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DJIA 25532.05
SPX 2834.41
NASDAQ: 7734.41

US Strategy Weekly
Overbaked Trade Fears

SUMMARY
We would be a buyer on the current weakness in the market and believe the fear of an escalating trade war with China is overdone. In our view, there will be a variety of drags on the economy from rising tariffs, but the recent sell-off has adjusted for this potential risk.

Some sectors of the equity market are relatively immune to the impacts of rising tariffs and this explains the outperformance of REITs, utilities and staples this week. However, a US-China trade agreement would trigger the biggest rebounds in stocks pummeled most by the recent trade dispute including semiconductors, industrials and retailers. See page 18 for detailed industry and sector performances. Overall, it is reasonable to expect the market will remain volatile in coming weeks. But it has been our view that the market would not be able to maintain a sustainable advance until earnings growth is better defined. Therefore, while our target of SPX 3110 is unchanged for 2019, we do not expect it to materialize until later in the year.

CHINA TRADE
As we indicated last year *(US Strategy Weekly:* TRADE WEIGHS HEAVILY, June 20, 2018) *"China is clearly the most significant problem for the US in terms of trade and trade deficits. As of March (2018), the four-quarter-trailing $348.1 billion deficit in goods and services with China was larger than the sum of deficits with the European Union, Mexico, Japan, India, Taiwan and South Korea combined. China represented 47% of the US's 2017 overall deficit of $796.1 billion, yet this deficit is even larger if services are excluded. As of March (2018), the four-quarter trailing deficit in goods with China was $389.2 billion or nearly 2.5 times as large as the goods deficits with the entire European Union."*

Recent data from the Department of Commerce shows that this problem is little changed. As of March 2019, the 12-month deficit in goods with China was $408.1 billion and represented 46.8% of the total US goods trade deficit of $871.9 billion. Nevertheless, there are signs that this trend could be changing. The monthly US goods trade deficit with China was $20.5 billion in March, the lowest in five years. China represented 34.7% of the overall goods deficit in March, the lowest monthly ratio in eight years. And between March and February, Chinese imports fell from $33.2 billion to $31.2 billion; while exports to China rose from $8.4 billion to $10.4 billion. See page 3.

To put these numbers into an historical perspective, it is important to know that China's portion of the US trade deficit reached a record of 49.4% in 2015 and remained there for many months. See page 4. And though the current percentage of 46.8% is still high, for the first time on record it is steadily declining without the backdrop of a US recession. But since Chinese imports are seasonal and tend to fall early in the year, it will be important to see if Chinese trade data improves in the coming months and if rising tariffs are in fact improving the US trade balance with China.

REVERBERATIONS
We were not surprised to see the trade deficit shrink in the first quarter. The positive impact of this was already seen in first quarter GDP which revealed that net exports had shifted dramatically from being

a large negative to 3Q18 GDP to be a large positive to 1Q19 GDP. The details of economic activity showed a substantial decline in imported goods. See page 5.

A diminished trade deficit with China elicits fears that 1.) China will have fewer dollars to invest in US Treasuries, 2.) this may trigger selling of US Treasury bonds and 3.) this will drive interest rates higher. We disagree. As we show on page 6, foreign investors have been reducing US Treasury ownership for years and owned 40.2% of Treasury bonds in December 2018, which was down substantially from the peak of 56.5% seen in December 2008. However, we would point out that the ongoing trend of declining foreign ownership of Treasuries coupled with the Fed's policy of normalizing its balance sheet has not driven long-term interest rates higher. In fact, Treasury bond yields remain historically low. Filling in the ownership gap are households that owned 12.2% of outstanding Treasuries at year end, up from less than 8% in September 2017. Treasury ownership is also increasing for money market mutual funds, federal retirement funds and depositories. See page 6.

And though the FRB has been shrinking its balance sheet since late 2017, as of the second week of May, the Fed was the single largest holder of US Treasuries at $2.13 billion. As of February, China ranked second with $1.13 billion of US Treasuries followed by Japan with $1.07 billion. See page 7. China receives a lot of attention as a major holder of US Treasury securities, but we would remind readers that Japan was historically a much larger holder of Treasuries and fell second to China as recently as 2008. See page 8.

The other side of the investment equation for Treasuries is supply and therefore we looked at recent federal budget data. The federal government had a budget surplus of $160.3 billion in April; but this is tax month. In April the running 12-month deficit was $77 billion, compared to a 12-month average of $59 billion a year earlier. As a percentage of GDP, the deficit was 3.9% in FY2018 and is estimated to rise to 5.1% of GDP in FY2019. Forecasts show deficits-to-GDP to decline between 2020 to 2024. These percentages still appear large, but over the last 40 and the last 60 years, the average annual deficit as a percentage of GDP has been 3.2%. See page 10. The rising deficit is attributed to tax reform, yet when we look at federal receipts as a percentage of GDP, we find that individual tax receipts rose in 2018 while corporate receipts dropped. More importantly, both individual and corporate receipts are estimated to rise in coming years due to the growing economy. See page 11.

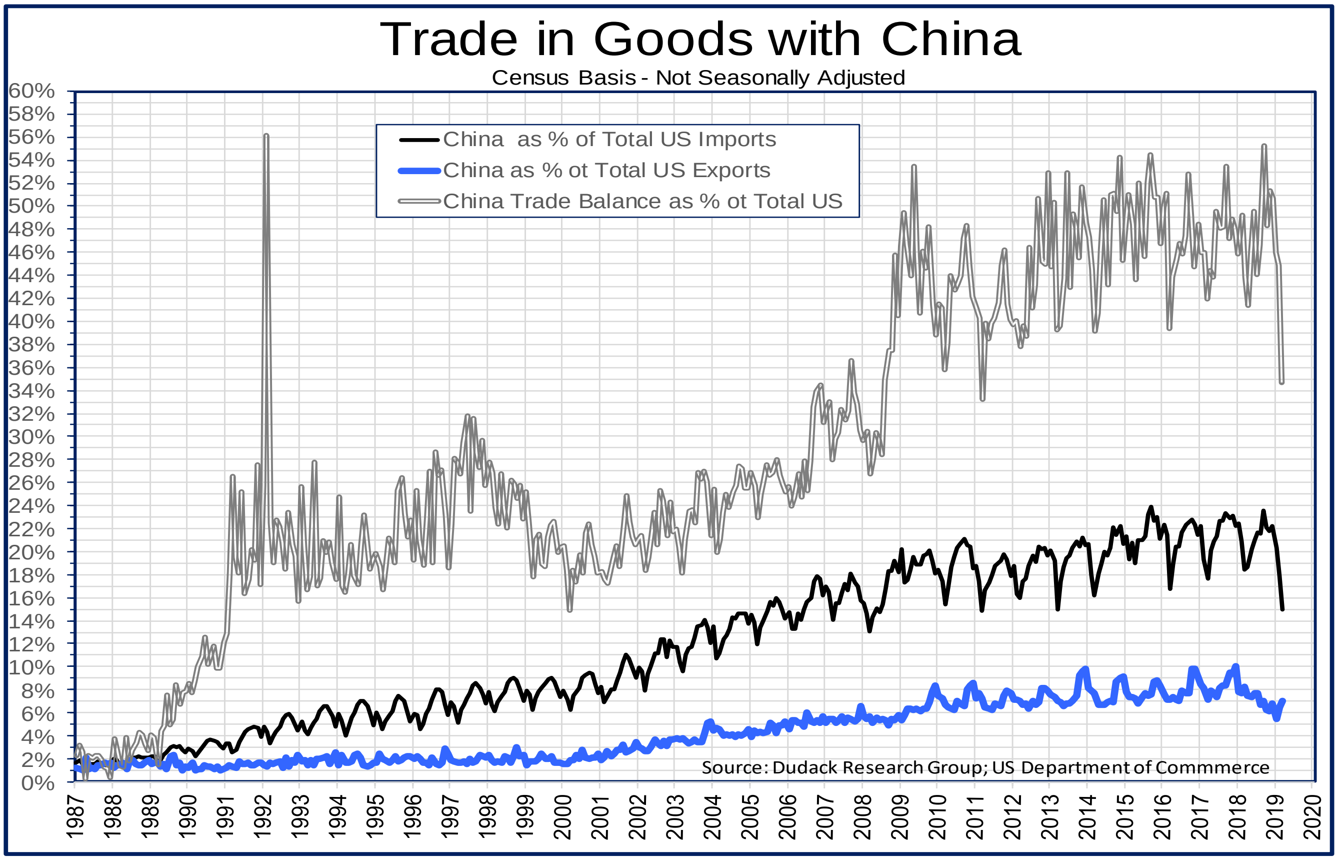
Earnings Stabilizing

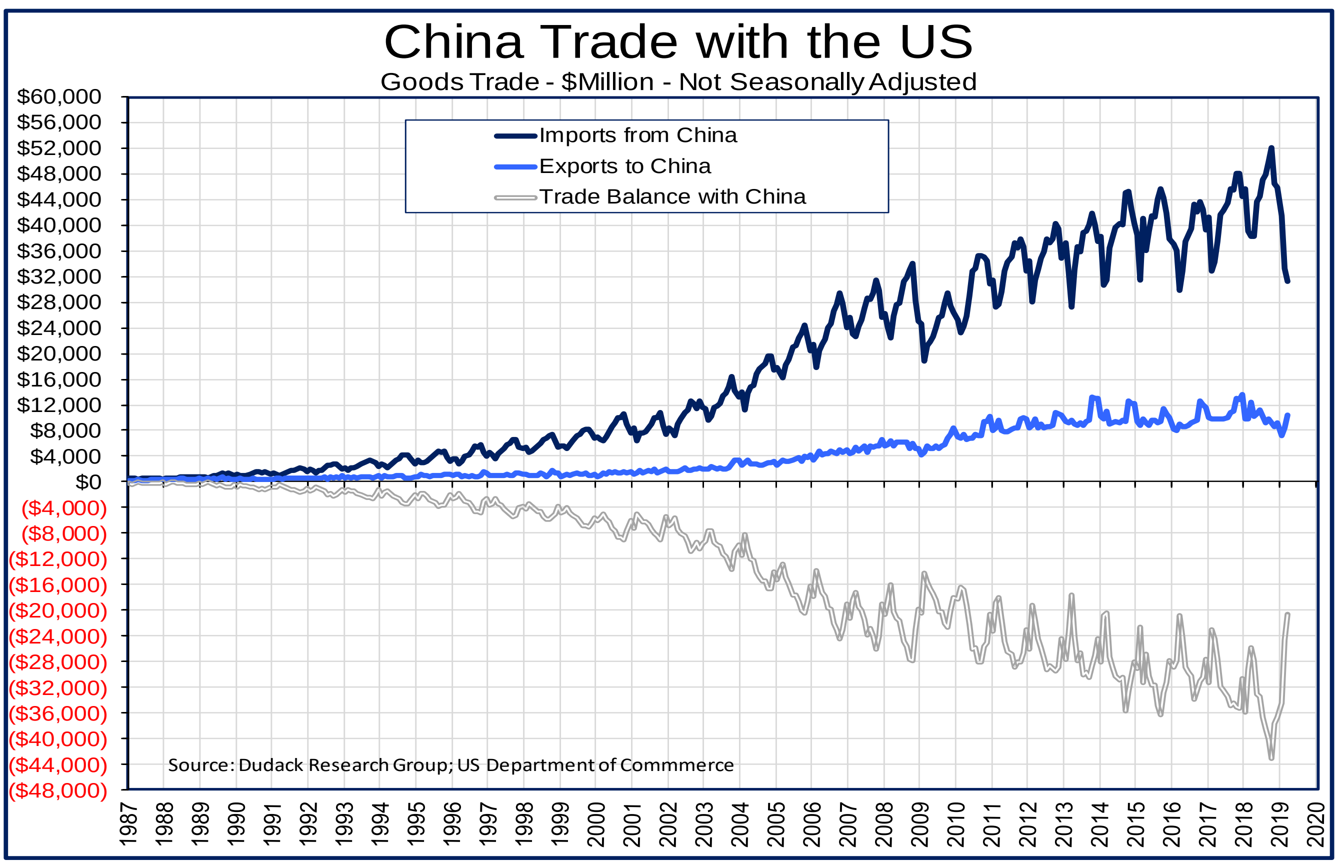
S&P Dow Jones' 2019 estimated earnings growth rose from 8.8% to 9.3% last week even though estimates for 2020 dipped from 12.5% YOY to 11.7%. The IBES Refinitiv consensus estimates increased 3 cents for 2019, but the growth rate was unchanged at 3.3%. These changes are modest, but it could be a sign that consensus earnings estimates are bottoming. We continue to believe that each earnings season in 2019 could be a potential market moving event. See page 12.

Technical Review

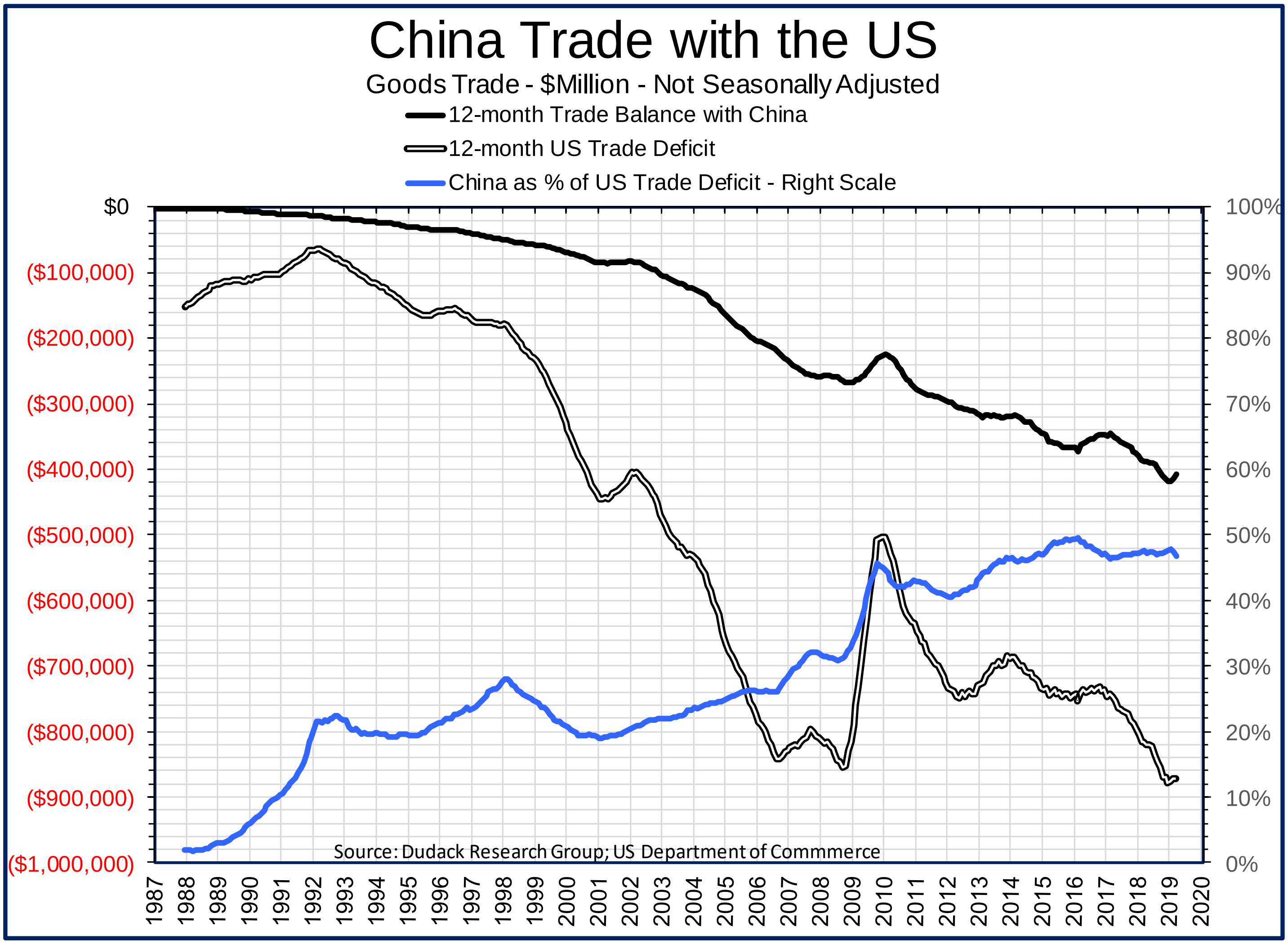
The charts of the popular indices on page 13 put the recent sell-off into a broader perspective. In general, the recent decline, though dramatic, is barely visible in the charts. Yet in the upcoming weeks we believe the Russell 2000 index is the one to watch. It has been the underperforming index in 2019 and is the one consistently trading below its 200-day moving average. The longer the RUT trades in the range it has recently defined between 1,500 and 1,600, the more important the breakout from this range becomes. We will continue to monitor this chart. In addition, the 25-day up/down volume oscillator is at minus 1.53 (preliminarily) this week but not yet in oversold territory. More importantly, NYSE data reveals that the May 13th sell-off day was extreme with 89% of the daily volume in declining stocks and only 10% in advancing stocks. Extremes of 90% and 10% tend to be reversal patterns since they reveal underlying panic. We remain long-term bullish.

The monthly US goods trade deficit with China was $20.5 billion in March, the lowest in five years. This represented 34.7% of the overall goods deficit, the lowest in eight years. In March, Chinese imports fell from $33.2 billion to $31.2 billion; while exports to China rose from $8.4 billion to $10.4 billion.

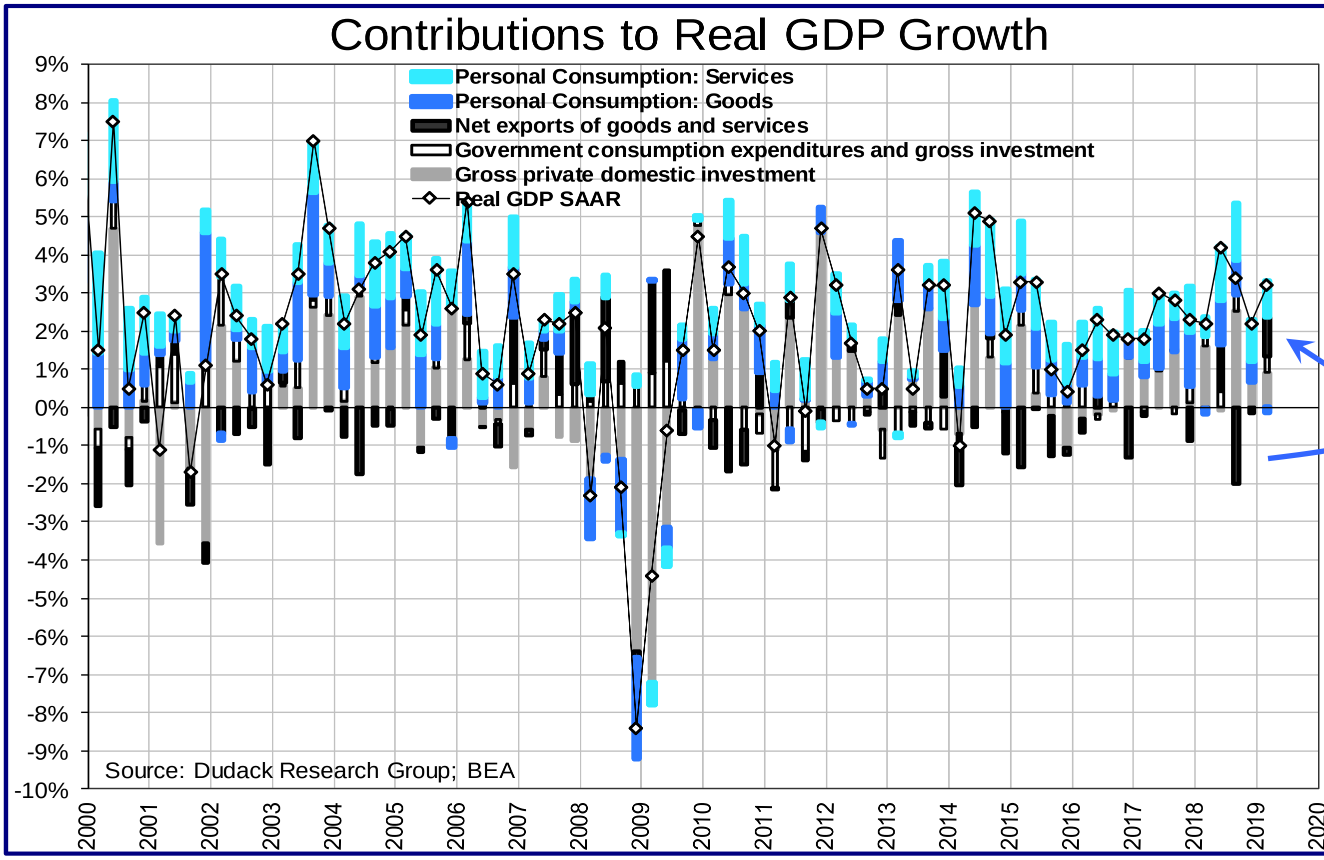


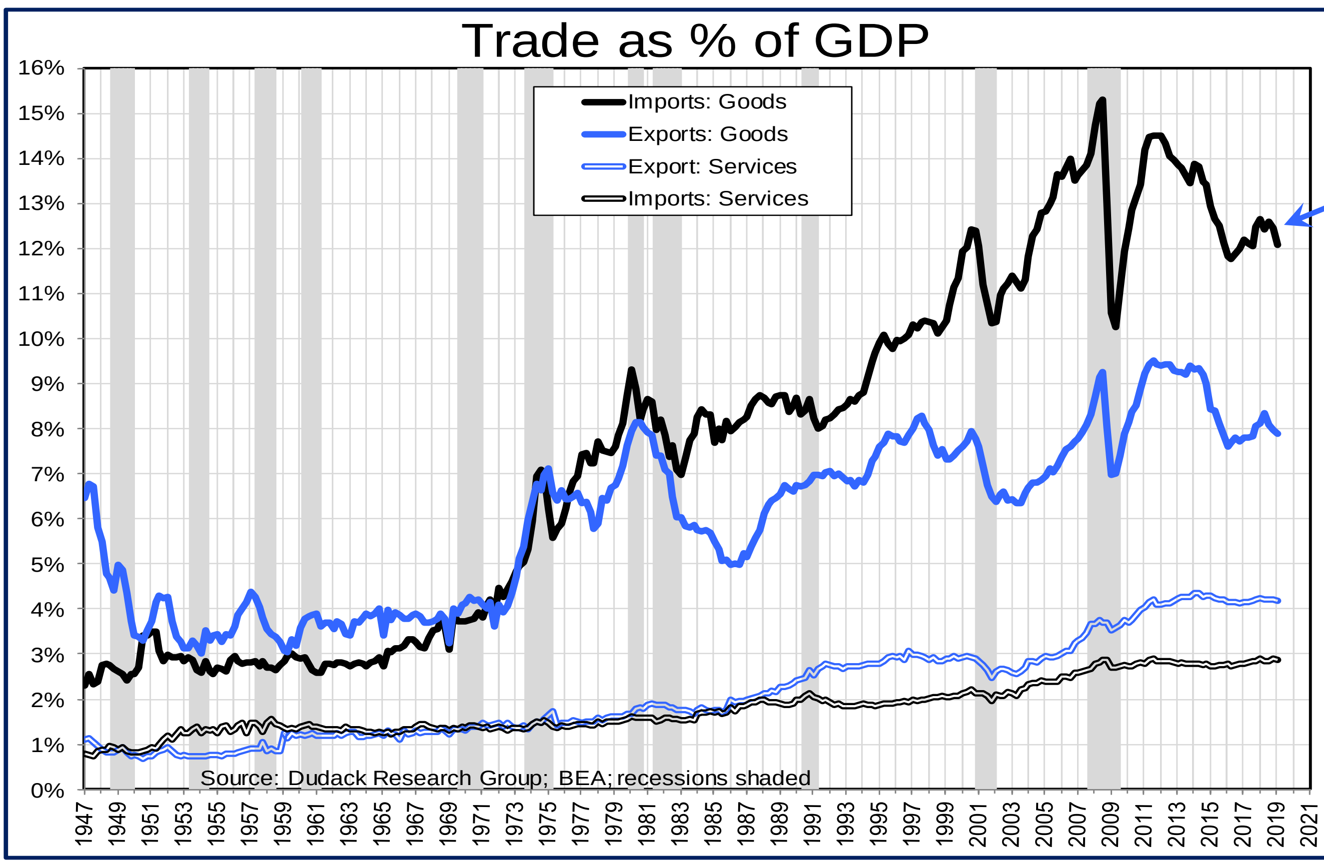


The US trade deficit with China has steadily increased over the last 30 years and reached 49.4% of the overall US trade deficit in goods in 2015. This percentage has only recently begun to decline and represents the first decline to materialize outside of a recession. Still, the percentage remains high at 46.8% as of March 2019. And since March tends to be a seasonal low for the US trade deficit, it will be interesting to monitor this trend in coming months and see if it has staying power.

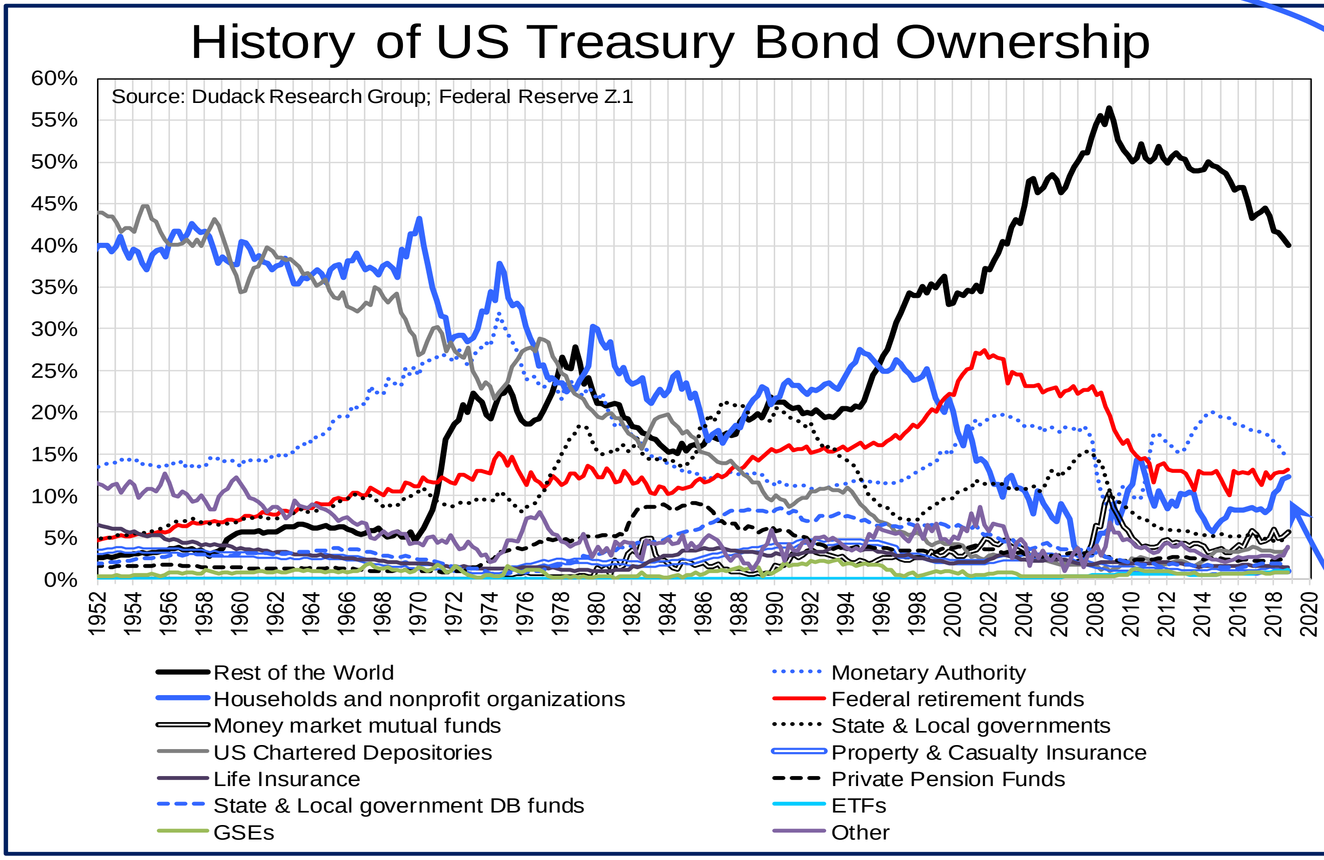


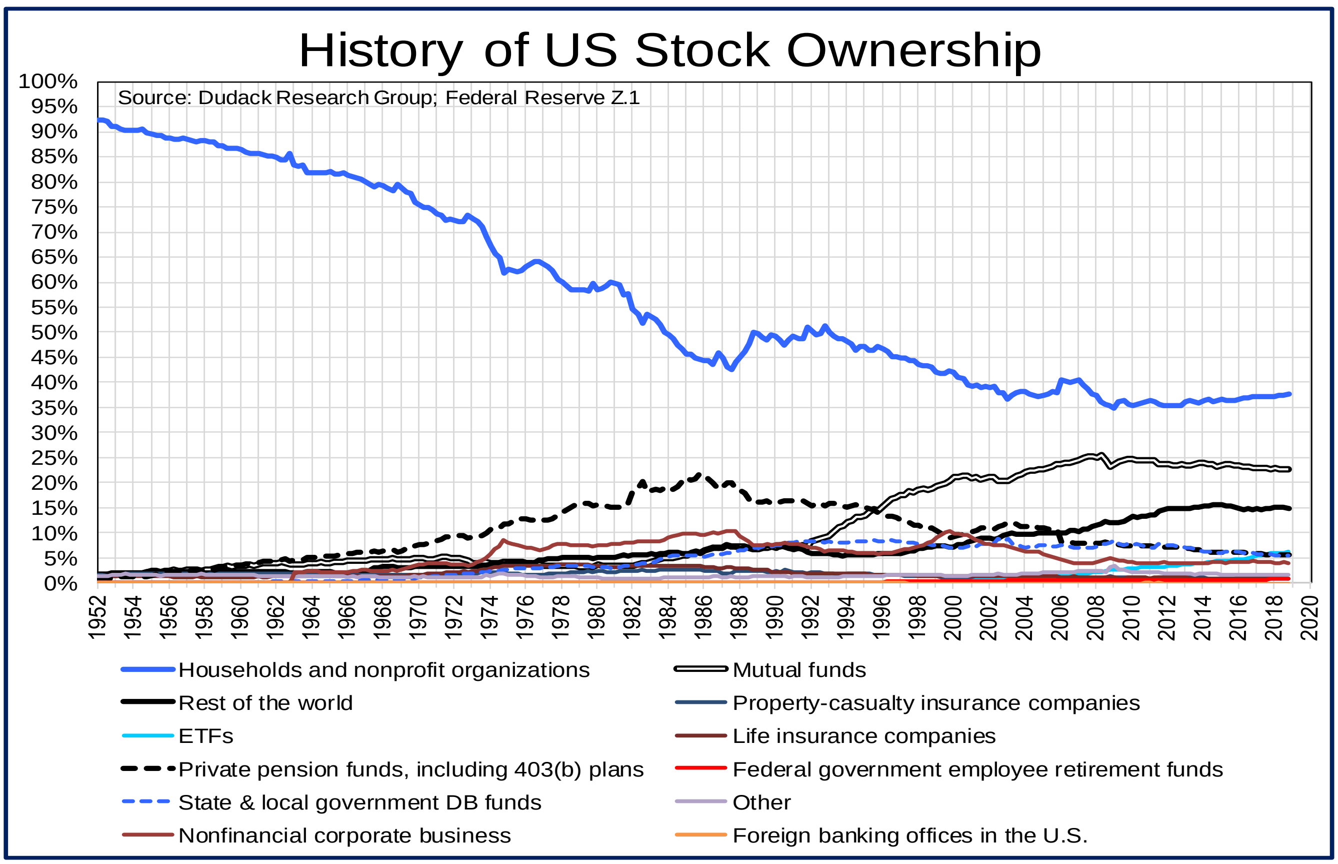
This shrinking deficit was not a surprise since first quarter GDP showed net exports shifted dramatically from a big negative in 3Q18 to positive in 1Q19. The decline in imported goods was noticeable.



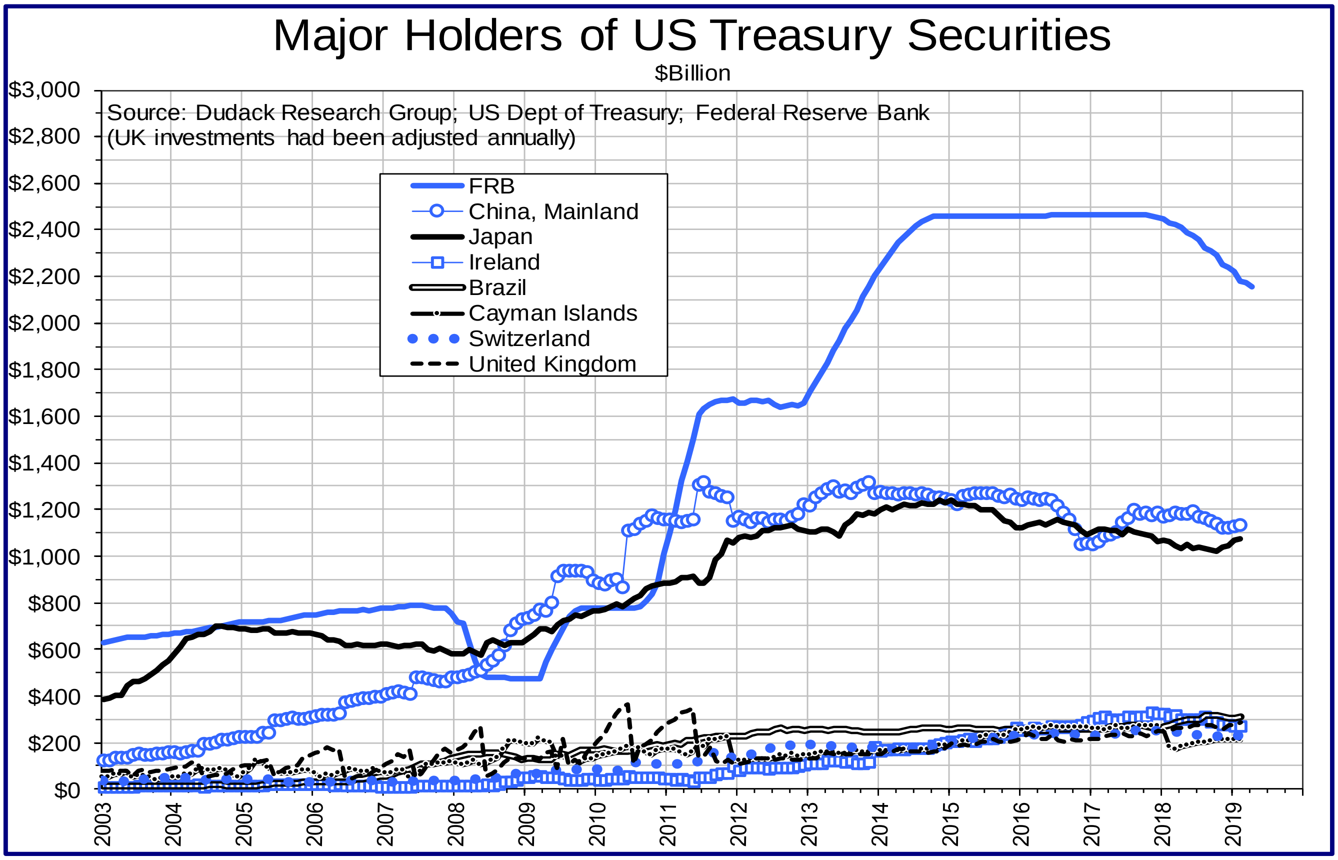


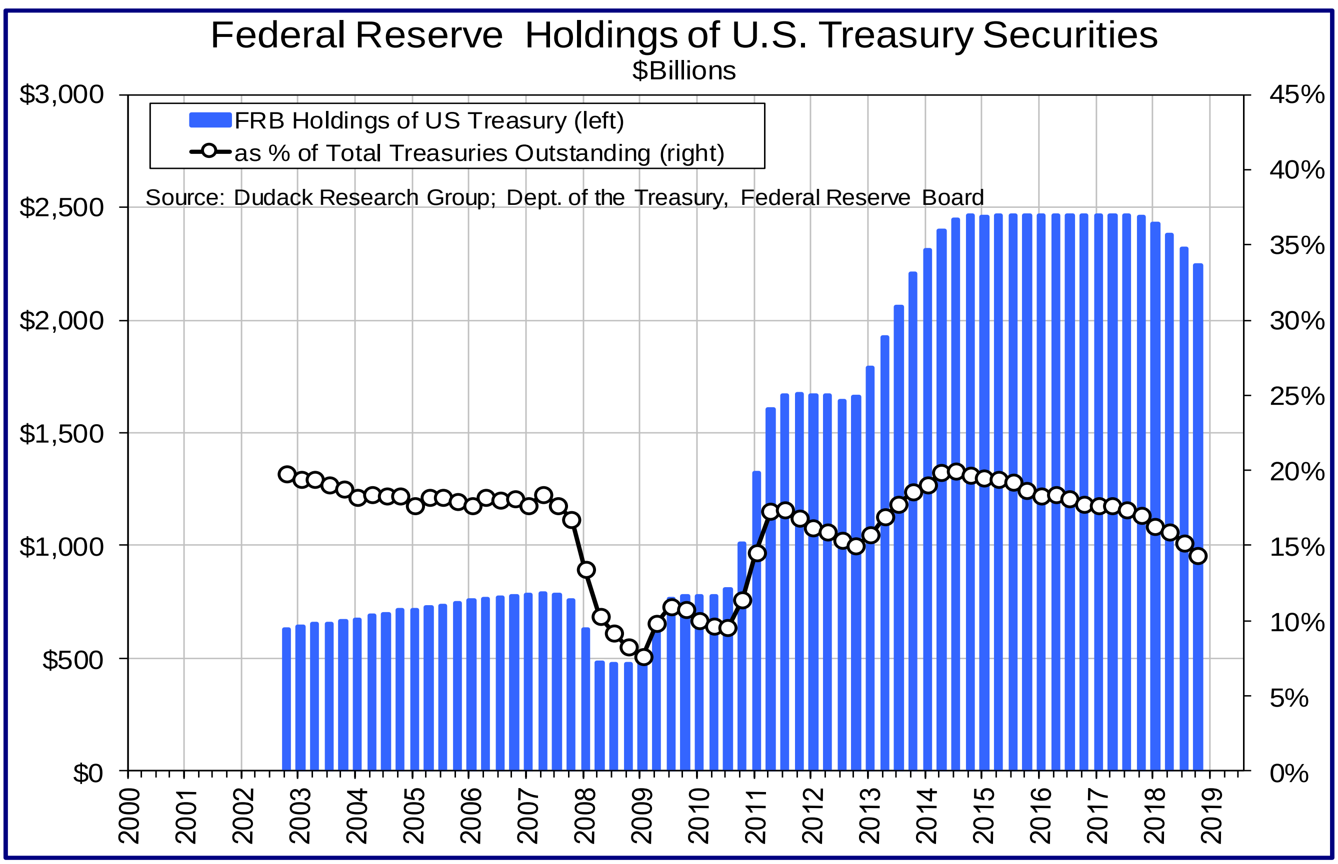
Does this mean China will become a seller of US Treasuries? Foreign investors owned 40.2% of US Treasury bonds in December 2018 and less than 15% of US equities. Note that households owned 12.2% of outstanding Treasuries at year end, up from less than 8% in September 2017.



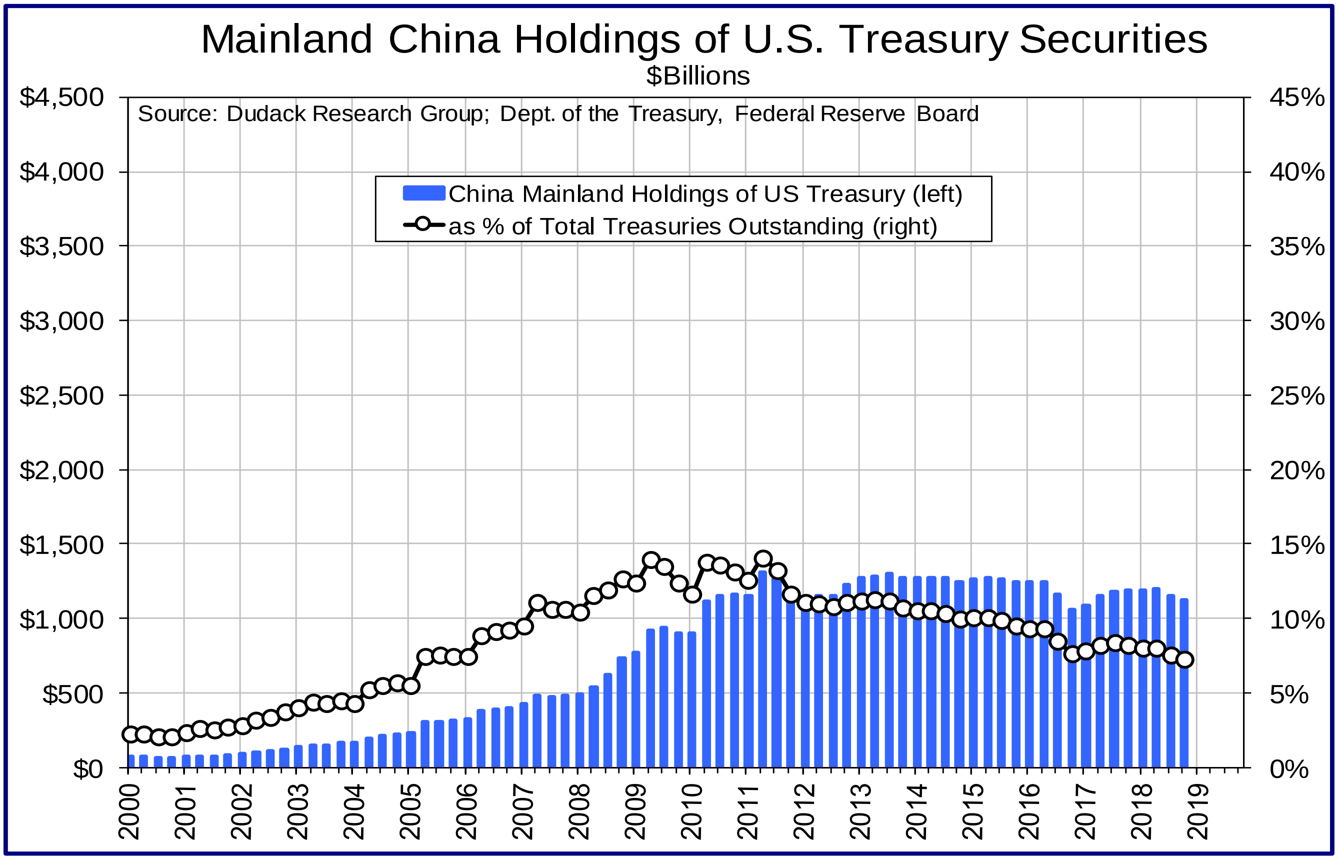


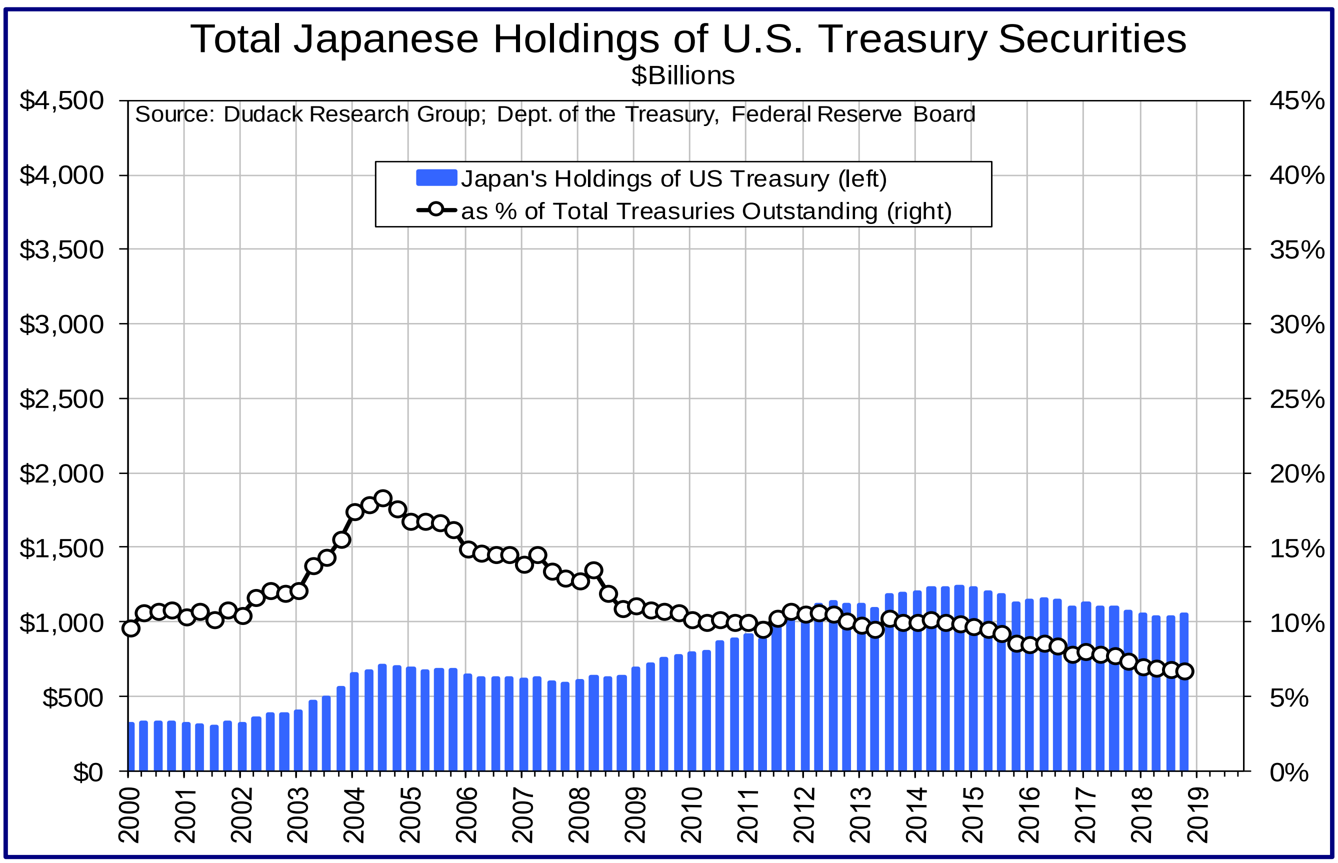
Although the FRB has been shrinking its balance sheet since late 2017, it remains the single largest holder of US Treasuries at $2.125 billion Treasuries in early May. As of the end of February, China ranks second with $1.13 billion followed by Japan with $1.07 billion.



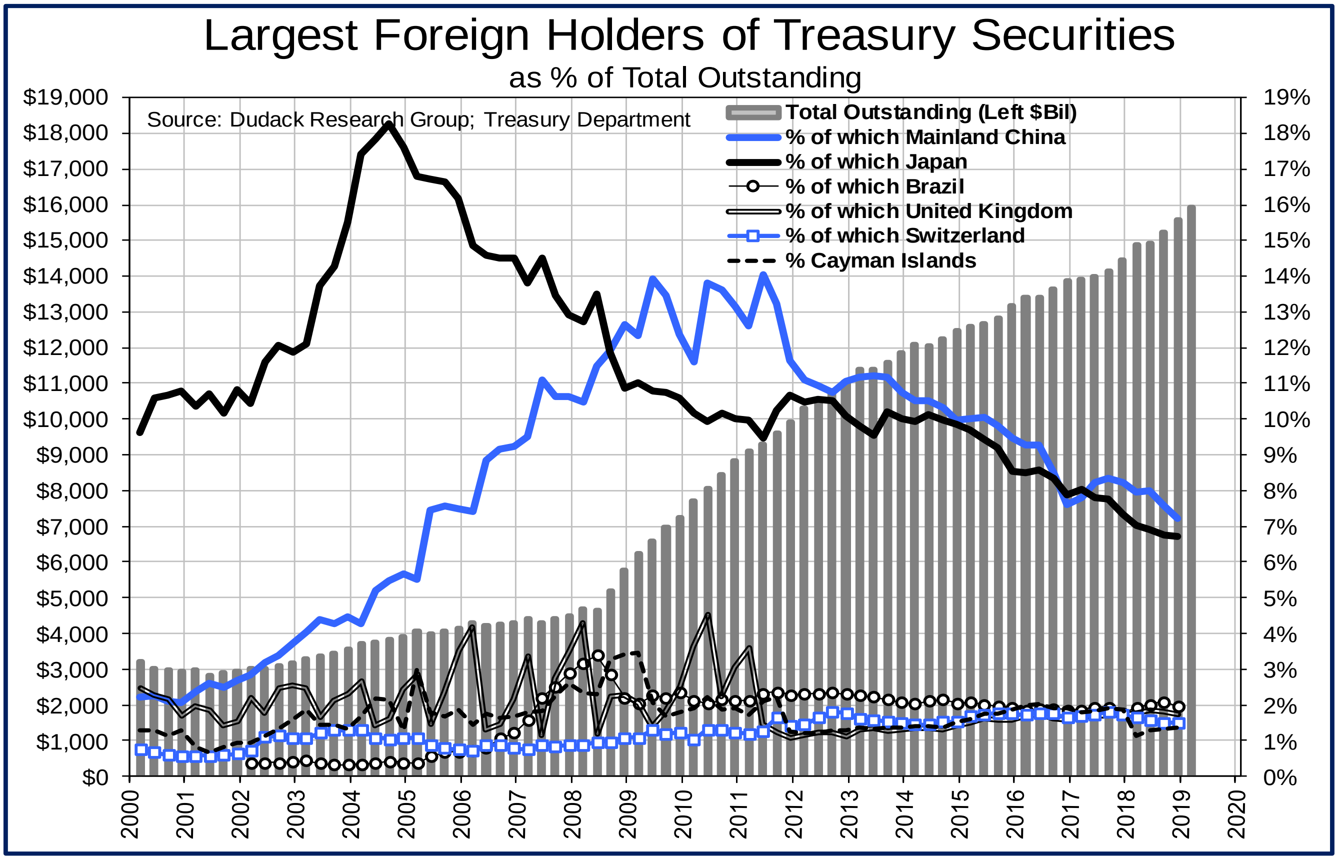


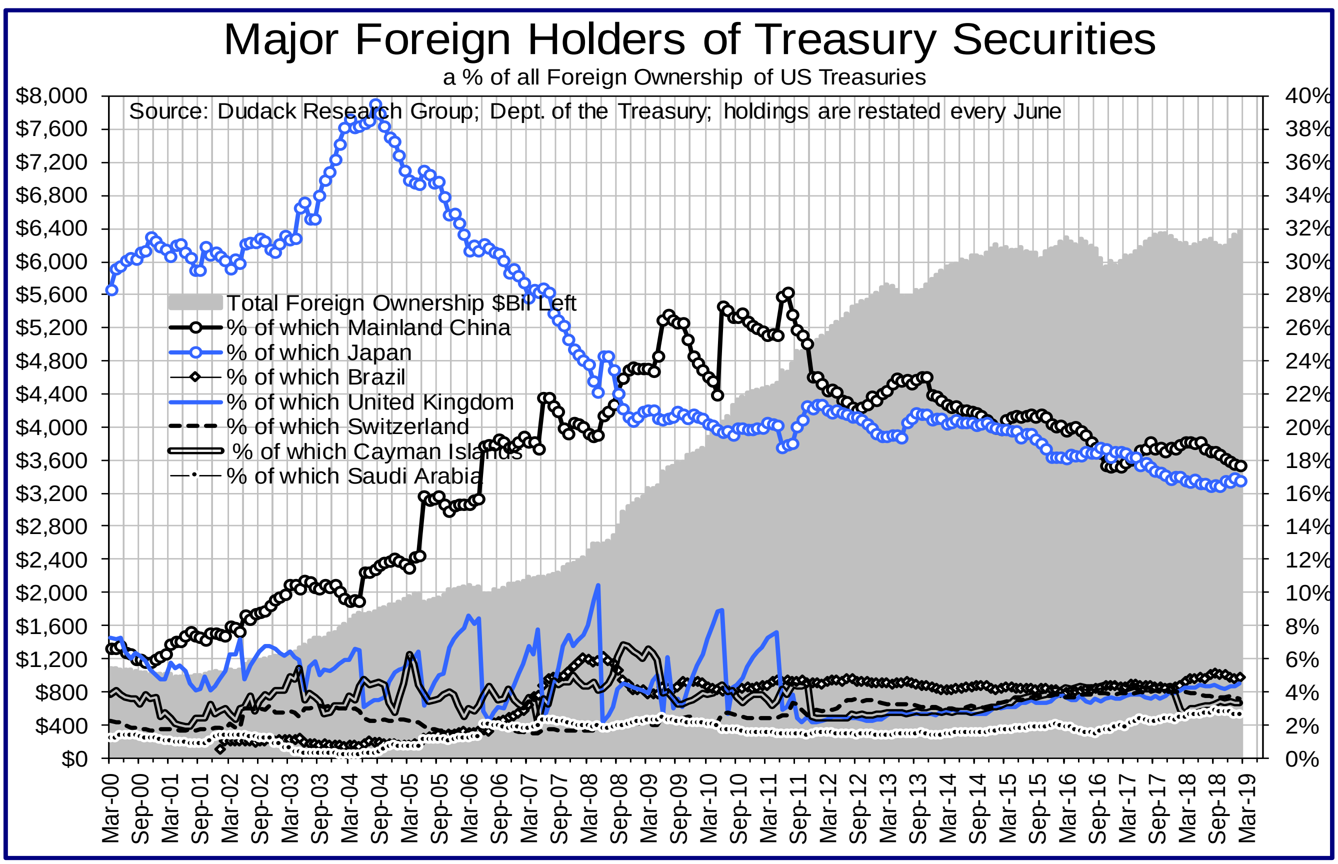
China receives a lot of attention as a major holder of US Treasury securities however Japan was a much larger holder of Treasuries and fell to second place as recently as 2008.



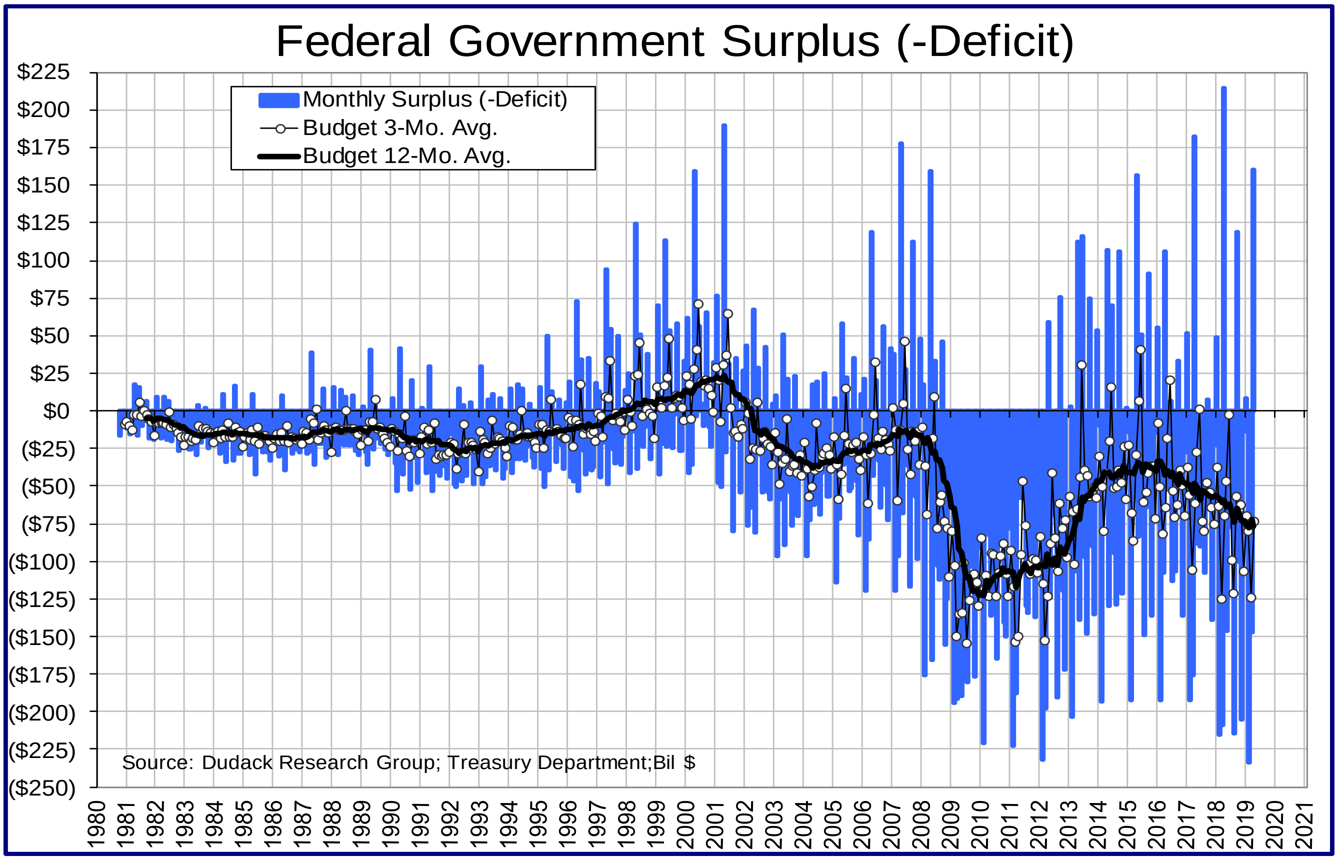


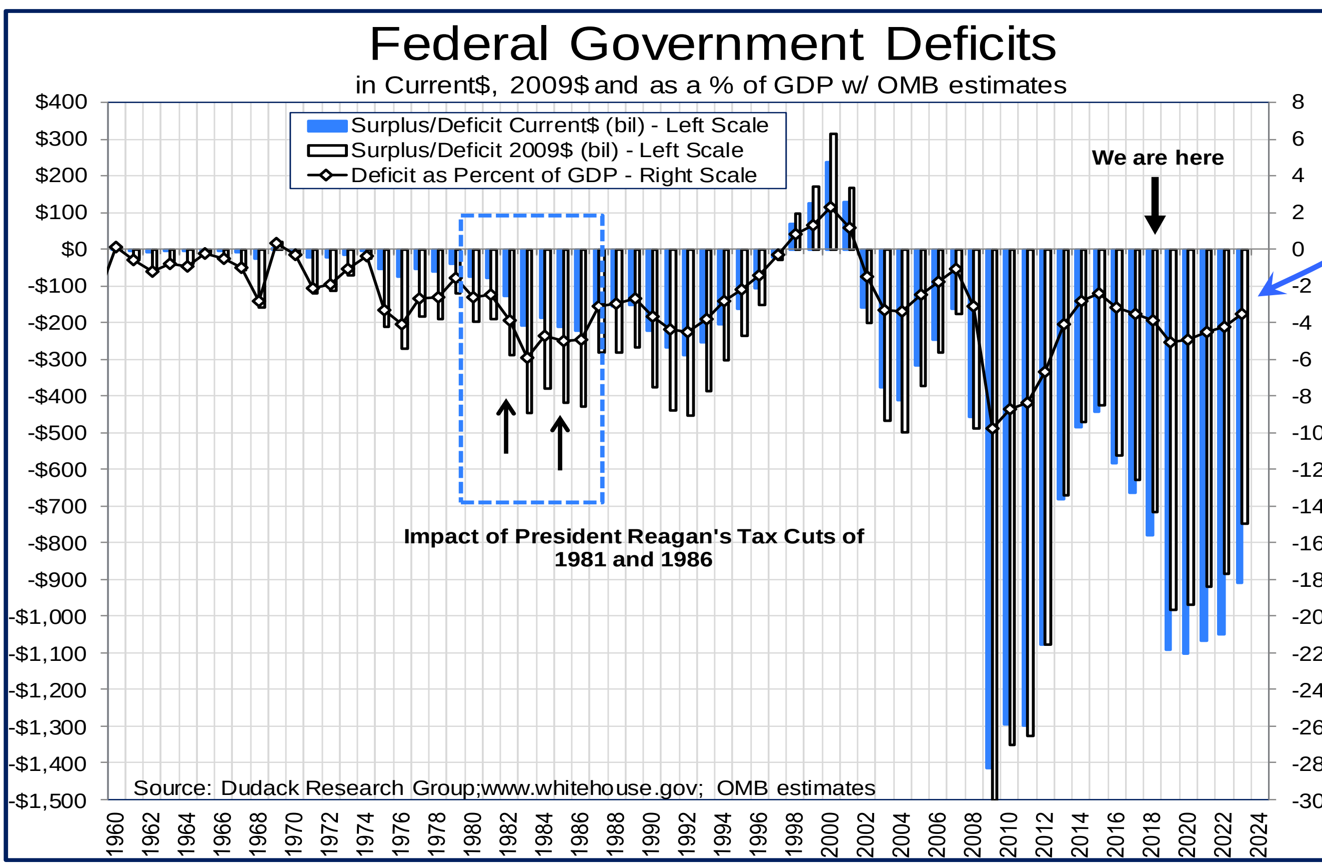
At yearend 2018, the Fed held 14.4% of outstanding US Treasuries, mainland China held 7.2%, Japan held 6.7%, Brazil held 1.9%, the UK held 1.7% and Switzerland held 1.5%.



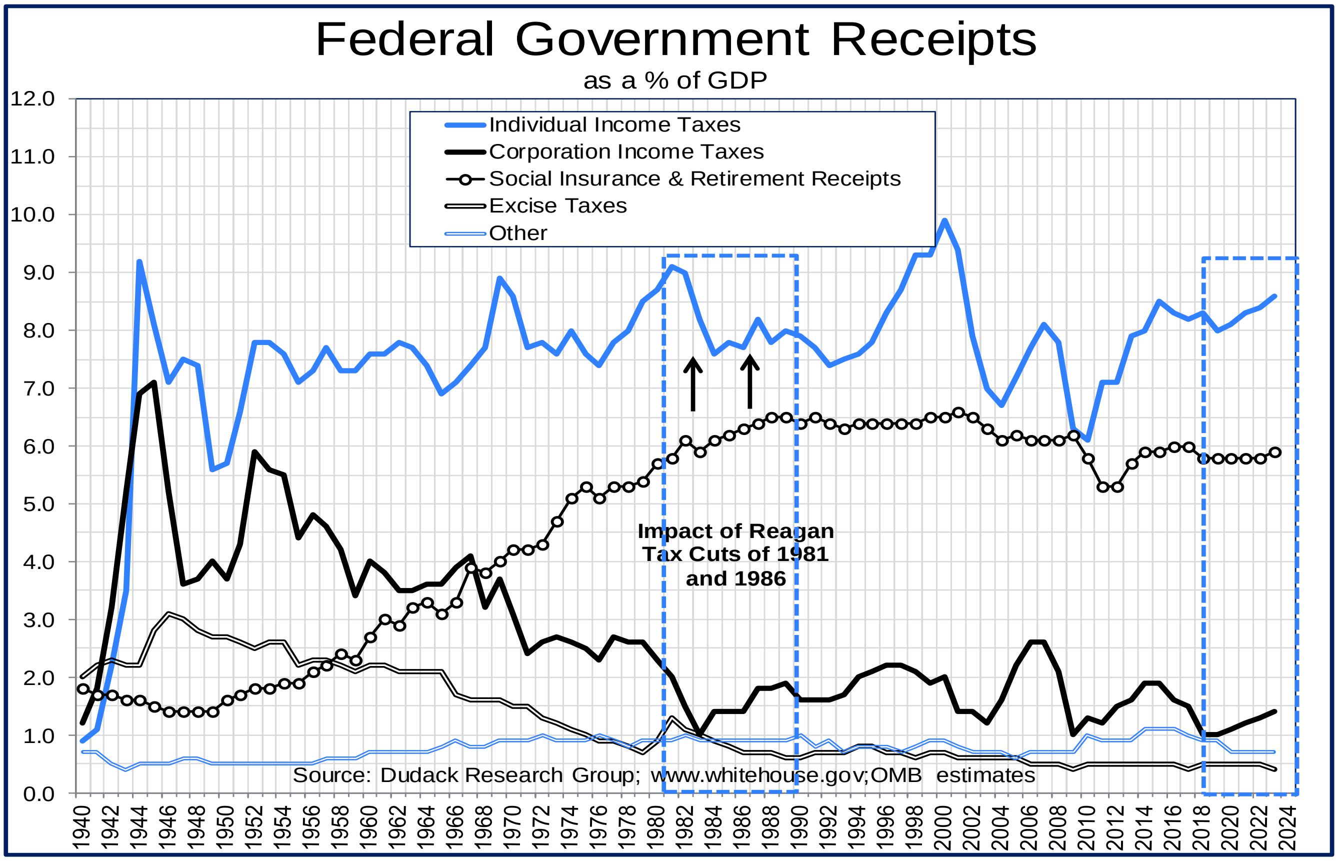


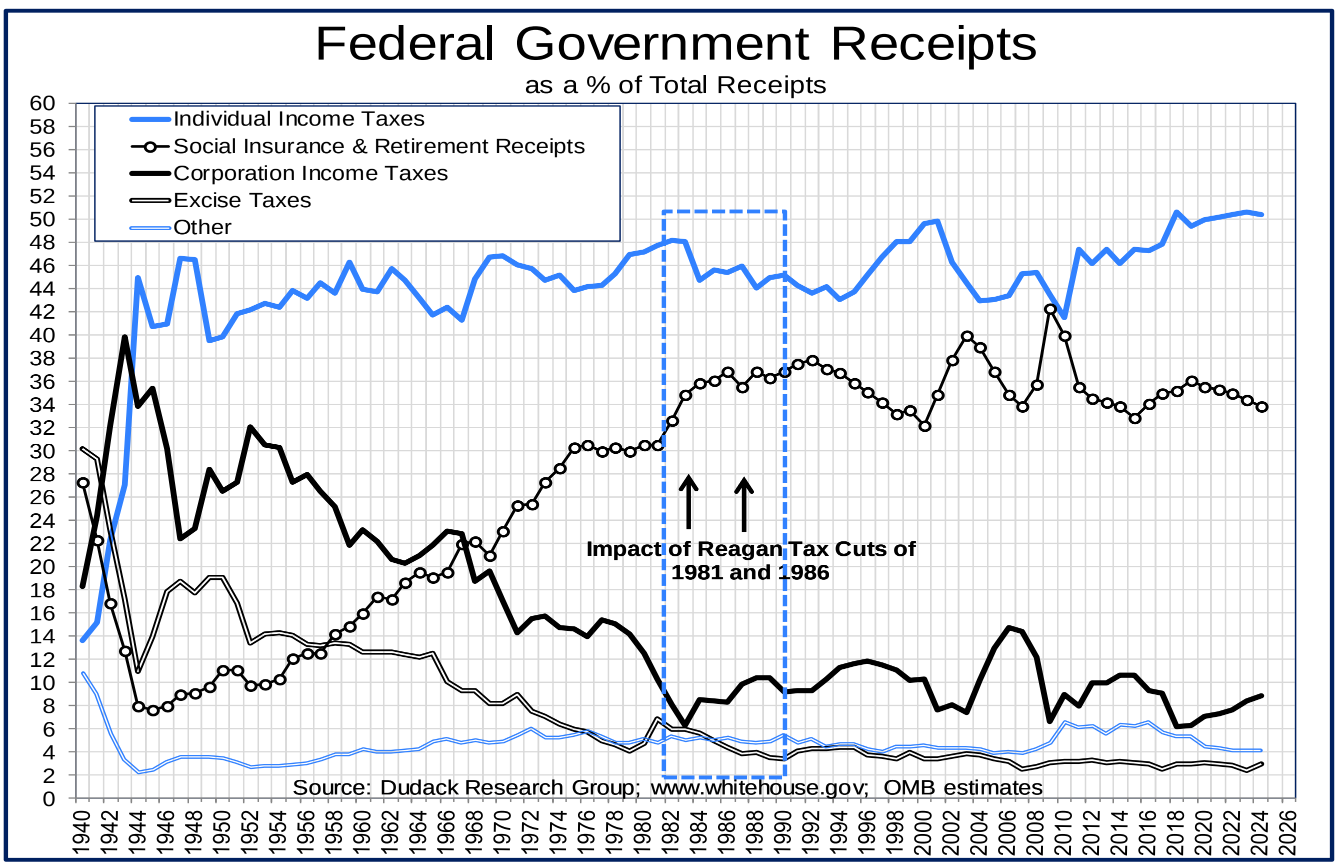
The federal government had a budget surplus of $160.3 billion in April but is running a 12-month deficit of $77 billion, compared to a 12-month average of $59 billion a year earlier. As a percentage of GDP, the deficit was 3.9% in FY2018 and is estimated to rise to 5.1% of GDP in FY2019 before declining.



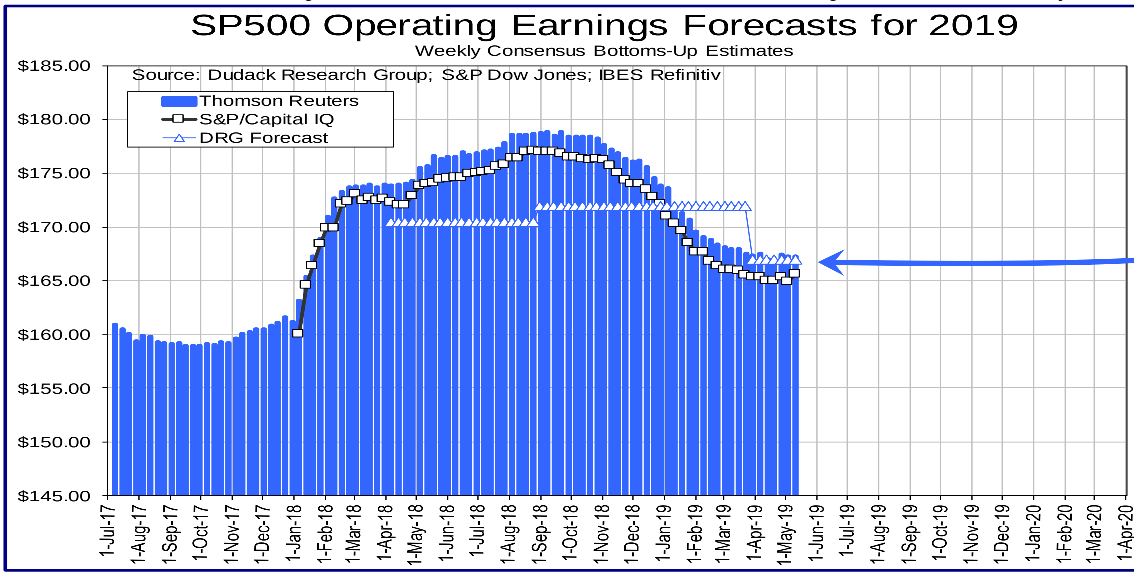


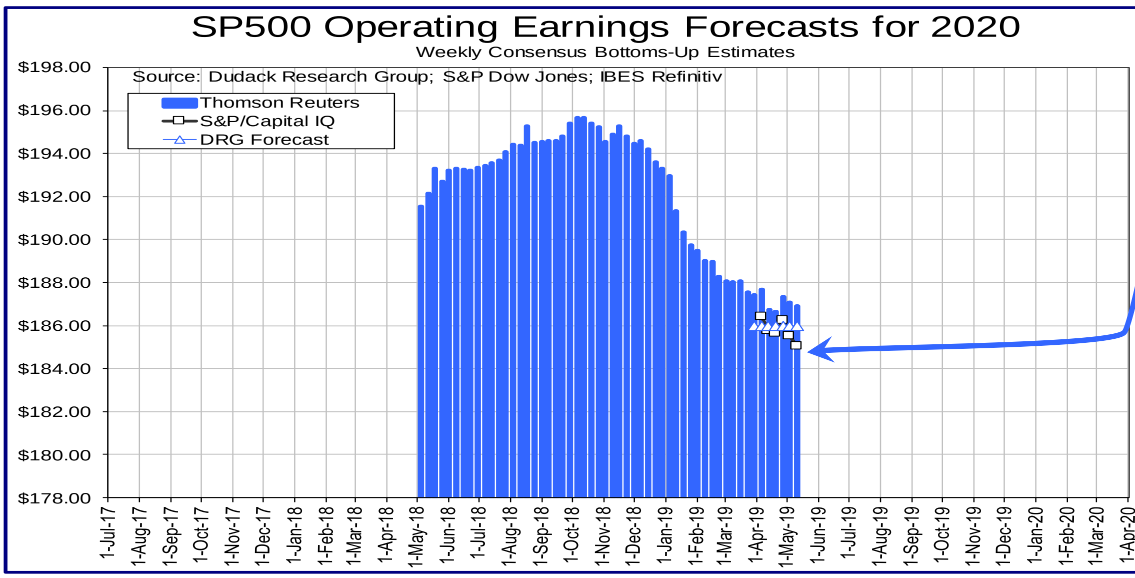
The rising deficit is attributed to tax reform, yet when we look at federal receipts as a percentage of GDP, we find that individual tax receipts rose in 2018 while corporate receipts dropped. Still, both are estimated to rise in coming years due to the growing economy.

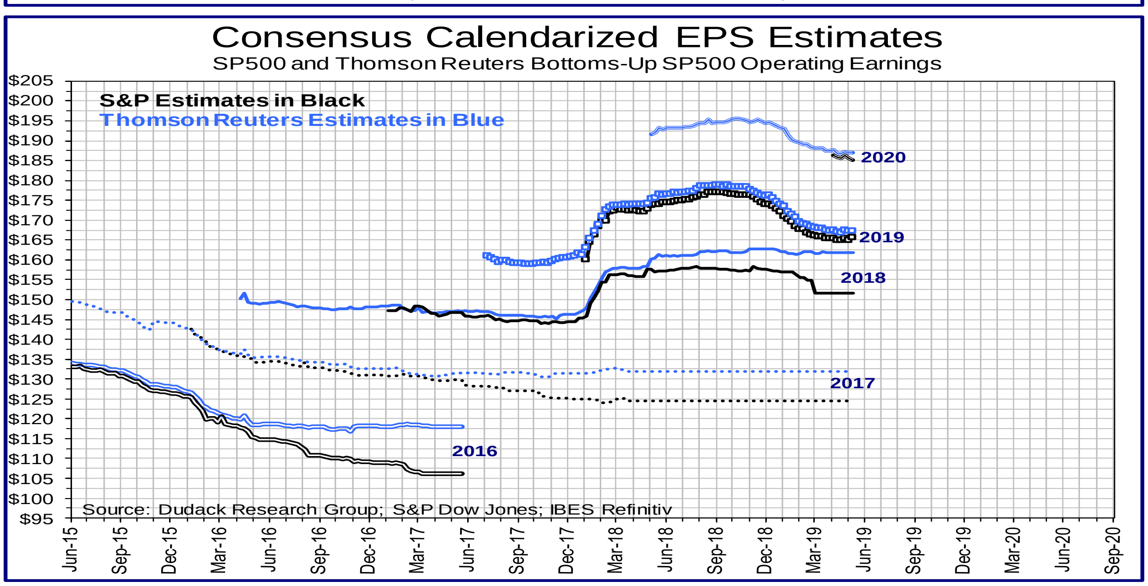




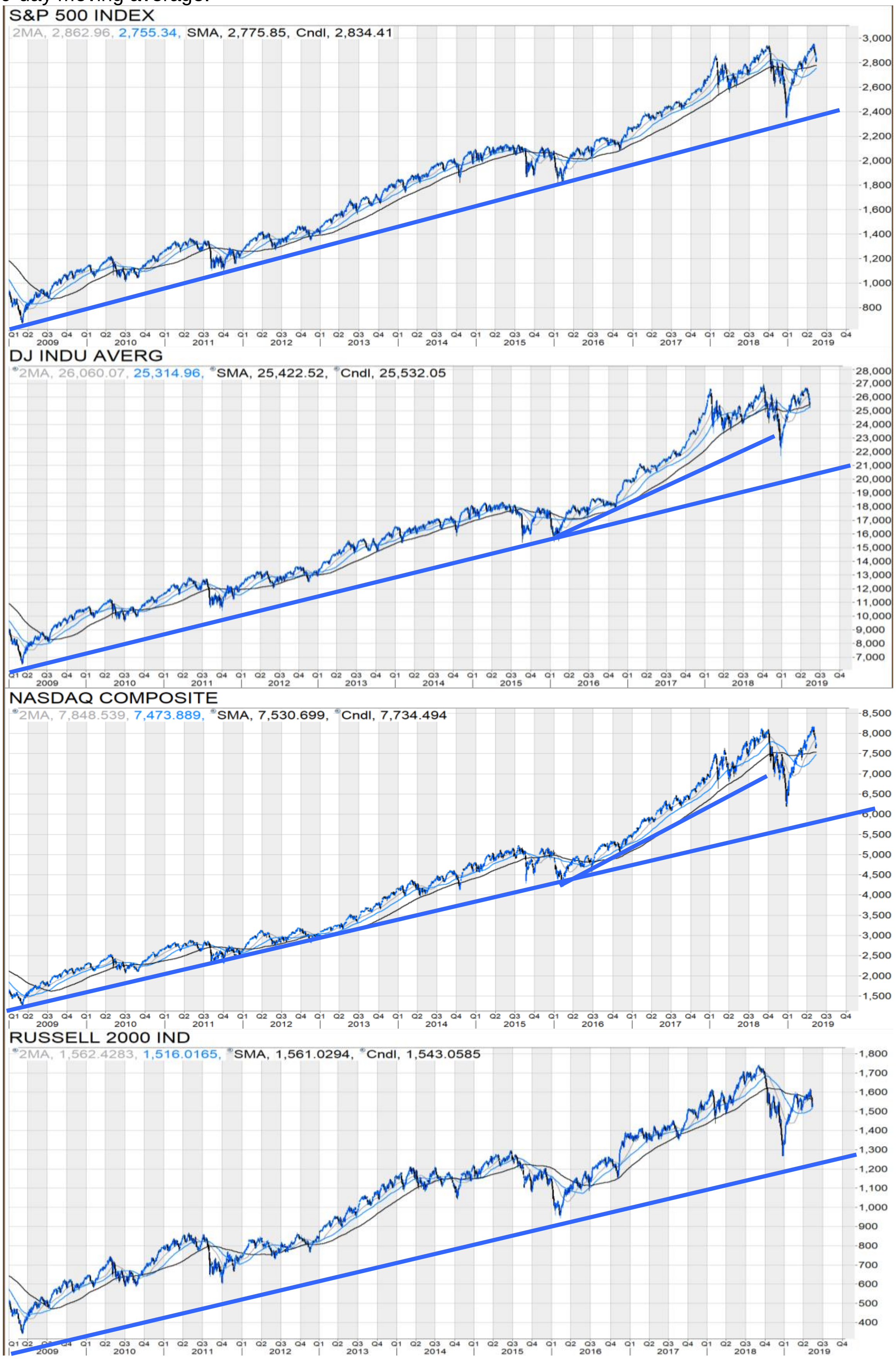
S&P Dow Jones' 2019 estimated earnings growth rose from 8.8% to 9.3% last week but dipped from 12.5% YOY to 11.7% for 2020. The IBES Refinitiv consensus estimates increased 3 cents for 2019, but the growth rate was unchanged at 3.3%. Note, consensus earnings estimates may be bottoming.







We think the RUT is the index to watch near term. It has been the underperformer in 2019 and is the one index trading below its 200-day moving average.



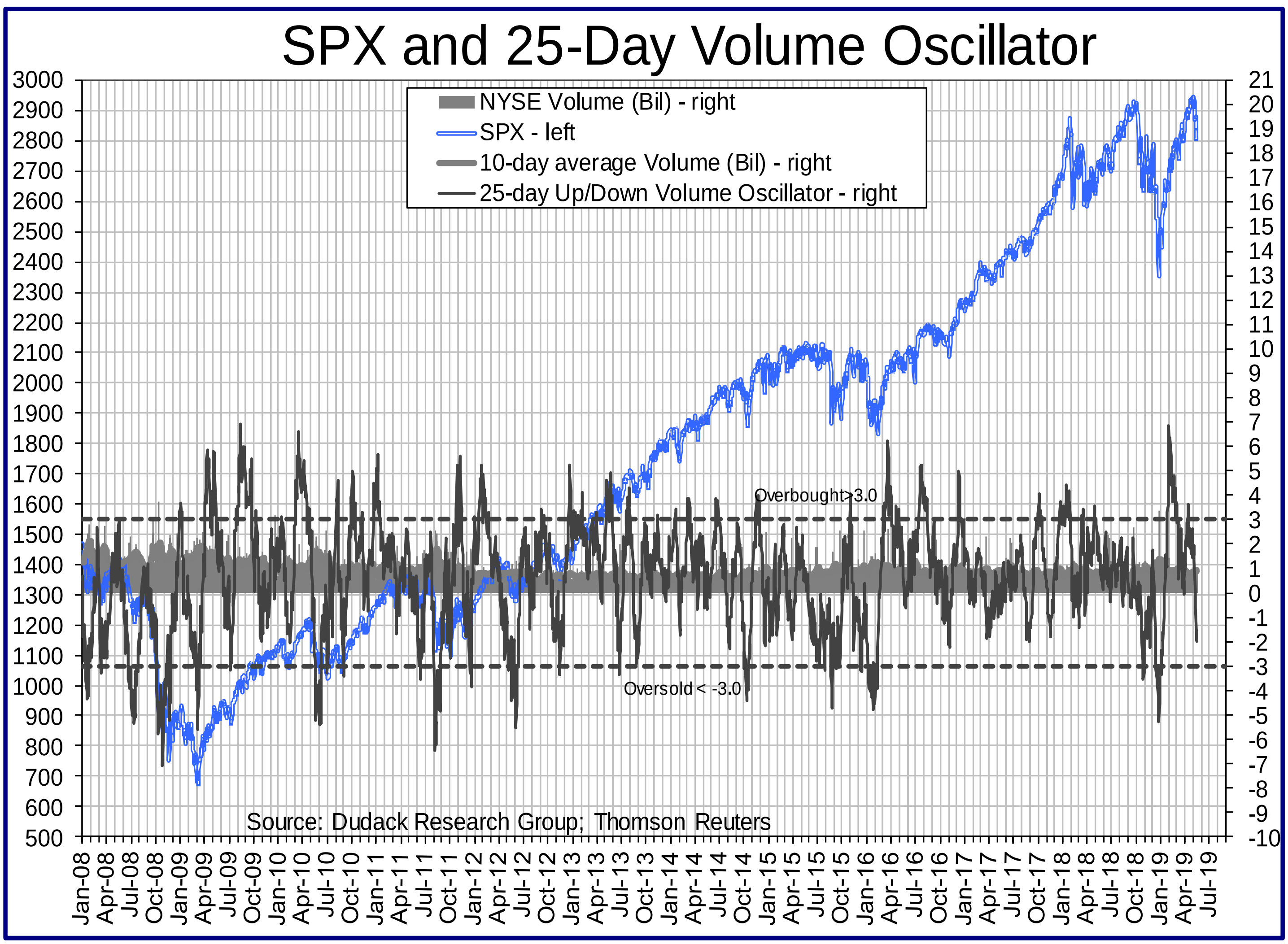
Source: Thomson Reuters

The 25-day up/down volume oscillator is minus 1.53 (preliminarily) this week but not yet in oversold territory. NYSE data shows the May 13th sell-off was an extreme day with 89% of the daily volume in declining stocks and only 10% in advancing stocks. These extremes reveal underlying panic.

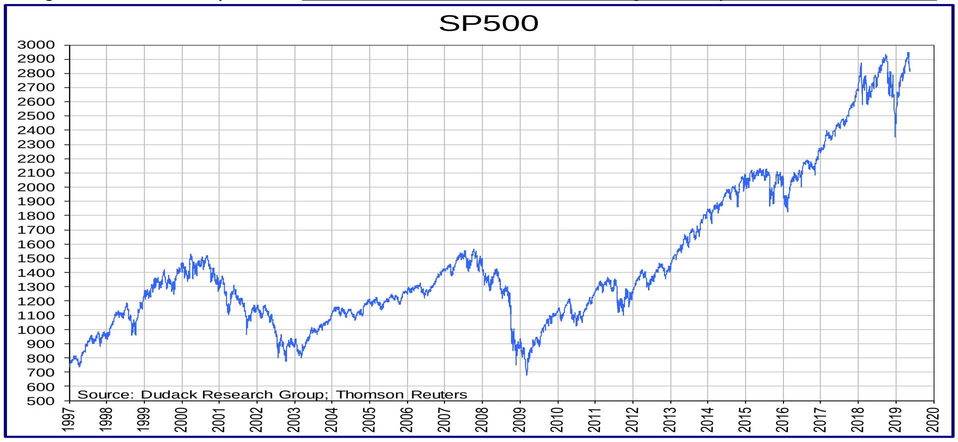
The oscillator had made a two-day overbought reading on April 11-12 and April's reading followed a long 25-consecutive-day overbought reading in January through March. In fact, this previous overbought reading was the lengthiest overbought condition since the 27 out of 29 consecutive-day overbought reading recorded in May 2009 and it was the 4th longest overbought reading since 2008. Note that 2008-2009 marked the end of a bear market and the start of the current bull market cycle. Multiple and sustained overbought readings occur uniquely in secular bull market cycles. In sum, this indicator is characteristically bullish.

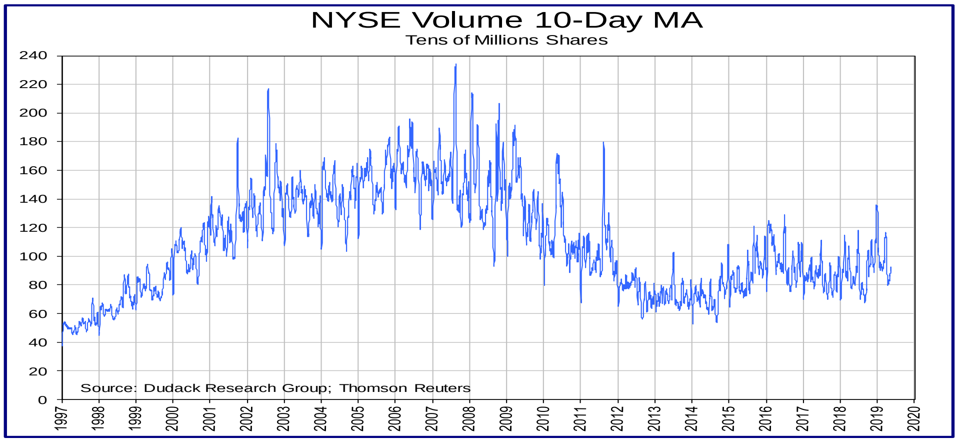
In addition, the oscillator reached a high of 6.84 at the end of January which was the highest overbought reading since the 6.90 reading seen on August 13, 2009. Note that this 2009 reading appeared *early* in a new bull trend. Long and extreme overbought readings are characteristic of bull market cycles and the strongest overbought level typically appears at the beginning of a new bull market cycle. In short, this oscillator is implying equities are initiating a new bull cycle.

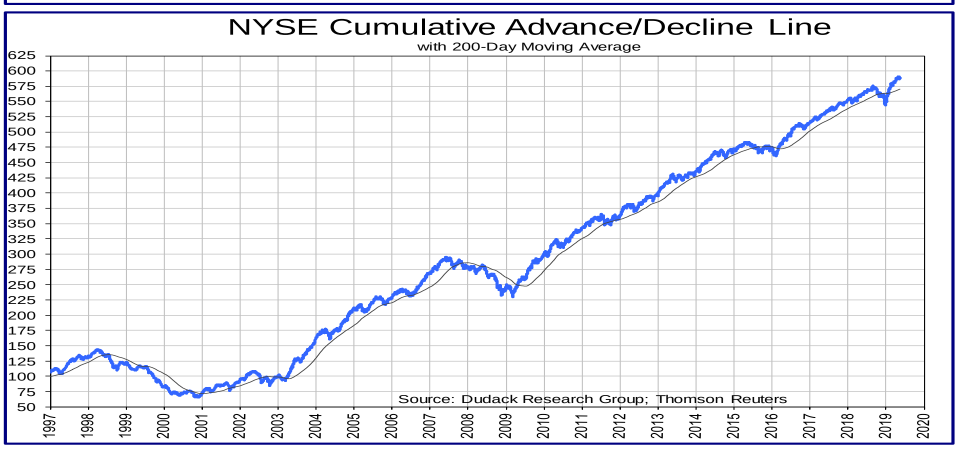
In addition, there were two 90% up days recorded on December 26 and January 4. These reversed the 90% down days seen in early December and were signals that the 2018 decline was stabilizing and reversing.

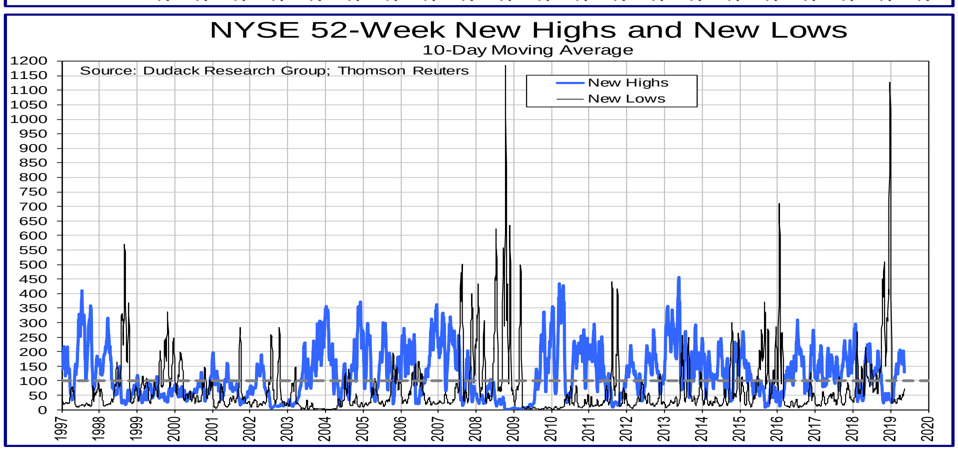


The 10-day average of daily new highs (128) is above the 100 per day level defined as bullish. The average of daily new lows (72) is below the 100 per day defined as bearish, making the combination positive. The A/D line made a new record high on May 3, 2019 and is bullish.

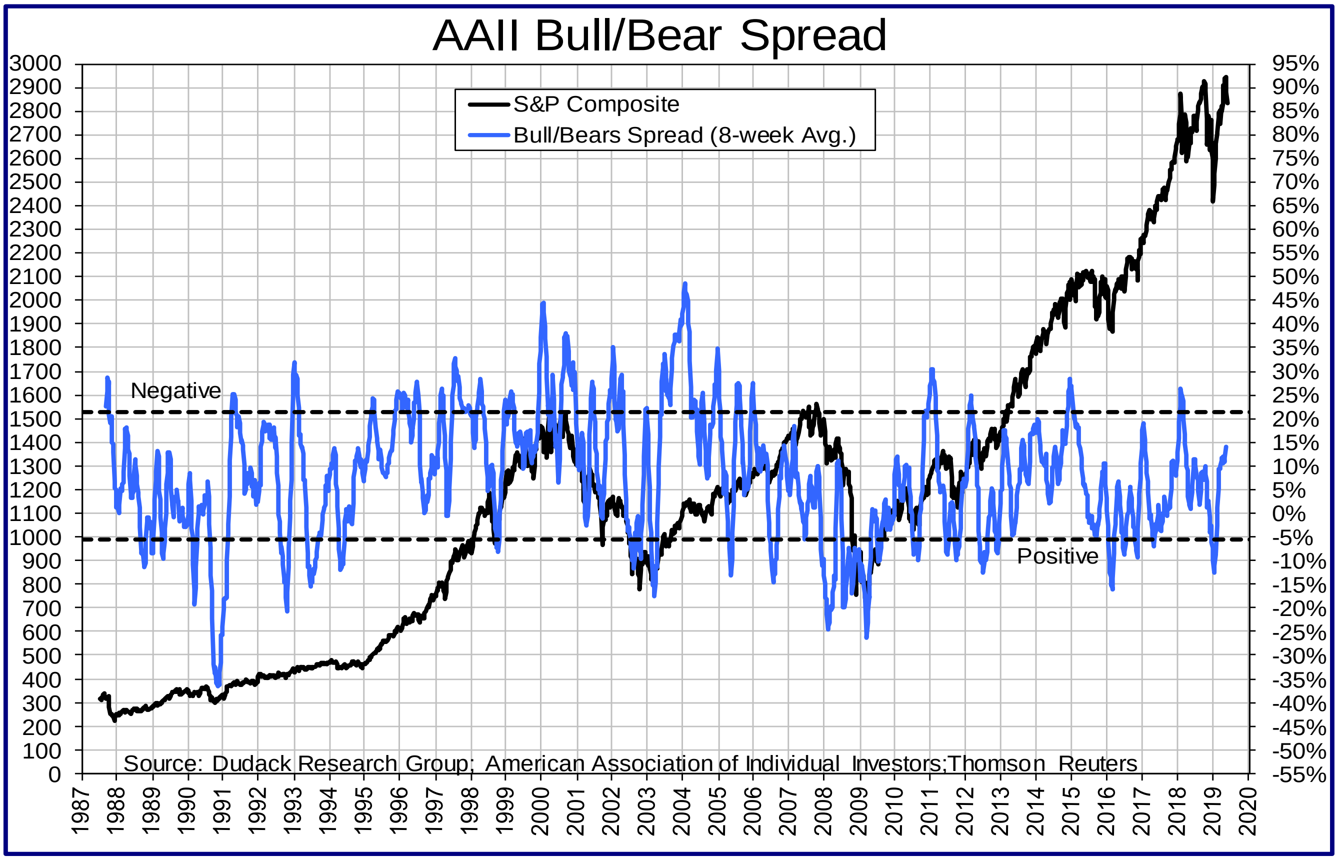


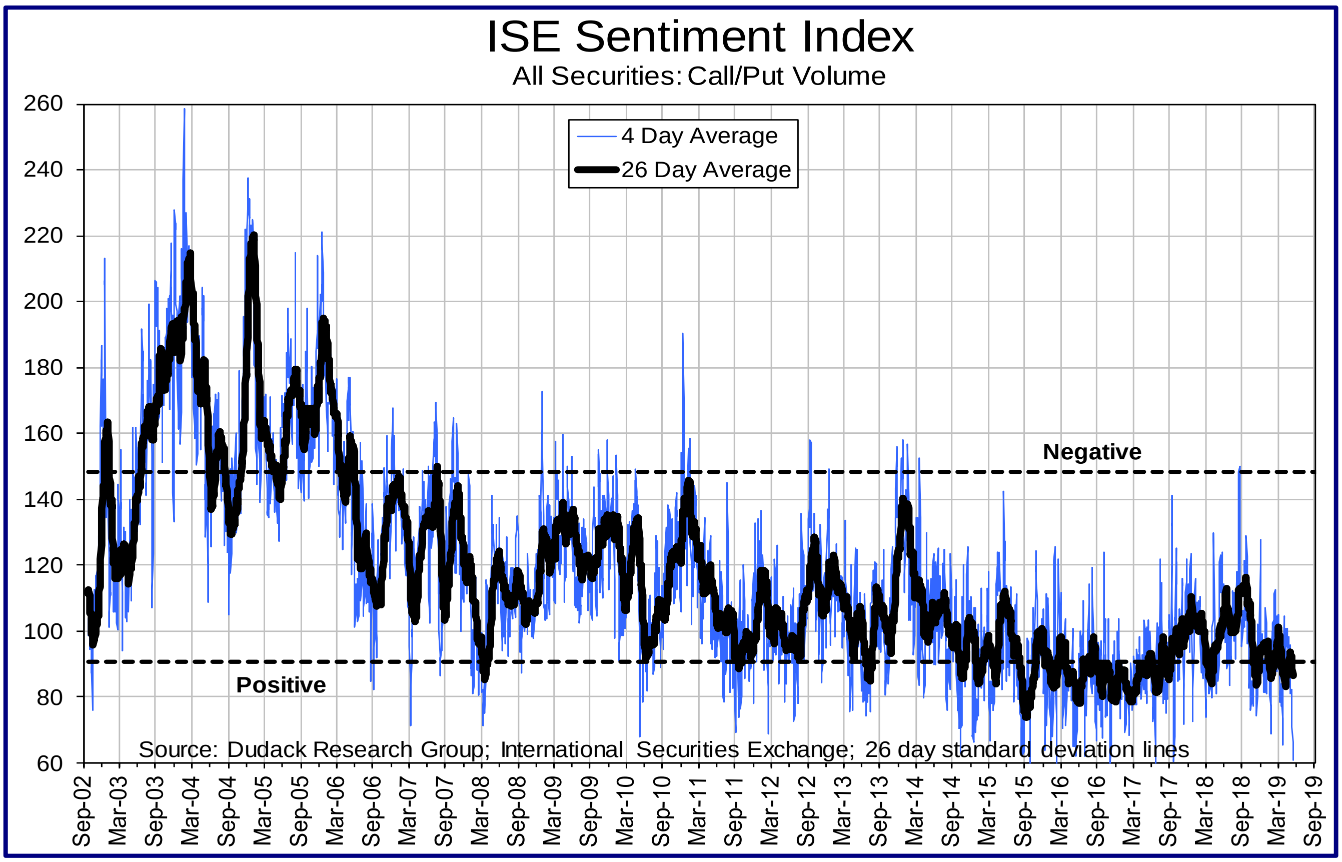






As of May 8, AAII bullish sentiment rose 4.1% to 43.1% and bearish sentiment rose 1.8% to 23.2%. The 8-week bull/bear spread remains neutral after 8 positive weeks in December and January. The ISE Sentiment index remained in positive territory for the second consecutive week.

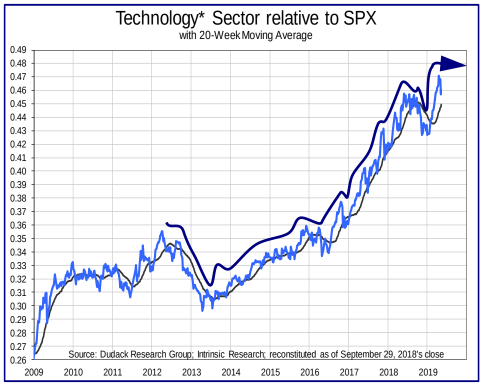


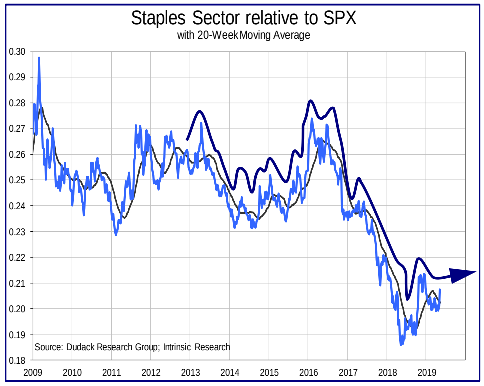


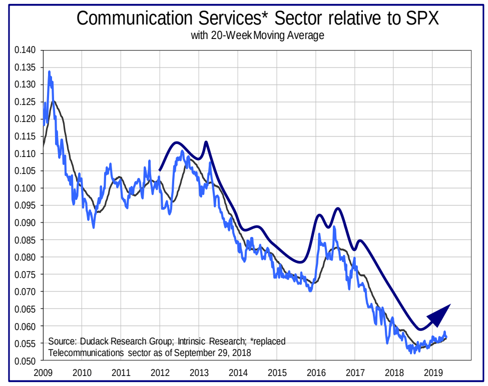
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Technology Healthcare Consumer Discretionary Utilities		Staples Industrials Financials Materials		Communication Services Energy REITS

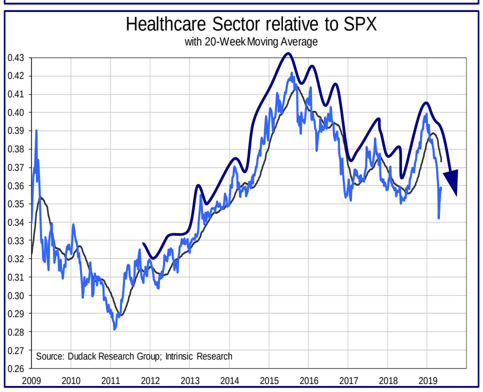
Healthcare, Consumer Discretionary and Utilities upgraded to Overweight; Financials downgraded to Neutral; Energy downgraded to Underweight; Staples upgraded to Neutral 12/13/18

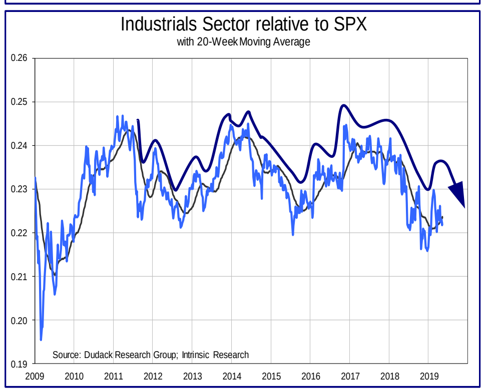
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO SP500 – WEEKLY PRICES

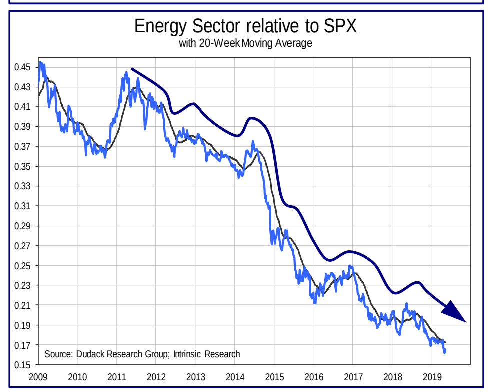


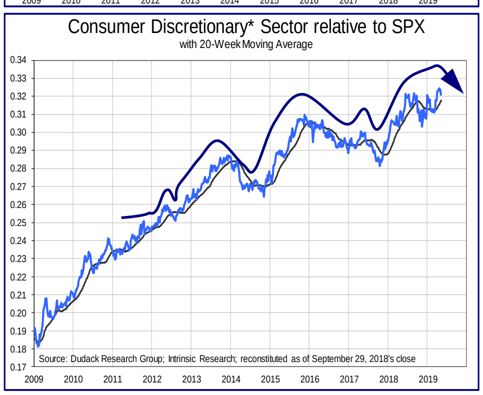


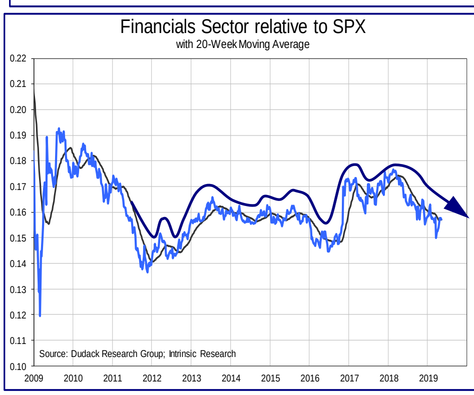


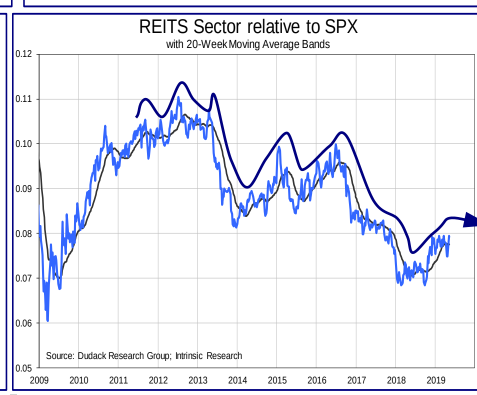


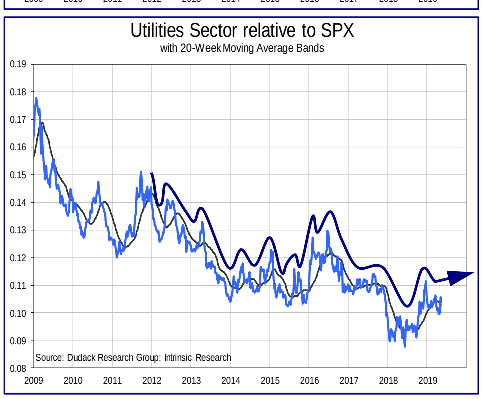


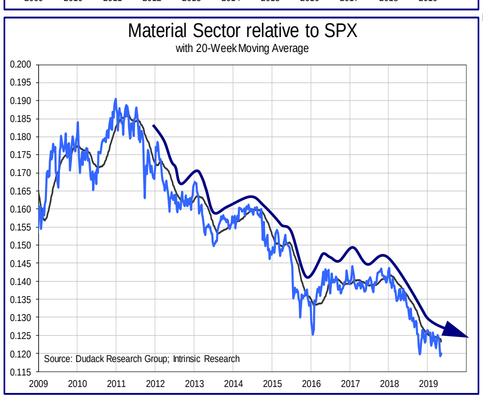












2019 Performance Year-to-Date - Ranked

SP500 Sector	% Change
S&P INFORMATION TECH	19.9%
S&P CONSUMER DISCRETIONARY	16.5%
S&P REITS	16.5%
S&P INDUSTRIALS	16.2%
S&P COMMUNICATIONS SERVICES	15.7%
S&P 500	13.1%
S&P FINANCIAL	12.5%
S&P CONSUMER STAPLES	12.2%
S&P ENERGY	10.7%
S&P UTILITIES	9.5%
S&P MATERIALS	7.4%
S&P HEALTH CARE	1.2%

Source: Dudack Research Group; Thomson Reuters; Monday closes

Global Markets - Ranked by Last 5-Day Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
iShares US Real Estate ETF	IYR	87.14	1.6%	-0.6%	0.1%	16.3%
United States Oil Fund, LP	USO	12.87	1.1%	-2.8%	3.0%	33.2%
SPDR Gold Trust	GLD	122.46	1.0%	0.7%	0.4%	1.0%
Gold Future	GCc1	1294.70	0.9%	0.7%	0.1%	1.3%
Oil Future	CLc1	61.78	0.8%	-2.7%	2.7%	36.0%
Utilities Select Sector SPDR	XLU	58.19	0.7%	0.1%	0.0%	10.0%
Consumer Staples Select Sector SPDR	XLP	57.04	0.5%	0.9%	1.7%	12.3%
iShares 20+ Year Treas Bond ETF	TLT	125.36	0.3%	2.0%	-0.9%	3.2%
iShares iBoxx $ Invest Grade Corp Bond	LQD	119.10	0.0%	0.2%	0.0%	5.6%
Energy Select Sector SPDR	XLE	63.72	0.0%	-5.1%	-3.6%	11.1%
iShares MSCI Canada ETF	EWC	27.86	-0.6%	-2.1%	0.8%	16.3%
iShares Silver Trust	SLV	14.37	-0.7%	-1.3%	-2.1%	-4.4%
iShares MSCI Australia ETF	EWA	21.25	-0.7%	-2.6%	-1.3%	10.4%
Silver Future	SIc1	14.75	-0.8%	-1.1%	-2.0%	-4.4%
iShares MSCI United Kingdom ETF	EWU	32.65	-0.9%	-3.7%	-1.1%	11.2%
iShares MSCI Germany ETF	EWG	27.77	-0.9%	-1.6%	3.2%	9.5%
Materials Select Sector SPDR	XLB	54.36	-0.9%	-6.0%	-2.1%	7.6%
iShares MSCI EAFE ETF	EFA	64.45	-1.0%	-3.0%	-0.6%	9.6%
iShares MSCI Austria Capped ETF	EWO	20.16	-1.0%	-6.1%	1.4%	9.8%
SPDR Homebuilders ETF	XHB	40.09	-1.1%	-1.3%	4.0%	23.3%
iShares MSCI Mexico Capped ETF	EWW	44.45	-1.1%	-4.0%	2.0%	7.9%
iShares Russell 1000 Value ETF	IWD	123.77	-1.1%	-2.0%	0.2%	11.5%
Health Care Select Sect SPDR	XLV	87.68	-1.4%	-2.7%	-4.4%	1.4%
SPDR DJIA ETF	DIA	255.81	-1.4%	-3.1%	-1.3%	9.7%
iShares MSCI Japan ETF	EWJ	53.59	-1.5%	-2.7%	-2.1%	5.7%
Shanghai Composite	.SSEC	2883.61	-1.5%	-9.3%	-3.7%	15.6%
Industrial Select Sector SPDR	XLI	74.87	-1.6%	-2.6%	-0.2%	16.2%
Vanguard FTSE All-World ex-US ETF	VEU	49.44	-1.6%	-3.9%	-1.4%	8.5%
DJIA	.DJI	25532.05	-1.7%	-3.2%	-1.5%	9.5%
SP500	**.SPX**	**2834.41**	**-1.7%**	**-2.4%**	**0.0%**	**13.1%**
iShares Russell 1000 ETF	IWB	157.61	-1.7%	-2.4%	0.2%	13.6%
PowerShares Water Resources Portfolio	PHO	33.65	-1.8%	-1.9%	-1.0%	19.3%
iShares MSCI Singapore ETF	EWS	23.94	-1.9%	-3.2%	0.9%	8.3%
Financial Select Sector SPDR	XLF	26.89	-1.9%	-0.3%	4.6%	12.9%
iShares Russell 1000 Growth ETF	IWF	151.85	-2.0%	-2.6%	0.3%	16.0%
iShares Russell 2000 Value ETF	IWN	121.28	-2.1%	-1.9%	1.2%	12.8%
iShares US Telecomm ETF	IYZ	28.77	-2.2%	-6.7%	-3.3%	9.2%
iShares MSCI Malaysia ETF	EWM	28.47	-2.2%	-3.7%	-4.9%	-4.4%
Consumer Discretionary Select Sector SPDR	XLY	114.95	-2.2%	-3.1%	1.0%	16.1%
iShares MSCI India ETF	INDA.K	33.40	-2.4%	-5.9%	-5.2%	0.2%
Guggenheim BRIC ETF	EEB	35.16	-2.4%	-4.6%	-4.4%	9.6%
iShares Russell 2000 ETF	IWM	153.54	-2.5%	-2.3%	0.3%	14.7%
Technology Select Sector SPDR	XLK	74.49	-2.7%	-3.0%	0.7%	20.2%
SPDR Communication Services ETF	XLC	47.86	-2.7%	-2.4%	2.3%	15.9%
iShares MSCI Brazil Capped ETF	EWZ	38.97	-2.9%	-4.1%	-4.9%	2.0%
iShares Russell 2000 Growth ETF	IWO	195.69	-2.9%	-2.5%	-0.5%	16.5%
Nasdaq Composite Index Tracking Stock	ONEQ.O	303.90	-3.0%	-2.8%	0.4%	16.9%
iShares Nasdaq Biotechnology ETF	IBB.O	102.44	-3.0%	-7.1%	-8.4%	6.2%
iShares China Large Cap ETF	FXI	41.27	-3.0%	-8.2%	-6.8%	5.6%
iShares MSCI Emerg Mkts ETF	EEM	41.15	-3.1%	-6.7%	-4.1%	5.4%
NASDAQ 100	NDX	7401.88	-3.1%	-3.1%	0.3%	16.9%
iShares MSCI Hong Kong ETF	EWH	25.22	-3.2%	-4.7%	-3.8%	11.7%
SPDR S&P Bank ETF	KBE	43.54	-3.5%	-1.0%	4.2%	16.6%
iShares DJ US Oil Eqpt & Services ETF	IEZ	22.64	-3.5%	-14.1%	-10.4%	10.9%
SPDR S&P Retail ETF	XRT	43.05	-3.7%	-4.9%	-4.4%	5.0%
SPDR S&P Semiconductor ETF	XSD	81.29	-4.2%	-4.3%	3.5%	25.6%
iShares MSCI Taiwan ETF	EWT	33.94	-4.3%	-4.4%	-1.9%	7.3%
iShares MSCI South Korea Capped ETF	EWY	56.47	-4.8%	-11.6%	-7.4%	-4.1%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters   Priced as of close May 14, 2019

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 %	Thomson Consensus Bottom-Up $ EPS**	Thomson Consensus Bottom-Up EPS YOY%	DRG's Op PE Ratio	S&P Divd Yield	GDP Annual Rate	GDP Profits post-tax w/ IVA & CC	YOY %
2002	879.82	$27.59	**$46.04**	$46.04	18.5%	**$46.89**	NA	19.1X	1.8%	1.7%	$714.80	29.8%
2003	1111.92	$48.74	**$54.69**	$54.69	18.8%	**$55.44**	18.4%	20.3X	1.6%	2.9%	$812.60	13.7%
2004	1211.92	$58.55	**$67.68**	$67.68	23.8%	**$67.10**	20.9%	17.9X	1.8%	3.8%	$977.30	20.3%
2005	1248.29	$69.93	**$76.45**	$76.45	13.0%	**$76.28**	13.7%	16.3X	1.8%	3.5%	$1,065.30	9.0%
2006	1418.30	$81.51	**$87.72**	$87.72	14.7%	**$88.18**	15.6%	16.2X	1.8%	2.9%	$1,173.10	10.1%
2007	1468.36	$66.18	**$82.54**	$82.54	-5.9%	**$85.12**	-3.5%	17.8X	1.8%	1.9%	$1,083.50	-7.6%
2008	903.25	$14.88	**$49.51**	$49.51	-40.0%	**$65.47**	-23.1%	18.2X	2.5%	-0.1%	$976.00	-9.9%
2009	1115.10	$50.97	**$56.86**	$56.86	14.8%	**$60.80**	-7.1%	19.6X	2.6%	-2.5%	$1,182.60	14.8%
2010	1257.64	$77.35	**$83.77**	$83.77	47.3%	**$85.28**	40.3%	15.0X	1.9%	2.6%	$1,456.20	23.1%
2011	1257.60	$86.95	**$96.44**	$96.44	15.1%	**$97.82**	14.7%	13.0X	2.0%	1.6%	$1,528.70	5.0%
2012	1426.19	$86.51	**$96.82**	$96.82	0.4%	**$103.80**	6.1%	14.7X	2.1%	2.2%	$1,662.50	8.8%
2013	1848.36	$100.20	**$107.30**	$107.30	10.8%	**$109.68**	5.7%	17.2X	2.0%	1.8%	$1,647.90	-0.9%
2014	2127.83	$102.31	**$113.01**	$113.01	5.3%	**$118.78**	8.3%	18.8X	2.1%	2.5%	$1,711.50	3.9%
2015	2043.94	$86.53	**$100.45**	$100.45	-11.1%	**$118.20**	-0.5%	20.3X	2.1%	2.9%	$1,660.10	-3.0%
2016	2238.83	$94.55	**$106.26**	$106.26	5.8%	**$118.10**	-0.1%	21.1X	1.9%	1.6%	$1,642.10	-1.1%
2017	2673.61	$109.88	**$124.51**	$124.51	17.2%	**$132.00**	11.8%	21.5X	1.9%	2.2%	$1,748.60	6.5%
2018	2506.85	$132.39	**$151.60**	$151.60	21.8%	**$161.93**	22.7%	16.5X	1.9%	2.9%	$2,076.20	18.7%
2019E	~~~~~~	$151.44	**$165.62**	$167.00	10.2%	**$167.31**	3.3%	17.0X	NA	NA	NA	NA
2020E		$154.73	**$170.07**	$186.00	11.4%	**$186.90**	11.7%	15.2X	NA	NA	NA	NA
2013 1Q	1569.19	$24.22	$25.77	$25.77	6.3%	$26.74	4.5%	16.0	2.0%	3.6%	$1,622.70	-4.9%
2013 2Q	1606.28	$24.87	$26.36	$26.36	3.7%	$27.40	6.0%	16.2	2.1%	0.5%	$1,642.90	-1.8%
2013 3Q	1681.55	$24.63	$26.92	$26.92	12.2%	$27.63	6.3%	16.5	2.0%	3.2%	$1,646.20	0.2%
2013 4Q	1848.36	$26.48	$28.25	$28.25	22.0%	$28.62	8.7%	17.2	1.9%	3.2%	$1,679.80	3.1%
2014 1Q	1872.34	$24.87	$27.32	$27.32	6.0%	$28.18	5.4%	17.2	1.9%	-1.0%	$1,577.20	-2.8%
2014 2Q	1960.23	$27.14	$29.34	$29.34	11.3%	$30.07	9.7%	17.5	1.9%	5.1%	$1,710.20	4.1%
2014 3Q	1972.29	$27.47	$29.60	$29.60	10.0%	$30.04	8.7%	17.2	2.0%	4.9%	$1,792.20	8.9%
2014 4Q	2058.90	$22.83	$26.75	$26.75	-5.3%	$30.54	6.7%	18.2	1.9%	1.9%	$1,766.20	5.1%
2015 1Q	2108.88	$21.81	$25.81	$25.81	-5.5%	$28.60	1.5%	18.9	2.0%	3.3%	$1,716.30	8.8%
2015 2Q	2166.05	$22.80	$26.14	$26.14	-10.9%	$30.09	0.1%	20.0	2.0%	3.3%	$1,680.60	-1.7%
2015 3Q	1920.03	$23.22	$25.44	$25.44	-14.1%	$29.99	-0.2%	18.4	2.2%	1.0%	$1,665.10	-7.1%
2015 4Q	2043.94	$18.70	$23.06	$23.06	-13.8%	$29.52	-3.3%	20.3	2.1%	0.4%	$1,578.20	-10.6%
2016 1Q	2059.74	$21.72	$23.97	$23.97	-7.1%	$26.96	-5.7%	20.9	2.1%	1.5%	$1,610.80	-6.1%
2016 2Q	2098.86	$23.28	$25.70	$25.70	-1.7%	$29.61	-1.6%	21.4	2.1%	2.3%	$1,632.20	-2.9%
2016 3Q	2168.27	$25.39	$28.69	$28.69	12.8%	$31.21	4.1%	21.4	2.1%	1.9%	$1,631.60	-2.0%
2016 4Q	2238.83	$24.16	$27.90	$27.90	21.0%	$31.30	6.0%	21.1	2.0%	1.8%	$1,693.90	7.3%
2017 1Q	2362.72	$27.46	$28.82	$28.82	20.2%	$30.90	14.6%	21.3	2.0%	1.8%	$1,707.80	6.0%
2017 2Q	2423.41	$27.01	$30.51	$30.51	18.7%	$32.58	10.0%	20.9	1.9%	3.0%	$1,733.70	6.2%
2017 3Q	2519.36	$28.45	$31.33	$31.33	9.2%	$33.45	7.2%	21.2	1.9%	2.8%	$1,735.90	6.4%
2017 4Q	2673.61	$26.96	$33.85	$33.85	21.3%	$36.02	15.1%	21.5	1.8%	2.3%	$1,816.80	7.3%
2018 1Q	2640.87	$33.02	$36.54	$36.54	26.8%	$38.07	23.2%	20.0	1.9%	2.2%	$1,965.30	15.1%
2018 2Q	2718.37	$34.05	$38.65	$38.65	26.7%	$41.00	25.8%	19.4	1.9%	4.2%	$2,007.50	15.8%
2018 3Q	2913.98	$36.36	$41.38	$41.38	32.1%	$42.66	27.5%	19.4	1.8%	3.4%	$2,076.80	19.6%
2018 4Q	2506.85	$28.96	$35.03	$35.03	3.5%	$41.18	14.3%	16.5	2.1%	2.2%	$2,076.20	14.3%
2019 1QE	2834.40	$35.36	$38.13	$36.75	0.6%	$38.91	2.2%	18.5	1.9%	3.2%	NA	NA
2019 2QE*	2834.41	$36.70	$40.30	$42.35	9.6%	$40.82	-0.4%	18.3	NA	NA	NA	NA
2019 3QE		$38.98	$42.94	$44.15	6.7%	$43.39	1.7%	18.1	NA	NA	NA	NA
2019 4QE		$40.40	$44.25	$43.75	24.9%	$44.62	8.4%	17.1	NA	NA	NA	NA
2020 1QE		$38.65	$42.58	$42.00	14.3%	$43.04	10.6%	16.7	NA	NA	NA	NA
2020 2QE		$41.01	$45.47	$45.00	6.3%	$46.05	12.8%	16.2	NA	NA	NA	NA
2020 3QE		$43.47	$47.77	$50.00	13.3%	$48.32	11.4%	15.7	NA	NA	NA	NA
2020 4QE		$44.85	$49.21	$49.00	12.0%	$49.72	11.4%	15.3	NA	NA	NA	NA

Source: Dudack Research Group; Standard & Poors; Thomson Reuters Consensus estimates; **Thomson quarters may not sum to CY *5/14/2019

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