



Weekly market overview

Week ahead

- Large financial and technology sector companies are scheduled to publish their earnings this week.
- The US is set to publish the PPI and CPI figures for December. Meanwhile, The EU will publish Industrial Production data for November on Wednesday. The UK will release Retail Sales for December on Friday.

*For exact dates please check page 6 of the document

Commentary

US stocks declined during the week, with the Nasdaq Composite falling 2.34%, its steepest weekly loss since November. Early optimism about softer tariff policies under the incoming Trump administration faded after Trump dismissed these reports. Inflation concerns intensified, driven by rising prices in the ISM Services PMI and a strong jobs report showing 256,000 new jobs and 3.9% wage growth. This reinforced expectations that the Federal Reserve may keep interest rates higher for longer. Treasury yields surged, with the 10-year note reaching its highest level since November 2023. Corporate bond issuance was strong but saw wider spreads due to heavy supply. Markets remain volatile as investors weigh inflation, Fed policy, and corporate earnings.

European stocks posted gains, with the STOXX Europe 600 up 0.65%. Italy's FTSE MIB led with a 2.82% rise, while the UK's FTSE 100 added 0.30%. UK bond markets faced pressure as 10-year gilt yields hit 4.8%, the highest since 2008, driven by Trump policy concerns, the Fed's hawkish stance, and doubts over UK fiscal health. Eurozone inflation rose to 2.4% in December, with core inflation steady at 2.7%. The ECB confirmed inflation is on track to meet its 2% target and supported further rate cuts, suggesting adjustments may continue through summer if inflation declines as expected.

EQUITIES	Level	W/W % change	M/M % change	YTD % change
United States				
S&P 500	5,827	-1.9	-3.4	-0.9
Nasdaq 100	20,848	-2.2	-2.4	-0.8
Dow Jones 30	41,938	-1.9	-5.2	-1.4
Russell 2000	2,189	-3.5	-8.1	-1.8
Global				
S&P Europe	2,080	0.8	-1.2	0.9
S&P China	2,403	-2.5	-7.2	-5.5
S&P Japan	2 546	-1.5	-1	-2.6
S&P Global	4,025	-1.6	-3.6	-0.9

FIXED INCOME	Yield, %	1-week ago	1-month ago	31-Dec-2025
United States				
2y US Treasury	4.40	4.28	4.15	4.24
10y US Treasury	4.77	4.60	4.22	4.57
US IG Credit	5.47	5.34	5.05	5.31
US HY Credit	7.53	7.42	7.17	7.50
Europe				
2y German Bund	2.28	2.17	1.97	2.09
10y German Bund	2.57	2.43	2.12	2.36
Europe HY Credit	5.35	5.20	4.98	5.20

W/W performance of US stocks by style, %

Large-cap	-1.5	-1.9	-2.4
	-2.0	-1.9	-1.5
	-3.2	-3.5	-2.7
	Value	Total	Growth

Source: Bloomberg

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S&P 500 sector highlights

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

In Communications, Omnicom Group (OMC), News Corporation (NWSA), and Comcast Corporation (CMCSA) are expected to deliver the best results. In Financials, Arch Capital (ACGL), Keycorp (KEY) and Intercontinental Exchange, Inc (ICE) are considered potential outperformers.

In Consumer Discretionary, the worst performance is expected from Garmin (GRMN), Lululemon (LULU), and eBay, Inc (EBAY).

*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	580.5	-1.9 	-1.0	469.9	609.1	Positive
Energy	XLE	88.4	 1.1	3.2	79.0	99.0	Neutral
Health Care	XLV	139.6	 0.5	1.5	135.9	159.6	Neutral
Materials	XLB	83.3	 0.1	-1.0	80.7	97.9	Neutral
Industrials	XLI	131.3	-1.0 	-0.3	110.0	144.5	Neutral
Utilities	XLU	75.6	-1.9 	-0.1	59.1	83.4	Neutral
Communications	XLC	95.8	-2.1 	-1.0	72.3	102.7	Positive
Discretionary	XLY	220.8	-2.2 	-1.6	166.5	240.3	Negative
Staples	XLP	76.3	-2.5 	-2.9	71.6	84.5	Neutral
Financials	XLF	47.3	-2.6 	-2.1	37.0	51.6	Positive
Technology	XLK	228.8	-3.0 	-1.6	189.7	241.9	Neutral
Real Estate	XLRE	39.2	-4.1 	-3.7	35.6	45.6	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	WBA	Walgreens Boots Alliance, Inc.	11.8	23.8	12.9	26.0	8.1	24.2	11.0	-6.2
2	CEG	Constellation Energy	305.2	20.9	31.4	36.4	109.4	310.0	289.3	-5.2
3	DAL	Delta Air Lines, Inc.	67.0	13.5	6.7	10.7	36.3	69.0	78.5	17.3
4	UAL	United Airlines Holdings, Inc.	107.1	12.0	11.0	10.3	37.0	110.9	119.5	11.6
5	MU	Micron Technology, Inc.	99.3	10.5	1.3	18.0	79.2	157.5	131.2	32.0

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	EIX	Edison International	65.0	-18.5	-21.5	-18.6	63.2	88.8	87.9	35.3
2	STZ	Constellation Brands, Inc.	181.8	-18.1	-25.1	-17.7	179.6	274.9	267.4	47.1
3	PCG	PG&E Corporation	17.2	-15.8	-13.6	-14.9	15.9	21.7	23.4	36.5
4	ON	ON Semiconductor	53.9	-15.6	-18.7	-14.4	53.6	85.2	82.1	52.2
5	SRE	Sempra	78.7	-10.2	-11.1	-10.2	66.4	95.8	94.4	19.9

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 Corporation	135.9	-5.9	0.6	1.2	54.3	153.1	172.8	27.1
2	INTC	Intel Corporation	19.2	-6.9	-5.0	-4.5	18.5	50.3	24.2	26.4
3	TSLA	Tesla, Inc.	394.7	-3.8	-1.6	-2.3	138.8	488.5	296.7	-24.8
4	AAPL	Apple Inc.	236.9	-2.7	-4.4	-5.4	164.1	260.1	247.9	4.7
5	AMD	Advanced Micro Devices, Inc.	116.0	-7.4	-9.2	-3.9	114.5	227.3	177.5	53.0
6	BAC	Bank of America Corporation	45.1	0.7	-1.4	2.6	31.3	48.1	50.8	12.7
7	AMZN	Amazon.com, Inc.	218.9	-2.3	-2.7	-0.2	149.9	233.0	241.7	10.4
8	UBER	Uber Technologies, Inc.	66.0	2.1	1.6	9.4	54.8	87.0	89.5	35.6
9	DAL	Delta Air Lines, Inc.	67.0	13.5	6.7	10.7	36.3	69.0	78.5	17.3
10	GOOGL	Alphabet Inc.	192.0	0.1	3.7	1.4	130.7	201.4	213.2	11.0

*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
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
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%
Tegeta Motors	USD	5	8.25%	Dec-24	Dec-26	-/-/-/BB-	n/a	n/a

 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	-/-/-/-	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	-/-/-/-	n/a	7.75%
Silk Real Estate	EUR	7	7.00%	Aug-24	Aug-25	-/-/-/-	n/a	7.00%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/-/-	n/a	7.75%
GEL								
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-/BB-	100.00	11.58%
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-/BB-	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Feb-23	Feb-25	B-/-/-/-	100.00	13.22%
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/-/B+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB/-/-/-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	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-26	-/-/-/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 13 January	07:15	EU	ECB's Lane speech	Komatsu	KMTUY	N/A
	23:00	US	Monthly Budget Statement, Dec	KB Home	KBH	After Market
Tuesday 14 January	12:30	UK	BoE's Breeden speech			
	17:30	US	Producer Price Index, Dec			
Wednesday 15 January	11:00	UK	Consumer Price Index, Dec	JP Morgan	JPM	Premarket
	14:00	EU	Industrial Production	Goldman Sachs	GS	Premarket
	17:30	US	Consumer Price Index, Dec	BlackRock	BLK	Premarket
Thursday 16 January				Citigroup	C	Premarket
	11:00	UK	Manufacturing Production, Nov	TSMC	TSM	N/A
	16:30	EU	ECB Monetary Policy Meeting Accounts	UnitedHealth	UNH	Premarket
	17:30	US	Retail Sales, Dec	Bank of America	BAC	Premarket
Friday 17 January				Morgan Stanley	MS	Premarket
	06:00	CN	Gross Domestic Product, Q4	Truist Financial	TFC	Premarket
	11:00	UK	Retail Sales, Dec	Schlumberger	SLB	Premarket
	14:00	EU	Harmonized Index of Consumer Prices	Fastenal Company	FAST	Premarket
				Wipro	WIT	After Market

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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