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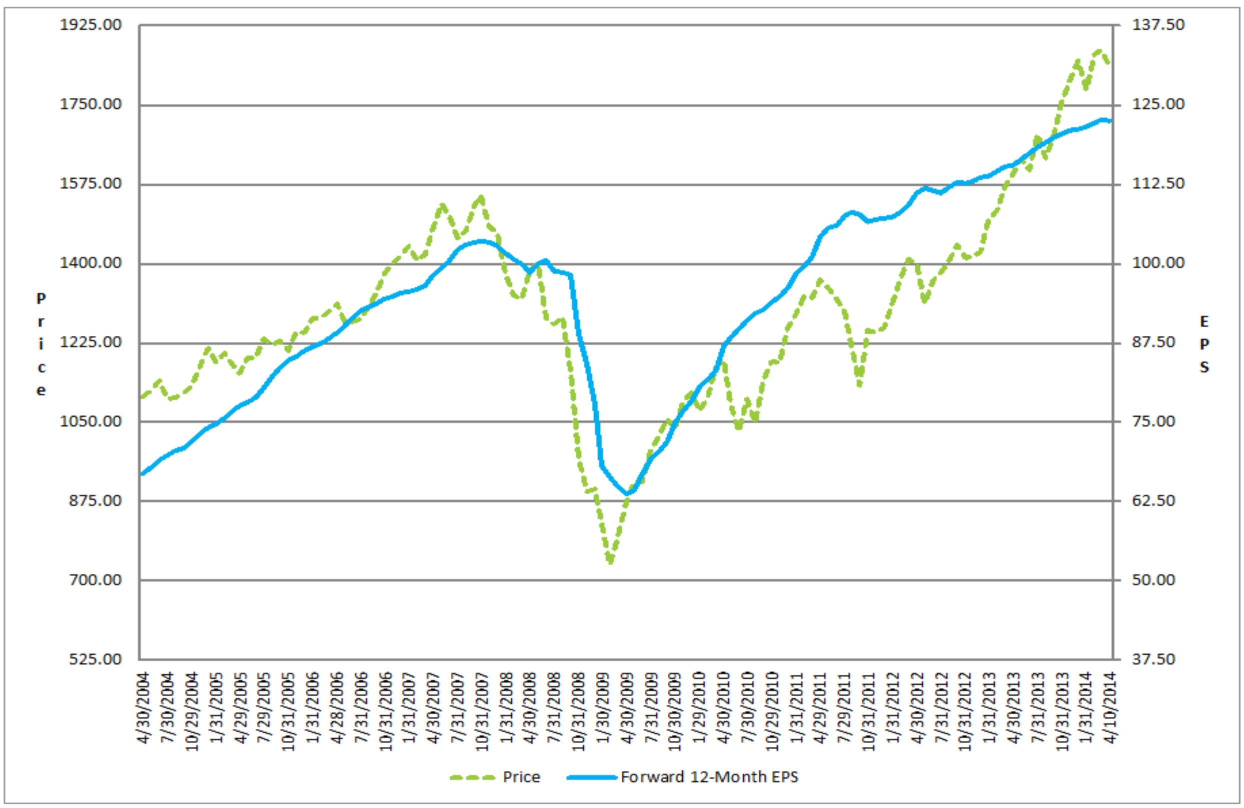
Key Metrics

- **Earnings Growth:** The estimated earnings decline for Q1 2014 is -1.6%. If this is the final percentage for the quarter, it will mark the first year-over-year decline in earnings since Q3 2012 (-1.0%).
- **Earnings Revisions:** On December 31, the earnings growth rate for Q1 2014 was 4.3%. Nine of the ten sectors have lower earnings growth rates today (compared to December 31) due to downward revisions to earnings estimates.
- **Earnings Guidance:** For Q1 2014, 93 companies have issued negative EPS guidance and 18 companies have issued positive EPS guidance.
- **Valuation:** The current 12-month forward P/E ratio is 15.0. This P/E ratio is based on Thursday's closing price (1833.08) and forward 12-month EPS estimate ($122.48).
- **Earnings Scorecard:** Of the 27 companies that have reported earnings to date for Q1 2014, 59% have reported earnings above the mean estimate and 48% have reported sales above the mean estimate.

S&P 500 Forward 12-Month EPS vs. Price: 10-Year



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Topic of the Week

Earnings Decline of 1.6% Projected Today, But Will S&P 500 Report an Actual Decrease?

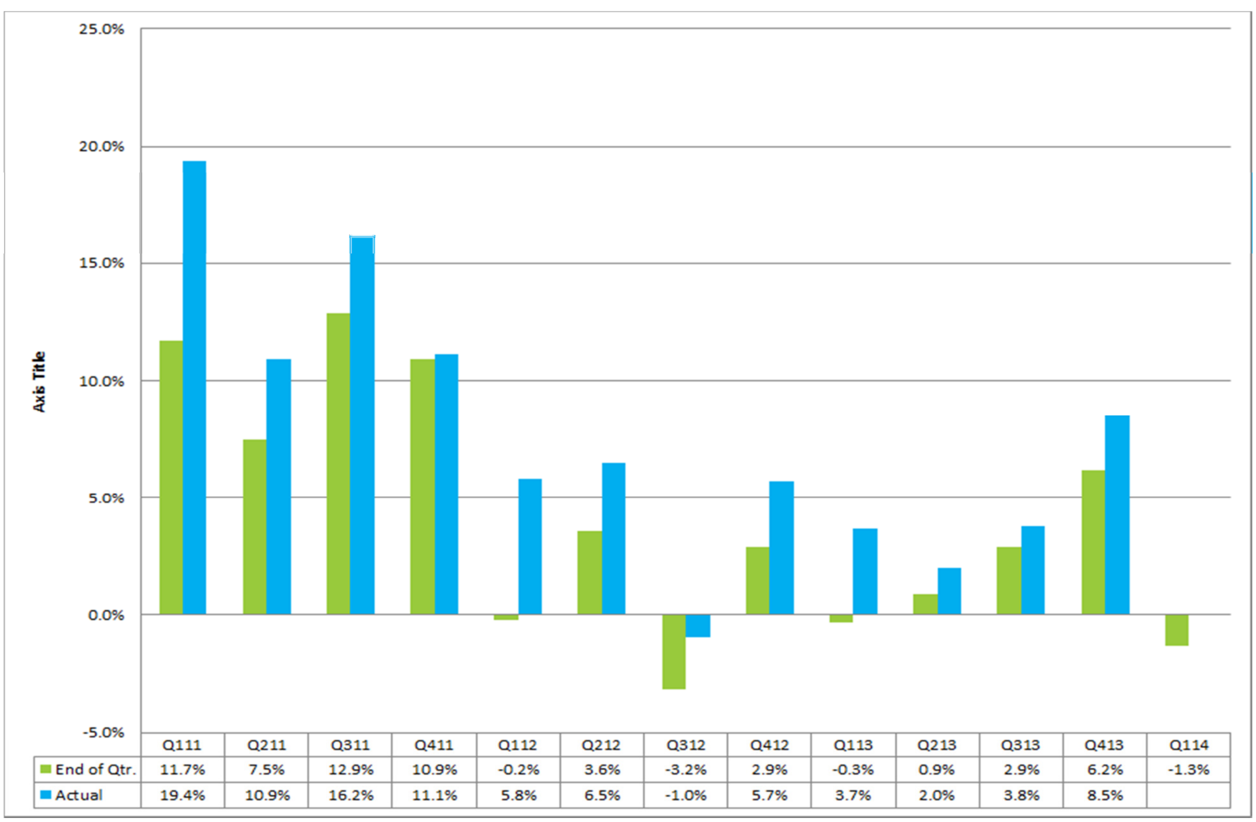
As of today, the S&P 500 is projected to report a year-over-year decline in earnings (-1.6%) for the first quarter. At the end of the first quarter (March 31), the estimated year-over-year decline was 1.3%. The first quarter of 2014 marks fourth time in the past 12 quarters (3 years) that a year-over-year decrease in earnings was projected at the end of a quarter, prior to the start of the earnings season for the quarter. However, the index only reported an actual decline in earnings in one of the three previous quarters (Q3 2012). What is the likelihood the index will report an actual decline in earnings for Q1 2014?

When companies in the S&P 500 report actual earnings above estimates during an earnings season, the overall earnings growth rate for the index increases, because the higher actual EPS numbers replace the lower estimated EPS numbers in the calculation of the growth rate. For example, if a company is projected to report EPS of $1.05 compared to year-ago EPS of $1.00, the company is projected to report earnings growth of 5%. If the company reports actual EPS of $1.10 (a $0.05 upside earnings surprise compared to the estimate), the actual earnings growth for the company for the quarter is now 10%, five percentage points above the estimate growth rate (10% - 5% = 5%).

Over the past three years, 71% of companies in the S&P 500 have reported actual EPS above the mean EPS estimates on average. As a result, the earnings growth rate has increased 3.1 percentage points on average from the end of the quarter through the end of the earnings season due to these upside earnings surprises.

If this average increase is applied to the estimated earnings decline at the end of the first quarter (March 31) of -1.3%, the actual earnings growth rate for the quarter would be 1.8% (-1.3% + 3.1% = 1.8%).

S&P 500: Estimated Earnings Growth at Quarter-End vs. Actual Earnings Growth



	Q111	Q211	Q311	Q411	Q112	Q212	Q312	Q412	Q113	Q213	Q313	Q413	Q114
End of Qtr.	11.7%	7.5%	12.9%	10.9%	-0.2%	3.6%	-3.2%	2.9%	-0.3%	0.9%	2.9%	6.2%	-1.3%
Actual	19.4%	10.9%	16.2%	11.1%	5.8%	6.5%	-1.0%	5.7%	3.7%	2.0%	3.8%	8.5%	

Q1 2014 Earnings Season: Overview

Slight in Earnings Decline This Week, but Below Growth of 4.3% Projected on Dec. 31

Slight Increase in Expected Decline This Week

The estimated earnings decline for the first quarter is -1.6% this week, higher than the estimated decline of -1.3% last week. During the past week, small downward revisions to estimates for companies in the Energy and Consumer Discretionary sectors were mainly responsible for the small increase in the projected earnings decline for the week.

Materials Sector Has Seen Largest Drop in Estimated Growth since December 31

The estimated earnings decline for Q1 2014 of -1.6% is below the estimate of 4.3% growth at the start of the quarter (December 31). Nine of the ten sectors have recorded a decrease in expected earnings growth due to downward revisions to earnings estimates, led by the Materials, Financials, and Consumer Discretionary sectors. The only sector that has seen an increase in projected earnings growth over this period is the Utilities sector.

The Materials sector has witnessed the largest dip in expected earnings growth (to -2.1% from 8.7%) since the start of the quarter. Companies in the Metals & Mining industry have seen major reductions to EPS estimates during this time, including Allegheny Technologies (to -$0.07 from $0.03), Cliffs Natural Resources (to $0.05 from $0.39), and Newmont Mining (to $0.19 from $0.48).

The Consumer Discretionary sector has witnessed the second highest drop in expected earnings growth (to 3.1% from 12.6%) since the beginning of the quarter. Companies that have seen the largest cuts to estimates during this time include General Motors (to $0.39 from $1.03), News Corporation (to 0.03 from 0.07), Amazon.com (to $0.24 from $0.52), Expedia (to $0.15 from $0.31), Best Buy (to $0.20 from $0.38), and Mattel (to $0.07 from $0.12).

The Financials sector has witnessed the third largest decline in expected earnings growth (to -5.4% from 3.8%) since December 31. The largest contributor to the decline in expected earnings growth for the sector is Bank of America. The mean EPS estimate for this company has fallen to $0.05 today from $0.30 at the beginning of the quarter. Other companies in the sector that have seen large cuts to estimates during this time include Cincinnati Financial (to $0.54 from $0.83), CBRE Group (to $0.18 from $0.23), and Citigroup (to $1.14 from $1.43).

The Utilities sector is the only sector that has seen an increase in expected earnings growth (to 7.3% from 6.5%) since the start of the quarter. Companies that have recorded substantial increases to estimates during this time include AGL Resources (to $1.79 from $1.41), Entergy (to $1.14 from $0.91), and Public Service Enterprise Group (to $0.90 from $0.74).

Q1 EPS Guidance: High Percentage (84%) of Negative Guidance

At this point in time, 111 companies in the index have issued EPS guidance for the first quarter. Of these 111 companies, 93 have issued negative EPS guidance and 18 have issued positive EPS guidance. Thus, the percentage of companies issuing negative EPS guidance to date for the first quarter is 84% (93 out of 111). This percentage is well above the 5-year average of 65%. For more details on Guidance, please see our "Guidance Quarterly" report, which will was published on March 31.

First Earnings Decline (-1.6%) Projected Since Q3 2012

The estimated earnings decline for Q1 2014 is -1.6%. If this is the final percentage for the quarter, it will mark the first year-over-year decrease in earnings since Q3 2012 (-1.0%). Five of the ten sectors are expected to report higher earnings relative to a year ago, led by the Telecom Services and Utilities sectors. On the other hand, the Energy and Financials sectors are predicted to report the largest decreases in earnings of all ten sectors.

Telecom Services: Ex-Verizon, Growth Rate Drops to -1.1%

The Telecom Services sector is predicted to have the highest earnings growth rate at 25.0%. At the company level, Verizon Communications is the largest contributor to earnings growth for the sector. The mean EPS estimate for the company is $0.85, compared to $0.68 in the year-ago quarter. If Verizon is excluded, the earnings growth rate for the sector would drop to -1.1%.

Utilities: Broad Growth across the Sector

The Utilities sector is projected to have the second highest earnings growth rate (7.3%) of any sector. At the company level, 21 of the 30 companies in the sector are predicted to see growth. NRG Energy is the largest contributor to earnings growth for the sector, mainly due to a comparison to a large loss in the year-ago quarter. The mean EPS estimate for the company is -$0.02, compared to -$1.02 in the year-ago quarter. If NRG Energy is excluded, the earnings growth rate for the sector would drop to 3.8%.

Energy: Exxon Mobil and Chevron Lead Decline

The Energy sector is expected to have the largest decline in earnings of any sector at -9.1%. Three of the seven sub-industries in this sector are expected to report a decrease in earnings, led by the Oil & Gas Refining & Marketing (-29%) and Integrated Oil & Gas (-17%) sub-industries. At the company level, Exxon Mobil and Chevron are the largest contributors to the expected decline in earnings for the sector. The mean EPS estimate for Exxon Mobil is $1.88, compared to year-ago EPS of $2.12. The mean EPS estimate for Chevron is $2.57, relative to year-ago EPS of $3.18. If these two companies are excluded, the growth rate for the Energy sector would improve to -1.3%.

Financials: Bank of America Leads Decline

The Financials sector is expected to have the second highest decline in earnings at -5.4%. Five of the eight industries are expected to report a decline in earnings, led by the Thrift & Mortgage Finance (-13%) and Banks (-12%) industries. At the company level, Bank of America is the largest contributor to the expected decline in earnings for the sector. The mean EPS estimate for Bank of America is $0.05, compared to year-ago EPS of $0.20. If this company is excluded, the growth rate for the Financials sector would improve to -2.3%.

Estimated Revenue Growth is 2.2%

The estimated revenue growth rate for Q1 2014 is 2.2%, below the estimated growth rate of 3.0% at the start of the quarter (December 31). Nine of the ten sectors are predicted to report revenue growth for the quarter, led by the Health Care and Consumer Discretionary sectors. On the other hand, the Energy sector is the only sector expected to report a decline in revenue for the quarter.

Highest Sales Growth: Health Care and Consumer Discretionary

The Health Care sector is expected to report the highest revenue growth at 6.4%. Five of the six industries in the sector are predicted to report growth in sales, led by the Biotechnology (27%) and Health Care Technology (16%) industries. The only industry expected to see a (slight) decline in sales is the Pharmaceuticals (-0.5%) industry.

The Consumer Discretionary sector is predicted to report the second highest revenue growth rate at 4.4%. Growth is expected to be broad-based. Eleven of the twelve industries are projected to report revenue growth, led by the Internet & Catalog Retail (21%) industry. On the other end of the spectrum, the Leisure Products (-1%) is the only industry expected to see a year-over-year decrease in revenue.

Lowest Sales Growth: Energy

The Energy sector is the only sector projected to see a decrease in revenue at -1.7%. Four of the seven sub-industries in this sector are expected to report a decrease in sales, led by the Coal & Consumable

Fuels (-15%) and Oil & Gas Exploration & Production (-12%) sub-industries. On the other hand, the Oil & Gas Storage & Transportation sub-industry (11%) is expecting the largest growth in sales.

Q1 Predicted EPS Surprises: 57

The FactSet Sharp estimate predicts the direction of upside and downside EPS surprises relative to the mean EPS estimate. At this point in time for the S&P 500, 48 companies have a Sharp EPS estimate above the mean EPS estimate (upside surprise indicator) for Q1 and 9 companies have a Sharp EPS estimate below the mean EPS estimate (downside surprise indicator) for Q1. The remaining 444 companies in the index do not have a Sharp estimate at this time for Q1 (no surprise predicted).

At the sector level, the Energy sector currently has the highest number (14) and the second highest percentage (32%) of companies with a Sharp estimate above the mean EPS estimate for the first quarter. Eight of these 14 companies are in the Oil & Gas Exploration & Production sub-industry. At the company level, QEP Resources (34%) has the largest upside differences on a percentage basis between the Sharp estimate and the mean estimate in the sector as a whole.

Domestic Concerns: Weather

Much of the U.S. has endured an unusually cold winter to date. According to the National Oceanic and Atmospheric Administration, *"For the first two months of the winter season, the contiguous U.S. average temperature was 30.6°F, 1.1°F below the 20th century average, and the 33rd coldest December-January on record. This was the coldest December-January since 2010/11. Below-average temperatures were present for much of the contiguous U.S. east of the Rockies. Louisiana, Michigan, Minnesota, and Wisconsin each had a two-month average temperature that ranked among the 10 coldest."*

Of the 26 companies in the S&P 500 that have reported actual results for Q1 through Thursday, 12 cited a negative impact from weather in their earnings releases or conference calls.

"Unusually severe winter storms throughout the quarter disrupted operations, decreasing shipping volume and increasing costs, and impacted year-over-year operating income by an estimated $125 million." –FedEx (Mar. 19)

"Severe winter weather resulted in weak sales trends across the food industry and our categories." – General Mills (Mar. 19)

"I now mention, which I haven't in a quite a while, weather. It's been all over, particularly in the U.S. Snow, rain, just crazy weather. We estimate that the weather impact to February sales results represented about a 1 percentage point hit to the four-week reporting period." –Costco (Mar. 6)

Global Concerns: F/X Rates, Europe and Emerging Markets

Less Favorable F/X Rates

The U.S. dollar has strengthened relative to the Japanese yen and other foreign currencies over the past year. In the year-ago quarter (Q1 2013), one dollar was equal to about $92.20 yen on average. For Q1 2014, one dollar was equal to about $102.76 yen on average. Of the 26 companies in the S&P 500 that have reported actual results for Q1 through Thursday, 11 cited a negative impact from foreign exchange activity in their earnings releases or conference calls.

"This quarter, currency was a 1% headwind to new software license, and a 2% headwind to hardware and total revenue. In addition, EPS this year was reduced by $0.02 due to a currency remeasurement non-operating loss for Venezuela that obviously had not been included in my guidance." – Oracle (Mar. 19)

"Foreign exchange translation reduced net sales growth by 1 percentage point." – General Mills (Mar. 19)

"From a year-over-year currency perspective, FX decreased revenue by $10.9 million." –Adobe Systems (Mar. 18)

Europe

Europe reported an improvement in economic growth relative to last year. According to FactSet Economics, the European Union recorded an increase in GDP of 1.1% in Q4 2013, relative to the decline of 0.7% reported in Q4 2013.

While acknowledging difficult conditions still exist in the region, companies have been more optimistic in their comments regarding Europe in recent quarters. Did this trend continue in Q1?

"So Europe, as we always say, Europe is not a country. And so when you divide it across the various segments, we see some positive areas and then we see some areas that are still difficult. So we are optimistically looking at performance across Europe, but there's still some challenges there." – McDonald's Corp. (Jan. 23)

"Let me move now to Europe, the Middle East and Africa or EMEA where the first quarter represented a continuation of great strides we're making in the region. Revenues of $340 million in Q1 grew 11% over the prior year. It is truly a great start to the year, in fact the $33 million in Q1 revenue growth was higher than what we delivered for the entirety of fiscal 2013. There were several contributors to our top line progress; certainly the signs of a slow but positively trending economic recovery, including declining unemployment in the UK have been helpful." –Starbucks (Jan. 23)

"*The good news in Europe, if you will, is we have not seen the big continued deterioration that we had been seeing for the last couple of years. So, while it's not exactly stabilized, since it's still down 1%, at least there's some light at the end of the tunnel as the economy has improved." –United Technologies (Jan. 22)*

"So moving to segments addressing the International side of things. For the quarter, organic revenues increased 6% and currency was reduced by a little more than 1%. The increase in sales was mainly due to Europe." –Parker-Hannifin (Jan. 22)

Emerging Markets

Economic growth for countries in emerging markets regions has been flat or slightly below year-ago levels in recent quarters. According to FactSet Economics, China, India, and Brazil recorded GDP growth of 7.9%, 5.6%, and 1.8% in Q4 2012, respectively. By Q4 2013, GDP growth rates for China, India, and Brazil stood at 7.7%, 4.6%, and 1.9%.

However, comments on business conditions in China and emerging markets continued to be mixed for Q4. Some companies reported weak conditions, while others saw strength. Will this trend continue during the Q1 earnings season?

"This comes after a new high-water mark in China for us last quarter. We grew revenues including our retail stores at 31%, and we had some very, very strong sales on iPads, iPads in greater China were up 64% year-over-year; Macs were up 28%.... And so in addition to the great iPhone news with China Mobile and how we're looking there, we really – we really turned in a stellar quarter in greater China overall, and we are very proud of it." –Apple (Jan. 27)

"We have improved our market position for machines over the past three years and had particularly strong gains with excavators in China. In fact, total sales and revenues in China in 2013 were about $3.5 billion, up more than 20 percent from 2012." –Caterpillar (Jan. 27)

"Turning to China and Asia-Pacific; in Q1, our important, rapidly-expanding China, Asia-Pacific segment currently comprising over 4,000 stores in 14 countries, including 209 net new stores in Q1, delivered strong revenue growth of 25% and exceptional strong comp growth of 8%. These are best-of-class results for any retailer or restaurant operating at our scale in Asia." –Starbucks (Jan. 24)

"As expected, China sales rose about 25% from prior year, fueled by double digit same-store sales and distribution growth. We're very pleased by the continued development of this market, which bodes well for our global travel retail business, where Mainland Chinese tourists plays an increasingly important role." –Coach (Jan. 22)

"Revenues from the company's growth markets decreased 9 percent (down 6 percent, adjusting for currency). Revenues in the BRIC countries — Brazil, Russia, India and China — decreased 14 percent (down 11 percent, adjusting for currency)." –IBM (Jan. 21)

Double-Digit Earnings Growth Expected in 2nd Half of 2014

For Q1 2014, analysts are now expecting an earnings decline (-1.6%). However, earnings growth is projected to be much higher for the remainder of the year. For Q2 2014, Q3 2014, and Q4 2014, analysts are predicting earnings growth rates of 7.7%, 11.0%, and 11.1%. For all of 2014, the projected earnings growth rate is 8.4%.

Valuation: Forward P/E Ratio is 15.0, above the 10-Year Average (13.8)

The current 12-month forward P/E ratio is 15.0. This P/E ratio is based on Thursday's closing price (1833.08) and forward 12-month EPS estimate ($122.48)

At the sector level, the Consumer Staples (17.3) and Consumer Discretionary (17.2) sectors have the highest forward 12-month P/E ratios, while the Financials (12.6) sector has the lowest forward 12-month P/E ratio.

The P/E ratio of 15.0 for the index as a whole is above the prior 5-year average forward 12-month P/E ratio of 13.2, and above the prior 10-year average forward 12-month P/E ratio of 13.8. However, it is below the forward 12-month P/E ratio of 15.4 recorded one month ago. During the past month, the price of the index decreased by 2.3%, while the forward 12-month EPS estimate increased by 0.1%.

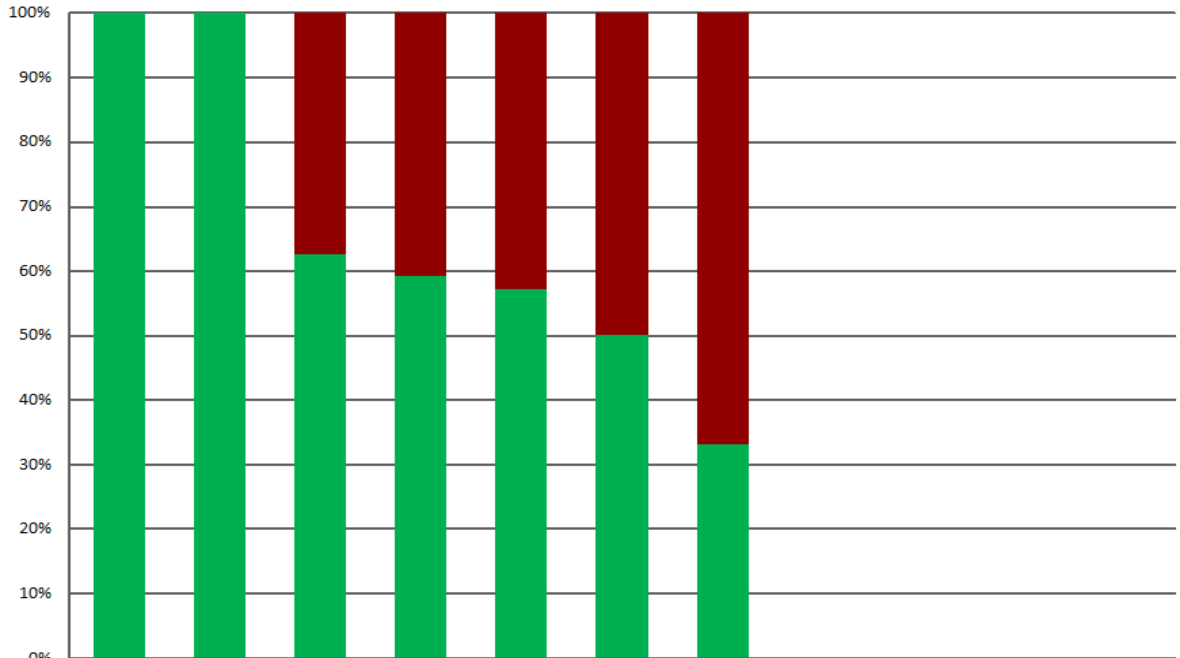
At the sector level, four sectors recorded an increase in the forward 12-month P/E ratio over the past month, led by the Utilities (to 16.1 from 15.3) and Telecom Services (to 13.2 from 12.8) sectors. Six of the ten sectors witnessed a decrease in the forward 12-month P/E ratio over the past month, led by the Consumer Discretionary (to 17.2 from 18.5) and Health Care (to 16.4 from 17.5) sectors.

Companies Reporting Next Week: 54

During the upcoming week, nine Dow 30 components and 54 S&P 500 companies are scheduled to report earnings for the first quarter.

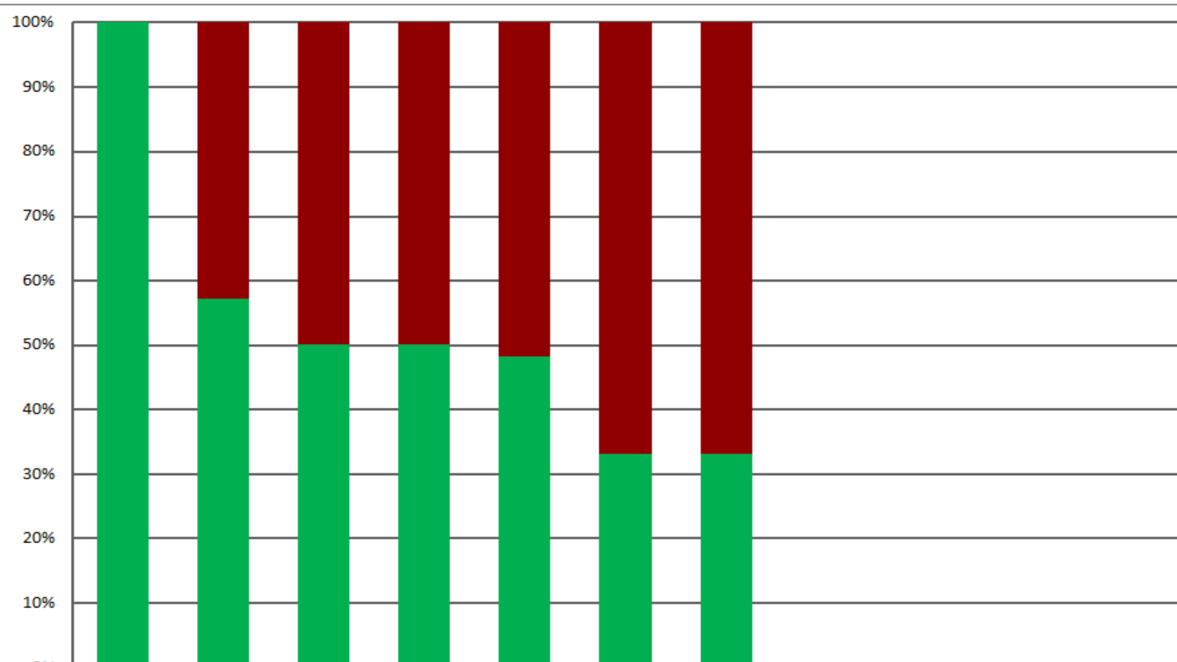
Q1 2014: Scorecard

Q1 2014 Earnings: Above, In-Line, Below Estimates



	Materials	Financials	Consumer Disc.	S&P 500	Info. Technology	Consumer Staples	Industrials	Telecom Services	Health Care	Utilities	Energy
Below	0%	0%	38%	41%	43%	50%	67%	0%	0%	0%	0%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	100%	100%	63%	59%	57%	50%	33%	0%	0%	0%	0%

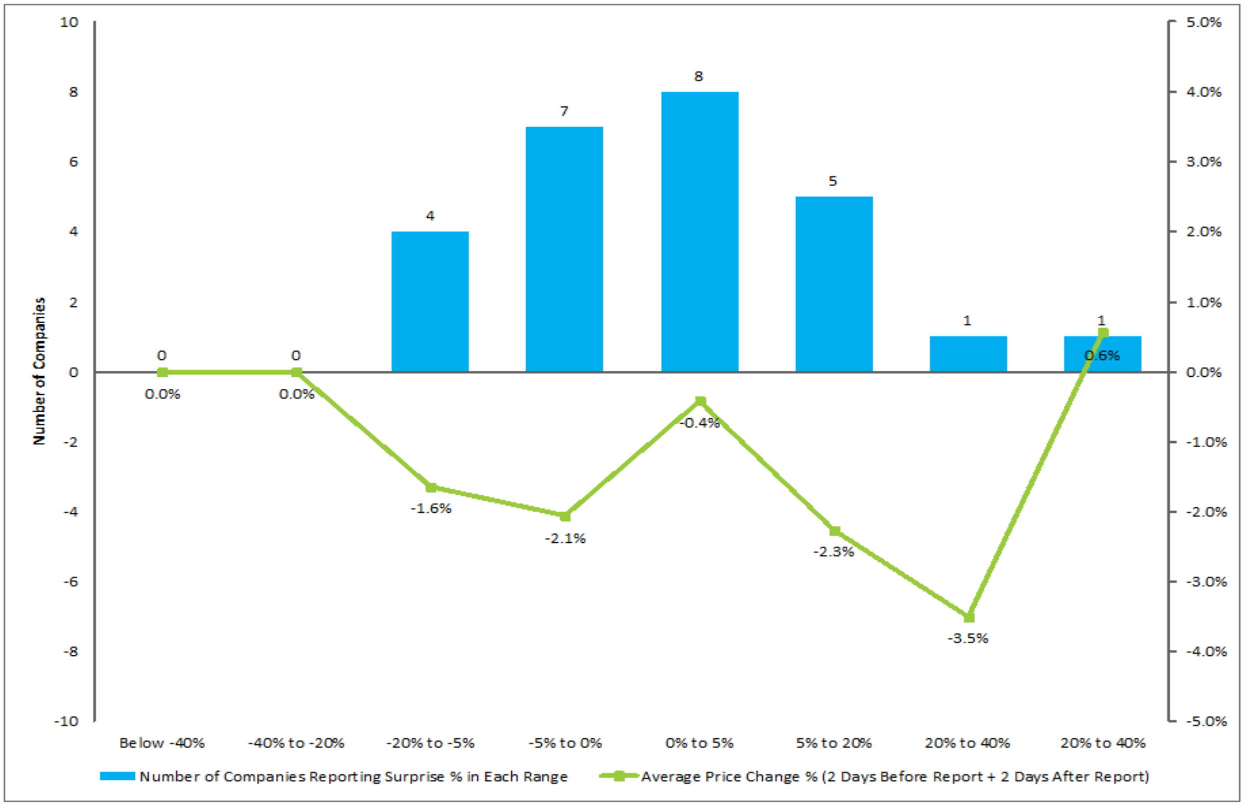
Q1 2014 Revenues: Above, In-Line, Below Estimates



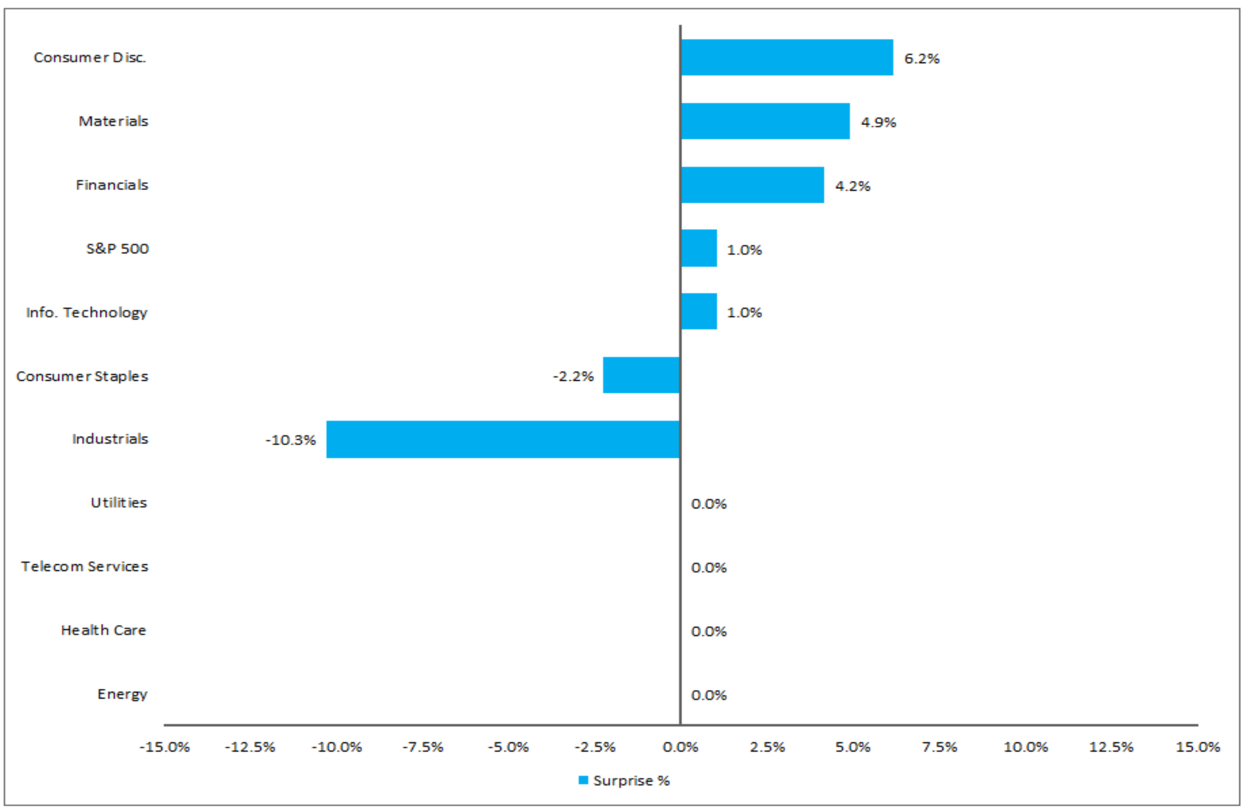
	Financials	Info. Technology	Materials	Consumer Disc.	S&P 500	Consumer Staples	Industrials	Telecom Services	Health Care	Utilities	Energy
Below	0%	43%	50%	50%	52%	67%	67%	0%	0%	0%	0%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	100%	57%	50%	50%	48%	33%	33%	0%	0%	0%	0%

Q1 2014: Scorecard

Q1 2014: Surprise % Numbers

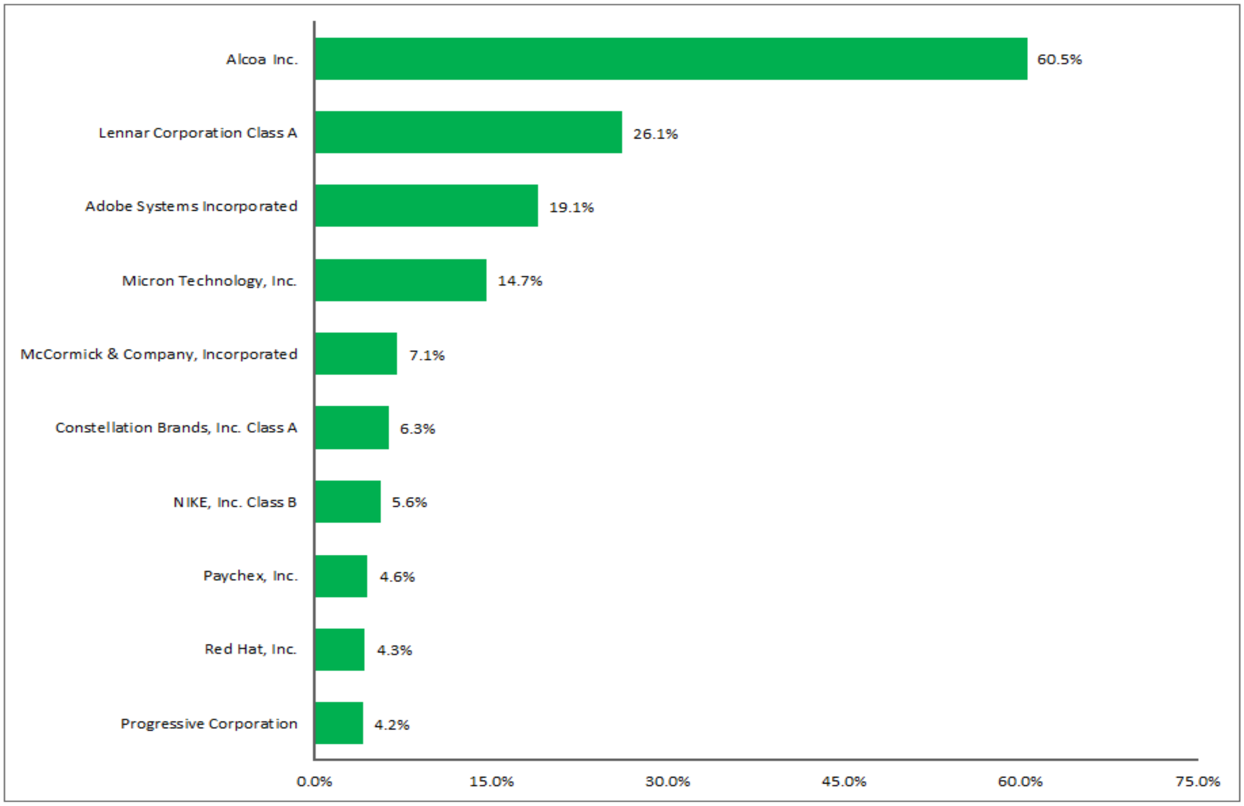


Q1 2014: Sector Level Surprise %

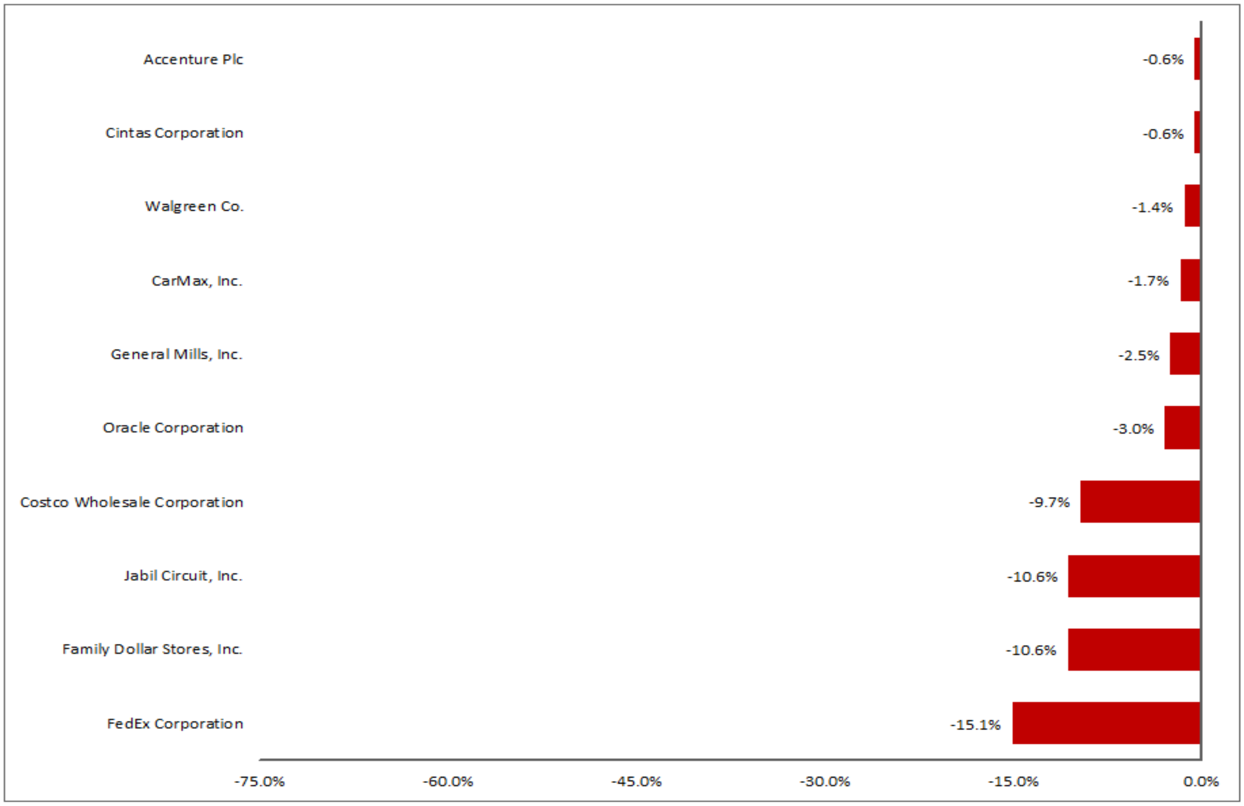


Q1 2014: Scorecard

EPS Surprise %: Top 10 Companies

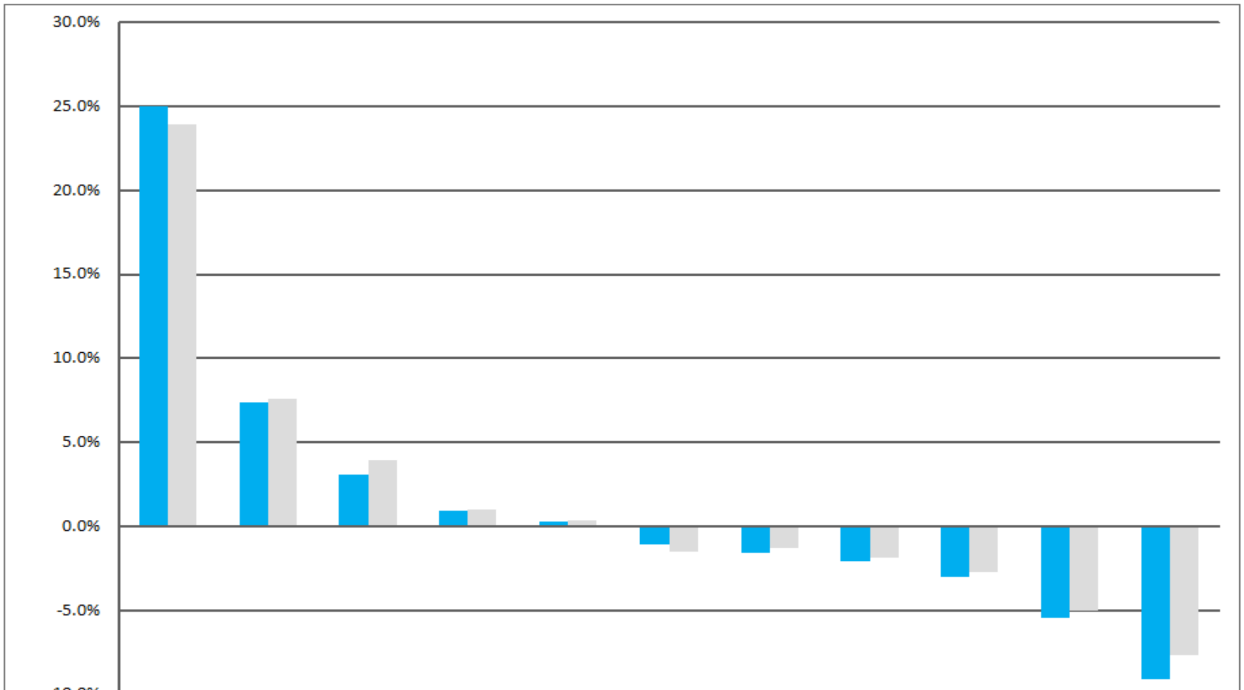


EPS Surprise %: Bottom 10 Companies



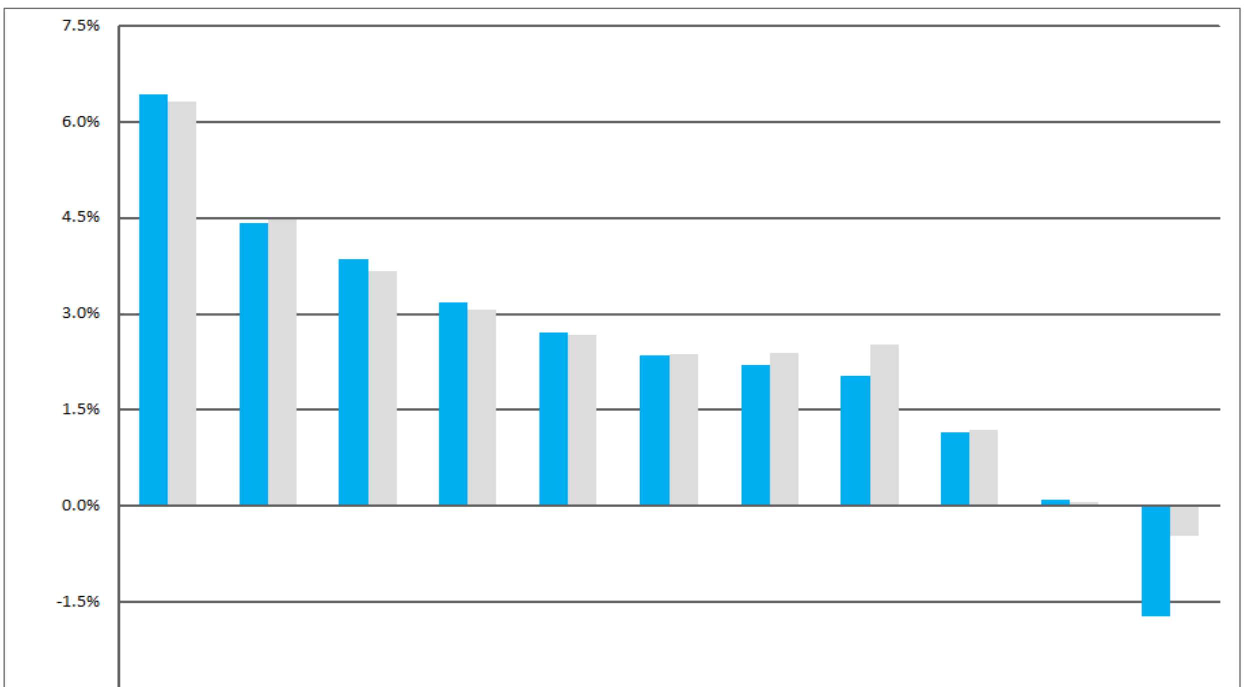
Q1 2014: Growth

Q1 2014 Earnings Growth



	Telecom Services	Utilities	Consumer Disc.	Consumer Staples	Health Care	Info. Technology	S&P 500	Materials	Industrials	Financials	Energy
Today	25.0%	7.3%	3.1%	0.9%	0.3%	-1.1%	-1.6%	-2.1%	-3.0%	-5.4%	-9.1%
31-Mar	23.9%	7.6%	4.0%	1.1%	0.4%	-1.5%	-1.3%	-1.9%	-2.7%	-5.0%	-7.6%

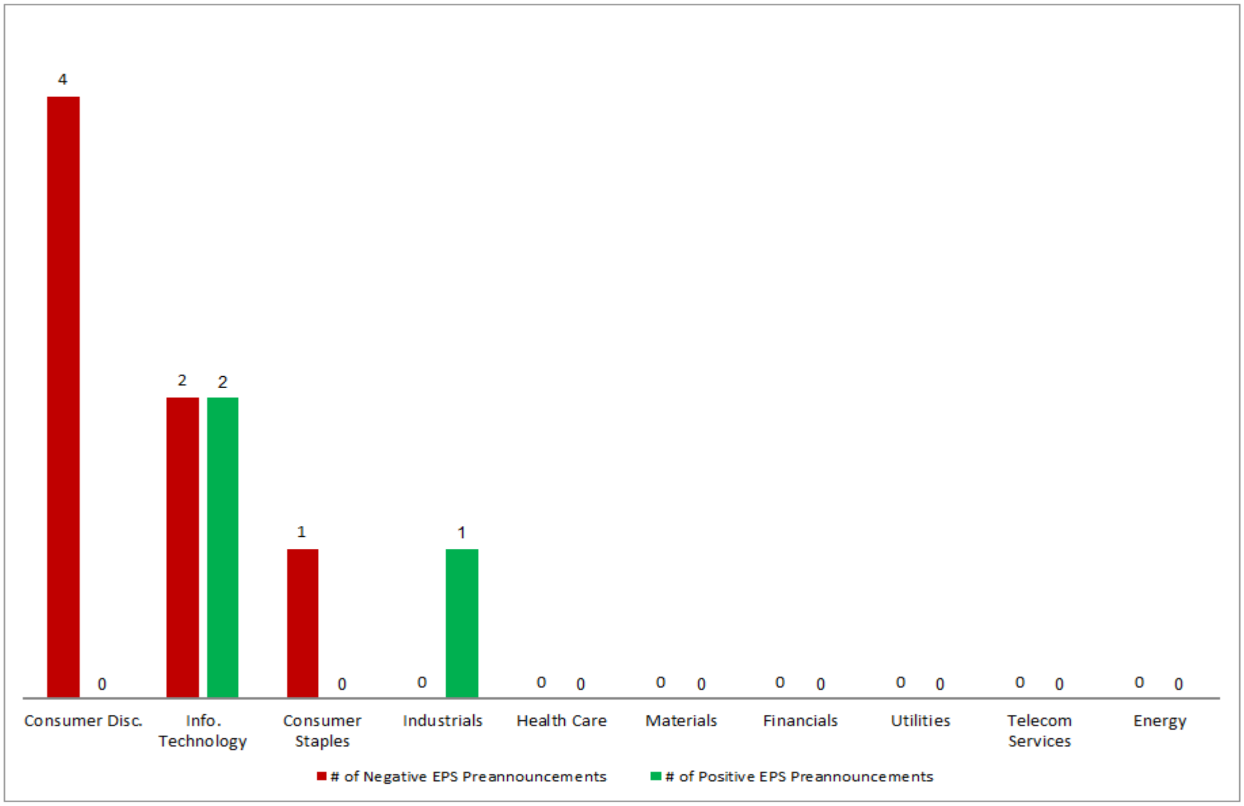
Q1 2014 Revenue Growth



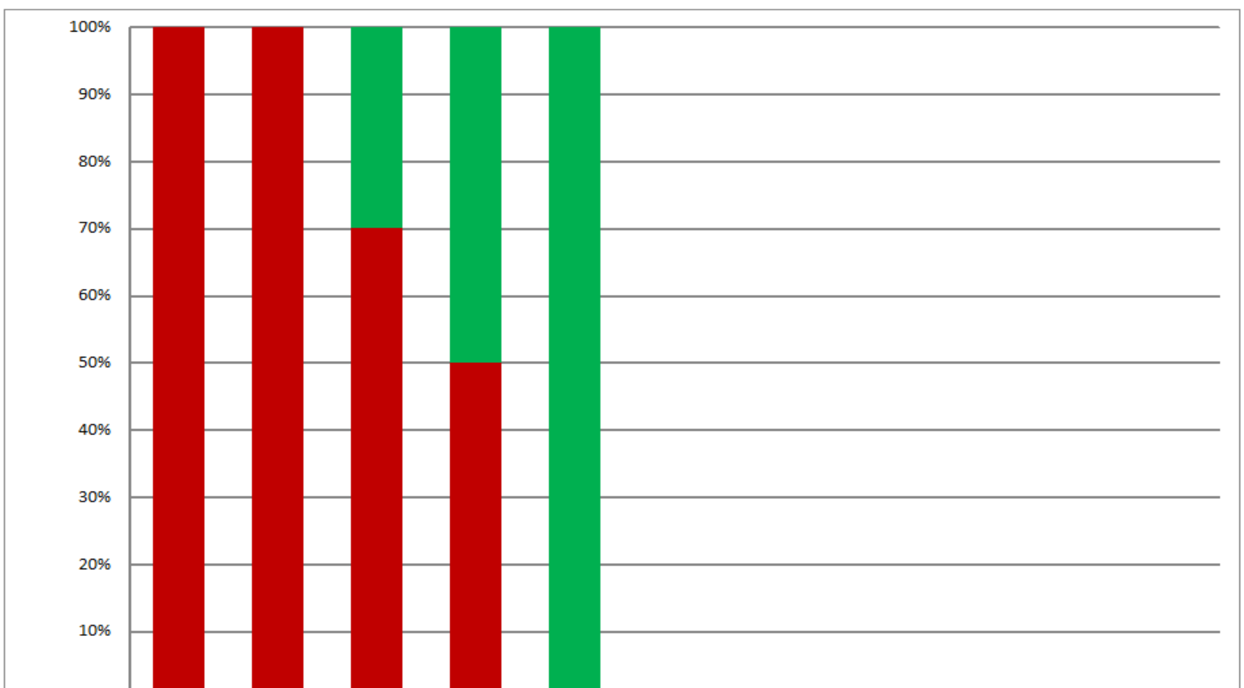
	Health Care	Consumer Disc.	Utilities	Telecom Services	Info. Technology	Consumer Staples	S&P 500	Materials	Industrials	Financials	Energy
Today	6.4%	4.4%	3.8%	3.2%	2.7%	2.3%	2.2%	2.0%	1.1%	0.1%	-1.7%
31-Mar	6.3%	4.5%	3.7%	3.1%	2.7%	2.4%	2.4%	2.5%	1.2%	0.1%	-0.5%

Q2 2014: Guidance

Number of Positive & Negative EPS Preannouncements: Q2 2014



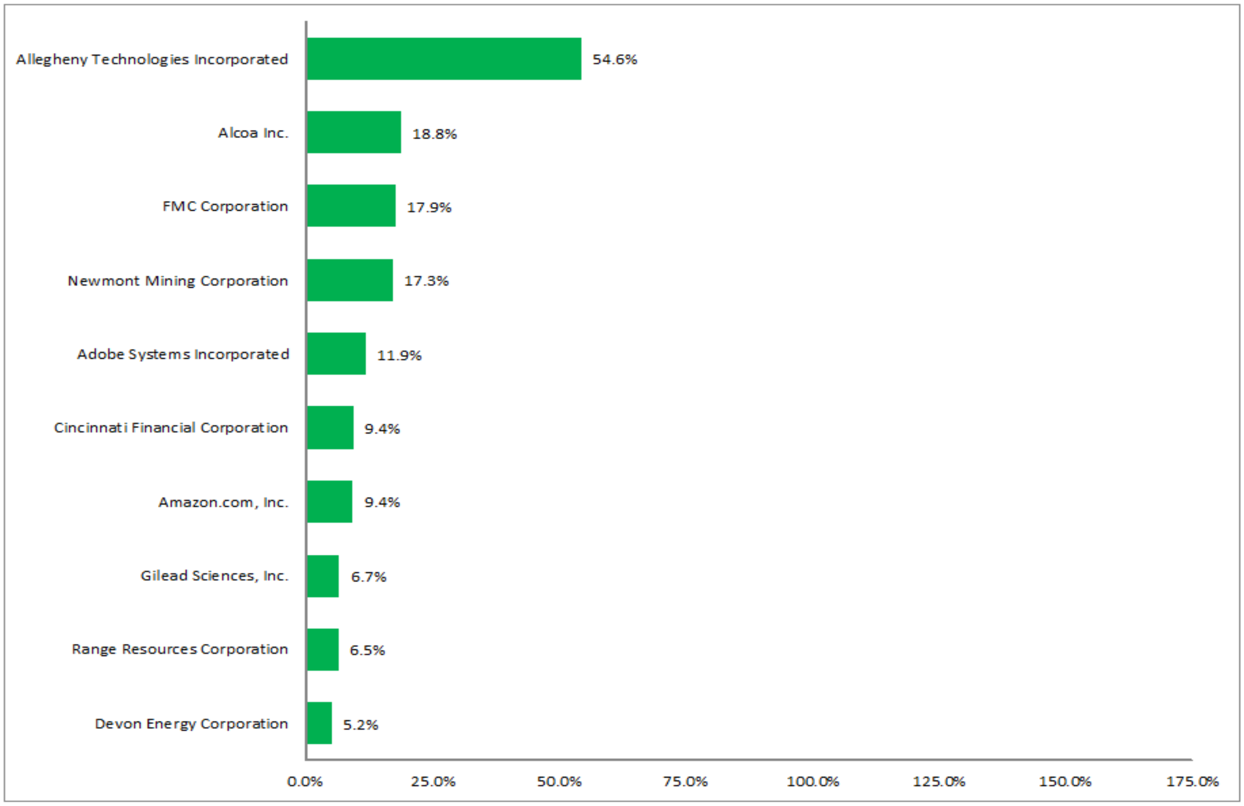
Percentage of Positive & Negative EPS Preannouncements: Q2 2014



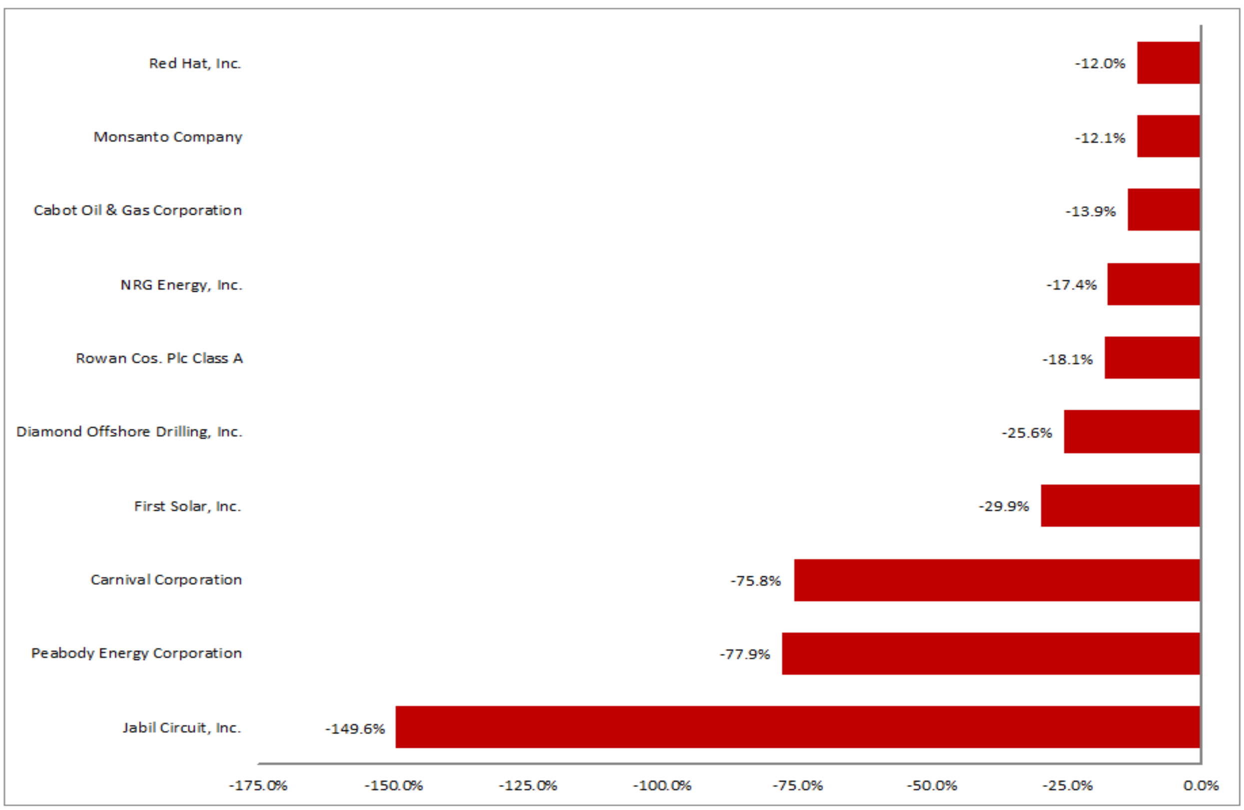
	Consumer Disc.	Consumer Staples	S&P 500	Info. Technology	Industrials	Telecom Services	Health Care	Materials	Financials	Utilities	Energy
Positive	0%	0%	30%	50%	100%	0%	0%	0%	0%	0%	0%
Negative	100%	100%	70%	50%	0%	0%	0%	0%	0%	0%	0%

Q2 2014: EPS Revisions

Highest Upward Change (Trailing 4-Weeks) in Mean EPS Estimate: Top 10 Companies

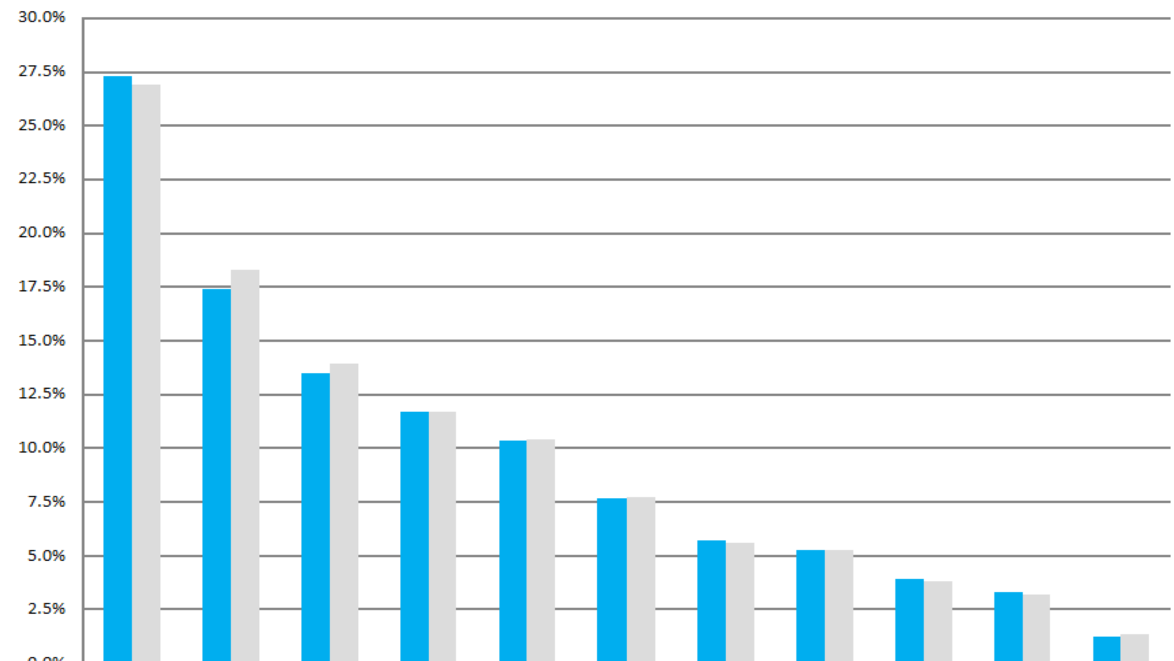


Highest Downward Change (Trailing 4-Weeks) in Mean EPS Estimate: Top 10 Companies



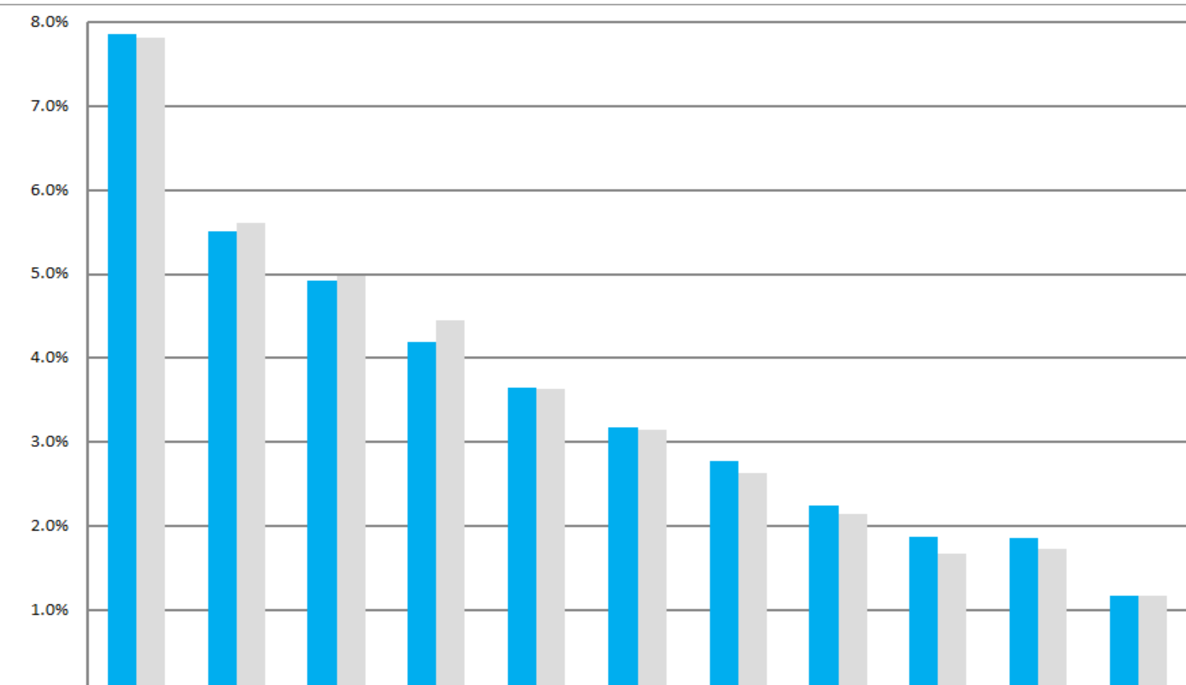
Q2 2014: Growth

Q2 2014 Earnings Growth



	Telecom Services	Materials	Consumer Disc.	Info. Technology	Energy	S&P 500	Consumer Staples	Industrials	Health Care	Utilities	Financials
Today	27.3%	17.4%	13.5%	11.7%	10.4%	7.7%	5.7%	5.3%	3.9%	3.3%	1.2%
31-Mar	26.9%	18.3%	13.9%	11.7%	10.4%	7.8%	5.6%	5.3%	3.8%	3.2%	1.4%

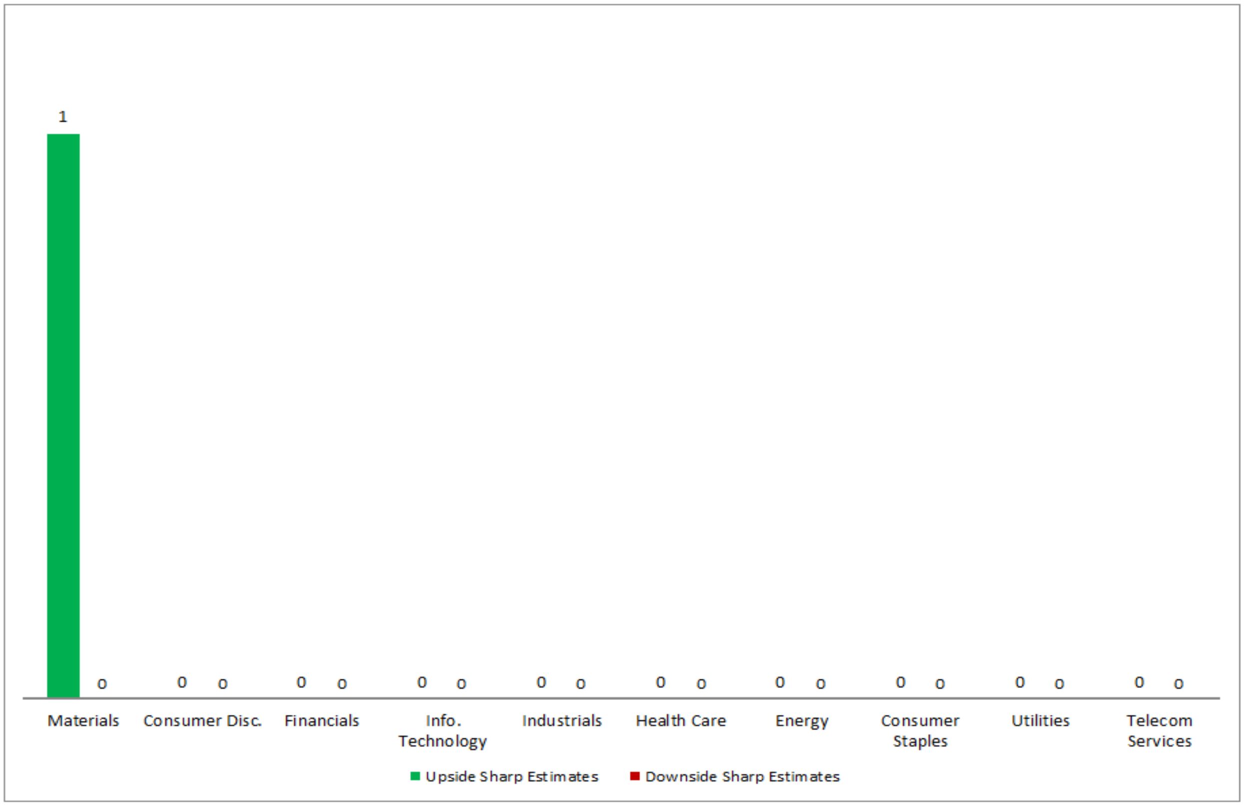
Q2 2014 Revenue Growth



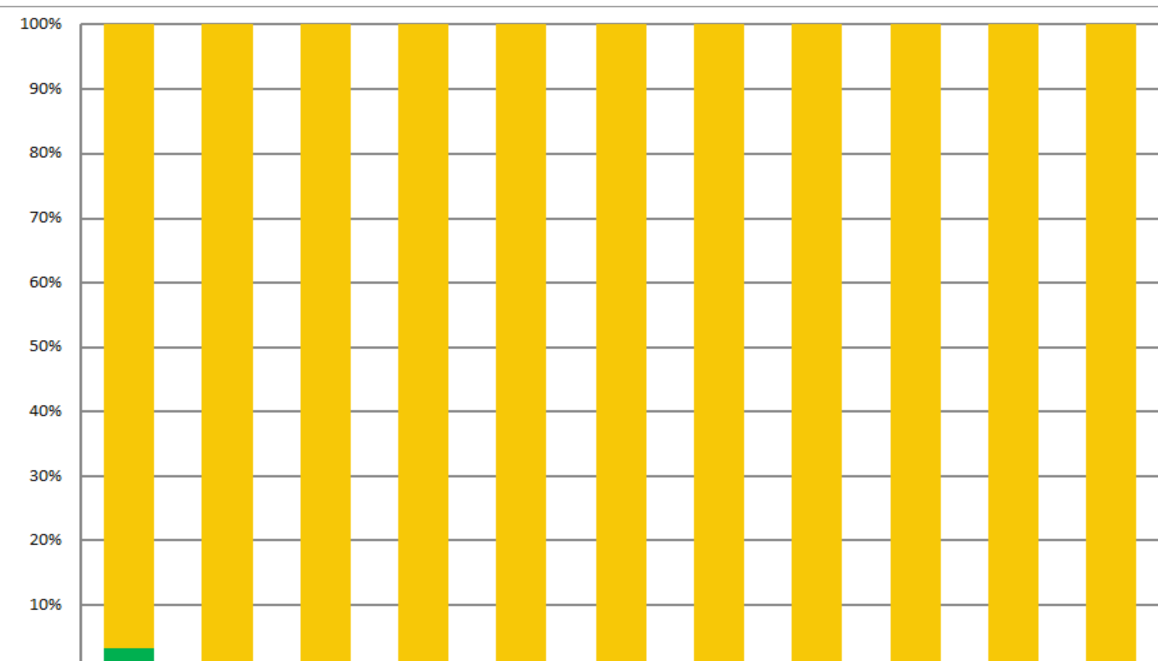
	Health Care	Info. Technology	Consumer Disc.	Materials	S&P 500	Consumer Staples	Telecom Services	Industrials	Financials	Utilities	Energy
Today	7.9%	5.5%	4.9%	4.2%	3.6%	3.2%	2.8%	2.3%	1.9%	1.9%	1.2%
31-Mar	7.8%	5.6%	5.0%	4.4%	3.6%	3.1%	2.6%	2.1%	1.7%	1.7%	1.2%

Q2 2014: Projected EPS Surprises (Sharp Estimates)

Number (#) of Companies with Sharp Estimates



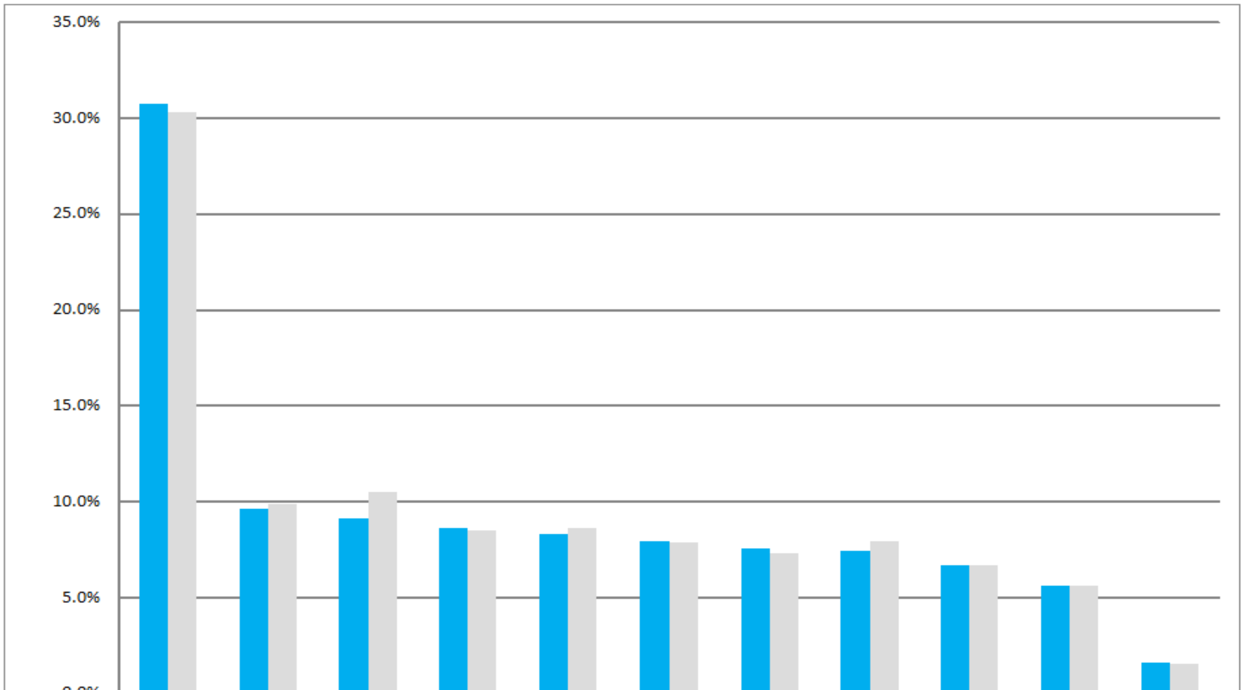
Percentage (%) of Companies with Sharp Estimates



	Materials	S&P 500	Telecom Services	Energy	Utilities	Financials	Industrials	Consumer Disc.	Health Care	Info. Tech.	Consumer Staples
Neg Sharp	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
No Sharp	97%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Pos Sharp	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

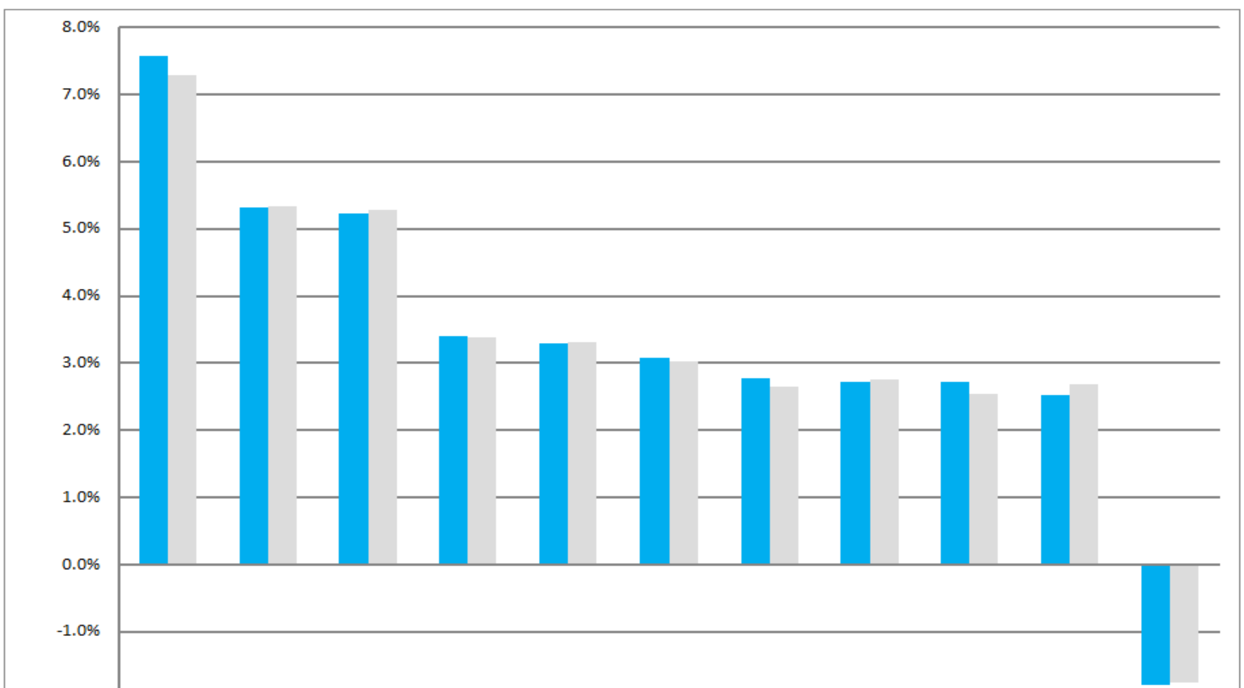
CY 2014: Growth

CY 2014 Earnings Growth



	Telecom Services	Consumer Disc.	Financials	Info. Technology	S&P 500	Materials	Health Care	Energy	Industrials	Consumer Staples	Utilities
Today	30.8%	9.7%	9.2%	8.6%	8.4%	8.0%	7.6%	7.4%	6.7%	5.6%	1.6%
31-Mar	30.3%	9.9%	10.5%	8.5%	8.6%	7.9%	7.3%	8.0%	6.7%	5.6%	1.5%

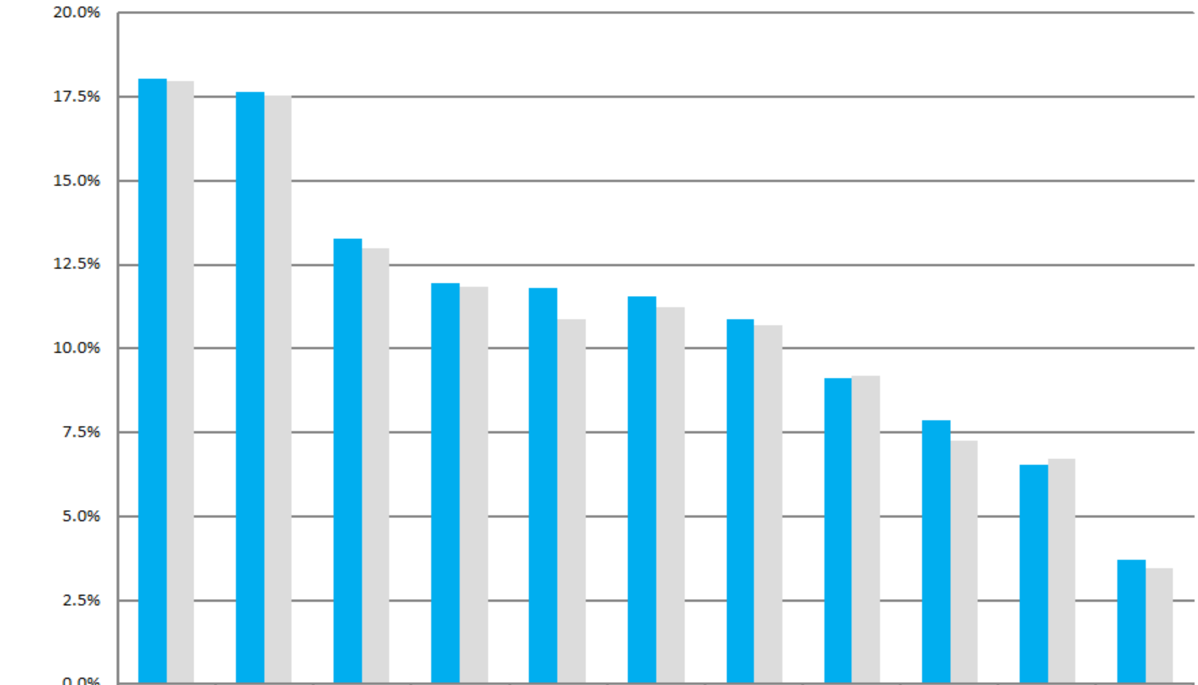
CY 2014 Revenue Growth



	Health Care	Info. Technology	Consumer Disc.	S&P 500	Consumer Staples	Industrials	Telecom Services	Financials	Utilities	Materials	Energy
Today	7.6%	5.3%	5.2%	3.4%	3.3%	3.1%	2.8%	2.7%	2.7%	2.5%	-1.8%
31-Mar	7.3%	5.3%	5.3%	3.4%	3.3%	3.0%	2.6%	2.7%	2.5%	2.7%	-1.8%

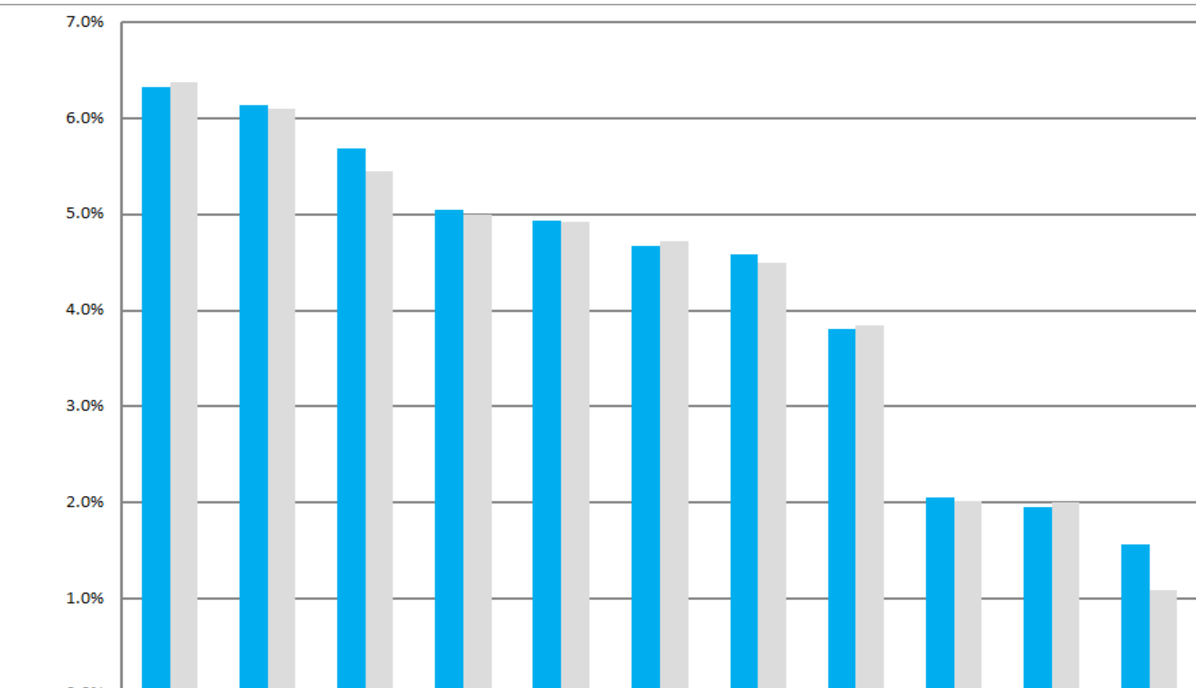
CY 2015: Growth

CY 2015 Earnings Growth



	Consumer Disc.	Materials	Health Care	Industrials	Financials	S&P 500	Info. Tech.	Consumer Staples	Energy	Telecom Services	Utilities
Today	18.0%	17.6%	13.3%	11.9%	11.8%	11.5%	10.9%	9.1%	7.8%	6.6%	3.7%
31-Mar-14	18.0%	17.5%	13.0%	11.8%	10.9%	11.2%	10.7%	9.2%	7.3%	6.7%	3.5%

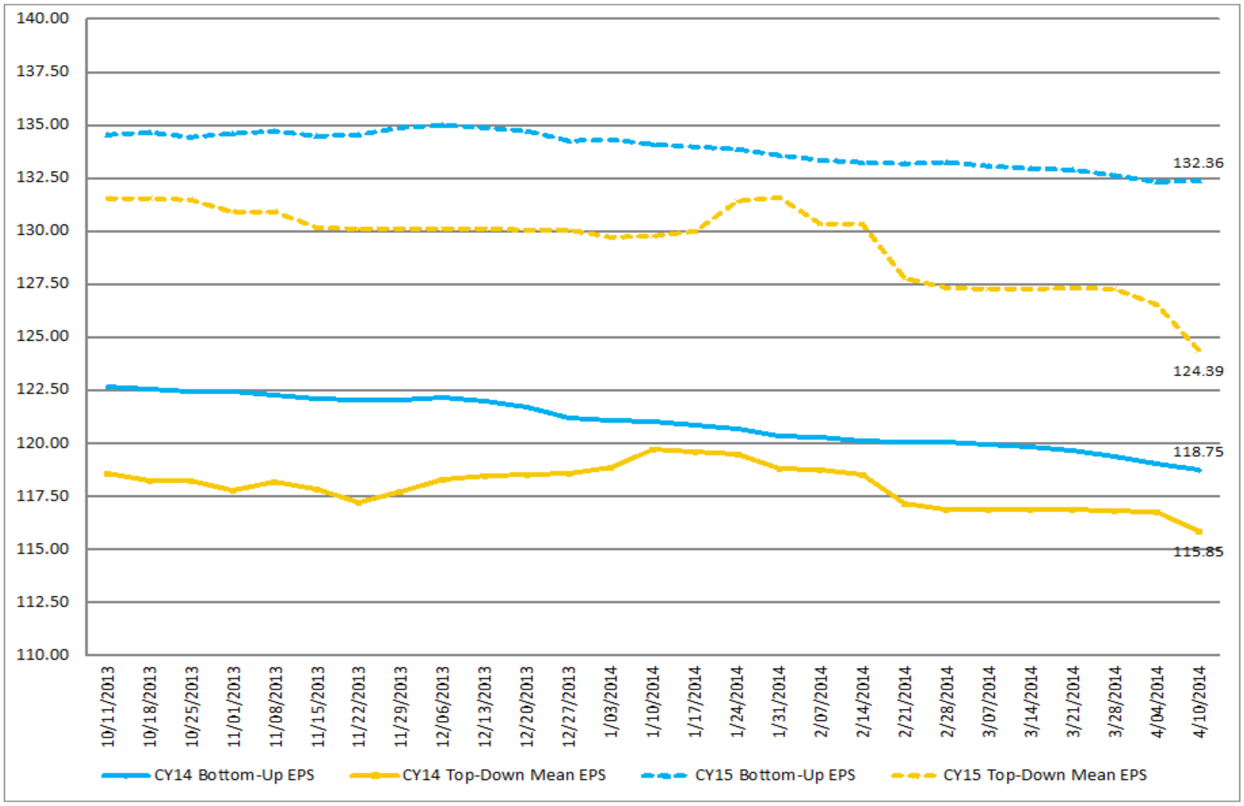
CY 2014 Revenue Growth



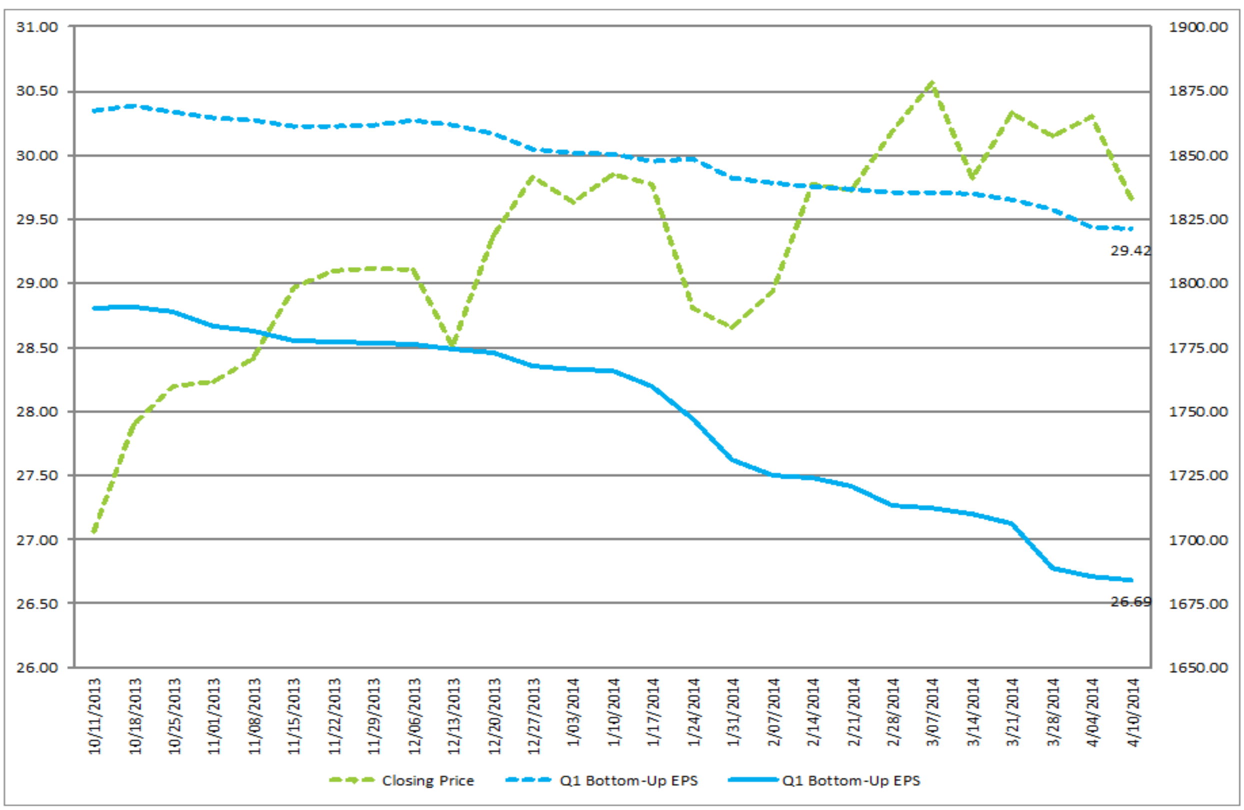
	Consumer Disc.	Info. Technology	Health Care	Financials	Materials	Consumer Staples	S&P 500	Industrials	Telecom Services	Utilities	Energy
Today	6.3%	6.1%	5.7%	5.0%	4.9%	4.7%	4.6%	3.8%	2.1%	2.0%	1.6%
31-Mar-14	6.4%	6.1%	5.4%	5.0%	4.9%	4.7%	4.5%	3.8%	2.0%	2.0%	1.1%

Bottom-up EPS Estimates: Revisions

CY Bottom-Up EPS vs. Top-Down Mean EPS (Trailing 26-Weeks)

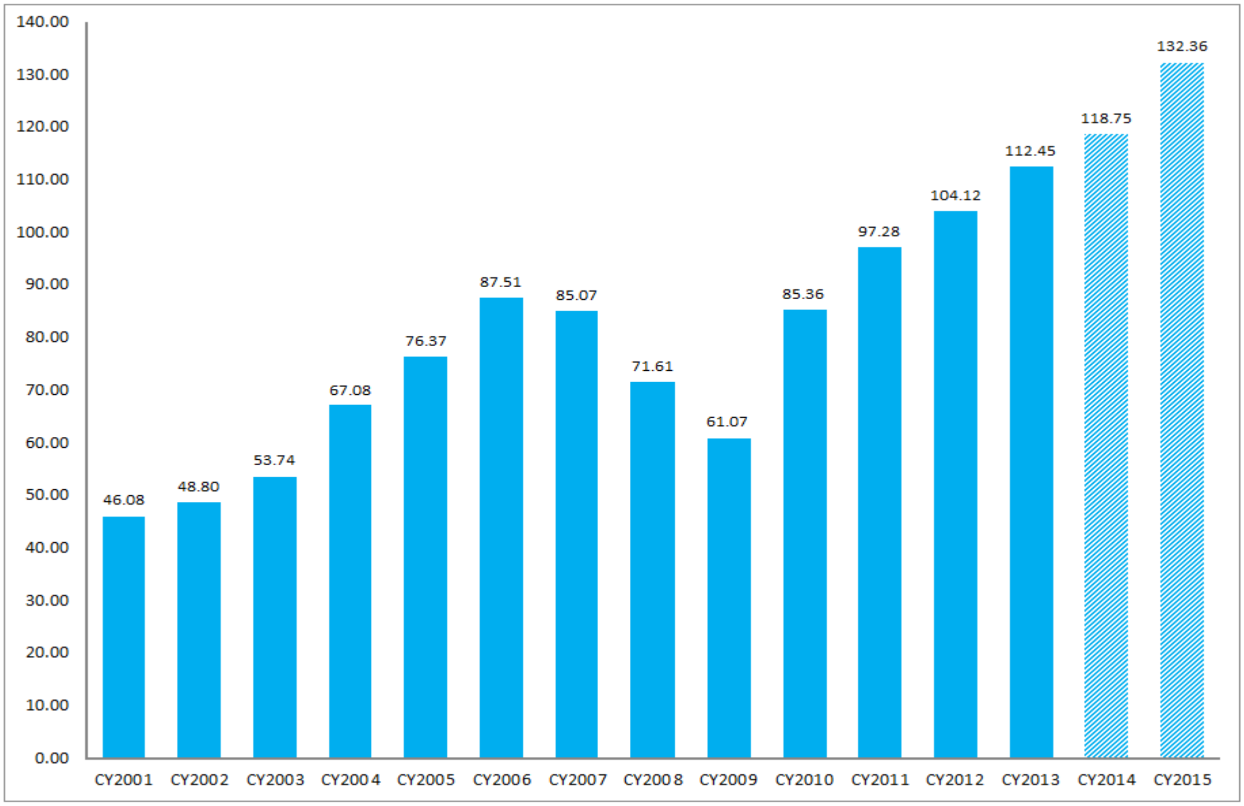


Change in Q114 & Q214 Bottom-Up EPS vs. Price (Trailing 26-Weeks)

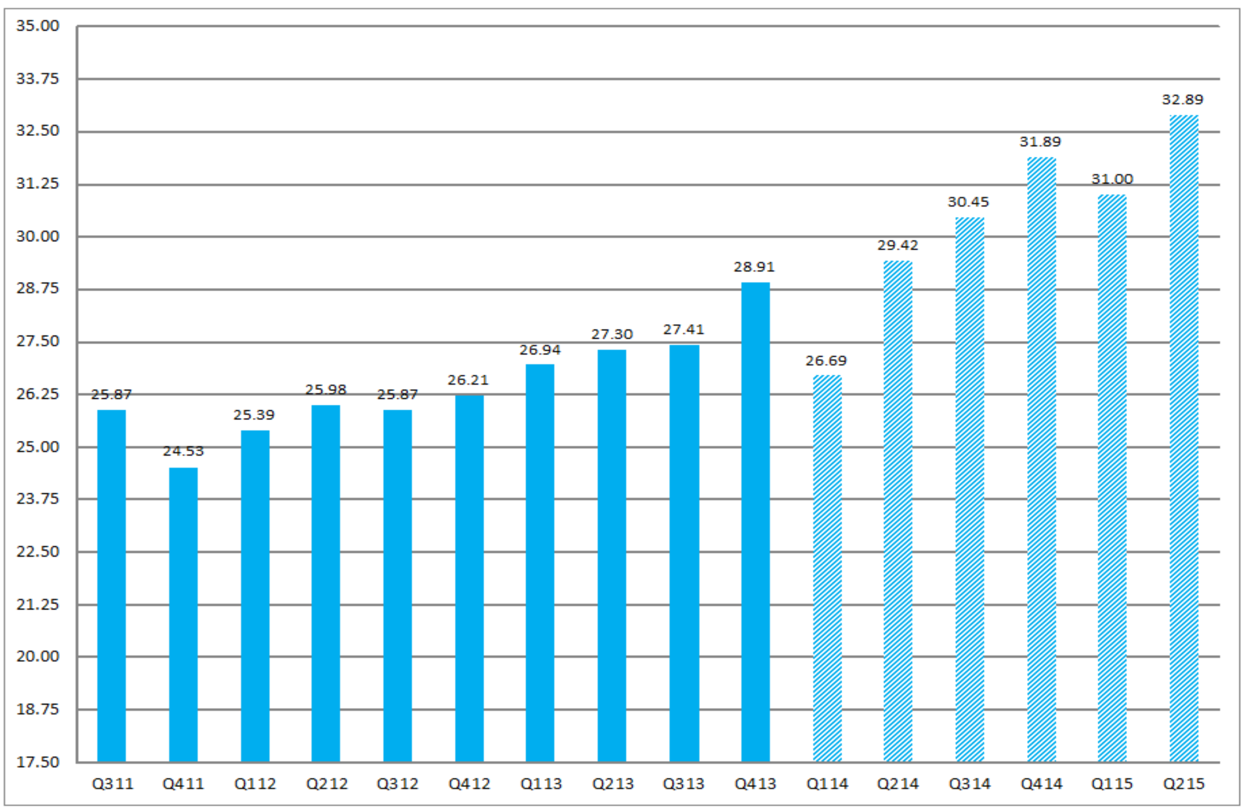


Bottom-up EPS Estimates: Current & Historical

Calendar Year Bottom-Up EPS Actuals & Estimates

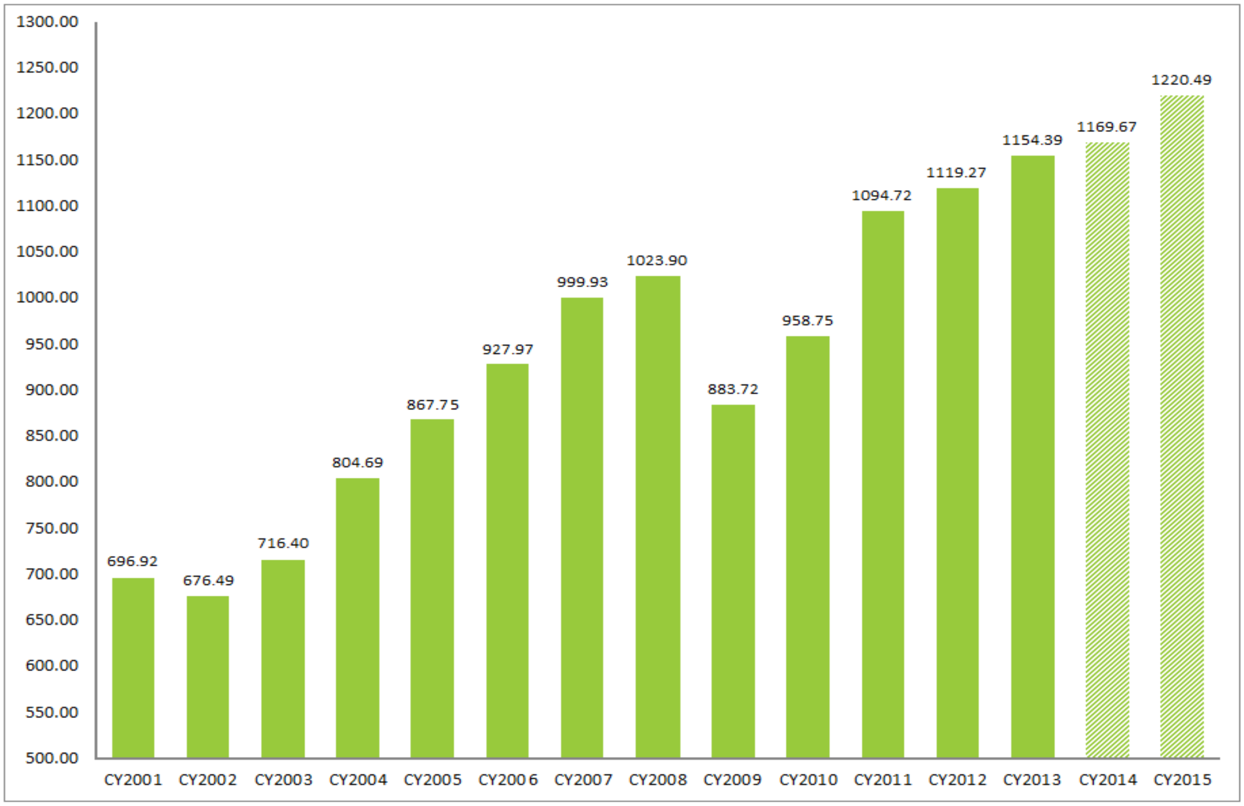


Quarterly Bottom-Up EPS Actuals & Estimates

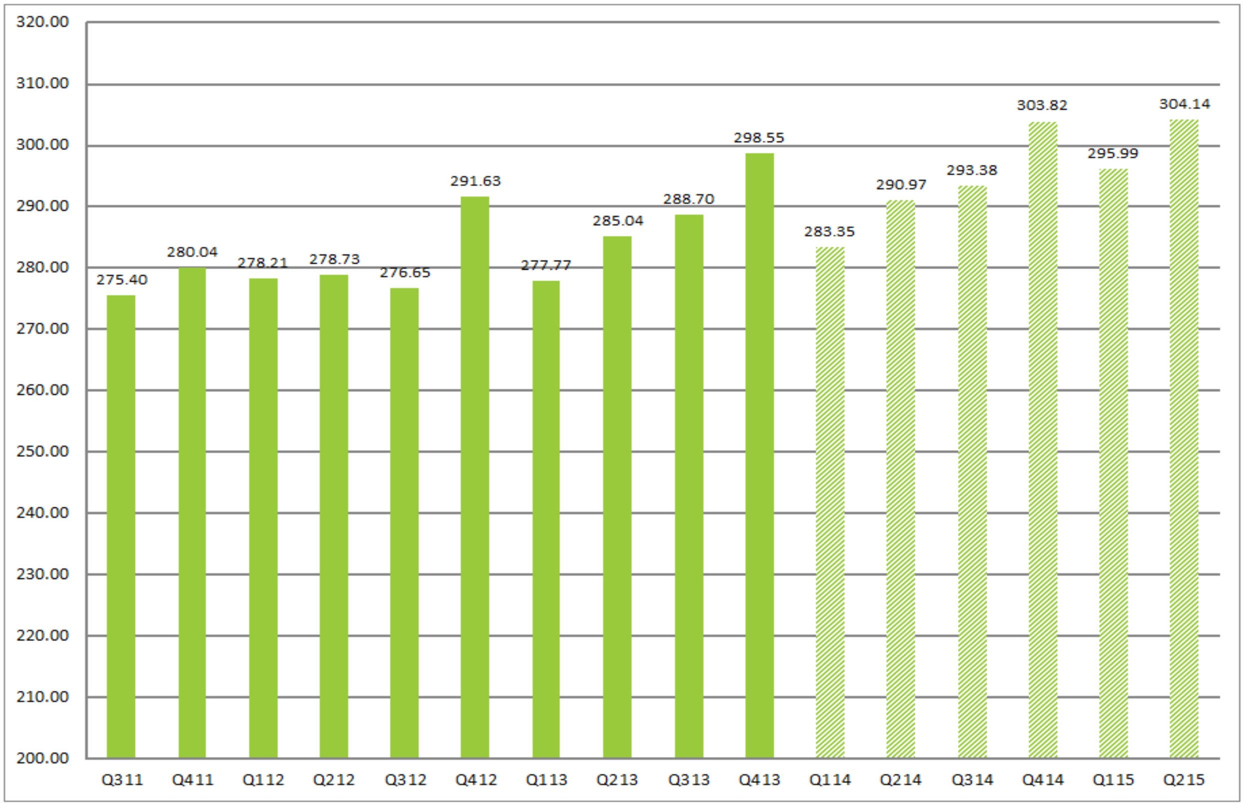


Bottom-up SPS Estimates: Current & Historical

Calendar Year Bottom-Up SPS Actuals & Estimates

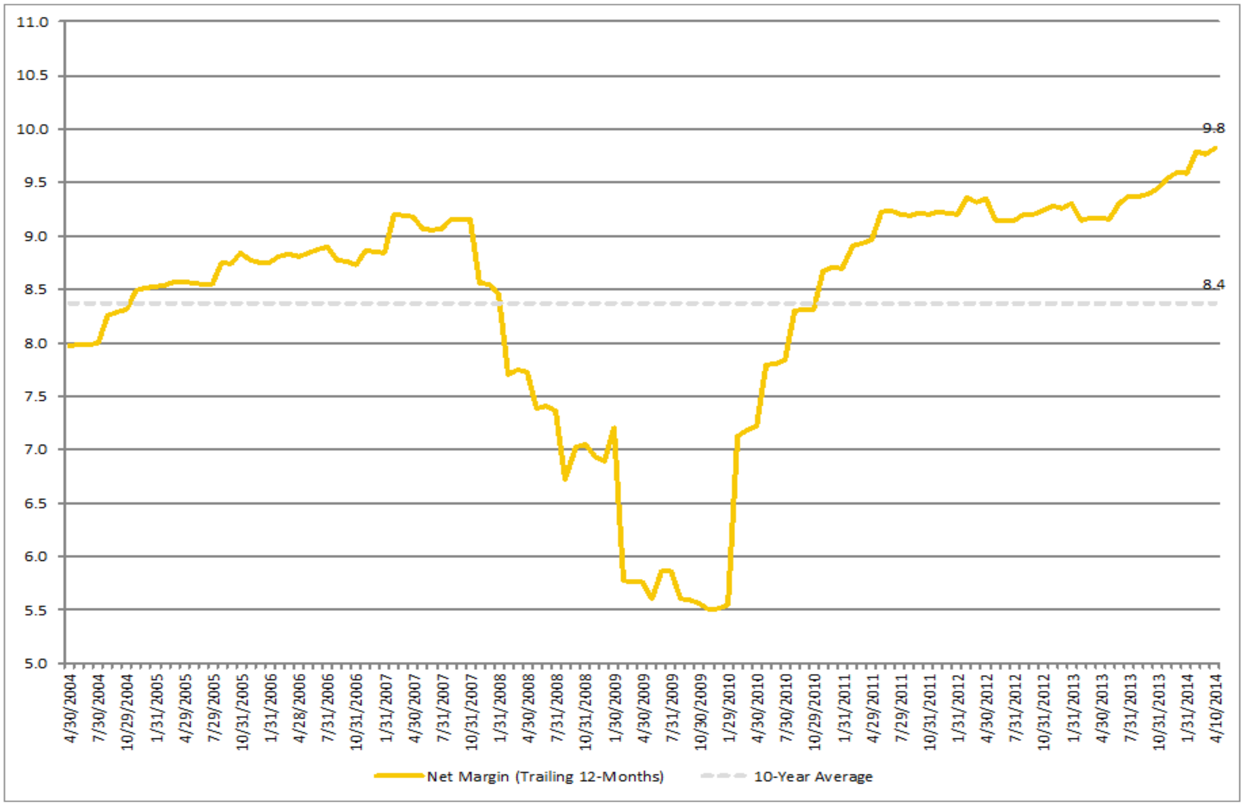


Quarterly Bottom-Up SPS Actuals & Estimates

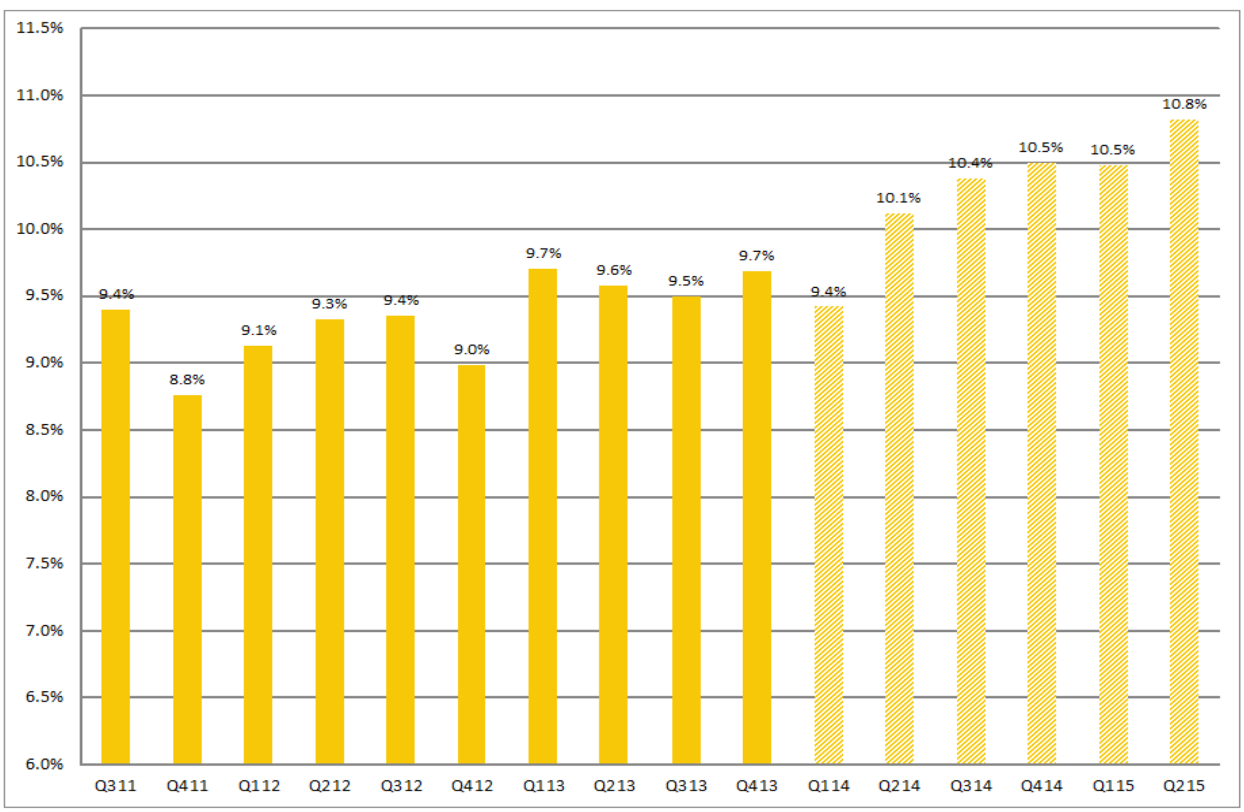


Net Margins: Current & Historical

Trailing 12M Net Margin: 10 Years

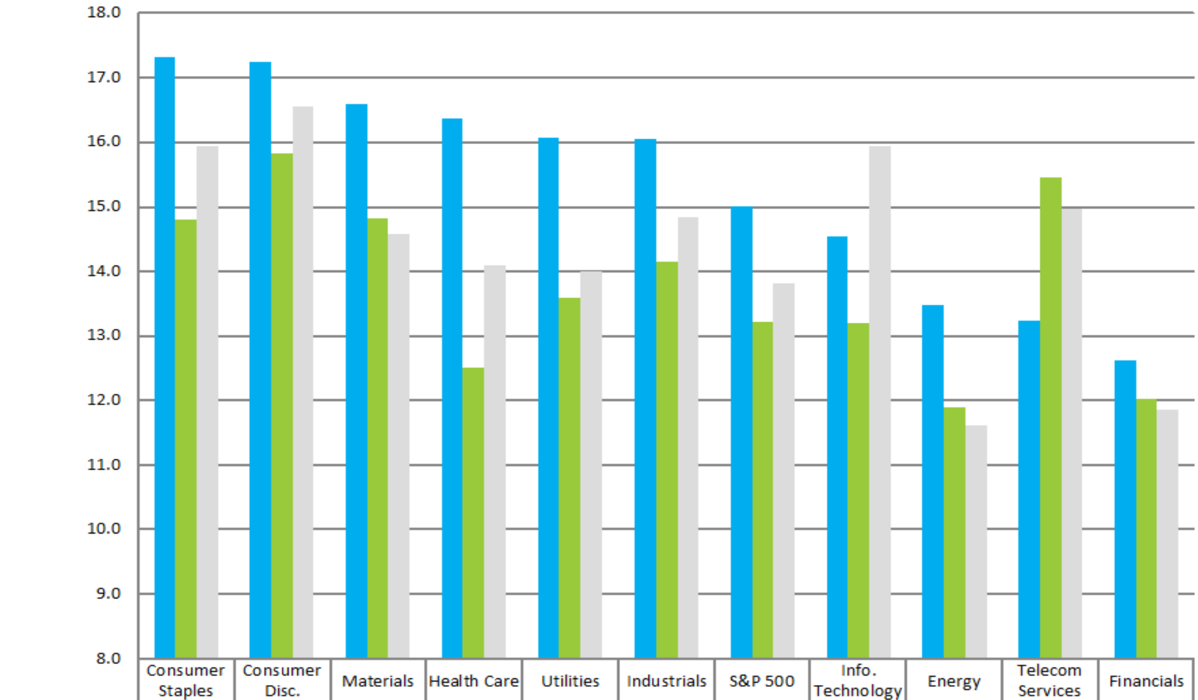


Quarterly Net Margins (Bottom-Up EPS / Bottom-Up SPS)



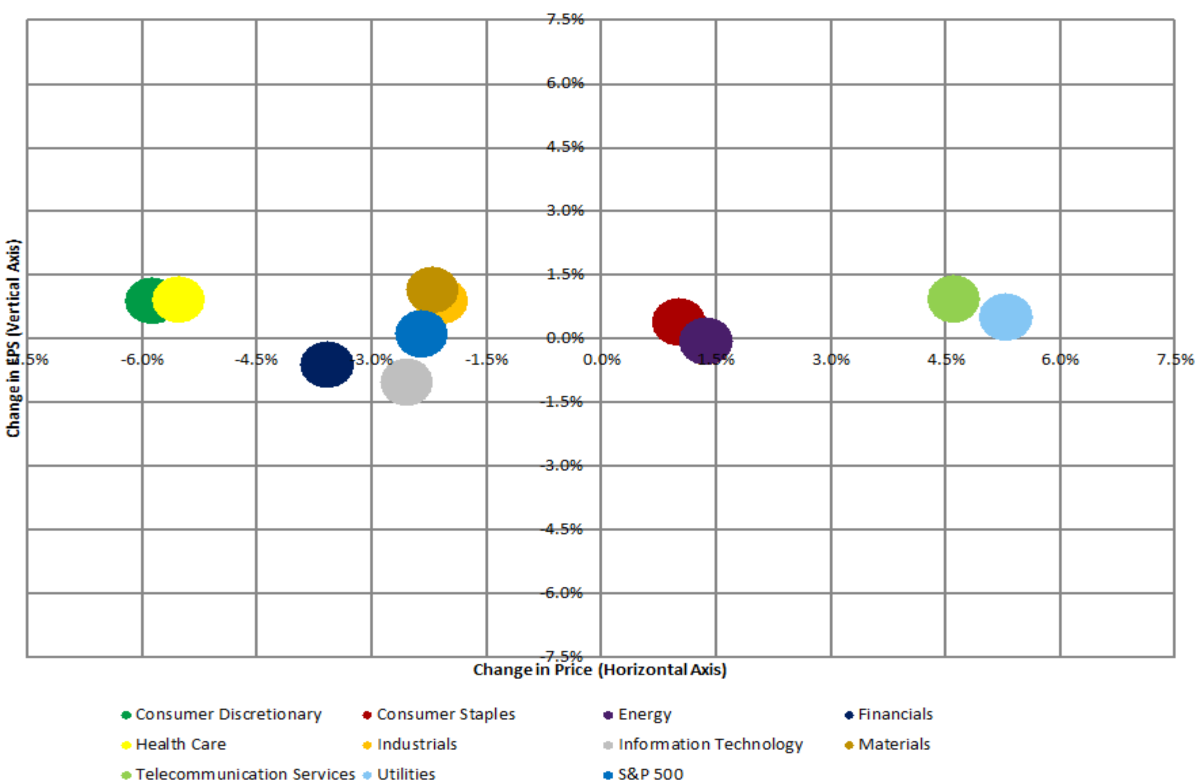
Forward 12M Price / Earnings Ratio: Sector Level

Sector-Level Forward 12-Month P/E Ratios



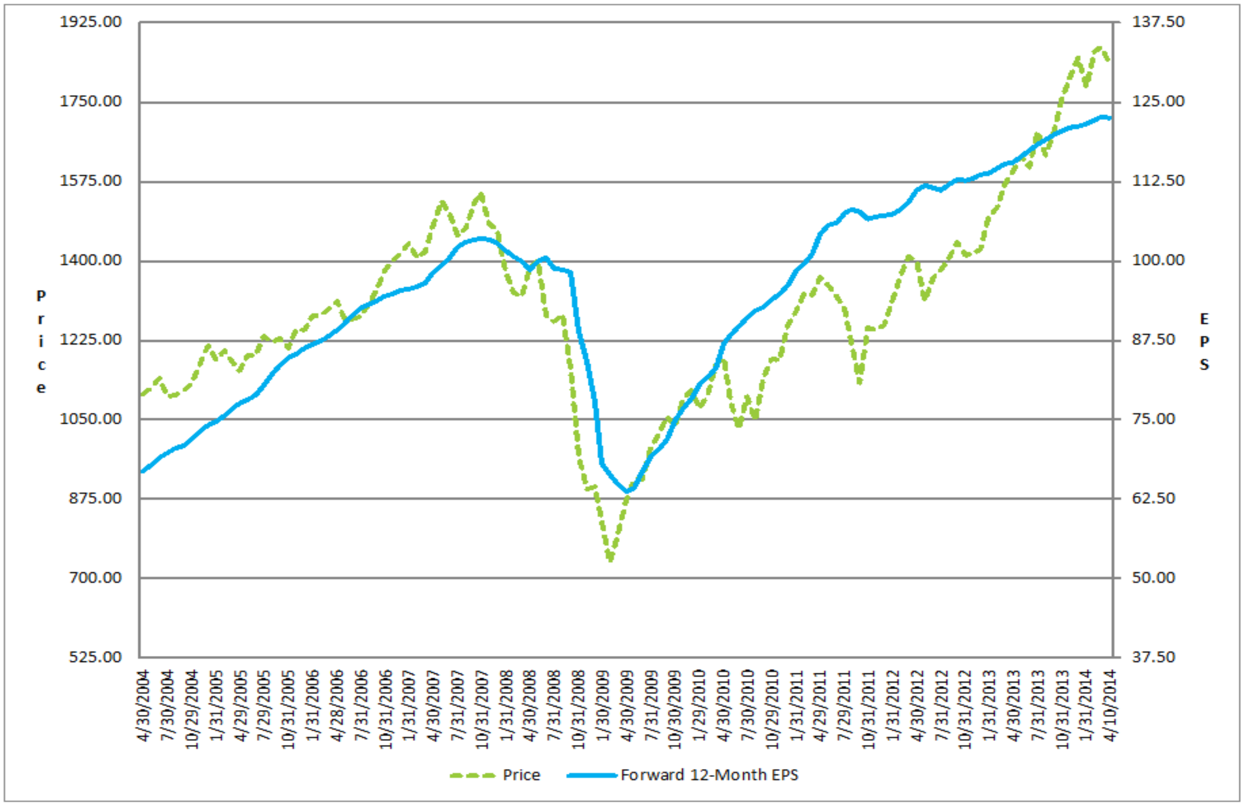
	Consumer Staples	Consumer Disc.	Materials	Health Care	Utilities	Industrials	S&P 500	Info. Technology	Energy	Telecom Services	Financials
Fwd 12M P/E	17.3	17.2	16.6	16.4	16.1	16.1	15.0	14.5	13.5	13.2	12.6
5-Yr Avg.	14.8	15.8	14.8	12.5	13.6	14.1	13.2	13.2	11.9	15.4	12.0
10-Yr Avg.	15.9	16.5	14.6	14.1	14.0	14.8	13.8	15.9	11.6	15.0	11.9

Sector-Level Change in Price vs. Change Forward 12M EPS: 1-Month

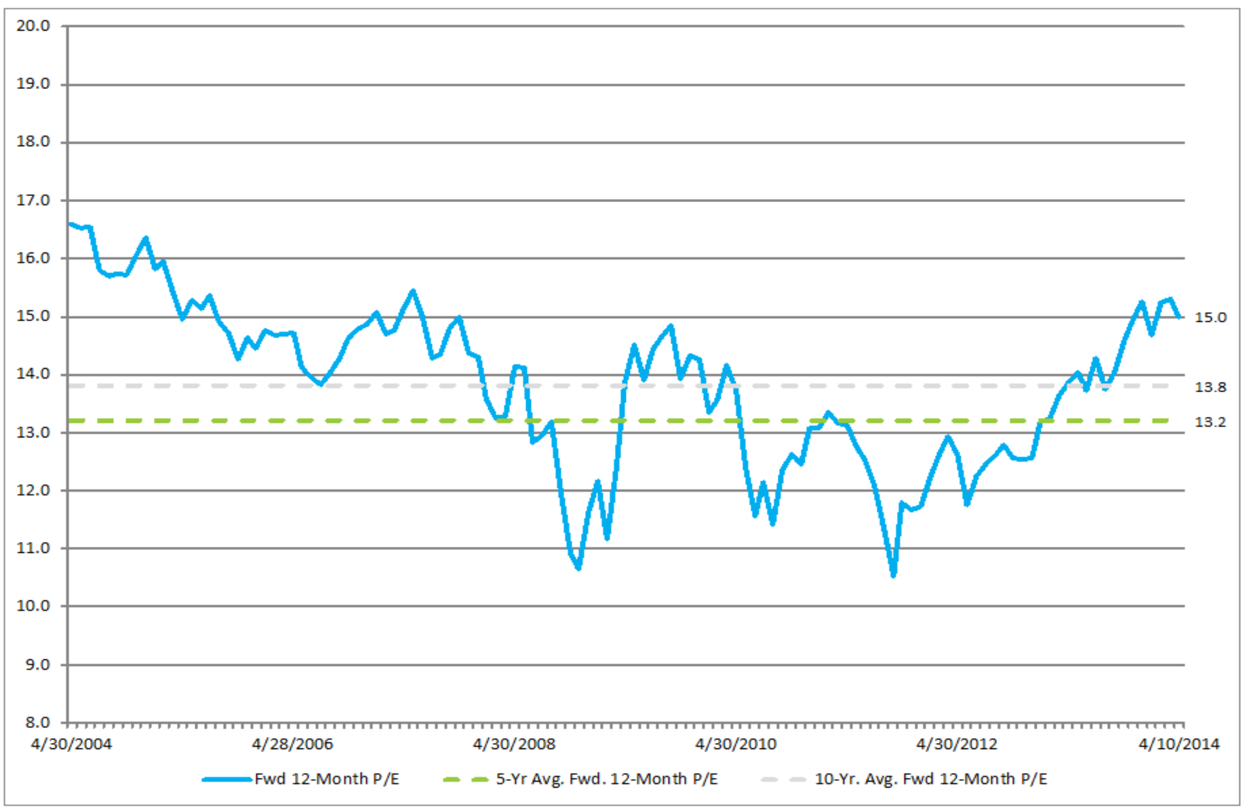


Forward 12M Price / Earnings Ratio: Long-Term Averages

Change in Price vs. Change in Forward 12M EPS: 10-Year

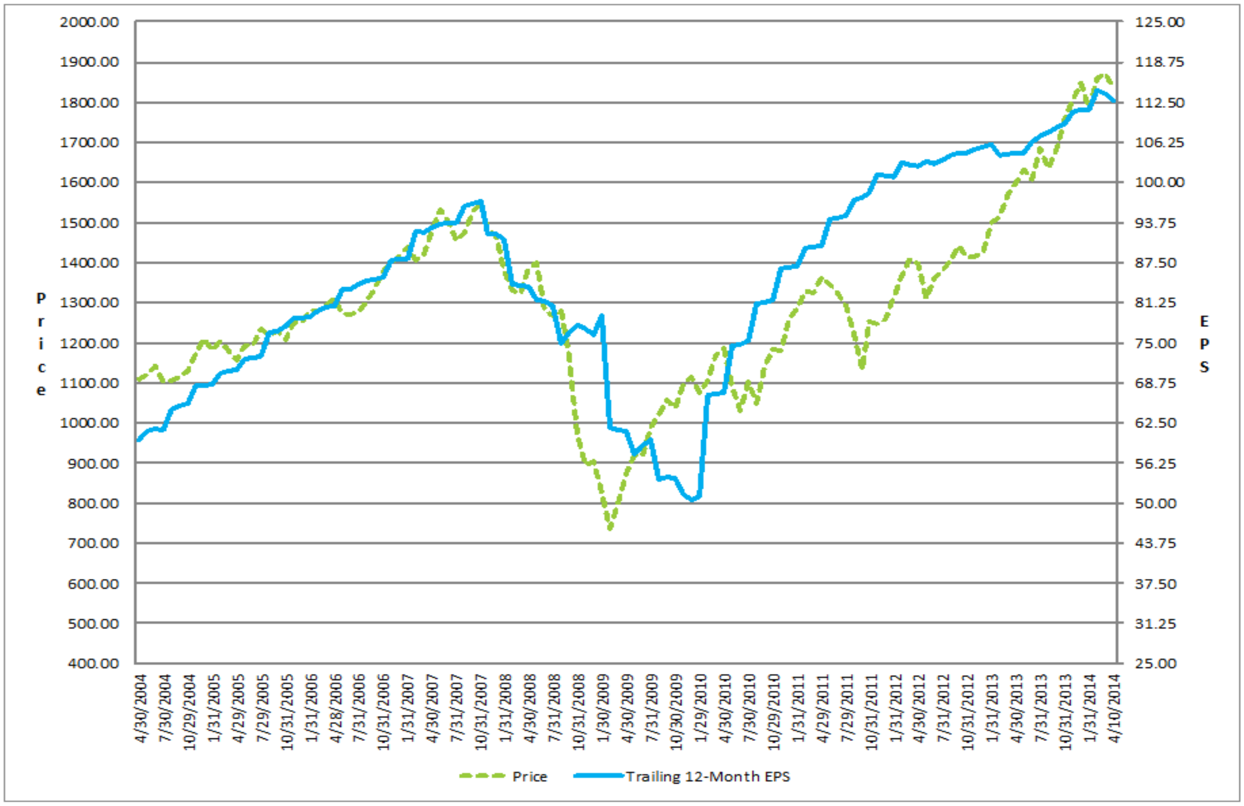


Forward 12M P/E Ratio: 10-Year

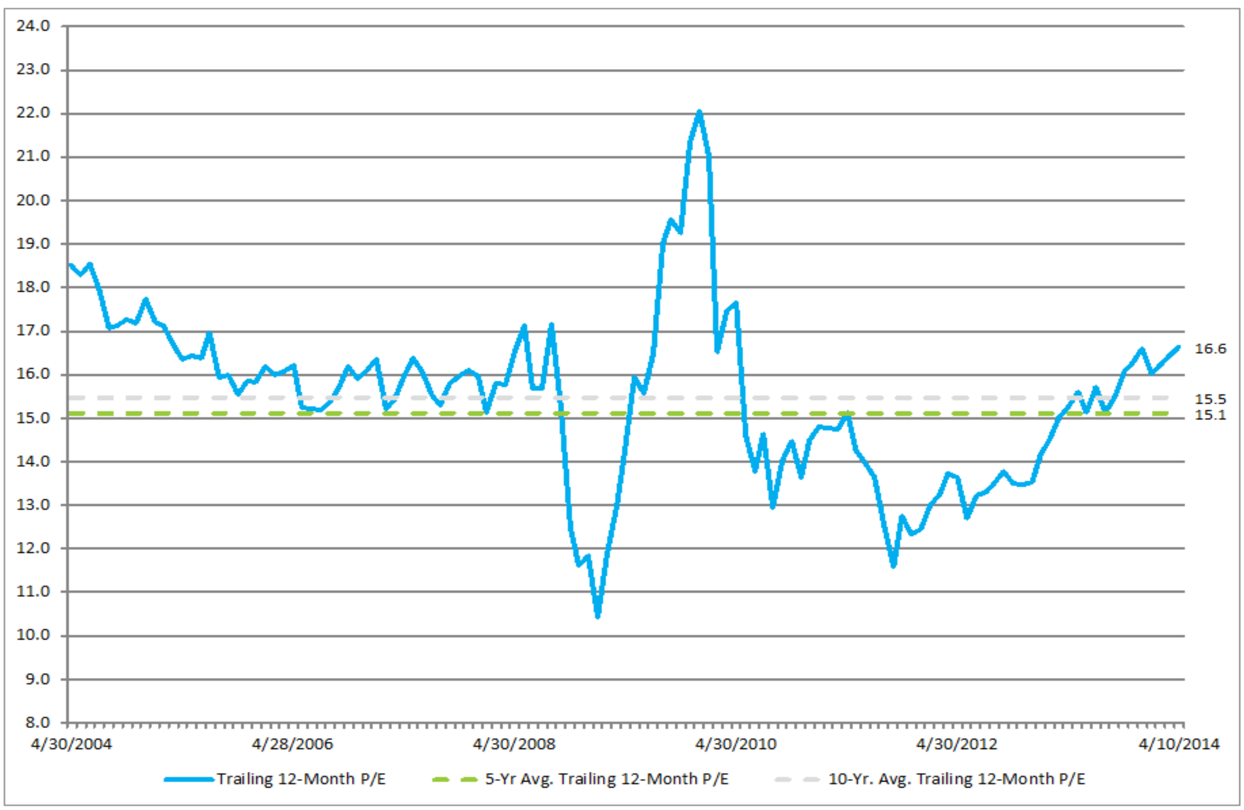


Trailing 12M Price / Earnings Ratio: Long-Term Averages

Change in Price vs. Change in Trailing 12M EPS: 10-Year



Trailing 12M P/E Ratio: 10-Year



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