Dudack Research Group
A Division of Wellington Shields & Co. LLC Member NYSE, FINRA & SIPC
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October 16, 2024

DJIA: 42740.42
SPX: 5815.26
NASDAQ: 18315.59

US Strategy Weekly

A Global Easing

The current advance in US equity prices may have as much to do with what is happening outside of the US as it does with what is happening domestically. And we are not talking about the escalating conflict in the Middle East and Ukraine, but rather the easing bias of central banks around the world.

Cutting Rates Around the World

The Bank of Canada lowered interest rates 25 basis points at each of its last three policy meetings and is expected to cut rates another 50 basis points at next week's meeting. Plus, Canada's last inflation report showed prices rising a mere 1.6% YOY which gives the Bank the ability to continue to lower rates. China is planning to raise an additional $850 billion from special treasury bonds over the next three years in order to stimulate its weakening economy. This amount is up from the $250 billion reported by news sources a month ago and is in addition to the massive stimulus facilities announced a week ago which included lowering interest rates.

The European Central Bank has already cut rates twice this year, is expected to cut again this week, and analysts expect the benchmark rate to fall from its previous 4% level to 2% by early next year. The ECB's stimulus is beginning to have an impact on the eurozone as seen by the improvements in both industrial production and credit demand in recent releases. The Bank of England cut interest rates in August, paused in September, but is expected to cut interest rates another 25 basis points in early November. Since August, New Zealand cut its official rate by 75 basis points and its annual inflation rate fell to 2.2% in the third quarter, down from 3.3% in the second quarter. The Reserve Bank of Australia has not yet pulled the lever on rate cuts but there is no doubt the economy is slowing, and the timing of a rate cut will depend on the data released over the next few weeks. On the other end of the spectrum, the Bank of Japan, which initiated a negative rate policy in 1999, raised interest rates by 25 basis points in March. However, the BOJ indicated it had no intention of raising interest rates again this year, which is likely due to the upward pressure this would put on the Japanese yen. All in all, the world's major banks are implementing monetary stimulus, and this has been historically good for global equities.

Earnings Reports Could Still Be Pivotal

As third quarter earnings season begins, analysts will be focused on corporate guidance. Equity prices have been rising, but as of now, earnings estimates have been falling for 2024, 2025, and 2026. See page 8. Valuation does not support equities at this juncture, but this may not matter if this market is a melt-up or a bubble, at least in the short run. The SPX trailing 4-quarter operating multiple is 25.3 times, and well above all long- and short-term averages. The 12-month forward PE multiple is 21.7 times and when added to inflation of 2.4%, sums to 24.1, which is above the standard deviation range of 14.8 to 23.8. See page 7. By all measures, the equity market remains richly valued and remains at levels seen only during the 1997-2000 bubble, the financial crisis of 2008, or the post-COVID-19 earnings slump. But we should point out that while the current trailing PE of 25.7 is extreme, previous bubbles have reached PE multiples of 29 to 31 times.

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

Banks typically kick off earnings reporting season and this week most have exceeded expectations citing gains in trading and strong investment banking revenues. Bankers are optimistic that monetary easing around the world will continue to support a pipeline of deals. Dealogic data indicated that worldwide mergers and acquisitions totaled $909 billion as of September 30, 2024. up 22% YOY. However, smaller and regional banks may have more difficult comparisons since they have fewer ways to offset the expected declines in net interest income.

What may be pivotal to several markets was the report from ASML Holding N.V (ASML - $730.43), Europe's biggest tech firm and the leading supplier of equipment for manufacturing chips. The company lowered 2025 guidance for sales and bookings, citing sustained weakness in parts of the semiconductor market. The company said that despite a boom in AI-related chips, other parts of the semiconductor market have been weaker than expected, companies that make logic chips are delaying orders and customers that make memory chips plan to limit new capacity additions. The stock suffered its worst one-day fall in 26 years and took most of the semiconductor sector with it. Chip stocks were also hurt by a report indicating the Biden administration is considering capping AI-chip exports by US companies.

UnitedHealth Group (UNH - $556.29) beat consensus earnings estimates for the quarter but lowered guidance for 2025 to around $30 a share which fell below analysts' estimates of $31.18 per share, according to LSEG data. CEO Andrew Witty said the lower 2025 forecast is due in part to payment cuts from the government for Medicare plans and low state payment rates for Medicaid plans for low-income people. Stock prices for UNH and other health insurers fell on the news.

Oil stock also fell this week after OPEC cut its estimate for global energy demand and as the fear that Israel would target Iranian oil facilities faded. Nevertheless, while the broad equity indices traded lower on the sum of this negative news, the pullback was barely visible in the technical charts. See page 10.

Technicals

The breadth of the market has strengthened in recent weeks with the NYSE advance/decline line setting a string of all-time highs in line with the indices. See page 12. The 25-day up/down volume oscillator is at 2.89 and neutral after spending two consecutive days in overbought territory earlier in the week. This oscillator was in overbought territory for seven of eight days ending September 19, the last six of these sessions were consecutive. With many of the indices at or near all-time highs, it is important for this indicator to confirm the advance with an overbought reading of at least 5 consecutive days. See page 11. But by most measures the equity market is demonstrating positive momentum as it approaches what are typically the best three performing months of the year, i.e., November, December, and January.

Inflation, better but not Gone

Headline CPI for September ratcheted down from 2.5% YOY to 2.4%; however, the decline in headline CPI was due in large part to the 15% YOY declines in gasoline and energy prices. Core CPI edged higher from 3.2% to 3.3%. Service sector inflation edged lower from 4.8% to 4.7% YOY and owners' equivalent rent edged down from 5.4% to 5.2% YOY. However, the problems in September were found in medical care, which increased from 3.2% YOY to 3.4%, health insurance which jumped from 3.3% to 7.5% YOY and motor vehicle maintenance & repair which jumped from 4.1% YOY to 4.9% YOY. Auto insurance increased 16.3% YOY in September versus 16.5% in August. See page 3 and 4.

Oddly, consumer sentiment declined in October despite the drop in gasoline prices. The University of Michigan consumer sentiment index, while little changed from levels seen in May, remains well below levels seen earlier in the year. See page 6.

The economic backdrop is mixed but may become clearer once we see September's retail sales report later this week. Valuation has been and remains a problem, but with the technical condition of the stock market improving and liquidity from central banks providing support, the outlook for equities is favorable.

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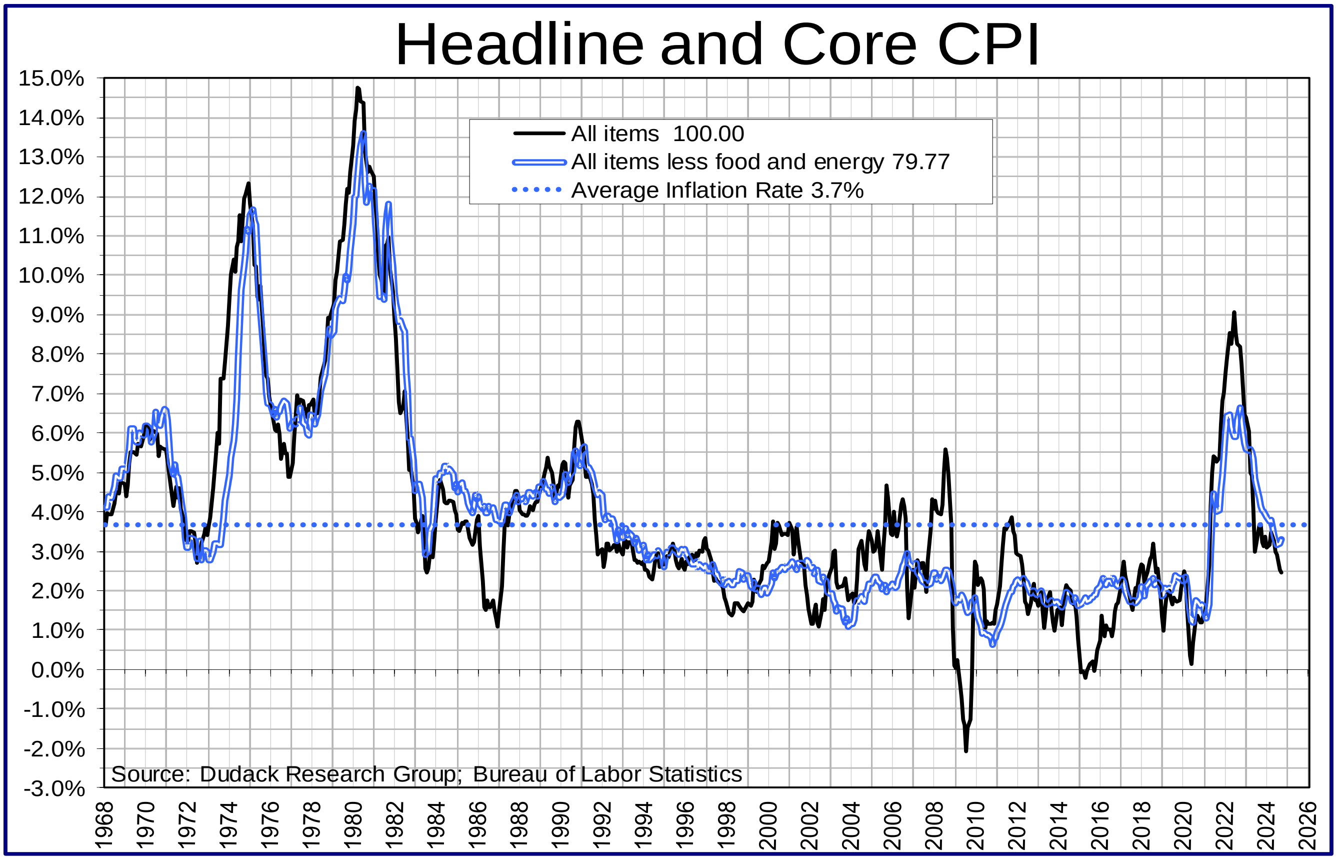
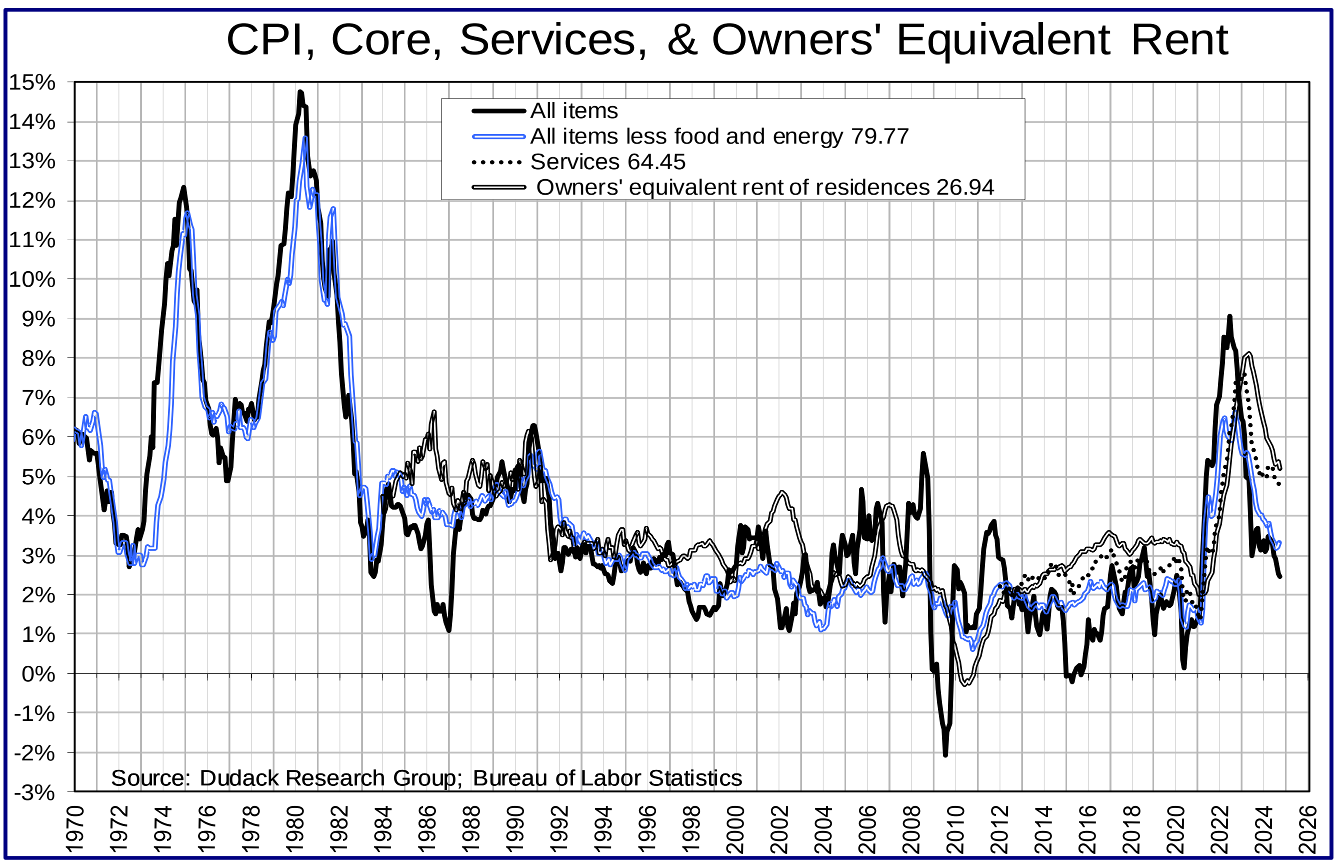
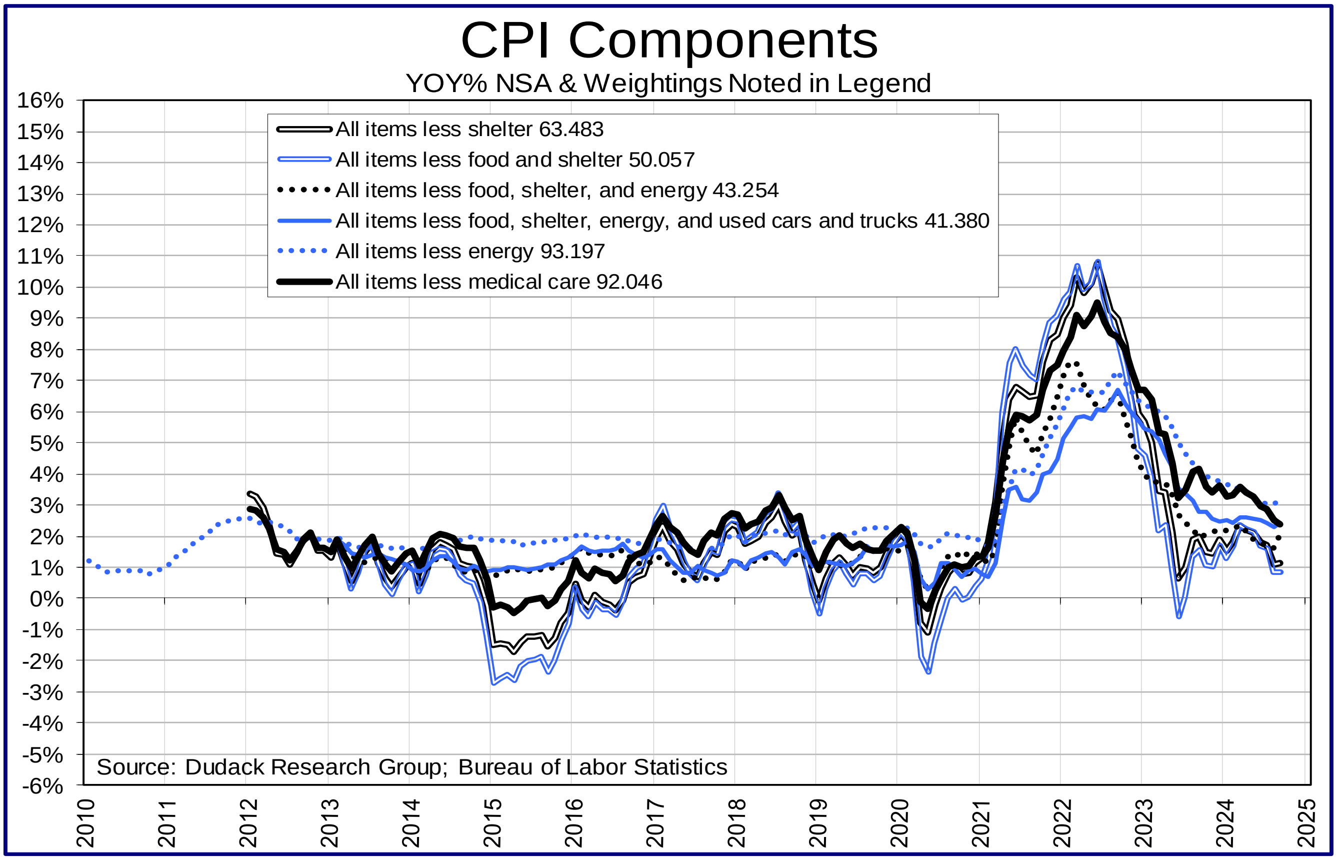
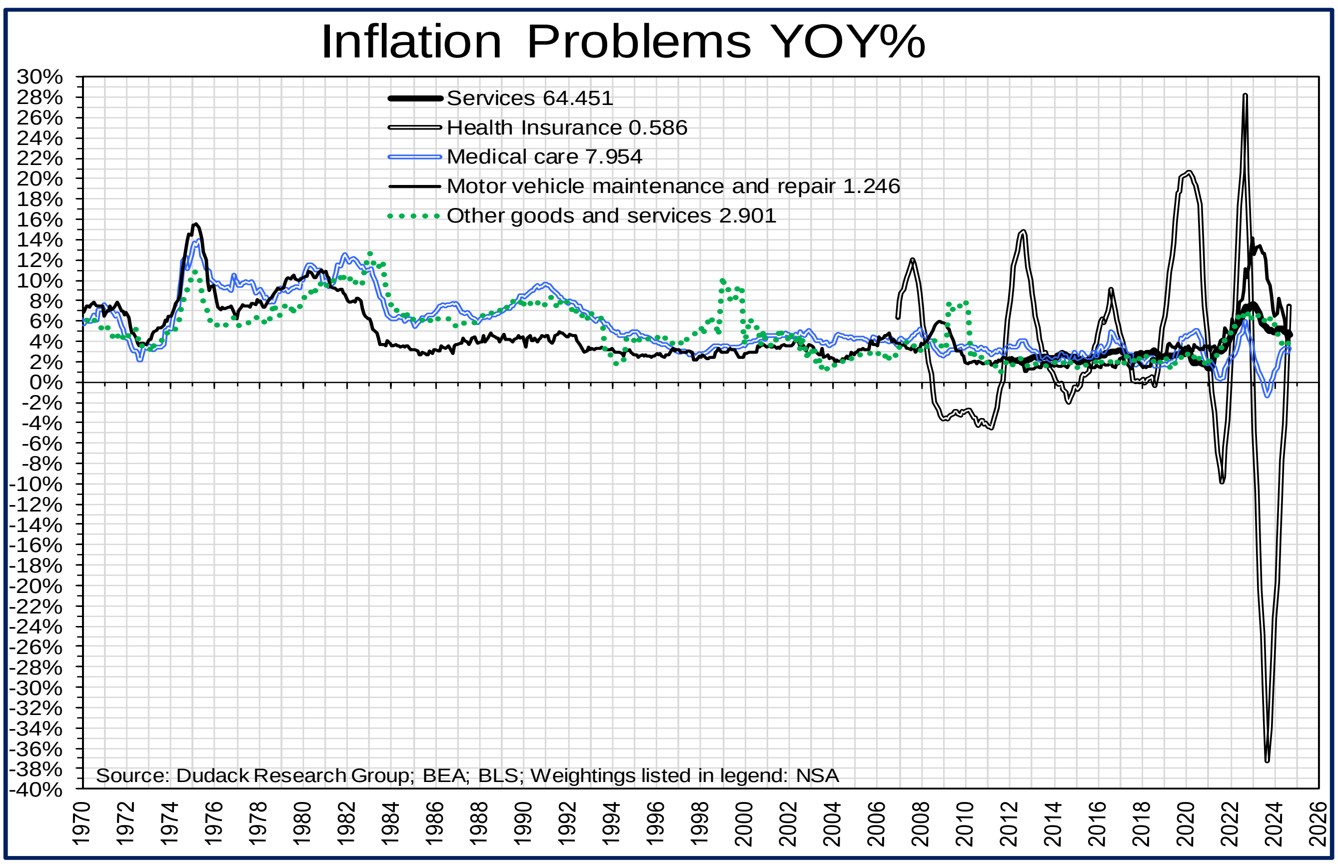


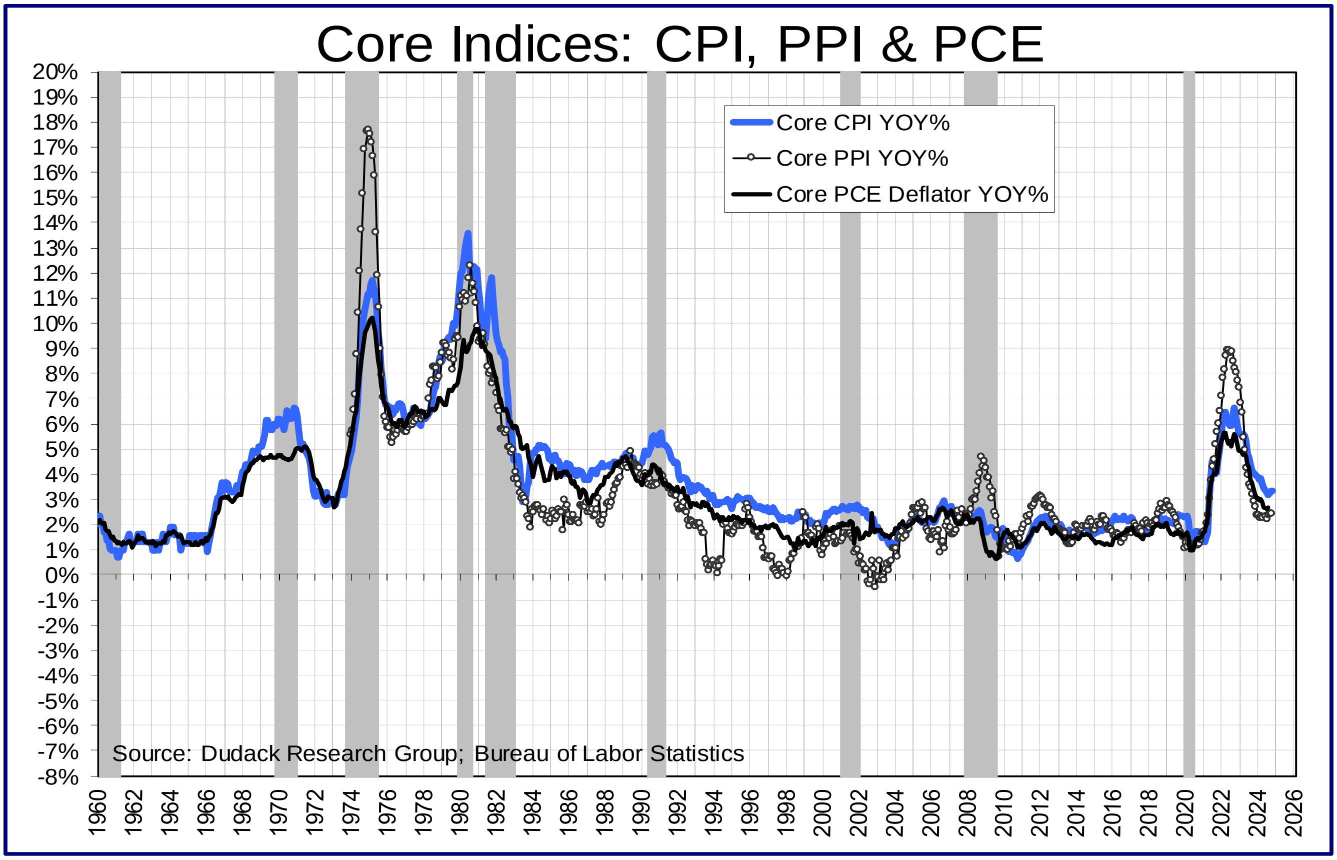


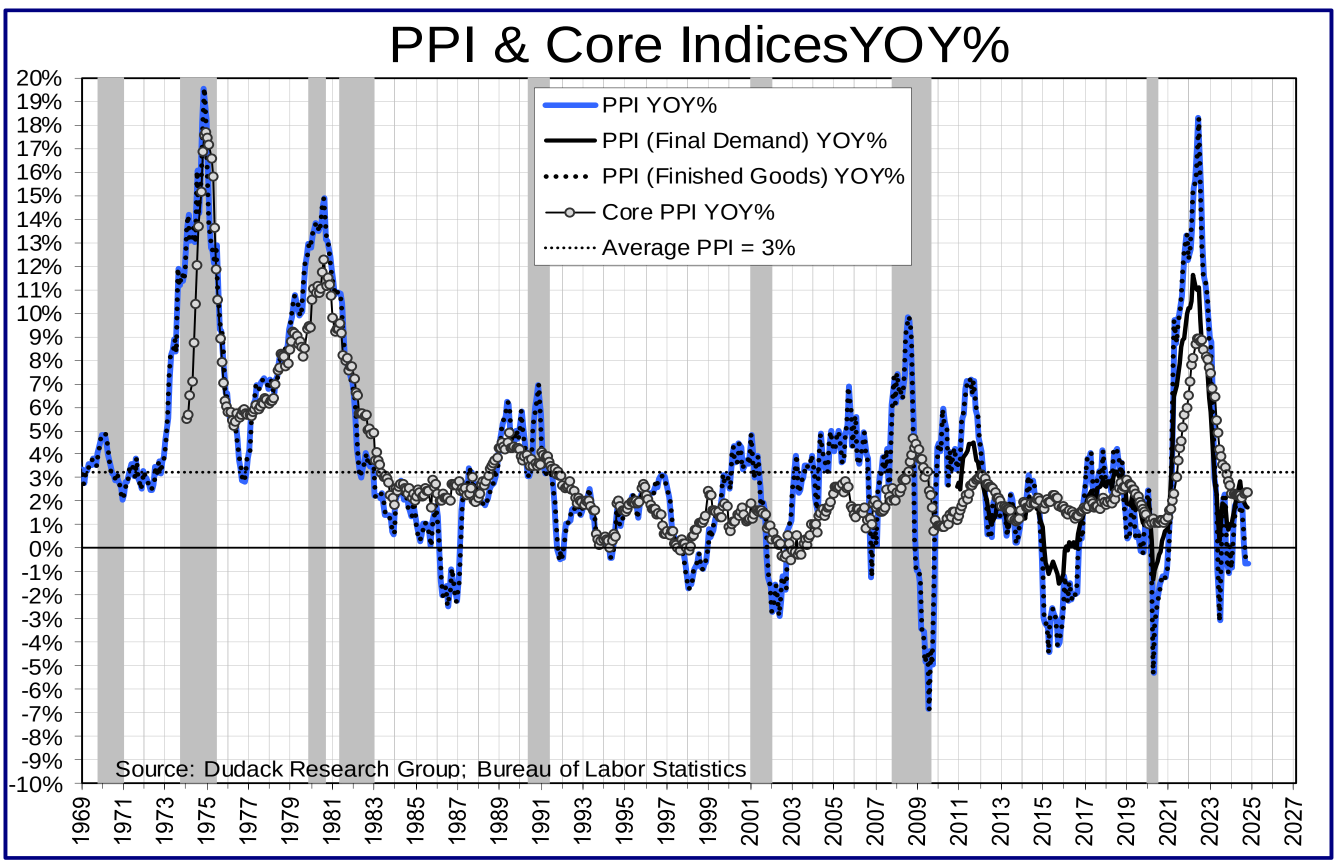
The all items less shelter index and all items less food & shelter index were unchanged in September at 1.1% YOY and 0.8% YOY, respectively. All items less food, shelter, & energy increased from 1.6% YOY to 2.1% YOY and all items less energy increased from 3.0% to 3.2%. All items less medical care eased from 2.5% YOY to 2.4%. The problems in September were seen in medical care, which increased from 3.2% YOY to 3.4%, health insurance which jumped from 3.3% to 7.5% YOY and motor vehicle maintenance & repair which jumped from 4.1% YOY to 4.9% YOY. Auto insurance increased 16.3% YOY in September versus 16.5% in August.



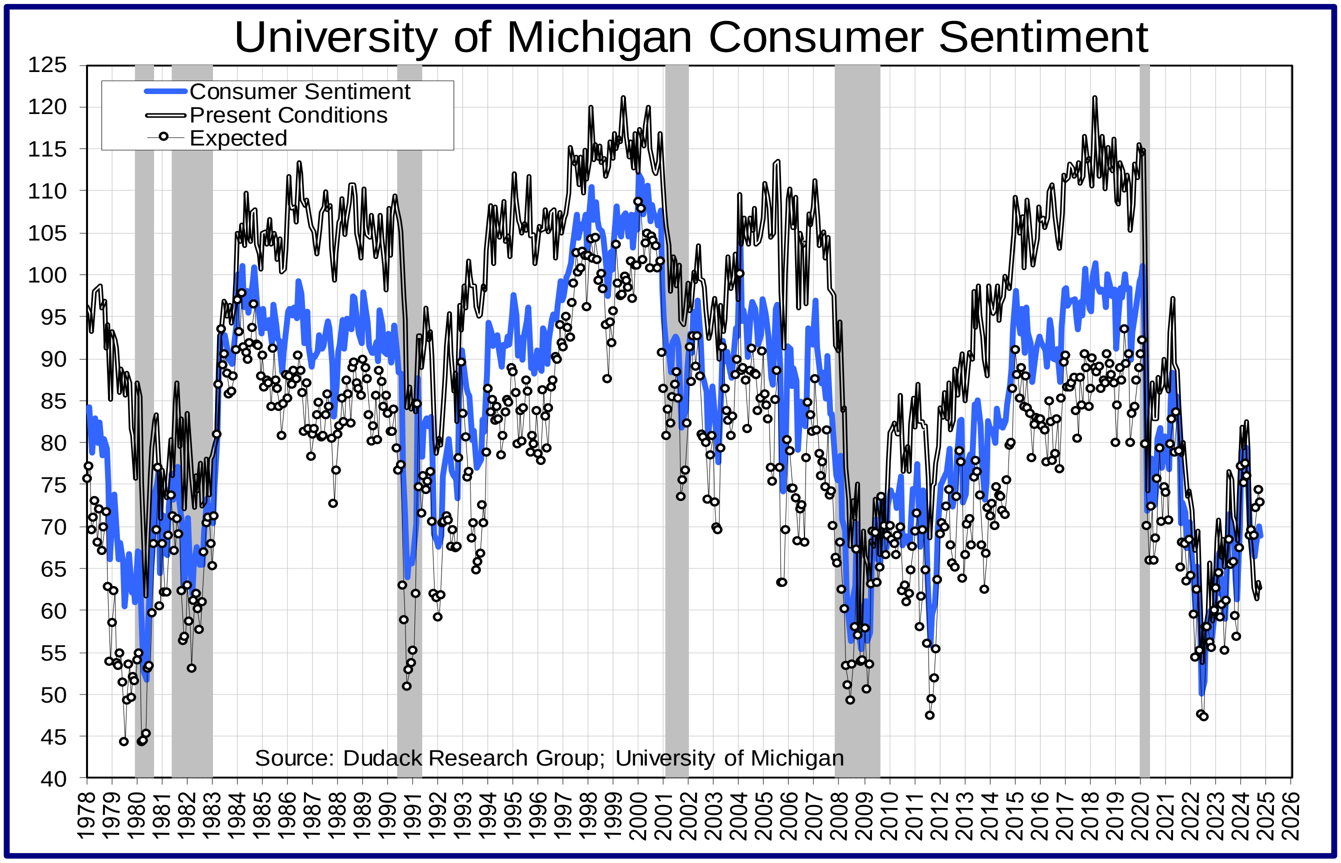


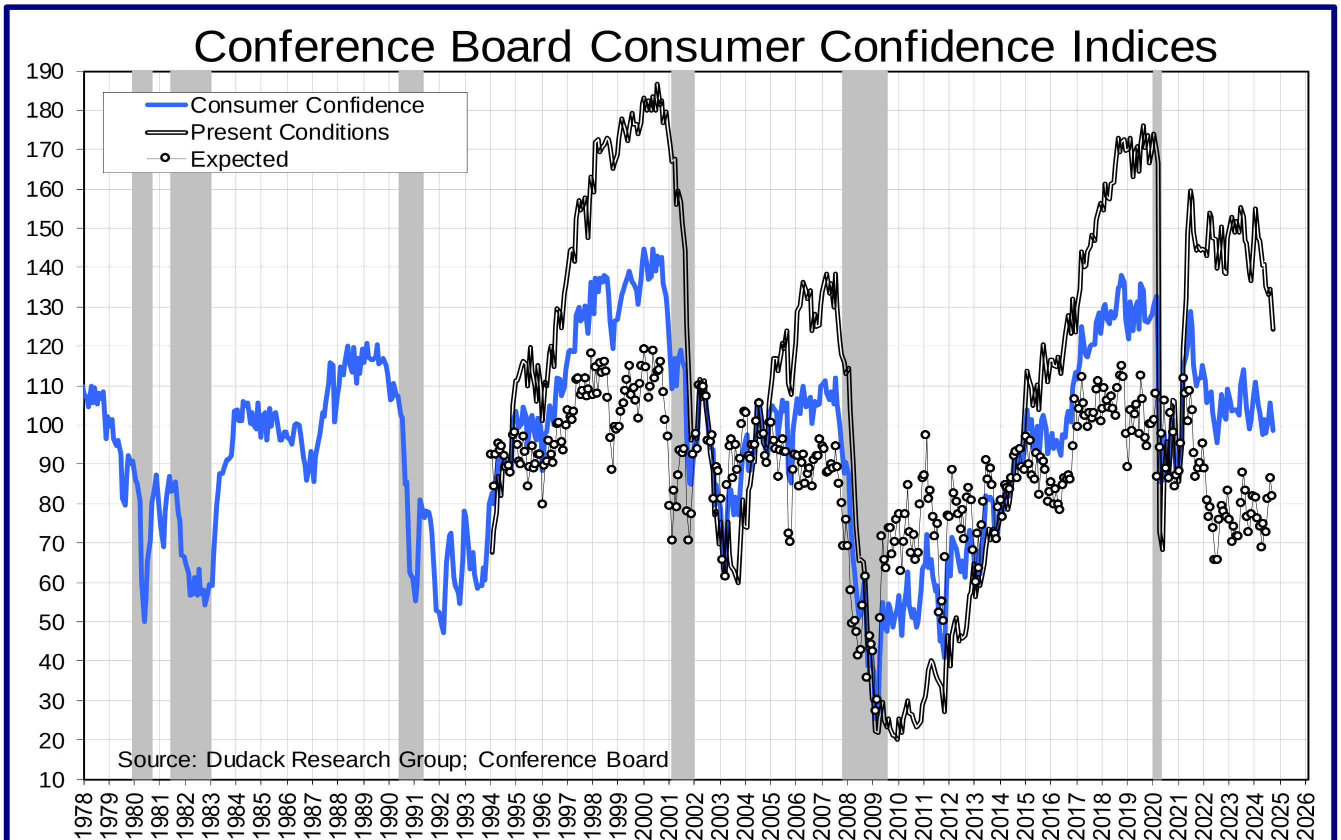
Similar to the CPI, the headline PPI for September was weaker at minus 0.7% YOY versus the 0.3% YOY increase in August. Nonetheless, core PPI increased to 2.4% YOY versus 2.3% in August. Final demand PPI was 2.4% YOY, up from the 2.3% recorded in August. The PCE deflator for September will be released at the end of the month.



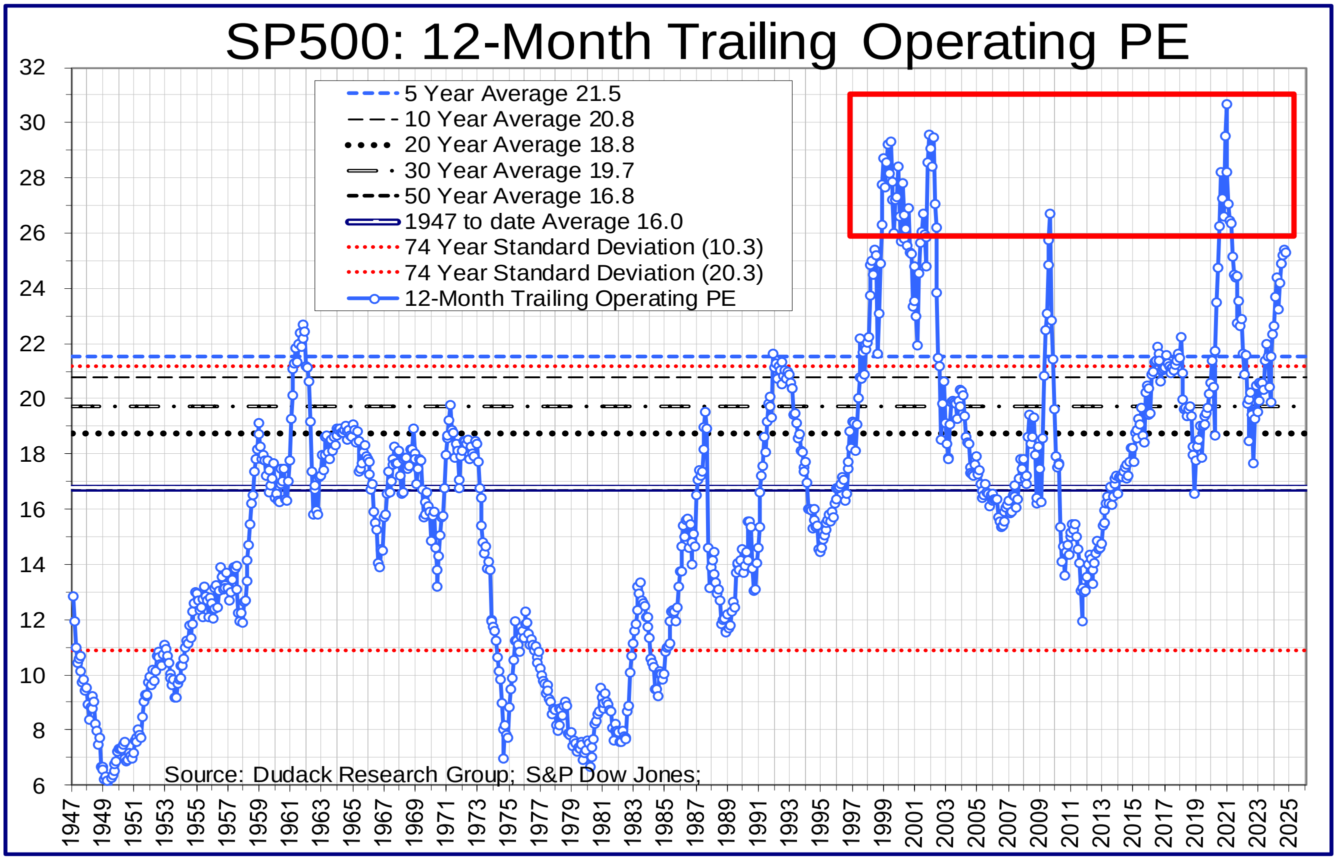


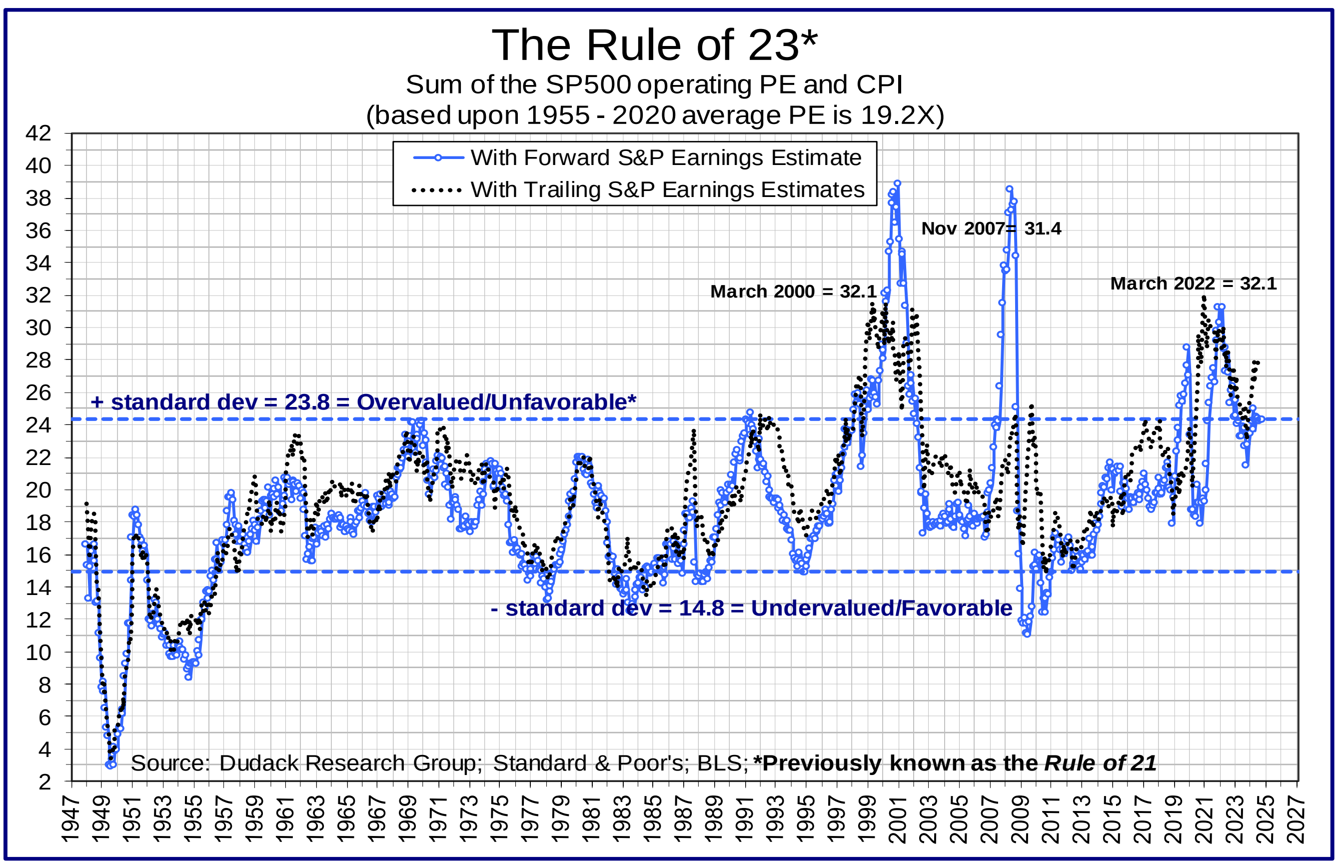
The first estimate for October showed the University of Michigan consumer sentiment survey failed to hold on to most of its September gains. The headline index fell from 70.1 to 68.9 and the present conditions survey fell from 63.3 to 62.7. The expectations component dropped the most from 74.4 to 72.9. Median 12-month inflation expectations rose from 2.7% to 2.9%. Oddly, consumer sentiment declined despite the drop in gasoline prices and the index, while little changed from levels seen in May, remain well below levels seen earlier in the year. Conference Board confidence for October will be reported at the end of the month.



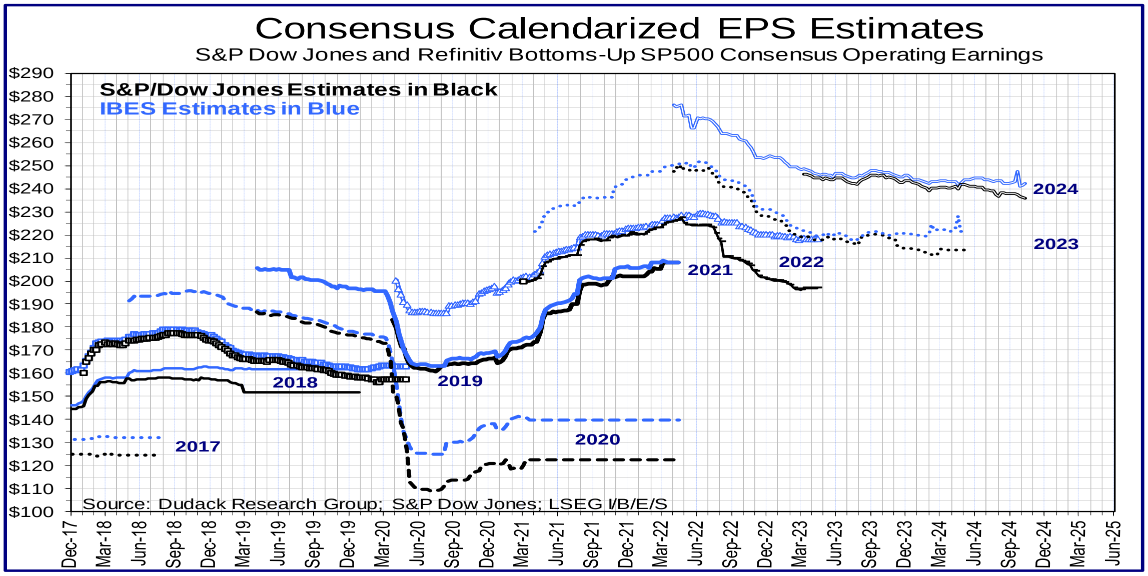


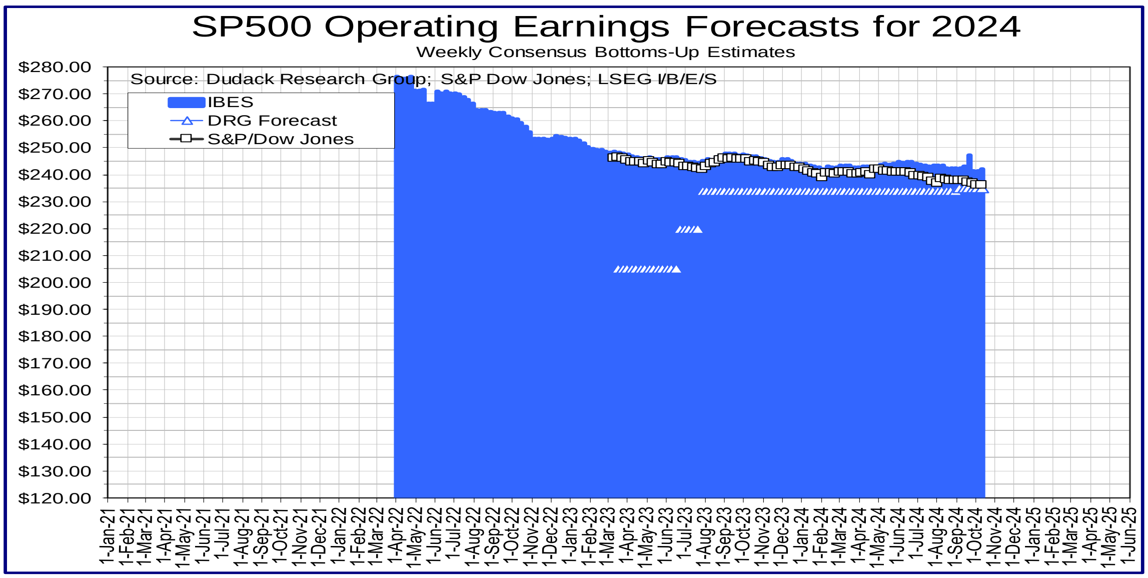
Valuation does not support equities at this juncture, but if this market is a melt-up or bubble, valuation will not matter. The SPX **trailing** 4-quarter operating multiple is 25.3 times, and well above all long- and short-term averages. The **12-month forward** PE multiple is 21.7 times and when added to inflation of 2.4%, sums to 24.1, which is above the top of the normal range of 14.8 to 23.8. By all measures, the equity market remains richly valued. Current valuation levels have only been seen during the 1997-2000 bubble, the financial crisis of 2008, or the post-COVID-19 earnings slump.

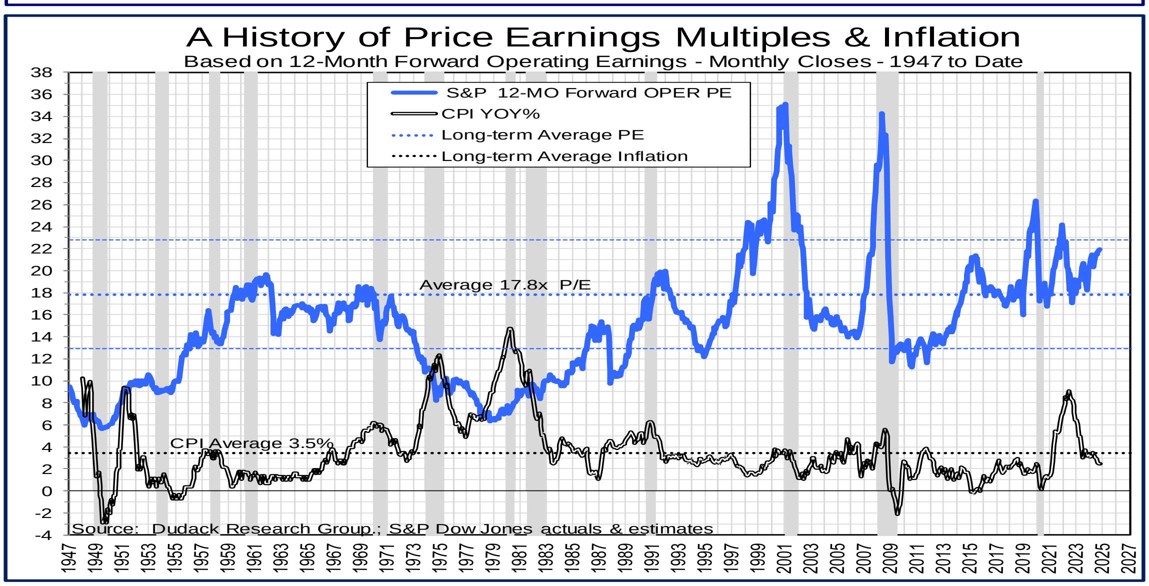




The S&P Dow Jones consensus estimate for calendar 2024 is $235.95, down $0.24 and the 2025 estimate is $274.09, up $0.17 this week. The LSEG IBES estimate for 2024 is $242.11, up $0.83 and the estimate for 2025 is $276.10, down $0.35. The IBES guesstimate for 2026 EPS is $312.17, down $0.56. Monitoring estimates will be critical as we approach third-quarter earnings season since equity prices have been rising, but right now, earnings estimates are generally falling for 2024, 2025, and 2026.



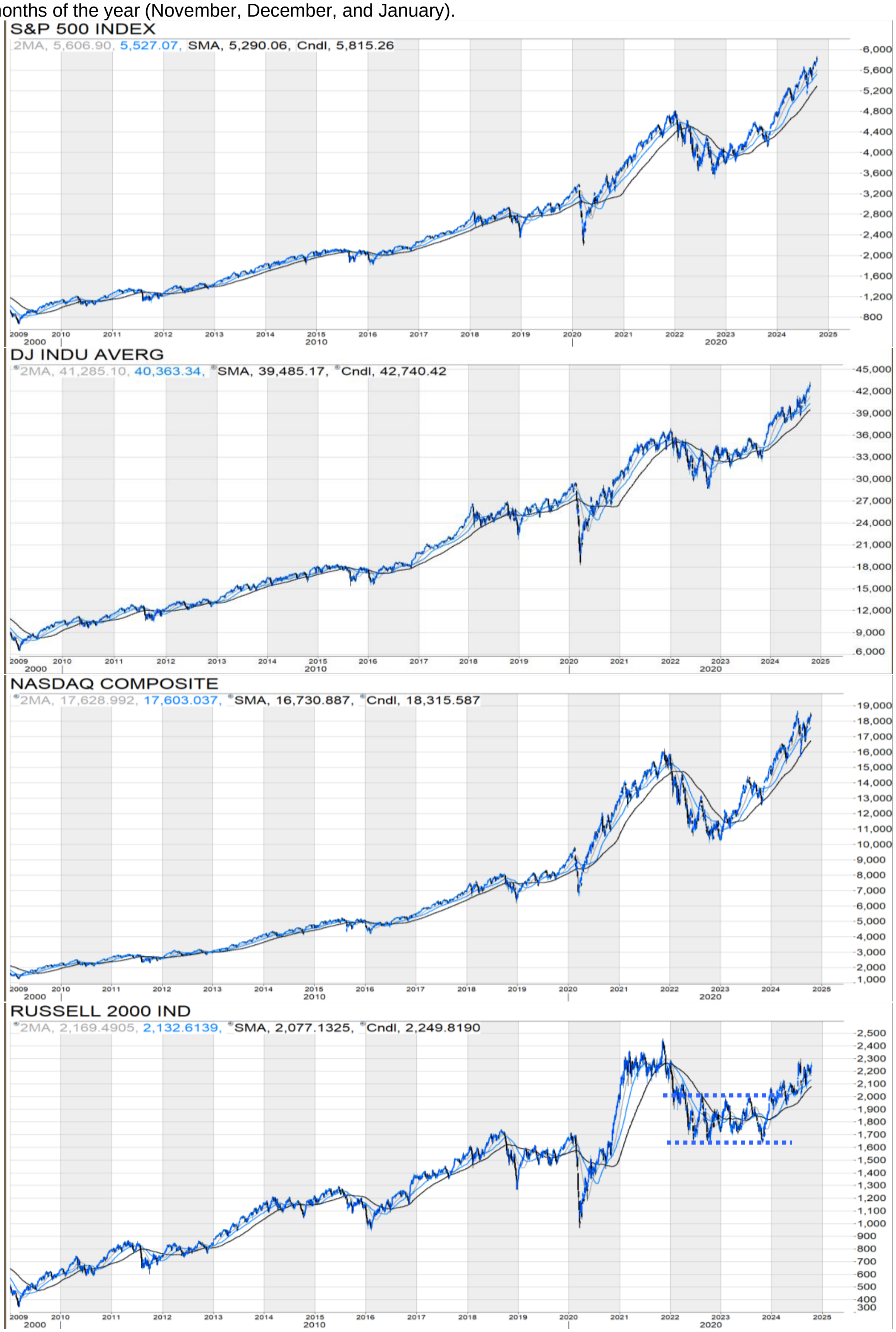




After rising nearly 14% due to a widening conflict in the Middle East, the crude oil future has dropped back to $70 after Israel stated they would not destroy Iranian oil facilities. This decline will be good for future CPI releases however, gold futures continue to be strong, which could be fear of inflation or a flight to safety. Meanwhile, the 10-year Treasury bond yield returned to the 4% level after China announced monetary and fiscal stimulus and strong US employment numbers for September indicated the economy was stronger than expected.

Source: LSEG Refinitiv

The S&P Composite and Dow Jones Industrial Average have been setting a string of record highs in October and the Nasdaq Composite index is merely 1.8% away from its all-time high. Even the Russell 2000 index is now up 11% year-to-date and less than 8% from its all-time high. By all measures the equity market is demonstrating positive momentum as it approaches what is typically the best three performing months of the year (November, December, and January).

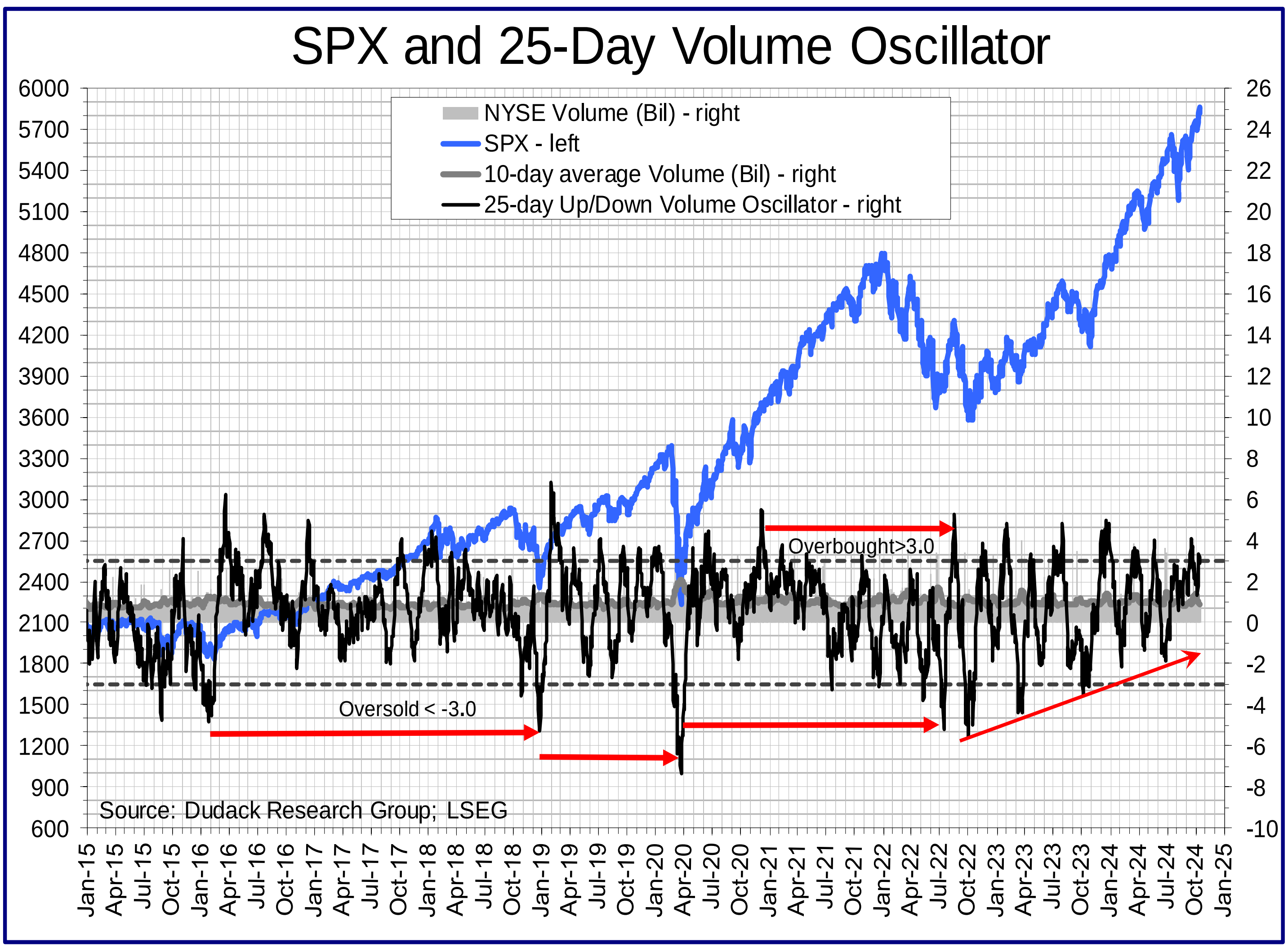


Source: LSEG Refinitiv

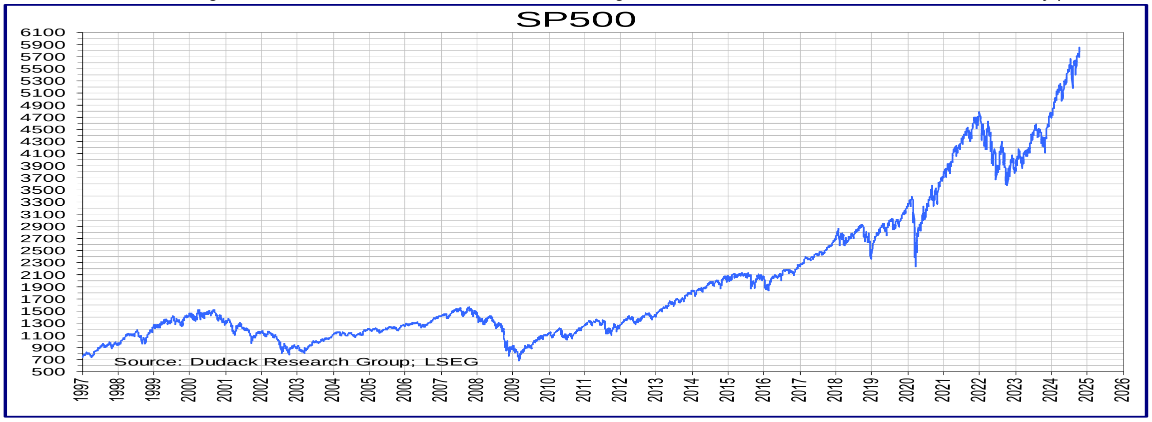
The 25-day up/down volume oscillator is 2.89 and neutral after spending two consecutive days in overbought territory earlier in the week. This oscillator was in overbought territory for seven of eight days ending September 19, the last six of these sessions were consecutive. With many of the indices at or near all-time highs, it is important for this indicator to confirm the advance with an overbought reading of at least 5 consecutive days.

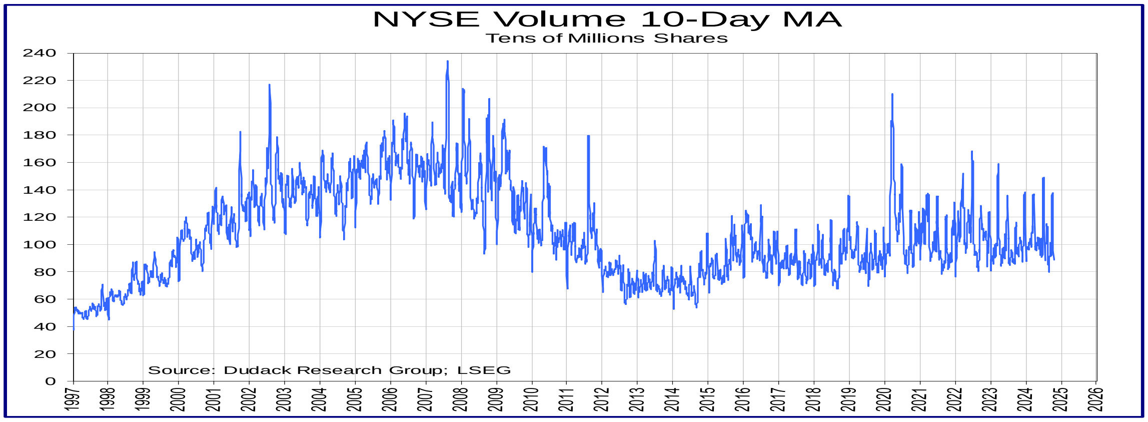
The rally which began in October should also include several extremely overbought readings of 5.0 or better, which is typical of the first stage of a major advance. To date, the 4.07 reading on September 17 was the best level since December 2023, which is not impressive, but is favorable. This six-consecutive-day overbought reading was not overly impressive, but it was the best demonstration of volume following prices seen since the end of last year. In short, it was good enough to confirm the new highs in the averages, and suggests the rally is the continuation, but not the beginning, of a new bull cycle.

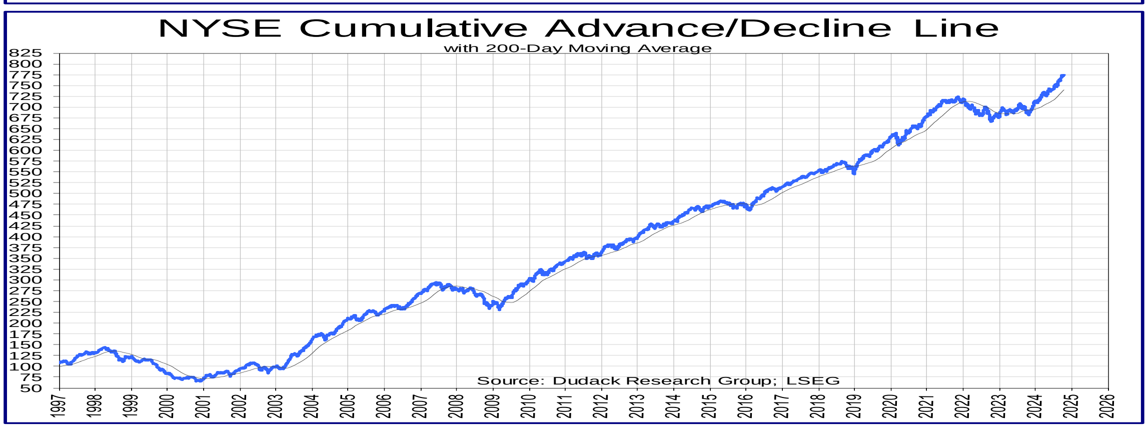
Meanwhile, we continue to monitor an interesting uptrend in this oscillator (red line below) off the 2022 low. This trendline lends a bullish bias to an otherwise neutral position of this index, and it remains intact despite recent market weakness. Should this trend line be broken it would be a warning sign for the longer-term trend of the stock market.

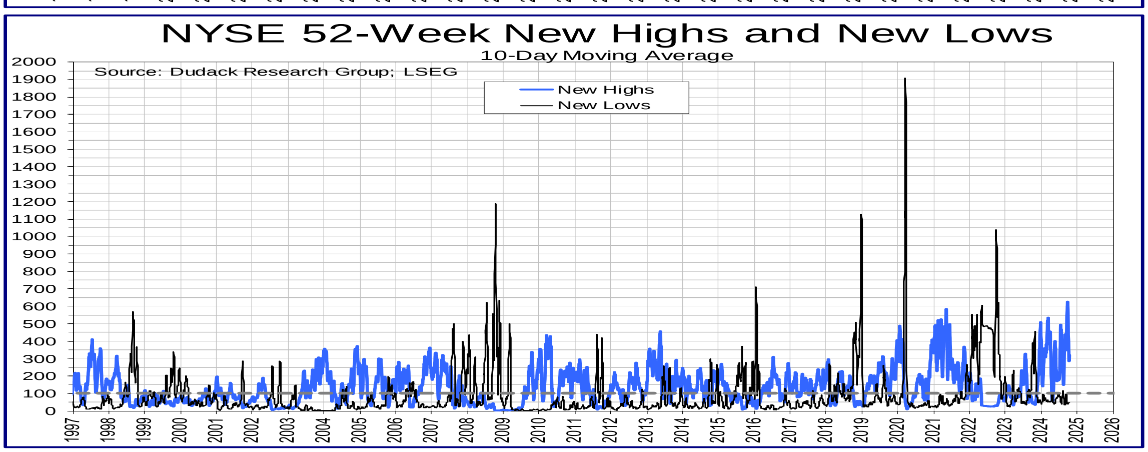


The 10-day average of daily new highs fell to 320 this week and new lows are 46. This combination of new highs above 100 and new lows below 100 is positive. The NYSE advance/decline line made a new record high on October 14, 2024. For the first time in a long while, all the broad breadth indicators are uniformly positive.

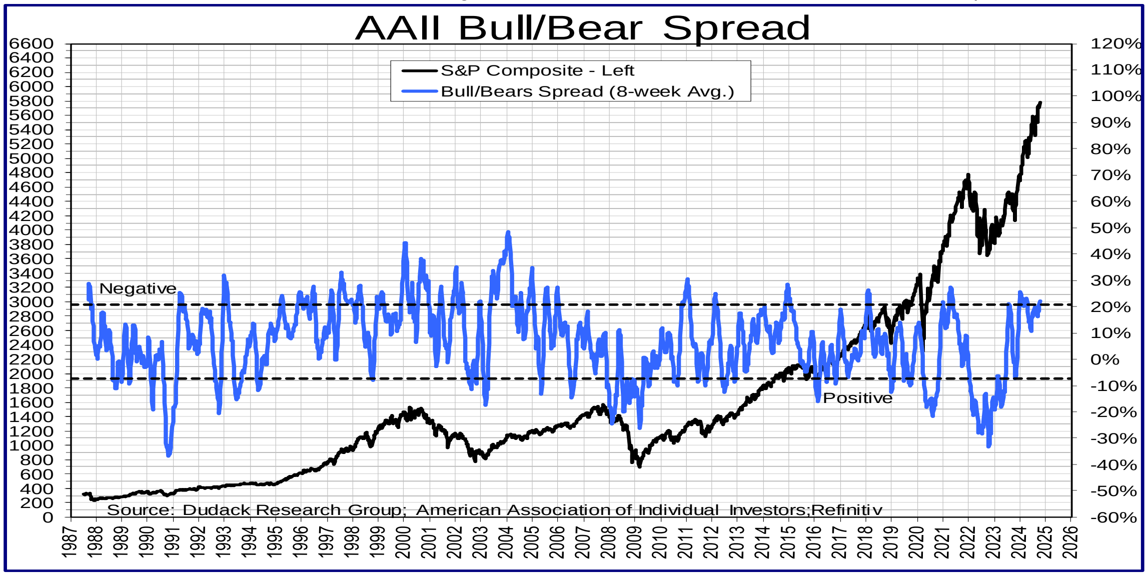


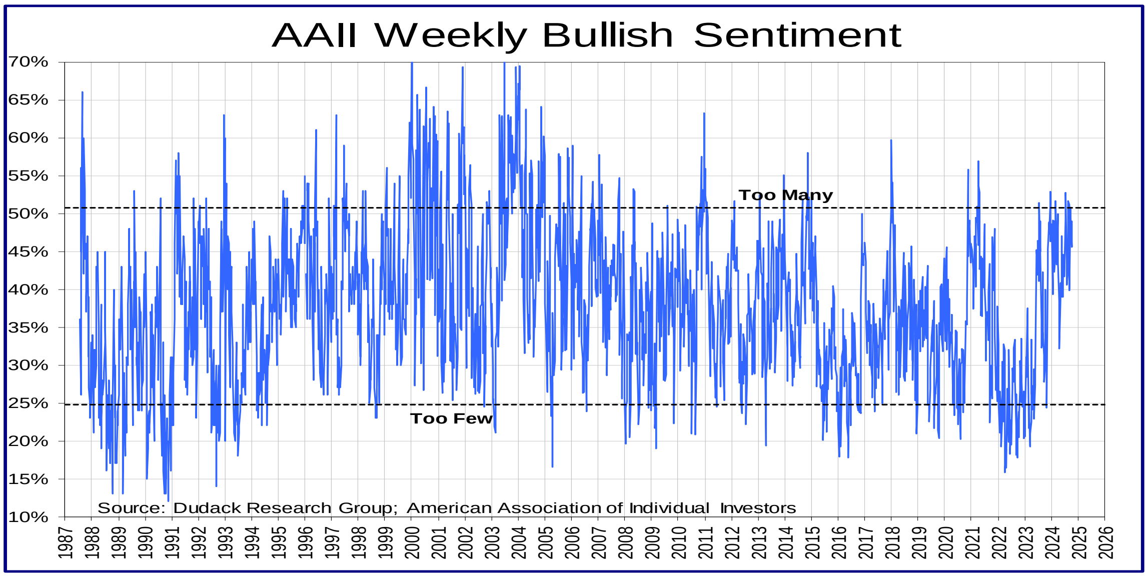


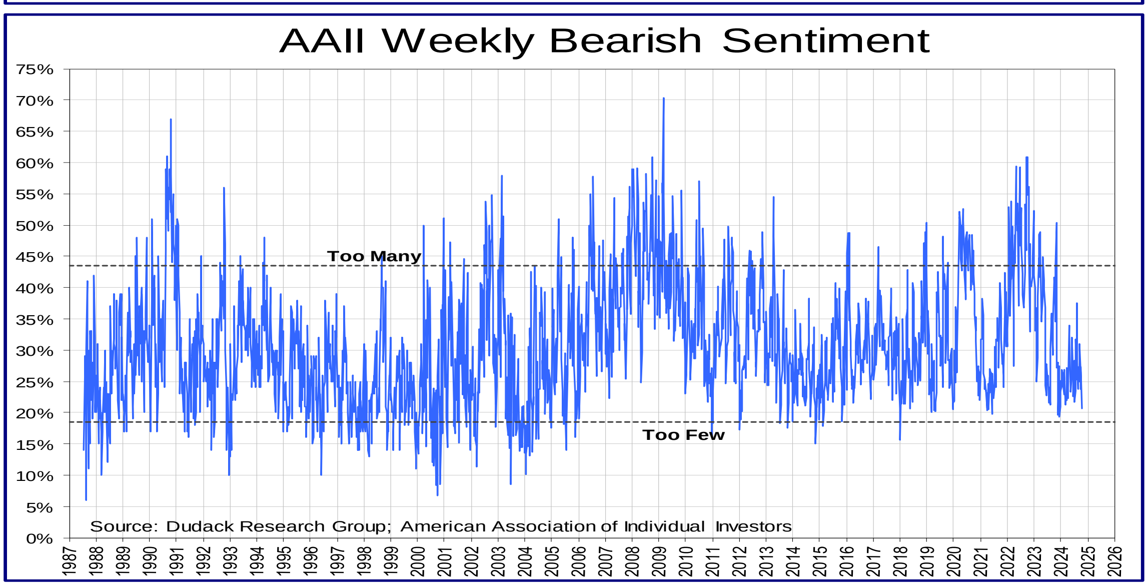




Last week's AAII survey showed bullishness rose 3.5% to 49.0% and bearishness fell 6.7% to 20.6%. Bullishness is above average, and bearishness is below average for the third week in a row. Extreme sentiment readings -- a negative signal -- were seen on December 13, 2023, when bearishness was 19.6%, its lowest level since the January 3, 2018 reading of 15.6%, and bullishness was 51.3%. The 8-week bull/bear rose to 22.1% and is above 20.8%, which denotes an 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%
Silver Future	SIc1	31.53	3.9%	2.7%	1.2%	32.2%
iShares Silver Trust	SLV	30.09	2.6%	2.6%	1.1%	32.1%
iShares China Large Cap ETF	FXI	31.10	-6.7%	20.3%	-2.1%	29.4%
SPDR Homebuilders ETF	XHB	123.80	1.4%	3.6%	-0.6%	29.4%
SPDR Gold Trust	GLD	245.92	1.5%	3.0%	1.2%	28.6%
Utilities Select Sector SPDR	XLU	80.61	1.4%	2.6%	-0.2%	27.3%
iShares Russell 1000 Growth ETF	IWF	379.91	0.9%	3.6%	1.2%	25.3%
Communication Services Select Sector SPDR Fund	XLC	91.05	0.7%	4.8%	0.7%	25.3%
Financial Select Sector SPDR	XLF	46.90	3.4%	5.4%	3.5%	24.7%
SP500	.SPX	5815.26	1.1%	3.4%	0.9%	21.9%
Nasdaq Composite Index Tracking Stock	ONEQ.O	72.20	0.7%	3.5%	0.8%	21.9%
iShares MSCI Malaysia ETF	EWM	25.78	-0.5%	-0.6%	-4.7%	21.3%
iShares Russell 1000 ETF	IWB	318.06	1.3%	3.3%	1.2%	21.3%
Industrial Select Sector SPDR	XLI	138.18	2.0%	5.8%	2.0%	21.2%
NASDAQ 100	NDX	20159.83	0.3%	3.3%	0.5%	19.8%
SPDR S&P Bank ETF	KBE	55.10	6.0%	5.9%	4.2%	19.7%
Technology Select Sector SPDR	XLK	228.68	0.3%	3.7%	1.3%	18.8%
iShares MSCI Taiwan ETF	EWT	54.59	0.5%	3.9%	1.3%	18.6%
iShares MSCI Singapore ETF	EWS	21.89	0.3%	1.2%	-1.2%	17.1%
iShares MSCI India ETF	INDA.K	57.00	-0.1%	-1.5%	-2.6%	16.8%
PowerShares Water Resources Portfolio	PHO	70.81	1.7%	3.9%	0.4%	16.3%
iShares Russell 1000 Value ETF	IWD	191.89	1.8%	3.1%	1.1%	16.1%
iShares MSCI BRIC ETF	BKF	39.20	-4.8%	8.6%	-3.1%	14.7%
Consumer Staples Select Sector SPDR	XLP	82.49	1.8%	-1.7%	-0.6%	14.5%
iShares Russell 2000 Growth ETF	IWO	287.99	2.3%	3.9%	1.4%	14.2%
SPDR DJIA ETF	DIA	427.54	1.6%	3.0%	1.0%	13.4%
DJIA	.DJI	42740.42	1.6%	3.3%	1.0%	13.4%
iShares US Telecomm ETF	IYZ	25.77	1.3%	6.6%	2.0%	13.2%
iShares MSCI Canada ETF	EWC	41.48	0.8%	2.3%	-0.1%	13.1%
Materials Select Sector SPDR	XLB	96.34	2.0%	3.9%	0.0%	12.6%
iShares MSCI Emerg Mkts ETF	EEM	45.19	-2.2%	5.5%	-1.5%	12.4%
Health Care Select Sect SPDR	XLV	152.85	0.7%	-2.1%	-0.8%	12.1%
iShares MSCI Germany ETF	EWG	33.16	0.8%	2.3%	-2.0%	11.7%
iShares Russell 2000 ETF	IWM	223.07	2.5%	2.9%	1.0%	11.1%
Consumer Discretionary Select Sector SPDR	XLY	197.87	0.4%	2.8%	-1.2%	10.7%
iShares MSCI United Kingdom ETF	EWU	36.51	0.2%	-1.1%	-2.4%	10.5%
iShares US Real Estate ETF	IYR	100.94	2.2%	-2.1%	-0.9%	10.4%
Vanguard FTSE All-World ex-US ETF	VEU	61.46	-1.3%	0.9%	-2.4%	9.5%
United States Oil Fund, LP	USO	72.76	-4.0%	4.2%	4.1%	9.2%
iShares MSCI Japan ETF	EWJ	69.71	-2.2%	-0.2%	-2.6%	8.7%
iShares MSCI Australia ETF	EWA	26.37	0.3%	1.6%	-2.7%	8.3%
iShares Russell 2000 Value ETF	IWN	167.67	2.6%	1.7%	0.5%	7.9%
iShares MSCI EAFE ETF	EFA	81.17	-1.0%	-0.4%	-2.9%	7.7%
Shanghai Composite	.SSEC	3201.29	-8.3%	18.4%	-4.1%	7.6%
Gold Future	GCc1	2930.10	0.2%	0.8%	0.4%	7.6%
iShares Nasdaq Biotechnology ETF	IBB.O	145.82	2.0%	-1.3%	0.2%	7.3%
Energy Select Sector SPDR	XLE	89.78	-1.4%	4.9%	2.3%	7.1%
SPDR S&P Semiconductor ETF	XSD	240.67	1.2%	5.3%	0.2%	7.1%
SPDR S&P Retail ETF	XRT	77.24	2.0%	2.3%	-0.6%	6.8%
iShares MSCI Hong Kong ETF	EWH	17.89	-4.6%	12.1%	-4.1%	3.0%
iShares MSCI Austria Capped ETF	EWO	21.98	-0.5%	-2.1%	-3.7%	1.7%
iShares iBoxx $ Invest Grade Corp Bond	LQD	111.36	0.2%	-1.6%	-1.4%	0.6%
Oil Future	CLc1	70.58	-4.1%	2.8%	3.5%	-1.5%
iShares 20+ Year Treas Bond ETF	TLT	94.91	-0.1%	-5.5%	-3.3%	-4.0%
iShares MSCI South Korea Capped ETF	EWY	62.10	-2.0%	-1.9%	-2.9%	-5.2%
iShares DJ US Oil Eqpt & Services ETF	IEZ	20.18	-3.3%	4.3%	0.4%	-7.9%
iShares MSCI Brazil Capped ETF	EWZ	28.40	-2.0%	-4.2%	-3.7%	-18.8%
iShares MSCI Mexico Capped ETF	EWW	53.79	-0.8%	-1.1%	0.1%	-20.7%

Outperformed SP500

Underperformed SP500

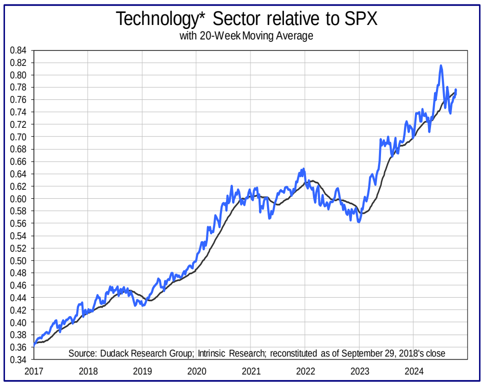
Source: Dudack Research Group; Refinitiv

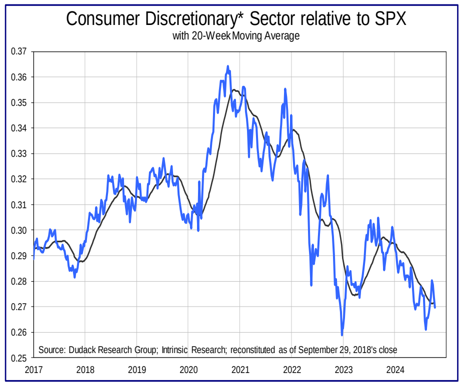
Priced as of October 15, 2024

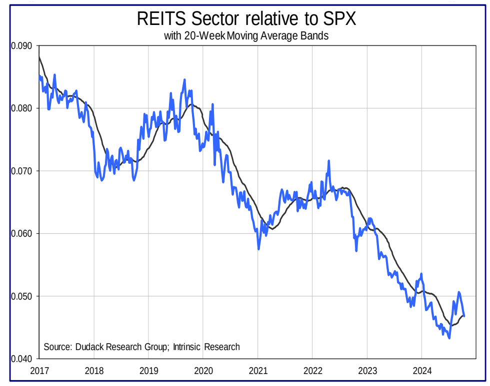
SECTOR RELATIVE PERFORMANCE – RELATIVE OVER/UNDER/ PERFORMANCE TO S&P 500

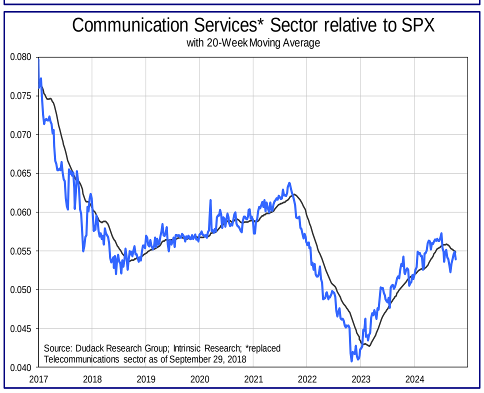
DRG Recommended Sector Weights		
Overweight	**Neutral**	**Underweight**
Communication Services Technology Healthcare Financials	Consumer Discretionary Staples Utililties Industrials	REITS Materials Energy

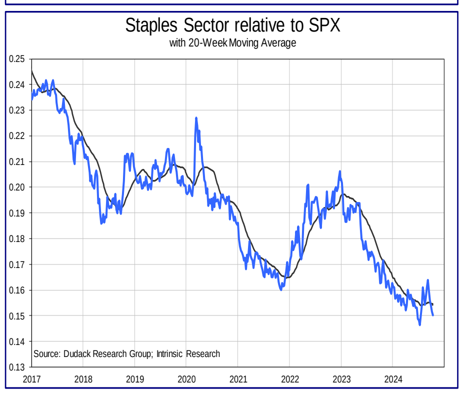
9/10/2024: Upgraded Utilities from U to N; Downgraded Energy from N to U. 2/6/2024: Upgraded Communication Services from U to O; Technology & Healthcare from from N to O; Downgraded Industrials & Consumer Discretionary from O to N; Materials downgraded from O to U. Staples & Energy upgraded to N.

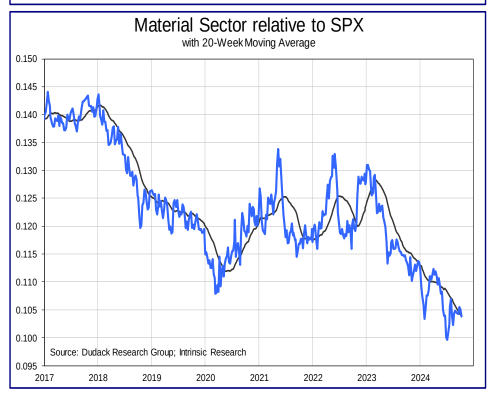


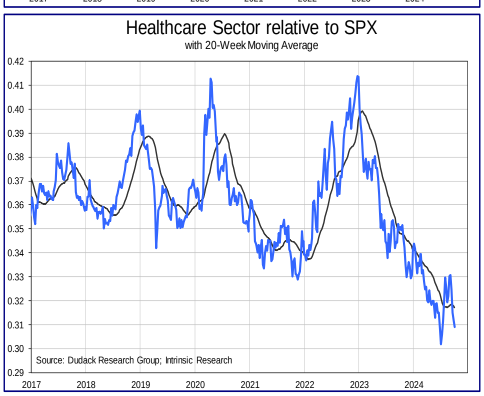


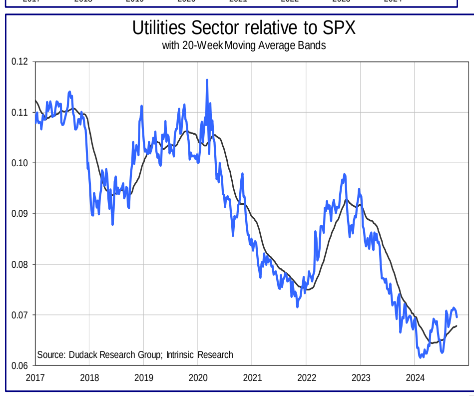


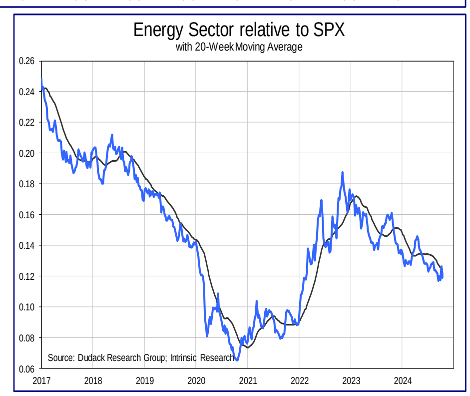


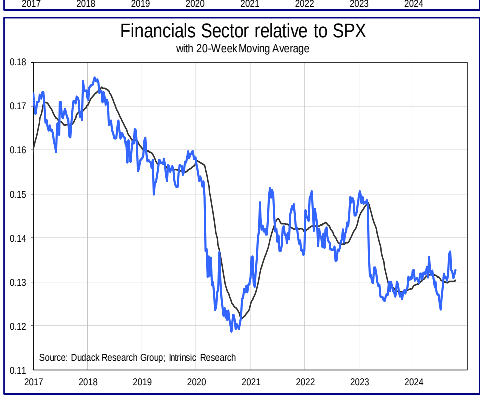












2024 Performance - Ranked	
SP500 Sector	% Change
S&P INFORMATION TECH	31.6%
S&P COMMUNICATIONS SERVICES	28.5%
S&P UTILITIES	27.2%
S&P FINANCIAL	24.5%
S&P 500	21.9%
S&P INDUSTRIALS	21.1%
S&P CONSUMER STAPLES	16.1%
S&P MATERIALS	12.7%
S&P HEALTH CARE	12.0%
S&P CONSUMER DISCRETIONARY	11.7%
S&P REITS	10.3%
S&P ENERGY	8.1%

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 %	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 %
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	-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	$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	-5.4%	$218.09	4.8%	19.5X	1.7%	1.9%	$2,478.80	4.0%
2023	4769.83	$94.14	$213.53	$213.53	8.4%	$221.36	1.5%	22.3X	1.5%	2.5%	$2,803.20	4.0%
2024E	~~~~~	$197.87	$235.94	$235.00	10.1%	$242.11	9.4%	24.4X	1.4%	NA	NA	NA
2025E	~~~~~	$172.75	$274.08	$255.00	8.5%	$276.10	14.0%	21.2X	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	$53.12	$58.36	$58.36	6.4%	$60.40	11.3%	25.2	1.3%	3.0%	$2,774.00	6.6%
2024 3QE	5762.48	$54.94	$59.97	$60.75	16.3%	$60.47	3.5%	25.4	1.3%	NA	NA	NA
2024 4QE*	5815.26	$58.81	$62.98	$61.26	13.7%	$63.53	11.1%	24.6	NA	NA	NA	NA

Source: DRG; S&P Dow Jones **quarterly EPS may not sum to official CY estimates; LSEG IBES Consensus estimates *10/15/2024

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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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Prices are the close of October 15, 2024