Dudack Research Group
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July 8, 2026

DJIA: 52925.15
SPX: 7503.85
NASDAQ: 25818.69

US Strategy Weekly

Raising Estimates

We are raising our 2026 S&P 500 earnings estimate from $330 to $350 and our 2027 estimate from $382 to $400.75. These forecasts are in line with current consensus estimates and represent growth rates of 27.6% in 2026 and 14.5% in 2027. Note that in December 2025 we initiated earnings forecasts that were well above consensus and though we are only midway through the year, this is the second time we have raised our estimates.

Also note that 2026 and 2027 follow an earnings gain of 17.6% in 2025. This means these three years might generate a combined earnings gain of 59.6% which would represent the best period for S&P 500 earnings since 2009 (14.8%), 2010 (47.3%), and 2011 (15.1%) and their three-year gain of 77.3%. This earlier three-year period was also followed by another solid earnings increase of 10.2% in 2012. However, it also was preceded by the financial crisis of 2008 and an earnings decline of 40%. See page 15.

The drivers of the current earnings spurt began with the tax law change (*One Big Beautiful Bill Act* signed July 4, 2025, effective for the 2025 tax year) which allowed capital expenditures to be deducted in the same year as expensed. This stimulated capital investment. Equally important, it was coupled with a massive investment demand in AI infrastructure including, but not exclusive to, semiconductors, data centers, and utilities to support these data centers. Earnings are also improving as businesses find new efficiencies, i.e., margin improvements from implementing AI software. It has been a "perfect storm" for earnings growth. However, after four consecutive quarters of positive earnings surprises, we believe earnings surprises will become more difficult to generate in the second half of the year.

The second half of 2026 will certainly be impacted by the midterm elections; however, in July we expect the market will focus on 1.) the price of oil and 2.) second quarter earnings results. We expect earnings will be solid and supportive. If the price of WTI crude oil (CLc1 - $70.44) remains at $70 or less, we foresee a decline in headline inflation. This will help households in terms of lowering energy expenses and could lead to stronger-than-expected economic activity in the third quarter. It could also lead to lower long-term interest rates (helpful to the housing market) and higher PE multiples.

The 2026 stock market has been driven more by fundamentals than sentiment. For example, in the twelve months ending June 2026, the S&P 500 index was up 21% YOY and S&P 500 earnings were up 22% YOY. On page 3 we have two charts, the first with the S&P Index overlaid with actual 12-month earnings forecasts. The scale in this chart is 20 to one, or $50 of earnings equals 1000 points in the SPX. The second chart plots the SPX with a history of S&P 500 forecasted earnings multiplied by 21. Note that while both charts are similar, a PE of 21 is a much better fit to the S&P index than 20 times, and each breach below this level has been a buying opportunity for investors.

If oil remains below $70 a barrel, and inflation falls from the current 3.5% to 4.2% range to 3% to 3.5%, PE multiples could expand beyond 21 times. Even so, the current trend in earnings, without multiple expansion, suggests a target of roughly SPX 8350 in December 2026.

The charts on page 3 also show that the 2000 bubble top was preceded by two years of overvaluation. The December 2021 top was preceded by nine months of declining earnings, i.e., overvaluation. All in all, we do not believe the current market environment is bubbly or overvalued.

There are always risks. As we go to print there is news that the US has revoked the general license for Iran oil sales and is bombing Iran. We do not believe President Trump will authorize any destruction of Iran's energy infrastructure, at least before the midterm elections, and if not, it should not impact the equity market. But despite the recent strength seen in retail sales and consumer credit, the job market is a concern.

The June BLS employment report was a disappointment with the addition of 57,000 payrolls in the month and revisions that decreased previous reports by 74,000 jobs. Most of this weakness was in the leisure and hospitality sector, which lost 61,000 jobs in June. The losses in leisure and hospitality seem inconsistent with the fact that the US is hosting the FIFA World Cup games from mid-June to mid-July. Since the games have attracted significant crowds from all over the world, it will be interesting to see if there is an upward revision to the leisure and hospitality sector with July data. See page 4.

The household and establishment surveys continue to diverge, and June's household survey indicated a loss of 507,000 jobs and a decrease in the labor force of 720,000 workers. These huge decreases explain why the participation rate declined to 61.5%. However, the disparate trends in the household and establishment surveys continue to grow as seen on page 5. The six-month average job growth for the establishment survey is now 92,000 jobs; whereas the household survey shows a massive decrease of 288,000 jobs per month. Note that swings in household data have become more extreme in the last few years which makes us question the reliability of the data. Since the pace of job loss in the household survey is the equivalent of a recession, it is difficult to trust the data. See page 5.

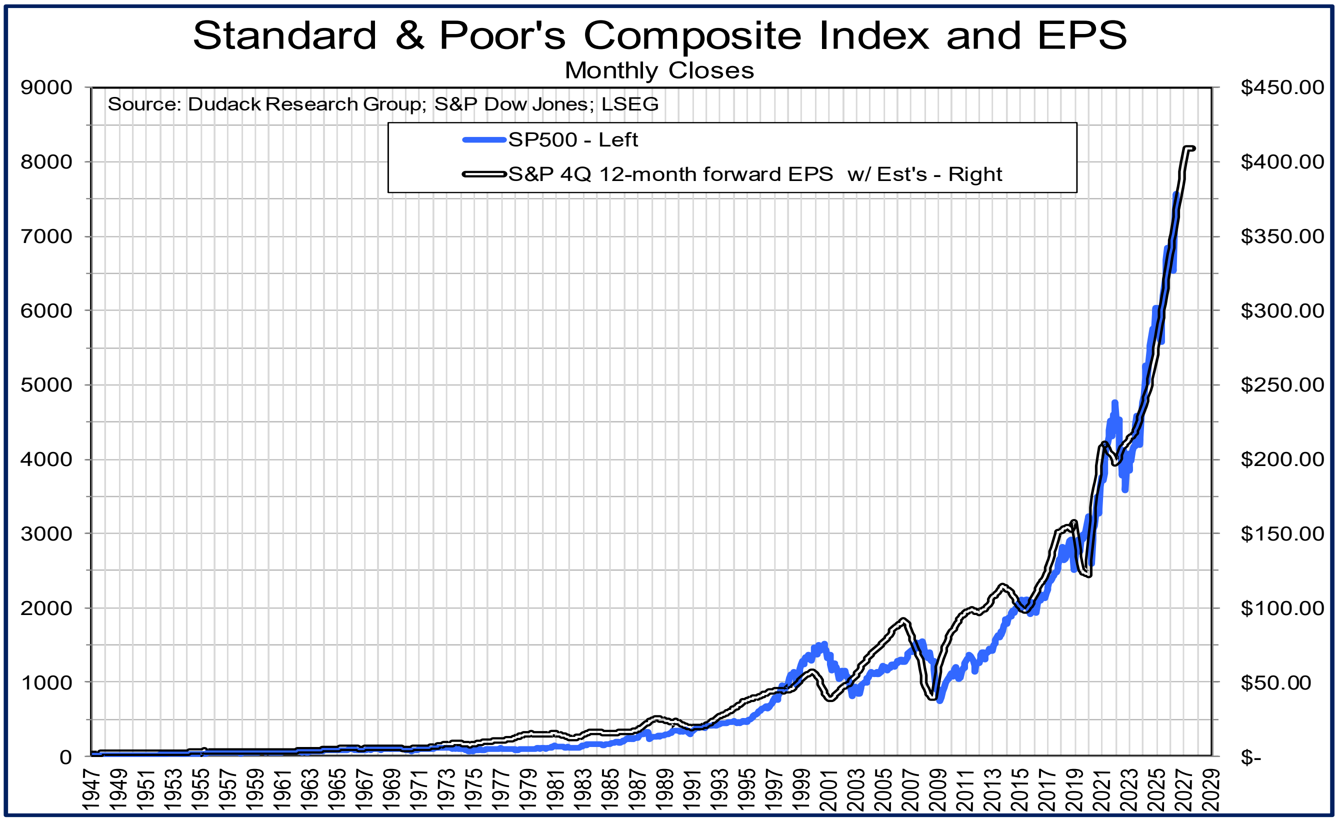
On a more positive note, the misery index, which is the sum of inflation and the unemployment rate, is upbeat. This is a tool to demonstrate how favorable or hostile the economic environment is for the average household since it is directly impacted by inflation and employment. In June, the misery index eased from 8.5% to 8.4% and remains well within the normal range of 5.7% to 12.5%. Note that the last hostile reading was in June 2022 when inflation was 9.1% and unemployment was 6.7%. See page 6.

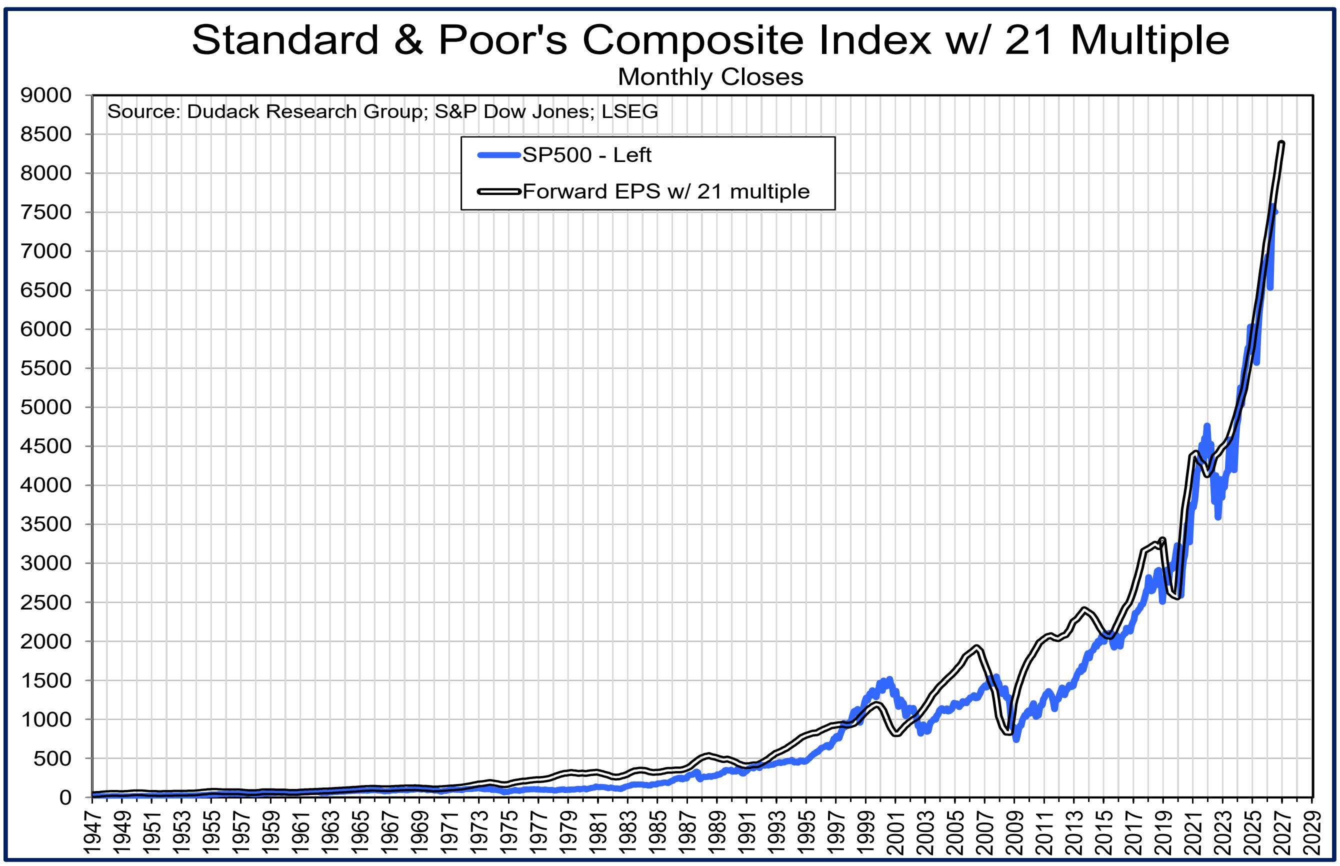
After months of lagging sales, total vehicle unit sales rose 3% in June, up 4.1% YOY. And for the first time in a while, foreign vehicle sales rose more than domestic sales. Total foreign vehicle sales increased 10.7% YOY, led by imported trucks which rose 14.6% YOY. Domestic unit sales increased 2.6% YOY, led by domestic truck sales which grew a similar 2.6% YOY. See page 6.

The ISM services index decreased from 54.5 in May to 54 in June, but the employment index jumped to 51.2 and into expansion territory for the first time since February. The ISM manufacturing index eased from 54.0 to 53.3, but the employment index also rose from 48.6 to 49.7. The combined employment index is now at 100.9, the highest since February 2025. This is encouraging and again it suggests there are problems in the BLS household survey. In both ISM surveys the prices paid index fell, which is also positive news for future inflation.

From a technical perspective, it is noteworthy that over the last 25 trading sessions, despite a string of all-time highs in the averages, the percentage of volume in advancing stocks has only exceeded 50% seven times. This means there has been significant selling into strength in the June-July market. In sum, the recent rally has not been impressive, and we would not be surprised to see a correction or sideways market in the near term. Even so, we remain a buyer on weakness.

These two charts display how the equity market has been driven primarily by earnings since late 2022. The top chart is the S&P Index overlaid with actual 2-month earnings forecasts. The scale is 20 to one, or $50 of earnings equals 1000 points in the SPX. The second chart plots the SPX with a history of forecasted earnings multiplied by 21, or a PE of 21 times. Note that the fit is much better than 20 times and that each decline has been a well-defined buying opportunity. However, if inflation falls from the current 3.5% to 4.2% range to 3% to 3.5%, PE multiples should expand beyond 21 times. The 2000 market peak was preceded by two years of overvaluation. The December 2021 peak was preceded by nine months of declining earnings. The current trend suggests a target of SPX 8350 in December 2026.

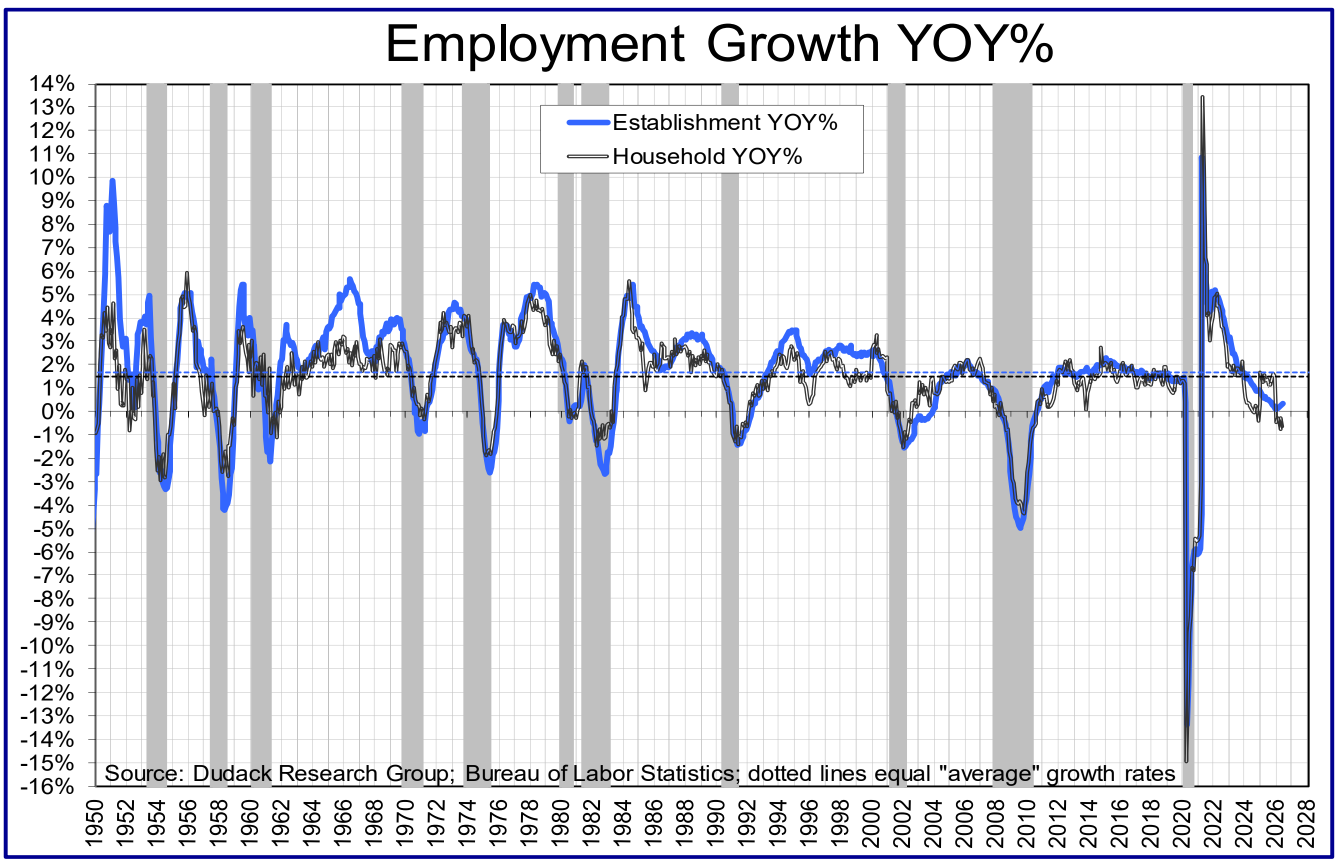




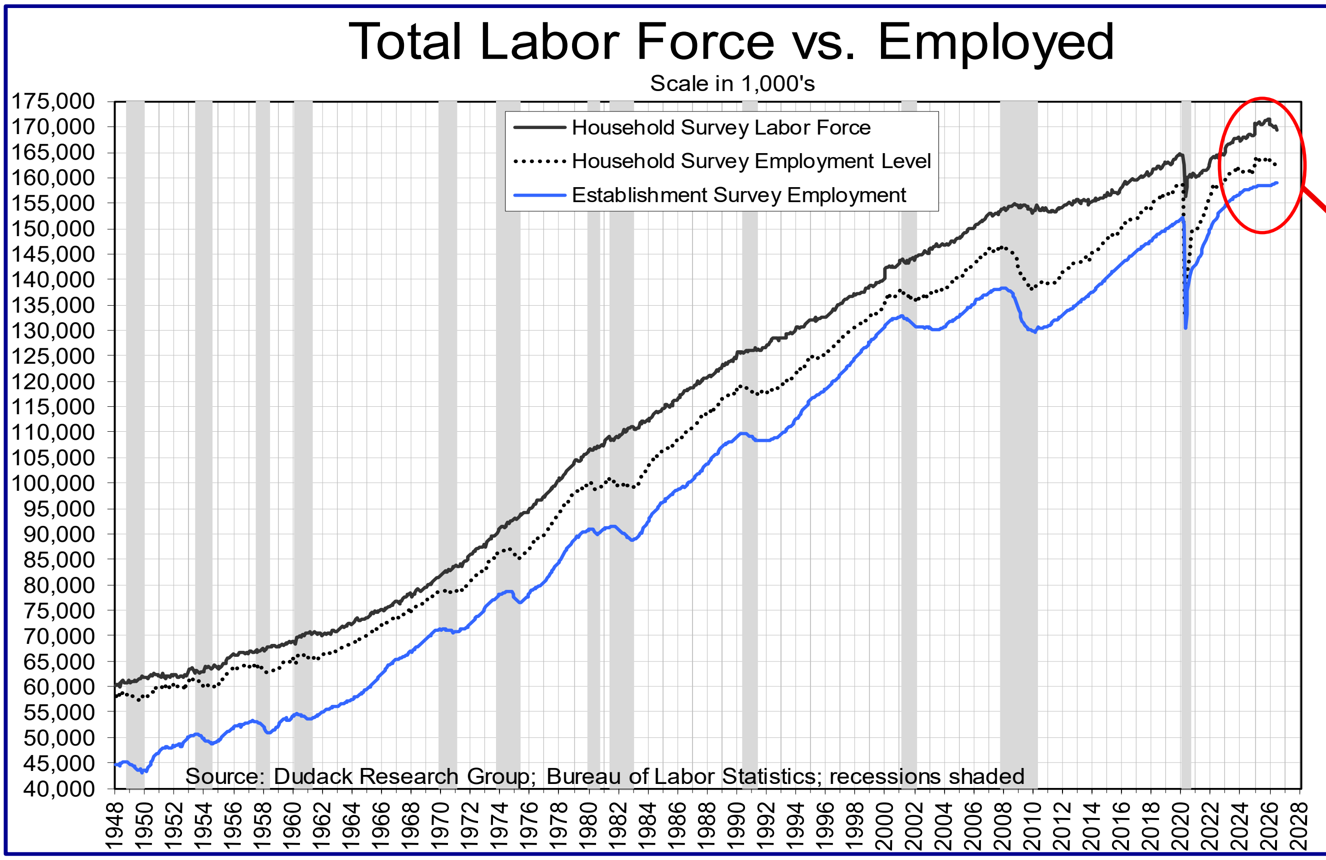
The June employment report was a disappointment with the addition of a mere 57,000 jobs in the period and revisions that decreased previous reports by 74,000 jobs. Most of this weakness was in the leisure and hospitality sector, which lost 61,000 jobs in June. The losses in leisure and hospitality seem inconsistent with the US hosting the FIFA World Cup games from mid-June to mid-July, so it will be interesting to see if there is a revision with July data. The household sector survey continues to diverge from the establishment survey, and June's data indicated a loss of 507,000 jobs and a decrease in the labor force of 720,000 workers. These huge decreases explain the decline in the participation rate to 61.5%.

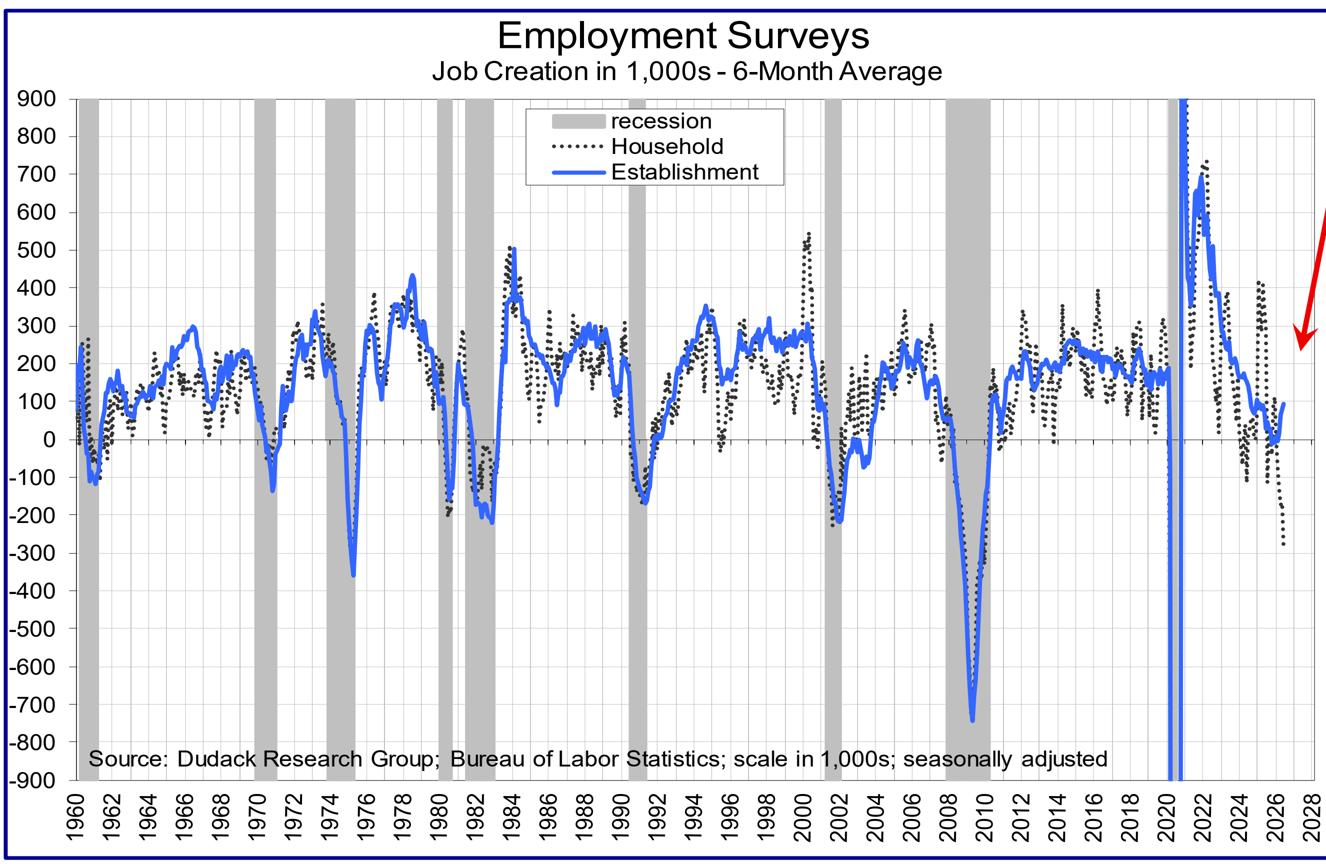
Employment Surveys (1,000s SA)	Jun-26	May-26	Change	Jun-25	Yr/Yr
Establishment Survey: NonFarm Payrolls	158,984	158,927	57	158,478	506
Household Survey Data (1,000s)					
Employed (A)	162,264	162,771	(507)	163,327	(1,063)
Unemployed (B)	7,094	7,307	(213)	7,054	40
Civilian labor force [A+B]	169,358	170,078	(720)	170,381	(1,023)
Unemployment rate [B/(A+B)]	4.19%	4.30%	-0.11%	4.14%	0.05%
U6 Unemployment rate	7.9%	8.1%	-0.2%	7.7%	0.2%
Civilian noninstitutional population (C)	275,166	275,054	112	273,585	1,581
Participation rate [(A+B)/C]	61.5	61.8	-0.3	62.3	-0.8
Employment-population ratio [A/C]	59.0	59.2	-0.2	59.7	-0.7
Not in labor force	105,808	99,669	6,139	100,142	5,666

Source: Bureau of Labor Statistics

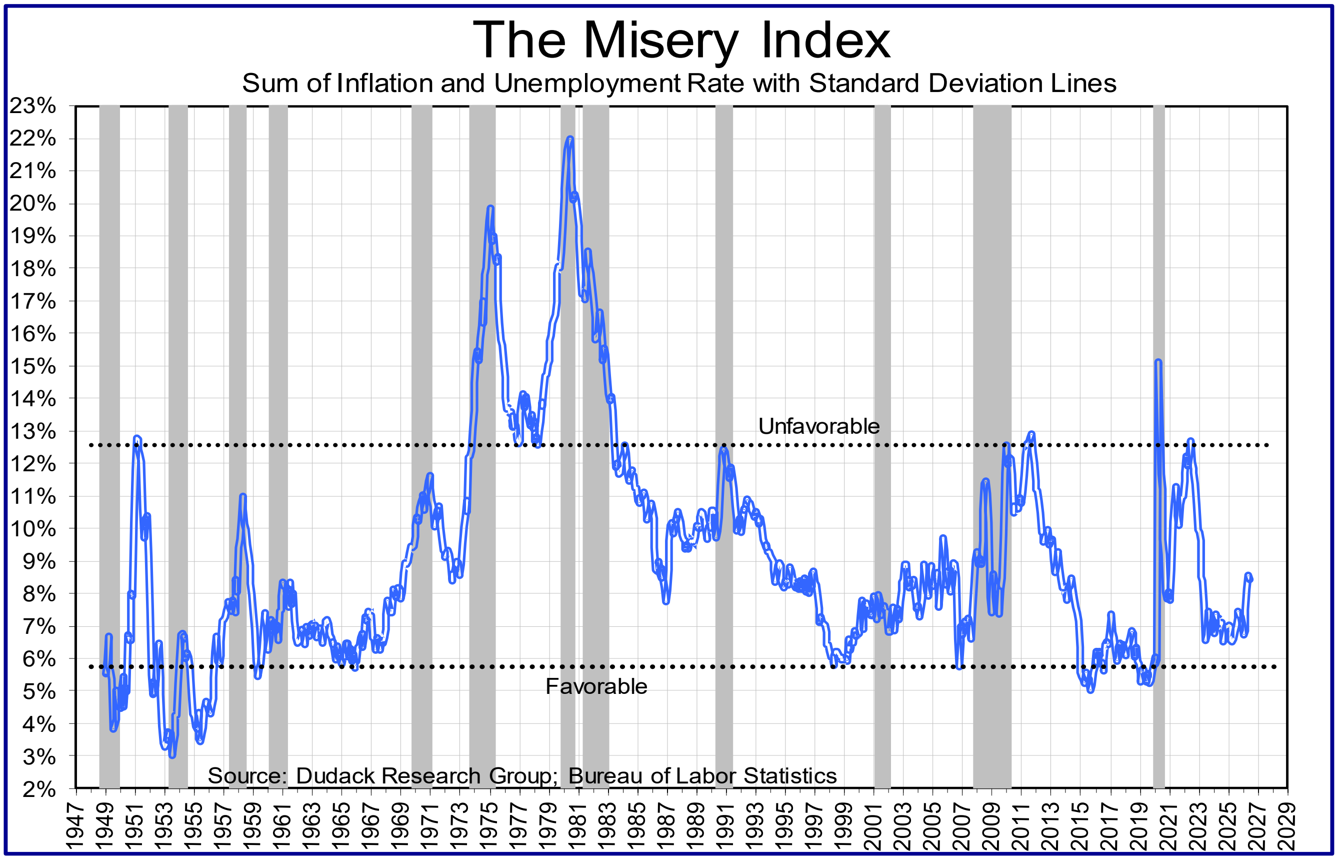


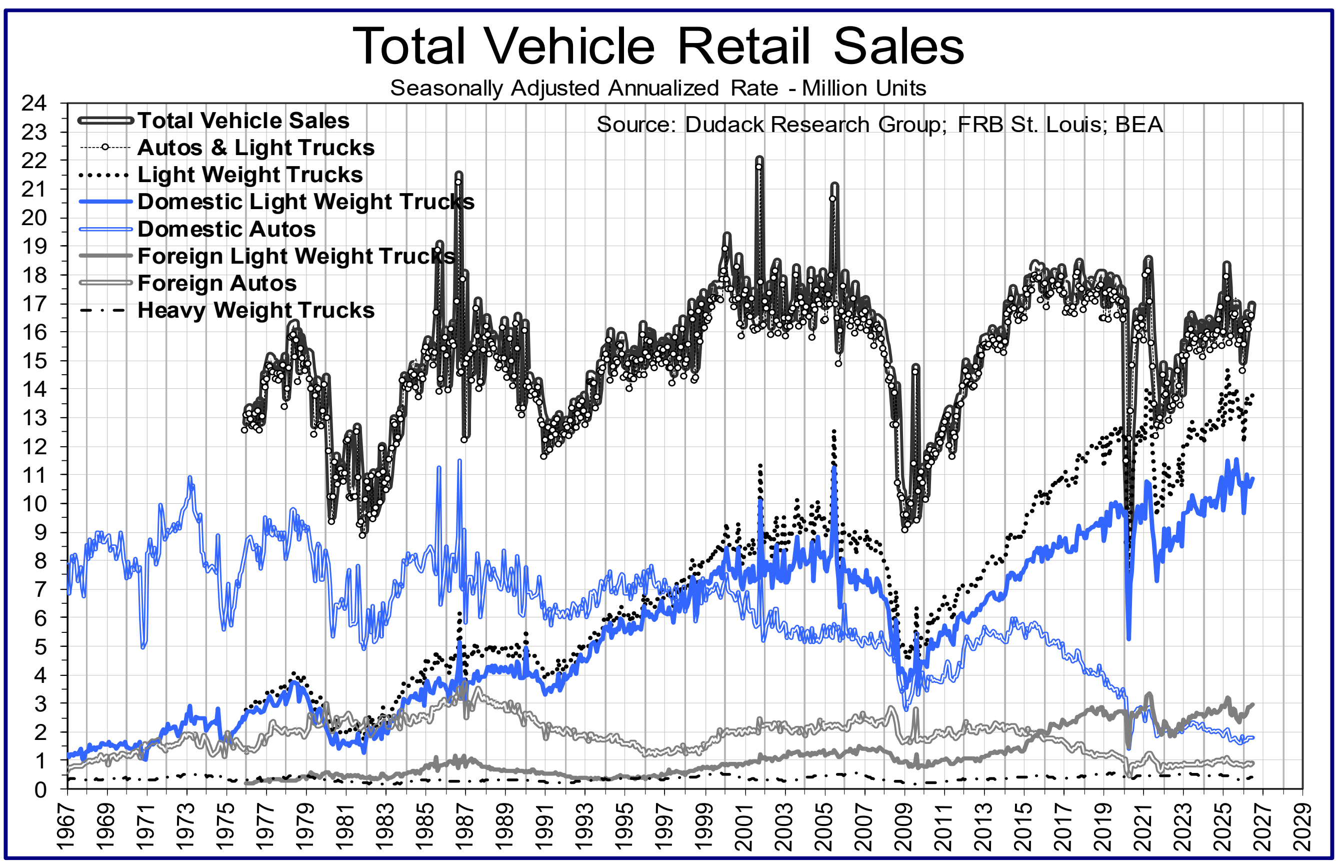
The disparity in trends between the household and establishment surveys are shown in the charts below. The six-month moving averages of job growth show how much this divergence has grown. The six-month average for the establishment survey is currently a gain of 92,000 jobs per month; whereas the household survey shows a decrease of 288,000 jobs per month. Note that the swings in household data have been more extreme than normal and this makes us question the reliability of the data. The level of decline in employment in the household survey is the equivalent of a recession.





The misery index, which is the sum of inflation and the unemployment rate, is a tool to demonstrate how favorable or hostile the economic environment is for the average household. In June, the misery index eased from 8.5% to 8.4% and remains well with the normal range of 5.7% to 12.5%. Total vehicle unit sales rose 3% in June, up 4.1% YOY. For the first time in a while, foreign vehicle sales rose more than domestic sales. Total foreign vehicle sales increased 10.7% YOY, led by imported trucks which rose 14.6% YOY. Domestic unit sales increased 2.6% YOY, led by domestic truck sales which grew a similar 2.6% YOY.





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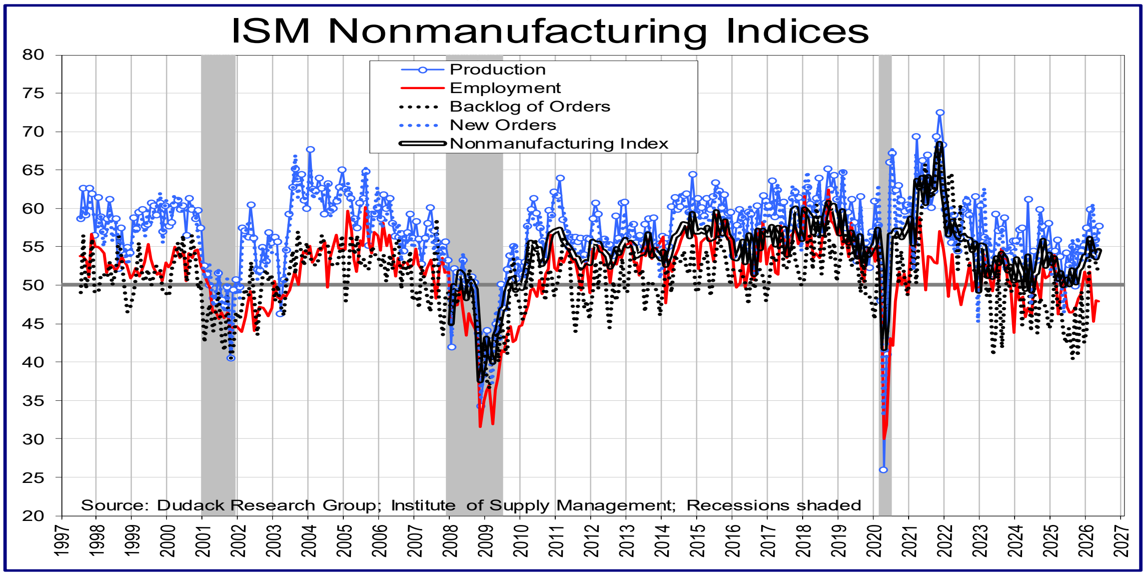
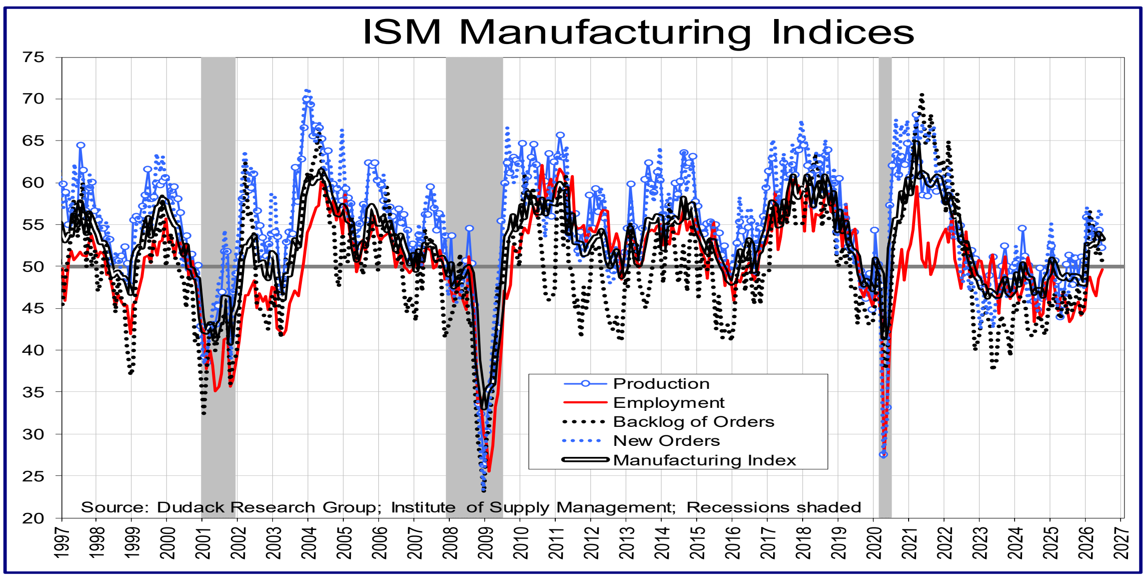
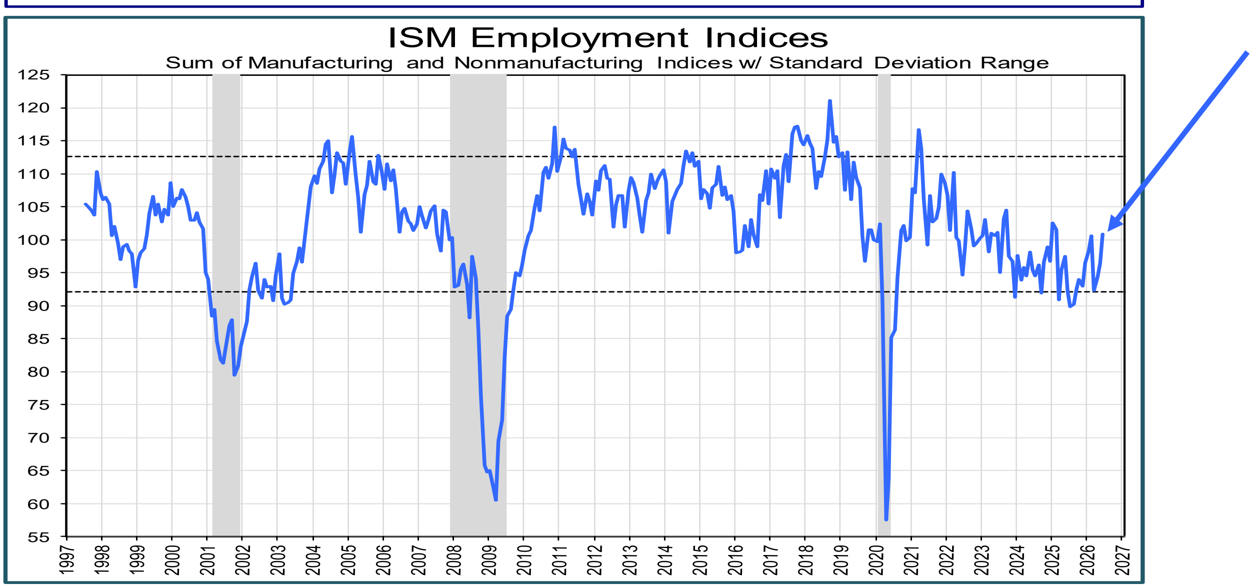
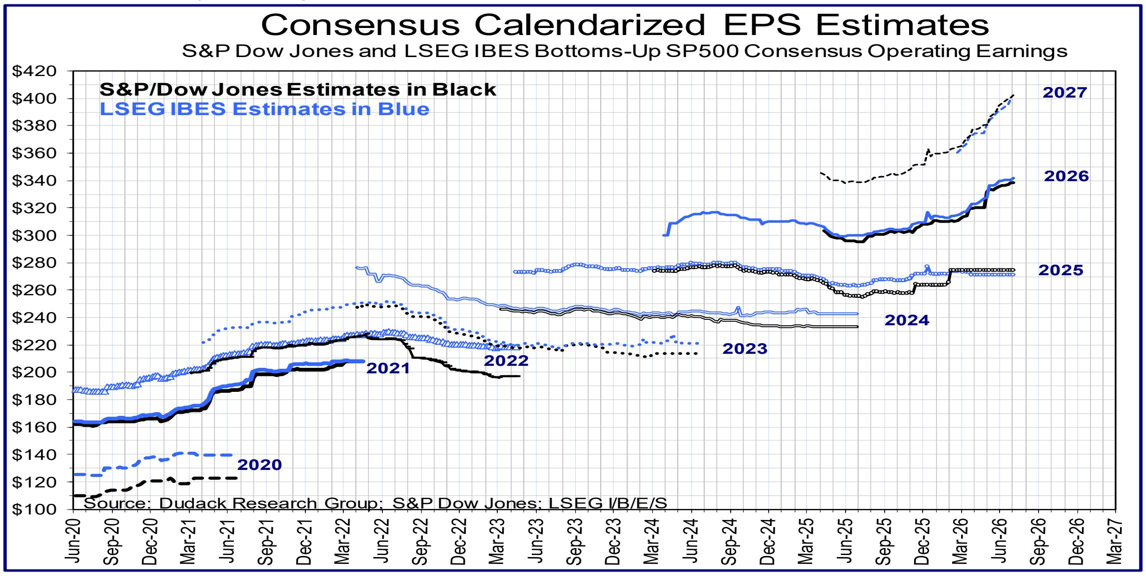
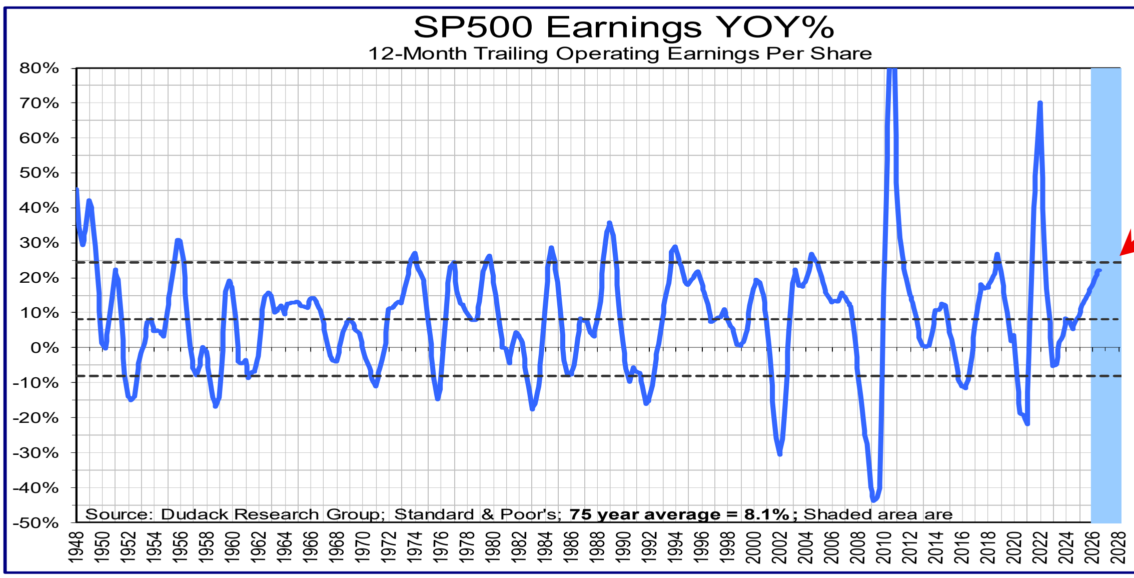


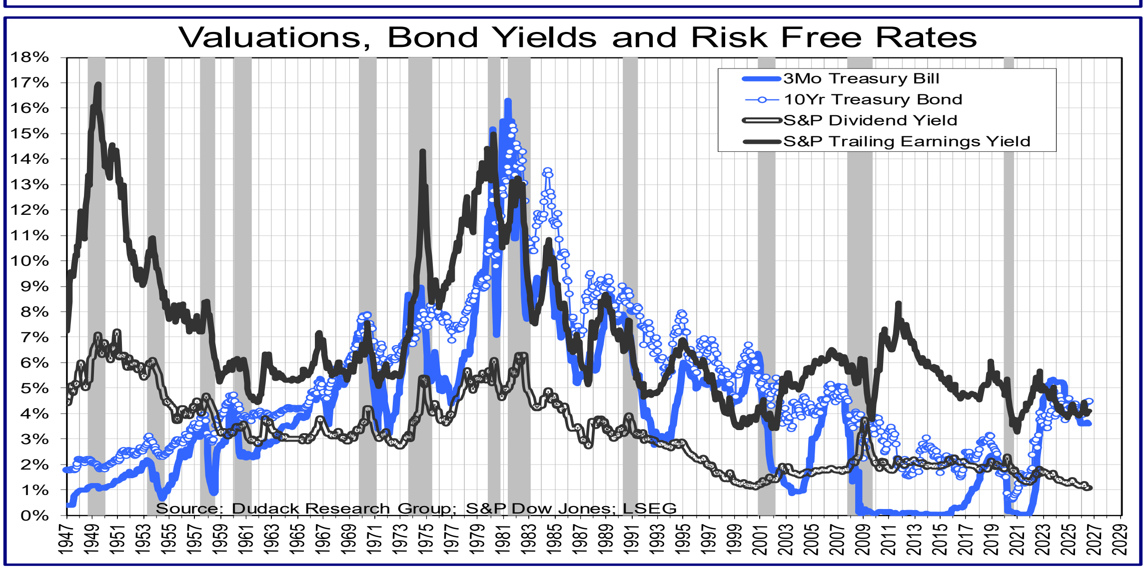




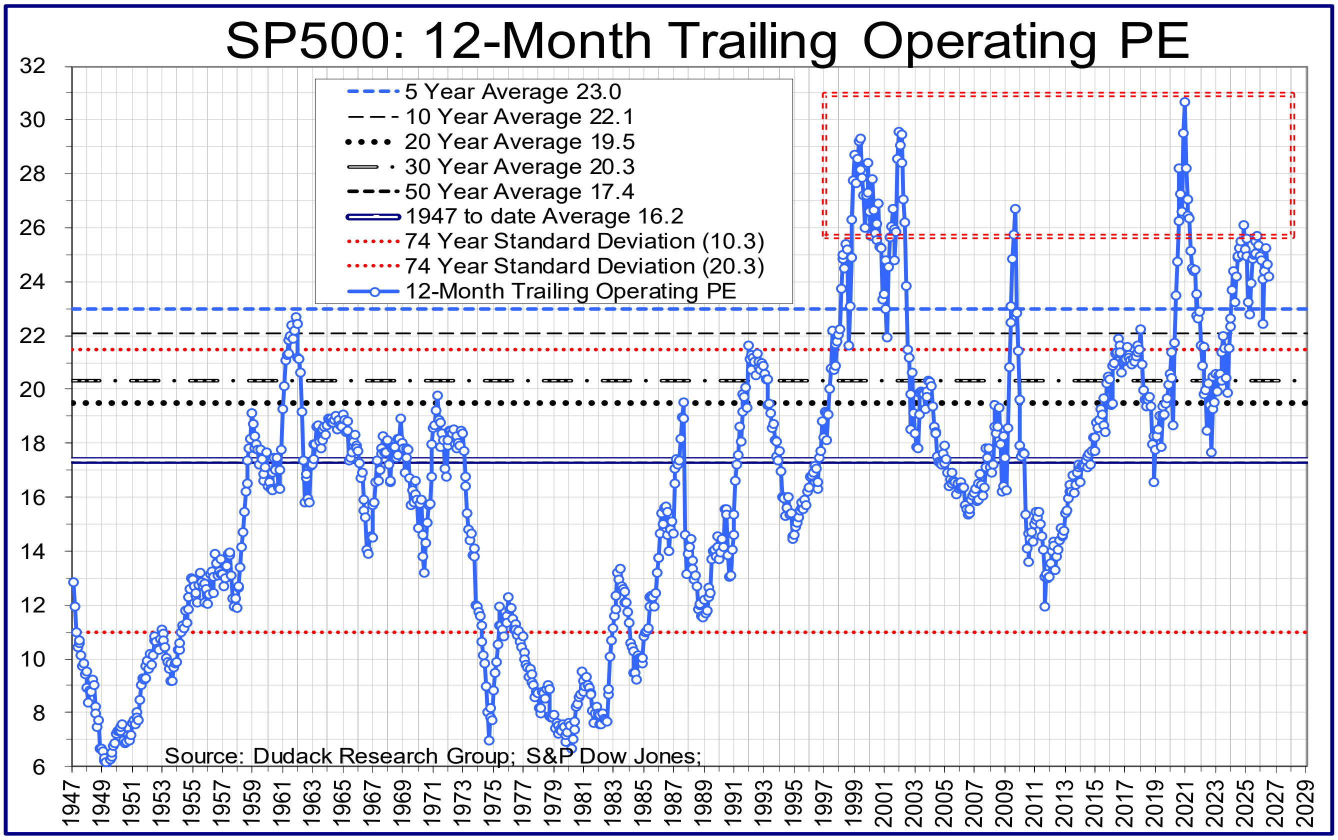
The LSEG IBES consensus earnings estimate for 2026 rose $1.28 to $342.12, the 2027 forecast rose $2.26 to $402.90 and the 2028 forecast rose $4.00 to $456.50. The S&P Dow Jones consensus earnings estimate eased $0.09 for 2026 to $338.23 and rose $0.49 to $399.23 for 2027. The market is now trading at 21.9 times the IBES 2026 estimate and 18.6 times the 2027 estimate. The forward earnings yield of 5.1% and dividend yield of 1.1% still compare well to a 10-year Treasury bond yield of 4.5%. Plus, the estimated S&P Dow Jones 12-month trailing sum of operating earnings shows a gain of 22.5% YOY, which is far better than the 75-year average of 8.1% YOY.

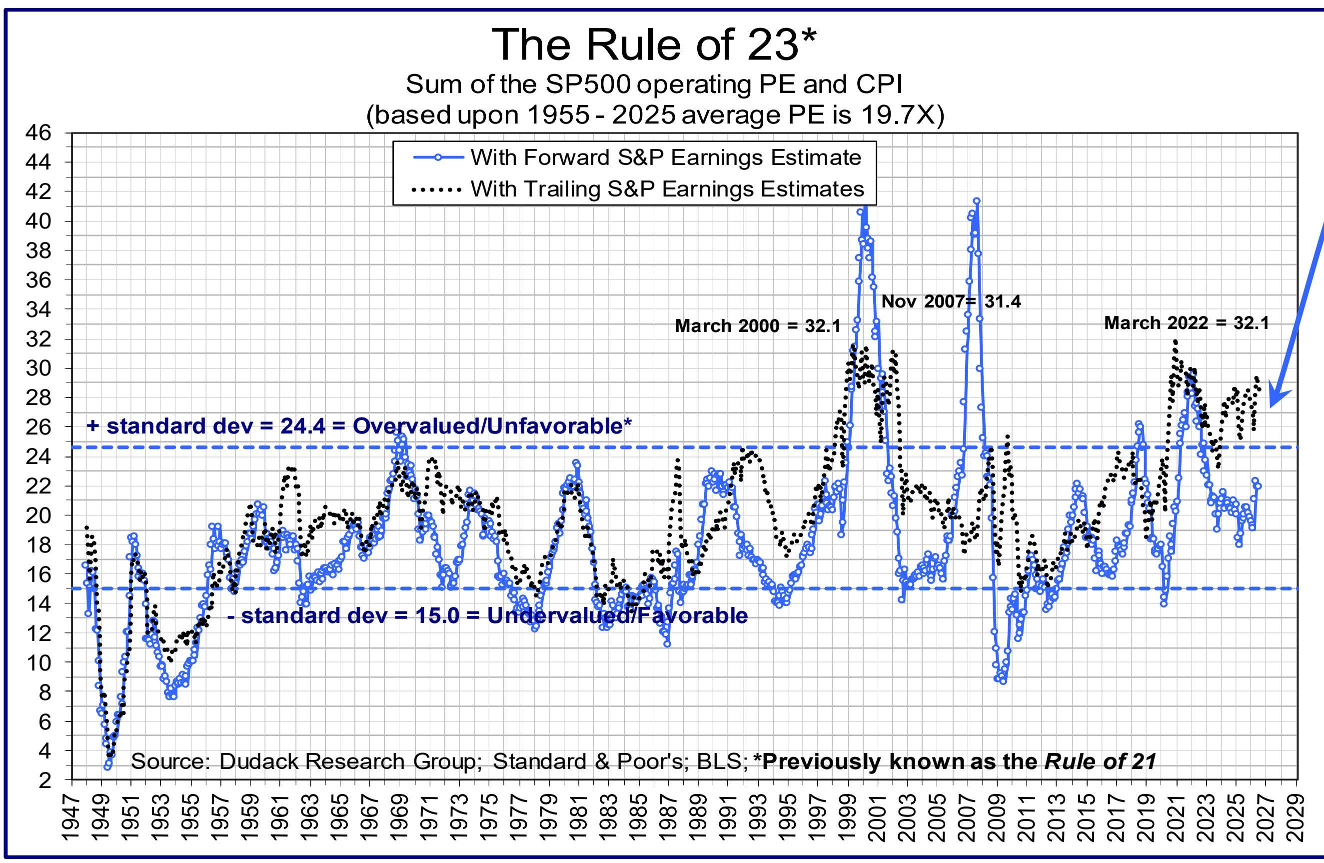






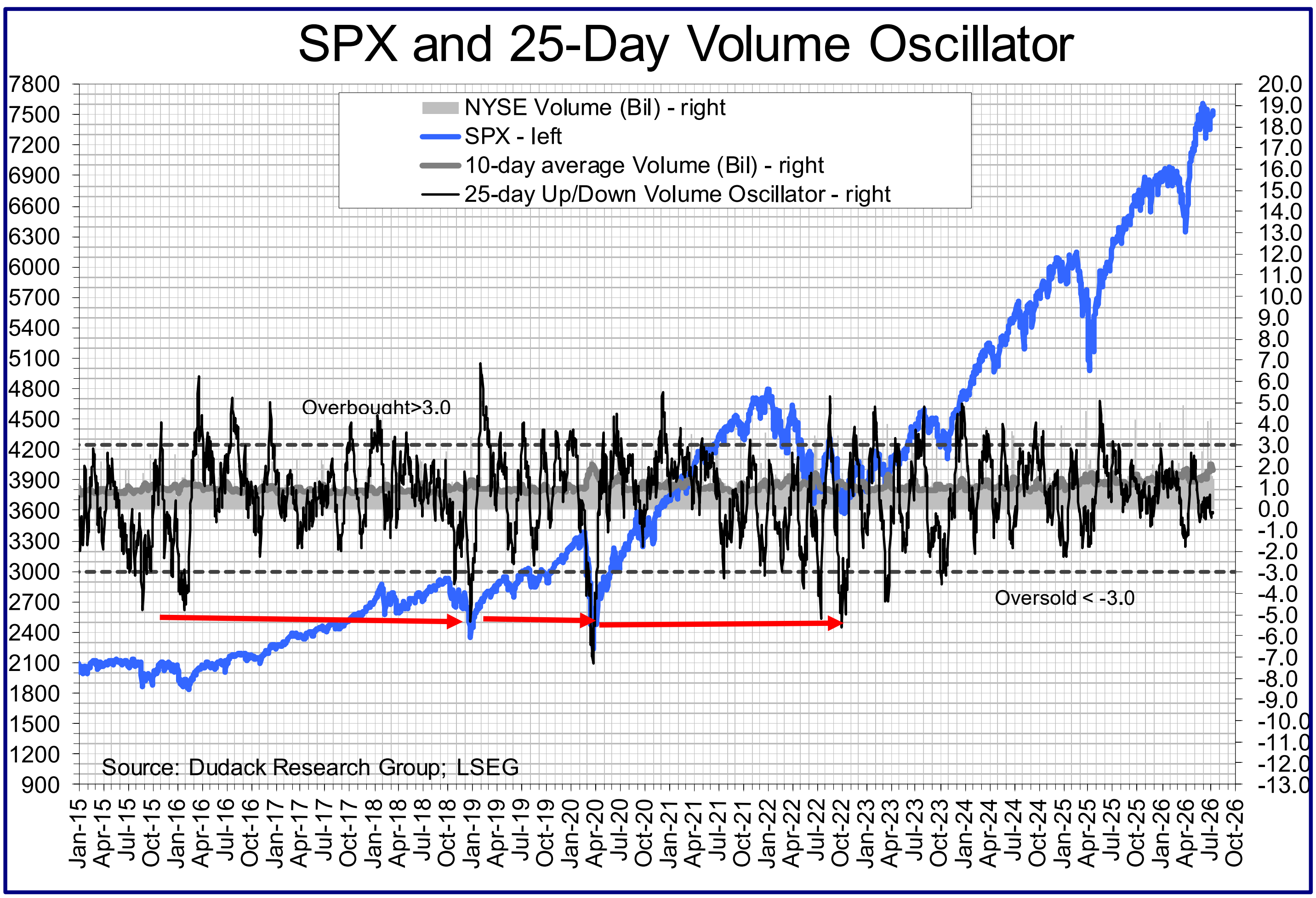
The SPX **trailing** 4-quarter operating earnings multiple is 24.2 times, after reaching an attractive intra-month low of 20.7 times earnings in early April 2025. PE multiples remain stable in the face of rising stock prices due to higher earnings results, but the trailing PE is above both the 50-year average of 17.3 times and the 5-year average of 23.1 times. Including 2026 S&P Dow Jones estimates, the **12-month forward** PE multiple is 18.3 times and above its long-term average of 17.9 times. When this PE is added to inflation of 4.25%, it comes to 24.9, which places it above the normal range of 15.0 to 24.4.



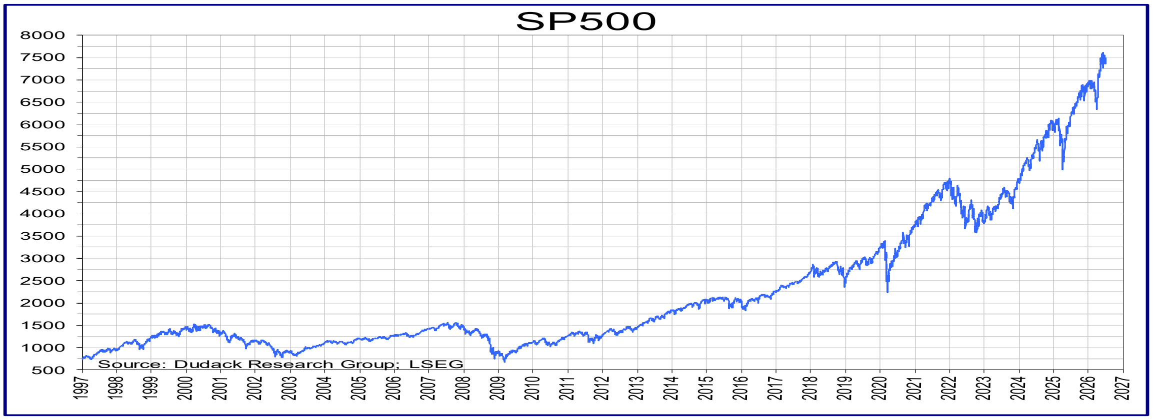


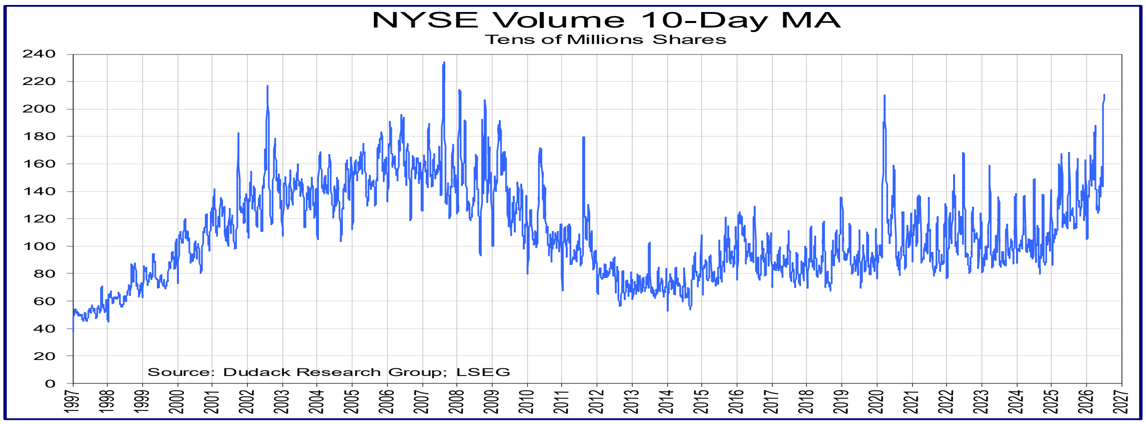
The 25-day up/down volume oscillator is negative 0.19, up slightly from last week but still neutral. This indicator nearly registered a confirming overbought reading of 3.0 or greater in April. The good news is that the current advance materialized after the March 27, 2026, reading of negative 1.8, the lowest readings since April 2025. Note in the chart that levels of roughly negative 2.0 have marked the end of every correction since October 2023.

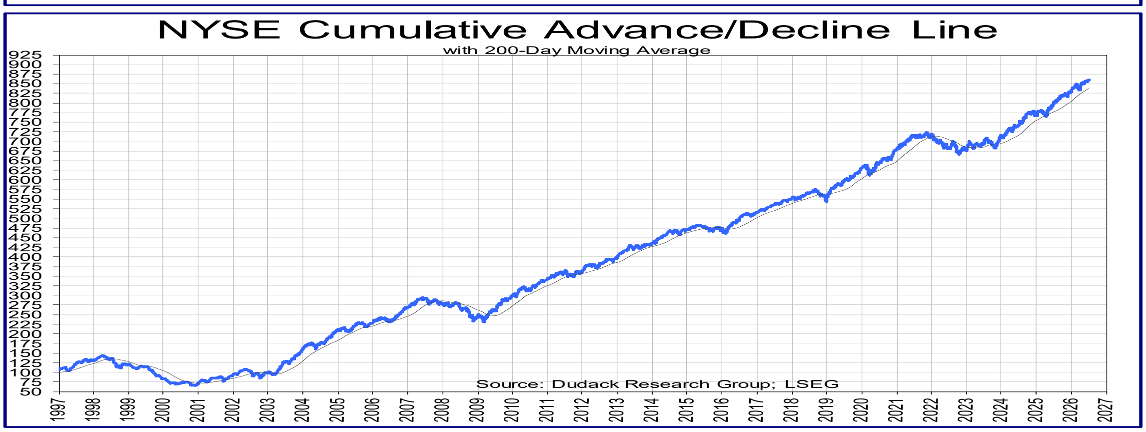
The potential of a long and/or extreme overbought reading would be bullish in the indicator, and the last positive readings were the one-day overbought readings of 3.15 on July 3 and 3.05 on July 25 in 2025. These readings followed the indicator being overbought for nine of eleven days in May during which it reached a peak of 5.10 on May 16. The 5.10 reading was bullish and was the highest overbought reading since August 18, 2022, which appeared shortly after the market rebounded from its low of June 16, 2022. Overall, this was a positive performance and characteristic of a bull market cycle.

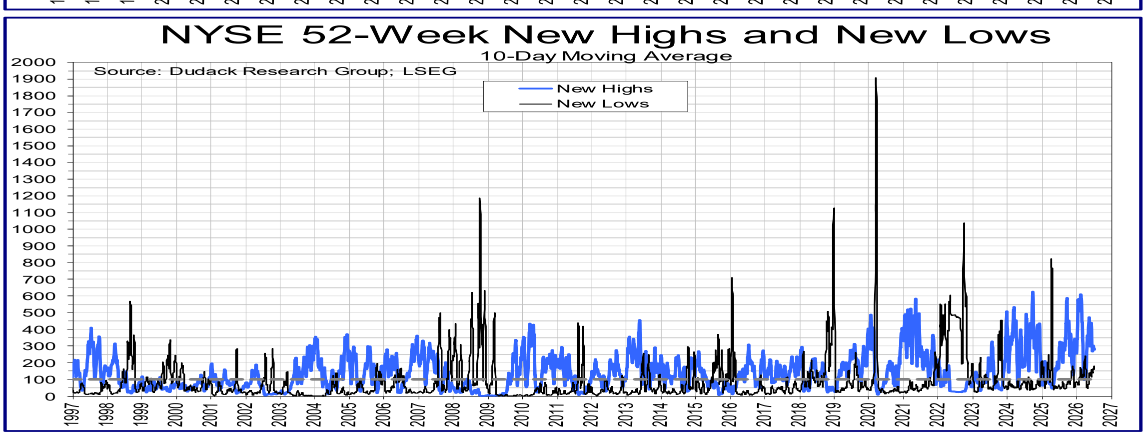


The 10-day average of daily new highs was 279 this week and new lows were 158. This combination of daily new highs above 100 and new lows also above 100 shifted this indicator from positive to neutral five weeks ago. On April 11, 2025, the 10-day new low index (823) was the highest since the September-October 2022 low (882). The NYSE cumulative advance/decline line made a new high on July 6, 2026, and is bullish.

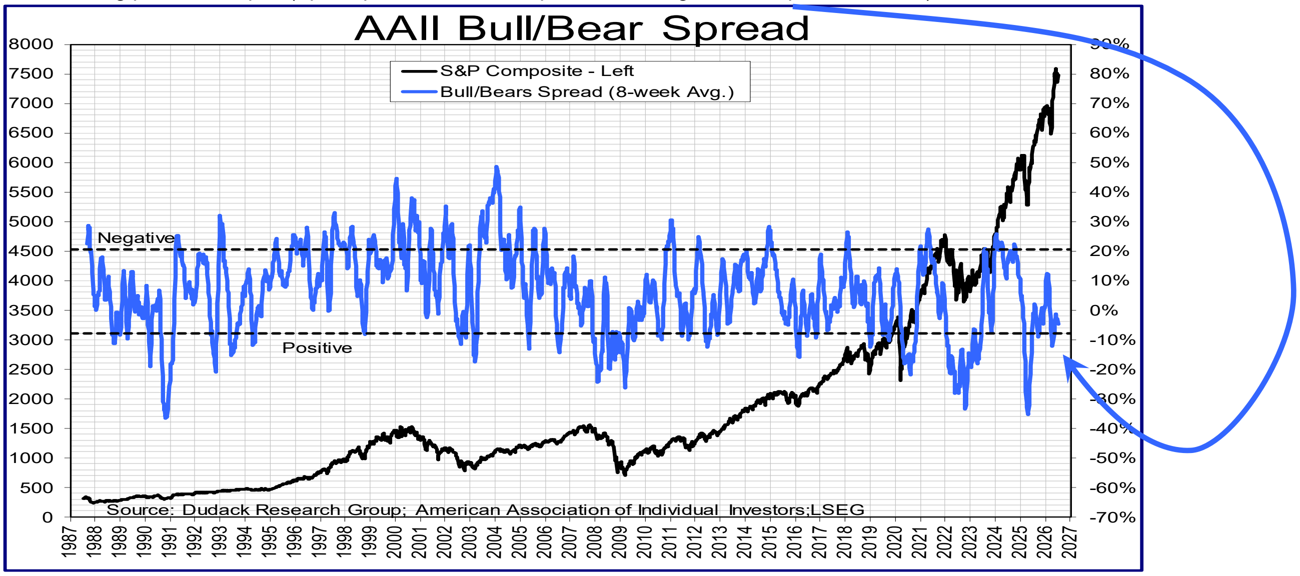


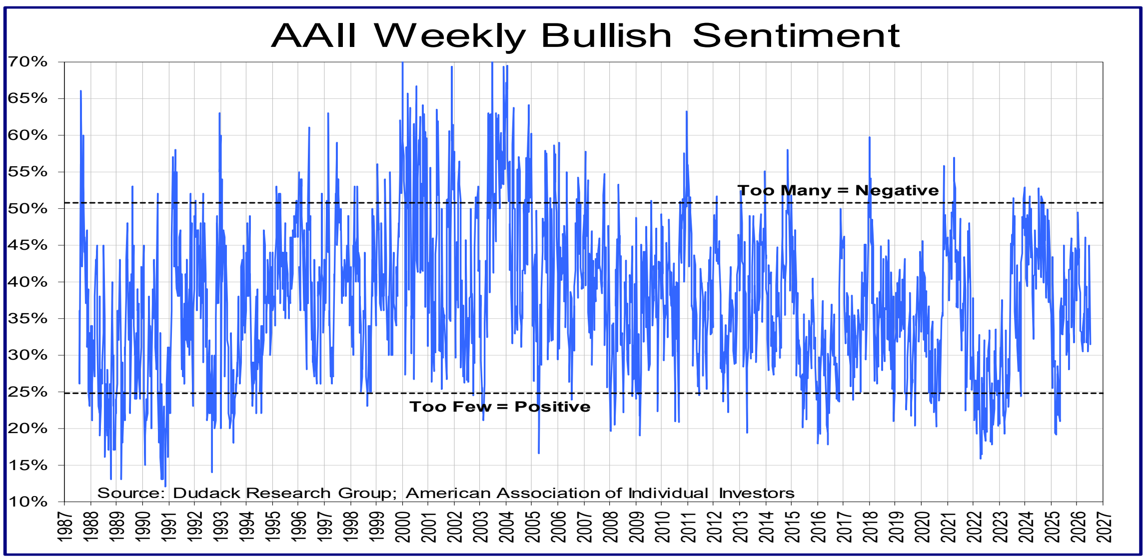


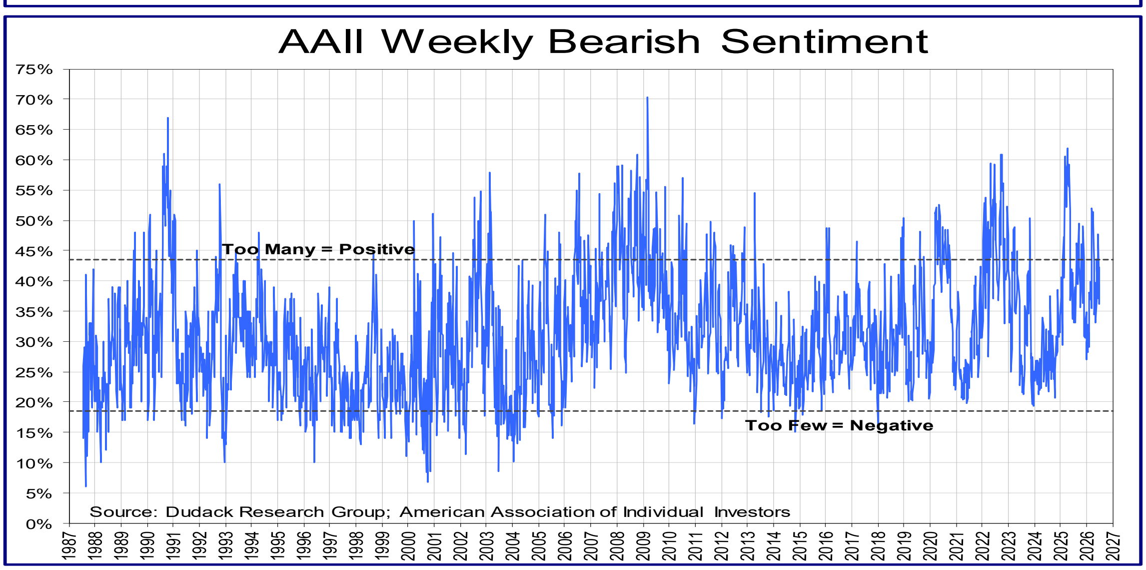




AAII sentiment has been on a roller coaster. This week bullishness fell 13.5% to 31.4% and bearishness rose 6.2% to 42.3%. Bullishness is no longer above average, while bearishness is above average for the 21st week in a row. In the first week of 2026, bearishness was at its lowest level since October 2024. On April 2, 2025, the reading of 61.9% bearishness was a new high for this cycle and the most positive since the 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 fell to negative 4.8% this week and is neutral for the 9th week in a row after being positive in April. (April represented the first positive readings since September 2025.)







Global Markets and Commodities - Ranked by Five-Day Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
Financial Select Sector SPDR	XLF	56.05	4.6%	7.2%	9.0%	2.3%
iShares Nasdaq Biotechnology ETF	IBB.O	198.23	4.2%	17.7%	13.0%	17.5%
Health Care Select Sect SPDR	XLV	164.44	3.6%	7.5%	2.6%	6.2%
Communication Services Select Sector SPDR Fund	XLC	111.02	3.6%	-0.6%	3.6%	-5.7%
iShares MSCI Singapore ETF	EWS	30.66	3.5%	6.9%	6.6%	11.5%
iShares Russell 1000 Growth ETF	IWF	159.24	3.2%	14.4%	41.5%	34.6%
Gold Future	GCc1	4145.30	3.0%	-4.4%	3.0%	-4.2%
Energy Select Sector SPDR	XLE	54.64	2.9%	-5.3%	-2.3%	22.2%
iShares China Large Cap ETF	FXI	32.49	2.8%	-6.5%	-12.8%	-15.1%
SPDR Gold Trust	GLD	377.49	2.5%	-4.7%	2.5%	-4.7%
Silver Future	SIc1	60.93	2.4%	-11.6%	2.4%	-13.1%
United States Oil Fund, LP	USO	108.92	2.3%	-18.1%	2.3%	57.5%
iShares US Real Estate ETF	IYR	104.51	2.2%	1.9%	3.2%	11.3%
iShares Russell 1000 Value ETF	IWD	247.74	2.2%	4.8%	9.9%	17.8%
Consumer Staples Select Sector SPDR	XLP	84.86	2.2%	1.7%	-5.7%	9.2%
iShares MSCI United Kingdom ETF	EWU	47.13	2.1%	1.6%	-3.2%	7.2%
iShares Silver Trust	SLV	57.27	1.9%	-11.5%	1.9%	-15.3%
iShares MSCI Germany ETF	EWG	42.05	1.6%	-0.1%	1.6%	-1.1%
Oil Future	CLc1	70.44	1.4%	-22.2%	1.4%	22.7%
Materials Select Sector SPDR	XLB	51.51	1.3%	1.7%	-3.6%	13.6%
iShares MSCI Canada ETF	EWC	58.36	1.2%	0.6%	1.2%	8.2%
SPDR DJIA ETF	DIA	528.45	1.2%	3.7%	7.9%	10.0%
DJIA	.DJI	52925.15	1.2%	4.0%	8.1%	10.1%
iShares MSCI BRIC ETF	BKF	39.15	1.1%	-0.6%	1.1%	-10.6%
Utilities Select Sector SPDR	XLU	45.70	0.8%	3.0%	-4.3%	7.1%
iShares MSCI Malaysia ETF	EWM	27.16	0.8%	-2.7%	-7.0%	-0.7%
SPDR S&P Bank ETF	KBE	68.75	0.8%	7.2%	12.6%	13.3%
iShares MSCI Hong Kong ETF	EWH	21.07	0.7%	-3.4%	-13.0%	-0.8%
PowerShares Water Resources Portfolio	PHO	69.38	0.4%	4.5%	0.4%	-1.5%
iShares MSCI Brazil Capped ETF	EWZ	34.64	0.4%	1.9%	0.4%	9.0%
iShares MSCI EAFE ETF	EFA	104.16	0.3%	1.9%	0.3%	8.5%
iShares MSCI Austria Capped ETF	EWO	42.40	0.2%	5.8%	0.2%	19.5%
Consumer Discretionary Select Sector SPDR	XLY	117.39	0.1%	2.2%	0.1%	-1.7%
SP500	**.SPX**	**7503.85**	**0.1%**	**1.6%**	**9.1%**	**9.6%**
iShares Russell 1000 ETF	IWB	409.71	0.1%	1.7%	8.9%	9.7%
iShares MSCI Australia ETF	EWA	28.13	-0.1%	0.2%	-0.1%	7.4%
iShares MSCI India ETF	INDA.K	49.33	-0.1%	4.2%	-0.1%	-8.7%
iShares MSCI Japan ETF	EWJ	93.07	-0.2%	2.6%	0.8%	15.3%
iShares MSCI Mexico Capped ETF	EWW	75.04	-0.3%	-0.1%	-0.3%	8.2%
iShares Russell 2000 Value ETF	IWN	220.18	-0.5%	5.1%	11.5%	21.5%
SPDR S&P Retail ETF	XRT	87.17	-0.6%	5.5%	0.2%	2.2%
Vanguard FTSE All-World ex-US ETF	VEU	82.94	-1.0%	2.2%	-1.0%	12.8%
iShares iBoxx $ Invest Grade Corp Bond	LQD	107.88	-1.1%	-0.3%	-1.1%	-2.1%
iShares Russell 2000 ETF	IWM	296.19	-1.4%	5.2%	13.3%	20.3%
Nasdaq Composite Index	.IXIC	25818.69	-1.5%	0.4%	13.9%	11.1%
Industrial Select Sector SPDR	XLI	182.38	-1.5%	4.7%	3.0%	17.6%
iShares DJ US Oil Eqpt & Services ETF	IEZ	26.36	-2.0%	-11.3%	-2.0%	26.3%
iShares Russell 2000 Growth ETF	IWO	385.69	-2.1%	5.3%	15.0%	19.4%
iShares 20+ Year Treas Bond ETF	TLT	84.55	-2.2%	-0.6%	-2.2%	-3.0%
Shanghai Composite	.SSEC	3990.24	-2.5%	-0.9%	-4.1%	0.5%
NASDAQ 100	NDX	29173.02	-3.6%	0.7%	16.9%	15.5%
iShares MSCI Emerg Mkts ETF	EEM	65.72	-3.9%	1.7%	-3.9%	20.1%
iShares US Telecomm ETF	IYZ	40.53	-4.2%	-4.8%	2.0%	19.6%
SPDR Homebuilders ETF	XHB	109.41	-5.3%	5.7%	-5.1%	6.3%
Technology Select Sector SPDR	XLK	179.18	-6.0%	-0.6%	29.1%	22.8%
iShares MSCI Taiwan ETF	EWT	101.88	-6.2%	3.9%	34.6%	60.4%
iShares MSCI South Korea Capped ETF	EWY	181.29	-10.2%	3.5%	19.8%	86.5%
SPDR S&P Semiconductor ETF	XSD	535.07	-14.2%	-6.4%	52.4%	66.4%

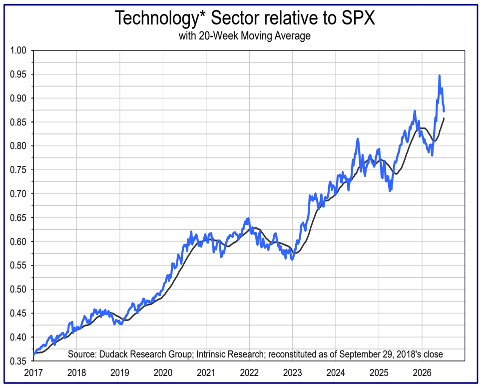
Outperformed SP500
Underperformed SP500

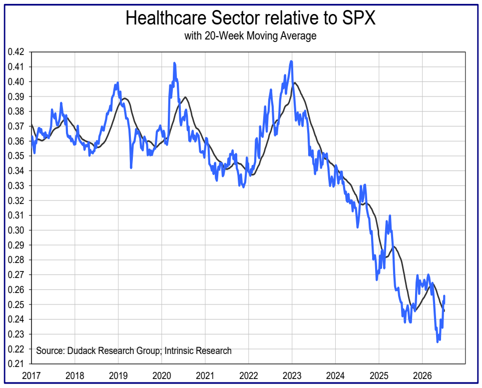
Source: Dudack Research Group; LSEG
Priced as of July 7, 2026
Blue shading represents non-US and **yellow** shading represents commodities

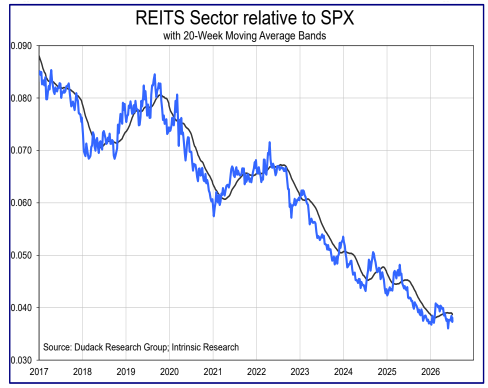
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

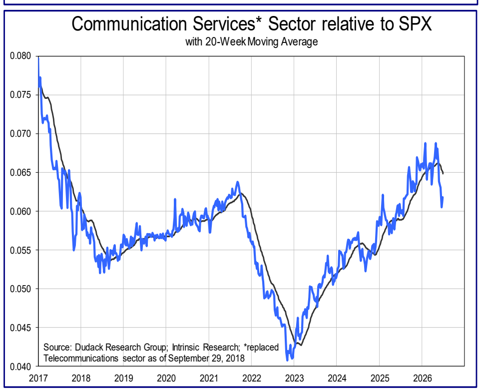
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Communication Services Technology Industrials Financials	Healthcare Staples Utililties Consumer Discretionary	REITS Materials Energy

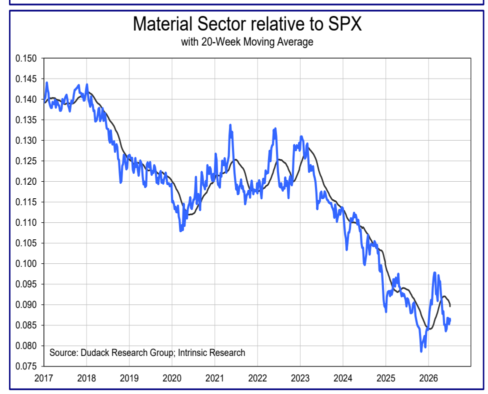
12/23/2025: Shifted Consumer Discretionary from overweight to neutral and Industrials from neutral to overweight.

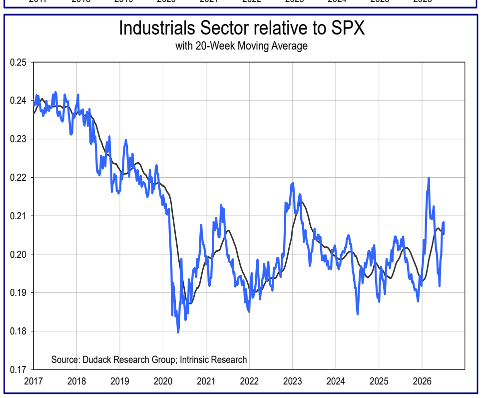


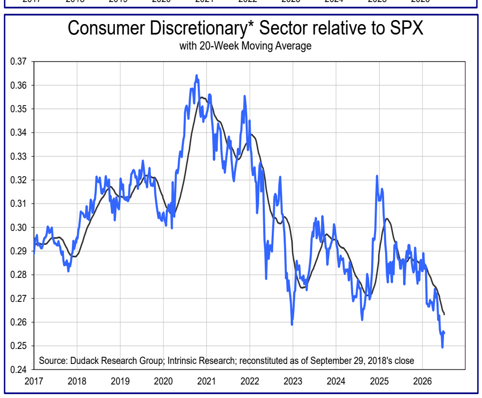


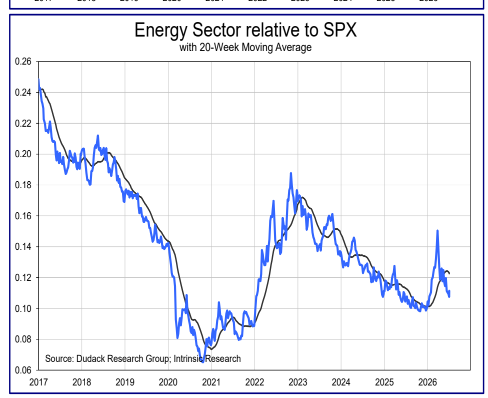


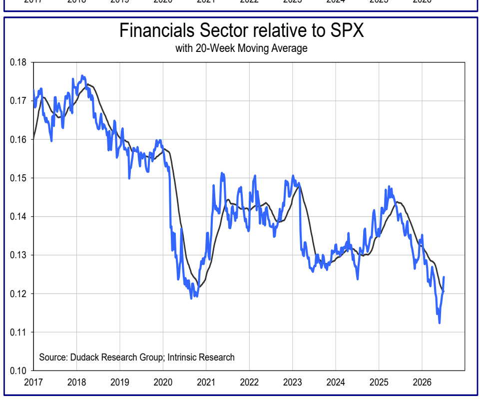


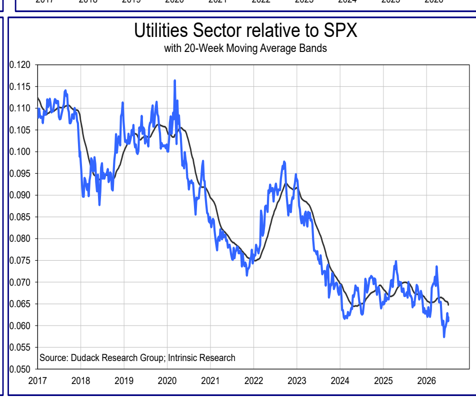












2026 YTD Performance - Ranked	
SP500 Sector	% Change
S&P ENERGY	21.6%
S&P INDUSTRIALS	17.6%
S&P INFORMATION TECH	15.2%
S&P MATERIALS	12.5%
S&P REITS	12.0%
S&P 500	9.6%
S&P CONSUMER STAPLES	9.0%
S&P UTILITIES	7.0%
S&P HEALTH CARE	6.3%
S&P COMMUNICATIONS SERVICES	4.5%
S&P FINANCIAL	2.3%
S&P CONSUMER DISCRETIONARY	-0.6%

Source: Dudack Research Group; LSEG; 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 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	$49.51	$49.51	-40.0%	$65.47	-23.1%	18.2X	2.5%	0.1%	$1,029.90	-9.8%
2009	1115.10	$56.86	$56.86	14.8%	$60.80	-7.1%	19.6X	2.6%	-2.6%	$1,182.90	14.9%
2010	1257.64	$83.77	$83.77	47.3%	$85.28	40.3%	15.0X	1.9%	2.7%	$1,456.50	23.1%
2011	1257.60	$96.44	$96.44	15.1%	$97.82	14.7%	13.0X	2.0%	1.6%	$1,529.00	5.0%
2012	1426.19	$96.82	$96.82	10.2%	$103.80	6.1%	14.7X	2.1%	2.3%	$1,662.80	8.8%
2013	1848.36	$107.30	$107.30	1.0%	$109.68	5.7%	17.2X	2.0%	2.1%	$1,648.10	-0.9%
2014	2127.83	$113.02	$113.01	5.3%	$118.78	8.3%	18.8X	2.2%	2.5%	$1,713.10	3.9%
2015	2043.94	$100.45	$100.45	-11.1%	$117.46	-1.1%	20.3X	2.1%	2.9%	$1,664.20	-2.9%
2016	2238.83	$106.26	$106.26	5.8%	$118.10	0.5%	21.1X	1.9%	1.8%	$1,661.50	-0.2%
2017	2673.61	$124.51	$124.51	17.2%	$132.00	11.8%	21.5X	1.8%	2.5%	$1,816.60	9.3%
2018	2506.85	$151.60	$151.60	21.8%	$161.93	22.7%	16.5X	1.9%	3.0%	$2,023.40	11.4%
2019	3230.78	$157.12	$157.12	3.6%	$162.93	0.6%	20.6X	1.8%	2.6%	$2,065.60	2.1%
2020	3756.07	$122.38	$122.38	-22.1%	$139.72	-14.2%	30.7X	1.6%	-2.2%	$1,968.10	-4.7%
2021	4766.18	$208.17	$208.17	70.1%	$208.12	49.0%	22.9X	1.3%	6.1%	$2,382.80	21.1%
2022	3839.50	$196.95	$196.95	-5.4%	$218.09	4.8%	19.5X	1.7%	2.5%	$2,478.80	4.0%
2023	4769.83	$213.53	$213.53	8.4%	$221.36	1.5%	22.3X	1.5%	2.9%	$3,132.90	26.4%
2024	5614.66	$233.36	$233.36	9.3%	$242.73	9.7%	24.1X	1.3%	2.8%	$3,270.60	4.4%
2025	6845.50	$274.44	$274.44	17.6%	$271.29	11.8%	24.9X	1.2%	2.1%	$3,605.70	10.2%
2026E	~~~~~	$338.22	$350.00	27.5%	$342.12	26.1%	22.2X	1.1%	NA	NA	NA
2027E	~~~~~	$399.22	$400.75	14.5%	$402.90	17.8%	18.8X	NA	NA	NA	NA
2019 1Q	2834.40	$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	$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	$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	$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	$19.50	$19.50	-48.7%	$33.13	-15.4%	18.6	2.3%	-5.2%	$1,993.80	-6.2%
2020 2Q	4397.35	$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	$37.90	$37.90	-4.8%	$38.69	-8.2%	27.3	1.7%	34.9%	$2,386.80	7.5%
2020 4Q	3756.07	$38.19	$38.19	-2.5%	$42.58	1.4%	30.7	1.6%	4.6%	$2,137.60	-2.8%
2021 1Q	3972.89	$47.41	$47.41	143.1%	$49.13	48.3%	26.4	1.5%	5.7%	$2,401.00	20.4%
2021 2Q	4297.50	$52.03	$52.03	94.2%	$52.58	87.9%	24.5	1.3%	7.0%	$2,596.30	45.5%
2021 3Q	4307.54	$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	$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	$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	$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	$50.35	$50.35	-3.2%	$56.02	4.3%	17.6	1.8%	2.9%	$2,754.60	7.9%
2022 4Q	3839.50	$50.37	$50.37	-11.2%	$53.15	-1.5%	19.5	1.7%	2.8%	$2,700.10	7.1%
2023 1Q	4109.31	$52.54	$52.54	6.4%	$53.08	-3.1%	20.5	1.7%	2.9%	$2,588.60	3.6%
2023 2Q	4450.38	$54.84	$54.84	17.0%	$54.29	-5.8%	21.4	1.5%	2.5%	$2,601.80	-4.1%
2023 3Q	4288.05	$52.25	$52.25	3.8%	$58.41	4.3%	20.4	1.6%	4.7%	$2,697.90	-2.1%
2023 4Q	4769.83	$53.90	$53.90	7.0%	$57.16	7.5%	22.3	1.5%	3.4%	$2,803.20	3.8%
2024 1Q	5254.35	$54.63	$54.63	4.0%	$56.56	6.6%	24.4	1.3%	0.8%	$2,726.80	5.3%
2024 2Q	5521.50	$58.36	$58.36	6.4%	$60.40	11.3%	25.2	1.3%	3.6%	$3,110.60	19.6%
2024 3Q	5521.50	$59.16	$59.16	13.2%	$63.21	8.2%	24.4	1.3%	3.3%	$3,078.50	14.1%
2024 4Q	5881.63	$61.21	$61.21	13.6%	$65.00	13.7%	25.2	1.3%	1.9%	$3,270.60	16.7%
2025 1Q	5611.85	$62.91	$62.91	15.2%	$63.07	11.5%	23.2	1.4%	-0.6%	$3,252.40	19.3%
2025 2Q	6204.95	$66.34	$66.34	13.7%	$66.68	10.4%	24.9	1.2%	3.8%	$3,259.40	4.8%
2025 3Q	6688.46	$71.88	$71.88	21.5%	$72.77	15.1%	25.5	1.2%	4.4%	$3,411.70	10.8%
2025 4Q	6845.50	$73.31	$73.31	19.8%	$72.87	12.1%	24.9	1.2%	0.5%	$3,605.70	10.2%
2026 1QP	6528.52	$79.25	$79.25	26.0%	$75.03	19.0%	22.5	1.2%	2.1%	$3,623.70	11.4%
2026 2QE	7499.36	$80.18	$82.00	23.6%	$81.66	22.5%	24.6	1.1%	NA	NA	NA
2026 3QE*	7503.85	$87.81	$90.75	26.3%	$88.58	21.7%	23.4	NA	NA	NA	NA
2026 4QE	NA	$90.98	$98.00	33.7%	$91.91	26.1%	22.2	NA	NA	NA	NA

Source: DRG; S&P Dow Jones **quarterly EPS may not sum to official CY estimates; LSEG IBES Consensus estima 7/7/2026

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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.

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

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Prices are the close of July 7, 2026