



Dudack Research Group

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December 8, 2021

DJIA: 35719.43

SPX: 4686.75

NASDAQ: 15686.92

# US Strategy Weekly

## Technical and Economic Update

### TECHNICAL INDICATORS REVISITED

Last week we focused on the technical condition of the US equity market since a number of macro indicators were at borderline negative readings and were exposing a rise in marketplace risk. This week we find little resolution in most of these indicators. For example, the 25-day up/down volume oscillator has ratcheted up to negative 1.23 after nearly falling into oversold range; but its rebound is minor and inconclusive. See page 12. On the other hand, the 10-day average of daily new highs fell to 68 this week and is well below the 100 mark that defines a bull market. Simultaneously, the 10-day average of daily new lows rose to 247 and well above the 100 level that defines a bearish market. Last week we downgraded the moving averages of new highs and lows to neutral and this week it is downgraded to negative. See page 13.

Less decisive is the NYSE cumulative advance decline line, which is well off its high made on November 8 even though the S&P 500 is only 0.4% away from its November 18 record high. Total NYSE volume continues to be slightly above average on down days and just below average on rally days which is also an ominous trend.

Not surprisingly, there is quite a bit of disparity in the performance of the popular indices. The S&P 500 and Nasdaq Composite index are the strongest benchmarks and appear to be successfully rebounding from tests of their 50-day moving averages. This looks positive. The Dow Jones Industrial Average is slightly less strong and appears to be rebounding from a test of its 200-day moving average. However, the Russell 2000 index continues to trade below all three of its moving averages, and even after its advance of 3% on December 7 remains in the middle of the trading range that contained prices for the first eight months of 2021. The Russell 2000 index had a false breakout in November and is now showing a surprising level of weakness. All in all, the action of the Russell 2000 is more in line with the trend seen in the NYSE advance decline line. See page 11.

The difference in the indices is easily explained. The S&P 500 and Nasdaq Composite are heavily weighted in the largest popular technology stocks which include Apple Inc. (AAPL - \$171.18), Microsoft (MSFT - \$334.92), Amazon (AMZN - \$3523.29) and Alphabet Inc. (GOOG - \$2960.73). Once the Omicron virus was discovered these stocks became increasingly volatile and have been driving the performance of the S&P 500 and Nasdaq Composite index.

The Dow Jones Industrial Average is only 30 stocks, but it is not market cap weighted and is more diversified in terms of sector representation. In general, it has been slightly weaker in terms of price performance. Since it includes 2000 stocks, the Russell 2000 is a far broader representation of the overall market, and it has been the worst performing index in recent weeks. In sum, the underlying tone

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**For important disclosures and analyst certification please refer to the last page of this report.**

of the equity market remains suspect, and we would recommend holding quality stocks that can weather the volatility that is apt to continue through year end.

#### ECONOMIC DATA SHOWS GROWTH BUT TOO MUCH INFLATION

The unemployment rate fell to a 21-month low of 4.2% in November, but the headline jobs report was a disappointment with an increase of only 210,000 jobs. On the other hand, the household survey which includes many more categories of “workers” such as agricultural employees, unpaid household workers and entrepreneurs, increased by 1.1 million jobs. This was an unusually wide disparity between the two surveys, and it may signal an upward revision to job numbers next month.

Another oddity in the household survey was that the number of people unemployed (see page 3) declined twice as much as the number of newly employed workers. This is a sign that people are leaving the workforce and it clarifies why the participation rate has been so slow to improve this year. The question is why are people leaving the workforce? Are more aging baby boomers retiring? Are working mom’s choosing to stay home? Has COVID inspired an increasing number of people to become independent entrepreneurs? Any or all of these possibilities may explain why fewer people are now included in the official workforce. However, the answer to these questions could point to when employment might finally fill the gap of 4 million workers lost between the February 2020 peak and November’s job report. See page 4.

Both the non-manufacturing and manufacturing ISM indices improved in November and the surveys showed solid increases in production and employment. We found it interesting that both surveys revealed a slowdown in the backlog of orders and in exports. See page 5. Some of this may be due to unresolved supply chain issues or it could be an offset to October’s record high exports. But it could also indicate that orders and business activity slow whenever COVID-19 cases begin to rise. For example, Europeans are currently protesting new strict regulations aimed to curb a rise in cases in many countries in Europe.

November’s Conference Board Consumer Confidence fell to its lowest level since February 2021. The main University of Michigan consumer sentiment index fell to its lowest level since November 2011, due in large part to the present conditions survey which at 73.6 is the lowest since the 68.7 recorded in August 2011. See page 6.

We believe the declines in consumer sentiment can be explained by the discovery of a new COVID-19 variant and the personal income report for October. Personal income rose nearly 6% YOY in October to \$20.8 trillion and disposable income rose 4.1% YOY to \$18.1 trillion. However, real personal disposable income fell 1.4% YOY to \$15.4 trillion. This was a result of a 6.2% YOY rise in inflation and a 20% increase in personal current taxes. See page 7. In other words, purchasing power of households is declining. More importantly, in October, personal taxes equated to 12.9% of personal income, the highest percentage since late 2001. What concerns us is that sharp rises in taxes as a percentage of income have often been followed by recessions. See page 8. Monitoring taxes as a percentage of total personal income can help explain how fiscal policy impacts households and how, if not done wisely, policy can inadvertently trigger a recession. Another factor in terms of a weakening in consumer confidence is that the savings rate fell in October from 8.2% to 7.3%. This is notable since 7.3% is well below the long-term average rate of 8.9%.

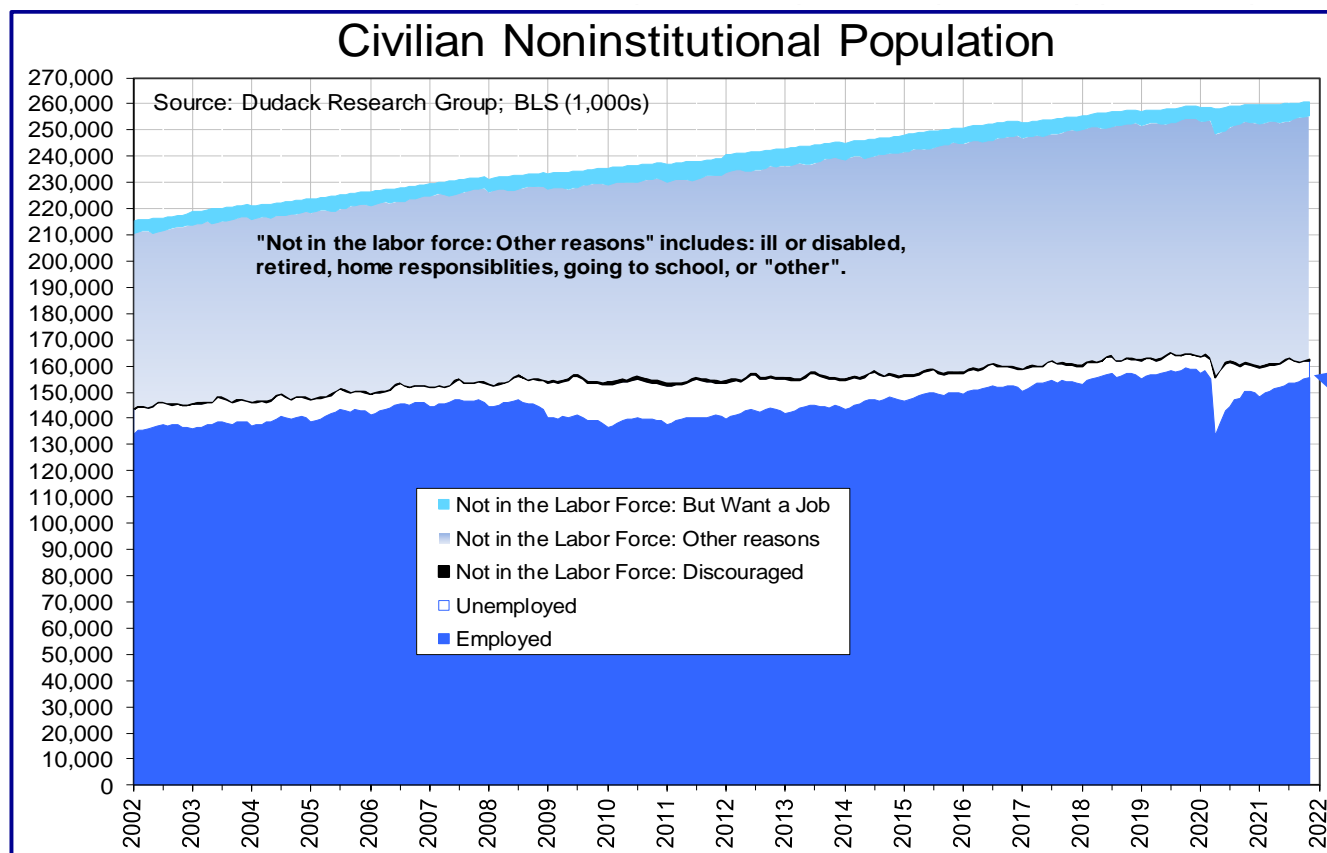
Crude oil prices fell 22% during the month of November but are still up 43% year-over-year. Hopefully the decline in crude oil prices will ease some of the pressure felt by the household sector as a result of rising gasoline and heating fuel prices. At the same time, this sell-off in oil raises the specter of weakening global economic activity. Stagflation could bring even more pain to investors in 2022

The unemployment rate fell to a 21-month low of 4.2% but the headline November jobs report was a disappointment with an increase of only 210,000 jobs. However, the household survey which includes many more categories of “workers” such as agricultural employees, unpaid household workers and entrepreneurs, increased by 1.1 million jobs. This is an unusually wide disparity, and it may signal an upward revision to November’s establishment numbers next month.

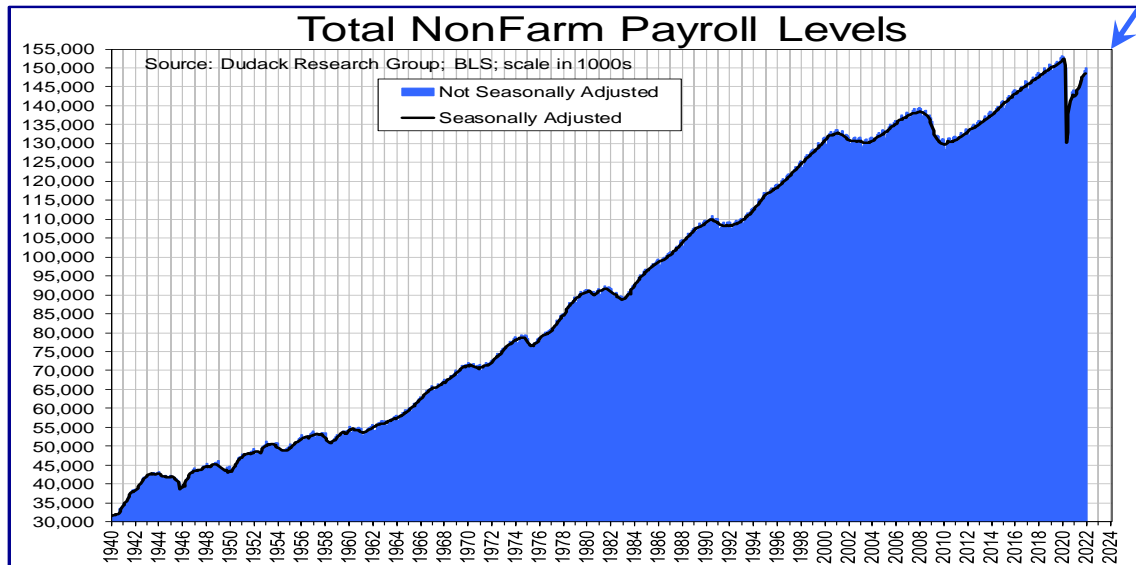
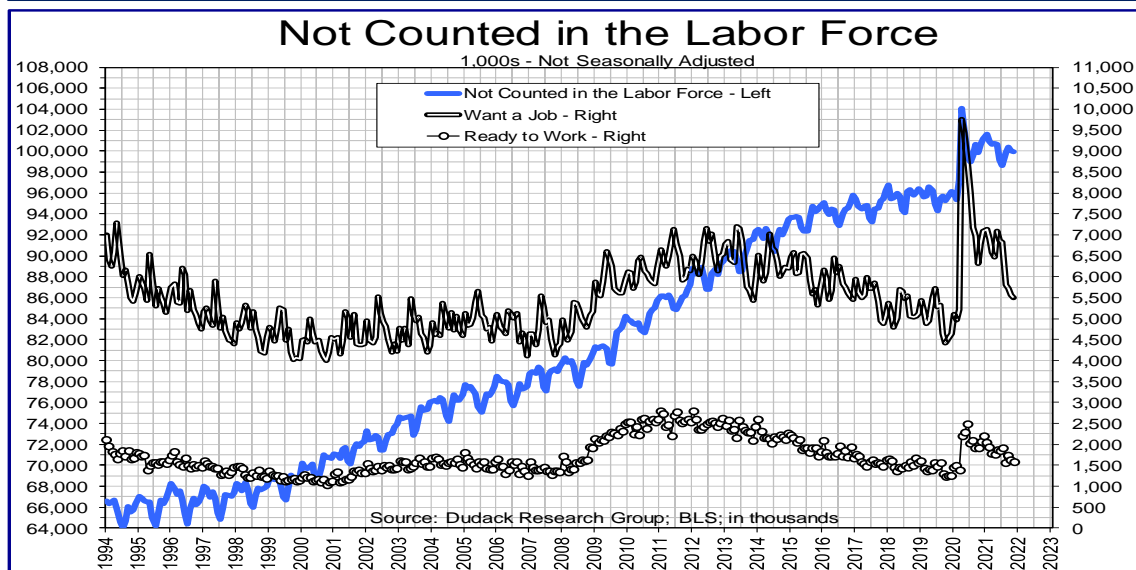
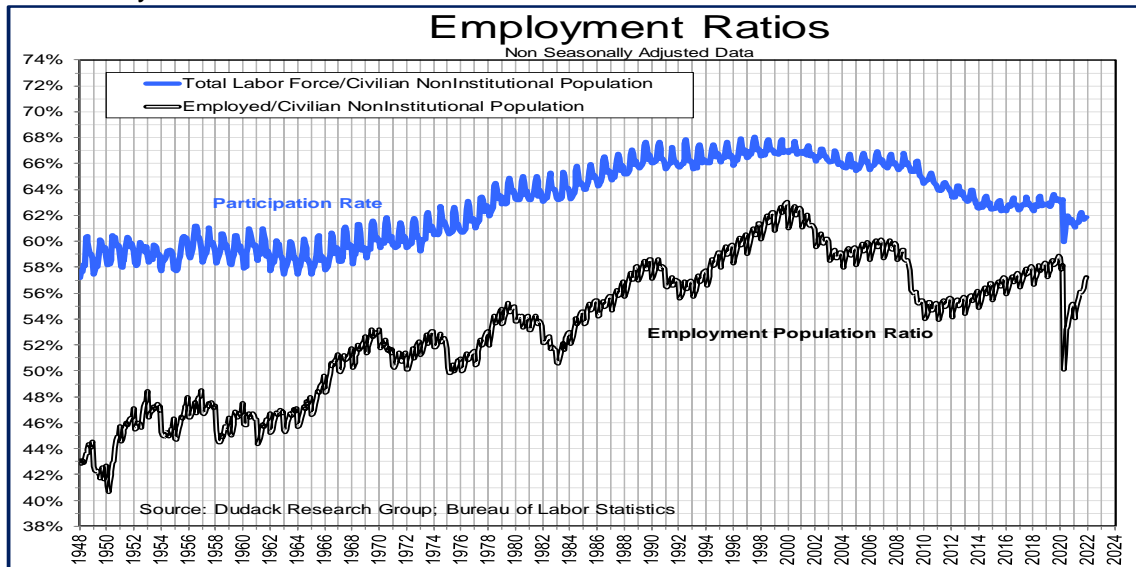
Note that in the household survey the number of people unemployed (see arrow below) fell twice as much as the number of newly employed, a sign that people are leaving the workforce. This explains why the participation rate has been slow to improve. The question is why are people leaving the workforce? Are more Baby Boomers retiring? Are working mom’s choosing to stay home? Has COVID inspired a large number of people to become budding entrepreneurs? Any or all of these possibilities may explain why fewer people are now included in the official workforce.

Employment Surveys (1,000s SA)	Nov-21	Oct-21	Change	Nov-20	Yr/Yr
<b>Establishment Survey: NonFarm Payrolls</b>	148,611	148,401	210	142,809	5,802
<b>Household Survey Data (1,000s)</b>					
Employed (A)	155,175	154,039	1,136	149,809	5,366
Unemployed (B)	6,877	7,419	(542)	10,728	(3,851)
Civilian labor force [A+B]	162,052	161,458	594	160,537	1,515
Unemployment rate [B/(A+B)]	4.2%	4.6%	-0.35%	6.7%	-2.4%
U6 Unemployment rate	7.8%	8.3%	-0.5%	12.0%	-4.2%
Civilian noninstitutional population (C)	262,029	261,908	121	261,085	944
Participation rate [(A+B)/C]	61.8	61.6	0.2	61.5	0.3
Employment-population ratio [A/C]	59.2	58.8	0.4	57.4	1.8
Not in labor force	99,977	100,450	-473	100,548	-571

Source: Bureau of Labor Statistics

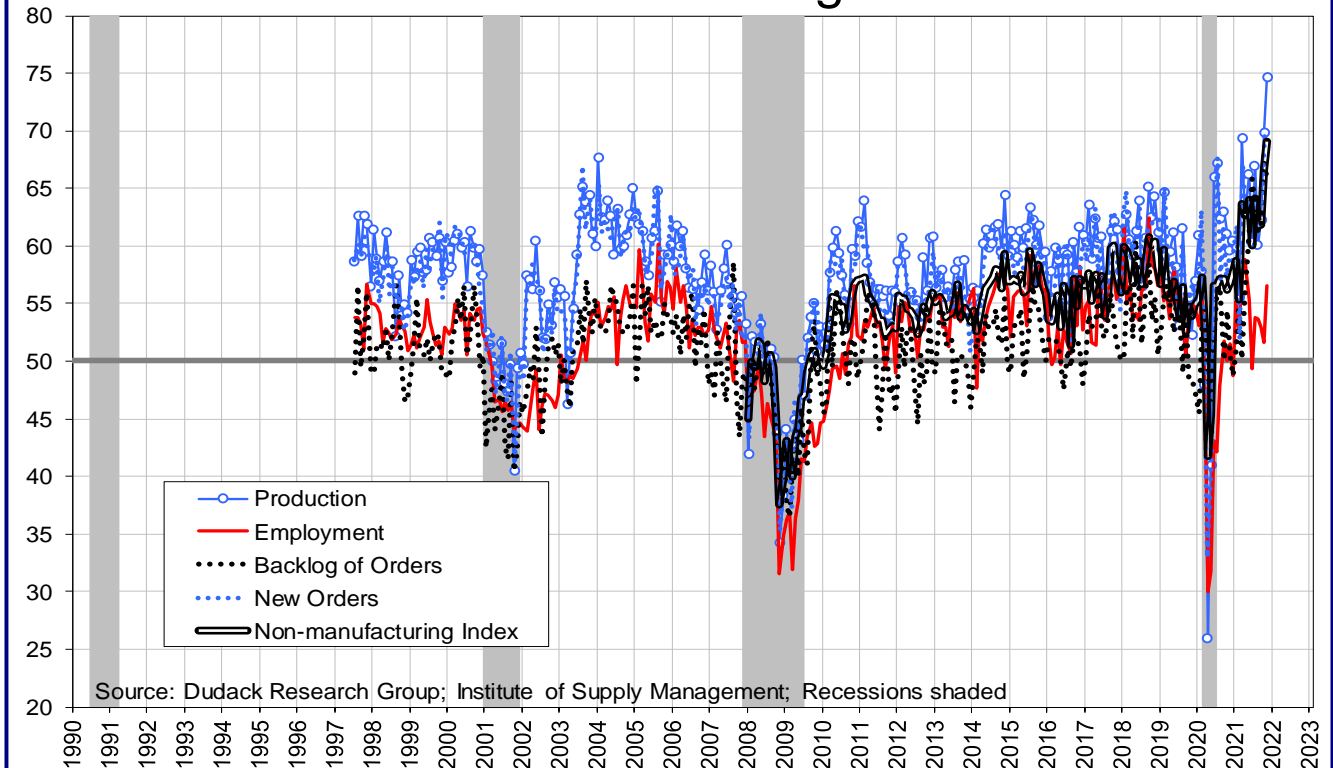


The participation rate at 61.9%, has been slow to improve from last year's low of 60%, but the number of people ready to work but unable to find work continues to fall. Still, there are nearly 4 million fewer people on the payroll today than in February 2020.

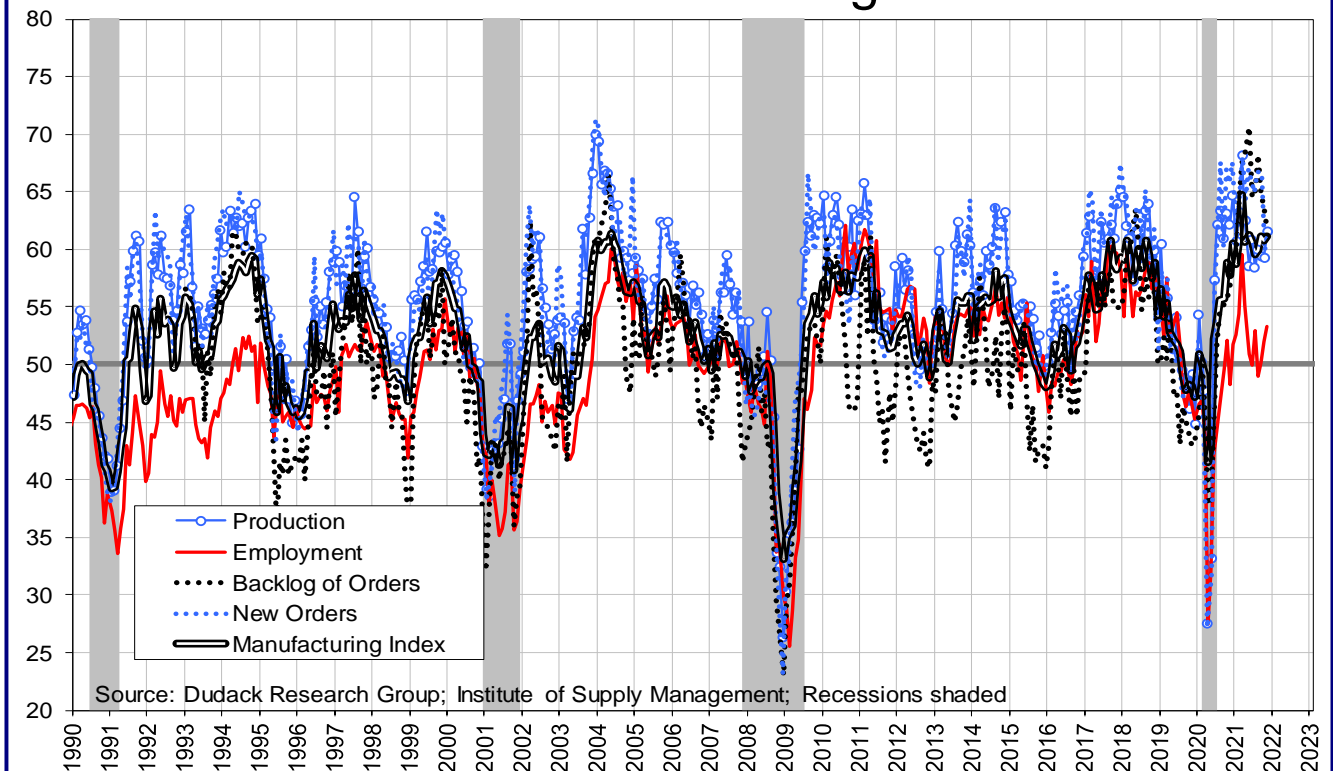


Both the non-manufacturing and manufacturing ISM indices improved in November with production and employment increasing nicely. Yet both surveys revealed a slowdown in the backlog of orders and in exports. It is possible that both are tied to unresolved supply chain issues or the offset to October's record high exports.

## ISM Non-manufacturing Indices



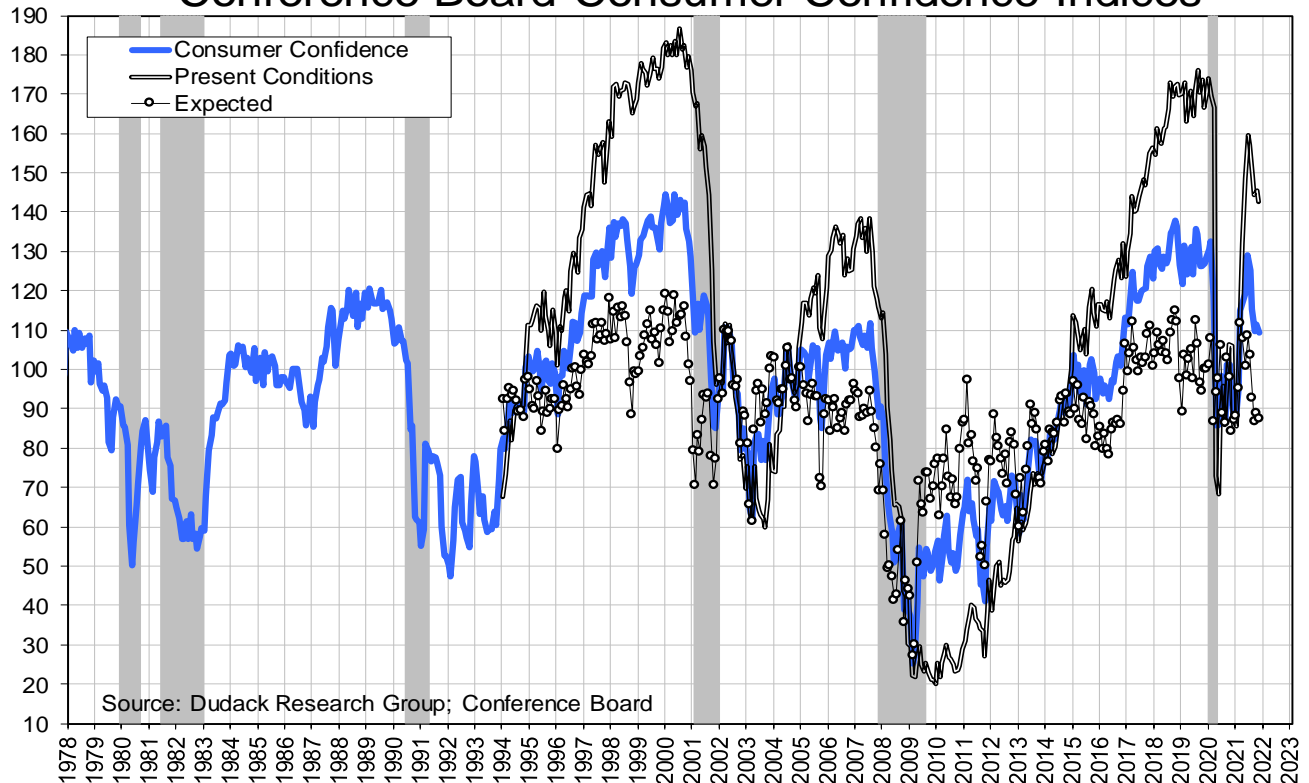
## ISM Manufacturing Indices



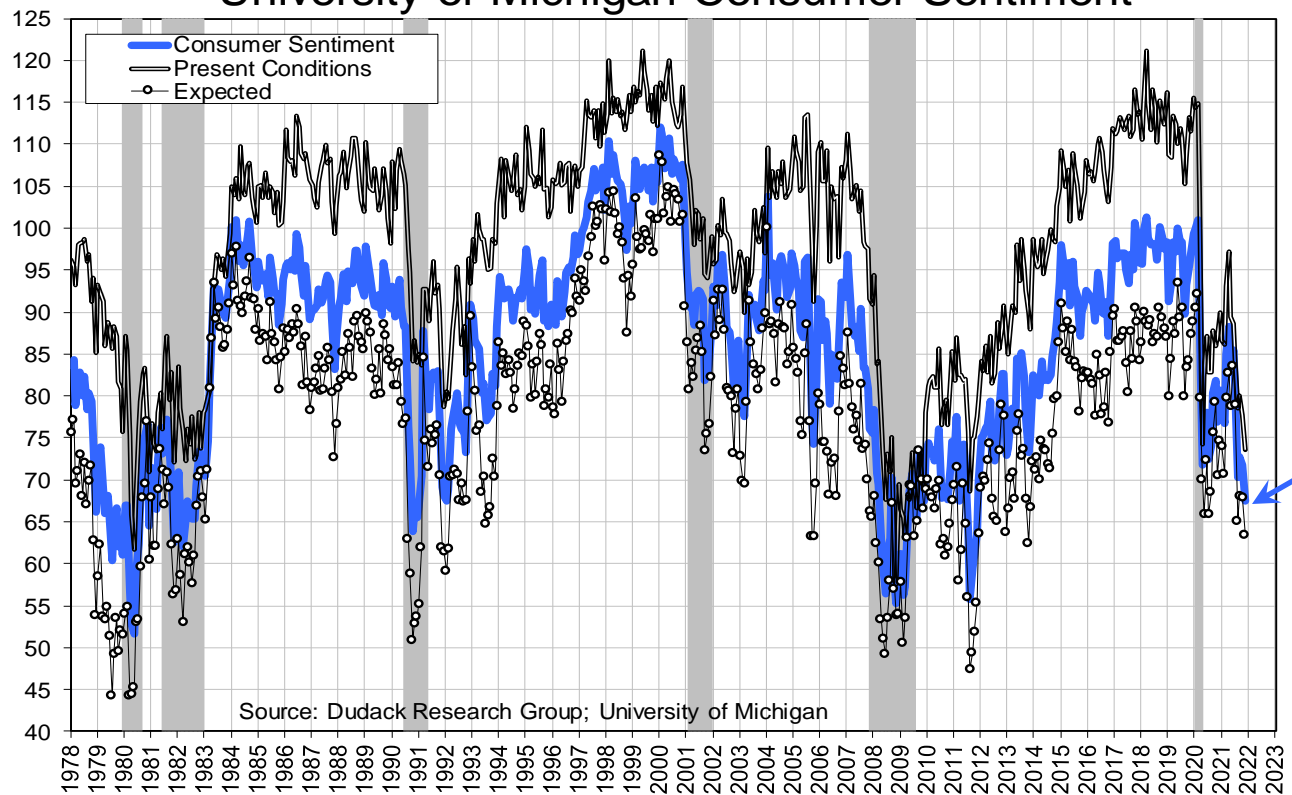


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### Conference Board Consumer Confidence Indices

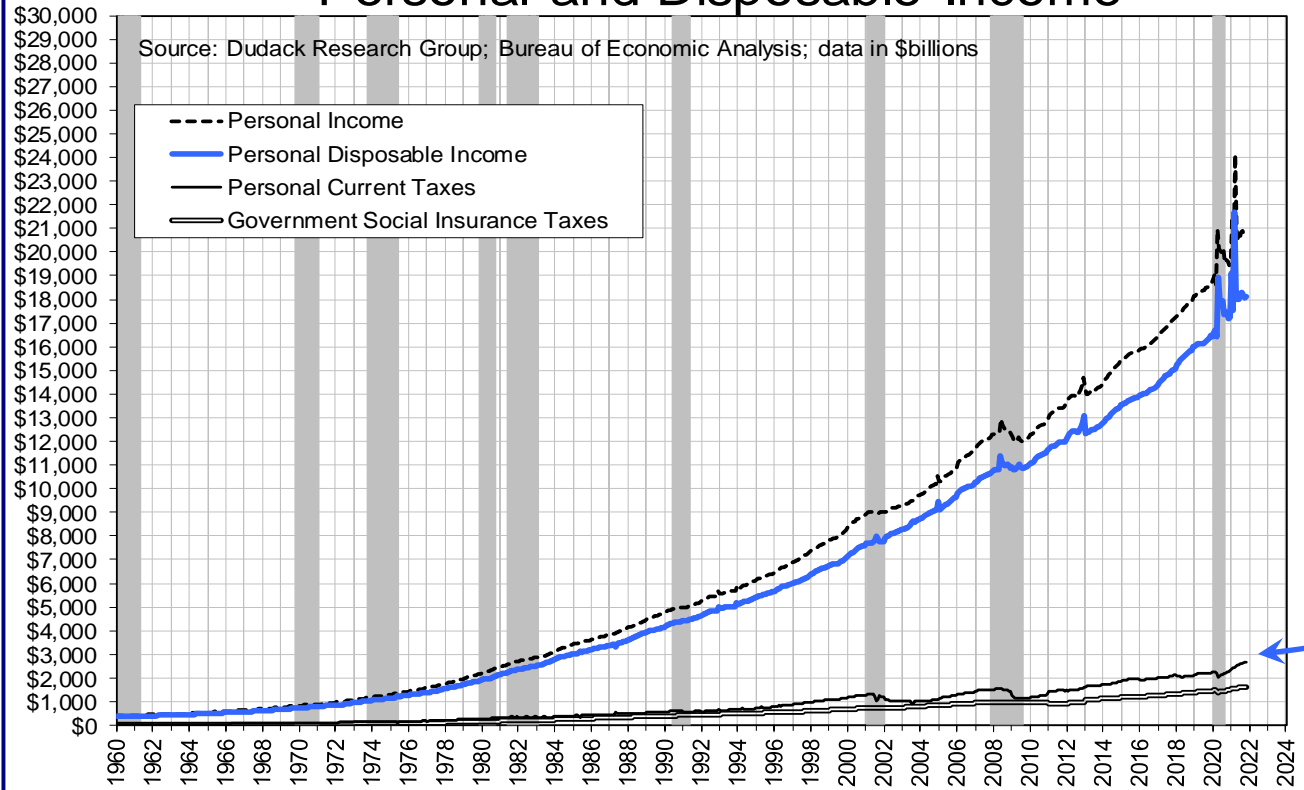


### University of Michigan Consumer Sentiment

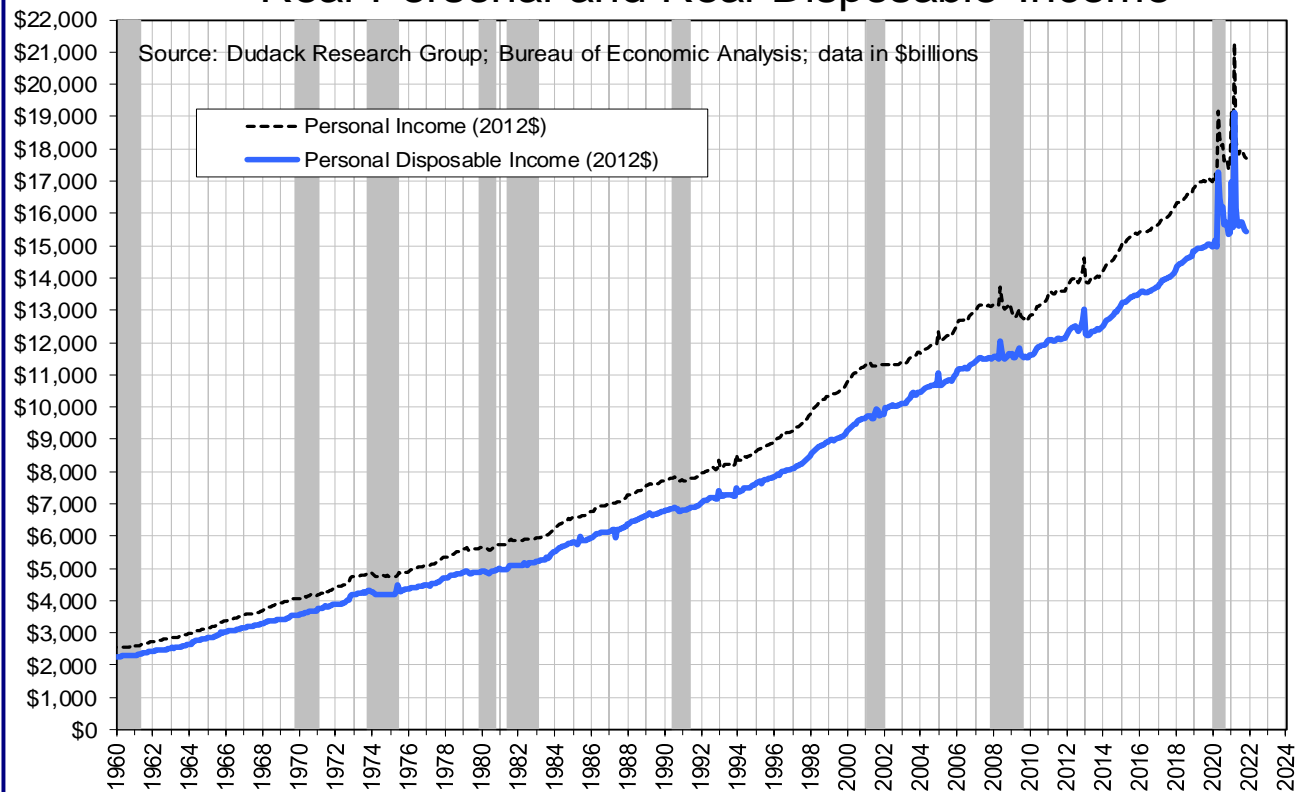


Personal income rose nearly 6% YOY in October to \$20.8 trillion and disposable income rose 4.1% YOY to \$18.1 trillion. However, real personal disposable income fell 1.4% YOY to \$15.4 trillion due to a 6.2% YOY rise in inflation and a 20% increase in personal current taxes.

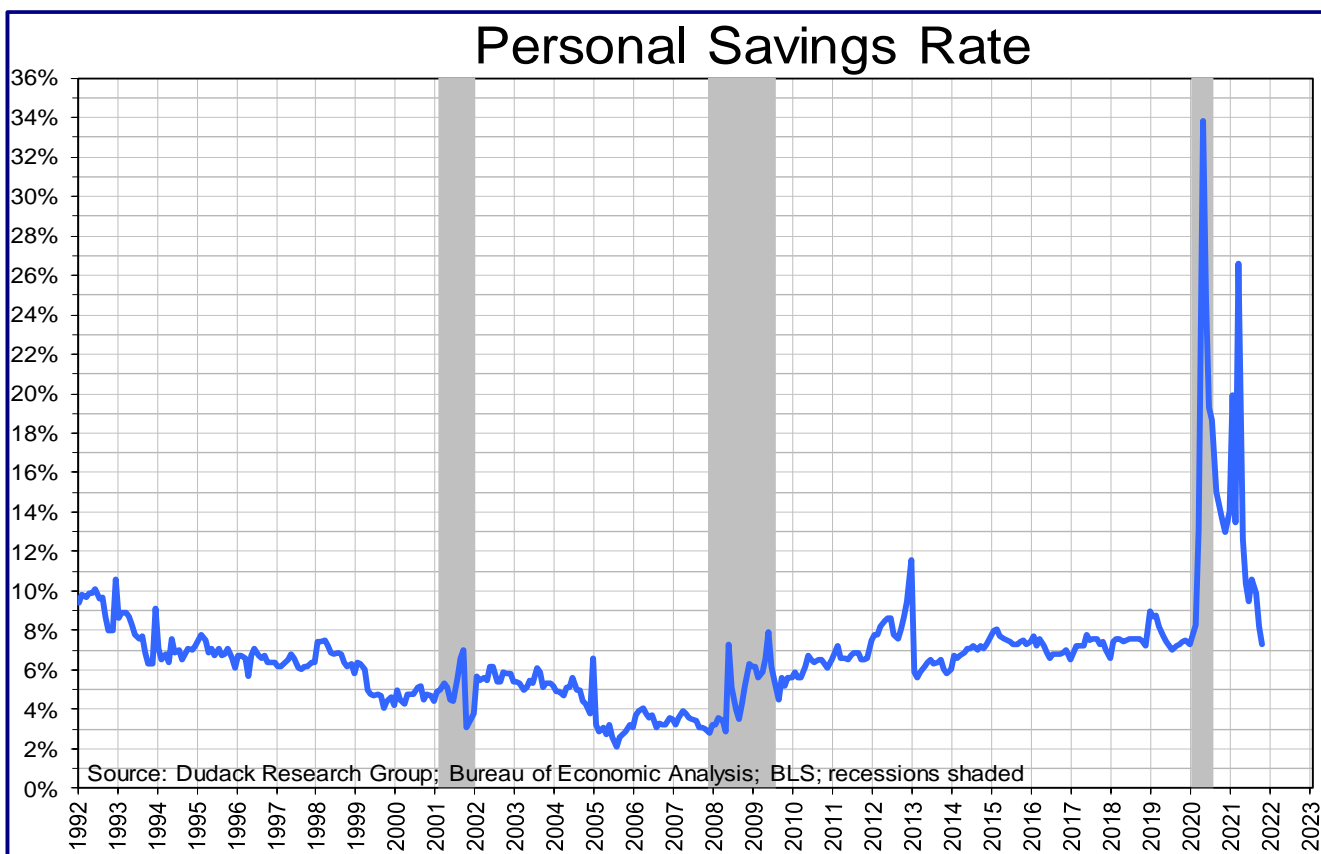
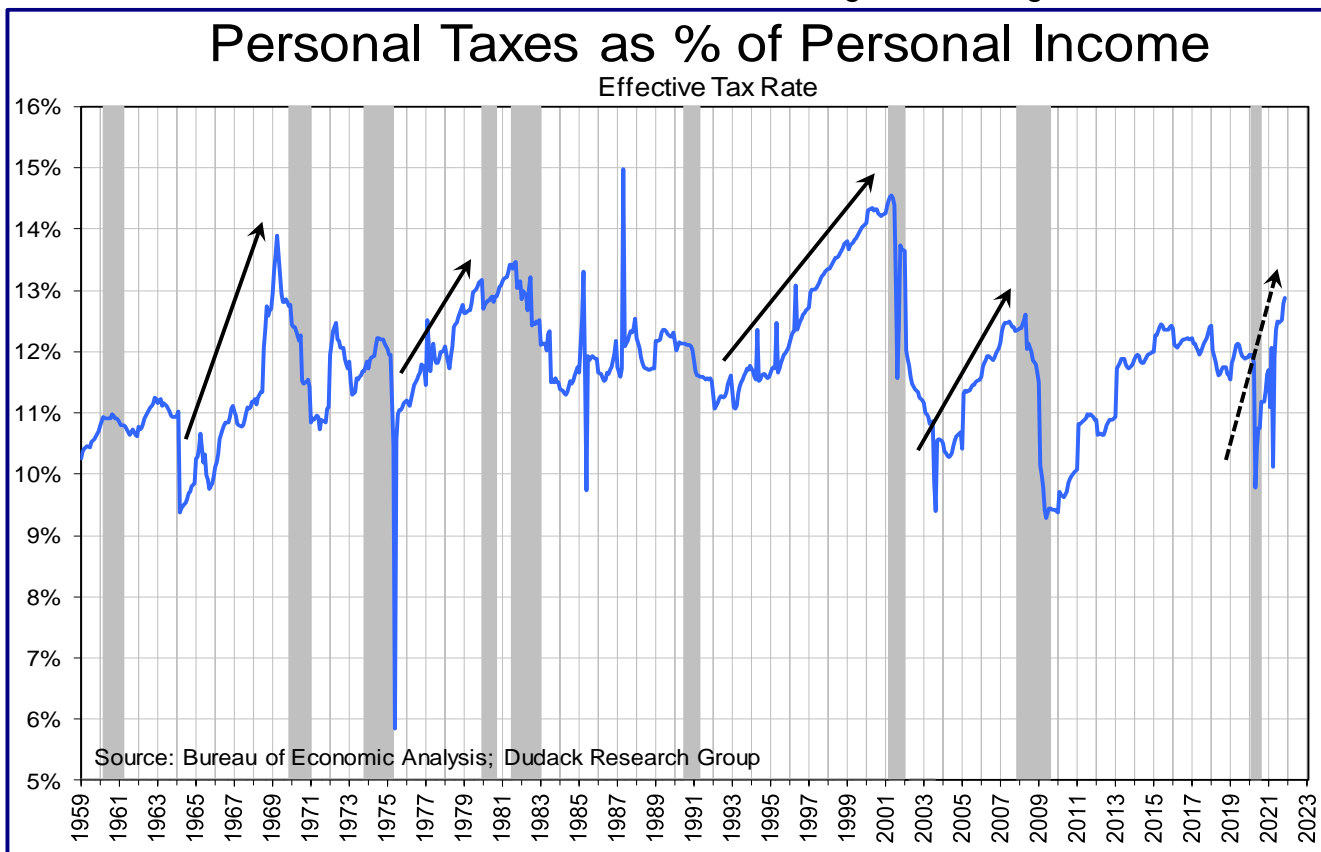
## Personal and Disposable Income



## Real Personal and Real Disposable Income

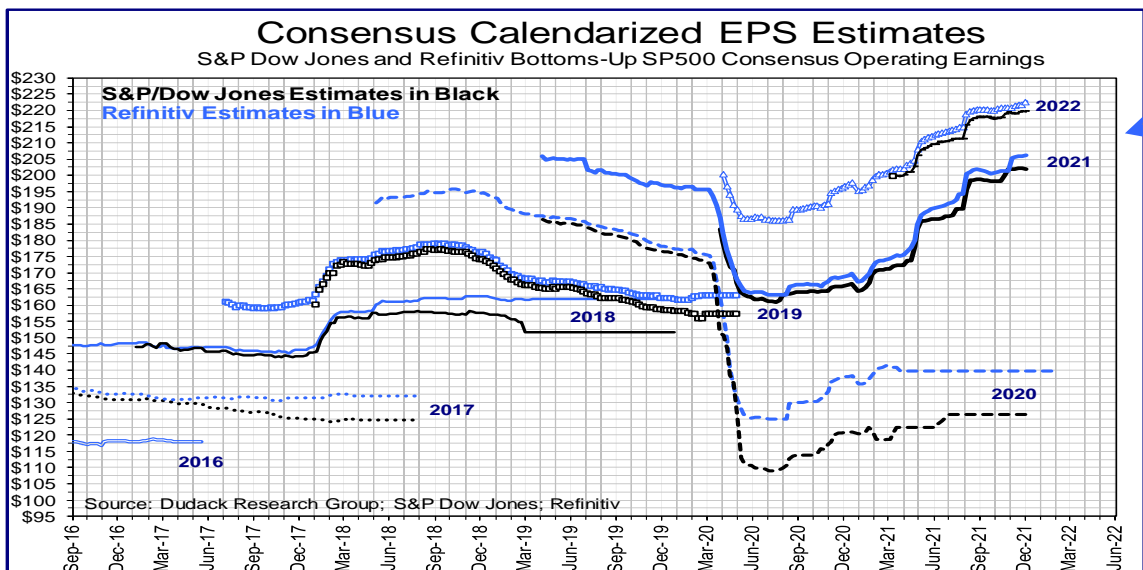
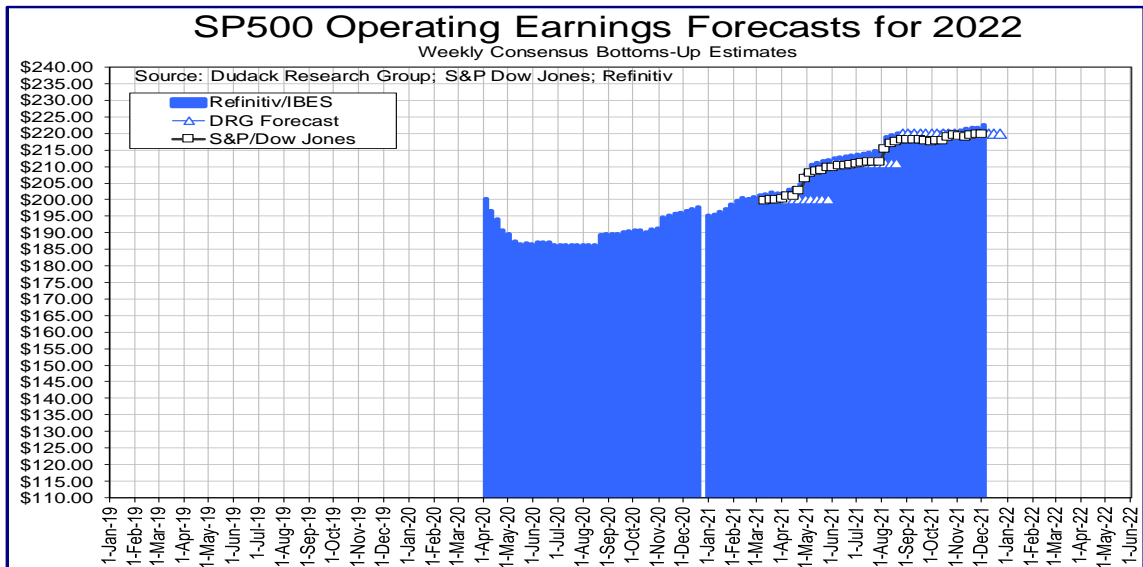
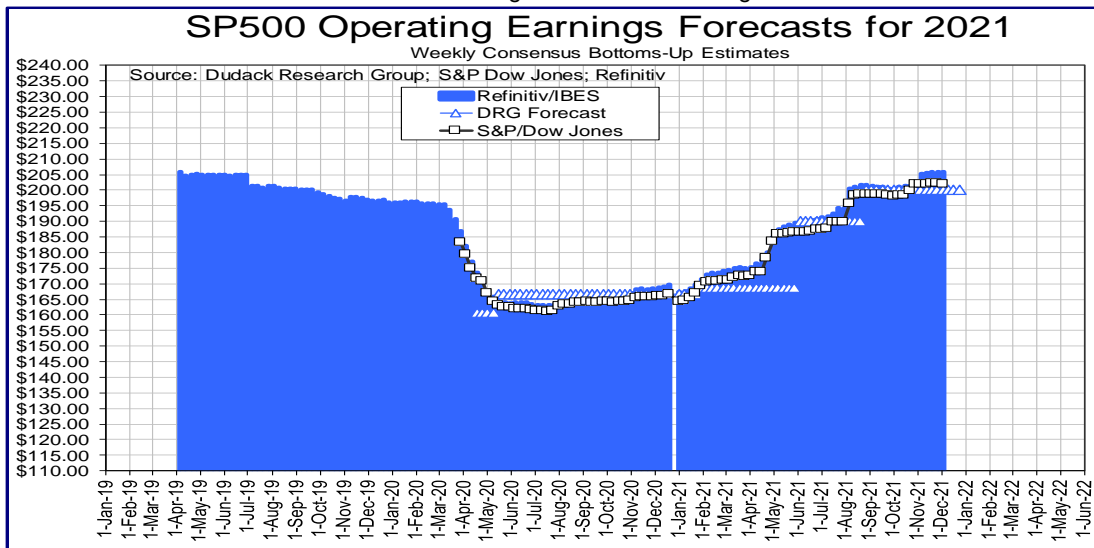


In October, personal taxes were 12.9% of personal income, the highest % since late 2001. Note that sharp rises in taxes as a % of income have often been followed by recessions. And the savings rate fell in October from 8.2% to 7.3% and is now well below the long-term average rate of 8.9%.



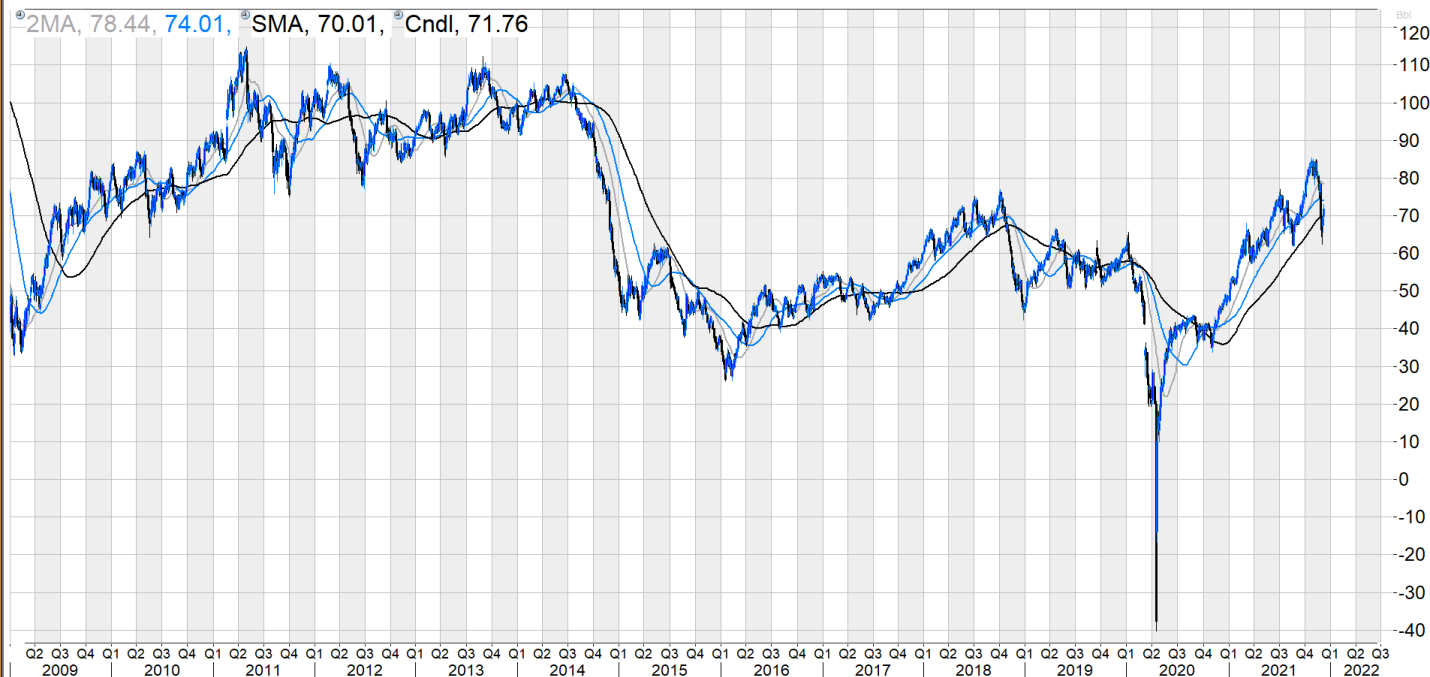


IBES Refinitiv consensus earnings forecasts for 2021 and 2022 ratcheted higher to \$206.06 and \$222.63, respectively, this week. The S&P Dow Jones estimates for 2021 and 2022 ratcheted lower to \$202.06 and \$219.62, respectively. The IBES earnings growth rate forecast for 2022 rose to 8.0% YOY and the S&P Dow Jones growth rate is unchanged at 8.7% YOY.

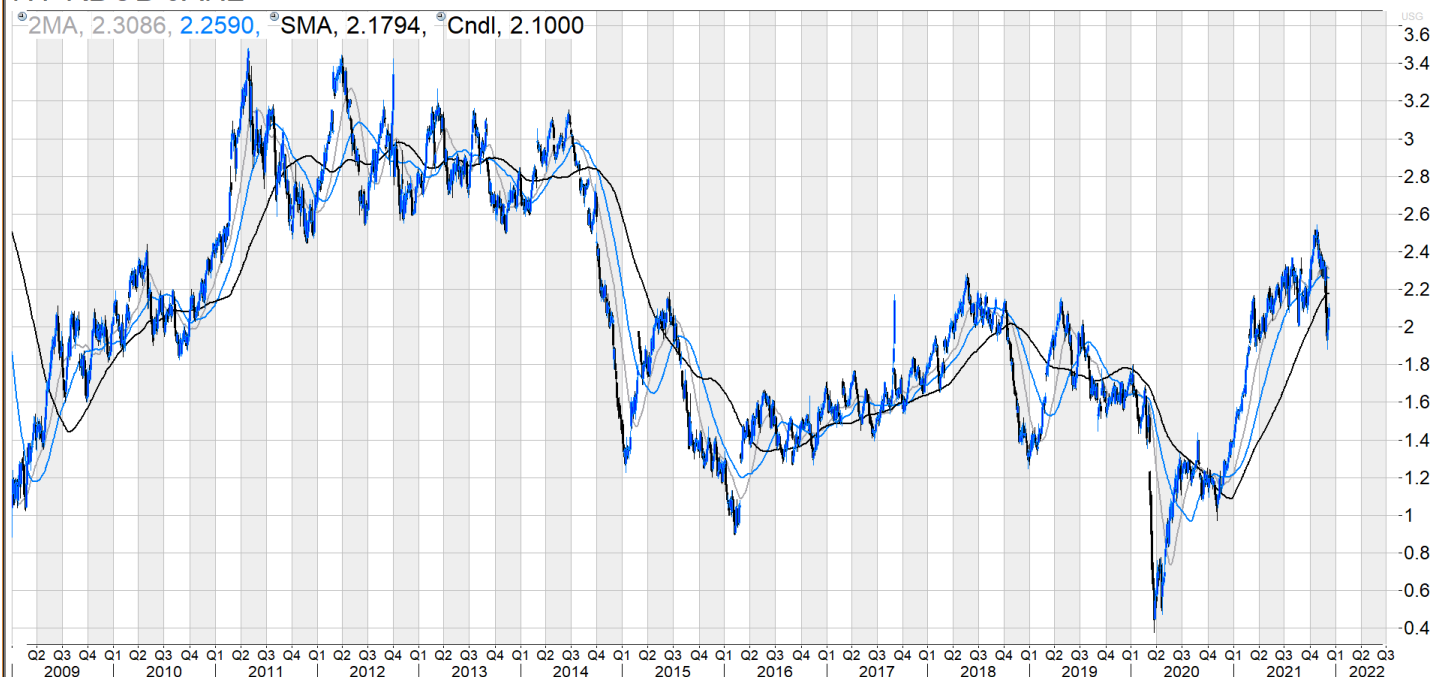


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### LIGHT CRUDE JAN2

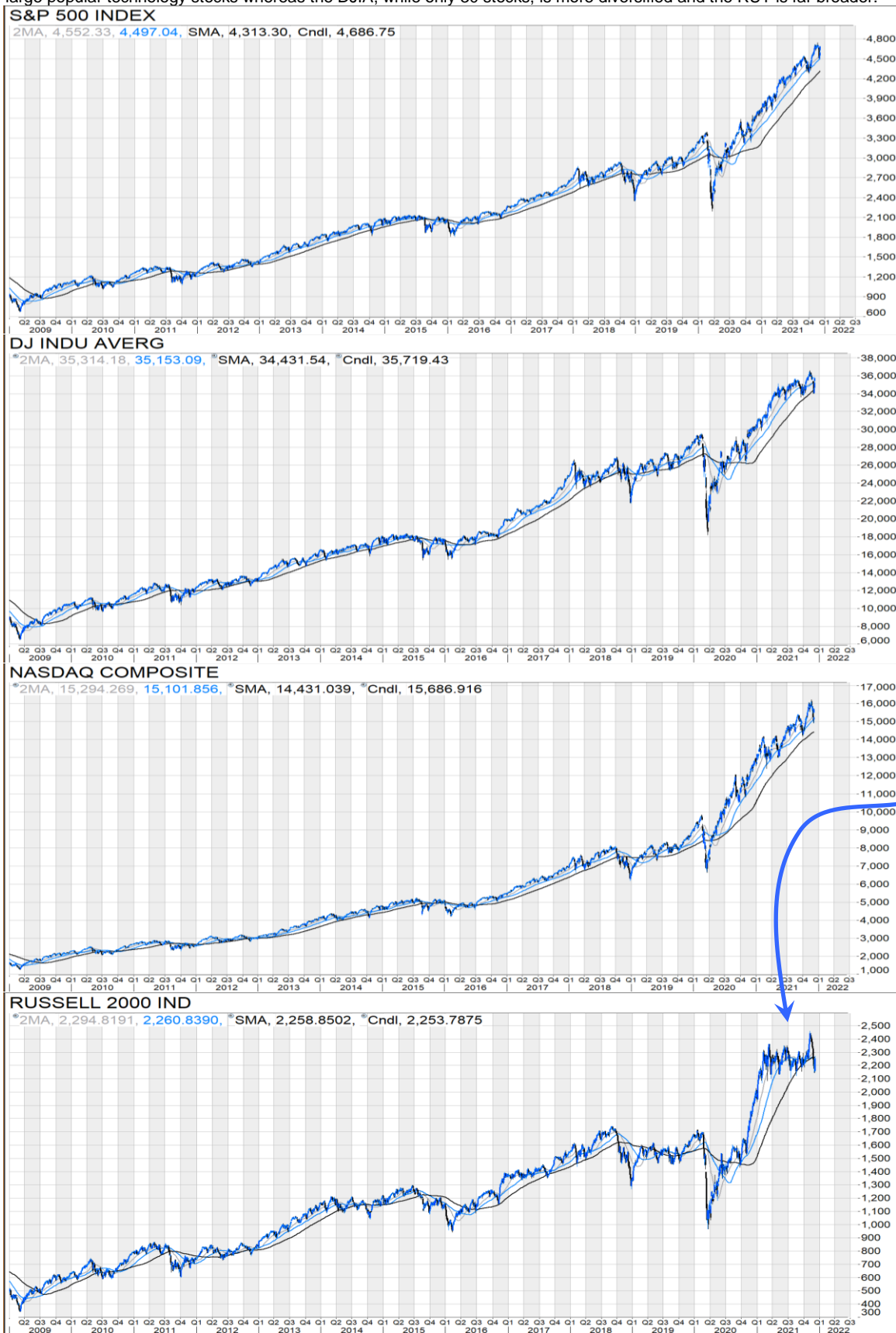


### NY RBOB JAN2



Source: Refinitiv

The indices are not uniform this week. The SPX and IXIC are strongest and appear to be bouncing off tests of their 50-day moving averages. The DJIA appears to be rebounding from its 200-day moving average; but the RUT continues to trade below all three of its moving averages. The SPX and IXIC are driven more by large popular technology stocks whereas the DJIA, while only 30 stocks, is more diversified and the RUT is far broader.



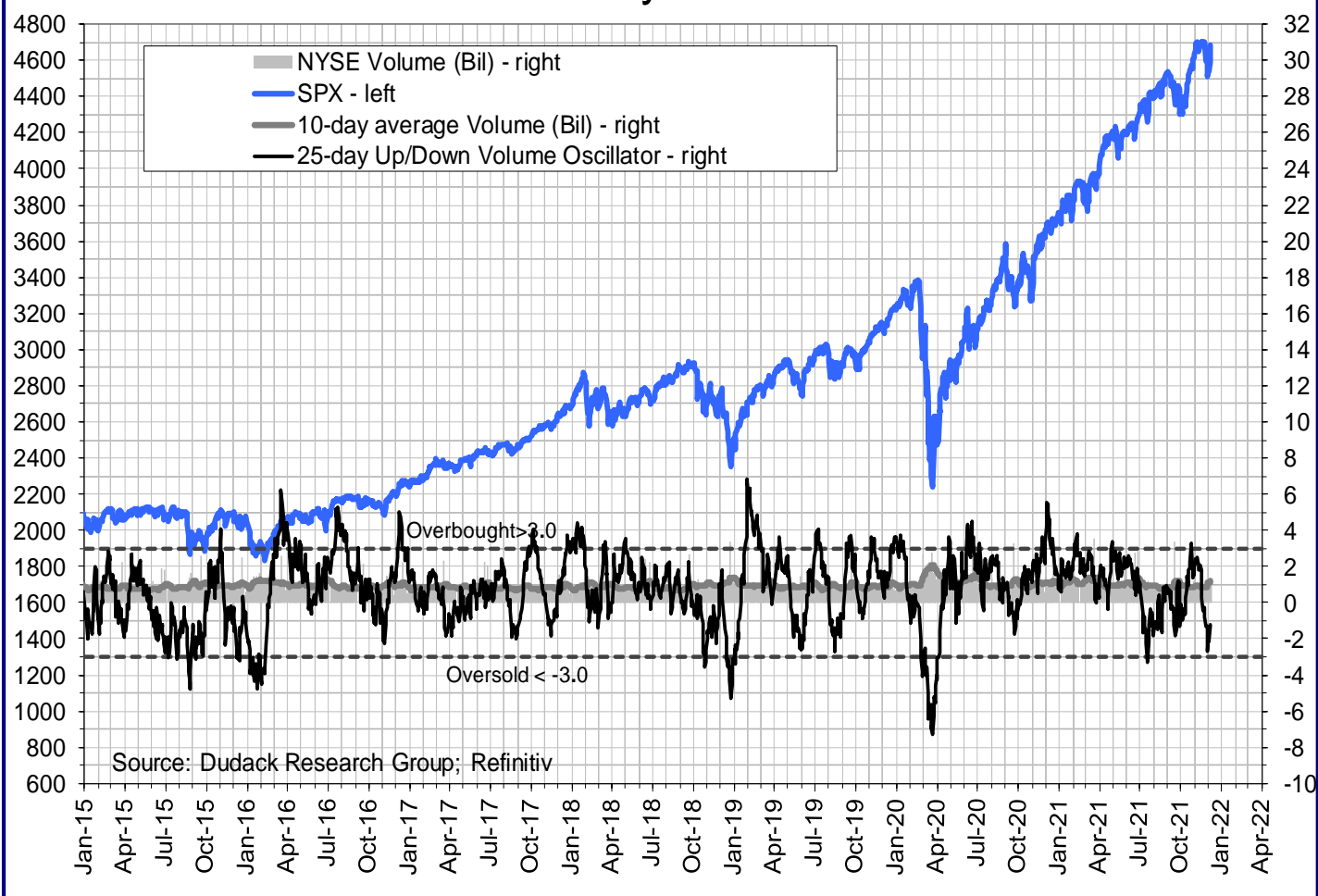
The 25-day up/down volume oscillator is at negative 1.23 this week but drifted to the bottom of the neutral range last week. If this oscillator records a solid oversold reading of negative 3.0 or less, after failing to record overbought readings on recent moves to record highs, it could be a signal of a major shift in trend.

The indicator spent two days in overbought territory October 25 and 26; but to confirm new highs in the popular indices, this indicator should remain in overbought range for a minimum of 5 consecutive trading days. The last time this indicator did this and confirmed new highs in the equity market was between February 4 and February 10 of this year.

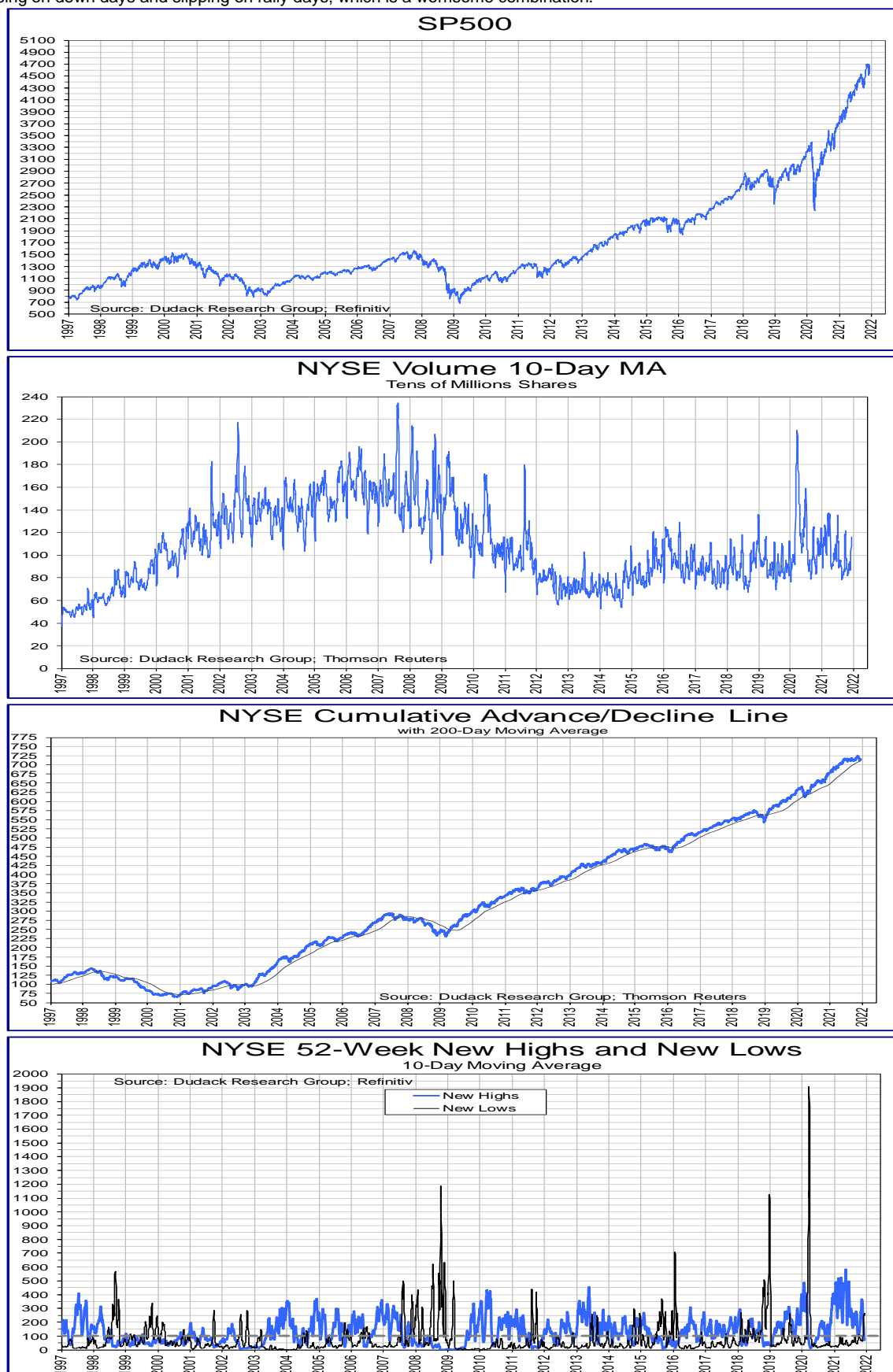
The absence of overbought readings since February, coupled with a one-day oversold reading on July 19 revealed that the advance has not been supported by solid or consistent buying pressure between February and November.

*This 25-day up down volume oscillator measures buying and selling momentum. New highs should be accompanied by strong and consistent buying pressure which results in long and sometimes extreme overbought readings. An absence of overbought readings at a new high reveals a weakness in the trend and is a sign of waning demand and/or investors selling into strength. Conversely, significant lows are often accompanied by panic selling. For example, an extreme oversold reading in this indicator, followed by a shallower oversold reading despite a new low in price indicates that selling pressure is fading and the lows are likely in place.*

## SPX and 25-Day Volume Oscillator

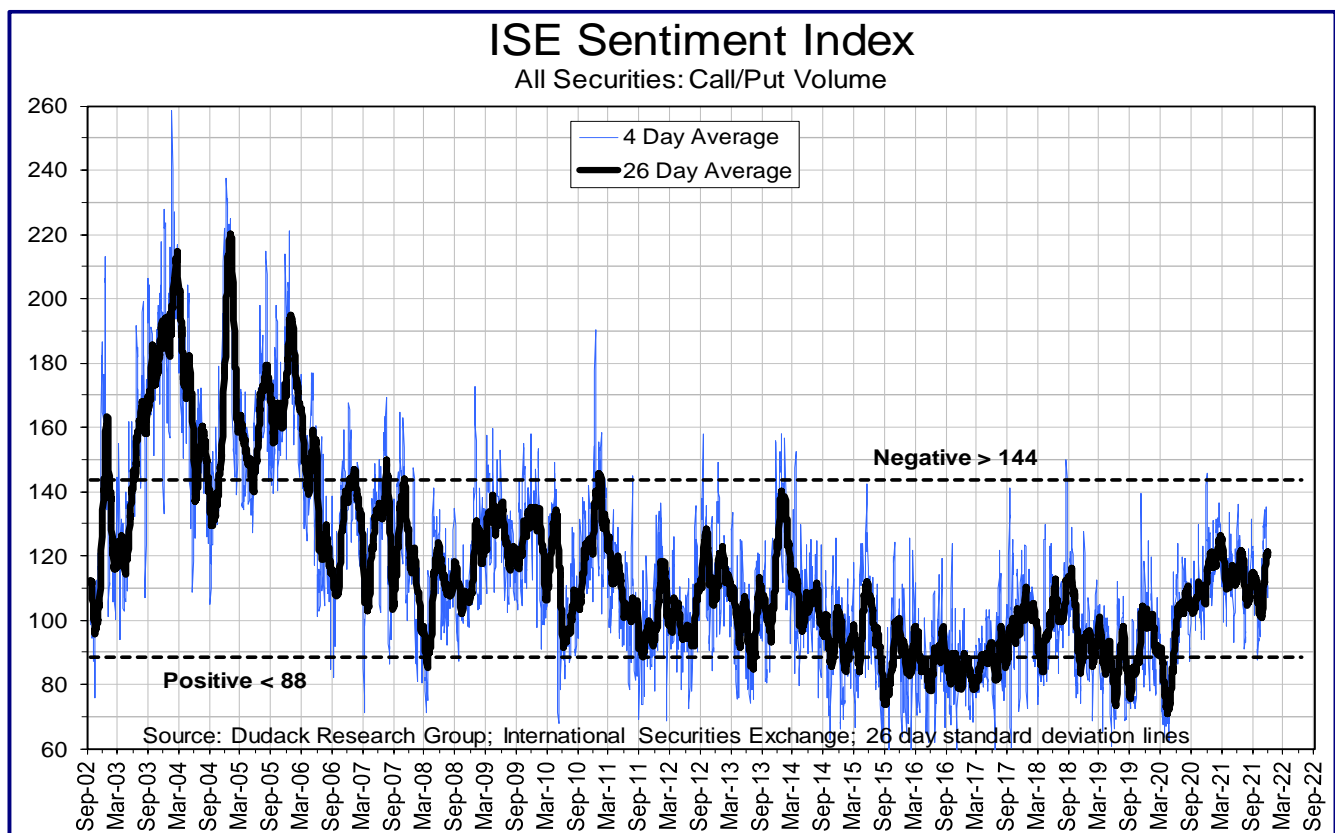
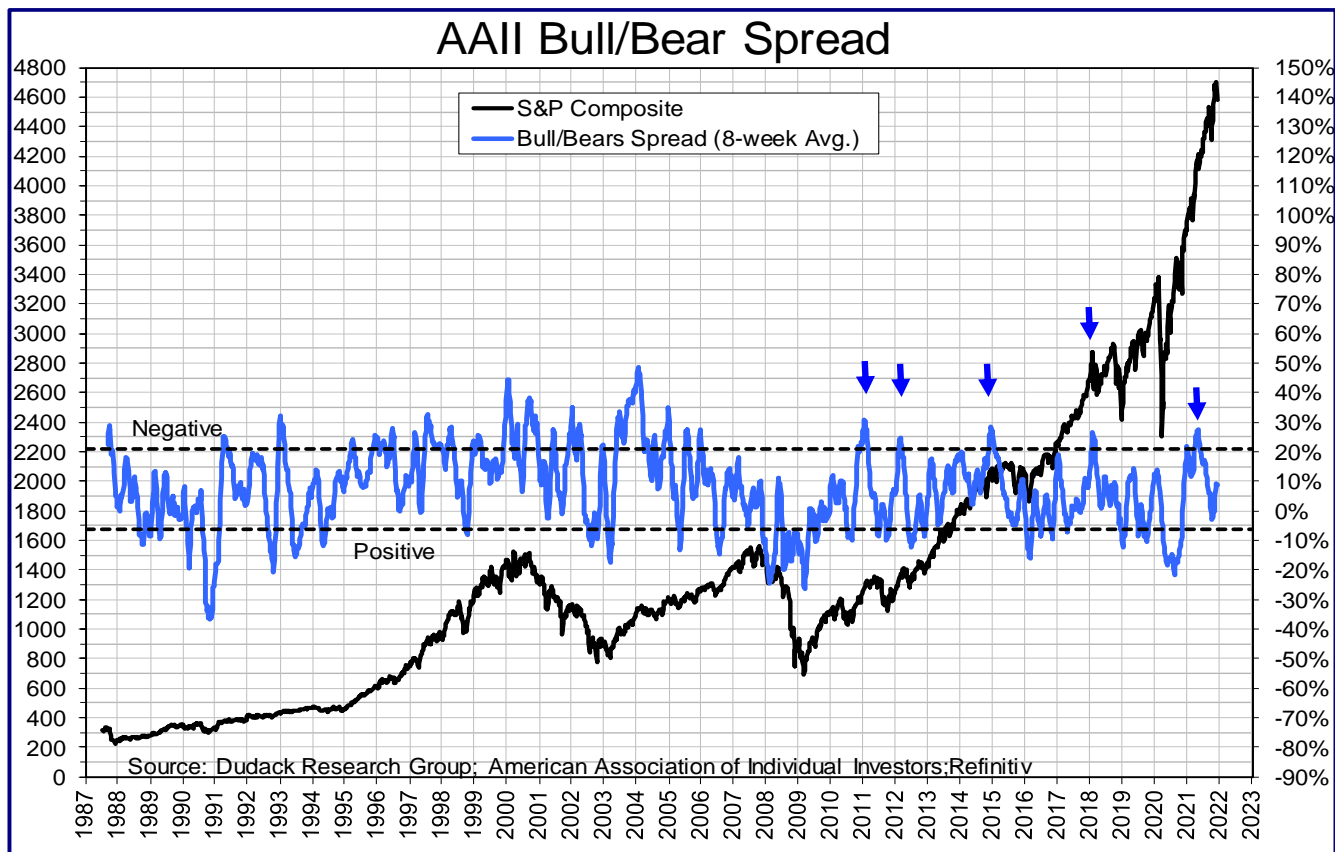


The 10-day average of daily new highs fell to 68 this week and daily new lows jumped to 247. This combination was downgraded from positive to neutral last week and shifted to negative this week. The A/D line last made a confirming record high November 8, 2021 and is trading well below this level currently. Volume has been rising on down days and slipping on rally days, which is a worrisome combination.

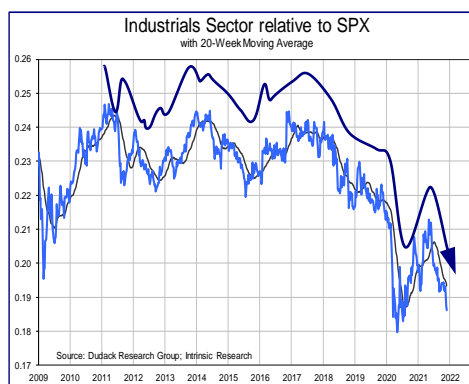
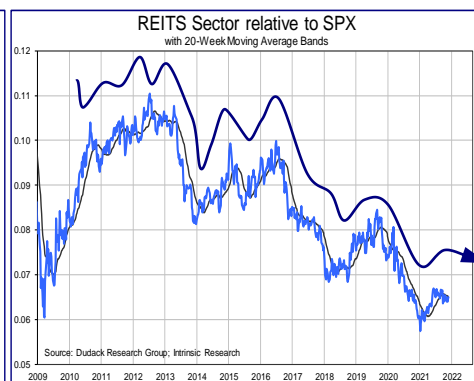
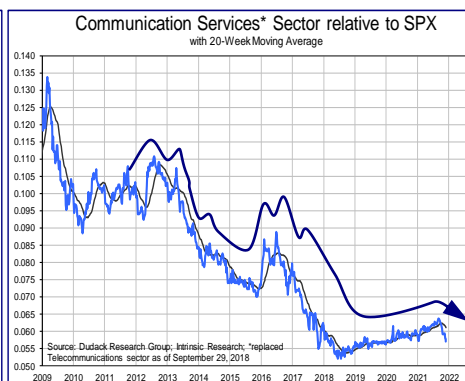
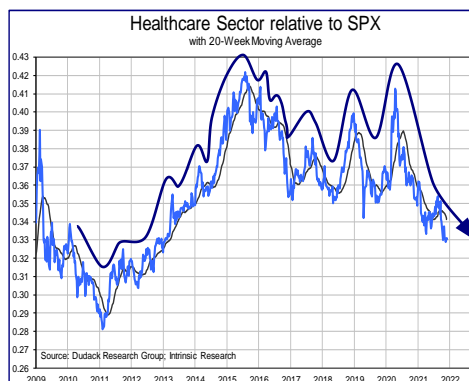
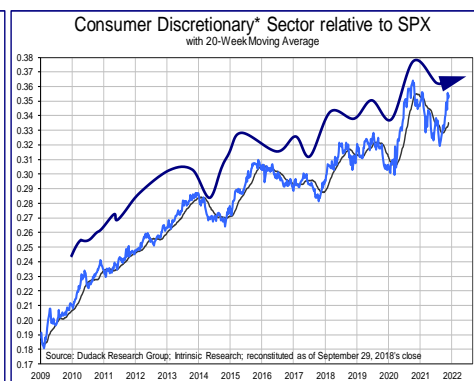
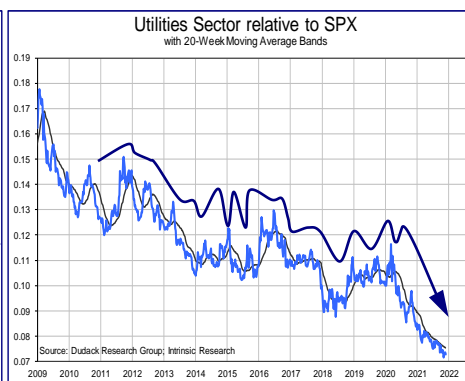
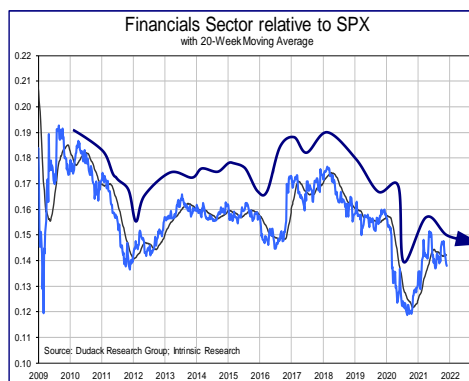
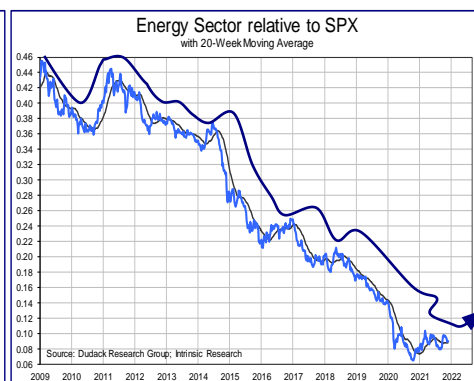
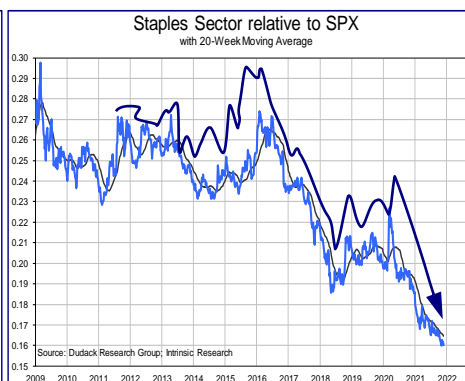
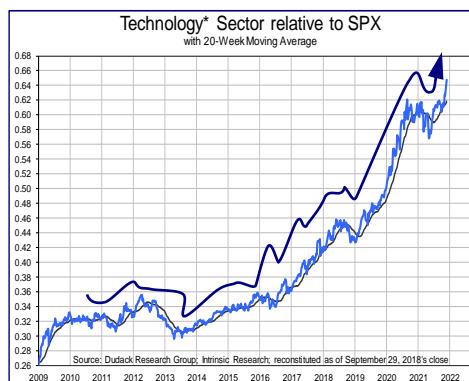




Bullish sentiment fell 7.1 points this week and 21.3 points in the last 3 weeks, to 26.7% and is now well below the historical average of 38.0%. Bearish sentiment rose 6.7 points to 42.4%, the highest since Aug. 2020 and below the historical average of 30.5%. However, sentiment readings are in normal ranges. The 8-week bull/bear spread ticked up but remains neutral. The ISE Sentiment index remains neutral.



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



2021 Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	50.7%
S&P REITS	35.1%
S&P FINANCIAL	32.9%
S&P INFORMATION TECH	32.1%
S&P CONSUMER DISCRETIONARY	25.1%
S&P 500	24.8%
S&P MATERIALS	20.7%
S&P COMMUNICATIONS SERVICES	19.8%
S&P INDUSTRIALS	18.1%
S&P HEALTH CARE	16.6%
S&P UTILITIES	9.2%
S&P CONSUMER STAPLES	8.9%

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	51.59	7.7%	-8.8%	-1.8%	56.3%
Energy Select Sector SPDR	XLE	57.27	4.9%	-1.7%	9.9%	51.1%
Oil Future	CLc1	72.05	8.9%	-11.3%	-5.0%	48.5%
SPDR Homebuilders ETF	XHB	85.37	6.3%	6.6%	19.0%	48.1%
SPDR S&P Retail ETF	XRT	94.66	0.8%	-6.9%	4.8%	47.2%
SPDR S&P Semiconductor ETF	XSD	248.30	4.2%	3.8%	25.4%	45.4%
Financial Select Sector SPDR	XLF	39.30	3.5%	-1.8%	4.7%	33.3%
Technology Select Sector SPDR	XLK	172.52	2.3%	3.3%	15.5%	32.7%
SPDR S&P Bank ETF	KBE	55.03	2.5%	-4.4%	4.0%	31.6%
iShares US Real Estate ETF	IYR	111.65	4.2%	1.3%	9.0%	30.4%
iShares MSCI Austria Capped ETF	EWO	25.51	4.5%	-3.4%	2.6%	28.6%
Consumer Discretionary Select Sector SPDR	XLY	206.64	1.1%	-2.2%	15.2%	28.5%
PowerShares Water Resources Portfolio	PHO	59.58	3.9%	1.6%	8.9%	28.3%
NASDAQ 100	NDX	16325.66	1.2%	-0.2%	11.1%	26.7%
iShares MSCI Taiwan ETF	EWT	67.16	3.8%	4.8%	8.3%	26.5%
iShares Russell 1000 Growth ETF	IWF	303.99	1.4%	-0.4%	10.9%	26.1%
iShares Russell 2000 Value ETF	IWN	165.80	3.3%	-6.0%	3.5%	25.8%
iShares MSCI Canada ETF	EWC	38.75	3.7%	-2.3%	6.7%	25.6%
SP500	.SPX	4686.75	2.6%	-0.2%	8.8%	24.8%
iShares Russell 1000 ETF	IWB	261.18	2.4%	-0.9%	8.1%	23.3%
Nasdaq Composite Index Tracking Stock	ONEQ.O	61.10	0.8%	-1.7%	8.8%	21.8%
Materials Select Sector SPDR	XLB	87.88	3.8%	0.1%	11.1%	21.4%
iShares Russell 1000 Value ETF	IWD	164.38	3.6%	-1.4%	5.0%	20.2%
iShares MSCI India ETF	INDA.K	47.99	1.0%	-4.0%	-1.4%	19.3%
iShares DJ US Oil Eqpt & Services ETF	IEZ	13.38	7.5%	-9.6%	-2.3%	19.0%
Industrial Select Sector SPDR	XLI	104.99	4.2%	-1.3%	7.3%	18.6%
Health Care Select Sect SPDR	XLV	132.80	2.4%	0.0%	4.3%	17.1%
SPDR DJIA ETF	DIA	357.74	3.7%	-1.5%	5.7%	17.0%
DJIA	.DJI	35719.43	3.6%	-1.7%	5.5%	16.7%
iShares Russell 2000 ETF	IWM	224.10	2.7%	-7.3%	2.4%	14.3%
iShares MSCI United Kingdom ETF	EWU	33.15	3.5%	-1.1%	2.8%	13.2%
Gold Future	GCc1	2196.10	0.2%	1.0%	2.2%	12.0%
iShares MSCI Mexico Capped ETF	EWV	47.52	4.9%	-4.3%	-1.5%	10.5%
Utilities Select Sector SPDR	XLU	68.94	4.8%	2.6%	7.9%	10.0%
iShares MSCI EAFE ETF	EFA	79.41	3.3%	-3.0%	1.8%	8.8%
Consumer Staples Select Sector SPDR	XLP	72.99	3.8%	0.0%	6.0%	8.2%
Shanghai Composite	.SSEC	3595.09	0.9%	3.0%	-1.3%	6.9%
Vanguard FTSE All-World ex-US ETF	VEU	61.89	3.3%	-2.4%	1.5%	6.0%
iShares MSCI Singapore ETF	EWS	22.61	0.6%	-6.9%	-0.7%	5.3%
iShares MSCI Australia ETF	EWA	25.13	2.7%	-4.9%	1.2%	4.9%
iShares US Telecomm ETF	IYZ	31.45	2.4%	-5.0%	-3.1%	4.1%
iShares Russell 2000 Growth ETF	IWO	298.01	2.0%	-8.5%	1.5%	3.9%
iShares MSCI Germany ETF	EWG	32.95	3.6%	-4.6%	0.1%	3.7%
iShares MSCI Japan ETF	EWJ	68.97	4.0%	-2.0%	-1.8%	2.1%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
Silver Future	SLc1	18.54	0.0%	0.0%	0.0%	0.0%
iShares Nasdaq Biotechnology ETF	IBB.O	150.97	-2.1%	-3.8%	-6.6%	-0.3%
iShares MSCI Hong Kong ETF	EWK	23.96	2.9%	-2.3%	-0.1%	-2.8%
iShares MSCI Emerg Mkts ETF	EEM	50.08	2.5%	-1.6%	-0.6%	-3.1%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	133.64	0.4%	-0.9%	0.5%	-3.3%
iShares 20+ Year Treas Bond ETF	TLT	151.00	-0.4%	1.1%	4.6%	-4.3%
iShares MSCI South Korea Capped ETF	EWY	81.03	7.0%	2.0%	0.5%	-5.8%
SPDR Gold Trust	GLD	166.81	0.8%	-1.8%	1.6%	-6.5%
iShares MSCI BRIC ETF	BKF	46.70	0.5%	-3.4%	-3.1%	-10.6%
iShares MSCI Malaysia ETF	EWM	24.81	-0.2%	-3.2%	-2.1%	-13.9%
iShares Silver Trust	SLV	21.70	-1.2%	-6.7%	1.5%	-15.1%
iShares China Large Cap ETF	FXI	38.69	1.3%	-1.7%	-0.6%	-16.7%
iShares MSCI Brazil Capped ETF	EWZ	30.72	6.0%	2.6%	-4.4%	-17.1%

Outperformed SP500  
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of December 7, 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	~~~~~	\$190.82	\$202.04	\$200.00	63.4%	\$206.06	47.5%	23.2X	1.3%	NA	\$1,834.70	-6.0%
2022E		\$206.56	\$219.63	\$220.00	10.0%	\$222.63	8.0%	21.3X	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 2Q	4297.50	\$48.39	\$52.03	\$52.10	94.5%	\$52.58	87.9%	24.5	1.3%	6.7%	\$2,440.60	43.4%
2021 3QP	4307.54	\$49.65	\$52.13	\$48.51	28.0%	\$53.88	39.3%	22.7	1.6%	2.0%	NA	NA
2021 4QE*	4686.75	\$46.83	\$50.47	\$51.98	36.1%	\$51.08	20.0%	23.2	1.6%	NA	NA	NA
2022 1QE		\$51.27	\$51.46	\$53.50	12.8%	\$52.22	6.3%	22.7	NA	NA	NA	NA
2022 2QE		\$49.76	\$54.38	\$54.00	3.6%	\$55.13	4.8%	22.5	NA	NA	NA	NA
2022 3QE		\$52.19	\$56.62	\$55.00	13.4%	\$57.53	6.8%	22.0	NA	NA	NA	NA
2022 4QE		\$53.34	\$57.17	\$57.50	10.6%	\$58.16	13.9%	21.3	NA	NA	NA	NA

Source: DRG; S&amp;P Dow Jones; Refinitiv Consensus estimates; \*\*quarterly EPS may not sum to official CY estimates

12/7/2021

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