

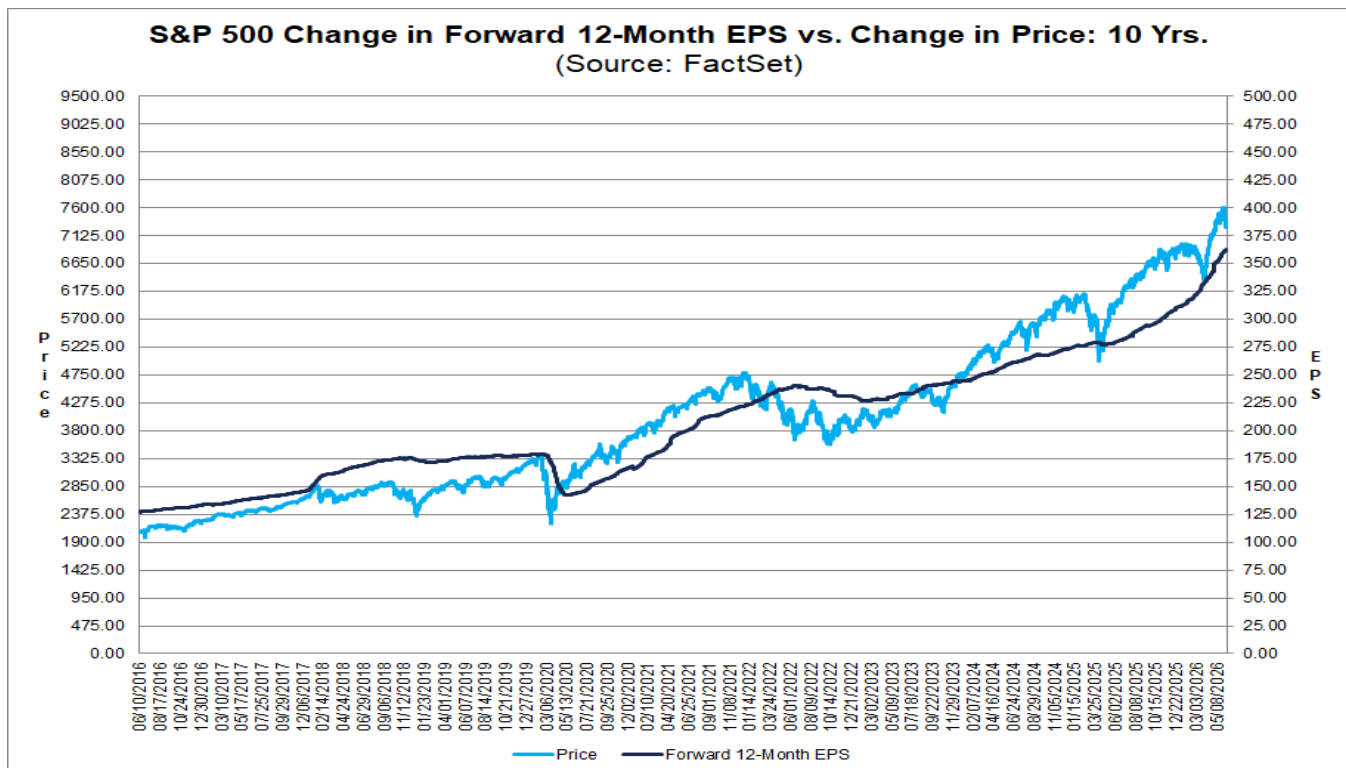
John Butters
 VP, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

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Key Metrics

- Earnings Growth:** For Q2 2026, the estimated (year-over-year) earnings growth rate for the S&P 500 is 21.9%. If 21.9% is the actual growth rate for the quarter, it will mark the second-straight quarter of earnings growth above 20% for the index.
- Earnings Revisions:** On March 31, the estimated (year-over-year) earnings growth rate for the S&P 500 for Q2 2026 was 18.7%. Five sectors are expected to report higher earnings today (compared to March 31) due to upward revisions to EPS estimates.
- Earnings Guidance:** For Q2 2026, 47 S&P 500 companies have issued negative EPS guidance and 62 S&P 500 companies have issued positive EPS guidance.
- Valuation:** The forward 12-month P/E ratio for the S&P 500 is 20.1. This P/E ratio is above the 5-year average (19.9) and above the 10-year average (19.0).
- Earnings Scorecard:** For Q2 2026 (with 5 S&P 500 companies reporting actual results), 3 S&P 500 companies have reported a positive EPS surprise and 3 S&P 500 companies have reported a positive revenue surprise.



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Topic of the Week: 1

Highest Number of S&P 500 Earnings Calls Citing “AI” Over The Past 10 Years

Artificial intelligence has been a focus topic for the market for the past few years. Given the heightened interest, did more S&P 500 companies than normal comment on “AI” during their earnings conference calls for the first quarter?

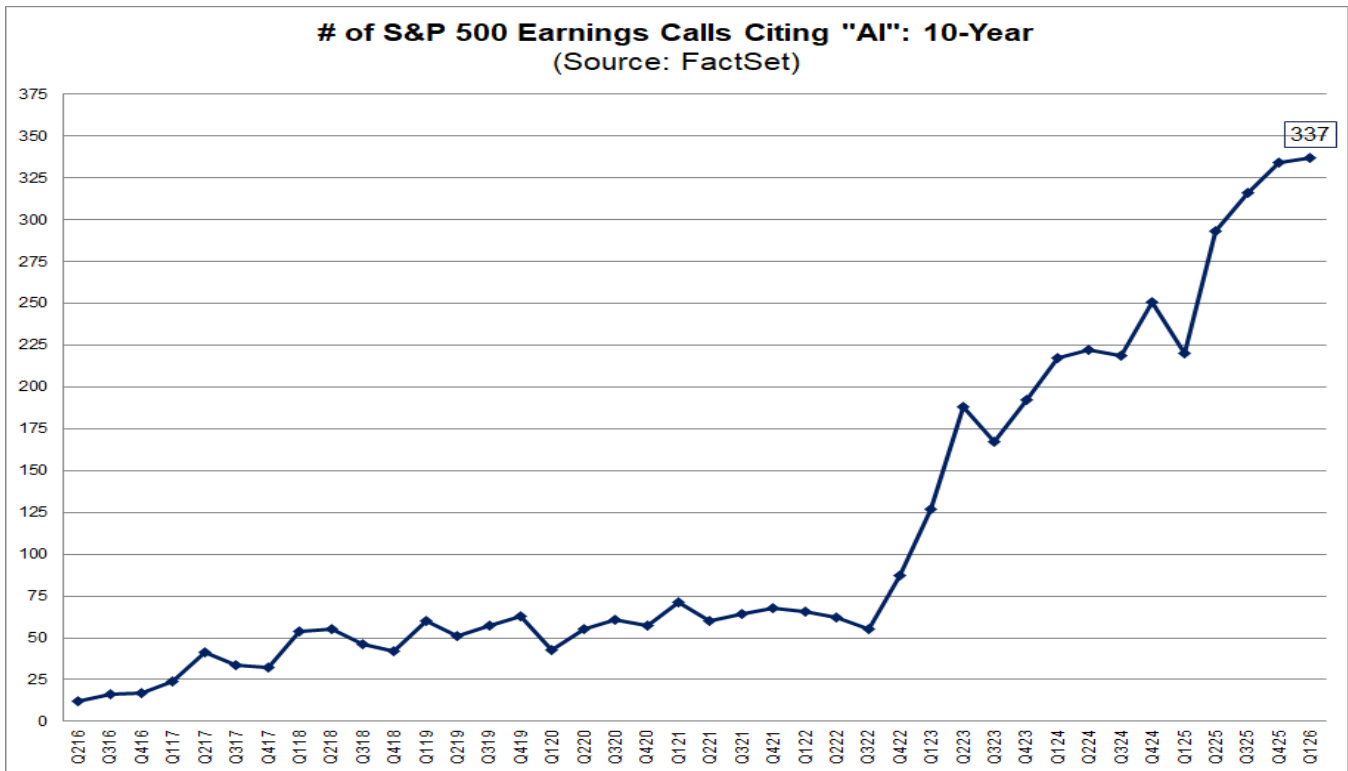
The answer is yes. FactSet searched for the term “AI” in the conference call transcripts of all the S&P 500 companies that conducted earnings conference calls from March 15 through June 11.

Overall, the term “AI” was cited on 337 earnings calls conducted by S&P 500 companies during this period. This number is well above the 5-year average of 164 and the 10-year average of 103.

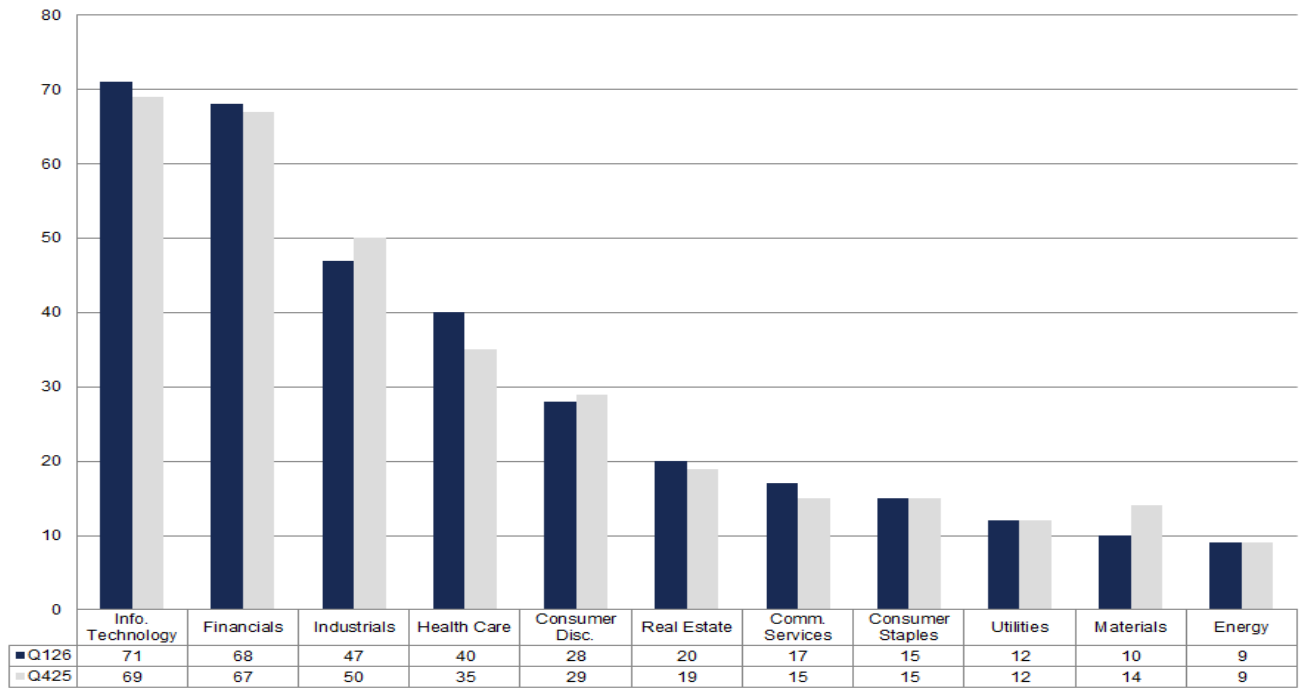
In fact, this is the highest number of S&P 500 earnings calls on which “AI” has been cited over the past 10 years (using current index constituents going back in time). The previous record over the past 10 years was 334, which occurred in the previous quarter (Q4 2025). This number also reflects 68% (337 out of 498) of the earnings calls conducted by S&P 500 companies during this period.

At the sector level, the Information Technology (71) and Financials (69) sectors have the highest number of earnings calls citing “AI” for Q1, while the Information Technology (97%), Communication Services (94%), and Financials (92%) sectors have the highest percentages of earnings calls citing “AI” for Q1.

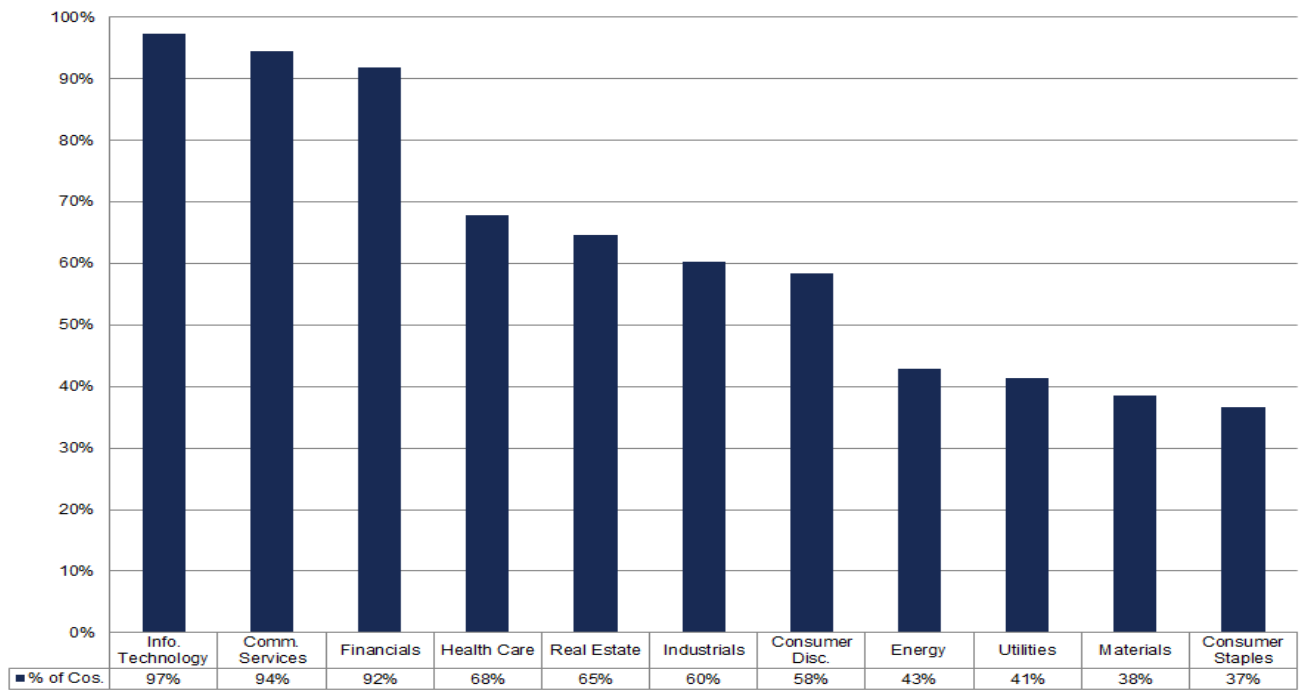
S&P 500 companies that have cited “AI” on Q1 earnings calls have seen a higher average price increase compared to S&P 500 companies that have not cited “AI” on Q1 earnings calls since March 31, 2026 (12.7% vs. 2.6%) and since December 31, 2025 (13.1% vs. 7.7%). However, S&P 500 companies that have cited “AI” on Q1 earnings calls have seen a lower median price increase compared to S&P 500 companies that have not cited “AI” on earnings calls since December 31, 2025 (5.5% vs. 6.2%).

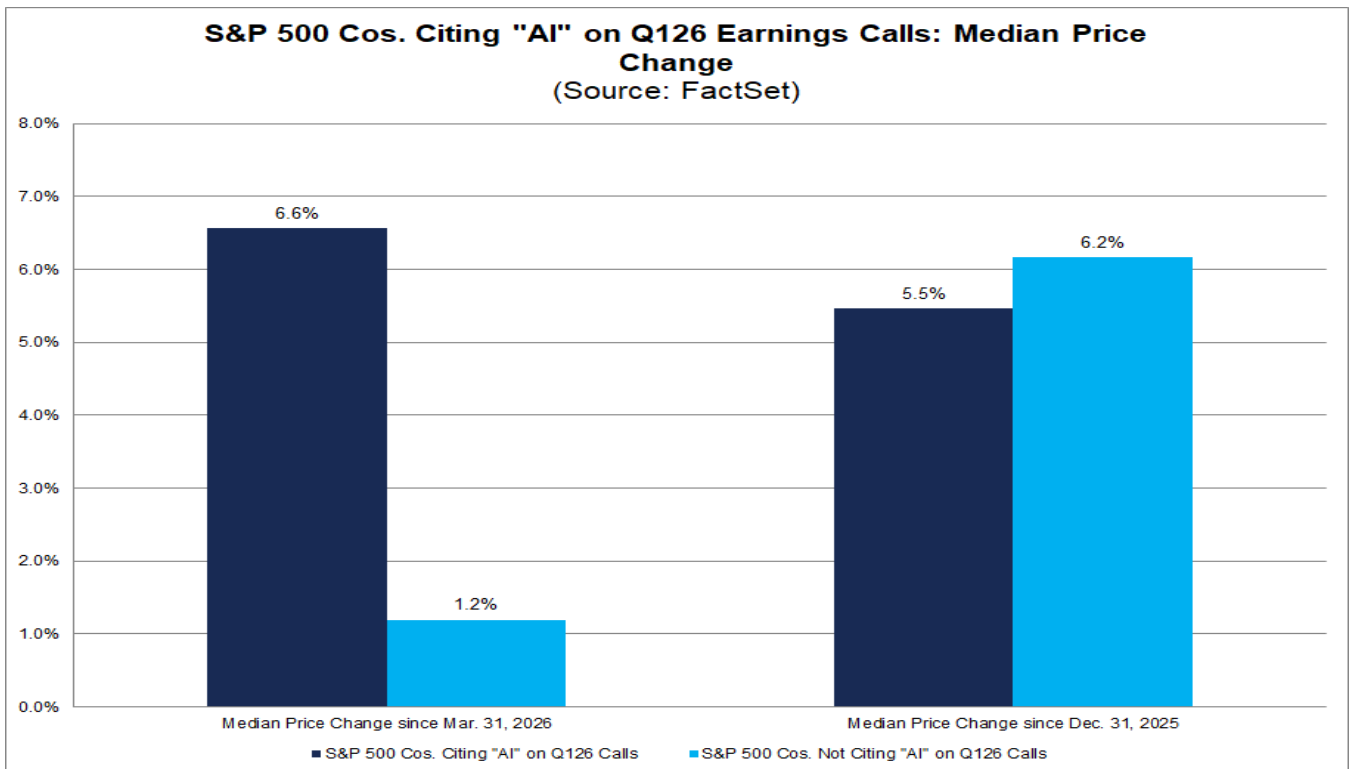
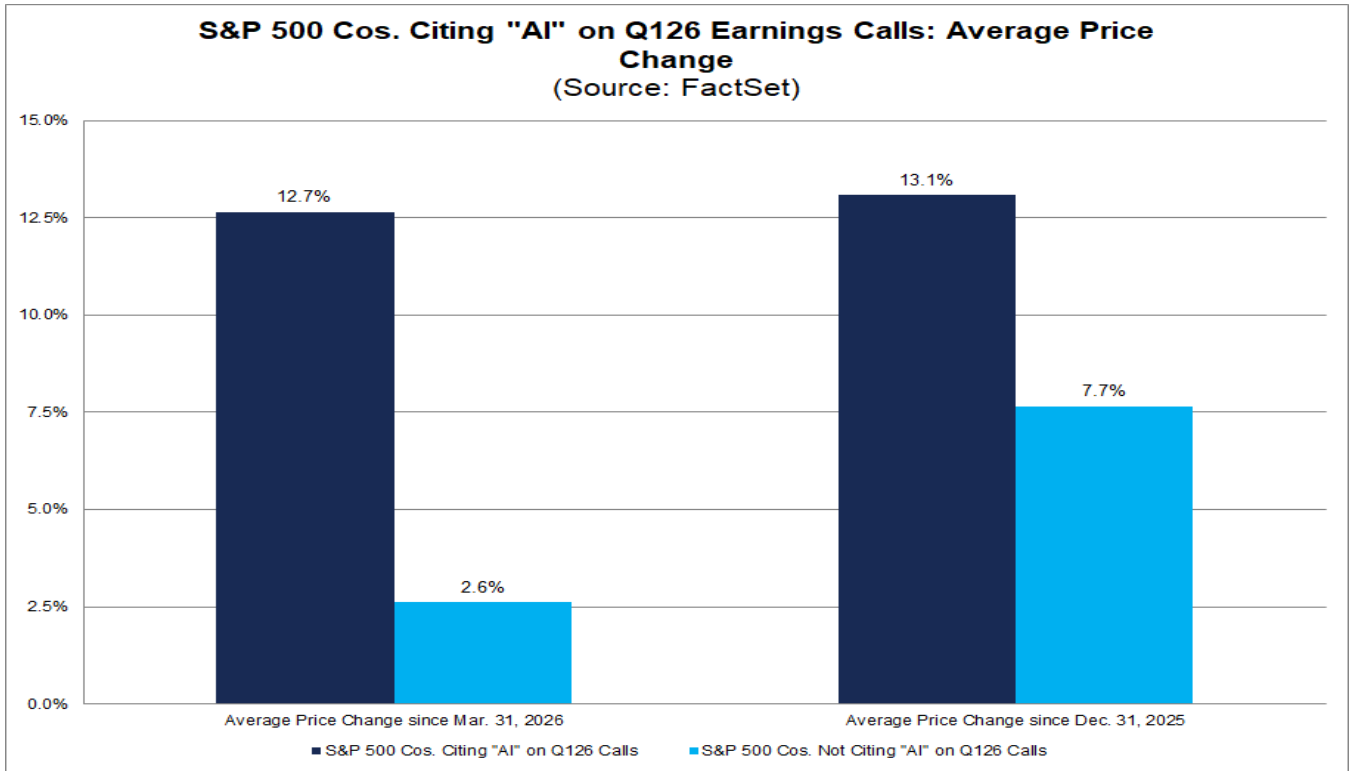


of S&P 500 Earnings Calls Citing "AI": Q126 vs. Q425
(Source: FactSet)



% of S&P 500 Earnings Calls Citing "AI": Q126
(Source: FactSet)





Topic of the Week: 2

Number of S&P 500 Earnings Calls Citing “Inflation” Increased for 3rd Straight Quarter

Given the increase in the Consumer Price Index in recent months, did more S&P 500 companies comment on inflation during their earnings conference calls for the first quarter compared to the fourth quarter?

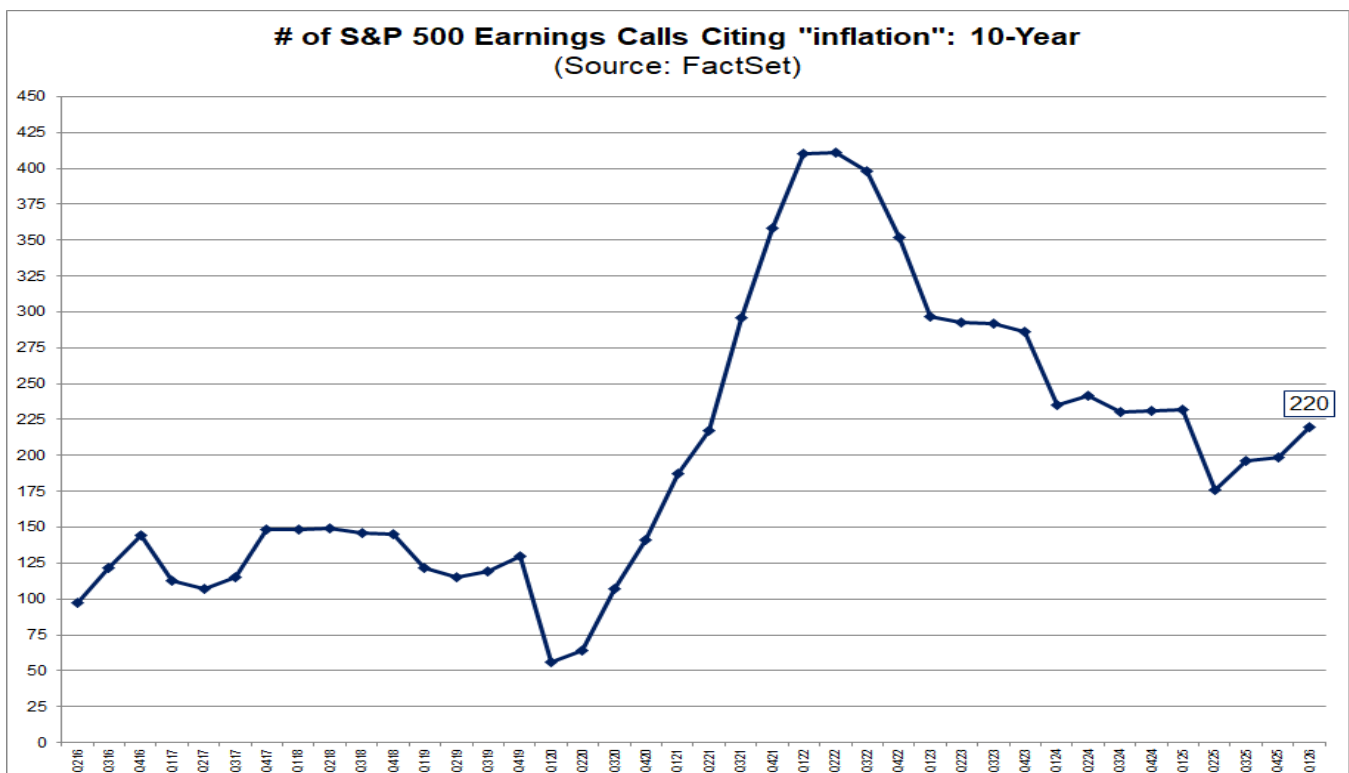
The answer is yes. FactSet Document Search (which allows users to search for key words or phrases across multiple document types) was used to answer this question. Through Document Search, FactSet searched for the term “inflation” in the conference call transcripts of all the S&P 500 companies that conducted earnings calls from March 15 through June 11.

Overall, the term “inflation” was cited on 220 earnings calls conducted by S&P 500 companies during this period. This number reflects a quarter-over-quarter increase of 11% compared to Q4 2025. It also marks the third consecutive quarter in which the number of earnings calls citing “inflation” has increased.

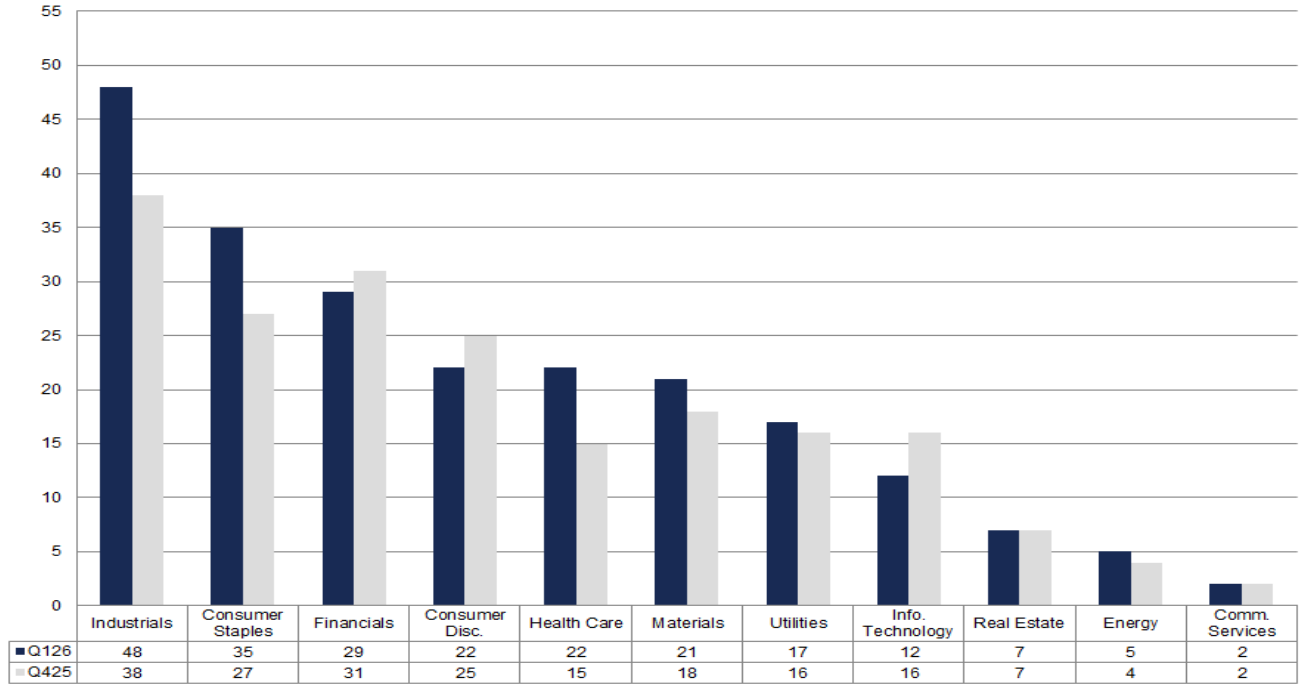
However, it should be noted this number is still well below the peak number over the past 10 years. The current record for the highest number of earnings calls where the term “inflation” was cited over the past 10 years is 411 in Q2 2022. In the month of June 2022, the year-over-year increase in CPI peaked at 9.1%.

At the sector level, the Industrials (48) sector has the highest number of earnings calls where the term “inflation” was cited, while the Consumer Staples (85%) and Materials (81%) sectors have the highest percentages of earning calls where the term “inflation” was cited.

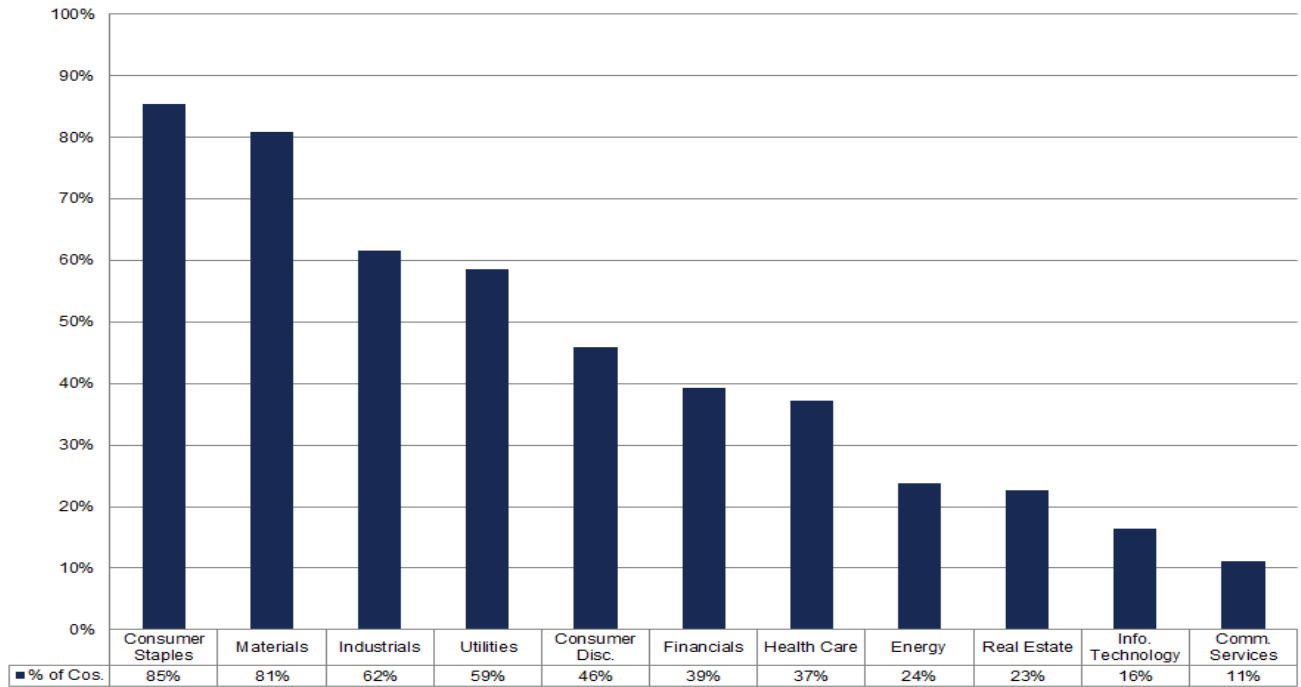
On a quarter-over-quarter basis, 6 sectors recorded an increase in the number of earnings calls where the term “inflation” was cited, led by Industrials (+10), Consumer Staples (+8), and Health Care (+7) sectors. On the other hand, 3 sectors recorded a decrease in the number of earnings calls where the term “inflation” was cited, led by the Information Technology (-4) sector. Two sectors (Communication Services and Real Estate) recorded no quarter-over-quarter change.

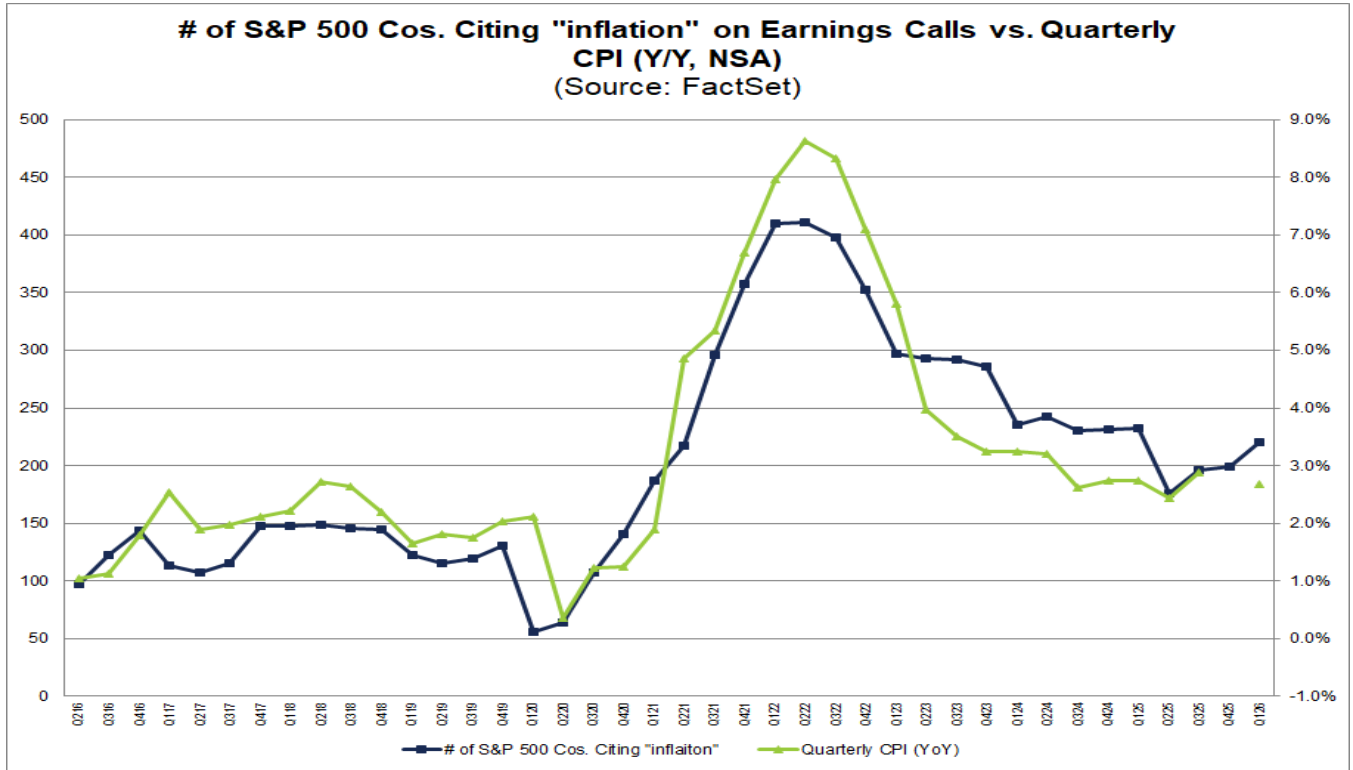


of S&P 500 Earnings Calls Citing "inflation": Q126 vs. Q425
(Source: FactSet)



% of S&P 500 Earnings Calls Citing "inflation": Q126
(Source: FactSet)





Q1 Earnings Season: By The Numbers

Overview

Heading into the final weeks of the quarter, analysts and companies have been more optimistic than normal in their earnings outlooks for the second quarter. As a result, estimated earnings for the S&P 500 for the second quarter are higher today compared to expectations at the start of the quarter. In addition, the index is expected to report earnings growth above 20% for the second-straight quarter.

In terms of estimate revisions for companies in the S&P 500, analysts have increased earnings estimates for Q2 2026. On a per-share basis, estimated earnings for the second quarter have increased by 2.7% since March 31. In a typical quarter, analysts usually lower earnings estimates during the quarter. Over the past five years (20 quarters), earnings expectations have fallen by 2.0% on average during the quarter. Over the past ten years, (40 quarters), earnings expectations have fallen by 2.7% on average during the quarter.

In terms of guidance, both the number and percentage of S&P 500 companies issuing positive EPS guidance for Q2 2026 are higher than average. At this point in time, 109 companies in the index have issued EPS guidance for Q2 2026. Of these companies, 47 have issued negative EPS guidance and 62 have issued positive EPS guidance. The number of companies issuing positive EPS guidance is well above the 5-year average of 44 and well above the 10-year average of 41. The percentage of S&P 500 companies issuing positive EPS guidance for Q2 2026 is 57% (62 out of 109), which is also well above the 5-year average of 41% and well above the 10-year average of 41%.

Due to the upward revisions to earnings estimates by analysts and the positive EPS guidance issued by companies, the estimated (year-over-year) earnings growth rate for Q2 2026 is higher today relative to the start of the second quarter. As of today, the S&P 500 is expected to report (year-over-year) earnings growth of 21.9%, compared to the estimated (year-over-year) earnings growth rate of 18.7% on March 31.

If 21.9% is the actual growth rate for the quarter, it will mark the second consecutive quarter of earnings growth above 20% and the seventh consecutive quarter of double-digit earnings growth for the index.

Ten of the eleven sectors are projected to report year-over-year growth, led by the Energy, Information Technology, and Materials sectors. On the other hand, the Health Care sector is the only sector predicted to report a year-over-year decline in earnings.

In terms of revenues, analysts have also raised their estimates during the quarter. As of today, the S&P 500 is expected to report (year-over-year) revenue growth of 12.0%, compared to the expectations for revenue growth of 9.4% on March 31.

If 12.0% is the actual revenue growth rate for the quarter, it will mark the highest revenue growth rate reported by the index since Q2 2022 (13.9%). It will also mark the second consecutive quarter of double-digit revenue growth for the index.

All eleven sectors are projected to report year-over-year growth in revenues, led by the Information Technology, Energy, and Communication Services sectors.

For Q3 2026 and Q4 2026, analysts are calling for earnings growth rates of 25.3% and 22.8%. For CY 2026, analysts are predicting (year-over-year) earnings growth of 23.2%.

The forward 12-month P/E ratio is 20.1 (based on Wednesday's closing price and forward EPS), which is above the 5-year average (19.9) and above the 10-year average (19.0). This P/E ratio is also above the forward P/E ratio of 19.7 recorded at the end of the first quarter (March 31).

During the upcoming week, 1 S&P 500 company is scheduled to report results for the first quarter and 2 S&P 500 companies are scheduled to report results for the second quarter.

Earnings Revisions: Energy Sector Has Seen Largest Increase in EPS Estimates

Increase In Estimated Earnings Growth Rate for Q2 This Week Due to Information Technology

During the past week, the estimated earnings growth rate for the S&P 500 for Q2 2026 increased slightly to 21.9% from 21.7%. Positive EPS surprises and upward revisions to EPS estimates for companies in the Information Technology sector were the largest contributor to the small increase in the overall earnings growth rate for the index during the week.

The estimated earnings growth rate for the S&P 500 for Q2 2026 of 21.9% today is above the estimate of 18.7% at the start of the quarter (March 31), as estimated earnings for the index of \$716.3 billion today are 2.7% above the estimate of \$697.6 billion at the start of the quarter. Five sectors have recorded an increase in dollar-level earnings due to upward revisions to earnings estimates, led by the Energy, Information Technology, and Materials sectors. On the other hand, six sectors have recorded a decrease in their dollar-level earnings due to downward revisions to earnings estimates, led by the Health Care sector.

Energy: Chevron and Exxon Mobil Lead Increase In Earnings Since March 31

The Energy sector has recorded the largest percentage increase in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at +49.7% (to \$52.0 billion from \$34.7 billion). As a result, the estimated (year-over-year) earnings growth rate for the sector has increased to 121.9% today from 48.3% on March 31. Despite the increase in expected earnings, this sector has recorded the largest decrease in price of all 11 sectors since March 31 at -8.2%. Overall, 16 of the 21 companies (76%) in the Energy sector have seen an increase in their mean EPS estimate during this time. Of these 16 companies, 12 have recorded an increase in their mean EPS estimate of more than 10%, led by Chevron (to \$5.18 from \$2.59), Occidental Petroleum (to \$1.84 from \$1.02), APA Corporation (to \$2.16 from \$1.24), and Diamondback Energy (to \$6.20 from \$3.71). Chevron, Exxon Mobil (to \$3.64 from \$2.42), ConocoPhillips (to \$2.97 from \$1.96), Marathon Petroleum (to \$11.55 from \$7.35), Valero Energy (to \$9.66 from \$6.39), EOG Resources (to \$5.03 from \$3.33), Occidental Petroleum, Phillips 66 (to \$6.45 from \$4.62), and Diamondback Energy have been the largest contributors to the increase in expected (dollar-level) earnings for this sector since March 31.

Information Technology: NVIDIA, Apple, and Sandisk Lead Earnings Increase Since March 31

The Information Technology sector has recorded the second-largest percentage increase in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at +6.9% (to \$216.4 billion from \$202.4 billion). As a result, the estimated (year-over-year) earnings growth rate for this sector has increased to 59.0% today from 48.7% on March 31. This sector has also recorded the largest increase in price of all 11 sectors since March 31 at 29.0%. Overall, 60 of the 72 companies (83%) in the Information Technology sector have seen an increase in their mean EPS estimate during this time. Of these 60 companies, 23 have recorded an increase in their mean EPS estimate of more than 10%, led by Intel (to \$0.21 from \$0.08), Sandisk Corporation (to \$33.58 from \$18.57), Dell Technologies (to \$4.70 from \$2.92), and Hewlett Packard Enterprise (to \$0.92 from \$0.57). However, NVIDIA (to \$2.07 from \$1.93), Apple (to \$1.89 from \$1.73), Sandisk, Micron Technology (to \$19.96 from \$19.21), and Intel have been the largest contributors to the increase in expected (dollar-level) earnings for this sector since March 31.

Materials: Dow Leads Earnings Increase Since March 31

The Materials sector has recorded the third-largest percentage increase in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at +4.6% (to \$18.1 billion from \$17.3 billion). As a result, the estimated (year-over-year) earnings growth rate for this sector has increased to 35.6% today from 29.6% on March 31. This sector has also recorded an increase in price of 1.7% since March 31. Overall, 8 of the 26 companies (31%) in the Materials sector have seen an increase in their mean EPS estimate during this time. Of these 8 companies, 6 have recorded an increase in their mean EPS estimate of more than 10%, led by Dow (to \$1.21 from \$0.32), LyondellBasell Industries (to \$3.18 from \$1.63), Albemarle Corporation (to \$3.07 from \$1.91), and CF Industries (to \$5.64 from \$3.68). Dow and LyondellBasell Industries have also been the largest contributors to the increase in expected (dollar-level) earnings for this sector since March 31.

Health Care: Gilead Sciences Leads Decline In Earnings Since March 31

The Health Care sector has recorded the largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -13.9% (to \$67.2 billion from \$78.1 billion). As a result, the estimated (year-over-year) earnings decline for the sector is -8.1% today compared to expected earnings growth of 6.7% on March 31. Despite the decrease in earnings, this sector has recorded an increase in price of 4.8% since March 31. Overall, 31 of the 59 companies (53%) in the Health Care sector have seen a decrease in their mean EPS estimate during this time. Of these 31 companies, 4 have recorded a decrease in their mean EPS estimate of more than 10%: Gilead Sciences (to -\$6.85 from \$2.10), Biogen (to \$3.18 from \$4.24), Baxter International (to \$0.37 from \$0.44), and GE Healthcare Technologies (to \$1.03 from \$1.17). Gilead Sciences has also been the largest contributor to the decrease in expected (dollar-level) earnings for this sector since March 31. On May 7, Gilead Sciences issued annual (non-GAAP) EPS guidance for 2026 between -\$1.05 and -\$0.65 including IPR&D charges of \$11.5 billion and financing costs.

Index-Level EPS Estimate: 2.7% Increase Since March 31

The Q2 bottom-up EPS estimate (which is an aggregation of the median Q2 earnings estimates for all 500 companies in the index and can be used as a proxy for the earnings of the index) has increased by 2.7% (to \$81.01 from \$78.85) since March 31. In a typical quarter, analysts usually reduce earnings estimates. Over the past five years (20 quarters), earnings expectations have fallen by 2.0% on average during a quarter. Over the past ten years, (40 quarters), earnings expectations have fallen by 2.7% on average during a quarter. Over the past fifteen years (60 quarters), earnings expectations have fallen by 3.3% on average during a quarter. Over the past twenty years (60 quarters), earnings expectations have fallen by 4.2% on average during a quarter.

Guidance: # of Cos. Issuing Positive EPS Guidance for Q2 is Above Average

Quarterly Guidance: # of Cos. Issuing Positive EPS Guidance for Q2 is Above Average

At this point in time, 109 companies in the index have issued EPS guidance for Q2 2026. Of these 109 companies, 47 have issued negative EPS guidance and 62 have issued positive EPS guidance. The number of S&P 500 companies issuing negative EPS guidance for Q2 2026 is below the 5-year average of 62 and below the 10-year average of 59. On the other hand, the number of S&P 500 companies issuing positive EPS guidance for Q2 2026 is above the 5-year average of 44 and above the 10-year average of 41.

It should be noted that most of the companies issuing positive EPS guidance for Q2 2026 are in the Information Technology sector. Overall, 42 of the 62 companies (or 68%) in the S&P 500 issuing positive EPS guidance for Q2 2026 are in the Information Technology sector.

The percentage of companies issuing positive EPS guidance for Q2 2026 is 57% (62 out of 109), which is above the 5-year average of 41% and above the 10-year average of 41%.

Annual Guidance: 40% of S&P 500 Companies Issuing Negative Guidance for Current Year

At this point in time, 267 companies in the index have issued EPS guidance for the current fiscal year (FY 2026 or FY 2027). Of these 267 companies, 107 have issued negative EPS guidance and 160 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 40% (107 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 Growth: 21.9%

The estimated (year-over-year) earnings growth rate for Q2 2026 is 21.9%, which is above the 5-year average earnings growth rate of 16.4% and above the 10-year average earnings growth rate of 10.3%. If 21.9% is the actual growth rate for the quarter, it will mark the 2nd consecutive quarter of year-over-year earnings growth above 20% and the 7th consecutive quarter of double-digit growth for the index.

Ten of the eleven sectors are expected to report year-over-year earnings growth, led by the Energy, Information Technology, and Materials sectors. On the other hand, the Health Care sector is the only sector projected to report a year-over-year decline in earnings.

Energy Sector: 3 of 5 Sub-Industries Expected to Report (Y/Y) Earnings Growth Above 100%

The Energy sector is expected to report the highest (year-over-year) earnings growth rate of all eleven sectors at 121.9%. Higher year-over-year oil prices are contributing to the year-over-year increase in earnings for this sector, as the average price of oil in Q1 2026 to date (\$96.87) is 52% above the average price for oil in Q1 2025 (\$63.68). At the sub-industry level, 4 of the 5 sub-industries are projected to report year-over-year growth in earnings: Oil & Gas Refining & Marketing (205%), Integrated Oil & Gas (160%), Oil & Gas Exploration & Production (114%), and Oil & Gas Storage & Transportation (7%). On the other hand, the Oil & Gas Equipment & Services (-19%) sub-industry is the only sub-industry in the sector predicted to report a year-over-year decline in earnings.

Information Technology: Semiconductors Industry Is Largest Contributor to Year-Over-Year Growth

The Information Technology sector is expected to report the second-highest (year-over-year) earnings growth rate of all eleven sectors at 59.0%. At the industry level, all 6 industries in the sector are projected to report year-over-year earnings growth: Semiconductors & Semiconductor Equipment (120%), Technology Hardware, Storage, & Peripherals (44%), Electronic Equipment, Instruments, & Components (31%), Communication Services (21%), Software (17%), and IT Services (5%).

The Semiconductors & Semiconductor Equipment industry is also expected to be the largest contributor to earnings growth for the sector. If this industry were excluded, the estimated earnings growth rate for the Information Technology sector would fall to 25.5% from 59.0%.

Materials: All 4 Industries Expected to Report (Y/Y) Earnings Growth

The Materials sector is expected to report the third-largest (year-over-year) earnings growth of all eleven sectors at 35.6%. At the industry level, all 4 industries in the sector are projected to report (year-over-year) earnings growth: Metals & Mining (45%), Chemicals (43%), Containers & Packaging (18%), and Construction Materials (2%).

Health Care: Gilead Sciences is Largest Contributor to Year-Over-Year Decline

On the other hand, the Health Care sector is expected to report the largest (year-over-year) decline in earnings of all 11 sectors at -8.1%. At the industry level, only 1 of the 6 industries in the sector are projected to report a year-over-year decline in earnings: Biotechnology (-75%). On the other hand, 5 of the 6 industries are predicted to report a year-over-year growth in earnings: Health Care Technology (11%), Pharmaceuticals (8%), Health Care Providers & Services (8%), Health Care Equipment & Supplies (6%), and Life Sciences, Tools, & Services (6%).

At the company level, Gilead Sciences (-\$6.85 vs. \$2.01) is expected to be the largest contributor to the earnings decline for the sector. On May 7, Gilead Sciences issued annual (non-GAAP) EPS guidance for 2026 between -\$1.05 and -\$0.65 including IPR&D charges of \$11.5 billion and financing costs. If this company were excluded, the Health Care sector would be expected to report earnings growth of 7.1% rather than an earnings decline of -8.1%.

Revenue Growth: 12.0%

The estimated (year-over-year) revenue growth rate for Q2 2026 is 12.0%, which is above the 5-year average revenue growth rate of 8.7% and above the 10-year average revenue growth rate of 6.3%. If 12.0% is the actual growth rate for the quarter, it will mark the highest revenue growth rate reported by the index since Q2 2022 (13.9%) and the second-straight quarter that the index has reported revenue growth above 10.0%.

At the sector level, all eleven sectors are expected to report year-over-year growth in revenues, led by the Information Technology, Energy, and Communication Services sectors.

Information Technology: All 6 Industries Expected to Report Year-Over-Year Growth

The Information Technology sector is expected to report the highest (year-over-year) revenue growth rate of all eleven sectors at 33.0%. At the industry level, all 6 industries in the sector are predicted to report year-over-year revenue growth: Semiconductors & Semiconductor Equipment (70%), Technology Hardware, Storage, & Peripherals (29%), Communication Equipment (18%), Electronic Equipment, Instruments, & Components (17%), Software (16%), and IT Services (5%).

Energy: 4 of 5 Sub-Industries Expected to Report Year-Over-Year Growth

The Energy sector is expected to report the second-highest (year-over-year) revenue growth rate of all eleven sectors at 28.0%. Higher year-over-year oil prices are contributing to the year-over-year increase in earnings for this sector, as the average price of oil in Q1 2026 to date (\$97.04) is 52% above the average price for oil in Q1 2025 (\$63.68). At the sub-industry level, 4 of the 5 sub-industries in the sector are predicted to report year-over-year growth in revenues: Integrated Oil & Gas (37%), Oil & Gas Refining & Marketing (27%), Oil & Gas Exploration & Production (26%), and Oil & Gas Storage & Transportation (8%). On the other hand, the Oil & Gas Equipment & Services (-1%) is the only sub-industry predicted to report a year-over-year decline in revenues.

Communication Services: All 5 Industries Expected to Report Year-Over-Year Growth

The Communication Services sector is expected to report the third-highest (year-over-year) revenue growth rate of all eleven sectors at 13.9%. At the industry level, all 5 industries in the sector are projected to report year-over-year revenue growth: Interactive Media & Services (22%), Wireless Telecommunication Services (9%), Media (8%), Entertainment (7%), and Diversified Telecommunication Services (1%).

Net Profit Margin: 14.1%

The estimated net profit margin for the S&P 500 for Q2 2026 is 14.1%, which is below the previous quarter's net profit margin of 14.8%, but above the year-ago net profit margin of 12.9% and above the 5-year average of 12.3%.

If 14.1% is the actual net profit margin for the quarter, it will mark the second-highest net profit margin reported by the index since FactSet began tracking this metric in 2009. The current record (going back to 2009) is 14.8%, which occurred in the previous quarter.

At the sector level, five sectors are expected to report a year-over-year increase in their net profit margins in Q2 2026 compared to Q2 2025, led by the Energy (13.3% vs. 7.7%) and Information Technology (30.5% vs. 25.5%) sectors. On the other hand, six sectors are expected to report a year-over-year decrease in their net profit margins in Q2 2026 compared to Q2 2025, led by the Health Care (7.1% vs. 8.1%) and Communication Services (14.3% vs. 15.2%) sectors.

Eight sectors are expected to report net profit margins in Q2 2026 that are above their 5-year averages, led by the Information Technology (30.5% vs. 25.3%) and Energy (13.3% vs. 9.6%) sectors. On the other hand, three sectors are expected to report net profit margins in Q2 2026 that are below their 5-year averages, led by the Health Care (7.1% vs. 9.0%) and Real Estate (34.2% vs. 35.7%) sectors.

Forward Estimates & Valuation

Earnings: S&P 500 Expected to Report Earnings Growth of 23% for CY 2026

For the second quarter, S&P 500 companies are expected to report year-over-year growth in earnings of 21.9% and year-over-year growth in revenues of 12.0%.

For Q3 2026, analysts are projecting earnings growth of 25.3% and revenue growth of 10.7%.

For Q4 2026, analysts are projecting earnings growth of 22.8% and revenue growth of 10.2%.

For CY 2026, analysts are projecting earnings growth of 23.2% and revenue growth of 11.0%.

For CY 2027, analysts are projecting earnings growth of 16.2% and revenue growth of 7.6%.

Valuation: Forward P/E Ratio is 20.1, Above the 10-Year Average (19.0)

The forward 12-month P/E ratio for the S&P 500 is 20.1 (based on Wednesday's closing price and forward EPS). This P/E ratio is above the 5-year average of 19.9 and above the 10-year average of 19.0. It is also above the forward 12-month P/E ratio of 19.7 recorded at the end of the first quarter (March 31). Since the end of the first quarter (March 31), the price of the index has increased by 11.3%, while the forward 12-month EPS estimate has increased by 8.8%. At the sector level, the Consumer Discretionary (25.3) sector has the highest forward 12-month P/E ratio, while the Energy (13.5) and Financials (14.7) sectors have the lowest forward 12-month P/E ratios.

The trailing 12-month P/E ratio is 27.4 (based on Wednesday's closing price and trailing EPS), which is above the 5-year average of 24.5 and above the 10-year average of 23.4.

Targets & Ratings: Analysts Project 21% Increase in Price Over Next 12 Months

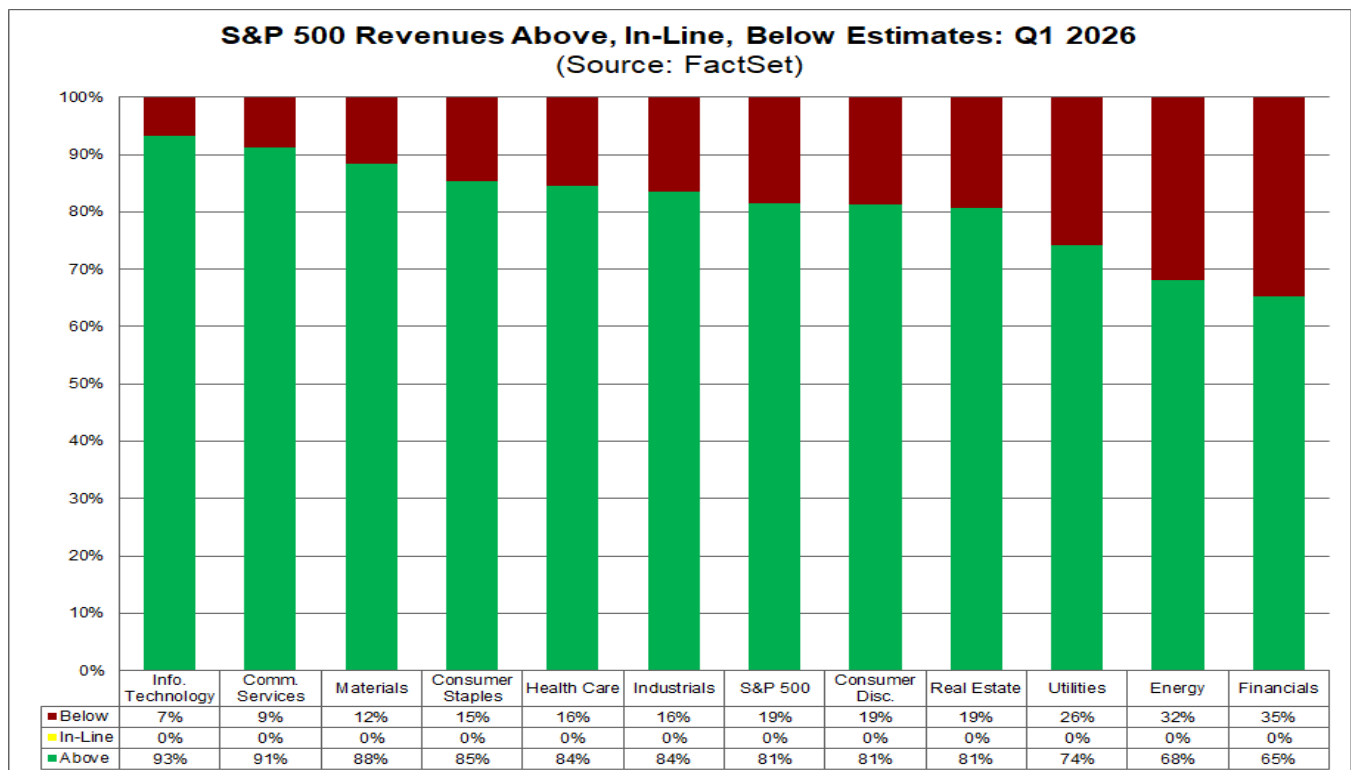
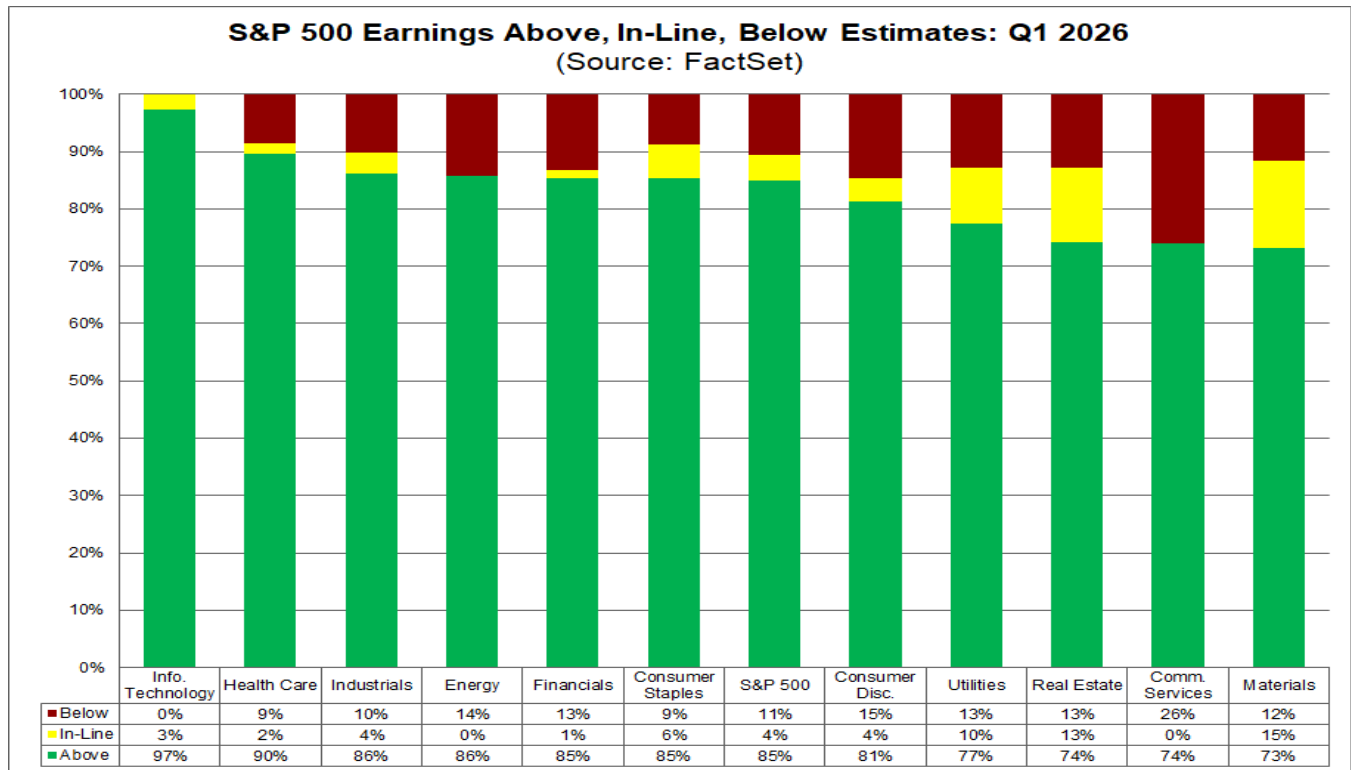
The bottom-up target price for the S&P 500 is 8812.00, which is 21.3% above Wednesday's closing price of 7266.99. At the sector level, the Communication Services (+27.2%) sector is expected to see the largest price increase, as this sector has the largest upside difference between the bottom-up target price and the closing price. On the other hand, the Real Estate (+9.8%) and Consumer Staples (+10.2%) sectors are expected to see the smallest price increases, as these sectors have the smallest upside differences between the bottom-up target price and the closing price.

Overall, there are 12,774 ratings on stocks in the S&P 500. Of these 12,774 ratings, 59.5% are Buy ratings, 35.6% are Hold ratings, and 4.9% are Sell ratings. At the sector level, the Information Technology (69%), Communication Services (65%), Materials (65%), Health Care (64%), and Energy (61%) sectors have the highest percentages of Buy ratings, while the Consumer Staples (42%) sector has the lowest percentage of Buy ratings.

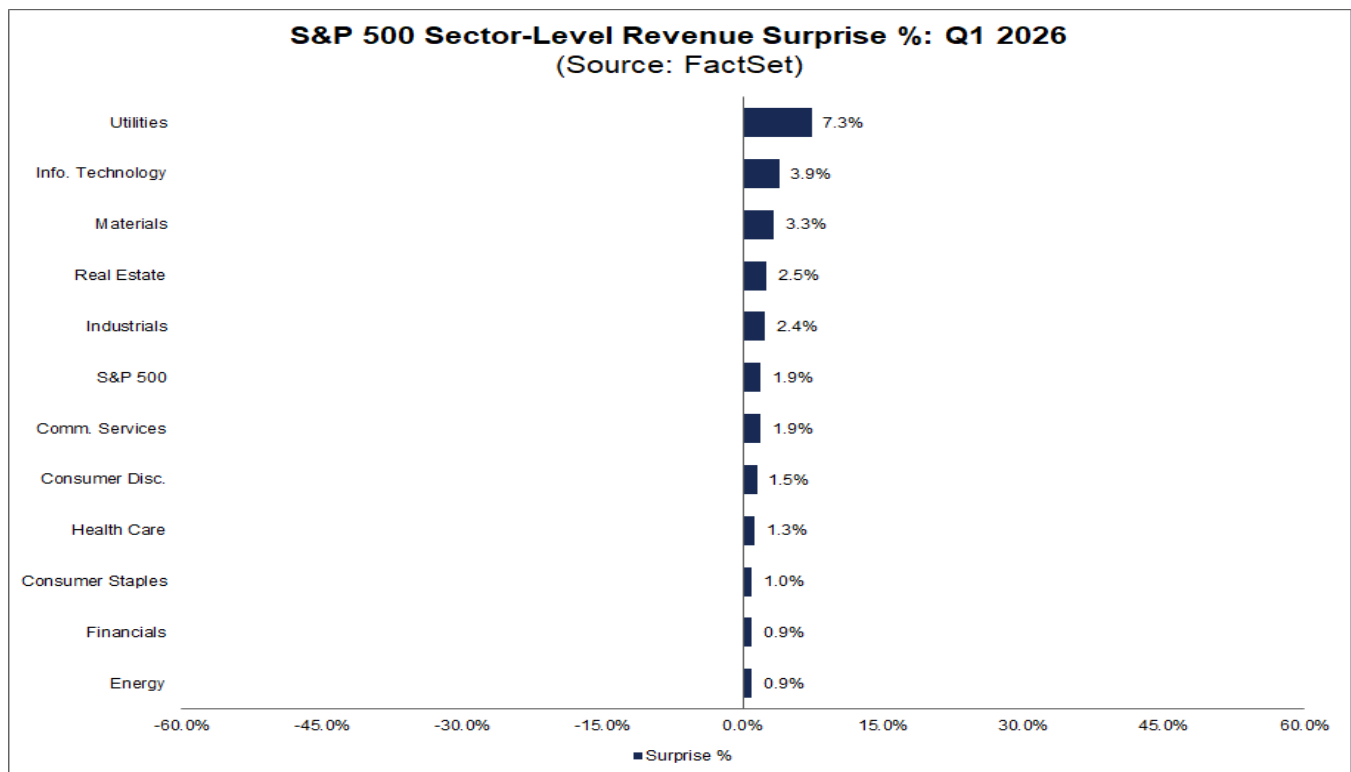
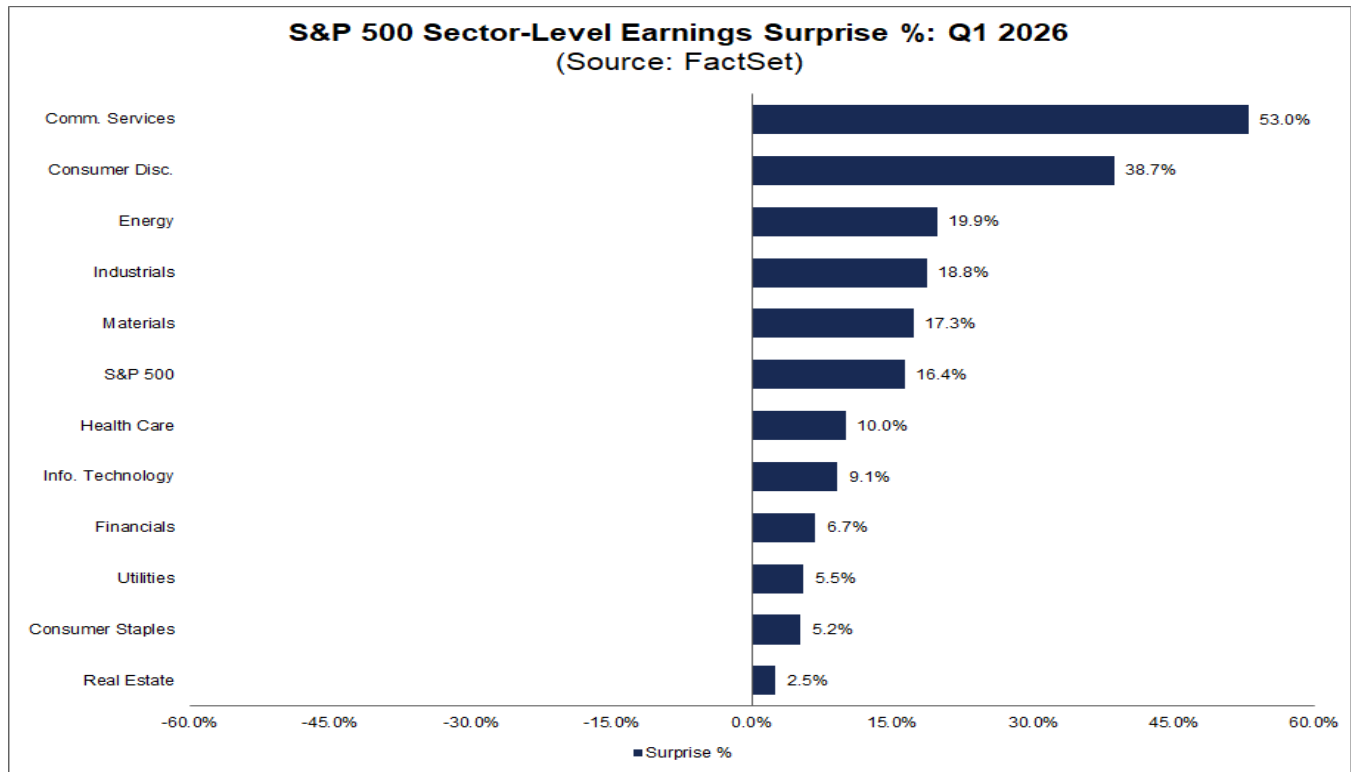
Companies Reporting Next Week: 3

During the upcoming week, 1 S&P 500 company is scheduled to report results for the first quarter and 2 S&P 500 companies are scheduled to report results for the second quarter.

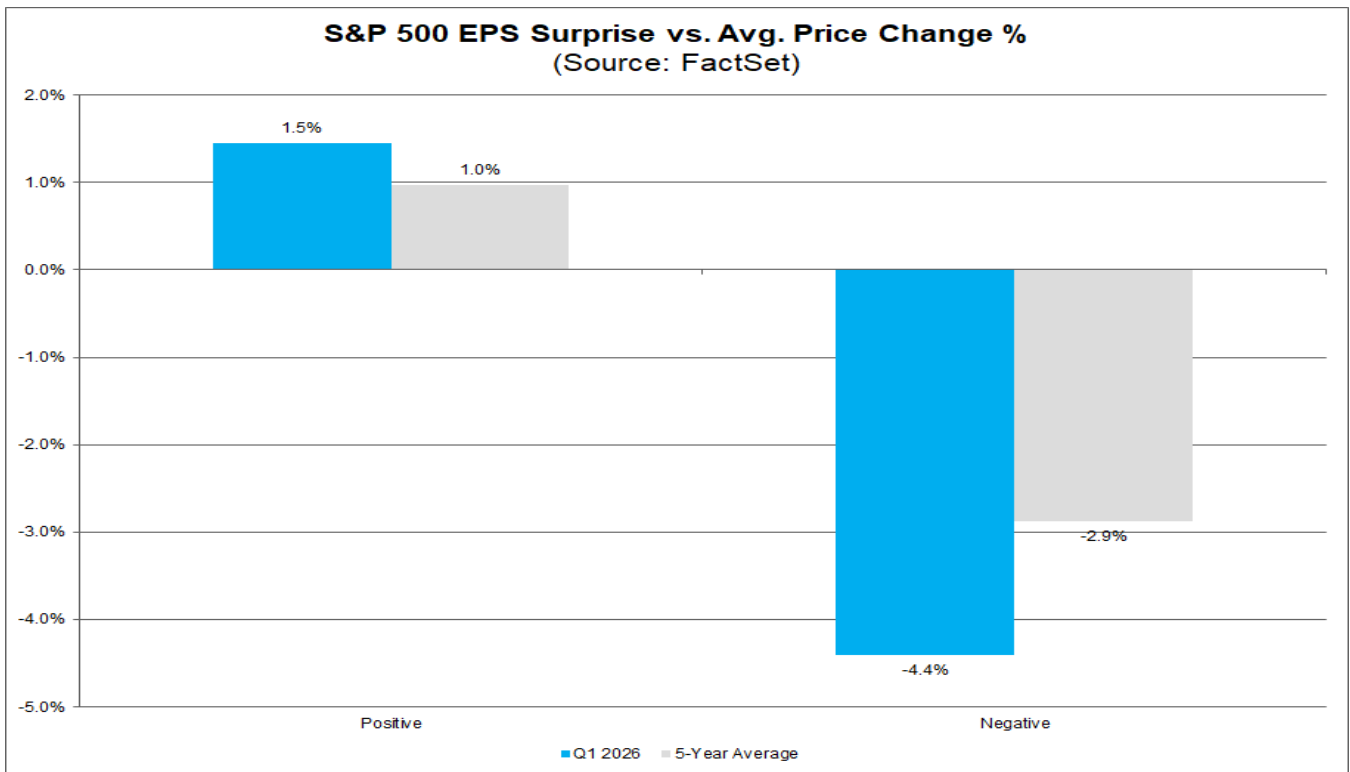
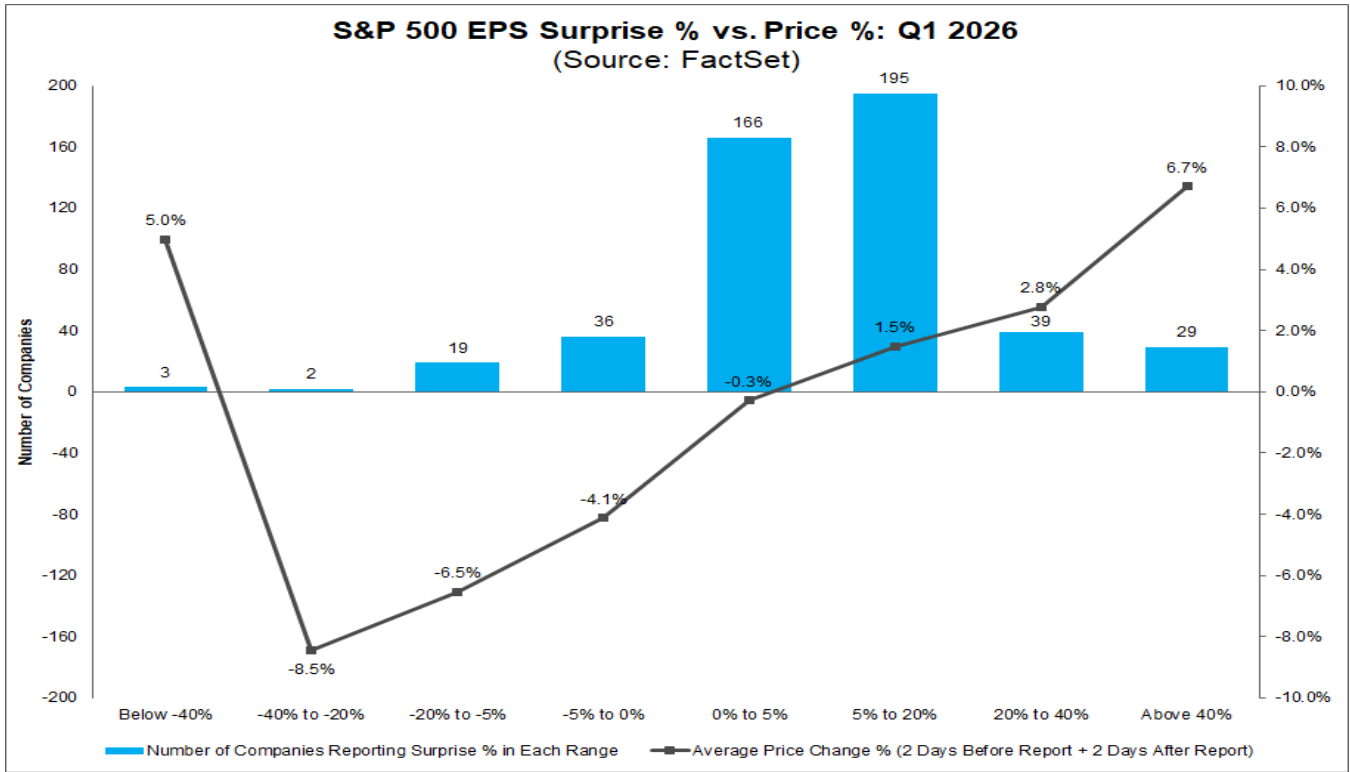
Q1 2026: Scorecard



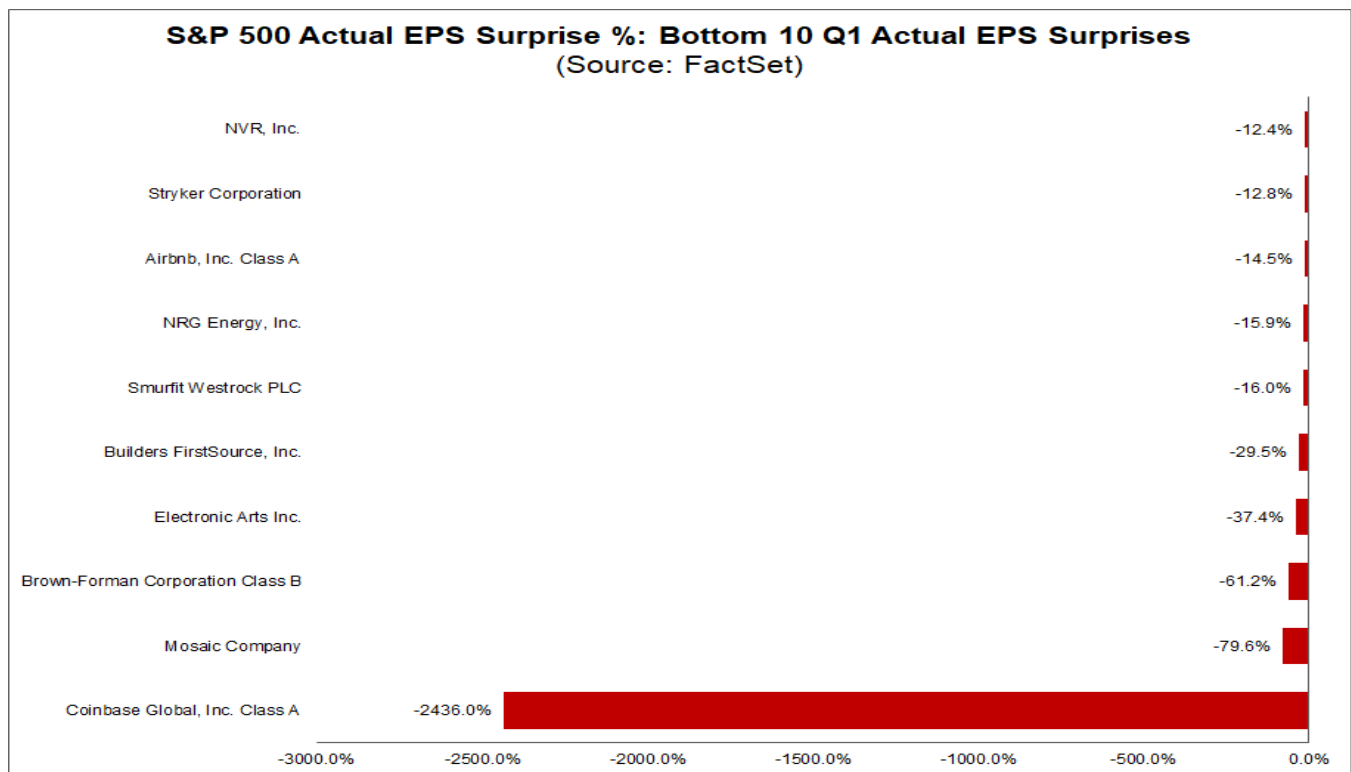
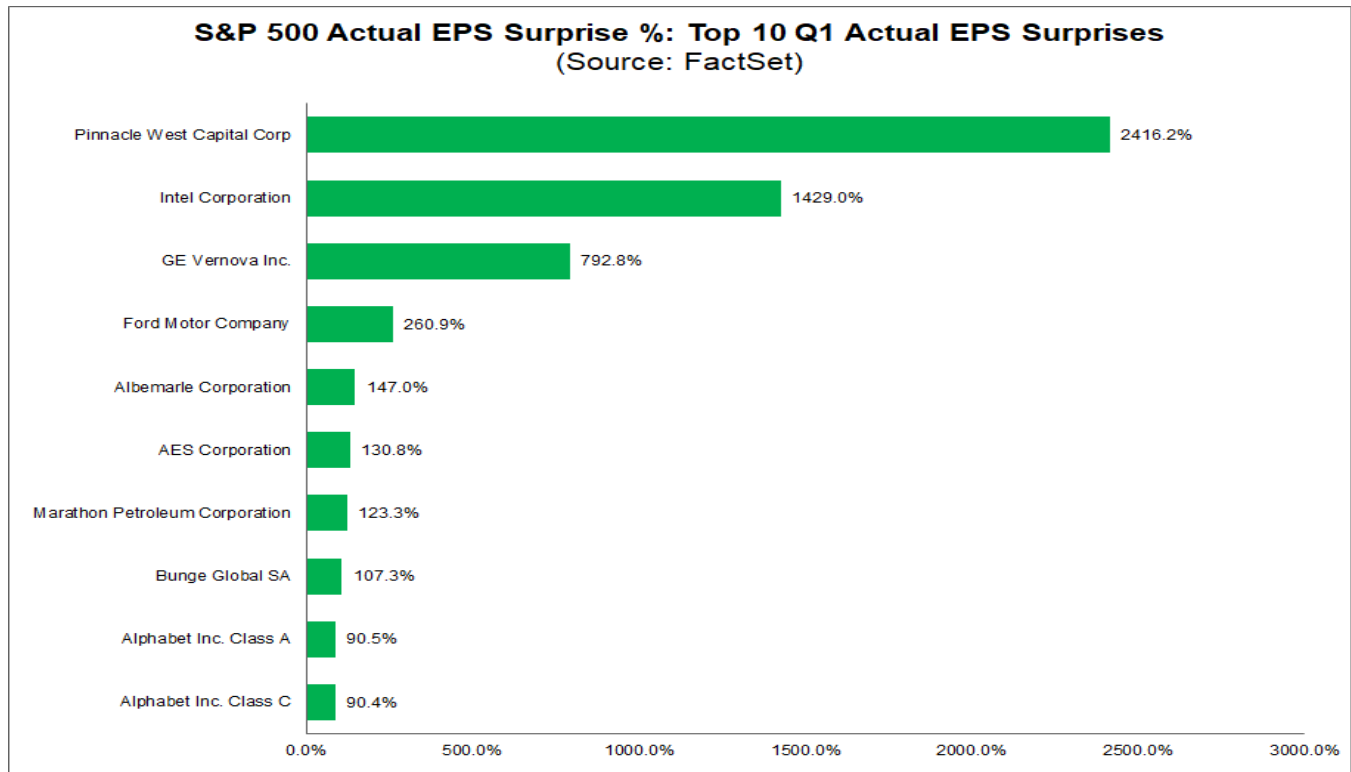
Q1 2026: Surprise



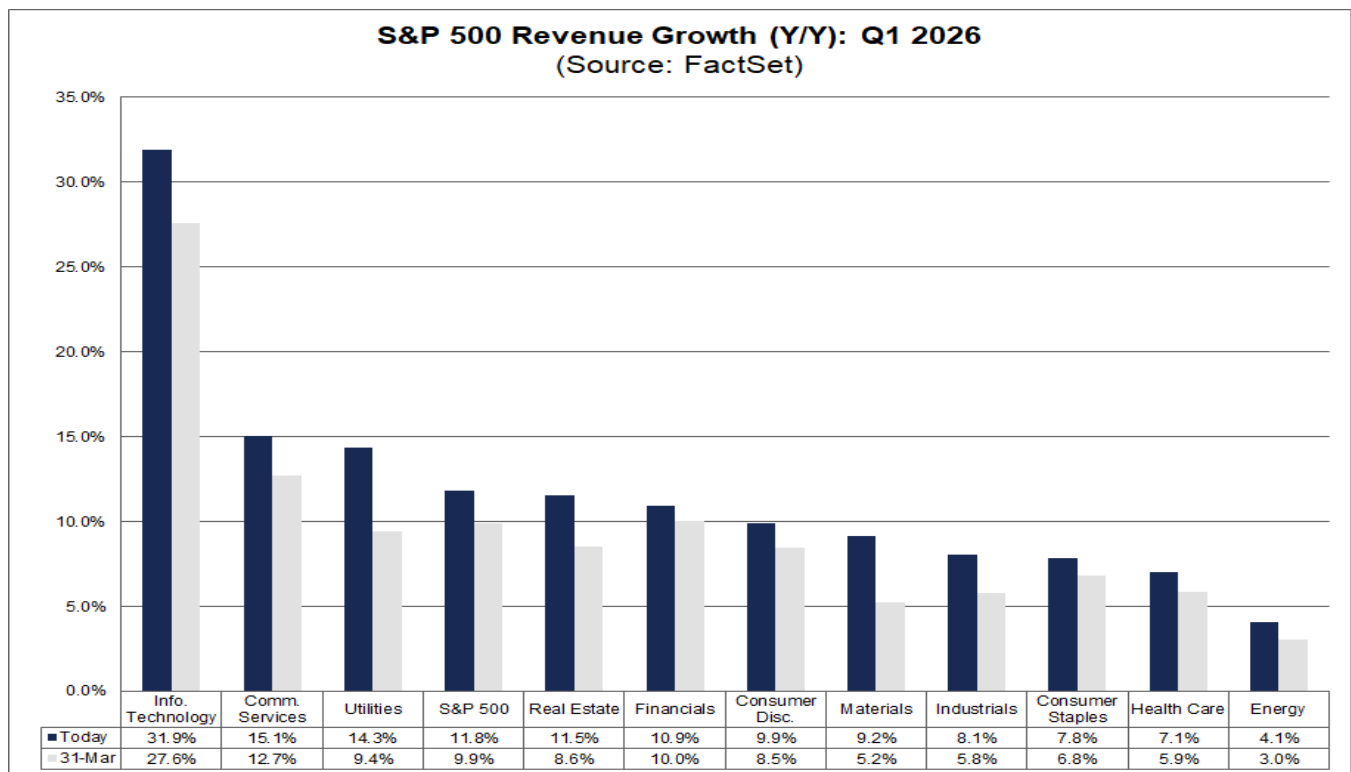
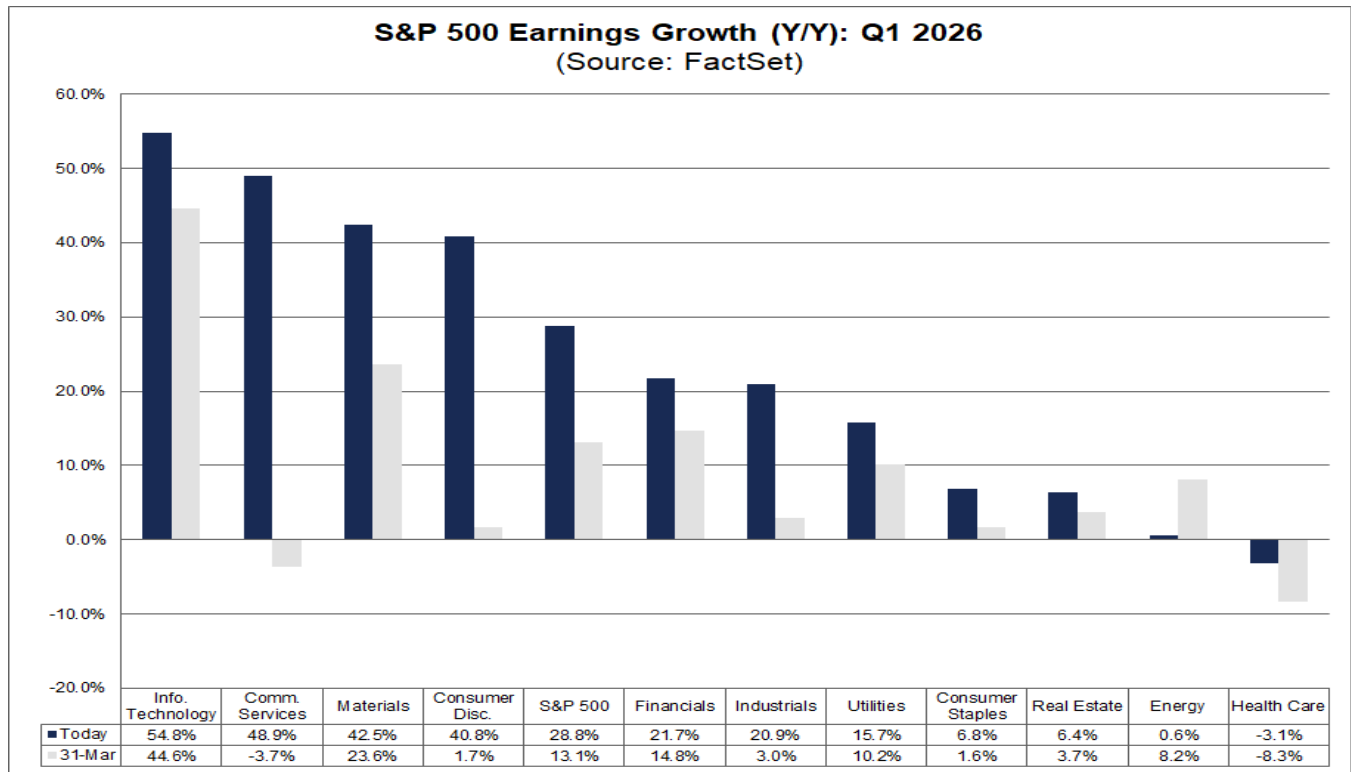
Q1 2026: Surprise



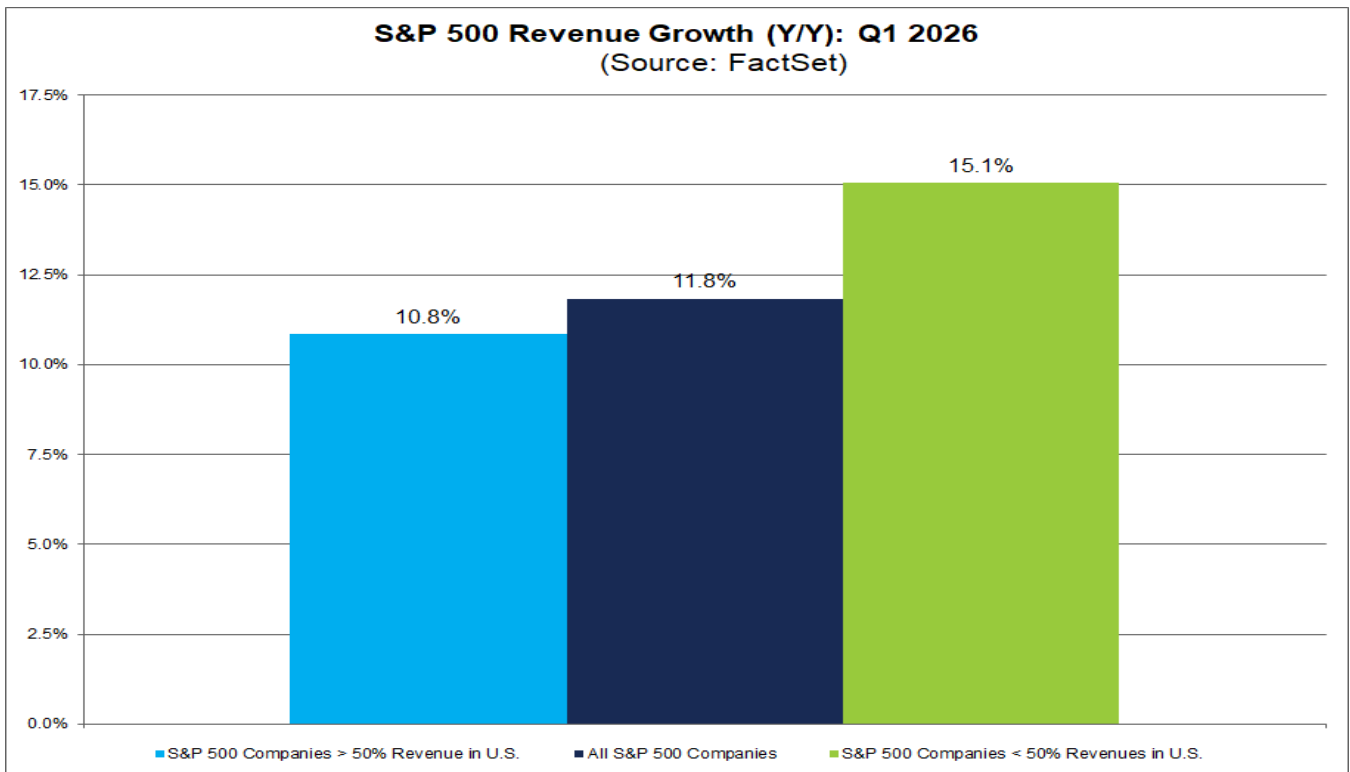
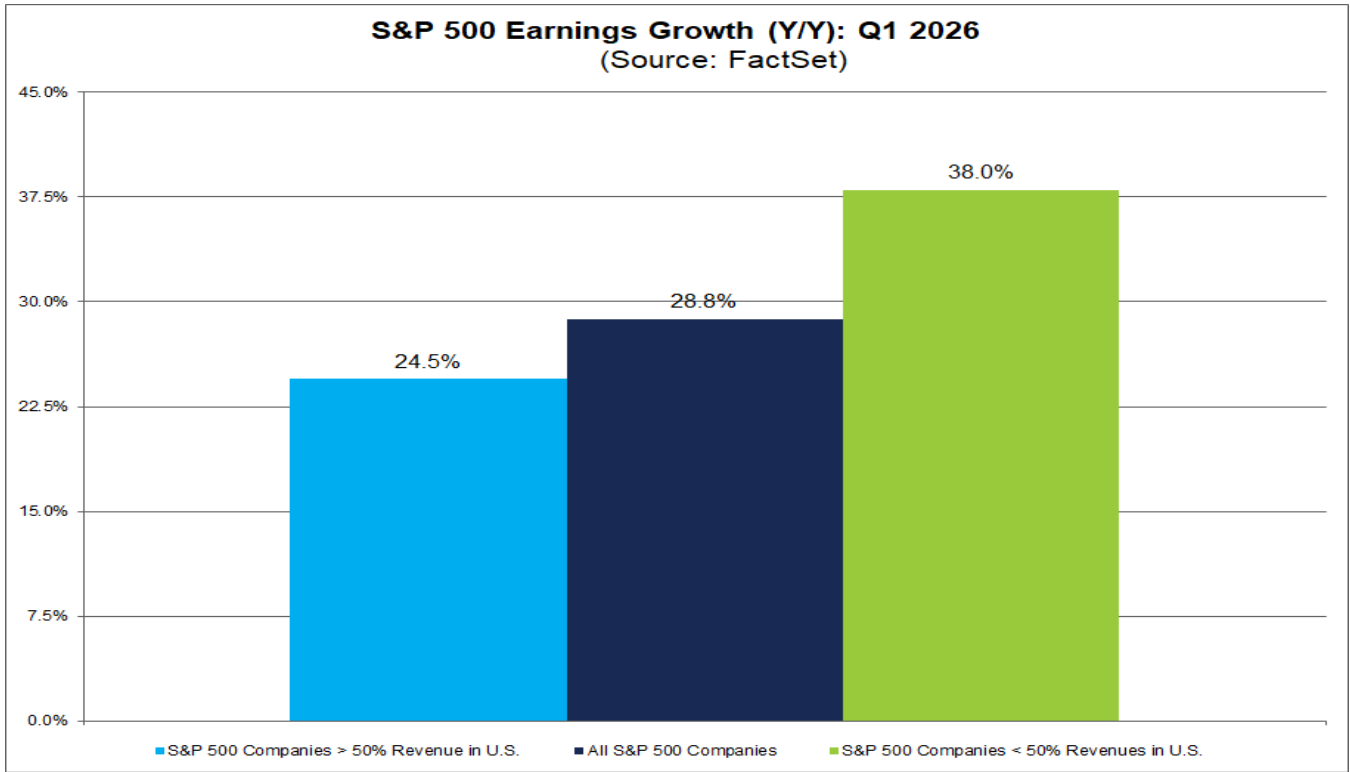
Q1 2026: Surprise



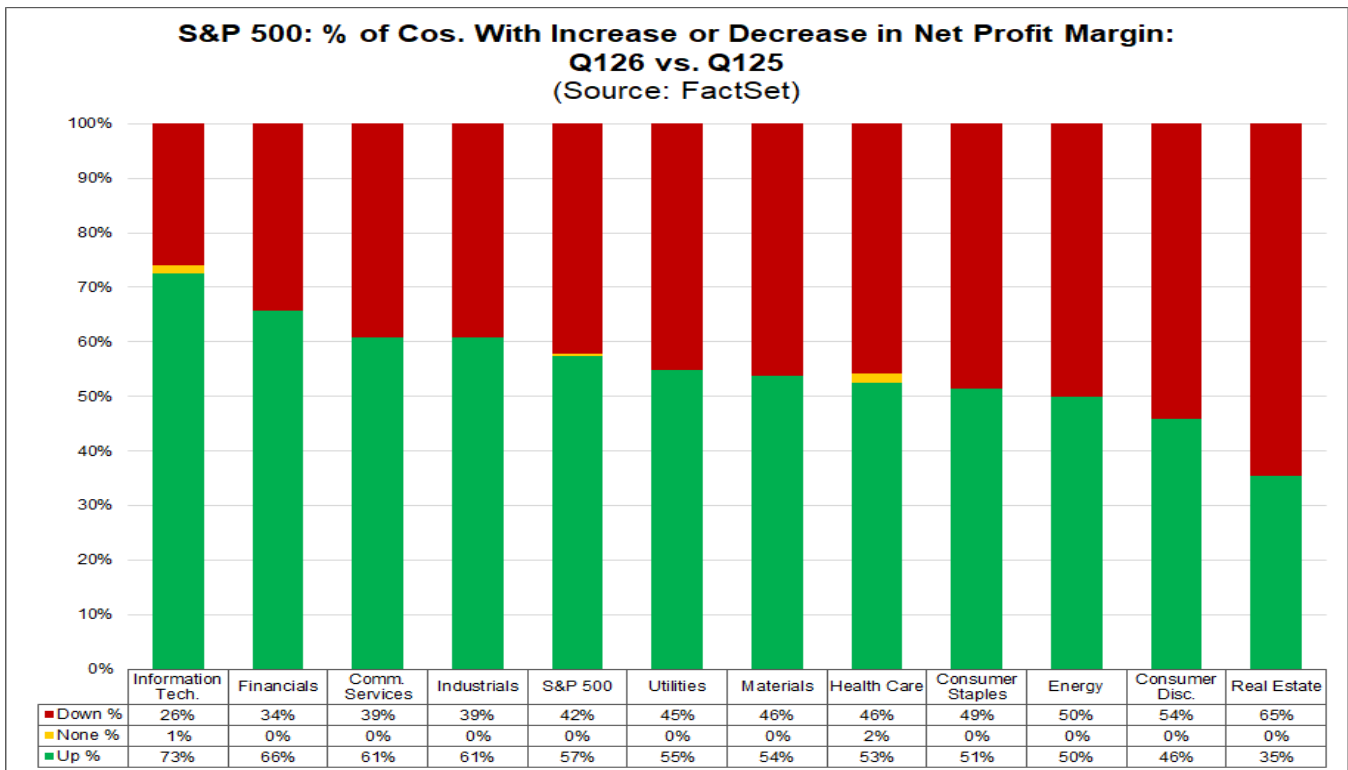
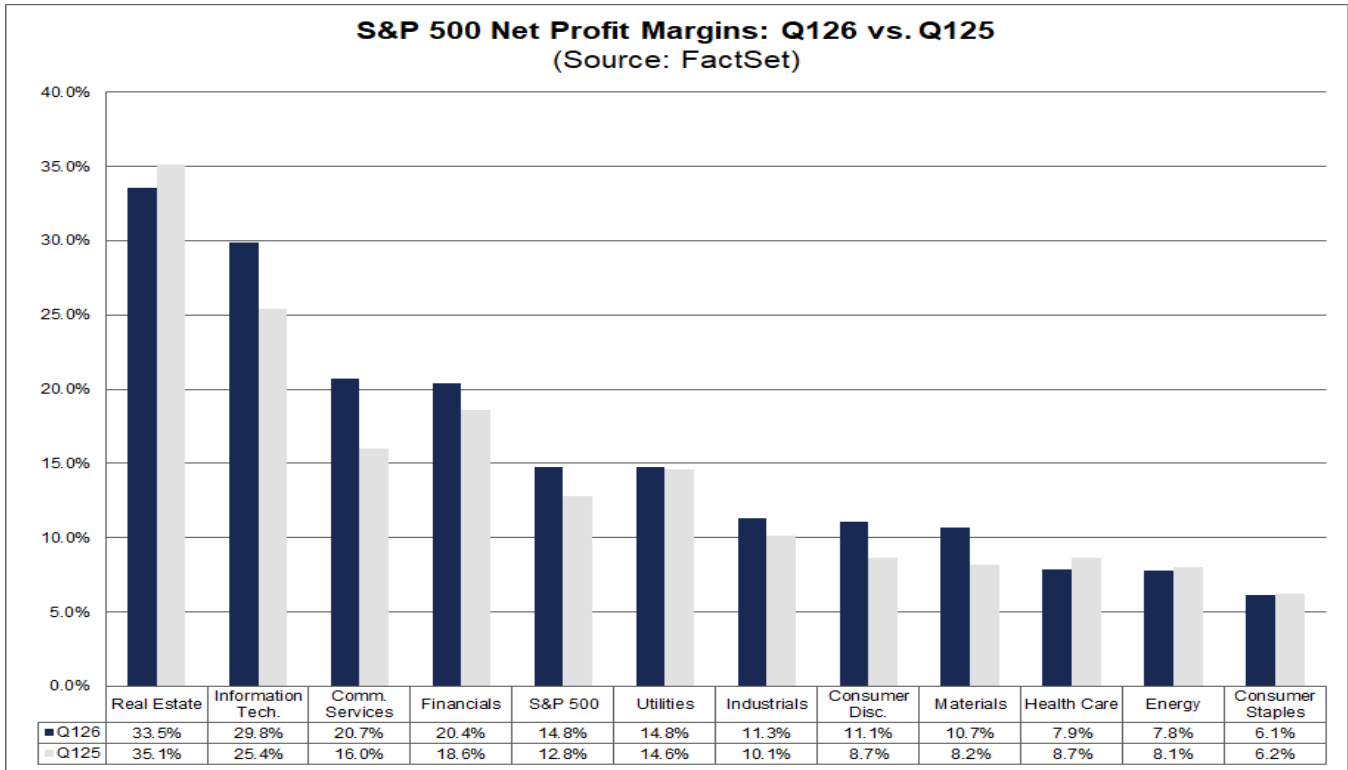
Q1 2026: Growth



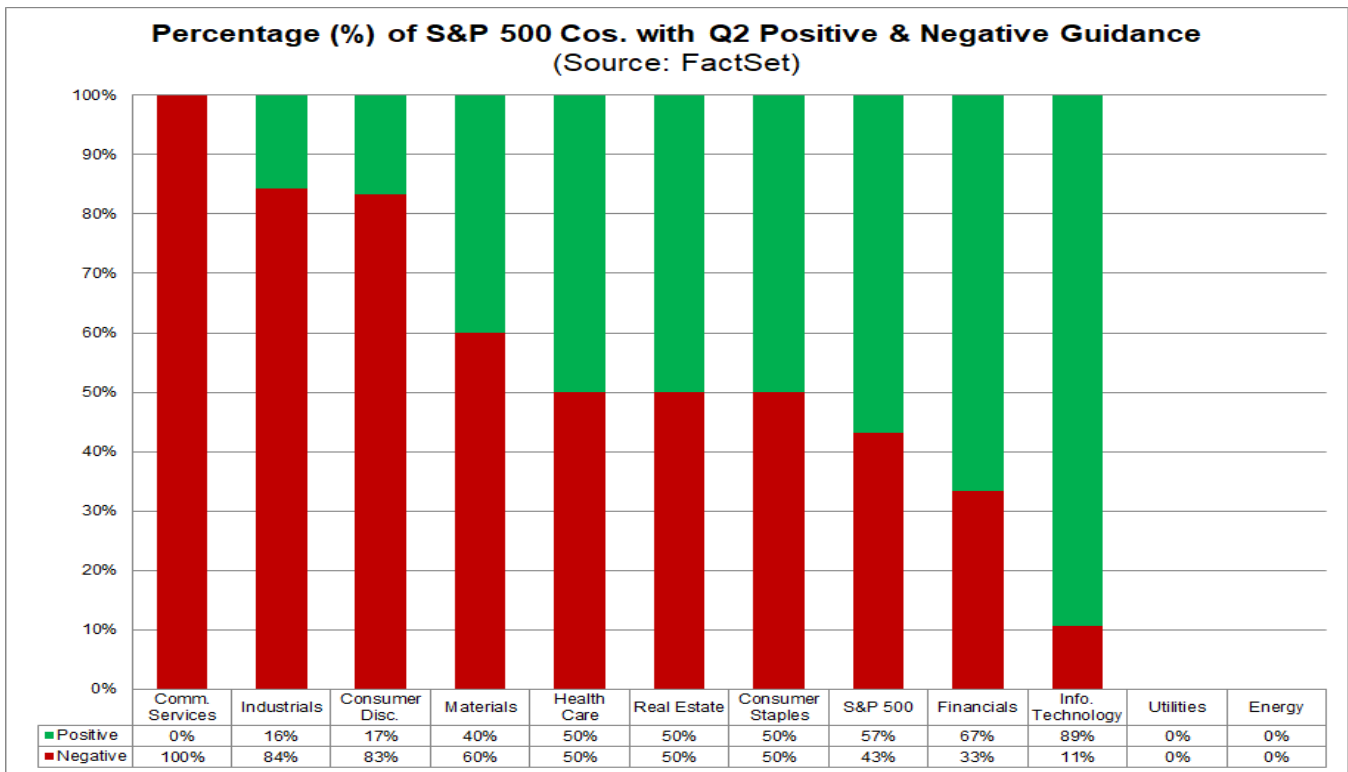
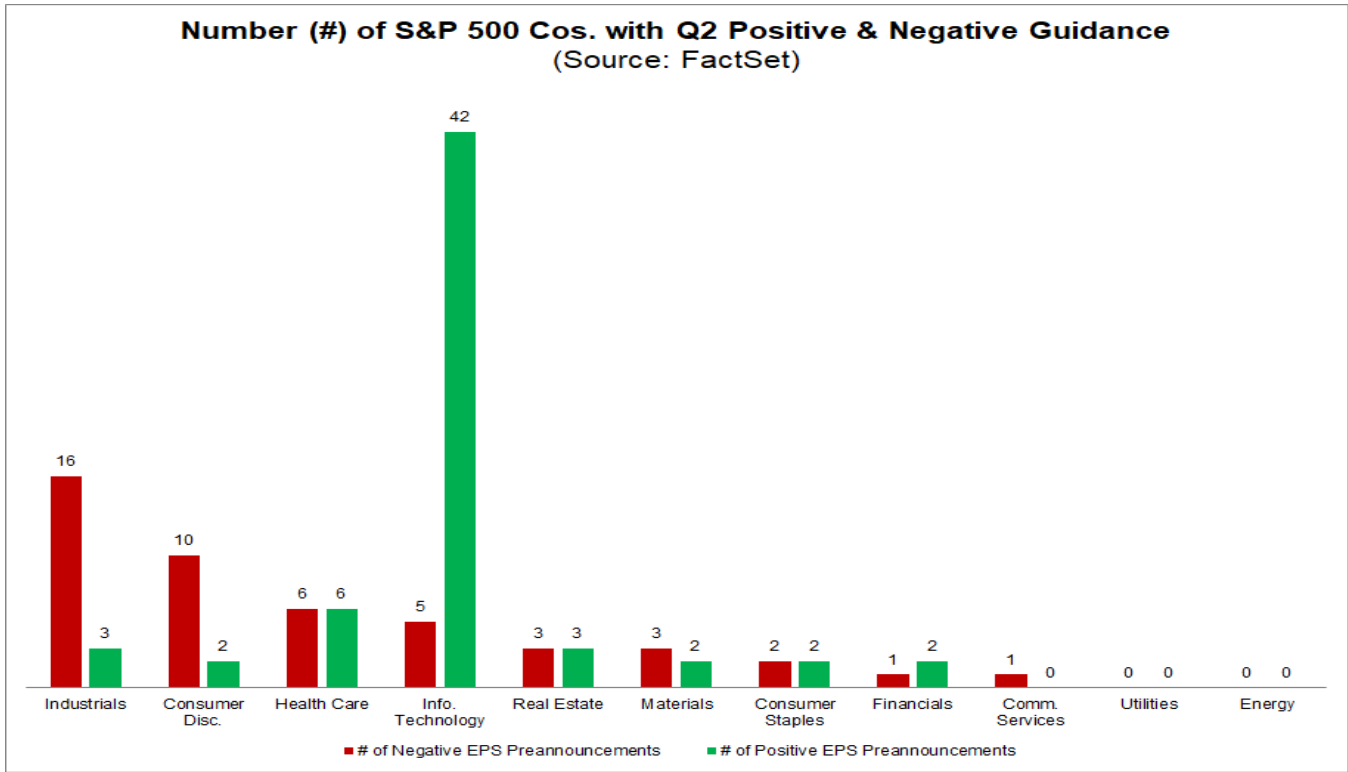
Q1 2026: Growth



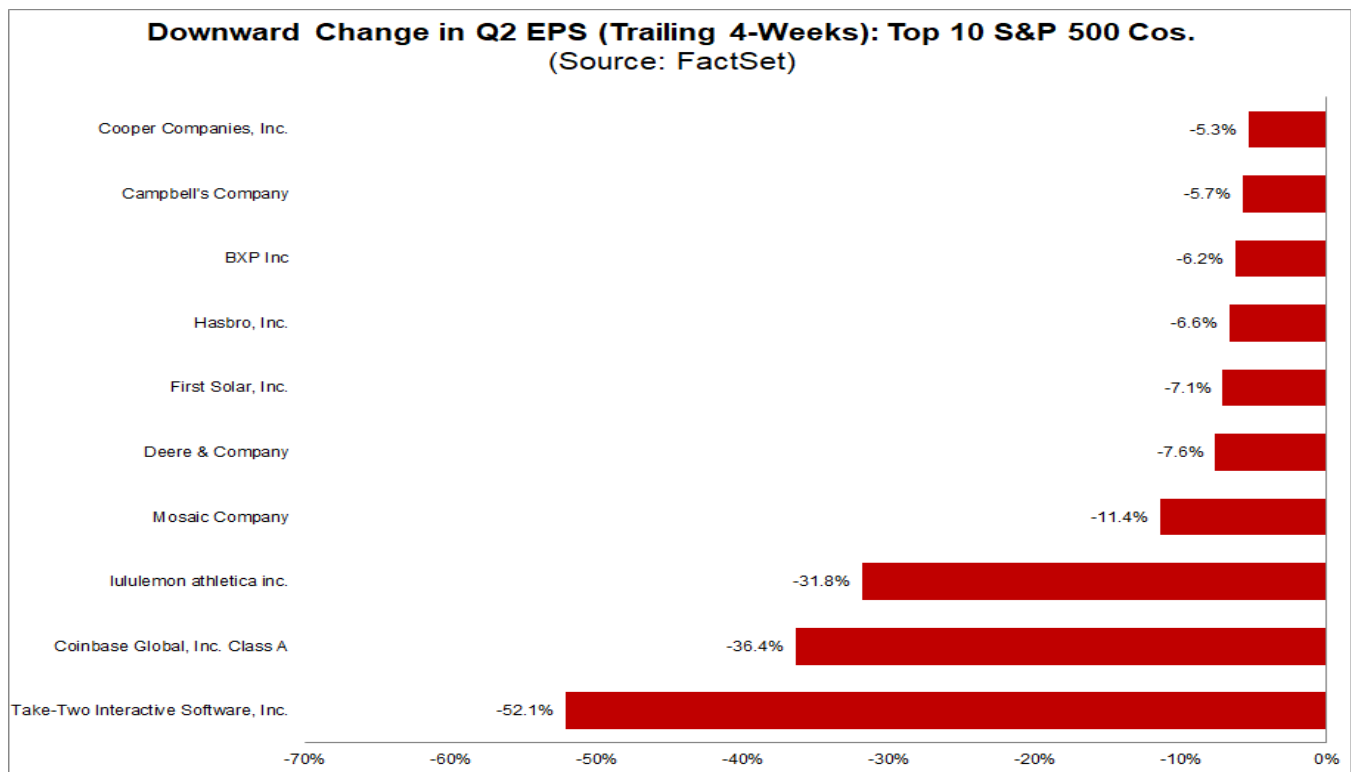
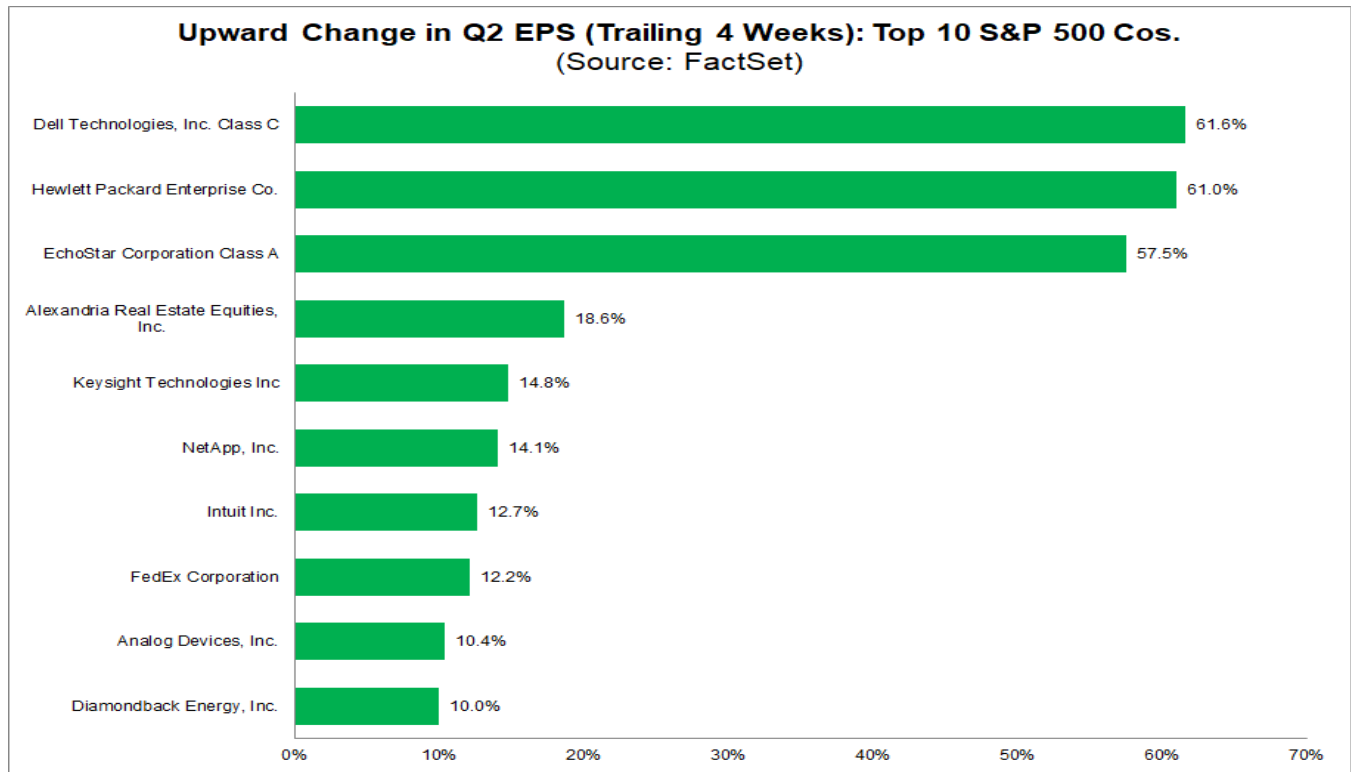
Q1 2026: Net Profit Margin



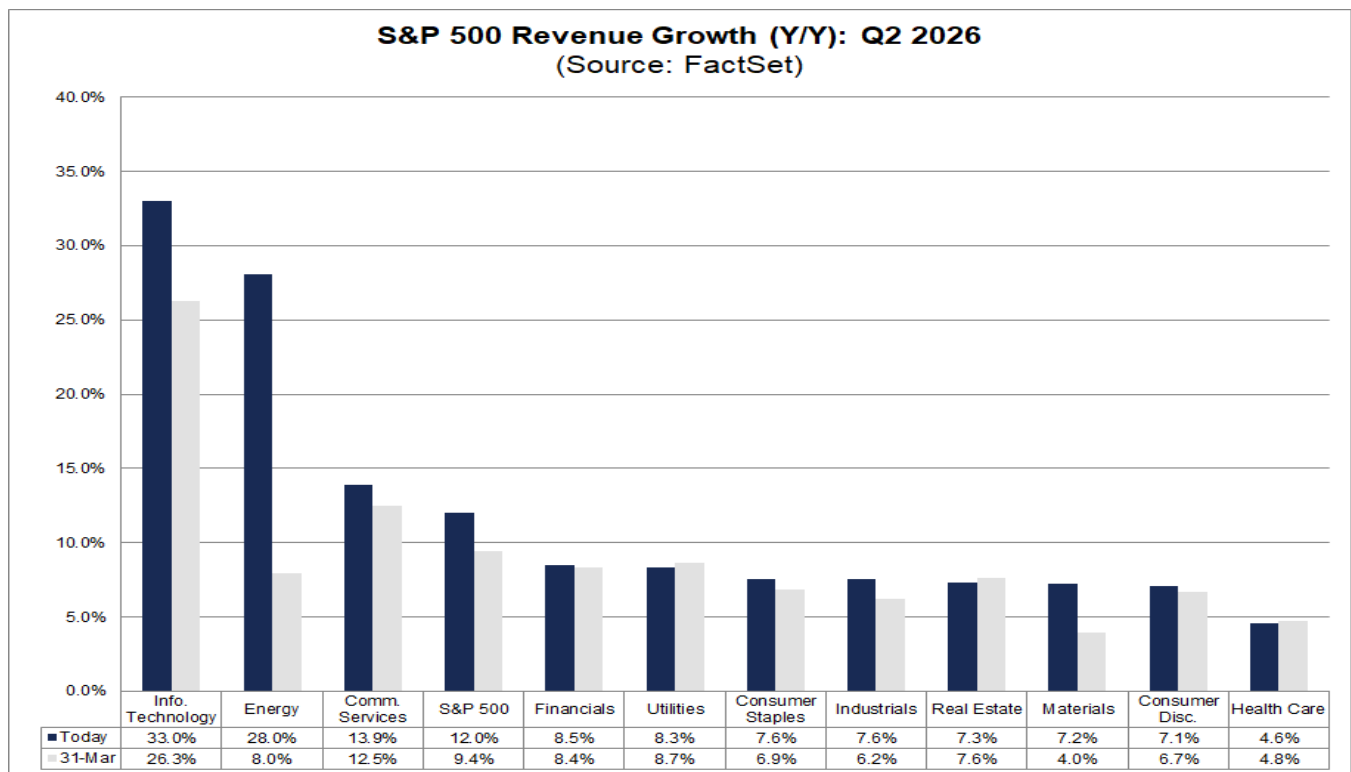
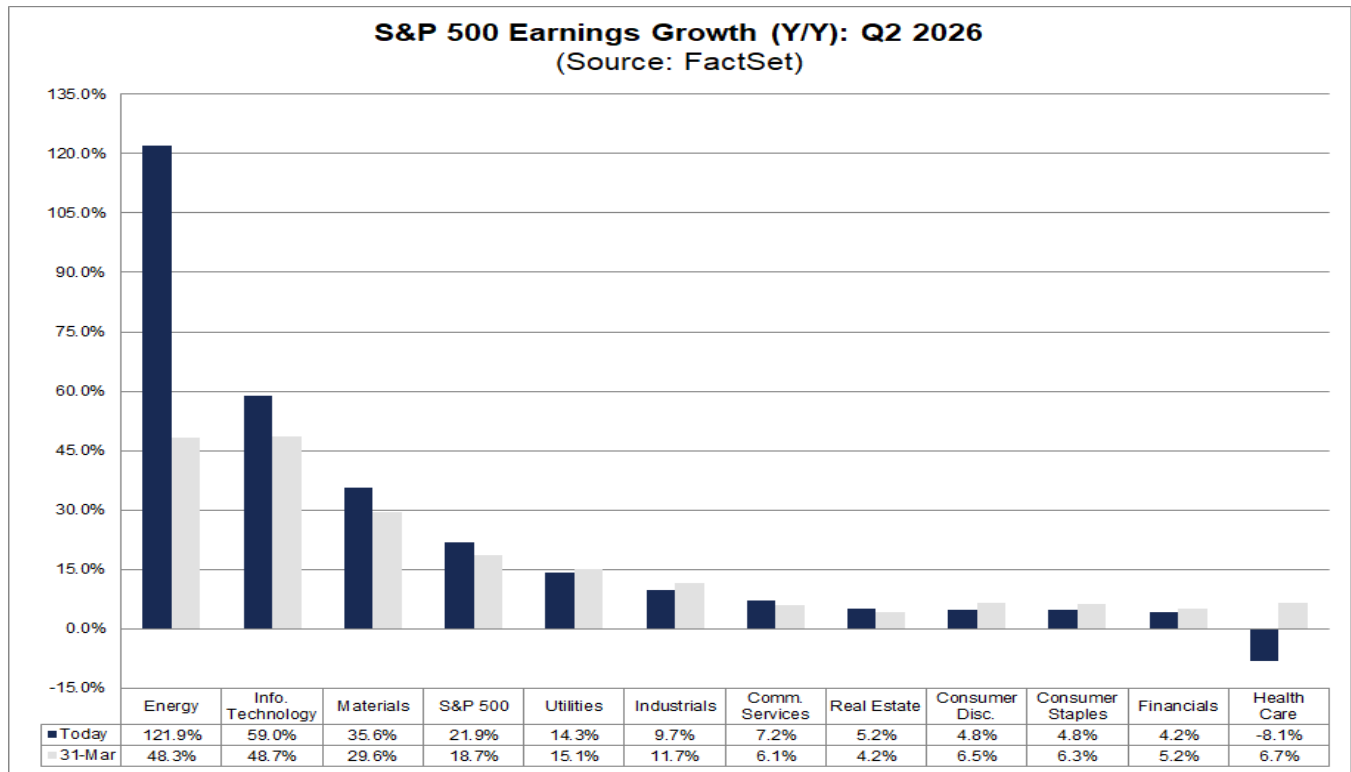
Q2 2026: Guidance



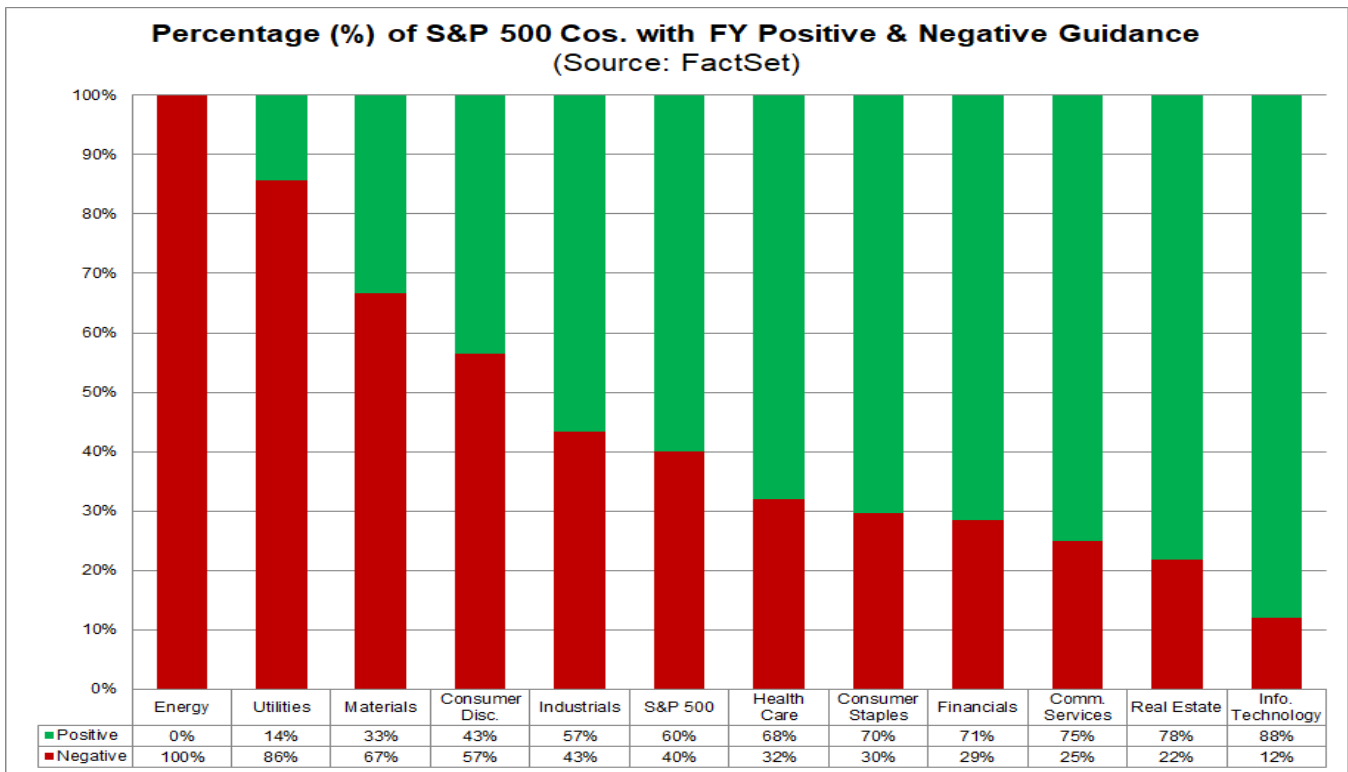
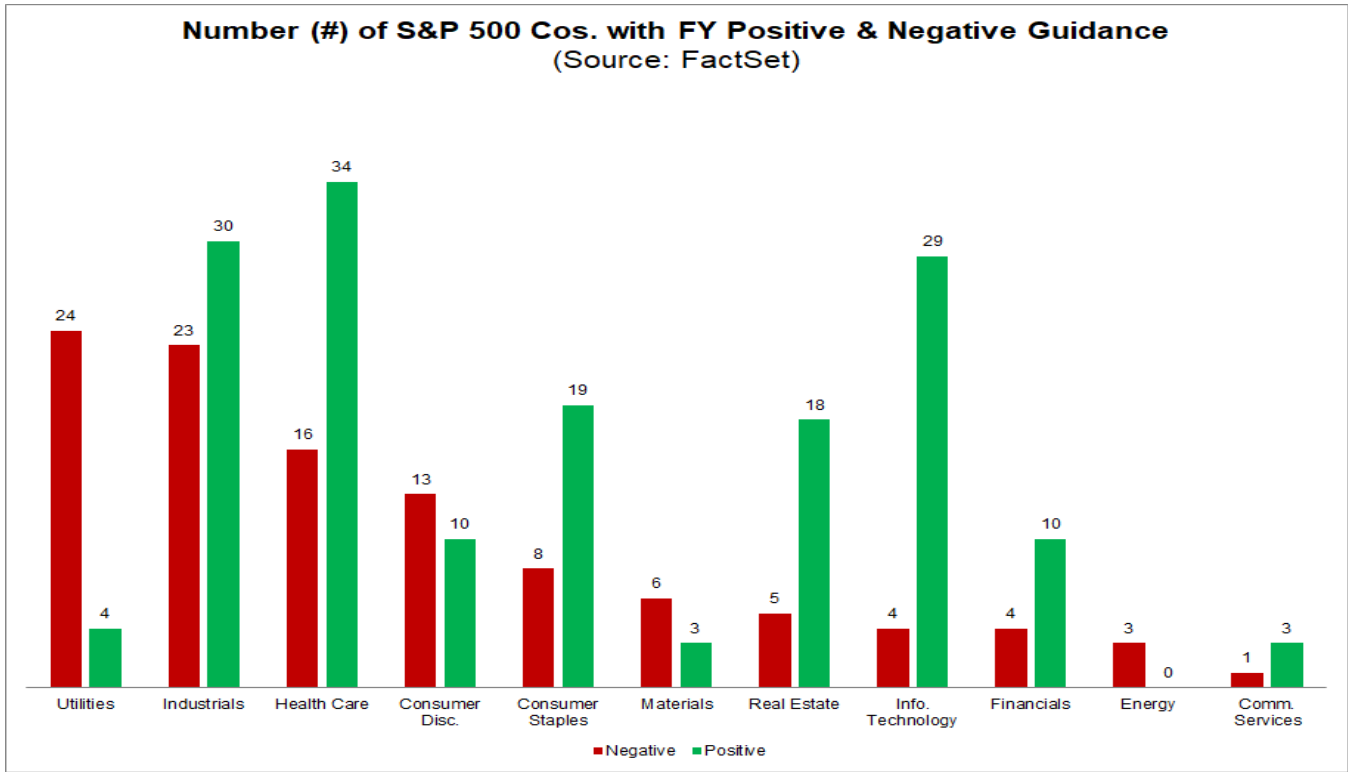
Q2 2026: EPS Revisions



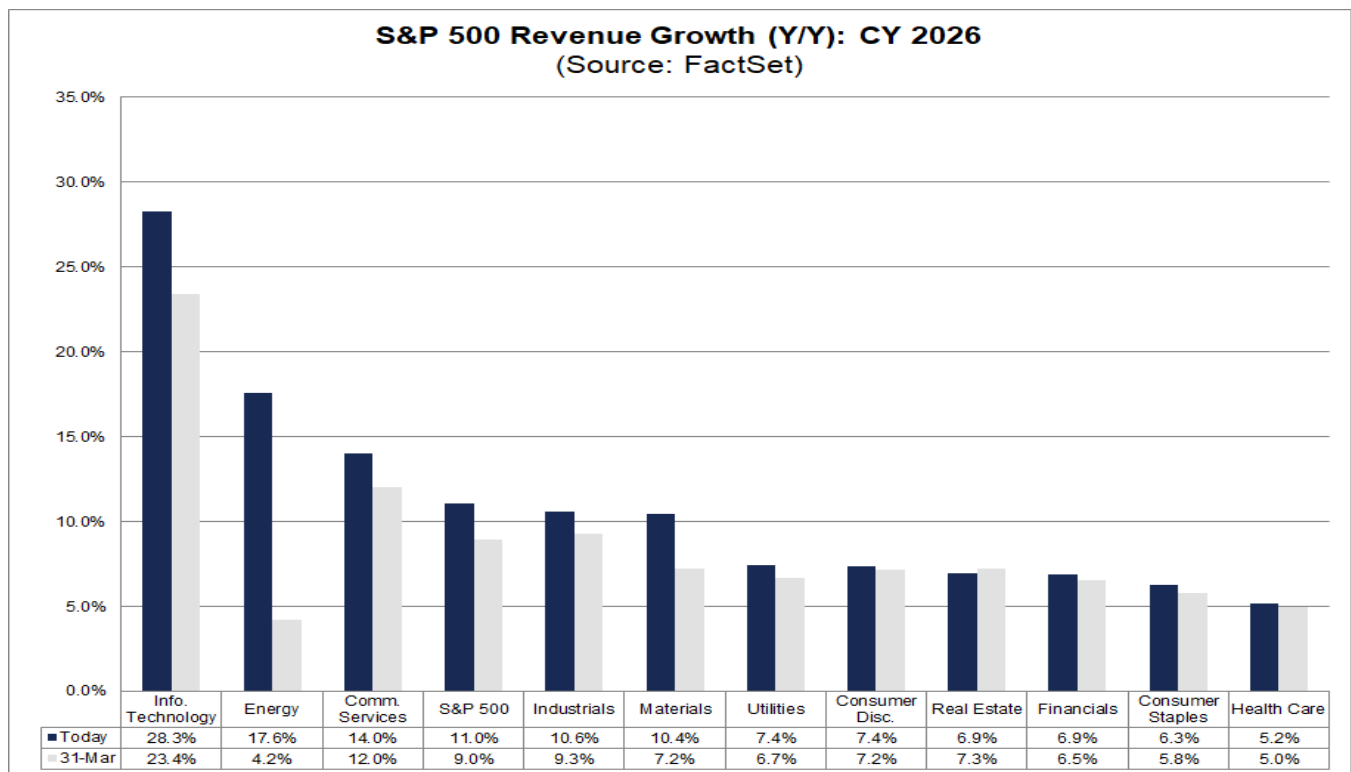
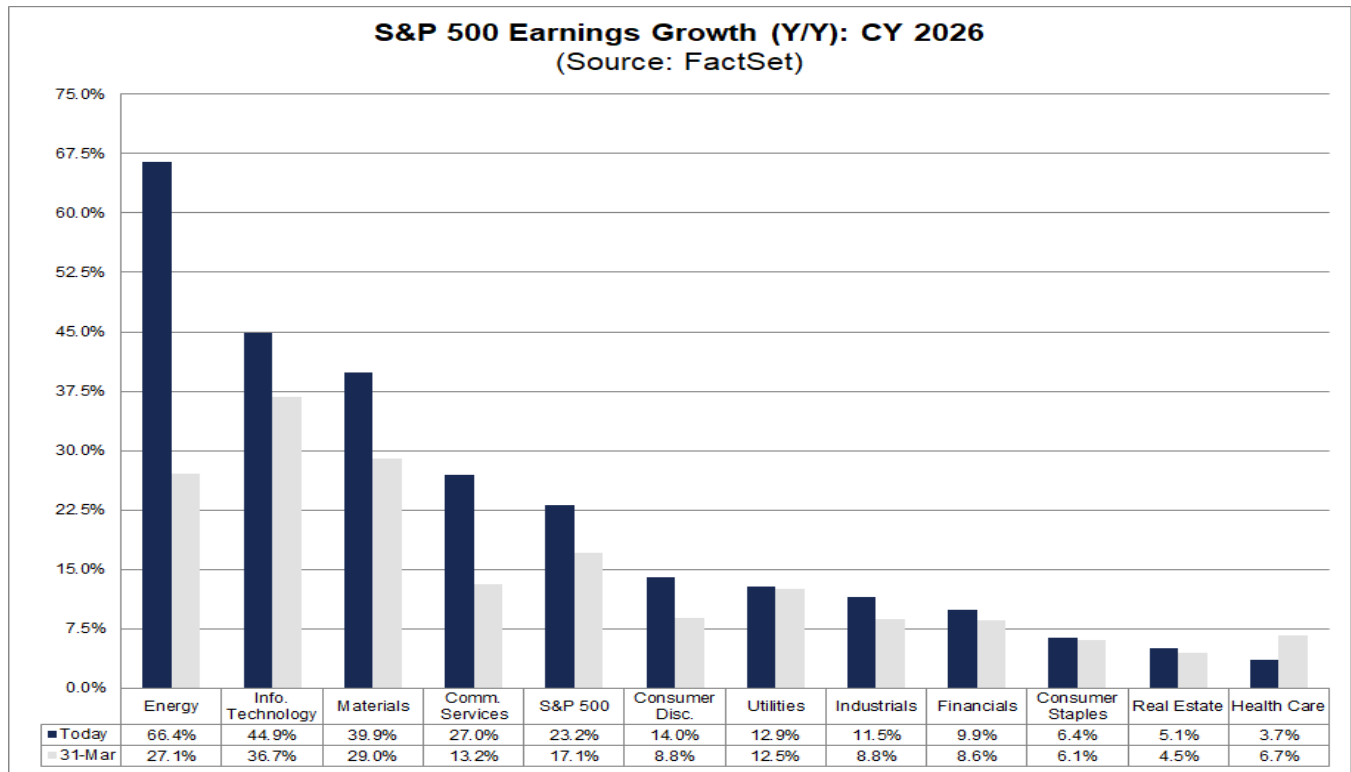
Q2 2026: Growth



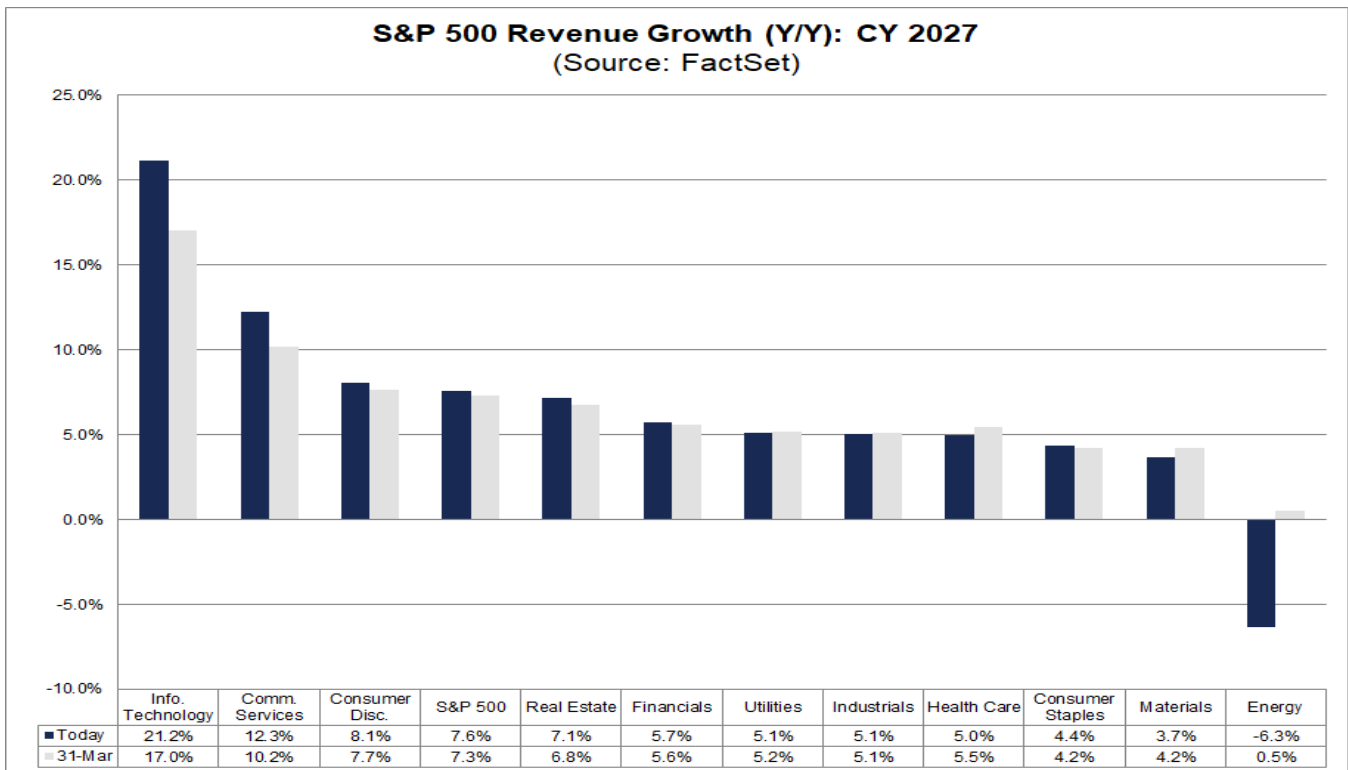
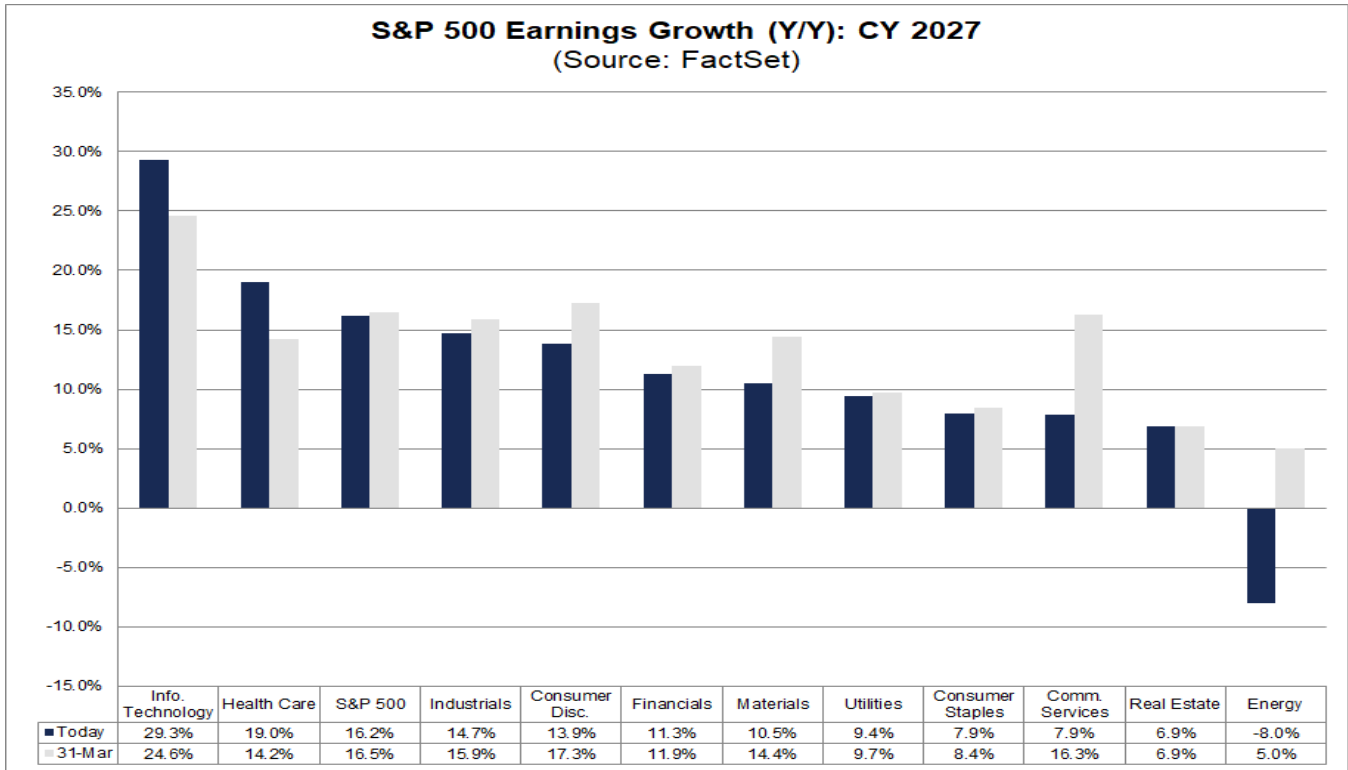
FY 2026 / 2027: EPS Guidance



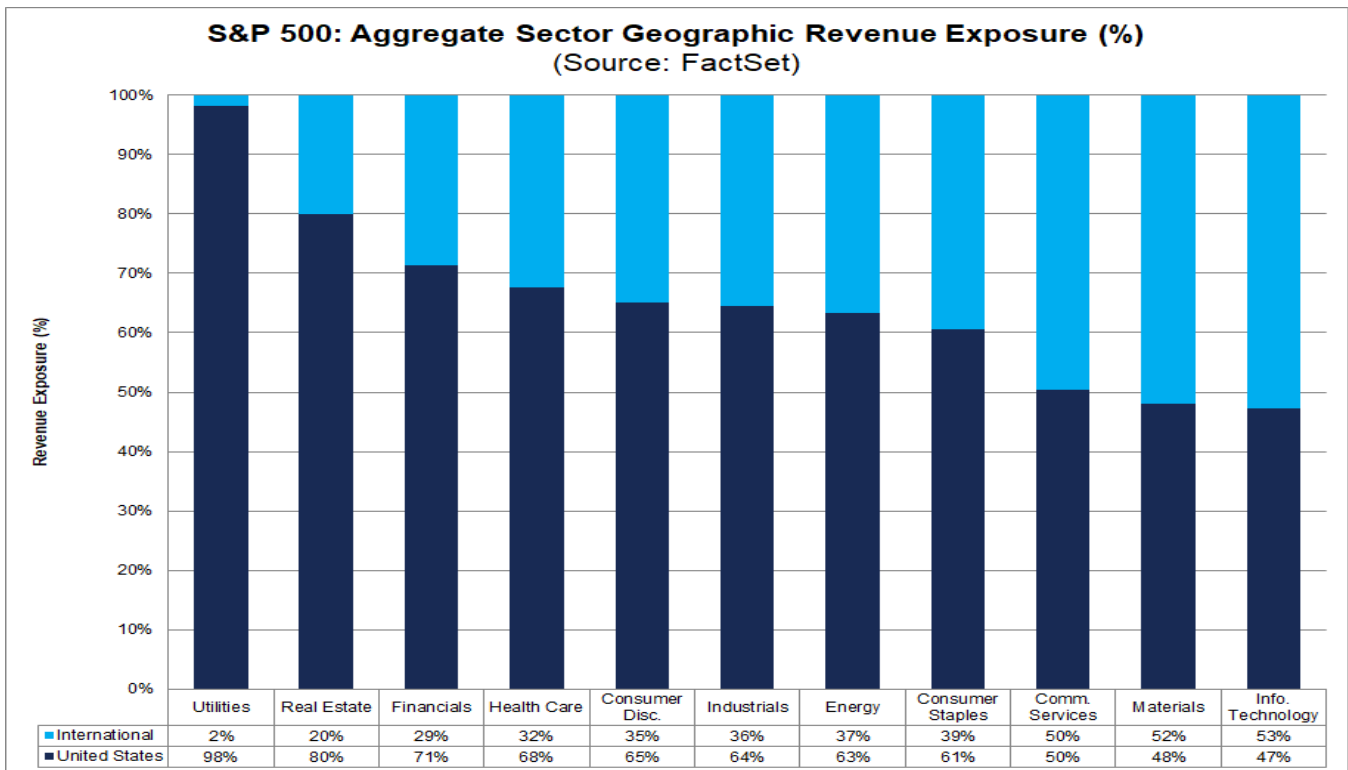
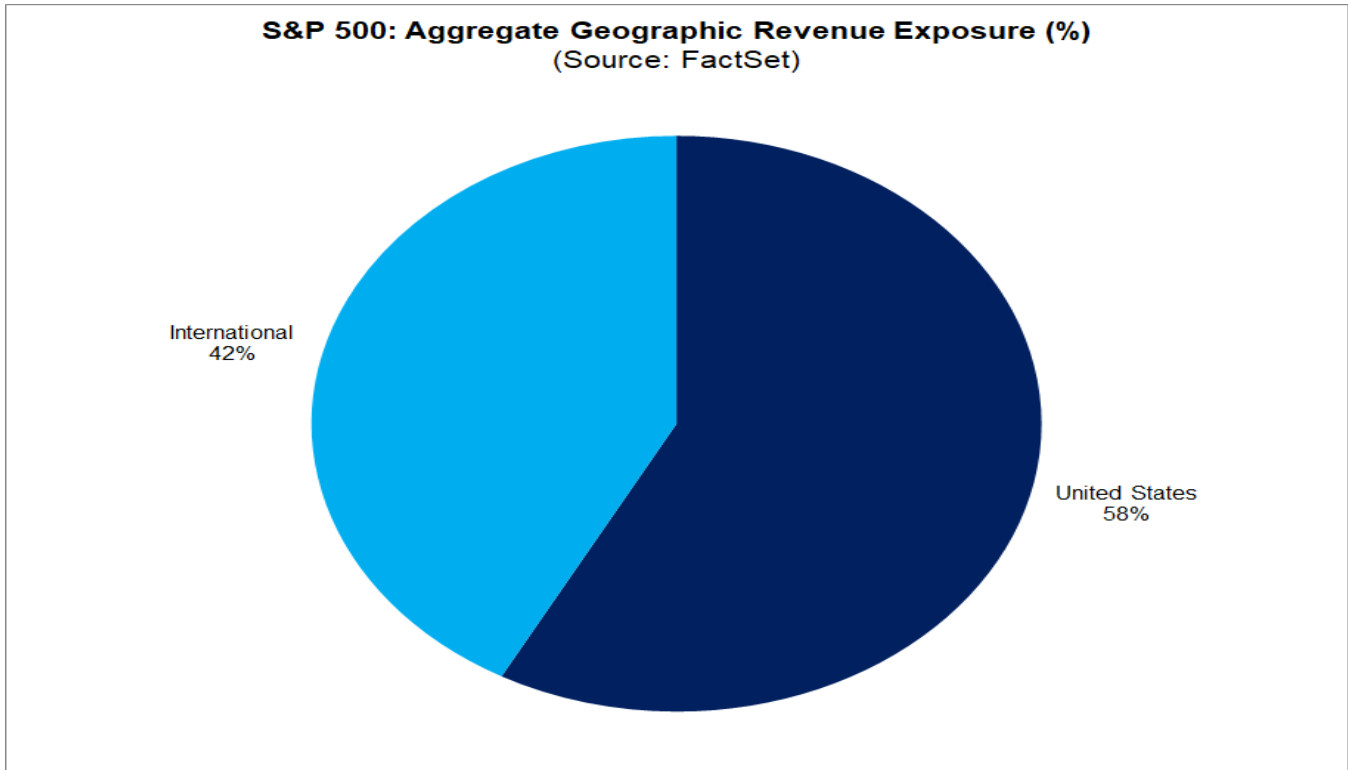
CY 2026: Growth



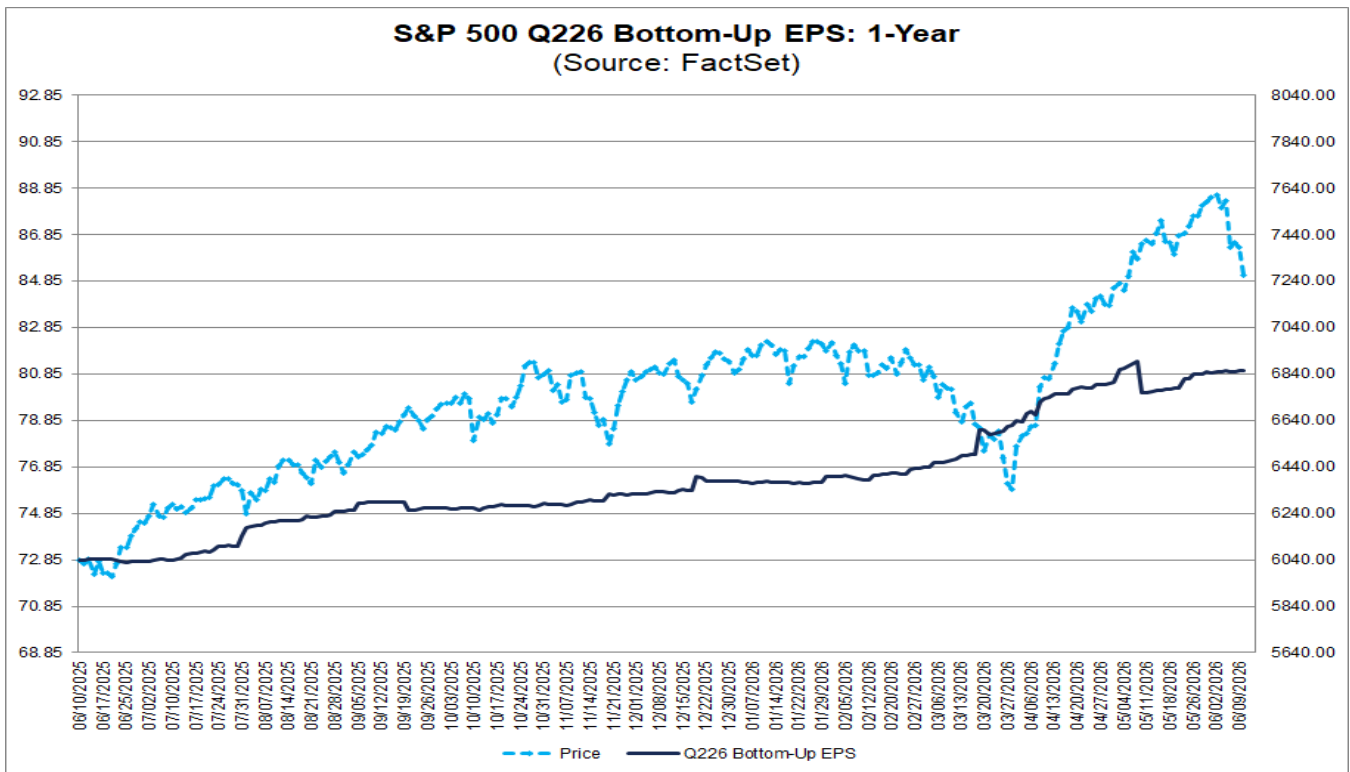
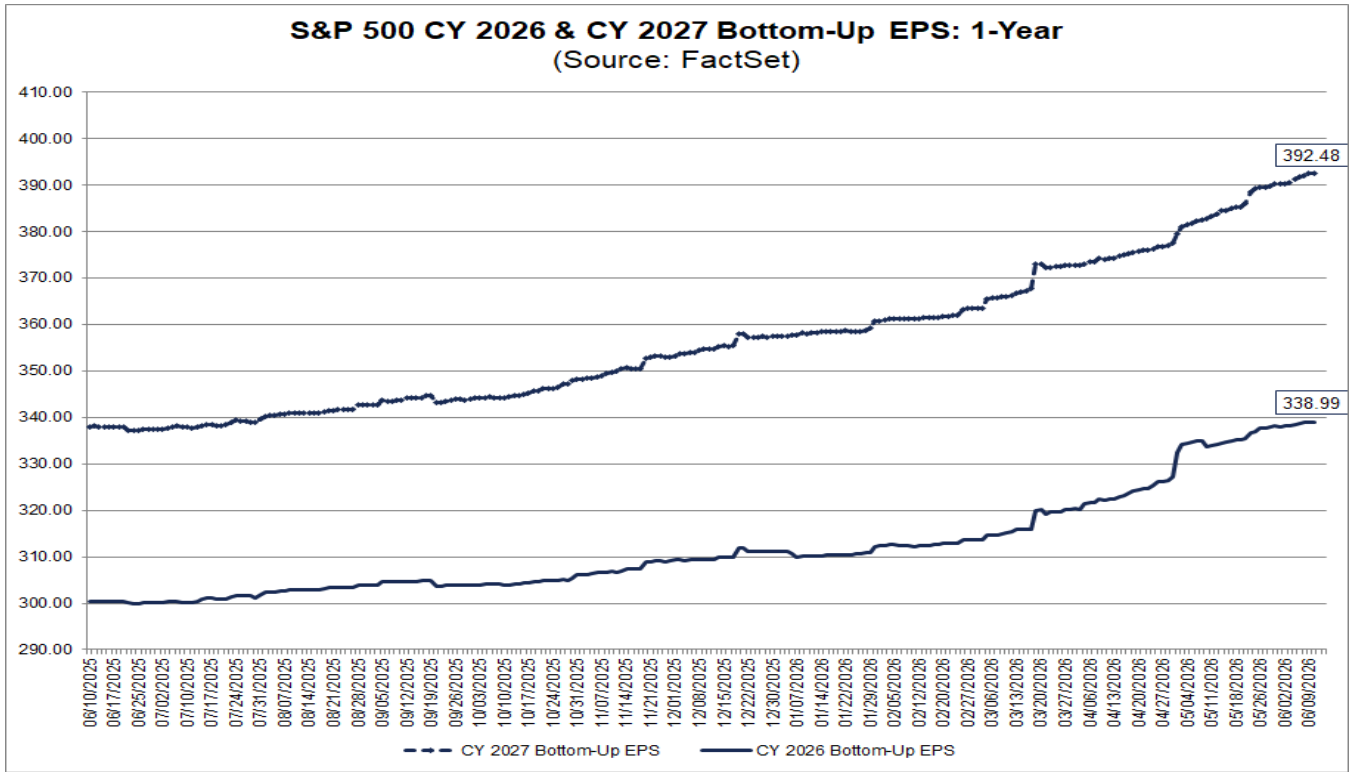
CY 2027: Growth



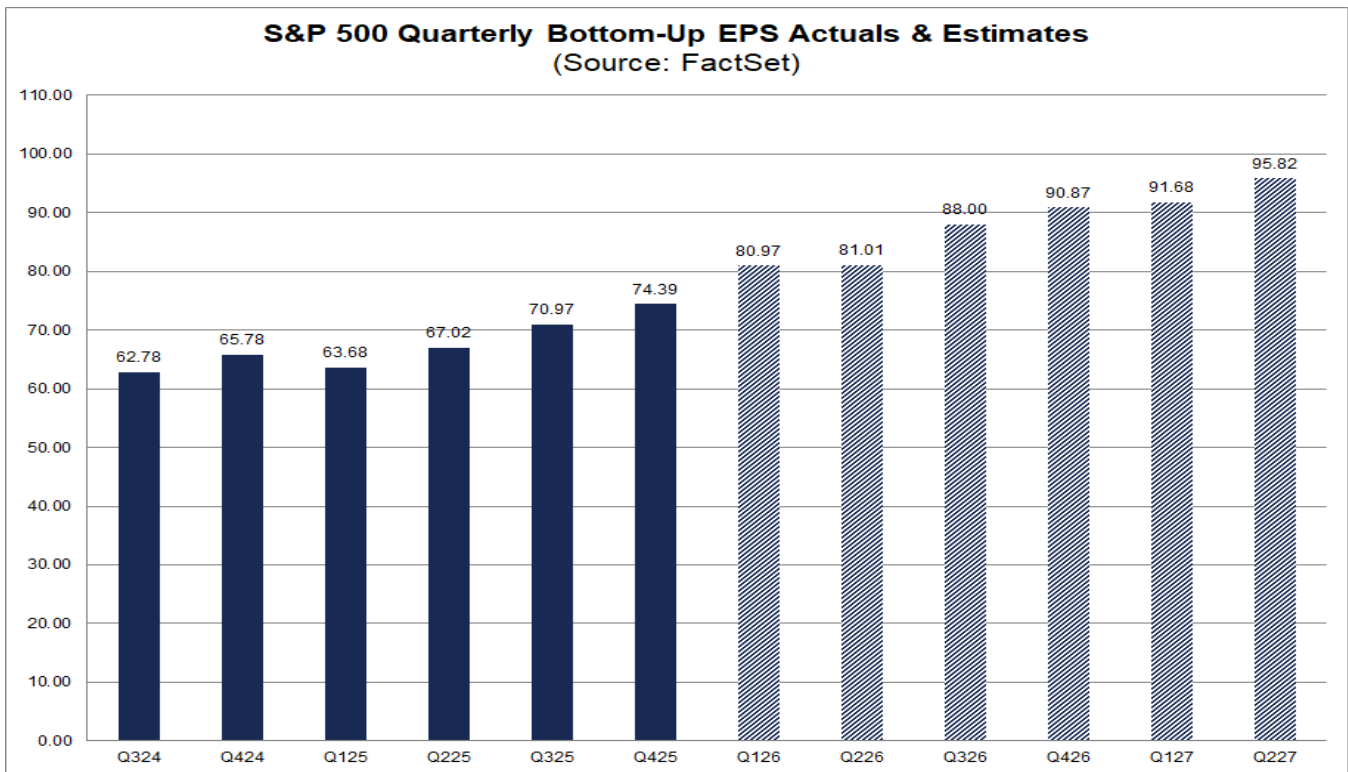
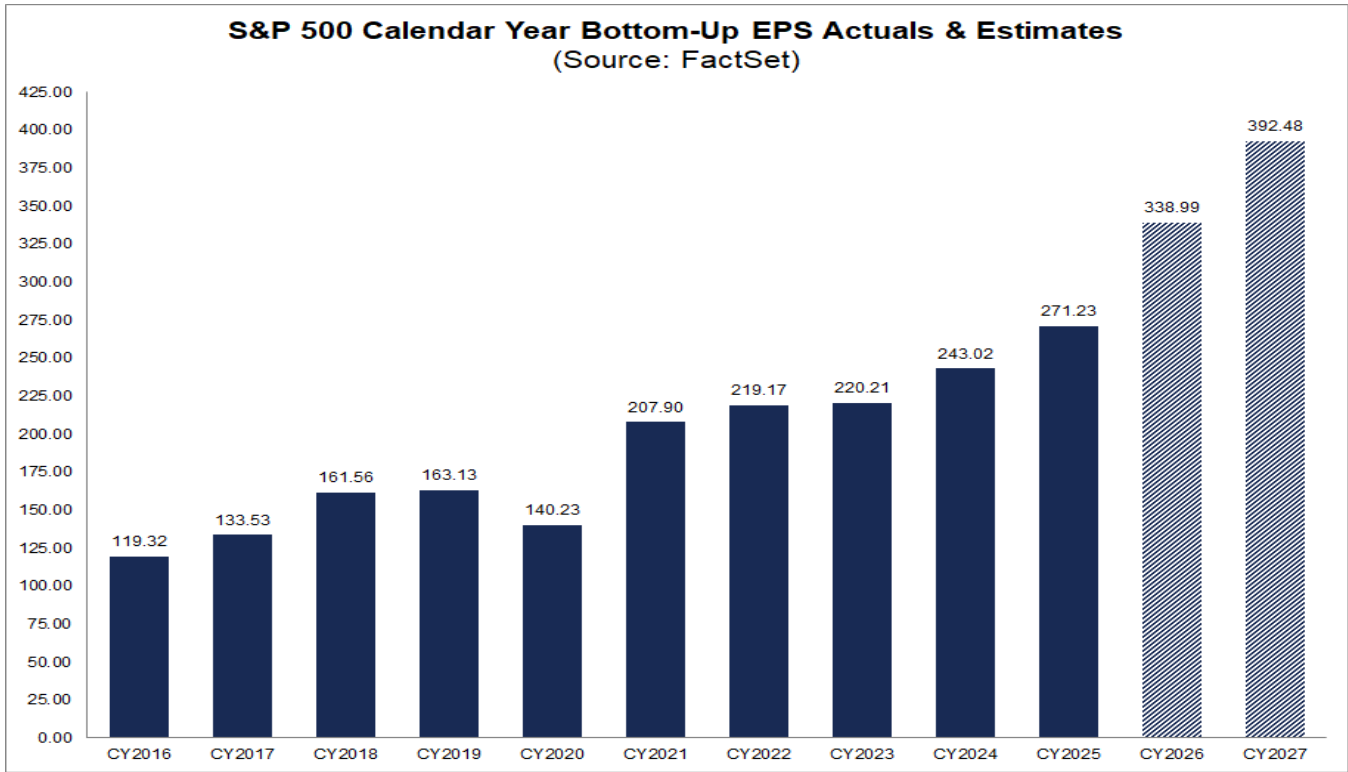
Geographic Revenue Exposure



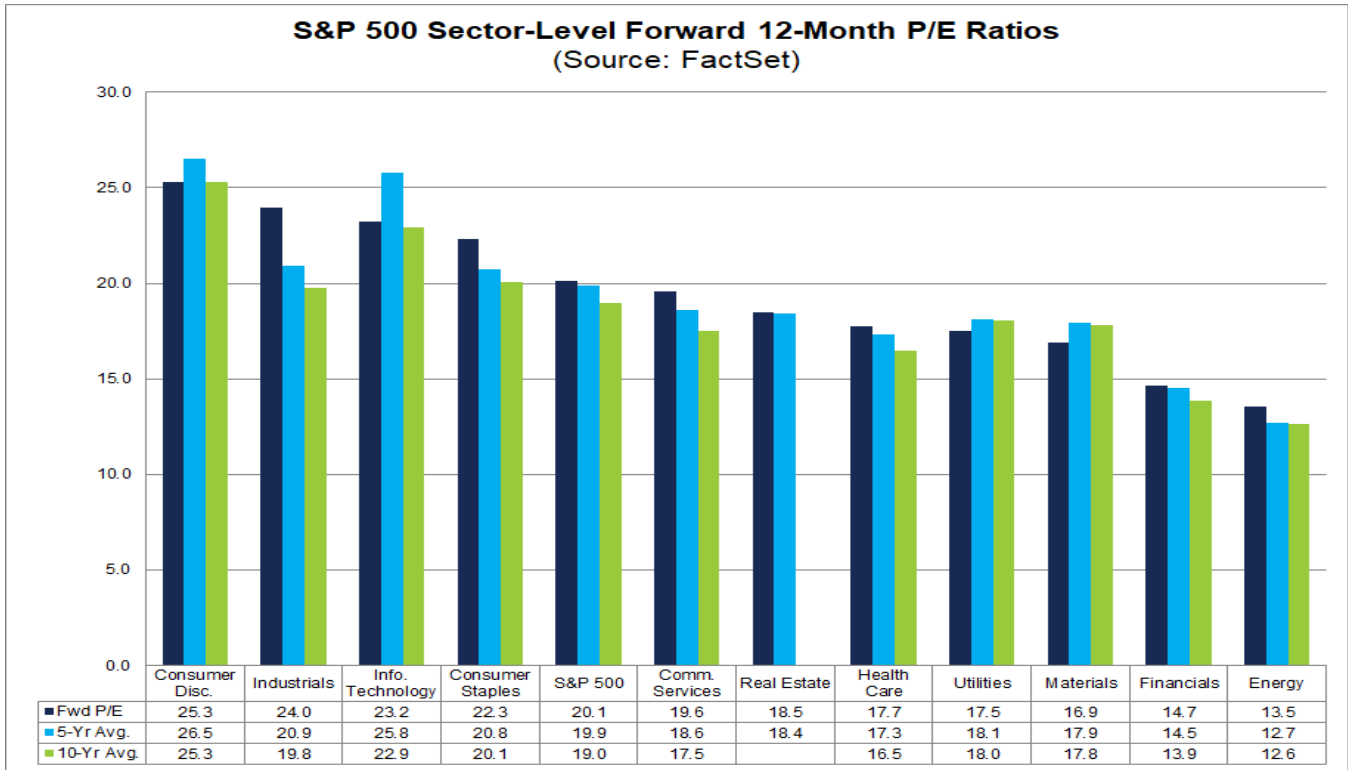
Bottom-Up EPS Estimates



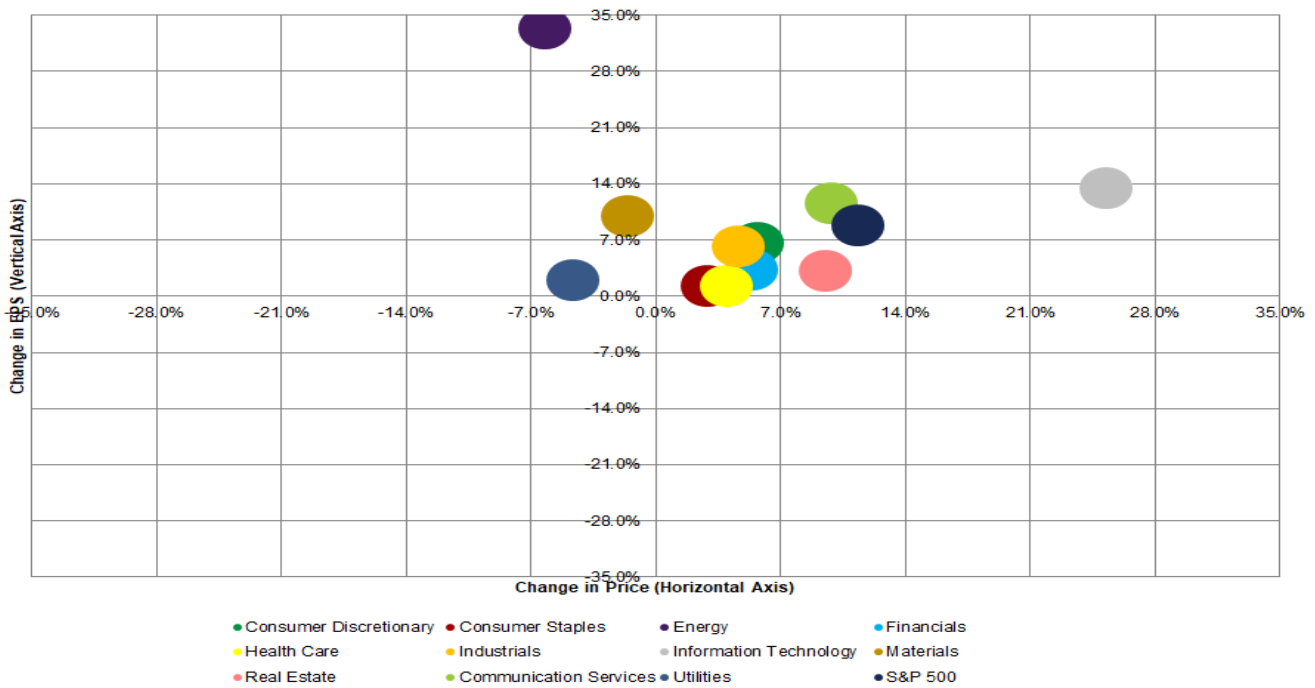
Bottom-Up EPS Estimates: Current & Historical



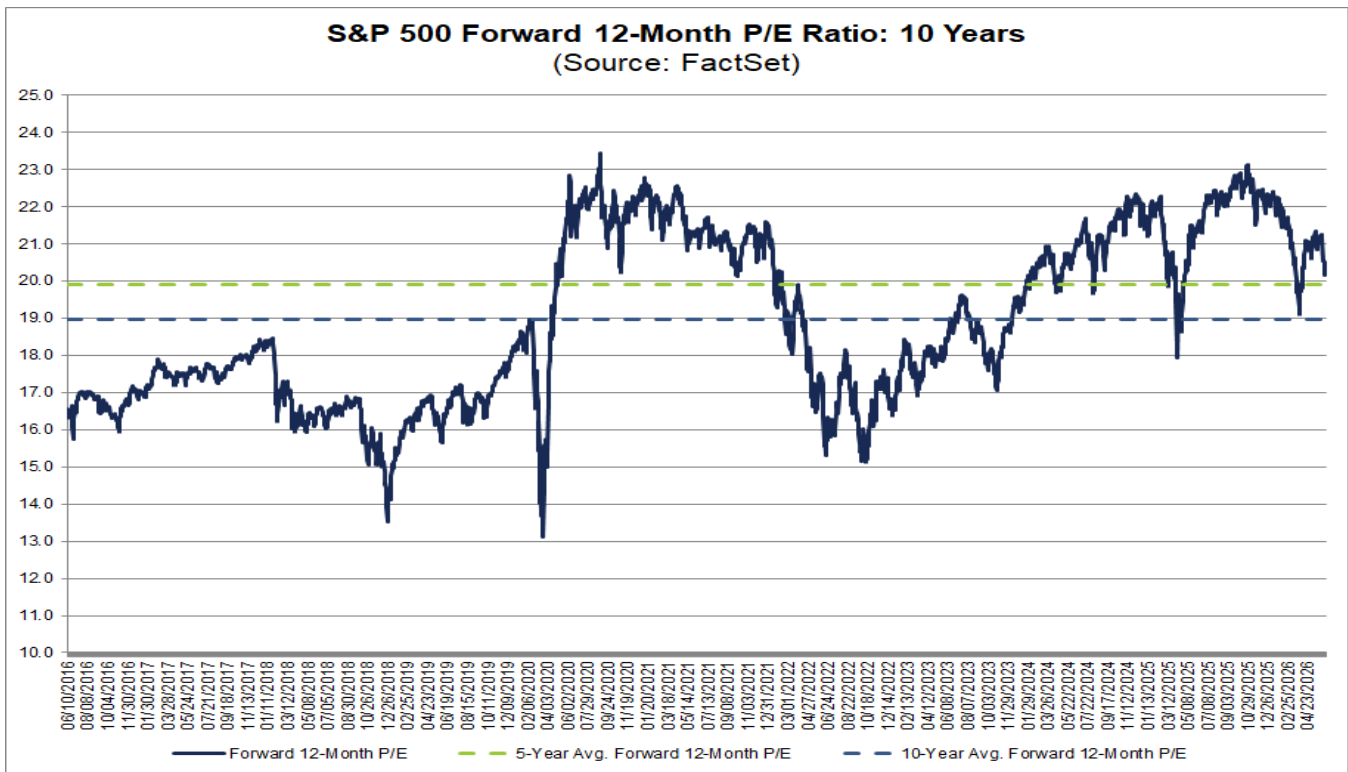
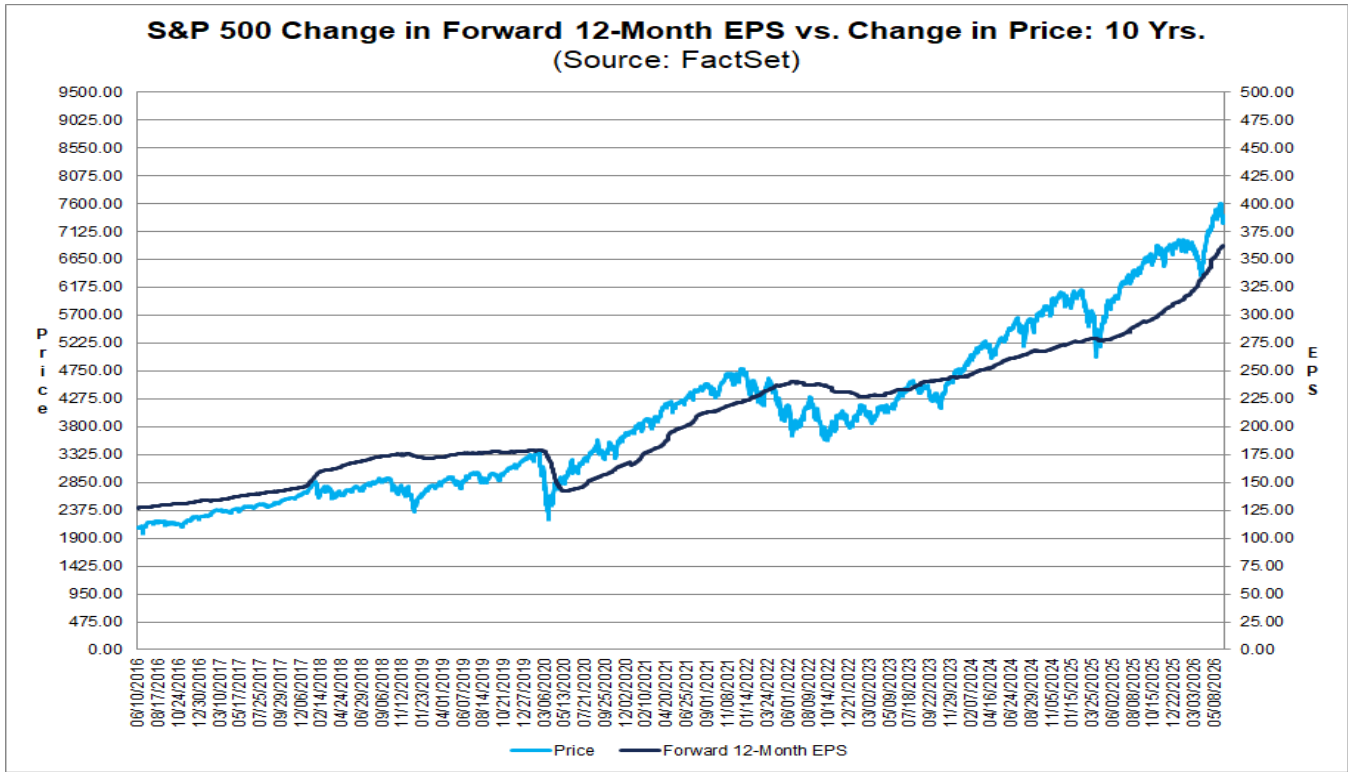
Forward 12M P/E Ratio: Sector Level



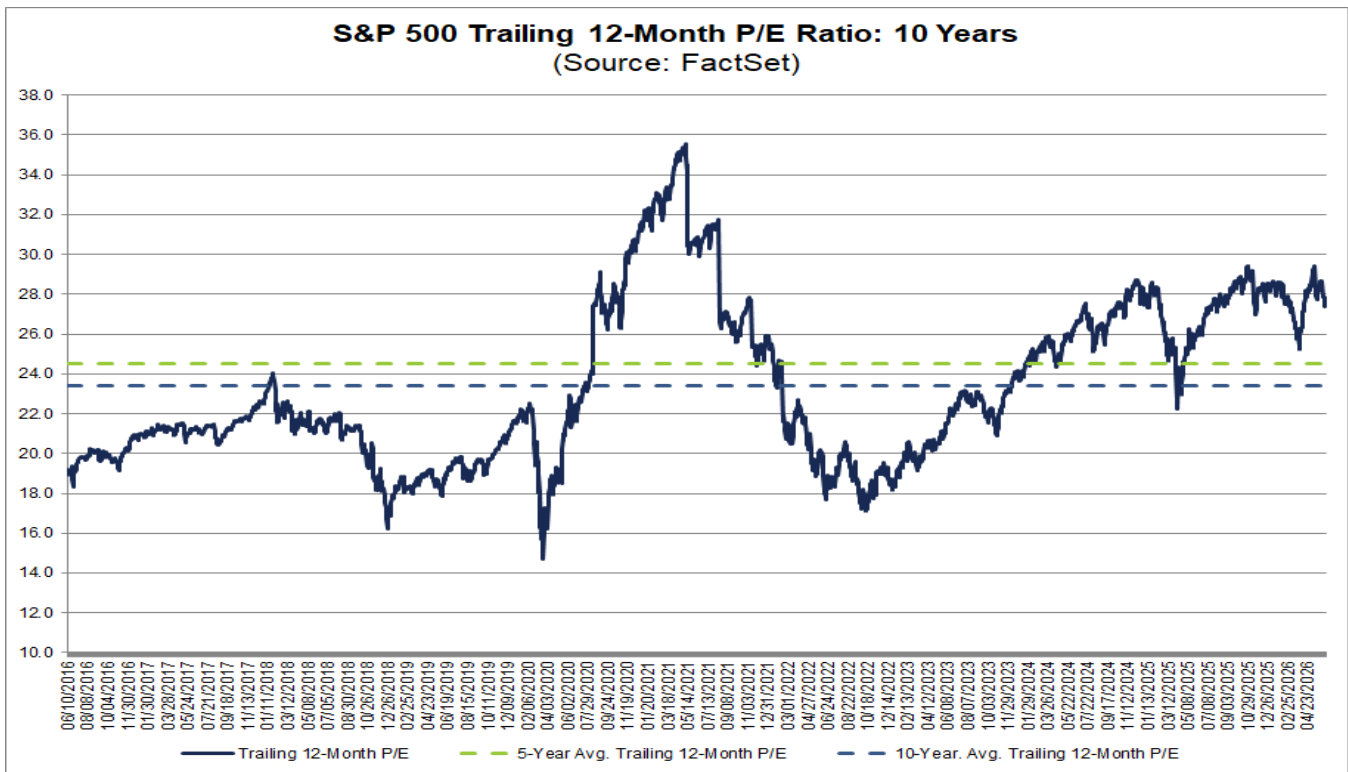
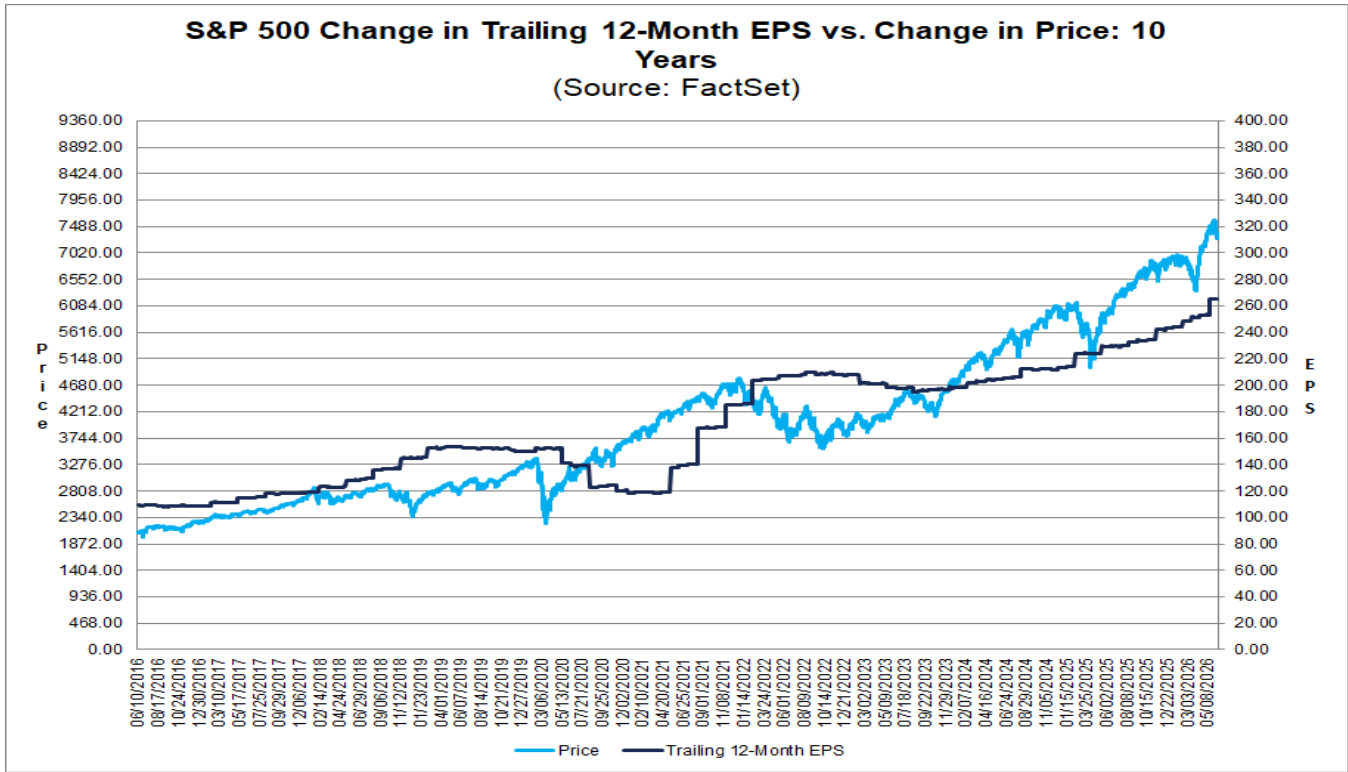
Sector-Level Change in Fwd. 12-Month EPS vs. Price: Since Mar 31 (Source: FactSet)



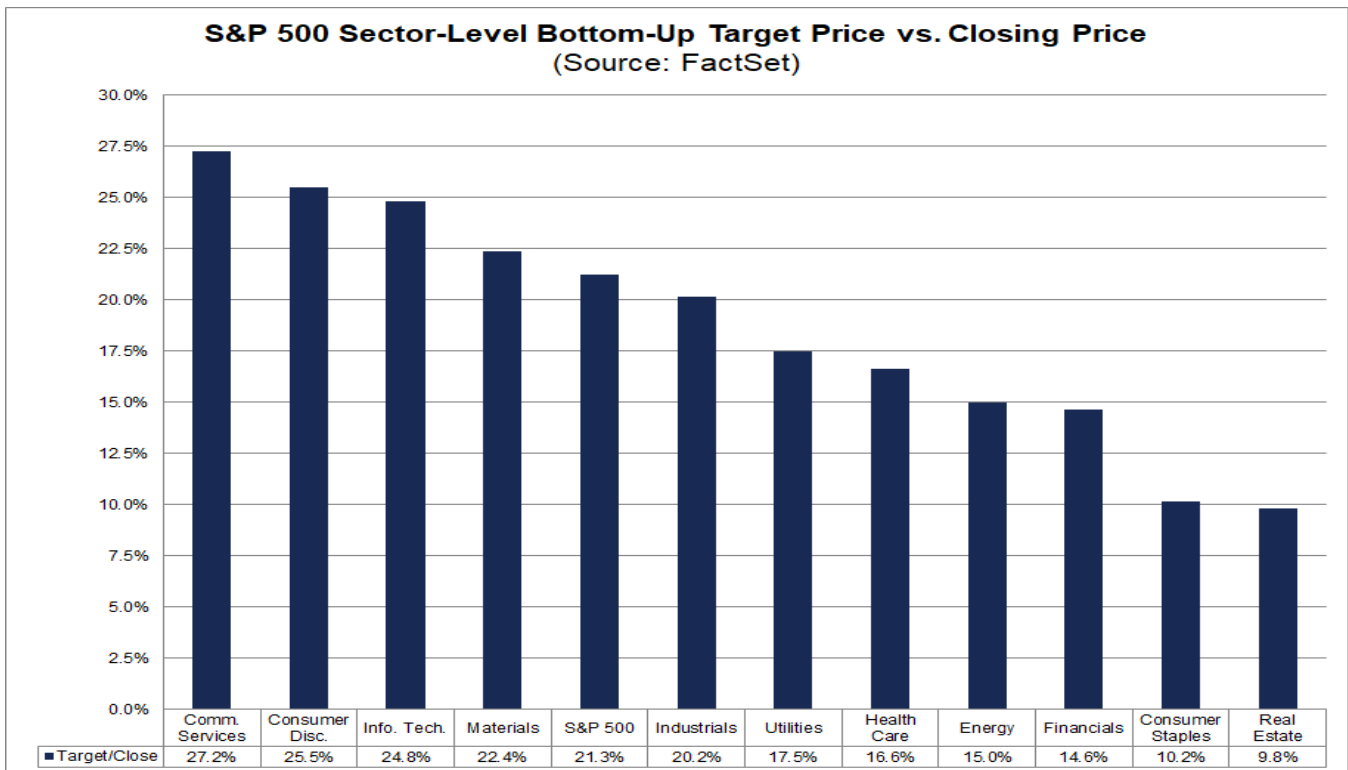
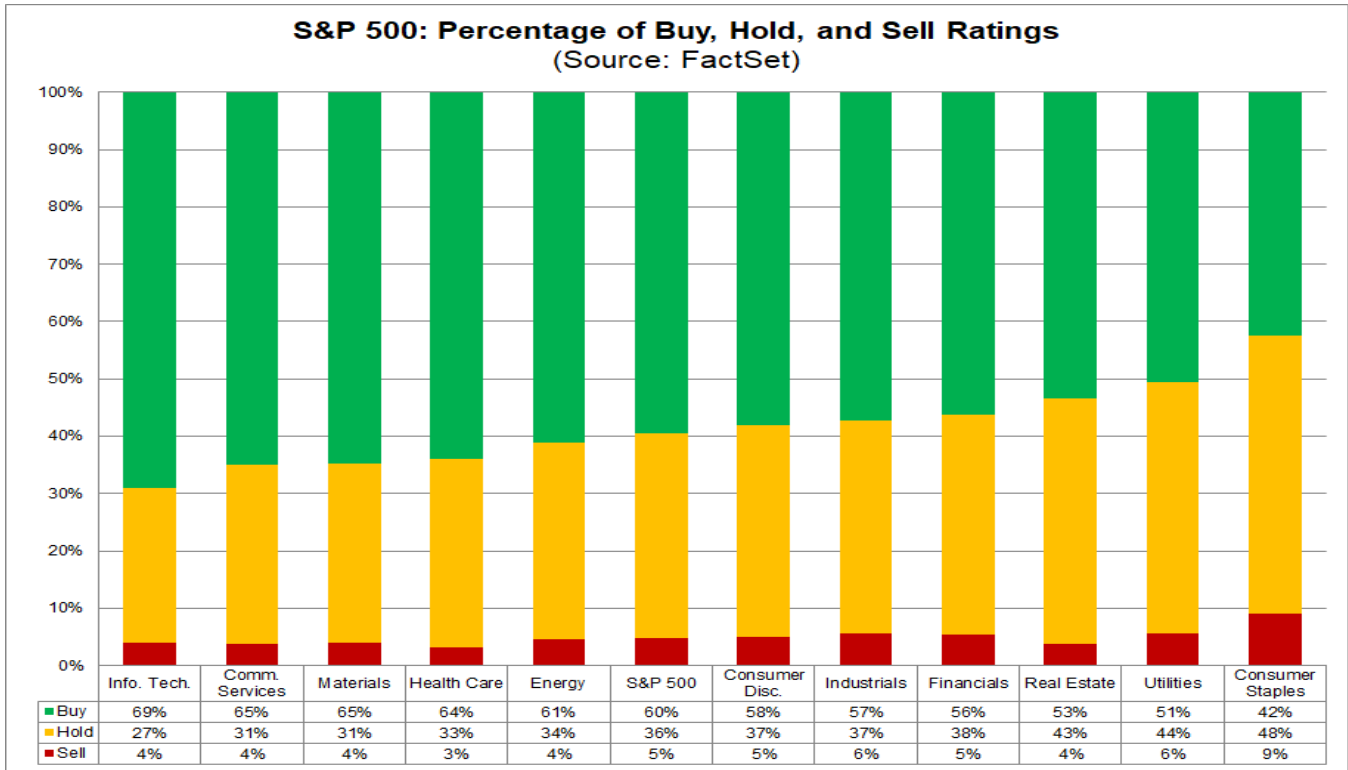
Forward 12M P/E Ratio: 10-Years



Trailing 12M P/E Ratio: 10-Years



Targets & Ratings



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