FACTSET
EARNINGS INSIGHT

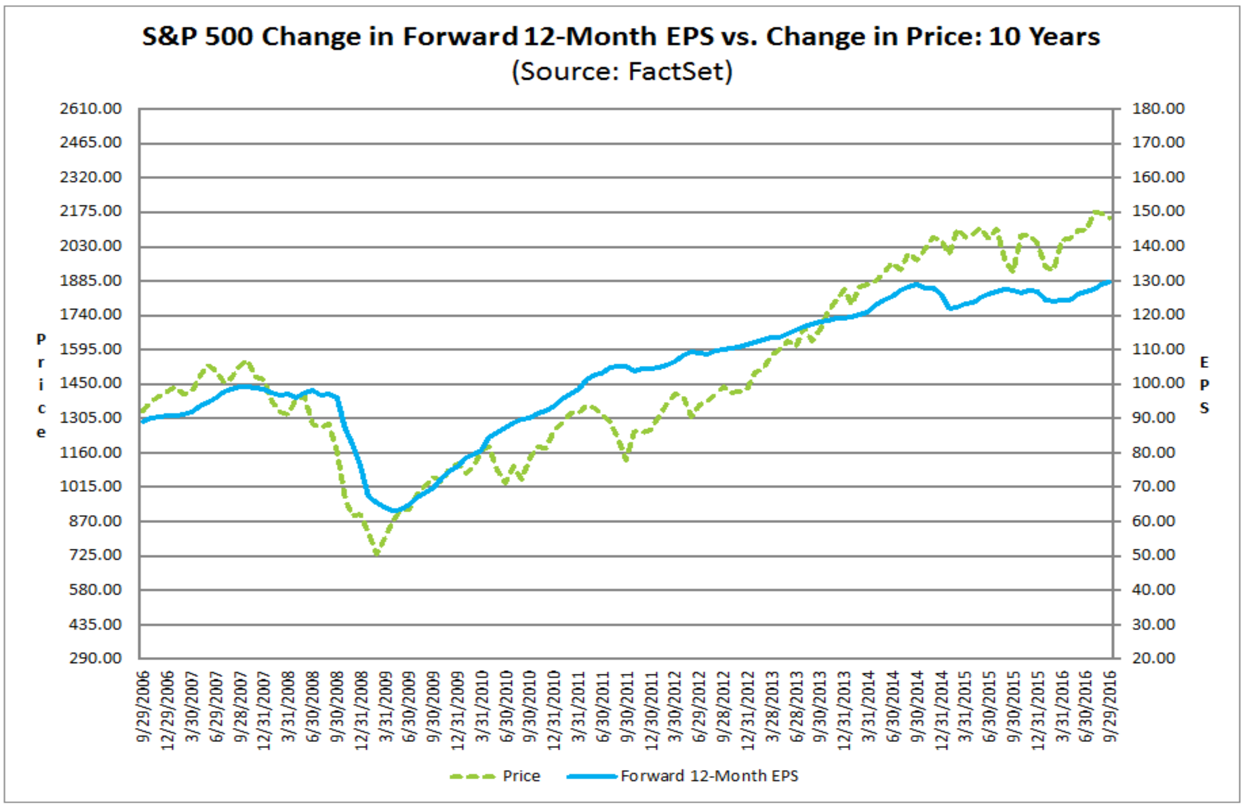
John Butters, VP, Sr. Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

S&P 500 September 30, 2016

Key Metrics

- **Earnings Growth:** For Q3 2016, the estimated earnings decline for the S&P 500 is -2.1%. If the index reports a decline in earnings for Q3, it will mark the first time the index has recorded six consecutive quarters of year-over-year declines in earnings since FactSet began tracking the data in Q3 2008.
- **Earnings Revisions:** On June 30, the estimated earnings growth rate for Q3 2016 was 0.3%. Ten sectors have lower growth rates today (compared to June 30) due to downward revisions to earnings estimates, led by the Energy sector.
- **Earnings Guidance:** For Q3 2016, 80 S&P 500 companies have issued negative EPS guidance and 34 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 16.6. This P/E ratio is based on Thursday's closing price (2151.13) and forward 12-month EPS estimate ($129.65).
- **Earnings Scorecard:** Of the 18 companies in the S&P 500 that have reported earnings to date for Q3 2016, 15 have reported EPS above the mean estimate and 11 have reported sales above the mean estimate.



To receive this report via e-mail, please go to: www.factset.com/data/news_research/researchdesk

To view other market stories with FactSet content, please go to: www.factset.com/insight

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

Topic of the Week:

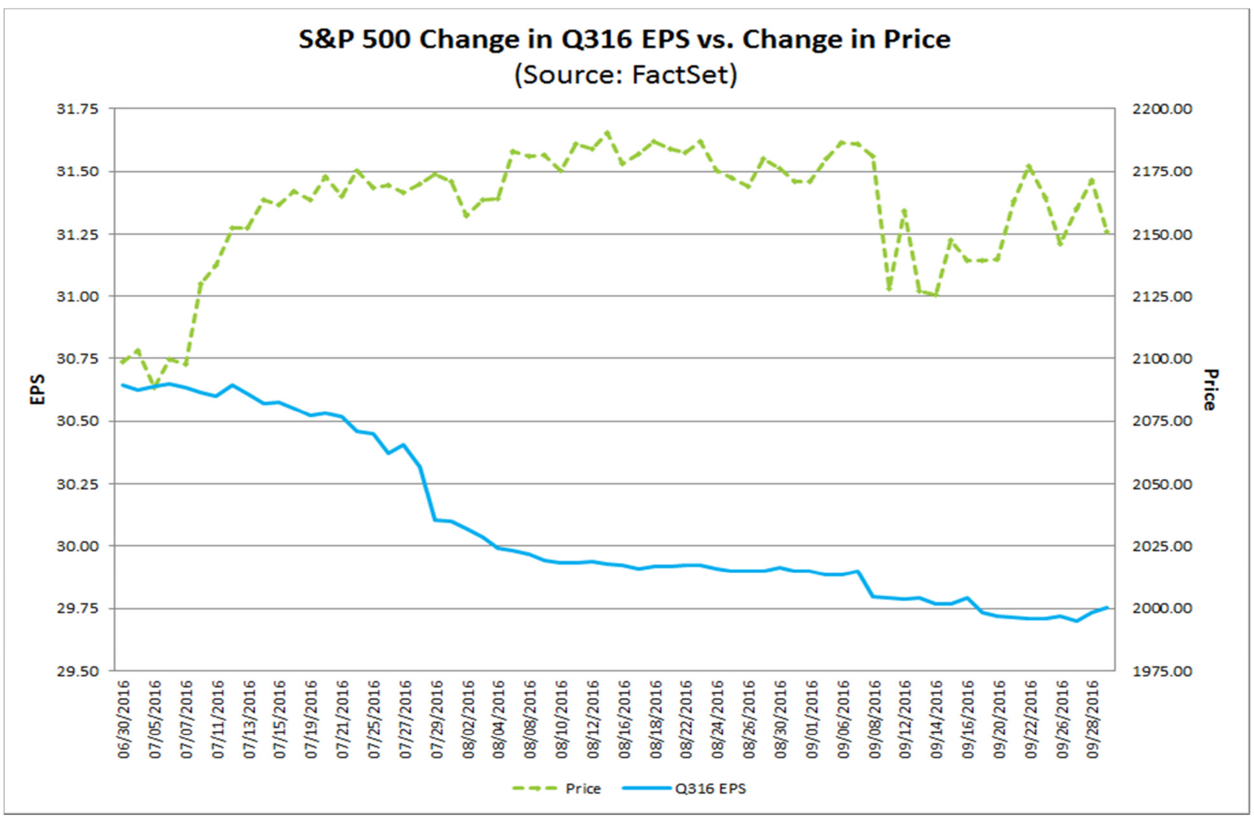
Below Average Drop in S&P 500 EPS Estimate for Q3 2016

During the third quarter, analysts lowered earnings estimates for companies in the S&P 500 for the quarter. The Q3 bottom-up EPS estimate (which is an aggregation of the EPS estimates for all the companies in the index) dropped by 2.9% (to $29.76 from $30.65) during the quarter. How significant is a 2.9% decline in the bottom-up EPS estimate during a quarter? How does this decrease compare to recent quarters?

During the past year (4 quarters), the average decline in the bottom-up EPS estimate during a quarter has been 4.9%. During the past five years (20 quarters), the average decline in the bottom-up EPS estimate during a quarter has been 4.3%. During the past ten years, (40 quarters), the average decline in the bottom-up EPS estimate during a quarter has been 5.6%. Thus, the decline in the bottom-up EPS estimate recorded during the third quarter was smaller than the 1-year, 5-year, and 10-year averages.

As the bottom-up EPS estimate declined during the quarter, the value of the S&P 500 increased during this same time frame. From June 30 through September 29, the value of the index increased by 2.5% (to 2151.13 from 2098.86). Assuming the market does not close at or below 2098.86 today, the third quarter will mark the 16th time in the past 20 quarters in which the bottom-up EPS estimate decreased during the quarter while the value of the index increased during the quarter.

At the sector level, the Energy sector witnessed the largest percentage decline in the bottom-up EPS estimate at -30.7% (to $1.49 from $2.15). Similar to the index as a whole, the value of the S&P 500 Energy sector also increased (slightly) as the bottom-up EPS estimate decreased. From June 30 through September 29, the value of the S&P 500 Energy sector increased by 0.3% (to 513.68 from 512.39).



Q3 2016 Earnings Season: By the Numbers

Overview

In terms of EPS estimate revisions for companies in the S&P 500, analysts have made smaller cuts than average to earnings estimates for Q3 2016. On a per-share basis, estimated earnings for the third quarter have fallen by 2.9% since June 30. This percentage decline is smaller than the trailing 5-year average (-4.3%) and trailing 10-year average (-5.6%) for a quarter. At the sector level, the Energy sector has recorded the largest cuts to earnings estimates to date for the quarter.

In addition, a smaller percentage of S&P 500 companies have lowered the bar for earnings for Q3 2016 relative to recent averages. Of the 114 companies that have issued EPS guidance for the third quarter, 80 have issued negative EPS guidance and 34 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 70% (80 out of 114), which is below the 5-year average of 74%.

As a result of the downward revisions to earnings estimates, the estimated year-over-year earnings decline for Q3 2016 is -2.1% today. On June 30, the expected earnings growth rate was 0.3%. Seven sectors are predicted to report year-over-year earnings growth, led by the Utilities, Consumer Discretionary, Health Care, and Materials sectors. Four sectors are projected to report a year-over-year decline in earnings, led by the Energy and Industrials sectors.

The estimated sales growth rate for Q3 2016 is 2.6%, which is slightly above the estimate of 2.5% at the start of the quarter. Nine sectors are projected to report year-over-year growth in revenues, led by the Consumer Discretionary, Health Care, Real Estate, and Utilities sectors. Two sectors are predicted to report a year-over-year decline in revenues, led by the Energy sector.

Looking at future quarters, analysts currently project earnings growth to return in Q4 2016.

The forward 12-month P/E ratio is now 16.6, which is above the 5-year and 10-year averages.

During the upcoming week, 7 S&P 500 companies are scheduled to report results for the third quarter.

Earnings Revisions: Energy Sector Has Recorded Largest Drop in Expected Earnings for Q3

Slight Decrease in Estimated Earnings Decline for Q3 This Week

The estimated earnings decline for the third quarter is -2.1% this week, which is slightly smaller than the estimated earnings decline of -2.2% last week. The upside earnings surprises reported by Nike ($0.73 vs. $0.56), PepsiCo ($1.40 vs. $1.32), and ConAgra Foods ($0.61 vs. $0.48) were the largest contributors to the decrease in the earnings decline for the S&P 500 during the past week.

Overall, the estimated earnings decline for Q3 2016 of -2.1% today is below the estimated earnings growth rate of 0.3% at the start of the quarter (June 30). Ten of the eleven sectors have recorded a decline in expected earnings growth since the beginning of the quarter due to downward revisions to earnings estimates, led by the Energy, Real Estate, Materials, and Consumer Discretionary sectors. The only sector that has recorded an increase in expected earnings growth since the start of the quarter (due to upward revisions to earnings estimates) is the Information Technology sector.

Energy: Largest Increase in Expected Earnings Decline

The Energy sector has recorded the largest increase in expectations for a year-over-year earnings decline since the start of the quarter (to -67.0% from -53.0%). Overall, 16 of the 37 companies in this sector (43%) have seen a decline in the mean EPS estimate to date. Of these 16 companies, 11 have recorded a decrease in the mean EPS estimate of more than 10%, led by Occidental Petroleum (to -$0.04 from -$0.02) and Diamond Offshore Drilling (to $0.08 from $0.20). However, the five companies that have been the largest contributors to the increase in the projected earnings decline for this sector since the start of the quarter are Exxon Mobil (to $0.65 from $0.80), Valero Energy (to 0.98 from $2.01), Chevron (to $0.44 from $0.66), Phillips 66 (to $0.98 from $1.75), and Marathon Petroleum (to $0.81 from $1.41).

Real Estate: 2nd Largest Decrease in Expected Earnings Growth, Led by SL Green Realty

The Real Estate sector has recorded the second largest decrease in expectations for year-over-year earnings growth since the start of the quarter (to -6.3% from 4.2%). Overall, 17 of the 28 companies in this sector (61%) have seen a decline in the mean EPS estimate to date. Of these 17 companies, SL Green Realty (to -$2.51 from -$0.15) has recorded the largest drop in the mean EPS estimate since June 30, and has been the largest contributor to the decrease in the projected earnings growth rate for this sector since June 30.

Materials: 3rd Largest Decrease in Expected Earnings Growth, Led by Chemicals Industry

The Materials sector has recorded the third largest decrease in expectations for year-over-year earnings growth since the start of the quarter (to 3.8% from 9.3%). Overall, 23 of the 27 companies in this sector (85%) have seen a decline in the mean EPS estimate to date. Of these 23 companies, 7 have recorded a drop in the mean EPS estimate of 10% or more since June 30. The three companies that have seen the largest percentage declines in mean EPS estimates are all in the Chemicals industry: CF industries (to 0.02 from $0.28), Mosaic (to $0.11 from $0.30), and DuPont (to $0.21 from $0.34). DuPont has also been the largest contributor to the decrease in the projected earnings growth rate for this sector since June 30.

Consumer Discretionary: 4th Largest Decrease in Expected Earnings Growth, Led by Ford Motor

The Consumer Discretionary sector has recorded the fourth largest decrease in expectations for year-over-year earnings growth since the start of the quarter (to 5.0% from 9.3%). Overall, 57 of the 83 companies in this sector (69%) have seen a decline in the mean EPS estimate to date, led by Signet Jewelers (to $0.21 from $0.54), Viacom (to $0.73 from $1.49), News Corporation (to $0.03 from $0.06), Ford Motor (to $0.21 from $0.39), and Netflix (to $0.04 from $0.07). Ford Motor and Viacom have also been the largest contributors to the decrease in the expected earnings growth rate for this sector since June 30.

Information Technology: Largest Increase in Expected Earnings Growth

The Information Technology sector is the only sector that has recorded an increase in expectations for year-over-year earnings growth since the start of the quarter (to 1.7% from 0.1%). Overall, 34 of the 66 companies in this sector (52%) have seen an increase in the mean EPS estimate to date. Of these 34 companies, 8 have recorded an increase in the mean EPS estimate of 10% or more, led by Seagate Technology (to 0.78 from $0.37) and Applied Materials (to $0.65 from $0.47). These two companies, along with Intel (to $0.73 from $0.64), Facebook (to $0.96 from $0.86), and Alphabet (to $8.63 from $8.35), have been the largest contributors to the increase in the projected earnings growth rate for this sector since June 30.

Index-Level (Bottom-Up) EPS Estimate: Below Average Decline to Date

Downward revisions to earnings estimates in aggregate for the third quarter to date have been below recent averages. On a per-share basis, the percentage decline in the Q3 bottom-up EPS estimate (which is an aggregation of the earnings estimates for all 500 companies in the index and can be used as a proxy for the earnings for the index) since June 30 is 2.9% (to $29.76 from $30.65). This decline in the EPS estimate for Q3 2016 is below the trailing 1-year (-4.9%) average, the trailing 5-year (-4.3%), and the trailing 10- year average (-5.6%) for the bottom-up EPS estimate for a quarter. Please see page 1 for more details.

Guidance: Negative EPS Guidance (70%) for Q3 Below Average

A smaller percentage of S&P 500 companies have lowered the bar for earnings for Q3 2016 relative to recent averages. At this point in time, 114 companies in the index have issued EPS guidance for Q3 2016. Of these 114 companies, 80 have issued negative EPS guidance and 34 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 70% (80 out of 114), which is below the 5-year average of 74%.

For more details on guidance, please see the most recent edition of our "FactSet Guidance Quarterly" report: www.factset.com/guidance.

Earnings Growth: Sixth Consecutive Quarter of Year-Over-Year Earnings Declines (-2.1%)

The estimated earnings decline for Q3 2016 is -2.1%. If the index reports a decrease in earnings for the quarter, it will mark the first time the index has seen six consecutive quarters of year-over-year declines in earnings since FactSet began tracking this data in Q3 2008. Seven sectors are projected to report year-over-year growth in earnings, led by the Utilities, Consumer Discretionary, Health Care, and Materials sectors. Four sectors are projected to report a year-over-year decline in earnings, led by the Energy and Industrials sectors.

Utilities: PG&E Corporation and NRG Energy Lead Growth

The Utilities sector is expected to report the highest earnings growth of all eleven sectors at 5.3%. At the company level, PG&E Corporation and NRG Energy are projected to be the largest contributors to earnings growth. The mean EPS estimate for PG&E Corporation for Q3 2016 is $1.12, compared to year-ago EPS of $0.84. The mean EPS estimate for NRG Energy for Q3 2016 is $0.61, compared to year-ago EPS of $0.19. If these two companies are excluded, the estimated earnings growth rate for the Utilities sector would fall to 2.8% from 5.3%.

Consumer Discretionary: Auto Parts, Internet Retail, and Home Goods Lead Growth

The Consumer Discretionary sector is expected to report the second highest earnings growth of all eleven sectors at 5.0%. Nine of the 12 industries in this sector are projected to report earnings growth for the quarter, led by the Auto Components (69%), Internet & Direct Marketing Retail (34%), and Household Durables (25%) industries. On the other hand, the Automobiles (-25%) industry is projected to report the largest decline in earnings for the quarter.

Health Care: Broad-Based Growth

The Health Care sector is expected to report the third highest earnings growth of all eleven sectors at 4.0%. Five of the six industries in this sector are projected to report earnings growth for the quarter: Health Care Technology (9%), Health Care Providers & Services (8%), Life Sciences Tools & Services (8%), Pharmaceuticals (7%), and Healthcare Equipment & Supplies (6%). The only industry in the sector predicted to report a year-over-year decline in earnings is the Biotechnology (-4%) industry.

Materials: Metals & Mining Industry Leads Growth

The Materials sector is expected to report the fourth highest earnings growth of all eleven sectors at 3.8%. Two of the four industries in this sector are projected to report earnings growth for the quarter, led by the Metals & Mining (261%) industry. This industry is also expected to be the largest contributor to earnings growth for the sector. If the Metals & Mining industry is excluded, the estimated earnings growth rate for the Materials sector would fall to -7.1% from 3.8%.

Energy: Largest Contributor to Earnings Decline in the S&P 500

The Energy sector is expected to report the largest year-over-year decline in earnings of all eleven sectors at -67.0%. Five of the six sub-industries in this sector are projected to report a year-over-year decrease in earnings: Oil & Gas Exploration & Production (N/A), Oil & Gas Equipment & Services (-99%), Oil & Gas Drilling (-98%), Oil & Gas Refining & Marketing (-66%), and Integrated Oil & Gas (-47%). The Oil & Gas Storage & Transportation (7%) sub-industry is the only sub-industry in the sector predicted to report earnings growth for the quarter.

This sector is also projected to be the largest contributor to the earnings decline for the S&P 500 as a whole. If the Energy sector is excluded, the estimated earnings growth rate for the S&P 500 would improve to 1.2% from -2.1%.

Industrials: Weakness in Airlines

The Industrials sector is expected to report the second largest year-over-year decline in earnings of all eleven sectors at -7.8%. At the industry level, five of the 12 industries in the sector are predicted to reported a year-over-year decrease in earnings, led by the Airlines (-35%) industry. This industry is also expected to be the largest contributor to the expected earnings decline for the sector. If the Airlines industry is excluded, the estimated earnings decline for the sector falls to -1.2% from -7.8%.

Revenues: First Quarter of Year-Over-Year Revenue Growth (2.6%) Since Q4 2014

The estimated revenue growth rate for Q3 2016 is 2.6%. If the index reports growth in sales for the quarter, it will mark the first time the index has seen year-over-year growth in sales since Q4 2014 (2.0%). Nine sectors are predicted to report year-over-year growth in revenues, led by the Consumer Discretionary, Health Care, Real Estate, and Utilities sectors. Two sectors are projected to reporting a year-over-year decline in revenues, led by the Energy sector.

Consumer Discretionary: Auto Parts, Internet Retail, and Home Goods Lead Growth

The Consumer Discretionary sector is expected to report the highest revenue growth of all eleven sectors at 8.7%. Nine of the 12 industries in this sector are projected to report sales growth for the quarter, led by the Auto Components (65%), Internet & Direct Marketing Retail (28%), and Household Durables (21%) industries. On the other hand, the Automobiles (-3%) and Multiline Retail (-2%) industries are projected to report the largest declines in sales for the quarter.

Health Care: Broad-Based Growth

The Health Care sector is expected to report the second highest revenue growth of all eleven sectors at 7.0%. All six industries in this sector are predicted to report sales growth for the quarter, led by the Health Care Technology (10%) and Health Care Providers & Services (8%) industries.

Real Estate: Real Estate Services & Specialized REITs Lead Growth

The Real Estate sector is expected to report the third highest revenue growth of all eleven sectors at 6.7%. Five of the eight sub-industries in this sector are projected to report sales growth for the quarter, led by the Real Estate Services (22%) and Specialized REITs (12%) sub-industries.

Utilities: Broad-Based Growth

The Utilities sector is expected to report the fourth highest revenue growth of all eleven sectors at 5.3%. All four industries in this sector are projected to report sales growth for the quarter, led by the Multi-Utilities (7%), Electric Utilities (5%), and Water Utilities (5%).

Energy: Largest Detractor to Revenue Growth in the S&P 500

The Energy sector is expected to report the largest year-over-year decrease in sales for the quarter at -12.5%. Five of the six sub-industries in this sector are predicted to report a year-over-year decrease in revenues: Oil & Gas Drilling (-45%), Oil & Gas Equipment & Services (-28%), Oil & Gas Exploration & Production (-17%), Oil & Gas Refining & Marketing (-15%), and Integrated Oil & Gas (-6%). The Oil & Gas Storage & Transportation (2%) sub-industry is the only sub-industry in the sector predicted to report earnings growth for the quarter.

This sector is also projected to be the largest detractor to sales growth for the S&P 500 as a whole. If the Energy sector is excluded, the estimated revenue growth rate for the S&P 500 would improve to 4.1% from 2.6%.

Looking Ahead: Forward Estimates and Valuation

Earnings Growth Not Expected to Return Until Q4 2016

After several quarters of year-over-year declines, analysts currently expect revenue growth to return in Q3 2016 and earnings growth to return in Q4 2016. In terms of earnings, the estimated growth rates for Q3 2016 and Q4 2016 are -2.1% and 5.6%. In terms of revenues, the estimated growth rates for Q3 2016 and Q4 2016 are 2.6% and 5.2%.

For all of 2016, analysts are projecting earnings to decline year-over-year (-0.2%), but revenues to increase year-over-year (2.0%).

For all of 2017, analysts are projecting earnings growth of 13.0% and revenue growth of 6.1%.

Valuation: Forward P/E Ratio is 16.6, above the 10-Year Average (14.3)

(Author's Note: The sector-level valuation data for the Financials sector now excludes the companies in the new Real Estate sector. The valuation data for the new Real Estate sector will be available in next week's report.)

The forward 12-month P/E ratio is 16.6. This P/E ratio is based on Thursday's closing price (2151.13) and forward 12-month EPS estimate ($129.65). The P/E ratio is above the 5-year average forward 12-month P/E ratio of 14.8, and above the 10-year average forward 12-month P/E ratio of 14.3. However, it is equal to the forward 12-month P/E ratio of 16.6 recorded at the start of the third quarter (June 30). Since the start of the third quarter, the price of the index has increased by 2.5%, while the forward 12-month EPS estimate has increased by 2.2%.

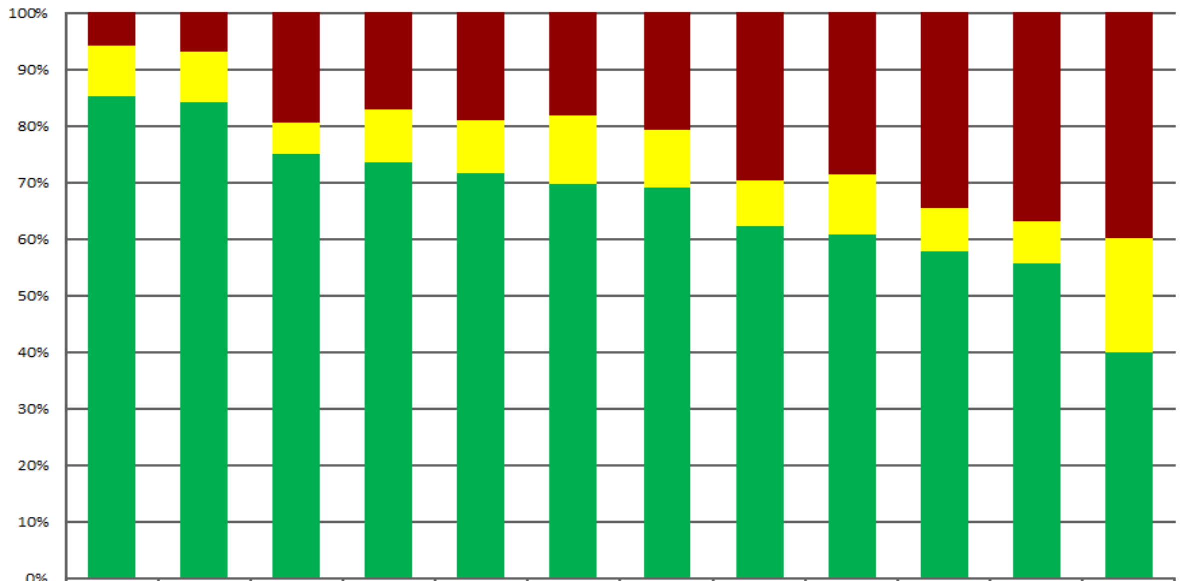
At the sector level, the Energy (54.9) sector has the highest forward 12-month P/E ratio, while the Financials (12.0) sector has the lowest forward 12-month P/E ratio. Eight sectors have forward 12-month P/E ratios that are above their 10-year averages, led by the Energy (54.9 vs. 16.8) sector. Two sectors have forward 12-month P/E ratios that are below the 10-year averages, led by the Telecom Services (13.6 vs. 14.6) sector.

Companies Reporting Next Week: 7

During the upcoming week, 7 S&P 500 companies are scheduled to report earnings for the third quarter.

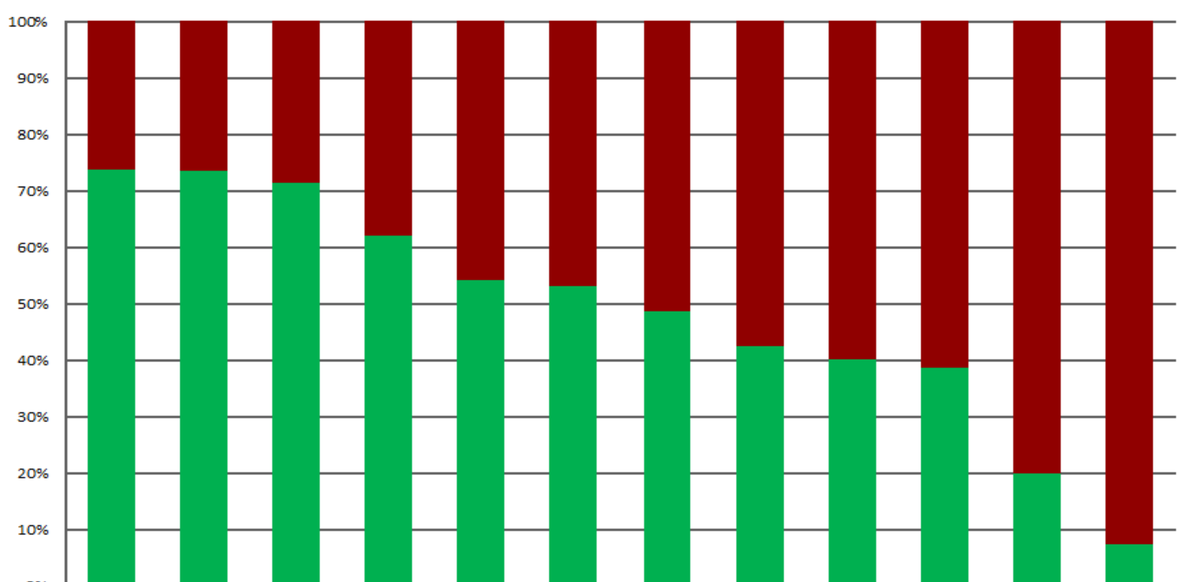
Q2 2016: Scorecard

S&P 500 Earnings Above, In-Line, Below Estimates: Q2 2016
(Source: FactSet)



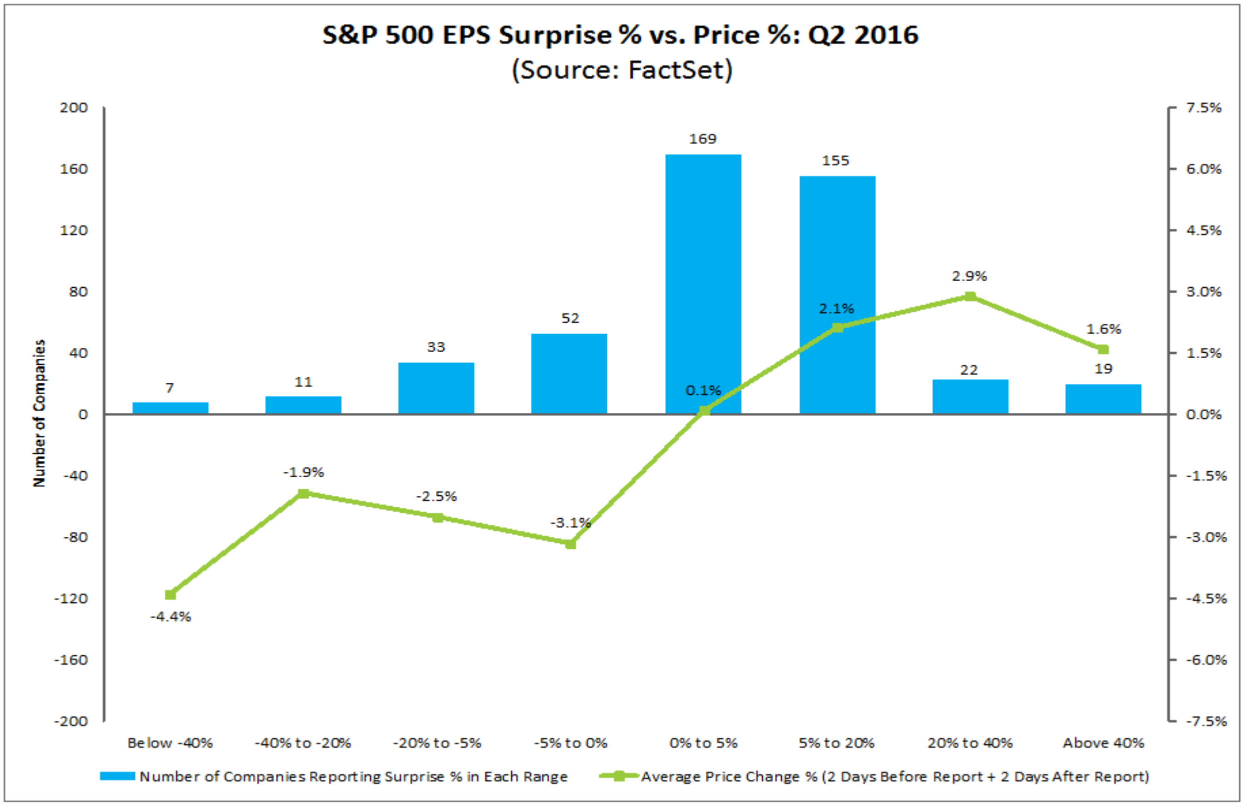
	Info. Technology	Health Care	Consumer Staples	Financials	S&P 500	Industrials	Consumer Disc.	Energy	Real Estate	Materials	Utilities	Telecom Services
Below	6%	7%	19%	17%	19%	18%	21%	30%	29%	35%	37%	40%
In-Line	9%	9%	6%	9%	9%	12%	10%	8%	11%	8%	7%	20%
Above	85%	84%	75%	73%	72%	70%	69%	62%	61%	58%	56%	40%

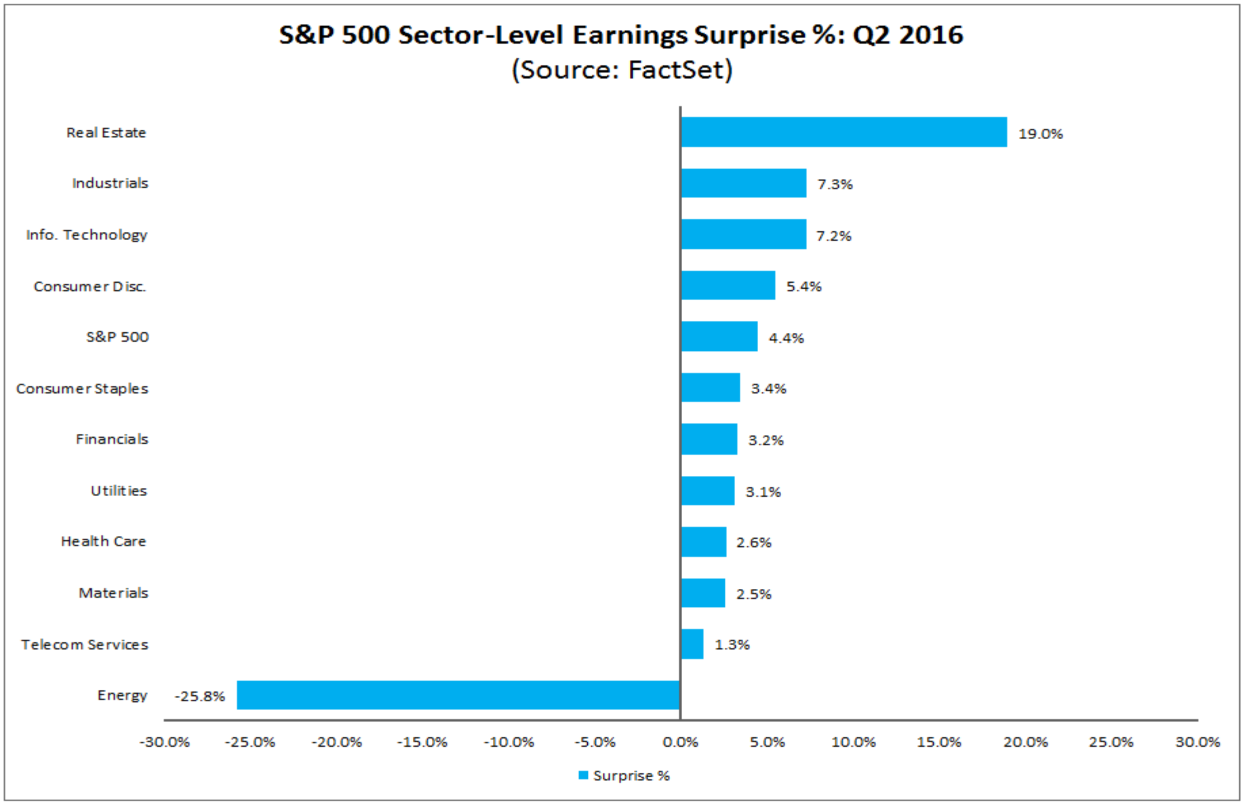
S&P 500 Revenues Above, In-Line, Below Estimates: Q2 2016
(Source: FactSet)



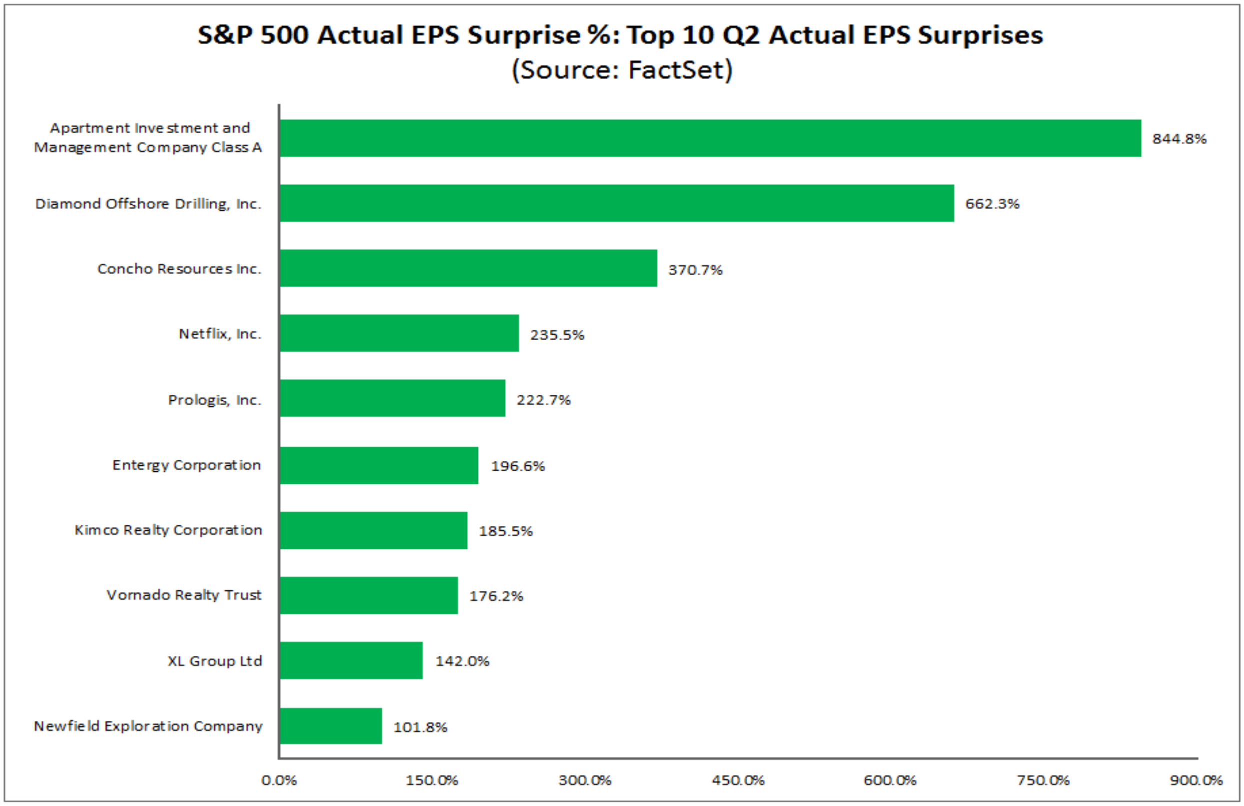
	Health Care	Info. Technology	Real Estate	Financials	Energy	S&P 500	Industrials	Materials	Consumer Disc.	Consumer Staples	Telecom Services	Utilities
Below	26%	26%	29%	38%	46%	47%	52%	58%	60%	61%	80%	93%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	74%	74%	71%	62%	54%	53%	48%	42%	40%	39%	20%	7%

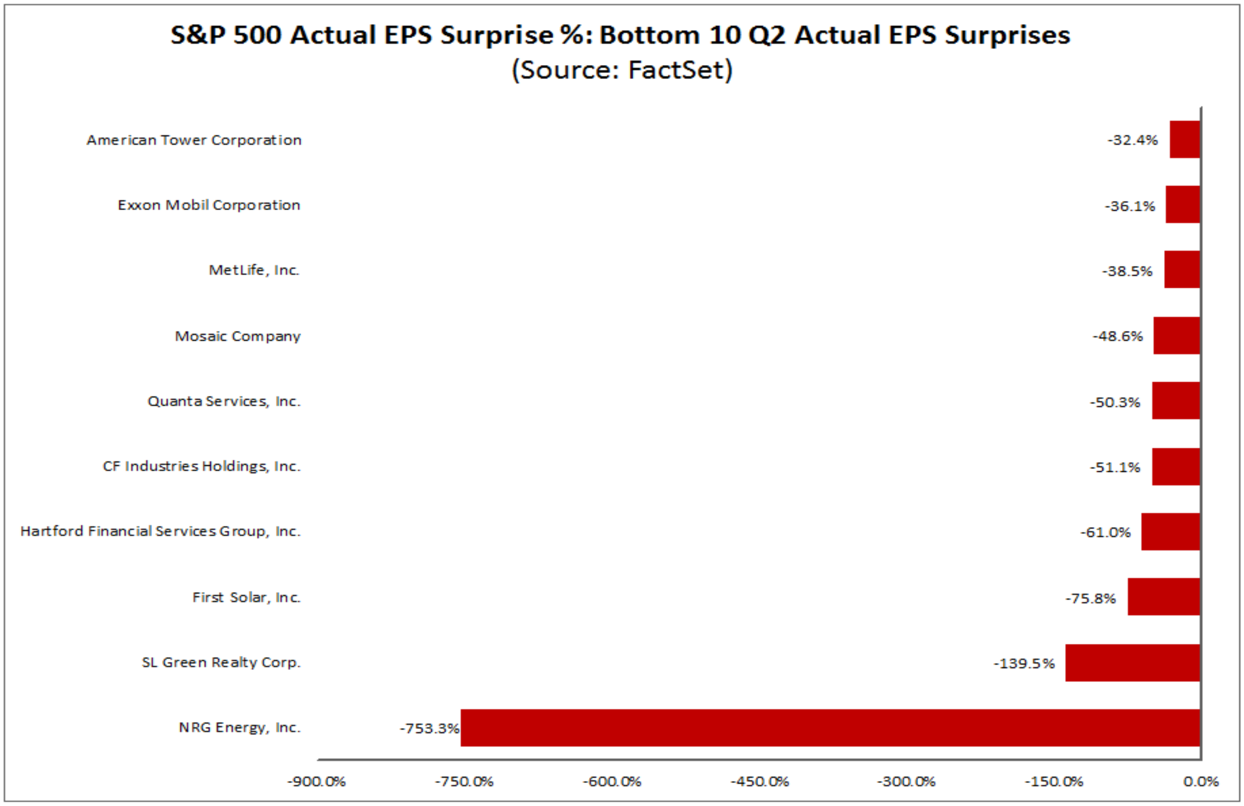
Q2 2016: Scorecard



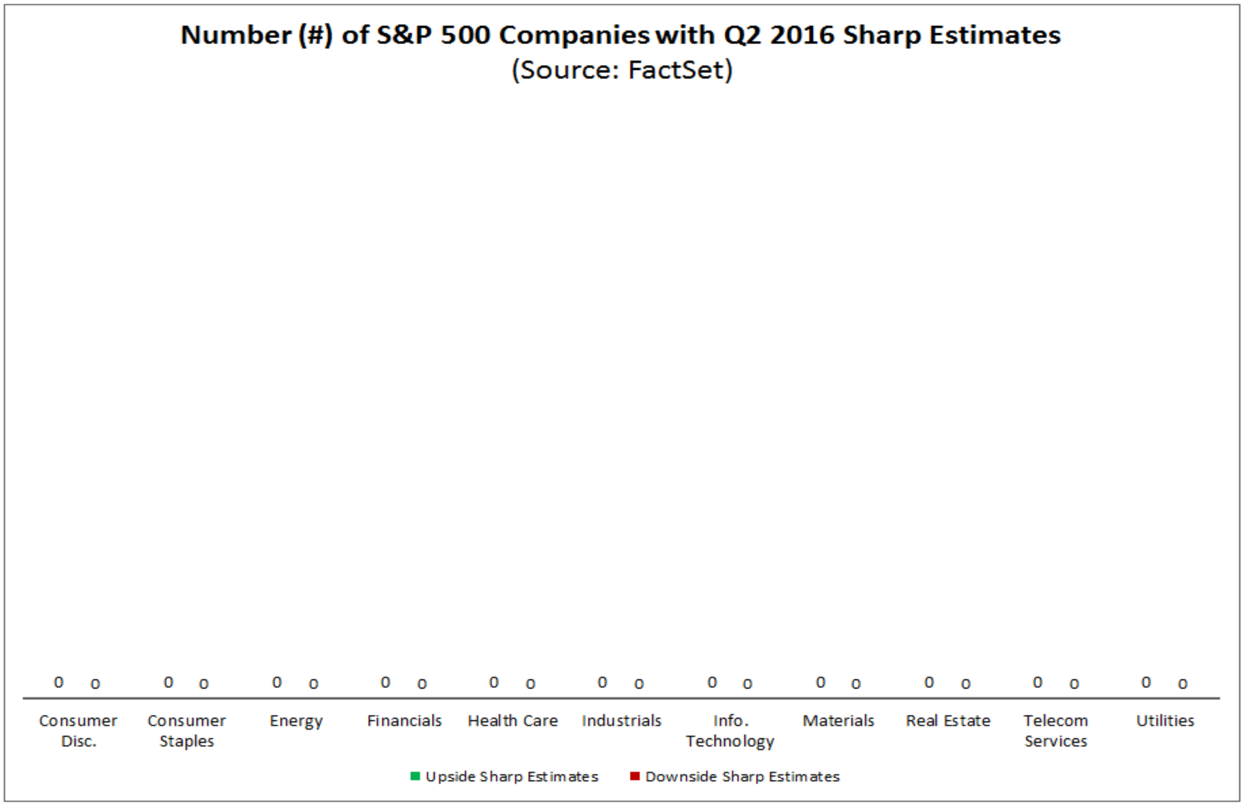


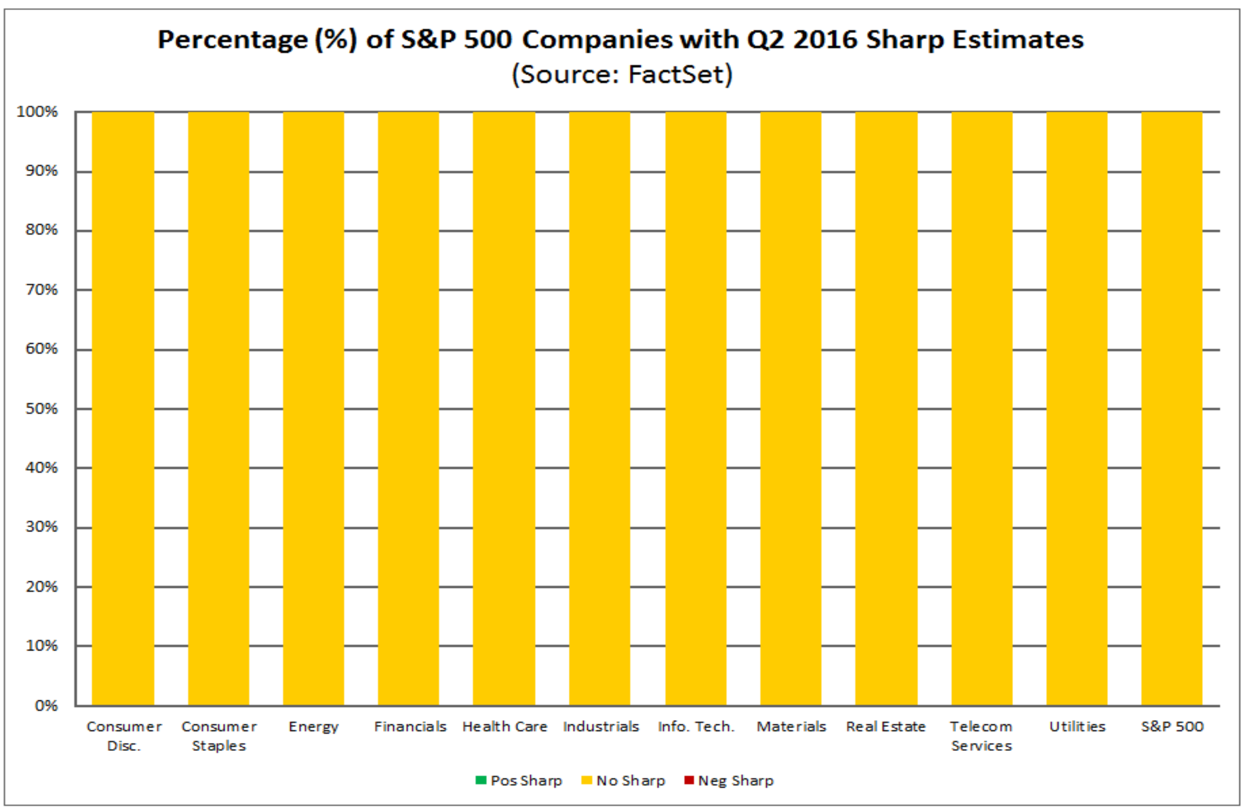
Q2 2016: Scorecard



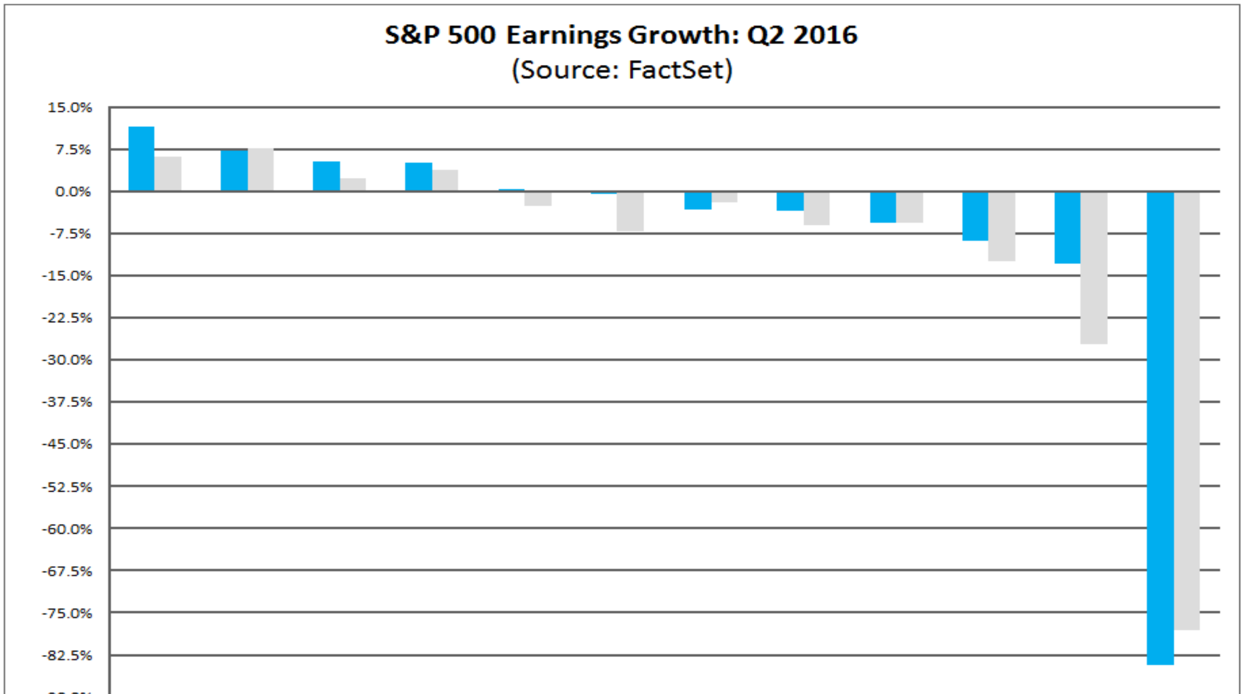


Q2 2016: Projected EPS Surprises (Sharp Estimates)

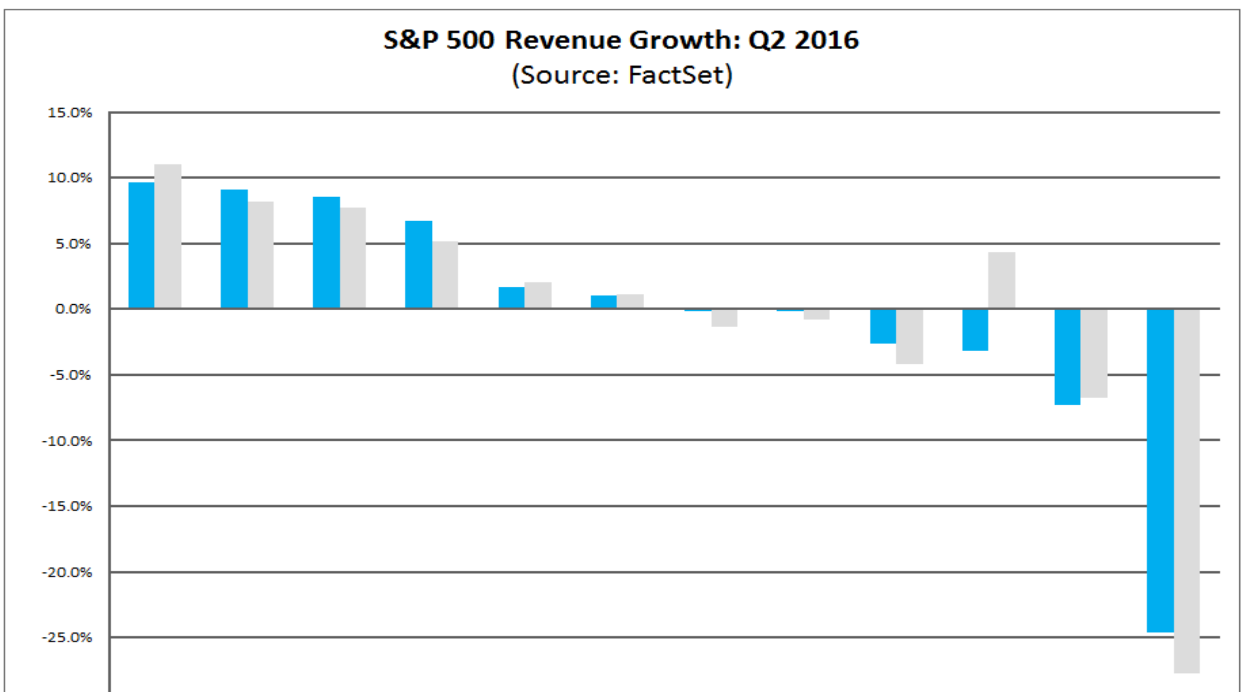




Q2 2016: Growth

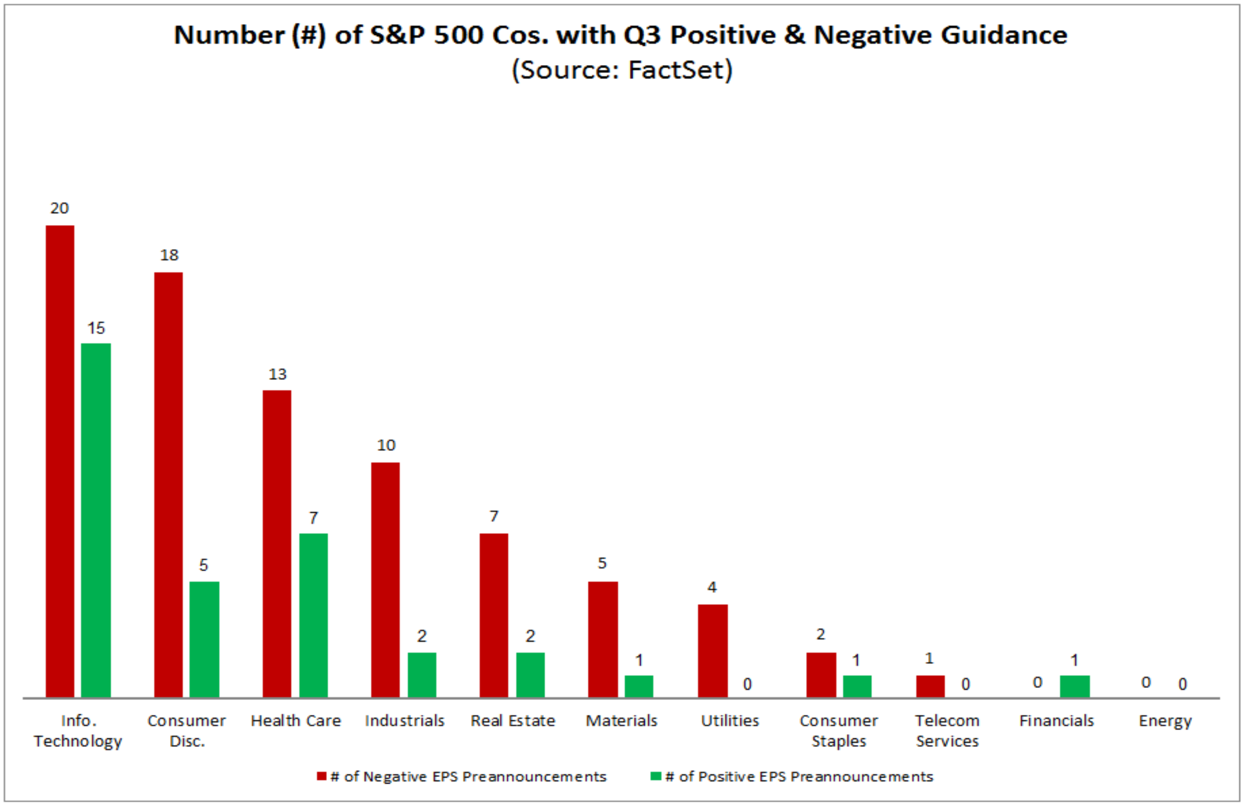


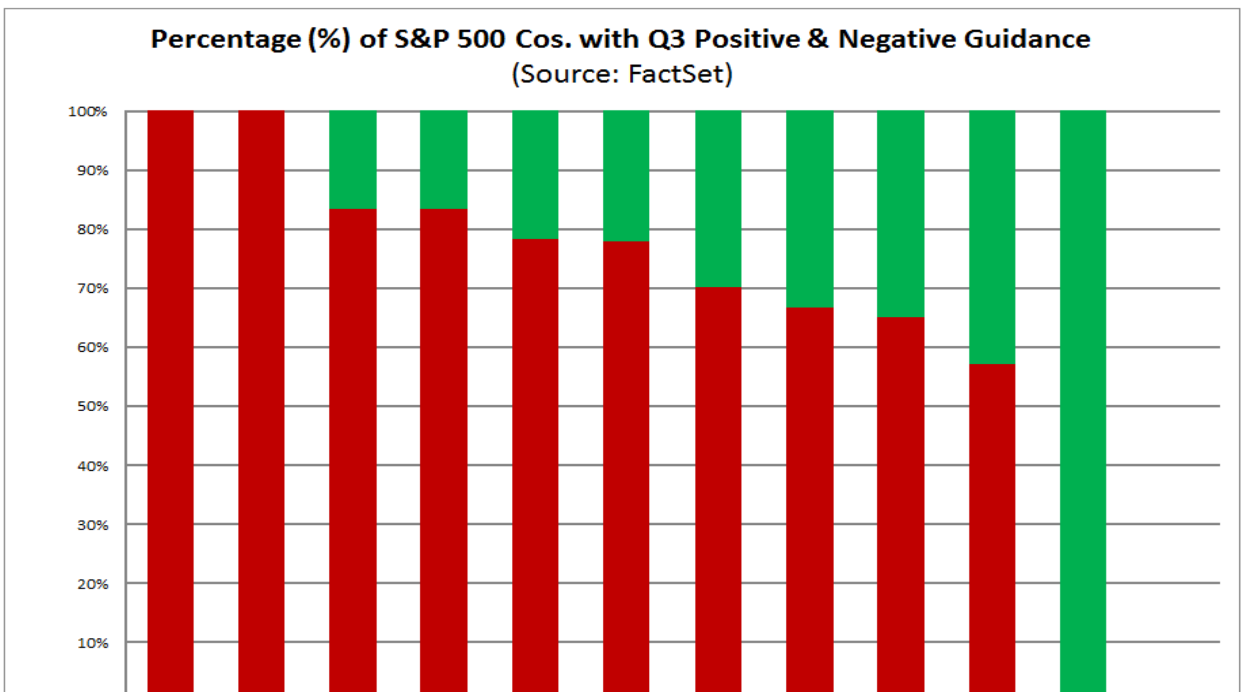
	Consumer Disc.	Telecom Services	Health Care	Utilities	Consumer Staples	Info. Technology	Industrials	S&P 500	Financials	Materials	Real Estate	Energy
Today	11.4%	7.2%	5.2%	5.1%	0.4%	-0.5%	-3.3%	-3.5%	-5.7%	-8.8%	-12.9%	-84.1%
30-Jun	6.1%	7.5%	2.2%	3.8%	-2.7%	-7.3%	-2.1%	-6.2%	-5.7%	-12.5%	-27.4%	-78.1%



	Telecom Services	Real Estate	Health Care	Consumer Disc.	Consumer Staples	Financials	Industrials	S&P 500	Info. Technology	Utilities	Materials	Energy
Today	9.6%	9.1%	8.5%	6.6%	1.7%	1.0%	-0.2%	-0.2%	-2.7%	-3.3%	-7.3%	-24.6%
30-Jun	11.0%	8.2%	7.7%	5.1%	2.0%	1.1%	-1.4%	-0.8%	-4.2%	4.3%	-6.8%	-27.7%

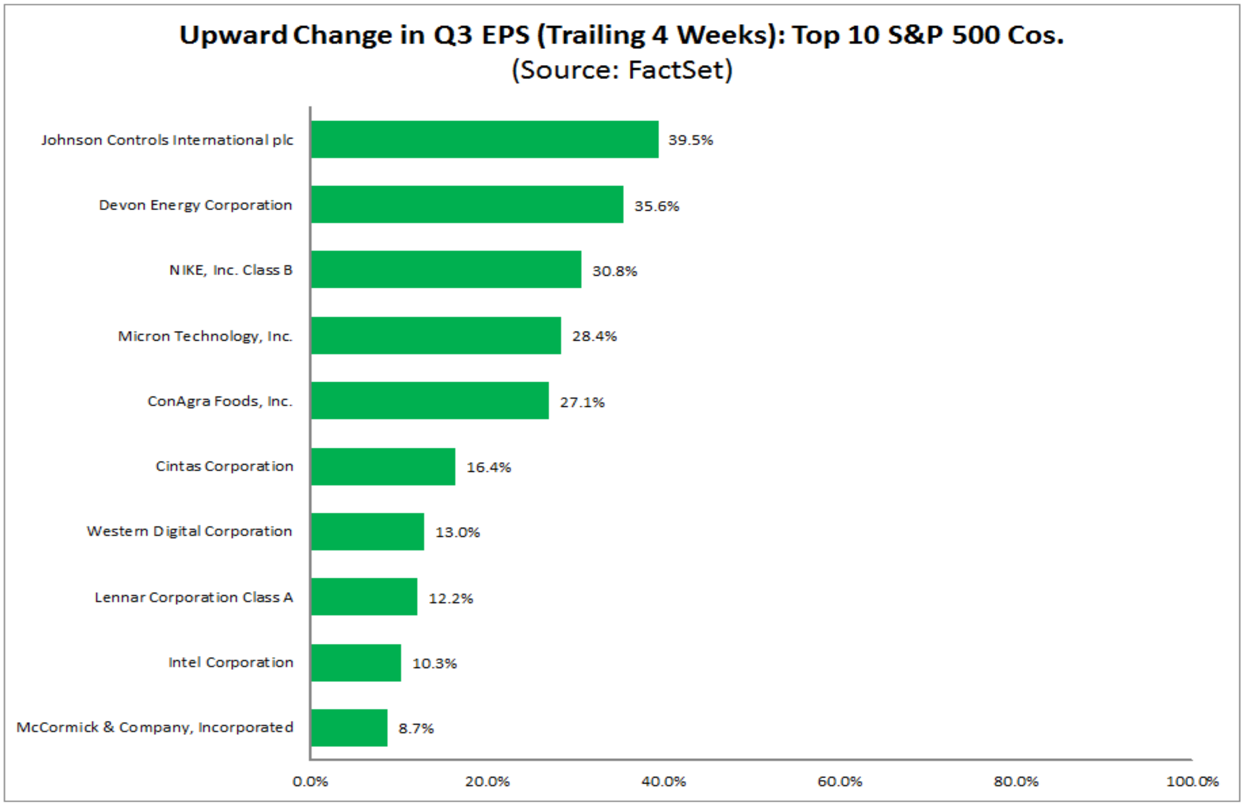
Q3 2016: EPS Guidance

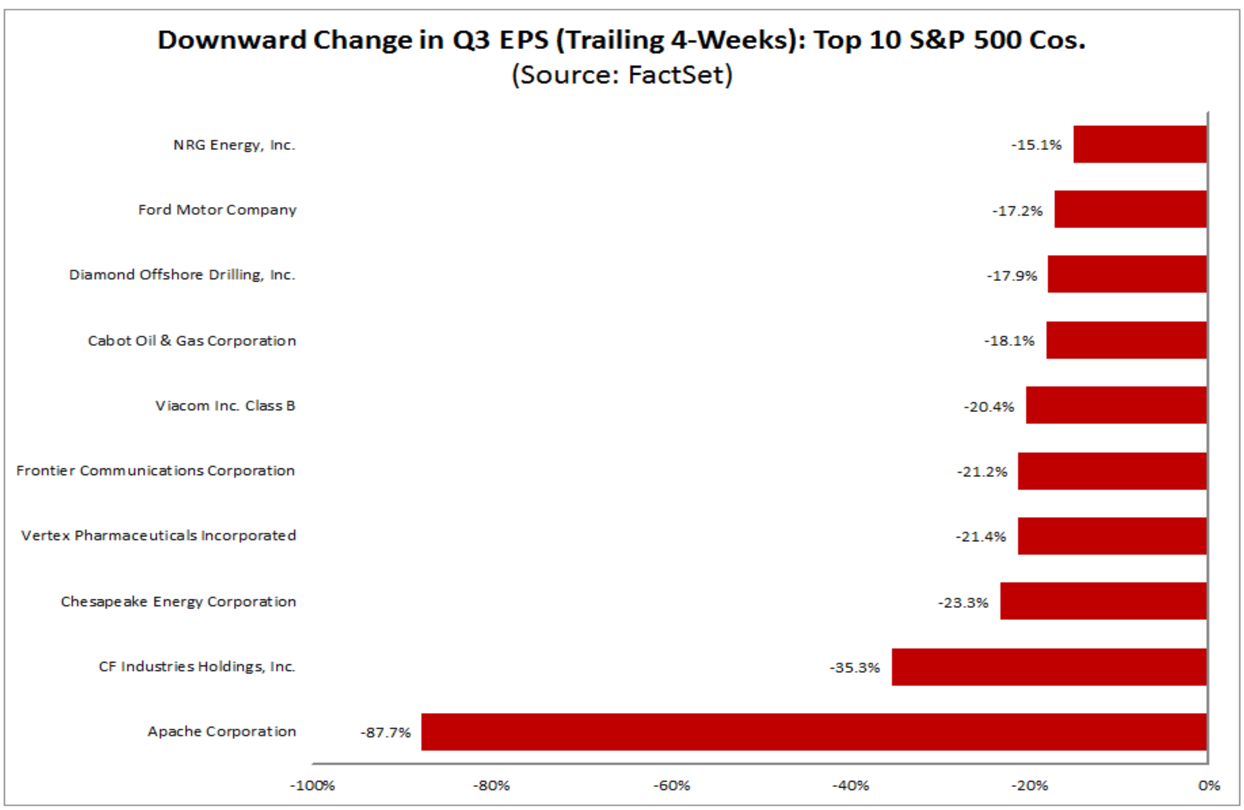




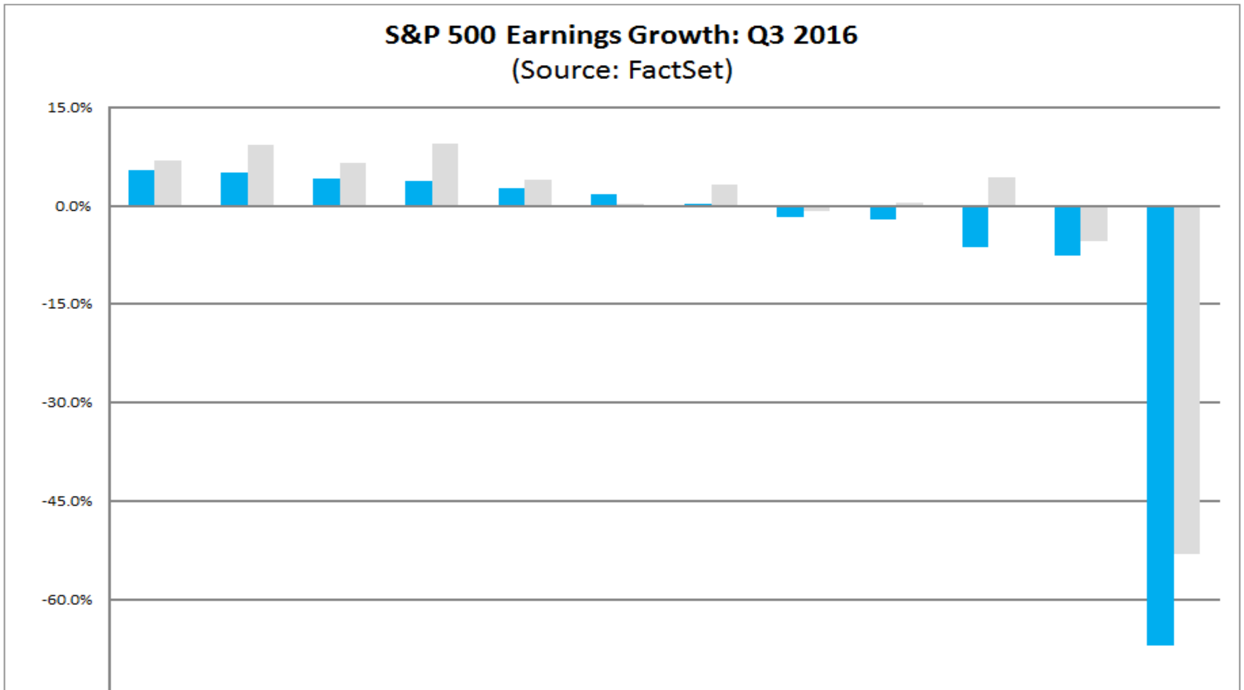
	Utilities	Telecom Services	Industrials	Materials	Consumer Disc.	Real Estate	S&P 500	Consumer Staples	Health Care	Info. Technology	Financials	Energy
Positive	0%	0%	17%	17%	22%	22%	30%	33%	35%	43%	100%	0%
Negative	100%	100%	83%	83%	78%	78%	70%	67%	65%	57%	0%	0%

Q3 2016: EPS Revisions

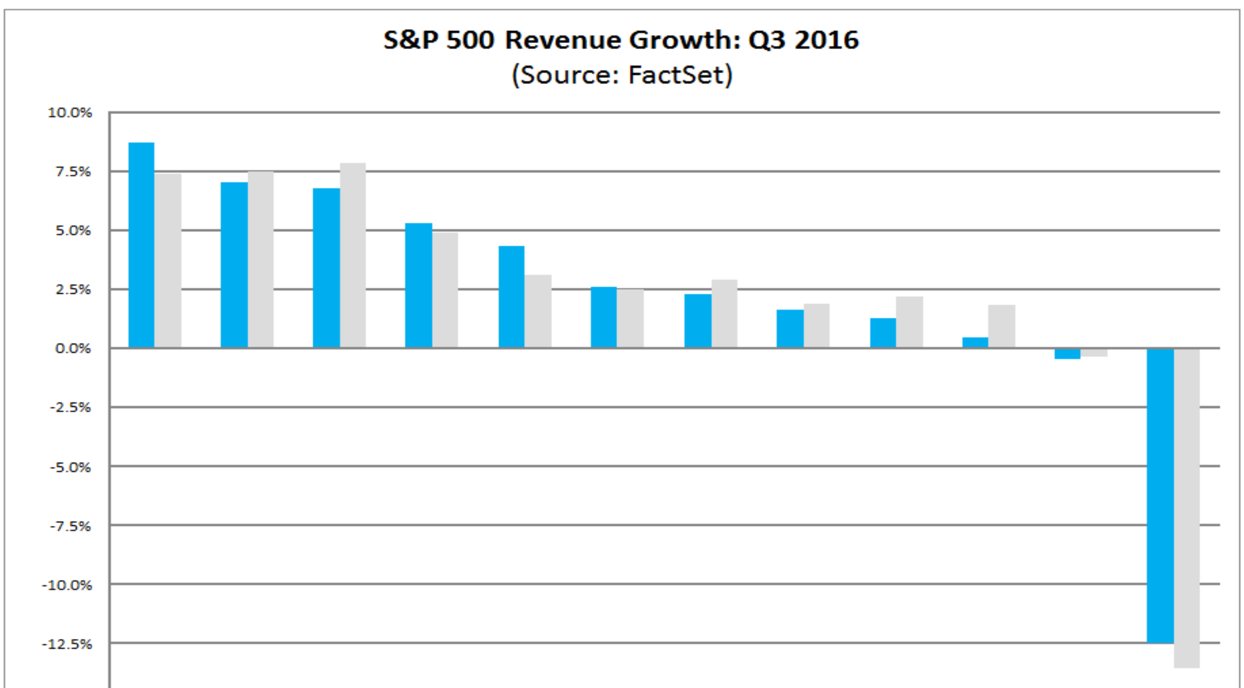




Q3 2016: Growth

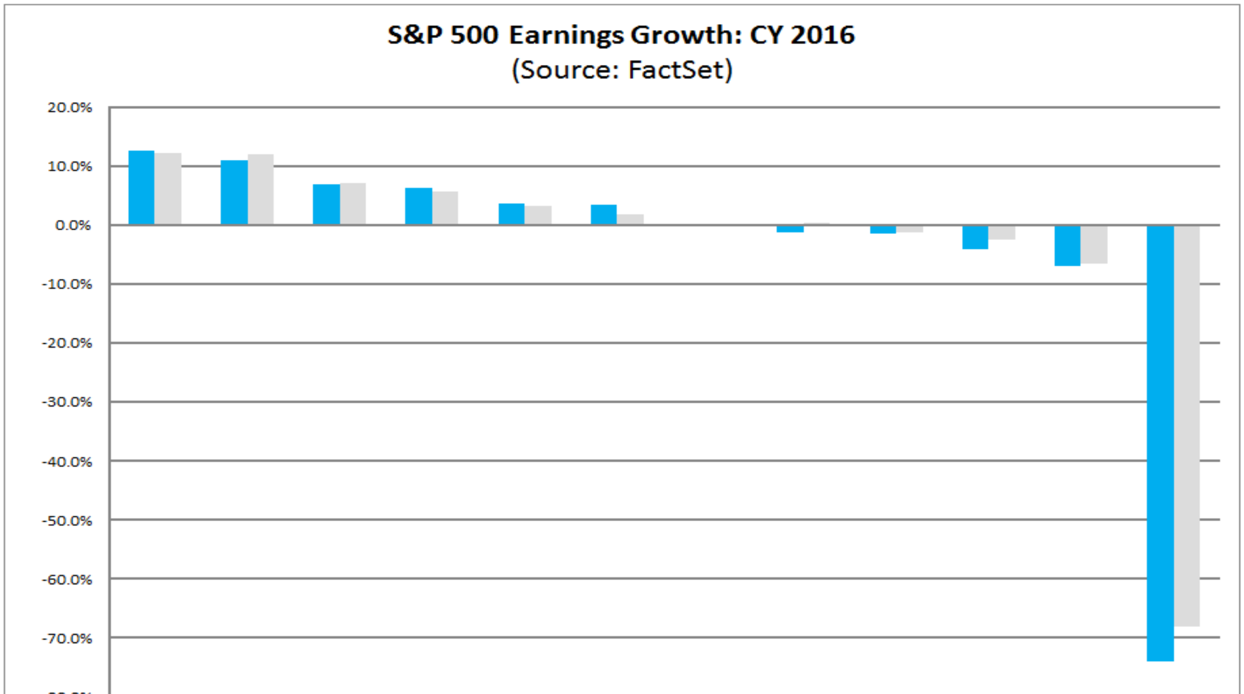


	Utilities	Consumer Disc.	Health Care	Materials	Consumer Staples	Info. Technology	Financials	Telecom Services	S&P 500	Real Estate	Industrials	Energy
Today	5.3%	5.0%	4.0%	3.8%	2.6%	1.7%	0.3%	-1.8%	-2.1%	-6.3%	-7.8%	-67.0%
30-Jun	6.8%	9.3%	6.5%	9.3%	3.9%	0.1%	3.2%	-0.8%	0.3%	4.2%	-5.4%	-53.0%

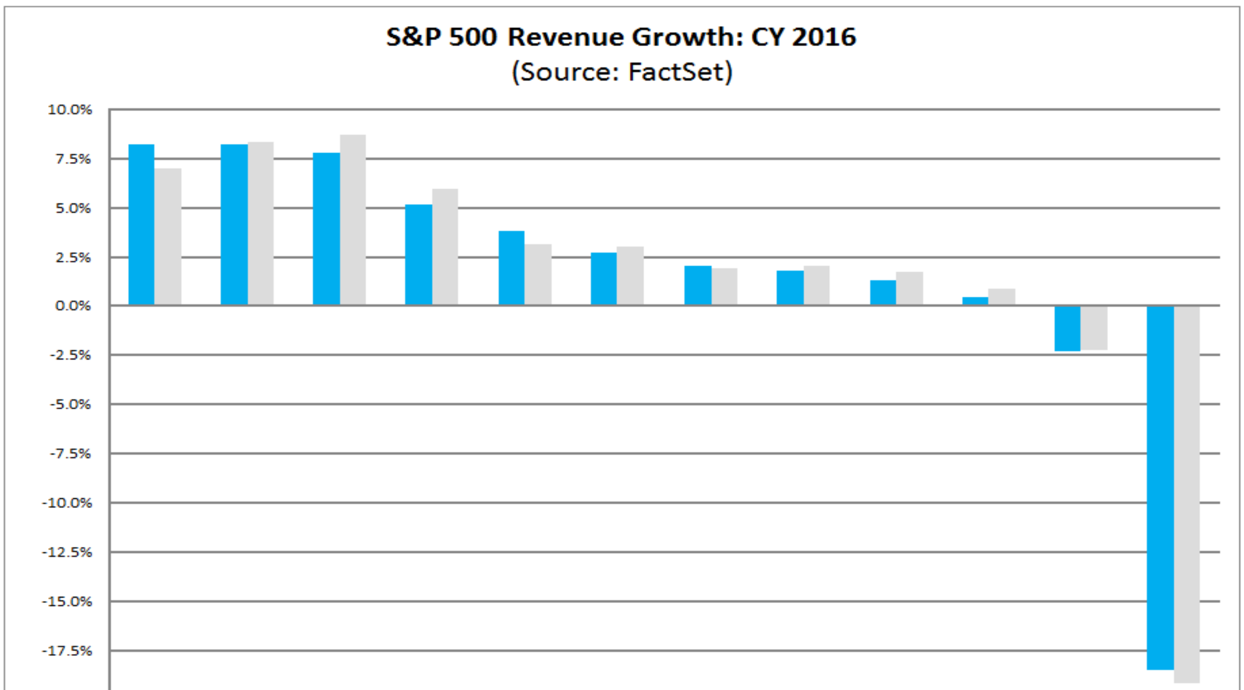


	Consumer Disc.	Health Care	Real Estate	Utilities	Info. Technology	S&P 500	Consumer Staples	Financials	Telecom Services	Industrials	Materials	Energy
Today	8.7%	7.0%	6.7%	5.3%	4.3%	2.6%	2.3%	1.6%	1.3%	0.4%	-0.5%	-12.5%
30-Jun	7.4%	7.5%	7.8%	4.9%	3.1%	2.5%	2.9%	1.9%	2.2%	1.8%	-0.4%	-13.5%

CY 2016: Growth

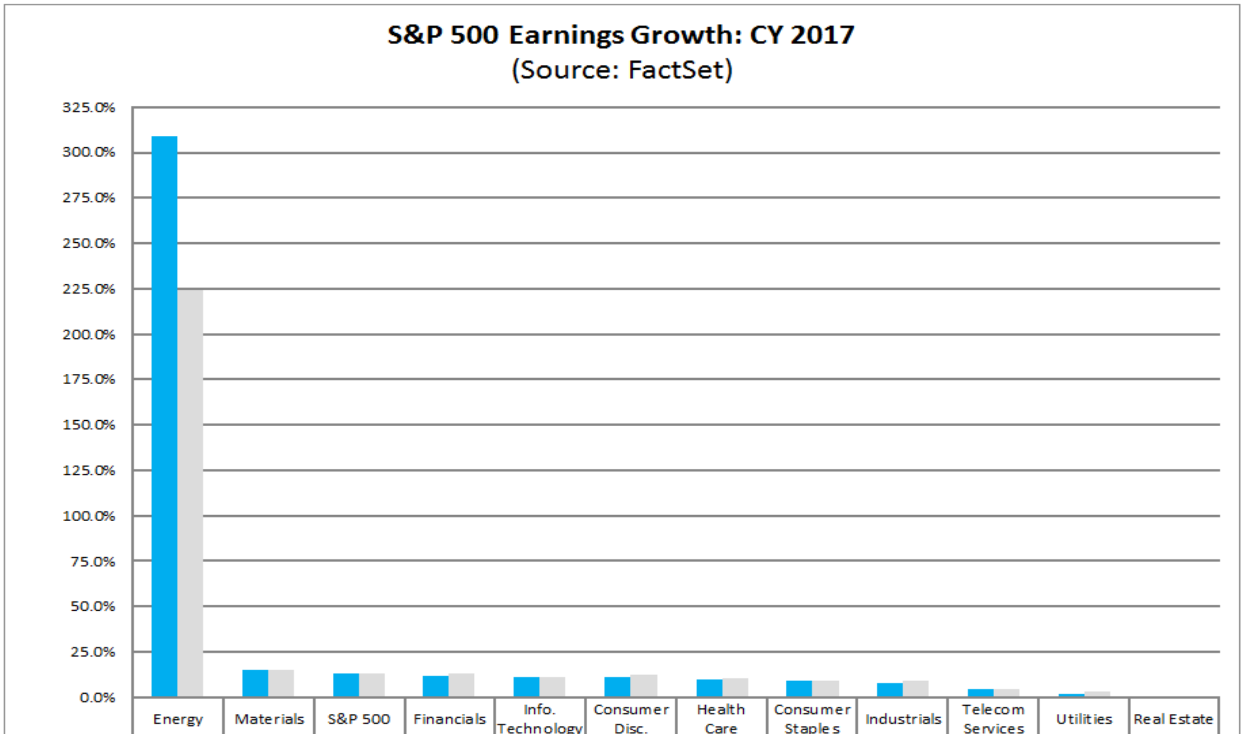


	Consumer Disc.	Real Estate	Health Care	Utilities	Consumer Staples	Info. Technology	S&P 500	Financials	Materials	Industrials	Telecom Services	Energy
Today	12.6%	10.9%	6.8%	6.2%	3.5%	3.4%	-0.2%	-1.2%	-1.5%	-4.2%	-7.1%	-74.0%
30-Jun	12.2%	11.9%	7.1%	5.6%	3.3%	1.8%	0.2%	0.3%	-1.4%	-2.6%	-6.7%	-67.9%

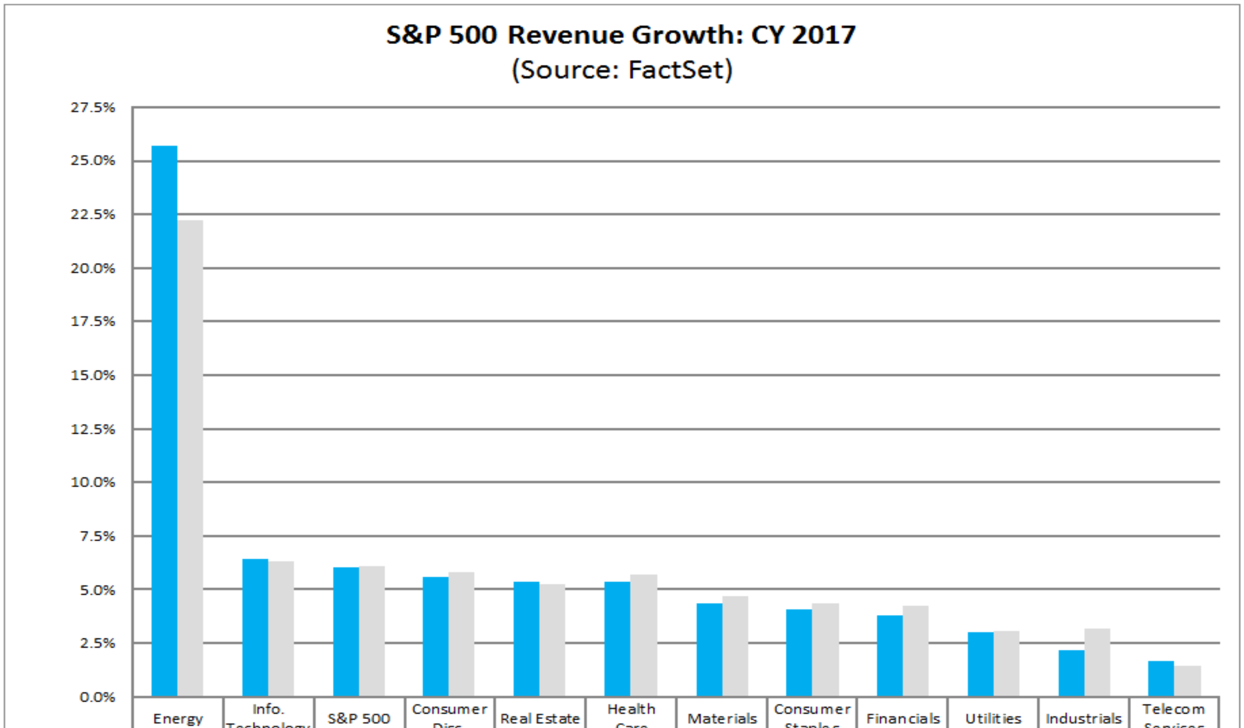


	Consumer Disc.	Health Care	Real Estate	Telecom Services	Info. Technology	Consumer Staples	S&P 500	Utilities	Financials	Industrials	Materials	Energy
Today	8.2%	8.2%	7.7%	5.1%	3.8%	2.7%	2.0%	1.8%	1.3%	0.4%	-2.3%	-18.5%
30-Jun	7.0%	8.3%	8.7%	5.9%	3.1%	3.0%	1.9%	2.0%	1.7%	0.8%	-2.2%	-19.2%

CY 2017: Growth

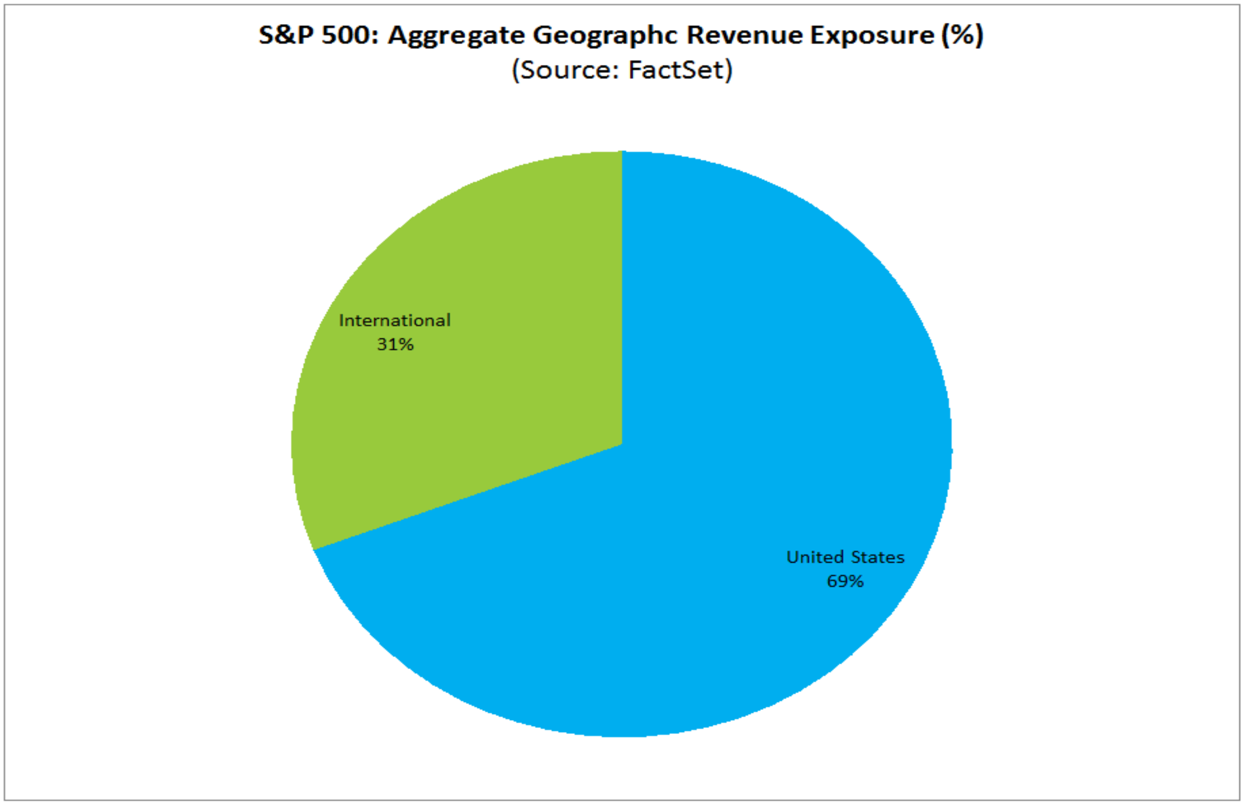


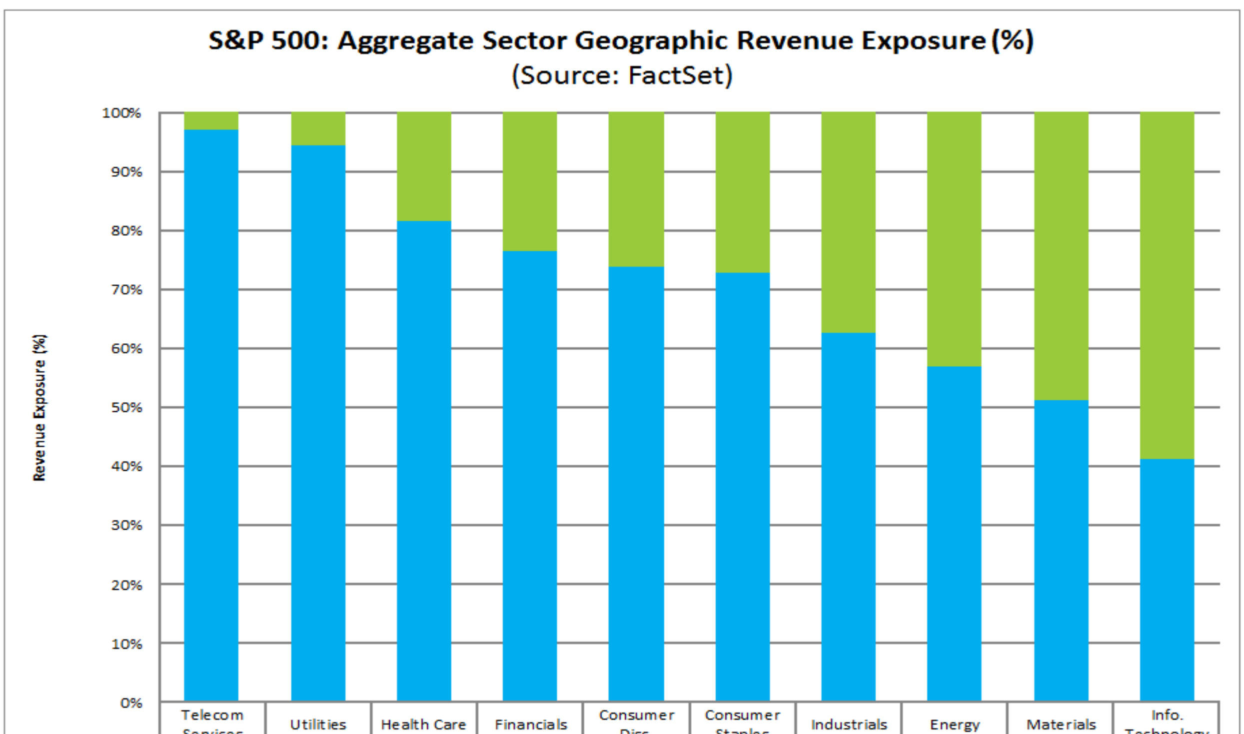
	Energy	Materials	S&P 500	Financials	Info. Technology	Consumer Disc.	Health Care	Consumer Staples	Industrials	Telecom Services	Utilities	Real Estate
Today	308.6%	15.1%	13.0%	12.1%	11.2%	11.0%	10.2%	9.2%	8.0%	4.8%	2.2%	-17.2%
30-Jun-16	224.1%	15.4%	13.4%	13.1%	11.5%	12.8%	10.7%	9.5%	9.2%	4.5%	3.6%	-11.7%



	Energy	Info. Technology	S&P 500	Consumer Disc.	Real Estate	Health Care	Materials	Consumer Staples	Financials	Utilities	Industrials	Telecom Services
Today	25.7%	6.4%	6.1%	5.6%	5.4%	5.4%	4.4%	4.1%	3.8%	3.0%	2.2%	1.7%
30-Jun-16	22.2%	6.3%	6.1%	5.8%	5.3%	5.7%	4.7%	4.4%	4.3%	3.1%	3.2%	1.5%

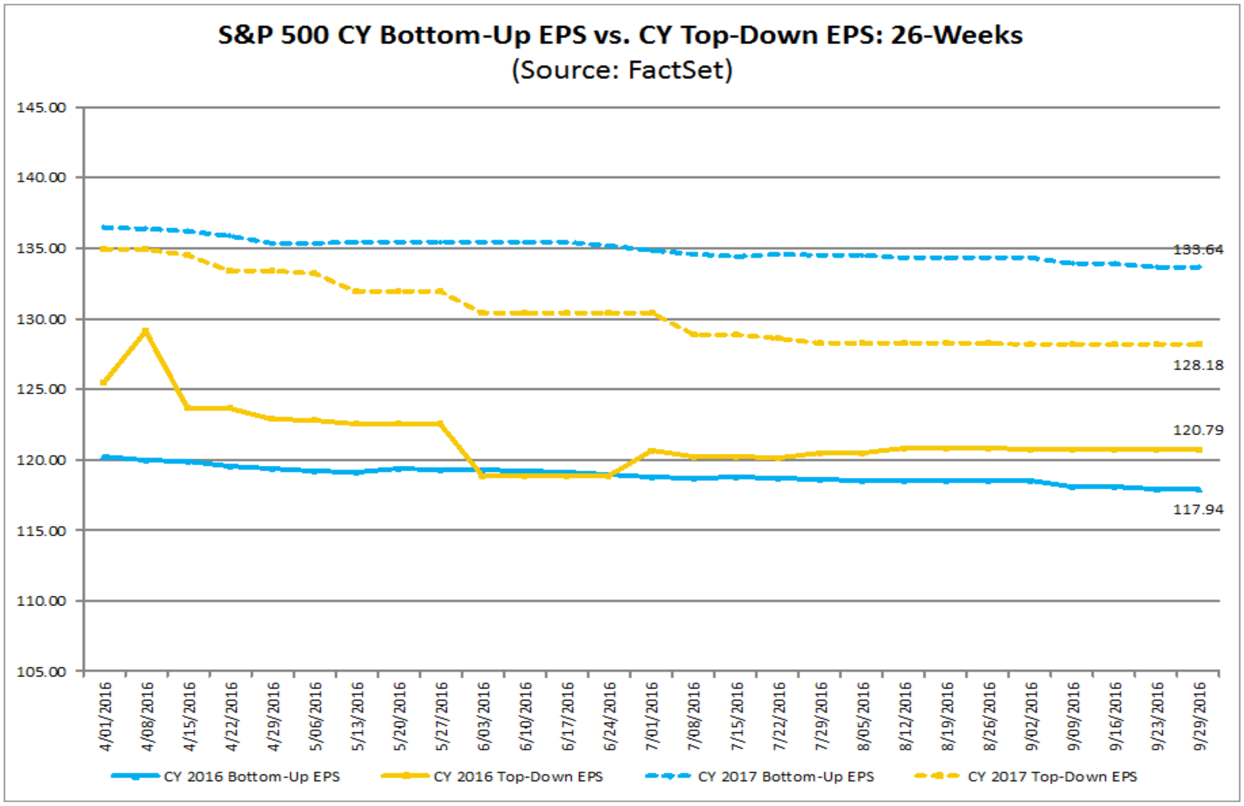
Geographic Revenue Exposure

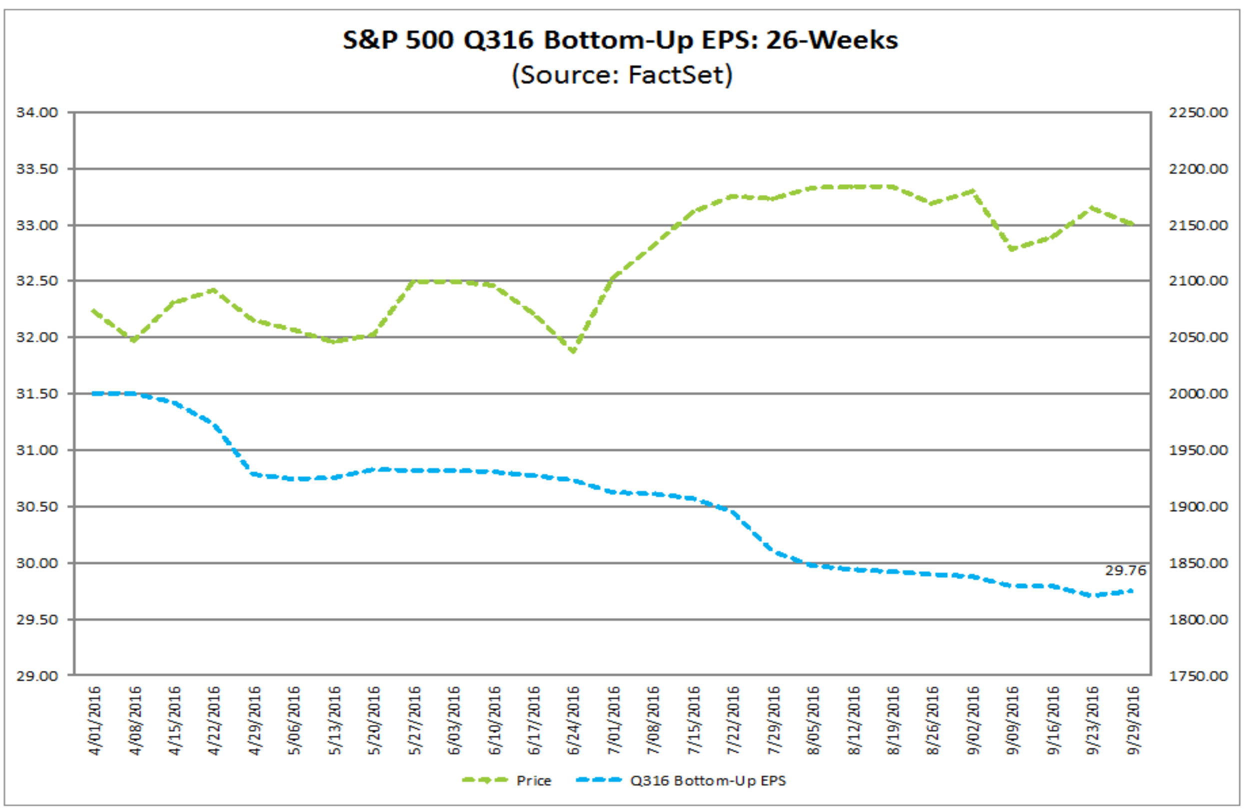




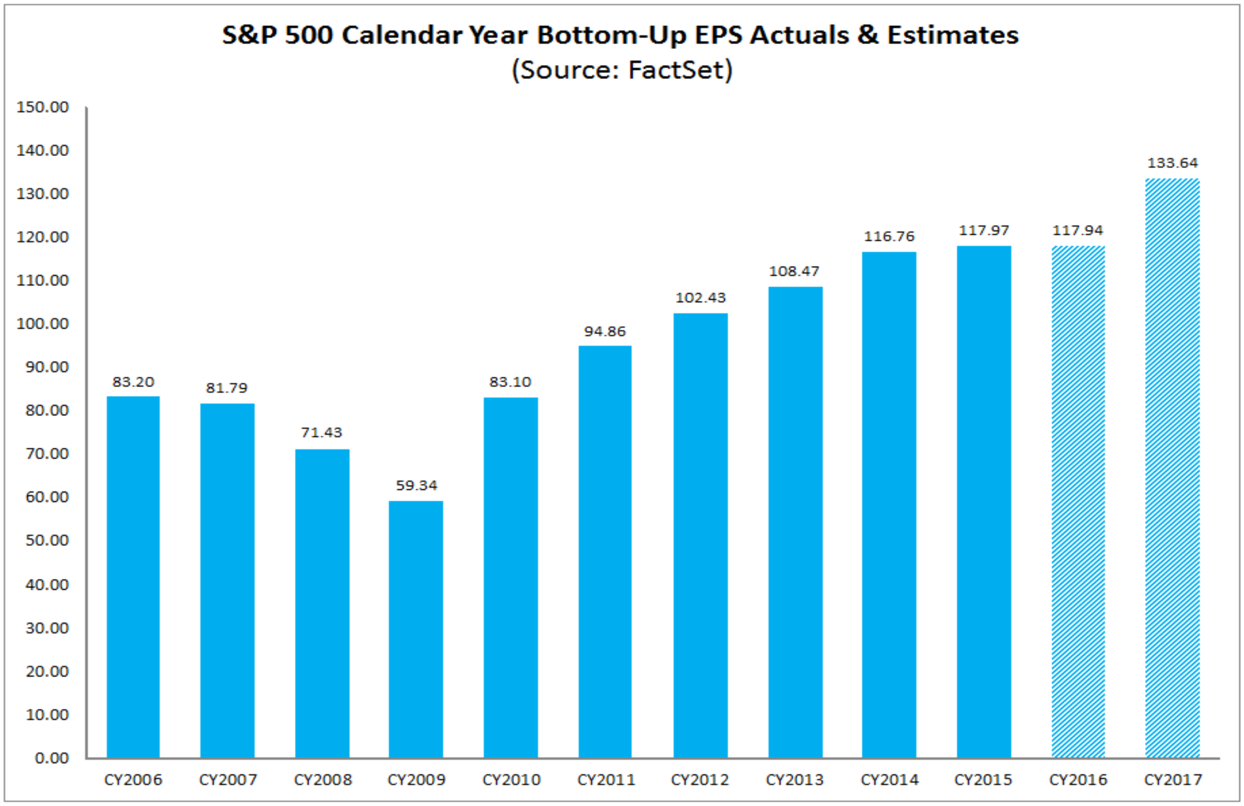
	Telecom Services	Utilities	Health Care	Financials	Consumer Disc.	Consumer Staples	Industrials	Energy	Materials	Info. Technology
International	3%	6%	18%	24%	26%	27%	37%	43%	49%	59%
United States	97%	94%	82%	76%	74%	73%	63%	57%	51%	41%

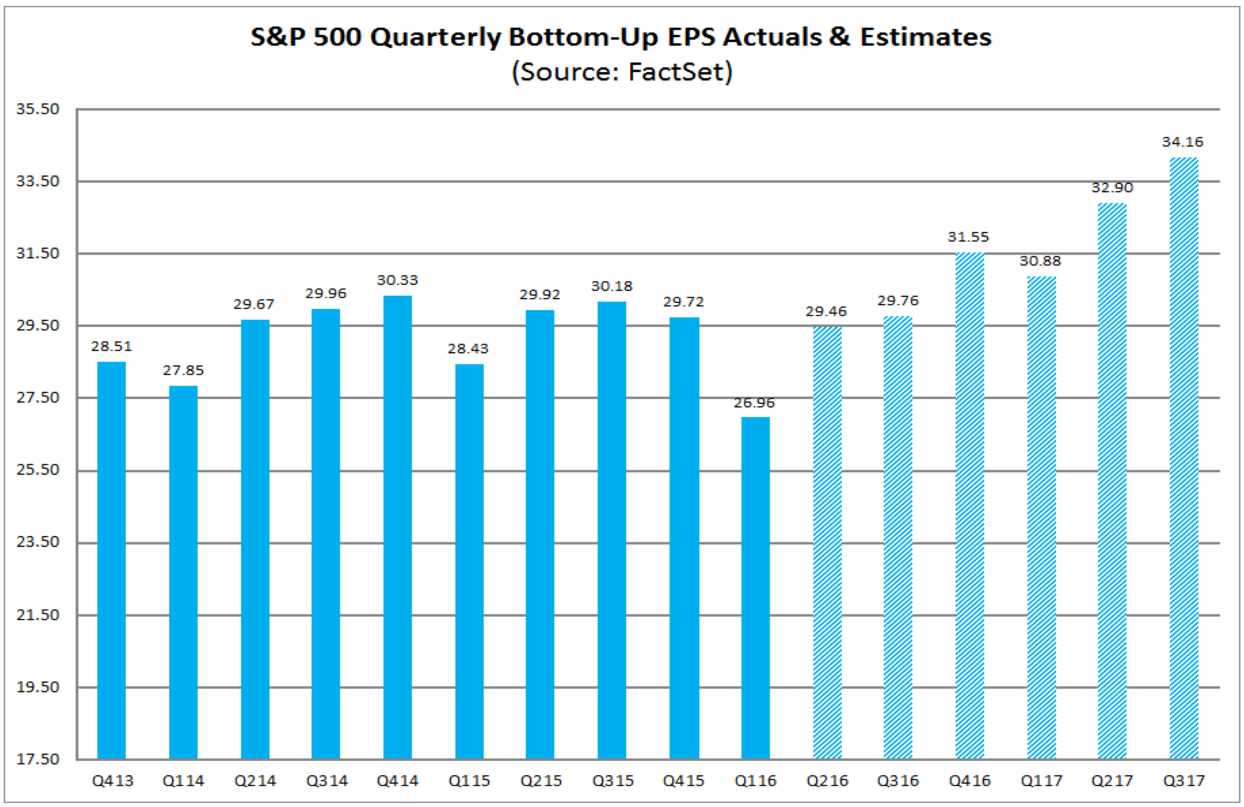
Bottom-Up EPS Estimates: Revisions



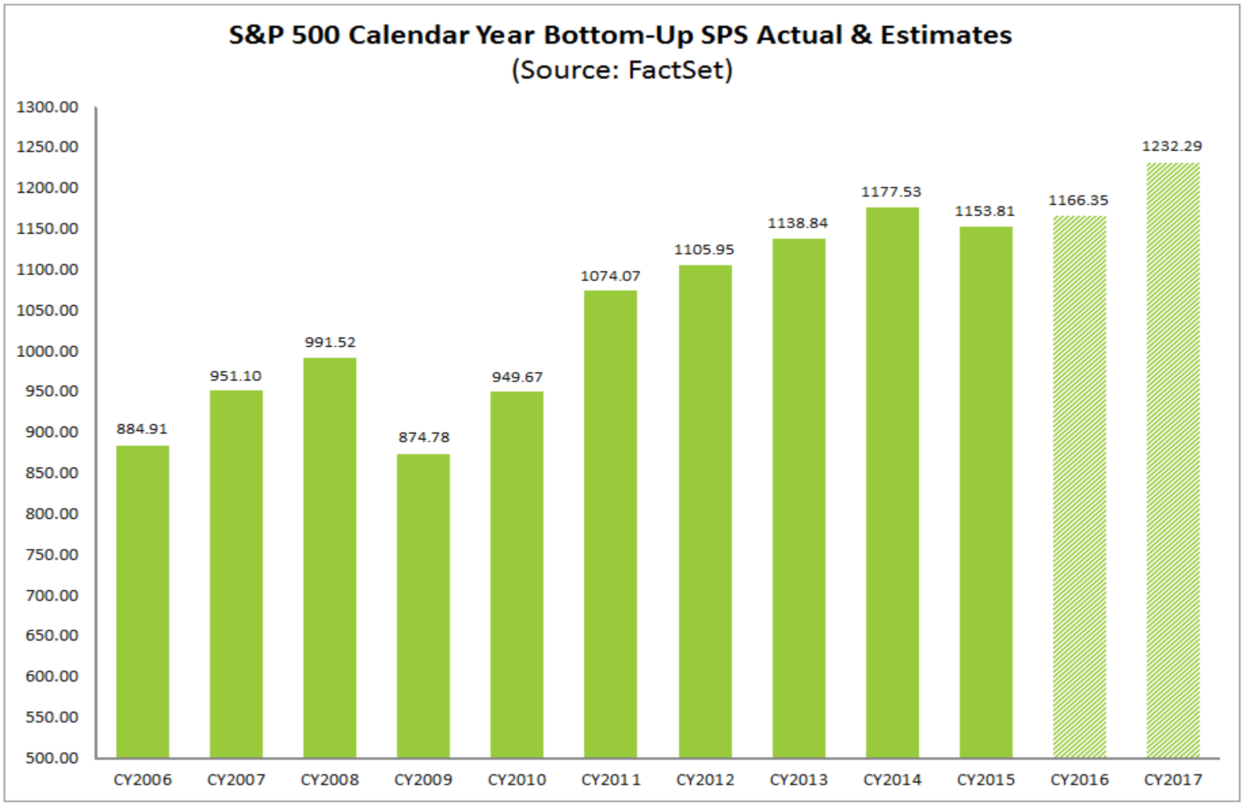


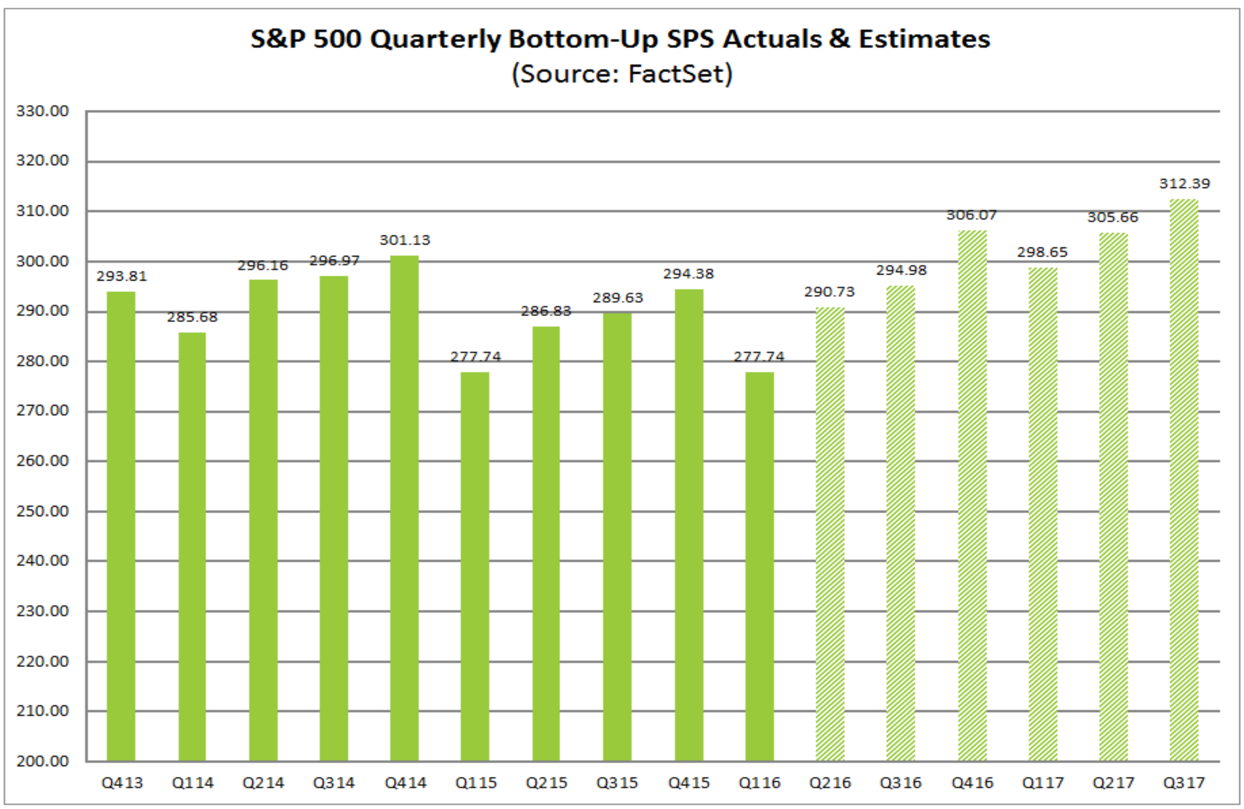
Bottom-Up EPS: Current & Historical



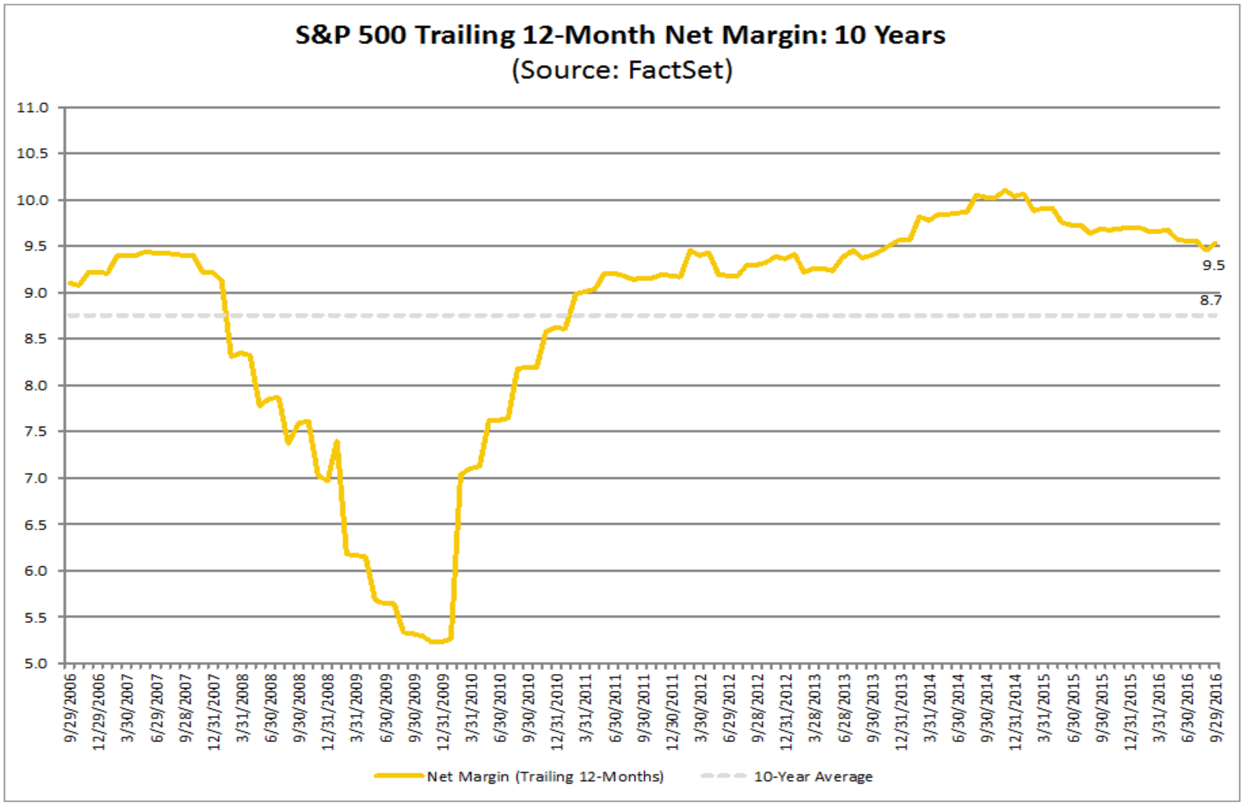


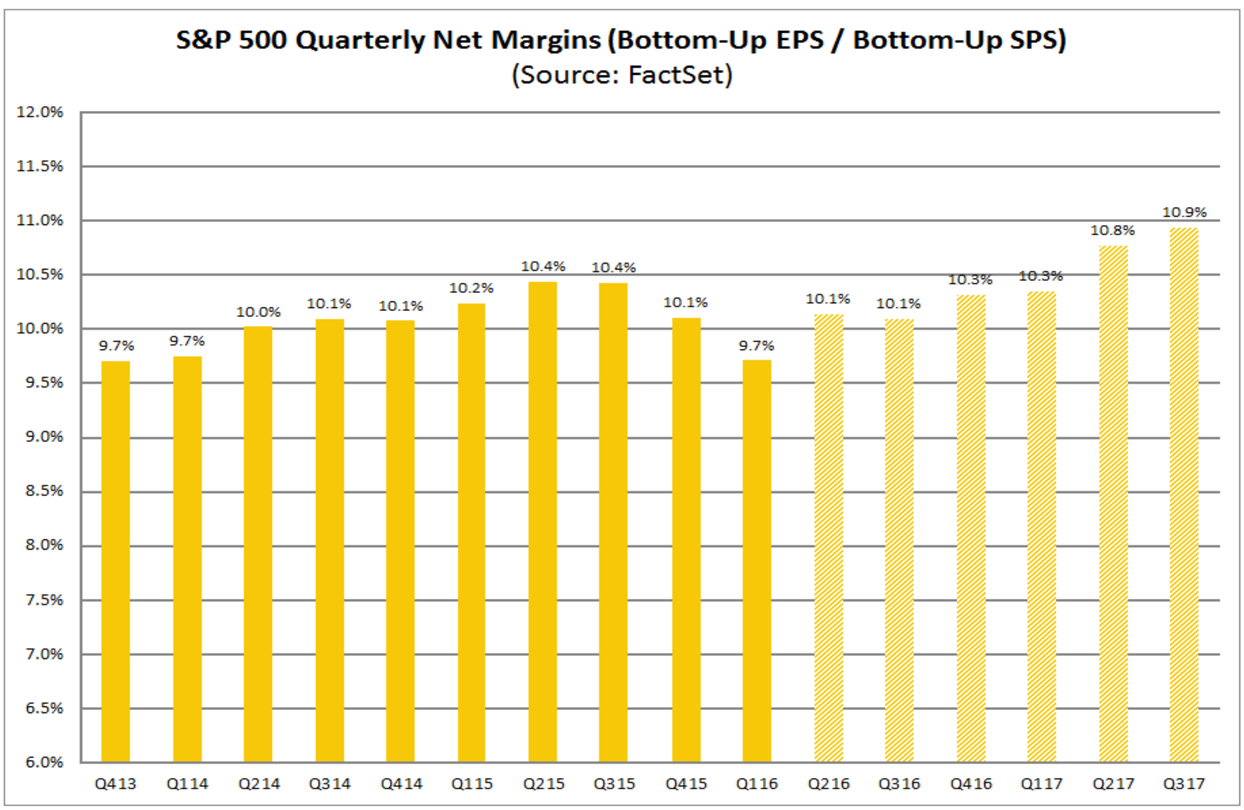
Bottom-Up SPS: Current & Historical



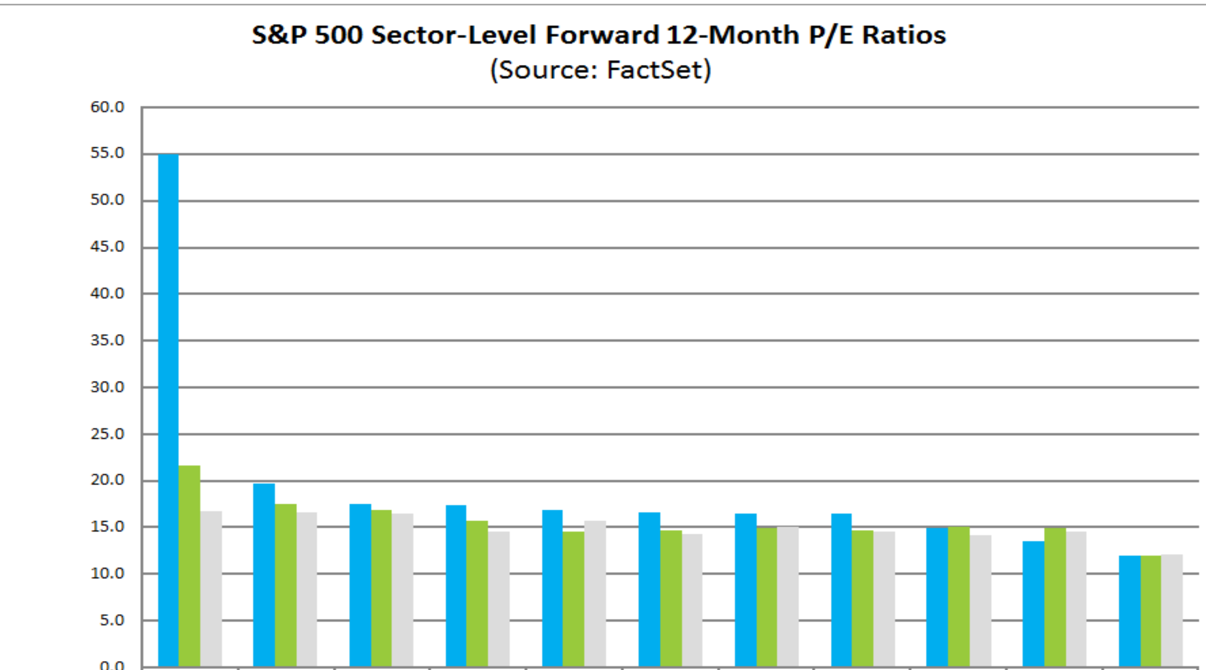


Net Margins: Current & Historical

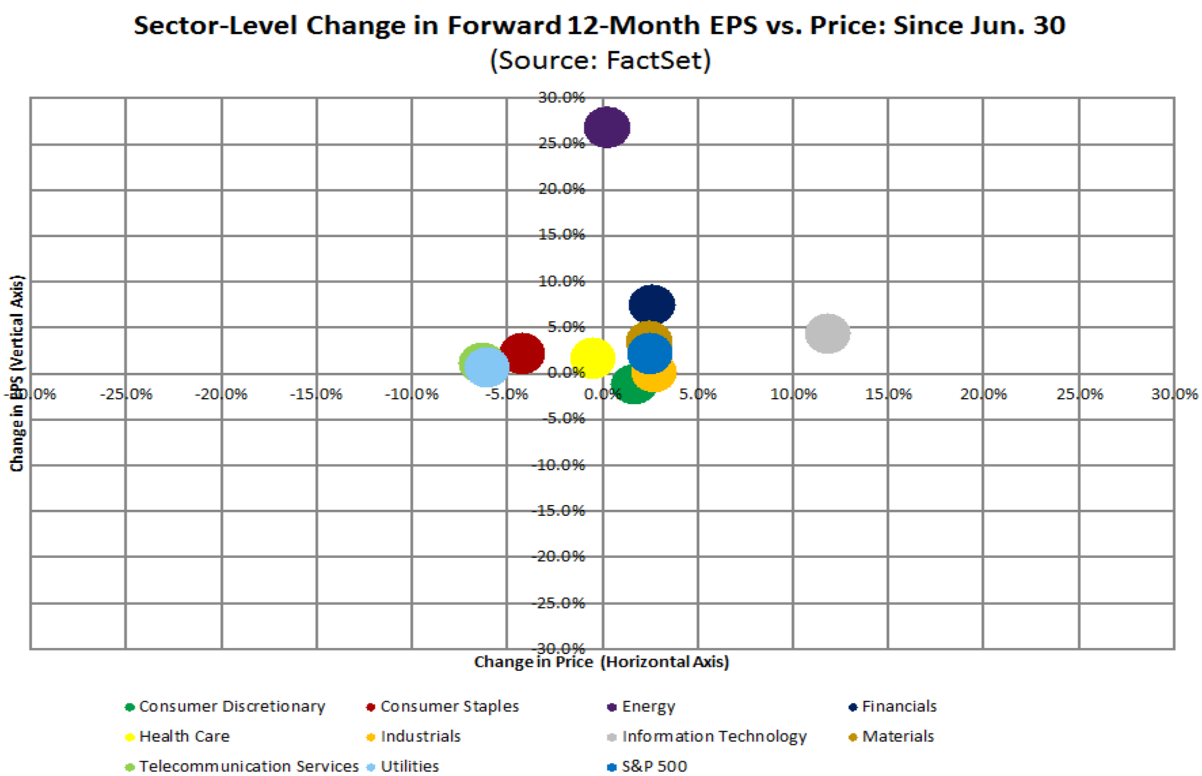




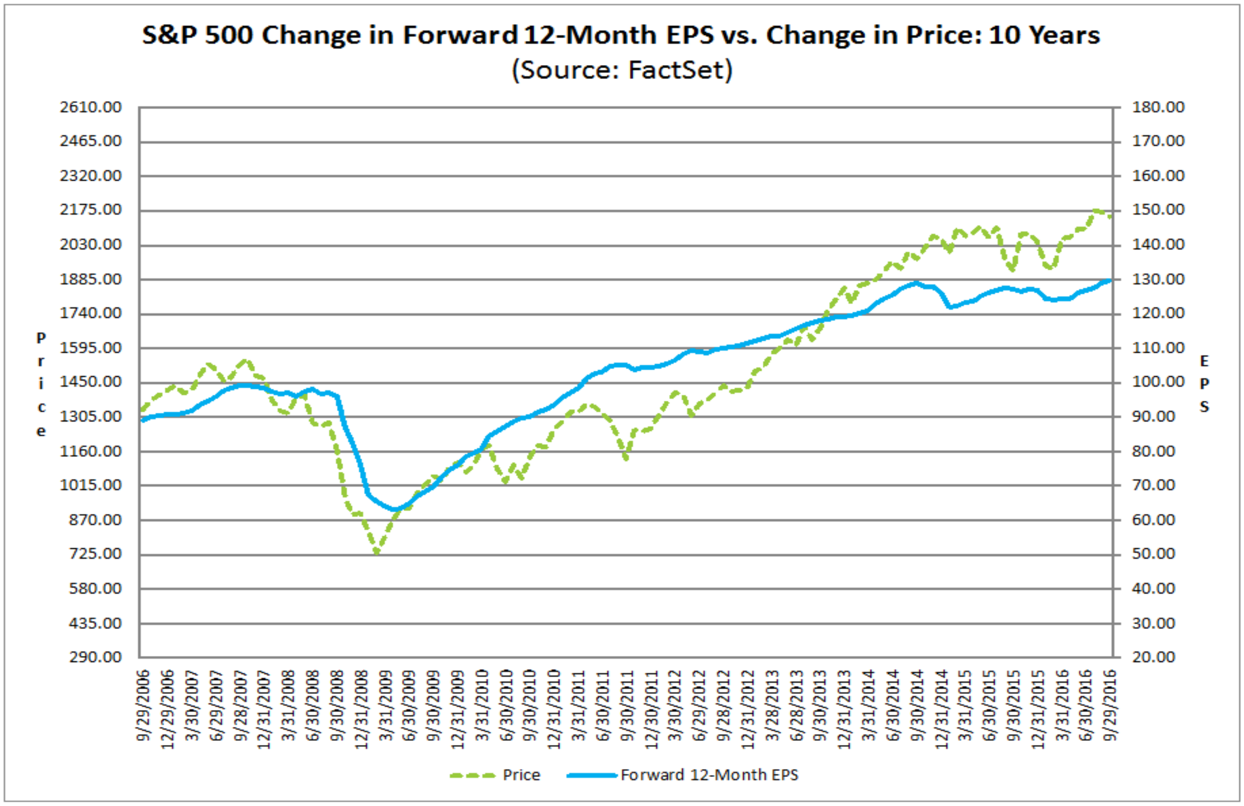
Forward 12M Price / Earnings Ratio: Sector Level

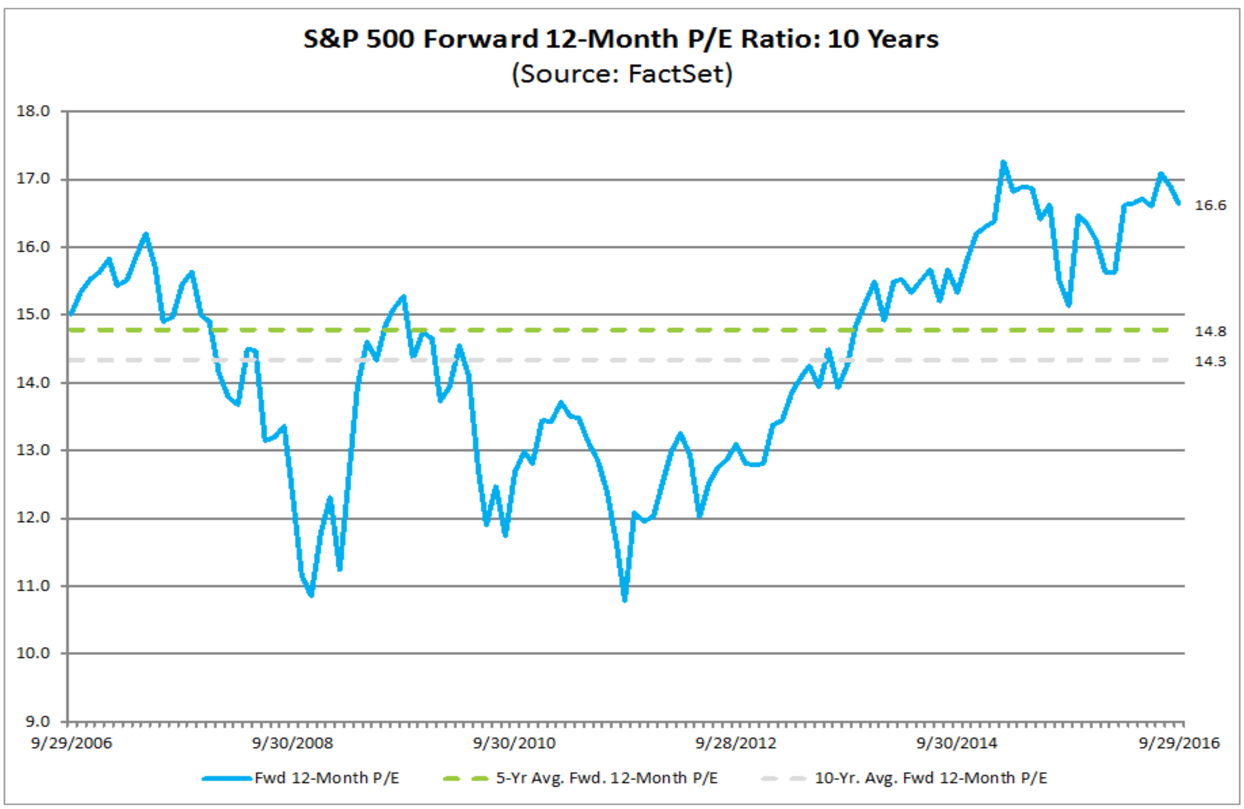


	Energy	Consumer Staples	Consumer Disc.	Utilities	Info. Technology	S&P 500	Materials	Industrials	Health Care	Telecom Services	Financials
Fwd 12M P/E	54.9	19.8	17.6	17.4	16.9	16.6	16.6	16.5	15.0	13.6	12.0
5-Yr Avg.	21.7	17.6	17.0	15.7	14.6	14.8	14.9	14.8	15.1	15.0	12.0
10-Yr Avg.	16.8	16.7	16.5	14.6	15.8	14.3	15.1	14.7	14.2	14.6	12.2

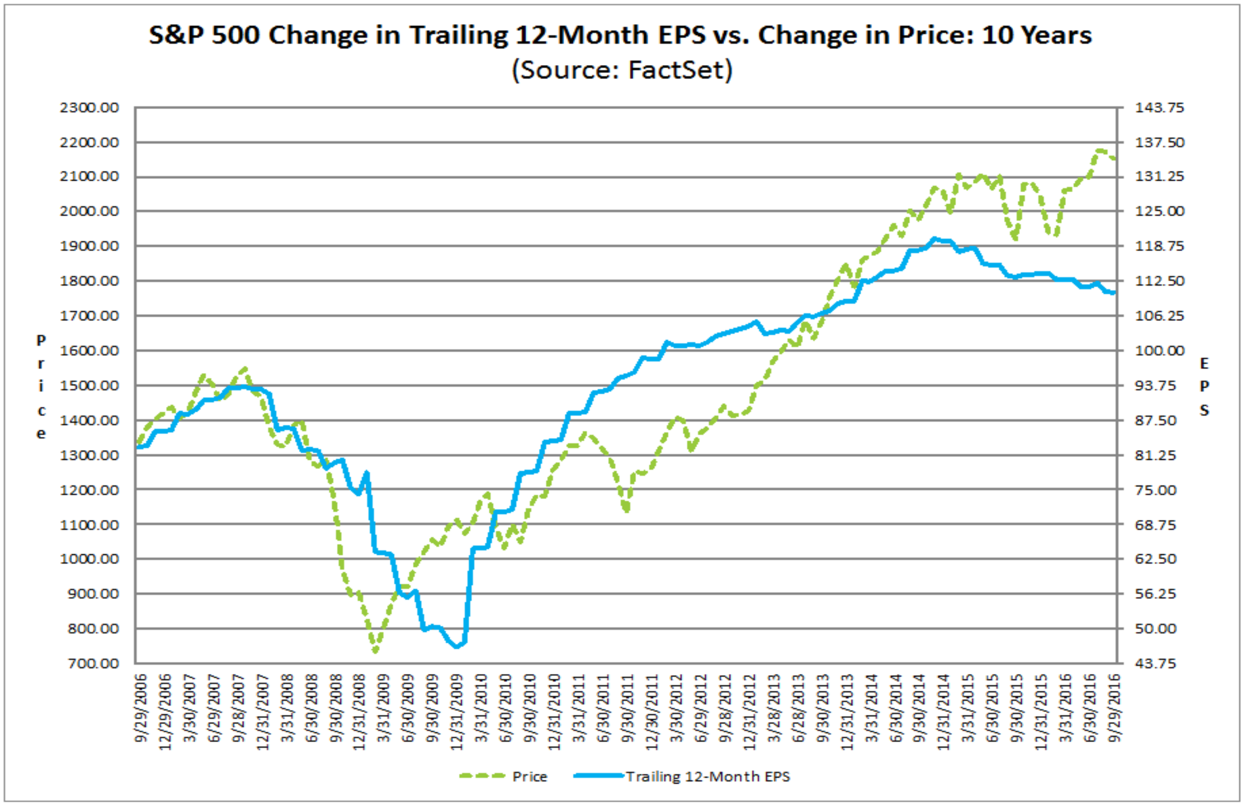


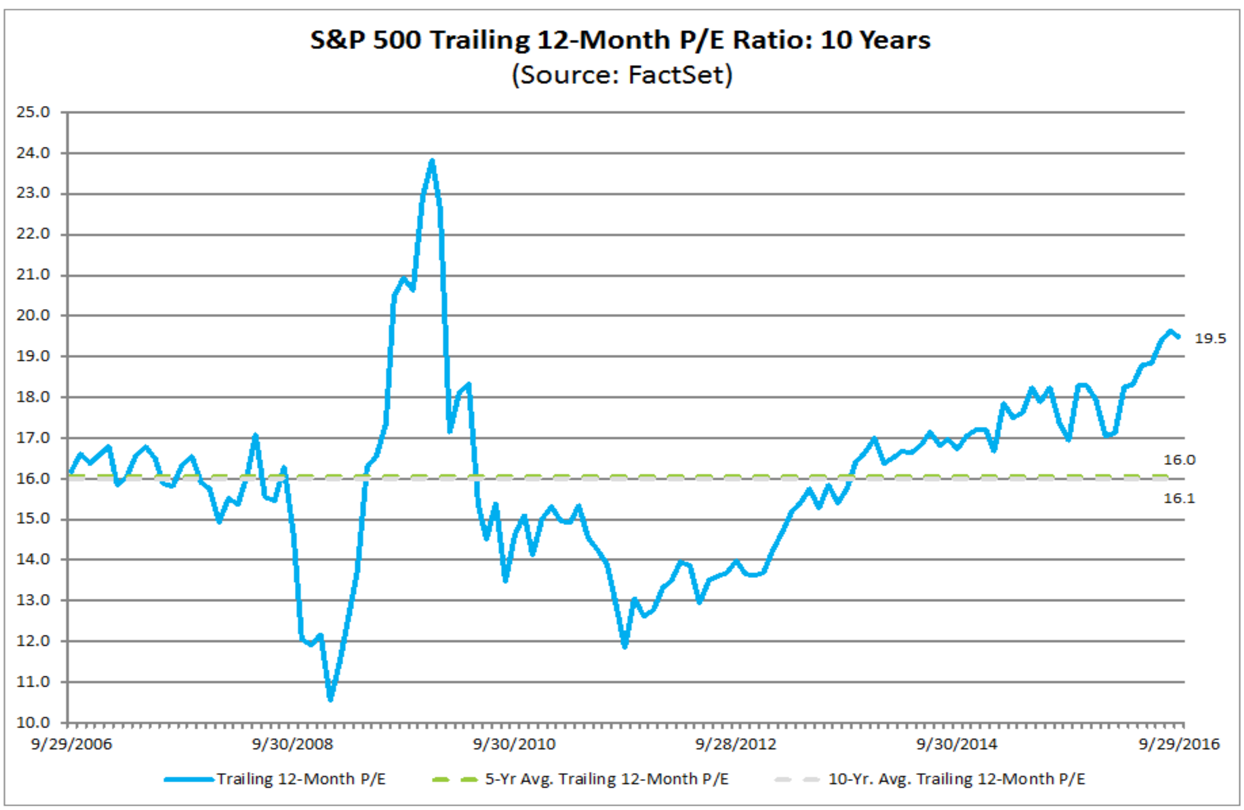
Forward 12M Price / Earnings Ratio: Long-Term Averages





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





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.

About FactSet

FactSet is a leading provider of integrated financial information and analytical applications. More than 63,000 users stay ahead of global market trends, access extensive company and industry intelligence, and monitor performance with FactSet's desktop analytics, mobile applications, and comprehensive data feeds. The Company has been included in FORTUNE's Top 100 Best Companies to Work For, the United Kingdom's Great Places to Work and France's Best Workplaces. FactSet is listed on the New York Stock Exchange and NASDAQ (NYSE:FDS) (NASDAQ:FDS). Learn more at www.factset.com, and follow us on Twitter: www.twitter.com/factset.