



Dudack Research Group

A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC

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September 28, 2022

DJIA: 29134.99
SPX: 3647.29
NASDAQ: 10829.50

US Strategy Weekly

Watching the Debt Markets and Technicals

After a long delay, the equity market finally realized that the Federal Reserve has much more work to do in the months ahead in order to combat inflation. It has become clear that the focus on the timing of a “peak fed funds rate” was premature. Last week the Fed raised the fed funds rate 75 basis points to a range of 3% to 3.25%, and the November meeting could see another 75-basis point increase which would carry this benchmark to 4%. The December meeting will be data-dependent, but it could also result in short-term rates moving higher. This combination of rate increases has had a dramatic impact on all interest rates and on the dollar, while keeping the government yield curve relatively inverted. See page 3.

However, the chart of government interest rates on page 3 shows another important detail which is how much interest rates have risen since the end of August. In particular, the two-year Treasury note yield has jumped 105 basis points in less than a month. To date, this is the largest monthly increase in the two-year Treasury note yield since the 1980 to 1981 era, which is an interesting era to compare to today's situation, since inflation is also the highest in 40 years. In that inflationary period, inflation peaked at 14.8% YOY in March 1980, fell to 9.6% YOY in June 1981, but quickly rebounded to 11% YOY in September 1981. The Fed first raised rates dramatically until the effective fed funds rate hit 17.6% in April 1980. The Fed then cut rates due to a recession (January 1980 to July 1980) and the effective fed funds rate fell to 9% in July 1980. But when inflation reignited, the Fed boosted rates once again and the effective fed funds rate rose to 19.1% by June 1981. This hawkish policy triggered a second recession between July 1981 and November 1982.

We believe the current Fed hopes to avoid the erratic tightening policy of the 1980-1981 timeframe and will therefore continue to steadily raise rates until data shows prices are not simply decelerating, but in fact, the inflation cycle has been broken. This will take time and unfortunately, it is likely to result in a full-blown undeniable recession.

CANARY IN THE COAL MINE

We have been watching the debt markets more carefully in recent days since the spike in the dollar can have consequences in areas least expected. The SPDR Bloomberg High Yield Bond ETF (JNK - \$87.57) tracks the US high yield corporate bond market and it is spiraling downward, approaching the March 23, 2020 closing low of \$84.57, which tested the March 2009 low of \$77.55. However, while the bond market is displaying substantial concern about the future, the VIX is at \$32.60, and remains well below its \$82.69 close of March 16, 2020. See page 4. In our view, the equity market is too complacent about the current combination of rising interest rates, a higher dollar, and declining earnings.

Moreover, the bond market is more closely connected to the global environment where the mixture of rising debt loads (both sovereign and corporate), higher interest rates, and a strong dollar can be an explosive combination. In short, the decline in the high yield market concerns us and we fear the next unexpected event may materialize outside the US and be related to defaults.

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

EARNINGS REALITY

Despite some comments by well-respected analysts, earnings estimates for 2022 and 2023 are falling. This week S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell \$0.78 and \$1.33, respectively. Refinitiv IBES consensus earnings forecasts fell \$1.50 and \$1.24. The S&P consensus EPS estimate for 2022 is now \$208.21 and the IBES estimate fell to \$223.83, bringing EPS growth rates for 2022 to 0.3% and 7.5%, respectively. See pages 6 and 13.

We recently reduced our 2022 S&P 500 earnings estimate from \$218 to \$209 and for 2023 our estimate declines from \$237 to \$229. However, we must admit that we fear we may have to lower these estimates after third quarter earnings season. Nevertheless, our \$209 estimate coupled with our valuation model which suggests that a 14 X multiple is appropriate for this environment creates a downside target of roughly SPX 2915. The yearend range is SPX 3452 to SPX 2380. This implies that there is more risk in the market. An alternative method would be to take an average PE of 15.8 X with our \$209 estimate, and this equates to SPX 3302. See page 5. Either way, the market has not yet reached a level of table-pounding good value.

TECHNICAL INDICATORS MAY BE WEAKENING

Technical indicators have not been reassuring this week – quite the opposite. The charts of the popular indices look quite similar this week, unfortunately, all four of the popular indices appear to be in the midst of a capitulation-style decline. As we have indicated in recent weeks, the key to defining this bear market's low will be whether breadth data is less negative on a new low in price. If so, it would be a positive sign of a bottoming formation. The alternative is not favorable for the intermediate term. See page 7.

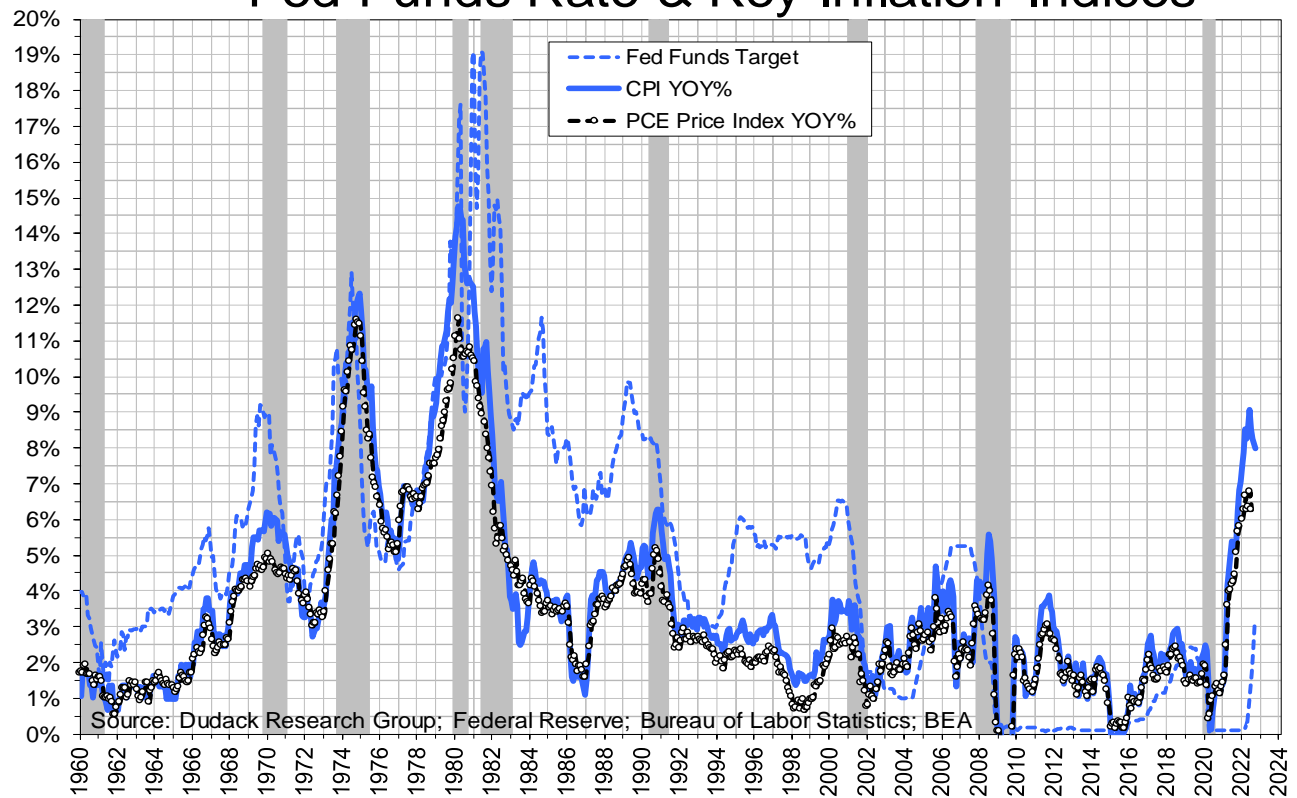
At the moment, the jury is still out, but recent breadth data is not encouraging. The 25-day up/down volume oscillator is now at negative 4.35 and recording its sixth consecutive day in oversold territory, i.e., a reading of negative 3.0 or less. (On September 26, 2022, the 25-day indicator also hit a low of negative 4.95.) Since 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 on any new low in price in the S&P 500. Although the oscillator is slightly less oversold than it was in June, it is by a very narrow and tenuous margin. Another extreme sell-off day would take this indicator to a deeper oversold reading, turning this indicator negative, and indicate that lower lows may be ahead. In short, the market could be only a day or two away from an unsuccessful test of the June low. See page 8.

In addition, the 10-day average of daily new highs is 32 and daily new lows are 896. This combination is negative with new highs below 100, and new lows above the 100 benchmark. More importantly, the 10-day moving average of new lows at 896 has now exceeded the previous peak of 604 made in early May. Again, the market is showing underlying weakness. The advance/decline line fell below the June low on September 22 just prior to the SPX breaking its June low. The NYSE cumulative advance/decline line is currently 53,150 net advancing issues from its 11/8/21 high – a large number and a negative sign for the near term. See page 9.

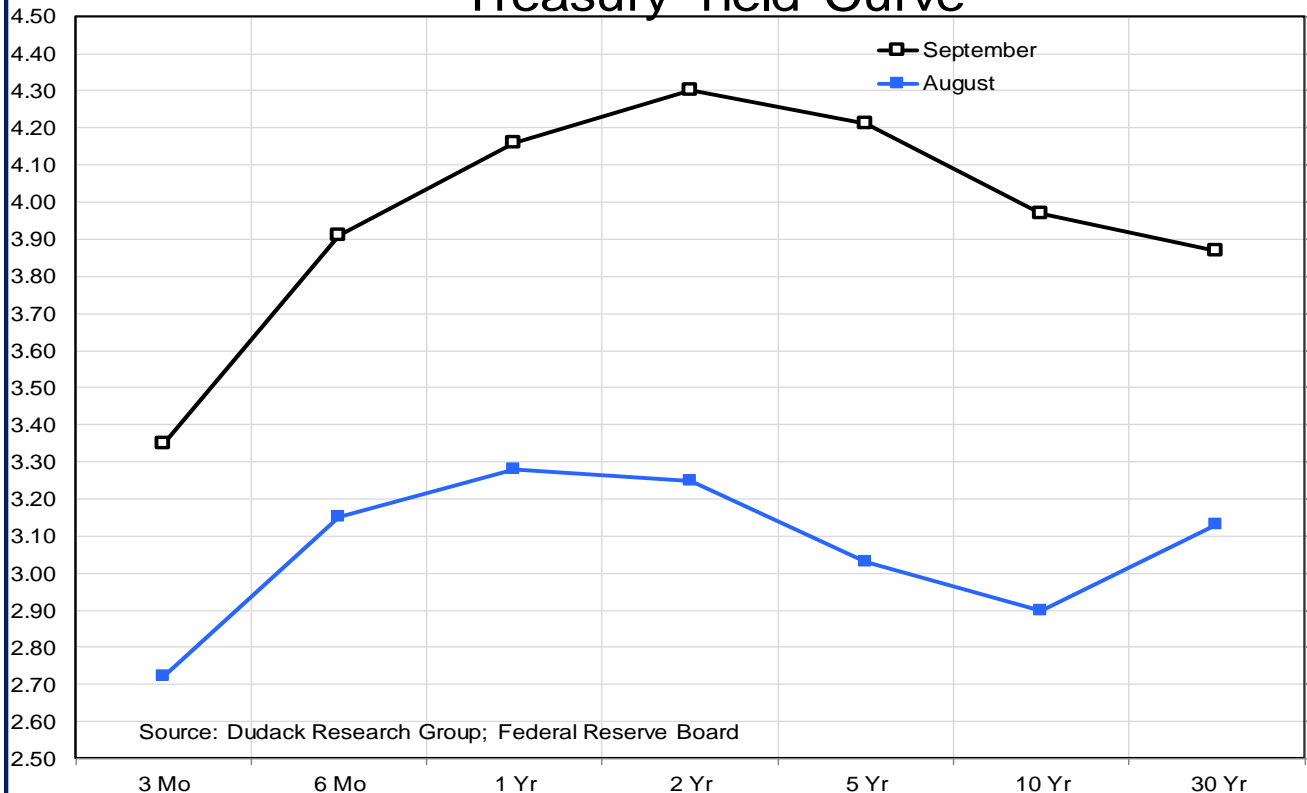
On a more positive note, last week's AAI readings showed a decrease of 8.4% in bulls to 17.7% and an increase of 14.9% in bears to 60.9%. The 17.7% reading is among the 20 lowest readings since the survey began in 1987. Optimism was at a similar level in May. Equity prices tend to be higher in the next six and/or twelve months following such extreme readings in sentiment. See page 10.

After a long delay, the equity market has come to the realization that the Federal Reserve has more work ahead and the focus on the peak funds rate was premature. The Fed raised the fed funds rate 75 basis points last week and the November meeting could see another 75-basis point increase. This combination has lifted interest rates dramatically in recent weeks and left the curve relatively inverted.

Fed Funds Rate & Key Inflation Indices



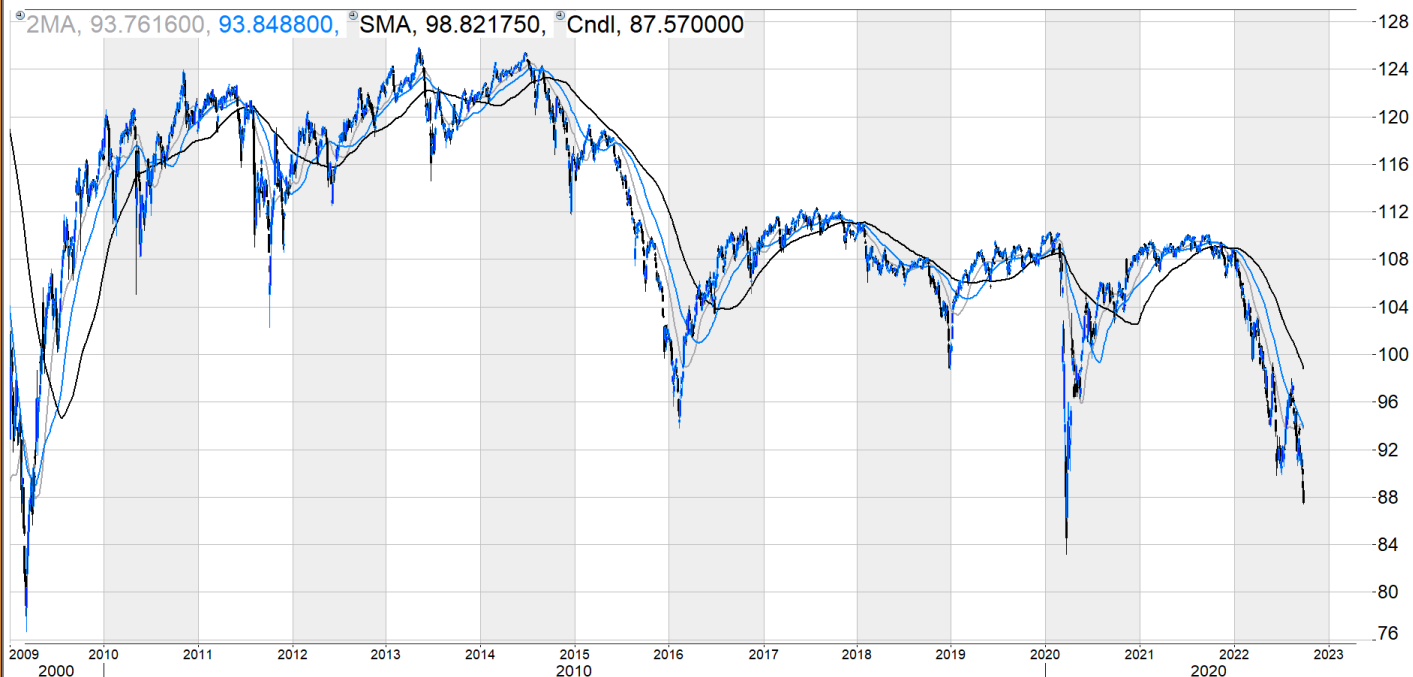
Treasury Yield Curve



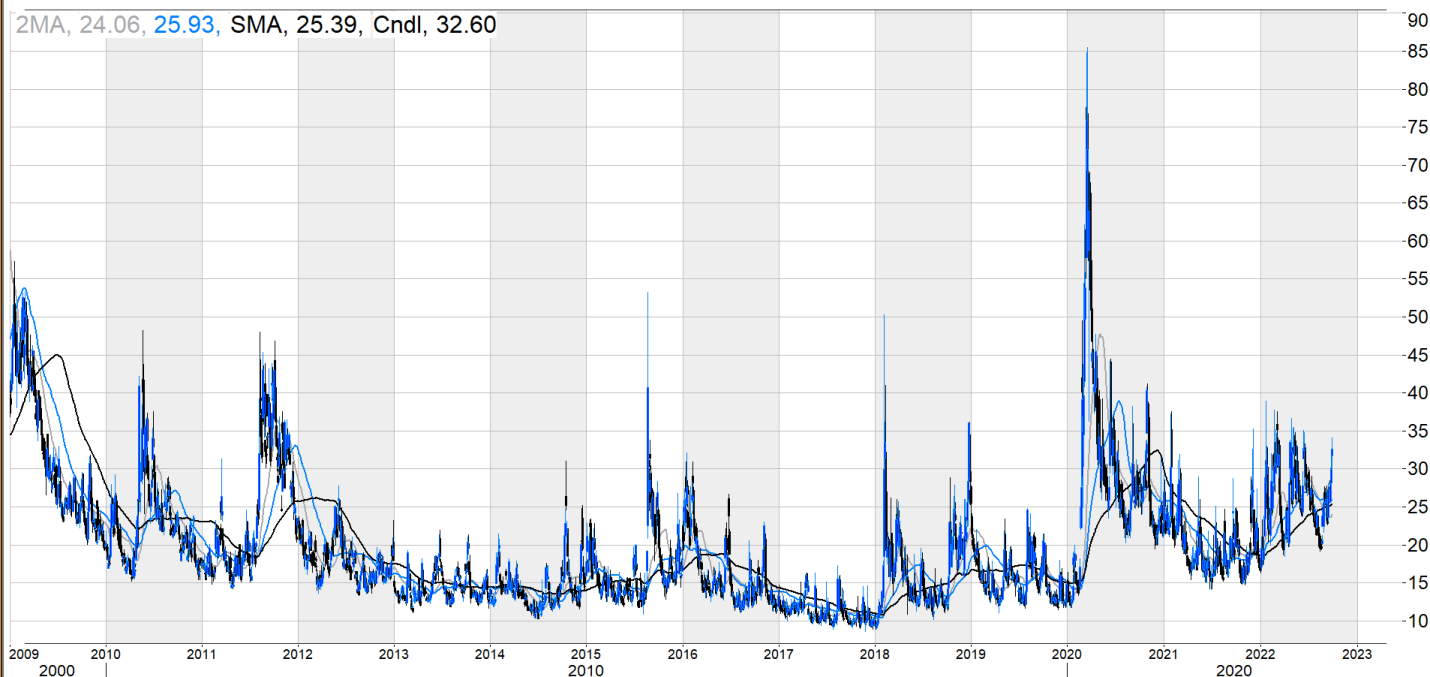
The SPDR Bloomberg High Yield Bond ETF (JNK - \$87.57) tracks the US high yield corporate bond market and it is spiraling downward, approaching the March 23, 2020 closing low of \$84.57, which tested the March 2009 low of \$77.55. However, while the bond market is displaying substantial concern, the VIX is at \$32.60, and remains well below its \$82.69 close of March 16, 2020. In our view, the equity market is too complacent about the current environment of rising interest rates, a higher dollar, and declining earnings.

Moreover, the bond market reacts more directly to the global environment where the mixture of rising debt loads, higher rates and a strong dollar can be explosive. The next unexpected event may materialize outside the US.

SPD NV HY BD ETF

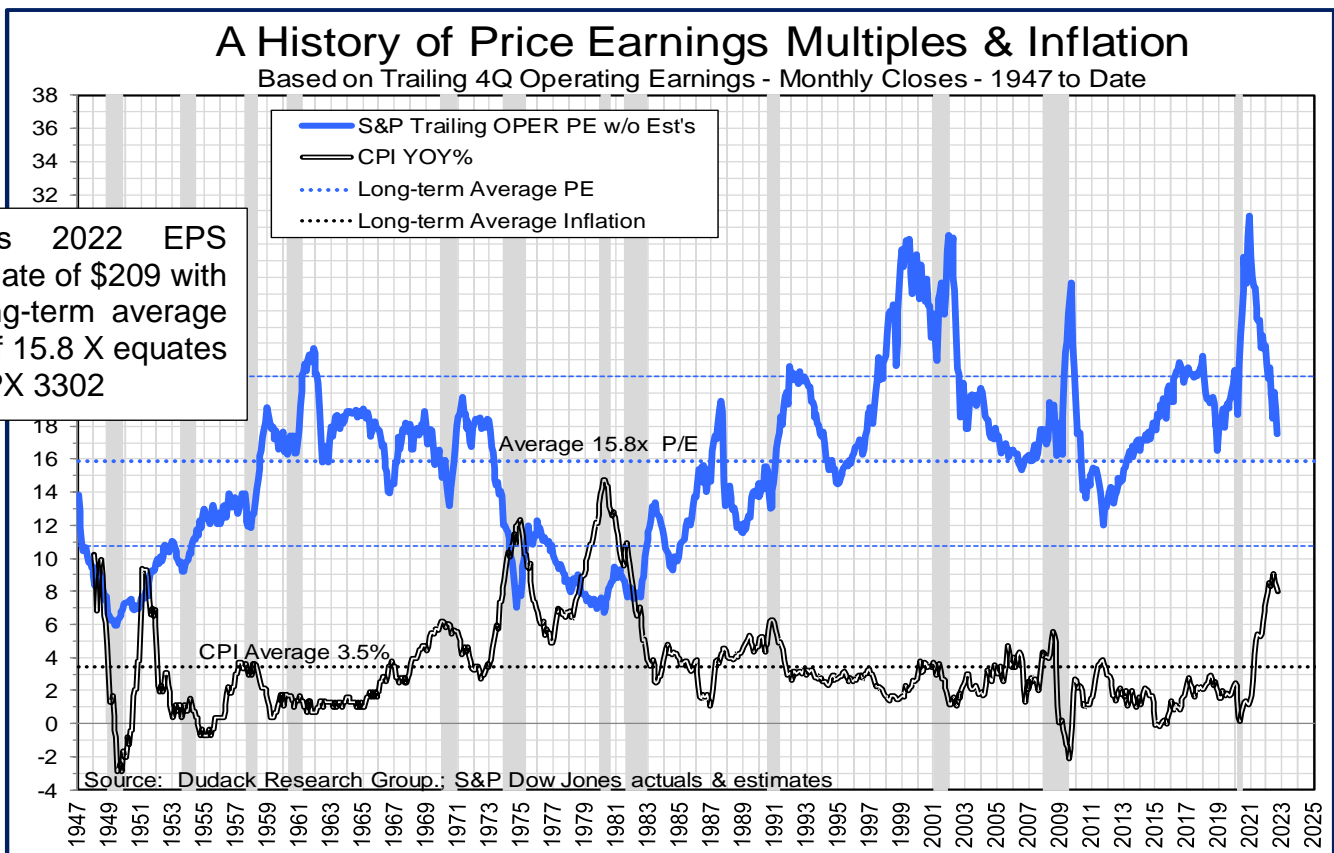
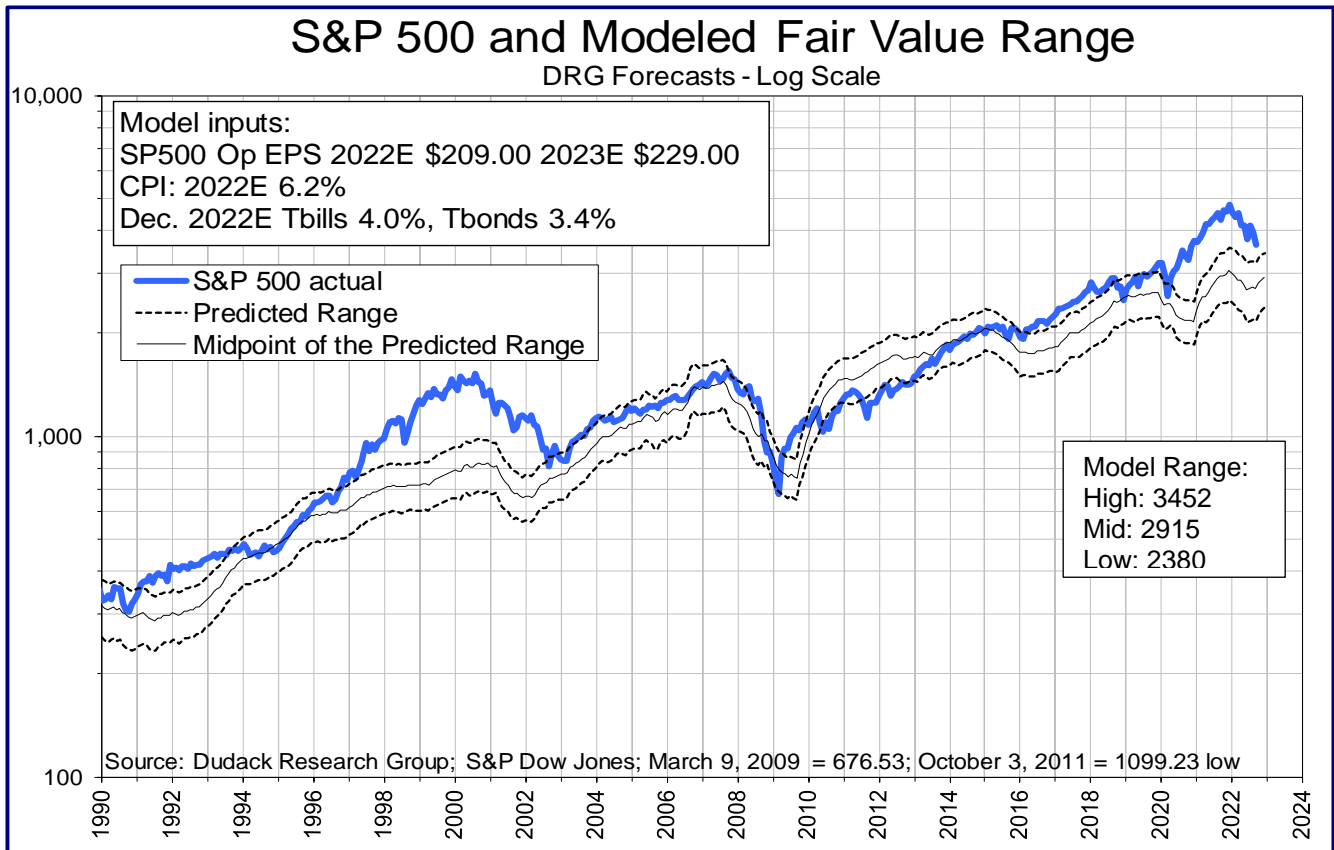


MKT VOLTLTY NDX



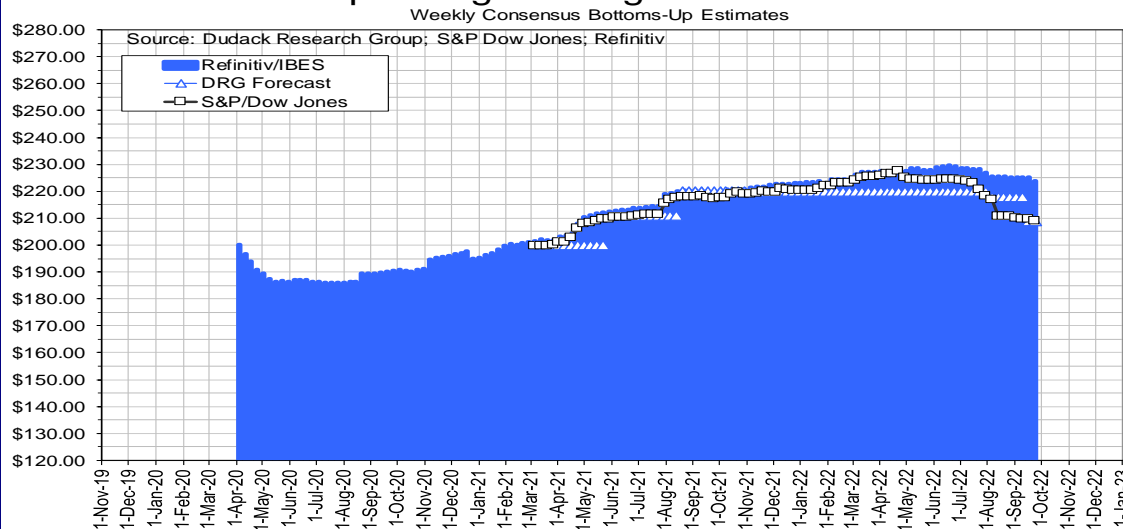
Source: Refinitiv

We reduced our 2022 S&P 500 earnings estimate from \$218 to \$209 and for 2023 our estimate declines from \$237 to \$229, last week. 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.

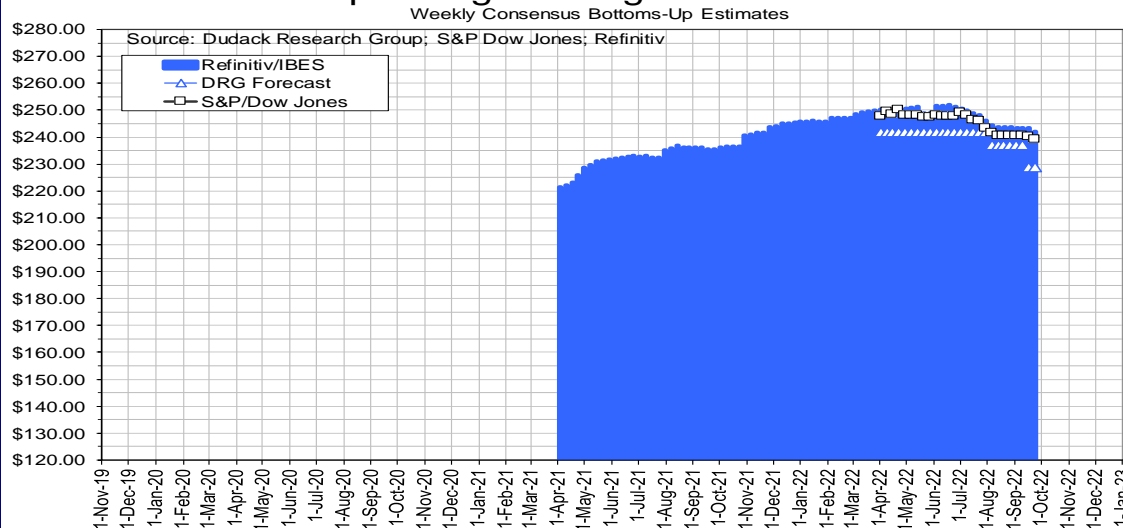


This week S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell \$0.78 and \$1.33, respectively. Refinitiv IBES consensus earnings forecasts fell \$1.50 and \$1.24. The S&P consensus EPS estimate for 2022 declined to \$208.21 and IBES fell to \$223.83, bringing EPS growth rates for 2022 to 0.3% and 7.5%, 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 last week. Our 2023 estimate was lowered from \$237 to \$229.

SP500 Operating Earnings Forecasts for 2022

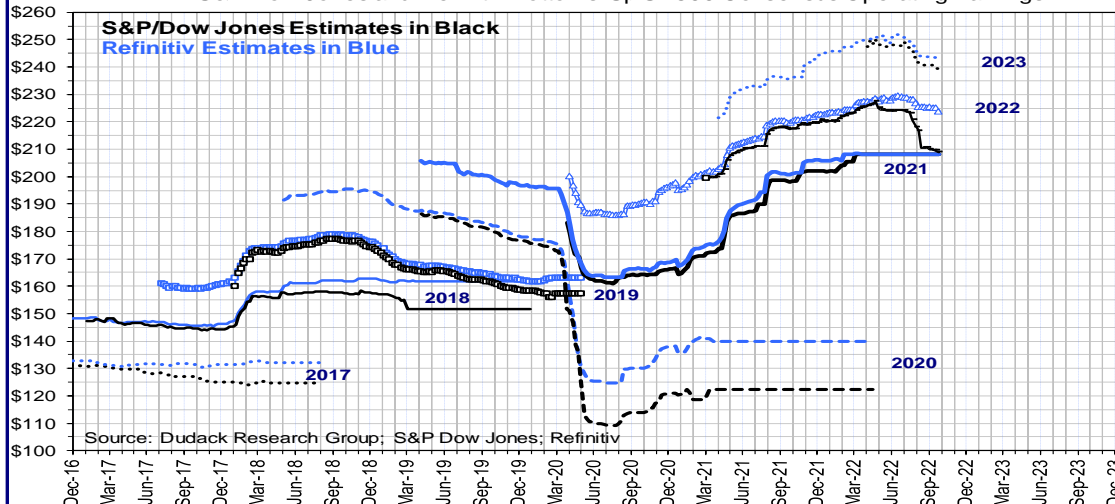


SP500 Operating Earnings Forecasts for 2023

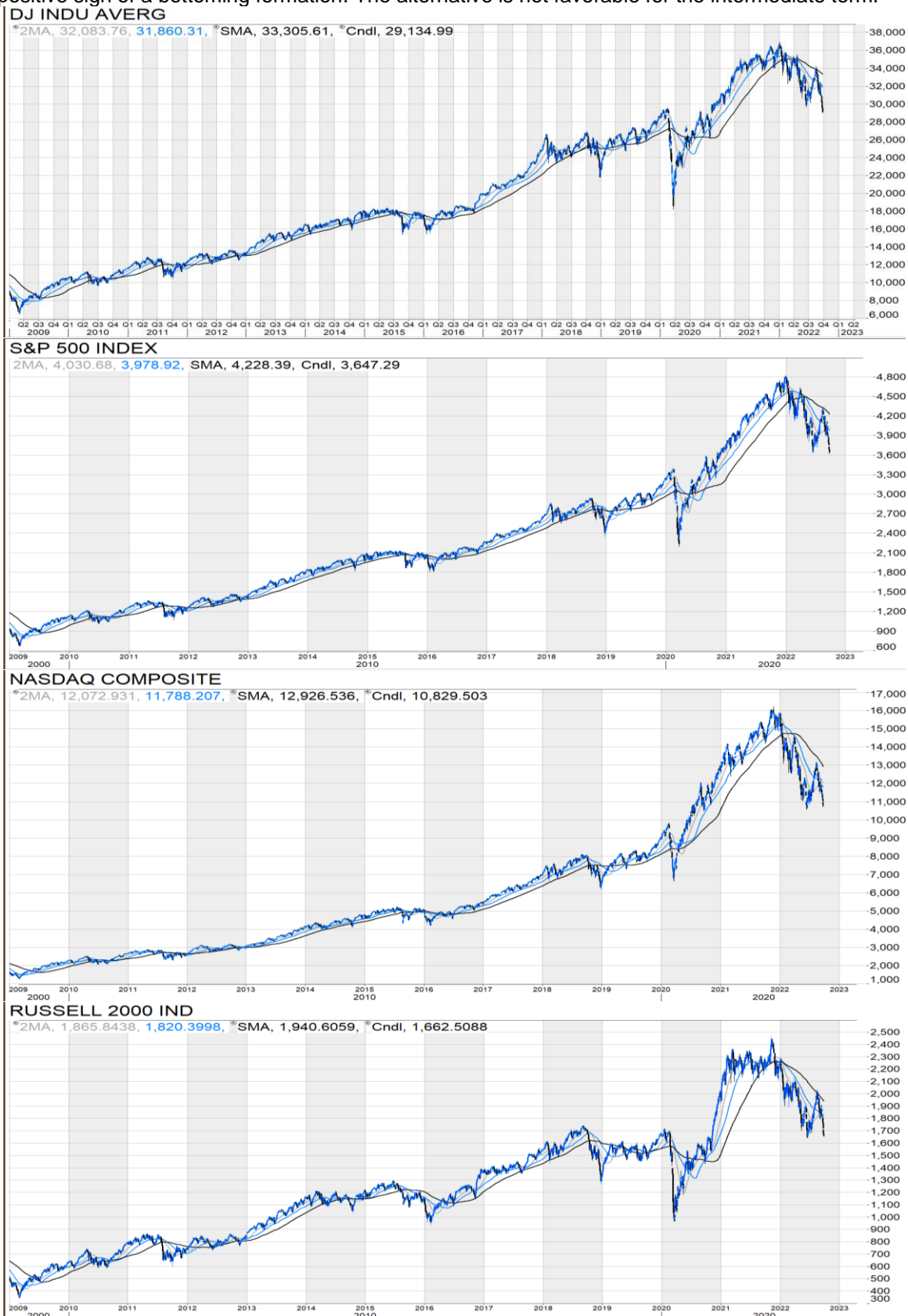


Consensus Calendarized EPS Estimates

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

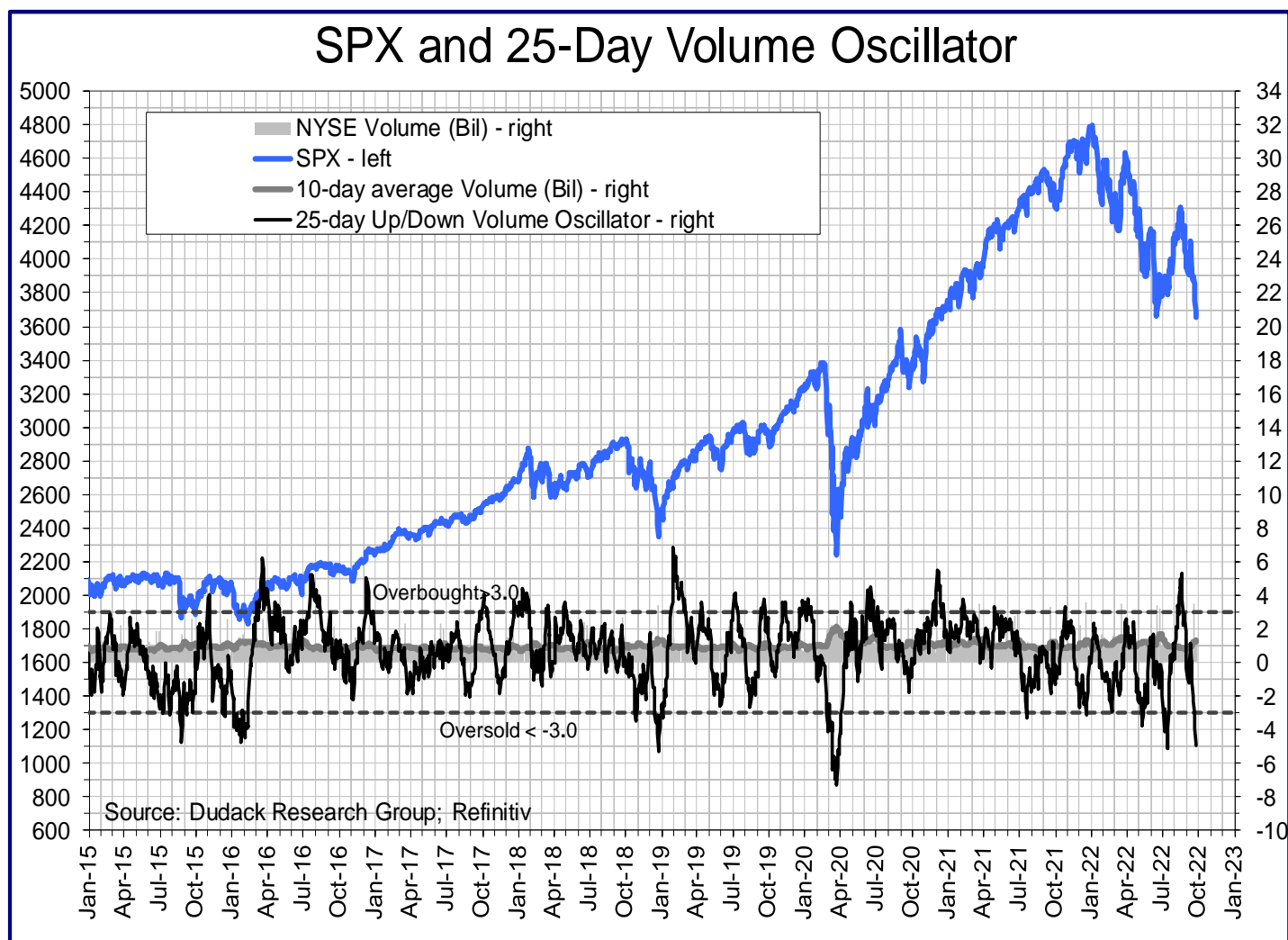


The charts of the popular indices are quite similar this week and all four of the popular indices appear to be on the verge of a capitulation decline. The key will be whether or not breadth data is stronger on this new low than it was in June. If so, it would be a positive sign of a bottoming formation. The alternative is not favorable for the intermediate term.

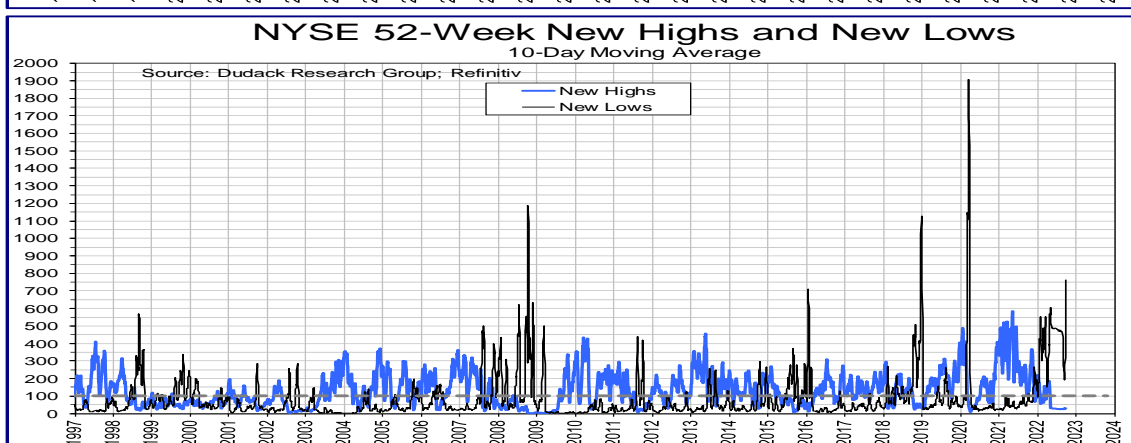
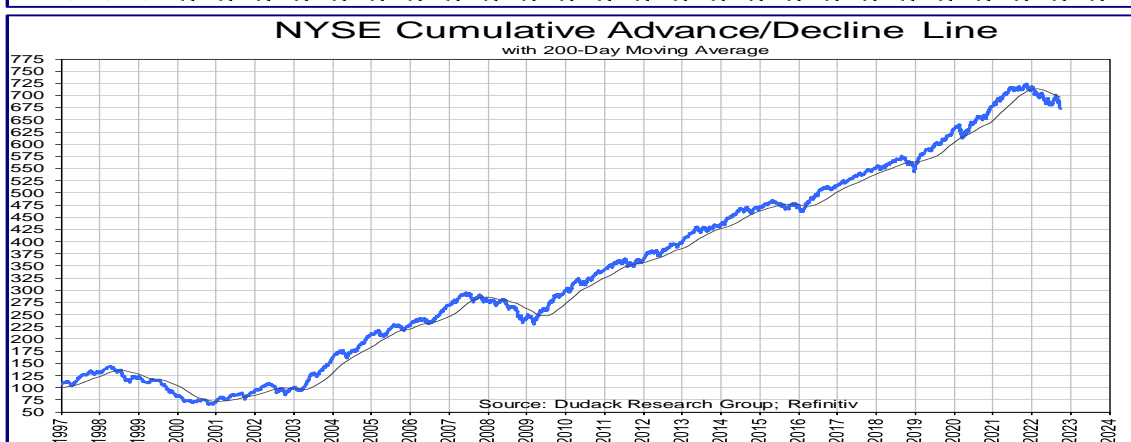
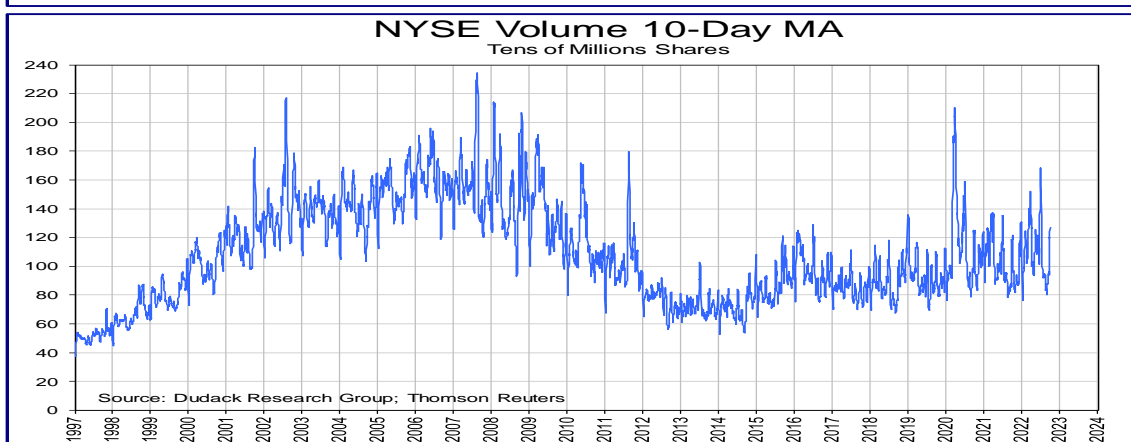
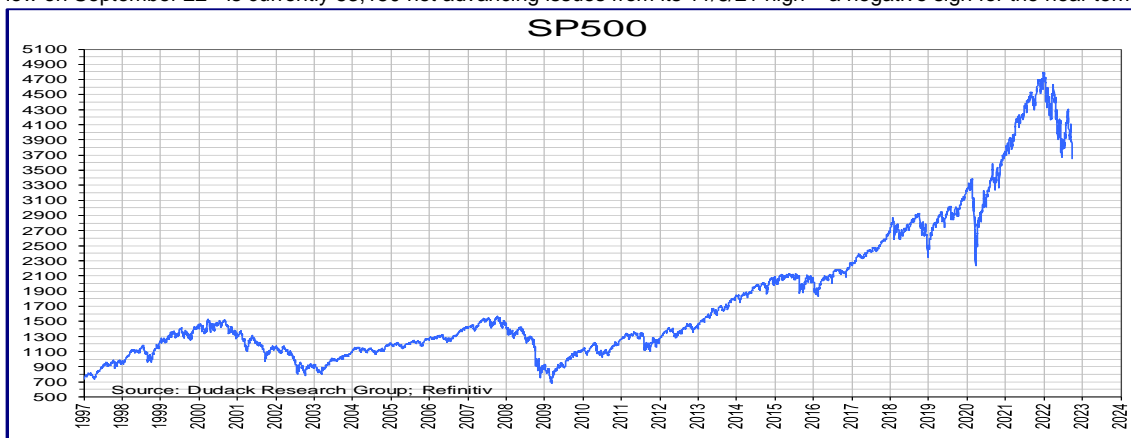


The key to a successful retest of a bear market low is whether or not a new low in price also generates a new low in breadth. A successful retest will show there is less selling pressure – a less severe oversold reading -- despite a lower low in price. We think this is a possibility in the final months of the year.

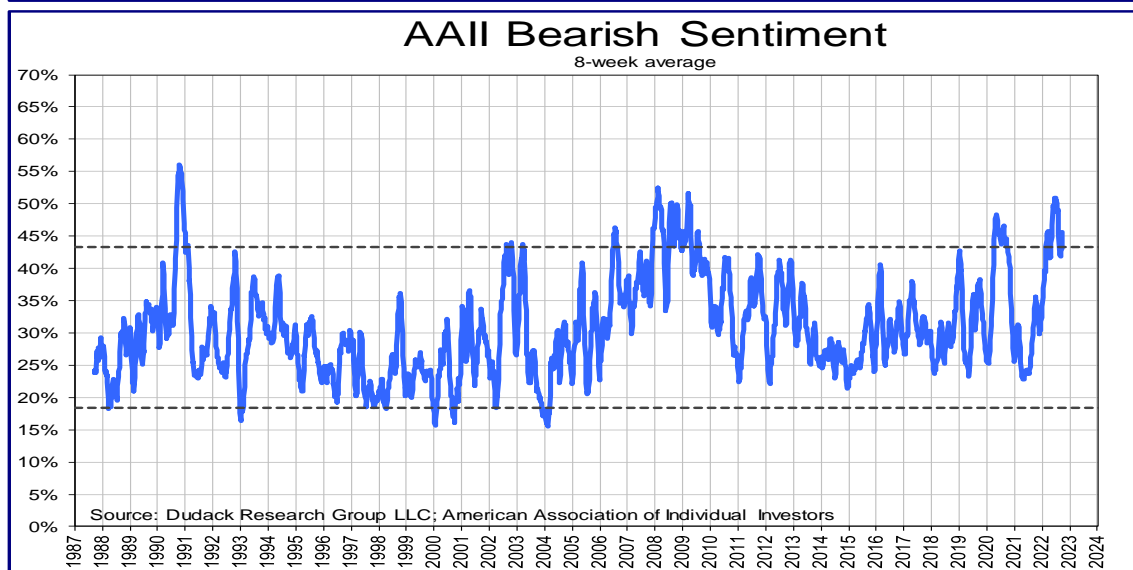
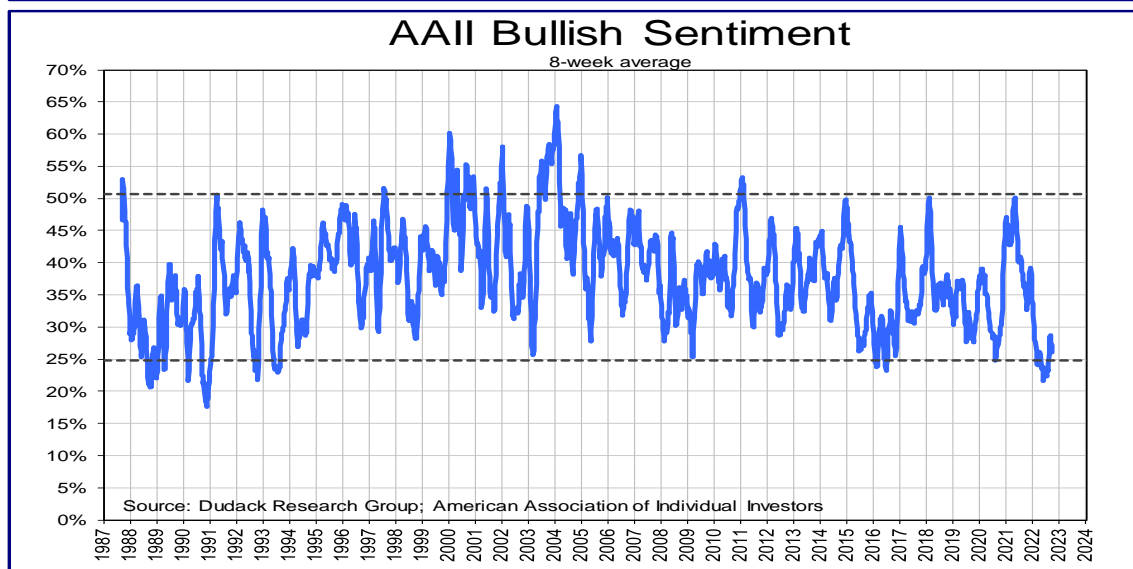
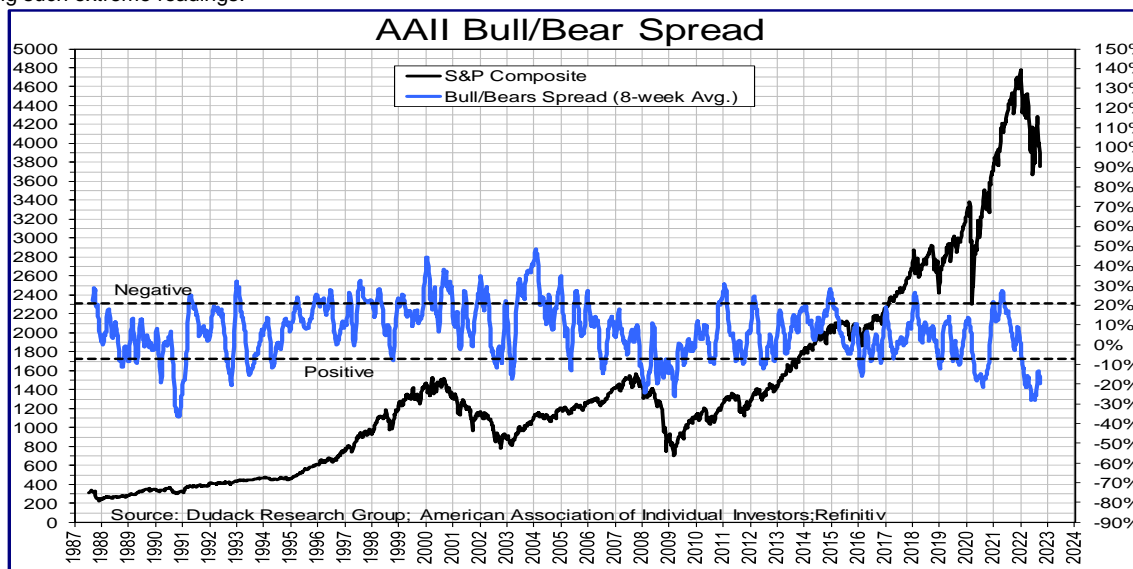
The 25-day up/down volume oscillator fell to negative 4.35 this week which is the sixth consecutive day in oversold territory, or a reading of negative 3.0 or less. It is worth noting that this indicator hit a low of negative 4.95 on September 26, 2022. Remember that this oscillator was in oversold territory 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 current statistics are just slightly less oversold than in June, but by a very narrow and tenuous margin. Another extreme sell-off day would make this indicator negative and indicate that much lower lows may be ahead.



The 10-day average of daily new highs is 32 and daily new lows are 896. This combination is negative with new highs below 100, and new lows above the 100 benchmark. The 10-day moving average of new lows has now exceeded the previous peak of 604 made in early May. The advance/decline line fell below the June low on September 22 - is currently 53,150 net advancing issues from its 11/8/21 high – a negative sign for the near term.



Last week's AAI readings showed a decrease of 8.4% in bulls to 17.7% and an increase of 14.9% in bears to 60.9%. The 17.7% reading is among the 20 lowest readings since the survey began in 1987. Optimism was at a similar level in May. Equity prices tend to be higher in the next six and/or twelve months following such extreme readings.

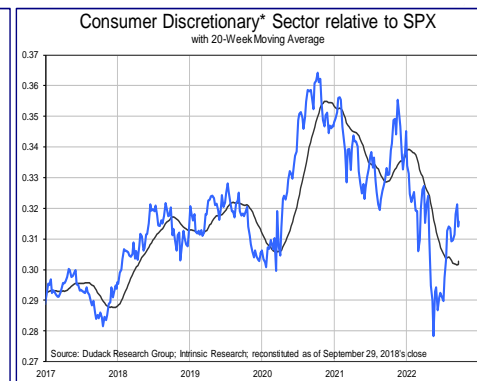
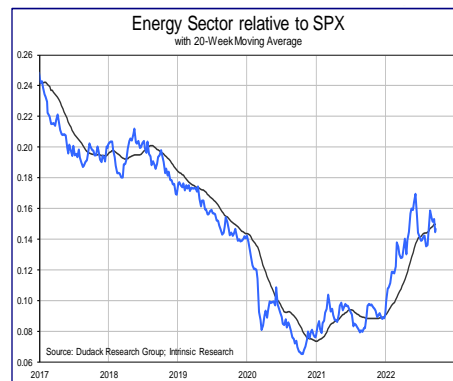


SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

DRG Recommended Sector Weights

Overweight		Neutral		Underweight
Energy		Healthcare		Consumer Discretionary
Industrials		Technology		REITS
Staples		Materials		Communication Services
Utilities		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	26.5%
S&P UTILITIES	-3.8%
S&P CONSUMER STAPLES	-11.5%
S&P HEALTH CARE	-14.0%
S&P INDUSTRIALS	-21.0%
S&P FINANCIAL	-22.1%
S&P 500	-23.5%
S&P MATERIALS	-25.4%
S&P CONSUMER DISCRETIONARY	-28.5%
S&P INFORMATION TECH	-29.3%
S&P REITS	-30.4%
S&P COMMUNICATIONS SERVICES	-38.8%

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	69.52	-9.8%	-16.1%	-2.8%	25.3%
United States Oil Fund, LP	USO	64.42	-6.9%	-15.1%	-19.8%	18.5%
Gold Future	GCc1	2398.10	0.2%	0.9%	2.6%	8.4%
iShares DJ US Oil Eqpt & Services ETF	IEZ	13.81	-12.4%	-19.1%	-13.5%	7.1%
Oil Future	CLc1	78.50	-7.0%	-15.6%	-25.8%	4.4%
iShares MSCI Brazil Capped ETF	EWZ	29.17	-7.4%	-8.9%	6.5%	3.9%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
Utilities Select Sector SPDR	XLU	68.85	-6.8%	-9.1%	-1.8%	-3.8%
iShares MSCI India ETF	INDA.K	40.72	-6.2%	-4.4%	3.4%	-11.2%
SPDR Gold Trust	GLD	151.54	-2.3%	-6.3%	-10.0%	-11.4%
Consumer Staples Select Sector SPDR	XLP	68.23	-3.8%	-8.4%	-5.5%	-11.5%
iShares MSCI Mexico Capped ETF	EWX	44.22	-5.7%	-5.0%	-5.1%	-12.6%
Health Care Select Sect SPDR	XLV	121.19	-2.9%	-4.8%	-5.5%	-14.0%
Shanghai Composite	.SSEC	3093.86	-0.9%	-4.4%	-8.7%	-15.0%
iShares MSCI Malaysia ETF	EWM	20.51	-4.5%	-8.1%	-6.6%	-18.1%
SPDR S&P Bank ETF	KBE	44.47	-7.4%	-8.9%	1.3%	-18.5%
iShares Russell 1000 Value ETF	IWD	136.72	-6.9%	-10.9%	-5.7%	-18.6%
iShares MSCI Hong Kong ETF	EWH	18.86	-5.4%	-9.1%	-15.0%	-18.7%
SPDR DJIA ETF	DIA	291.30	-5.1%	-9.8%	-5.4%	-19.8%
DJIA	.DJI	29134.99	-5.1%	-9.8%	-5.3%	-19.8%
iShares MSCI Singapore ETF	EWS	17.10	-5.7%	-7.0%	-3.3%	-20.1%
iShares MSCI Canada ETF	EWX	30.72	-7.8%	-12.1%	-8.8%	-20.1%
iShares MSCI Australia ETF	EWA	19.62	-7.5%	-12.6%	-7.5%	-21.0%
Industrial Select Sector SPDR	XLI	83.58	-6.0%	-12.5%	-4.3%	-21.0%
iShares Silver Trust	SLV	17.63	-4.7%	-2.7%	-9.5%	-21.3%
Silver Future	SIc1	18.26	-4.4%	-2.6%	-10.0%	-21.7%
iShares Russell 2000 Value ETF	IWN	129.63	-8.1%	-13.1%	-4.8%	-21.9%
Financial Select Sector SPDR	XLF	30.43	-7.1%	-9.8%	-3.2%	-22.1%
iShares MSCI United Kingdom ETF	EWU	25.64	-8.7%	-13.8%	-14.4%	-22.6%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	101.44	-4.5%	-8.7%	-7.8%	-23.5%
SP500	.SPX	3647.29	-5.4%	-10.1%	-3.6%	-23.5%
iShares Russell 1000 ETF	IWB	200.12	-6.1%	-10.7%	-3.7%	-24.3%
PowerShares Water Resources Portfolio	PHO	45.85	-5.6%	-9.9%	-0.8%	-24.6%
iShares Nasdaq Biotechnology ETF	IBB.O	114.82	-4.8%	-6.6%	-2.4%	-24.8%
Materials Select Sector SPDR	XLB	67.47	-6.7%	-13.7%	-8.3%	-25.5%
iShares Russell 2000 ETF	IWM	164.73	-7.5%	-12.8%	-2.7%	-25.9%
iShares MSCI Japan ETF	EWJ	48.82	-4.8%	-10.3%	-7.6%	-27.1%
iShares MSCI Emerg Mkts ETF	EEM	35.50	-5.8%	-11.3%	-11.5%	-27.3%
iShares China Large Cap ETF	FXI	26.53	-4.8%	-13.6%	-21.8%	-27.5%
Vanguard FTSE All-World ex-US ETF	VEU	44.35	-6.5%	-11.7%	-11.2%	-27.6%
iShares MSCI BRIC ETF	BKF	32.32	-6.0%	-10.6%	-12.6%	-27.8%
Consumer Discretionary Select Sector SPDR	XLY	146.55	-6.7%	-8.2%	6.6%	-28.3%
Technology Select Sector SPDR	XLK	123.04	-4.4%	-12.0%	-3.2%	-29.2%
iShares MSCI EAFE ETF	EFA	55.54	-6.8%	-11.4%	-11.1%	-29.4%
iShares Russell 1000 Growth ETF	IWF	215.35	-5.2%	-10.4%	-1.5%	-29.5%
iShares US Real Estate ETF	IYR	81.43	-8.7%	-16.0%	-11.5%	-29.9%
iShares Russell 2000 Growth ETF	IWO	204.81	-6.7%	-12.5%	-0.7%	-30.1%
Nasdaq Composite Index Tracking Stock	ONEQ.O	42.44	-5.3%	-10.8%	-1.6%	-30.3%
NASDAQ 100	NDX	11271.75	-4.9%	-10.6%	-2.0%	-30.9%
iShares 20+ Year Treas Bond ETF	TLT	100.95	-5.0%	-11.2%	-12.1%	-31.9%
iShares MSCI Taiwan ETF	EWT	44.69	-5.8%	-12.1%	-11.4%	-32.9%
SPDR S&P Semiconductor ETF	XSD	156.66	-4.6%	-12.4%	3.3%	-35.6%
iShares US Telecomm ETF	IYZ	21.20	-8.1%	-16.5%	-15.6%	-35.6%
SPDR S&P Retail ETF	XRT	58.10	-5.2%	-11.4%	-0.1%	-35.7%
SPDR Homebuilders ETF	XHB	54.21	-5.3%	-11.7%	-0.9%	-36.8%
iShares MSCI South Korea Capped ETF	EWY	49.21	-8.1%	-15.0%	-15.4%	-36.8%
iShares MSCI Austria Capped ETF	EWO	15.52	-8.7%	-11.6%	-14.1%	-39.0%
iShares MSCI Germany ETF	EWG	19.53	-8.3%	-9.7%	-15.1%	-40.4%

Outperformed SP500

Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of September 27, 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	~~~~~	\$187.66	\$208.88	\$209.00	0.4%	\$223.83	7.5%	17.5X	NA	NA	NA	NA
2023E	~~~~~	\$211.52	\$239.03	\$229.00	9.6%	\$242.22	8.2%	15.3X	NA	NA	NA	NA
2015 1Q	2108.88	\$21.81	\$25.81	\$25.81	-5.5%	\$28.60	1.5%	18.9	2.0%	3.3%	\$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 1Q	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%	\$57.59	9.5%	18.5	1.7%	-0.6%	\$2,620.40	7.4%
2022 3QE*	3647.29	\$48.27	\$55.24	\$53.60	3.0%	\$55.66	3.6%	17.5	NA	NA	NA	NA
2022 4QE		\$50.66	\$57.41	\$59.00	4.0%	\$57.99	7.5%	17.5	NA	NA	NA	NA

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

9/27/2022

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