

Market recap

Dow +0.85%, S&P 500 +0.64%, Nasdaq +0.31%, Russell 2000 +1.19%. Strength in Real Estate +1.65%, Energy +1.56%, Staples +1.55%, and Industrials +1.35%. Discretionary (0.44%), only sector closing lower. Treasuries mixed with curve flattening, the 2Y yield +3 bps to 4.05%, 10Y down 2bps to 4.30%, and the 30Y down 3bps to 4.59%. Dollar index down 0.3%, to 103.42. Gold up 0.2%. WTI crude +0.48% to \$67.5. Gold +0.29% to \$3009.8. Markets are trading higher in Asia, the Nikkei +1.29%, Hang Seng +1.95%, SENSEX +1.13%, TAIEX +0.69%, KOSPI +0.14%, ASX +0.10%, and Shanghai +0.04%. US contracts are lower, S&P (0.34%), Nasdaq (0.45%).

Concerns that plunging consumer sentiment will lead to a drop in consumer spending have weighed on markets over the past few weeks. Yesterday's Retail sales report should alleviate some concerns that the economy already is shrinking. The 1.0% rebound in control retail sales fully reversed January's dip, with non-store sales at the root of the volatility. Headline came in at +0.2% m/m vs expected +0.7%. January was revised lower to -1.2% (from -0.9%). Ex-autos at +0.3% vs market at +0.4%. Control group sales (which feed into GDP) came in stronger at +1.0% m/m vs market at +0.4%.

March Empire State Index fell 26pts to -20.0 vs market at +1.5. New orders, shipments, and employment all back in contraction territory. New Orders notably lower, at -14.9, down from +11.4. Prices Paid +44.9 from +40.2, highest in over two years. Inventories Index up to +13.3 from +8.7, its highest level in over two years. Capital spending plans remained soft. Input price increases are expected to remain significant. March NAHB housing market index fell m/m to 39, vs market at 42.5. Release flagged policy uncertainties and cost pressures from tariffs.

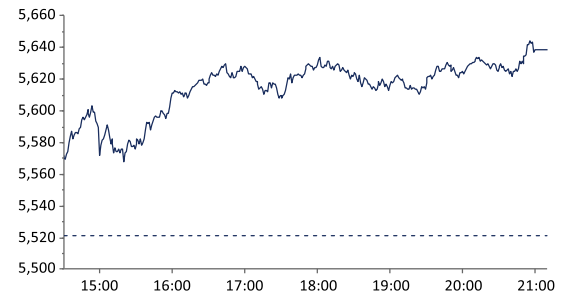
Key event this week is the FOMC decision tomorrow. No one expects a rate cut. Instead, markets will want to see that the Fed remains committed to rate cuts. The best way they can do that is via the "dots," which will be updated at this meeting. At a minimum, investors will want to see the dots show at least two rate cuts in 2025, ideally, three. In addition Powell could reinforce the Fed stands ready to cut rates if growth slows. Hence the meeting, SEP and Powell has the potential to assert some needed confidence in that the Fed is ready to cut rates if the economy dramatically slows in response to trade chaos.

Research

ANOD - Addnode - Buy, TP SEK 135: While positive (+0.7% m/m), February DMI moderated throughout the month as concerns have started to emerge in the U.S. construction market, including rising input costs, lower builder confidence (NAHB), and reduced investment propensity.

Longview - "Equity Pullback – What's Next?" At the start of this year, almost no one in markets thought that a US recession was likely. Opinion, and market prices, though, have been moving rapidly. Recession concerns were fuelled last week by more tariff announcements, negative comments from various retailers and airlines (see above), and more soft economic data (e.g. Tuesday's NFIB report). [LINK](#)

S&P 500 12mth chart



Markets

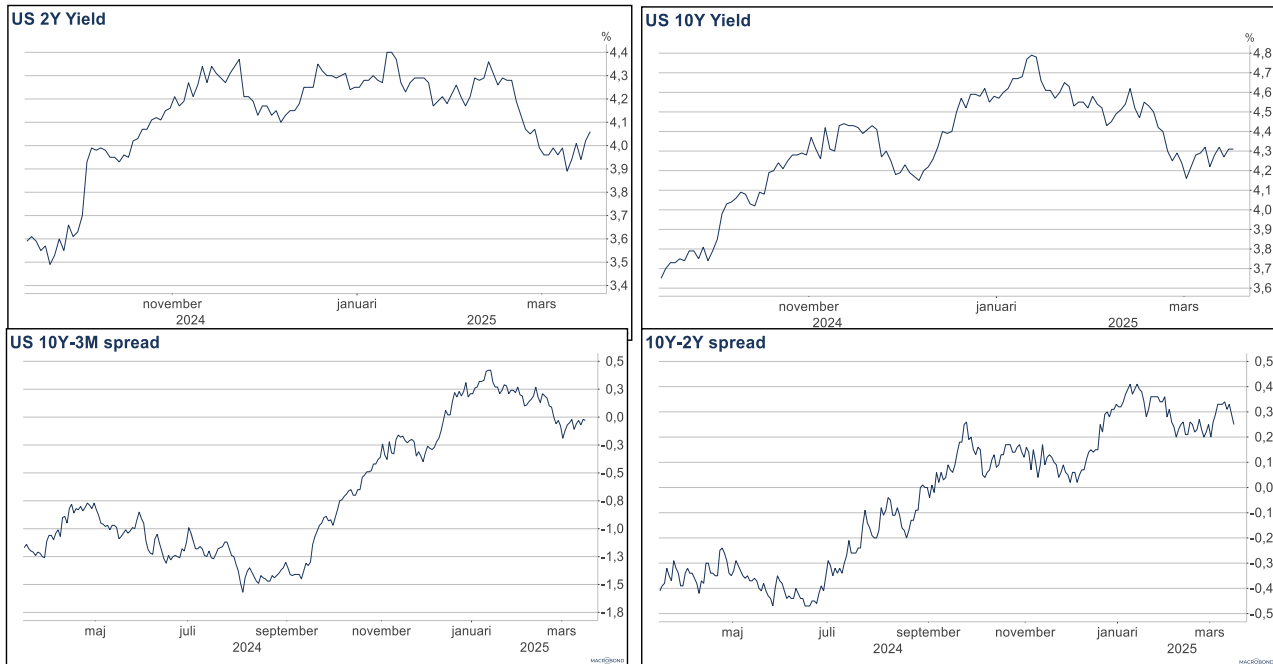
Market	Level	1d %	YTD %
S&P 500 futures	5 713	-0,34	
Nasdaq 100 futures	19 945	-0,47	
Dow futures	41 618	-0,55	
S&P 500	5 675	0,64	-3,5
Dow	41 842	0,85	-1,7
Nasdaq	17 809	0,31	-7,8
Russell 2000	5 140	1,19	-7,3
Asia this morning			
Nikkei 225	37 866	1,31	-6,3
Hang Seng	24 647	2,08	20,4
Shanghai	3 429	0,08	2,2
Taiwan	22 272	0,69	-4,0
KOSPI	2 613	0,10	8,8
ASX	8 090	0,10	-3,7
SPDRs (sector ETFs)	Level	1D %	YTD %
Technology	215	0,70	-7,3
Communication Services	97	0,71	0,5
Discretionary	197	0,16	-12,2
Staples	81	1,46	2,6
Financials	49	1,17	1,6
Health Care	147	1,27	6,7
Industrials	133	1,38	0,9
Materials	87	1,26	3,5
Energy	91	1,59	6,5
Real Estate	42	1,76	3,7
FX / interest rates	Level	1D %	YTD %
US 10Y	4,30	-0,32	-5,9
Sweden 10 Y	2,64	-2,44	9,3
Dollar Index (DXY)	103,37	-0,34	-4,7
EUR/USD	1,09	0,00	5,5
USD/SEK	10,08	0,00	-8,8
EUR/SEK	11,01	-0,14	-3,8
Base metals	Level	1D %	YTD %
Copper, USD/t	9 748	-0,11	12,0
Zinc, USD/t	2 949	-0,59	-0,9
Lead, USD/t	2 075	0,39	8,0
Nickel, USD/t	16 310	-0,85	8,0
Aluminium, USD/t	2 715	0,07	7,9
Precious metals	Level	1D %	YTD %
Gold, USD/ozt	2 997	0,62	14,8
Silver, USD/ozt	33,8	-0,37	16,8
Palladium, USD/ozt	964	0,14	6,7
Platinum, USD/ozt	1 024	1,34	14,5
Energy	Level	1D %	YTD %
Brent crude, USD/bbl (1M) ICE	71,5	1,25	-2,8
UK Nat gas (1M) GBX/th	101,1	-2,70	-17,1
EUR/mwh, Ger/Aus 1m	69,1	0,00	0,0
Iron / steel / freight	Level	1D %	YTD %
Iron Ore China, USD/t	102,3	-0,52	-1,2
US HRC, USD/st	940,0	0,11	32,6
Baltic Dry Index	1 658,0	-0,66	66,3

Economic Scorecard, expected rate cuts and important calendar events

Scorecard - US economy									Averages			12mth	
Growth indicators	Jan'24	Mar'24	Jun'24	Sep'24	Dec'24	Jan'25	Feb'25	Signal	3m	6m	12m	High	Low
ISM Manufacturing PMI	47,1	47,8	48,7	47,2	49,2	50,9	50,3		50,1	48,8	48,7	50,9	46,5
ISM Services PMI	50,4	52,6	53,8	54,9	54,1	52,8	53,5		53,5	53,9	52,6	56,0	48,8
Non-Farm Payrolls	333	270	218	223	307	143	151		200,3	186,8	198,5	333	36
Unemployment rate	3,7%	3,9%	4,0%	4,1%	4,1%	4,0%	4,0%		4,0%	4,1%	4,0%	4,3%	3,7%
Retail Sales	603,8	611,4	604,7	618,0	698,4	668,0	669,9		641,7	635,0	623,9	643,8	603,8
Non-defence capital goods spend	73,42	73,68	73,30	73,70	74,52	75,14	n.a.		73,7	73,68	73,66	73,99	73,30

Source: Various US government statistics

US Treasury Interest Rates

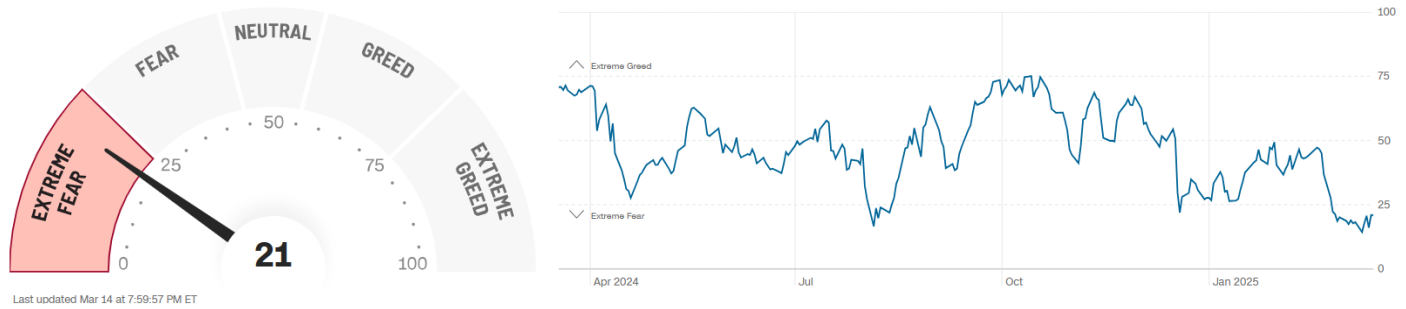


US Treasury Yields	Money market yields						Capital market yields						
	1M	2M	3M	4M	6M	12M	2Y	3Y	5Y	7Y	10Y	20Y	30Y
2023-12-29	5,60	5,59	5,40	5,41	5,26	4,79	4,23	4,01	3,84	3,88	3,88	4,20	4,03
2024-01-31	5,53	5,46	5,42	5,40	5,18	4,73	4,27	4,05	3,91	3,95	3,99	4,34	4,22
2024-02-29	5,53	5,50	5,45	5,43	5,30	5,01	4,64	4,43	4,26	4,28	4,25	4,51	4,38
2024-03-28	5,49	5,48	5,46	5,42	5,38	5,03	4,59	4,40	4,21	4,20	4,20	4,45	4,34
2024-04-30	5,48	5,51	5,46	5,45	5,44	5,25	5,04	4,87	4,72	4,71	4,69	4,90	4,79
2024-05-31	5,48	5,48	5,46	5,46	5,42	5,18	4,89	4,69	4,52	4,52	4,51	4,73	4,65
2024-06-28	5,47	5,47	5,48	5,45	5,33	5,09	4,71	4,52	4,33	4,33	4,36	4,61	4,51
2024-07-31	5,49	5,51	5,41	5,32	5,14	4,73	4,29	4,10	3,97	4,00	4,09	4,44	4,35
2024-08-30	5,41	5,32	5,21	5,12	4,89	4,38	3,91	3,79	3,71	3,80	3,91	4,28	4,20
2024-09-30	4,93	4,87	4,73	4,65	4,38	3,98	3,66	3,58	3,58	3,67	3,81	4,19	4,14
2024-10-31	4,76	4,76	4,64	4,56	4,43	4,27	4,16	4,12	4,15	4,21	4,28	4,58	4,47
2024-11-29	4,76	4,69	4,58	4,52	4,42	4,30	4,13	4,10	4,05	4,10	4,18	4,45	4,36
2024-12-31	4,40	4,39	4,37	4,32	4,24	4,16	4,25	4,27	4,38	4,48	4,58	4,86	4,78
2025-01-31	4,37	4,37	4,31	4,33	4,28	4,17	4,22	4,27	4,36	4,47	4,58	4,88	4,83
2025-03-14	4,37	4,33	4,33	4,30	4,29	4,09	4,02	4,00	4,09	4,20	4,31	4,65	4,62
2025-03-17	4,37	4,33	4,34	4,30	4,29	4,11	4,06	4,03	4,11	4,21	4,31	4,64	4,60
Changes													
WTD	0,00	0,00	0,01	0,00	0,00	0,02	0,04	0,03	0,02	0,01	0,00	-0,01	-0,02
YTD	-0,03	-0,06	-0,03	-0,02	0,05	-0,05	-0,19	-0,24	-0,27	-0,27	-0,27	-0,22	-0,18
12M	-1,16	-1,13	-1,08	-1,10	-0,89	-0,62	-0,21	-0,02	0,20	0,26	0,32	0,30	0,38

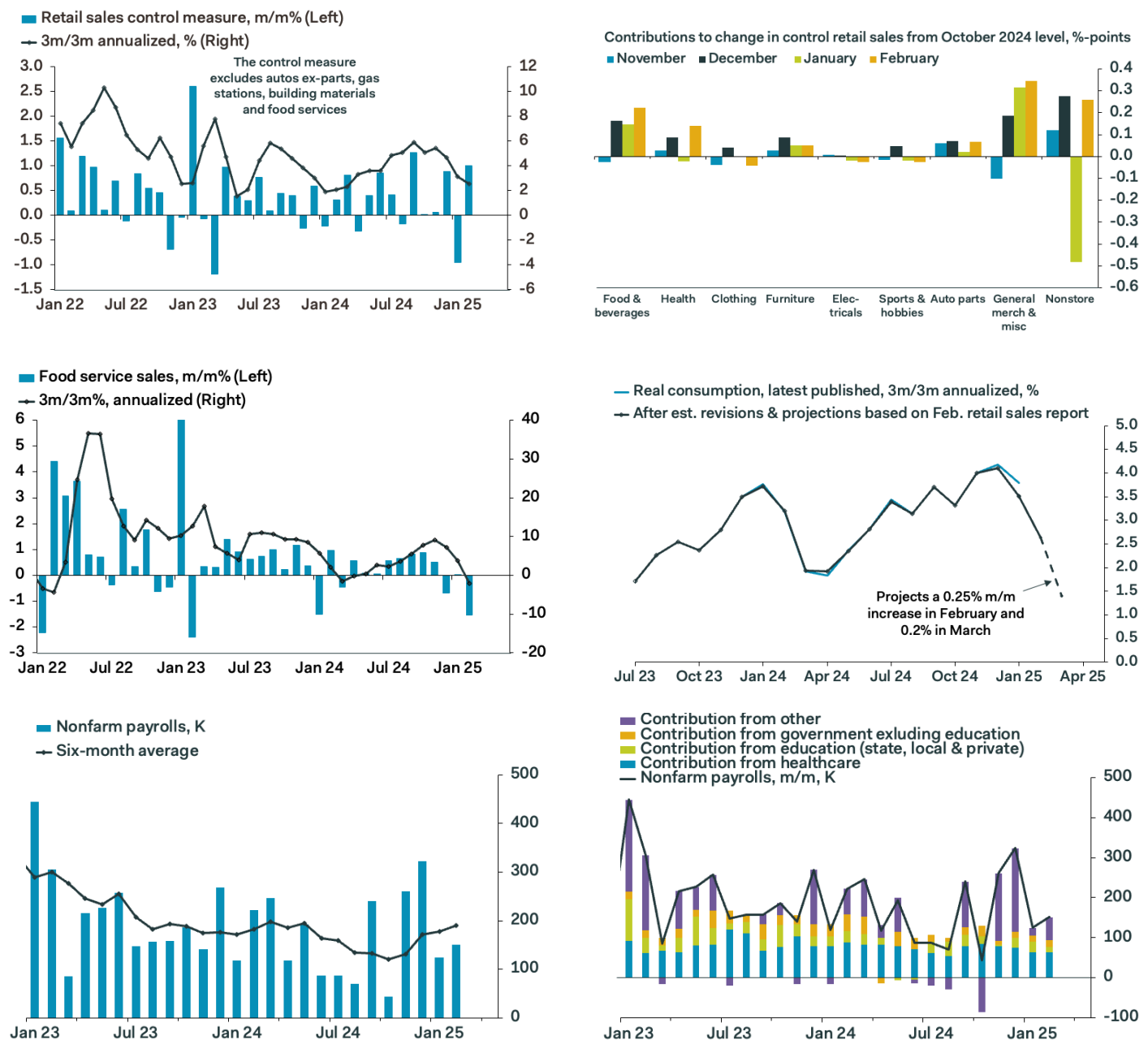
Source: U.S. Department of the Treasury www.home.treasury.gov, Macrobond, Pareto Securities

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CNN Fear and Greed Index: source <https://edition.cnn.com/markets/fear-and-greed>

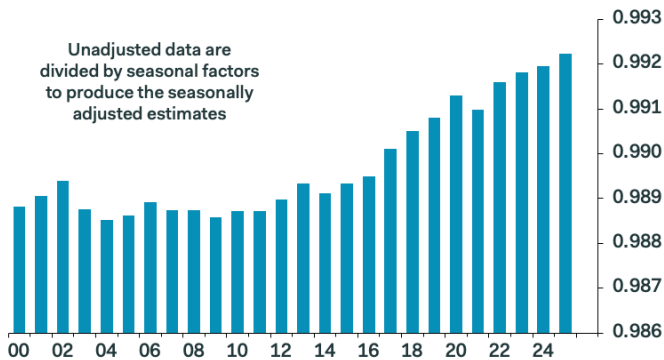
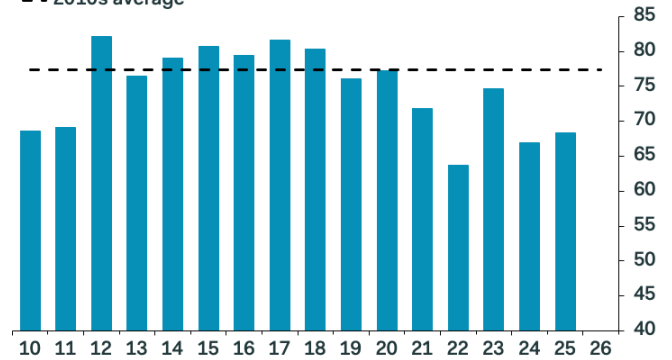


Economic Datapoints – source: Pantheon Macro



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■ Seasonal factors for nonfarm payrolls, Februarys since 2000

■ February payroll survey response rate for first monthly estimate, %
-- 2010s average

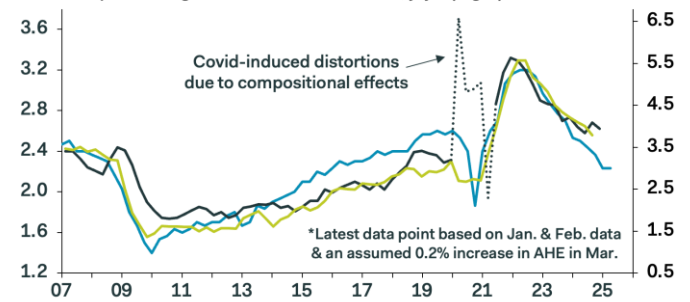
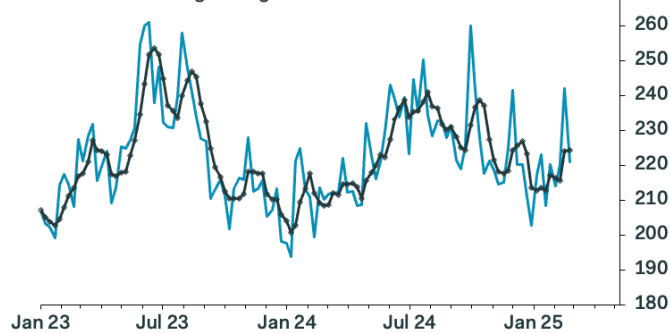
— Unemployment rate, %



— JOLTS private sector quits rate, advanced two months (Left)

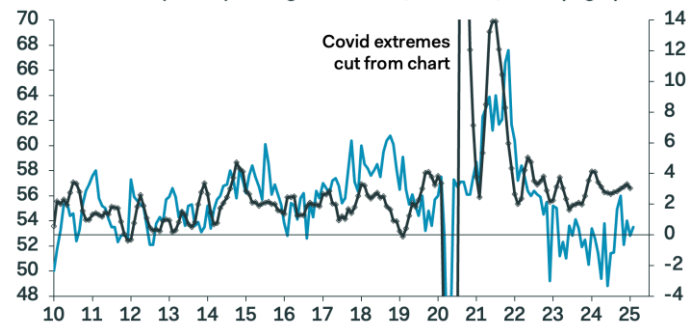
— Average hourly earnings*, y/y% (Right)

— ECI: private wages & salaries ex-incentives, y/y% (Right)

— Weekly initial claims, seasonally adjusted, thousands
— Four-week moving average

— Continuing claims, week of household survey, K (Left)

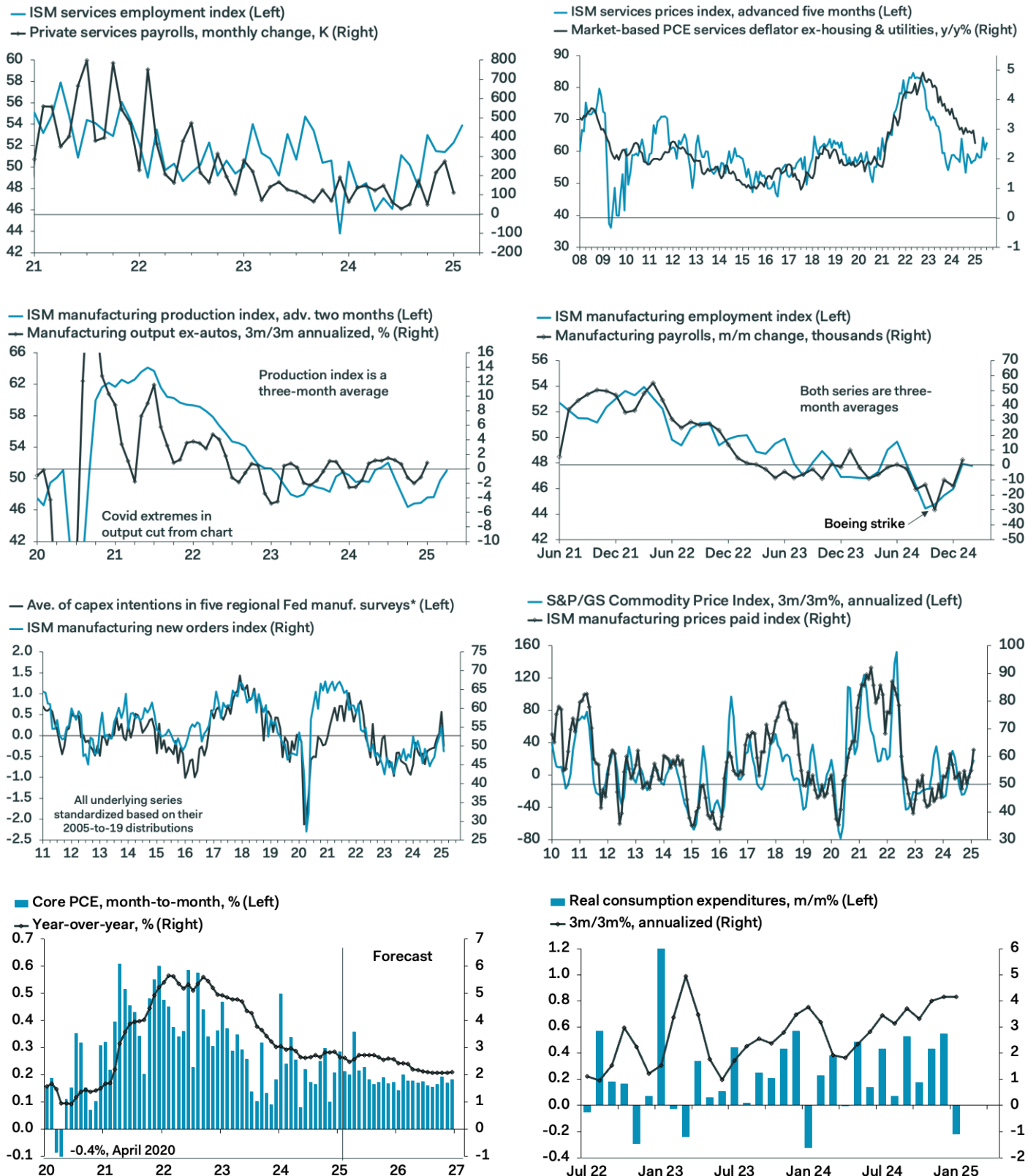
— Unemployed for fewer than 26 weeks, K (Right)

— ISM services index (Left)
— Real consumption spending on services, 3m/3m%, ann'd (Right)

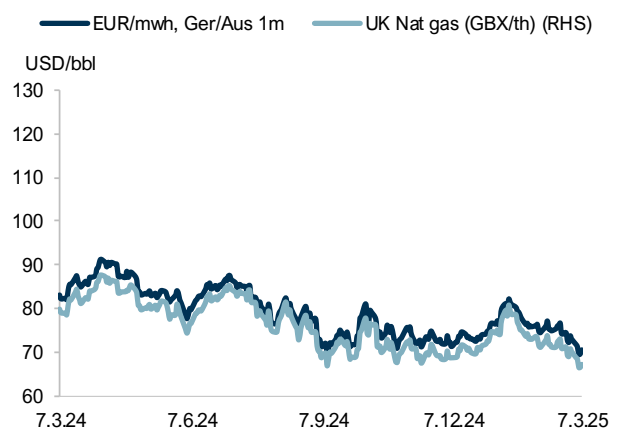
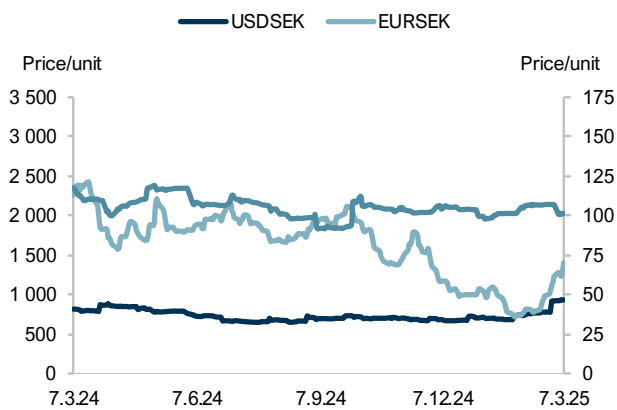
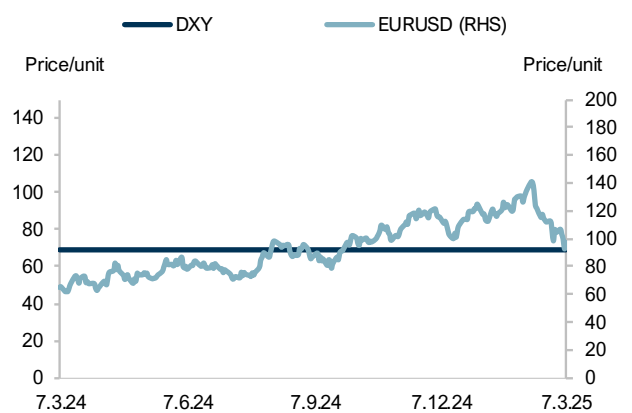
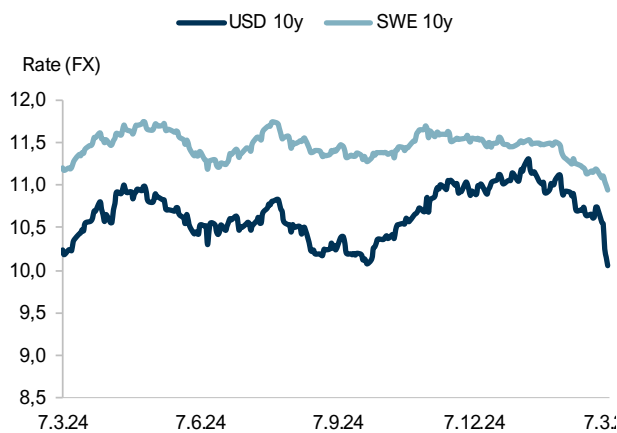
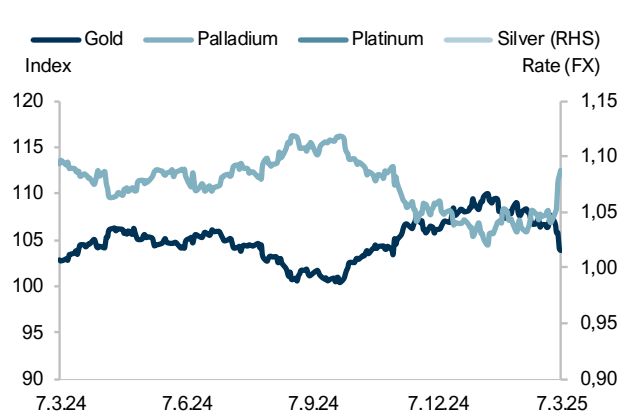
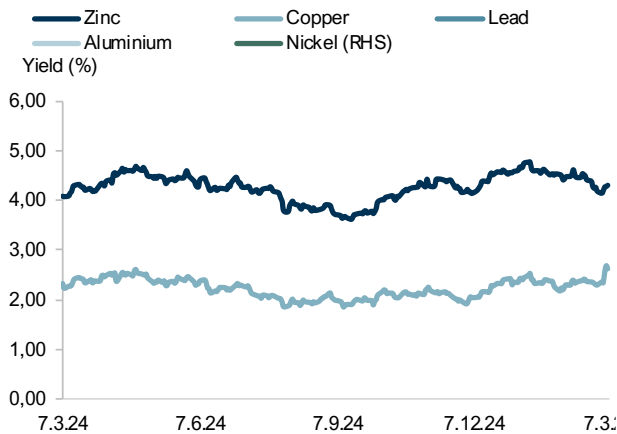
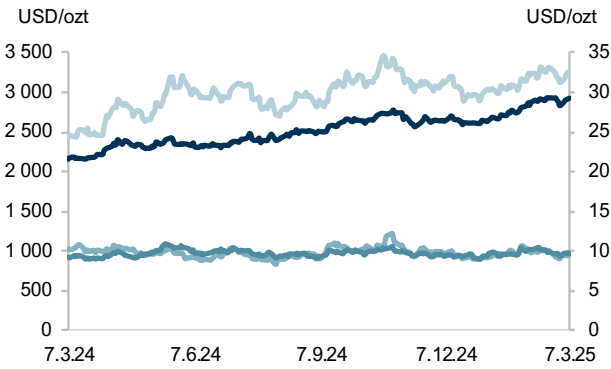
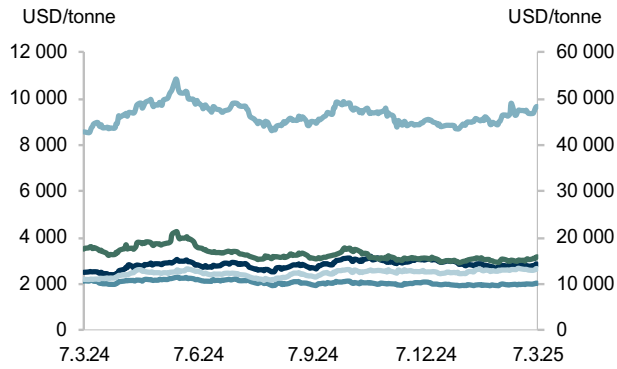
— S&P Global U.S. Services PMI (Left)

— ISM Services Index (Right)





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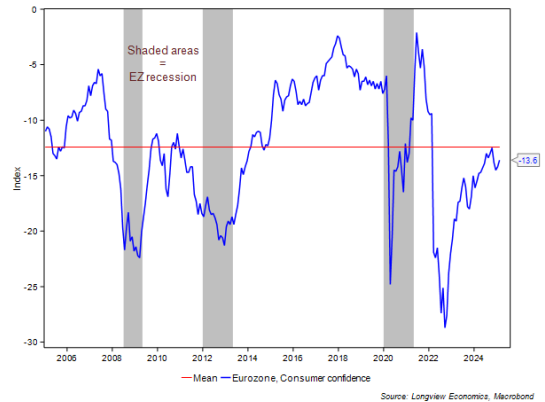
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Weekly Agenda

Europe

- Events:** Bank of England policy decision & minutes (Thurs, 12pm) followed by press conference (12:30pm); SNB policy decision (Thurs, 8:30am) followed by press conference (9am); Riksbank policy decision (Thurs, 8:30am); ECB publishes Economic Bulletin (Thurs, 9am); speeches by the ECB's Rehn at MNI event (Tues, 9am), Villeroy in Paris (Wed, 10:45am), Guindos in Madrid (Wed, 12pm), Elderson in London (Wed, 1pm), Lagarde in EU Parliament hearing (Thurs, 8am), Lane in Cork (Thurs, 12pm), Villeroy in Paris (Thurs, 1pm) & Escriva at IESE banking event in Barcelona (Fri, 8:15am).
- Monday:** UK Rightmove house prices (Mar, 12:01am); Spanish labour costs (Q4, 8am); Italian headline CPI (February final estimate, 9am).
- Tuesday:** German & Eurozone ZEW survey – expectations & current situation (Mar, 10am); Eurozone trade balance (Jan, 10am).
- Wednesday:** Eurozone labour costs (Q4, 10am); EZ headline & core CPI (February final estimate, 10am).
- Thursday:** German PPI (Feb, 7am); UK Employment, jobless claims & average weekly earnings (Feb/Jan, 7am); UK CBI industrial trends survey (Mar, 11am); Eurozone construction output (Jan, 10am). UK GfK consumer confidence (Mar, 12:01am); public sector finances (Feb, 7am); French INSEE business & manufacturing confidence (Mar, 7:45am); ECB current account (Jan, 9am); Italian current account balance (Jan, 9:30am); Eurozone consumer confidence (March first estimate, 3pm).
- Friday:**

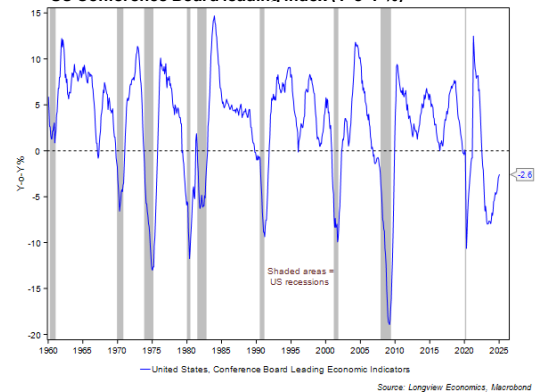
Eurozone consumer confidence



US

- Events:** Fed policy decision (Wed, 6pm) followed by press conference (6:30pm); speech by the Fed's Williams in the Bahamas (Fri, 1:05pm).
- Monday:** Canadian housing starts (Feb, 12:15pm); US retail sales (Feb, 12:30pm); US Empire manufacturing (March, 12:30pm); Canadian existing home sales (Feb, 1pm); US NAHB housing market index (March, 2pm); US business inventories (Jan, 2pm).
- Tuesday:** US housing starts & building permits (Feb, 12:30pm); US New York Fed service sector business activity (March, 12:30pm); Canadian core CPI (Feb, 12:30pm); US imports and exports price index (Feb, 12:30pm); US industrial & manufacturing production & capacity utilisation (Feb, 1:15pm).
- Wednesday:** US total TIC flows (Jan, 8pm).
- Thursday:** US Philadelphia Fed business outlook (March, 12:30pm); US current account balance (Q4, 12:30pm); US weekly jobless claims (1:30pm); US existing home sales (Feb, 2pm); US Conference Board leading index (Feb, 2pm).
- Friday:** Canadian retail sales (Jan, 12:30pm).
- Key earnings:** Accenture, Nike, Micron, Cintas, FedEx (Thurs).

US Conference Board leading index (Y-o-Y %)



Asia

- Events:** BOJ policy decision (Wed, time tentative); PBOC policy decision (Thurs, 1am); speech by the RBA's Hunter (Mon, 11:20pm); market holiday in Japan on account of Vernal Equinox (Thurs).
- Monday:** Chinese new & used home prices (Feb, 1:30am); Chinese activity data (industrial production, retail sales, fixed asset, property investment & unemployment rate – Feb, 2am).
- Tuesday:** Japanese Tertiary industry index (Jan, 4:30am); Australian Westpac leading index (Feb, 11:30pm); Japanese imports/exports, & trade balance (Feb 11:50pm); Japanese machinery orders (Jan, 11:50pm).
- Wednesday:** Japanese industrial production & capacity utilisation (January final estimate, 4:30am); Japanese machine tool orders (February first estimate, 6am).
- Thursday:** Australian employment data (Feb, 12:30am); Japanese headline & core CPI (Feb, 11:30pm).
- Friday:** N/A
- Key earnings:** Ping An Insurance Group (Thurs); China Shenhua Energy, China Petrol, Bank of Communications (Fri).

Japanese headline & core CPI (Y-o-Y %)

