Dudack Research Group
A Division of Wellington Shields & Co. LLC. Member NYSE, FINRA & SIPC
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DJIA: 33544.34
SPX: 4262.45
NASDAQ: 12948.62

US Strategy Weekly
A Week Full of Events

The big event of the week will be the Federal Reserve meeting and Chairman Jerome Powell's commentary since monetary policy is expected to change for the first time in two years. The fed funds rate is expected to rise 25 basis points to a range of 25 to 50 basis points on Wednesday, and this will be the Fed's first interest rate increase since December 2018. The shift is meaningful, but widely expected and fully priced into stock prices, in our opinion.

But while the Fed may be the media focus on Wednesday, the day is also notable for the fact that Russia has a $117 million payment due on US dollar-denominated Eurobond coupons. This will be the first of several key payments due on Russia's sovereign debt in coming months and the first since the Fitch rating system downgraded Russian debt to a "C" rating, indicating that a sovereign default is imminent. Most economists now expect Russia to default since it has become the pariah of the Western banking world. Following Russia's invasion of Ukraine many countries froze Russian reserves of dollars and euros held at banks and this crippled Russian liquidity and will make payment difficult. However, a nonpayment usually initiates a notice of a 30-day grace period to the issuer before defaults are officially triggered. Still, it will be interesting to see how Russia responds to this week's likely default since it is apt to be the first of many. Several more payments will be coming due in the weeks ahead and we will be watching to see if these defaults have unexpected consequences. Russia's debt is not large enough to worry about a major banking crisis, but it could result in some unexpected private losses.

To a large extent, the only response to Russia's invasion of Ukraine have been economic sanctions by the US and other NATO nations. Therefore, a sovereign debt default may be the first of many tests of how well Russia and its economy can weather the sanctions from the West and still continue to wage a costly war in Ukraine.

Oil and Interest Rates

The stock market rose ahead of this week's FOMC meeting but this rally could have been due to a variety of factors. First, the price of WTI crude oil ($95.15) dropped $28.50 this week after jumping $20 last week. This decline was a welcomed event however, the technical chart of the WTI future shows it still remains above all its key moving averages and remains in an uptrend. Keep in mind that crude oil ended the year at $75 which means it is up 27% year-to-date, despite this pullback. See page 8.

We think the most interesting chart of the week is the 10-year Treasury note yield, which rose from 1.82% to 2.16%. This 34 basis-point jump, ahead of the Fed meeting is somewhat consoling since it reduces the immediate risk of an inverted yield curve, but we are curious about the move since it did not appear to be linked to "economic strength." The risk of an inverted yield curve in 2022, and of a recession, continues to be significant in our opinion. In short, we believe this week's equity rally is best for traders. Unfortunately, the problem that inflation brings, its impact on consumers, investors, profit margins, the Fed and PE multiples will not go away any time soon.

There will be a number of key economic releases this week including retail sales as well as industrial production, housing data, and construction spending. However, all this data will be for the month of February and will not include the impact the Russian invasion may have had on the American public. History suggests that wars tend to be good for the economy, but this is mainly true for the industrial sector. The US is a consumer-led economy and wars can have a negative impact on consumer psyche and consumer spending, particularly when the price of gasoline and food is rising rapidly.

Inflation

Headline inflation rose from 7.5% to 7.9% in February and core CPI rose from 6.0% to 6.5%. These numbers indicate that inflation continues to be a plague on the economy. Energy sector prices are the biggest issue, up 25.6% YOY in February. Nevertheless, inflation has become well-ingrained in the economy and all but 6.4% of the CPI weighting is rising well above the Fed's target of 2%. See page 3. Transportation costs were up 21% YOY in February, the highest since early 1980.

As we anticipated, housing, which is 42.4% of the weighting of the CPI are now rising. Housing costs did not begin to rise until recently and had been a nice offset to rising fuel cost. But the housing sector saw prices up 5.95% YOY in February, the highest since early 1982. The worrisome issue is that housing costs are now accelerating dramatically and are adding to the inflation problem facing households. See page 4.

Producer price indices were also released this week and they show little signs of decelerating. The PPI for finished goods rose 13.8% YOY in February versus 12.5% YOY a month earlier. The core PPI for finished goods rose 7.7% YOY versus 7.0% in January. Only PPI final demand displayed any sign of stabilizing and was unchanged at a disturbingly high rate of 10.1% YOY. See page 5. The pace of inflation is a big concern, and it is now the steepest jump in prices since the OPEC oil embargo imposed on the US in 1973. The embargo in 1973 was related to the Arab-Israeli War and was imposed by OPEC when the US supplied Israel with military support. Note the US dependence on foreign oil and the impact this has on geopolitics. We find this to be a disturbing parallel in many ways.

The rise in inflation has now created a spread between the fed funds rate and inflation that is even larger than that seen in 1973. As we have often noted, the Fed's failure to reduce monetary ease early last year to stem the growing tide of inflation, has now created a major problem. Our view of the number of fed funds rate hikes this year is evolving. It is likely that inflation will dampen consumption, weaken profit margins, and slow the US economy in 2022. The Fed must now balance between inflation and the risk of sparking a recession. It is a difficult decision.

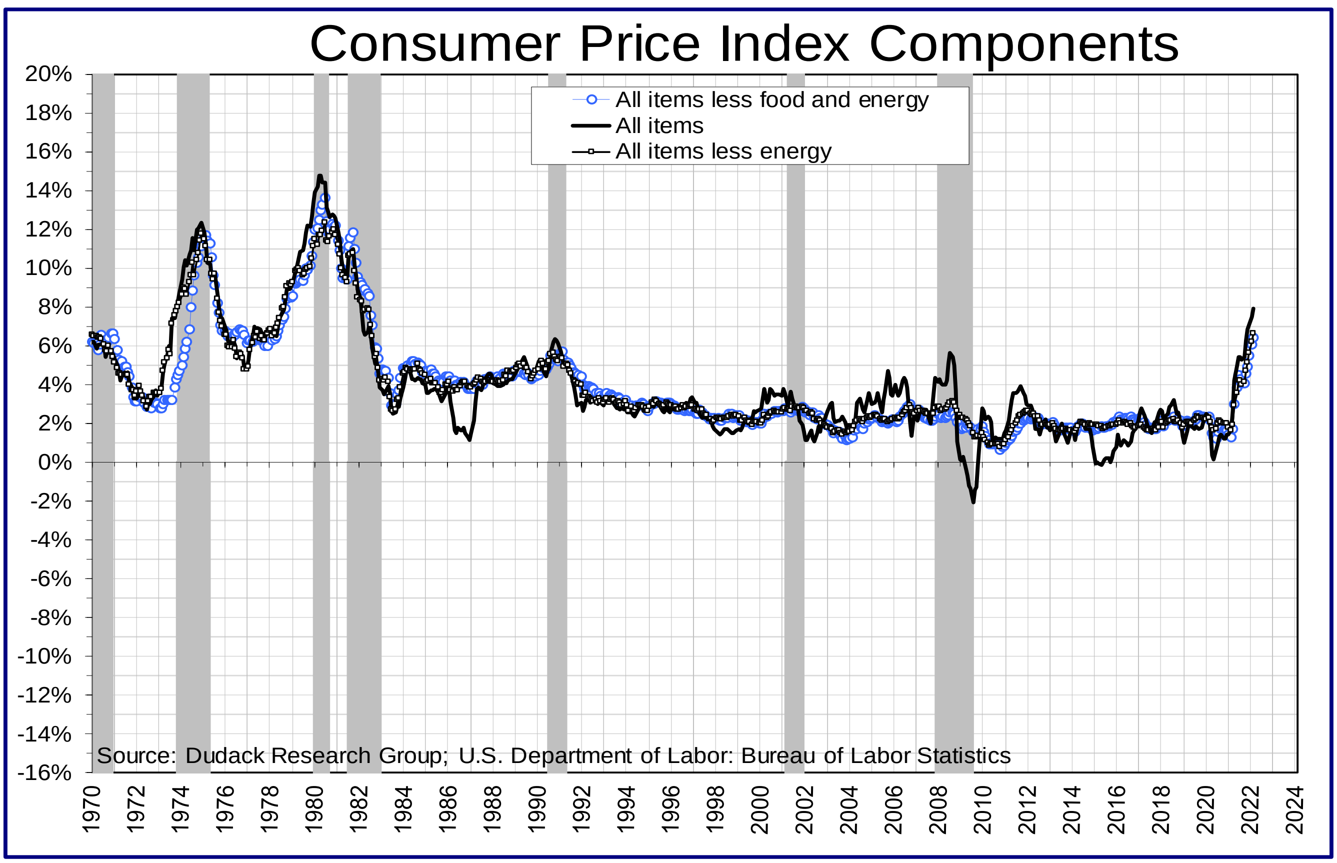
This risk is visible in sentiment indicators. The University of Michigan consumer sentiment index fell to 59.7 in March, a new cyclical low. The NFIB Small Business Optimism Index decreased by 1.4 points to 95.7 in March, the second consecutive month below the 48-year average of 98. Twenty-six percent of owners surveyed reported that inflation was their single most important problem in operating their business. This was a four-point increase since December and the highest reading since the third quarter of 1981. Not surprisingly, hiring plans fell from 26 to 19 in March. See page 6.

Little has changed in the technical area although the S&P 500 index has joined all the other indices in confirming a "death cross." A death cross occurs when the 50-day moving average falls below the 200-day moving average and it is a negative configuration. But since a death cross tends to happen midway or late into a bear cycle, we do not find that meaningful. Still, we do not believe the lows have yet been found. Neither technical nor fundamental guidelines give us comfort this week, and both sets of indicators suggest there is more downside risk in the market. The safest equity sectors in the current environment are energy, staples, defense-related and companies that are insulated from inflation and have dividends greater than 2%. But we do believe a long-term opportunity to buy technology stocks is on the horizon.

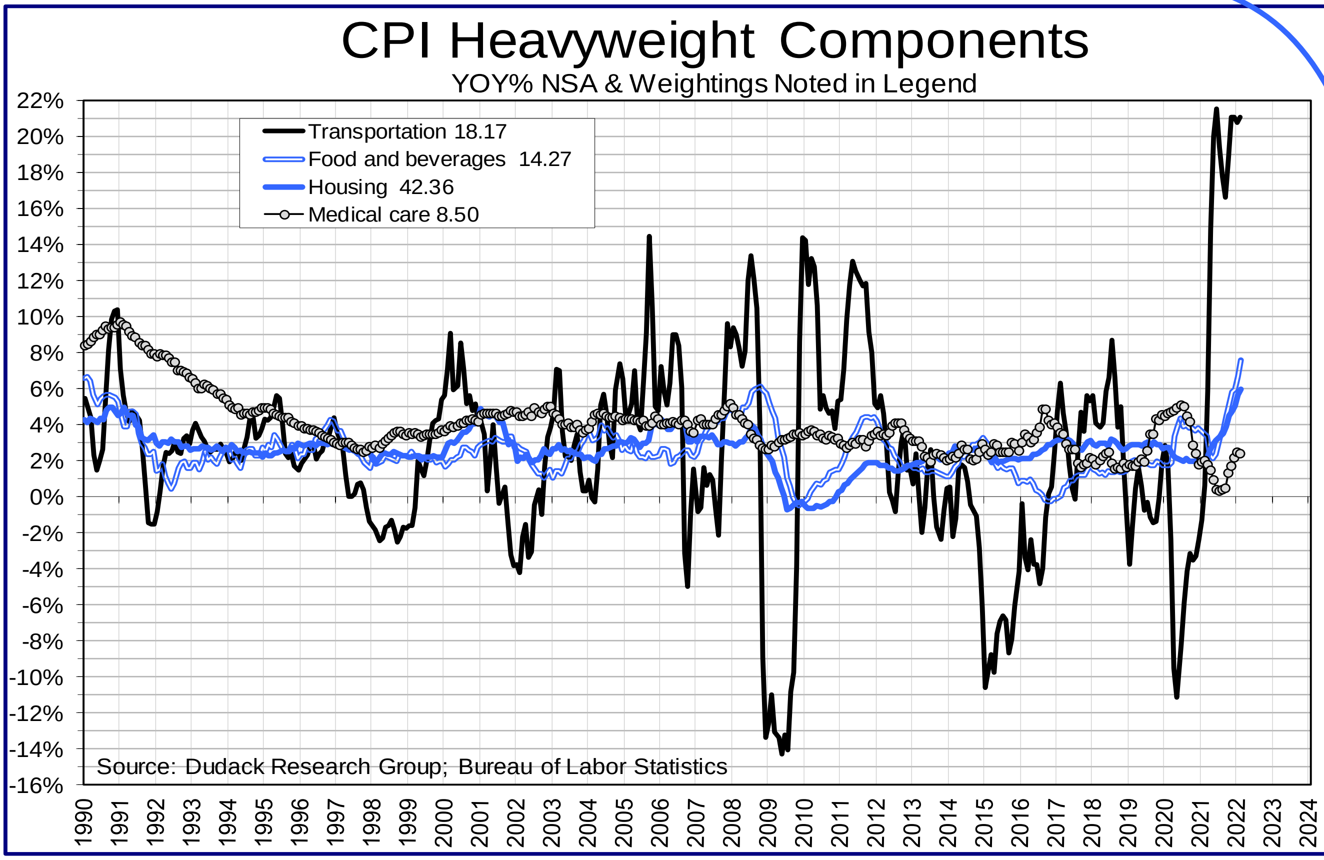
Headline inflation rose from 7.5% to 7.9% in February and core CPI rose from 6.0% to 6.5%. Energy prices continue to be the biggest issue, up 25.6% YOY in February. Inflation has become well-ingrained in the economy with all but 6.4% of the index rising well above the Fed's target of 2%.

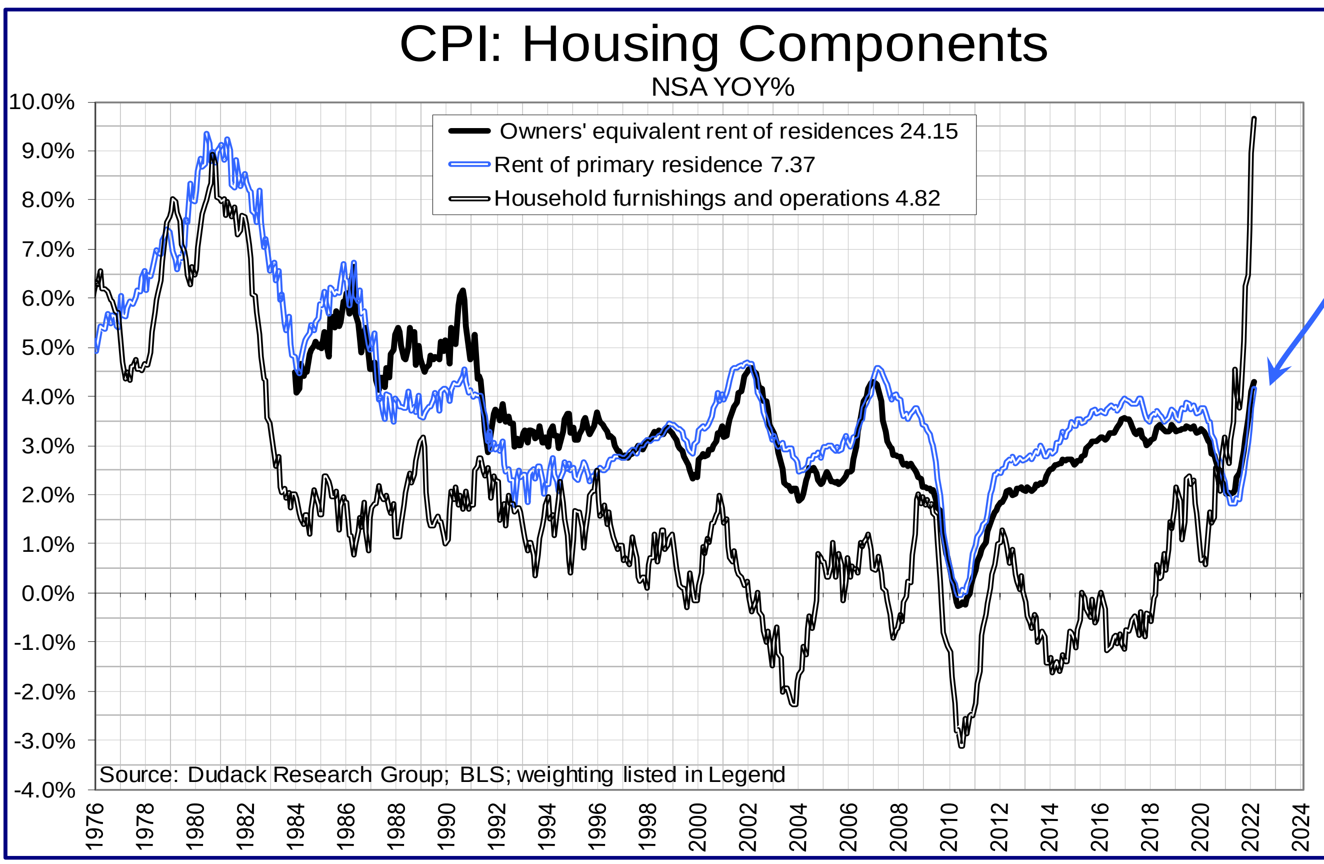
CPI Components Heavy Weights - Not Seasonally Adjusted Data	Component Weight*	Fuel Weight	Price Chg YOY%	Price Chg MOM%
Housing	**42.4%**	**4.7%**	**5.9%**	**0.6%**
Owners' equivalent rent of residences	**24.2%**		*4.3%*	0.4%
Fuels and utilities	**4.7%**		**11.0%**	**0.1%**
Transportation	**18.2%**	**2.7%**	**21.1%**	**1.9%**
Food and beverages	**14.3%**		7.6%	1.4%
Food at home	**8.2%**		*8.6%*	1.4%
Food away from home	**5.2%**		*6.8%*	0.4%
Alcoholic beverages	**0.9%**		*3.5%*	0.9%
Medical care	**8.5%**		**2.4%**	**0.4%**
Education and communication	**6.4%**		**1.6%**	**0.0%**
Recreation	**5.1%**		**5.0%**	**0.9%**
Apparel	**2.5%**		**6.6%**	**3.1%**
Other goods and services	**2.7%**		**5.6%**	**1.1%**
Special groups:				
Energy	7.4%		25.6%	2.7%
All items less food and energy	79.2%		6.4%	0.7%
All items	**100.0%**		**7.87%**	**0.9%**

Source: Dudack Research Group; BLS; *Dec. 2021 weightings; Italics=sub-component; bold = headline;blue>headline

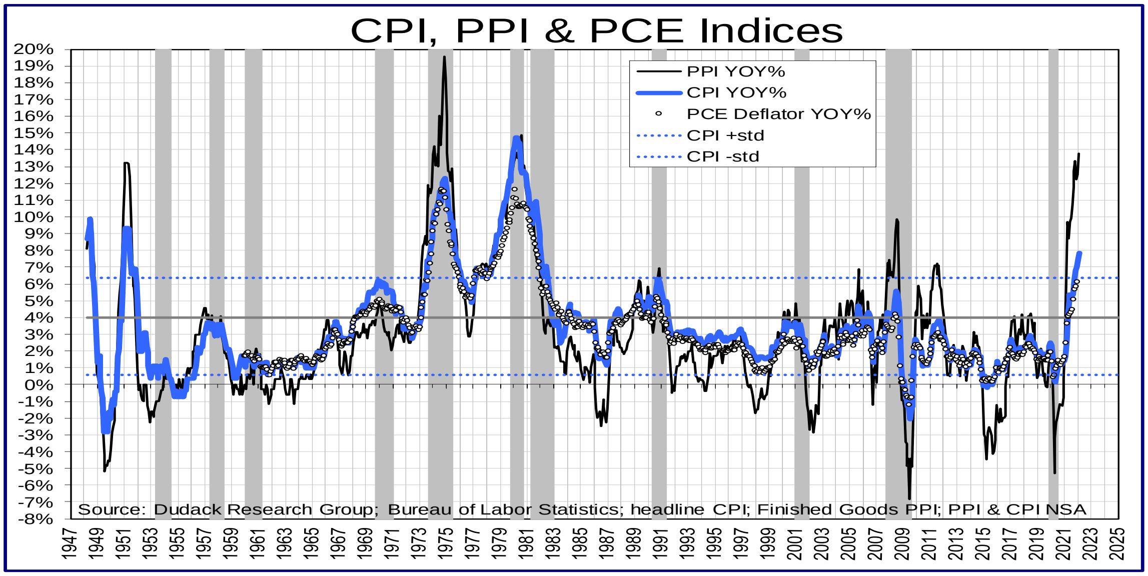


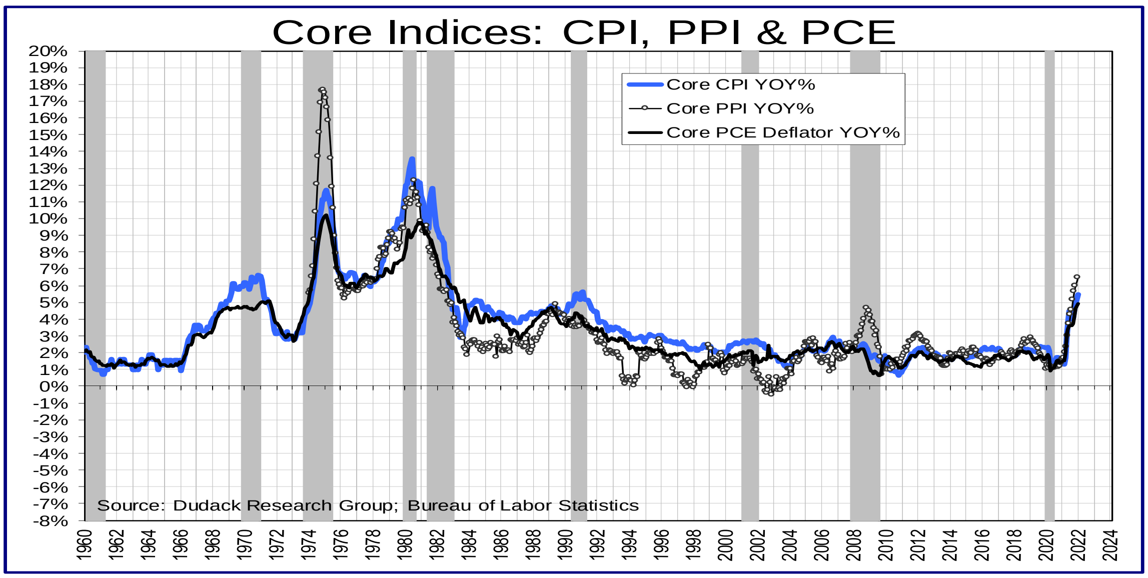
Transportation costs are up 21% YOY, the highest since early 1980. As expected, housing costs are now rising strongly with overall housing-related prices (42.4% of the CPI), up 5.95% YOY, the highest since early 1982. The worrisome issue is that housing costs are accelerating dramatically.

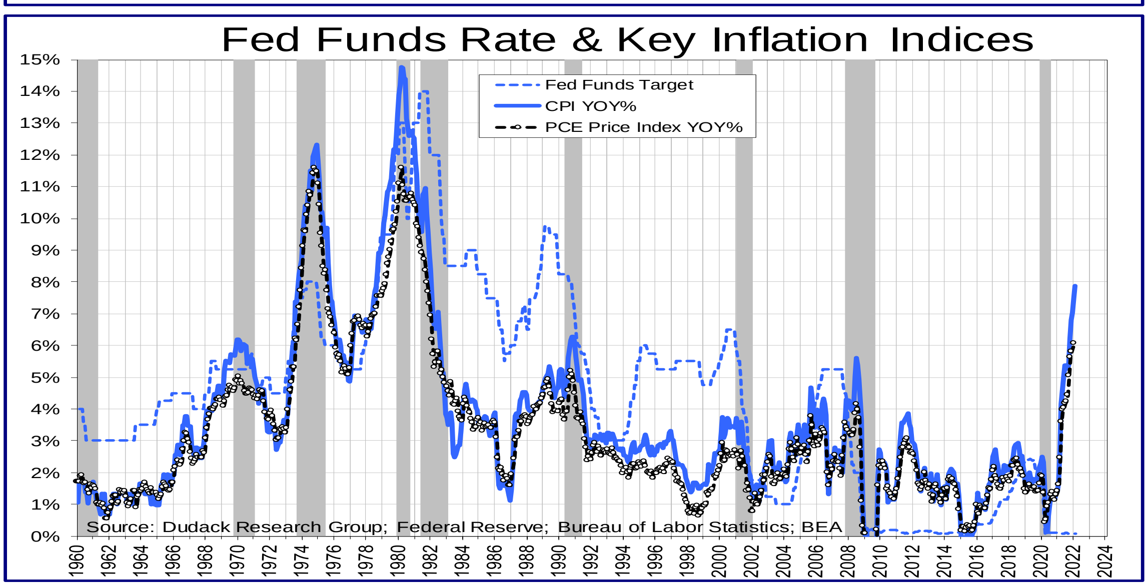




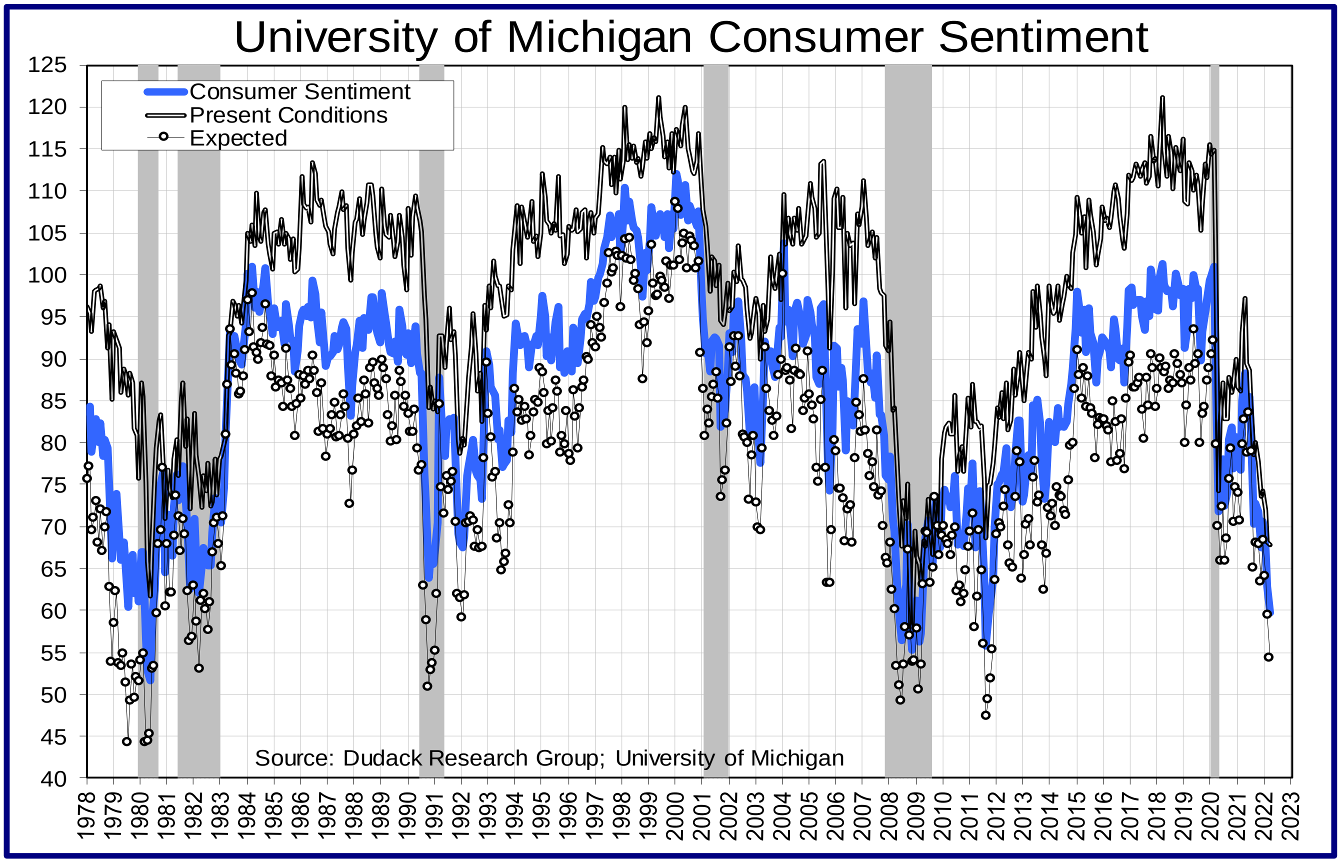
The current rate of inflation is a big concern and is the steepest since the OPEC oil embargo imposed on the US in 1973. The embargo was related to the Arab-Israeli War when the US supplied Israel with military support. Note the parallel. The spread between the fed funds rate and inflation is huge.

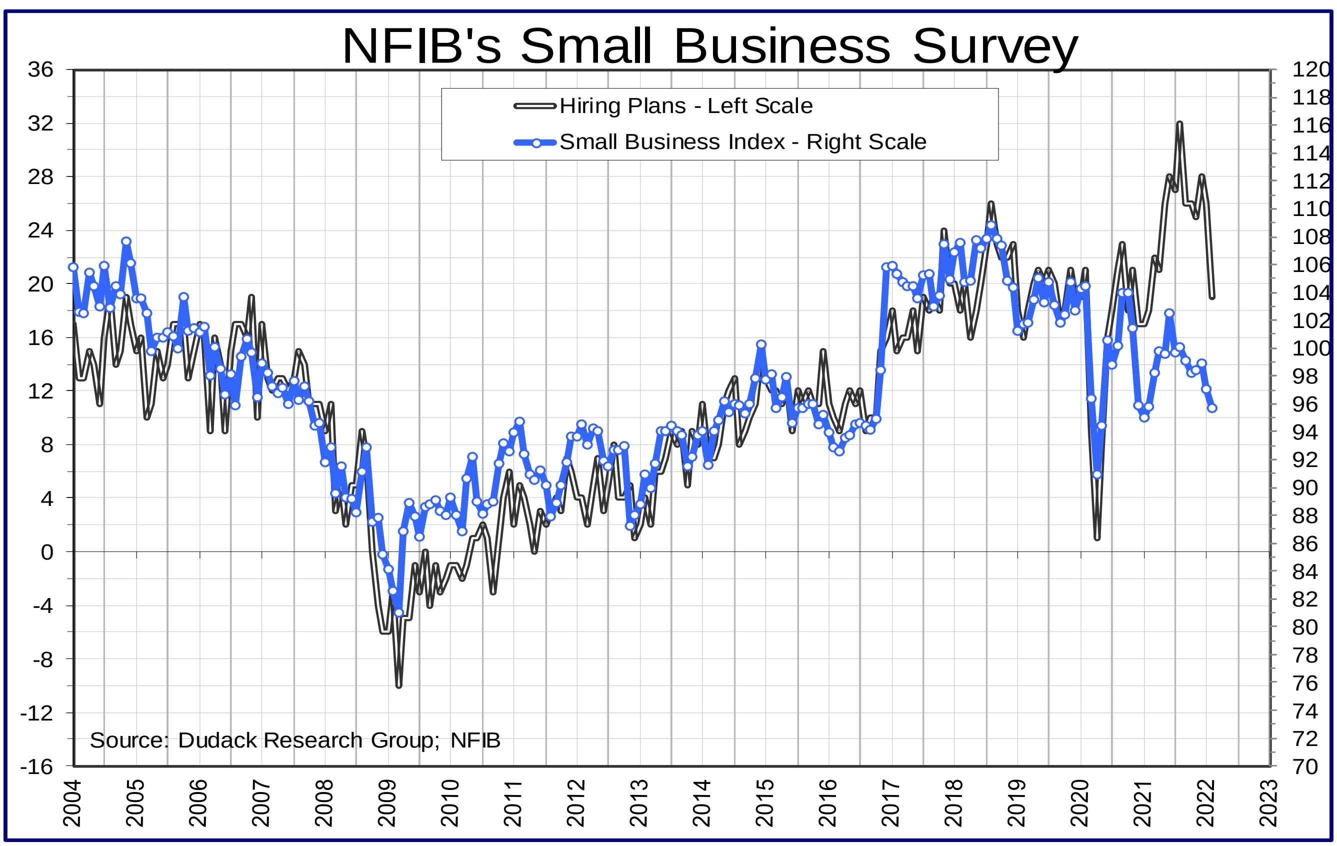




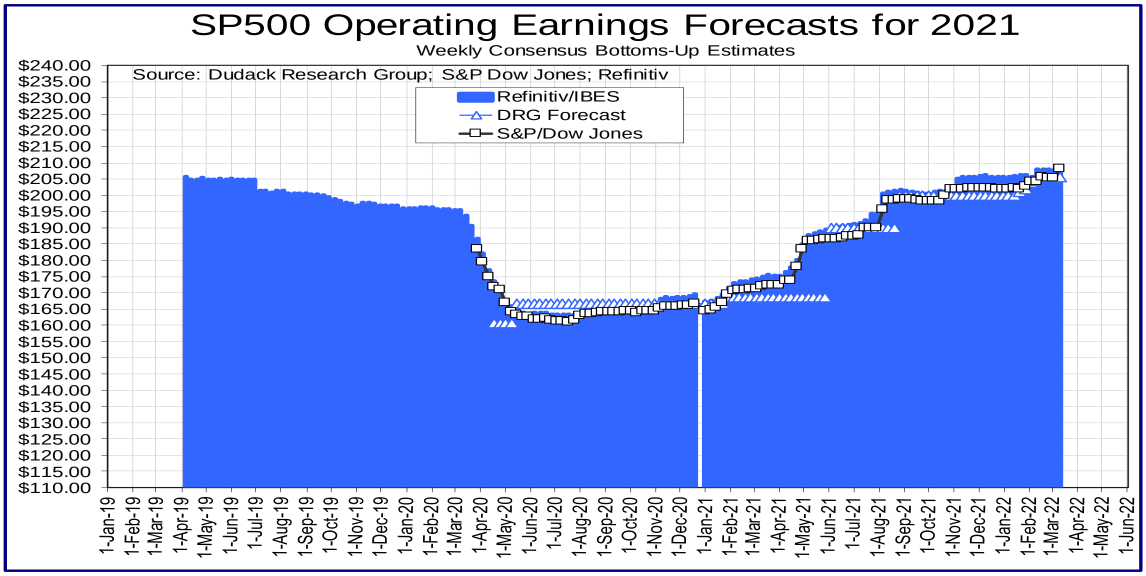


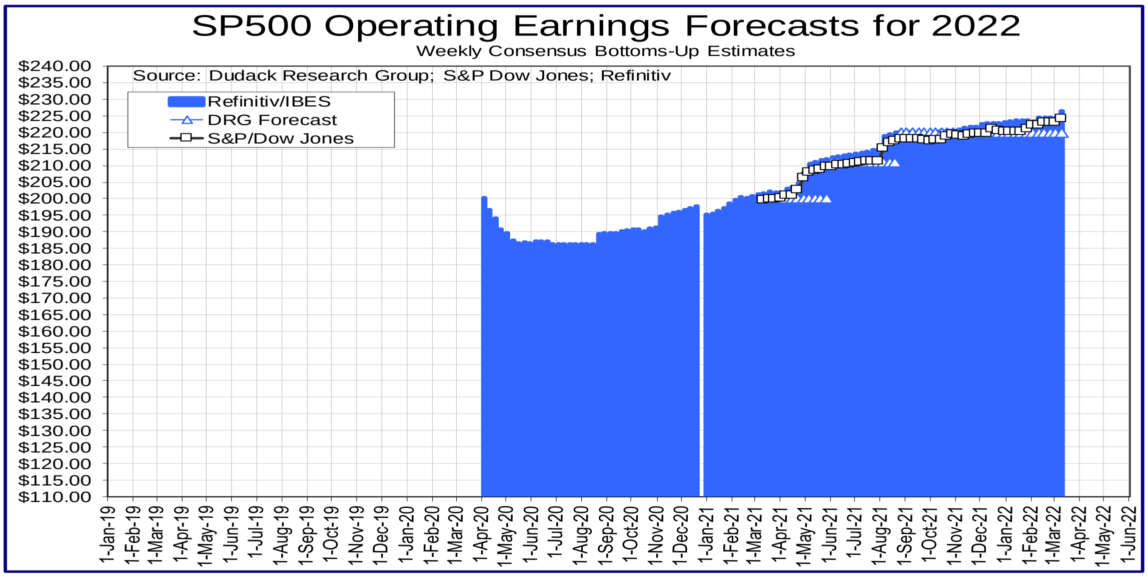
The University of Michigan consumer sentiment index fell to 59.7 in March, a new cyclical low. The NFIB Optimism Index decreased by 1.4 points to 95.7, the 2nd consecutive month below the 48-year average of 98. Twenty-six percent of owners reported that inflation was their single most important problem in business. This was a 4-point increase since December and the highest reading since 3Q1981.

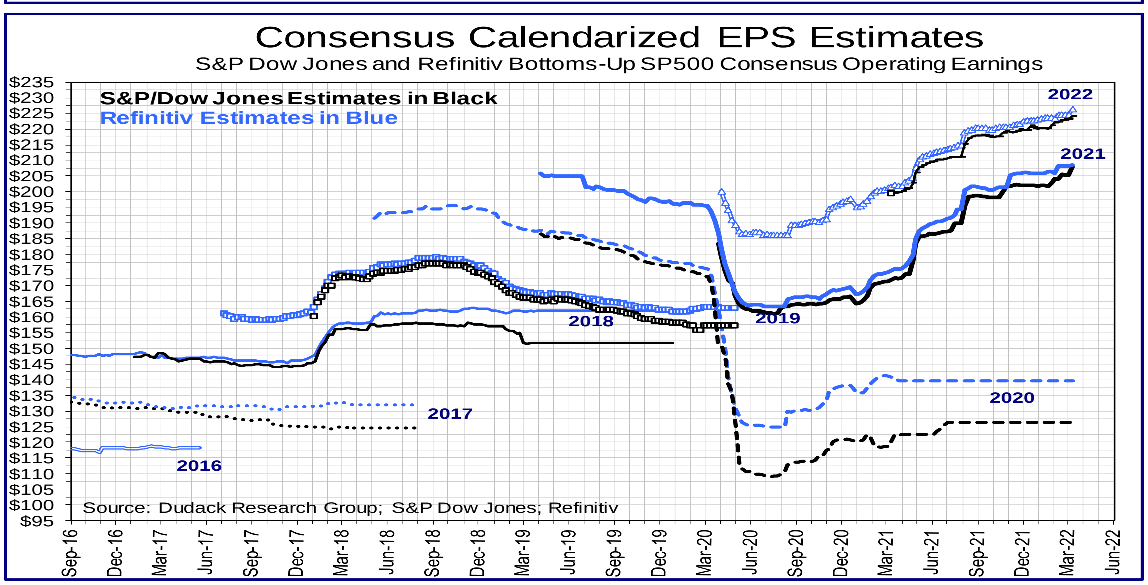




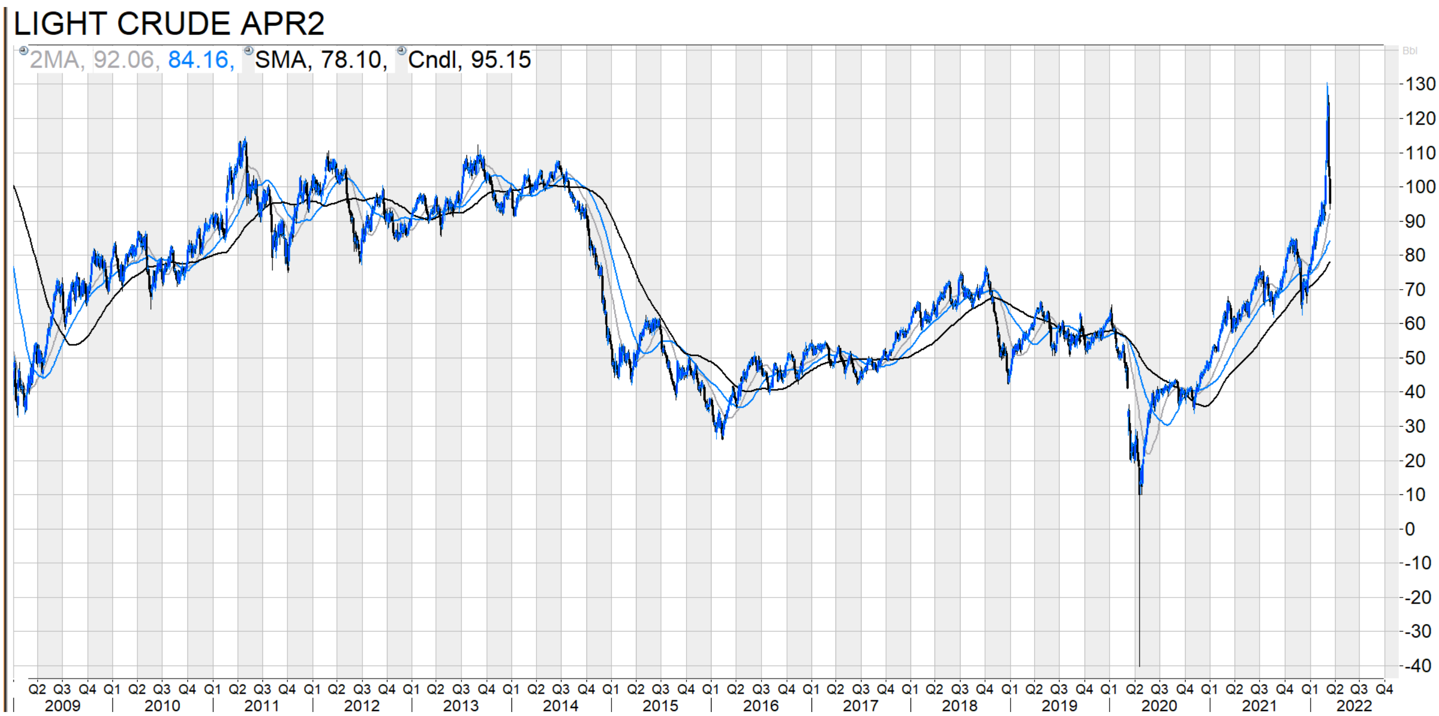
The S&P Dow Jones earnings estimate for 2021 rose $2.71 in the last two weeks and the Refinitiv IBES estimate rose $0.50 in the same period. Earnings growth estimates and growth rates for 2022 remain $224.10 and 7.7% and $226.38 and 8.5%, respectively. Our DRG 2022 estimate is $220, a 5.7% YOY increase from our upwardly revised 2021 estimate of $208.05.







This price of WTI crude oil fell $28.50 this week after jumping $20 last week. While we welcome the decline, the chart shows the oil future remains above all moving averages. The 10-year note yield rose from 1.82% to 2.16% this week ahead of the Federal Reserve's March meeting. The risk of an inverted yield curve in 2022, and a recession, continues to be significant.

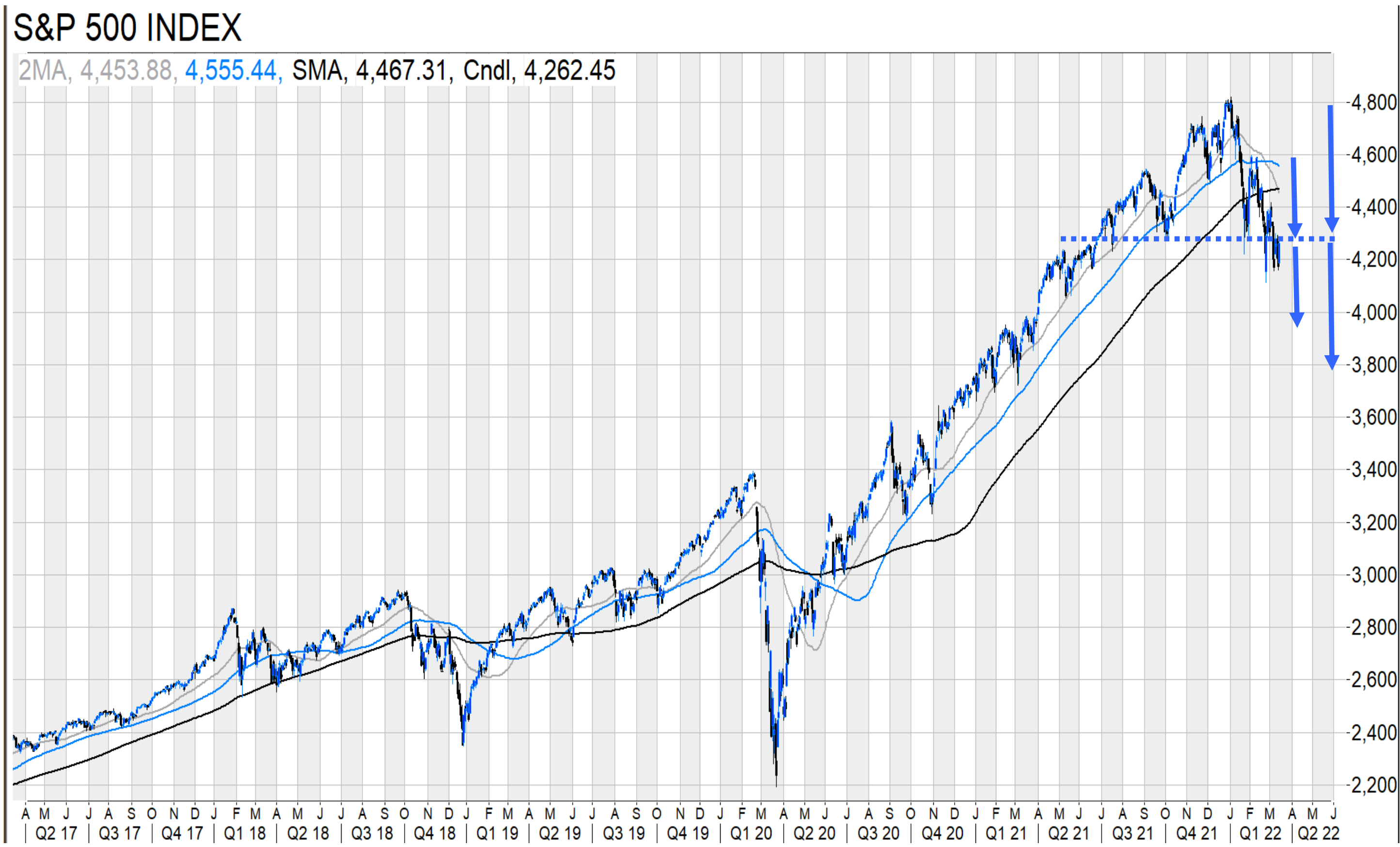


Source: Refinitiv

The major head-and-shoulders top formation in the SPX continues to evolve. The neckline can be drawn at several different levels, but we show the neckline at SPX 4300. A break below a neckline of a head-and-shoulders formation allows for downside targets and this formation has two -- the difference between the height of the shoulder to the neckline and the difference between the head and the neckline.

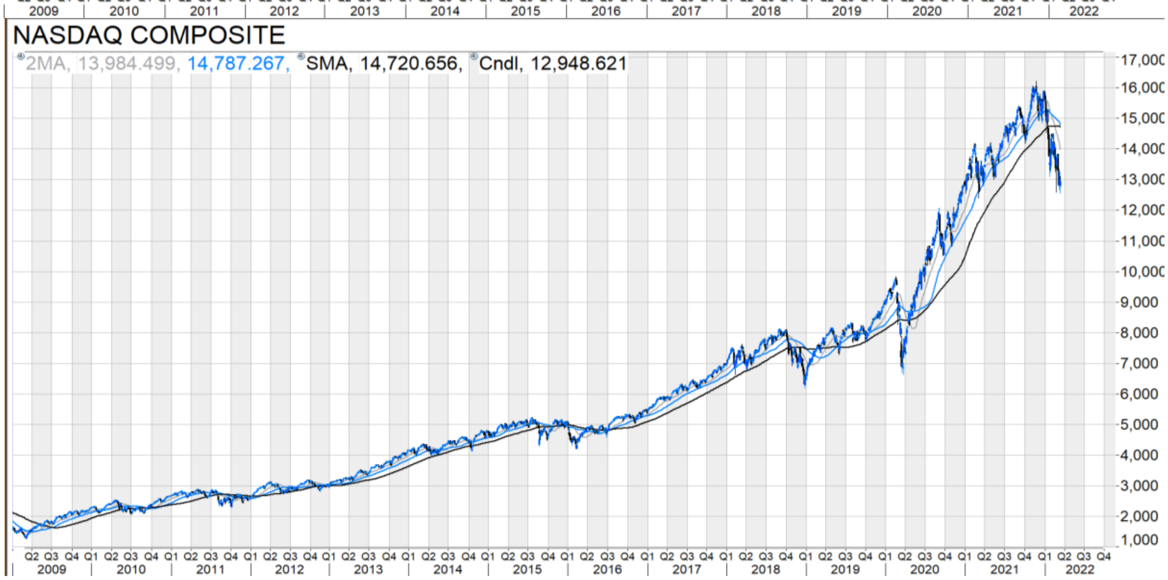
The first of these downside targets implies a decline to SPX 4000, and SPX 4100 was tested on an intra-day basis, earlier in March. The second downside target is SPX 3800 which equate to a 20% correction. A 20% correction in the S&P appears quite possible given that the Russell 2000 index has already experienced a 20% decline from its record high.

Note that key upside resistance is the neckline at SPX 4300.



Source: Refinitiv

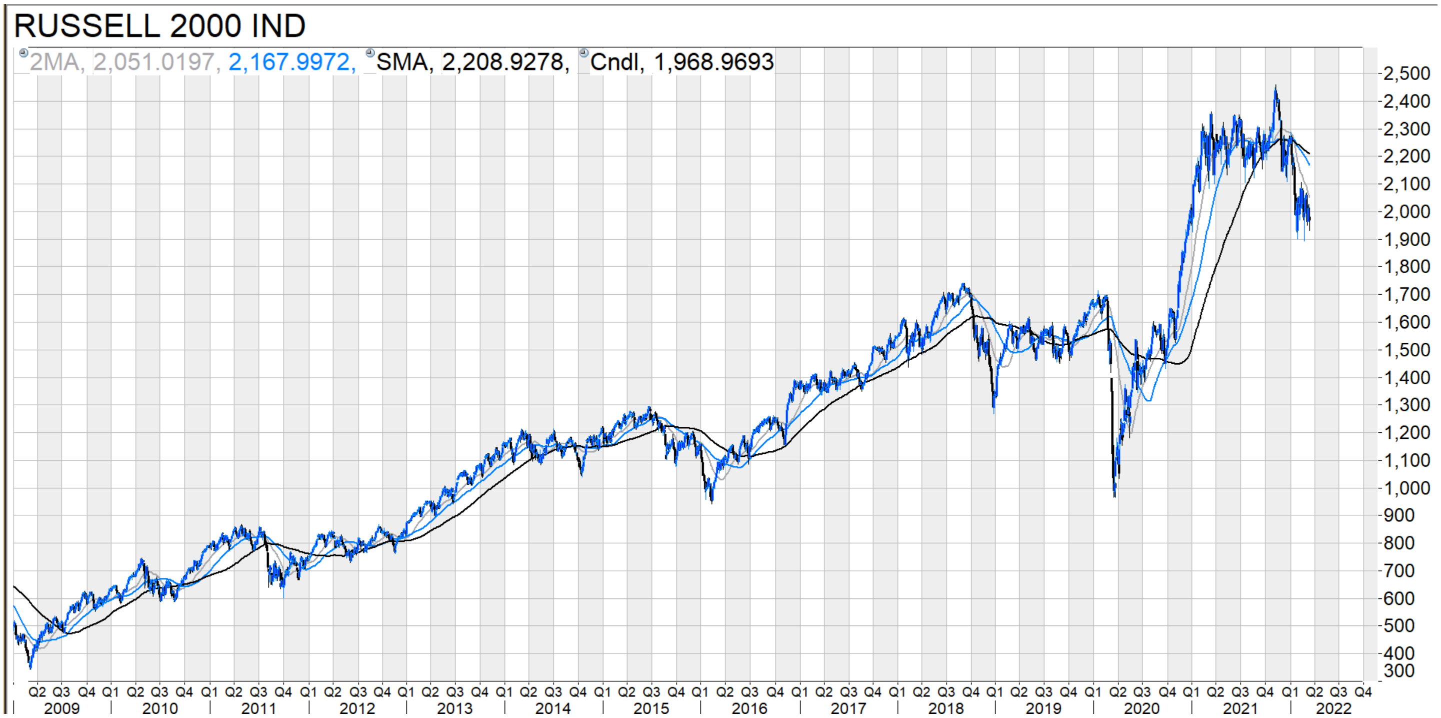
All the indices remain well below all their key moving averages; plus, the 50-day moving average has crossed below the 200-day moving average in the SPX, which was the only index not to have confirmed a death cross prior to this week. However, death crosses tend to come late in a bear market, not early.



Source: Refinitiv

The charts of the Russell 2000 index (RUT - $1968.97) and Amazon.com (AMZN - $2947.33) continue to look ironically similar and both are trading below all key moving averages. The 50-day and 100-day moving averages fell below the 200-day MA in a death cross several weeks ago. The rebound in AMZN failed to better the first level of resistance at the 50-day MA ($3049.02) and this remains a key level to watch on rally days.

However, both charts show that recent lows have been retested, and to date, these tests have been fairly successful. This is favorable and the longer the initial lows hold, the more likely it is that these charts, and perhaps the overall market is beginning to define significant lows. The support levels to monitor are roughly $2700 in Amazon and $1900 in the RUT.

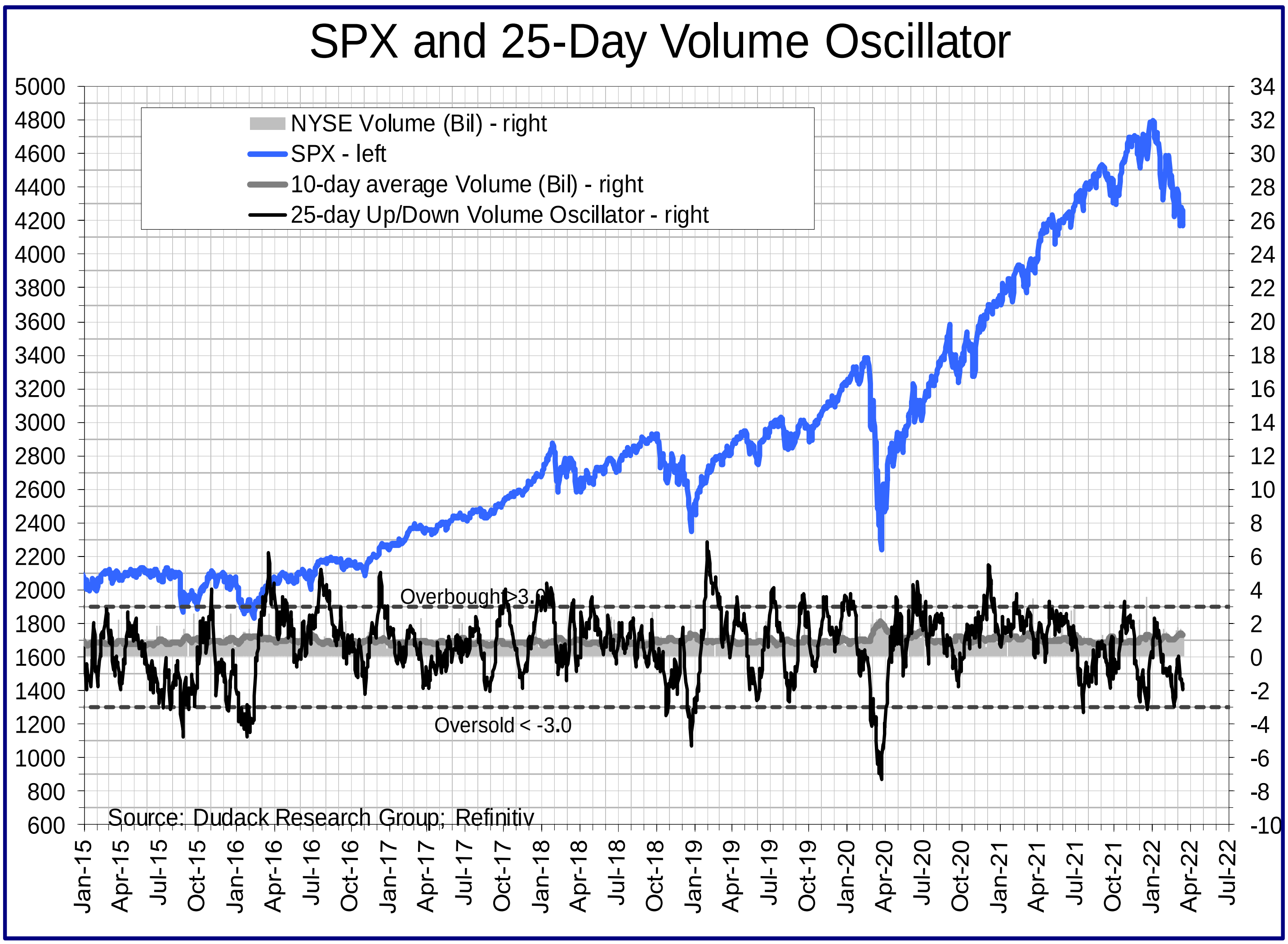


Source: Refinitiv

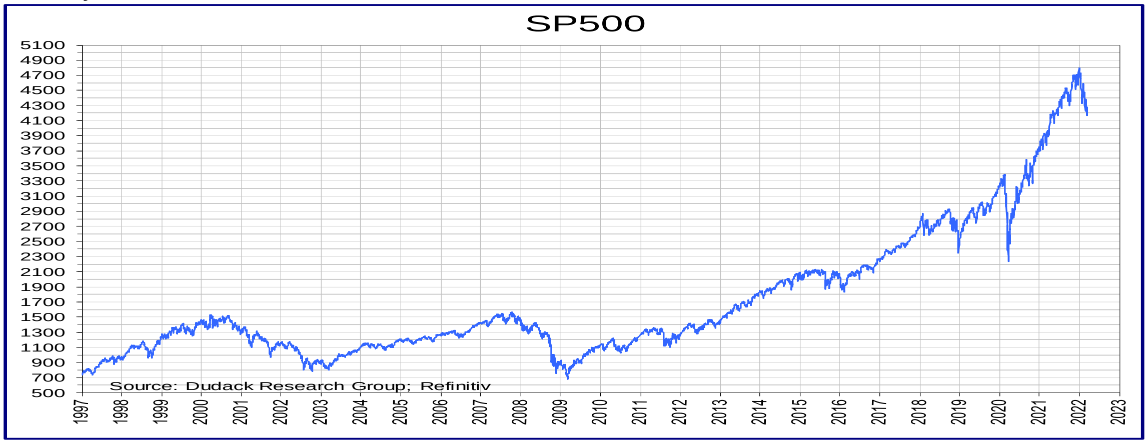
The 25-day up/down volume oscillator is negative 1.58 this week, and relatively unchanged from a week earlier, despite the sharp price decline in the market. This is because the recent correction has not had any extreme 90% volume day which would carry this oscillator into oversold territory. At least to date, there has not been any sign of panic selling or washout in the general market despite many key indices already showing a 20% correction from recent highs.

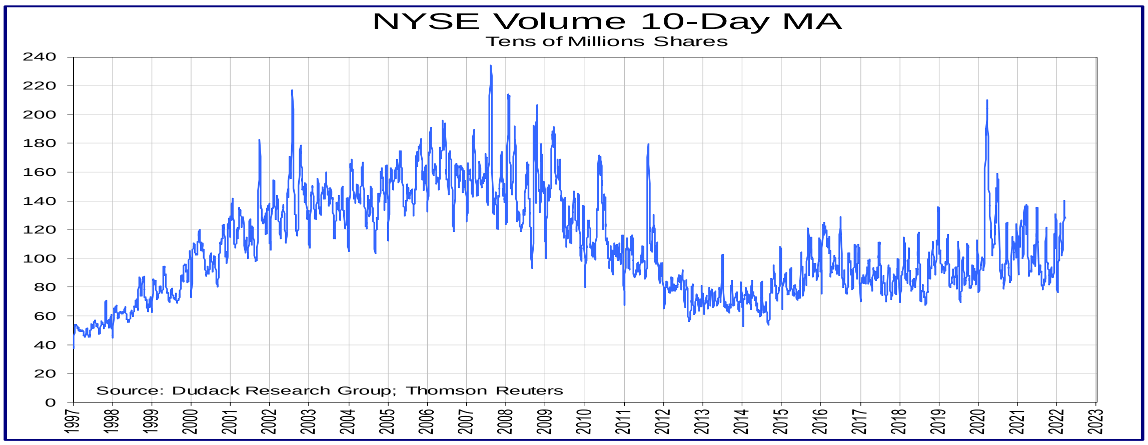
This oscillator last had a bullish confirming overbought reading in February 2021, and the absence of overbought readings revealed the underlying weakness in the advance from February 2021 to January 2022. Had this indicator recorded five consecutive days in oversold in January, it would have signaled a major shift in trend, but this has not materialized.

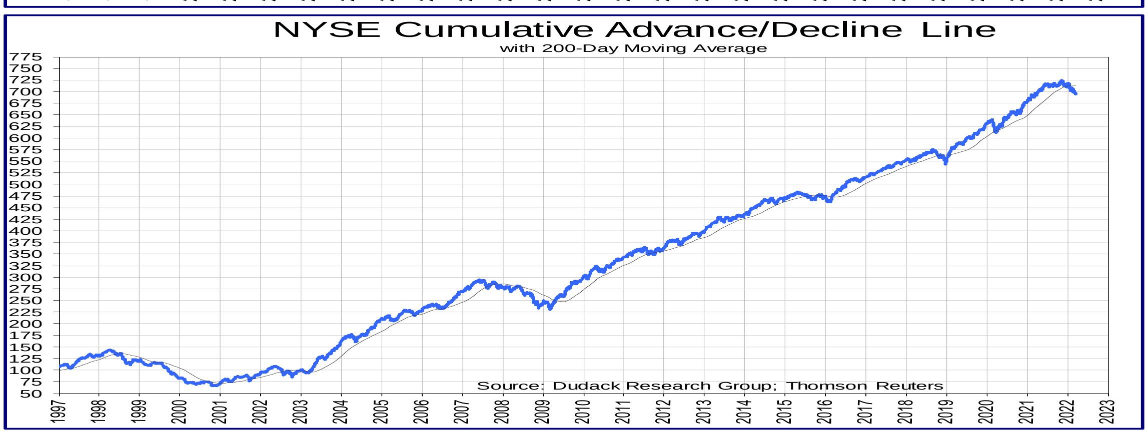
This 25-day up/down volume oscillator measures buying and selling momentum. New highs should be accompanied by strong and consistent buying pressure which results in long and sometimes extreme overbought readings. An absence of overbought readings at a new high reveals a weakness in the trend and is 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.

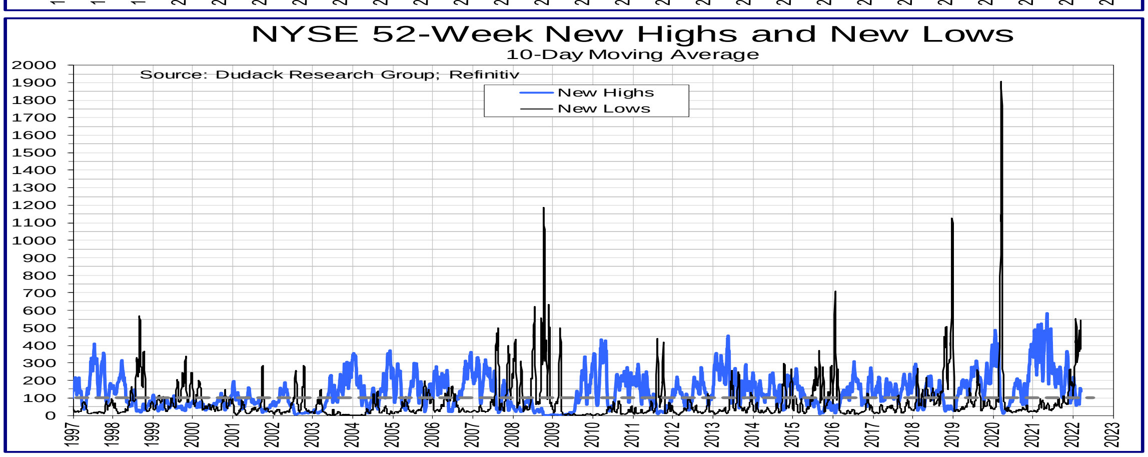


The 10-day average of daily new highs is 136 this week and daily new lows rose to 543. This combination is the same as last week's neutral reading. The advance/decline line's last record high was on November 8, 2021, and it is trading well below this level currently.

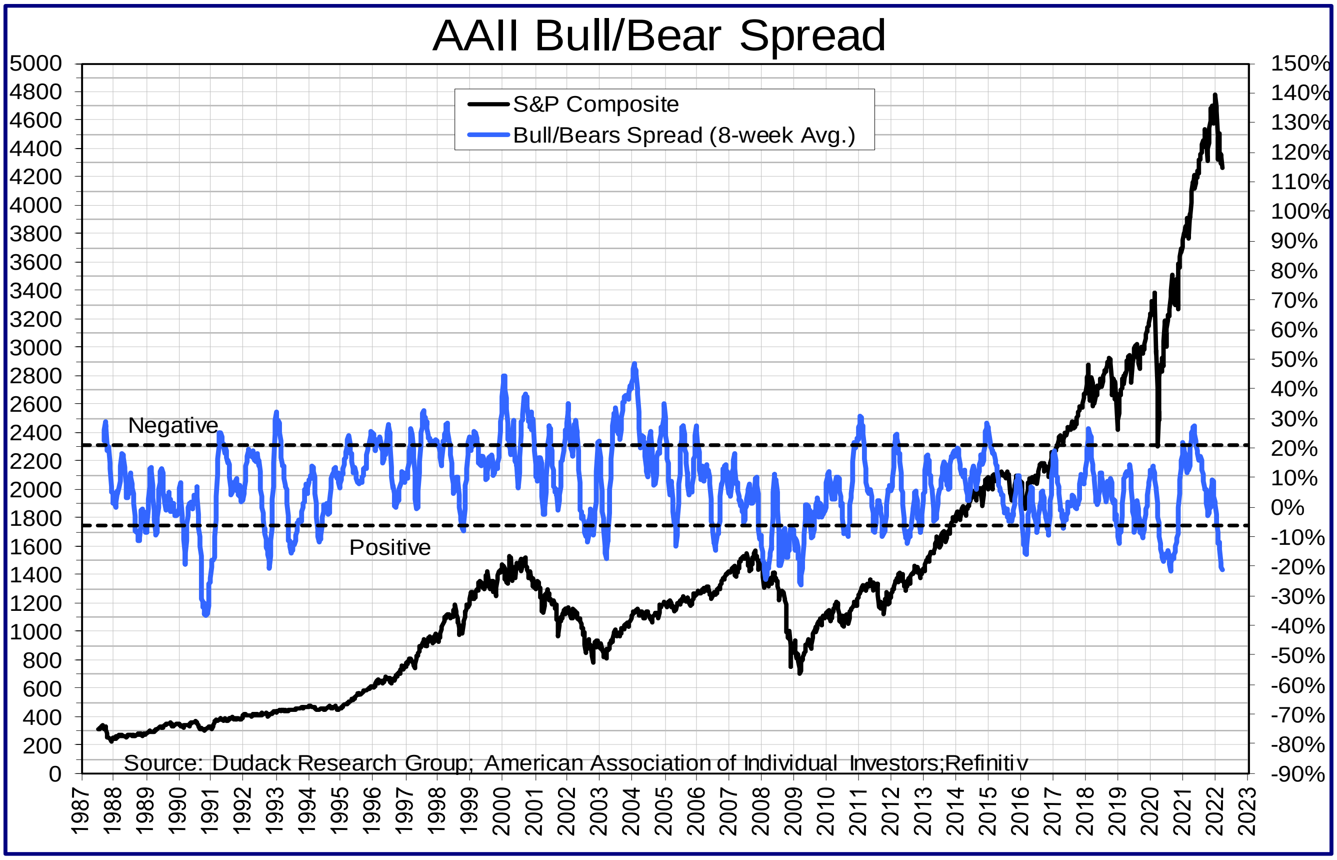


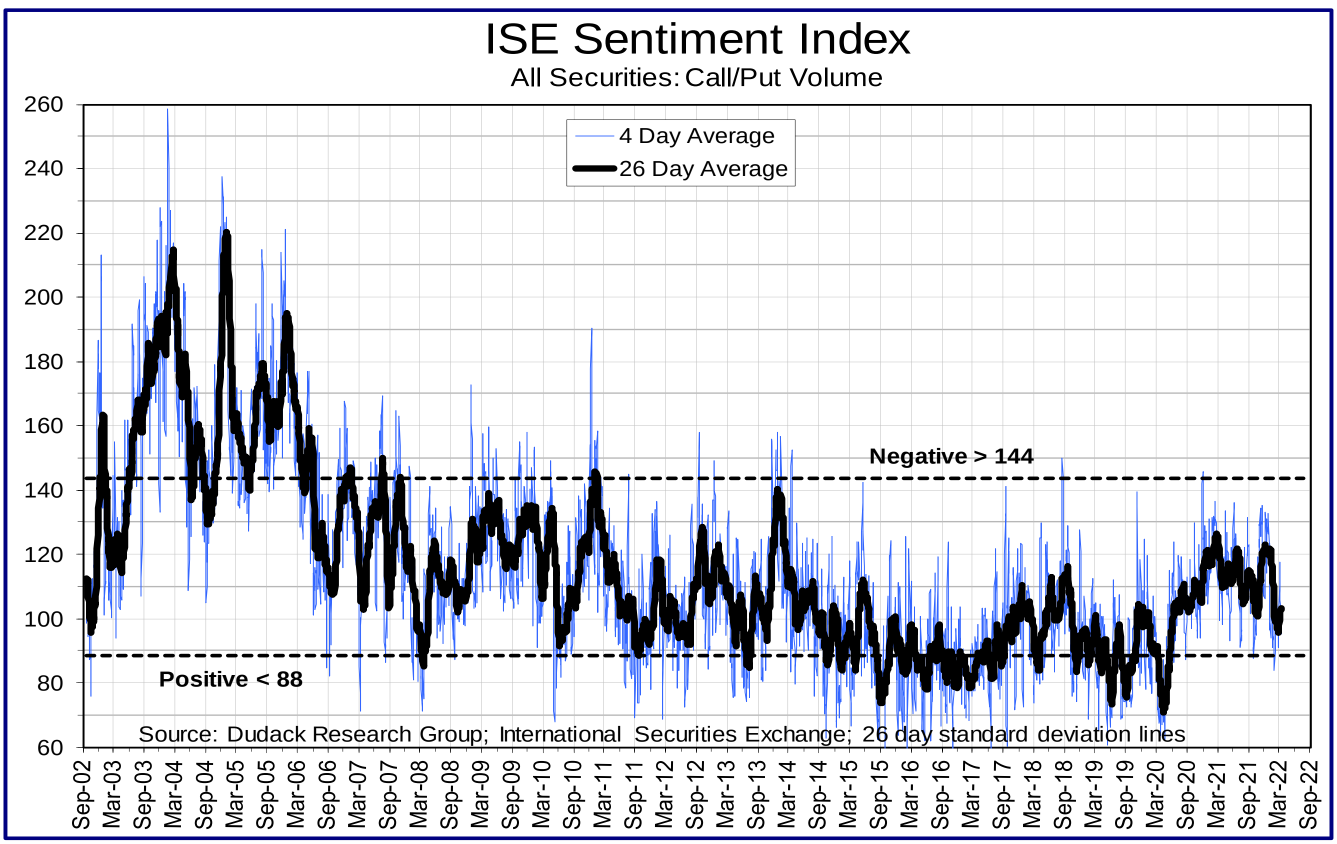






Bullish sentiment fell 6.4 points to 24.0% and is below the historical average of 38.0% for the 16th consecutive week. Bearish sentiment rose 4.4 points to 45.8% and is above the historical average of 30.5% for the 16th consecutive week. The AAII bull/bear spread index remains positive. The ISE Sentiment index is falling but remains neutral.

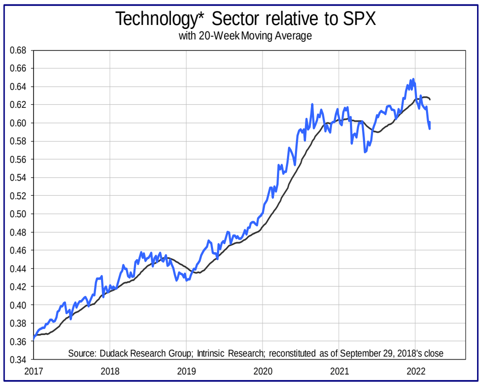


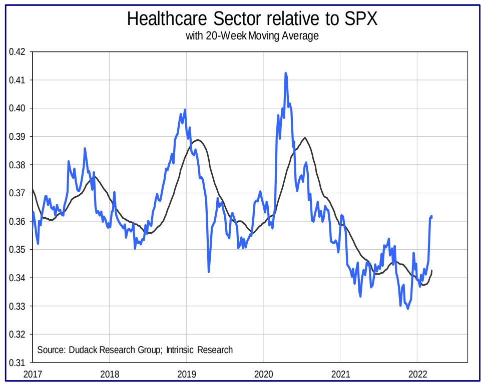


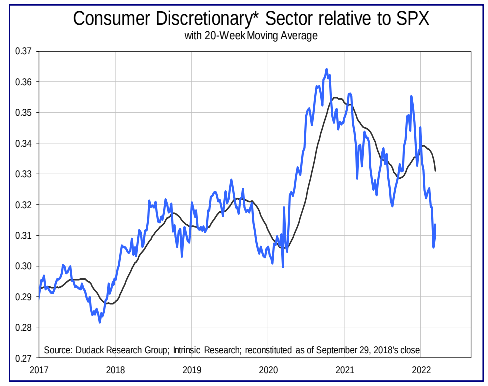
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

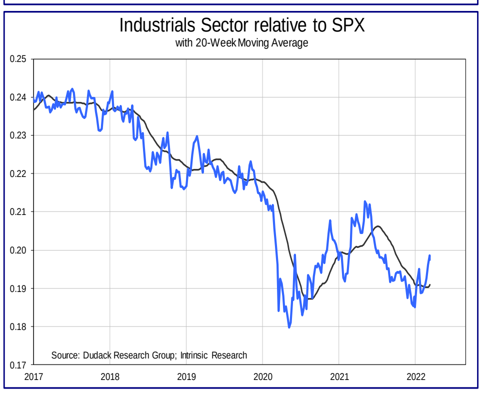
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Technology Industrials Energy Staples		Healthcare REITS Materials Financials		Consumer Discretionary Utililties Communication Services

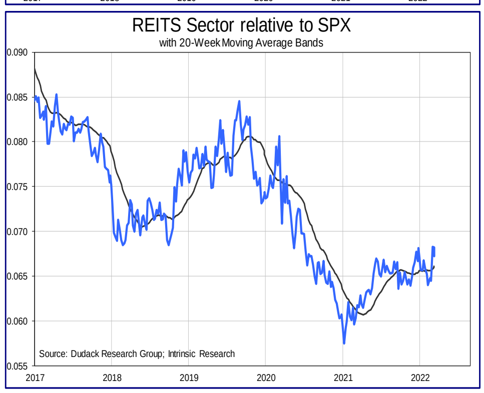
3/8/2022:Materials upgraded from underweight to neutral/communication service downgraded from neutral to underweight. 3/1/2022 Financials downgraded to neutral and Industrials upgraded to overweight.

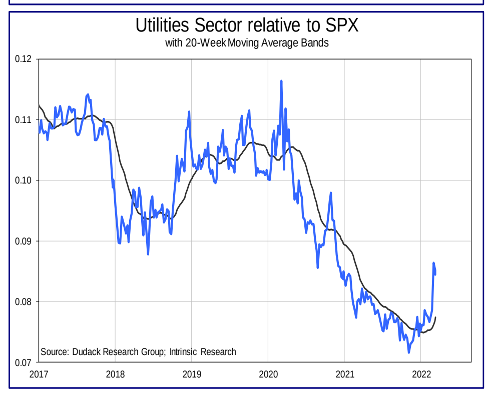


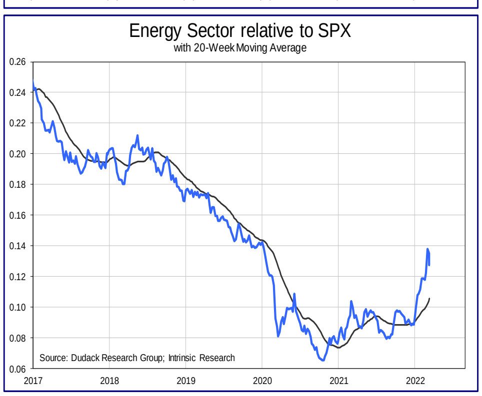


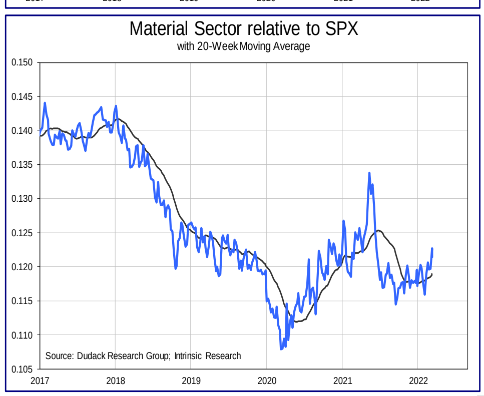


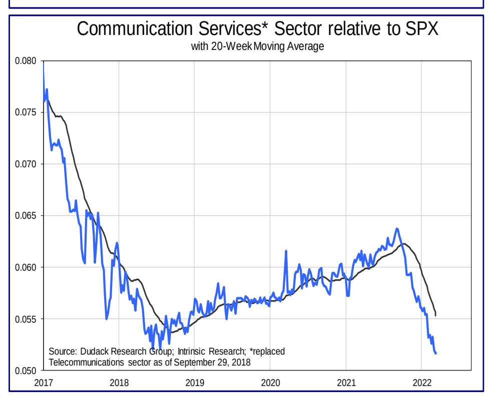


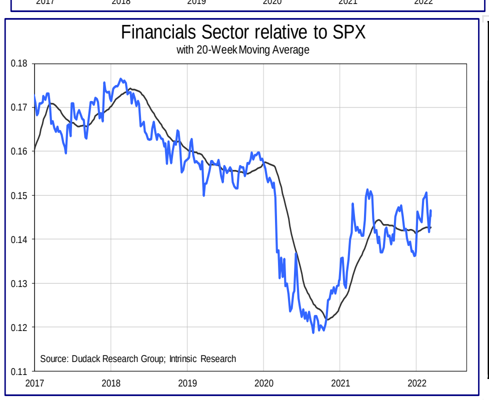












2022 Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	28.4%
S&P UTILITIES	-1.1%
S&P FINANCIAL	-4.7%
S&P CONSUMER STAPLES	-4.9%
S&P INDUSTRIALS	-6.0%
S&P HEALTH CARE	-6.4%
S&P MATERIALS	-9.2%
S&P 500	-10.6%
S&P REITS	-11.7%
S&P INFORMATION TECH	-16.2%
S&P CONSUMER DISCRETIONARY	-17.0%
S&P COMMUNICATIONS SERVICES	-17.6%

Source: Dudack Research Group; Refinitiv; Monday closes

Global Markets and Commodities - Ranked by 2022 Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
iShares DJ US Oil Eqpt & Services ETF	IEZ	18.01	15.8%	15.8%	39.7%	39.7%
Energy Select Sector SPDR	XLE	71.82	9.0%	9.0%	29.4%	29.4%
Oil Future	CLc1	96.44	9.4%	9.4%	28.2%	28.2%
United States Oil Fund, LP	USO	68.63	9.8%	9.8%	26.3%	26.3%
iShares MSCI Brazil Capped ETF	EWZ	31.84	0.7%	0.7%	13.4%	13.4%
iShares Silver Trust	SLV	23.97	10.6%	10.6%	7.0%	7.0%
SPDR Gold Trust	GLD	178.89	6.4%	6.4%	4.6%	4.6%
Gold Future	GCc1	2263.10	1.3%	1.3%	2.3%	2.3%
iShares MSCI Malaysia ETF	EWM	25.12	2.6%	2.6%	0.4%	0.4%
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%
Utilities Select Sector SPDR	XLU	71.25	2.9%	2.9%	-0.5%	-0.5%
iShares MSCI Canada ETF	EWC	38.10	-0.2%	-0.2%	-0.9%	-0.9%
SPDR S&P Bank ETF	KBE	53.59	-2.6%	-2.6%	-1.8%	-1.8%
iShares MSCI Australia ETF	EWA	24.31	6.4%	6.4%	-2.1%	-2.1%
iShares MSCI Mexico Capped ETF	EWW	49.43	1.8%	1.8%	-2.3%	-2.3%
iShares MSCI United Kingdom ETF	EWU	31.93	-5.8%	-5.8%	-3.7%	-3.7%
Financial Select Sector SPDR	XLF	37.38	-4.3%	-4.3%	-4.3%	-4.3%
iShares Russell 1000 Value ETF	IWD	160.34	-2.2%	-2.2%	-4.5%	-4.5%
Consumer Staples Select Sector SPDR	XLP	73.43	-3.3%	-3.3%	-4.8%	-4.8%
iShares MSCI India ETF	INDA.K	43.31	-5.6%	-5.6%	-5.5%	-5.5%
iShares Russell 2000 Value ETF	IWN	156.72	0.2%	0.2%	-5.6%	-5.6%
Industrial Select Sector SPDR	XLI	99.83	-0.9%	-0.9%	-5.7%	-5.7%
Health Care Select Sect SPDR	XLV	132.44	0.9%	0.9%	-6.0%	-6.0%
SPDR DJIA ETF	DIA	336.19	-4.2%	-4.2%	-7.5%	-7.5%
DJIA	.DJI	33544.34	-4.5%	-4.5%	-7.7%	-7.7%
Materials Select Sector SPDR	XLB	82.67	-2.1%	-2.1%	-8.8%	-8.8%
iShares MSCI Hong Kong ETF	EWH	20.96	-11.6%	-11.6%	-9.6%	-9.6%
iShares MSCI Singapore ETF	EWS	19.31	-8.4%	-8.4%	-9.7%	-9.7%
iShares MSCI Taiwan ETF	EWT	60.02	-7.5%	-7.5%	-9.9%	-9.9%
iShares iBoxx $ Invest Grade Corp Bond	LQD	119.37	-6.6%	-6.6%	-9.9%	-9.9%
SP500	.SPX	4262.45	-5.6%	-5.6%	-10.6%	-10.6%
iShares Russell 1000 ETF	IWB	235.44	-5.7%	-5.7%	-11.0%	-11.0%
Vanguard FTSE All-World ex-US ETF	VEU	54.53	-8.8%	-8.8%	-11.0%	-11.0%
iShares MSCI Japan ETF	EWJ	59.58	-7.0%	-7.0%	-11.0%	-11.0%
iShares MSCI EAFE ETF	EFA	69.94	-7.8%	-7.8%	-11.1%	-11.1%
iShares 20+ Year Treas Bond ETF	TLT	131.53	-7.6%	-7.6%	-11.2%	-11.2%
iShares US Telecomm ETF	IYZ	29.15	-5.8%	-5.8%	-11.4%	-11.4%
iShares US Real Estate ETF	IYR	102.82	-3.5%	-3.5%	-11.5%	-11.5%
iShares Russell 2000 ETF	IWM	195.78	-2.7%	-2.7%	-12.0%	-12.0%
iShares MSCI South Korea Capped ETF	EWY	67.56	-6.7%	-6.7%	-13.2%	-13.2%
iShares MSCI Emerg Mkts ETF	EEM	41.60	-14.8%	-14.8%	-14.8%	-14.8%
iShares MSCI Germany ETF	EWG	27.73	-13.4%	-13.4%	-15.4%	-15.4%
Shanghai Composite	.SSEC	3063.97	-13.1%	-13.1%	-15.8%	-15.8%
PowerShares Water Resources Portfolio	PHO	51.19	-3.4%	-3.4%	-15.9%	-15.9%
Technology Select Sector SPDR	XLK	146.14	-9.8%	-9.8%	-15.9%	-15.9%
iShares Russell 1000 Growth ETF	IWF	254.24	-8.9%	-8.9%	-16.8%	-16.8%
Nasdaq Composite Index Tracking Stock	ONEQ.O	50.51	-9.1%	-9.1%	-17.1%	-17.1%
Consumer Discretionary Select Sector SPDR	XLY	169.43	-8.4%	-8.4%	-17.1%	-17.1%
SPDR S&P Retail ETF	XRT	74.53	-8.8%	-8.8%	-17.5%	-17.5%
NASDAQ 100	NDX	13458.56	-9.9%	-9.9%	-17.5%	-17.5%
iShares MSCI Austria Capped ETF	EWO	20.79	-18.2%	-18.2%	-18.3%	-18.3%
iShares Russell 2000 Growth ETF	IWO	239.22	-5.7%	-5.7%	-18.4%	-18.4%
SPDR Homebuilders ETF	XHB	68.45	-8.0%	-8.0%	-20.2%	-20.2%
iShares Nasdaq Biotechnology ETF	IBB.O	121.13	-8.1%	-8.1%	-20.6%	-20.6%
SPDR S&P Semiconductor ETF	XSD	190.49	-6.9%	-6.9%	-21.7%	-21.7%
iShares MSCI BRIC ETF	BKF	33.71	-24.8%	-24.8%	-24.7%	-24.7%
iShares China Large Cap ETF	FXI	27.07	-28.7%	-28.7%	-26.0%	-26.0%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters   Priced as of March 15, 2022

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%	2.0%	$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%	-2.6%	$1,029.70	-9.8%
2010	1257.64	$77.35	**$83.77**	$83.77	47.3%	**$85.28**	40.3%	15.0X	1.9%	2.7%	$1,182.60	14.8%
2011	1257.60	$86.95	**$96.44**	$96.44	15.1%	**$97.82**	14.7%	13.0X	2.0%	1.5%	$1,456.20	23.1%
2012	1426.19	$86.51	**$96.82**	$96.82	0.4%	**$103.80**	6.1%	14.7X	2.1%	2.3%	$1,528.70	5.0%
2013	1848.36	$100.20	**$107.30**	$107.30	10.8%	**$109.68**	5.7%	17.2X	2.0%	1.8%	$1,662.50	8.8%
2014	2127.83	$102.31	**$113.01**	$113.01	5.3%	**$118.78**	8.3%	18.8X	2.2%	2.3%	$1,647.90	-0.9%
2015	2043.94	$86.53	**$100.45**	$100.45	-11.1%	**$118.20**	-0.5%	20.3X	2.1%	2.7%	$1,712.90	3.9%
2016	2238.83	$94.55	**$106.26**	$96.82	-3.6%	**$118.10**	-0.1%	21.1X	1.9%	1.7%	$1,664.90	-2.8%
2017	2673.61	$109.88	**$124.51**	$124.51	28.6%	**$132.00**	11.8%	21.5X	1.8%	2.3%	$1,633.90	-1.9%
2018	2506.85	$132.39	**$151.60**	$151.60	21.8%	**$161.93**	22.7%	16.5X	1.9%	2.9%	$1,686.50	3.2%
2019	3230.78	$139.47	$157.12	$157.12	3.6%	**$162.93**	0.6%	20.6X	1.8%	2.3%	$1,960.10	16.2%
2020	3756.07	$94.14	$122.38	$122.38	-22.1%	**$139.72**	-14.2%	30.7X	1.6%	-3.4%	$1,951.80	-0.4%
2021E	~~~~~~~	$197.84	$208.05	$208.05	70.0%	**$208.62**	49.3%	22.9X	1.3%	5.7%	$1,834.70	-6.0%
2022E		$209.05	$224.09	$220.00	5.7%	**$226.38**	8.5%	19.0X	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 2Q	4297.50	$48.39	$52.03	$52.03	94.2%	$52.58	87.9%	24.5	1.3%	6.7%	$2,440.60	43.4%
2021 3Q	4307.54	$49.59	$52.02	$52.02	37.3%	$53.72	38.8%	22.7	1.4%	2.3%	$2,522.70	18.2%
2021 4QP	4766.18	$53.91	$56.59	$56.59	48.2%	$54.06	27.0%	22.9	1.3%	7.0%	NA	NA
2022 1QE*	4262.45	$47.37	$51.13	$55.00	16.0%	$51.69	5.2%	20.1	NA	NA	NA	NA
2022 2QE		$51.02	$55.00	$55.00	5.7%	$55.62	5.8%	19.8	NA	NA	NA	NA
2022 3QE		$54.39	$58.22	$55.00	5.7%	$58.83	9.5%	19.3	NA	NA	NA	NA
2022 4QE		$56.27	$59.74	$55.00	-2.8%	$60.32	11.6%	19.0	NA	NA	NA	NA

Source: DRG; S&P Dow Jones; Refinitiv Consensus estimates; **quarterly EPS may not sum to official CY estimates 3/15/2022

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