Dudack Research Group
A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC
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July 27, 2022

DJIA: 31761.54
SPX: 3921.05
NASDAQ: 11562.57

US Strategy Weekly
A Fed Primer

This is a week filled with potential market-moving events that include the July FOMC meeting, the first look at second quarter economic activity and 172 earnings results for companies in the S&P 500 index. Each of these events will have important implications for equity investors, but in our view, second quarter earnings results will be the most significant since these will help define where value is found in the equity market.

75-BASIS POINTS AND THE TREASURY CURVE

In terms of monetary policy, the consensus is expecting a 75-basis point increase in the fed funds rate this week and we think this should prove accurate. In recent months the Fed has had a pattern of either matching consensus expectations for monetary policy changes or signaling its intentions well in advance of changes. In short, the Fed displays no desire to surprise, or stress, the financial markets and as a result, the expectation of a 75-basis point hike is probably discounted in current stock prices. However, we are less certain that the longer-term ramifications of a 75-basis point increase has been fully priced into equities, particularly if the economy slips into a recession.

The Treasury yield curve is currently flat, although it is technically inverted between the 6-month and 10-year Treasury note benchmarks. This makes a 75-basis point increase on the short end of the curve important since it is possible that the entire yield curve could invert shortly after the July Fed meeting. Keep in mind that a 75-basis point increase this week and the 75- or 50-basis point increase expected in September could raise the short end of the curve as much as 150 basis points. See page 3.

What makes the Treasury yield curve important at this juncture is that it has been better than most economists in terms of predicting a recession. A long history of the Treasury yield curve, focusing on the 1-year to 10-year curve, shows that in nine of the eleven inversions since 1956, an inverted yield curve has been followed by an economic recession, typically within eight months. (The range has been zero months (1957) to fourteen months (1978).) The only exceptions to this were in September 1966 -- when a five-month inversion was not followed by a recession -- and in September 1998 -- when a four-month inversion did not result in a recession. Yet more recently, as in 2000, 2006 and 2019, inverted yield curves were followed by a recession within six to eight months. See page 4.

QUANTITATIVE TIGHTENING AND MONEY SUPPLY

Yet as we focus on the fed funds rate and the yield curve, it is important to point out that rates are not the only tool in the Fed's arsenal. While the Fed is expected to raise rates at each meeting this year, it also has indicated its intention to shrink its balance sheet. The $1.6 trillion increase in the Fed's balance sheet between January 2021 and March 2022 was implemented during an expanding economy and it was a contributing factor to the stock market's advance and current inflation. However, as of June 1, 2022, the Fed began reducing the reinvestment of principal payments in Treasury securities by $30 billion per month and will increase this amount to $60 billion per month beginning September 1st. For agency debt and agency mortgage-backed securities, the reinvestment reductions are $17.5 billion and

$35 billion per month. In short, the liquidity balloon that has been propelling stock prices higher since early 2020 is slowly deflating. But this is important in terms of reducing money in circulation, or money supply.

Another part of the Fed's stimulus program was the elimination of required reserves for banks. The removal of this requirement in March 2020 resulted in a huge jump in excess reserves in the banking system and a massive increase in money supply. See page 5. This was an unusual tool for the Fed since there are laws that require banks and other depository institutions to hold a certain fraction of their deposits in reserve, in very safe, secure assets. This has been a part of our nation's banking history for many years and "required" reserves are designed to ensure the liquidity of bank notes and deposits, particularly during times of financial strains.*

Nevertheless, in March 2020 the banking system was suddenly awash in liquidity. The 6-month rate-of-change in M2 (i.e., M2 money stock - a measure of the amount of currency in circulation) jumped to 19.5% in July 2020, an all-time record. The linkage between money supply and inflation is well-known by economists and was surely known by Fed officials. Yet this was the quandary of 2020 and 2021 for economists, strategists, and investors. Money supply fuels inflation but it also fuels stock prices. It was a double-edged sword. However, as liquidity is now being withdrawn to temper inflation, the underlying booster for equities is gone. Unfortunately, the longer-term problem of inflation remains.

GDP and Housing

Second quarter GDP will be released this week and it may answer the question of whether the US is currently in a recession, or on the brink of one. We continue to focus on the housing sector since it represents 17% to 19% of GDP in any given quarter. Unfortunately, recent news releases have not been encouraging. New home sales were 590,000 in June, down 17.4% YOY and down from 642,000 units in May. The average price of a single-family home fell to $456,800 in June, the lowest price in 12 months, but still up 5.8% YOY. The NAR affordability index dropped to 105.2 in May, which was its worst level since August 2006. However, the June, July and August readings are apt to move lower as the impact of rising mortgage rates negatively impacts potential buyers. See page 7.

Earnings and Valuations

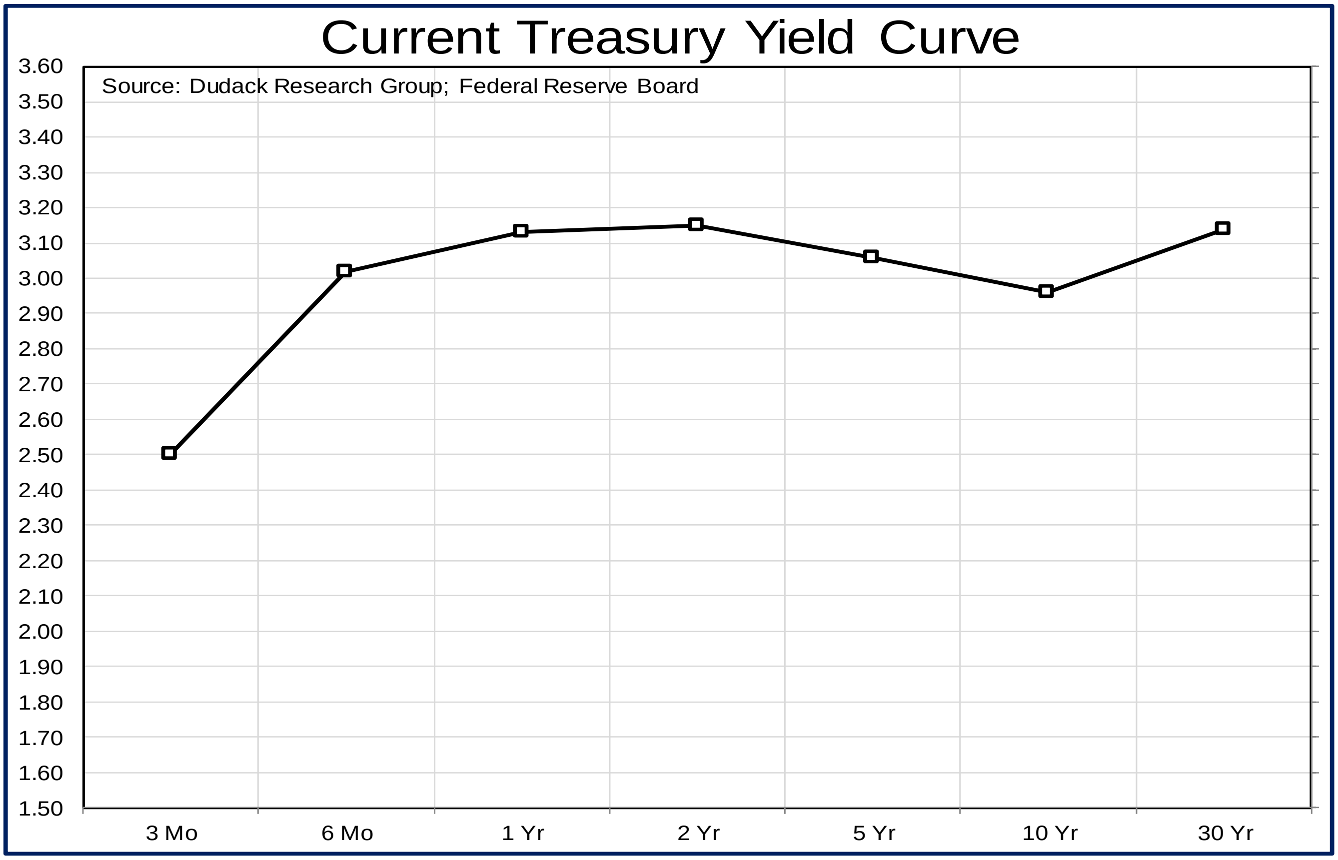
To date, second quarter earnings season has been mixed, but a clearer picture may be available by the end of the week, or once we pass the midpoint of earnings season. We are noticing that many companies are making or exceeding revenue forecasts but are missing estimates on the bottom line. This was to be expected due to the rising cost of labor, transportation, and raw materials, but it is not good for earnings overall. Last week, the S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell $2.48 and $0.36, respectively. Refinitiv IBES consensus earnings forecasts rose $0.01 and fell $0.76, respectively. This disparity between S&P Dow Jones and IBES is typical in the second half of the year since S&P adjusts earnings for GAAP accounting while IBES simply aggregates estimates. We measure "value" in the equity market by the S&P Dow Jones data.

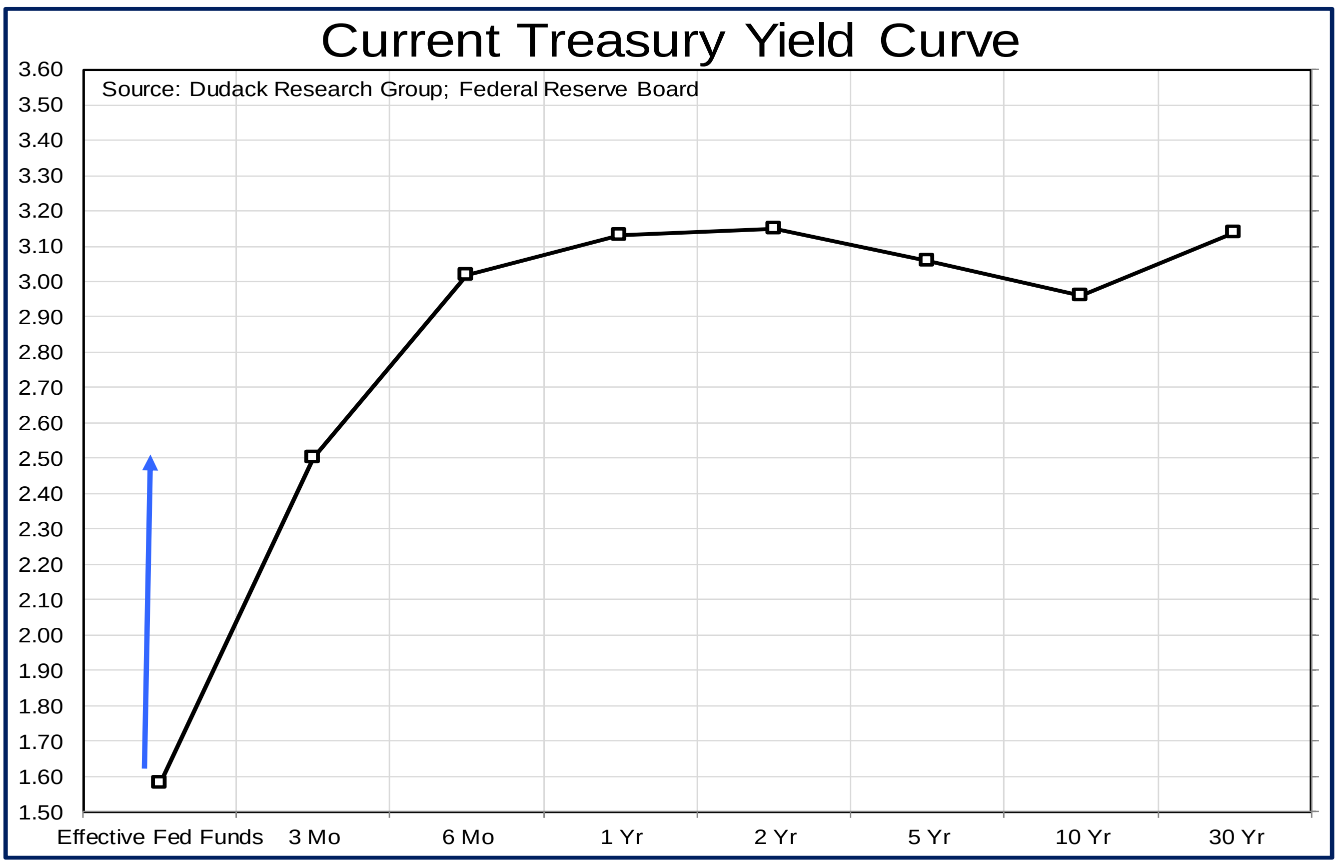
Following S&P's cut in its 2022 forecast to $220.21 this estimate is now in line with our forecast of $220, a 5.7% YOY increase from $208.19 in 2021. This earnings quarter will be important, and we will be looking closely at margins and the impact margin pressure may have on our $220 forecast.

All in all, none of this changes our view that the equity market is bottoming but may not have found its ultimate low. We continue to emphasize that recession/inflation proof segments of the market like energy, staples, defense-related stocks, and utilities where earnings are most predictable in this difficult environment.

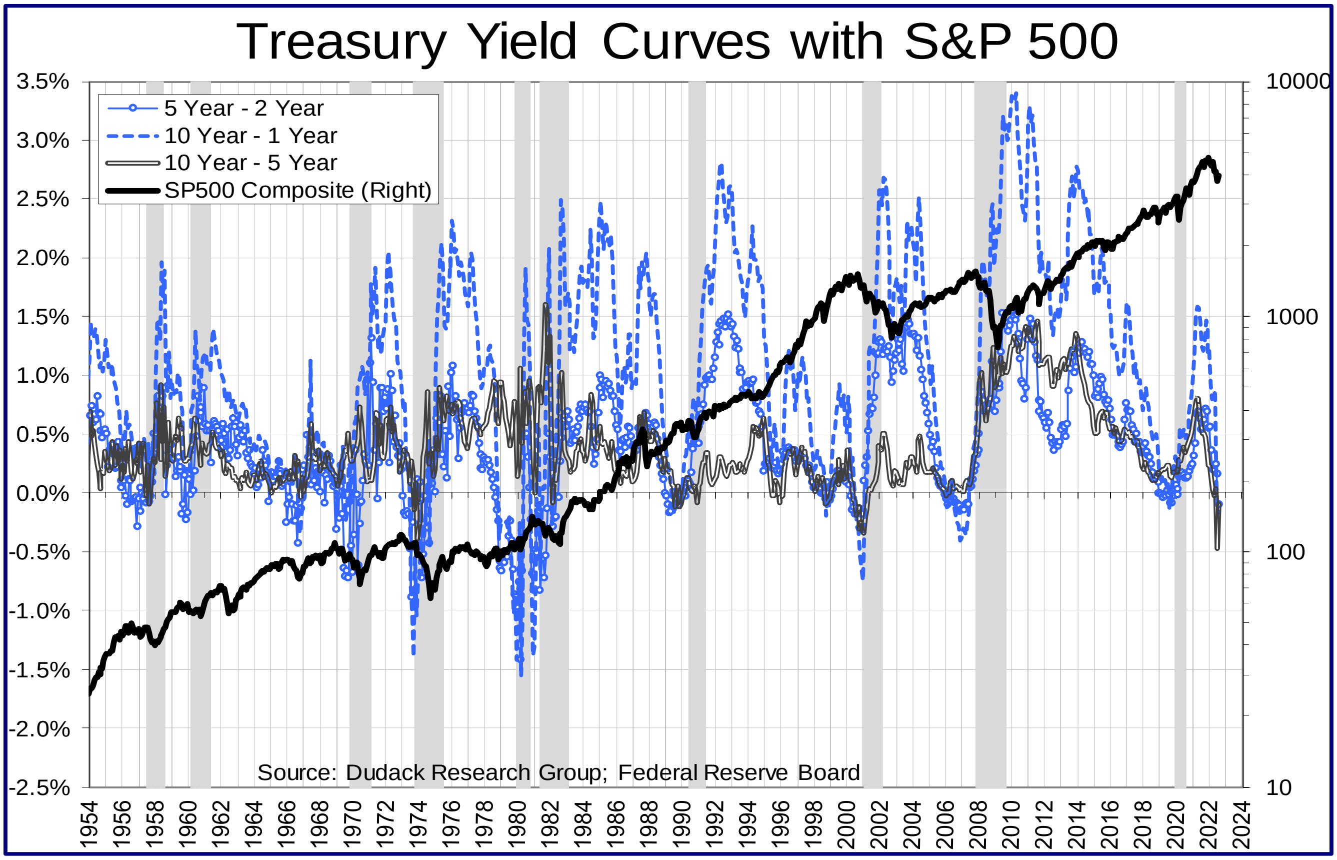
*https://www.federalreserve.gov/monetarypolicy/0693lead.pdf

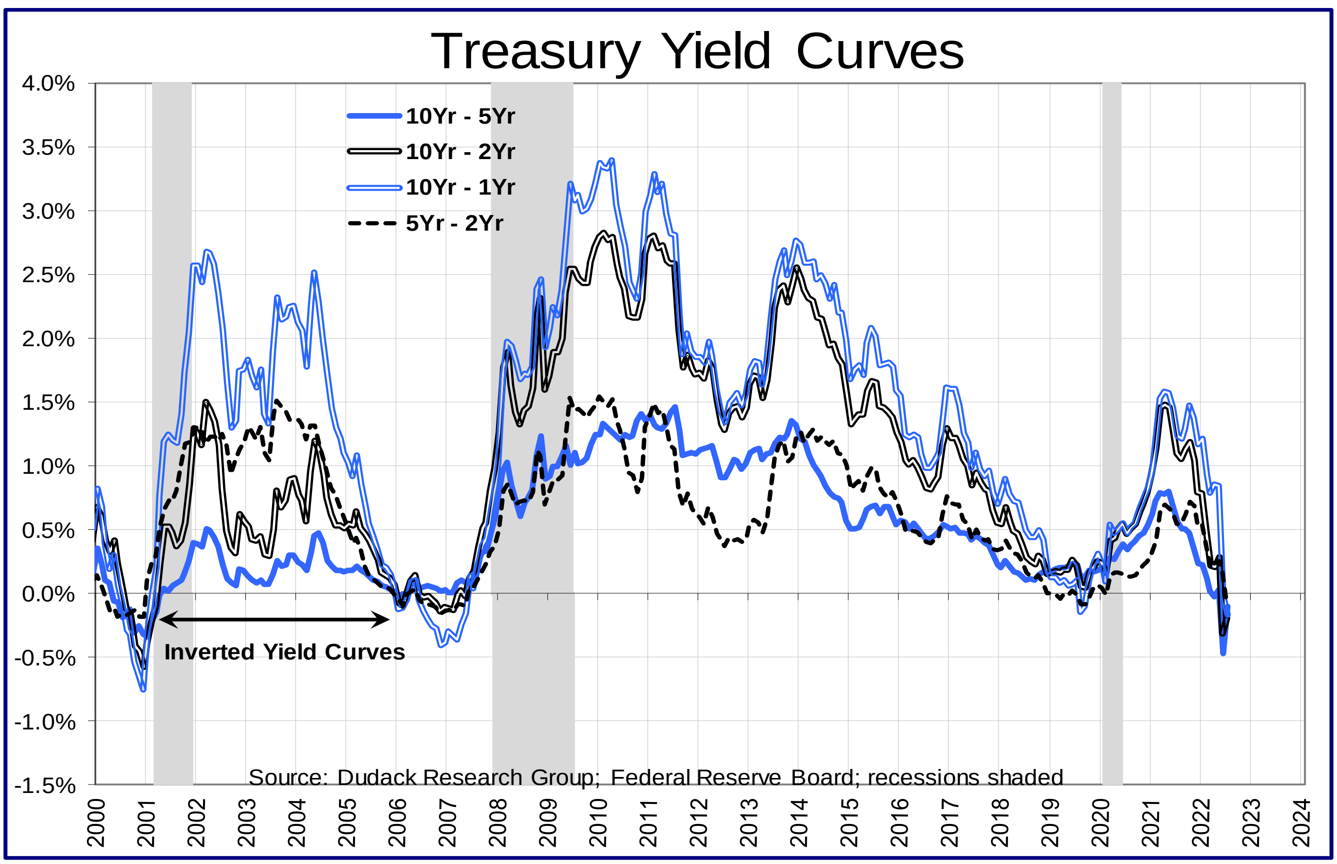
This week's FOMC meeting is expected to result in a 75-basis point increase in the fed funds rate. The current Treasury yield curve is relatively flat but inverted between the 6-month and 10-year Treasury yields. It is possible that the entire yield curve will invert immediately following the July Fed meeting.



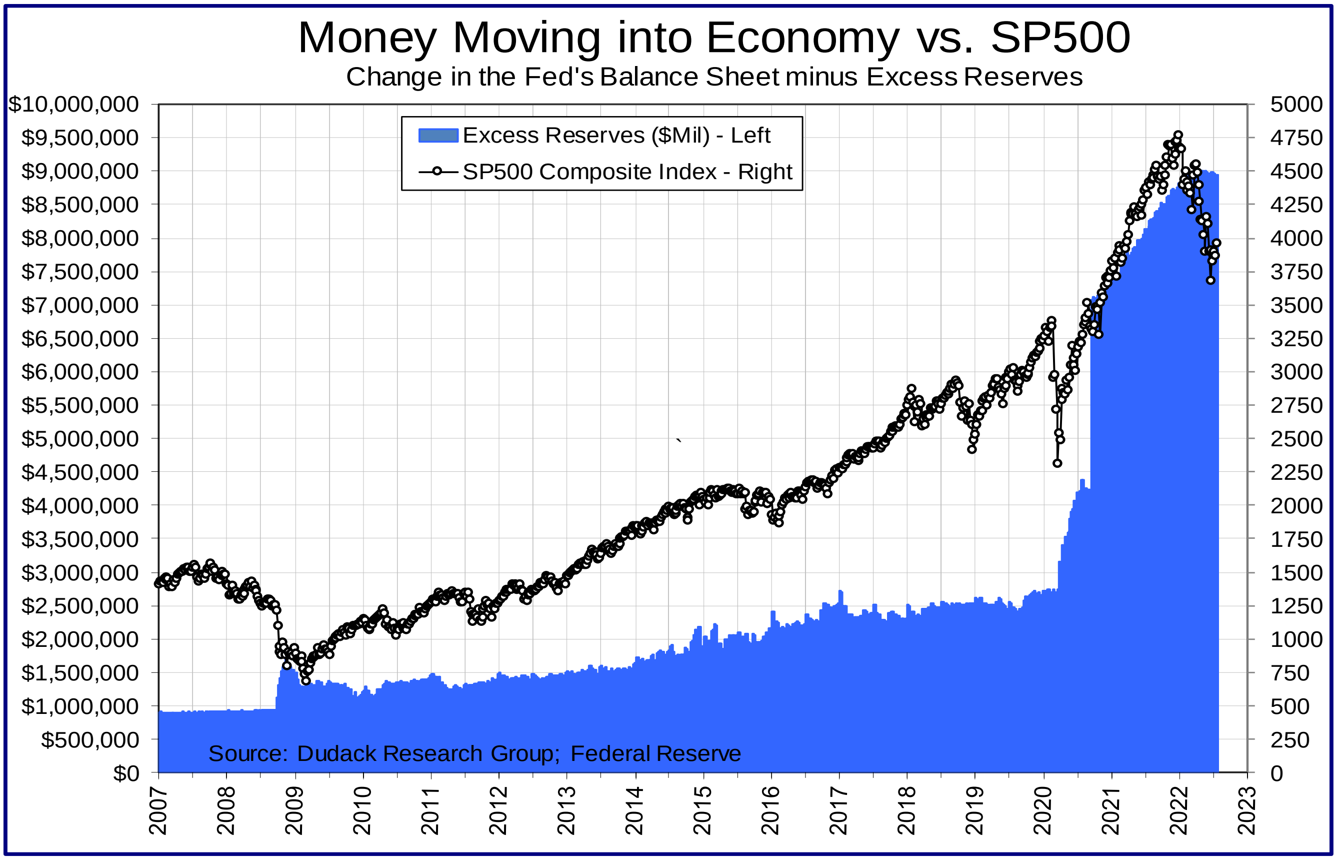


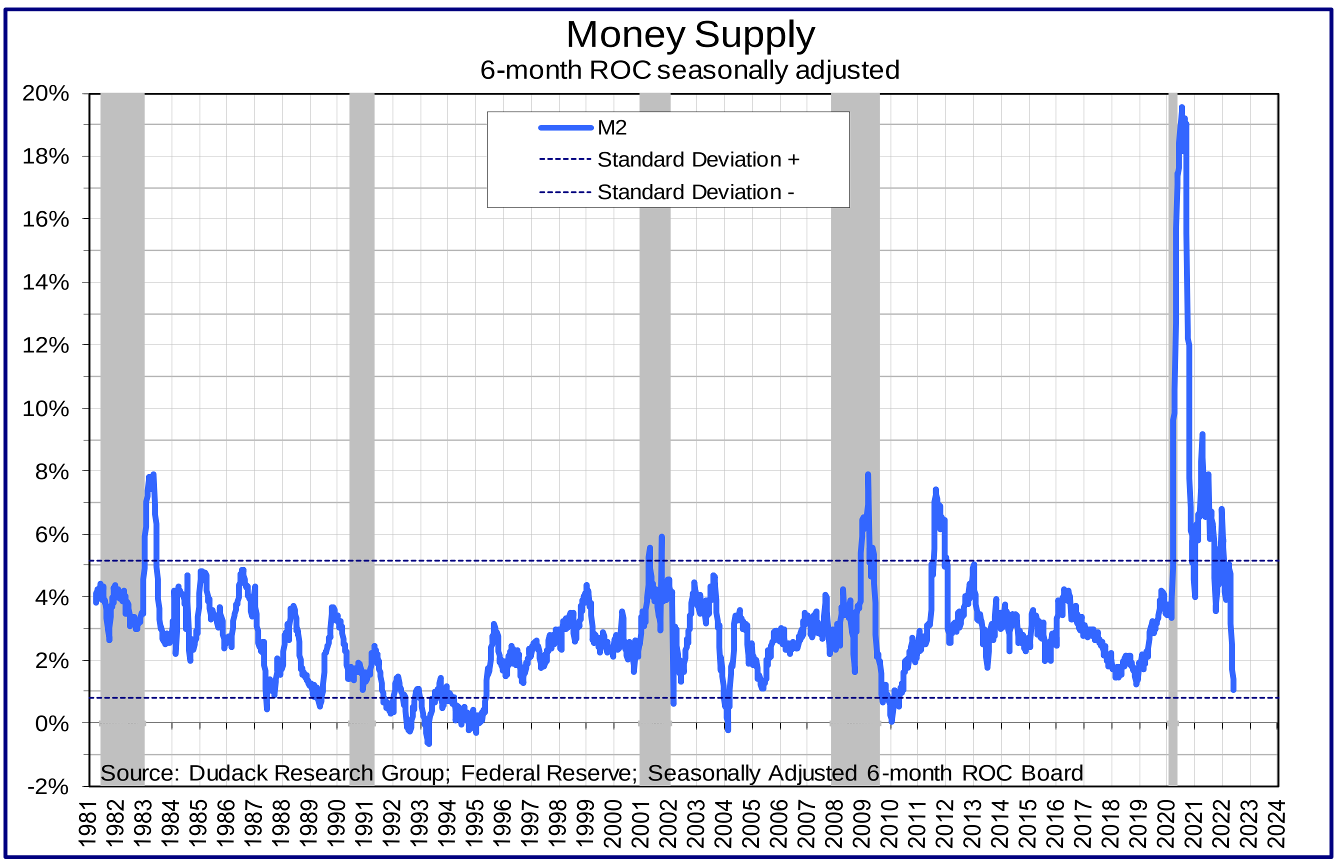
A history of the Treasury yield curve shows that an inverted yield curve is followed by an economic recession, typically within six months. The exception was 2006, when the yield curve inverted early in the year and a recession did not materialize until early 2008. Second quarter GDP will be released this week and may answer the question of whether the US is currently in a recession, or on the brink of one.



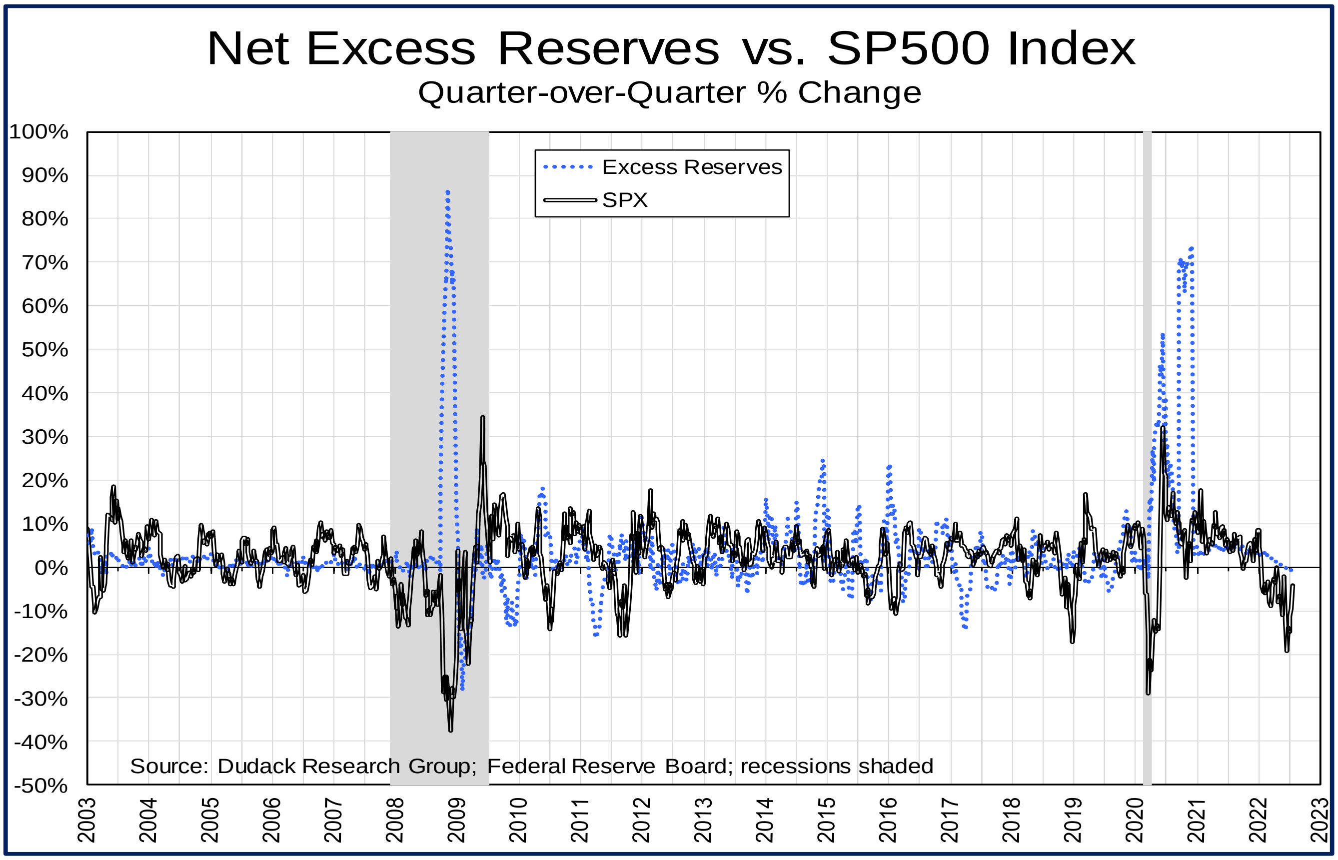


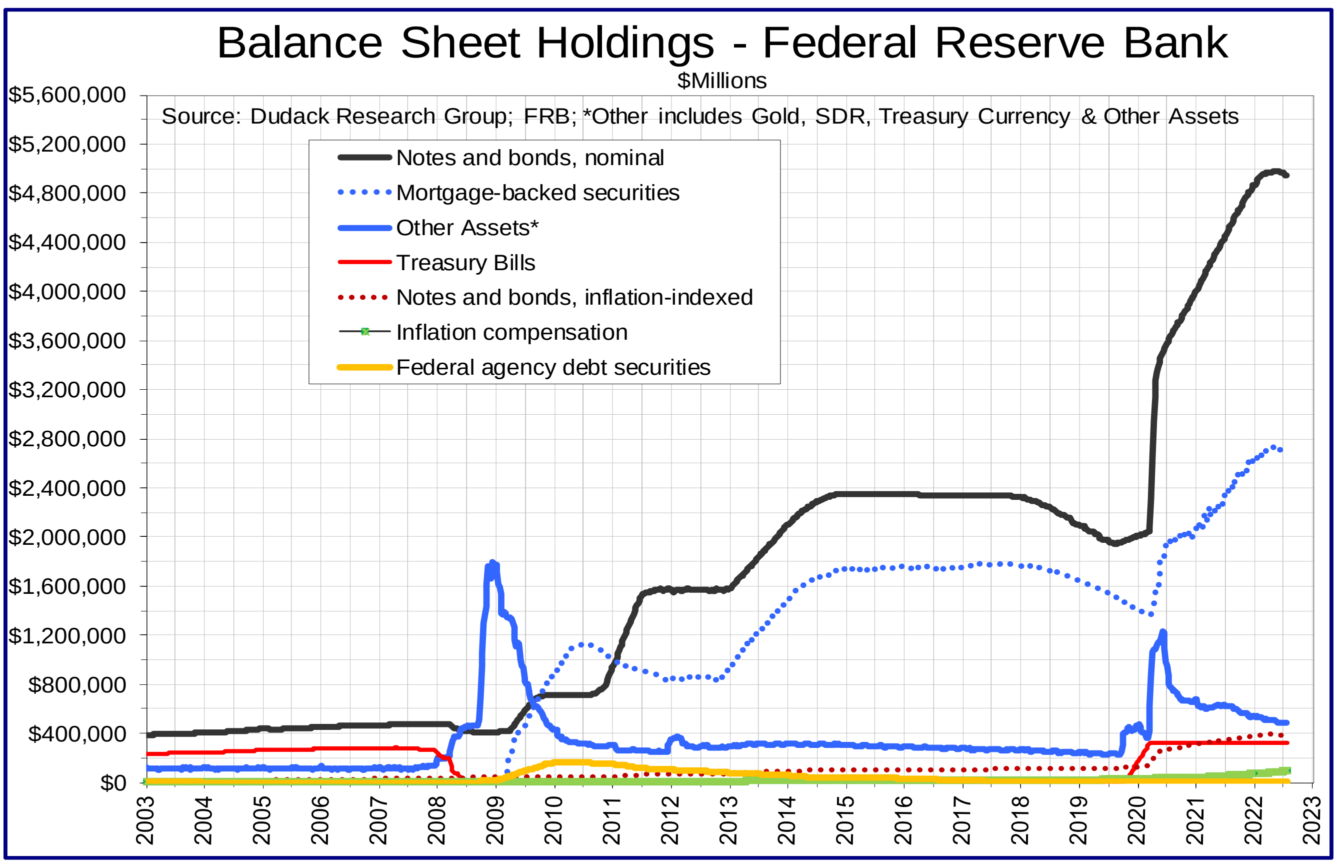
To stimulate the economy the Fed eliminated required reserves held at the Fed by banks in 2020. This created a huge jump in excess reserves, as seen in the chart below, and the massive increase in money supply.



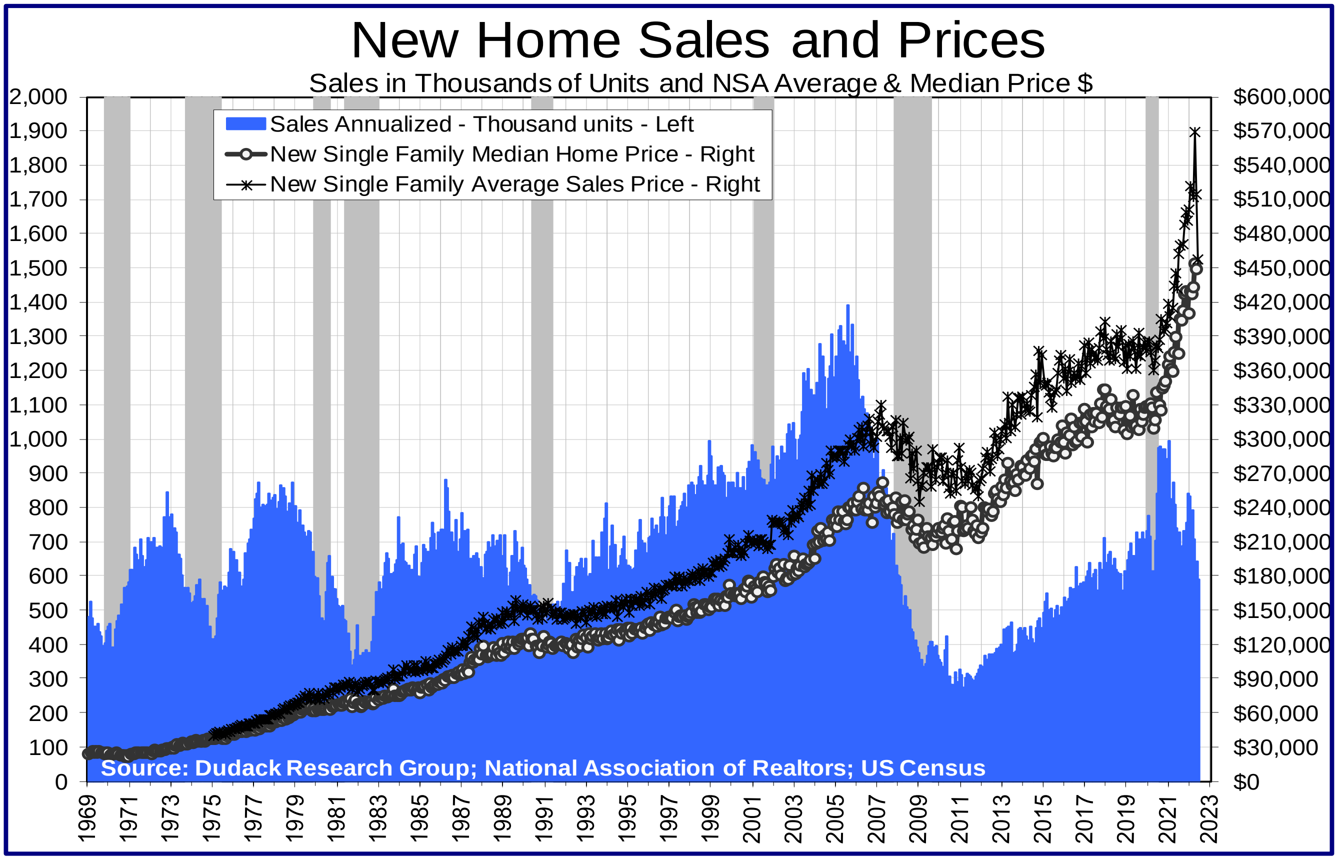


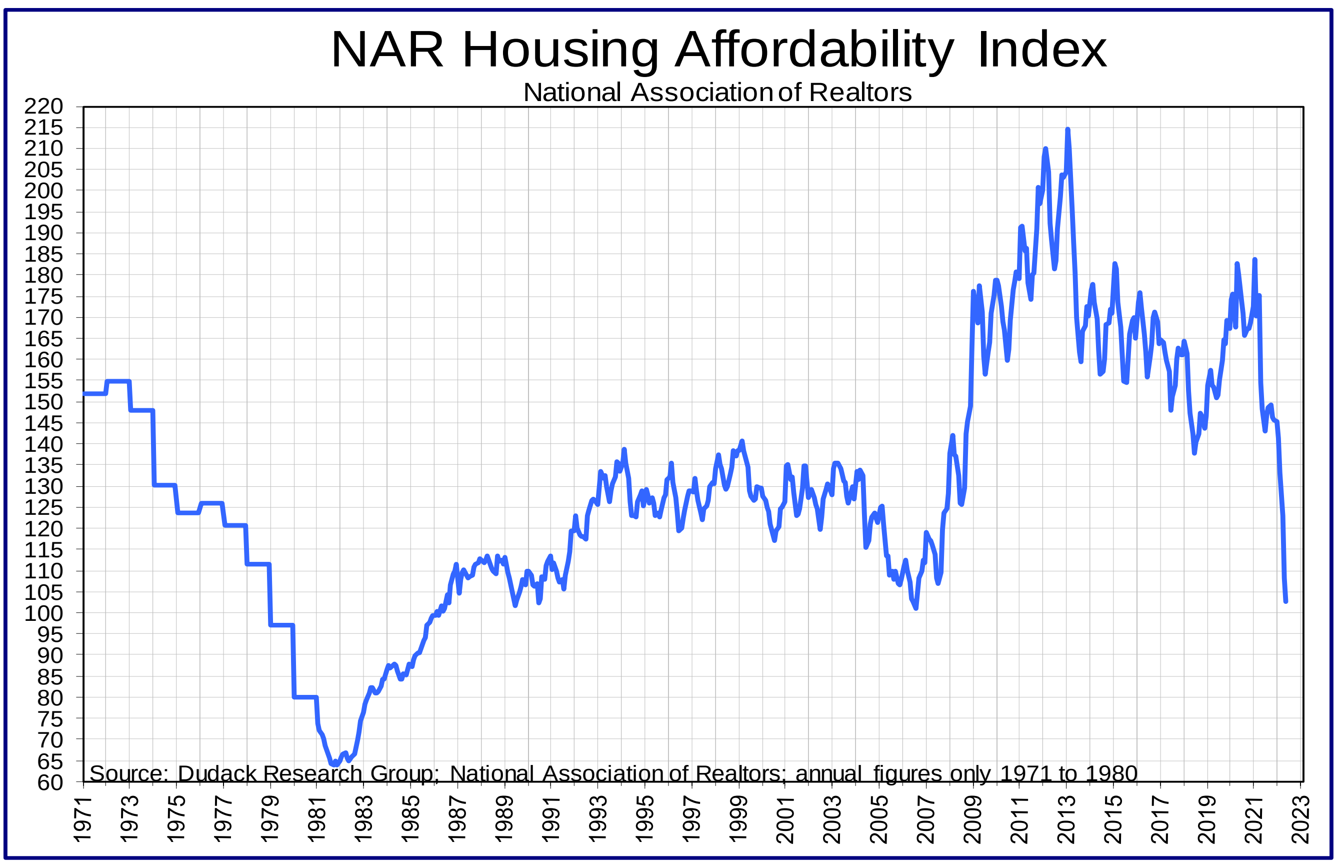
The Fed's QE was necessary in 2008 to prevent systemic risk to the banking system which was suffering from the financial crisis. However, the $1.6 trillion increase in the Fed's balance sheet between January 2021 and March 2022, during an expanding economy, was a contributing factor to the stock market's 2021 advance and the current brutal inflation cycle.



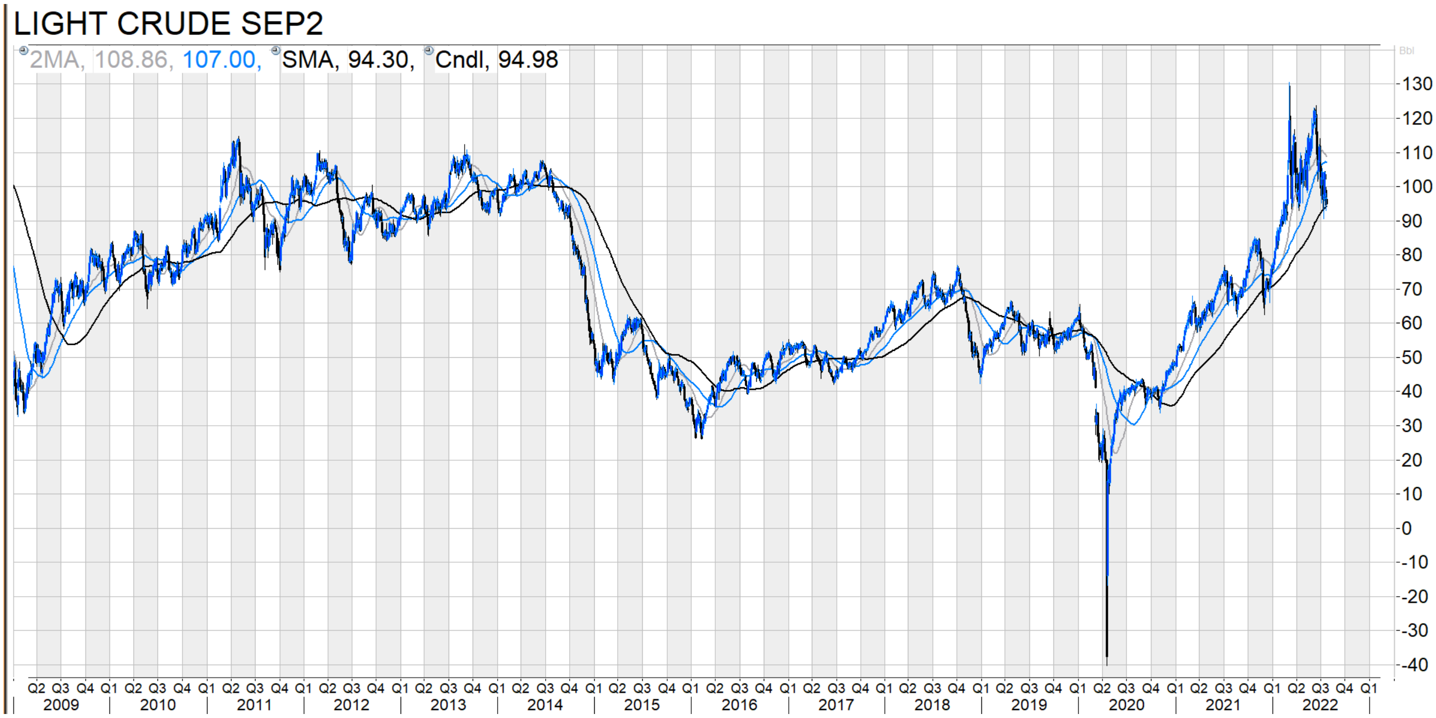


New home sales were 590,000 in June, down 17.4% YOY and down from 642,000 units in May. Average single-family home prices fell to $456,800, the lowest in 12 months, but still up 5.8% YOY. However, there are numerous signs that housing is slowing including the NAR affordability index which is at its lowest level since August 2006.



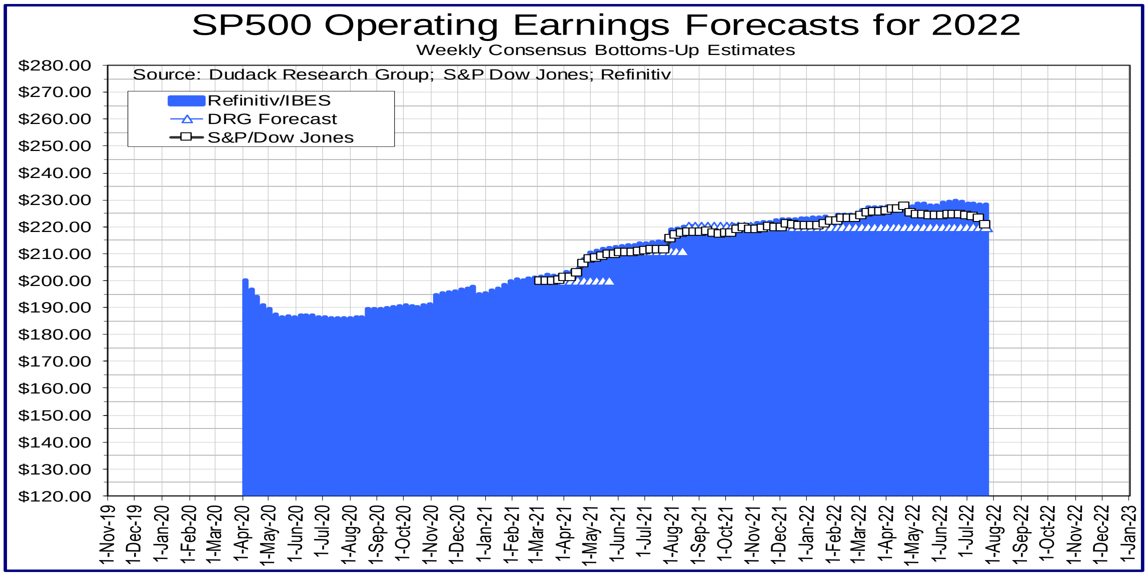


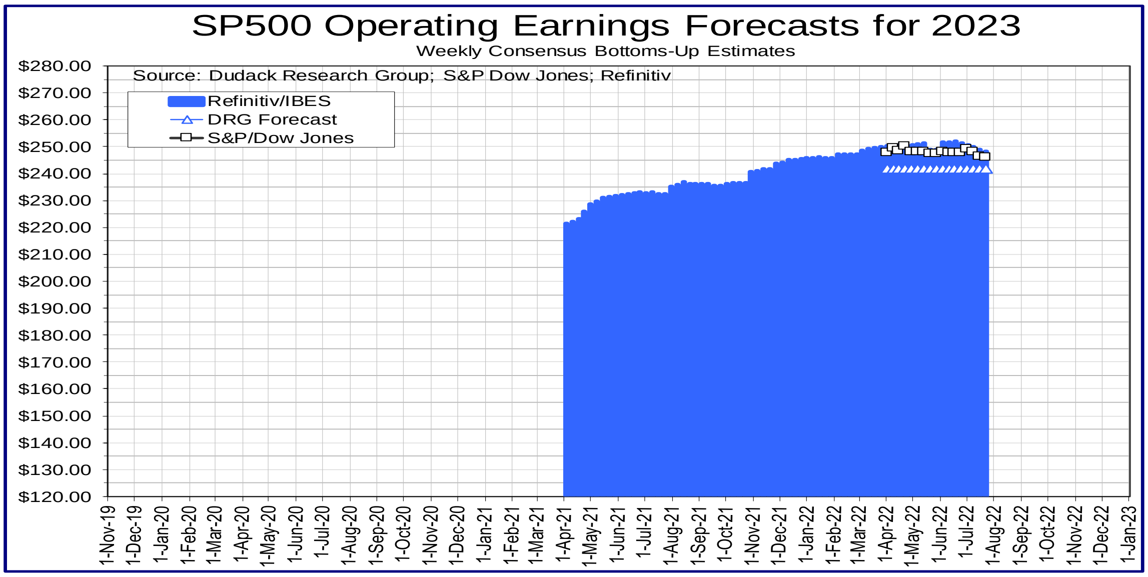
There was little change in the chart of the WTI crude oil future this week, nevertheless, the price continues to hover just above the 200-day moving average now at $94.30. This could prove to be a pivotal level for the intermediate term. The 10-year Treasury yield is trading below the 3% level this week as the July FOMC meeting approaches. As previously noted, the entire Treasury yield curve may soon become inverted following future fed funds increases.

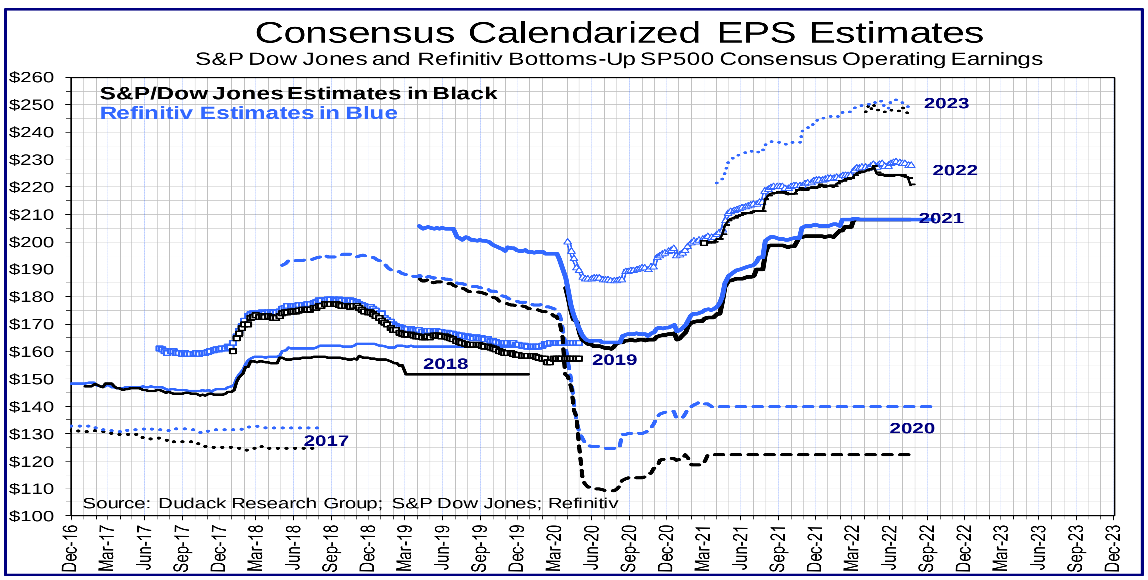


Source: Refinitiv

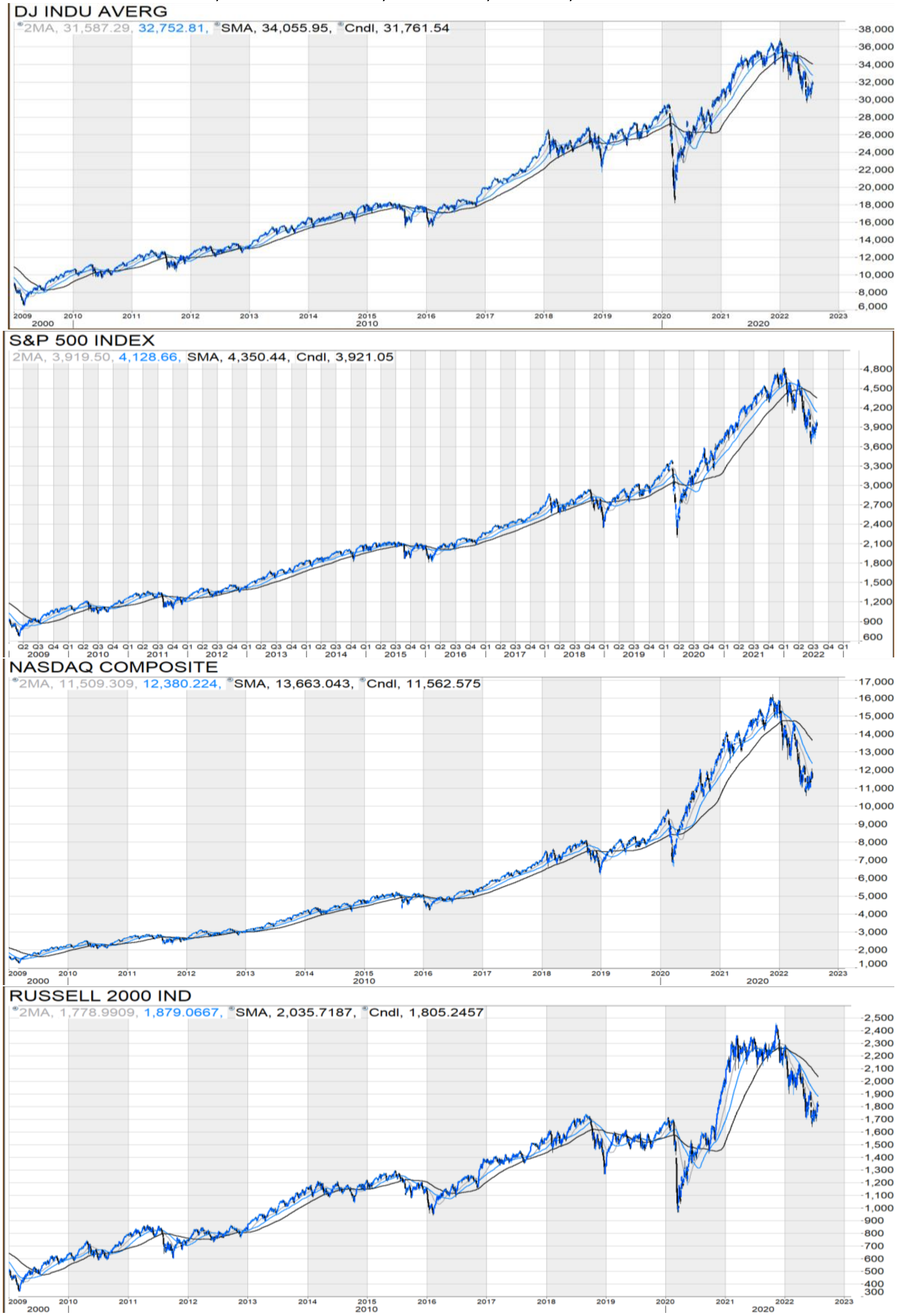
The S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell $2.48 and $0.36, respectively, this week. Refinitiv IBES consensus earnings forecasts rose $0.01 and fell $0.76, respectively. The nominal earnings range for 2022 changed to $220.21 to $228.27 but EPS growth rates for this year fell to 6.0% and 9.7%, respectively. *(Note: consensus macro-EPS forecasts may differ from four quarter analysts' forecast sums seen on page 16.)* Our DRG 2022 estimate remains at $220, a 5.7% YOY increase from $208.19 in 2021.







The current equity rebound has been weak given the substantial declines from recent bull market highs. But having bettered their 50-day moving averages, the indices' next resistance levels should be the 100-day MA's at DJIA: 32752; SPX: 4128.66; NAZ: 12,380.22; and RUT 1879.

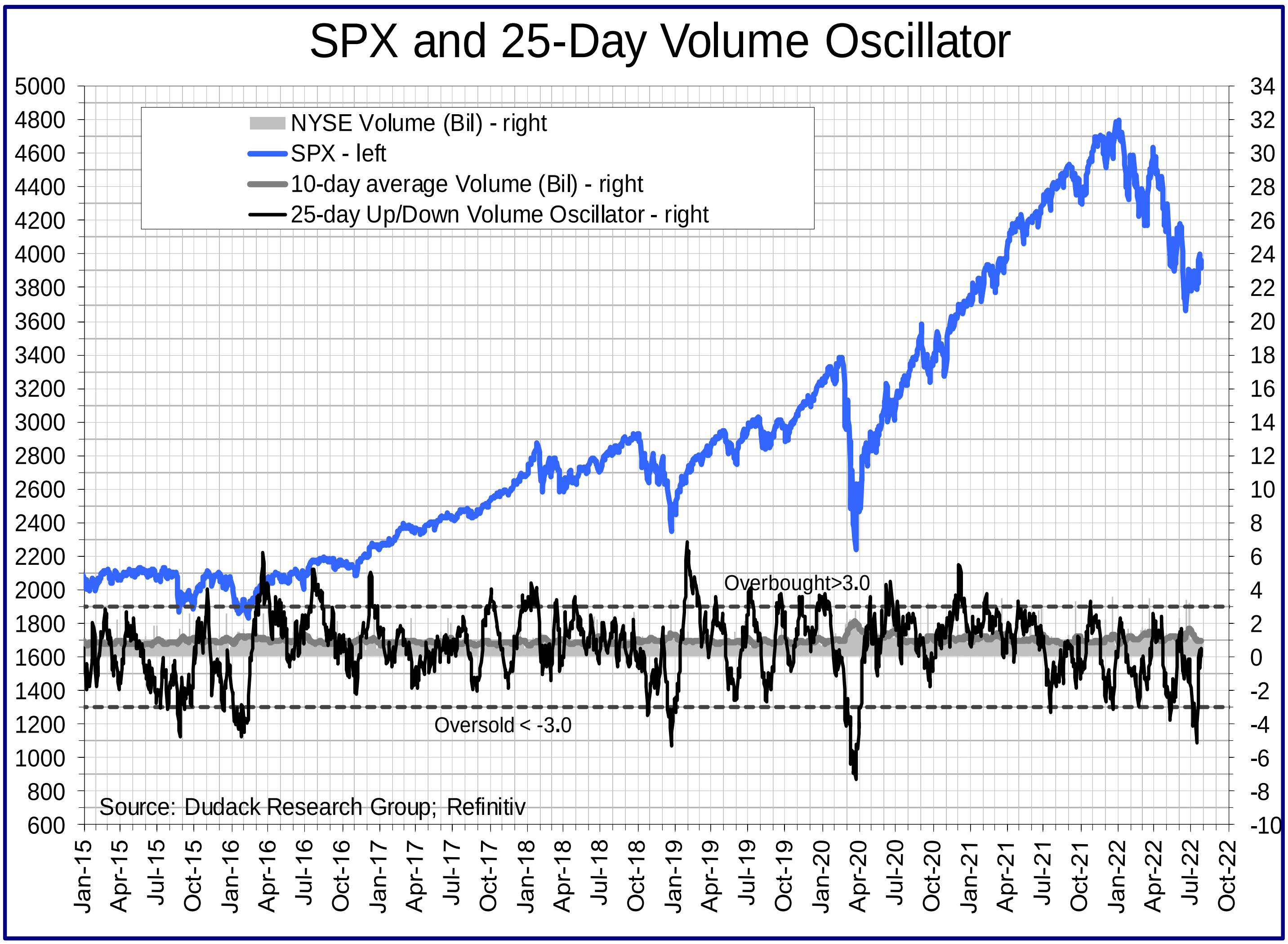


Source: Refinitiv

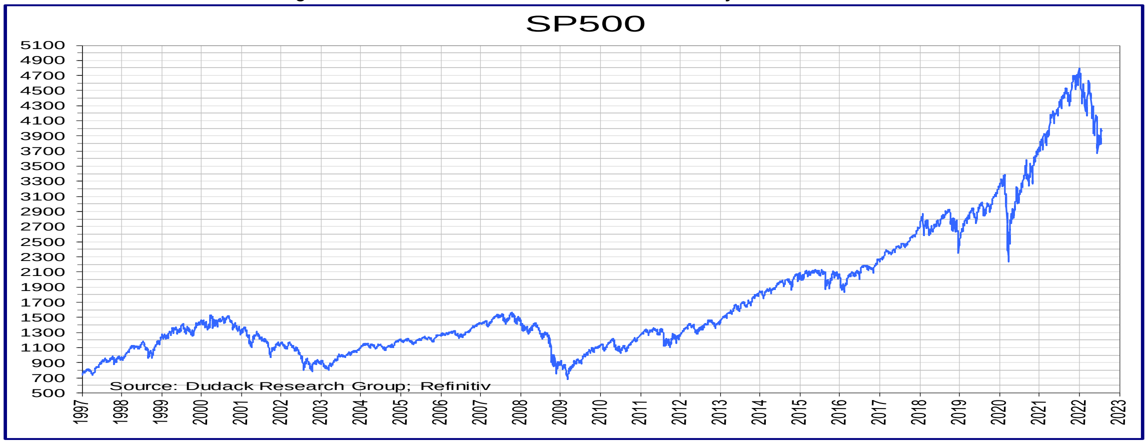
The 25-day up/down volume oscillator was at zero this week after recording its most oversold reading since early 2020 on July 14, 2022. This oversold reading should be a trigger for a rebound, but the rally has been muted, to date.

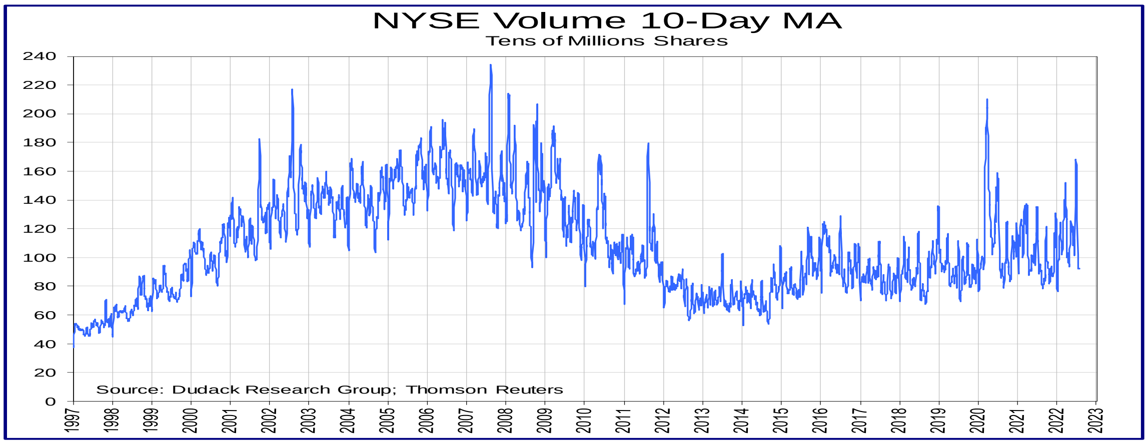
A 92% up day was recorded on July 19, 2022 which implies a bottoming process, although not necessarily the final low, is in place.

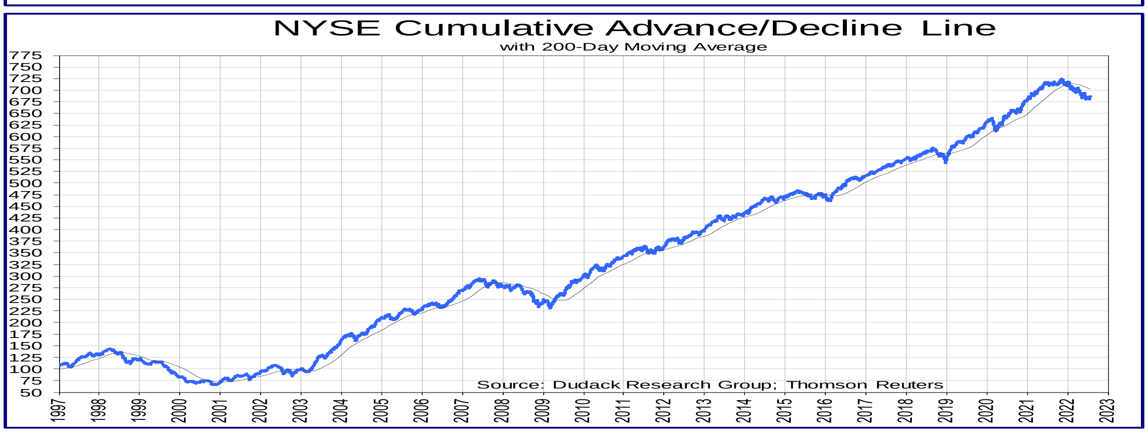
This 25-day up/down volume oscillator measures buying and selling momentum. New highs should be accompanied by strong and consistent buying pressure which results in long and sometimes extreme overbought readings. An absence of overbought readings at a new high reveals a weakness in the trend and is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

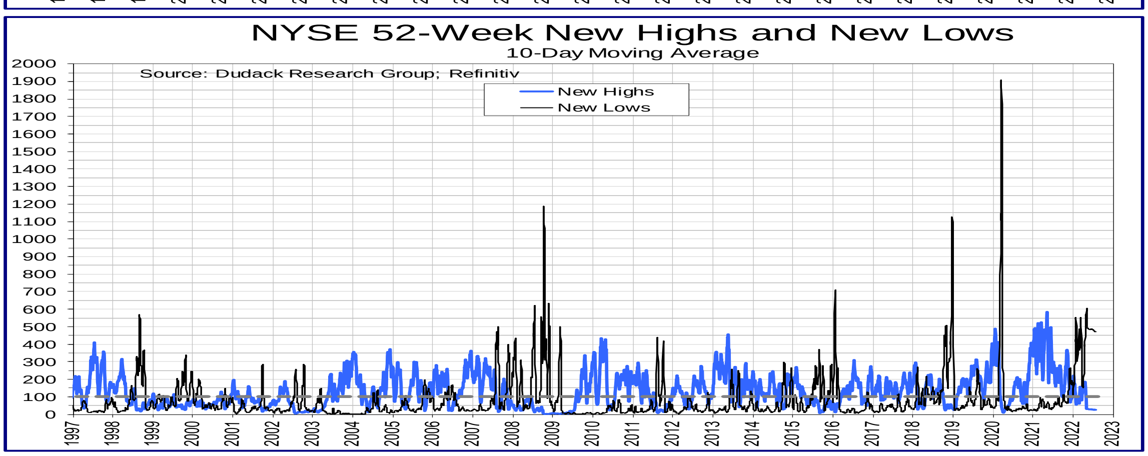


The 10-day average of daily new highs is 26 this week and daily new lows are 472. This combination is negative with new highs below 100, and new lows above the 100 benchmark. However, note that the 10-day moving average of new lows peaked at 604 in early May. The advance/decline line's last record high was on November 8, 2021, and it is trading a net 37,984 issues below this level currently.

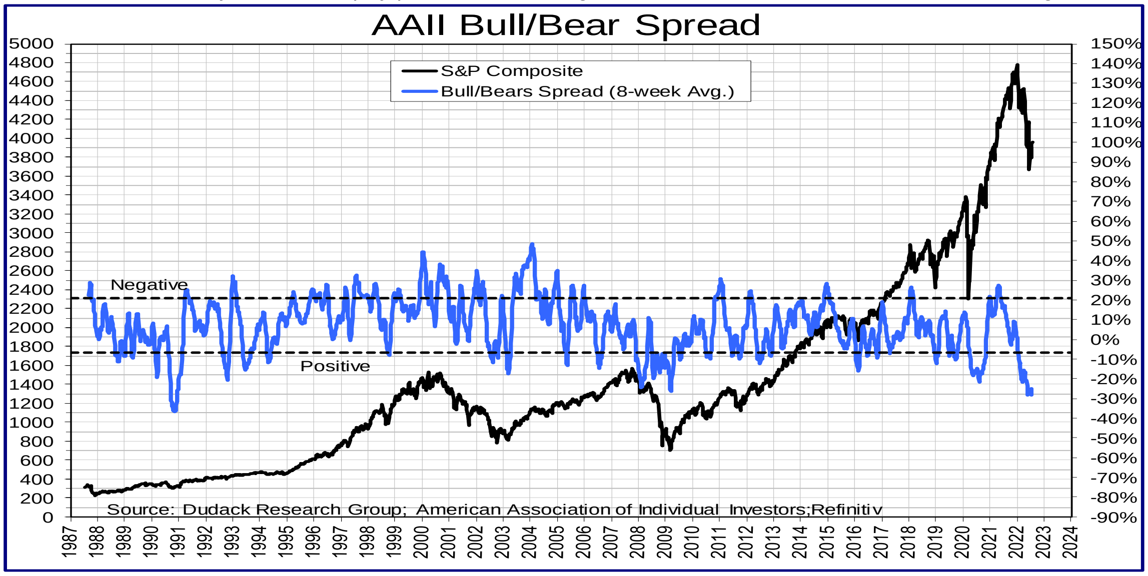


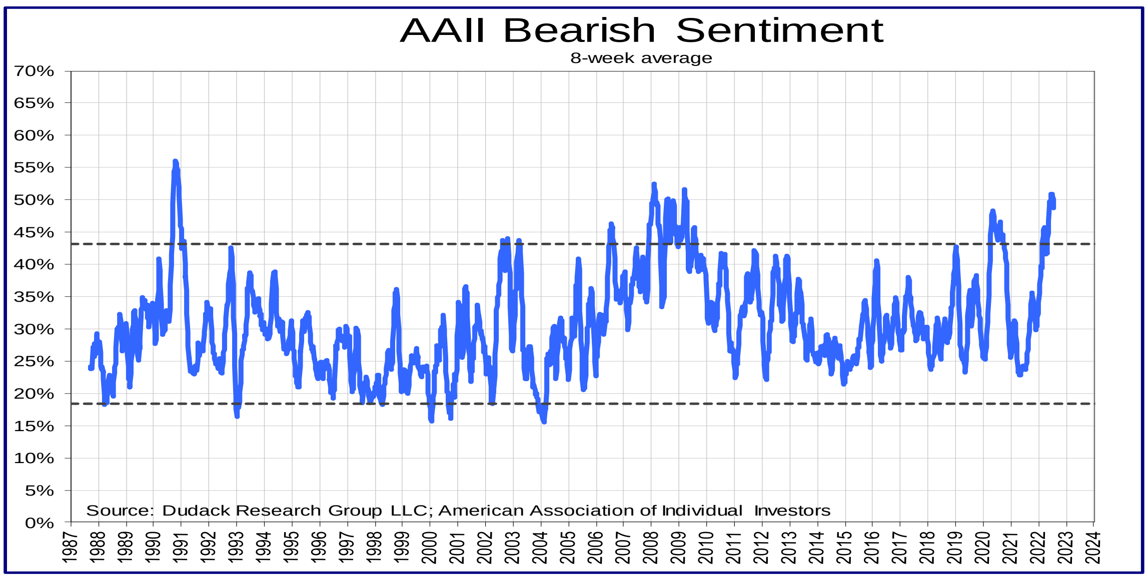


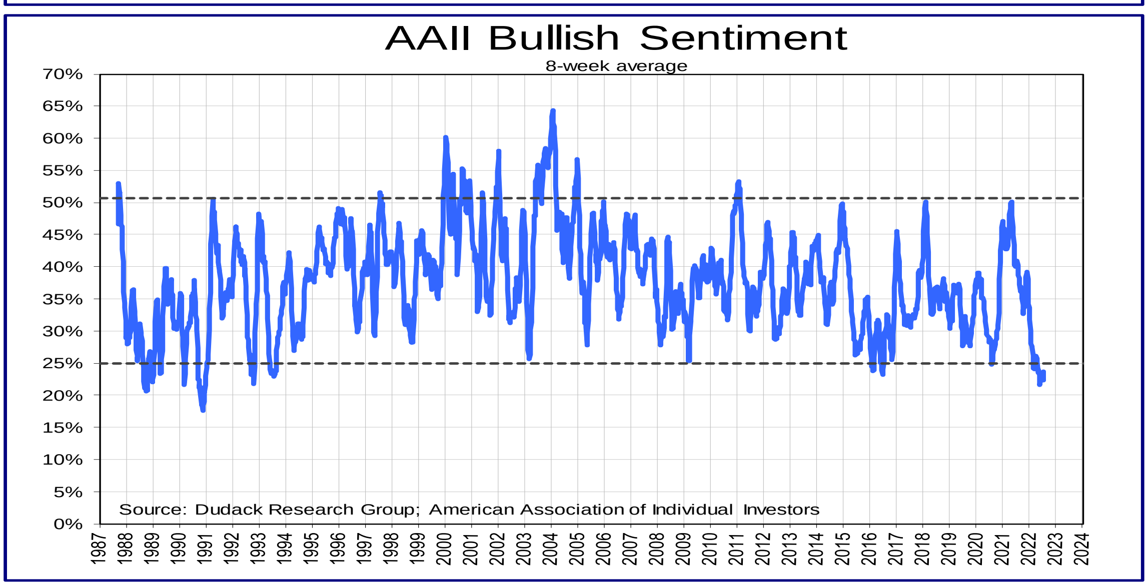




Last week's AAII readings showed an increase of 2.7% in bulls to 29.6% and bears declined 4.3% to 42.2%. This is a return to normal parameters following five weeks of less than 20% bulls and more than 50% bears between April 27, 2022 and July 7, 2022. Comparable single week bull/bear readings were last seen on April 11, 2013 and January 10, 2008. Equity prices tend to be higher in the next six and/or twelve months following such a reading.



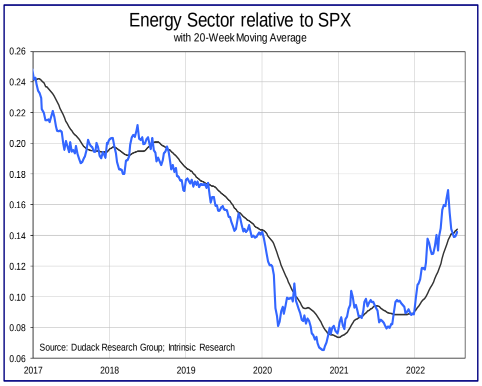


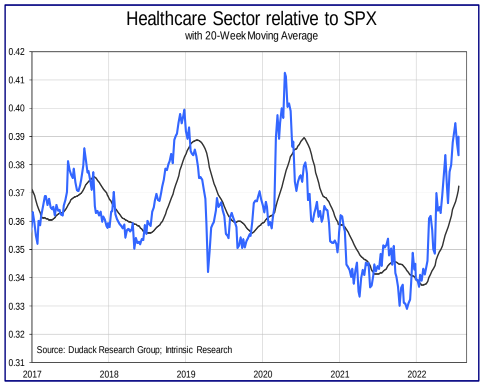


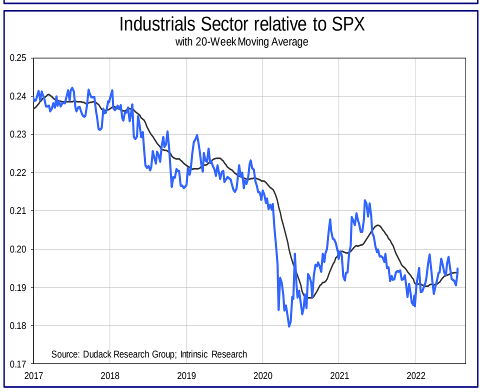
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

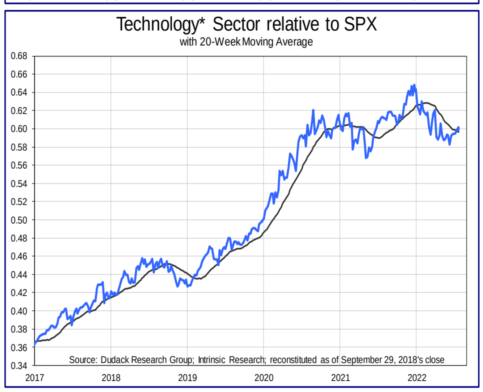
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Energy	Healthcare	Consumer Discretionary
Industrials	Technology	REITS
Staples	Materials	Communication Services
Utililties	Financials	

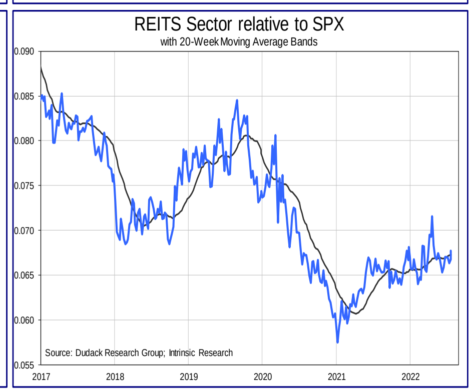
3/8/2022:Materials upgraded from underweight to neutral/communication service downgraded from neutral to underweight. 3/1/2022 Financials downgraded to neutral and Industrials upgraded to overweight.

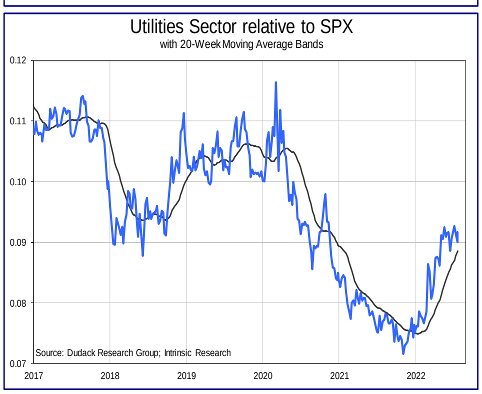


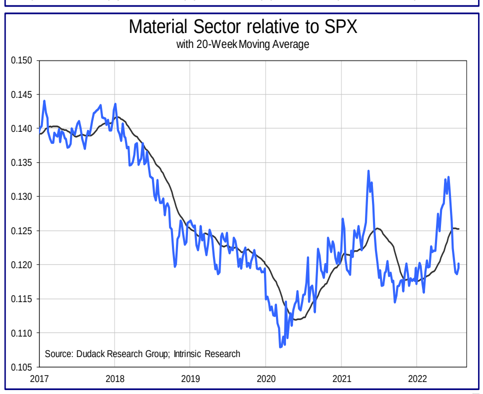


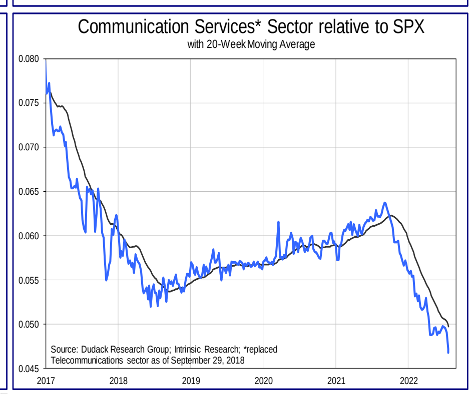


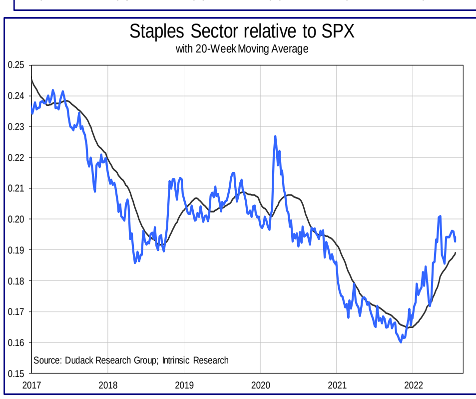


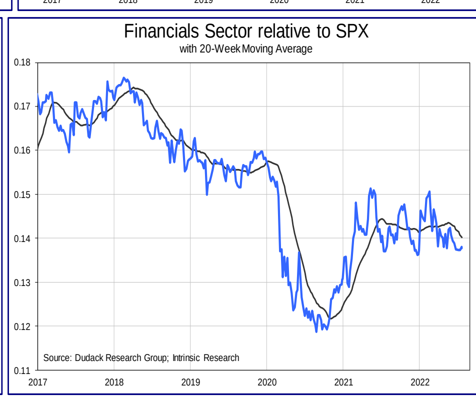












2022 Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	32.0%
S&P UTILITIES	-1.2%
S&P CONSUMER STAPLES	-5.4%
S&P HEALTH CARE	-7.0%
S&P INDUSTRIALS	-14.6%
S&P FINANCIAL	-16.9%
S&P MATERIALS	-17.3%
S&P 500	-17.7%
S&P REITS	-18.3%
S&P INFORMATION TECH	-23.1%
S&P CONSUMER DISCRETIONARY	-27.7%
S&P COMMUNICATIONS SERVICES	-31.4%

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%
Silver Future	SIc1	61.06	8.9%	52.4%	38.6%	161.7%
United States Oil Fund, LP	USO	75.16	-3.7%	-7.5%	-6.5%	38.3%
Energy Select Sector SPDR	XLE	73.09	1.1%	2.1%	2.2%	31.7%
Oil Future	CLc1	94.98	-8.9%	-11.7%	-10.2%	26.3%
iShares DJ US Oil Eqpt & Services ETF	IEZ	15.13	-0.5%	-3.8%	-5.3%	17.4%
Gold Future	GCc1	2354.10	0.2%	0.9%	0.7%	6.4%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
Utilities Select Sector SPDR	XLU	70.72	2.2%	2.5%	0.8%	-1.2%
iShares MSCI Brazil Capped ETF	EWZ	27.07	3.1%	-0.5%	-1.2%	-3.6%
Consumer Staples Select Sector SPDR	XLP	73.39	0.5%	0.7%	1.7%	-4.8%
SPDR Gold Trust	GLD	160.04	0.3%	-5.9%	-5.0%	-6.4%
Health Care Select Sect SPDR	XLV	131.18	1.2%	1.5%	2.3%	-6.9%
iShares MSCI Hong Kong ETF	EWH	21.35	-0.9%	-0.6%	-3.8%	-7.9%
iShares MSCI United Kingdom ETF	EWU	29.88	0.0%	-1.6%	-0.3%	-9.8%
Shanghai Composite	.SSEC	3277.44	-0.1%	-3.0%	-3.3%	-10.0%
iShares MSCI Mexico Capped ETF	EWW	45.21	-1.0%	-4.5%	-3.0%	-10.7%
iShares Russell 1000 Value ETF	IWD	149.16	0.0%	0.4%	2.9%	-11.2%
iShares MSCI India ETF	INDA.K	40.51	-0.6%	1.4%	2.9%	-11.6%
iShares MSCI Canada ETF	EWC	33.77	0.0%	-0.5%	0.3%	-12.1%
iShares MSCI Australia ETF	EWA	21.74	0.8%	0.6%	2.5%	-12.4%
iShares MSCI Malaysia ETF	EWM	21.91	1.6%	-0.4%	-0.2%	-12.5%
DJIA	.DJI	31761.54	-0.2%	0.8%	3.2%	-12.6%
SPDR DJIA ETF	DIA	317.54	-0.2%	0.8%	3.2%	-12.6%
iShares Russell 2000 Value ETF	IWN	143.55	0.4%	2.6%	5.4%	-13.6%
iShares China Large Cap ETF	FXI	31.45	-1.6%	-7.1%	-7.3%	-14.0%
SPDR S&P Bank ETF	KBE	46.74	1.1%	3.9%	6.5%	-14.3%
Industrial Select Sector SPDR	XLI	90.39	1.1%	1.8%	3.5%	-14.6%
iShares iBoxx $ Invest Grade Corp Bond	LQD	112.65	1.2%	2.3%	2.4%	-15.0%
iShares MSCI Singapore ETF	EWS	18.18	0.8%	-0.3%	2.8%	-15.0%
Financial Select Sector SPDR	XLF	32.50	-0.3%	0.5%	3.3%	-16.8%
Materials Select Sector SPDR	XLB	74.86	0.6%	-2.1%	1.7%	-17.4%
iShares US Real Estate ETF	IYR	95.55	1.4%	1.6%	3.9%	-17.7%
SP500	.SPX	3921.05	-0.4%	0.2%	3.6%	-17.7%
PowerShares Water Resources Portfolio	PHO	49.60	4.0%	6.1%	7.3%	-18.5%
iShares Russell 1000 ETF	IWB	215.40	-0.4%	0.2%	3.7%	-18.5%
Vanguard FTSE All-World ex-US ETF	VEU	49.90	-0.4%	-1.7%	-0.1%	-18.6%
iShares MSCI Japan ETF	EWJ	54.09	0.9%	0.7%	2.4%	-19.2%
iShares Russell 2000 ETF	IWM	179.33	0.4%	2.4%	5.9%	-19.4%
iShares Nasdaq Biotechnology ETF	IBB.O	122.87	-0.6%	2.4%	4.5%	-19.5%
iShares MSCI Emerg Mkts ETF	EEM	39.25	-0.7%	-3.4%	-2.1%	-19.7%
iShares MSCI EAFE ETF	EFA	63.00	-0.5%	-1.2%	0.8%	-19.9%
iShares Silver Trust	SLV	17.90	-0.8%	-12.0%	-8.1%	-20.1%
iShares 20+ Year Treas Bond ETF	TLT	117.48	2.8%	4.4%	2.3%	-20.7%
iShares MSCI BRIC ETF	BKF	35.30	-1.5%	-4.8%	-4.5%	-21.1%
iShares US Telecomm ETF	IYZ	25.63	-1.6%	-0.5%	2.0%	-22.1%
Technology Select Sector SPDR	XLK	134.14	-0.7%	0.5%	5.5%	-22.9%
iShares MSCI South Korea Capped ETF	EWY	58.63	-0.1%	-1.5%	0.8%	-24.7%
iShares MSCI Taiwan ETF	EWT	50.04	-0.9%	-5.2%	-0.8%	-24.9%
iShares Russell 1000 Growth ETF	IWF	228.63	-0.9%	-0.2%	4.5%	-25.2%
iShares Russell 2000 Growth ETF	IWO	219.08	0.3%	2.4%	6.2%	-25.2%
Nasdaq Composite Index Tracking Stock	ONEQ.O	45.29	-1.2%	-0.2%	5.0%	-25.6%
NASDAQ 100	NDX	12086.90	-1.3%	-0.2%	5.1%	-25.9%
Consumer Discretionary Select Sector SPDR	XLY	148.48	-0.8%	1.0%	8.0%	-27.4%
SPDR Homebuilders ETF	XHB	60.77	0.7%	8.0%	11.1%	-29.2%
iShares MSCI Austria Capped ETF	EWO	17.92	-1.5%	-4.5%	-0.8%	-29.6%
SPDR S&P Semiconductor ETF	XSD	166.49	-0.1%	3.4%	9.7%	-31.5%
iShares MSCI Germany ETF	EWG	22.41	-3.5%	-6.4%	-2.6%	-31.6%
SPDR S&P Retail ETF	XRT	60.32	-5.1%	-6.6%	3.7%	-33.2%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters   Priced as of July 26, 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 %
2005	1248.29	$69.93	**$76.45**	$76.45	13.0%	**$76.28**	13.7%	16.3X	1.8%	3.5%	$1,108.90	#REF!
2006	1418.30	$81.51	**$87.72**	$87.72	14.7%	**$88.18**	15.6%	16.2X	1.8%	2.8%	$1,216.10	9.7%
2007	1468.36	$66.18	**$82.54**	$82.54	-5.9%	**$85.12**	-3.5%	17.8X	1.8%	2.0%	$1,141.40	-6.1%
2008	903.25	$14.88	**$49.51**	$49.51	-40.0%	**$65.47**	-23.1%	18.2X	2.5%	0.1%	$1,029.90	-9.8%
2009	1115.10	$50.97	**$56.86**	$56.86	14.8%	**$60.80**	-7.1%	19.6X	2.6%	-2.6%	$1,182.90	14.9%
2010	1257.64	$77.35	**$83.77**	$83.77	47.3%	**$85.28**	40.3%	15.0X	1.9%	2.7%	$1,456.50	23.1%
2011	1257.60	$86.95	**$96.44**	$96.44	15.1%	**$97.82**	14.7%	13.0X	2.0%	1.5%	$1,529.00	5.0%
2012	1426.19	$86.51	**$96.82**	$96.82	0.4%	**$103.80**	6.1%	14.7X	2.1%	2.3%	$1,662.80	8.8%
2013	1848.36	$100.20	**$107.30**	$107.30	10.8%	**$109.68**	5.7%	17.2X	2.0%	1.8%	$1,648.10	-0.9%
2014	2127.83	$102.31	**$113.01**	$113.01	5.3%	**$118.78**	8.3%	18.8X	2.2%	2.3%	$1,713.10	3.9%
2015	2043.94	$86.53	**$100.45**	$100.45	-11.1%	**$118.20**	-0.5%	20.3X	2.1%	2.7%	$1,664.20	-2.9%
2016	2238.83	$94.55	**$106.26**	$96.82	-3.6%	**$118.10**	-0.1%	21.1X	1.9%	1.7%	$1,661.50	-0.2%
2017	2673.61	$109.88	**$124.51**	$124.51	28.6%	**$132.00**	11.8%	21.5X	1.8%	2.3%	$1,816.60	9.3%
2018	2506.85	$132.39	**$151.60**	$151.60	21.8%	**$161.93**	22.7%	16.5X	1.9%	2.9%	$2,023.40	11.4%
2019	3230.78	$139.47	$157.12	$157.12	3.6%	**$162.93**	0.6%	20.6X	1.8%	2.3%	$2,065.60	2.1%
2020	3756.07	$94.14	$122.38	$122.38	-22.1%	**$139.72**	-14.2%	30.7X	1.6%	-3.4%	$1,968.10	-4.7%
2021	4766.18	$197.87	$208.17	$208.17	70.1%	**$208.12**	49.0%	22.9X	1.3%	5.7%	$2,424.60	23.2%
2022E	~~~~~	$199.57	$220.70	$220.00	5.7%	**$228.27**	9.7%	17.8X	NA	NA	NA	NA
2023E	~~~~~	$221.10	$246.09	$242.00	10.0%	**$248.35**	8.8%	15.9X	NA	NA	NA	NA
2015 1Q	2108.88	$21.81	$25.81	$25.81	-5.5%	$28.60	1.5%	18.9	2.0%	3.3%	$1,706.90	9.2%
2015 2Q	2166.05	$22.80	$26.14	$26.14	-10.9%	$30.09	0.1%	20.0	2.0%	2.3%	$1,689.20	-1.4%
2015 3Q	1920.03	$23.22	$25.44	$25.44	-14.1%	$29.99	-0.2%	18.4	2.2%	1.3%	$1,675.60	-6.6%
2015 4Q	2043.94	$18.70	$23.06	$23.06	-13.8%	$29.52	-3.3%	20.3	2.1%	0.6%	$1,585.20	-11.1%
2016 1Q	2059.74	$21.72	$23.97	$23.97	-7.1%	$26.96	-5.7%	20.9	2.1%	2.4%	$1,664.90	-2.5%
2016 2Q	2098.86	$23.28	$25.70	$25.70	-1.7%	$29.61	-1.6%	21.4	2.1%	1.2%	$1,624.20	-3.8%
2016 3Q	2168.27	$25.39	$28.69	$28.69	12.8%	$31.21	4.1%	21.4	2.1%	2.4%	$1,649.90	-1.5%
2016 4Q	2238.83	$24.16	$27.90	$27.90	21.0%	$31.30	6.0%	21.1	2.0%	2.0%	$1,707.00	7.7%
2017 1Q	2362.72	$27.46	$28.82	$28.82	20.2%	$30.90	14.6%	21.3	2.0%	1.9%	$1,772.60	6.5%
2017 2Q	2423.41	$27.01	$30.51	$30.51	18.7%	$32.58	10.0%	20.9	1.9%	2.3%	$1,789.20	10.2%
2017 3Q	2519.36	$28.45	$31.33	$31.33	9.2%	$33.45	7.2%	21.2	1.9%	2.9%	$1,829.30	10.9%
2017 4Q	2673.61	$26.96	$33.85	$33.85	21.3%	$36.02	15.1%	21.5	1.8%	3.8%	$1,875.10	9.8%
2018 1Q	2640.87	$33.02	$36.54	$36.54	26.8%	$38.07	23.2%	20.0	1.9%	3.1%	$1,983.30	11.9%
2018 2Q	2718.37	$34.05	$38.65	$38.65	26.7%	$41.00	25.8%	19.4	1.9%	3.4%	$1,981.40	10.7%
2018 3Q	2913.98	$36.36	$41.38	$41.38	32.1%	$42.66	27.5%	19.4	1.8%	1.9%	$2,033.10	11.1%
2018 4Q	2506.85	$28.96	$35.03	$35.03	3.5%	$41.18	14.3%	16.5	2.1%	0.9%	$2,095.90	11.8%
2019 1Q	2834.40	$35.02	$37.99	$37.99	4.0%	$39.15	2.8%	18.5	1.9%	2.4%	$1,999.80	0.8%
2019 2Q	2941.76	$34.93	$40.14	$40.14	3.9%	$41.31	0.8%	19.0	1.9%	3.2%	$2,083.20	5.1%
2019 3Q	2976.74	$33.99	$39.81	$39.81	-3.8%	$42.14	-1.2%	19.5	1.9%	2.8%	$2,090.30	2.8%
2019 4Q	3230.78	$35.53	$39.18	$39.18	11.8%	$41.98	1.9%	20.6	1.8%	1.9%	$2,089.20	-0.3%
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	-3.8%
2020 2Q	4397.35	$17.83	$26.79	$26.79	-33.3%	$27.98	-32.3%	35.1	1.9%	-31.2%	$1,701.50	-18.3%
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	2.1%
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	1.1%
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 4Q	4766.18	$53.94	$56.71	$56.71	48.5%	$53.95	26.7%	22.9	1.3%	6.9%	$2,527.40	19.7%
2022 1QP	4530.41	$45.99	$49.36	$49.36	4.1%	$54.83	11.6%	21.6	1.4%	-1.6%	$2,417.70	9.5%
2022 2QE	3785.38	$48.25	$52.97	$56.04	7.7%	$55.75	6.0%	17.9	NA	NA	NA	NA
2022 3QE*	3921.05	$51.93	$58.53	$56.60	8.8%	$59.01	9.8%	18.0	NA	NA	NA	NA
2022 4QE		$53.41	$59.84	$58.00	2.3%	$60.42	12.0%	17.8	NA	NA	NA	NA

Source: DRG; S&P Dow Jones; Refinitiv Consensus estimates; **quarterly EPS may not sum to official CY estimates 7/26/2022

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