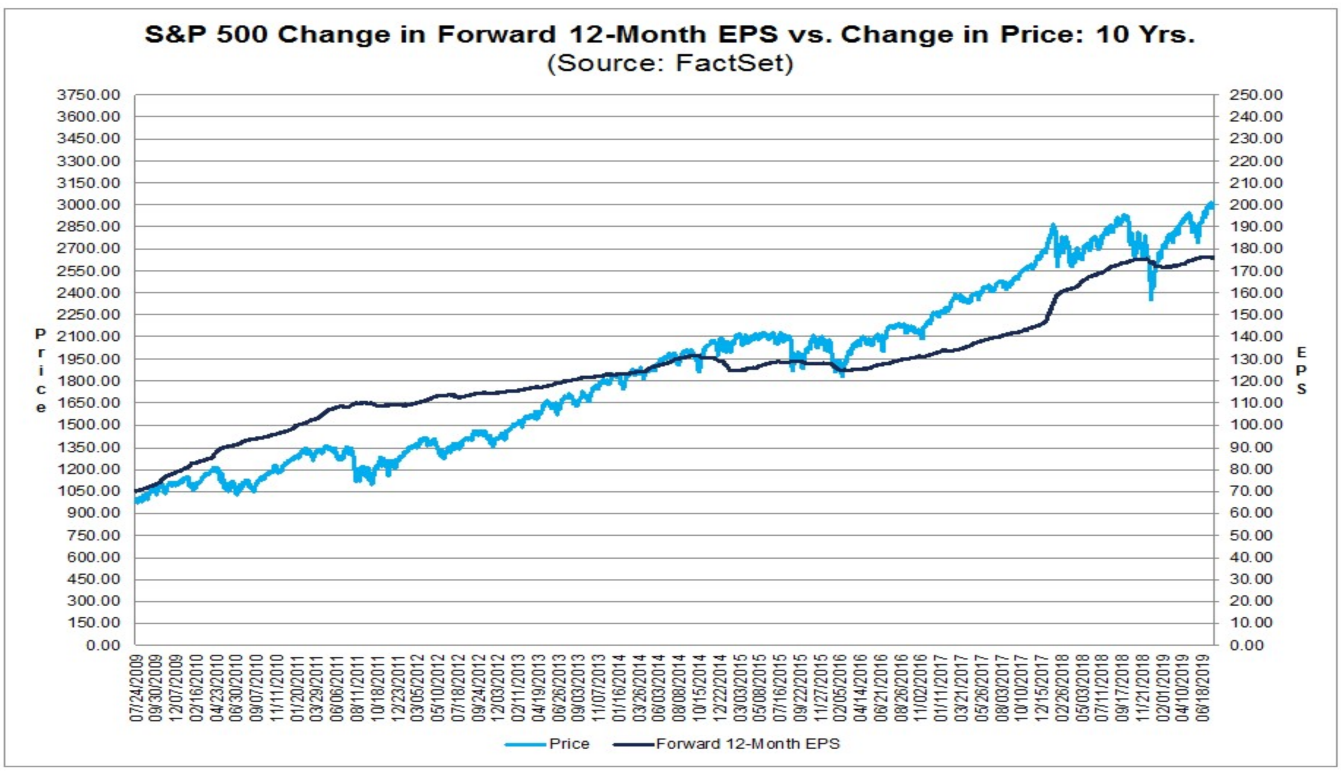
John Butters, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

July 26, 2019

Key Metrics

- **Earnings Scorecard:** For Q2 2019 (with 44% of the companies in the S&P 500 reporting actual results), 77% of S&P 500 companies have reported a positive EPS surprise and 61% of companies have reported a positive revenue surprise.
- **Earnings Growth:** For Q2 2019, the blended earnings decline for the S&P 500 is -2.6%. If -2.6% is the actual decline for the quarter, it will mark the first time the index has reported two straight quarters of year-over-year declines in earnings since Q1 2016 and Q2 2016.
- **Earnings Revisions:** On June 30, the estimated earnings decline for Q2 2019 was -2.7%. Five sectors have higher growth rates today (compared to June 30) due to positive EPS surprises.
- **Earnings Guidance:** For Q3 2019, 28 S&P 500 companies have issued negative EPS guidance and 10 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 17.1. This P/E ratio is above the 5-year average (16.5) and above the 10-year average (14.8).



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

Topic of the Week:

S&P 500 Companies with More Global Exposure Reporting Double-Digit Earnings Decline in Q2

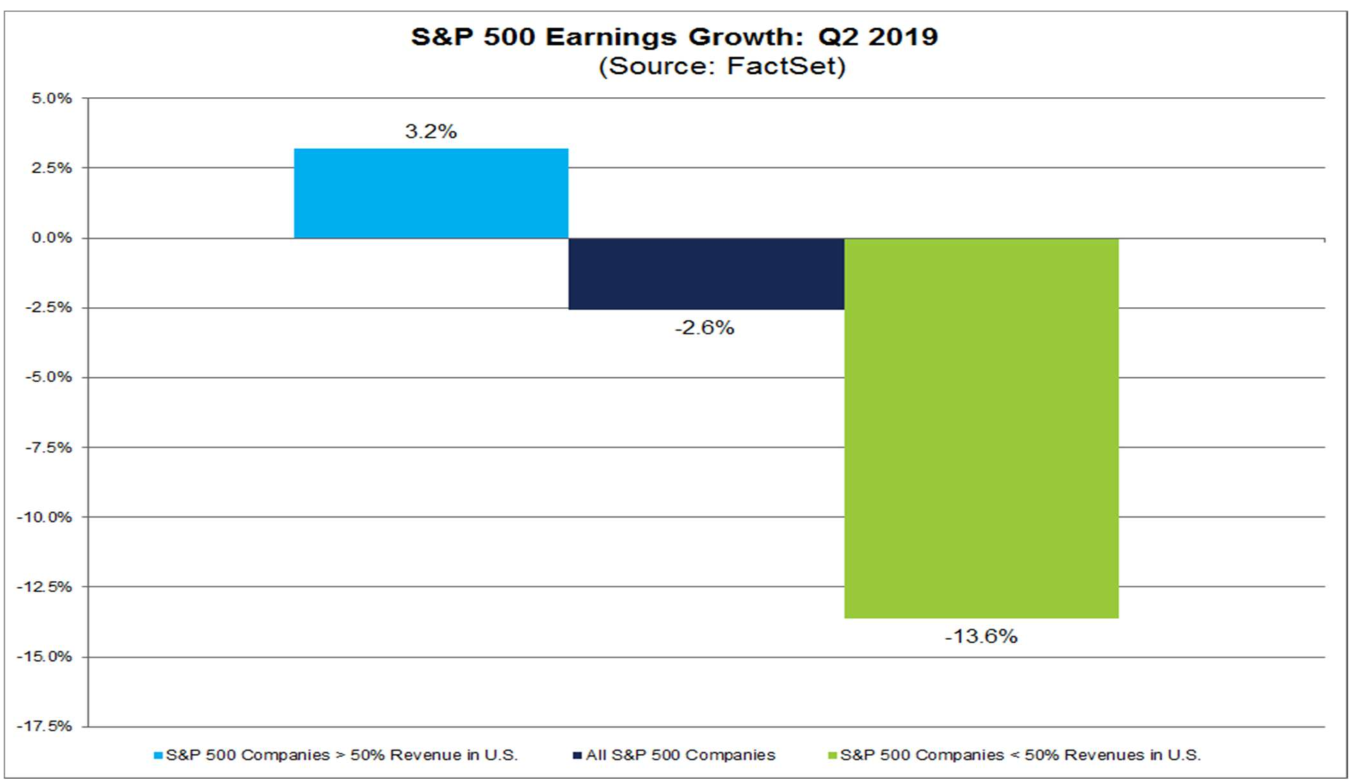
Coming into the Q2 earnings season, there were concerns in the market about the impact of the stronger U.S. dollar, slower global economic growth, and trade tensions on companies in the S&P 500 with higher international revenue exposure. Now that more than 40% of the companies in the index have reported actual results for Q2, are S&P 500 companies with higher global revenue exposure underperforming S&P 500 companies with lower global revenue exposure in terms of earnings growth and revenue growth for Q2 2019?

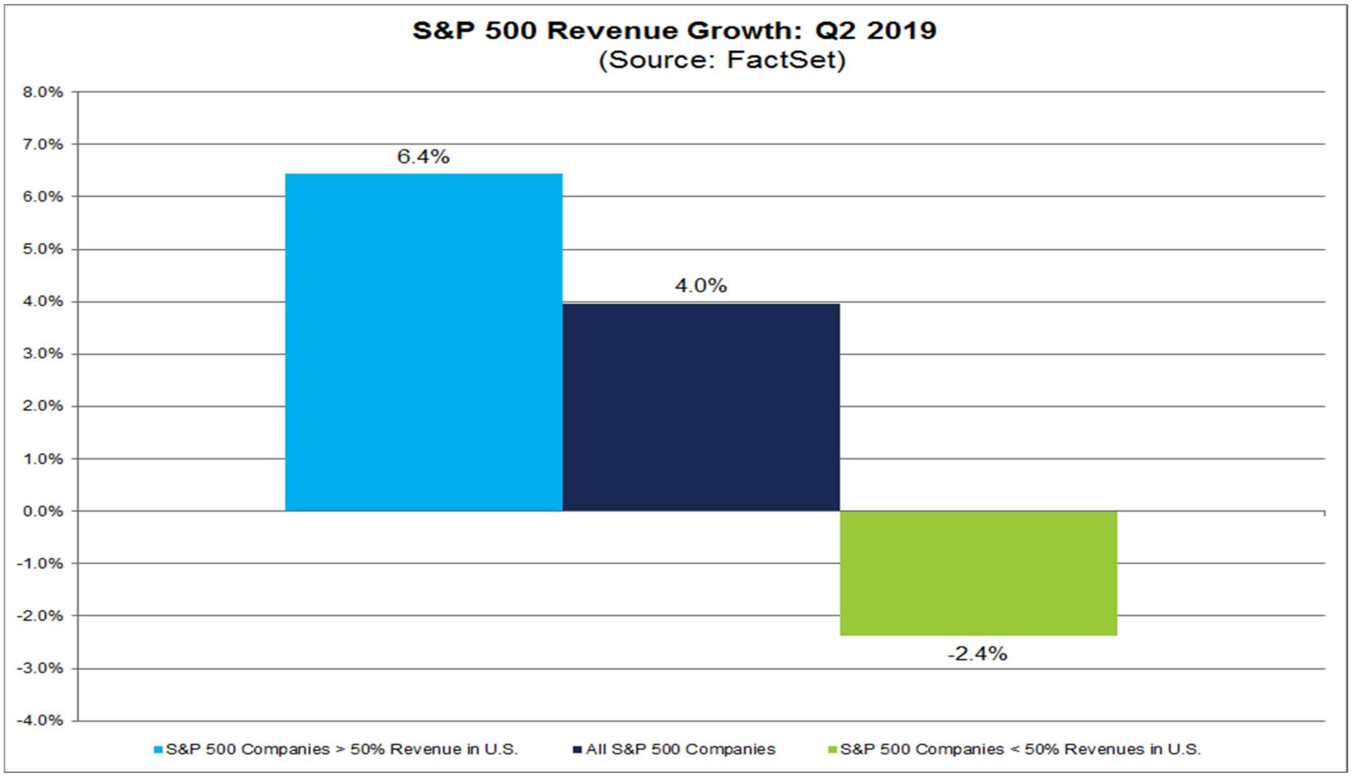
The answer is yes. FactSet Geographic Revenue Exposure data (based on the most recently reported fiscal year data for each company in the index) was used to answer this question. For this analysis, the index was divided into two groups: companies that generate more than 50% of sales inside the U.S. (less global exposure) and companies that generate less than 50% of sales inside the U.S. (more global exposure). Aggregate earnings and revenue growth rates were then calculated based on these two groups.

The blended (combines actual results for companies that have reported and estimated results for companies yet to report) earnings decline for the S&P 500 for Q2 2019 is -2.6%. For companies that generate more than 50% of sales inside the U.S., the blended earnings growth rate is 3.2%. For companies that generate less than 50% of sales inside the U.S., the blended earnings decline is -13.6%.

The blended revenue growth rate for the S&P 500 for Q2 2019 is 4.0%. For companies that generate more than 50% of sales inside the U.S., the blended revenue growth rate is 6.4%. For companies that generate less than 50% of sales inside the U.S., the blended revenue decline is -2.4%.

What is driving the underperformance of S&P 500 companies with higher global revenue exposure? At the sector level, the Industrials and Information Technology sectors as the largest contributors to the earnings decline for S&P 500 companies with more global exposure, while the Materials and Energy sectors are the largest contributors to the revenue decline for S&P 500 companies with more global exposure. The Information Technology (#1), Materials (#2), and Energy (#4) sectors are three of the four sectors with the highest international revenue exposures in the S&P 500.




S&P 500 Revenue Growth: Q2 2019
(Source: FactSet)
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
6.4%
4.0%
-2.4%
S&P 500 Companies > 50% Revenue in U.S.
All S&P 500 Companies
S&P 500 Companies < 50% Revenues in U.S.

Q2 Earnings Season: By The Numbers

Overview

To date, 44% of the companies in the S&P 500 have reported actual results for Q2 2019. In terms of earnings, the percentage of companies reporting actual EPS above estimates (77%) is above the 5-year average. In aggregate, companies are reporting earnings that are 5.4% above the estimates, which is also above the 5-year average. In terms of sales, the percentage of companies (61%) 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 second quarter is -2.6% today, which is smaller than the earnings decline of -3.4% last week*. Positive earnings surprises reported by companies in multiple sectors (led by the Information Technology sector) were responsible for the decrease in the overall earnings decline during the week. If -2.6% is the actual decline for the quarter, it will mark the first time the index has reported two straight quarters of year-over-year declines in earnings since Q1 2016 and Q2 2016. Five sectors are reporting year-over-year growth in earnings, led by the Health Care and Financials sectors. Six sectors are reporting a year-over-year decline in earnings, led by the Materials, Industrials, Energy, and Information Technology sectors.

The blended revenue growth rate for the second quarter is 4.0% today, which is above the revenue growth rate of 3.6% last week. Positive revenue surprises reported by companies in multiple sectors (led by the Energy sector) were responsible for the increase in the overall revenue growth rate during the week. If 4.0% is the final growth rate for the quarter, it will mark the lowest revenue growth rate for the index since Q3 2016 (2.7%). Seven sectors are reporting year-over-year growth in revenues, led by the Communication Services and Health Care sectors. Three sectors are reporting a year-over-year decline in revenues, led by the Materials sector. One sector (Industrials) is reporting no growth (0%) in revenue.

Looking at the second half of 2019, analysts see a decline in earnings for the third quarter followed by mid-single-digit earnings growth in the fourth quarter.

The forward 12-month P/E ratio is 17.1, which is above the 5-year average and above the 10-year average.

During the upcoming week, 168 S&P 500 companies (including 7 Dow 30 components) are scheduled to report results for the second quarter.

**The earnings decline of -3.4% published in today's report for last week (July 19) is different than the -1.9% published in last week's report due to changes made to the estimates for Boeing for Q2 after publication. At publication time last week, the mean EPS estimate for Boeing for Q2 excluded the charges the company announced in relation to the 737 MAX grounding. After publication of the report, the basis of the mean EPS estimate for Boeing was changed to include the charges. This change in the basis of the estimate to include the charges is mainly responsible for the difference in the earnings decline published in last week's report (-1.9%) and today's report (-3.4) for July 19.*

Scorecard: More Companies Beating EPS & Sales Estimates than Average

Percentage of Companies Beating EPS Estimates (77%) is Above 5-Year Average

Overall, 44% of the companies in the S&P 500 have reported earnings to date for the second quarter. Of these companies, 77% have reported actual EPS above the mean EPS estimate, 5% have reported actual EPS equal to the mean EPS estimate, and 18% have reported actual EPS below the mean EPS estimate. The percentage of companies reporting EPS above the mean EPS estimate is above the 1-year (76%) average and above the 5-year (72%) average.

At the sector level, the Health Care (100%), Real Estate (86%), and Consumer Staples (85%) sectors have the highest percentages of companies reporting earnings above estimates, while the Utilities (67%) and Consumer Discretionary (67%) sectors have the lowest percentages of companies reporting earnings above estimates.

Earnings Surprise Percentage (+5.4%) is Above 5-Year Average

In aggregate, companies are reporting earnings that are 5.4% above expectations. This surprise percentage is above the 1-year (+5.2%) average and above the 5-year (+4.8%) average.

The Information Technology sector (+10.6%) sector is reporting the largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Micron Technology ($1.05 vs. $0.79), PayPal Holdings ($0.86 vs. $0.69), Intel ($1.06 vs. $0.88), Red Hat ($1.00 vs. $0.87), and Microsoft ($1.37 vs. $1.21) have reported the largest positive EPS surprises.

The Financials (+7.5%) sector is reporting the second largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Jefferies Financial Group ($2.14 vs. $0.24), SVB Financial Group ($6.08 vs. $5.02), Goldman Sachs ($5.81 vs. $4.89), Capital One Financial ($3.37 vs. $2.89), and JPMorgan Chase ($2.82 vs. $2.50) have reported the largest positive EPS surprises.

The Communication Services sector (-1.0%) is reporting the largest negative (aggregate) difference between actual earnings and estimated earnings. Within this sector, Facebook ($0.91 vs. $1.88) has reported the largest negative EPS surprise.

Market Rewarding Earnings Beats

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

Companies that have reported positive earnings surprises for Q2 2019 have seen an average price increase of +1.4% two days before the earnings release through two days after the earnings. This percentage increase is above 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 Q2 2019 have seen an average price decrease of -2.0% 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 (61%) is Above 5-Year Average

In terms of revenues, 61% of companies have reported actual sales above estimated sales and 39% have reported actual sales below estimated sales. The percentage of companies reporting sales above estimates is below the 1-year average (63%) but above the 5-year average (60%).

At the sector level, the Health Care (84%) and Consumer Discretionary (78%) sectors have the highest percentages of companies reporting revenues above estimates, while the Materials (15%) and Utilities (17%) 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 (+1.1%) average and above the 5-year (+0.8%) average.

At the sector level, the Energy (+8.6%) sector is reporting the largest positive (aggregate) difference between actual revenues and estimated revenues, while the Utilities (-4.1%) sector is reporting the largest negative (aggregate) difference between actual revenue and estimated revenues.

Revisions: Decrease in Blended Earnings Decline this Week Due to Multiple Sectors

Decrease in Blended Earnings Decline This Week Due to Multiple Sectors

The blended (year-over-year) earnings decline for the second quarter is -2.6% today, which is smaller than the earnings decline of -3.4% last week*. Positive earnings surprises reported by companies in multiple sectors (led by the Information Technology sector) were responsible for the decrease in the overall earnings decline during the week.

In the Information Technology sector, the positive EPS surprise reported by Intel ($1.06 vs. $0.88) was a substantial contributor to the overall decrease in the earnings decline for the index during the week. As a result, the blended earnings decline for the Information sector fell to -8.2% from -10.0% over this period.

**The earnings decline of -3.4% published in today's report for last week (July 19) is different than the -1.9% published in last week's report due to changes made to the estimates for Boeing for Q2 after publication. At publication time last week, the mean EPS estimate for Boeing for Q2 excluded the charges the company announced in relation to the 737 MAX grounding. After publication of the report, the basis of the mean EPS estimate for Boeing was changed to include the charges. This change in the basis of the estimate to include the charges is mainly responsible for the difference in the earnings decline published in last week's report (-1.9%) and today's report (-3.4) for July 19.*

Increase in Blended Revenue Growth This Week Due to Multiple Sectors

The blended (year-over-year) revenue growth rate for the second quarter is 4.0% today, which is above the revenue growth rate of 3.6% last week. Positive revenue surprises reported by companies in multiple sectors (led by the Energy sector) were responsible for the increase in the overall revenue growth rate during the week.

Financials Sector Has Seen Largest Increase in Earnings since June 30

The blended (year-over-year) earnings decline for Q2 2019 of -2.6% is smaller than the estimate of -2.7% at the end of the second quarter (June 30). Five 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 Financials (to 4.7% from 0.6%) and Information Technology (to -8.2% from -11.9%) sectors. Six 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 Industrials (to -12.2% from -1.9%) and Energy (to -9.8% from 0.1%) sectors.

Financials Sector Has Seen Largest Increase in Revenues since June 30

The blended (year-over-year) revenue growth rate for Q2 2019 of 4.0% is above the estimate of 3.8% at the end of the second quarter (June 30). Seven 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 2.8% from 1.8%) sector. Three 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 Materials (to -16.1 from -14.6%) sector. One sectors (Real Estate) has recorded no change in revenue growth (3.3%) since June 30.

Year-Over-Year Earnings Decline: -2.6%

The blended (year-over-year) earnings decline for Q2 2019 is -2.6%, which is below the 5-year average earnings growth rate of 7.3%. If -2.6% is the actual decline for the quarter, it will mark the first time the index has reported two straight quarters of year-over-year declines in earnings since Q1 2016 and Q2 2016. It will also mark the largest year-over-year decline in earnings reported by the index since Q2 2016 (-3.2%).

S&P 500 companies with more international revenue exposure are reporting a much larger 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 -13.6%. For S&P 500 companies that generate more than 50% of revenue inside the U.S., the blended earnings growth rate is 3.2%.

Five sectors are reporting year-over-year earnings growth, led by the Health Care and Financials sectors. Six sectors are reporting a year-over-year decline in earnings, led by the Materials, Industrials, Energy, and Information Technology sectors.

Health Care: Johnson & Johnson Leads Year-Over-Year Growth

The Health Care sector is reporting the highest (year-over-year) earnings growth of all eleven sectors at 4.8%. At the industry level, five of the six industries in this sector are reporting growth in earnings, led by the Health Care Providers & Services (17%) industry. On the other hand, the Pharmaceuticals (-2%) industry is the only industry reporting a decline in earnings for the quarter.

At the company level, Johnson & Johnson is the largest contributor to earnings growth for the sector. The company reported actual EPS of $2.58 for Q2 2019, compared to year-ago EPS of $2.10. If Johnson & Johnson were excluded, the blended earnings growth rate for the sector would fall to 2.9% from 4.8%.

Financials: JPMorgan Chase and Wells Fargo Lead Year-Over-Year Growth

The Financials sector is reporting the second highest (year-over-year) earnings growth of all eleven sectors at 4.7%. At the industry level, three of the five industries in this sector are reporting growth in earnings, led by the Banks (10%) industry.

At the company level, JPMorgan Chase and Wells Fargo are the largest contributors to earnings growth for the sector. JPMorgan Chase reported actual EPS of $2.82 for Q2 2019, compared to year-ago EPS of $2.29. Wells Fargo reported actual EPS of $1.30 for Q2 2019, compared to year-ago EPS of $0.98. If these two companies were excluded, the blended earnings growth rate for the sector would fall to 1.3% from 4.7%.

Materials: Freeport-McMoRan and DuPont Lead Year-Over-Year Decline

The Materials sector is reporting the highest (year-over-year) earnings decline of all eleven sectors at -18.5%. At the industry level, three of the four industries in this sector are reporting a decline in earnings: Metals & Mining (-76%), Chemicals (-9%), and Containers & Packaging (-4%). On the other hand, the Construction Materials (6%) industry is the only industry in the sector that is reporting earnings growth.

At the company level, Freeport-McMoRan and DuPont are the largest contributors to the (year-over-year) decline in earnings for the sector. Freeport-McMoRan reported actual EPS of -$0.04 for Q2 2019, compared to year-ago EPS of $0.58. The mean EPS estimate for DuPont for Q2 2019 is $0.89, compared to year-ago EPS of $1.95. If these two companies were excluded, the blended earnings decline for the sector would improve to -1.5% from -18.5%.

Industrials: Boeing Leads Year-Over-Year Decline

The Industrials sector is reporting the second highest (year-over-year) earnings decline of all eleven sectors at -12.2%. At the industry level, four of the twelve industries in this sector are reporting a decline in earnings, led by the Aerospace & Defense (-53%), Industrial Conglomerates (-18%), and Building Products (-13%) industries. On the other hand, eight industries are reporting earnings growth, led by the Airlines (16%), Professional Services (14%), and Commercial Services & Supplies (11%) industries.

At the company level, Boeing is the largest contributor to the decline in earnings for the sector. The company reported actual EPS of -$5.82 for Q2 2019, compared to year-ago EPS of $3.33. The EPS of -$5.82 for Q2 2019 included a negative impact of $8.74 related to charges for the 737 MAX grounding. If this company were excluded, the blended earnings growth rate for the sector would improve to 2.3% from -12.2%.

Energy: Exxon Mobil Leads Year-Over-Year Decline

The Energy sector is reporting the third highest (year-over-year) earnings decline of all eleven sectors at -9.8%. At the sub-industry level, four of the six sub-industries in this sector are reporting a decline in earnings: Oil & Gas Equipment & Services (-20%), Integrated Oil & Gas (-13%), Oil & Gas Refining & Marketing (-11%), and Oil & Gas Exploration & Production (-6%). On the other hand, two sub-industries are reporting earnings growth: Oil & Gas Drilling (N/A due to year-ago loss) and Oil & Gas Storage & Transportation (20%).

At the company level, Exxon Mobil is projected to be the largest contributor to the (year-over-year) decline in earnings for the sector. The mean EPS estimate for the company for Q2 2019 is $0.69, compared to year-ago EPS of $0.92. If Exxon Mobil were excluded, the blended earnings decline for the sector would improve to -5.5% from -9.8%.

Information Technology: Micron Technology Leads Year-Over-Year Decline

The Information Technology sector is reporting the fourth highest (year-over-year) earnings decline of all eleven sectors at -8.2%. At the industry level, two of the six industries in this sector are reporting a decline in earnings: Semiconductors & Semiconductor Equipment (-26%) and Technology Hardware, Storage, & Peripherals (-22%). On the other hand, four industries are reporting earnings growth, led by the Software (12%) industry.

At the company level, Micron Technology is the largest contributor to the decline in earnings for the sector. Micron Technology reported actual EPS of $1.05 for Q2 2019, compared to year-ago EPS of $3.15. If this company were excluded, the blended earnings decline for the sector would improve to -4.8% from -8.2%.

Year-Over-Year Revenue Growth: 4.0%

The blended (year-over-year) revenue growth rate for Q2 2019 is 4.0%, which is above the 5-year average revenue growth rate of 3.5%. If 4.0% is the actual growth rate for the quarter, it will mark the lowest revenue growth rate for the index since Q3 2016 (2.7%).

S&P 500 companies with more international revenue exposure are reporting a much larger 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 -2.4%. For S&P 500 companies that generate more than 50% of revenue inside the U.S., the blended revenue growth rate is 6.4%.

Seven of the eleven sectors are reporting year-over-year growth in revenues, led by the Communication Services and Health Care sectors. Three sectors are reporting a year-over-year decline in revenues, led by the Materials sector. One sector (Industrials) is reporting no growth (0%) in revenue.

Communication Services: 3 of 4 Industries Reporting (Year-Over-Year) Double-Digit Growth

The Communication Services sector is reporting the highest (year-over-year) revenue growth of all eleven sectors at 14.7%. At the industry level, all four industries in this sector are reporting revenue growth. Three of these four industries are reporting double-digit revenue growth: Entertainment (29%), Interactive Media & Services (21%), and Media (10%).

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

The Health Care sector is reporting the second highest (year-over-year) revenue growth of all eleven sectors at 12.7%. At the industry level, five of the six industries in this sector are reporting revenue growth for the quarter. The Health Care Providers & Services is the only industry reporting double-digit revenue growth (18%). On the other hand, the Pharmaceuticals (-2%) industry is the only industry reporting a decline in revenue.

At the company level, Cigna and CVS Health are predicted to be the largest contributors to 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 revenue estimate for Cigna for Q2 2019 ($34.97 billion) reflects the combined revenues of Cigna and Express Scripts, while the actual revenue for Q2 2018 ($11.48 billion) reflects the standalone revenue for Cigna. The revenue estimate for CVS Health for Q2 2019 ($62.63 billion) reflects the combined revenues of CVS Health and Aetna, while the actual revenue for Q2 2018 ($46.71 billion) reflects the standalone revenue for CVS Health. These apples-to-oranges comparisons are the main reason Cigna and CVS Health are projected to be 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 5.2% from 12.7%.

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 -16.1%. At the industry level, two of the four industries in this sector are reporting a decline in revenue for the quarter: Chemicals (-23%) and Metals & Mining (-12%).

At the company level, DuPont is predicted to be the largest contributor to the 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 revenue estimate for DuPont for Q2 2019 ($6.02 billion) reflects the standalone revenue for DuPont, while the actual revenue for Q2 2018 ($24.25 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 3.7% from -16.1%.

Looking Ahead: Forward Estimates and Valuation

Guidance: % of S&P 500 Companies Issuing Negative EPS Guidance for Q3 is Above Average

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, 38 companies in the index have issued EPS guidance for Q3 2019. Of these 38 companies, 28 have issued negative EPS guidance and 10 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 74% (28 out of 38), which is above the 5-year average of 70%.

Earnings: Low Single-Digit Earnings Growth Projected for 2019

For the second quarter, S&P 500 companies reporting a decline in earnings of -2.6% and growth in revenues of 4.0%. For the second half of 2019, analysts see a decline in earnings in the third quarter and mid-single-digit growth in earnings in the fourth quarter.

For Q3 2019, analysts are projecting a decline in earnings of -1.9% and revenue growth of 3.2%.

For Q4 2019, analysts are projecting earnings growth of 4.9% and revenue growth of 4.0%.

For CY 2019, analysts are projecting earnings growth of 1.7% and revenue growth of 4.4%.

For Q1 2020, analysts are projecting earnings growth of 9.2% and revenue growth of 5.9%.

For Q2 2020, analysts are projecting earnings growth of 12.6% and revenue growth of 6.6%.

Valuation: Forward P/E Ratio is 17.1, Above the 10-Year Average (14.8)

The forward 12-month P/E ratio is 17.1. This P/E ratio is above the 5-year average of 16.5 and above the 10-year average of 14.8. It is also above the forward 12-month P/E ratio of 16.7 recorded at the end of the second quarter (June 30). Since the end of the second quarter (June 30), the price of the index has increased by 2.1%, while the forward 12-month EPS estimate has decreased by less than 0.1%.

At the sector level, the Consumer Discretionary (21.8) sector has the highest forward 12-month P/E ratio, while the Financials (12.3) sector has the lowest forward 12-month P/E ratio.

Targets & Ratings: Analysts Project 9% Increase in Price Over Next 12 Months

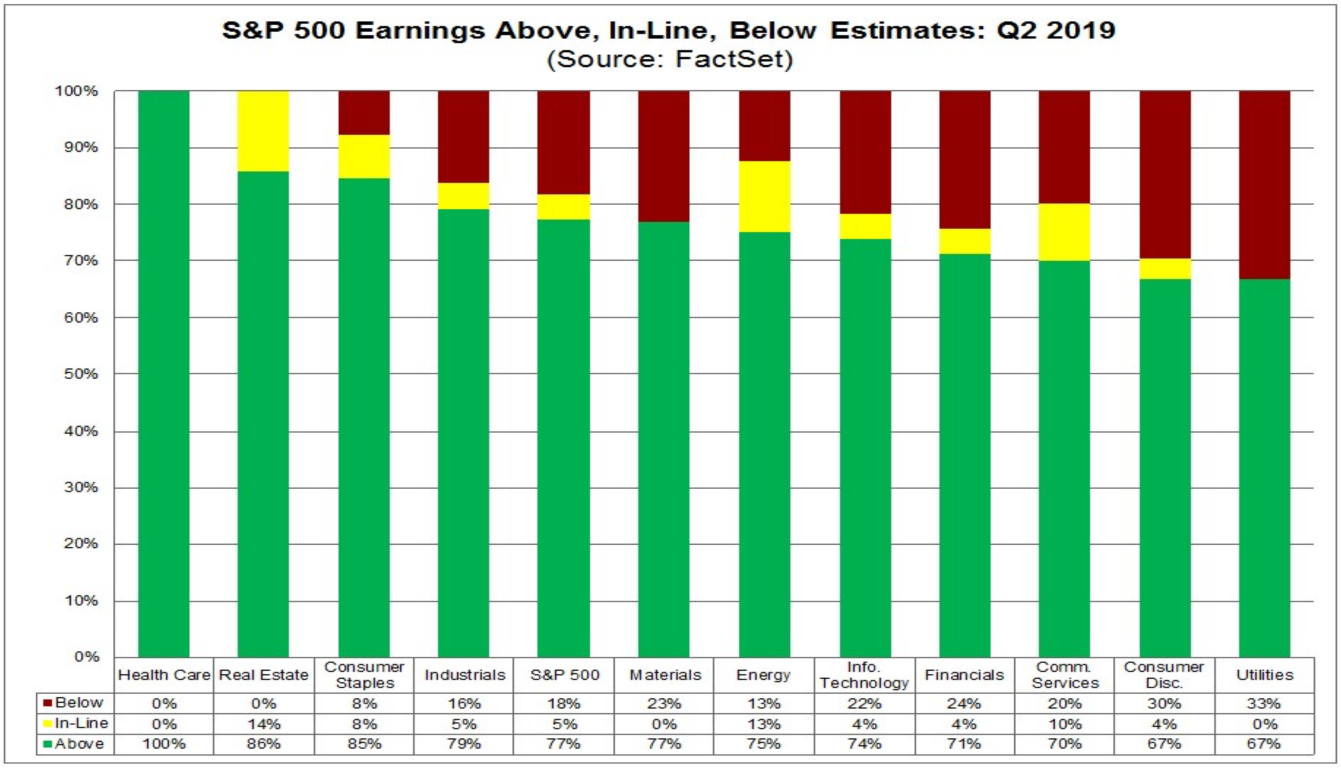
The bottom-up target price for the S&P 500 is 3263.71, which is 8.7% above the closing price of 3003.67. At the sector level, the Energy (+17.5%) sector is expected to see the largest price increase, as this sector has the largest upside difference between the bottom-up target price and the closing price. On the other hand, the Real Estate (+4.7%) 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 10,372 ratings on stocks in the S&P 500. Of these 10,372 ratings, 51.8% are Buy ratings, 41.5% are Hold ratings, and 6.7% are Sell ratings. At the sector level, the Energy (64%) sector has the highest percentage of Buy ratings, while the Consumer Staples (40%) sector has the lowest percentage of Buy ratings.

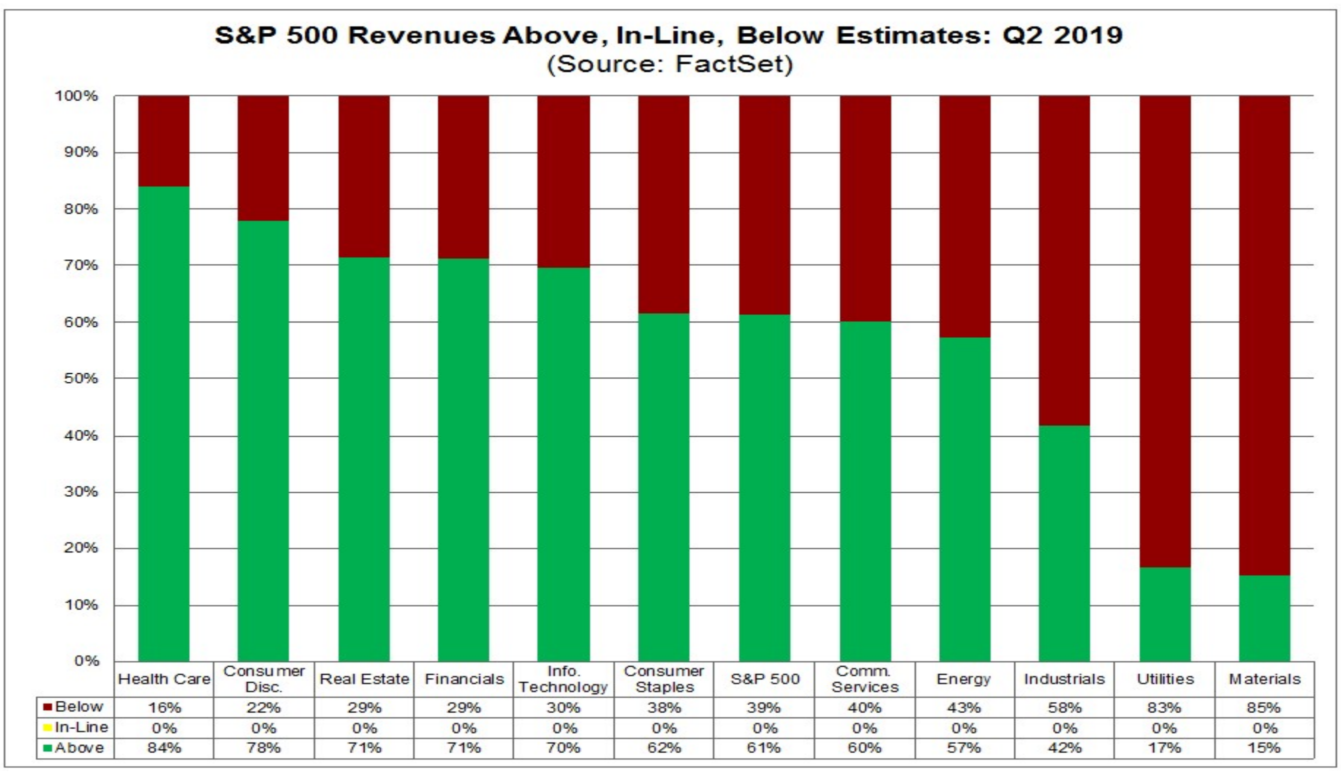
Companies Reporting Next Week: 168

During the upcoming week, 168 S&P 500 companies (including 7 Dow 30 components) are scheduled to report results for the second quarter.

Q2 2019: Scorecard

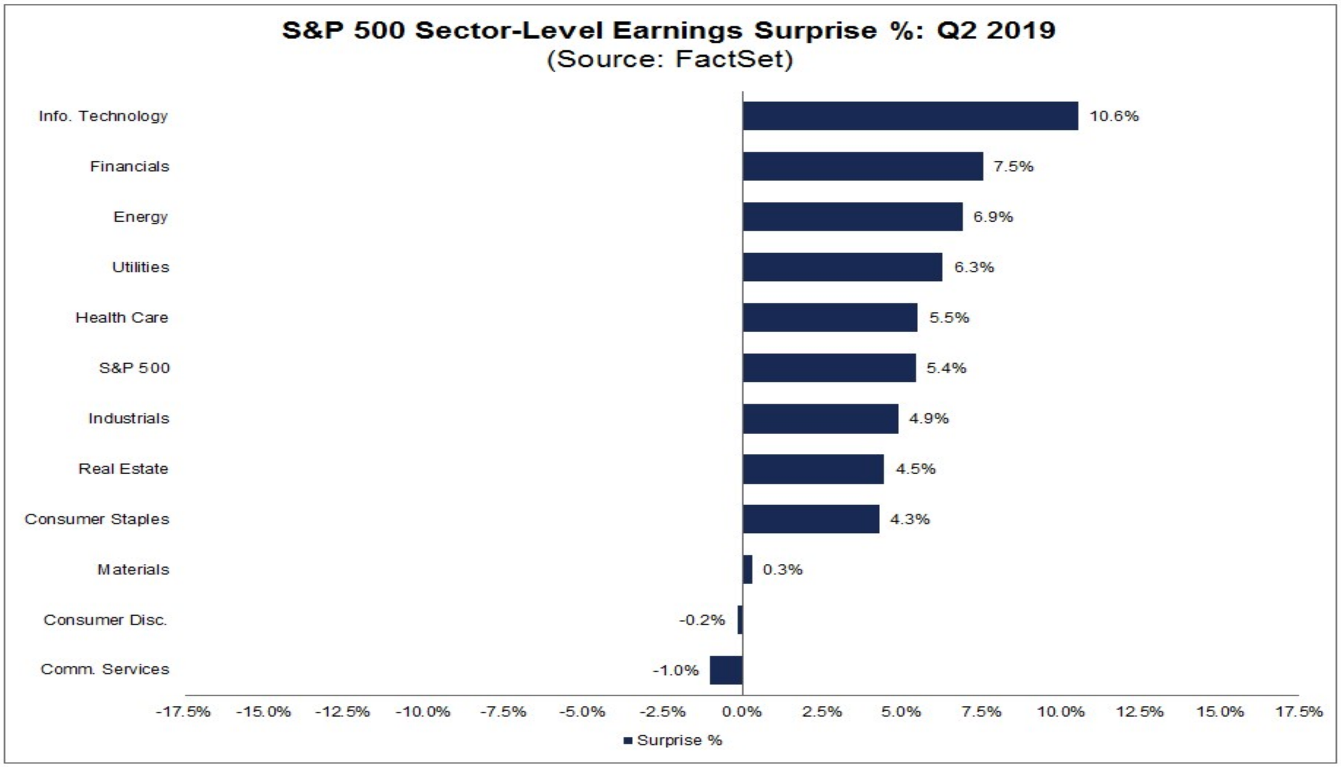


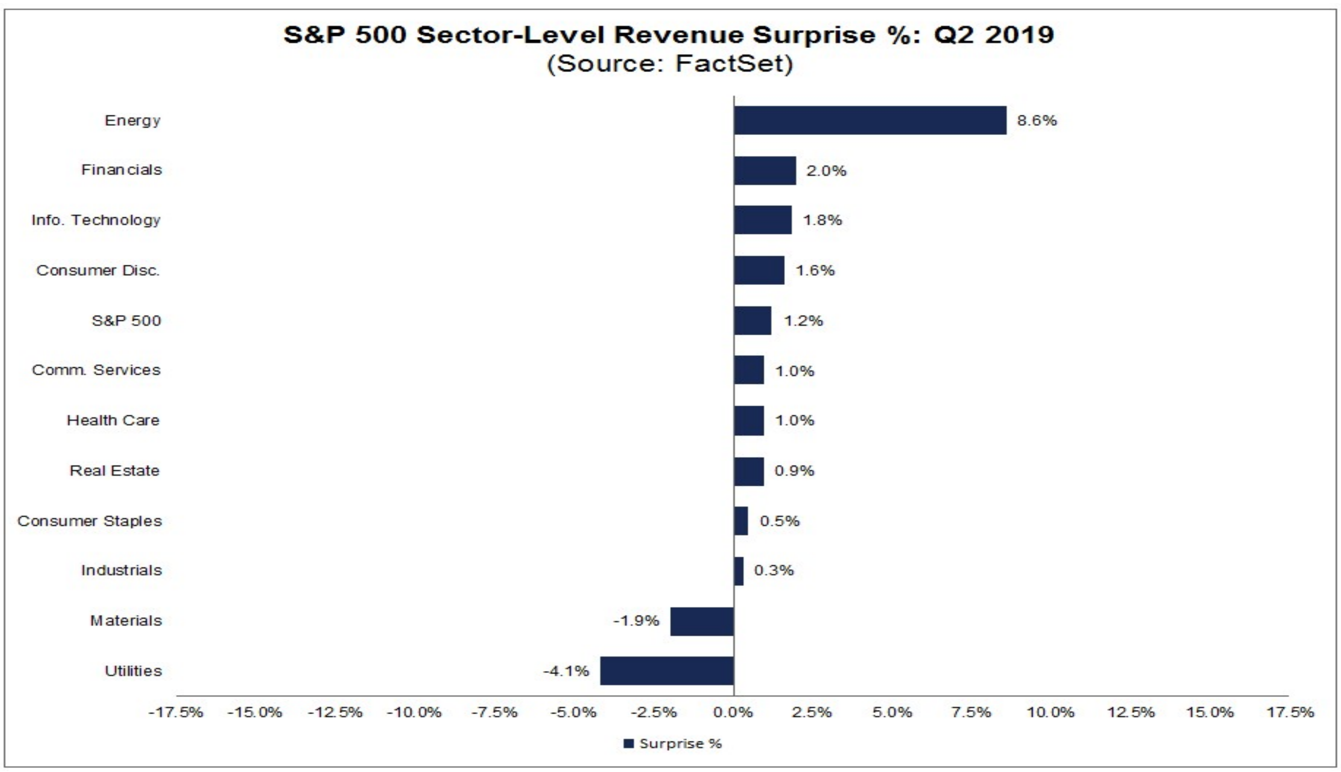
	Health Care	Real Estate	Consumer Staples	Industrials	S&P 500	Materials	Energy	Info. Technology	Financials	Comm. Services	Consumer Disc.	Utilities
Below	0%	0%	8%	16%	18%	23%	13%	22%	24%	20%	30%	33%
In-Line	0%	14%	8%	5%	5%	0%	13%	4%	4%	10%	4%	0%
Above	100%	86%	85%	79%	77%	77%	75%	74%	71%	70%	67%	67%



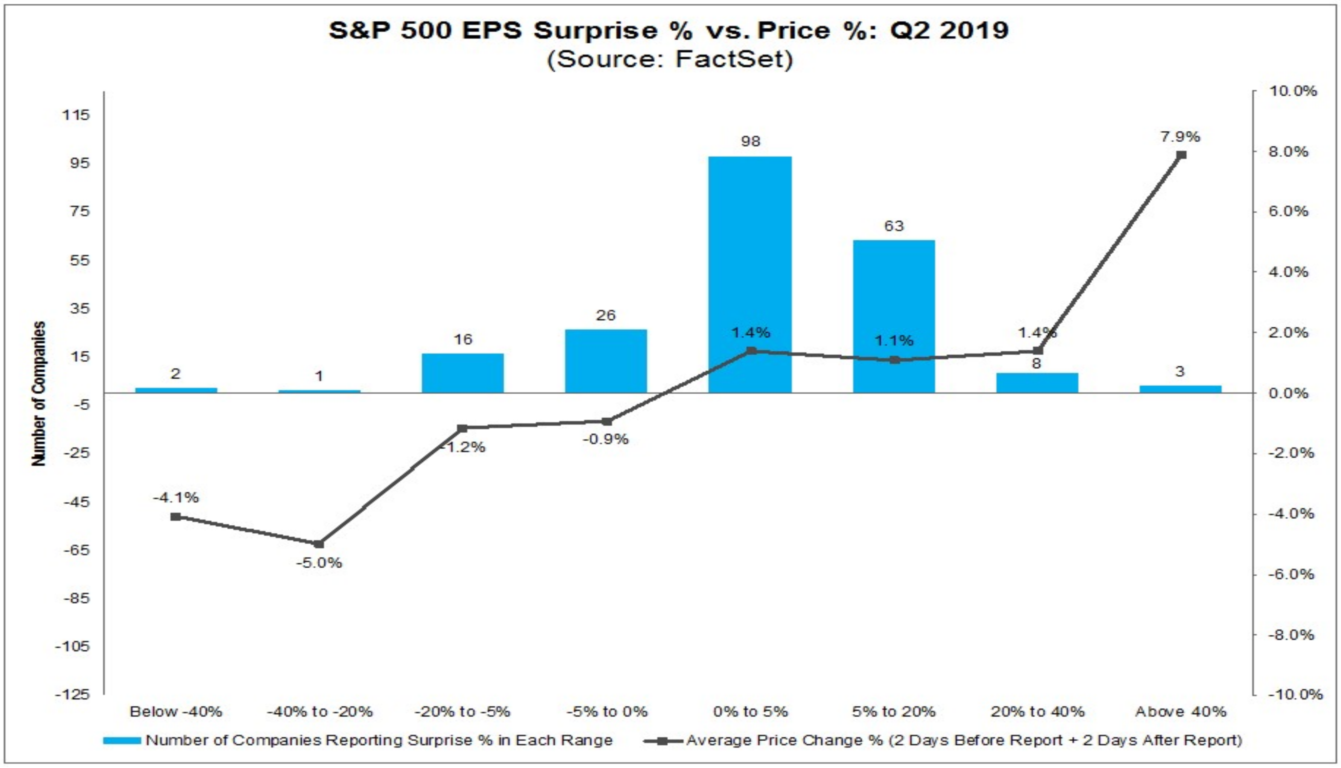
	Health Care	Consumer Disc.	Real Estate	Financials	Info. Technology	Consumer Staples	S&P 500	Comm. Services	Energy	Industrials	Utilities	Materials
Below	16%	22%	29%	29%	30%	38%	39%	40%	43%	58%	83%	85%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	84%	78%	71%	71%	70%	62%	61%	60%	57%	42%	17%	15%

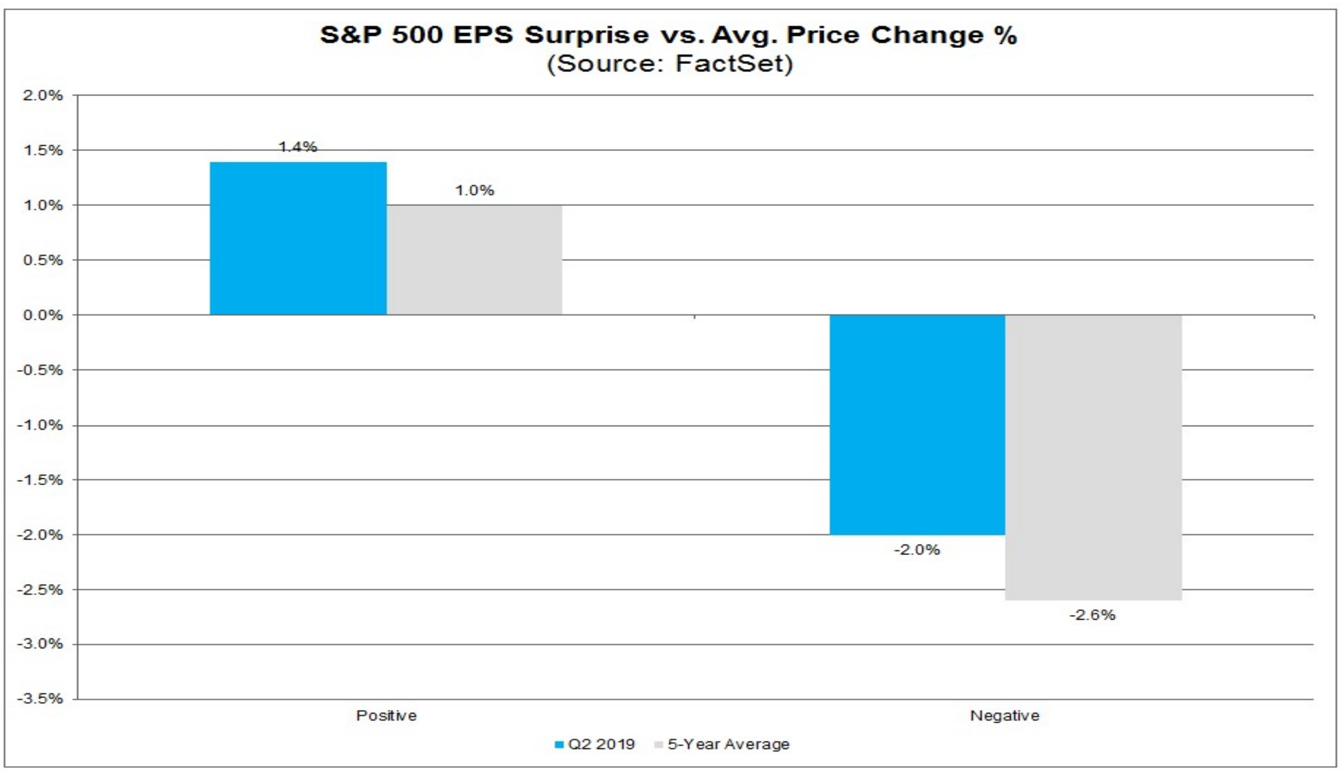
Q2 2019: Scorecard



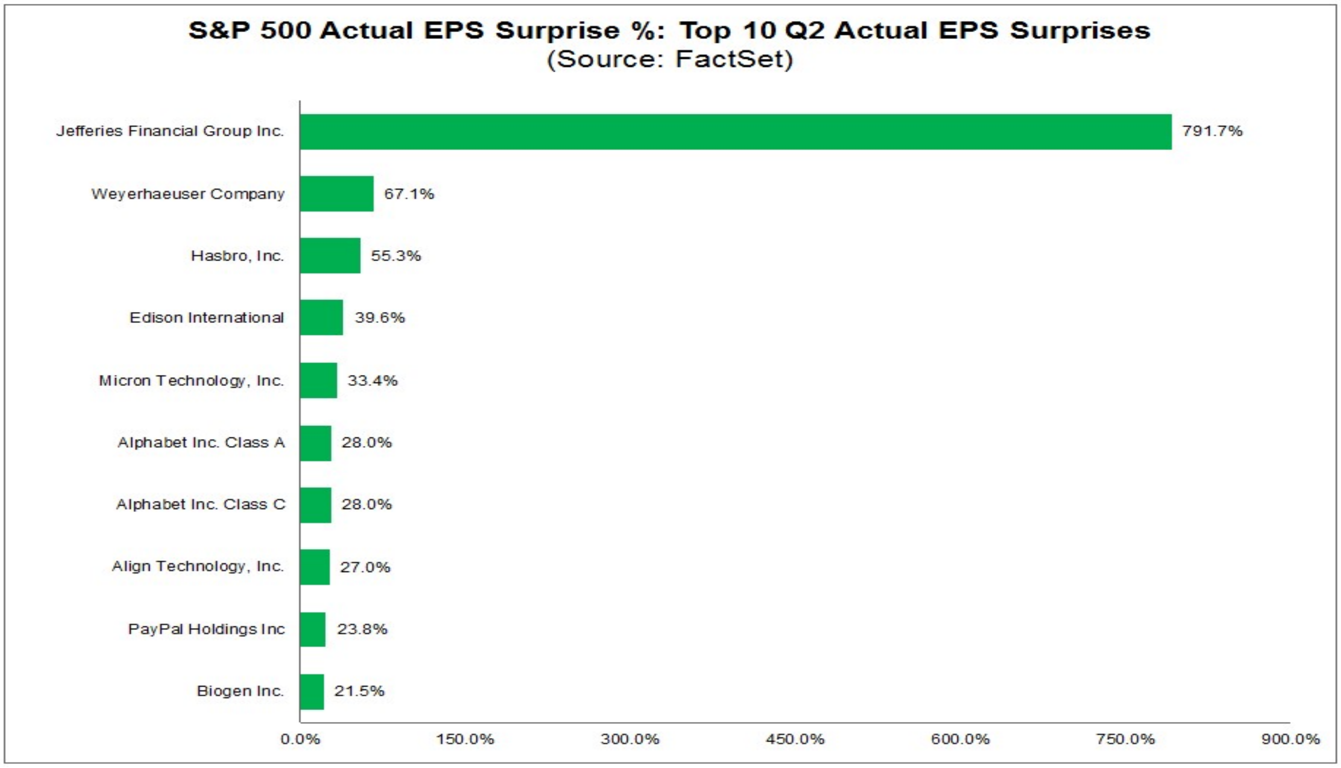


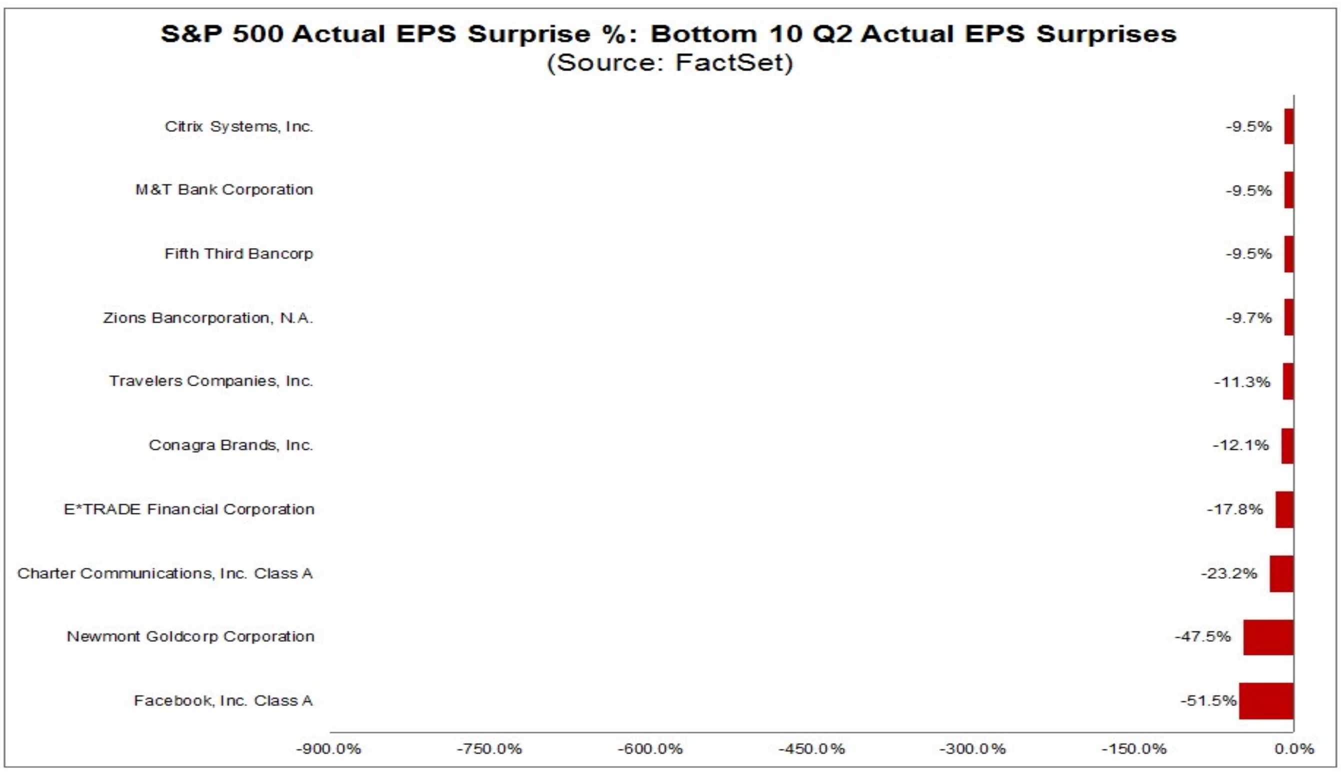
Q2 2019: Scorecard



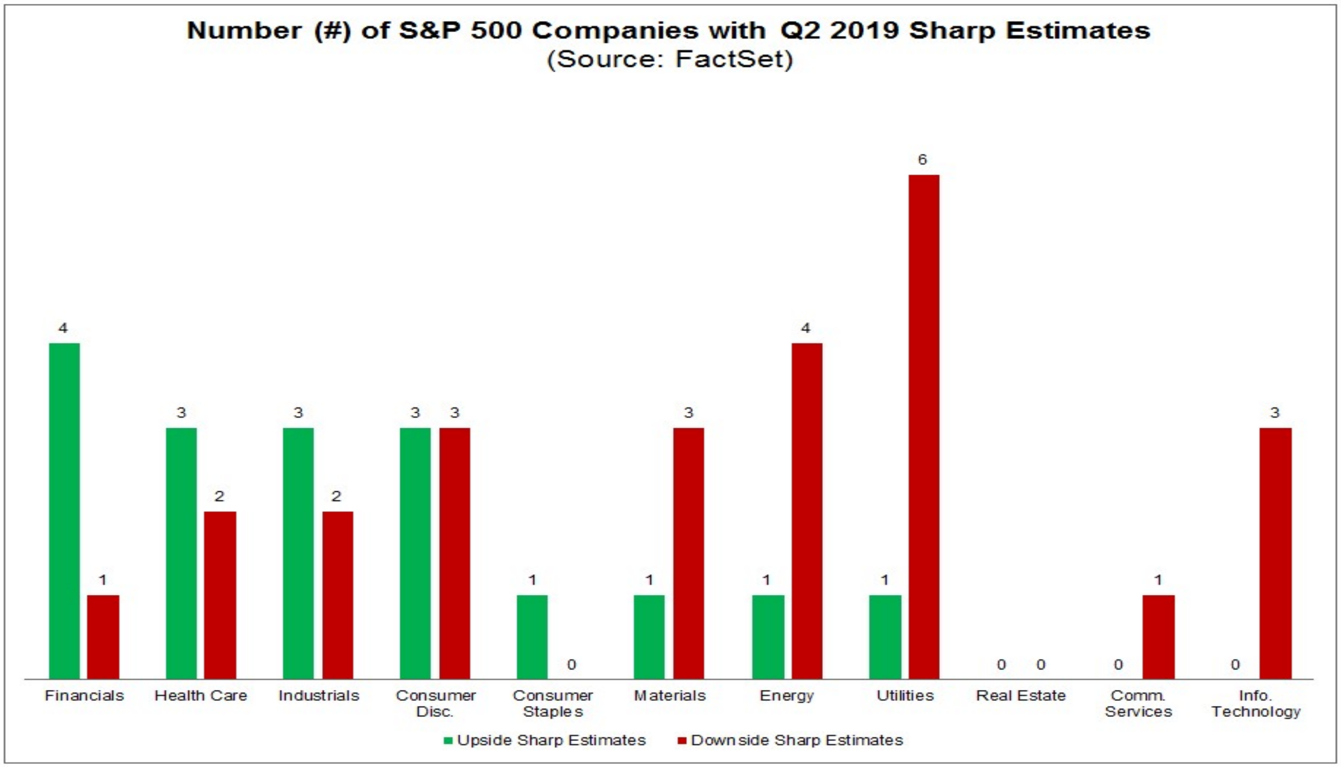


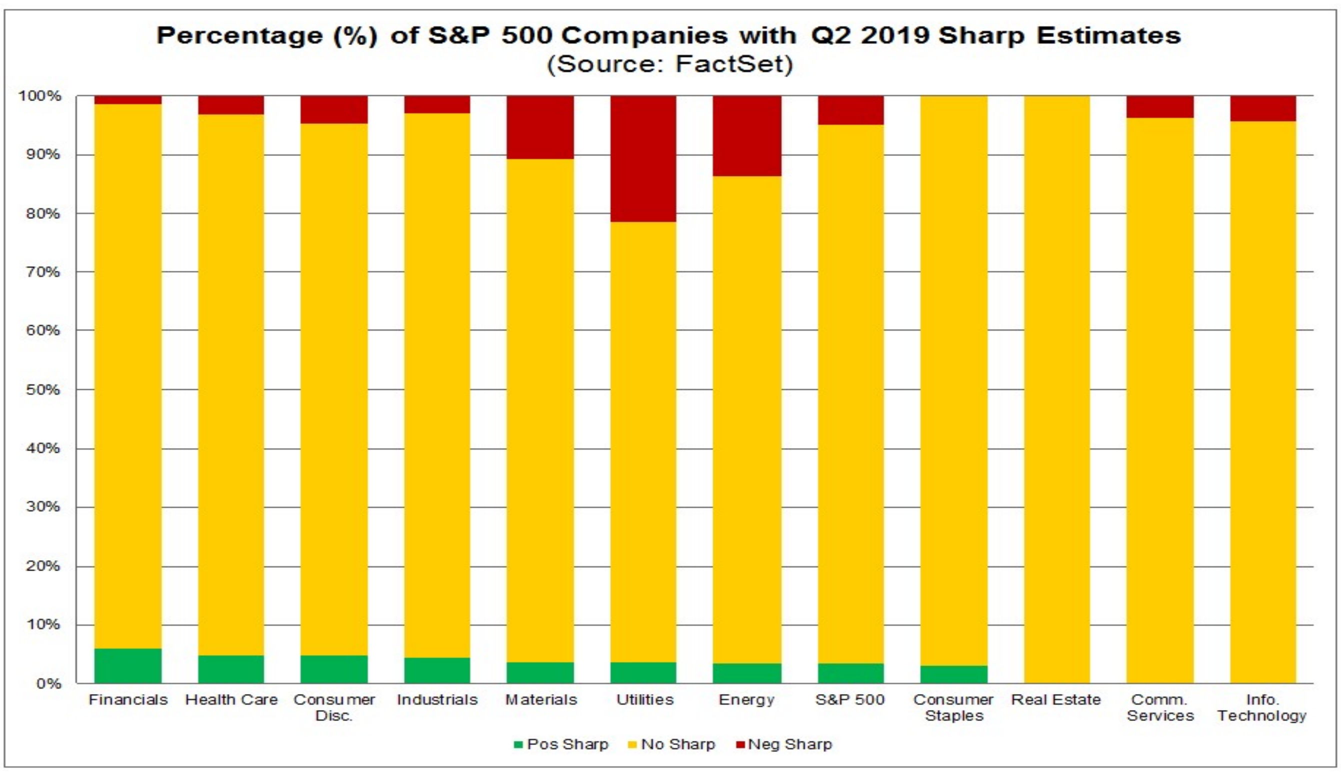
Q2 2019: Scorecard



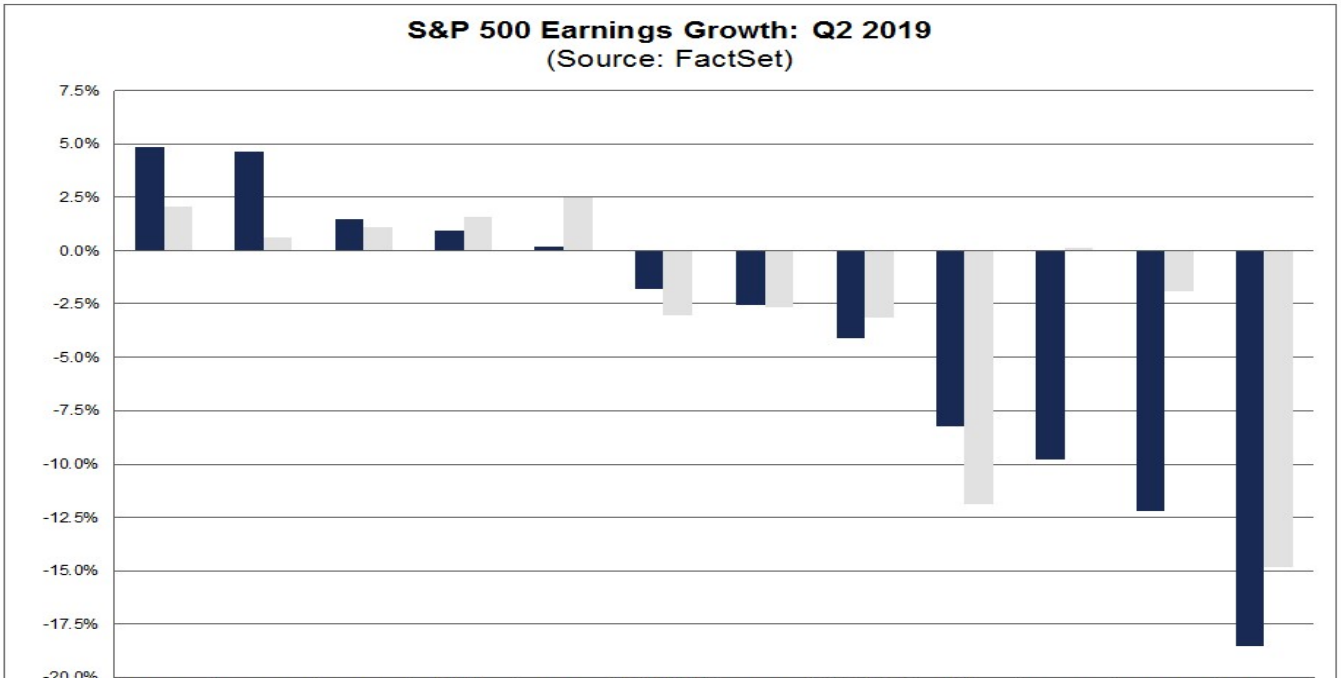


Q2 2019: Projected EPS Surprises (Sharp Estimates)

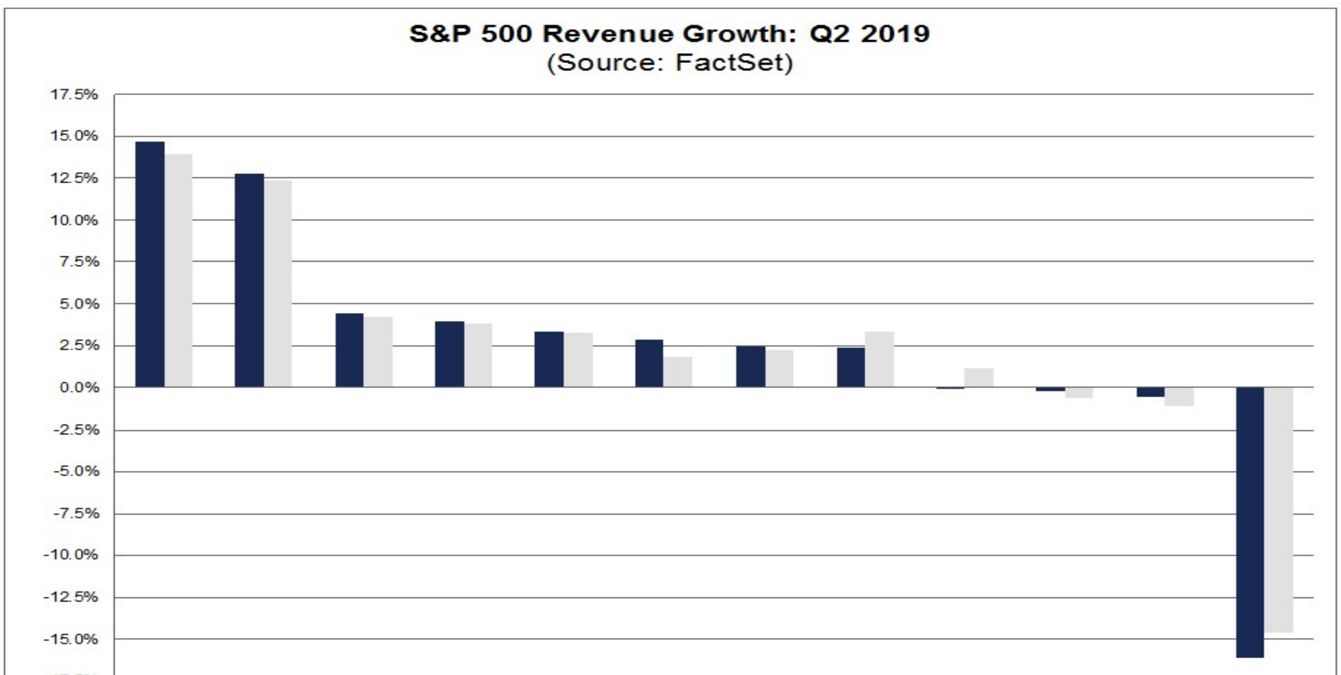




Q2 2019: Growth

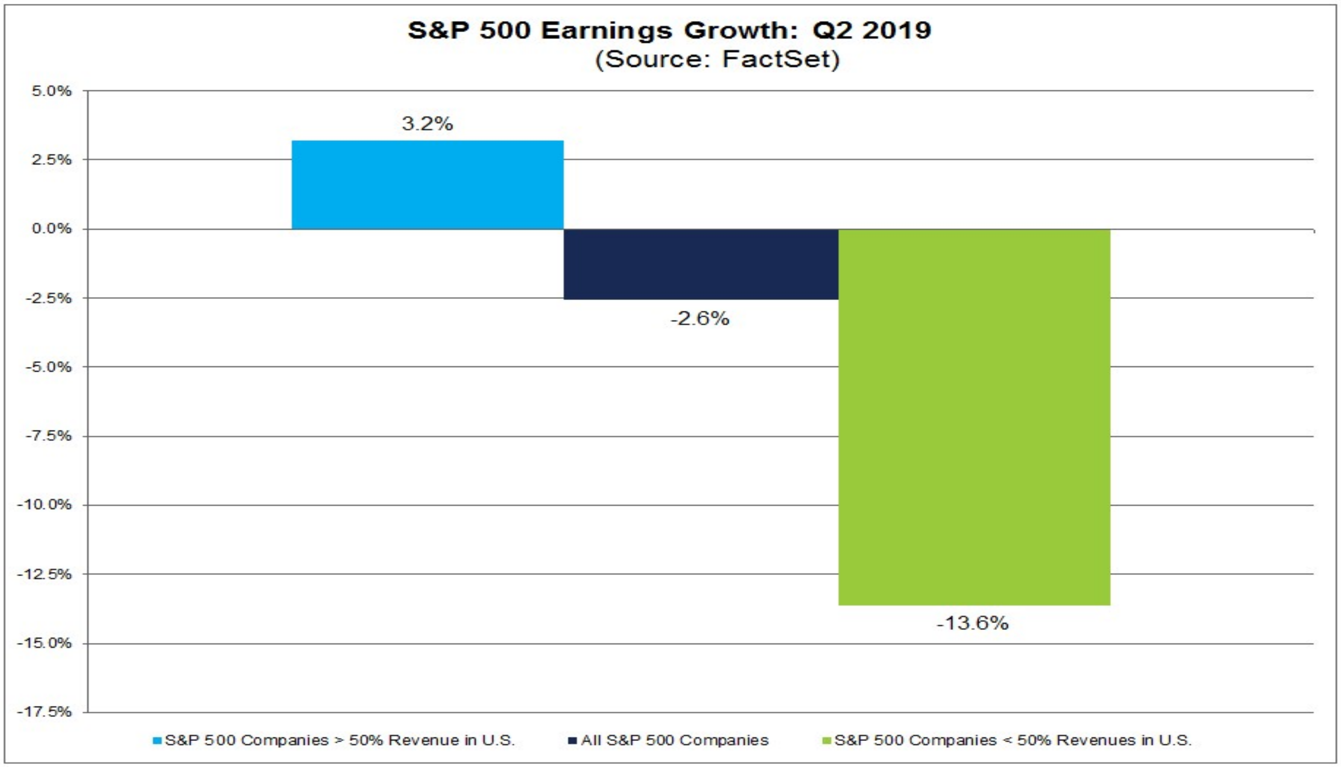


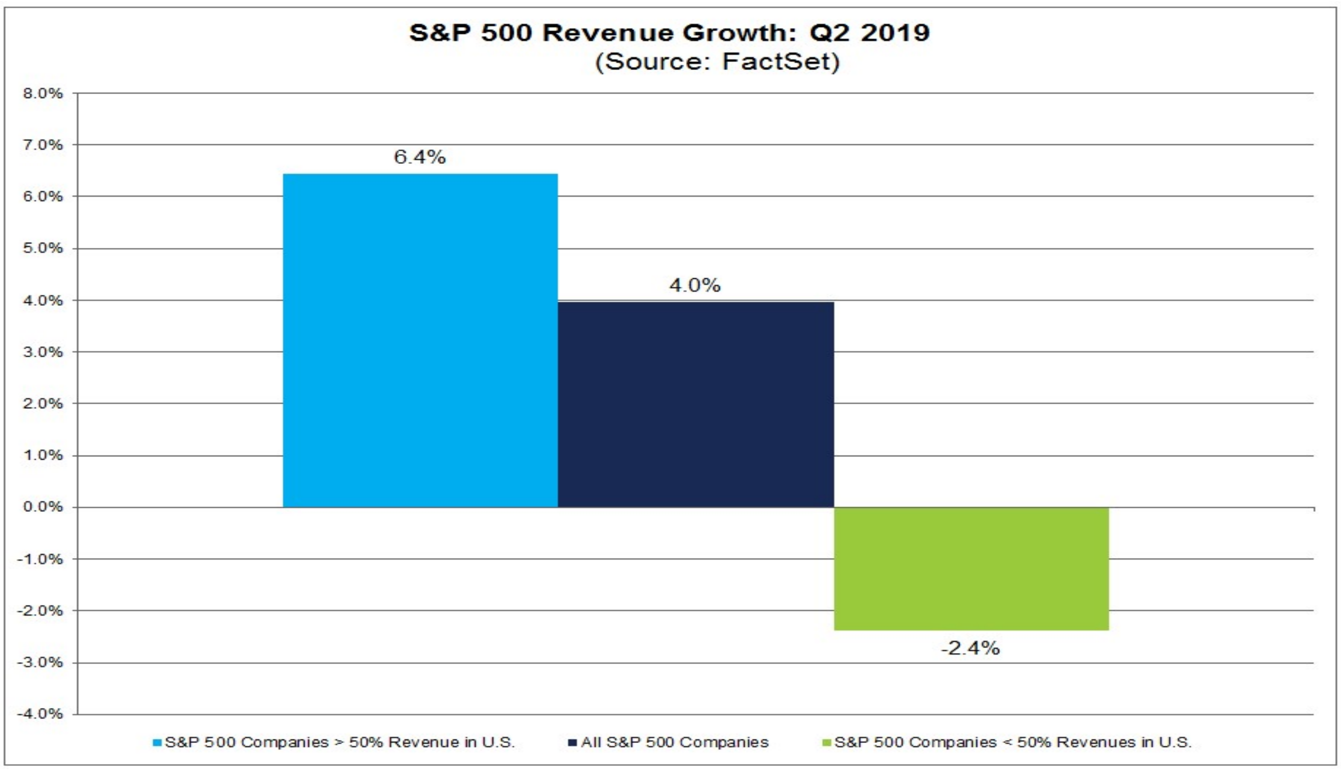
	Health Care	Financials	Real Estate	Comm. Services	Utilities	Consumer Staples	S&P 500	Consumer Disc.	Info. Technology	Energy	Industrials	Materials
Today	4.8%	4.7%	1.5%	0.9%	0.2%	-1.8%	-2.6%	-4.1%	-8.2%	-9.8%	-12.2%	-18.5%
30-Jun	2.1%	0.6%	1.1%	1.6%	2.5%	-3.1%	-2.7%	-3.2%	-11.9%	0.1%	-1.9%	-14.8%



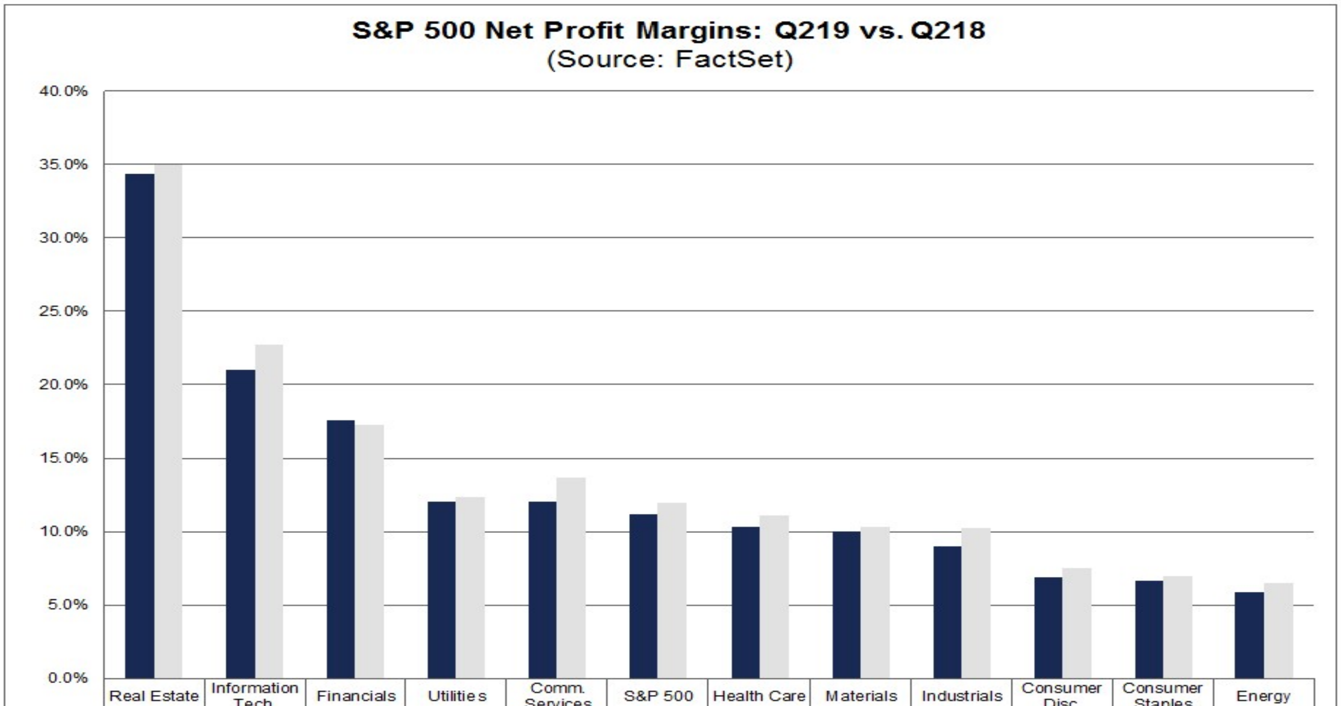
	Comm. Services	Health Care	Consumer Disc.	S&P 500	Real Estate	Financials	Consumer Staples	Utilities	Industrials	Energy	Info. Technology	Materials
Today	14.7%	12.7%	4.4%	4.0%	3.3%	2.8%	2.4%	2.4%	0.0%	-0.2%	-0.6%	-16.1%
30-Jun	14.0%	12.4%	4.2%	3.8%	3.3%	1.8%	2.2%	3.3%	1.2%	-0.7%	-1.2%	-14.6%

Q2 2019: Growth

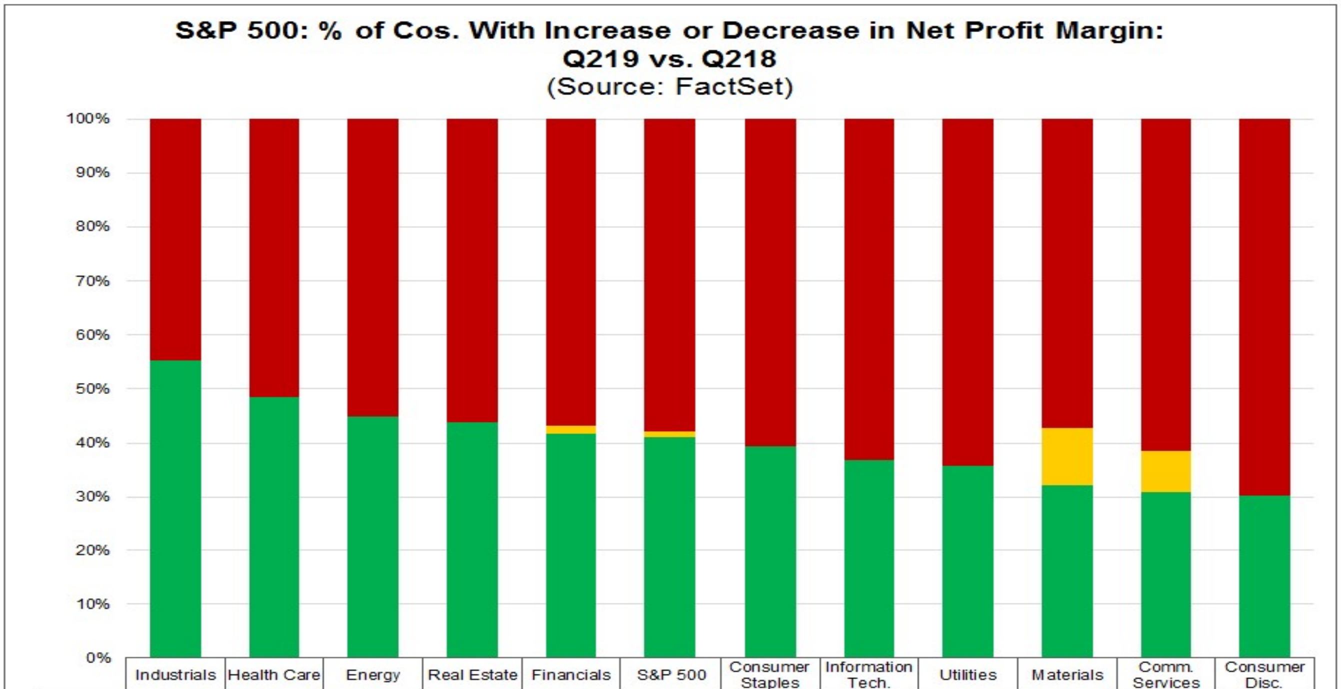




Q2 2019: Net Profit Margin

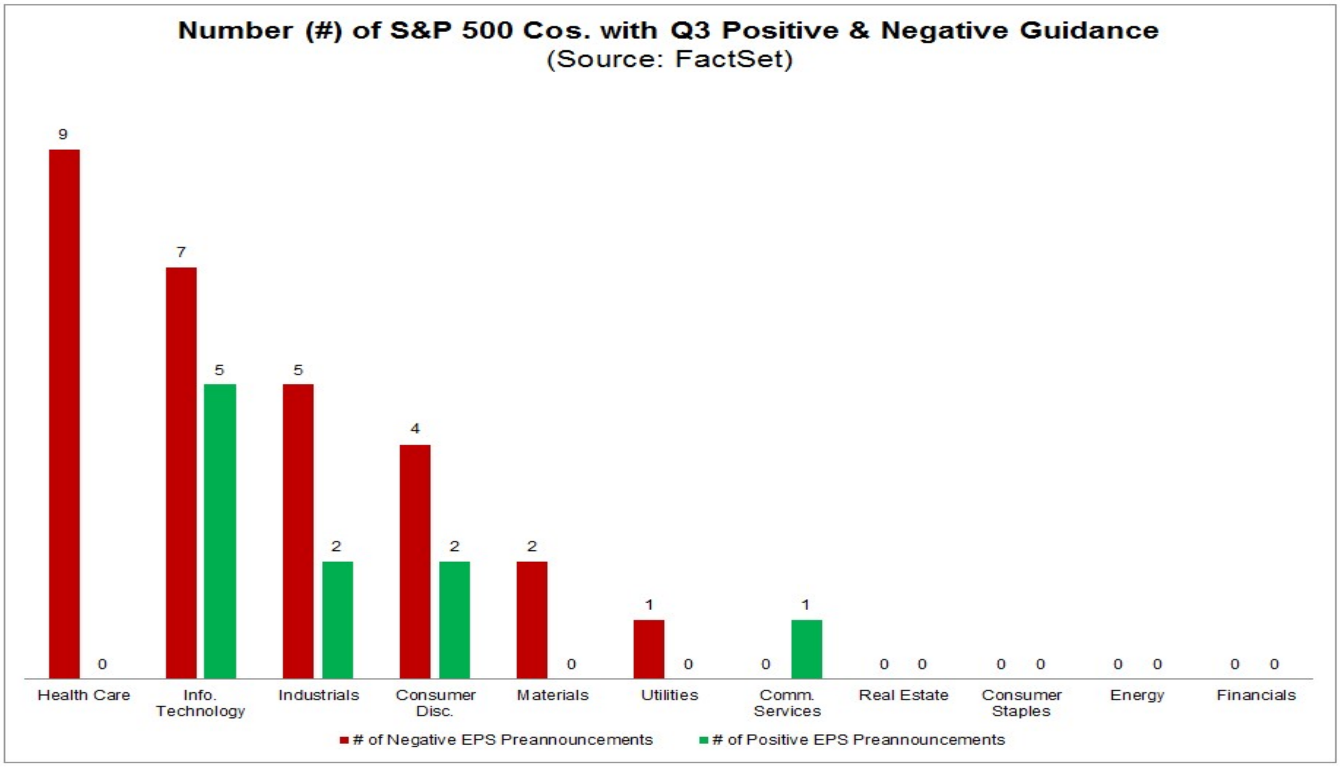


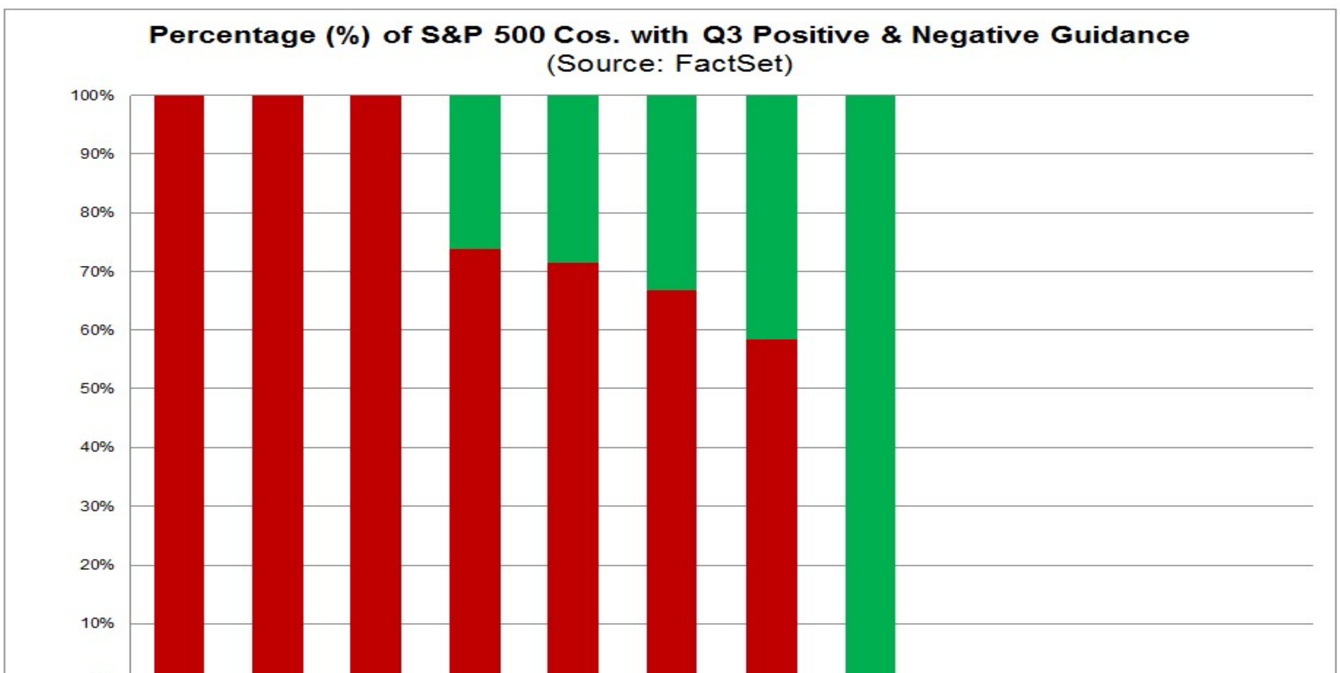
	Real Estate	Information Tech.	Financials	Utilities	Comm. Services	S&P 500	Health Care	Materials	Industrials	Consumer Disc.	Consumer Staples	Energy
Q219	34.4%	20.9%	17.6%	12.1%	12.0%	11.2%	10.4%	10.1%	9.0%	7.0%	6.7%	5.9%
Q218	35.0%	22.7%	17.3%	12.3%	13.7%	12.0%	11.2%	10.4%	10.3%	7.6%	7.0%	6.5%



	Industrials	Health Care	Energy	Real Estate	Financials	S&P 500	Consumer Staples	Information Tech.	Utilities	Materials	Comm. Services	Consumer Disc.
Down %	45%	52%	55%	56%	57%	58%	61%	63%	64%	57%	62%	70%
None %	0%	0%	0%	0%	1%	1%	0%	0%	0%	11%	8%	0%
Up %	55%	48%	45%	44%	42%	41%	39%	37%	36%	32%	31%	30%

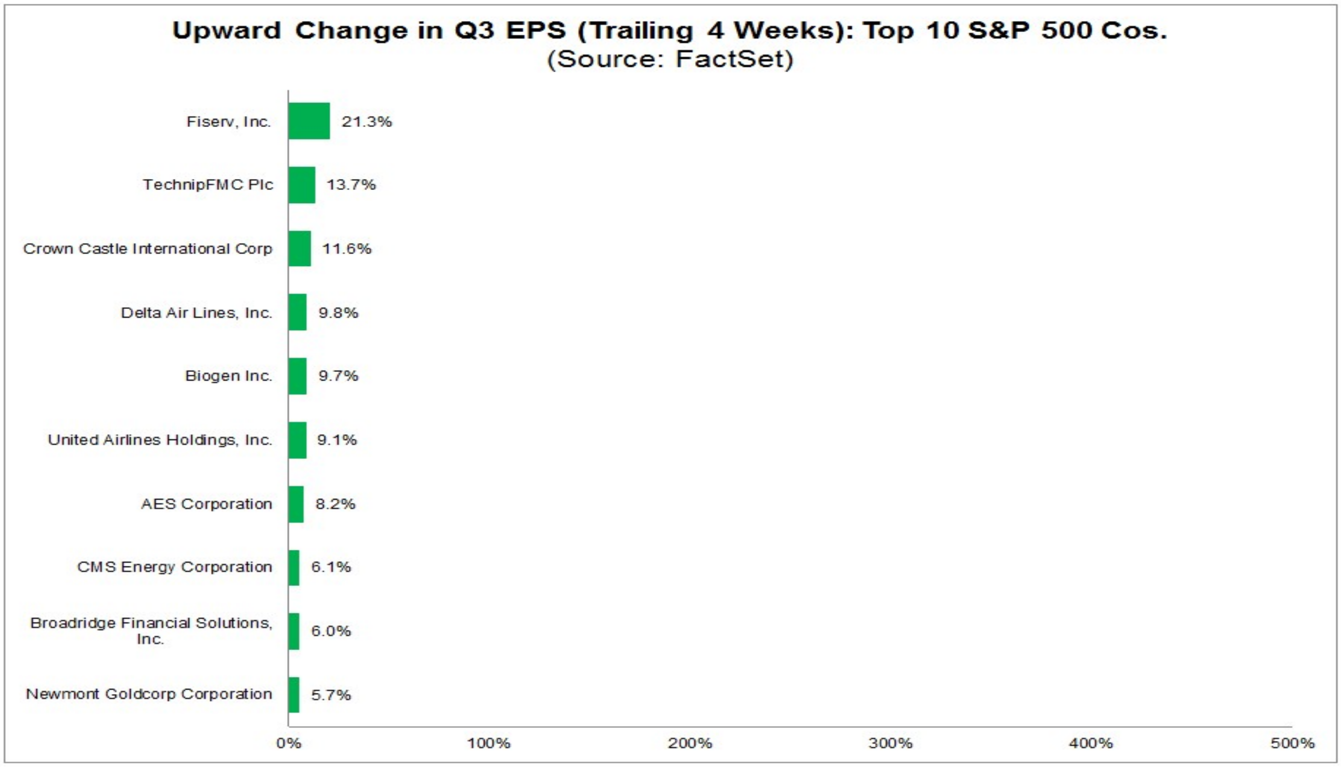
Q3 2019: EPS Guidance

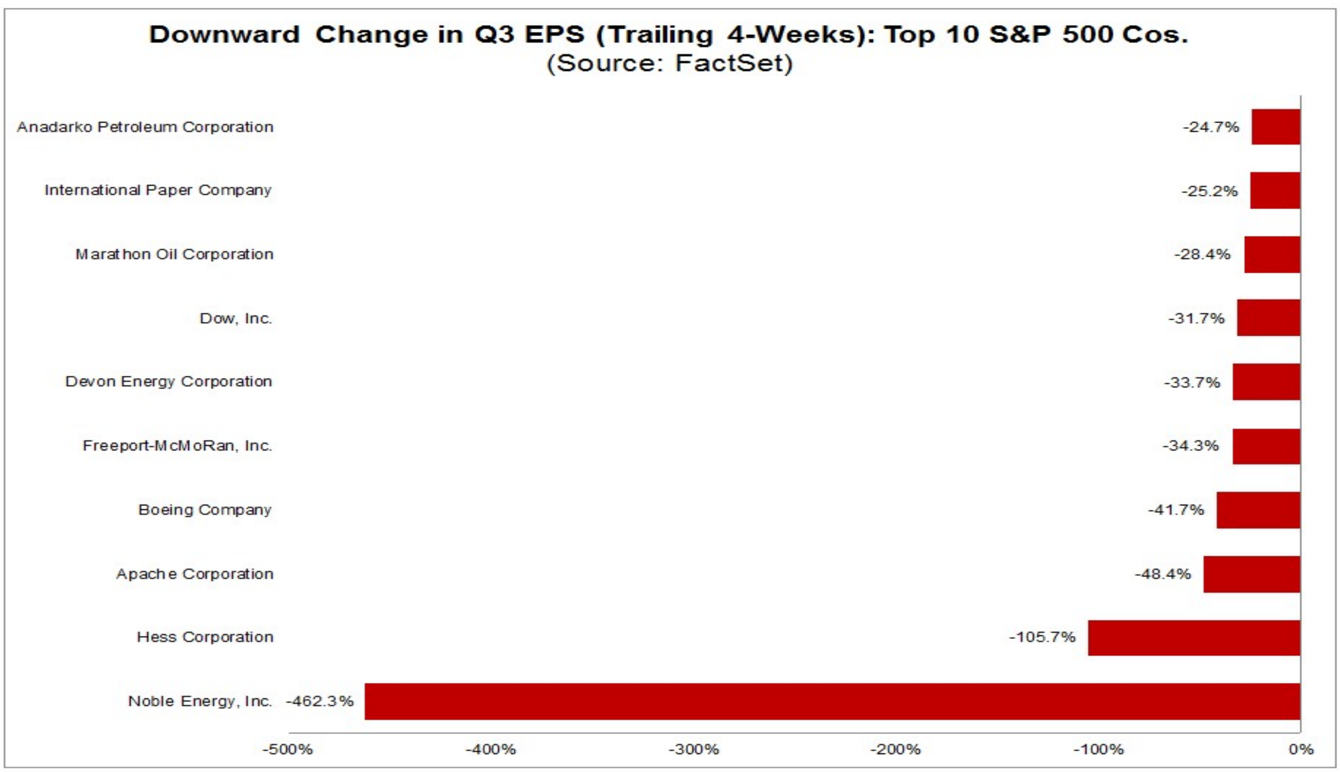




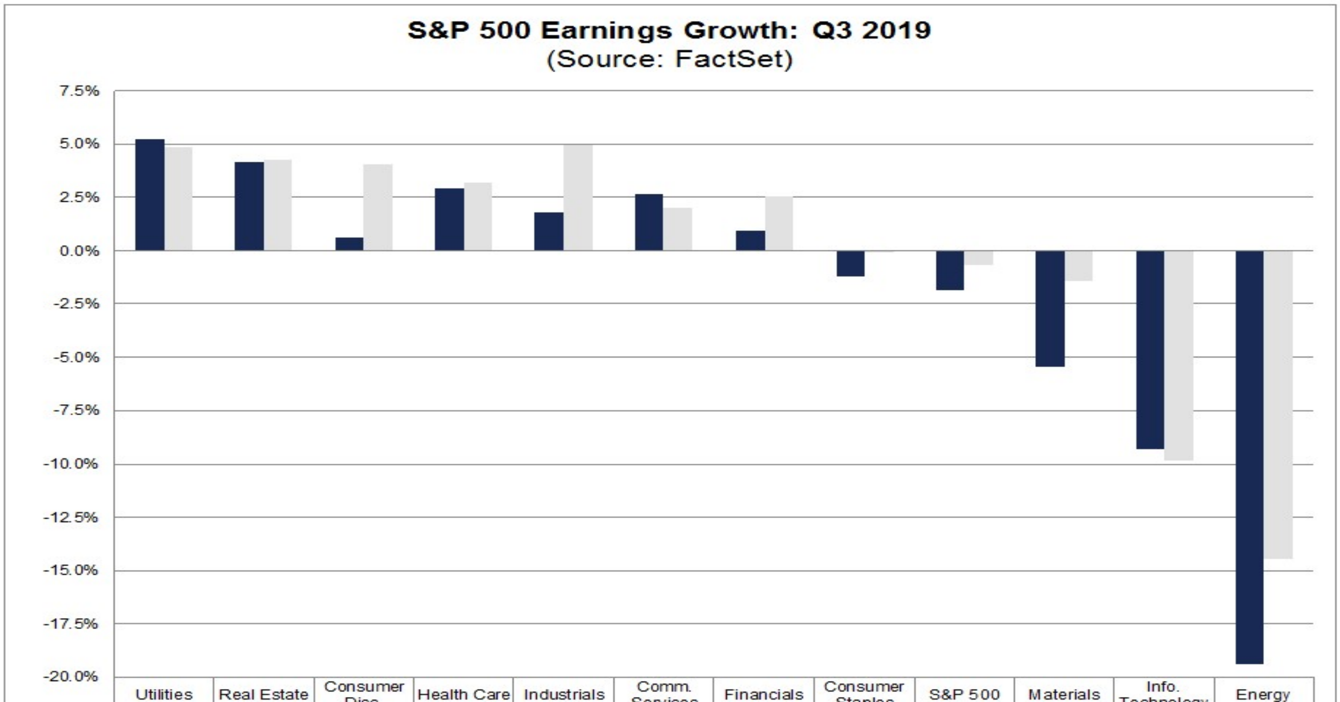
	Health Care	Materials	Utilities	S&P 500	Industrials	Consumer Disc.	Info. Technology	Comm. Services	Consumer Staples	Real Estate	Energy	Financials
Positive	0%	0%	0%	26%	29%	33%	42%	100%	0%	0%	0%	0%
Negative	100%	100%	100%	74%	71%	67%	58%	0%	0%	0%	0%	0%

Q3 2019: EPS Revisions

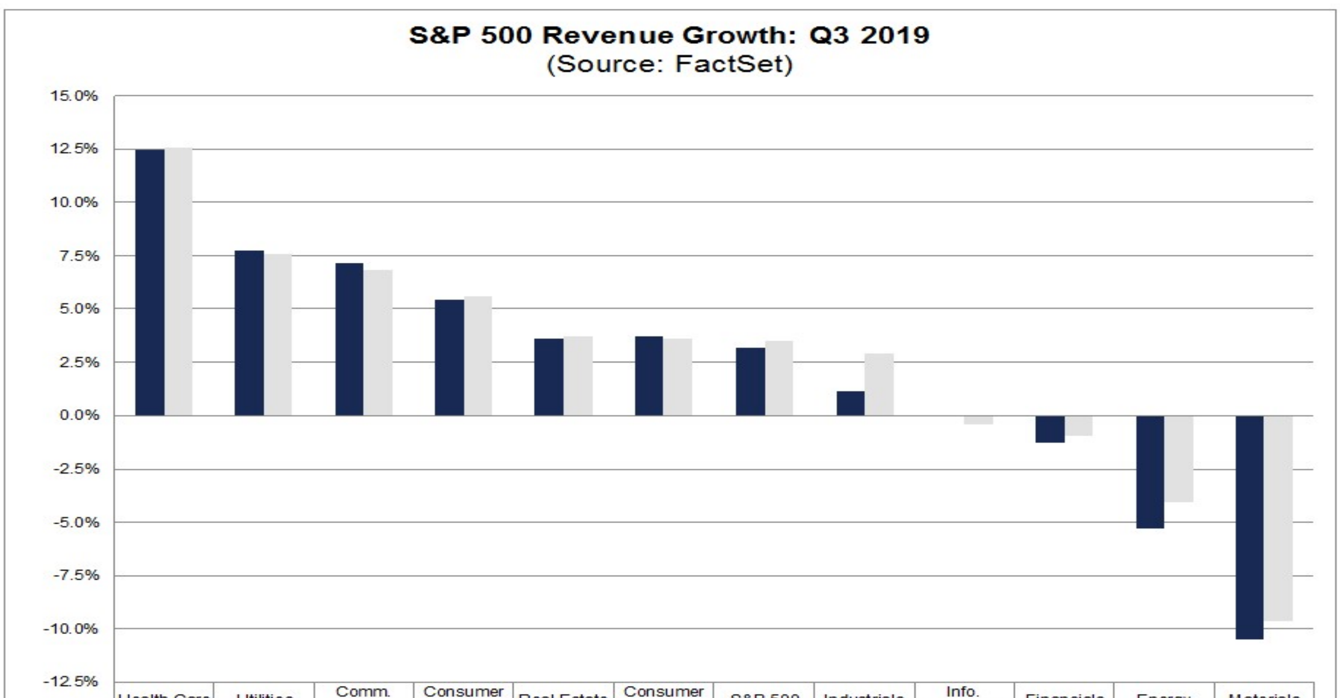




Q3 2019: Growth

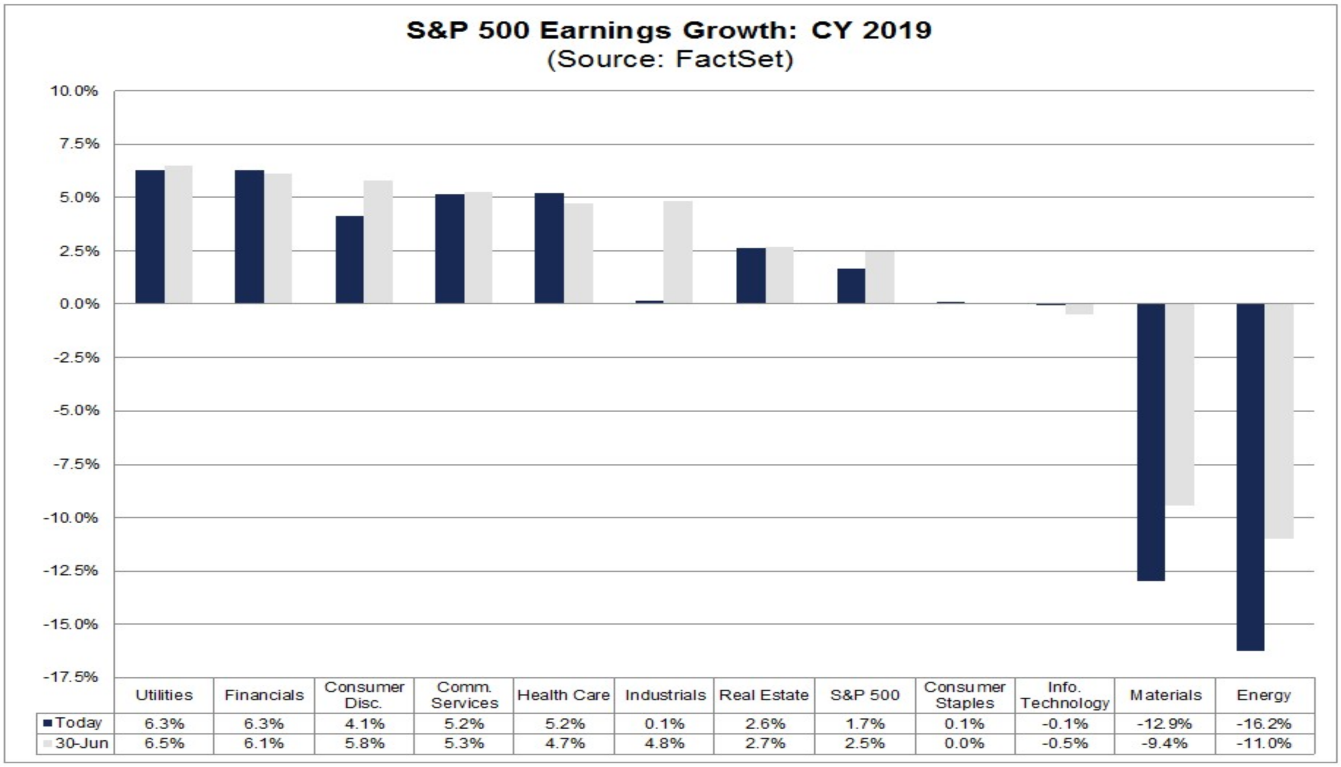


	Utilities	Real Estate	Consumer Disc.	Health Care	Industrials	Comm. Services	Financials	Consumer Staples	S&P 500	Materials	Info. Technology	Energy
Today	5.2%	4.1%	0.6%	2.9%	1.8%	2.7%	0.9%	-1.2%	-1.9%	-5.5%	-9.3%	-19.4%
30-Jun	4.8%	4.3%	4.1%	3.2%	5.0%	2.0%	2.5%	-0.1%	-0.7%	-1.5%	-9.8%	-14.4%

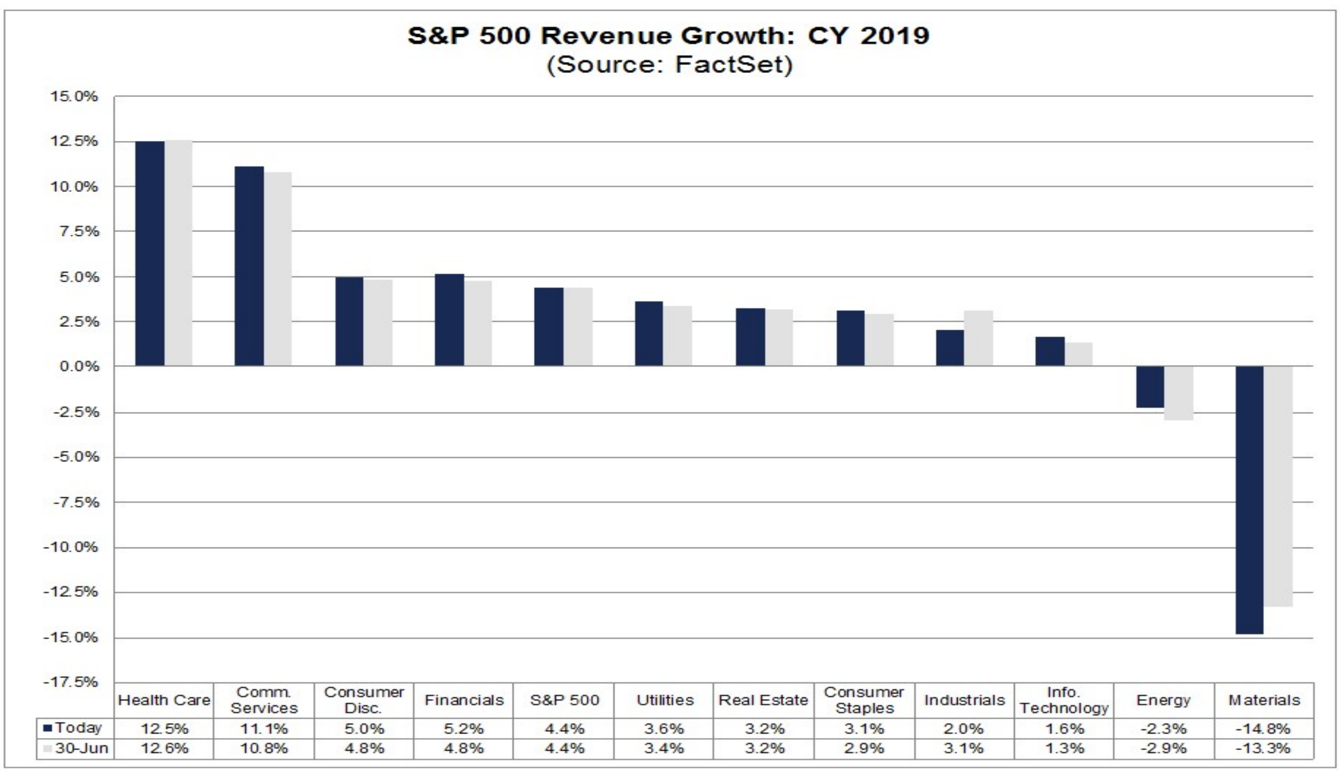


	Health Care	Utilities	Comm. Services	Consumer Disc.	Real Estate	Consumer Staples	S&P 500	Industrials	Info. Technology	Financials	Energy	Materials
Today	12.5%	7.7%	7.2%	5.4%	3.6%	3.7%	3.2%	1.1%	0.0%	-1.3%	-5.3%	-10.5%
30-Jun	12.6%	7.6%	6.8%	5.6%	3.7%	3.6%	3.5%	2.9%	-0.4%	-0.9%	-4.1%	-9.6%

CY 2019: Growth

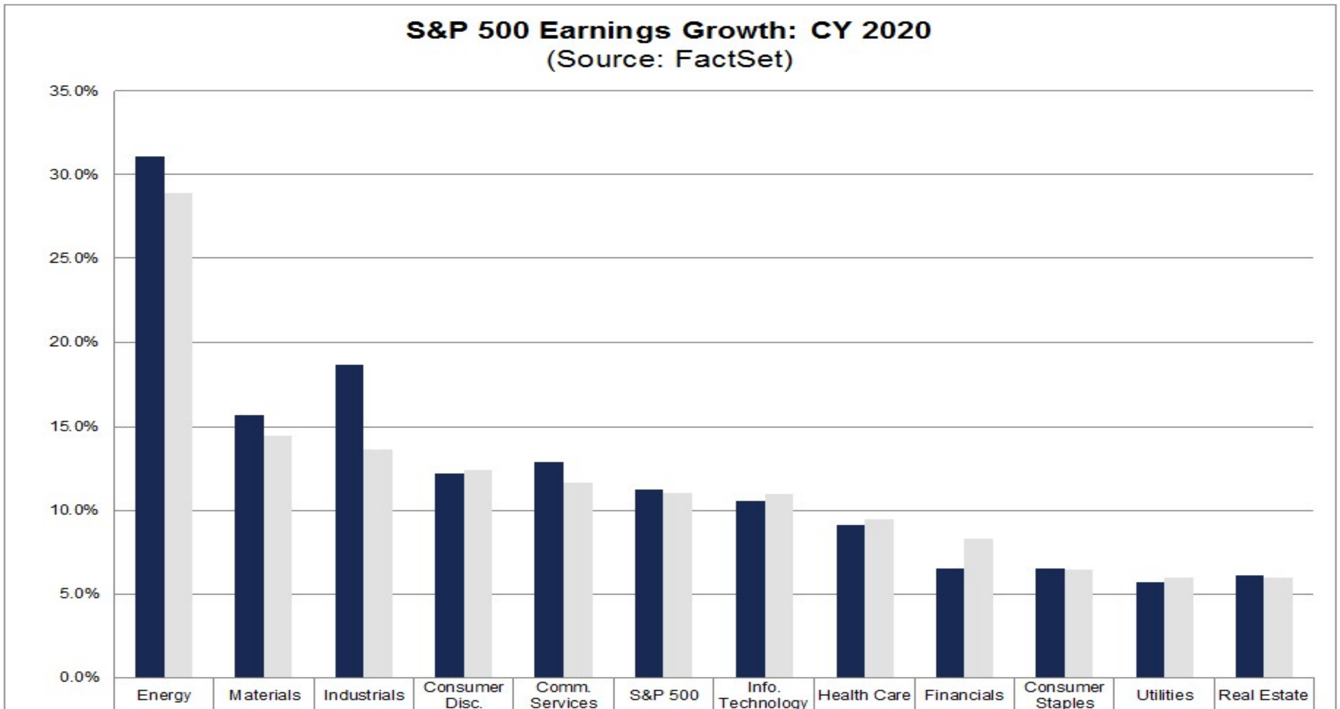


	Utilities	Financials	Consumer Disc.	Comm. Services	Health Care	Industrials	Real Estate	S&P 500	Consumer Staples	Info. Technology	Materials	Energy
Today	6.3%	6.3%	4.1%	5.2%	5.2%	0.1%	2.6%	1.7%	0.1%	-0.1%	-12.9%	-16.2%
30-Jun	6.5%	6.1%	5.8%	5.3%	4.7%	4.8%	2.7%	2.5%	0.0%	-0.5%	-9.4%	-11.0%

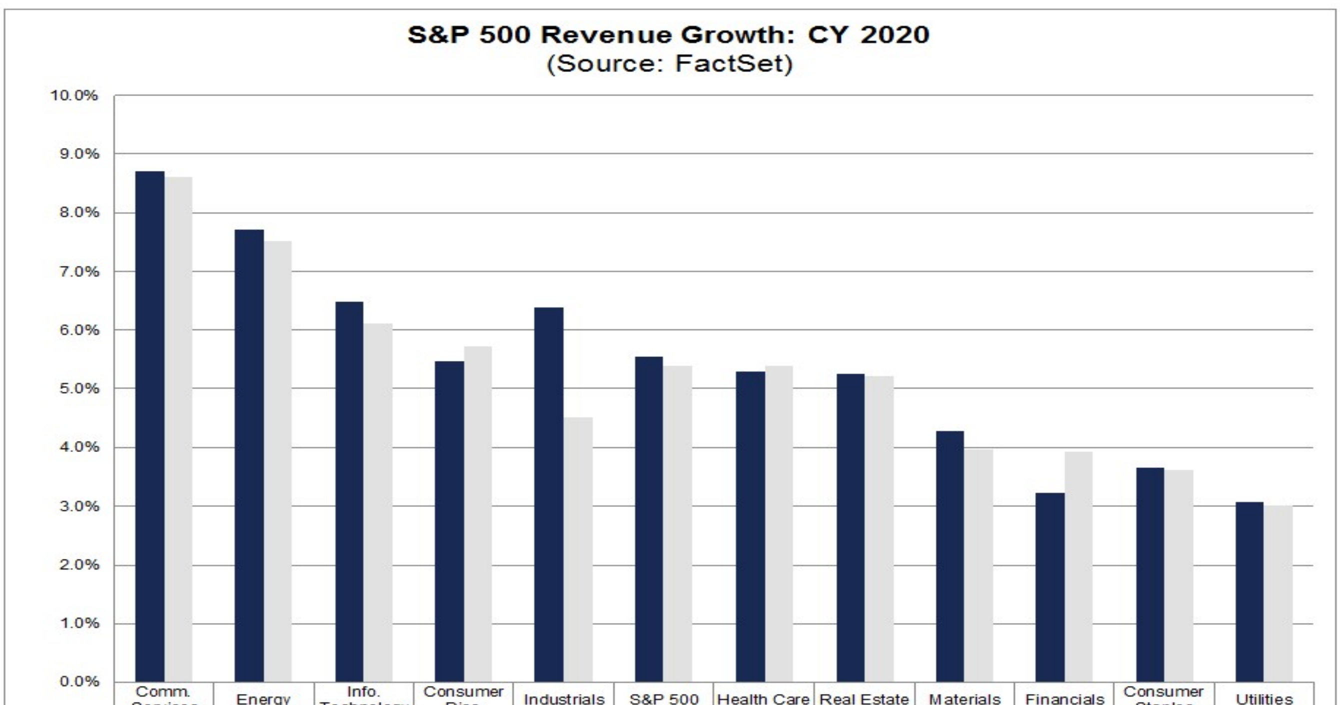


	Health Care	Comm. Services	Consumer Disc.	Financials	S&P 500	Utilities	Real Estate	Consumer Staples	Industrials	Info. Technology	Energy	Materials
Today	12.5%	11.1%	5.0%	5.2%	4.4%	3.6%	3.2%	3.1%	2.0%	1.6%	-2.3%	-14.8%
30-Jun	12.6%	10.8%	4.8%	4.8%	4.4%	3.4%	3.2%	2.9%	3.1%	1.3%	-2.9%	-13.3%

CY 2020: Growth

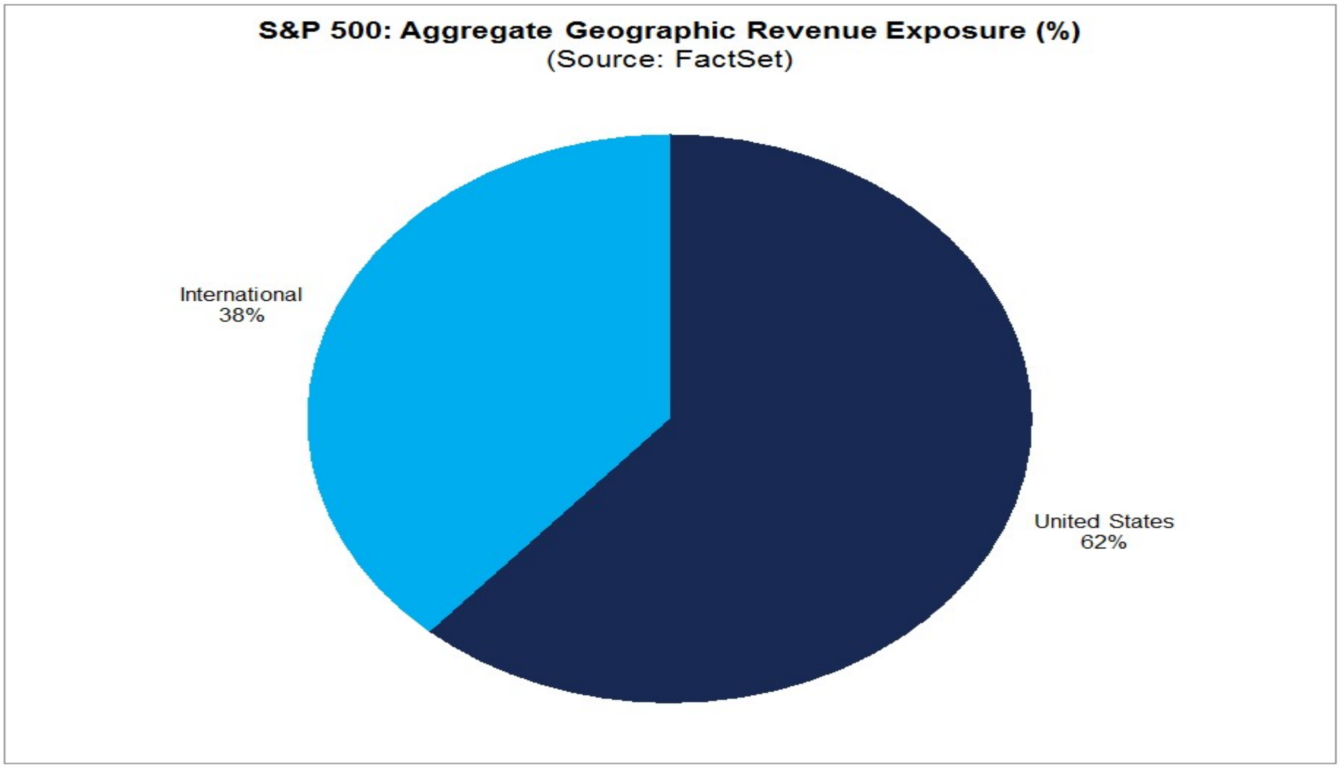


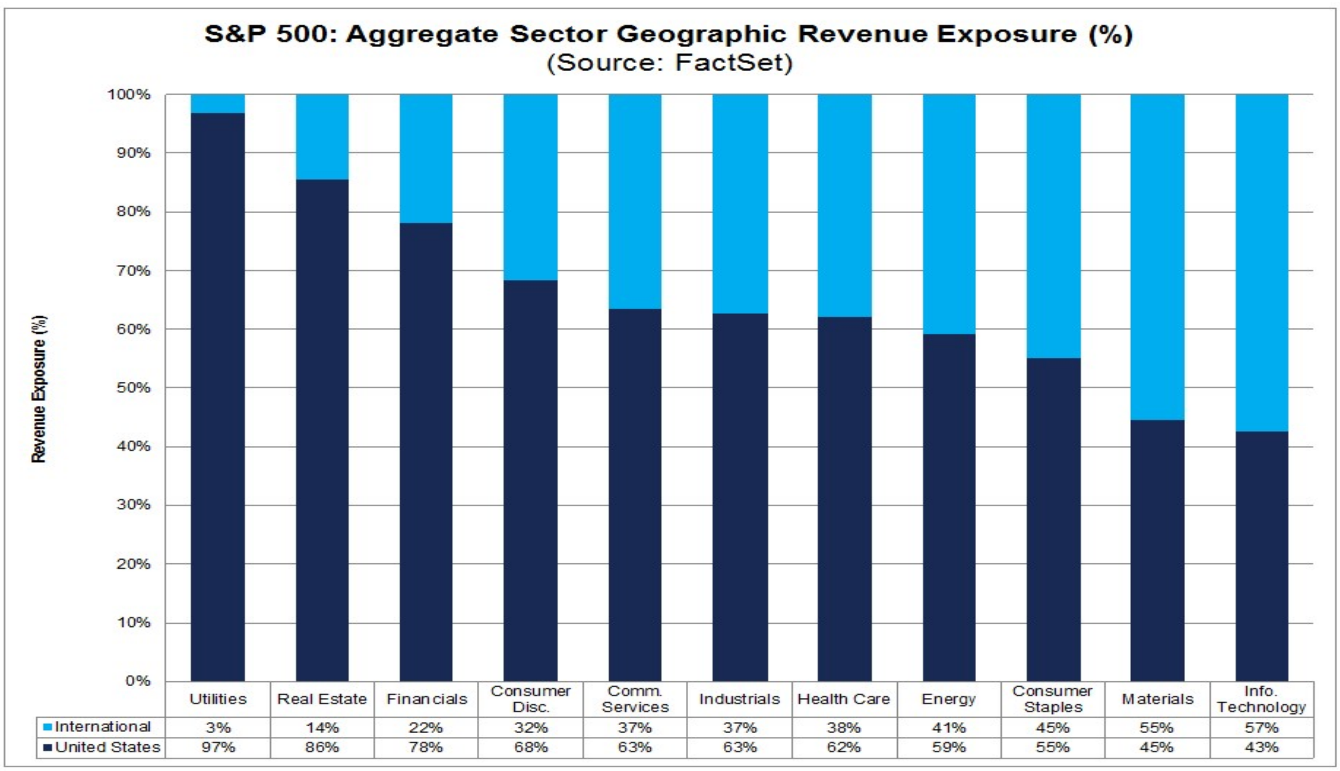
	Energy	Materials	Industrials	Consumer Disc.	Comm. Services	S&P 500	Info. Technology	Health Care	Financials	Consumer Staples	Utilities	Real Estate
Today	31.1%	15.7%	18.6%	12.2%	12.9%	11.2%	10.6%	9.1%	6.5%	6.5%	5.7%	6.1%
30-Jun	28.9%	14.5%	13.6%	12.4%	11.7%	11.1%	11.0%	9.5%	8.3%	6.4%	6.0%	6.0%



	Comm. Services	Energy	Info. Technology	Consumer Disc.	Industrials	S&P 500	Health Care	Real Estate	Materials	Financials	Consumer Staples	Utilities
Today	8.7%	7.7%	6.5%	5.5%	6.4%	5.5%	5.3%	5.3%	4.3%	3.2%	3.7%	3.1%
30-Jun	8.6%	7.5%	6.1%	5.7%	4.5%	5.4%	5.4%	5.2%	4.0%	3.9%	3.6%	3.0%

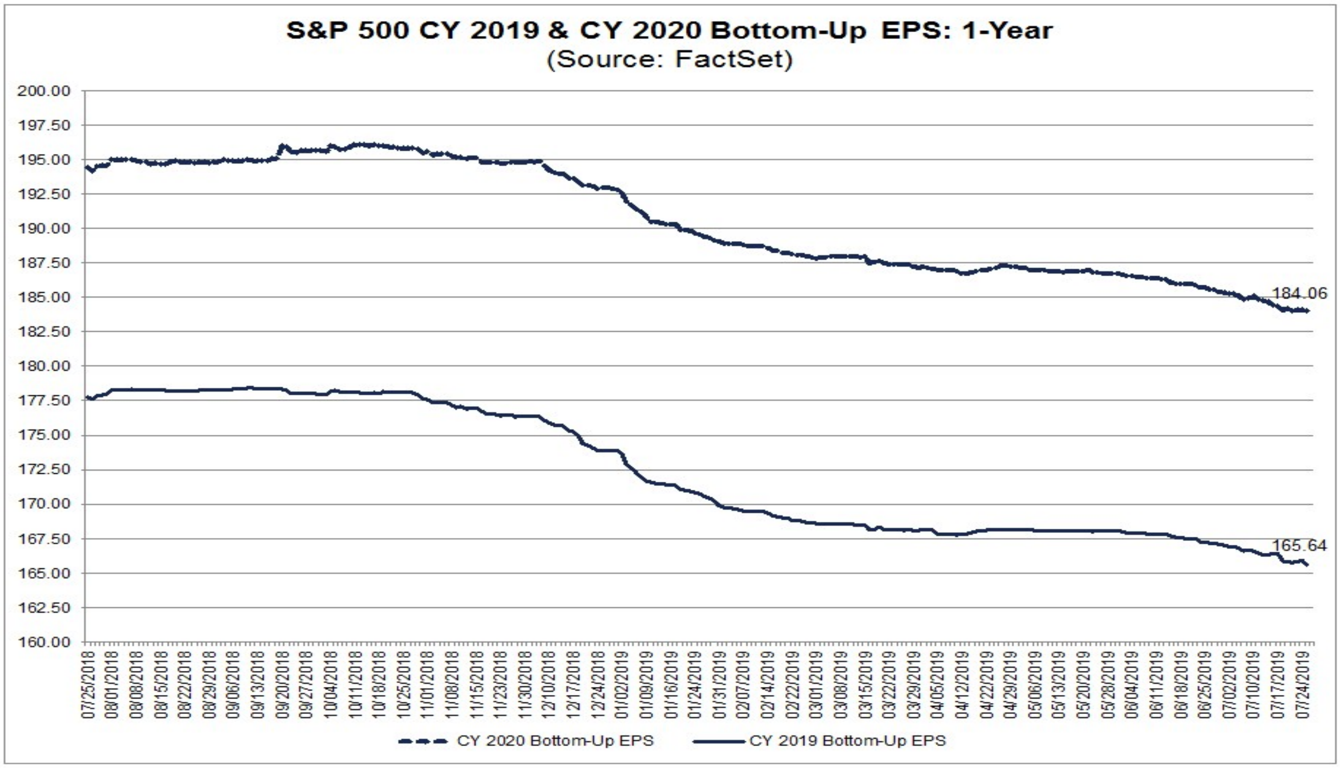
Geographic Revenue Exposure

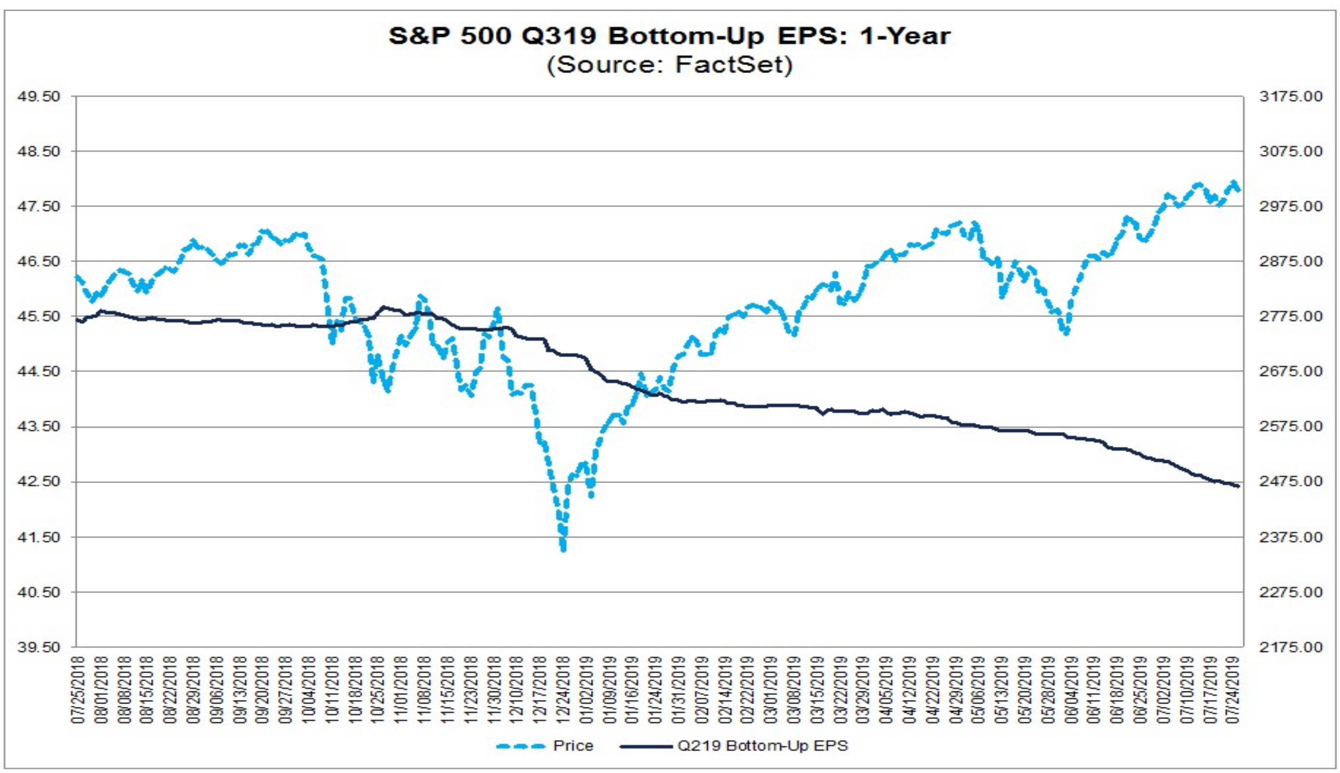




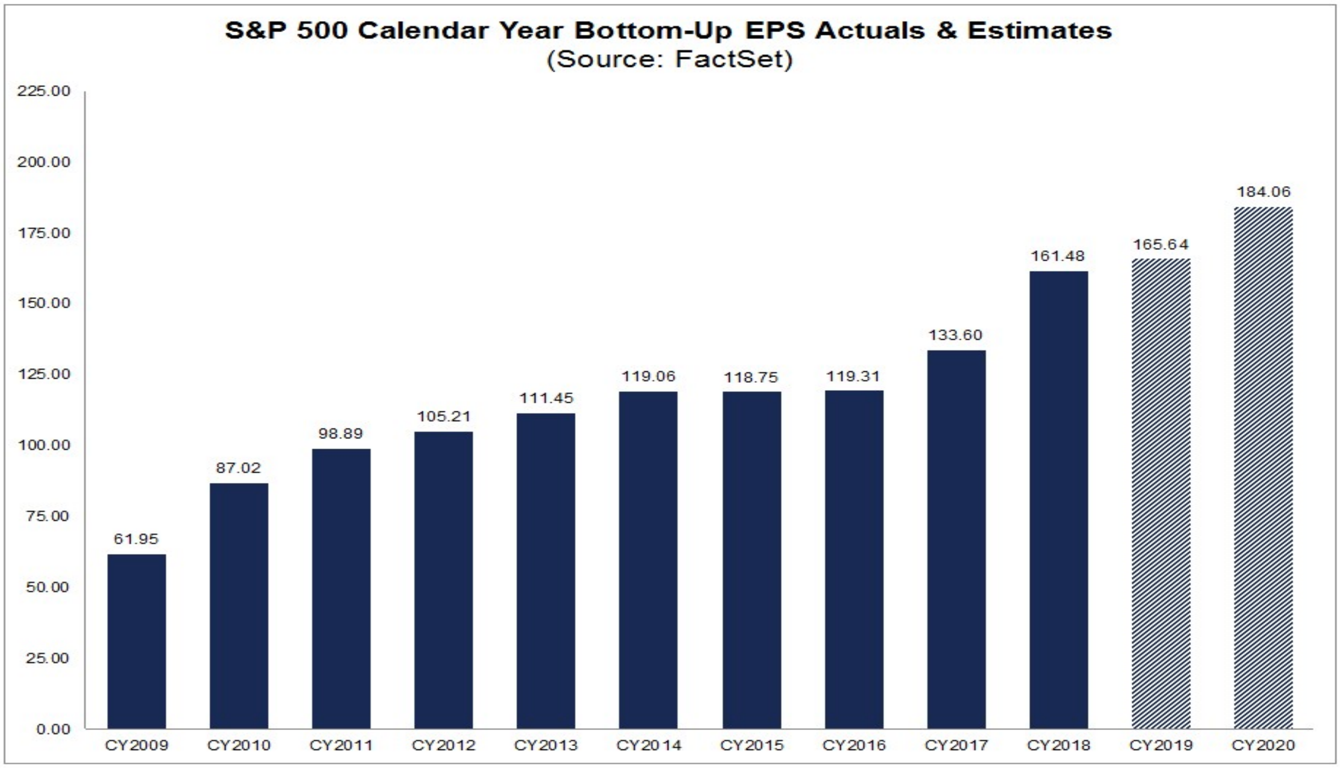
	Utilities	Real Estate	Financials	Consumer Disc.	Comm. Services	Industrials	Health Care	Energy	Consumer Staples	Materials	Info. Technology
International	3%	14%	22%	32%	37%	37%	38%	41%	45%	55%	57%
United States	97%	86%	78%	68%	63%	63%	62%	59%	55%	45%	43%

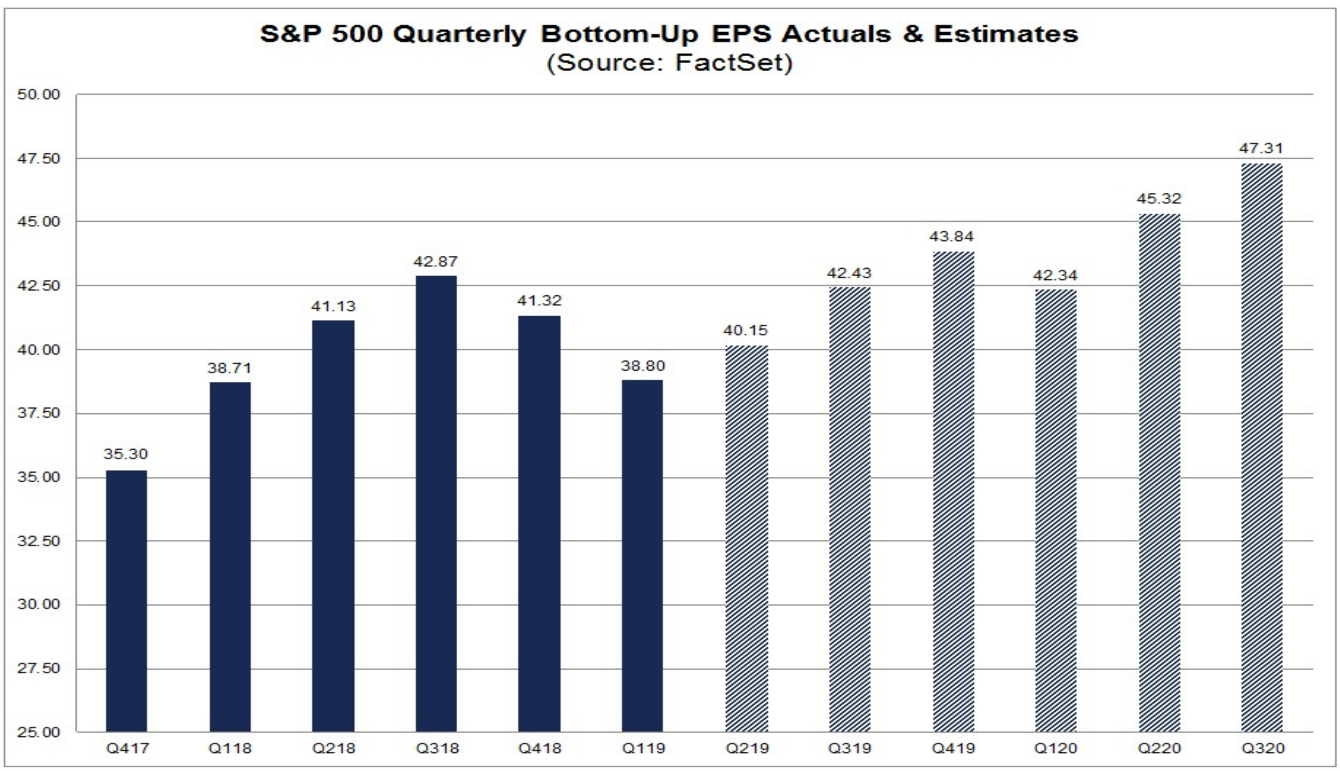
Bottom-up EPS Estimates: Revisions





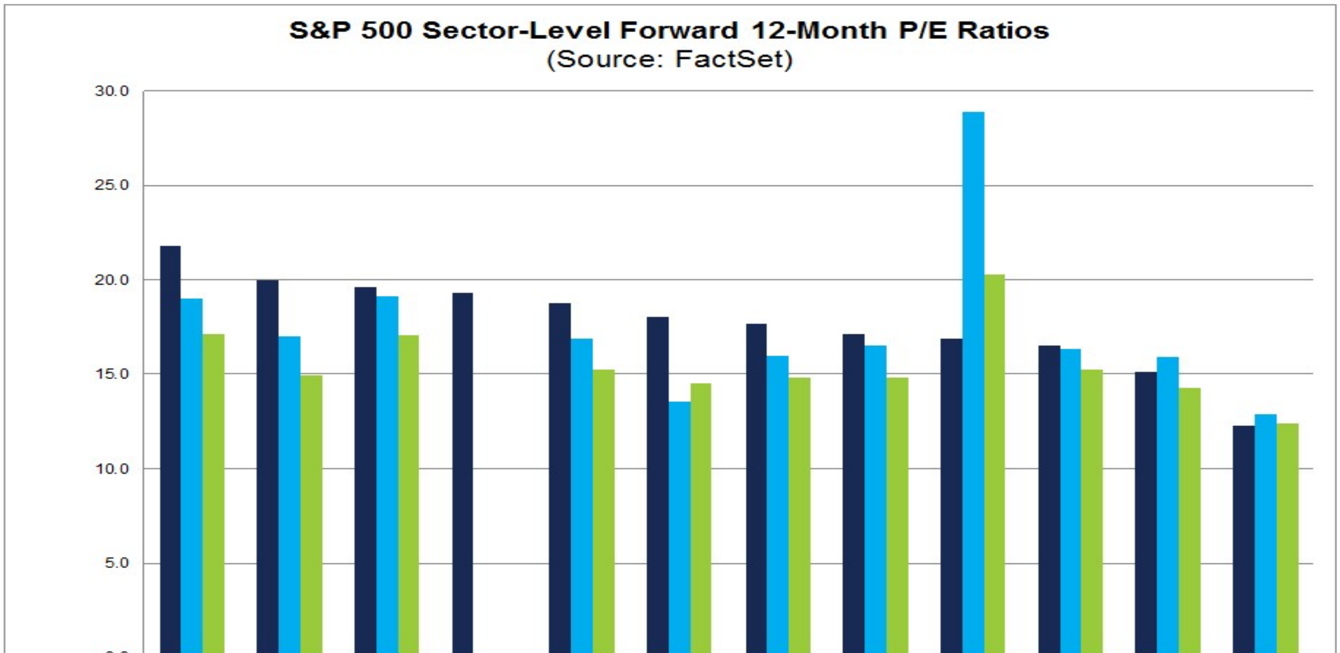
Bottom-up EPS Estimates: Current & Historical



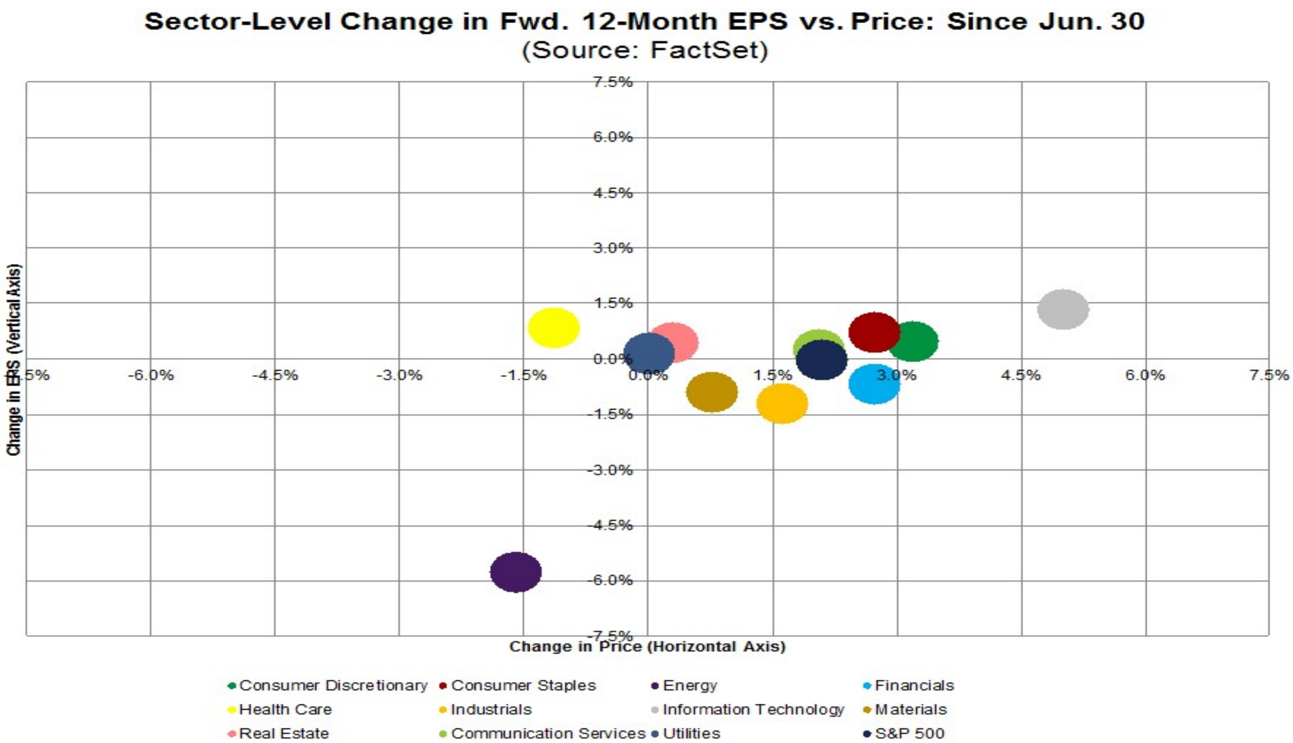


FACTSET

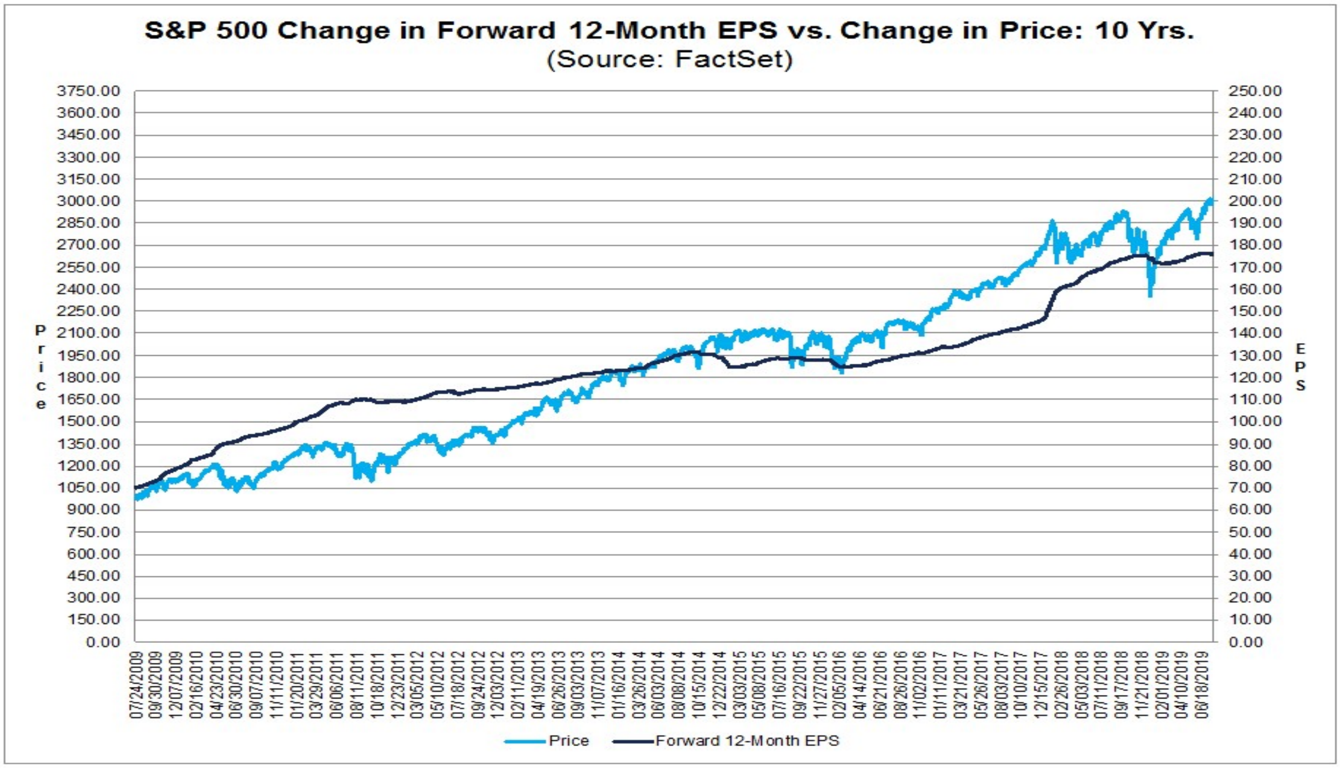
Forward 12M P/E Ratio: Sector Level

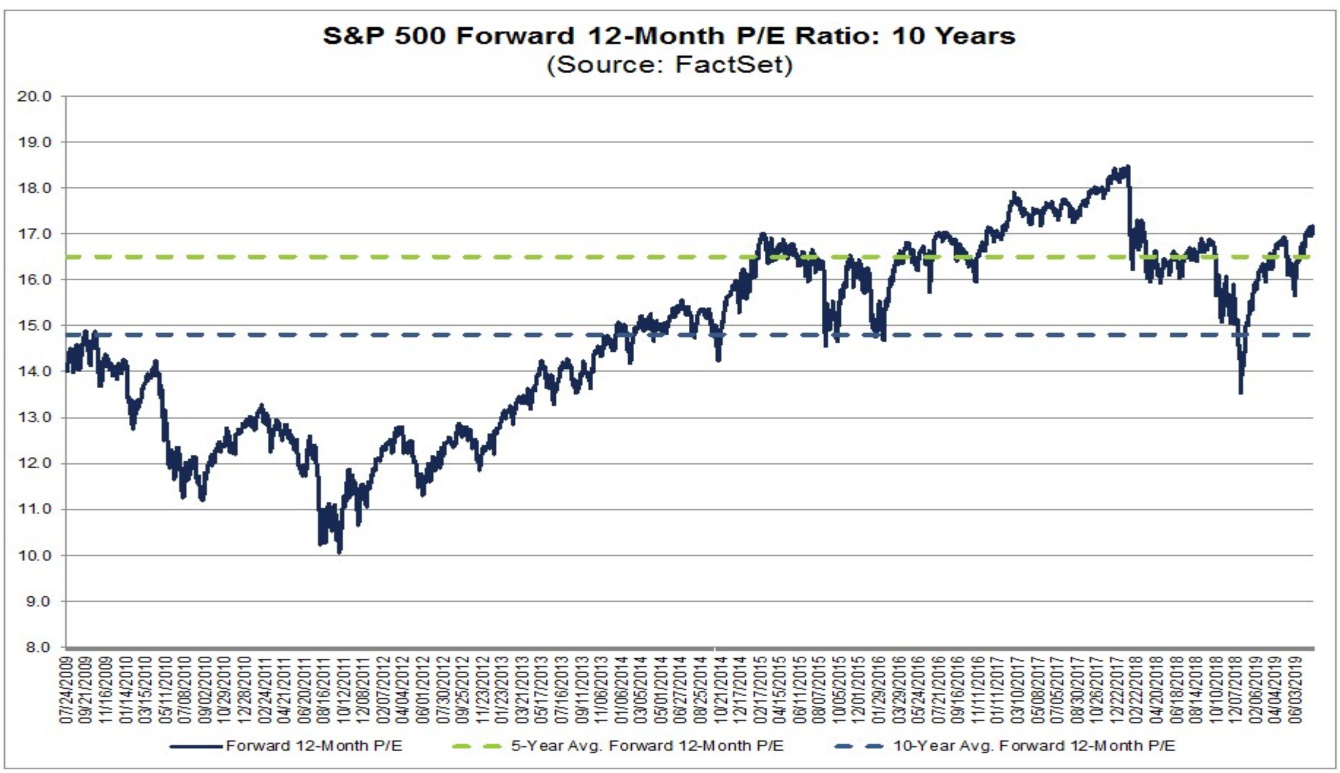


	Consumer Disc.	Info. Technology	Consumer Staples	Real Estate	Utilities	Comm. Services	Materials	S&P 500	Energy	Industrials	Health Care	Financials
Fwd P/E	21.8	19.9	19.6	19.3	18.7	18.0	17.7	17.1	16.9	16.5	15.1	12.3
5-Yr Avg.	19.0	17.0	19.1		16.9	13.5	16.0	16.5	28.9	16.3	15.9	12.9
10-Yr Avg.	17.1	14.9	17.0		15.2	14.5	14.8	14.8	20.3	15.2	14.2	12.4

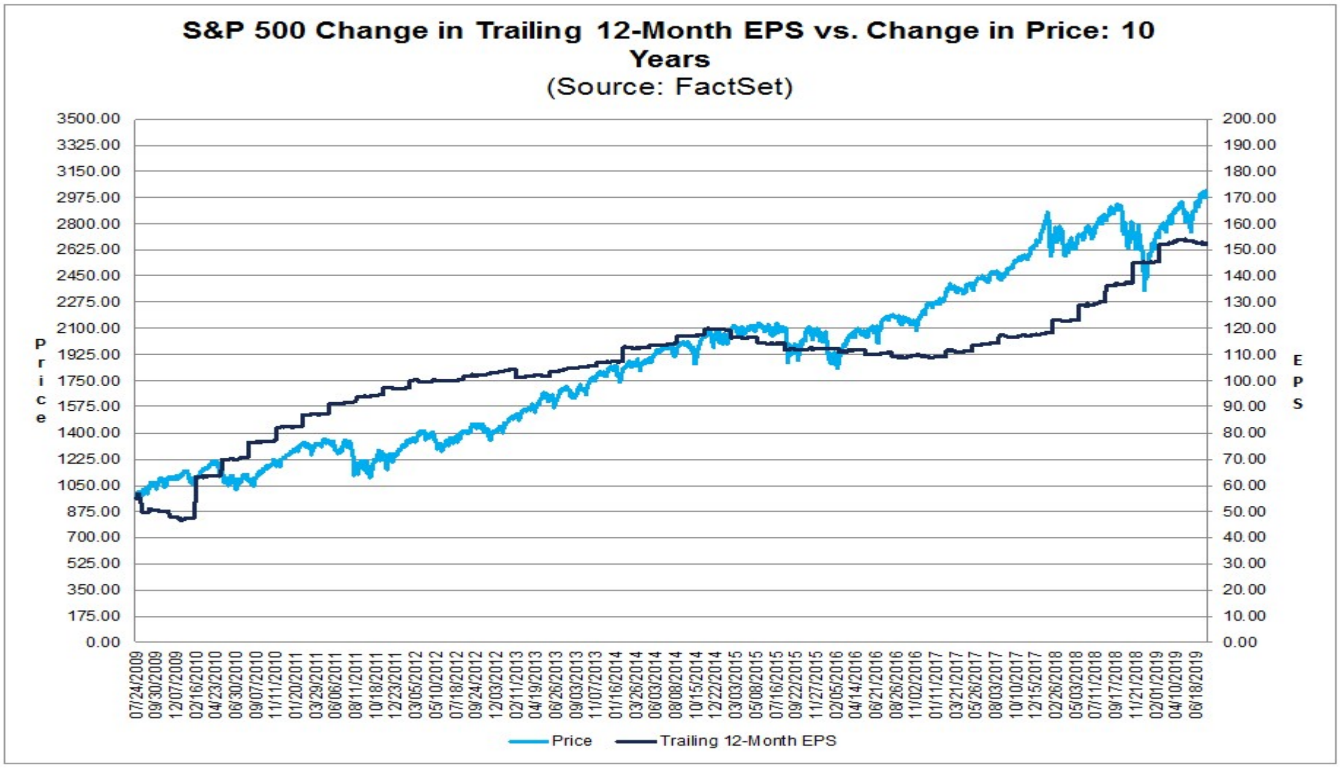


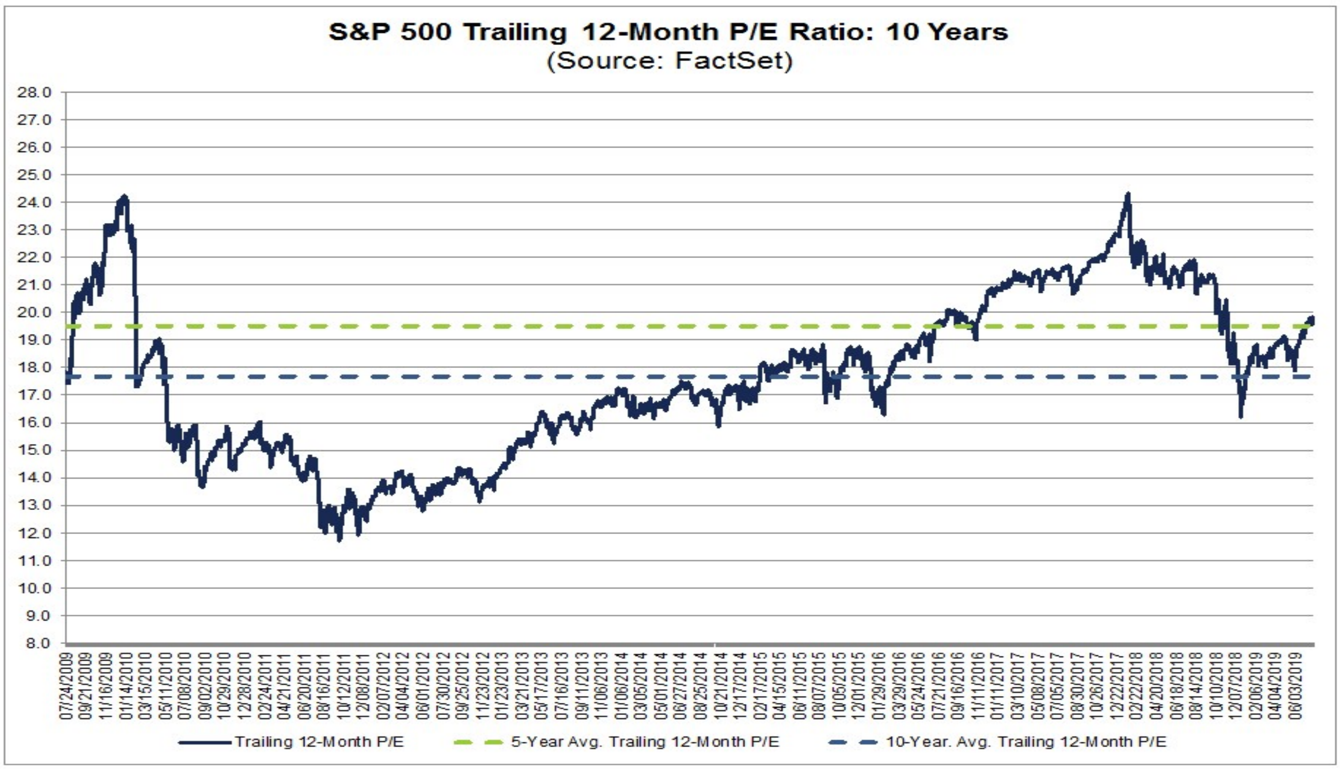
Forward 12M P/E Ratio: 10-Years



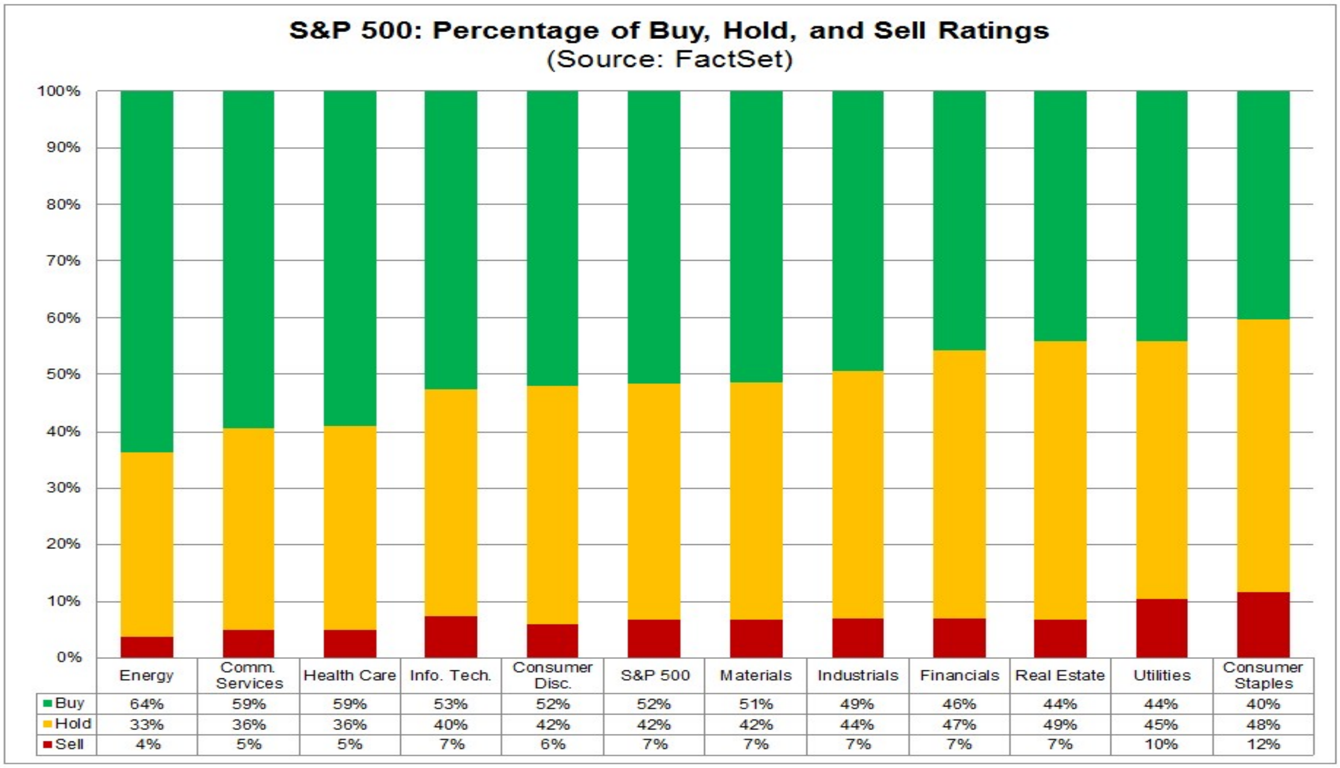


Trailing 12M P/E Ratio: 10-Years

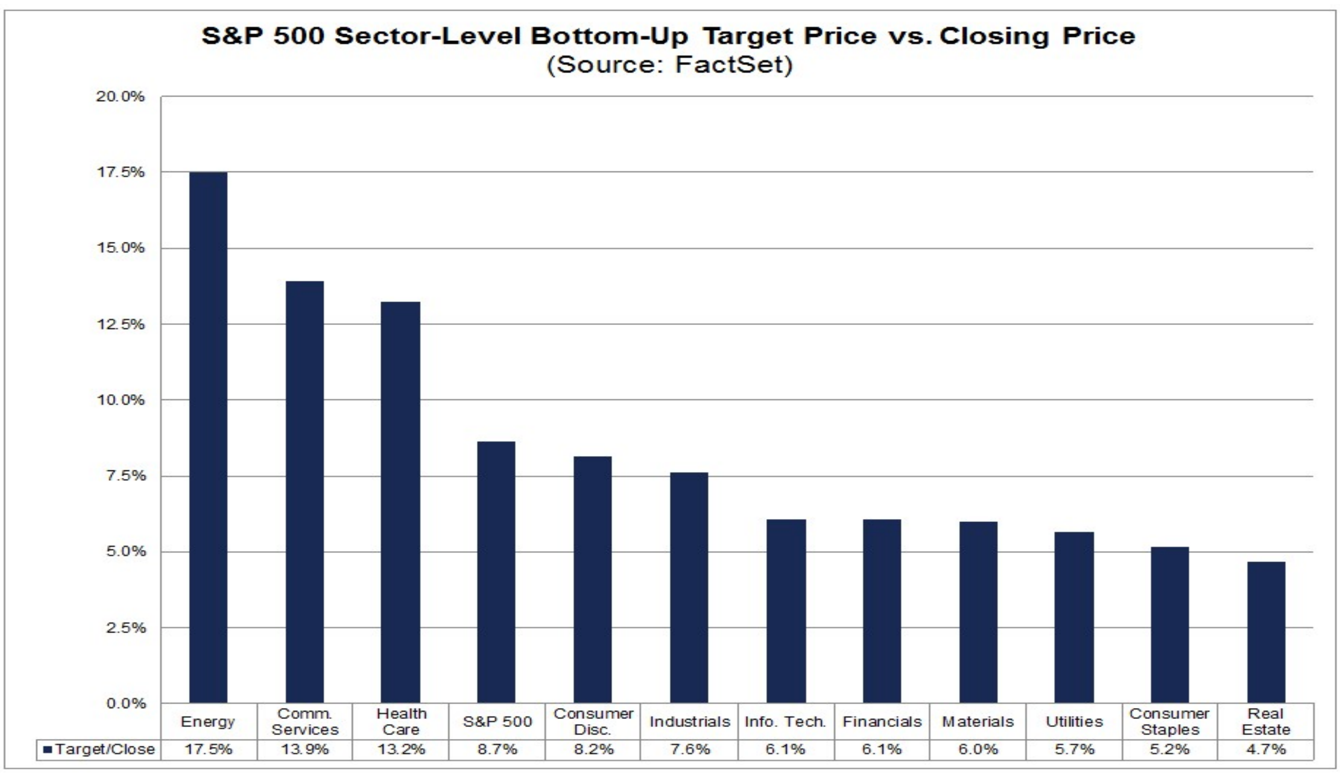




Targets & Ratings



	Energy	Comm. Services	Health Care	Info. Tech.	Consumer Disc.	S&P 500	Materials	Industrials	Financials	Real Estate	Utilities	Consumer Staples
Buy	64%	59%	59%	53%	52%	52%	51%	49%	46%	44%	44%	40%
Hold	33%	36%	36%	40%	42%	42%	42%	44%	47%	49%	45%	48%
Sell	4%	5%	5%	7%	6%	7%	7%	7%	7%	7%	10%	12%



	Energy	Comm. Services	Health Care	S&P 500	Consumer Disc.	Industrials	Info. Tech.	Financials	Materials	Utilities	Consumer Staples	Real Estate
Target/Close	17.5%	13.9%	13.2%	8.7%	8.2%	7.6%	6.1%	6.1%	6.0%	5.7%	5.2%	4.7%

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 analytics, service, content, and technology to help more than 66,000 users see and seize opportunity sooner. We are committed to giving investment professionals the edge to outperform, with fresh perspectives, informed insights, and the industry-leading support of our 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.