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December 9, 2020

DJIA: 30173.88
SPX: 3702.25
NASDAQ: 12582.77

US Strategy Weekly
Liquidity Wins!

We focus on three issues this week. The first is that technical indicators have finally and wholeheartedly confirmed the current advance. The second is that even though third quarter earnings estimates are beating expectations, it has little relevance to a market that has been focused on 2021 forecasts since March. Based on 2021 earnings estimates, equities are priced for perfection and this is certainly a cause for concern. And third, recent data releases are defining a pattern of economic deceleration. This is also worrisome. This combination of deteriorating economics/fundamentals and strengthening price action can only be explained by the fact that liquidity is driving the equity market.

Several indicators that we monitor suggest the market is likely to underperform over the next twelve to eighteen months. But bear in mind that this does not mean 2021 is destined to be a boring market. It is more likely that 2021 could contain several bull and bear market cycles that result in little gain in the end. Investors should prepare for an unusual environment and adjust portfolios so that they can weather extreme volatility.

Economic data for November was generally disappointing. The unemployment rate declined in November to 6.7% from 6.9%, but this was due in large part to the decline in the civilian labor force. The addition of 245,000 new jobs was less than expectations and perhaps the biggest letdown was the decline in the employment population ratio from 57.4 to 57.3. The participation rate also fell from 61.7 to 61.5. In short, the percentage of the population that is employed and working is declining. See page 3.

Jobs are key to the economy. They are the most critical component of household income, personal consumption, corporate revenues, and earnings. Therefore, the steady shift of workers from temporary layoff to being permanently unemployed is disturbing. See page 4. In our opinion, the absence of CDC guidelines that would allow businesses to safely open coupled with the lack of urgency seen in Congress to pass fiscal stimulus that would support small businesses is unconscionable.

In our view, the best way to assess the job market is to monitor the growth rate of “employment” over a 12-month period. A decelerating rate that approaches zero will predict a pending recession and a recession begins when this growth rate turns negative. But a pivot in the growth rate often defines a recovery. From this perspective, the job market was arbitrarily shut down so there was little warning for this unusual recession. However, the employment low was made in April with a negative 13.5% growth rate and has been improving ever since. But November’s growth rate was still poor at negative 6%. Meanwhile, the pace of those unemployed 27 weeks or longer continues to rise and currently resembles the pattern seen in early 2009! See page 5. These statistics suggest household consumption is apt to decline in the first quarter. If so, earnings could also disappoint.

The ISM indices are good benchmarks for assessing the strength of both the manufacturing and service sectors of the US economy. However, both ISM indices declined in November and both surveys pointed to weakness in new orders and general business activity. See page 6. The NFIB Small Business Optimism Index fell from 104.0 in October to 101.4 in November which was worse than expectations.

The most revealing part of the survey was that the net share of respondents expecting the economy to improve dropped from 27% to 8%. This was a perfect example of how the current number of COVID-19 cases and the accompanying restrictions are hurting small businesses and dampening sentiment.

Autos and housing have been the core of the 2020 rebound, yet both weakened in November. Total vehicle unit sales fell from 16.74 million to 15.97 million units in November and all segments of the industry showed a decline. For the second month in a row the pending home sales index fell. October's index fell to 128.9, down from the August peak of 132.9. See page 7.

Under normal circumstances, third quarter earnings results for the S&P 500 would make us bullish, but these are far from normal times. As of December 4, 496 companies in the S&P 500 Index had reported third quarter 2020 earnings. And of these, 84.5% reported earnings that were above analysts' expectations and 12.3% reported earnings below expectations. In a typical quarter, 65% of companies beat and 20% miss estimates. Even more impressively, companies have reported earnings that are 19.7% above estimates. This is dramatically better than the 26-year average surprise factor of 3.5% and the last four quarter average of 8.7%. In addition, more than 78% of reporting companies exceeded revenue expectations and beat forecasts by 3.6%. This compares to the long-term average surprise factor of 1.5%. Not surprisingly, the estimated earnings growth rate for the S&P 500 in the third quarter is now negative 6.1% and much improved from the July 1 consensus forecast of a 25% decline. If the energy sector is excluded, the third quarter growth rate improves to negative 1.9%. Earnings growth forecasts improved for all sectors in the third quarter, but the greatest improvement was in consumer discretionary which flipped from an expectation of a 50% decline in year-over-year earnings growth to positive 0.8% currently. However, despite all this good news for the quarter, IBES consensus estimates for 2021 are relatively unchanged at $168.85. A PE multiple of 20 times next year's earnings equates to an SPX target of 3377, or 9% below recent closing prices. See page 10.

At SPX 3702, the trailing operating PE is 30.6 X and remains higher than the June 1999 (29.3 X) and December 2001 (29.6 X) peaks. The 12-month forward PE ratio for the SPX is 22.3 X. Both benchmarks are well above their standard deviation lines and the SPX is now trading more than 13% above the top of our valuation model's year end 2021 fair value range. See page 11. High valuation suggests the market is vulnerable to unexpected shocks and this suggests caution is warranted.

But in direct contrast to this the popular indices continue to set a series of record highs and our technical indicators are finally confirming the advance. In particular, the 25-day up/down volume oscillator is currently 5.02 (preliminary), above 3.0 and has been in overbought territory for six consecutive trading days and for nine of the last eleven trading days. The oscillator reached a reading of 5.52 late last week which was the strongest reading since February 2019. It is our contention that new price highs in the indices should be accompanied by long and often extreme overbought readings which represent solid buying pressure. After a lengthy delay, this oscillator has finally confirmed the new highs. See page 13. And most other breadth indicators followed suit. The 10-day average daily new high indicator is robust at 380 per day and the NYSE cumulative advance decline line made a simultaneous record on December 8 with the indices. See page 14. The AAII bullish sentiment index rose to 49.1% and the last 4 weekly readings are the highest since January 2020. But while the AAII bull/bear 8-week spread is quickly rising it still remains in neutral territory. See page 15.

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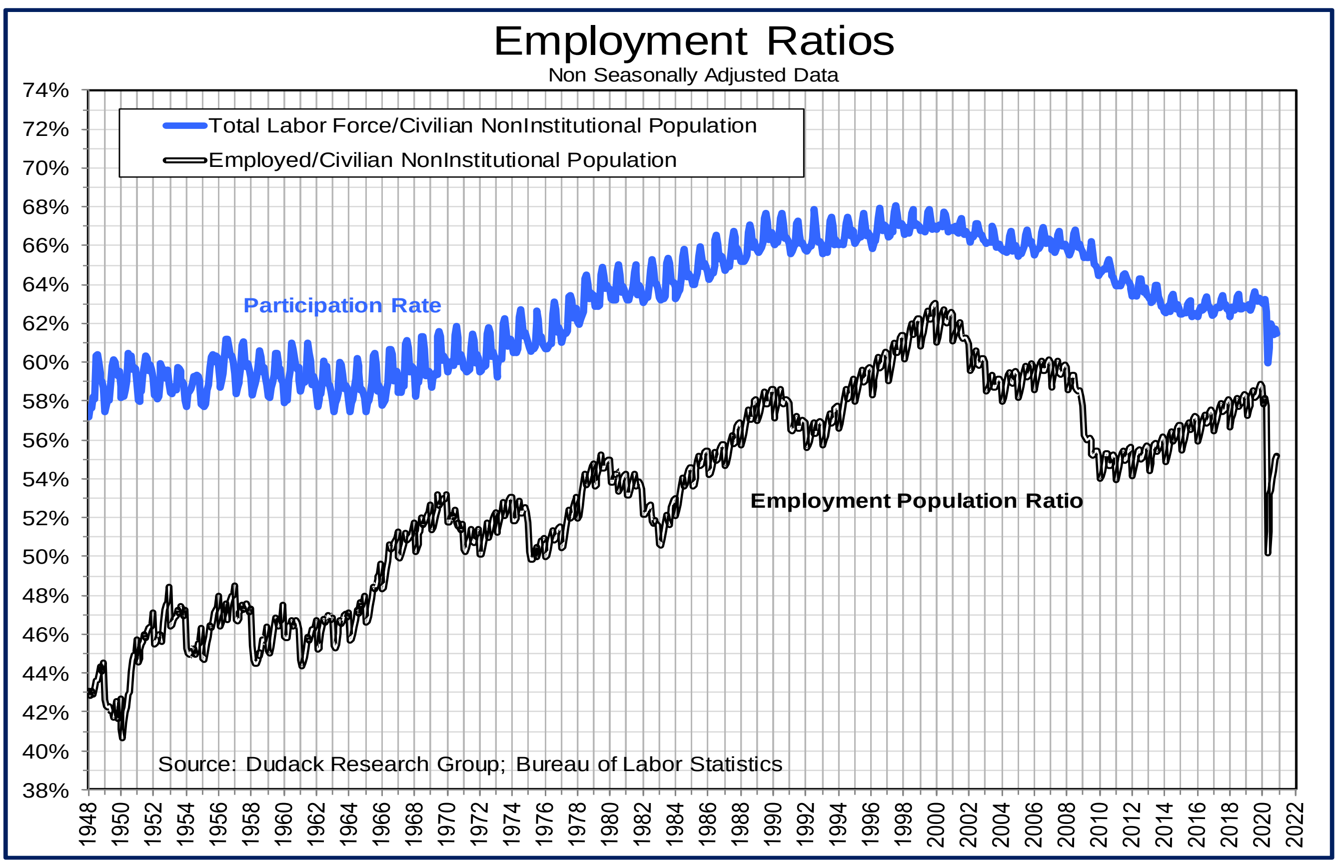
There is one simple way to explain the discrepancy between the underlying fundamental and technical factors of the market and it is liquidity. Historically, there has been a strong correlation between easy monetary policy and stock market gains. M2 growth peaked at 19.6% in July but in late November it was still growing at a 6.6% pace. Demand deposits at commercial banks jumped in late November from $2.5 billion to $2.97 billion. In sum, remember the wise Wall Street adage "Don't fight the Fed."

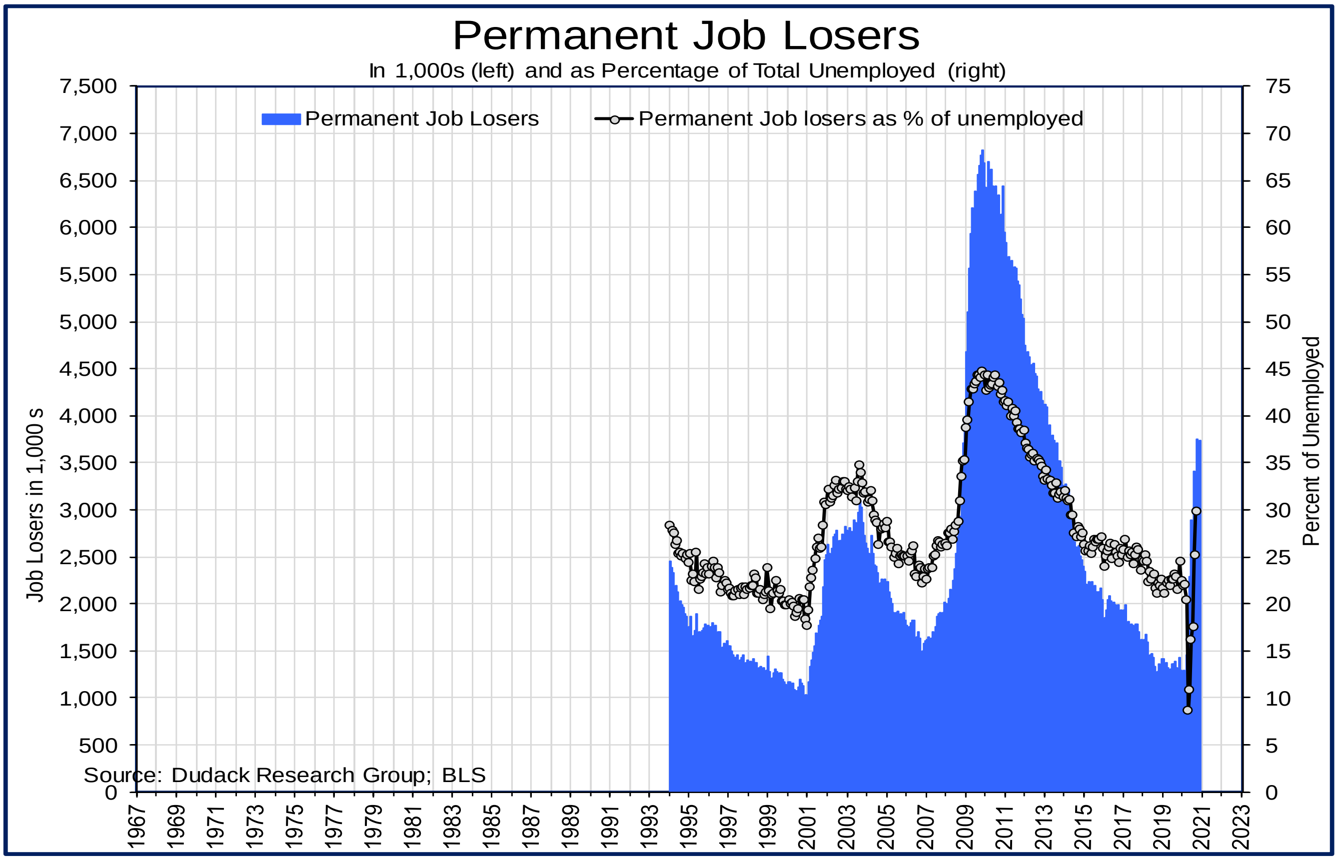
The unemployment rate declined in November to 6.7% from 6.9%, but this was due primarily to the decline in the civilian labor force. The addition of 245,000 new jobs was a disappointment and perhaps the biggest letdown was the decline in the employment population ratio from 57.4 to 57.3. In short, the employed percentage of the population is declining.

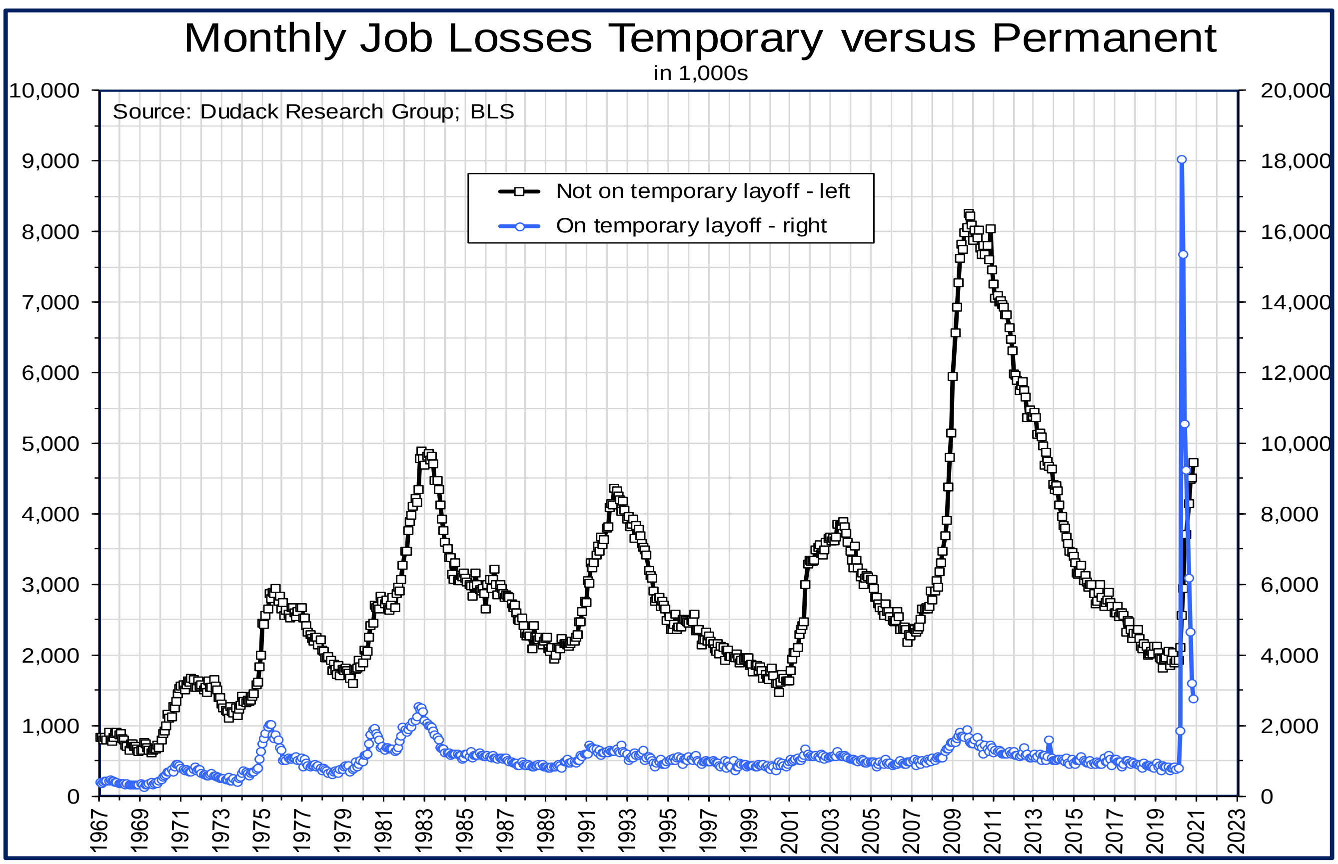
Employment Surveys (1,000s SA)	Nov-20	Oct-20	Change	Nov-19	Yr/Yr
Establishment Survey: NonFarm Payrolls	142,629	142,384	245	151,814	(9,185)
Household Survey Data (1,000s)					
Employed (A)	149,732	149,806	(74)	158,536	(8,804)
Unemployed (B)	10,735	11,061	(326)	5,811	4,924
Civilian labor force [A+B]	160,467	160,867	(400)	164,347	(3,880)
Unemployment rate [B/(A+B)]	6.7%	6.9%	-0.19%	3.5%	3.2%
U6 Unemployment rate	13.1%	12.1%	1.0%	6.8%	6.3%
Civilian noninstitutional population (C)	261,085	260,925	160	260,020	1,065
Participation rate [(A+B)/C]	61.5	61.7	-0.2	63.2	-1.7
Employment-population ratio [A/C]	57.3	57.4	-0.1	61	-3.7
Not in labor force	100,618	100,058	560	95,673	4,945

Source: Bureau of Labor Statistics

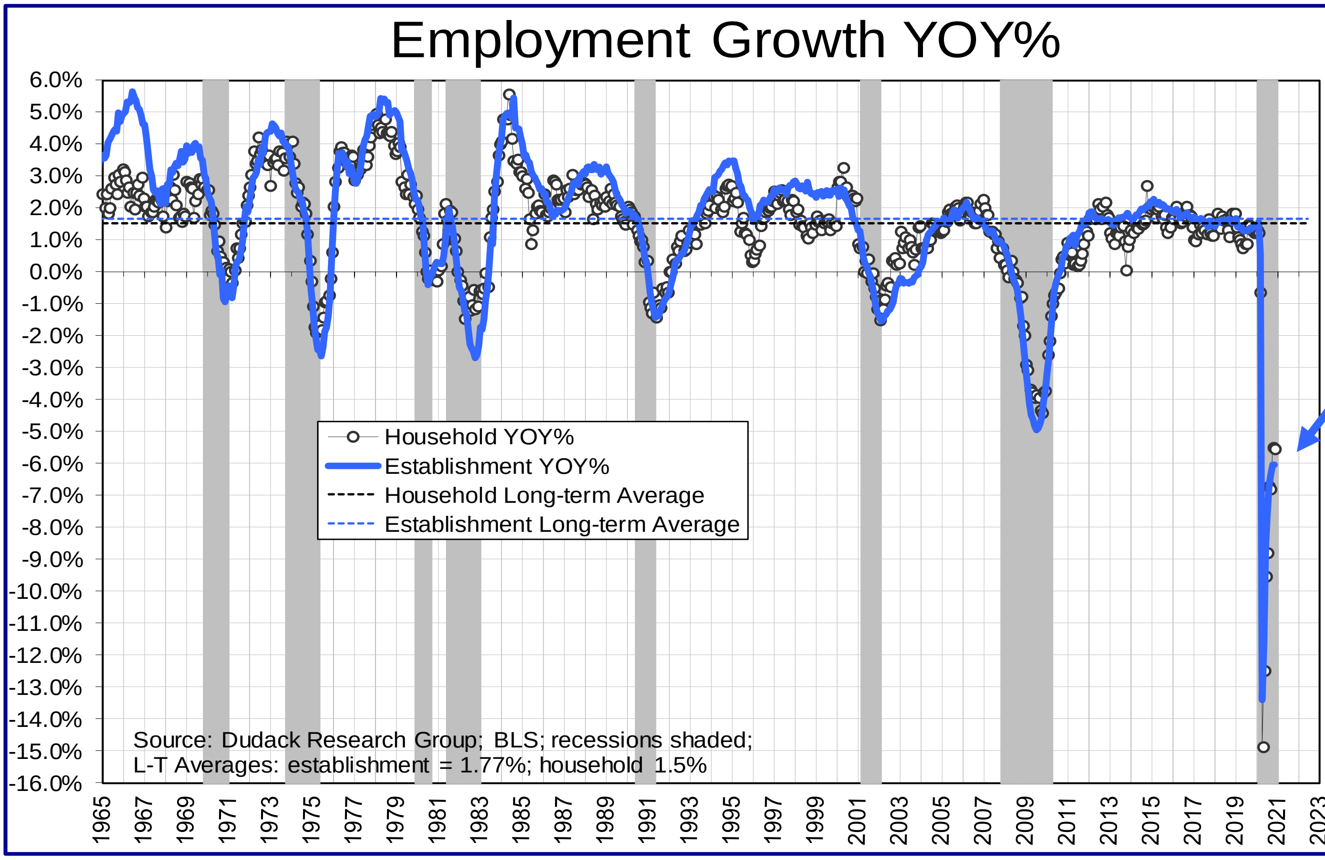


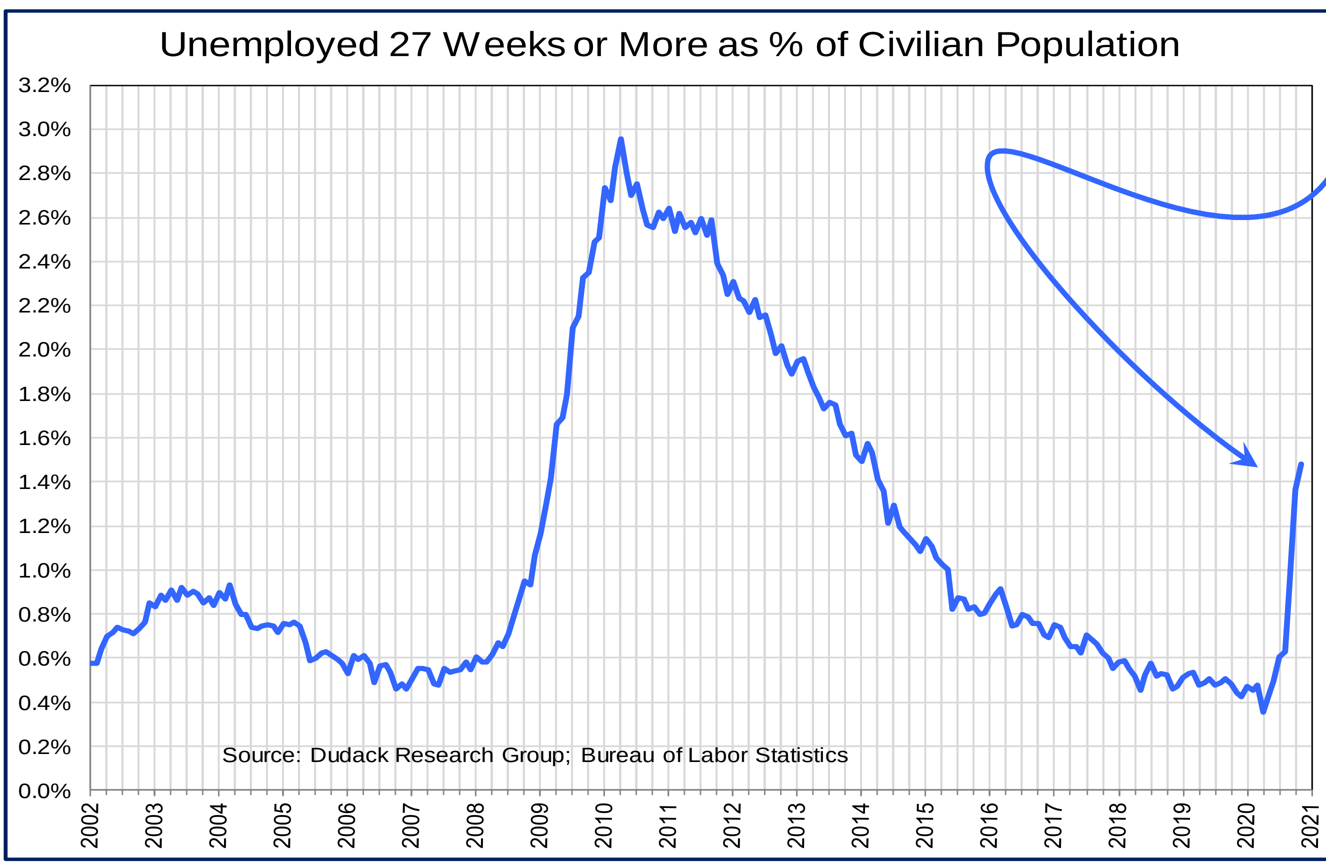
Jobs are critical to household income, consumption, corporate revenues, and earnings. Therefore, the steady shift of those on temporary layoff to permanently unemployed is disturbing. The lack CDC guidelines to keep businesses open or fiscal stimulus to support small businesses is unconscionable.



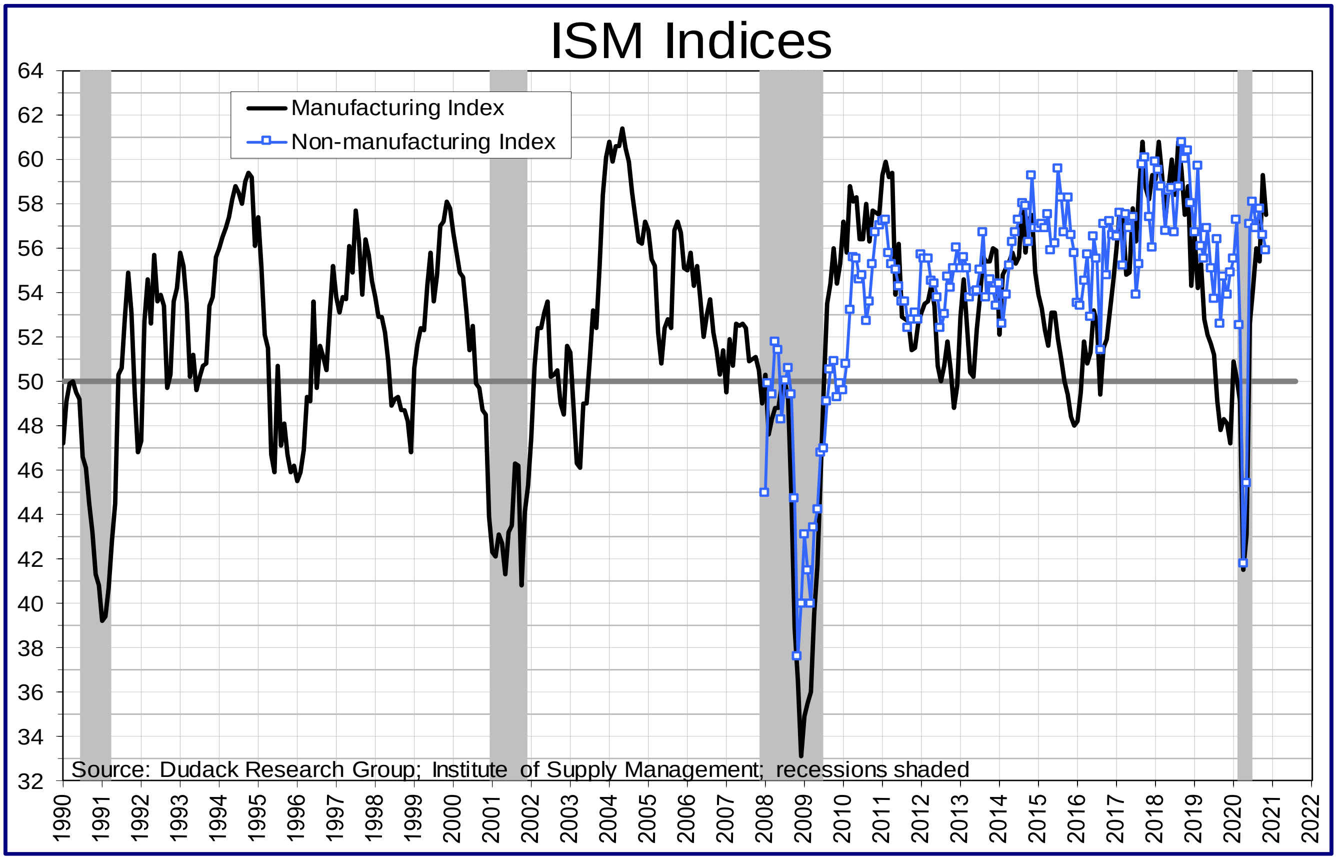


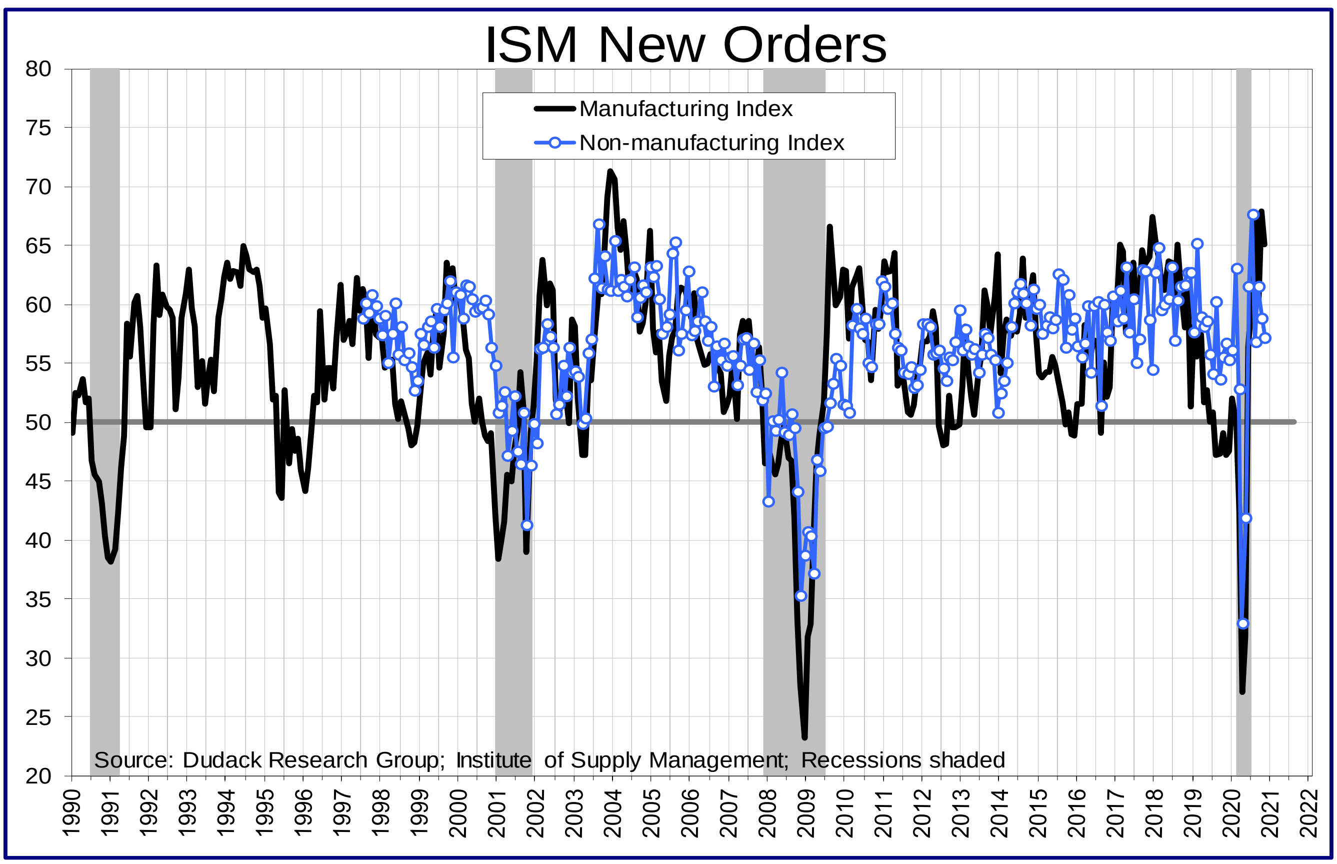
Our favorite way to assess the job market is the growth in those employed over the last 12 months. A decline will predict a pending recession. A pivot defines a recovery. The low was made in April but the growth rate in November was -6%. The pace of those unemployed 27 weeks or more resembles 2009!



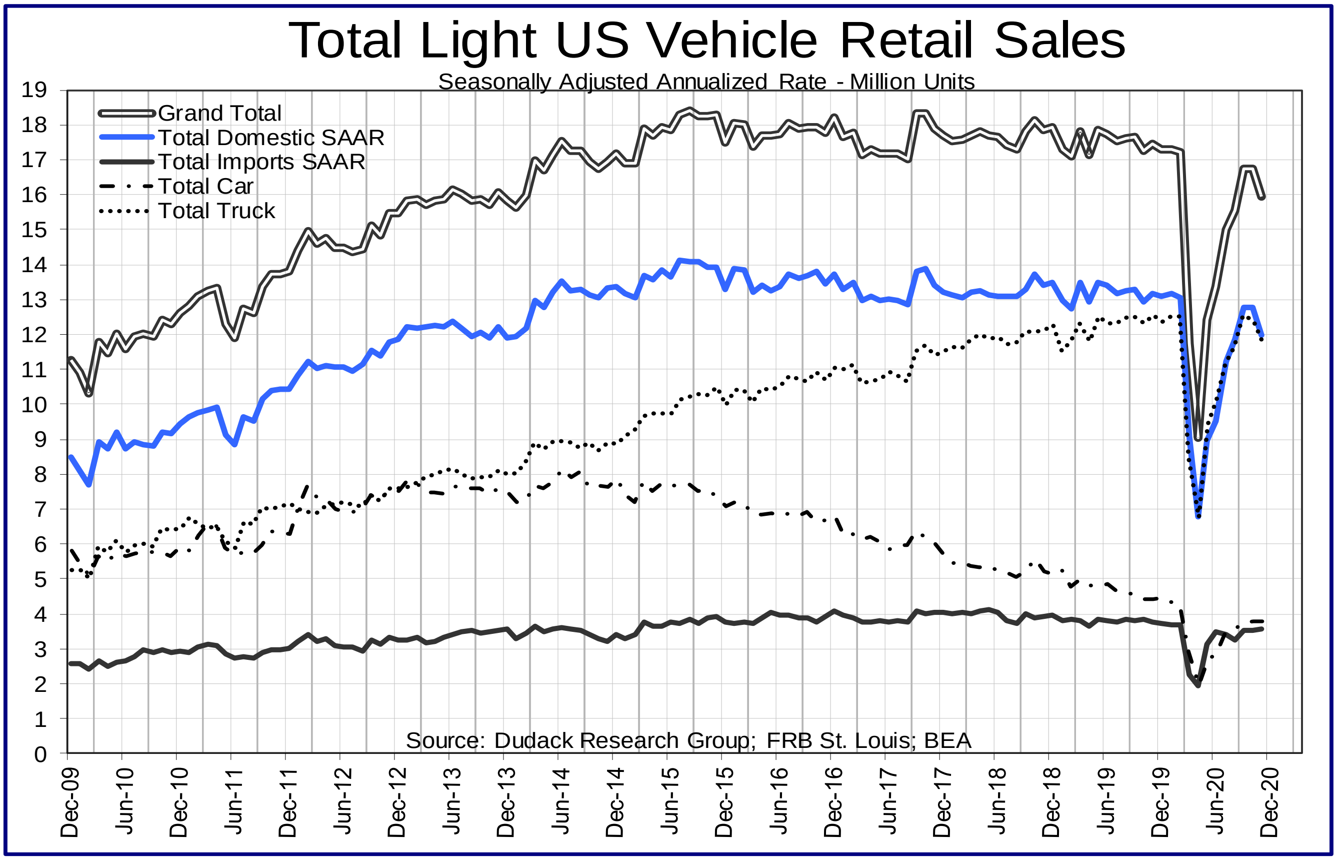


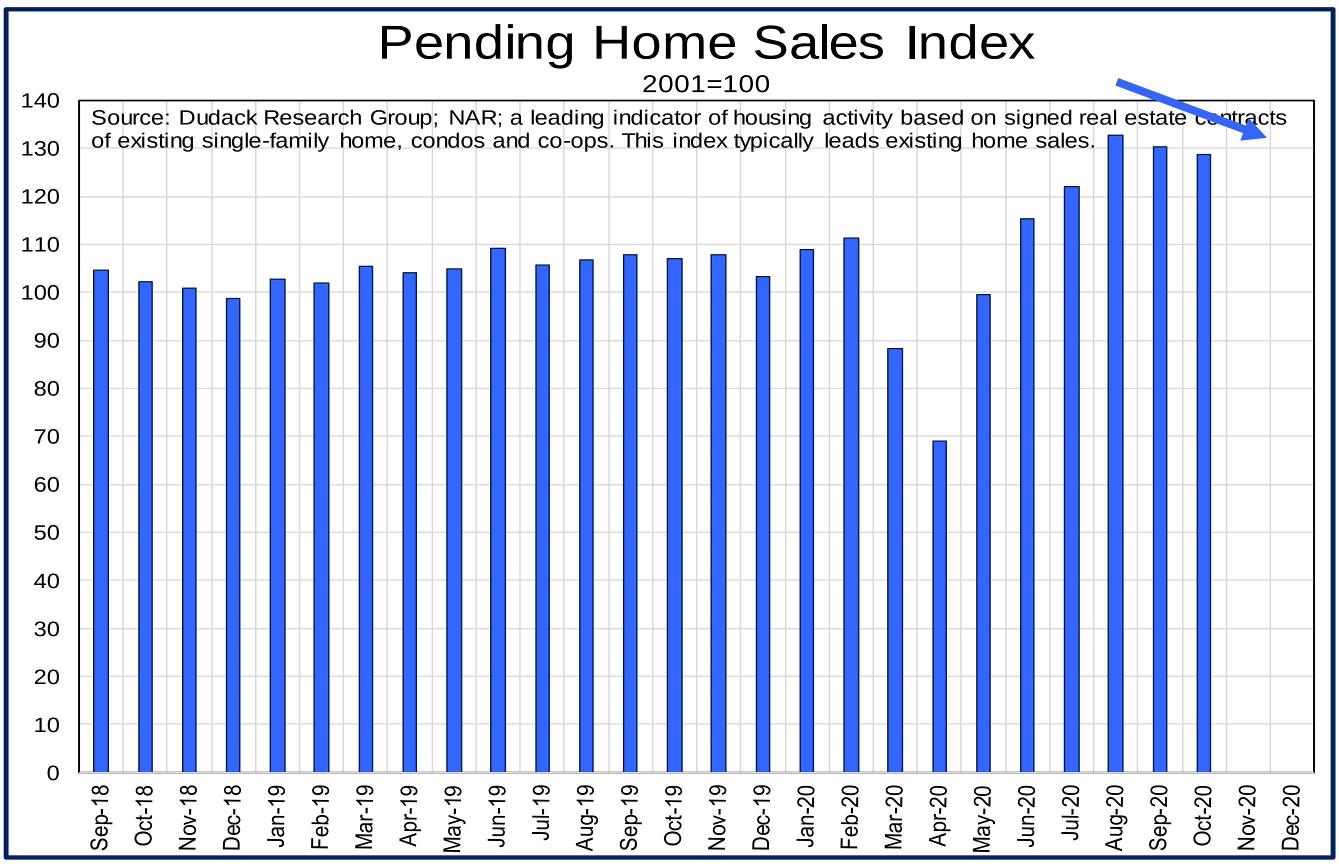
Both the manufacturing and nonmanufacturing ISM indices declined in November. Both surveys showed weakness in new orders and general business activity. The NFIB small business confidence index fell from 104.0 in October to 101.4 in November and economic expectations fell from 27 to 8.



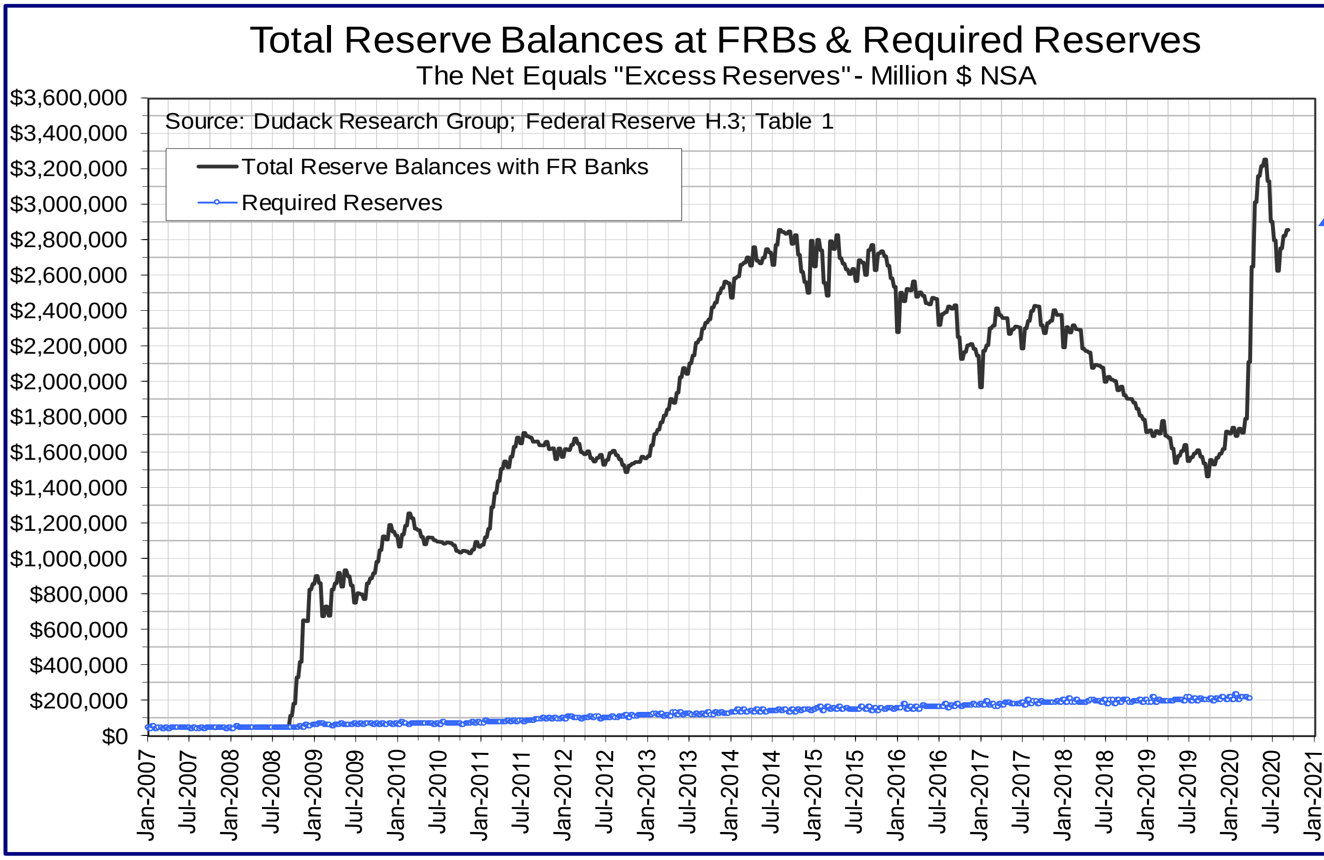


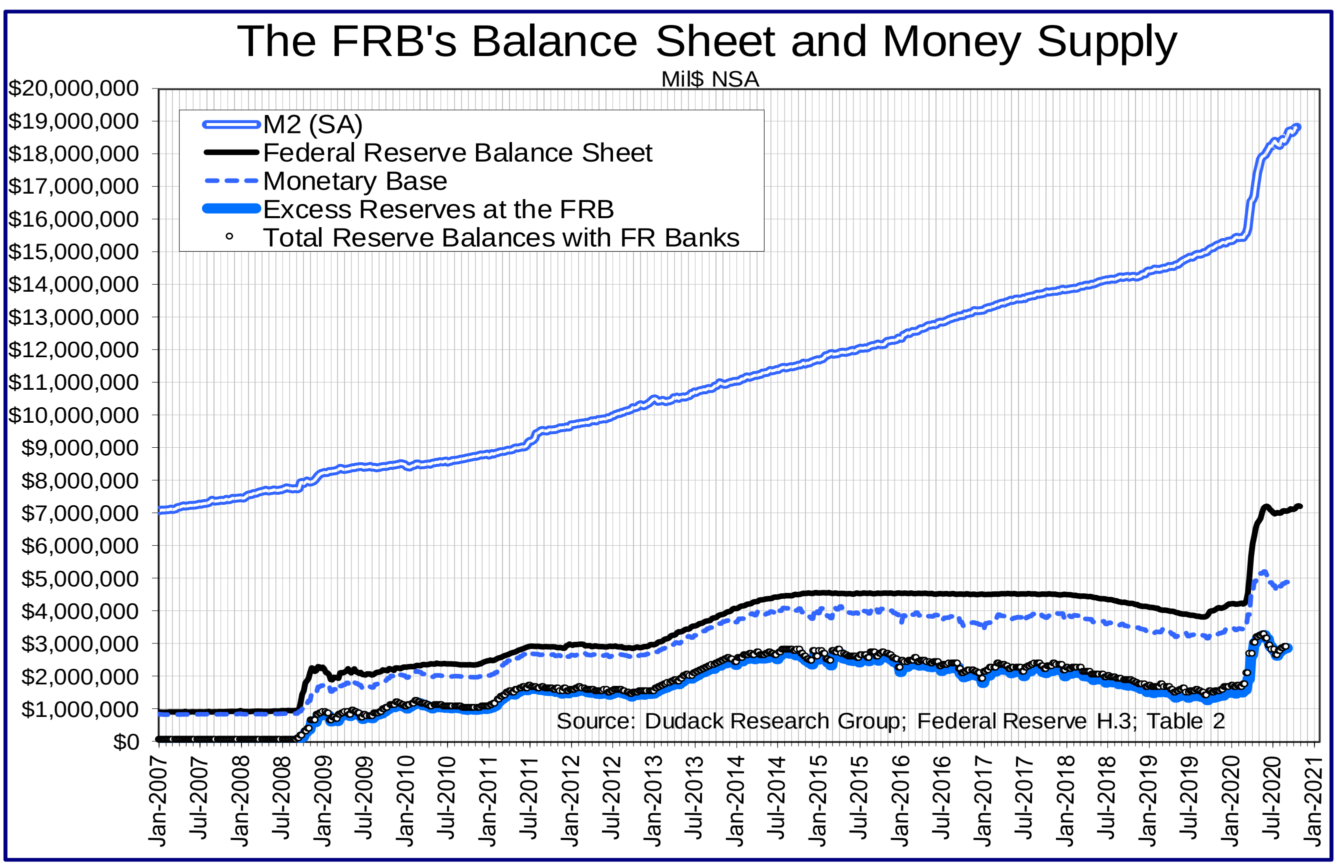
Autos and housing have been the core of the 2020 rebound, but both may be peaking. Total vehicle unit sales fell from 16.74 million to 15.97 million units in November. All segments showed a decline. October pending home sales fell in October for the second consecutive month to 128.9, down from the August peak of 132.9.



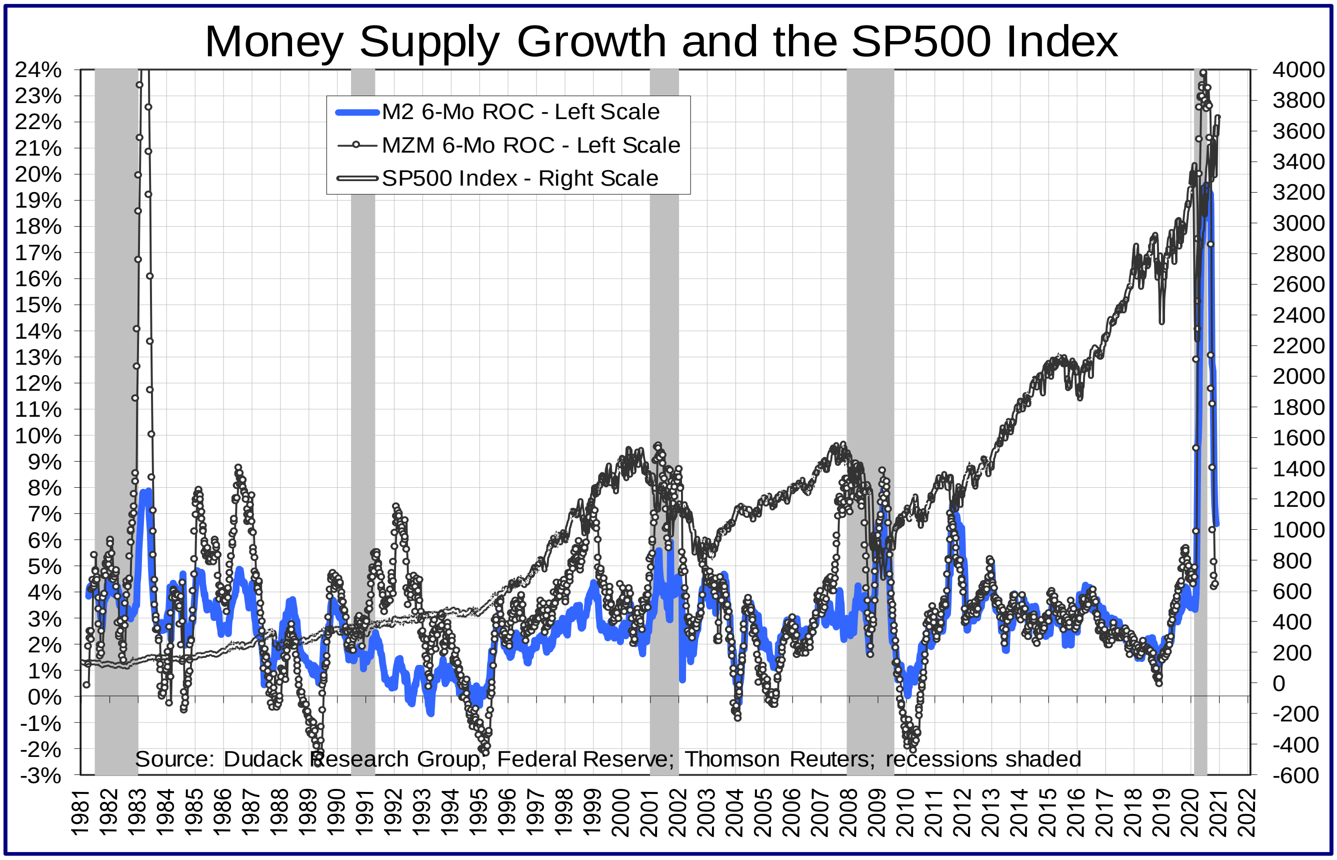


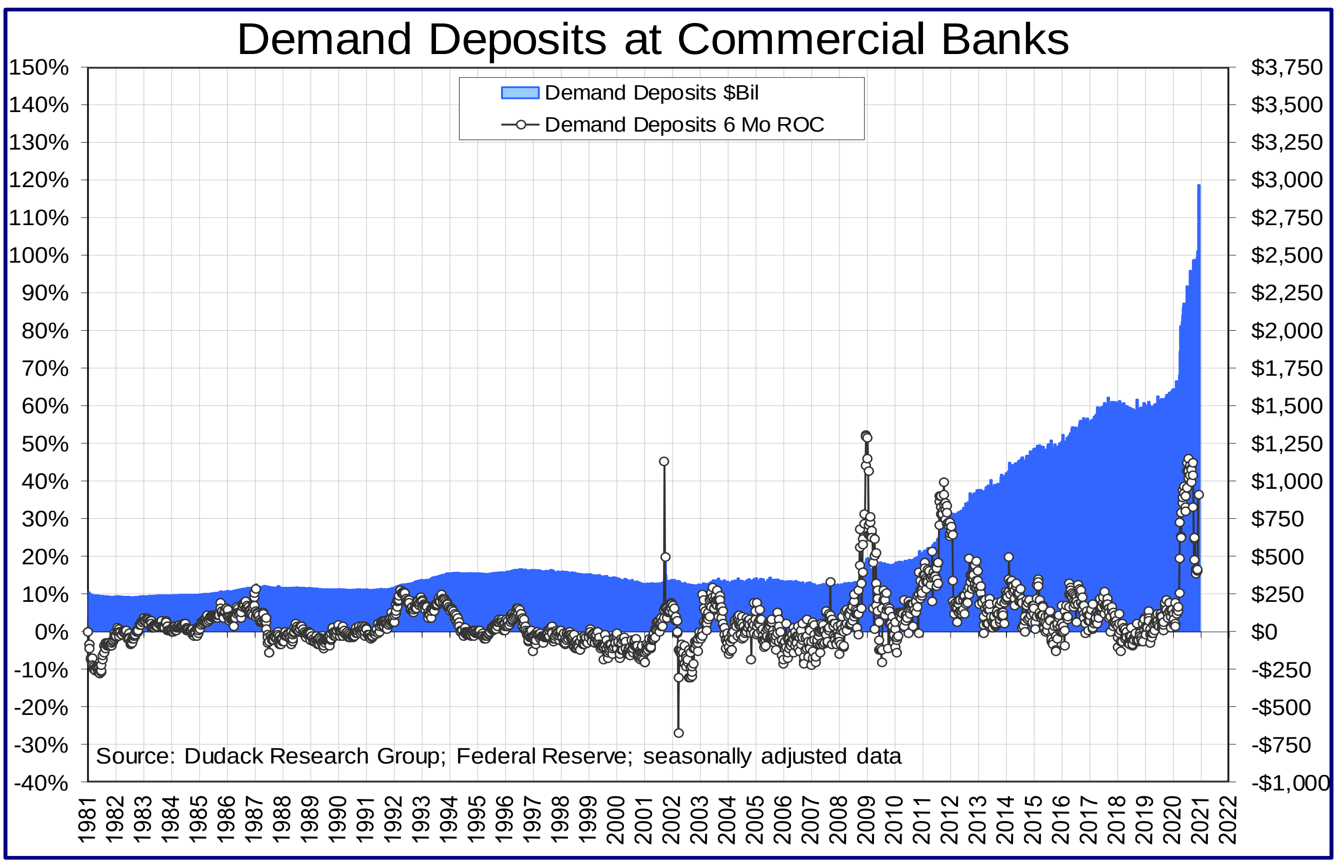
The big driver of stocks in 2020 has not been the economy or earnings but rather the liquidity emanating from monetary stimulus. The Fed's balance sheet began to contract in July but is growing once again. The Fed has removed required reserves restrictions on banks to encourage lending.



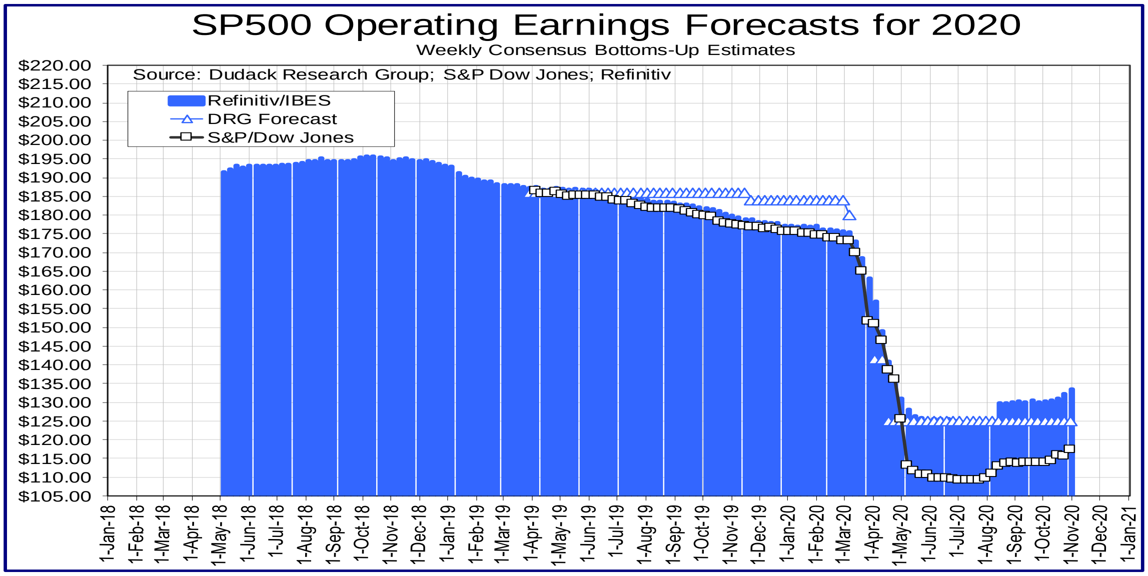


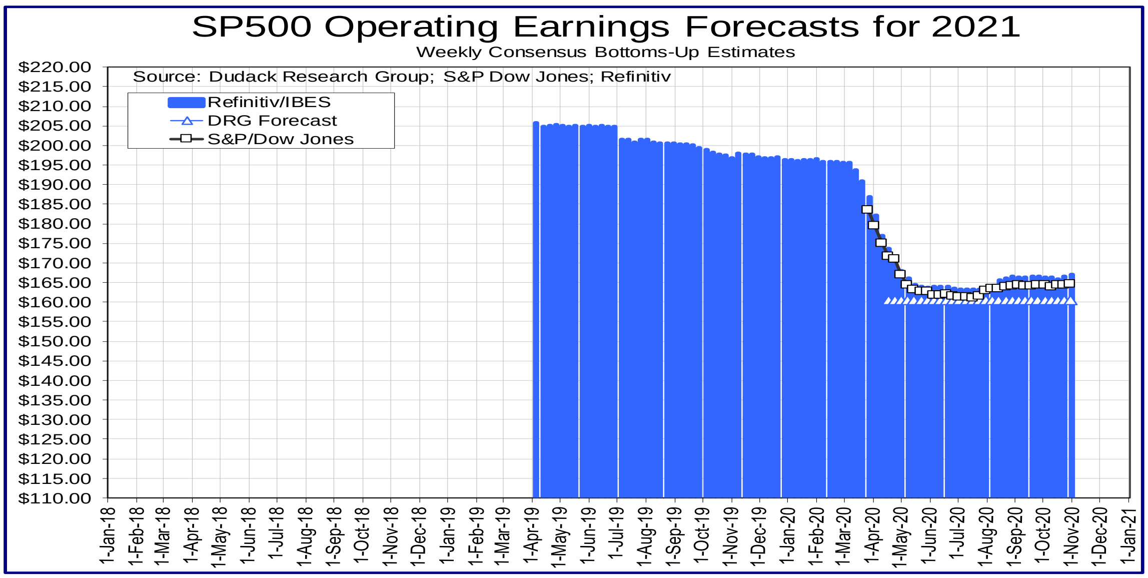
And this liquidity is showing up in money supply data. M2 growth peaked at 19.6% in July but in late November continued to grow at a 6.6% pace. Demand deposits at commercial banks jumped in the week ended November 23 from $2.5 billion to $2.97 billion.

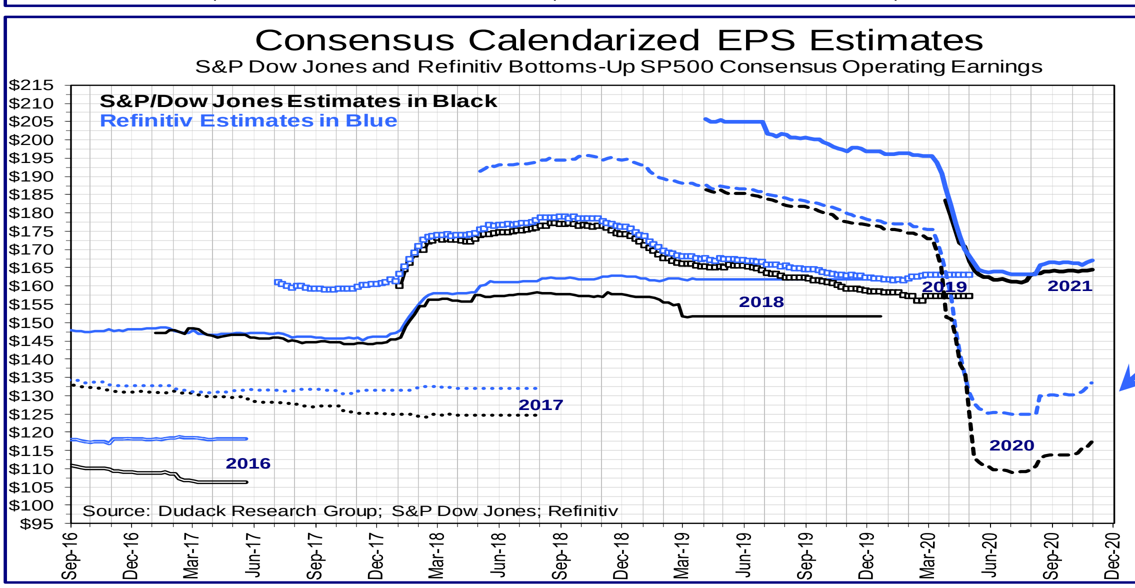




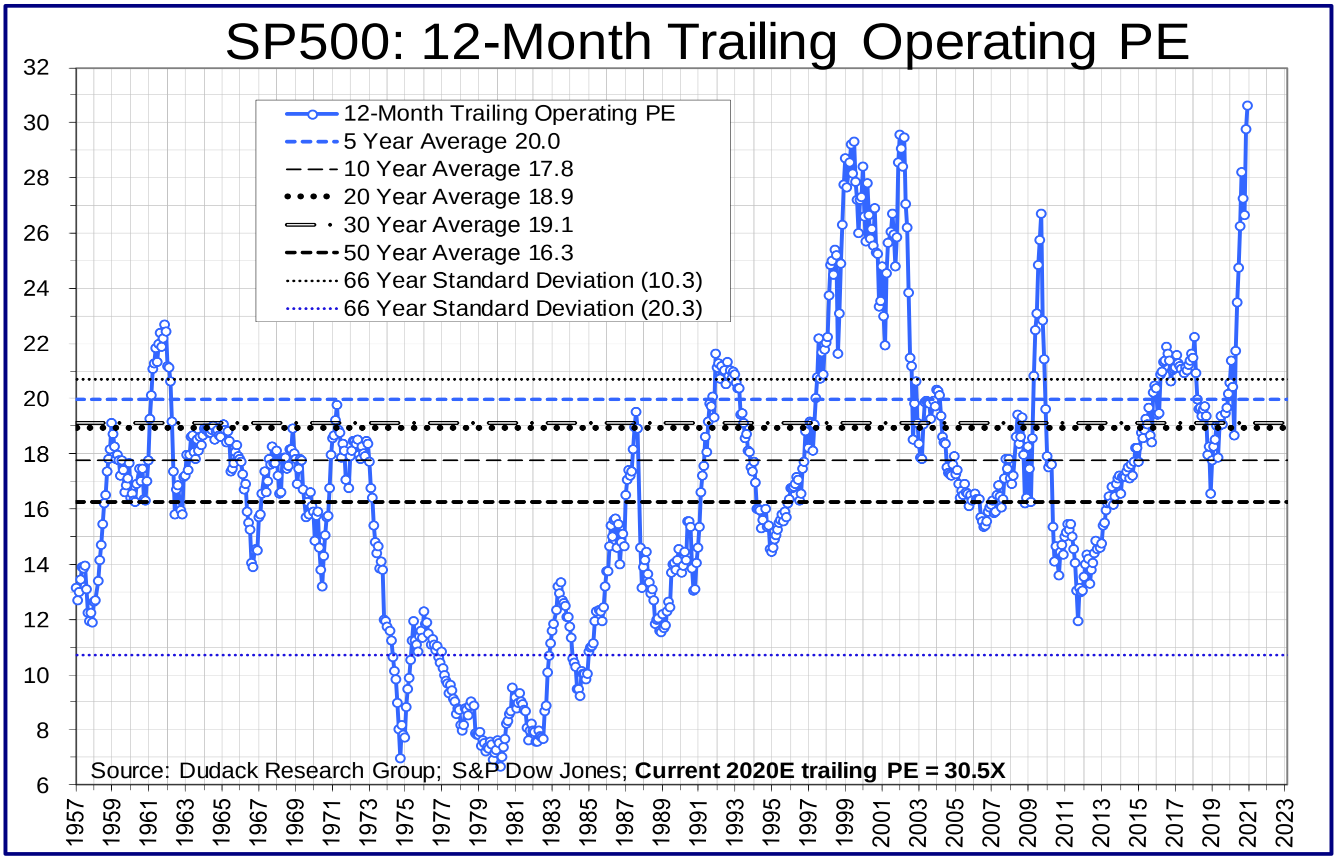
In the week ended Friday, IBES consensus estimates rose $0.28 for 2020, $0.22 for 2021 and $0.56 for 2022. S&P Dow Jones estimates rose $0.24 for 2020 and $0.31 for 2021. Estimates are stabilizing and 2021 estimates are currently $168.85 for IBES and $166.19 for S&P Dow Jones. Note that 20 times the IBES $168.85 estimate equates to an SPX target of 3377.

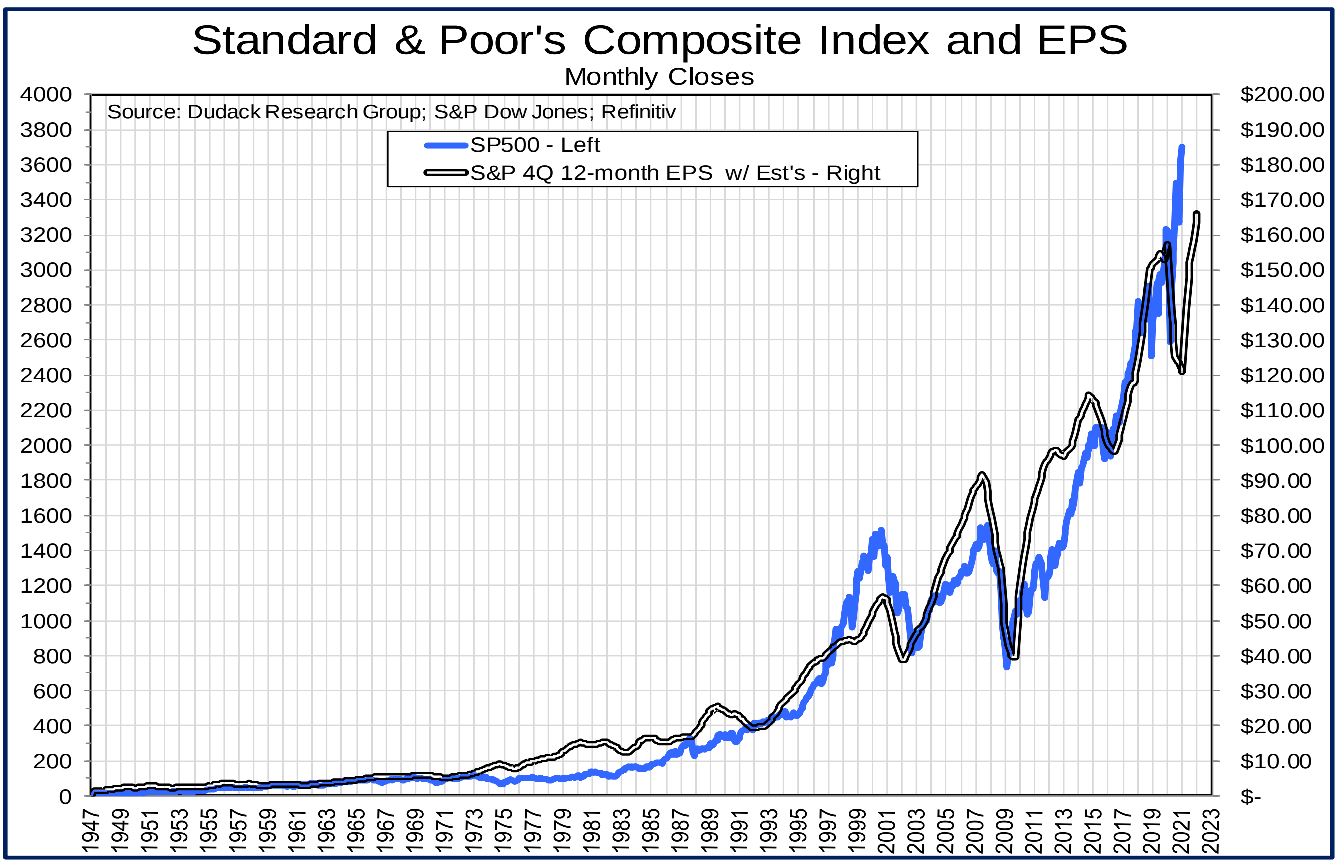




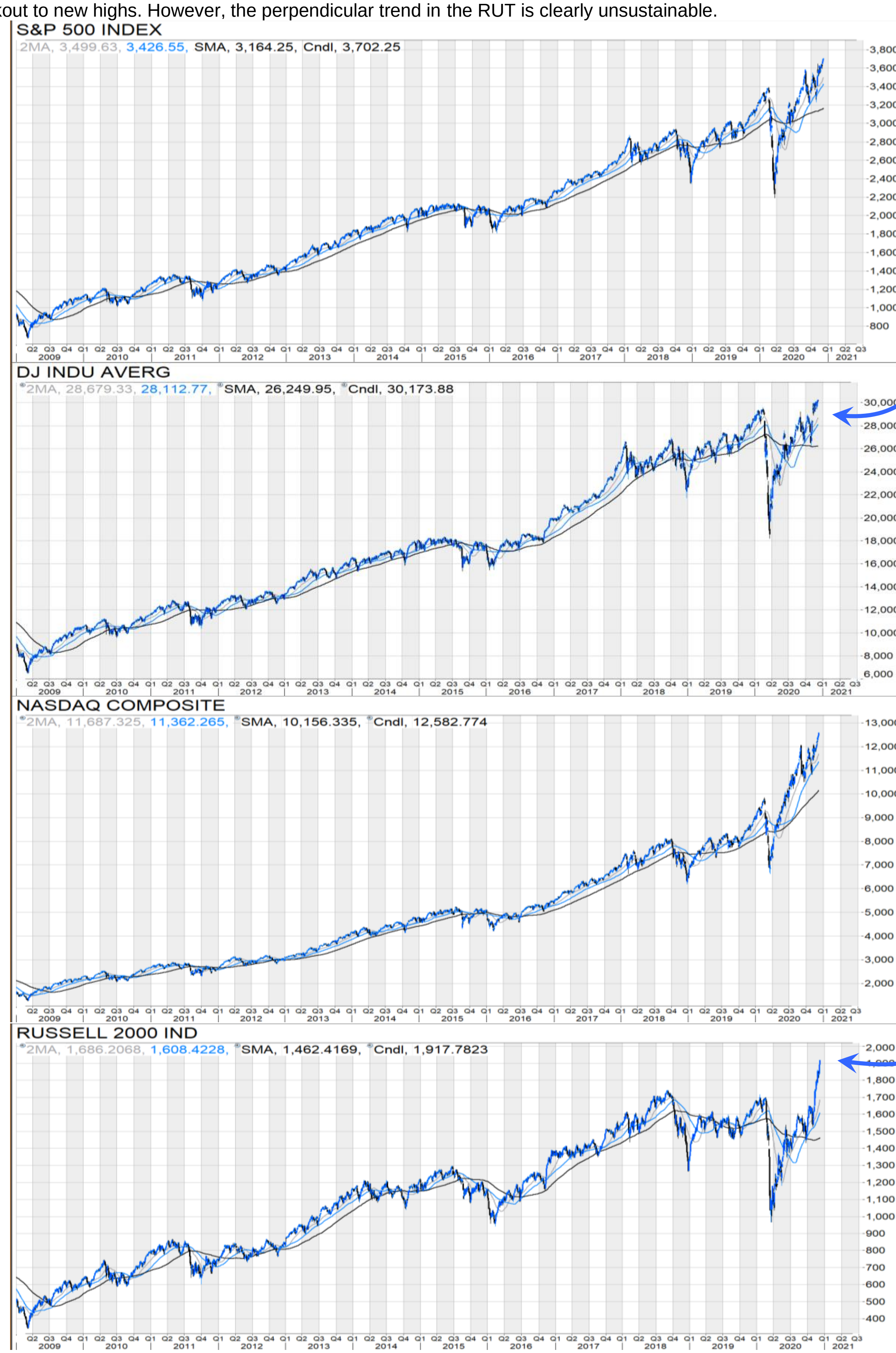


At SPX 3702, the 12-month forward PE ratio for the SPX is 22.3 X and the trailing operating PE ratio is 30.6 X. The trailing PE remains higher than the June 1999 (29.3 X) and December 2001 (29.6 X) peaks. Both benchmarks are well above their standard deviation lines. High valuation suggests the market is vulnerable to unexpected shocks and it suggests caution is warranted.





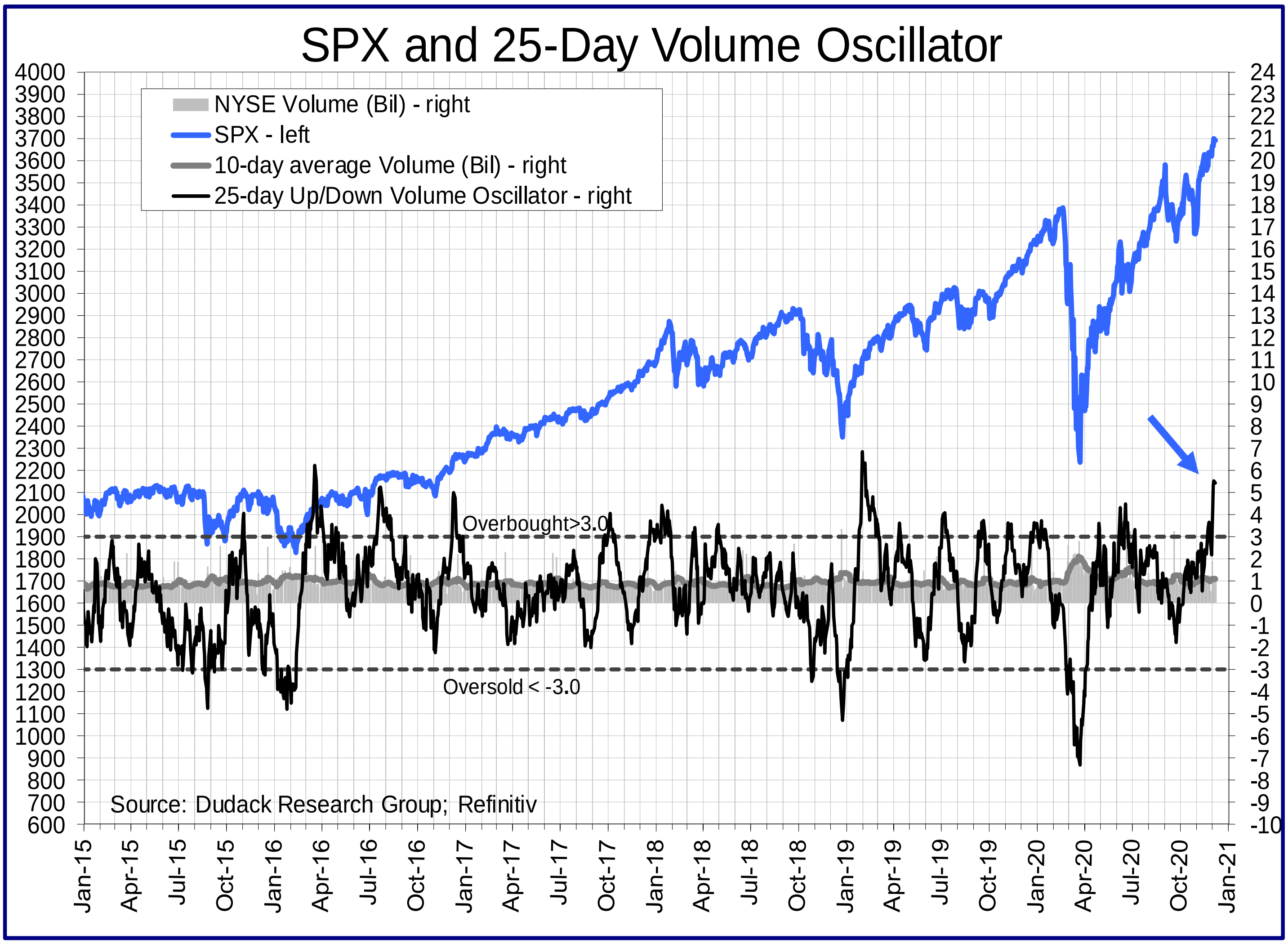
The popular indices continue to set a series of record highs and the DJIA is moving further and further away from filling in the gap at 28,432. The Russell 2000 index has the strongest pattern since its 24-month underperformance has now become a base pattern for its recent breakout to new highs. However, the perpendicular trend in the RUT is clearly unsustainable.



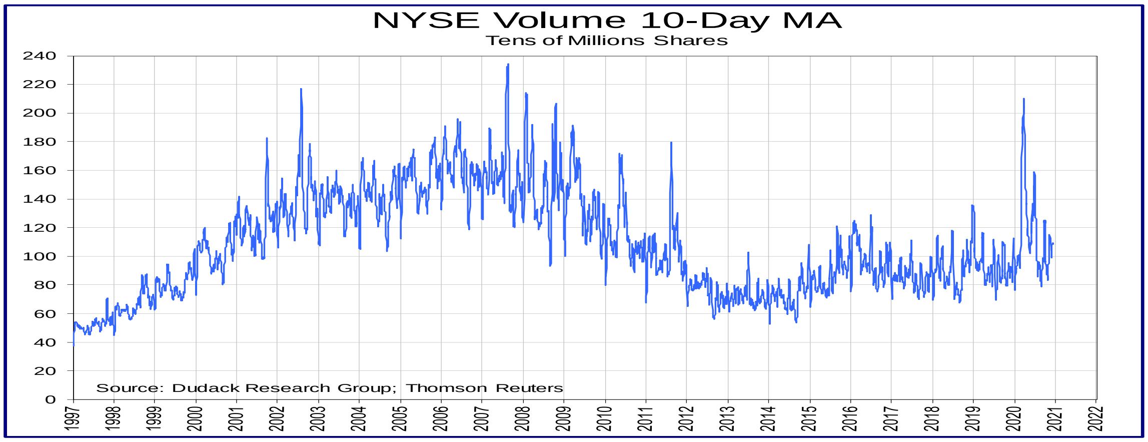
Source: Refinitiv

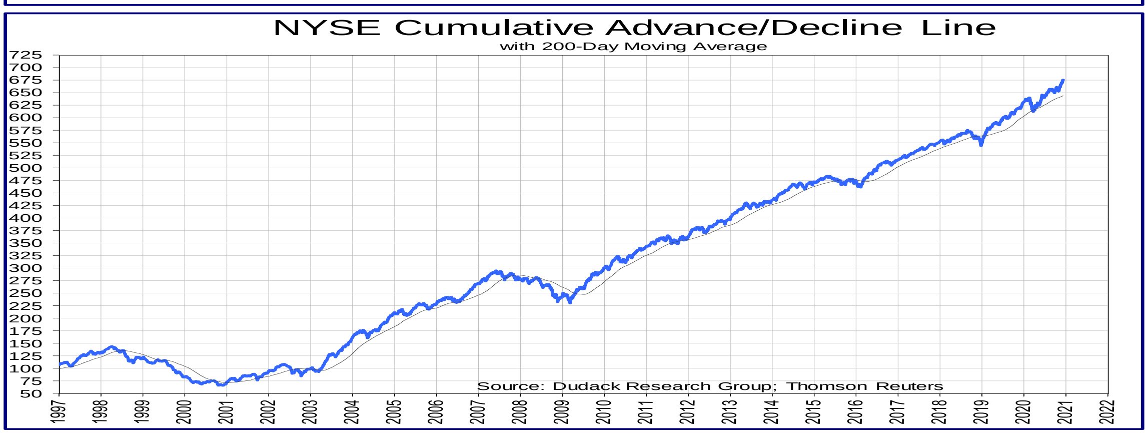
The 25-day up/down volume oscillator is currently 5.02 (preliminary) and in overbought territory for six consecutive days and for nine of the last eleven trading days. New record highs in the indices should be accompanied by long and often extreme overbought readings since these readings represent solid buying pressure. This has now confirmed the new highs.

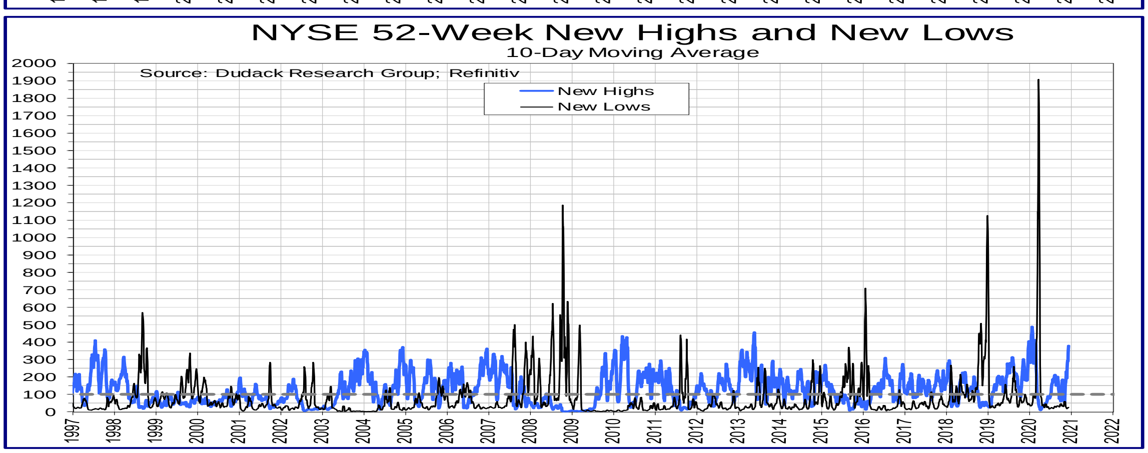
We had been concerned by the lack of an overbought reading in late November. The record highs made in the SPX and the IXIC in September were not accompanied by overbought readings and were followed by October's weakness. Conversely, the sharp decline in October did not move the oscillator below the zero level, which was a sign of weak selling pressure. In short, both the September rally and the October decline were unconfirmed. This has been an unusual advance since big price advances have not been accompanied by a 90% up day. However, the current overbought reading is an excellent technical sign.



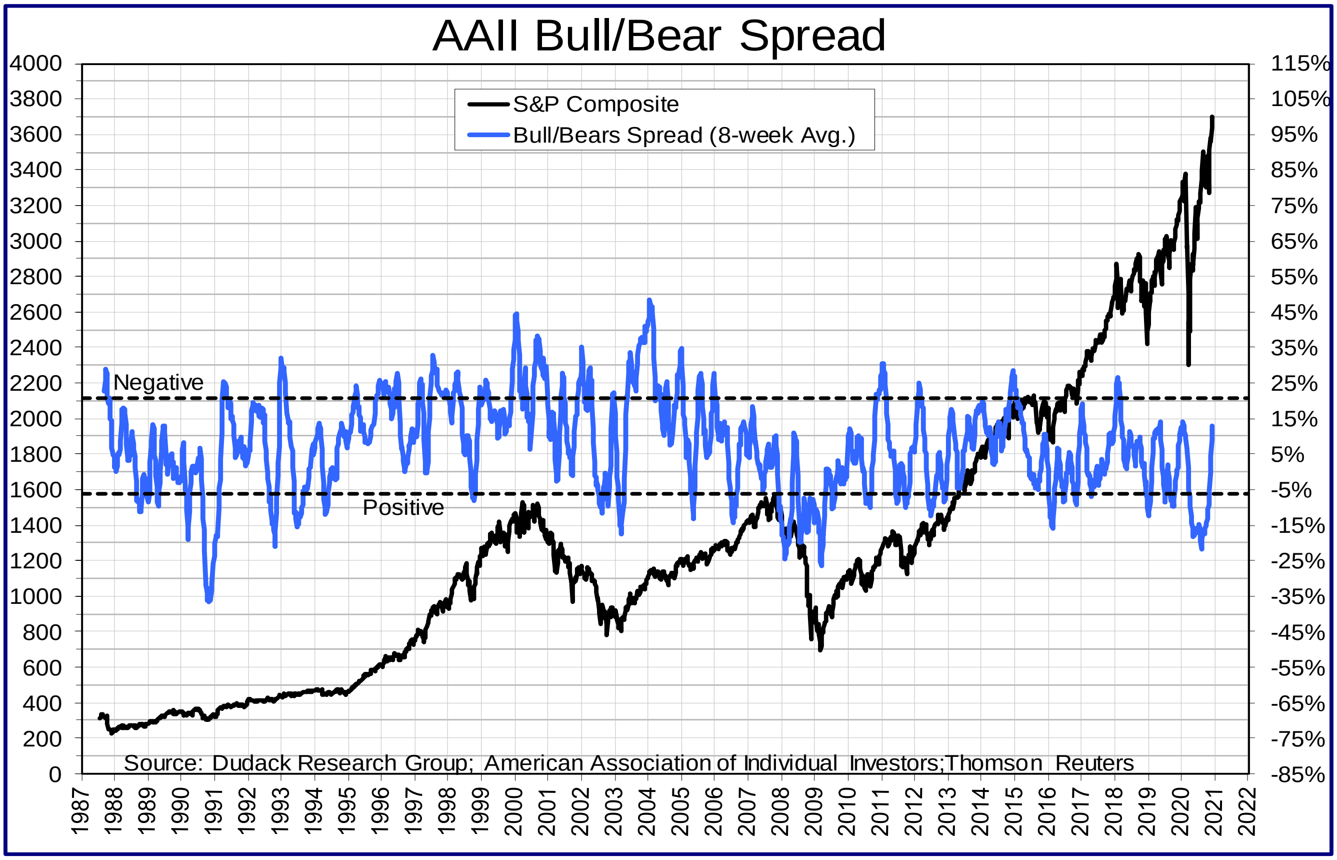
The 10-day average of daily new highs (380) is above the 100 that defines a bull market; the 10-day average of daily new lows (25) is below the 100 that defines a bear market. This combination is positive. The A/D line made a record high on December 8, 2020 in line with the popular averages.

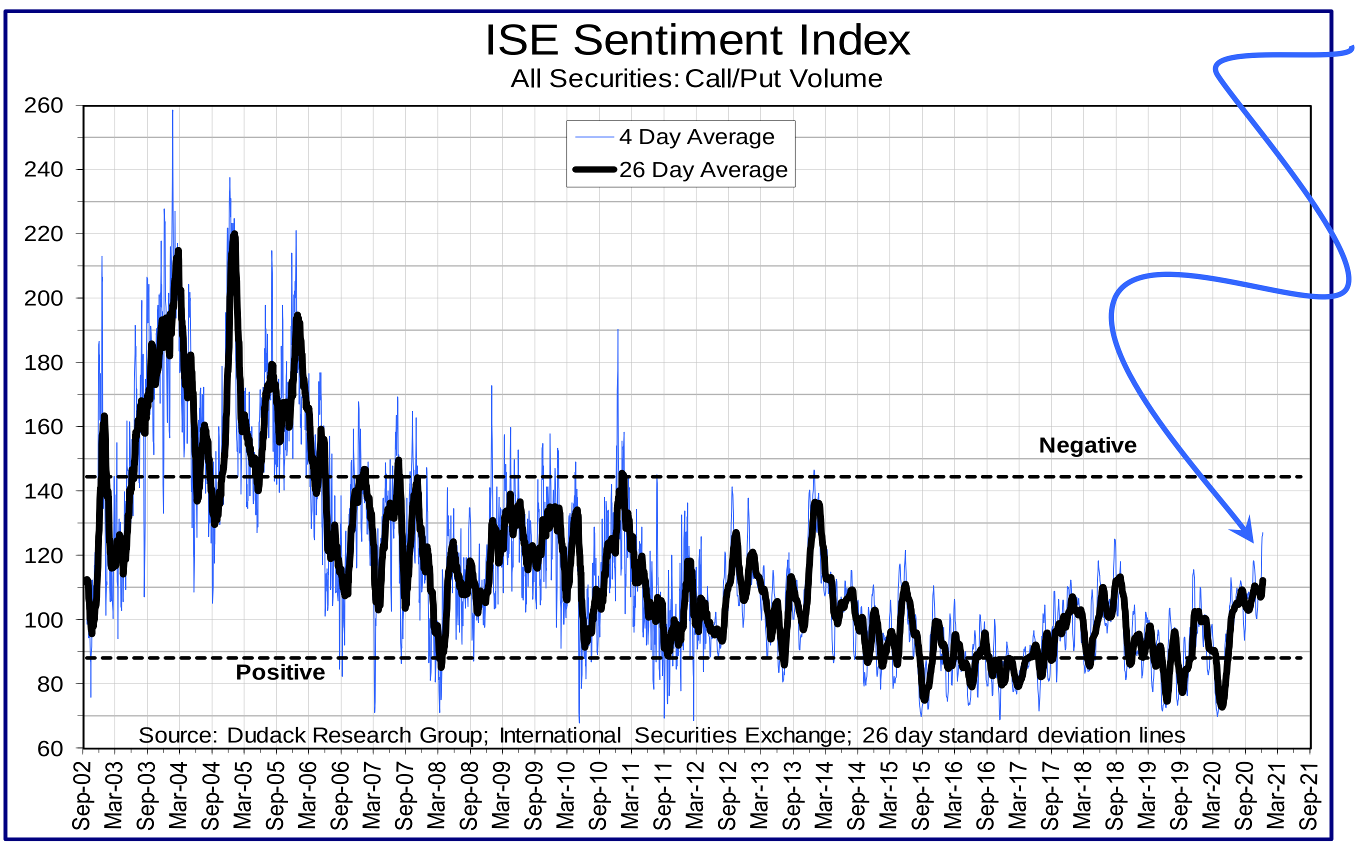






As of December 2, AAII bullish sentiment rose 1.8% to 49.1%. The last 4 weekly readings are the highest since January 2020. Bearish sentiment fell 4.8% to 22.7%, also the lowest readings since January 2020. The 8-week spread remains neutral but is rising quickly. After 2 months in positive territory, the ISE Sentiment index shifted from positive to neutral on June 1. The ISE all securities reading on April 22 of 72.84 was the lowest on record and reflected great pessimism.

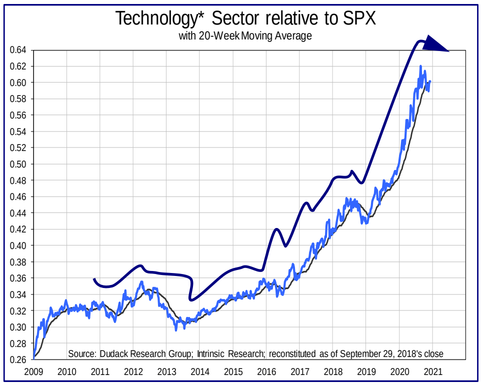


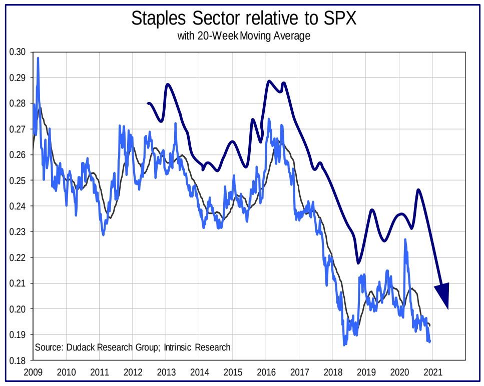


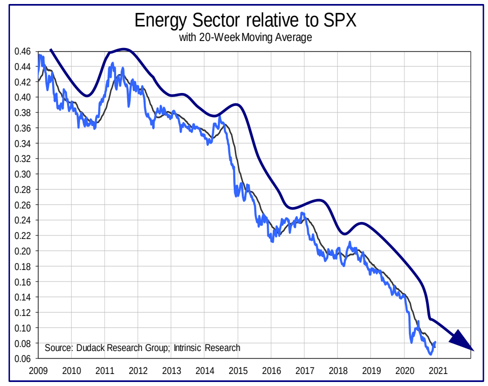
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Technology Financials Healthcare Industrials		Staples Utililties Communication Services Materials		Consumer Discretionary Energy REITS

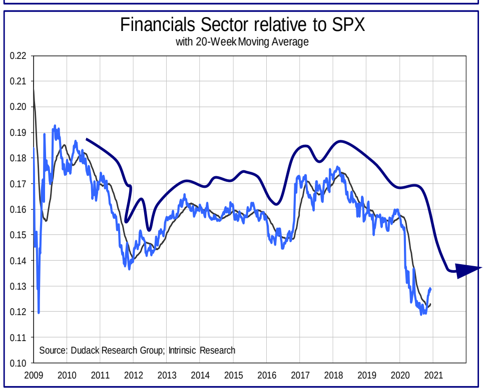
Healthcare upgraded from underw eight to overw eight; Consumer Discretionary dow ngraded from overw eight to underw eight April 14, 2020

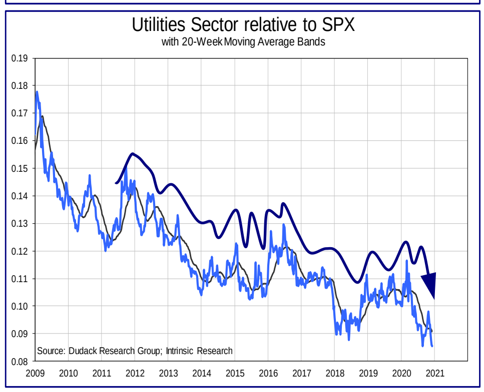
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

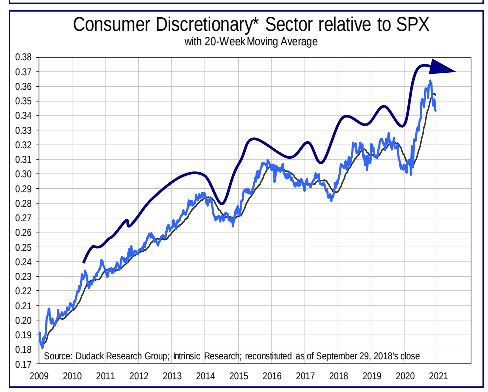


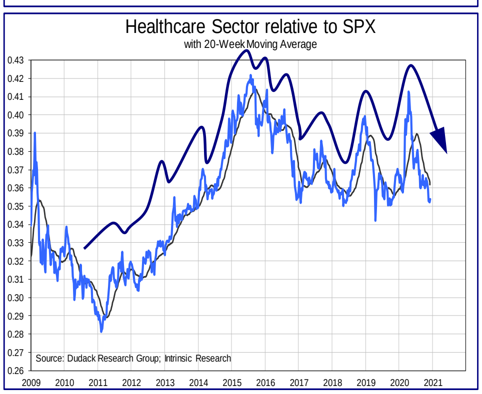


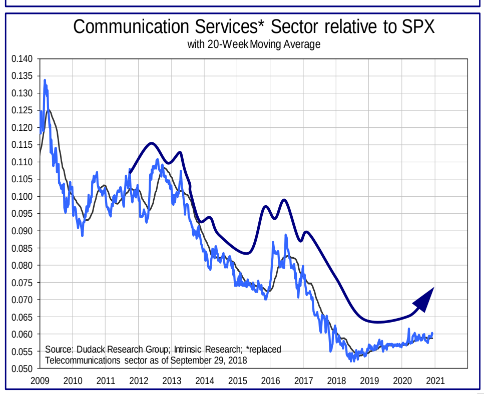


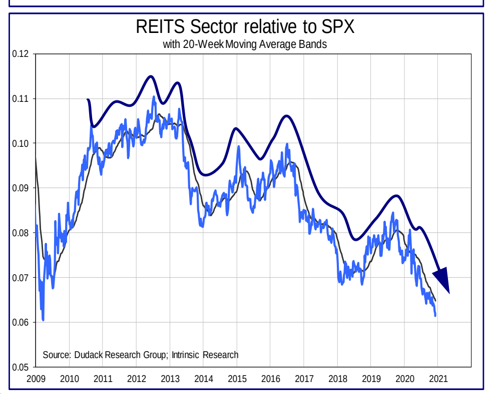


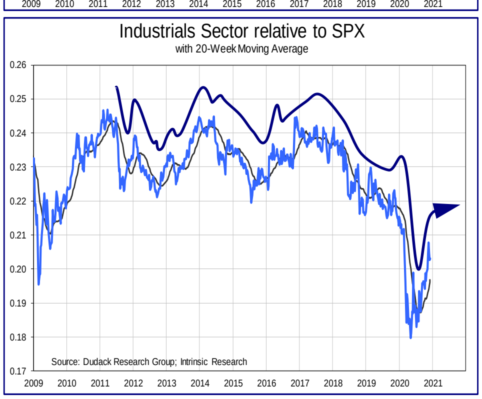


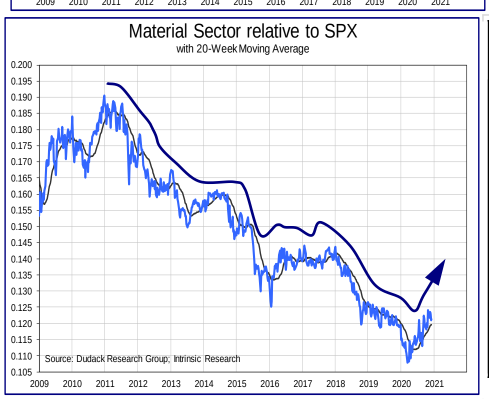












2020 Performance Year-to-Date - Ranked	
SP500 Sector	% Change
S&P INFORMATION TECH	38.2%
S&P CONSUMER DISCRETIONARY	28.9%
S&P COMMUNICATIONS SERVICES	22.3%
S&P MATERIALS	16.4%
S&P 500	14.6%
S&P HEALTH CARE	10.3%
S&P INDUSTRIALS	9.3%
S&P CONSUMER STAPLES	7.3%
S&P UTILITIES	-3.7%
S&P REITS	-5.3%
S&P FINANCIAL	-6.8%
S&P ENERGY	-34.2%

Source: Dudack Research Group; Refinitiv; Monday closes

GLOBAL MARKETS - RANKED BY YEAR-TO-DATE TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
SPDR S&P Semiconductor ETF	XSD	165.52	4.4%	11.8%	31.6%	56.3%
NASDAQ 100	NDX	12635.72	1.4%	4.5%	10.7%	44.7%
Nasdaq Composite Index Tracking Stock	ONEQ.O	490.35	1.9%	5.6%	13.0%	40.3%
Technology Select Sector SPDR	XLK	126.81	1.4%	4.3%	7.5%	38.3%
iShares Silver Trust	SLV	23.75	2.4%	-4.0%	3.5%	37.1%
SPDR S&P Retail ETF	XRT	62.32	2.5%	16.1%	25.5%	35.4%
iShares Russell 1000 Growth ETF	IWF	236.15	1.1%	3.0%	8.9%	34.2%
iShares MSCI South Korea Capped ETF	EWY	81.38	4.5%	15.9%	24.5%	30.9%
iShares Russell 2000 Growth ETF	IWO	275.17	4.5%	13.4%	24.2%	28.5%
Gold Future	GCc1	1945.10	0.3%	1.1%	1.9%	28.0%
iShares MSCI Taiwan ETF	EWT	52.61	4.5%	11.5%	17.2%	27.9%
Consumer Discretionary Select Sector SPDR	XLY	157.34	-0.7%	3.0%	5.7%	25.5%
iShares Nasdaq Biotechnology ETF	IBB.O	150.43	3.5%	9.2%	11.1%	24.8%
SPDR Homebuilders ETF	XHB	56.61	-0.5%	-0.2%	3.5%	24.4%
SPDR Gold Trust	GLD	175.50	3.1%	-4.2%	-0.9%	22.8%
PowerShares Water Resources Portfolio	PHO	45.33	0.6%	5.4%	14.2%	17.3%
iShares Russell 1000 ETF	IWB	209.22	1.4%	6.5%	11.8%	17.3%
Materials Select Sector SPDR	XLB	71.71	-0.1%	5.5%	14.3%	16.8%
iShares 20+ Year Treas Bond ETF	TLT	157.34	-0.1%	-1.3%	-3.6%	16.1%
iShares Russell 2000 ETF	IWM	190.80	4.4%	16.6%	25.4%	15.2%
SP500	**.SPX**	**3702.25**	**1.1%**	**5.5%**	**10.1%**	**14.6%**
iShares MSCI BRIC ETF	BKF	51.73	1.1%	1.1%	11.3%	14.2%
Shanghai Composite	.SSEC	3410.18	-1.2%	3.0%	4.0%	13.5%
iShares MSCI Emerg Mkts ETF	EEM	50.87	2.4%	6.1%	14.3%	13.4%
Health Care Select Sect SPDR	XLV	112.70	1.8%	2.5%	7.2%	10.6%
iShares MSCI Japan ETF	EWJ	65.24	-0.7%	6.0%	10.4%	10.1%
Industrial Select Sector SPDR	XLI	89.21	1.6%	9.7%	16.2%	9.5%
iShares MSCI India ETF	INDA.K	38.41	2.1%	7.9%	13.4%	9.3%
Consumer Staples Select Sector SPDR	XLP	67.74	0.4%	4.1%	5.1%	7.6%
Vanguard FTSE All-World ex-US ETF	VEU	57.55	1.2%	8.3%	14.1%	7.1%
iShares iBoxx $ Invest Grade Corp Bond	LQD	136.96	-0.5%	0.6%	1.7%	7.0%
iShares China Large Cap ETF	FXI	46.58	-1.9%	-2.4%	9.6%	6.8%
iShares MSCI Germany ETF	EWG	31.22	0.2%	9.0%	6.5%	6.2%
SPDR DJIA ETF	DIA	302.20	1.3%	6.7%	8.9%	6.0%
DJIA	.DJI	30173.88	1.2%	6.5%	8.6%	5.7%
iShares MSCI Canada ETF	EWC	31.43	3.2%	11.4%	14.7%	5.2%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	4.7%
iShares MSCI Australia ETF	EWA	23.67	2.2%	11.4%	20.0%	4.5%
Silver Future	SIc1	18.54	0.0%	0.0%	0.0%	4.0%
iShares MSCI EAFE ETF	EFA	72.20	0.6%	9.0%	12.8%	4.0%
iShares US Telecomm ETF	IYZ	30.93	3.0%	10.0%	13.7%	3.5%
iShares Russell 2000 Value ETF	IWN	130.15	4.6%	20.5%	31.0%	1.2%
iShares MSCI Malaysia ETF	EWM	28.69	1.8%	7.0%	9.5%	0.6%
iShares Russell 1000 Value ETF	IWD	136.03	1.8%	10.6%	15.2%	-0.3%
iShares MSCI Hong Kong ETF	EWH	24.17	0.0%	5.8%	9.1%	-0.7%
Utilities Select Sector SPDR	XLU	62.57	-1.1%	-2.4%	4.3%	-3.2%
iShares MSCI Mexico Capped ETF	EWW	42.74	1.6%	16.3%	28.1%	-5.1%
Financial Select Sector SPDR	XLF	28.77	1.6%	15.3%	19.3%	-6.5%
iShares MSCI Austria Capped ETF	EWO	19.07	1.9%	25.2%	30.3%	-8.3%
iShares US Real Estate ETF	IYR	85.15	0.0%	5.2%	6.7%	-8.5%
iShares MSCI Singapore ETF	EWS	21.41	-0.2%	9.2%	14.4%	-11.3%
iShares MSCI United Kingdom ETF	EWU	29.69	2.1%	13.8%	16.5%	-12.9%
SPDR S&P Bank ETF	KBE	40.95	3.7%	21.6%	37.7%	-13.4%
iShares MSCI Brazil Capped ETF	EWZ	36.25	3.9%	17.8%	31.1%	-23.6%
Oil Future	CLc1	45.50	2.1%	22.5%	17.5%	-25.5%
Energy Select Sector SPDR	XLE	40.27	9.0%	39.2%	38.7%	-32.9%
iShares DJ US Oil Eqpt & Services ETF	IEZ	11.77	13.3%	59.9%	63.2%	-42.1%
United States Oil Fund, LP	USO	31.41	2.6%	18.7%	11.0%	-69.4%

Outperformed SP500

Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of close December 8, 2020

Blue shading represents non-US and yellow shading represents commodities

US Asset Allocation

	Benchmark	DRG %	Recommendation
Equities	60%	70%	Overweight
Treasury Bonds	30%	20%	Underweight
Cash	10%	10%	Neutral
	100%	100%	

Source: Dudack Research Group; raised equity and lowered cash 5% on November 9, 2016

DRG Earnings and Economic Forecasts

	S&P 500 Price	S&P Reported EPS	S&P Operating EPS	DRG Operating EPS Forecast	DRG EPS YOY %	Refinitiv Consensus Bottom-Up $ EPS**	Refinitiv Consensus Bottom-Up EPS YOY%	S&P Op PE Ratio	S&P Divd Yield	GDP Annual Rate	GDP Profits post-tax w/ IVA & CC	YOY %
2003	1111.92	$48.74	**$54.69**	$54.69	18.8%	**$55.44**	18.4%	20.3X	1.6%	1.7%	$812.60	13.7%
2004	1211.92	$58.55	**$67.68**	$67.68	23.8%	**$67.10**	20.9%	17.9X	1.8%	2.9%	$977.30	20.3%
2005	1248.29	$69.93	**$76.45**	$76.45	13.0%	**$76.28**	13.7%	16.3X	1.8%	3.8%	$1,065.30	9.0%
2006	1418.30	$81.51	**$87.72**	$87.72	14.7%	**$88.18**	15.6%	16.2X	1.8%	3.5%	$1,173.10	10.1%
2007	1468.36	$66.18	**$82.54**	$82.54	-5.9%	**$85.12**	-3.5%	17.8X	1.8%	2.9%	$1,083.50	-7.6%
2008	903.25	$14.88	**$49.51**	$49.51	-40.0%	**$65.47**	-23.1%	18.2X	2.5%	1.9%	$976.00	-9.9%
2009	1115.10	$50.97	**$56.86**	$56.86	14.8%	**$60.80**	-7.1%	19.6X	2.6%	-0.1%	$1,029.70	-9.8%
2010	1257.64	$77.35	**$83.77**	$83.77	47.3%	**$85.28**	40.3%	15.0X	1.9%	-2.5%	$1,182.60	14.8%
2011	1257.60	$86.95	**$96.44**	$96.44	15.1%	**$97.82**	14.7%	13.0X	2.0%	2.6%	$1,456.20	23.1%
2012	1426.19	$86.51	**$96.82**	$96.82	0.4%	**$103.80**	6.1%	14.7X	2.1%	1.6%	$1,528.70	5.0%
2013	1848.36	$100.20	**$107.30**	$107.30	10.8%	**$109.68**	5.7%	17.2X	2.0%	2.2%	$1,662.50	8.8%
2014	2127.83	$102.31	**$113.01**	$113.01	5.3%	**$118.78**	8.3%	18.8X	2.2%	1.8%	$1,647.90	-0.9%
2015	2043.94	$86.53	**$100.45**	$100.45	-11.1%	**$118.20**	-0.5%	20.3X	2.1%	2.5%	$1,712.90	3.9%
2016	2238.83	$94.55	**$106.26**	$96.82	-3.6%	**$118.10**	-0.1%	21.1X	1.9%	3.1%	$1,664.90	-2.8%
2017	2673.61	$109.88	**$124.51**	$124.51	28.6%	**$132.00**	11.8%	21.5X	1.8%	1.7%	$1,633.90	-1.9%
2018	2506.85	$132.39	**$151.60**	$151.60	21.8%	**$161.93**	22.7%	16.5X	1.9%	2.3%	$1,686.50	3.2%
2019	3230.78	$139.47	**$157.12**	$157.12	3.6%	**$162.93**	0.6%	20.6X	2.3%	2.4%	$1,854.90	10.0%
2020E	~~~~~~~	$93.12	**$120.86**	$125.00	-20.4%	**$138.00**	-15.3%	30.6X	NA	NA	NA	NA
2021E	~~~~~~~	$143.35	**$166.19**	$166.60	33.3%	**$168.85**	22.4%	22.3X	NA	NA	NA	NA
2014 1Q	1872.34	$24.87	$27.32	$27.32	6.0%	$28.18	5.4%	17.2	1.9%	-1.1%	$1,563.80	-3.6%
2014 2Q	1960.23	$27.14	$29.34	$29.34	11.3%	$30.07	9.7%	17.5	1.9%	5.5%	$1,712.40	4.2%
2014 3Q	1972.29	$27.47	$29.60	$29.60	10.0%	$30.04	8.7%	17.2	2.0%	5.0%	$1,792.70	8.9%
2014 4Q	2058.90	$22.83	$26.75	$26.75	-5.3%	$30.54	6.7%	18.2	1.9%	2.3%	$1,782.70	6.1%
2015 1Q	2108.88	$21.81	$25.81	$25.81	-5.5%	$28.60	1.5%	18.9	2.0%	3.2%	$1,713.10	9.5%
2015 2Q	2166.05	$22.80	$26.14	$26.14	-10.9%	$30.09	0.1%	20.0	2.0%	3.0%	$1,683.70	-1.7%
2015 3Q	1920.03	$23.22	$25.44	$25.44	-14.1%	$29.99	-0.2%	18.4	2.2%	1.3%	$1,673.20	-6.7%
2015 4Q	2043.94	$18.70	$23.06	$23.06	-13.8%	$29.52	-3.3%	20.3	2.1%	0.1%	$1,589.70	-10.8%
2016 1Q	2059.74	$21.72	$23.97	$23.97	-7.1%	$26.96	-5.7%	20.9	2.1%	2.0%	$1,649.00	-3.7%
2016 2Q	2098.86	$23.28	$25.70	$25.70	-1.7%	$29.61	-1.6%	21.4	2.1%	1.9%	$1,624.30	-3.5%
2016 3Q	2168.27	$25.39	$28.69	$28.69	12.8%	$31.21	4.1%	21.4	2.1%	2.2%	$1,621.30	-3.1%
2016 4Q	2238.83	$24.16	$27.90	$27.90	21.0%	$31.30	6.0%	21.1	2.0%	2.0%	$1,641.00	3.2%
2017 1Q	2362.72	$27.46	$28.82	$28.82	20.2%	$30.90	14.6%	21.3	2.0%	2.3%	$1,672.50	1.4%
2017 2Q	2423.41	$27.01	$30.51	$30.51	18.7%	$32.58	10.0%	20.9	1.9%	2.2%	$1,693.90	4.3%
2017 3Q	2519.36	$28.45	$31.33	$31.33	9.2%	$33.45	7.2%	21.2	1.9%	3.2%	$1,683.70	3.8%
2017 4Q	2673.61	$26.96	$33.85	$33.85	21.3%	$36.02	15.1%	21.5	1.8%	3.5%	$1,696.00	3.4%
2018 1Q	2640.87	$33.02	$36.54	$36.54	26.8%	$38.07	23.2%	20.0	1.9%	2.5%	$1,844.70	10.3%
2018 2Q	2718.37	$34.05	$38.65	$38.65	26.7%	$41.00	25.8%	19.4	1.9%	3.5%	$1,833.80	8.3%
2018 3Q	2913.98	$36.36	$41.38	$41.38	32.1%	$42.66	27.5%	19.4	1.8%	2.9%	$1,873.90	11.3%
2018 4Q	2506.85	$28.96	$35.03	$35.03	3.5%	$41.18	14.3%	16.5	2.1%	1.1%	$1,867.10	10.1%
2019 1Q	2834.40	$35.02	$37.99	$37.99	4.0%	$39.15	2.8%	18.5	1.9%	3.1%	$1,791.40	-2.9%
2019 2Q	2941.76	$34.93	$40.14	$40.14	3.9%	$41.31	0.8%	19.0	1.9%	2.0%	$1,857.50	1.3%
2019 3Q	2976.74	$33.99	$39.81	$39.81	-3.8%	$42.14	-1.2%	19.5	1.9%	2.6%	$1,963.40	4.8%
2019 4Q	3230.78	$35.53	$39.18	$39.18	11.8%	$41.98	1.9%	20.6	1.8%	2.4%	$1,998.90	7.1%
2020 1Q	2584.59	$11.88	$19.50	$19.50	-48.7%	$33.13	-15.4%	18.6	2.3%	-5.0%	$1,779.50	-0.7%
2020 2Q	3100.29	$17.83	$26.79	$26.79	-33.3%	$27.98	-32.3%	24.7	1.9%	-31.4%	$1,589.40	-14.4%
2020 3QP	3363.00	$32.97	$37.99	$37.99	-4.6%	$39.42	-6.5%	27.2	1.7%	33.1%	NA	NA
2020 4QE*	3702.25	$30.44	$36.58	$40.72	3.9%	$37.20	-11.4%	30.6	NA	NA	NA	NA
2021 1QE		$31.70	$37.54	$31.00	59.0%	$38.03	14.8%	26.7	NA	NA	NA	NA
2021 2QE		$35.75	$40.14	$34.83	30.0%	$40.77	45.7%	24.3	NA	NA	NA	NA
2021 3QE		$37.94	$43.70	$51.25	34.9%	$44.39	12.6%	23.4	NA	NA	NA	NA
2021 4QE		$37.95	$44.81	$49.52	21.6%	$45.59	22.6%	22.3	NA	NA	NA	NA

Source: Dudack Research Group; S&P Dow Jones; Refinitiv Consensus estimates; **Refinitiv quarters may not sum to CY *12/8/2020

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