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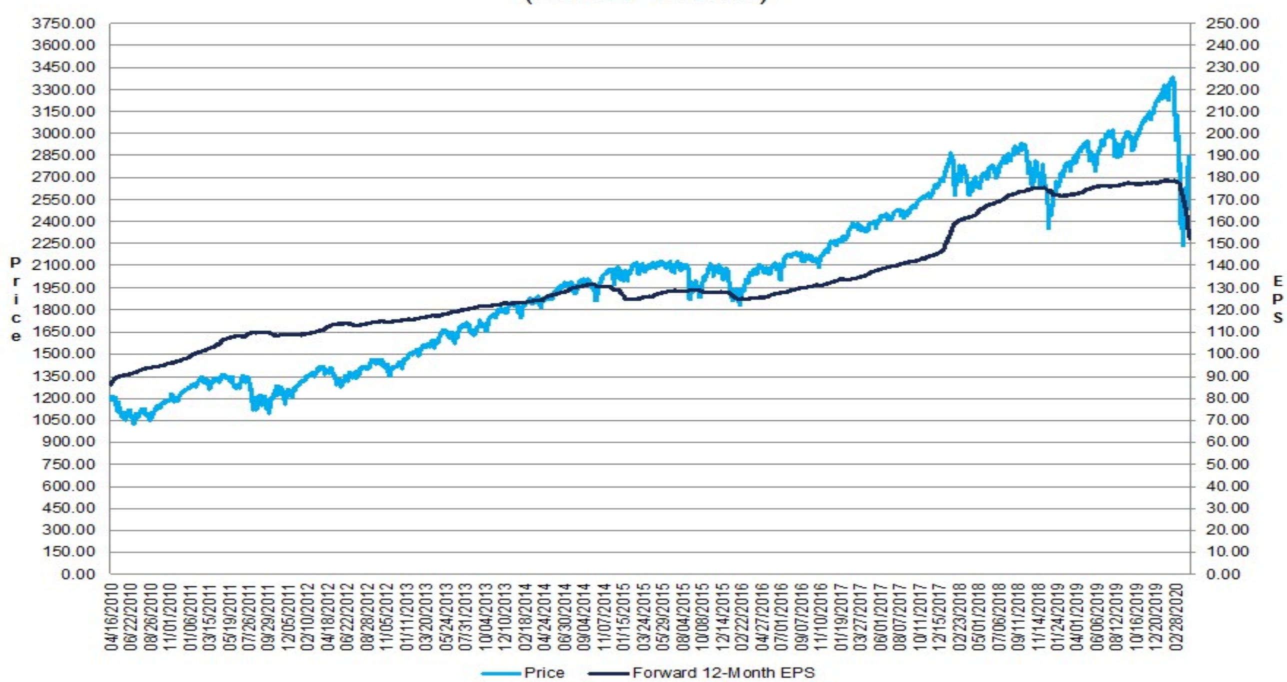
Key Metrics

- **Earnings Scorecard:** For Q1 2020 (with 9% of the companies in the S&P 500 reporting actual results), 66% of S&P 500 companies have reported a positive EPS surprise and 70% of S&P 500 companies have reported a positive revenue surprise.
- **Earnings Growth:** For Q1 2020, the blended earnings decline for the S&P 500 is -14.5%. If -14.5% is the actual decline for the quarter, it will mark the largest year-over-year decline in earnings reported by the index since Q3 2009 (-15.7%).
- **Earnings Revisions:** On March 31, the estimated earnings decline for Q1 2020 was -6.8%. Nine sectors have lower growth rates today (compared to March 31) due to downward revisions to EPS estimates and negative EPS surprises.
- **Earnings Guidance:** For Q2 2020, no S&P 500 companies have issued negative EPS guidance and 3 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 18.5. This P/E ratio is above the 5-year average (16.7) and above the 10-year average (15.0).

S&P 500 Change in Forward 12-Month EPS vs. Change in Price: 10 Yrs.
(Source: FactSet)



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Topic of the Week:

S&P 500 Reporting Lowest Net Profit Margin in 4 Years

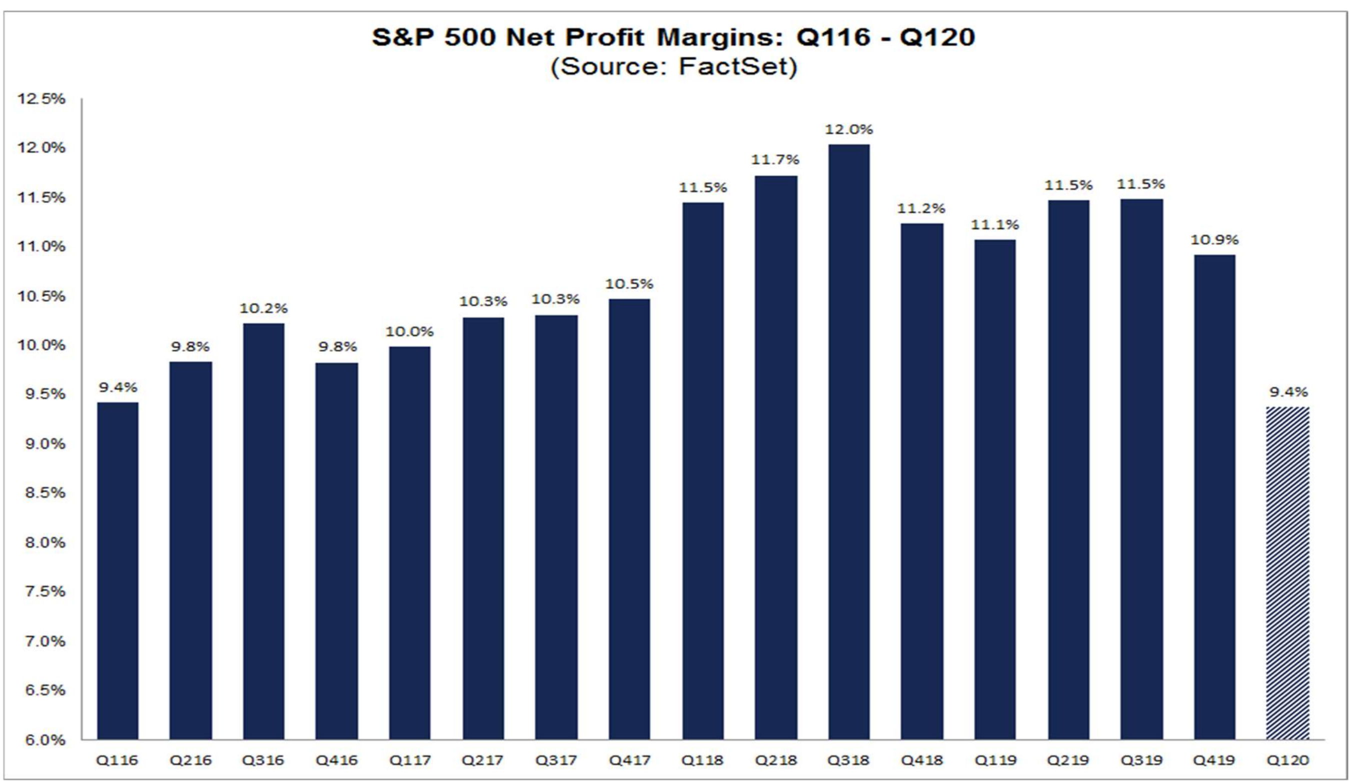
For the first quarter, the S&P 500 is reporting a year-over-year decline in earnings of -14.5%, but year-over-year growth in revenues of 0.6%. Given the dichotomy in growth between earnings and revenues, what is the S&P 500 reporting for a net profit margin in the first quarter?

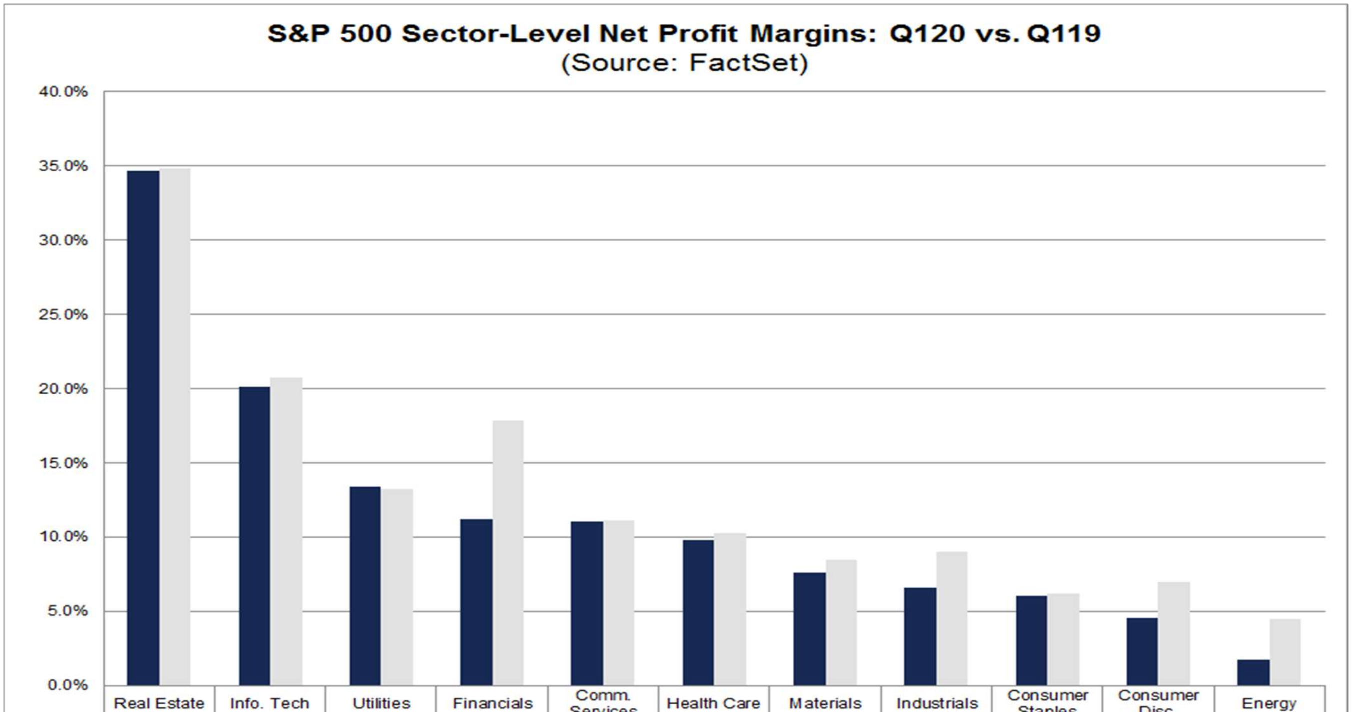
The blended net profit margin for the S&P 500 for Q1 2020 is 9.4%, which is below the 5-year average of 10.6%. If 9.4% is the actual net profit margin for the quarter, it will mark the lowest net profit margin reported by the index since Q1 2016 (also 9.4%). It will also first time the index has reported five straight quarters of year-over-year declines in net profit margin since Q3 2008 through Q3 2009.

At the sector level, ten of the eleven sectors are reporting (or are projected to report) a year-over-year decline in their net profit margins in Q1 2020, led by the Financials (11.2% vs. 17.9%), Energy (1.8% vs. 4.5%), Consumer Discretionary (4.5% vs. 7.0%), and Industrials (6.6% vs. 9.0%) sectors. Eight sectors are reporting (or are projected to report) net profit margins that are below their 5-year averages, led by the same four sectors: Financials (11.2% vs. 15.6%), Energy (1.8% vs. 4.4%), Consumer Discretionary (4.5% vs. 7.0%), and Industrials (6.6% vs. 9.0%).

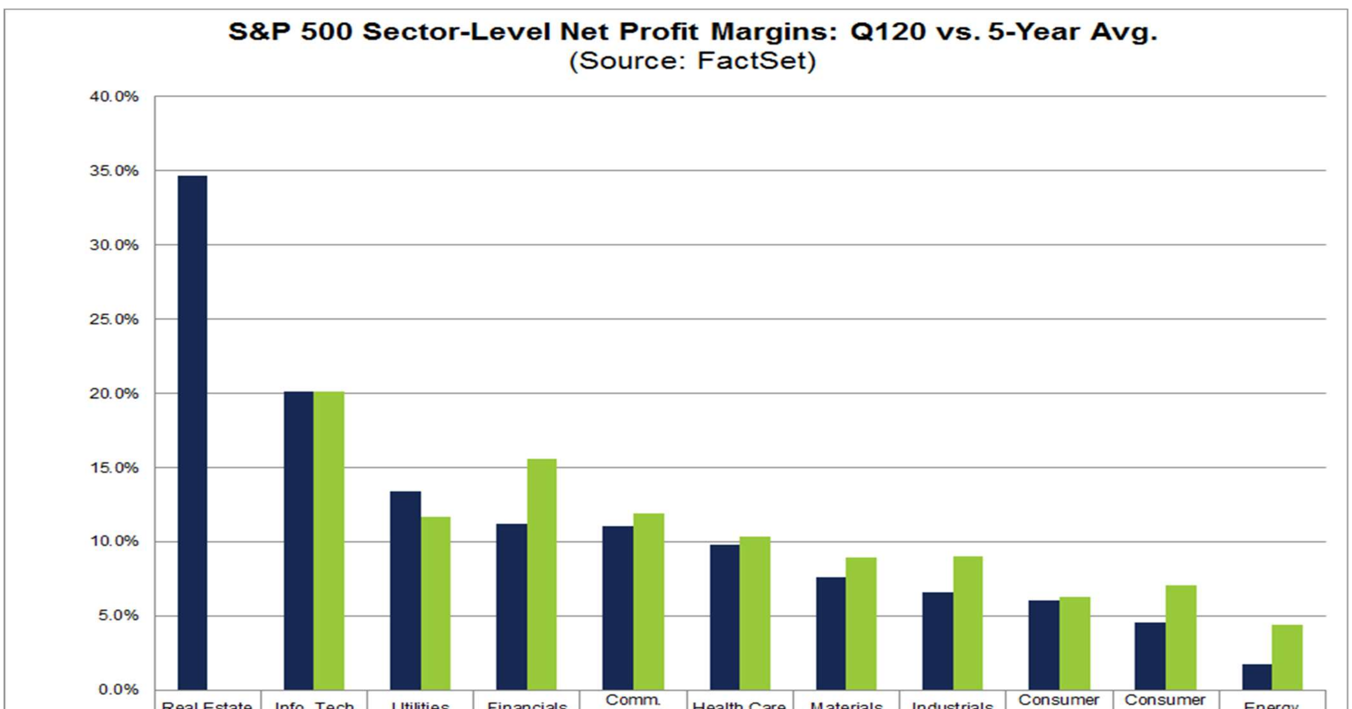
Analysts do believe net profit margins will improve on a sequential basis after the second quarter. Based on current estimates, the estimated net profit margins for Q2 2020, Q3 2020, Q4 2020, and Q1 2021 are 8.9%, 10.1%, 10.3%, and 10.7%. However, analysts are not projecting year-over-year improvement in net profit margins until Q1 2021.

To maintain consistency, the earnings and revenue numbers used to calculate the earnings and revenue growth rates published in this report were also used to calculate the index-level and sector-level net profit margins for this analysis. In addition, all year-over-year comparisons for Q1 2020 to Q1 2019 (and all other year-over-year comparisons for historical quarters) reflect an apples-to-apples comparison of data at the company level.





	Real Estate	Info. Tech	Utilities	Financials	Comm. Services	Health Care	Materials	Industrials	Consumer Staples	Consumer Disc.	Energy
Q120	34.6%	20.1%	13.4%	11.2%	11.0%	9.8%	7.6%	6.6%	6.0%	4.5%	1.8%
Q119	34.8%	20.8%	13.3%	17.9%	11.2%	10.3%	8.5%	9.0%	6.2%	7.0%	4.5%



	Real Estate	Info. Tech	Utilities	Financials	Comm. Services	Health Care	Materials	Industrials	Consumer Staples	Consumer Disc.	Energy
Q120	34.6%	20.1%	13.4%	11.2%	11.0%	9.8%	7.6%	6.6%	6.0%	4.5%	1.8%
5-Year Avg.		20.1%	11.7%	15.6%	11.9%	10.4%	8.9%	9.0%	6.3%	7.0%	4.4%

Q1 Earnings Season: By The Numbers

Overview

To date, 9% of the companies in the S&P 500 have reported actual results for Q1 2020. In terms of earnings, the percentage of companies reporting actual EPS above estimates (66%) is below the 5-year average. In aggregate, companies are reporting earnings that are 8.3% below the estimates, which is also below the 5-year average. In terms of sales, the percentage of companies (70%) reporting actual sales above estimates is above the 5-year average. In aggregate, companies are reporting sales that are 1.2% above estimates, which is also above 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 decline for the first quarter is -14.5%, which is larger than the earnings decline of -12.0% last week. Negative earnings surprises reported by companies in the Financials sectors were mainly responsible for the increase in the overall earnings decline during the week. If -14.5% is the actual decline for the quarter, it will mark the largest year-over-year decline in earnings for the index since Q3 2009 (-15.7%). It will also mark the fourth time in the past five quarters in which the index has reported a year-over-year decline in earnings. Five sectors are reporting (or are predicted to report) year-over-year growth in earnings, led by the Communication Services sectors. Six sectors are reporting (or are predicted to report) a year-over-year decline in earnings, led by the Energy, Financials, Consumer Discretionary, Industrials, and Materials sectors.

The blended revenue growth rate for the first quarter is 0.6%, which is below the revenue growth rate of 0.9% last week. Downward revisions to revenue estimates for companies in multiple sectors (led by the Consumer Discretionary sector) were mainly responsible for the decrease in the overall revenue growth rate during the week. If 0.6% is the actual growth rate for the quarter, it will mark the lowest year-over-year growth in revenue for the index since Q2 2016 (-0.2%). Seven sectors are reporting (or are projected to report) year-over-year growth in revenues, led by the Communication Services and Health Care sectors. Four sectors are reporting (or are predicted to report) a year-over-year decline in revenues, led by the Materials and Energy sectors.

Looking at future quarters, analysts predict a (year-over-year) decline in earnings in the second quarter (-26.6%), third quarter (-13.3%), and fourth quarter (-4.8%) of 2020.

The forward 12-month P/E ratio is 18.5, which is above the 5-year average and above the 10-year average.

During the upcoming week, 96 S&P 500 companies (including six Dow 30 components) are scheduled to report results for the first quarter.

Scorecard: More Companies Missing EPS Estimates But Beating Sales Estimates Than Average

Percentage of Companies Beating EPS Estimates (66%) is Below 5-Year Average

Overall, 9% of the companies in the S&P 500 have reported earnings to date for the first quarter. Of these companies, 66% have reported actual EPS above the mean EPS estimate, 5% have reported actual EPS equal to the mean EPS estimate, and 30% 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 (73%) average.

At the sector level, the Heath Care (100%) and Information Technology (100%) sectors have the highest percentages of companies reporting earnings above estimates, while the Financials (33%) sector has the lowest percentage of companies reporting earnings above estimates.

Earnings Surprise Percentage (-8.3%) is Below 5-Year Average

In aggregate, companies are reporting earnings that are 8.3% below expectations. This surprise percentage is below the 1-year (+4.8%) average and below the 5-year (+4.9%) average.

The Health Care sector (+9.4%) sector is reporting the largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Johnson & Johnson ($2.30 vs. $2.02) and Abbott Laboratories ($0.65 vs. $0.59) have reported the largest positive EPS surprises.

The Financials sector (-24.6%) sector is reporting the largest negative (aggregate) difference between actual earnings and estimated earnings. Within this sector, Wells Fargo ($0.01 vs. $0.37) and JPMorgan Chase ($0.78 vs. $1.87) have reported the largest negative EPS surprises.

Market Punishing Earnings Misses More Than Average

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

Companies that have reported positive earnings surprises for Q1 2020 have seen an average price increase of +1.1% two days before the earnings release through two days after the earnings. This percentage increase is above the 5-year average price increase of +0.9% during this same window for companies reporting positive earnings surprises.

Companies that have reported negative earnings surprises for Q1 2020 have seen an average price decrease of -5.8% two days before the earnings release through two days after the earnings. This percentage decrease is larger than the 5-year average price decrease of -2.8% during this same window for companies reporting negative earnings surprises.

Percentage of Companies Beating Revenue Estimates (70%) is Above 5-Year Average

In terms of revenues, 70% of companies have reported actual sales above estimated sales and 30% 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 (100%) and Information Technology (100%) sectors have the highest percentages of companies reporting revenues above estimates, while the Consumer Staples (38%) and Financials (60%) sectors have the lowest percentages of companies reporting revenues above estimates.

Revenue Surprise Percentage (+1.2%) is Above 5-Year Average

In aggregate, companies are reporting revenues that are 1.2% above expectations. This surprise percentage is above the 1-year (+0.4%) average and above the 5-year (+0.6%) average.

At the sector level, the Consumer Discretionary (+3.8%) and Industrials (+2.5%) sectors are reporting the largest positive (aggregate) differences between actual revenues and estimated revenues, while the Financials (+0.1%) sector is reporting the smallest positive (aggregate) difference between actual revenues and estimated revenues.

Revisions: Increase in Blended Earnings Decline this Week Due to Financials

Increase in Blended Earnings Decline This Week Due to Financials

The blended (year-over-year) earnings decline for the first quarter is -14.5%, which is larger than the earnings decline of -12.0% last week. Negative earnings surprises reported by companies in the Financials sector were mainly responsible for the increase in the overall earnings decline during the week.

In the Financials sector, the negative EPS surprises reported by JPMorgan Chase ($0.78 and $1.87), Wells Fargo ($0.01 vs. $0.37), and Bank of America ($0.40 vs. $0.48) were substantial contributors to the increase in the earnings decline for the index during the week. As a result, the blended earnings decline for the Financials sector increased to -36.1% from -26.7%.over this period.

Decrease in Blended Revenue Growth This Week

The blended (year-over-year) revenue growth rate for the first quarter is 0.6%, which is smaller than the revenue growth rate of 0.9% last week. Downward revisions to revenue estimates for companies in multiple sectors (led by the Consumer Discretionary sector) were mainly responsible for the decrease in the overall revenue growth rate during the week.

Financials and Energy Sectors Have Seen Largest Decreases in Earnings since March 31

The blended (year-over-year) earnings decline for Q1 2020 of -14.5% is larger than the estimate of -6.8% at the end of the first quarter (March 31). One sector (Consumer Staples) has recorded an improvement in earnings growth (to 0.7% from -1.6%) since the end of the quarter due to upward revisions to earnings estimates and positive earnings surprises. One sector (Health Care) has recorded no change in earnings growth (2.2%) since the end of the quarter. Nine 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 Financials (to -36.1% from -8.9%) and Energy (to -65.4% from -40.3%) sectors.

Energy Sector Has Seen Largest Decrease in Revenues since March 31

The blended (year-over-year) revenue growth rate for Q1 2020 of 0.6% is smaller than the estimate of 1.6% at the end of the first quarter (March 31). One sector (Consumer Staples) has recorded an improvement in revenue growth (to 3.8% from 3.1%) since the end of the quarter due to upward revisions to revenue estimates and positive revenue surprises. Ten 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 Energy (to -11.5% from -8.4%) sector.

Earnings Decline: -14.5%

The blended (year-over-year) earnings decline for Q1 2020 is -14.5%, which is below the 5-year average earnings growth rate of 6.3%. If -14.5% is the actual decline for the quarter, it will mark the largest year-over-year decline in earnings for the index since Q3 2009 (-15.7%). It will also mark the fourth time in the past five quarters in which the index has reported a year-over-year decline in earnings.

S&P 500 companies with more international revenue exposure are reporting a smaller decline in earnings relative to S&P 500 companies with less international revenue exposure. For S&P 500 companies that generate more than 50% of revenue outside the U.S., the blended earnings decline is -8.6%. For S&P 500 companies that generate more than 50% of revenue inside the U.S., the blended earnings decline is -17.3%.

Five sectors are reporting (or are predicted to report) year-over-year growth in earnings, led by the Communication Services sector. Six sectors are reporting (or are predicted to report) a year-over-year decline in earnings, led by the Energy, Financials, Consumer Discretionary, Industrials, and Materials sectors.

Communication Services: Facebook Leads Year-Over-Year Growth

The Communication Services sector is expected to report the highest (year-over-year) earnings growth of all eleven sectors at 6.4%. At the industry level, two of the five industries in this sector are projected to report growth in earnings: Interactive Media & Services (34%) and Media (1%). On the other hand, the other three industries in the sector are projected to report a decline in earnings: Entertainment (-24%), Wireless Telecommunication Services (-2%), and Diversified Telecommunication Services (less than -1%).

At the company level, Facebook is projected to be the largest contributor to year-over-year growth in earnings for the sector. The mean EPS estimate for the Facebook for Q1 is $1.79, compared to year-ago EPS of $0.85. If this company were excluded, the estimated growth rate for the sector would fall to -1.1% from 6.4%.

Energy: 4 of 6 Sub-Industries Expected to Report Year-Over-Year Decline of More Than 35%

The Energy sector is expected to report the largest (year-over-year) decline in earnings of all eleven sectors at -65.4%. Lower oil prices are contributing to the earnings decline for this sector, as the average price of oil in Q1 2020 ($45.78) was 17% below the average price in Q1 2019 ($54.90). At the sub-industry level, four of the six sub-industries in the sector are expected to report a decline in earnings for the quarter of more than 35%: Oil & Gas Drilling (-97%), Integrated Oil & Gas (-75%), Oil & Gas Exploration & Production (-73%), and Oil & Gas Refining & Marketing (-38%). On the other hand, the other two sub-industries in the sector are expected to report double-digit growth in earnings for the quarter: Oil & Gas Equipment & Services (18%), and Oil & Gas Storage & Transportation (11%).

Financials: 3 of 5 Industries Reporting Year-Over-Year Decline of More Than 10%

The Financials sector is reporting the second largest (year-over-year) earnings decline of all eleven sectors at -36.1%. At the industry level, four of the five industries in this sector are reporting (or are projected to report) a decline in earnings: Banks (-62%), Consumer Finance (-46%), Capital Markets (-14%), and Insurance (-2%). On the other hand, the Diversified Financial Services (+12%) industry is the only industry expected to report growth in the sector.

Consumer Discretionary: 8 of 11 Industries Reporting Year-Over-Year Double-Digit Decline

The Consumer Discretionary sector is reporting the third largest (year-over-year) earnings decline of all eleven sectors at -35.8%. At the industry level, nine of the eleven industries in this sector are reporting (or are projected to report) a decline in earnings. Eight of these nine industries are reporting (or are expected to report) a double-digit decline: Automobiles (-74%), Textiles, Apparel, & Luxury Goods (-54%), Multiline Retail (-49%), Hotels, Restaurants, & Leisure (-46%), Auto Components (-45%), Diversified Consumer Services (-29%), Specialty Retail (-26%), and Internet & Direct Marketing Retail (-15%).

Industrials: Boeing and Airlines Industry Lead Year-Over-Year Decline

The Industrials sector is reporting the fourth largest (year-over-year) earnings decline of all eleven sectors at -31.1%. At the industry level, ten of the twelve industries in this sector are reporting (or are projected to report) a decline in earnings. Eight of these ten industries are reporting (or are expected to report) a double-digit decline: Airlines (-215%), Machinery (-31%), Aerospace & Defense (-30%), Air Freight & Logistics (-29%), Construction & Engineering (-20%), Industrial Conglomerates (-14%), Building Products (-13%), and Electrical Equipment (-12%).

At the company level, Boeing and the five companies in the Airlines industry are the largest contributors to the year-over-year decline in earnings for the sector. The mean EPS estimate for Boeing for Q1 is -$1.44, compared to year-ago EPS of $3.16. If these six companies were excluded, the estimated earnings decline for the sector would improve to -12.8% from -31.1%.

Materials: All 4 Industries Reporting Year-Over-Year Decline of More Than 10%

The Materials sector is reporting the fifth largest (year-over-year) earnings decline of all eleven sectors at -24.7%. At the industry level, all four industries in this sector are reporting (or are projected to report) a double-digit decline in earnings: Metals & Mining (-45%), Containers & Packaging (-25%), Chemicals (-23%), and Construction Materials (-12%).

Revenue Growth: 0.6%

The blended (year-over-year) revenue growth rate for Q1 2020 is 0.6%, which is below the 5-year average revenue growth rate of 3.5%. If 0.6% is the actual growth rate for the quarter, it will mark the lowest year-over-year growth in revenue for the index since Q2 2016 (-0.2%).

S&P 500 companies with more international revenue exposure are reporting a decline in revenues relative to S&P 500 companies with less international revenue exposure. For S&P 500 companies that generate more than 50% of revenue outside the U.S., the blended revenue decline is -3.5%. For S&P 500 companies that generate more than 50% of revenue inside the U.S., the blended earnings growth rate is 2.0%.

Seven sectors are reporting (or are expected to report) year-over-year growth in revenues, led by the Communication Services and Health Care sectors. Four sectors are reporting (or are expected to report) a year-over-year decline in revenues, led by the Materials and Energy sectors.

Communication Services: Entertainment & Interactive Media Lead Year-Over-Year Growth

The Communication Services sector is expected to report the highest (year-over-year) revenue growth of all eleven sectors at 7.6%. At the industry level, four of the five industries in this sector are expected to report growth in revenues. Two of these four industries are expected to report double-digit revenue growth: Entertainment (18%) and Interactive Media & Services (14%).

Health Care: 5 of 6 Industries Reporting Growth

The Health Care sector is reporting the second highest (year-over-year) revenue growth of all eleven sectors at 7.1%. At the industry level, five of the six industries in this sector are expected to report growth in revenues, led by the Health Care Providers & Services (8%), Biotechnology (7%), and Pharmaceuticals (6%) industries.

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

The Materials sector is expected to report the largest (year-over-year) decline in revenue of all eleven sectors at -16.4%. At the industry level, two of the four industries in this sector are predicted to report a decline in revenue for the quarter: Chemicals (-24%) and Metals & Mining (-6%).

At the company level, DuPont is expected to be the largest contributor to the (year-over-year) decline in revenue for the sector. However, the revenue decline is boosted by an apples-to-oranges comparison of post-split revenues to pre-split revenues. The estimated revenue for DuPont for Q1 2020 ($5.02 billion) reflects the standalone revenue for DuPont, while the actual revenue for Q1 2019 ($19.65 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 estimated revenue decline for the sector would improve to -3.3% from -16.4%.

Energy: 4 of 6 Sub-Industries Expected to Report Year-Over-Year Decline of More Than 10%

The Energy sector is expected to report the second largest (year-over-year) decline in revenue of all eleven sectors at -11.5%. Lower oil prices are contributing to the revenue decline for this sector, as the average price of oil in Q1 2020 ($45.78) was 17% below the average price in Q1 2019 ($54.90). At the sub-industry level, five of the six industries in the sector are expected to report a year-over-year decline in revenue. Four of the five sub-industries are expected to report a double-digit decline: Oil & Gas Drilling (-22%), Oil & Gas Exploration & Production (-21%), Integrated Oil & Gas (-13%), and Oil & Gas Refining & Marketing (-11%).

Looking Ahead: Forward Estimates and Valuation

Guidance: Negative Guidance for Q2 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, 3 companies in the index have issued EPS guidance for Q2 2020. Of these 3 companies, none have issued negative EPS guidance and 3 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 0% (0 out of 3), which is below the 5-year average of 70%.

Earnings: Analysts Expect Earnings Decline of -12.3% for CY 2020

For the first quarter, S&P 500 companies are reporting a decline in earnings of -14.5% and growth in revenues of 0.6%. Analysts expect an earnings decline of -12.4% and a revenue decline of -1.2% for CY 2020

For Q2 2020, analysts are projecting an earnings decline of -26.6% and a revenue decline of -5.7%.

For Q3 2020, analysts are projecting an earnings decline of -13.3% and a revenue decline of -1.6%.

For Q4 2020, analysts are projecting an earnings decline of -4.8% and revenue growth of 1.1%.

For CY 2020, analysts are projecting an earnings decline of -12.3% and a revenue decline of -1.2%.

Valuation: Forward P/E Ratio is 18.5, Above the 10-Year Average (15.0)

The forward 12-month P/E ratio is 18.5. 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 15.6 recorded at the end of the first quarter (March 31). Since the end of the first quarter (March 31), the price of the index has increased by 8.3%, while the forward 12-month EPS estimate has decreased by 8.4%.

At the sector level, the Consumer Discretionary (26.5) sector has the highest forward 12-month P/E ratio, while the Financials (12.4) sector has the lowest forward 12-month P/E ratio.

Targets & Ratings: Analysts Project 14% Increase in Price Over Next 12 Months

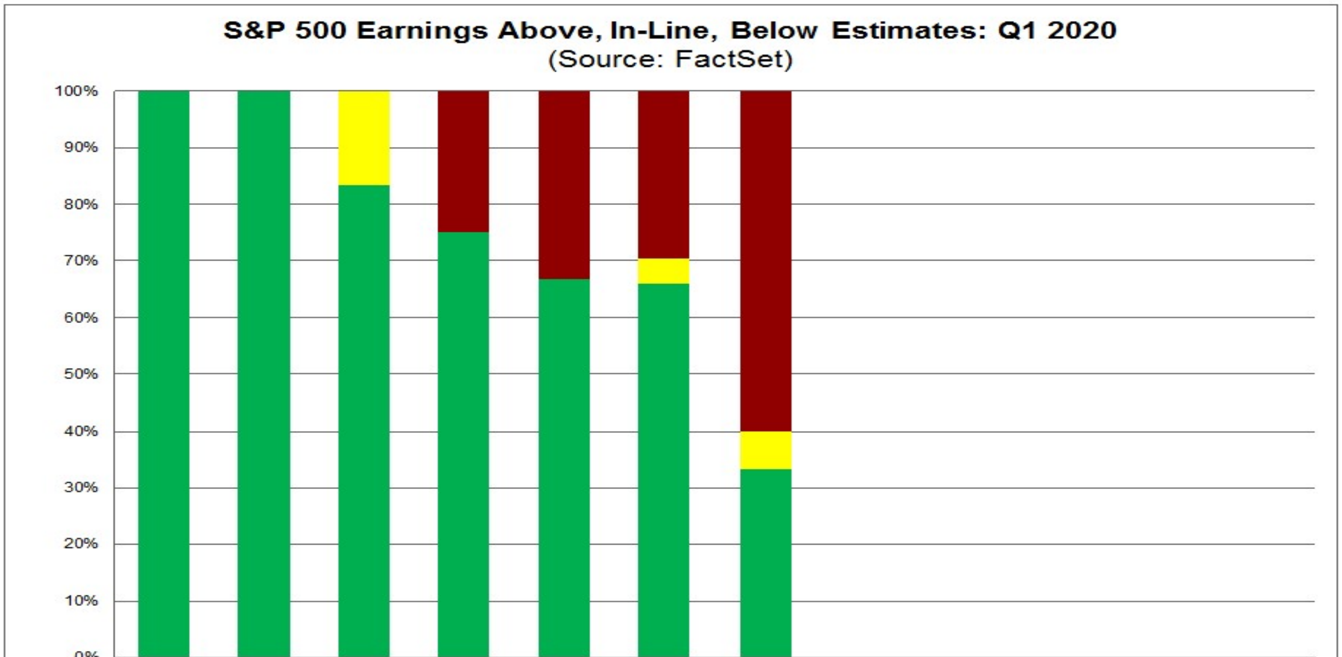
The bottom-up target price for the S&P 500 is 3185.86, which is 13.8% above the closing price of 2799.55. At the sector level, the Energy (+24.9%) and Financials (+24.0%) sectors are expected to see the largest price increases, as these sectors have the largest upside differences between the bottom-up target price and the closing price. On the other hand, the Consumer Staples (+6.7%) 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 10,261 ratings on stocks in the S&P 500. Of these 10,261 ratings, 53.9% are Buy ratings, 40.7% are Hold ratings, and 5.5% are Sell ratings. At the sector level, the Energy (64%) sector has the highest percentage of Buy ratings, while the Consumer Staples (45%) sector has the lowest percentage of Buy ratings.

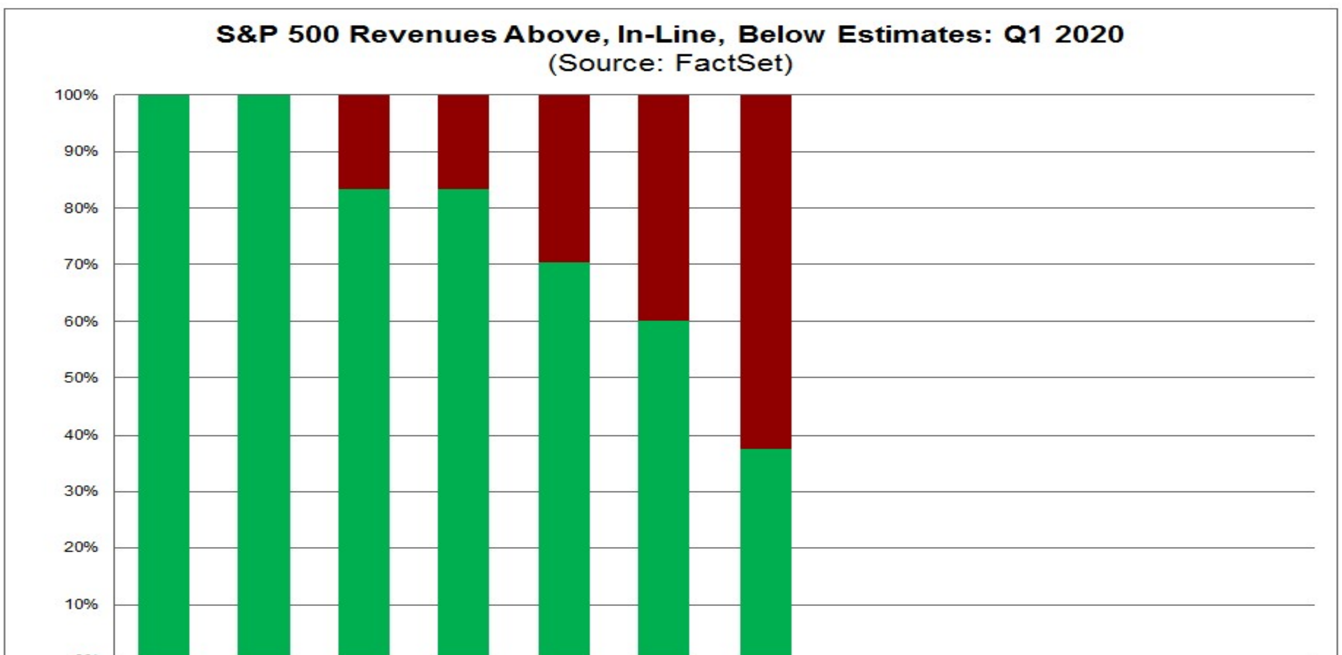
Companies Reporting Next Week: 96

During the upcoming week, 96 S&P 500 companies (including six Dow 30 components) are scheduled to report results for the first quarter.

Q1 2020: Scorecard

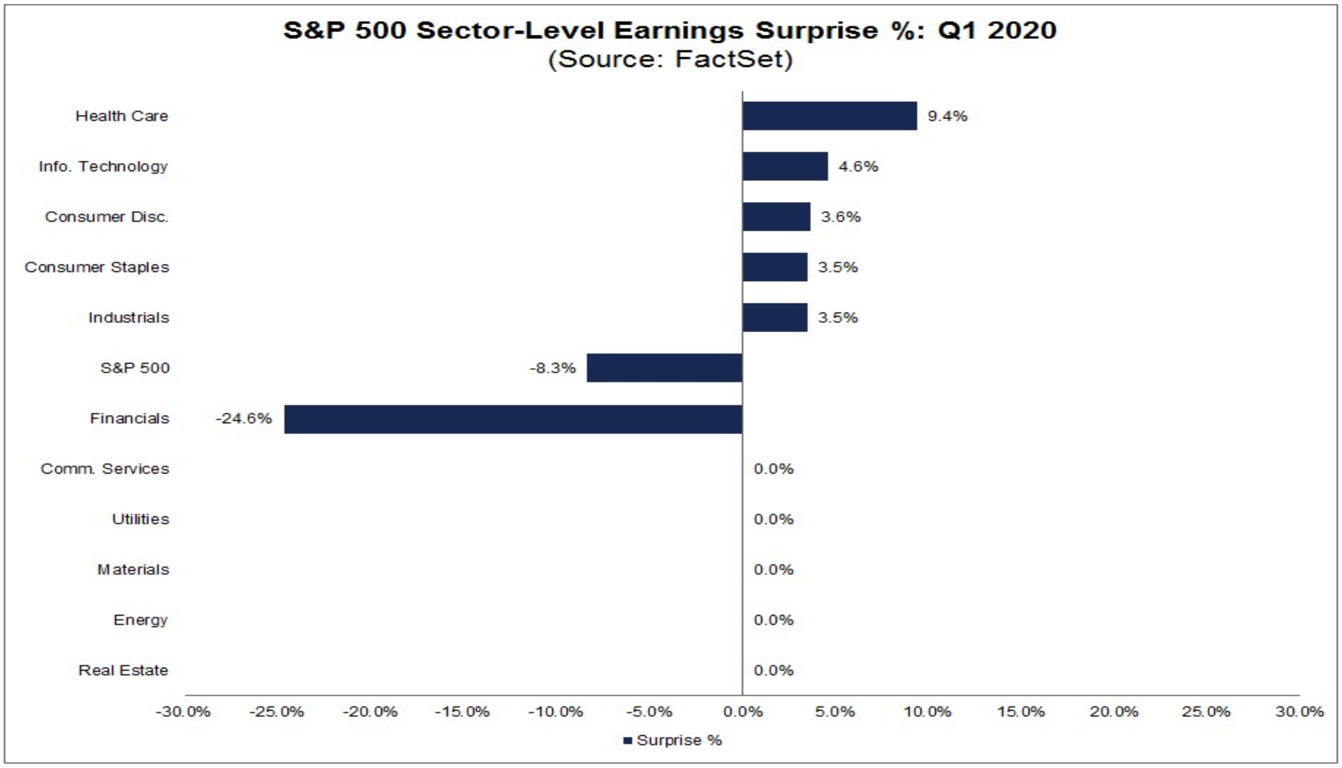


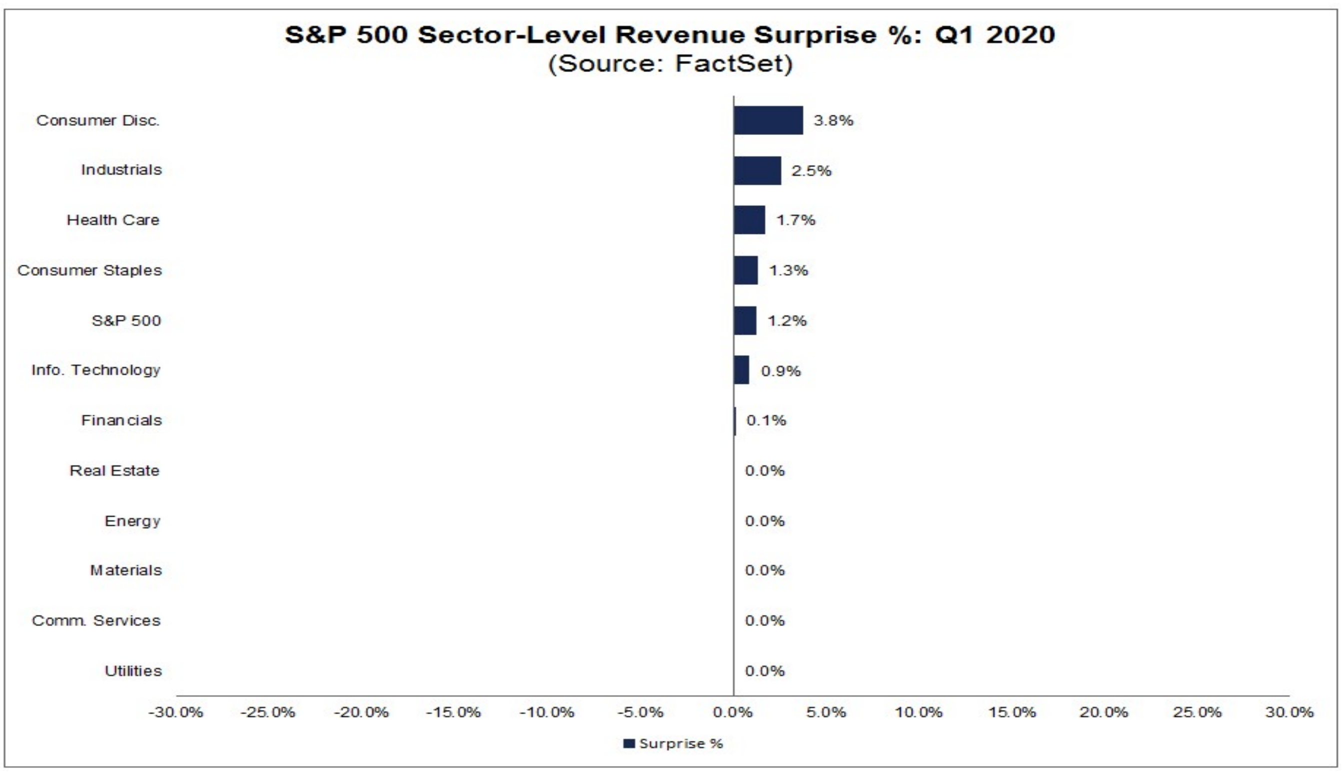
	Info. Technology	Health Care	Industrials	Consumer Staples	Consumer Disc.	S&P 500	Financials	Comm. Services	Utilities	Real Estate	Materials	Energy
Below	0%	0%	0%	25%	33%	30%	60%	0%	0%	0%	0%	0%
In-Line	0%	0%	17%	0%	0%	5%	7%	0%	0%	0%	0%	0%
Above	100%	100%	83%	75%	67%	66%	33%	0%	0%	0%	0%	0%



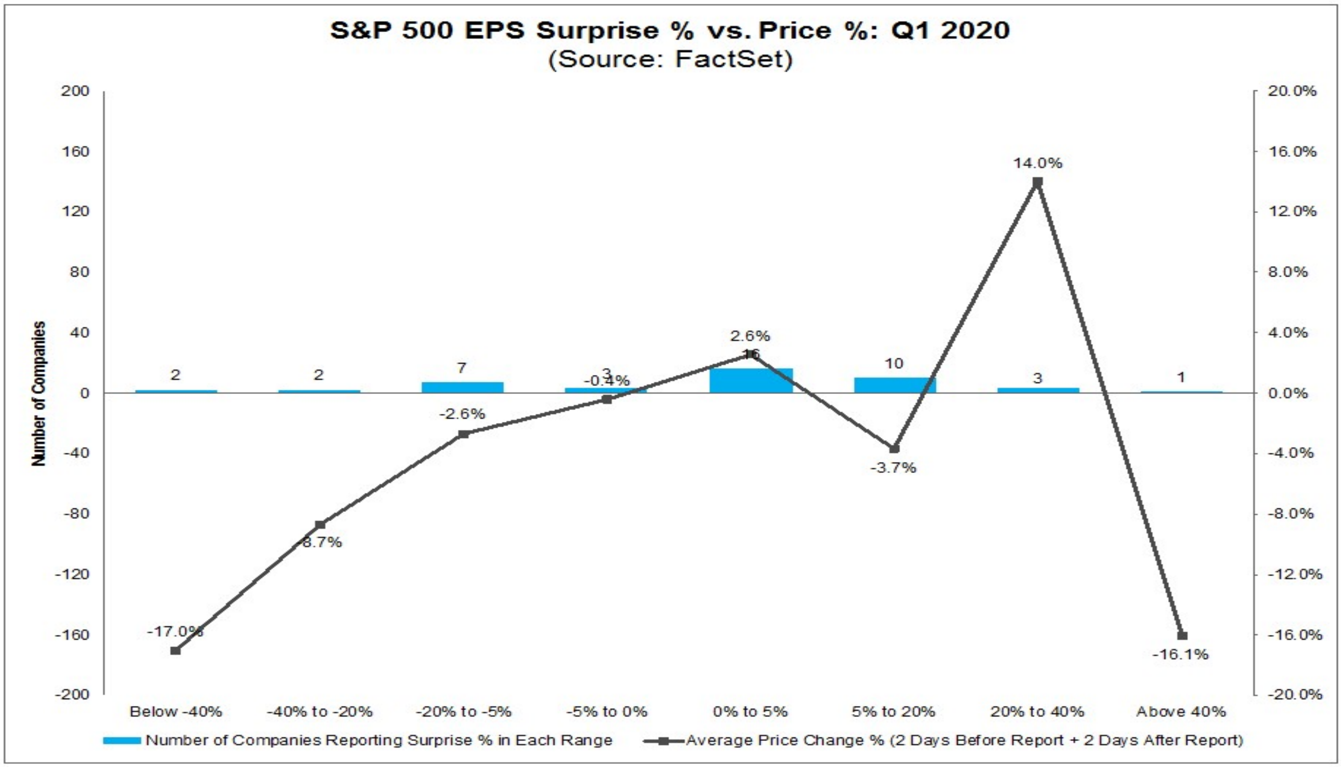
	Info. Technology	Health Care	Consumer Disc.	Industrials	S&P 500	Financials	Consumer Staples	Real Estate	Comm. Services	Energy	Materials	Utilities
Below	0%	0%	17%	17%	30%	40%	63%	0%	0%	0%	0%	0%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	100%	100%	83%	83%	70%	60%	38%	0%	0%	0%	0%	0%

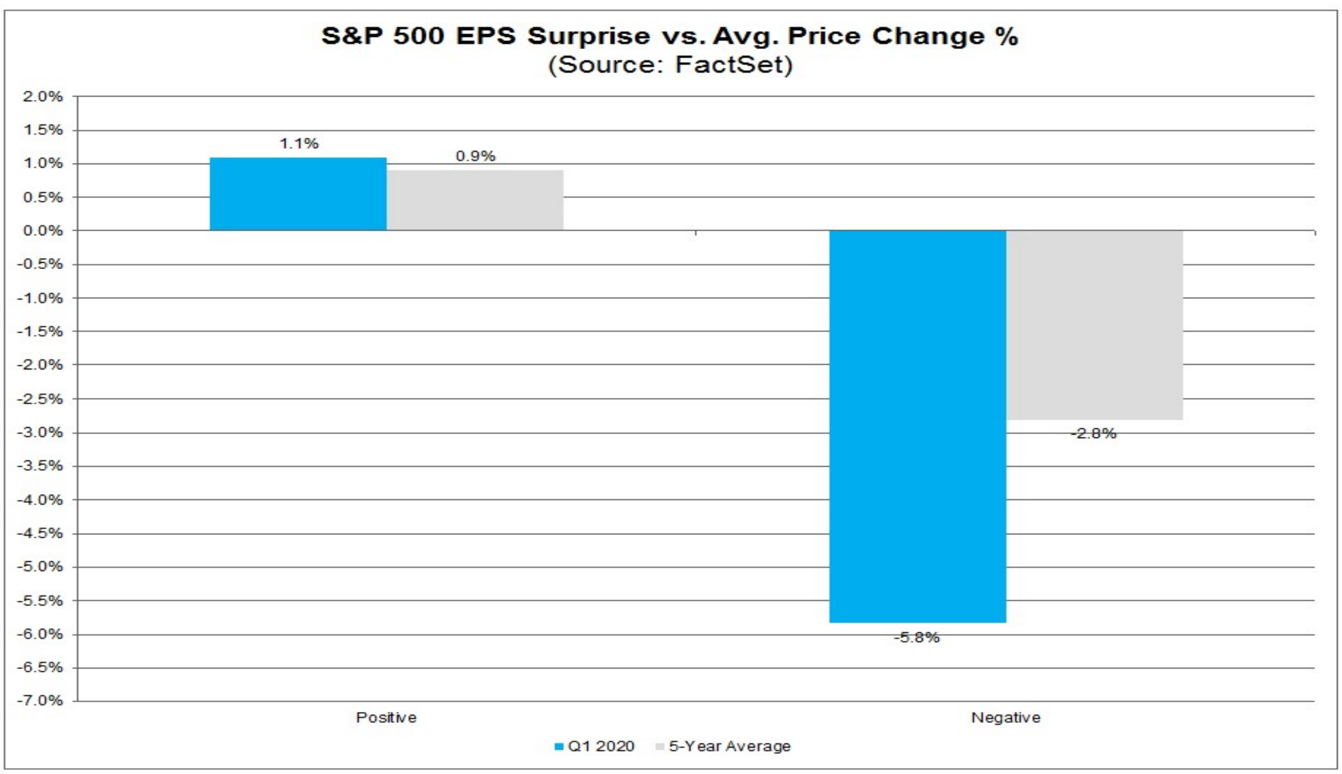
Q1 2020: Scorecard



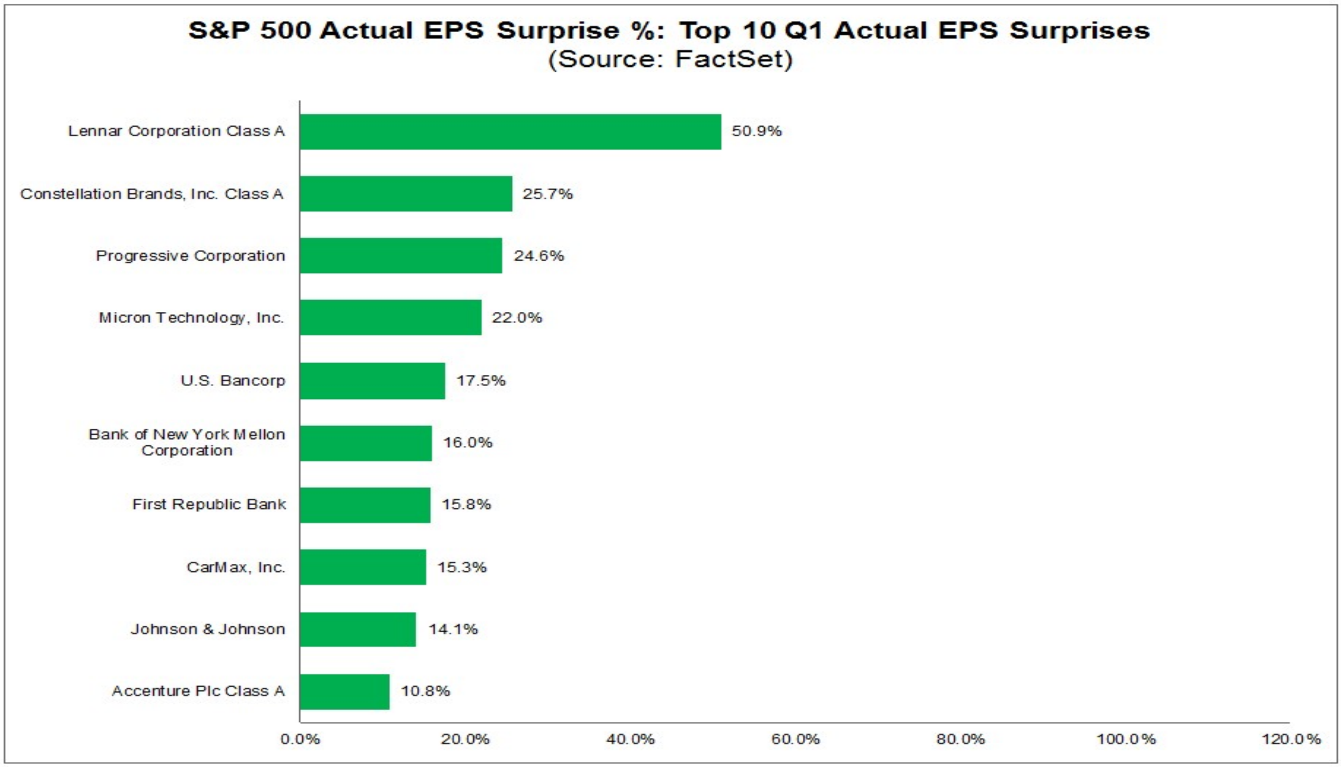


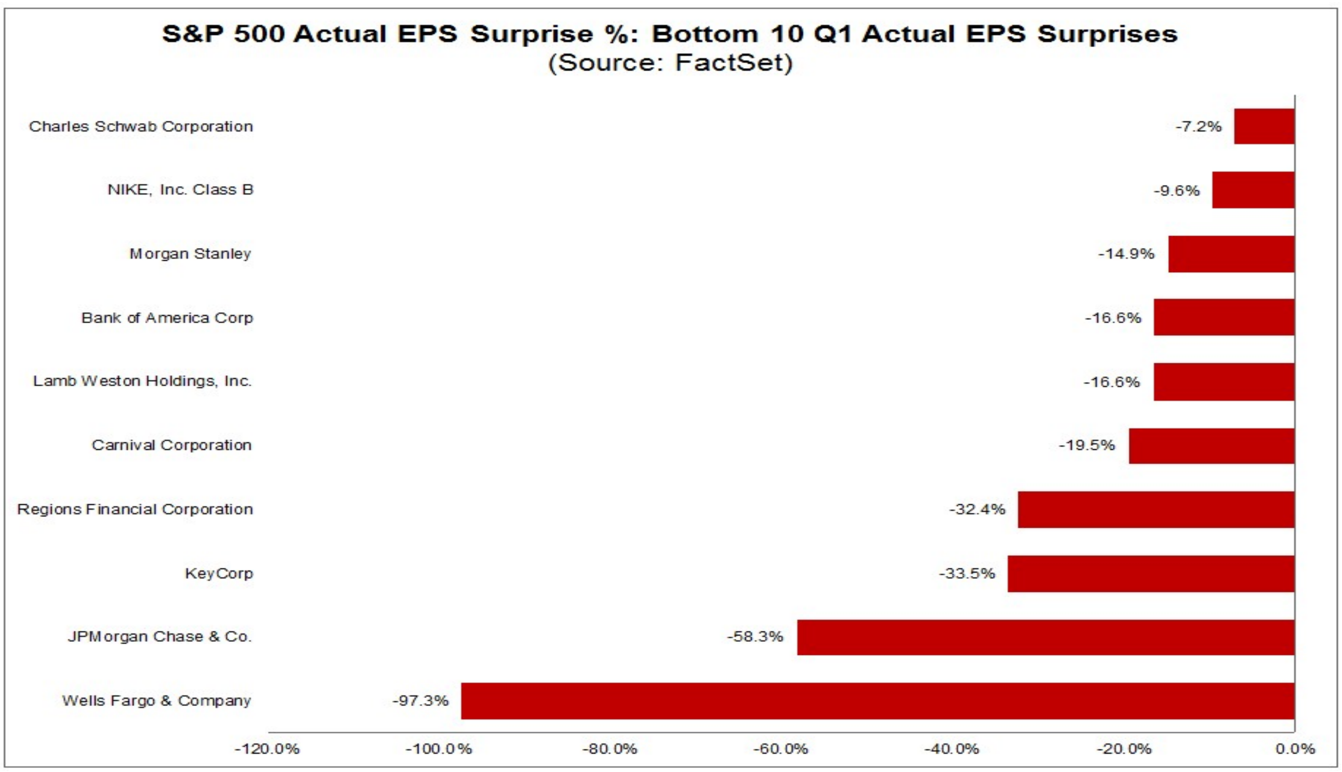
Q1 2020: Scorecard





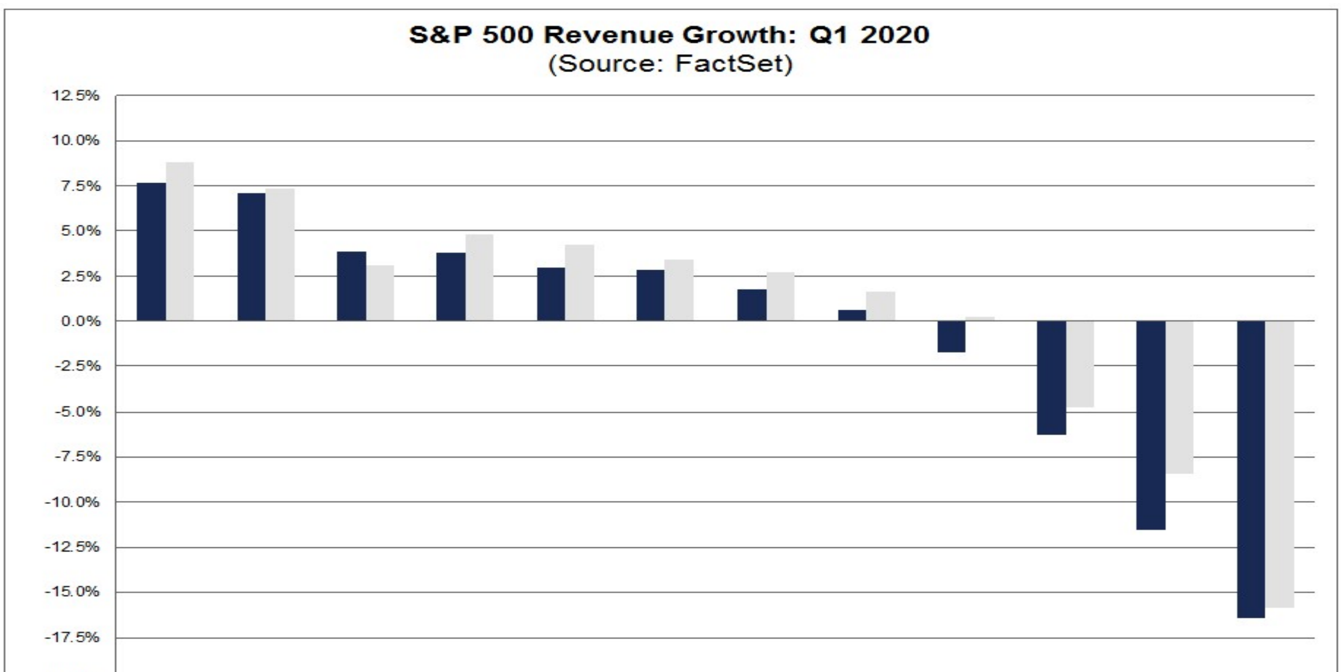
Q1 2020: Scorecard





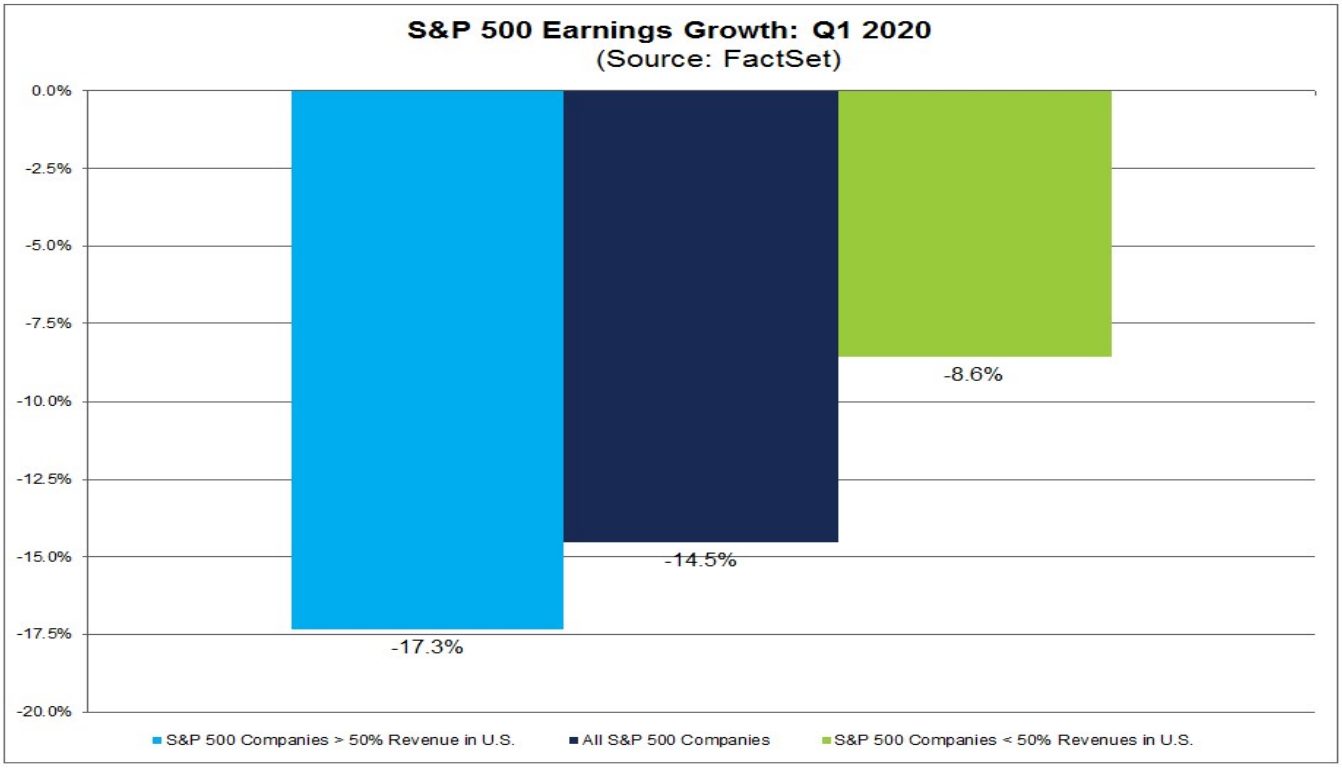
Q1 2020: Growth

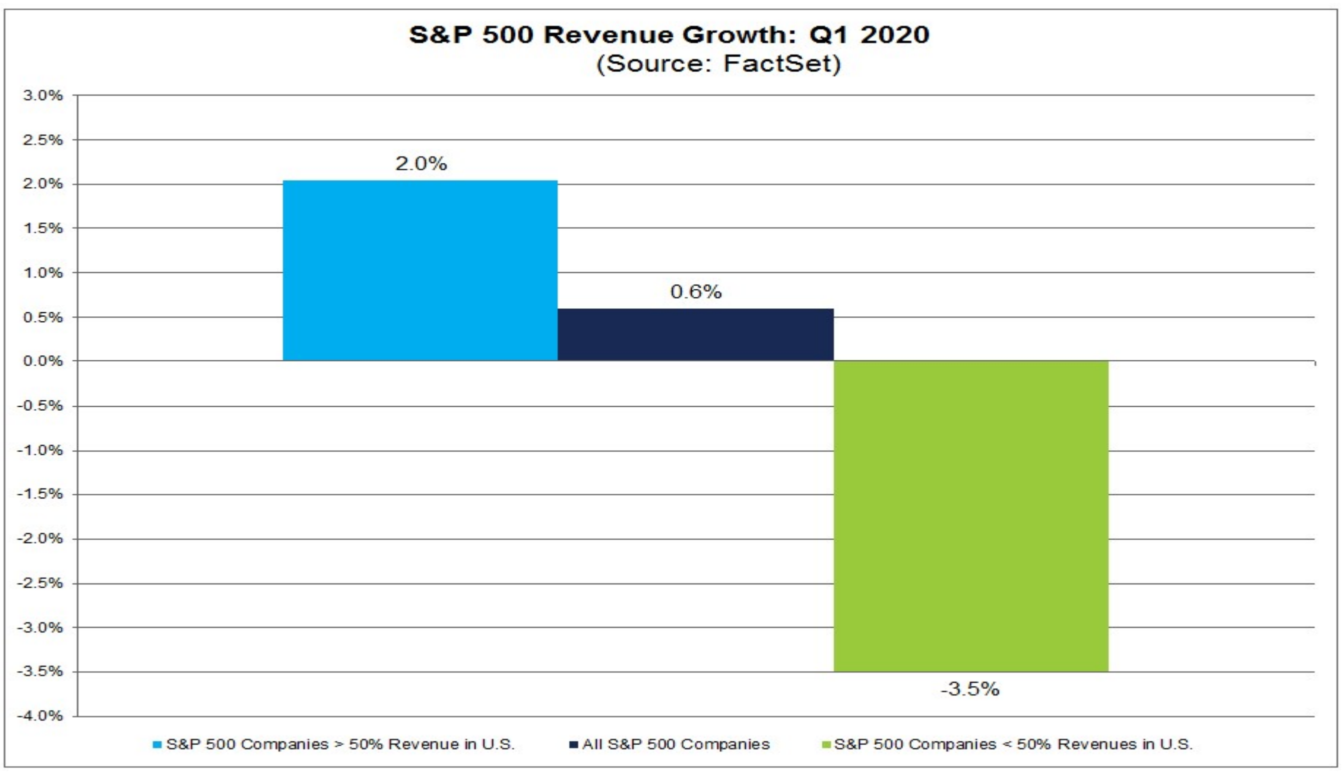
	Comm. Services	Utilities	Real Estate	Health Care	Consumer Staples	Info. Technology	S&P 500	Materials	Industrials	Consumer Disc.	Financials	Energy
Today	6.4%	4.6%	2.4%	2.2%	0.7%	-0.4%	-14.5%	-24.7%	-31.1%	-35.8%	-36.1%	-65.4%
31-Mar	9.4%	4.8%	3.1%	2.2%	-1.6%	1.5%	-6.8%	-21.2%	-27.2%	-28.8%	-8.9%	-40.3%



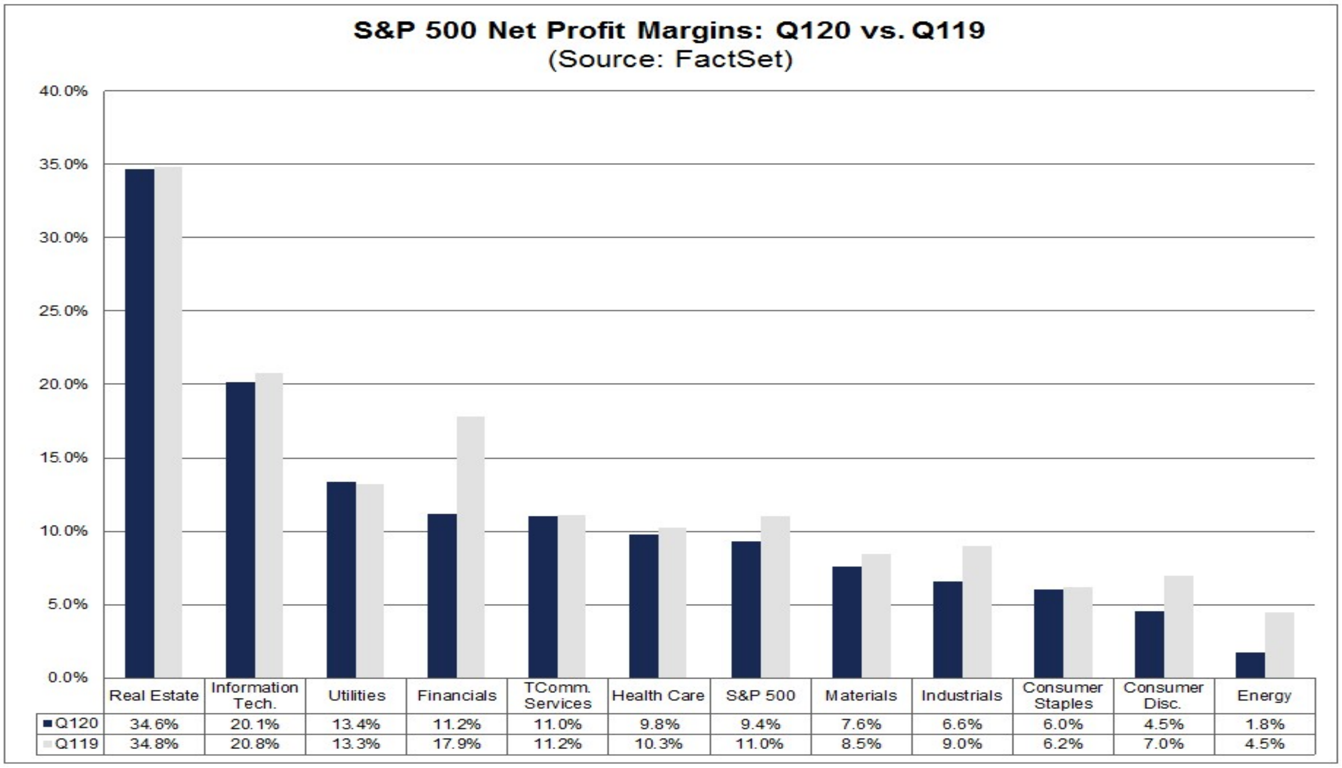
	Comm. Services	Health Care	Consumer Staples	Utilities	Info. Technology	Real Estate	Financials	S&P 500	Consumer Disc.	Industrials	Energy	Materials
Today	7.6%	7.1%	3.8%	3.8%	2.9%	2.8%	1.8%	0.6%	-1.8%	-6.3%	-11.5%	-16.4%
31-Mar	8.8%	7.3%	3.1%	4.8%	4.2%	3.4%	2.7%	1.6%	0.2%	-4.7%	-8.4%	-15.9%

Q1 2020: Growth

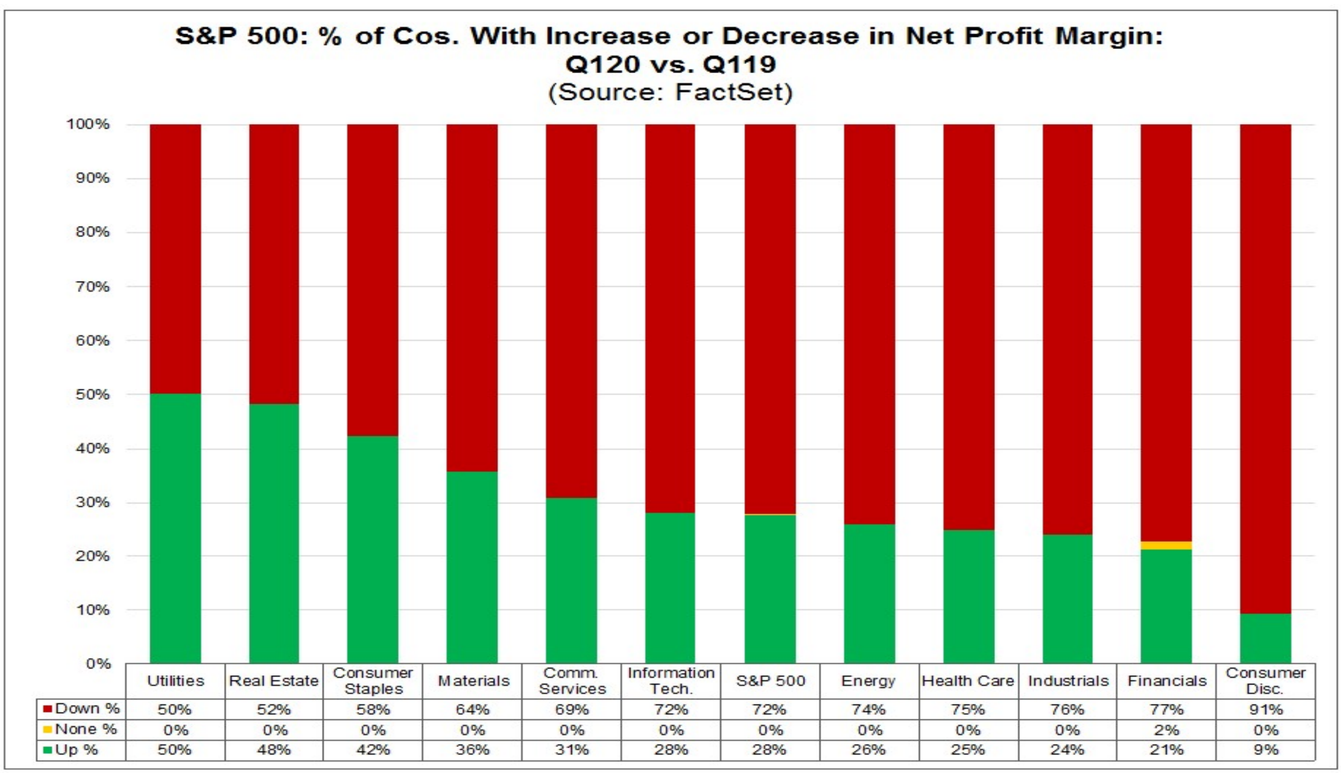




Q1 2020: Net Profit Margin

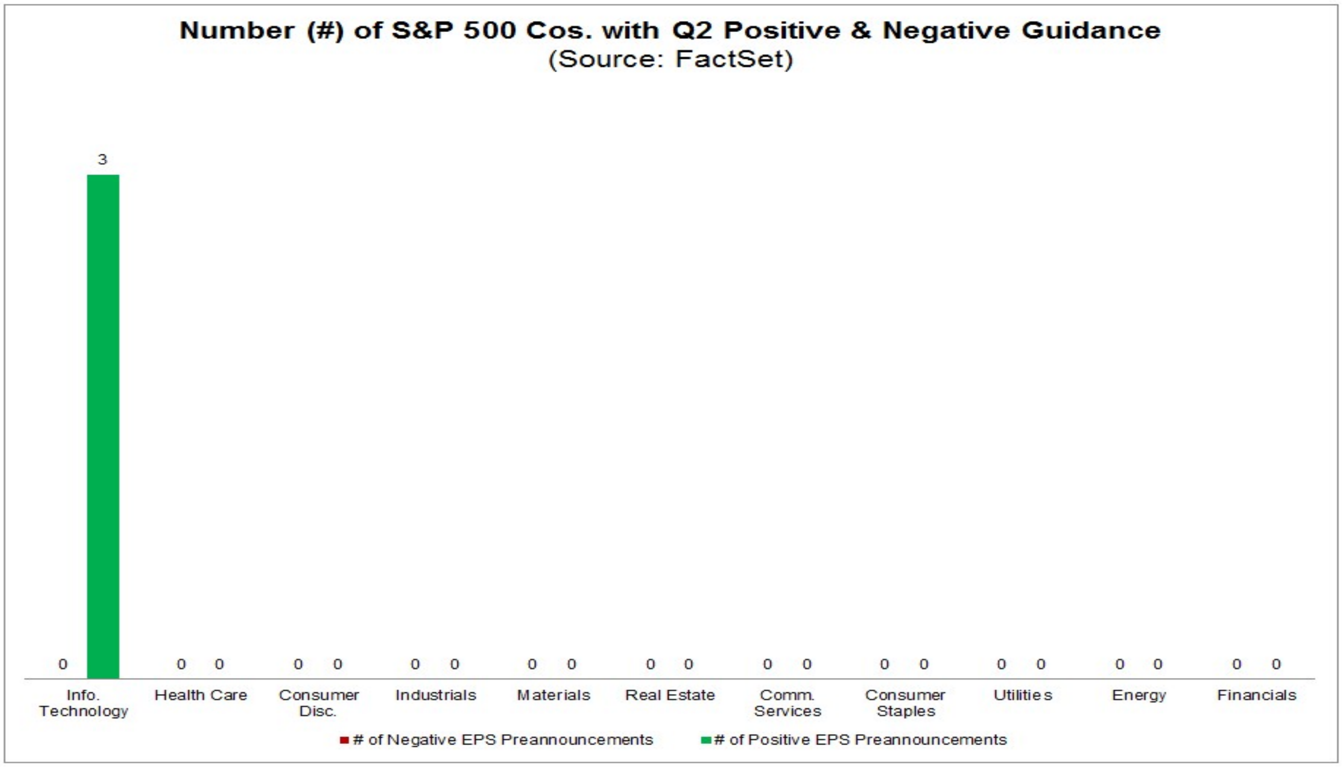


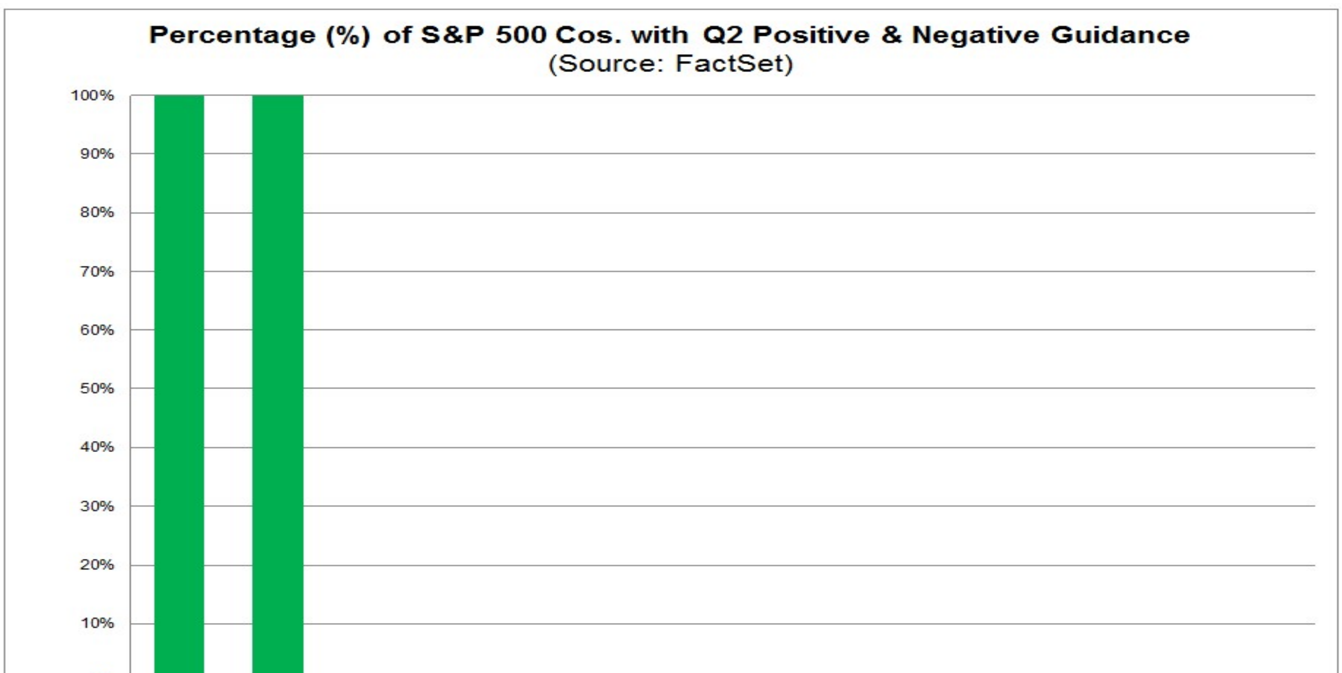
	Real Estate	Information Tech.	Utilities	Financials	TComm. Services	Health Care	S&P 500	Materials	Industrials	Consumer Staples	Consumer Disc.	Energy
Q120	34.6%	20.1%	13.4%	11.2%	11.0%	9.8%	9.4%	7.6%	6.6%	6.0%	4.5%	1.8%
Q119	34.8%	20.8%	13.3%	17.9%	11.2%	10.3%	11.0%	8.5%	9.0%	6.2%	7.0%	4.5%



	Utilities	Real Estate	Consumer Staples	Materials	Comm. Services	Information Tech.	S&P 500	Energy	Health Care	Industrials	Financials	Consumer Disc.
Down %	50%	52%	58%	64%	69%	72%	72%	74%	75%	76%	77%	91%
None %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%
Up %	50%	48%	42%	36%	31%	28%	28%	26%	25%	24%	21%	9%

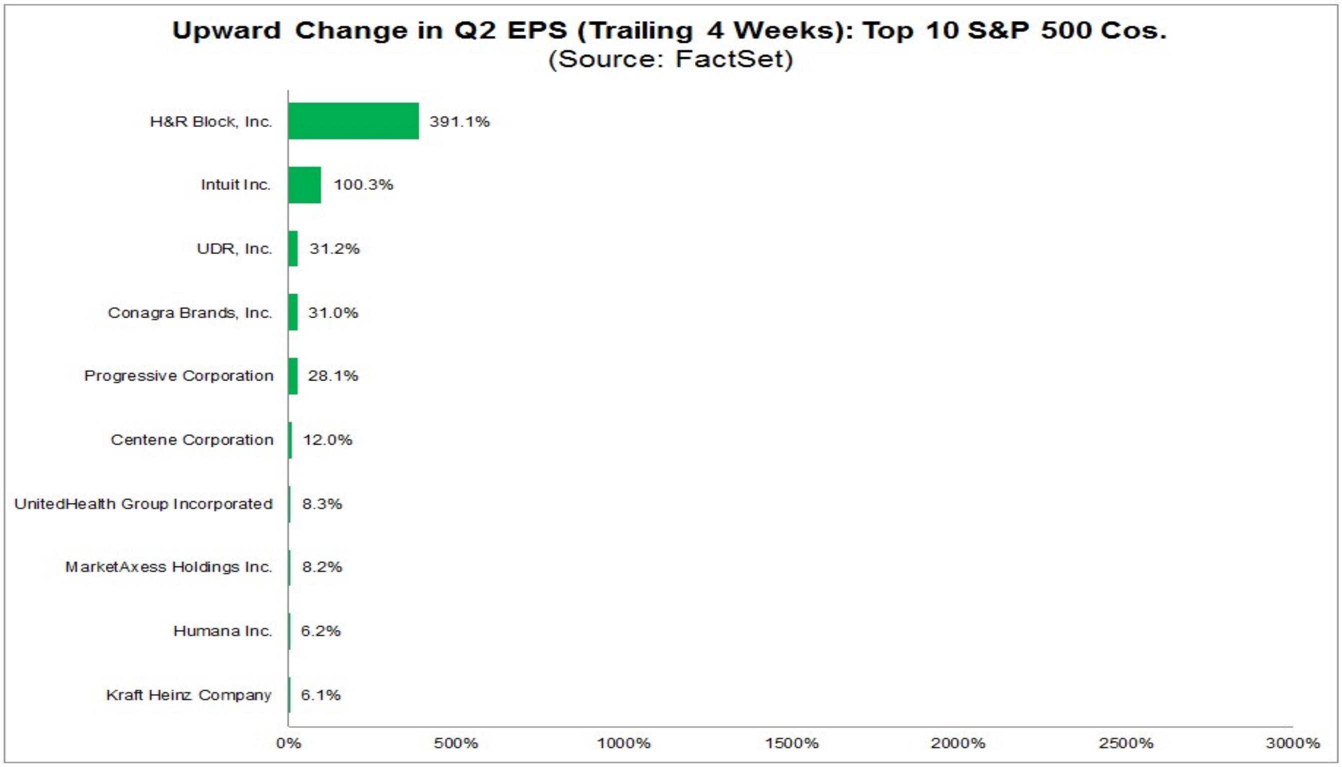
Q2 2020: EPS Guidance

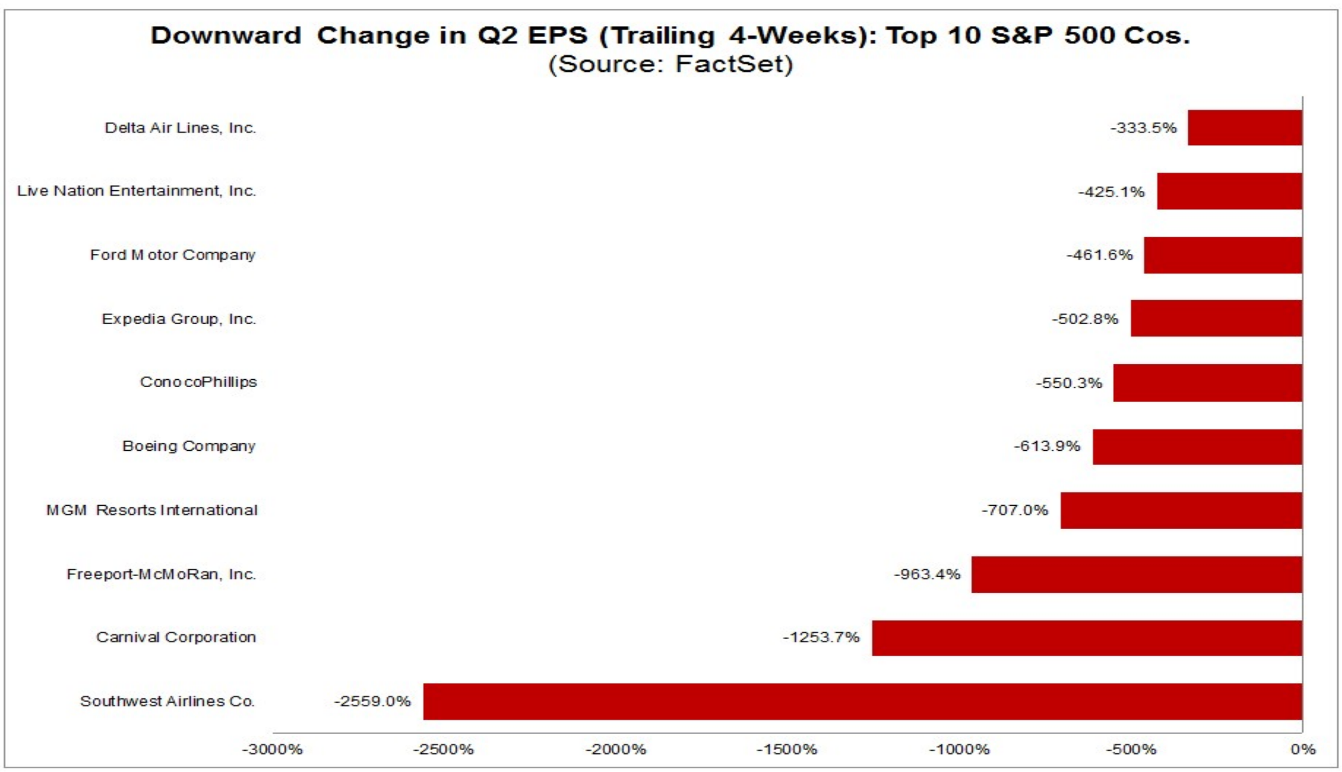




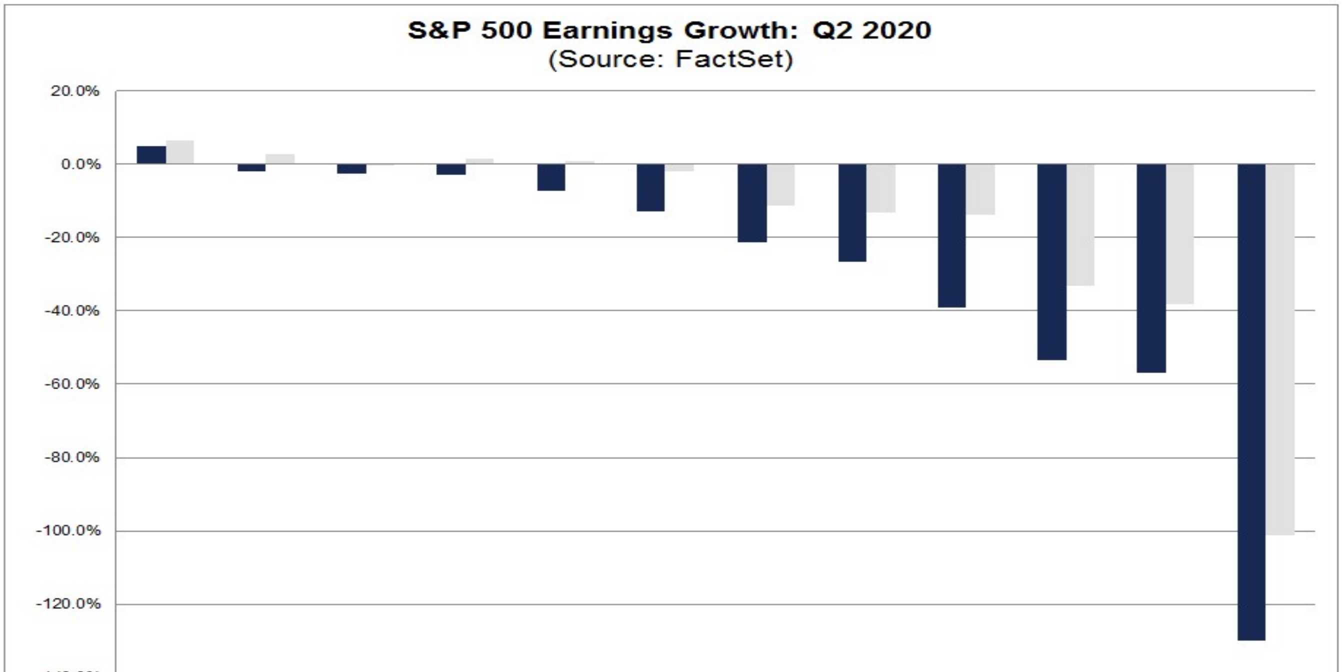
	S&P 500	Info. Technology	Consumer Staples	Consumer Disc.	Industrials	Health Care	Comm. Services	Real Estate	Materials	Utilities	Energy	Financials
Positive	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Negative	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Q2 2020: EPS Revisions

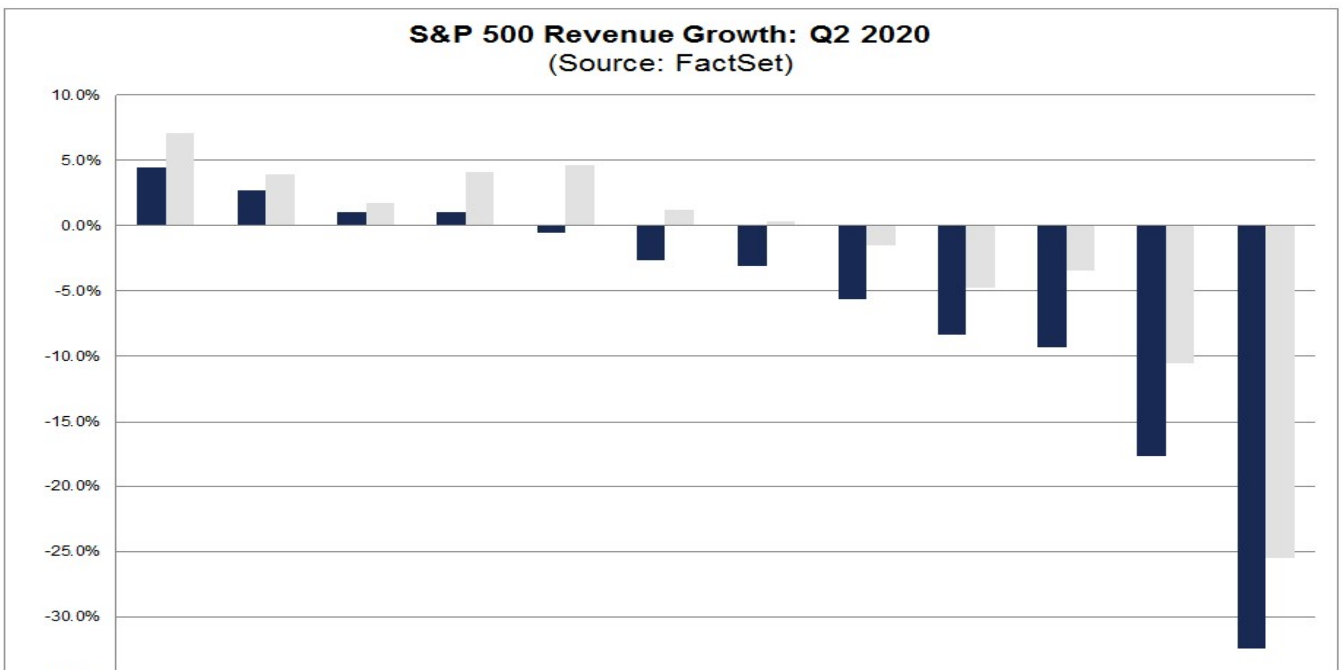




Q2 2020: Growth

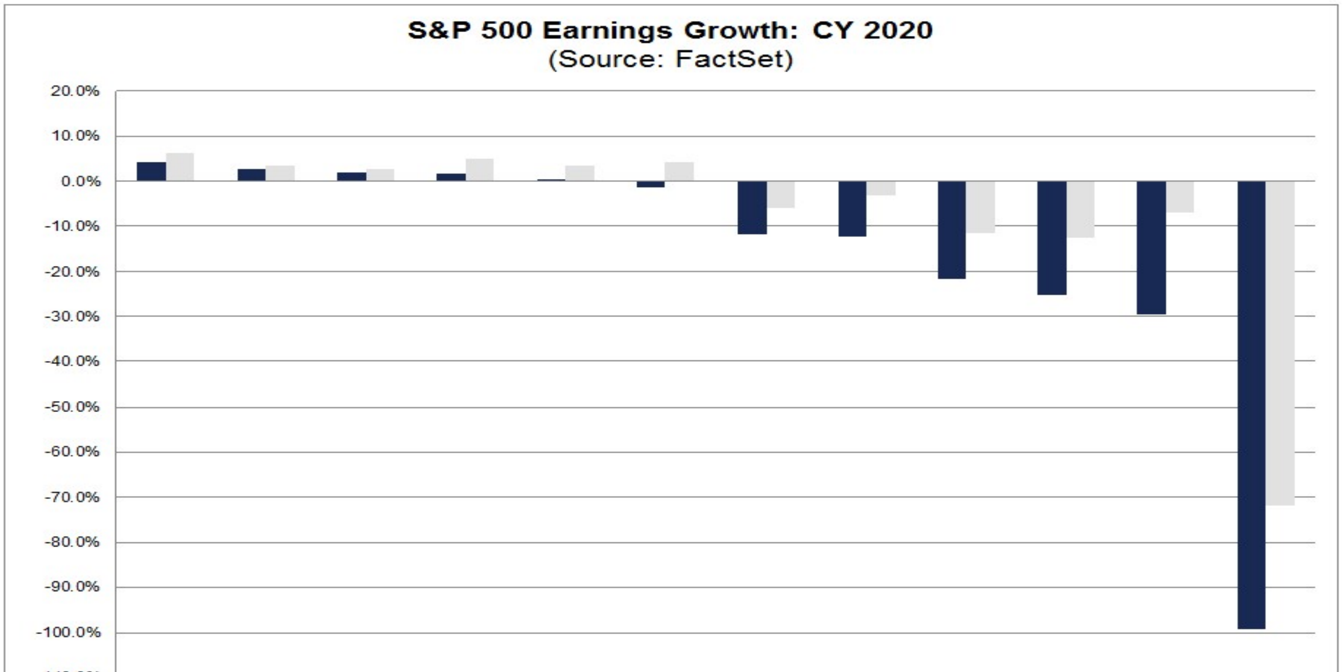


	Utilities	Real Estate	Consumer Staples	Info. Technology	Health Care	Comm. Services	Materials	S&P 500	Financials	Industrials	Consumer Disc.	Energy
Today	5.0%	-2.0%	-2.5%	-2.9%	-7.3%	-12.8%	-21.5%	-26.6%	-39.2%	-53.7%	-57.0%	-129.9%
31-Mar	6.5%	2.7%	-0.2%	1.5%	0.8%	-2.1%	-11.3%	-13.3%	-13.8%	-33.2%	-38.2%	-101.0%

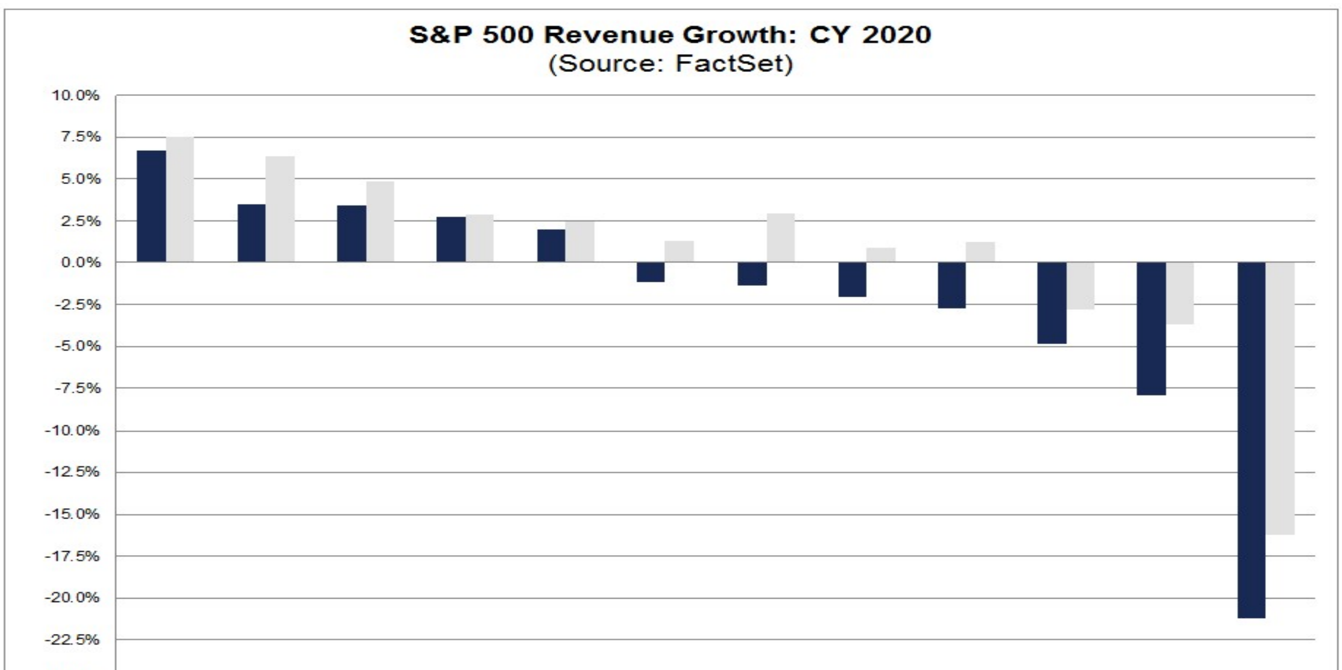


	Health Care	Utilities	Consumer Staples	Info. Technology	Comm. Services	Real Estate	Financials	S&P 500	Materials	Consumer Disc.	Industrials	Energy
Today	4.4%	2.7%	1.0%	1.0%	-0.6%	-2.7%	-3.1%	-5.6%	-8.4%	-9.3%	-17.6%	-32.4%
31-Mar	7.1%	3.9%	1.7%	4.0%	4.6%	1.2%	0.3%	-1.6%	-4.8%	-3.5%	-10.6%	-25.4%

CY 2020: Growth

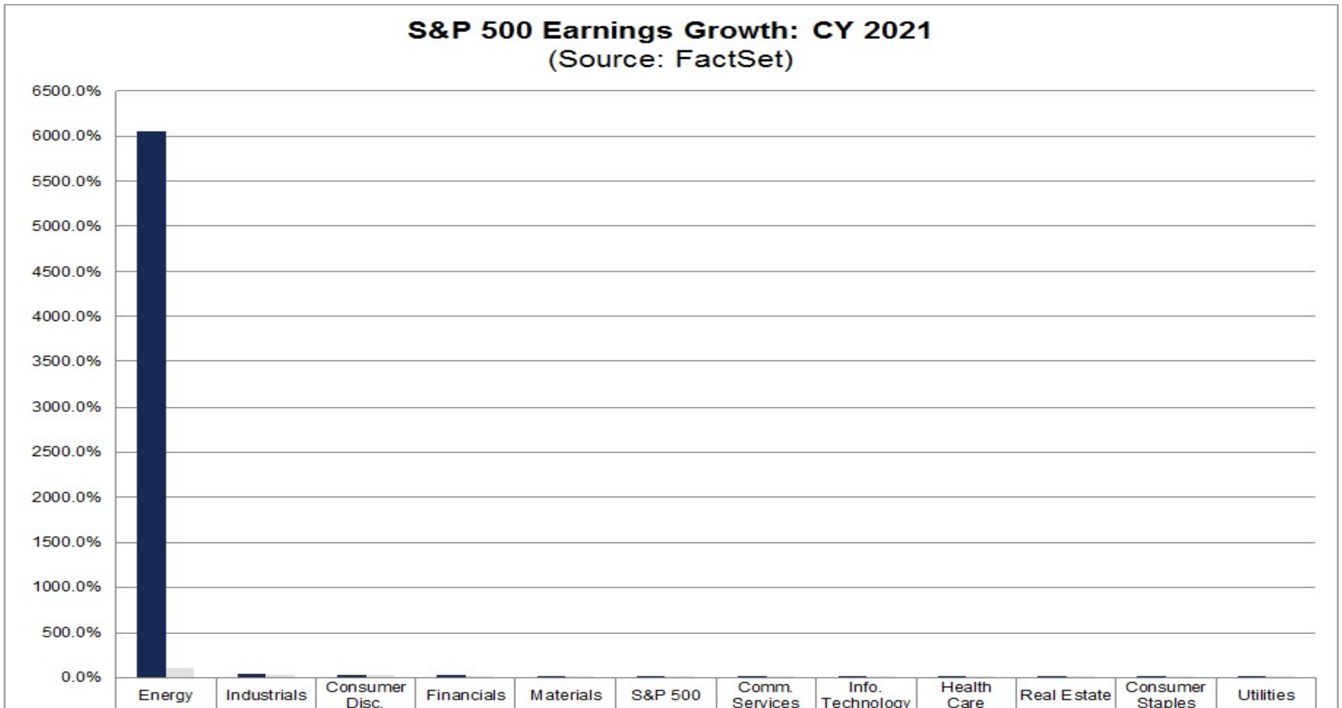


	Info. Technology	Utilities	Consumer Staples	Health Care	Real Estate	Comm. Services	Materials	S&P 500	Consumer Disc.	Industrials	Financials	Energy
Today	4.1%	2.8%	2.0%	1.6%	0.4%	-1.4%	-11.9%	-12.3%	-21.7%	-25.4%	-29.6%	-99.3%
31-Mar	6.2%	3.3%	2.7%	5.0%	3.4%	4.3%	-6.0%	-3.3%	-11.5%	-12.6%	-7.0%	-71.9%

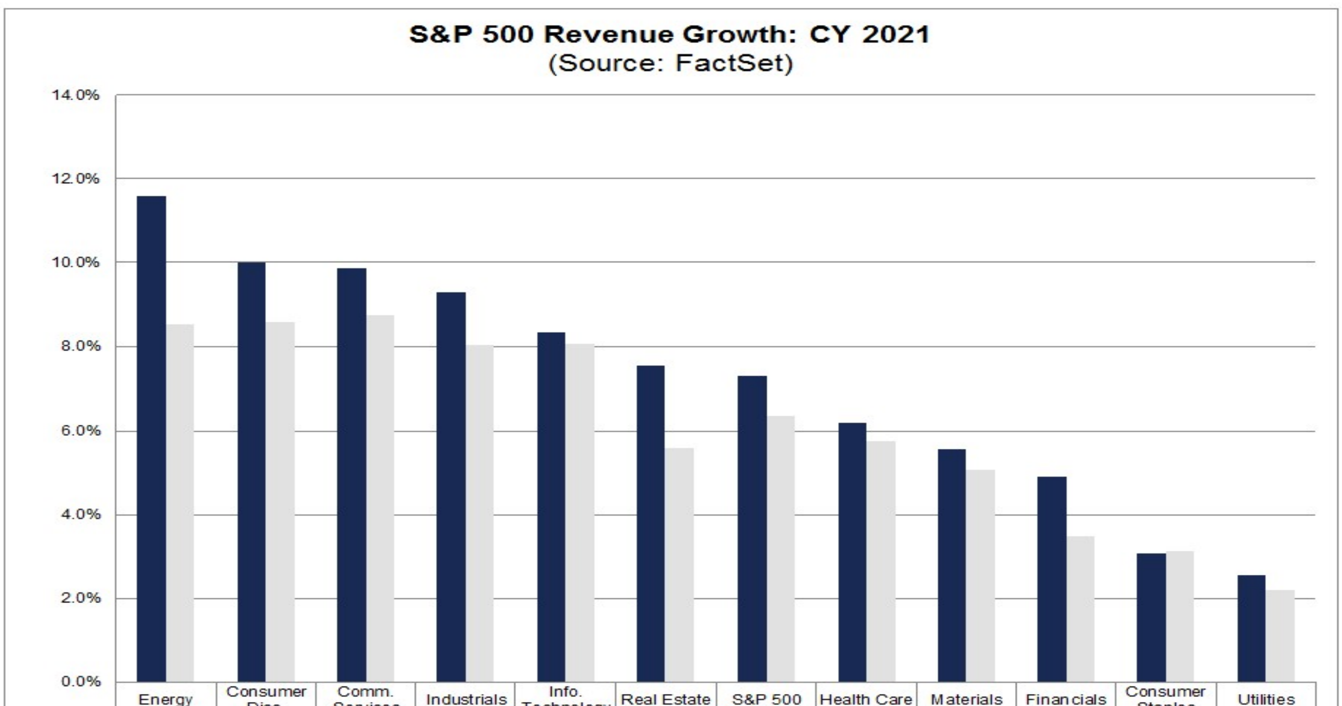


	Health Care	Comm. Services	Info. Technology	Consumer Staples	Utilities	S&P 500	Real Estate	Consumer Disc.	Financials	Materials	Industrials	Energy
Today	6.7%	3.5%	3.4%	2.7%	2.0%	-1.2%	-1.4%	-2.1%	-2.7%	-4.8%	-8.0%	-21.2%
31-Mar	7.5%	6.3%	4.8%	2.9%	2.5%	1.3%	2.9%	0.9%	1.2%	-2.8%	-3.7%	-16.2%

CY 2021: Growth

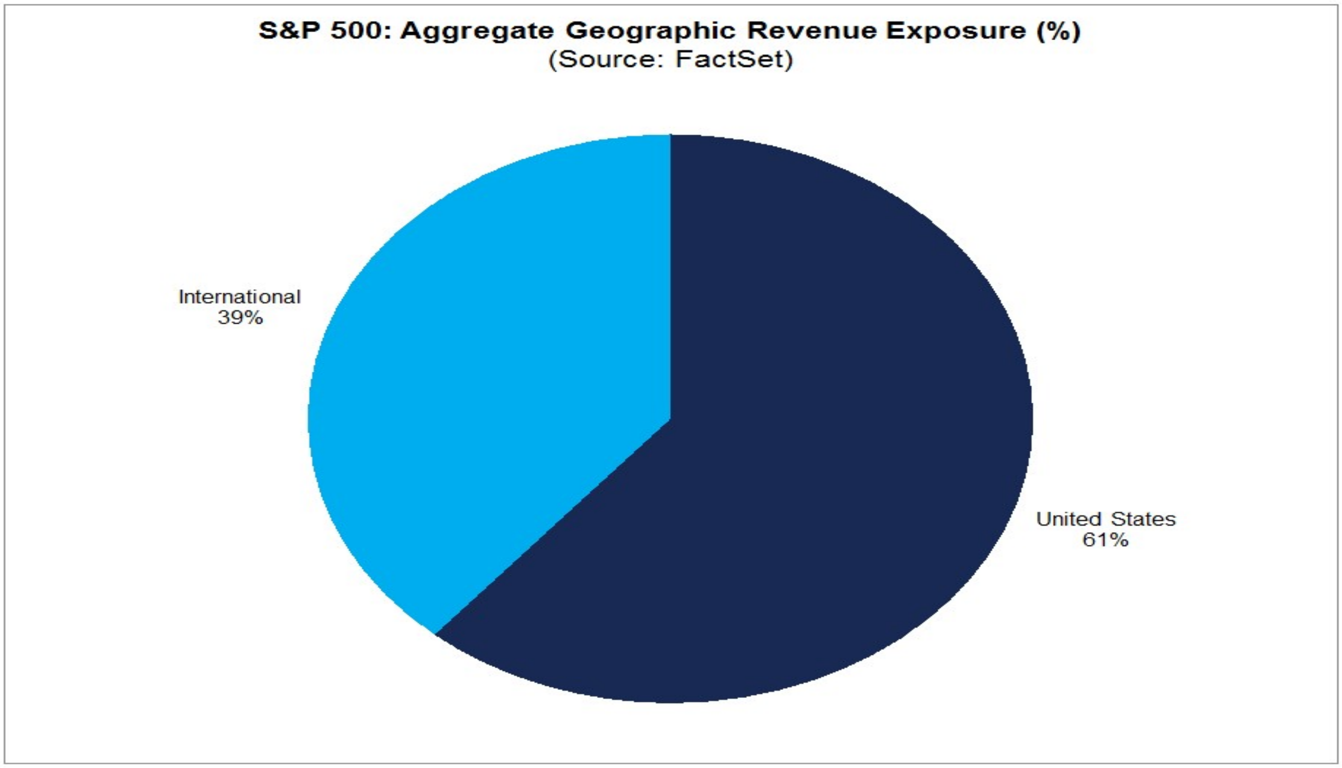


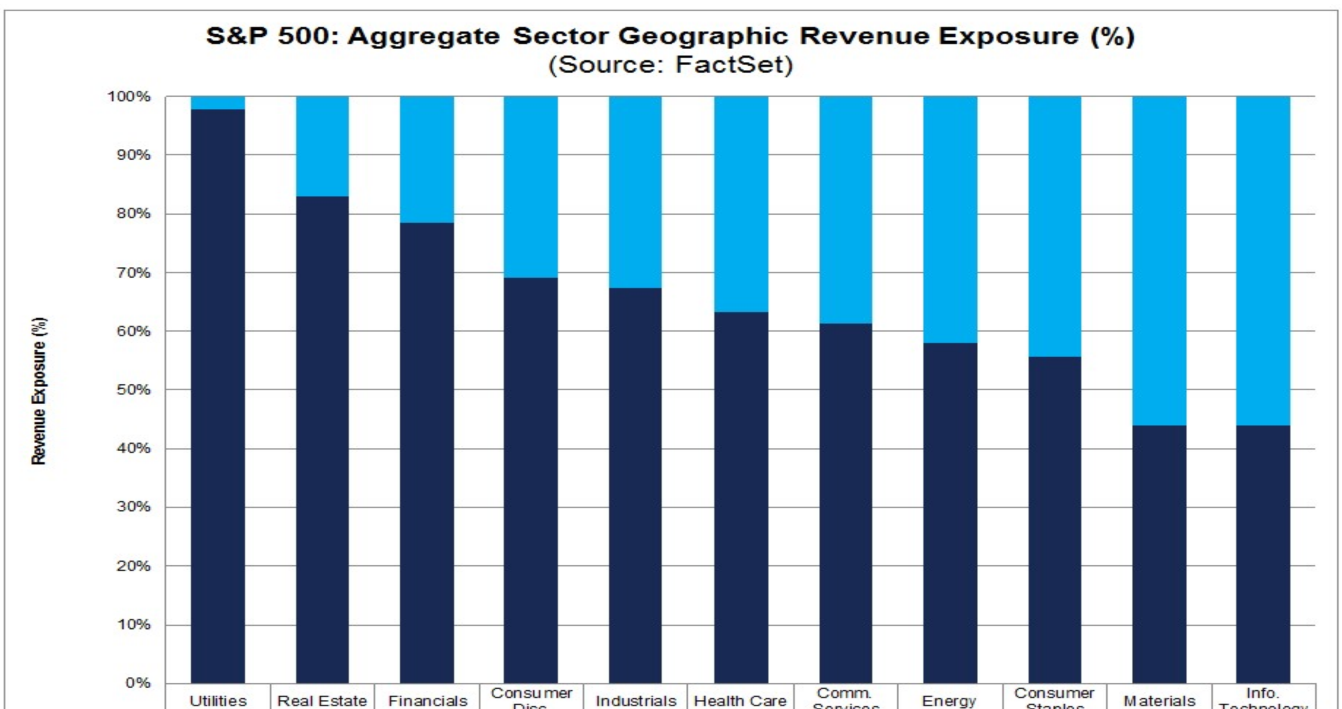
	Energy	Industrials	Consumer Disc.	Financials	Materials	S&P 500	Comm. Services	Info. Technology	Health Care	Real Estate	Consumer Staples	Utilities
Today	6056.9%	43.1%	37.0%	27.0%	23.4%	21.1%	17.2%	15.2%	13.0%	7.3%	6.8%	5.6%
31-Mar	110.0%	32.7%	27.2%	9.4%	19.7%	15.5%	14.6%	14.8%	10.9%	6.7%	6.8%	5.0%



	Energy	Consumer Disc.	Comm. Services	Industrials	Info. Technology	Real Estate	S&P 500	Health Care	Materials	Financials	Consumer Staples	Utilities
Today	11.6%	10.0%	9.9%	9.3%	8.3%	7.5%	7.3%	6.2%	5.6%	4.9%	3.1%	2.5%
31-Mar	8.5%	8.6%	8.7%	8.0%	8.0%	5.6%	6.4%	5.7%	5.1%	3.5%	3.1%	2.2%

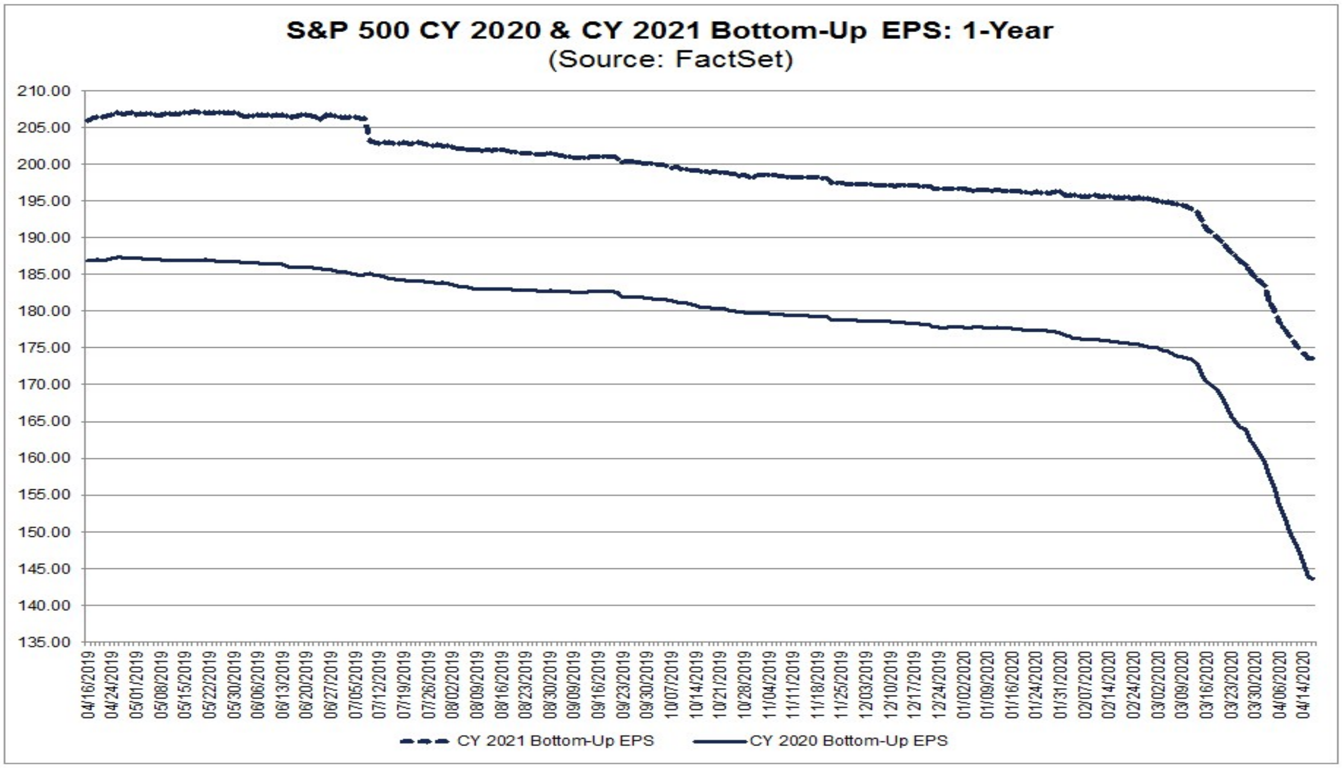
Geographic Revenue Exposure

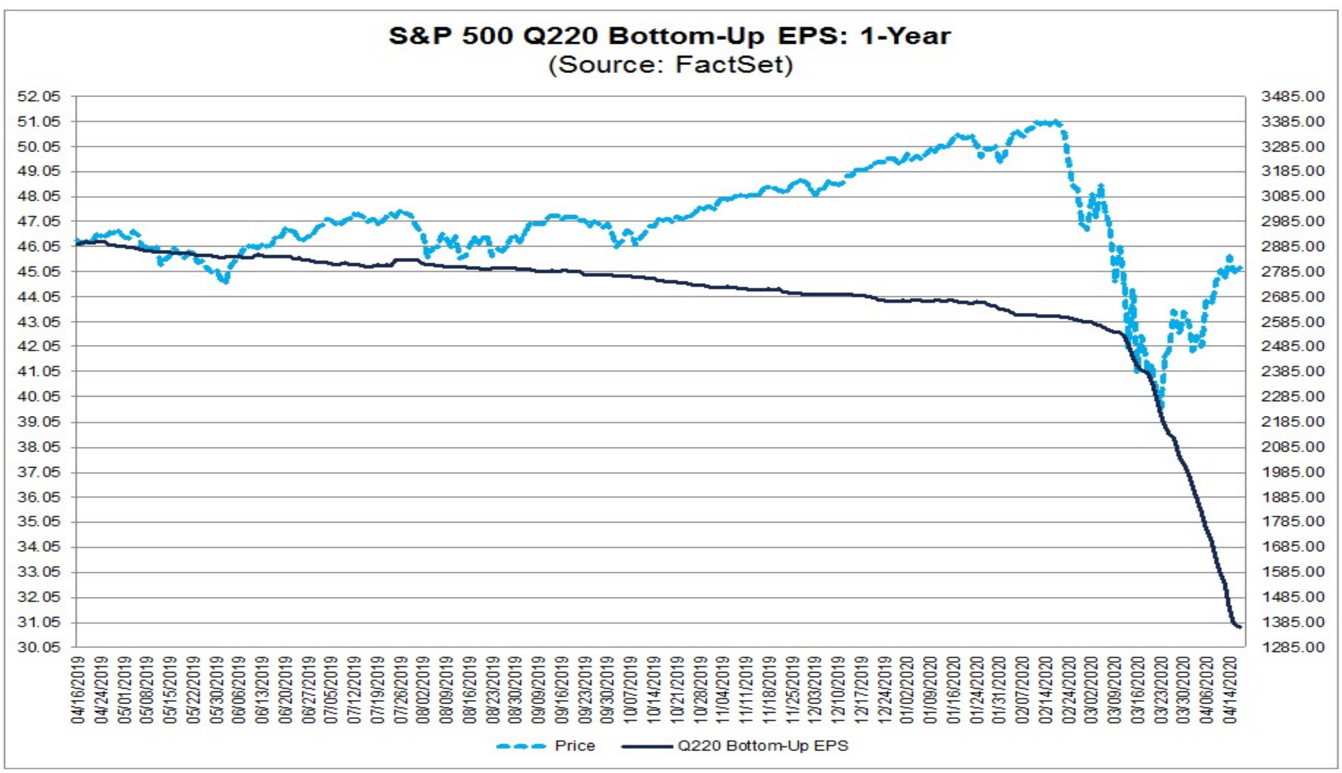




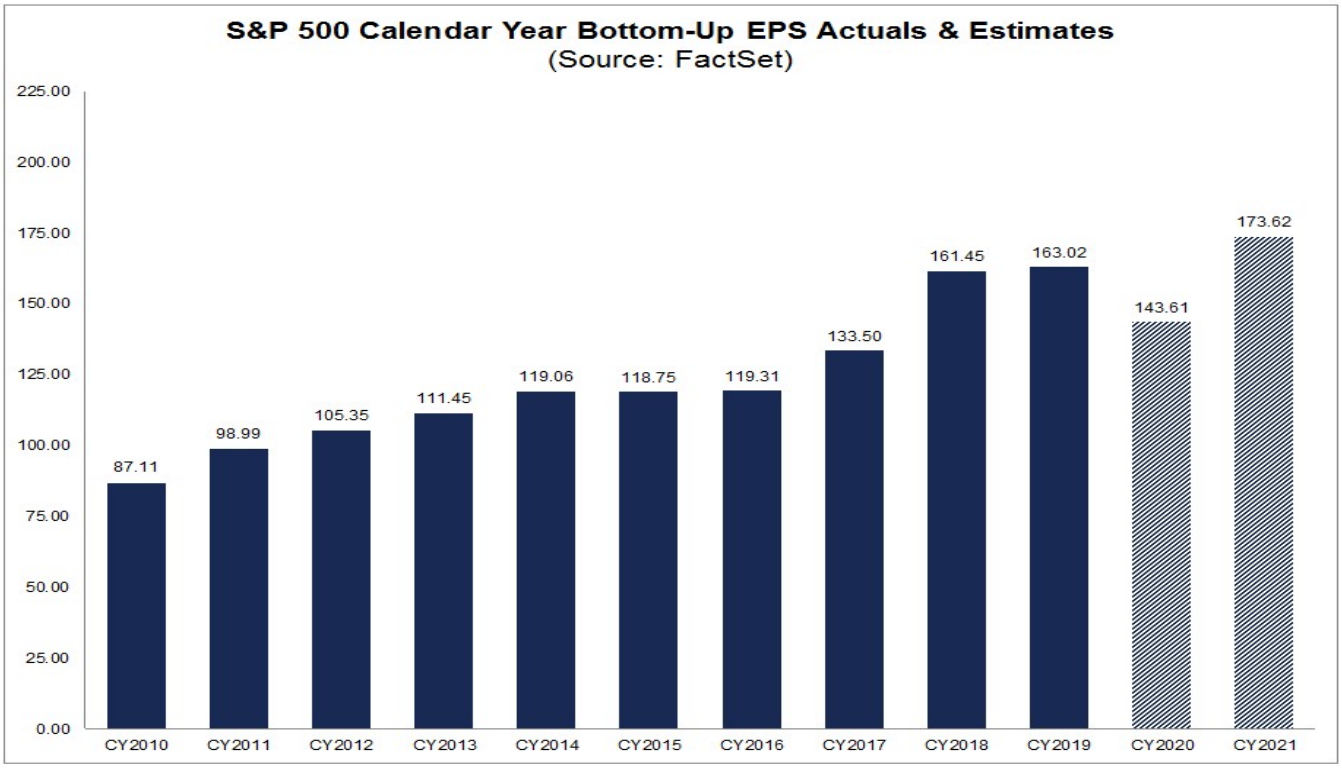
	Utilities	Real Estate	Financials	Consumer Disc.	Industrials	Health Care	Comm. Services	Energy	Consumer Staples	Materials	Info. Technology
International	2%	17%	22%	31%	33%	37%	39%	42%	44%	56%	56%
United States	98%	83%	78%	69%	67%	63%	61%	58%	56%	44%	44%

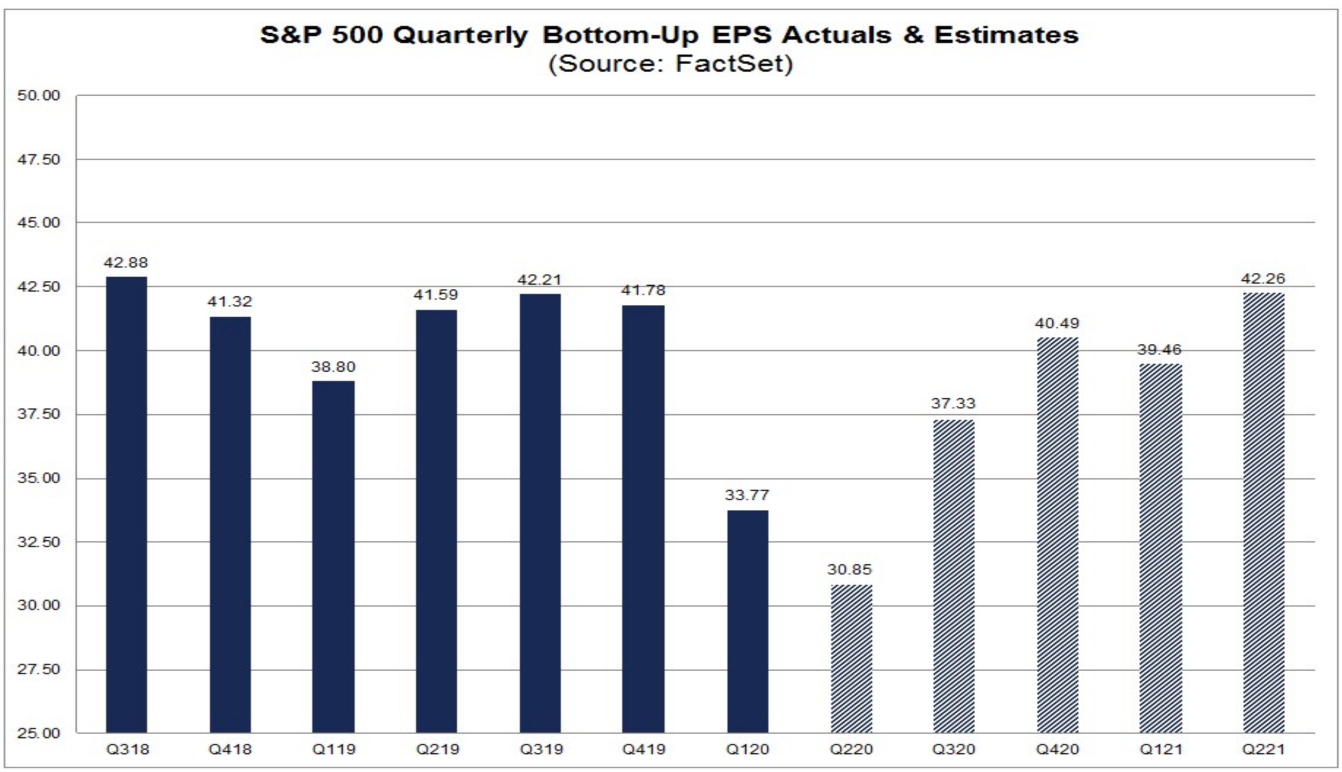
Bottom-up EPS Estimates: Revisions



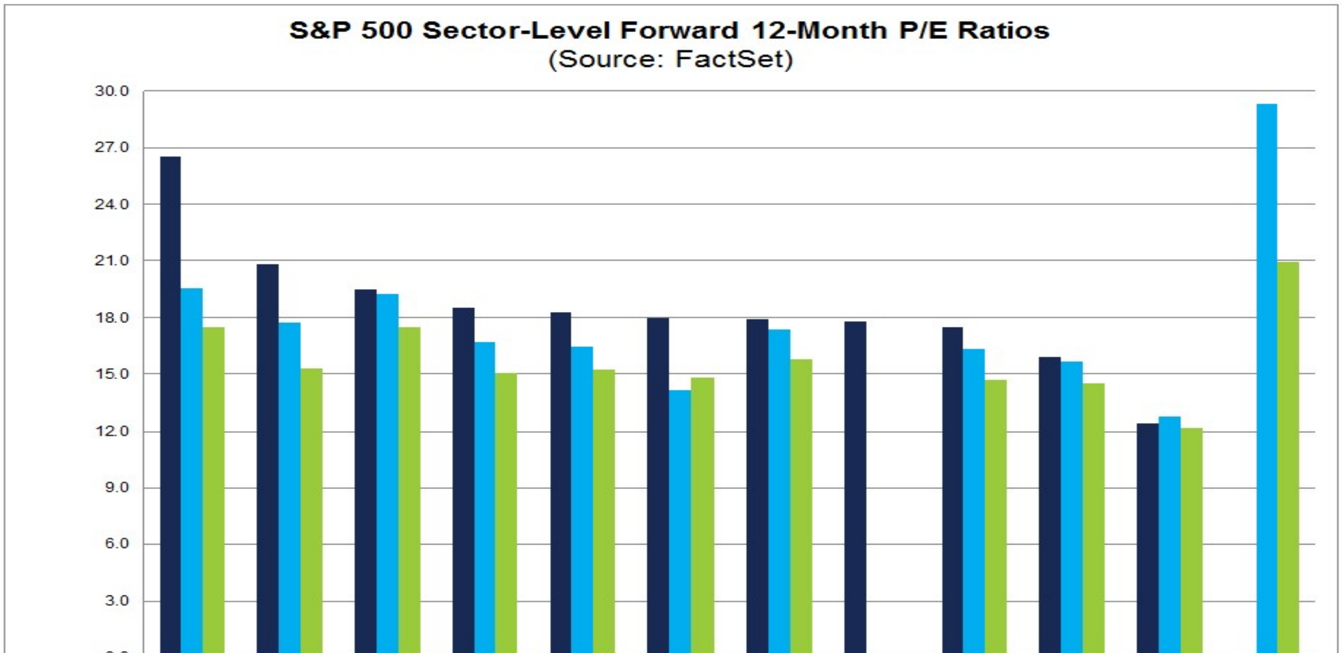


Bottom-up EPS Estimates: Current & Historical

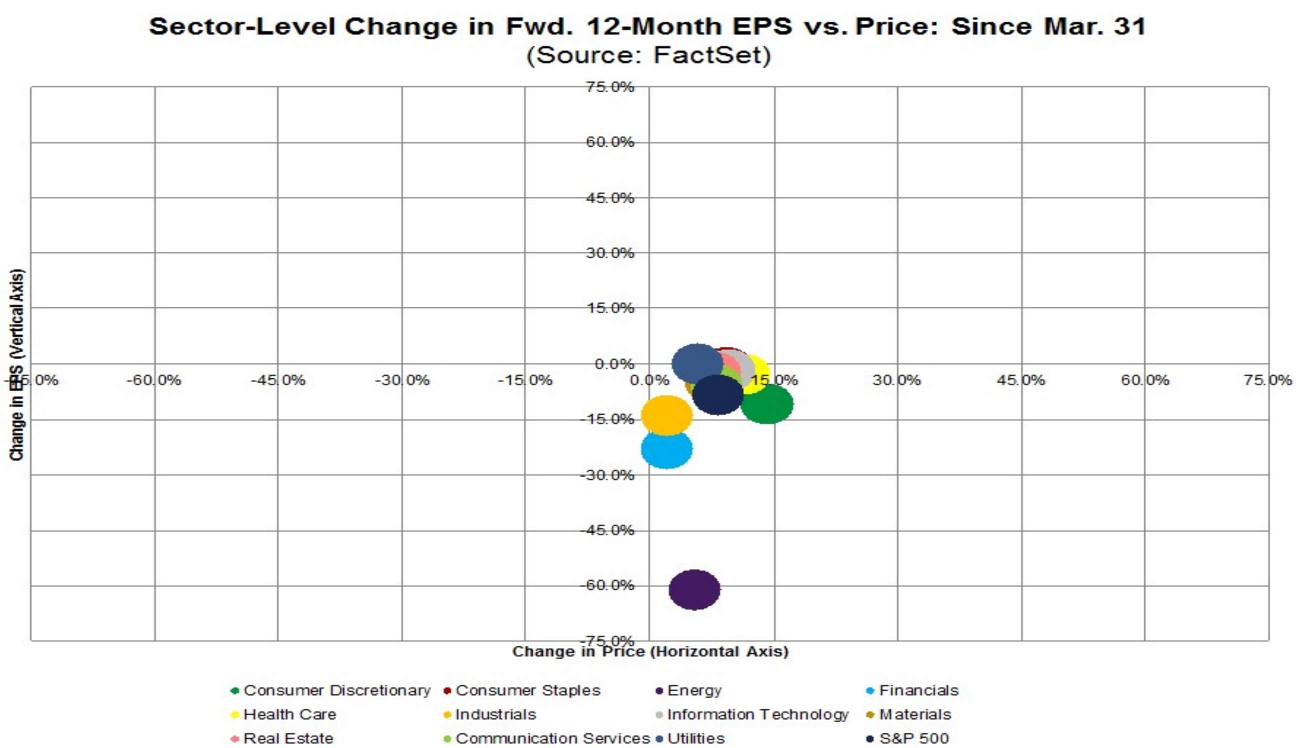




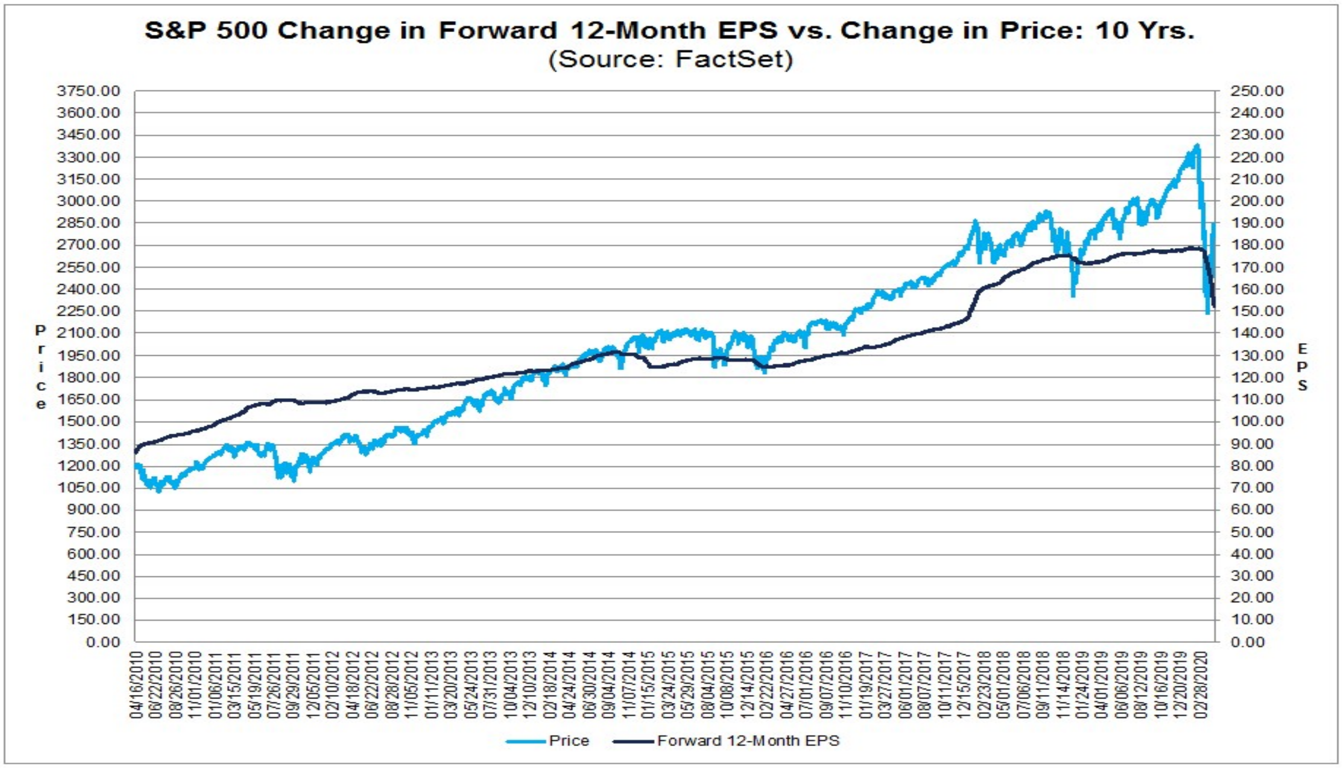
Forward 12M P/E Ratio: Sector Level

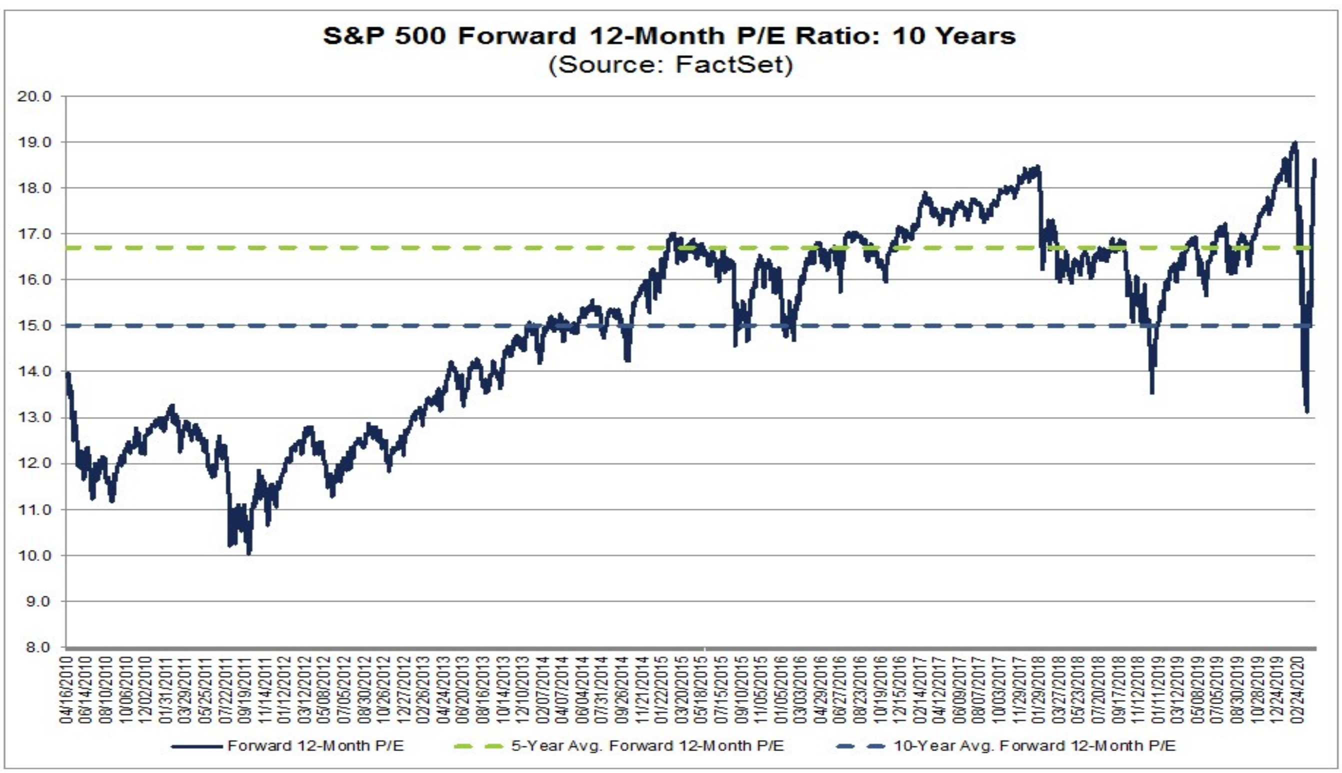


	Consumer Disc.	Info. Technology	Consumer Staples	S&P 500	Industrials	Comm. Services	Utilities	Real Estate	Materials	Health Care	Financials	Energy
Fwd P/E	26.5	20.8	19.5	18.5	18.2	18.0	17.9	17.8	17.4	15.9	12.4	
5-Yr Avg.	19.5	17.7	19.2	16.7	16.4	14.1	17.4		16.3	15.6	12.8	29.3
10-Yr Avg.	17.5	15.3	17.5	15.0	15.2	14.8	15.8		14.6	14.5	12.2	20.9

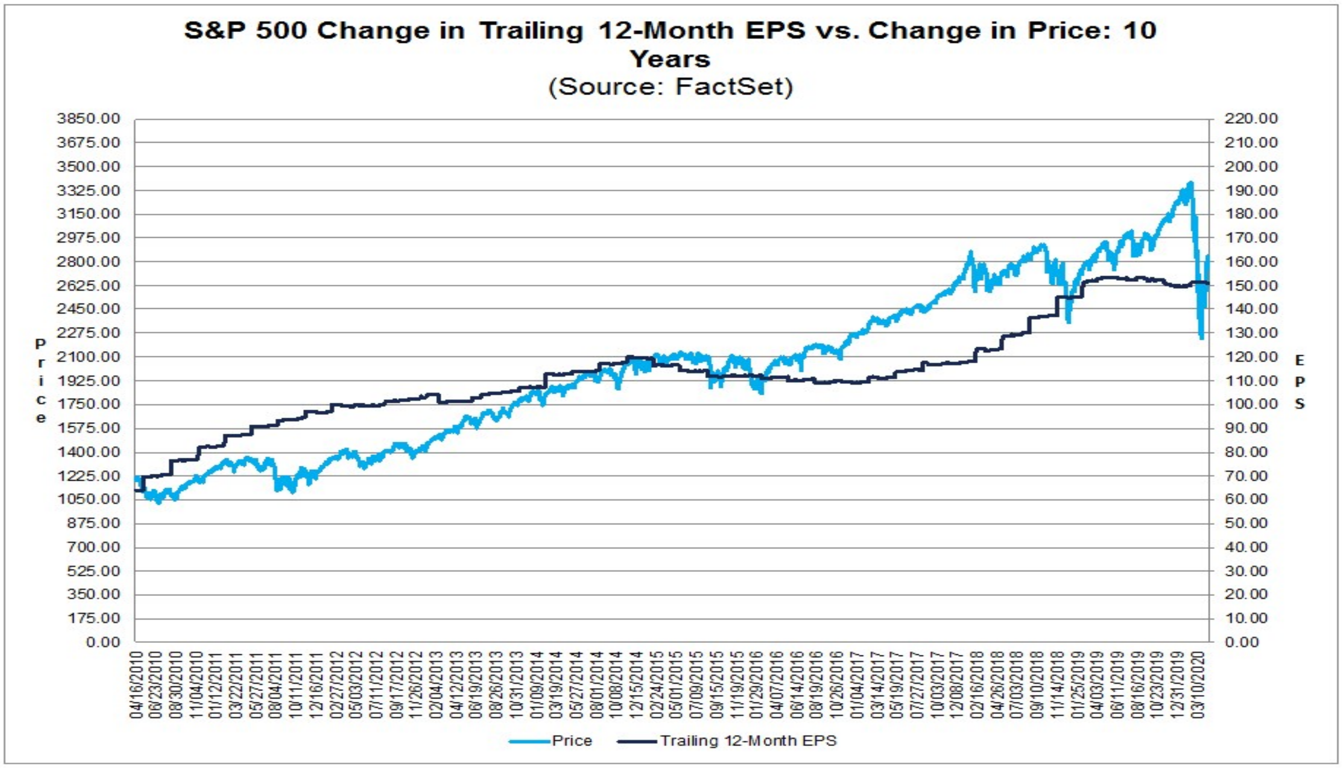


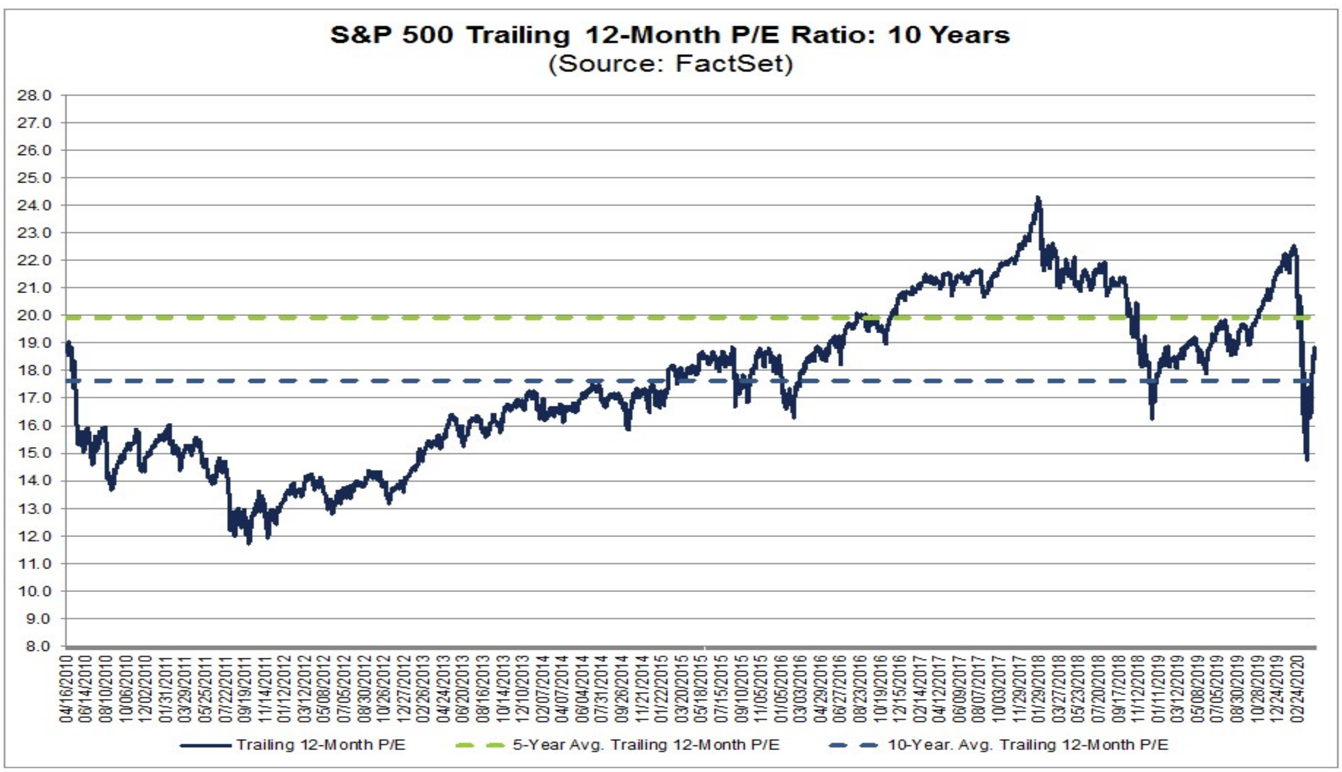
Forward 12M P/E Ratio: 10-Years





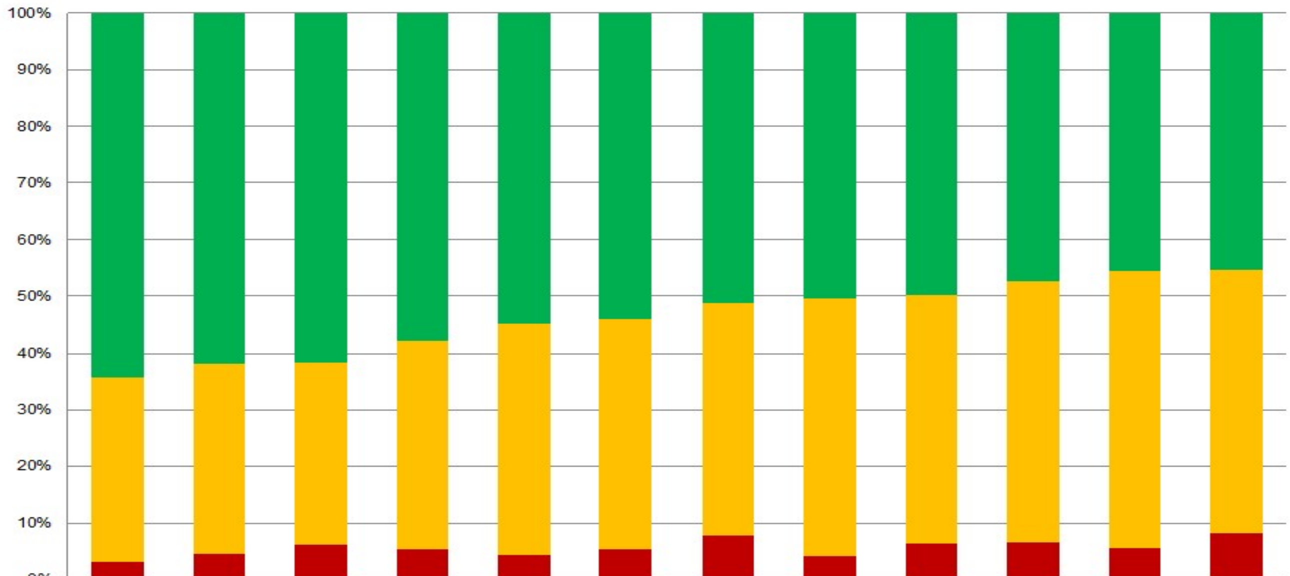
Trailing 12M P/E Ratio: 10-Years





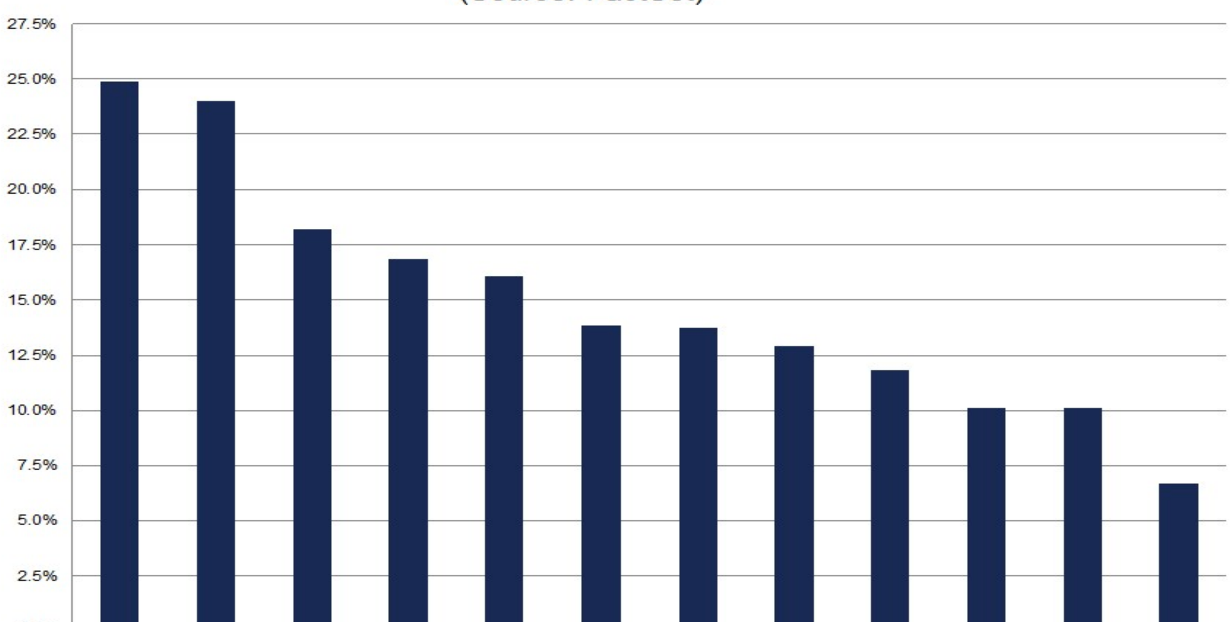
Targets & Ratings

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



	Energy	Health Care	Comm. Services	Info. Tech.	Materials	S&P 500	Utilities	Consumer Disc.	Industrials	Real Estate	Financials	Consumer Staples
Buy	64%	62%	62%	58%	55%	54%	51%	50%	50%	48%	46%	45%
Hold	32%	34%	32%	37%	41%	41%	41%	46%	44%	46%	49%	46%
Sell	3%	5%	6%	5%	4%	5%	8%	4%	6%	7%	6%	8%

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



	Energy	Financials	Industrials	Comm. Services	Materials	S&P 500	Utilities	Real Estate	Info. Tech.	Health Care	Consumer Disc.	Consumer Staples
Target/Close	24.9%	24.0%	18.2%	16.8%	16.1%	13.8%	13.7%	12.9%	11.8%	10.1%	10.1%	6.7%

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