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January 25, 2023

DJIA: 33733.96
SPX: 4016.95
NASDAQ: 11334.27

US Strategy Weekly

It's All About Earnings

Inflation

S&P Global said its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, rose to 46.6 this month from a final reading of 45.0 in December. This was the first uptick since September; nevertheless, the index remains well below a key reading of 50 that is used to define contraction or growth in the private sector. Yet in a more worrisome sign in our view, the survey's measures of input prices for both US services firms and goods producers rose month-over-month for the first time since last May. <u>This bump in input prices may signal to the Federal Reserve that it needs to keep monetary policy tight and move interest rates higher if it is going to bring inflation back to its 2% target.</u> And, inflation is a global problem as seen in Australian inflation, which shot to a 33-year high in the last quarter as the cost of travel and electricity jumped. Australia's central bank is expected to raise interest rates again at a policy meeting next week. The Federal Reserve is expected to raise interest rates 25 basis points at its next meeting which ends on February 1.

The Debt Ceiling

Meanwhile, there are a few important issues brewing in the background. The current standoff in Washington over raising the $31.4 trillion federal debt ceiling is a significant risk to equity investors. Government shutdowns may seem like a routine part of governing since it has happened three times in the past 10 years. A partisan fight over healthcare spending led to a 16-day shutdown in October 2013. Disputes over immigration led to a three-day shutdown in January 2018 and a 35-day shutdown between December 2018 and January 2019. Last week Treasury Secretary Janet Yellen indicated that although the country has reached its current $31.4 trillion borrowing cap, the Treasury can continue to pay its bills until June by shuffling money between various accounts. But after that point, when the "normal" extraordinary measures are exhausted, the Treasury would run out of money from tax receipts to cover bond payments, workers' salaries, Social Security checks and other bills. In short, <u>the US Congress has a five-month window to find a solution, but a missed debt payment by the US government would send shockwaves through the global financial markets.</u>

The FAANGs

This week the US Justice Department took a big step toward reducing big tech dominance when it accused Alphabet Inc.'s (GOOGL.O - $97.70) Google of abusing its dominance in digital advertising. The government said Google should be forced to sell its ad manager suite, which generated about 12% of Google's revenues in 2021, however this suite also plays a vital role in the search engine and cloud company's overall sales. Advertising is responsible for about 80% of Google's revenue. The federal government also said its Big Tech investigations and lawsuits are aimed at a group of powerful companies that include Amazon.com, Inc. (AMZN.O - $96.32), Facebook owner Meta Platforms, Inc. (META.O - $143.14) and Apple Inc. (AAPL.O - $142.53) with a goal of leveling the playing field so smaller rivals can compete. In our opinion, these <u>government lawsuits also mean that earnings for</u>

many of the stock market's biggest players and largest earners are unsustainable and are likely to come down. And while many of these stocks have been beaten down in the last twelve months and have rallied smartly in the early part of this year, their leadership role in the equity market is most likely over.

It's All About Earnings

The stock market has been driven wildly up and down in recent months based upon its changing view of inflation and Fed policy. However, the actual performance of the equity market will be ultimately based upon the pace of economic activity and the trend in earnings. The initial estimate for fourth quarter GDP will be released later this week, but the data for third quarter GDP showed that corporate profits at the end of September were basically unchanged year-over-year. According to S&P Dow Jones, S&P 500 profits are estimated to be negative on a year-over-year basis in the fourth quarter. Note that S&P earnings growth has turned negative only 15 times since 1946, and eleven of those times it was linked to an economic recession. See page 7.

Moreover, the relationship between GDP and S&P earnings is meaningful since the two are highly correlated. Therefore, it is also meaningful that S&P earnings have been outperforming GDP since June 2020, due in large part to post-pandemic stimulus that has now ended. In short, both monetary and fiscal stimulus gave a temporary and artificial boost to earnings growth for a time. However, whenever corporate earnings have been outperforming underlying economic activity, history shows that this outperformance in earnings is unsustainable. In other words, outperformance is typically followed by underperformance. See page 7. This combined with the government's attack on the business models of many large technology companies implies a risk to S&P earnings in the quarters ahead. Again, we would emphasize sectors and companies with defensive and predictable earnings growth streams such as energy, staples, utilities, aerospace & defense, and companies where the PE multiple is in line with the company's earnings growth rate.

Weak Economic Signals

Signs of a slowing economy continue to grow, and this includes the third consecutive month of weakness in industrial production, and the tenth consecutive decline in the Conference Board Leading Economic Indicator. The LEI displayed widespread weakness in December, indicating deteriorating conditions for labor markets, manufacturing, housing, and financial markets. Conference Board economists have indicated that the persistent weakness in the LEI is signaling a recession in the near term. See page 3.

Historically, home prices and retail sales have been strongly correlated and both have been decelerating for all of 2022. Worrisome for us is the fact that real retail sales (adjusted for inflation) have been negative in five of the last ten months. Negative readings have been linked to recessions. Also note that as the Fed continues to raise rates, the affordability of homes is deteriorating and is apt to send the residential housing market into a deeper recession. See page 4. Although the NAHB Single-Family Index has been declining since its peak in November 2020, January's survey experienced a small increase from recessionary levels. Meanwhile, December's new residential permits and housing starts were down 29.9% YOY and 21.8% YOY, respectively. See page 5.

New home sales in November were 15.3% lower than a year earlier, down to an annualized level of 640,000 units. Existing home sales were down 34% YOY in December to a new cyclical low of 4.02 million units on an annualized basis. As seen on page 6, similar declines have occurred in recession years. In sum, January's rally has been impressive in many ways, and we particularly like the breakout in the Russell 2000 chart (see page 9) but there are storm clouds on the horizon. We fear prices are beginning to price in a Fed pivot and this would be premature. We remain cautious.

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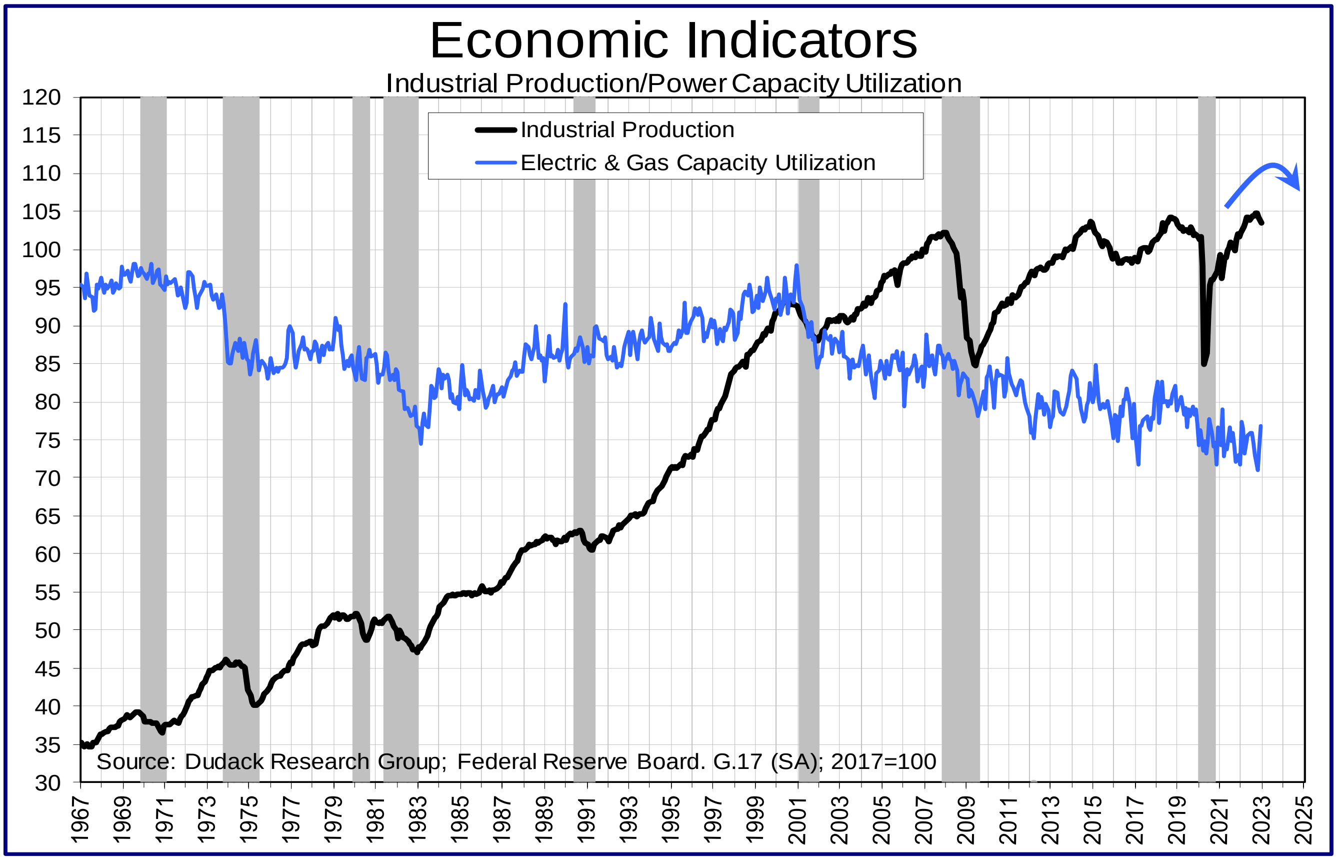
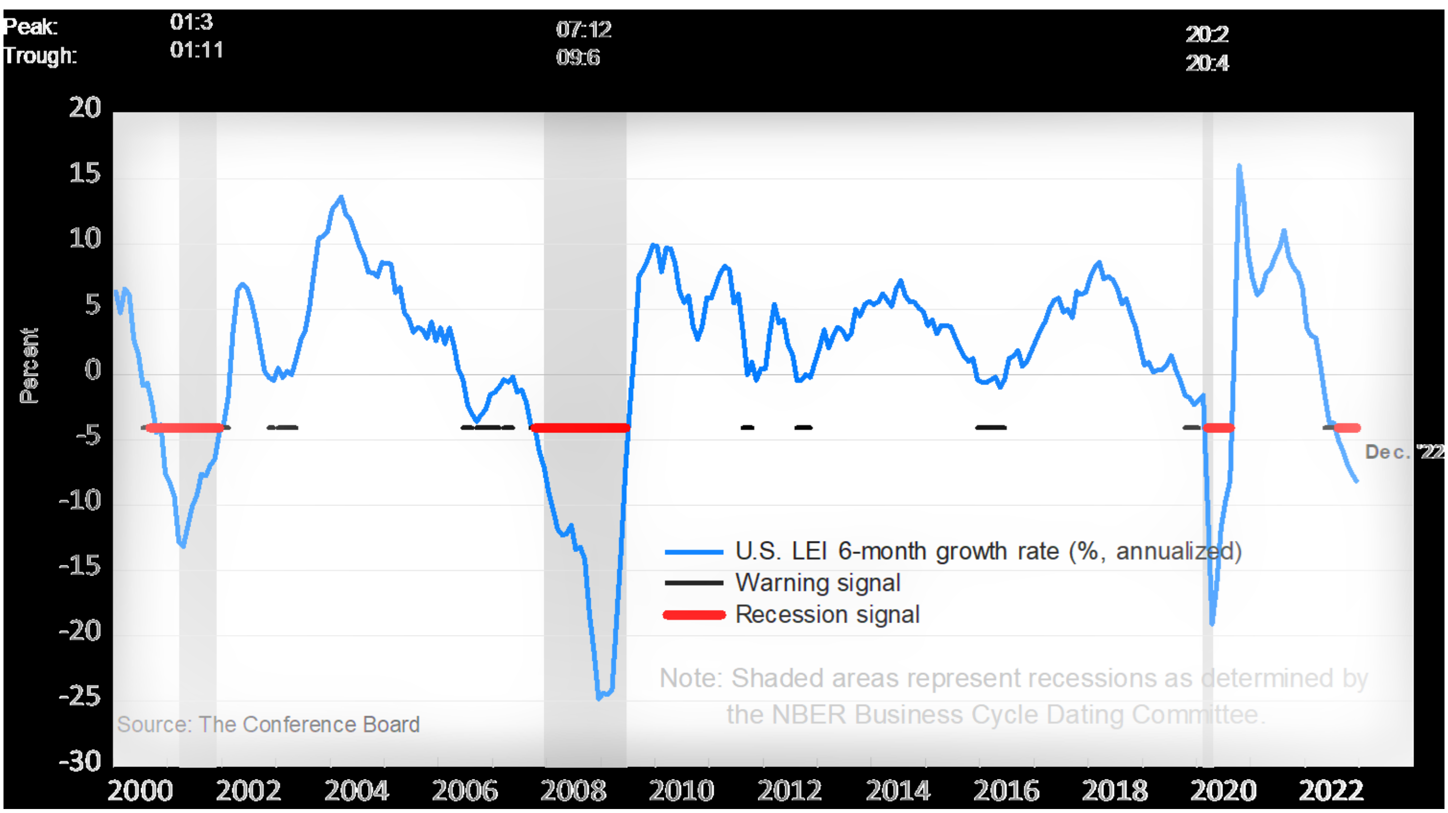


The Trajectory of the US LEI Continues to Signal a Recession



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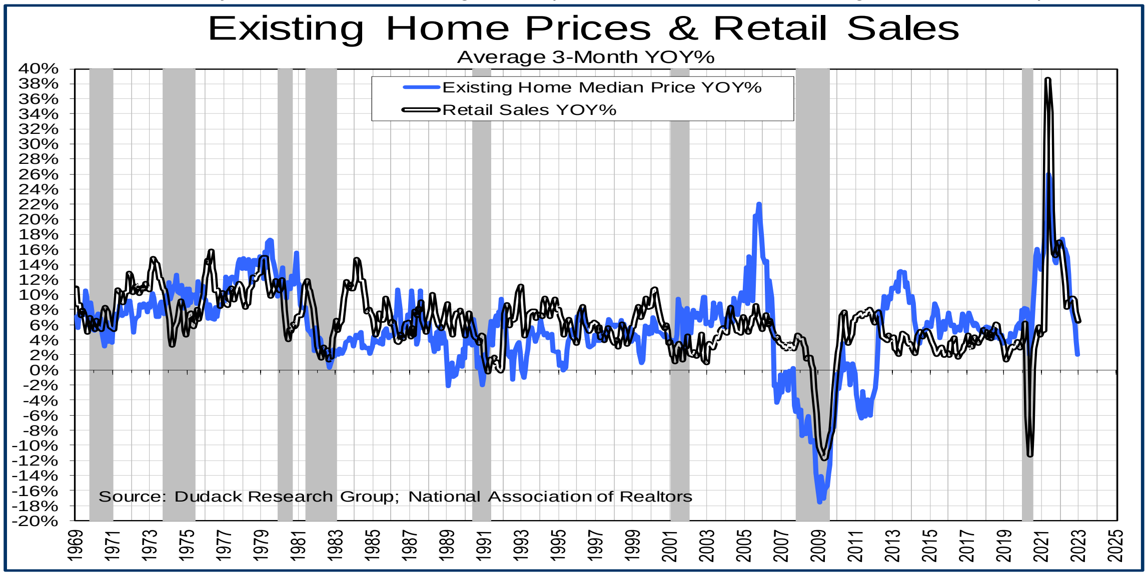

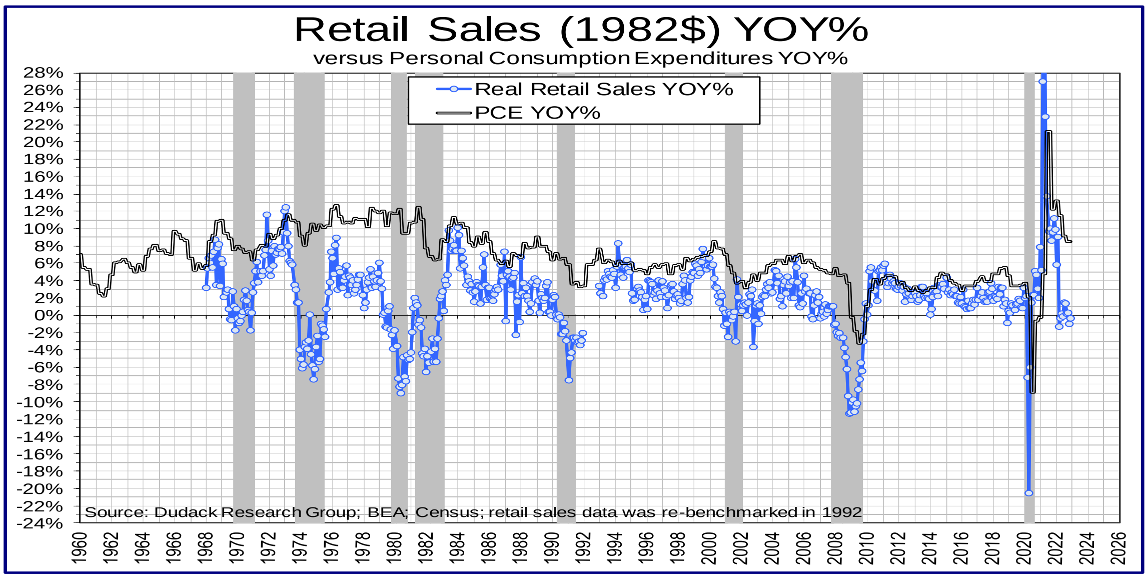

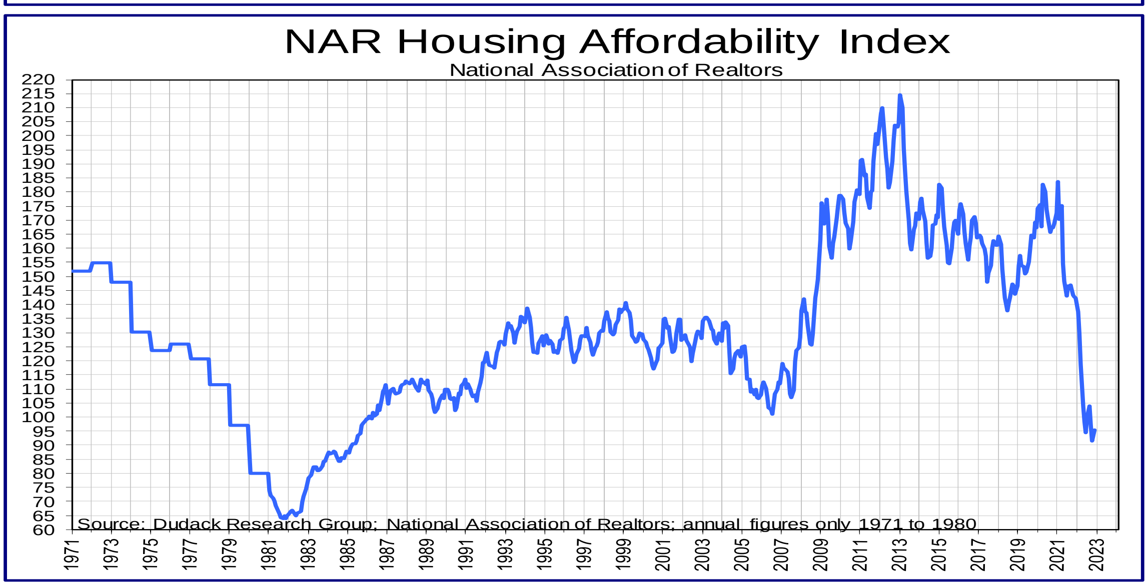

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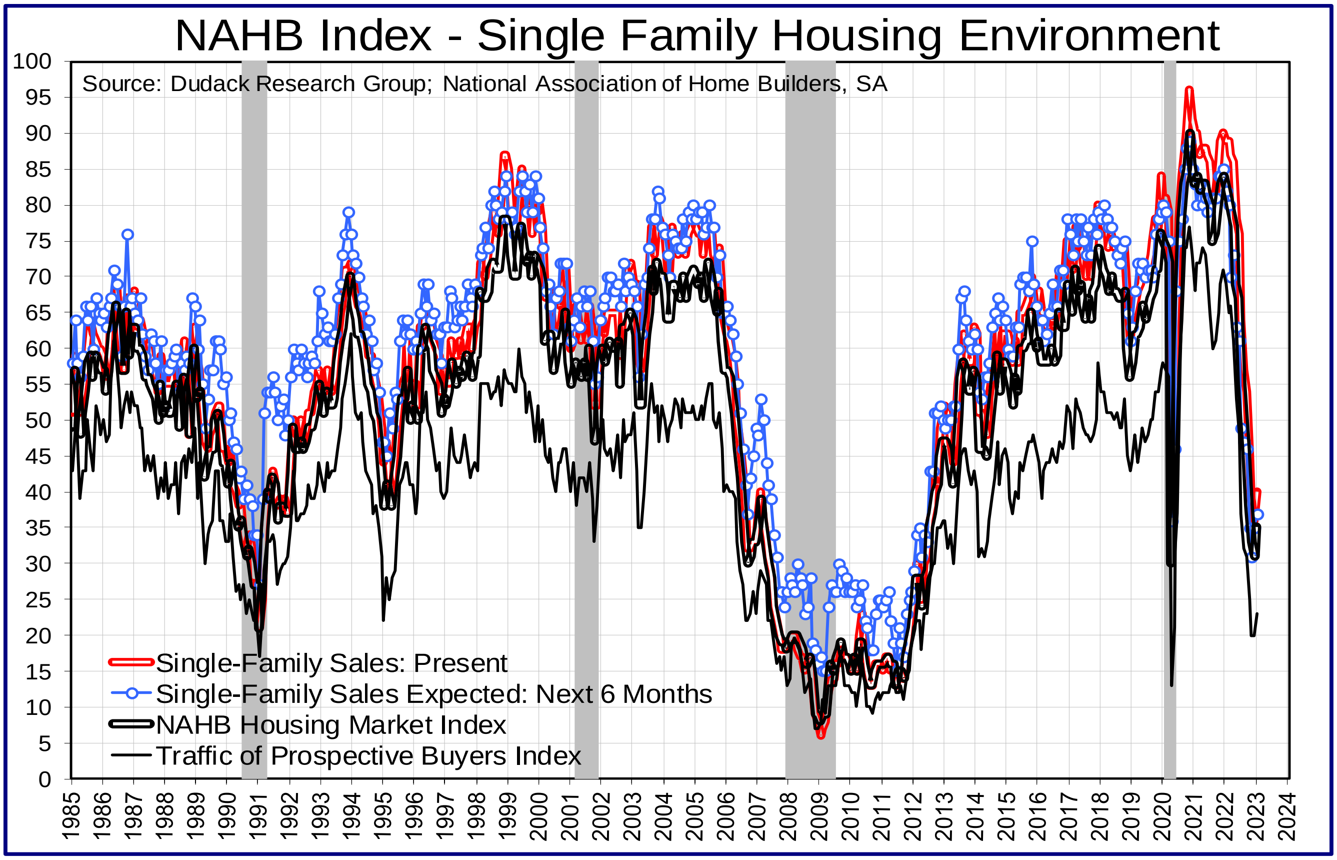
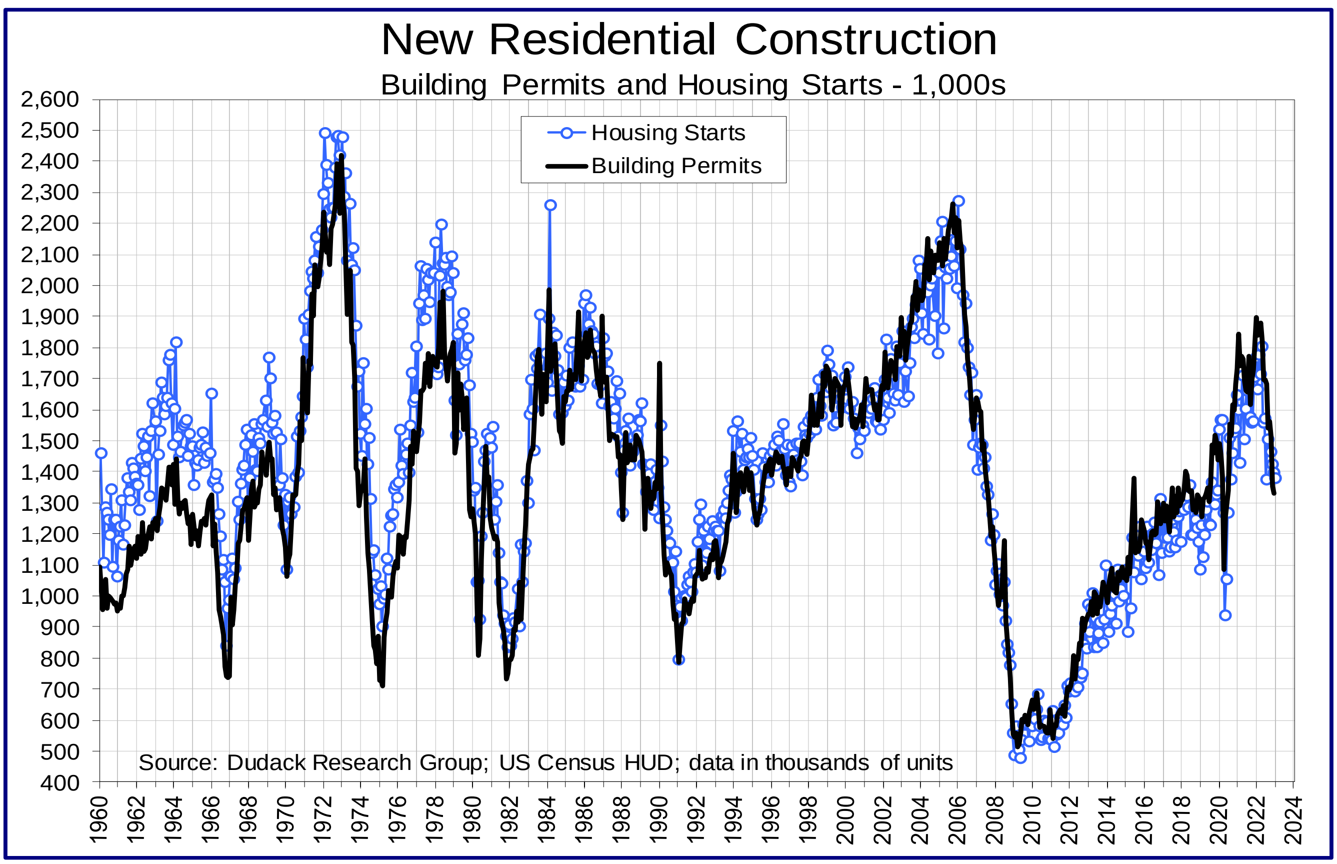
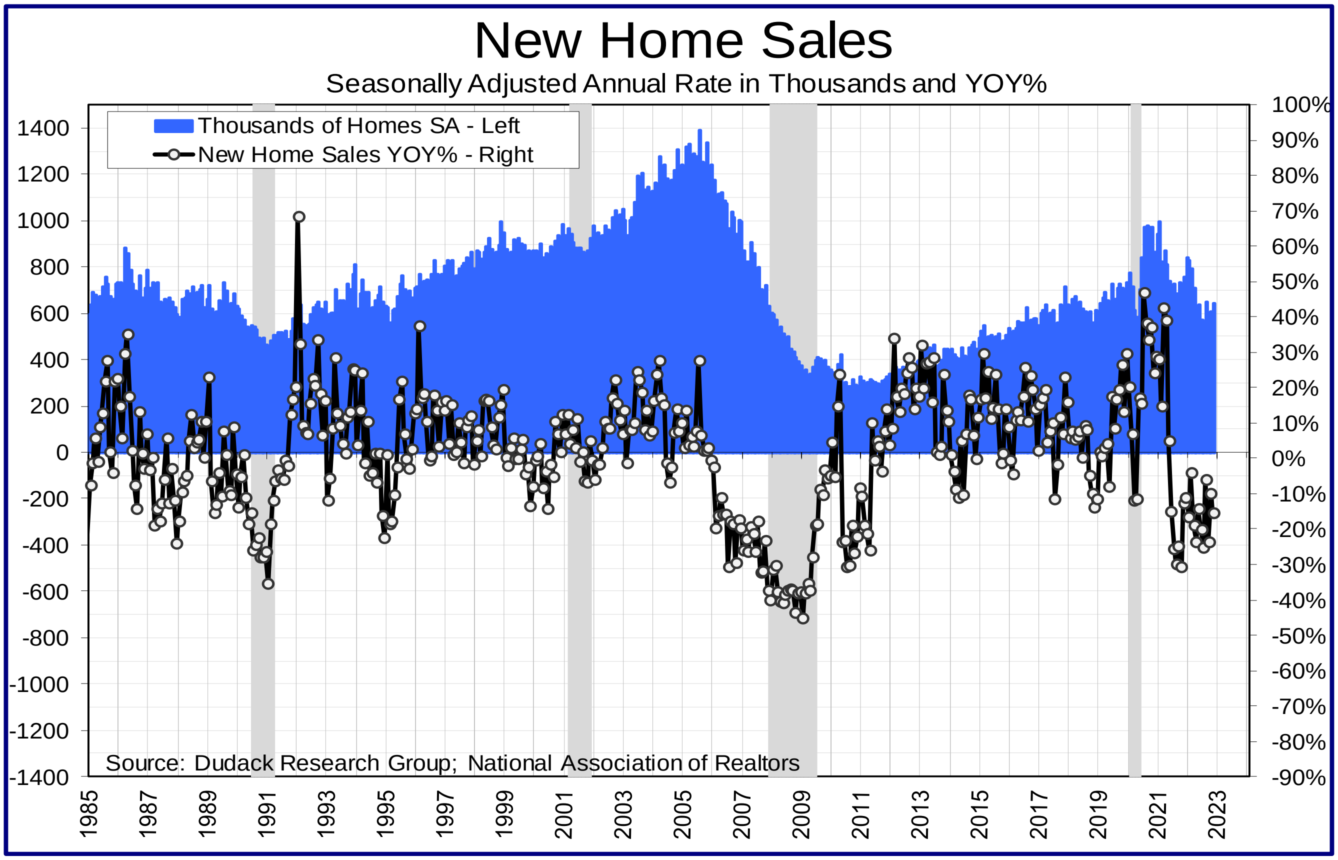
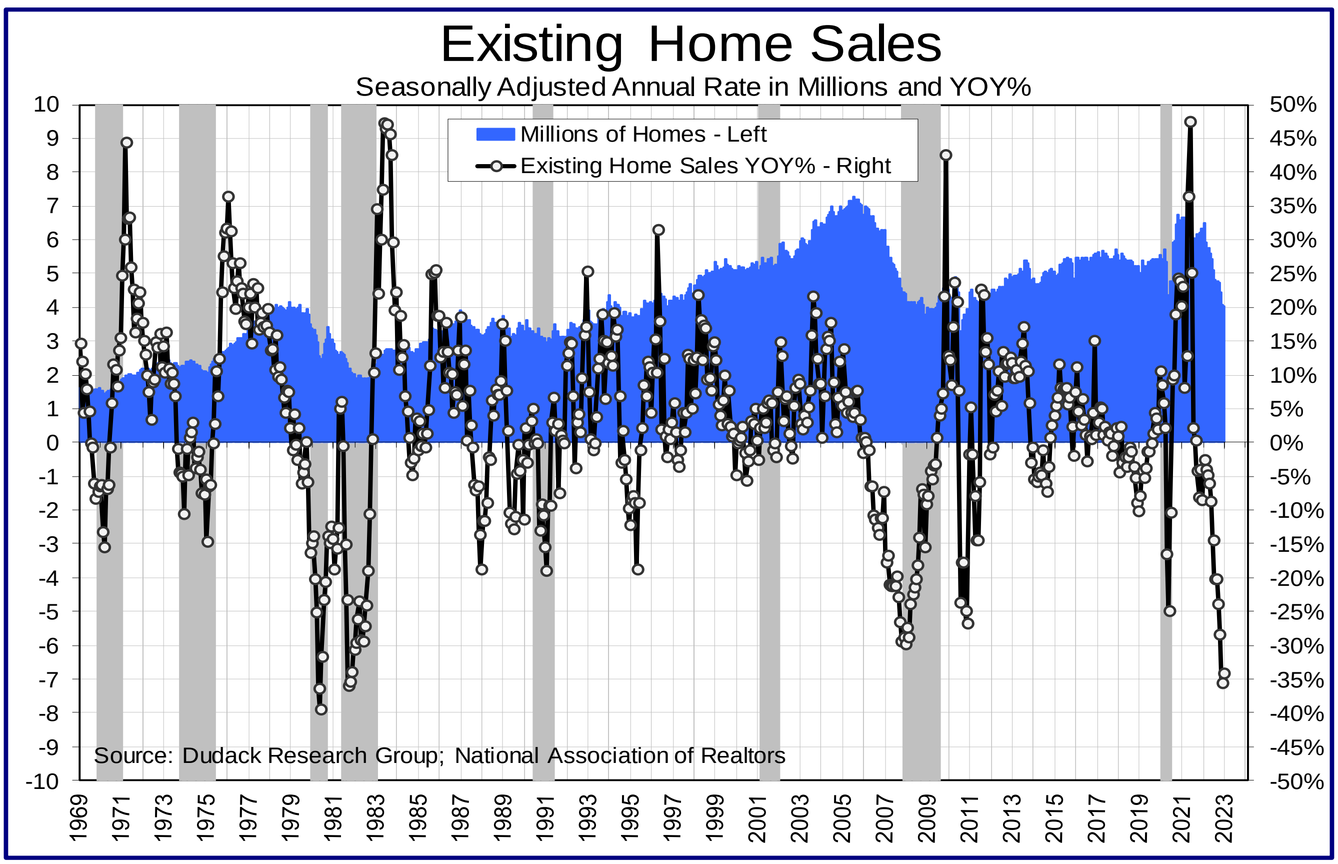


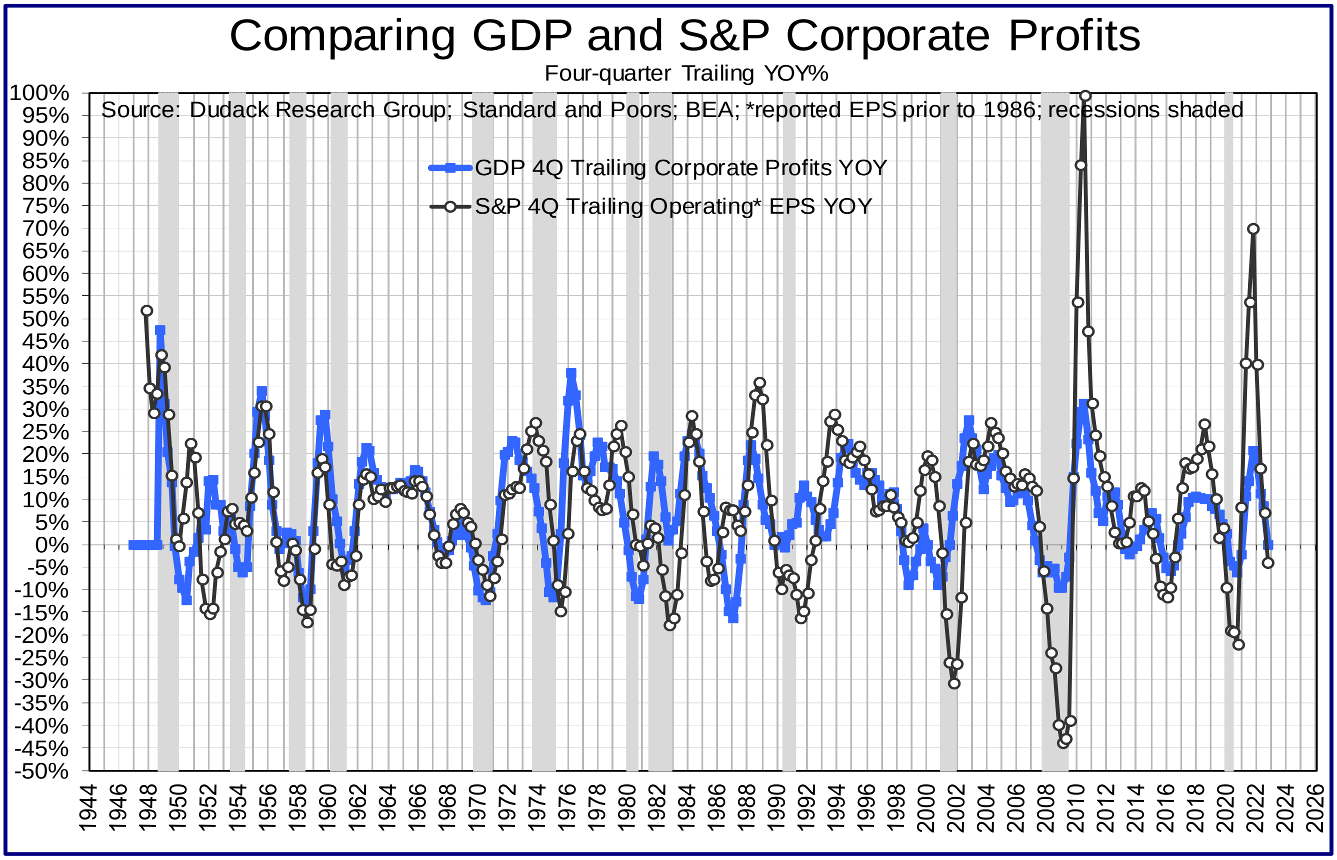


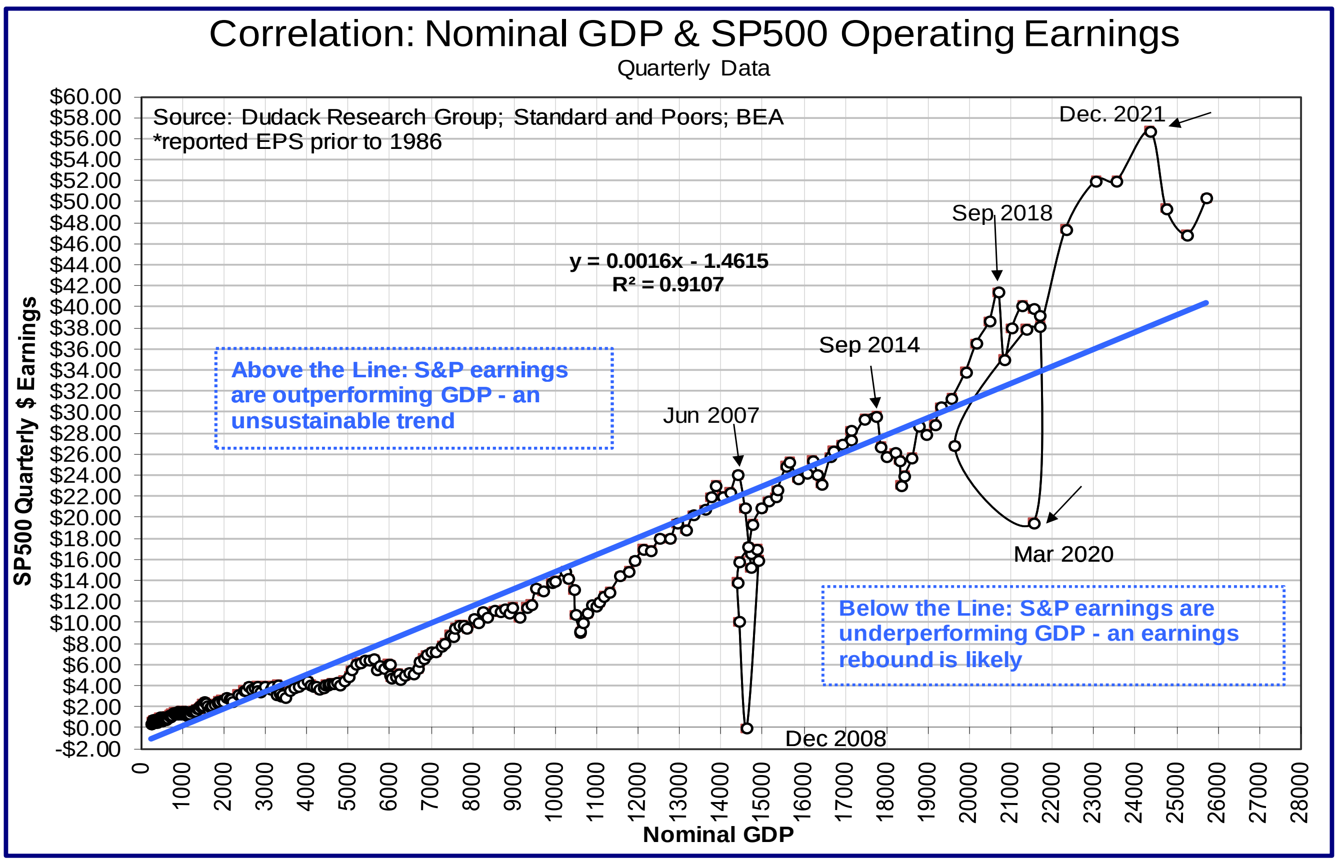
New home sales in November were 15.3% lower than a year earlier, down to an annualized level of 640,000 units. Existing home sales were down 34% YOY in December to a new cyclical low of 4.02 million units on an annualized basis. As seen below, similar declines have occurred in recession years.



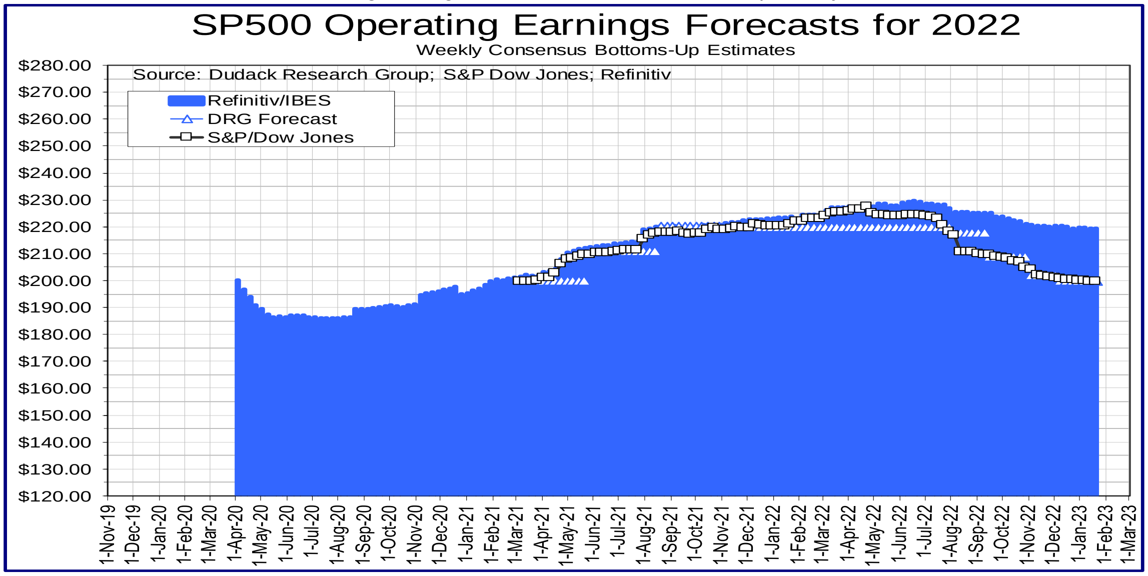


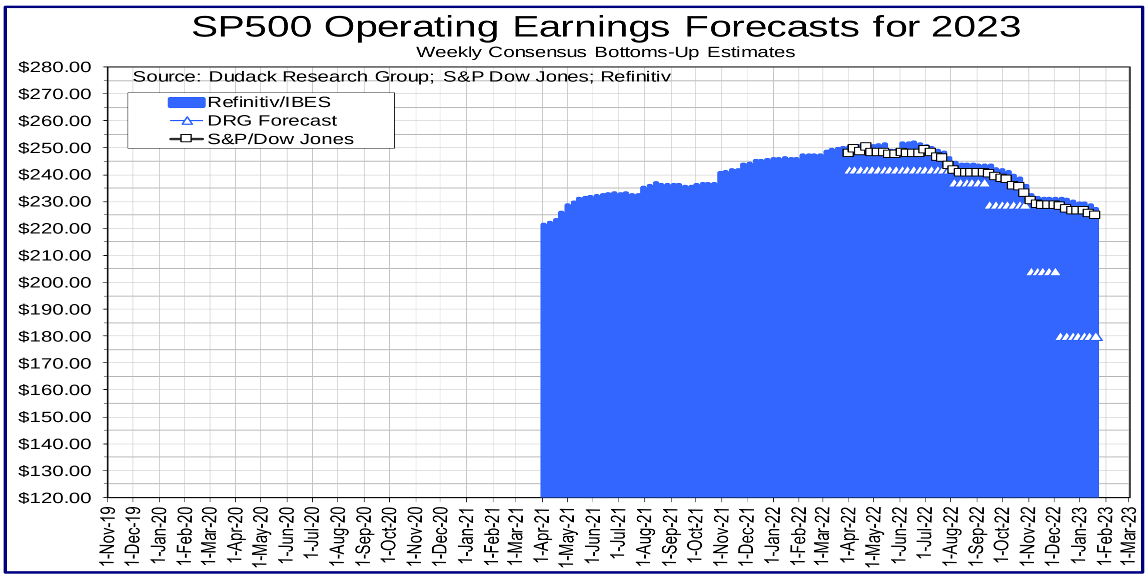
The outlook for the equity market will eventually come down to the trend in earnings. A first estimate for fourth quarter GDP will be released later this week, but third quarter GDP profits were basically unchanged year-over-year. S&P 500 profits are estimated to be negative in the fourth on a year-over-year basis. Equally important, S&P earnings have been outperforming GDP since June 2020, due in large part to pandemic stimulus that has now ended. When corporate earnings have outperformed economic activity, history suggests it is an unsustainable trend that typically results in an earnings decline.

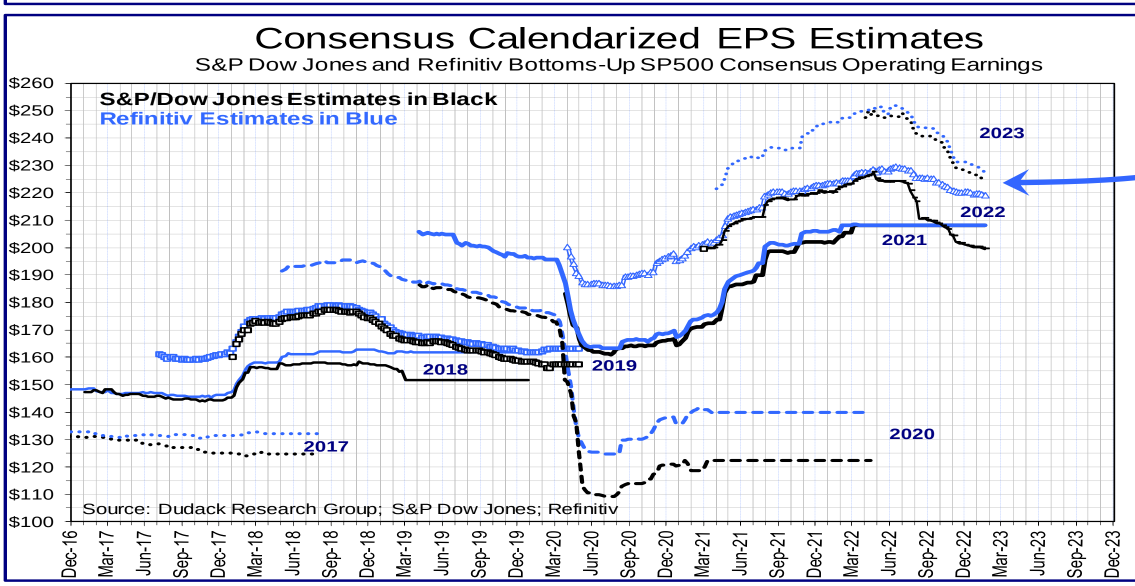




S&P Dow Jones earnings estimates for 2022 and 2023 fell $0.21 and $0.78 this week. Refinitiv IBES consensus earnings forecasts fell $0.29 and $1.39, respectively, leaving estimates at $199.55/$219.25 and $224.57/$227.19, respectively. EPS growth rates for 2022 are (4.2%) and 5.3%, and for 2023 are 12.5% and 3.6%, respectively. *(Note: consensus macro-EPS forecasts may differ from four quarter analysts' forecast sums seen on page 14.)* DRG's 2022 and 2023 estimates are $200 and $180, reflecting earnings declines of 3.9% and 10%, respectively.







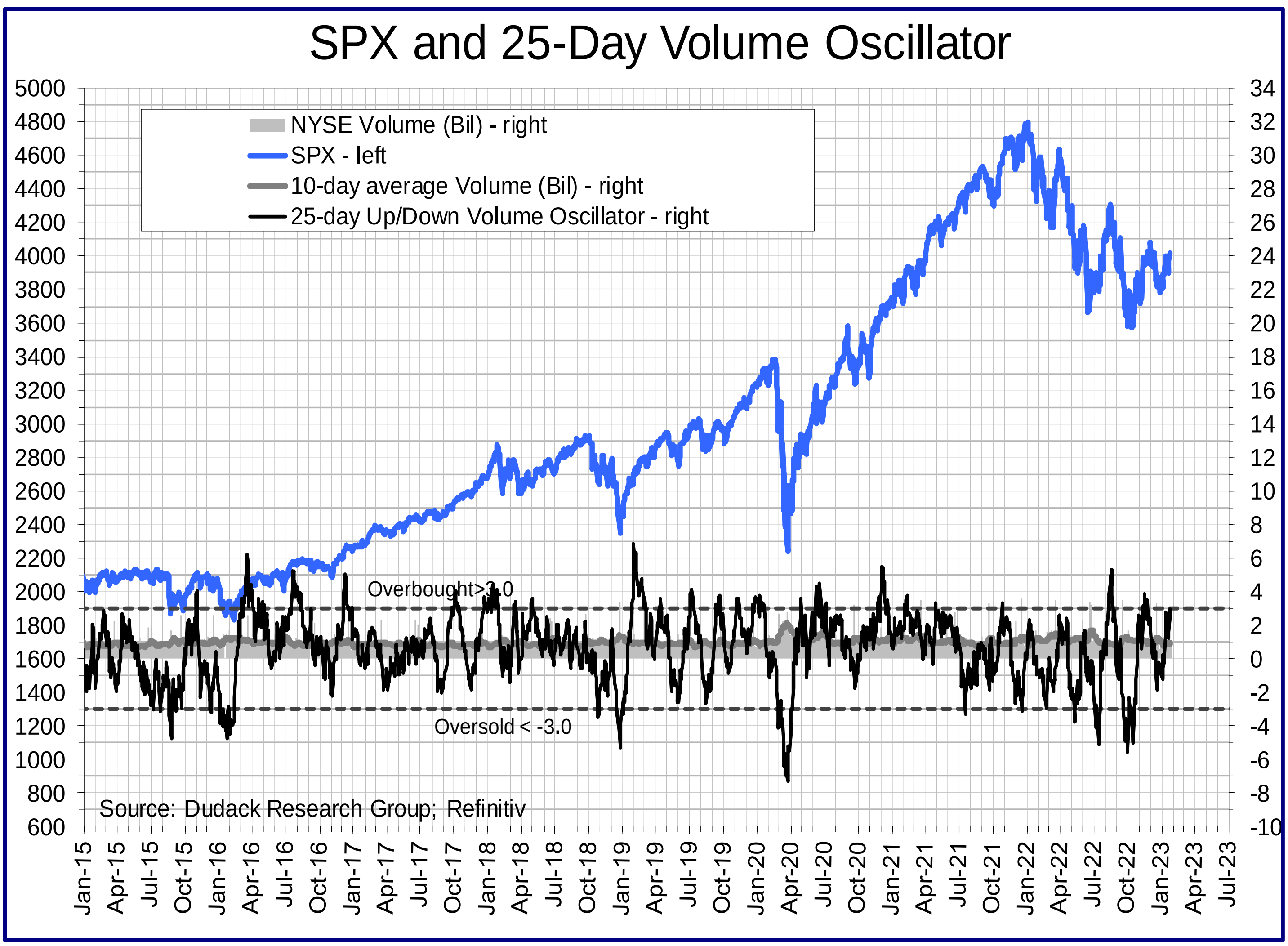
The current rally has broadened to include most of the popular indices which are now trading above their 200-day moving averages. The one exception is the Nasdaq Composite (despite the rebound in tech stocks) and the S&P 500's trend is questionable. Nonetheless, the Russell 2000 has an attractive technical chart which is a good sign for small cap stocks and the market overall.

Source: Refinitiv

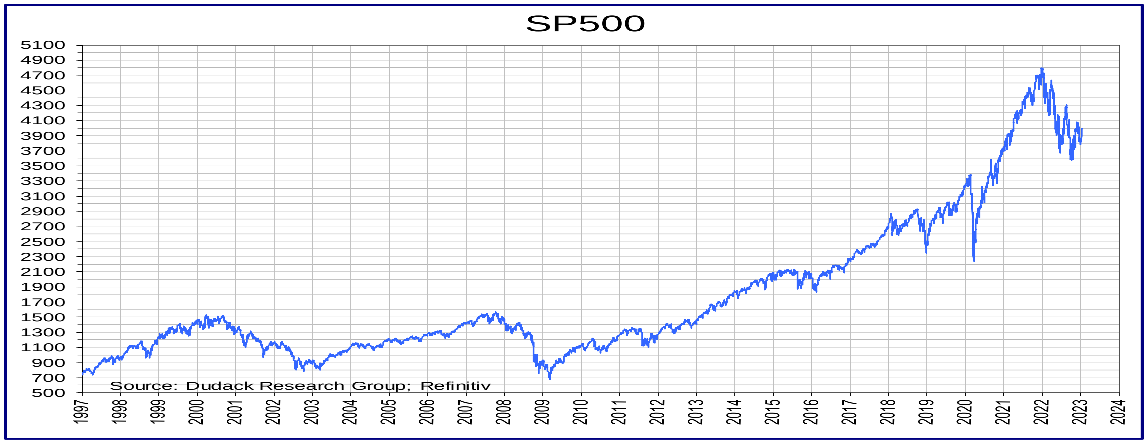
The 25-day up/down volume oscillator is currently neutral with a reading of 2.95, and this is the second time in two weeks that the oscillator has approached an overbought reading. Bear markets rarely reach overbought territory, but if they do, the reading is brief. This indicator was in overbought territory for seven of 10 trading days in November, however, it was not overbought for five consecutive trading days, which is a minimum requirement for a positive signal. An overbought reading that persists for at least five to ten consecutive trading days – and reaches a new overbought high reading -- is significant. Nevertheless, this will be a key indicator to monitor in the coming weeks to assess the strength of the recent advance in prices.

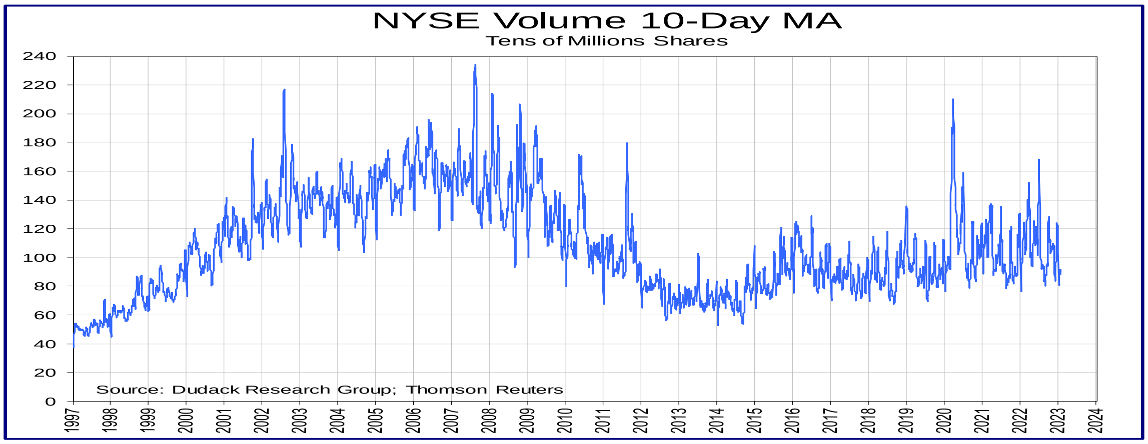
The 25-day up/down volume oscillator hit an oversold reading of negative 5.6 on September 30 which was a deeper oversold reading than the negative 5.17 reading of July 14, 2022. The oscillator was in oversold territory for 8 of 10 consecutive trading sessions in July and oversold for 18 of 24 consecutive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

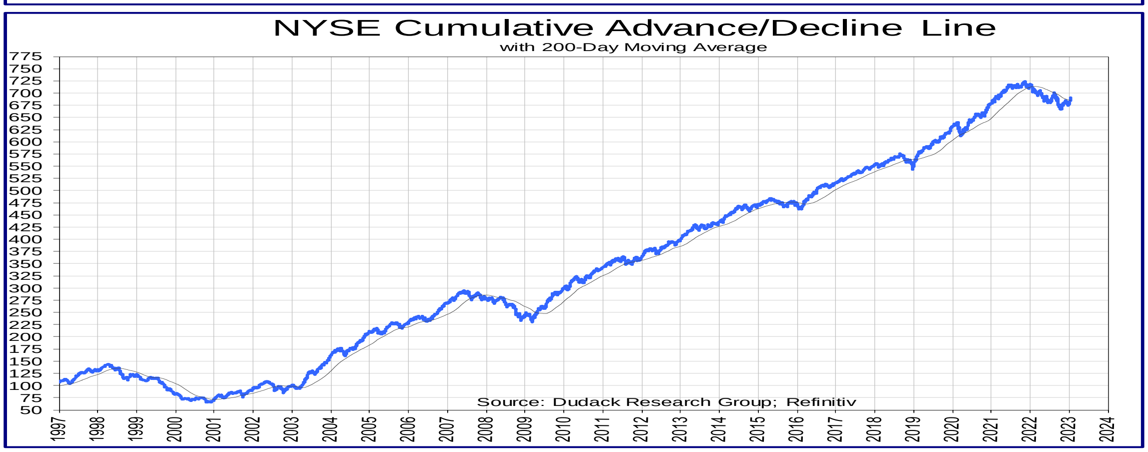
The key to a successful retest of a bear market low is whether or not a new low in price generates a new low in breadth. A successful retest will show there is less selling pressure – a less severe oversold reading -- despite a lower low in price. This "non-confirmation" of a low is a positive and implies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

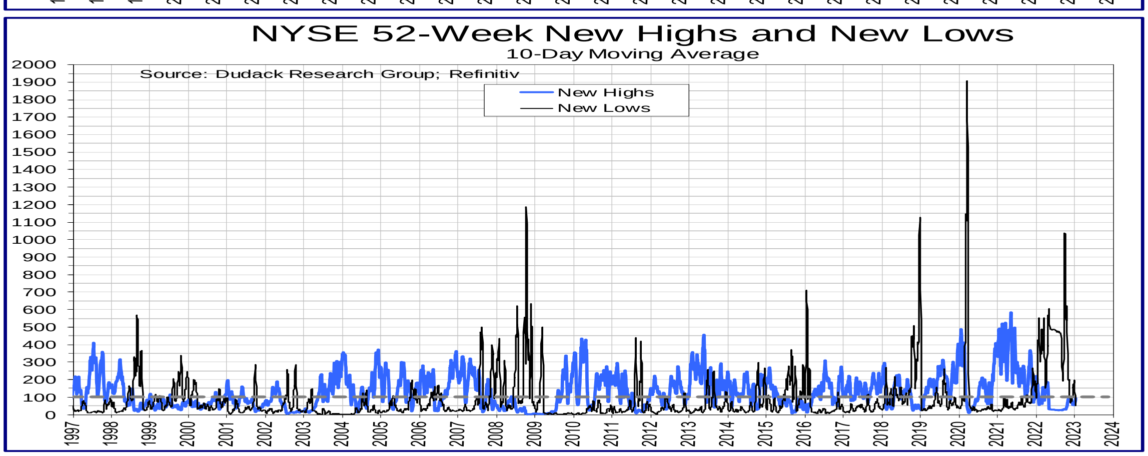


The 10-day average of daily new highs is 104 and new lows are 29. This combination is now positive since new highs are above the 100 benchmark and new lows are below 100. The advance/decline line fell below the June low on September 22 and is currently 31,383 net advancing issues from its 11/8/21 high – still negative.

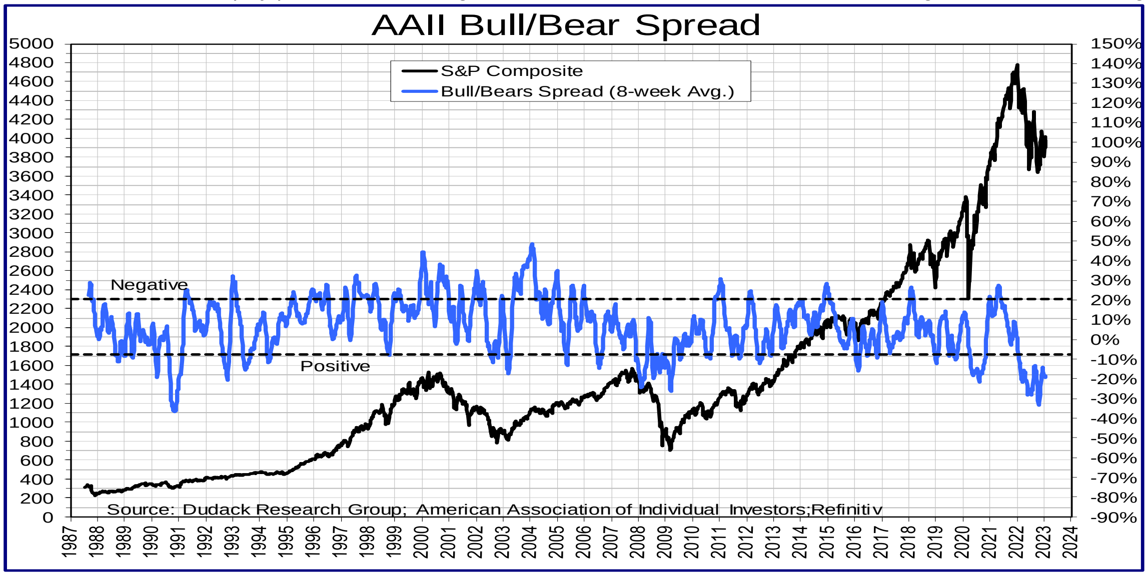


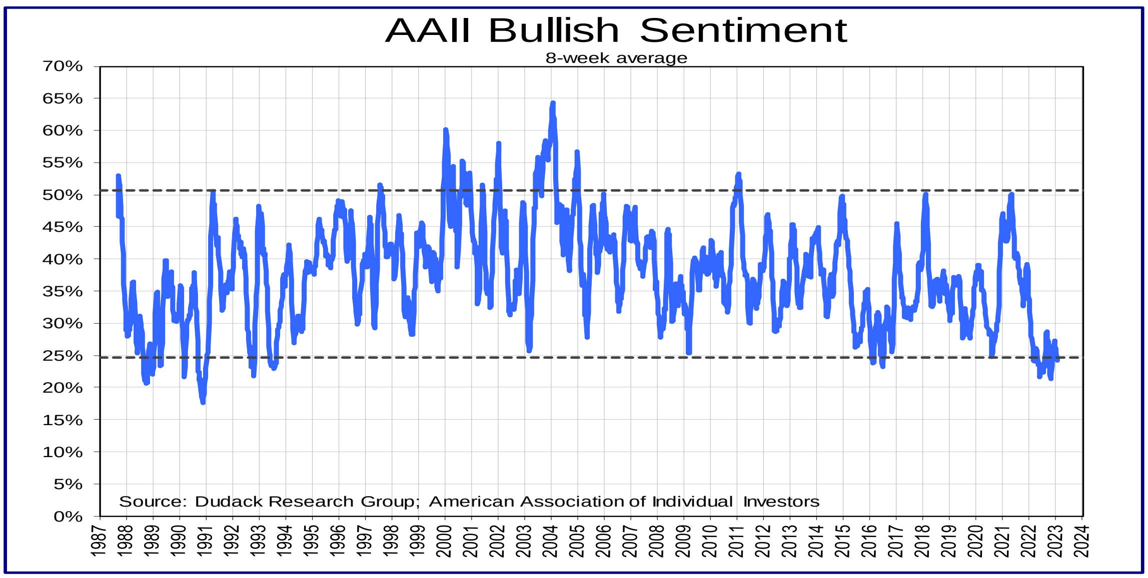


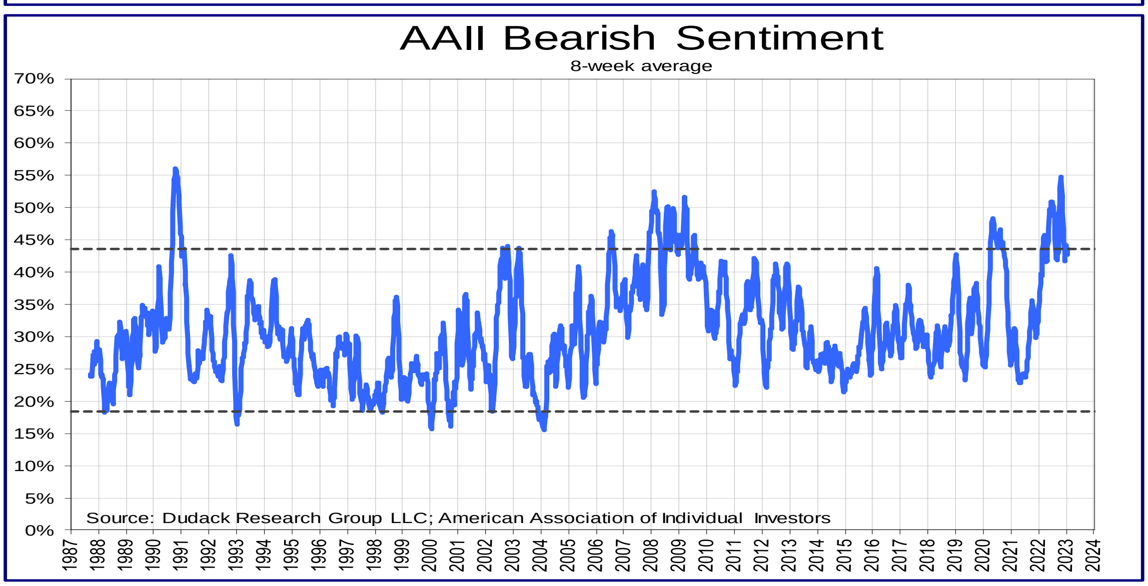




Last week's AAII readings showed a 7.0% increase in bulls to 31.0% (10.5% increase in 2 weeks) and a 6.8% decrease (9% in 2 weeks) in bears of 33.1%. Bullishness remains below the long-term average of 37.5% and bearishness is below its long-term average of 40.2%. Sentiment readings were most extreme on September 21, 2022, and equity prices tend to be higher in the next six and/or twelve months following such extreme readings.







GLOBAL MARKETS AND COMMODITIES - RANKED BY 2023 TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
iShares MSCI Mexico Capped ETF	EWW	58.03	2.6%	11.7%	17.4%	17.4%
iShares China Large Cap ETF	FXI	32.79	4.5%	17.9%	15.9%	15.9%
SPDR S&P Semiconductor ETF	XSD	193.66	3.7%	15.6%	15.8%	15.8%
iShares MSCI South Korea Capped ETF	EWY	63.71	2.3%	11.7%	12.8%	12.8%
iShares MSCI Germany ETF	EWG	27.83	0.1%	12.5%	12.5%	12.5%
iShares MSCI Taiwan ETF	EWT	44.97	3.1%	10.8%	12.0%	12.0%
iShares MSCI BRIC ETF	BKF	38.13	2.6%	12.2%	11.1%	11.1%
iShares MSCI Emerg Mkts ETF	EEM	42.06	2.4%	11.3%	11.0%	11.0%
iShares MSCI Australia ETF	EWA	24.62	2.0%	10.3%	10.8%	10.8%
SPDR S&P Retail ETF	XRT	66.34	0.9%	9.9%	9.7%	9.7%
SPDR Homebuilders ETF	XHB	66.08	0.1%	8.6%	9.5%	9.5%
iShares MSCI Austria Capped ETF	EWO	20.81	2.1%	9.3%	9.5%	9.5%
Consumer Discretionary Select Sector SPDR	XLY	140.99	0.9%	8.9%	9.2%	9.2%
Vanguard FTSE All-World ex-US ETF	VEU	54.59	1.2%	8.7%	8.9%	8.9%
iShares MSCI EAFE ETF	EFA	71.21	0.7%	8.1%	8.5%	8.5%
Nasdaq Composite Index Tracking Stock	ONEQ.O	44.43	2.1%	8.1%	8.4%	8.4%
NASDAQ 100	NDX	11846.65	2.5%	7.8%	8.3%	8.3%
iShares MSCI Canada ETF	EWC	35.33	1.1%	7.5%	7.9%	7.9%
Technology Select Sector SPDR	XLK	134.27	2.4%	7.8%	7.9%	7.9%
iShares 20+ Year Treas Bond ETF	TLT	107.22	1.1%	5.0%	7.7%	7.7%
iShares Russell 2000 Growth ETF	IWO	230.99	0.2%	7.8%	7.7%	7.7%
iShares MSCI Hong Kong ETF	EWH	22.54	3.2%	7.0%	7.3%	7.3%
iShares Russell 2000 ETF	IWM	186.93	0.1%	7.2%	7.2%	7.2%
iShares US Real Estate ETF	IYR	90.07	0.0%	6.6%	7.0%	7.0%
Materials Select Sector SPDR	XLB	83.10	0.2%	5.8%	7.0%	7.0%
iShares US Telecomm ETF	IYZ	23.97	0.3%	7.9%	6.9%	6.9%
iShares MSCI Japan ETF	EWJ	58.08	1.3%	6.0%	6.7%	6.7%
iShares Russell 2000 Value ETF	IWN	147.88	-0.1%	6.5%	6.6%	6.6%
SPDR Gold Trust	GLD	180.28	1.5%	7.8%	6.3%	6.3%
iShares MSCI Brazil Capped ETF	EWZ	29.72	0.4%	3.2%	6.3%	6.3%
iShares Russell 1000 Growth ETF	IWF	227.47	1.6%	5.7%	6.2%	6.2%
iShares MSCI Singapore ETF	EWS	19.96	1.4%	6.2%	6.1%	6.1%
iShares MSCI United Kingdom ETF	EWU	32.46	-0.7%	5.4%	5.9%	5.9%
Shanghai Composite	.SSEC	3264.81	1.3%	7.2%	5.7%	5.7%
iShares iBoxx $ Invest Grade Corp Bond	LQD	110.81	0.7%	3.5%	5.1%	5.1%
iShares MSCI Malaysia ETF	EWM	23.99	2.0%	6.8%	5.0%	5.0%
iShares Russell 1000 ETF	IWB	220.93	0.7%	4.9%	4.9%	4.9%
SP500	.SPX	4016.95	0.7%	4.5%	4.6%	4.6%
Financial Select Sector SPDR	XLF	35.78	-0.3%	5.4%	4.6%	4.6%
iShares DJ US Oil Eqpt & Services ETF	IEZ	22.10	-4.0%	5.2%	4.2%	4.2%
iShares Nasdaq Biotechnology ETF	IBB.O	136.78	0.4%	3.6%	4.2%	4.2%
SPDR S&P Bank ETF	KBE	46.99	-0.2%	4.9%	4.1%	4.1%
iShares Russell 1000 Value ETF	IWD	157.40	-0.2%	4.0%	3.8%	3.8%
PowerShares Water Resources Portfolio	PHO	53.36	-1.0%	3.5%	3.5%	3.5%
Energy Select Sector SPDR	XLE	90.25	0.1%	3.7%	3.2%	3.2%
Industrial Select Sector SPDR	XLI	100.73	-0.8%	2.4%	2.6%	2.6%
DJIA	.DJI	33733.96	-0.5%	1.6%	1.8%	1.8%
SPDR DJIA ETF	DIA	337.10	-0.6%	1.6%	1.7%	1.7%
iShares MSCI India ETF	INDA.K	42.13	-0.8%	2.3%	0.9%	0.9%
Gold Future	GCc1	2481.10	0.2%	0.9%	0.6%	0.6%
United States Oil Fund, LP	USO	70.22	-0.9%	1.3%	0.2%	0.2%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
Oil Future	CLc1	80.13	-0.1%	0.7%	-0.2%	-0.2%
Silver Future	SIc1	23.65	-1.2%	-0.5%	-0.9%	-0.9%
iShares Silver Trust	SLV	22.73	-1.1%	-0.4%	-1.1%	-1.1%
Utilities Select Sector SPDR	XLU	69.60	-2.3%	-1.8%	-1.3%	-1.3%
Health Care Select Sect SPDR	XLV	133.48	-1.0%	-1.9%	-1.7%	-1.7%
Consumer Staples Select Sector SPDR	XLP	73.15	-2.2%	-2.7%	-1.9%	-1.9%

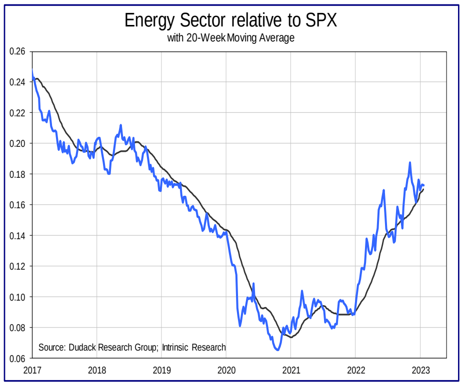
Outperformed SP500
Underperformed SP500

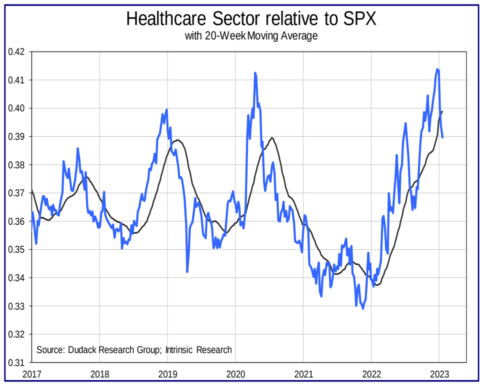
Source: Dudack Research Group; Thomson Reuters Priced as of January 24, 2023

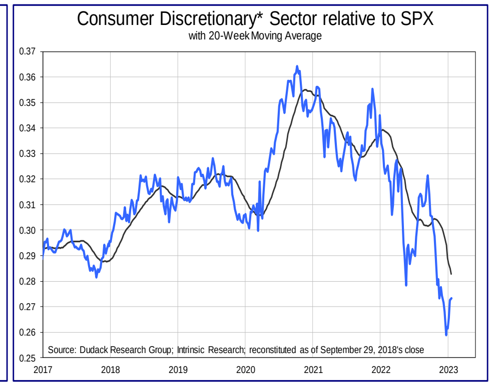
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

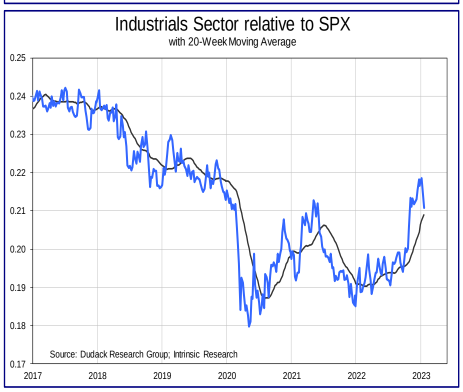
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Energy Industrials Staples Utililties	Healthcare Technology Materials Financials	Consumer Discretionary REITS Communication Services

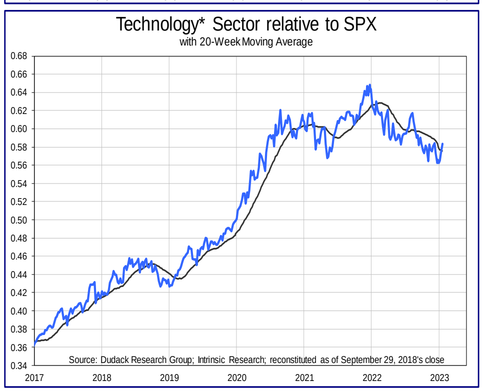
3/8/2022:Materials upgraded from underweight to neutral/communication service downgraded from neutral to underweight. 3/1/2022 Financials downgraded to neutral and Industrials upgraded to overweight.

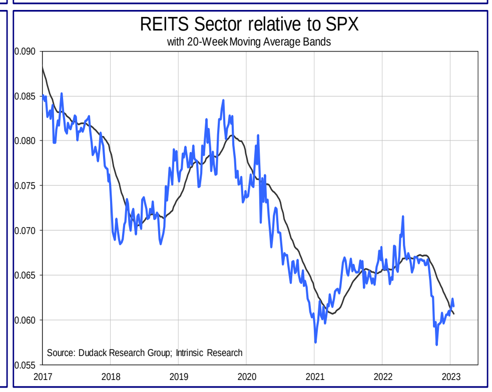


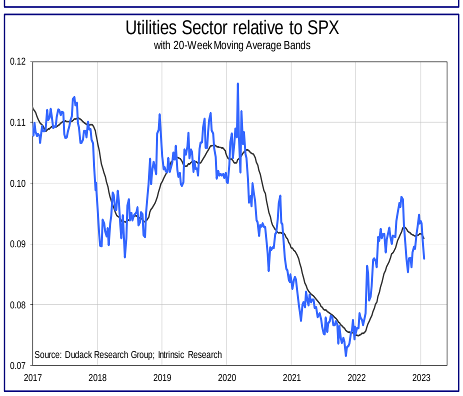


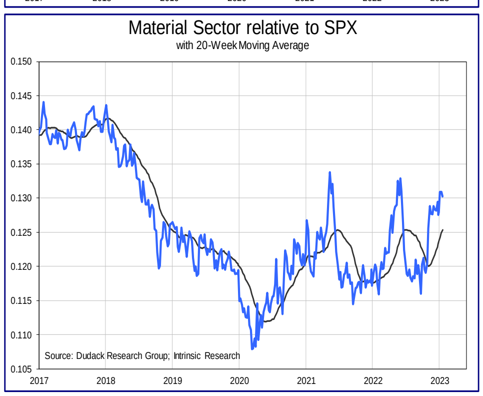


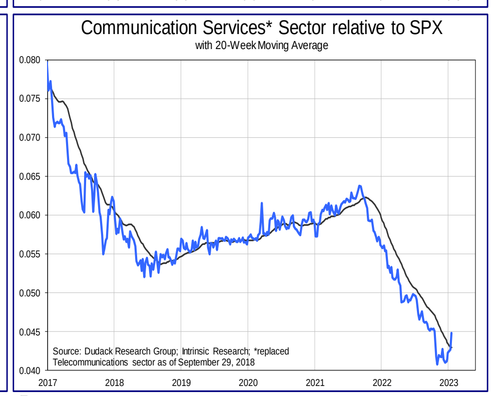


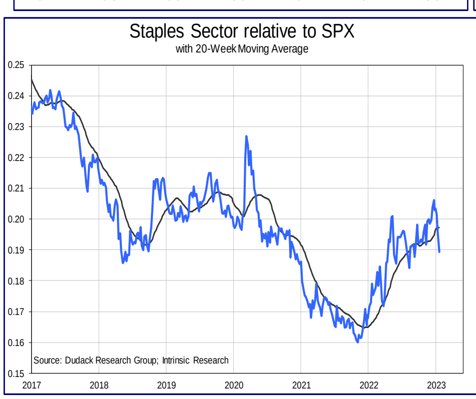












2023 Performance - Ranked	
SP500 Sector	% Change
S&P COMMUNICATIONS SERVICES	12.3%
S&P CONSUMER DISCRETIONARY	9.1%
S&P INFORMATION TECH	7.9%
S&P MATERIALS	7.0%
S&P REITS	6.9%
S&P 500	4.6%
S&P FINANCIAL	4.5%
S&P ENERGY	3.0%
S&P INDUSTRIALS	2.5%
S&P UTILITIES	-1.3%
S&P HEALTH CARE	-1.9%
S&P CONSUMER STAPLES	-1.9%

Source: Dudack Research Group; Refinitiv; Monday closes

US Asset Allocation

	Benchmark	DRG %	Recommendation
Equities	60%	55%	Neutral
Treasury Bonds	30%	20%	Underweight
Cash	10%	25%	Overweight
	100%	100%	

Source: Dudack Research Group; raised cash and lowered equity 15% on December 21, 2022

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%
2022P	~~~~~	$180.09	$199.55	$200.00	-3.9%	**$219.25**	5.3%	20.1X	NA	NA	NA	NA
2023E	~~~~~	$203.52	$224.56	$180.00	-10.0%	**$227.19**	3.6%	17.9X	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%	1.7%	$1,791.40	7.6%
2017 2Q	2423.41	$27.01	$30.51	$30.51	18.7%	$32.58	10.0%	20.9	1.9%	2.0%	$1,803.70	11.1%
2017 3Q	2519.36	$28.45	$31.33	$31.33	9.2%	$33.45	7.2%	21.2	1.9%	3.4%	$1,845.10	11.8%
2017 4Q	2673.61	$26.96	$33.85	$33.85	21.3%	$36.02	15.1%	21.5	1.8%	4.1%	$1,884.60	10.4%
2018 1Q	2640.87	$33.02	$36.54	$36.54	26.8%	$38.07	23.2%	20.0	1.9%	2.8%	$1,968.30	9.9%
2018 2Q	2718.37	$34.05	$38.65	$38.65	26.7%	$41.00	25.8%	19.4	1.9%	2.8%	$1,972.70	9.4%
2018 3Q	2913.98	$36.36	$41.38	$41.38	32.1%	$42.66	27.5%	19.4	1.8%	2.9%	$2,028.40	9.9%
2018 4Q	2506.85	$28.96	$35.03	$35.03	3.5%	$41.18	14.3%	16.5	2.1%	0.7%	$2,087.60	10.8%
2019 1Q	2834.40	$35.02	$37.99	$37.99	4.0%	$39.15	2.8%	18.5	1.9%	2.2%	$2,051.00	4.2%
2019 2Q	2941.76	$34.93	$40.14	$40.14	3.9%	$41.31	0.8%	19.0	1.9%	2.7%	$2,115.30	7.2%
2019 3Q	2976.74	$33.99	$39.81	$39.81	-3.8%	$42.14	-1.2%	19.5	1.9%	3.6%	$2,130.00	5.0%
2019 4Q	3230.78	$35.53	$39.18	$39.18	11.8%	$41.98	1.9%	20.6	1.8%	1.8%	$2,122.70	1.7%
2020 1Q	2584.59	$11.88	$19.50	$19.50	-48.7%	$33.13	-15.4%	18.6	2.3%	-4.6%	$1,965.90	-4.1%
2020 2Q	4397.35	$17.83	$26.79	$26.79	-33.3%	$27.98	-32.3%	35.1	1.9%	-29.9%	$1,746.10	-17.5%
2020 3Q	3363.00	$32.98	$37.90	$37.90	-4.8%	$38.69	-8.2%	27.3	1.7%	35.3%	$2,154.30	1.1%
2020 4Q	3756.07	$31.45	$38.19	$38.19	-2.5%	$42.58	1.4%	30.7	1.6%	3.9%	$2,018.50	-4.9%
2021 1Q	3972.89	$45.95	$47.41	$47.41	143.1%	$49.13	48.3%	26.4	1.5%	6.3%	$2,237.40	13.8%
2021 2Q	4297.50	$48.39	$52.03	$52.03	94.2%	$52.58	87.9%	24.5	1.3%	7.0%	$2,401.70	37.5%
2021 3Q	4307.54	$49.59	$52.02	$52.02	37.3%	$53.72	38.8%	22.7	1.4%	2.7%	$2,456.40	14.0%
2021 4Q	4766.18	$53.94	$56.71	$56.71	48.5%	$53.95	26.7%	22.9	1.3%	7.0%	$2,435.90	20.7%
2022 1Q	4530.41	$45.99	$49.36	$49.36	4.1%	$54.80	11.5%	21.6	1.4%	-1.6%	$2,374.60	6.1%
2022 2Q	3785.38	$42.74	$46.87	$46.87	-9.9%	$57.62	9.6%	18.5	1.7%	-0.6%	$2,522.60	5.0%
2022 3QE	3585.62	$44.41	$50.35	$51.00	-2.0%	$56.02	4.3%	18.5	1.8%	3.2%	$2,543.00	3.5%
2022 4QE*	4016.95	$46.95	$52.97	$52.77	-6.9%	$53.27	-1.3%	20.1	NA	NA	NA	NA

Source: DRG; S&P Dow Jones; Refinitiv Consensus estimates; **quarterly EPS may not sum to official CY estimates 1/24/2023

Regulation AC Analyst Certification

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