Dudack Research Group
A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC
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October 4, 2023

DJIA: 33002.38
SPX: 4229.45
NASDAQ: 13059.47

US Strategy Weekly

Oh Congress!

There were plenty of things for investors to worry about before the US House of Representatives voted to unseat House Speaker Kevin McCarthy on Tuesday. For example, Federal Reserve Chairman Jerome Powell has made it clear in recent weeks that there could be another rate hike in the near future and interest rates would not be coming down any time soon. This spooked the debt markets, and the 10-year Treasury bond yield broke above the 4.4% resistance level like a hot knife through butter.

The United Auto Workers strike does not look like it will be ending soon, and auto companies have begun to lay off workers. While the Writers Guild of America settled its strike recently, SAG-AFTRA, which represents 160,000 film and television actors, remains on strike. The 75,000 workers at Kaiser Permanente are set to go on strike this week and this would be the largest healthcare strike in US history. Meanwhile, big capitalization technology stocks are being sued by the Department of Justice and the Federal Trade Commission for monopolistic behavior and the goals appear to be to break companies like Amazon.com, Inc. (AMZN - $124.72) and Alphabet Inc.'s Google (GOOG - $133.30) into smaller pieces.

China's property development sector continues to struggle and now Country Garden Holdings Company (2007.HK – 0.87), the largest company in the sector, is in default, following a similar pattern to that of China's Evergrande Group (3333.HK – 0.41). Crude oil prices have surged to $89.44 a barrel and are now up 14% YOY. This will not be good for consumers, or for September's CPI report. Perhaps more importantly, the rise in the dollar makes energy even more expensive for most non-US consumers. The triple-threat of higher interest rates, a strong dollar, and soaring energy prices will present problems for US consumers, but it could be even more damaging to emerging market economies. See page 8. Higher interest rates will also pressure regional banks since this could exacerbate deposit outflows and weaken balance sheets as Treasury bond prices fall. See page 4.

All the above makes previous concerns about the resumption of student loan payments and California personal income tax payments in October seem like child's play. Nonetheless, these are all problems for equities. But the most immediate obstacle for equities is the 10-year Treasury yield which is closing in on 5%, and some people are beginning to think it could rise to 7% before the cycle is over.

GOLDILOCKS OR RECESSION

<u>Nothing has really changed from our perspective. We were never advocates of the Goldilocks scenario which included a soft economic landing coupled with lower interest rates. We always expected interest rates to remain higher for longer and we also think that a recession is likely</u>. Recessions are a normal part of an economic cycle and not all recessions are prolonged and systemic like in 2008. In fact, most recessions last for two to four quarters and are not even recognized as a recession until it is almost over. But <u>historically, there has never been an inflationary cycle that has not been followed by a series of recessions. Hopefully, this cycle will see a slow steady slowdown that will bring inflation back in line</u>

with the Fed's target of 2%. But it will take time. Meanwhile, we believe the equity market will continue to trade in a wide trading range.

THE SILENT TIGHTENING CYCLE

The equity market responded rather dramatically to the Fed's statement that the fed funds rate would remain higher for longer; however, the real problem may be that monetary tightening is occurring on multiple levels, not just with the fed funds rate. The Fed continues to reduce the size of its balance sheet which means it is no longer a major buyer of US Treasury securities or mortgage-backed securities. This downshift in demand is part of the reason why Treasury bond yields and mortgage rates are rising. And it is also why the money supply, as measured by M1 and M2, has been contracting at a historical rate. See page 4. In addition, as the long end of the yield curve moves higher, this adds to the tightening process by making auto loans, mortgages, and consumer loans far more expensive. It is important to note that August's personal income and expenditure data shows that interest income rose 8.5% YOY, but interest payments increased 47.5% YOY! See page 5. This is just one example of how higher interest rates will lower consumption in the coming months.

Much is being made of the fact that China's ownership of US Treasury securities has been declining, and China is part of the reason that interest rates are on the rise. First, foreign official investors tend to buy and sell US bonds at a slow and deliberate pace and rarely make sudden shifts in supply or demand unless it is needed to support their own economy. In other words, it is unlikely that China is the cause of last week's surge in rates (even though China is clearly lowering its exposure to the US). In fact, Federal Reserve data shows that foreign official and international holdings of US Treasuries have remained fairly constant since 2013. See page 3. We believe the real catalyst for last week's surge in bond yields was that money managers and hedge funds came to a sudden decision that the consensus view of falling interest rates was an error.

CONGRESS

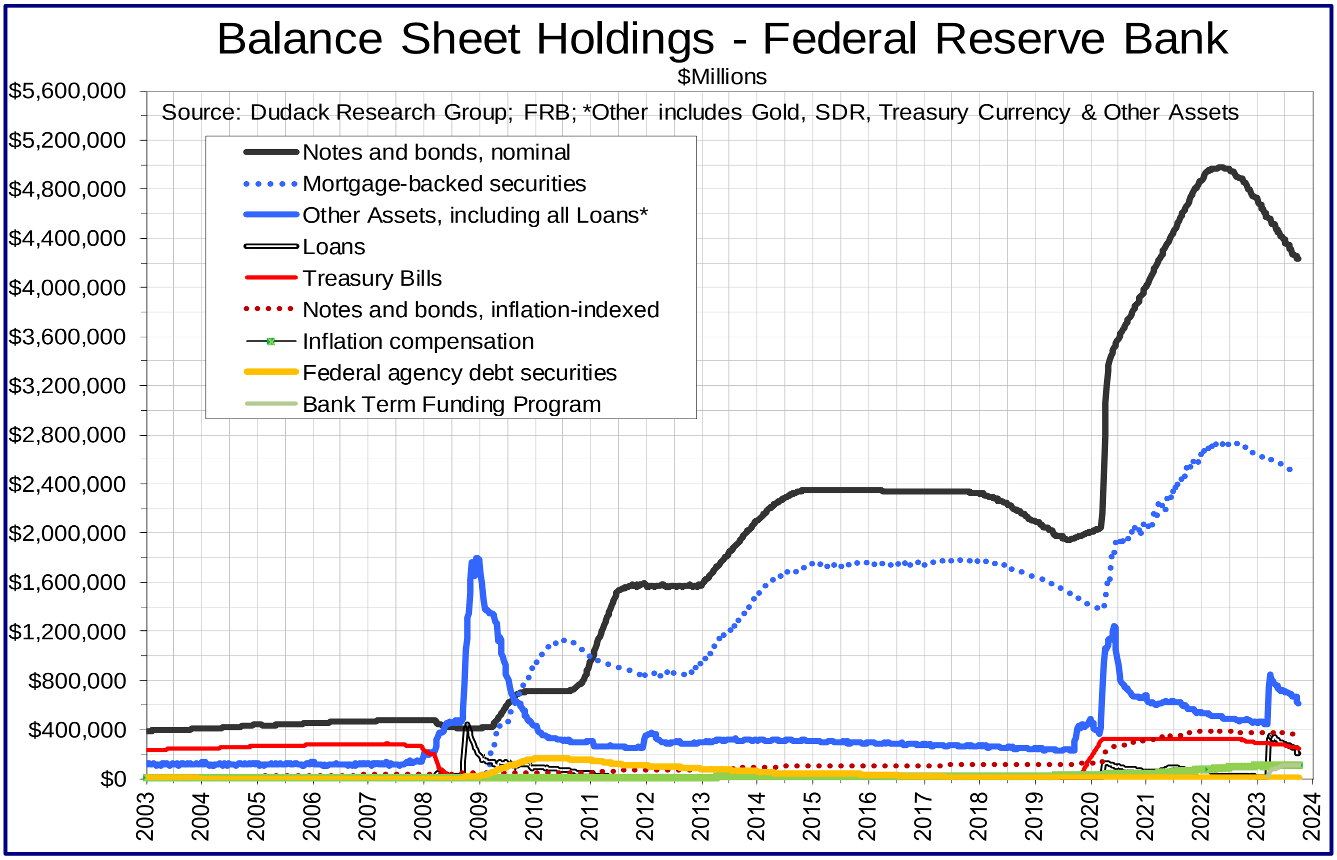
This brings us back to the US Congress, the unseating of Kevin McCarthy as Speaker of the House, and the burgeoning US deficit. The chaos in the House of Representatives could not have come at a worse time. With interest rates rising, the risk of a third downgrade of US debt by Moody's on the horizon, and analysts expecting the supply of federal government debt will be $2.5 trillion this year, the debt markets are under extreme pressure. Since the House of Representatives is crucial in terms of budgetary issues and the debt ceiling, this week's historical ouster of the Speaker of the House adds to the uncertainty surrounding the debt markets. History shows that financial markets can deal with good news or bad news, but they do not deal well with uncertainty.

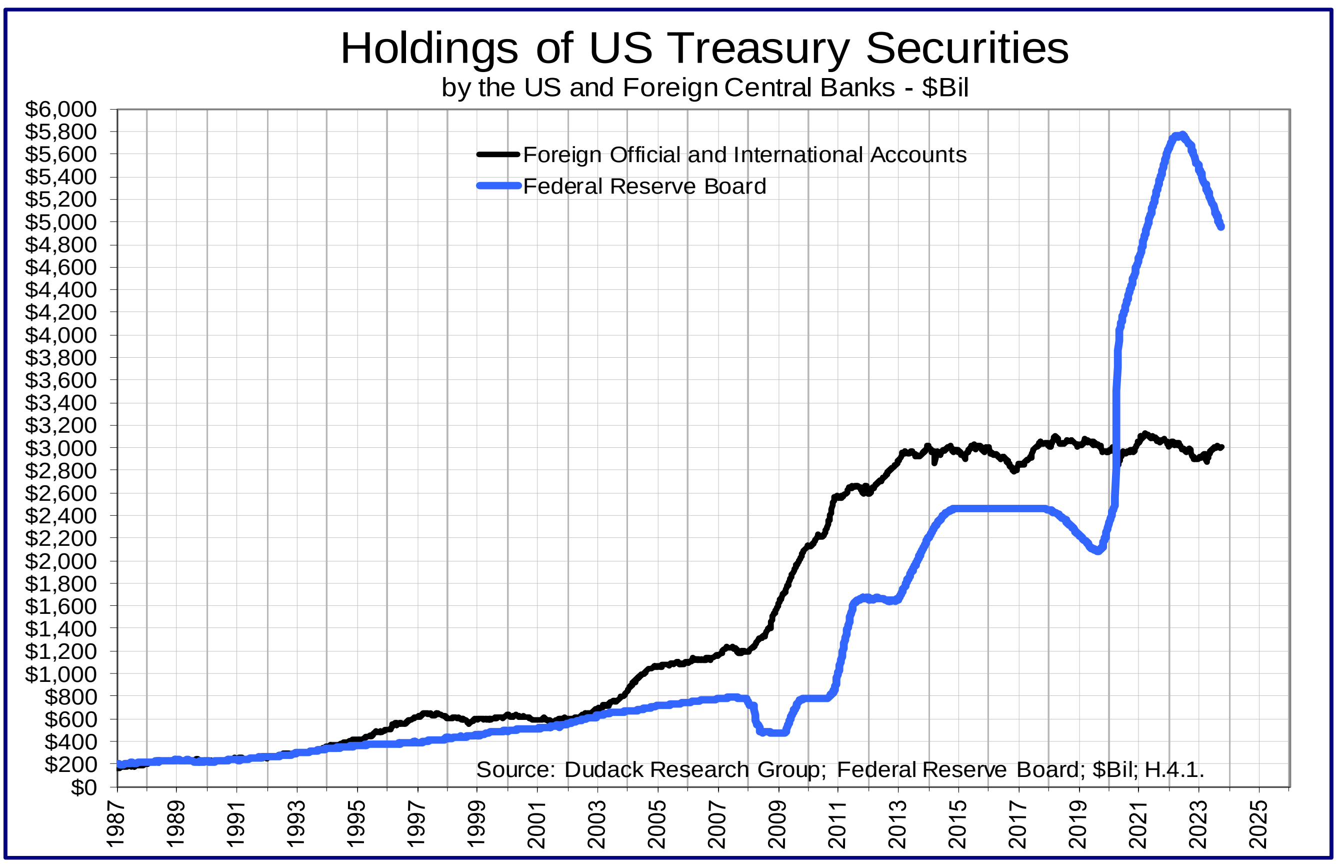
TECHNICAL UPDATE

As we indicated last week, with the Dow Jones Industrial Average and the Russell 2000 trading below their 200-day moving averages, it is likely that the S&P 500 and Nasdaq Composite will have a similar test in the days ahead. Nevertheless, the major patterns remain characteristic of a long-term neutral trading range, best seen by 1650-2000 in the Russell 2000. If the Russell 2000 breaks well below the 1650 support, it would be a major negative for the chart, but this is not our expectation. See page 10.

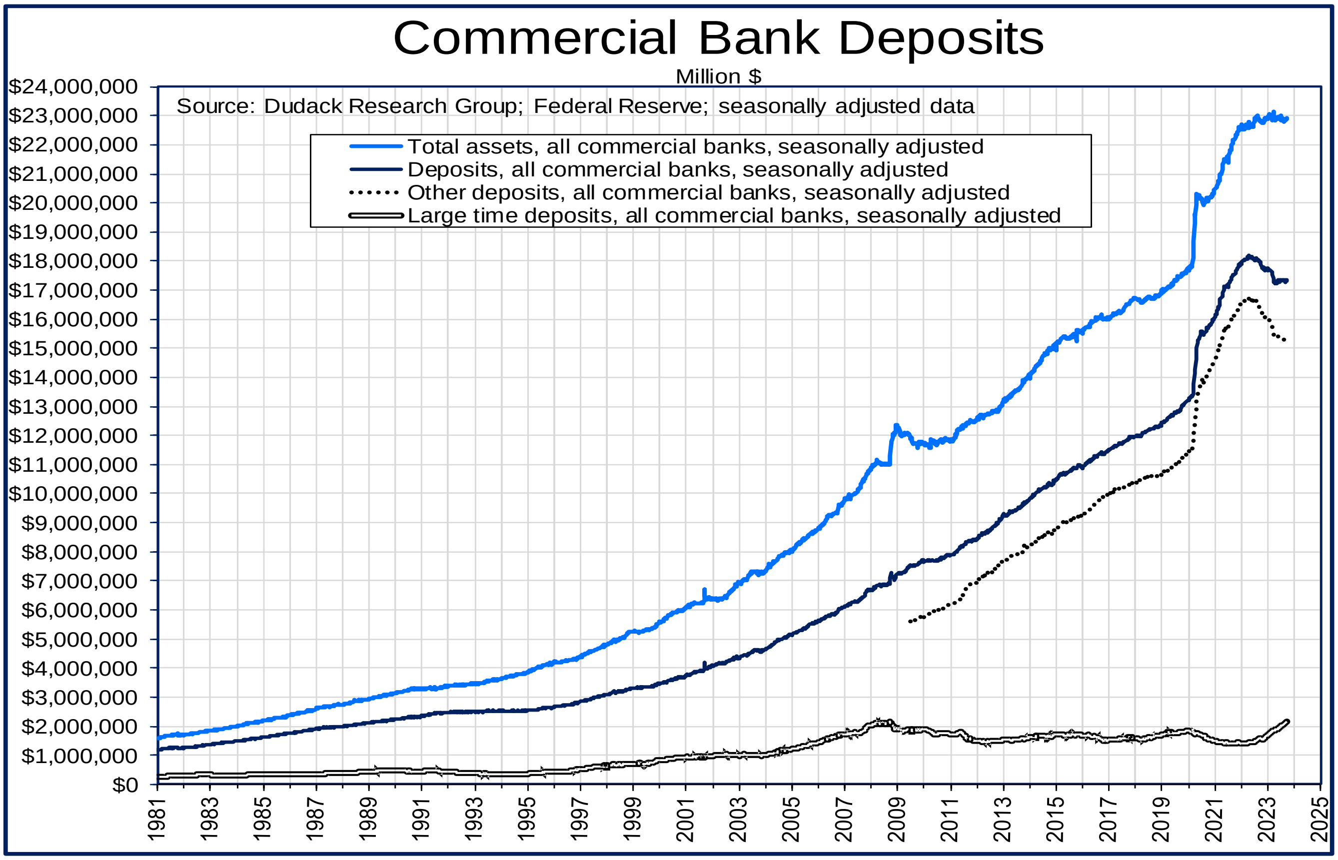
The 25-day up/down volume oscillator is at a negative 2.90 reading this week, down from last week and closing in on an oversold reading of negative 3.0 or less. The oscillator generated overbought readings in 10 of 22 trading sessions ending August 1, but it never confirmed July's advance in the averages. Strong rallies should have at least one extremely overbought day and overbought readings that last at least five consecutive days. If, or when, this indicator becomes oversold, the same will be true – five consecutive trading days in oversold are needed to confirm that the decline is more than a normal pullback in prices. All in all, the market appears vulnerable, but the trend remains long-term neutral. See page 11.

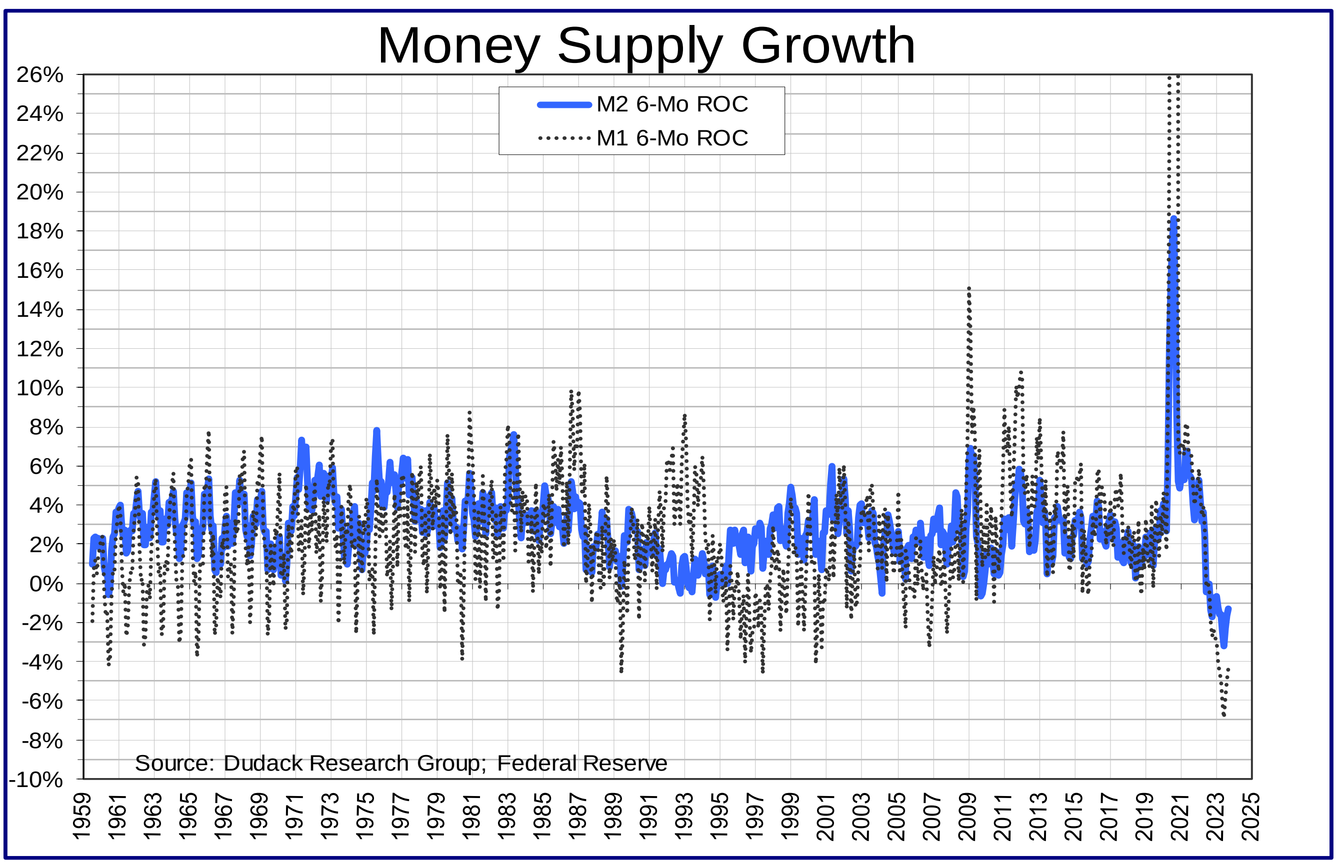
The Federal Reserve continues to shrink its balance sheet by letting Treasury and mortgage-back securities mature. There is great concern that China is selling US Treasury bonds, however, recent Fed data on foreign official holdings of US Treasury securities has been relatively stable since 2013.



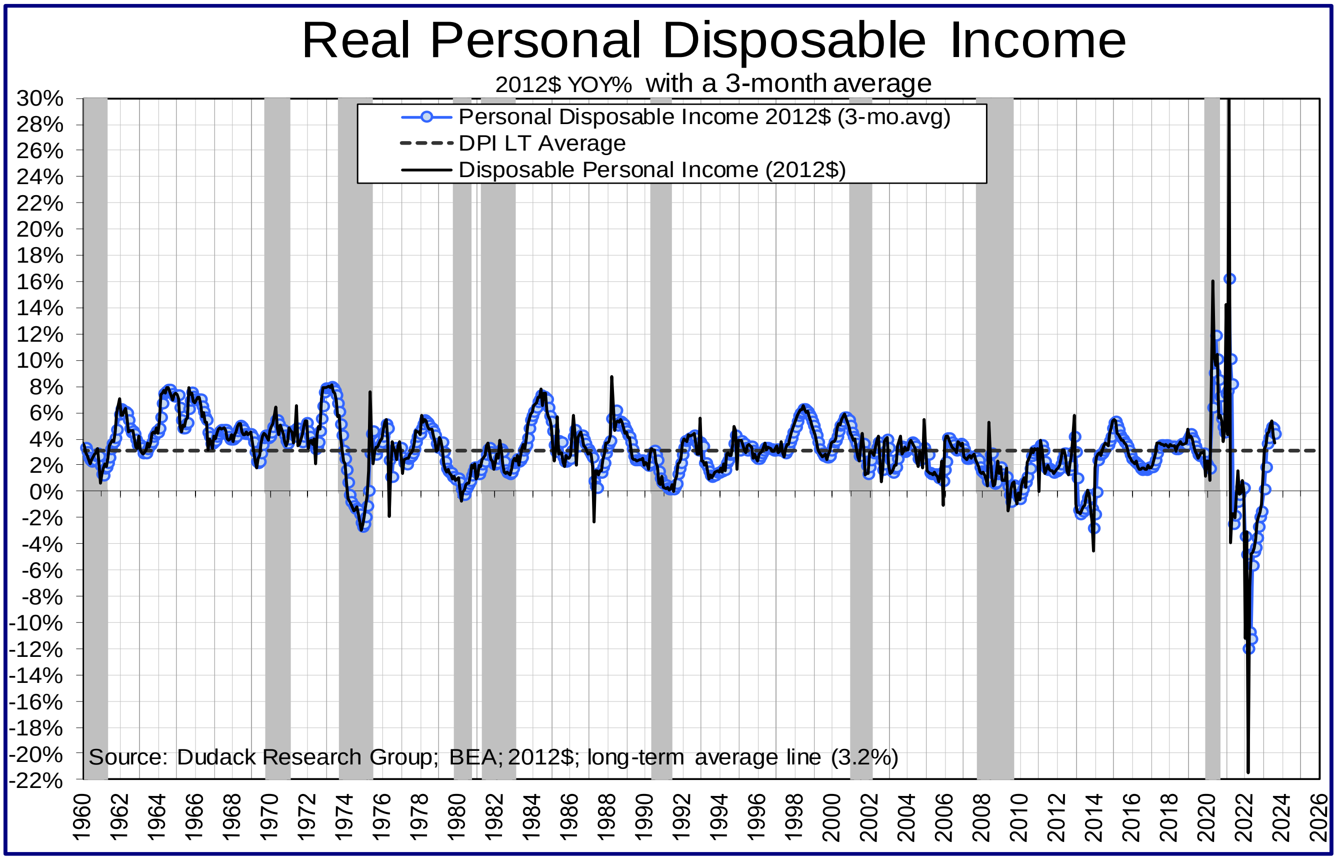


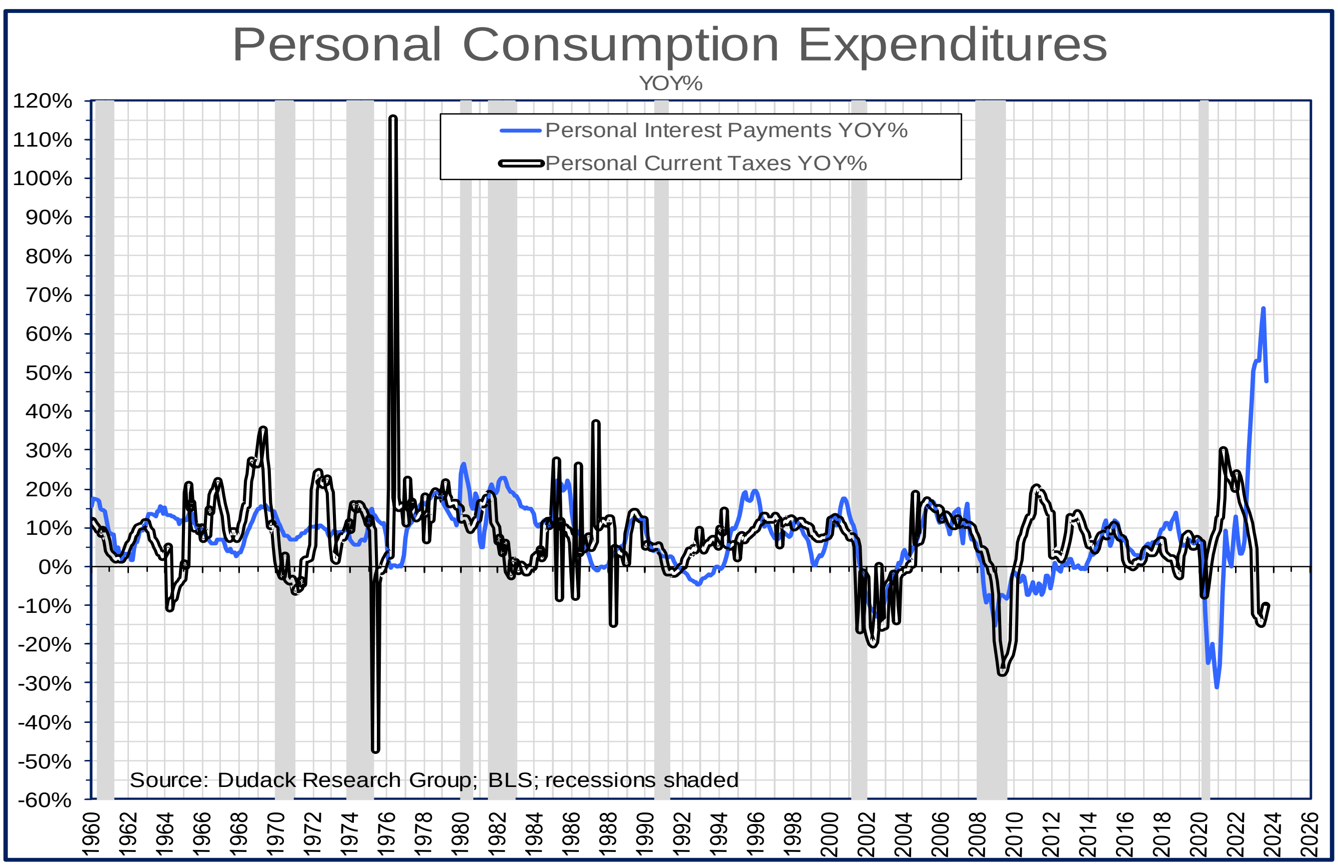
As interest rates rise, commercial banks continue to lose deposits, although flows into large time deposits are rising. But the 6-month rate of change in money supply, or M2, has been contracting at a record pace. Rising money supply has been positive for equities, declining money supply is not correlated with equity performance, but it is a headwind.



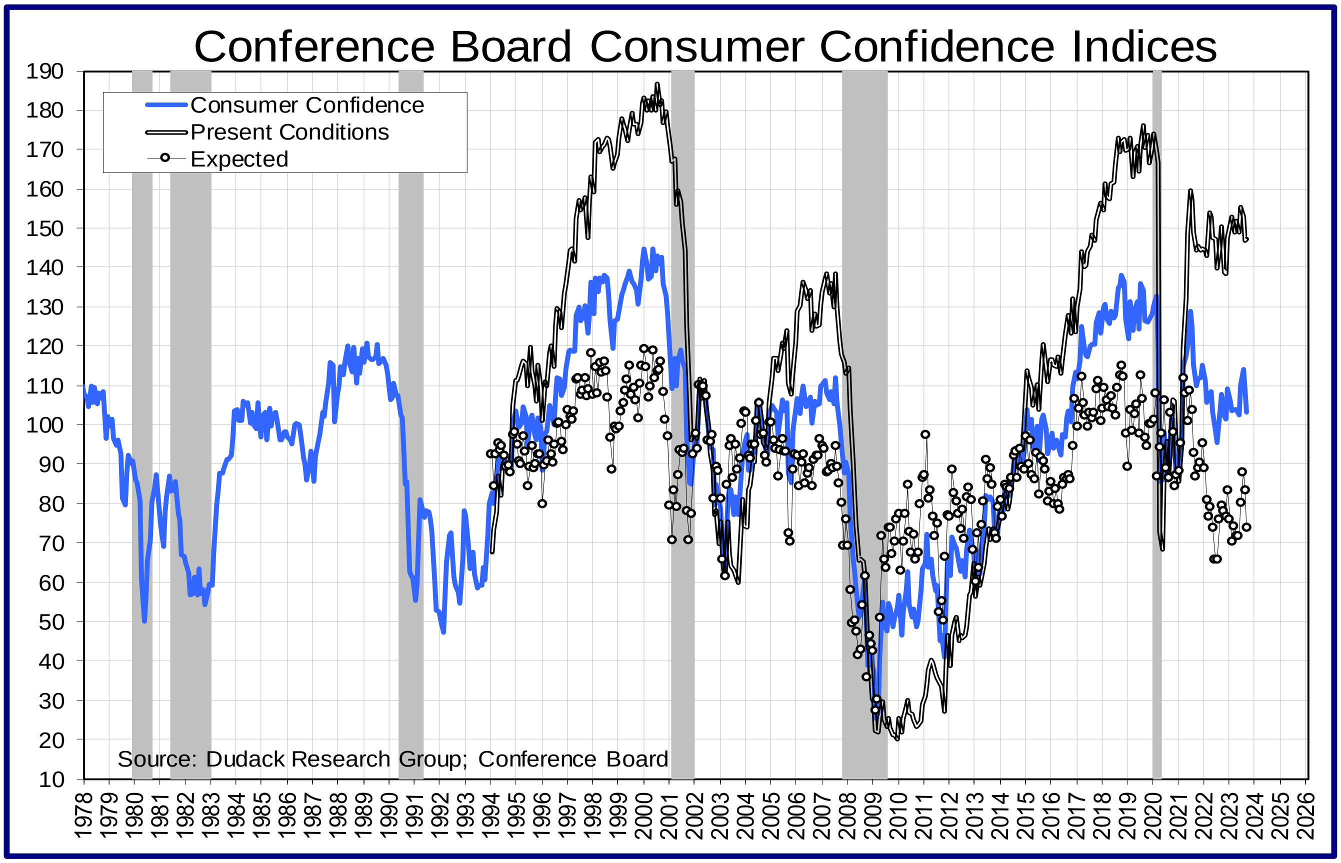


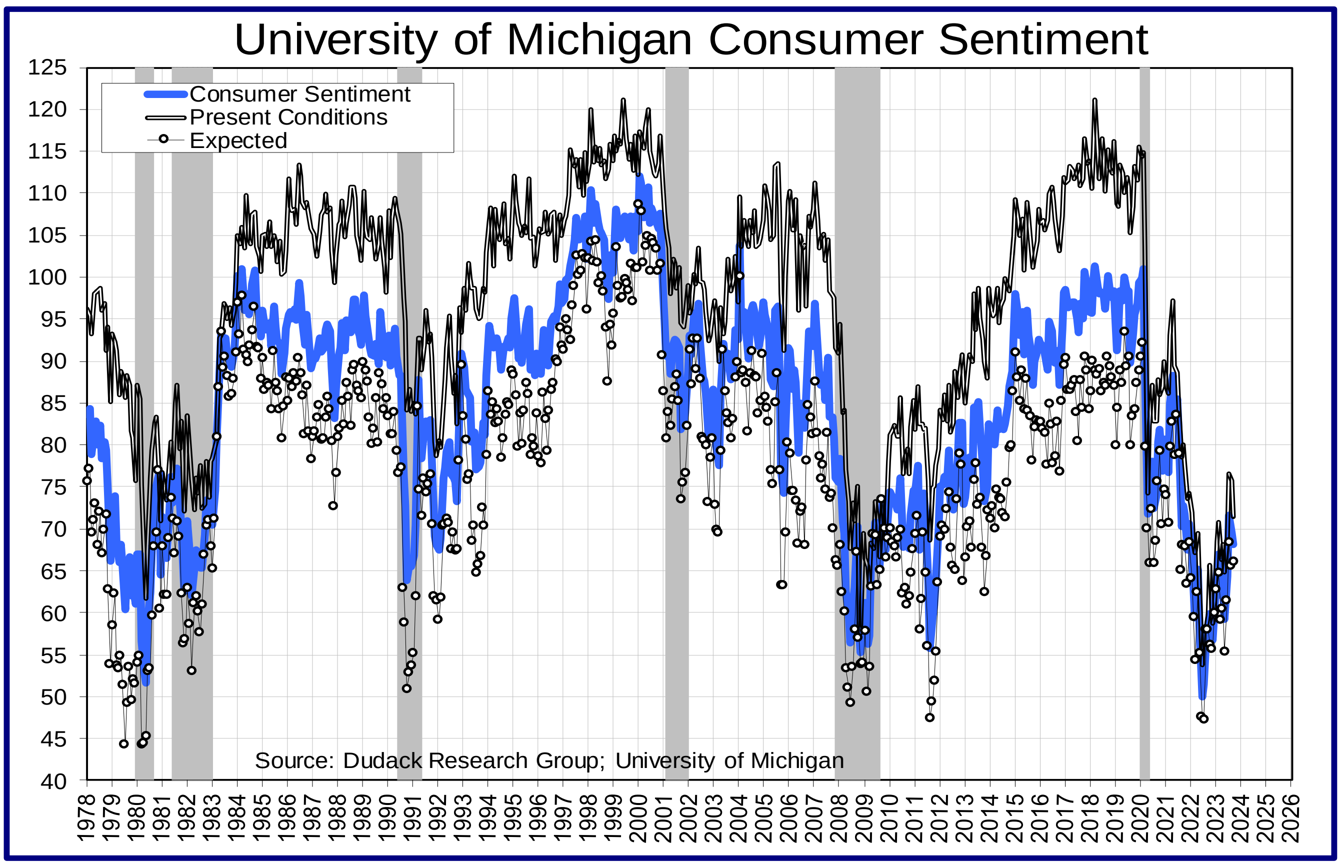
In August, personal income rose 4.8% YOY, disposable income rose 7.3%, and real disposable income rose 3.7%. Personal tax payments fell 10.2%, but this may be due to delayed California payments. Interest income rose 8.5% YOY but interest payments increased 47.5% YOY.



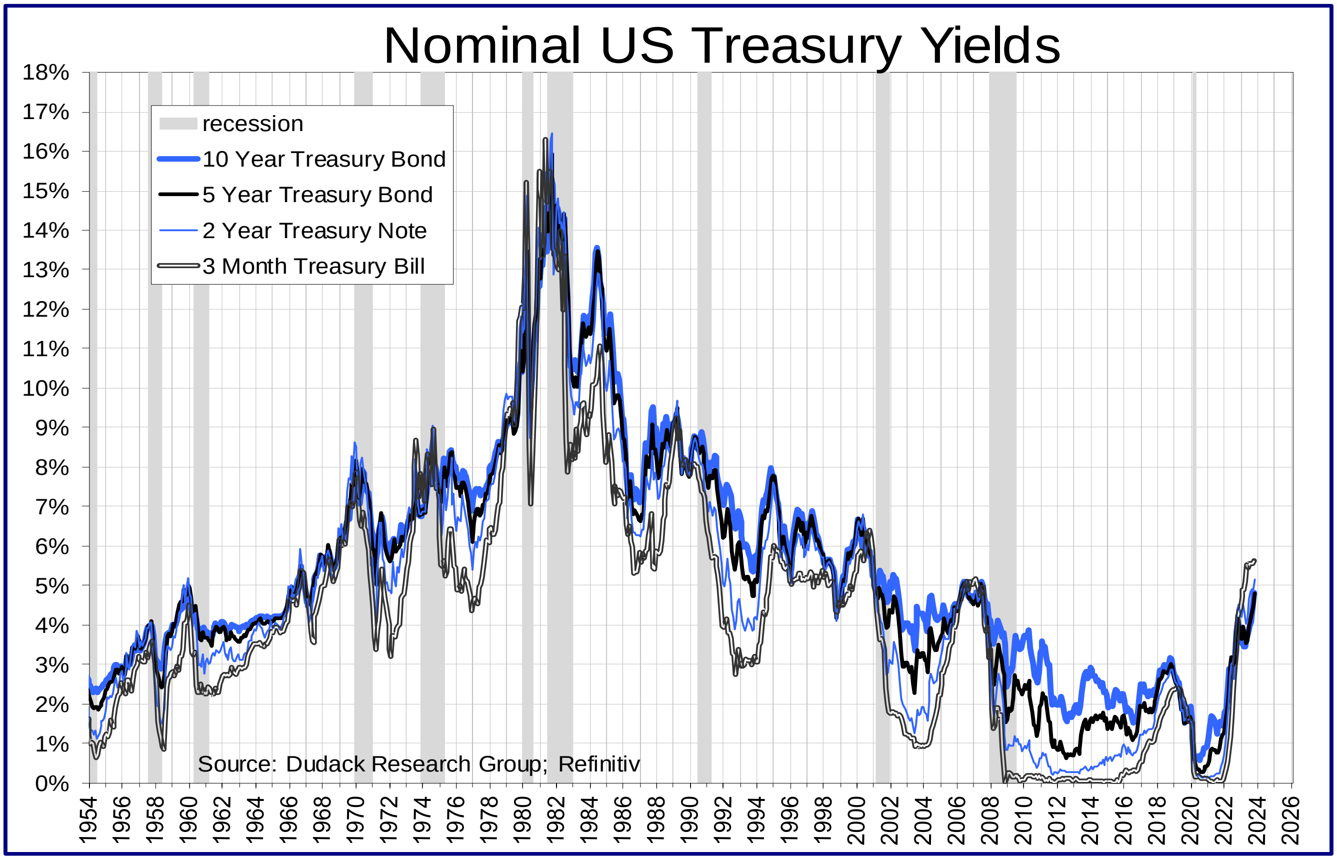


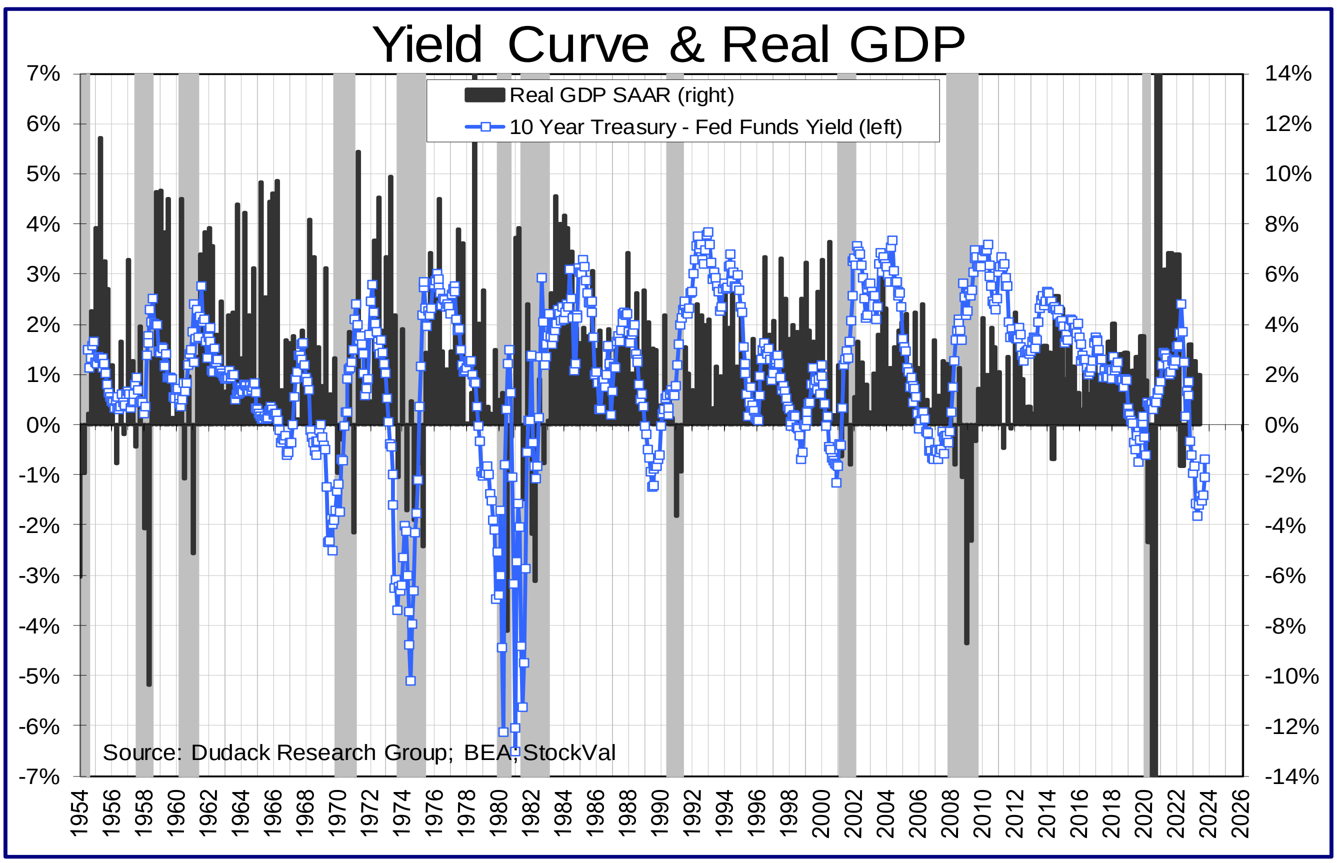
Sentiment indicators were weak in September with the Conference Board consumer confidence index falling to 68.1, due primarily to weakness in future expectations. The University of Michigan consumer sentiment index inched up to 49.0 in September but remained below the 50 benchmark for the 11th consecutive month. Weaknesses in this survey were greatest in present conditions.





Rising long-term interest rates are the biggest hurdle for equities at the moment and although this has narrowed the yield curve, it still remains inverted. Yield curve inversions of this depth and length have always been followed by recession. We do not think it will be different this time.

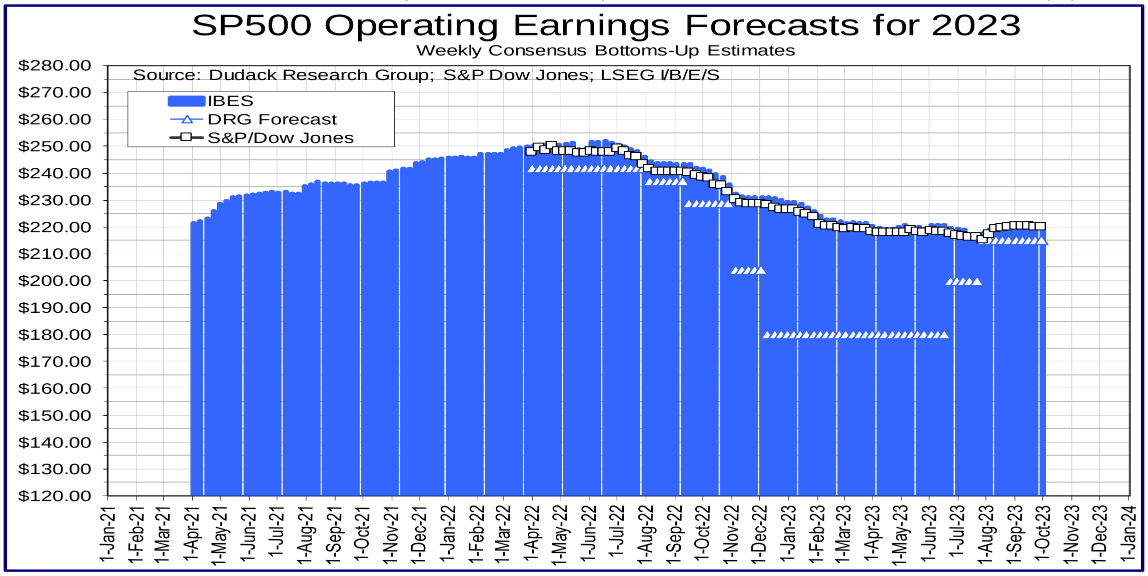


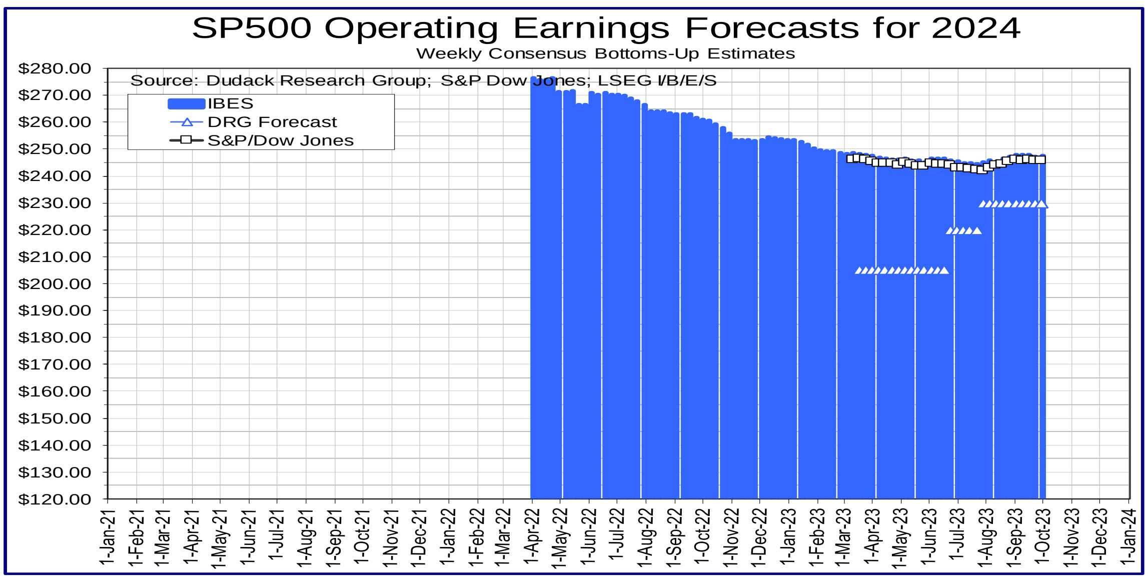


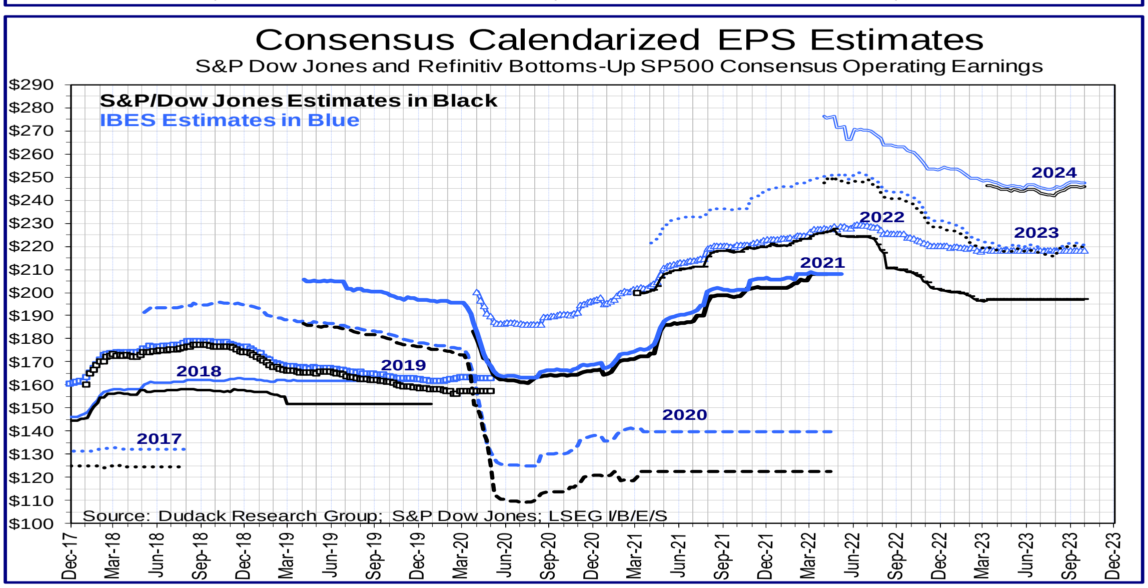
These three inter-related charts are bad news for emerging markets. A higher dollar makes energy more expensive for non-US buyers and crude oil prices are also rising. It is a double whammy. And the sharp rise in interest rates, which is supporting a higher dollar, also weakens the outlook for many economies.

Source: Refinitiv

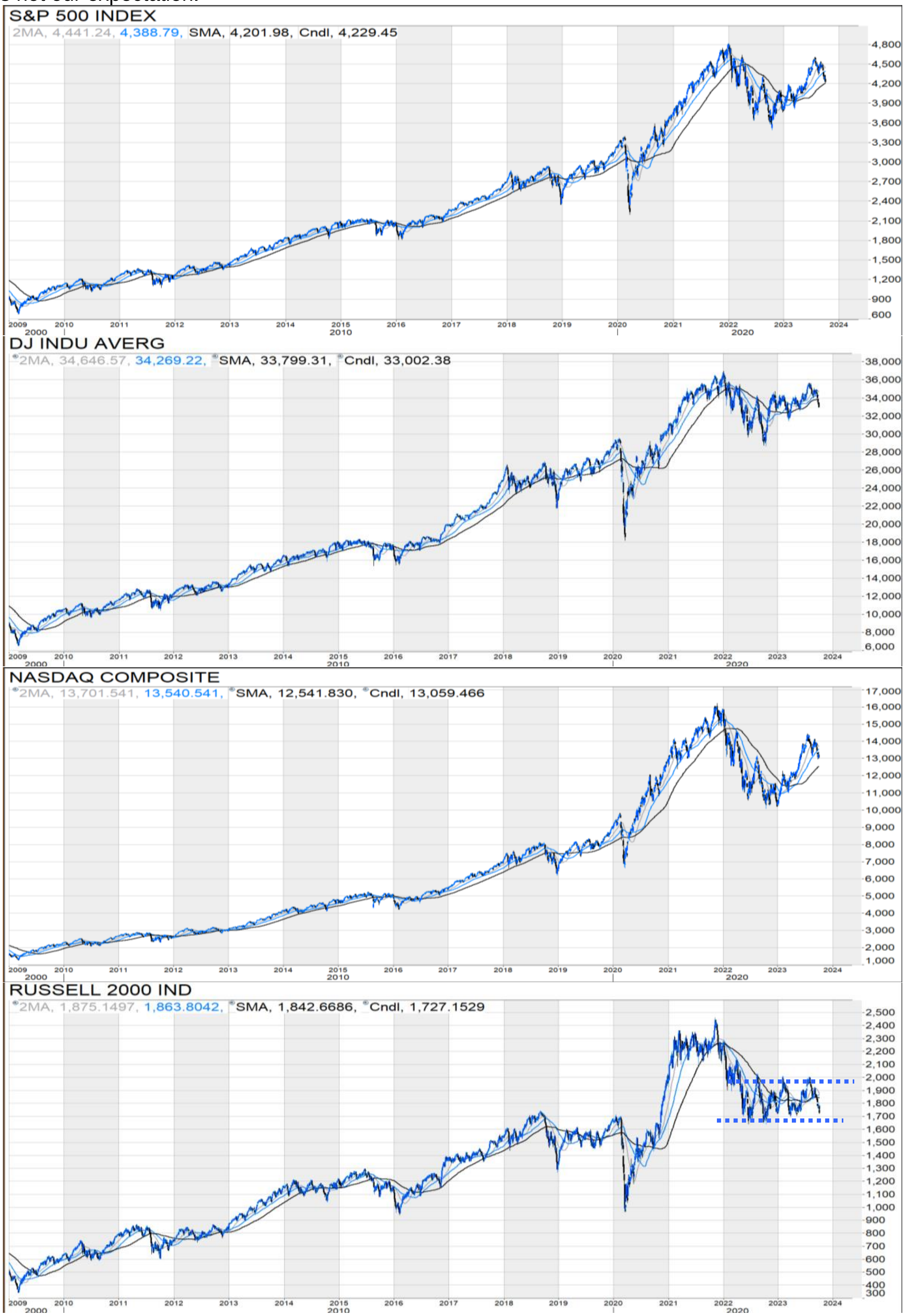
S&P Dow Jones consensus estimates for 2023 and 2024 are $220.03 and $245.78, up $0.07, and $0.17, respectively. LSEG IBES estimates for 2023 and 2024 are $220.83 and $247.49 up $0.18 and $0.20, respectively. Notably, S&P data shows that 18.4% of companies reporting first quarter earnings had a decrease of 4% or more in shares outstanding, which effectively boosted earnings per share, but not overall earnings growth. Nevertheless, based upon the IBES EPS estimate of $220.83 for this year, equities remain overvalued with a PE of 19.2 times and inflation of 3.7%. Again, this sum of 22.9 is just under the 23.8 level that defines an overvalued equity market.







As we indicated last week, with the DJIA and the RUT trading below their 200-day moving averages, it is likely that the SPX and IXIC will have a similar test in the days ahead. Nevertheless, the major patterns remain characteristic of a long-term neutral trading range, best seen by 1650-2000 in the RUT. If the RUT breaks well below the 1650 support, it would be bad news. This is not our expectation.



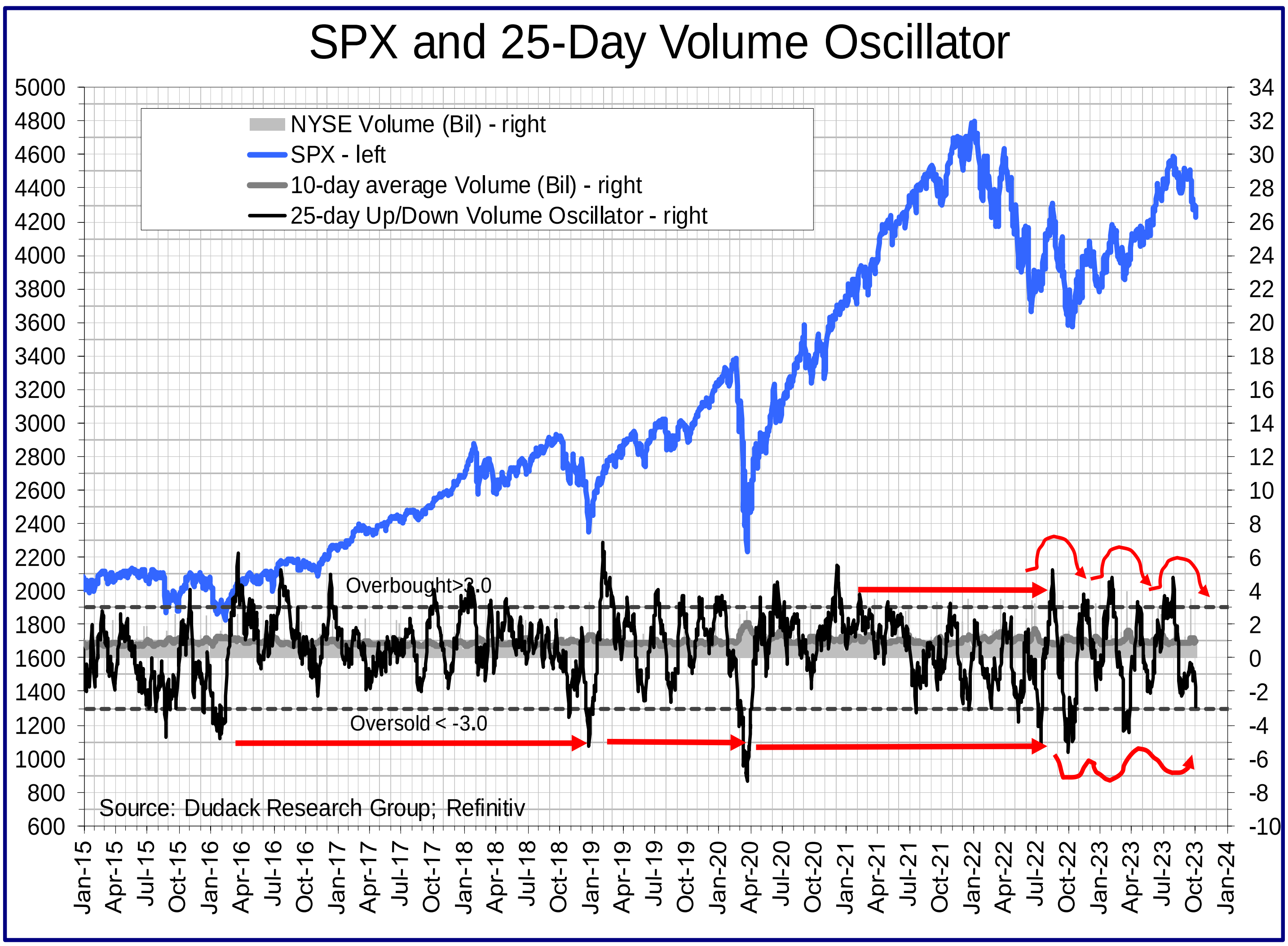
Source: Refinitiv

The 25-day up/down volume oscillator is at a negative 2.90 reading this week, down from last week and closing in on an oversold reading of negative 3.0 or less.

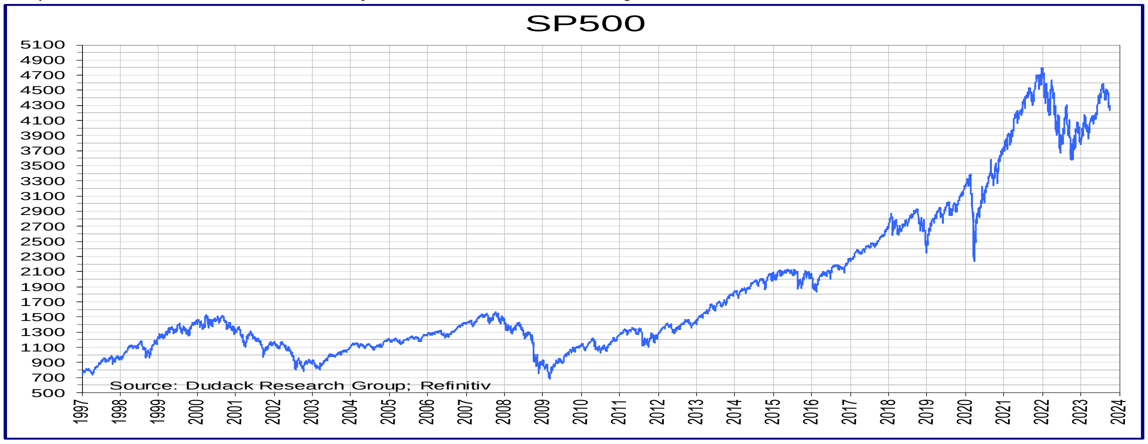
The oscillator generated overbought readings in 10 of 22 trading sessions ending August 1. However, none of these overbought readings lasted the minimum of five consecutive trading days required to confirm July's advance in the averages. Strong rallies should also include at least one extremely overbought day, and this was also missing.

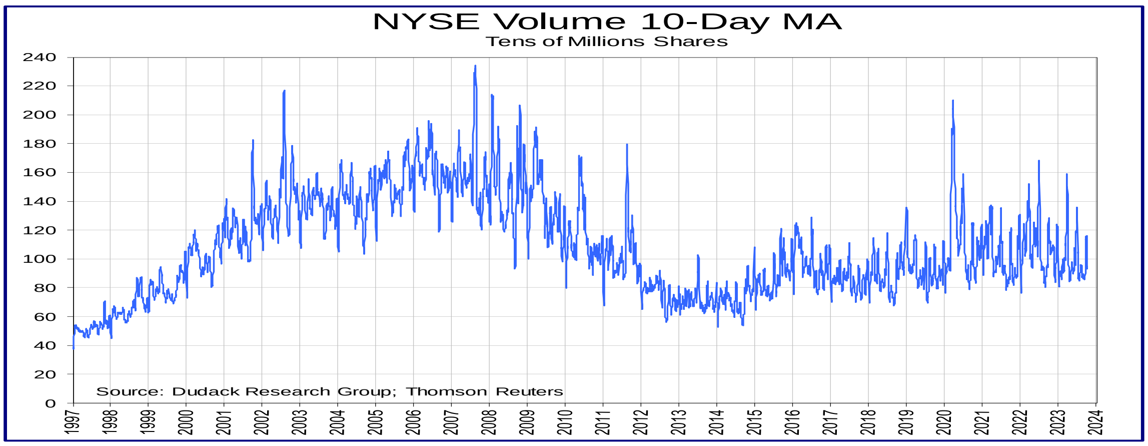
If, or when, this indicator approaches an oversold reading of minus 3.0 or less, the same will be true – five consecutive trading days in oversold are needed to confirm that the decline is more than a normal pullback in prices.

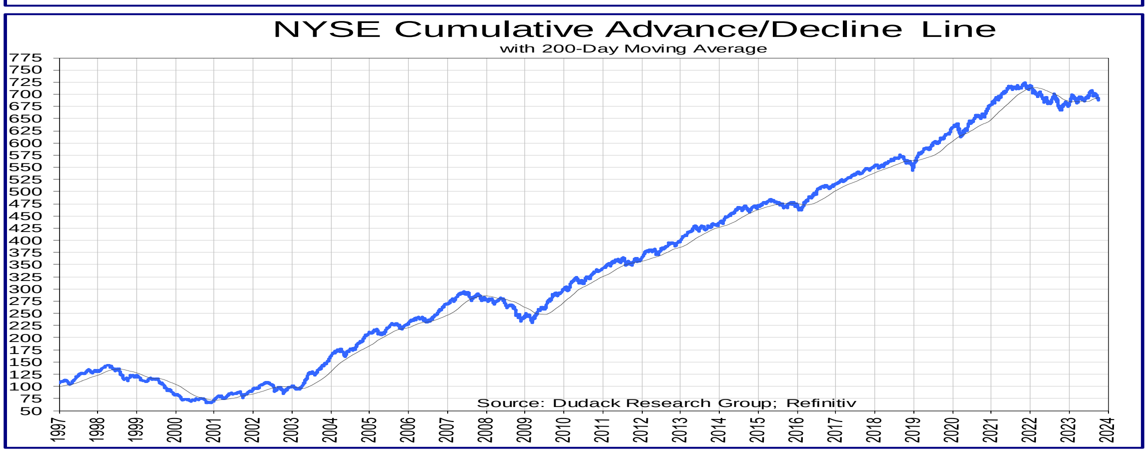
All in all, the trend remains long-term neutral, but vulnerable.

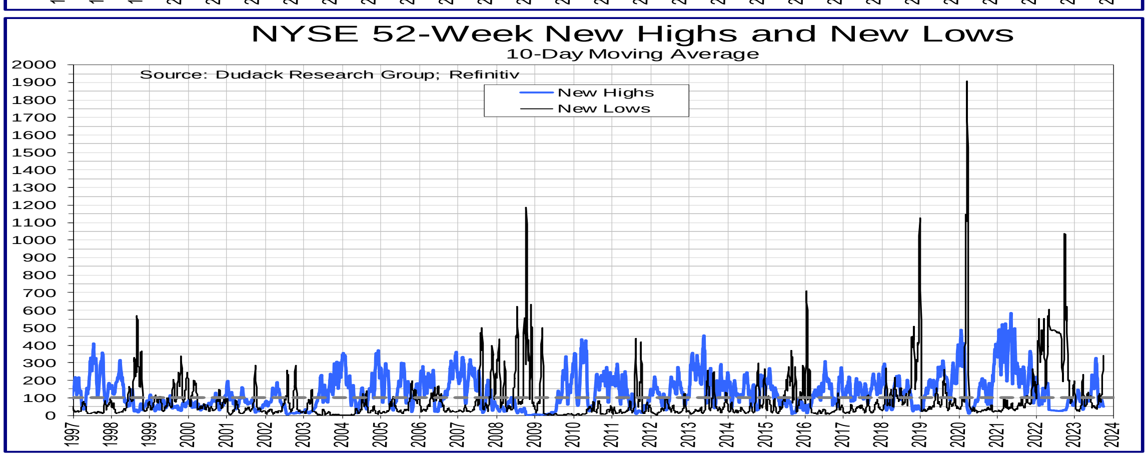


The 10-day average of daily new highs is 49 and new lows are 341. This combination is negative this week with new highs below 100 and new lows well above 100. The NYSE advance/decline line fell below the June low on September 22 and is 38,029 net advancing issues from its 11/8/21 high. July was the first time in two years that the disparity between the AD line's peak and current levels was consistently less than 30,000 net advancing issues. In recent weeks it has increased to more than 30,000 issues once again.

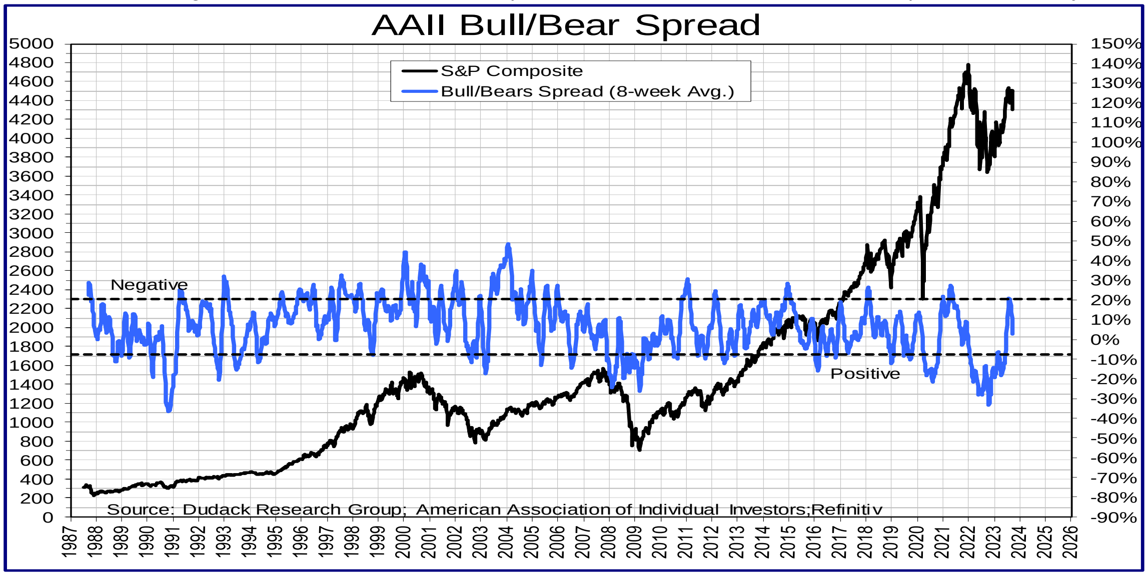


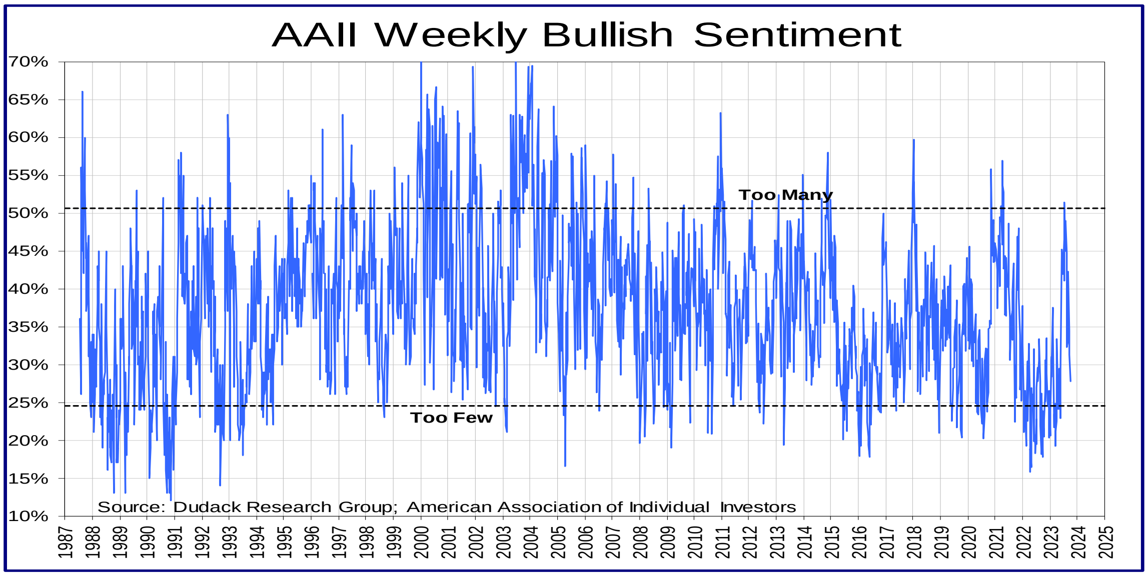


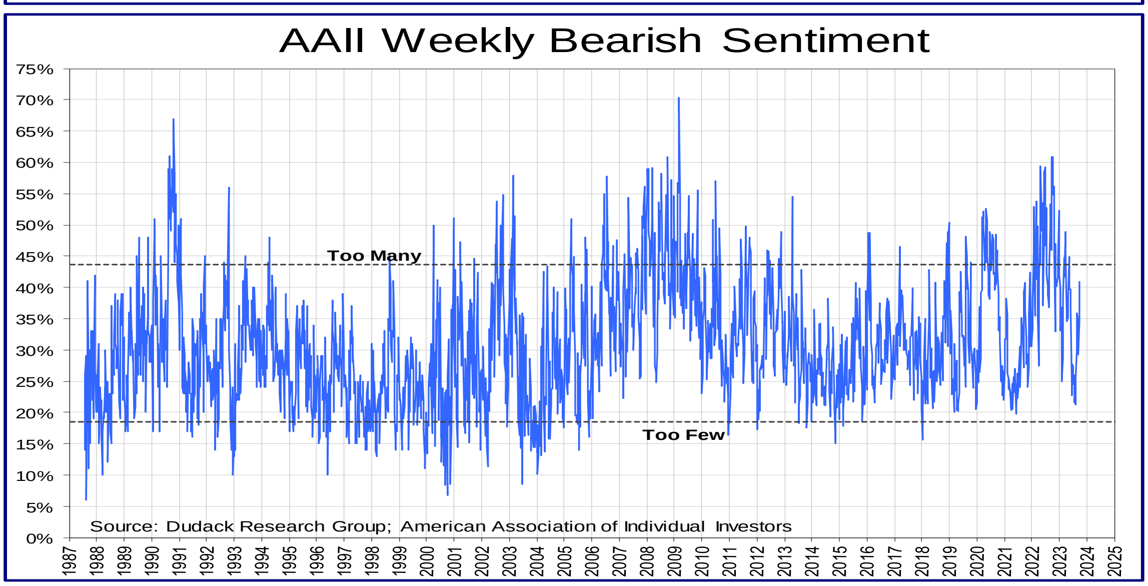




Last week's AAII readings showed a 3.5% fall in bullishness to 27.8%, and a 6.3% increase in bearishness to 40.9%. After ten consecutive weeks of above-average bullishness, and 11 consecutive weeks of below-average bearishness – the longest combined stretch since February to May of 2021 – the indices went neutral the week of August 16 but have returned to their previous extremes. Note, the market then peaked in January 2022.







Global Markets and Commodities - Ranked by 2023 Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
Communication Services Select Sector SPDR Fund	XLC	65.17	0.2%	-2.9%	-0.6%	35.8%
NASDAQ 100	NDX	14565.62	0.1%	-6.0%	-1.0%	33.1%
Technology Select Sector SPDR	XLK	162.88	0.6%	-7.6%	-0.6%	30.9%
Nasdaq Composite Index Tracking Stock	ONEQ.O	51.45	0.1%	-6.8%	-1.0%	25.6%
iShares Russell 1000 Growth ETF	IWF	263.46	-0.1%	-6.6%	-1.0%	23.0%
SPDR Homebuilders ETF	XHB	73.68	-2.6%	-12.6%	-3.8%	22.1%
Consumer Discretionary Select Sector SPDR	XLY	157.19	-1.1%	-7.4%	-2.4%	21.7%
SPDR S&P Semiconductor ETF	XSD	190.85	0.4%	-10.9%	-2.6%	14.1%
United States Oil Fund, LP	USO	79.93	-1.2%	3.9%	-1.2%	14.0%
iShares MSCI Mexico Capped ETF	EWW	55.76	-4.1%	-9.3%	-4.2%	12.8%
iShares DJ US Oil Eqpt & Services ETF	IEZ	23.59	-2.6%	-4.0%	-1.9%	11.3%
Oil Future	CLc1	89.23	-1.3%	4.3%	-1.7%	11.2%
SP500	.SPX	4229.45	-1.0%	-6.3%	-1.4%	10.2%
iShares Russell 1000 ETF	IWB	231.56	-1.1%	-6.8%	-1.4%	10.0%
iShares MSCI Taiwan ETF	EWT	44.13	0.0%	-3.6%	-0.9%	9.9%
Gold Future	GCc1	2661.10	0.2%	0.8%	0.1%	8.0%
iShares MSCI Japan ETF	EWJ	58.73	-3.4%	-5.3%	-2.6%	7.9%
iShares MSCI India ETF	INDA.K	43.95	-0.8%	-0.7%	-0.6%	5.3%
iShares MSCI Brazil Capped ETF	EWZ	29.14	-4.2%	-7.3%	-5.0%	4.2%
iShares MSCI Germany ETF	EWG	25.49	-1.8%	-7.7%	-2.7%	3.1%
iShares MSCI South Korea Capped ETF	EWY	57.86	-1.4%	-8.5%	-1.8%	2.4%
iShares MSCI EAFE ETF	EFA	67.06	-2.4%	-6.2%	-2.7%	2.2%
Industrial Select Sector SPDR	XLI	99.69	-1.0%	-8.4%	-1.7%	1.5%
iShares Russell 2000 Growth ETF	IWO	217.62	-1.6%	-10.3%	-2.9%	1.4%
Energy Select Sector SPDR	XLE	88.53	-1.5%	-2.4%	-2.1%	1.2%
Vanguard FTSE All-World ex-US ETF	VEU	50.61	-2.2%	-6.6%	-2.4%	0.9%
PowerShares Water Resources Portfolio	PHO	52.00	-1.5%	-9.2%	-2.2%	0.9%
iShares MSCI Austria Capped ETF	EWO	19.15	-1.2%	-5.5%	-2.6%	0.8%
Shanghai Composite	.SSEC	3110.48	0.3%	-0.7%	0.0%	0.7%
iShares MSCI United Kingdom ETF	EWU	30.87	-2.2%	-3.7%	-2.4%	0.7%
SPDR Gold Trust	GLD	169.16	-4.0%	-6.1%	-1.3%	-0.3%
SPDR DJIA ETF	DIA	329.98	-1.8%	-5.4%	-1.5%	-0.4%
DJIA	.DJI	33002.38	-1.8%	-5.3%	-1.5%	-0.4%
Materials Select Sector SPDR	XLB	77.30	-0.7%	-7.8%	-1.6%	-0.5%
iShares MSCI Canada ETF	EWC	32.30	-3.8%	-7.5%	-3.5%	-1.3%
iShares MSCI Emerg Mkts ETF	EEM	37.26	-1.3%	-6.0%	-1.8%	-1.7%
iShares Russell 2000 ETF	IWM	171.14	-1.8%	-10.3%	-3.2%	-1.8%
SPDR S&P Retail ETF	XRT	59.22	0.4%	-8.3%	-2.7%	-2.0%
iShares Russell 1000 Value ETF	IWD	148.50	-2.1%	-7.1%	-2.2%	-2.1%
iShares MSCI BRIC ETF	BKF	32.91	-1.5%	-6.0%	-2.1%	-4.1%
iShares MSCI Singapore ETF	EWS	17.99	-0.7%	-3.2%	-2.0%	-4.4%
Financial Select Sector SPDR	XLF	32.37	-2.8%	-6.7%	-2.4%	-5.4%
iShares Russell 2000 Value ETF	IWN	131.03	-2.1%	-10.2%	-3.3%	-5.5%
iShares iBoxx $ Invest Grade Corp Bond	LQD	99.53	-2.9%	-5.2%	-2.4%	-5.6%
Health Care Select Sect SPDR	XLV	127.42	-1.8%	-4.6%	-1.0%	-6.2%
iShares MSCI Australia ETF	EWA	20.79	-2.6%	-6.6%	-3.3%	-6.5%
iShares US Telecomm ETF	IYZ	20.87	-0.9%	-8.2%	-2.0%	-7.0%
Consumer Staples Select Sector SPDR	XLP	67.85	-2.2%	-5.9%	-1.4%	-9.0%
iShares China Large Cap ETF	FXI	25.75	-2.3%	-8.2%	-2.9%	-9.0%
iShares Nasdaq Biotechnology ETF	IBB.O	119.32	-2.6%	-8.2%	-2.4%	-9.1%
iShares US Real Estate ETF	IYR	75.21	-3.2%	-11.9%	-3.7%	-10.7%
iShares MSCI Malaysia ETF	EWM	20.37	-2.6%	-4.1%	-1.1%	-10.8%
Silver Future	SIc1	21.18	-7.7%	-12.6%	-4.8%	-11.2%
iShares Silver Trust	SLV	20.31	-7.3%	-12.3%	-4.5%	-11.6%
iShares 20+ Year Treas Bond ETF	TLT	85.06	-4.3%	-10.3%	-4.1%	-14.6%
Utilities Select Sector SPDR	XLU	56.84	-7.3%	-9.3%	-3.5%	-19.4%
iShares MSCI Hong Kong ETF	EWH	16.85	-0.3%	-8.6%	-1.7%	-19.8%
SPDR S&P Bank ETF	KBE	35.32	-2.9%	-11.3%	-4.2%	-21.8%

Outperformed SP500
Underperformed SP500

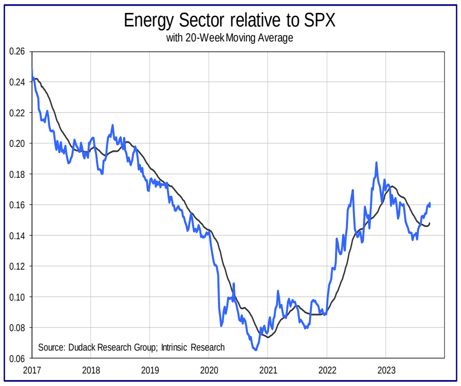
Source: Dudack Research Group; Refinitiv

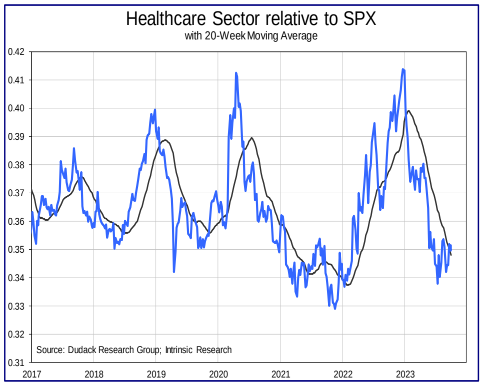
Priced as of October 3, 2023

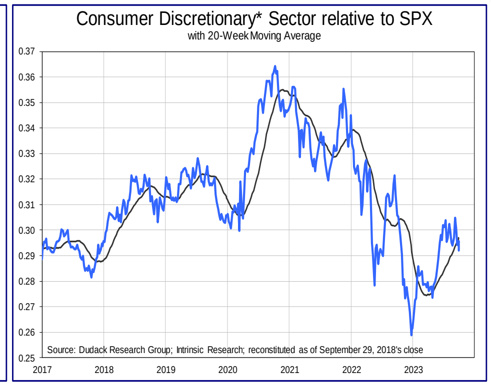
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

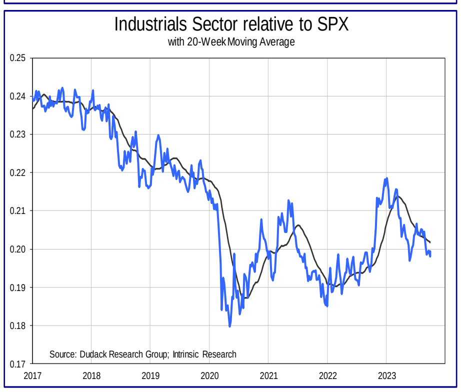
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Energy Industrials Staples Utililties		Healthcare Technology Materials Financials		Consumer Discretionary REITS Communication Services

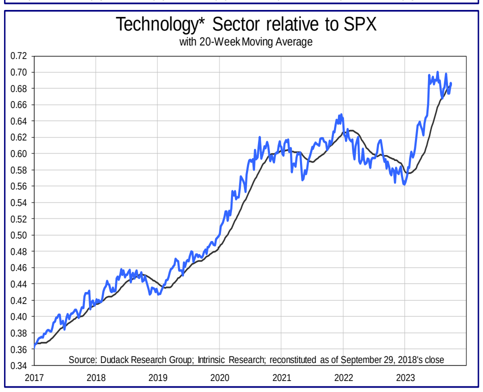
3/8/2022:Materials upgraded from underw eight to neutral/communication service dow ngraded from neutral to underw eight. 3/1/2022 Financials dow ngraded to neutral and Industrials upgraded to overw eight.

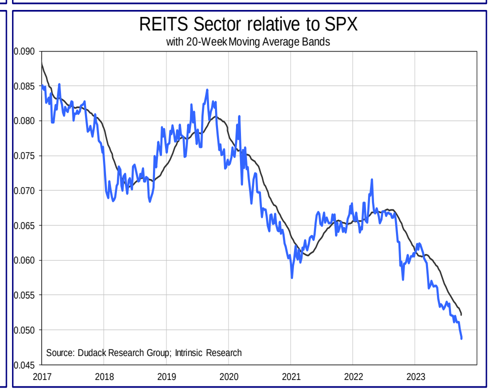


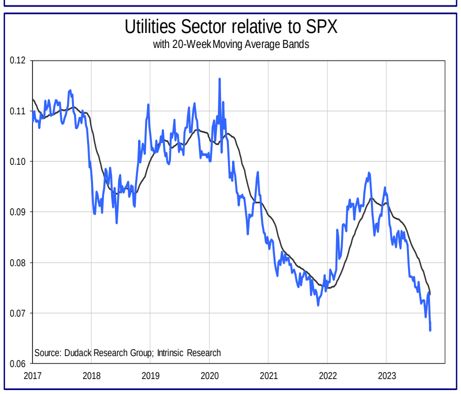


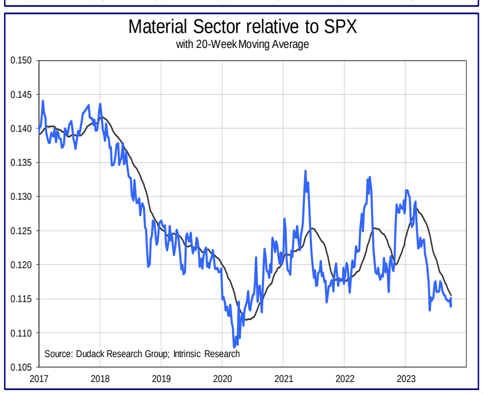


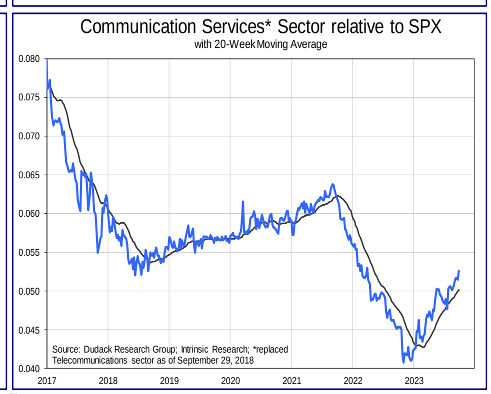


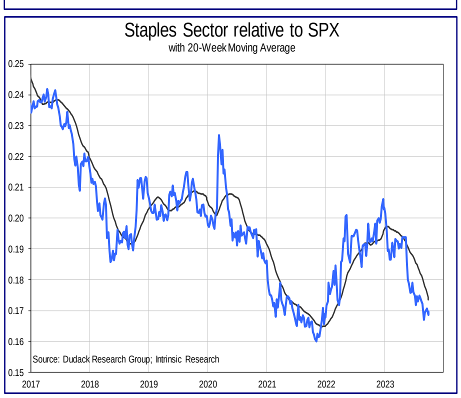


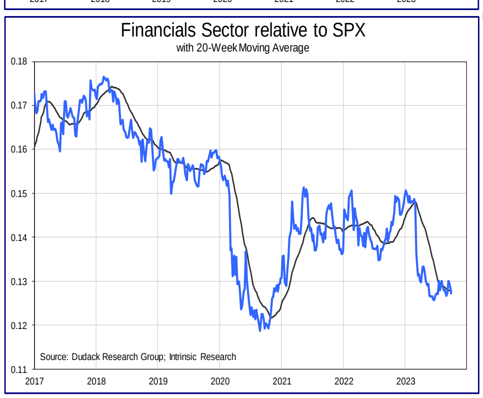












2023 Performance - Ranked	
SP500 Sector	% Change
S&P COMMUNICATIONS SERVICES	39.5%
S&P INFORMATION TECH	33.1%
S&P CONSUMER DISCRETIONARY	22.8%
S&P 500	10.2%
S&P INDUSTRIALS	1.4%
S&P ENERGY	1.3%
S&P MATERIALS	-0.6%
S&P FINANCIAL	-5.5%
S&P HEALTH CARE	-6.3%
S&P CONSUMER STAPLES	-7.9%
S&P REITS	-11.3%
S&P UTILITIES	-19.5%

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 Dow Jones Reported EPS**	S&P Dow Jones Operating EPS**	DRG Operating EPS Forecast	DRG EPS YOY %	IBES 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 %
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%	-2.8%	$1,968.10	-4.7%
2021	4766.18	$197.87	**$208.17**	$208.17	70.1%	**$208.12**	49.0%	22.9X	1.3%	5.9%	$2,382.80	21.1%
2022	3839.50	$172.75	**$196.95**	$196.95	-5.4%	**$218.09**	4.8%	19.5X	1.4%	2.1%	$2,478.80	4.0%
2023E	~~~~~	$200.41	**$220.03**	$212.38	7.8%	**$220.83**	1.3%	19.2X	NA	NA	NA	NA
2024E	~~~~~	$224.43	**$245.78**	$230.00	8.3%	**$247.49**	12.1%	17.2X	NA	NA	NA	NA
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 3Q	3585.62	$44.41	**$50.35**	$50.35	-3.2%	**$56.02**	4.3%	17.6	1.8%	3.2%	$2,543.00	3.5%
2022 4Q	3839.50	$39.61	**$50.37**	$50.37	-11.2%	**$53.15**	-1.5%	19.5	1.7%	2.6%	$2,475.20	1.6%
2023 1QE	4109.31	$48.41	**$52.54**	$52.54	6.4%	**$53.08**	-3.1%	20.5	1.7%	2.2%	$2,329.20	-1.9%
2023 2QE	4450.38	$48.58	**$54.84**	$54.84	17.0%	**$54.29**	-5.8%	21.4	1.5%	2.1%	$2,367.20	-6.2%
2023 3QE	4288.05	$50.69	**$55.27**	$52.00	3.3%	**$55.92**	-0.2%	20.1	1.6%	NA	NA	NA
2023 4QE*	4229.45	$52.73	**$57.38**	$53.00	5.2%	**$58.14**	9.4%	19.2	NA	NA	NA	NA

Source: DRG; S&P Dow Jones; Refinitiv Consensus estimates; **quarterly EPS may not sum to official CY estimates *10/3/2023

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