Dudack Research Group
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August 14, 2024

DJIA: 39765.64
SPX: 5434.43
NASDAQ: 17187.61

US Strategy Weekly
Wishful Thinking

Many market commentators are stating that the unwinding of the yen carry trade on August 5th was not an economic event, did not signal a recession, and is now in the rearview mirror. This would be nice, but it may be wishful thinking.

The August 5th selloff may not have signaled a recession, and we also characterized it as a liquidity event, but the carry trade unwinding was still significant for many reasons. First, it was triggered by the first rate hike by the Bank of Japan in 17 years and this sparked a sharp reversal in the yen. Both of these represent economic shifts in the global economy, and they are apt to have longer-term implications. Second, the intensity of the decline was the result of leverage that was no longer viable given the shift in interest rates and the yen. This leverage was what helped drive financial securities higher in the past twelve months and this excess "demand" is unlikely to return in the near future. If we are right, without a new bullish catalyst, it may be difficult for equity indices to exceed their 2024 peaks this year.

There has been a lot of focus on the VIX index since the August 5th sell-off and many well-known strategists are calling the 65 intra-day peak in the index "the third highest in history." The VIX hitting this "extreme" reading is a reason some believe August 5th was a major bottom. In truth, the index was created in 1993 (based on the S&P 100 index) and revised in 2003 (based on the S&P 500 index), but the CBOE provides data that goes back to 1986. This historical data is important because it allows us to look at the October 1987 crash as a benchmark for volatility. August 5th generated a nice jump in the index, but it was far from the third highest in history on either an intra-day or on a closing price basis (even without using the 1987 data!) See page 3. This appears to be another example of wishful thinking by bullish analysts. Moreover, what the history of the VIX index does show is that after a sharp jump in the index, it usually takes time for price volatility to subside.

One concern we have is that when deleveraging like what took place on August 5 occurs, there can be losses in some portfolios that, in time, could prove to be unmanageable. For example, when Russia defaulted on its debt in August 1998, the losses suffered by Long-Term Capital Management, a highly leveraged fixed income hedge fund founded by a former Solomon Brothers bond trader and a Nobel-prize winning economist, led to a government-sponsored bailout in September 1998. LTCM's struggle was not widely known for weeks. The fact that the equity market has recovered much of its recent losses is comforting. Recent losses may have moderated, but they may also be temporary.

In retrospect, a number of extremes appeared in the first half of the year that were troubling. According to a recent S&P Global article, the representation of mega-cap companies in the S&P 500 reached a multi-decade high in March when the cumulative weight of the five largest companies in the S&P 500 hit 25.3%. This level has not been seen since December 1970, a 54-year record.

Additionally, data from the Office of Financial Research (OFR), a department within the Treasury Department, shows hedge funds also touched extremes at the end of the first quarter. Assets of qualifying hedge funds totaled $4.12 trillion as of March, of which the largest were “other” with $1.24 trillion, equity with $1.16 trillion, and multi-strategy funds with $702 billion. The overall borrowing relative to assets (net asset-weighted average ratio) was 1.2 for this universe of funds. See page 4.

Leverage is an important part of the equity market, particularly in a bubble market. And since hedge funds are major users of leverage this OFR data is useful. It shows that macro hedge funds ($172 billion in assets) were the most highly leveraged in March with a net asset-weighted average ratio of 6.5, a record for that category. Relative value funds followed with a ratio of 6.2 and multi-strategy ranked third with a ratio of 4.0 (also a record for that category). Equally important is the pace of borrowing. Net borrowing increased 54% YOY for relative value funds, 34% YOY for multi-strategy funds, and 28% YOY for macro funds. In terms of borrowing, $2.3 trillion was done through prime brokerage, $2.1 through repo borrowing, and $556 billion through other secured borrowing. Although this data is only quarterly and is reported with a delay, it does show that leverage was increasing substantially in the first quarter of this year. See page 5.

In terms of liquidity, the Fed’s balance sheet was $7.23 trillion as of August 7, down nearly $1.8 trillion from its April 2022 peak, and down almost $33 billion from a month earlier. But this has not significantly impacted individual investors since demand deposits, retail money market funds, or small-denomination time deposits all grew slightly in the same period. These accounts, plus “other liquid deposits” sum to $18.6 trillion that currently sit in bank deposits. See page 6. In short, the Fed’s careful quantitative tightening is not changing consumer cash balances, and this is positive for equities. Lowering interest rates, if it takes place in September, would improve investors’ liquidity even more.

The NFIB small business optimism index rose 2.2 points in July, to 93.7, the highest readings since February 2022, or in 2 ½ years. However, this was still the 31st month below the long-term average of 98. Fewer small businesses indicated that they planned to increase wages in July and 25% noted that inflation is their single most important problem. However, there was an increase in the number of businesses planning to increase inventories and this could help third quarter GDP. See page 7.

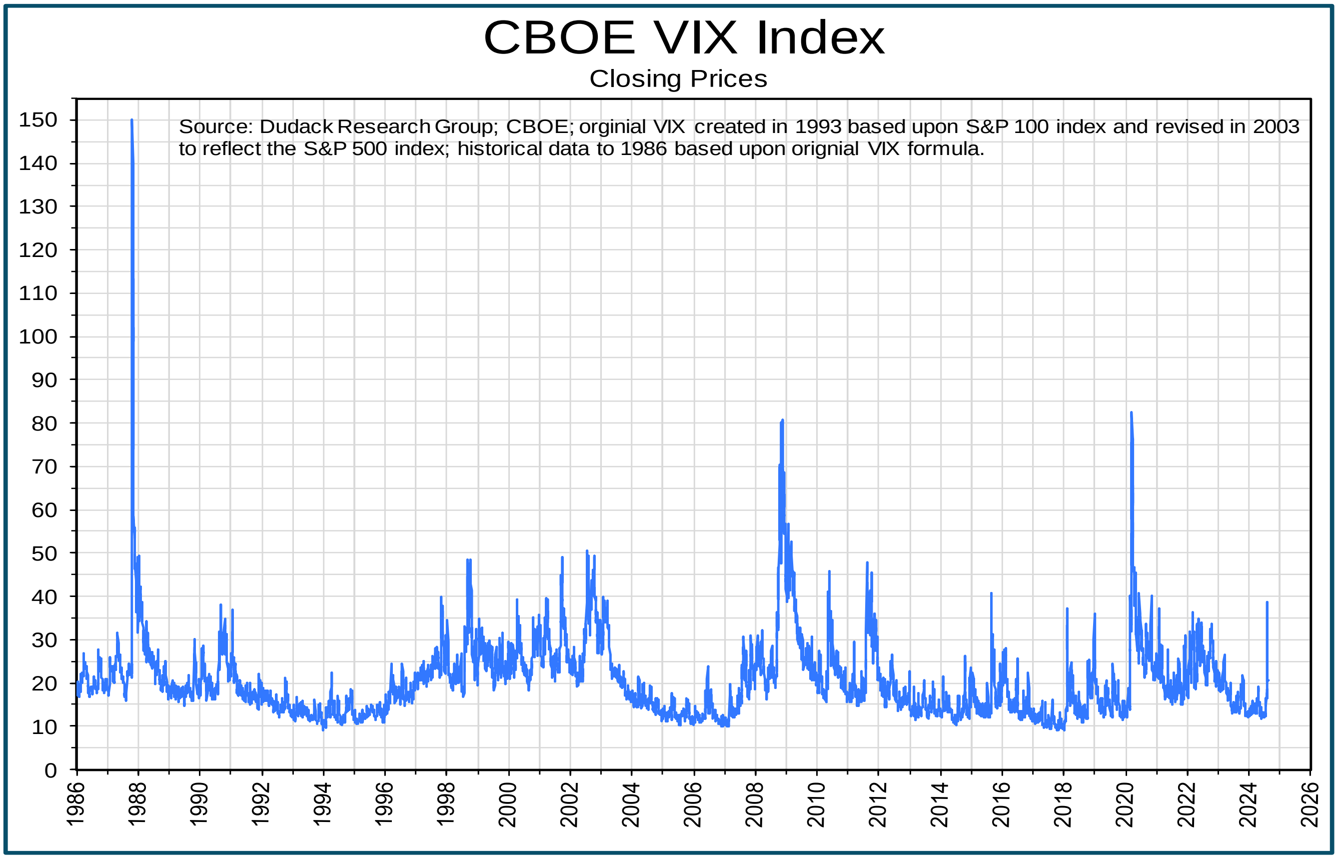
Producer price data for July showed final demand inflation was rising only 0.1% month-over-month and 2.2% YOY. This was down from the 2.7% YOY seen in June and received well by the market. However, beneath the surface, we noted that final demand for trade services fell 0.7% YOY, and this calmed prices for the month. Trade indexes measure changes in margins received by wholesalers and retailers. However, final demand services, less trade, transportation, and warehousing, showed prices rising a much more worrisome 4.1% YOY. See page 8.

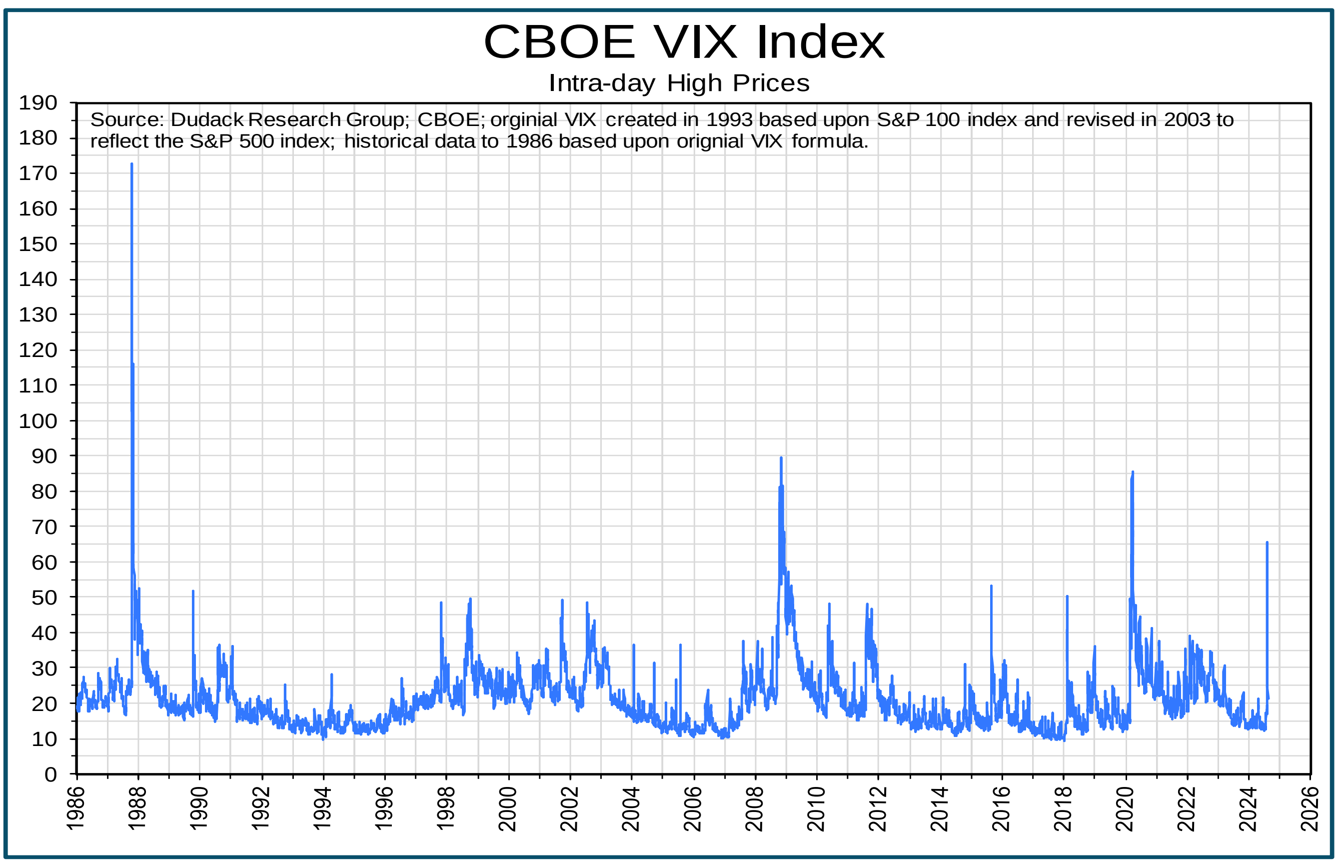
Technical Update

Last week’s sharp sell-off resulted in the Nasdaq Composite and the Russell 2000 index successfully testing their 200-day moving averages on an intra-day basis. The S&P 500 and Dow Jones Industrial Average are trading well above their 200-day moving averages. But for confirmation, we are watching Microsoft Corp. (MSFT-$414.01) and Amazon.com, Inc. (AMZN-$170.23) which broke below their respective 200-day moving averages last week and are now struggling to stay just above those long-term benchmarks. See page 11.

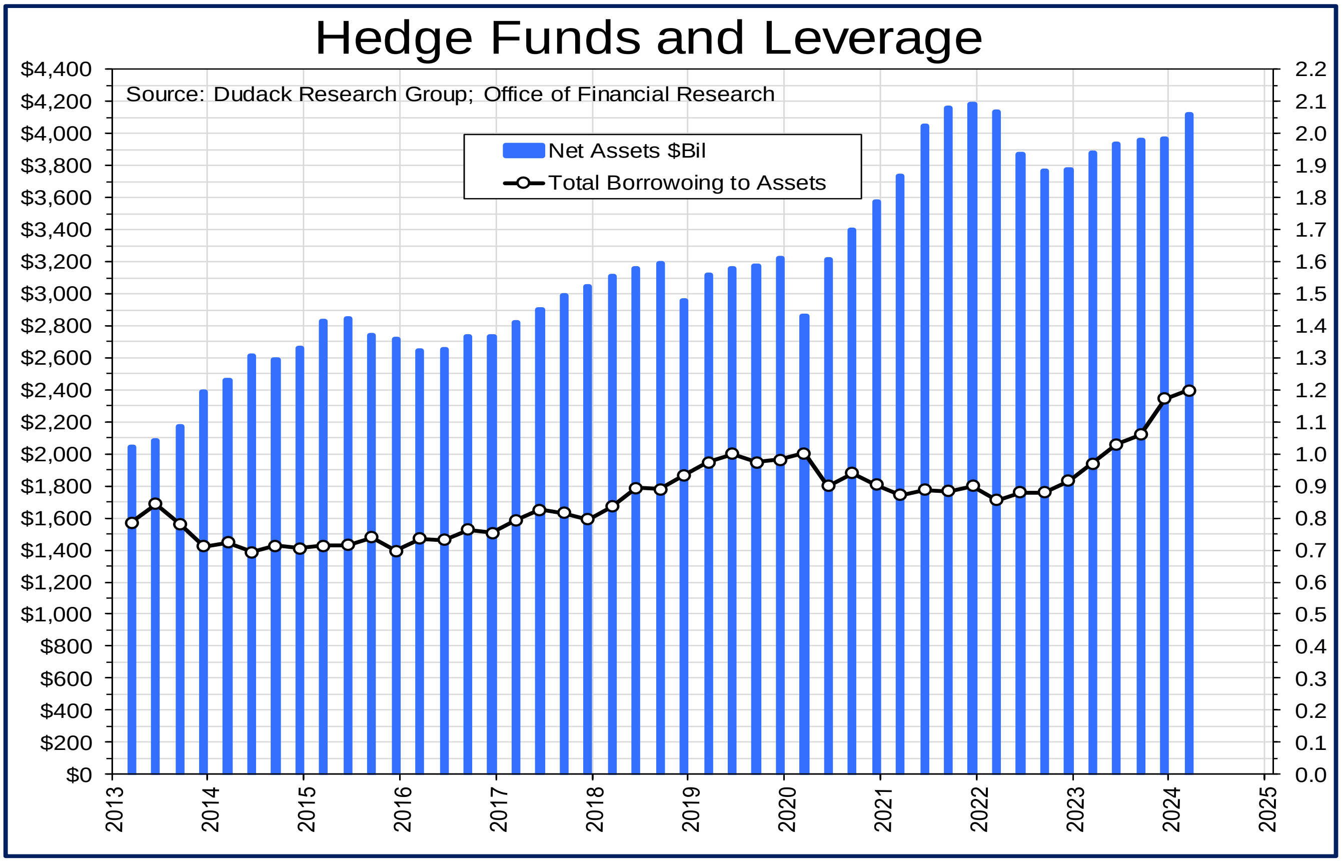
The 25-day up/down volume oscillator is 2.02, in neutral territory, but recovering, after absorbing a 92% down day on August 5. This followed 90% down days seen on April 12, 2024, February 13, 2024, and December 20, 2023. A 90% up day would suggest the worst of the decline is over; however, the last 90% up day was recorded way back on December 13, 2023. This oscillator failed to reach an overbought reading on the last rally and therefore did not confirm the advance. To date, an uptrend in this oscillator off the 2022 low, remains intact and lends a bullish bias to an otherwise neutral position in this index. Should this trend line be broken it would be a warning sign for the longer-term stock market. See page 12.

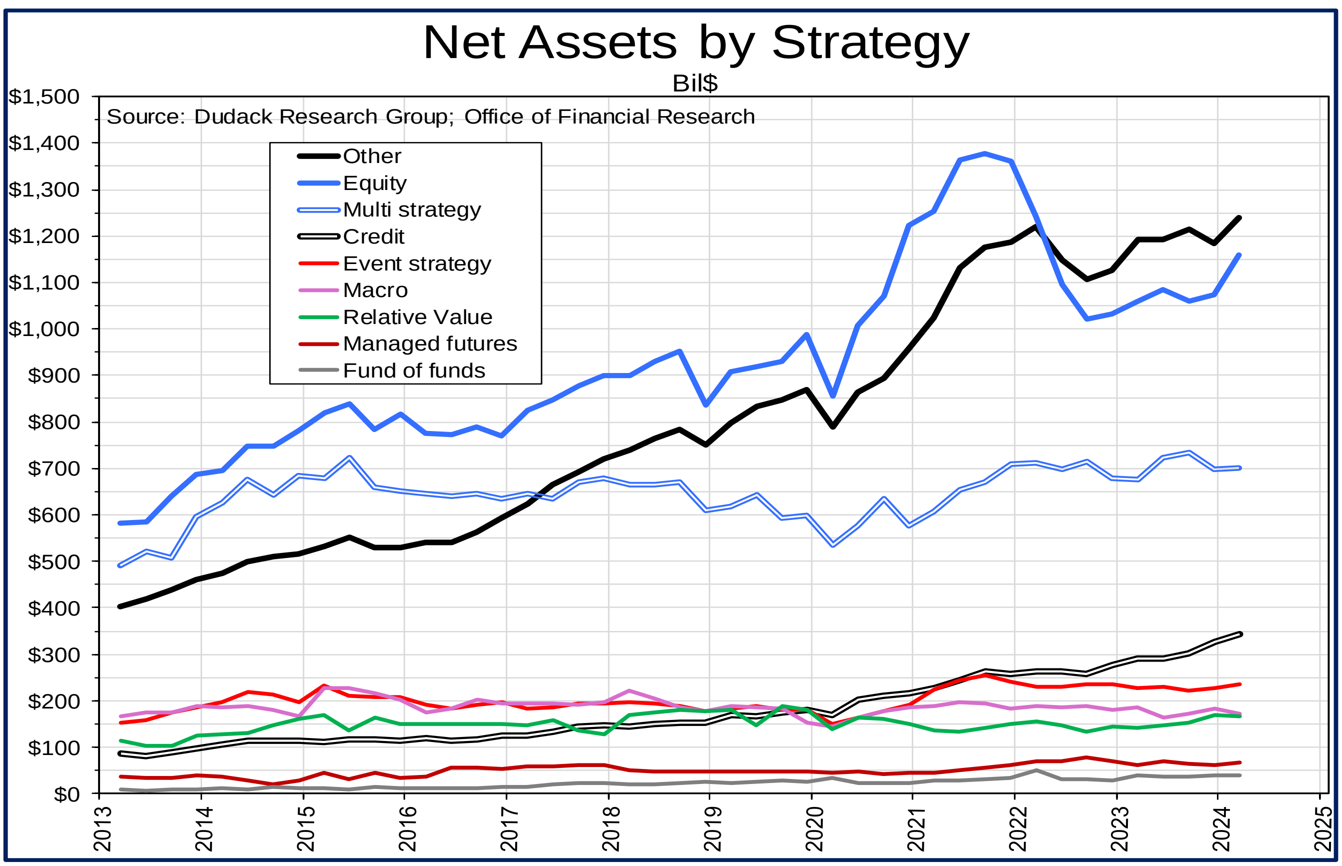
There has been great focus on the VIX index after the August 5th sell-off with many strategists calling the 65 intra-day peak in the index "the third highest in history," and therefore, a reason to call the day a major bottom. In truth, the index was created in 1993 and revised in 2003, but the CBOE provides data that goes back to 1986. This is important because it allows us to look at the October 1987 crash as a benchmark for volatility. August 5th generated a big jump in the index, but it was far from the third highest in history on either an intra-day or closing price basis (even without the 1987 data!). And what history shows is that after a peak in the index, it takes time for volatility to subside.



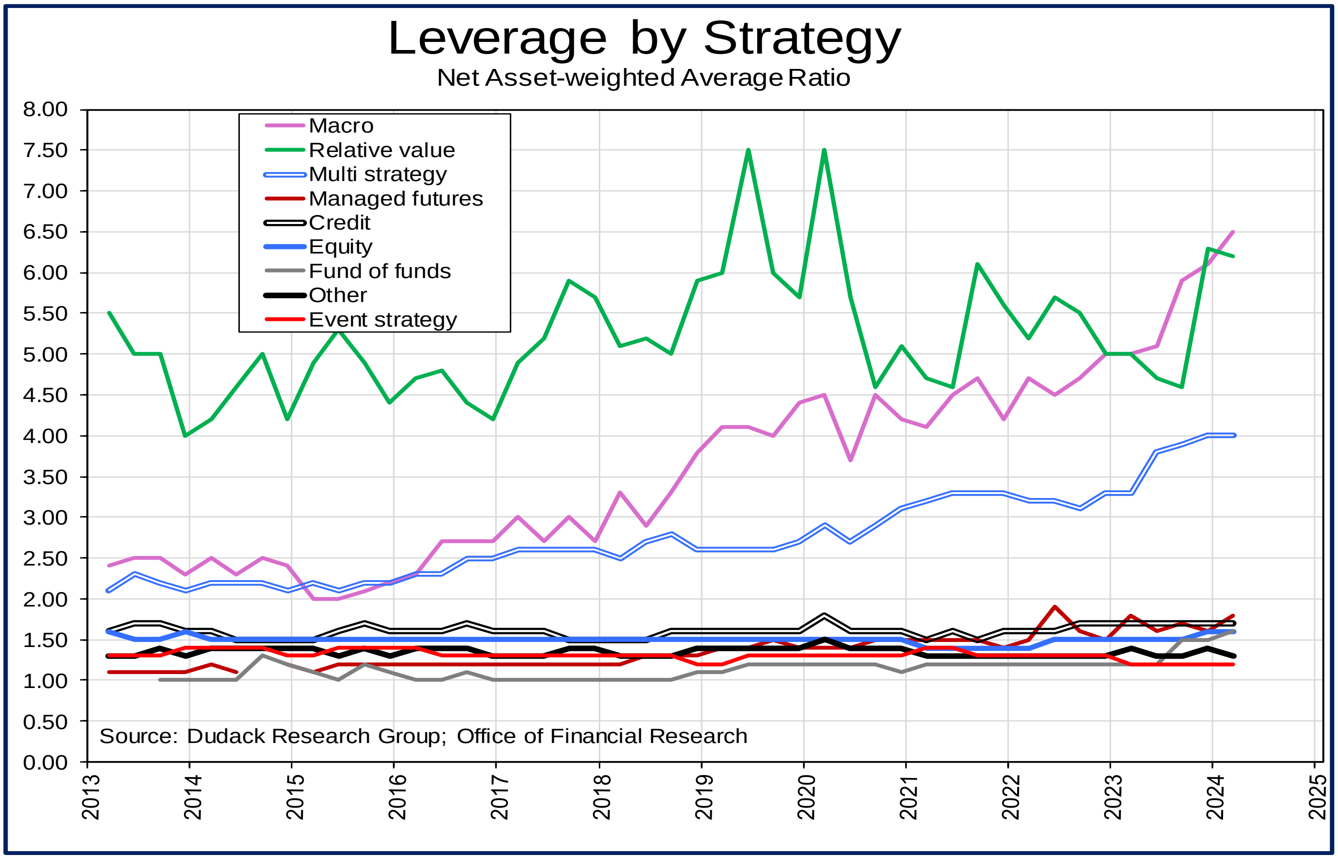


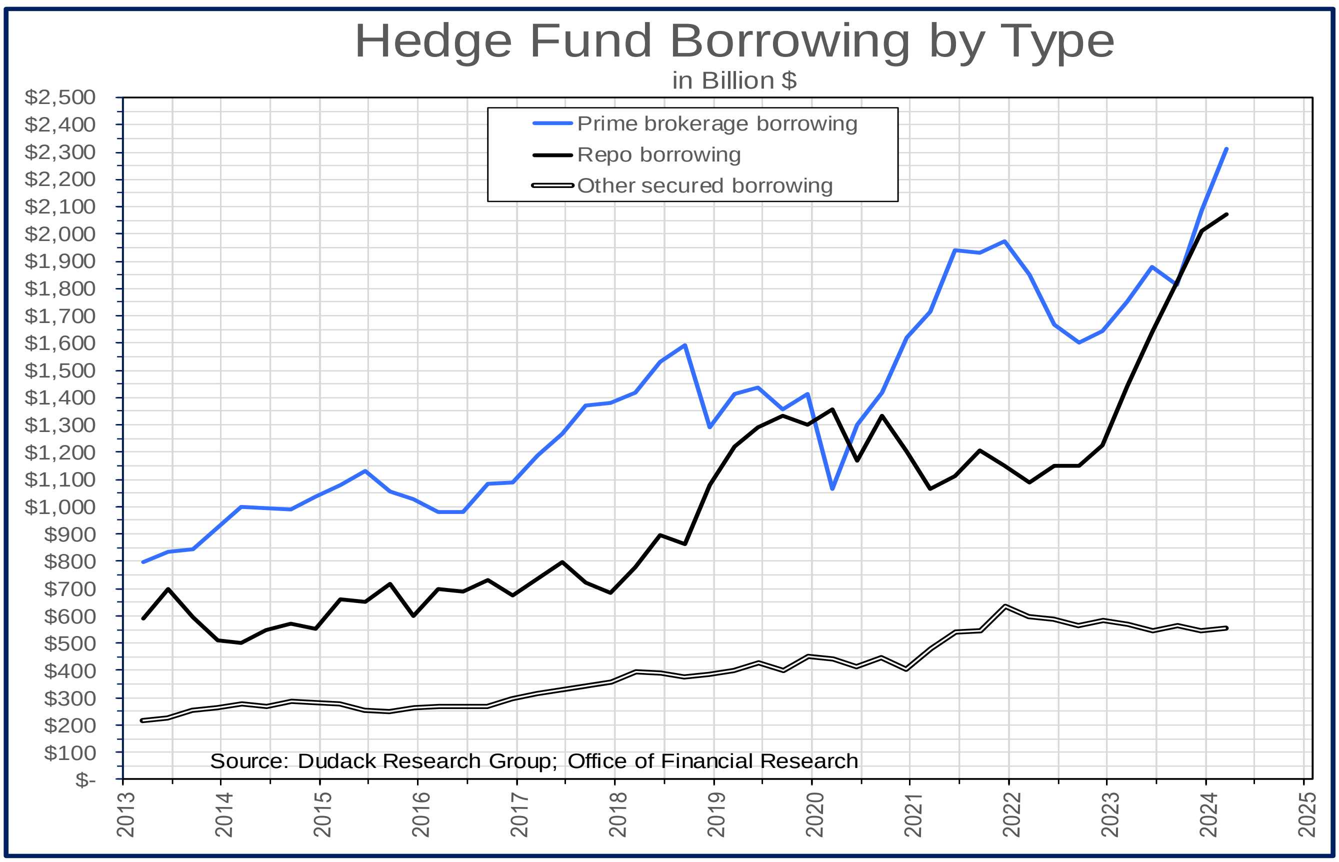
Leverage is an important part of the equity market, particularly in a bubble market. And we recently discovered data from the Office of Financial Research, an office within the Treasury Department, that collects data on hedge funds from a variety of agencies. The goal is to measure risk. Assets of qualifying hedge funds totaled $4.12 trillion as of March, of which the largest were "other" with $1.24 trillion, equity with $1.16 trillion, and multi-strategy funds with $702 billion. The overall borrowing relative to assets (net asset-weighted average ratio) was 1.2 for this universe of funds.



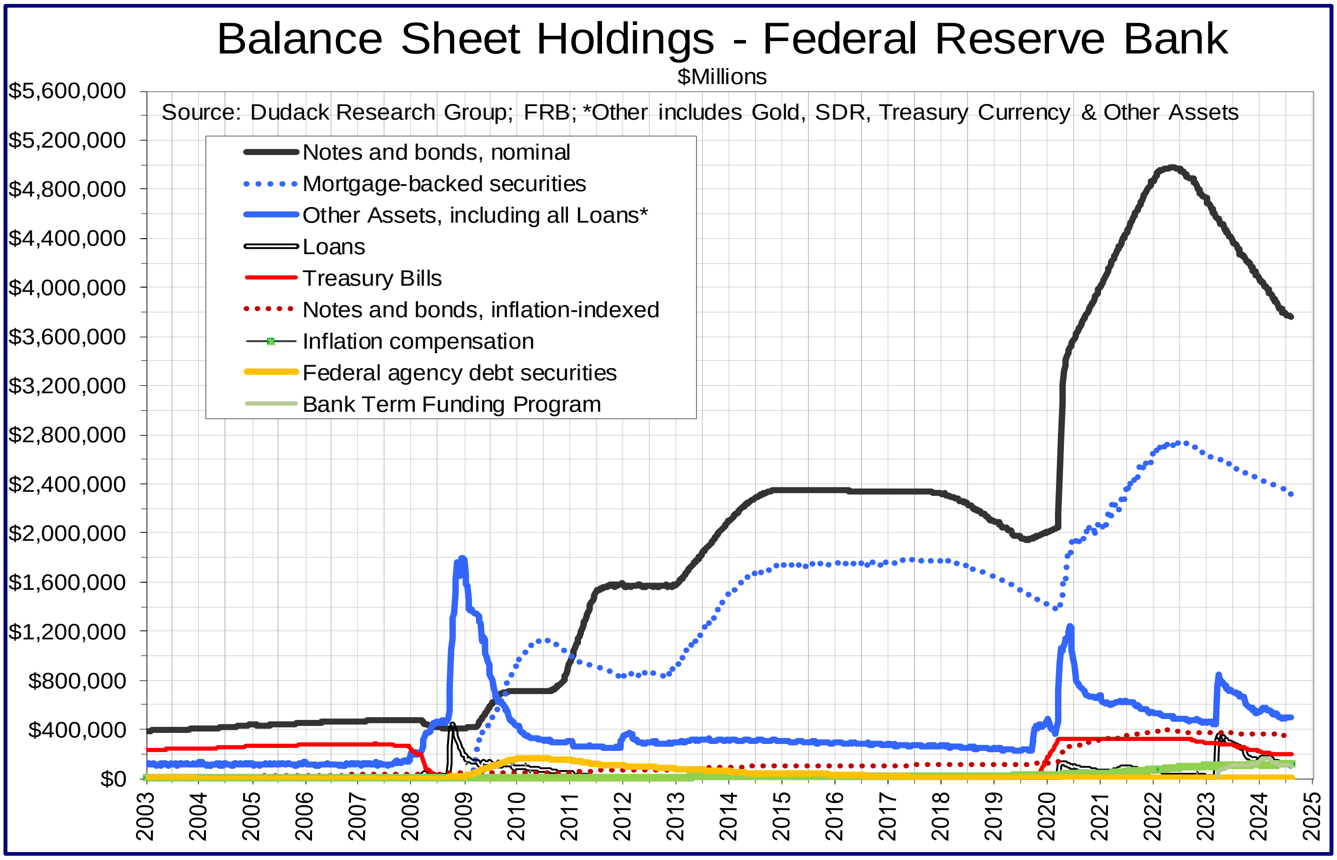


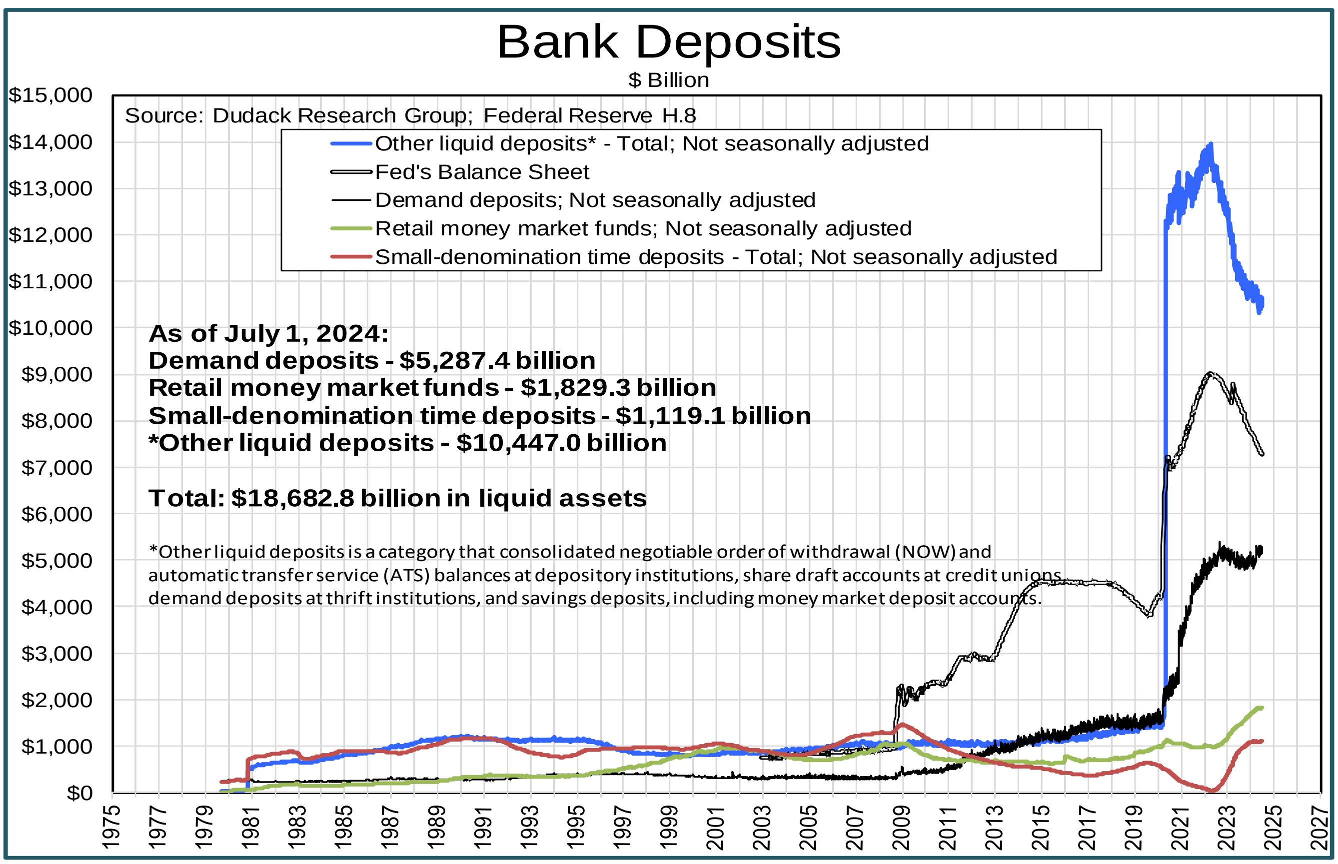
Hedge funds are major users of leverage and OFR data shows that macro funds were the most highly leveraged in March with a net asset-weighted average ratio of 6.5. This was followed by relative value funds with a ratio of 6.2, and multi-strategy with a ratio of 4.0. On a year-over-year basis, borrowing increased 54% for relative value funds, 34% for multi-strategy funds, and 28% for macro funds. In terms of borrowing, $2.3 trillion was via prime brokerage, $2.1 through repo borrowing, and $556 billion through other secured borrowing. Although this data is only quarterly and is reported with a delay, it does show that leverage was increasing substantially in the first quarter of this year.





The Fed's balance sheet was $7.23 trillion as of August 7, down nearly $1.8 trillion from its April 2022 peak, and down almost $33 billion from a month earlier. But this has not significantly impacted individual investors since demand deposits, retail money market funds, or small-denomination time deposits all grew slightly in the same period. In short, the Fed's careful quantitative tightening is not changing consumer cash balances, and this is positive for equities. Lowering interest rates would, of course, improve investor liquidity even more.





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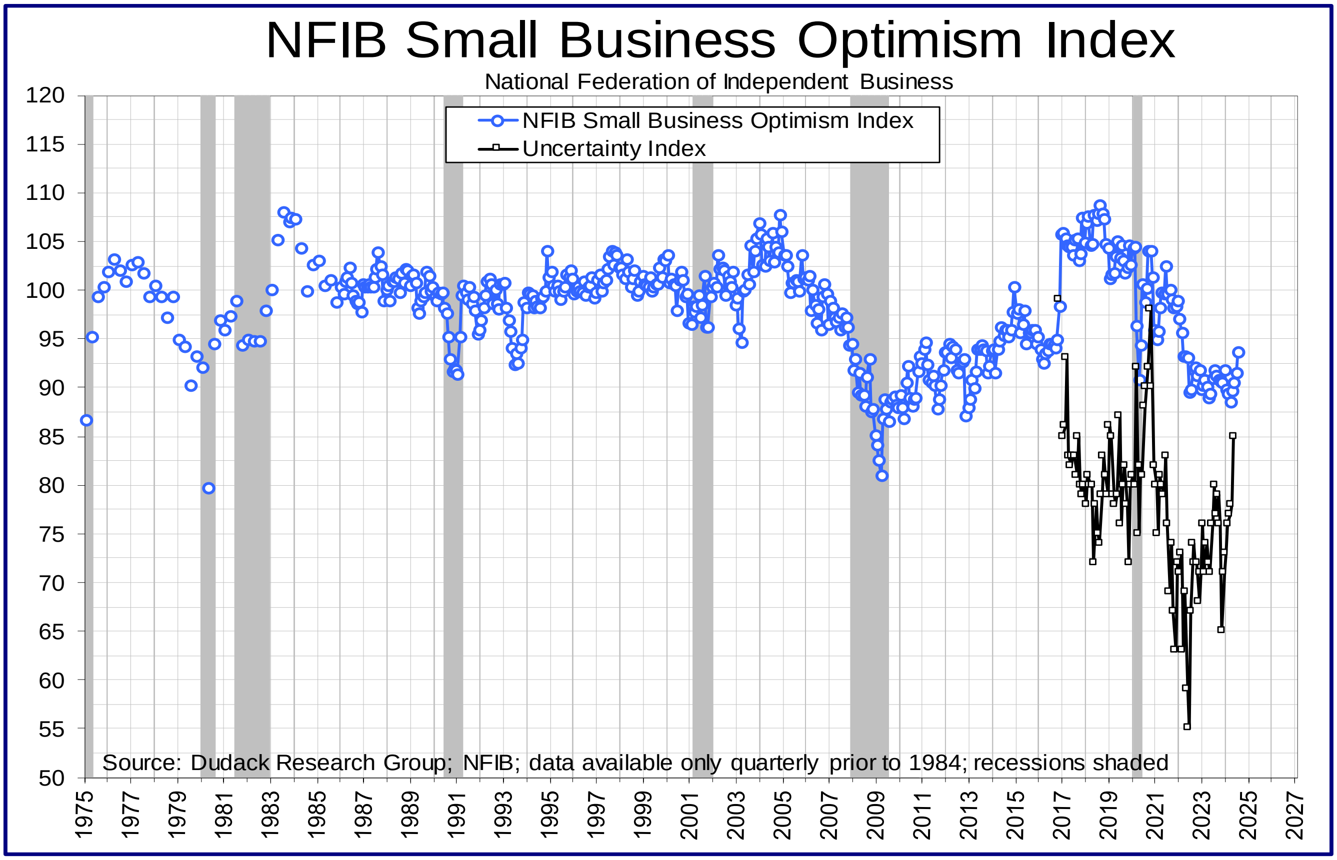
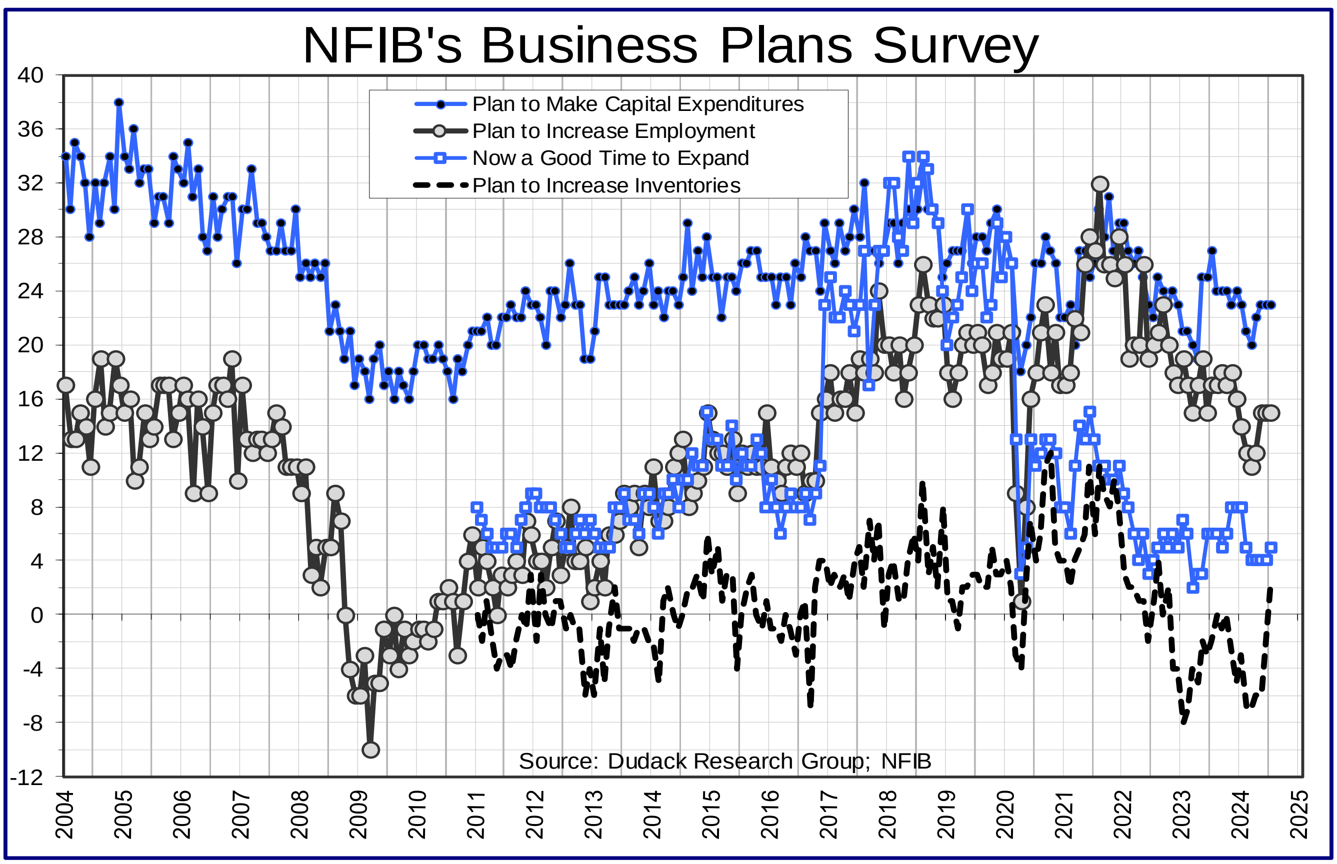
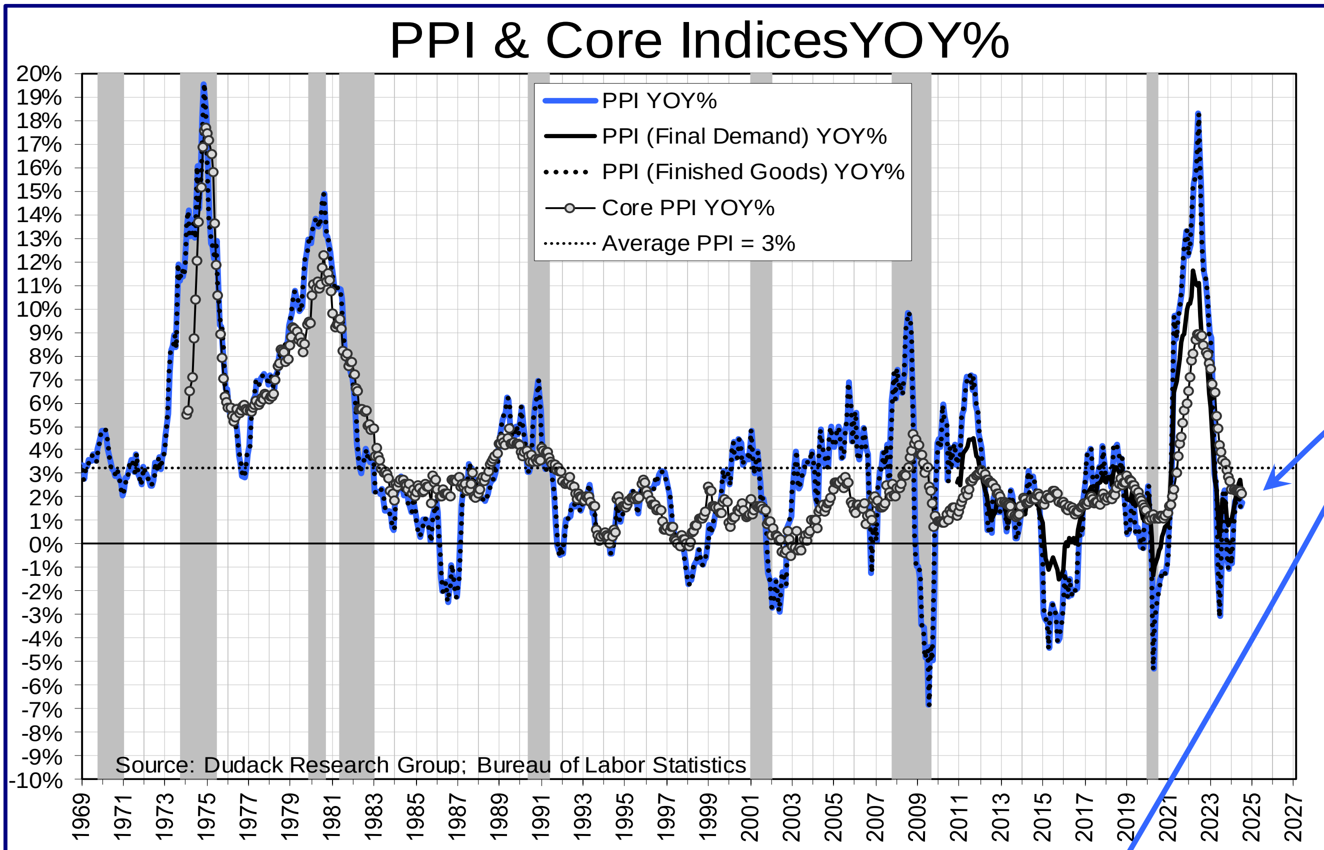
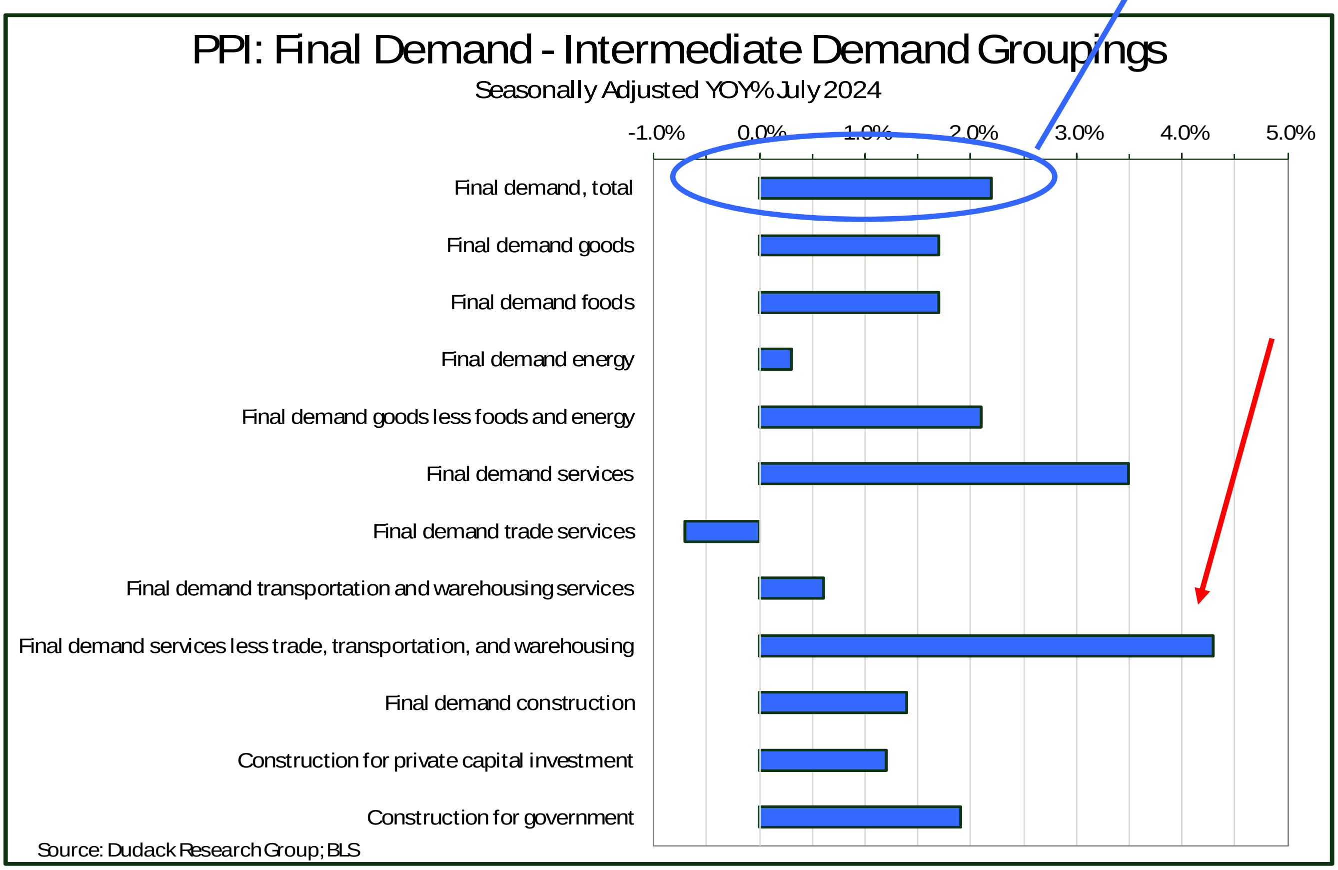


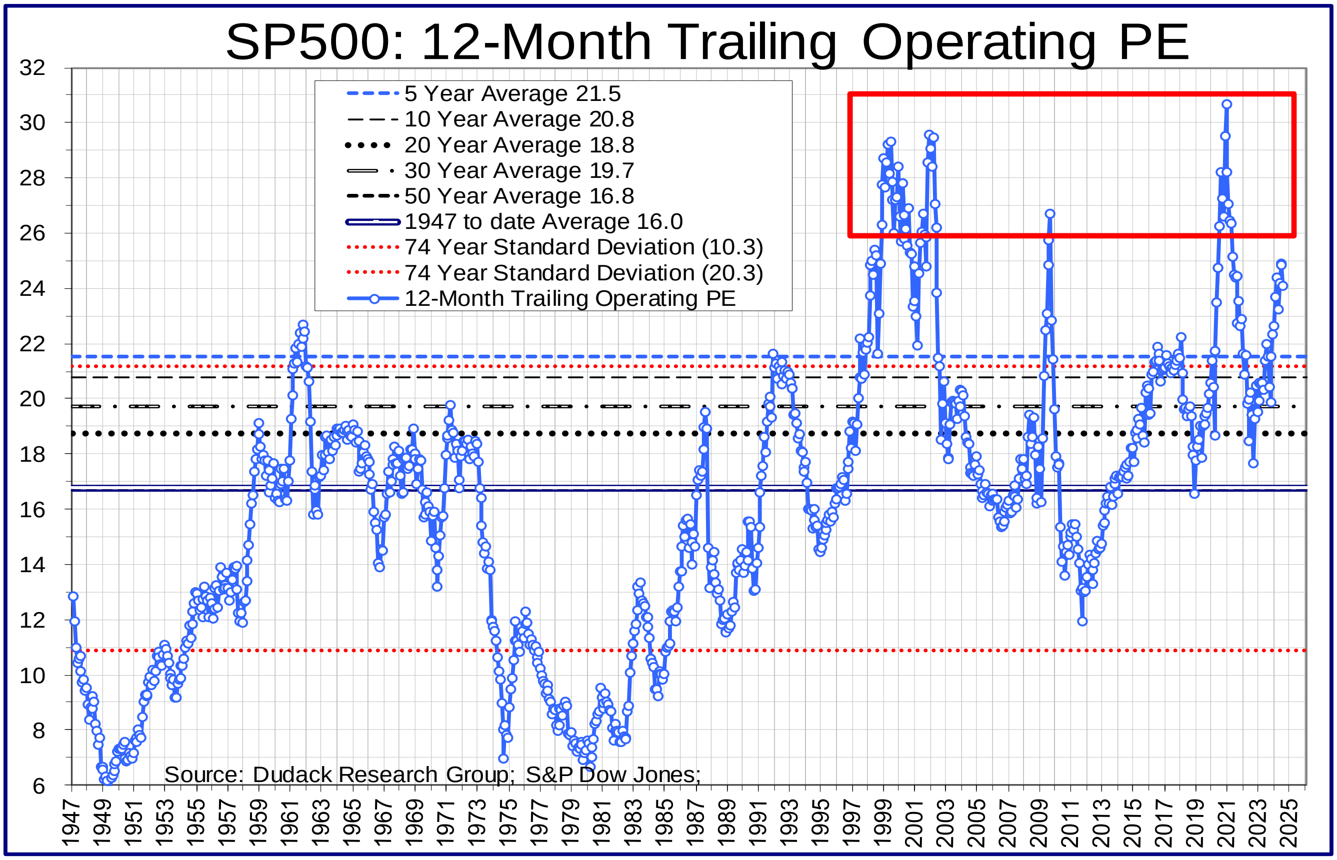


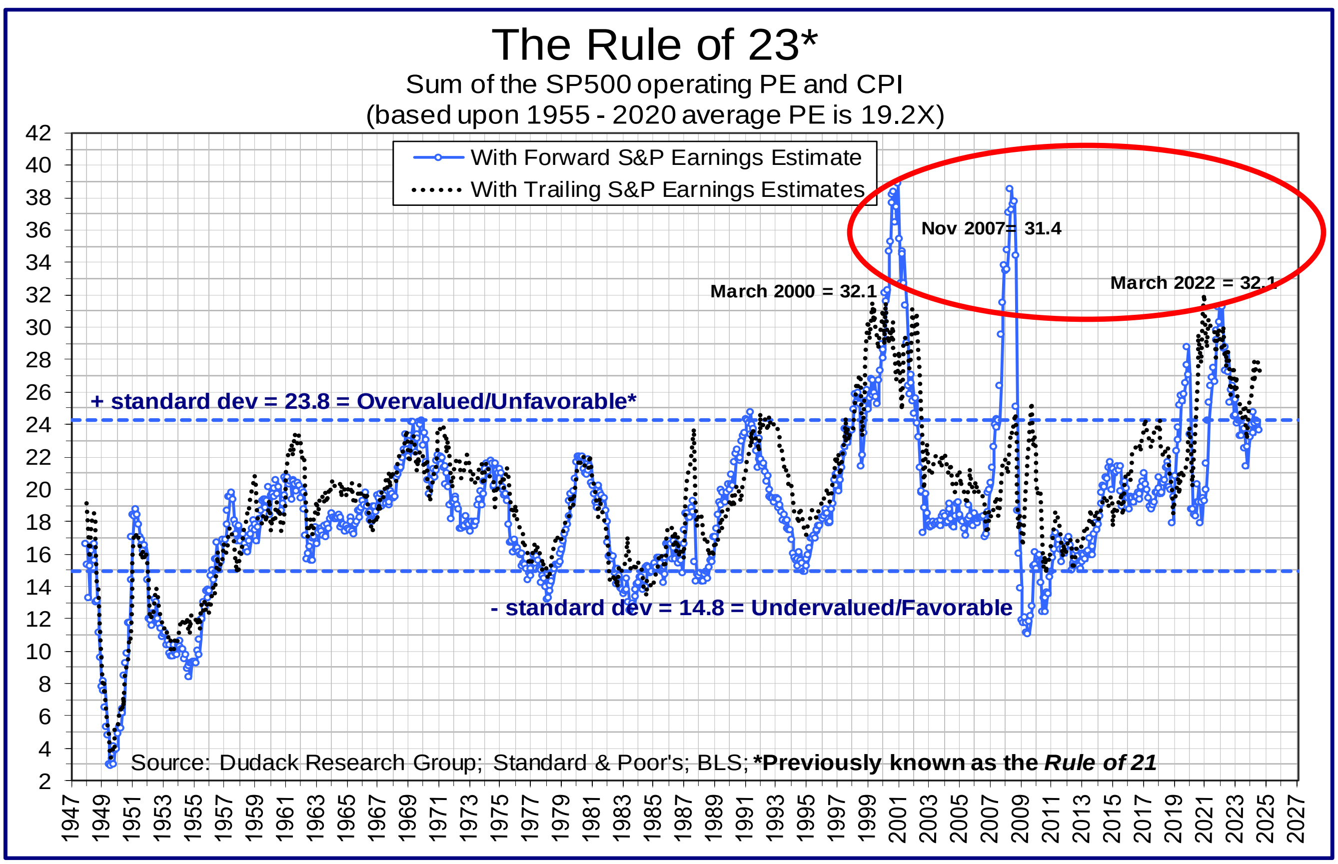
PPI data showed final demand inflation was rising only 0.1% for the month of July and 2.2% YOY. This was down from a rise of 2.7% YOY in June. However, beneath the surface, we see that final demand for trade services fell 0.7% YOY, which calmed the index. Trade indexes measure changes in margins received by wholesalers and retailers. Final demand services, less trade, transportation, and warehousing, showed prices rising 4.1% YOY.



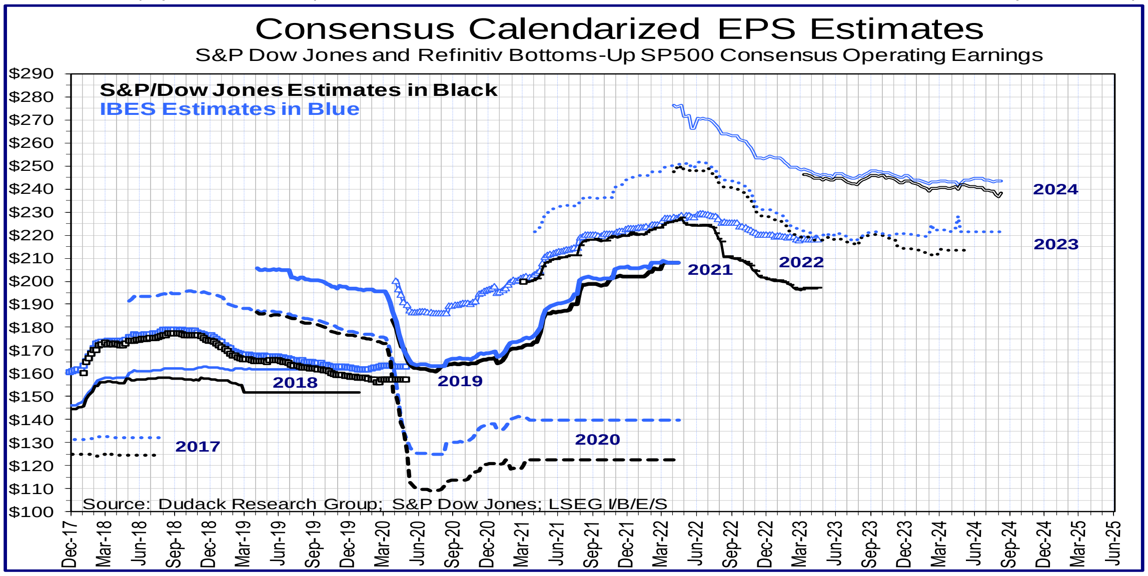


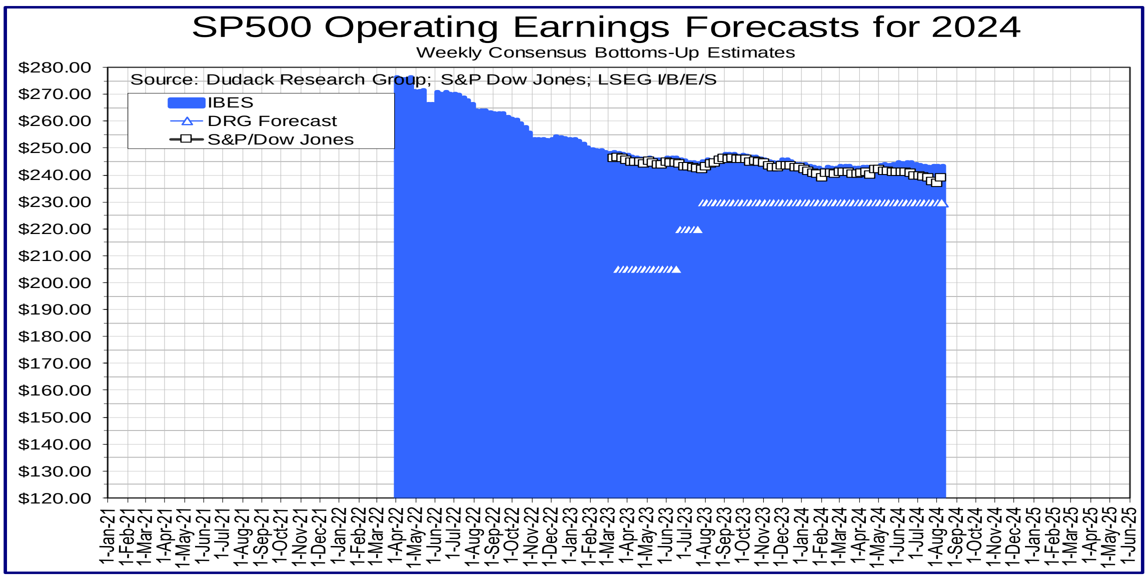
The SPX **trailing** 4-quarter operating multiple is now 24.1 times, down from 25.1, but still above all long- and short-term averages. The **12-month forward** PE multiple is 20.6 times, down from 21.1, but when added to inflation of 3.0% sums to 23.6. This sum is just below the top of the normal range, which is 23.8. By all measures, the equity market remains richly valued. July levels were only seen during the 1997-2000 bubble, the financial crisis of 2008, or the post-COVID-19 earnings slump.

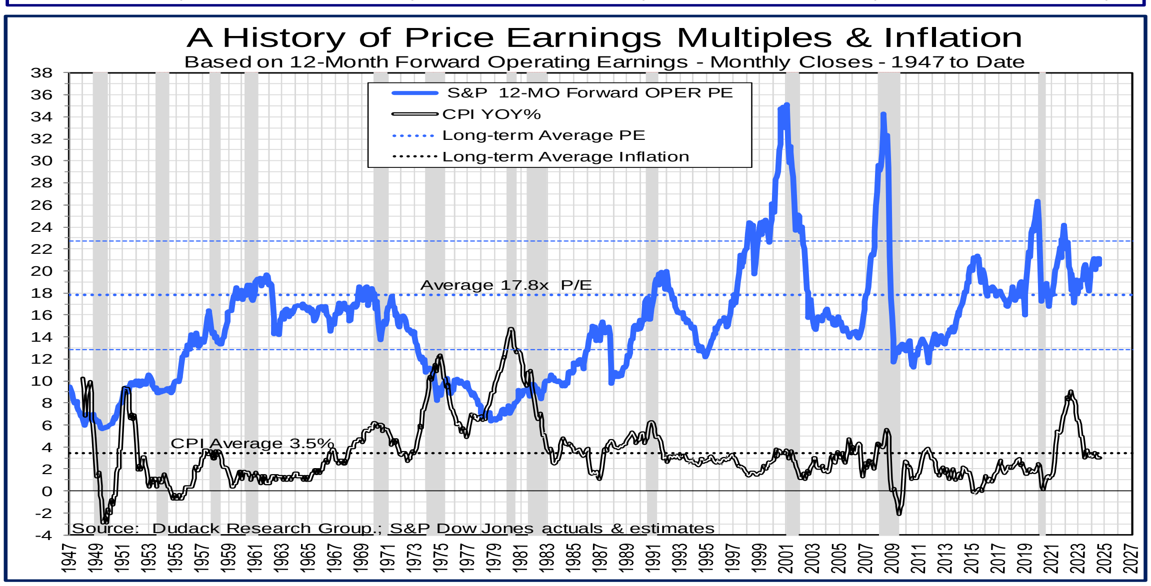




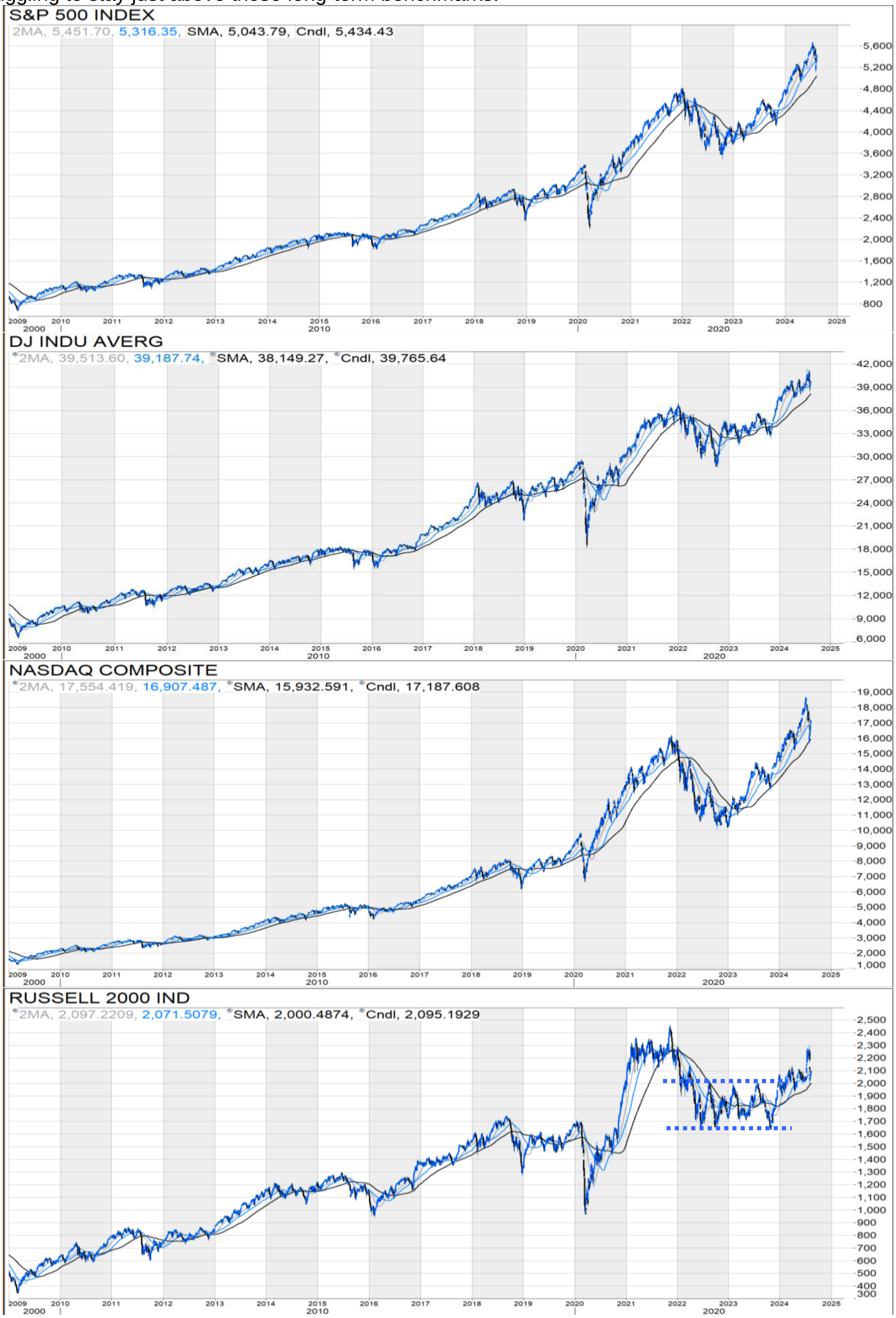
The S&P Dow Jones consensus estimate for calendar 2024 is $238.42, up $1.78 and recovering most of the loss seen in the last two weeks, and the 2025 estimate is $277.50, up $0.12 this week. The LSEG IBES estimate for 2024 is $243.51, down $0.09 and for 2025 is $279.52, down $0.14. The IBES guesstimate for 2026 EPS is $315.40, down $1.22. Based upon the IBES EPS estimate for calendar 2024, equities remain richly valued with a PE of 22.3 times and inflation of 3.0%. This sum of 25.3 is above the 23.8 level that defines an overvalued equity market. Based upon 2025 EPS estimates the PE is 19.4 X and with inflation sums to 22.4 and is barely below the top of the range.







Last week's sharp sell-off resulted in the Nasdaq Composite and the Russell 2000 index successfully testing their 200-day moving averages on an intra-day basis. The SPX and DJIA are trading well above their 200-day MA's. But we are watching Microsoft Corp. (MSFT-$414.01) and Amazon.com Inc. (AMZN-$170.23) which broke their respective 200-day MA's and are now struggling to stay just above those long-term benchmarks.

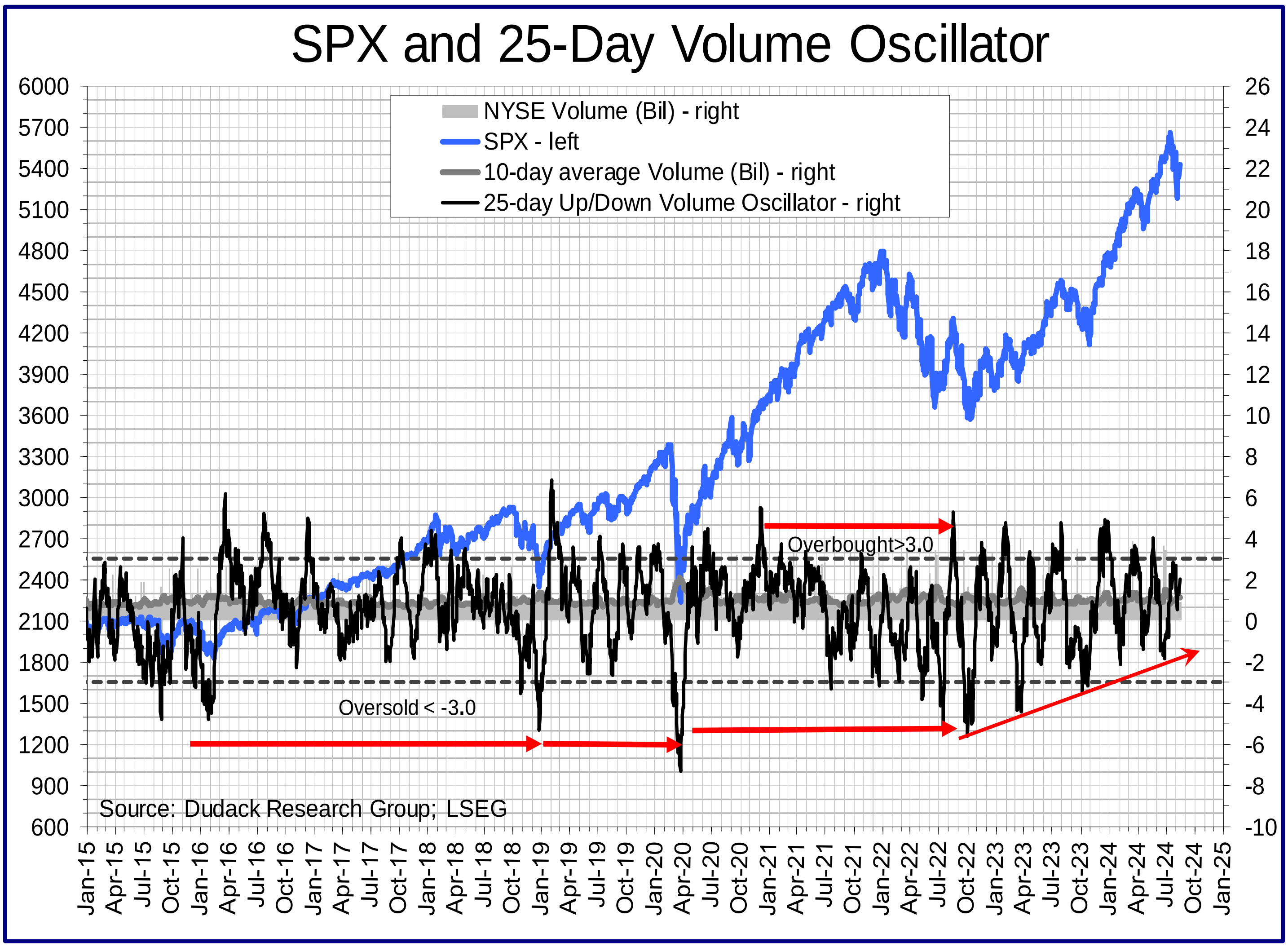


Source: Refinitiv

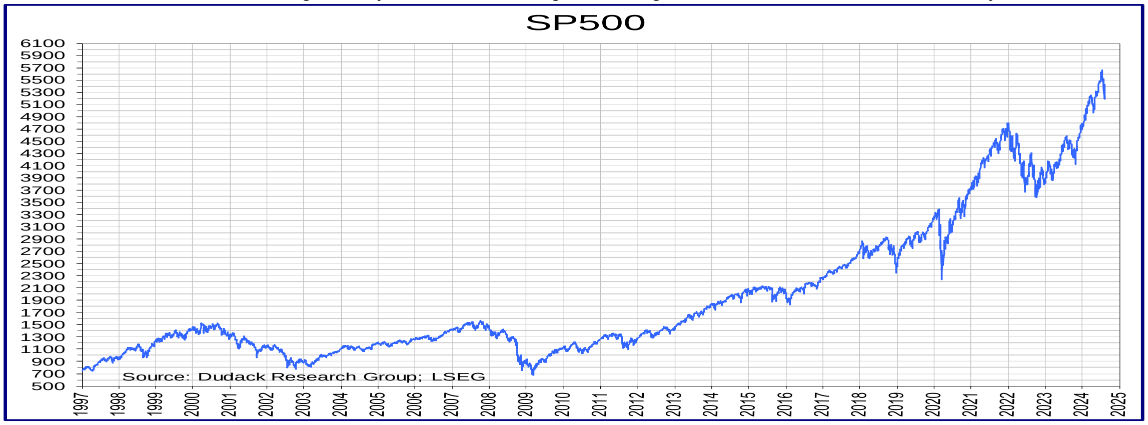
The 25-day up/down volume oscillator is 2.02, in neutral territory, but recovering, after absorbing a 92% down day on August 5. This followed 90% down days seen on April 12, 2024, February 13, 2024, and December 20, 2023. The last 90% up day was recorded on December 13, 2023. This oscillator failed to reach an overbought reading on the last rally and therefore did not confirm the advance.

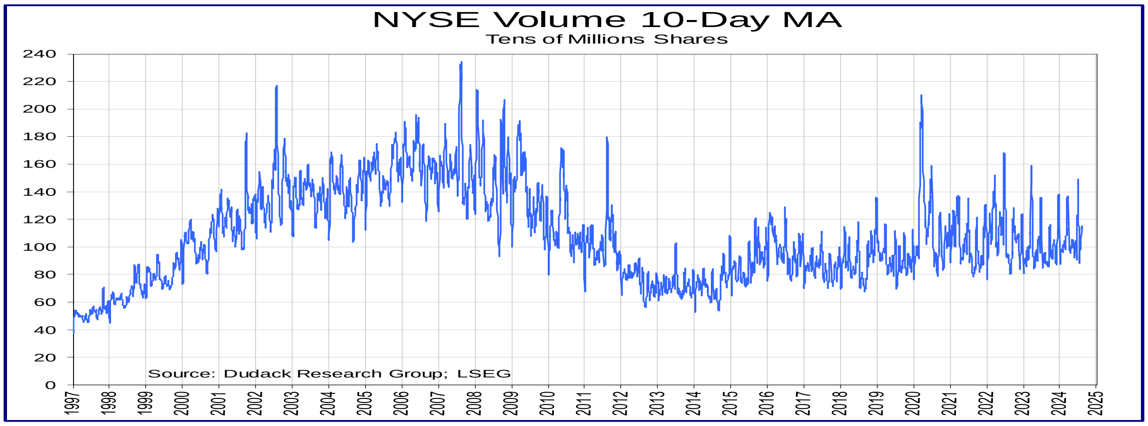
Meanwhile, <u>we are monitoring the uptrend in this oscillator (red line below) off the 2022 low, which remains intact. This lends a bullish bias to an otherwise neutral position of this index. Should this trend line be broken it would be a warning sign for the longer-term stock market</u>.

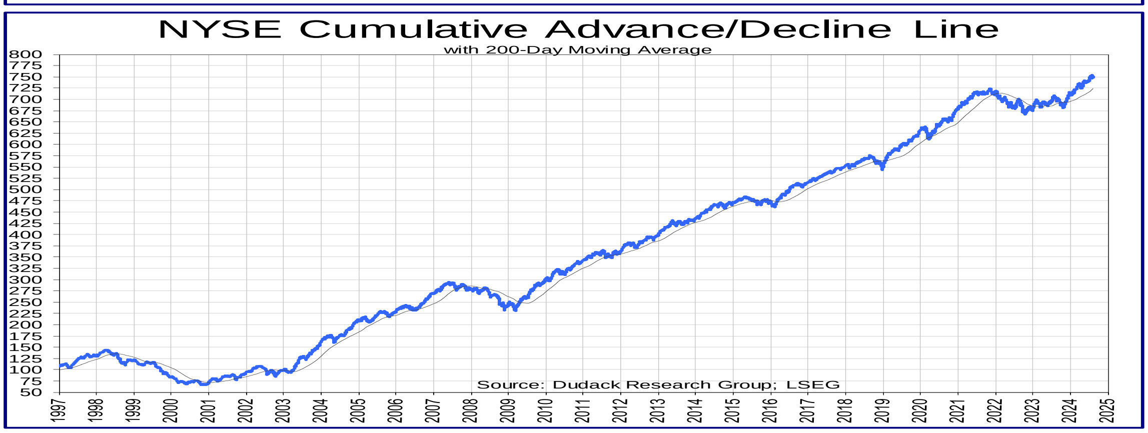
If the rally which began in October actually was a new bull market advance, it should have included several extreme overbought readings of 5.0 or better, which are typical of the first stage of a major advance. This has been absent and represents, to date, a lack of persistent buying pressure.

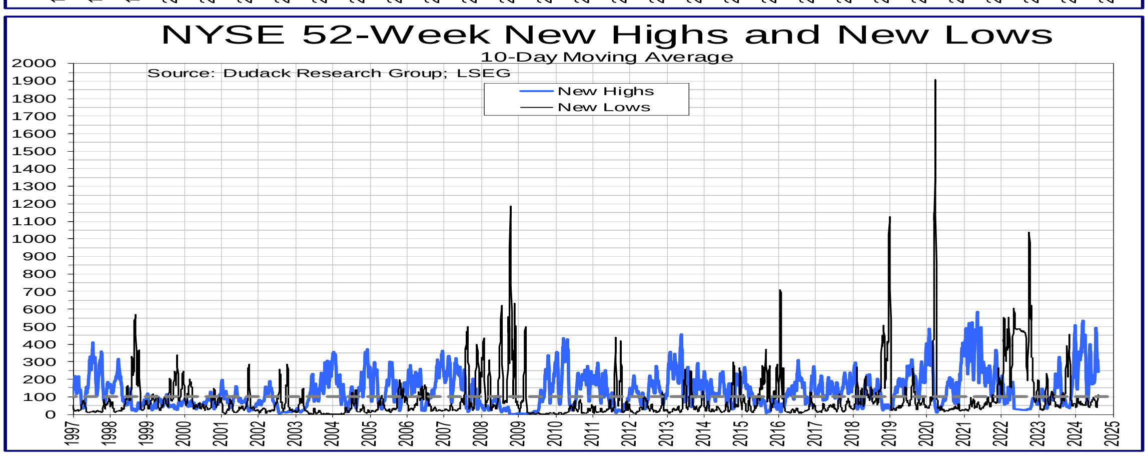


The 10-day average of daily new highs is 201 and new lows are 115. This combination of new highs and new lows above 100 is neutral and much weaker than two weeks ago. The NYSE advance/decline line made a new record high on July 31, 2024, confirming the new highs made in the SPX and IXIC in late July.

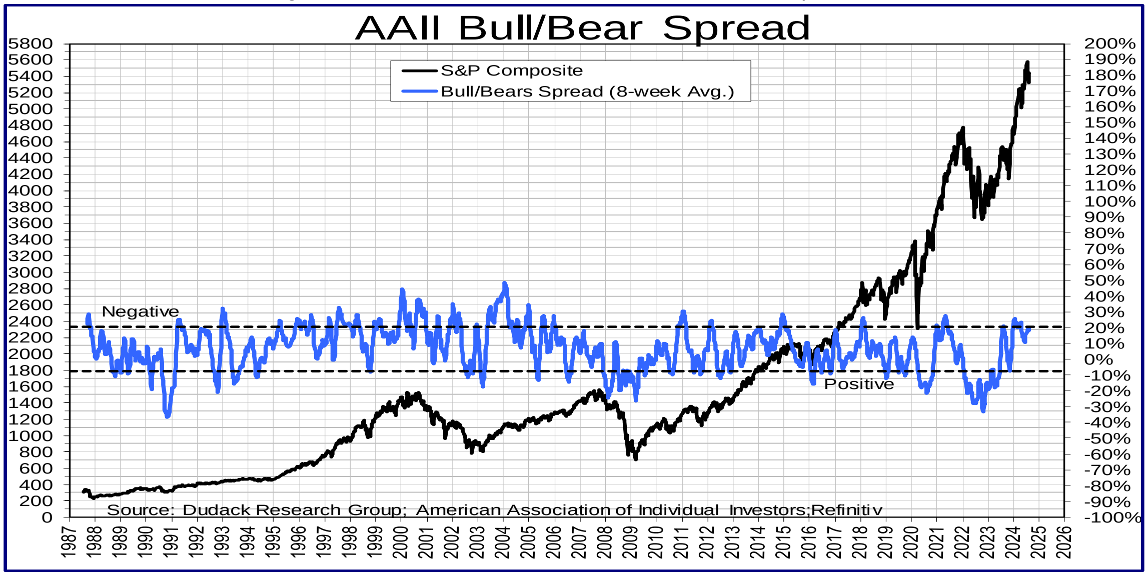


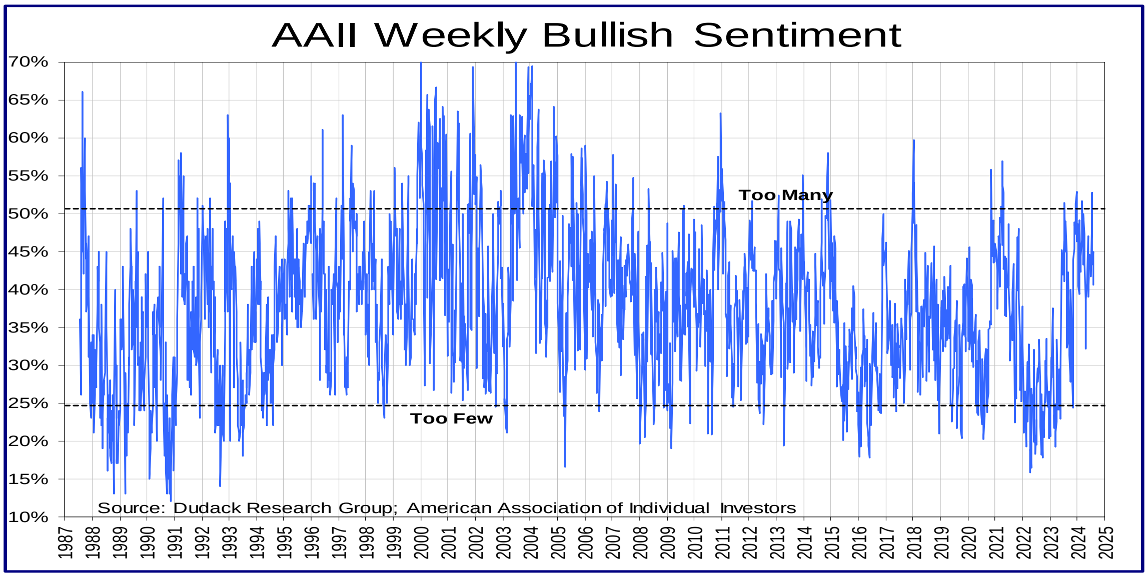


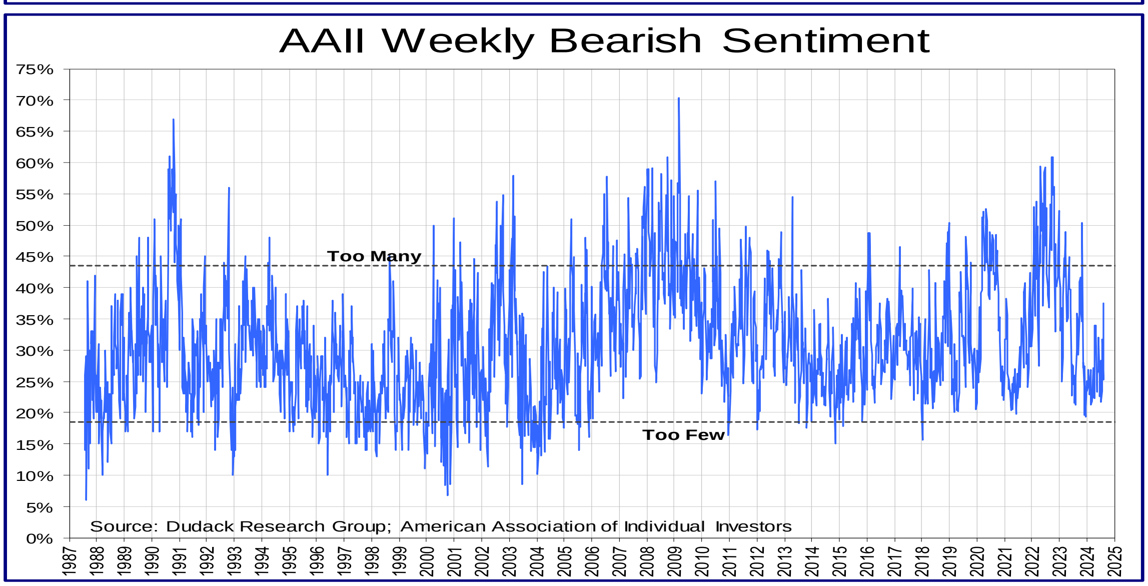




Last week's AAII survey showed bullishness decreased 4.4% to 40.5% and bearishness rose 12.3% to 37.5%. Bullishness is still above average, but bearishness is no longer below average. On December 13, 2023, bearishness was 19.6%, its lowest level since the January 3, 2018 reading of 15.6% when bullishness was also high and above the 50% benchmark at 51.3%. The 8-week bull/bear ratcheted down to 18.1%, backing away from the 20.7% unfavorable level. The last unfavorable readings were the 7 consecutive weeks seen in March and April.







Global Markets and Commodities - Ranked by YTD Trading Performance

Index/EFT	Symbol	Price	5-Day%	20-Day%	QTD%	YTD%
SPDR Gold Trust	GLD	228.06	3.3%	2.2%	6.1%	19.3%
Communication Services Select Sector SPDR Fund	XLC	85.72	2.9%	-0.7%	0.1%	18.0%
Utilities Select Sector SPDR	XLU	74.17	1.8%	4.1%	8.8%	17.1%
iShares Russell 1000 Growth ETF	IWF	354.60	5.4%	-5.9%	-2.7%	17.0%
iShares Silver Trust	SLV	26.62	3.2%	-9.6%	-4.4%	16.9%
United States Oil Fund, LP	USO	77.64	7.2%	-3.3%	-2.5%	16.5%
Silver Future	SIc1	27.70	2.2%	-10.3%	-5.3%	16.1%
iShares MSCI Taiwan ETF	EWT	53.02	9.8%	-6.7%	-2.2%	15.2%
SPDR Homebuilders ETF	XHB	109.43	0.8%	0.8%	8.3%	14.4%
Nasdaq Composite Index Tracking Stock	ONEQ.O	67.67	5.0%	-6.5%	-3.2%	14.2%
SP500	**.SPX**	**5434.43**	**3.7%**	**-3.2%**	**-0.5%**	**13.9%**
iShares MSCI Malaysia ETF	EWM	24.19	3.7%	3.7%	7.7%	13.8%
iShares MSCI India ETF	INDA.K	55.53	0.8%	-2.7%	-0.4%	13.8%
iShares Russell 1000 ETF	IWB	296.82	3.8%	-3.1%	-0.2%	13.2%
Financial Select Sector SPDR	XLF	42.53	2.5%	0.4%	3.5%	13.1%
NASDAQ 100	NDX	19006.43	5.1%	-6.5%	-3.4%	13.0%
Technology Select Sector SPDR	XLK	213.68	6.5%	-8.6%	-5.5%	11.0%
Health Care Select Sect SPDR	XLV	151.22	2.5%	2.0%	3.8%	10.9%
PowerShares Water Resources Portfolio	PHO	67.46	1.1%	0.5%	3.9%	10.8%
Consumer Staples Select Sector SPDR	XLP	79.11	1.1%	2.1%	3.3%	9.8%
Industrial Select Sector SPDR	XLI	124.95	2.4%	0.6%	2.5%	9.6%
Oil Future	CLc1	78.35	7.0%	-4.7%	-3.9%	9.4%
iShares MSCI United Kingdom ETF	EWU	35.97	4.0%	-0.2%	3.1%	8.8%
iShares Russell 1000 Value ETF	IWD	178.89	1.9%	0.1%	2.5%	8.3%
SPDR S&P Bank ETF	KBE	49.48	1.5%	1.0%	6.7%	7.5%
iShares China Large Cap ETF	FXI	25.80	4.1%	-5.2%	-0.7%	7.4%
Energy Select Sector SPDR	XLE	88.98	2.3%	-1.7%	-2.4%	6.1%
iShares MSCI Emerg Mkts ETF	EEM	42.67	5.0%	-4.1%	0.2%	6.1%
Gold Future	GCc1	2885.10	0.2%	0.8%	1.1%	5.9%
iShares Nasdaq Biotechnology ETF	IBB.O	143.55	2.0%	-1.0%	4.6%	5.7%
iShares Russell 2000 Growth ETF	IWO	266.49	2.2%	-3.4%	1.5%	5.7%
SPDR DJIA ETF	DIA	397.79	2.0%	-0.6%	1.7%	5.6%
DJIA	.DJI	39765.64	2.0%	-0.6%	1.7%	5.5%
iShares MSCI Japan ETF	EWJ	67.61	7.1%	-5.3%	-0.9%	5.4%
iShares MSCI BRIC ETF	BKF	36.04	3.0%	-3.0%	0.4%	5.4%
Vanguard FTSE All-World ex-US ETF	VEU	59.11	4.4%	-3.4%	0.8%	5.3%
iShares MSCI Canada ETF	EWC	38.43	3.8%	-0.5%	3.6%	4.8%
iShares US Real Estate ETF	IYR	95.52	0.7%	4.2%	8.9%	4.5%
iShares MSCI EAFE ETF	EFA	78.64	4.2%	-3.6%	0.4%	4.4%
Materials Select Sector SPDR	XLB	89.05	0.6%	-1.6%	0.8%	4.1%
iShares Russell 2000 ETF	IWM	207.97	1.7%	-2.4%	2.5%	3.6%
iShares MSCI Singapore ETF	EWS	19.35	4.5%	-4.3%	0.8%	3.5%
iShares MSCI Austria Capped ETF	EWO	22.23	3.5%	-2.5%	1.7%	2.9%
iShares MSCI Germany ETF	EWG	30.52	3.5%	-4.4%	-0.3%	2.8%
SPDR S&P Retail ETF	XRT	73.98	1.5%	-4.1%	-1.3%	2.3%
iShares Russell 2000 Value ETF	IWN	157.73	1.1%	-1.4%	3.6%	1.5%
iShares MSCI Australia ETF	EWA	24.63	4.3%	-3.9%	0.8%	1.2%
iShares iBoxx $ Invest Grade Corp Bond	LQD	110.71	1.0%	1.4%	3.4%	0.0%
Consumer Discretionary Select Sector SPDR	XLY	178.00	2.8%	-7.0%	-2.4%	-0.5%
SPDR S&P Semiconductor ETF	XSD	223.10	7.4%	-16.2%	-9.9%	-0.8%
iShares 20+ Year Treas Bond ETF	TLT	97.28	0.7%	3.6%	6.0%	-1.6%
iShares US Telecomm ETF	IYZ	22.35	2.0%	0.6%	2.9%	-1.8%
iShares MSCI South Korea Capped ETF	EWY	63.59	7.0%	-7.4%	-3.8%	-3.0%
Shanghai Composite	.SSEC	2867.95	0.0%	-3.5%	-3.4%	-3.6%
iShares DJ US Oil Eqpt & Services ETF	IEZ	21.08	1.0%	-5.7%	-5.3%	-3.8%
iShares MSCI Hong Kong ETF	EWH	15.62	3.4%	-1.6%	2.1%	-10.1%
iShares MSCI Brazil Capped ETF	EWZ	29.96	9.1%	2.8%	9.6%	-14.3%
iShares MSCI Mexico Capped ETF	EWW	55.82	5.9%	-9.6%	-1.4%	-17.7%

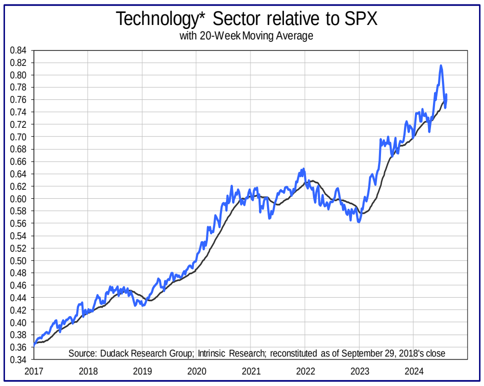
Outperformed SP500
Underperformed SP500

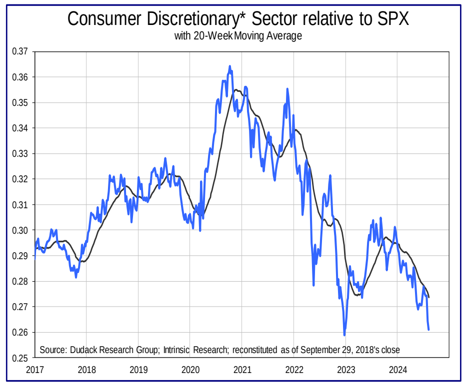
Source: Dudack Research Group; Refinitiv
Priced as of August 13, 2024

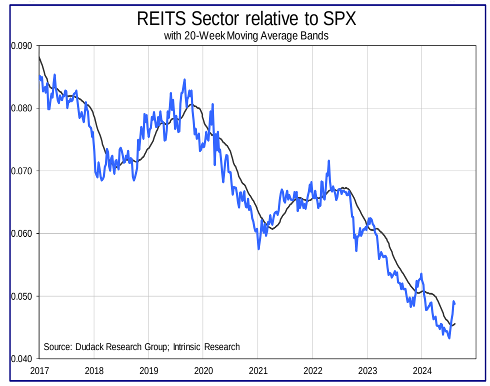
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

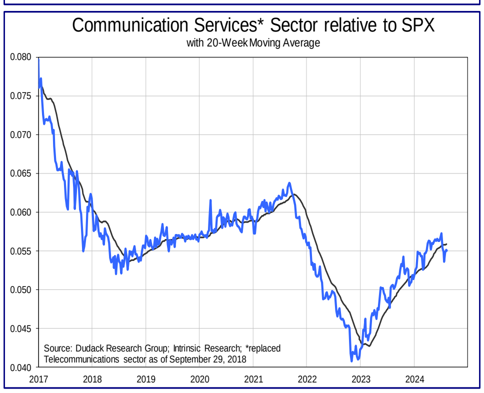
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Communication Services Technology Healthcare Financials	Consumer Discretionary Staples Energy Industrials	REITS Materials Utililties

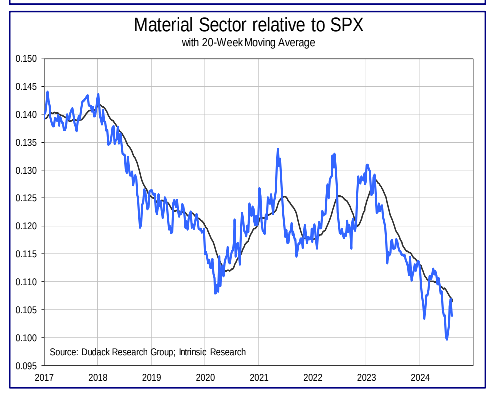
2/6/2024: Upgraded Communication Services from U to O; Technology & Healthcare from from N to O; Downgraded Industrials & Consumer Discretionary from O to N; Materials downgraded from O to U. Staples & Energy upgraded to N.

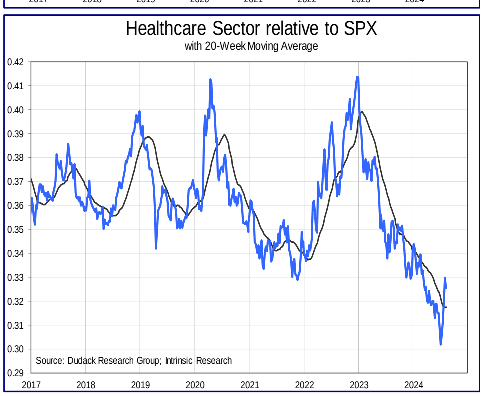


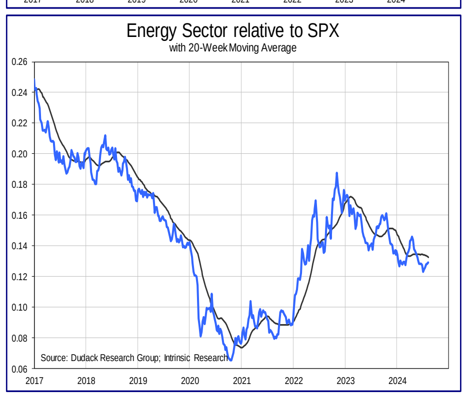


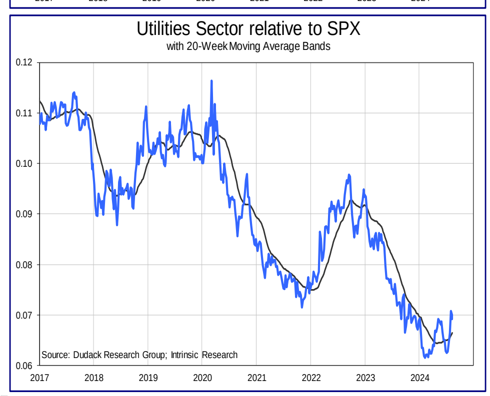


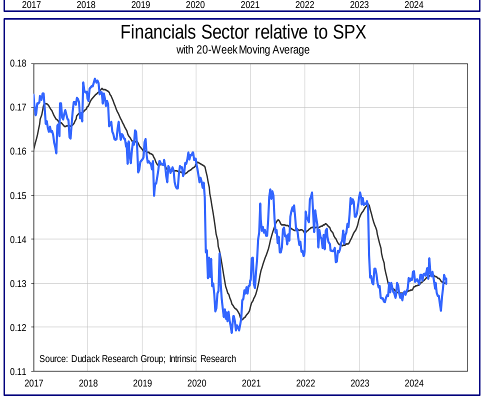


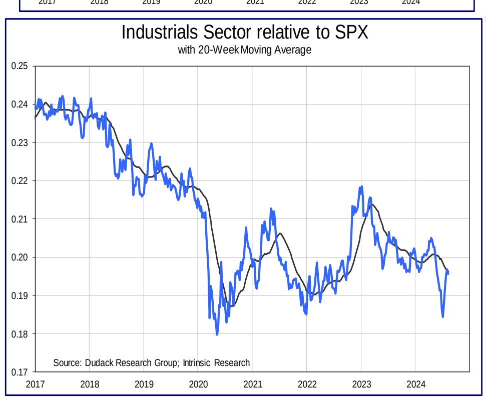












2024 Performance - Ranked	
SP500 Sector	% Change
S&P INFORMATION TECH	22.9%
S&P COMMUNICATIONS SERVICES	21.5%
S&P UTILITIES	16.8%
S&P 500	13.9%
S&P FINANCIAL	12.8%
S&P CONSUMER STAPLES	11.2%
S&P HEALTH CARE	10.7%
S&P INDUSTRIALS	9.6%
S&P ENERGY	6.7%
S&P REITS	4.3%
S&P MATERIALS	4.0%
S&P CONSUMER DISCRETIONARY	0.7%

Source: Dudack Research Group; Refinitiv; Monday closes

US Asset Allocation

	Benchmark	DRG %	Recommendation
Equities	60%	55%	Neutral
Treasury Bonds	30%	20%	Underweight
Cash	10%	25%	Overweight
	100%	100%	

Source: Dudack Research Group; raised cash and lowered equity 15% on December 21, 2022

DRG Earnings and Economic Forecasts

	S&P 500 Price	S&P Dow Jones Reported EPS**	S&P Dow Jones Operating EPS**	DRG Operating EPS Forecast	DRG EPS YOY %	IBES Consensus Bottom-Up $ EPS**	Refinitiv Consensus Bottom-Up EPS YOY%	S&P Op PE Ratio	S&P Divd Yield	GDP Annual Rate	GDP Profits post-tax w/ IVA & CC	YOY %
2007	1468.36	$66.18	$82.54	$82.54	-5.9%	$85.12	-3.5%	17.8X	1.8%	2.0%	$1,141.40	-6.1%
2008	903.25	$14.88	$49.51	$49.51	-40.0%	$65.47	-23.1%	18.2X	2.5%	0.1%	$1,029.90	-9.8%
2009	1115.10	$50.97	$56.86	$56.86	14.8%	$60.80	-7.1%	19.6X	2.6%	-2.6%	$1,182.90	14.9%
2010	1257.64	$77.35	$83.77	$83.77	47.3%	$85.28	40.3%	15.0X	1.9%	2.7%	$1,456.50	23.1%
2011	1257.60	$86.95	$96.44	$96.44	15.1%	$97.82	14.7%	13.0X	2.0%	1.6%	$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	-0.5%	20.3X	2.1%	2.9%	$1,664.20	-2.9%
2016	2238.83	$94.55	$106.26	$106.26	-3.6%	$118.10	-0.1%	21.1X	1.9%	1.8%	$1,661.50	-0.2%
2017	2673.61	$109.88	$124.51	$124.51	28.6%	$132.00	11.8%	21.5X	1.8%	2.5%	$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	$94.55	$157.12	$157.12	3.6%	$162.93	0.6%	20.6X	1.8%	2.5%	$2,065.60	2.1%
2020	3756.07	$109.88	$122.38	$122.38	-22.1%	$139.72	-14.2%	30.7X	1.6%	-2.2%	$1,968.10	-4.7%
2021	4766.18	$132.39	$208.17	$208.17	70.1%	$208.12	49.0%	22.9X	1.3%	5.8%	$2,382.80	21.1%
2022	3839.50	$139.47	$196.95	$196.95	170.1%	$218.09	4.8%	19.5X	1.7%	1.9%	$2,478.80	4.0%
2023	4769.83	$94.14	$213.53	$213.53	270.1%	$221.36	1.5%	22.3X	1.5%	2.5%	$2,803.20	4.0%
2024E	~~~~~	$197.87	$238.42	$234.00	370.1%	$243.51	10.0%	22.8X	1.4%	NA	NA	NA
2025E	~~~~~	$172.75	$277.50	$255.00	470.1%	$279.52	14.8%	19.6X	NA	NA	NA	NA
2017 1Q	2362.72	$27.46	$28.82	$28.82	20.2%	$30.90	14.6%	21.3	2.0%	2.0%	$1,911.40	7.5%
2017 2Q	2423.41	$27.01	$30.51	$30.51	18.7%	$32.58	10.0%	20.9	1.9%	2.3%	$1,896.90	9.5%
2017 3Q	2519.36	$28.45	$31.33	$31.33	9.2%	$33.45	7.2%	21.2	1.9%	3.2%	$1,927.00	9.8%
2017 4Q	2673.61	$26.96	$33.85	$33.85	21.3%	$36.02	15.1%	21.5	1.8%	4.6%	$1,977.10	9.4%
2018 1Q	2640.87	$33.02	$36.54	$36.54	26.8%	$38.07	23.2%	20.0	1.9%	3.3%	$2,028.40	6.1%
2018 2Q	2718.37	$34.05	$38.65	$38.65	26.7%	$41.00	25.8%	19.4	1.9%	2.1%	$2,071.00	9.2%
2018 3Q	2913.98	$36.36	$41.38	$41.38	32.1%	$42.66	27.5%	19.4	1.8%	2.5%	$2,072.00	7.5%
2018 4Q	2506.85	$28.96	$35.03	$35.03	3.5%	$41.18	14.3%	16.5	2.1%	0.6%	$2,099.60	6.2%
2019 1Q	2834.40	$35.02	$37.99	$37.99	4.0%	$39.15	2.8%	18.5	1.9%	2.2%	$2,124.50	4.7%
2019 2Q	2941.76	$34.93	$40.14	$40.14	3.9%	$41.31	0.8%	19.0	1.9%	3.4%	$2,147.20	3.7%
2019 3Q	2976.74	$33.99	$39.81	$39.81	-3.8%	$42.14	-1.2%	19.5	1.9%	4.6%	$2,220.30	7.2%
2019 4Q	3230.78	$35.53	$39.18	$39.18	11.8%	$41.98	1.9%	20.6	1.8%	2.6%	$2,199.60	4.8%
2020 1Q	2584.59	$11.88	$19.50	$19.50	-48.7%	$33.13	-15.4%	18.6	2.3%	-5.3%	$1,993.80	-6.2%
2020 2Q	4397.35	$17.83	$26.79	$26.79	-33.3%	$27.98	-32.3%	35.1	1.9%	-28.0%	$1,785.00	-16.9%
2020 3Q	3363.00	$32.98	$37.90	$37.90	-4.8%	$38.69	-8.2%	27.3	1.7%	34.8%	$2,386.80	7.5%
2020 4Q	3756.07	$31.45	$38.19	$38.19	-2.5%	$42.58	1.4%	30.7	1.6%	4.2%	$2,137.60	-2.8%
2021 1Q	3972.89	$45.95	$47.41	$47.41	143.1%	$49.13	48.3%	26.4	1.5%	5.2%	$2,401.00	20.4%
2021 2Q	4297.50	$48.39	$52.03	$52.03	94.2%	$52.58	87.9%	24.5	1.3%	6.2%	$2,596.30	45.5%
2021 3Q	4307.54	$49.59	$52.02	$52.02	37.3%	$53.72	38.8%	22.7	1.4%	3.3%	$2,553.30	7.0%
2021 4Q	4766.18	$53.94	$56.71	$56.71	48.5%	$53.95	26.7%	22.9	1.3%	7.0%	$2,521.90	18.0%
2022 1Q	4530.41	$45.99	$49.36	$49.36	4.1%	$54.80	11.5%	21.6	1.4%	-2.0%	$2,497.90	4.0%
2022 2Q	3785.38	$42.74	$46.87	$46.87	-9.9%	$57.62	9.6%	18.5	1.7%	-0.6%	$2,712.60	4.5%
2022 3Q	3585.62	$44.41	$50.35	$50.35	-3.2%	$56.02	4.3%	17.6	1.8%	2.7%	$2,754.60	7.9%
2022 4Q	3839.50	$39.61	$50.37	$50.37	-11.2%	$53.15	-1.5%	19.5	1.7%	2.6%	$2,700.10	7.1%
2023 1Q	4109.31	$48.41	$52.54	$52.54	6.4%	$53.08	-3.1%	20.5	1.7%	2.2%	$2,588.60	3.6%
2023 2Q	4450.38	$48.58	$54.84	$54.84	17.0%	$54.29	-5.8%	21.4	1.5%	2.1%	$2,601.80	-4.1%
2023 3Q	4288.05	$47.65	$52.25	$52.25	3.8%	$58.41	4.3%	20.4	1.6%	4.9%	$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%	3.4%	$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%	1.4%	$2,726.80	5.3%
2024 2QE	5521.50	$56.25	$58.75	$58.12	6.0%	$60.19	10.9%	25.2	1.3%	2.8%	NA	NA
2024 3QE*	5434.43	$54.75	$61.19	$60.75	16.3%	$61.77	5.8%	23.8	NA	NA	NA	NA
2024 4QE	~~~~~	$58.13	$63.85	$60.50	12.2%	$64.50	12.8%	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 *8/13/2024

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