

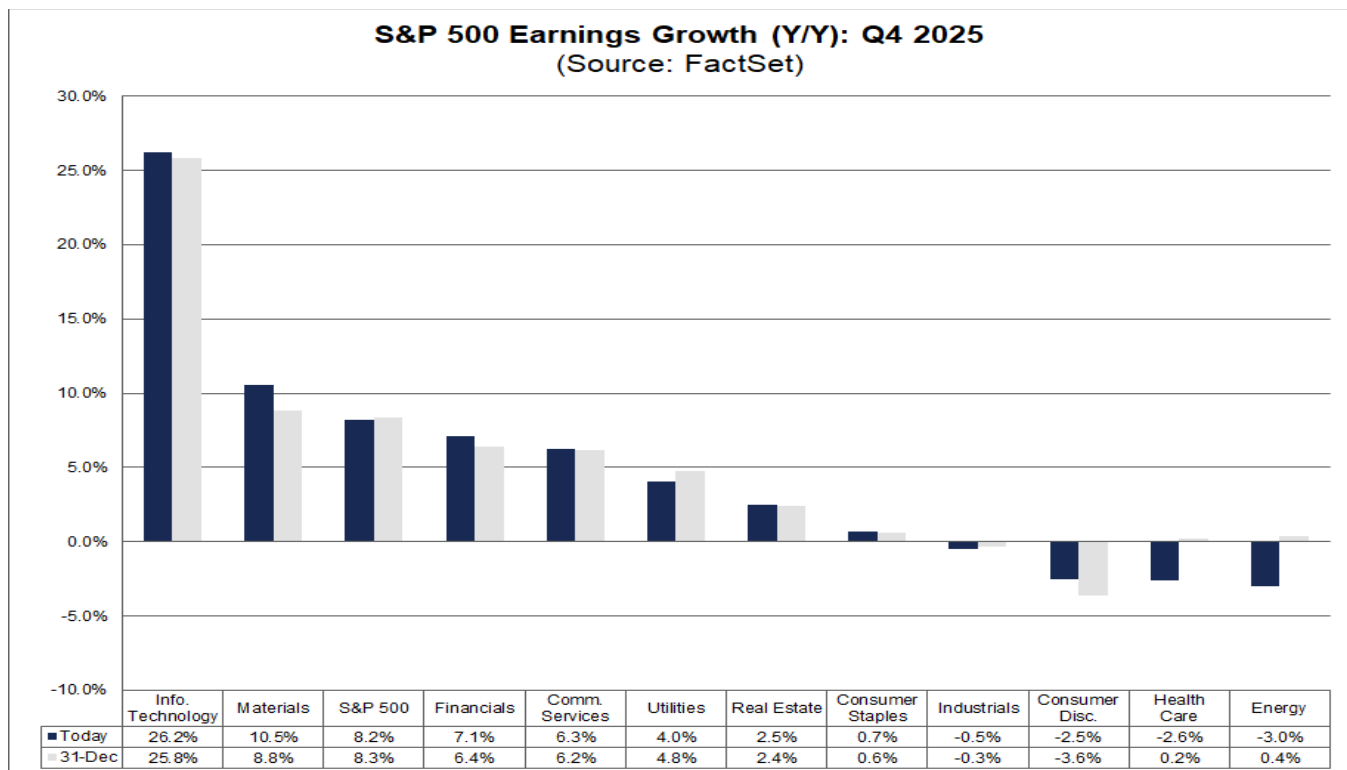
John Butters
VP, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

January 23, 2026

Key Metrics

- **Earnings Scorecard:** For Q4 2025 (with 13% of S&P 500 companies reporting actual results), 75% of S&P 500 companies have reported a positive EPS surprise and 69% of S&P 500 companies have reported a positive revenue surprise.
- **Earnings Growth:** For Q4 2025, the blended (year-over-year) earnings growth rate for the S&P 500 is 8.2%. If 8.2% is the actual growth rate for the quarter, it will mark the 10th consecutive quarter of earnings growth for the index.
- **Earnings Revisions:** On December 31, the estimated (year-over-year) earnings growth rate for the S&P 500 for Q4 2025 was 8.3%. Four sectors are reporting lower earnings today (compared to December 31) due to downward revisions to EPS estimates and negative EPS surprises.
- **Earnings Guidance:** For Q1 2026, 6 S&P 500 companies have issued negative EPS guidance and 4 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 22.1. This P/E ratio is above the 5-year average (20.0) and above the 10-year average (18.8).



To receive this report via e-mail or view other articles with FactSet content, please go to: <https://insight.factset.com/>
To learn more about the FactSet difference ("Why FactSet?"), please go to: <https://www.factset.com/why-factset>

Table of Contents

Commentary

Key Metrics	1
Table of Contents	2
Topic of the Week:	3
Overview	5
Earnings & Revenue Scorecard	6
Earnings & Revenue Revisions	7
Earnings Growth	8
Revenue Growth	9
Net Profit Margin	10
Forward Estimates & Valuation	11

Charts

Q425 Earnings & Revenue Scorecard	13
Q425 Earnings & Revenue Surprises	14
Q425 Earnings & Revenue Growth	16
Q425 Net Profit Margin	19
CY25 Earnings & Revenue Growth	20
Q126 EPS Guidance	21
Q126 EPS Revisions	22
Q126 Earnings & Revenue Growth	23
FY25 / FY26 EPS Guidance	24
CY26 Earnings & Revenue Growth	25
CY27 Earnings & Revenue Growth	26
Geographic Revenue Exposure	27
Bottom-Up EPS Estimates	28
Target & Ratings	30

Topic of the Week:

Are “Magnificent 7” Companies Still Top Contributors to Earnings Growth for the S&P 500 for Q4?

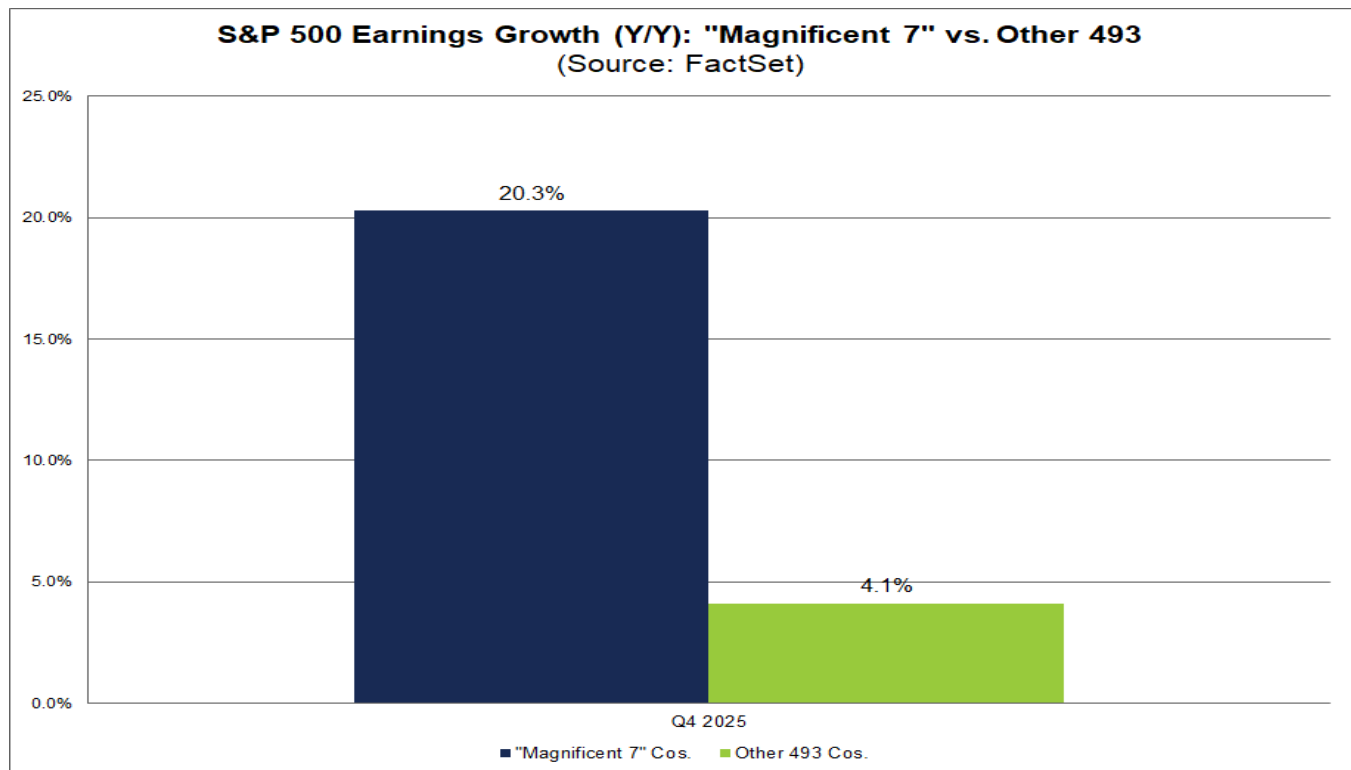
A number of the companies in the “Magnificent 7” have been top contributors to year-over-year earnings growth for the S&P 500 in recent quarters. How many companies in the “Magnificent 7” are expected to be among the top five contributors to earnings growth for the S&P 500 for the fourth quarter?

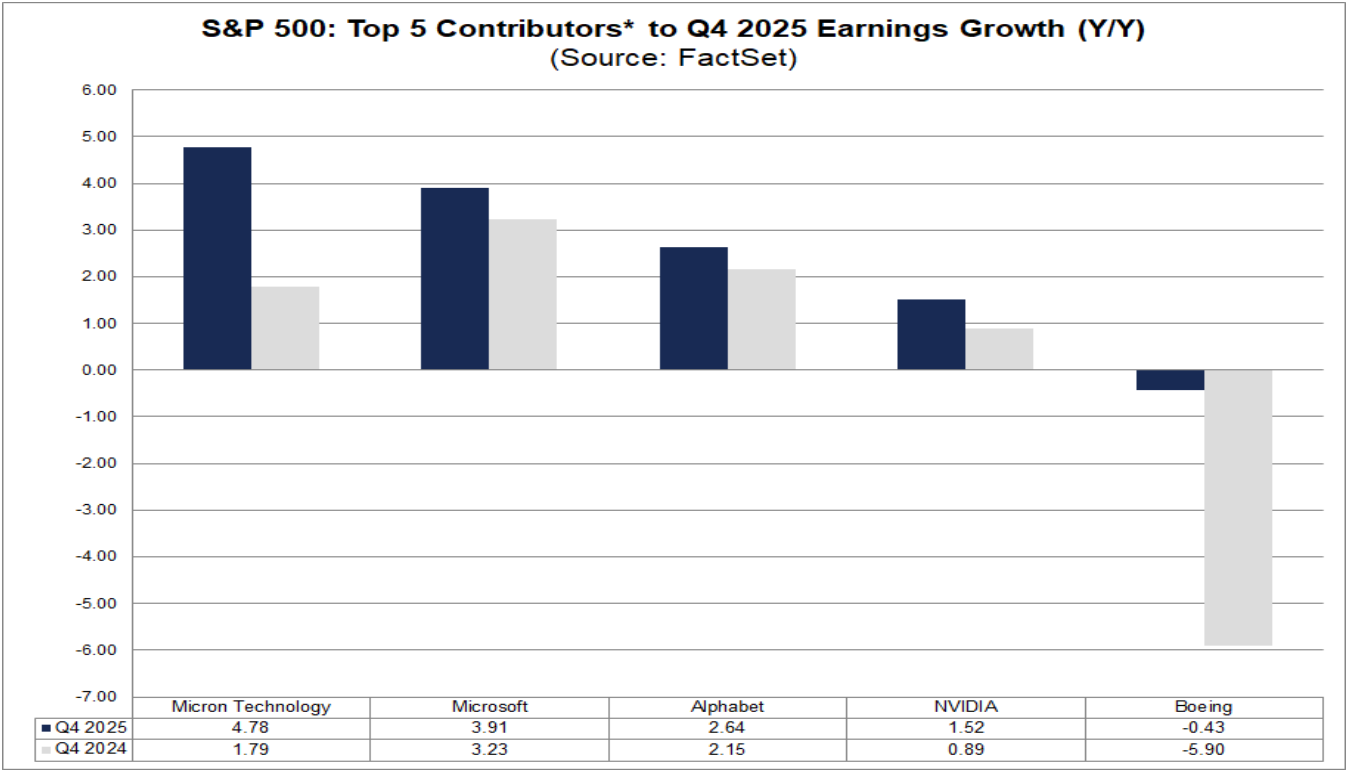
Overall, the blended earnings growth rate for the S&P 500 for Q4 2025 is 8.2%. The top five contributors to year-over-year earnings growth for the S&P 500 for Q4 (in order of contribution) are NVIDIA, Boeing, Alphabet, Micron Technology, and Microsoft. Thus, three of the top five contributors to year-over-year earnings growth for the index for the fourth quarter are “Magnificent 7” companies. Outside of the “Magnificent 7” companies, Boeing is benefitting from an easy comparison to a large loss reported in the year-ago quarter due to charges and other expenses that were included in the year-ago (non-GAAP) EPS.

In aggregate, the “Magnificent 7” companies are expected to report year-over-year earnings growth of 20.3% for the fourth quarter. Excluding these seven companies, the blended (combines actual and estimated results) earnings growth rate for the fourth quarter for the remaining 493 companies in the S&P 500 would be 4.1%.

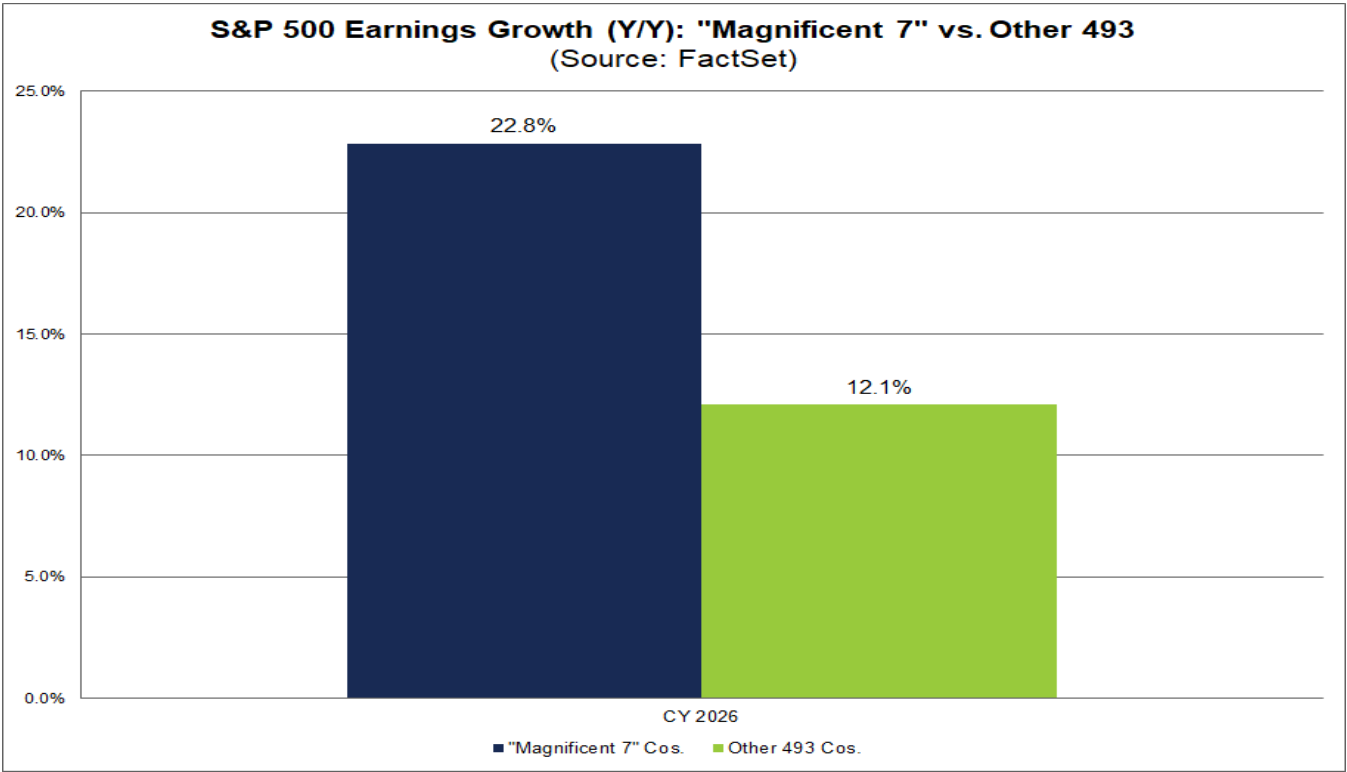
Four of the “Magnificent 7” companies are scheduled to report earnings for Q4 during the week of January 26: Apple, Meta Platforms, Microsoft, and Tesla.

Looking ahead, analysts expect both the “Magnificent 7” companies and the other 493 S&P 500 companies to report double-digit earnings growth in CY 2026. The estimated earnings growth rate for the “Magnificent 7” companies for CY 2026 is 22.8%, while the estimated earnings growth rate for the other 493 S&P 500 companies for CY 2026 is 12.1%.





*Not in order of contribution



Q4 Earnings Season: By The Numbers

Overview

At this early stage of the earnings season, the S&P 500 is reporting mixed results for the fourth quarter. On the one hand, both the percentage of S&P 500 companies reporting positive earnings surprises and the magnitude of earnings surprises are below recent averages. Due to this performance compared to expectations and downward revisions to EPS estimates since December 31, the index is reporting slightly lower earnings today relative to the end of the quarter. On the other hand, the index is also reporting slightly higher earnings relative to last week. In addition, the index is still reporting year-over-year earnings growth for the 10th straight quarter.

Overall, 13% of the companies in the S&P 500 have reported actual results for Q4 2025 to date. Of these companies, 75% have reported actual EPS above estimates, which is below the 5-year average of 78% and below the 10-year average of 76%. In aggregate, companies are reporting earnings that are 5.3% above estimates, which is also below the 5-year average of 7.7% and below the 10-year average of 7.0%. Historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

During the past week, positive EPS surprises reported by companies in multiple sectors were mainly responsible for the small increase in the overall earnings growth rate for the index over this period. Since December 31, downward revisions to EPS estimates for companies in the Health Care and Energy sectors, partially offset by positive EPS surprises reported by companies in multiple sectors, have been the largest contributors to the small decrease in the overall earnings growth rate for the index over this period.

As a result, the index is reporting higher earnings for the fourth quarter today relative to the end of last week, but also reporting slightly lower earnings relative to the end of the quarter. The blended (combines actual results for companies that have reported and estimated results for companies that have yet to report) earnings growth rate for the fourth quarter is 8.2% today, compared to an earnings growth rate of 8.0% last week and an earnings growth rate of 8.3% at the end of the fourth quarter (December 31).

If 8.2% is the actual growth rate for the quarter, it will mark the tenth consecutive quarter of year-over-year earnings growth for the index.

Seven of the eleven sectors are reporting year-over-year growth, led by the Information Technology and Materials sectors. On the other hand, four sectors are reporting a year-over-year decline in earnings, led by the Energy, Health Care, and Consumer Discretionary sectors.

In terms of revenues, 69% of S&P 500 companies have reported actual revenues above estimates, which is below the 5-year average of 70% but above the 10-year average of 66%. In aggregate, companies are reporting revenues that are 0.6% above the estimates, which is below the 5-year average of 2.0% and below the 10-year average of 1.4%. Again, historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

During the past week, upward and downward revisions to revenue estimates and positive and negative revenue surprises offset each other, resulting in no change to the overall revenue growth rate for the index over this period. Since December 31, upward and downward revisions to revenue estimates and positive and negative revenue surprises have offset each other, resulting in no change to the overall revenue growth rate for the index over this period.

As a result, the blended revenue growth rate for the fourth quarter is 7.8% today, compared to a revenue growth rate of 7.8% last week and a revenue growth rate of 7.8% at the end of the fourth quarter (December 31).

If 7.8% is the actual revenue growth rate for the quarter, it will mark the second-highest revenue growth rate reported by the index since Q3 2022 (11.0%), trailing on the previous quarter (8.4%). It will also mark the 21st consecutive quarter of revenue growth for the index.

Ten sectors are reporting year-over-year growth in revenues, led by the Information Technology and Communication Services sectors. On the other hand, the Energy sector is the only sector reporting a year-over-year decline in revenues.

For Q1 2026 and Q2 2026, analysts are calling for earnings growth rates of 11.2% and 14.5%, respectively. For CY 2026 analysts are projecting (year-over-year) earnings growth of 14.7%.

The forward 12-month P/E ratio is 22.1, which is above the 5-year average (20.0) and above the 10-year average (18.8). This P/E ratio is also slightly above the forward P/E ratio of 22.0 recorded at the end of the fourth quarter (December 31).

During the upcoming week, 103 S&P 500 companies (including 12 Dow 30 components) are scheduled to report results for the fourth quarter.

Scorecard: Number and Magnitude of Positive EPS Surprises Are Below Average

Percentage of Companies Beating EPS Estimates (75%) is Below 5-Year Average

Overall, 13% of the companies in the S&P 500 have reported earnings to date for the fourth quarter. Of these companies, 75% have reported actual EPS above the mean EPS estimate, 5% have reported actual EPS equal to the mean EPS estimate, and 25% 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 average (79%), below the 5-year average (78%), and below the 10-year average (76%). Historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

At the sector level, the Communication Services (100%), Energy (100%), Information Technology (100%), Materials (100%), and Real Estate (100%) sectors have the highest percentages of companies reporting earnings above estimates, while the Health Care (33%) and Consumer Discretionary (50%) sectors have the lowest percentages of companies reporting earnings above estimates.

Earnings Surprise Percentage (+5.3%) is Below 5-Year Average

In aggregate, companies are reporting earnings that are 5.3% above expectations. This surprise percentage is below the 1-year average (+7.4%), below the 5-year average (+7.7%), and below the 10-year average (+7.0%). Historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

The Materials (+64.8%) sector is reporting the largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Freeport-McMoRan (\$0.47 vs. \$0.29) has reported the largest positive EPS surprise.

The Information Technology (+21.4%) sector is reporting the second-largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Intel (\$0.15 vs. \$0.08), Oracle (\$2.26 vs. \$1.64), and Micron Technology (\$4.78 vs. \$3.96) have reported the largest positive EPS surprises.

The Energy (+9.7%) sector is reporting the third-largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Halliburton (\$0.69 vs. \$0.55) has reported the largest positive EPS surprise.

The Consumer Discretionary (+8.9%) sector is reporting the fourth-largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, NIKE (\$0.53 vs. \$0.37) and Carnival Corporation (\$0.34 vs. \$0.25) have reported the largest positive EPS surprises.

Market Rewarding Positive EPS Surprises Less Than Average

To date, the market is rewarding positive EPS surprises reported by S&P 500 companies for Q4 less than average and punishing negative EPS surprises reported by S&P 500 companies for Q4 slightly more than average.

Companies that have reported positive earnings surprises for Q4 2025 have seen an average price increase of +0.3% two days before the earnings release through two days after the earnings release. This percentage increase is below 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 Q4 2025 have seen an average price decrease of -2.9% two days before the earnings release through two days after the earnings release. This percentage decrease is slightly 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 (69%) is Below 5-Year Average

In terms of revenues, 69% of the companies have reported actual revenues above estimated revenues, 0% of the companies have reported actual revenues equal to estimated revenues, and 31% of the companies have reported actual revenues below estimated revenues. The percentage of companies reporting revenues above estimates is below the 1-year average (71%) and below the 5-year average (70%), but above the 10-year average (66%). Historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

At the sector level, the Communication Services (100%), Energy (100%), Materials (100%), and Real Estate (100%) sectors have the highest percentages of companies reporting revenues above estimates, while the Industrials (50%) sector has the lowest percentage of companies reporting revenues above estimates.

Revenue Surprise Percentage (+0.6%) is Below 5-Year Average

In aggregate, companies are reporting revenues that are 0.6% above expectations. This surprise percentage is below the 1-year average (+1.3%), below the 5-year average (+2.0%), and below the 10-year average (+1.4%). Historical averages reflect actual results from all 500 companies, not the actual results from the percentage of companies that have reported through this point in time.

At the sector level, the Materials (+6.4%) and Energy (+3.2%) sectors are reporting the largest positive (aggregate) differences between actual revenues and estimated revenues, while the Financials sector (-0.7%) sector is reporting the largest negative (aggregate) difference between actual revenues and estimated revenues.

Revisions: Slight Increase in Blended Earnings This Week**Slight Increase in Blended Earnings This Week**

The blended (year-over-year) earnings growth rate for the fourth quarter is 8.2%, which is above the earnings growth rate of 8.0% last week. During the past week, positive EPS surprises reported by companies in multiple sectors were mainly responsible for the small increase in the overall earnings growth rate for the index over this period.

No Change in Blended Revenues This Week

The blended (year-over-year) revenue growth rate for the fourth quarter is 7.8%, which is equal to the revenue growth rate of 7.8% last week.

Health Care and Energy Sectors Have Seen Largest Decreases in Earnings since December 31

The blended (year-over-year) earnings growth rate for Q4 2024 of 8.2% is slightly below the estimate of 8.3% at the end of the fourth quarter (December 31). Four sectors have recorded a decrease in their earnings growth rate or an increase in their earnings decline since the end of the quarter due to downward revisions to earnings estimates and negative earnings surprises, led by the Energy (to -3.0% from 0.4%) and Health Care (to -2.6% from 0.2%) sectors. These two sectors have also been the largest contributors to the slight decrease in earnings for the index since December 31. On the other hand, seven sectors have recorded an increase in their earnings growth rate or a decrease in their earnings decline since the end of the quarter due to upward revisions to EPS estimates and positive earnings surprises, led by the Materials (to 10.5% from 8.8%) and Consumer Discretionary (to -2.5% from -3.6%) sectors. However, the Financials (to 7.1% from 6.4%), Consumer Discretionary, and Information Technology (to 26.2% from 25.8%) sectors have been the largest detractors to the decrease in earnings for the index since December 31.

Information Technology Sector Has Seen Largest Increase in Revenues since December 31

The blended (year-over-year) revenue growth rate for Q4 2024 of 7.8% is equal to the estimate of 7.8% at the end of the fourth quarter (December 31). Six sectors have recorded an increase in their revenue growth rate or a decrease in their revenue decline since the end of the quarter due to upward revisions to revenue estimates and positive revenue surprises, led by the Information Technology (to 18.3% from 17.9%) sector. The Information Technology sector has also been the largest positive contributor to revenues for the index since December 31. On the other hand, five sectors have recorded a decrease in their revenue growth rate or an increase in their revenue decline since the end of the quarter due to downward revisions to revenue estimates and negative revenue surprises, led by the Utilities (to 4.0% from 4.7%) and Energy (to -2.8% from -2.2%) sectors. The Energy sector has also been the largest negative contributor to revenues for the index since December 31.

Earnings Growth: 8.2%

The blended (year-over-year) earnings growth rate for Q4 2024 is 8.2%, which is below the 5-year average earnings growth rate of 15.9% and below the 10-year average earnings growth rate of 9.9%. If 8.2% is the actual growth rate for the quarter, it will mark the tenth consecutive quarter of year-over-year earnings growth.

Seven of the eleven sectors are reporting year-over-year earnings growth, led by the Information Technology and Materials sectors. On the other hand, four sectors are reporting a year-over-year decline in earnings, led by the Energy, Health Care, and Consumer Discretionary sectors.

Information Technology: NVIDIA Is Largest Contributor to Year-Over-Year Growth

The Information Technology sector is reporting the highest (year-over-year) earnings growth rate of all eleven sectors at 26.2%. At the industry level, all 6 industries in the sector are reporting (or are projected to report) year-over-year earnings growth: Semiconductors & Semiconductor Equipment (47%), Electronic Equipment, Instruments, & Components (31%), Software (23%), Technology Hardware, Storage, & Peripherals (11%), Communication Equipment (8%), and IT Services (6%).

At the company level, NVIDIA (\$1.52 vs. \$0.89) is the largest contributor to earnings growth for the sector. If this company were excluded, the blended earnings growth rate for the Information Technology sector would fall to 18.5% from 26.2%.

Materials: 2 of 4 Industries Reporting Year-Over-Year Growth Above 35%

The Materials sector is reporting the second-highest (year-over-year) earnings growth rate of all eleven sectors at 10.5%. At the industry level, 3 of the 4 industries in the sector are reporting (or are projected to report) year-over-year earnings growth: Metals & Mining (40%), Containers & Packaging (38%), and Construction Materials (2%). On the other hand, the Chemicals (-7%) industry is the only industry predicted to report a year-over-year decline in earnings.

Energy: 3 of 5 Sub-Industries Reporting Year-Over-Year Decline

The Energy sector is reporting the largest (year-over-year) earnings decline of all eleven sectors at -3.0%. Lower year-over-year oil prices are contributing to the year-over-year decrease in earnings for this sector, as the average price of oil in Q4 2025 (\$59.14) was 16% below the average price for oil in Q4 2024 (\$70.32). At the sub-industry level, 3 of the 5 sub-industries in the sector are reporting (or are predicted to report) a year-over-year decline in earnings: Oil & Gas Exploration & Production (-26%), Integrated Oil & Gas (-13%), and Oil & Gas Equipment & Services (-7%), and. On the other hand, two sub-industries are reporting (or are projected to report) year-over-year growth in earnings: Oil & Gas Refining & Marketing (608%) and Oil & Gas Storage & Transportation (19%).

Health Care: UnitedHealth Group is Largest Contributor to Year-Over-Year Decline

The Health Care sector is reporting the second-largest (year-over-year) earnings decline of all eleven sectors at -2.6%. At the industry level, only one industry in the sector is projected to report a year-over-year decline in earnings: Health Care Providers & Services (-35%). On the other hand, 4 of the 5 industries in the sector are reporting (or are expected to report) year-over-year growth in earnings: Pharmaceuticals (11%), Health Care Equipment & Supplies (5%), Biotechnology (4%), and Life Sciences, Tools, & Services (2%).

At the company level, UnitedHealth Group (\$2.10 vs. \$6.81) is the largest contributor to the earnings decline for the sector. If this company were excluded, the Health Care sector would be reporting year-over-year earnings growth of 4.2% rather than a year-over-year decline in earnings of -2.6%.

Consumer Discretionary: 5 of 9 Industries Reporting to Year-Over-Year Decline

The Consumer Discretionary sector is reporting the third-largest (year-over-year) earnings decline of all eleven sectors at -2.5%. At the industry level, 5 of the 9 industries in the sector are reporting (or are projected to report) a year-over-year earnings decline. Three of these 5 industries are reporting (or are predicted to report) a double-digit decline: Household Durables (-34%), Automobiles (-28%), and Textiles, Apparel, & Luxury Goods (-18%). On the other hand, 4 of the 9 industries in the sector are reporting (or are expected to report) year-over-year growth in earnings. Three of these 4 industries are reporting (or are predicted to report) double-digit growth: Leisure Products (107%), Hotels, Restaurants, & Leisure (13%), and Distributors (10%).

Revenue Growth: 7.8%

The blended (year-over-year) revenue growth rate for Q4 2025 is 7.8%, which is below the 5-year average revenue growth rate of 8.4% but above the 10-year average revenue growth rate of 6.0%. If 7.8% is the actual growth rate for the quarter, it will mark the second-highest revenue growth rate reported by the index since Q3 2022 (11.0%), trailing on the previous quarter (8.4%). It will also mark the 21st consecutive quarter of revenue growth for the index.

At the sector level, ten sectors are reporting year-over-year growth in revenues, led by the Information Technology and Communication Services sectors. On the other hand, the Energy sector is the only sector reporting a year-over-year decline in revenues.

Information Technology: All 6 Industries Reporting Year-Over-Year Growth

The Information Technology sector is reporting the highest (year-over-year) revenue growth rate of all eleven sectors at 18.3%. At the industry level, all 6 industries in the sector are reporting (or are projected to report) year-over-year revenue growth: Semiconductors & Semiconductor Equipment (31%), Electronic Equipment, Instruments, & Components (18%), Software (15%), Technology Hardware, Storage, & Peripherals (15%), Communication Equipment (10%), and IT Services (7%).

Communication Services: All 5 Industries Reporting Year-Over-Year Growth

The Communication Services sector is reporting the second-highest (year-over-year) revenue growth rate of all eleven sectors at 10.3%. At the industry level, all 5 industries in the sector are reporting (or are projected to report) year-over-year revenue growth: Interactive Media & Services (16%), Wireless Telecommunication Services (10%), Entertainment (7%), Diversified Telecommunication Services (1%), and Media (1%).

Energy: 2 of 5 Sub-Industries Expected to Report Year-Over-Year Decline

The Energy sector is reporting the largest (year-over-year) decline in revenues of all eleven sectors at -2.8%. Lower year-over-year oil prices are contributing to the year-over-year decrease in revenues for this sector, as the average price of oil in Q4 2025 (\$59.14) was 16% below the average price for oil in Q4 2024 (\$70.09). At the sub-industry level, 2 of the 5 sub-industries in the sector are predicted to report a year-over-year decline in revenues: Integrated Oil & Gas (-6%) and Oil & Gas Refining & Marketing (-4%). On the other hand, three sub-industries are reporting (or are projected to report) year-over-year growth in revenues: Oil & Gas Storage & Transportation (21%), Oil & Gas Equipment & Services (1%), and Oil & Gas Exploration & Production (1%).

Net Profit Margin: 12.8%

The blended net profit margin for the S&P 500 for Q4 2025 is 12.8%, which is below the previous quarter's net profit margin of 13.1%, but above the year-ago net profit margin of 12.7% and above the 5-year average of 12.1%.

At the sector level, two sectors are reporting a year-over-year increase in their net profit margins in Q4 2025 compared to Q4 2024: Information Technology (28.6% vs. 26.8%) and Materials (9.5% vs. 8.8%). On the other hand, eight sectors are reporting a year-over-year decrease in their net profit margins in Q4 2025 compared to Q4 2024, led by the Real Estate (33.8% vs. 35.1%) sector. One sector (Utilities) is predicted to report no year-over-year change in net profit margin (12.8%).

Five sectors are reporting net profit margins in Q4 2025 that are above their 5-year averages, led by the Information Technology (28.6% vs. 24.7%) sector. On the other hand, six sectors are reporting net profit margins in Q4 2025 that are below their 5-year averages, led by the Health Care (6.9% vs. 9.3%), and Energy (7.7% vs. 9.8%) sectors.

Forward Estimates & Valuation

Guidance: Negative Guidance Percentage for Q1 is Equal to 10-Year Average

At this point in time, 10 companies in the index have issued EPS guidance for Q1 2026. Of these 10 companies, 6 have issued negative EPS guidance and 4 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance for Q1 2026 is 60% (6 out of 10), which is above the 5-year average of 58% but equal to the 10-year average of 60%.

At this point in time, 267 companies in the index have issued EPS guidance for the current fiscal year (FY 2025 or FY 2026). Of these 267 companies, 103 have issued negative EPS guidance and 164 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 39% (103 out of 267).

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.

Earnings: S&P 500 Expected to Report Earnings Growth of 15% for CY 2026

For the fourth quarter, S&P 500 companies are reporting year-over-year growth in earnings of 8.2% and year-over-year growth in revenues of 7.8%. For CY 2025, S&P 500 companies are reporting year-over-year growth in earnings of 12.4% and year-over-year growth in revenues of 7.2%.

For Q1 2026, analysts are projecting earnings growth of 11.2% and revenue growth of 8.3%.

For Q2 2026, analysts are projecting earnings growth of 14.5% and revenue growth of 7.5%.

For Q3 2026, analysts are projecting earnings growth of 14.8% and revenue growth of 6.8%.

For Q4 2026, analysts are projecting earnings growth of 18.4% and revenue growth of 7.4%.

For CY 2026, analysts are projecting earnings growth of 14.7% and revenue growth of 7.3%.

Valuation: Forward P/E Ratio is 22.1, Above the 10-Year Average (18.8)

The forward 12-month P/E ratio for the S&P 500 is 22.1. This P/E ratio is above the 5-year average of 20.0 and above the 10-year average of 18.8. It is also slightly above the forward 12-month P/E ratio of 22.0 recorded at the end of the fourth quarter (December 31). Since the end of the fourth quarter (December 31), the price of the index has increased by 1.0%, while the forward 12-month EPS estimate has increased by 0.7%. At the sector level, the Consumer Discretionary (29.3) sector has the highest forward 12-month P/E ratio, while the Financials (15.9) sector has the lowest forward 12-month P/E ratio.

The trailing 12-month P/E ratio is 28.4, which is above the 5-year average of 24.9 and above the 10-year average of 23.0.

Targets & Ratings: Analysts Project 17% Increase in Price Over Next 12 Months

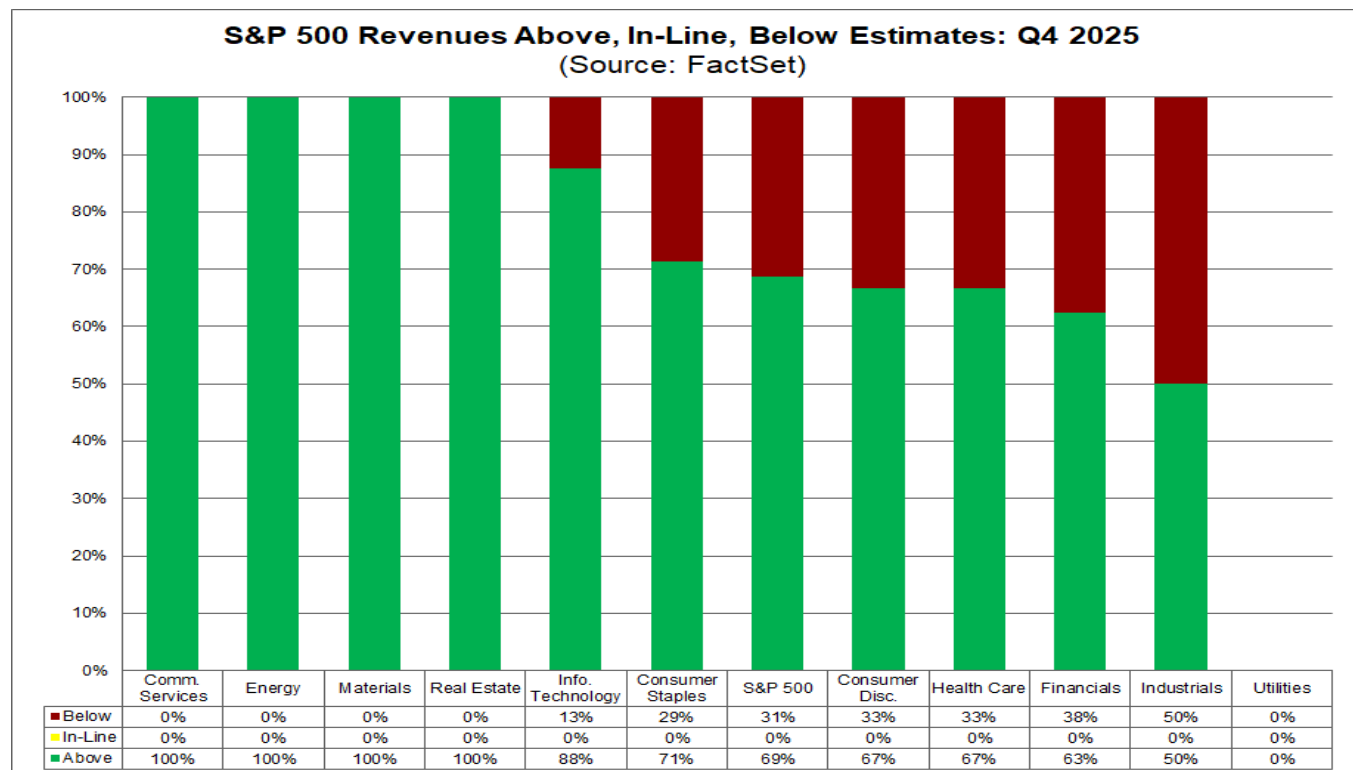
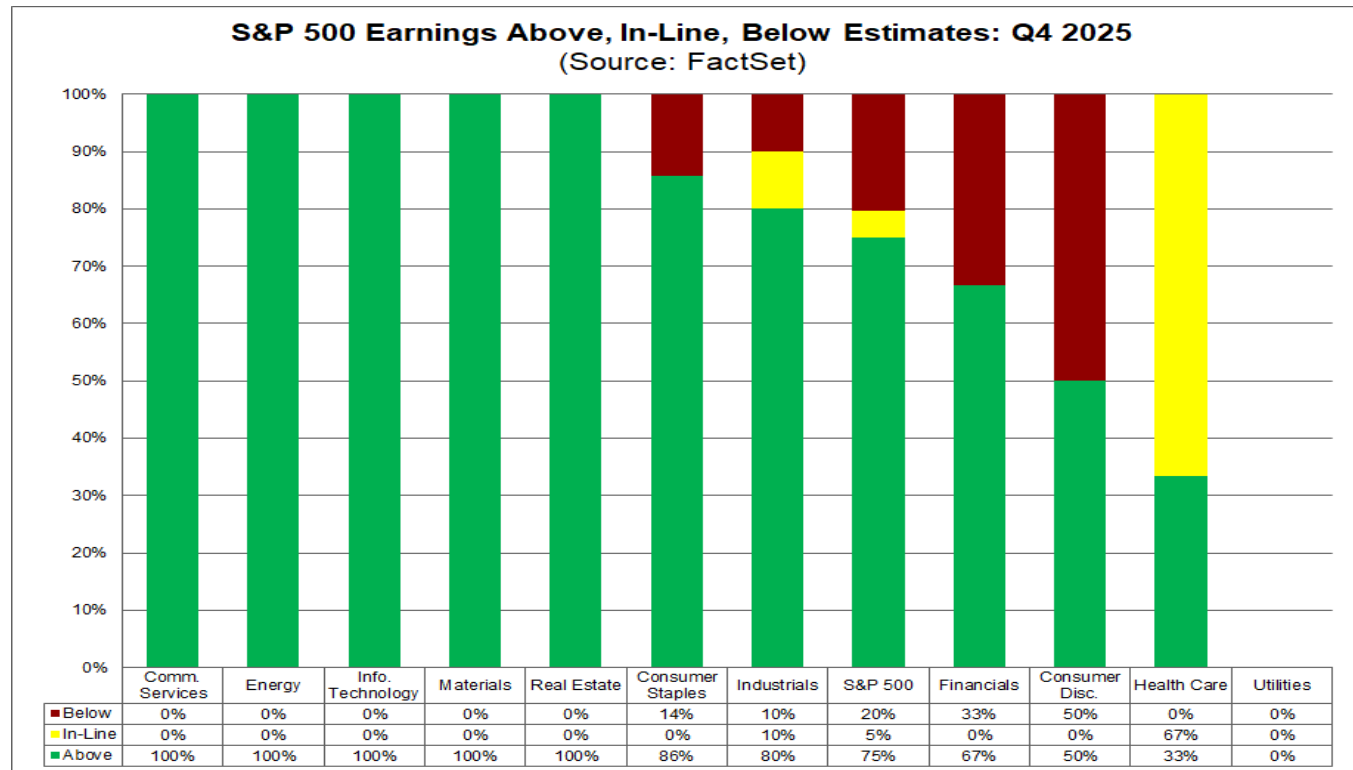
The bottom-up target price for the S&P 500 is 8112.86, which is 17.4% above the closing price of 6913.35. At the sector level, the Information Technology (+27.4%) sector is expected to see the largest price increase, as this sector has the largest upside difference between the bottom-up target price and the closing price. On the other hand, the Energy (+5.7%) 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 12,836 ratings on stocks in the S&P 500. Of these 12,836 ratings, 57.7% are Buy ratings, 37.2% are Hold ratings, and 5.0% are Sell ratings. At the sector level, the Information Technology (68%), Energy (65%), Communication Services (64%), and Materials (62%) sectors have the highest percentages of Buy ratings, while the Consumer Staples (45%) and Utilities (49%) sectors have the lowest percentages of Buy ratings.

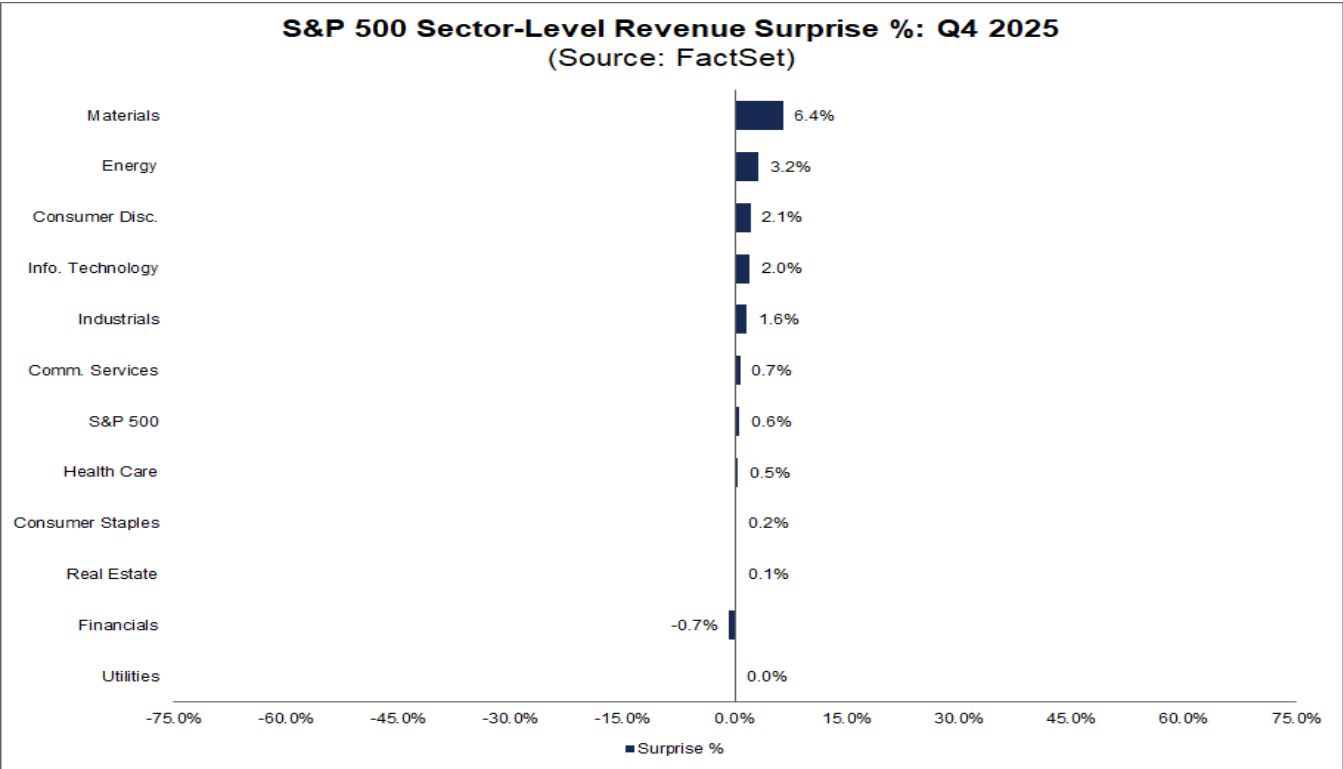
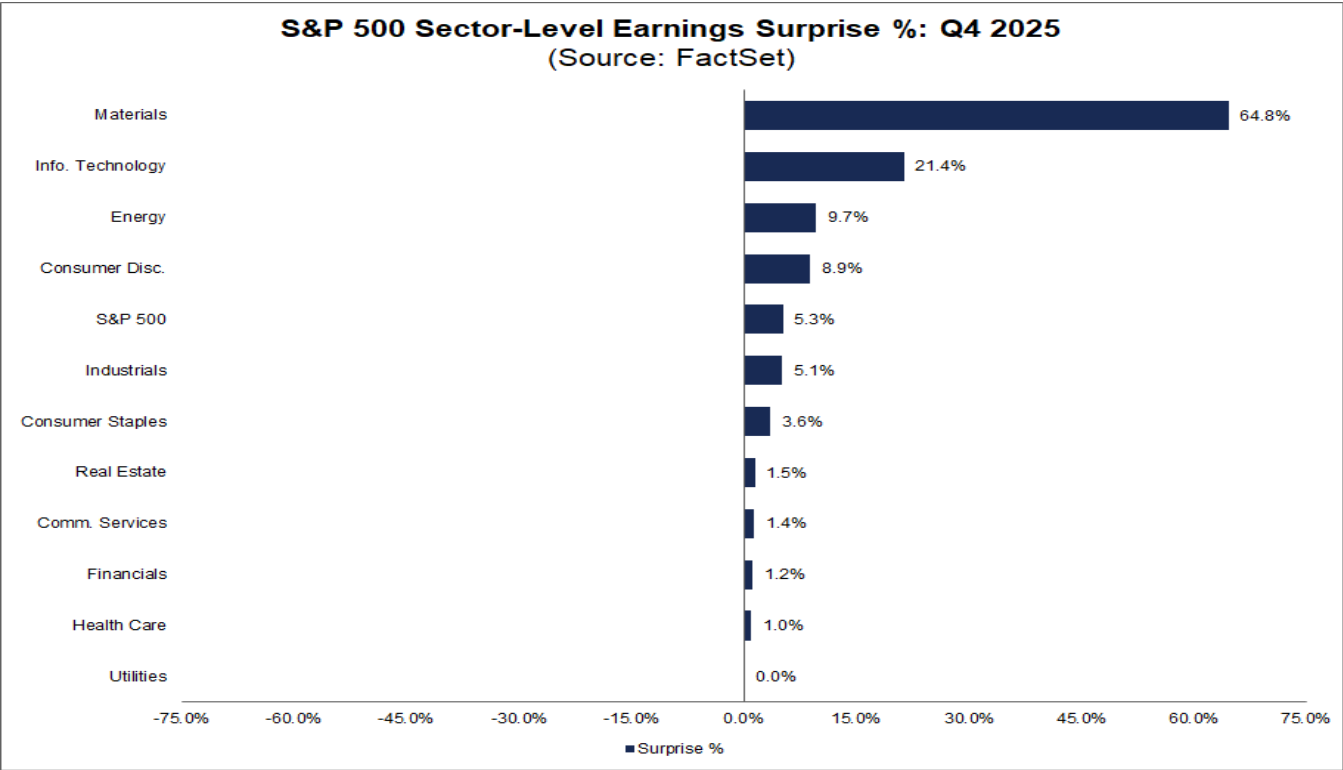
Companies Reporting Next Week: 103

During the upcoming week, 103 S&P 500 companies (including 12 Dow 30 components) are scheduled to report results for the fourth quarter.

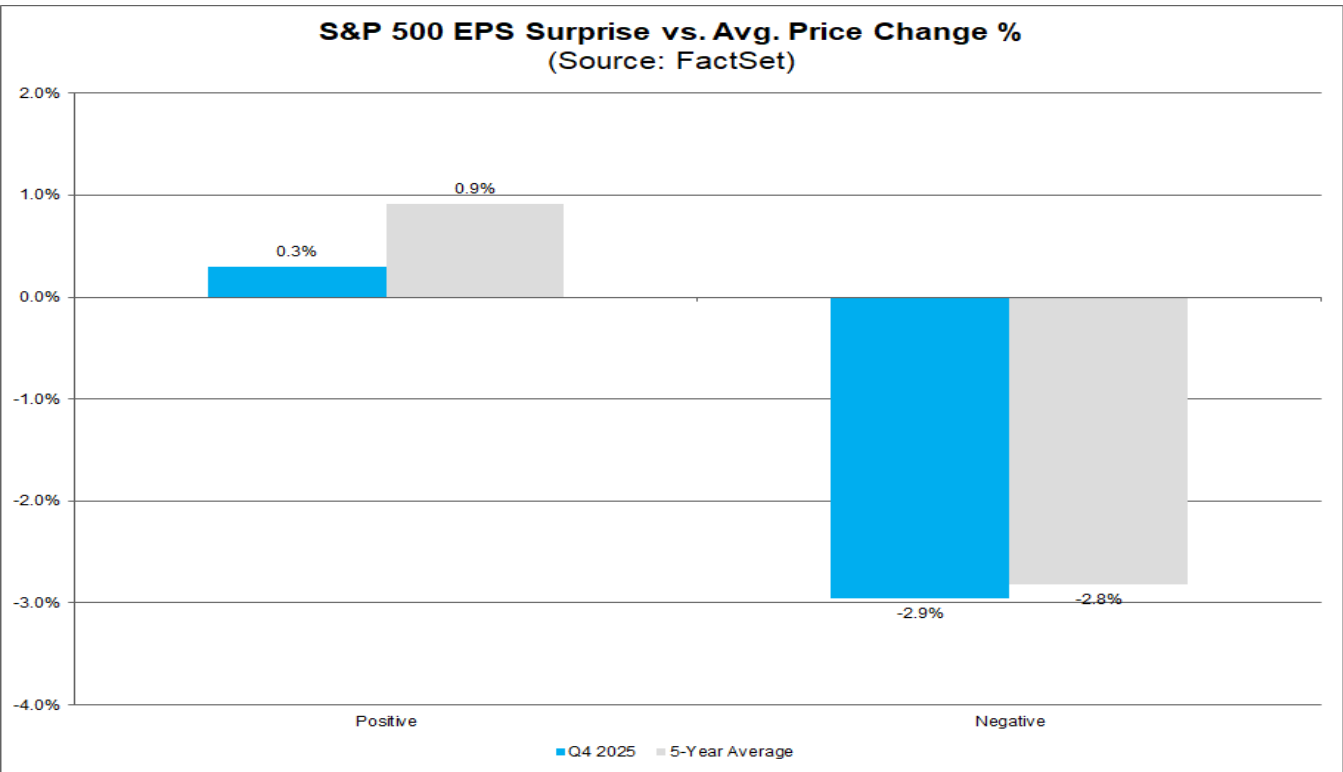
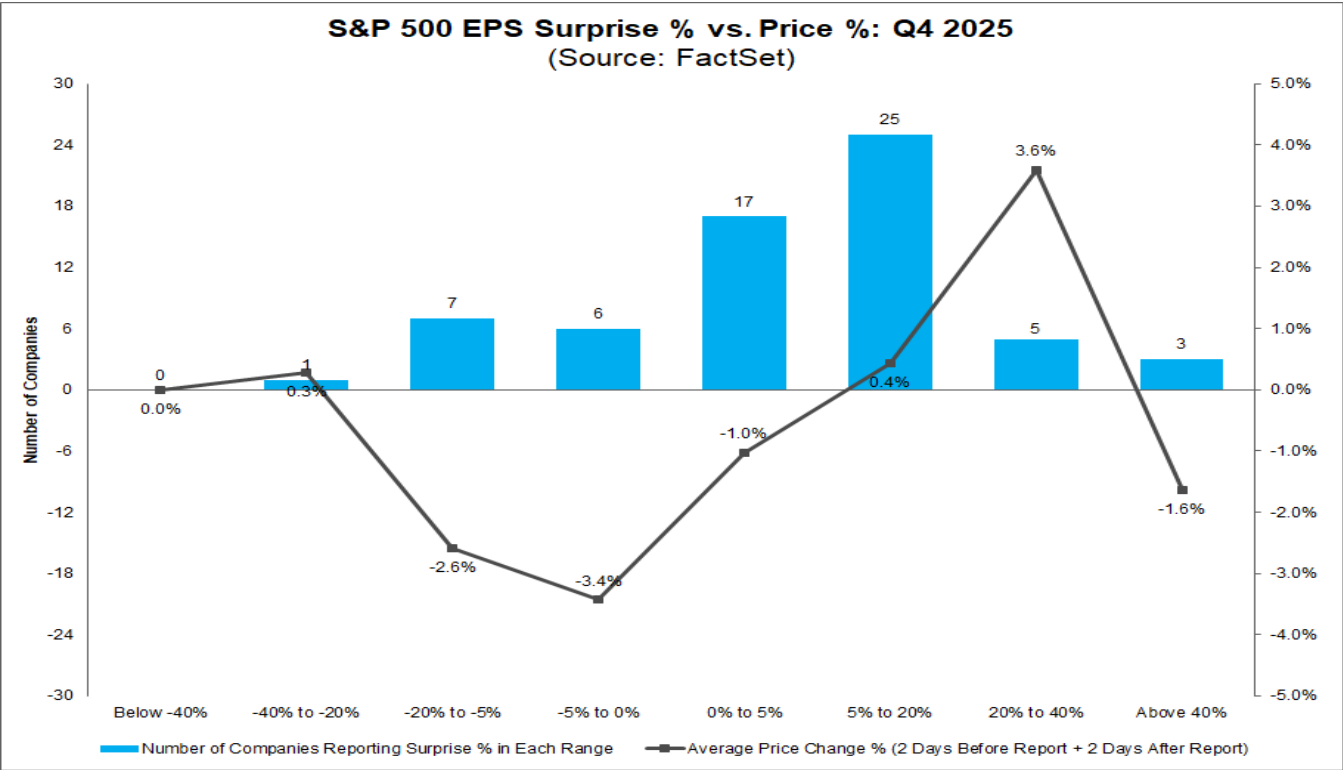
Q4 2025: Scorecard



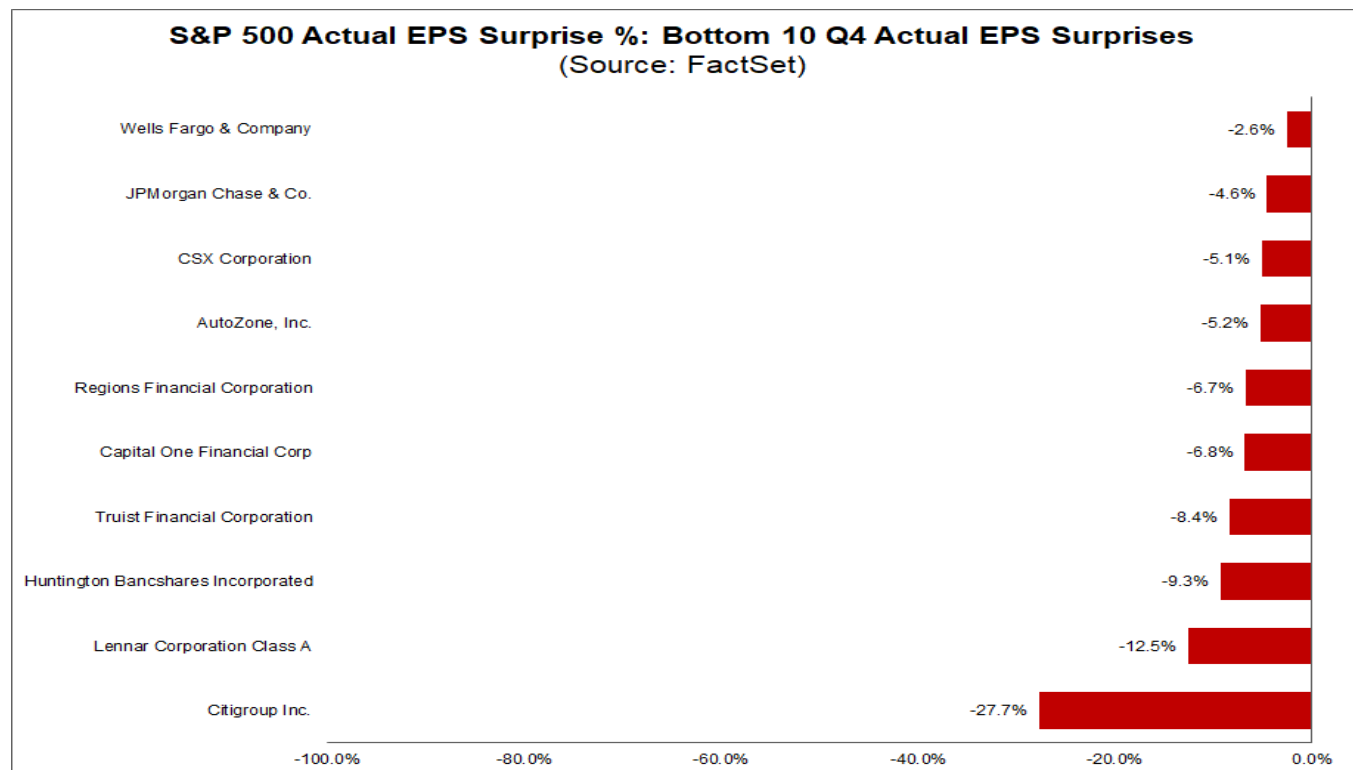
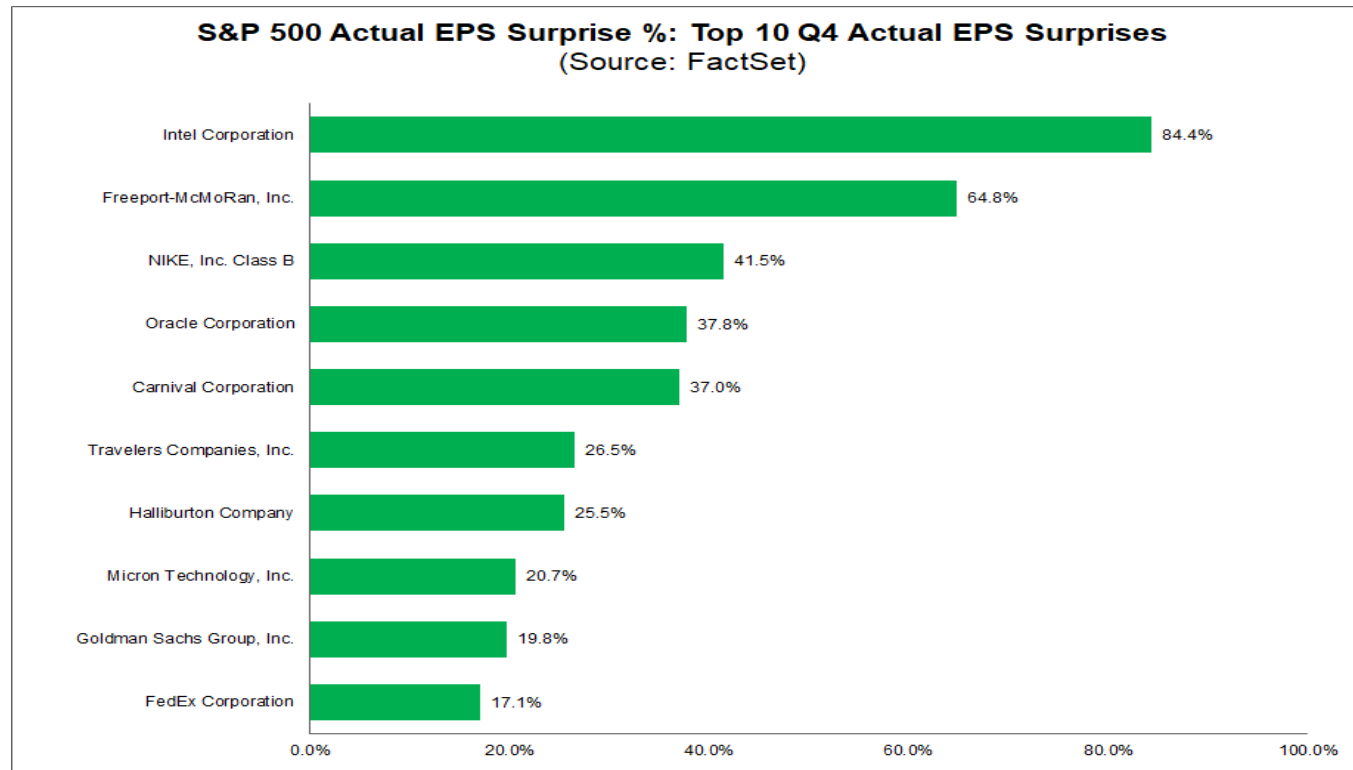
Q4 2025: Surprise



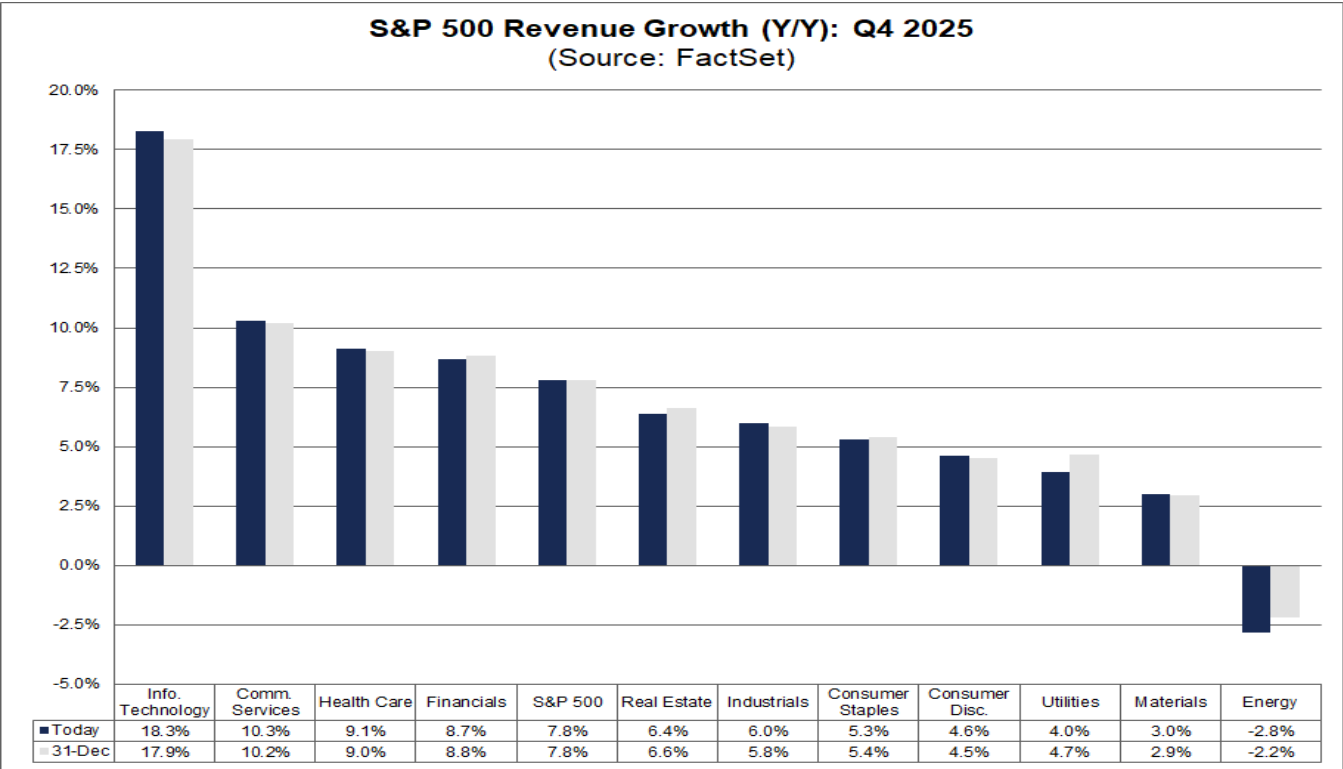
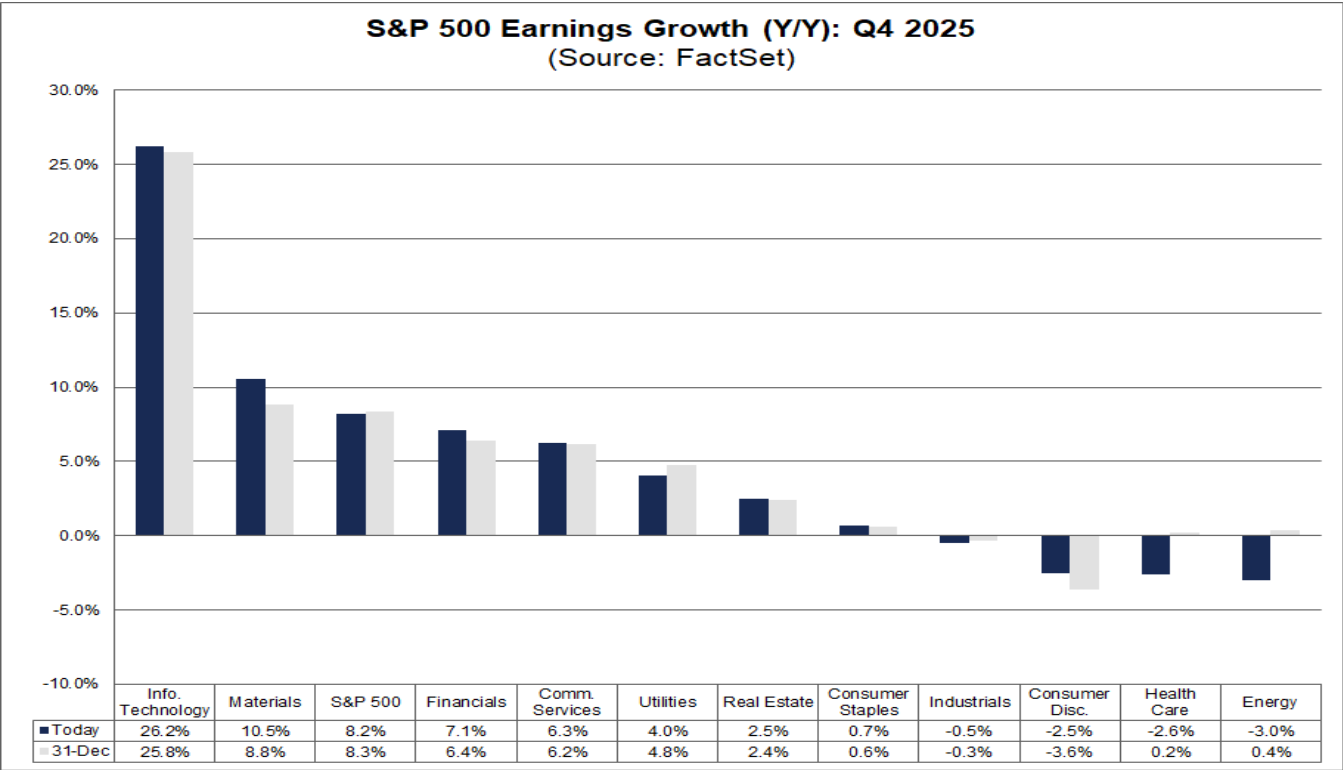
Q4 2025: Surprise



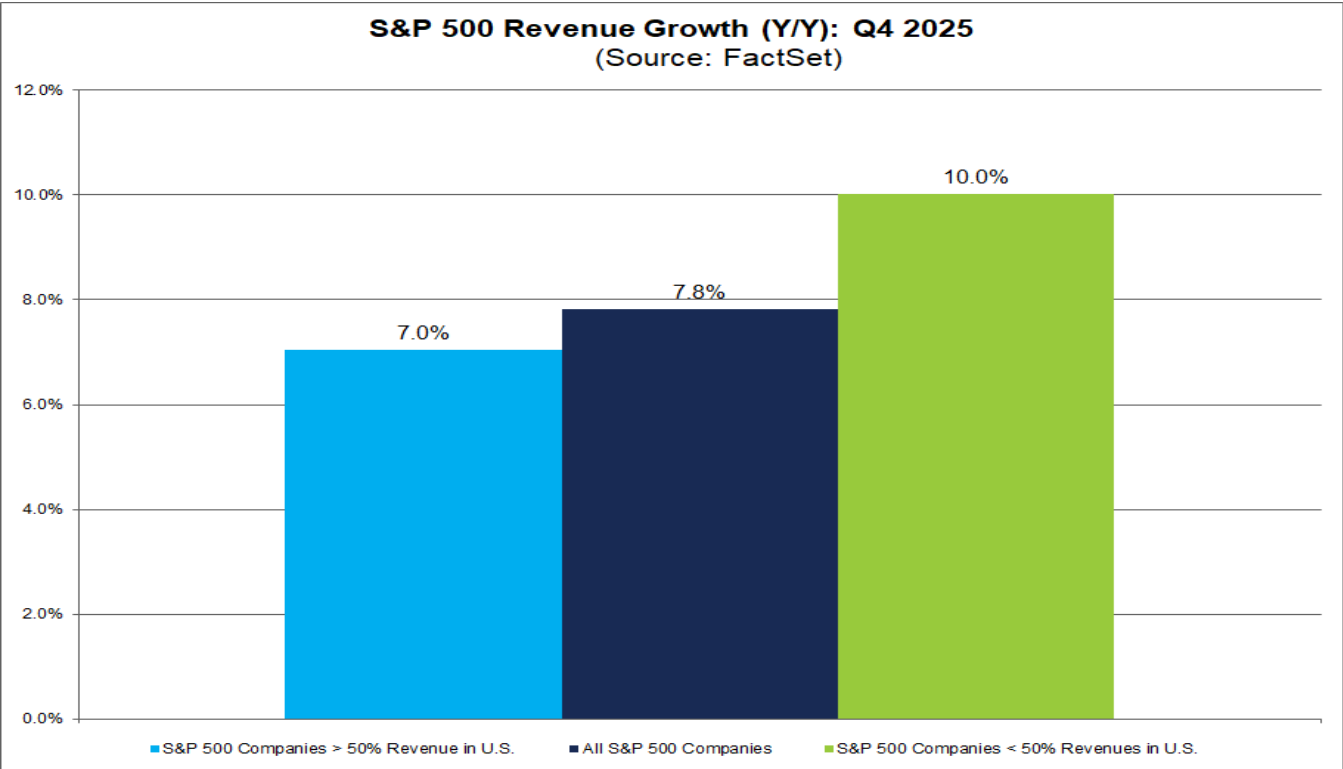
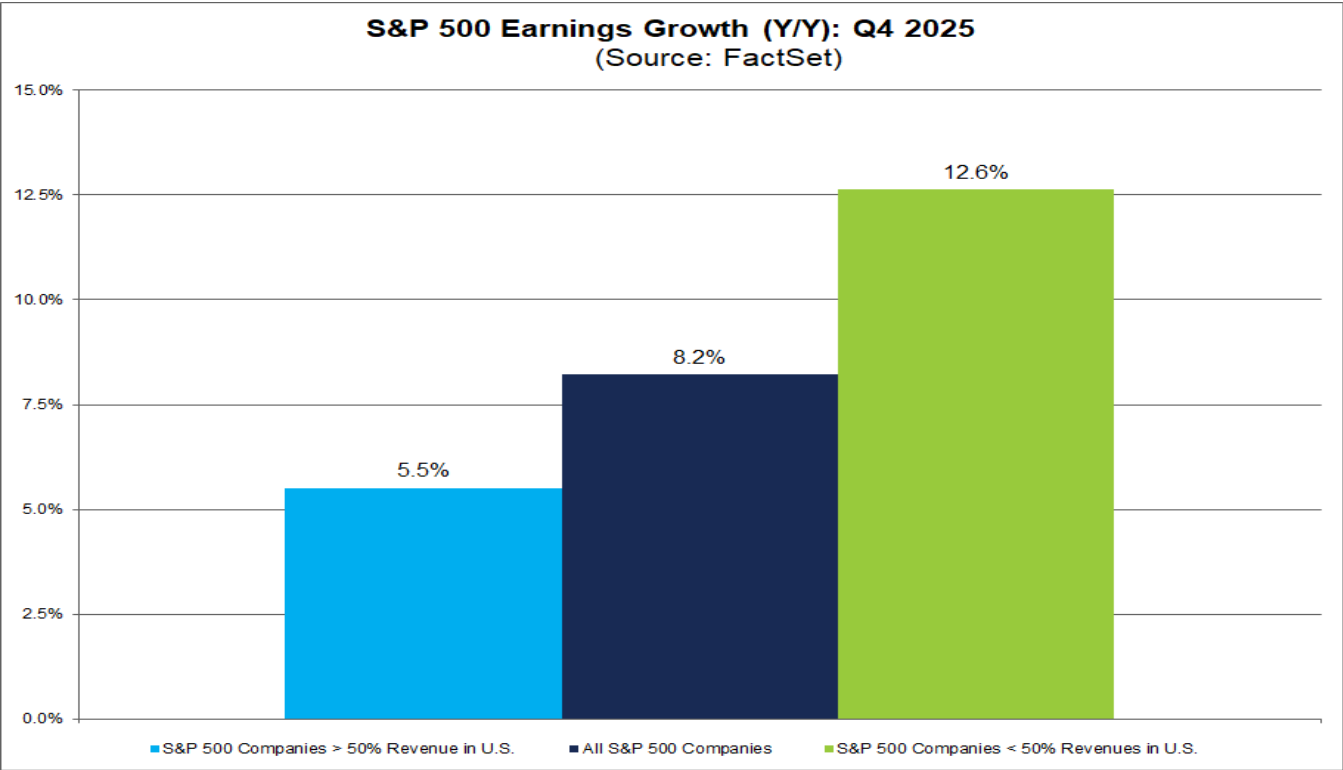
Q4 2025: Surprise



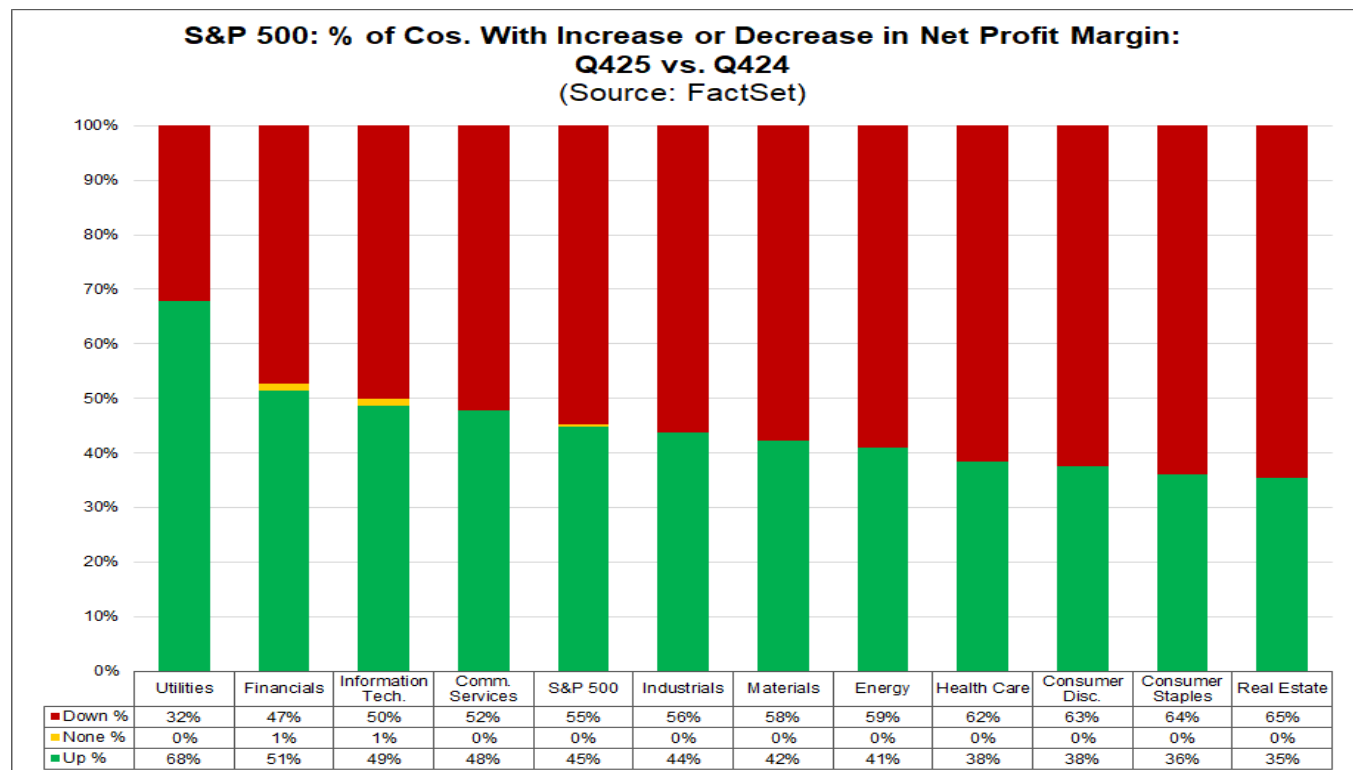
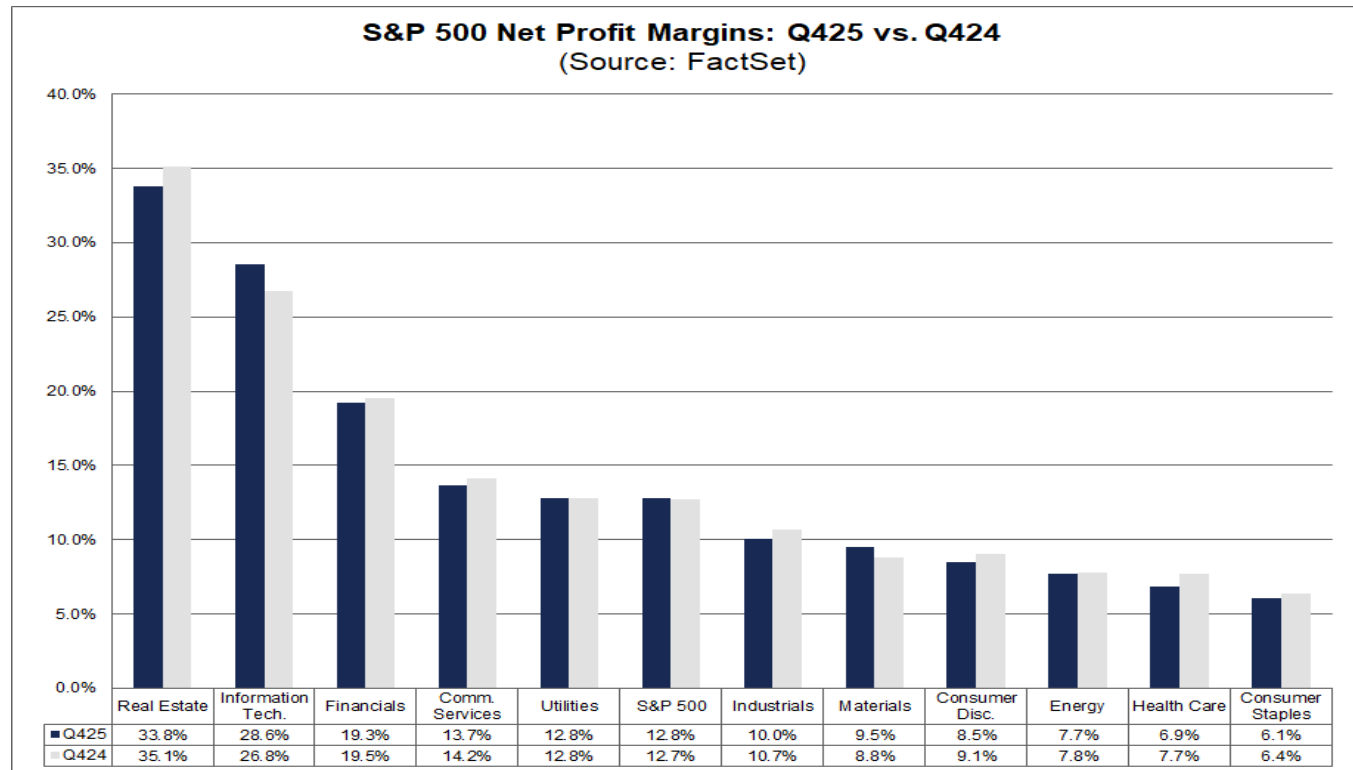
Q4 2025: Growth



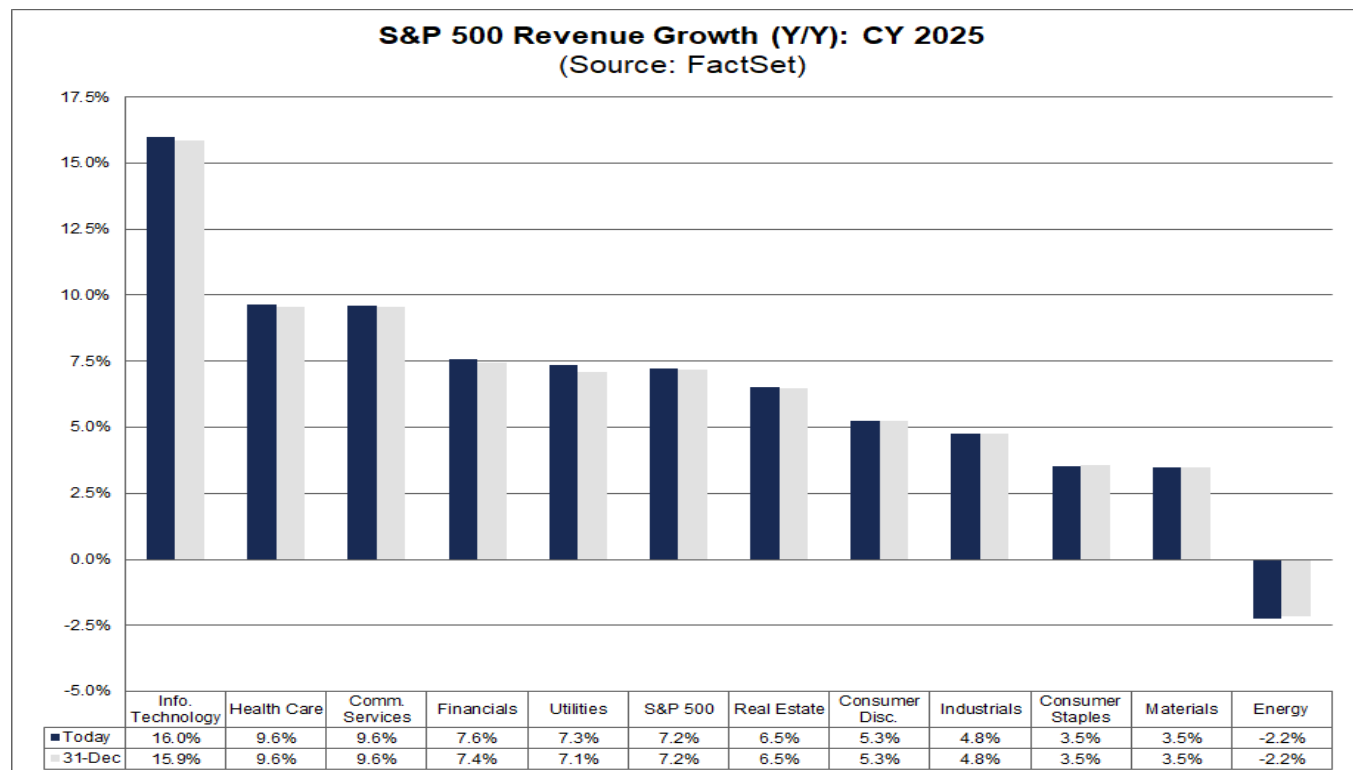
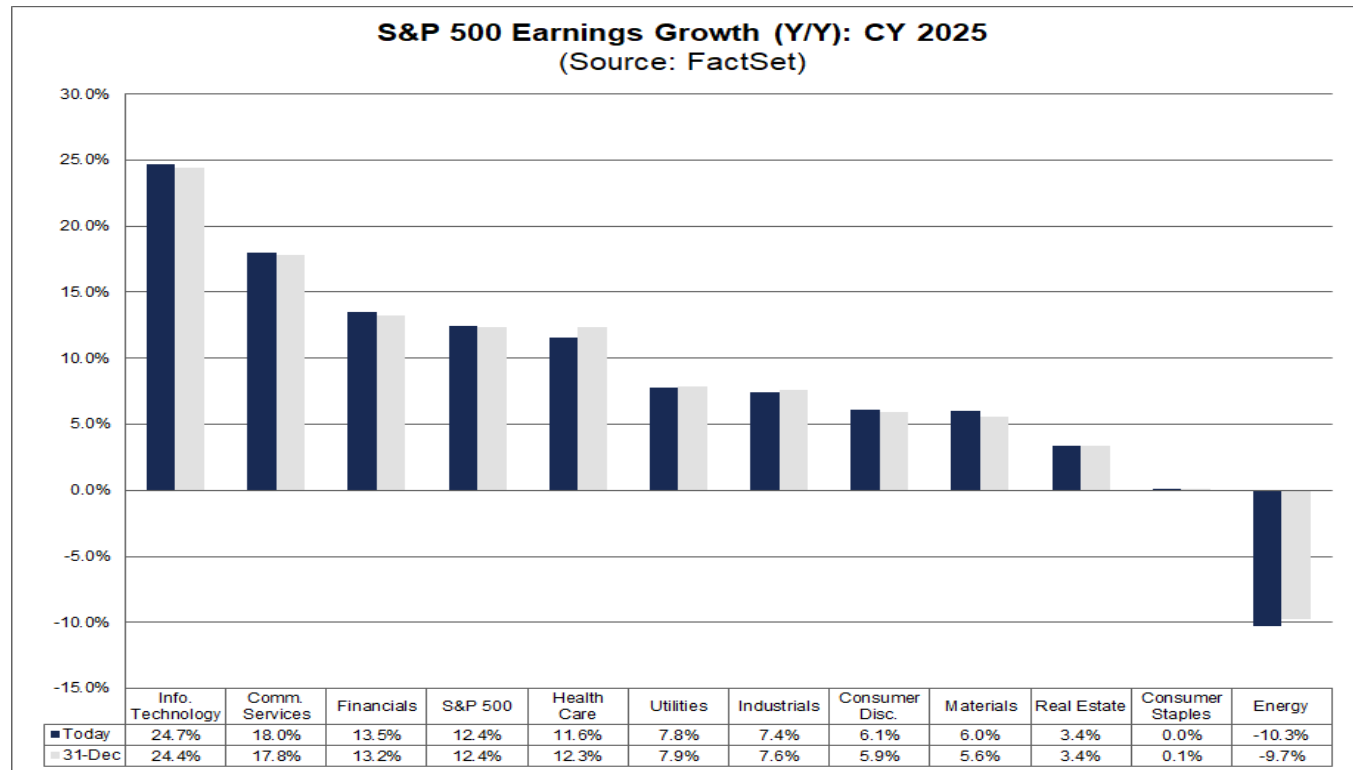
Q4 2025: Growth



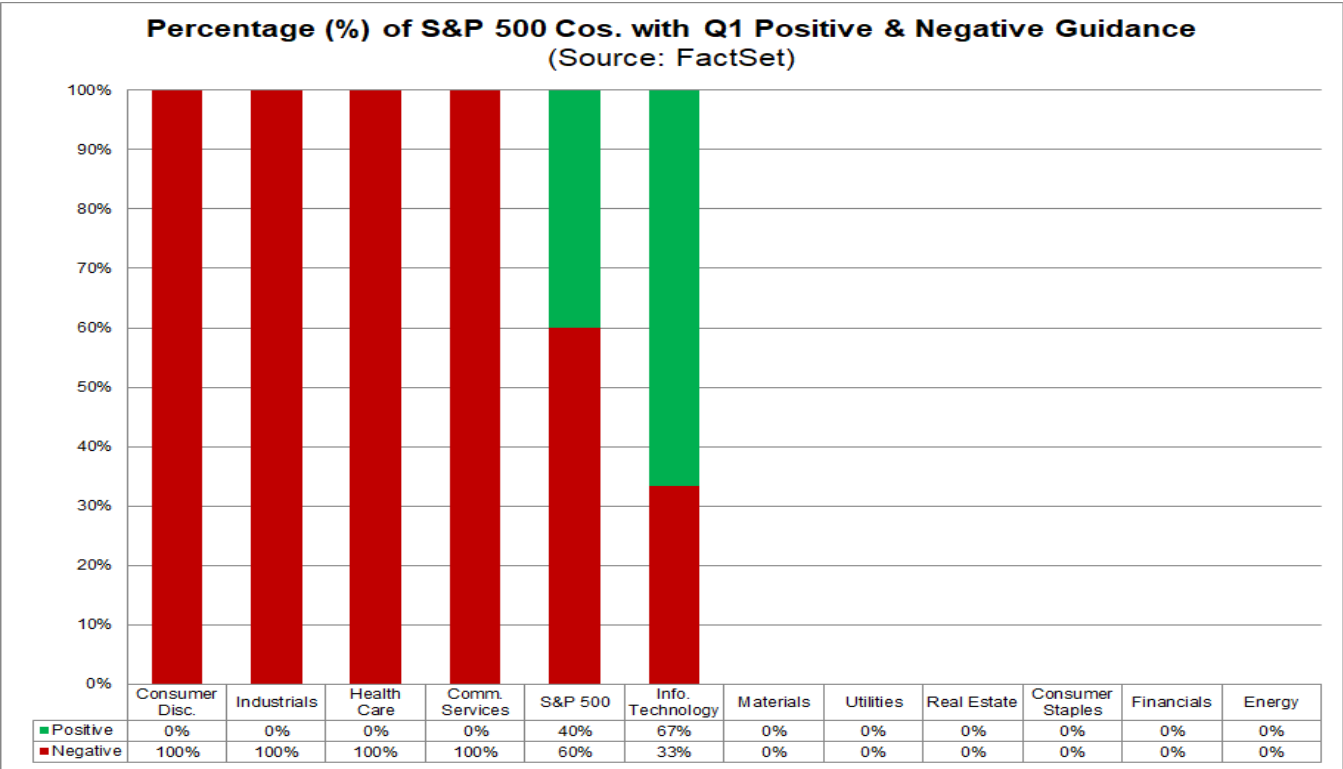
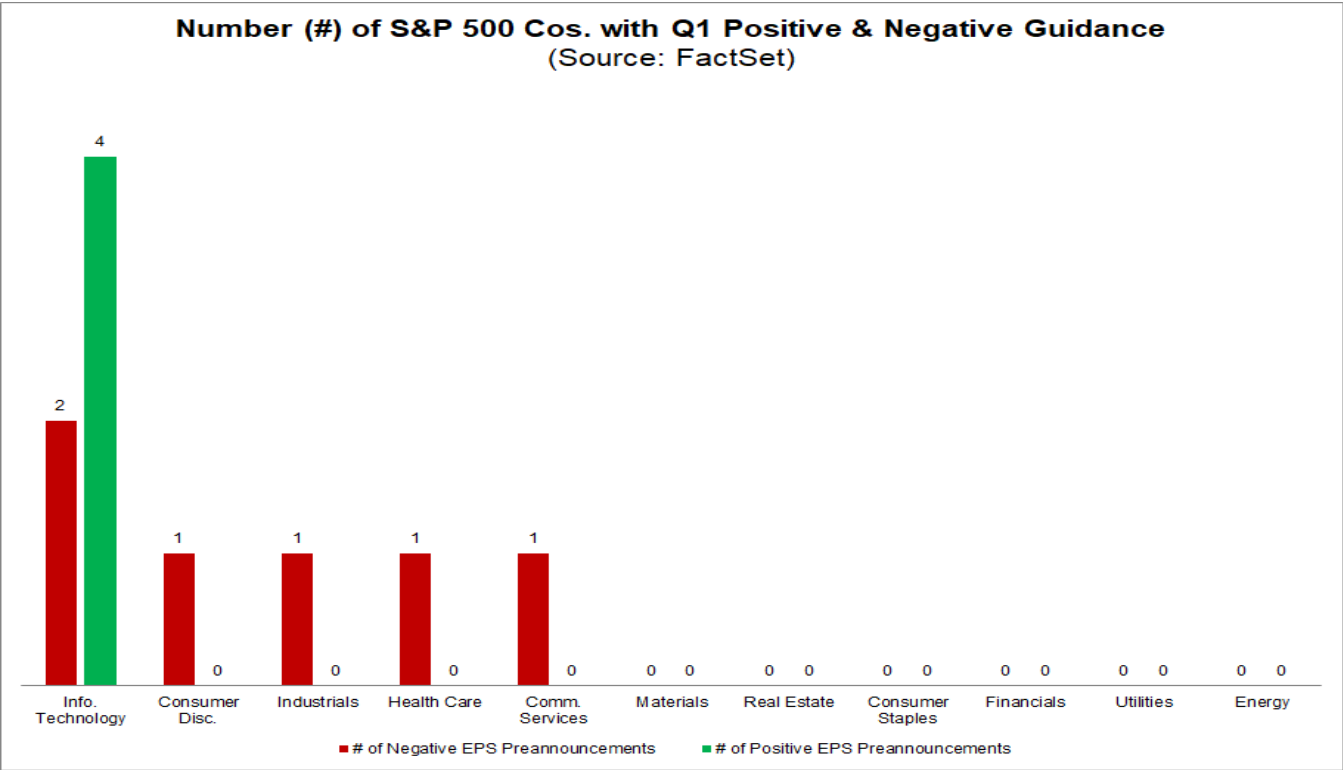
Q4 2025: Net Profit Margin



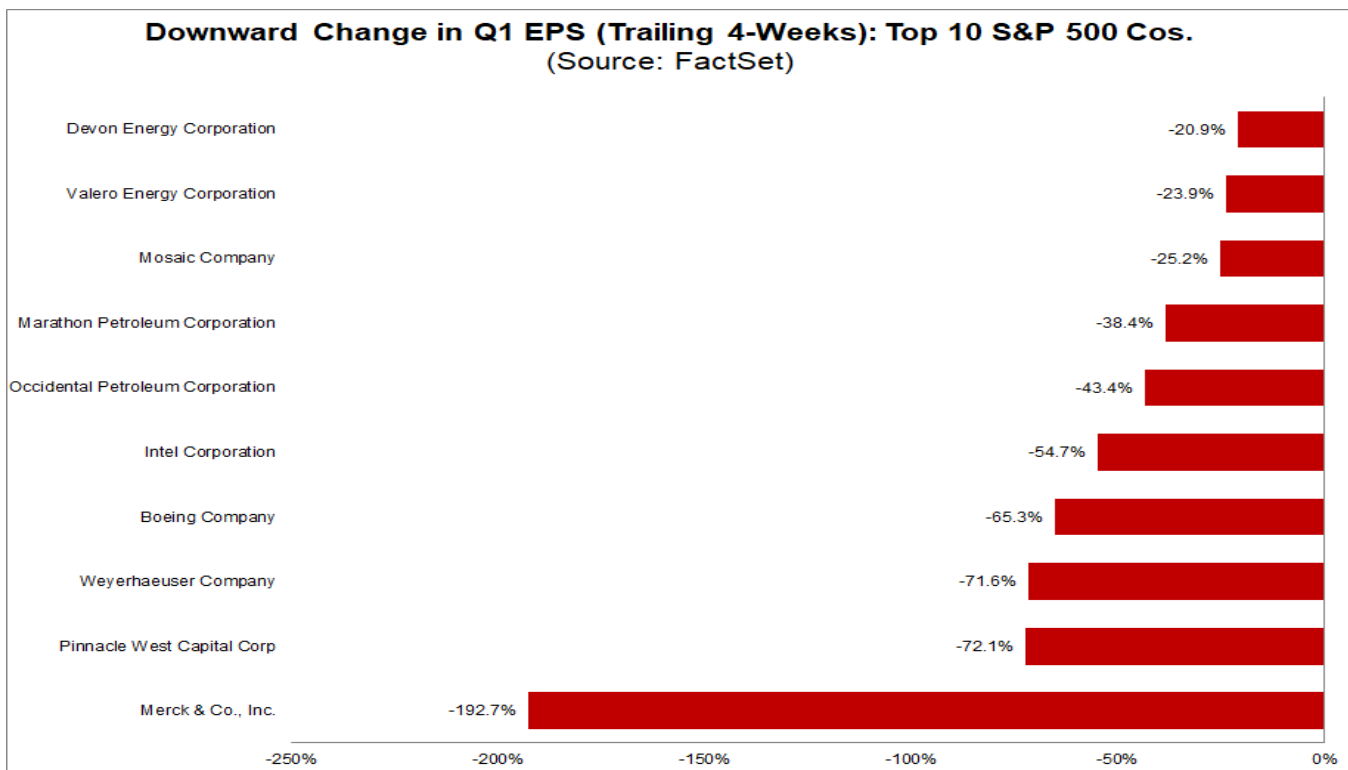
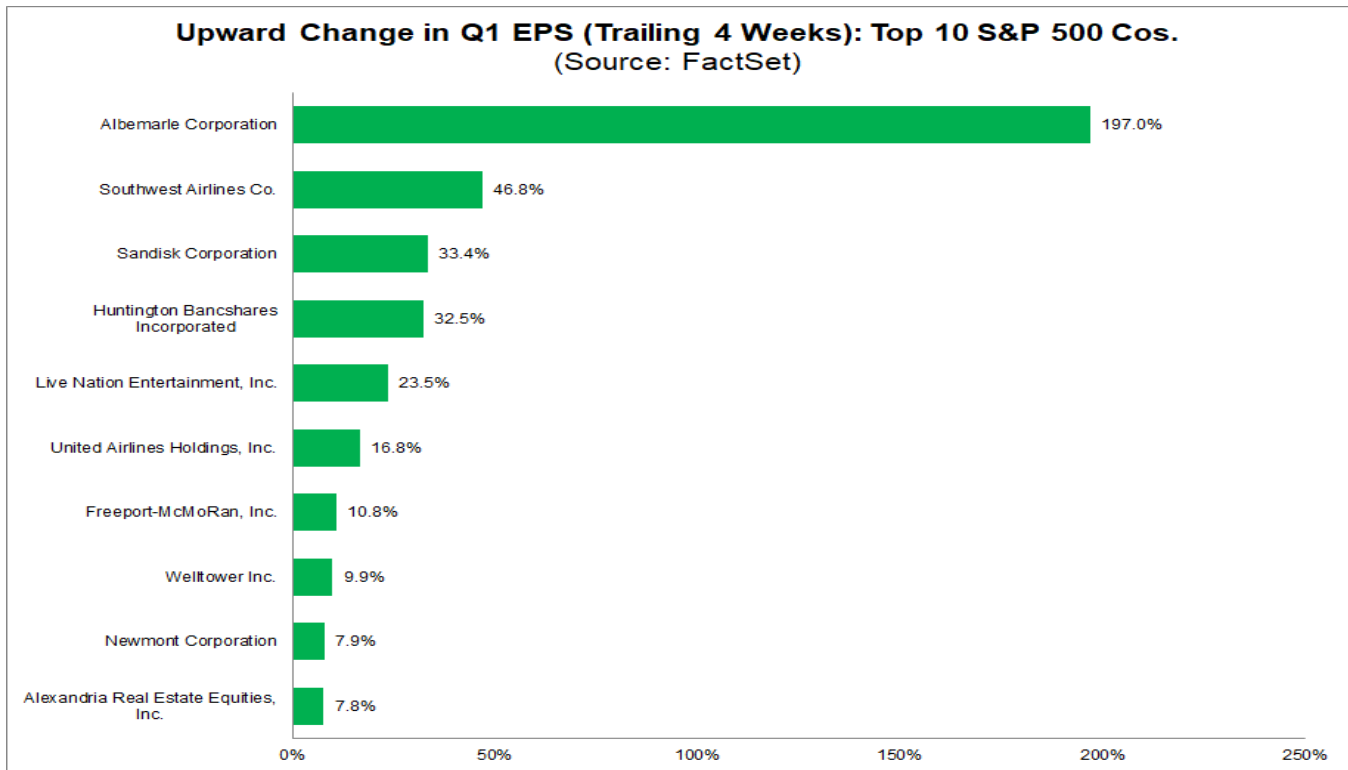
CY 2025: Growth



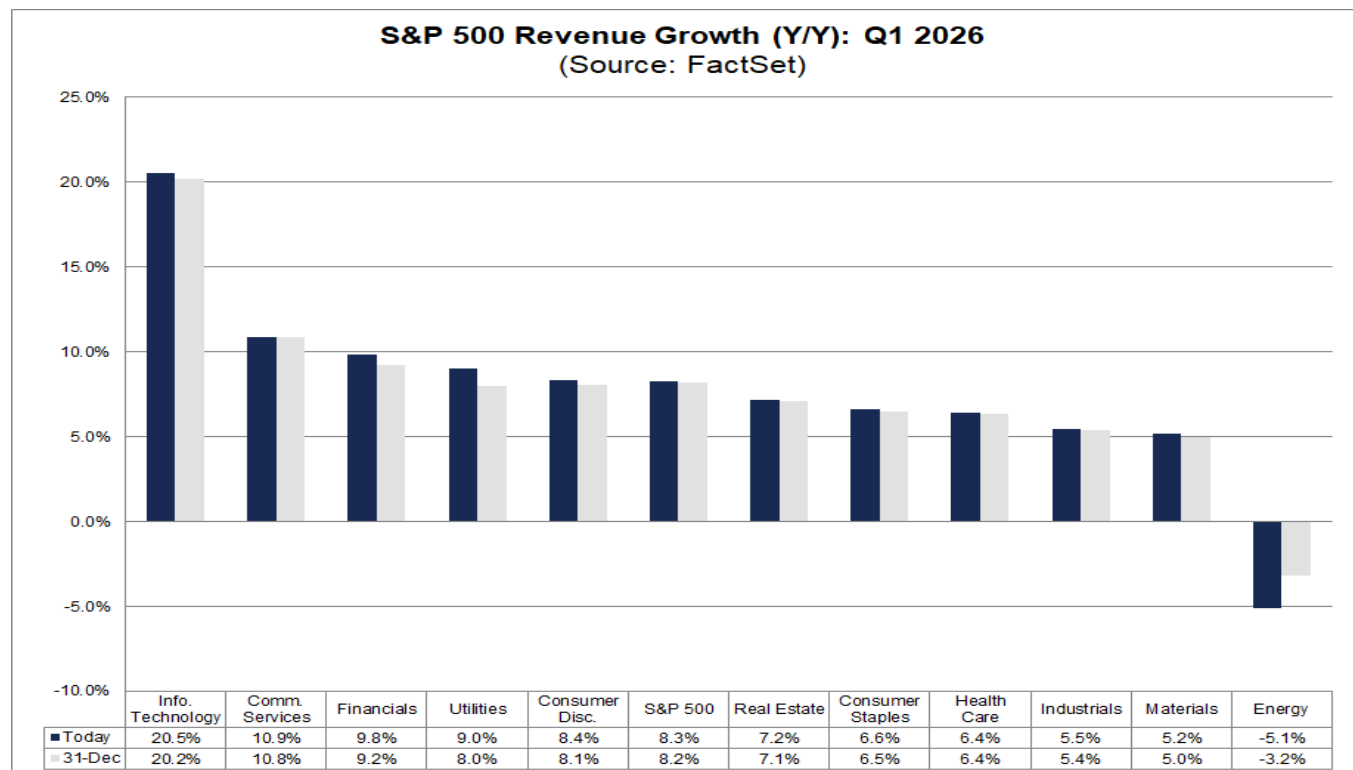
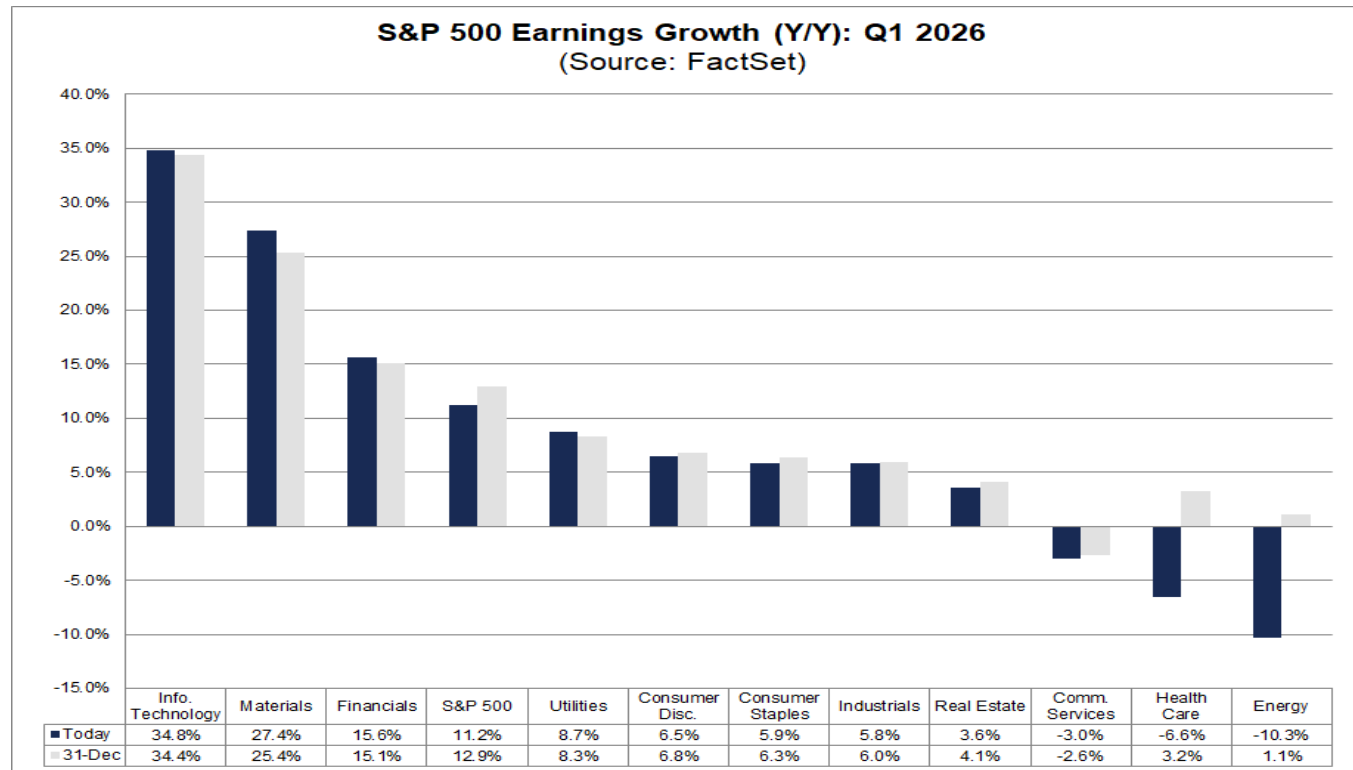
Q1 2026: Guidance



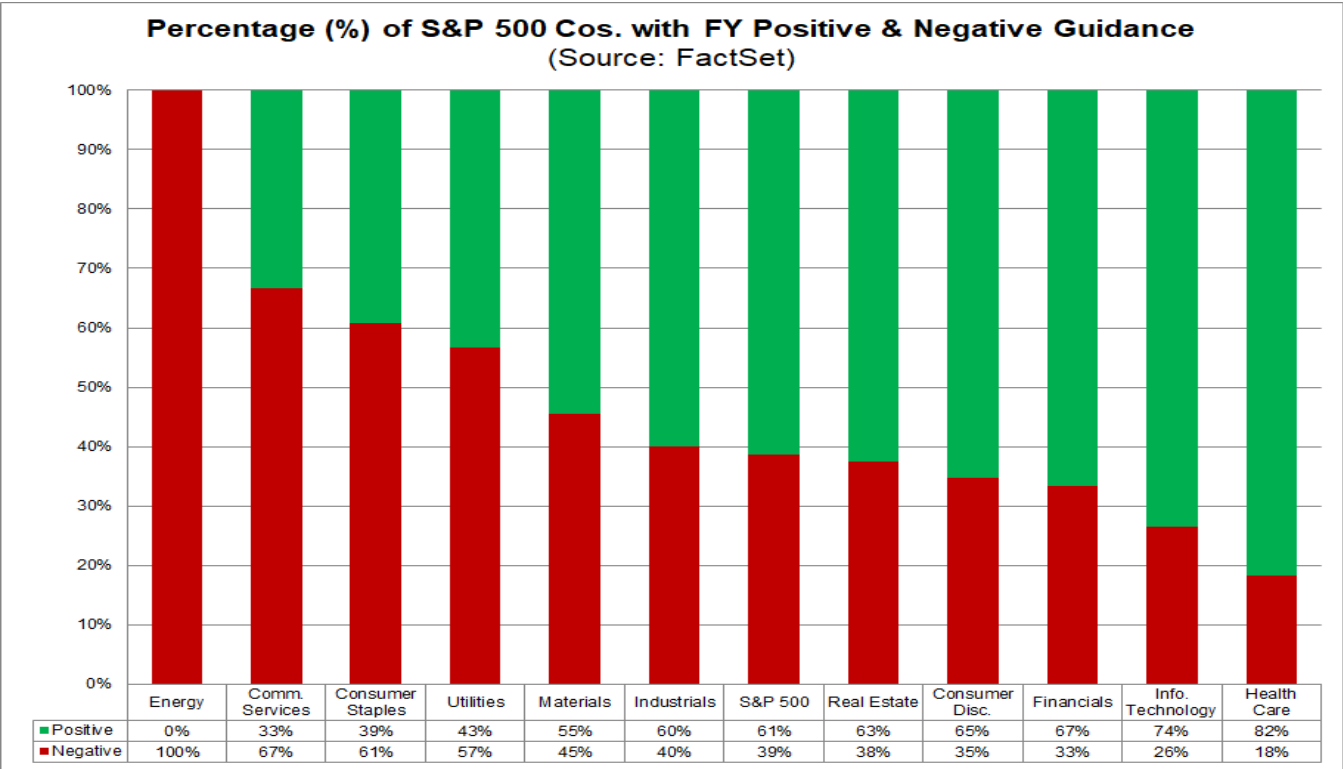
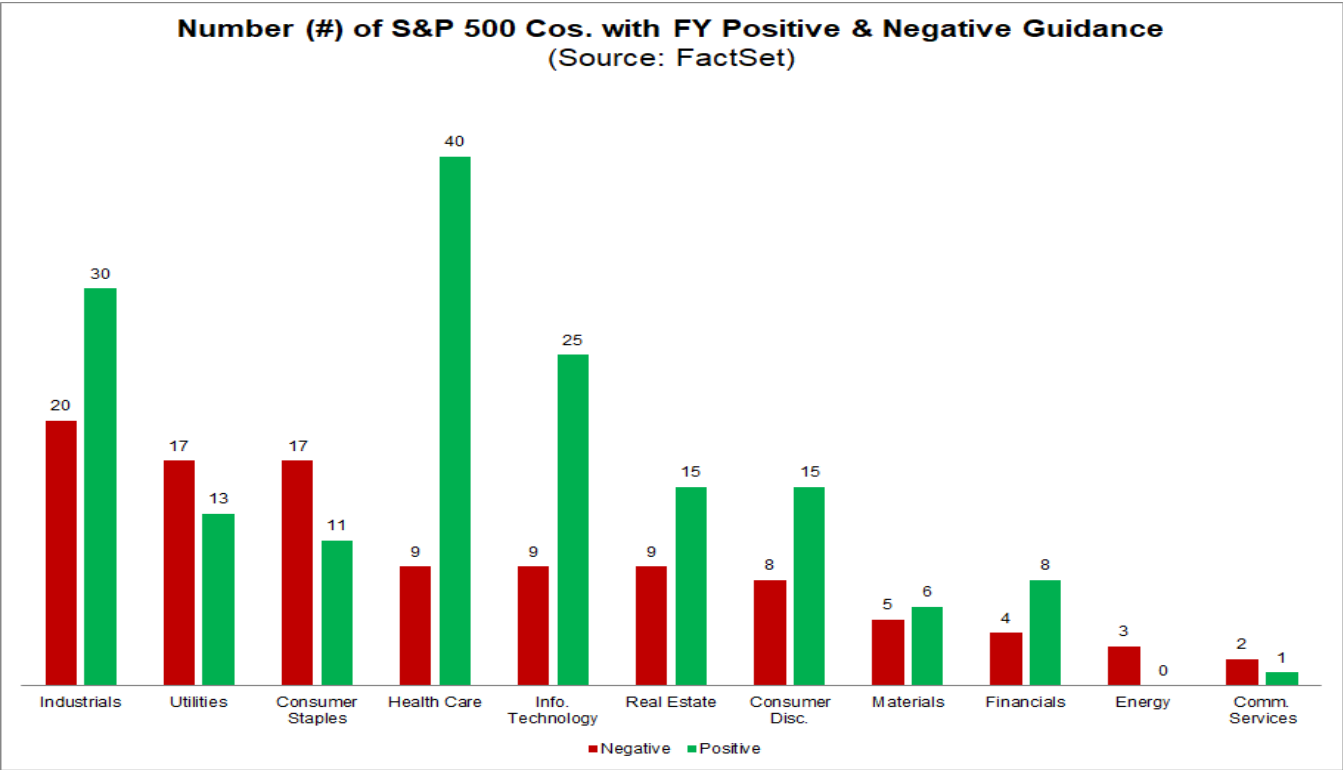
Q1 2026: EPS Revisions



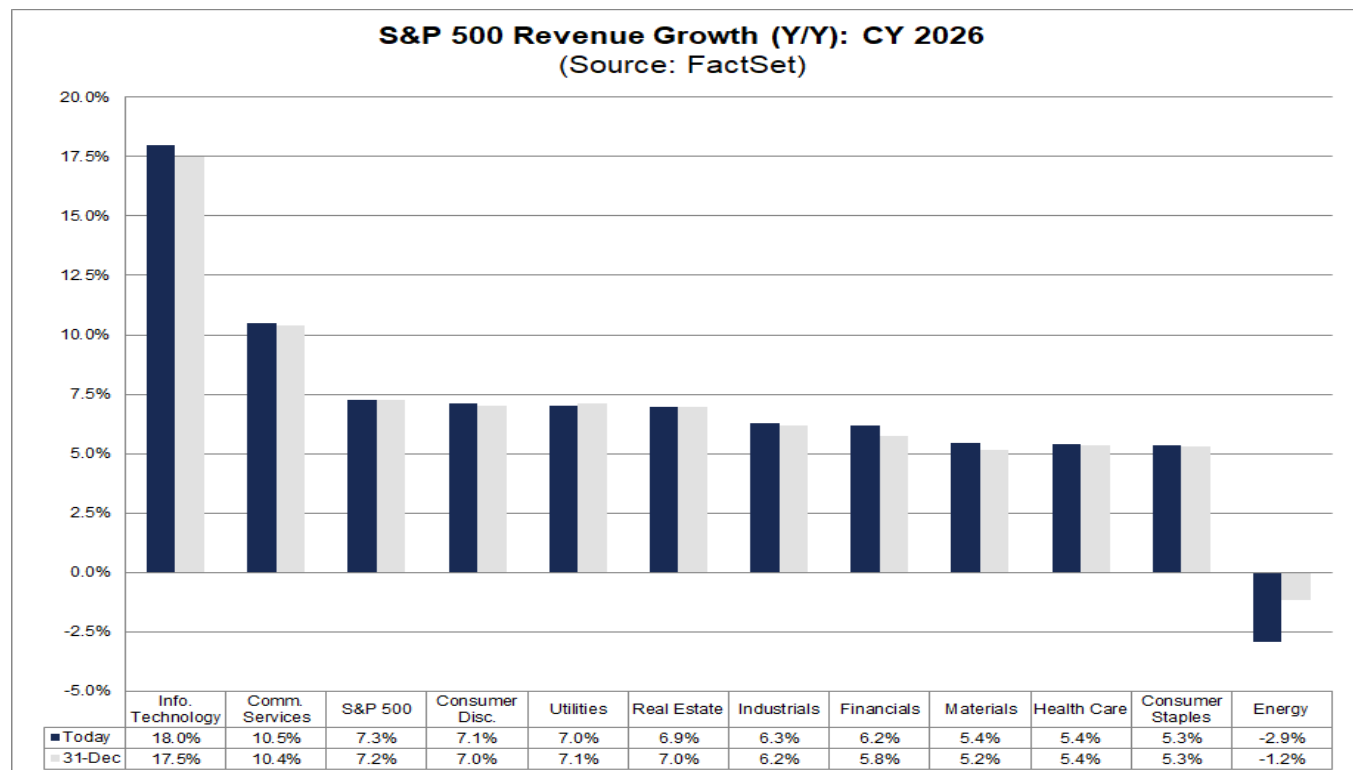
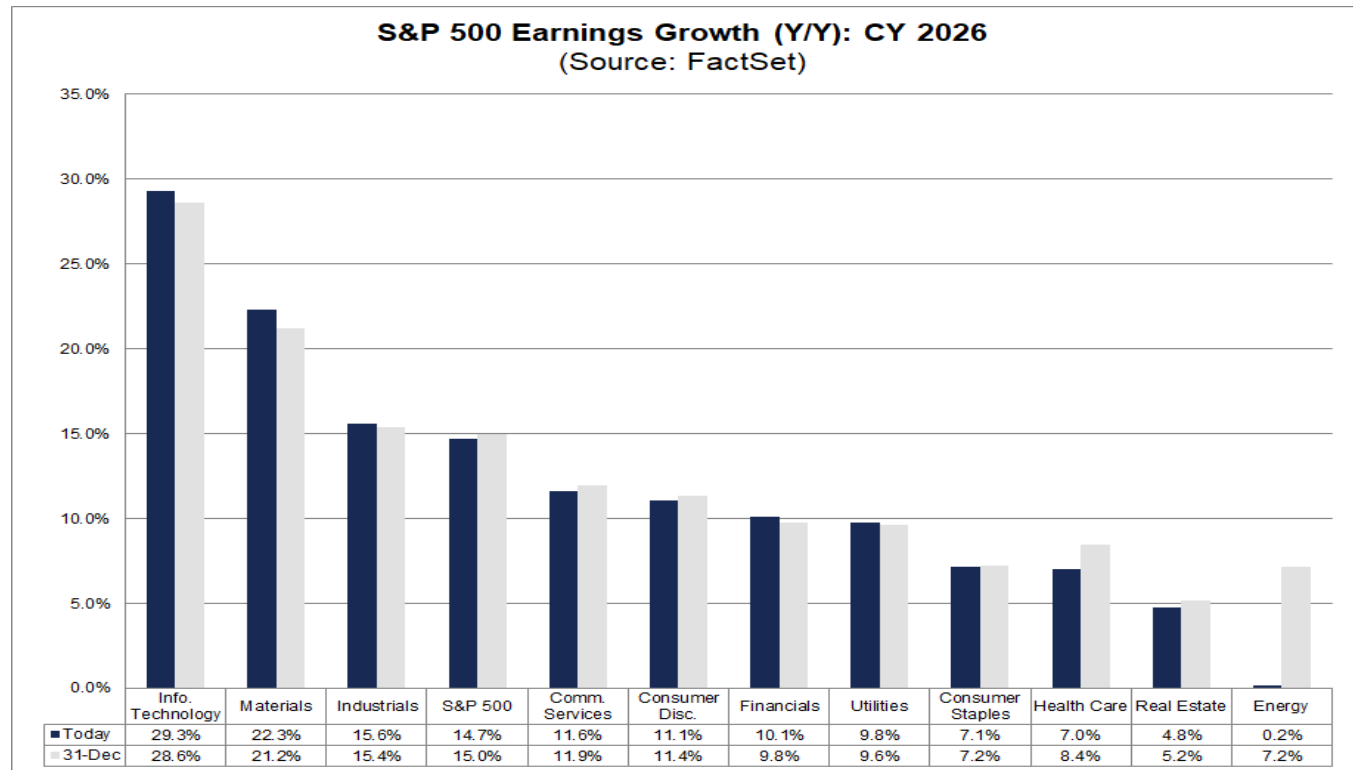
Q1 2026: Growth



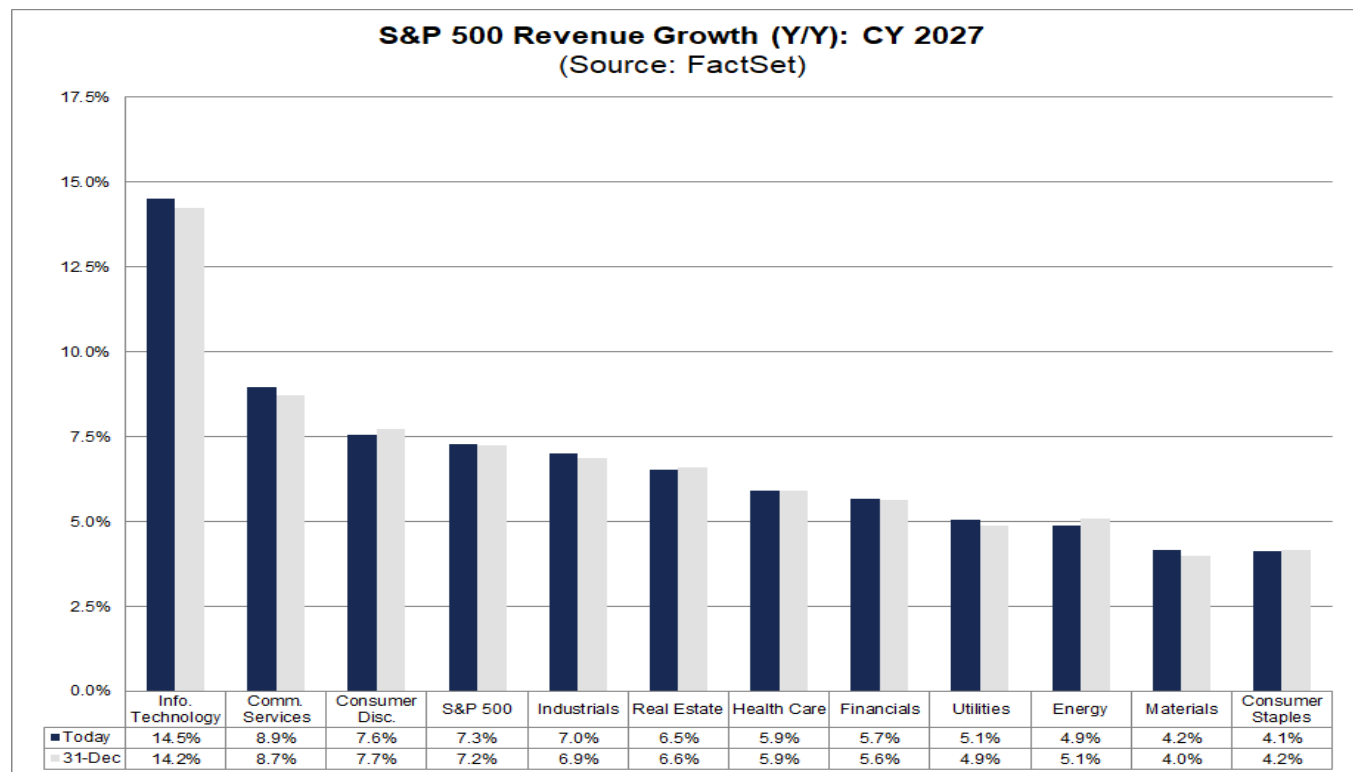
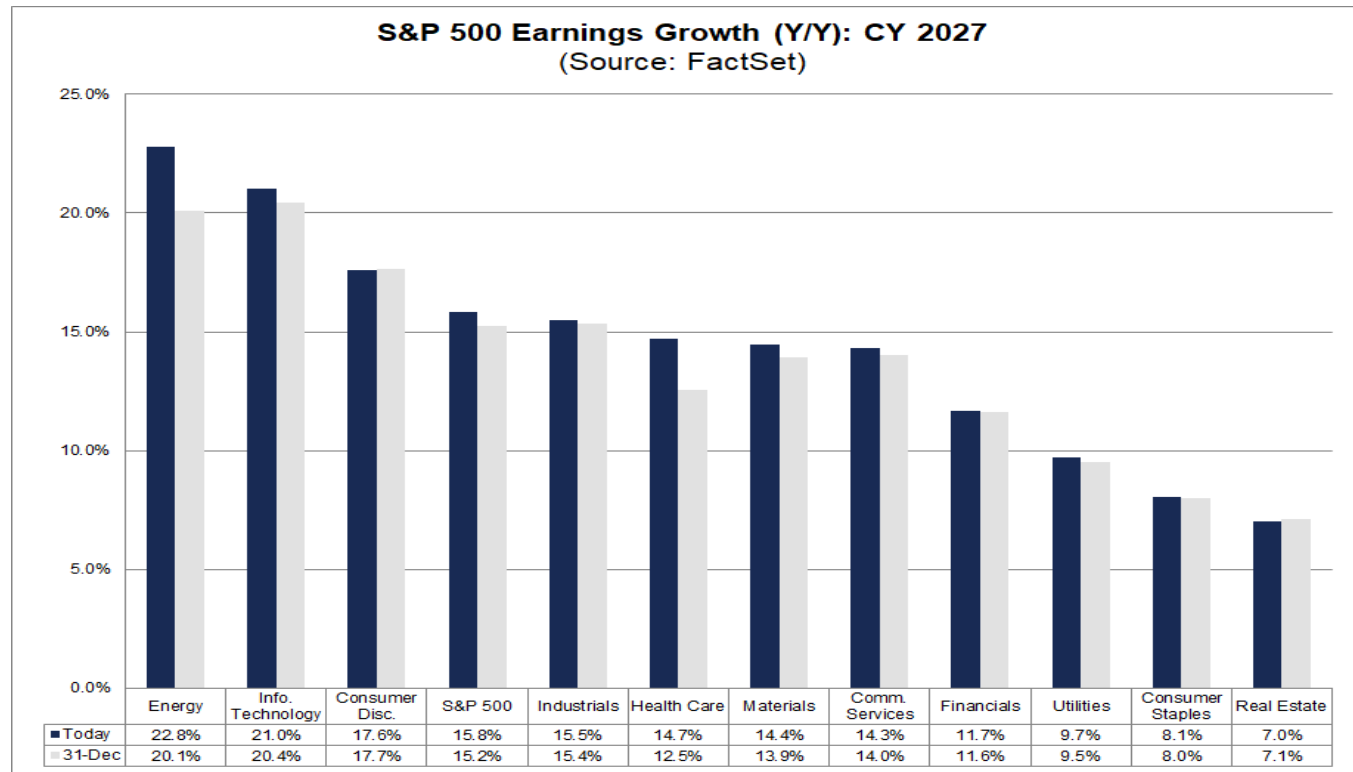
FY 2025 / 2026: EPS Guidance



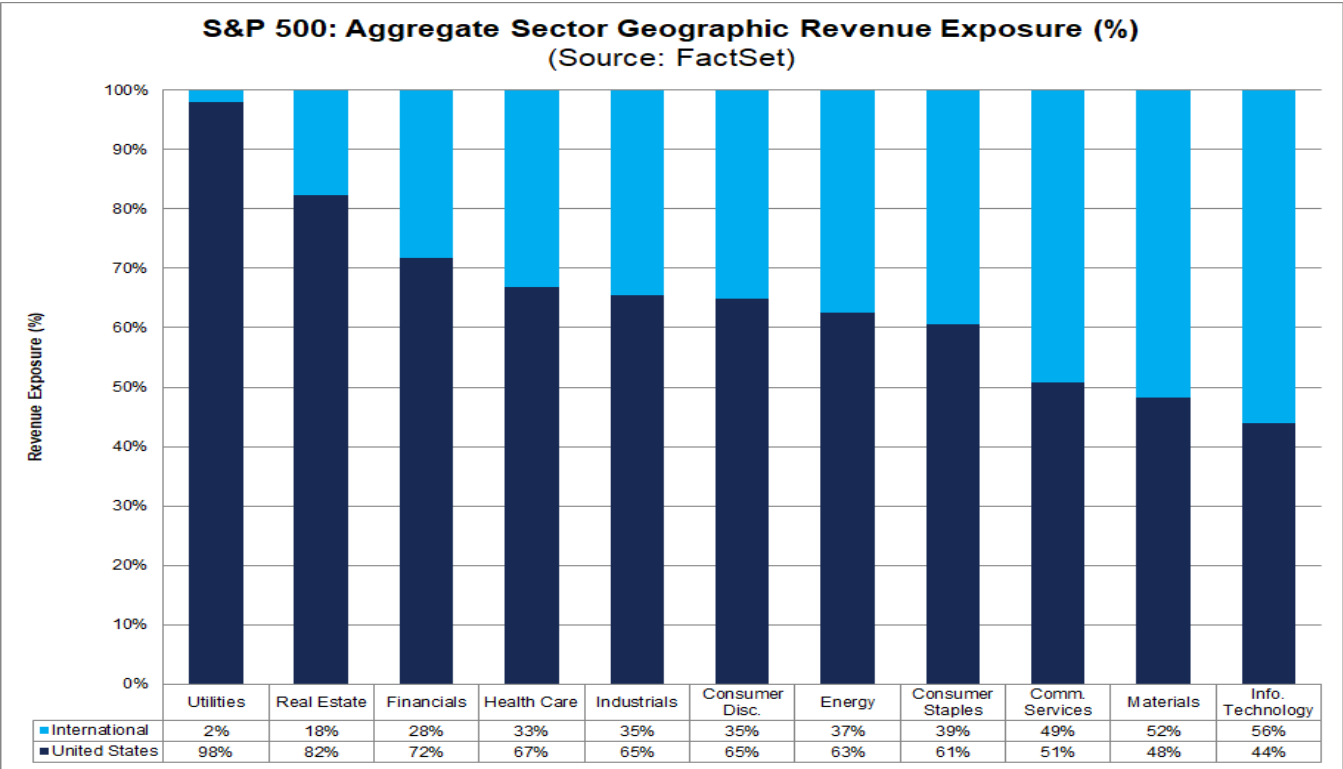
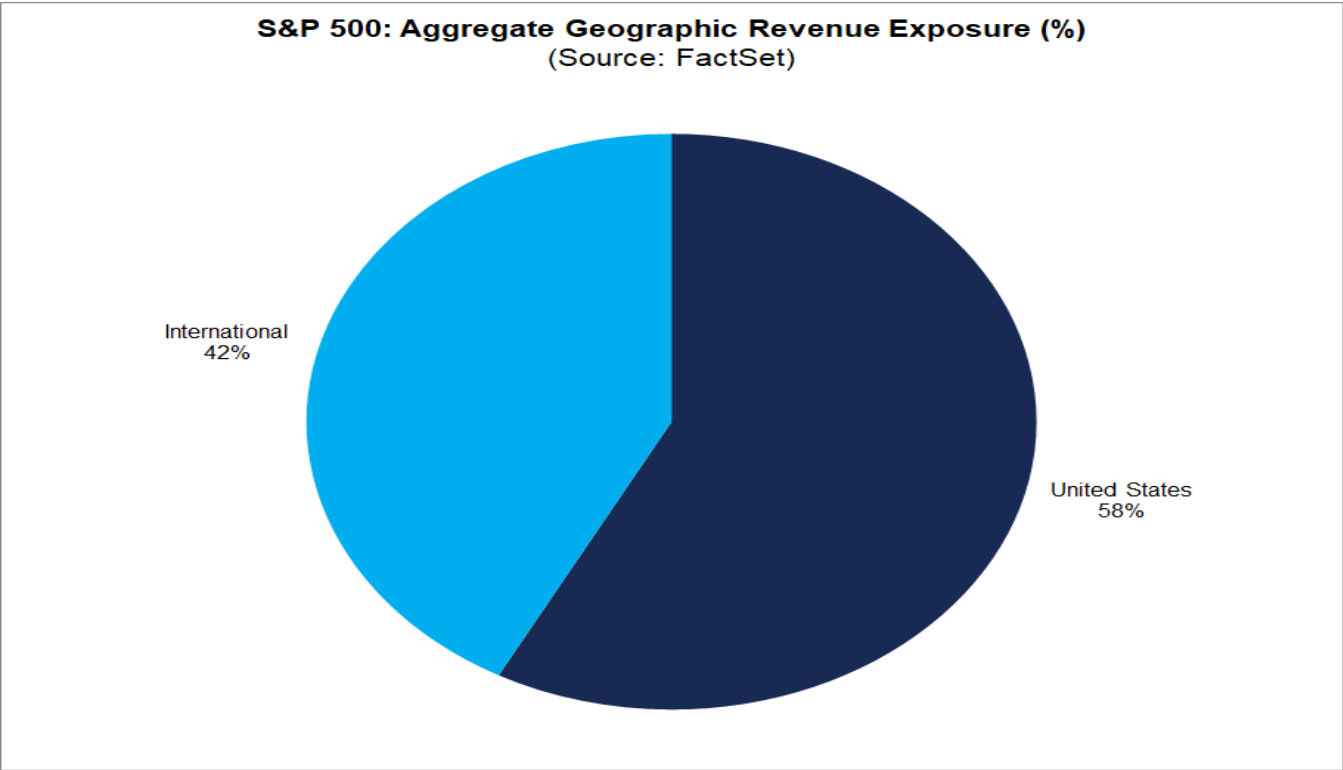
CY 2026: Growth



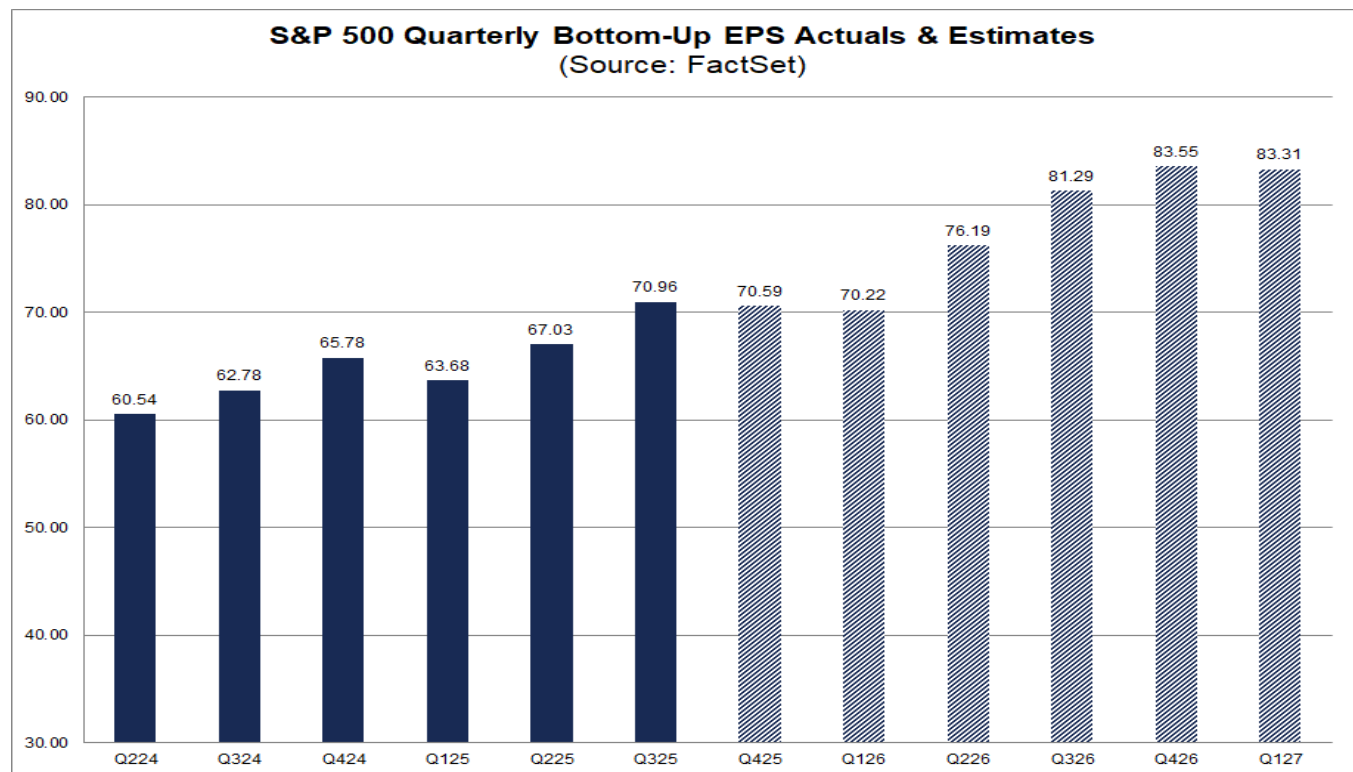
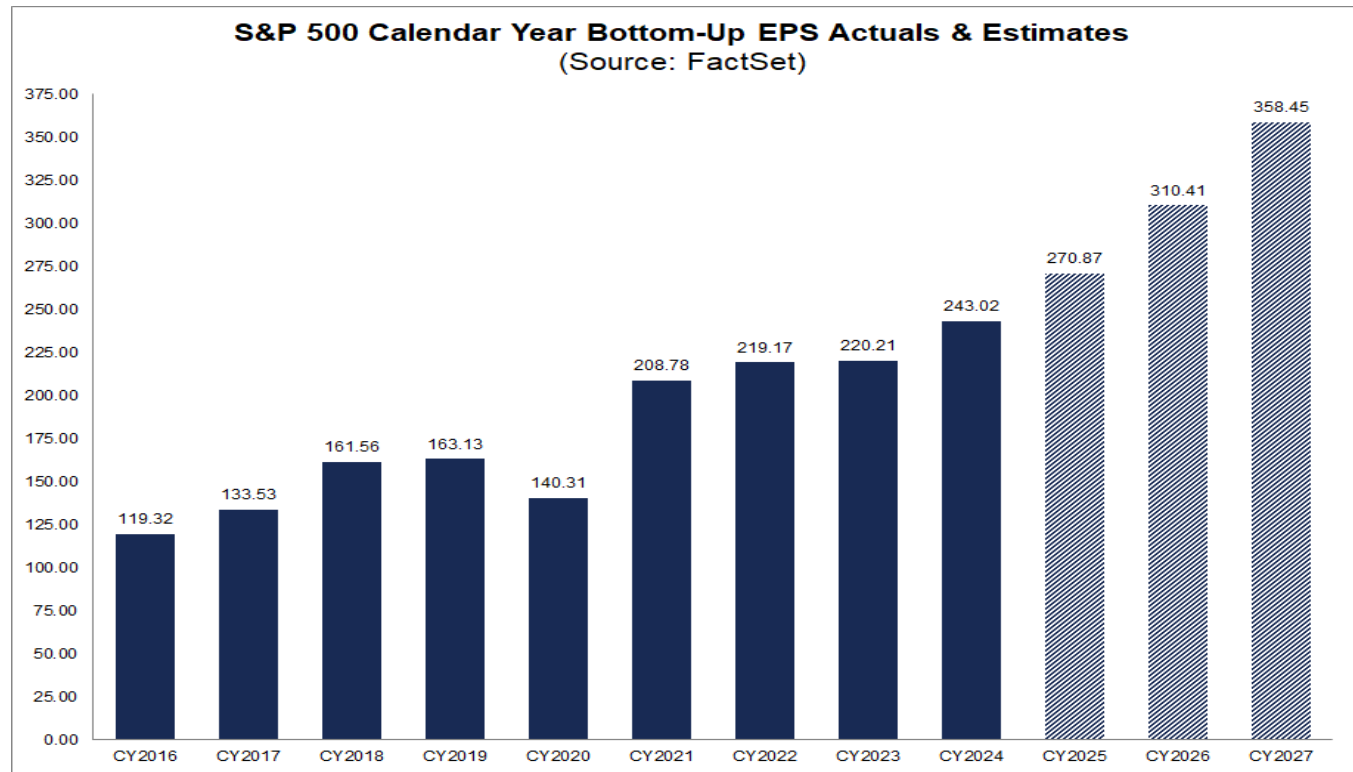
CY 2027: Growth



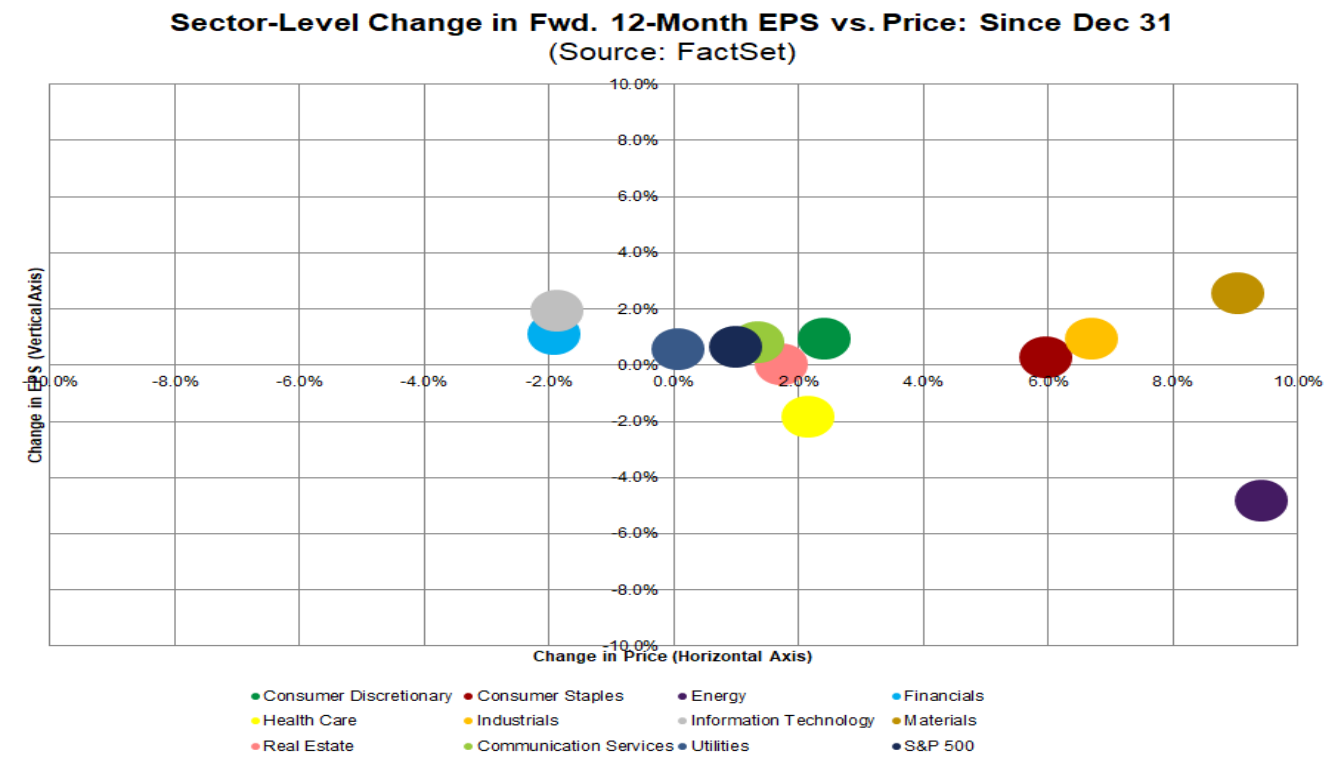
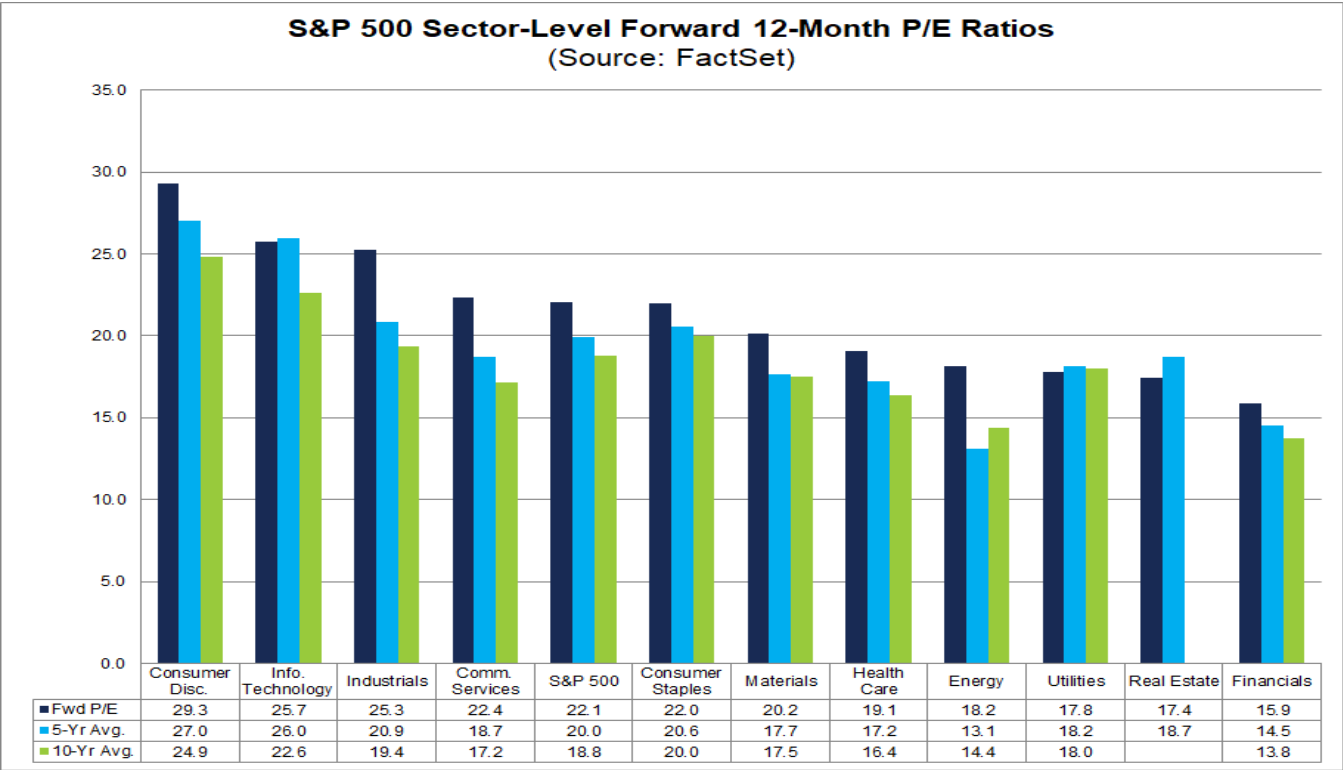
Geographic Revenue Exposure



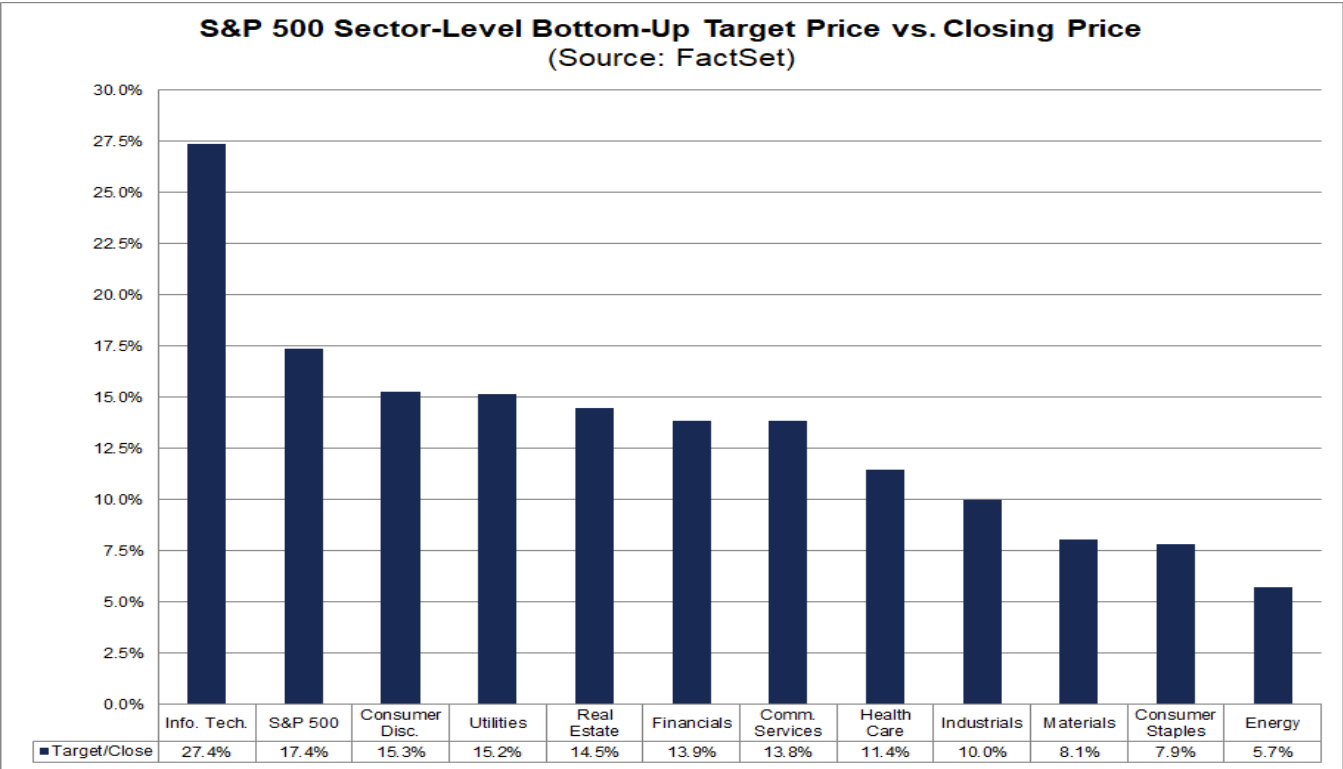
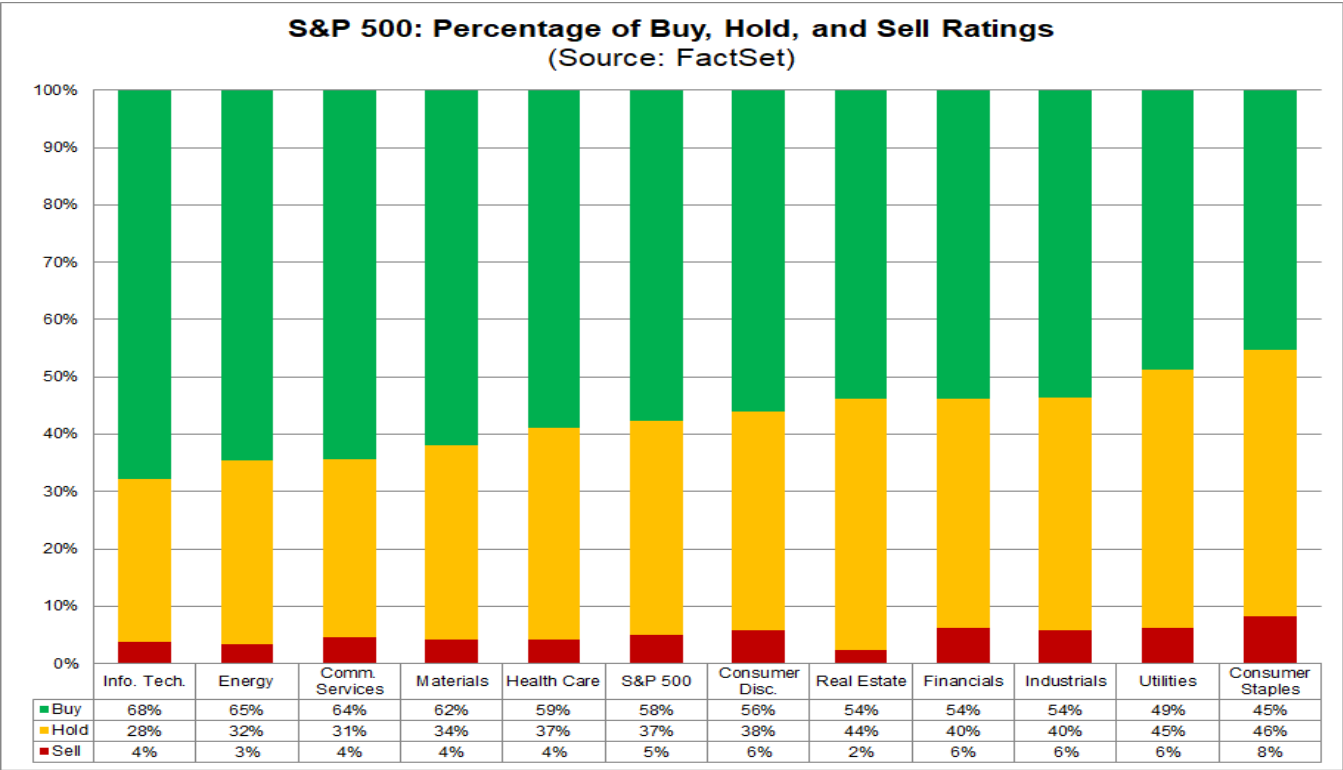
Bottom-Up EPS Estimates: Current & Historical



Forward 12M P/E Ratio: Sector Level



Targets & Ratings



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) supercharges financial intelligence, offering enterprise data and information solutions that power our clients to maximize their potential. Our cutting-edge digital platform seamlessly integrates proprietary financial data, client datasets, third-party sources, and flexible technology to deliver tailored solutions across the buy-side, sell-side, wealth management, private equity, and corporate sectors. With over 47 years of expertise, offices in 19 countries, and extensive multi-asset class coverage, we leverage advanced data connectivity alongside AI and next-generation tools to streamline workflows, drive productivity, and enable smarter, faster decision-making. Serving more than 9,000 global clients and over 239,000 individual users, FactSet is a member of the S&P 500 dedicated to innovation and long-term client success. Learn more at www.factset.com and follow us on [X](#) and [LinkedIn](#).