

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 geometric, angular design with some windows illuminated from within.

JEME CAPITAL

WEEKLY NEWSLETTER

March 17th, 2025



FINANCIAL DASHBOARD

Index	1w ch. %	Bonds 10yrs		Commodities	
STOXX 600	(1.22%)	BUND	2.873	GOLD	2,986.71
S&P 500	(2.27%)	OAT	3.564	WTI Crude Oil	67.17
NIKKEI 225	0.45%	BTP	3.994	EUR/USD	1.09
MSCI WORLD INDEX	(2.00%)	UST	4.310	EUR/GBP	0.84
ISHARES MSCI EEM	0.36%	JGB	1.523	EUR/JPY	161.92

MARKETS & POLITICS NEWS

Tariffs: Trump's **25% tariff** on all **steel and aluminium** imports took effect on Wednesday, escalating a trade war that has rattled financial markets and threatened the global economy. Within hours, the **European Union** announced retaliatory tariffs on a **range of US products**, including automobile parts, bourbon and industrial chemicals. These tariffs are designed to place **political pressure** on the White House by targeting products produced in Republican-leaning states. In response, Trump threatened a **200% tariff** on all **EU alcoholic goods**, causing European alcohol stocks like Campari and Pernod Ricard to drop over 5% in past last week. These tariffs are set to take effect shortly if the EU does not **rescind its retaliatory tariffs**.



Canada: Former central banker **Mark Carney** was sworn in as **Canada's Prime Minister** on Friday, after being elected leader of the Liberal Party. This comes at a critical moment for the country, which is facing threats to its **economy** and **sovereignty** from President Trump. With the **Liberal Party** lacking a **majority** in **Parliament**, Carney will soon need to call a **general election**, where he will face the Conservative Party, led by **Pierre Poilievre**.

War in Ukraine: After three years of conflict, a **pause** in **hostilities** may be within reach, as Kyiv has agreed to a US-brokered proposal for a **30-day ceasefire**. However, Putin remains firm that a ceasefire can only begin once a **political settlement** is **reached** between the two parties, so this deal is unlikely to happen without **significant concessions**. These include Ukraine **recognizing Russia's annexation** of Crimea and four south-eastern regions, **withdrawing** all **troops** from those areas, and **pledging** to **never join NATO**.

CORPORATE NEWS

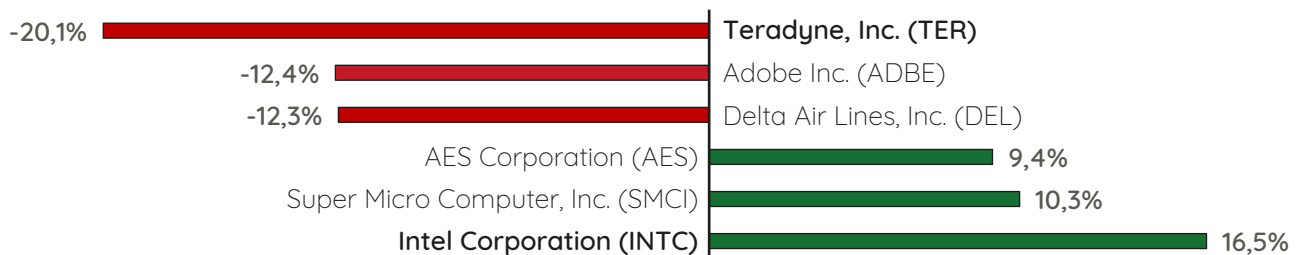


- **Apple** has **delayed** the rollout of certain **AI features** for the iPhone, including for its voice assistant Siri, as it struggles to keep up with competitors in the AI space.
- **Delta** reduced its revenue expectations by **\$500 million** on Monday, citing signs of reduced consumer travel spending. This announcement saw shares **down 12.3%** this week.
- **Adobe** shares have **dropped 12.4%** this week, despite a better-than-expected earnings outlook, as **fears** that the company is falling behind competitors in AI raise investor concerns about its growth prospects.
- **Porsche** has announced major layoffs, cutting **3,900 jobs** by 2029 due to sluggish sales, especially in China, slowing EV demand, and supply chain disruptions.

JEME CAPITAL'S HIGHLIGHTS

- **Intel** appointed former board member Lip-Bu Tan as CEO on Wednesday, a move which has been well-received among investors, sending shares up 16.5% this week.
- **Generali** wraps up a record-breaking 2024, posting its highest-ever net profit of €3.57B, beating analyst expectations by around €10 million. The company is now preparing to pay a dividend per share of €1.28, a 10.3% increase from last year.
- **UniCredit** has received ECB's approval to raise its stake in Commerzbank to 29.9%, but said the decision on any potential takeover will likely extend well beyond 2025.
- To fend off a takeover from BPER Banca, **Banca Popolare di Sondrio (BPS)** has unveiled an ambitious 2025-2027 strategic plan that targets €1.5B in dividends to shareholders and a projected cumulative net profit of €1.8B.

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
17-Mar	Retail Sales (YoY) (Feb)	4.20%	17-Mar	Italian CPI (YoY) (Feb)	1.70%
18-Mar	Building Permits (Feb)	1.47M	18-Mar	EU Trade Balance (Jan)	15.50B
19-Mar	Crude Oil Inventories	1.45M	19-Mar	EU CPI (YoY) (Feb)	2.50%
19-Mar	Fed Interest Rate Decision	4.50%	19-Mar	Wages in euro zone (YoY) (Q4)	4.40%
20-Mar	Initial Jobless Claims	220K	20-Mar	German PPI (YoY) (Feb)	0.50%

U.S. Events & Indicators

Despite persistent pressure from President Trump to cut rates, the **Federal Reserve** is expected to keep its **interest rate flat** at **4.5%** at Wednesday's policy meeting, adopting a cautious approach amid economic uncertainty driven by ongoing trade wars. On Friday, the **Initial Jobless Claims** is forecasted to **increase** to **222K**, a slight rise from the previous 220K. However, despite the increase, the data still reflects **continued strength** in the **labor market**.

EU Indicators

The European Union and its countries are set to publish crucial economic data in the upcoming week. On Monday, **Italy's YoY CPI** is expected to **remain constant** at **1.7%**, following a **0.2% increase** in the **first weeks of February**. On Wednesday, **EU YoY CPI** data is forecasted to show a **stable inflation rate** of **2.4%**. Investors will monitor this closely due to potential inflationary pressures stemming from upcoming trade tensions with the U.S.

United Kingdom

Next week in the UK, important economic reports and the Bank of England's decision will influence market sentiment. On Thursday, the **Bank of England** is expected to keep **interest rates unchanged** at **4.5%**, as policymakers assess the impact of the previous increase of inflation, which rose from 2.5% to 3% in January. On the same day, the **UK unemployment rate** for March will be released, following a stable **4.4% rate** in both **January** and **February**.

Asia's Market Signals

Asian countries are poised to release a series of crucial economic reports, offering a more detailed view of the region's economic trajectory. On Monday, **India's WPI YoY Inflation** is forecasted to **increase** by 0.05% to **2.36%**. On Tuesday, **Japan** will release its **February's Trade Balance**, expected to increase up to **722.8B**, while the **Bank of Japan** is set to **hold interest rates steady** at **0.50%**, after delivering a 25 base points rate-hike in January.

WHAT'S AHEAD NEXT WEEK FOR CORPORATES

Key Earnings Report



18/03/25

- **Xiaomi** anticipates **HKD 99.51B in revenue** (\$12.81B) and **HKD 0.21 EPS** (\$0.03). The firm recently announced the start of official sales of Xiaomi SU7 Ultra, which secured over 10,000 orders in just two hours, signalling a more than successful market debut.

19/03/25

- **General Mills** predicts **\$4.99B in revenue** and **\$0.98 EPS**. The company is closing G-Works, its in-house innovation unit, and pausing additional outside investments by its venture capital arm 301 Inc, in a move to cut costs and boost margins.

20/03/25

- **Accenture** anticipates **\$16.63B in revenue** and **\$2.81 EPS**. On Thursday, the company announced a strategic investment in OPAQUE, a confidential AI platform that enables organizations to run large-scale AI workloads using encrypted data.
- **Nike** forecasts **\$11.02B in revenue** and **\$0.28 EPS**. The firm's shares have lost about 30% of their value over the past 12 months, closing the week just under \$72.
- **FedEx** predicts to report **\$21.92B in revenue** and **\$4.61 EPS**. On Monday, in an unexpected move, the company suspended economy parcel and freight services to Saudi Arabia from several countries, with further details yet to be disclosed.

21/03/25

- **Nio** forecasts **\$20.81B in revenue** and a **-\$2.12 EPS**. With a ROE of -85.09%, the firm remains unprofitable due to its struggle with intense competition in the EV market.



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