



Weekly market overview

Week ahead

- Large technology and consumer discretionary stocks will publish earnings this week.
- OPEC+ members will meet on Wednesday. The EU will announce its GDP figures on Friday, while the US reports nonfarm payrolls.

*For exact dates please check page 6 of the document

Commentary

US stocks had a strong week, with major indices like the Dow Jones, S&P 500, and S&P MidCap 400 reaching record highs. The small-cap Russell 2000 Index also hit a new high of 2,466.5, surpassing its previous record set over three years ago. Investor optimism grew after Trump nominated Scott Bessent as Treasury secretary. Bessent, a respected Wall Street figure, is expected to focus on economic stability and inflation, which reassured investors. However, Trump later announced steep tariffs on imports from Mexico, Canada, and China, causing automaker stocks to drop (General Motors fell nearly 9%) due to concerns about trade disruptions. Despite this, overall markets stayed strong, with the S&P 500 posting its longest winning streak in two months. Meanwhile, optimism about Bessent's appointment contributed to falling long-term yields, with the 10-year note yield dropping 15 bps to its lowest since October.

The STOXX Europe 600 Index rose 0.3%, despite ongoing concerns about US trade tariffs and interest rates. In the Eurozone, inflation rose to 2.3% in November, up from 2.0% in October. However, underlying inflation pressures eased, with services inflation dipping to 3.9% and core inflation staying at 2.7%. Markets expect the ECB to cut interest rates this month, but the extent of the cut is unclear. In France, political tensions increased. Prime Minister revised the 2025 budget after far-right leader Marine Le Pen threatened to push for a no-confidence vote against the government. Consequently, French bond yields surpassed Greece's for the first time.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	6,032	1.1	3.4	26.5
Nasdaq 100	20,930	0.7	1.8	24.4
Dow Jones 30	44,911	1.4	6.3	19.2
Russell 2000	2,435	1.2	8.8	20.1
Global				
S&P Europe	2,073	0.3	-1.5	6.7
S&P China	2,507	0.8	-3.0	14.2
S&P Japan	2,510	-0.6	-0.3	13.8
S&P Global	4,165	1.1	1.8	19.6
FIXED INCOME	Yield, %	1-week ago	1-month ago	1-Jan-2024
United States				
2y US Treasury	4.16	4.04	4.12	4.25
10y US Treasury	4.18	4.41	4.27	3.87
US IG Credit	5.08	5.25	5.16	5.12
US HY Credit	7.24	7.33	7.45	7.88
Europe				
2y German Bund	1.96	2.01	2.17	2.40
10y German Bund	2.09	2.25	2.34	2.03
Europe HY Credit	5.38	5.38	5.35	6.06

W/W performance of US stocks by style, %

Large-cap	0.9	1.1	1.2
	1.0	0.9	0.4
	0.6	1.2	1.5
	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 Dow (DOW) are expected to deliver the best results. In Financials, Globe Life (GL), Arch Capital (ACGL), and Intercontinental Exchange (ICE) 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
S&P 500	SPY	602.6	 1.2	26.8	454.3	603.4	Positive
Health Care	XLV	147.4	 2.3	8.1	131.0	159.6	Neutral
Real Estate	XLRE	45.0	 2.1	12.3	35.6	45.6	Neutral
Discretionary	XLY	222.3	 1.9	24.3	166.5	222.4	Negative
Utilities	XLU	82.9	 1.8	30.9	59.1	83.4	Neutral
Staples	XLP	83.2	 1.7	15.5	70.0	84.5	Neutral
Communications	XLC	98.4	 1.6	35.4	68.5	98.5	Neutral
Financials	XLF	51.3	 1.2	36.5	35.7	51.6	Positive
Industrials	XLI	144.0	 0.9	26.3	107.1	144.5	Neutral
Materials	XLB	94.8	 0.7	10.8	80.7	97.9	Positive
Technology	XLK	233.7	0.1	21.4	181.3	238.1	Neutral
Energy	XLE	95.5	 -1.8	13.9	79.0	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	BBWI	Bath & Body Works, Inc.	36.2	18.0	25.7	-16.0	26.2	53.0	44.8	23.6
2	ULTA	Ulta Beauty, Inc.	386.6	14.3	1.8	-21.1	318.2	574.8	398.7	3.1
3	WDC	Western Digital Corporation	73.0	9.9	6.9	39.4	46.5	81.6	89.9	23.2
4	RL	Ralph Lauren	231.4	9.1	13.7	60.5	127.7	237.2	232.0	0.3
5	MRO	Marathon Oil	5.7	9.0	21.6	1.2	4.1	6.8	6.4	11.0

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	ADSK	Autodesk, Inc.	291.9	-9.1	0.8	19.9	195.3	326.6	319.4	9.4
2	HPQ	HP Inc.	35.4	-7.1	-4.4	17.7	27.4	39.8	36.2	2.1
3	CRWD	CrowdStrike Holdings, Inc.	346.0	-7.1	11.3	35.5	200.8	398.3	369.6	6.8
4	GM	General Motors	55.6	-5.0	7.9	54.8	31.5	61.2	59.3	6.6
5	MU	Micron Technology	98.0	-4.6	-9.5	14.8	72.9	157.5	145.9	49.0

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	138.3	-2.6	-2.1	179.2	45.0	152.9	170.4	23.3
2	SMCI	Super Micro Computer, Inc.	32.6	-1.5	-33.6	14.8	17.3	122.9	40.3	23.5
3	TSLA	Tesla, Inc.	345.2	-2.1	33.0	38.9	138.8	361.9	236.1	-31.6
4	INTC	Intel Corporation	24.1	-1.8	5.0	-52.1	18.5	51.3	24.7	2.6
5	AAPL	Apple Inc.	237.3	3.2	1.6	23.3	164.1	237.8	244.5	3.0
6	AMZN	Amazon.com, Inc.	207.9	5.5	8.9	36.8	142.8	215.9	234.3	12.7
7	BAC	Bank of America	47.5	1.1	11.7	41.1	30.3	48.1	47.8	0.6
8	MSFT	Microsoft	423.5	1.5	-2.0	12.6	362.9	468.4	504.9	19.2
9	AMD	Advanced Micro Devices, Inc.	137.2	-0.8	-17.5	-6.9	116.4	227.3	185.1	35.0
10	GOOGL	Alphabet Inc.	169.0	2.5	-0.4	20.9	127.9	191.8	209.7	24.1

*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
Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-/B+	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	-/-/-/B+	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, %
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	-/-/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%
GEL								
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%
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 2 December	14:00	EU	ECB President Lagarde speech	Prosus NV	PROSY	Premarket
	19:00	US	ISM Manufacturing PMI, Nov	Naspers	NPSNY	Premarket
Tuesday 3 December				Zscaler	ZS	After market
				Credo Technology	CRDO	After market
Wednesday 4 December	01:30	US	Fed's Williams speech	Salesforce	CRM	After market
				Marvell	MRVL	After market
Thursday 5 December	17:30	EU	ECB President Lagarde speech	Synopsys	SNPS	After market
	19:00	US	ISM Services PMI, Nov			
Friday 6 December	12:00	AT	OPEC meeting	Lululemon	LULU	After market
	14:00	EU	Retail Sales, Oct	Veeva Systems	VEEV	After market
Friday 6 December	14:00	EU	GDP, Q3			
	17:30	US	Average Hourly Earnings, Nov			
	17:30	US	Nonfarm Payrolls, Nov			
	19:00	US	Michigan Consumer Sentiment Index, Dec			

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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