



## Weekly market overview

### Week ahead

- After last week's rally, analysts still consider NVIDIA (NVDA), Micron (MU), and Nike (NKE) undervalued
- Target (TGT), Snowflake (SNOW), Baidu (BIDU), Workday (WDAY), and PDD Holdings (PDD) will release earnings this week
- US Fed and European Central Bank will release policy meeting minutes, while Jackson Hole Symposium will kick off on Thursday

\*For exact dates please check page 5 of the document

### Commentary

**US stocks saw significant gains last week, recovering from a sell-off in week before.** In regional terms, Japan and the US were the best performers. In the US, growth stocks generally outperformed their value counterparts. The major reason underlying last week's rally was positive economic data that fueled hopes for a soft landing. The tech-heavy Nasdaq 100 led the charge with 5.4% weekly rise. Notably, NVIDIA stock rebounded and delivered an 18.9% weekly gain. Consumer discretionary stocks also performed well, with Starbucks jumping 26.3% during the week.

US economic data further improved investor sentiment. The Commerce Department reported that retail sales jumped 1.0% in July, the largest increase in 18 months. The gains were broad-based, signaling strong consumer spending despite a slowing labor market.

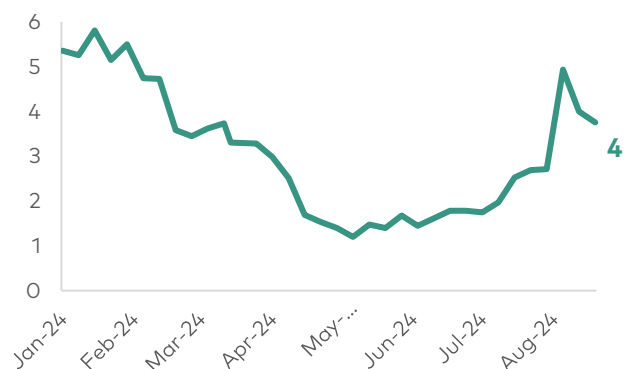
Inflation data also provided some relief. The Labor Department reported that core producer prices (PPI) were mostly flat in July, rising by a mere 0.1% month-over-month. Meanwhile, headline CPI came in less than forecasts at 2.9%, a figure below 3% for the first time since April 2021.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
<b>United States</b>				
S&P 500	5,554	3.9	-2.0	16.4
Nasdaq 100	19,509	5.4	-4.4	15.9
Dow Jones 30	40,660	2.9	-0.7	7.9
Russell 2000	2,142	2.9	-5.4	5.7
<b>Global</b>				
S&P Europe	2,078	2.5	-1.1	6.9
S&P China	2,453	1.1	-2.4	0.6
S&P Japan	2,186	6.7	-1.9	9.2
S&P Global	3,951	4.1	-1.7	14.3

FIXED INCOME	Yield, %	1-week ago	1-month ago	1-Jan-2024
<b>United States</b>				
2y US Treasury	4.07	4.05	4.51	4.25
10y US Treasury	3.89	3.94	4.24	3.88
US IG Credit	5.05	5.16	5.35	5.22
US HY Credit	7.60	7.72	7.77	7.80
<b>Europe</b>				
2y German Bund	2.45	2.38	2.78	2.41
10y German Bund	2.26	2.22	2.46	2.02
Europe IG Credit	3.60	3.59	3.76	3.67
Europe HY Credit	5.92	6.02	5.91	6.06

\*For detailed information on listed indices and securities please check page 5 of this document

### Number of 25bps Fed rate cuts expected by the end of 2024 (upper bound)



Source: Bloomberg

Note: figure illustrates market-implied forecasts

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## S&P 500 sector highlights









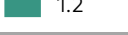
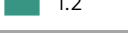
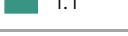

Analysts expect Energy, Materials, and Financial sectors to outperform market in the following twelve months. Meanwhile, Real Estate and Consumer Discretionary are expected to underperform the broader market.

In Energy, analysts forecast the best performance from Schlumberger (SLB), Ovintiv (OVV), and Permian Resources (PR). In Materials, Albemarle (ALB), Sociedad Quimica Y Minera (SQM), and Vale (VALE) are expected to deliver the best results. Lastly, in Financials, LPL Financial (LPLA), PayPal (PYPL), and Interactive Brokers (IBKR) are considered potential outperformers.

In Real Estate, Essex Property (ESS) and Iron Mountain (IRM) have the weakest performance forecasts. In Consumer Discretionary, the worst performance is expected from GameStop (GME) and Tesla (TSLA).

\*For detailed information on sectors please check page 6 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>554.3</b>	 <b>4.0</b>	<b>16.5</b>	<b>410.7</b>	<b>564.9</b>	<b>Positive</b>
Technology	XLK	221.4	 7.7	18.1	160.2	237.7	Neutral
Discretionary	XLY	183.1	 5.0	3.4	148.0	194.7	Negative
Financials	XLF	43.8	 3.2	15.9	31.5	43.8	Positive
Materials	XLB	90.6	 2.3	6.1	74.5	93.1	Positive
Industrials	XLI	127.0	 2.2	12.5	96.4	128.2	Neutral
Health Care	XLV	152.9	 1.9	10.2	123.1	152.9	Neutral
Staples	XLP	80.5	 1.7	10.5	66.2	80.5	Neutral
Communications	XLC	86.3	 1.2	19.4	63.1	87.8	Neutral
Energy	XLE	90.5	 1.2	6.8	79.9	98.1	Positive
Utilities	XLU	74.4	 1.1	15.9	56.2	74.4	Neutral
Real Estate	XLRE	41.9	 0.1	3.5	32.2	42.0	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	SBUX	Starbucks	94.8	26.3	19.6	1.2	71.6	107.7	85.8	-9.5
2	NVDA	NVIDIA	124.6	18.9	-1.4	158.6	98.9	1148.3	144.7	16.2
3	ULTA	Ulta Beauty	377.2	17.1	-7.9	-20.4	320.5	567.2	483.1	28.1
4	MU	Micron	108.0	16.0	-15.3	31.3	63.4	153.4	167.4	55.0
5	NKE	Nike	83.2	12.0	14.3	-20.0	71.1	122.6	95.3	14.5

### 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	CMG	Chipotle	52.5	-5.5	-9.1	16.9	49.8	3427.6	62.5	19.1
2	HSY	The Hershey Company	193.5	-3.3	1.9	0.9	179.5	218.8	195.4	1.0
3	CHTR	Charter Communication	353.3	-3.0	7.9	-8.6	254.6	455.7	328.3	-7.1
4	ALB	Albemarle	79.4	-2.8	-18.8	-43.4	72.8	200.8	127.4	60.5
5	BAX	Baxter International	36.1	-2.8	1.6	-5.3	31.7	43.8	43.4	20.2

### 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	AMD	AMD	148.6	10.6	-16.3	9.8	93.7	211.4	189.5	27.6
2	CSCO	Cisco Systems	49.5	8.8	4.3	-2.1	44.7	57.8	55.3	11.8
3	TSLA	Tesla	216.1	8.1	-15.8	-9.4	142.1	276.0	212.4	-1.7
4	PLTR	Palantir Technologies	32.1	6.9	12.3	93.5	13.7	32.8	24.7	-23.1
5	AMZN	Amazon.com	177.1	6.1	-8.3	19.3	119.6	200.0	225.5	27.4
6	INTC	Intel	20.9	5.9	-39.2	-55.6	19.0	50.8	27.8	33.2
7	AAPL	Apple	226.1	4.7	-3.7	22.7	165.0	234.8	249.7	10.5
8	BABA	Alibaba	83.2	4.0	6.1	8.6	68.1	95.0	106.8	28.4
9	BAC	Bank of America	39.3	2.8	-10.9	17.3	25.2	44.1	45.7	16.2
10	PFE	Pfizer	28.3	-0.9	-4.1	-4.8	25.3	37.0	30.4	7.4

\*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's /Scope)	Mid-Price	Mid-Yield
1	Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/-	n/a	n/a
2	Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-/BB+	n/a	n/a
3	IG Development	USD	15	8.50%	Jul-22	Jul-24	-/-/-/-	99.87	8.75
4	Georgia Real Estate	USD	35	8.50%	Oct-22	Oct-24	-/-/-/-	99.98	8.50
5	Geo. Renewable Power	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	99.99	7.00
6	Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-/BB+	100.00	8.50
7	Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-/-	99.98	9.00
8	Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00
9	Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-/BB-	99.66	8.75
10	Energy Development GEO	USD	10	8.50%	Jun-23	Jun-25	-/-/-/-	n/a	n/a
11	Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/--	101.17	8.19
12	Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-/-	101.14	8.63
13	Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-/-	n/a	n/a
14	Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-/-	n/a	n/a
15	MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-/-	n/a	n/a
16	Geosteel	USD	5	8.50%	Dec-23	Dec-25	-/-/-/-	99.57	8.75
17	IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-/-	99.56	8.75
18	Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/-/BB-	99.67	7.25
19	Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/-/BB-	99.57	7.25
20	Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/-/BB-	100.43	6.50
21	IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-/-	99.55	7.25
22	Vian (Evex)	GEL	50	RR + 3.10%	Nov-19	Nov-24	-/-/-/BB	n/a	n/a
23	Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-21	Nov-24	-/-/-/BB-	n/a	n/a
24	Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-/BB-	n/a	n/a
25	MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/-/B	n/a	n/a
26	Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-/BB-	n/a	n/a
27	MFO Crystal	GEL	25	TIBR6M + 4.75%	Dec-22	Feb-25	B-/--/-	n/a	n/a
28	MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/-/BB+	n/a	n/a
29	TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB-/--/-	n/a	n/a
30	TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB-/--/-	n/a	n/a
31	Tegeta Motors	GEL	20	TIBR6M + 3.50%	Jun-23	Dec-25	-/-/-/BB-	n/a	n/a
32	Tegeta Motors	GEL	20	14.5%	Dec-23	Dec-25	-/-/-/BB-	n/a	n/a
33	Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-25	-/-/-/BB-	n/a	n/a

Source: Bloomberg, Galt &amp; Taggart



## Week ahead calendar

### Macroeconomic releases

### Company earnings

	Time (GMT +4)	Country	Event	Company	Ticker	Time
<b>Monday</b> 19 August				Estee Lauder	EL	Premarket
				Palo Alto Networks	PANW	After market
<b>Tuesday</b> 20 August	13:00	Eurozone	Inflation (Jul)	Lowe's	LOW	Premarket
				Medtronic	MDT	Premarket
<b>Wednesday</b> 21 August	22:00	US	FOMC minutes	TJX	TJX	Premarket
				Analog Devices	ADI	Premarket
				Target	TGT	Premarket
				Snowflake	SNOW	After market
<b>Thursday</b> 22 August	04:00	US	Jackson Hole Symposium	Baidu	BIDU	Premarket
	12:00	Eurozone	Manufacturing & Services PMIs prel. (Aug)	NetEase	NTES	Premarket
	15:30	Eurozone	ECB monetary policy meeting accounts	Intuit	INTU	After market
				Workday	WDAY	After market
				PDD Holdings	PDD	N/A
<b>Friday</b> 23 August	18:00	US	Fed Chair Powell Speech	Ubiquiti	UI	N/A

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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