



Dudack Research Group

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March 2, 2022

DJIA: 33294.95

SPX: 4306.26

NASDAQ: 13532.46

US Strategy Weekly

Pray for Ukraine

As we go to print, we are also preparing for President Joseph Biden's first State of the Union address to Congress. It could be a pivotal speech and a crucial time for Biden because at the same time, a massive Russian convoy is spotted outside Ukraine's capital Kyiv and Russian aggression continues for the sixth consecutive day. Insights into President Putin's actions were revealed in remarks made prior to his invasion when he claimed his actions were to achieve "demilitarization and denazification" of the neighboring nation. Clearly Putin expected an easy takeover of Ukraine since the Russian state-aligned media outlet RIA posted, but quickly deleted, an article on 8 AM February 26th that hailed Vladimir Putin for victory over Ukraine as Russia helps usher in a supposed "new world." The RIA article can be found here: <https://web.archive.org/web/20220226051154/https://ria.ru/were20220226/rossiya-1775162336.html>.

The geopolitical and financial backdrop could quickly evolve this week, but to a large extent, there is no change from the "DIRECT FROM DUDACK" (*Downside Risk Guidance*) sent on February 24, 2022, in which we reviewed the downside potential of the equity market from both a technical and fundamental perspective. To date, the declines from recent peaks have been 9.97%, 11.9%, 18.8%, 20.4%, and 13.2% in the Dow Jones Industrial Average, S&P 500, Nasdaq Composite, Russell 2000, and Wilshire 5000 composite, respectively.

FUNDAMENTAL PERSPECTIVE

Although technical indicators tend to be best at forecasting market peaks, fundamentals become increasingly important in a bearish decline, in our view. They are tools that can help define levels of value, project best long-term buying opportunities and identify potential lows in both stocks and indices. For a fundamental perspective, we first turn to our valuation model. Models can only be as good as their inputs and for transparency, our estimates for 2022 begin with a forecast of \$220 for S&P 500 earnings which equates to a 7% increase. We also expect inflation to abate in 2022, but only to a 4.4% pace. Our interest rate forecasts expect yields to rise to 0.8% for the 3-month Treasury and 2.2% for the 10-year Treasury note. Our model indicates that with this financial backdrop, the appropriate "average" PE multiple should be 15.8 times. Surprisingly, a 15.8 multiple is also equal to the average PE seen over the last 75 years. Applying our \$220 earnings estimate to a 15.8 multiple yields an SPX target of 3476. In short, our model predicts a decline of 27.5% in the SPX is required to return to "fair value." See page 4. Since our \$220 earnings estimate is in line with the consensus, this also means that every earnings reporting season will be critical for the market. Positive or negative earnings surprises during earnings season could become market-moving events which could shift the perception of where "value" is found in the market. See page 5.

TECHNICAL PERSPECTIVE

Many of our volume/breadth indicators revealed weakness in the latter half of 2021 and most of these indicators continue to point to a bearish trend. However, the chart of the S&P is of particular interest in

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

the near term since a head and shoulders top formation has developed over the last three quarters. A head and shoulders top only becomes important once the “neckline” of the formation has been broken. The neckline in the SPX’s head and shoulders is irregular and can be drawn at several different levels, but we show the neckline at SPX 4300. See page 7. A break below the neckline of a head and shoulders formation triggers two separate downside targets – 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 SPX 4000, which was nearly tested on an intra-day basis, in recent sessions. The second downside target is SPX 3800 which equates to a 20% correction. Note that a 20% correction in the SPX appears quite possible, and perhaps reasonable, given that the Russell 2000 index has already experienced a 20% decline from its record high.

The charts of Amazon.com (AMZN - \$3022.84) and the Russell 2000 index (RUT - \$2008.51) continue to intrigue us since they are ironically similar. See page 9. Both charts experienced sharp declines within days of each other and led the overall market weakness. Both are currently trading below all key moving averages. The recent rebound in AMZN after the company reported good earnings, failed to better the first level of resistance at \$3223; however, this remains a key level to watch on rally days. However, the charts continue to parallel each other and after initial precipitous declines, both show that these lows were retested. To date, these tests have been successful. This is a favorable development and the longer the initial lows hold in both charts, it is a sign that the overall market is beginning to test and define significant lows. The support levels to monitor are \$2700 in Amazon and \$1900 in the RUT.

FEDERAL RESERVE POLICY

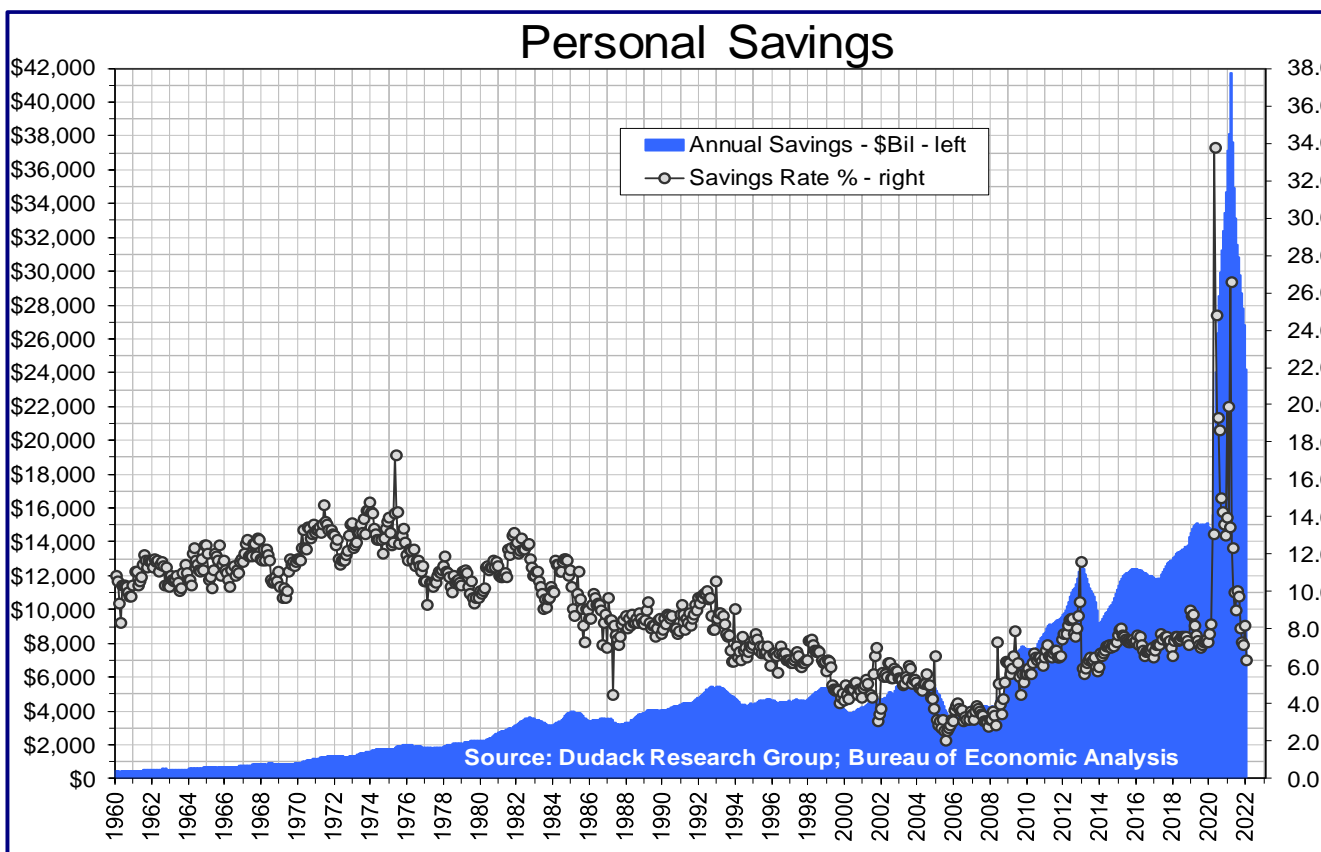
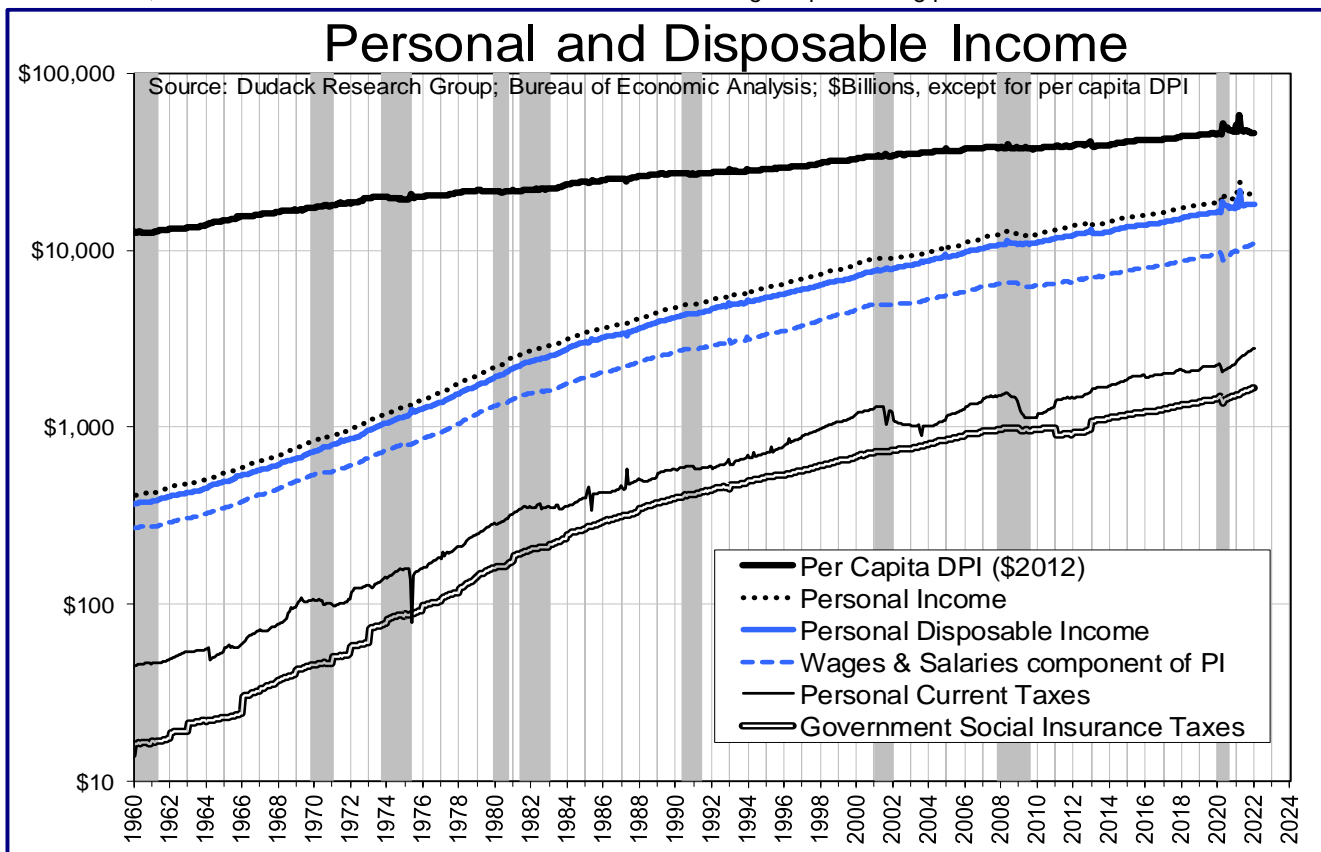
Although we are only two weeks away from the important FOMC March meeting, it is being overshadowed by geopolitical events. In the current environment it is unlikely that the Fed will raise interest rates 50 basis points to fight inflation, but we do believe a 25-basis point hike is prudent. Still, the Fed has a very difficult job ahead of them. The fallout from Russia’s invasion of Ukraine is impacting them in two ways. First, commodity prices are spiking. The bullish crude oil chart has fulfilled upside targets of \$90 and \$100 and appears headed for a third target and key level of resistance at \$110. See page 6. Rising energy and commodity prices make the Fed’s job of controlling inflation extremely difficult. Second, a flight to safety is taking 10-year Treasury note yields lower. The 10-year note yield is currently at 1.7%, down from a recent high of 2%, which makes the risk of an inverted yield curve in 2022 more likely as the Fed increases short-term rates. An inverted yield curve has been the best forecaster of economic recessions, and therefore the risk of recession appears to be growing.

SECTOR SHIFTS

The invasion of Ukraine impacts the US in a variety of ways but primarily it will raise inflation and thereby reduce household spending power. This could impact corporate earnings in 2022 which is why we continue to recommend an overweight rating in energy and staples. The sanctions imposed on Russia are necessary, but they do have the risk of impacting the global banking system, including US banks. For this reason, we are downgrading the financial sector from a recommended overweight to a neutral weight. Meanwhile, Russia has awakened the Western world to the risks of war and Germany responded by indicating they will spend 2% of their GDP on military defense. As a result, defense stocks are viewed as an area of the market that should have increasing revenues and better than expected earnings. The charts of many of the US defense corporations display bullish breakouts from long-term sideways patterns. We are upgrading the industrials from a neutral weighting to an overweight.

In these uncertain times we still believe equities are the best holdings. We continue to also overweight energy and staples, but a balanced portfolio is emphasized. Companies with a history of increasing dividends and with yields in excess of 2.2% can best weather the volatility that is apt to dominate the first half of the year.

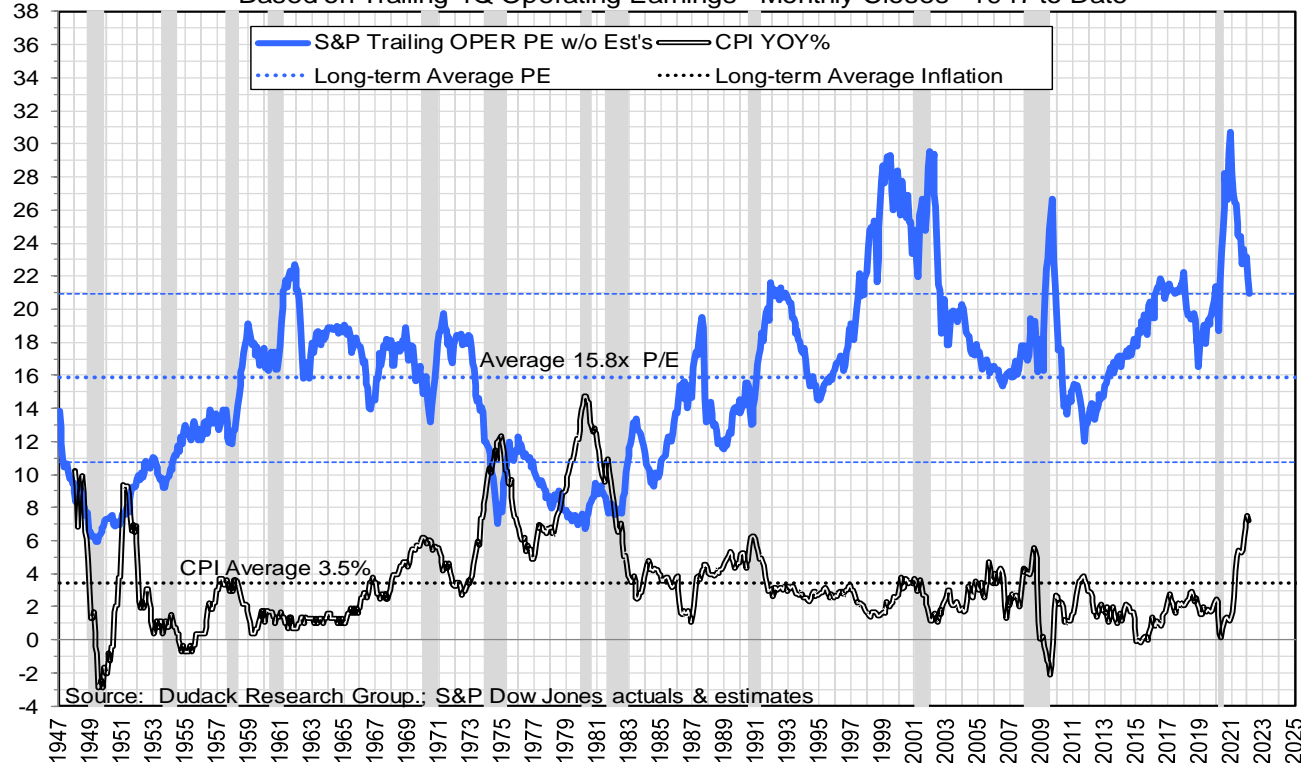
Personal income was unchanged in January but declined 2.1% YOY. More importantly, disposable income was down 4.4% YOY and real disposable income fell 9.9% YOY. Personal consumption (SAAR) has been relatively unchanged since October, but the saving rate fell from 8.2% to 6.4%, the lowest rate since the end of 2013. Inflation is eroding the purchasing power of households.



In the 2020-2021 period, multiples were elevated and the divergence between the market's and our model's forecasted PE was the greatest since 1997-2001. The Russian invasion of Ukraine is accelerating what we believe is an inevitable return to appropriate valuation levels given the high pace of inflation. Our model targets 15.8 as the appropriate multiple, which is also the long-term average. This, coupled with our \$220 earnings estimate for this year, equates to a downside potential of SPX 3476, a 27.5% decline.

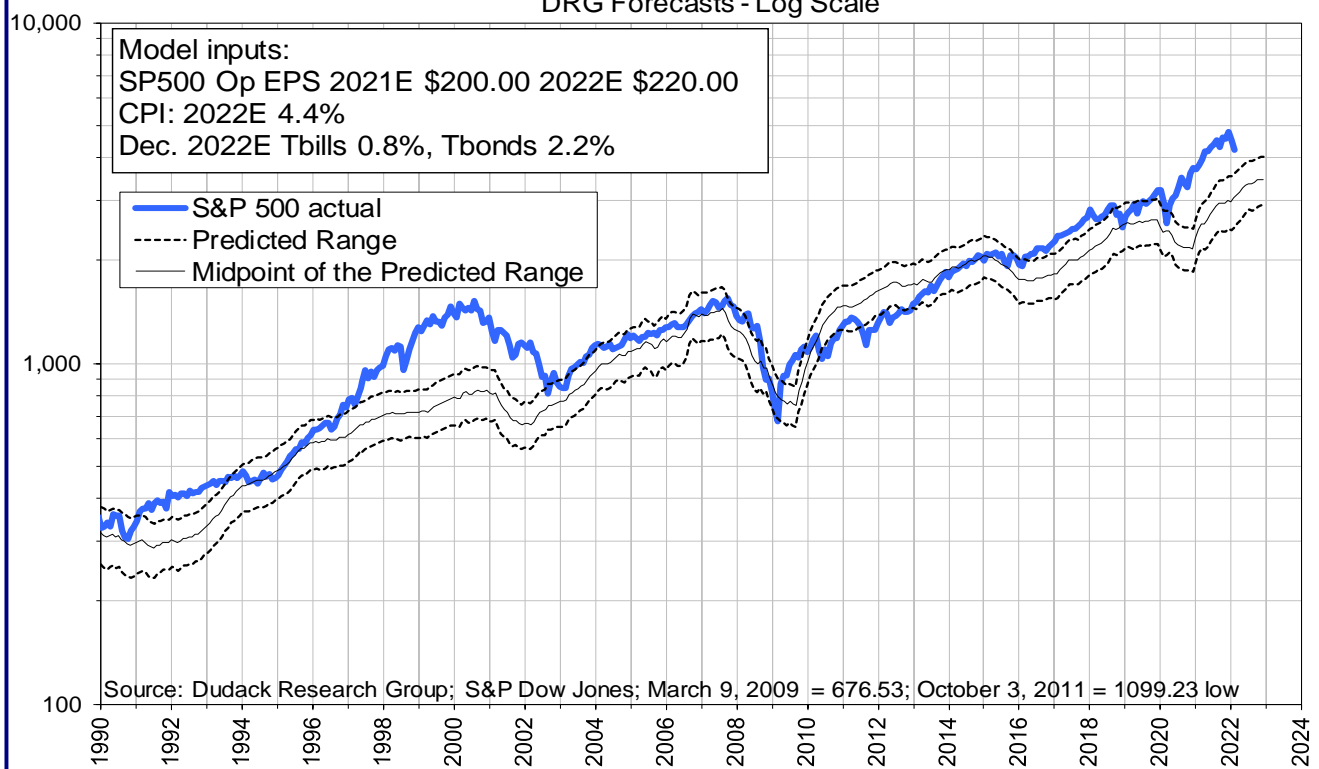
A History of Price Earnings Multiples & Inflation

Based on Trailing 4Q Operating Earnings - Monthly Closes - 1947 to Date

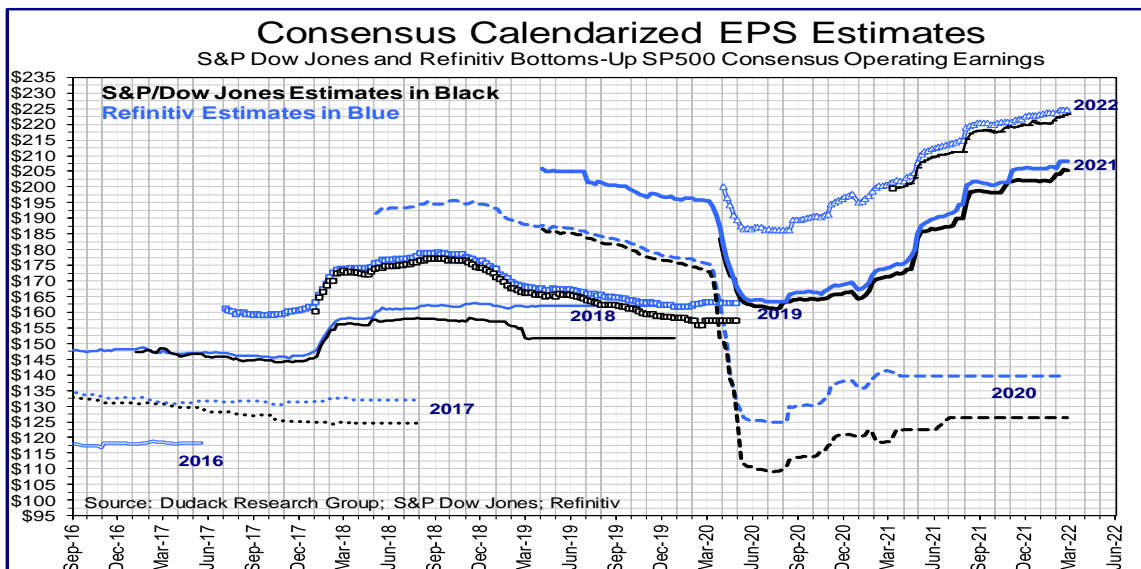
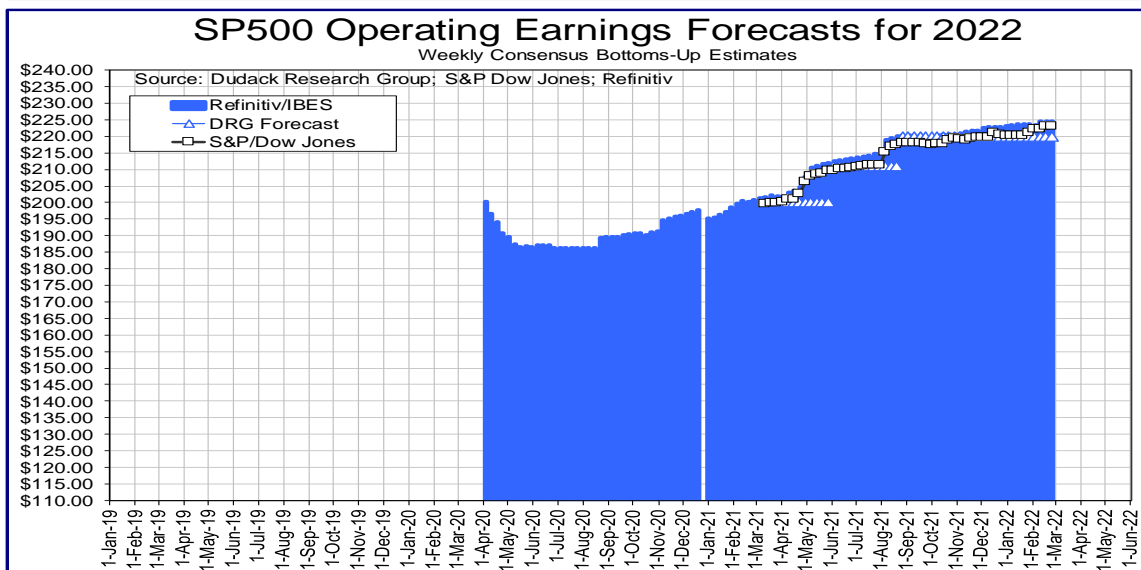
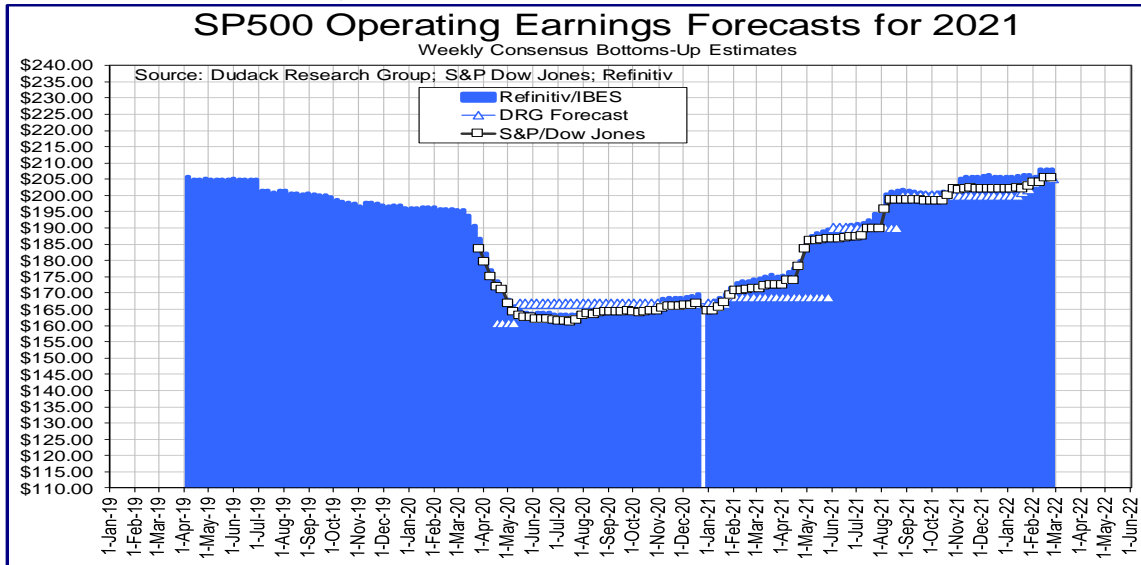


S&P 500 and Modeled Fair Value Range

DRG Forecasts - Log Scale

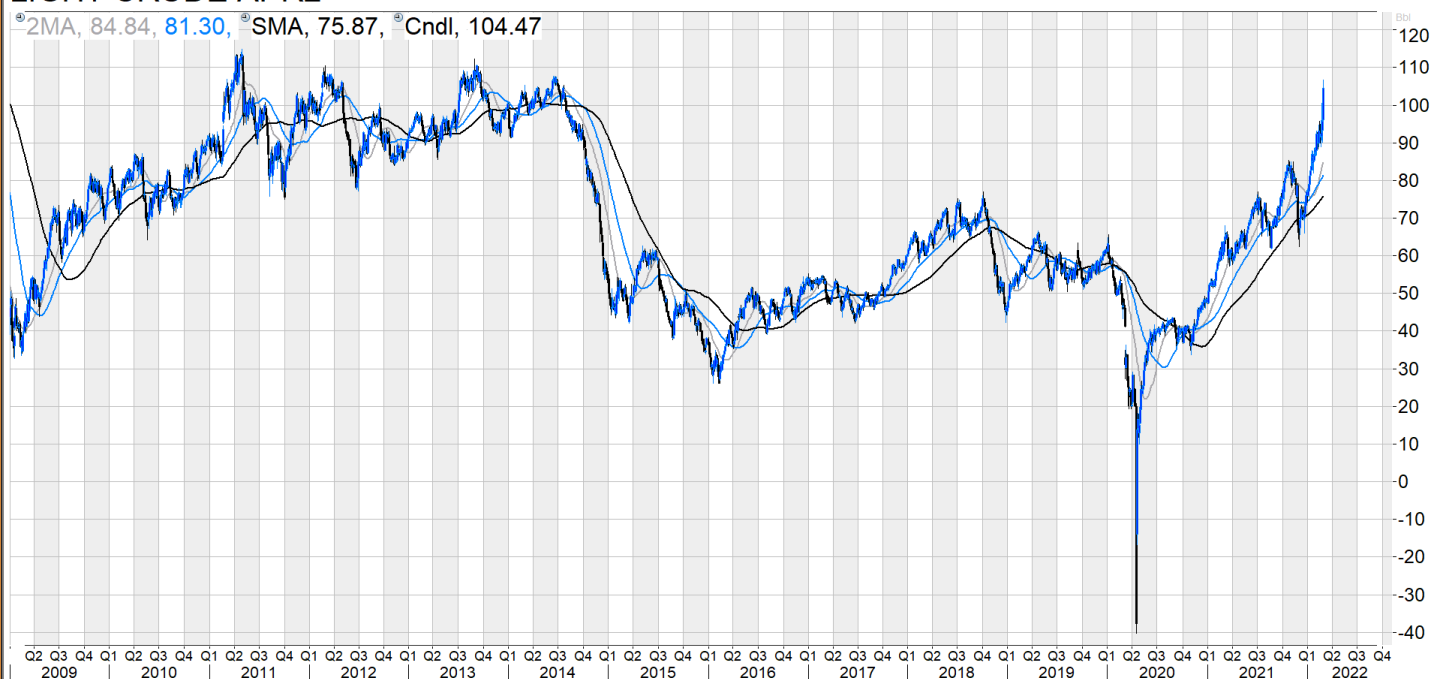


The S&P Dow Jones earnings estimate for 2021 fell \$0.13 this week with over 96% of S&P companies reporting. The estimate for 2022 rose \$0.20, yielding growth rate estimates of 62.5% and 8.7%, respectively. IBES Refinitiv earnings estimates were not updated for the second consecutive week, however EPS growth estimates for 2021 and 2022 are 49% and 8%, respectively. Our DRG 2022 estimate is \$220, a 7.0% YOY increase from our upwardly revised 2021 estimate of \$205.34.

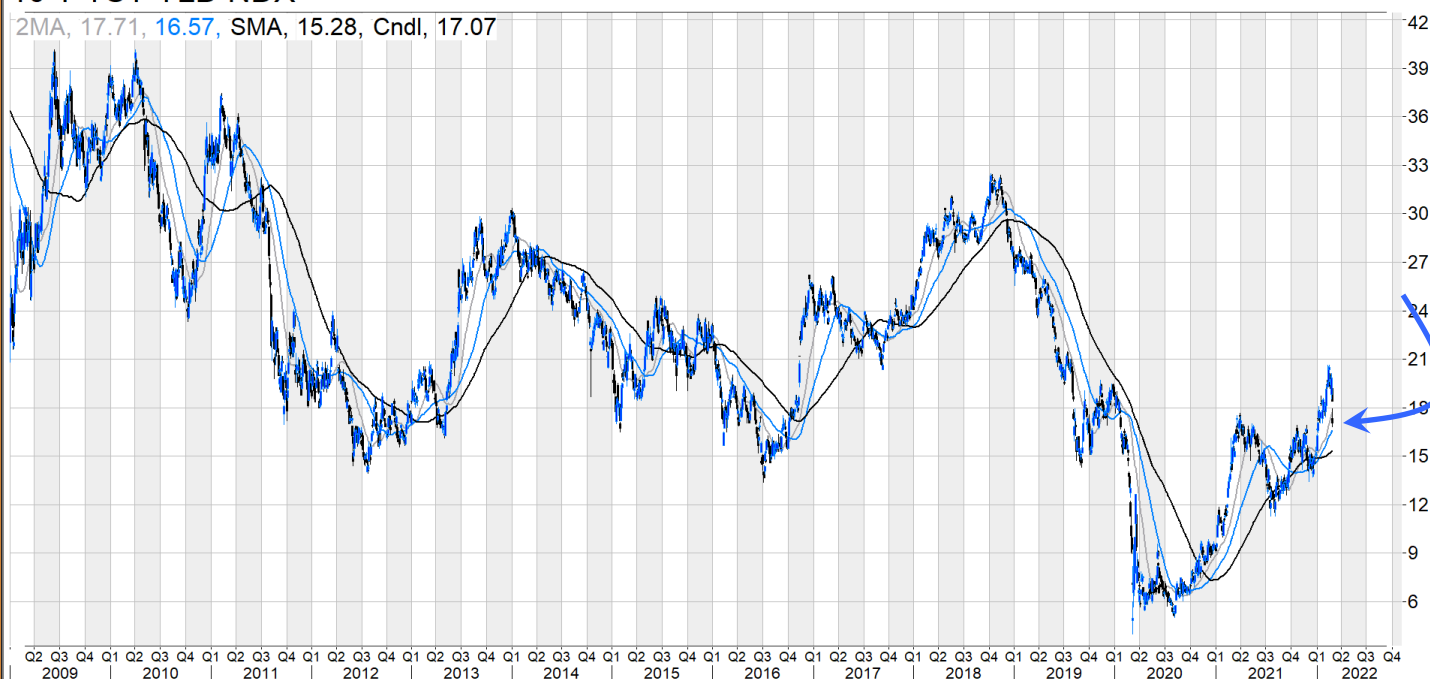


This bullish crude oil chart pattern has fulfilled upside targets of \$90 and \$100 and appears headed for a third target and key level of resistance at \$110. Rising energy and commodity prices will make the Fed's job of controlling inflation extremely difficult. Although Treasury note yields exceeded the psychological 2.0% level prior to the Russia/Ukraine crisis, the escalating crisis is creating an investment shift to safety and to the US Treasury market. However, with the 10-year note yield now at 1.7%, the risk of an inverted yield curve in 2022, and a recession, appears to be growing.

LIGHT CRUDE APR2



10 Y TSY YLD NDX



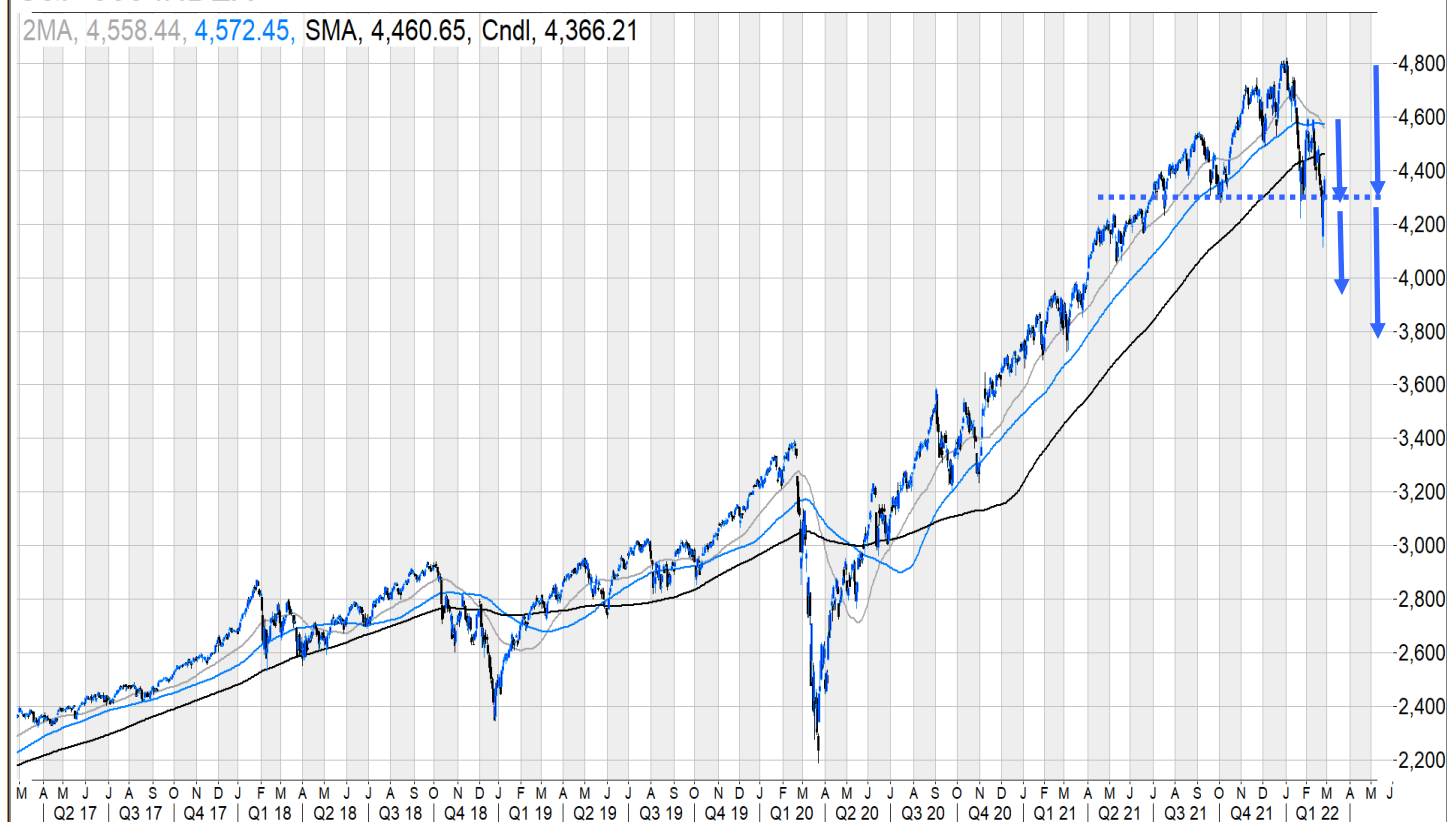
Source: Refinitiv

One of the major developments from a technical perspective is the breakdown of a major head and shoulders top formation in the SPX. The neckline can be drawn at several different levels, but we show the neckline at SPX 4300. A break below the neckline of a head and shoulders formation allows for two different downside targets – the difference between the height of the shoulder to the neckline and the difference between the head and the neckline.

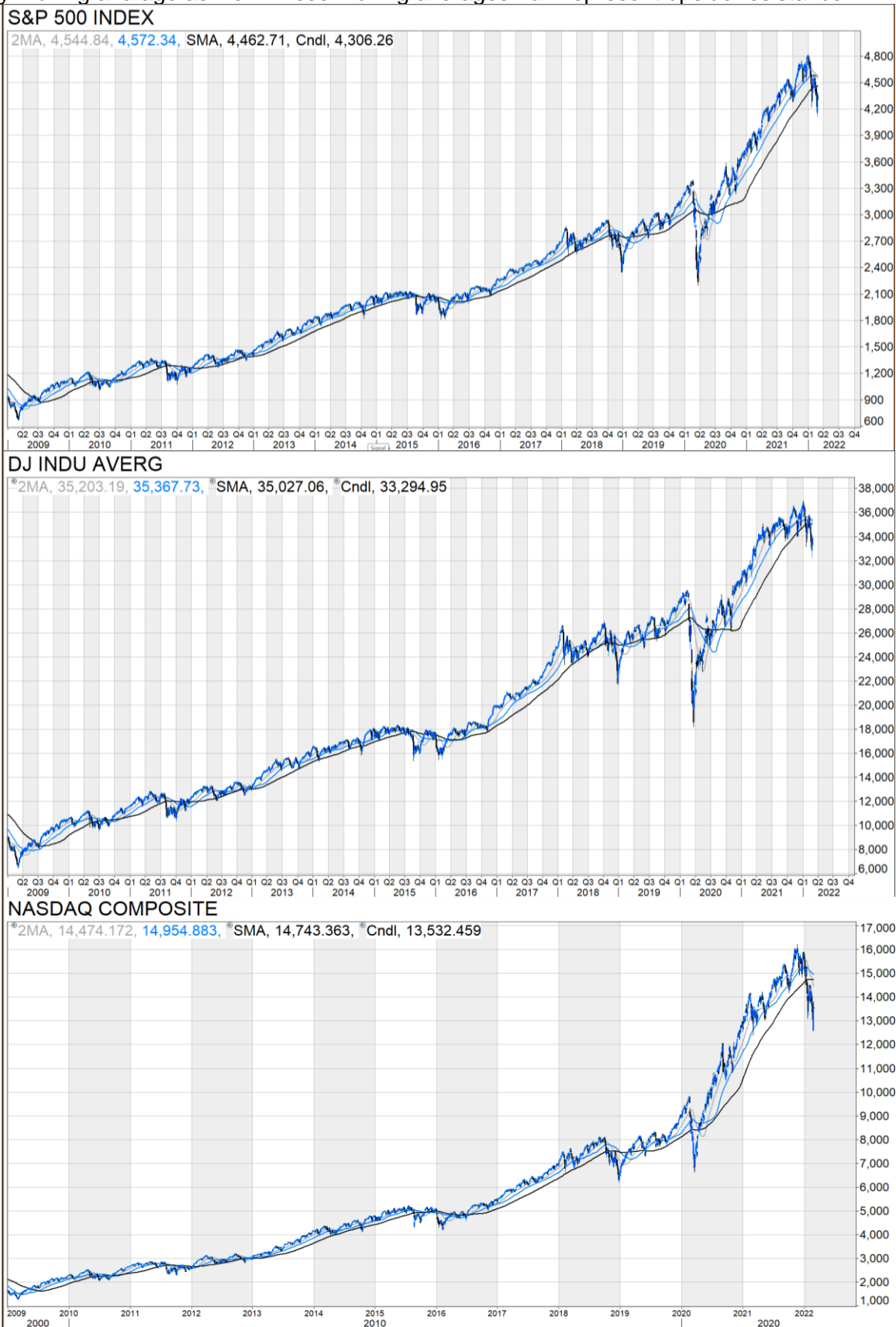
The first of these downside targets is SPX 4000, which was nearly tested on an intra-day basis, in recent sessions. The second downside target is SPX 3800 which equate to a 20% correction. A 20% correction in the S&P appears quite possible given that the Russell 2000 index has already experienced a 20%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

S&P 500 INDEX

2MA, 4,558.44, 4,572.45, SMA, 4,460.65, Cndl, 4,366.21



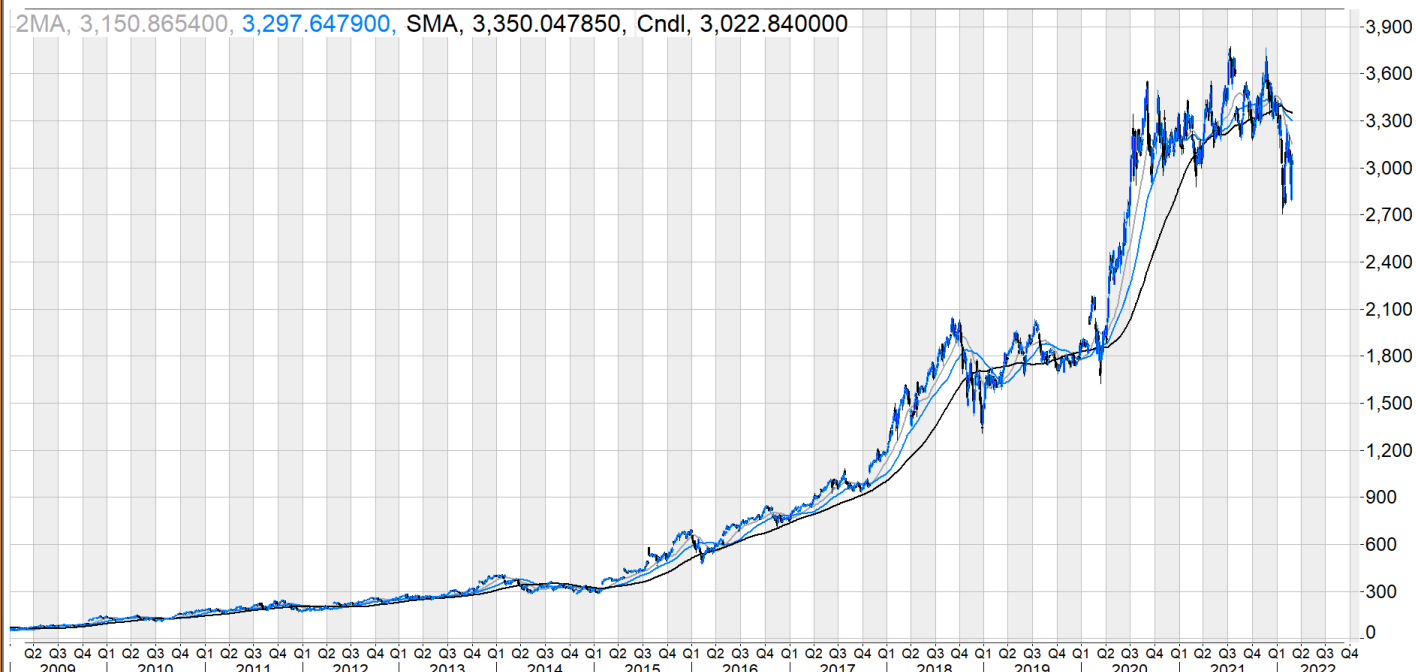
All the indices are trading below all their key moving averages; plus, the 50-day moving average has crossed below the 100-day moving average in each chart. In the IXIC chart, the 50-day moving average is trading below the 200-day moving average as well. These moving averages now represent upside resistance.



The charts of Amazon.com (AMZN - \$3022.84) and the Russell 2000 index (RUT - \$2008.51) continue to be similar and both are trading below all key moving averages. The rebound in AMZN failed to better the first level of resistance at \$3223 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 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 \$2700 in Amazon and \$1900 in the RUT.

AMAZON.COM



RUSSELL 2000 IND

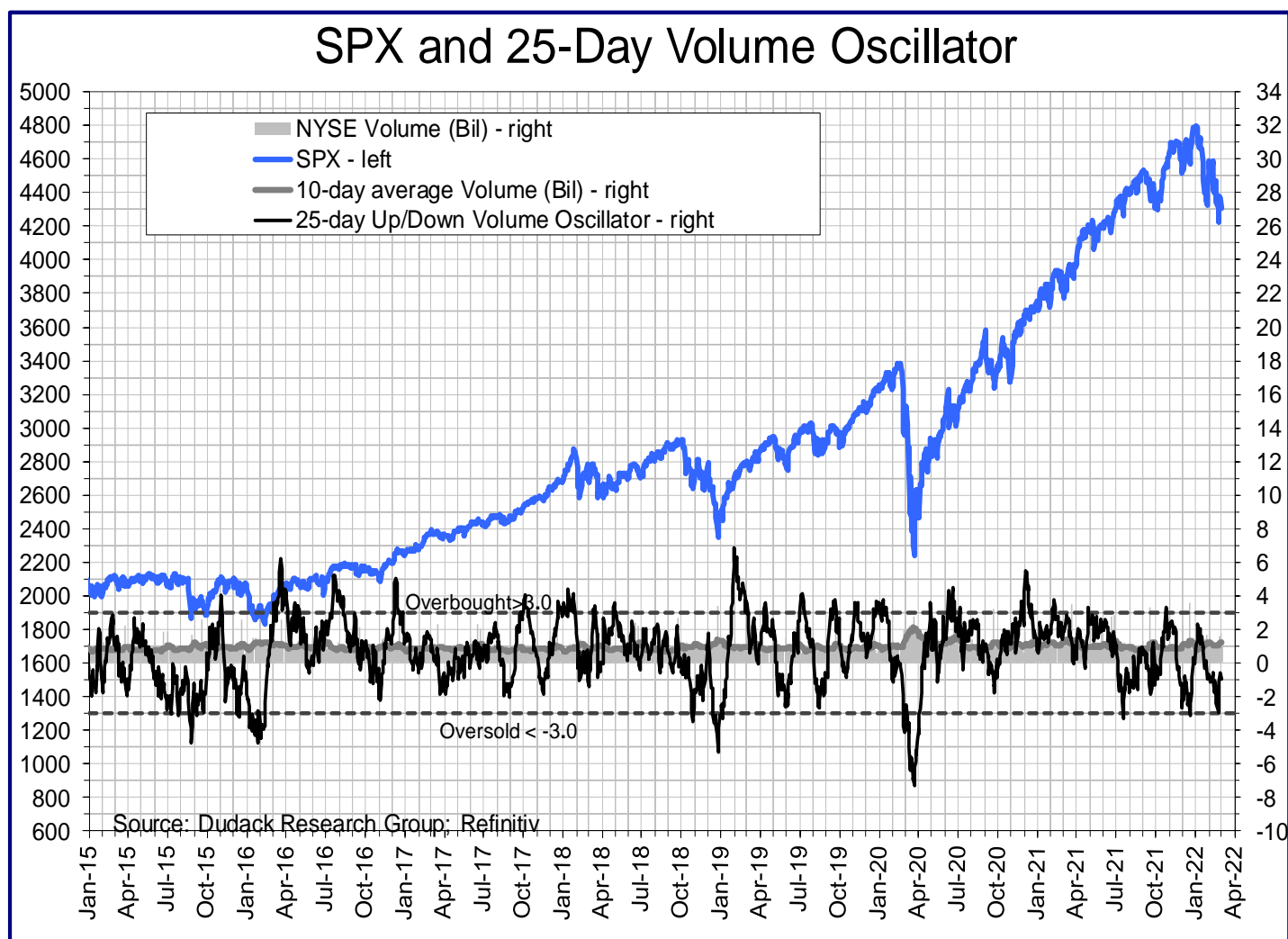


Source: Refinitiv

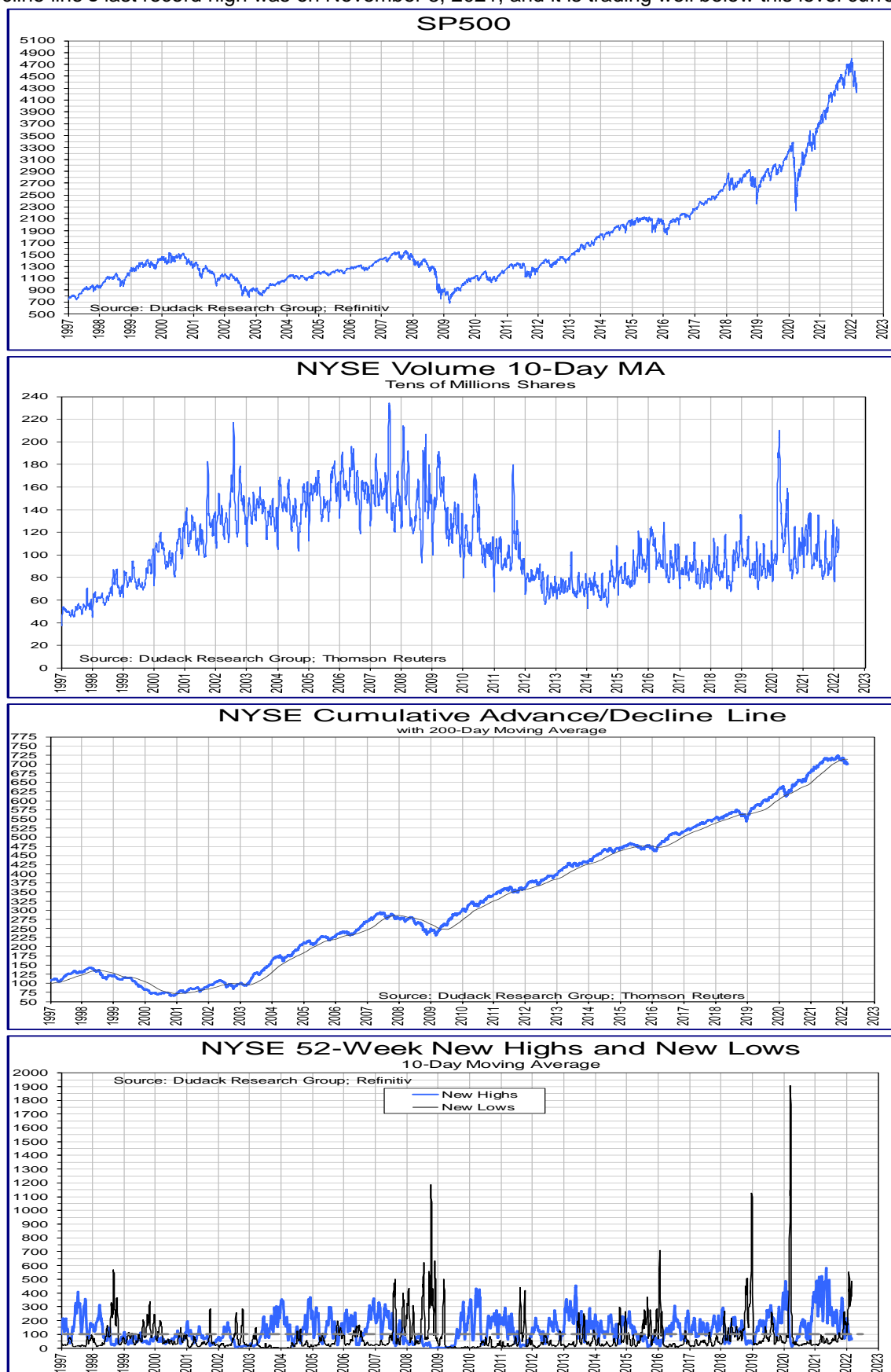
The 25-day up/down volume oscillator is negative 0.93 this week after closing in, but failing to make, an oversold reading last week. This would have been the first oversold reading since the one-day oversold reading on December 20, 2021. A five-day reading, or any extreme oversold reading, would confirm a shift in the cycle.

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.

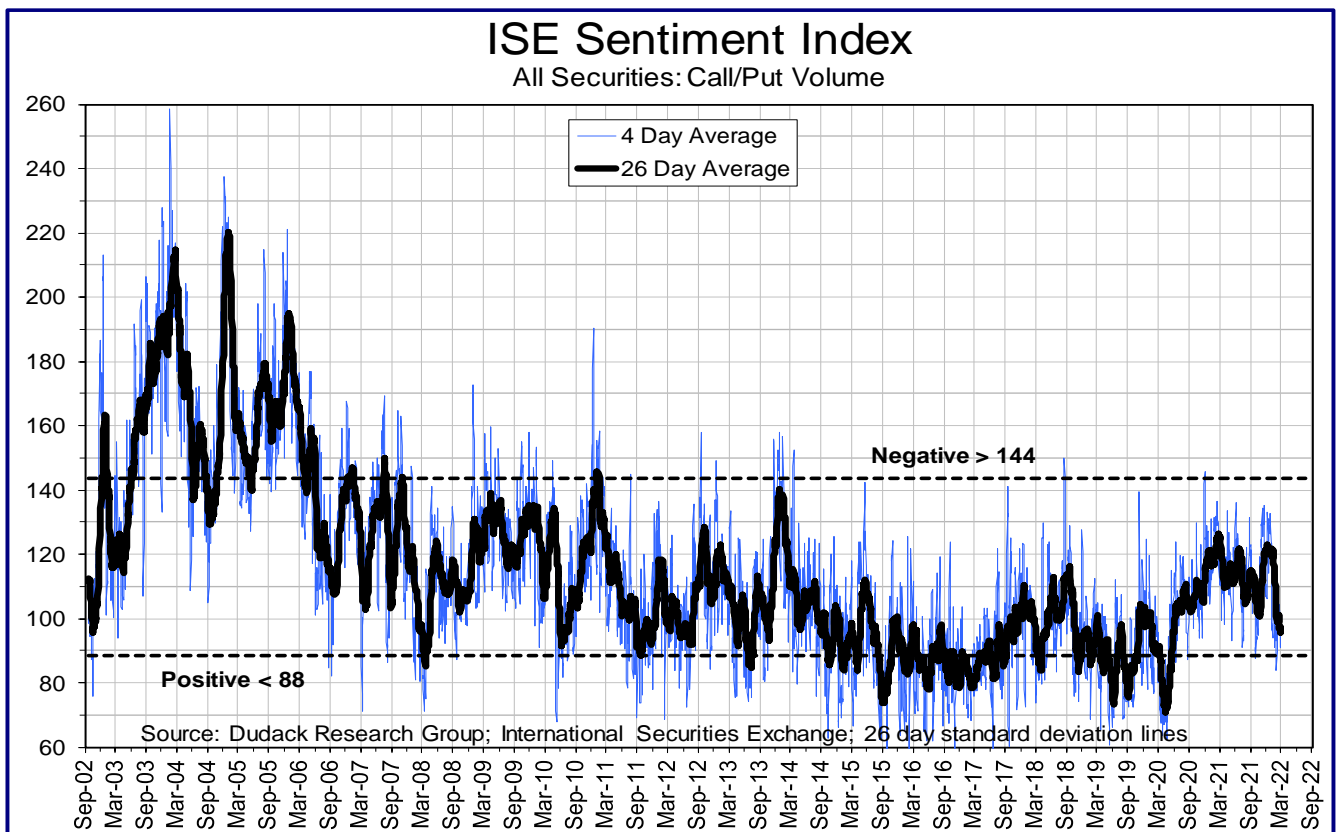
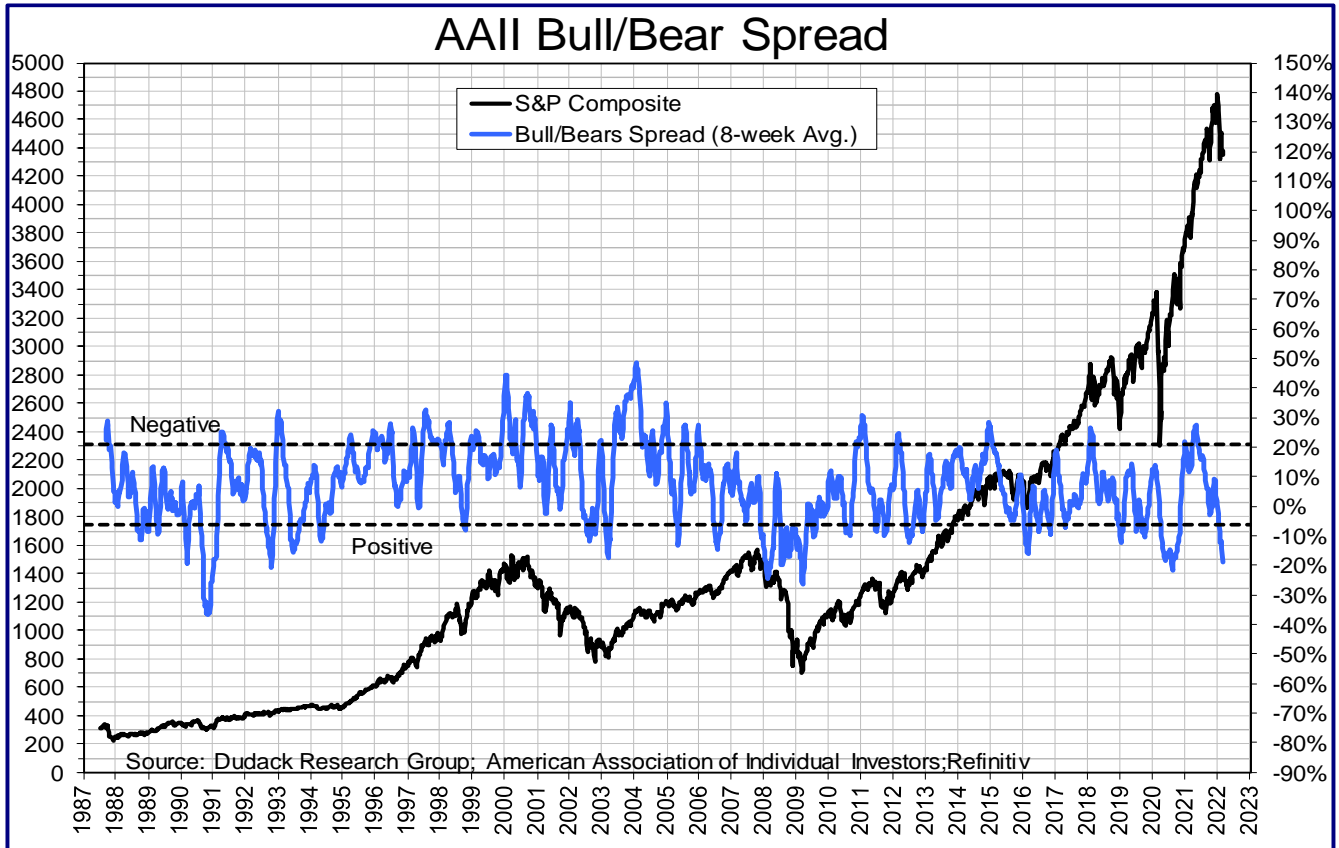
This 25-day up/down volume oscillator measures buying and selling momentum. New highs should be accompanied by strong and consistent buying pressure which results in long and sometimes extreme overbought readings. An absence of overbought readings at a new high reveals a weakness in the trend and is 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 73 this week and daily new lows fell to 376. This combination is clearly negative. The advance/decline line's last record high was on November 8, 2021, and it is trading well below this level currently.



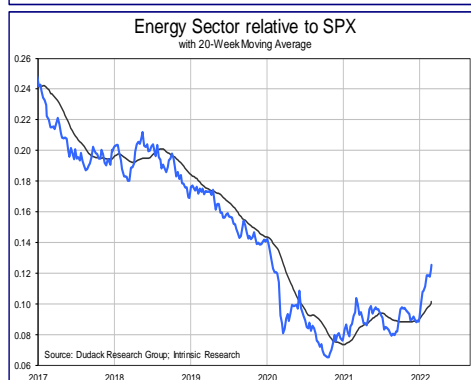
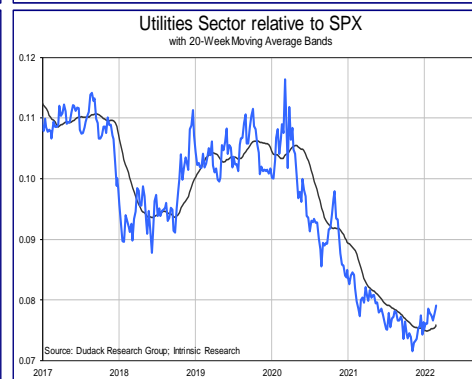
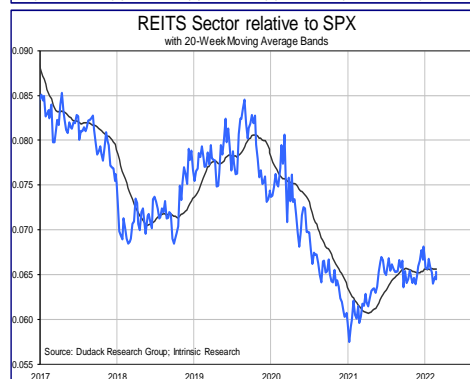
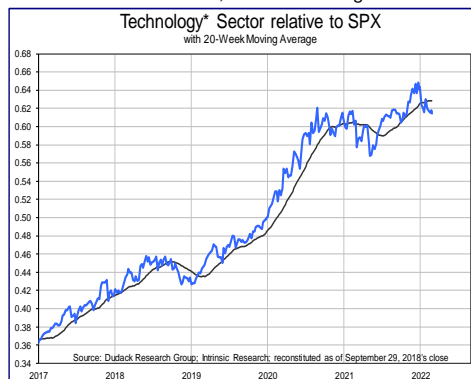
Bullish sentiment rose 4.2 points to 23.4% and is below the historical average of 38.0% for the 14th consecutive week. Bearish sentiment rose 10.5 points to 53.7%, and is above the historical average of 30.5% for the 14th consecutive week. The AAI bull/bear spread index remains positive. The ISE Sentiment 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 Communication Services Financials	Consumer Discretionary Utilities Materials

12/15/2021: Energy upgraded from under to over weight; Staples upgraded from neutral to over weight; Healthcare and Industrials downgraded from over weight to neutral; Materials downgraded from neutral to under weight. 3/1/2022 Financials downgraded to neutral and Industrials upgraded to over weight.



2022 Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	27.8%
S&P CONSUMER STAPLES	-3.6%
S&P FINANCIAL	-5.2%
S&P UTILITIES	-6.3%
S&P INDUSTRIALS	-7.3%
S&P HEALTH CARE	-8.5%
S&P 500	-9.6%
S&P MATERIALS	-10.3%
S&P INFORMATION TECH	-13.4%
S&P REITS	-13.4%
S&P COMMUNICATIONS SERVICES	-14.0%
S&P CONSUMER DISCRETIONARY	-14.5%

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%
Oil Future	CLc1	103.41	17.3%	17.3%	37.5%	37.5%
United States Oil Fund, LP	USO	71.82	14.9%	14.9%	32.1%	32.1%
Energy Select Sector SPDR	XLE	71.29	8.1%	8.1%	28.5%	28.5%
iShares DJ US Oil Eqpt & Services ETF	IEZ	16.27	4.6%	4.6%	26.2%	26.2%
iShares MSCI Brazil Capped ETF	EWZ	32.90	4.0%	4.0%	17.2%	17.2%
iShares Silver Trust	SLV	24.55	13.2%	13.2%	9.6%	9.6%
SPDR Gold Trust	GLD	181.62	8.0%	8.0%	6.2%	6.2%
Gold Future	GCc1	2253.10	0.9%	0.9%	1.8%	1.8%
iShares MSCI Malaysia ETF	EWM	25.47	4.0%	4.0%	1.8%	1.8%
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 United Kingdom ETF	EWU	33.01	-2.6%	-2.6%	-0.4%	-0.4%
SPDR S&P Bank ETF	KBE	53.78	-2.3%	-2.3%	-1.4%	-1.4%
iShares MSCI Mexico Capped ETF	EWX	49.73	2.4%	2.4%	-1.7%	-1.7%
iShares MSCI Canada ETF	EWX	37.70	-1.3%	-1.3%	-1.9%	-1.9%
iShares MSCI Hong Kong ETF	EWX	22.53	-5.0%	-5.0%	-2.8%	-2.8%
Consumer Staples Select Sector SPDR	XLP	74.46	-2.0%	-2.0%	-3.4%	-3.4%
iShares MSCI Australia ETF	EWA	23.84	4.4%	4.4%	-4.0%	-4.0%
Shanghai Composite	.SSEC	3488.83	-1.0%	-1.0%	-4.1%	-4.1%
iShares MSCI Taiwan ETF	EWT	63.62	-2.0%	-2.0%	-4.5%	-4.5%
iShares 20+ Year Treas Bond ETF	TLT	141.30	-0.8%	-0.8%	-4.6%	-4.6%
iShares China Large Cap ETF	FXI	34.83	-8.2%	-8.2%	-4.8%	-4.8%
iShares MSCI Singapore ETF	EWX	20.34	-3.6%	-3.6%	-4.9%	-4.9%
Financial Select Sector SPDR	XLF	37.10	-5.0%	-5.0%	-5.0%	-5.0%
iShares Russell 1000 Value ETF	IWD	159.48	-2.7%	-2.7%	-5.0%	-5.0%
iShares MSCI Emerg Mkts ETF	EEM	46.11	-5.6%	-5.6%	-5.6%	-5.6%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	124.97	-2.2%	-2.2%	-5.7%	-5.7%
Utilities Select Sector SPDR	XLU	67.34	-2.8%	-2.8%	-5.9%	-5.9%
iShares Russell 2000 Value ETF	IWN	155.82	-0.3%	-0.3%	-6.2%	-6.2%
Industrial Select Sector SPDR	XLI	98.40	-2.3%	-2.3%	-7.0%	-7.0%
iShares MSCI India ETF	INDA.K	42.61	-7.1%	-7.1%	-7.0%	-7.0%
Vanguard FTSE All-World ex-US ETF	VEU	56.93	-4.8%	-4.8%	-7.1%	-7.1%
iShares MSCI Japan ETF	EWJ	62.08	-3.1%	-3.1%	-7.3%	-7.3%
iShares MSCI South Korea Capped ETF	EWY	71.49	-1.2%	-1.2%	-8.2%	-8.2%
Health Care Select Sect SPDR	XLV	129.24	-1.5%	-1.5%	-8.3%	-8.3%
SPDR DJIA ETF	DIA	333.16	-5.1%	-5.1%	-8.3%	-8.3%
DJIA	.DJI	33294.95	-5.2%	-5.2%	-8.4%	-8.4%
iShares MSCI EAFE ETF	EFA	71.62	-5.5%	-5.5%	-9.0%	-9.0%
iShares Russell 1000 ETF	IWB	239.00	-4.2%	-4.2%	-9.6%	-9.6%
SP500	.SPX	4306.26	-4.6%	-4.6%	-9.6%	-9.6%
iShares US Telecomm ETF	IYZ	29.68	-4.0%	-4.0%	-9.8%	-9.8%
Materials Select Sector SPDR	XLB	81.46	-3.5%	-3.5%	-10.1%	-10.1%
iShares MSCI BRIC ETF	BKF	40.23	-10.2%	-10.2%	-10.1%	-10.1%
iShares Russell 2000 ETF	IWM	199.49	-0.9%	-0.9%	-10.3%	-10.3%
iShares US Real Estate ETF	IYR	101.43	-4.8%	-4.8%	-12.7%	-12.7%
Technology Select Sector SPDR	XLK	150.99	-6.8%	-6.8%	-13.2%	-13.2%
Nasdaq Composite Index Tracking Stock	ONEQ.O	52.86	-4.8%	-4.8%	-13.2%	-13.2%
iShares Russell 1000 Growth ETF	IWF	263.49	-5.6%	-5.6%	-13.8%	-13.8%
NASDAQ 100	NDX	14005.99	-6.2%	-6.2%	-14.2%	-14.2%
iShares MSCI Germany ETF	EWG	28.03	-12.4%	-12.4%	-14.5%	-14.5%
Consumer Discretionary Select Sector SPDR	XLY	174.74	-5.5%	-5.5%	-14.5%	-14.5%
iShares Russell 2000 Growth ETF	IWO	250.35	-1.3%	-1.3%	-14.6%	-14.6%
PowerShares Water Resources Portfolio	PHO	50.76	-4.2%	-4.2%	-16.6%	-16.6%
SPDR S&P Retail ETF	XRT	75.27	-7.9%	-7.9%	-16.6%	-16.6%
iShares Nasdaq Biotechnology ETF	IBB.O	125.40	-4.9%	-4.9%	-17.8%	-17.8%
SPDR S&P Semiconductor ETF	XSD	198.42	-3.0%	-3.0%	-18.4%	-18.4%
iShares MSCI Austria Capped ETF	EWO	20.75	-18.3%	-18.3%	-18.5%	-18.5%
SPDR Homebuilders ETF	XHB	69.14	-7.1%	-7.1%	-19.4%	-19.4%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of March 1, 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	~~~~~	\$195.22	\$205.34	\$205.34	67.8%	\$208.12	49.0%	23.2X	1.3%	5.7%	\$1,834.70	-6.0%
2022E		\$208.60	\$223.14	\$220.00	7.1%	\$224.69	8.0%	19.3X	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	\$52.03	94.2%	\$52.58	87.9%	24.5	1.3%	6.7%	\$2,440.60	43.4%
2021 3QP	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 4QE	4766.18	\$51.29	\$53.88	\$53.88	41.1%	\$53.63	26.0%	23.2	1.3%	7.0%	NA	NA
2022 1QE*	4306.26	\$47.34	\$51.16	\$55.00	16.0%	\$51.82	5.5%	20.6	NA	NA	NA	NA
2022 2QE		\$50.89	\$54.92	\$55.00	5.7%	\$55.40	5.4%	20.3	NA	NA	NA	NA
2022 3QE		\$54.21	\$57.85	\$55.00	5.7%	\$58.40	8.7%	19.8	NA	NA	NA	NA
2022 4QE		\$56.14	\$59.21	\$55.00	2.1%	\$59.53	11.0%	19.3	NA	NA	NA	NA

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

3/1/2022

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