

Editor: Quentin Ly



Weekly Market Report

Sunday 2nd March 2025



United States CB Consumer Confidence (Feb)



Source: Bloomberg (25/02/2025)

The Consumer Confidence Index in the US declined from 104.1 in January to 98.3 in February, compared to analyst forecast of 102.5, according to the Conference Board.

The Present Situation Index, which is based on consumers' assessment of current business and labor market conditions, decreased from 139.9 in January to 136.5 in February.

Meanwhile, the **Expectations Index**, which is based on consumers' short-term outlook for income, business, and labor market conditions, **decreased from 86.2 in January to 72.9 in February**. Note that a level of 80 or below for the Expectations Index historically signals a recession within the next year. This is the first time since June 2024 that the Expectations Index fell below this threshold.

GfK German Consumer Climate (Mar)



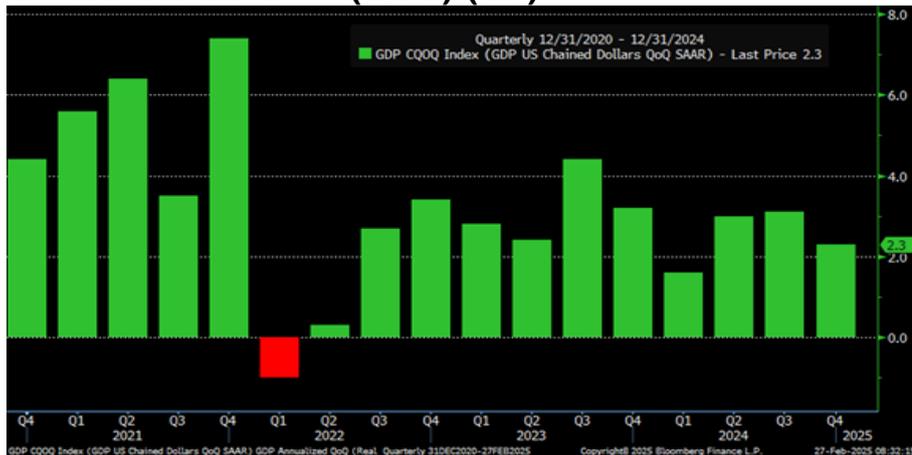
Source: Bloomberg (26/02/2025)

Germany's GfK Consumer Climate Indicator dropped to -24.7 heading into March 2025 from a marginally revised -22.6 in the previous period, missing market forecasts of -21.4 and declining for the second consecutive month. **This marked the lowest reading since last April, underscoring challenges for the new government**, including persistent cost pressures, political uncertainty, and an increase in corporate bankruptcies.

Income expectations notched a 13-month low (-5.4 vs. -1.1 in February) and the **willingness to buy deteriorated further** (-11.1 vs. -8.4). Meanwhile, the **propensity to save increased** (9.4 vs. 8.2).

Despite lingering concerns of another weak year in 2025, **economic expectations improved** (1.2 vs. -1.6). "The current figures show no signs of a recovery in consumer sentiment," said Rolf Bürkl, consumer expert at NIM. He noted that rapidly forming a new government and swiftly adopting the 2025 budget could help boost consumption and restore consumer confidence.

United States GDP (QoQ) (Q4)



Source: Bloomberg (27/02/2025)

The US economy expanded an annualized 2.3% in Q4 2024, the slowest growth in three quarters, down from 3.1% in Q3 and in line with the advance estimate.

Personal consumption remained the main driver of growth, increasing 4.2%, the most since Q1 2023, in line with the advance estimate. Spending rose for both goods (6.1%) and services (3.3%).

Also, exports fell slightly less (-0.5% vs -0.8%) and imports declined slightly more than initially anticipated (-1.2% vs -0.8%), leaving the contribution from net trade positive at 0.12 pp.

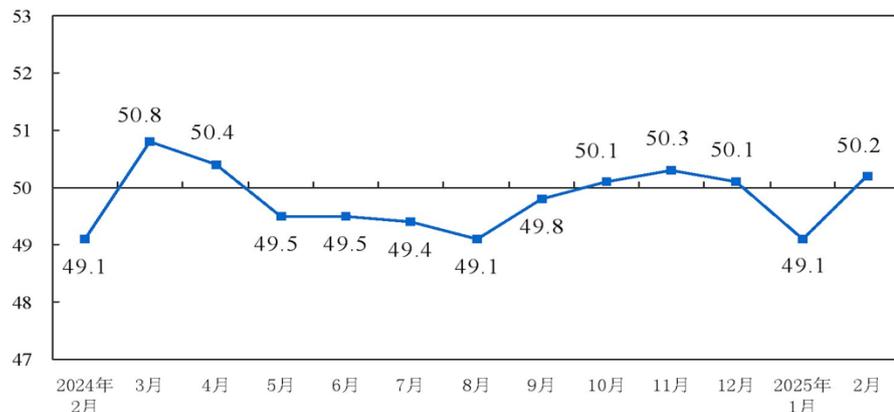
Government expenditure also rose more (2.9% vs 2.5%). Private inventories cut 0.81 pp from the growth, less than 0.93 pp.

On the other hand, fixed investment contracted more (-1.4% vs -0.6%), due to equipment (-9% vs -7.8%) and as investment in intellectual property products failed to rise (0% vs 2.6%). Residential investment however, rose more than initially anticipated (5.4% vs 5.3%).

Considering full 2024, the economy advanced 2.8%.

China NBS Manufacturing PMI (Feb)

(%) 50%=与上月比较无变化



Source: National Bureau of Statistics of China – 国家统计局 (01/03/2025)

China's official NBS Manufacturing PMI rose to 50.2 in February 2025 from 49.1 in the prior month, pointing to the highest reading since last November and beating market consensus of 49.9. The latest result came as companies resumed activities after the Lunar New Year break.

Meanwhile, various stimulus measures from Beijing bolstered recovery of the economy, which has been impacted by higher US tariffs, weak domestic demand, and lingering deflation risks.

Output (52.5 vs 49.8 in January), new orders (51.1 vs 49.2), and buying levels (52.1 vs 49.2) all grew following contractions at the start of the year. At the same time, declines in both foreign orders (48.6 vs 46.4) and employment (48.6 vs 48.1) eased. Meanwhile, delivery times lengthened (51.0 vs 50.3). On prices, input cost increased for the first time in four months (50.8 vs 49.5) while a drop in selling prices slowed (48.5 vs 47.4).

Finally, confidence weakened from January's ten-month high but remained upbeat (54.5 vs 55.3).



EQUITY INDEX

Name	Last	Open	High	Low	Chg. %
S&P 500	5,954.50	5,856.74	5,959.40	5,837.66	+1.59%
NASDAQ Composite	18,847.28	18,477.17	18,861.33	18,372.99	+1.63%
Dow Jones Industrial Average	43,840.91	43,259.84	43,873.55	43,100.87	+1.39%
FTSE 100	8,809.74	8,756.21	8,810.50	8,715.43	+0.61%
Euro Stoxx 50	5,466.65	5,421.25	5,468.65	5,411.45	-0.09%
CAC 40	8,111.63	8,047.04	8,111.63	8,031.48	+0.11%
DAX	22,551.43	22,409.25	22,551.43	22,329.06	+0.00%
IBEX 35	13,347.30	13,240.20	13,347.30	13,215.70	+0.58%
FTSE MIB	38,655.09	38,415.19	38,691.28	38,323.82	+0.08%
Shanghai Composite	3,320.90	3,374.66	3,383.19	3,318.72	-1.98%
Hang Seng	22,941.32	23,616.18	23,616.18	22,798.34	-3.28%
Nikkei 225	37,152.50	37,676.50	37,717.50	36,838.00	-2.90%

FIXED INCOME

Name	Last	Open	High	Low	Chg. %
United States 10-Year	4.202	4.264	4.277	4.193	-1.41%
United Kingdom 10-Year	4.4835	4.4960	4.5030	4.4640	-0.67%
France 10-Year	3.140	3.120	3.146	3.105	+0.00%
Germany 10-Year	2.3865	2.4150	2.4150	2.3740	-1.24%
Spain 10-Year	3.086	3.068	3.093	3.062	0.00%
Italy 10-Year	3.474	3.473	3.486	3.459	-0.29%
China 10-Year	1.770	1.835	1.835	1.771	0.00%
Japan 10-Year	1.360	1.387	1.389	1.364	-1.45%

FOREX

Name	Last	Open	High	Low	Chg. %
EUR/USD	1.0375	1.0399	1.0421	1.0360	0.00%
USD/JPY	150.60	149.81	151.00	149.10	+0.53%
GBP/USD	1.2577	1.2601	1.2623	1.2558	0.00%
USD/CHF	0.9032	0.8997	0.9039	0.8982	+0.00%
AUD/USD	0.6207	0.6236	0.6240	0.6192	0.00%
USD/CAD	1.4465	1.4442	1.4473	1.4399	+0.00%
EUR/GBP	0.8247	0.8253	0.8270	0.8241	0.00%
EUR/JPY	156.25	155.78	157.20	154.79	+0.32%
GBP/JPY	189.41	188.77	190.35	187.66	+0.36%
USD/CNY	7.2828	7.2897	7.2910	7.2783	0.00%

COMMODITIES

Name	Last	Open	High	Low	Chg. %
Gold Spot US Dollar	2,858.60	2,877.66	2,885.34	2,832.63	-0.61%
Gram Silver US Dollar	1.0003	1.0050	1.0095	0.9899	0.00%
Crude Oil WTI Futures	69.76	70.17	70.29	69.14	-0.84%
Brent Oil Futures	72.81	73.33	73.37	72.32	-1.03%
Natural Gas Futures	3.834	3.939	3.954	3.814	-2.54%
Copper Futures	4.5690	4.5700	4.5740	4.5690	-1.51%
Platinum Futures	937.90	952.60	955.70	936.70	-2.07%
US Corn Futures	469.50	481.25	483.75	469.00	-2.39%
US Wheat Futures	555.75	563.00	570.25	555.00	-1.20%
US Soybeans Futures	1,011.50	1,023.25	1,031.50	1,011.00	-1.10%

U.S. MARKET RECAP



U.S. STOCKS HIGHER AT CLOSE OF TRADE; DOW JONES UP 1.39%

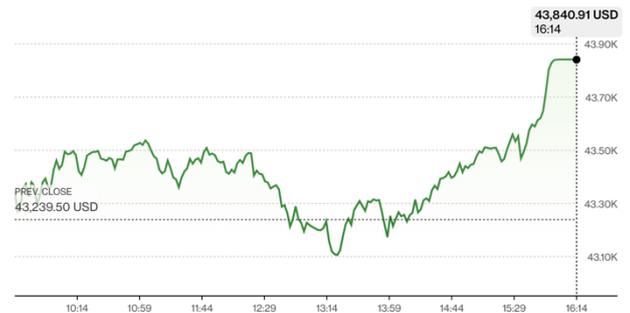
Source: Investing.com & Bloomberg (28/02/2025)

U.S. stocks were higher after the close on Friday, as gains in the Financials, Technology and Consumer Goods sectors led shares higher.

At the close in NYSE, the **DOW JONES added 1.39%**, while the **S&P 500 added 1.58%**, and the **NASDAQ gained 1.63%**.

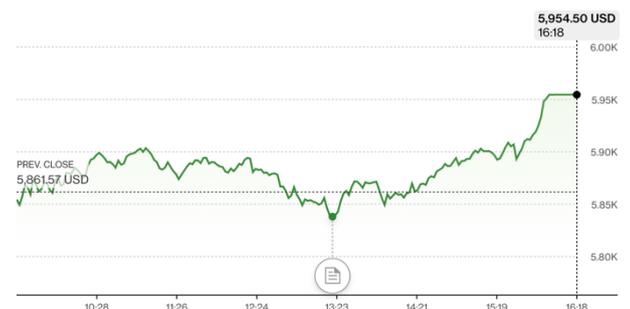
The best performers of the session on the **DOW JONES** were NVIDIA Corporation, which rose 3.87% or 4.66 points to trade at 124.92 at the close. Meanwhile, 3M Company added 3.06% or 4.60 points to end at 155.12 and Goldman Sachs Group Inc was up 2.35% or 14.29 points to 622.29 in late trade.

The worst performers of the session were Nike Inc, which fell 0.74% or 0.59 points to trade at 79.43 at the close. McDonald's Corporation declined 0.52% or 1.62 points to end at 308.33 and Verizon Communications Inc was down 0.39% or 0.17 points to 43.10.



The top performers on the **S&P 500** were The AES Corporation which rose 11.66% to 11.59, Edison International which was up 6.04% to settle at 54.44 and Erie Indemnity Company which gained 5.70% to close at 428.07.

The worst performers were NetApp Inc, which was down 15.59% to 99.81 in late trade, HP Inc which lost 6.82% to settle at 30.87 and Enphase Energy Inc which was down 6.31% to 57.33 at the close.



The top performers on the **NASDAQ Composite** were Organogenesis Holdings Inc which rose 102.93% to 6.21, Interactive Strength Inc which was up 67.97% to settle at 2.57 and Powell Max Ltd which gained 43.54% to close at 0.51.

The worst performers were Nvni Group Ltd which was down 49.50% to 1.01 in late trade, Sacks Parente Golf Inc which lost 48.62% to settle at 0.21 and Adagio Medical Holdings Inc which was down 45.94% to 0.83 at the close.



The **CBOE Volatility Index**, which measures the implied volatility of S&P 500 options, was down 7.10% to 19.63.

Gold Futures for April delivery was down 0.98% or 28.31 to \$2,867.59 a troy ounce.

Elsewhere in commodities trading, **Crude oil** for delivery in April fell 0.48% or 0.34 to hit \$70.01 a barrel, while the May **Brent oil** contract fell 0.67% or 0.49 to trade at \$73.08 a barrel.



US Treasury Rally Sends Yields Back Below 4% as Inflation Cools

Source: Bloomberg (28/02/2025)

The US Treasury market posted its biggest monthly gain since July, ending the period with short-term yields back below 4% as benign inflation data boosted wagers on Federal Reserve interest-rate cuts.

Yields on two-, three- and five-year Treasury notes fell as much as six basis points Friday to levels last seen in October after data showed inflation-adjusted consumer spending unexpectedly dropped last month, leading some economists to trim their estimates for first-quarter growth. The 30-year yield dipped below 4.5% for the first time since mid-December amid month-end buying.

Traders priced in additional easing by the Federal Reserve this year — and an earlier start. Swap contracts that predict the central bank's moves fully priced in a quarter-point rate cut by July and a total of 66 basis points by year-end.

“The move in rates is entirely reasonable thus far given the policy uncertainty,” said Priya Misra, portfolio manager at JPMorgan Asset Management. “For the rally to continue, Tier One economic data needs to suggest that the economy is slowing.”

Seven & i, Nissan Deal Fallout Leaves Japan Companies Vulnerable

Source: Bloomberg (27/02/2025)

It seemed like an extraordinary display of patriotism and unity: Japan's biggest companies would come together to save their own, whether ailing carmaker Nissan Motor Co. or besieged convenience store giant Seven & i Holdings Co.

Roughly six months later, ambitious plans to merge Nissan with Honda Motor Co. and take the operator of 7-Eleven convenience stores private have both fallen apart, leaving them grasping for solutions and potentially even more vulnerable to foreign takeovers.

The failure to find a fix that would keep two of the country's most famous brands under Japanese control marks an unprecedented opening in its corporate landscape, and shows how hastily-conceived rescue plans can succumb to market forces.

Investors are already building positions in other struggling companies, from skincare giant Shiseido Co. to pharmaceutical firm Astellas Pharma Inc. and train operators Keisei Electric Railway Co. and Keikyu Corp., betting that after decades of protectionism and management resistance, it's now open season on Japan's biggest corporations.

Bitcoin ETFs Are Hit by a Record \$1 Billion Outflow in One Day

Source: Bloomberg (26/02/2025)

Investors yanked more than \$1 billion from spot Bitcoin exchange-traded funds Tuesday, marking the biggest one-day outflow since the cohort's debut last January.

Fidelity Wise Origin Bitcoin Fund (ticker FBTC) posted the steepest outflows among these funds, followed by the iShares Bitcoin Trust ETF (IBIT), according to data compiled by Bloomberg. That's as Bitcoin's price has been faltering, with investors shunning riskier assets in the face of uncertainty. As a group, the Bitcoin funds shed roughly \$2.1 billion over six consecutive days — the longest stretch of outflows since last June.

The world's largest digital asset has come under pressure this week, with its price sinking to its lowest level since mid-November after hitting an all-time high earlier this year. Other cryptocurrencies also slid, with an index tracking top digital tokens on pace for its largest four-day drop since early August.

China to Inject at Least \$55 Billion of Fresh Capital Into Several Big Banks

Source: Bloomberg (26/02/2025)

China plans to start re-capitalizing three of its biggest banks in coming months, according to people familiar with the matter, following through on a broad stimulus package unveiled last year to shore up the struggling economy.

Authorities are looking to inject at least 400 billion yuan (\$55 billion) of fresh capital into the first batch of Agricultural Bank of China Ltd., Bank of Communications Co. and Postal Savings Bank of China Co., said the people, asking not to be identified discussing private information. The plan, which could be completed as soon as the end of June, is subject to change and the amount for each bank is still being finalized, said the people.

China's banking regulator first flagged its plan to replenish core tier-1 capital at the six top state lenders in September, without elaborating. The Ministry of Finance later said that it will issue special sovereign bonds to fund the injections, which will strengthen the capability of banks to fend off risks and spur lending.

In total, China could inject as much as 1 trillion yuan of capital into its largest banks, with funding mainly from the issuance of new special sovereign debt, Bloomberg News reported last year.

Hooters Bankruptcy Threatens Even Bonds Supposed to Be Bankruptcy-Proof

Source: Bloomberg (25/02/2025)

Holders of asset-backed bonds issued by a Hooters of America unit are seeking advice on their rights and options as the casual-dining franchise prepares a potential bankruptcy filing in the coming months, according to people with knowledge of the matter.

Investors in those bonds have expressed concern a bankruptcy may affect or impair their holdings, which could lose value or face restructuring as part of a larger plan to address Hooters' liabilities, the people said. Some are huddling with law firm White & Case for guidance, according to one of the people, all of whom asked not to be identified discussing private discussions.

Asset-backed bonds are generally considered insulated from downside credit risk as the structure mitigates any impact of bankruptcy or a restructuring process.

Hooters sold about \$300 million in asset-backed bonds in 2021, according to data compiled by Bloomberg. The bonds are packaged as whole-business securitizations, through which a company pledges most of its assets, including franchise fees it's entitled to, as collateral. These types of financing products are popular among restaurant chains, fitness clubs and other businesses with franchised stores.

Tata Capital to Go Public in One of India's Top IPOs of Year

Source: Bloomberg (25/02/2025)

Tata Capital Ltd. said it's planning to go public in what may be one of India's largest initial public offerings of the year.

The financial unit of the Tata Group plans to sell 230 million new shares in the IPO, and tack on a rights offering for existing shareholders, the company said in an exchange filing Tuesday. Though it didn't specify the value of the total offering, MoneyControl has reported that Tata Capital was planning to raise at least 150 billion rupees (\$1.7 billion) via an IPO.

That would exceed the \$1.5 billion that LG Electronics Inc.'s Indian unit has been said to be seeking for going public, possibly making Tata Capital the country's biggest such deal this year.

Tata Capital is poised to be the latest unit from the \$165 billion Tata Group, which makes everything from table salt to Jaguar sports cars, to go public since Tata Technologies Ltd. Tata Tech more than doubled on its first day of trading in 2023, resulting in the best-ever debut for any Indian float raising more than \$300 million, according to data compiled by Bloomberg.

ECONOMIC CALENDAR (GMT UK TIME)



Time	Cur.	Event	Forecast	Previous
Monday, March 3, 2025				
10:00		CPI (YoY) (Feb)	2.3%	2.5%
14:45		S&P Global Manufacturing PMI (Feb)	51.6	51.2
15:00		ISM Manufacturing PMI (Feb)	50.6	50.9
15:00		ISM Manufacturing Prices (Feb)	56.2	54.9
Wednesday, March 5, 2025				
13:15		ADP Nonfarm Employment Change (Feb)	144K	183K
14:45		S&P Global Services PMI (Feb)	49.7	52.9
15:00		ISM Non-Manufacturing PMI (Feb)	53.0	52.8
15:00		ISM Non-Manufacturing Prices (Feb)		60.4
15:30		Crude Oil Inventories		-2.332M
Thursday, March 6, 2025				
13:15		Deposit Facility Rate (Mar)	2.50%	2.75%
13:15		ECB Interest Rate Decision (Mar)	2.65%	2.90%
13:30		Initial Jobless Claims	236K	242K
13:45		ECB Press Conference		
Friday, March 7, 2025				
13:30		Average Hourly Earnings (MoM) (Feb)	0.3%	0.5%
13:30		Nonfarm Payrolls (Feb)	156K	143K
13:30		Unemployment Rate (Feb)	4.0%	4.0%
16:00		Fed Monetary Policy Report		
17:30		Fed Chair Powell Speaks		

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Sources: Bloomberg, Reuters, FT, Investing.com, Trading Economics, Boursorama, Zone Bourse