DRG Dudack Research Group
A Division of Wellington Shields & Co. LLC. Member NYSE, FINRA & SIPC
Gail M. Dudack, CMT ● Chief Investment Strategist ● gail@dudackresearchgroup.com ● 212-320-2045 September 29, 2021

DJIA: 34299.99
SPX: 4352.63
NASDAQ: 14546.68

US Strategy Weekly
Weakening Underpinnings

In a recent US STRATEGY WEEKLY ("*Earnings Estimates and Inflation*" August 25, 2021) we wrote that we thought the trend of the 2021 equity market could be simplified into two main positive components: 1.) a strong earnings rebound and 2.) historically easy monetary policy. Therefore, we are not surprised by this week's sell-off since both of these underpinnings are currently coming under pressure.

EARNINGS
As we noted last week, consensus earnings forecasts may have made an important shift in late August. Very simply, after more than a year of steadily rising earnings estimates, forecasts are beginning to edge lower. And while estimates still reflect a positive growth rate for 2021 and 2022, these growth rates are falling, and this is noteworthy. Steadily rising earnings estimates have provided a continuous incentive to buy stocks while also providing good fundamental support in the event of any negative news shock. But now, with estimates drifting lower, downside support is less definable and reliable. This change could result in less demand for stocks and could make speculators more cautious in the final quarter of the year.

As an example of the current earnings shift, the S&P Dow Jones and IBES Refinitiv estimates for 2021 decreased $0.30 and $0.40, to $198.32 and $200.63, respectively, this week. Similarly, estimates for 2022 fell $0.35 and $0.42, bringing full year forecasts to $217.69 and $219.93, respectively. According to IBES estimates, with the SPX at 4360, the market is trading at 23.4 times trailing 12-month and 19.8 times next calendar year's earnings forecasts. Neither multiple is cheap when compared to its respective long-term PE average of 15.8 times trailing or 17.7 times forward earnings. And unfortunately, estimates are being shaved just ahead of third quarter earnings season, which will make third quarter results and CEO comments on future earnings growth more important than ever. Also, analysts have theorized that the proposed Biden corporate tax rate changes could shave an additional 5% off earnings in 2022 which would make current 2022 estimates too high. In sum, investors may no longer be able to rely on rising earnings growth to boost stock prices in the months ahead.

MONETARY POLICY
In another turnaround, Federal Reserve Chairman Jerome Powell, in remarks delivered to the Senate Banking Committee on Tuesday, cautioned legislators that inflation is higher and lasting longer than he anticipated. In fact, Powell noted that as the economy continues to recover from the pandemic the increase in demand is putting more upward pressure on prices and supply bottlenecks in a number of sectors have not abated as expected. In our opinion, Powell's comments should not have surprised investors since we saw few signs that inflation was indeed temporary. Yet it did seem to catch investors off guard, and the 10-year Treasury note yield jumped from 1.48% to 1.53%. Technology stocks swooned in response to the rise in interest rates which is a normal reaction for growth stocks. In most valuation models, the 3-month or 10-year Treasury yield is used as the risk-free rate to measure the relative attractiveness of equities to bonds. As interest rates rise, stocks with higher PE multiples and little or no dividend yield will look less attractive in these models. Along with Chairman Powell's comments this week are comments from other Fed governors that monetary policy is about to change. At separate speaking engagements this week, Fed Governor Lael Brainard and regional presidents John Williams of New York and Charles Evans of Chicago all indicated that they are comfortable with a first phase of tapering and that a gradual pullback of monthly

bond buying is appropriate. Quantitative easing has helped to support markets and the economy since March 2020. But comments from Chairman Powell and other Fed officials this week suggest investors may no longer be able to rely on monetary policy to support stock prices in the months ahead.

Geopolitical Backdrop

Neither a slowdown in earnings growth nor a shift in monetary policy are insurmountable hurdles for equities; however, both changes suggest the "easy" part of the bull market may be over. Meanwhile, a number of issues in the geopolitical/economic environment could become major problems. Perhaps the most worrisome is China's power crunch which has been triggered by a shortage of coal supplies. At least 20 Chinese provinces and regions which make up more than 66% of the country's gross domestic product, have announced some form of power cuts, mostly targeted at heavy industrial users. These power cuts have halted production at numerous factories including those that supply Apple (AAPL - $141.91), Tesla (TSLA - $777.56), and Toyota (TM -$184.85) and is expected to impact the production of steel, aluminum, and cement. It will reverberate through many global sectors including chemical producers, carmakers, building supplies and shipping companies. Overall, this could easily become a much bigger problem than the Evergrande crisis which continues to overhang the Chinese property market.

Plus, China's energy shortage it is putting pressure on oil prices and lifted WTI (CLc1 - $74.26) over $75 a barrel this week which will put more pressure on global inflation. In short, China's energy/property crises could easily slow global growth and increase inflation around the world. In the US, potential monetary policy changes are pushing interest rates higher at a time when Congress is threatening individuals and corporations with higher tax rates. Both will slow growth. Bull markets are known to "climb a wall of worry," and it appears there will be many worries in the fourth quarter.

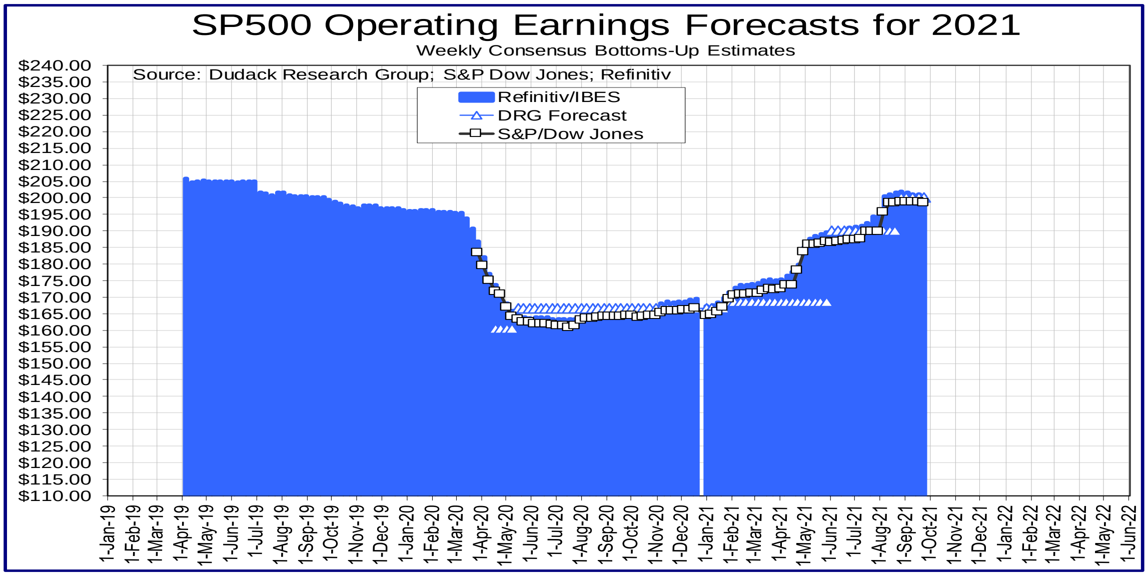
And there are more international concerns. In the UK, a combination of the pandemic and the county's departure from the European Union are resulting in a shortage of tanker drivers to transport fuel across the country. Media reports of a handful of gas stations closing due to dwindling supplies triggered panic buying in Britain and created massive lines at gas stations. In Germany, a lack of clarity about the composition of the next government following Merkel's departure, is creating a crisis for the European Union. Without a clear government in Germany a range of decisions from economic policy to defense are being delayed in the EU. In the background, many countries in East Asia and the Pacific continue to face major setbacks in their recovery from the coronavirus. There is no shortage of worries in the globe.

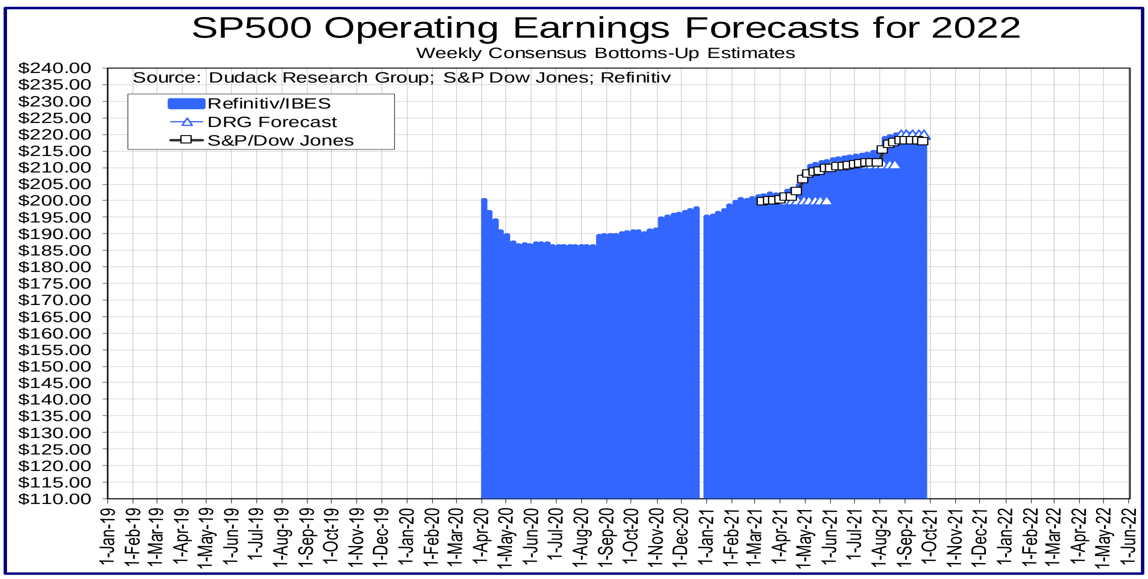
The debt ceiling will become a major financial topic in coming days. But keep in mind that the US government has been shut down several times due to a debt ceiling crisis, most notably in 1995 (one 5 day and one 21 day stretch), 2011 (when Treasury Secretary Timothy Geithner utilized "extraordinary measures" such as the sale of assets from the Civil Service Retirement and Disability Fund and the G Fund of the Thrift Savings Plan to acquire funds) and 2013 (which stretched on for months and also included "extraordinary measures" to pay obligations). Typically, a government shutdown includes the closure of national parks and any other nonessential personnel to save cash flow for social security payments and payments on debt. In general, the debt ceiling debate has been a political game of hot potato.

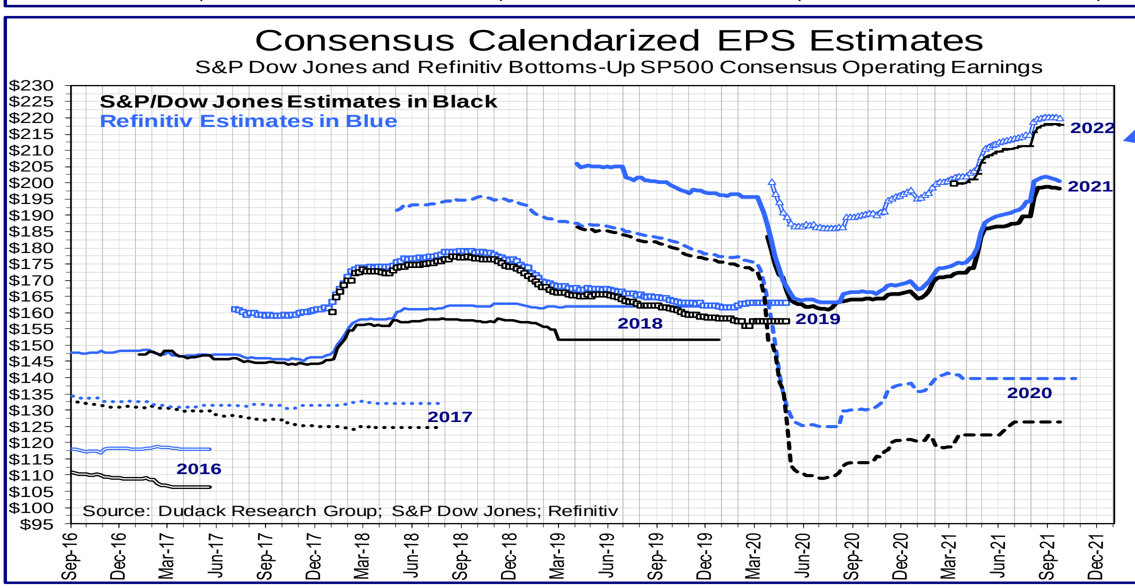
Technical Wrap Up

There was little change in the technical condition of the equity market this week. However, the popular indices and their moving averages may be the most interesting of all technical indicators. The SPX and Nasdaq Composite are currently testing their 100-day moving averages which is normal in a bull market. The DJIA has broken its 50 and 100-day moving averages but still trades above its 200-day MA. The Russell 2000 is the most important index in our view having broken below its long-term 200-day moving average last week yet is holding slightly above this level (now 2213) currently. The RUT is the best representation of the broad-based market; therefore, holding above this 200-day moving average may be critical for the overall market. In general, the underpinnings of the equity market appear to be deteriorating and a defensive position including holding energy or financial and those stocks with good dividend yields and lower-than-average PE multiples may be the best strategy for the fourth quarter.

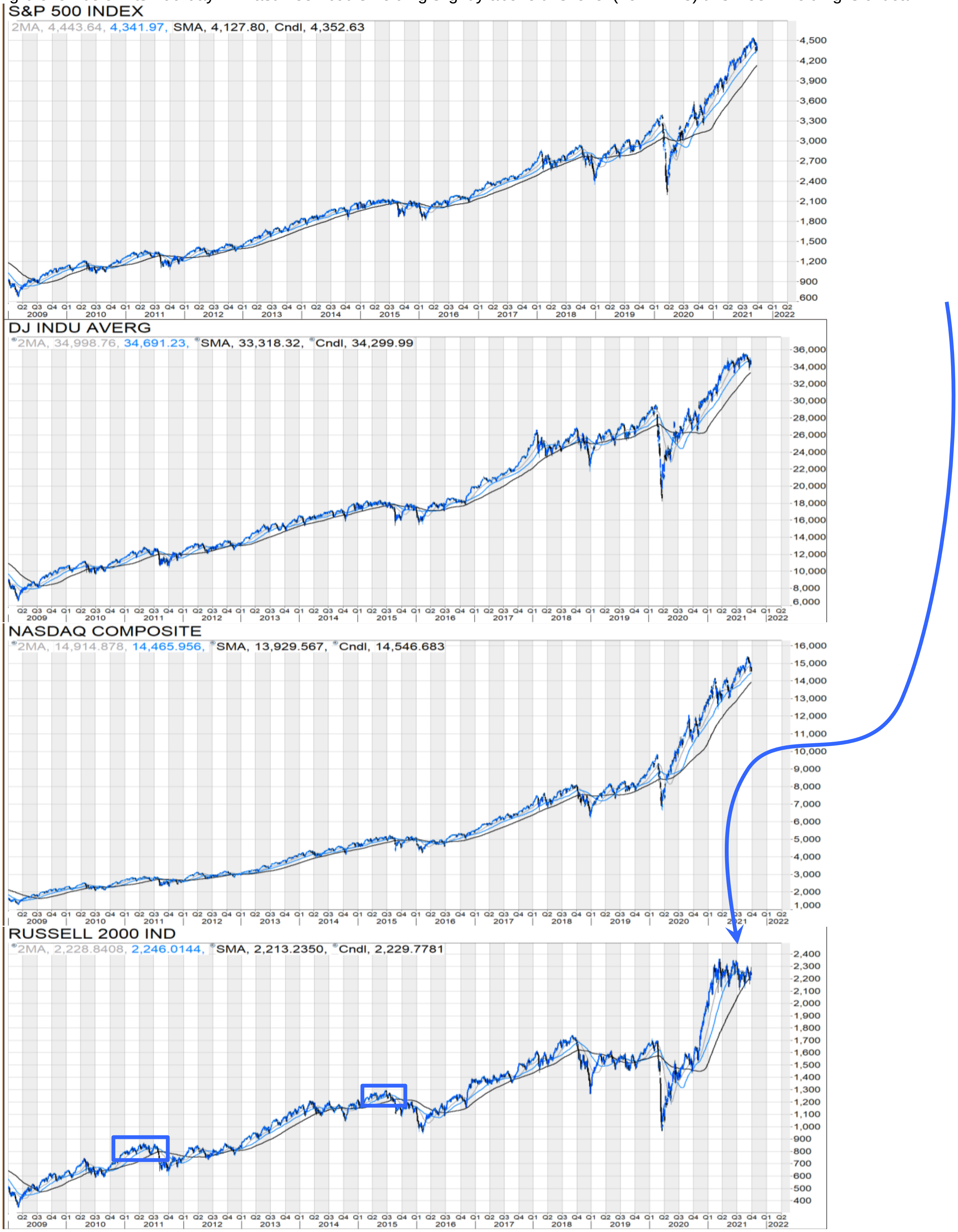
Consensus earnings forecasts for 2021 took a turn in recent weeks. The S&P estimate fell $0.30 to $198.32 and the IBES Refinitiv estimate dropped $0.40 to $200.63. Estimates for 2022 were also similarly lower at $217.69 and $219.93, respectively. Both consensus estimates are forecasting earnings growth of less than 10% for next year.







The popular indices are in various configurations versus their moving averages. The SPX and IXIC are testing their 100-day moving averages. The DJIA is below both the 50 and 100-day MA's but remains above its 200-day MA. The RUT is the most important index in our view having broken below its 200-day MA last week but is holding slightly above this level (now 2213) this week. Holding is critical.



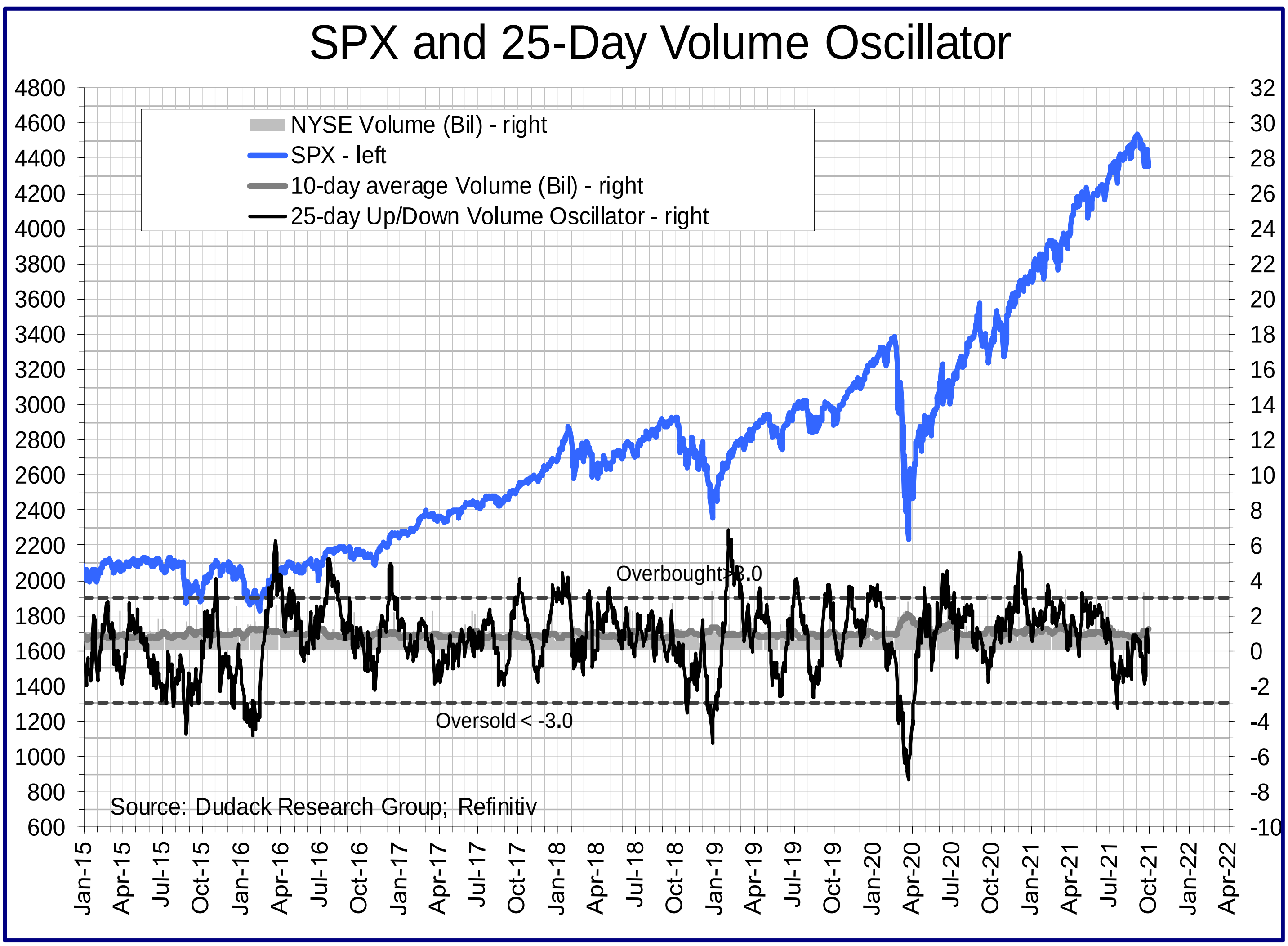
Source: Refinitiv

Despite September highs in the popular indices, the 25-day up/down volume oscillator is at negative 0.04 and has been in the lower half of the neutral range for most trading days since June. These weak readings indicate that there has been more selling volume than buying volume over the last three months.

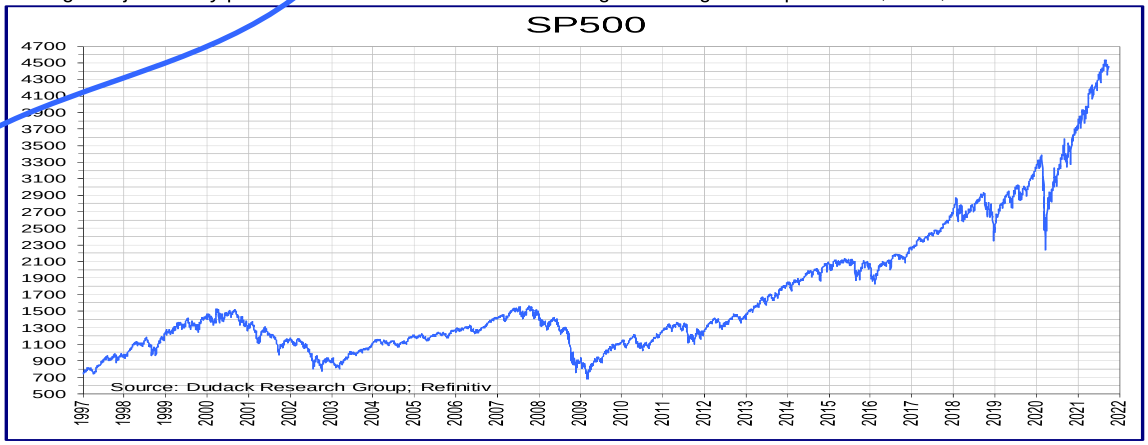
This oscillator has not recorded an overbought reading since April 29 (a one day reading) which is very unusual for a bull market. An absence of overbought readings coupled with a one-day oversold reading on July 19 reveals that the advance has not been supported by solid or consistent buying pressure.

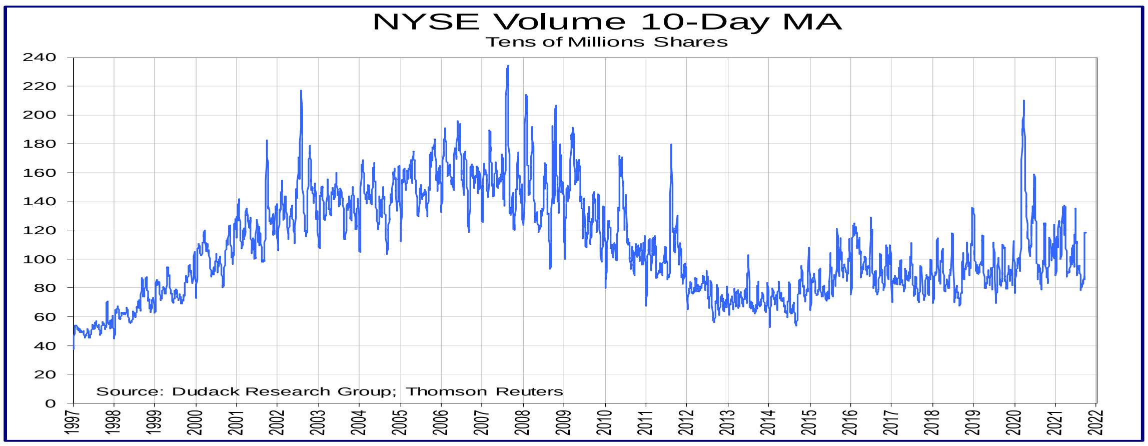
Prior to April 29 there was a minimal five consecutive trading days in overbought territory between February 4 and February 10. In sum, the February readings confirmed the record highs in the broad indices at that time; but since then, there have been no confirmations of record highs.

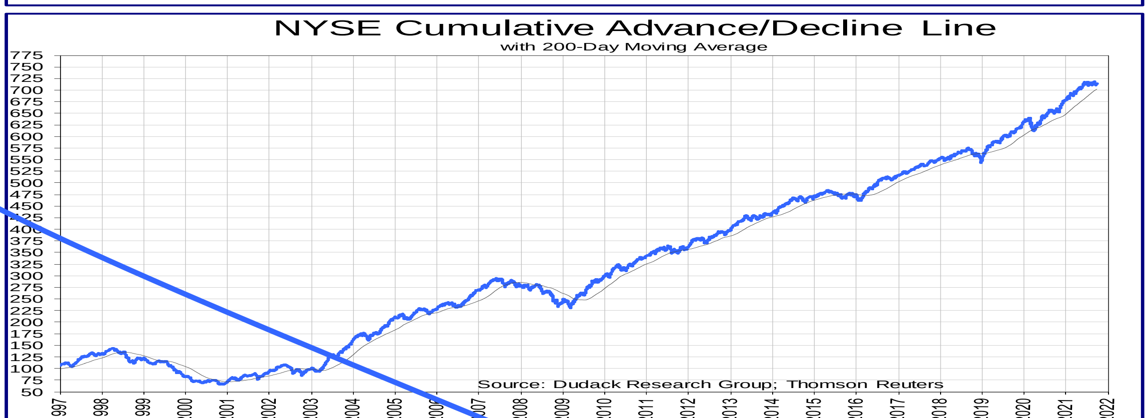
Our 25-day up down volume oscillator measures buying and selling momentum and it is showing that as the indices have been moving higher, volume in advancing stocks is declining and volume in declining stocks is increasing. This is a sign of waning demand and of investors selling into strength. The longer this volume non-confirmation of new highs continues the greater the downside risk to the broader market.

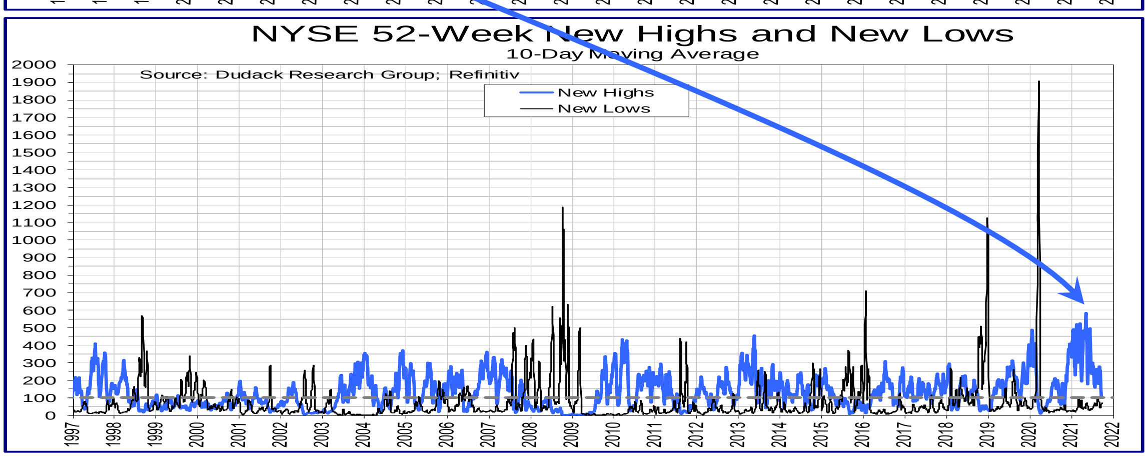


The 10-day average of daily new highs hit 589 on May 10, a record high and beating the 10-day new high average of 526 on March 18 and the 489 record of January 22, 2000. Note: the 2000 advance peaked in March. The 10-day average of daily new highs was 108 this week. Daily new lows of 79 are neutral. The level of new highs is just barely positive. The A/D line made a confirming record high on September 2, 2021, its last record since July 2.

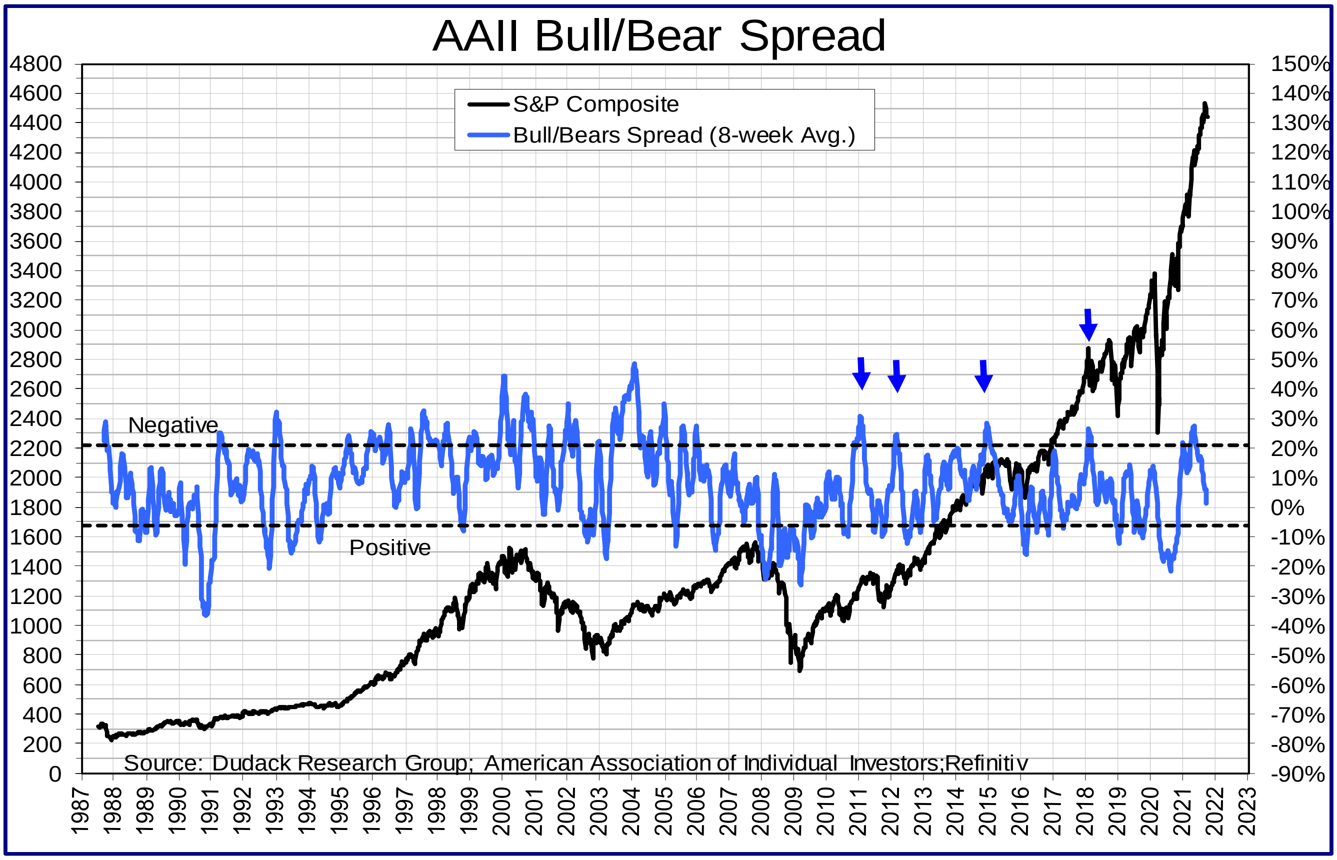


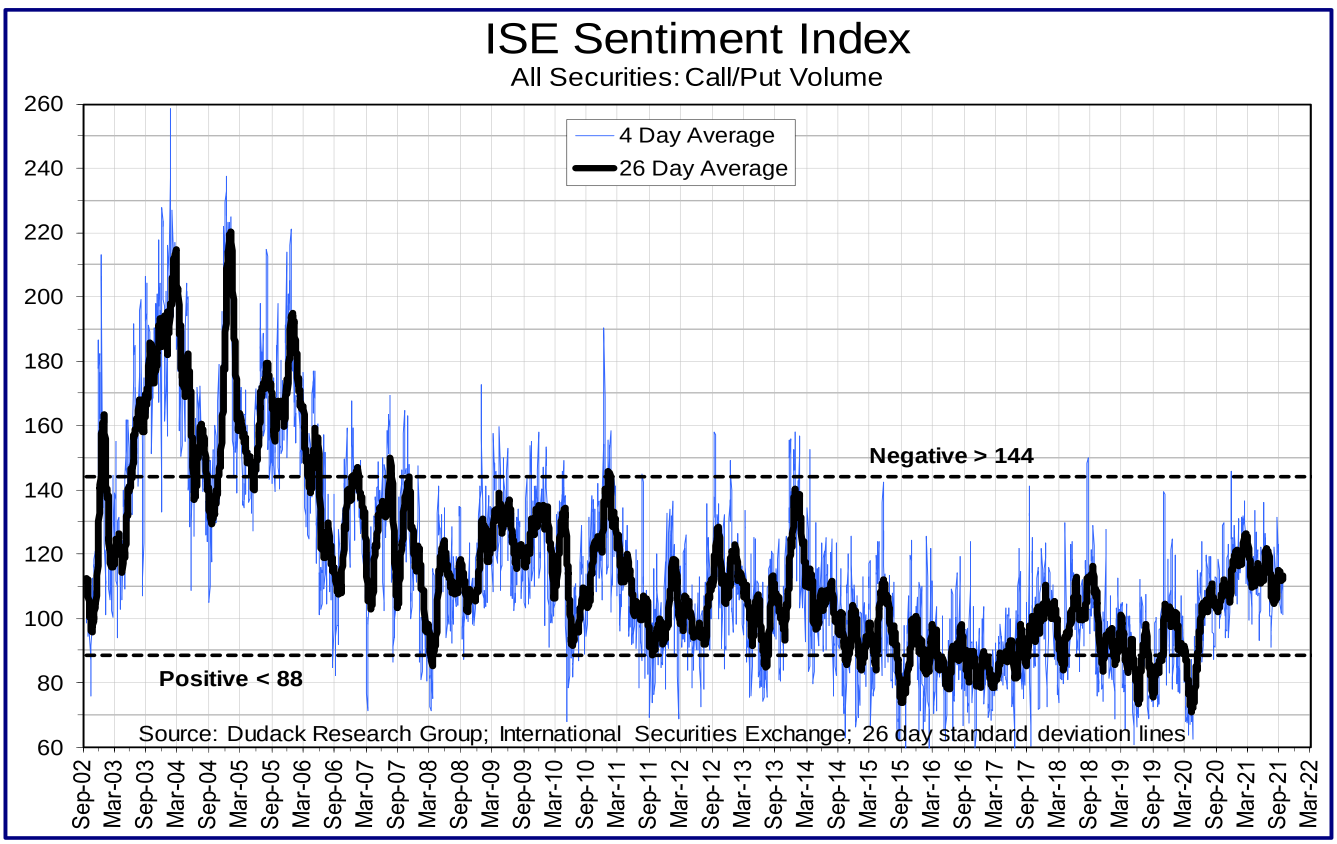




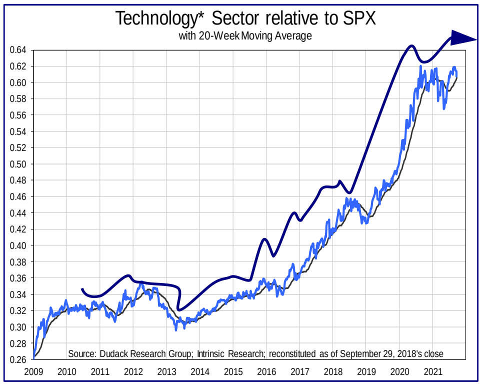


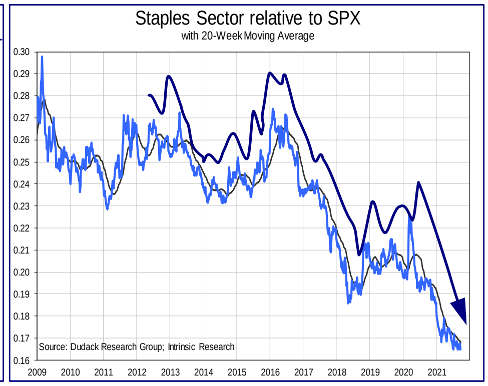
Bullish sentiment rose 7.5 to 29.9%, below 30% for the second consecutive week, and is below the historical average of 38.0% for the 8th time in 11 weeks. Bearish sentiment fell 0.1 points to 39.2%, the 7th time in 8 weeks above the historical average of 30.5%. Nonetheless, our 8-week bull/bear spread is neutral. The ISE Sentiment index shifted from favorable to neutral on June 1, 2020.

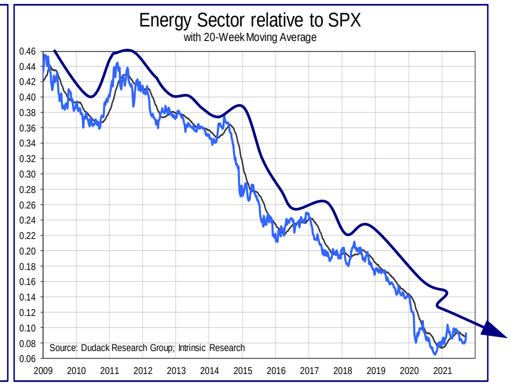


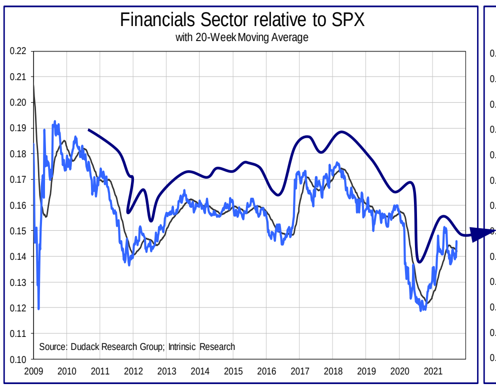


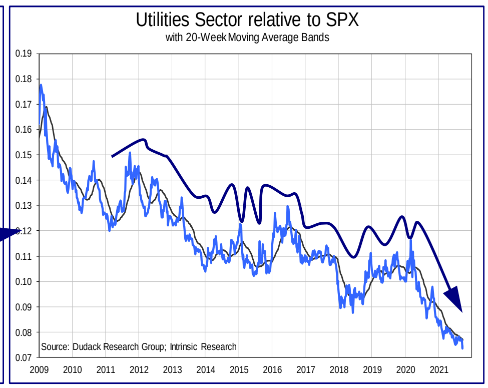
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

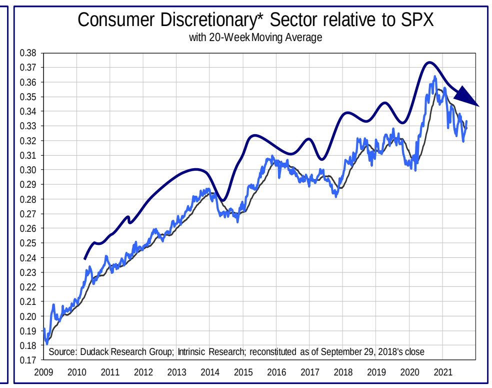


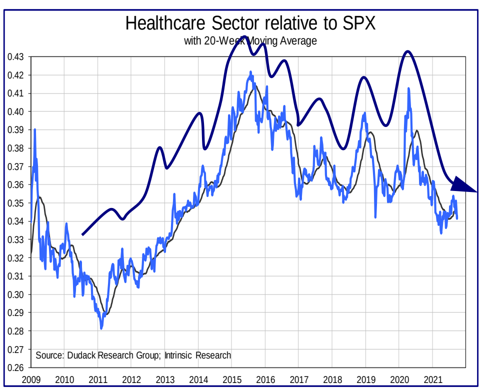


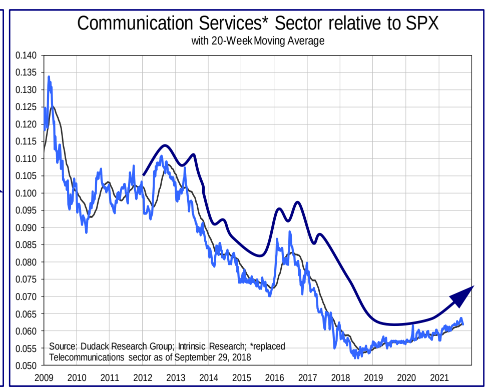


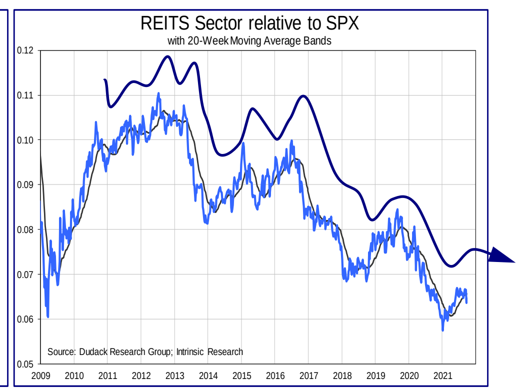


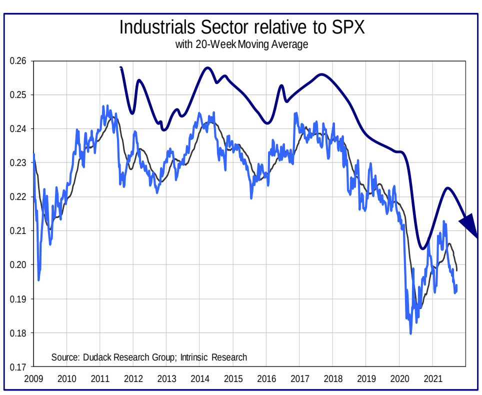


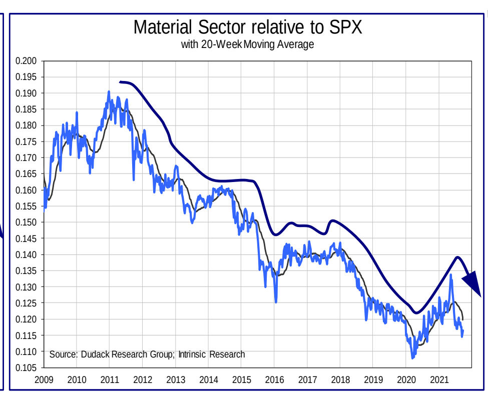












2021 Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	40.4%
S&P FINANCIAL	29.4%
S&P REITS	23.2%
S&P COMMUNICATIONS SERVICES	21.6%
S&P 500	15.9%
S&P INFORMATION TECH	15.4%
S&P HEALTH CARE	12.7%
S&P INDUSTRIALS	12.6%
S&P CONSUMER DISCRETIONARY	11.3%
S&P MATERIALS	11.2%
S&P CONSUMER STAPLES	3.7%
S&P UTILITIES	1.3%

Source: Dudack Research Group; Refinitiv; Monday closes

GLOBAL MARKETS - RANKED BY 2021 TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
United States Oil Fund, LP	USO	52.40	5.7%	8.8%	5.1%	58.7%
Oil Future	CLc1	74.38	3.0%	8.2%	1.2%	53.3%
SPDR S&P Retail ETF	XRT	94.76	2.6%	-1.5%	-2.5%	47.3%
Energy Select Sector SPDR	XLE	52.89	11.7%	7.3%	-1.8%	39.6%
Financial Select Sector SPDR	XLF	38.10	4.4%	-2.3%	3.8%	29.2%
SPDR Homebuilders ETF	XHB	73.73	-0.5%	-6.2%	0.7%	27.9%
SPDR S&P Bank ETF	KBE	53.17	8.6%	0.6%	3.6%	27.1%
iShares MSCI Austria Capped ETF	EWO	25.04	1.5%	-0.4%	4.5%	26.3%
iShares DJ US Oil Eqpt & Services ETF	IEZ	13.98	11.6%	4.2%	-8.7%	24.4%
iShares Russell 2000 Value ETF	IWN	161.61	3.1%	-1.9%	-2.5%	22.7%
iShares MSCI India ETF	INDA.K	49.01	-0.4%	3.0%	10.8%	21.9%
iShares US Real Estate ETF	IYR	103.22	-2.8%	-3.7%	1.3%	20.5%
PowerShares Water Resources Portfolio	PHO	55.39	-1.5%	-5.4%	3.5%	19.2%
iShares MSCI Canada ETF	EWC	36.50	0.9%	-2.8%	-2.1%	18.4%
iShares MSCI Taiwan ETF	EWT	62.78	0.3%	-1.8%	-1.8%	18.3%
SPDR S&P Semiconductor ETF	XSD	200.48	-0.1%	-1.4%	4.2%	17.4%
SP500	.SPX	4352.63	0.0%	-3.5%	1.3%	15.9%
iShares Russell 1000 Value ETF	IWD	158.44	1.1%	-3.2%	-0.1%	15.9%
Technology Select Sector SPDR	XLK	150.59	-1.2%	-4.7%	2.0%	15.8%
iShares Russell 1000 ETF	IWB	244.14	-0.5%	-3.8%	0.9%	15.2%
iShares Russell 1000 Growth ETF	IWF	276.51	-1.9%	-4.2%	1.9%	14.7%
NASDAQ 100	NDX	14770.30	-1.7%	-4.3%	1.5%	14.6%
Consumer Discretionary Select Sector SPDR	XLY	182.31	1.3%	0.3%	2.1%	13.4%
iShares MSCI Mexico Capped ETF	EWW	48.56	-0.7%	-2.8%	1.2%	13.0%
Nasdaq Composite Index Tracking Stock	ONEQ.O	56.64	-1.2%	-3.6%	0.5%	12.9%
iShares Russell 2000 ETF	IWM	221.29	1.7%	-2.3%	-3.5%	12.9%
Health Care Select Sect SPDR	XLV	127.87	-2.6%	-5.0%	1.5%	12.7%
Industrial Select Sector SPDR	XLI	99.78	1.5%	-4.9%	-2.6%	12.7%
SPDR DJIA ETF	DIA	342.92	1.1%	-3.3%	-0.6%	12.1%
DJIA	.DJI	34299.99	1.1%	-3.3%	-0.6%	12.1%
Materials Select Sector SPDR	XLB	80.69	1.8%	-6.1%	-2.0%	11.5%
iShares MSCI United Kingdom ETF	EWU	32.14	0.1%	-3.2%	-1.7%	9.7%
Gold Future	GCc1	2147.10	0.2%	1.0%	3.0%	9.5%
iShares MSCI EAFE ETF	EFA	78.50	-1.6%	-2.7%	-0.5%	7.6%
iShares US Telecomm ETF	IYZ	32.46	-1.8%	-5.7%	-2.3%	7.4%
Shanghai Composite	.SSEC	3602.22	-0.3%	2.9%	0.4%	7.1%
iShares Nasdaq Biotechnology ETF	IBB.O	162.13	-5.5%	-5.6%	-0.9%	7.0%
iShares MSCI Singapore ETF	EWS	22.95	0.1%	-1.3%	-1.2%	6.8%
iShares MSCI Japan ETF	EWJ	71.03	-2.7%	4.3%	5.2%	5.1%
Vanguard FTSE All-World ex-US ETF	VEU	61.24	-1.0%	-3.2%	-3.4%	4.9%
iShares MSCI Germany ETF	EWG	33.31	-0.7%	-4.9%	-3.7%	4.8%
iShares Russell 2000 Growth ETF	IWO	297.71	0.5%	-2.6%	-4.5%	3.8%
iShares MSCI Australia ETF	EWA	24.73	-1.4%	-4.9%	-4.8%	3.3%
Consumer Staples Select Sector SPDR	XLP	69.47	-0.9%	-3.2%	-0.7%	3.0%
Utilities Select Sector SPDR	XLU	63.56	-3.1%	-7.2%	0.5%	1.4%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
Silver Future	SIc1	18.54	0.0%	0.0%	0.0%	0.0%
iShares MSCI Emerg Mkts ETF	EEM	50.45	0.2%	-2.2%	-8.5%	-2.4%
iShares iBoxx $ Invest Grade Corp Bond	LQD	133.41	-1.7%	-1.5%	-0.7%	-3.4%
iShares MSCI Hong Kong ETF	EWH	23.52	-1.6%	-8.8%	-12.0%	-4.5%
iShares MSCI South Korea Capped ETF	EWY	81.00	-0.1%	-5.5%	-13.1%	-5.9%
iShares MSCI BRIC ETF	BKF	48.10	0.3%	-1.7%	-12.0%	-7.9%
iShares 20+ Year Treas Bond ETF	TLT	144.09	-4.5%	-3.6%	-0.2%	-8.6%
SPDR Gold Trust	GLD	162.05	-2.4%	-4.8%	-2.2%	-9.1%
iShares MSCI Malaysia ETF	EWM	25.51	1.6%	-3.3%	-0.1%	-11.4%
iShares MSCI Brazil Capped ETF	EWZ	32.13	-2.5%	-13.1%	-20.7%	-13.3%
iShares Silver Trust	SLV	21.66	-0.3%	-6.8%	-14.0%	-15.2%
iShares China Large Cap ETF	FXI	38.84	0.5%	-3.2%	-16.2%	-16.3%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters Priced as of September 28, 2021

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 %
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	1.8%	2.2%	$1,960.10	16.2%
2020	3756.07	$94.14	**$122.38**	$122.38	-22.1%	**$139.72**	-14.2%	30.7X	1.6%	-3.5%	$1,951.80	-0.4%
2021E	~~~~~~~	$185.32	**$198.32**	$200.00	63.4%	**$200.63**	43.6%	21.9X	1.3%	NA	NA	NA
2022E		$200.35	**$217.69**	$220.00	10.0%	**$219.93**	9.6%	20.0X	NA	NA	NA	NA
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%	-5.1%	$1,924.00	7.4%
2020 2Q	3100.29	$17.83	$26.79	$26.79	-33.3%	$27.98	-32.3%	24.7	1.9%	-31.2%	$1,701.50	-8.4%
2020 3Q	3363.00	$32.98	$37.90	$37.90	-4.8%	$38.69	-8.2%	27.3	1.7%	33.8%	$2,135.10	8.7%
2020 4Q	3756.07	$31.45	$38.19	$38.19	-2.5%	$42.58	1.4%	30.7	1.6%	4.5%	$2,111.90	5.7%
2021 1Q	3972.89	$45.95	$47.41	$47.41	143.1%	$49.13	48.3%	26.4	1.5%	6.3%	$2,207.70	14.7%
2021 2QP	4297.50	$48.39	$52.03	$52.10	94.5%	$52.54	87.8%	24.5	1.3%	6.6%	$2,420.90	42.3%
2021 3QE*	4352.63	$44.28	$48.32	$48.51	28.0%	$48.97	26.6%	23.4	NA	NA	NA	NA
2021 4QE		$46.70	$50.56	$51.98	36.1%	$51.19	20.2%	21.9	NA	NA	NA	NA
2022 1QE		$46.74	$51.30	$53.50	12.8%	$51.79	5.4%	21.5	NA	NA	NA	NA
2022 2QE		$49.39	$54.02	$54.00	3.6%	$54.65	4.0%	21.3	NA	NA	NA	NA
2022 3QE		$51.10	$55.29	$55.00	13.4%	$56.00	14.4%	20.6	NA	NA	NA	NA
2022 4QE		$53.12	$57.08	$57.50	10.6%	$58.02	13.3%	20.0	NA	NA	NA	NA

Source: Dudack Research Group; S&P Dow Jones; Refinitiv Consensus estimates; **Refinitiv quarters may not sum to CY *9/28/2021

Regulation AC Analyst Certification

I, Gail Dudack, hereby certify that all the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly related to the specific views contained in this report.

IMPORTANT DISCLOSURES

RATINGS DEFINITIONS:

Sectors/Industries:
"Overweight": Overweight relative to S&P Index weighting
"Neutral": Neutral relative to S&P Index weighting
"Underweight": Underweight relative to S&P Index weighting

Other Disclosures
This report has been written without regard for the specific investment objectives, financial situation or particular needs of any specific recipient, and should not be regarded by recipients as a substitute for the exercise of their own judgment. The report is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell securities or related financial instruments. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. The report is based on information obtained from sources believed to be reliable, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the report. Any opinions expressed in this report are subject to change without notice and Dudack Research Group division of Wellington Shields & Co. LLC. (DRG/Wellington) is under no obligation to update or keep current the information contained herein. Options, derivative products, and futures are not suitable for all investors, and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results, and yield from securities, if any, may fluctuate as a security's price or value changes. Accordingly, an investor may receive back less than originally invested. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report.

DRG/Wellington relies on information barriers, such as "Chinese Walls," to control the flow of information from one or more areas of DRG/Wellington into other areas, units, divisions, groups, or affiliates. DRG/Wellington accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this report.

The content of this report is aimed solely at institutional investors and investment professionals. To the extent communicated in the U.K., this report is intended for distribution only to (and is directed only at) investment professionals and high net worth companies and other businesses of the type set out in Articles 19 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001. This report is not directed at any other U.K. persons and should not be acted upon by any other U.K. person. Moreover, the content of this report has not been approved by an authorized person in accordance with the rules of the U.K. Financial Services Authority, approval of which is required (unless an exemption applies) by Section 21 of the Financial Services and Markets Act 2000.
Additional information will be made available upon request.

Dudack Research Group a division of Wellington Shields & Co. LLC.
Main Office:
Wellington Shields & Co. LLC
140 Broadway
New York, NY 10005
212-320-3511
Research Sales: 212-320-2046

Florida office:
549 Lake Road
Ponte Vedra Beach, FL 32082
212-320-2045

Prices are the close of September 28, 2021