



Dudack Research Group

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November 9, 2022

DJIA: 33160.83
SPX: 3828.11
NASDAQ: 10616.20

US Strategy Weekly

Lowering EPS Estimates Again

Politics and inflation are the features of this week; however, third-quarter earnings results continue to provide plenty of drama in the background.

POLITICS AND EQUITIES

In terms of this week's elections, a number of strategists are noting that since WWII, the S&P 500 has had a perfect record of gains following the midterm elections. In addition, the S&P 500 has posted an increase in each of the 12-month periods after the midterm vote and these gains have averaged an impressive 15%. As we show on page 3, the fourth quarter of the midterm election year tends to be the best fourth quarter of any of the four years in the election year cycle. And more importantly, the first quarter of the pre-election year tends to be the best quarter in the entire election cycle for most of the popular indices. In short, the last quarter of 2022 and the first quarter of 2023 are periods that have a solid history of being strong periods for stock prices.

To date, 2022 has been very volatile and has underperformed historical averages. This severe underperformance is best displayed by the chart on page 4. However, it is this underperformance that may have led to the strong rebound seen in October. Yet even apart from politics, November marks the start of the best 3-month and 6-month periods for equity prices. In short, the stock market should have the wind at its back in the coming months.

And we do not see anything in terms of election results that could hamper stock prices. History shows that equity investors tend to like a split Congress. According to Reuters, when a Democrat is president, the market performs best when Republicans hold either the House, Senate, or both. The average annual S&P 500 returns have been 14% with a split Congress, 13% with a Republican-held Congress, and a 10% gain when Democrats control both the White House and Congress. All in all, the midterm elections should have a positive effect on investor sentiment.

EARNINGS REVISIONS

While we do expect the election to be a positive for equities, we are less optimistic about the next six to twelve months due to the deterioration we see in corporate earnings. The steady decline in S&P 500 earnings for this year and next year has continued as the third-quarter earnings season passes its midpoint. This week the S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell \$0.57 and \$2.76, respectively. Refinitiv IBES consensus earnings forecasts fell \$0.36 and \$3.28, respectively. What is notable about the last two weeks' revisions is not just that they continue to fall but that estimates for 2023 are beginning to plummet. As a result, the 2022/2023 forecasts from S&P Dow Jones and IBES Refinitiv are now \$204.17 and \$230.11 for 2022 and \$220.91 and \$232.64 for 2023. Earnings growth rates for 2022 are (1.9%) according to S&P and 6.1% according to IBES.

We have been stating that our S&P 500 earnings estimates would be reviewed after third quarter results, however, results have been so poor that we believe our earnings estimates need addressing this week. Our 2022 and 2023 estimates are slashed this week from \$209 to \$202 and from \$229 to \$204, respectively. The decline in this year's estimate reflects the weakness seen in 2022 earnings results to date. More importantly, and more dramatically, our revision for 2023 earnings is due to the negative impact we expect to see from current and future Fed rate hikes on economic activity. Although some economists are now placing odds on the ability of the Fed to maneuver a soft landing in 2023, we believe many parts of the economy are already in or will inevitably face a recession. As a result, this will continue to put pressure on consumers and therefore on top-line revenue growth. Plus, inflation will continue to pressure corporate profit margins. For these reasons, we continue to favor the more recession-resistant areas of the stock market such as energy, utilities, staples, and defense stocks. Healthcare is a DRG-neutral weighting (see page 13) but many health-related stocks are necessities and are therefore recession resistant. Note that this means one should emphasize value versus growth and growth at a reasonable price.

In terms of the economy, the ISM nonmanufacturing survey's composite index fell from 56.7 to 54.4 in October and the details of the report were unfavorable. New orders and business activity declined, and employment slipped below the neutral 50 mark. Note that the service sector, which has been the relative outperforming sector of the US economy, now appears to be joining the manufacturing sector which has been in decline since early 2021. See page 5.

VALUATION

The jump in short-term interest rates from nearly zero to 4.2% is currently having and will continue to have a dramatic impact on equity valuation. The current earnings yield of 5.4% and dividend yield of 1.8% still hold a slight edge over bonds, but this will continue to evaporate as interest rates rise and earnings forecasts fall. When we put our revised earnings forecasts of \$202 and \$204 into our valuation model, coupled with our estimates for headline CPI of 7.1% this year and 4.0% next year, and short-term interest rates of 4.75% this year and 5.0% for next year, equity valuations fall. The midpoints of our valuation model drop to SPX 2666 for 2022 and to SPX 3020 for 2023. In sum, equity risk due to inflation, rising interest rates, and falling earnings continues. See page 7.

TECHNICAL INDICATORS REMAIN INTERESTING

The charts of the popular indices are as revealing as many of our technical indicators this week, and each tells a slightly different story about the equity market. On page 8 we have ordered the charts of the indices in terms of technical strength. The DJIA is the strongest index and has just exceeded its long-term 200-day moving average this week. It is less than 3% above the moving average that confirms a breakout, nevertheless, it is trading above all its moving averages. The Russell 2000 is approaching its 200-day moving average but remains below it. The S&P 500 continues to find resistance in the narrow range between its 50-and-100-day moving averages. And lastly, the Nasdaq Composite is the weakest of all the indices and is trading well below all its moving averages. This divergence in the indices is a demonstration of shifting leadership from growth to value.

The 25-day up/down volume oscillator is currently neutral with a reading of 1.11. Last week we noted that the indicator was rising toward an overbought reading of 3.0 or greater, which could signal a turning point for the market. The significance of an overbought reading is that bear markets rarely reach overbought territory and if they do the reading is brief. However, in recent days this indicator retreated before reaching overbought territory – a sign of decelerating buying pressure on the rally. Nevertheless, this indicator will be important to monitor in the coming weeks since it could be a bellwether of the strength of future advances in prices. See page 9.

With many indices at, or near resistance levels, it will be important to see if this week's inflation data has a significant impact on investor sentiment.

The fourth quarter of the midterm election year tends to be the best fourth quarter of the election year cycle (blue circles). Equally important, the first quarter of the pre-election year (red circles) is one of the best quarters in the entire election cycle, i.e., a strong combination. To date, 2022 has underperformed historical averages.

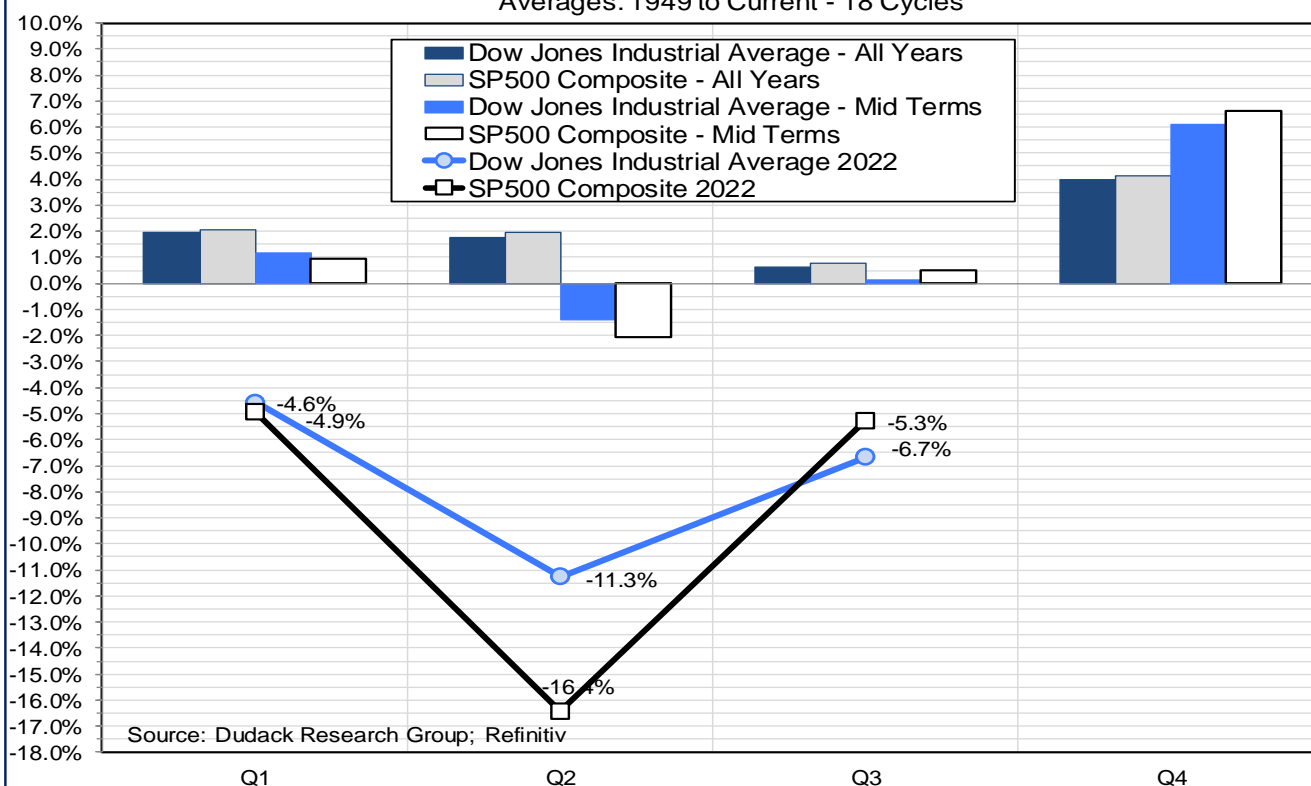
ELECTION CYCLE - QUARTERLY % CHANGES - 1949 to Current

	Q1	Q2	Q3	Q4	Full Year	Q2-Q3	Q4-Q1
Dow Jones Industrials (1949 - Current)							
Average	2.0%	1.8%	0.6%	4.0%	8.6%	2.4%	6.0%
Post-Election	-0.1%	1.7%	0.5%	4.2%	6.7%	2.2%	4.1%
Midterm	1.2%	-1.4%	0.1%	6.1%	6.0%	-1.3%	7.2%
Pre-Election	7.3%	4.8%	1.0%	2.7%	16.2%	5.8%	10.1%
Election	-0.5%	1.9%	0.9%	3.0%	5.4%	2.8%	2.5%
SP 500 (1949 - Current)							
Average	2.1%	1.9%	0.8%	4.1%	9.2%	2.7%	6.2%
Post-Election	-0.2%	2.2%	0.9%	3.6%	7.0%	3.1%	3.4%
Midterm	0.9%	-2.1%	0.49%	6.6%	6.0%	-1.6%	7.5%
Pre-Election	7.4%	4.9%	0.6%	3.5%	16.7%	5.5%	10.8%
Election	0.2%	2.8%	1.2%	2.9%	7.3%	3.9%	3.1%
NASDAQ Composite (1971 - Current)							
Average	4.2%	3.2%	1.2%	4.8%	13.8%	4.4%	8.9%
Post-Election	-0.7%	4.5%	3.5%	5.4%	12.9%	8.0%	4.8%
Midterm	1.6%	-3.6%	-2.9%	6.6%	4.9%	-6.5%	8.3%
Pre-Election	13.9%	7.3%	1.6%	5.8%	31.0%	9.0%	19.7%
Election	1.8%	4.4%	2.5%	1.2%	10.6%	6.9%	3.0%

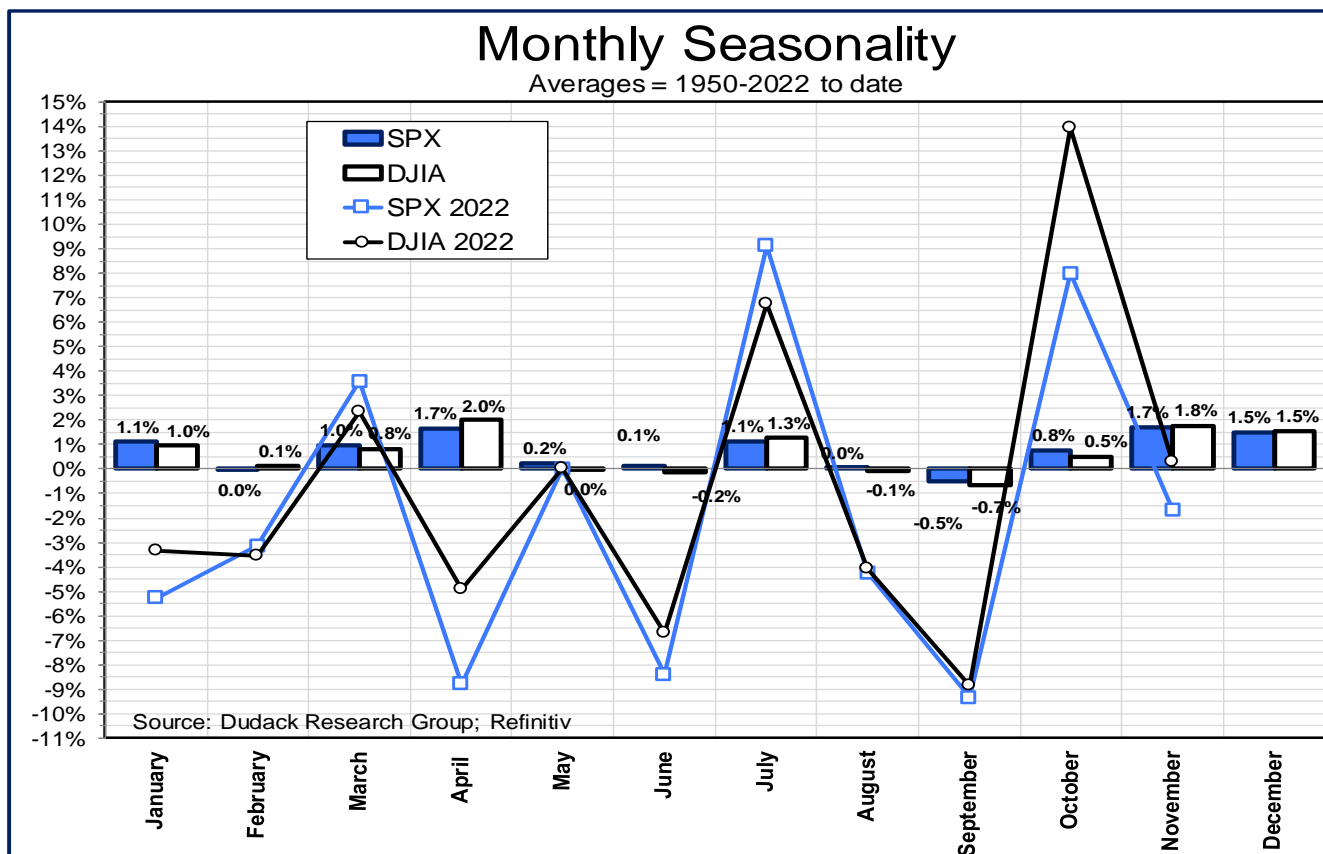
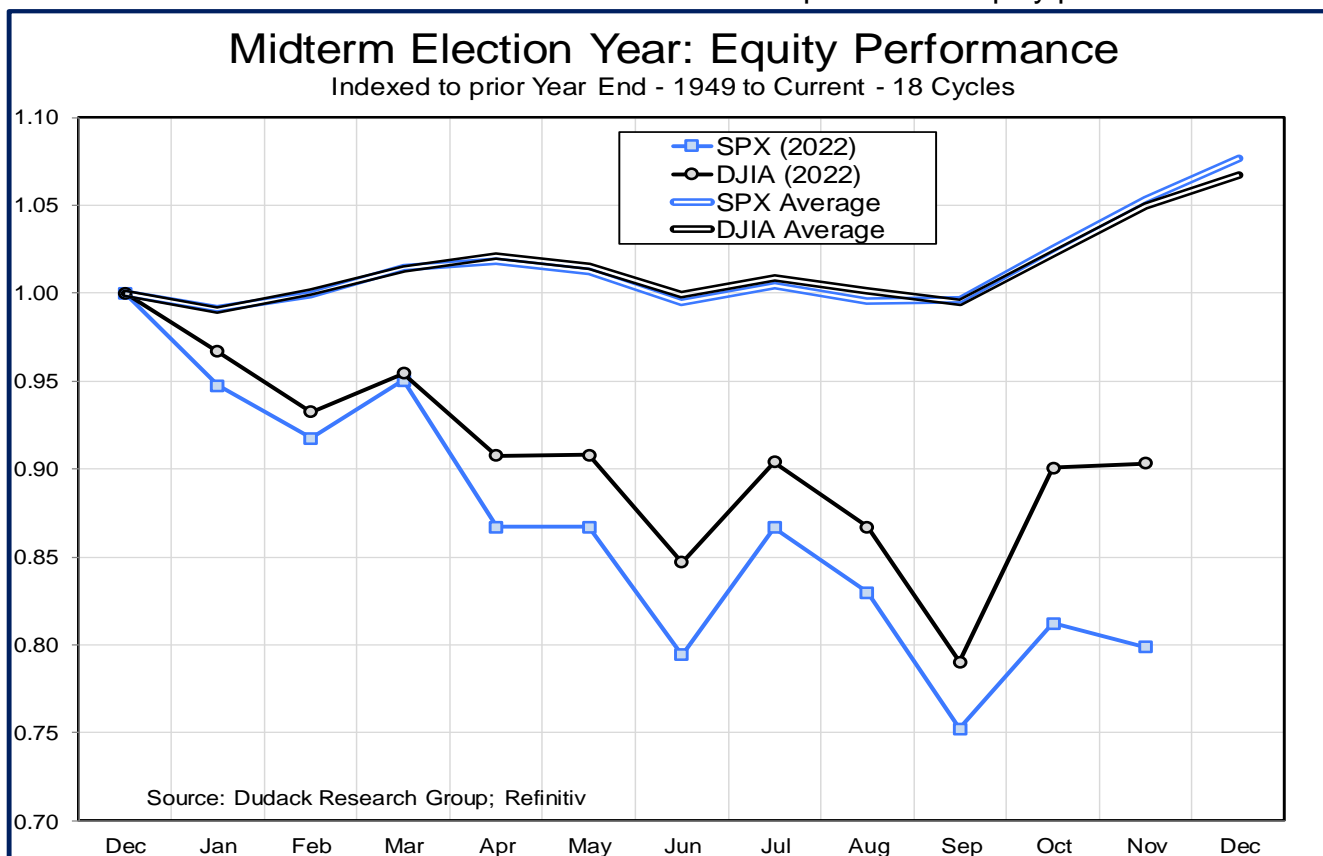
Source: Dudack Research Group; Refinitiv

Midterm Election Years: Quarterly Market Performance

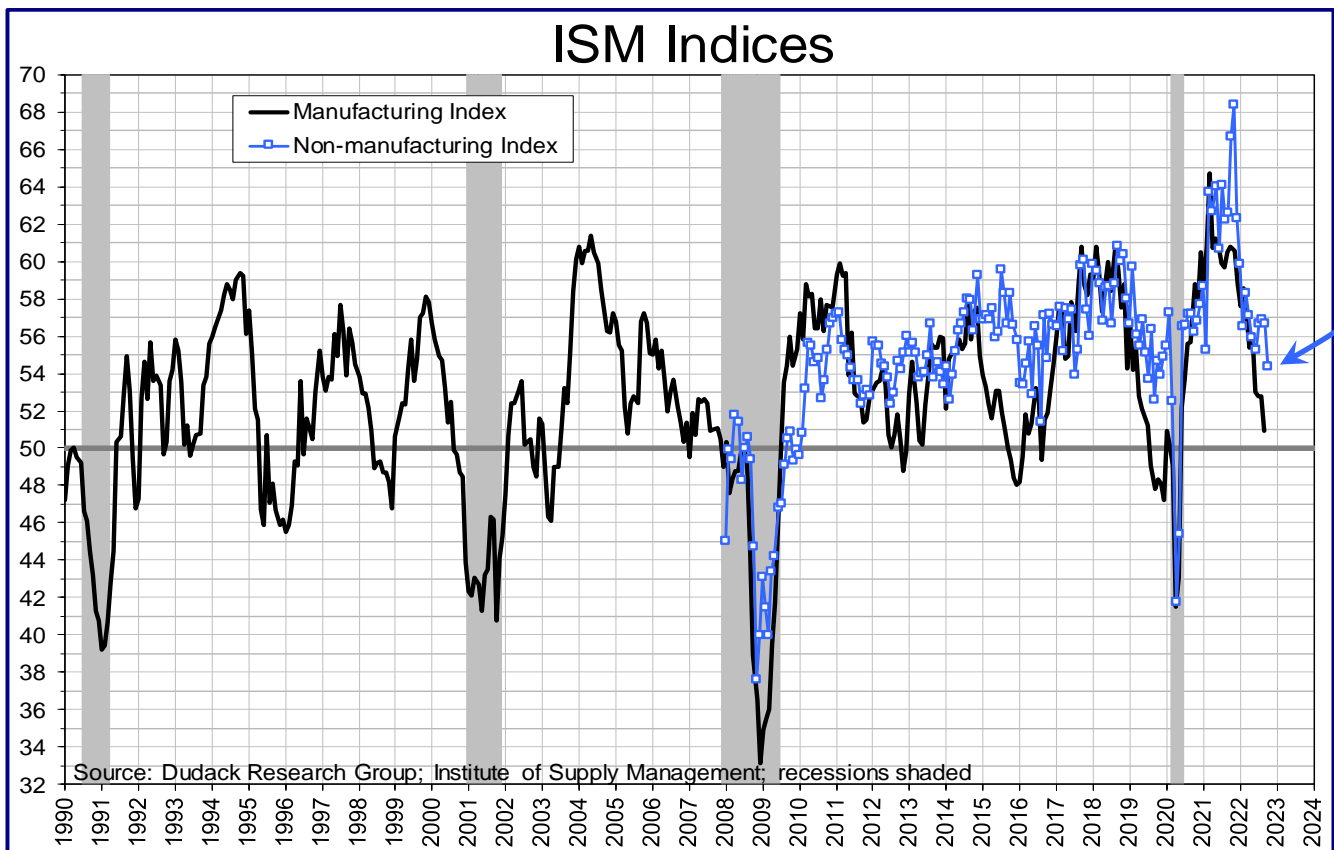
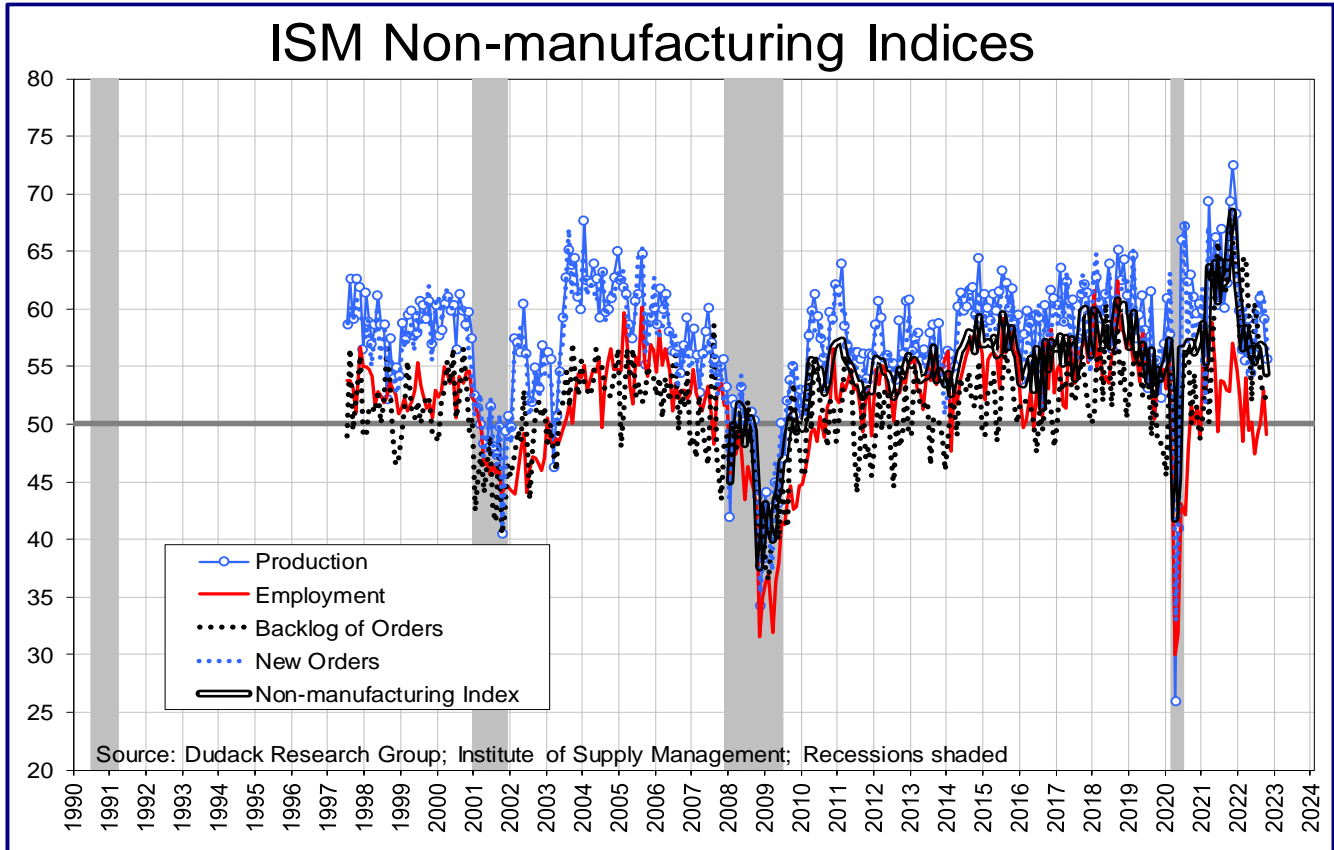
Averages: 1949 to Current - 18 Cycles



The severe underperformance of 2022 is best seen in the chart below, but this may have led to the strong rebound in October. Overall, 2022 has been extremely volatile and erratic. Nonetheless, November marks the start of the best 3-month and 6-month periods for equity prices.

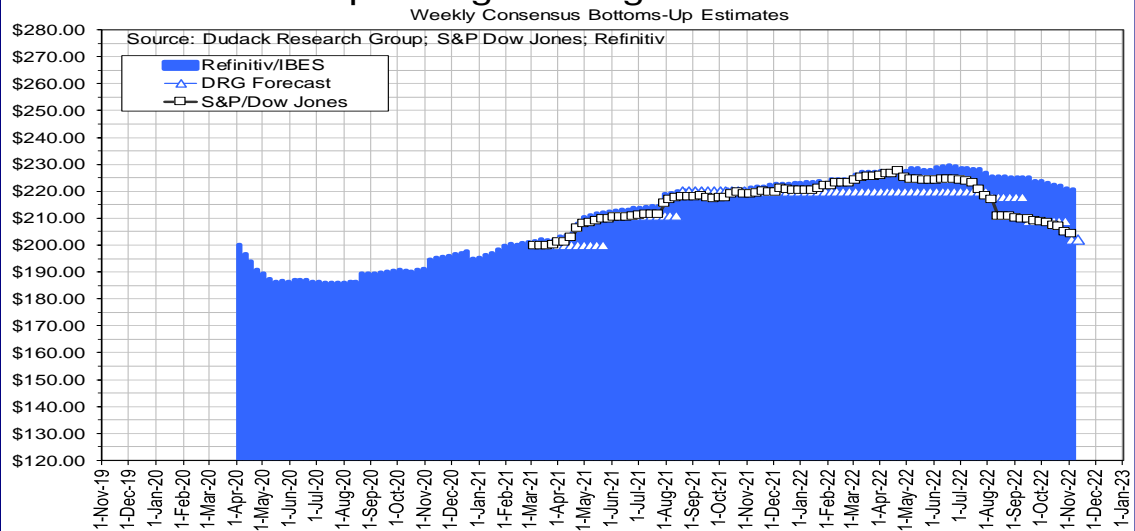


The ISM nonmanufacturing survey's composite index fell from 56.7 to 54.4 and the details of the report were unfavorable. New orders and business activity declined, and employment slipped below the neutral 50 mark. Moreover, the service sector appears to be joining the manufacturing sector which has already been in decline.

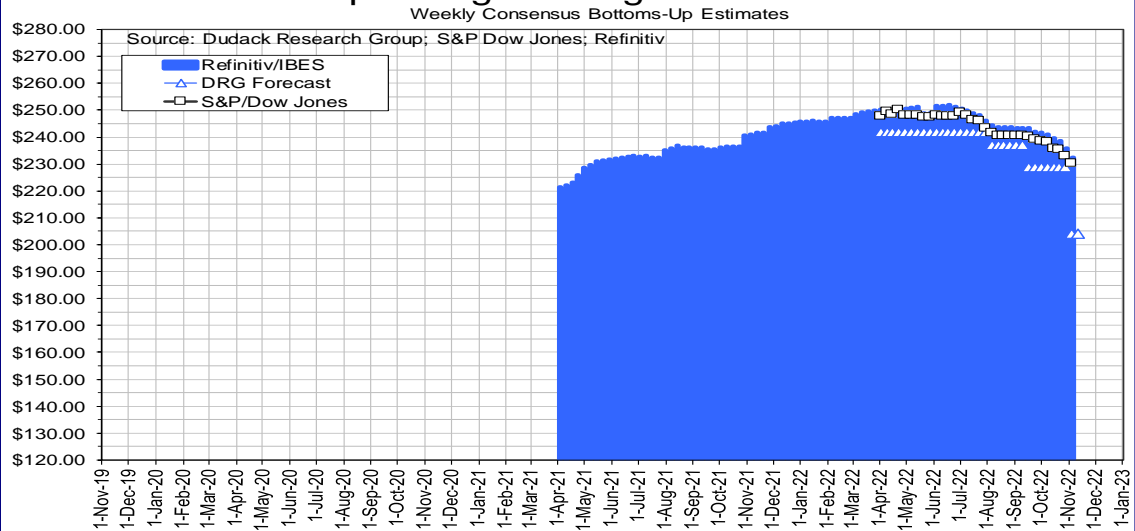


The S&P Dow Jones consensus earnings estimates for 2022 and 2023 fell \$0.57 and \$2.76, respectively. Refinitiv IBES consensus earnings forecasts fell \$0.36 and \$3.28, respectively, leaving estimates at \$204.17/\$220.91 and \$230.11/\$232.64, respectively. EPS growth rates for 2022 are (1.9%) and 6.1%, respectively. (Note: consensus macro-EPS forecasts may differ from four quarter analysts' forecast sums seen on page 16.) DRG's 2022 and 2023 estimates are slashed this week to \$202 and \$204, to reflect the weakness seen in 2022 EPS and the impact of Fed rate hikes on 2023 economic activity.

SP500 Operating Earnings Forecasts for 2022

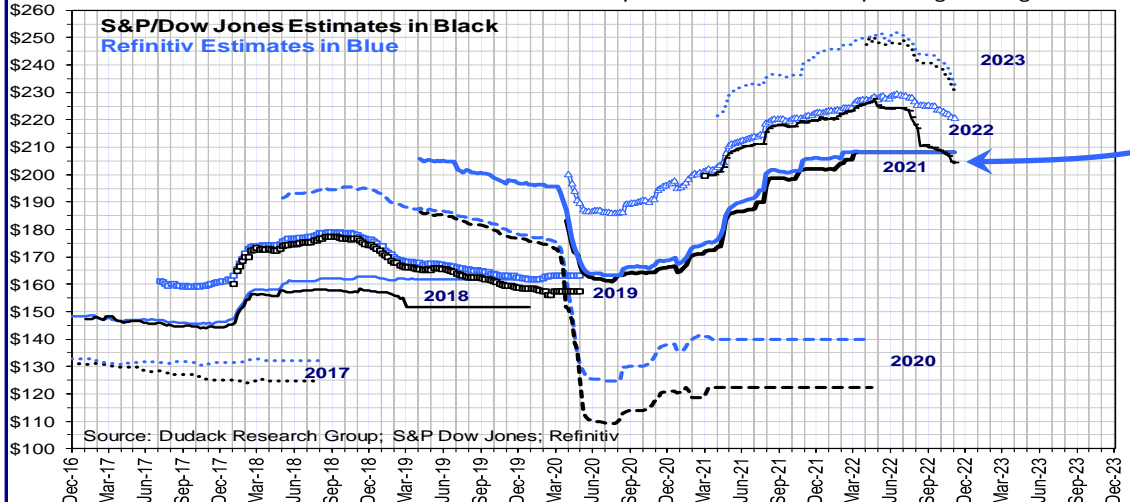


SP500 Operating Earnings Forecasts for 2023



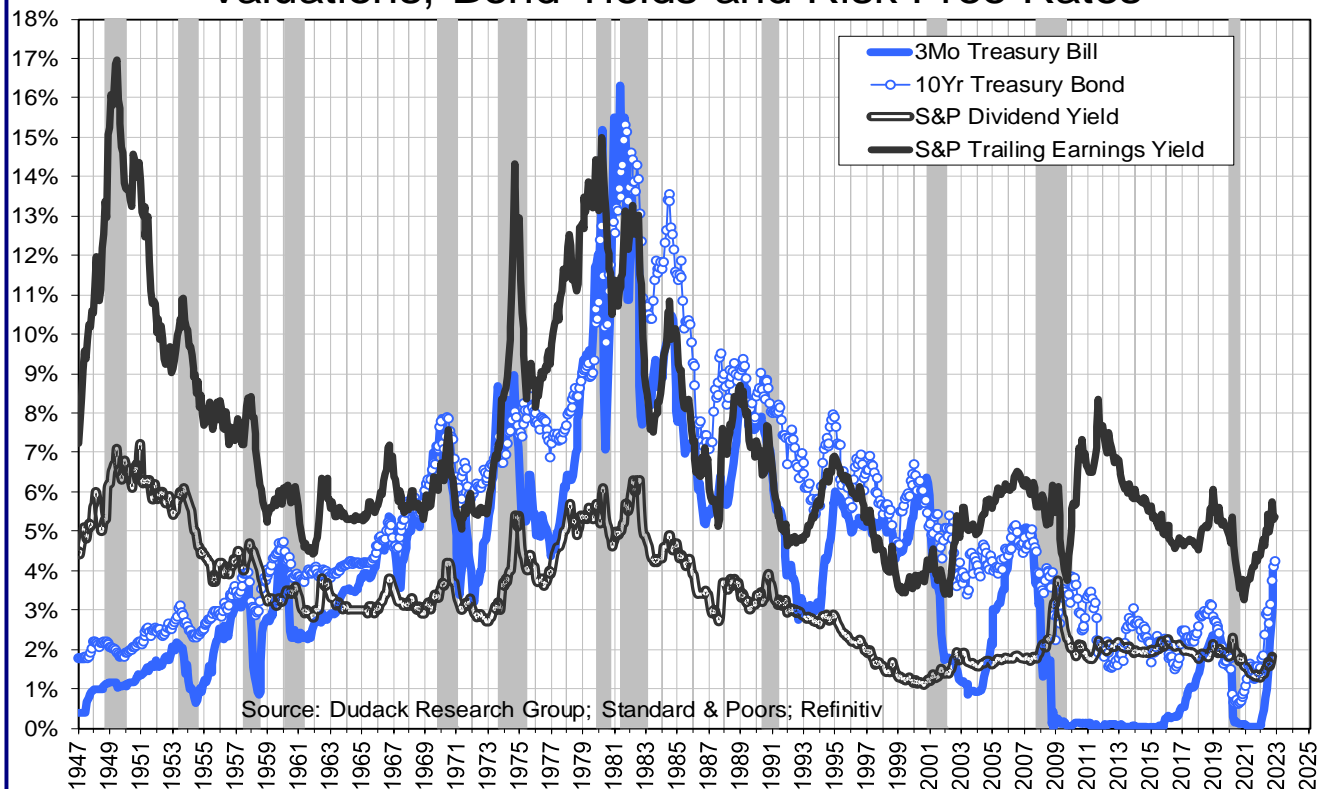
Consensus Calendarized EPS Estimates

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



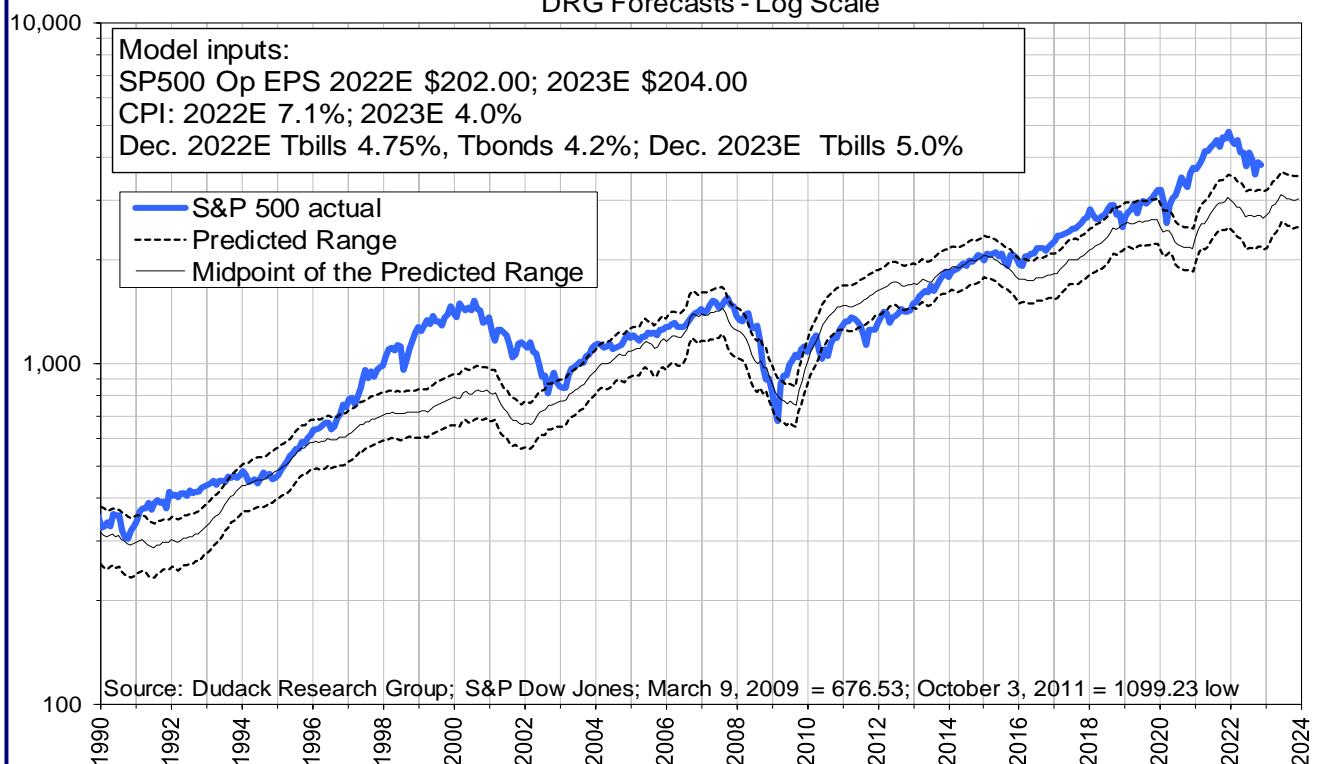
The jump in short-term interest rates from nearly zero to 4.2% currently, will have a dramatic impact on equity valuation. The current earnings yield of 5.4% and dividend yield of 1.8% still hold an edge over bonds, but barely. The increase in interest rates and decrease in EPS estimates lower the midpoints of our valuation model to SPX 2666 for 2022 and to SPX 3020 for 2023. In sum, risk continues.

Valuations, Bond Yields and Risk Free Rates

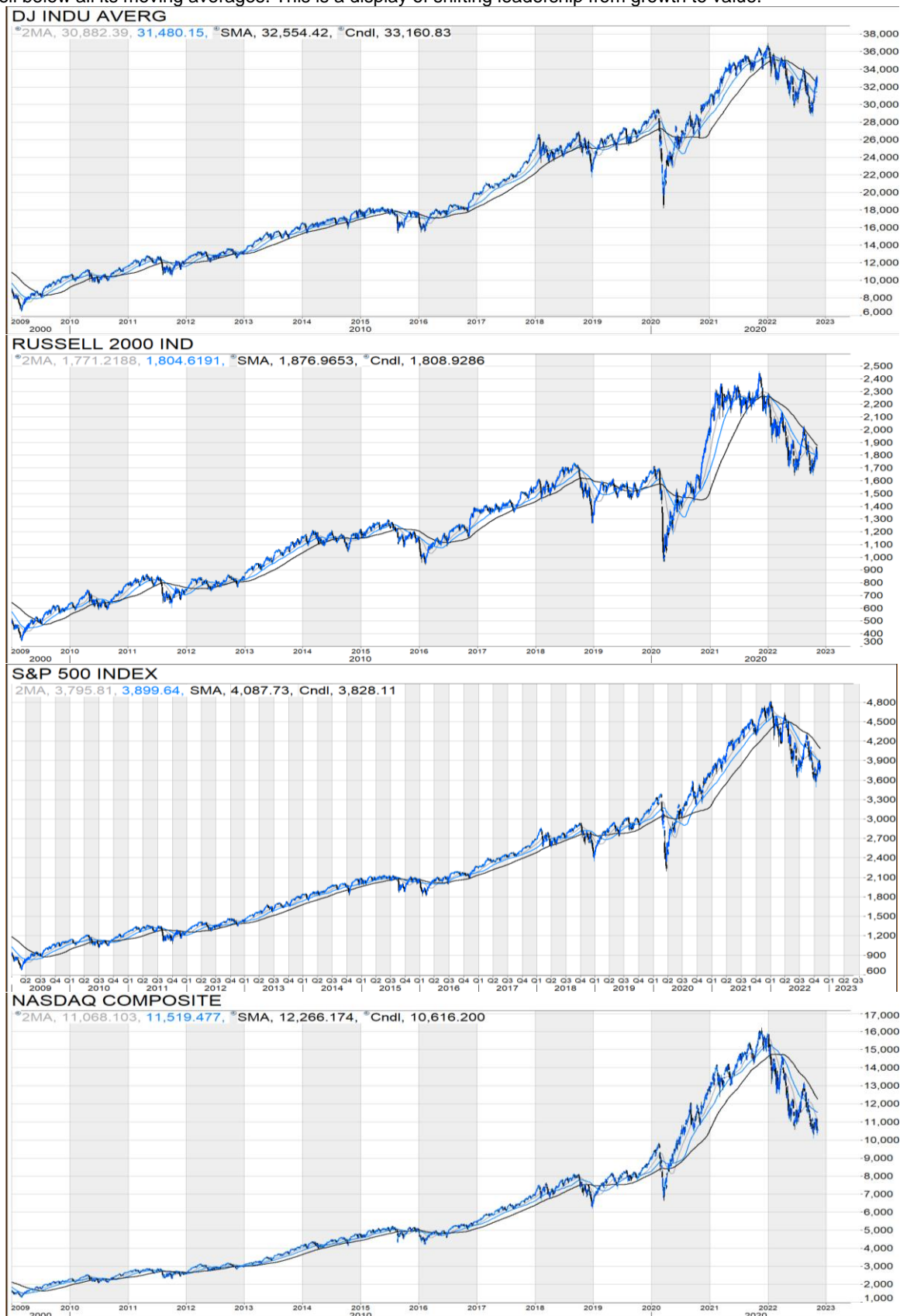


S&P 500 and Modeled Fair Value Range

DRG Forecasts - Log Scale



The indices are ordered below in terms of technical strength. The DJIA is attempting to better its long-term 200-day moving average. The RUT approached its 200-day moving average. The SPX continues to find resistance at the juncture of its 50-and-100-day averages and the IXIC is well below all its moving averages. This is a display of shifting leadership from growth to value.

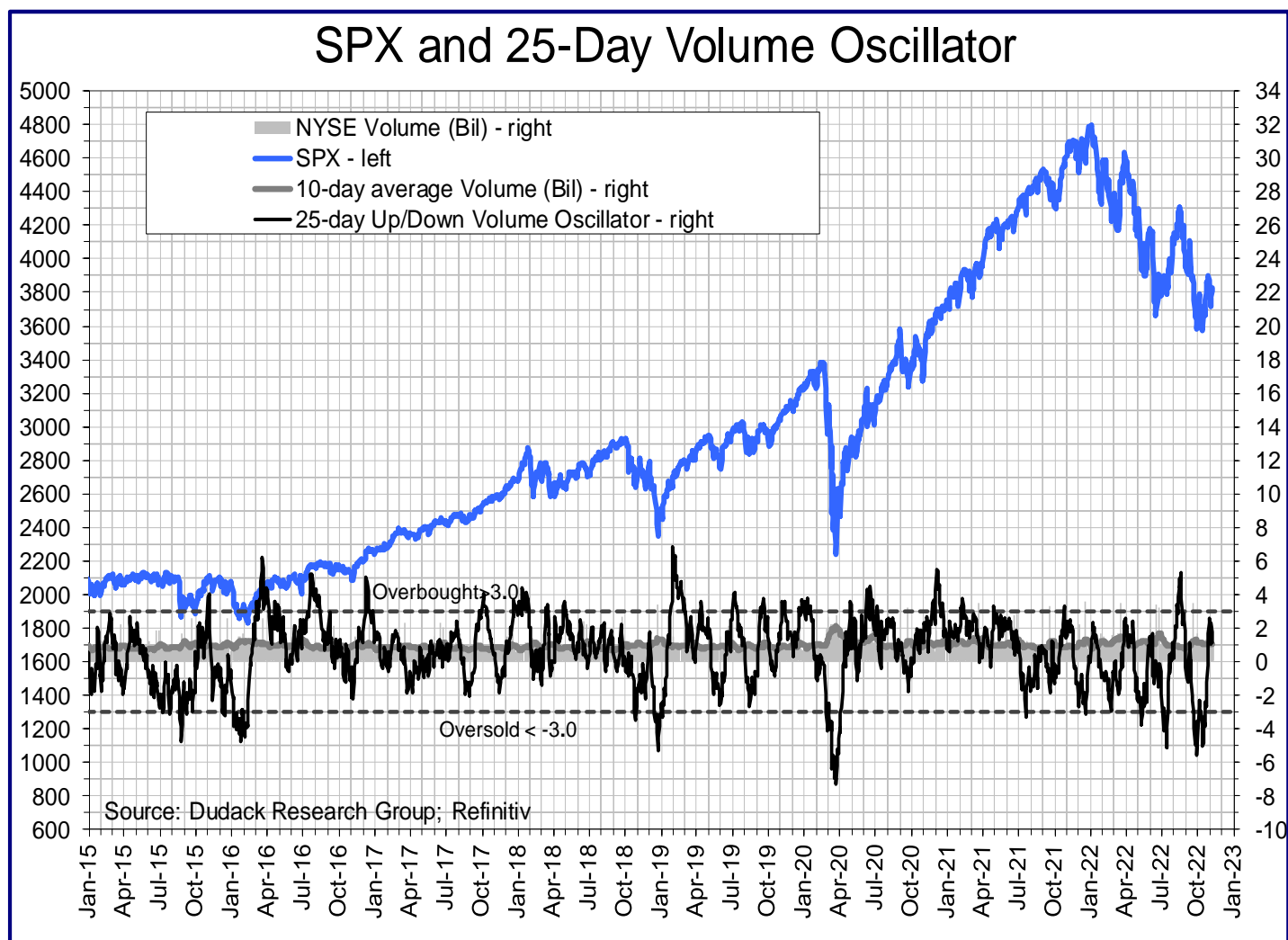


Source: Refinitiv

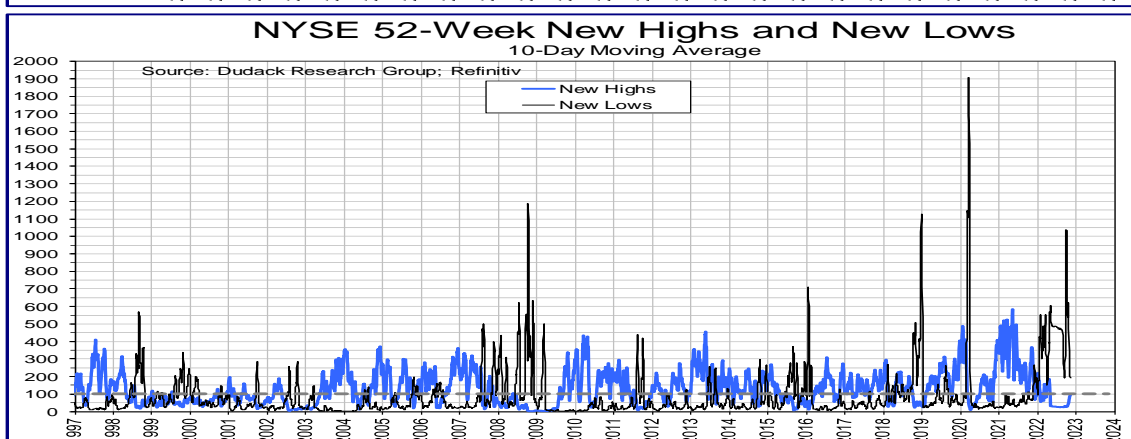
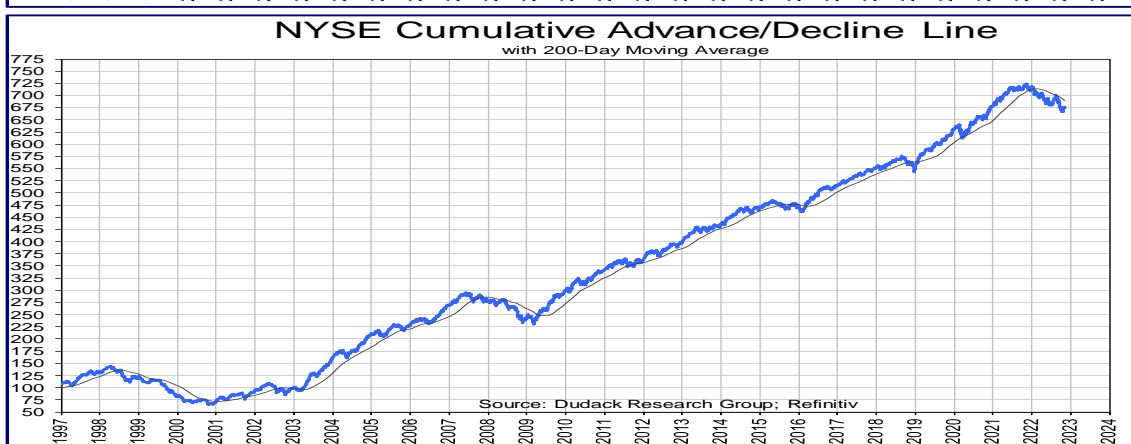
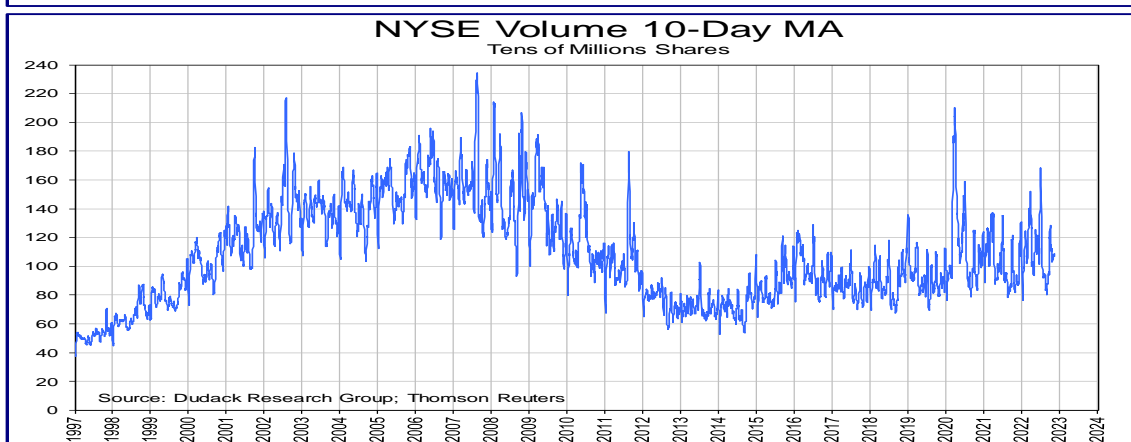
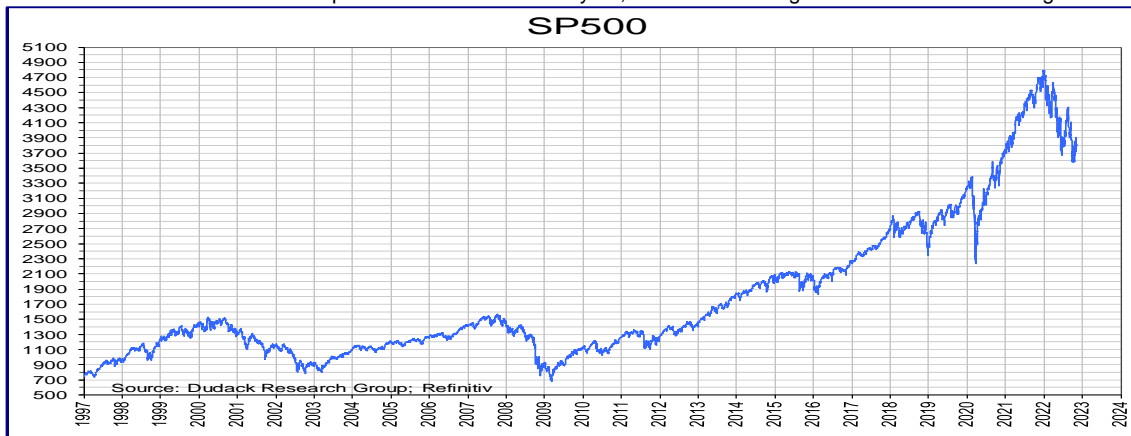
The 25-day oscillator is currently neutral with a reading of 1.11 and last week rose close to an overbought reading of 3.0 or greater before declining. This is significant since bear markets rarely reach overbought territory and if they do the reading is brief. In sum, this will be a key indicator to monitor in the coming weeks to assess the strength of any advance in prices.

The 25-day up/down volume oscillator hit an oversold reading of negative 5.6 on September 30 which was a deeper oversold reading than the negative 5.17 reading of July 14, 2022. The oscillator was in oversold territory for 8 of 10 consecutive trading sessions in July and oversold for 18 of 24 consecutive trading sessions in September/October. This is much longer than the oversold reading at the previous low which means the test of the June low was unsuccessful by several measures and the bear market continues.

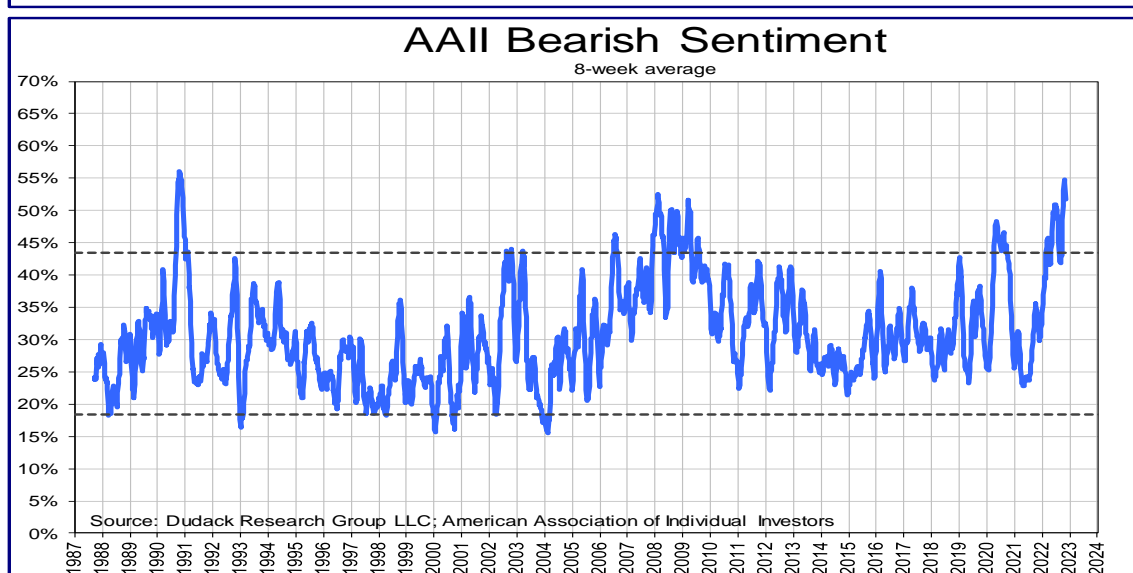
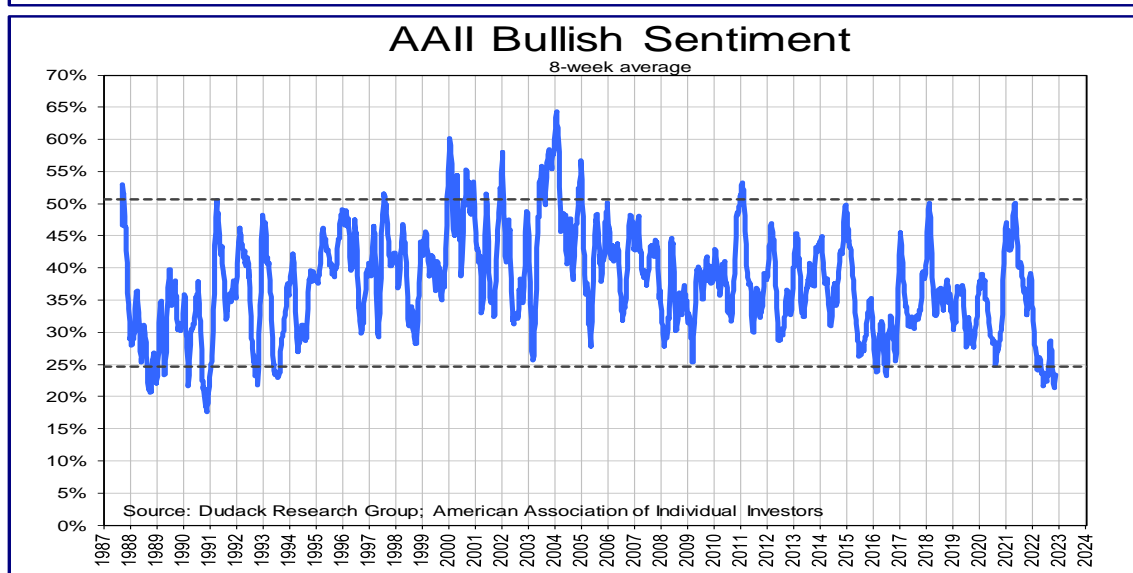
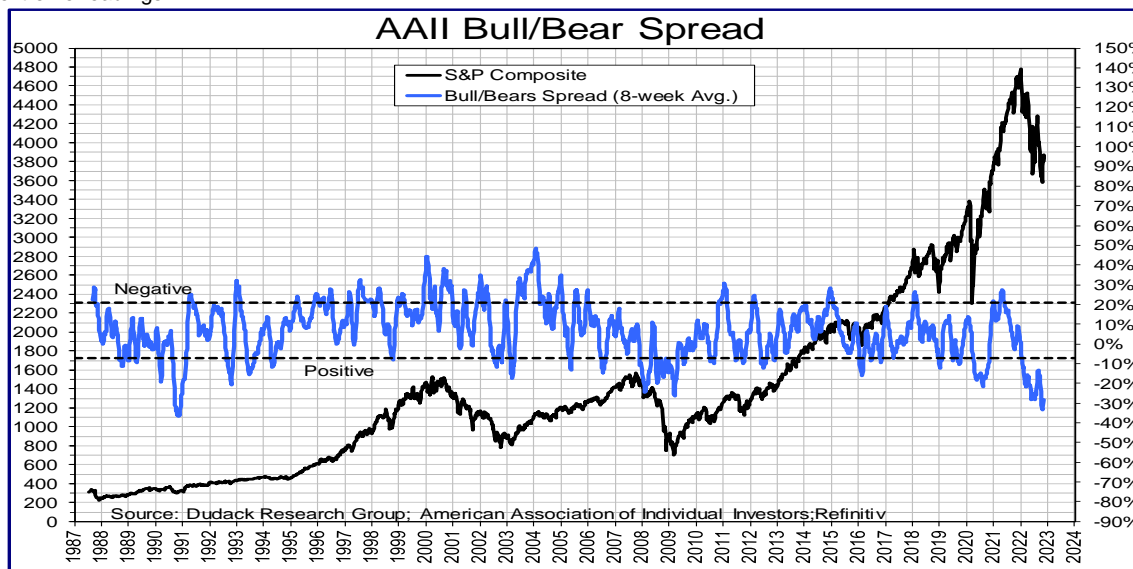
The key to a successful retest of a bear market low is whether or not a new low in price generates a new low in breadth. A successful retest will show there is less selling pressure – a less severe oversold reading -- despite a lower low in price. This “non-confirmation” of a low is a positive and implies that downside risk is subsiding.



The 10-day average of daily new highs is 94 and daily new lows are 194. This combination is negative with new highs below 100, and new lows above the 100 benchmark. The 10-day moving average of new lows was 1038 on September 26 and exceeded the previous peak of 604 made in early May. The advance/decline line fell below the June low on September 22 and is currently 46,915 net advancing issues from its 11/8/21 high – a negative sign.



Last week's AAI readings showed a 4.0% increase in bulls to 30.6% and a 12.8% decrease in bears to 32.9%. This was the lowest level of pessimism since the end of March. Neutral sentiment is the highest since April and bullishness is the highest since August. However, this survey was done prior to the last Fed rate hike. Sentiment readings were extreme on September 21, 2022, and equity prices tend to be higher in the next six and/or twelve months following such extreme readings.

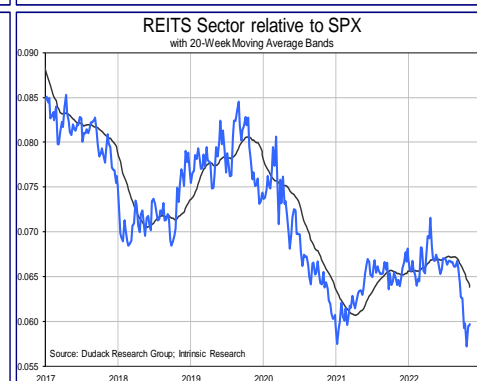
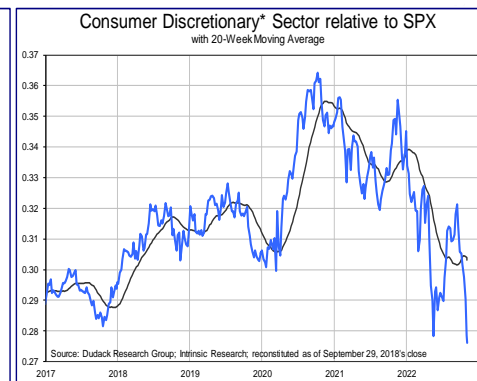
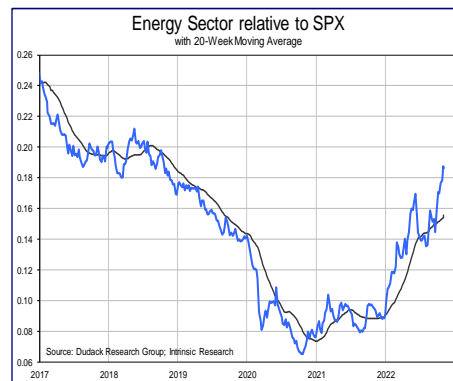


SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

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	69.0%
S&P HEALTH CARE	-5.9%
S&P CONSUMER STAPLES	-5.9%
S&P UTILITIES	-7.6%
S&P INDUSTRIALS	-8.4%
S&P FINANCIAL	-12.1%
S&P MATERIALS	-14.7%
S&P 500	-19.7%
S&P INFORMATION TECH	-29.0%
S&P REITS	-29.8%
S&P CONSUMER DISCRETIONARY	-34.4%
S&P COMMUNICATIONS SERVICES	-41.8%

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%
iShares DJ US Oil Eqpt & Services ETF	IEZ	21.91	6.9%	29.0%	52.2%	70.0%
Energy Select Sector SPDR	XLE	93.08	2.4%	13.8%	29.2%	67.7%
United States Oil Fund, LP	USO	74.47	1.8%	-0.8%	14.1%	37.0%
Oil Future	CLc1	88.91	0.6%	-4.0%	11.9%	18.2%
iShares MSCI Brazil Capped ETF	EWZ	32.67	-1.4%	0.6%	10.3%	16.4%
Gold Future	GCc1	2428.10	0.2%	0.9%	1.1%	9.7%
iShares MSCI Mexico Capped ETF	EWX	52.31	1.4%	15.1%	18.3%	3.4%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
iShares MSCI India ETF	INDA.K	43.46	2.5%	7.6%	6.6%	-5.2%
Health Care Select Sect SPDR	XLV	132.87	0.0%	8.4%	9.7%	-5.7%
Consumer Staples Select Sector SPDR	XLP	72.70	0.3%	9.3%	8.9%	-5.7%
SPDR Gold Trust	GLD	159.45	3.9%	1.0%	3.1%	-6.7%
Utilities Select Sector SPDR	XLU	66.27	-1.1%	3.9%	1.2%	-7.4%
Silver Future	SLc1	21.48	9.2%	6.4%	13.3%	-7.9%
iShares Silver Trust	SLV	20.53	8.9%	6.4%	12.4%	-8.3%
Industrial Select Sector SPDR	XLI	96.93	2.8%	13.8%	17.0%	-8.4%
SPDR DJIA ETF	DIA	331.71	1.6%	13.2%	15.5%	-8.7%
DJIA	.DJI	33160.83	1.6%	13.2%	15.4%	-8.7%
iShares Russell 1000 Value ETF	IWD	150.75	0.5%	8.6%	10.9%	-10.2%
SPDR S&P Bank ETF	KBE	48.41	-0.4%	6.3%	9.3%	-11.3%
Financial Select Sector SPDR	XLF	34.45	1.1%	11.5%	13.5%	-11.8%
iShares MSCI Canada ETF	EWC	33.81	2.0%	8.5%	9.9%	-12.0%
iShares MSCI United Kingdom ETF	EWU	28.96	2.1%	8.7%	10.5%	-12.6%
iShares MSCI Australia ETF	EWA	21.49	2.3%	6.7%	9.5%	-13.5%
iShares Russell 2000 Value ETF	IWN	143.41	-1.5%	8.8%	11.2%	-13.6%
iShares Nasdaq Biotechnology ETF	IBB.O	130.35	0.5%	9.7%	11.4%	-14.6%
Materials Select Sector SPDR	XLB	77.32	4.1%	11.3%	13.7%	-14.7%
Shanghai Composite	.SSEC	3064.49	3.2%	1.3%	-0.8%	-15.8%
iShares MSCI Malaysia ETF	EWM	20.81	0.2%	2.6%	3.1%	-16.9%
iShares MSCI Singapore ETF	EWS	17.65	1.8%	2.1%	3.2%	-17.5%
PowerShares Water Resources Portfolio	PHO	49.78	-0.9%	6.6%	8.8%	-18.2%
iShares Russell 2000 ETF	IWM	179.56	-2.2%	6.5%	8.9%	-19.3%
SP500	.SPX	3828.11	-0.7%	5.2%	6.8%	-19.7%
iShares Russell 1000 ETF	IWB	210.27	-0.9%	4.9%	6.6%	-20.5%
iShares MSCI EAFE ETF	EFA	61.63	3.1%	8.4%	10.0%	-21.7%
Vanguard FTSE All-World ex-US ETF	VEU	47.96	3.4%	6.5%	8.1%	-21.7%
iShares MSCI Hong Kong ETF	EWH	17.98	7.7%	-4.4%	-1.4%	-22.5%
iShares MSCI Japan ETF	EWJ	51.90	3.0%	4.2%	6.2%	-22.5%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	101.17	-0.6%	-1.2%	-1.2%	-23.7%
iShares Russell 2000 Growth ETF	IWO	219.82	-3.0%	4.1%	6.4%	-25.0%
iShares MSCI Emerg Mkts ETF	EEM	36.48	4.8%	2.3%	4.6%	-25.3%
iShares MSCI Austria Capped ETF	EWO	18.64	8.6%	17.2%	20.2%	-26.8%
iShares MSCI South Korea Capped ETF	EWY	55.92	6.1%	13.3%	18.1%	-28.2%
iShares MSCI BRIC ETF	BKF	32.04	5.5%	-1.4%	0.3%	-28.4%
iShares US Real Estate ETF	IYR	83.08	-0.9%	5.7%	2.0%	-28.5%
Technology Select Sector SPDR	XLK	124.19	-2.1%	2.8%	4.6%	-28.6%
iShares Russell 1000 Growth ETF	IWF	215.49	-2.3%	1.3%	2.4%	-29.5%
iShares MSCI Germany ETF	EWG	22.85	4.0%	14.3%	15.8%	-30.3%
Nasdaq Composite Index Tracking Stock	ONEQ.O	41.73	-2.4%	-0.2%	0.7%	-31.5%
SPDR S&P Retail ETF	XRT	61.58	-2.3%	5.7%	9.1%	-31.8%
SPDR S&P Semiconductor ETF	XSD	165.62	4.1%	6.4%	8.9%	-31.9%
NASDAQ 100	NDX	11059.50	-2.0%	0.2%	0.8%	-32.2%
iShares US Telecomm ETF	IYZ	22.20	-3.7%	5.1%	6.3%	-32.5%
SPDR Homebuilders ETF	XHB	57.21	-1.5%	0.1%	4.6%	-33.3%
Consumer Discretionary Select Sector SPDR	XLY	136.20	-4.5%	-3.2%	-4.4%	-33.4%
iShares MSCI Taiwan ETF	EWT	43.93	4.3%	0.9%	1.9%	-34.0%
iShares China Large Cap ETF	FXI	23.94	9.6%	-9.2%	-7.4%	-34.6%
iShares 20+ Year Treas Bond ETF	TLT	94.30	-2.6%	-6.6%	-8.0%	-36.4%

Outperformed SP500

Underperformed SP500

Source: Dudack Research Group; Thomson Reuters

Priced as of November 8, 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	~~~~~	\$185.38	\$204.17	\$202.00	-3.0%	\$220.91	6.1%	17.6X	NA	NA	NA	NA
2023E	~~~~~	\$206.53	\$230.10	\$204.00	1.0%	\$232.64	5.3%	16.6X	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%	1.7%	\$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%	2.0%	\$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%	3.4%	\$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%	4.1%	\$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%	2.8%	\$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%	2.8%	\$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%	2.9%	\$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%	0.7%	\$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%	2.2%	\$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%	2.7%	\$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%	3.6%	\$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%	1.8%	\$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%	-4.6%	\$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%	-29.9%	\$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%	35.3%	\$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%	3.9%	\$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%	7.0%	\$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%	2.7%	\$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%	7.0%	\$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 2Q	3785.38	\$42.74	\$46.87	\$46.87	-9.9%	\$57.62	9.6%	18.5	1.7%	-0.6%	\$2,620.40	7.4%
2022 3QE	3585.62	\$47.21	\$52.79	\$52.00	0.0%	\$55.97	4.2%	18.5	1.8%	2.6%	NA	NA
2022 4QE*	3828.11	\$49.44	\$55.15	\$53.77	-5.2%	\$55.37	2.6%	18.7	NA	NA	NA	NA

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

11/8/2022

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