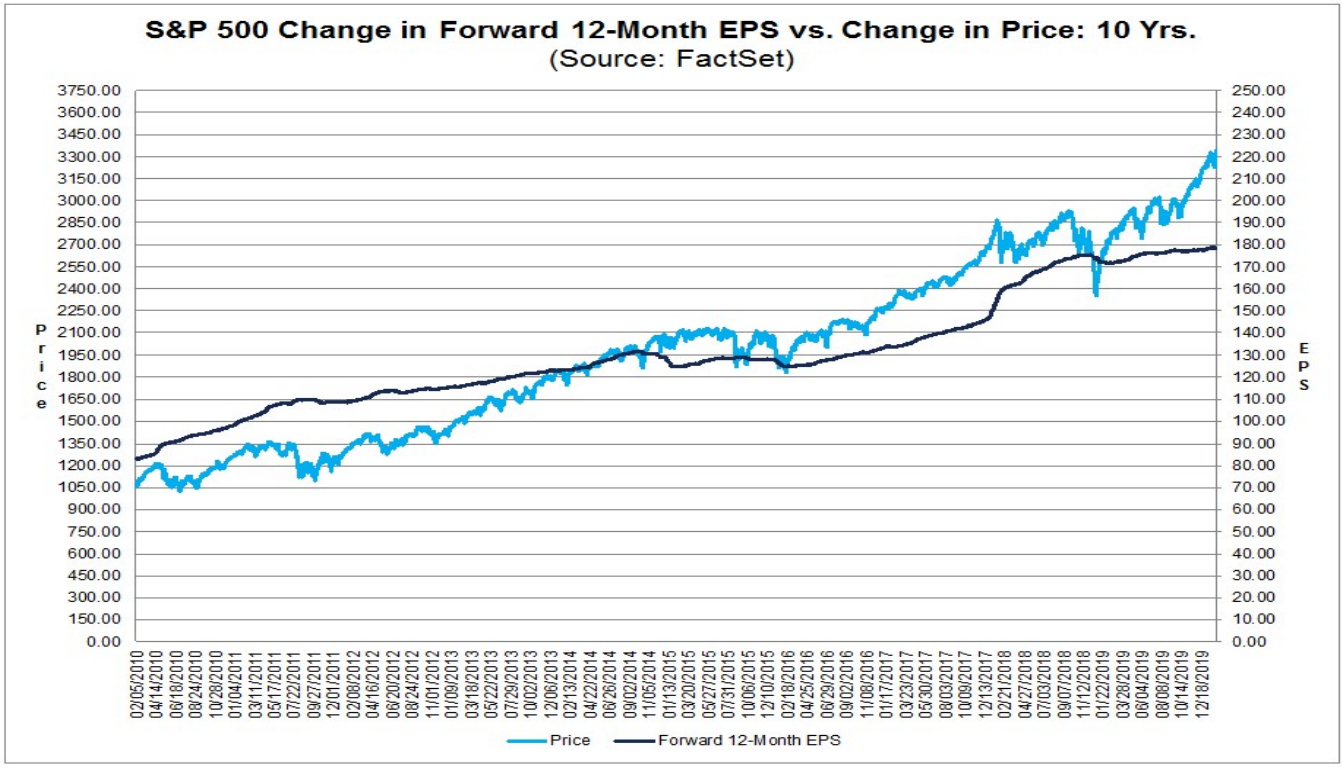
John Butters, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

February 7, 2020

Key Metrics

- **Earnings Scorecard:** For Q4 2019 (with 64% of the companies in the S&P 500 reporting actual results), 71% of S&P 500 companies have reported a positive EPS surprise and 67% of S&P 500 companies have reported a positive revenue surprise.
- **Earnings Growth:** For Q4 2019, the blended earnings growth rate for the S&P 500 is 0.7%. If 0.7% is the actual growth rate for the quarter, it will mark the first time the index has reported year-over-year growth in earnings since Q4 2018 (13.3%).
- **Earnings Revisions:** On December 31, the estimated earnings decline for Q4 2019 was -1.7%. Seven sectors have higher growth rates today (compared to December 31) due to positive EPS surprises.
- **Earnings Guidance:** For Q1 2020, 40 S&P 500 companies have issued negative EPS guidance and 18 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 18.8. This P/E ratio is above the 5-year average (16.7) and above the 10-year average (15.0).



To receive this report via e-mail or view other articles with FactSet content, please go to: https://insight.factset.com/

All data published in this report is available on FactSet. Please contact media_request@factset.com or 1-877-FACTSET for more information.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Topic of the Week:

S&P 500 Reporting Earnings Growth For The First Time Since Q4 2018

The blended (combines actual results for companies that have reported and estimated results for companies yet to report) earnings growth rate for the S&P 500 for the fourth quarter is 0.7% as today. This growth rate is above the estimated earnings decline of -1.7% at the end of the quarter (December 31).

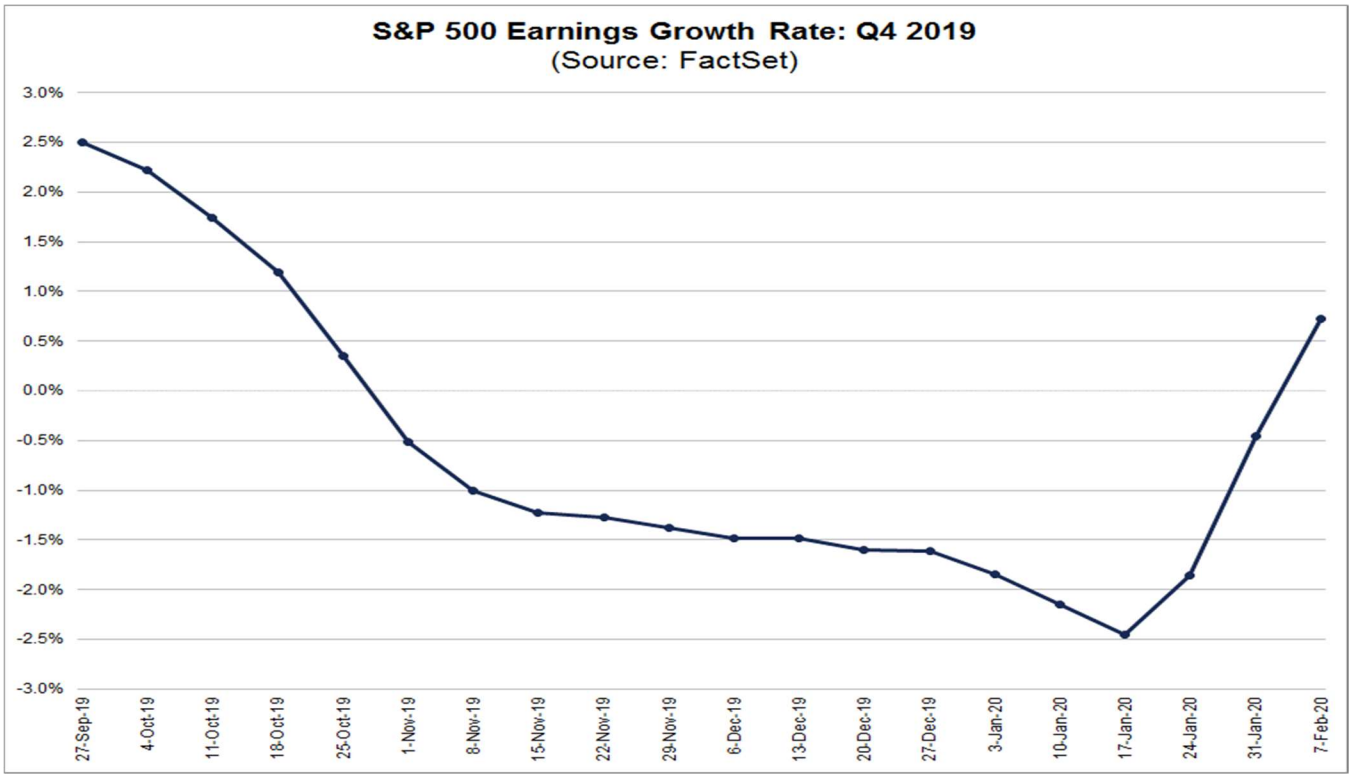
If 0.7% is the actual growth rate for the fourth quarter, it will mark the first time the index has reported year-over-year growth in earnings since Q4 2018 (13.3%).

It is not surprising that the index is now reporting earnings growth for the fourth quarter. For more details, please see this FactSet article published on January 3rd: https://insight.factset.com/sp-500-likely-to-report-earnings-growth-for-q4

What is driving the increase in the earnings growth rate since December 31? In aggregate, positive earnings surprises reported by S&P 500 companies have led to a net $8.5 billion increase in earnings for the index since December 31 (as higher actual earnings replace estimated earnings in the growth rate calculation).

The Information Technology sector is the largest contributor to this increase in earnings, accounting for $5.4 billion of the net $8.5 billion increase (or about 63%). The positive earnings surprises reported by Apple ($4.99 vs. $4.55), Microsoft ($1.53 vs. $1.32) and Intel ($1.52 vs. $1.25) were substantial contributors to the increase in earnings for the index during this time. As a result, the blended earnings growth rate for the Information Technology sector has improved to 5.1% today from -1.9% on December 31.

Outside of the Information Technology sector, the positive EPS surprises reported by Alphabet ($15.35 vs. $12.49) and Amazon.com ($6.47 vs. $4.04) were also significant contributors to the increase in earnings for the index since December 31.



Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q4 Earnings Season: By The Numbers

Overview

To date, 64% of the companies in the S&P 500 have reported actual results for Q4 2019. In terms of earnings, the percentage of companies reporting actual EPS above estimates (71%) is below the 5-year average. In aggregate, companies are reporting earnings that are 4.6% above the estimates, which is also below the 5-year average. In terms of sales, the percentage of companies (67%) reporting actual sales above estimates is above the 5-year average. In aggregate, companies are reporting sales that are 0.7% above estimates, which is below the 5-year average.

The blended (combines actual results for companies that have reported and estimated results for companies that have yet to report) earnings growth rate for the fourth quarter is 0.7%, which is above the earnings decline of -0.5% last week. Positive earnings surprises recorded by companies in the Communication Services sector were mainly responsible for the increase in the overall earnings growth rate during the week. If 0.7% is the actual growth rate for the quarter, it will mark the first time the index has reported year-over-year growth in earnings since Q4 2018 (13.3%). Seven sectors are reporting year-over-year growth in earnings, led by the Utilities and Communication Services sectors. Four sectors are reporting a year-over-year decline in earnings, led by the Energy sector.

The blended revenue growth rate for the fourth quarter is 3.5%, which is above the revenue growth rate of 3.3% last week. Positive revenue surprises reported by companies in the Financials and Health Care sectors were mainly responsible for the increase in the overall revenue growth rate during the week. Eight sectors are reporting year-over-year growth in revenues, led by the Health Care sector. Three sectors are reporting a year-over-year decline in revenues, led by the Materials sector.

Looking ahead, analysts see earnings growth of 2.5% to 5% for Q1 2020 and Q2 2020.

The forward 12-month P/E ratio is 18.8, which is above the 5-year average and above the 10-year average.

During the upcoming week, 66 S&P 500 companies (including one Dow 30 component) are scheduled to report results for the fourth quarter.

Scorecard: More Companies Beating Revenue Estimates Than Average

Percentage of Companies Beating EPS Estimates (71%) is Below 5-Year Average

Overall, 64% of the companies in the S&P 500 have reported earnings to date for the fourth quarter. Of these companies, 71% have reported actual EPS above the mean EPS estimate, 10% have reported actual EPS equal to the mean EPS estimate, and 19% have reported actual EPS below the mean EPS estimate. The percentage of companies reporting EPS above the mean EPS estimate is below the 1-year (74%) average and below the 5-year (72%) average.

At the sector level, the Information Technology (89%) and Communication Services (83%) sectors have the highest percentages of companies reporting earnings above estimates, while the Energy (46%) and Real Estate (46%) sectors have the lowest percentages of companies reporting earnings above estimates.

Earnings Surprise Percentage (4.6%) is Below 5-Year Average

In aggregate, companies are reporting earnings that are 4.6% above expectations. This surprise percentage is above the 1-year (+4.5%) average but below the 5-year (+4.9%) average.

The Consumer Discretionary sector (+12.8%) sector is reporting the largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, General Motors ($0.05 vs. $0.01), Amazon.com ($6.47 vs. $4.04), D.R. Horton ($1.16 vs. $0.92), Carnival ($0.62 vs. $0.50), and NIKE ($0.70 vs. $0.58) have reported the largest positive EPS surprises.

The Information Technology sector (+9.3%) sector is reporting the second largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, NortonLifeLock ($0.25 vs. $0.08), Gartner ($1.18 vs. $0.82), Intel ($1.52 vs. $1.25), Xerox ($1.33 vs. $1.11), and Microsoft ($1.53 vs. $1.32) have reported the largest positive EPS surprises.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

The Industrials sector (-3.2%) is reporting the largest negative (aggregate) difference between actual earnings and estimated earnings. Within this sector, Boeing (-$2.33 vs. $1.32) and C.H. Robinson Worldwide ($0.73 vs. $0.96) have reported the largest negative EPS surprises.

Market Rewarding Earnings Beats Below Average

To date, the market is rewarding positive earnings surprises less than average while also punishing negative earnings surprises less than average.

Companies that have reported positive earnings surprises for Q4 2019 have seen an average price increase of +0.8% two days before the earnings release through two days after the earnings. This percentage increase is below the 5-year average price increase of +1.0% during this same window for companies reporting positive earnings surprises.

Companies that have reported negative earnings surprises for Q4 2019 have seen an average price decrease of -2.2% two days before the earnings release through two days after the earnings. This percentage decrease is smaller than the 5-year average price decrease of -2.6% during this same window for companies reporting negative earnings surprises.

Percentage of Companies Beating Revenue Estimates (67%) is Above 5-Year Average

In terms of revenues, 67% of companies have reported actual sales above estimated sales and 33% have reported actual sales below estimated sales. The percentage of companies reporting sales above estimates is above the 1-year average (59%) and above the 5-year average (59%).

At the sector level, the Health Care (83%) and Information Technology (80%) sectors have the highest percentages of companies reporting revenues above estimates, while the Utilities (0%) and Industrials (47%) sectors have the lowest percentages of companies reporting revenues above estimates.

Revenue Surprise Percentage (+0.7%) is Below 5-Year Average

In aggregate, companies are reporting revenues that are 0.7% above expectations. This surprise percentage is below the 1-year (+0.9%) average and below the 5-year (+0.8%) average.

At the sector level, the Financials (+3.0%) and Information Technology (+2.5%) sectors are reporting the largest positive (aggregate) differences between actual revenues and estimated revenues, while the Utilities (-6.5%) sector is reporting the largest negative (aggregate) difference between actual revenues and estimated revenues.

Increase in Blended Earnings Growth This Week Due to Communication Services

Increase in Blended Earnings Growth This Week Due to Communication Services

The blended (year-over-year) earnings growth rate for the fourth quarter is 0.7%, which is above the earnings decline of -0.5% last week. Positive earnings surprises recorded by companies in the Communication Services sector were mainly responsible for the decrease in the overall earnings decline during the week.

In the Communication Services sector, the positive EPS surprise reported by Alphabet ($15.35 vs. $12.49) was the largest contributor to the increase in earnings for the index during the week. As a result, the blended earnings growth rate for the Communication Services sector increased to 11.7% from 5.9% over this period.

Increase in Blended Revenue Growth This Week

The blended (year-over-year) revenue growth rate for the fourth quarter is 3.5%, which is larger than the revenue growth rate of 3.3% last week. Positive revenue surprises reported by companies in the Financials and Health Care sectors were mainly responsible for the increase in the overall revenue growth rate during the week.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Communication Services Sector Has Seen Largest Increase in Earnings since December 31

The blended (year-over-year) earnings growth rate for Q4 2019 of 0.7% is larger than the estimate of -1.7% at the end of the fourth quarter (December 31). Seven sectors have recorded an improvement in earnings growth since the end of the quarter due to upward revisions to earnings estimates and positive earnings surprises, led by Communication Services (to 11.7% from 4.1%) and Information Technology (to 5.1% from -1.9%) sector. Four sectors have recorded a decrease in earnings growth during this time due to downward revisions to earnings estimates and negative earnings surprises, led by the Energy (to -42.4% from -32.1%) sector.

Financials Sector Has Seen Largest Increase in Revenues since December 31

The blended (year-over-year) revenue growth rate for Q4 2019 of 3.5% is larger than the estimate of 2.8% at the end of the fourth quarter (September 30). Six sectors have recorded an improvement in revenue growth since the end of the quarter due to upward revisions to revenue estimates and positive revenue surprises, led by the Financials (to 5.5% from 2.8%) and Information Technology (to 6.1% from 4.0%) sectors. Four sectors have recorded a decrease in revenue growth during this time due to downward revisions to revenue estimates and negative revenue surprises, led by the Utilities (to 7.6% from 9.7%) sector. One sector (Consumer Staples) has recorded no change in revenue growth (3.3%) since December 31.

Earnings Growth: 0.7%

The blended (year-over-year) earnings growth rate for Q4 2019 is 0.7%, which is below the 5-year average earnings growth rate of 6.4%. If. If 0.7% is the actual growth rate for the quarter, it will mark the first time the index has reported year-over-year growth in earnings since Q4 2018.

Seven sectors are reporting year-over-year growth in earnings, led by the Utilities and Communication Services sectors. Four sectors are reporting a year-over-year decline in earnings, led by the Energy sector.

Utilities: 4 Industries Reporting Year-Over-Year Growth Above 10%

The Utilities sector is reporting the highest (year-over-year) earnings growth of all eleven sectors at 19.1%. At the industry level, all five industries in this sector are reporting (or are expected to report) growth in earnings. Four of these five industries are reporting (or are expected to report) double-digit growth in earnings: Independent Power and Renewable Electricity Producers (139%), Multi-Utilities (27%), Gas Utilities (11%), and Electric Utilities (11%).

Communication 3 Industries Reporting Year-Over-Year Growth Above 10%

The Communication Services sector is reporting the second largest (year-over-year) earnings growth of all eleven sectors at 11.7%. At the industry level, all five industries in this sector are reporting growth in earnings. Three of these five industries are reporting double-digit growth in earnings: Media (30%), Wireless Telecommunication Services (17%), and Interactive Media & Services (14%).

Energy: 4 of 6 Sub-Industries Reporting Year-Over-Year Decline of More Than 20%

The Energy sector is reporting the largest (year-over-year) earnings decline of all eleven sectors at -42.4%. At the sub-industry level, four of the six sub-industries in the sector are reporting a decline in earnings of more than 20%: Oil & Gas Drilling (-59%), Integrated Oil & Gas (-59%), Oil & Gas Refining & Marketing (-49%), and Oil & Gas Exploration & Production (-23%). On the other hand, the other two sub-industries in the sector are reporting earnings growth of more than 10%: Oil & Gas Equipment & Services (37%) and Oil & Gas Storage & Transportation (13%).

Revenue Growth: 3.5%

The blended (year-over-year) revenue growth rate for Q4 2019 is 3.5%, which is equal to the 5-year average revenue growth rate of 3.5%.

Eight sectors are reporting year-over-year growth in revenues, led by the Health Care sector. Three sectors are reporting a year-over-year decline in revenues, led by the Materials sector.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Health Care: Cigna and CVS Lead Growth on Easy Comparisons to Year-Ago Pre-Merger Revenues

The Health Care sector is reporting the highest (year-over-year) revenue growth of all eleven sectors at 11.5%. At the industry level, all six industries in this sector are reporting revenue growth for the quarter. However, the Health Care Providers & Services industry is the only industry reporting double-digit revenue growth (15%).

At the company level, Cigna and CVS Health are the largest contributors to (year-over-year) revenue growth for the sector. However, the revenue growth rates for both companies are being boosted by apples-to-oranges comparisons of post-merger revenues to pre-merger revenues. The actual revenue for Cigna for Q4 2019 ($36.54 billion) reflects the combined revenues of Cigna and Express Scripts, while the actual revenue for Q4 2018 ($14.3 billion) reflects the standalone revenue for Cigna. The revenue estimate for CVS Health for Q4 2019 ($63.93 billion) reflects the combined revenues of CVS Health and Aetna, while the actual revenue for Q4 2018 ($54.42 billion) reflects mainly the standalone revenue for CVS Health. These apples-to-oranges comparisons are the main reason Cigna and CVS Health are the largest contributors to revenue growth for the sector. If these companies were excluded, the blended revenue growth rate for the sector would fall to 6.0% from 11.5%.

Materials: DuPont Leads Decline on Hard Comparison to Year-Ago Pre-Split Revenues

The Materials sector is reporting the highest (year-over-year) decline in revenue of all eleven sectors at -16.3%. At the industry level, three of the four industries in this sector are reporting a decline in revenue for the quarter: Chemicals (-23%), Containers & Packaging (-2%), and Metals & Mining (<-1%).

At the company level, DuPont is the largest contributor to the (year-over-year) decline in revenue for the sector. However, the revenue decline is being boosted by an apples-to-oranges comparison of post-split revenues to pre-split revenues. The actual revenue for DuPont for Q4 2019 ($5.20 billion) reflects the standalone revenue for DuPont, while the actual revenue for Q4 2018 ($20.1 billion) reflects the combined revenue for DowDuPont (DuPont, Dow, and Corteva). This apples-to-oranges comparison is the main reason DuPont is projected to be the largest contributor to the revenue decline for the sector. If this company were excluded, the blended revenue decline for the sector would improve to -2.8% from -16.3%.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Looking Ahead: Forward Estimates and Valuation

Guidance: Negative Guidance for Q1 is Below Average to Date

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.

At this point in time, 58 companies in the index have issued EPS guidance for Q1 2020. Of these 58 companies, 40 have issued negative EPS guidance and 18 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 69% (40 out of 58), which is slightly below the 5-year average of 70%.

Earnings: Less Than 1% Growth for CY 2019

For the fourth quarter, S&P 500 companies are reporting growth in earnings of 0.7% and growth in revenues of 3.5%. For CY 2019, S&P 500 companies are reporting growth in earnings of less than 1% (0.6%) and growth in revenues of 4.1%. Analysts see earnings growth between 2.5% and 5% in Q1 2020 and Q2 2020.

For Q1 2020, analysts are projecting earnings growth of 2.5% and revenue growth of 4.6%.

For Q2 2020, analysts are projecting earnings growth of 5.1% and revenue growth of 4.8%.

For Q3 2020, analysts are projecting earnings growth of 9.8% and revenue growth of 6.0%.

For Q4 2020, analysts are projecting earnings growth of 11.9% and revenue growth of 6.1%.

For CY 2020, analysts are projecting earnings growth of 8.3% and revenue growth of 5.2%.

Valuation: Forward P/E Ratio is 18.8, Above the 10-Year Average (15.0)

The forward 12-month P/E ratio is 18.8. This P/E ratio is above the 5-year average of 16.7 and above the 10-year average of 15.0. It is also above the forward 12-month P/E ratio of 18.2 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 increased by 3.6%, while the forward 12-month EPS estimate has increased by 0.4%.

At the sector level, the Information Technology (23.0) and Consumer Discretionary (23.0) sectors have the highest forward 12-month P/E ratios, while the Financials (13.3) sector has the lowest forward 12-month P/E ratio.

Targets & Ratings: Analysts Project 8% Increase in Price Over Next 12 Months

The bottom-up target price for the S&P 500 is 3628.30, which is 8.4% above the closing price of 3345.78. At the sector level, the Energy (+22.6%) sector is expected to see the largest price increase, as this sector has the largest upside difference between the bottom-up target price and the closing price. On the other hand, the Utilities (+1.3%) and Real Estate (+3.5%) sectors are expected to see the smallest price increases, as these sectors have the smallest upside differences between the bottom-up target price and the closing price.

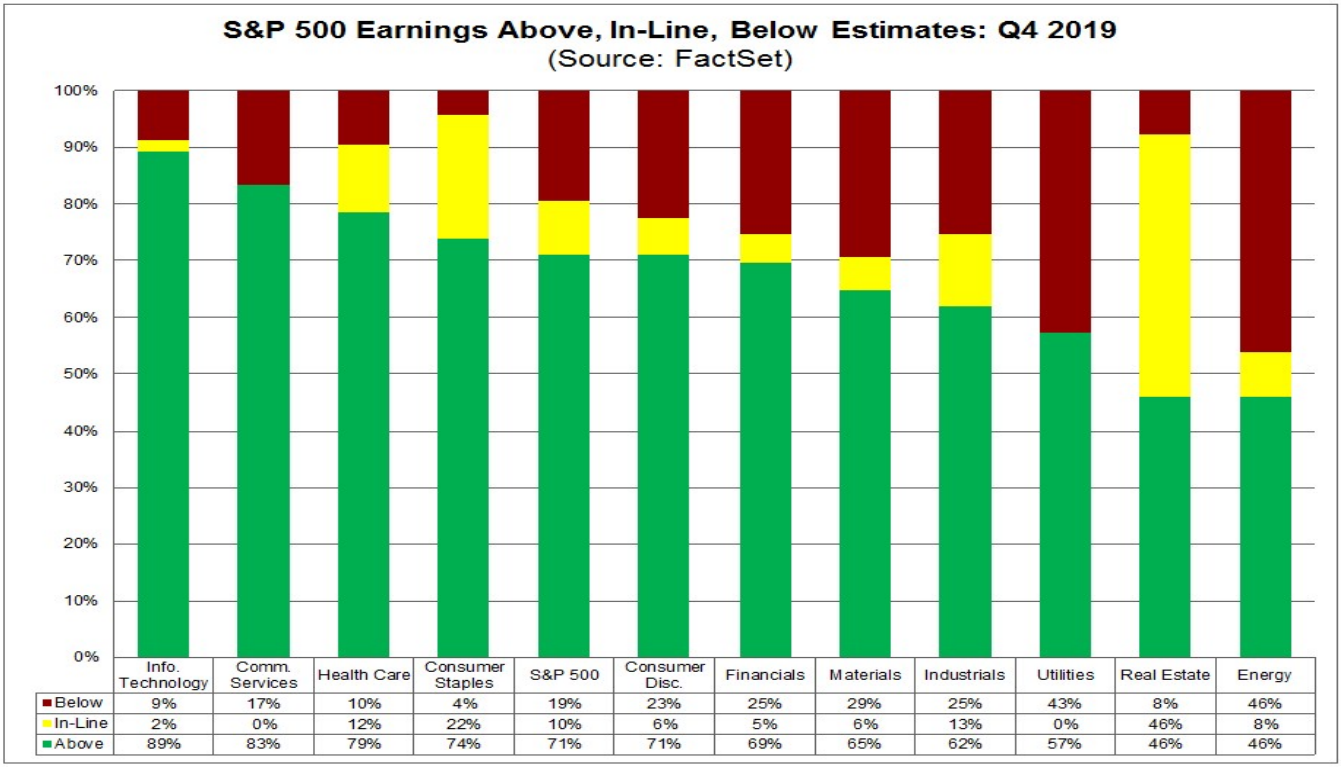
Overall, there are 10,358 ratings on stocks in the S&P 500. Of these 10,358 ratings, 50.2% are Buy ratings, 42.4% are Hold ratings, and 7.4% are Sell ratings. At the sector level, the Energy (66%) sector has the highest percentage of Buy ratings, while the Consumer Staples (38%) sector has the lowest percentage of Buy ratings.

Companies Reporting Next Week: 66

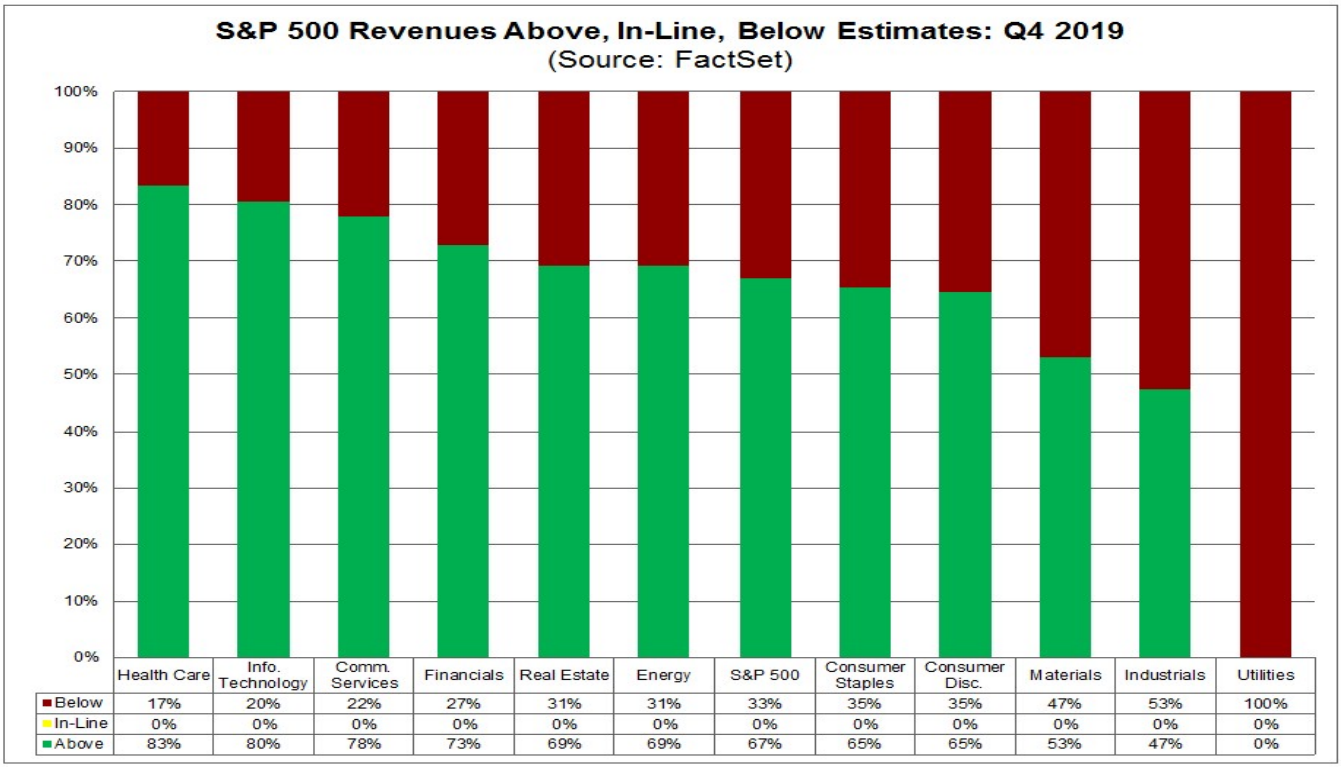
During the upcoming week, 66 S&P 500 companies (including one Dow 30 component) are scheduled to report results for the fourth quarter.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q4 2019: Scorecard



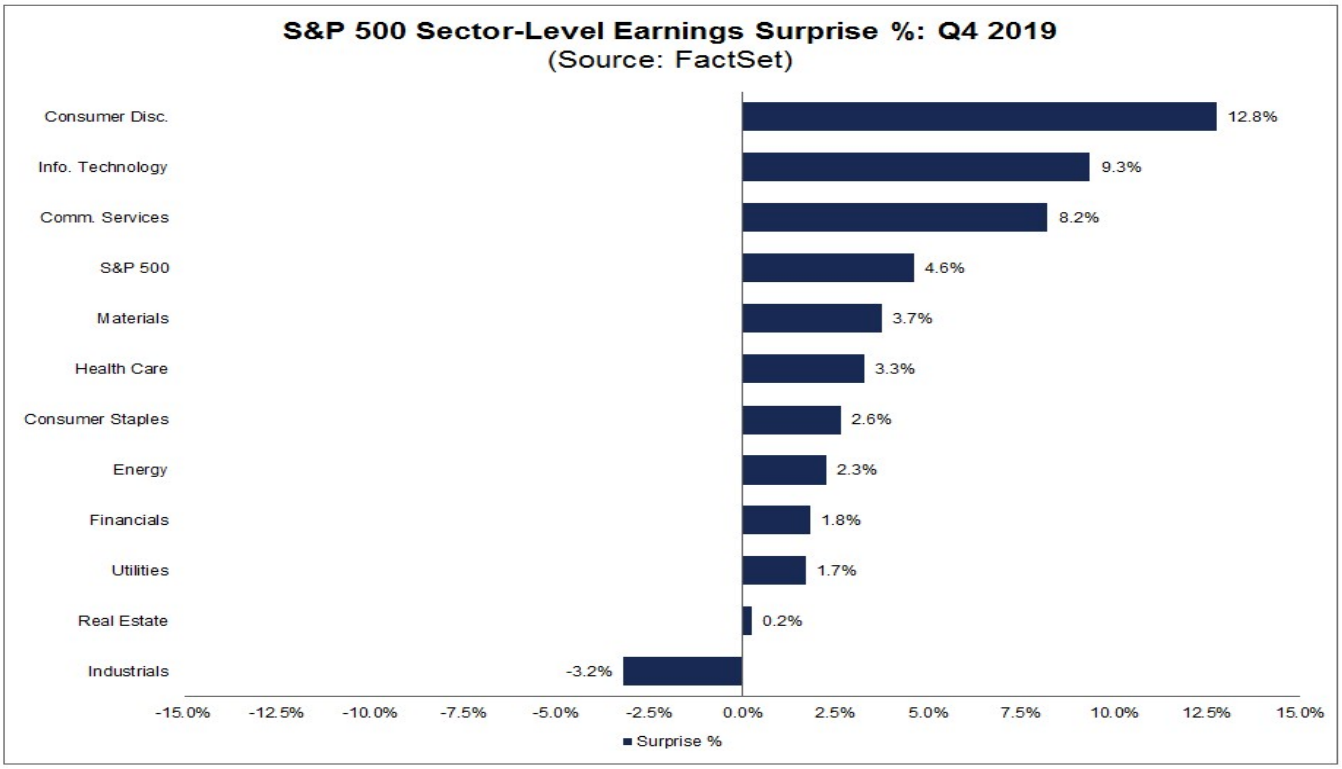
	Info. Technology	Comm. Services	Health Care	Consumer Staples	S&P 500	Consumer Disc.	Financials	Materials	Industrials	Utilities	Real Estate	Energy
Below	9%	17%	10%	4%	19%	23%	25%	29%	25%	43%	8%	46%
In-Line	2%	0%	12%	22%	10%	6%	5%	6%	13%	0%	46%	8%
Above	89%	83%	79%	74%	71%	71%	69%	65%	62%	57%	46%	46%

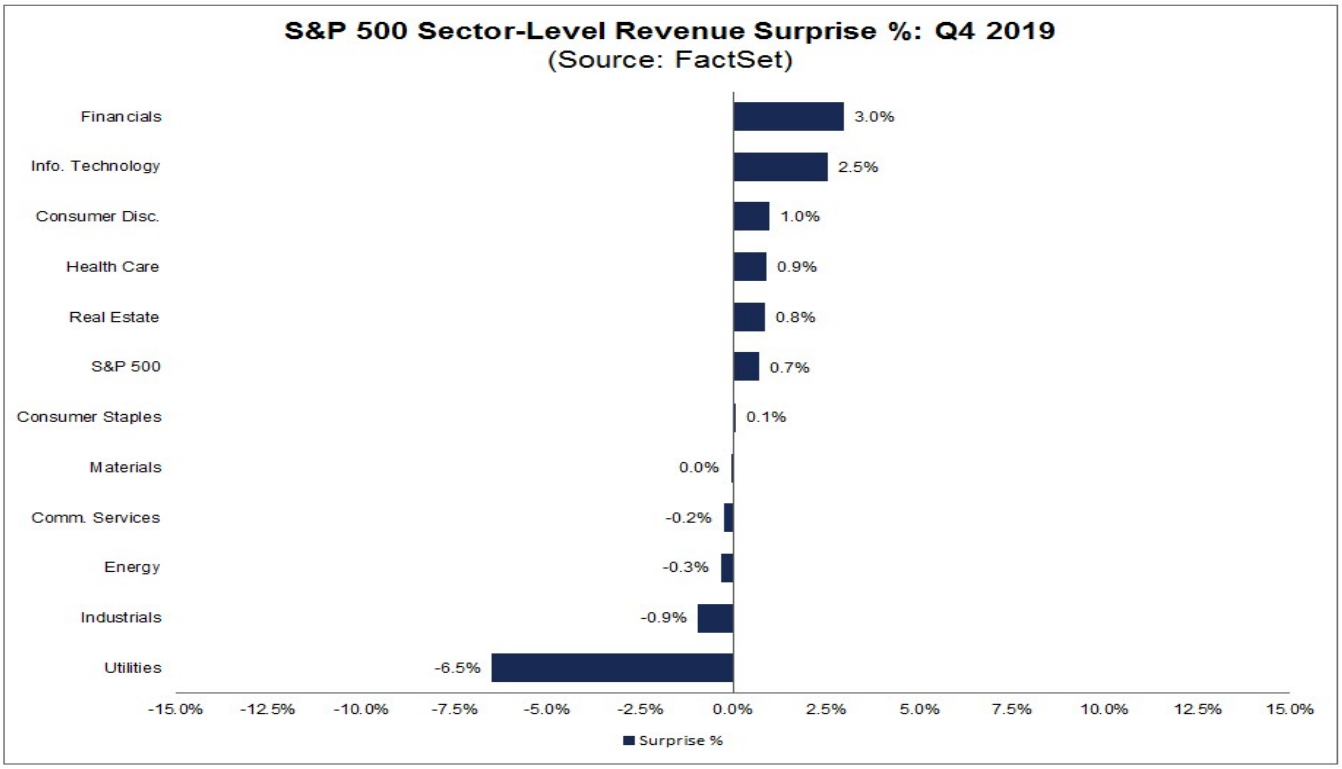


	Health Care	Info. Technology	Comm. Services	Financials	Real Estate	Energy	S&P 500	Consumer Staples	Consumer Disc.	Materials	Industrials	Utilities
Below	17%	20%	22%	27%	31%	31%	33%	35%	35%	47%	53%	100%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	83%	80%	78%	73%	69%	69%	67%	65%	65%	53%	47%	0%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

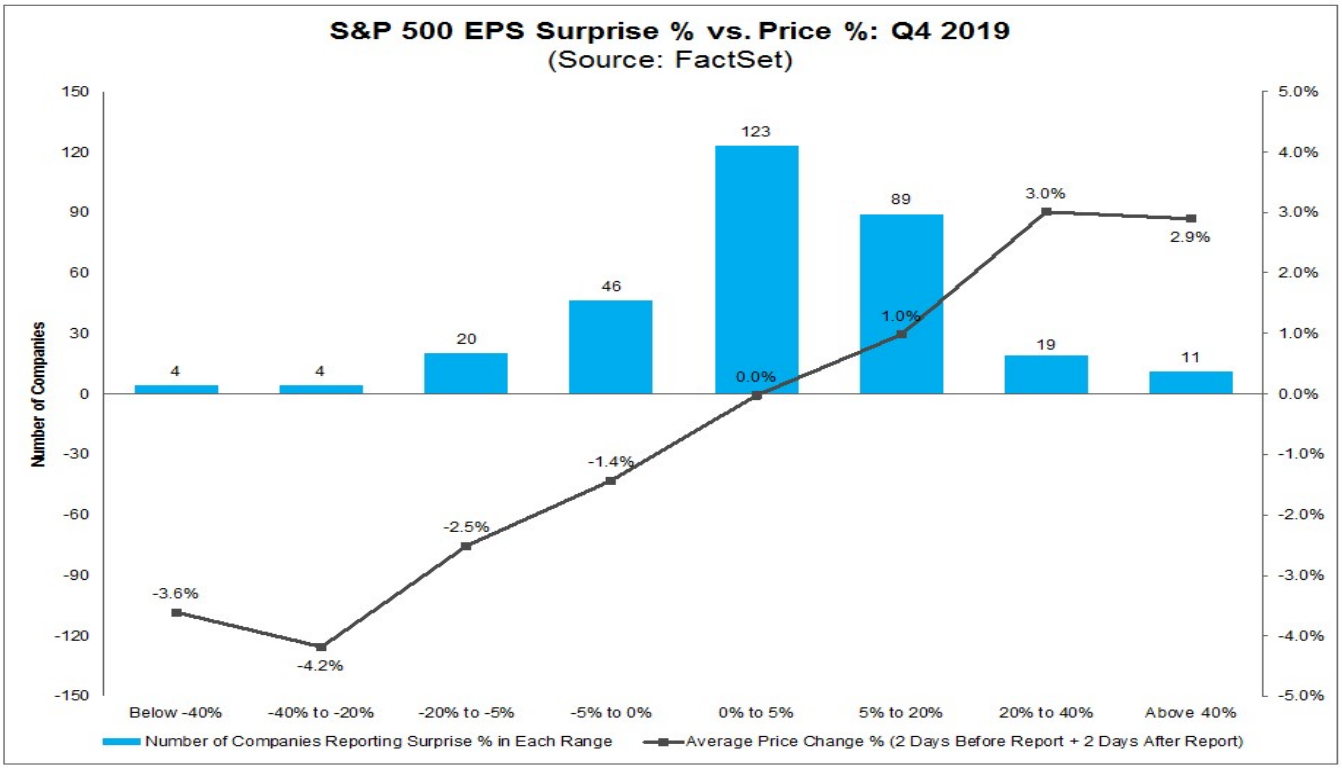
Q4 2019: Scorecard

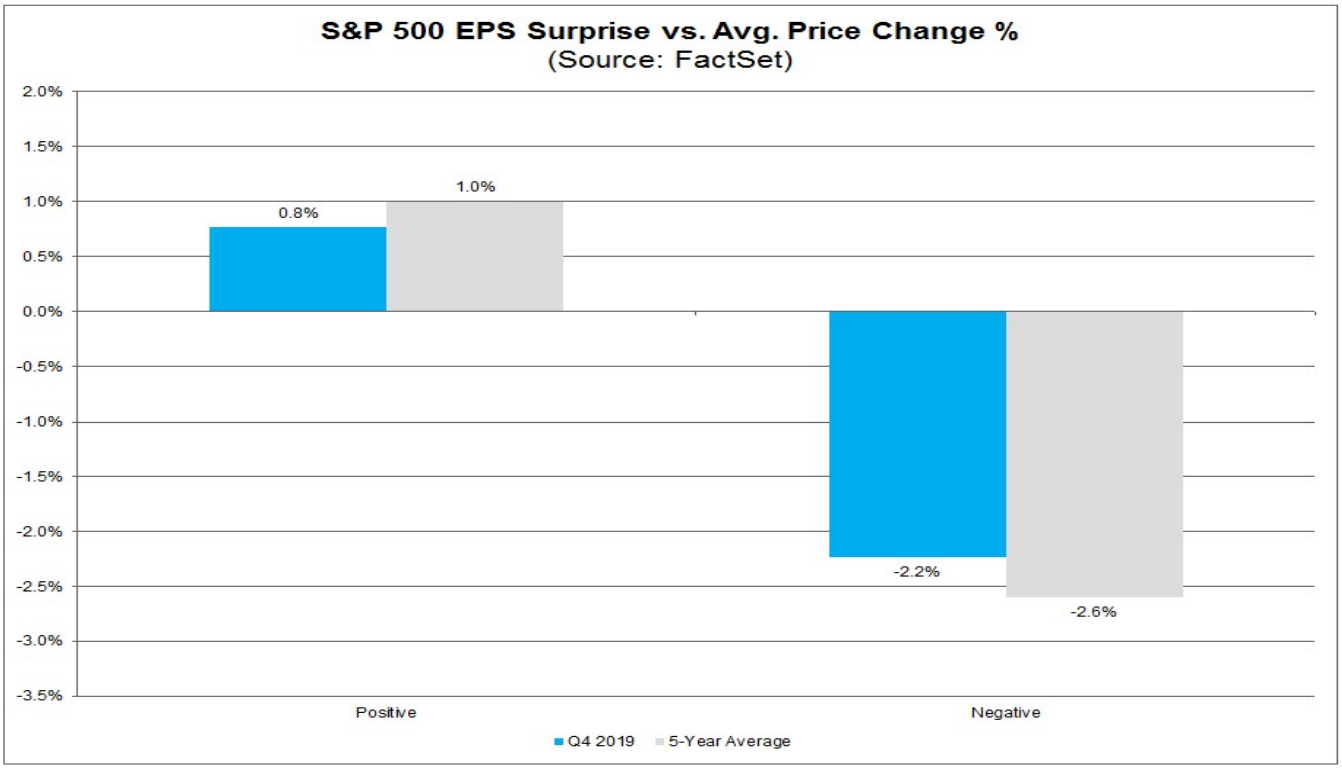




Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

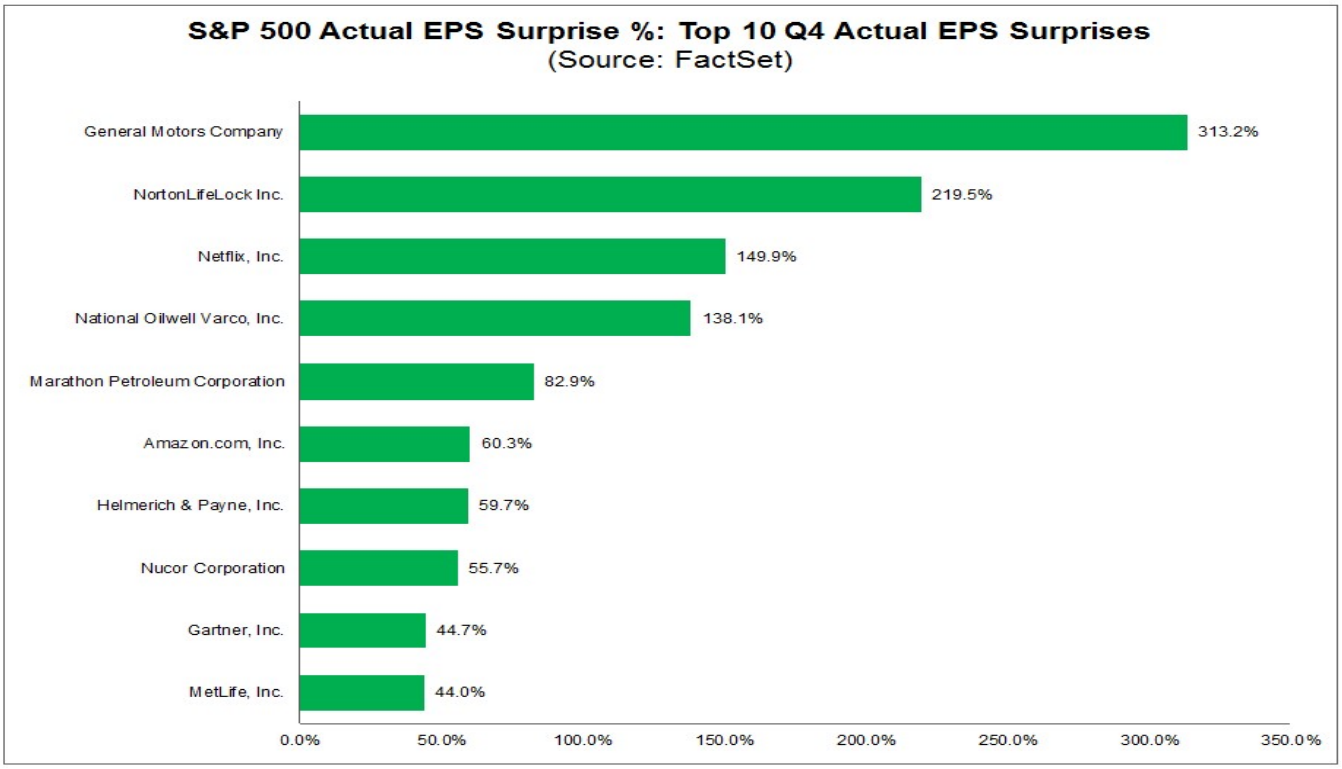
Q4 2019: Scorecard

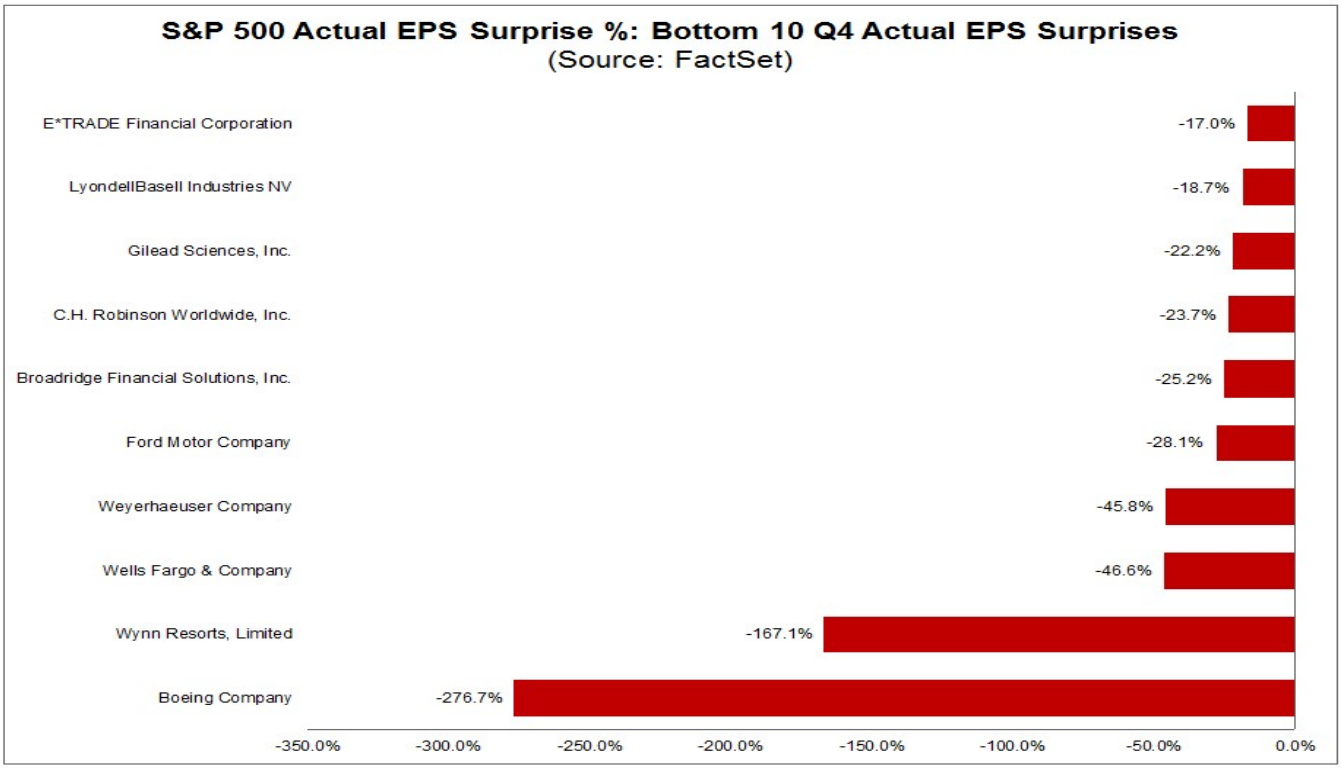




Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

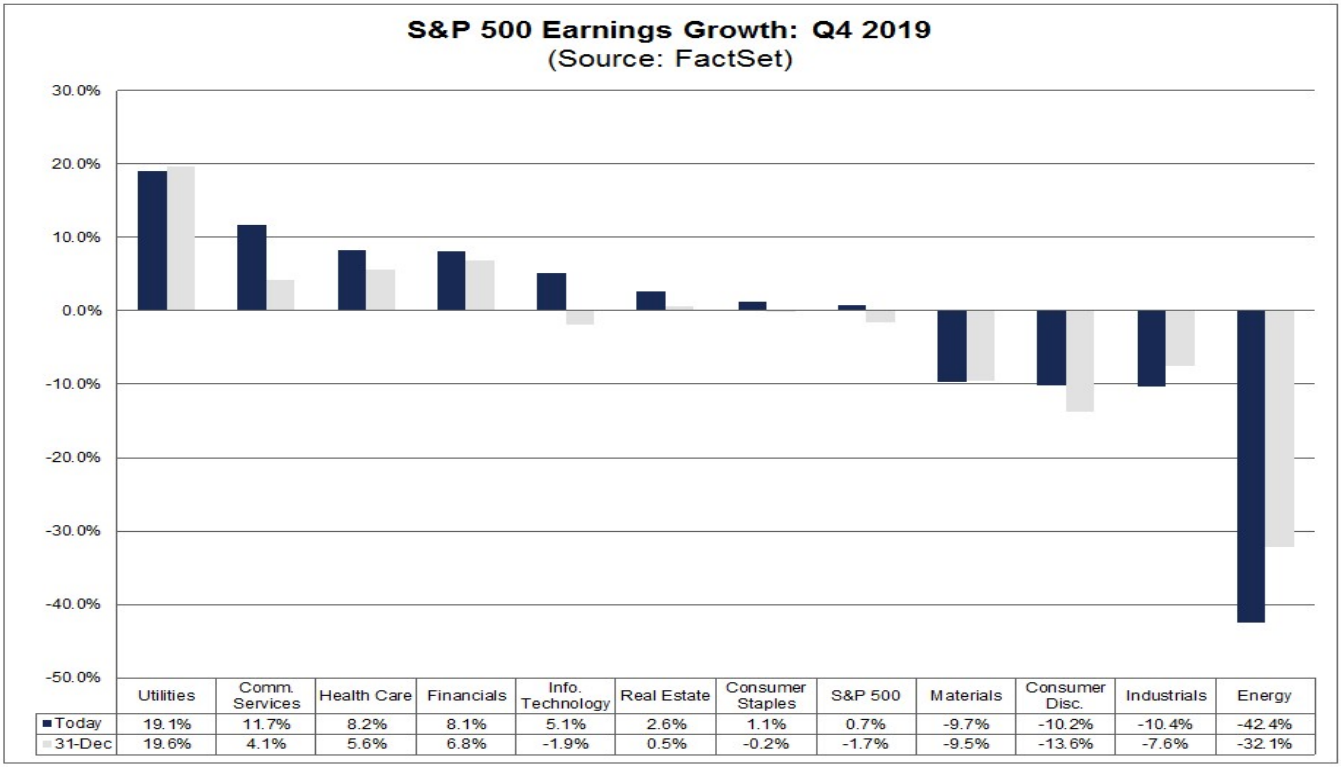
Q4 2019: Scorecard



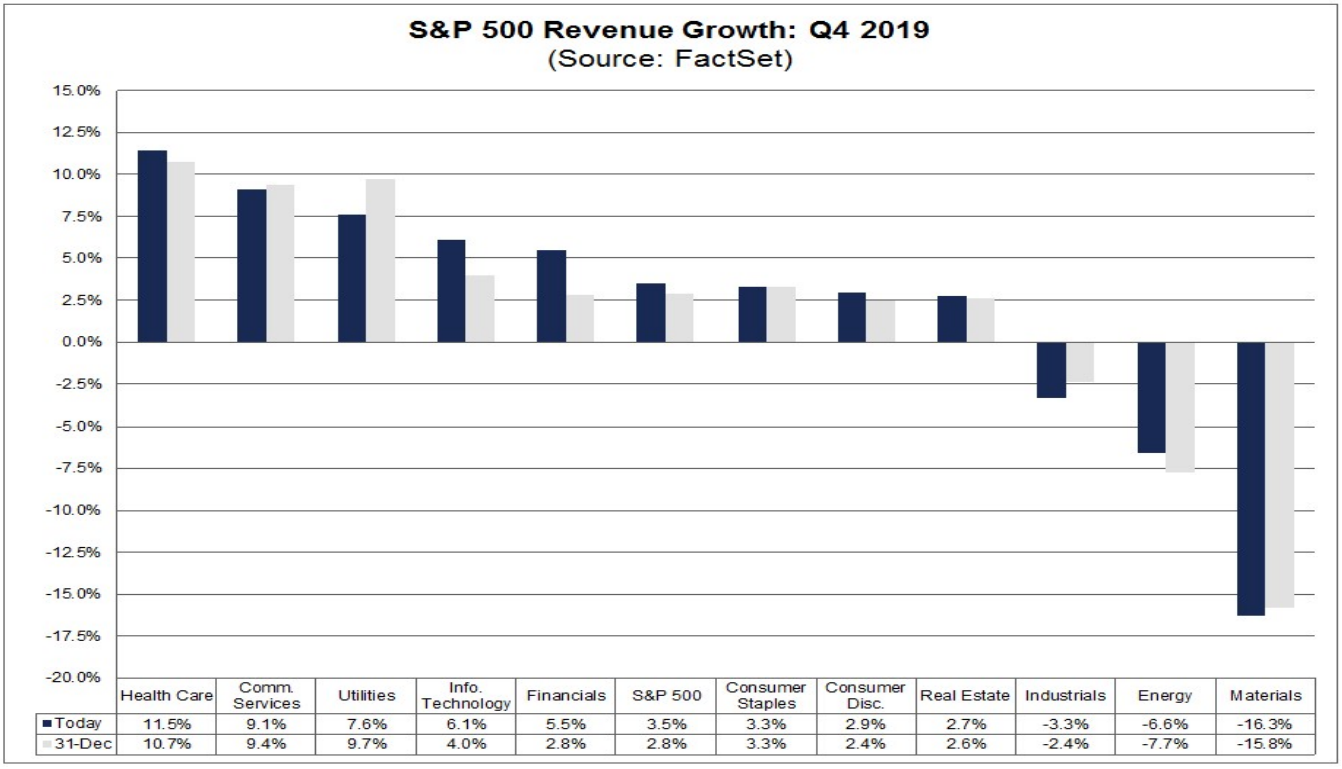


Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q4 2019: Growth



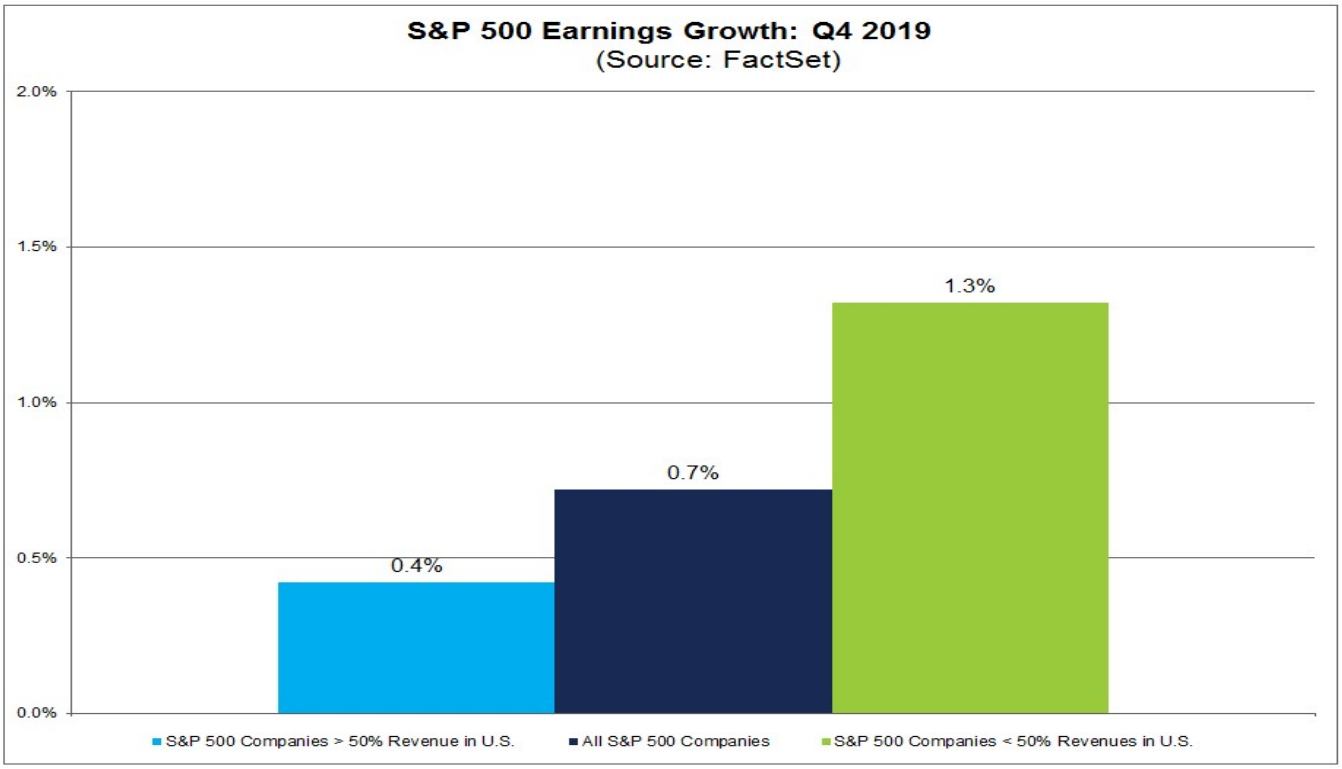
	Utilities	Comm. Services	Health Care	Financials	Info. Technology	Real Estate	Consumer Staples	S&P 500	Materials	Consumer Disc.	Industrials	Energy
Today	19.1%	11.7%	8.2%	8.1%	5.1%	2.6%	1.1%	0.7%	-9.7%	-10.2%	-10.4%	-42.4%
31-Dec	19.6%	4.1%	5.6%	6.8%	-1.9%	0.5%	-0.2%	-1.7%	-9.5%	-13.6%	-7.6%	-32.1%

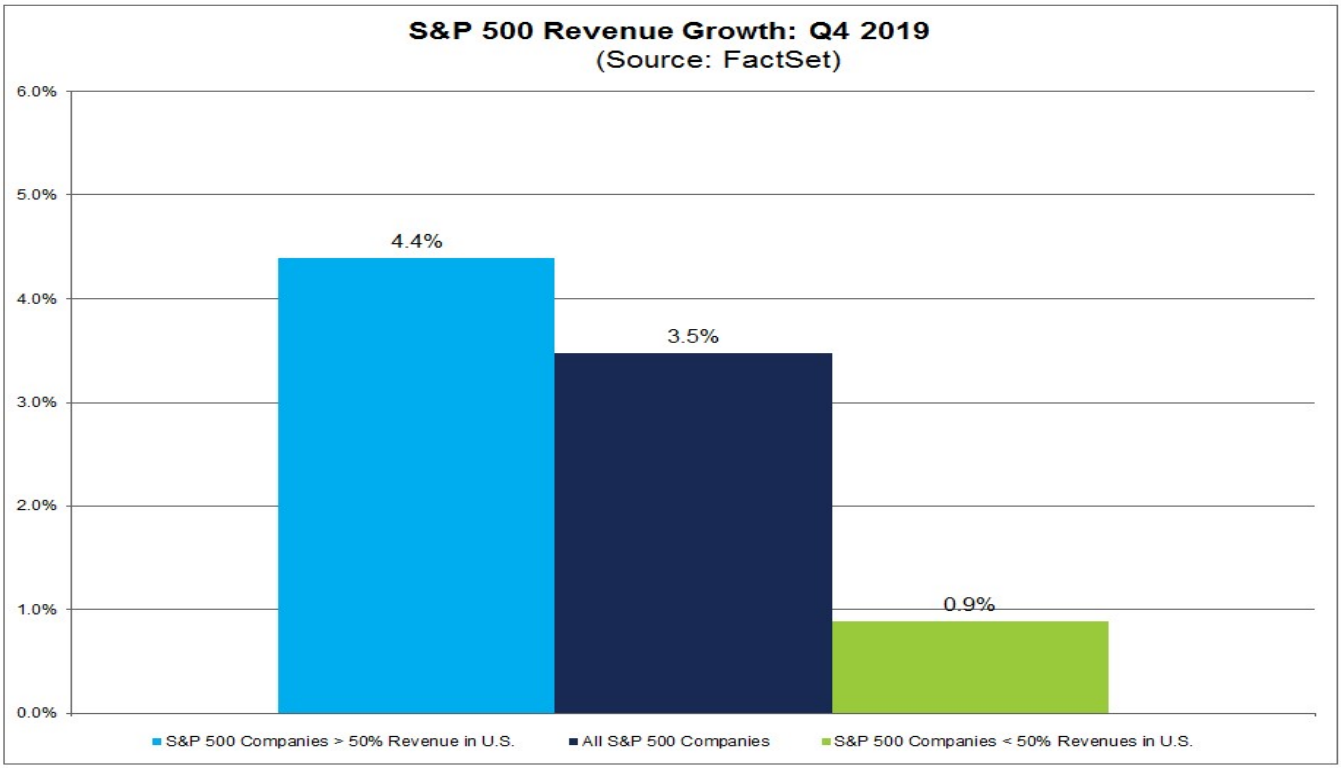


	Health Care	Comm. Services	Utilities	Info. Technology	Financials	S&P 500	Consumer Staples	Consumer Disc.	Real Estate	Industrials	Energy	Materials
Today	11.5%	9.1%	7.6%	6.1%	5.5%	3.5%	3.3%	2.9%	2.7%	-3.3%	-6.6%	-16.3%
31-Dec	10.7%	9.4%	9.7%	4.0%	2.8%	2.8%	3.3%	2.4%	2.6%	-2.4%	-7.7%	-15.8%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

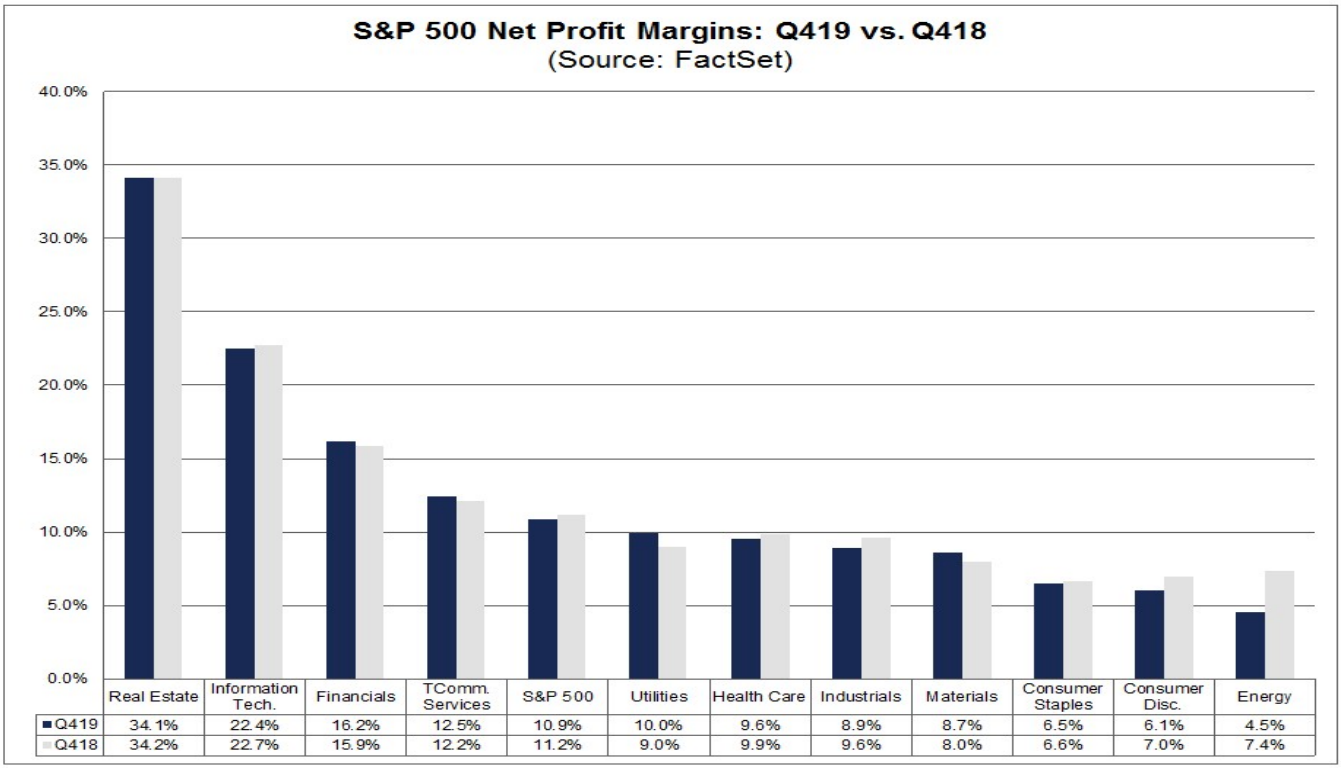
Q4 2019: Growth



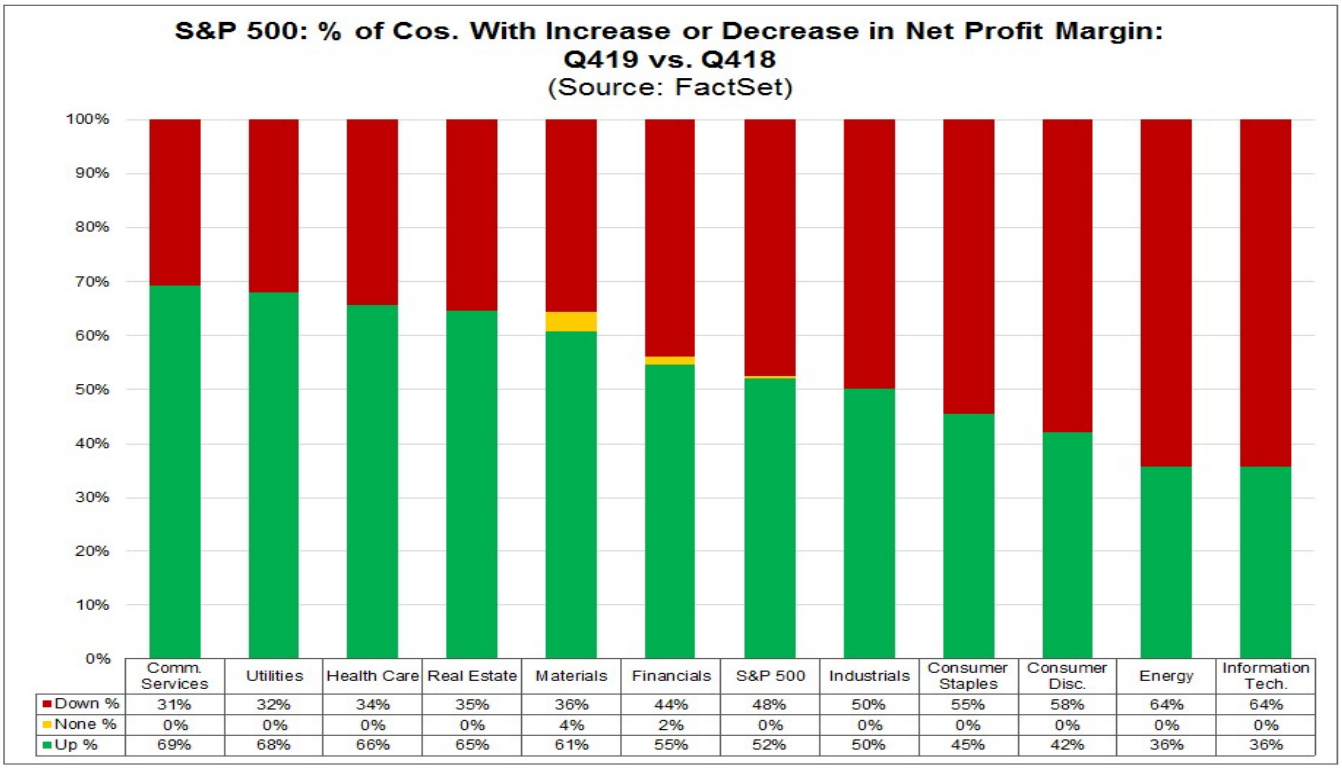


Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q4 2019: Net Profit Margin



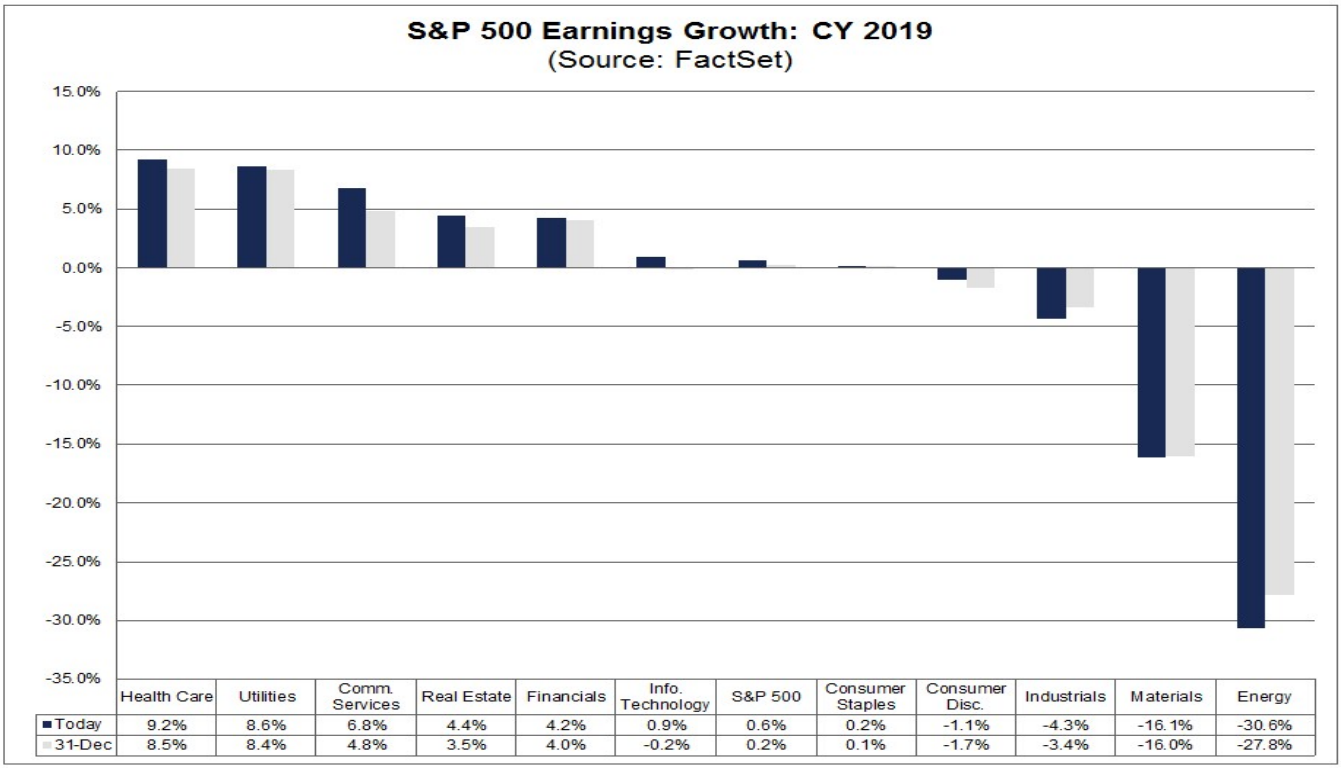
	Real Estate	Information Tech.	Financials	TComm. Services	S&P 500	Utilities	Health Care	Industrials	Materials	Consumer Staples	Consumer Disc.	Energy
Q419	34.1%	22.4%	16.2%	12.5%	10.9%	10.0%	9.6%	8.9%	8.7%	6.5%	6.1%	4.5%
Q418	34.2%	22.7%	15.9%	12.2%	11.2%	9.0%	9.9%	9.6%	8.0%	6.6%	7.0%	7.4%



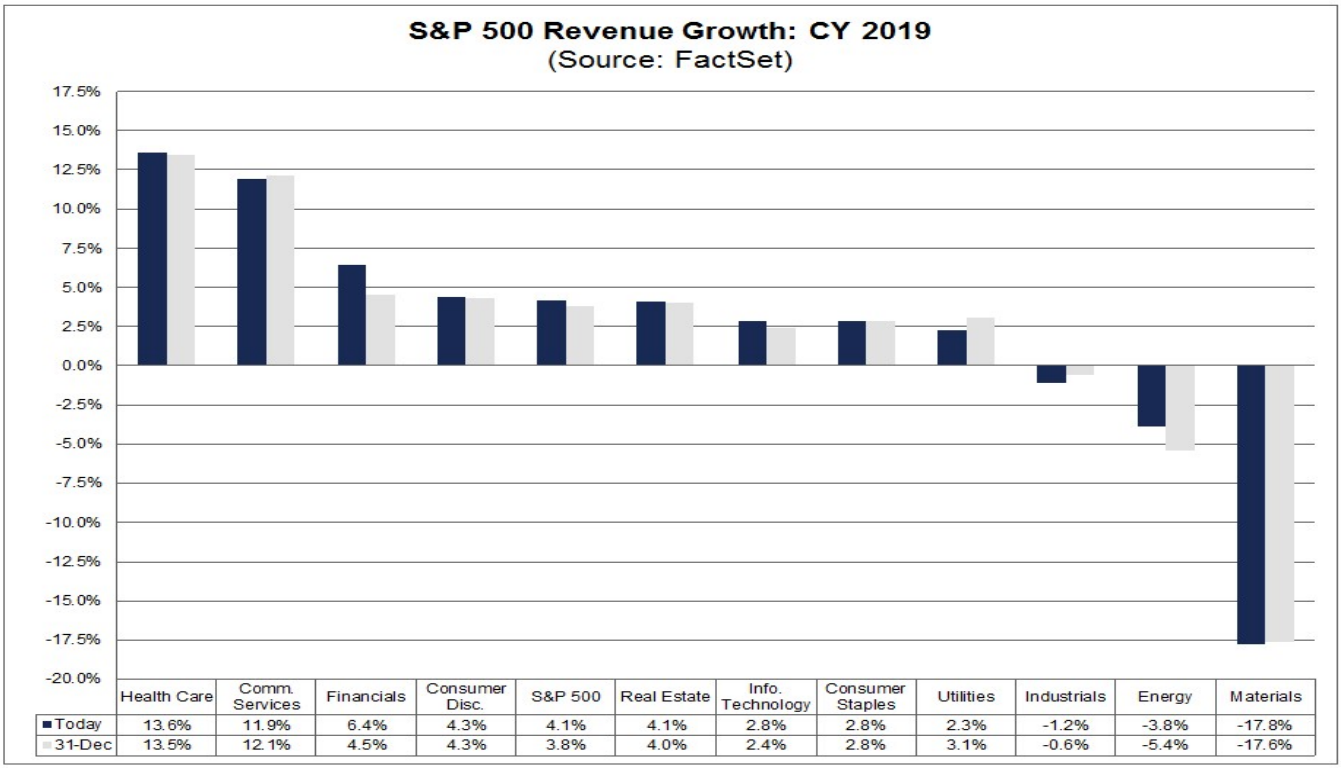
	Comm. Services	Utilities	Health Care	Real Estate	Materials	Financials	S&P 500	Industrials	Consumer Staples	Consumer Disc.	Energy	Information Tech.
Down %	31%	32%	34%	35%	36%	44%	48%	50%	55%	58%	64%	64%
None %	0%	0%	0%	0%	4%	2%	0%	0%	0%	0%	0%	0%
Up %	69%	68%	66%	65%	61%	55%	52%	50%	45%	42%	36%	36%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

CY 2019: Growth



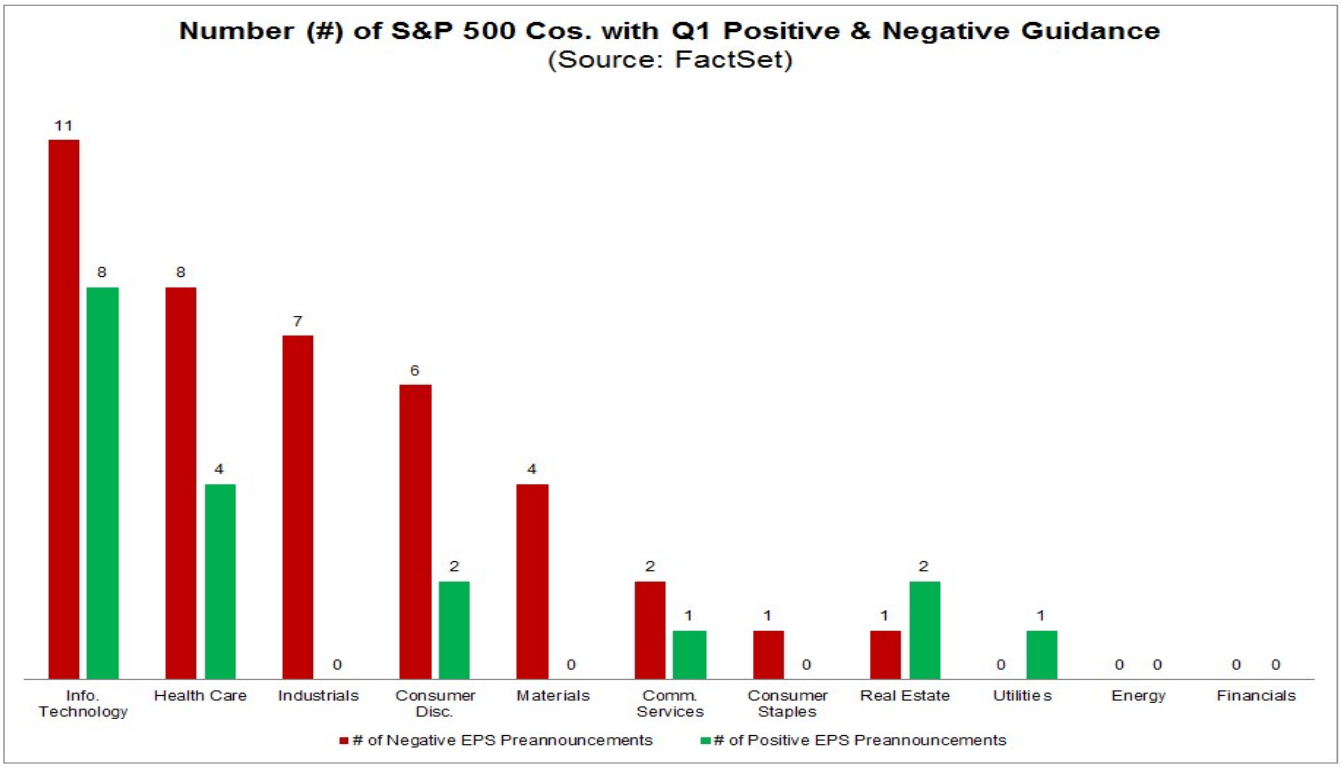
	Health Care	Utilities	Comm. Services	Real Estate	Financials	Info. Technology	S&P 500	Consumer Staples	Consumer Disc.	Industrials	Materials	Energy
Today	9.2%	8.6%	6.8%	4.4%	4.2%	0.9%	0.6%	0.2%	-1.1%	-4.3%	-16.1%	-30.6%
31-Dec	8.5%	8.4%	4.8%	3.5%	4.0%	-0.2%	0.2%	0.1%	-1.7%	-3.4%	-16.0%	-27.8%

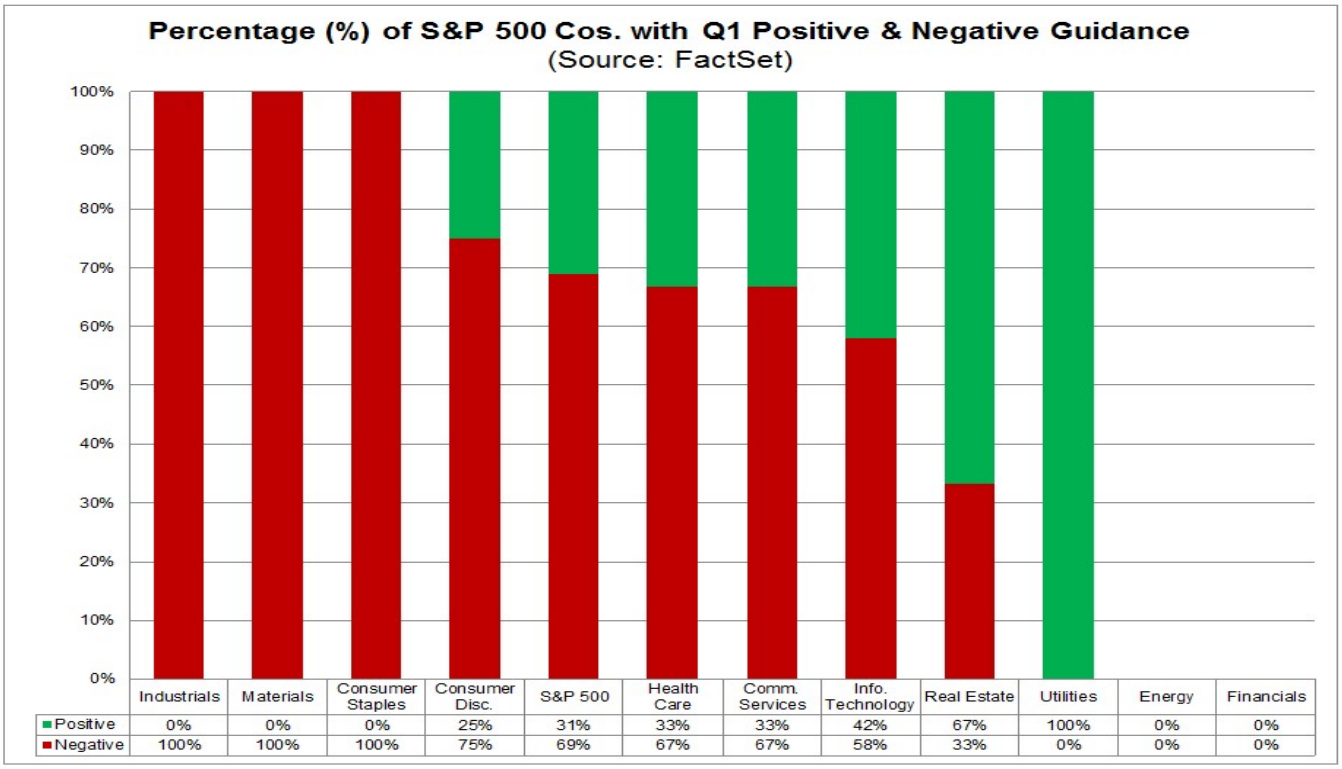


	Health Care	Comm. Services	Financials	Consumer Disc.	S&P 500	Real Estate	Info. Technology	Consumer Staples	Utilities	Industrials	Energy	Materials
Today	13.6%	11.9%	6.4%	4.3%	4.1%	4.1%	2.8%	2.8%	2.3%	-1.2%	-3.8%	-17.8%
31-Dec	13.5%	12.1%	4.5%	4.3%	3.8%	4.0%	2.4%	2.8%	3.1%	-0.6%	-5.4%	-17.6%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q1 2020: EPS Guidance

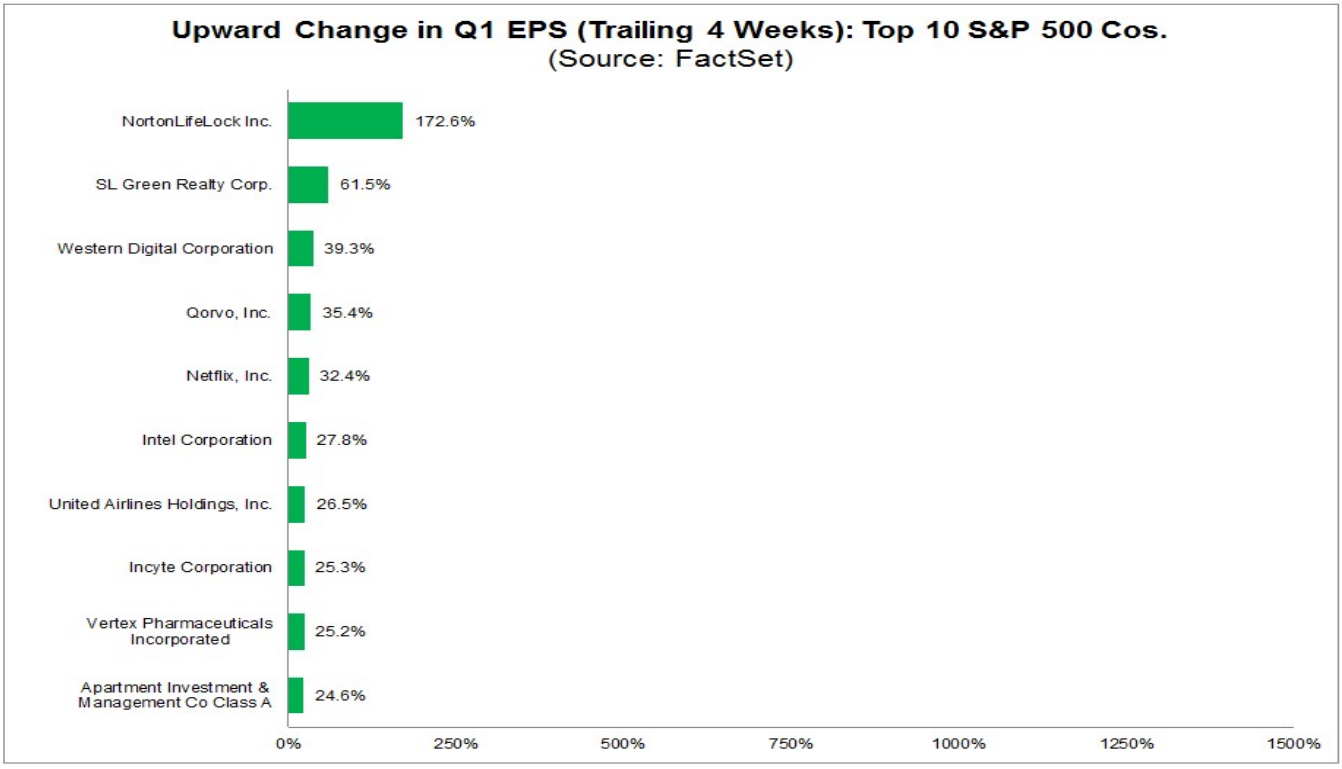


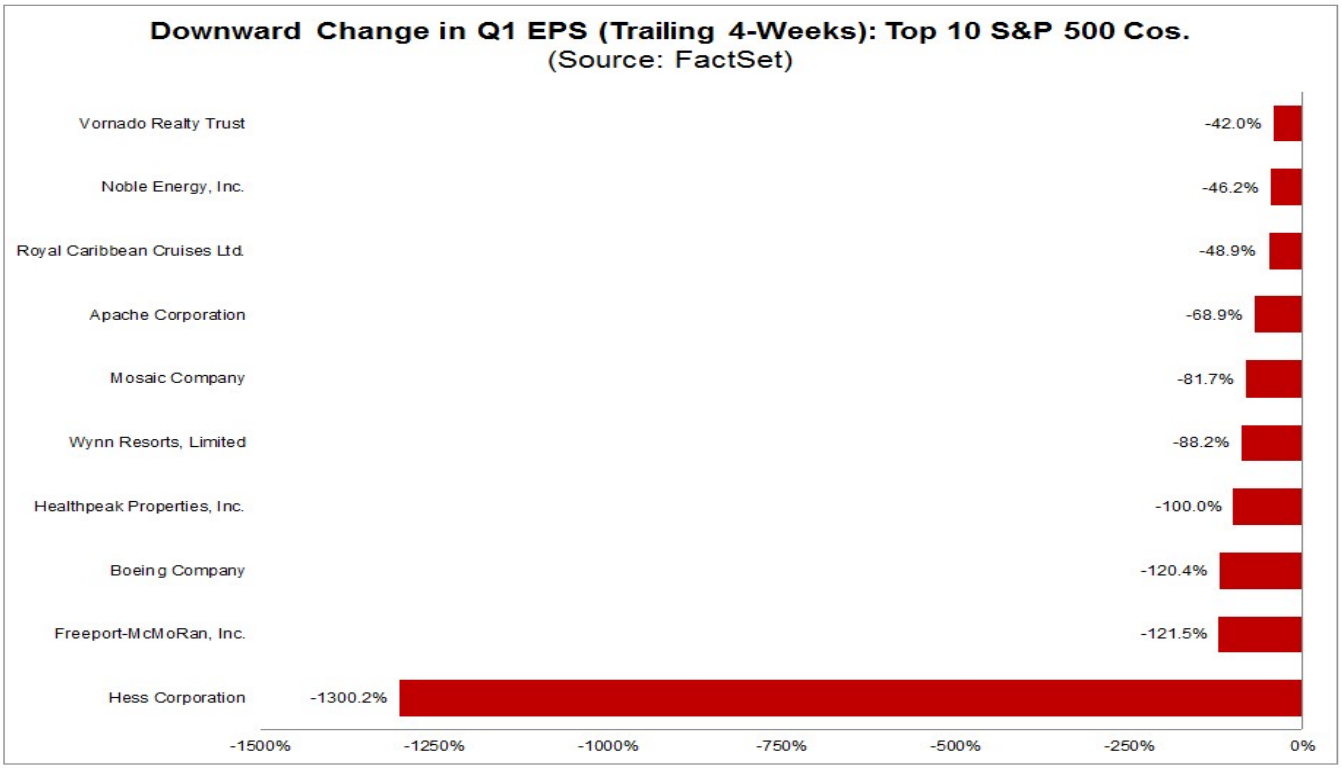


	Industrials	Materials	Consumer Staples	Consumer Disc.	S&P 500	Health Care	Comm. Services	Info. Technology	Real Estate	Utilities	Energy	Financials
Positive	0%	0%	0%	25%	31%	33%	33%	42%	67%	100%	0%	0%
Negative	100%	100%	100%	75%	69%	67%	67%	58%	33%	0%	0%	0%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

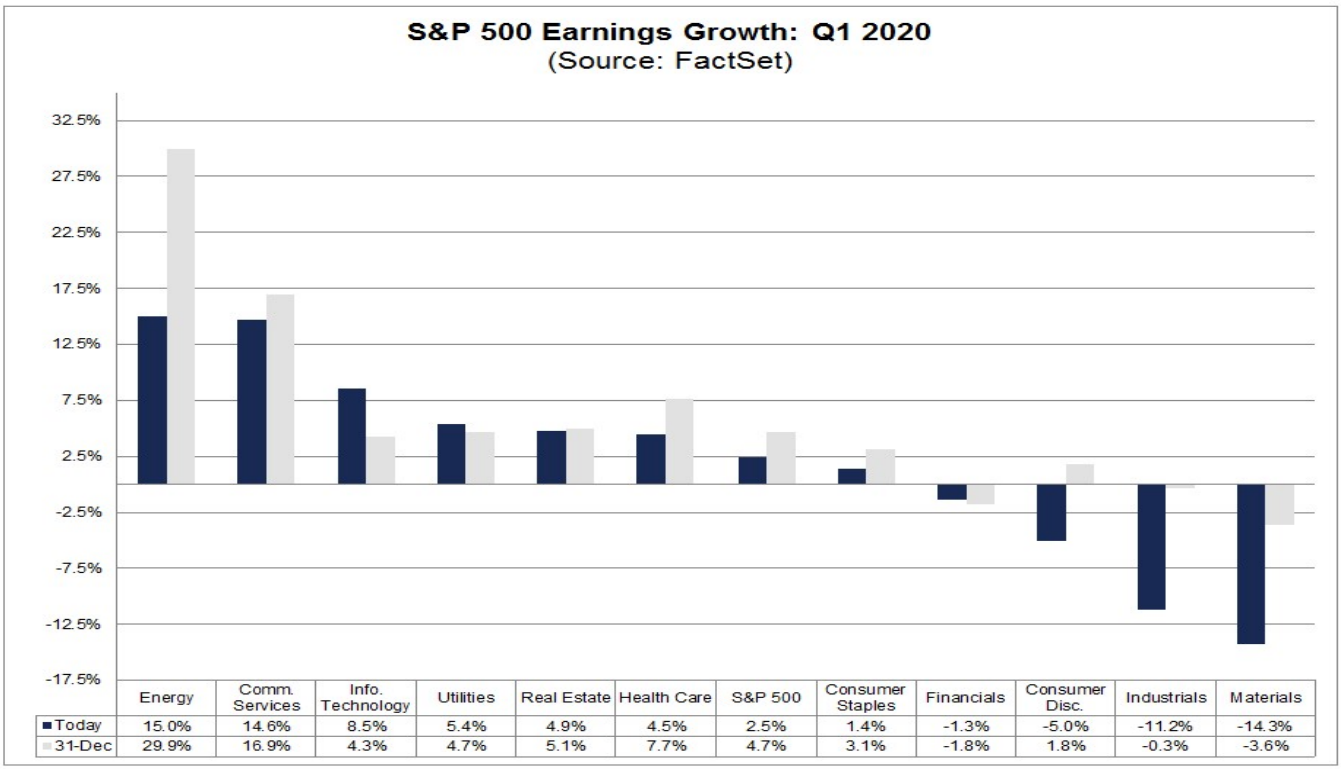
Q1 2020: EPS Revisions



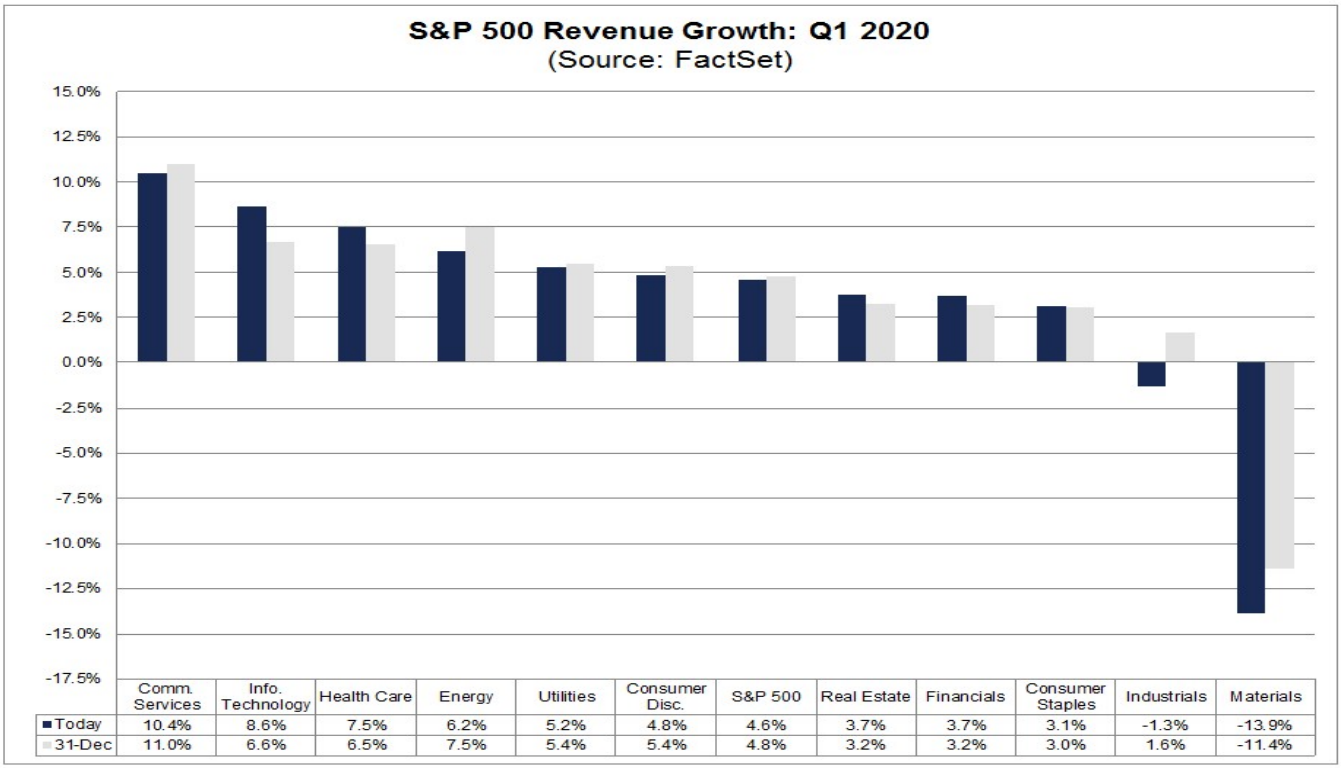


Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Q1 2020: Growth



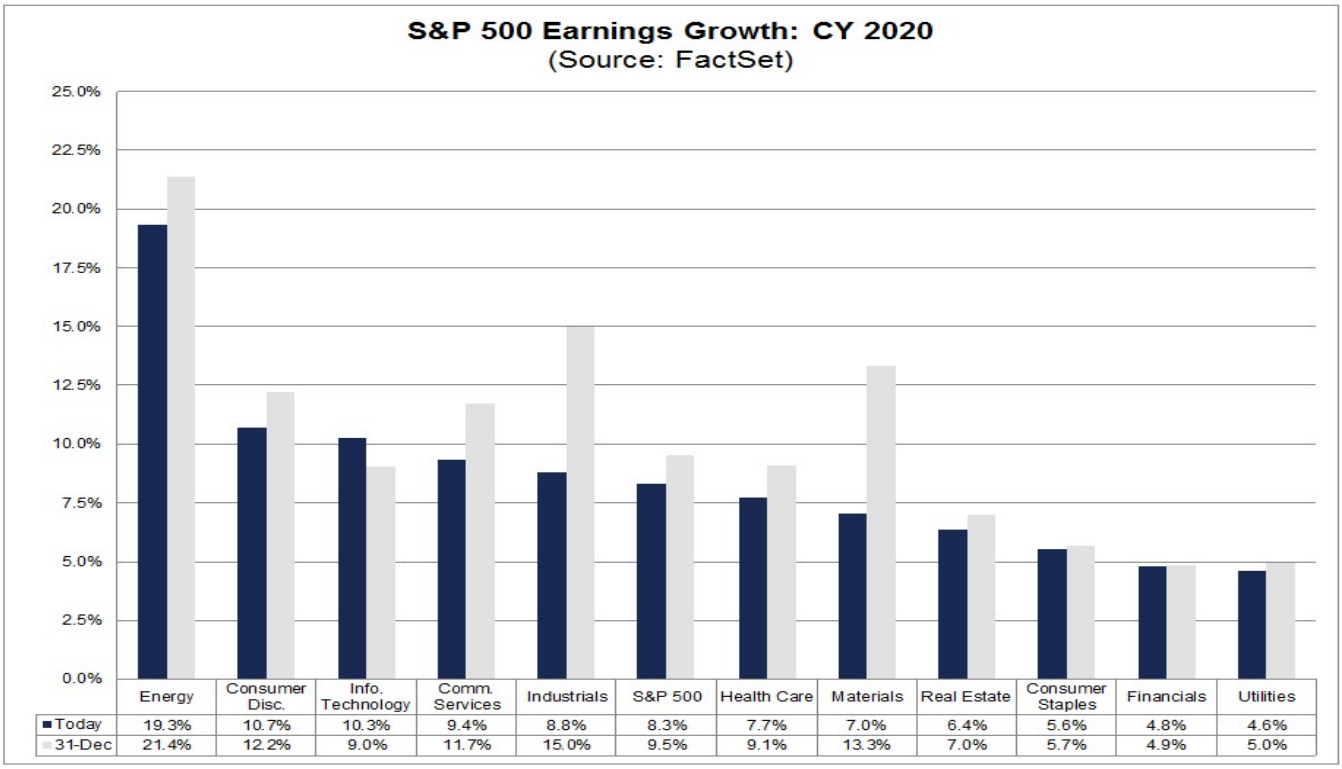
	Energy	Comm. Services	Info. Technology	Utilities	Real Estate	Health Care	S&P 500	Consumer Staples	Financials	Consumer Disc.	Industrials	Materials
Today	15.0%	14.6%	8.5%	5.4%	4.9%	4.5%	2.5%	1.4%	-1.3%	-5.0%	-11.2%	-14.3%
31-Dec	29.9%	16.9%	4.3%	4.7%	5.1%	7.7%	4.7%	3.1%	-1.8%	1.8%	-0.3%	-3.6%



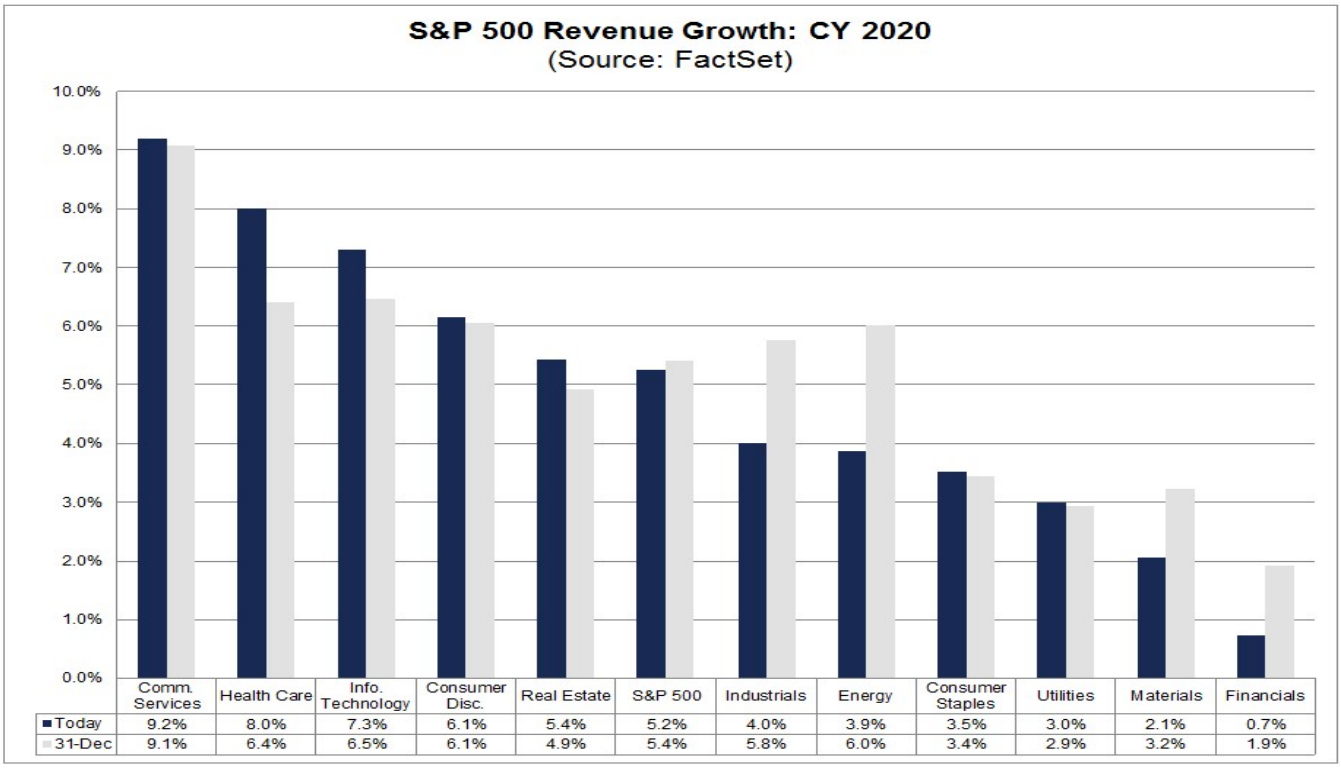
	Comm. Services	Info. Technology	Health Care	Energy	Utilities	Consumer Disc.	S&P 500	Real Estate	Financials	Consumer Staples	Industrials	Materials
Today	10.4%	8.6%	7.5%	6.2%	5.2%	4.8%	4.6%	3.7%	3.7%	3.1%	-1.3%	-13.9%
31-Dec	11.0%	6.6%	6.5%	7.5%	5.4%	5.4%	4.8%	3.2%	3.2%	3.0%	1.6%	-11.4%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

CY 2020: Growth



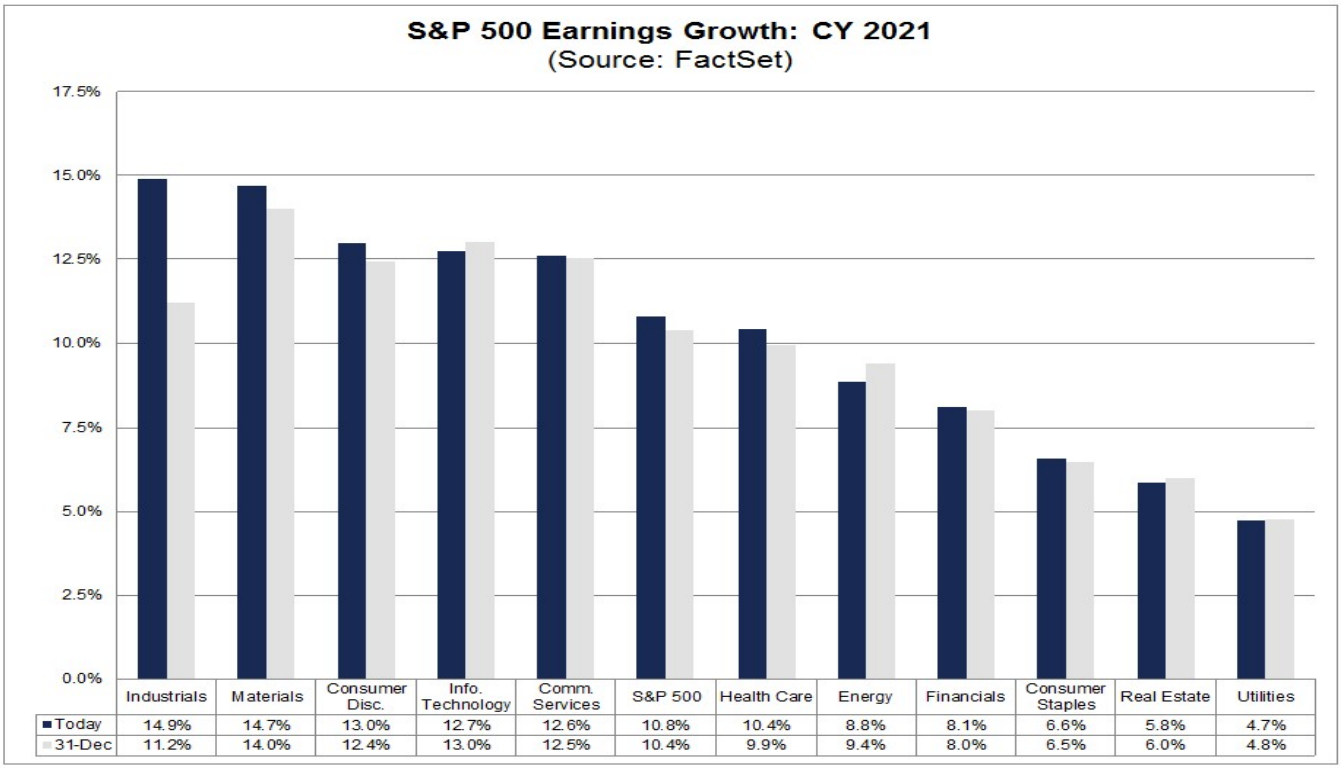
	Energy	Consumer Disc.	Info. Technology	Comm. Services	Industrials	S&P 500	Health Care	Materials	Real Estate	Consumer Staples	Financials	Utilities
Today	19.3%	10.7%	10.3%	9.4%	8.8%	8.3%	7.7%	7.0%	6.4%	5.6%	4.8%	4.6%
31-Dec	21.4%	12.2%	9.0%	11.7%	15.0%	9.5%	9.1%	13.3%	7.0%	5.7%	4.9%	5.0%



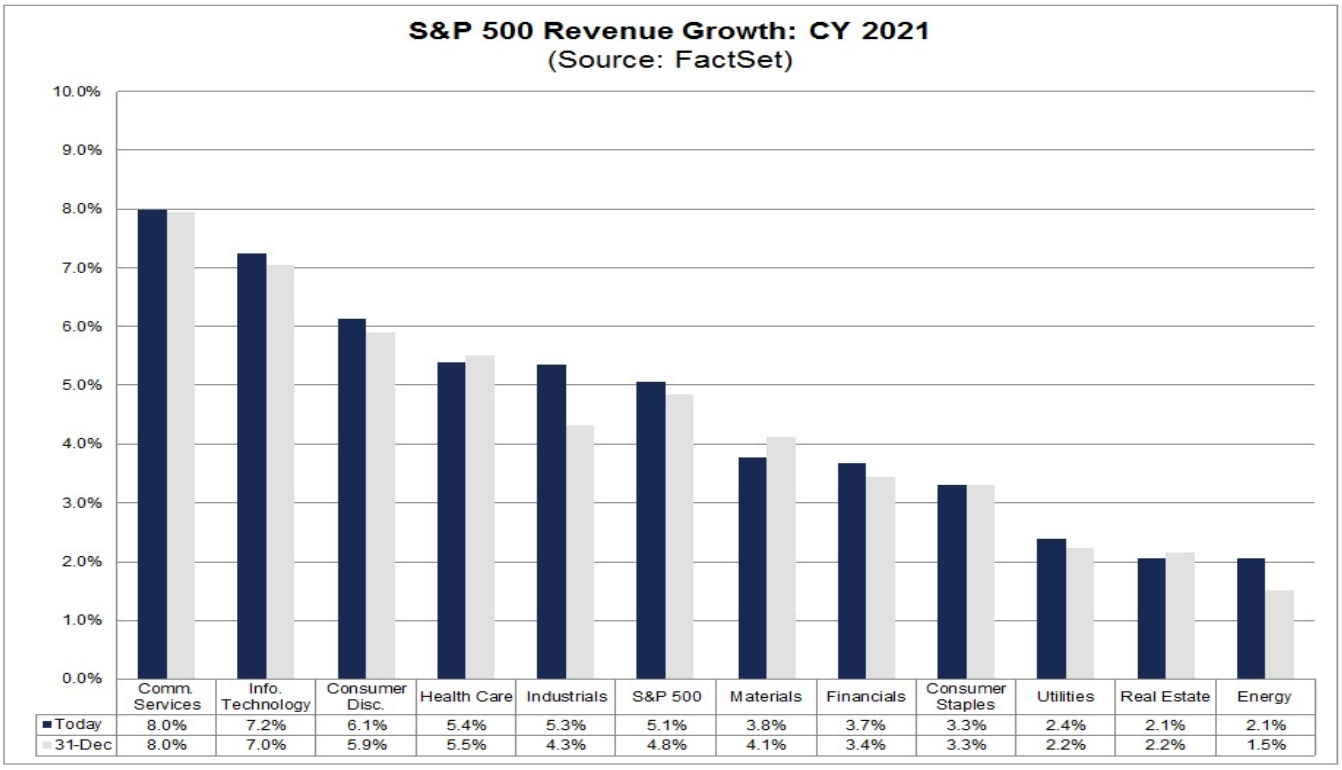
	Comm. Services	Health Care	Info. Technology	Consumer Disc.	Real Estate	S&P 500	Industrials	Energy	Consumer Staples	Utilities	Materials	Financials
Today	9.2%	8.0%	7.3%	6.1%	5.4%	5.2%	4.0%	3.9%	3.5%	3.0%	2.1%	0.7%
31-Dec	9.1%	6.4%	6.5%	6.1%	4.9%	5.4%	5.8%	6.0%	3.4%	2.9%	3.2%	1.9%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

CY 2021: Growth



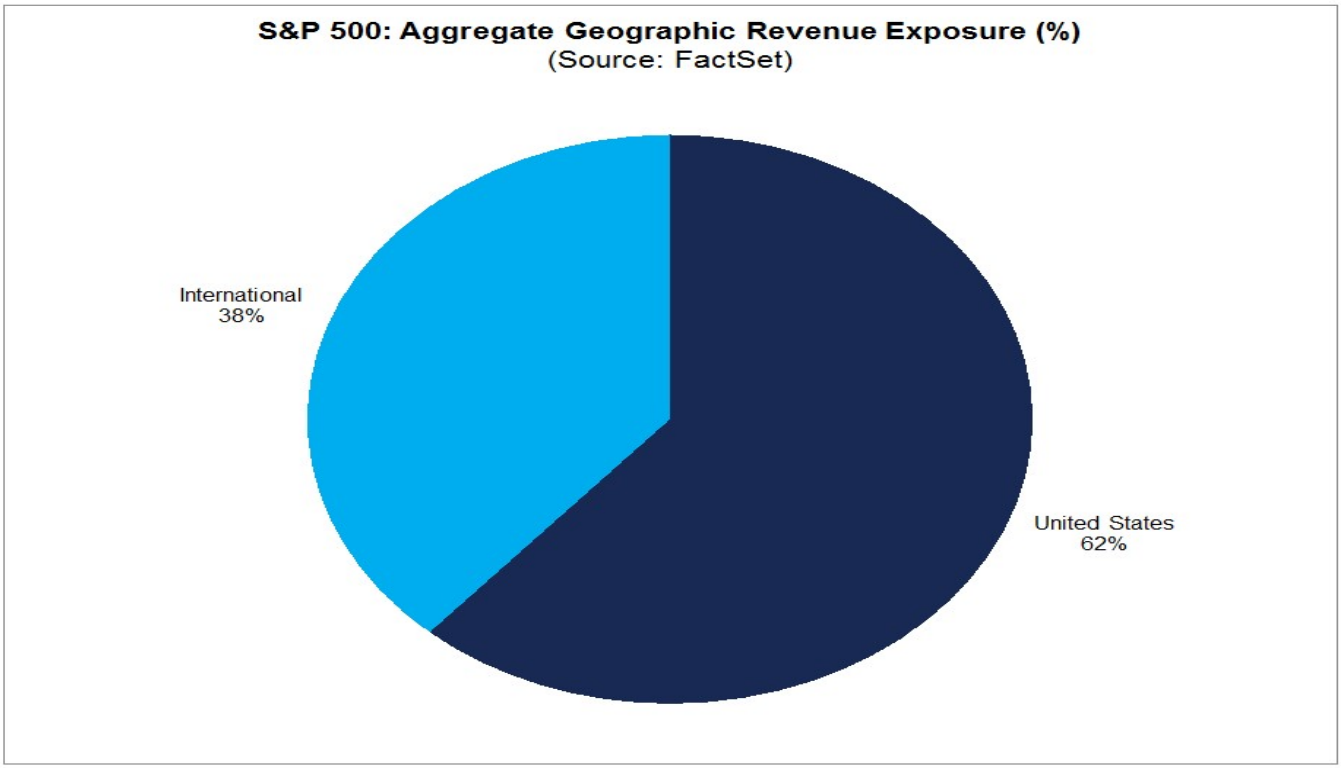
	Industrials	Materials	Consumer Disc.	Info. Technology	Comm. Services	S&P 500	Health Care	Energy	Financials	Consumer Staples	Real Estate	Utilities
Today	14.9%	14.7%	13.0%	12.7%	12.6%	10.8%	10.4%	8.8%	8.1%	6.6%	5.8%	4.7%
31-Dec	11.2%	14.0%	12.4%	13.0%	12.5%	10.4%	9.9%	9.4%	8.0%	6.5%	6.0%	4.8%

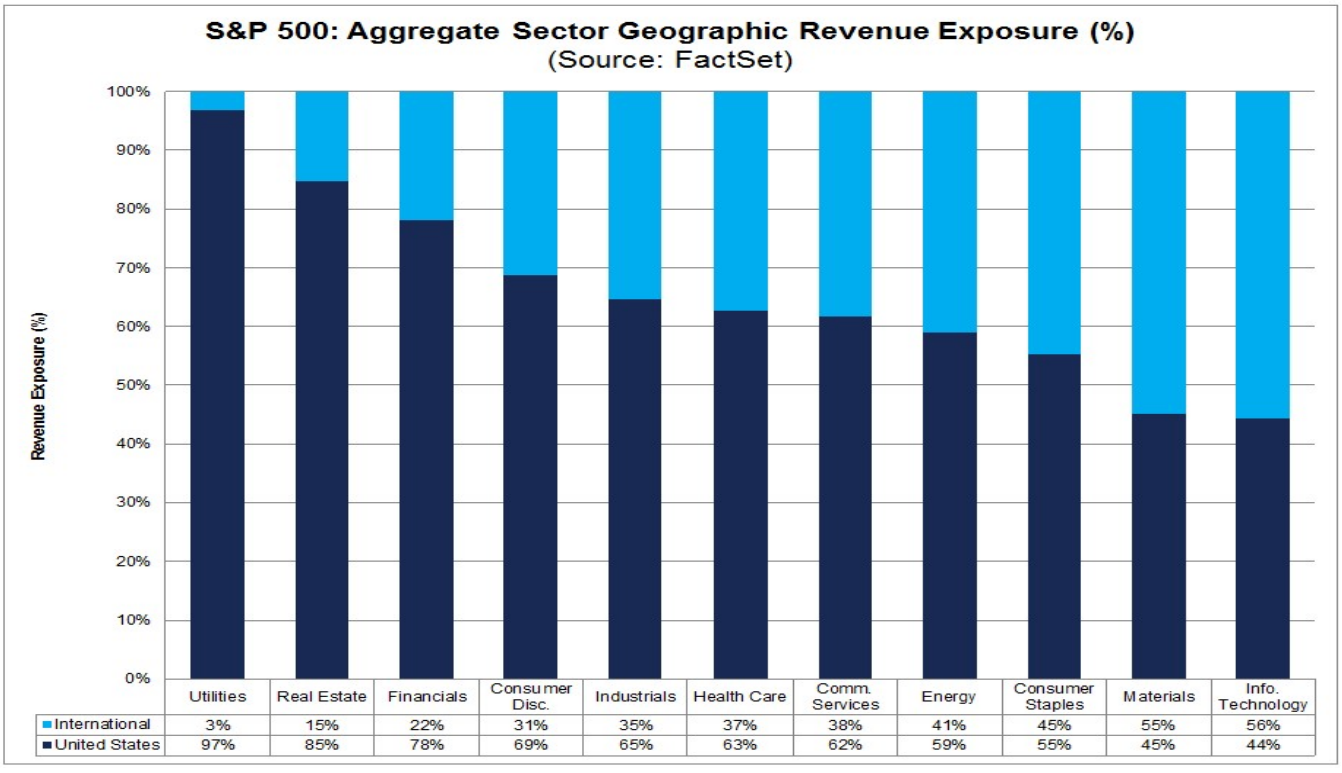


	Comm. Services	Info. Technology	Consumer Disc.	Health Care	Industrials	S&P 500	Materials	Financials	Consumer Staples	Utilities	Real Estate	Energy
Today	8.0%	7.2%	6.1%	5.4%	5.3%	5.1%	3.8%	3.7%	3.3%	2.4%	2.1%	2.1%
31-Dec	8.0%	7.0%	5.9%	5.5%	4.3%	4.8%	4.1%	3.4%	3.3%	2.2%	2.2%	1.5%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Geographic Revenue Exposure

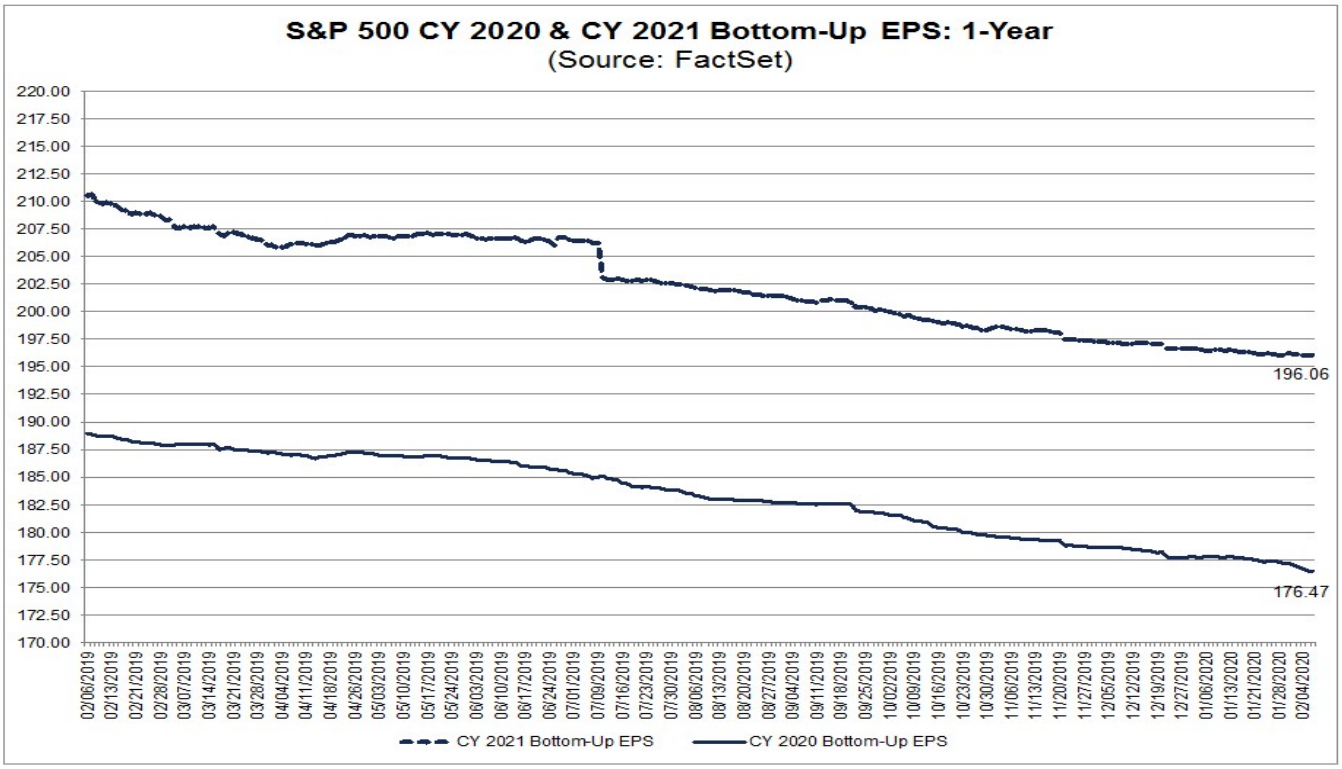


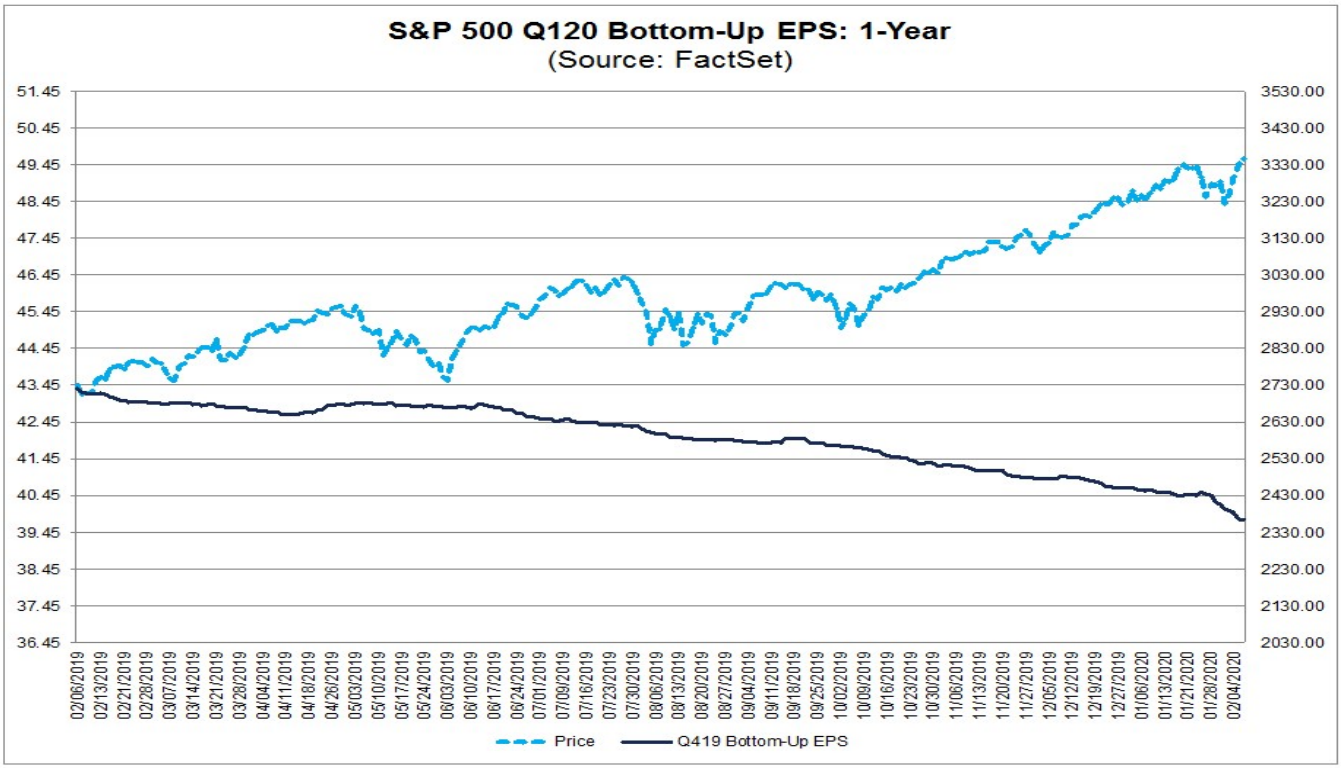


	Utilities	Real Estate	Financials	Consumer Disc.	Industrials	Health Care	Comm. Services	Energy	Consumer Staples	Materials	Info. Technology
International	3%	15%	22%	31%	35%	37%	38%	41%	45%	55%	56%
United States	97%	85%	78%	69%	65%	63%	62%	59%	55%	45%	44%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

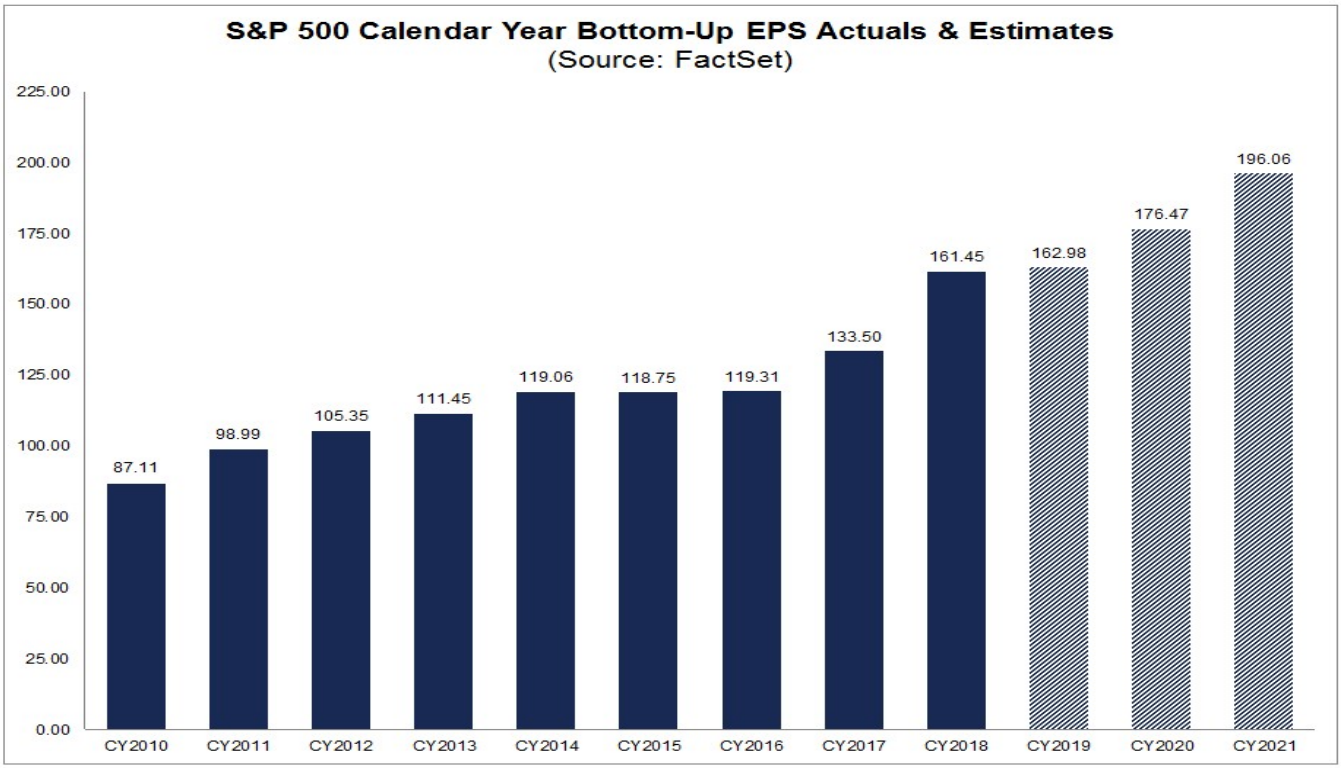
Bottom-up EPS Estimates: Revisions

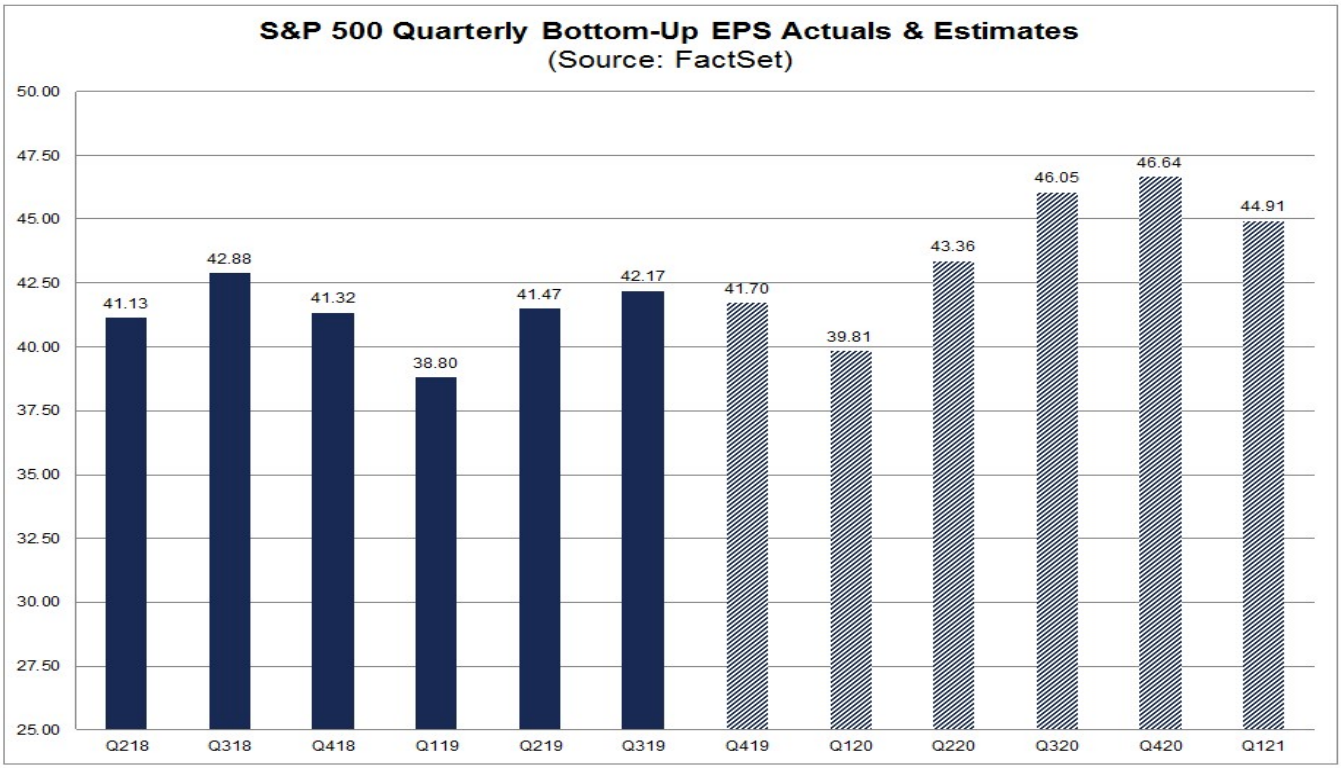




Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

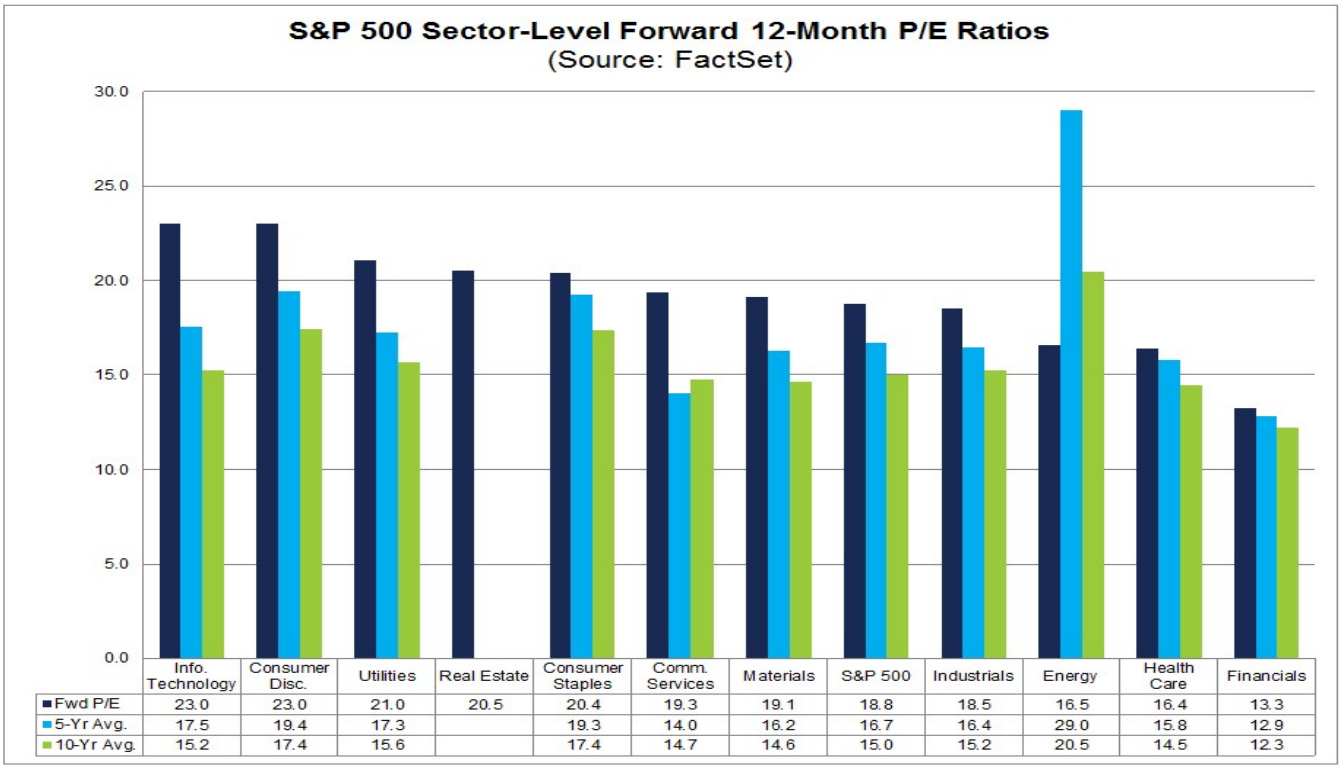
Bottom-up EPS Estimates: Current & Historical



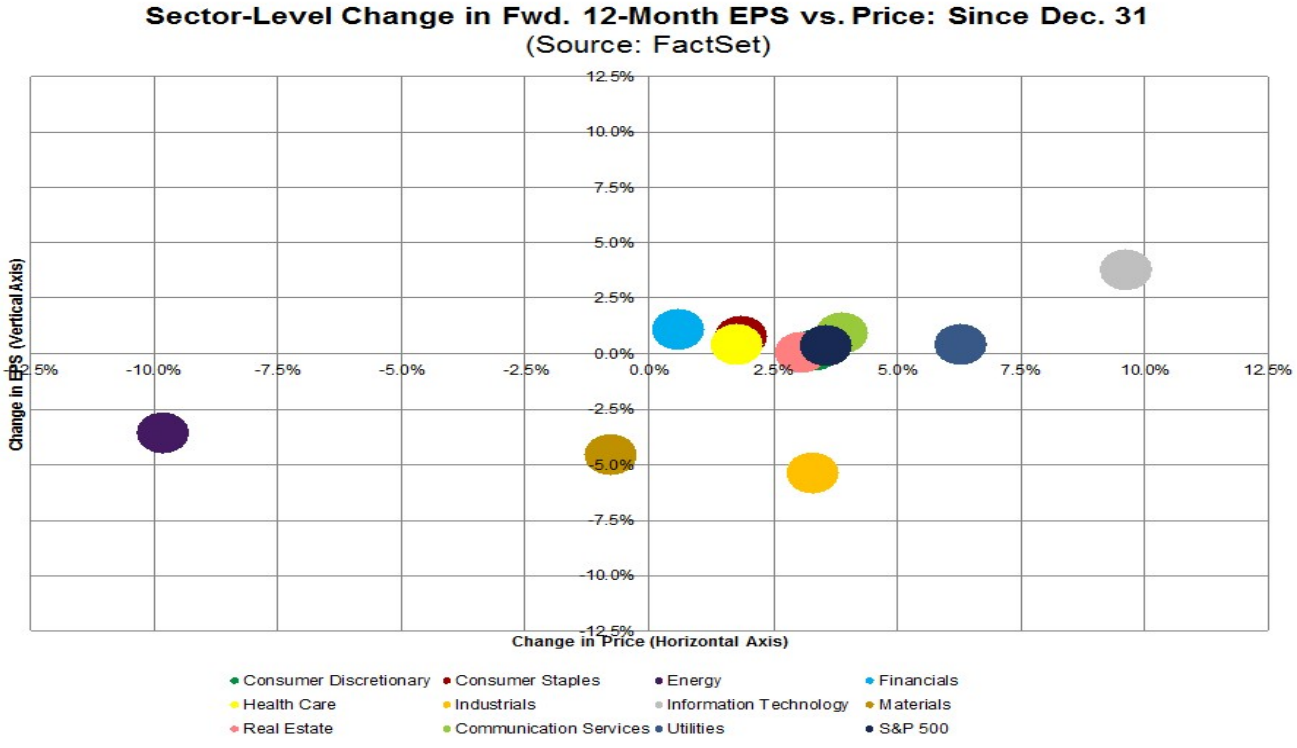


Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Forward 12M P/E Ratio: Sector Level

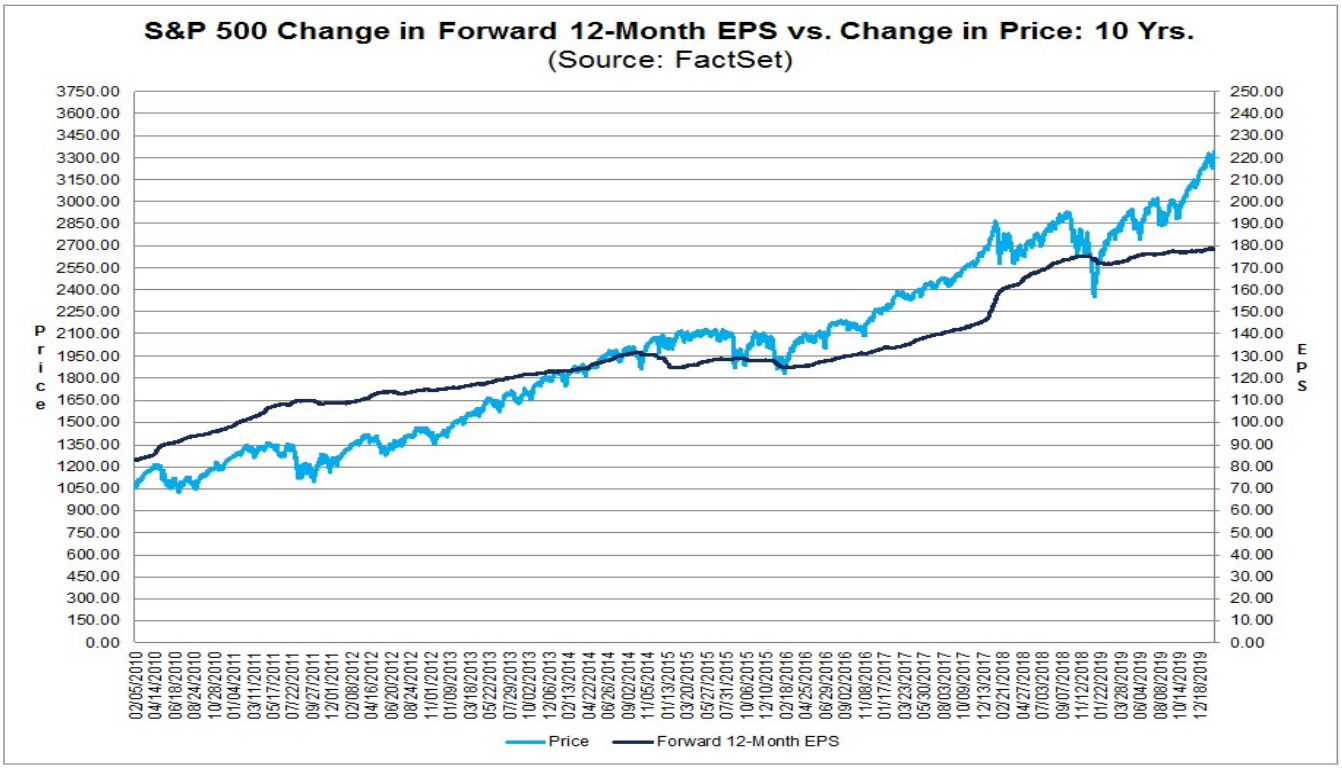


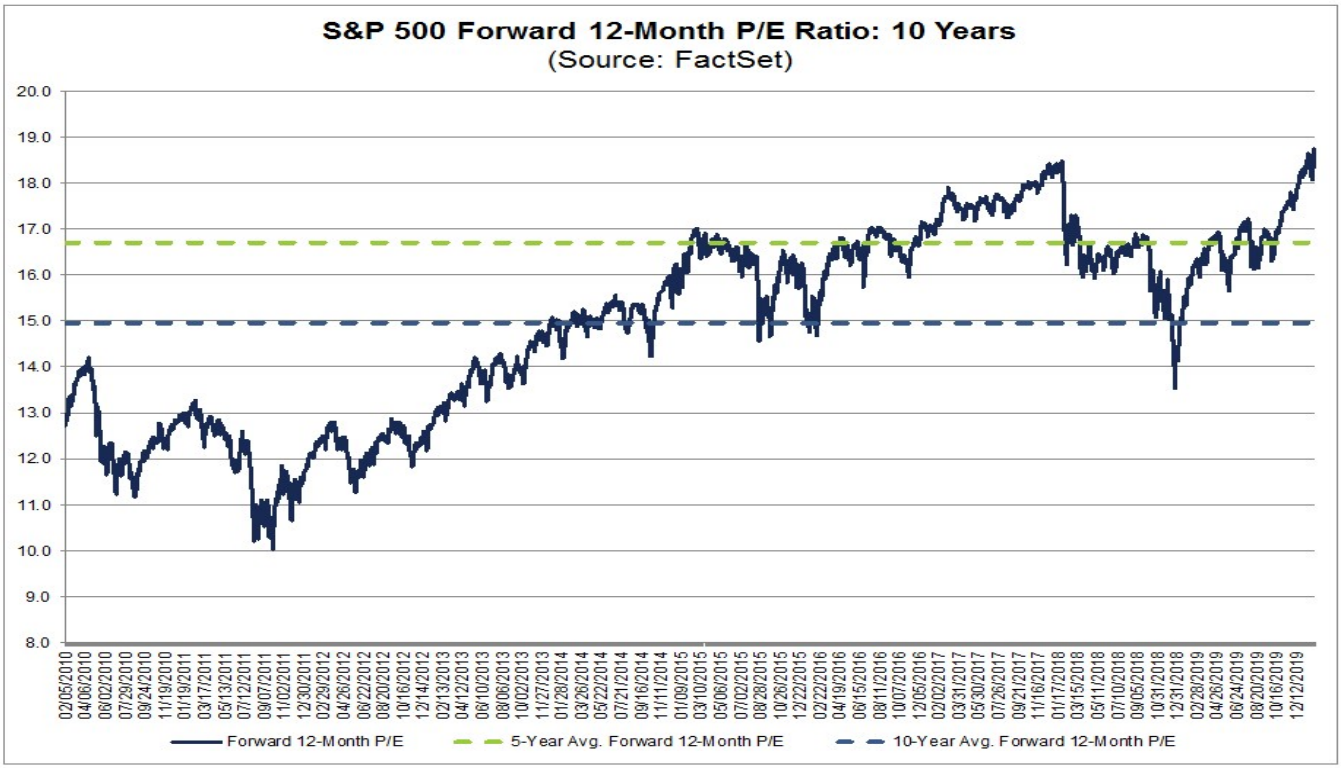
	Info. Technology	Consumer Disc.	Utilities	Real Estate	Consumer Staples	Comm. Services	Materials	S&P 500	Industrials	Energy	Health Care	Financials
Fwd P/E	23.0	23.0	21.0	20.5	20.4	19.3	19.1	18.8	18.5	16.5	16.4	13.3
5-Yr Avg.	17.5	19.4	17.3		19.3	14.0	16.2	16.7	16.4	29.0	15.8	12.9
10-Yr Avg.	15.2	17.4	15.6		17.4	14.7	14.6	15.0	15.2	20.5	14.5	12.3



Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

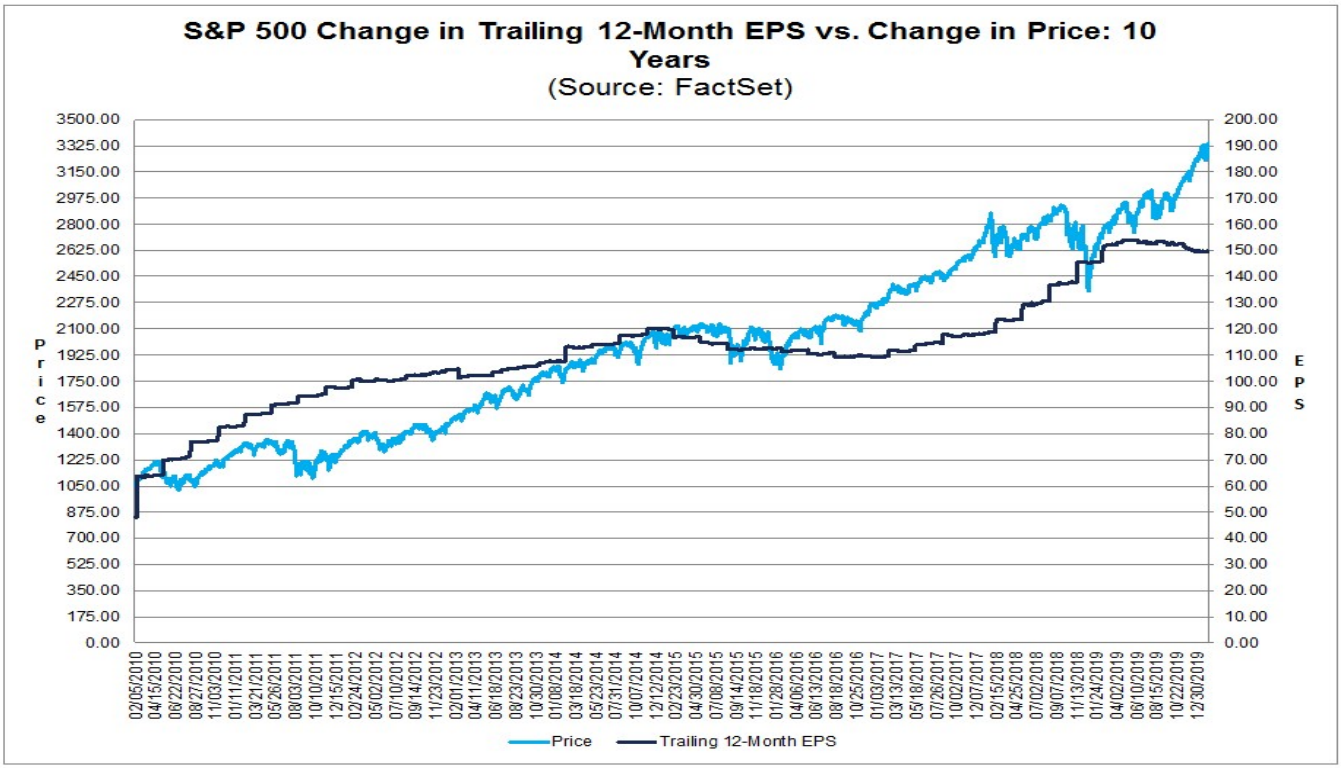
Forward 12M P/E Ratio: 10-Years

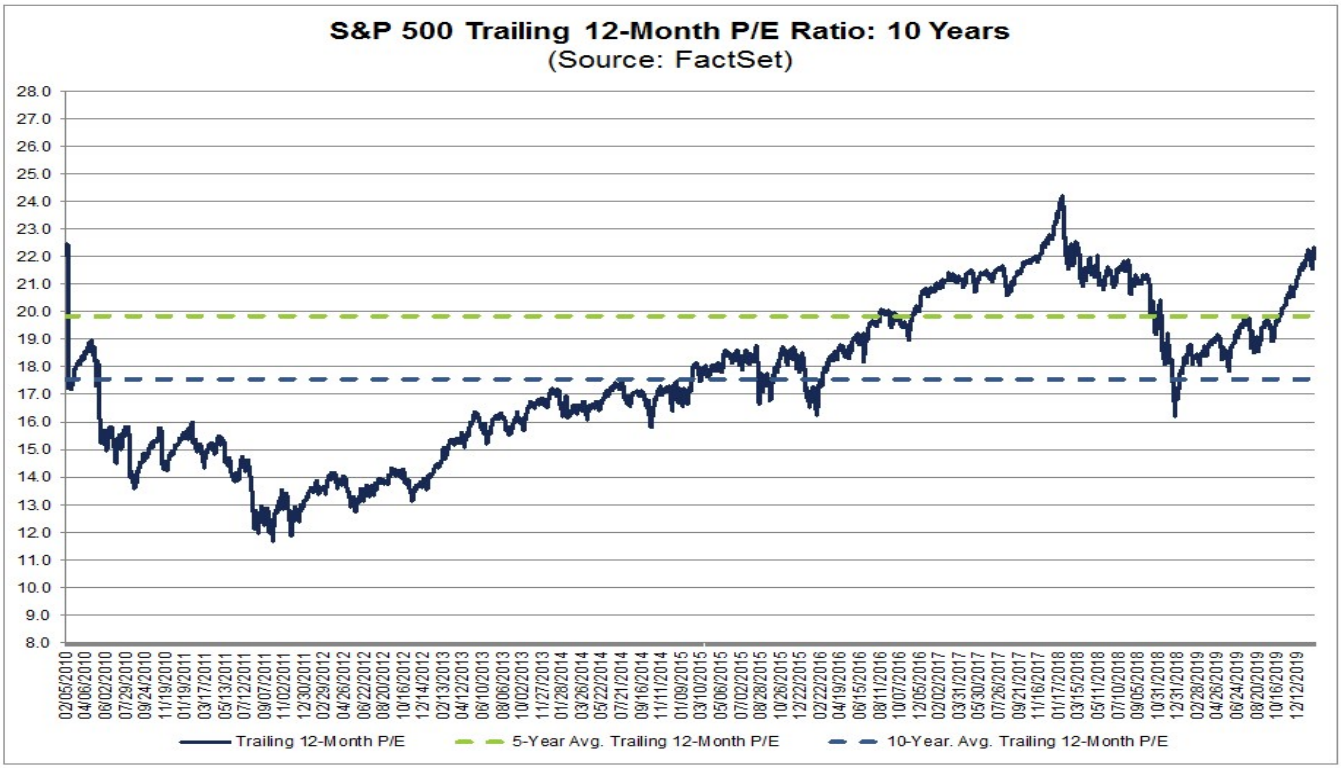




Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

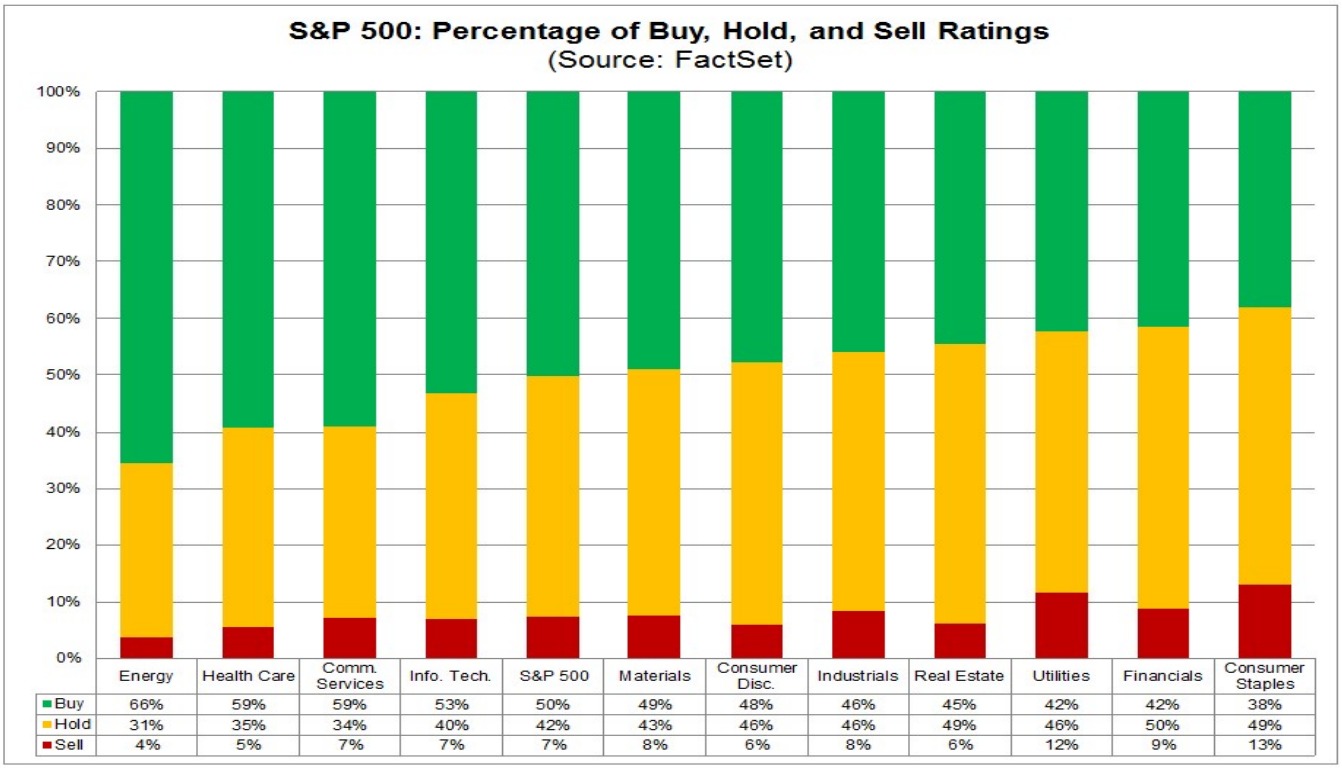
Trailing 12M P/E Ratio: 10-Years



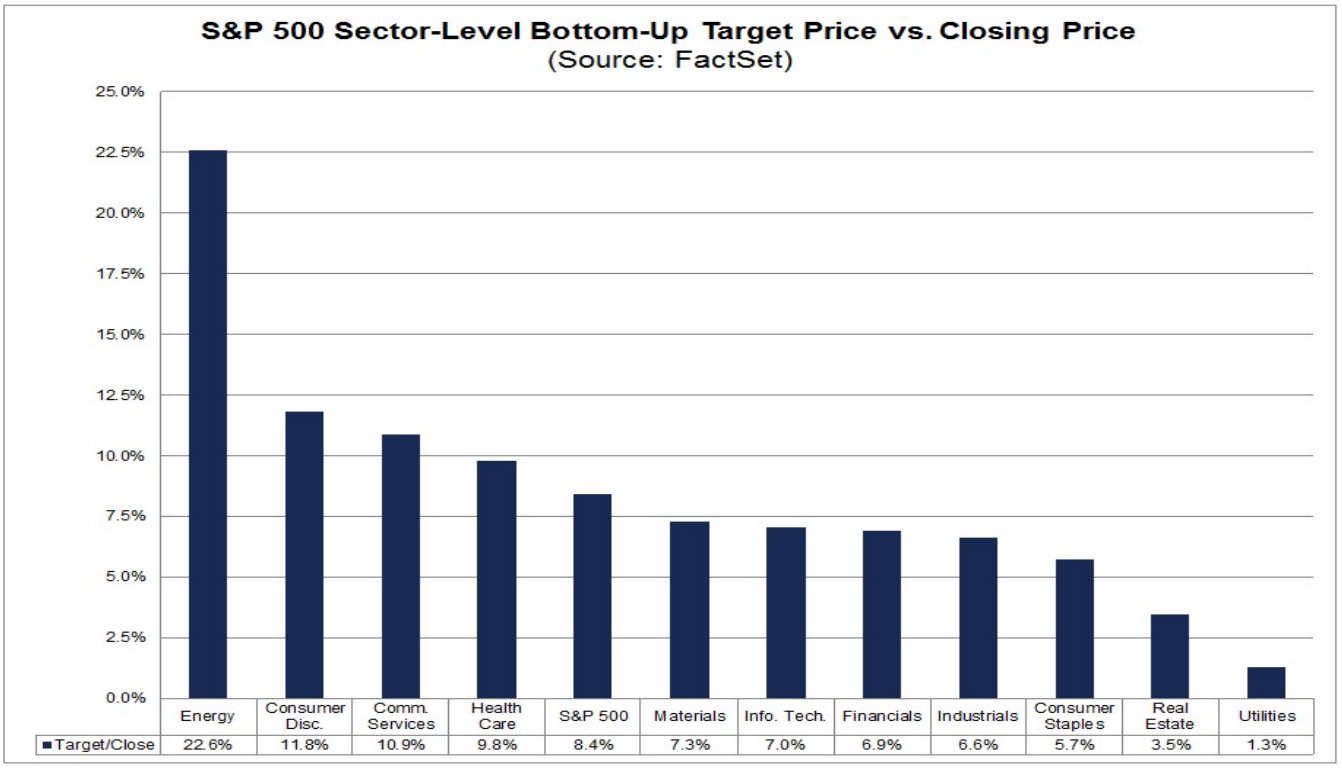


Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Targets & Ratings



	Energy	Health Care	Comm. Services	Info. Tech.	S&P 500	Materials	Consumer Disc.	Industrials	Real Estate	Utilities	Financials	Consumer Staples
Buy	66%	59%	59%	53%	50%	49%	48%	46%	45%	42%	42%	38%
Hold	31%	35%	34%	40%	42%	43%	46%	46%	49%	46%	50%	49%
Sell	4%	5%	7%	7%	7%	8%	6%	8%	6%	12%	9%	13%



	Energy	Consumer Disc.	Comm. Services	Health Care	S&P 500	Materials	Info. Tech.	Financials	Industrials	Consumer Staples	Real Estate	Utilities
Target/Close	22.6%	11.8%	10.9%	9.8%	8.4%	7.3%	7.0%	6.9%	6.6%	5.7%	3.5%	1.3%

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.

Important Notice

The information contained in this report is provided “as is” and all representations, warranties, terms and conditions, oral or written, express or implied (by common law, statute or otherwise), in relation to the information are hereby excluded and disclaimed to the fullest extent permitted by law. In particular, FactSet, its affiliates and its suppliers disclaim implied warranties of merchantability and fitness for a particular purpose and make no warranty of accuracy, completeness or reliability of the information. This report is for informational purposes and does not constitute a solicitation or an offer to buy or sell any securities mentioned within it. The information in this report is not investment advice. FactSet, its affiliates and its suppliers assume no liability for any consequence relating directly or indirectly to any action or inaction taken based on the information contained in this report.

FactSet aggregates and redistributes estimates data and does not conduct any independent research. Nothing in our service constitutes investment advice or FactSet recommendations of any kind. Estimates data is provided for information purposes only.

FactSet has no relationship with creators of estimates that may reasonably be expected to impair its objective presentation of such estimate or recommendation. FactSet redistributes estimates as promptly as reasonably practicable from research providers.

About FactSet

FactSet (NYSE:FDS | NASDAQ:FDS) delivers superior content, analytics, and flexible technology to help more than 126,000 users see and seize opportunity sooner. We give investment professionals the edge to outperform with informed insights, workflow solutions across the portfolio lifecycle, and industry-leading support from dedicated specialists. We're proud to have been recognized with multiple awards for our analytical and data-driven solutions and repeatedly ranked as one of Fortune's 100 Best Companies to Work For® and a Best Workplace in the United Kingdom and France. Subscribe to our thought leadership blog to get fresh insight delivered daily at insight.factset.com. Learn more at www.factset.com and follow on Twitter: www.twitter.com/factset.

Copyright © 2020 FactSet Research Systems Inc. All rights reserved.