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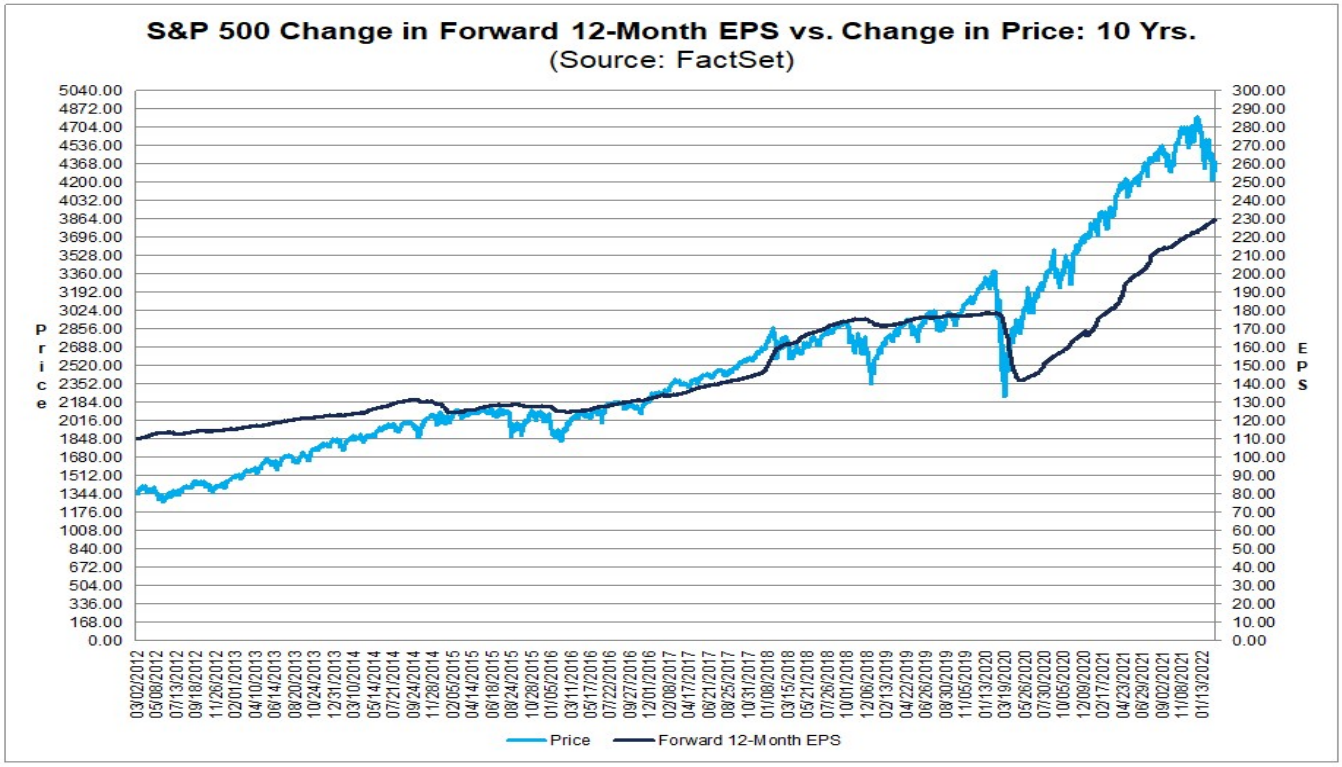
Key Metrics

- **Earnings Growth:** For Q1 2022, the estimated earnings growth rate for the S&P 500 is 4.8%. If 4.8% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate for the index since Q4 2020 (3.8%).
- **Earnings Revisions:** On December 31, the estimated earnings growth rate for Q1 2022 was 5.9%. Seven sectors are expected to report lower earnings today (compared to December 31) due to downward revisions to EPS estimates.
- **Earnings Guidance:** For Q1 2022, 64 S&P 500 companies have issued negative EPS guidance and 29 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 19.0. This P/E ratio is above the 5-year average (18.6) and above the 10-year average (16.8).
- **Earnings Scorecard:** For Q4 2021 (with 99% of S&P 500 companies reporting actual results), 76% of S&P 500 companies have reported a positive EPS surprise and 78% of S&P 500 companies have reported a positive revenue surprise.



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Topic of the Week:

Largest Decrease in EPS Estimates for S&P 500 Companies Since Q2 2020

During the first two months of the first quarter, analysts decreased earnings estimates for companies in the S&P 500 for the quarter. The Q1 bottom-up EPS estimate (which is an aggregation of the median EPS estimates for Q1 for all the companies in the index) decreased by 1.2% (to $51.62 from $52.22) during this period How significant is a 1.2% decrease in the bottom-up EPS estimate during the first two months of a quarter? How does this decrease compare to recent quarters?

In a typical quarter, analysts usually reduce earnings estimates during the first two months of a quarter. During the past five years (20 quarters), the average decline in the bottom-up EPS estimate during the first two months of a quarter has been 2.0%. During the past ten years, (40 quarters), the average decline in the bottom-up EPS estimate during the first two months of a quarter has been 2.7%. During the past fifteen years, (60 quarters), the average decline in the bottom-up EPS estimate during the first two months of a quarter has been 3.5%.

Thus, the decline in the bottom-up EPS estimate recorded during the first two months of the first quarter was smaller than the 5-year average, the 10-year average, and the 15-year average.

However, it should be noted that the first quarter also marked the largest decrease in the bottom-up EPS estimate during the first two months of a quarter since Q2 2020 (-35.9%), when there were widespread lockdowns in the U.S. due to COVID-19.

As the bottom-up EPS estimate for the index decreased during the first two months of the quarter, the value of the S&P 500 also decreased during this same period. From December 31 through February 28, the value of the index declined by 8.2% (to 4373.34 from 4766.18). The first quarter marked the fifth time in the past 20 quarters (5 years) in which both the (quarterly) bottom-up EPS estimate and the value of the index declined over the first two months of the quarter.

At the sector level, eight sectors recorded a decline in their bottom-up EPS estimate for Q1 during the first two months of the quarter, led by the Industrials (-11.3%) and Consumer Discretionary (-7.6%) sectors.

In the Industrials sector, the Airlines (-84%), Industrial Conglomerates (-11%), and Aerospace & Defense (-10%) industries witnessed the largest declines in their bottom-up EPS estimates for Q1 2022 of all 12 industries in the sector over the first two months of the quarter.

In the Consumer Discretionary sector, the Hotels, Restaurants, & Leisure (-83%), Leisure Products (-24%), and Internet & Direct Marketing Retail (-10%) industries saw the largest declines in their bottom-up EPS estimates for Q1 2022 of all 10 industries in the sector over the first two months of the quarter.

On the other hand, three sectors recorded an increase in their bottom-up EPS estimates for Q1 during this period, led by the Energy (+14.5%) sector.

Rising oil prices are helping to drive the increase in expected earnings for the Energy sector, as the price of oil increased by 27% (to $95.72 from $75.21) from December 31 to February 28. Earnings estimates for the Energy sector and the price of oil are highly correlated. Over the past 20 years, the correlation coefficient between the daily forward 12-month EPS estimate for the Energy sector and the daily price of oil (WTI) is 0.89 (where 1.0 is a perfect positive linear relationship). The Energy sector also recorded the largest increase of in its forward 12-month EPS estimate (+10.6%) of all eleven sectors over the first two months of the quarter.

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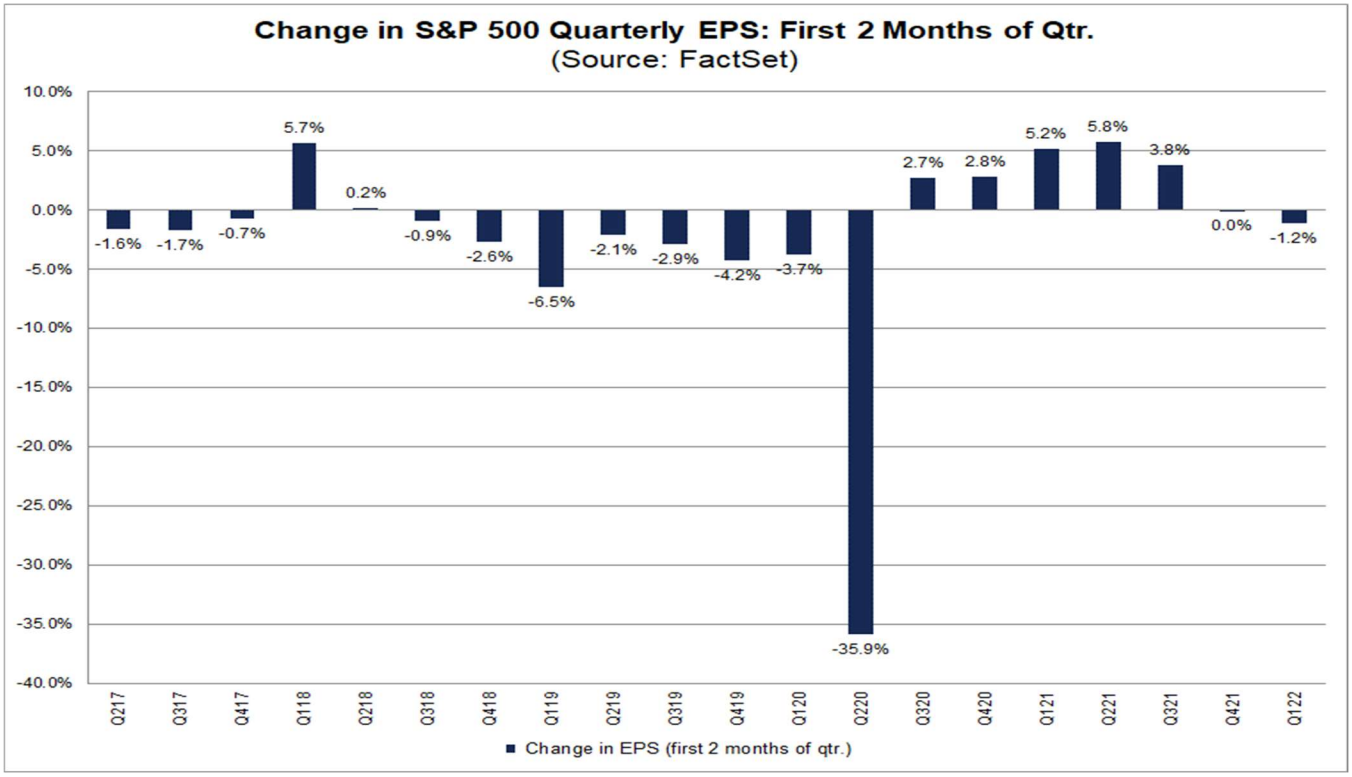

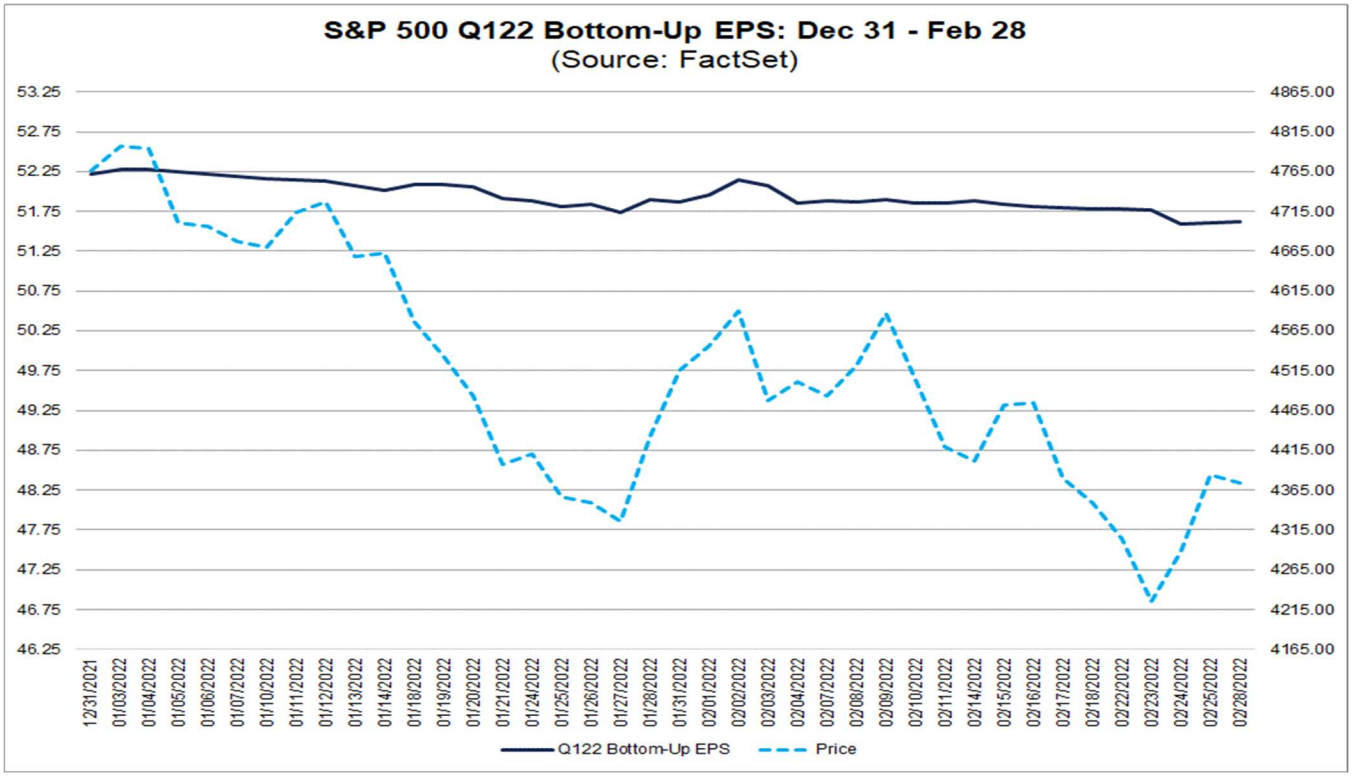

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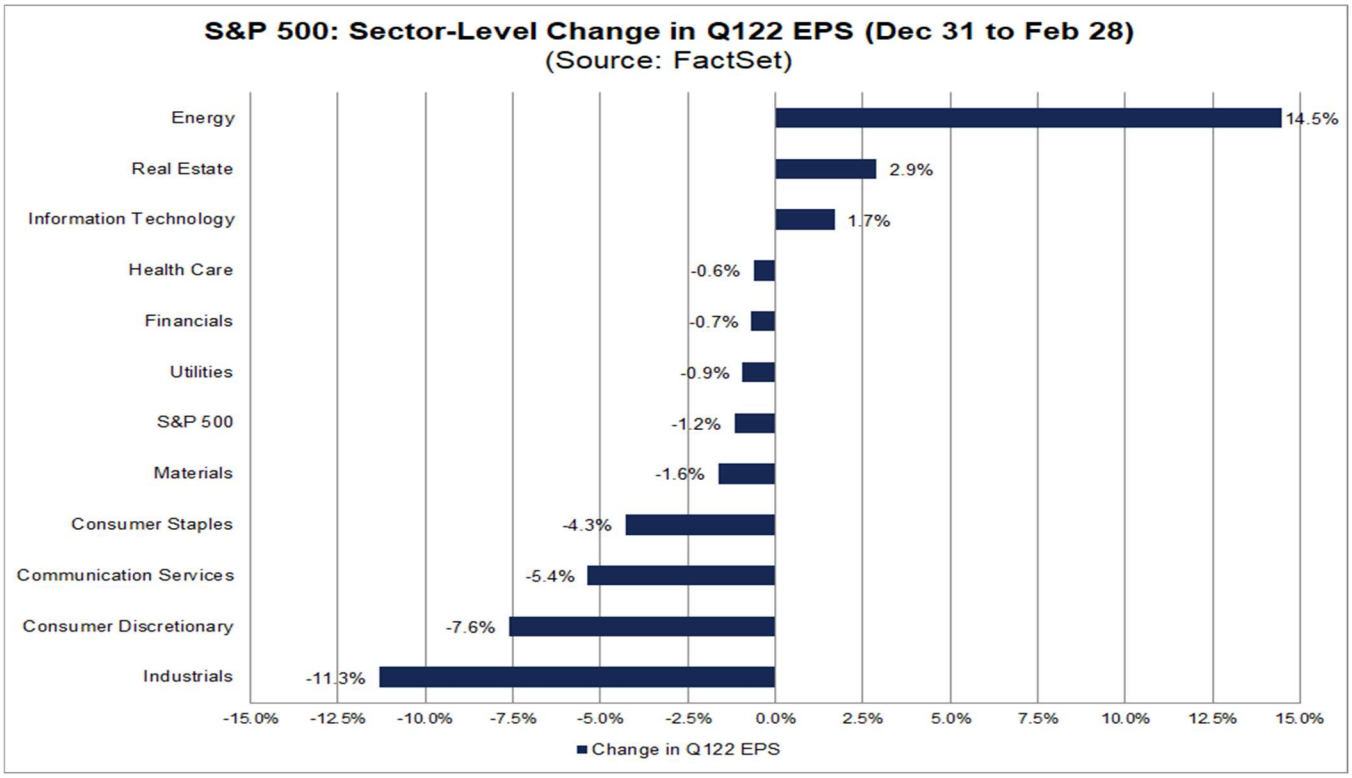

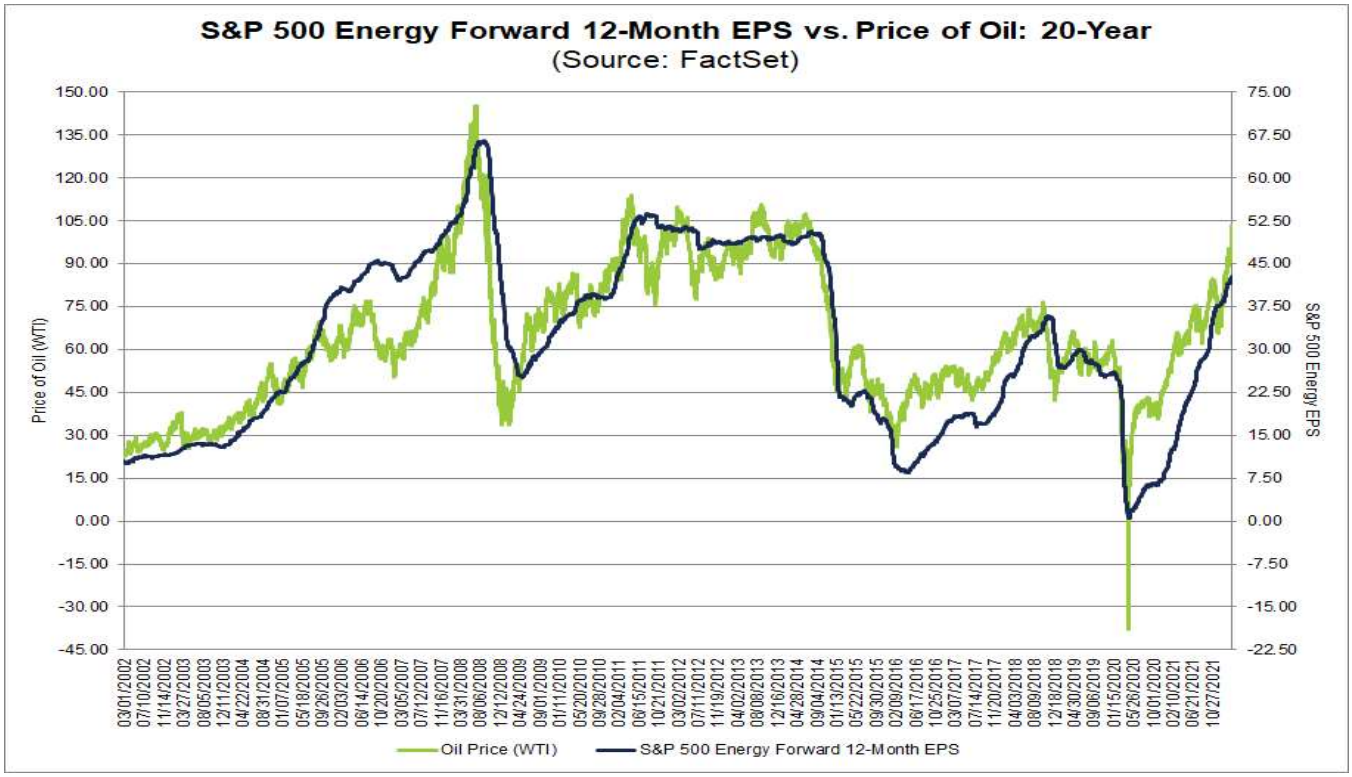

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Q1 Earnings Season: By The Numbers

Overview

Analysts and companies have been more pessimistic compared to recent quarters in their earnings estimate revisions and earnings outlooks for the fourth quarter to date. As a result, expected earnings for the S&P 500 for the first quarter are lower today compared to expectations at the start of the quarter. The index is expected to report single-digit earnings growth for the first quarter for the first time since Q4 2020.

In terms of earnings estimate revisions for companies in the S&P 500, analysts have decreased earnings estimates in aggregate for Q1 2022. On a per-share basis, estimated earnings for the first quarter have decreased by 1.1% since December 31. Over the past four quarters, analysts increased EPS estimates by 4.2% on average during the quarter. However, over longer time periods, analysts have usually reduced earnings estimates during the quarter. Over the past five years (20 quarters), earnings estimates have fallen by 2.5% on average during a quarter. Over the past ten years, (40 quarters), earnings estimates have fallen by 3.4% on average during a quarter. Over the past fifteen years, (60 quarters), earnings estimates have fallen by 4.8% on average during a quarter.

More S&P 500 companies have issued negative EPS guidance for Q1 2022 compared to recent quarters as well. At this point in time, 93 companies in the index have issued EPS guidance for Q1 2022, Of these 93 companies, 64 have issued negative EPS guidance and 29 have issued positive EPS guidance. Over the past four quarters, 45 S&P 500 companies issued negative EPS guidance on average for the quarter. The percentage of companies issuing negative EPS guidance for Q1 2022 is 69% (64 out of 93), which is above the 5-year average of 60%.

Because of the higher number of companies issuing negative EPS guidance and the net downward revisions to earnings estimates, the estimated (year-over-year) earnings growth rate for Q1 2022 is lower now relative to the start of the first quarter. As of today, the S&P 500 is expected to report (year-over-year) earnings growth of 4.8%, compared to the estimated (year-over-year) earnings growth rate of 5.9% on December 31.

If 4.8% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since Q4 2020 (3.8%). Seven of the eleven sectors are projected to report year-over-year earnings growth, led by the Energy, Industrials, and Materials sectors. Four sectors are predicted to report a year-over-year decline in earnings, led by the Financials and Consumer Discretionary sectors.

In terms of revenues, analysts have continued to be more optimistic than normal in their revenue estimate revisions. Because of the net upward revisions to revenue estimates, the estimated (year-over-year) revenue growth rate for Q1 2022 is higher now relative to the start of the first quarter. As of today, the S&P 500 is expected to report (year-over-year) revenue growth of 10.4%, compared to the estimated (year-over-year) revenue growth rate of 9.7% on December 31.

If 10.4% is the actual growth rate for the quarter, it will mark the fifth-straight quarter of year-over-year revenue growth above 10% for the index. Ten of the eleven sectors are projected to report year-over-year growth in revenues, led by the Energy and Materials sectors.

The forward 12-month P/E ratio is 19.0, which is above the 5-year average (18.6) and above the 10-year average (16.8). However, It is below the forward P/E ratio of 21.3 recorded at the end of the fourth quarter (December 31), as prices have decreased while the forward 12-month EPS estimate has increased since December 31.

During the upcoming week, two S&P 500 companies are scheduled to report results for the fourth quarter and one S&P 500 company is scheduled to report results for the first quarter.

Earnings Revisions: Industrials Sector Sees Largest Estimate Decreases

Small Increase in Estimated Earnings Growth Rate for Q1 This Week

During the past week, the estimated earnings growth rate for the S&P 500 for Q1 2022 increased slightly to 4.8% from 4.7%. Upward revisions to EPS estimates for companies in the Energy sector were mainly responsible for the small increased in the overall earnings growth rate for the index during the week.

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The estimated earnings growth rate for the S&P 500 for Q1 2021 of 4.8% today is below the estimate of 5.9% at the start of the quarter (December 31), as estimated earnings for the index of $450.6 billion today are also below the estimate of $455.3 billion at the start of the quarter. Seven sectors have recorded a decrease in expected (dollar-level) earnings due to downward revisions to earnings estimates, led by the Industrials, Consumer Discretionary, and Communication Services sectors. On the other hand, four sectors have recorded an increase in expected (dollar-level) earnings due to upward revisions to earnings estimates, led by the Energy sector.

Industrials: Airlines Lead Earnings Decrease Since December 31

The Industrials sector has recorded the largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -11.5% (to $28.0 billion from $32.0 billion). As a result, the estimated earnings growth rate for this sector has fallen to 32.8% from 50.0% during this time. This sector has also witnessed a decrease in price of 5.2% since December 31. Overall, 53 of the 72 companies (74%) in the Industrials sector have seen a decrease in their mean EPS estimate during this time. Of these 53 companies, 13 have recorded a decrease in their mean EPS estimate of more than 10%, led by Alaska Air Group (to -$1.67 from -$0.55), Southwest Airlines (to -$0.60 from -$0.22), Delta Air Lines (to -$1.42 from -$0.68), Boeing (to -$0.03 from $0.45), American Airlines Group (to -$2.50 from -$1.35), and United Airlines Holdings (to -$3.86 from -$2.35). American Airlines Group, United Airlines Holdings, and Delta Air Lines have also been the largest contributors to the decrease in expected (dollar-level) earnings for this sector since December 31.

Consumer Discretionary: Amazon.com Leads Earnings Decrease Since December 31

The Consumer Discretionary sector has recorded the second-largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -8.4% (to $29.6 billion from $32.3 billion). As a result, the estimated earnings decline for this sector has increased to -11.0% from -2.9% during this time. This sector has also witnessed the largest decrease in price (-14.9%) of all eleven sectors since December 31. Overall, 40 of the 59 companies (68%) in the Consumer Discretionary sector have seen a decrease in their mean EPS estimate during this time. Of these 40 companies, 22 have recorded a decrease in their mean EPS estimate of more than 10%, led by Las Vegas Sands (to -$0.21 from -$0.01), Caesars Entertainment (to -$2.04 from -$0.31), MGM Resorts (to -$0.10 from $0.06), and Wynn Resorts (to -$1.04 from -$0.49). However, Amazon.com (to $8.60 from $10.35) has been the largest contributor to the decrease in expected (dollar-level) earnings for this sector since December 31.

Communication Services: Meta Platforms Leads Earnings Decrease Since December 31

The Communication Services sector has recorded the third-largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -5.0% (to $45.7 billion from $48.2 billion). As a result, the estimated earnings decline for this sector has increased to -5.5% from -0.5% during this time. This sector has also witnessed the second-largest decrease in price (-14.0%) of all eleven sectors since December 31. Overall, 19 of the 23 companies (83%) in the Communication Services sector have seen a decrease in their mean EPS estimate during this time. Of these 19 companies, 7 have recorded a decrease in their mean EPS estimate of more than 10%, led by Live Nation Entertainment (to -$0.68 from -$0.21), Twitter (to $0.06 from $0.16), Paramount Global (to $0.57 from $1.14), and T-Mobile (to $0.55 from $1.80). However, Meta Platforms (to $2.58 from $3.07) has been the largest contributor to the decrease in expected (dollar-level) earnings for this sector since December 31.

Energy: Exxon Mobil and Chevron Lead Earnings Increase Since December 31

The Energy sector has recorded the largest percentage increase in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at 16.7% (to $29.8 billion from $25.5 billion). As a result, the estimated earnings growth rate for this sector has increased to 208.9% from 164.7% during this time. This sector has also witnessed the largest increase in price (+31.1%) of all eleven sectors since December 31. Rising oil prices are helping to drive the increase in expected earnings for this sector, as the price of oil has increased by 43% since December 31 (to $107.67 from $75.21). Overall, 16 of the 21 companies (76%) in the Energy sector have seen an increase in their mean EPS estimate during this time. Of these 16 companies, 8 have recorded an increase in their mean EPS estimate of more than 10%, led by Marathon Petroleum (to $1.03 from $0.28), Occidental Petroleum (to $1.28 from $0.86), Valero Energy (to $1.49 from $1.03), and Phillips 66 (to $1.78 from $1.26). However, Exxon Mobil (to $1.99 from $1.59) and Chevron (to $3.03 from $2.60) have been the largest contributors to the increase in estimated (dollar-level) earnings for this sector since December 31.

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Index-Level EPS Estimate: 1.1% Decrease Since December 31

The Q4 bottom-up EPS estimate (which is an aggregation of the median Q4 earnings estimates for all 500 companies in the index and can be used as a proxy for the earnings of the index) has decreased by 1.1% (to $51.64 from $52.22) since December 31. In a typical quarter, analysts usually reduce earnings estimates. Over the past five years (20 quarters), earnings expectations have fallen by 2.5% on average during a quarter. Over the past ten years, (40 quarters), earnings expectations have fallen by 3.4% on average during a quarter. Over the past fifteen years (60 quarters), earnings expectations have fallen by 4.8% on average during a quarter.

Guidance: % of S&P 500 Companies Issuing Negative EPS Guidance for Q1 is Above Average

At this point in time, 93 companies in the index have issued EPS guidance for Q1 2022. Of these 93 companies, 64 have issued negative EPS guidance and 29 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 69% (64 out of 93), which is above the 5-year average of 60%.

The term “guidance” (or “preannouncement”) is defined as a projection or estimate for EPS provided by a company in advance of the company reporting actual results. Guidance is classified as negative if the estimate (or mid-point of a range estimates) provided by a company is lower than the mean EPS estimate the day before the guidance was issued. Guidance is classified as positive if the estimate (or mid-point of a range of estimates) provided by the company is higher than the mean EPS estimate the day before the guidance was issued.

Earnings Growth: 4.8%

The estimated (year-over-year) earnings growth rate for Q1 2021 is 4.8%, which is below the 5-year average earnings growth rate of 13.7%. If 4.8% is the actual growth rate for the quarter, it will mark the lowest (year-over-year) earnings growth rate reported by the index since Q4 2020 (3.8%). Seven of the eleven sectors are expected to report (year-over-year) earnings growth, led by the Energy, Industrials, and Materials sectors. On the other hand, four sectors are expected to report a (year-over-year) decline in earnings, led by the Financials and Consumer Discretionary sectors.

Energy: 3 of 5 Sub-Industries Expected to Report Year-Over-Year Growth Above 80%

The Energy sector is expected to report the highest (year-over-year) earnings growth of all eleven sectors at 208.9%. Higher year-over-year oil prices are contributing to the year-over-year improvement in earnings for this sector, as the average price of oil to date in Q1 2022 ($87.60) is 51% above the average price for oil in Q1 2021 ($58.14). At the sub-industry level, four of the five sub-industries in the sector are expected to report a (year-over-year) increase in earnings. A growth rate is not being calculated for the Oil & Gas Refining & Marketing sub-industry due to the loss reported by the sub-industry in the year-ago quarter. However, this sub-industry is projected to report a profit in Q1 2022 ($1.98 billion) compared to a loss in Q1 2021 (-$1.34 billion). The other three sub-industries that are projected to report (year-over-year) earnings growth are the Integrated Oil & Gas (257%), Oil & Gas Exploration & Production (151%), and Oil & Gas Equipment & Services (85%) sub-industries. On the other hand, the Oil & Gas Storage & Transportation (-34%) sub-industry is the only sub-industry predicted to report a (year-over-year) loss in the sector.

Industrials: Boeing and Airlines Industry Are Largest Contributors to Year-Over-Year Growth

The Industrials sector is expected to report the second-highest (year-over-year) earnings growth rate of all eleven sectors at 32.8%. At the industry level, 10 of the 12 industries in the sector are projected to report a (year-over-year) increase in earnings. A growth rate is not being calculated for the Airlines industry due to the loss reported by the industry in the year-ago quarter. However, this industry is predicted to report a smaller loss in Q1 2022 (-$4.4 billion) compared to Q1 2021 (-$8.9 billion). Six of the remaining nine industries are expected to report earnings growth above 10%: Construction & Engineering (66%), Trading Companies & Distributors (32%), Road & Rail (20%), Aerospace & Defense (15%), Air Freight & Logistics (15%), and Electrical Equipment (11%). On the other hand, two industries are predicted to report a (year-over-year) decline in earnings, led by the Industrial Conglomerates (-4%). Boeing and the five companies in the Airlines industry are the largest contributors to earnings growth for the sector. If these six companies were excluded, the estimated earnings growth rate for the Industrials sector would fall to 4.8% from 32.8%.

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Materials: Metals & Mining Industry Leads Year-over-Year Growth

The Materials sector is expected to report the third-highest (year-over-year) earnings growth rate of all eleven sectors at 31.7%. At the industry level, three of the four industries in this sector are projected to report (year-over-year) earnings growth above 10%: Metals & Mining (73%), Chemicals (24%), and Containers & Packaging (12%). On the other hand, the Construction Materials industry (-3%) is the only industry predicted to report a (year-over-year) decline in earnings.

Financials: Banks Industry Leads Year-Over-Year Decline

The Financials sector is expected to report the largest (year-over-year) earnings decline of all eleven sectors at -22.1%. At the industry level, all five industries in this sector are projected to report a (year-over-year) earnings decline. Four of these five industries are predicted to report a (year-over-year) decrease in earnings of 10% or more: Banks (-32%), Consumer Finance (-24%), Capital Markets (-14%), and Insurance (-10%).

Consumer Discretionary: Amazon and Ford Are Largest Contributors to Year-Over-Year Decline

The Consumer Discretionary sector is expected to report the second-largest (year-over-year) earnings decline of all eleven sectors at -11.0%. At the industry level, 7 of the 10 industries in the sector are expected to report a (year-over-year) decrease in earnings. Five of these seven industries are projected to report a double-digit decline in earnings: Internet & Direct Marketing Retail (-43%), Leisure Products (-35%), Auto Components (-29%), Automobiles (-16%), and Multiline Retail (-13%). On the other hand, three sectors are projected to report (year-over-year) earnings growth. A growth rate is not being calculated for the Hotels, Restaurants, & Leisure industry due to the loss reported in the year-ago quarter. This industry is expected to report a profit in Q1 2022 ($142 million) compared to a loss in Q1 2021 (-$2.35 billion). The other two industries predicted to report earnings growth are the Distributors (5%) and Household Durables (2%) industries. At the company level, Amazon.com and Ford Motor are the largest contributors to the decline in earnings for the sector. If these two companies were excluded, the Consumer Discretionary sector would be expected to report earnings growth of 8.3% rather than an earnings decline of 11.0%.

Revenue Growth: 10.4%

The estimated (year-over-year) revenue growth rate for Q1 2022 is 10.4%, which is above the 5-year average revenue growth rate of 6.5%. If 10.4% is the actual growth rate for the quarter, it will mark the fifth-straight quarter of (year-over-year) revenue growth above 10%. Ten of the eleven sectors are expected to report (year-over-year) growth in revenues, led by the Energy and Materials sectors.

Energy: 4 of 5 Sub-Industries Expected to Report Year-Over-Year Growth Above 35%

The Energy sector is expected to report the highest (year-over-year) revenue growth rate of all eleven sectors at 36.7%. Higher year-over-year oil prices are contributing to the year-over-year improvement in revenues for this sector, as the average price of oil to date in Q1 2022 ($87.60) is 51% above the average price for oil in Q1 2021 ($58.14). At the sub-industry level, four of five sub-industries in the sector are projected to report double-digit (year-over-year) growth in revenues: Oil & Gas Exploration & Production (57%), Integrated Oil & Gas (38%), Oil & Gas Refining & Marketing (38%), and Oil & Gas Equipment & Services (14%). On the other hand, the Oil & Gas Storage & Transportation (-3%) sub-industry is the only sub-industry predicted to report a (year-over-year) decline in revenues.

Materials: Metals & Mining Industry Leads Year-Over-Year Growth

The Materials sector is expected to report the second-highest (year-over-year) revenue growth of all eleven sectors at 19.9%. At the industry level, all four industries in this sector are projected to report (year-over-year) growth in revenues. Three of these four industries are predicted to report revenue growth above 20%: Metals & Mining (34%), Construction Materials (28%), and Chemicals (21%).

Net Profit Margin: 12.2%

The estimated net profit margin for the S&P 500 for Q1 2022 is 12.2%, which is above the 5-year average of 11.0%, but below the year-ago net profit margin of 12.8% and the previous quarter's net profit margin of 12.5%.

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At the sector level, seven sectors are projected to report a (year-over-year) decrease in their net profit margins in Q1 2022 compared to Q1 2021, led by the Financials (17.3% vs. 22.7%) sector. On the other hand, four sectors are projected to report a (year-over-year) increase in their net profit margins, led by the Energy (to 10.3% vs. 4.6%) sector. Seven sectors are projected to report net profit margins in Q1 2022 that are above their 5-year averages, led by the Energy (10.3% vs. 5.3%) sector. On the other hand, four sectors are projected to report net profit margins in Q1 2022 that are below their 5-year averages, led by the Consumer Discretionary (to 6.2% from 6.6%) sector.

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Looking Ahead: Forward Estimates and Valuation

Earnings: S&P 500 Reporting Earnings Growth of 48% for CY 2021

For the fourth quarter, S&P 500 companies are reporting earnings growth of 31.4% and revenue growth of 16.1%. For the full year, the index is reporting earnings growth of 47.7% and revenue growth of 16.5%

For Q1 2022, analysts are projecting earnings growth of 4.8% and revenue growth of 10.4%.

For Q2 2022, analysts are projecting earnings growth of 4.7% and revenue growth of 8.7%.

For CY 2022, analysts are projecting earnings growth of 8.6% and revenue growth of 8.4%.

Valuation: Forward P/E Ratio is 19.0, Above the 10-Year Average (16.8)

The forward 12-month P/E ratio is 19.0. This P/E ratio is above the 5-year average of 18.6 and above the 10-year average of 16.8. However, it is below the forward 12-month P/E ratio of 21.3 recorded at the end of the fourth quarter (December 31). Since the end of the fourth quarter (December 31), the price of the index has decreased by 8.4%, while the forward 12-month EPS estimate has increased by 2.7%. At the sector level, the Consumer Discretionary (25.9) and Information Technology (23.6) sectors have the highest forward 12-month P/E ratios, while the Energy (12.9) sector has the lowest forward 12-month P/E ratio.

The trailing 12-month P/E ratio is 21.4, which is below the 5-year average of 23.1 but above the 10-year average of 20.1.

Targets & Ratings: Analysts Project 21% Increase in Price Over Next 12 Months

The bottom-up target price for the S&P 500 is 5290.48, which is 21.2% above the closing price of 4363.49. At the sector level, the Communication Services (+32.7%) and Consumer Discretionary (+29.5%) sectors are expected to see the largest price increases, as these sectors have the largest upside differences between the bottom-up target price and the closing price. On the other hand, the Energy (+4.4%) sector is expected to see the smallest price increase, as this sector has the smallest upside difference between the bottom-up target price and the closing price.

Overall, there are 10,831 ratings on stocks in the S&P 500. Of these 10,831 ratings, 57.3% are Buy ratings, 37.3% are Hold ratings, and 5.4% are Sell ratings. At the sector level, the Energy (67%) and Information Technology (64%) sectors have the highest percentages of Buy ratings, while the Consumer Staples (42%) sector has the lowest percentage of Buy ratings.

Companies Reporting Next Week: 3

During the upcoming week, two S&P 500 companies are scheduled to report results for the fourth quarter and one S&P 500 company is schedule to report results for the first quarter.

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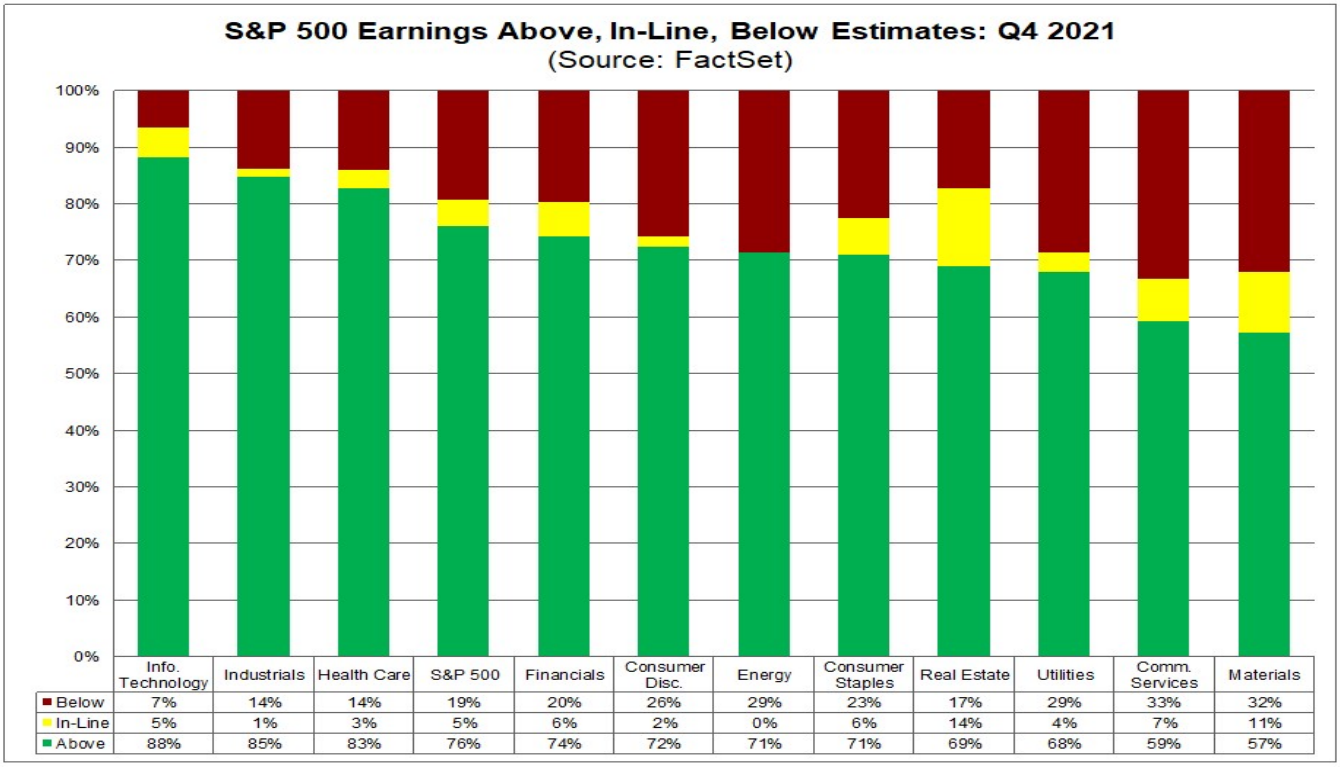
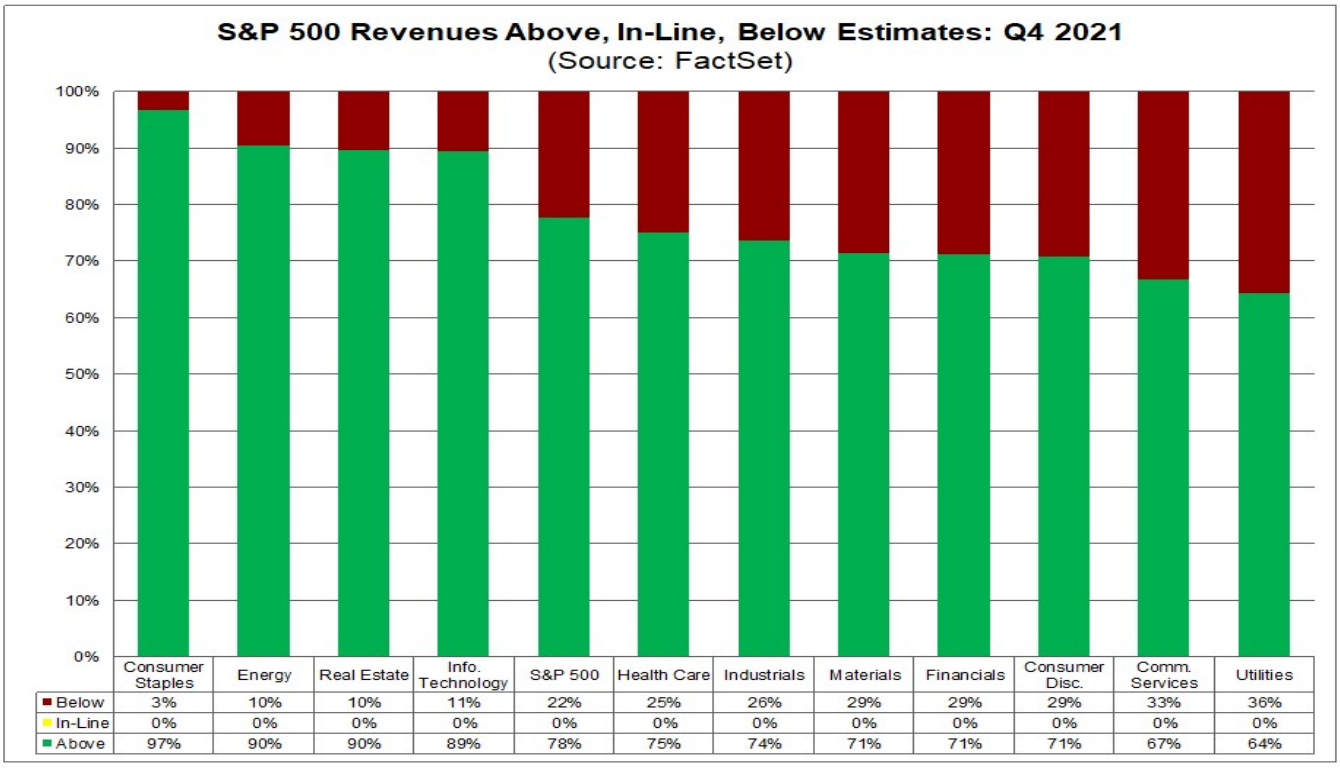
Q4 2021: Scorecard



	Info. Technology	Industrials	Health Care	S&P 500	Financials	Consumer Disc.	Energy	Consumer Staples	Real Estate	Utilities	Comm. Services	Materials
Below	7%	14%	14%	19%	20%	26%	29%	23%	17%	29%	33%	32%
In-Line	5%	1%	3%	5%	6%	2%	0%	6%	14%	4%	7%	11%
Above	88%	85%	83%	76%	74%	72%	71%	71%	69%	68%	59%	57%



	Consumer Staples	Energy	Real Estate	Info. Technology	S&P 500	Health Care	Industrials	Materials	Financials	Consumer Disc.	Comm. Services	Utilities
Below	3%	10%	10%	11%	22%	25%	26%	29%	29%	29%	33%	36%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	97%	90%	90%	89%	78%	75%	74%	71%	71%	71%	67%	64%

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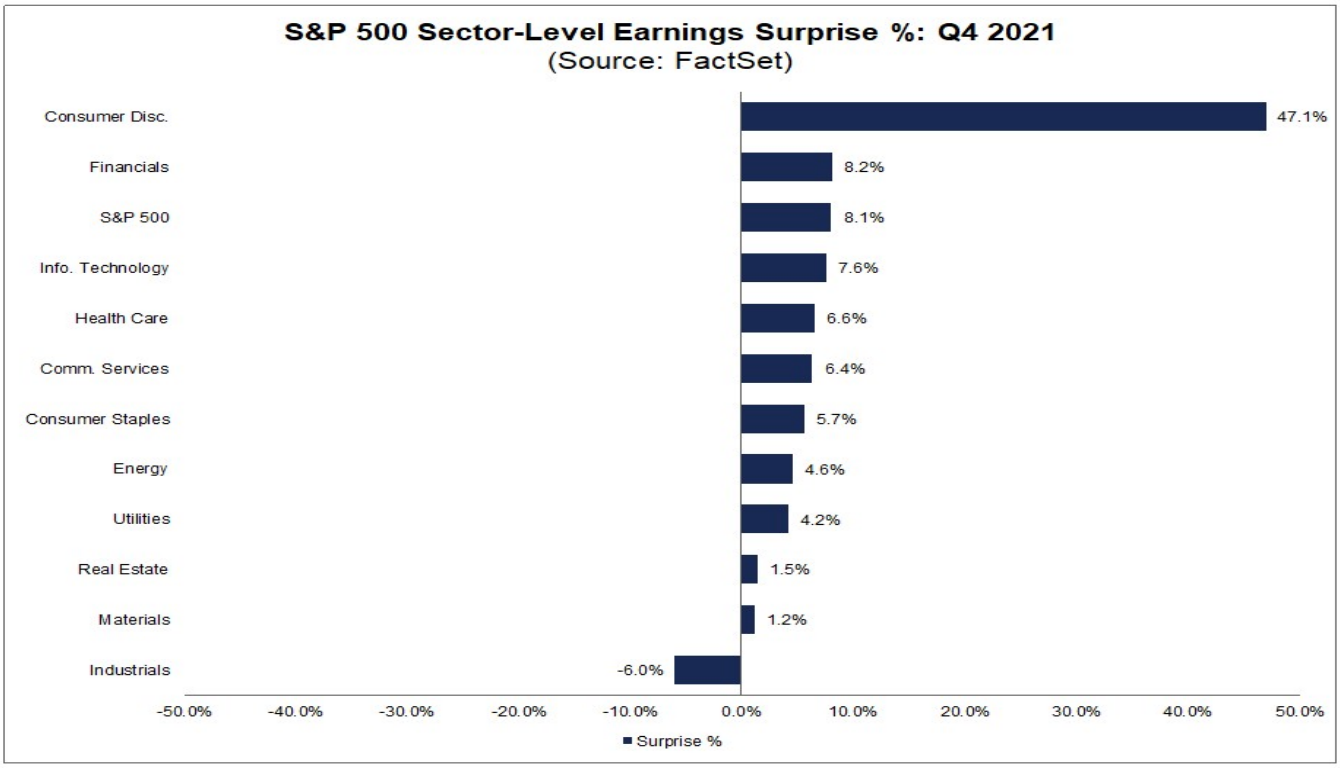
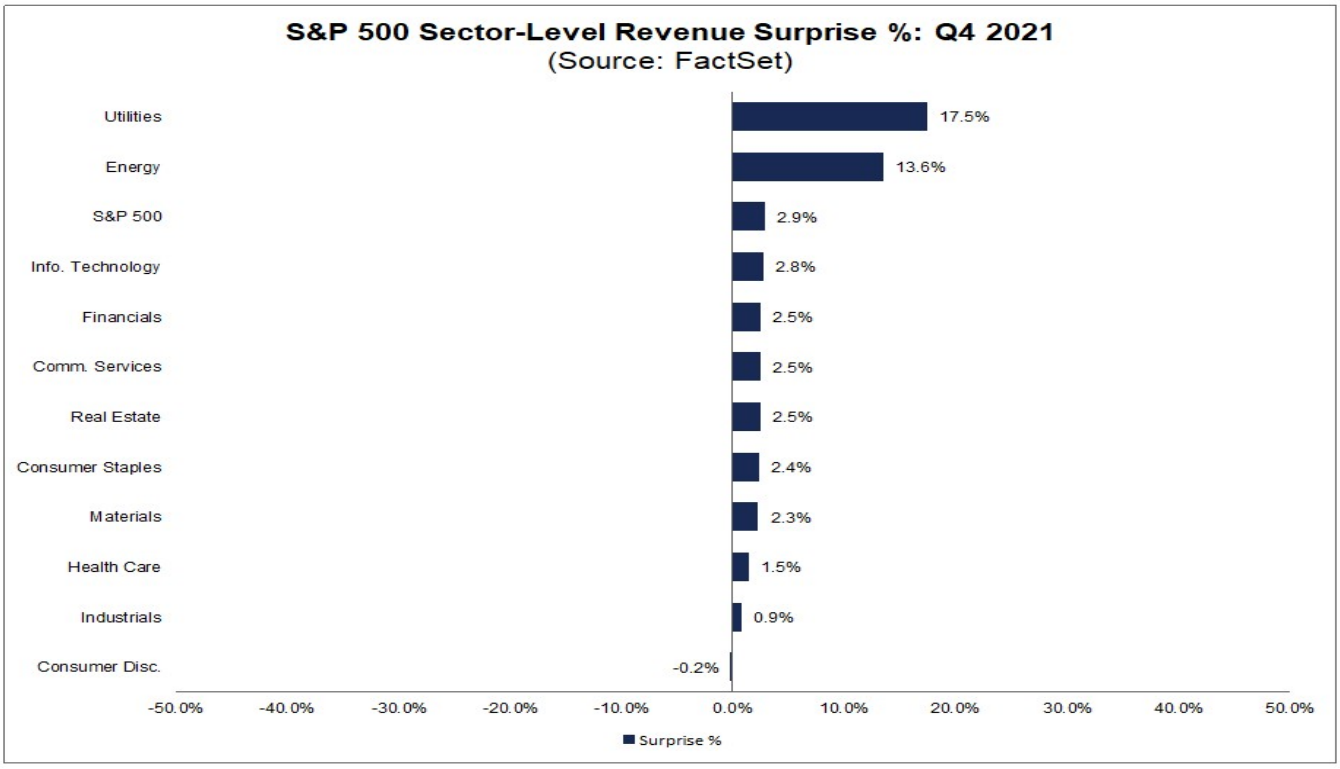
Q4 2021: Scorecard





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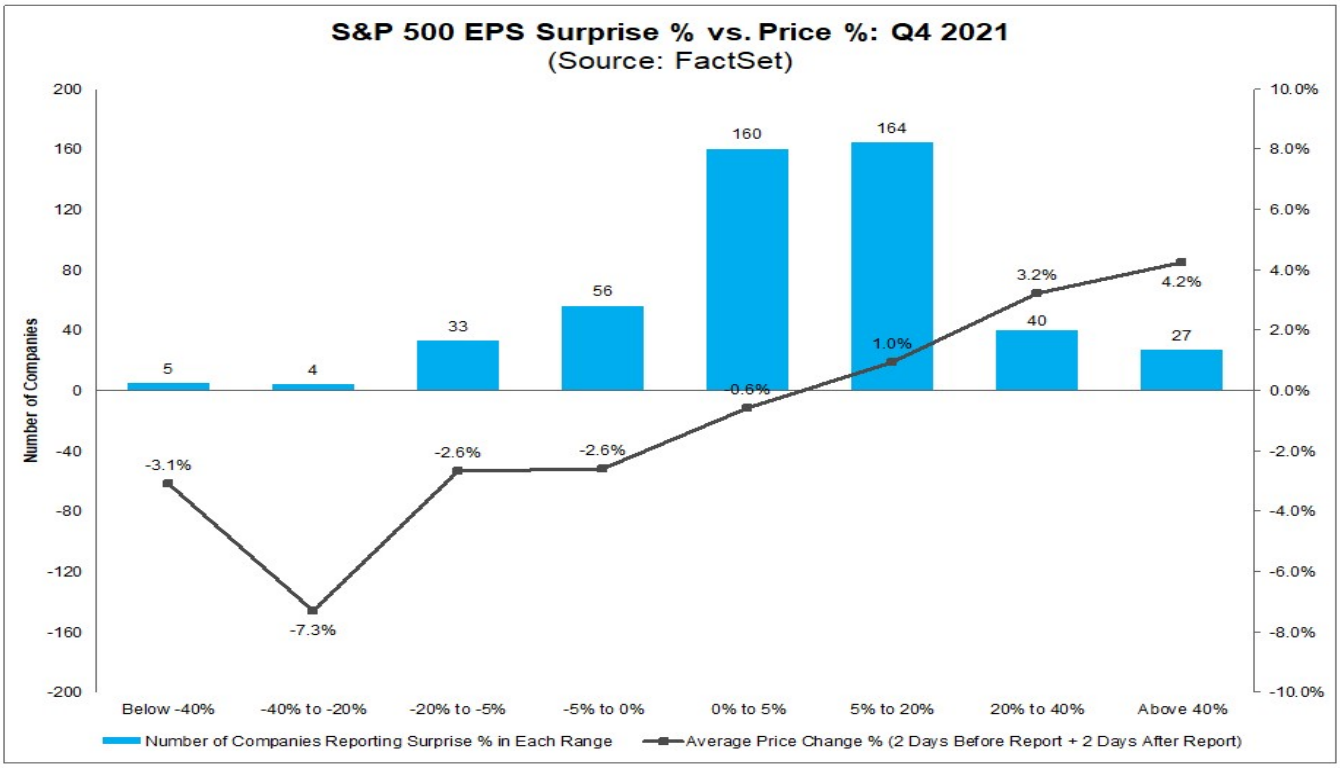
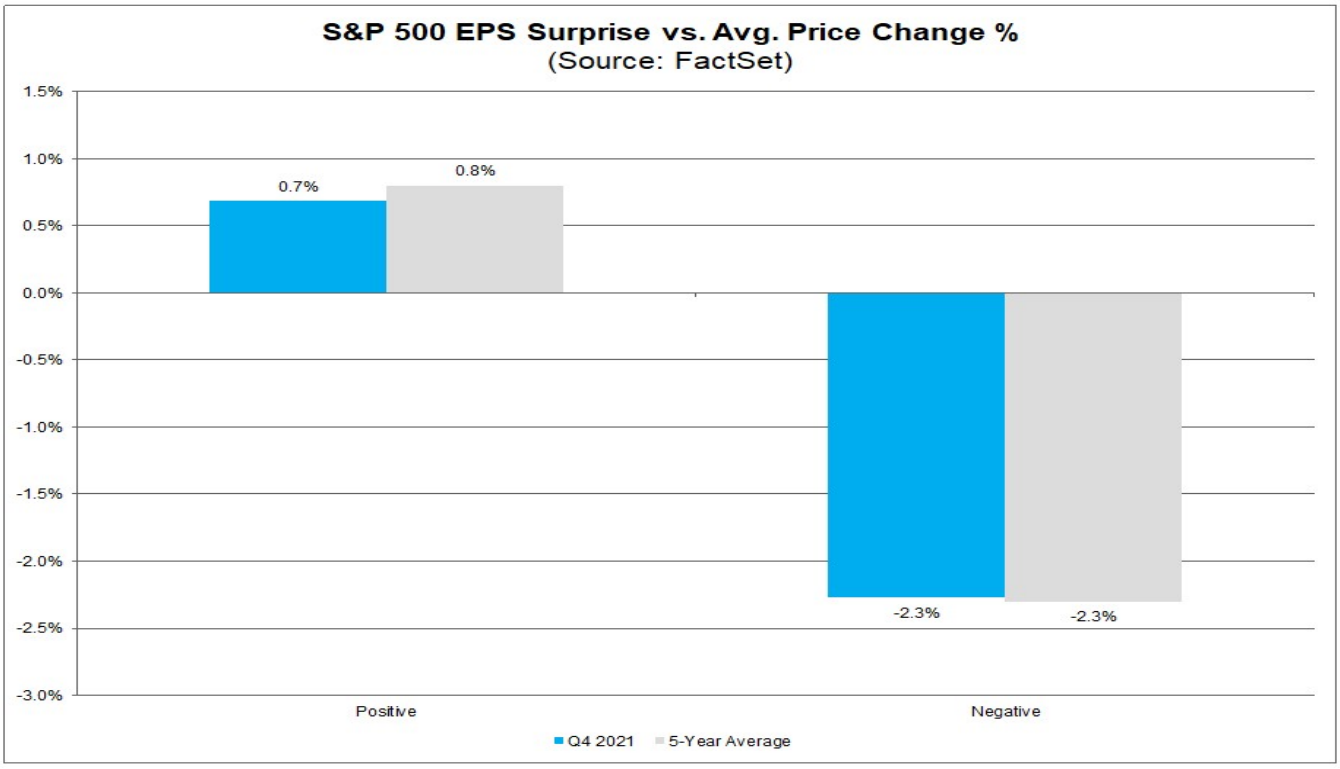
Q4 2021: Scorecard





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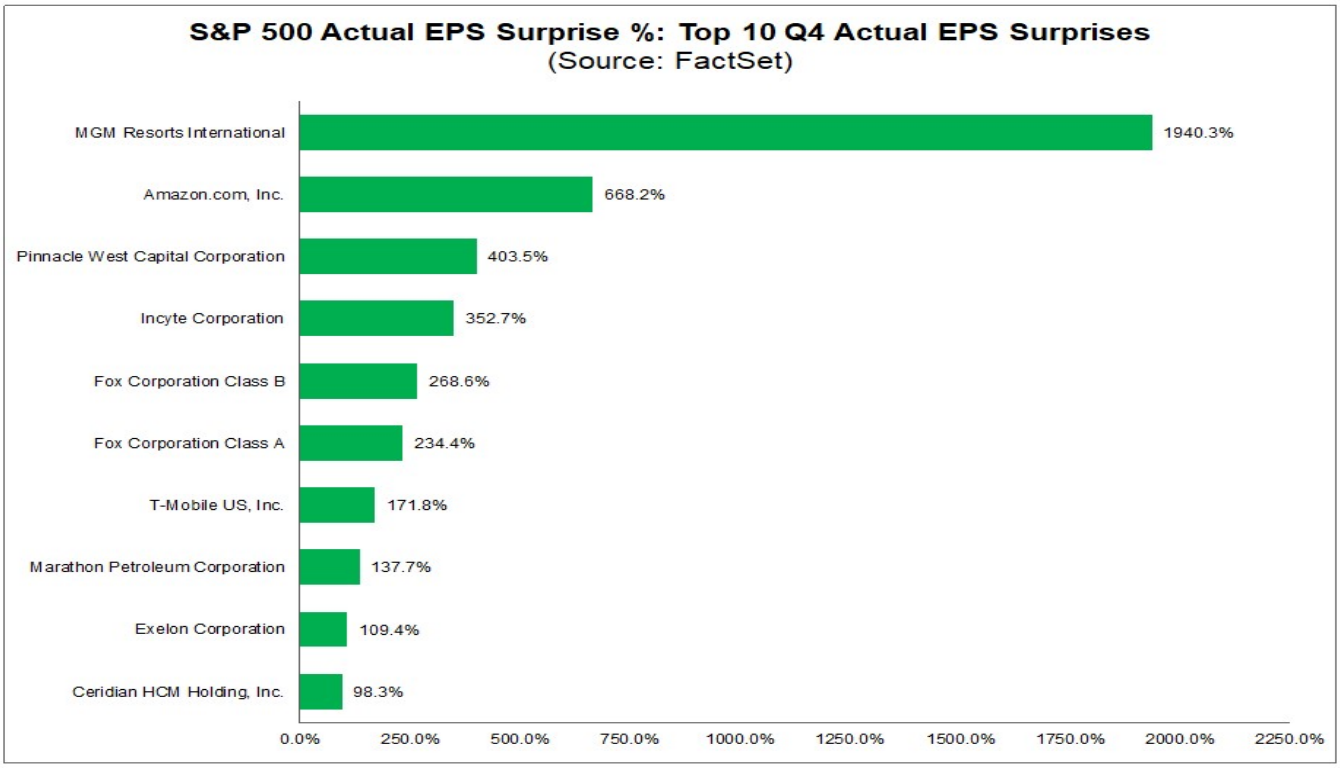
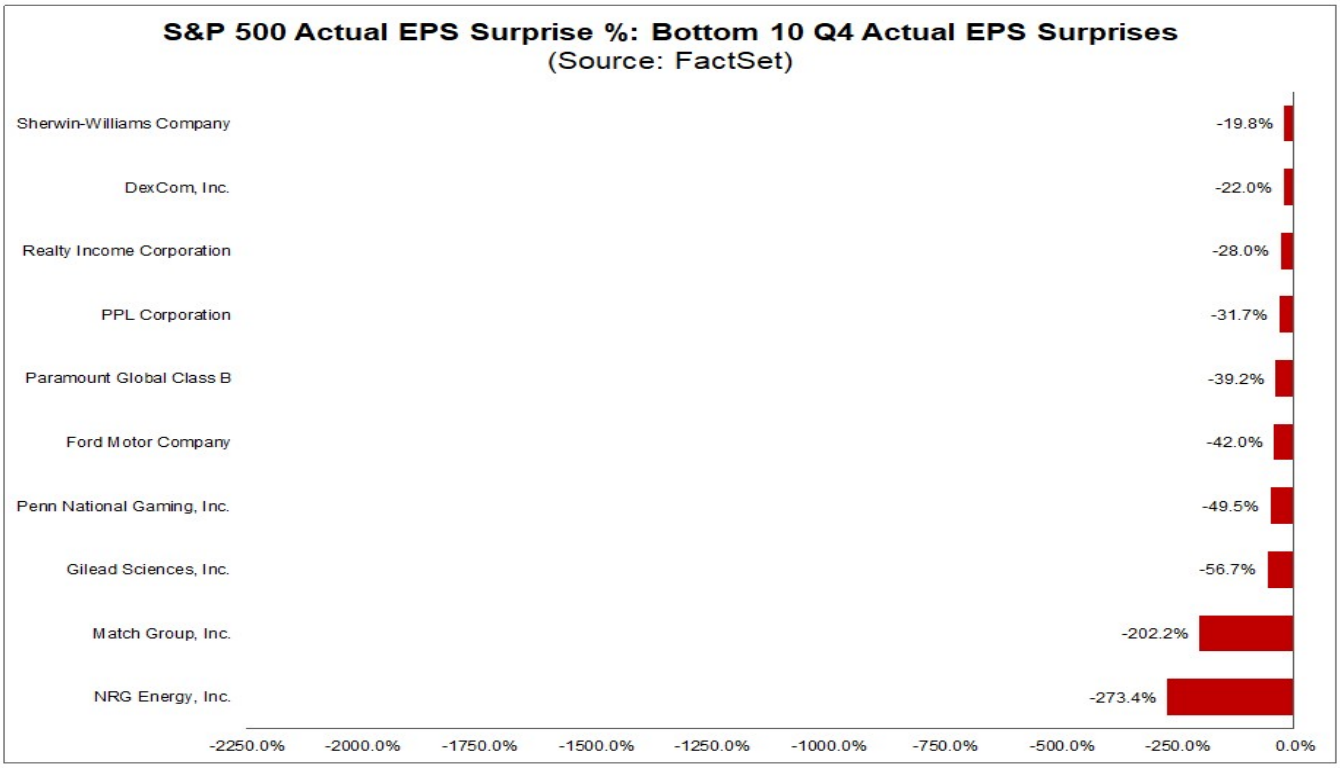
Q4 2021: Scorecard





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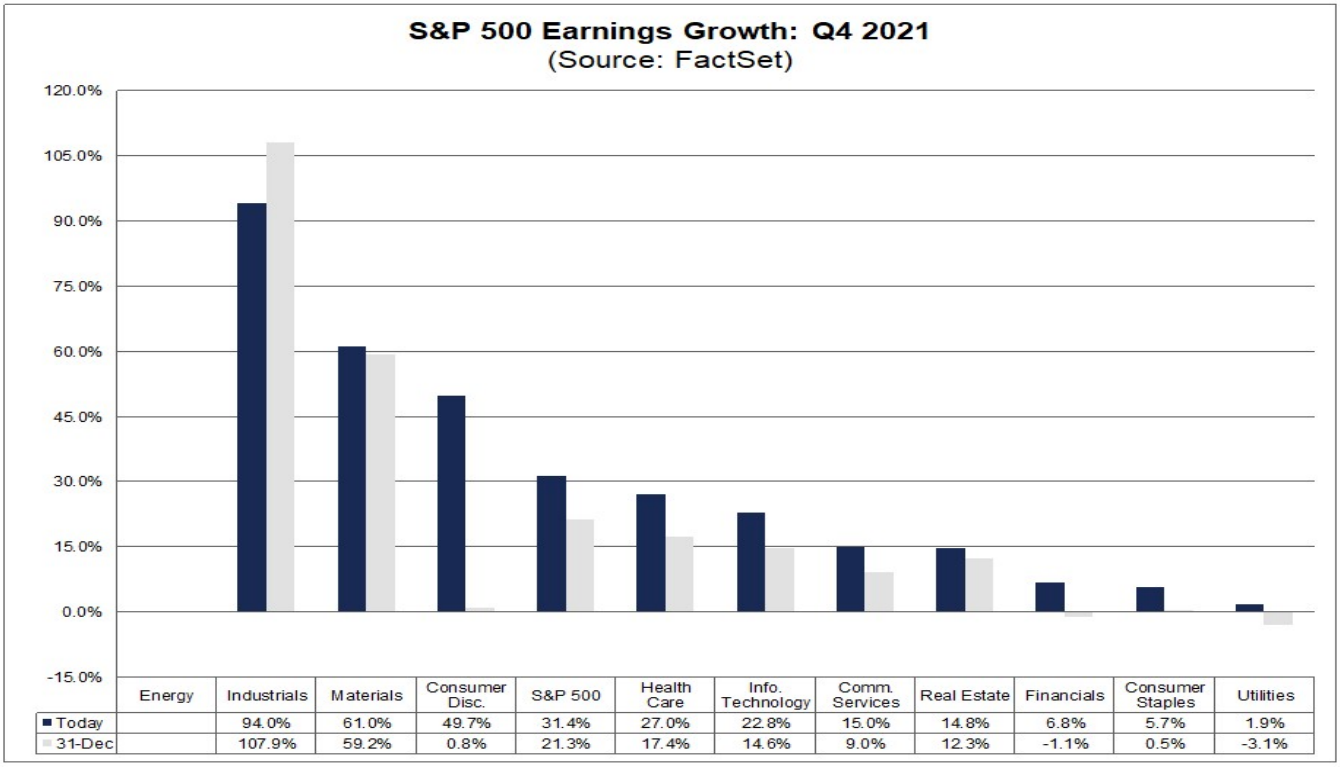
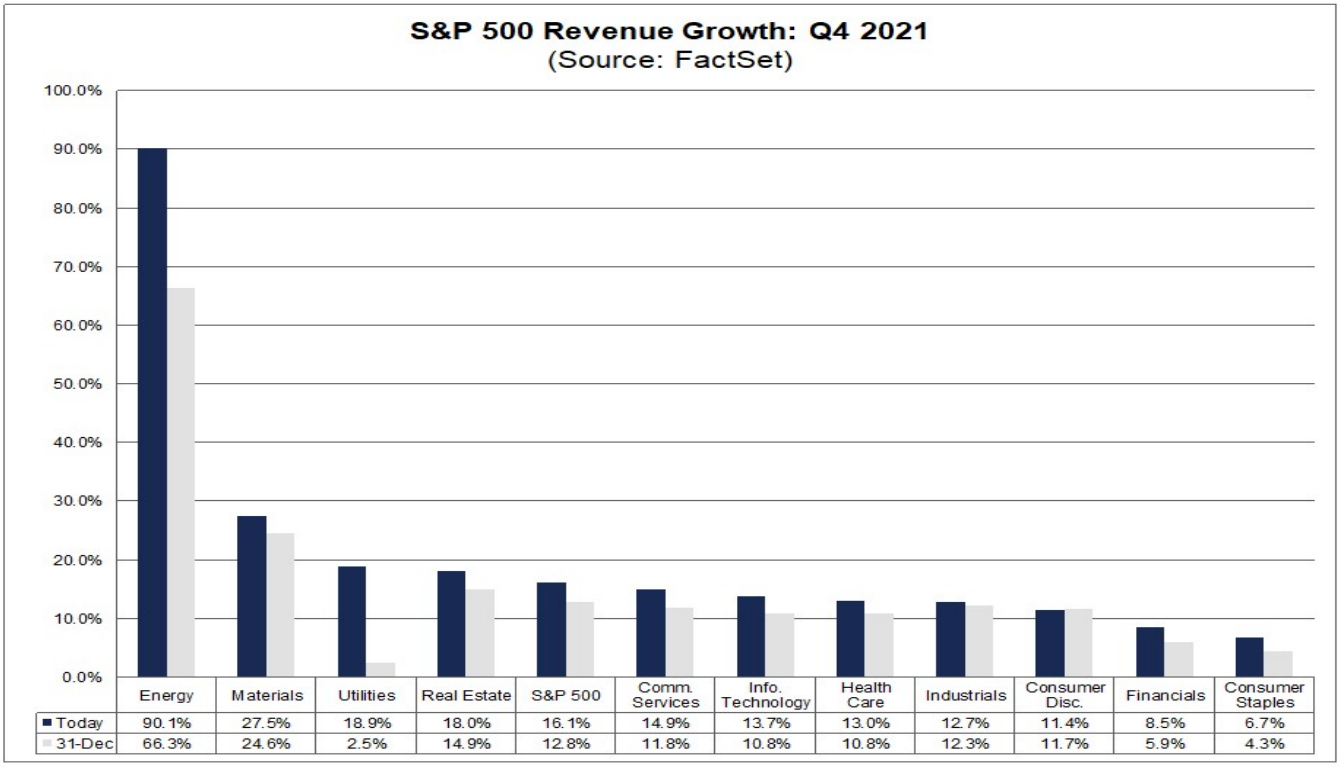
Q4 2021: Growth



	Energy	Industrials	Materials	Consumer Disc.	S&P 500	Health Care	Info. Technology	Comm. Services	Real Estate	Financials	Consumer Staples	Utilities
Today		94.0%	61.0%	49.7%	31.4%	27.0%	22.8%	15.0%	14.8%	6.8%	5.7%	1.9%
31-Dec		107.9%	59.2%	0.8%	21.3%	17.4%	14.6%	9.0%	12.3%	-1.1%	0.5%	-3.1%



	Energy	Materials	Utilities	Real Estate	S&P 500	Comm. Services	Info. Technology	Health Care	Industrials	Consumer Disc.	Financials	Consumer Staples
Today	90.1%	27.5%	18.9%	18.0%	16.1%	14.9%	13.7%	13.0%	12.7%	11.4%	8.5%	6.7%
31-Dec	66.3%	24.6%	2.5%	14.9%	12.8%	11.8%	10.8%	10.8%	12.3%	11.7%	5.9%	4.3%

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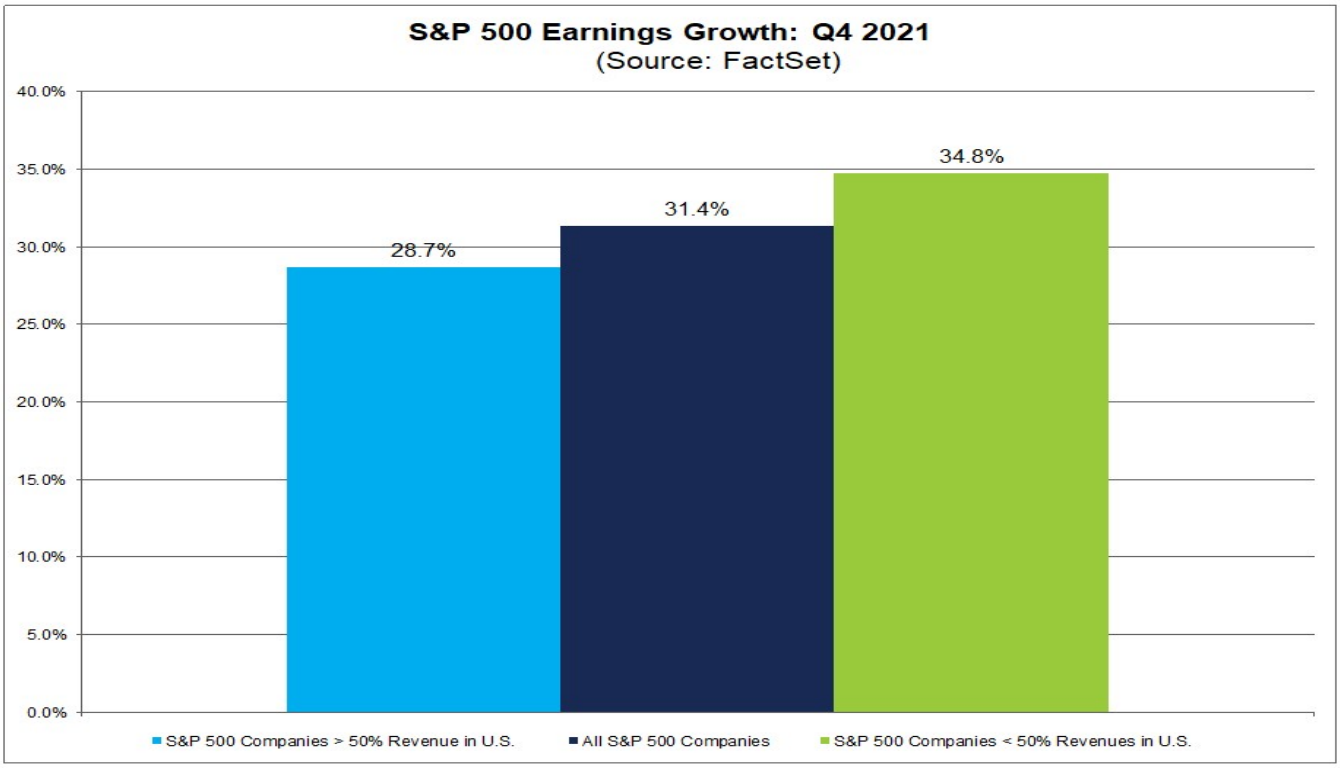
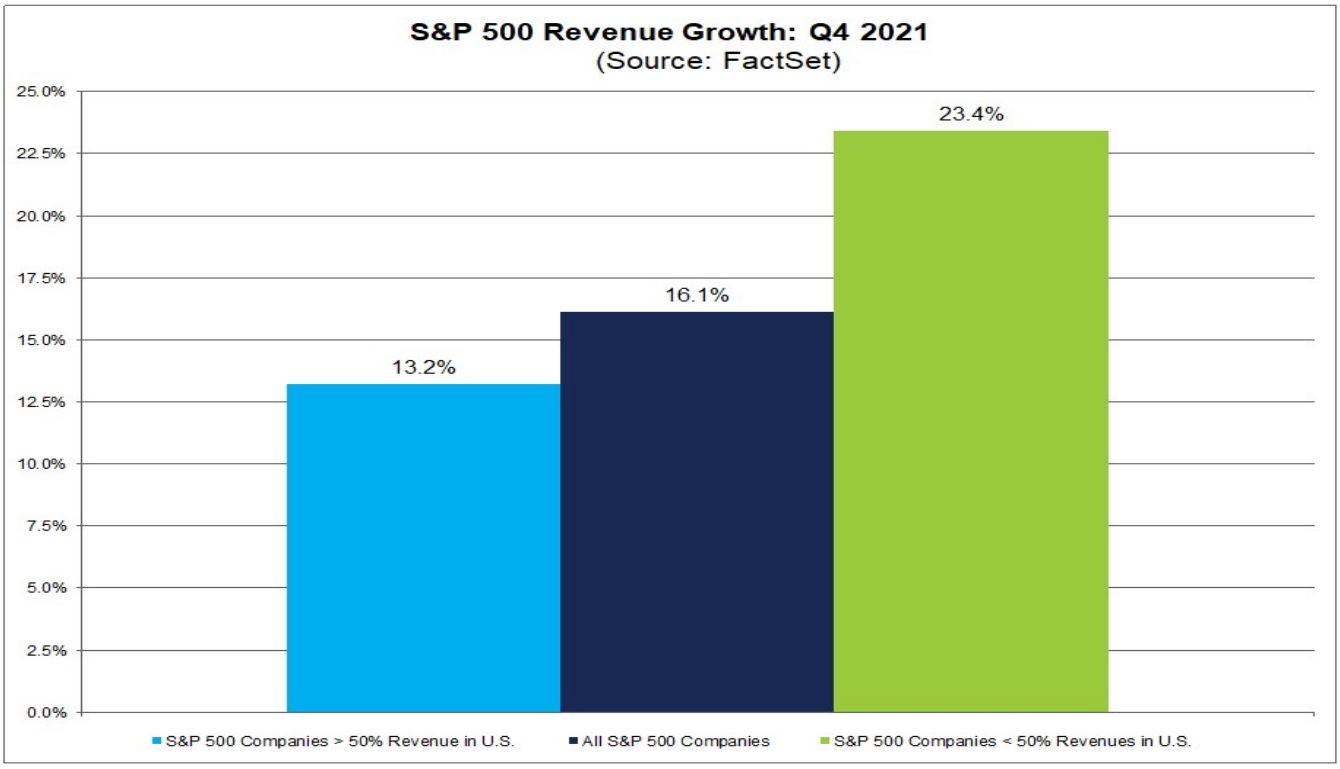
Q4 2021: Growth





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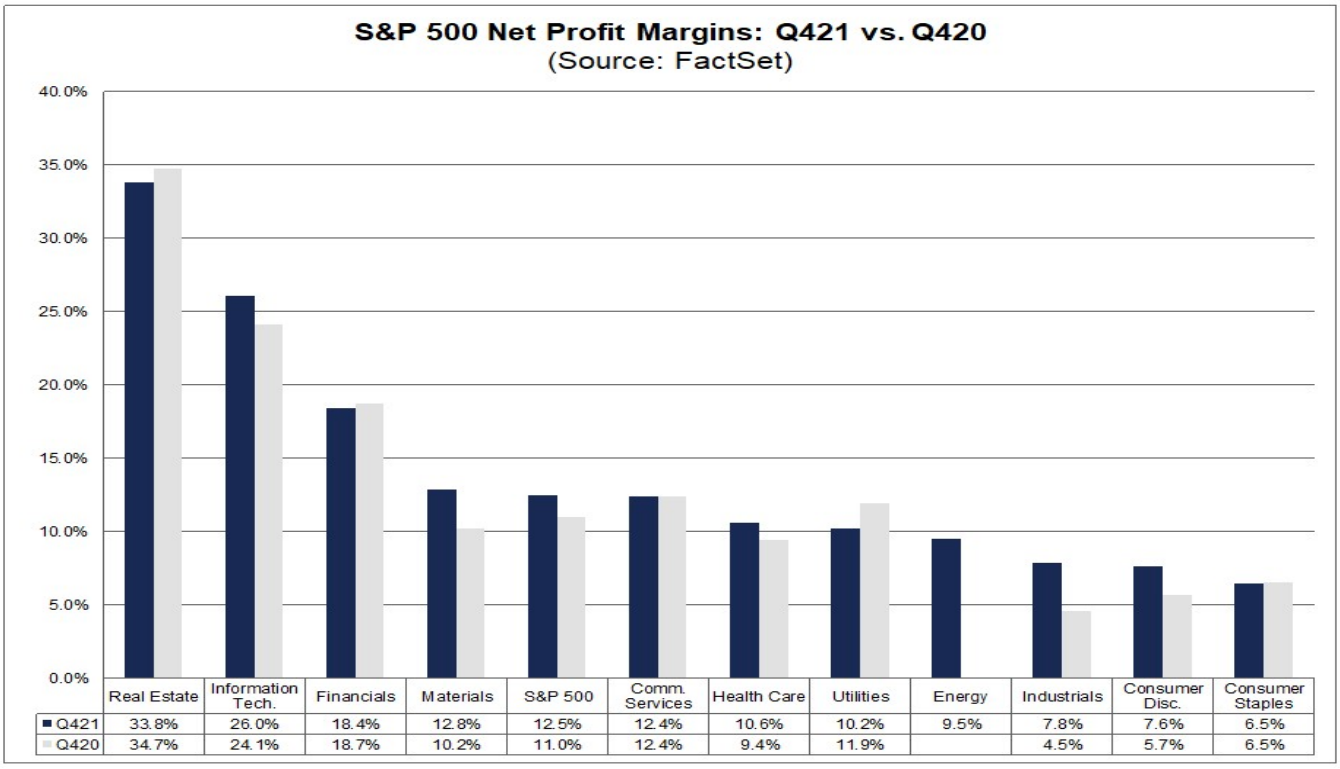
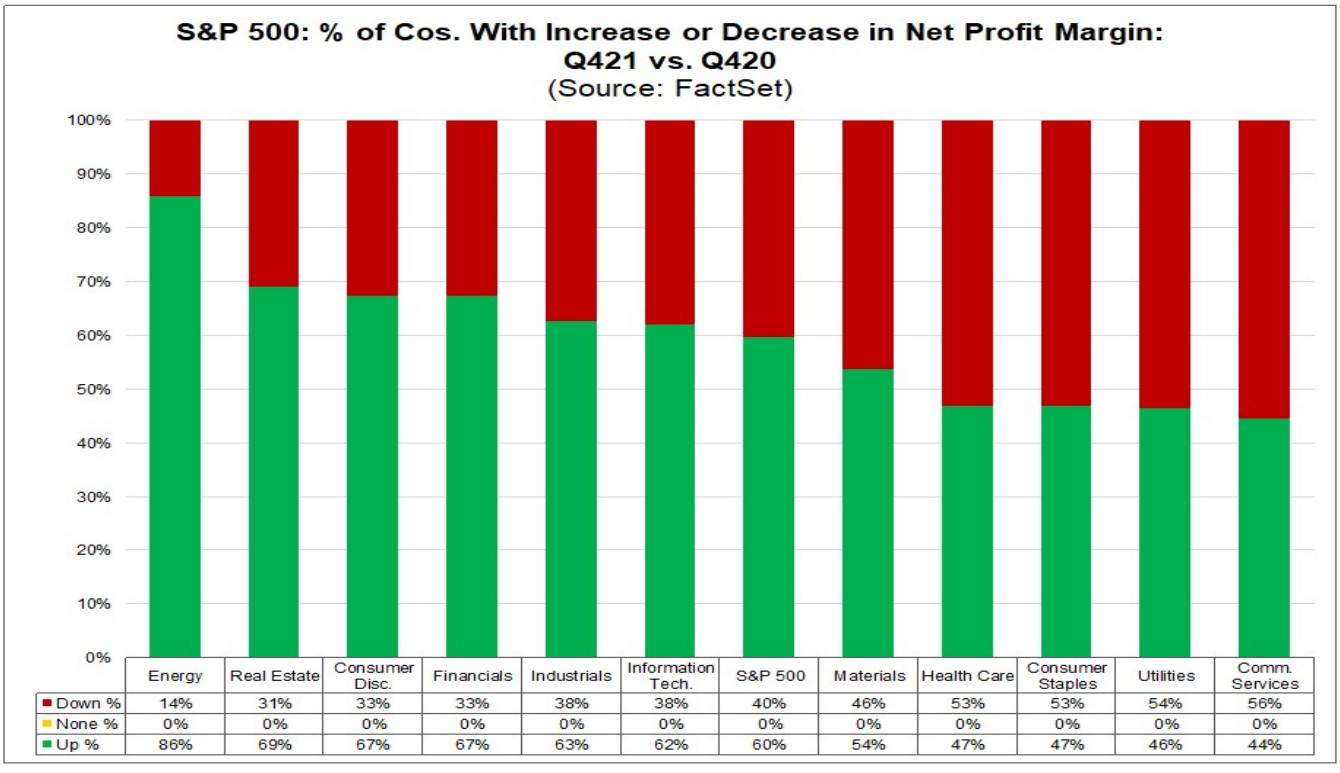
Q4 2021: Net Profit Margin



	Real Estate	Information Tech.	Financials	Materials	S&P 500	Comm. Services	Health Care	Utilities	Energy	Industrials	Consumer Disc.	Consumer Staples
Q421	33.8%	26.0%	18.4%	12.8%	12.5%	12.4%	10.6%	10.2%	9.5%	7.8%	7.6%	6.5%
Q420	34.7%	24.1%	18.7%	10.2%	11.0%	12.4%	9.4%	11.9%		4.5%	5.7%	6.5%



	Energy	Real Estate	Consumer Disc.	Financials	Industrials	Information Tech.	S&P 500	Materials	Health Care	Consumer Staples	Utilities	Comm. Services
Down %	14%	31%	33%	33%	38%	38%	40%	46%	53%	53%	54%	56%
None %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Up %	86%	69%	67%	67%	63%	62%	60%	54%	47%	47%	46%	44%

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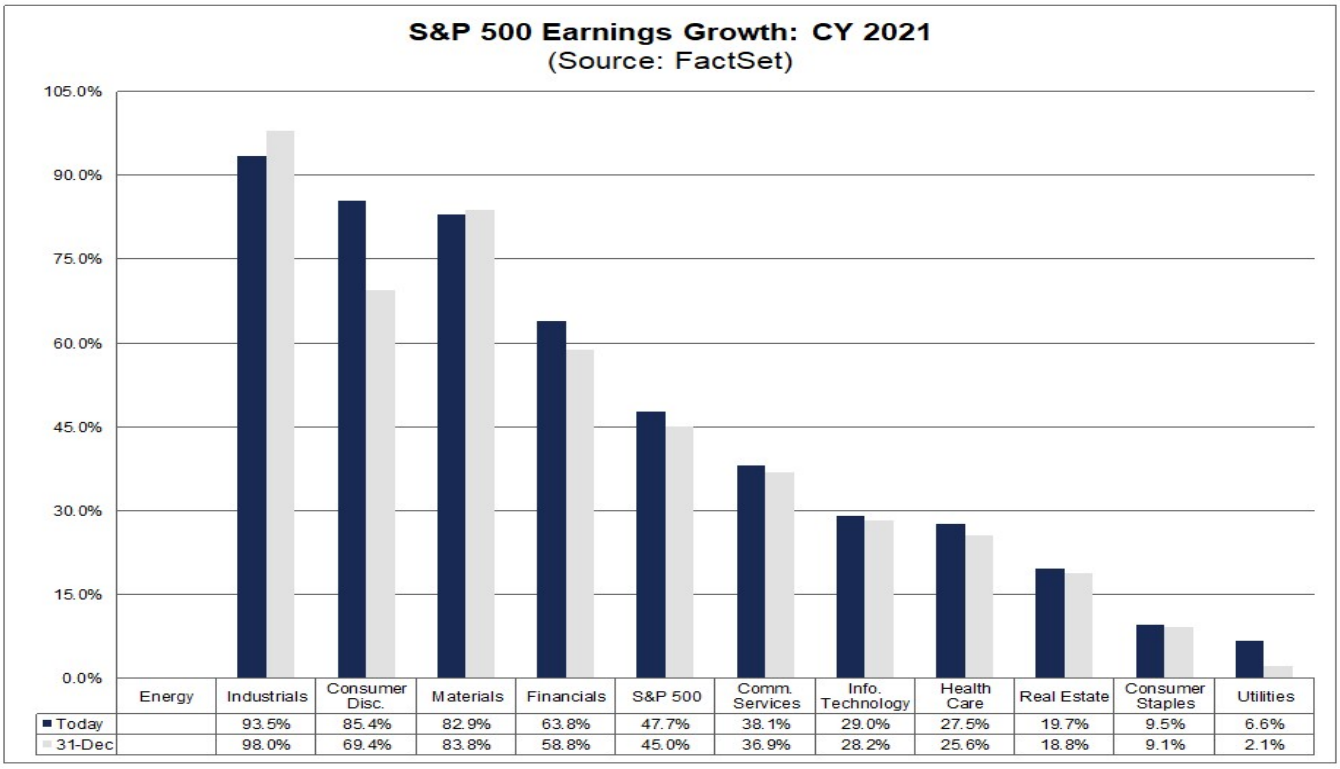
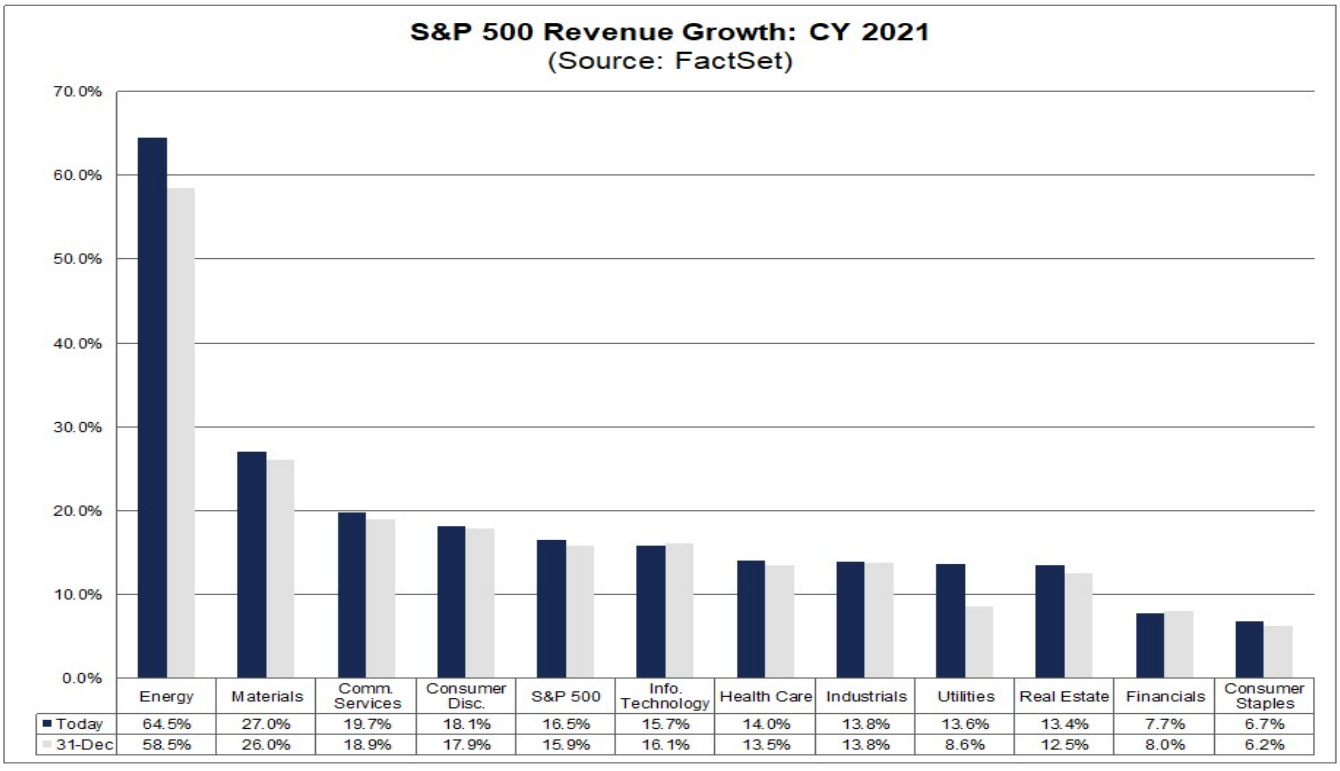
CY 2021: Growth



	Energy	Industrials	Consumer Disc.	Materials	Financials	S&P 500	Comm. Services	Info. Technology	Health Care	Real Estate	Consumer Staples	Utilities
Today		93.5%	85.4%	82.9%	63.8%	47.7%	38.1%	29.0%	27.5%	19.7%	9.5%	6.6%
31-Dec		98.0%	69.4%	83.8%	58.8%	45.0%	36.9%	28.2%	25.6%	18.8%	9.1%	2.1%



	Energy	Materials	Comm. Services	Consumer Disc.	S&P 500	Info. Technology	Health Care	Industrials	Utilities	Real Estate	Financials	Consumer Staples
Today	64.5%	27.0%	19.7%	18.1%	16.5%	15.7%	14.0%	13.8%	13.6%	13.4%	7.7%	6.7%
31-Dec	58.5%	26.0%	18.9%	17.9%	15.9%	16.1%	13.5%	13.8%	8.6%	12.5%	8.0%	6.2%

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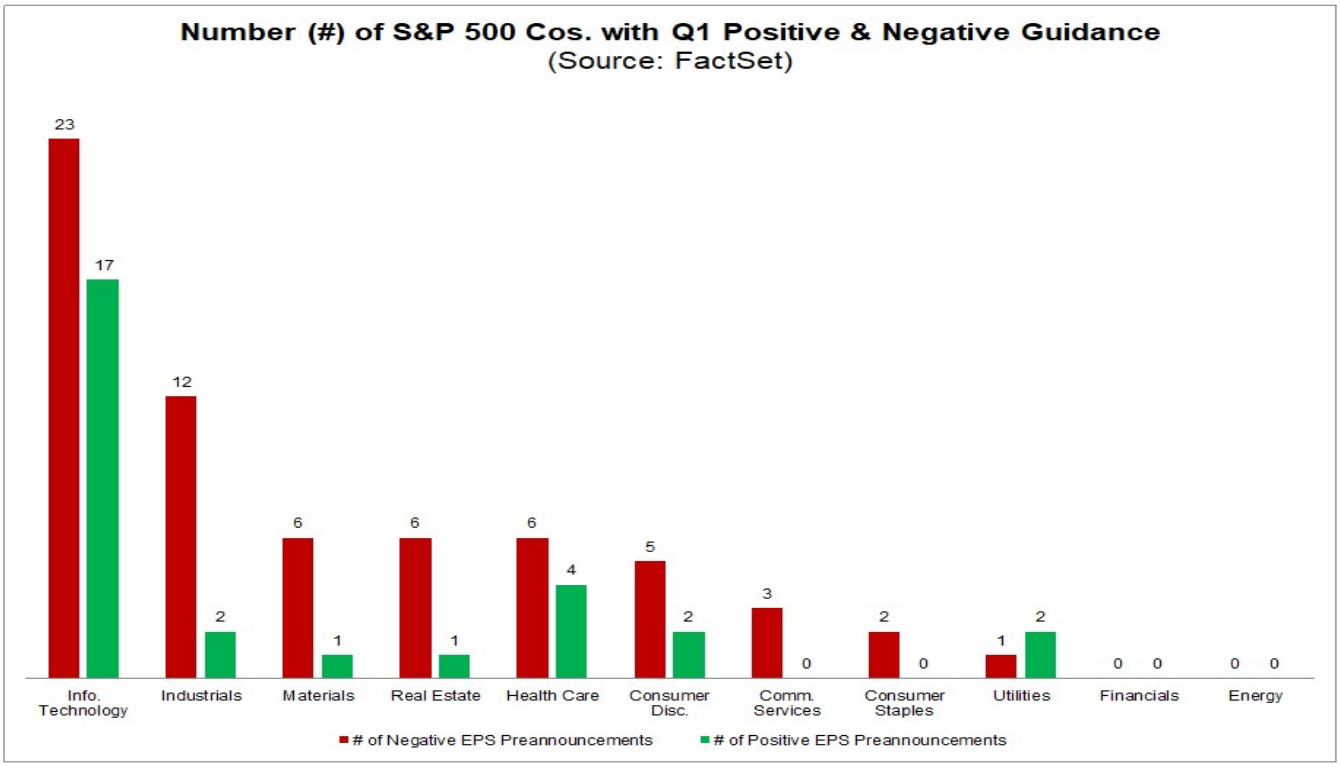
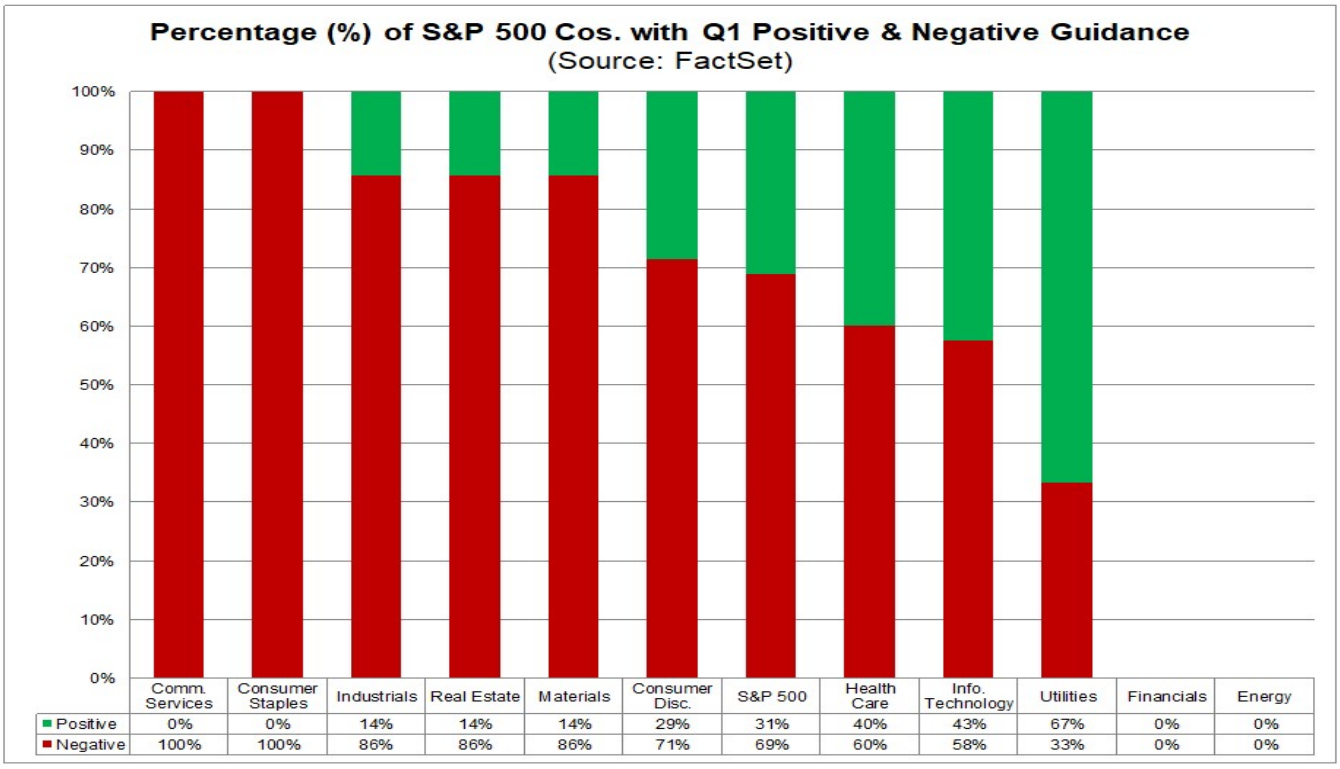
Q1 2022: EPS Guidance





	Comm. Services	Consumer Staples	Industrials	Real Estate	Materials	Consumer Disc.	S&P 500	Health Care	Info. Technology	Utilities	Financials	Energy
Positive	0%	0%	14%	14%	14%	29%	31%	40%	43%	67%	0%	0%
Negative	100%	100%	86%	86%	86%	71%	69%	60%	58%	33%	0%	0%

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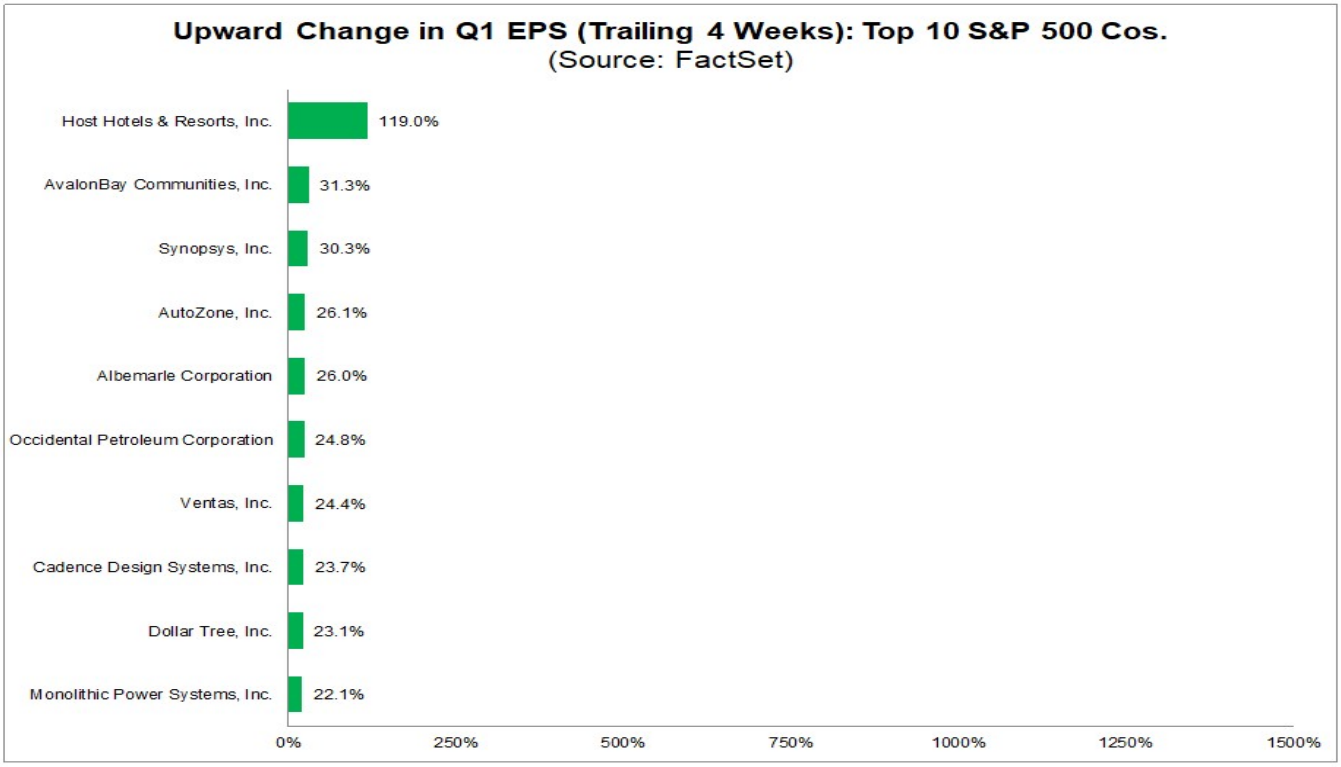
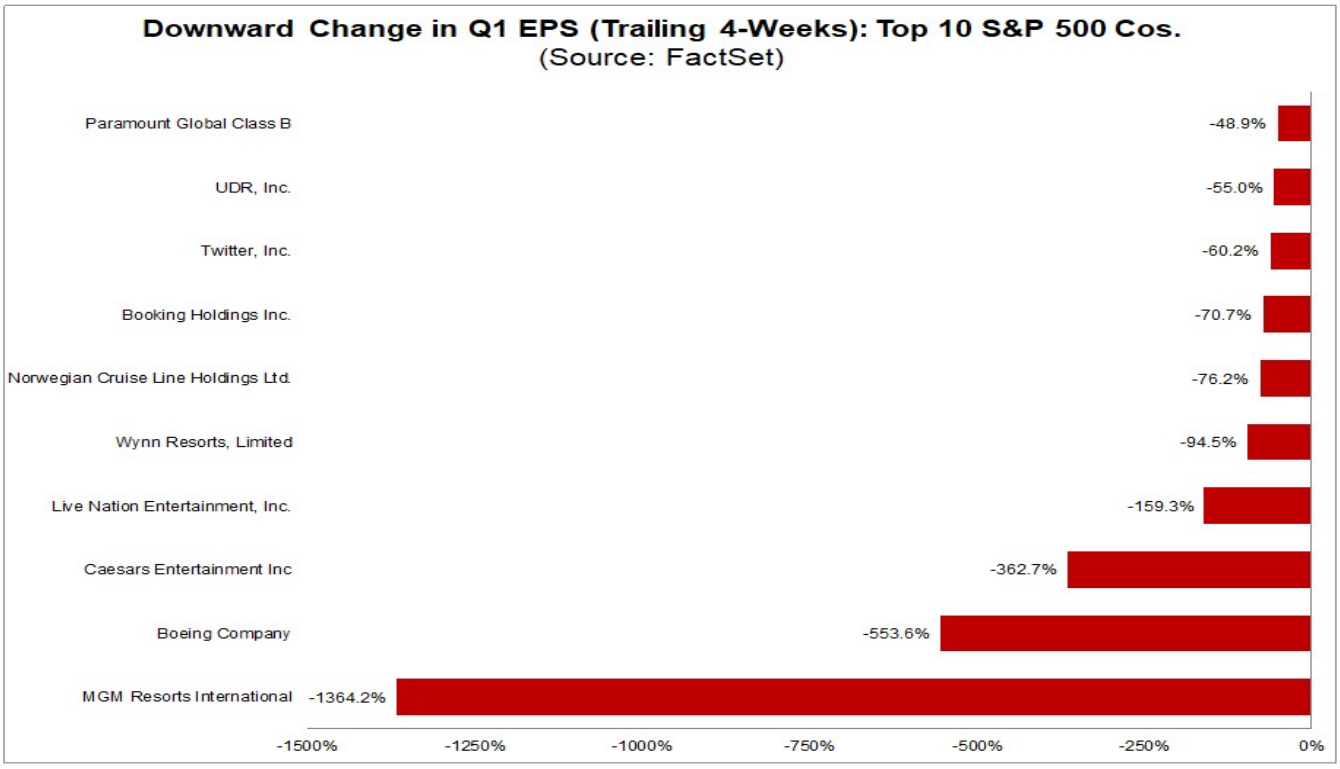
Q1 2022: EPS Revisions





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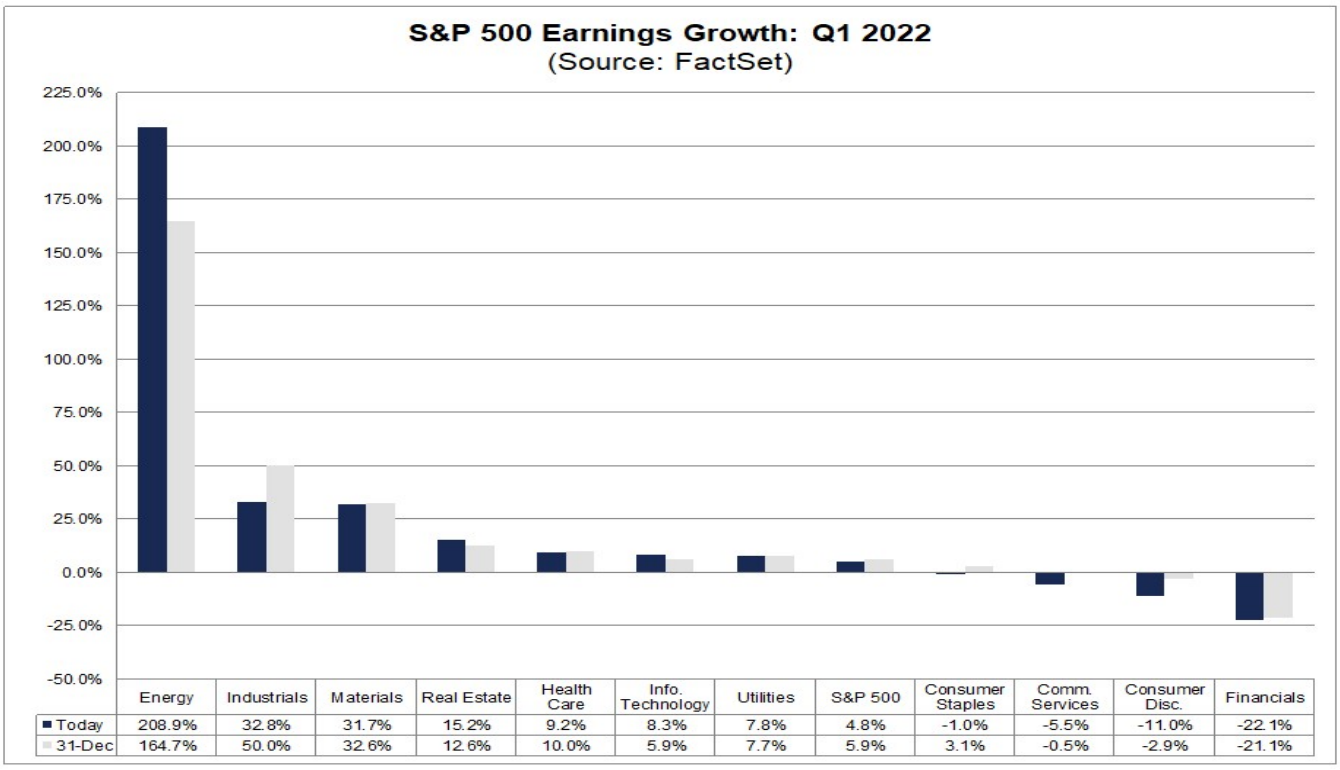
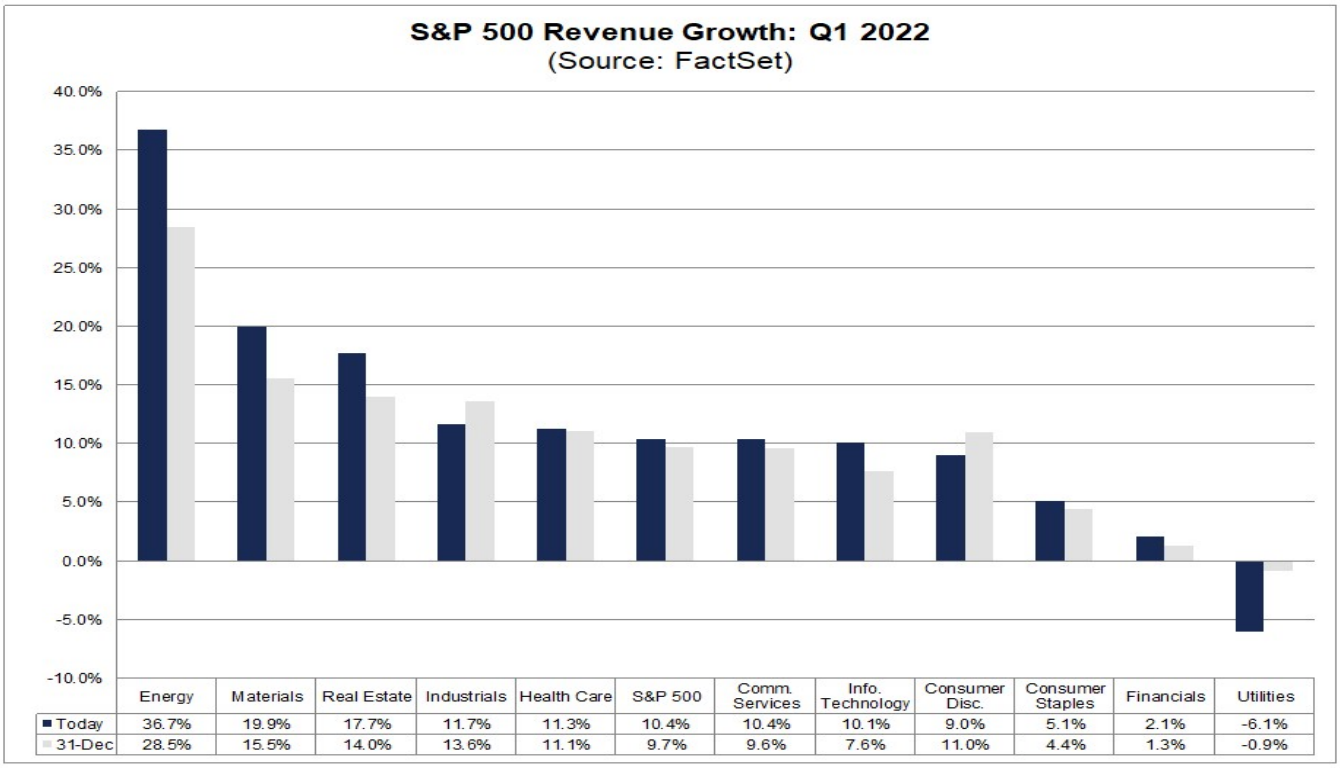
Q1 2022: Growth



	Energy	Industrials	Materials	Real Estate	Health Care	Info. Technology	Utilities	S&P 500	Consumer Staples	Comm. Services	Consumer Disc.	Financials
Today	208.9%	32.8%	31.7%	15.2%	9.2%	8.3%	7.8%	4.8%	-1.0%	-5.5%	-11.0%	-22.1%
31-Dec	164.7%	50.0%	32.6%	12.6%	10.0%	5.9%	7.7%	5.9%	3.1%	-0.5%	-2.9%	-21.1%



	Energy	Materials	Real Estate	Industrials	Health Care	S&P 500	Comm. Services	Info. Technology	Consumer Disc.	Consumer Staples	Financials	Utilities
Today	36.7%	19.9%	17.7%	11.7%	11.3%	10.4%	10.4%	10.1%	9.0%	5.1%	2.1%	-6.1%
31-Dec	28.5%	15.5%	14.0%	13.6%	11.1%	9.7%	9.6%	7.6%	11.0%	4.4%	1.3%	-0.9%

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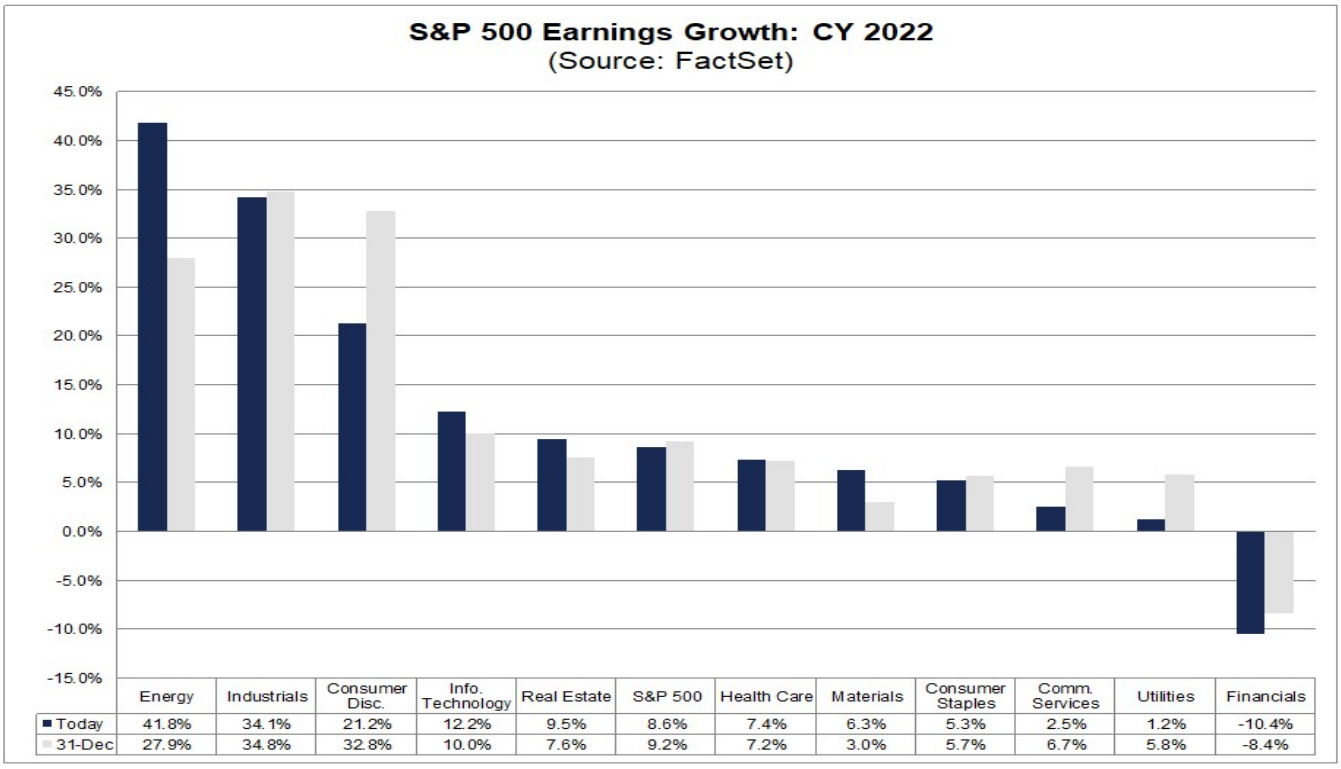
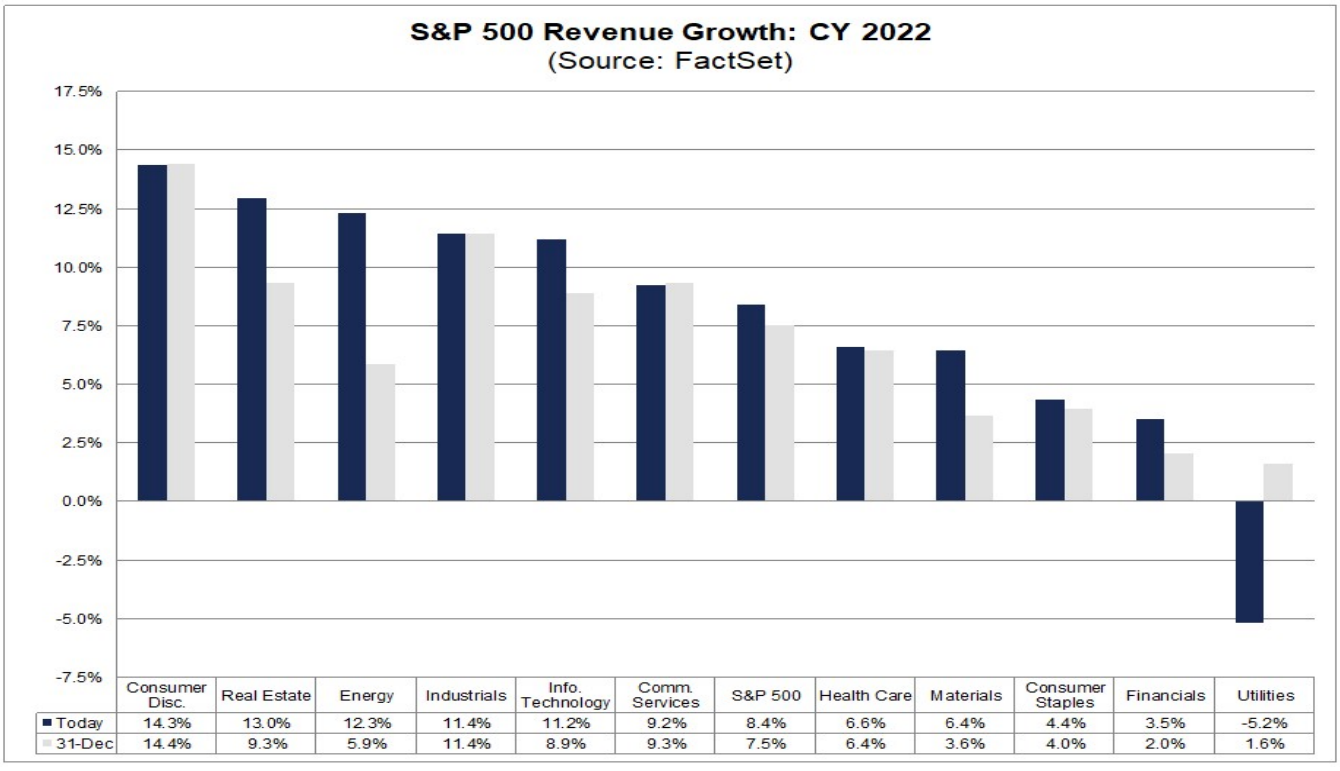
CY 2022: Growth



	Energy	Industrials	Consumer Disc.	Info. Technology	Real Estate	S&P 500	Health Care	Materials	Consumer Staples	Comm. Services	Utilities	Financials
Today	41.8%	34.1%	21.2%	12.2%	9.5%	8.6%	7.4%	6.3%	5.3%	2.5%	1.2%	-10.4%
31-Dec	27.9%	34.8%	32.8%	10.0%	7.6%	9.2%	7.2%	3.0%	5.7%	6.7%	5.8%	-8.4%



	Consumer Disc.	Real Estate	Energy	Industrials	Info. Technology	Comm. Services	S&P 500	Health Care	Materials	Consumer Staples	Financials	Utilities
Today	14.3%	13.0%	12.3%	11.4%	11.2%	9.2%	8.4%	6.6%	6.4%	4.4%	3.5%	-5.2%
31-Dec	14.4%	9.3%	5.9%	11.4%	8.9%	9.3%	7.5%	6.4%	3.6%	4.0%	2.0%	1.6%

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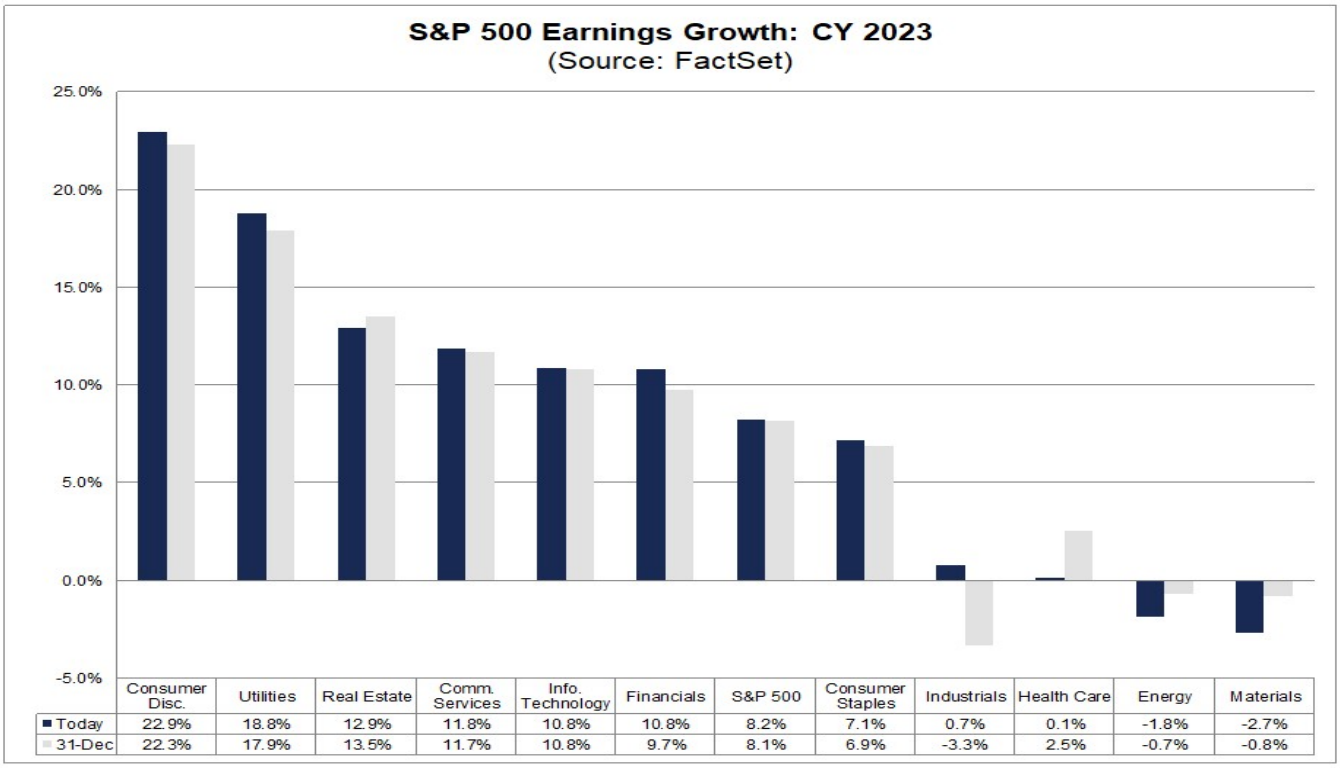
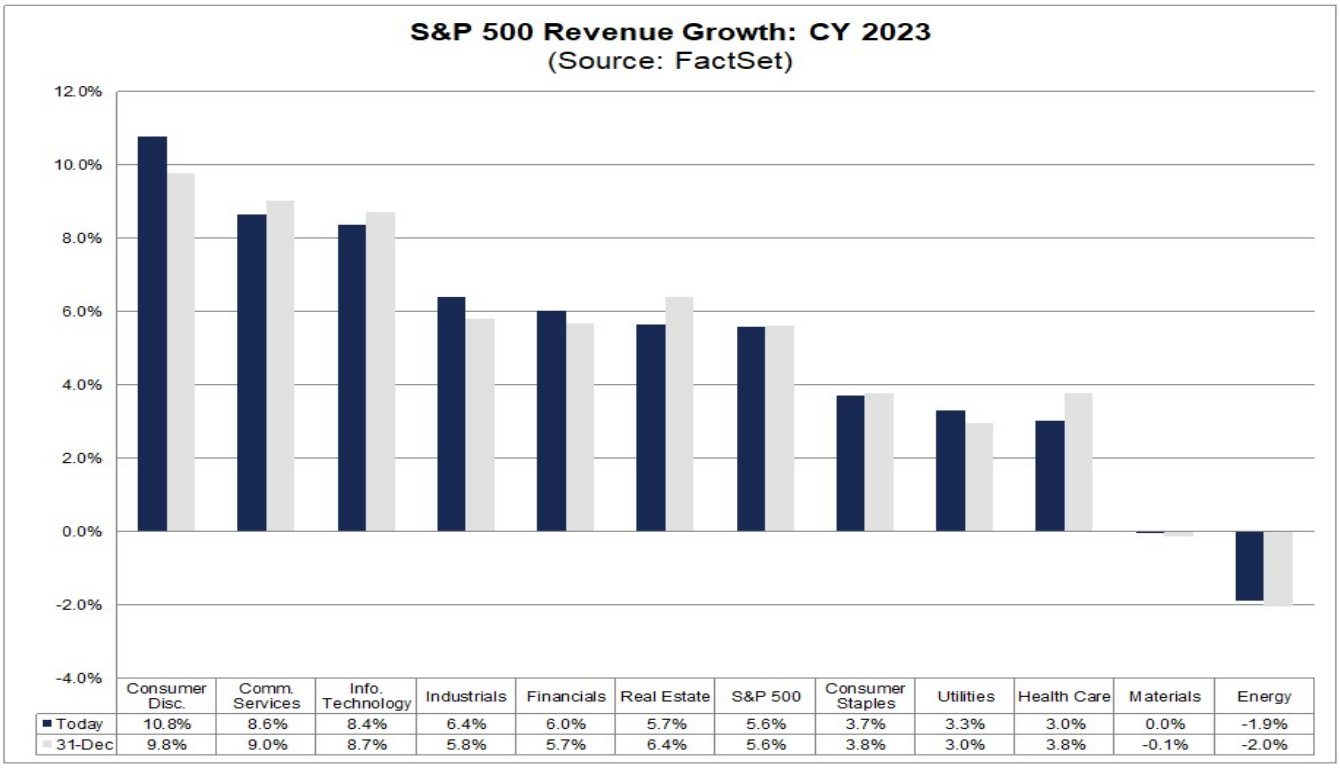
CY 2023: Growth



	Consumer Disc.	Utilities	Real Estate	Comm. Services	Info. Technology	Financials	S&P 500	Consumer Staples	Industrials	Health Care	Energy	Materials
Today	22.9%	18.8%	12.9%	11.8%	10.8%	10.8%	8.2%	7.1%	0.7%	0.1%	-1.8%	-2.7%
31-Dec	22.3%	17.9%	13.5%	11.7%	10.8%	9.7%	8.1%	6.9%	-3.3%	2.5%	-0.7%	-0.8%



	Consumer Disc.	Comm. Services	Info. Technology	Industrials	Financials	Real Estate	S&P 500	Consumer Staples	Utilities	Health Care	Materials	Energy
Today	10.8%	8.6%	8.4%	6.4%	6.0%	5.7%	5.6%	3.7%	3.3%	3.0%	0.0%	-1.9%
31-Dec	9.8%	9.0%	8.7%	5.8%	5.7%	6.4%	5.6%	3.8%	3.0%	3.8%	-0.1%	-2.0%

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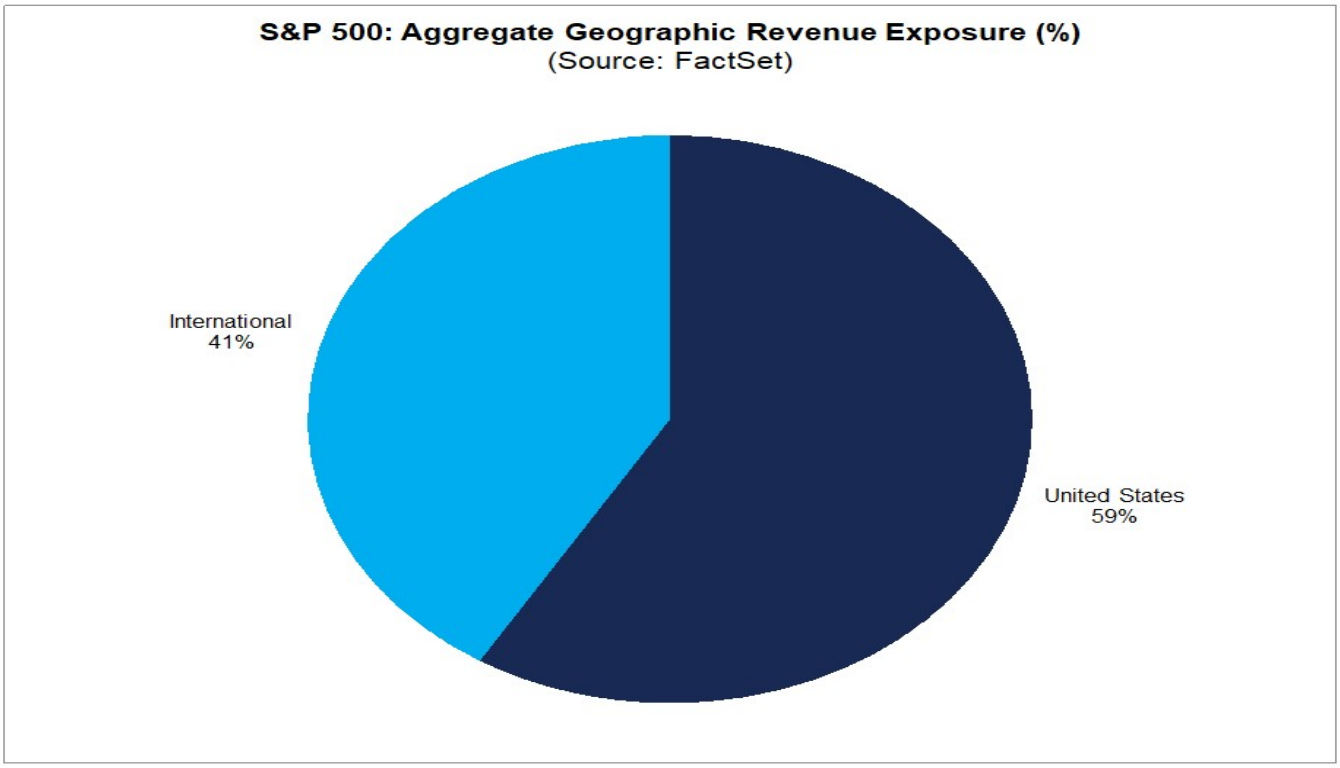
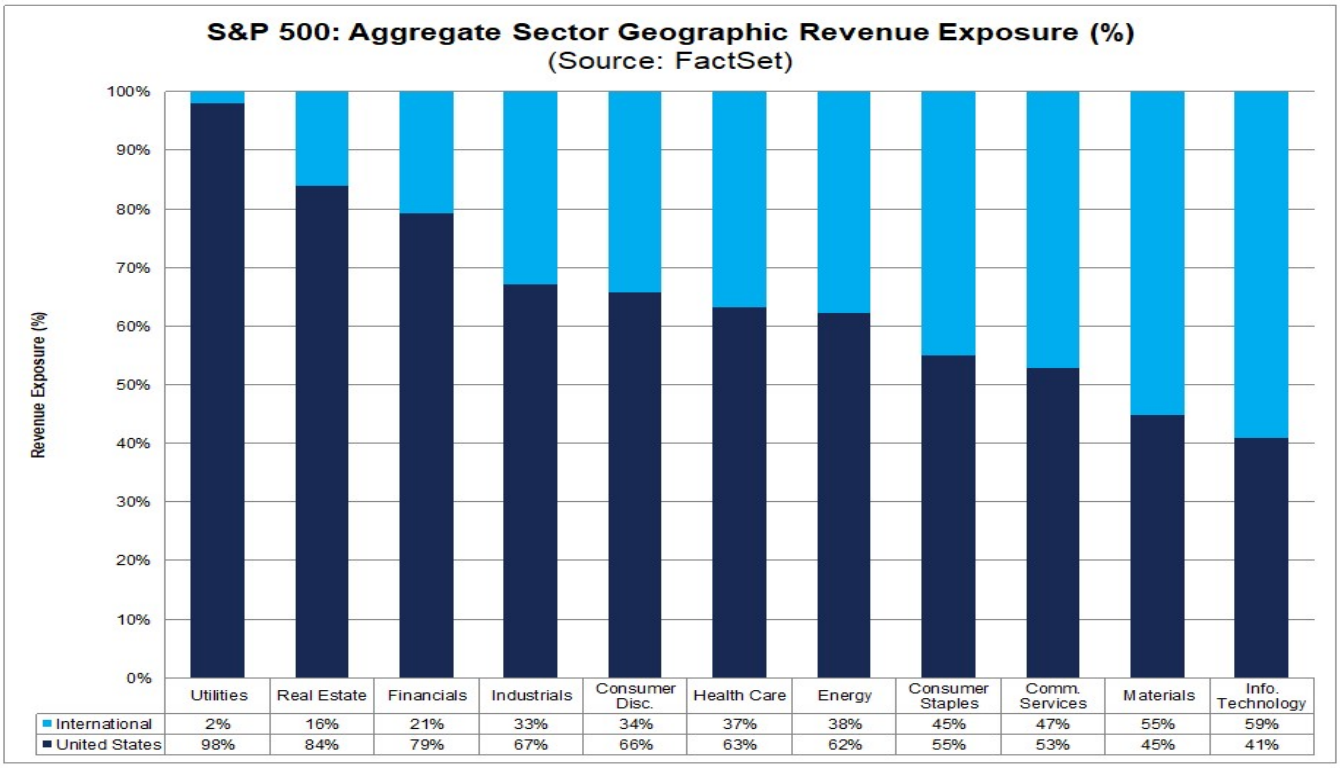
Geographic Revenue Exposure





	Utilities	Real Estate	Financials	Industrials	Consumer Disc.	Health Care	Energy	Consumer Staples	Comm. Services	Materials	Info. Technology
International	2%	16%	21%	33%	34%	37%	38%	45%	47%	55%	59%
United States	98%	84%	79%	67%	66%	63%	62%	55%	53%	45%	41%

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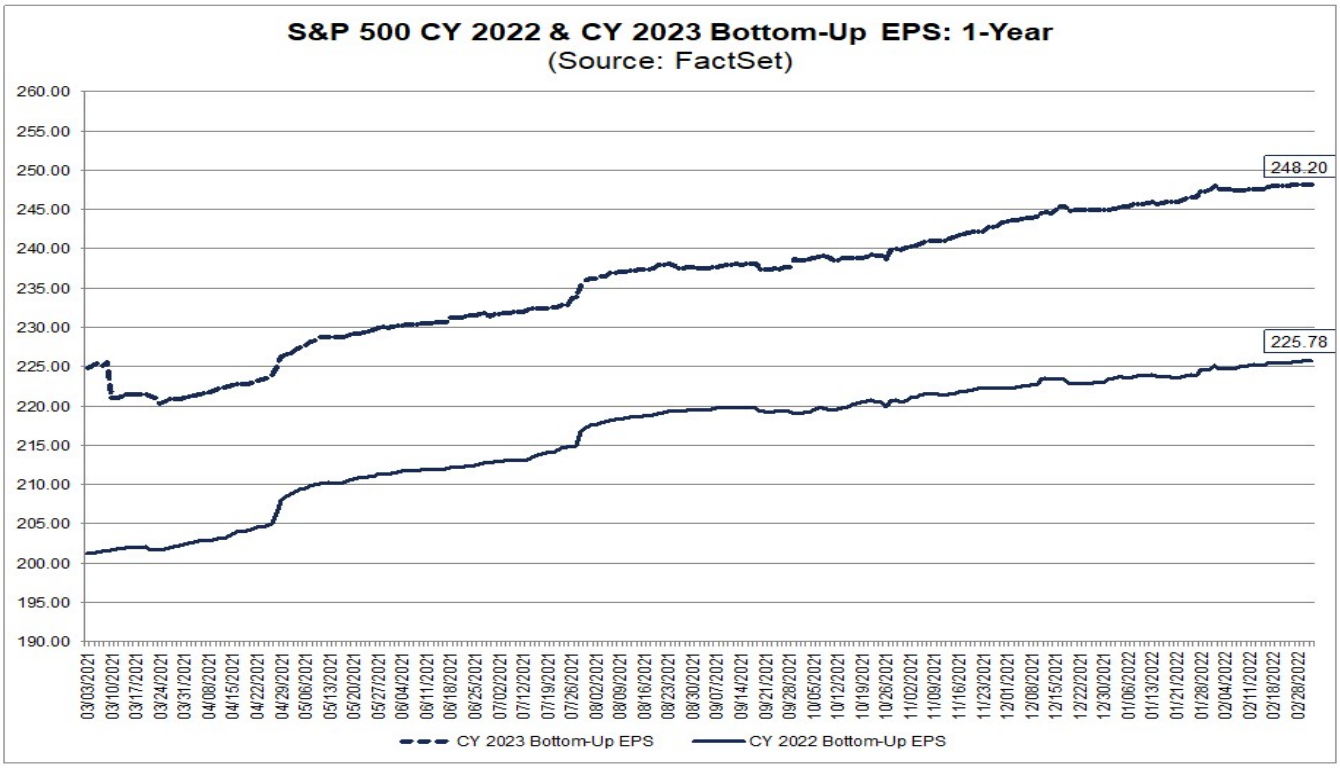
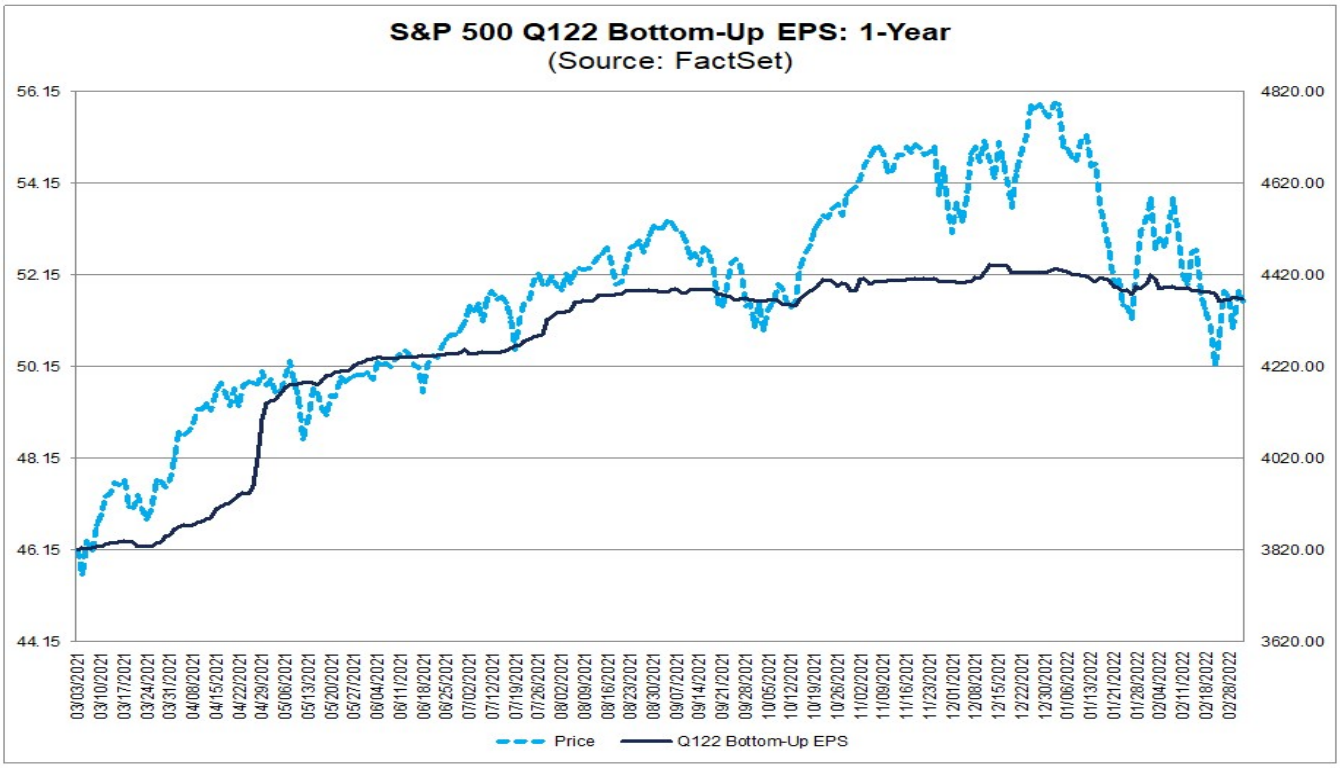
Bottom-up EPS Estimates: Revisions





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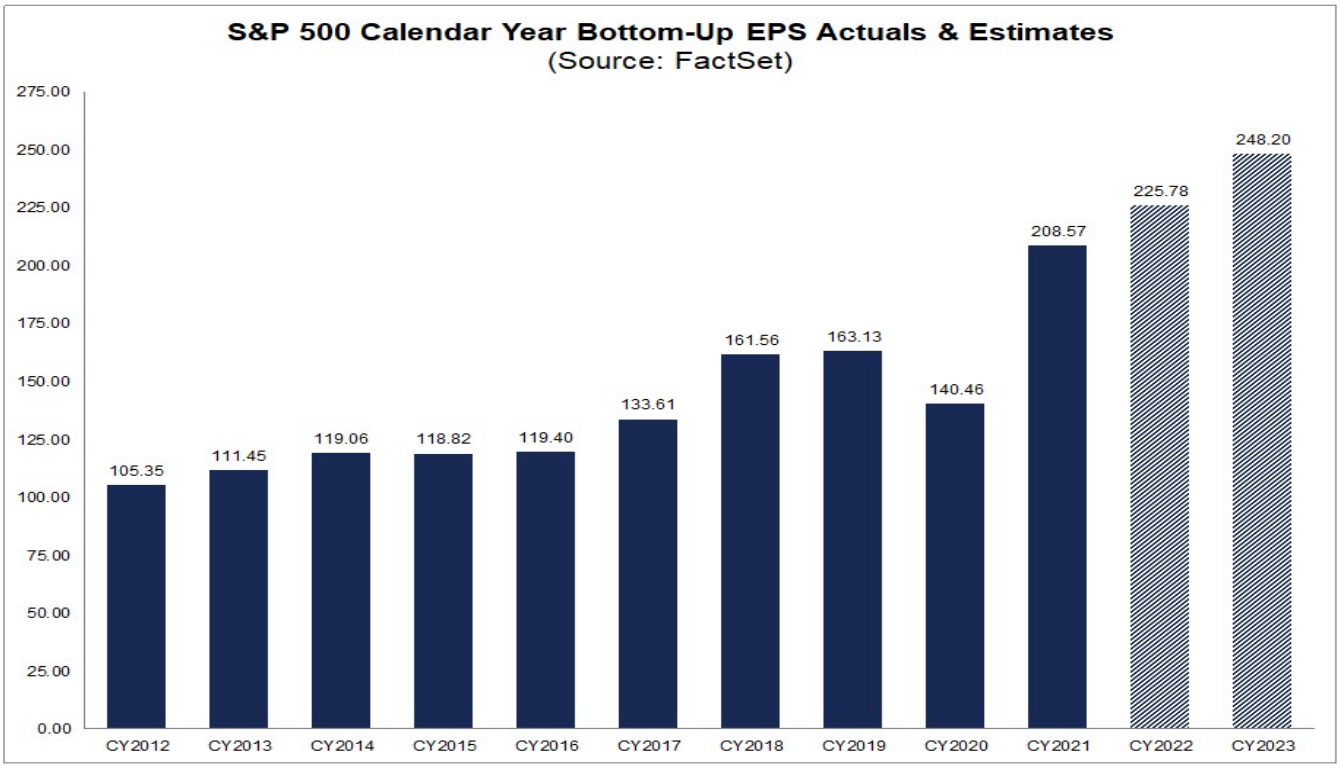
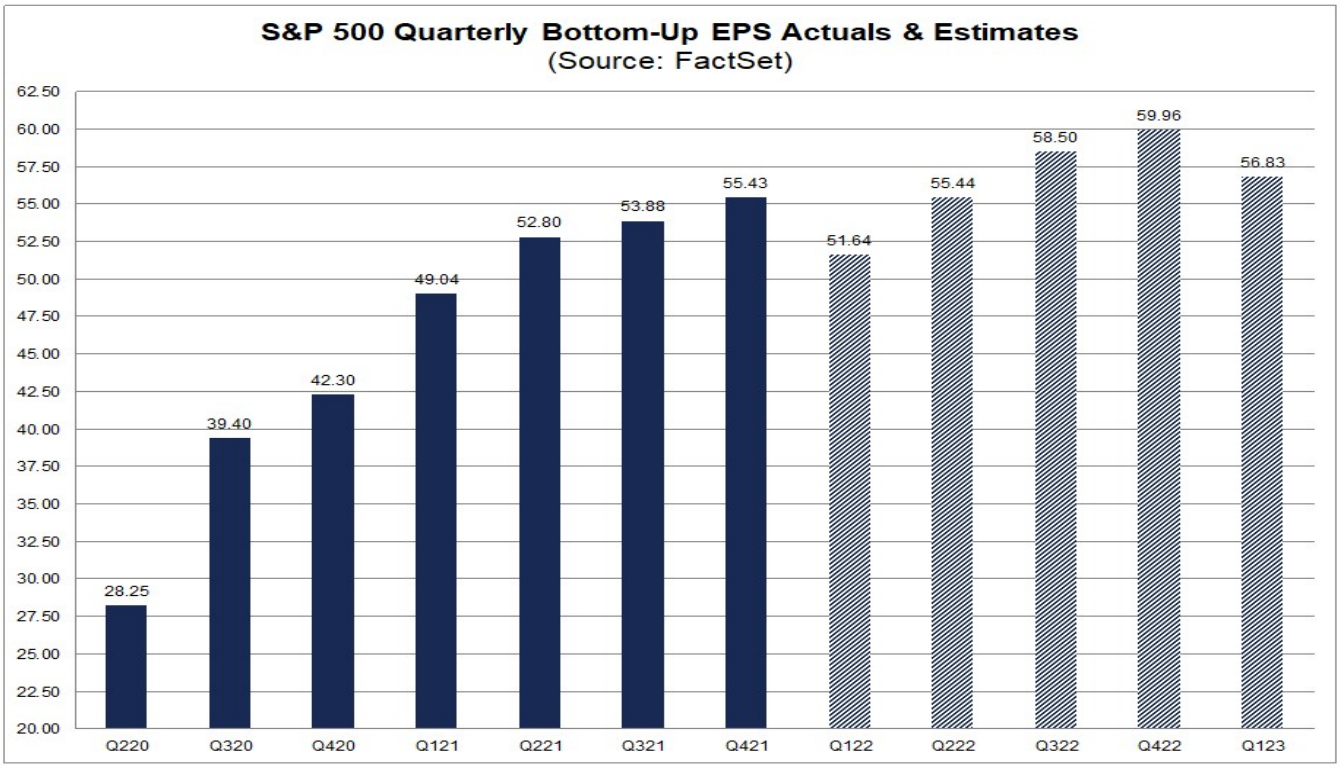
Bottom-up EPS Estimates: Current & Historical





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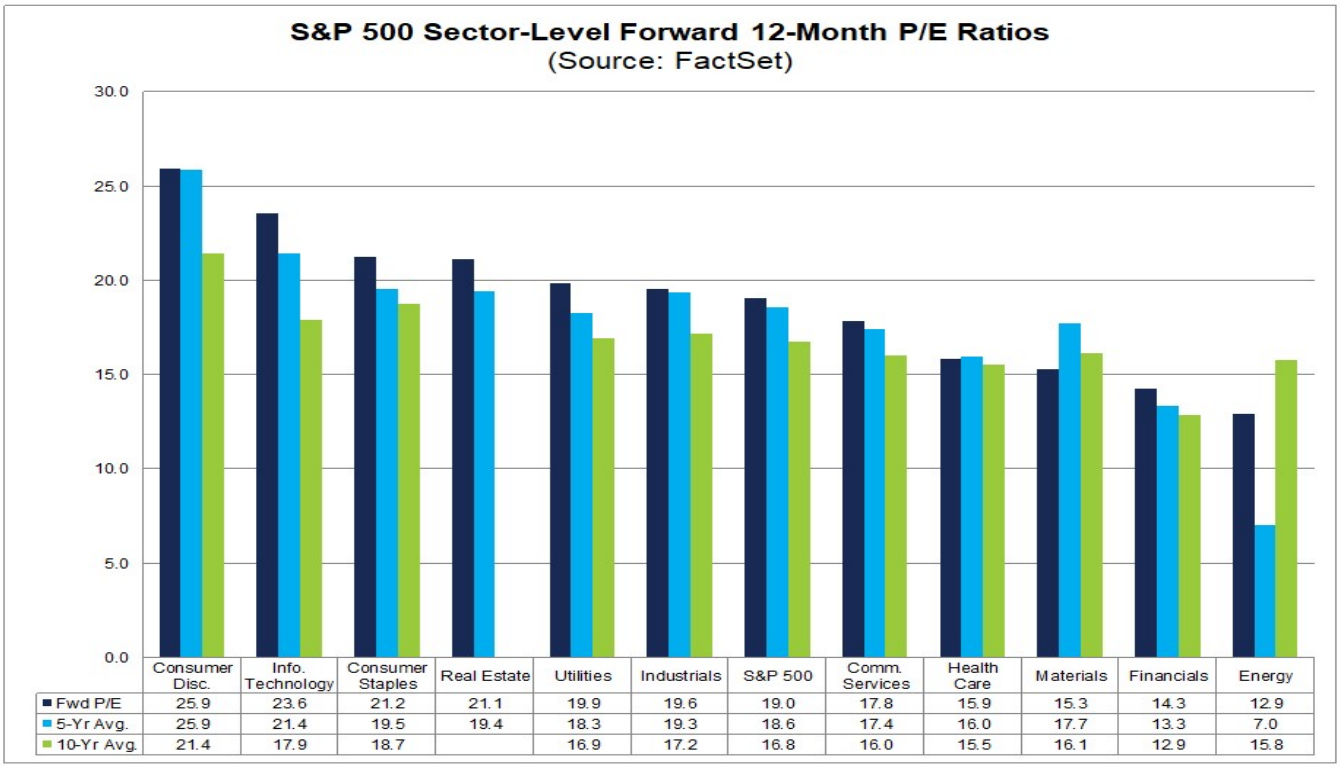
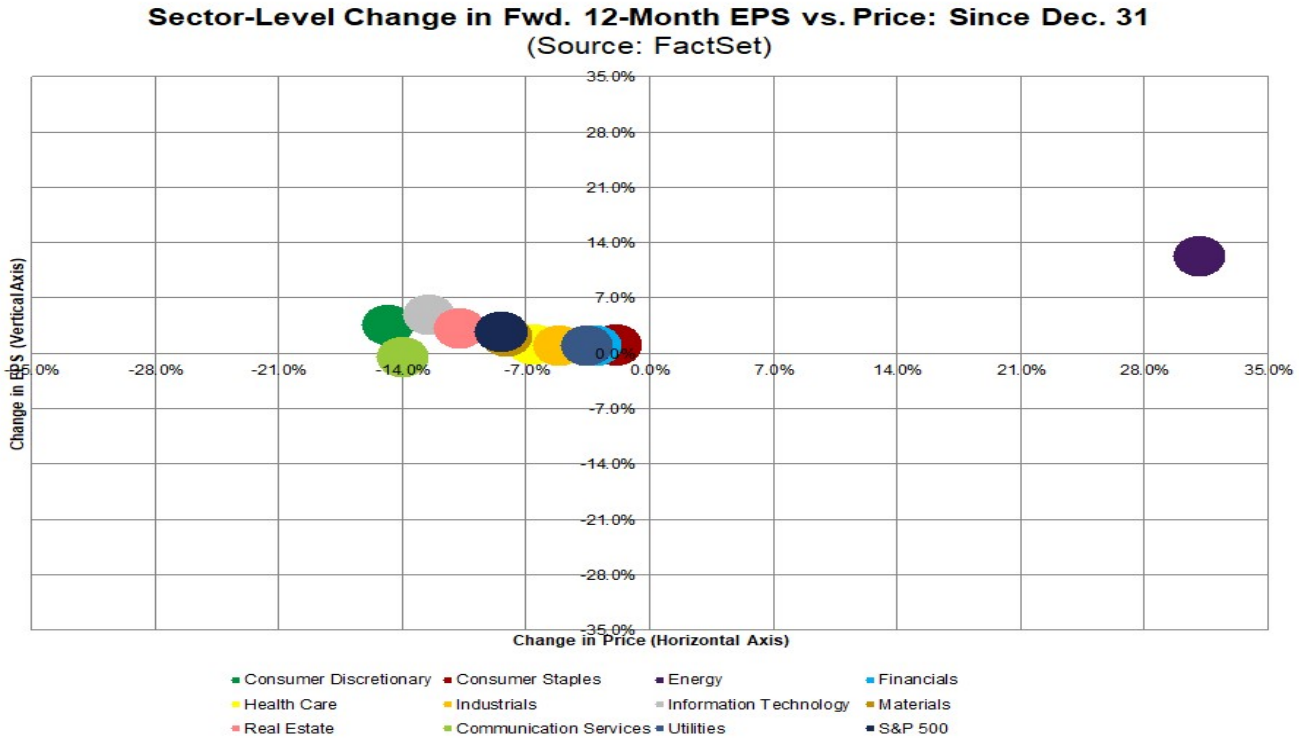
Forward 12M P/E Ratio: Sector Level



	Consumer Disc.	Info. Technology	Consumer Staples	Real Estate	Utilities	Industrials	S&P 500	Comm. Services	Health Care	Materials	Financials	Energy
Fwd P/E	25.9	23.6	21.2	21.1	19.9	19.6	19.0	17.8	15.9	15.3	14.3	12.9
5-Yr Avg.	25.9	21.4	19.5	19.4	18.3	19.3	18.6	17.4	16.0	17.7	13.3	7.0
10-Yr Avg.	21.4	17.9	18.7		16.9	17.2	16.8	16.0	15.5	16.1	12.9	15.8



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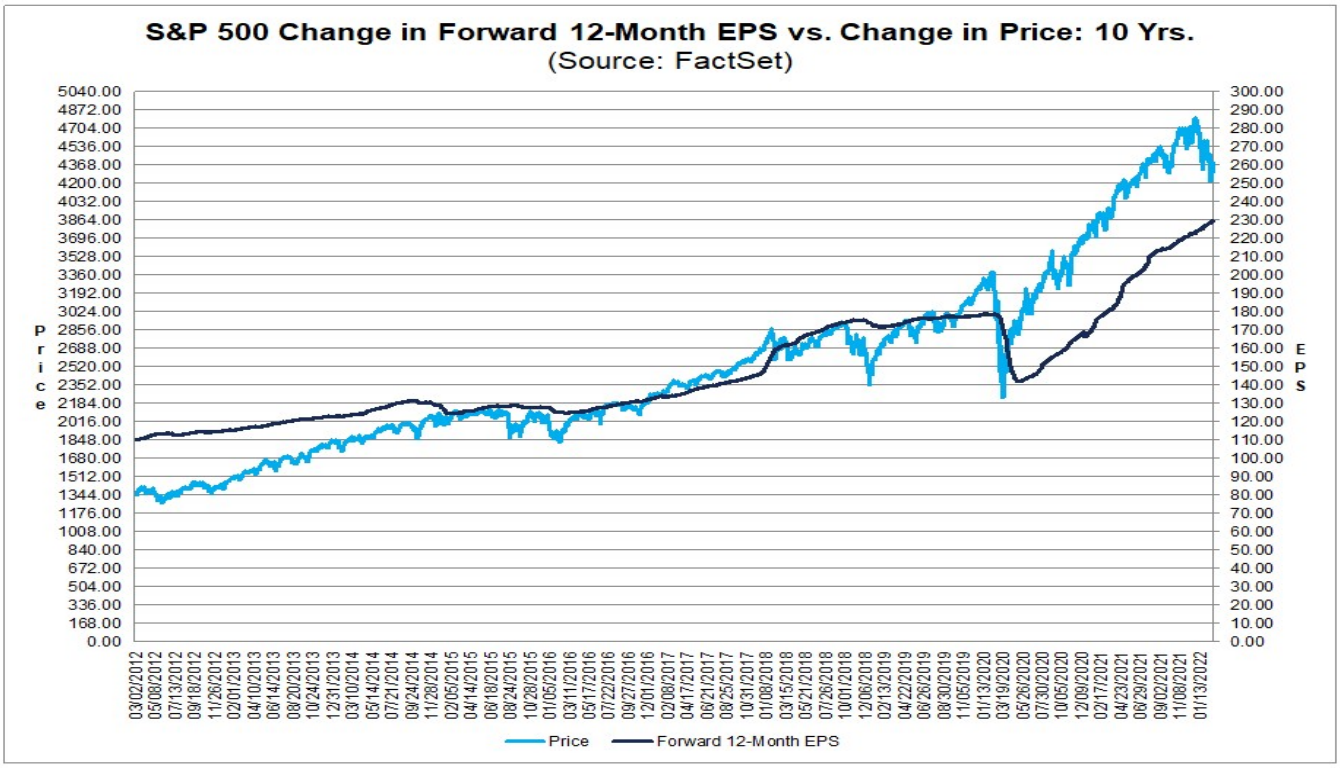
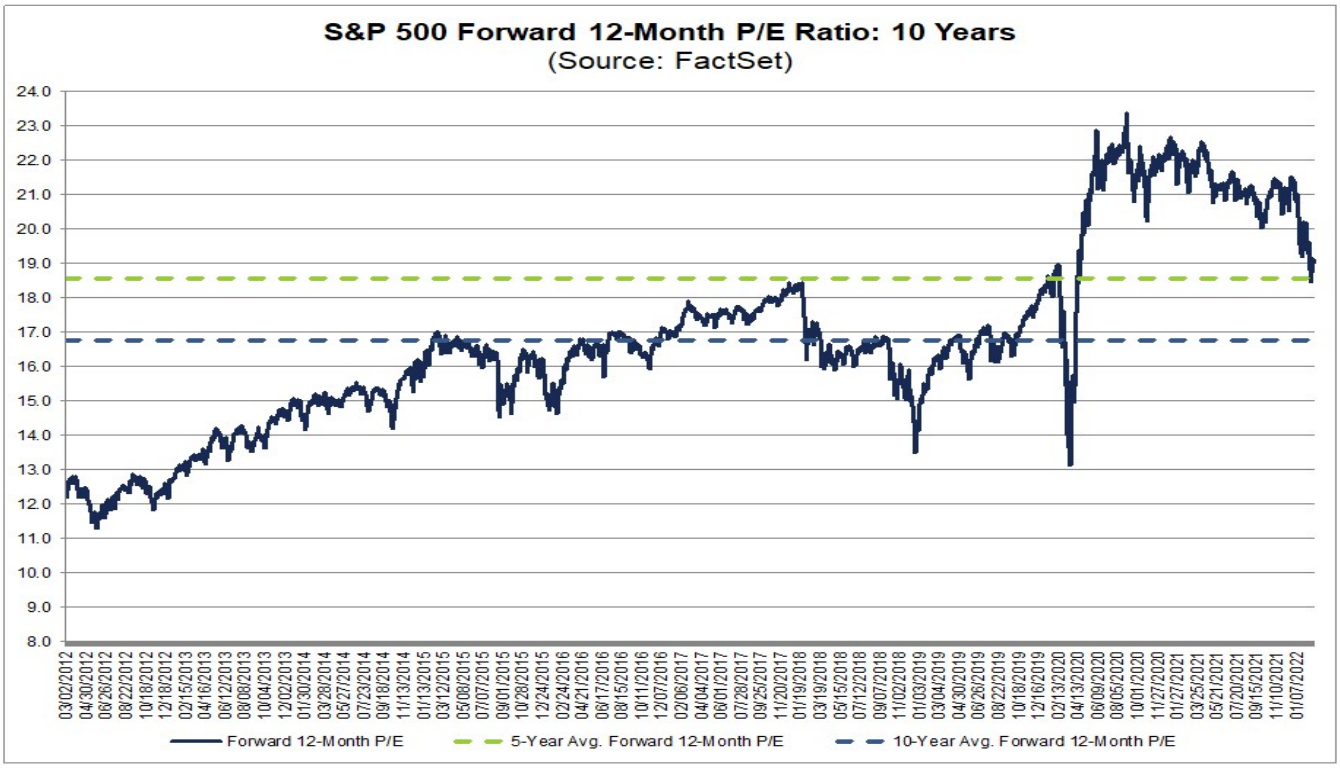
Forward 12M P/E Ratio: 10-Years





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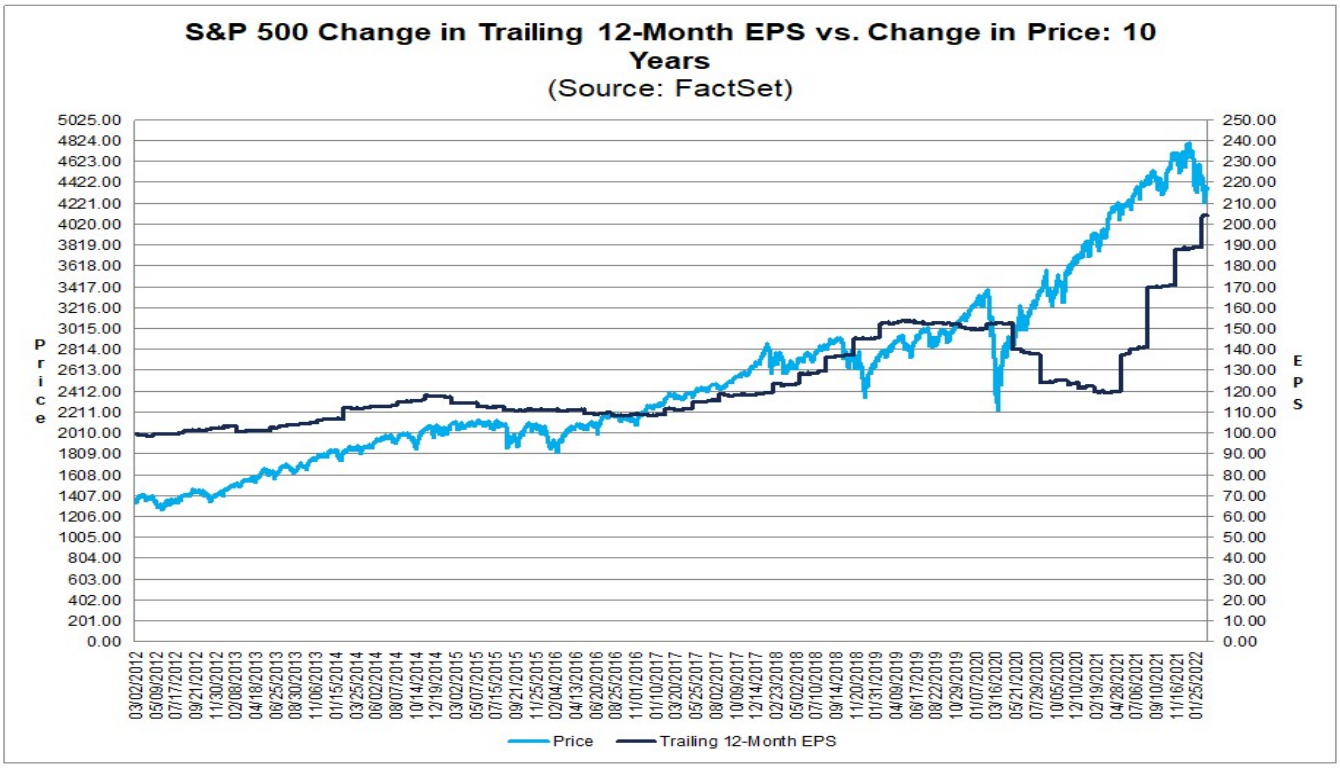
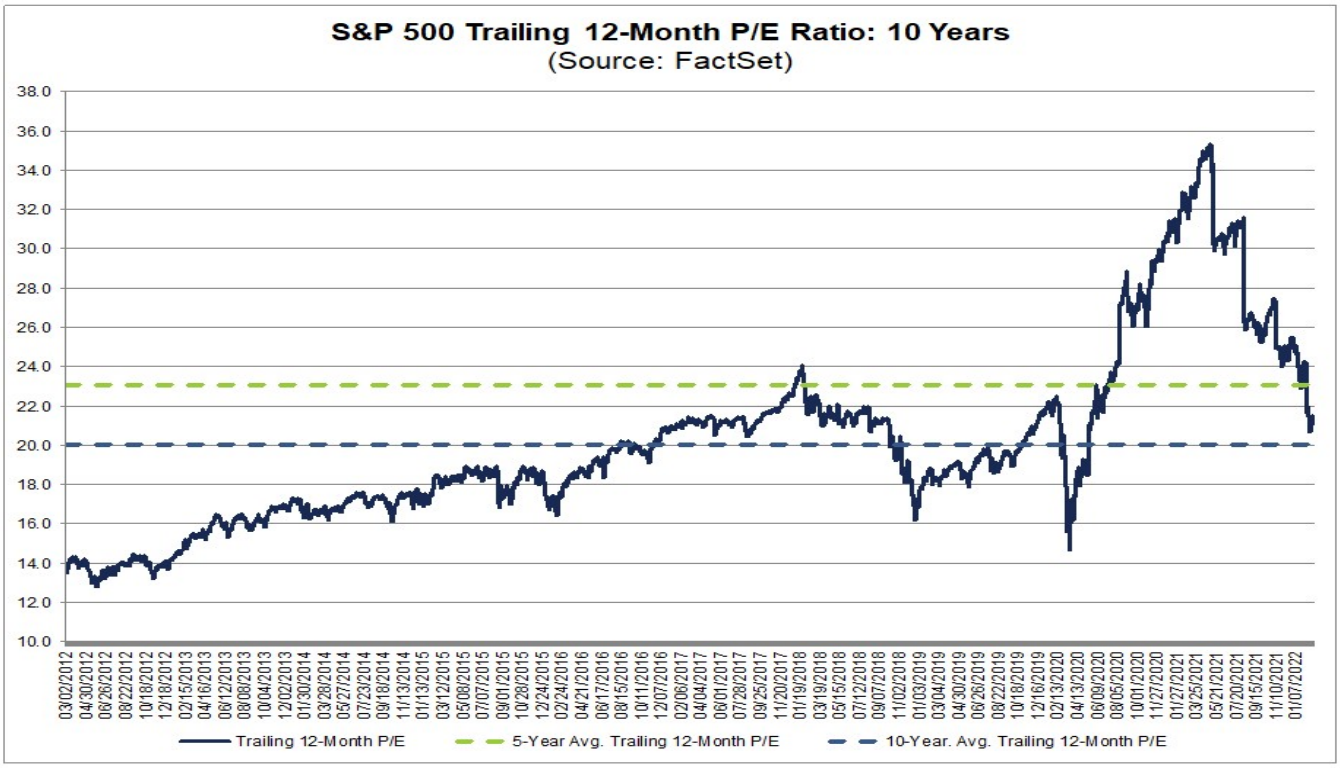
Trailing 12M P/E Ratio: 10-Years





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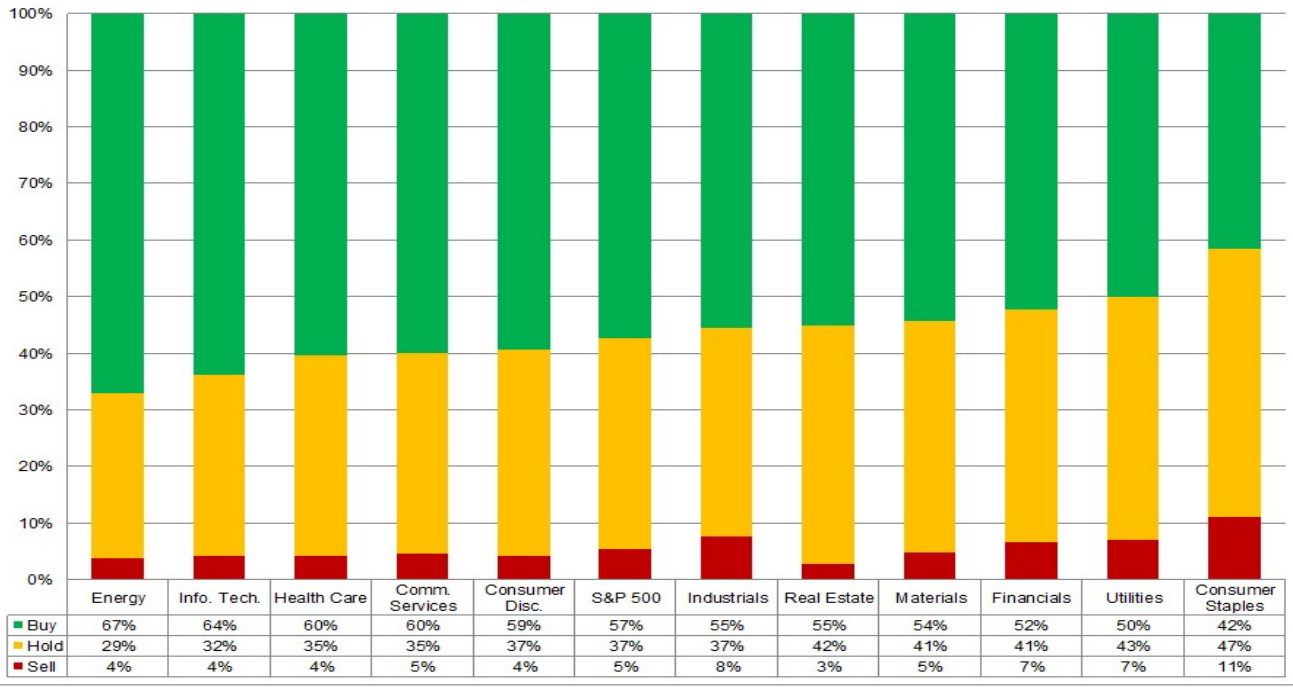
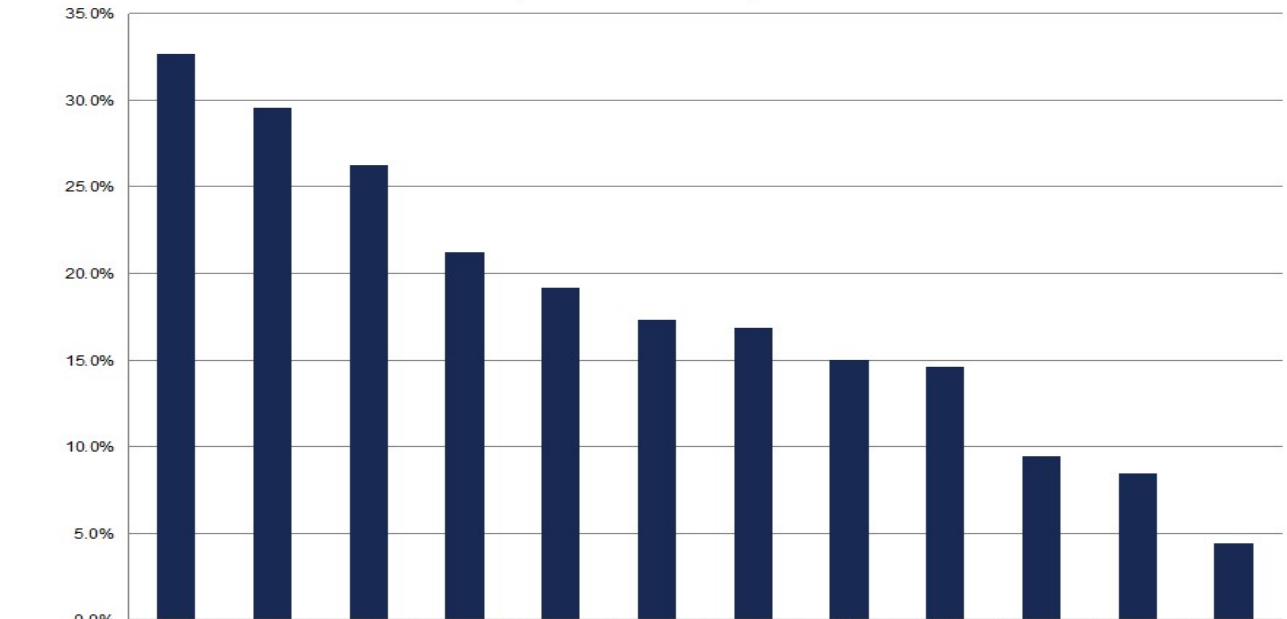
Targets & Ratings

S&P 500: Percentage of Buy, Hold, and Sell Ratings
(Source: FactSet)



	Energy	Info. Tech.	Health Care	Comm. Services	Consumer Disc.	S&P 500	Industrials	Real Estate	Materials	Financials	Utilities	Consumer Staples
Buy	67%	64%	60%	60%	59%	57%	55%	55%	54%	52%	50%	42%
Hold	29%	32%	35%	35%	37%	37%	37%	42%	41%	41%	43%	47%
Sell	4%	4%	4%	5%	4%	5%	8%	3%	5%	7%	7%	11%

S&P 500 Sector-Level Bottom-Up Target Price vs. Closing Price
(Source: FactSet)



	Comm. Services	Consumer Disc.	Info. Tech.	S&P 500	Financials	Industrials	Materials	Real Estate	Health Care	Consumer Staples	Utilities	Energy
Target/Close	32.7%	29.5%	26.3%	21.2%	19.2%	17.3%	16.9%	15.0%	14.6%	9.5%	8.4%	4.4%

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