



Dudack Research Group

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September 21, 2022

DJIA: 30706.23
SPX: 3855.93
NASDAQ: 11425.05

US Strategy Weekly

Lowering EPS Estimates

For the second time in six weeks, we are lowering our 2022 and 2023 earnings estimates for the S&P 500. For 2022, our forecast falls from \$218 to \$209, and for 2023 our estimate declines from \$237 to \$229. See pages 9 and 16. These estimates now translate into earnings growth rates of 0.4% this year and 9.6% next year. Both cuts in estimates were the result of disappointing earnings in the last two quarters. But more importantly, a weakening economy could put these reduced estimates in jeopardy.

It is worth pointing out that consensus estimates for 2022 have dropped precipitously as well. In particular, the S&P Dow Jones consensus estimate for 2022 was \$227.51 in late April and fell to \$209.66 last week, a 7.8% decline. The IBES Refinitiv consensus estimate hit a high of \$229.57 in June and was \$225.33 last week, a 1.8% decline. So, despite the misleading headlines suggesting that second quarter earnings season was better than analysts expected, earnings have disappointed in each reporting quarter this year. (Note that media headlines are never comparing earnings results on a year-over-year basis, but instead, compare results to the consensus estimate which may have been dramatically reduced just a few days earlier.) Moreover, most economists are now forecasting a recession for 2023, yet this does not seem to be reflected in current earnings estimates. Until this happens the door is open for more disappointments.

This earnings review of the first half of the year may explain why the market has been so weak as we approach the September FOMC meeting. Excluding the energy sector, earnings results for the S&P 500 are in the red for the first half of the year. Nevertheless, the Fed is expected to make the economic backdrop less friendly for corporate earnings in the coming months. It is likely that the Fed will raise interest rates 75 basis points this week, although it makes little difference if it is 75 basis points or 100 basis points, in our view. The bigger picture suggests that while the high of the fed funds range is currently at 2.5%, it is apt to reach 4% to 4.5% after the next few Fed meetings. In short, the Fed is undoubtedly going to trigger a recession, and this has not yet been fully factored into stock prices.

VALUATION MODEL WOES

We have been reporting on the repercussions of inflation for a long while – the reduction in purchasing power of households, the pressure on profit margins and the negative impact on PE multiples – and the market is finally beginning to confront these issues. However, the combination of lower earnings growth and lower PE multiples is a toxic mix for equity valuation. When we combine our new assumptions of \$209 earnings in 2022, with short-term interest rates rising to 4% and inflation falling to 6.2% by year-end, we get some distressing results in our valuation model. See page 8. First, our model suggests that a PE multiple slightly below 14 times is appropriate for the 2022 environment and coupled with our earnings estimate of \$209, it produces a target of SPX 2915. The year-end range shows a high of SPX 3452 and a low of SPX 2380. Keep in mind that periods of high inflation typically result in the

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

SPX trading in the lower half of the range because earnings are worth less in an inflationary environment. This is one of the many miseries of high inflation.

Alternatively, we could use the long-term average PE multiple of 15.8 times to find value in the equity market. With our \$209 earnings estimate this generates a downside target of SPX 3302, which is less disconcerting, but still 14% below current prices. Either way, we believe the market has further downside risk. See page 8.

History also shows us that periods of inflation tend to place a ceiling on stock prices until the inflationary cycle is under control. See page 7. We believe the Federal Reserve understands this. And though they were late to address the inflation problem, we believe they will be steadfast and aggressive in the near term to counter inflation as best they can. See page 6. Other countries face the same inflationary issues, and their central banks are following the Fed's lead, as seen by Sweden's central bank which raised interest rates 100 basis points this week.

One can see the impact of inflation everywhere. Retail sales were up a robust 9.1% YOY in August, but up only 1.5% YOY after inflation is considered. Although August's gain in real retail sales was not substantial, it was nonetheless a positive gain which is a favorable shift. Real retail sales were negative in three of the four months between March and June, which concerned us because months of negative real sales are a classic sign of an economic recession. And even though retail sales rose 0.3% in August on a month-over-month seasonally adjusted basis, nominal retail sales in US dollars in August were below the level reported in June. See page 3.

Average weekly earnings grew at a healthy 5.1% YOY pace in August, but inflation rose 8.2% YOY, which means purchasing power actually fell 3.1% on a year-over-year basis. And after nearly two years of rising prices, energy is no longer the driver of inflation. As seen in the chart on page 5 of core CPI, PPI and PCE, these indices rose 6.5%, 8.8%, and 4.6%, respectively in August. All core inflation measures were the highest in 40 years. This explains why a 75-basis point or a 100-basis point hike in interest rates is irrelevant. Interest rates must go much higher to curb the current inflationary problem.

TECHNICAL UPDATE

The 25-day up/down volume oscillator fell to negative 3.02 this week which is the first oversold reading of negative 3.0 or less since July. Remember that this oscillator was in oversold territory for six of eight consecutive sessions between July 6 and July 15 and hit an extreme oversold reading of negative 5.17 on July 14, 2022. A successful test of the June lows would require a shorter and/or less intense oversold reading with or without a new low in price in the indices. This is an important juncture for this oscillator.

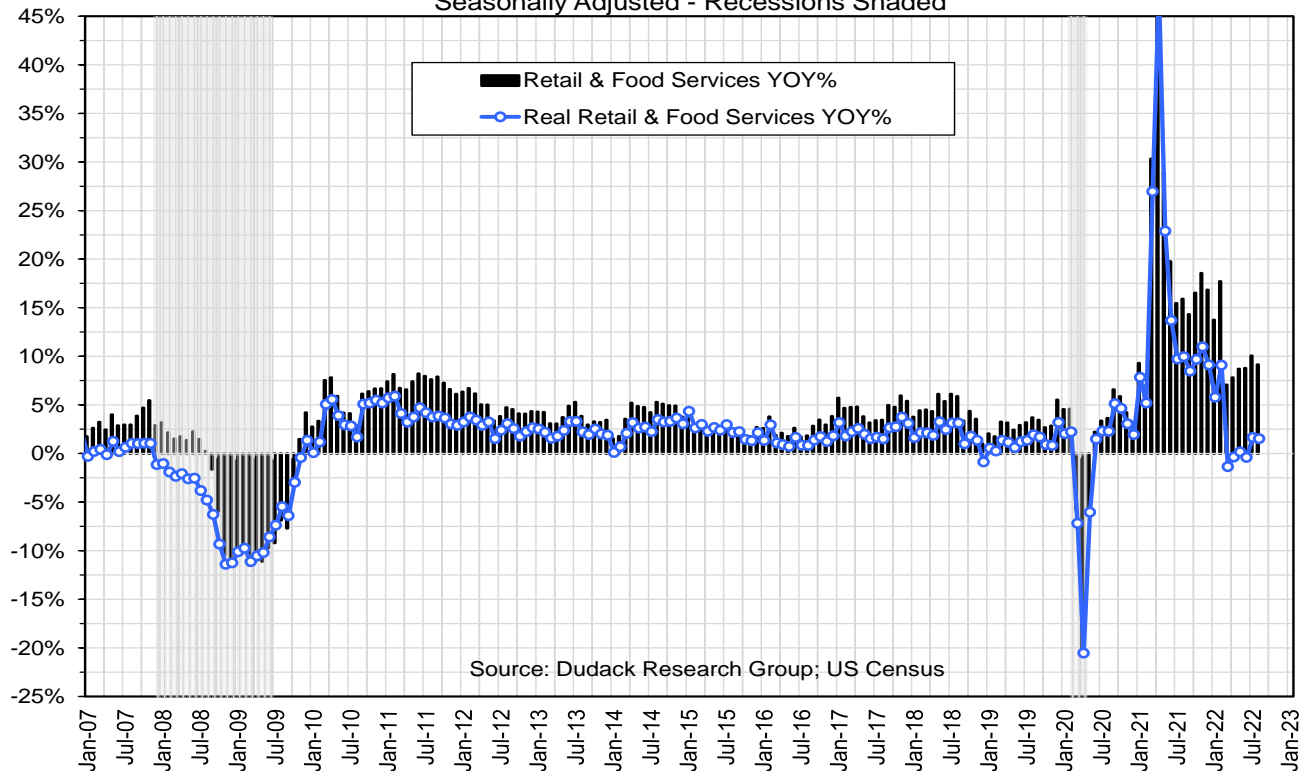
The key to a successful retest of a bear market low is whether or not a new low in price also generates a new low in breadth. A successful retest will show there is less selling pressure – a less severe oversold reading -- despite a lower low in price. We think this is a possibility in the final months of the year, but it means that this indicator should not fall below negative 5.17 or remain oversold for more than six to eight consecutive days. If it does, it would be negative for the intermediate-term outlook.

The charts of the popular indices are quite similar this week. All four of the popular indices appear to be on the verge of testing the June lows and we would not be surprised, or concerned, if all four indices break these lows. The key will be whether or not breadth data is stronger on this new low than it was in June. Remember: in terms of seasonality, September tends to be the weakest month of the year and that seems to be proving true in 2022. However, October has the reputation of being a "bear killer" and a turnaround month. We will be monitoring our indicators for signs that this will also prove true in 2022.

Retail sales were up 9.1% YOY in August and up 1.5% YOY after inflation. The gain in real retail sales was not substantial, however real retail sales were negative in three of the four months between March and June. This is typically a sign of an economic slowdown. And though retail sales rose 0.3% in August on a month-over-month basis, total retail sales were still below the level reported in June.

Nominal & Real Retail Sales YOY%

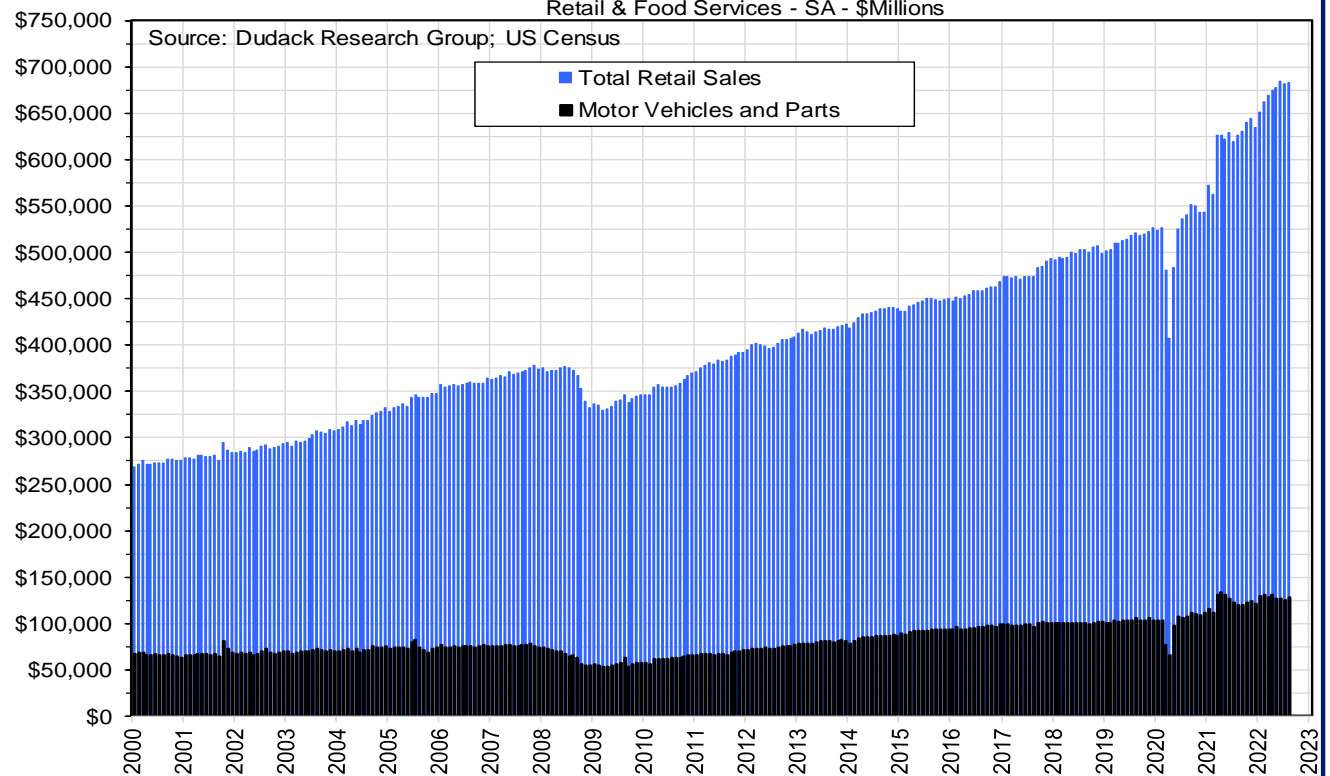
Seasonally Adjusted - Recessions Shaded



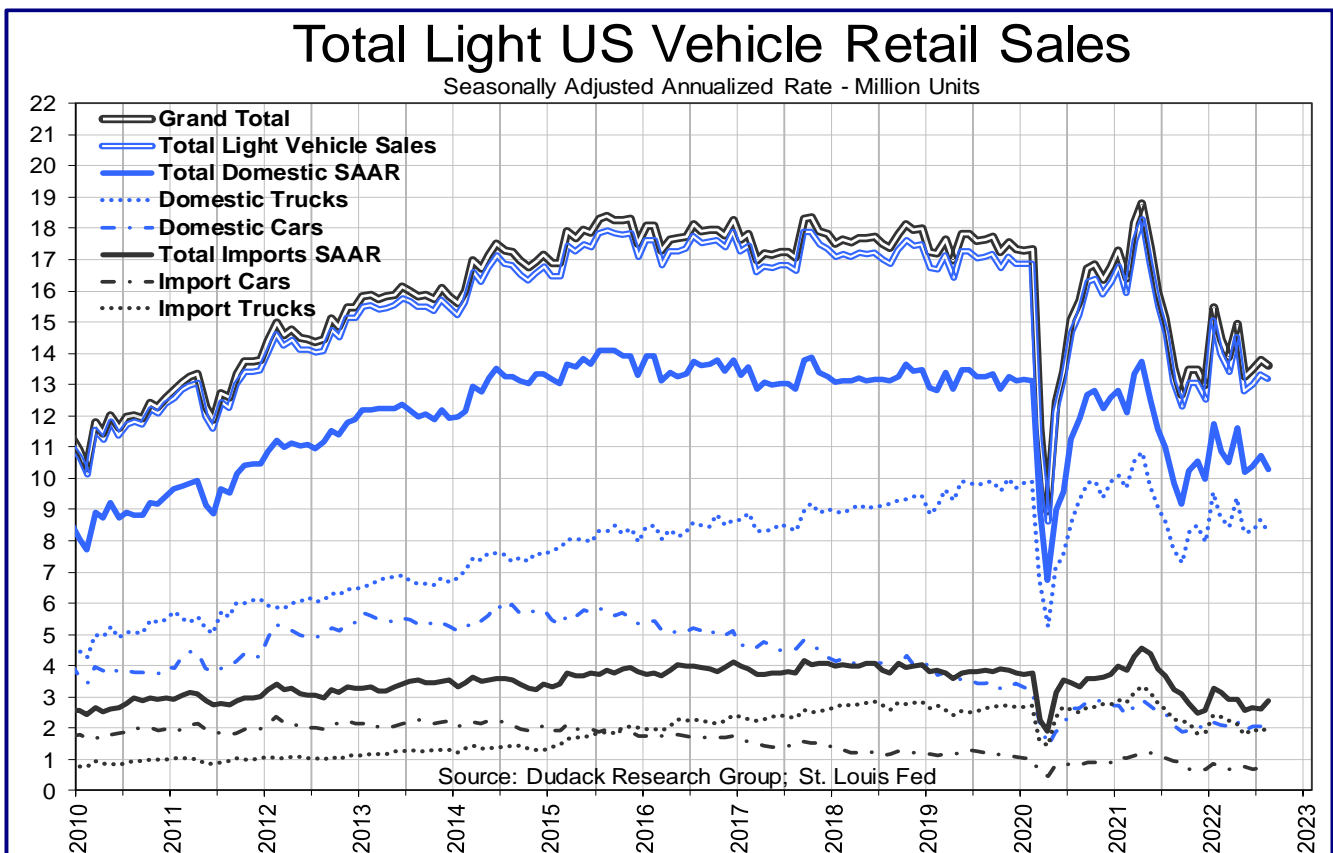
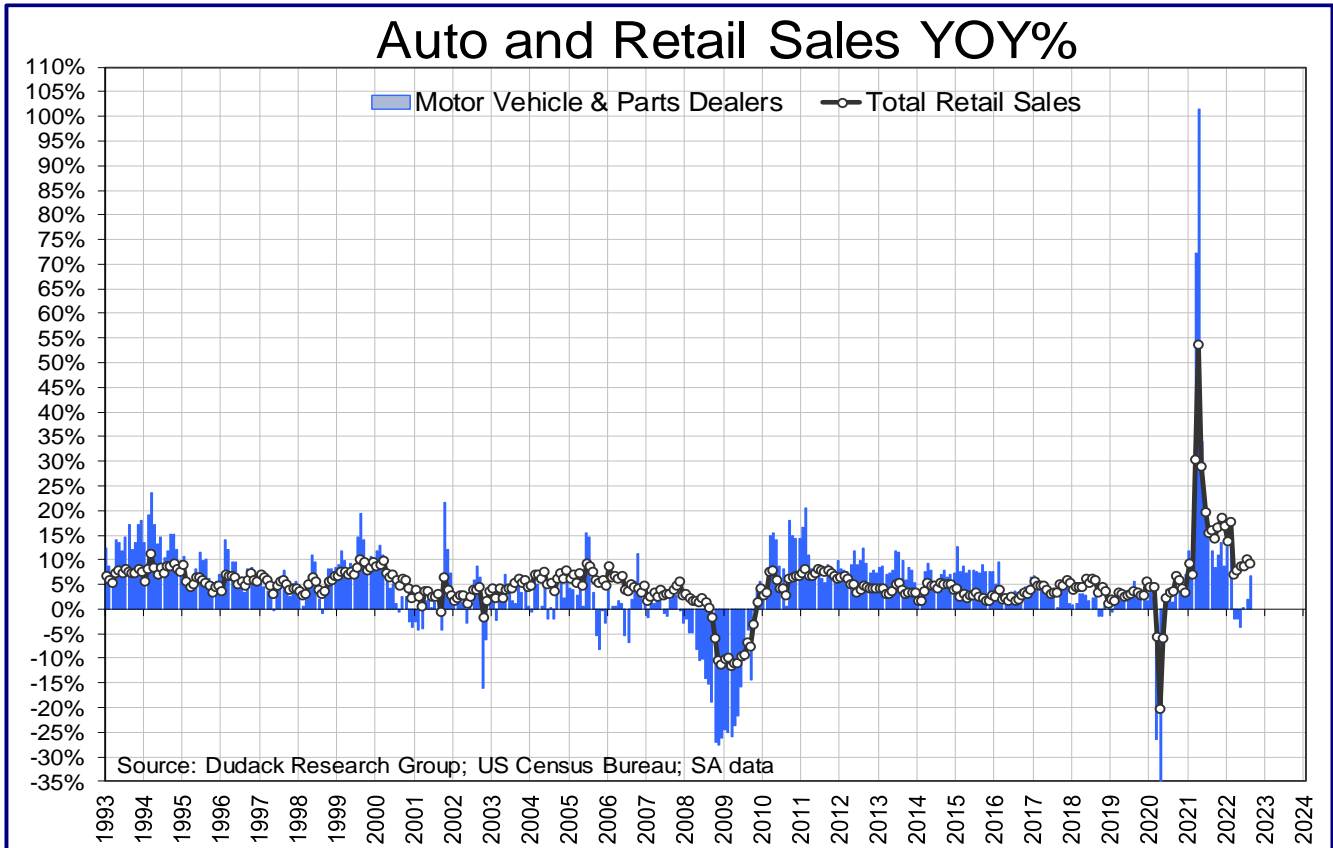
Retail Sales

Retail & Food Services - SA - \$Millions

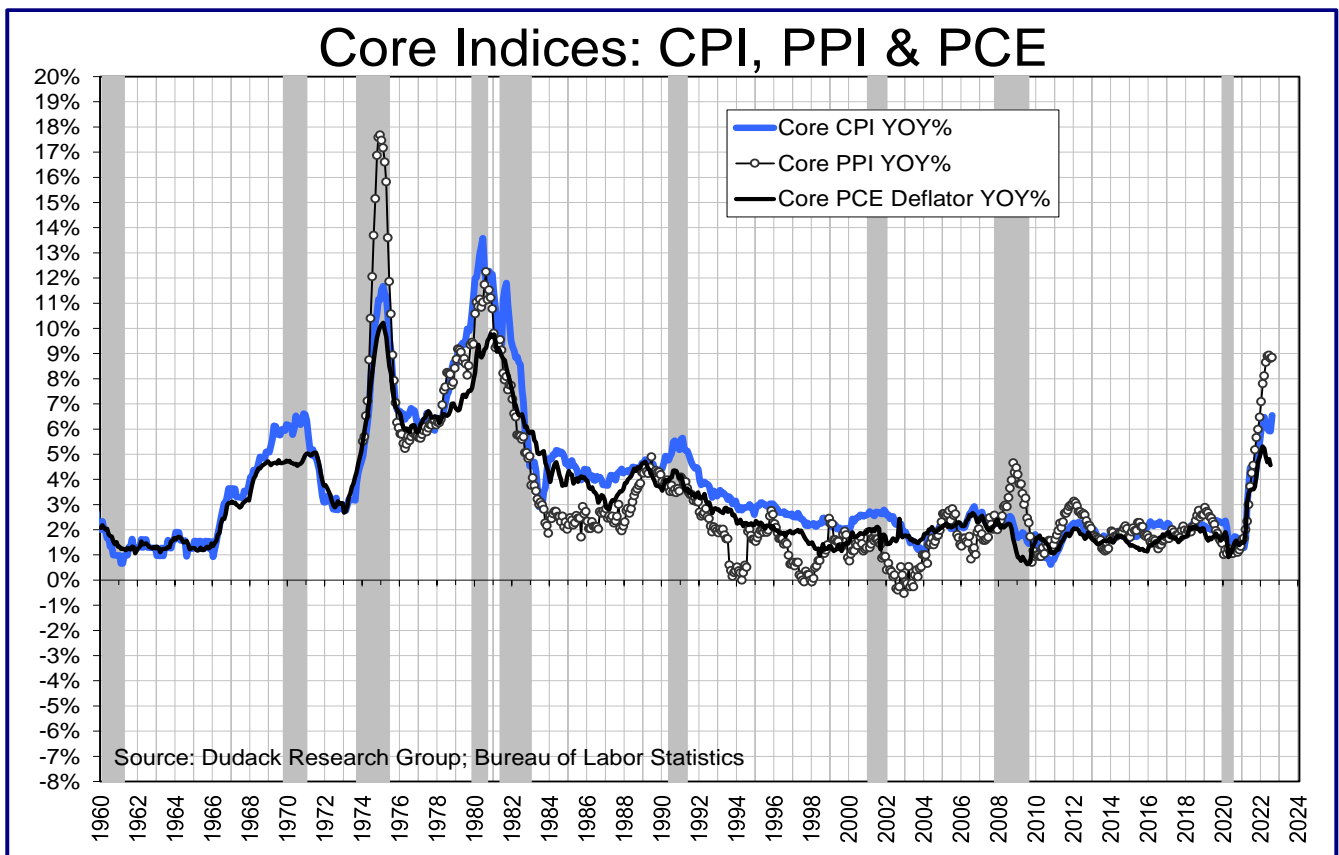
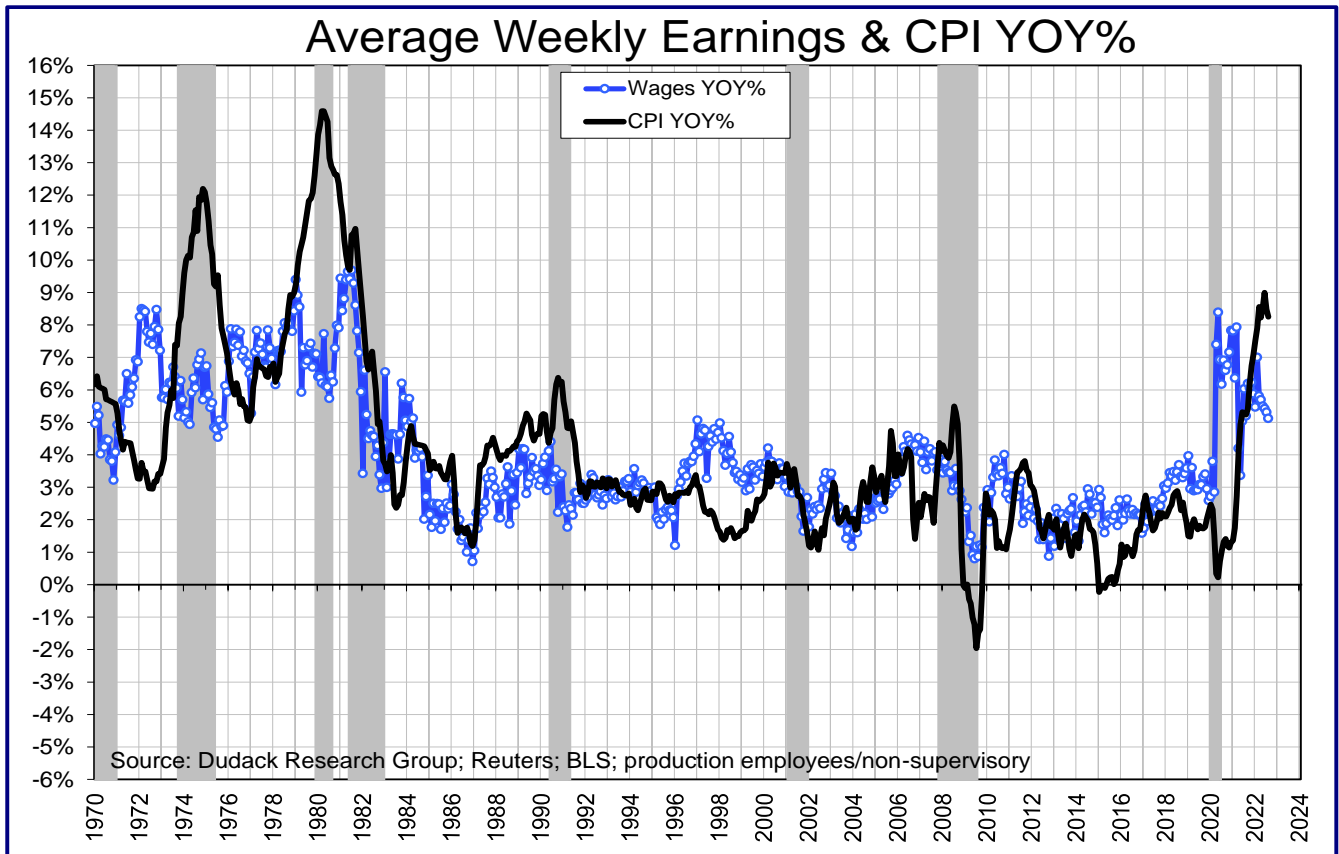
Source: Dudack Research Group; US Census



Sales by motor vehicle and parts dealers increased 6.7% YOY in the strongest performance since February. However, vehicle sales in units have been erratically slowing since a peak in 2017. Gas stations sales were up 29.3% YOY despite a decline in gasoline prices in August. Retail sales excluding motor vehicles and gas stations rose 7.6% YOY, down from July's 9.1% YOY gain.

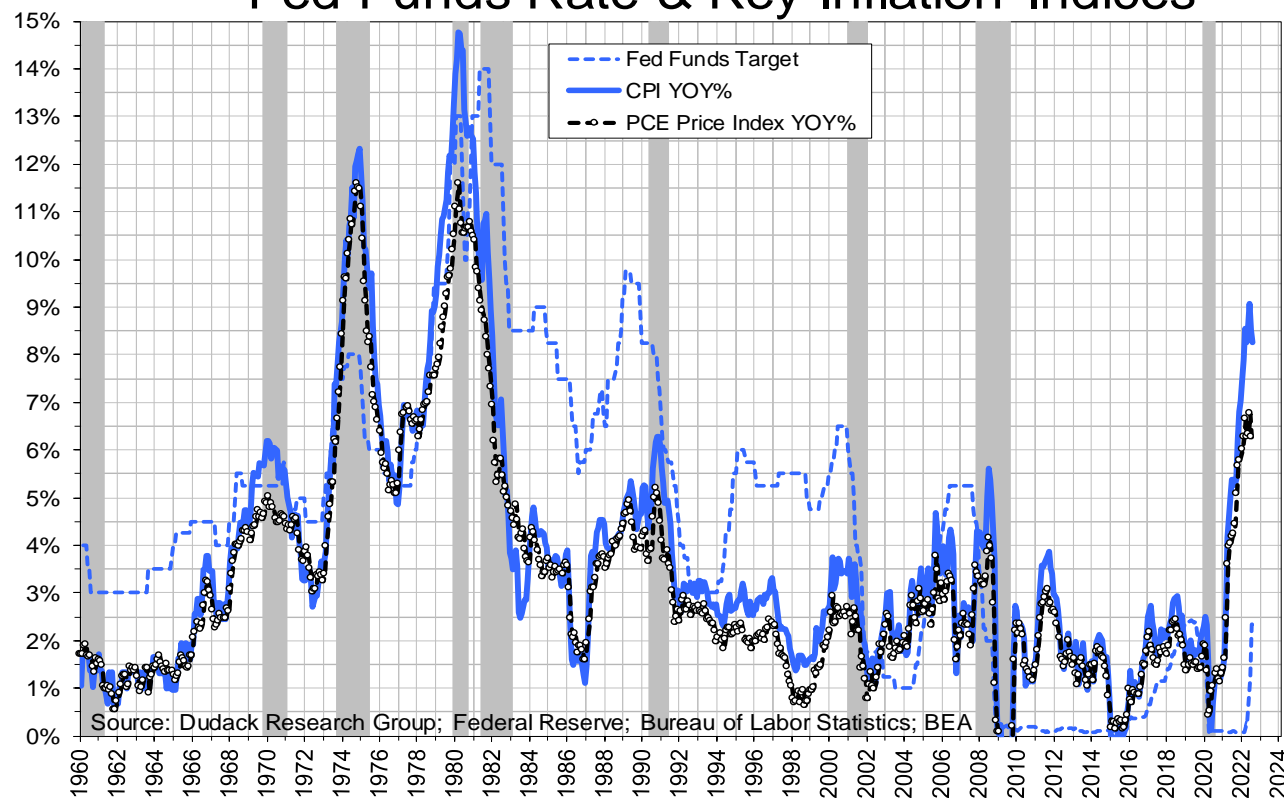


Although average weekly earnings are growing at a healthy 5.1% YOY in August, inflation is growing at 8.2% YOY, which means purchasing power fell 3.1% in the same period. And energy is no longer the driver of inflation. As seen in the chart of core CPI, PPI and PCE which rose 6.5%, 8.8%, and 4.6%, respectively in August. All of these are the highest in 40 years.

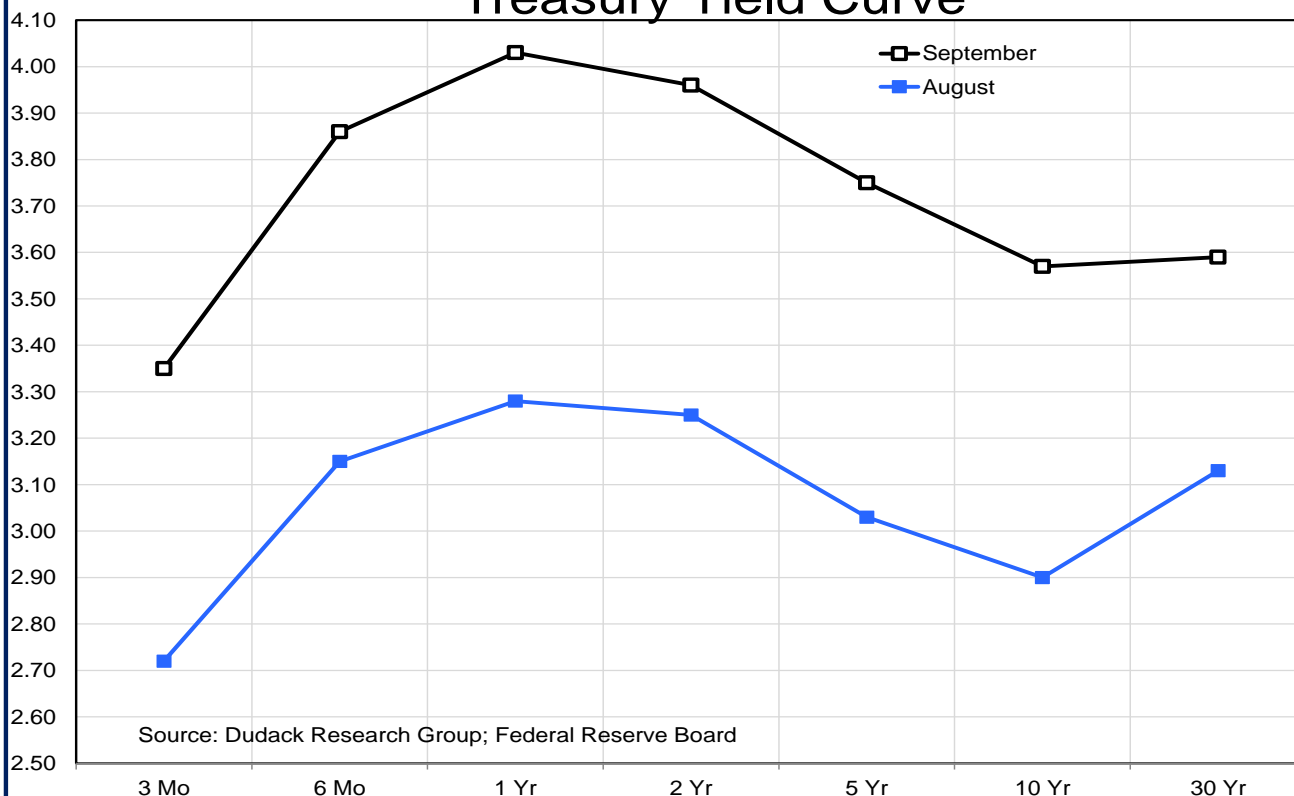


This backdrop suggests that the Fed has much work to do. This week's FOMC meeting is expected to result in a 75-basis point increase in the fed funds rate, but the November meeting could also see another 75-basis point increase. This combination is very apt to invert the entire yield curve which is already inverted between the 1-year and 30-year Treasury yields.

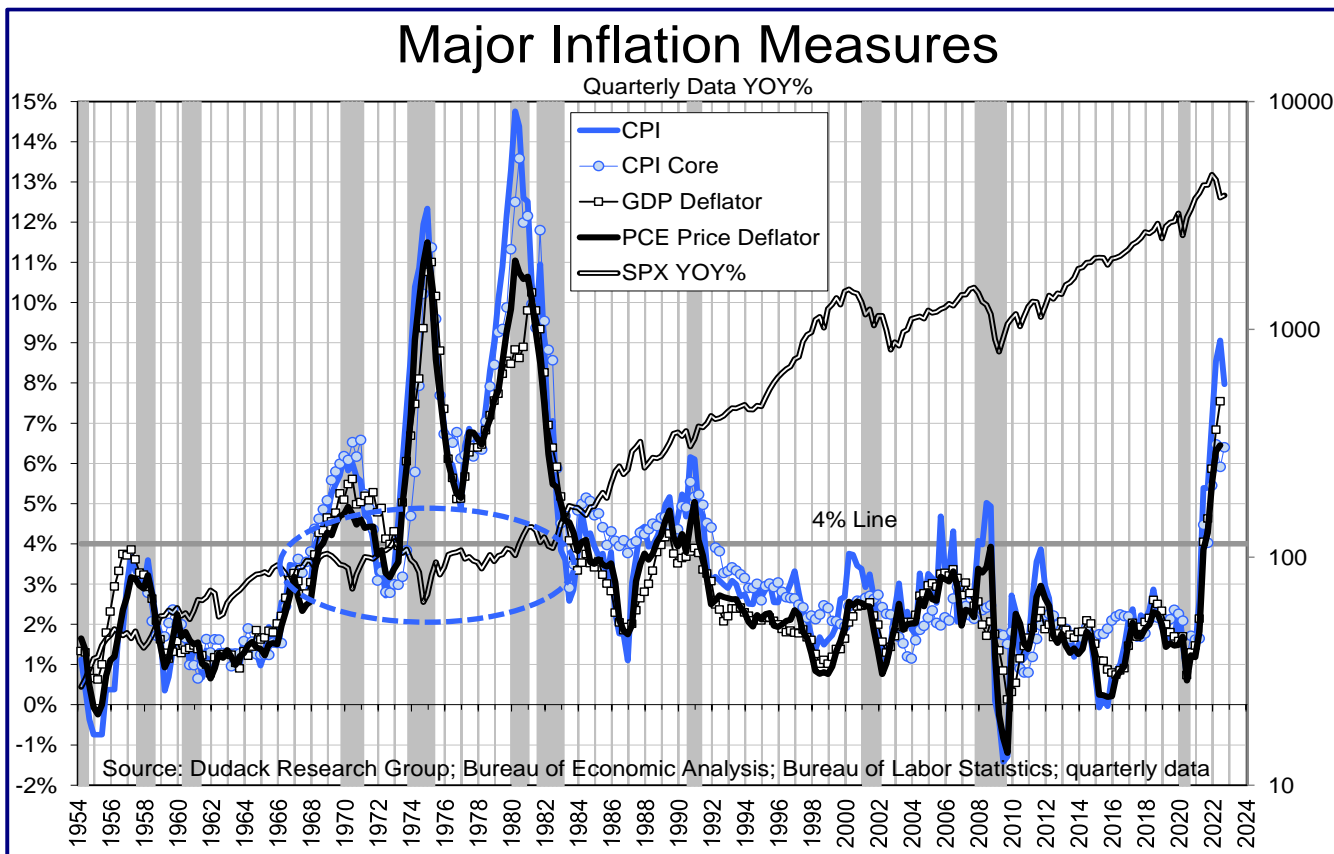
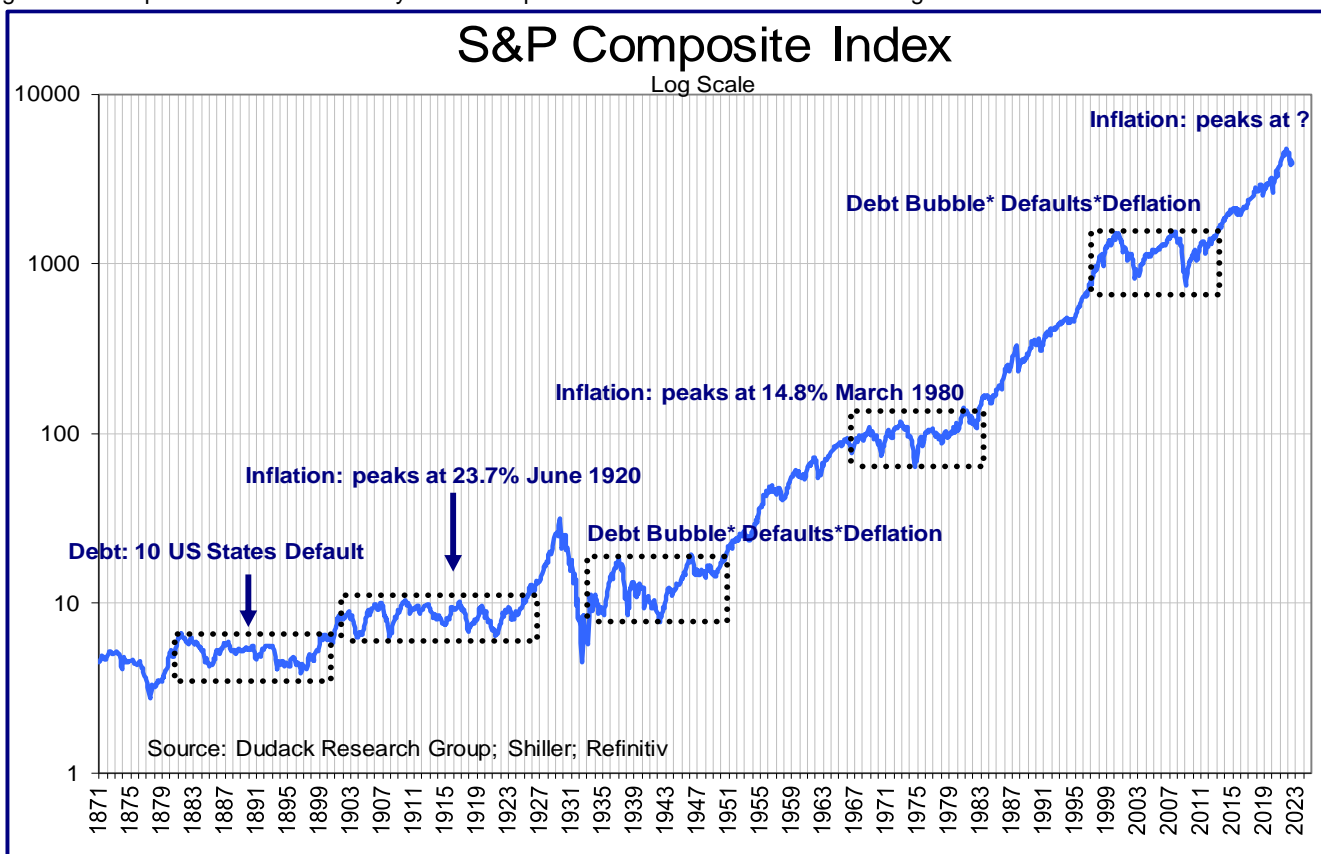
Fed Funds Rate & Key Inflation Indices



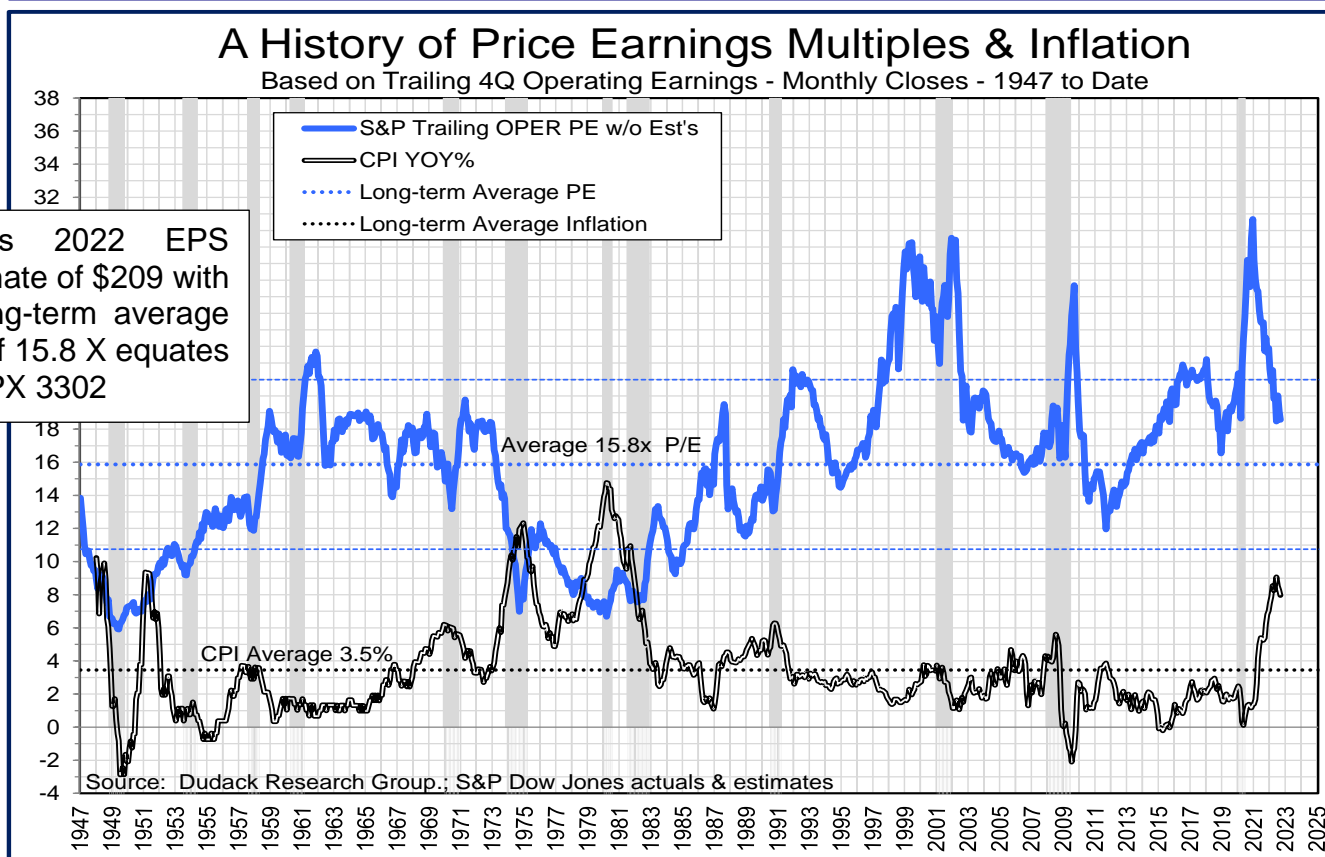
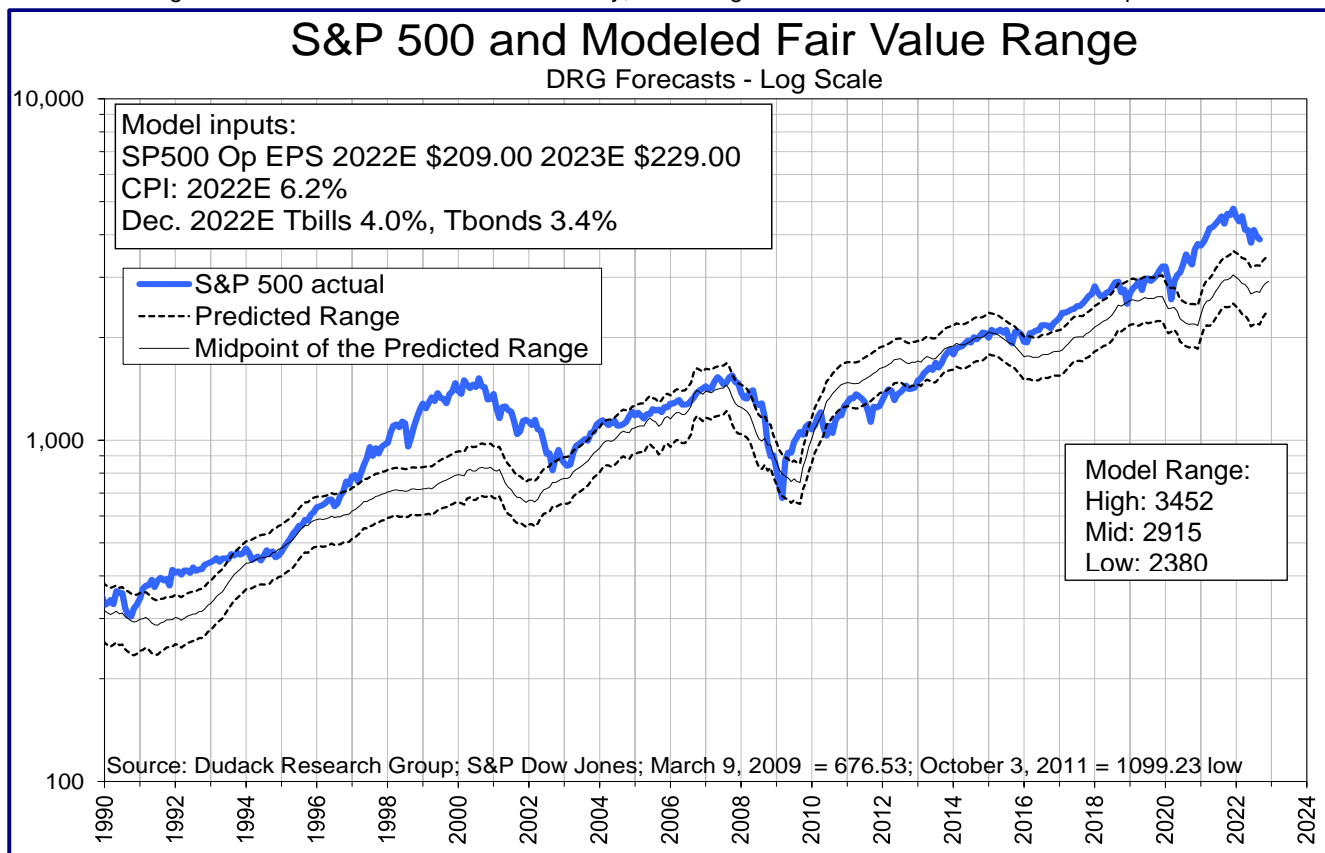
Treasury Yield Curve



A long history of stock prices shows that market peaks materialize during alternating cycles of inflation and deflation. This cycle is clearly facing an inflation problem and it is unlikely that stock prices will make a substantial new high before inflation is under control.



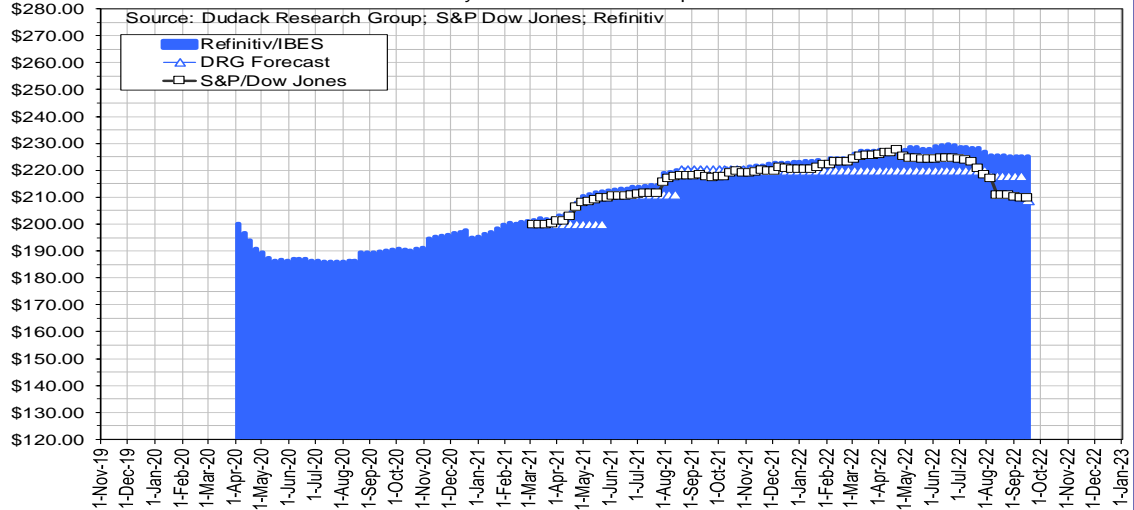
We are reducing our S&P 500 earnings estimate for this year from \$218 to \$209 and for 2023 our estimate declines from \$237 to \$229. This coupled with our model which suggests that a 14 X multiple is appropriate for this environment creates a downside target of roughly SPX 2915 and a range of SPX 3452 to SPX 2380. Alternatively, an average PE of 15.8 X our \$209 estimate equates of SPX 3302.



This week S&P Dow Jones consensus earnings estimates for 2022 fell \$0.10 and for 2023 fell \$0.32. Refinitiv IBES consensus earnings forecasts fell \$0.01 and fell \$0.13, respectively. The S&P consensus earnings estimate for 2022 declined to \$209.66 and IBES fell to \$225.33, bringing EPS growth rates for 2022 to 0.7% and 8.0%, respectively. (Note: consensus macro-EPS forecasts may differ from four quarter analysts' forecast sums seen on page 16.) DRG's 2022 estimate declined from \$220 to \$218 in early August and from \$218 to \$209 this week. Our 2023 estimate is lowered from \$237 to \$229.

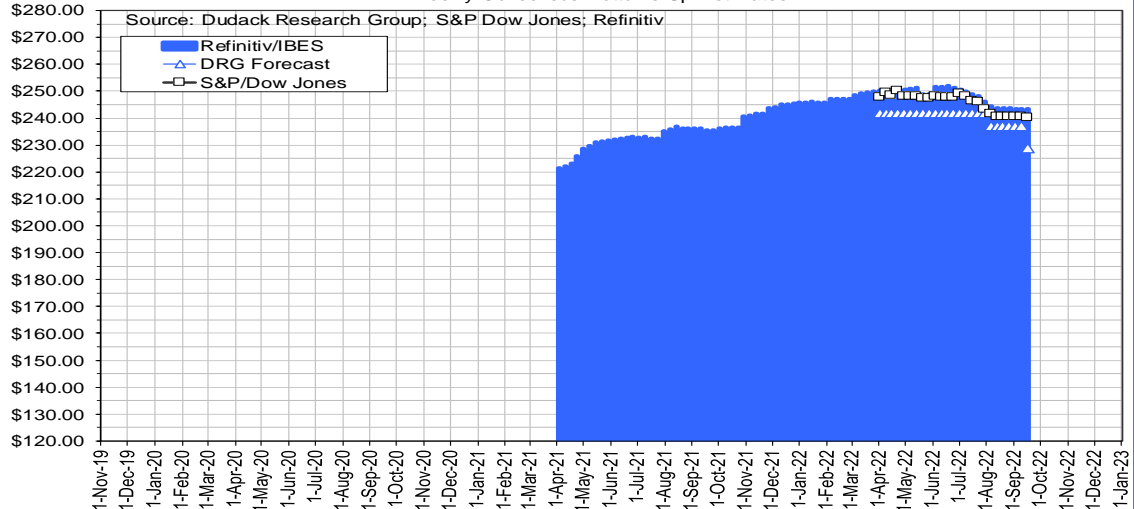
SP500 Operating Earnings Forecasts for 2022

Weekly Consensus Bottoms-Up Estimates



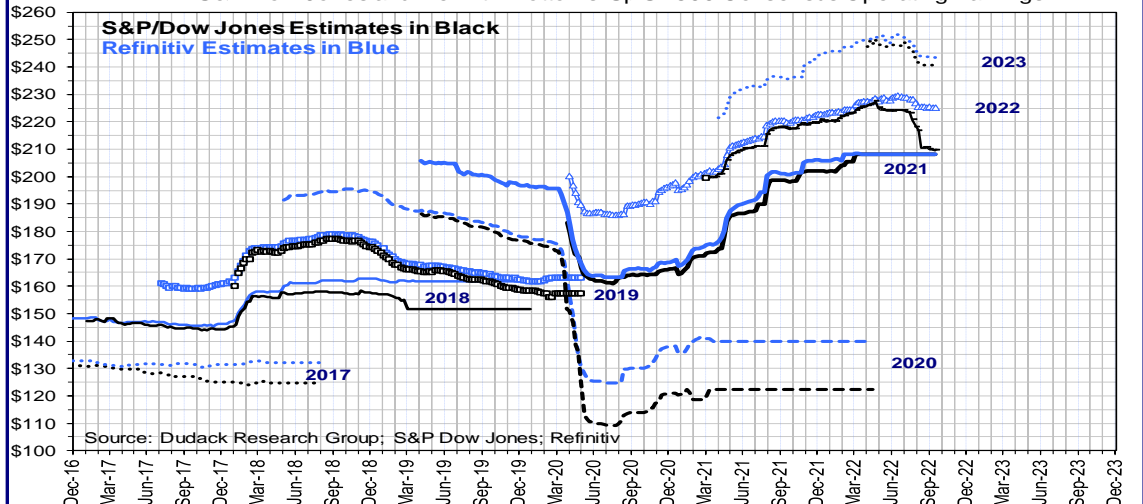
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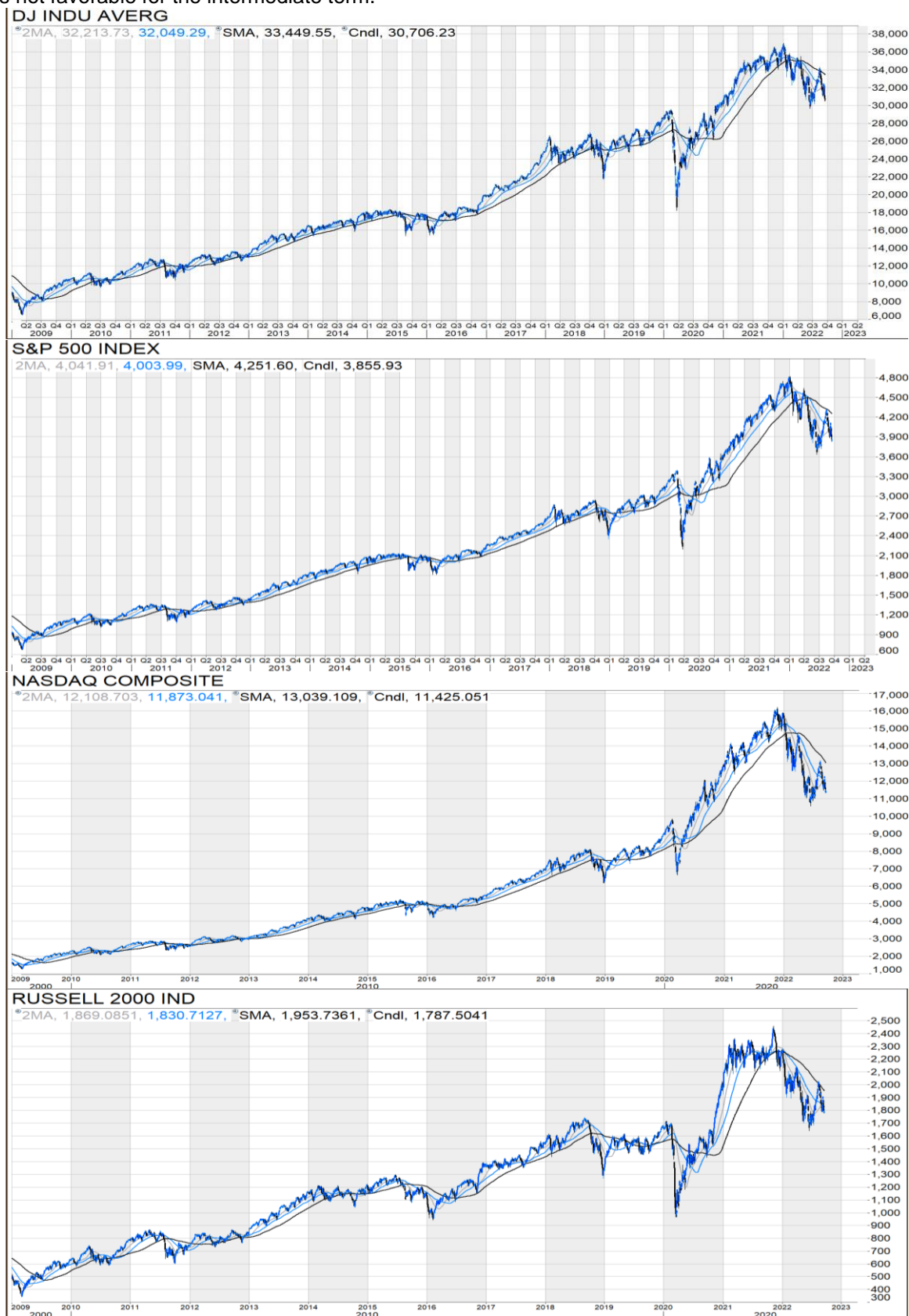


Consensus Calendarized EPS Estimates

S&P Dow Jones and Refinitiv Bottoms-Up SP500 Consensus Operating Earnings



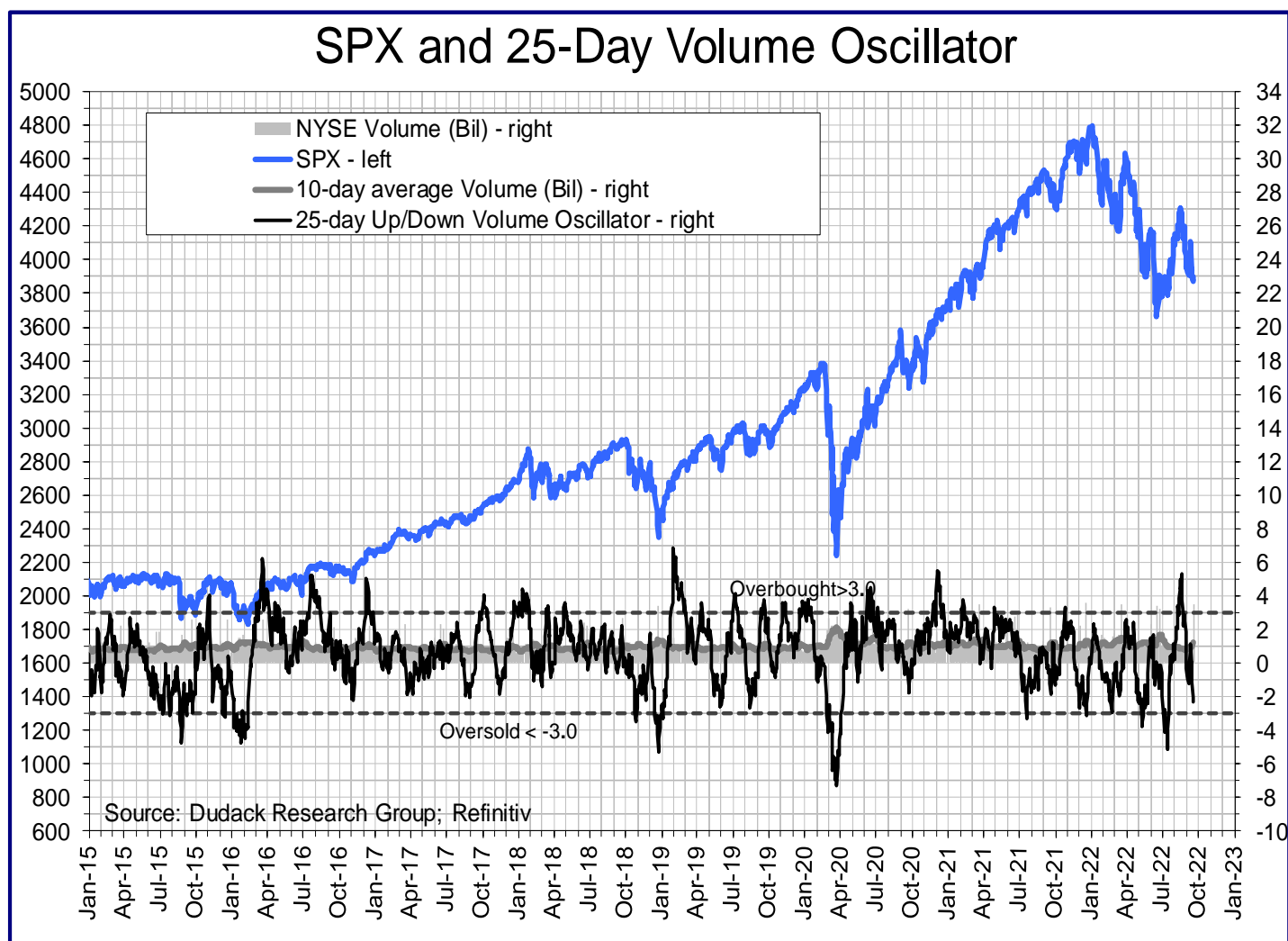
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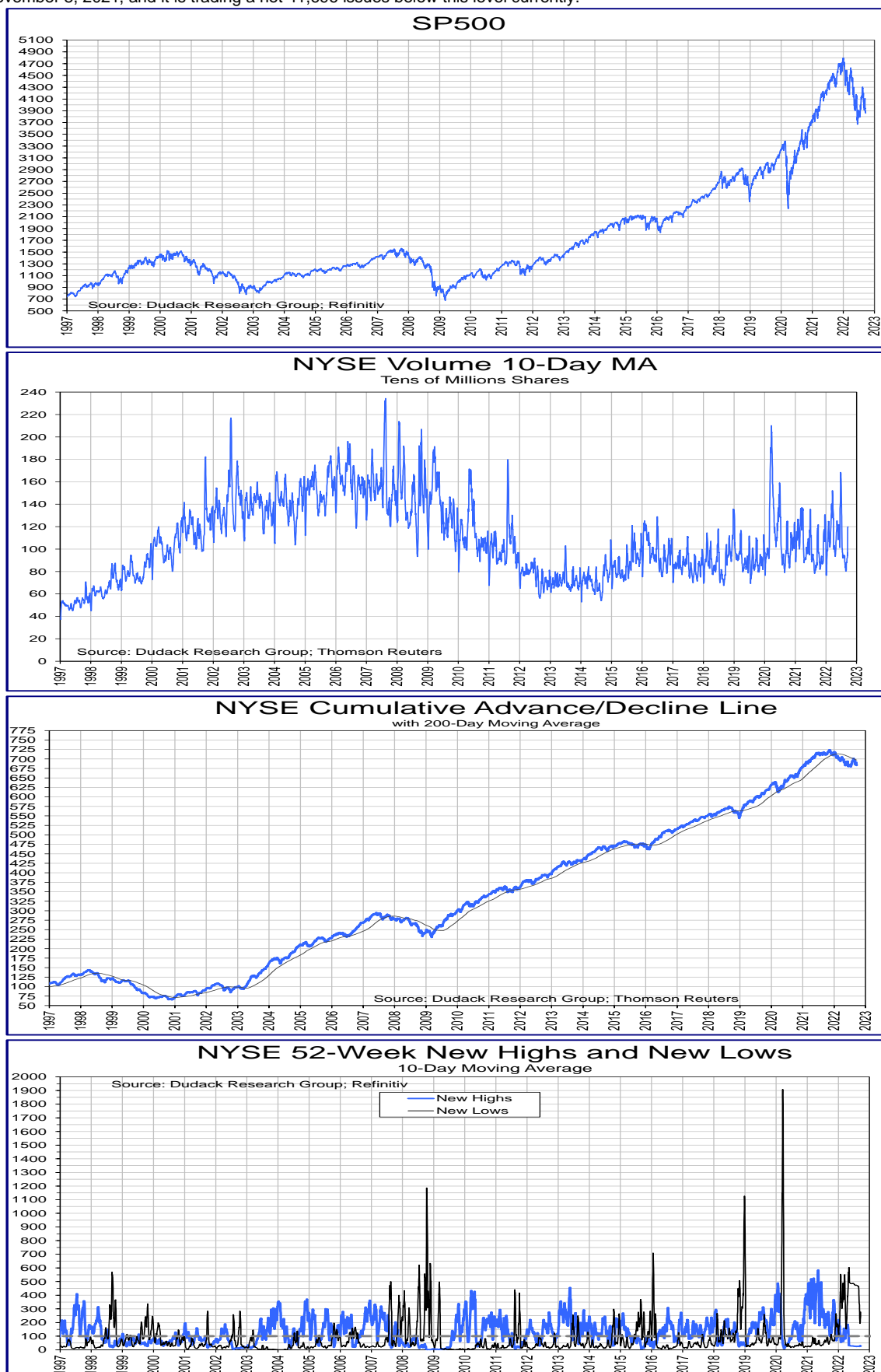
Source: Refinitiv

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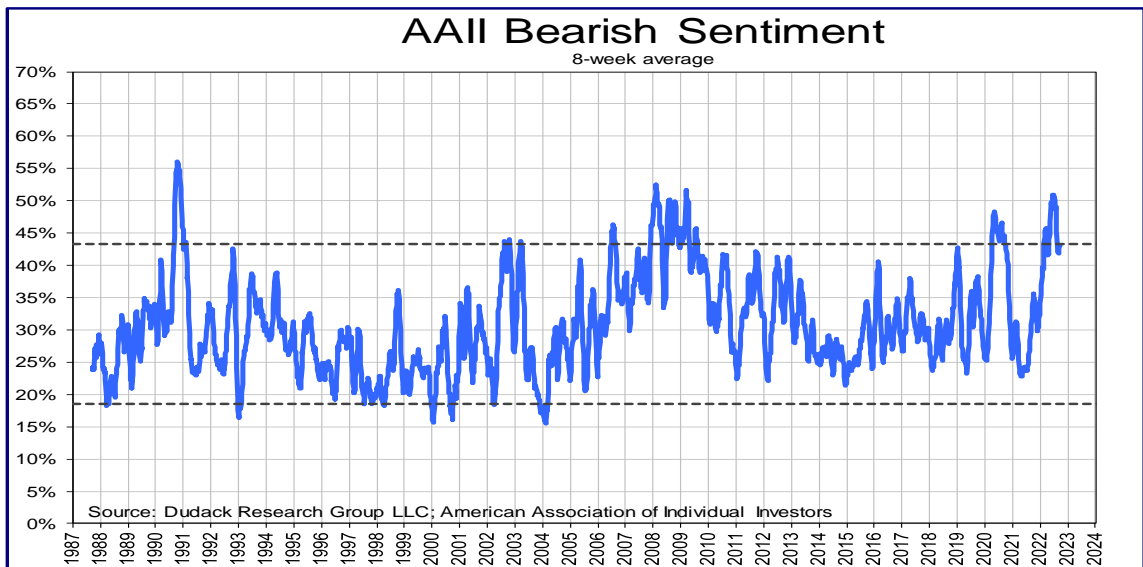
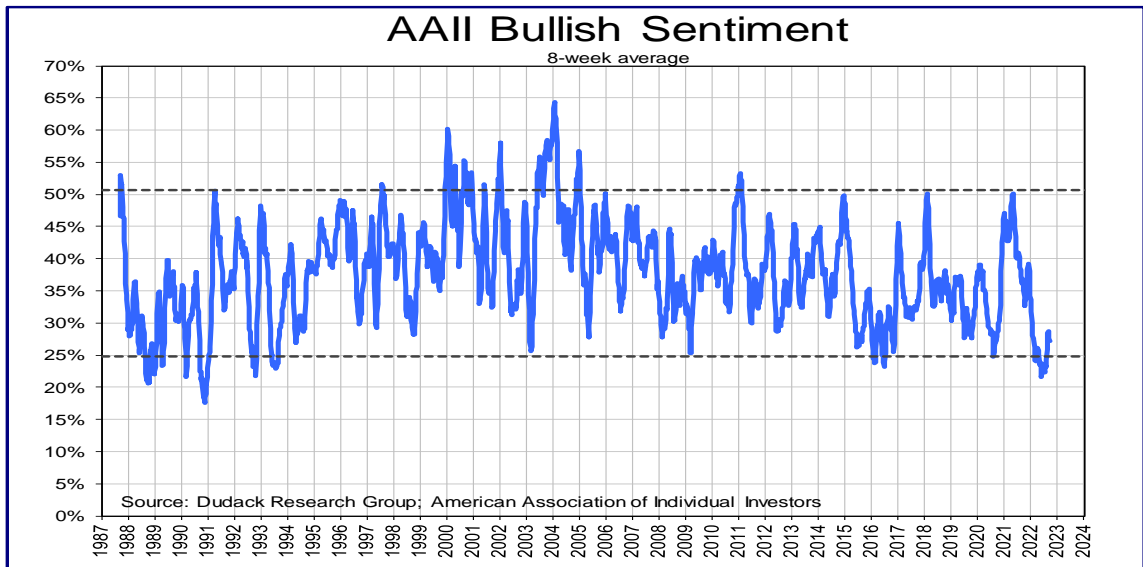
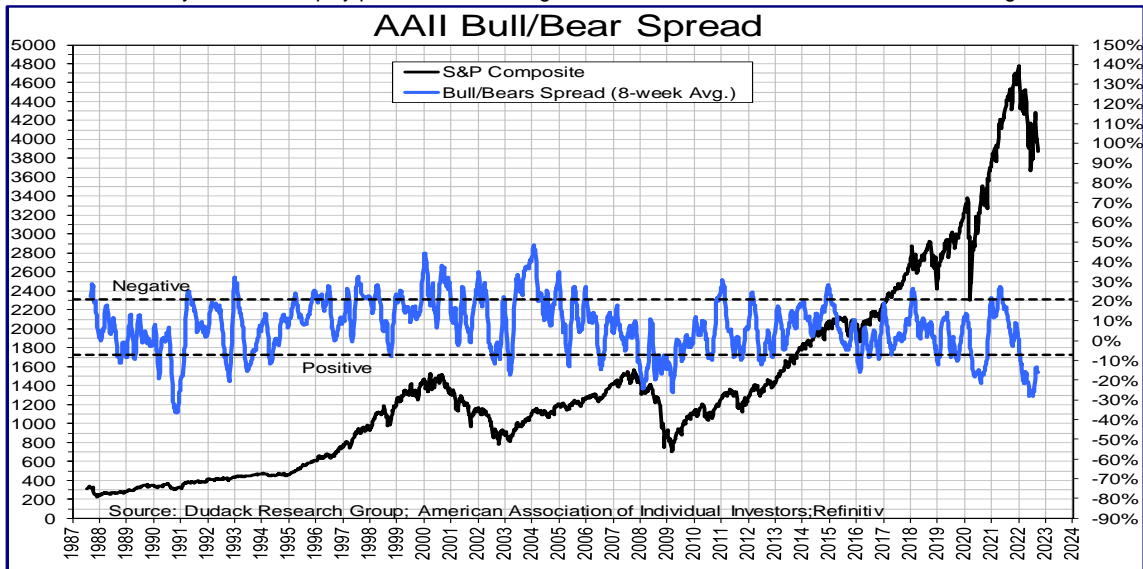
The 25-day up/down volume oscillator fell to negative 3.02 this week which is a first day of an oversold reading of negative 3.0 or less. Remember that this oscillator was in oversold territory for six of eight consecutive sessions between July 6 and July 15 and hit an extreme oversold reading of negative 5.17 on July 14, 2022. A successful test of the June lows would require a shorter and/or less intense oversold reading with or without a new low in price in the indices.



The 10-day average of daily new highs is 29 this week and daily new lows are 277. 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 41,696 issues below this level currently.



Last week's AAI readings showed an increase of 8.0% in bulls to 26.1% and a decrease of 7.3% in bears to 46.0%. This followed last week's less than 20% bulls and more than 50% bears and 5 weeks between April 27, 2022 and July 7, 2022. Comparable extreme 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.

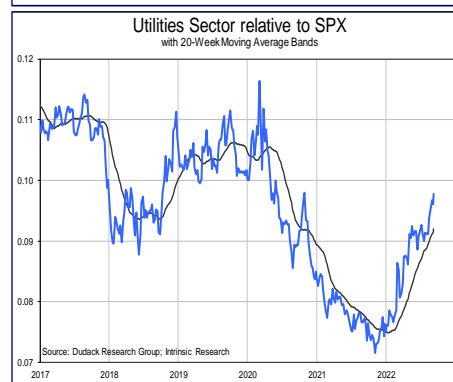
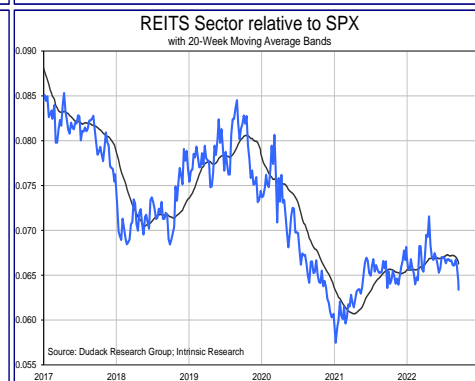
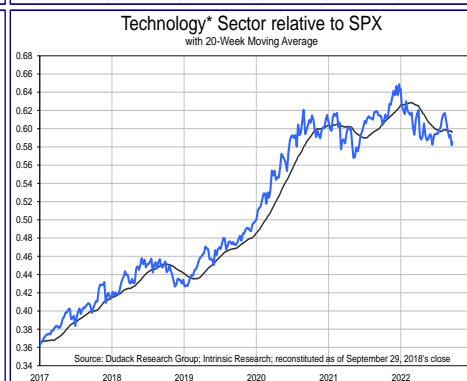
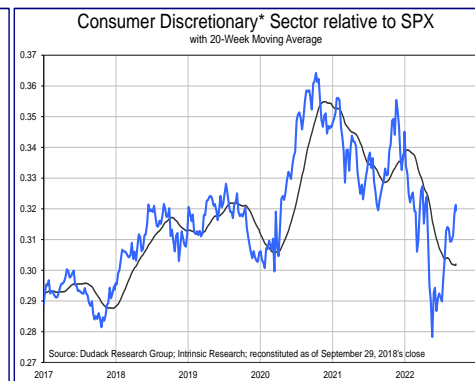
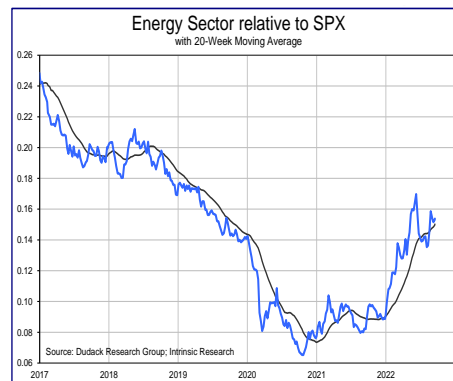


SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

DRG Recommended Sector Weights

Overweight		Neutral		Underweight
Energy Industrials Staples Utilities		Healthcare Technology Materials Financials		Consumer Discretionary REITS 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	40.2%
S&P UTILITIES	3.3%
S&P CONSUMER STAPLES	-7.9%
S&P HEALTH CARE	-11.4%
S&P INDUSTRIALS	-15.9%
S&P FINANCIAL	-16.1%
S&P 500	-19.1%
S&P MATERIALS	-20.0%
S&P CONSUMER DISCRETIONARY	-23.5%
S&P REITS	-24.7%
S&P INFORMATION TECH	-26.1%
S&P COMMUNICATIONS SERVICES	-35.0%

Source: Duda Research Group; Refinitiv; Monday closes

GLOBAL MARKETS AND COMMODITIES - RANKED BY 2022 TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
Energy Select Sector SPDR	XLE	77.10	-3.6%	-3.0%	7.8%	38.9%
United States Oil Fund, LP	USO	69.22	-3.9%	-6.5%	-13.9%	27.3%
iShares DJ US Oil Eqpt & Services ETF	IEZ	15.76	-4.4%	-3.3%	-1.3%	22.3%
iShares MSCI Brazil Capped ETF	EWZ	31.51	2.2%	1.1%	15.0%	12.3%
Oil Future	CLc1	83.94	-3.9%	-7.0%	-20.6%	11.6%
Gold Future	GCc1	2393.10	0.2%	0.9%	2.4%	8.1%
Utilities Select Sector SPDR	XLU	73.87	-2.9%	-4.9%	5.3%	3.2%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
iShares MSCI India ETF	INDA.K	43.42	-0.2%	0.3%	10.3%	-5.3%
iShares MSCI Mexico Capped ETF	EWX	46.87	1.2%	-1.3%	0.6%	-7.4%
Consumer Staples Select Sector SPDR	XLP	70.95	-1.2%	-7.7%	-1.7%	-8.0%
SPDR Gold Trust	GLD	155.07	-2.2%	-4.7%	-7.9%	-9.3%
Health Care Select Sect SPDR	XLV	124.78	-1.8%	-6.1%	-2.7%	-11.4%
SPDR S&P Bank ETF	KBE	48.03	0.5%	-5.7%	9.5%	-12.0%
iShares Russell 1000 Value ETF	IWD	146.83	-2.3%	-7.3%	1.3%	-12.6%
iShares MSCI Canada ETF	EWC	33.33	-2.7%	-6.2%	-1.0%	-13.3%
iShares MSCI Hong Kong ETF	EWH	19.94	0.3%	-4.2%	-10.2%	-14.0%
iShares MSCI Malaysia ETF	EWM	21.48	-2.1%	-4.4%	-2.1%	-14.2%
Shanghai Composite	.SSEC	3122.41	-4.3%	-4.7%	-7.8%	-14.2%
iShares MSCI Australia ETF	EWA	21.20	-1.9%	-6.2%	-0.1%	-14.6%
iShares Russell 2000 Value ETF	IWN	141.07	-1.7%	-8.6%	3.6%	-15.0%
iShares MSCI United Kingdom ETF	EWU	28.09	-2.7%	-8.1%	-6.2%	-15.2%
iShares MSCI Singapore ETF	EWS	18.13	-1.3%	-2.9%	2.5%	-15.2%
SPDR DJIA ETF	DIA	307.02	-1.5%	-8.9%	-0.3%	-15.5%
DJIA	.DJI	30706.23	-1.3%	-8.9%	-0.2%	-15.5%
Industrial Select Sector SPDR	XLI	88.87	-3.7%	-10.1%	1.8%	-16.0%
Financial Select Sector SPDR	XLF	32.77	-1.7%	-6.3%	4.2%	-16.1%
iShares Silver Trust	SLV	18.50	-0.6%	1.0%	-5.0%	-17.4%
Silver Future	SLc1	19.10	-1.5%	0.2%	-5.8%	-18.1%
SP500	.SPX	3855.93	-2.0%	-8.8%	1.9%	-19.1%
iShares Russell 1000 ETF	IWB	213.04	-2.1%	-8.5%	2.5%	-19.4%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	106.21	-1.1%	-4.8%	-3.5%	-19.9%
iShares Russell 2000 ETF	IWM	178.06	-2.3%	-8.5%	5.1%	-20.0%
PowerShares Water Resources Portfolio	PHO	48.57	-3.4%	-9.0%	5.1%	-20.2%
Materials Select Sector SPDR	XLB	72.29	-4.9%	-8.7%	-1.8%	-20.2%
iShares Nasdaq Biotechnology ETF	IBB.O	120.55	-1.9%	-5.6%	2.5%	-21.0%
Vanguard FTSE All-World ex-US ETF	VEU	47.43	-2.7%	-7.4%	-5.1%	-22.6%
iShares MSCI Emerg Mkts ETF	EEM	37.70	-1.7%	-5.5%	-6.0%	-22.8%
Consumer Discretionary Select Sector SPDR	XLY	157.13	-0.6%	-6.2%	14.3%	-23.1%
iShares MSCI BRIC ETF	BKF	34.37	-1.7%	-2.9%	-7.0%	-23.2%
iShares US Real Estate ETF	IYR	89.16	-5.7%	-11.4%	-3.1%	-23.2%
iShares MSCI Japan ETF	EWJ	51.26	-0.2%	-7.9%	-3.0%	-23.4%
iShares China Large Cap ETF	FXI	27.87	-2.2%	-4.5%	-17.8%	-23.8%
iShares MSCI EAFE ETF	EFA	59.58	-2.5%	-7.9%	-4.7%	-24.3%
iShares Russell 2000 Growth ETF	IWO	219.54	-3.0%	-8.6%	6.4%	-25.1%
iShares Russell 1000 Growth ETF	IWF	227.12	-1.9%	-9.8%	3.9%	-25.7%
Technology Select Sector SPDR	XLK	128.68	-2.5%	-13.1%	1.2%	-26.0%
Nasdaq Composite Index Tracking Stock	ONEQ.O	44.81	-1.8%	-10.0%	3.8%	-26.4%
NASDAQ 100	NDX	11851.54	-1.5%	-10.5%	3.0%	-27.4%
iShares 20+ Year Treas Bond ETF	TLT	106.25	-1.3%	-6.0%	-7.5%	-28.3%
iShares MSCI Taiwan ETF	EWT	47.45	-0.7%	-9.1%	-5.9%	-28.8%
iShares US Telecomm ETF	IYZ	23.06	-3.7%	-12.8%	-8.2%	-29.9%
iShares MSCI South Korea Capped ETF	EWY	53.57	-1.7%	-9.1%	-7.9%	-31.2%
SPDR S&P Retail ETF	XRT	61.29	-3.1%	-11.7%	5.4%	-32.1%
SPDR S&P Semiconductor ETF	XSD	164.14	-0.7%	-11.6%	8.2%	-32.5%
SPDR Homebuilders ETF	XHB	57.27	-2.9%	-11.4%	4.7%	-33.2%
iShares MSCI Austria Capped ETF	EWO	16.99	-4.0%	-5.9%	-5.9%	-33.2%
iShares MSCI Germany ETF	EWG	21.29	-3.6%	-7.4%	-7.5%	-35.1%

Outperformed SP500
Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of September 20, 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	9.7%
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	~~~~~	\$187.99	\$209.67	\$209.00	0.4%	\$225.33	8.3%	18.4X	NA	NA	NA	NA
2023E	~~~~~	\$212.51	\$240.36	\$229.00	9.6%	\$243.46	8.0%	16.0X	NA	NA	NA	NA
2015 1Q	2108.88	\$21.81	\$25.81	\$25.81	-5.5%	\$28.60	1.5%	18.9	2.0%	3.3%	\$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%	\$54.80	11.5%	21.6	1.4%	-1.6%	\$2,402.90	8.8%
2022 2QE	3785.38	\$42.74	\$46.87	\$47.04	-9.6%	\$57.95	10.2%	18.5	1.7%	-0.6%	\$2,620.40	7.4%
2022 3QE*	3855.93	\$48.48	\$55.68	\$53.60	3.0%	\$56.17	4.6%	18.5	NA	NA	NA	NA
2022 4QE		\$50.78	\$57.76	\$59.00	4.0%	\$58.39	8.2%	18.4	NA	NA	NA	NA

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

9/20/2022

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