

A photograph of a modern building facade featuring large concrete blocks and glass panels. A glass-enclosed staircase is visible on the right side, with people walking on it. The building has a mix of dark and light grey concrete and glass elements.

JEME CAPITAL

WEEKLY NEWSLETTER

*March 10<sup>th</sup>, 2025*

## FINANCIAL DASHBOARD

Index	1w ch. %	Bonds 10yrs		Commodities	
STOXX 600	(0.61%)	BUND	2.837	GOLD	2,911.45
S&P 500	(3.10%)	OAT	3.510	WTI Crude Oil	67.04
NIKKEI 225	(3.58%)	BTP	3.948	EUR/USD	1.08
MSCI WORLD INDEX	(1.71%)	UST	4.320	EUR/GBP	0.84
ISHARES MSCI EEM	2.79%	JGB	1.519	EUR/JPY	160.41

## MARKETS & POLITICS NEWS

**United States:** President Trump's 25% tariffs on goods from Mexico and Canada **took effect on Tuesday**, prompting Canada to **respond with its own 25% tariffs** on approximately \$100 billion worth of U.S. imports. In addition, the U.S. imposed an extra 10% tariff on Chinese imports, to which China retaliated with **tariffs on U.S. agricultural goods** and a lawsuit filed with the WTO. However, on Thursday, Trump signed orders temporarily **exempting goods** from Mexico and Canada that fall under the **USMCA Agreement**. This tariff pause will end on April 2nd.

The U.S. job market **added 151K jobs** in February - below the expected 170K but above January's 125K. However, signs of weakness emerged as **unemployment increased to 4.1%** from 4%.



**Europe:** European Union leaders have approved a plan to significantly boost defense spending in response to the U.S. scaling back support for Ukraine. The five-part initiative aims to **strengthen Europe's defense industry and military capabilities**, potentially mobilizing up to **€800B**. It will also help provide **urgent military aid to Ukraine** after the U.S. suspended its assistance, according to the European Commission president. Additionally, **Ursula von der Leyen** said Tuesday that the bloc would propose giving member states **more fiscal space** for defense spending, and **support via loans** if needed.

The **European Central Bank (ECB)** has cut interest rates for the sixth time in nine months, lowering its main rate by 0.25% to **2.5%** to support eurozone growth amid economic challenges. The move comes as the ECB downgrades its growth forecasts and as a sell-off of German bonds spreads to other markets.



## CORPORATE NEWS

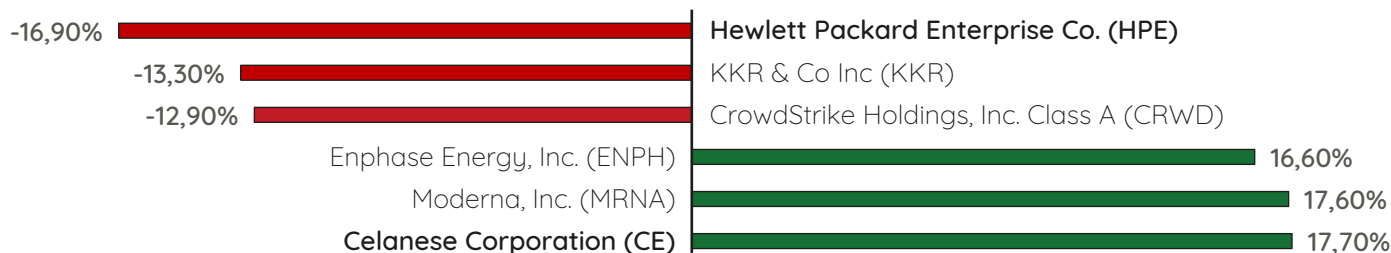


- **Anthropic** secures \$3.5B in funding that values the startup behind the chatbot Claude at \$61.5B.
- **TSMC** plans to invest at least \$100B more in chip-manufacturing plants in the U.S. over the next several years under a plan announced Monday by the company and President Trump.
- **Hewlett Packard** shares fell 15.4% on Friday after the company issued weaker earnings and revenue forecasts, citing challenges from tariffs and weak server sales margins.
- U.S. liquified gas exporter **Venture Global** saw a nearly 40% drop in stock price on Thursday, following the company's report of a revenue decline, signaling export challenges.

## JEME CAPITAL'S HIGHLIGHTS

- A **BlackRock**-led consortium is acquiring majority stakes in ports at both ends of the Panama Canal in a \$22.8B deal with Hong Kong-based CK Hutchison.
- **Tesla**'s stock has fallen for seven straight weeks, dropping 45% from its December 2024 peak to \$262.67. It is now near its November 5, 2024 level of \$251.44, wiping out nearly all post-election gains.
- Italy's **Leonardo** and Turkey's **Baykar** formed a joint venture to develop unmanned drones amid rising European demand. After the news, Leonardo's stock price slightly increased to €45.65, continuing a rally that pushed the stock up 75% in three months.
- **Banco BPM** has received approval from the Bank of Italy for its voluntary public offer to acquire all ordinary shares of Anima Holding at €7 per share.

## LAST WEEK BIGGEST MOVERS IN S&P 500



## WHAT'S AHEAD NEXT WEEK IN THE MARKETS

- Date	Event (US)	Prev. Value	- Date	Event (EU)	Prev. Value
12-Mar	Federal Budget Balance (Feb)	(129B)	10-Mar	Italian PPI (YoY) (Jan)	1.10%
12-Mar	CPI (YoY) (Feb)	3.00%	14-Mar	German CPI (YoY) (Feb)	2.30%
12-Mar	Crude Oil Inventories	3.61M	14-Mar	UK GDP (YoY) (Jan)	1.50%
13-Mar	PPI (YoY) (Feb)	3.50%	14-Mar	UK Trade Balance (Jan)	(17.45B)
13-Mar	Initial Jobless Claims	221K	14-Mar	French CPI (YoY) (Feb)	1.70%

## U.S. Tariffs

The global trade landscape is worsening as anticipated tariffs from both the U.S. and China are set to enter into effect. China will impose up to **15% tariffs on U.S. farm goods** starting Monday, while new **25% U.S. tariffs on aluminum and steel imports** from all trade partners will enter into force on the 12th. These moves are expected **to increase costs for U.S. farmers and industries**, intensifying economic uncertainty and weakening investor confidence.

## Key U.S. Indicators

Crucial U.S. economic reports will be released in the upcoming week, including the February **Consumer Price Index (CPI)**, which is expected to **decline to 2.9%**, even though persistently high egg prices and anticipated tariffs continue to exert **upward pressure** on consumer prices. On Wednesday, **crude oil inventories** are projected to **remain stable**, whereas the **Federal Budget Balance** report is not projected to show significant improvement.

## Asia's Market Signals

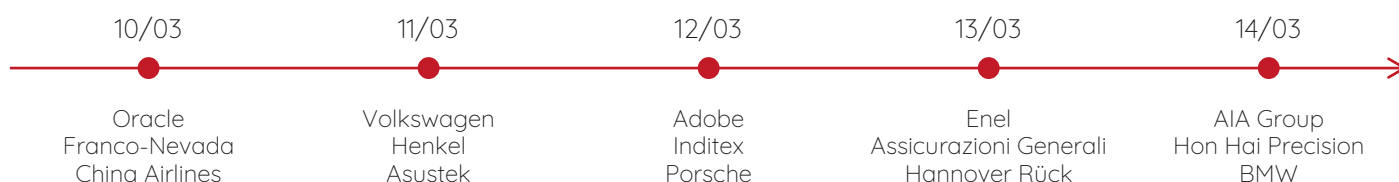
Next week's reports from Asia will offer valuable insights into the region's economic trajectory. On Monday, **Japan** will release its **Q4 GDP** data for 2024. GDP growth for Q3 was 0.5%, and analysts anticipate a similar growth rate for Q4, indicating steady economic expansion. On Wednesday, **India** is expected to report a **CPI index** of **4%** for the month of February, extending the downward trend started last December, signaling easing inflationary pressures.

## EU Policy &amp; Data Outlook

Important economic data from the EU will be published next week, potentially altering the current market sentiment. On Monday, **Italy's Manufacturing PPI** is expected to show **continued production contraction** for the 12<sup>th</sup> consecutive month. On Friday, **German YoY CPI** data is forecasted to indicate a **stable** rate of **inflation** at **2.3%**, while France's **YoY CPI level** is expected to **decrease to 0.8%**, down from the previous **1.7%**.

## WHAT'S AHEAD NEXT WEEK FOR CORPORATES

### Key Earnings Report



### 10/03/25

- **Oracle** forecasts **\$14.10B in revenue** and **\$1.47 EPS**. With support from the U.S. government, it is partnering with OpenAI and SoftBank in a joint venture named "Stargate", to invest up to \$500 billion in AI infrastructure over the next four years.

### 12/03/25

- **Adobe** anticipates **\$5.61B in revenue** and **\$4.81 EPS**. It recently introduced a freemium iOS version of its renowned Photoshop software, with an Android release forthcoming.
- **Inditex** predicts to report **€9.36B in revenue** and **€0.54 EPS**. The company has announced plans to relocate its central offices from Tordera to Sant Adrià del Besòs, near Barcelona, a move that will approximately create 1,500 new jobs.

### 13/03/25

- **Assicurazioni Generali** predicts **€20.58B in revenue** and **€0.61 EPS**. As part of its share buyback program, the company purchased a total of 990,618 of its own shares at a weighted average price of €31.33 per share, for a total value of approximately €31M.
- **Enel** forecasts **€18.90B in revenue** and **€0.19 EPS**. It recently won a legal battle as the European Court of Justice upheld an Italian antitrust ruling against Google for blocking Enel's JuicePass app from Android Auto.

### 14/03/25

- **Hon Hai Precision** forecasts **NT\$1.85T in revenue** and **NT\$3.55 EPS**, fuelled by a 25% revenue increase in early 2025, because of an expanding demand for AI computing.



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