



US Strategy Weekly (Bureau of) Labor Woes

French President Emmanuel Macron named loyalist Sebastien Lecornu, 39, a conservative protege, as prime minister on Tuesday, following the collapse of his fourth government in two years. This appointment shows Macron's determination to hold on to a minority government and a pro-business reform agenda which cuts taxes on business and the wealthy and raises the retirement age. Lecornu's appointment is unlikely to appease left-wing "*Block Everything*" participants who are planning to shut down all of France with protests and blockades on September 10. More importantly, as Macron struggles to hold on to his minority coalition government, the country is slowly slipping toward a fiscal crisis. A combination of weak growth, high borrowing costs, and a massive debt burden has resulted in French bonds yielding 3.4%, a higher cost of capital than Greece or Spain, placing French bond rates second only to Italy.

Meanwhile, the US 10-year Treasury bond yield is currently 4.07%, at the lower end of the 4.0% to 4.7% range that contained yields so far this year. And we wonder if this decline in yields is a response to risks seen in the European debt markets or an indication of weaker US growth. Perhaps it is both.

August payrolls grew by a disappointing 22,000 in August and the unemployment rate rose from 4.2% to 4.3%. Moreover, the U6 unemployment rate rose faster from 7.9% to 8.1%. On a year-on-year basis, the establishment survey showed total employment grew 0.9% YOY, below its long-term average pace of 1.7% YOY. The household survey showed jobs growing 1.2% YOY, below its long-term average rate of 1.5% YOY. However, while both growth rates are currently below average, they are nonetheless positive. A positive growth rate is critical to the economy because a year-over-year decline in jobs is an indication of a recession.

But what dominated news this week was the Bureau of Labor Statistic's announcement that the annual revision to payrolls in the 12 months ending in March 2025 is estimated to be 911,000, which means payrolls were lower than previously reported. More specifically, this indicates that for every month from March 2024 to March 2025, actual job growth was an average of 76,000 jobs less than reported. This annual adjustment was far larger than economists' expectations and it appears to be the largest revision ever recorded. And this would be the second unusually large negative annual revision in a row. It also implies that the economy under President Biden was much weaker than reported, it suggests the Federal Reserve should have been lowering interest rates and it supports President Trump's decision that more rigorous leadership is needed at the Bureau. Last, but far from least, it means that the growth rate in jobs over the last year might already be negative! However, that will not be confirmed until next year.

Revisions to government data are normal as new information is accumulated; but unfortunately, these massive revisions are three times larger than normal and as a result, have destroyed confidence in most government data. This is regrettable. See page 3.

August employment data also revealed a number of underlying trends. Over the last twelve months, foreign employment declined by 822,000 workers while native-born employment increased by 2.8

million workers. This is a massive turnaround from August 2024 when native employment declined by 1.3 million workers and foreign-born workers increased by 1.24 million. See page 4. The unemployment rate rose to 4.3% in August but underlying details show a dichotomy in workforce dynamics. The unemployment rate for those with less than a high school degree is currently 6.7% and rising. The unemployment rate for those with a bachelor's degree or higher is also rising but remains substantially lower at 2.7%. This suggests that the lower end of the employment market is suffering.

The household survey estimates the number of people who are not in the labor force but currently want a job. This group totaled 6.4 million in August, which was not a big change from July, but it was up 722,000 over the year. This category of "currently want a job" represents 6.3% of those currently not in the labor force, up from 5.7% a year ago. According to the BLS, these individuals are not counted as unemployed because they were not actively looking for work during the four weeks preceding the survey or were unavailable to take a job. However, the 6.4 million people who are not in the labor force and want a job is sizeable when compared to the 7.4 million counted as "actively" unemployed. In short, digging through the data we find a pattern of underemployment. See page 5.

In our view, economists should not be surprised by the pending negative revision in payroll data because there has been a growing disparity between the establishment and household surveys since June 2023. While the payroll survey showed a steady increase in jobs, the household survey – which is much broader – suggested job growth was flat during this period. Note that in the last two years, the only increase in jobs in the household survey took place in January 2025 and this was due to the annual Census adjustment to total population! See page 6.

There are two data points we will be watching in coming months to define the strength or weakness in the job market. First, the 3-month moving average of job growth is currently low at 29,330. Should this moving average turn negative it is a definitive signal of a recession. As we noted, economists should be worried because the revision to jobs data next March is likely to result in this number turning negative. Second, the number of people unemployed for 27 weeks or longer displays how easily the unemployed can find work. This number is currently at 1.93 million people and rising. With the exception of the financial crisis of 2008 and the pandemic, a level of 2.0 million has defined a recession. See page 7.

In the US, GDP is closely linked to personal consumption, which represents 68% of our economy. Moreover, 47% of total GDP is personal consumption of services which means the US economy is dominated by the service sector. In August, the ISM nonmanufacturing index rose 1.9 points to 52, which marked the third straight month above 50 for the index. This is encouraging; however, order backlogs were particularly weak, falling 3.9 points to 40.4, below the 40.9 of May 2023, and at their lowest reading since the 40.0 seen May 2009. Note that the sum of the ISM manufacturing and nonmanufacturing employment indices fell below the standard deviation range of 92 to 113 for the second month in a row. A sharp decline in this series has been linked to recession economies. See page 8. All in all, there are many reasons for the Fed cutting interest rates in September.

From a technical perspective, the market improved this week. The NYSE cumulative advance/decline line hit a new high on September 8, 2025 and new highs should continue if the indices continue to move higher. The 10-day averages of new highs and lows is positive. The 25-day up/down volume oscillator is still neutral but moved higher this week. The lack of an overbought reading of 3.0 or higher since mid-July in this oscillator is a technical warning since volume in advancing stocks should exceed volume in declining issues on new highs in a bull market. We will continue to monitor this.

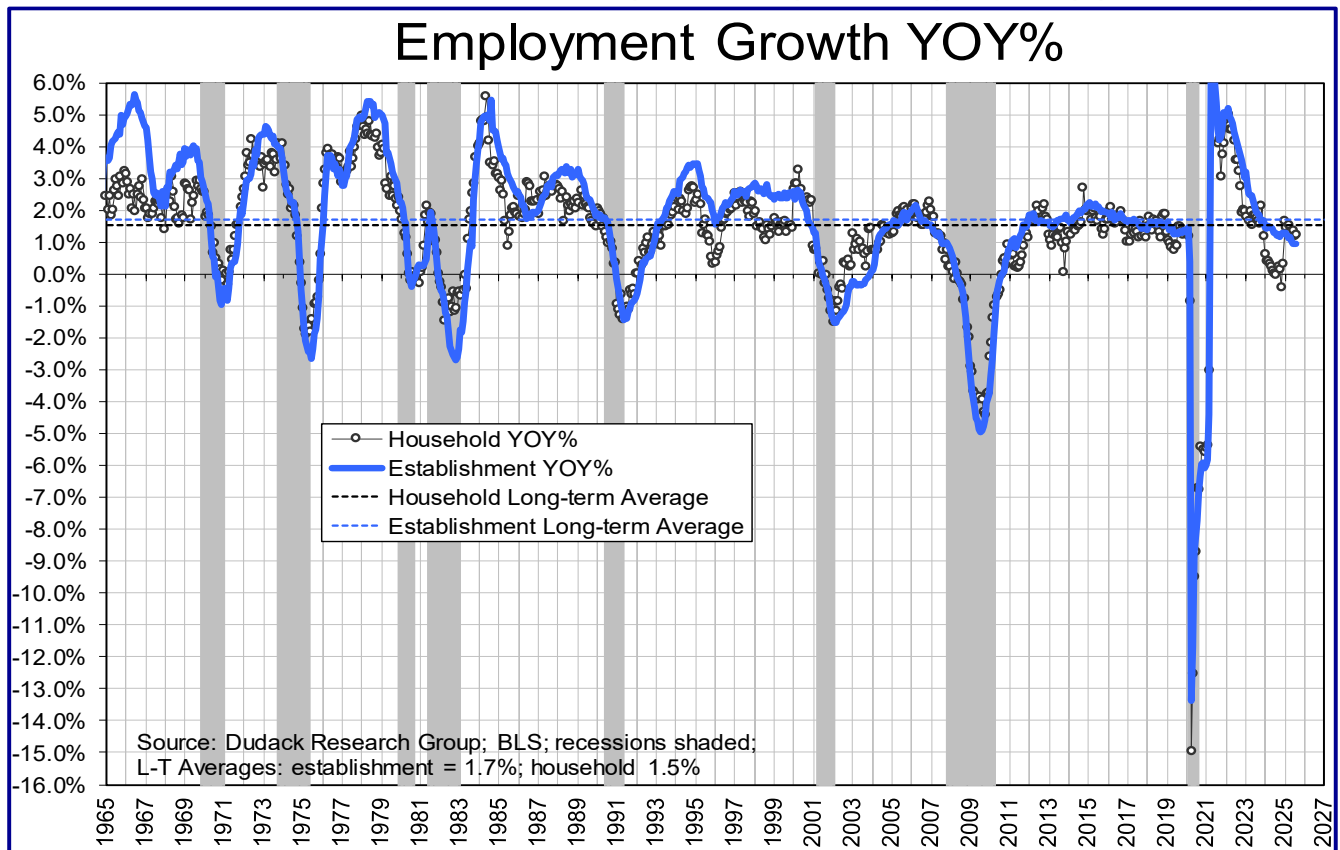
September tends to be a dangerous time for equity investors, and this September includes unrest in France, Israel attacking Hamas in Qatar, Russia seeking alliances with China and North Korea, and the possibility of a US government shutdown. However, a rate cut is likely and that, along with relatively good earnings, is a positive for equities. We would be a buyer on weakness.

August payrolls grew by a disappointing 22,000 in August and the unemployment rate rose from 4.2% to 4.3%. In addition, the U6 unemployment rate rose from 7.9% to 8.1%. On a year-on-year basis, the establishment survey showed employment grew 0.9% YOY, below its long-term average of 1.7% YOY. The household survey showed employment grew 1.2% YOY, below its long-term average of 1.5% YOY. However, while both growth rates are below average, they are nonetheless positive. A positive growth rate is critical to the economy because a year-over-year decline in jobs is an indication of a recession.

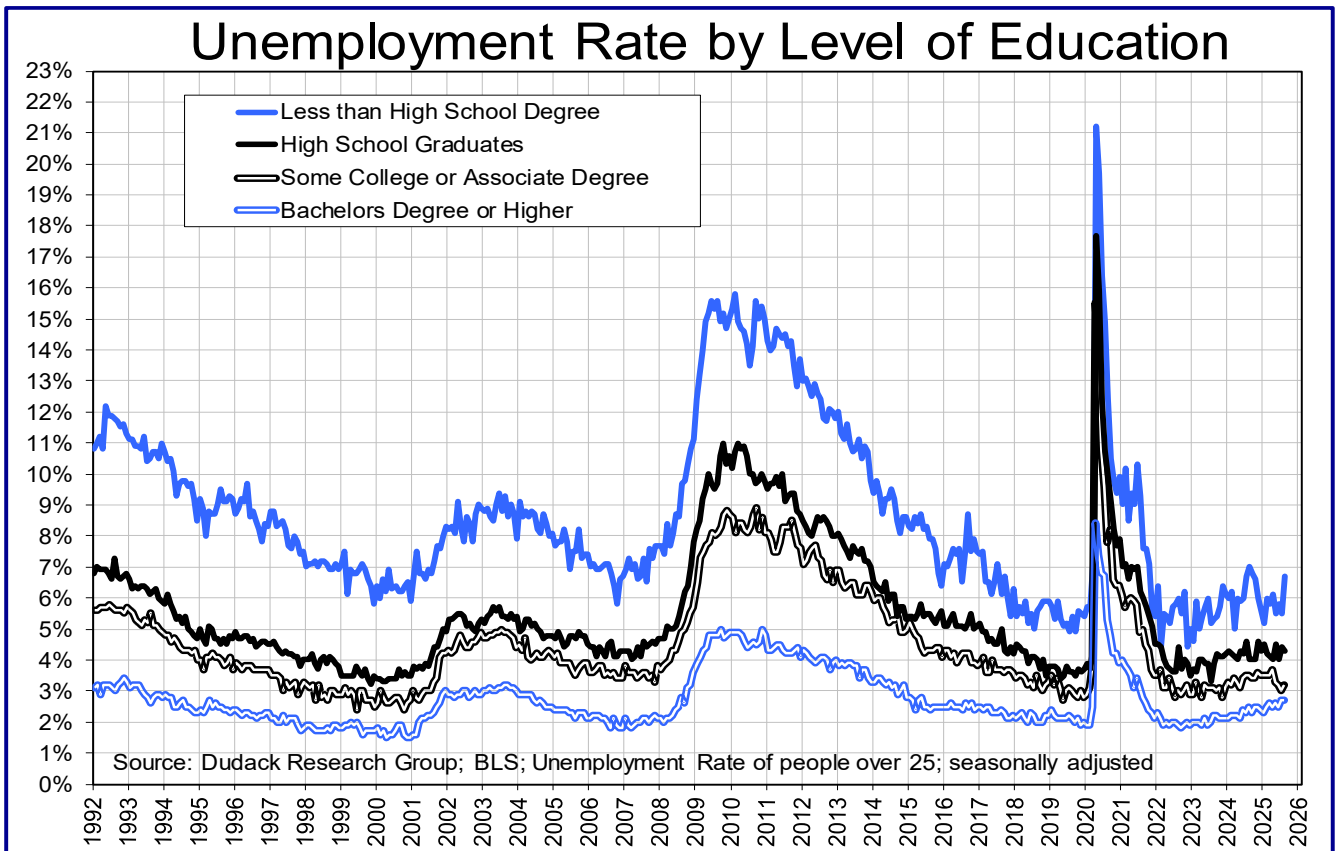
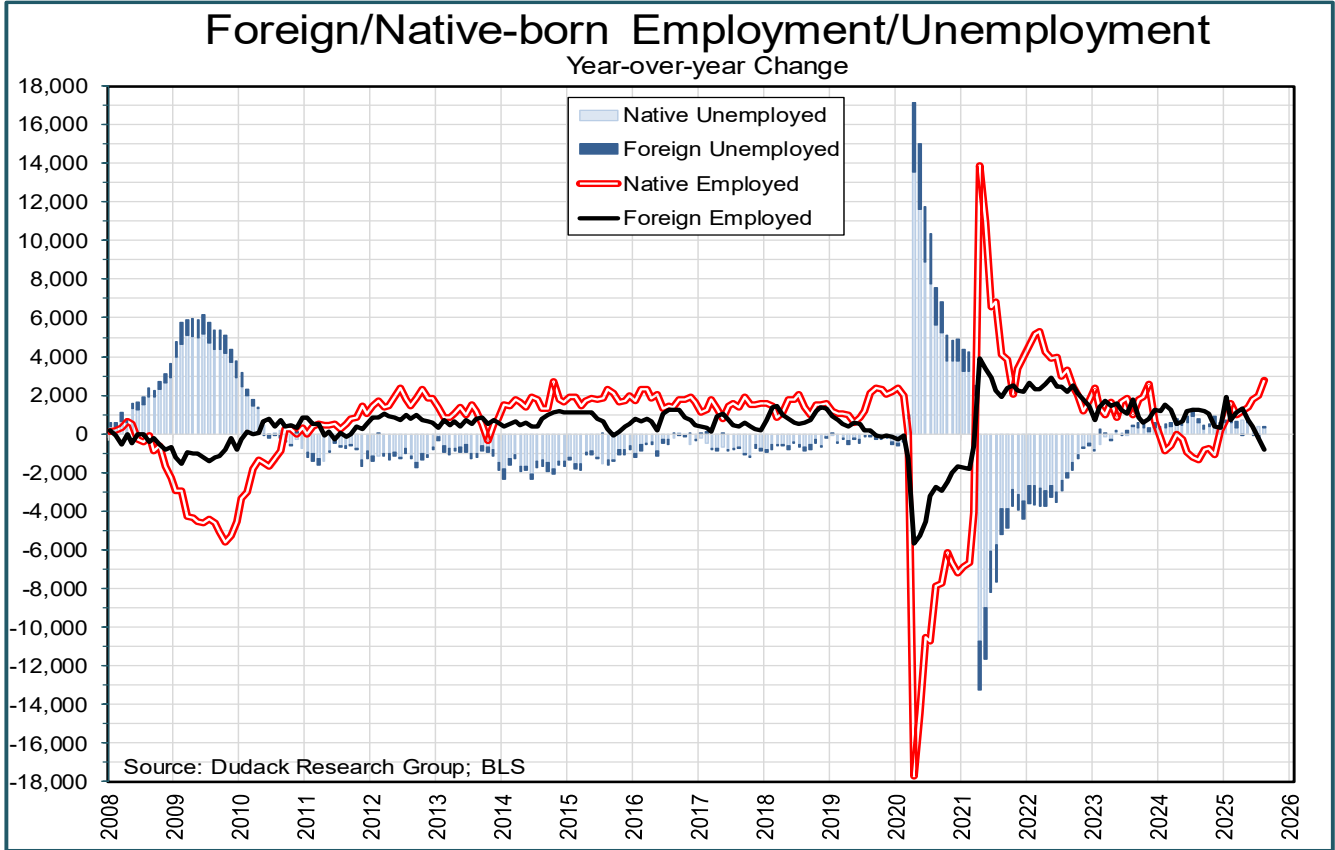
But what dominated news this week was the BLS announcement that the annual revision to payrolls in the 12 months ending in March 2025 is expected to be 911,000 lower than previously reported. This implies that in every month from March 2024 to March 2025, actual job growth was 76,000 less than previously reported. This 911,000 adjustment was far larger than economists' expectations and appeared to be the largest revision ever recorded. Moreover, not only would this be the second extraordinarily large negative annual revision to payroll data, but it also indicates that the economy under President Biden was much weaker than reported, it suggests the Federal Reserve should have been lowering interest rates and it supports President Trump's decision that more rigorous leadership is needed at the Bureau. Revisions to government data are normal as new information is accumulated; but unfortunately, these massive revisions are three times larger than normal and as a result, have destroyed confidence in most government data. This is regrettable.

Employment Surveys (1,000s SA)	Aug-25	Jul-25	Change	Aug-24	Yr/Yr
Establishment Survey: NonFarm Payrolls	159,540	159,518	22	158,074	1,466
Household Survey Data (1,000s)					
Employed (A)	163,394	163,106	288	161,425	1,969
Unemployed (B)	7,384	7,236	148	7,071	313
Civilian labor force [A+B]	170,778	170,342	436	168,496	2,282
Unemployment rate [B/(A+B)]	4.3%	4.2%	0.1%	4.2%	0.1%
U6 Unemployment rate	8.1%	7.9%	0.2%	7.8%	0.3%
Civilian noninstitutional population (C)	274,001	273,785	216	268,856	5,145
Participation rate [(A+B)/C]	62.3	62.2	0.1	62.7	-0.4
Employment-population ratio [A/C]	59.6	59.6	0.0	60	-0.4
Not in labor force	103,223	99,754	3,469	100,237	2,986

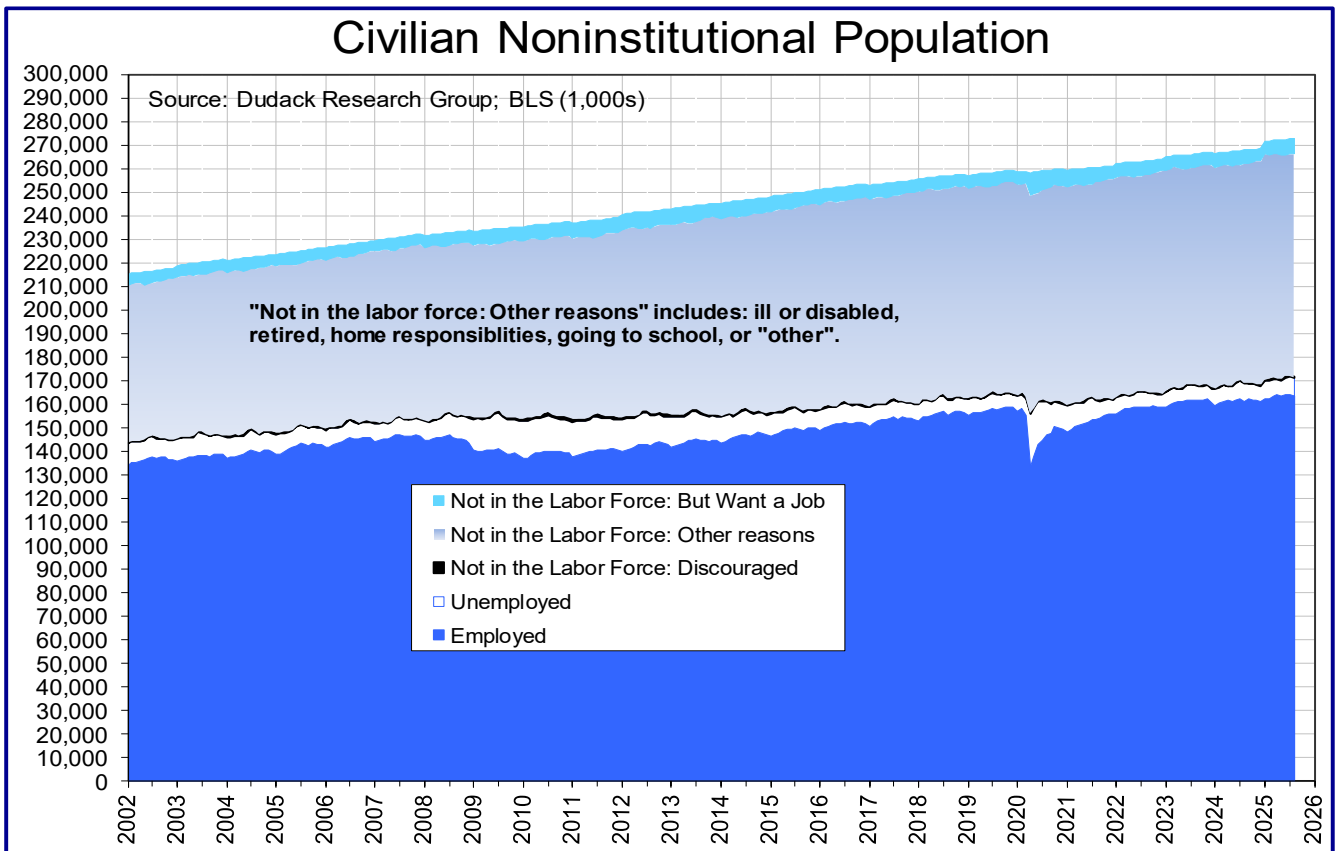
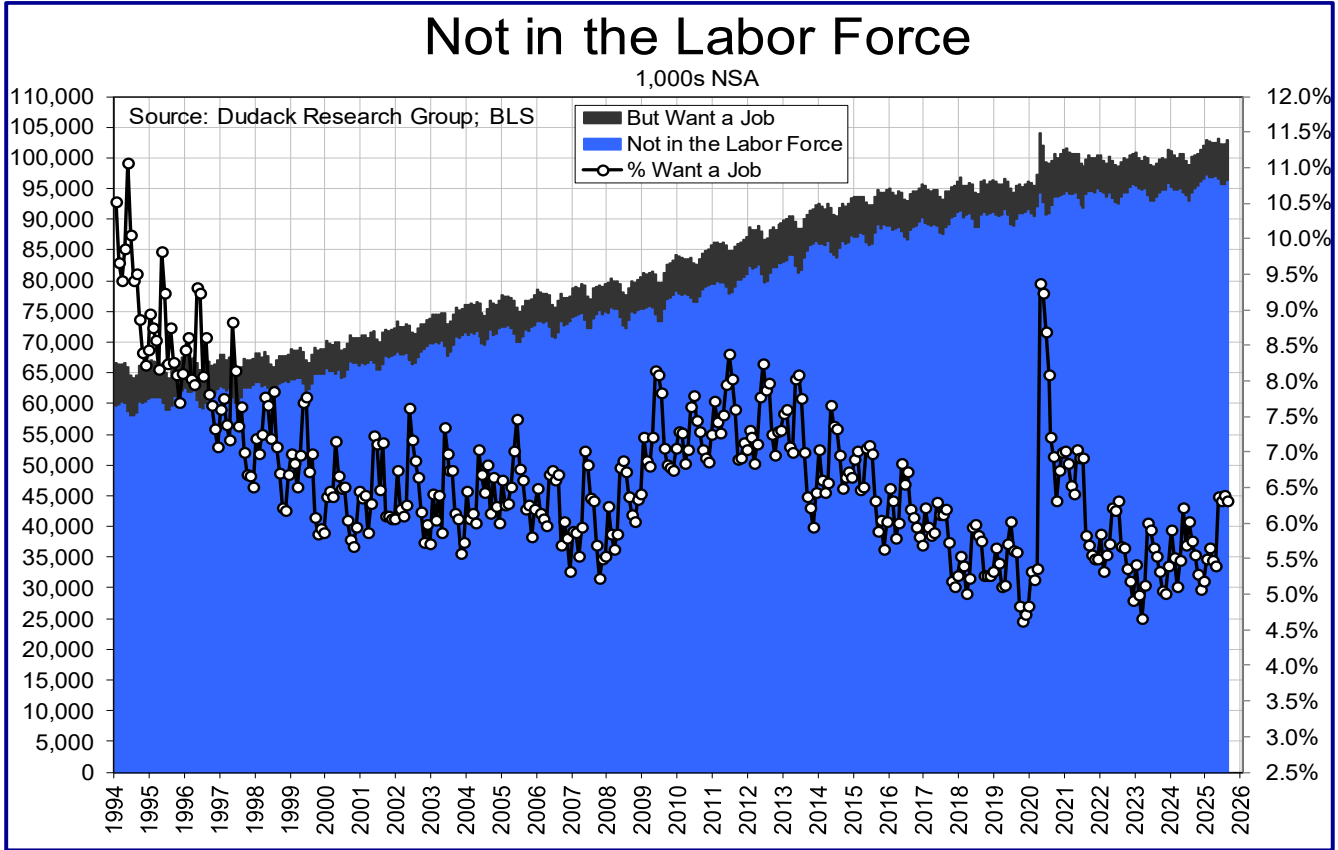
Source: Bureau of Labor Statistics



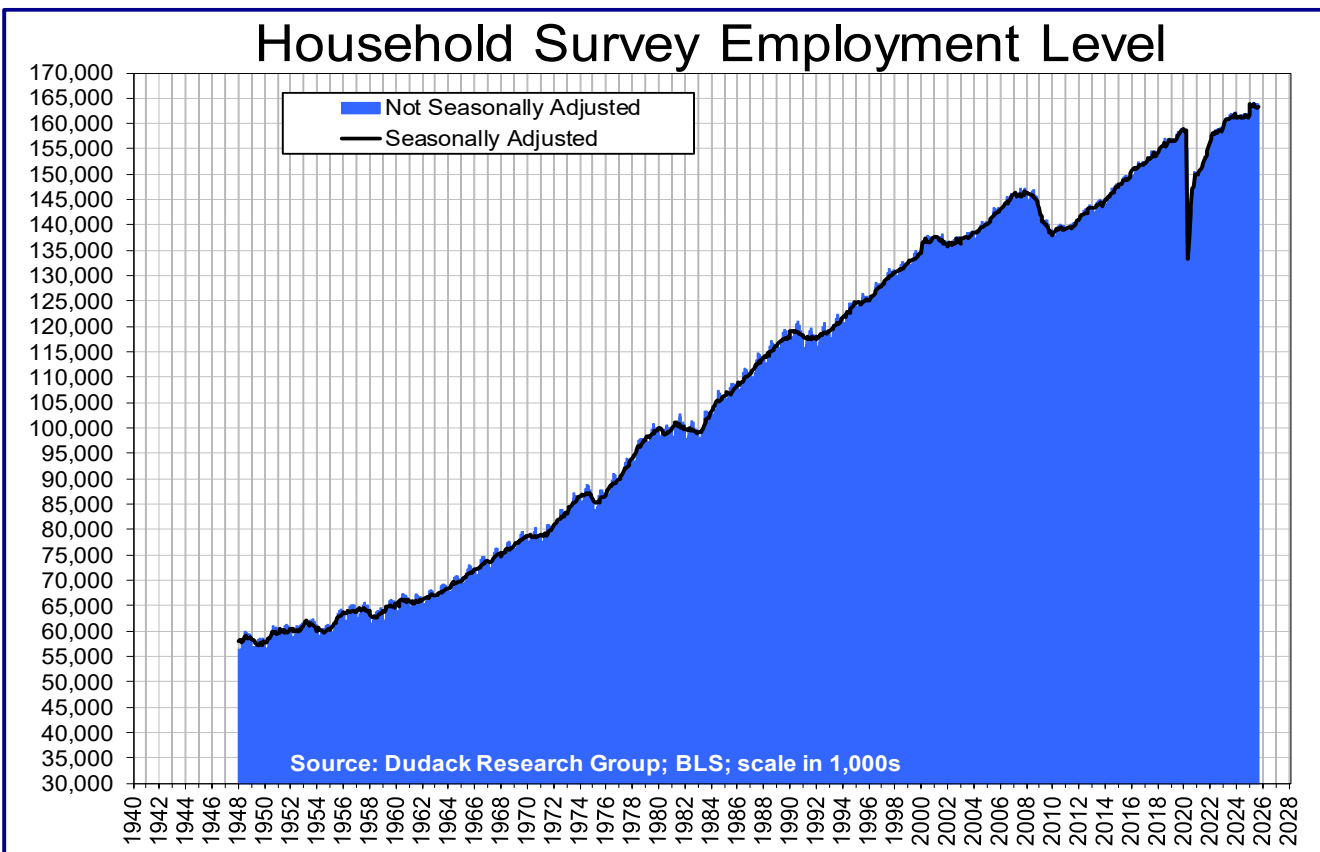
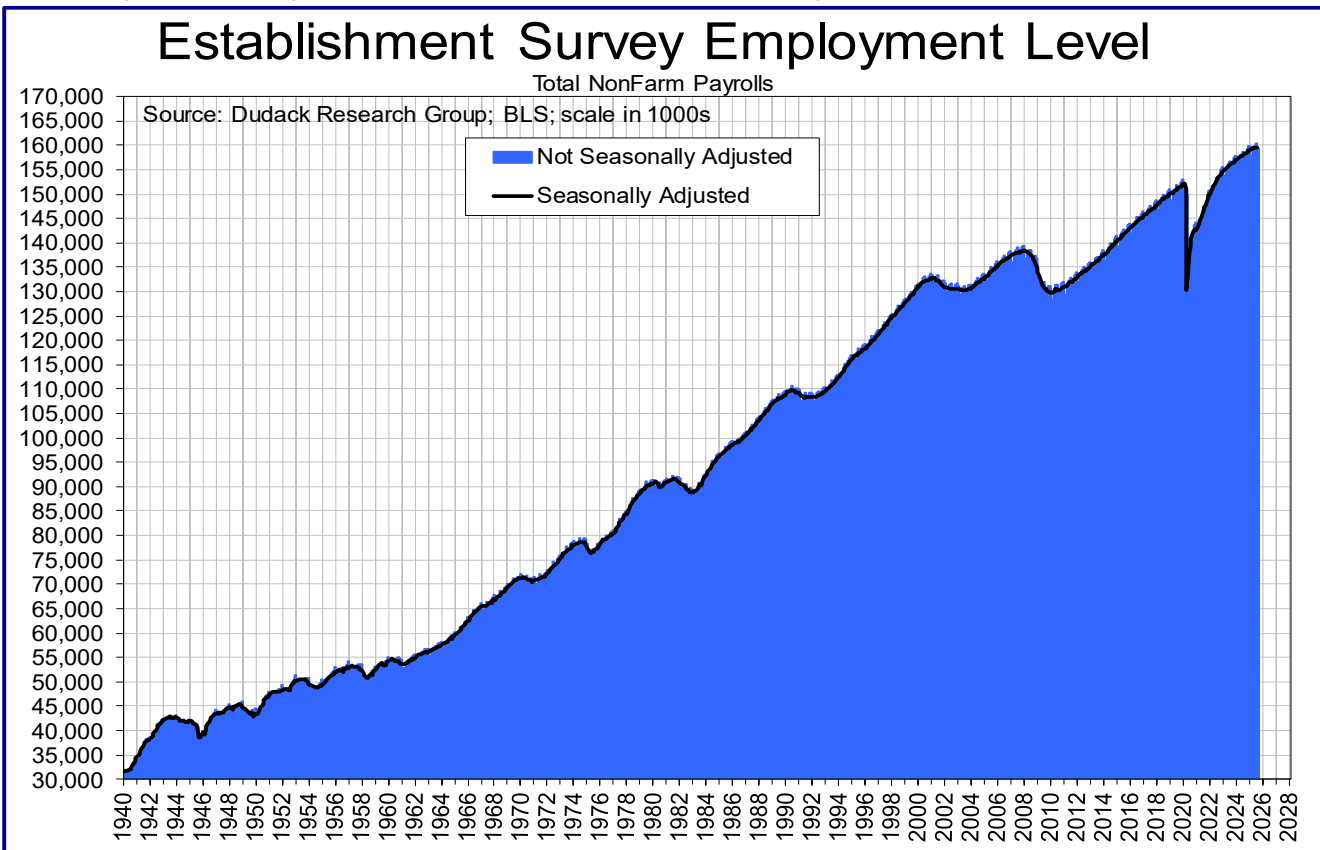
August employment data also revealed a number of interesting trends. Over the last twelve months, foreign employment has declined by 822,000 workers while native-born employment has increased by 2.8 million workers. This is a massive shift from August 2024 when native employment declined by 1.3 million workers and foreign-born workers increased by 1.24 million. The unemployment rate rose to 4.3% but underlying details show a dichotomy in workforce dynamics. The unemployment rate for those with less than a high school degree is currently 6.7% and rising. The unemployment rate for those with a bachelor's degree or higher is also rising but remains substantially lower at 2.7%.



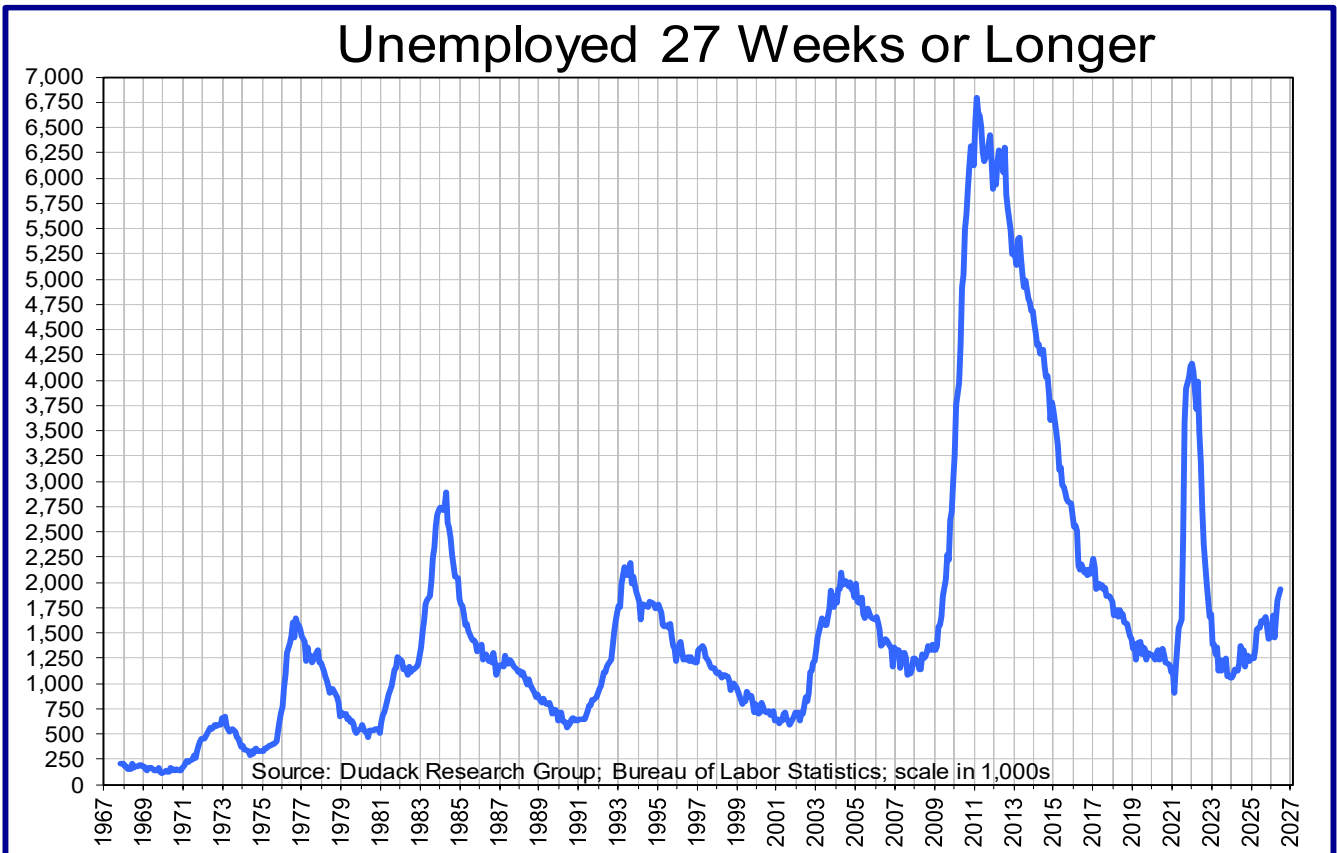
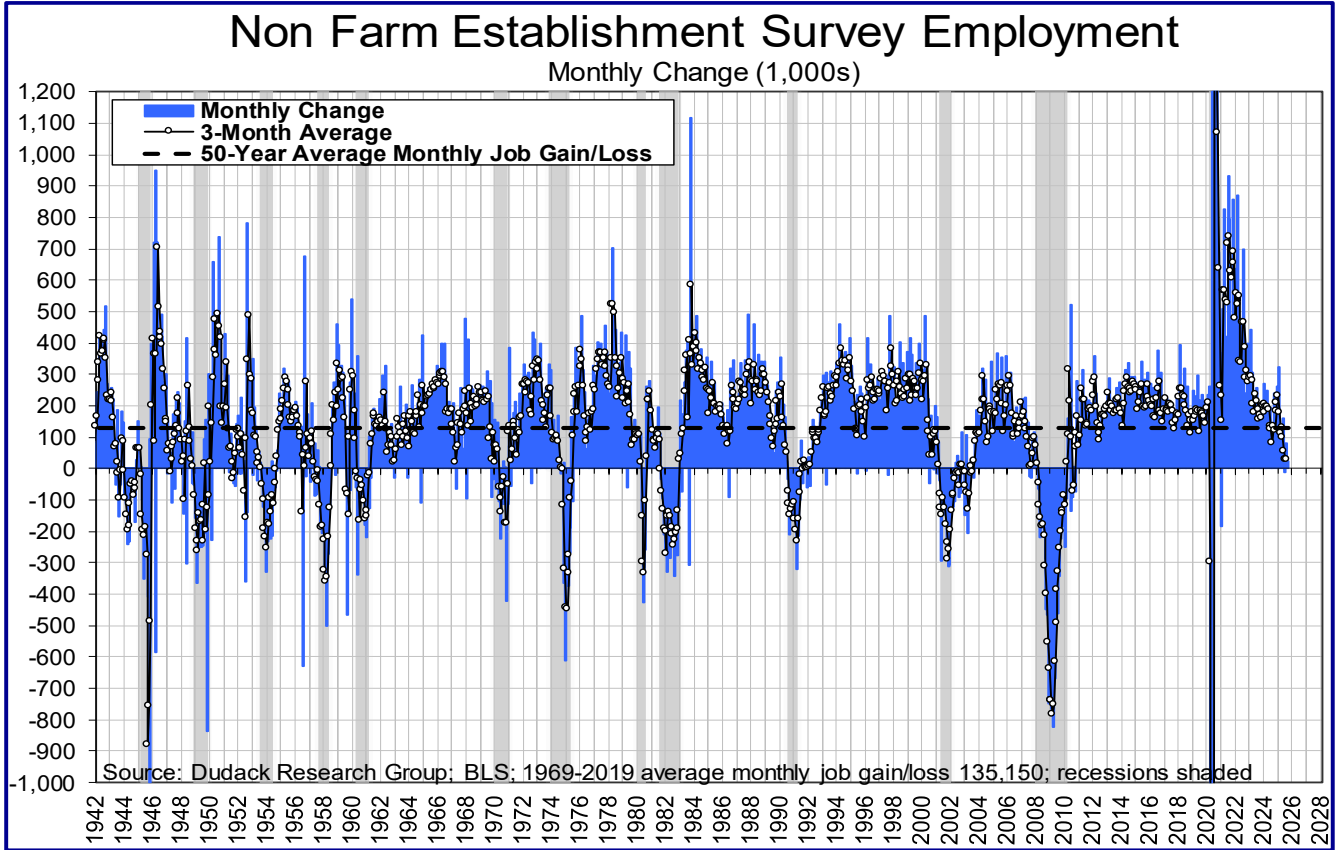
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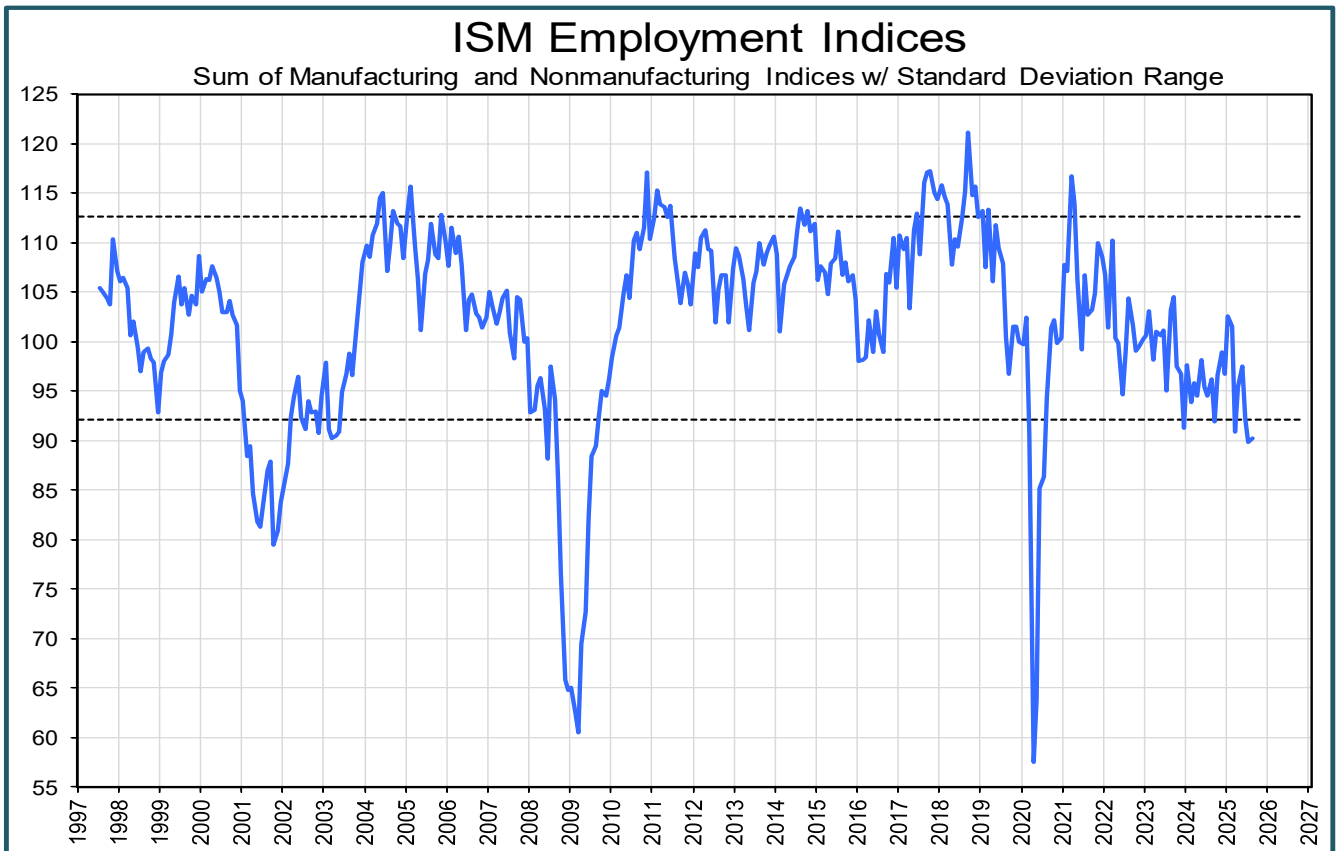
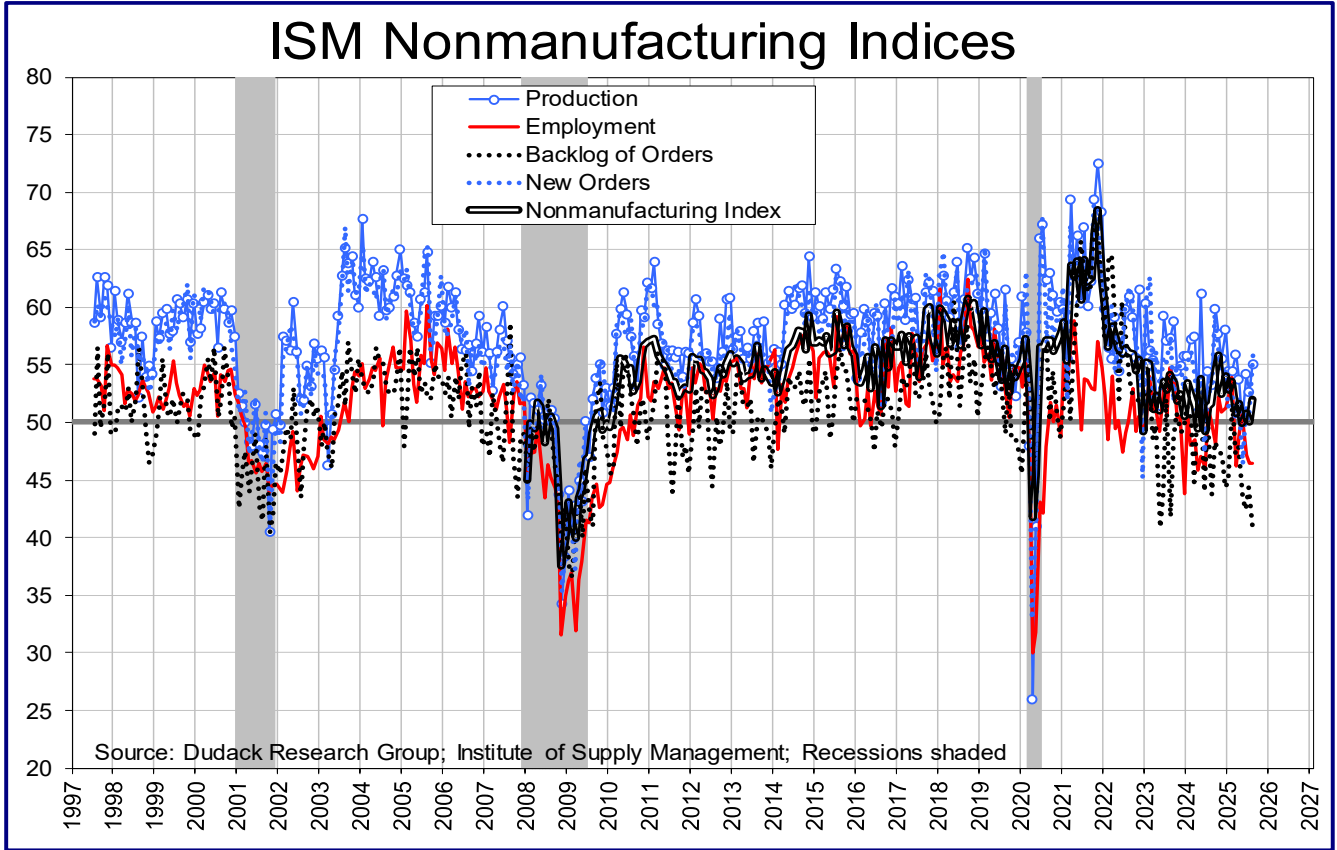
Economists should not be surprised by the potentially large negative revision in historical payroll data because there has been a disparity between the establishment survey and household survey since June 2023. While the payroll survey showed a steady increase in jobs, the household survey – which is much broader – suggested job growth was flat. Note that in the last two years, the only step up in the household survey was in January 2025 and this was due to the annual Census adjustment to total population.



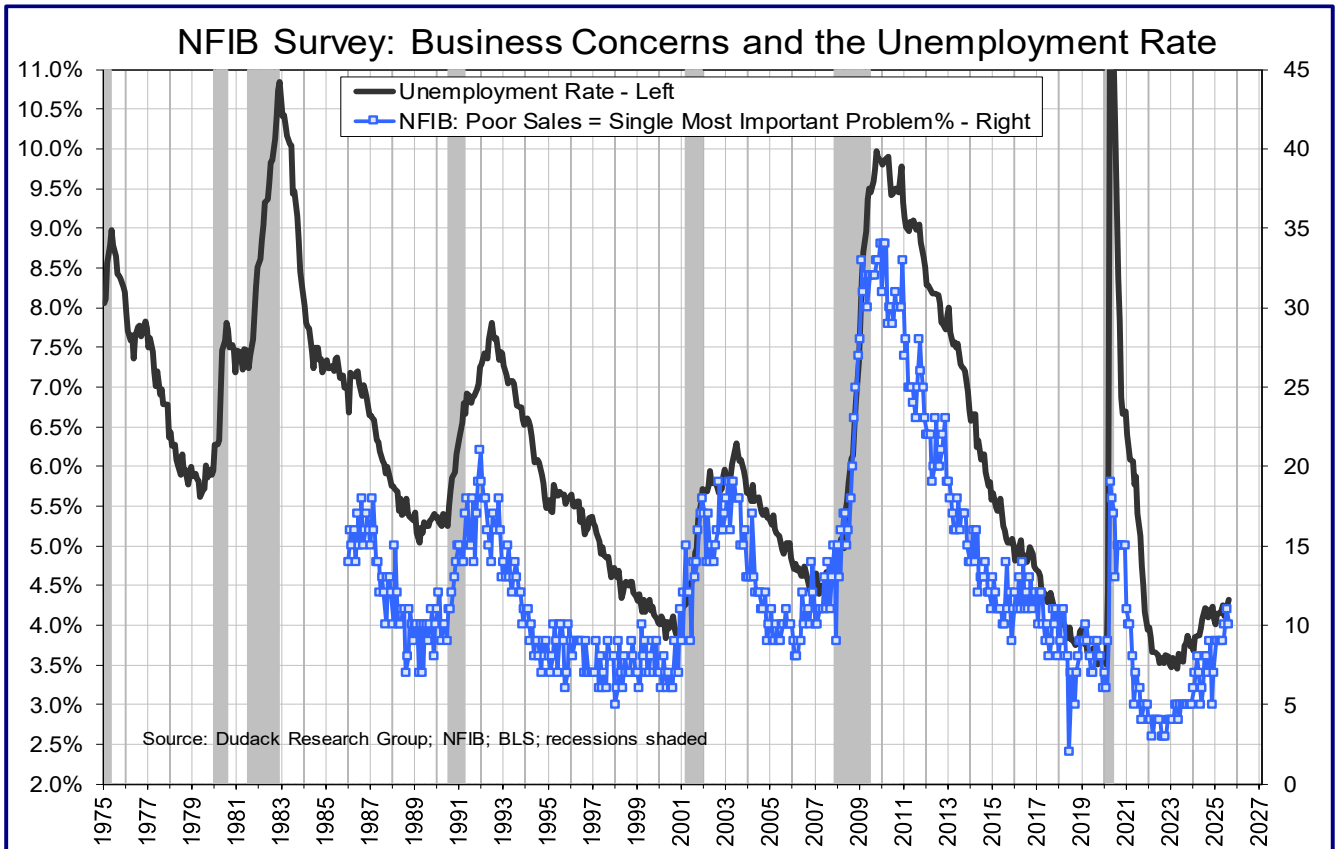
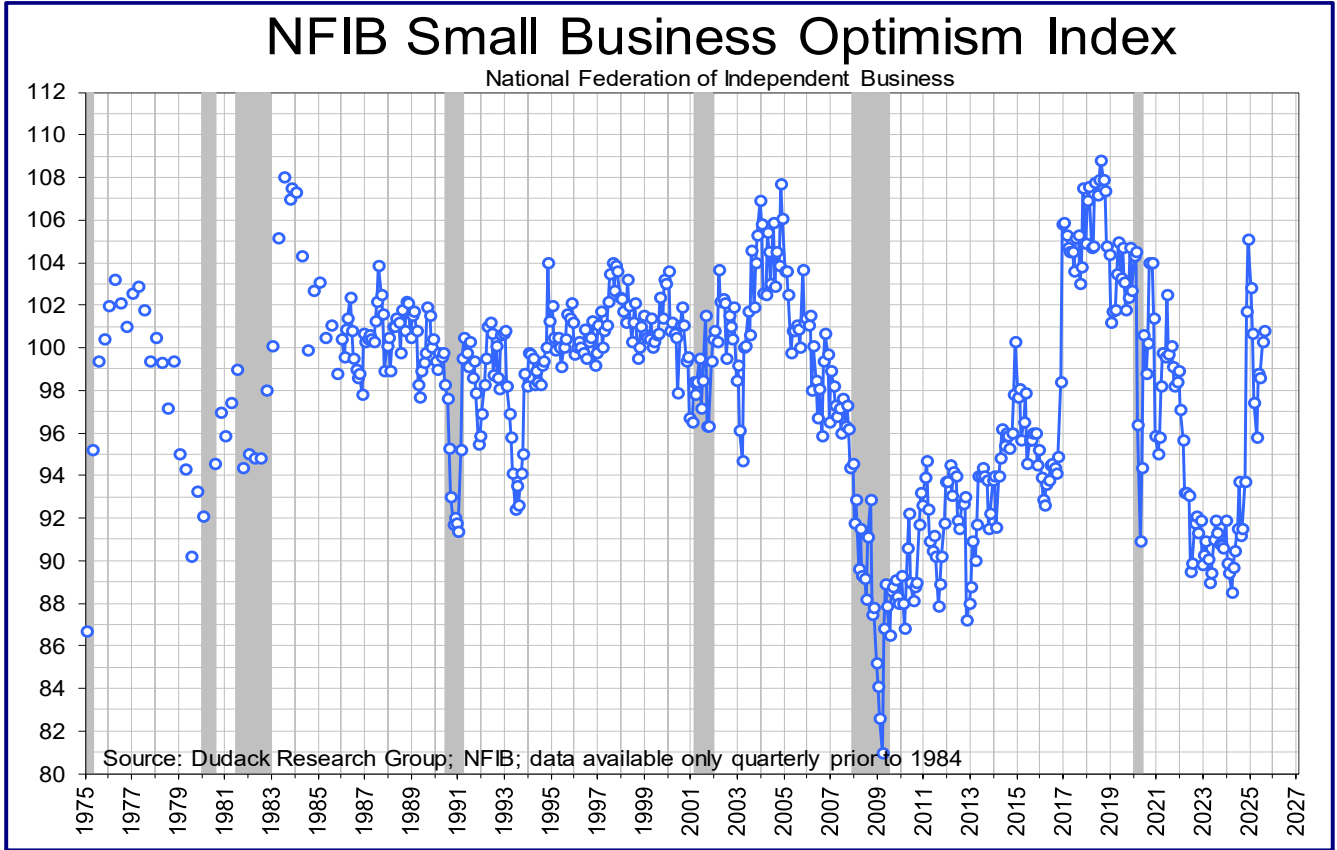
There are two data points we will be watching to define the strength or weakness in the job market. First, is the 3-month moving average of job growth which is currently low at 29,330. Should this moving average turn negative it is a definitive signal of a recession. Economists should be worried because the revision to jobs data next March result in this number turning negative. Second, the number of people unemployed for 27 weeks or longer helps define weakness in the job market since it shows an inability to find a job. This is currently at 1.93 million people and rising. With the exception of the financial crisis of 2008 and the pandemic, a level of 2.0 million has defined a recession.



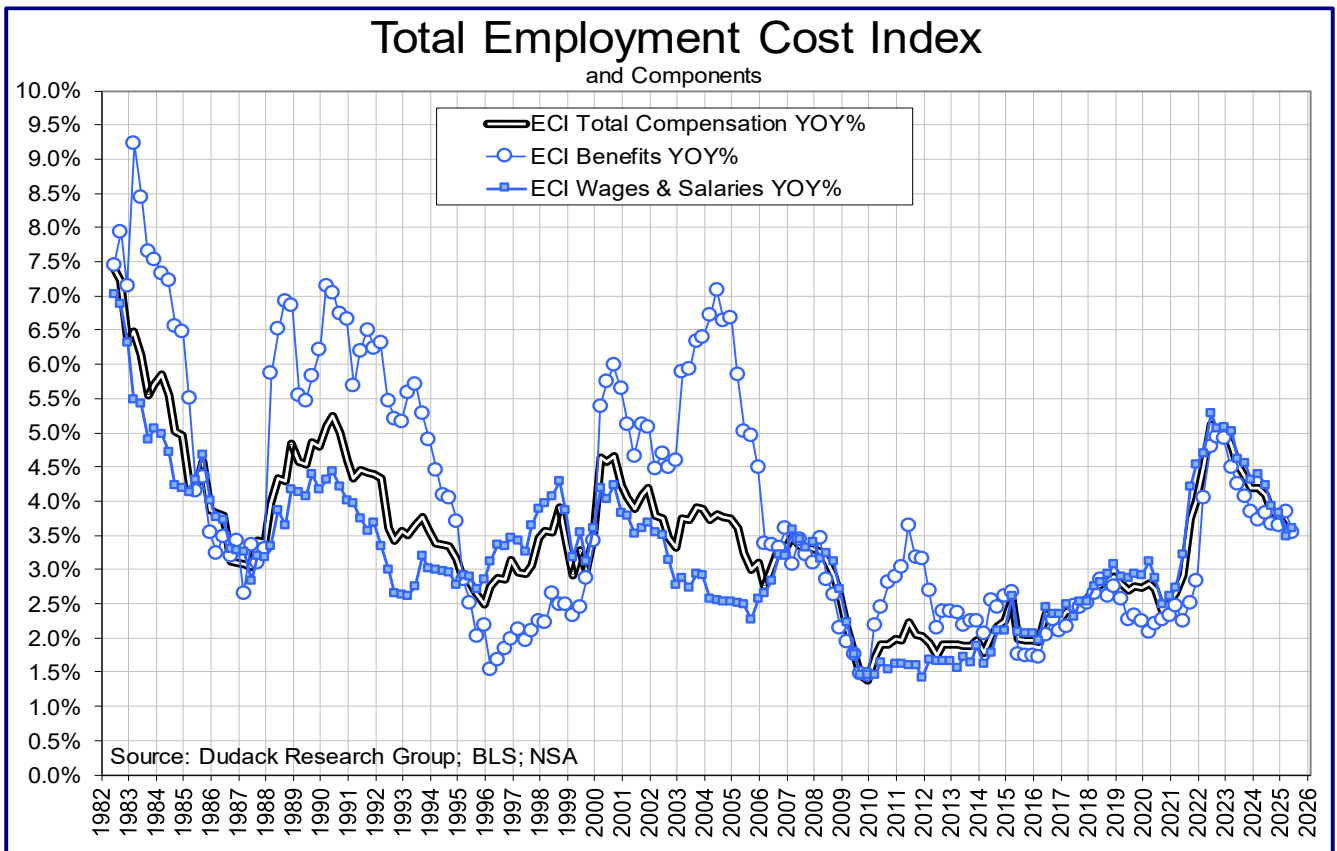
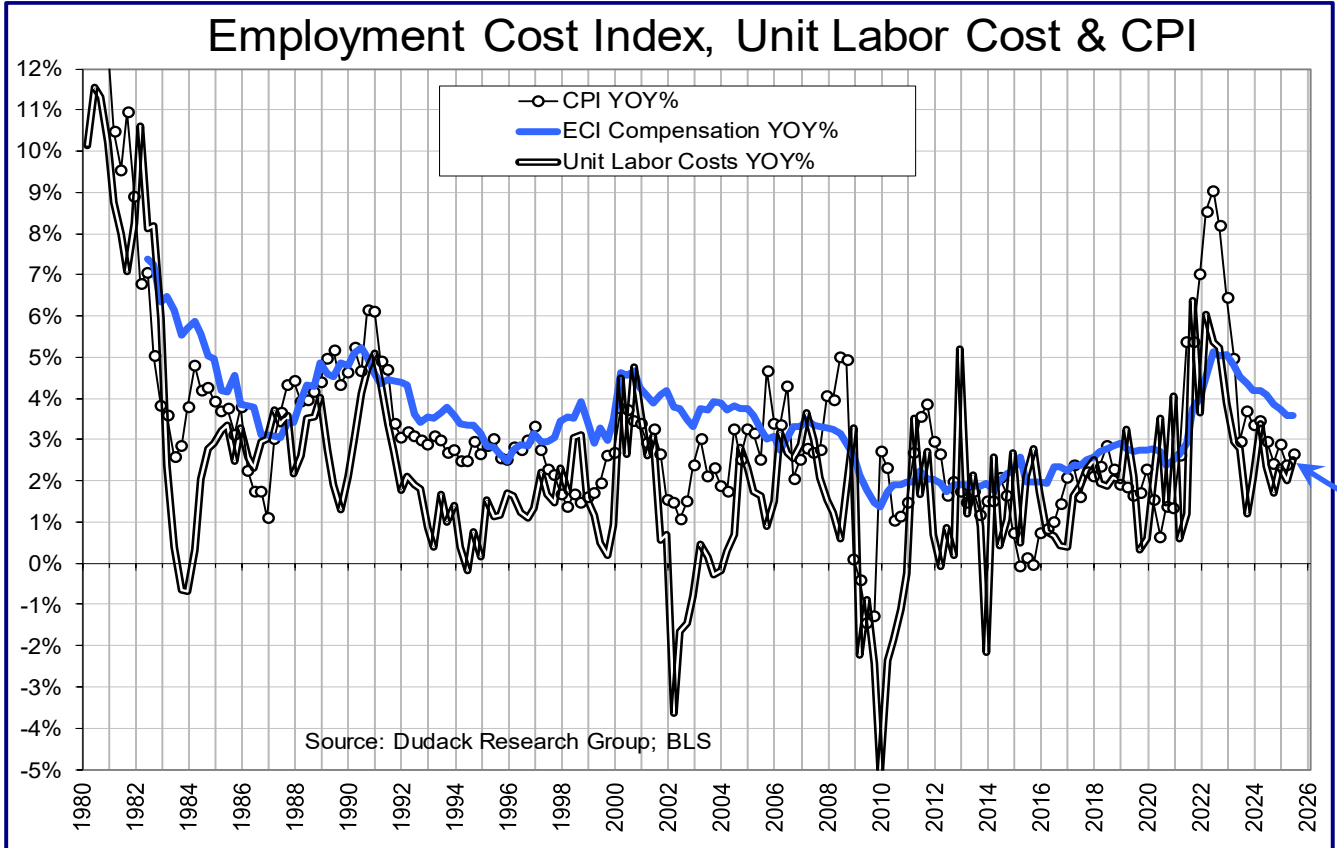
US GDP is closely linked to personal consumption which represents 68% of our economy and 47% of total GDP is personal consumption of services. In short, the US is closely tied to the service sector. In August, the ISM nonmanufacturing index rose 1.9 points to 52, which marked the third straight month above 50 for the index. However, order backlogs were particularly weak, falling 3.9 points to 40.4, below the 40.9 of May 2023, and at their lowest reading since the 40.0 seen May 2009. Note that the sum of both the manufacturing and nonmanufacturing surveys for August employment was below the standard deviation range of 92 to 113 for the second month in a row. A sharp decline in this series has been linked to recession economies.



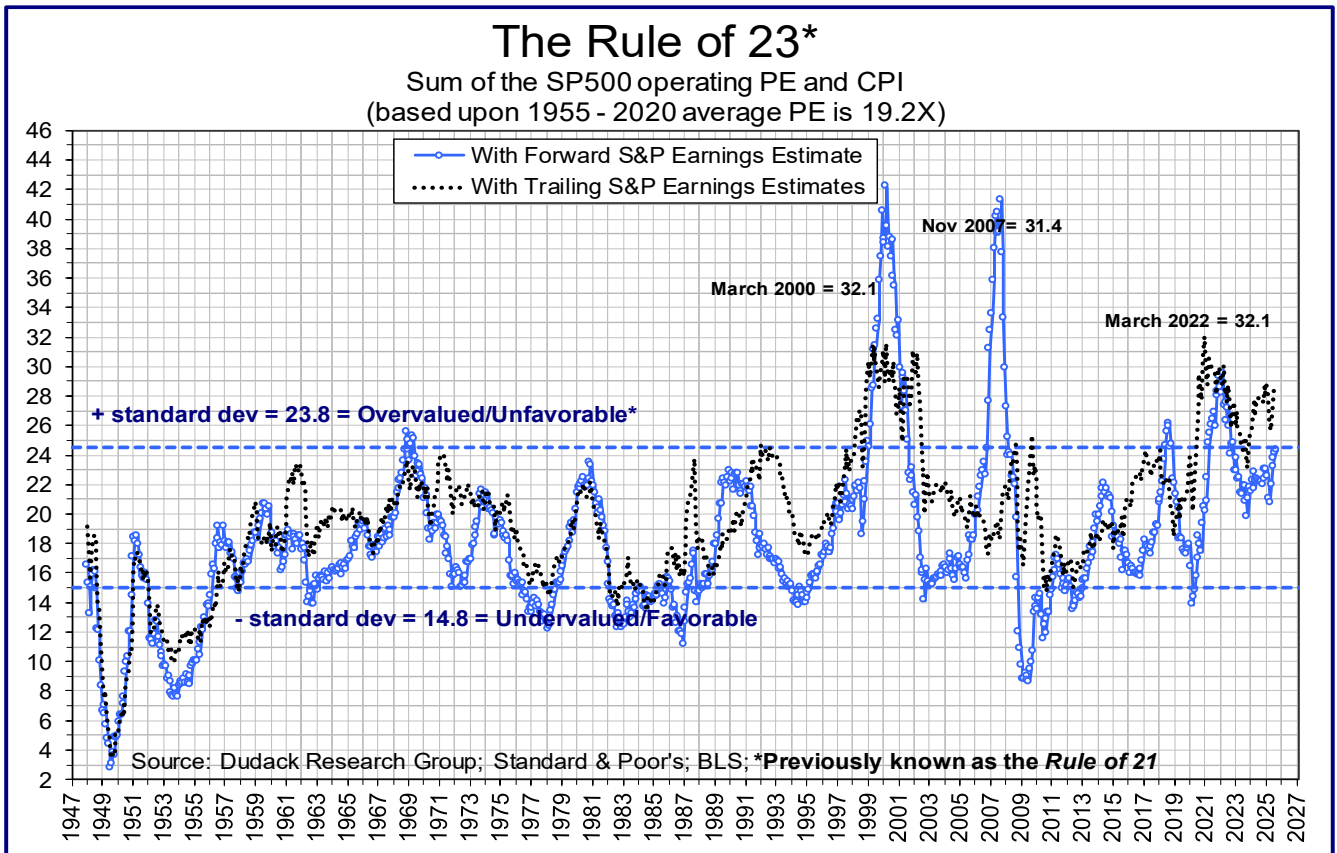
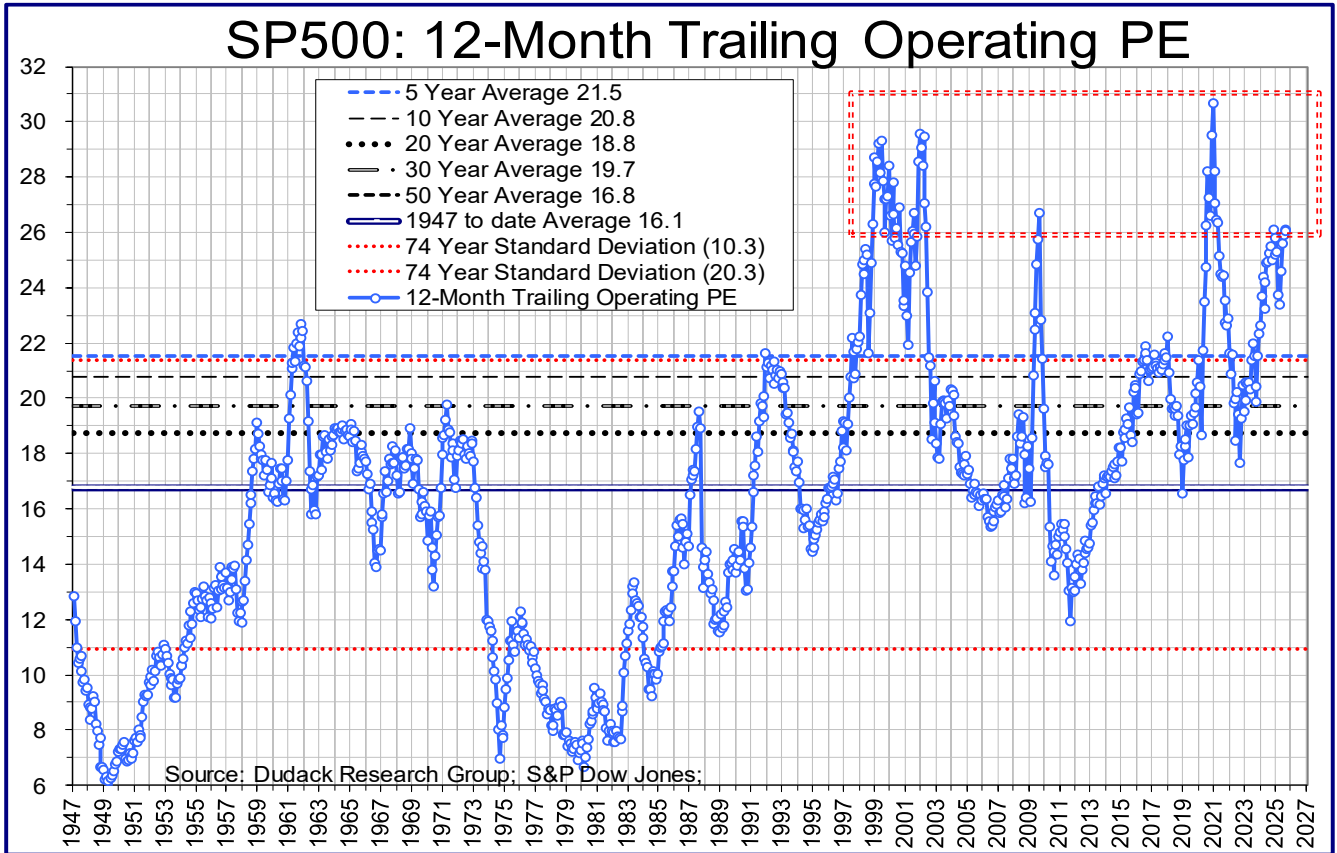
The NFIB Small Business Optimism Index rose 0.5 points in August to 100.8, nearly 3 points above the 52-year average of 98. Of the 10 components, four increased, four decreased, and two were unchanged. The increase in those expecting real sales to be higher contributed the most to the rise in the Index. The survey showed rising optimism and declining uncertainty in August. The Uncertainty Index fell 4 points to 93, although it was the 11th highest reading in over 51 years. The single most important problem continues to be quality of labor, but sales rose 1 to 10 this month. The rise in sales problems has historically correlated with rising unemployment. The unemployment rate also rose to 4.3% in August.



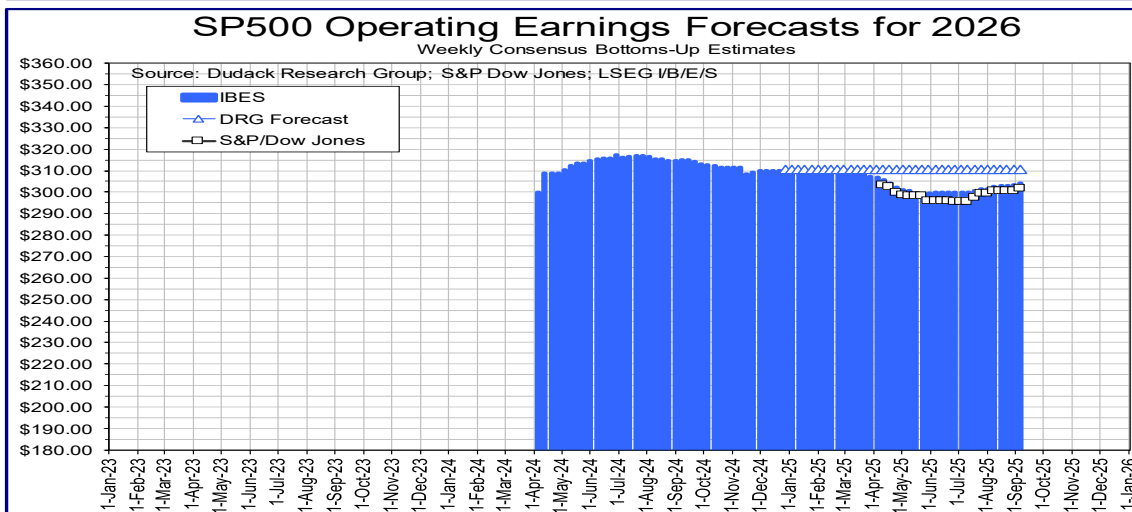
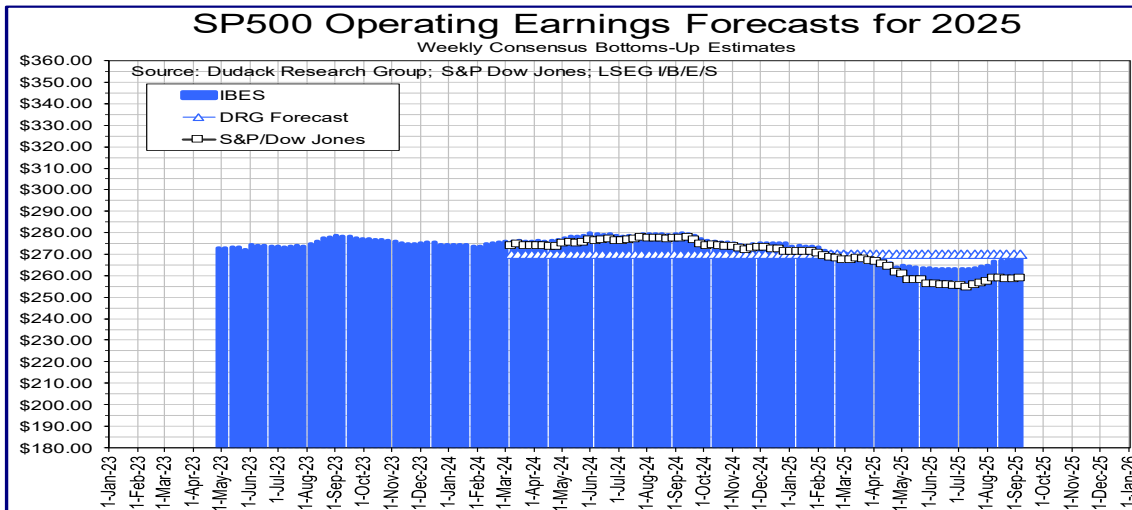
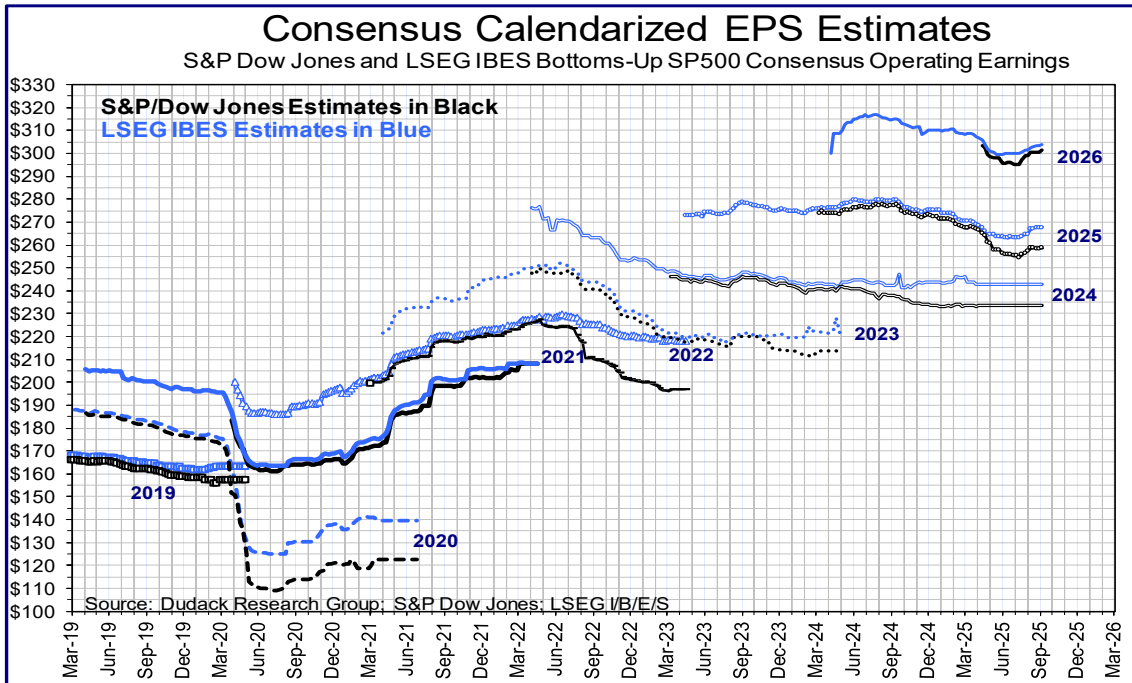
Unit labor costs in the second quarter rose from 2.0% YOY to 2.5% YOY. This was predictable since GDP rose from -0.5% (SAAR) to 3.3% in the same period and unit labor costs, or productivity, is a simple calculation of GDP divided by hours worked. Productivity is viewed as a cost of labor; however, hours worked is a government estimate and, in our view, not accurate. For this reason, most economists look at the employment cost index to define the cost of labor. The good news here is the all components of the ECI have been decelerating since the peak seen in the second quarter of 2022. The 3.5% YOY pace seen in the second quarter was the lowest since the second quarter of 2021.



The SPX **trailing** 4-quarter operating earnings multiple is 26.0 times after reaching a recent intra-month low of 20.7 times earnings in early April. PE multiples remain stable in the face of rising stock prices due to higher earnings results, but the trailing PE is above both the 50-year average of 16.8 times and the 5-year average of 21.5. Including 2026 S&P Dow Jones estimates, the **12-month forward** PE multiple is 21.6 times and back above its long-term average of 17.9 times. When this PE is added to inflation of 2.7%, it comes to 24.3, which places it above the top of the normal range of 15.0 to 24.1.

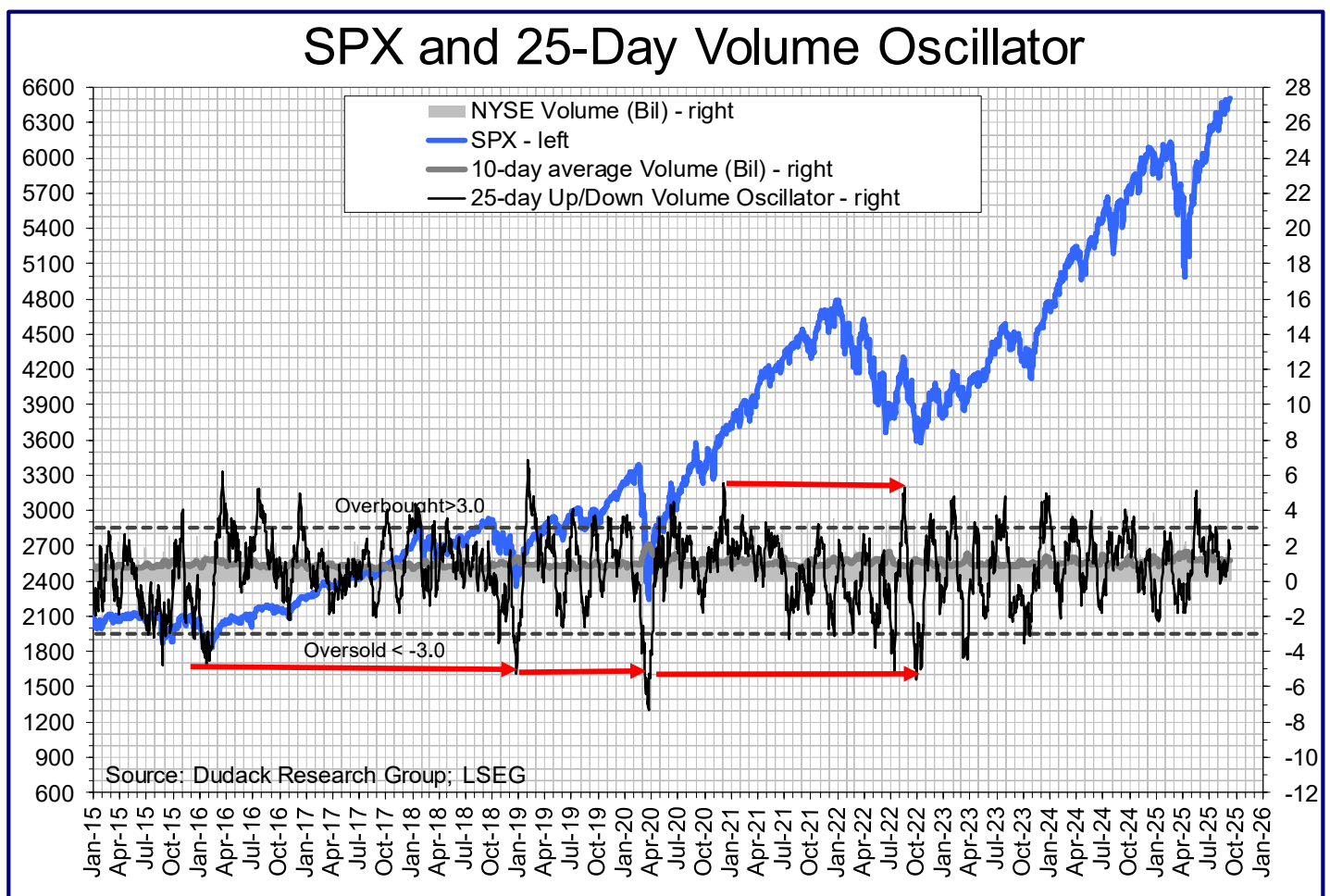


The S&P Dow Jones consensus earnings estimate for calendar 2025 was \$258.70, up \$0.34, this week. The earnings forecast for 2026 was \$301.53, up \$0.84. The LSEG IBES estimate for 2025 is \$267.72, up \$0.14, and the 2026 estimate is \$304.12, up \$0.77. The IBES estimate for 2027 is \$343.70, up \$0.70. In sum, S&P and IBES estimates moved higher in the last week.

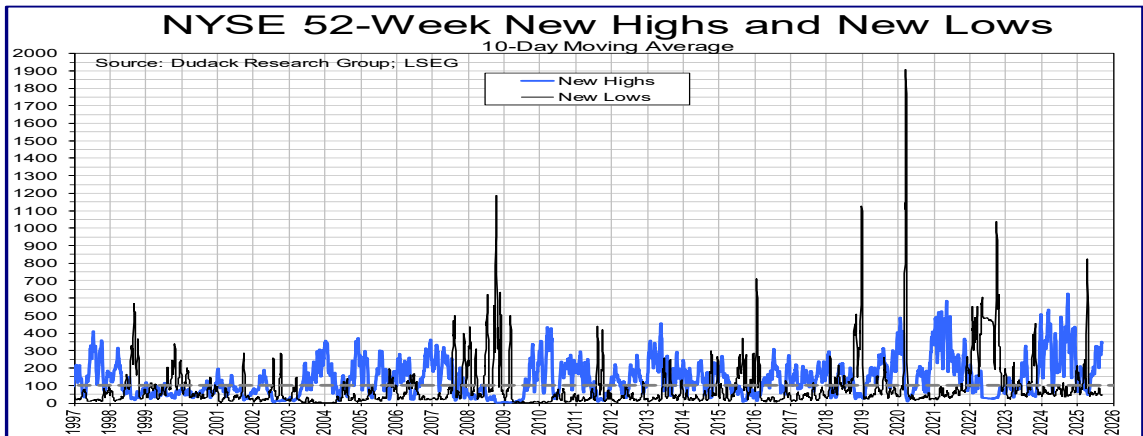
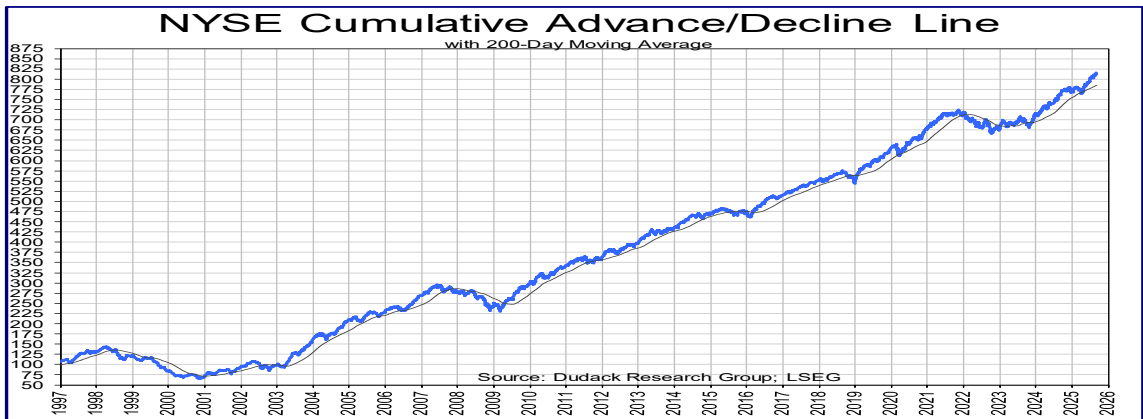
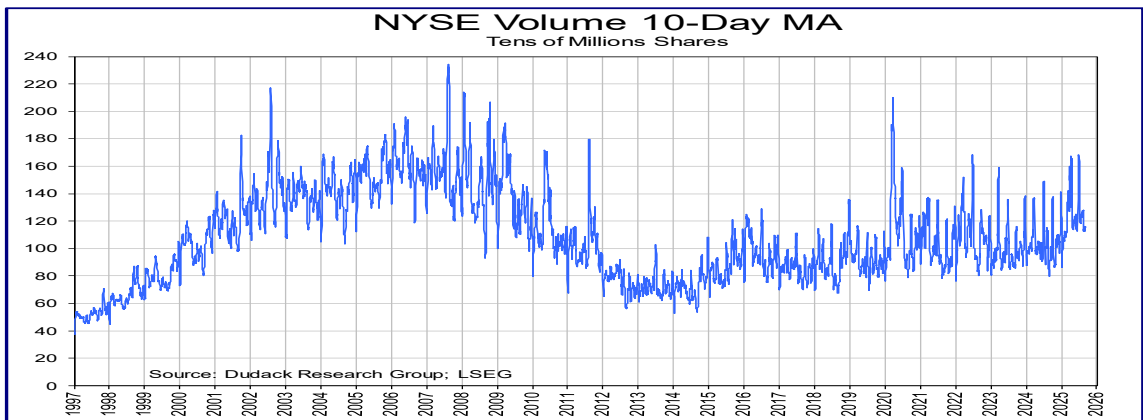
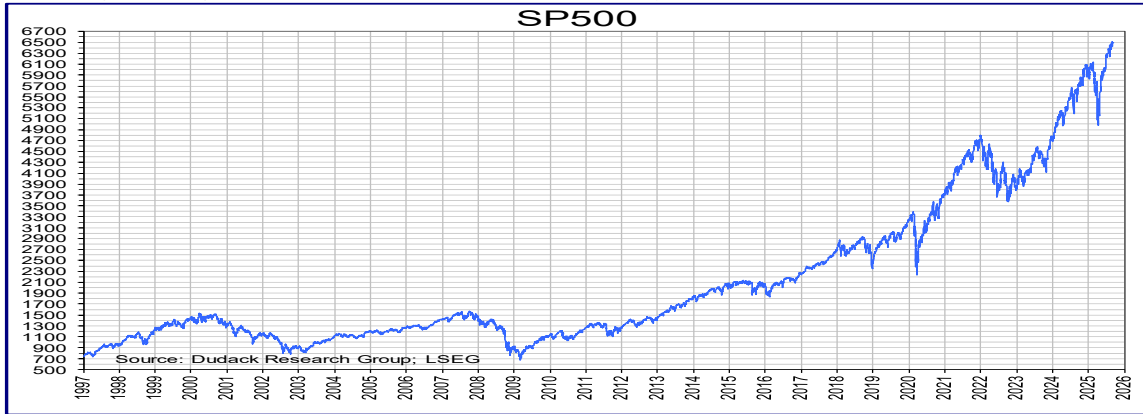


The 25-day up/down volume oscillator is at 1.79, up substantially this week, but still neutral. The last positive readings in this indicator were the one-day overbought readings of 3.15 on July 3 and 3.05 on July 25. These readings followed the indicator being overbought for 9 of eleven days in May during which it reached a peak high of 5.10 on May 16. The 5.10 reading was the highest overbought reading since August 18, 2022 which appeared shortly after the market rebounded from its June 16, 2022 low. All in all, this was very positive performance and characteristic of a bull market cycle.

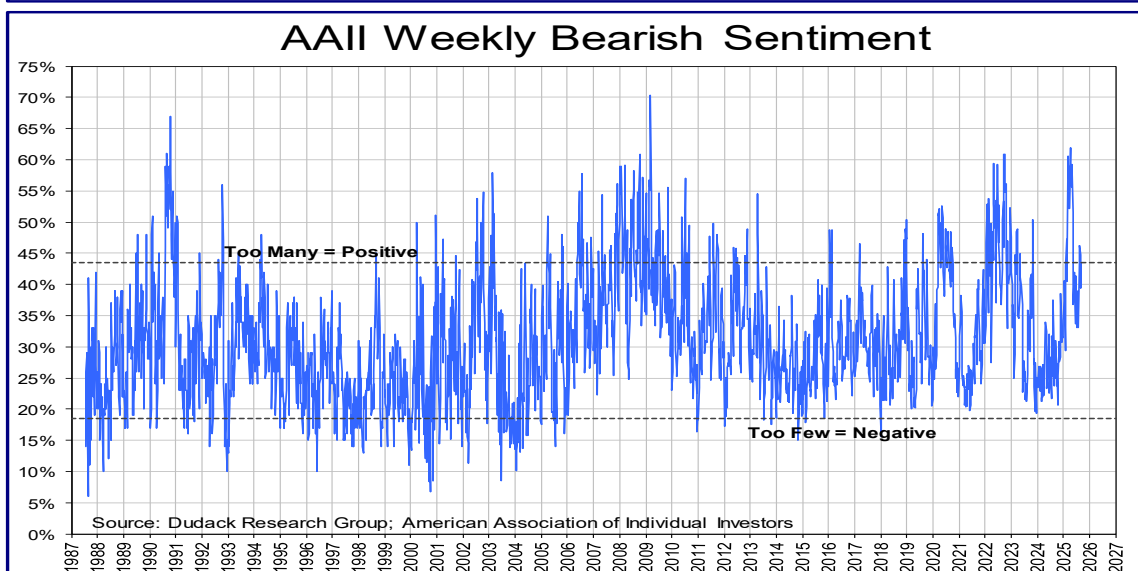
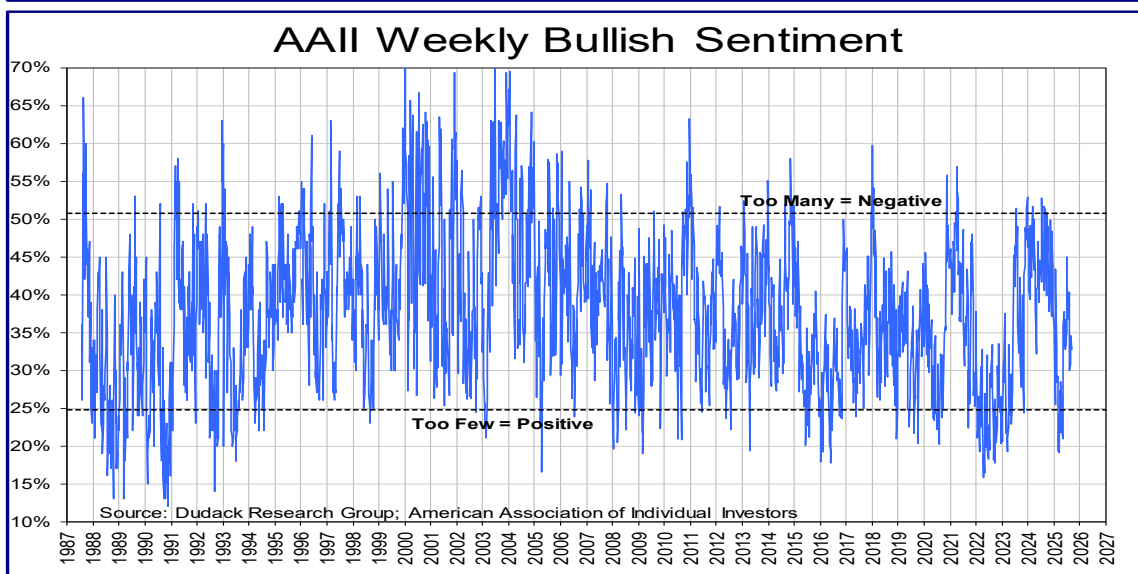
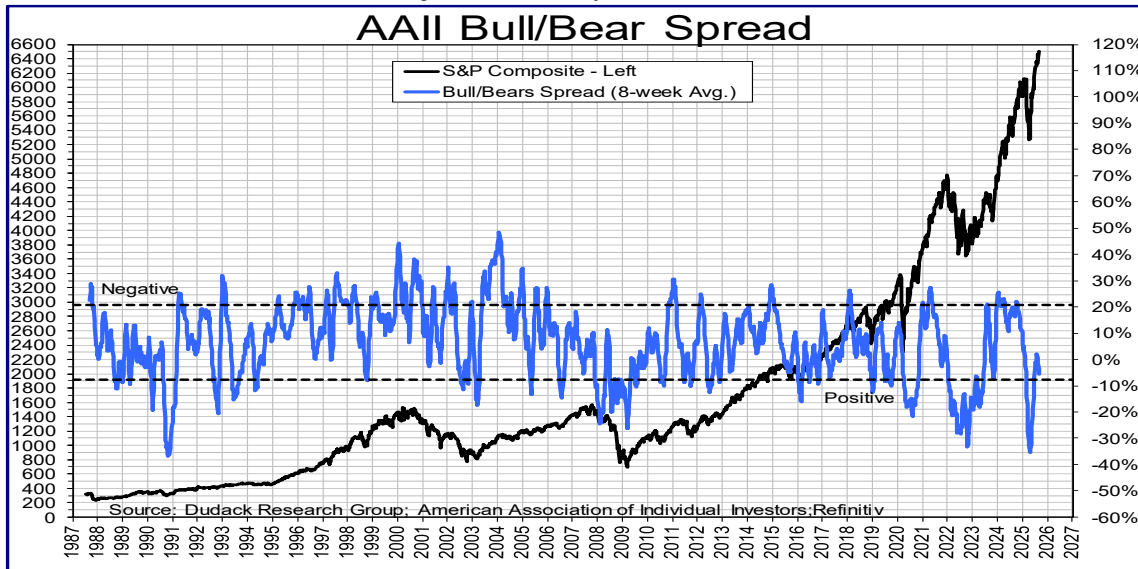
However, despite the readings made in July, this indicator is yet to confirm the string of recent new highs made by the S&P 500 and Nasdaq Composite. To do so, the oscillator should record an overbought reading of 3.0 or higher for a minimum of five consecutive trading days. At present, this indicator suggests advancing volume has been weakening in August. The longer this disparity continues, the greater the risk is that equities experience a near-term pullback.



The 10-day average of daily new highs is 359 this week and new lows are averaging 47. This combination of daily new highs above 100 and new lows below 100 is positive. On April 11, the 10-day new low index (823) was the highest since the September-October 2022 low (882). The NYSE cumulative advance/decline line made a new high on September 8, 2025, confirming the new highs made in the Nasdaq Composite index the same day. In sum, technical indicators are bullish.



Last week's AAI survey showed bullishness fell 1.9% to 32.7% and bearishness rose 4.0% to 43.4%. Both readings are neutral, but bullishness is below average, and bearishness is above average. The April 2, 2025 reading of 61.9% bearishness was a new high for this cycle and favorable. The 8-week bull/bear is -7.1% and neutral for the 9th consecutive week after being positive for the 17 consecutive weeks in February through mid-June. These readings were the most positive since the November 21, 1990 reading of minus 36.3%, just after the S&P 500 low on October 11, 1990 at 295.47, down 20%.



GLOBAL MARKETS AND COMMODITIES - RANKED BY YEAR-TO-DATE TRADING PERFORMANCE

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
iShares MSCI Austria Capped ETF	EWO	31.02	1.9%	-1.3%	5.5%	47.9%
iShares MSCI South Korea Capped ETF	EWY	74.92	4.2%	1.9%	4.4%	47.2%
iShares Silver Trust	SLV	39.01	0.1%	6.6%	13.4%	41.5%
Silver Future	Sic1	40.88	-0.5%	6.4%	14.0%	41.3%
SPDR Gold Trust	GLD	334.06	2.6%	6.7%	9.6%	38.0%
iShares MSCI Mexico Capped ETF	EWX	64.26	2.1%	4.3%	6.1%	37.2%
iShares China Large Cap ETF	FXI	39.97	1.8%	6.1%	8.7%	31.3%
iShares MSCI Brazil Capped ETF	EWZ	29.54	1.9%	6.2%	2.4%	31.2%
iShares MSCI Singapore ETF	EWS	28.54	1.9%	5.4%	9.9%	30.6%
iShares MSCI Germany ETF	EWG	41.48	1.1%	-2.0%	-2.0%	30.4%
iShares MSCI Hong Kong ETF	EWH	21.56	1.3%	2.4%	8.6%	29.4%
Nasdaq Composite Index Tracking Stock	ONEQ.O	94.49	4.4%	11.9%	18.0%	24.2%
iShares MSCI United Kingdom ETF	EWU	41.75	2.1%	3.0%	5.1%	23.2%
Vanguard FTSE All-World ex-US ETF	VEU	70.35	2.1%	2.7%	4.7%	22.5%
iShares MSCI Emerg Mkts ETF	EEM	51.19	2.7%	3.5%	6.1%	22.4%
iShares MSCI Canada ETF	EWC	49.27	1.4%	4.1%	6.6%	22.3%
iShares MSCI EAFE ETF	EFA	92.40	2.0%	2.2%	3.4%	22.2%
iShares MSCI BRIC ETF	BKF	44.06	1.4%	5.8%	6.3%	20.7%
iShares MSCI Japan ETF	EWJ	80.06	2.4%	2.7%	6.8%	19.3%
Communication Services Select Sector SPDR Fund	XLC	115.47	3.8%	7.3%	6.4%	19.3%
iShares MSCI Taiwan ETF	EWT	61.62	6.1%	2.2%	7.4%	19.0%
SPDR S&P Semiconductor ETF	XSD	294.15	4.0%	8.9%	14.7%	18.4%
iShares US Telecomm ETF	IYZ	31.67	0.8%	3.8%	6.3%	18.0%
Technology Select Sector SPDR	XLK	265.34	2.1%	-0.2%	4.8%	14.1%
Industrial Select Sector SPDR	XLI	150.25	-0.2%	-0.4%	1.9%	14.0%
Shanghai Composite	.SSEC	3807.29	-1.3%	4.7%	10.5%	13.6%
NASDAQ 100	NDX	23839.80	2.6%	1.0%	5.1%	13.5%
iShares Russell 1000 Growth ETF	IWF	453.27	2.6%	1.6%	6.8%	12.9%
iShares MSCI Australia ETF	EWA	26.89	0.4%	1.0%	2.2%	12.7%
SPDR Homebuilders ETF	XHB	116.07	2.7%	7.3%	17.8%	11.1%
iShares Russell 1000 ETF	IWB	357.76	1.6%	2.3%	5.4%	11.1%
SP500	.SPX	6512.61	1.5%	1.9%	5.0%	10.7%
Financial Select Sector SPDR	XLF	53.34	-0.5%	2.9%	1.9%	10.4%
Utilities Select Sector SPDR	XLU	83.19	-1.0%	-3.5%	1.9%	9.9%
SPDR S&P Bank ETF	KBE	60.69	0.2%	8.3%	8.8%	9.4%
iShares Russell 1000 Value ETF	IWD	201.74	0.6%	3.1%	3.9%	9.0%
SPDR S&P Retail ETF	XRT	86.71	2.8%	7.4%	12.5%	8.9%
iShares Nasdaq Biotechnology ETF	IBB.O	142.94	1.8%	8.3%	13.0%	8.1%
PowerShares Water Resources Portfolio	PHO	71.08	-1.6%	-0.6%	1.7%	8.0%
iShares Russell 2000 Growth ETF	IWO	310.82	1.6%	6.6%	8.7%	8.0%
SPDR DJIA ETF	DIA	458.01	1.0%	3.6%	3.9%	7.6%
Materials Select Sector SPDR	XLB	90.54	-1.1%	2.5%	3.1%	7.6%
DJIA	.DJI	45711.34	0.9%	3.5%	3.7%	7.4%
iShares Russell 2000 ETF	IWM	236.85	1.3%	7.5%	9.8%	7.2%
iShares Russell 2000 Value ETF	IWN	174.71	0.9%	8.5%	10.7%	6.4%
Gold Future	GCc1	3155.10	0.1%	0.7%	1.5%	5.7%
Consumer Discretionary Select Sector SPDR	XLY	235.69	2.5%	5.3%	8.4%	5.1%
iShares US Real Estate ETF	IYR	97.01	1.1%	2.3%	2.4%	4.2%
iShares iBoxx \$ Invest Grade Corp Bond	LQD	111.36	2.1%	1.8%	1.6%	4.2%
Consumer Staples Select Sector SPDR	XLP	80.73	0.1%	-2.1%	-0.3%	2.7%
iShares MSCI Malaysia ETF	EWM	25.17	1.8%	2.7%	3.4%	2.6%
Energy Select Sector SPDR	XLE	87.58	-3.2%	3.1%	3.3%	2.2%
iShares 20+ Year Treas Bond ETF	TLT	89.23	4.2%	2.2%	1.1%	2.2%
Health Care Select Sect SPDR	XLV	138.59	0.7%	6.5%	2.8%	0.7%
iShares MSCI India ETF	INDA.K	52.71	0.7%	1.1%	-5.3%	0.1%
United States Oil Fund, LP	USO	73.39	-4.4%	0.1%	0.4%	-2.9%
iShares DJ US Oil Eqpt & Services ETF	IEZ	18.87	-0.3%	7.2%	11.2%	-4.7%
Oil Future	CLc1	62.63	-4.5%	-2.0%	-3.8%	-12.7%

Outperformed SP500
Underperformed SP500

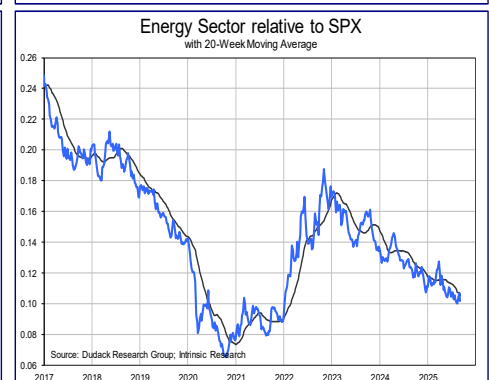
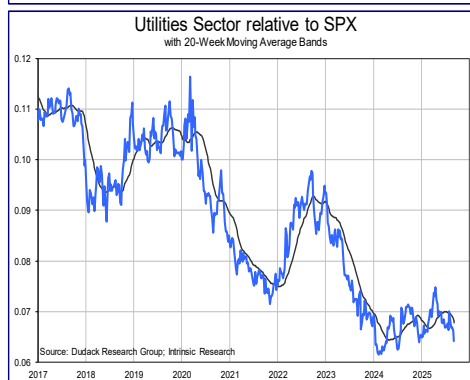
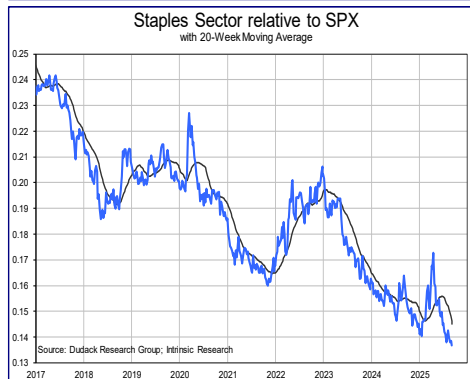
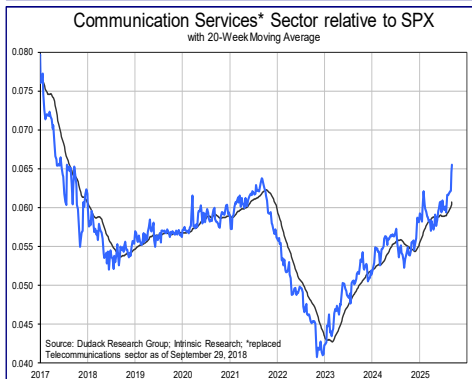
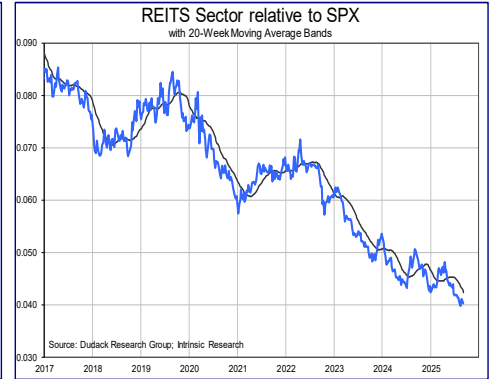
Source: Dudack Research Group; LSEG Priced as of September 9, 2025
Blue shading represents non-US and yellow shading represents commodities

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

DRG Recommended Sector Weights

Overweight		Neutral		Underweight
Communication Services Technology Consumer Discretionary Financials		Healthcare Staples Utilities Industrials		REITS Materials Energy

11/19/2024: Upgraded Consumer Discretionary from N to O; Downgraded Healthcare from O to N. 9/10/2024: Upgraded Utilities from U to N; Downgraded Energy from N to U.



2025 Performance - Ranked	
SP500 Sector	% Change
S&P COMMUNICATIONS SERVICES	24.8%
S&P INFORMATION TECH	14.6%
S&P INDUSTRIALS	13.6%
S&P 500	10.7%
S&P FINANCIAL	10.0%
S&P UTILITIES	9.2%
S&P MATERIALS	8.4%
S&P CONSUMER STAPLES	4.5%
S&P CONSUMER DISCRETIONARY	3.8%
S&P REITS	2.5%
S&P ENERGY	1.5%
S&P HEALTH CARE	0.4%

Source: Dudack Research Group; Refinitiv; Monday closes

US Asset Allocation

	Benchmark	DRG %	Recommendation
Equities	60%	60%	Neutral
Treasury Bonds	30%	30%	Neutral
Cash	10%	10%	Neutral
	100%	100%	

Source: Dudack Research Group; 11/26/2024: moved 5% cash to equities

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 %	LSEG IBES Consensus Bottom-Up \$ EPS**	LSEG IBES 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 %
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%	1.6%	\$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%	2.1%	\$1,648.10	-0.9%
2014	2127.83	\$102.31	\$113.02	\$113.01	5.3%	\$118.78	8.3%	18.8X	2.2%	2.5%	\$1,713.10	3.9%
2015	2043.94	\$86.53	\$100.45	\$100.45	-11.1%	\$117.46	-1.1%	20.3X	2.1%	2.9%	\$1,664.20	-2.9%
2016	2238.83	\$94.55	\$106.26	\$106.26	5.8%	\$118.10	0.5%	21.1X	1.9%	1.8%	\$1,661.50	-0.2%
2017	2673.61	\$109.88	\$124.51	\$124.51	17.2%	\$132.00	11.8%	21.5X	1.8%	2.5%	\$1,816.60	9.3%
2018	2506.85	\$132.39	\$151.60	\$151.60	21.8%	\$161.93	22.7%	16.5X	1.9%	3.0%	\$2,023.40	11.4%
2019	3230.78	\$139.47	\$157.12	\$157.12	3.6%	\$162.93	0.6%	20.6X	1.8%	2.6%	\$2,065.60	2.1%
2020	3756.07	\$86.53	\$122.38	\$122.38	-22.1%	\$139.72	-14.2%	30.7X	1.6%	-2.2%	\$1,968.10	-4.7%
2021	4766.18	\$94.55	\$208.17	\$208.17	70.1%	\$208.12	49.0%	22.9X	1.3%	6.1%	\$2,382.80	21.1%
2022	3839.50	\$109.88	\$196.95	\$196.95	-5.4%	\$218.09	4.8%	19.5X	1.7%	2.5%	\$2,478.80	4.0%
2023	4769.83	\$132.39	\$213.53	\$213.53	8.4%	\$221.36	1.5%	22.3X	1.5%	2.9%	\$3,101.80	25.1%
2024	5614.66	\$139.47	\$233.36	\$233.36	9.3%	\$242.73	9.7%	25.2X	1.3%	2.8%	\$3,312.00	6.8%
2025E	~~~~~	\$94.14	\$258.70	\$270.00	15.7%	\$267.72	10.3%	22.7X	1.3%	NA	NA	NA
2026E	~~~~~	\$197.87	\$301.54	\$310.50	15.0%	\$304.12	13.6%	19.5X	101.3%	NA	NA	NA
2019 1Q	2834.40	\$35.02	\$37.99	\$37.99	4.0%	\$39.15	2.8%	18.5	1.9%	2.5%	\$2,124.50	#REF!
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	#REF!
2019 3Q	2976.74	\$33.99	\$39.81	\$39.81	-3.8%	\$42.14	-1.2%	19.5	1.9%	4.8%	\$2,220.30	#REF!
2019 4Q	3230.78	\$35.53	\$39.18	\$39.18	11.8%	\$41.98	1.9%	20.6	1.8%	2.8%	\$2,199.60	#REF!
2020 1Q	2584.59	\$11.88	\$19.50	\$19.50	-48.7%	\$33.13	-15.4%	18.6	2.3%	-5.5%	\$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%	-28.1%	\$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%	35.2%	\$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%	4.4%	\$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%	5.6%	\$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%	6.4%	\$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%	3.5%	\$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%	7.4%	\$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%	-1.0%	\$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%	0.3%	\$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%	3.4%	\$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%	2.8%	\$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%	2.4%	\$2,601.80	-4.1%
2023 3Q	4288.05	\$47.65	\$52.25	\$52.25	3.8%	\$58.41	4.3%	20.4	1.6%	4.4%	\$2,697.90	-2.1%
2023 4Q	4769.83	\$47.79	\$53.90	\$53.90	7.0%	\$57.16	7.5%	22.3	1.5%	3.2%	\$2,803.20	3.8%
2024 1Q	5254.35	\$47.37	\$54.63	\$54.63	4.0%	\$56.56	6.6%	24.4	1.3%	1.6%	\$2,726.80	5.3%
2024 2Q	5521.50	\$53.12	\$58.36	\$58.36	6.4%	\$60.40	11.3%	25.2	1.3%	3.0%	\$3,141.60	20.7%
2024 3Q	5521.50	\$51.99	\$59.16	\$59.16	13.2%	\$63.21	8.2%	24.4	1.3%	3.1%	\$3,128.50	16.0%
2024 4Q	5881.63	\$57.69	\$61.21	\$61.21	13.6%	\$65.00	13.7%	25.2	1.3%	2.4%	\$3,312.00	18.2%
2025 1QP	5611.85	\$53.89	\$57.51	\$63.75	16.7%	\$63.07	11.5%	23.8	1.4%	-0.5%	\$3,203.60	17.5%
2025 2QE	6204.95	\$60.13	\$64.52	\$65.25	11.8%	\$66.98	10.9%	25.6	1.2%	3.3%	\$3,266.20	4.0%
2025 3QE*	6515.61	\$61.83	\$66.99	\$68.00	14.9%	\$67.46	6.7%	24.8	1.4%	NA	NA	NA
2025 4QE	NA	\$64.83	\$69.68	\$73.00	19.3%	\$70.37	8.3%	25.2	NA	NA	NA	NA
2026 1QE	NA	\$64.48	\$70.08	\$73.31	15.0%	\$70.93	12.5%	24.0	NA	NA	NA	NA
2026 2QE	NA	\$68.72	\$74.40	\$75.04	15.0%	\$75.09	12.1%	23.2	NA	NA	NA	NA
2026 3QE	NA	\$71.50	\$77.34	\$78.20	15.0%	\$77.98	15.6%	22.4	NA	NA	NA	NA
2026 4QE	NA	\$74.02	\$79.72	\$83.95	15.0%	\$80.84	14.9%	21.6	NA	NA	NA	NA

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

*9/9/2025

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“Neutral”: Neutral relative to S&P Index weighting

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