



JEME CAPITAL

WEEKLY NEWSLETTER

June 16th, 2025



FINANCIAL DASHBOARD

| Index | 1w ch. % | Bonds 10yrs | | Commodities | |
|------------------|----------|-------------|-------|---------------|----------|
| STOXX 600 | (1.57%) | BUND | 2.538 | GOLD | 3,433.29 |
| S&P 500 | (0.39%) | OAT | 3.257 | WTI Crude Oil | 73.16 |
| NIKKEI 225 | 0.25% | BTP | 3.489 | EUR/USD | 1.15 |
| MSCI WORLD INDEX | (0.35%) | UST | 4.410 | EUR/GBP | 0.85 |
| ISHARES MSCI EEM | 0.44% | JGB | 1.397 | EUR/JPY | 166.49 |

Markets: U.S. equities **fell amid escalating tensions**, erasing moderate gains in Friday's risk-off session. The **S&P 500 slipped** modestly (**0.39%**), while **Apple dropped** 3.7% after an **underwhelming WWDC**. In contrast, **Tesla rallied (+10.2%)** on signs of a rapprochement between **Trump** and **Musk**. Sector performance was **divergent**, with **growth-oriented areas** leading while **rate-sensitive**, consumer-facing segments lagged. **Treasuries strengthened** across the curve, with **yields** more than reversing last week's rises after the market absorbed **\$119B** of **new issuance** in 10y and 30y bonds. **Gold climbed 3.2%**, and **WTI crude surged 13%**, marking its **best week** since **October 2022**, buoyed by Friday's spike after Israel attacked Iran.

POLITICS & ECONOMIC NEWS

Tariffs: On Wednesday, **U.S. President Donald Trump** endorsed the **trade deal concluded** in London, saying it will **boost supplies** of rare earth minerals and magnets **vital to the U.S. automotive, electronics, and defence sectors**, while lowering Beijing's total tariff burden **to 55%**. The deal was widely regarded as a **strategic win** for Washington, as it represents a **calculated step** in the broader effort to **gradually reduce** the nation's **reliance on critical materials** sourced from China.

However, **U.S. reports** suggest that **China agreed** to ease export curbs for **only six months**, raising **doubts over the sustainability** of the concessions. Analysts warn that a short-lived waiver **may not** be enough to **justify costly investments** and could leave supply chains vulnerable to future disruptions.



U.S. President Donald Trump speaks during a bill signing ceremony in the White House on Thursday.

Israel-Iran Conflict: On **June 12th**, **Israel struck Iranian nuclear sites**, provoking a **retaliatory attack** from **Tehran**. Analysts warn that the increasingly **unstable geopolitical environment** could trigger **inflationary pressures** and **uncertainty** in **monetary policy**, which could lead to **stagflation**, delays in Fed and ECB rate cuts, and shifts in **demand** towards **safer assets**.

CORPORATE NEWS



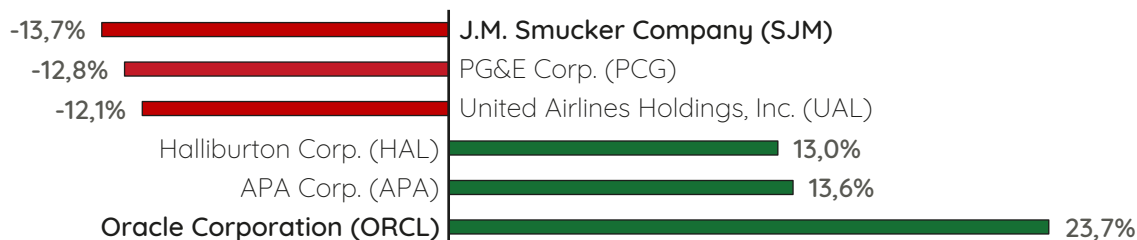
Safra Catz, CEO of Oracle.

- **Oracle** stock **soars 22%** this week, its **best performance since 2001**, after Q4 EPS \$1.70 and **\$15.9B** in revenue (+11% YoY), driven by **cloud infrastructure** sales **up 52%** to \$3B.
- **Tesla** shares **rose 2%** after **Musk announced** the debut of a 10-20 vehicle **robotaxi pilot** in **Austin**, while **expressing regret** over his **recent remarks** against Donald Trump.
- **Chime's IPO**, a U.S. fintech offering mobile checking and savings accounts, **opened at \$43** (+59%), selling **32M shares** and raising approximately **\$700M** in new capital.
- **Adobe** shares **ticked 1%** after **beating expectations** with **record Q1 revenue**, up 11% YoY **to \$5.9B**, driven mainly by strong growth in **Digital Media** and **Experience segments**.

JEME CAPITAL'S HIGHLIGHTS

- **Meta** agreed to **buy 49%** of **Scale AI** for **\$14.8B**. Founded in 2016, Scale AI provides vast amounts of **labelled** and **curated training data**, crucial for **developing advanced AI software** like Gemini or ChatGPT.
- **Boeing** shares **ended** the week **down 5%**, after plunging **to \$197.3** in Wednesday's pre-market, following a **787 Dreamliner crash** near Ahmedabad that **shook global aerospace** and financial markets.
- **GameStop** shares **fell 5%** this week after the company reported a **17% YoY drop** in Q1 revenue, **missing expectations** and **highlighting ongoing challenges**.
- **Mediobanca** will decide on Monday **whether** to **approve a €6.3B exchange offer** for **Banca Generali**, in a **pivotal vote** that could **reshape** Italian wealth management.

LAST WEEK BIGGEST MOVERS IN S&P 500



WHAT'S AHEAD NEXT WEEK IN THE MARKETS

| - Date | Event (U.S.) | Prev. Value | Exp. Value | - Date | Event (EU) | Prev. Value | Exp. Value |
|--------|--------------------------------|-------------|------------|--------|-------------------------------|-------------|------------|
| 17-Jun | Export Price Index (YoY) (May) | 2.00% | 1.70% | 16-Jun | Italian CPI (YoY) (May) | 1.90% | 1.70% |
| 17-Jun | Import Price Index (YoY) (May) | 0.10% | 0.20% | 18-Jun | U.K. CPI (YoY) (May) | 3.50% | 3.50% |
| 17-Jun | Retail Sales (YoY) (May) | 5.20% | 4.90% | 18-Jun | EU CPI (YoY) (May) | 2.20% | 1.90% |
| 18-Jun | Fed Interest Rate Decision | 4.50% | 4.50% | 20-Jun | U.K. Retail Sales (YoY) (May) | 5.00% | 2.00% |
| 18-Jun | Initial Jobless Claims | 248K | 255K | 20-Jun | German PPI (YoY) (May) | (0.90%) | (1.20%) |

Next Week's Global Affairs

Global government officials are currently meeting at the **G7 summit** in Canada, which started on the **15th of June** and will end on the **17th**. Meanwhile, the U.S. is preparing to notify about **15 countries** of **possible new tariff rates**, signalling a shift in its trade strategy. On the peacekeeping side, the **UN Security Council's Military Staff Committee** will hold formal meetings **starting Friday** to coordinate ongoing and further **joint peace efforts**.

U.S. Indicators

U.S. export prices are expected to **ease** to **1.7% year-over-year** from **2.0%**, while import prices tick slightly **higher** to **0.2% from 0.1%**, reflecting mild trade-related cost shifts. **Retail sales growth** is forecast to **slow** to **4.9%** in May from **5.2%**, pointing to some softening in consumer demand. The **Fed** is widely expected to **hold rates steady** at **4.5%** on June 18, while **jobless claims** are projected to **rise slightly** to **255K** from **248K**.

EU Indicators

Italy's CPI for May is forecast to **slow** to **1.7% from 1.9%**, while **eurozone inflation** is projected to **ease** to **1.9% from 2.2%**, reinforcing the bloc's disinflation trend. **U.K. inflation** is expected to **hold steady** at **3.5%**, but **retail sales** growth is set to **drop** sharply to **2.0% from 5.0%**, suggesting fading consumer strength. Meanwhile, **Germany's producer prices** are forecast to **fall** further to **-1.2% from -0.9%**, deepening the deflationary pressure at the factory gate.

Asia's Market Signals

India's trade gap is projected to grow to **\$27.2B** in May, up from **\$26.4B**, driven by a rebound in non-oil imports. Japan's central bank is expected to **hold rates** at **0.5%**, with its **trade deficit** likely to **widen** to **¥870B** from **¥115.8B** due to soft exports and higher energy costs. The Philippines is set to **maintain** its **policy rate** at **5.5%**, prioritising inflation control overgrowth. Hong Kong's inflation is expected to **hold steady** at **2%**.

WHAT'S AHEAD NEXT WEEK FOR CORPORATES

Key Earnings Report



16/06/25

- **Lennar** anticipates **\$8.18B** in **revenue** and **\$1.94 EPS**. In February 2025, Lennar spun off Millrose Properties, its homesite options business, into a publicly traded REIT, enabling the homebuilder to focus on its core operations and potentially enhance capital flexibility.

17/06/25

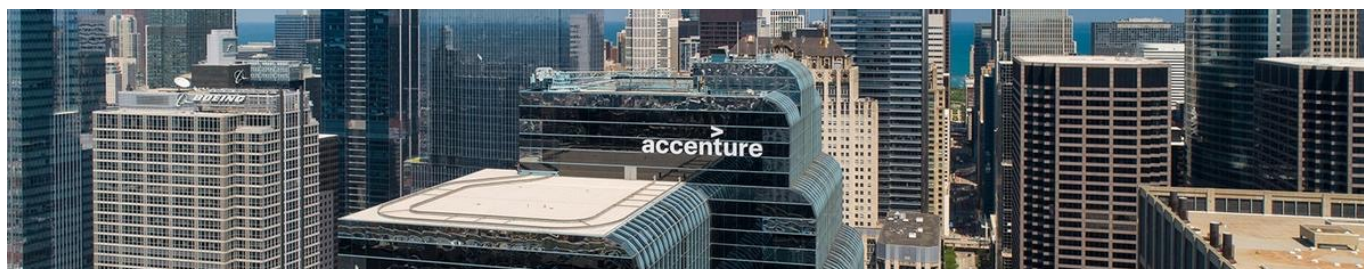
- **Ashtead Gro** is expected to announce **\$2.62B** in **revenue** and **\$2.84 EPS**. The firm launched a circular outlining its intention to shift its primary listing to the U.S. via a new parent company, aiming to align with its North American-focused operations.
- **Jabil Circuit** is forecast to report **\$7.03B** in **revenue** and **\$2.29 EPS**. In May 2025, Jabil signed a Memorandum of Understanding with AVL Software & Functions to collaborate on advanced automotive and e-drive manufacturing solutions.

18/06/25

- **Korn Ferry** projects **\$690.07M** in **revenue** and **\$1.26 EPS**. Recently, the firm highlighted a surge in demand for its new "Pay Equity" digital tool, designed to help companies implement fair compensation practices, signalling strategic expansion in its HR solutions.

20/06/25

- **Accenture** is expected to post **\$17.27B** in **revenue** and **\$3.31 EPS**. Accenture warned investors that Elon Musk's Department of Government Efficiency instructed it to submit a cost-justification scorecard for U.S. federal contracts.
- **Kroger** is projected to report **\$45.28B** in **revenue** and **\$1.45 EPS**. The company recently announced its plans to emphasise its ongoing investments in digital innovation and in-store pharmacy expansion to support long-term growth.



The Accenture Tower on 500 West Madison, Chicago, Illinois, United States.

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