Dudack Research Group
A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC
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March 1, 2023

DJIA: 32656.70
SPX: 3970.15
NASDAQ: 11455.54

US Strategy Weekly

Unraveling the Fed Pivot Theory

Last week was a busy time for economic releases and unfortunately, the data was not favorable for those looking for a Fed pivot. The middle of the week was dominated by the release of minutes from February's FOMC meeting, and it revealed that a few participants favored a 50-basis point increase. All board members were in favor of continuing rate increases in order to reach their target of inflation of 2% but some members wanted to get to a restrictive stance more quickly. The minutes also disclosed that Fed officials felt wage growth of 3.5% YOY would be compatible with a 2% inflation target.

But Friday's economic releases showed that personal income rose 6.4% YOY in January and disposable income rose 8.4% YOY. The big surprise, however, was that real personal disposable income rose 2.8% YOY in the month -- the first gain in real personal disposable income since March 2021! January's CPI was already reported to be 6.4% YOY, so this gain in personal income closed a 21-month gap between inflation and income growth. See page 3. The savings rate also ratcheted up from 4.5% to 4.7% in the first month of the year. This data was better than expected.

While personal income rose 6.4% YOY, personal consumption expenditures rose 7.9% YOY, up nicely from the 7.5% reported in December but down considerably from the stimulus-driven peak rate of 30% YOY in April 2021. However, current household consumption is coming at a price. The Federal Reserve's Z.1 report for the third quarter of 2022 showed that debt as a percentage of disposable income rose to nearly 103%, the highest level recorded since the end of 2017. See page 4.

Household Debt on the Rise

According to the Federal Reserve of NY's latest *Quarterly Report on Household Debt and Credit*, total household debt rose $394 billion, or 2.4%, to $16.9 trillion in the final quarter of 2022. The $394 billion growth in the fourth quarter represented the largest nominal quarterly increase in twenty years according to the FRBNY. The $16.9 trillion total at the end of 4Q 2022 represented a year-over-year gain of 8.5%, the highest pace of debt accumulation since the first quarter of 2008.

Still, credit card balances were the most worrisome segment of debt. Credit card balances rose by $61 billion, the largest increase in FRBNY data going back to 1999. For all of 2022, credit card debt surged by $130 billion, also the largest annual growth in balances. After two years of historically low delinquency rates, the share of debt transitioning into delinquency increased for nearly all debt types. See charts on page 5. Unfortunately, credit card delinquencies are rising the fastest among 18 to 29-year-olds as compared to all age categories. This may become an even greater problem as interest rates rise.

Mortgages and auto loans grew at a relatively moderate pace in the fourth quarter. Mortgage balances rose to $11.92 trillion; auto loans rose to $1.55 trillion, and student loan balances rose to $1.60 trillion.

All in all, the increase in credit card debt and other revolving forms of credit will be unsustainable in a rising interest rate environment and consumption is apt to slow later in the year. But generally, most of January's data releases pointed to a surge in economic activity. For example, January included an increase in new home sales to 670,000 (SAAR), an 8.1% rise in the pending home sale index to 82.5, and an increase in the University of Michigan consumer sentiment index from 64.0 to 67 in February. This sentiment index was offset a bit by the Conference Board consumer confidence index, also for February, which slipped from 106.0 to 102.9. Nevertheless, the present condition component of the Conference Board survey increased from 151.1 to 152.8.

The Fed Problem

Last week's final straw was the report on the Fed's favorite inflation benchmark, the PCE deflator, which rose by 0.1% in January to 5.4%. This aligns with the CPI which had inflation picking up at the start of the year. The combination of good economic statistics and no significant slowdown in prices sent interest rates higher all along the yield curve. Conversely, stocks fell. The decline in equities is understandable. As we show on page 6, the gap between inflation and the fed funds rate has been narrowing, particularly versus the PCE deflator. But without a further slowdown in inflation, the prospects for higher interest rates will become open-ended. With an effective fed funds rate of 4.57% and the PCE deflator of 5.4%, this 100-basis point gap implies more than two 25-basis point hikes will be required in coming months. And if the Fed is serious about attaining a positive real fed funds rate, it could be even more.

The ISM manufacturing and service surveys will be released this week, but in general, there is little in terms of important economic reports until the February employment report scheduled for March 11. In the meantime, investors will continue to ponder earnings reports and the FOMC meeting on March 21-22, 2023.

Technical Update

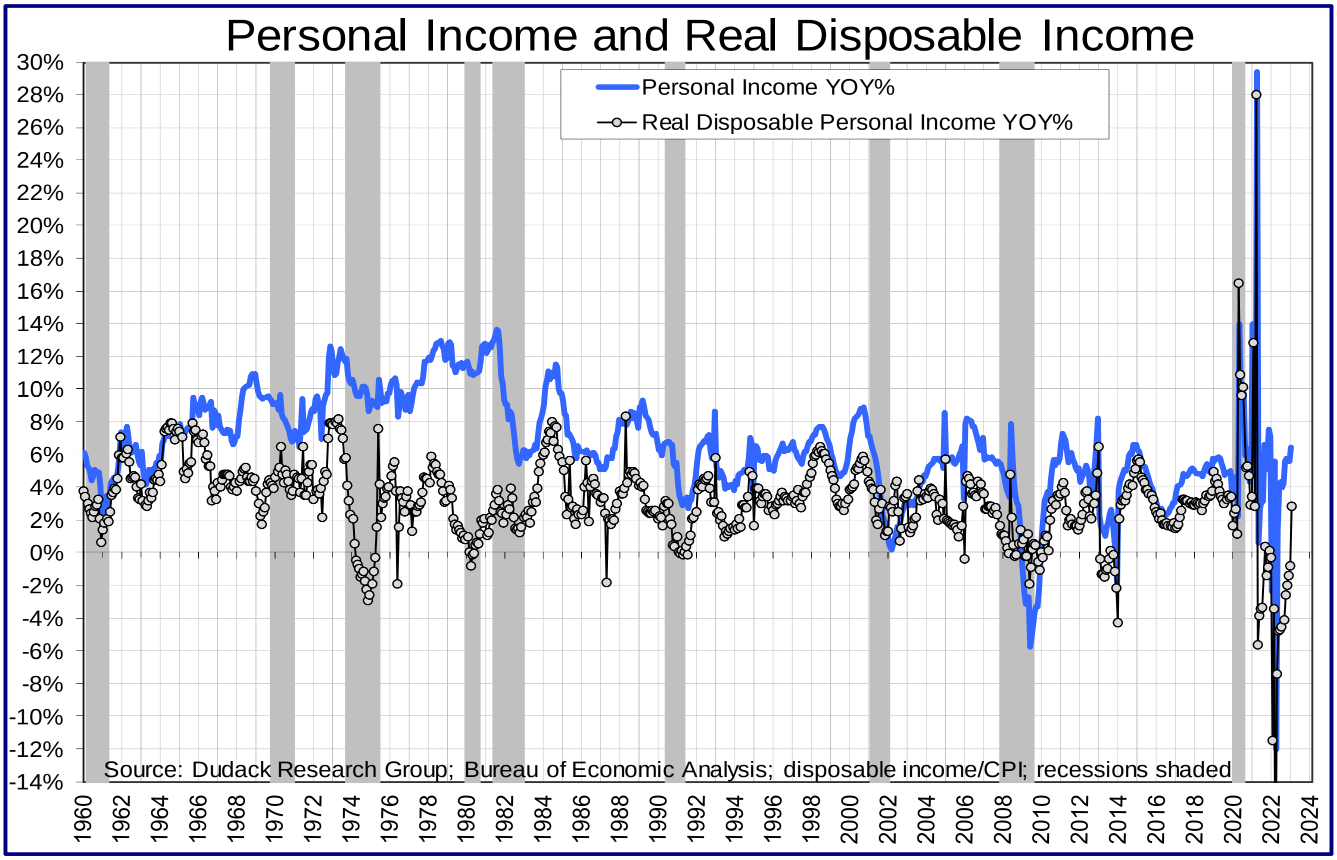
Last week we discussed the 2000 level in the Russell 2000 index and its importance. The RUT has been a leader in the recent advance and the 2000 level was the first significant level of resistance. In our view, the 2000 level would be an important test of the strength of the rally. Unfortunately, to date, this level has rebuffed the advance.

Now our attention shifts from the Russell 2000 to the S&P 500 and its confluence of moving averages, but in particular, the 200-day moving average at SPX 3940. This is an important level of support, and if broken, it could trigger further selling in our view. The SPX's 200-day moving average currently sits between the 50-day moving average at 3,979.23 and the 100-day moving average at 3919.32, creating a significant range of support between SPX 3919 and 3979. If this range does not hold as support, we would expect the optimism that increased during the January rally will dissipate.

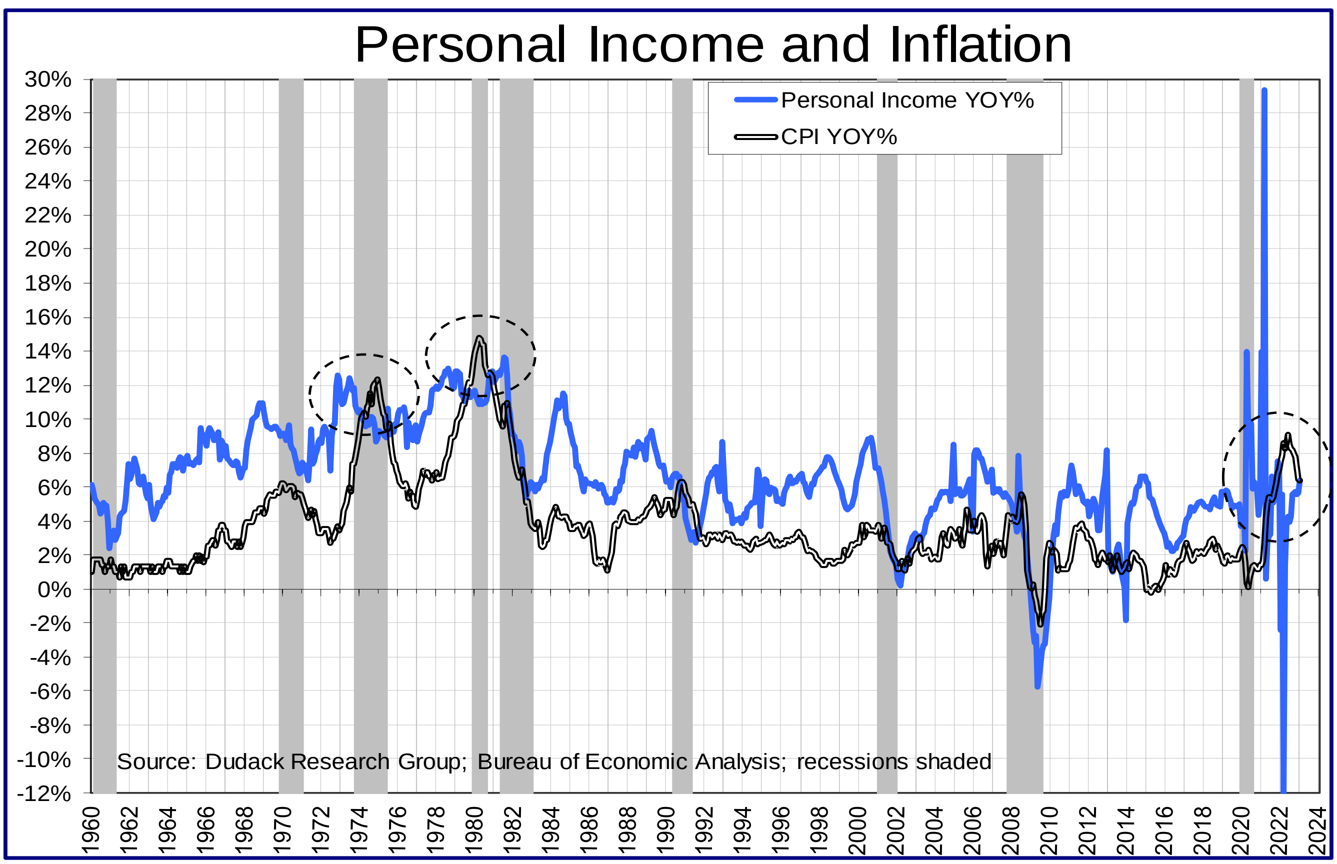
Summary

As we noted a few weeks ago, the easy part of the rally may be behind us. Our view calls for a broad trading range until inflation is clearly under control. As seen by January's data, this process could take another 12 to 18 months. Historically, the popular stock indices have spent 50% of the time in flat trends, so this is not unusual. We expect the broad indices will be contained between the January 3, 2022 SPX high of 4796.56 and the October 12, 2022 low of SPX 3577.03. If we are correct about a trading range market, leadership may rotate throughout the year. But note, while "flat" cycles are unable to sustain an advance above the previous market peak, they can include several bull and bear market moves of 20% or more. In short, the days of a "buy and hold" strategy may have ended for a while. Core holdings in portfolios should include inflation and recession resistant companies and stocks with attractive dividend yields and predictable earnings growth.

In January, personal income rose 6.4% YOY and disposable income rose 8.4% YOY. But the surprise was the 2.8% YOY gain in real personal disposable income -- the first real gain in RPDI since March 2021. Note that January's 6.4% YOY gain in income matched the CPI rise of 6.4% YOY, closing a 21-month gap between inflation and income growth. The savings rate also ratcheted up from 4.5% to 4.7% in the first month of the year.

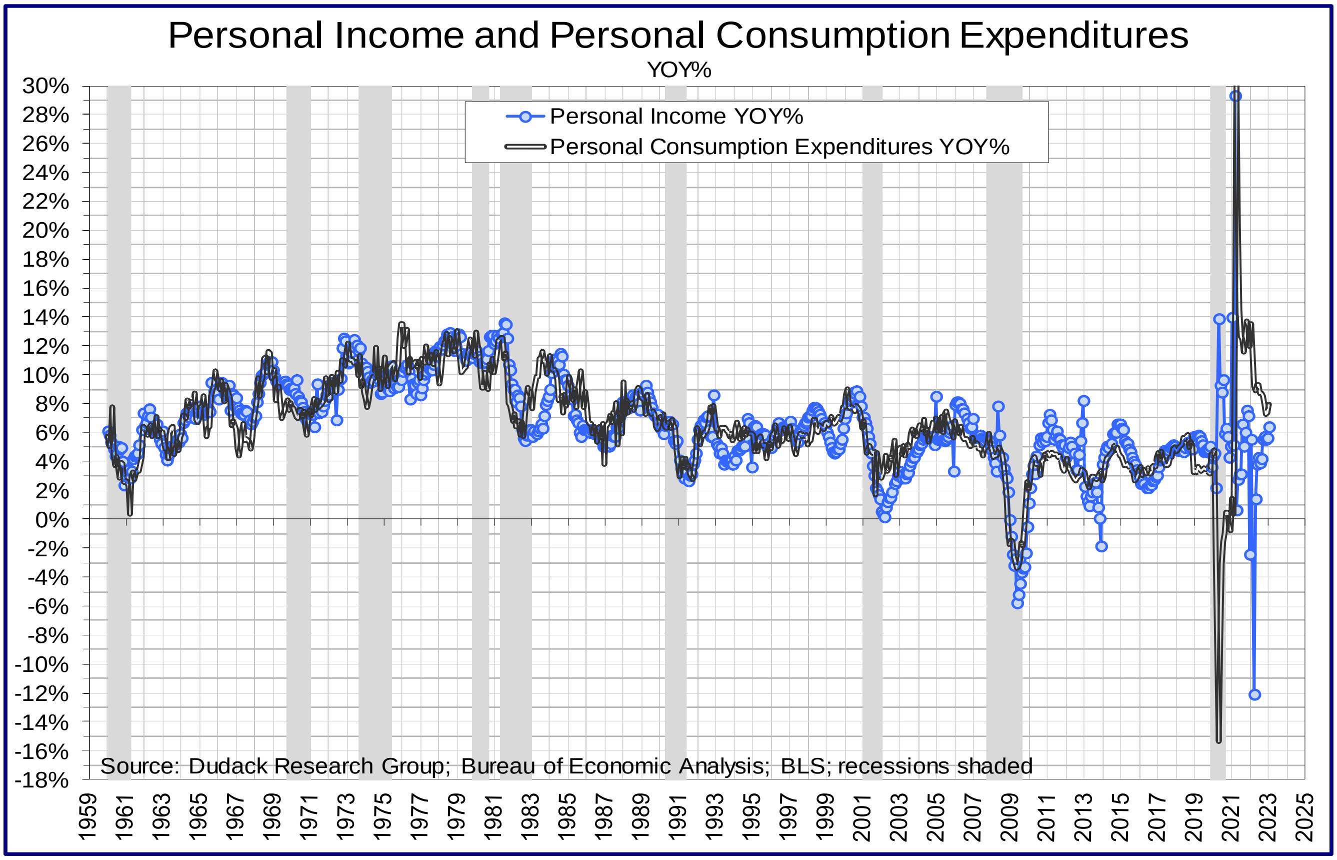


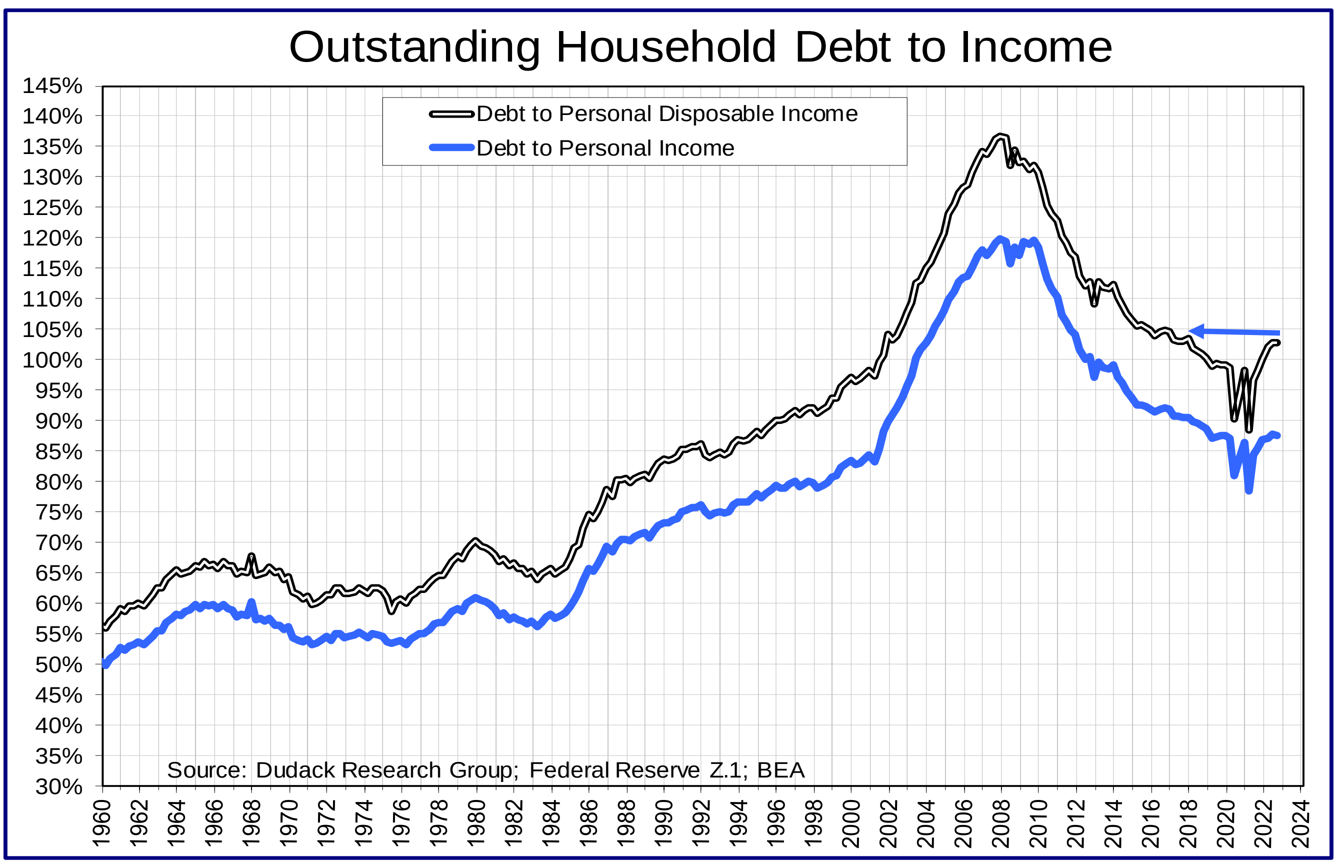
Source: Dudack Research Group; Bureau of Economic Analysis; disposable income/CPI; recessions shaded



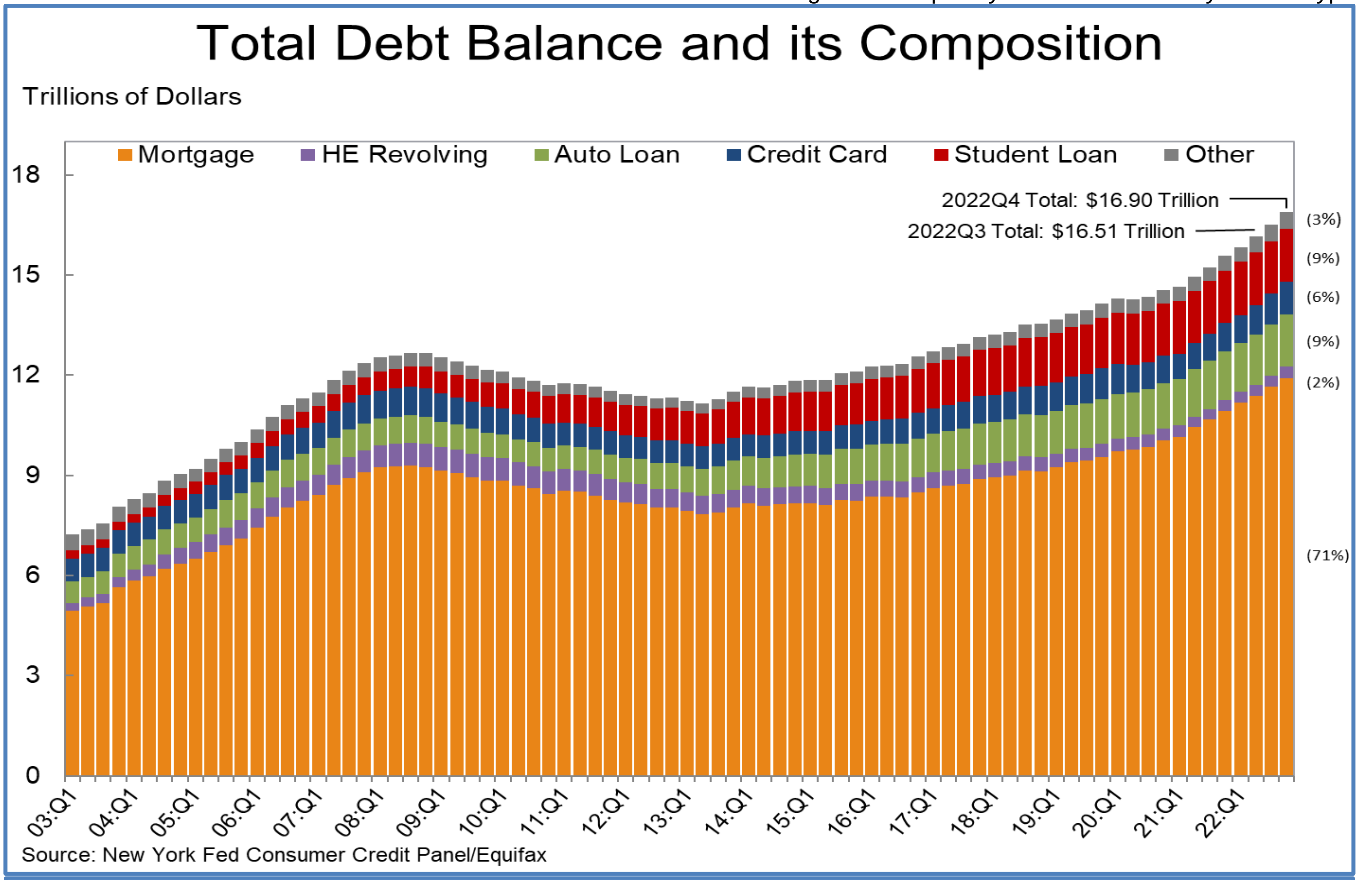
Source: Dudack Research Group; Bureau of Economic Analysis; recessions shaded

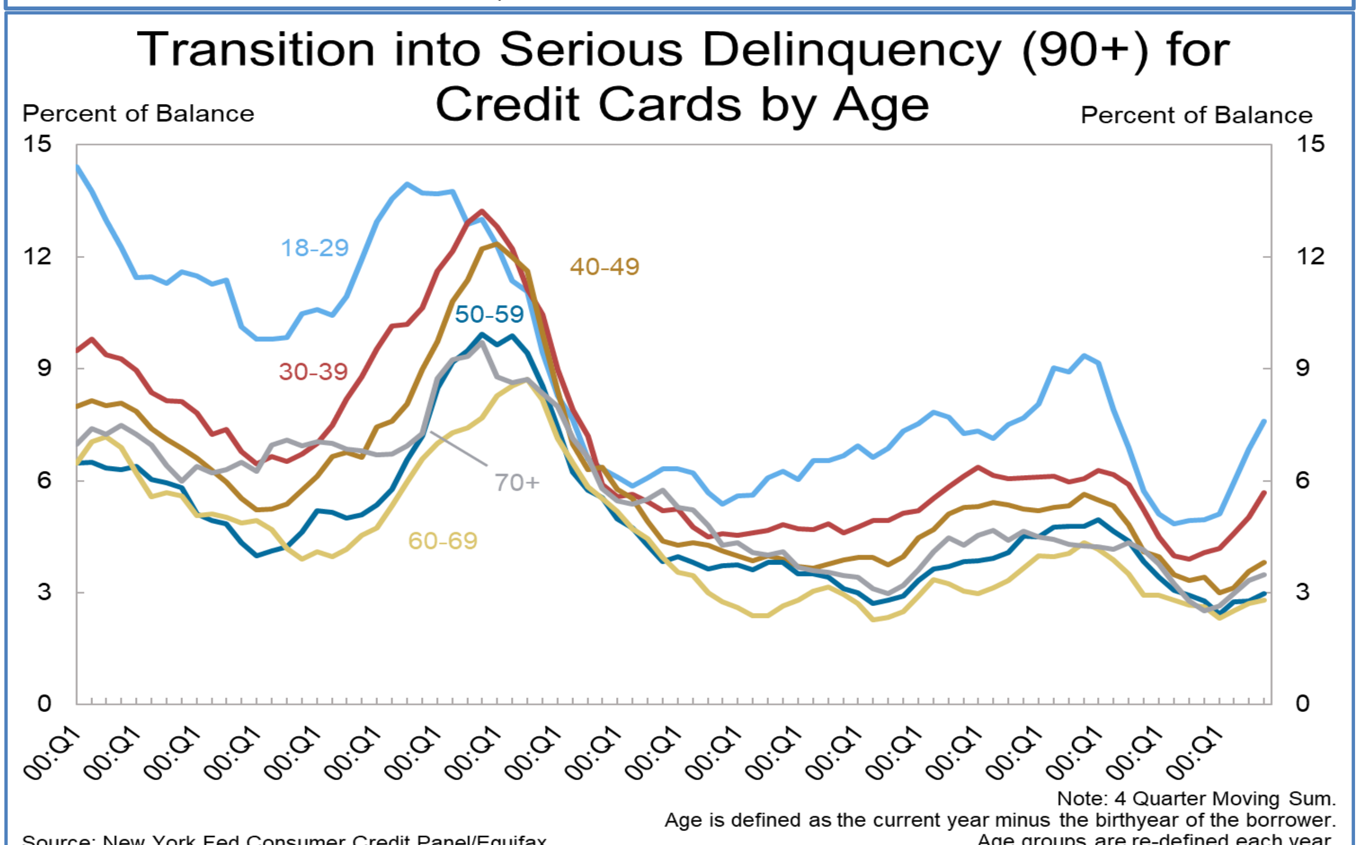
While personal income rose 6.4% YOY, personal consumption expenditures rose 7.9% YOY, up from 7.5% in December but down from the peak rate of 30% YOY in April 2021. However, household consumption is coming at a price. The last quarterly report from the Federal Reserve (3Q22) showed that debt as a percentage of disposable income rose to nearly 103%, the highest level since the end of 2017.



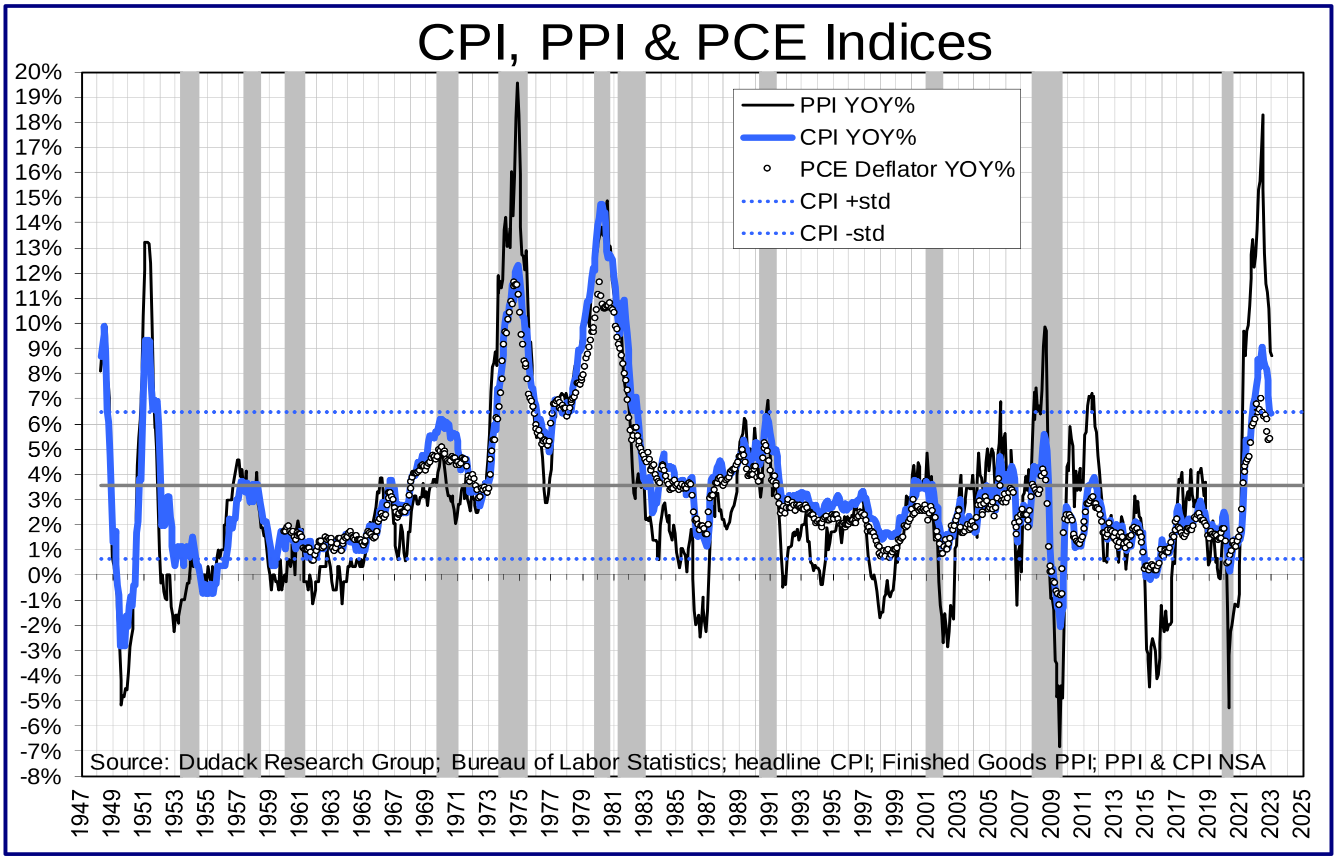


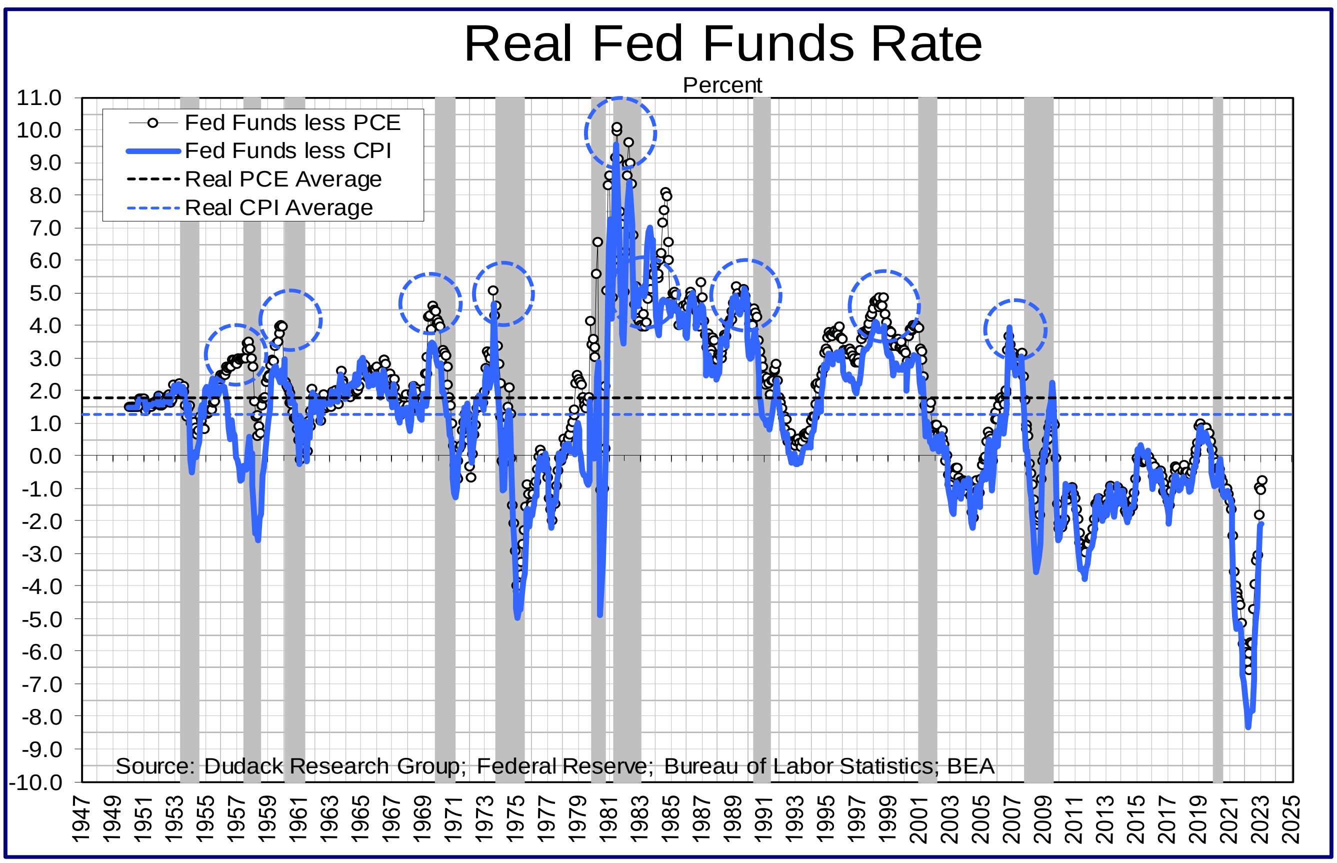
According to the latest **Quarterly Report on Household Debt and Credit,** total household debt rose $394 billion, or 2.4%, to $16.90 trillion in the fourth quarter of 2022. Credit card balances increased by $61 billion to $986 billion, exceeding the pre-pandemic high of $927 billion. Delinquencies among 18 to 29-year-olds are rising. Mortgage balances rose to $11.92 trillion, auto loans to $1.55 trillion, and student loan balances to $1.60 trillion. The share of current debt transitioning into delinquency increased for nearly all debt types.



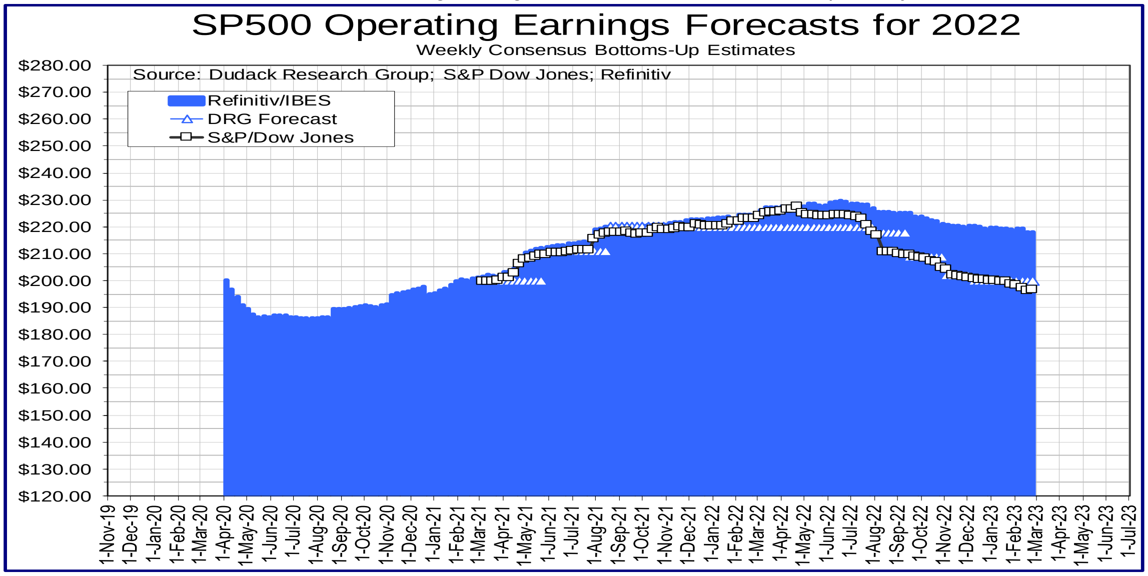


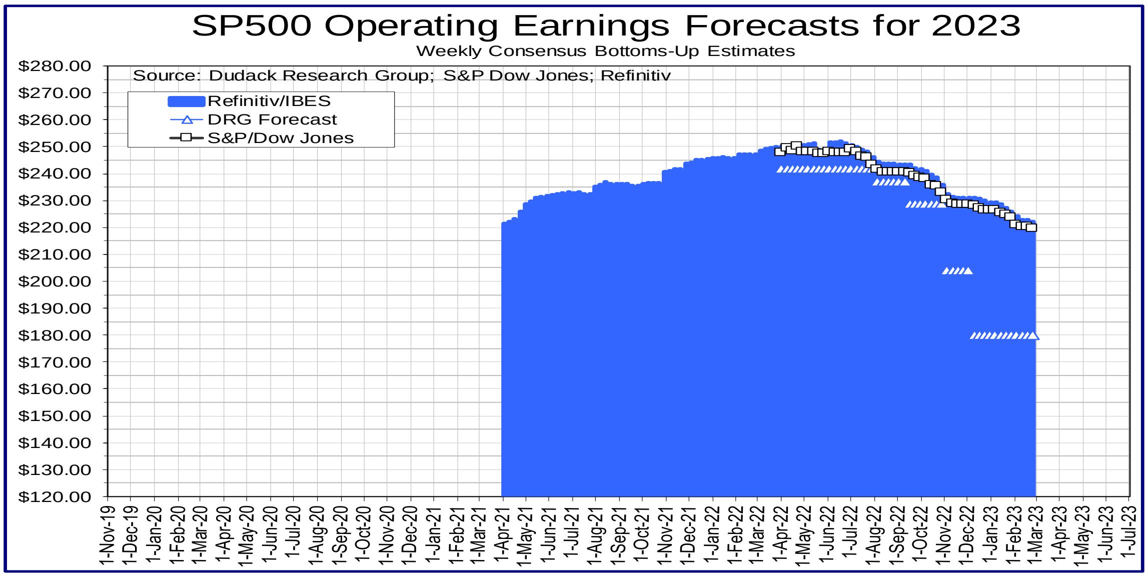
The PCE price index reaccelerated in January rising to 5.4% YOY from 5.3% in December. This was a disappointment to investors, since inflation is falling less than expected and recent economic data has been stronger than expected for personal income, consumption, new home and pending home sales, and consumer sentiment indices. The combination is more evidence that the Fed is apt to raise rates more than expected this year.

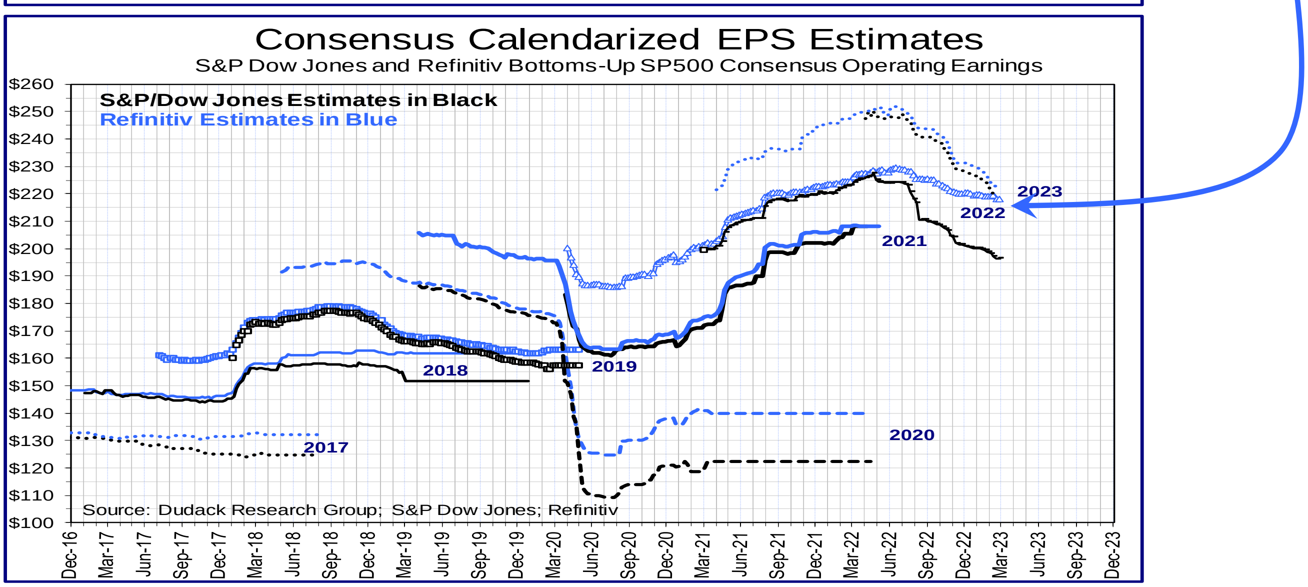




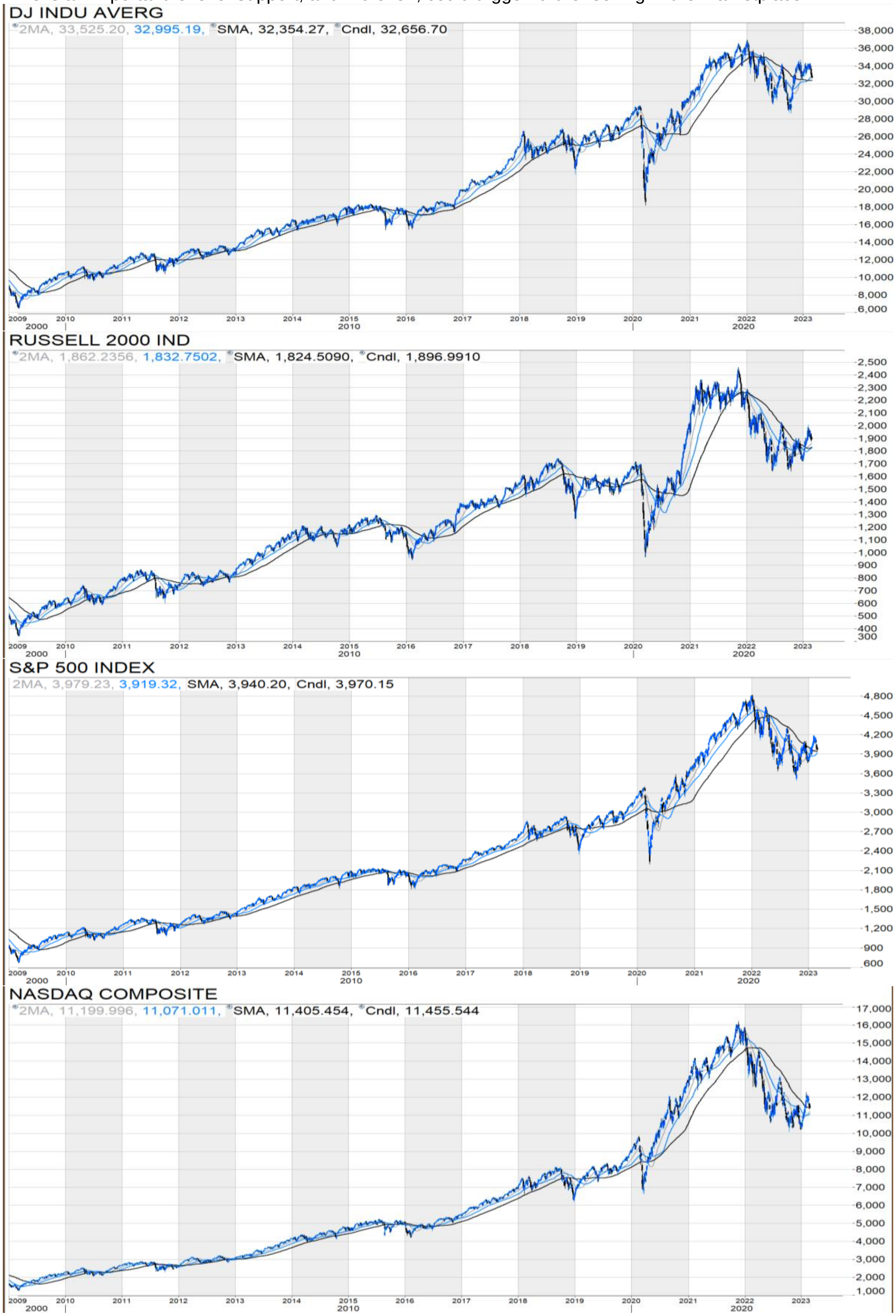
S&P Dow Jones earnings estimates for 2022 and 2023 rose $0.11 and fell $0.45 this week. Refinitiv IBES consensus earnings forecasts fell $0.14 and $0.65, respectively, leaving estimates at $196.42./$218.02 and $219.71/$222.20, respectively. EPS growth rates for 2022 are (5.7%) and 4.8%, and for 2023 are 11.9% and 1.9%, 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 $200 and $180, reflecting earnings declines of 3.9% and 10%, respectively.







Last week our focus was on the 2000 level in the RUT, which was an important resistance level that could measure the strength of the rally. This resistance level did reverse the advance in the near term and now our attention shifts to the 200-day moving average in the SPX at 3940. This is an important level of support, and if broken, could trigger further selling in the marketplace.

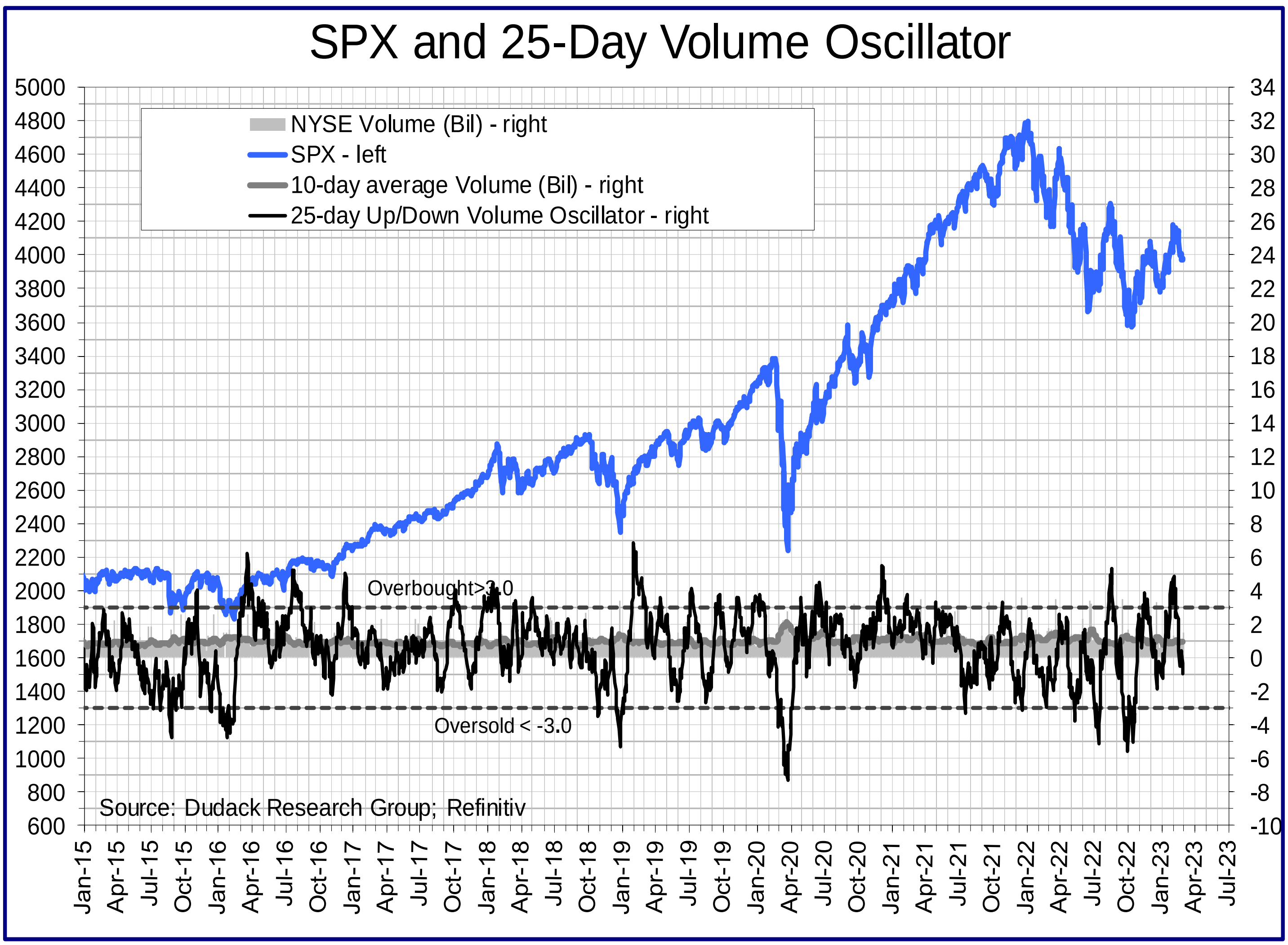


Source: Refinitiv

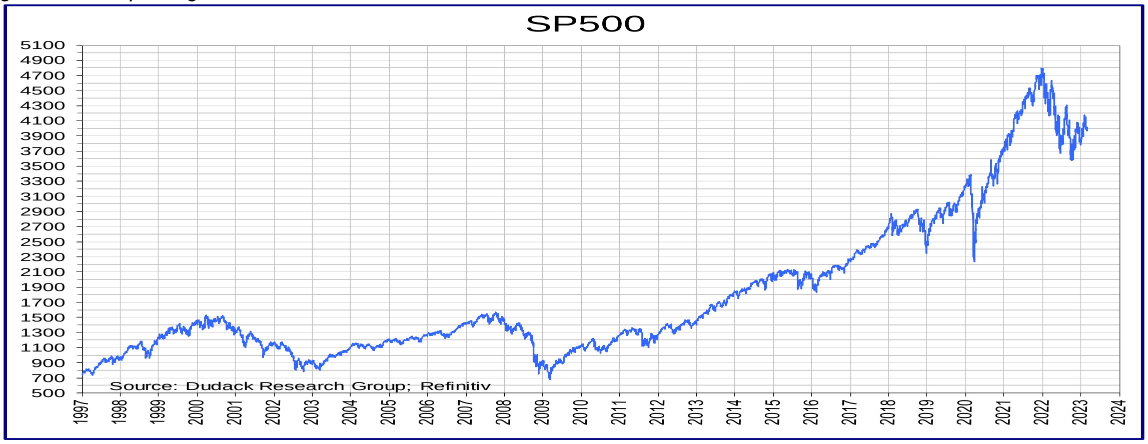
The 25-day up/down volume oscillator is negative 0.99 and neutral this week after being overbought for eleven straight trading sessions ending February 8. This long overbought reading was an upgrade from the overbought reading seen in November off the October low. Bear markets rarely reach overbought territory, and if they do, the reading is usually brief. Therefore, an overbought reading that persists for five to ten consecutive trading days or more – and reaches a new overbought high reading (this has not been true to date) -- is significant. In sum, the recent overbought reading was an indication of a shift from bearish to positive, or at least from bearish to neutral. This is a major change in the technical backdrop.

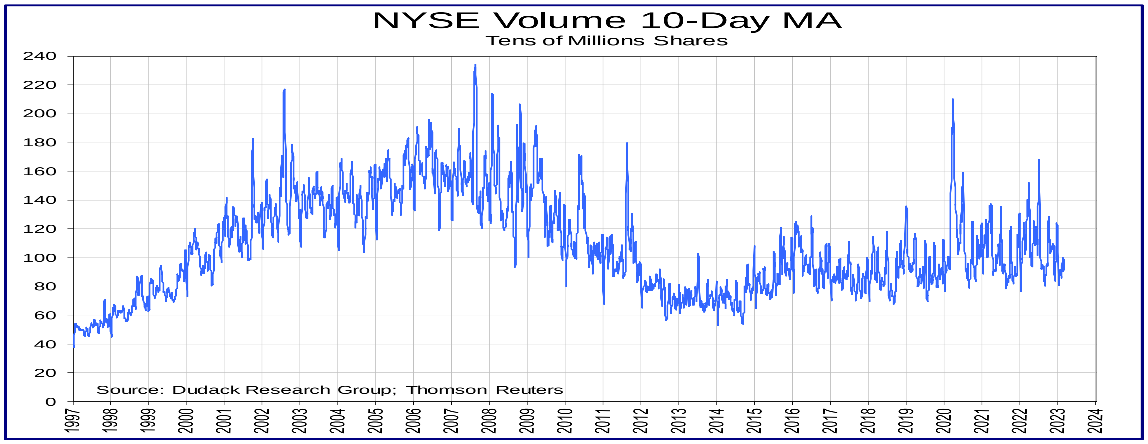
As a reminder, the 25-day up/down volume oscillator has been in bearish mode since April 2022 when it repeatedly failed to reach overbought territory to confirm new market highs. It subsequently recorded a series of oversold readings which indicated a downshift in the cycle. On September 30, the oscillator hit an oversold reading of negative 5.6 which was a deeper oversold reading than the negative 5.17 reading of July 14, 2022. This was a failure in defining June as a major low. 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. However, the indicator has not generated a significant overbought or oversold reading in recent months and the current reading is a positive sign.

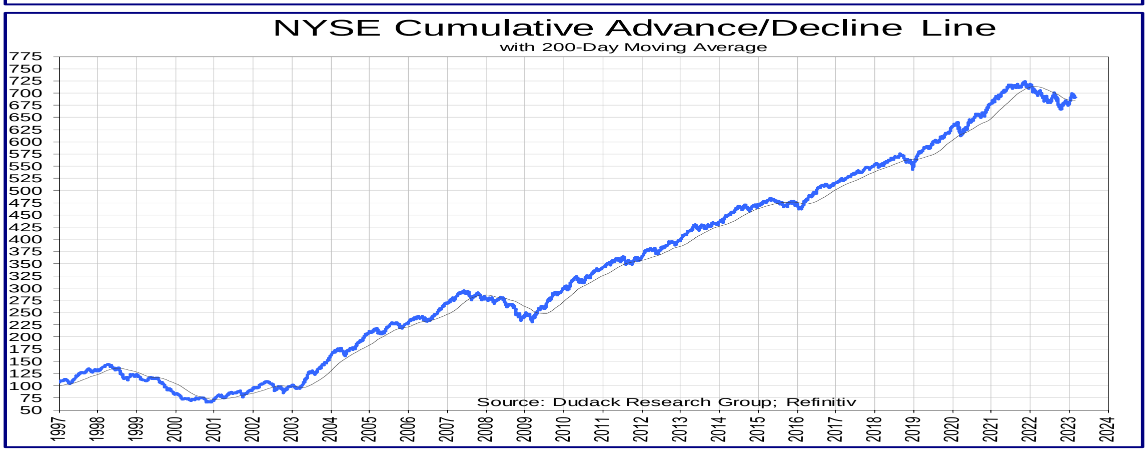
The key to a successful retest of a bear market low is whether or not a new low in price generates a new low in breadth. A successful retest will show there is less selling pressure – a less severe oversold reading -- despite a lower low in price. This "non-confirmation" of a low is a positive and implies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

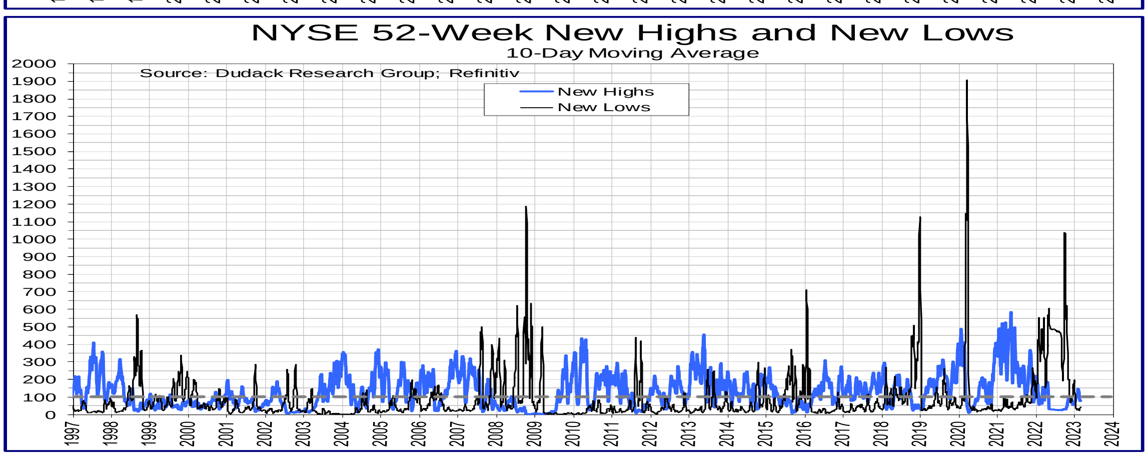


The 10-day average of daily new highs is 78 and new lows are 43. This combination is now neutral since neither new highs nor new lows are above 100. The advance/decline line fell below the June low on September 22 and is currently 33,802 net advancing issues from its 11/8/21 high. Although the AD line remains negative, it is improving.

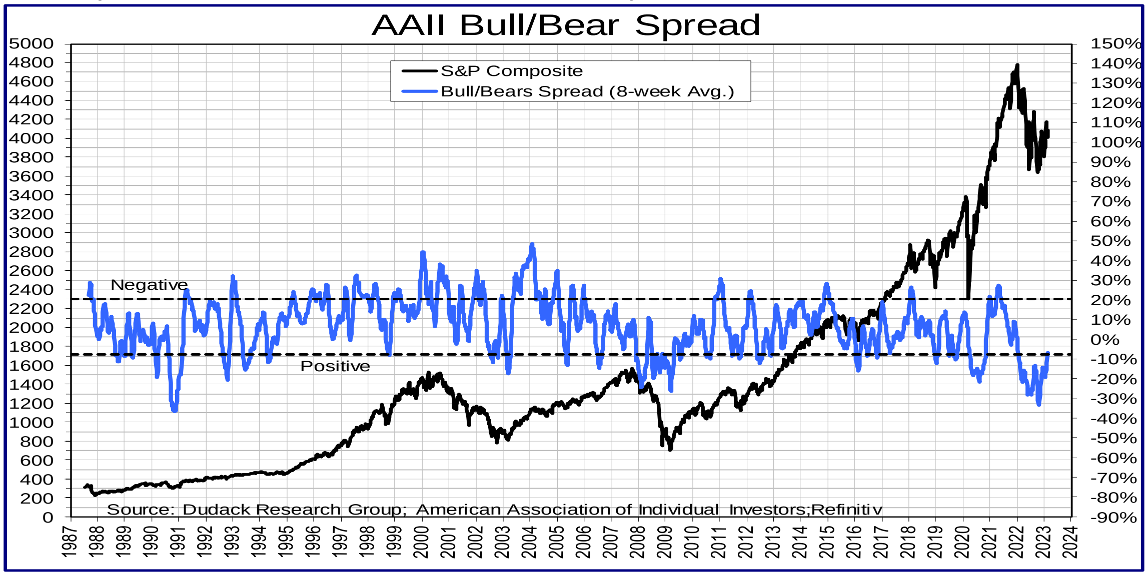


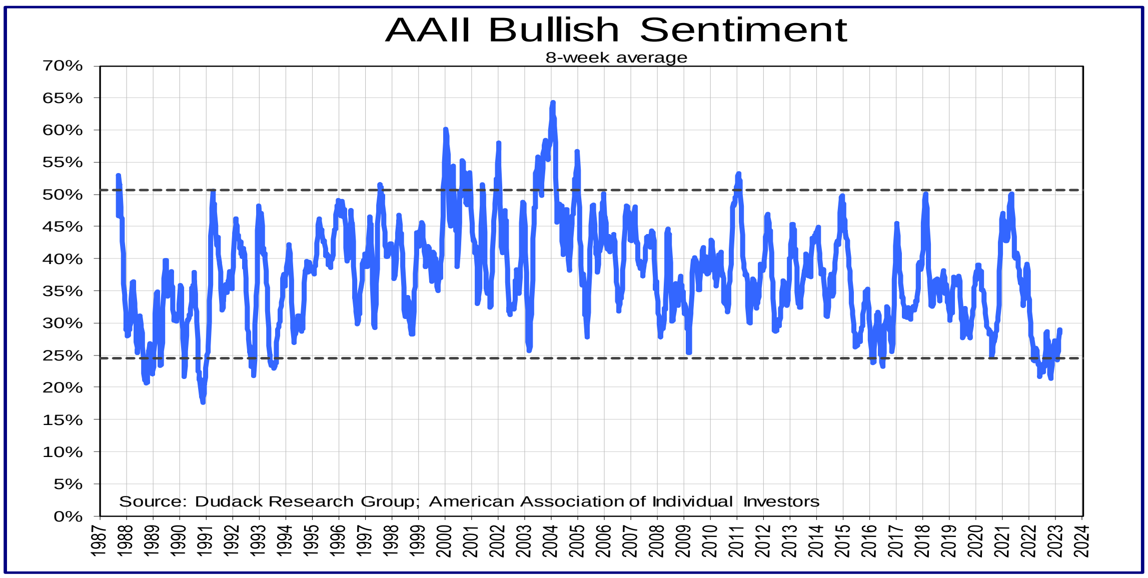


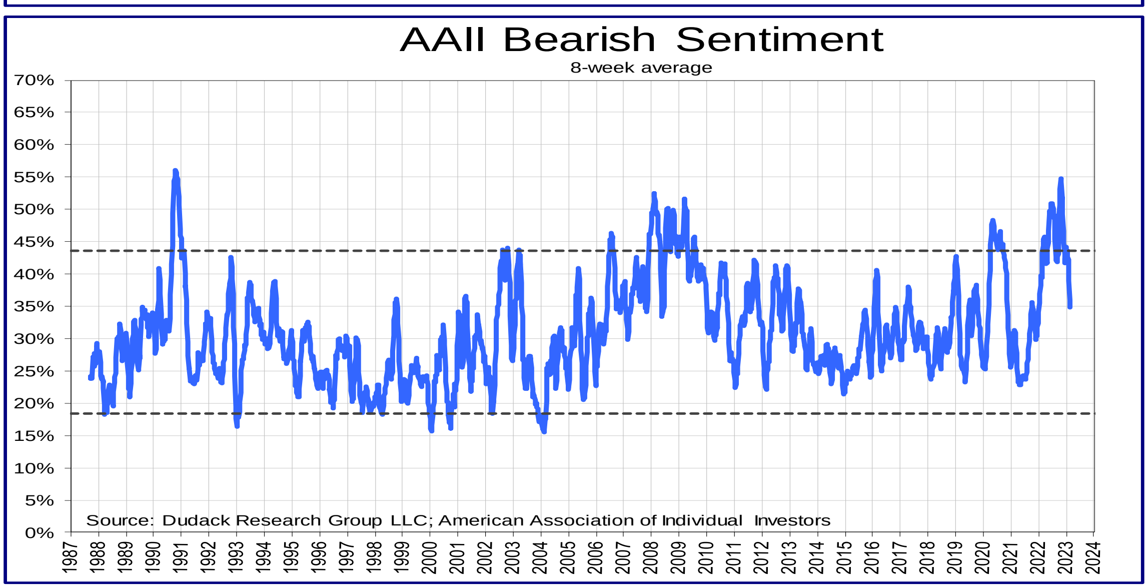




Last week's AAII readings showed a huge 12.5% decrease in bulls to 21.6% and a sizeable 9.8% increase in bears to 38.6%. The Bull/Bear 8-week Spread remains neutral, and is out of positive territory for only the second week since January 12, 2022. Sentiment has been unusually volatile for the last two months.







GLOBAL MARKETS AND COMMODITIES - RANKED BY 2023 TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
SPDR S&P Semiconductor ETF	XSD	198.32	2.6%	0.4%	18.6%	18.6%
iShares MSCI Mexico Capped ETF	EWW	57.64	0.4%	-0.7%	16.6%	16.6%
iShares MSCI Austria Capped ETF	EWO	21.44	1.2%	2.2%	12.8%	12.8%
Consumer Discretionary Select Sector SPDR	XLY	145.54	0.0%	-1.6%	12.7%	12.7%
SPDR Homebuilders ETF	XHB	67.52	1.9%	0.6%	11.9%	11.9%
iShares MSCI Germany ETF	EWG	27.29	-1.4%	-2.5%	10.4%	10.4%
NASDAQ 100	NDX	12042.12	-0.2%	-1.0%	10.1%	10.1%
SPDR S&P Retail ETF	XRT	66.45	-1.9%	-3.4%	9.9%	9.9%
Technology Select Sector SPDR	XLK	136.52	0.0%	-0.1%	9.7%	9.7%
Nasdaq Composite Index Tracking Stock	ONEQ.O	44.90	-0.4%	-1.4%	9.6%	9.6%
iShares MSCI Taiwan ETF	EWT	43.69	-0.4%	-3.7%	8.8%	8.8%
iShares Russell 2000 Growth ETF	IWO	233.06	0.8%	-0.5%	8.6%	8.6%
iShares Russell 2000 ETF	IWM	188.18	0.4%	-0.7%	7.9%	7.9%
iShares Russell 2000 Value ETF	IWN	148.60	0.0%	-0.9%	7.2%	7.2%
iShares Russell 1000 Growth ETF	IWF	229.32	-0.3%	-1.2%	7.0%	7.0%
SPDR S&P Bank ETF	KBE	48.26	0.1%	0.6%	6.9%	6.9%
Shanghai Composite	.SSEC	3279.61	-0.8%	0.5%	6.2%	6.2%
iShares MSCI EAFE ETF	EFA	69.35	-1.3%	-3.1%	5.7%	5.7%
Materials Select Sector SPDR	XLB	81.83	2.3%	-1.9%	5.3%	5.3%
iShares MSCI United Kingdom ETF	EWU	32.28	-1.6%	-0.9%	5.3%	5.3%
Financial Select Sector SPDR	XLF	35.72	0.2%	-1.5%	4.4%	4.4%
iShares Russell 1000 ETF	IWB	219.15	-0.6%	-2.2%	4.1%	4.1%
iShares MSCI Canada ETF	EWC	34.05	-0.9%	-4.5%	4.0%	4.0%
Vanguard FTSE All-World ex-US ETF	VEU	52.11	-1.6%	-5.0%	3.9%	3.9%
iShares MSCI South Korea Capped ETF	EWY	58.50	-2.7%	-10.6%	3.6%	3.6%
iShares US Real Estate ETF	IYR	87.07	-2.0%	-5.3%	3.4%	3.4%
SP500	.SPX	3970.15	-0.7%	-2.5%	3.4%	3.4%
iShares MSCI Australia ETF	EWA	22.88	-2.5%	-8.3%	2.9%	2.9%
PowerShares Water Resources Portfolio	PHO	53.00	-0.7%	-1.0%	2.8%	2.8%
Industrial Select Sector SPDR	XLI	100.97	0.3%	-0.2%	2.8%	2.8%
iShares MSCI Japan ETF	EWJ	55.94	-0.7%	-4.9%	2.8%	2.8%
iShares DJ US Oil Eqpt & Services ETF	IEZ	21.69	1.9%	-4.4%	2.3%	2.3%
iShares 20+ Year Treas Bond ETF	TLT	101.71	1.3%	-4.7%	2.2%	2.2%
iShares US Telecomm ETF	IYZ	22.88	-2.4%	-5.5%	2.0%	2.0%
iShares MSCI Singapore ETF	EWS	19.13	-1.9%	-6.5%	1.7%	1.7%
Gold Future	GCc1	2506.10	0.2%	0.9%	1.7%	1.7%
iShares Russell 1000 Value ETF	IWD	153.83	-1.0%	-3.1%	1.4%	1.4%
iShares MSCI Emerg Mkts ETF	EEM	38.23	-2.4%	-9.6%	0.9%	0.9%
iShares iBoxx $ Invest Grade Corp Bond	LQD	105.92	0.4%	-4.1%	0.5%	0.5%
SPDR Gold Trust	GLD	169.78	-0.5%	-5.3%	0.1%	0.1%
SPDR Communication Services ETF	XLC	56.15	0.0%	0.0%	0.0%	0.0%
iShares China Large Cap ETF	FXI	27.96	-4.2%	-15.9%	-1.2%	-1.2%
SPDR DJIA ETF	DIA	326.57	-1.4%	-3.8%	-1.4%	-1.4%
DJIA	.DJI	32656.70	-1.4%	-3.9%	-1.5%	-1.5%
iShares MSCI BRIC ETF	BKF	33.73	-3.2%	-11.8%	-1.8%	-1.8%
iShares MSCI Brazil Capped ETF	EWZ	27.27	-3.3%	-8.6%	-2.5%	-2.5%
iShares MSCI Hong Kong ETF	EWH	20.38	-2.1%	-9.2%	-3.0%	-3.0%
iShares Nasdaq Biotechnology ETF	IBB.O	127.18	-1.9%	-7.3%	-3.1%	-3.1%
Consumer Staples Select Sector SPDR	XLP	72.03	-1.9%	-1.1%	-3.4%	-3.4%
Oil Future	CLc1	77.05	0.9%	-3.3%	-4.0%	-4.0%
United States Oil Fund, LP	USO	67.21	0.8%	-3.3%	-4.1%	-4.1%
Energy Select Sector SPDR	XLE	83.69	-0.5%	-8.3%	-4.3%	-4.3%
iShares MSCI Malaysia ETF	EWM	21.74	-3.0%	-9.4%	-4.8%	-4.8%
Health Care Select Sect SPDR	XLV	127.17	-2.4%	-4.3%	-6.4%	-6.4%
iShares MSCI India ETF	INDA.K	38.80	-2.7%	-5.0%	-7.0%	-7.0%
Utilities Select Sector SPDR	XLU	65.00	-3.3%	-5.6%	-7.8%	-7.8%
Silver Future	SIc1	20.96	-4.2%	-10.9%	-12.2%	-12.2%
iShares Silver Trust	SLV	20.08	-4.2%	-11.3%	-12.6%	-12.6%

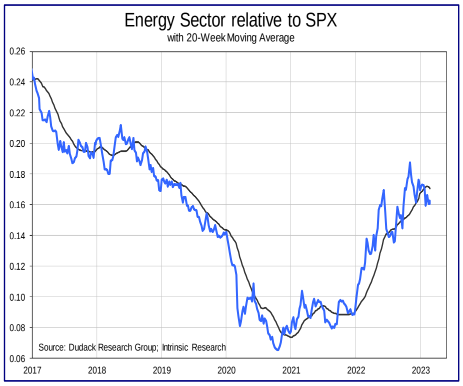
Outperformed SP500
Underperformed SP500

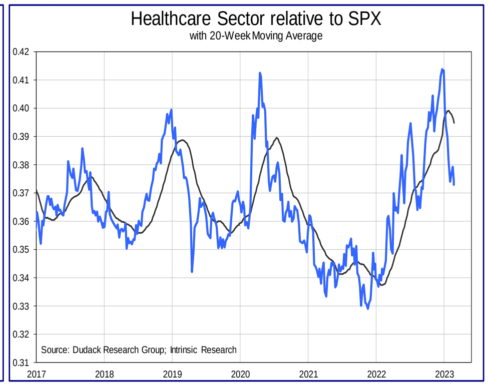
Source: Dudack Research Group; Thomson Reuters   Priced as of February 28, 2023

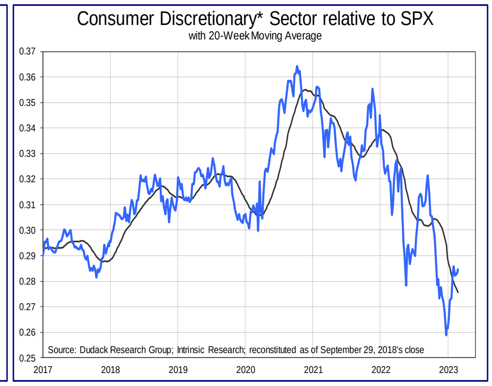
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

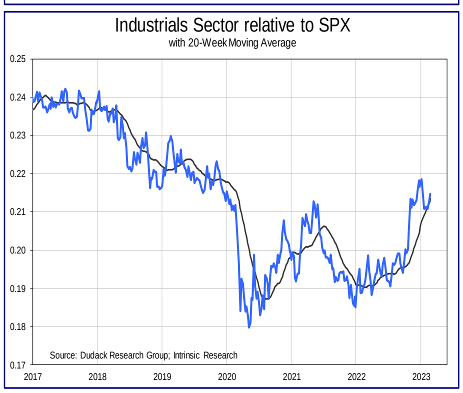
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Energy Industrials Staples Utililties		Healthcare Technology Materials Financials		Consumer Discretionary REITS Communication Services

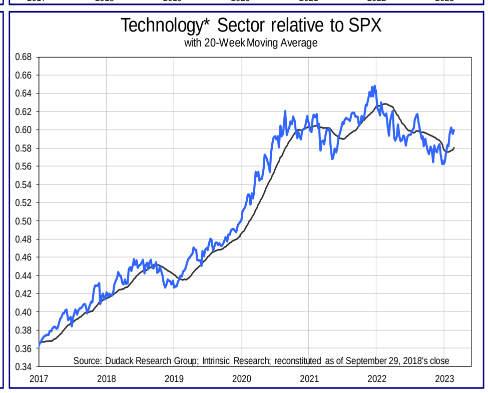
3/8/2022:Materials upgraded from underweight to neutral/communication service downgraded from neutral to underweight. 3/1/2022 Financials downgraded to neutral and Industrials upgraded to overweight.

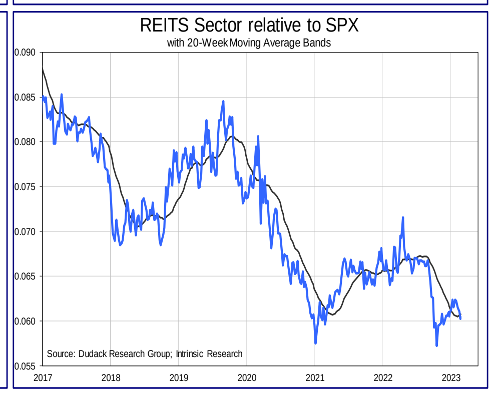


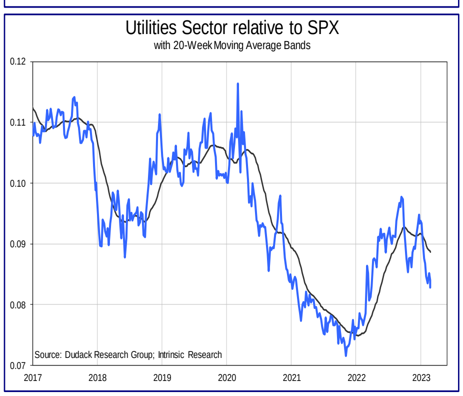


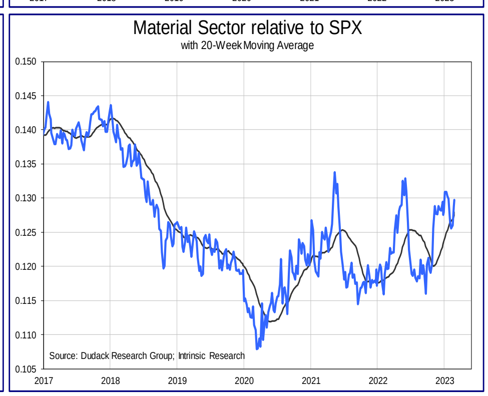


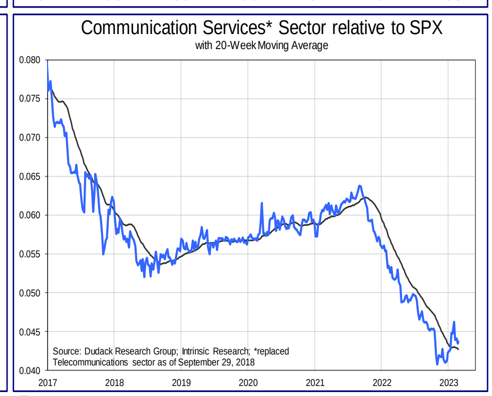


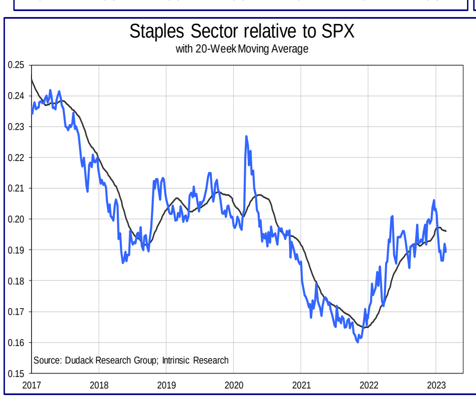












2023 Performance - Ranked	
SP500 Sector	% Change
S&P CONSUMER DISCRETIONARY	12.4%
S&P INFORMATION TECH	9.6%
S&P COMMUNICATIONS SERVICES	8.9%
S&P MATERIALS	5.2%
S&P FINANCIAL	4.1%
S&P 500	3.4%
S&P REITS	3.2%
S&P INDUSTRIALS	2.5%
S&P CONSUMER STAPLES	-3.5%
S&P ENERGY	-5.1%
S&P HEALTH CARE	-6.6%
S&P UTILITIES	-8.3%

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%	$2,382.80	21.1%
2022P	3839.50	$171.86	$196.42	$200.00	-3.9%	**$218.16**	4.8%	20.2X	1.4%	-1.4%	$2,543.00	6.7%
2023E	~~~~~	$199.03	$219.71	$180.00	-10.0%	**$222.20**	1.9%	18.6X	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%	$1,791.40	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%	17.6	1.8%	3.2%	$2,543.00	3.5%
2022 4QE*	3970.15	$38.72	$49.84	$52.77	-6.9%	$53.32	-1.2%	20.8	1.7%	2.7%	NA	NA

Source: DRG; S&P Dow Jones; Refinitiv Consensus estimates; **quarterly EPS may not sum to official CY estimates 2/28/2023

Regulation AC Analyst Certification

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