



## Weekly market overview

### Week ahead

- Large technology and consumer staples stocks will publish earnings this week.
- The EU will release its Trade Balance data on Monday, while the UK will announce its Consumer Price Index (CPI) figures on Wednesday.

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

### Commentary

#### US stocks declined slightly last week as uncertainty over the incoming administration's policies impacted the "Trump Trade."

Financial and energy stocks rose on deregulation hopes, while Bitcoin jumped 32.5% since the election due to expectations of lighter regulation on digital currencies. Healthcare stocks fell after Robert F. Kennedy Jr., a critic of pharma and vaccine programs, was named to lead the Department of Health and Human Services (HHS). EV stocks, including Tesla (TSLA) and Rivian (RIVN), dropped after confirmation that the \$7,500 EV tax credits would be eliminated. Annual inflation in US increased to 2.6%, mainly due to high housing costs. Fed Chair signaled no urgency to cut rates, reducing expectations for a December rate cut. The 10-year Treasury yield hit a five-month high of 4.51%, reflecting expectations of higher long-term rates.

European stocks fell for the fourth week in a row, with the **STOXX Europe 600 Index down 0.7%**, influenced by concerns over US trade policies, German political instability, and cautious US interest rate signals. Eurozone GDP grew 0.4% in 3Q24, and employment rose by 0.2%, keeping hopes of a soft landing. The European Commission predicts 0.8% growth for 2024, though Germany's economy is expected to shrink by 0.1%. Policymakers from ECB emphasized the interest rate cut in October was precautionary and not a commitment to further cuts, with future decisions depending on economic data.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
<b>United States</b>				
S&P 500	5,871	-2.1	1.0	23.1
Nasdaq 100	20,394	-3.4	1.2	21.2
Dow Jones 30	43,445	-1.2	1.6	15.3
Russell 2000	2,304	-4.0	2.4	13.7
<b>Global</b>				
S&P Europe	2,041	-0.8	-3.4	5.0
S&P China	2,532	-4.7	0.0	15.4
S&P Japan	2,541	-1.2	-0.5	15.3
S&P Global	4,067	-2.3	-0.9	16.9

FIXED INCOME	Yield, %	1-week ago	1-month ago	1-Jan-2024
<b>United States</b>				
2y US Treasury	4.30	4.25	3.96	4.25
10y US Treasury	4.43	4.31	4.04	3.87
US IG Credit	5.26	5.11	4.93	5.12
US HY Credit	7.40	7.25	7.32	7.88
<b>Europe</b>				
2y German Bund	2.12	2.19	2.21	2.40
10y German Bund	2.35	2.37	2.23	2.03
Europe IG Credit	3.26	3.30	3.32	3.65
Europe HY Credit	5.34	5.39	5.39	6.06

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

Large-cap	-1.6	-2.1	-2.5
	-1.2	-1.8	-3.1
	-2.4	-4.0	-4.7
	Value	Total	Growth

Source: Bloomberg

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## S&P 500 sector highlights












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

In Materials, Celanese Corporation (CE), Newmont Corporation (NEM), and FMC Corporation (FMC) are expected to deliver the best results. In Financials, Globe Life (GL), Arch Capital (ACGL), and Everest Group (EG) are considered potential outperformers.

In Consumer Discretionary, the worst performance is expected from Garmin (GRMN), Marriott International (MAR), and Hilton Worldwide Holdings (HLT).

\*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>585.8</b>	-2.1 	<b>23.2</b>	<b>449.3</b>	<b>600.2</b>	<b>Positive</b>
Financials	XLF	49.9	 1.4	32.6	34.9	50.1	Positive
Energy	XLE	94.7	 1.0	13.0	79.0	99.0	Neutral
Utilities	XLU	79.3	0.1	25.1	59.1	82.5	Neutral
Discretionary	XLY	213.4	-0.8 	19.4	165.6	220.4	Negative
Staples	XLP	80.0	-1.1 	11.0	69.1	84.5	Neutral
Communications	XLC	95.2	-1.1 	31.0	68.5	97.6	Neutral
Industrials	XLI	139.1	-2.1 	22.0	105.1	143.7	Neutral
Real Estate	XLRE	43.0	-2.1 	7.3	35.6	45.6	Neutral
Materials	XLB	91.3	-3.4 	6.7	79.7	97.9	Positive
Technology	XLK	228.7	-3.6 	18.8	181.3	238.1	Neutral
Health Care	XLV	141.8	-5.6 	4.0	127.7	159.6	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	DIS	Walt Disney	115.1	16.2	22.1	27.5	83.9	123.7	119.3	3.6
2	TPR	Tapestry, Inc.	57.2	9.6	26.6	55.5	30.2	58.5	62.1	8.5
3	SCHW	Charles Schwab	80.6	9.1	12.1	17.2	55.4	82.5	78.7	-2.4
4	DXCM	DexCom, Inc.	75.9	8.5	13.1	-38.9	62.3	142.0	95.3	25.6
5	TSN	Tyson Foods, Inc.	64.3	7.9	7.4	19.7	46.5	66.9	65.6	1.9

### 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	MPWR	Monolithic Power Systems, Inc.	573.4	-24.7	-35.9	-9.1	535.4	959.6	906.4	58.1
2	SMCI	Super Micro Computer, Inc.	18.6	-24.2	-61.1	-34.6	17.3	122.9	40.3	117.0
3	MRNA	Moderna, Inc.	36.9	-21.3	-35.7	-62.9	35.8	170.5	82.9	125.0
4	LDOS	Leidos Holdings	160.7	-19.0	-4.2	48.4	104.7	202.9	207.0	28.9
5	ABBV	AbbVie Inc.	165.0	-17.3	-14.0	6.5	137.1	207.3	205.1	24.3

### 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	142.0	-3.8	7.9	186.7	45.0	149.8	160.4	13.0
2	PFE	Pfizer Inc.	24.8	-7.2	-15.8	-13.9	24.5	31.5	32.5	31.2
3	TSLA	Tesla, Inc.	320.7	-0.2	46.1	29.1	138.8	358.6	232.5	-27.5
4	AMZN	Amazon.com, Inc.	202.6	-2.7	7.9	33.3	141.5	215.9	234.1	15.6
5	AAPL	Apple Inc.	225.0	-0.9	-3.8	16.9	164.1	237.5	244.5	8.7
6	AMD	AMD	134.9	-8.8	-13.9	-8.5	116.4	227.3	185.0	37.2
7	BAC	Bank of America	46.8	3.6	10.9	38.8	29.3	46.8	47.3	1.1
8	GOOGL	Alphabet Inc.	172.5	-3.3	4.2	23.5	127.9	191.8	209.7	21.6
9	DIS	Walt Disney	115.1	16.2	22.1	27.5	83.9	123.7	119.3	3.6
10	MSFT	Microsoft	415.0	-1.8	-0.9	10.4	362.9	468.4	504.8	21.6

\*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, %
<b>USD</b>								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/-	n/a	n/a
Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-/BB+	n/a	6.75%
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-/BB+	99.99	8.50%
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%

■ 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/Scope)	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	-/-/BB-	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	-/-/BB-	n/a	7.75%
Silk Real Estate	EUR	7	7.00%	Aug-24	Aug-25	-/-/BB-	n/a	7.00%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/BB-	n/a	7.75%
<b>GEL</b>								
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/BB-	100.00	11.58%
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/BB-	100.00	12.83%
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/BB-	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Dec-22	Feb-25	B-/BB-	100.00	13.22%
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/BB+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB-/BB-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB-/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-25	-/-/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%

■ 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 18 November	14:00	EU	Trade Balance	Xiaomi Corp.	XIACY	Premarket
				Aecom Technology	ACM	After market
Tuesday 19 November	14:00	EU	Harmonized Index of Consumer Prices	Walmart	WMT	Premarket
				Lowe's	LOW	Premarket
				Medtronic	MDT	Premarket
Wednesday 20 November	11:00	UK	CPI, Oct	TJX Companies	TJX	Premarket
				Target	TGT	Premarket
				Nvidia	NVDA	After Market
Thursday 21 November	18:45	UK	Manufacturing PMI, Nov	Baidu	BIDU	Premarket
				Deere	DE	Premarket
				Copart	CPRT	After Market
				PDD Holdings	PDD	N/A
Friday 22 November	04:00	UK	Consumer Confidence, Nov			

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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