Dudack Research Group
A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC
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November 15, 2023

DJIA: 34827.70
SPX: 4495.70
NASDAQ: 14094.38

US Strategy Weekly
Goldilocks Rally

Kicking the Can Down the Road

A stopgap spending bill that would extend government funding at current levels into mid-January was passed hours ago. This gives House lawmakers time to craft several detailed spending bills that will cover everything from the military and defense allotments to scientific research. Some Republicans on the party's right fringe were frustrated that the bill did not include the steep spending cuts and border security measures they sought; nonetheless, the bill was passed with help from the Democratic side of the House, and it pushed the potential of a government shutdown into the New Year.

However, the partisan gridlock seen in Congress is not over and this is what led Moody's to lower its credit rating on US debt from "stable" to "negative" last week. Moody’s pointed to economic risks including high interest rates, the government's steadily-growing debt pile, and political polarization in Washington as reasons for the downgrade. Treasury Secretary Janet Yellen voiced disagreement with Moody’s shift, nevertheless, this implies she is blind to the ballooning deficits that now point to long-term fiscal risks. Burgeoning federal debt has recently provoked fresh warnings from economists, politicians, and credit-rating agencies.

Monthly fiscal deficits surged during the COVID shutdown and then fell on a year-over-year basis as stimulus payments began to fade and people went back to work and started paying taxes. <u>However, a 12-month sum of monthly deficits began growing again this year and showed a 135% gain as of July 2023. This declined to a 29% YOY gain in October once Californian individual tax payments came due</u>. Nevertheless, <u>deficit spending is on an ominous trend, and particularly worrisome since the debt ceiling has been suspended until 2025. Not surprisingly, last week’s $24 billion sale of 30-year Treasury bonds (part of the government’s $112 billion debt sale) drew weaker-than-expected demand</u>. This resulted in a yield of 4.769%, or 0.051% higher than the yield in the pre-auction trading in order to entice buyers. Primary dealers, who buy up the supply not taken by investors, had to accept 24.7% of the offering, more than double the 12% average for the past year. All in all, it was considered a bad performance, and it shows how rising debt levels will eventually push interest rates higher.

Moody’s had been the only one of the three main assessors with a top rating for the US. Fitch Ratings downgraded the US government credit rating in August following the latest debt-ceiling battle. S&P Global Ratings stripped the US of its top score in 2011 amid that year’s debt-limit crisis.

Here Comes Goldilocks

The equity market had a muted response to these debt risks, probably due to the fact that the economy has been surprisingly resilient. Yet it had a wildly bullish response to October’s CPI release. October’s headline CPI was unchanged for the month and up 3.2% YOY. This was down from 3.7% YOY in September and better than the consensus expected. However, if you look at the major components of CPI the only segments showing weaker than headline inflation were fuels & utilities, transportation, education & communications, and apparel. See page 3. There is still work to be done to get inflation down to the Fed's target of 2%.

More importantly, core CPI rose 0.2% in October and was up 4% YOY, down slightly from September's 4.1% YOY. Service sector inflation was still high at 5.1% YOY in October, down from 5.2% YOY in September. See page 4. What is clear from the history of inflation cycles is that it takes years for inflation to fall back to average or less after a sharp spike in rising prices. Inflation has been decelerating for 13 months and the consensus is declaring victory. This week equity traders began to discount an expectation that the Federal Reserve has not only ended its tightening cycle, but that rate cuts are on the horizon in the first half of 2024.

Some optimists suggest that inflation is already at 2% if housing, which lags home prices, is eliminated from the CPI equation. We doubt this is true and we doubt that consumers would agree or that renters are seeing only a mere 2% rise in rents. What is in fact helping to dampen service inflation is the recent decline in medical care services. But note that most medical services, including medical insurance, are repriced in the fourth quarter, so this favorable trend could shift in coming months and push core CPI higher at year end. See page 5. In short, this week's rally is ushering in a Goldilocks scenario which we believe is unlikely.

Warning Signs

There are warning signs of economic weakening. The NFIB small business optimism index fell 0.1 point in October recording its 22nd month below the long-term average. A long below-average reading is typically a sign of a recession. What we noticed in the last NFIB survey was that sales fell to their lowest level since July 2020, i.e., during the COVID recession, and earnings fell to their second lowest reading since June 2020. See page 6.

In recent weeks we reported that credit card balances increased to more than $1 trillion and newly delinquent rates on credit cards are at the highest level in over a dozen years. In addition, a Bank of America report indicates that a growing number of "cash-strapped Americans" are using their retirement nest eggs for emergency funds. The number of Bank of America 401(k) plan participants taking hardship distributions in the third quarter was 18,040, an increase of 13% between the second and third quarters and the highest level in the past five quarters since Bank of America began tracking this data. This ominous trend shows that while many financial commentators emphasize the "resiliency of the US economy" there is a growing segment of the population experiencing financial stress. The economy may be weaker than some suspect.

Big Technicals

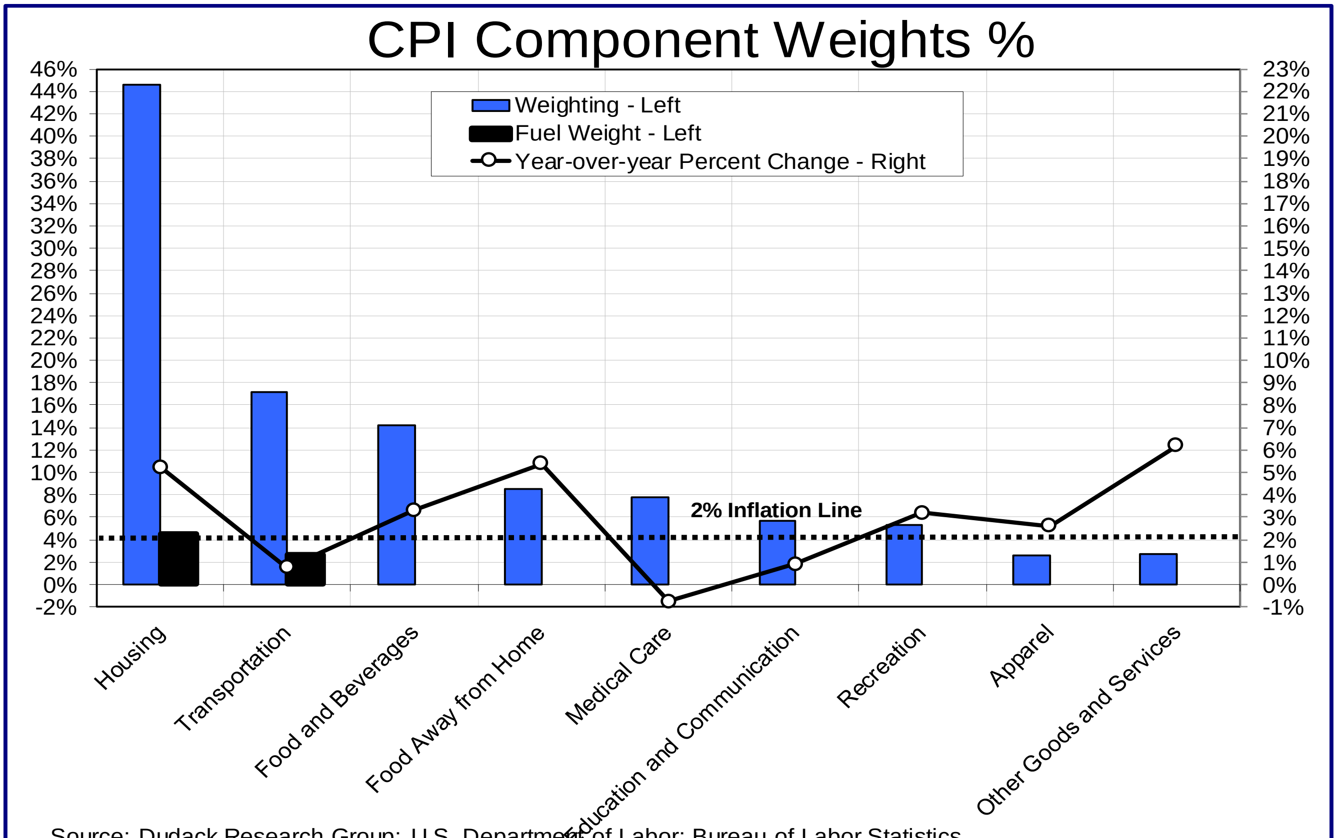
The charts of the popular equity indices are surprisingly bullish after this week's big price rise. The first upside resistance in most indices is found at the July highs, and the next resistance would be the all-time highs. This week the Russell 2000 index had it best performance since November 2020, rising 4.5% after October's inflation report, but the index will encounter important resistance around the 1830 area where the 100-day and 200-day moving averages merge.

We remain cautious. Seasonal factors are usually bullish in November, December, and January, and this dramatic surge in prices could be hedge funds jumping ahead of what is seen as a seasonally strong equity market in order to lock in gains prior to yearend portfolio pricing. It does not appear to be a broad-based demand for equities. Either way, our view of the market is unchanged. The trend is neither bullish, nor bearish, but stuck in a broad trading range which is a substitute for a bear market decline. We have been expecting this trading range to persist until inflation is under control. In short, traders may be jumping the gun.

October's headline CPI was unchanged for the month and up 3.2% YOY. This was down from 3.7% YOY in September and better than the consensus expected. The market rallied. However, if you look at the major components of CPI the only segments showing weaker than headline inflation are fuels & utilities, transportation, education & communications, and apparel. There is still work to be done to get inflation down to the Fed's target of 2%.

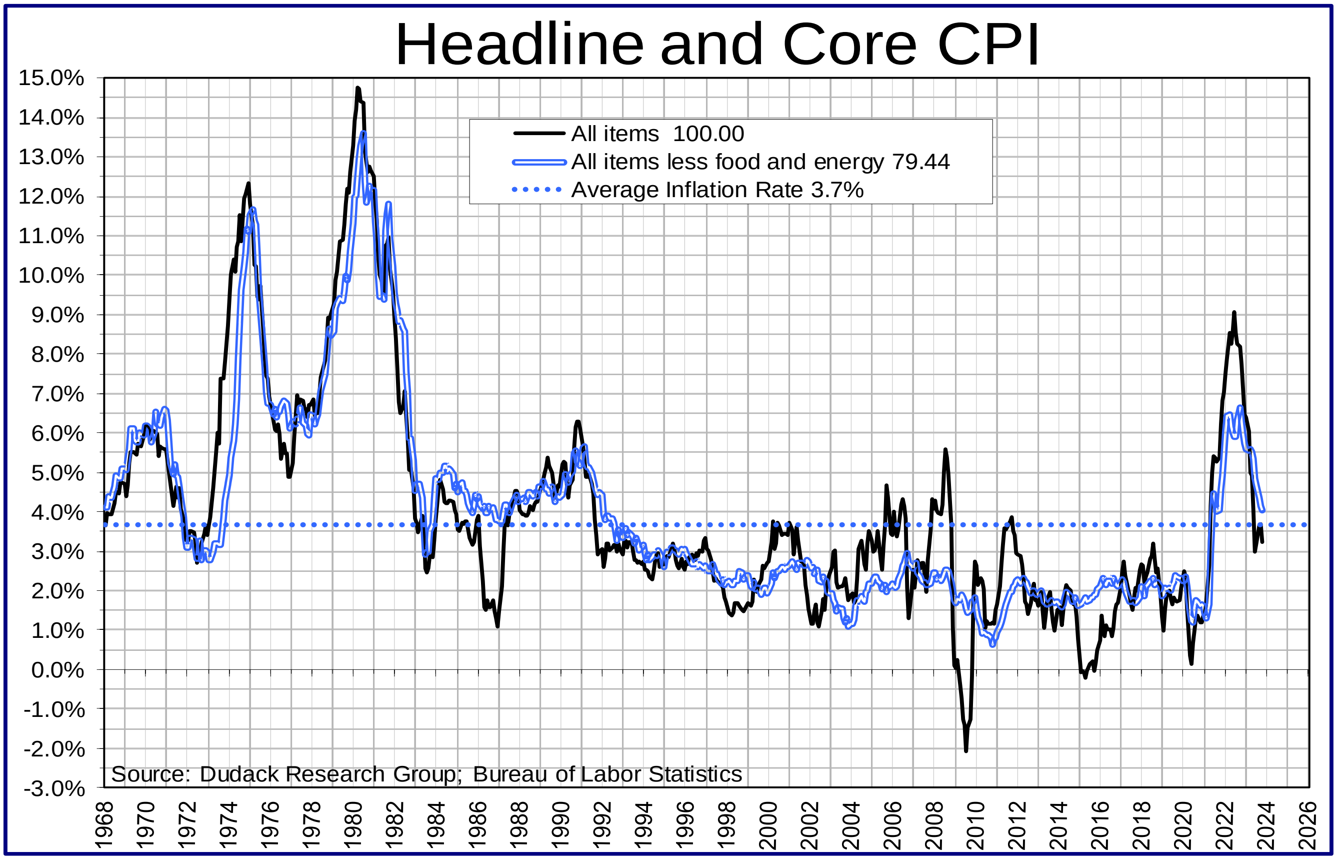
CPI Components Heavy Weights - Not Seasonally Adjusted Data	Component Weight*	Fuel Weight	Price Chg YOY%	Price Chg MOM%
Housing	**44.6%**	**4.5%**	**5.2%**	**0.1%**
Owners' equivalent rent of residences	**25.7%**		*6.8%*	0.5%
Fuels and utilities	**4.5%**		**-1.3%**	**-0.7%**
Transportation	**17.2%**	**2.7%**	**0.8%**	**-0.9%**
Food and beverages	**14.2%**		**3.3%**	**0.3%**
Food at home	**8.6%**		*2.1%*	0.3%
Food away from home	**4.8%**		*5.4%*	0.4%
Alcoholic beverages	**0.8%**		*3.7%*	0.3%
Medical care	**7.8%**		**-0.8%**	**0.2%**
Education and communication	**5.7%**		**0.9%**	**-0.2%**
Recreation	**5.3%**		**3.2%**	**0.0%**
Apparel	**2.6%**		**2.6%**	**-0.3%**
Other goods and services	**2.7%**		**6.2%**	**0.6%**
Special groups:				
Energy	7.2%		-4.5%	-3.1%
All items less food and energy	79.4%		4.0%	0.2%
All items	**100.0%**		**3.2%**	**0.0%**

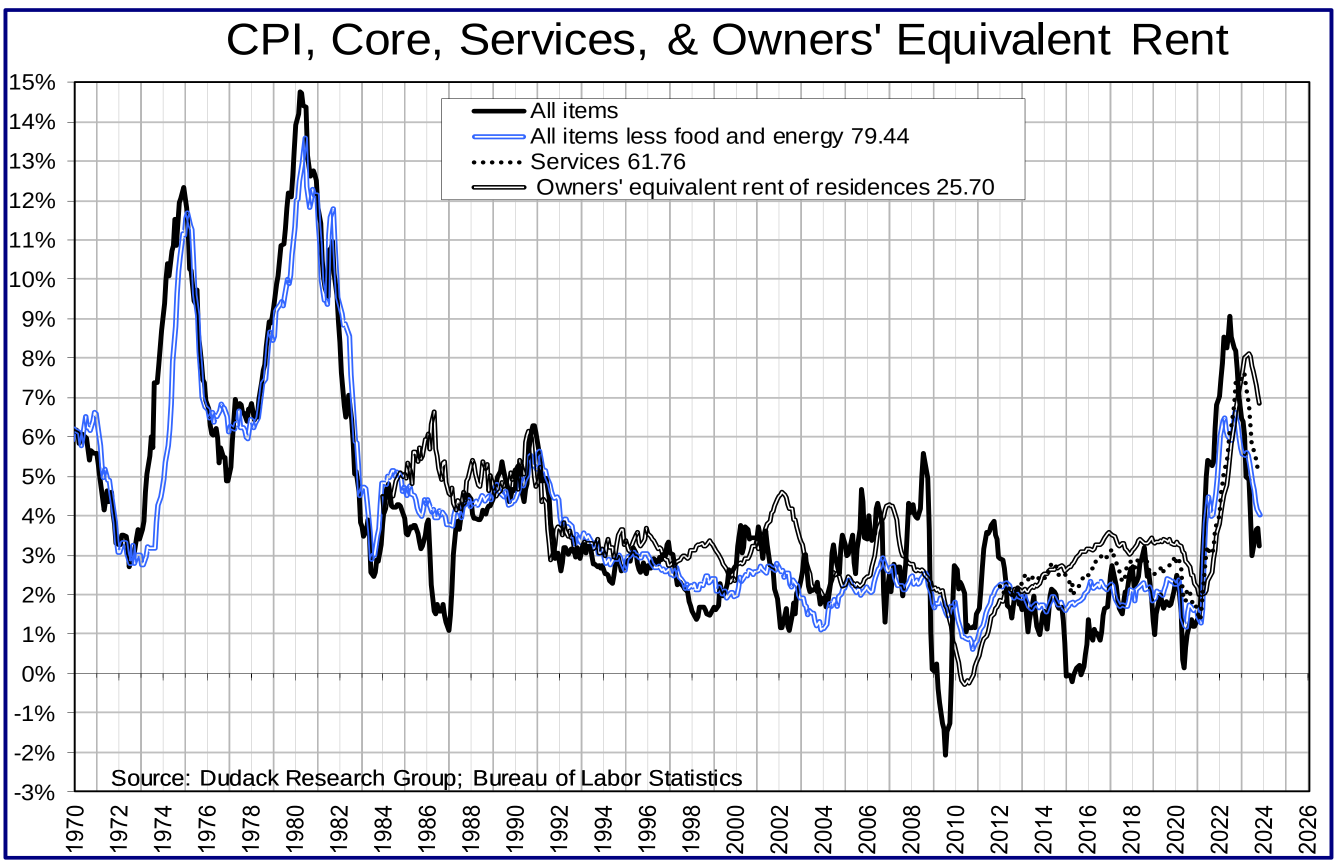
Source: Dudack Research Group; BLS; *Sep 2023 weightings; Italics=sub-component; blue>headline



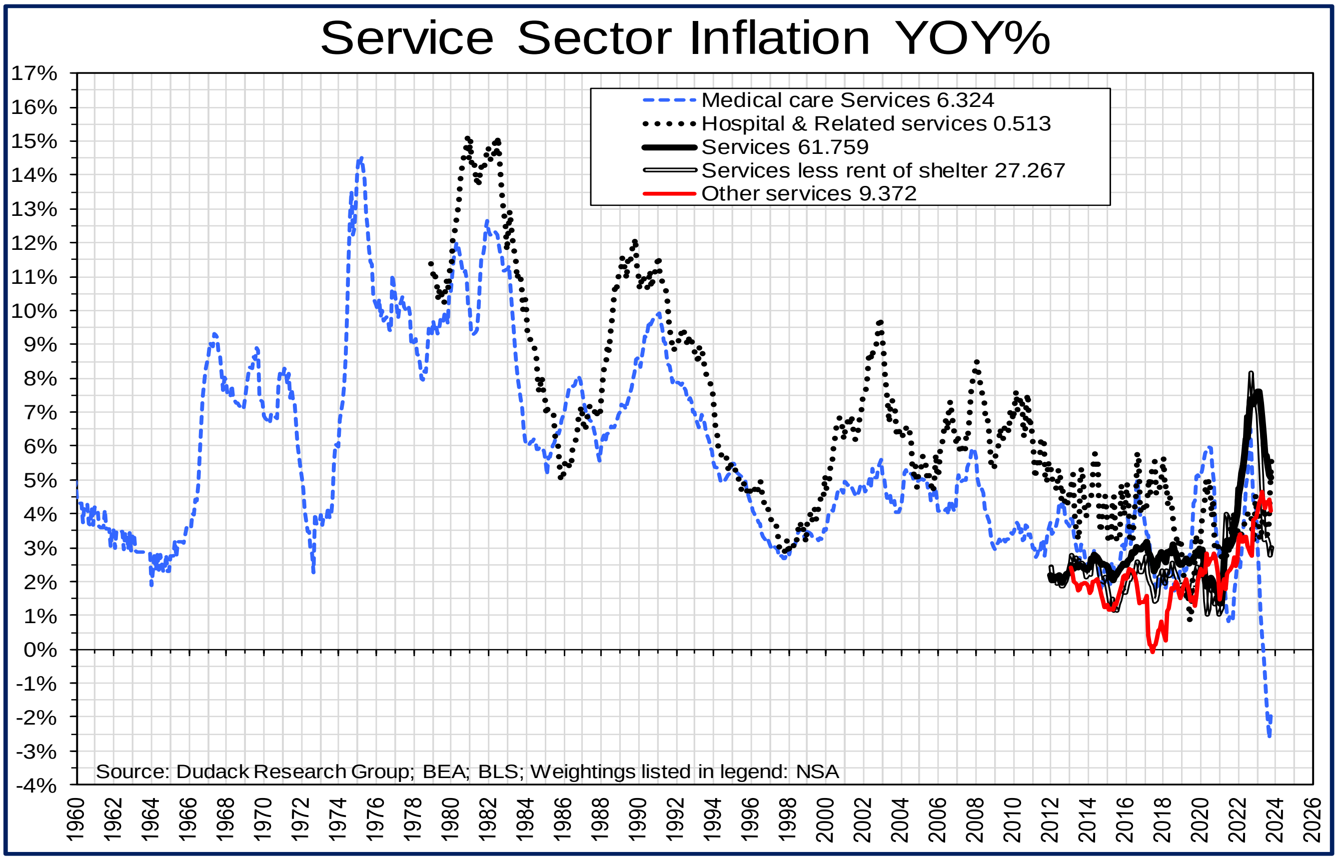
Source: Dudack Research Group; U.S. Department of Labor: Bureau of Labor Statistics

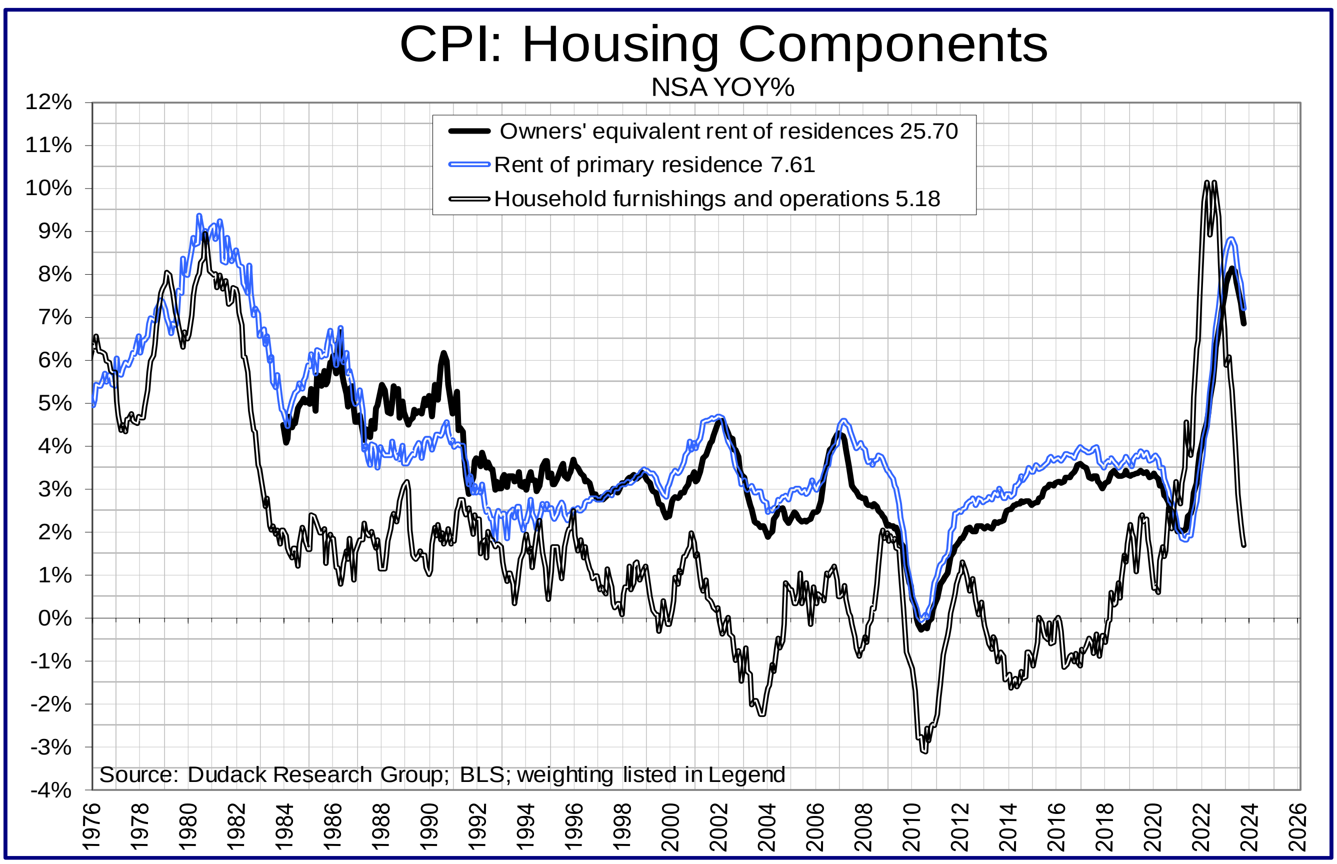
Core CPI rose 0.2% in October and rose 4% YOY, down slightly from September's 4.1% YOY reading. Service sector inflation was 5.1% YOY in October, down from 5.2% YOY in September. What is clear in the data is that it takes years for inflation to fall back to average or less after a sharp spike in rising prices. Inflation has been falling for only 13 months.



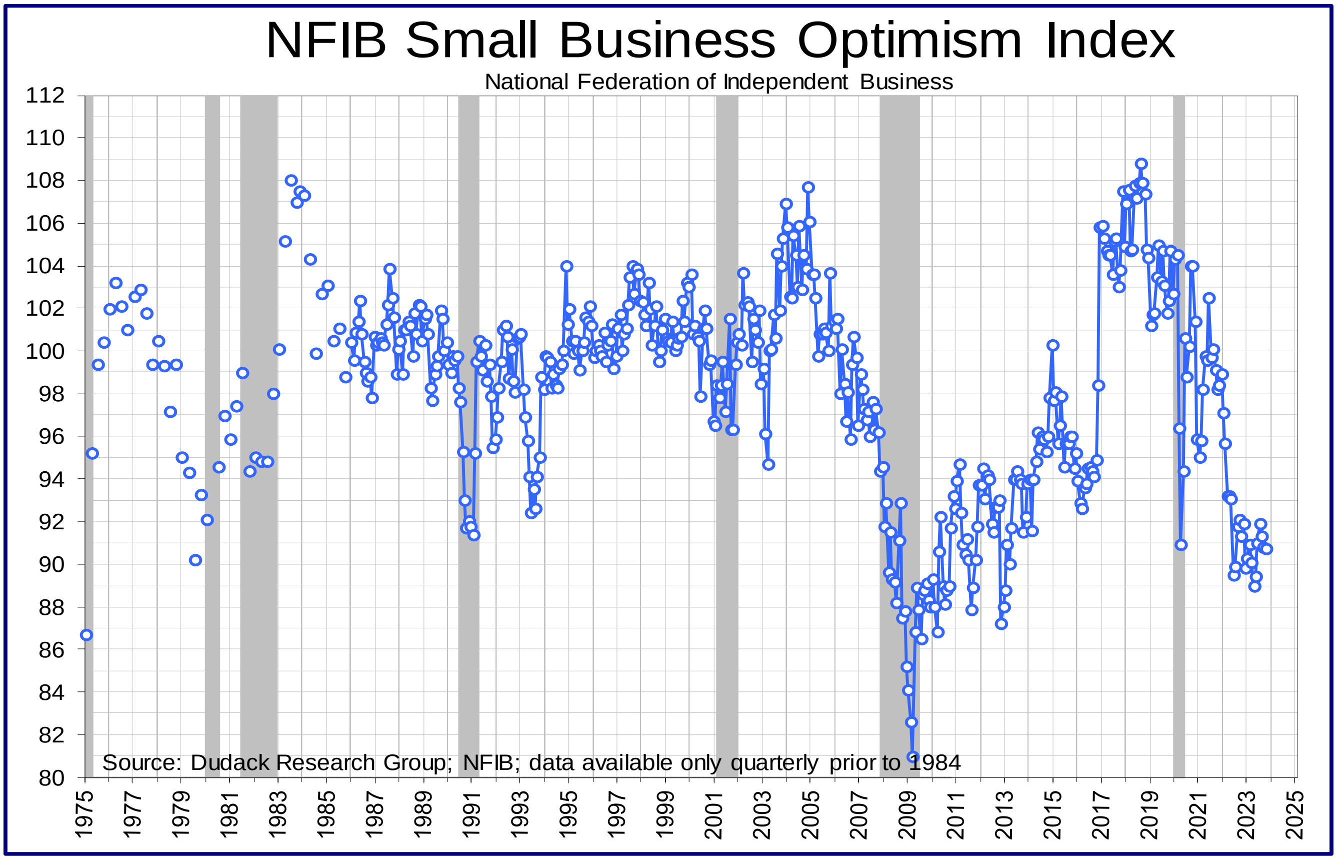


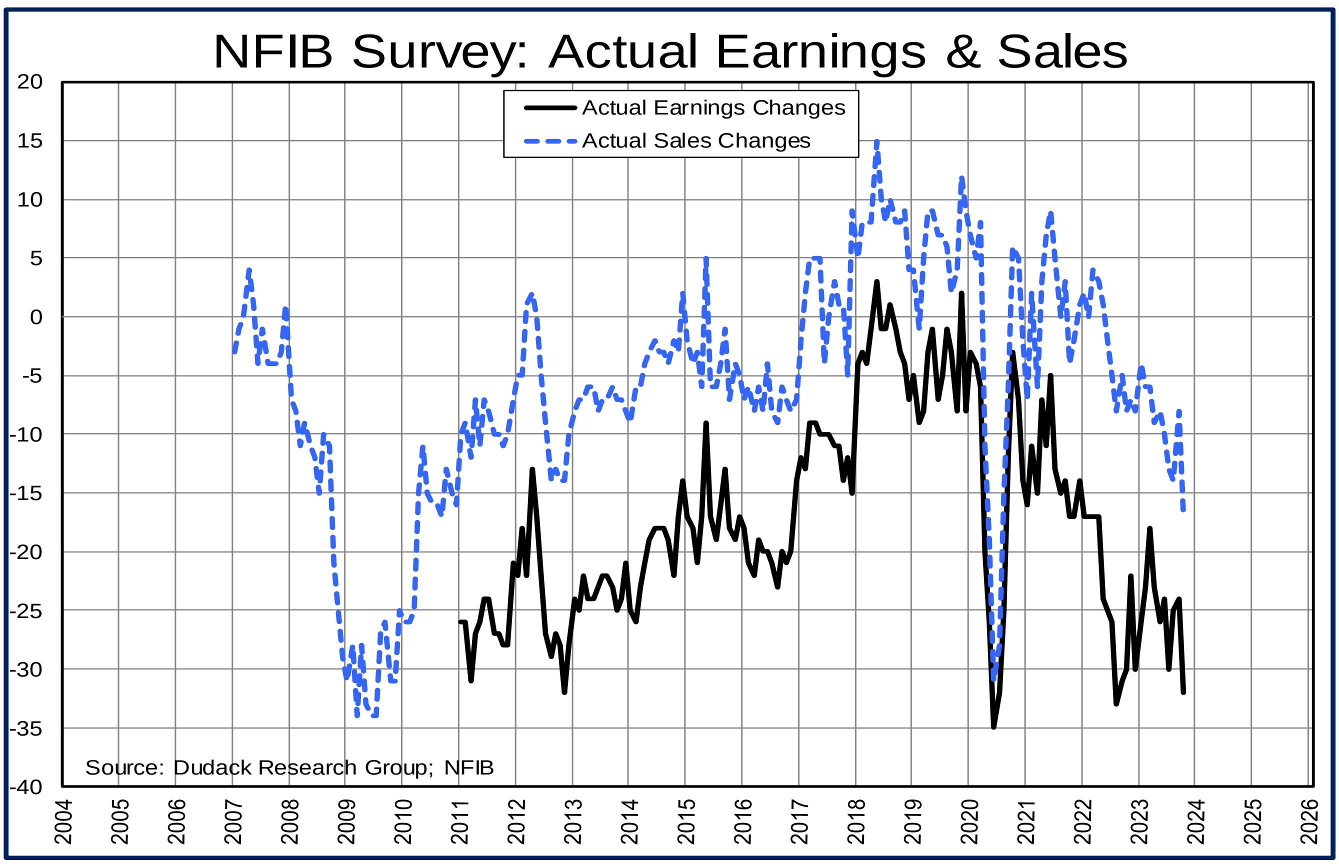
Some suggest that inflation is already at 2% if housing, which lags home prices, is eliminated. We doubt this is true. But what is currently dampening service inflation is the decline in medical care services. But note, most medical services, including medical insurance, are repriced in the fourth quarter, so this favorable trend could shift in coming months.



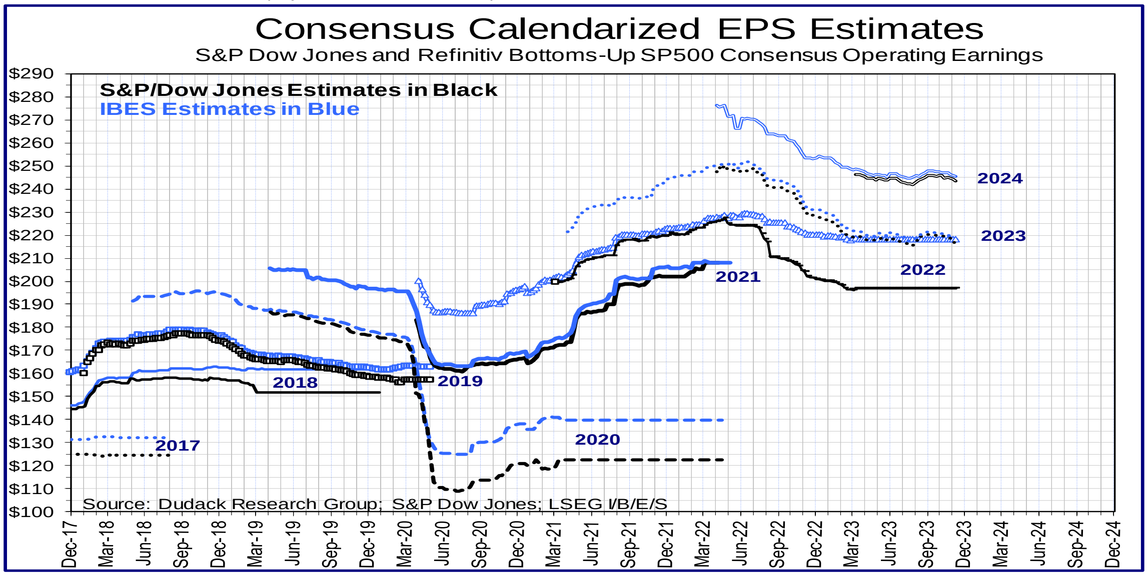


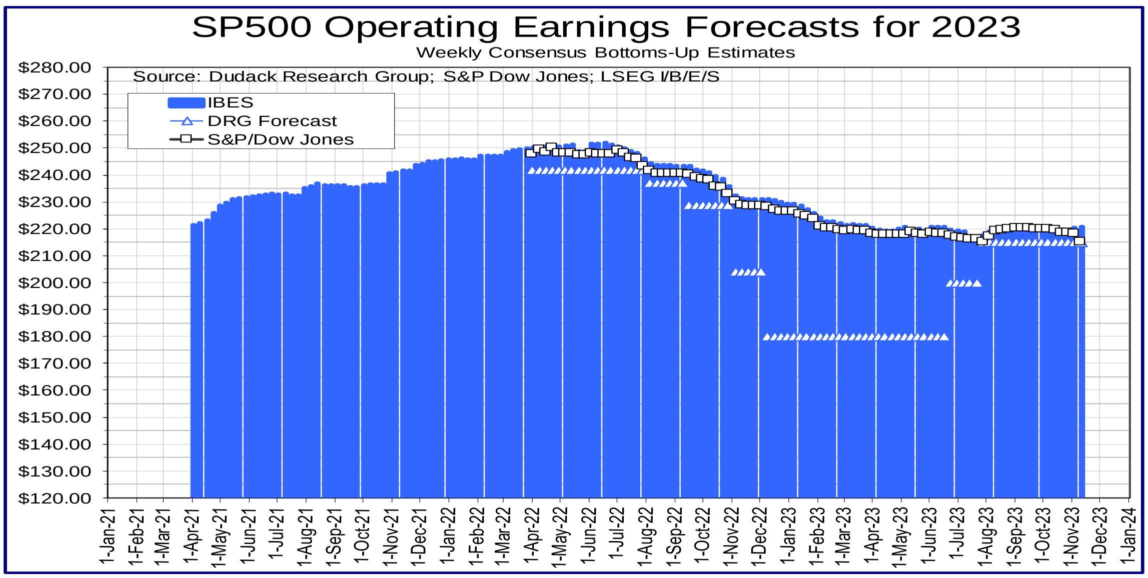
The NFIB small business optimism index fell 0.1 point in October recording its 22nd month below the long-term average. A long below-average reading is typically a sign of a recession. What we noticed in the last survey was that actual sales fell to their lowest level since July 2020, during the COVID recession, and actual earnings fell to the second lowest reading since June 2020.

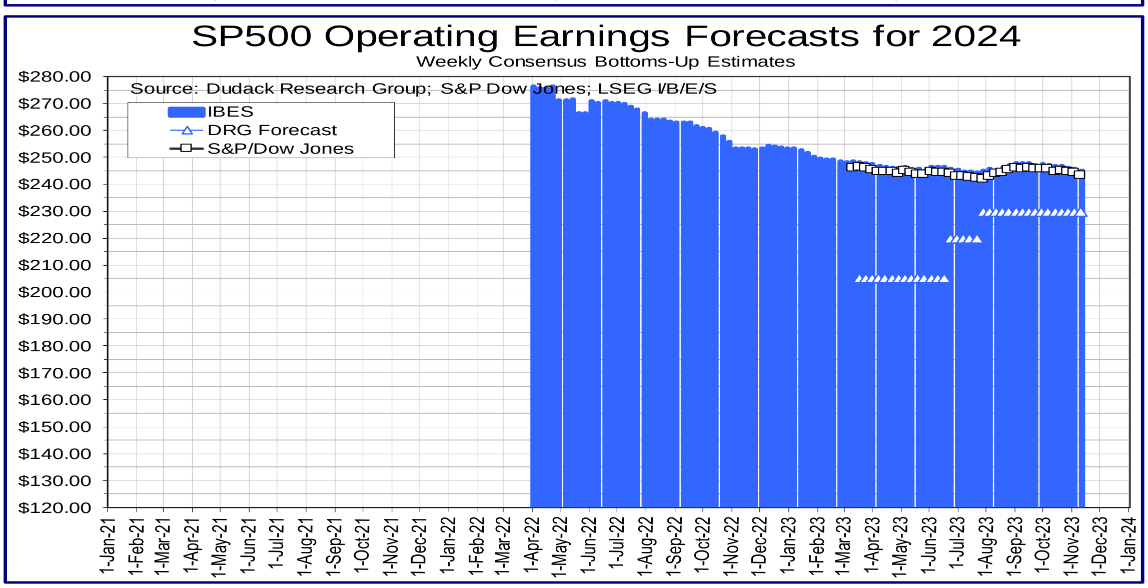




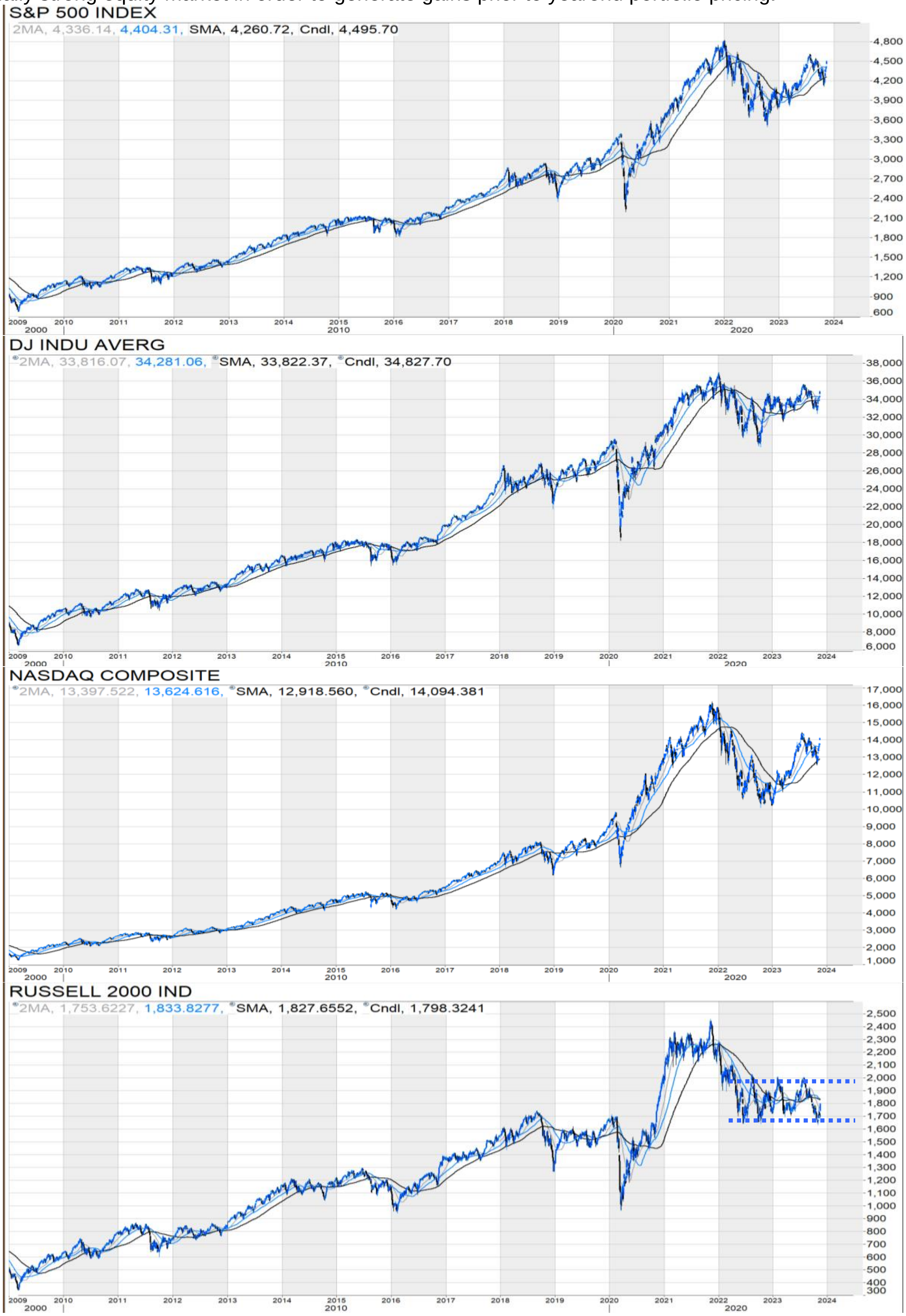
S&P Dow Jones consensus estimates for 2023 and 2024 are $215.18 and $243.33, respectively, down $3.15, and $0.91, respectively. The sharp decline in S&P estimates is linked to unrealized losses in Berkshire Hathaway's (BRK.B - $354.25) balance sheet. LSEG IBES estimates for 2023 and 2024 are $220.62 and $245.31, up $0.24, and down $0.44, respectively. Based upon the IBES EPS estimate of $220.62 for this year, equities remain overvalued with a PE of 20.4 times and inflation of 3.7%. This sum of 24.7 is above the 23.8 level that defines an overvalued equity market. Note: based upon the S&P estimate of $215.18, the 2023 PE is 20.9 times.







The charts of the popular equity indices are bullish with the only upside resistance seen at the July highs, prior to all-time hghs. The Russell 2000 index had its best performance since November 2020, rising 4.5% after October's inflation report. However, we are cautious. These spectacular price increases could be hedge funds looking to jump ahead of what is seen as a seasonally strong equity market in order to generate gains prior to yearend portfolio pricing.

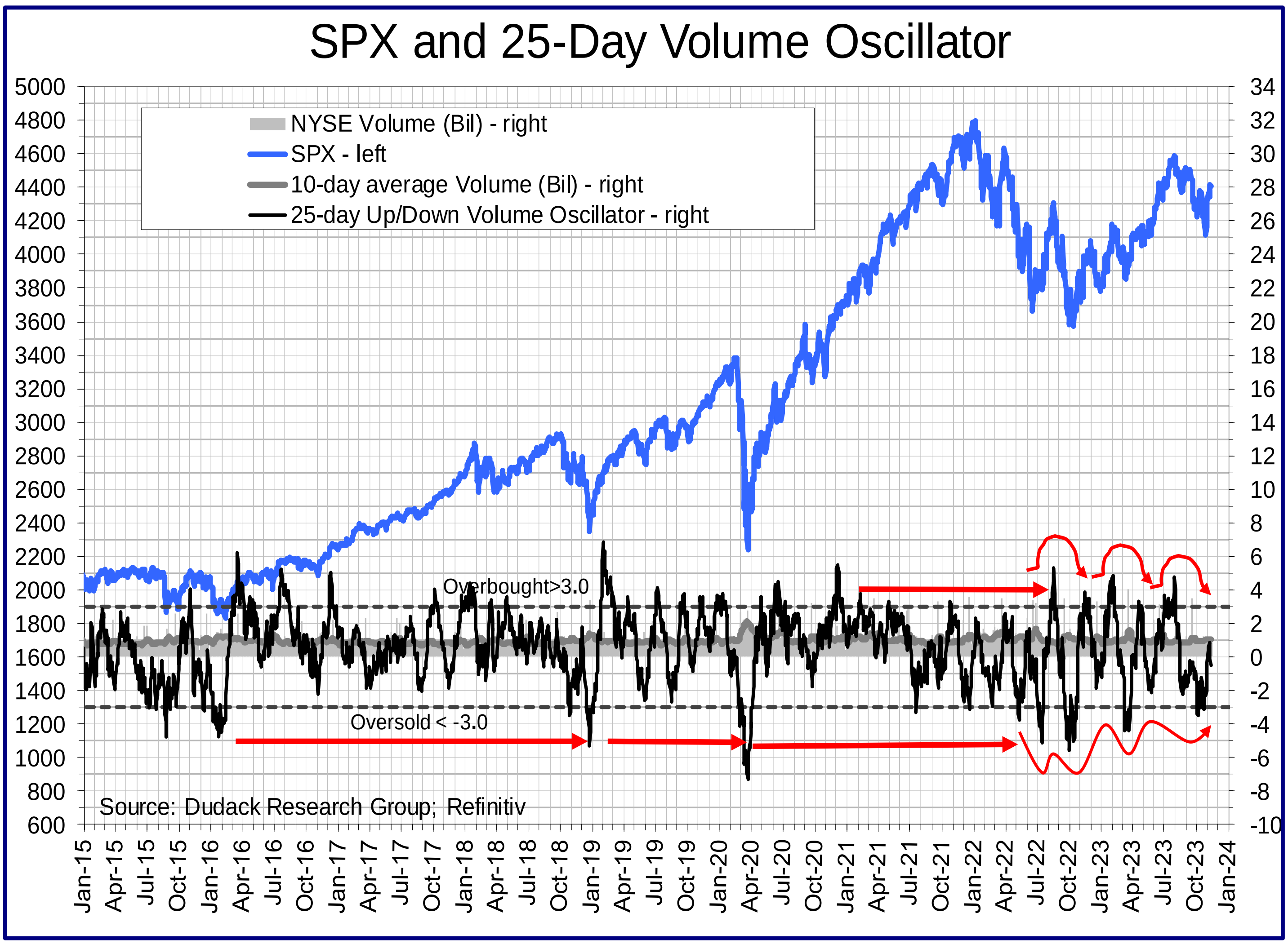


Source: Refinitiv

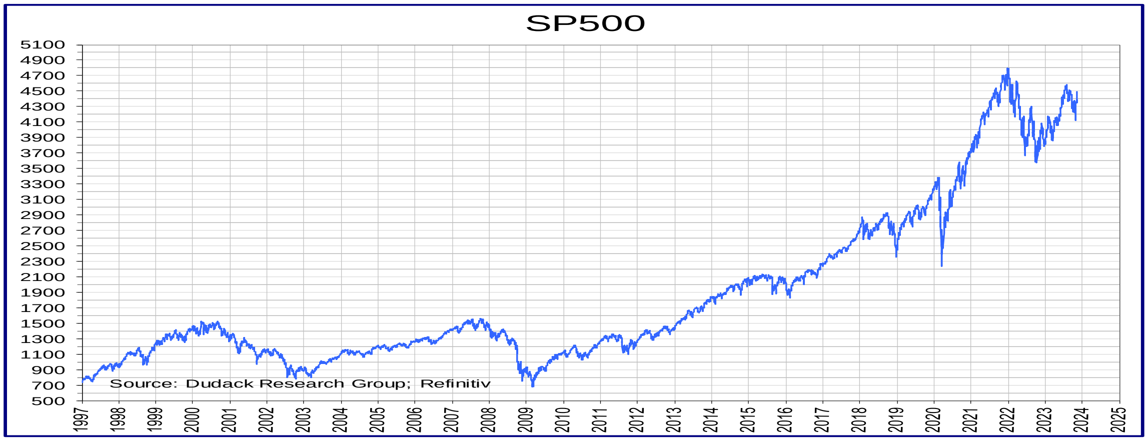
The 25-day up/down volume oscillator is at a negative 0.31 reading this week and neutral.

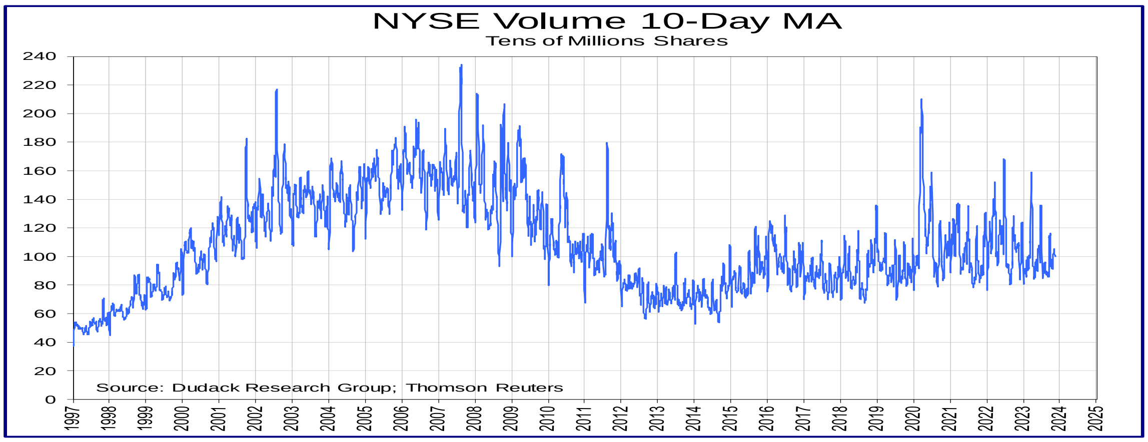
Breadth recorded an 89% up day on November 2, on volume that exceeded the 10-day average, and a 91% up day on November 14, 2023 on volume that exceeded the 10-day average. Yet despite these strong up days, the oscillator remains neutral. The oscillator was in oversold territory for two consecutive trading days on October 20 and October 23 and for three out of four consecutive days on October 5 to October 9. However, none of these readings confirmed a downtrend.

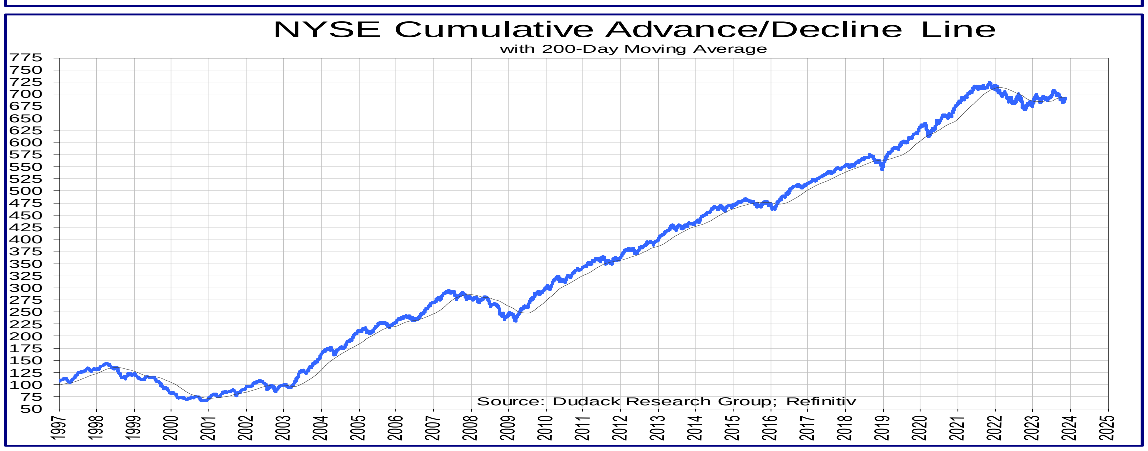
To confirm the recent advance, the oscillator would need to record an overbought reading for at least five consecutive trading sessions. This is possible but challenging.

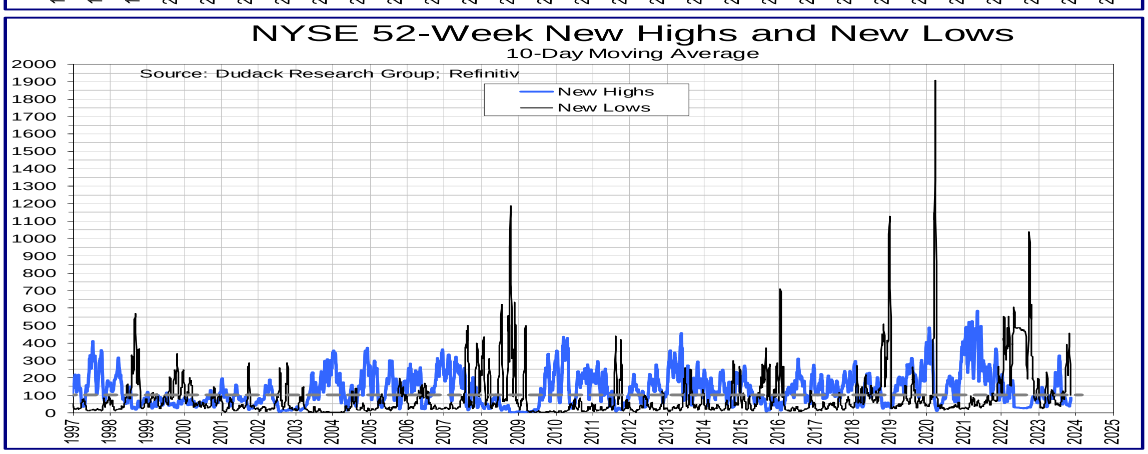


The 10-day average of daily new highs is 86 and new lows are 99. This combination is slightly negative this week with new highs below 100 and new lows just below 100. The NYSE advance/decline line fell below the June low on September 22 and is 32,073 net advancing issues from its 11/8/21 high. July was 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 well above 30,000 issues once again.

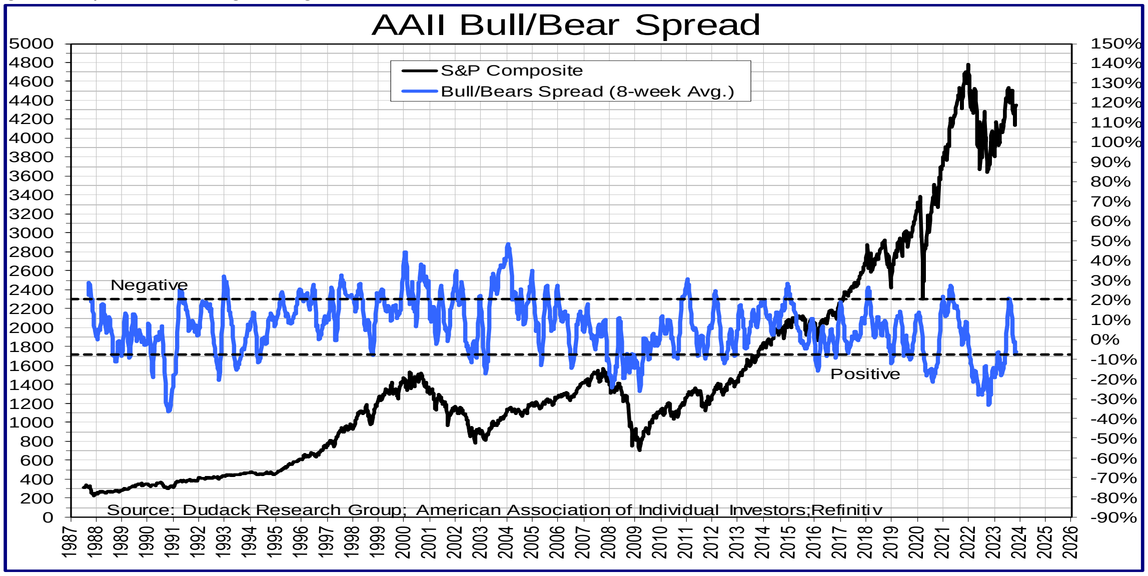


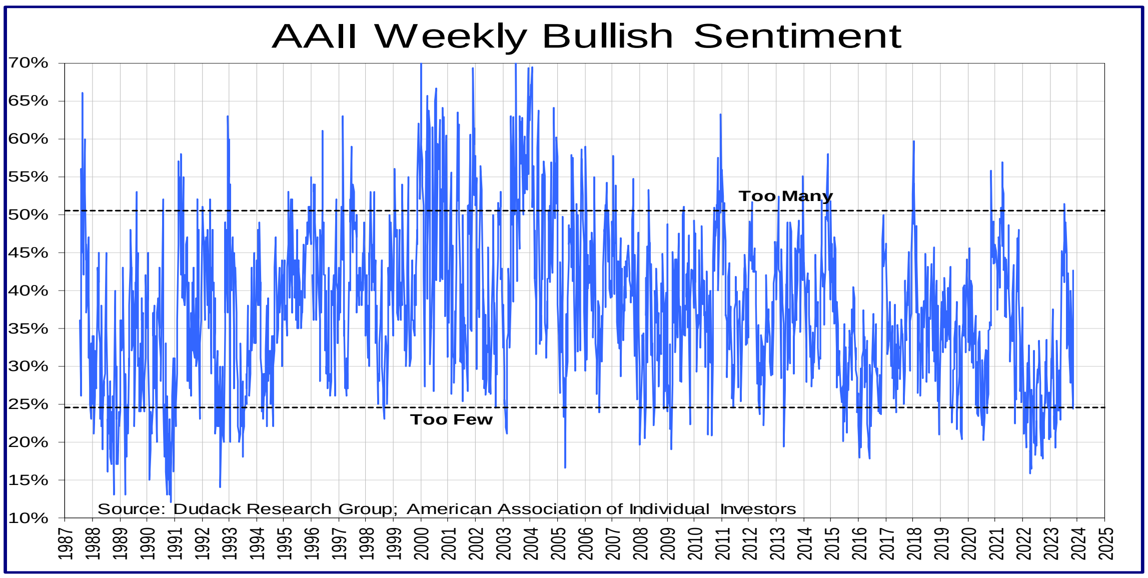


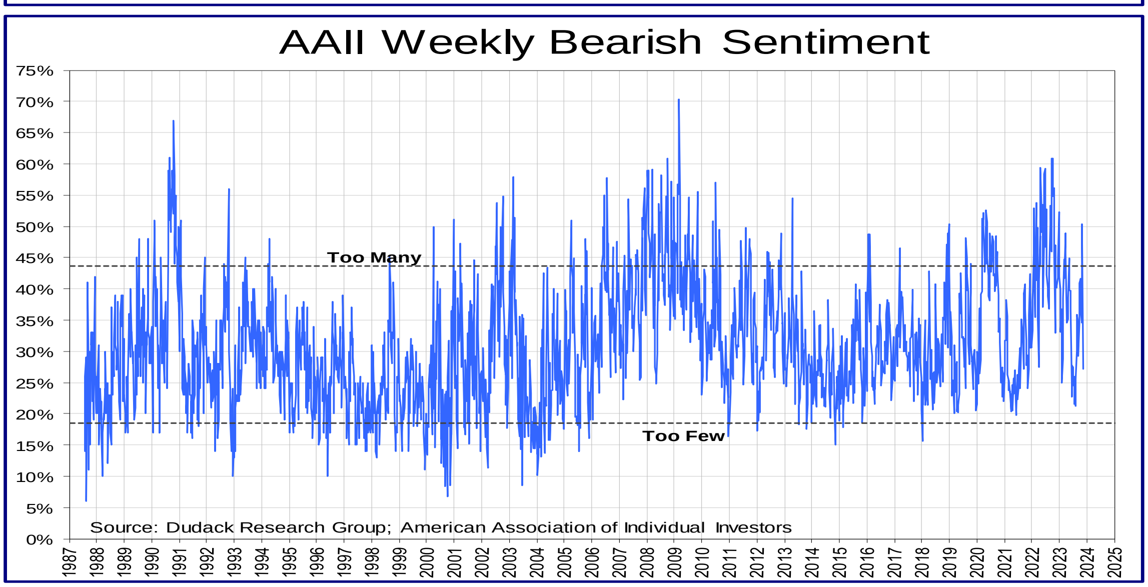




Last week's AAII readings showed an 18.3% increase in bullishness to 42.6%, and a 23.1% decrease in bearishness to 27.2%. Bullish sentiment had its largest increase since July 15, 2010 (18.4% up) and remains above average for 3rd time in 10 weeks. Bearishness is the lowest since August 9, 2023 (25.5%) and below average for the 3rd time in 10 weeks. These shifts reverse the positive readings seen last week. The 8-week bull/bear spread is negative 6.2% and closing in on a positive reading, of negative 8% or less.







Global Markets and Commodities - Ranked by 2023 Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
Technology Select Sector SPDR	XLK	182.04	4.2%	8.0%	11.0%	46.3%
Communication Services Select Sector SPDR Fund	XLC	69.43	2.5%	3.5%	5.9%	44.7%
NASDAQ 100	NDX	15812.47	3.4%	153.54	7.5%	44.5%
Nasdaq Composite Index Tracking Stock	ONEQ.O	55.68	3.4%	5.5%	7.1%	35.9%
SPDR Homebuilders ETF	XHB	81.77	6.3%	10.2%	6.8%	35.6%
iShares Russell 1000 Growth ETF	IWF	287.15	3.4%	5.5%	8.0%	34.0%
Consumer Discretionary Select Sector SPDR	XLY	167.55	3.3%	5.4%	4.1%	29.7%
iShares MSCI Mexico Capped ETF	EWW	61.43	3.8%	12.0%	5.5%	24.2%
iShares MSCI Brazil Capped ETF	EWZ	33.38	3.5%	10.4%	8.8%	19.3%
iShares MSCI Taiwan ETF	EWT	47.19	2.9%	3.7%	5.9%	17.5%
SP500	.SPX	4495.70	2.7%	3.9%	4.8%	17.1%
iShares Russell 1000 ETF	IWB	246.24	2.8%	4.0%	4.8%	17.0%
SPDR S&P Semiconductor ETF	XSD	194.17	7.2%	3.8%	-0.9%	16.1%
iShares MSCI Japan ETF	EWJ	61.64	1.6%	3.5%	2.2%	13.2%
iShares MSCI Germany ETF	EWG	27.36	5.1%	6.5%	4.4%	10.6%
iShares MSCI Austria Capped ETF	EWO	20.84	4.4%	6.9%	6.0%	9.7%
iShares MSCI South Korea Capped ETF	EWY	61.89	0.4%	5.3%	5.0%	9.6%
Gold Future	GCc1	2691.10	0.2%	0.8%	1.2%	9.2%
iShares MSCI EAFE ETF	EFA	71.05	3.1%	3.8%	3.1%	8.2%
iShares MSCI India ETF	INDA.K	45.08	2.0%	1.4%	1.9%	8.0%
SPDR Gold Trust	GLD	182.12	-0.3%	1.8%	6.2%	7.4%
PowerShares Water Resources Portfolio	PHO	55.24	4.7%	5.0%	3.9%	7.2%
iShares DJ US Oil Eqpt & Services ETF	IEZ	22.68	3.4%	-5.1%	-5.7%	7.0%
Vanguard FTSE All-World ex-US ETF	VEU	53.52	2.8%	3.8%	3.2%	6.7%
Industrial Select Sector SPDR	XLI	104.70	3.6%	2.9%	3.3%	6.6%
SPDR DJIA ETF	DIA	348.42	2.0%	3.5%	4.0%	5.2%
DJIA	.DJI	34827.70	2.0%	3.4%	3.9%	5.1%
iShares MSCI Canada ETF	EWC	34.20	3.0%	3.1%	2.2%	4.5%
iShares Russell 2000 Growth ETF	IWO	223.91	3.8%	4.0%	-0.1%	4.4%
iShares MSCI Emerg Mkts ETF	EEM	39.36	1.7%	4.0%	3.7%	3.9%
iShares MSCI United Kingdom ETF	EWU	31.82	2.2%	0.5%	0.6%	3.8%
United States Oil Fund, LP	USO	72.69	1.2%	-8.0%	-10.1%	3.7%
SPDR S&P Retail ETF	XRT	62.36	1.4%	6.4%	2.5%	3.2%
Materials Select Sector SPDR	XLB	79.53	3.4%	2.4%	1.2%	2.4%
iShares Russell 2000 ETF	IWM	178.46	3.9%	4.8%	1.0%	2.4%
iShares Russell 1000 Value ETF	IWD	153.54	2.1%	2.2%	1.1%	1.2%
Financial Select Sector SPDR	XLF	34.50	2.6%	3.9%	4.0%	0.9%
iShares MSCI BRIC ETF	BKF	34.30	1.6%	2.2%	2.1%	-0.1%
iShares MSCI Australia ETF	EWA	22.19	3.4%	4.9%	3.2%	-0.2%
iShares Russell 2000 Value ETF	IWN	138.20	3.8%	5.4%	2.0%	-0.3%
Shanghai Composite	.SSEC	3056.07	0.0%	-1.0%	-1.7%	-1.1%
iShares iBoxx $ Invest Grade Corp Bond	LQD	103.78	1.6%	2.4%	1.7%	-1.6%
Oil Future	CLc1	78.26	1.2%	-10.8%	-13.8%	-2.5%
iShares US Real Estate ETF	IYR	81.72	4.4%	4.6%	4.6%	-2.9%
Energy Select Sector SPDR	XLE	84.76	1.1%	-5.4%	-6.2%	-3.1%
iShares MSCI Singapore ETF	EWS	18.20	-0.4%	0.4%	-0.8%	-3.2%
Silver Future	SIc1	23.08	2.5%	1.5%	3.8%	-3.3%
iShares Silver Trust	SLV	22.13	2.1%	1.8%	4.1%	-3.7%
iShares US Telecomm ETF	IYZ	21.49	0.8%	2.7%	0.9%	-4.2%
iShares MSCI Malaysia ETF	EWM	21.50	0.0%	3.2%	4.4%	-5.9%
Health Care Select Sect SPDR	XLV	127.86	-0.4%	-1.8%	-0.7%	-5.9%
iShares China Large Cap ETF	FXI	26.58	1.0%	0.4%	0.2%	-6.1%
Consumer Staples Select Sector SPDR	XLP	69.89	1.2%	4.6%	1.6%	-6.3%
iShares 20+ Year Treas Bond ETF	TLT	89.78	2.0%	2.5%	1.2%	-9.8%
iShares Nasdaq Biotechnology ETF	IBB.O	117.91	-2.0%	-3.1%	-3.6%	-10.2%
Utilities Select Sector SPDR	XLU	61.98	1.2%	4.5%	5.2%	-12.1%
SPDR S&P Bank ETF	KBE	39.29	4.5%	9.2%	6.6%	-13.0%
iShares MSCI Hong Kong ETF	EWH	17.55	1.2%	1.6%	2.3%	-16.5%

Outperformed SP500
Underperformed SP500

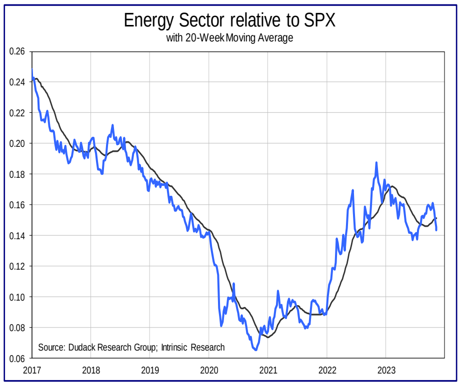
Source: Dudack Research Group; Refinitiv

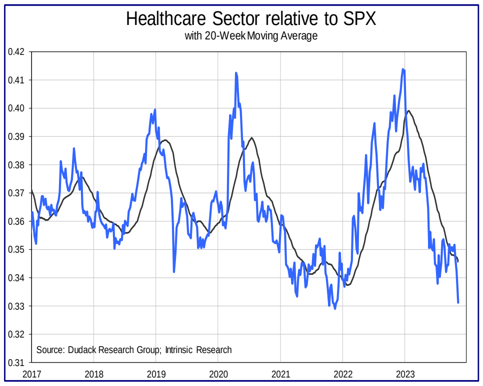
Priced as of November 14, 2023

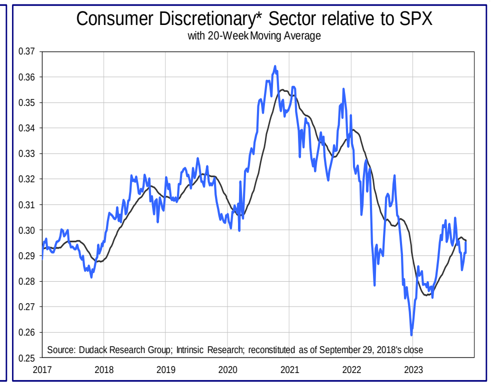
Sector Relative Performance – relative over/under/ performance to S&P 500

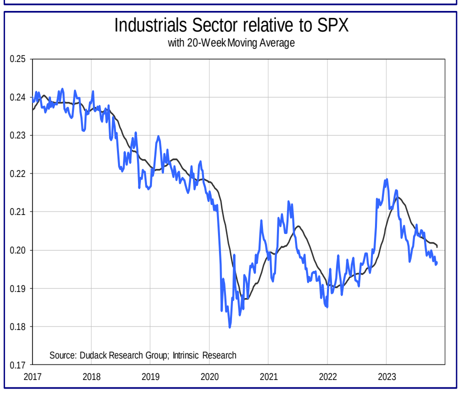
DRG Recommended Sector Weights				
Overweight		**Neutral**		**Underweight**
Energy Industrials Staples Utililties		Healthcare Technology Materials Financials		Consumer Discretionary REITS Communication Services

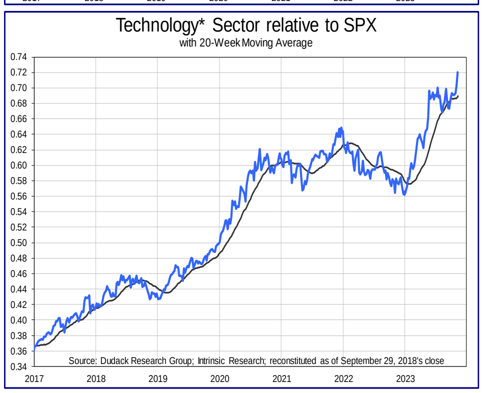
3/8/2022:Materials upgraded from underw eight to neutral/communication service dow ngraded from neutral to underw eight. 3/1/2022 Financials dow ngraded to neutral and Industrials upgraded to overw eight.

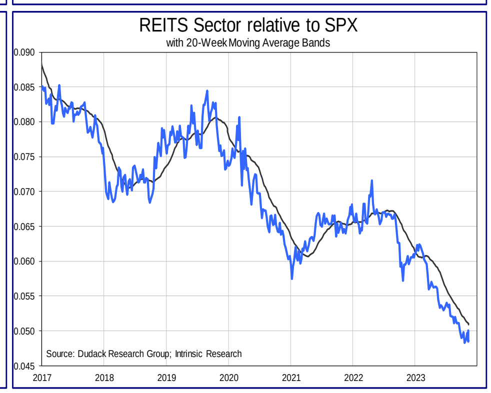


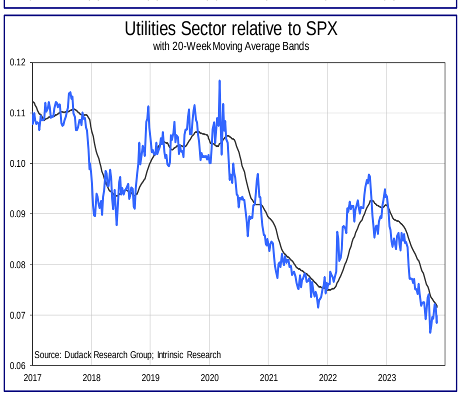


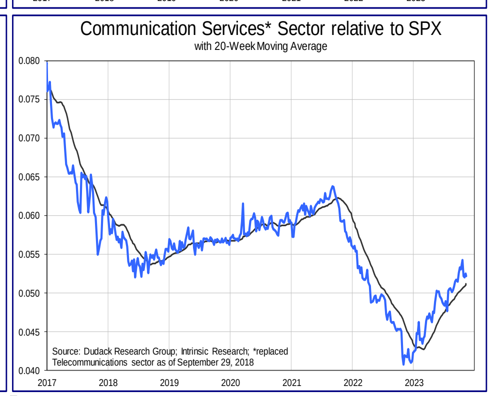


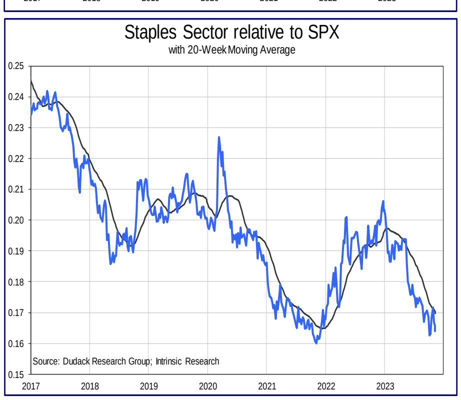


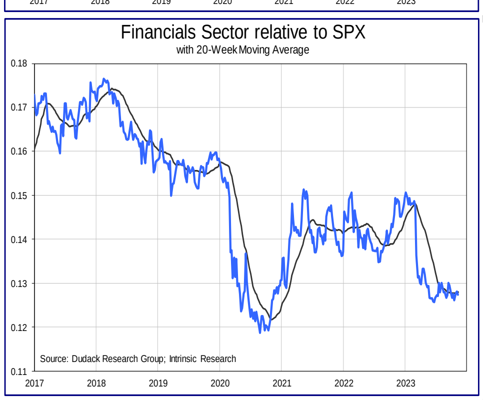












2023 Performance - Ranked	
SP500 Sector	% Change
S&P INFORMATION TECH	49.0%
S&P COMMUNICATIONS SERVICES	47.3%
S&P CONSUMER DISCRETIONARY	32.0%
S&P 500	17.1%
S&P INDUSTRIALS	6.4%
S&P MATERIALS	2.2%
S&P FINANCIAL	0.6%
S&P REITS	-3.2%
S&P ENERGY	-3.9%
S&P CONSUMER STAPLES	-5.4%
S&P HEALTH CARE	-6.1%
S&P UTILITIES	-12.5%

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	$94.55	**$157.12**	$157.12	3.6%	**$162.93**	0.6%	20.6X	1.8%	2.3%	$2,065.60	2.1%
2020	3756.07	$109.88	**$122.38**	$122.38	-22.1%	**$139.72**	-14.2%	30.7X	1.6%	-2.8%	$1,968.10	-4.7%
2021	4766.18	$132.39	**$208.17**	$208.17	70.1%	**$208.12**	49.0%	22.9X	1.3%	5.9%	$2,382.80	21.1%
2022	3839.50	$139.47	**$196.95**	$196.95	-5.4%	**$218.09**	4.8%	19.5X	1.4%	2.1%	$2,478.80	4.0%
2023E	~~~~~	$94.14	**$215.17**	$212.38	7.8%	**$220.62**	1.2%	20.9X	NA	NA	NA	NA
2024E	~~~~~	$197.87	**$243.32**	$230.00	8.3%	**$245.31**	11.2%	18.5X	NA	NA	NA	NA
2016 1Q	2059.74	$21.72	**$23.97**	$23.97	-7.1%	**$26.96**	-5.7%	20.9	2.1%	2.3%	$1,777.50	-2.5%
2016 2Q	2098.86	$23.28	**$25.70**	$25.70	-1.7%	**$29.61**	-1.6%	21.4	2.1%	1.3%	$1,733.10	-3.8%
2016 3Q	2168.27	$25.39	**$28.69**	$28.69	12.8%	**$31.21**	4.1%	21.4	2.1%	2.9%	$1,754.80	-1.5%
2016 4Q	2238.83	$24.16	**$27.90**	$27.90	21.0%	**$31.30**	6.0%	21.1	2.0%	2.2%	$1,807.70	7.7%
2017 1Q	2362.72	$27.46	**$28.82**	$28.82	20.2%	**$30.90**	14.6%	21.3	2.0%	2.0%	$1,911.40	7.5%
2017 2Q	2423.41	$27.01	**$30.51**	$30.51	18.7%	**$32.58**	10.0%	20.9	1.9%	2.3%	$1,896.90	9.5%
2017 3Q	2519.36	$28.45	**$31.33**	$31.33	9.2%	**$33.45**	7.2%	21.2	1.9%	3.2%	$1,927.00	9.8%
2017 4Q	2673.61	$26.96	**$33.85**	$33.85	21.3%	**$36.02**	15.1%	21.5	1.8%	4.6%	$1,977.10	9.4%
2018 1Q	2640.87	$33.02	**$36.54**	$36.54	26.8%	**$38.07**	23.2%	20.0	1.9%	3.3%	$2,028.40	6.1%
2018 2Q	2718.37	$34.05	**$38.65**	$38.65	26.7%	**$41.00**	25.8%	19.4	1.9%	2.1%	$2,071.00	9.2%
2018 3Q	2913.98	$36.36	**$41.38**	$41.38	32.1%	**$42.66**	27.5%	19.4	1.8%	2.5%	$2,072.00	7.5%
2018 4Q	2506.85	$28.96	**$35.03**	$35.03	3.5%	**$41.18**	14.3%	16.5	2.1%	0.6%	$2,099.60	6.2%
2019 1Q	2834.40	$35.02	**$37.99**	$37.99	4.0%	**$39.15**	2.8%	18.5	1.9%	2.2%	$2,124.50	4.7%
2019 2Q	2941.76	$34.93	**$40.14**	$40.14	3.9%	**$41.31**	0.8%	19.0	1.9%	3.4%	$2,147.20	3.7%
2019 3Q	2976.74	$33.99	**$39.81**	$39.81	-3.8%	**$42.14**	-1.2%	19.5	1.9%	4.6%	$2,220.30	7.2%
2019 4Q	3230.78	$35.53	**$39.18**	$39.18	11.8%	**$41.98**	1.9%	20.6	1.8%	2.6%	$2,199.60	4.8%
2020 1Q	2584.59	$11.88	**$19.50**	$19.50	-48.7%	**$33.13**	-15.4%	18.6	2.3%	-5.3%	$1,993.80	-6.2%
2020 2Q	4397.35	$17.83	**$26.79**	$26.79	-33.3%	**$27.98**	-32.3%	35.1	1.9%	-28.0%	$1,785.00	-16.9%
2020 3Q	3363.00	$32.98	**$37.90**	$37.90	-4.8%	**$38.69**	-8.2%	27.3	1.7%	34.8%	$2,386.80	7.5%
2020 4Q	3756.07	$31.45	**$38.19**	$38.19	-2.5%	**$42.58**	1.4%	30.7	1.6%	4.2%	$2,137.60	-2.8%
2021 1Q	3972.89	$45.95	**$47.41**	$47.41	143.1%	**$49.13**	48.3%	26.4	1.5%	5.2%	$2,401.00	20.4%
2021 2Q	4297.50	$48.39	**$52.03**	$52.03	94.2%	**$52.58**	87.9%	24.5	1.3%	6.2%	$2,596.30	45.5%
2021 3Q	4307.54	$49.59	**$52.02**	$52.02	37.3%	**$53.72**	38.8%	22.7	1.4%	3.3%	$2,553.30	7.0%
2021 4Q	4766.18	$53.94	**$56.71**	$56.71	48.5%	**$53.95**	26.7%	22.9	1.3%	7.0%	$2,521.90	18.0%
2022 1Q	4530.41	$45.99	**$49.36**	$49.36	4.1%	**$54.80**	11.5%	21.6	1.4%	-2.0%	$2,497.90	4.0%
2022 2Q	3785.38	$42.74	**$46.87**	$46.87	-9.9%	**$57.62**	9.6%	18.5	1.7%	-0.6%	$2,712.60	4.5%
2022 3Q	3585.62	$44.41	**$50.35**	$50.35	-3.2%	**$56.02**	4.3%	17.6	1.8%	2.7%	$2,754.60	7.9%
2022 4Q	3839.50	$39.61	**$50.37**	$50.37	-11.2%	**$53.15**	-1.5%	19.5	1.7%	2.6%	$2,700.10	7.1%
2023 1Q	4109.31	$48.41	**$52.54**	$52.54	6.4%	**$53.08**	-3.1%	20.5	1.7%	2.2%	$2,588.60	3.6%
2023 2Q	4450.38	$48.58	**$54.84**	$54.84	17.0%	**$54.29**	-5.8%	21.4	1.5%	2.1%	$2,601.80	-4.1%
2023 3QE	4288.05	$49.18	**$52.96**	$52.00	3.3%	**$58.20**	3.9%	20.4	1.6%	4.9%	NA	NA
2023 4QE*	4495.38	$49.85	**$54.83**	$53.00	5.2%	**$55.39**	4.2%	20.9	NA	NA	NA	NA

Source: DRG; S&P Dow Jones **quarterly EPS may not sum to official CY estimates; LSEG IBES Consensus estimates *11/14/2023

Regulation AC Analyst Certification

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