



Weekly market overview

Week ahead

- Large technology and communications stocks will publish earnings this week.
- The US will announce its GDP on Wednesday, while the UK will publish its Financial Stability Report on Friday.

*For exact dates please check page 6 of the document

Commentary

US stock markets rose last week, recovering from previous week's losses. The equal-weighted index of S&P 500 outpaced the traditional cap-weighted version. NVIDIA's earnings drew attention midweek, with shares steady despite lighter-than-expected 4Q guidance. Optimism around AI-driven clean energy boosted utilities, while communication services weakened. Alphabet's shares dropped after reports of a potential Department of Justice breakup proposal. Positive economic news also lifted sentiment. Existing home sales grew y/y for the first time since 2021, supported by job growth and stabilizing mortgage rates. Attention now shifts to the Fed's December meeting, with policymakers signaling possible rate cuts but emphasizing data dependence. Bond markets had a strong week. Treasury prices rose, with long-term yields dropping and short-term yields rising.

In Europe, the STOXX Europe 600 Index rose 1.1%, as hopes grew that the ECB might lower borrowing costs in December after signs of a slowing economy. In the Eurozone, business activity contracted unexpectedly in November - manufacturing shrank further, and services began to weaken. While weak PMI data suggests the ECB might ease monetary policy soon, rising wages (+5.4% in 3Q) signal continued inflation risks, meaning the ECB could stay cautious. In the UK, inflation in October was stronger than expected, rising to 2.3% y/y, driven by higher energy costs. This reduced expectations for significant rate cuts by the BoE in 2025, with markets now predicting fewer reductions.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	5,969	1.7	2.0	25.1
Nasdaq 100	20,776	1.9	1.9	23.5
Dow Jones 30	44,297	2.0	3.2	17.5
Russell 2000	2,407	4.5	7.8	18.7
Global				
S&P Europe	2,066	1.2	-2.3	6.3
S&P China	2,487	-2.1	-3.8	13.3
S&P Japan	2,524	-0.7	1.6	14.5
S&P Global	4,118	1.2	0.3	18.3
FIXED INCOME	Yield, %	1-week ago	1-month ago	1-Jan-2024
United States				
2y US Treasury	4.35	4.30	4.04	4.25
10y US Treasury	4.41	4.43	4.20	3.87
US IG Credit	5.25	5.26	5.09	5.12
US HY Credit	7.33	7.40	7.40	7.88
Europe				
2y German Bund	2.01	2.12	2.20	2.40
10y German Bund	2.25	2.35	2.32	2.03
Europe HY Credit	5.38	5.34	5.38	6.06

W/W performance of US stocks by style, %

Large-cap	2.1	1.7	1.3
	2.9	3.9	6.3
	3.3	4.5	5.1
	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 Freeport-McMoRan (FCX) 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	585.8	 1.7	23.2	449.3	600.2	Positive
Financials	XLF	49.9	 3.1	32.6	34.9	50.1	Positive
Energy	XLE	94.7	 2.8	13.0	79.0	99.0	Neutral
Utilities	XLU	79.3	 2.7	25.1	59.1	82.5	Neutral
Discretionary	XLY	213.4	 2.6	19.4	165.6	220.4	Negative
Staples	XLP	80.0	 2.5	11.0	69.1	84.5	Neutral
Communications	XLC	95.2	 2.4	31.0	68.5	97.6	Neutral
Industrials	XLI	139.1	 2.2	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	 1.8	6.7	79.7	97.9	Positive
Technology	XLK	228.7	 1.7	18.8	181.3	238.1	Neutral
Health Care	XLV	141.8	 1.6	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	SMCI	Super Micro Computer, Inc.	33.2	78.4	-27.9	16.6	17.3	122.9	40.3	21.6
2	KEYS	Keysight Technologies, Inc.	170.3	14.0	9.6	7.0	119.7	171.1	177.1	4.0
3	VST	Vistra Corp.	161.9	13.9	29.5	320.4	34.6	168.7	157.5	-2.8
4	CSGP	CoStar Group, Inc.	79.8	12.0	3.8	-8.7	68.3	100.4	90.1	12.9
5	DE	Deere & Company	446.7	12.0	9.8	11.7	340.2	447.5	449.2	0.6

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	TGT	Target Corporation	125.0	-17.8	-16.2	-12.2	120.2	181.9	143.4	14.7
2	ULTA	Ulta Beauty, Inc.	338.4	-7.3	-7.3	-30.9	318.2	574.8	397.0	17.3
3	INTU	Intuit Inc.	640.1	-6.9	5.0	2.4	557.3	714.8	724.7	13.2
4	AES	The AES Corporation	13.0	-6.7	-23.3	-32.3	13.0	22.2	21.2	62.7
5	INCY	Incyte Corporation	71.7	-5.5	9.3	14.2	50.3	84.0	78.0	8.8

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	0.0	-1.1	186.6	45.0	152.9	170.4	20.1
2	SMCI	Super Micro Computer, Inc.	33.2	78.4	-27.9	16.6	17.3	122.9	40.3	21.6
3	TSLA	Tesla, Inc.	352.6	9.9	61.7	41.9	138.8	361.5	232.5	-34.1
4	GOOGL	Alphabet Inc.	164.8	-4.5	-0.2	17.9	127.9	191.8	209.6	27.2
5	AAPL	Apple Inc.	229.9	2.2	-2.5	19.4	164.1	237.5	244.5	6.4
6	BAC	Bank of America	47.0	0.5	11.1	39.6	29.3	47.2	47.8	1.7
7	AMZN	Amazon.com, Inc.	197.1	-2.7	3.9	29.7	142.8	215.9	234.1	18.8
8	MSFT	Microsoft	417.0	0.5	-2.5	10.9	362.9	468.4	504.8	21.0
9	GOOG	Alphabet Inc.	166.6	-4.2	-0.1	18.2	129.4	193.3	204.9	23.0
10	WMT	Walmart Inc.	90.4	7.3	10.3	72.1	49.8	90.9	95.4	5.5

*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%

■ 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 25 November	20:30	EU	ECB's Lane speech	Zoom	ZM	After market
Tuesday 26 November	18:00	US	Housing Price Index, Sep	Agilent	A	After market
	19:00	US	Consumer Confidence, Nov	Analog	ADI	Premarket
	23:00	US	FOMC Minutes	Dell Technologies	DELL	After Market
Wednesday 27 November	17:30	US	Gross Domestic Product, Q3	Workday	WDAY	After Market
	17:30	US	Core PCE price index, Oct	HP	HPQ	After Market
Thursday 28 November	14:00	EU	Business Climate, Nov	Frontline	FRO	Premarket
Friday 29 November	11:00	UK	Financial Stability Report	Golden Ocean Group	GOGL	Premarket
				Miniso	MNSO	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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