



Weekly market overview

Week ahead

- Oracle and Adobe are scheduled to publish their earnings this week.
- This week, the UK reports April's employment change, while the US will release CPI and consumer sentiment data.

*For exact dates please check page 7 of the document

Commentary

Global markets rose for a second consecutive week, led by small-cap stocks and the technology sector, driven by positive sentiment around artificial intelligence (AI). Tensions between the US and China briefly eased after Presidents Trump and Xi Jinping held positive talks. The US labor market cooled slightly but performed better than expected, adding 139,000 jobs in May and holding unemployment steady at 4.2%. However, manufacturing contracted for a third straight month, and the services sector contracted for the first time in 11 months. Treasury yields rose following the jobs report, while investment-grade corporate bonds performed well amid strong investor demand.

European markets rose, led by Germany and Italy, as inflation slowed and the ECB cut its deposit rate to 2%, signaling policy easing may soon conclude. President Lagarde indicated future decisions depend on economic data, with markets anticipating possibly one more rate cut. Eurozone GDP growth was revised upward to 0.6% in Q1, boosted by stronger performances in Ireland and Germany. Inflation cooled to 1.9%, while core inflation dropped to 2.3%. Industrial production in Germany and France fell sharply in April, though German manufacturing orders increased unexpectedly due to domestic demand. Bank of England Governor Andrew Bailey signaled further rate cuts but highlighted rising uncertainties.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	6,000	1.5	7.0	2.0
Nasdaq 100	21,762	2.0	10.0	3.6
Dow Jones 30	42,763	1.2	4.7	0.5
Russell 2000	2,132	3.2	7.5	-4.4
Global				
S&P Europe	2,244	1.0	3.2	8.9
S&P China	2,665	1.6	1.5	4.8
S&P Japan	2,583	-1.3	1.8	-1.1
S&P Global	4,295	1.3	5.9	5.7

FIXED INCOME	Yield, %	1-week ago	1-month ago	31-Dec-2024
United States				
2y US Treasury	4.04	3.91	3.79	4.24
10y US Treasury	4.51	4.42	4.31	4.57
US IG Credit	5.25	5.21	5.23	5.31
US HY Credit	7.59	7.64	7.85	7.50
Europe				
2y German Bund	1.88	1.79	1.75	2.09
10y German Bund	2.56	2.51	2.53	2.36
Europe HY Credit	5.19	5.27	5.66	5.20

W/W performance of US stocks by style, %

Large-cap	1.1	1.5	2.2
	0.7	1.8	1.5
	1.6	3.2	2.4
	Value	Total	Growth

Source: Bloomberg

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Alternative assets

Oil prices rose last week despite disappointing Chinese economic data, supported by optimism over US-China trade talks. Brent crude increased 3.4% to \$66.50 per barrel. China's May exports rose just 4.8%, below forecasts and lower than April's 8.1%, while weaker refinery activity and tighter US sanctions on Iran led to reduced oil imports. Investors remain hopeful ahead of Monday's trade discussions in London, anticipating a potential boost to global demand. Attention now shifts to upcoming US inflation data, influencing the Federal Reserve's future policy decisions. Gold futures edged up slightly to \$3,311.40 per ounce, maintaining a strong 27.1% gain year-to-date. Recent robust US employment data eased pressure on the Fed for rate cuts, though political criticism of Fed Chair Powell by President Trump heightened concerns about central bank independence, further enhancing gold's attractiveness as a safe-haven asset.

Optimism is rising for Dogecoin (DOGE) and XRP as traders anticipate spot ETFs, pushing social sentiment strongly bullish.

Santiment reports XRP discussions are overwhelmingly positive, with Polymarket raising the odds of ETF approval by end-2025 to 85%. DOGE has shed its "memecoin" image following ETF filings by 21Shares and Bitwise, and now shows strong whale accumulation and rising social dominance. At the same time, around 60 non-crypto companies have adopted a bitcoin treasury strategy, inspired by Michael Saylor. Over \$11.3 billion has been committed since April, including major moves by Trump Media and K Wave Media. While these announcements often boost stock prices, experts warn of growing risk. Many companies are buying crypto near record highs—bitcoin is around \$106,000—and may be vulnerable if prices fall. Analysts say firms led by crypto veterans may survive downturns, but others could trigger sharp selloffs if the market turns. The boom comes with growing volatility.

ALTERNATIVES	Level	W/W % change	M/M % change	YTD % change
Commodities				
Brent, US\$/barrel	66.5	3.4	6.6	-10.9
Natural gas, EUR/MWh	41.5	10.7	3.5	-20.9
Gold, US\$/oz	3,311.4	0.6	-3.5	27.1
Silver, US\$/oz	36.0	9.1	8.3	24.2
Uranium, US\$/lbs	70.5	-1.7	0.4	-3.3
Crypto				
Bitcoin, index	13,906	-0.3	9.8	11.7
Ethereum, index	22,122	-3.4	39.3	-25.6
REITs				
US REITs	772	0.2	0.8	0.8
Europe REITs	1,396	-0.8	0.6	5.2



S&P 500 sector highlights













Amid prevailing uncertainty, analysts hold neutral outlooks across all sectors over the next twelve months.

Moderna, Inc. (MRNA), Caesars Entertainment, Inc. (CZR), Bath & Body Works, Inc. (BBWI) are considered to show the best performance.

The worst performance is expected from Etsy, Inc. (ETSY), News Corporation (NWS), and eBay Inc. (EBAY).

*For detailed information on sectors please check page 8 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 month outlook
S&P 500	SPY	599.1	 1.7	0.6	481.8	613.2	Positive
Technology	XLK	238.4	 3.2	2.6	35.8	45.6	Neutral
Energy	XLE	83.4	 2.3	5.4	40.4	52.6	Neutral
Communications	XLC	103.7	 2.3	-0.7	172.5	243.1	Neutral
Materials	XLB	87.8	 1.7	-3.6	127.4	159.6	Neutral
Industrials	XLI	144.9	 1.5	5.4	75.6	84.5	Neutral
Health Care	XLV	134.4	 1.3	-4.7	166.5	240.3	Neutral
Financials	XLF	51.3	 0.6	8.4	112.8	144.5	Neutral
Real Estate	XLRE	41.9	 0.4	4.7	81.2	105.6	Neutral
Discretionary	XLY	212.2	-0.8 	8.2	67.6	83.4	Neutral
Utilities	XLU	81.2	-0.9 	2.6	73.1	97.9	Neutral
Staples	XLP	81.7	-1.4 	-4.8	74.5	97.9	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	ON	ON Semiconductor	50.2	19.4	30.3	-20.4	31.0	80.1	48.6	-3.2
2	DG	Dollar General Corporation	113.5	16.7	21.2	49.7	66.4	135.5	114.6	1.0
3	ETSY	Etsy, Inc.	63.8	15.3	41.5	20.6	40.1	66.9	51.1	-20.0
4	MU	Micron Technology, Inc.	108.6	14.9	34.8	29.0	61.5	157.5	124.1	14.3
5	MCHP	Microchip Technology	65.3	12.4	38.1	13.8	34.1	97.0	63.9	-2.1

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	LULU	Lululemon Athletica Inc.	265.3	-16.2	-2.0	-30.6	226.0	423.3	308.8	16.4
2	BF.B	Brown-Forman Corporation	28.1	-15.7	-18.3	-26.0	27.0	49.9	33.6	19.6
3	TSLA	Tesla, Inc.	295.1	-14.8	7.2	-26.9	167.4	488.5	299.1	1.4
4	KVUE	Kenvue Inc.	21.7	-9.0	-7.8	1.8	17.7	25.2	24.6	13.2
5	WYNN	Wynn Resorts, Limited	83.3	-8.0	-0.3	-3.3	65.3	107.8	106.1	27.4

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	TSLA	Tesla, Inc.	295.1	-14.8	7.2	-26.9	167.4	488.5	299.1	1.4
2	NVDA	NVIDIA Corporation	141.7	4.9	24.8	5.5	86.6	153.1	172.0	21.4
3	F	Ford Motor Company	10.3	-1.2	-1.7	3.6	8.4	14.9	10.4	1.1
4	INTC	Intel Corporation	20.1	2.6	0.6	0.0	17.7	37.2	21.3	6.1
5	AAPL	Apple Inc.	203.9	1.5	2.7	-18.6	169.2	260.1	228.9	12.2
6	AVGO	Broadcom Inc.	246.9	2.0	23.4	6.5	128.5	265.4	277.2	12.3
7	AMZN	Amazon.com, Inc.	213.6	4.2	15.4	-2.7	151.6	242.5	239.2	12.0
8	BAC	Bank of America Corporation	45.0	1.9	10.1	2.3	33.1	48.1	49.1	9.1
9	GOOGL	Alphabet Inc.	173.7	1.1	6.4	-8.3	140.5	207.1	201.5	16.0
10	UBER	Uber Technologies, Inc.	85.6	1.7	-0.3	41.9	54.8	93.6	96.4	12.6

*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								
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00%
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%
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
MP Development	USD	17.7	8.50%	Apr-25	Apr-27	-/-/-/-	n/a	n/a
Tegeta Motors	USD	10.0	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Tegeta Motors	USD	10.0	8.00%	Apr-25	Apr-27	-/-/-/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	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
MFO MBC	GEL	30	TIBR3M + 4.00%	Apr-25	Apr-27	-/-/-/B+	n/a	n/a

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



Week ahead calendar

Macroeconomic releases

Time (GMT +4)	Country	Event
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Company earnings

Company	Ticker	Time
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Monday 19 May	12:30	EU	Sentix Investor Confidence, Jun			
Tuesday 20 May	10:00	UK	Employment Change, Apr	Gamestop	GME	After Market
				Gitlab	GTLB	After Market
Wednesday 21 May	16:30	US	Consumer Price Index, May	Oracle	ORCL	After Market
Thursday 22 May	16:30	EU	Producer Price Index, May	Adobe	ADBE	After Market
Friday 23 May	18:00	US	Michigan Consumer Sentiment Index, Jun			

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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