekom	DTEGY	Premarket
				TJX Companies	TJX	Premarket
	14:00	EU	Business Climate, Feb	Iberdola	IBDRY	Premarket
	17:30	US	GDP Annualized, Q4	AXA SA	AXAHY	Premarket
Friday 28 February				Dell Technologies	DELL	After Market
				EOG Resources	EOG	N/A
	17:30	US	Core Personal Consumption Expenditures, Jan	Allianz	ALIZY	Premarket

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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