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

Gail M. Dudack, CMT • Chief Investment Strategist • gail@dudackresearchgroup.com • 212-320-2045

October 29, 2025

DJIA: 47706.37
SPX: 6890.89
NASDAQ: 23827.49

US Strategy Weekly
Valuation Two Ways

The DJIA, S&P 500, and Nasdaq Composite index made record highs on October 28, 2025, and the Russell 2000 index hit a record high one day earlier, on October 27, 2025. Year to date, the gains in the broad indices are DJIA 12.2%, S&P 500 17.2%, Nasdaq Composite Index 23.4%, and Russell 2000 12.4%. And though the technology-heavy Nasdaq Composite is leading the stock market with a gain of 23.4%, the advance in the equity market has been broad based.

The confirming breadth of the market is also seen by the new all-time high recorded by the NYSE cumulative advance/decline line on October 27. So, as we shift into the three most favorable months of the year for equities, the technical picture of the equity market remains bullish. The only minor technical issue we have with the stock market is that NYSE daily volume has been below its 10-day average for six of the last trading sessions. One likes to see volume increase on rallies to new highs. Plus, our 25-day up/volume oscillator continues to languish in neutral territory. To confirm these new highs, it is necessary for the oscillator to move into overbought range for a minimum of five consecutive trading days. The last time this occurred was in July. See pages 10-11. The neutral reading in this indicator suggests that volume in declining stocks is equal to that in advancing stocks, a sign of churning.

The backdrop for the market is good. We believe the Fed will continue to lower interest rates this year and are expecting another 25-basis point cut this week. The Wall Street mantra of "don't fight the Fed" has been a useful guide in the past since a dovish Fed has typically been bullish for stocks.

The fiscal backdrop for the economy, consumer, and equities is also good. The One Big Beautiful Bill, which allows for immediate depreciation of capital expenditures is stimulative to Corporate America and is particularly helpful to small businesses. Moreover, we expect the first half of 2026 will be positive for many households who will experience lower taxes due to an increase in the standard deduction, an increase in the child tax credit to $2,200 per child, no tax on tips and overtime, and a deduction of up to $10,000 for interest on an auto loan for a US-made vehicle.

Equally important is the fact that each earnings season of the year has brought a multitude of positive surprises. According to LSEG IBES, as of October 28th, with 180 of the S&P 500 companies reporting third quarter earnings, 86.7% exceeded analysts' expectations. This is compared to the long-term average of 67%, and the prior 4-quarter average of 77%. Earnings are rising but so are equity prices, consequently valuation has been a hurdle. If we use the S&P Dow Jones consensus earnings forecasts for 2026 of $302.58 with the recent SPX close of 6890.89, we get a PE ratio of 22.8. This is high, but PE ratios and inflation tend to have an inverse relationship that has been a valuable tool. So, if we add 3% inflation to this PE, the result is 25.8, the highest since August 2022 and above the standard deviation range (see page 10).

However, this index is still below the 30 level seen at the peak of the market in early 2022. More importantly, bubble markets, like those seen in 1997 to 2000, drove this "PE plus inflation" index to 42 in March 2000. In other words, if one thinks the market is forming a bubble, it is too early to get too bearish.

For important disclosures and analyst certification please refer to the last page of this report.

Another way to value equities is to compare the S&P 500's earnings yield to the 10-year Treasury yield. The 10-year Treasury yield is currently 3.99%. The S&P's earnings yield is 4.4% based on 2026 earnings and 3.7% on 2025 earnings. Adding the 1.2% dividend yield creates a total earnings yield for equities of 4.9% (2025) or 5.6% (2026), relative to the Treasury bond. Either way, equities look undervalued to bonds, particularly if interest rates continue to fall. In short, the liquidity backdrop for equities remains bullish.

Headline CPI rose 0.3% in the month of September, according to the BLS, and this lifted the year-over-year increase in the index from 2.9% to 3.0%. Core CPI, which excludes food and energy, rose 0.2% in the month and increased 3% YOY, which was a decline from the 3.1% YOY seen in August. The broad energy index was a major factor in September's headline increase since it jumped from 0.2% YOY in August to 2.8% YOY in September.

Food prices rose 3.1% YOY in September versus 3.2% YOY in August, but the meats, poultry, fish, and eggs index was significant with a 5.2% YOY rise. Note, however, that while both CPI and core CPI are well above the Fed's target of 2% YOY, both remain below the long-term inflation average of 3.7%. See page 3.

The good news in the September report was the steady deceleration in service sector inflation. Note that the service sector is important since it represents nearly 64% of the CPI and the good news was that prices rose 3.6%, down from 3.8% in August. The index for owners' equivalent rent, representing 26.2% of the CPI index, rose 3.8%, down from 4.0%. The problem areas were motor vehicle maintenance and repair up 7.7% YOY, tenants' and household insurance up 7.5% YOY, used cars and trucks up 5.1% YOY, fuels and utilities up 5.8% YOY, and other goods and services up 4.1% YOY. See page 4.

The source of energy inflation is not coming from rising commodity prices, as is typical. The energy commodity index was minus 0.4% YOY in September, up from minus 6.2% YOY in August, but still declining. However, the CPI's energy index was still up 2.8% YOY, up from 0.2% YOY a month earlier. One of the problems is utility (piped) gas service which rose 11.7% YOY, down from 13.8% YOY in August, but still high. Growing international demand is boosting natural gas prices, and 40% of US electricity generation comes from natural gas, according to the Institute for Energy Economics and Financial Analysis. But gas service prices are also affected by costs for pipeline maintenance and replacement, and regional demand and supply factors. Regional energy demand is also being distorted by AI infrastructure energy usage. This is a major issue. See page 5.

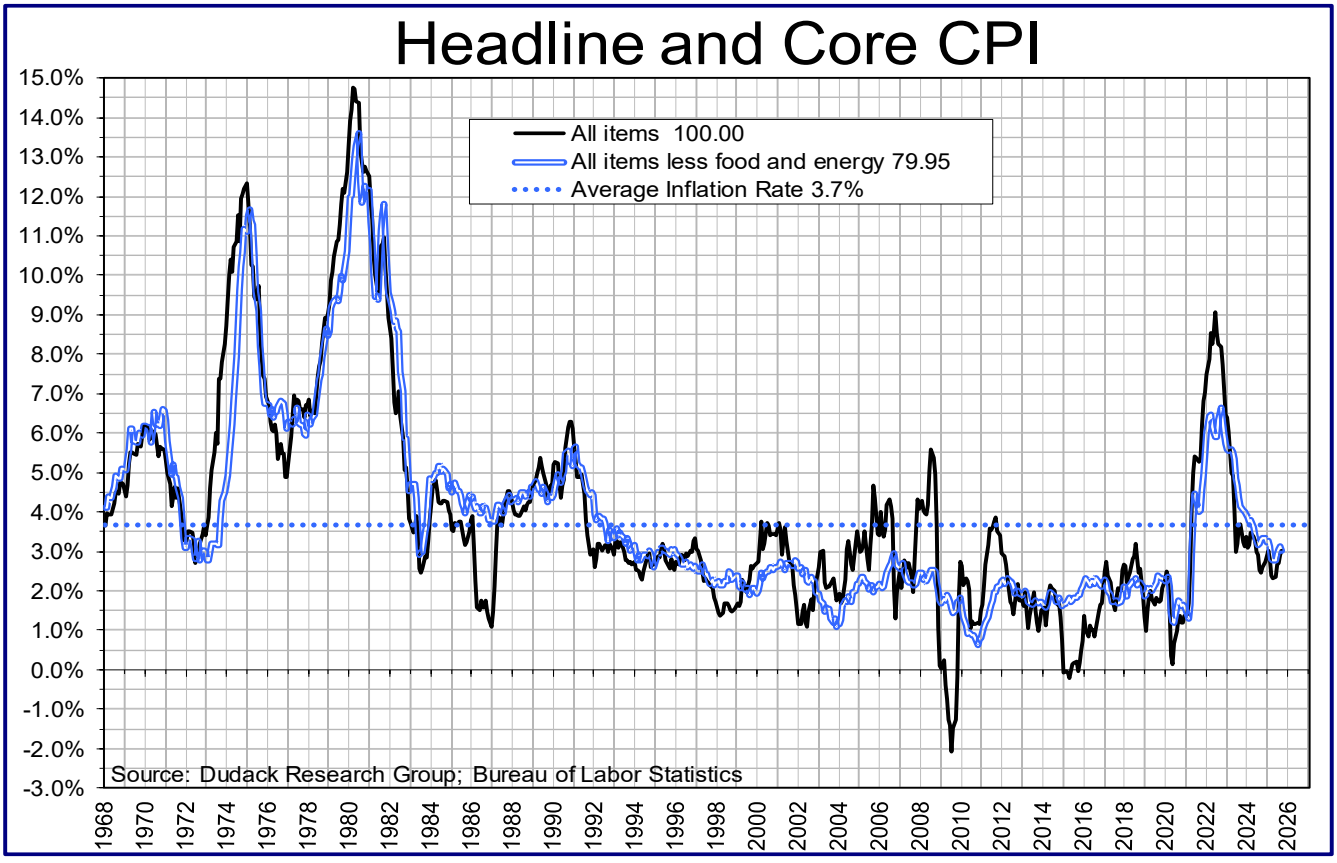
Households, particularly low income households, are negatively impacted by the rising cost of energy services. The household energy price index rose 6.2% in September, down from 7.4% YOY in August but still extremely high. Along with utility (piped) gas service, this index is heavily weighted by electricity, up 5.1% YOY and fuel oil, up 4.1% YOY, in September. The other burden on households is the 7.5% increase in tenants' insurance and 4.1% increase in household furnishings and operations. See page 6.

Conference Board consumer confidence fell one point in October to 94.6, from an upwardly revised 95.6 in September. The present index was 129.3, up 1.7 from an upwardly revised 127.5, and the expectations index fell 2.9 to 71.5, from an upwardly revised 74.4. The second estimates for October's University of Michigan sentiment indices were all lower. The headline index is now 53.6, down 1.5 from September. The present conditions index is 58.6, down 1.8 and the expectations index declined 1.4 to 50.3. The University of Michigan sentiment indices have been in recession territory for most of the last five years, which makes them irrelevant as a tool, in our opinion. See page 7.

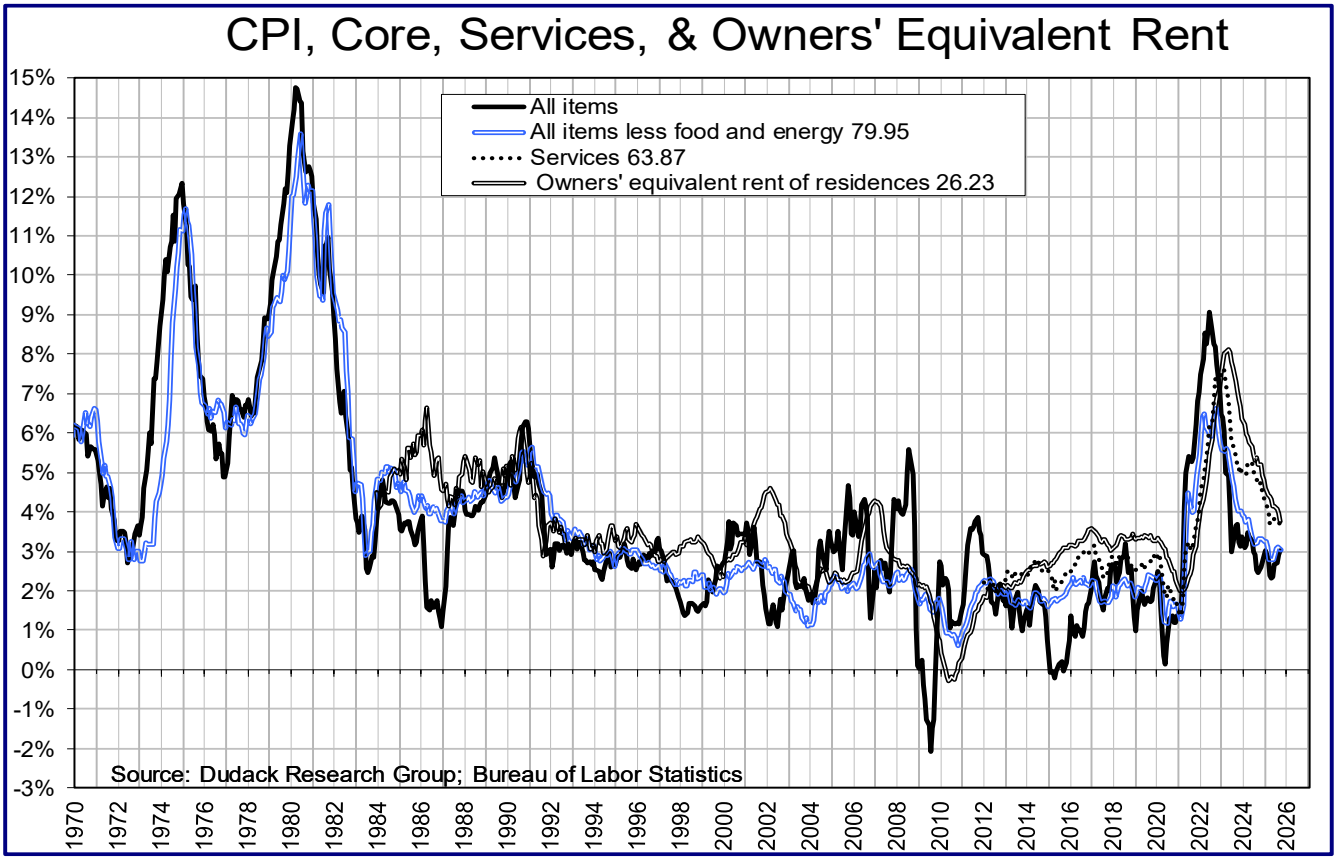
Headline CPI rose 0.3% in the month of September, according to the BLS, and this lifted the year-over-year increase in the index from 2.9% to 3.0%. Core CPI, which excludes food and energy, rose 0.2% in the month and increased 3% YOY. This was a decline from the 3.1% YOY rate seen in August. The broad energy index was a major factor in September's headline increase since it jumped from 0.2% YOY in August to 2.8% YOY in September. Food prices rose 3.1% YOY in September versus 3.2% YOY in August, but the meats, poultry, fish, and eggs index was significant with a 5.2% YOY rise. Note, however, that while both CPI and core CPI are well above the Fed's target of 2% YOY, both remain below the long-term inflation average of 3.7%.

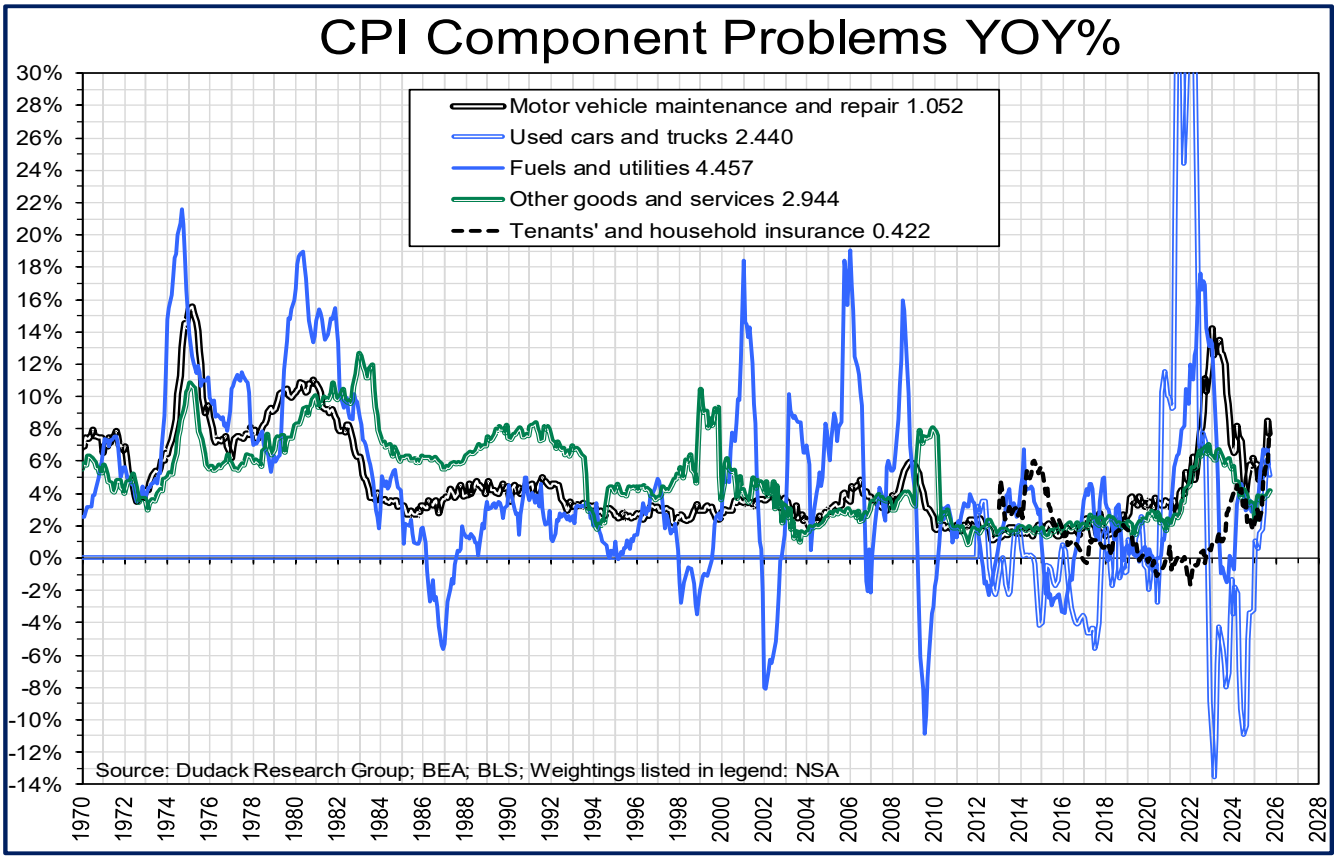
CPI Components Heavy Weights - Not Seasonally Adjusted	Component Weight*	Fuel Weight	Price Chg YOY%	Price Chg MOM%
Housing	**44.4%**	**4.5%**	**3.9%**	**0.1%**
Owners' equivalent rent of residences	**26.2%**		*3.8%*	0.2%
Fuels and utilities	**4.5%**		***5.8%***	**-0.6%**
Transportation	**16.5%**	**1.9%**	**1.7%**	**0.1%**
Food and beverages	**14.5%**		**3.0%**	**0.4%**
Food at home	**8.0%**		*2.7%*	0.5%
Food away from home	**5.7%**		*3.7%*	0.1%
Alcoholic beverages	**0.8%**		*2.0%*	0.2%
Medical care	**8.3%**		***3.3%***	**0.2%**
Education and communication	**5.6%**		**0.4%**	**0.2%**
Recreation	**5.3%**		**3.0%**	**0.3%**
Apparel	**2.5%**		**-0.1%**	**2.6%**
Other goods and services	**2.9%**		***4.1%***	**0.4%**
Special groups:				
Energy	6.4%		2.8%	0.1%
All items less food and energy	80.0%		3.0%	0.3%
All items	**100.0%**		**3.01%**	**0.25%**

Source: Dudack Research Group; BLS; *Aug. 2025 weightings; Italics=sub-component; blue>headline

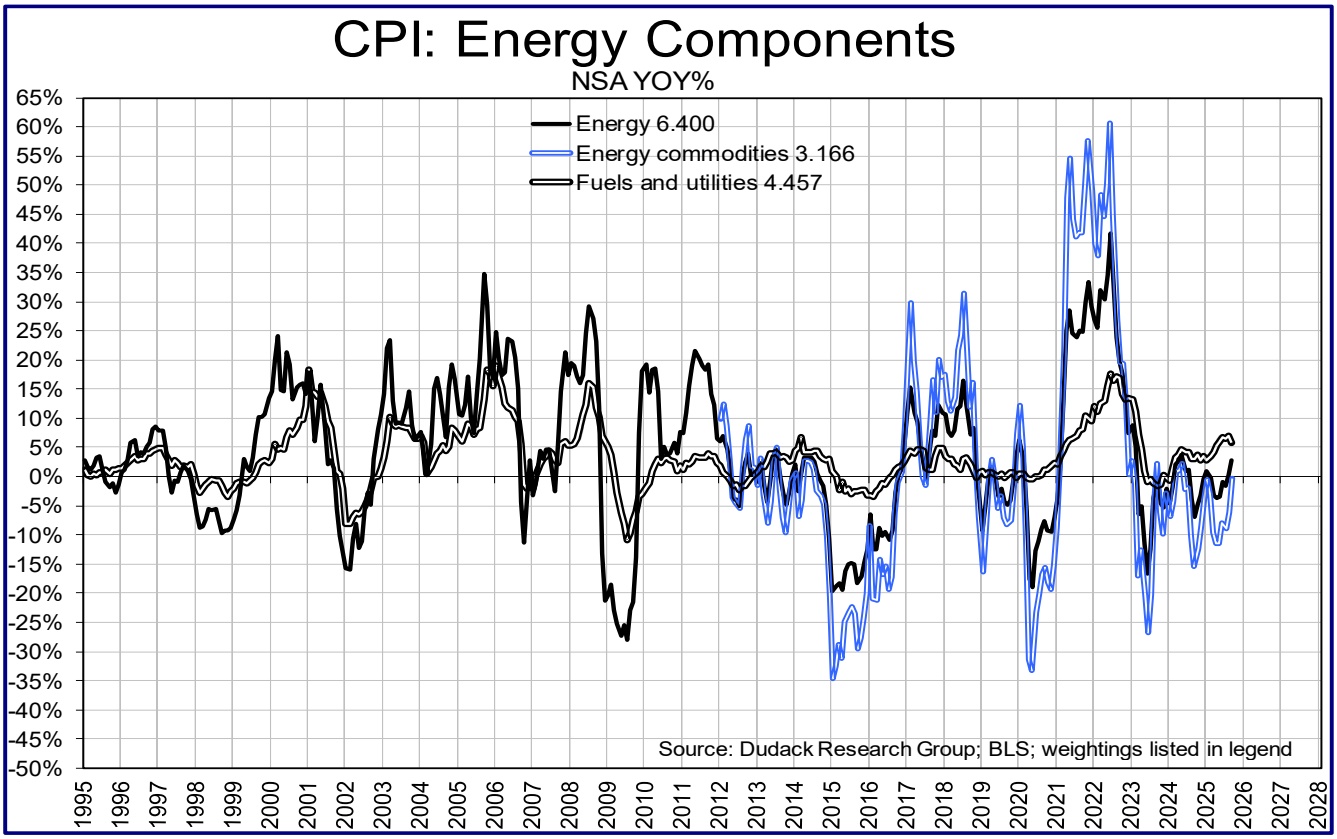


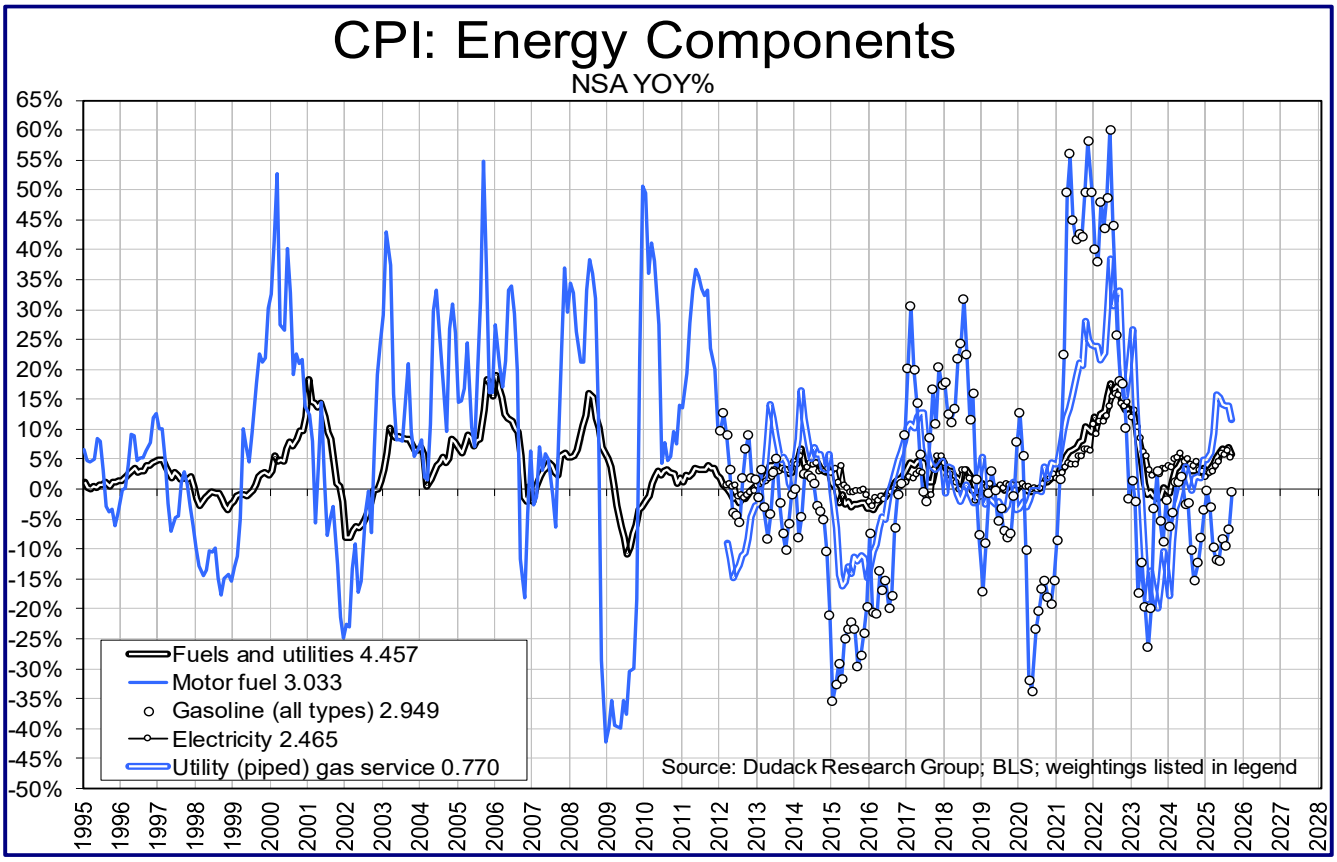
The good news in the September report was the steady deceleration in service sector inflation. Note that the service sector is important since it represents nearly 64% of the CPI and the good news was that prices rose 3.6%, down from 3.8% in August. The index for owners' equivalent rent, representing 26.2% of the CPI index, rose 3.8%, down from 4.0%. The problem areas were motor vehicle maintenance and repair up 7.7% YOY, tenants' and household insurance up 7.5% YOY, used cars and trucks up 5.1% YOY, fuels and utilities up 5.8% YOY, and other goods and services up 4.1% YOY.



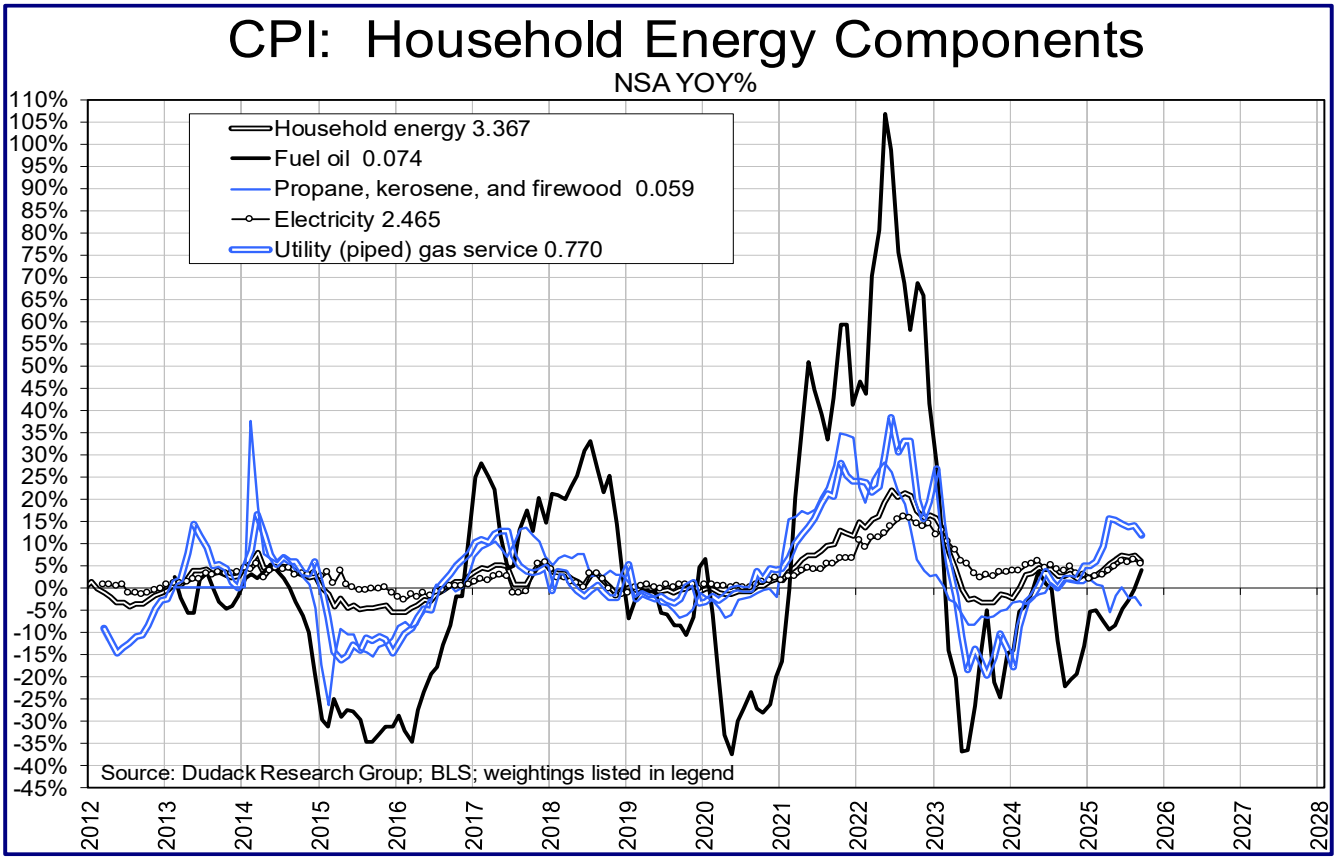


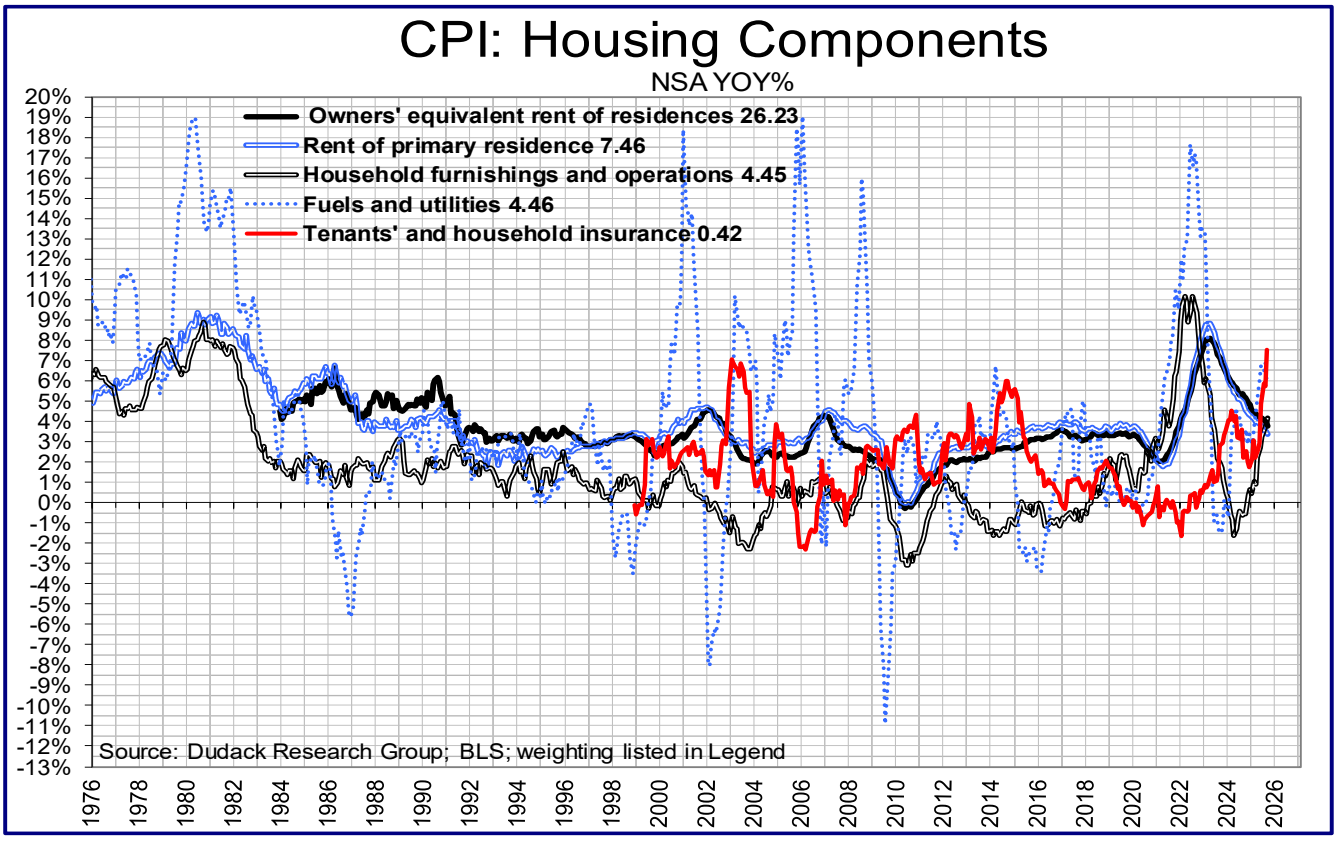
The source of energy inflation is not coming from rising commodity prices, as is typical. The energy commodity index was minus 0.4% YOY in September, up from minus 6.2% YOY in August, but still declining. However, the CPI's energy index was still up 2.8% YOY, up from 0.2% YOY a month earlier. One of the problems is utility (piped) gas service which rose 11.7% YOY, down from 13.8% YOY in August, but still high. Growing international demand is boosting natural gas prices, and 40% of US electricity generation comes from natural gas, according to the Institute for Energy Economics and Financial Analysis. But gas service prices are also affected by costs for pipeline maintenance and replacement, and regional demand and supply factors. Regional energy demand is also being distorted by AI infrastructure energy usage. This is a major issue.



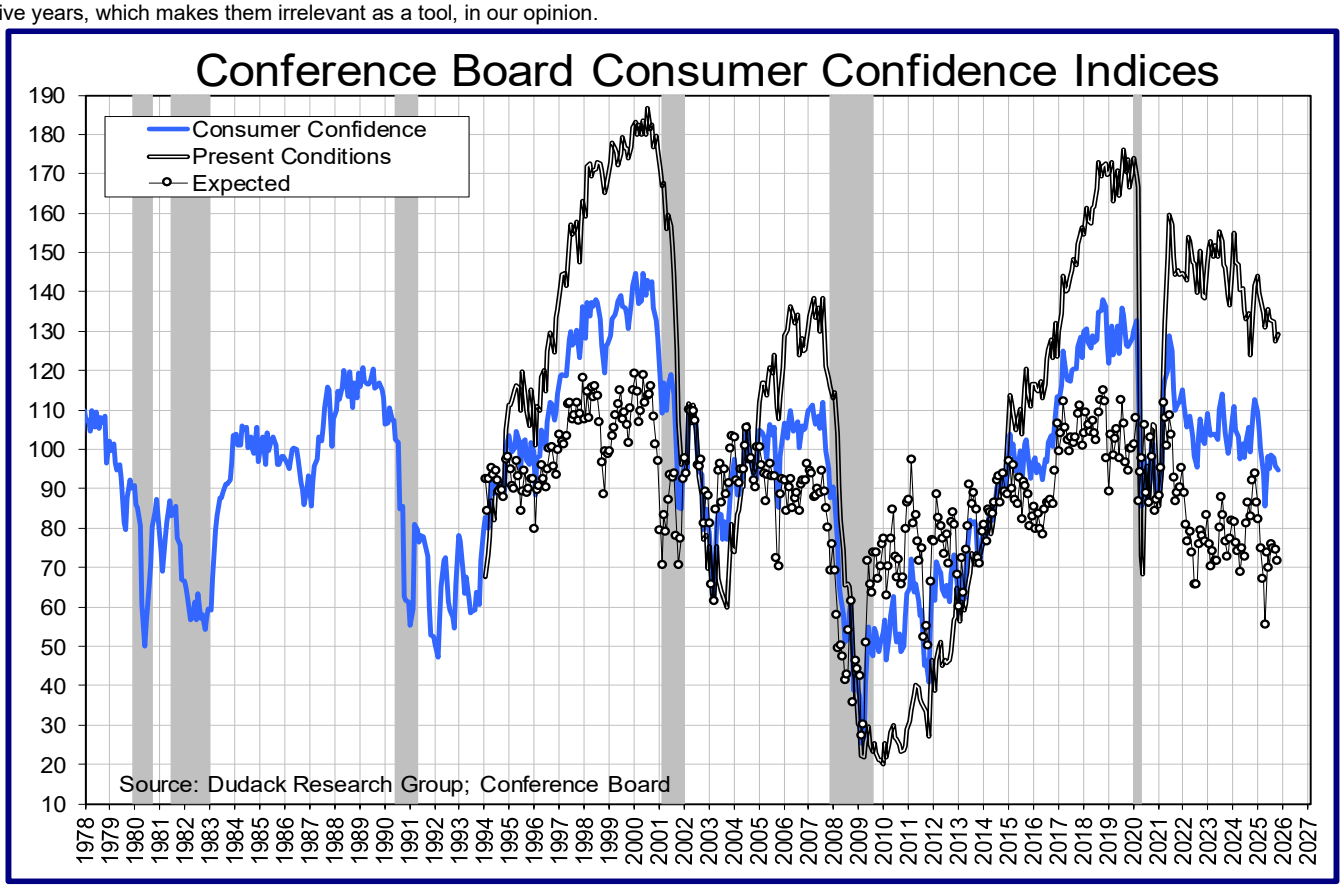


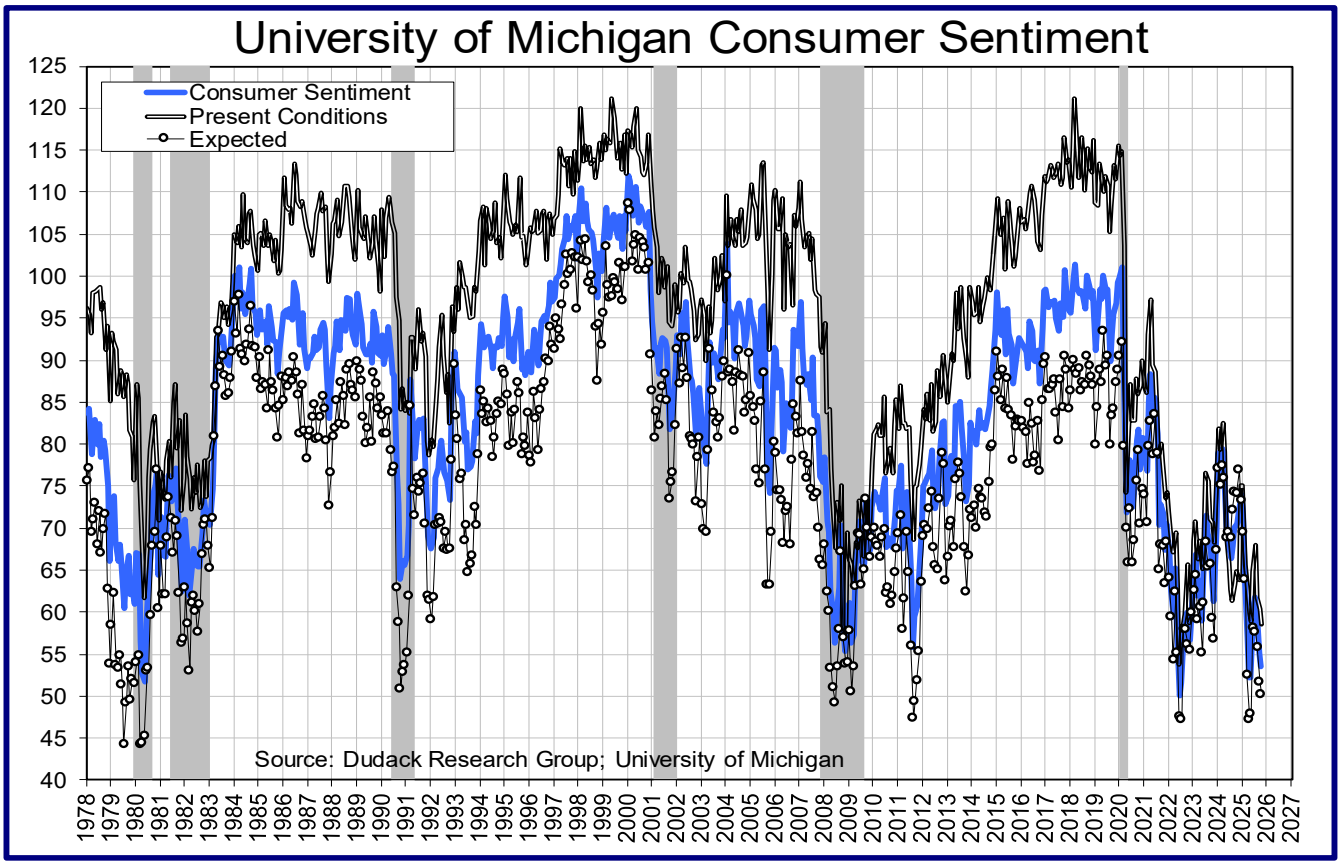
Households, particularly low income households, are negatively impacted by the rising cost of energy services. The household energy price index rose 6.2% in September, down from 7.4% YOY in August but still extremely high. Along with utility (piped) gas service, this index is heavily weighted by electricity, up 5.1% YOY and fuel oil, up 4.1% YOY, in September. The other burden on households is the 7.5% increase in tenants' insurance and 4.1% increase in household furnishings and operations.



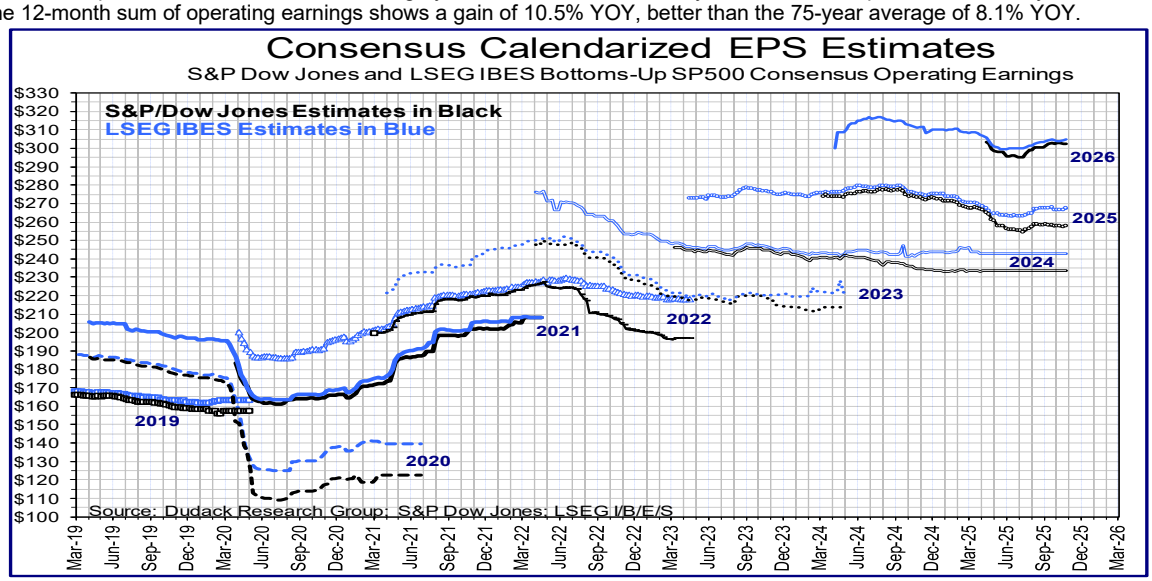


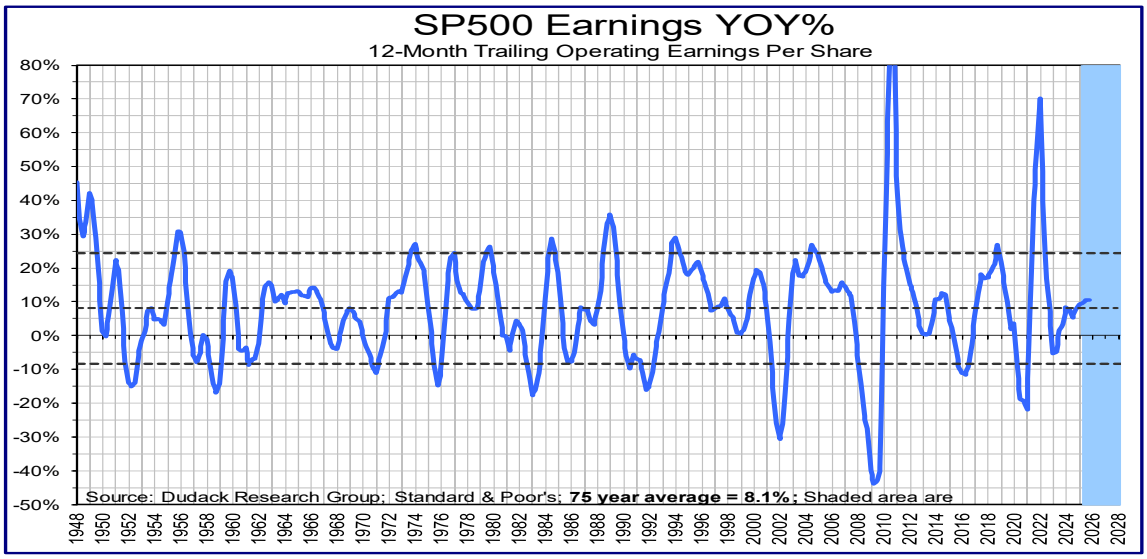
Conference Board consumer confidence fell one point in October to 94.6, from an upwardly revised 95.6 in September. The present index was 129.3, up 1.7 from an upwardly revised 127.5, and the expectations index fell 2.9 to 71.5, from an upwardly revised 74.4. The second estimates for October's University of Michigan sentiment indices were all lower. The headline index is now 53.6, down 1.5 from September. The present conditions index is 58.6, down 1.8 and the expectations index declined 1.4 to 50.3. The University of Michigan sentiment indices have been in recession territory for most of the last five years, which makes them irrelevant as a tool, in our opinion.

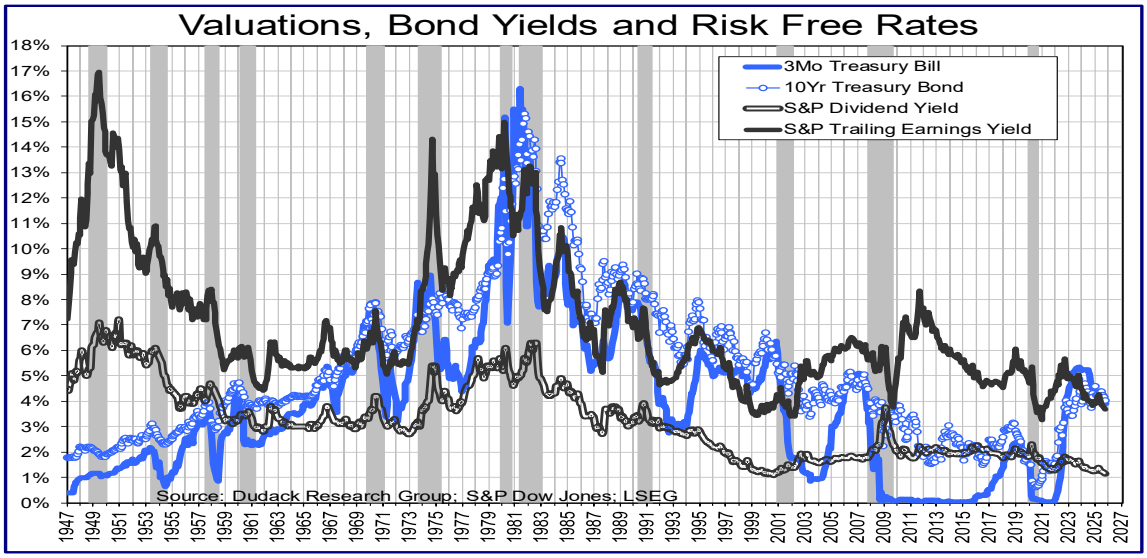




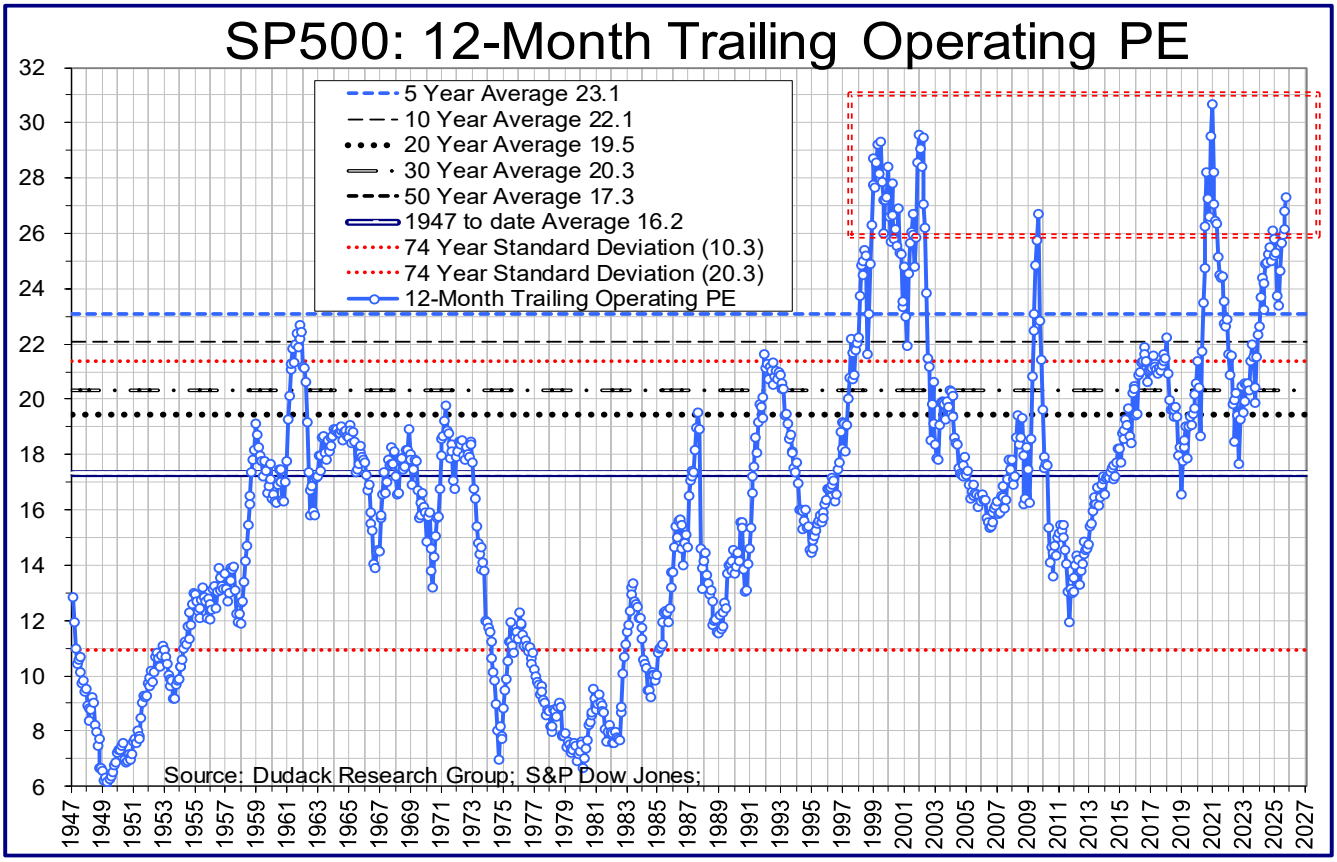
The S&P Dow Jones consensus earnings estimate for calendar 2025 was $257.86, up $0.29, this week. The earnings forecast for 2026 was $302.59, up $0.33. The LSEG IBES estimate for 2025 is $267.39, up $0.69, and the 2026 estimate is $305.03, up $0.48. The IBES estimate for 2027 is $346.98, up $1.18. Although PE multiples are rich, the forward earnings yield of 4.5% and dividend yield of 1.2% compare well to a 10-year Treasury bond yield of 4.00%. Plus, the 12-month sum of operating earnings shows a gain of 10.5% YOY, better than the 75-year average of 8.1% YOY.

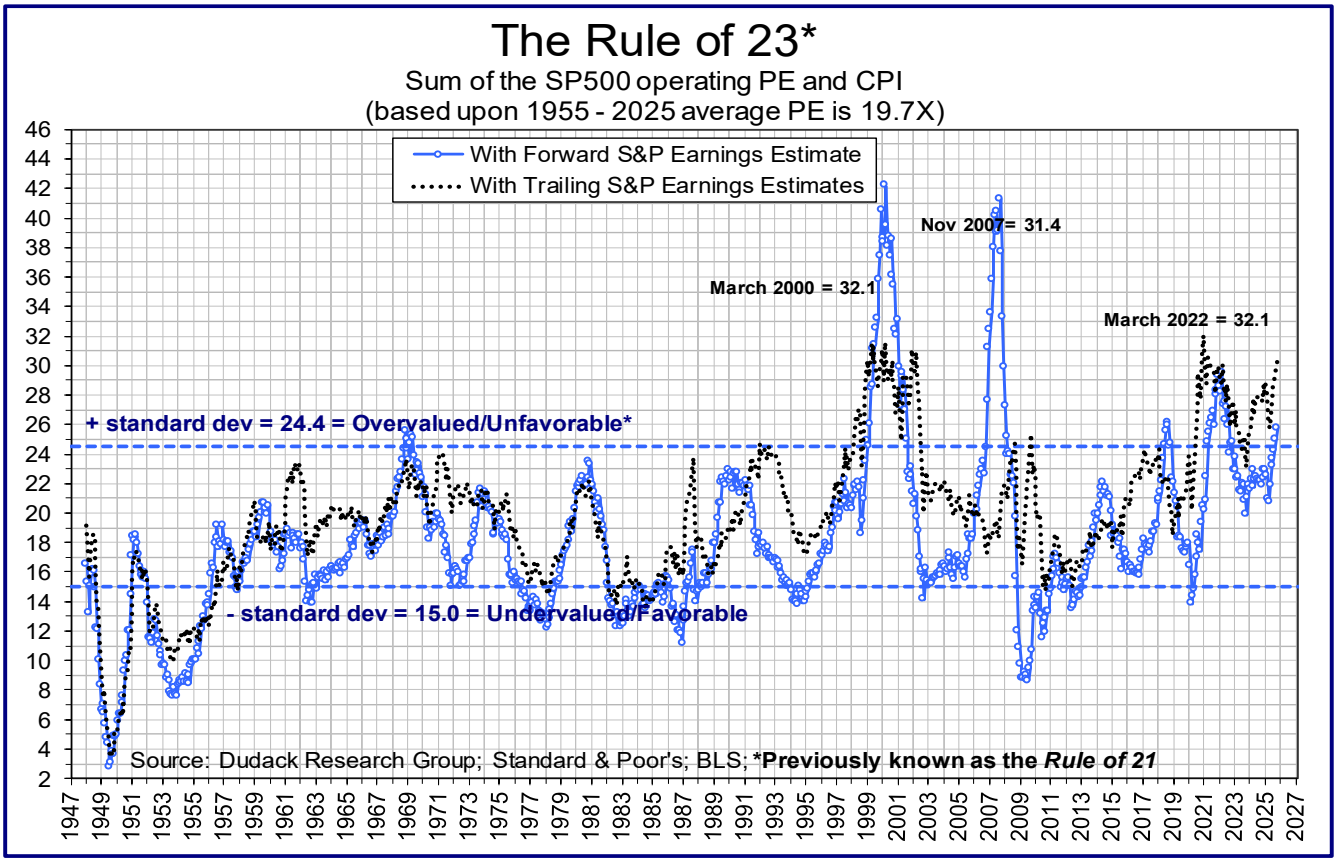






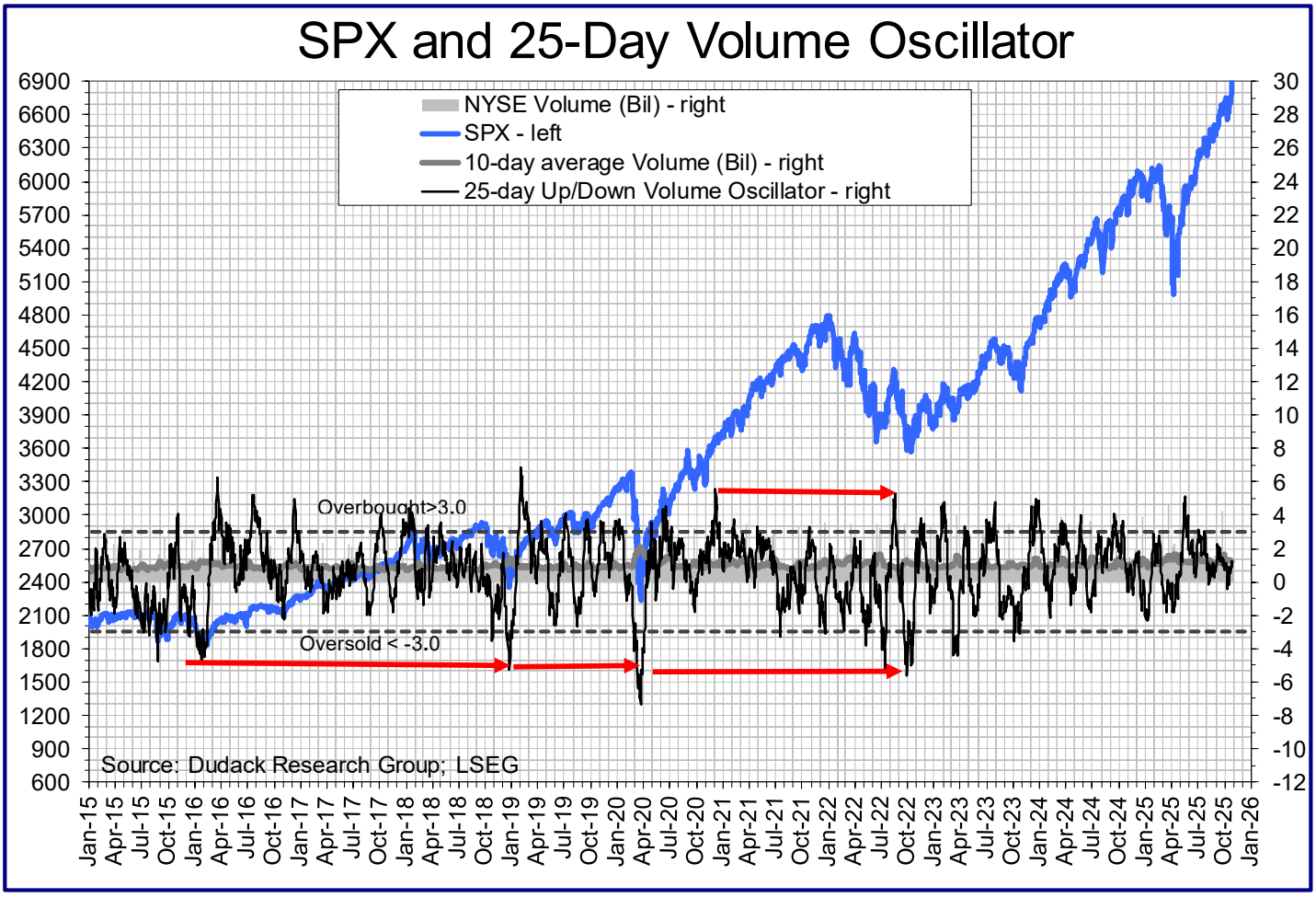
The SPX **trailing** 4-quarter operating earnings multiple is 27.3 after reaching an attractive intra-month low of 20.7 times earnings in early April. PE multiples remain stable in the face of rising stock prices due to higher earnings results, but the trailing PE is above both the 50-year average of 17.3 times and the 5-year average of 23.1. Including 2026 S&P Dow Jones estimates, the **12-month forward** PE multiple is 22.8 times and well above its long-term average of 17.9 times. When this PE is added to inflation of 3.0%, it comes to 25.8, which places it above the top of the normal range of 15.0 to 24.4.



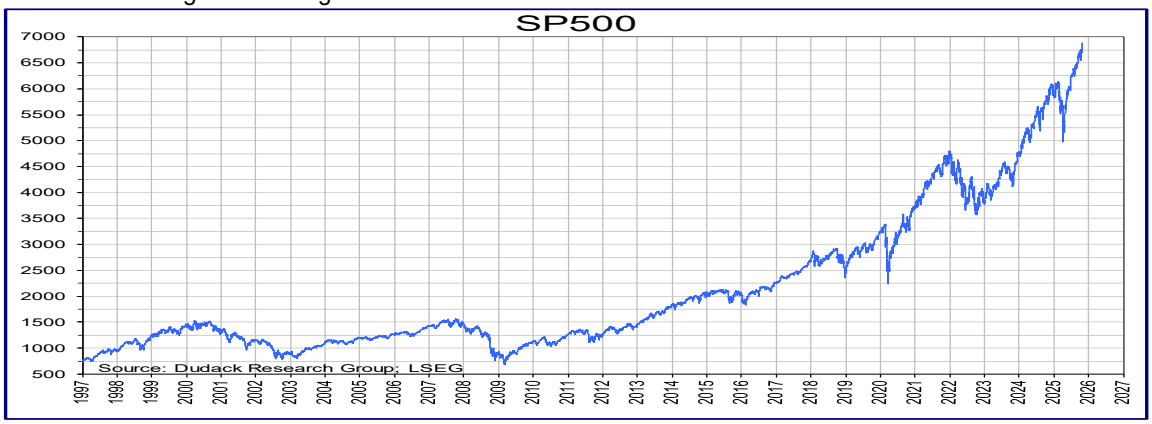


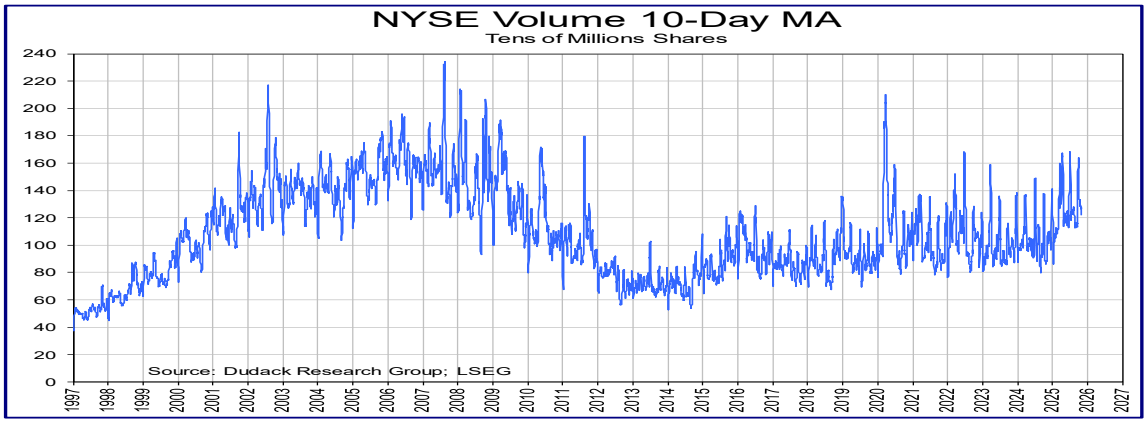
The 25-day up/down volume oscillator is at 0.84, and little changed from last week, and still neutral. The most recent positive readings in this indicator were the one-day overbought readings of 3.15 on July 3 and 3.05 on July 25. These readings followed the indicator being overbought for 9 of eleven 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 low of June 16, 2022. All in all, this was very positive performance and characteristic of a bull market cycle.

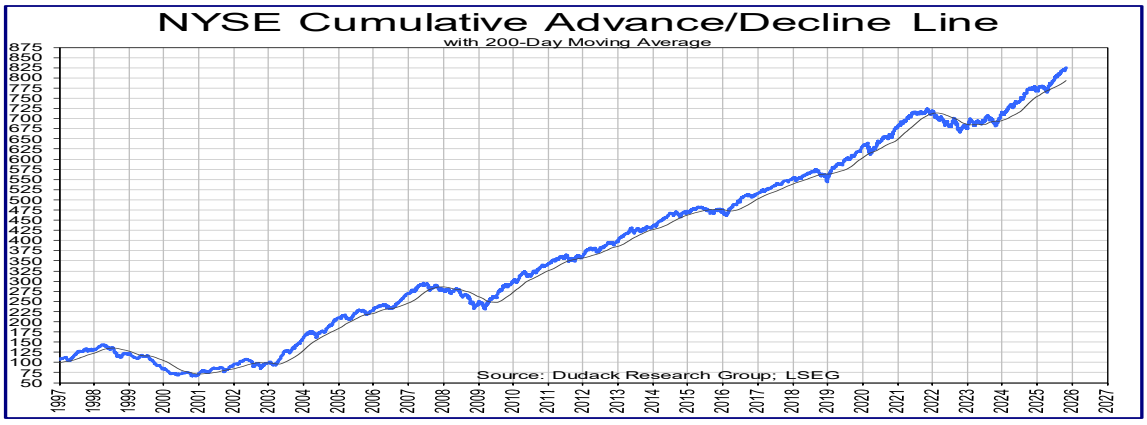
Despite the positive readings made in July, this indicator is yet to confirm the string of recent new highs made by the popular indices from August to date. To do so, the oscillator should record an overbought reading of 3.0 or higher for a minimum of five consecutive trading days. At present, this indicator suggests advancing volume has been weak and the longer this disparity continues, the greater the risk is that equities experience a near-term pullback.

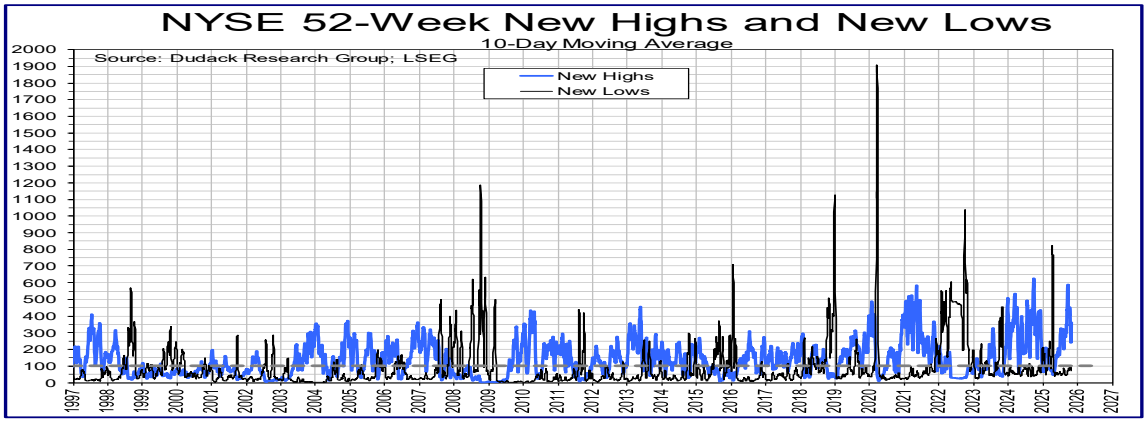


The 10-day average of daily new highs rose to 362 this week and new lows were relatively unchanged at an average of 70. This combination of daily new highs above 100 and new lows below 100 is positive. On April 11, the 10-day new low index (823) was the highest since the September-October 2022 low (882). The NYSE cumulative advance/decline line made a new high on October 27, 2025. In sum, these technical indicators are bullish. But it is worth noting that NYSE volume has been below the 10-day average for six of the last 7 trading sessions which could signal a waning in demand.

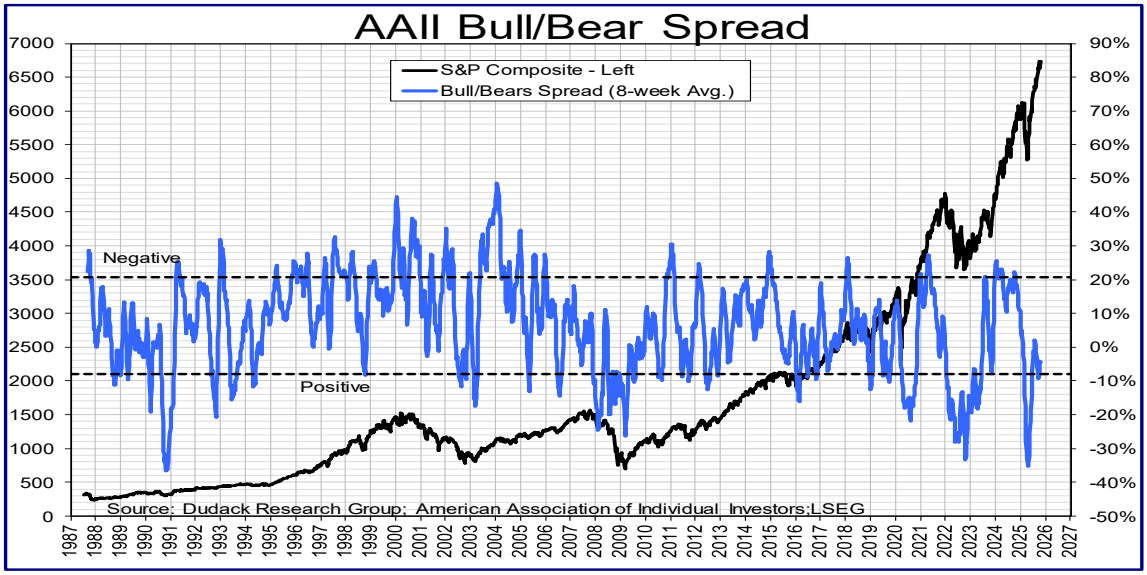


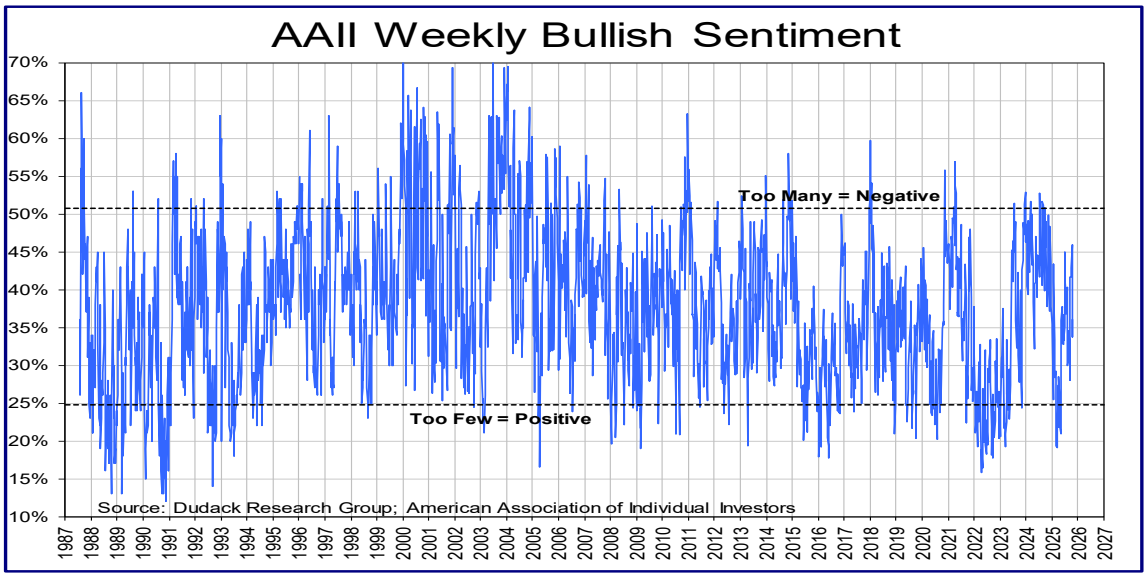


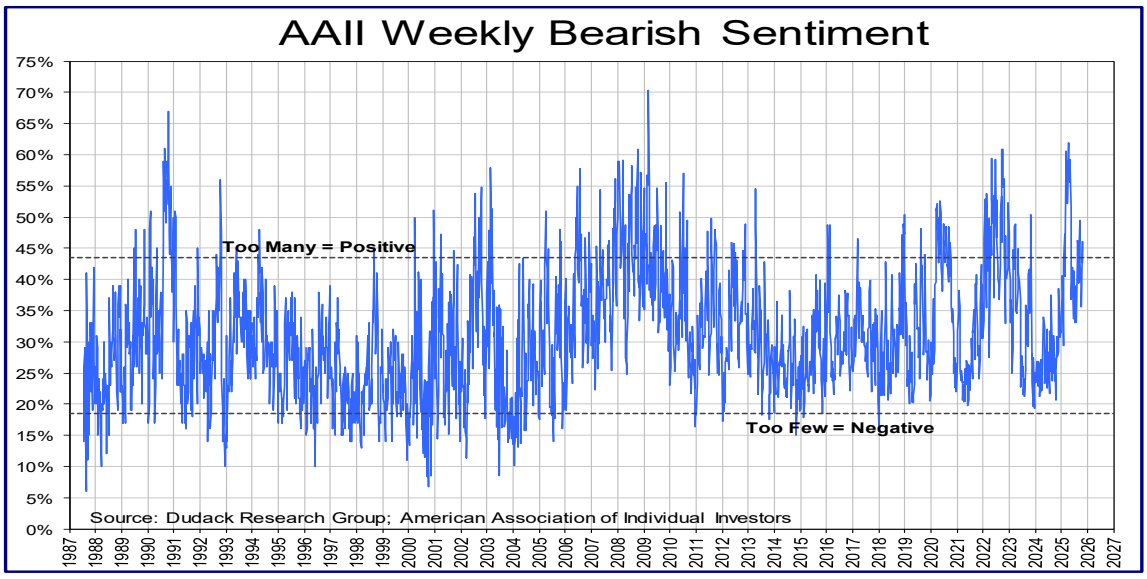




Last week's AAII survey showed bullishness rose 2.4% to 36.1% and bearishness fell 3.4% to 42.7%. Bullishness is below average, and bearishness is above average this week. The neutral rating was low at 20.5%. On April 2, 2025, the reading of 61.9% bearishness was a new high for this cycle and the most positive since November 21, 1990, of minus 36.3% (just after the S&P 500 low on October 11, 1990, at 295.47, down 20%). The 8-week bull/bear is -4.4% and neutral, following three consecutive weeks in positive territory in late September.







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

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
iShares MSCI South Korea Capped ETF	EWY	94.45	6.6%	19.8%	17.9%	85.6%
Silver Future	Slc1	47.13	-0.7%	2.0%	1.9%	62.8%
iShares Silver Trust	SLV	44.86	-2.5%	2.1%	0.9%	62.7%
SPDR Gold Trust	GLD	364.38	-3.4%	5.1%	2.5%	50.5%
iShares MSCI Austria Capped ETF	EWO	31.03	1.8%	0.1%	0.1%	48.0%
iShares MSCI Mexico Capped ETF	EWW	67.10	3.1%	-0.1%	-1.6%	43.3%
SPDR S&P Semiconductor ETF	XSD	350.42	1.7%	10.1%	9.8%	41.0%
iShares MSCI Brazil Capped ETF	EWZ	30.92	3.3%	0.6%	-0.3%	37.4%
iShares China Large Cap ETF	FXI	40.86	2.3%	1.3%	-0.7%	34.2%
iShares MSCI Emerg Mkts ETF	EEM	55.69	2.5%	5.7%	4.3%	33.2%
iShares MSCI Singapore ETF	EWS	28.81	2.4%	1.6%	1.7%	31.9%
iShares MSCI Hong Kong ETF	EWH	21.88	2.7%	3.6%	1.5%	31.3%
iShares MSCI Germany ETF	EWG	41.72	0.1%	1.3%	0.3%	31.1%
Technology Select Sector SPDR	XLK	301.96	4.7%	8.3%	7.1%	29.9%
iShares MSCI Taiwan ETF	EWT	67.09	2.0%	6.9%	5.5%	29.6%
Vanguard FTSE All-World ex-US ETF	VEU	73.49	1.6%	3.9%	3.0%	28.0%
iShares MSCI Canada ETF	EWC	51.41	2.8%	2.8%	1.7%	27.6%
iShares MSCI United Kingdom ETF	EWU	42.92	2.3%	3.2%	2.3%	26.6%
iShares MSCI EAFE ETF	EFA	95.66	1.1%	3.3%	2.5%	26.5%
iShares MSCI BRIC ETF	BKF	45.87	2.0%	2.7%	1.4%	25.7%
iShares MSCI Japan ETF	EWJ	83.93	1.6%	4.3%	4.6%	25.1%
NASDAQ 100	NDX	26012.16	3.5%	6.2%	5.4%	23.8%
Nasdaq Composite Index	.IXIC	23827.49	3.8%	6.0%	5.2%	23.4%
iShares US Telecomm ETF	IYZ	33.06	1.1%	3.3%	2.5%	23.2%
iShares Russell 1000 Growth ETF	IWF	489.51	3.6%	5.3%	4.5%	21.9%
Communication Services Select Sector SPDR Fund	XLC	116.58	-0.1%	-1.3%	-1.5%	20.4%
iShares Nasdaq Biotechnology ETF	IBB.O	157.66	1.0%	11.8%	9.2%	19.2%
Utilities Select Sector SPDR	XLU	90.13	-0.5%	3.8%	3.3%	19.1%
Shanghai Composite	.SSEC	3988.22	1.8%	4.2%	2.7%	19.0%
Industrial Select Sector SPDR	XLI	154.68	-0.1%	1.4%	0.3%	17.4%
SP500	.SPX	6890.89	2.3%	3.7%	3.0%	17.2%
iShares Russell 1000 ETF	IWB	376.54	2.2%	3.6%	3.0%	16.9%
iShares MSCI Australia ETF	EWA	27.52	1.5%	3.2%	1.9%	15.3%
iShares Russell 2000 Growth ETF	IWO	331.80	0.8%	4.0%	3.7%	15.3%
iShares Russell 2000 ETF	IWM	248.96	0.8%	3.2%	2.9%	12.7%
SPDR DJIA ETF	DIA	477.15	1.7%	3.2%	2.9%	12.1%
DJIA	.DJI	47706.37	1.7%	3.2%	2.8%	12.1%
iShares Russell 1000 Value ETF	IWD	206.10	0.5%	1.5%	1.2%	11.3%
PowerShares Water Resources Portfolio	PHO	72.97	-2.2%	2.3%	1.2%	10.9%
iShares Russell 2000 Value ETF	IWN	180.29	0.5%	2.1%	2.0%	9.8%
Financial Select Sector SPDR	XLF	52.99	0.5%	-1.6%	-1.6%	9.6%
Consumer Discretionary Select Sector SPDR	XLY	241.14	0.8%	0.6%	0.6%	7.5%
SPDR S&P Retail ETF	XRT	85.43	0.2%	-1.3%	-0.9%	7.3%
Gold Future	GCc1	3184.10	0.2%	0.6%	0.6%	6.7%
iShares MSCI Malaysia ETF	EWM	26.01	1.0%	1.1%	0.3%	6.0%
Materials Select Sector SPDR	XLB	89.09	0.6%	0.3%	-0.6%	5.9%
Health Care Select Sect SPDR	XLV	145.45	0.2%	7.3%	4.5%	5.7%
iShares iBoxx $ Invest Grade Corp Bond	LQD	112.92	0.3%	1.5%	1.3%	5.7%
iShares 20+ Year Treas Bond ETF	TLT	92.02	0.0%	3.5%	3.0%	5.4%
iShares US Real Estate ETF	IYR	96.43	-1.2%	-0.1%	-0.7%	3.6%
SPDR Homebuilders ETF	XHB	108.28	-1.8%	-1.9%	-2.3%	3.6%
iShares MSCI India ETF	INDA.K	54.54	0.1%	4.4%	4.8%	3.6%
SPDR S&P Bank ETF	KBE	57.46	0.5%	-4.8%	-3.3%	3.6%
iShares DJ US Oil Eqpt & Services ETF	IEZ	20.23	6.4%	1.6%	4.9%	2.1%
Energy Select Sector SPDR	XLE	87.36	0.8%	-5.0%	-2.2%	2.0%
Consumer Staples Select Sector SPDR	XLP	78.43	-1.1%	0.6%	0.1%	-0.2%
United States Oil Fund, LP	USO	71.39	4.6%	-7.3%	-3.2%	-5.5%
Oil Future	CLc1	60.15	4.0%	-8.5%	-3.6%	-16.1%

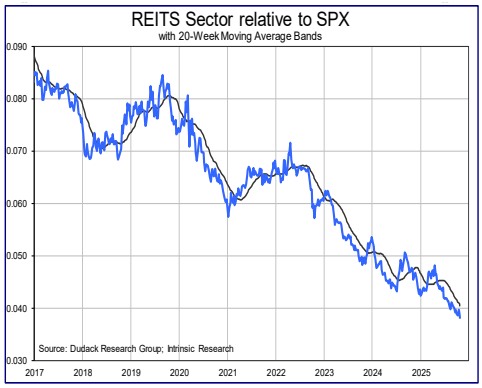
Outperformed SP500
Underperformed SP500

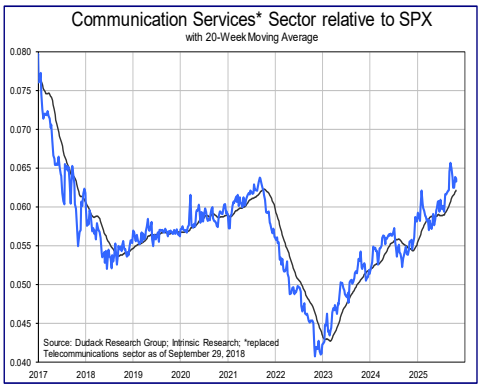
Source: Dudack Research Group; LSEG Priced as of October 28, 2025
Blue shading represents non-US and **yellow** shading represents commodities

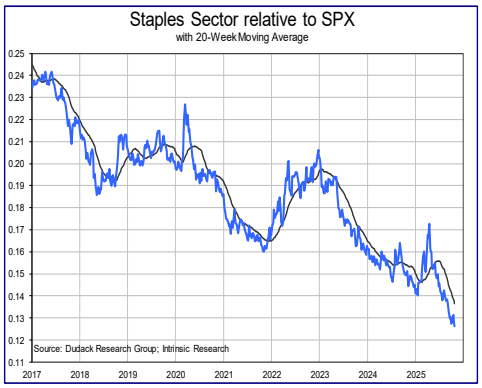
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

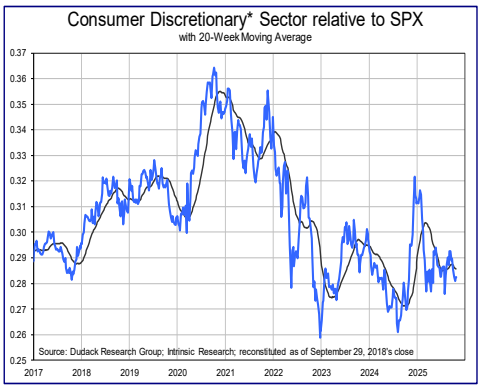
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Communication Services	Healthcare	REITS
Technology	Staples	Materials
Consumer Discretionary	Utililties	Energy
Financials	Industrials	

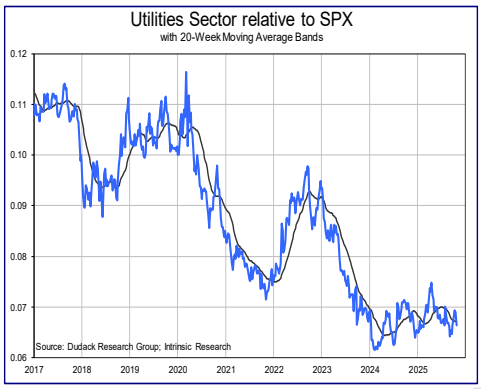
11/19/2024: Upgraded Consumer Discretionary from N to O; Downgraded Healthcare from O to N. 9/10/2024: Upgraded Utilities from U to N; Downgraded Energy from N to U.

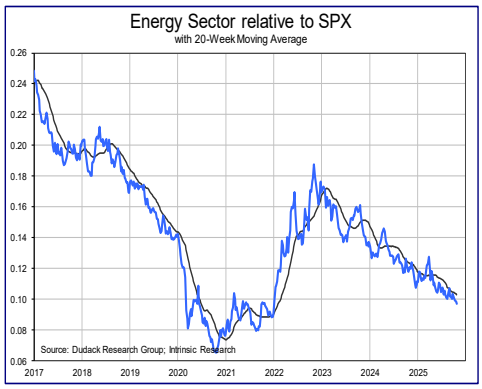












2025 Performance - Ranked	
SP500 Sector	% Change
S&P INFORMATION TECH	30.2%
S&P COMMUNICATIONS SERVICES	27.7%
S&P UTILITIES	18.9%
S&P INDUSTRIALS	17.3%
S&P 500	17.2%
S&P FINANCIAL	9.5%
S&P CONSUMER DISCRETIONARY	6.2%
S&P MATERIALS	6.1%
S&P HEALTH CARE	5.6%
S&P REITS	2.7%
S&P ENERGY	2.3%
S&P CONSUMER STAPLES	1.9%

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	$94.14	$122.38	$122.38	-22.1%	$139.72	-14.2%	30.7X	1.6%	-2.2%	$1,968.10	-4.7%
2021	4766.18	$197.87	$208.17	$208.17	70.1%	$208.12	49.0%	22.9X	1.3%	6.1%	$2,382.80	21.1%
2022	3839.50	$172.75	$196.95	$196.95	-5.4%	$218.09	4.8%	19.5X	1.7%	2.5%	$2,478.80	4.0%
2023	4769.83	$192.43	$213.53	$213.53	8.4%	$221.36	1.5%	22.3X	1.5%	2.9%	$3,132.90	26.4%
2024	5614.66	$210.17	$233.36	$233.36	9.3%	$242.73	9.7%	25.2X	1.3%	2.8%	$3,270.60	4.4%
2025E	~~~~~	$238.42	$257.85	$270.00	15.7%	$267.39	10.2%	22.8X	1.3%	NA	NA	NA
2026E	~~~~~	$280.14	$302.58	$310.50	15.0%	$305.03	14.1%	19.4X	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	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%	4.8%	$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%	2.8%	$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%	-5.5%	$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%	$3,110.60	19.6%
2024 3Q	5521.50	$51.99	$59.16	$59.16	13.2%	$63.21	8.2%	24.4	1.3%	3.1%	$3,078.50	14.1%
2024 4Q	5881.63	$57.69	$61.21	$61.21	13.6%	$65.00	13.7%	25.2	1.3%	2.4%	$3,270.60	16.7%
2025 1Q	5611.85	$53.89	$57.51	$63.75	16.7%	$63.07	11.5%	23.8	1.4%	-0.5%	$3,252.40	19.3%
2025 2QP	6204.95	$58.96	$64.00	$65.25	11.8%	$66.68	10.4%	25.7	1.2%	3.3%	$3,259.40	4.8%
2025 3QE	6688.46	$61.32	$66.57	$68.00	14.9%	$67.47	6.7%	26.8	1.2%	NA	NA	NA
2025 4QE*	6890.89	$64.17	$69.43	$73.00	19.3%	$70.21	8.0%	26.8	NA	NA	NA	NA
2026 1QE	NA	$64.91	$69.99	$73.31	15.0%	$70.81	12.3%	25.5	NA	NA	NA	NA
2026 2QE	NA	$69.12	$74.71	$75.04	15.0%	$75.25	12.9%	24.5	NA	NA	NA	NA
2026 3QE	NA	$71.72	$77.62	$78.20	15.0%	$78.55	16.4%	23.6	NA	NA	NA	NA
2026 4QE	NA	$74.39	$80.26	$83.95	15.0%	$80.89	15.2%	22.8	NA	NA	NA	NA

Source: DRG; S&P Dow Jones **quarterly EPS may not sum to official CY estimates; LSEG IBES Consensus estimates *10/28/2025

Regulation AC Analyst Certification

I, Gail Dudack, hereby certify that all the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly related to the specific views contained in this report.

IMPORTANT DISCLOSURES

RATINGS DEFINITIONS:

Sectors/Industries:

"Overweight": Overweight relative to S&P Index weighting
"Neutral": Neutral relative to S&P Index weighting
"Underweight": Underweight relative to S&P Index weighting

Other Disclosures

This report has been written without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient, and should not be regarded by recipients as a substitute for the exercise of their own judgment. The report is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell securities or related financial instruments. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. The report is based on information obtained from sources believed to be reliable, but is not guaranteed to be accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the report. Any opinion expressed in this report is subject to change without notice and the Dudack Research Group division of Wellington Shields & Co. LLC. (DRG/Wellington) is under no obligation to update or keep current the information contained herein. Options, derivative products, and futures are not suitable for all investors, and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results, and yield from securities, if any, may fluctuate as a security's price or value changes. Accordingly, an investor may receive back less than originally invested. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report.

DRG/Wellington relies on information barriers, such as "Chinese Walls," to control the flow of information from one or more areas of DRG/Wellington into other areas, units, divisions, groups, or affiliates. DRG/Wellington accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this report.

The content of this report is aimed solely at institutional investors and investment professionals. To the extent communicated in the U.K., this report is intended for distribution only to (and is directed only at) investment professionals and high net worth companies and other businesses of the type set out in Articles 19 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001. This report is not directed at any other U.K. persons and should not be acted upon by any other U.K. person. Moreover, the content of this report has not been approved by an authorized person in accordance with the rules of the U.K. Financial Services Authority, approval of which is required (unless an exemption applies) by Section 21 of the Financial Services and Markets Act 2000.

Additional information will be made available on request.

©2025. All rights reserved. No part of this report may be reproduced or distributed in any manner without the written permission of Dudack Research Group division of Wellington Shields & Co. LLC. The Company specifically prohibits the redistribution of this report, via the internet or otherwise, and accepts no liability whatsoever for the actions of third parties in this respect.

Dudack Research Group, a division of Wellington Shields & Co. LLC.
Main Office:
Wellington Shields & Co. LLC
60 Broad Street
New York, NY 10004
212-320-3511
Research Sales: 212-320-2046

Florida office:
549 Lake Road
Ponte Vedra Beach, FL 32082
212-320-2045

Prices are the close of October 28, 2025