



Executive Summary

Last week:

- China's deflation was stronger than expected (-0.2% y/y vs -0.1% forecast)
- UK GDP grew by more than expected in 3Q23 (0.6% vs 0.5% forecast)

Week ahead:

- US, UK, and Eurozone inflation
- Eurozone preliminary GDP
- US and UK retail sales
- Earnings from: Home Depot (HD), Target (TGT), Cisco (CSCO), Walmart (WMT), Alibaba (BABA), and others

*For detailed dates see page 5 of this document

Commentary

Last week's performance was quite diverse across equity markets. While most major US indices closed the week in green, gains almost solely came from large growth stocks (while market-cap weighted S&P 500 gained 1.3%, its equal-weight counterpart lost 0.6%). Small-cap stocks were the weakest performers, as shown by a sizeable decline in Russell 2000 index (a US small-cap benchmark).

In general, cyclical sectors outperformed, with Technology being last week's strongest gainer. Interestingly, tech stocks were partly pushed by the better-than-expected results of the cloud monitoring and security company Datadog (DDOG). Compared to consensus forecasts, Datadog reported 32% higher earnings, while also increasing both revenue and profit estimates for full year. As company's client base is mostly composed of tech businesses, the news had a positive impact on the broader technology sector.

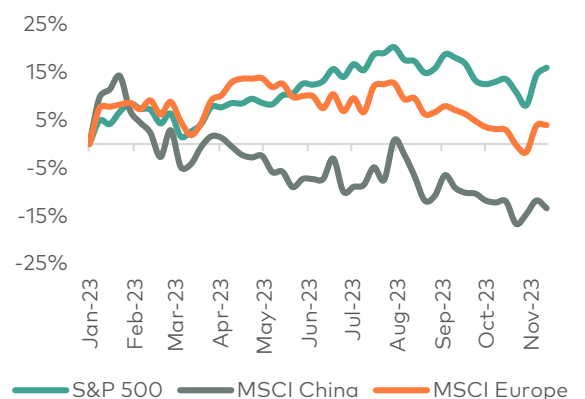
Performance of major equity indices

| Index | Level | W/W, % | M/M, % | YTD, % |
|----------------|--------|--------|--------|--------|
| S&P 500 | 4,415 | 1.3 | 1.3 | 15.5 |
| Nasdaq 100 | 15,529 | 2.9 | 3.6 | 43.0 |
| Dow Jones 30 | 34,283 | 0.7 | 1.6 | 3.5 |
| Russell 2000 | 1,705 | -3.1 | -4.0 | -2.6 |
| FTSE 100 (£) | 7,361 | -0.8 | -3.5 | -2.6 |
| FTSE 250 (£) | 17,853 | -0.7 | -0.6 | -6.7 |
| STOXX 600 (€) | 443.3 | -0.2 | -2.0 | 2.1 |
| MSCI Europe | 49.9 | 0.1 | 1.1 | 3.9 |
| Nikkei 225 (¥) | 32,568 | 1.9 | 2.6 | 24.8 |
| MSCI China | 42.5 | -1.7 | -3.2 | -13.5 |
| MSCI EAFE | 69.1 | -0.8 | -0.4 | 4.3 |
| MSCI EM | 38.3 | -0.3 | 0.4 | 0.3 |
| MSCI World | 122.8 | 0.7 | 0.9 | 12.6 |

Source: Bloomberg

Note: All data is denominated in USD unless specified otherwise.

Major global equity indices YTD indexed price returns



Source: Bloomberg

Eva Bochorishvili - Head of Research

| evabochorishvili@gt.ge | +995 32 2401 111 ext. 8036

Gigi Tskitishvili - Senior Equity Markets Analyst

| g.tskitishvili@gt.ge | +995 32 2401 111 ext. 8967













Sector performance highlights

Technology was the best performing sector last week, as the sector ETF gained 4.5% w/w.

75 out of 100 largest sector stocks closed the week in green. From top 20, only Texas Instruments (TXN, -2.0%) and Cisco Systems (CSCO, -0.8%) declined. The best performers from top 20 were Broadcom (AVGO, +8.5%), Applied Materials (AMAT, +7.8%), NVIDIA (NVDA, +7.4%), Taiwan Semiconductor Manufacturing (TSM, +6.2%), and Intuit (INTU, +6.1%).

Energy was the weakest performing sector, with respective ETF losing 3.8% w/w. 93 out of 100 largest sector stocks declined during the week. From top 20, only TotalEnergies (TTE, +0.2%) managed to avoid losses. Meanwhile, the weakest performers from the list were SLB (SLB, -6.3%), EOG Resources (EOG, -4.3%), Pioneer Natural Resources (PXD, -4.2%), Energy Transfer (ET, -3.8%), Marathon Petroleum (MPC, -3.8%), and Exxon Mobil (XOM, -3.7%)

S&P 500 sector review: last week performance

| Sector | ETF Ticker | Close Price, \$ | W/W ETF Change | YTD, % | 52-week high, \$ | 52-week low, \$ | 12M outlook |
|--------------------|------------|-----------------|---|-------------|------------------|-----------------|-----------------|
| S&P 500 | SPY | 440.6 |  1.4% | 16.1 | 457.8 | 375.2 | Positive |
| Technology | XLK | 179.5 |  4.5% | 45.6 | 180.3 | 121.2 | Negative |
| Communications | XLC | 68.5 |  1.3% | 40.9 | 68.8 | 46.7 | Positive |
| Industrials | XLI | 102.6 |  0.9% | 4.2 | 110.8 | 96.4 | Neutral |
| Discretionary | XLY | 161.4 |  0.7% | 25.7 | 177.0 | 126.3 | Positive |
| Financials | XLF | 33.9 |  0.4% | -1.2 | 37.0 | 31.0 | Neutral |
| Staples | XLP | 69.0 |  0.3% | -7.1 | 77.5 | 66.2 | Neutral |
| Health Care | XLV | 126.3 | -0.9%  | -6.8 | 139.5 | 123.1 | Positive |
| Materials | XLB | 77.4 | -1.8%  | -0.3 | 85.7 | 74.5 | Positive |
| Real Estate | XLRE | 34.4 | -2.1%  | -7.2 | 41.8 | 32.2 | Positive |
| Utilities | XLU | 60.3 | -2.5%  | -14.4 | 72.1 | 56.2 | Negative |
| Energy | XLE | 83.4 | -3.8%  | -1.2 | 93.4 | 76.6 | Positive |

Source: Galt & Taggart Research, Bloomberg, S&P Capital IQ

* Percentage price changes given in parentheses indicate w/w changes



Performance of last week's most traded US stocks (top 20 by value)

| # | Ticker | Name | Price, \$ | W/W, % | M/M, % | YTD, % | 52-week high, \$ | 52-week low, \$ | 12M price target, \$ | 12M upside potential, % |
|----|--------|------------------------------------|-----------|--------|--------|--------|------------------|-----------------|----------------------|-------------------------|
| 1 | UBER | Uber Technologies | 51.6 | 8.0 | 10.6 | 103.4 | 51.6 | 24.4 | 61.5 | 19.2 |
| 2 | NVDA | NVIDIA | 483.4 | 7.4 | 5.5 | 237.7 | 493.5 | 140.4 | 638.4 | 32.1 |
| 3 | TSM | Taiwan Semiconductor Manufacturing | 97.4 | 6.2 | 7.5 | 31.6 | 107.0 | 70.4 | 110.8 | 13.7 |
| 4 | AAPL | Apple | 186.4 | 5.7 | 4.5 | 49.3 | 196.4 | 124.8 | 202.9 | 8.9 |
| 5 | AMD | Advanced Micro Devices | 118.6 | 5.6 | 8.8 | 85.2 | 129.2 | 62.3 | 128.4 | 8.3 |
| 6 | MSFT | Microsoft | 369.7 | 4.8 | 12.6 | 54.7 | 369.7 | 221.8 | 409.4 | 10.7 |
| 7 | META | Meta Platforms | 328.8 | 4.5 | 2.2 | 163.6 | 328.8 | 108.8 | 387.4 | 17.8 |
| 8 | QCOM | QUALCOMM | 124.2 | 3.9 | 10.6 | 15.9 | 138.5 | 103.0 | 136.8 | 10.2 |
| 9 | MU | Micron Technology | 75.4 | 3.8 | 9.1 | 49.6 | 75.4 | 49.0 | 78.4 | 4.0 |
| 10 | DIS | Walt Disney | 88.3 | 3.8 | 3.9 | -0.8 | 113.2 | 79.3 | 109.9 | 24.4 |
| 11 | AMZN | Amazon.com | 143.6 | 3.6 | 10.9 | 67.3 | 144.9 | 81.8 | 176.2 | 22.7 |
| 12 | GOOGL | Alphabet | 132.6 | 2.7 | -4.0 | 48.8 | 140.6 | 86.0 | 152.8 | 15.3 |
| 13 | INTC | Intel | 38.9 | 2.2 | 6.7 | 47.2 | 38.9 | 24.9 | 37.2 | -4.2 |
| 14 | CSCO | Cisco Systems | 52.6 | -0.8 | -2.4 | 10.6 | 57.8 | 44.0 | 59.6 | 13.4 |
| 15 | TSLA | Tesla | 214.6 | -2.4 | -18.6 | 98.6 | 293.3 | 108.1 | 260.5 | 21.4 |
| 16 | BAC | Bank of America | 27.7 | -2.6 | 2.5 | -17.4 | 38.2 | 25.2 | 34.2 | 23.5 |
| 17 | CMCSA | Comcast | 41.9 | -2.9 | -5.8 | 17.8 | 47.1 | 32.5 | 49.7 | 18.6 |
| 18 | XOM | Exxon Mobil | 103.8 | -3.7 | -6.1 | -1.8 | 120.2 | 99.8 | 130.5 | 25.8 |
| 19 | PFE | Pfizer | 29.5 | -4.4 | -11.1 | -42.0 | 54.0 | 29.5 | 36.1 | 22.4 |
| 20 | WYNN | Wynn Resorts | 85.5 | -7.8 | -9.0 | -0.1 | 115.8 | 72.0 | 124.8 | 46.0 |

Source: Bloomberg, Capital IQ

Note: Positive 12 month return targets imply an overall "Buy" recommendation by analysts



Week ahead calendar

Macroeconomic releases

Company earnings

| | Time (GMT +4) | Country | Event | Company | Ticker | Time | Forecast EPS \$ |
|--------------------------|------------------|----------|------------------------------|--------------------------|--------|--------------|--------------------|
| Monday 13 November | 14:00 | China | New Yuan Loans (Oct) | Tyson Foods | TSN | Premarket | 0.08 |
| | | | | Mizuho Financial | MFG | Premarket | 0.07 |
| | | | | British American Tobacco | BTI | N/A | N/A |
| Tuesday 14 November | 11:00 | UK | Unemployment (Sep) | Home Depot | HD | Premarket | 3.76 |
| | 14:00 | Eurozone | GDP prel. (3Q23) | Sea | SE | Premarket | 0.12 |
| | 17:30 | US | Inflation (Oct) | Vodafone Group | VOD | Premarket | N/A |
| | | | | Nu Holdings | NU | After market | 0.06 |
| Wednesday 15 November | 03:50 | Japan | GDP prel. (3Q23) | TJX | TJX | Premarket | 0.96 |
| | 11:00 | UK | Inflation (Oct) | Target | TGT | Premarket | 1.47 |
| | 17:30 | US | PPI (Oct) | JD.com | JD | Premarket | 5.90 |
| | 17:30 | US | Retail sales (Oct) | Cisco | CSCO | After market | 1.03 |
| | | | | Tencent | TCEHY | N/A | 0.57 |
| Thursday 16 November | 15:30 | Eurozone | ECB President Lagarde speech | Walmart | WMT | Premarket | 1.51 |
| | 17:30 | US | Jobless claims | Alibaba Group | BABA | Premarket | 15.39 |
| | 18:15 | US | Industrial production (Oct) | Applied Materials | AMAT | After market | 1.99 |
| Friday 17 November | 11:00 | UK | Retail sales (Oct) | Assicurazioni Generali | ARZGY | Premarket | 0.32 |
| | 14:00 | Eurozone | Inflation (Oct) | Tokio Marine Holdings | TKOMY | N/A | 0.40 |
| | 17:30 | US | Building permits prel. (Oct) | | | | |

Source: Bloomberg, NASDAQ

Definitions: Equity indices

| | |
|-----------------------|--|
| S&P 500 | S&P 500 is a market capitalization weighted index of 500 leading US companies, developed by Standard & Poor's in 1957. As the index is diversified over 11 fundamental sectors of the economy it is widely considered a benchmark for the overall US stock market. |
| Nasdaq 100 | Nasdaq 100 is a market capitalization weighted index of 100 largest companies (mostly US-based) listed on Nasdaq stock exchange. The index includes companies from numerous sectors, but is mostly composed of technology-focused companies. The index excludes companies from financial sector. |
| Dow Jones 30 | Founded in 1882, Dow Jones Industrial Average (DJIA) or Dow Jones 30 is the price weighted index of some of the largest 30 US stocks. While most of the constituent companies are quite old and established, there have been some new additions, such as Salesforce, Amgen, and Honeywell in 2020. |
| Russell 2000 | Russell 2000 is a market capitalization weighted benchmark equity index of 2,000 small-cap (market cap between \$300mn and \$3bn) US stocks. The index is viewed as a strong indicator for the broader US economic trend, as the constituent companies mostly operate only within the US. |
| FTSE 100 (£) | FTSE 100 is a market capitalization weighted index of 100 largest companies listed on London Stock Exchange (LSE). As such, the index is similar to S&P 500 and Dow Jones 30 but includes companies mostly from Europe. |
| FTSE 250 (£) | The index covers 250 companies listed on the LSE that rank from 100 to 350 in terms of market capitalization (therefore, focusing largely on mid-cap companies). FTSE 250 covers stocks mostly from Europe. |
| STOXX 600 (€) | Stoxx 600 aims to capture the broad European equity market, as it includes companies of all sizes from 17 different countries. The index includes famous European companies, such as Nestle, AstraZeneca, and Moët Hennessy Louis Vuitton. |
| MSCI Europe | MSCI Europe includes 427 large (market cap above \$10bn) and mid-cap (market cap between \$2bn and \$10bn) companies from 15 European developed economies. As such, the index covers roughly 85% of free-float adjusted market capitalization of the European DM equity universe. |
| Nikkei 225 (¥) | Nikkei is the price weighted index of 225 blue-chip stocks listed on Tokyo stock exchange (therefore, an equivalent of S&P 500 in the US). Some of the most prominent constituents of the index are Sony, Nissan, and Honda. |
| MSCI China | MSCI China includes 717 large and mid-cap companies listed on Beijing, Shanghai, and Shenzhen stock exchanges. As such, the index covers roughly 85% of the Chinese equity universe. |
| MSCI EAFE | MSCI EAFE consists of 900 stocks from developed markets worldwide, excluding the US and Canada (including Japan, the UK, France, Germany, Switzerland, and others). The index covers roughly 85% of free-float adjusted market capitalization of 21 countries of focus. |
| MSCI EM | MSCI EM includes 1,436 large and mid-cap companies from 24 emerging economies (including China, India, Taiwan, South Korea, Brazil, and others). As such, the index covers roughly 85% of free-float adjusted market capitalization of countries of focus. |
| MSCI World | MSCI World includes 1,510 large and mid-cap companies from 23 developed economies. As such, it is an extension of MSCI EAFE and includes the US and Canada as well. The index covers roughly 85% of free-float adjusted market capitalization of countries of focus. |

Source: MSCI, Investopedia

Definitions: 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: Corporate Finance Institute

Disclaimer

This document is the property of and has been prepared by JSC Galt & Taggart ("Galt & Taggart"), a member of Bank of Georgia group PLC ("Group") solely for informational purposes and independently of the respective companies mentioned herein. This document does not constitute or form part of, and should not be construed as, an offer or solicitation or invitation of an offer to buy, sell or subscribe for any securities or assets and nothing contained herein shall form the basis of any contract or commitment whatsoever or shall be considered as a recommendation to take any such actions.

Galt & Taggart is authorized to perform professional activities on the Georgian market. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by Galt & Taggart to inform themselves about and to observe any and all restrictions applicable to them. This document is not directed to, or intended for distribution, directly or indirectly, to, or use by, any person or entity that is a citizen or resident located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The recipients of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

No representation, warranty or undertaking, express or implied, is or will be made by Galt & Taggart or any other member of the Group or their respective directors, employees, affiliates, advisers or agents or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this document and the information contained herein (and whether any information has been omitted from this document) and no reliance should be placed on it. This document should not be considered as a complete description of the markets, industries and/or companies referred to herein. Nothing contained in this document is, is to be construed as, or shall be relied on as legal, investment, business or tax advice, whether relating to the past or the future, by Galt & Taggart any other member of the Group or any of their respective directors, employees, affiliates, advisers or agents in any respect. Recipients are required to make their own independent investigation and appraisal of the matters discussed herein. Any investment decision should be made at the investor's sole discretion. To the extent permitted by law, Galt & Taggart, any other member of the Group and their respective directors, employees, affiliates, advisers and agents disclaim all liability whatsoever (in negligence or otherwise) for any loss or damages however arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection with this document, or for any act, or failure to act, by any party, on the basis of this document.

The information in this document is subject to verification, completion and change without notice and Galt & Taggart is not under any obligation to update or keep current the information contained herein. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the information since the date hereof or the date upon which this document has been most recently updated, or that the information contained in this document is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No representation or warranty, expressed or implied, is made by Galt & Taggart or any other member of the Group, or any of their respective directors, employees, affiliates, advisers or agents with respect to the accuracy or completeness of such information.

The information provided and opinions expressed in this document are based on the information available as of the issue date and are solely those of Galt & Taggart as part of its internal research coverage. Opinions, forecasts and estimates contained herein are based on information obtained from third party sources believed to be reliable and in good faith, and may change without notice. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Accordingly, undue reliance should not be placed on any such data contained in this document. Neither Galt & Taggart, any other member of the Group, nor their respective directors, employees, affiliates, advisers or agents make any representation or warranty, express or implied, of this document's usefulness in predicting the future performance, or in estimating the current or future value, of any security or asset.

Galt & Taggart does, and seeks to do, and any other member of the Group may or seek to do business with companies covered in its research. As a result, investors should be aware of a potential conflict of interest that may affect the objectivity of the information contained in this document.

Unauthorized copying, distribution, publication or retransmission of all or any part of this document by any medium or in any form for any purpose is strictly prohibited.

The recipients of this document are responsible for protecting against viruses and other destructive items. Receipt of the electronic transmission is at risk of the recipient and it is his/her responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Galt & Taggart**Address:** 3 A. Pushkin Street, Tbilisi 0105, Georgia**Tel:** +995 32 2401 111**Research:** research@gt.ge

Tel: +995 32 2401 111 (4298)

Brokerage: sales@gt.ge

Tel: +995 32 2444 132

Investment Banking: ib@gt.ge

Tel: +995 32 2401 111 (7457)