

Global Financial Markets Weekly Update

20 December, 2024

Giorgi Karchava | Head of brokerage | Giorgi.Karchava@lb.ge | +995 598 72 66 54

Giorgi Sakandelidze | Investment Broker & Analyst | Giorgi.sakandelidze@lb.ge | +995 577 40 50 75

Aleksandre Meparidze | Head of Financial analysis and Macroeconomic

Aleksandre Akhaladze | Macroeconomics Analyst

Elene Vashakmadze | Macroeconomics Junior Analyst

Table of Content

[Quote of the week](#)

[Executive Summary](#)

[Market Overview](#)

[Indices](#)

[Top Performing Sectors](#)

[Commodities](#)

[Currencies](#)

[Macroeconomics](#)

[Forthcoming Calendar](#)

[Upcoming Opportunities](#)

[Story of the Week](#)

[Definitions](#)

[Sources](#)

[Disclaimer](#)

Quote of the week



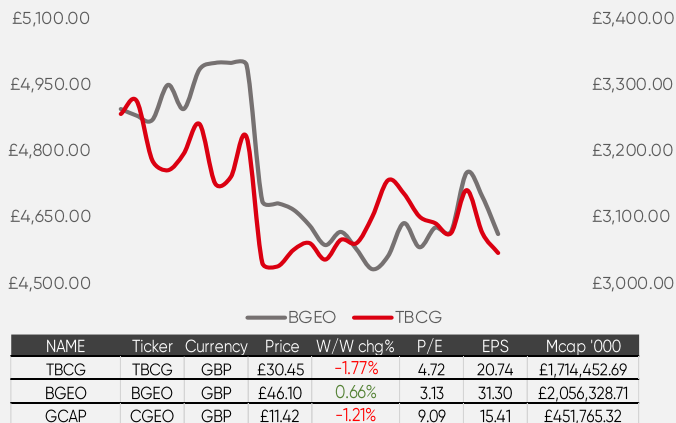
You must be the change you
wish to see in the world.

***Mahatma
Gandhi***

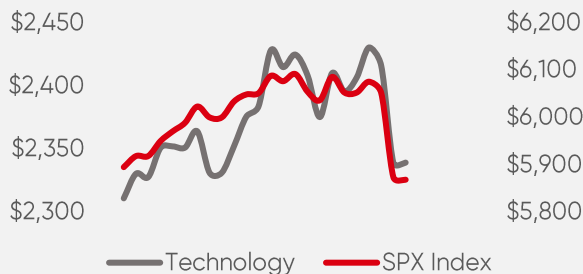
Executive Summary

- The DAX is currently trading at 19,764, reflecting a 3.11% decrease over the past five days. This sharp decline underscores growing concerns about the broader European economic outlook and the ripple effects of the Federal Reserve's hawkish stance on global markets.
- The U.S. Dollar Index (DXY) is navigating a period of heightened sensitivity, currently reflecting market reactions to the Federal Reserve's hawkish stance. Recent movements underscore the impact of Fed policy expectations, as traders digest signals of sustained monetary tightening.

TBC/BGEO

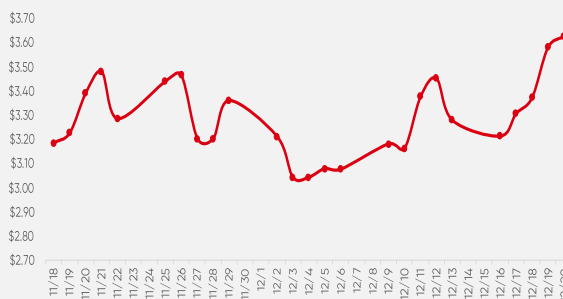


TECHNOLOGY



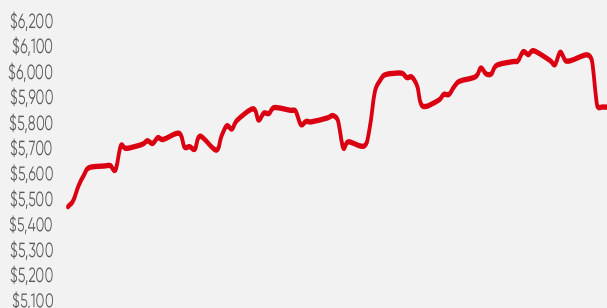
The technology sector is currently trading at \$2,339, reflecting a 2.79% decrease over the past five days. This decline highlights the sector's sensitivity to macroeconomic trends, particularly the Federal Reserve's hawkish stance and its implications for high-growth industries.

Natural Gas



Natural gas is currently trading at \$3.63, reflecting a significant 12.94% increase over the past five days. This sharp rise comes as natural gas gains renewed attention in the energy market, driven by both short-term supply dynamics and long-term demand projections.

S&P 500



The S&P 500 is currently trading at 5,867, reflecting a 3.04% decrease over the past five days. This decline highlights the growing market uncertainty following signals of a potential pivot in Federal Reserve policy.

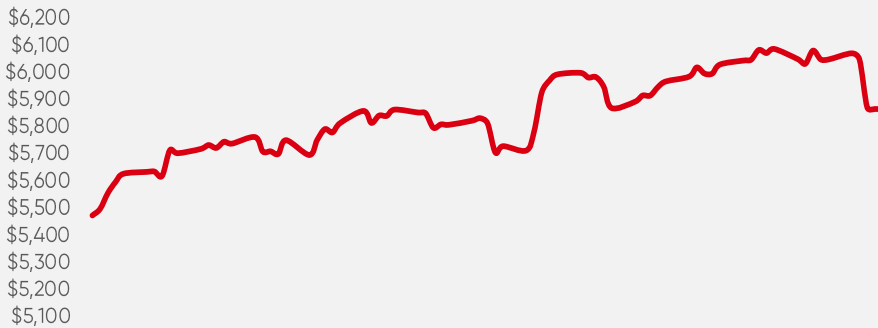
US Current Account Balance (Bln)



The U.S. current account deficit expanded by \$35.9 billion (+13.1%) to a record \$310.9 billion in Q3 2024, representing 4.2% of GDP, up from 3.7% in Q2.

Indices

S&P 500



The S&P 500 is currently trading at 5,867, reflecting a 3.04% decrease over the past five days. This decline highlights the growing market uncertainty following signals of a potential pivot in Federal Reserve policy. Investors are increasingly cautious as the Fed's approach to managing inflation and interest rates becomes a central focus, with fears that tighter monetary conditions could weigh on economic growth and corporate earnings.

Historically, the S&P 500 has shown mixed performance during periods of Federal Reserve policy transitions. While some investors anticipate stabilization following a potential rate pause or cut, others remain wary of the broader economic implications, including the risk of a slowdown.

NAME	LAST
Communication Service	-3.51%
Consumer Discretionary	-3.06%
Consumer Staples	-2.91%
Energy	-6.58%
Financial	-3.35%
Health Care	-3.34%
Industrial	-3.73%
Materials	-5.31%
Real Estate	-6.66%
Technology	-2.79%
Utilities	-3.10%

DAX



Ticker	Price	W/W %	P/E
MUV2	\$ 495.80	2.72%	11.77
CBK	\$ 15.37	2.31%	8.27
ENR	\$ 49.50	1.95%	36.52
SRT3	\$ 213.50	-6.76%	141.74
BNR	\$ 57.08	-7.15%	14.88
VNA	\$ 28.85	-9.60%	--

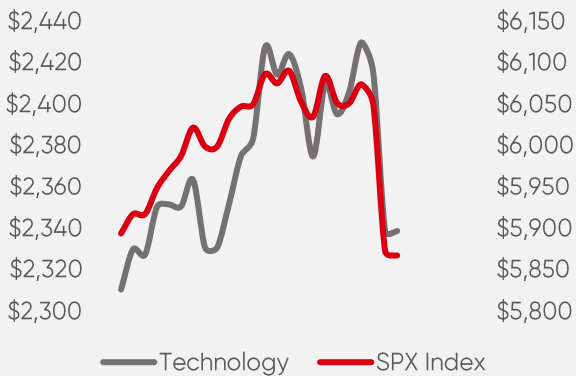
The DAX is currently trading at 19,764, reflecting a 3.11% decrease over the past five days. This sharp decline underscores growing concerns about the broader European economic outlook and the ripple effects of the Federal Reserve's hawkish stance on global markets. The Fed's 2025 projections, emphasizing higher-for-longer interest rates, have contributed to a stronger U.S. dollar and heightened risk aversion among international investors, putting downward pressure on European equities, including the DAX.

Domestically, German stocks have faced additional headwinds due to weaker-than-expected economic data and concerns over sluggish industrial activity. As Germany's economy remains heavily reliant on exports, a combination of global trade uncertainties and a strong U.S. dollar has further weighed on investor sentiment.

Top Performing Sectors

Technology

2,339\$ / 2.79%

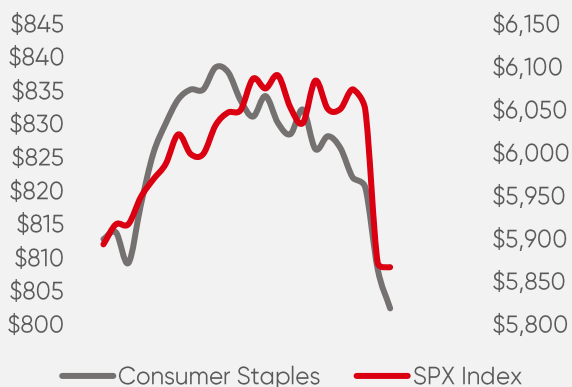


Ticker	Price	W/W %	EPS T12M	P/E	Vol. mln
AVGO	\$ 218.32	20.85%	\$ 1.27	82.76	\$40.29
JBL	\$ 140.44	5.09%	\$ 10.58	20.85	\$2.40
TER	\$ 125.19	3.51%	\$ 3.26	42.70	\$3.03
ACN	\$ 372.16	3.33%	\$ 12.06	30.33	\$6.06
ANET	\$ 109.07	2.05%	\$ 2.13	52.33	\$6.34
ENPH	\$ 65.80	-9.86%	\$ 0.45	110.56	\$4.11
STX	\$ 87.54	-10.34%	\$ 3.92	34.57	\$4.52
FSLR	\$ 175.88	-10.41%	\$ 11.66	14.48	\$2.52
MU	\$ 87.09	-11.35%	\$ 3.50	26.93	\$90.40
SMCI	\$ 31.24	-17.64%	\$ 2.16	15.68	\$38.86

The technology sector is currently trading at \$2,339, reflecting a 2.79% decrease over the past five days. This decline highlights the sector's sensitivity to macroeconomic trends, particularly the Federal Reserve's hawkish stance and its implications for high-growth industries. The Fed's commitment to keeping interest rates elevated has increased borrowing costs, putting pressure on tech companies that rely heavily on capital for innovation and expansion. Despite the recent pullback, the sector remains a critical driver of market innovation, with investors continuing to focus on the long-term growth potential of leading tech players. The so-called "Mag 7" tech giants have been a central theme in market discussions, as their profit growth forecasts remain a key barometer for the sector's overall health. However, the mixed sentiment around these companies reflects broader concerns about valuation risks and slowing demand in certain areas of technology.

Consumer Staples

802\$ / 2.91%



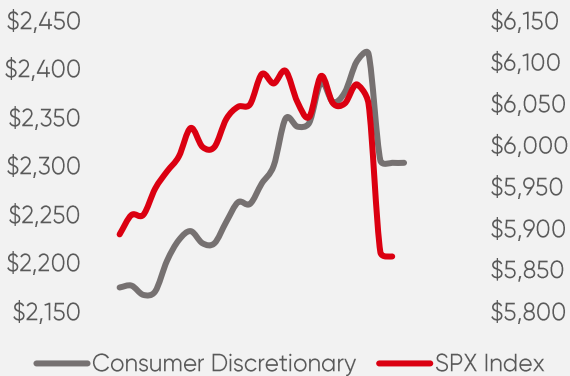
Ticker	Price	W/W %	EPS T12M	P/E	Vol. mln
KMB	\$ 131.45	0.43%	\$ 7.74	11.85	\$3.43
CHD	\$ 105.85	0.42%	\$ 2.26	31.29	\$1.99
CLX	\$ 164.13	-0.32%	\$ 2.88	26.58	\$1.36
K	\$ 80.34	-0.46%	\$ 2.94	21.17	\$2.23
CL	\$ 92.92	-0.68%	\$ 3.49	21.69	\$6.60
ADM	\$ 49.38	-6.97%	\$ 3.51	10.02	\$3.12
EL	\$ 74.70	-7.80%	\$ 0.57	28.26	\$3.85
BF/B	\$ 41.36	-8.01%	\$ 2.12	19.40	\$2.48
HSY	\$ 168.94	-8.16%	\$ 8.69	18.36	\$1.91
LW	\$ 62.50	-15.80%	\$ 2.55	21.25	\$12.30

The consumer staples sector is currently trading at \$802, reflecting a 2.91% decrease over the past five days. This decline underscores the sector's sensitivity to broader market trends, including inflationary pressures and shifting consumer behavior. Despite its traditionally defensive nature, the recent downturn highlights challenges faced by companies in managing costs and maintaining margins amidst economic headwinds.

Investors have been closely monitoring major players like Walmart, which continues to anchor the sector with its strong operational performance and ability to adapt to changing market conditions. While Walmart has demonstrated resilience, the overall sector has struggled to counteract the broader market's bearish sentiment, particularly as rising input costs and cautious consumer spending weigh on profitability.

Top Performing Sectors

Consumer Discretionary 2,304\$/3.06%

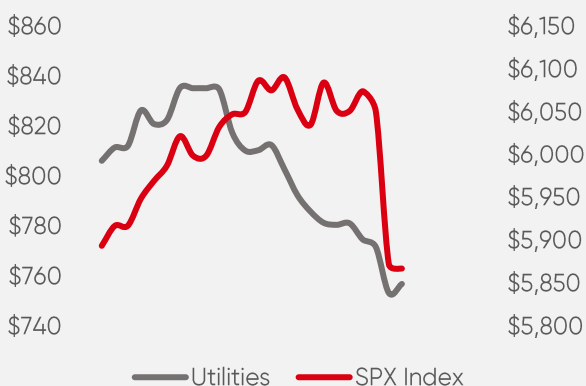


Ticker	Price	W/W %	EPS T12M	P/E	Vol. mln
DRI	\$ 183.44	11.18%	\$ 8.78	20.65	\$4.77
TSLA	\$ 436.17	4.32%	\$ 4.00	#####	\$117.60
TPR	\$ 62.66	1.90%	\$ 3.52	15.53	\$4.93
DECK	\$ 205.28	0.79%	\$ 5.71	35.99	\$1.83
ULTA	\$ 425.52	0.38%	\$ 25.12	16.89	\$0.74
BWA	\$ 31.48	-10.19%	\$ 3.95	6.32	\$3.28
MHK	\$ 116.82	-10.41%	\$ 8.88	11.55	\$0.97
LEN	\$ 138.40	-10.98%	\$ 14.38	9.52	\$6.24
HAS	\$ 56.51	-11.77%	\$ (4.63)	15.57	\$1.90
CZR	\$ 33.07	-12.54%	\$ (1.67)	--	\$7.56

The consumer discretionary sector is currently trading at \$2,304, reflecting a 3.06% drop over the past five days. This decline highlights the challenges facing the sector, as macroeconomic headwinds and shifting consumer spending patterns weigh on market sentiment. Despite the broader downturn, some bright spots remain, with companies like Lululemon reporting robust earnings and boosting their full-year outlook, signaling resilience among premium retailers.

The sector's recent performance has been influenced by the evolving landscape of holiday shopping trends. "Black November," as described by retail veteran Mickey Drexler, reflects a shift toward extended promotional periods rather than concentrated Black Friday events. This change has impacted traditional sales cycles, adding complexity to retail performance metrics during the critical holiday season.

Utilities 757\$/3.1%



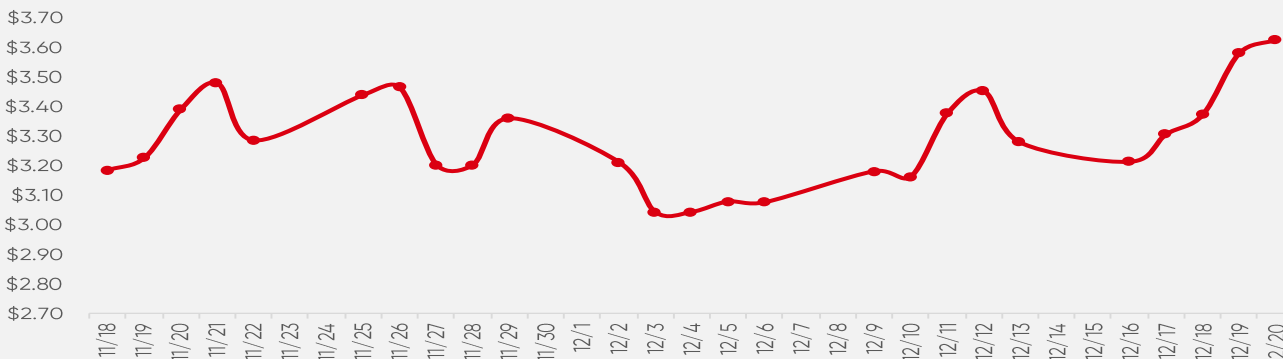
Ticker	Price	W/W %	EPS T12M	P/E	Vol. mln
EXC	\$ 37.19	0.98%	\$ 2.43	15.25	\$14.60
ETR	\$ 74.49	0.48%	\$ 4.12	12.58	\$4.58
CNP	\$ 31.76	-0.47%	\$ 1.51	19.05	\$8.33
PPL	\$ 32.02	-0.84%	\$ 1.12	18.70	\$5.27
AEE	\$ 88.57	-1.36%	\$ 4.26	20.06	\$2.85
VST	\$ 137.20	-5.43%	\$ 5.84	46.65	\$7.40
CEG	\$ 225.17	-5.79%	\$ 9.08	26.40	\$2.83
NRG	\$ 89.25	-6.19%	\$ 4.15	15.38	\$2.45
ES	\$ 55.90	-6.51%	\$ (1.57)	16.28	\$2.86
AES	\$ 12.44	-7.99%	\$ 1.46	5.35	\$15.22

The utilities sector is currently trading at \$757, reflecting a 3.1% decrease over the past five days. This decline comes as broader market conditions exert pressure on traditionally defensive sectors. Despite its reputation as a safe-haven investment, the utilities sector has faced challenges from rising interest rates, which increase the cost of capital for infrastructure-heavy industries and reduce the appeal of dividend-yielding stocks relative to other income-generating investments.

While the broader stock market continues to show resilience, with many indices staging record runs, utilities have lagged due to shifting investor preferences toward growth-oriented sectors.

Commodities

Natural Gas

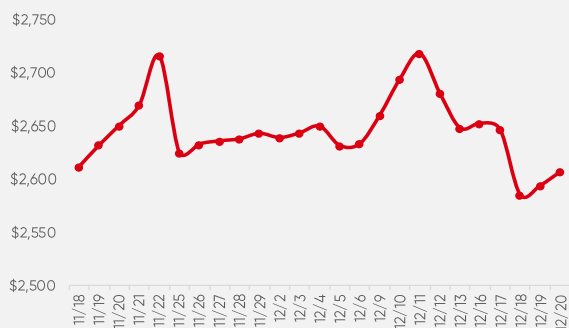


Natural gas is currently trading at \$3.63, reflecting a significant 12.94% increase over the past five days. This sharp rise comes as natural gas gains renewed attention in the energy market, driven by both short-term supply dynamics and long-term demand projections. The recent inventory report, which revealed a drawdown of 125 billion cubic feet (slightly below expectations), has contributed to the upward pressure on prices by highlighting tighter-than-expected supply levels.

In addition to current supply constraints, the outlook for natural gas is being buoyed by projections of increased energy demand in 2025. The anticipated growth in AI-driven technologies and their energy-intensive applications is expected to position natural gas as a critical component of the energy mix, particularly as industries seek reliable and flexible power sources. This long-term demand narrative has provided a supportive backdrop for the recent price rally.

Market analysts note that natural gas is benefiting from its dual role as both a transitional fuel in the shift to renewable energy and a staple for meeting peak energy demands. Geopolitical factors and seasonal weather patterns are also influencing short-term market dynamics, adding further complexity to the pricing environment.

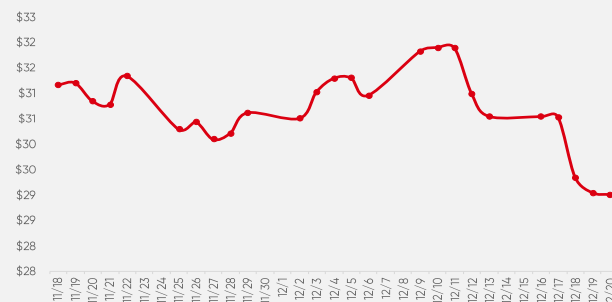
Gold



Gold is currently trading at \$2,619, reflecting a 1.36% decrease over the past five days. This decline comes amid a hawkish Federal Reserve outlook, which has weighed heavily on the precious metal's appeal. The recent rebound from a Fed-driven rout offered only temporary relief, as ongoing concerns about higher-for-longer interest rates have clouded the outlook for gold prices.

The Federal Reserve's commitment to combating inflation through tighter monetary policy has increased pressure on non-yielding assets like gold

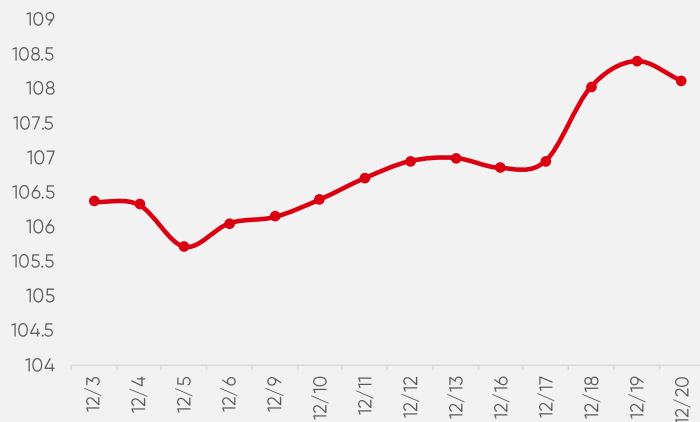
Silver



Silver is currently trading at \$29.42, reflecting a 4.03% decrease over the past five days. This decline highlights the ongoing volatility in the precious metals market. For instance, America's Gold and Silver Corporation announced the completion of its acquisition of the remaining interest in the Galena Complex, marking a strategic move to enhance its production capabilities. This development underscores the ongoing efforts within the industry to bolster operational efficiencies and future output.

Currencies

US Dollar Index



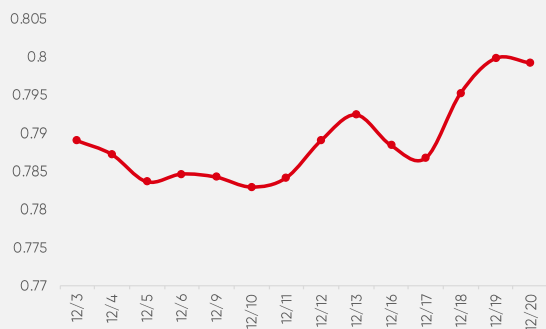
The U.S. Dollar Index (DXY) is navigating a period of heightened sensitivity, currently reflecting market reactions to the Federal Reserve's hawkish stance. Recent movements underscore the impact of Fed policy expectations, as traders digest signals of sustained monetary tightening. The index remains a critical barometer for global market sentiment, especially as the Federal Open Market Committee (FOMC) takes center stage this week.

A key driver of recent DXY activity has been the Fed's commitment to combating inflation through higher interest rates for an extended period.

This hawkish tone has bolstered the dollar, reinforcing its appeal as a safe-haven asset amidst global economic uncertainties. However, the market's reaction to the FOMC meeting will be pivotal in determining the index's near-term trajectory, with analysts closely monitoring Fed Chair Jerome Powell's commentary for further guidance.

Technical analysis highlights the importance of key resistance and support levels, with the DXY poised to test thresholds that could signal a breakout or consolidation. Investors are also weighing the broader implications of a strong dollar on global trade and emerging markets, as its strength often exerts pressure on non-dollar-denominated assets and economies reliant on external borrowing.

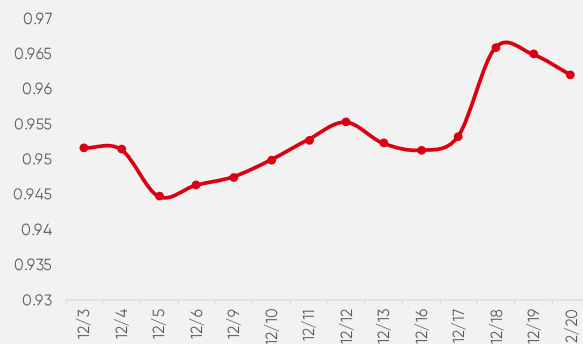
GBP



The British Pound (GBP) has been under significant pressure recently, with the GBP/USD pair testing seven-month lows below the 1.2500 mark. This decline comes as markets react to weaker-than-expected UK retail sales data, which has added to concerns about the strength of the UK economy. The disappointing retail performance reflects the challenges facing consumers amid high inflation and stagnant wage growth, contributing to the Pound's downward trajectory.

The EUR/GBP pair, meanwhile, has gathered strength, trading near the 0.8300 level as the Euro gains relative momentum.

EUR

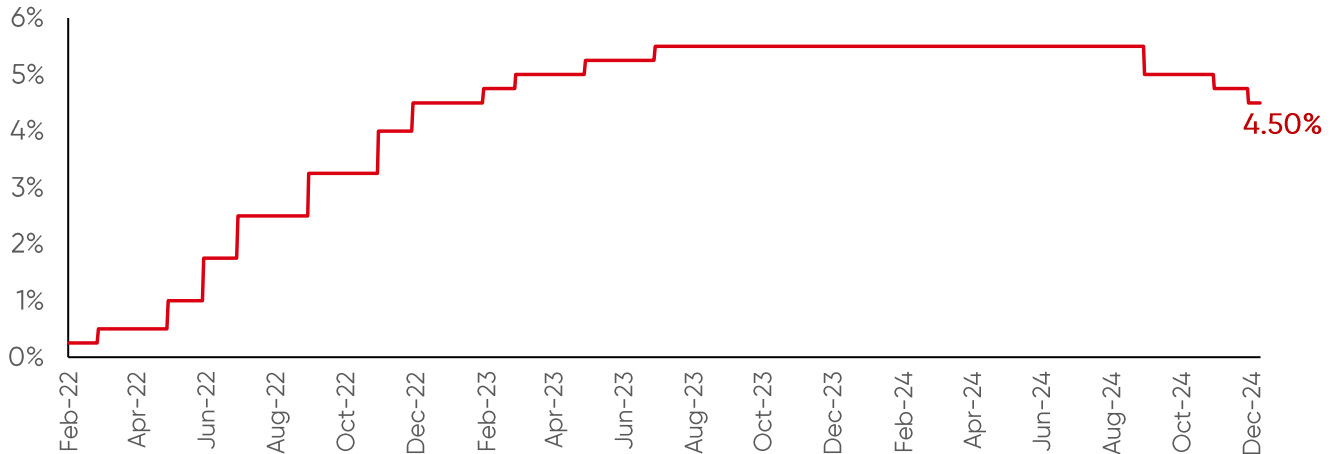


The Euro (EUR) has faced continued weakness, with the EUR/USD pair trading near 1.0350, hovering just above a two-year low. The recent decline is driven by a combination of stronger-than-expected U.S. economic data and the Federal Reserve's hawkish stance, which has bolstered the U.S. dollar at the expense of the Euro. Investors remain cautious ahead of key U.S. PCE data, which is expected to provide further insights into inflation trends and potential Federal Reserve policy actions.

Market sentiment around the Eurozone economy has been dampened by slower growth prospects and mixed economic data.

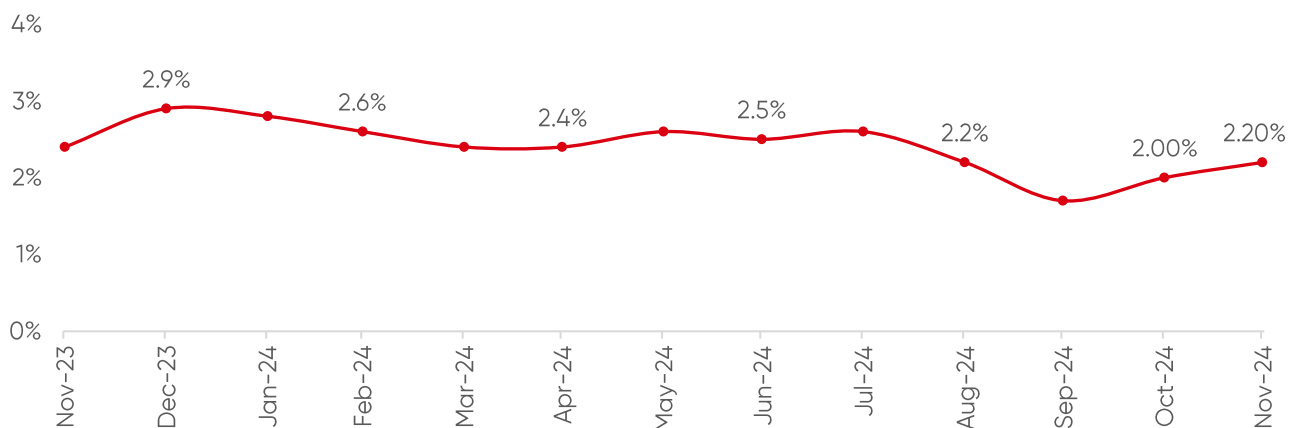
Macroeconomics

Fed Interest Rate (Upper Bound)



The Federal Reserve cut its key interest rate by 25 BP to a target range of 4.25%-4.5%, marking its third consecutive reduction. Chair Jerome Powell described the decision as a "closer call" but justified it as necessary to recalibrate policy amid steady inflation and solid economic growth. The Fed signaled fewer cuts ahead, projecting only two more reductions in 2025, and emphasized a cautious approach moving forward. Despite lowering rates by a full percentage point since September, markets remain skeptical, with Treasury yields rising and mortgage rates staying elevated. The Fed revised its 2024 GDP growth estimate to 2.5% while adjusting inflation and unemployment forecasts slightly higher.

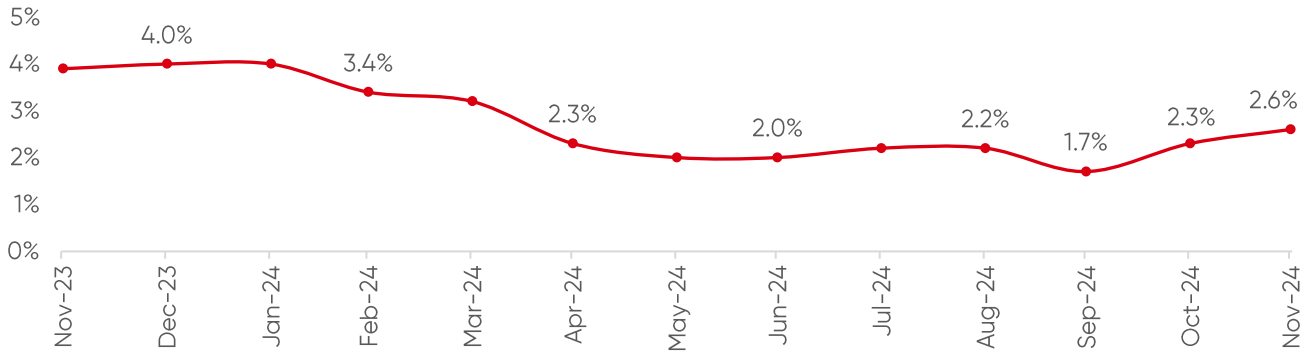
Eurozone Inflation YoY



Euro-area inflation rose to 2.2% in November, slightly above the European Central Bank's 2% target, driven by energy base effects and elevated services costs, which edged down only slightly to 3.9%. Core inflation remained steady at 2.7%, highlighting persistent price pressures. Policymakers remain cautiously optimistic, with ECB Vice President Luis de Guindos expressing confidence that inflation will continue to decline despite an uncertain economic environment. Diverging views within the ECB reflect ongoing debates, with some officials warning against inflation risks tied to wage growth and others emphasizing weak economic growth. Markets appear to anticipate that inflation will stabilize near target levels in 2025.

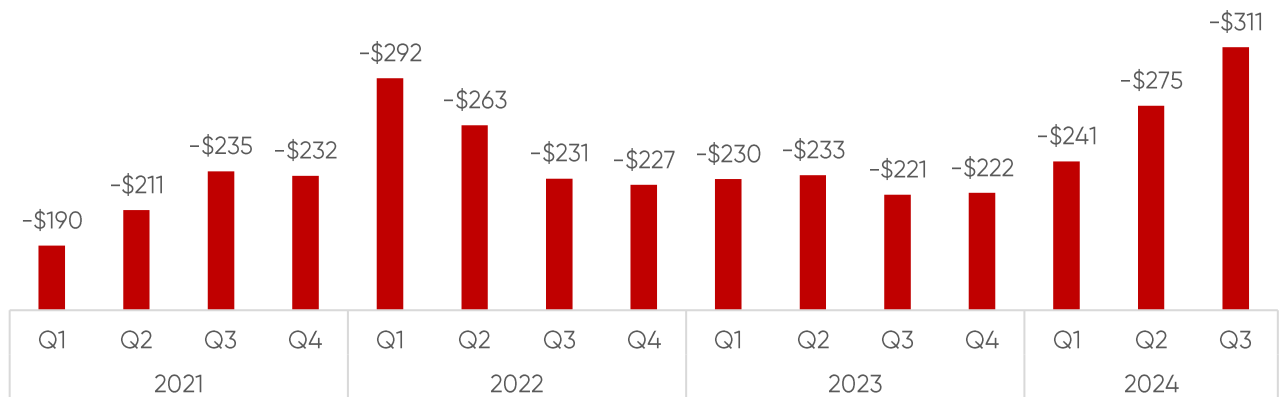
Macroeconomics

UK Inflation



UK inflation accelerated to 2.6% in November, an eight-month high, driven by rising motor fuel and clothing costs, as well as persistent pressures in the services sector, where inflation held at a stubborn 5%. Core inflation came in slightly below expectations at 3.5%, reflecting the ongoing impact of a tight labor market and wage growth. This marks the second consecutive monthly increase in headline inflation, dashing hopes of a December rate cut from the Bank of England. Concerns over "stagflation" are mounting, with inflationary pressures combining with weak economic performance, as GDP contracted for a second straight month in October. Markets now expect the BOE to take a cautious stance into 2025 as it balances persistent inflation with stagnant growth.

US Current Account Balance (Bln)



The U.S. current account deficit expanded by \$35.9 billion (+13.1%) to a record \$310.9 billion in Q3 2024, representing 4.2% of GDP, up from 3.7% in Q2. This increase was driven by a \$23.7 billion rise in goods imports, totaling \$837.2 billion, particularly in capital goods and consumer products. Goods exports also grew by \$13.6 billion to \$530.0 billion, led by semiconductors and civilian aircraft. Primary income receipts fell by \$15.5 billion to \$345.7 billion, while payments decreased by \$3.8 billion to \$361.2 billion. Secondary income payments saw a significant rise of \$16.1 billion, reaching \$112.0 billion. Despite the widening deficit, the dollar's status as a reserve currency remains largely unaffected.

Forthcoming Calendar

Monday

Name	Currency	Forecast	Current
CB Consumer Confidence	USD		111.7
GDP (YoY)	GBP	1.0%	0.7%
Current Account	GBP		(-28.4B)
GDP (MoM)	CAD	0.1%	0.1%

Tuesday

Name	Currency	Forecast	Current
New Home Sales	USD		610K
Durable Goods Orders (MoM)	USD		0.20%
Building Permits	USD	1.505M	1.419M
5-Year Note Auction	USD		4.20%

Wednesday

Name	Currency	Forecast	Current
Holiday			

Thursday

Name	Currency	Forecast	Current
Initial Jobless Claims	USD		242K
7-Year Note Auction	USD		4.18%
France Jobseekers Total	EUR		2,891.5K
Tokyo Core CPI (YoY)	JPY		2.20%

Friday

Name	Currency	Forecast	Current
Goods Trade Balance	USD		(-98.08B)
S&P/CS HPI Composite - 20 n.s.a. (YoY)	USD		4.60%
Retail Inventories Ex Auto	USD		0.10%
Unemployment Rate	BRL		6.20%

Upcoming Revenue Reports

Ticker	EPS Forecast	Forecast	Market cap
AVXL	-0.1567	0	718.22M
LMNR	-0.135	41.43M	463.21M
AHG	.	.	198.11M
XELB	-0.105	1.57M	12.04M
AOLS	.	.	45.63K

Ticker	EPS Forecast	Forecast	Market cap
BCV	.	.	103.46M
.	.	.	.
.	.	.	.
.	.	.	.
.	.	.	.

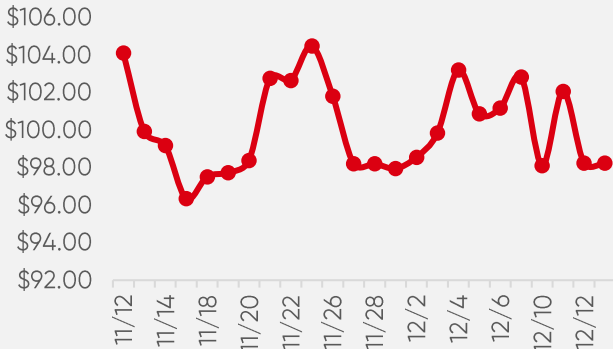
Ticker	EPS Forecast	Forecast	Market cap
CMPD	.	.	5.21M
.	.	.	.
.	.	.	.
.	.	.	.
.	.	.	.

Ticker	EPS Forecast	Forecast	Market cap
ETW	.	.	898.53M
ETB	.	.	434.75M
EOT	.	.	258.9M
TAYD	.	.	131.21M
.	.	.	.

Ticker	EPS Forecast	Forecast	Market cap
ETG	.	.	1.39B
.	.	.	.
.	.	.	.
.	.	.	.
.	.	.	.

Upcoming Opportunities

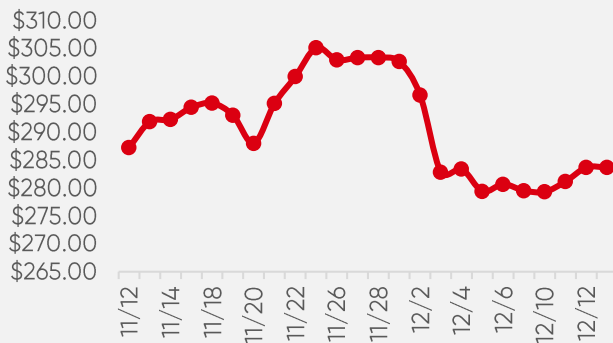
TSLA



Tesla, Inc. (TSLA) presents a compelling upcoming opportunity as it continues to captivate investors with its remarkable performance. Currently trading at \$436.17, Tesla has experienced a staggering 135.95% increase over the past six months, underscoring its position as a dominant force in the electric vehicle (EV) and clean energy sectors.

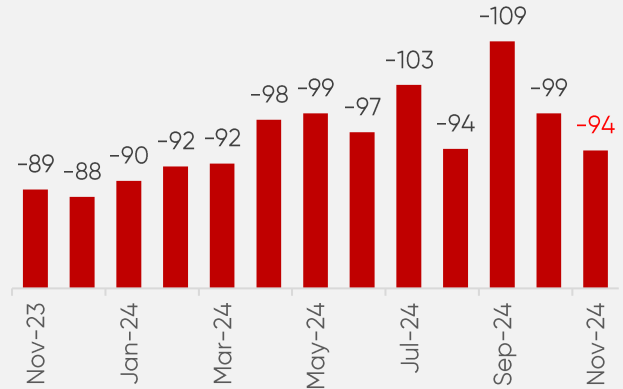
This impressive rally reflects Tesla's ability to capitalize on accelerating global demand for EVs and advancements in battery technology. The company's leadership in innovation, production scalability, and expansion into key markets like China and Europe have reinforced its competitive edge.

PLTR



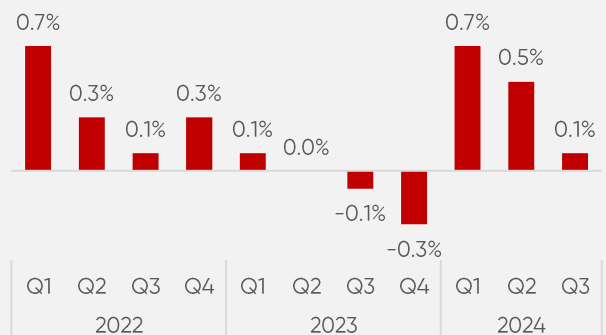
Palantir Technologies Inc. (PLTR) is currently trading at \$74.21, reflecting a remarkable 187.41% increase over the past six months. This exceptional performance underscores Palantir's growing prominence as a leader in data analytics, artificial intelligence (AI). A significant driver of Palantir's recent success has been its ability to secure major contracts and expand its client base. Most notably, the company recently unveiled a \$619 million contract, further solidifying its position as a key partner for government agencies and large enterprises seeking advanced data-driven insights.

US Goods Trade Balance (Bln USD)



The U.S. goods trade deficit's October improvement to \$99.1 billion sets the stage for closely-watched November data, where market expectations anticipate a further narrowing of the gap. If these trends hold, November's trade figures could reinforce optimism for a stronger contribution of net exports to fourth-quarter GDP growth, signaling potential opportunities in sectors linked to trade recovery.

UK GDP Growth Rate



Preliminary data for October indicates that the UK economy grew by a preliminary 0.1% in Q3 2024, its weakest pace in three quarters and below forecasts of 0.2%. The services sector and construction provided modest support, while industrial output fell, driven by a steep decline in energy production. Final GDP figures, set to be released next week, will provide clarity and could reveal revisions that may shape the outlook for early 2025.

Story of the Week



US Fed Cuts Key Interest Rate

In a pivotal move that has sent shockwaves through financial markets, the U.S. Federal Reserve announced a 0.25% cut to its key interest rate this week. The decision, which comes amid ongoing debates about the health of the economy and the trajectory of inflation, was met with immediate reactions across global markets. While some sectors welcomed the easing of monetary policy, others, including equities, experienced sharp declines as investors grappled with the broader implications of the Fed's actions.

The Federal Reserve's decision to lower rates is seen as a response to mixed economic signals, including slowing inflation but persistent concerns about economic growth. Fed Chair Jerome Powell emphasized the need to balance these factors, stating that the rate cut is designed to provide a buffer against potential headwinds while supporting continued economic stability. However, the announcement has raised questions about the Fed's confidence in the underlying strength of the economy.

Stock markets responded with notable volatility, with major indices experiencing sharp declines following the announcement. The S&P 500 and Nasdaq both posted significant losses, as investors recalibrated their expectations for future growth and corporate earnings. The rate cut, while intended to stimulate economic activity, has introduced uncertainty about the long-term implications for financial stability and monetary policy.

The Fed's move has also reignited discussions about the effectiveness of rate cuts in addressing modern economic challenges. Critics argue that monetary easing may not be sufficient to combat structural issues, such as labor market dynamics and global trade uncertainties. Supporters, however, view the rate cut as a proactive measure to sustain momentum in key sectors and prevent a deeper economic slowdown.

As markets digest this historic decision, attention now turns to the Federal Reserve's future policy direction and its impact on the global economic landscape. With the Fed signaling a willingness to remain flexible in its approach, the coming months will be critical in determining whether this rate cut achieves its intended effects or introduces new complexities into an already uncertain economic environment.

Definitions

- **Equities:** Shares of ownership in a company that give investors a claim on profits, often through dividends or stock price gains.
- **Bonds:** Loans to governments or companies, paying fixed interest over time, with repayment at maturity.
- **Commodities:** Basic raw materials like oil, gold, or crops, traded on markets to hedge or profit from price changes.
- **Currency Markets (Forex):** Global trading of currencies where investors profit from exchange rate changes between pairs like EUR/USD.
- **Interest Rates:** The cost of borrowing money, set by central banks, influencing economic activity and inflation.
- **Unemployment Claims:** The number of people filing for jobless benefits. Higher claims can signal economic weakness, impacting stock and bond markets.
- **Job Creation:** A measure of new jobs added to the economy, used as an indicator of economic growth and consumer spending strength.
- **GDP (Gross Domestic Product):** The total value of goods and services produced by a country. It's a key measure of economic health and growth.
- **Consumer price index (CPI):** measures the average change in prices over time for a basket of goods and services typically purchased by households, serving as a key indicator of inflation.
- **Monetary Policy:** Actions by central banks, like adjusting interest rates, to influence economic activity and control inflation.
- **FOMC (Federal Open Market Committee):** The branch of the Federal Reserve that sets U.S. monetary policy, affecting interest rates and economic growth.
- **Dovish Stance:** A policy outlook that favors low interest rates to stimulate economic growth, often boosting stock and bond markets.
- **Hawkish Stance:** A policy outlook that favors higher interest rates to curb inflation, which can slow economic growth and hurt stocks.
- **Inflation:** The rate at which prices for goods and services rise, reducing purchasing power. It influences central bank policies and market performance.
- **Consumer Spending:** The total amount of money spent by households. It's a major driver of economic growth and corporate earnings.
- **Treasuries:** U.S. government bonds considered low-risk investments, sensitive to changes in interest rates set by the Federal Reserve.

Sources



Disclaimer

This document (the "Report" or "Document") has been prepared and distributed by Liberty Bank JSC ("Liberty Bank") under its banking license granted by National Bank of Georgia, solely for informational purposes. It is not acting on behalf of, any specific companies or entities discussed herein. The Report does not represent an offer or invitation to buy, sell, or subscribe to any securities, financial instruments, and/or assets, nor does it establish any contractual obligations or recommendations for financial actions.

Liberty Bank is authorized to provide brokerage and related financial services within Georgia and operates under the regulatory supervision of the National Bank of Georgia. The information contained in this Publication does not constitute, and should not be interpreted as, an offer for the purchase or sale of any securities or financial instruments. It is not an invitation to treat and does not form the basis of any contract or commitment whatsoever. Nothing herein shall be considered a recommendation to take any specific actions regarding investments or transactions. Any decisions regarding investments or financial strategies should be made independently, based solely on the person's individual circumstances, objectives, and risk tolerance and, if necessary, with the support of qualified advisors.

This Report may be subject to distribution restrictions in certain jurisdictions. It is the responsibility of the recipient to be informed of and comply with all applicable legal requirements. This Report is not directed at, nor intended for, any individual or entity in a jurisdiction where such dissemination would be illegal or require regulatory registration or licensing.

Investing in financial markets, especially in emerging economies, involves inherent risks, including but not limited to political and economic instability, regulatory changes, currency risks, and asset volatility. Recipients should conduct their own assessments and due diligence before taking any financial actions.

Liberty Bank, its directors, employees, or affiliates, disclaim any liability for losses or damages incurred through the use of this Report or reliance upon its contents. The information in this Report is drawn from sources believed to be reliable at the time of publication, but Liberty Bank does not guarantee its accuracy or completeness. Liberty Bank reserves the right to modify or update the information in this Report without prior notice. Any forward-looking statements, projections, or forecasts are subject to risks and uncertainties that could cause actual outcomes to differ materially from those predicted. As such, these statements should not be relied upon as indicators of future performance, and Liberty Bank is under no obligation to revise or update them.

The information in this Publication is subject to verification, completion, and change without notice. Liberty Bank is not under any obligation to update or keep current the information contained herein, and the delivery of this Publication does not imply that there has been no change in the information since the date of its issuance. Recipients should not assume that the information contained in this Publication is correct or complete at any time after the date of issuance.

Liberty Bank, its affiliates, or employees may hold financial interests in the securities or assets discussed in this Report, which could potentially give rise to conflicts of interest. Recipients should take this into consideration when reviewing the content of this Report.

Unauthorized distribution, reproduction, or use of this Report is prohibited without the prior written consent of Liberty Bank. Liberty Bank, its affiliates, and representatives disclaim all responsibility for any unauthorized actions taken with this material. By accepting and using this Report, you acknowledge and agree that you are solely responsible for conducting your own evaluation of the information provided and the associated risks.

Recipients are advised to consider the above-mentioned factors when interpreting this Publication. The opinions, forecasts, estimates, and statements contained herein are those of Liberty Bank as of the date of publication and are based on information available at that time. The data may change, and recipients should be aware that past performance is not indicative of future results. Liberty Bank is committed to transparency in all of its communications and appreciates the importance of informed decision-making.