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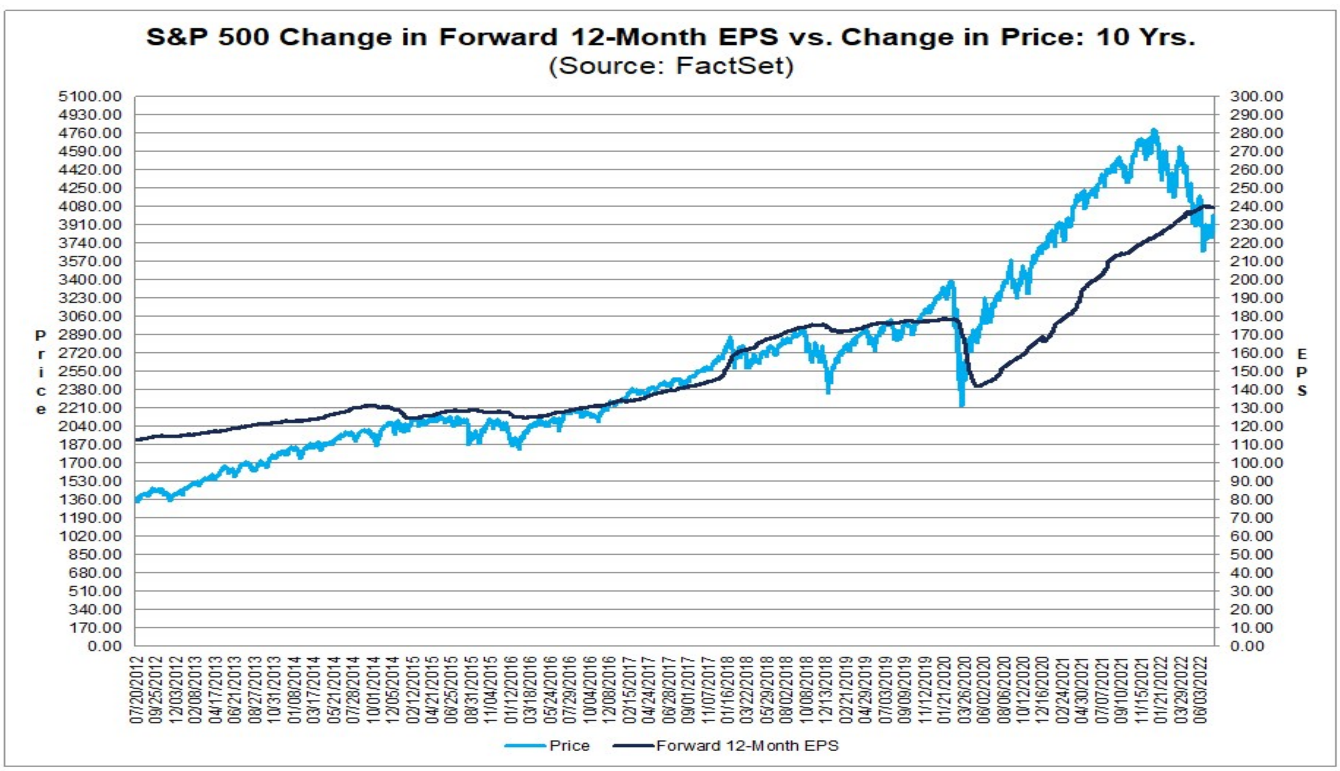
Key Metrics

- **Earnings Scorecard:** For Q2 2022 (with 21% S&P 500 companies reporting actual results), 68% of S&P 500 companies have reported a positive EPS surprise and 65% of S&P 500 companies have reported a positive revenue surprise.
- **Earnings Growth:** For Q2 2022, the blended earnings growth rate for the S&P 500 is 4.8%. If 4.8% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since Q4 2020 (4.0%).
- **Earnings Revisions:** On June 30, the estimated earnings growth rate for Q2 2022 was 4.0%. Four sectors are reporting higher earnings today (compared to June 30) due to upward revisions to EPS estimates and positive EPS surprises.
- **Earnings Guidance:** For Q3 2022, 10 S&P 500 companies have issued negative EPS guidance and 1 S&P 500 company has issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 16.7. This P/E ratio is below the 5-year average (18.6) and below the 10-year average (17.0).



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Topic of the Week:

S&P 500 Companies With More Global Exposure Reporting Higher Earnings Growth in Q2

Given the military conflict in Ukraine and the stronger U.S. dollar, do S&P 500 companies with more international revenue exposure have lower earnings and revenue growth rates for Q2 2022 compared S&P 500 companies with more domestic revenue exposure?

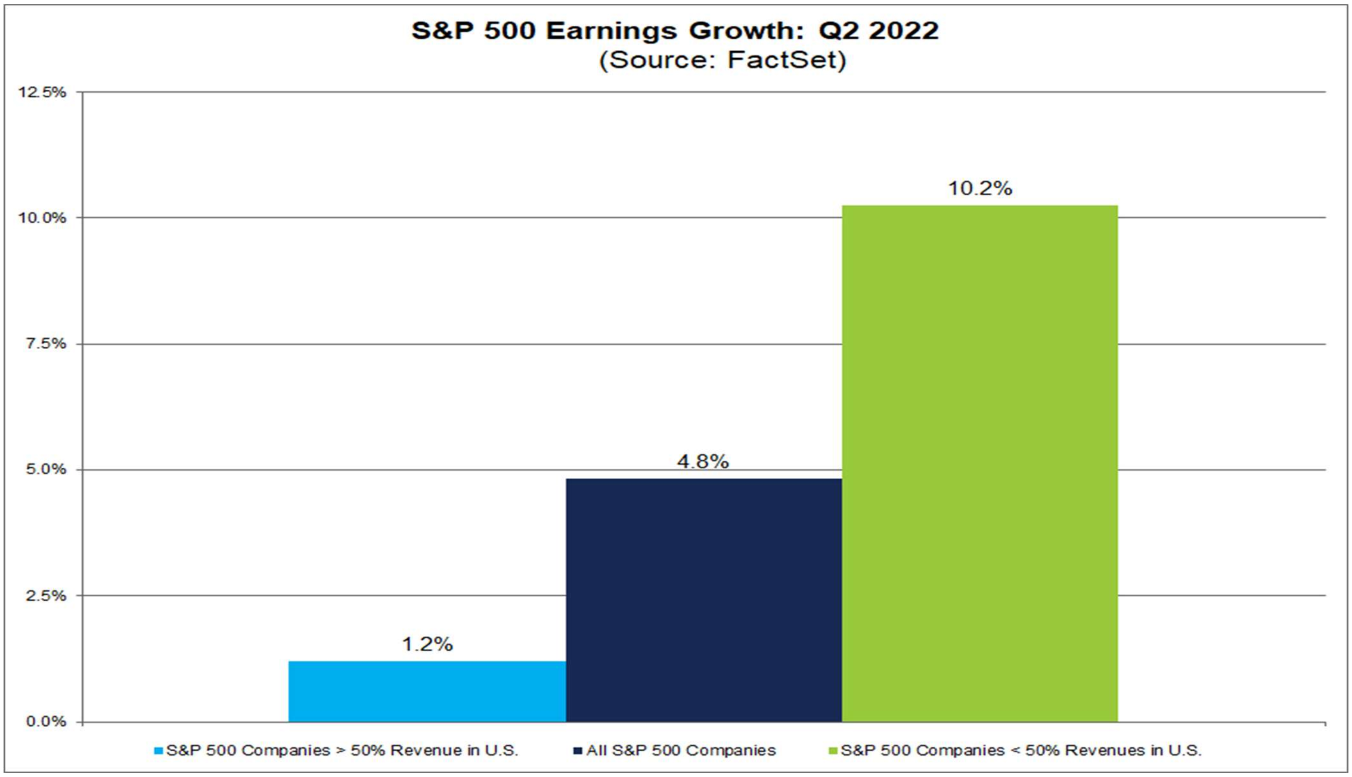
The answer is no. FactSet Geographic Revenue Exposure data (based on the most recently reported fiscal year data for each company in the index) was used to answer this question. For this analysis, the index was divided into two groups: companies that generate more than 50% of sales inside the U.S. (more domestic exposure) and companies that generate more than 50% of sales outside the U.S. (more international exposure). Aggregate earnings and revenue growth rates were then calculated based on these two groups.

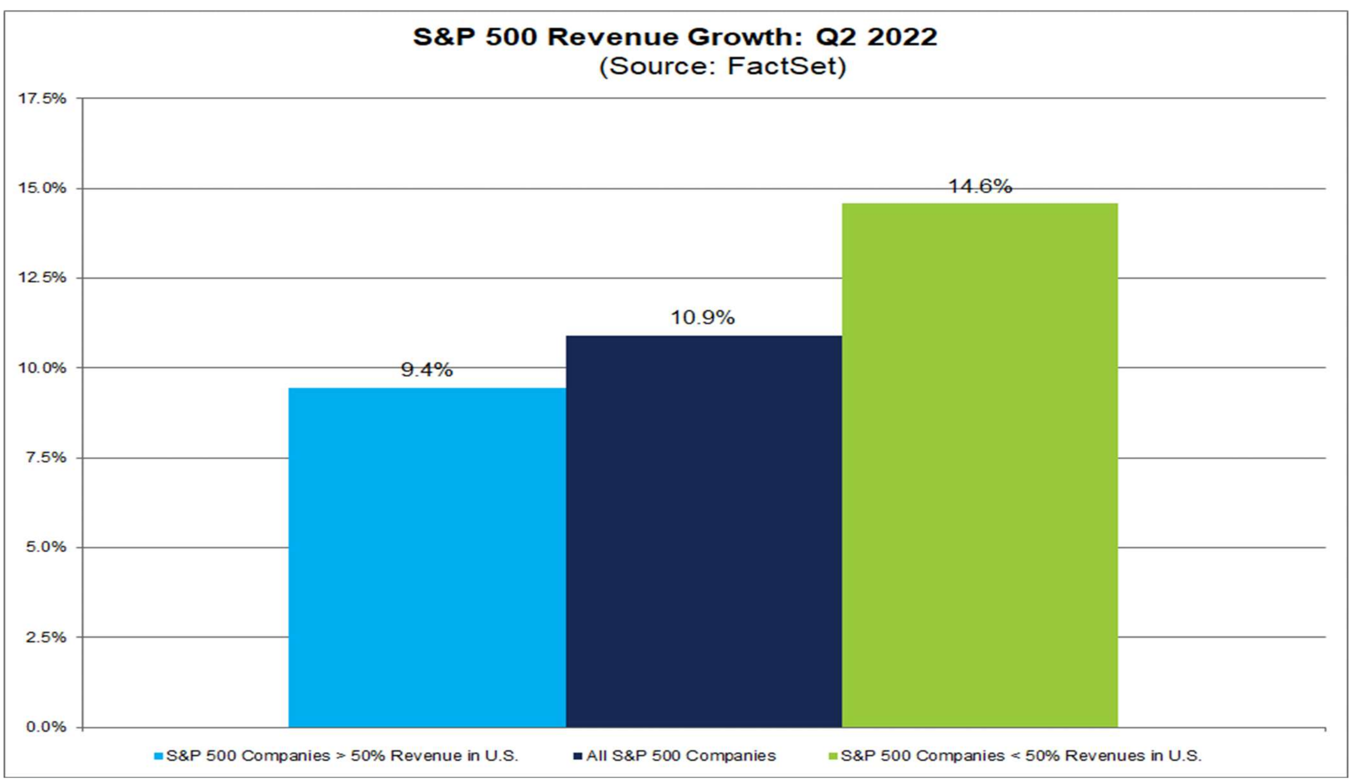
The blended (combines actual results for companies that have reported and estimated results for companies that have yet to report) earnings growth rate for the S&P 500 for Q2 2022 is 4.8%. For companies that generate more than 50% of sales inside the U.S., the blended earnings growth rate is 1.2%. For companies that generate more than 50% of sales outside the U.S., the blended earnings growth rate is 10.2%.

The blended revenue growth rate for the S&P 500 for Q2 2022 is 10.9%. For companies that generate more than 50% of sales inside the U.S., the blended revenue growth rate is 9.4%. For companies that generate more than 50% of sales outside the U.S., the blended revenue growth rate is 14.6%.

What is driving the outperformance of S&P 500 companies with higher international revenue exposure?

At the company level, Exxon Mobil and Chevron are the largest contributors to earnings growth and revenue growth for S&P 500 companies with more international revenue exposure. Exxon Mobil generates 62% of revenues outside the United States, while Chevron generates 56% of revenues outside the United States. If these two companies were excluded, the (blended) earnings growth rate for S&P 500 companies that generate more than 50% of revenues outside the U.S. would fall to 0.5% from 10.2%, while the (blended) revenue growth rate for S&P 500 companies that generate more than 50% of revenues outside the U.S. would fall to 9.1% from 14.6%.


S&P 500 Earnings Growth: Q2 2022
(Source: FactSet)
12.5%
10.0%
7.5%
5.0%
2.5%
0.0%
1.2%
4.8%
10.2%
S&P 500 Companies > 50% Revenue in U.S.
All S&P 500 Companies
S&P 500 Companies < 50% Revenues in U.S.


S&P 500 Revenue Growth: Q2 2022
(Source: FactSet)
17.5%
15.0%
12.5%
10.0%
7.5%
5.0%
2.5%
0.0%
9.4%
10.9%
14.6%
S&P 500 Companies > 50% Revenue in U.S.
All S&P 500 Companies
S&P 500 Companies < 50% Revenues in U.S.

Q2 Earnings Season: By The Numbers

Overview

The second quarter earnings season for the S&P 500 continues to be weaker than normal. Both the number of S&P 500 companies reporting positive earnings surprises and the magnitude of these positive surprises are below their 5-year averages. However, the index has a higher earnings growth rate for the second quarter today relative to the end of the quarter mainly due to continued upward revisions to EPS estimates for companies in the Energy sector. On a year-over-year basis, the S&P 500 is reporting its lowest earnings growth since Q4 2020. The lower earnings growth rate for Q2 2022 relative to recent quarters can be attributed to both a difficult comparison to unusually high earnings growth in Q2 2021 and continuing macroeconomic headwinds.

Overall, 21% of the companies in the S&P 500 have reported actual results for Q2 2022 to date. Of these companies, 68% have reported actual EPS above estimates, which is below the 5-year average of 77%. In aggregate, companies are reporting earnings that are 3.6% above estimates, which is also below the 5-year average of 8.8%.

Despite the below average performance relative to estimates, the index has a higher earnings growth rate for the second quarter today relative to the end of last week and 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 second quarter is 4.8% today, compared to an earnings growth rate of 4.1% last week and an earnings growth rate of 4.0% at the end of the second quarter (June 30). Upward revisions to EPS estimates for companies in the Energy sector and positive earnings surprises reported by companies in the Health Care sector were substantial contributors to the increase in the earnings growth rate over the past week. Upward revisions to EPS estimates for companies in the Energy sector have been the largest contributor to the overall increase in earnings for the index since the end of the second quarter (June 30).

If 4.8% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since Q4 2020 (4.0%). Six of the eleven sectors are reporting year-over-year earnings growth, led by the Energy and Industrials sectors. On the other hand, five sectors are reporting a year-over-year decline in earnings, led by the Financials sector.

In terms of revenues, 65% of S&P 500 companies have reported actual revenues above estimates, which is below the 5-year average of 69%. In aggregate, companies are reporting revenues that are 1.3% above the estimates, which is also below the 5-year average of 1.8%.

Despite the below average performance relative to estimates, the index has a higher revenue growth rate for the second quarter today relative to the end of last week and relative to the end of the quarter. The blended revenue growth rate for the second quarter is 10.9% today, compared to a revenue growth rate of 10.1% last week and a revenue growth rate of 10.1% at the end of the second quarter (June 30). Upward revisions to revenue estimates for companies in the Energy sector have been the largest contributors to both the increase in the revenue growth rate since the end of last week and the increase in the revenue growth rate since the end of the quarter (June 30).

If 10.9% is the actual growth rate for the quarter, it will mark the sixth-straight quarter of year-over-year revenue growth above 10% for the index. All eleven sectors are reporting a year-over-year growth in revenues, led by the Energy, Materials, and Real Estate sectors.

Looking ahead, analysts expect earnings growth of 9.2% for Q3 2022 and 8.7% for Q4 2022. For CY 2022, analysts are predicting earnings growth of 9.8%.

The forward 12-month P/E ratio is 16.7, which is below the 5-year average (18.6) and below the 10-year average (17.0). However, it is above the forward P/E ratio of 15.8 recorded at the end of the second quarter (June 30), as the price of the index has increased while the forward EPS estimate has decreased (slightly) since June 30.

During the upcoming week, 175 S&P 500 companies (including 12 Dow 30 components) are scheduled to report results for the second quarter.

Scorecard: Fewer Companies Beating EPS and Revenue Estimates Than Average

Percentage of Companies Beating EPS Estimates (68%) is Below 5-Year Average

Overall, 21% of the companies in the S&P 500 have reported earnings to date for the second quarter. Of these companies, 68% have reported actual EPS above the mean EPS estimate, 6% have reported actual EPS equal to the mean EPS estimate, and 26% 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 (81%), below the 5-year average (77%), and below the 10-year average (72%).

At the sector level, the Utilities (100%) and Health Care (90%) sectors have the highest percentages of companies reporting earnings above estimates, while the Real Estate (0%) and Energy (50%) sectors have the lowest percentages of companies reporting earnings above estimates.

Earnings Surprise Percentage (+3.6%) is Below 5-Year Average

In aggregate, companies are reporting earnings that are 3.6% above expectations. This surprise percentage is below the 1-year average (+9.8%), below the 5-year average (+8.8%), and below the 10-year average (6.5%).

The Health Care (+8.5%) sector is reporting the largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Biogen ($5.25 vs. $4.06), Abbott Laboratories ($1.43 vs. $1.14), Danaher ($2.76 vs. $2.35), and HCA Healthcare ($4.21 vs. $3.70) have reported the largest positive EPS surprises.

The Consumer Staples (+7.6%) sector is reporting the second-largest positive (aggregate) difference between actual earnings and estimated earnings. Within this sector, Phillip Morris International ($1.48 vs. $1.25) and General Mills ($1.12 vs. $1.01) have reported the largest positive EPS surprises.

The Consumer Discretionary (+7.2%) sector is reporting the third-largest negative (aggregate) difference between actual earnings and estimated earnings. Within this sector, Tesla ($2.27 vs. $1.74) and Hasbro ($1.15 vs. $0.94) have reported the largest positive EPS surprises.

The Industrials (-2.5%) sector is reporting the largest negative (aggregate) difference between actual earnings and estimated earnings. Within this sector, Lockheed Martin ($1.16 vs. $1.88), United Airlines Holdings ($1.43 vs. $1.85), and Delta Air Lines ($1.44 vs. $1.73) has reported the largest negative EPS surprises.

Market Rewarding Negative Surprises Almost As Much As Positive Surprises

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

Companies that have reported positive earnings surprises for Q2 2022 have seen an average price increase of +2.2% two days before the earnings release through two days after the earnings release. This percentage increase is above the 5-year average price increase of +0.8% during this same window for companies reporting positive earnings surprises.

Companies that have reported negative earnings surprises for Q2 2022 have seen an average price increase of +2.0% two days before the earnings release through two days after the earnings. This percentage increase is well above the 5-year average price decrease of -2.4% during this same window for companies reporting negative earnings surprises.

Percentage of Companies Beating Revenue Estimates (65%) is Below 5-Year Average

In terms of revenues, 65% of companies have reported actual revenues above the mean revenue estimate, 1% of companies have reported actual revenues equal to the mean revenue estimate, and 34% of companies have reported actual revenues below the mean revenue estimate. The percentage of companies reporting revenues above estimates is below the 1-year average (78%) and below the 5-year average (69%), but above the 10-year average (61%).

At the sector level, the Health Care (90%) sector has the highest percentage of companies reporting revenues above estimates, while the Utilities (0%) sector has the lowest percentage of companies reporting revenues above estimates.

Revenue Surprise Percentage (+1.3%) is Below 5-Year Average

In aggregate, companies are reporting revenues that are 1.3% above expectations. This surprise percentage is below the 1-year average (+3.2%) and below the 5-year average (+1.8%), but above the 10-year average (1.1%).

At the sector level, the Energy (+9.0%) sector is reporting the largest positive (aggregate) difference between actual revenues and estimated revenues, while the Utilities (-3.1%) sector is reporting the largest negative (aggregate) difference between actual revenues and estimated revenues.

Revisions: Increase in Blended Earnings Growth This Week Due to Energy and Health Care

Increase in Blended Earnings Growth Rate This Week Due to Energy and Health Care

The blended (year-over-year) earnings growth rate for the second quarter is 4.8%, which is above the earnings growth rate of 4.1% last week. Upward revisions to EPS estimates for companies in the Energy sector and positive earnings surprises reported by companies in the Health Care sector were the top contributors to the increase in the overall earnings growth rate during the week.

In the Energy sector, upward revisions to EPS estimates for Exxon Mobil (to $3.84 from $3.62) and Chevron (to $5.08 from $4.91) were significant contributors to the increase in the earnings growth rate for the index during the week. As a result, the blended earnings growth rate for the Energy sector increased to 265.3% from 255.4% during the week.

In the Health Care sector, the positive EPS surprise reported by Abbott Laboratories ($1.43 vs. $1.14) was a substantial contributor to the increase in the earnings growth rate for the index during the week. As a result, the blended earnings growth rate for the Health Care sector increased to 1.6% from -0.2% over this period.

Increase in Blended Revenue Growth This Week Due to Energy

The blended (year-over-year) revenue growth rate for the second quarter is 10.9%, which is above the revenue growth rate of 10.1% last week. Upward revisions to revenue estimates for companies in the Energy sector were the top contributor to the increase in the overall revenue growth rate for the index during the week.

Energy Sector Has Seen Largest Increase in Earnings since June 30

The blended (year-over-year) earnings growth rate for Q2 2022 of 4.8% is larger than the estimate of 4.0% at the end of the second quarter (June 30). Four sectors have recorded an increase in their earnings growth rate since the end of the quarter due to upward revisions to earnings estimates and positive earnings surprises, led by the Energy (to 265.3% from 219.8%) sector. This sector has also been the largest contributor to the increase in the earnings growth rate for the index during this period. On the other hand, seven sectors have recorded a decrease in their earnings growth rate or an increase in their earnings decline during this period, led by the Industrials (to 22.1% from 27.0%) sector.

In the Energy sector, upward revisions to EPS estimates for Exxon Mobil (to $3.84 from $3.03), Marathon Petroleum (to $8.71 from $5.68), Valero Energy (to $9.42 from $6.48), Chevron (to $5.08 from $4.71), and Phillips 66 (to $5.85 from $4.60) have been significant contributors to the increase in the overall earnings growth rate for the index since June 30. As a result, the blended earnings growth rate for the Energy sector increased to 265.3% from 219.8% during this period.

Energy Sector Has Seen Largest Increase in Revenues since June 30

The blended (year-over-year) revenue growth rate for Q2 2022 of 10.9% is larger than the estimate of 10.1% at the end of the second quarter (June 30). Six sectors have recorded an increase in revenue growth since the end of the quarter due to upward revisions to revenue estimates and positive revenue surprises, led by the Energy (to 55.9% from 44.7%) sector. The Energy sector has also been the largest contributor to the increase in the revenue growth rate for the index during this period. On the other hand, five sectors have recorded a decrease in their revenue growth rate since the end of the quarter due to downward revisions to revenue estimates and negative revenue surprises, led by the Materials (to 14.8% from 16.2%) sector.

Earnings Growth: 4.8%

The blended (combines actual results for companies that have reported and estimated results for companies that have yet to report), year-over-year earnings growth rate for Q2 2022 is 4.8%, which is below the 5-year average earnings growth rate of 14.8% and below the 10-year average earnings growth rate of 8.9%. If 4.8% is the actual growth rate for the quarter, it will mark the lowest (year-over-year) earnings growth rate reported by the index since Q4 2020 (4.0%).

The lower earnings growth rate for Q2 2022 relative to recent quarters can be attributed to both a difficult comparison to unusually high earnings growth in Q2 2021 and continuing macroeconomic headwinds. In Q2 2021, the S&P 500 reported (year-over-year) earnings growth of 91.7%, which is the second-highest year-over-year earnings growth rate reported by the index since 2008. Companies also continue to face macroeconomic headwinds, including higher costs, supply chain disruptions, labor shortages, and the military conflict in Ukraine. During the earnings season for Q1 2022, 85% of S&P 500 companies cited “inflation” on their earnings calls from March 15 to June 14, while 74% of S&P 500 companies cited “supply chain” on their earnings calls from March 15 to June 14. These are the highest percentages of S&P 500 companies citing “inflation” and “supply chain” on earnings calls going back to at least 2010.

Six of the eleven sectors are reporting year-over-year earnings growth, led by the Energy and Industrials sectors. On the other hand, five sectors are reporting a year-over-year decline in earnings, led by the Financials sector.

Energy: Largest Contributor to Year-Over-Year Earnings Growth for S&P 500 For Q2

The Energy sector is reporting the highest (year-over-year) earnings growth of all eleven sectors at 265.3%. Higher year-over-year oil prices are contributing to the year-over-year improvement in earnings for this sector, as the average price of oil in Q2 2022 ($108.52) was 64% above the average price for oil in Q2 2021 ($66.17). At the sub-industry level, all five sub-industries in the sector are reporting (or are predicted to report) a year-over-year increase in earnings of more than 20%. Three of these five sub-industries are reporting (or are projected to report a year-over-year increase in earnings of 215% or more: Oil & Gas Refining & Marketing (1,087%), Integrated Oil & Gas (251%), and Oil & Gas Exploration & Production (216%).

The Energy sector is also the largest contributor to earnings growth for the S&P 500 for the second quarter. If this sector were excluded, the index would be expected to report a decline in earnings of 4.5% rather than growth in earnings of 4.8%.

Industrials: Airlines Industry Is Largest Contributor to Year-Over-Year Growth

The Industrials sector is reporting the second-highest (year-over-year) earnings growth rate of all eleven sectors at 22.1%. At the industry level, 9 of the 12 industries in the sector are reporting (or are expected to report) a year-over-year increase in earnings. A growth rate is not being calculated for the Airlines industry due to the loss reported by the industry in the year-ago quarter. However, this industry is reporting a profit of $2.9 billion in Q2 2022 compared to a loss of -$3.3 billion in Q2 2021. Five of the remaining eight industries are reporting (or are predicted to report) earnings growth at or above 10%: Construction & Engineering (48%), Trading Companies & Distributors (36%), Air Freight & Logistics (16%), Road & Rail (12%), and Electrical Equipment (10%). On the other hand, three industries are reporting (or are projected to report) to a year-over-year decline in earnings, led by the Aerospace & Defense (-26%) industry.

At the industry level, the Airlines industry is also the largest contributor to earnings growth for the sector. If the five companies in this industry were excluded, the estimated earnings growth rate for the Industrials sector would fall to 1.9% from 22.1%.

Financials: Largest Detractor to Year-Over-Year Earnings Growth for S&P 500 For Q2

The Financials sector is reporting the largest (year-over-year) earnings decline of all eleven sectors at -25.3%. At the industry level, four of the five industries in this sector are reporting (or are predicted to report) a year-over-year earnings decline of 15% or more: Consumer Finance (-32%), Insurance (-30%), Banks (-28%), and Capital Markets (-19%). Higher provisions for loan losses are having a negative impact on earnings growth for companies in the Banks industry. On the other hand, the Diversified Financial Services (4%) industry is the only industry in the sector projected to report (year-over-year) earnings growth.

The Financials sector is also the largest detractor to earnings growth for the S&P 500 for the second quarter. If this sector were excluded, the blended earnings growth rate for the index would improve to 12.0% from 4.8%.

Revenue Growth: 10.9%

The blended, year-over-year revenue growth rate for Q2 2022 is 10.9%, which is above the 5-year average revenue growth rate of 7.4% and above the 10-year average revenue growth rate of 4.3%. If 10.9% is the actual growth rate for the quarter, it will mark the sixth-straight quarter of (year-over-year) revenue growth above 10% for the index.

All eleven sectors are reporting year-over-year growth in revenues. Five sectors are reporting double-digit revenue growth, led by the Energy, Materials, and Real Estate sectors.

Energy: All 5 Sub-Industries Reporting Year-Over-Year Growth Above 10%

The Energy sector is reporting the highest (year-over-year) revenue growth rate of all eleven sectors at 55.9%. Higher year-over-year oil prices are contributing to the year-over-year improvement in earnings for this sector, as the average price of oil in Q2 2022 ($108.52) was 64% above the average price for oil in Q2 2021 ($66.17). At the sub-industry level, all five sub-industries in the sector are reporting (or are predicted to report) double-digit (year-over-year) growth in revenues: Oil & Gas Exploration & Production (82%), Integrated Oil & Gas (61%), Oil & Gas Refining & Marketing (48%), Oil & Gas Storage & Transportation (44%), and Oil & Gas Equipment & Services (17%).

Materials: 3 of 4 Industries Reporting Year-Over-Year Growth At or Above 15%

The Materials sector is reporting the second-highest (year-over-year) revenue growth of all eleven sectors at 14.8%. At the industry level, all four industries in this sector are reporting (or are predicted to report) year-over-year growth in revenues. Three of these four industries are reporting (or are projected to report) revenue growth at or above 15%: Construction Materials (26%), Chemicals (17%), and Metals & Mining (15%).

Real Estate: 5 of 8 Sub-Industries Reporting Year-Over-Year Growth Above 10%

The Real Estate sector is reporting the third-highest (year-over-year) revenue growth of all eleven sectors at 14.0%. At the sub-industry level, all eight sub-industries in this sector are reporting (or are predicted to report) year-over-year growth in revenues. Five of these eight sub-industries are reporting (or are projected to report) revenue growth above 10%: Hotel & Resort REITs (95%), Real Estate Services (20%), Retail REITs (18%), Health Care REITs (16%), and Office REITs (14%).

Net Profit Margin: 12.4%

The blended net profit margin for the S&P 500 for Q2 2022 is 12.4%, which is above the 5-year average of 11.2% and the previous quarter's net profit margin of 12.3%, but below the year-ago net profit margin of 13.1%. If 12.4% is the actual net profit margin for the quarter, it will tie the mark (with Q4 2021) for the fourth-highest net profit margin reported by the index since FactSet began tracking this metric in 2008.

At the sector level, two sectors are reporting a year-over-year increase in their net profit margins in Q2 2022 compared to Q2 2021, led by the Energy (to 15.2% vs. 6.5%) sector. On the other hand, nine sectors are reporting a year-over-year decrease in their net profit margins in Q2 2022 compared to Q2 2021, led by the Financials (16.0% vs. 21.9%) sector.

Seven sectors are reporting net profit margins in Q2 2022 that are above their 5-year averages, led by the Energy (15.2% vs. 6.1%) and Materials (14.4% vs. 10.3%) sectors. On the other hand, four sectors are reporting net profit margins in Q2 2022 that are below their 5-year averages, led by the Financials (16.0% vs. 16.5%) sector.

Looking Ahead: Forward Estimates and Valuation

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

At this point in time, 11 companies in the index have issued EPS guidance for Q3 2022. Of these 11 companies, 10 have issued negative EPS guidance and 1 has issued positive EPS guidance. The percentage of companies issuing negative EPS guidance for Q3 2022 is 91% (10 out of 11), which is above the 5-year average of 60% and above the 10-year average of 67%.

At this point in time, 242 companies in the index have issued EPS guidance for their current fiscal year (FY 2022 or FY 2023). Of these 242 companies, 131 have issued negative EPS guidance and 111 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance for their current fiscal year is 54% (131 out of 242).

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 10% for CY 2022

For the second quarter, S&P 500 companies are reporting earnings growth of 4.8% and revenue growth of 10.9%.

For Q3 2022, analysts are projecting earnings growth of 9.2% and revenue growth of 9.8%.

For Q4 2022, analysts are projecting earnings growth of 8.7% and revenue growth of 7.4%.

For CY 2022, analysts are projecting earnings growth of 9.8% and revenue growth of 10.8%.

Valuation: Forward P/E Ratio is 16.7, Below the 10-Year Average (17.0)

The forward 12-month P/E ratio for the S&P 500 is 16.7. This P/E ratio is below the 5-year average of 18.6 and below the 10-year average of 17.0. However, it is above the forward 12-month P/E ratio of 15.8 recorded at the end of the second quarter (June 30). Since the end of the second quarter (June 30), the price of the index has increased by 5.6%, while the forward 12-month EPS estimate has decreased by 0.2%. At the sector level, the Consumer Discretionary (24.8) has the highest forward 12-month P/E ratio, while the Energy (8.0) sector has the lowest forward 12-month P/E ratio.

The trailing 12-month P/E ratio is 18.6, which is below the 5-year average of 23.0 and below the 10-year average of 20.3.

Targets & Ratings: Analysts Project 20% Increase in Price Over Next 12 Months

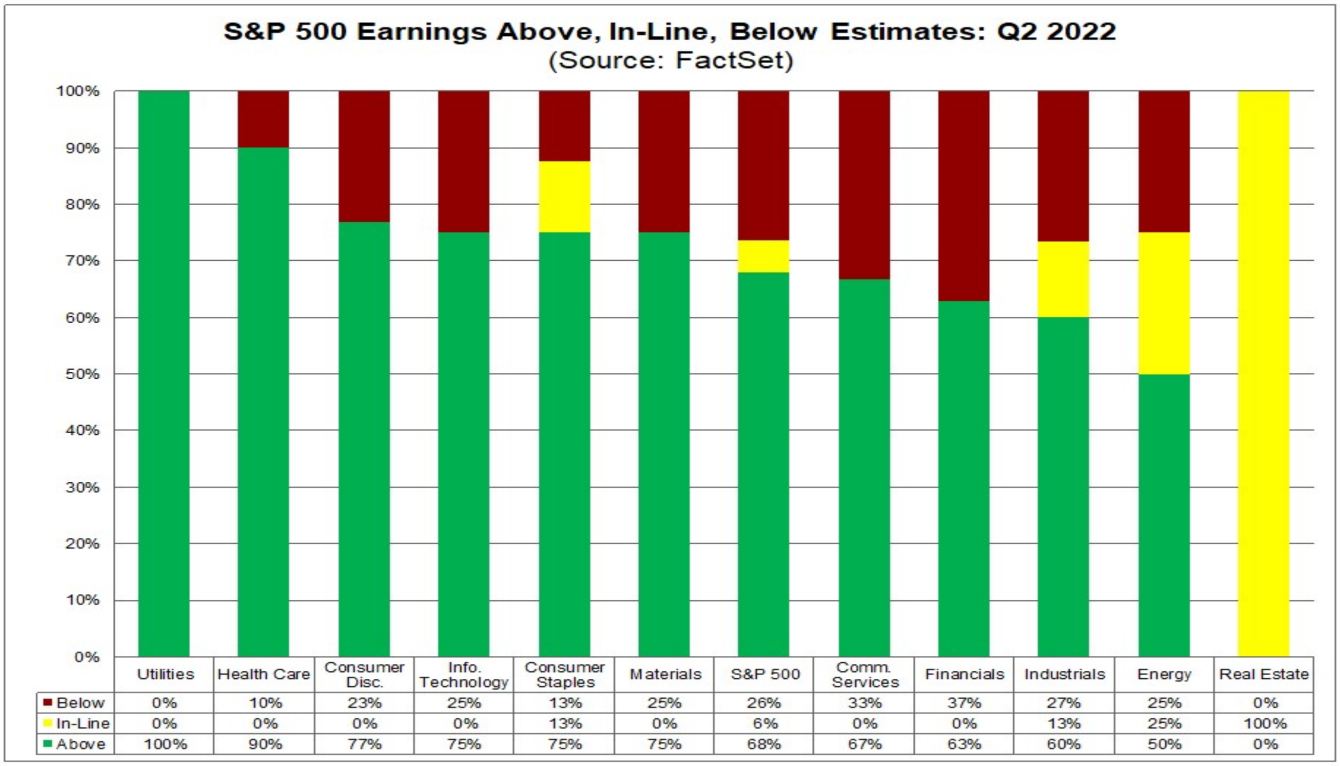
The bottom-up target price for the S&P 500 is 4792.83, which is 19.9% above the closing price of 3998.95. At the sector level, the Energy (+29.2%) and Communication Services (+28.3%) sectors are expected to see the largest price increases, as these two sectors have the largest upside differences between the bottom-up target price and the closing price. On the other hand, the Consumer Staples (+11.7%) and Utilities (+12.7%) sectors are expected to see the smallest price increases, as these two sectors have the smallest upside differences between the bottom-up target price and the closing price.

Overall, there are 10,697 ratings on stocks in the S&P 500. Of these 10,697 ratings, 56.7% are Buy ratings, 37.9% are Hold ratings, and 5.5% are Sell ratings. At the sector level, the Information Technology (65%) and Energy (63%) sectors have the highest percentages of Buy ratings, while the Consumer Staples (40%) sector has the lowest percentage of Buy ratings.

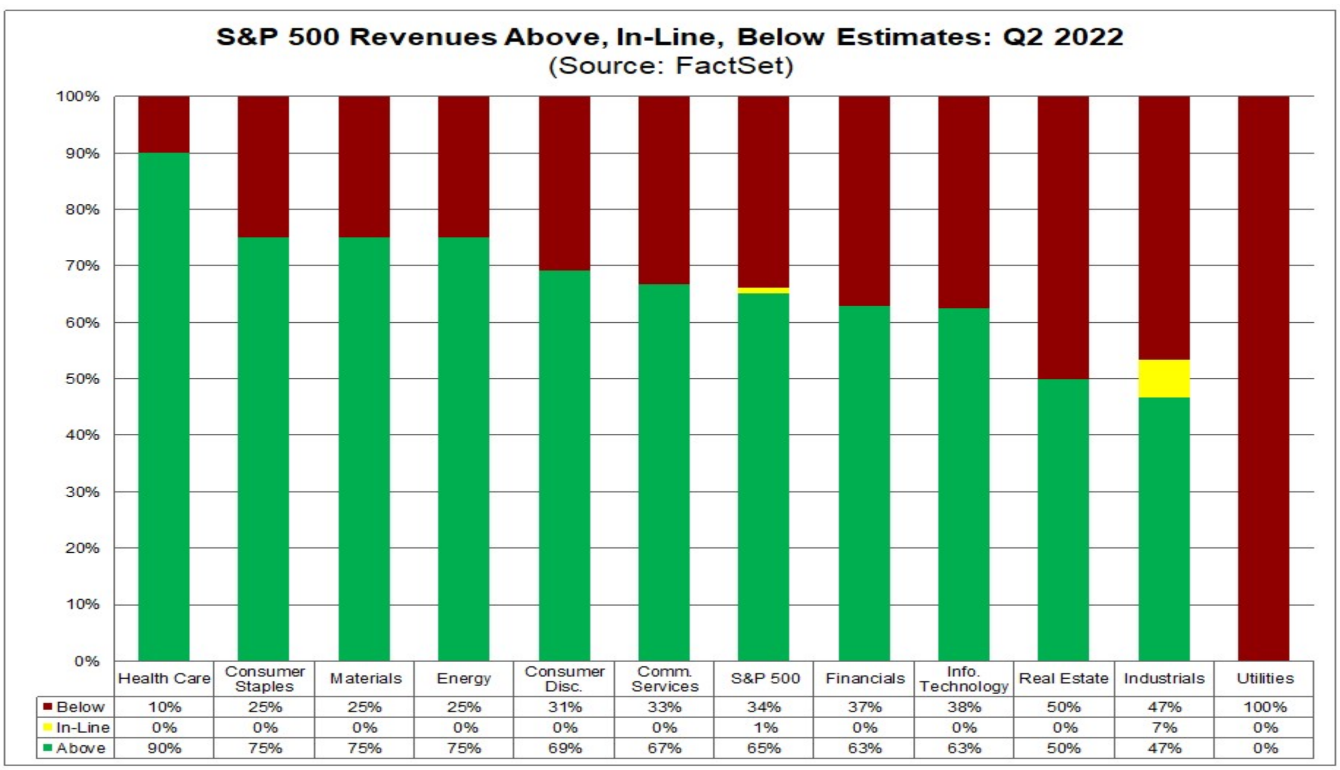
Companies Reporting Next Week: 175

During the upcoming week, 175 S&P 500 companies (including 12 Dow 30 components) are scheduled to report results for the second quarter.

Q2 2022: Scorecard

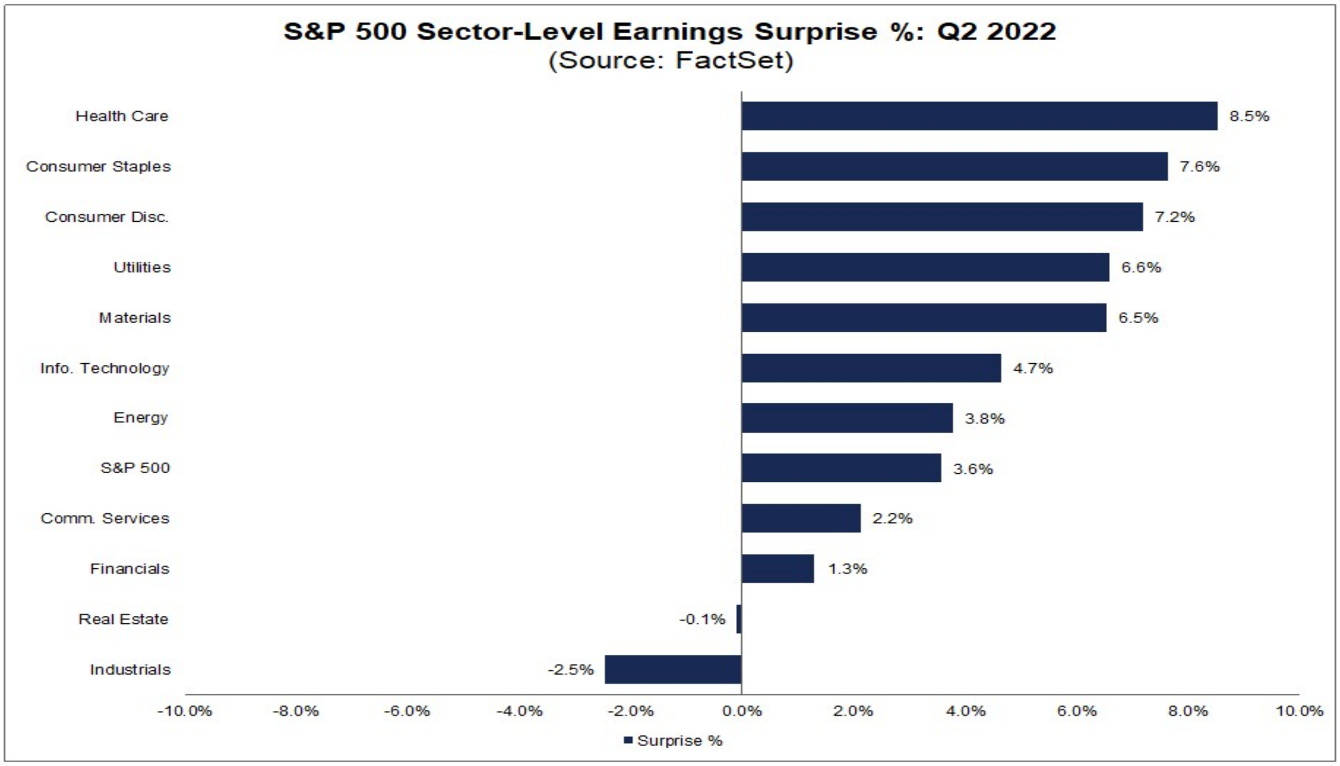


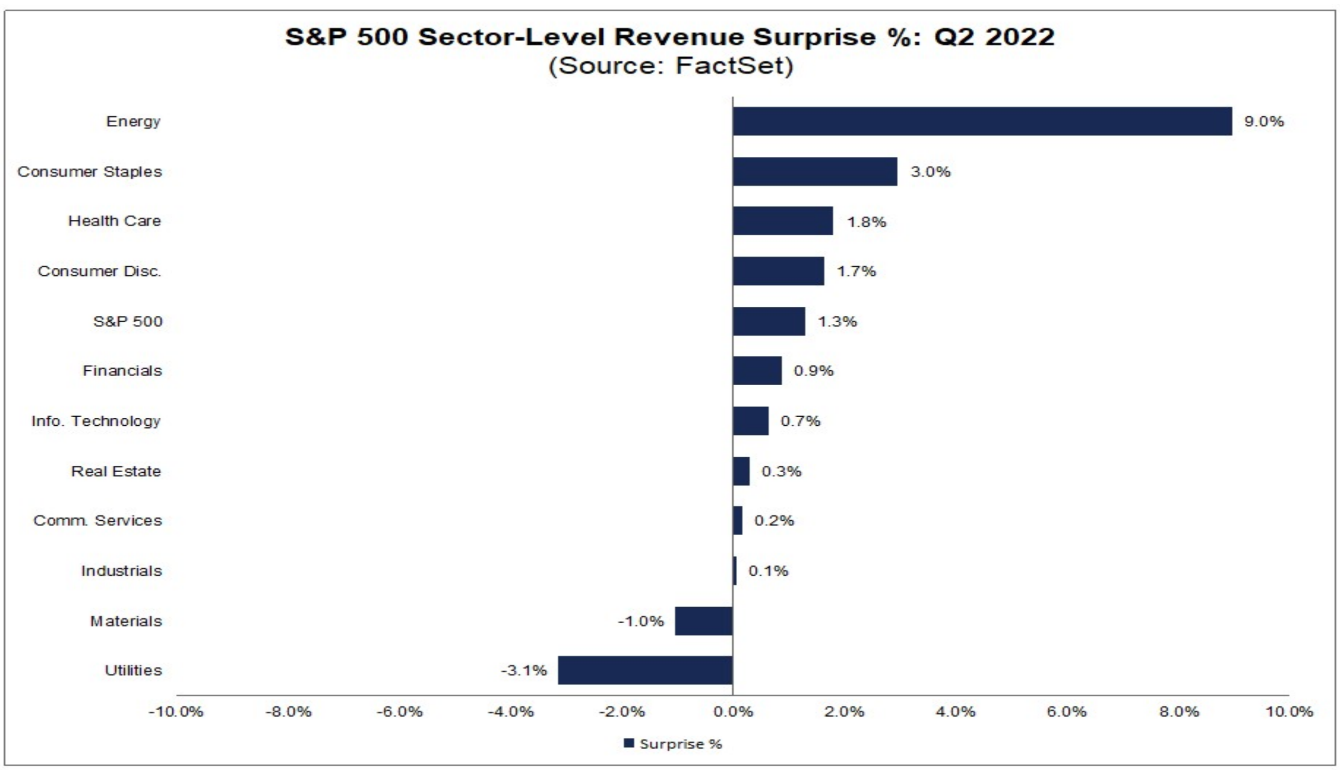
	Utilities	Health Care	Consumer Disc.	Info. Technology	Consumer Staples	Materials	S&P 500	Comm. Services	Financials	Industrials	Energy	Real Estate
Below	0%	10%	23%	25%	13%	25%	26%	33%	37%	27%	25%	0%
In-Line	0%	0%	0%	0%	13%	0%	6%	0%	0%	13%	25%	100%
Above	100%	90%	77%	75%	75%	75%	68%	67%	63%	60%	50%	0%



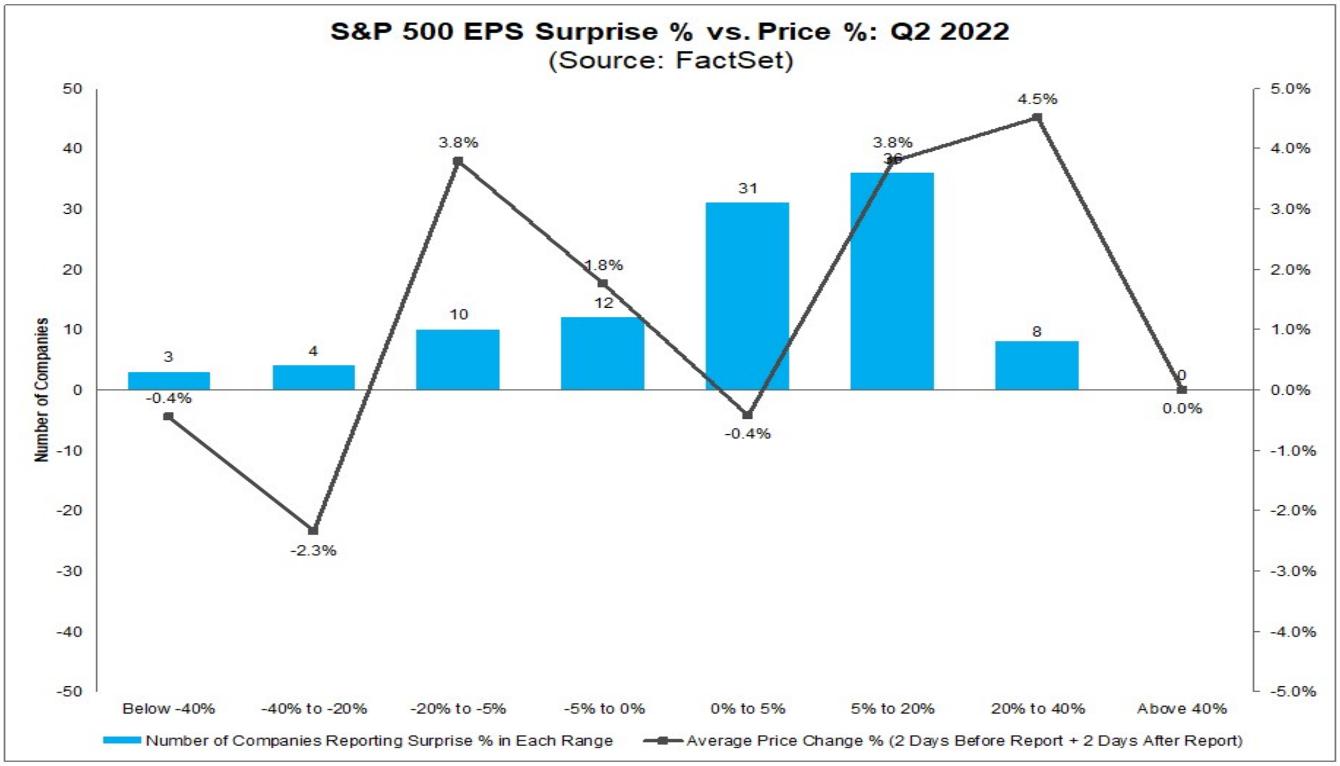
	Health Care	Consumer Staples	Materials	Energy	Consumer Disc.	Comm. Services	S&P 500	Financials	Info. Technology	Real Estate	Industrials	Utilities
Below	10%	25%	25%	25%	31%	33%	34%	37%	38%	50%	47%	100%
In-Line	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	7%	0%
Above	90%	75%	75%	75%	69%	67%	65%	63%	63%	50%	47%	0%

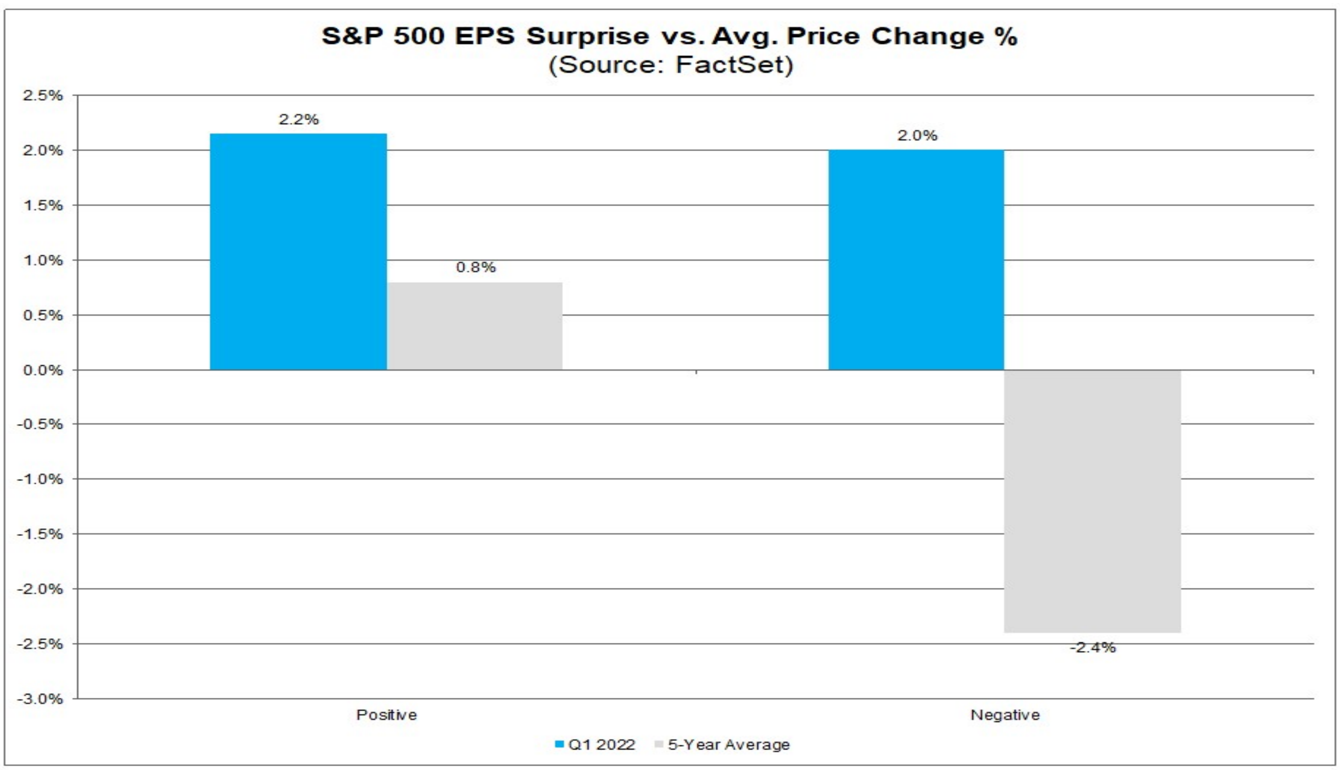
Q2 2022: Scorecard



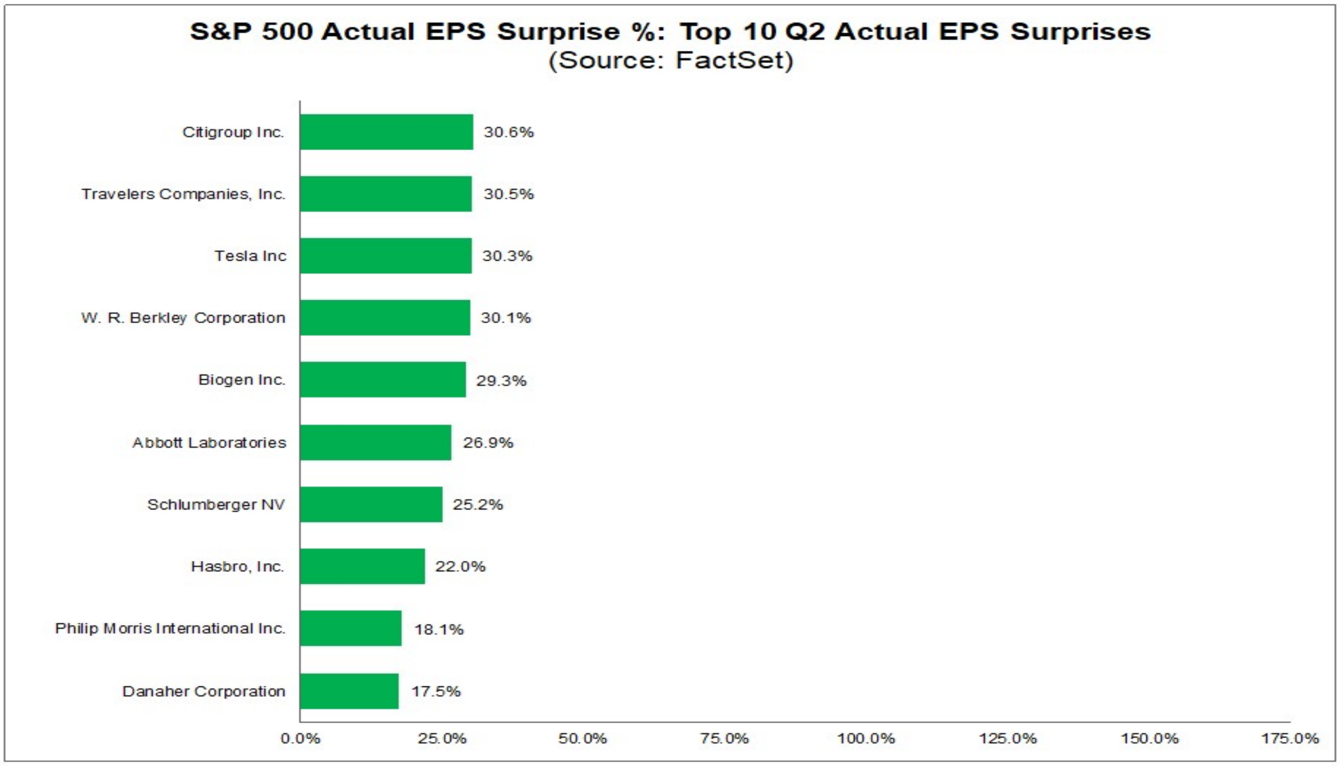


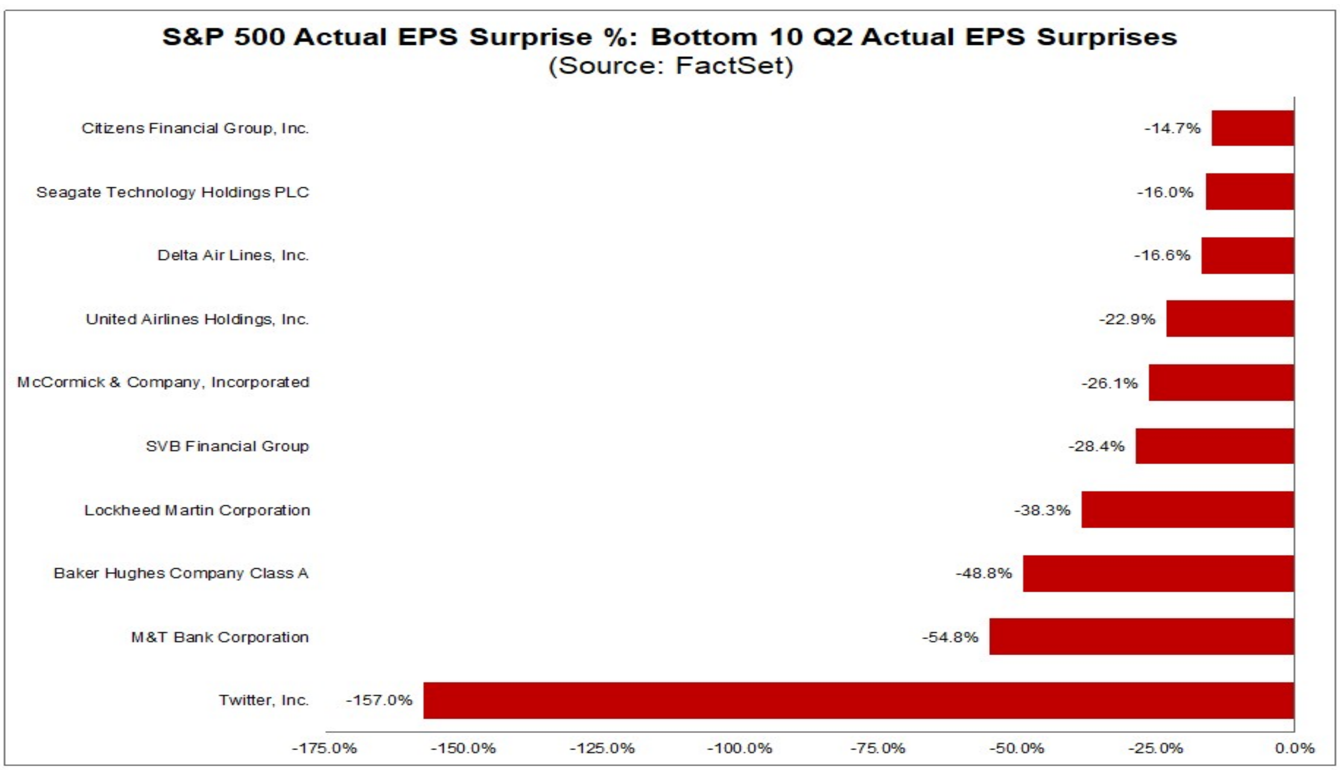
Q2 2022: Scorecard



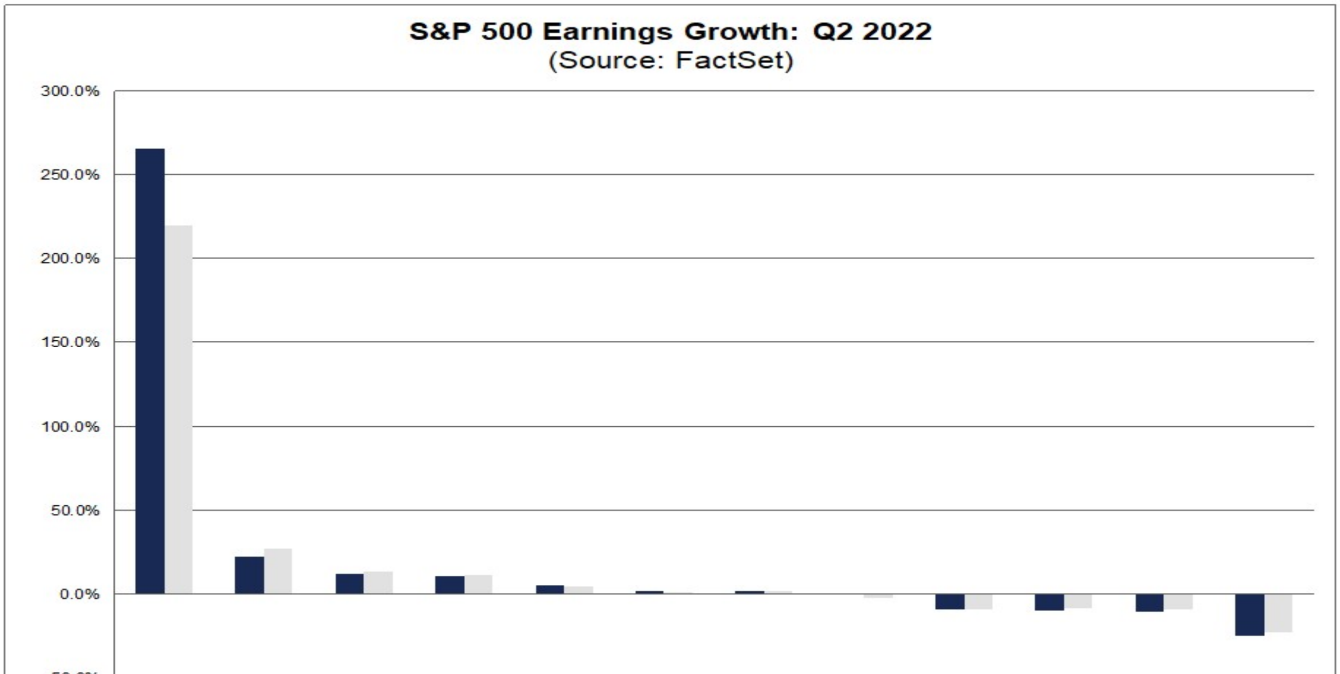


Q1 2022: Scorecard

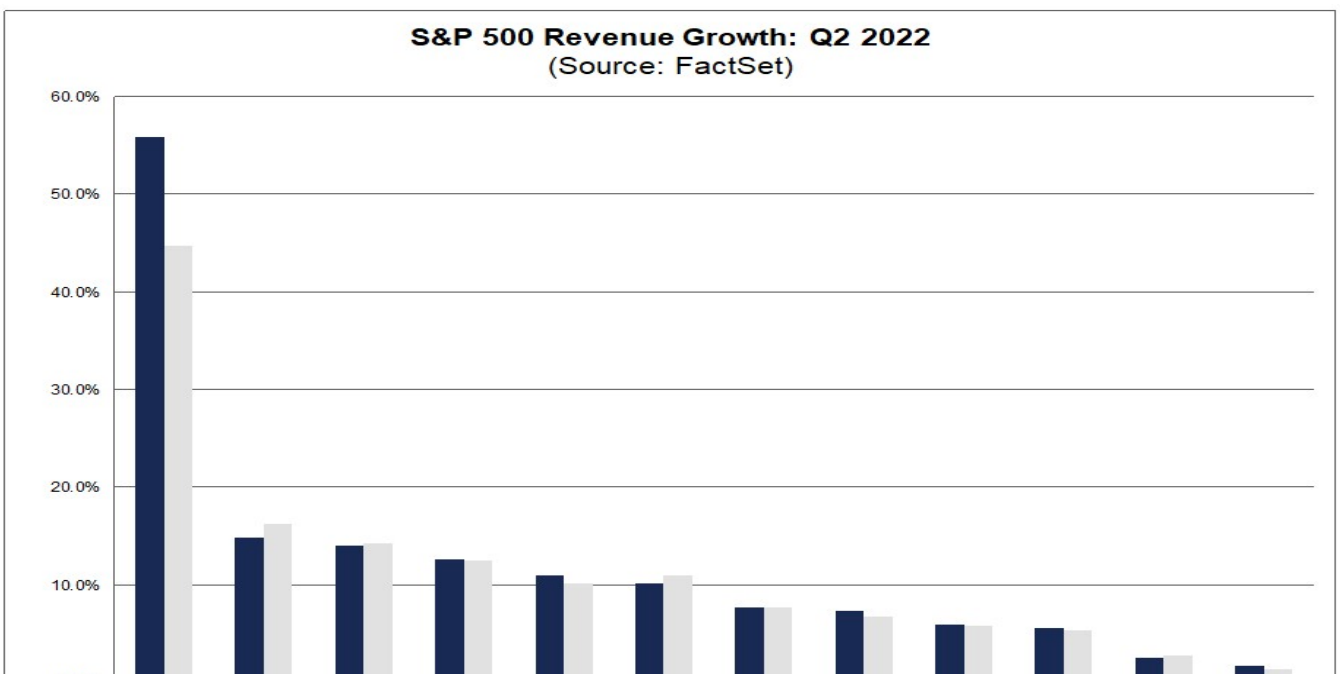




Q2 2022: Growth

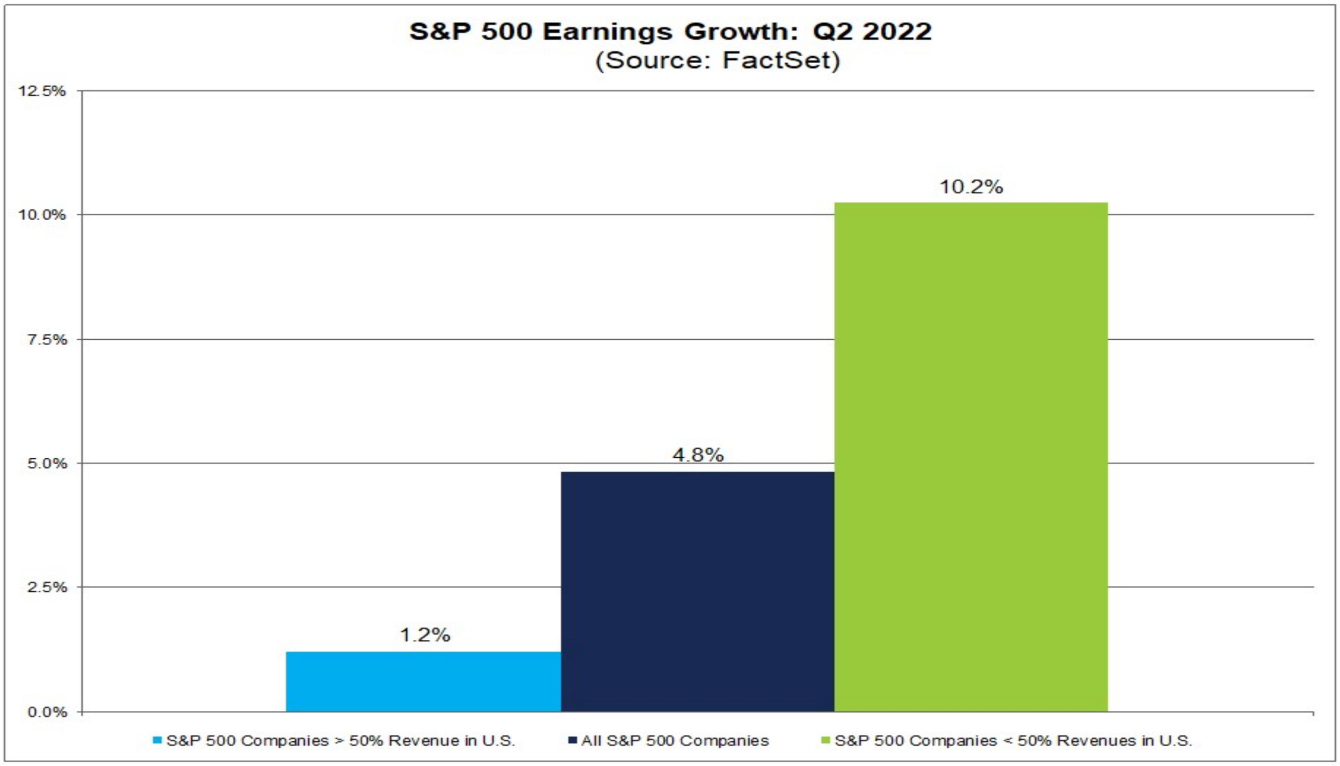


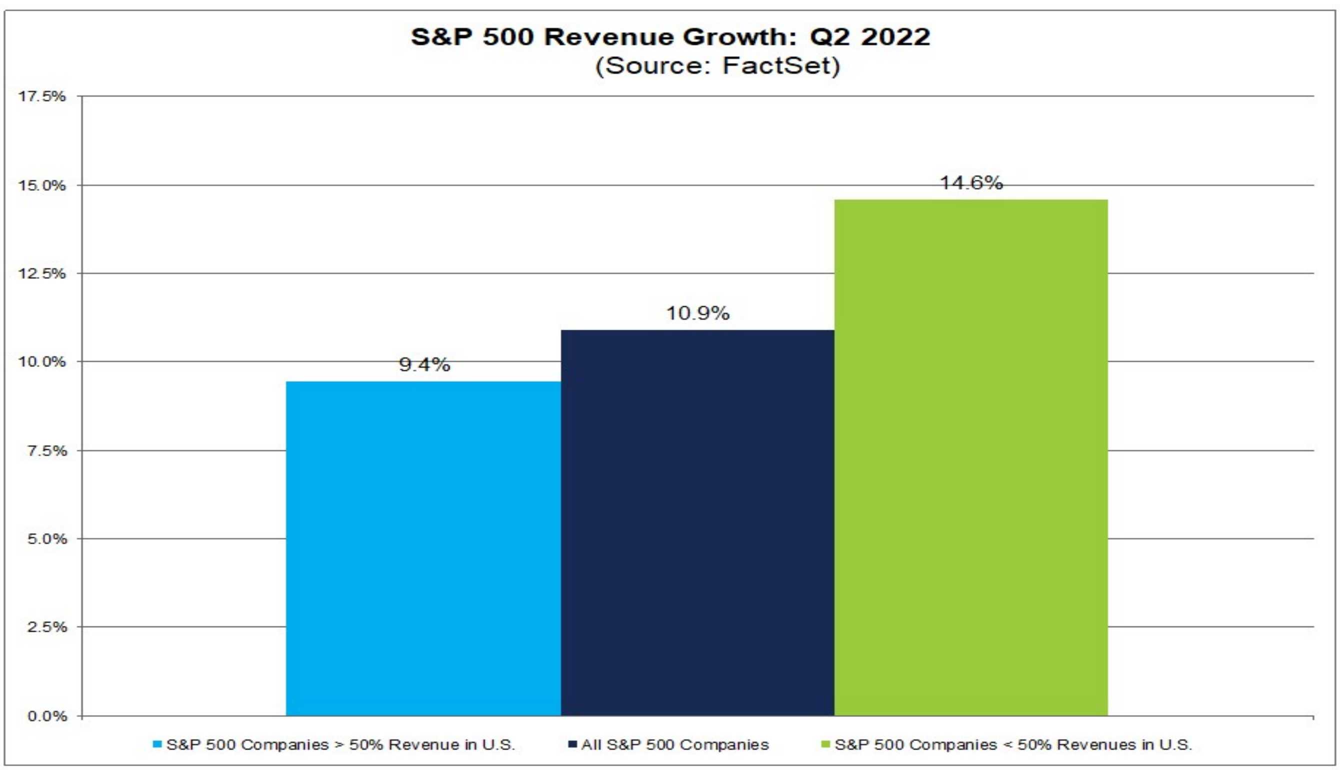
	Energy	Industrials	Materials	Real Estate	S&P 500	Health Care	Info. Technology	Consumer Staples	Utilities	Comm. Services	Consumer Disc.	Financials
Today	265.3%	22.1%	11.8%	10.7%	4.8%	1.6%	1.4%	-0.9%	-9.7%	-9.9%	-11.1%	-25.3%
30-Jun	219.8%	27.0%	13.4%	10.9%	4.0%	0.6%	1.3%	-2.5%	-9.6%	-8.9%	-9.3%	-23.1%



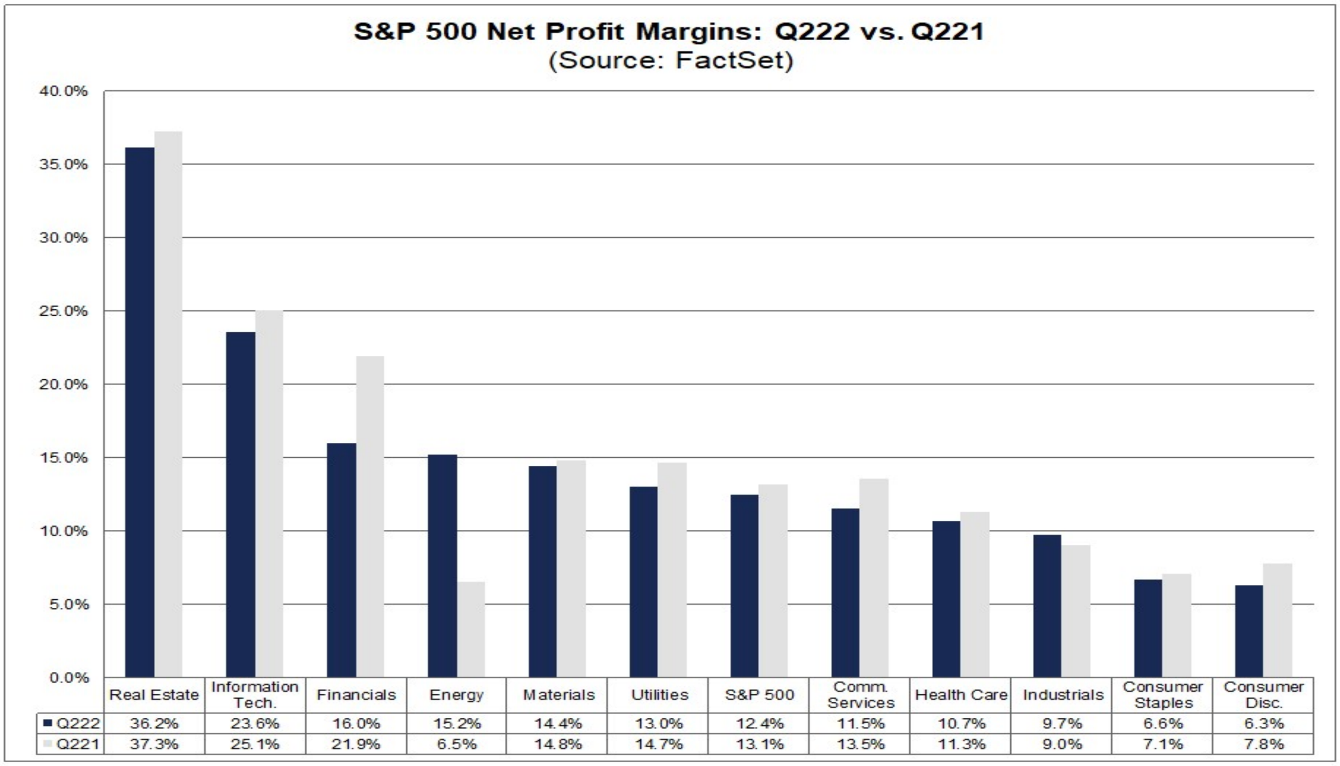
	Energy	Materials	Real Estate	Industrials	S&P 500	Consumer Disc.	Info. Technology	Health Care	Comm. Services	Consumer Staples	Financials	Utilities
Today	55.9%	14.8%	14.0%	12.6%	10.9%	10.1%	7.6%	7.3%	5.9%	5.6%	2.5%	1.7%
30-Jun	44.7%	16.2%	14.2%	12.5%	10.1%	10.9%	7.7%	6.7%	5.8%	5.3%	2.7%	1.3%

Q2 2022: Growth

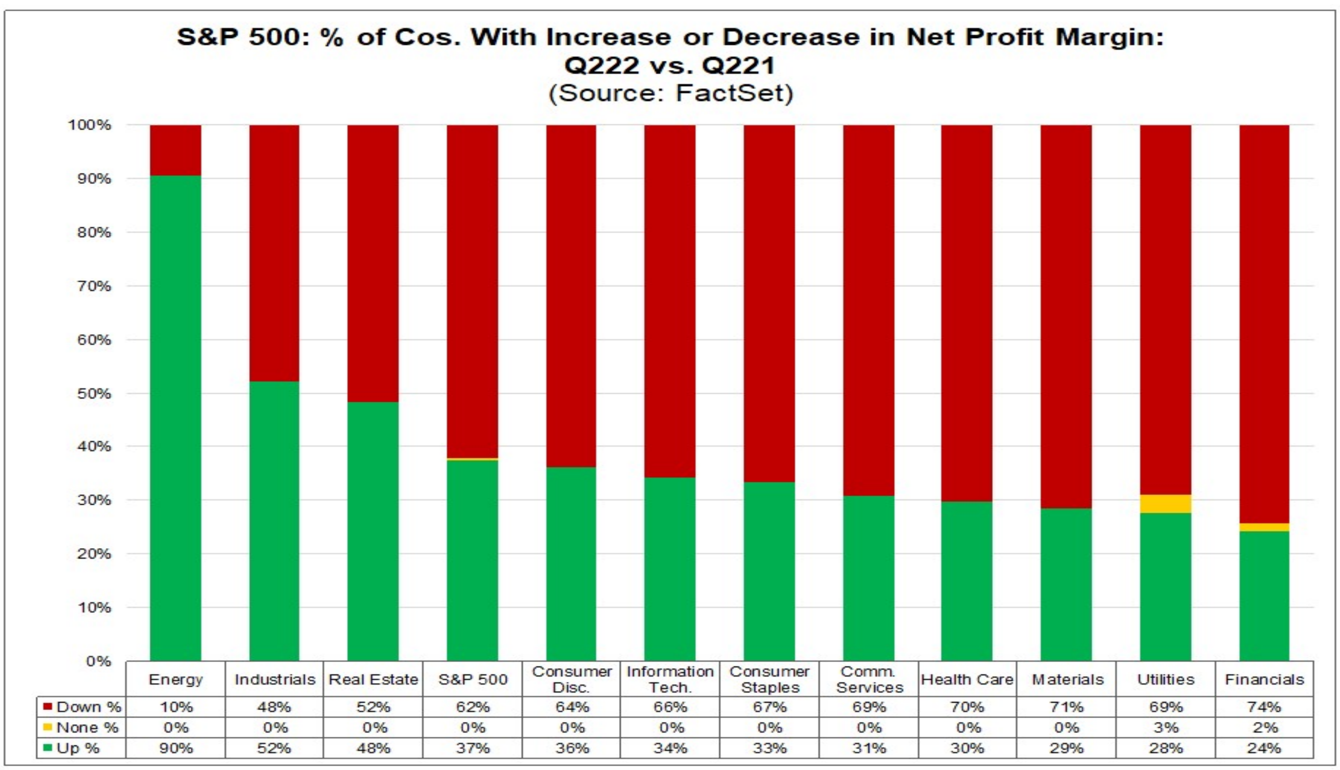




Q2 2022: Net Profit Margin

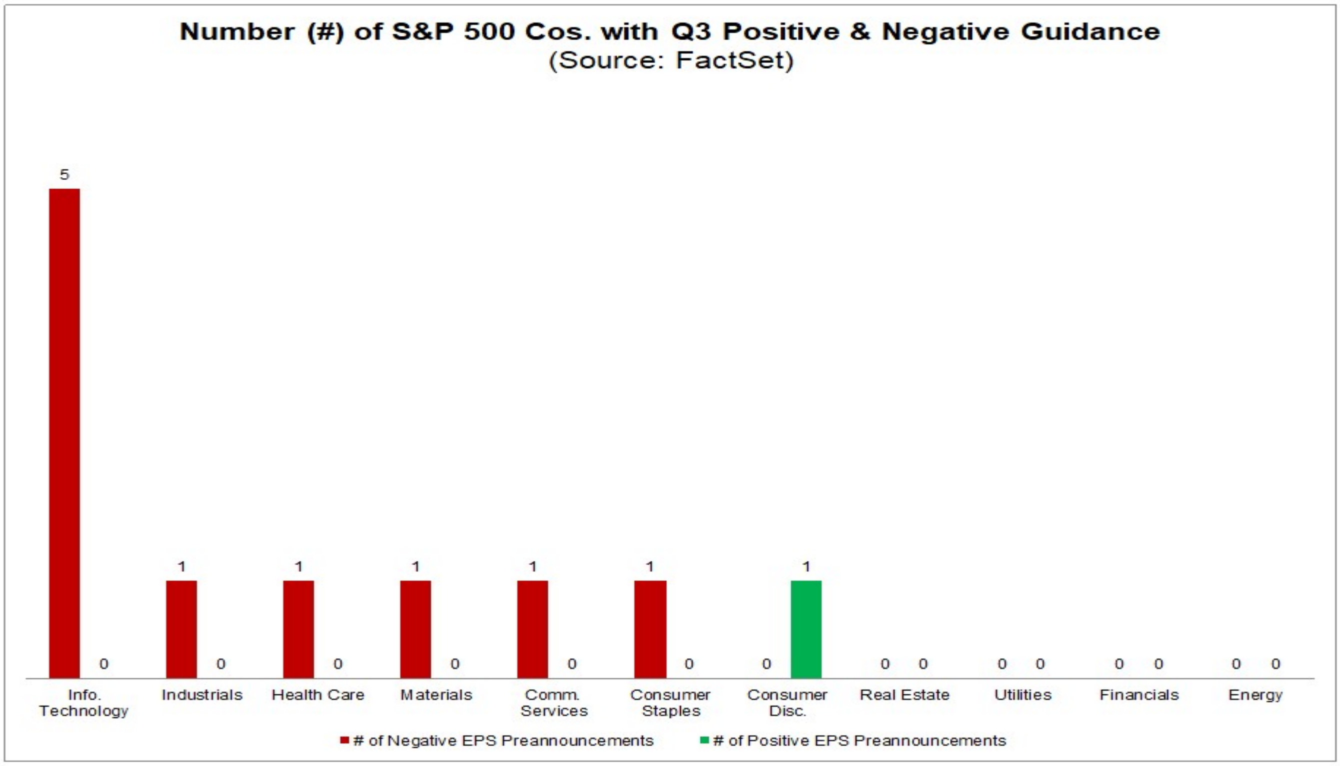


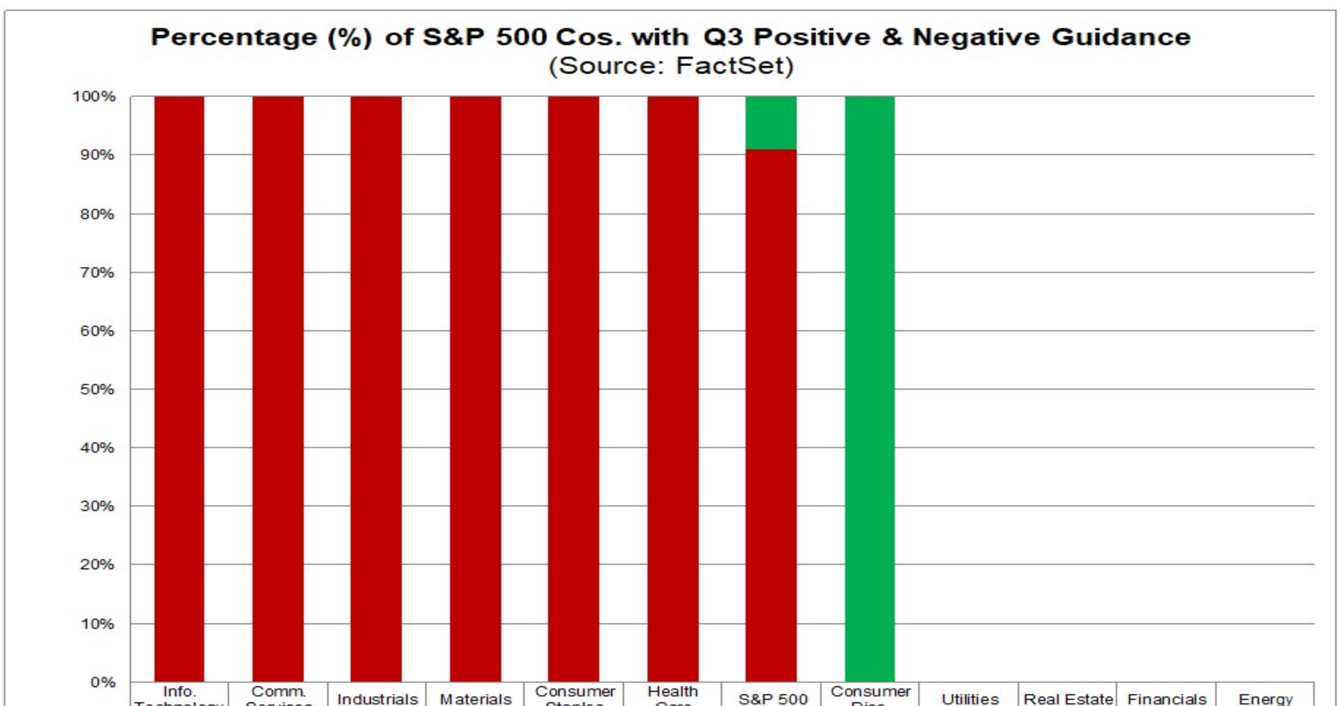
	Real Estate	Information Tech.	Financials	Energy	Materials	Utilities	S&P 500	Comm. Services	Health Care	Industrials	Consumer Staples	Consumer Disc.
Q222	36.2%	23.6%	16.0%	15.2%	14.4%	13.0%	12.4%	11.5%	10.7%	9.7%	6.6%	6.3%
Q221	37.3%	25.1%	21.9%	6.5%	14.8%	14.7%	13.1%	13.5%	11.3%	9.0%	7.1%	7.8%



	Energy	Industrials	Real Estate	S&P 500	Consumer Disc.	Information Tech.	Consumer Staples	Comm. Services	Health Care	Materials	Utilities	Financials
Down %	10%	48%	52%	62%	64%	66%	67%	69%	70%	71%	69%	74%
None %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	2%
Up %	90%	52%	48%	37%	36%	34%	33%	31%	30%	29%	28%	24%

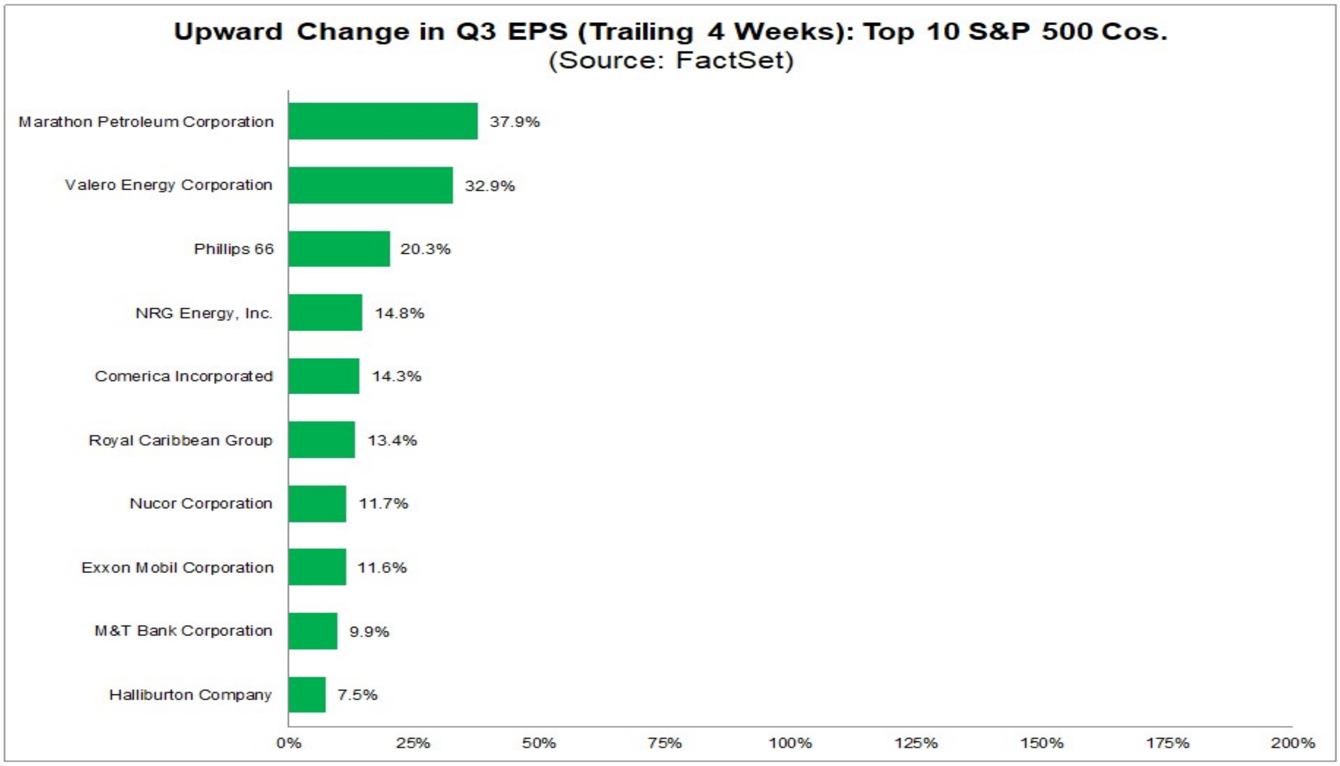
Q3 2022: Guidance

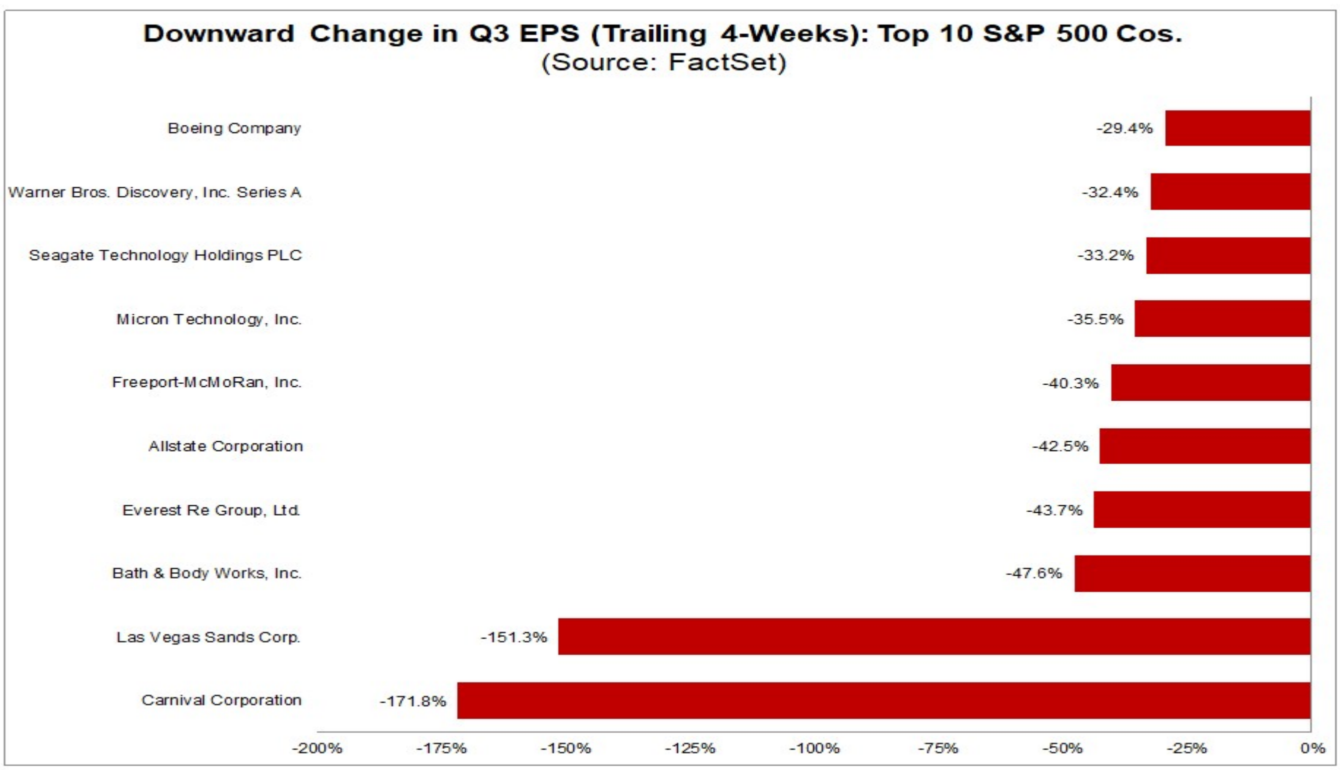




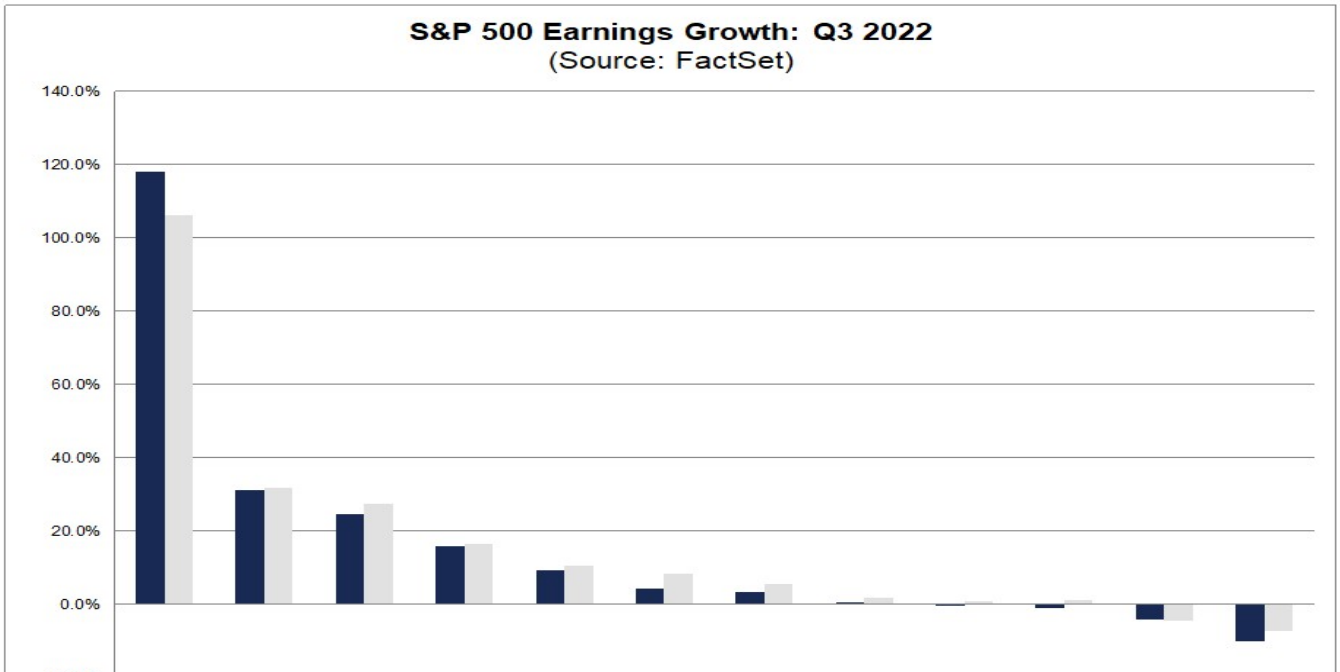
	Info. Technology	Comm. Services	Industrials	Materials	Consumer Staples	Health Care	S&P 500	Consumer Disc.	Utilities	Real Estate	Financials	Energy
Positive	0%	0%	0%	0%	0%	0%	9%	100%	0%	0%	0%	0%
Negative	100%	100%	100%	100%	100%	100%	91%	0%	0%	0%	0%	0%

Q3 2022: EPS Revisions

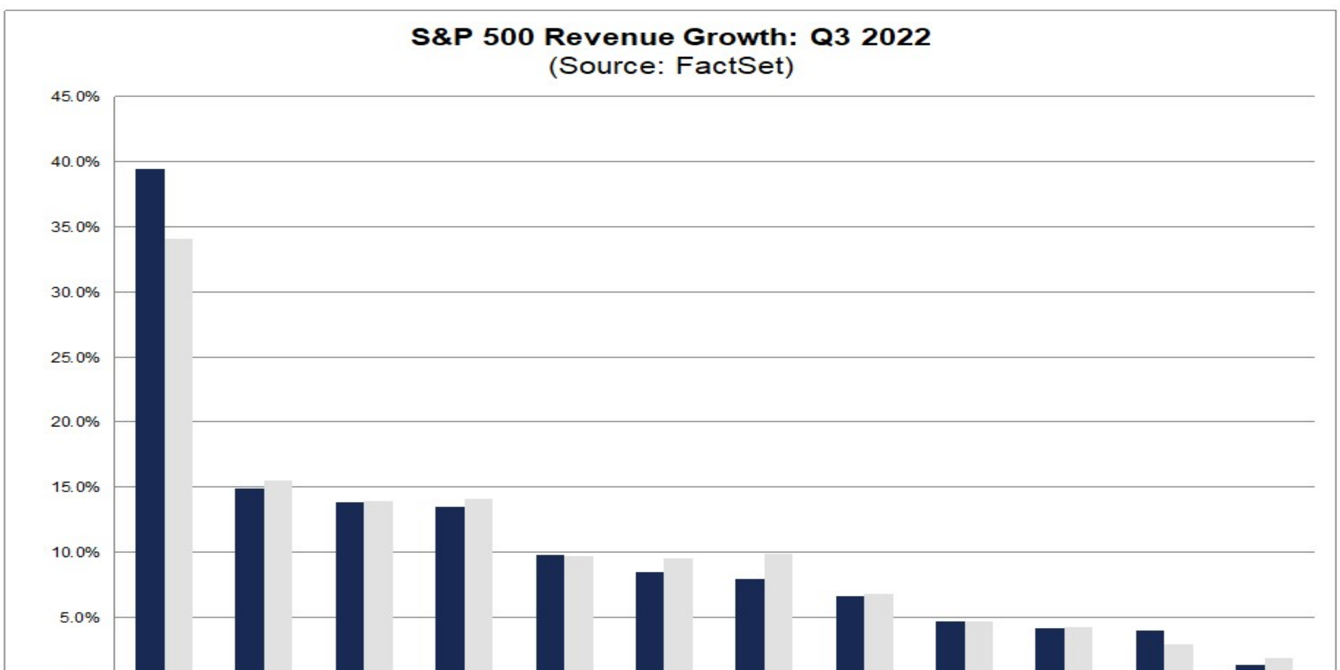




Q3 2022: Growth

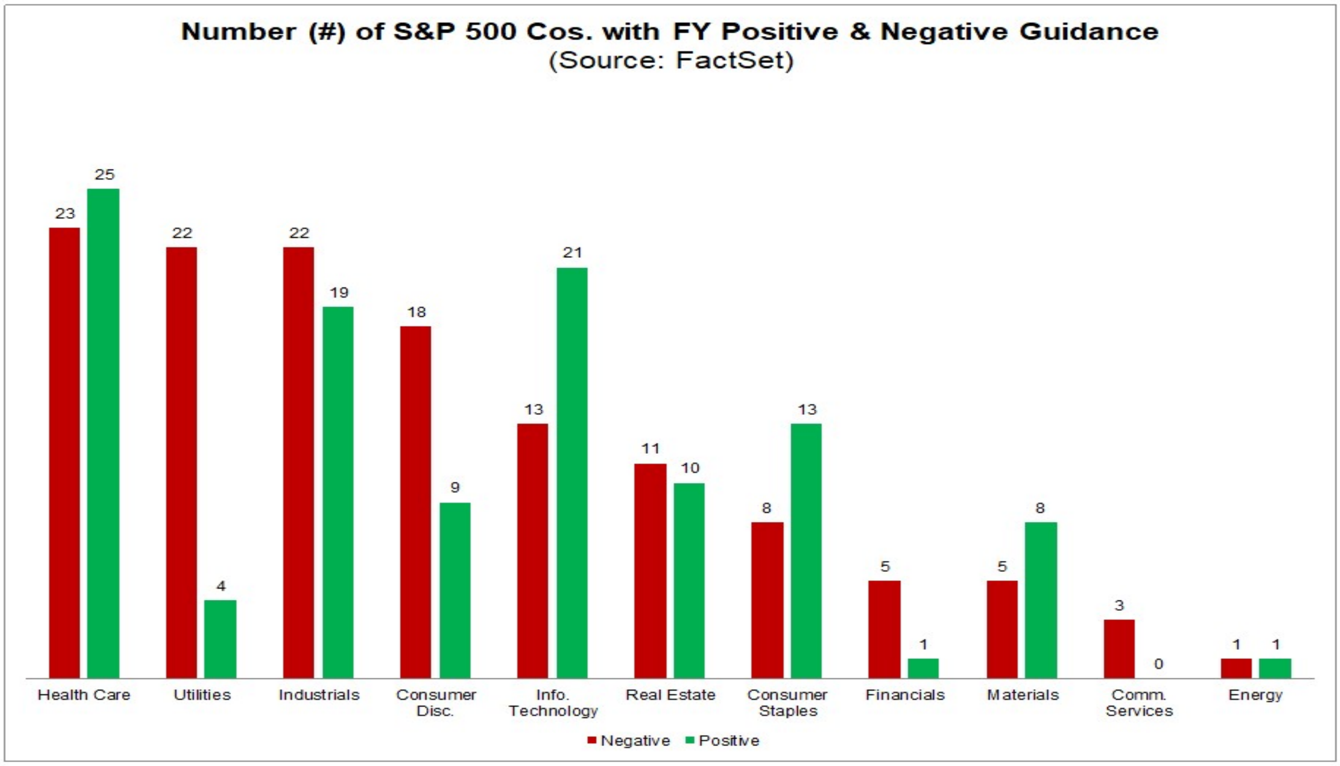


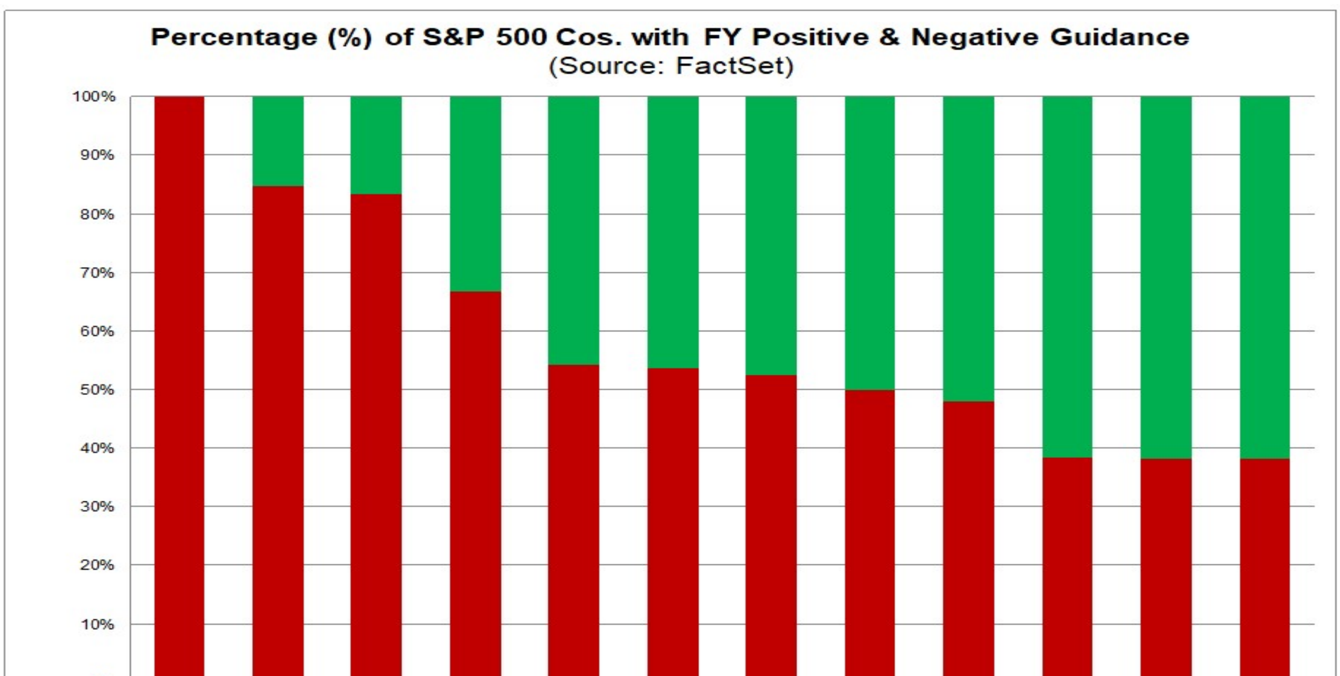
	Energy	Industrials	Consumer Disc.	Real Estate	S&P 500	Materials	Info. Technology	Consumer Staples	Health Care	Comm. Services	Utilities	Financials
Today	118.2%	31.1%	24.5%	15.8%	9.2%	4.2%	3.3%	0.5%	-0.6%	-1.3%	-4.3%	-10.2%
30-Jun	106.0%	31.8%	27.3%	16.4%	10.4%	8.4%	5.5%	1.6%	0.6%	0.9%	-4.7%	-7.3%



	Energy	Consumer Disc.	Industrials	Real Estate	S&P 500	Info. Technology	Materials	Comm. Services	Consumer Staples	Health Care	Utilities	Financials
Today	39.5%	14.9%	13.8%	13.4%	9.8%	8.4%	8.0%	6.6%	4.7%	4.2%	4.0%	1.3%
30-Jun	34.1%	15.5%	13.9%	14.1%	9.7%	9.5%	9.9%	6.8%	4.7%	4.2%	2.9%	1.9%

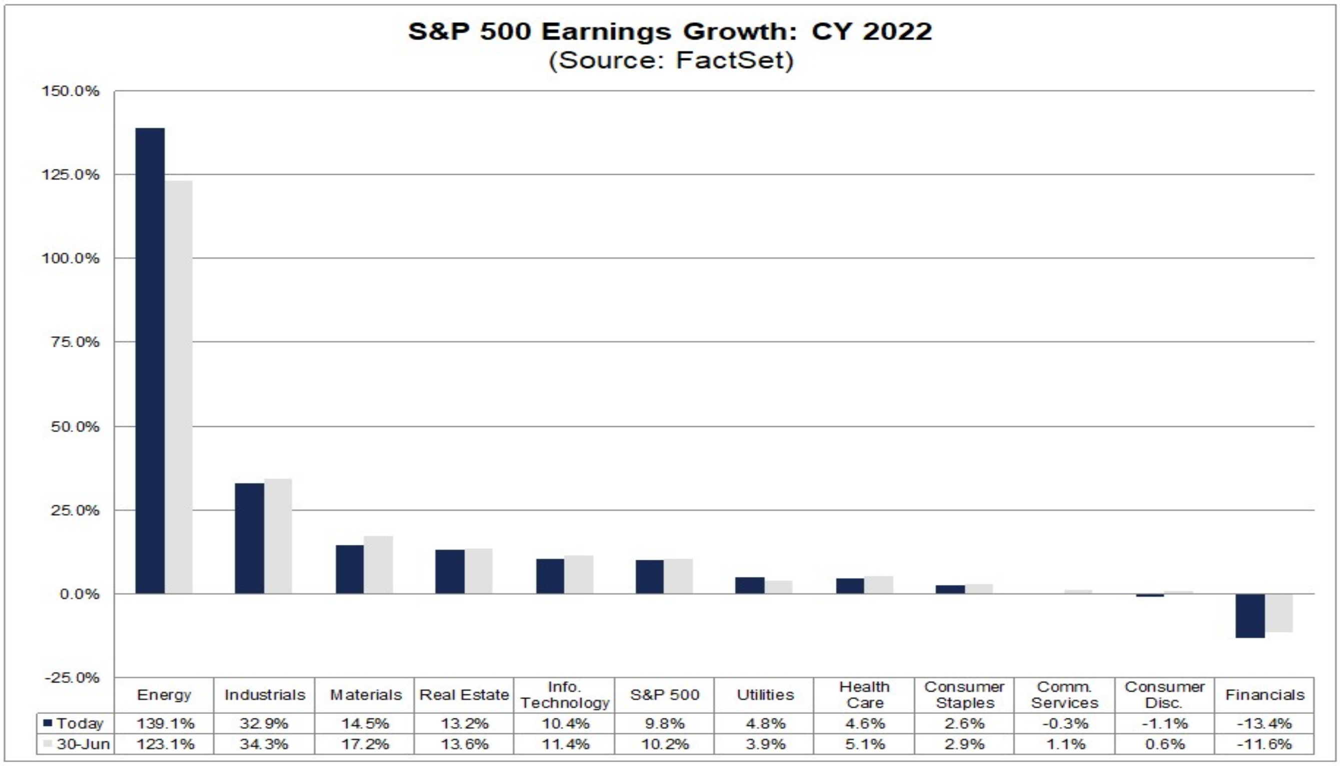
FY 2022 / 2023: EPS Guidance

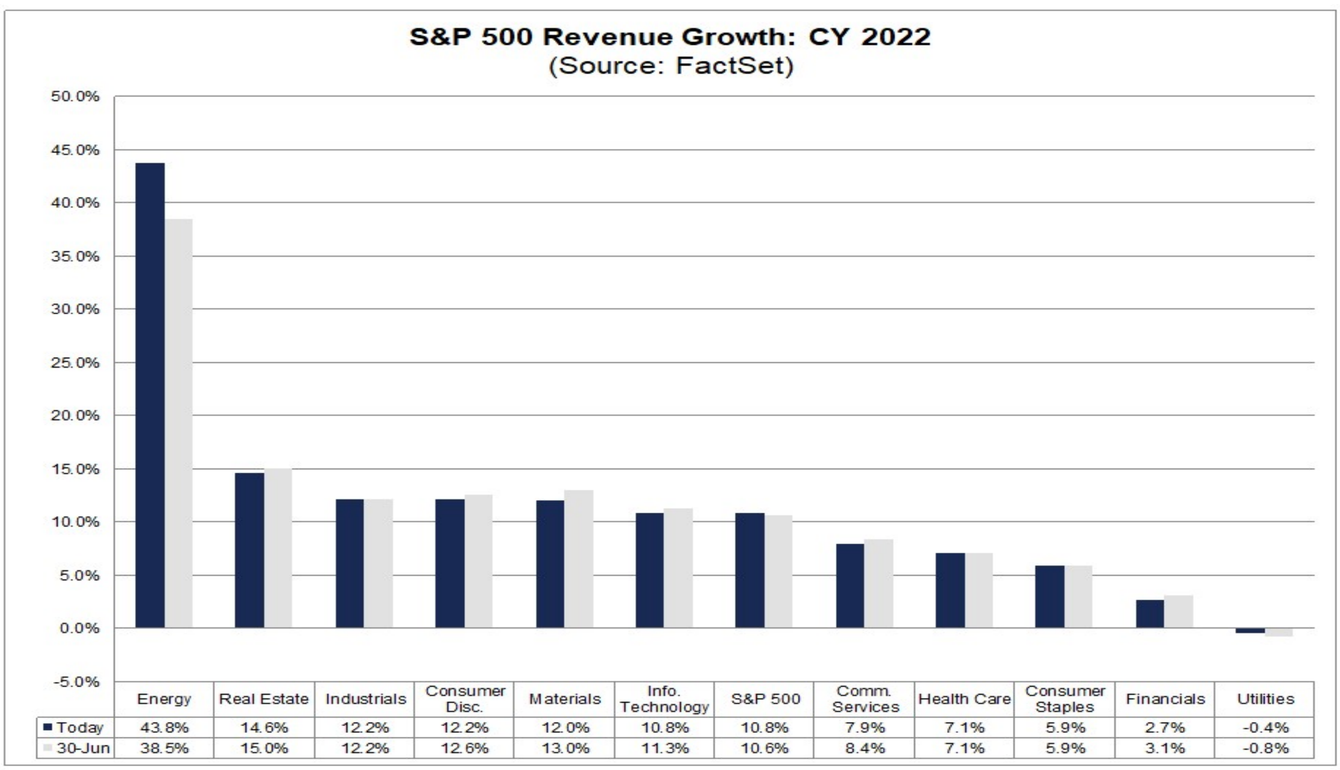




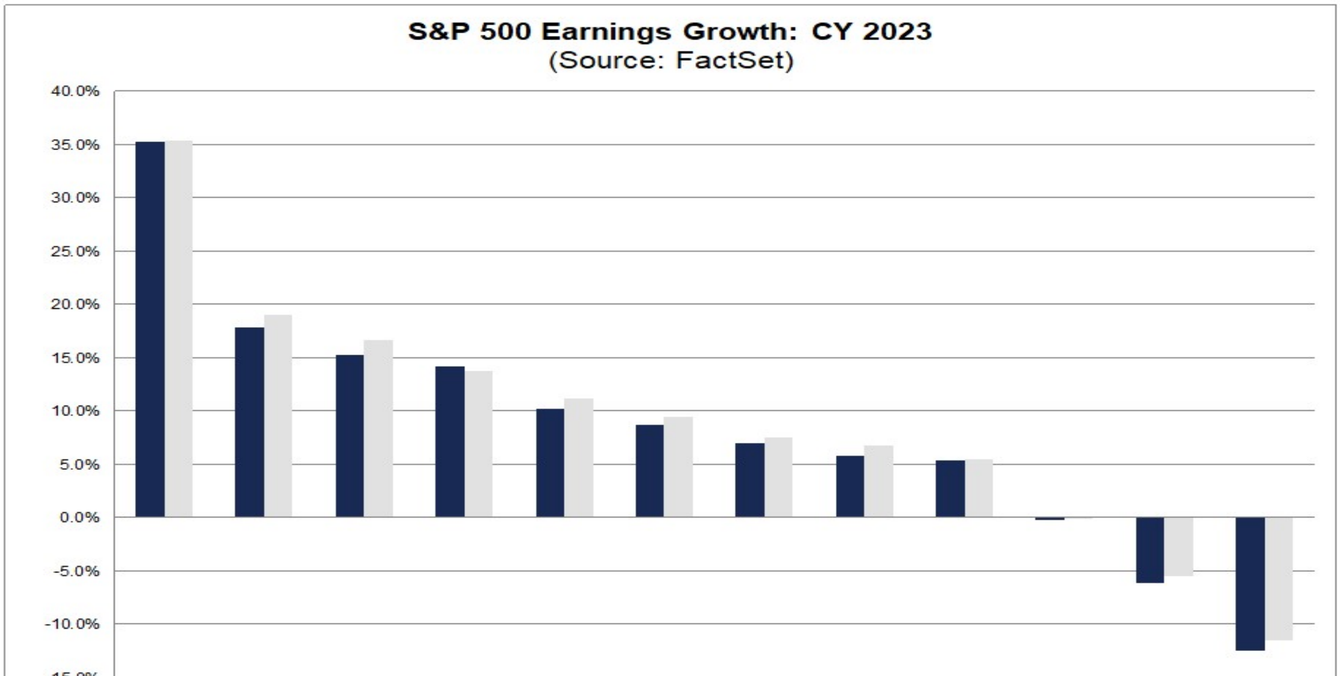
	Comm. Services	Utilities	Financials	Consumer Disc.	S&P 500	Industrials	Real Estate	Energy	Health Care	Materials	Info. Technology	Consumer Staples
Positive	0%	15%	17%	33%	46%	46%	48%	50%	52%	62%	62%	62%
Negative	100%	85%	83%	67%	54%	54%	52%	50%	48%	38%	38%	38%

CY 2022: Growth

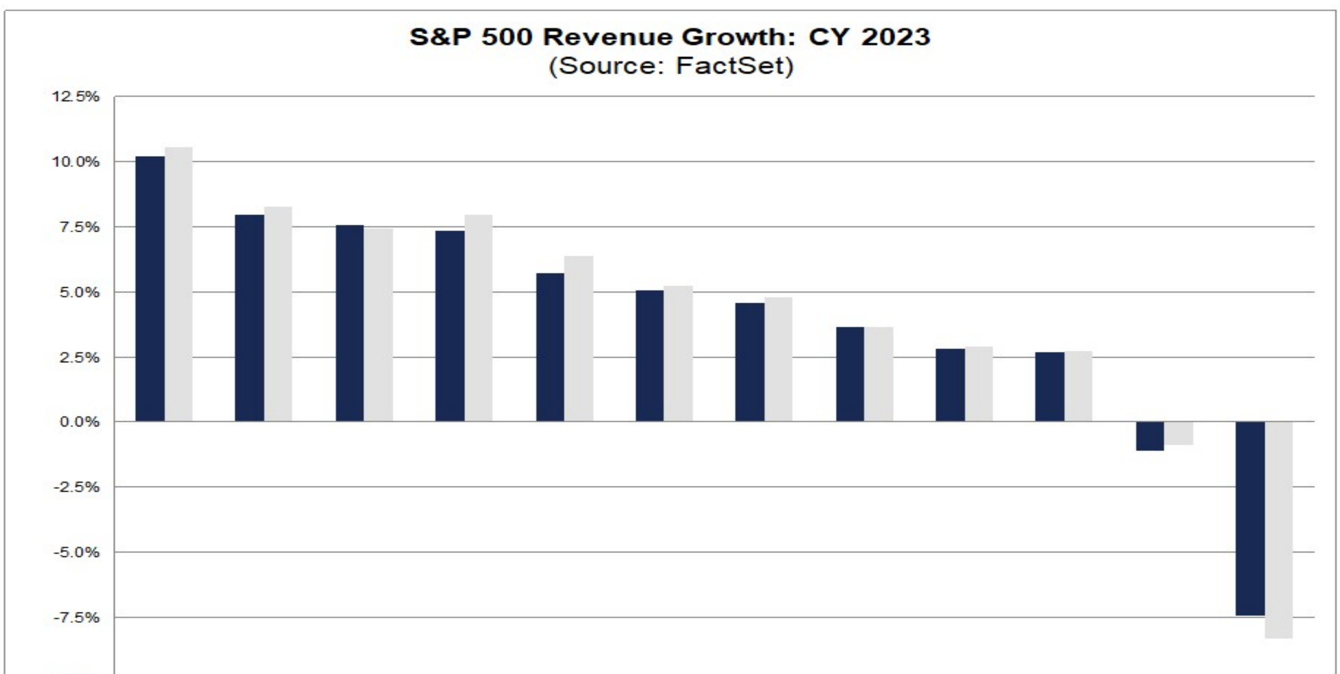




CY 2023: Growth

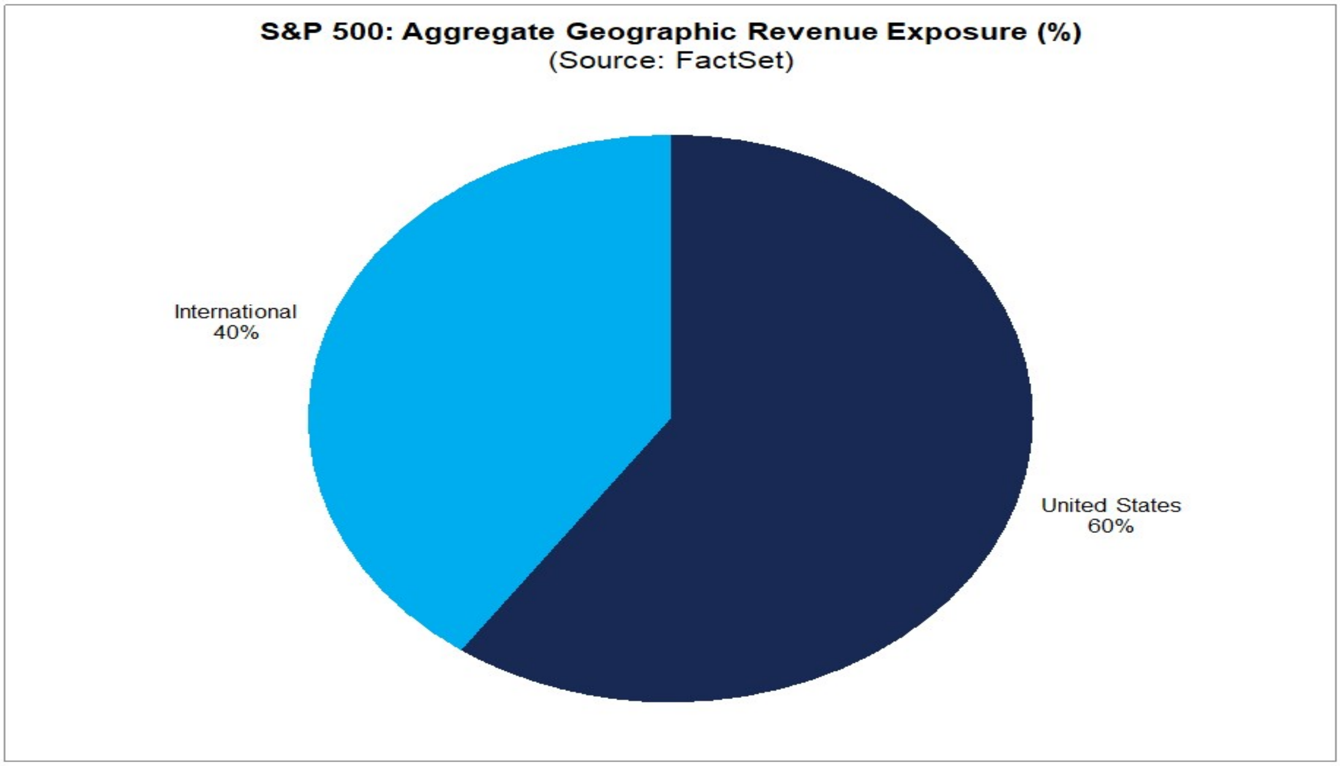


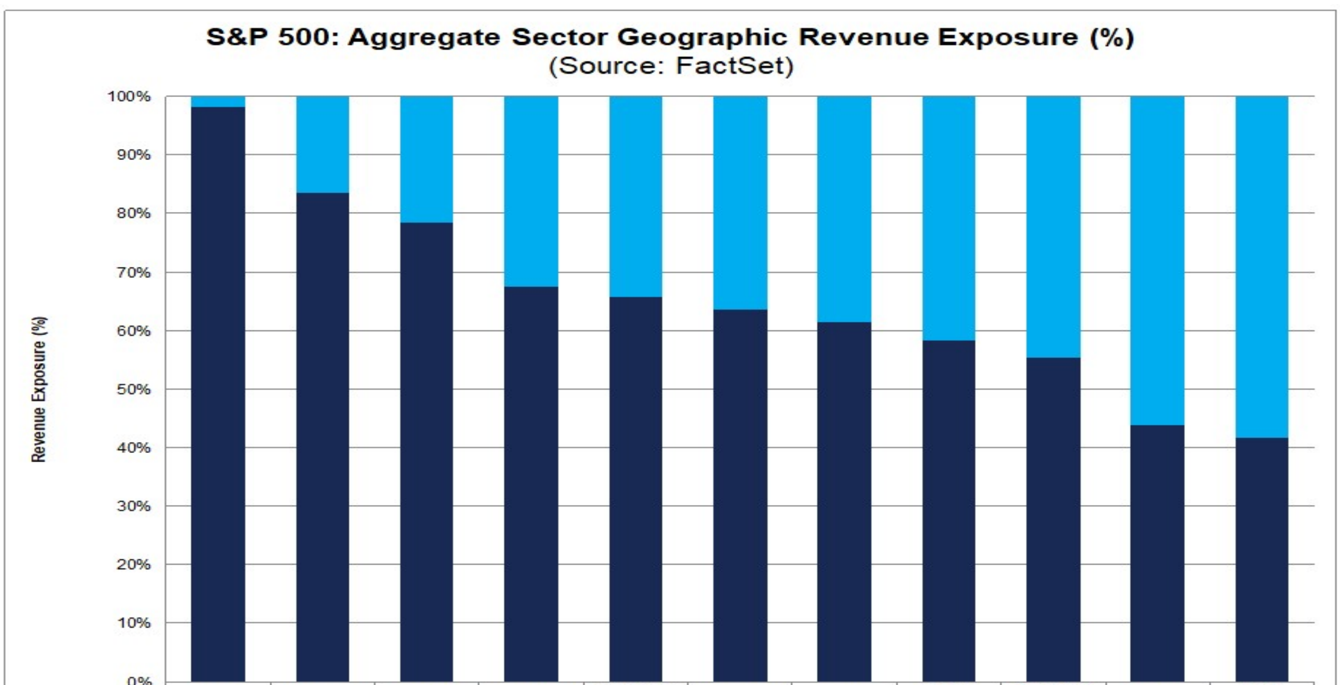
	Consumer Disc.	Industrials	Comm. Services	Financials	Info. Technology	S&P 500	Consumer Staples	Utilities	Real Estate	Health Care	Materials	Energy
Today	35.2%	17.8%	15.3%	14.2%	10.2%	8.7%	7.0%	5.8%	5.4%	-0.3%	-6.1%	-12.5%
30-Jun	35.4%	19.0%	16.6%	13.7%	11.1%	9.4%	7.5%	6.8%	5.5%	-0.2%	-5.5%	-11.6%



	Consumer Disc.	Comm. Services	Financials	Info. Technology	Industrials	Real Estate	S&P 500	Consumer Staples	Health Care	Utilities	Materials	Energy
Today	10.2%	8.0%	7.6%	7.4%	5.7%	5.1%	4.6%	3.7%	2.8%	2.7%	-1.1%	-7.4%
30-Jun	10.5%	8.3%	7.4%	7.9%	6.4%	5.2%	4.8%	3.6%	2.9%	2.7%	-0.9%	-8.3%

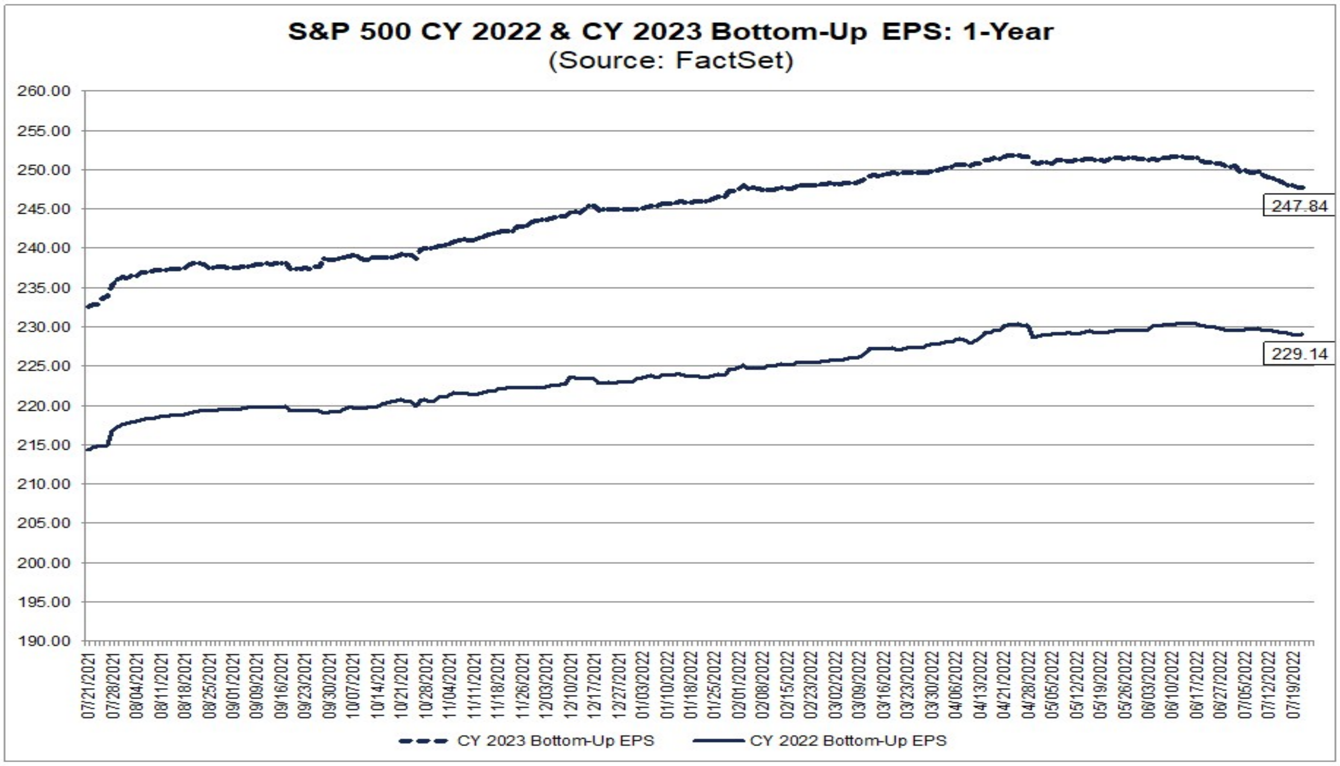
Geographic Revenue Exposure

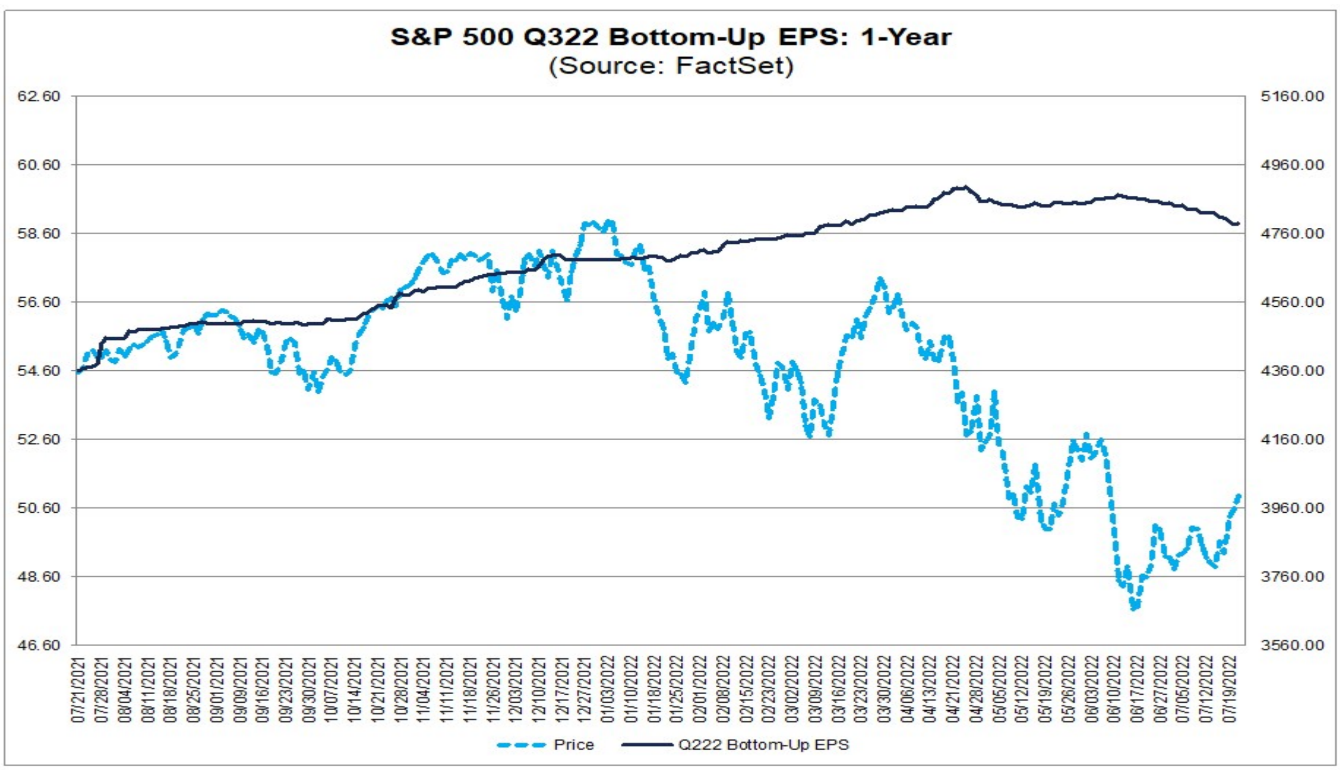




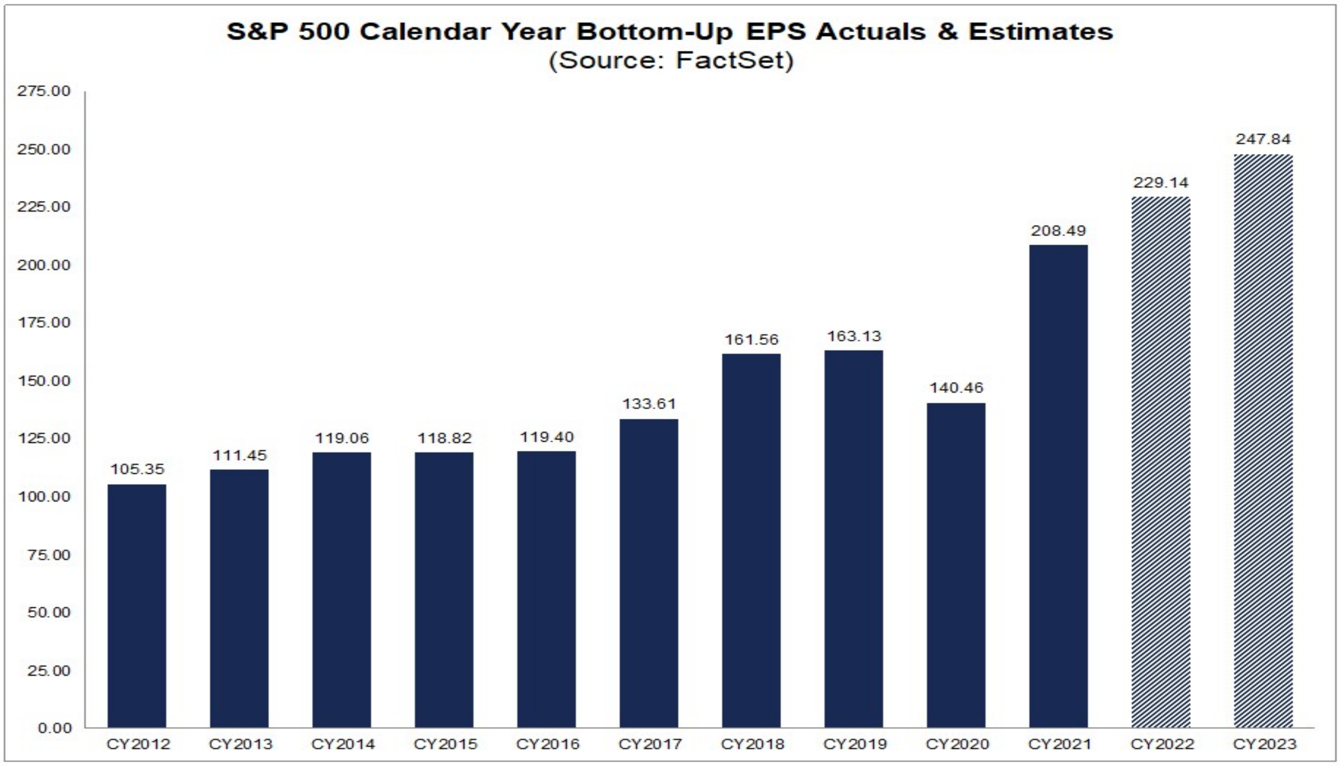
	Utilities	Real Estate	Financials	Industrials	Consumer Disc.	Health Care	Energy	Comm. Services	Consumer Staples	Materials	Info. Technology
International	2%	17%	22%	32%	34%	36%	39%	42%	45%	56%	58%
United States	98%	83%	78%	68%	66%	64%	61%	58%	55%	44%	42%

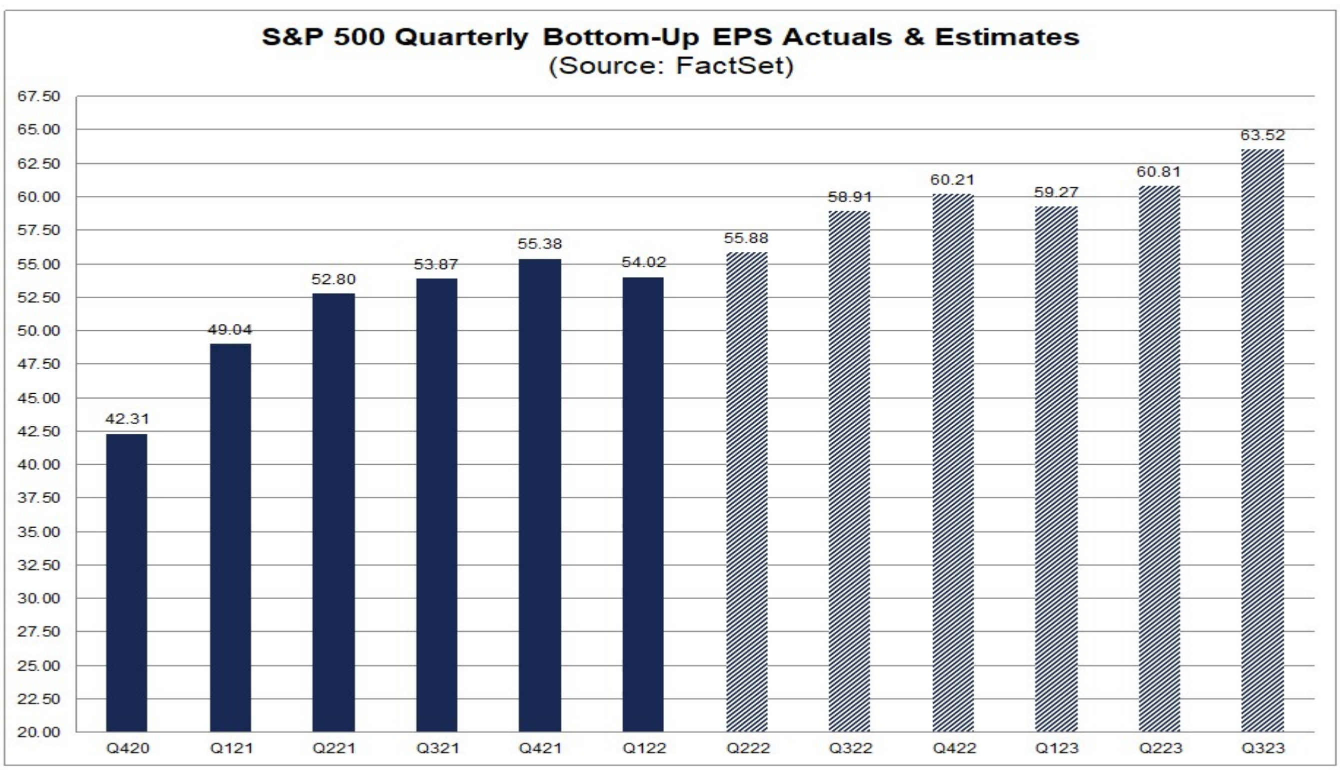
Bottom-Up EPS Estimates



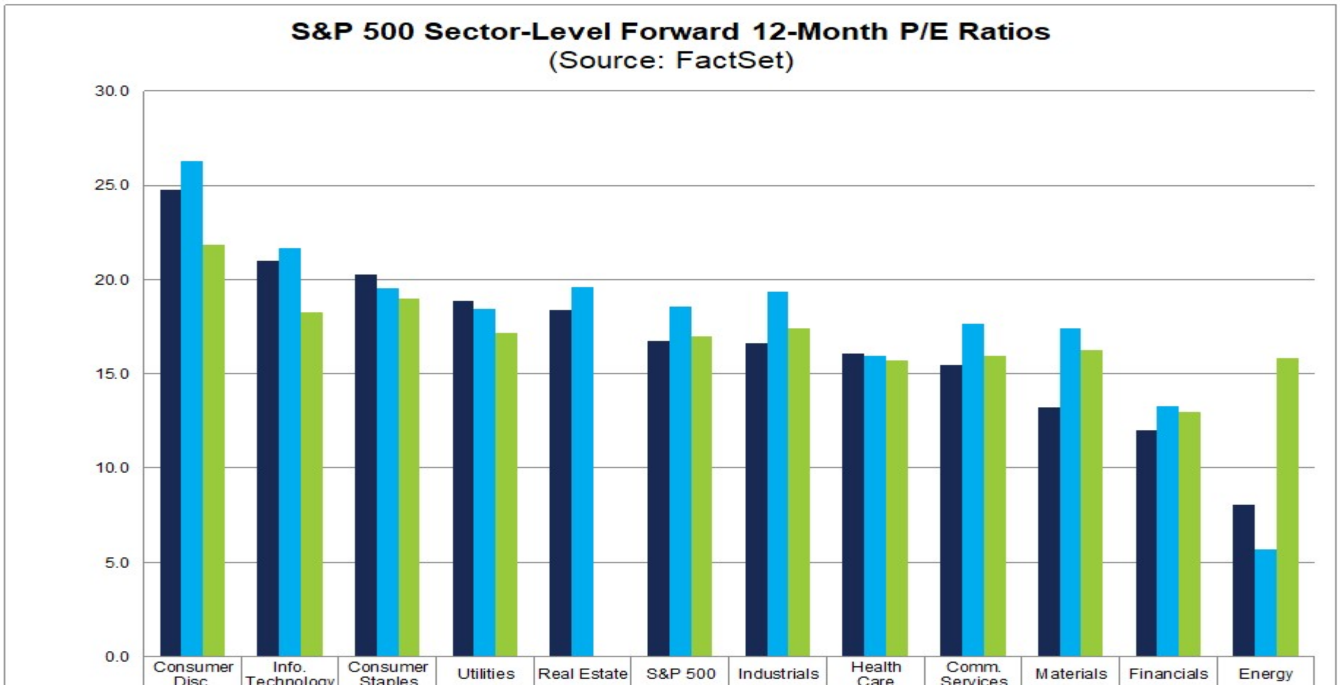


Bottom-Up EPS Estimates: Current & Historical

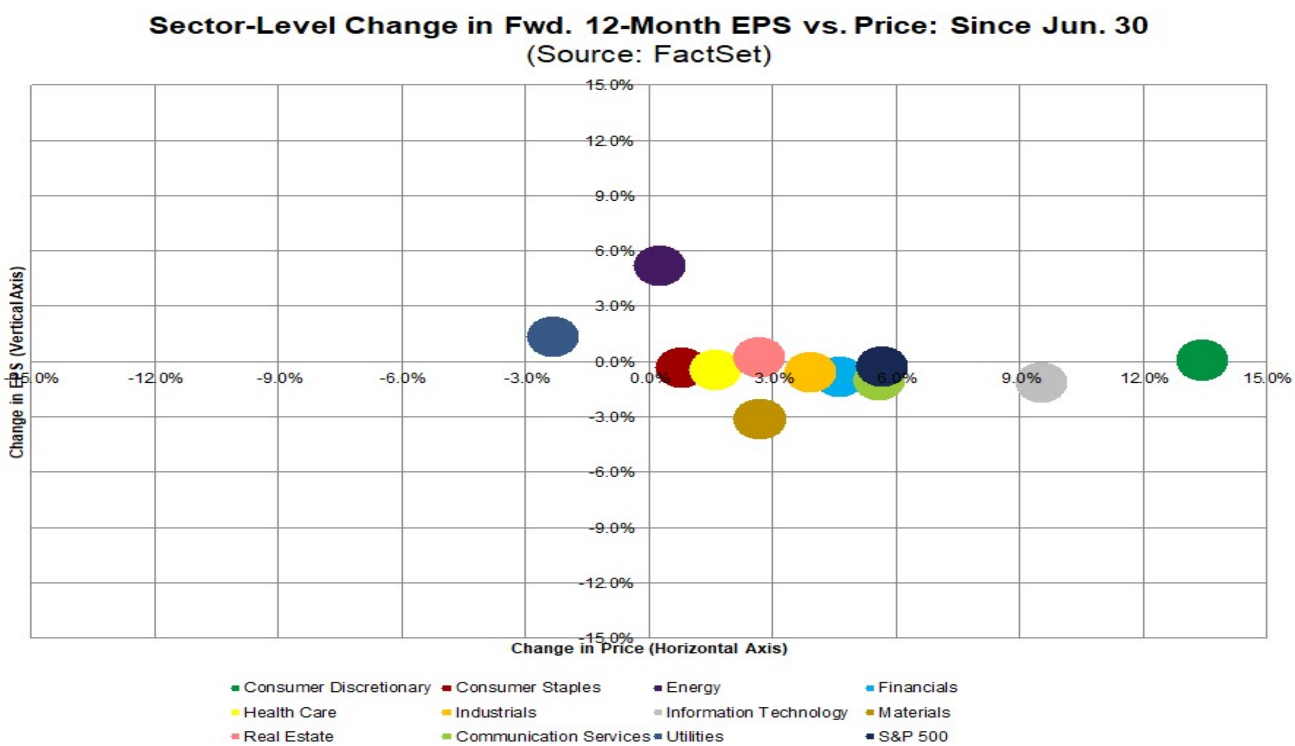




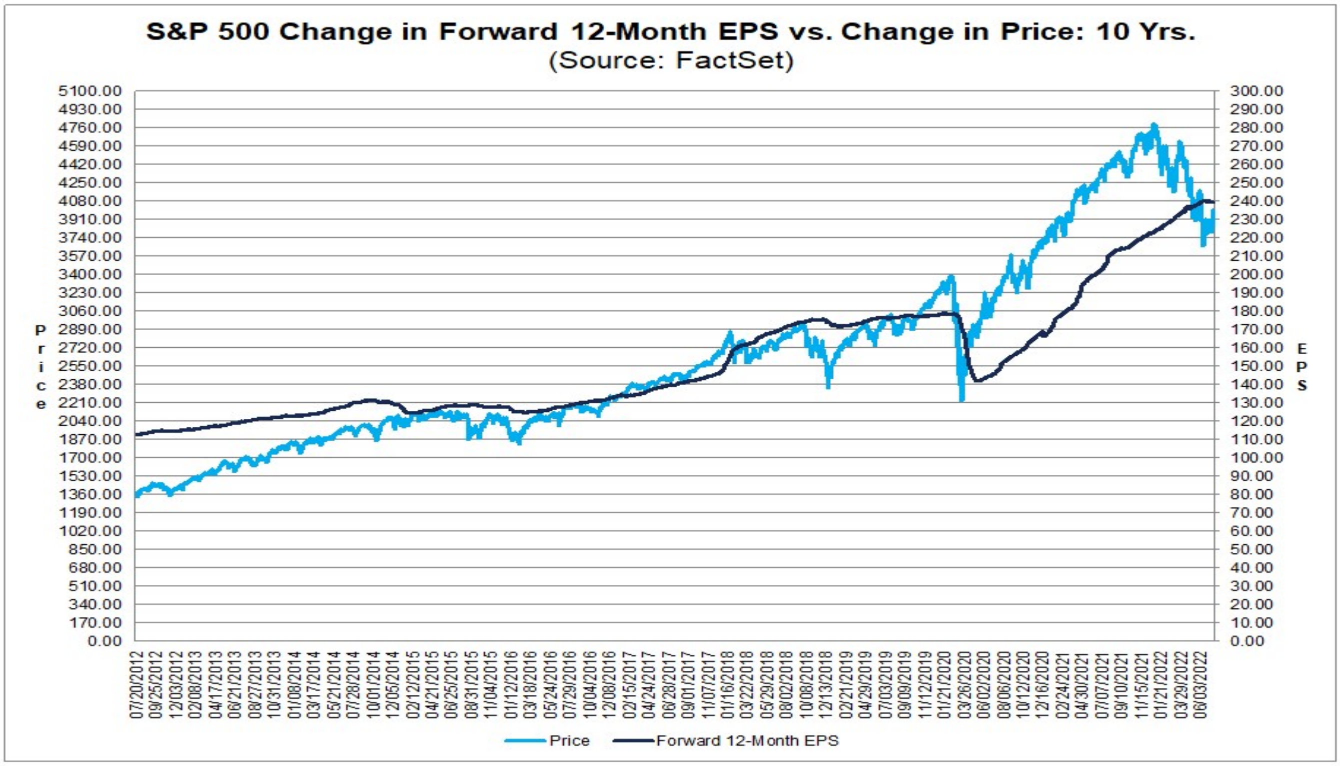
Forward 12M P/E Ratio: Sector Level

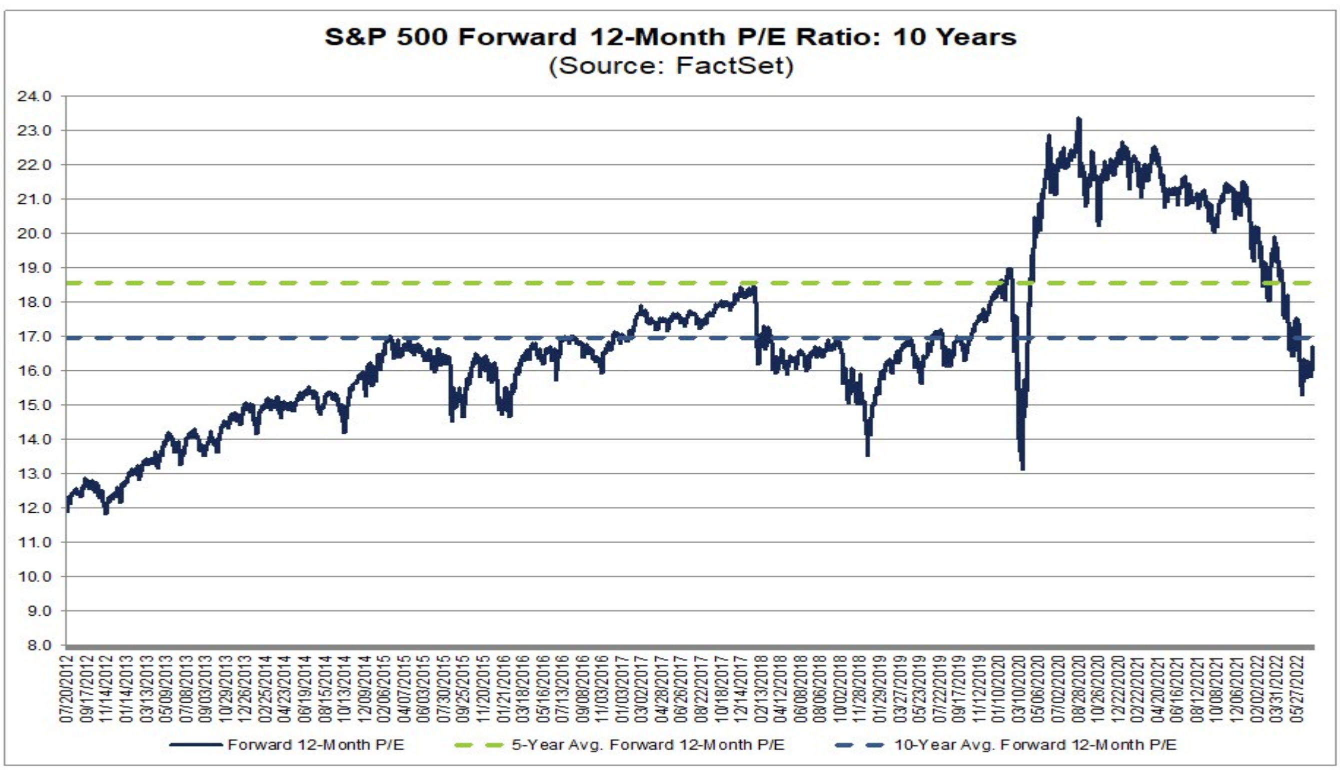


	Consumer Disc.	Info. Technology	Consumer Staples	Utilities	Real Estate	S&P 500	Industrials	Health Care	Comm. Services	Materials	Financials	Energy
Fwd P/E	24.8	21.0	20.3	18.9	18.4	16.7	16.6	16.0	15.5	13.2	12.0	8.0
5-Yr Avg.	26.3	21.7	19.5	18.4	19.6	18.6	19.3	16.0	17.7	17.4	13.3	5.7
10-Yr Avg.	21.8	18.3	19.0	17.2		17.0	17.4	15.7	15.9	16.2	12.9	15.8

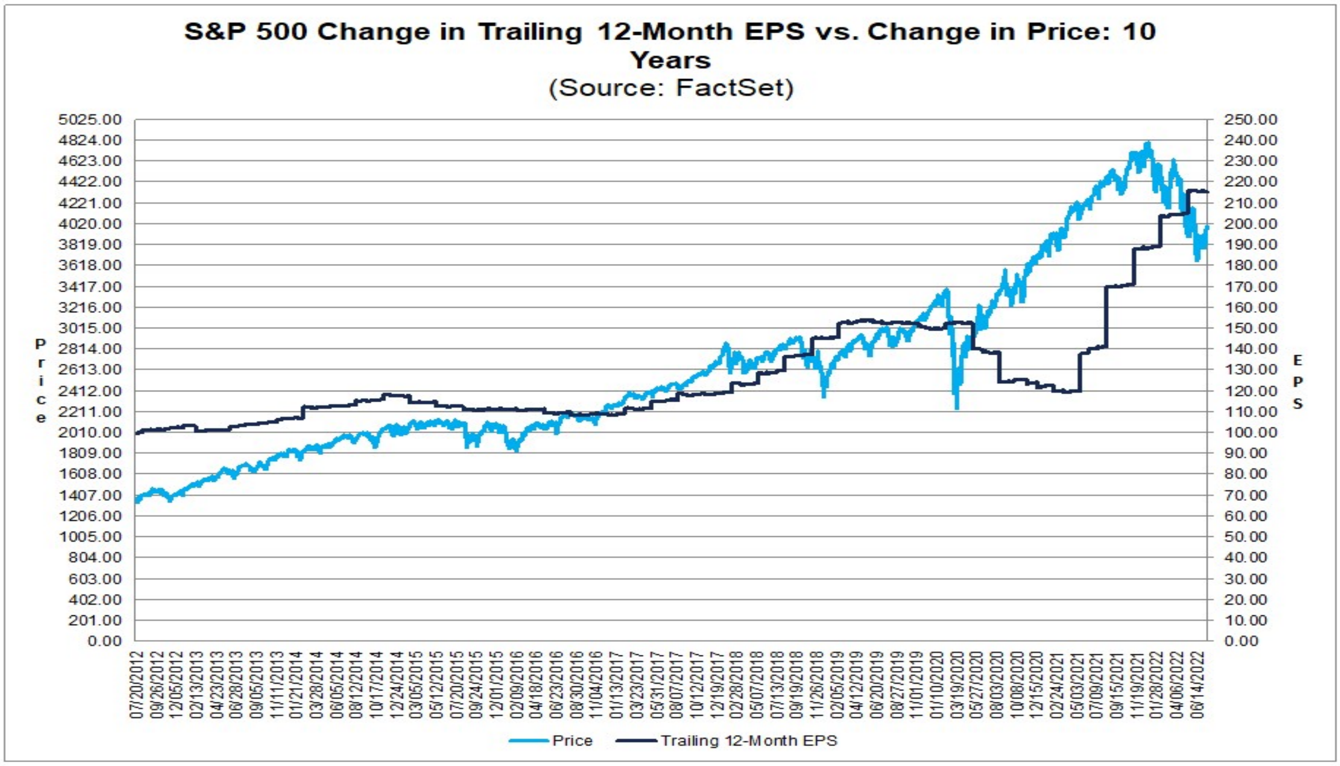


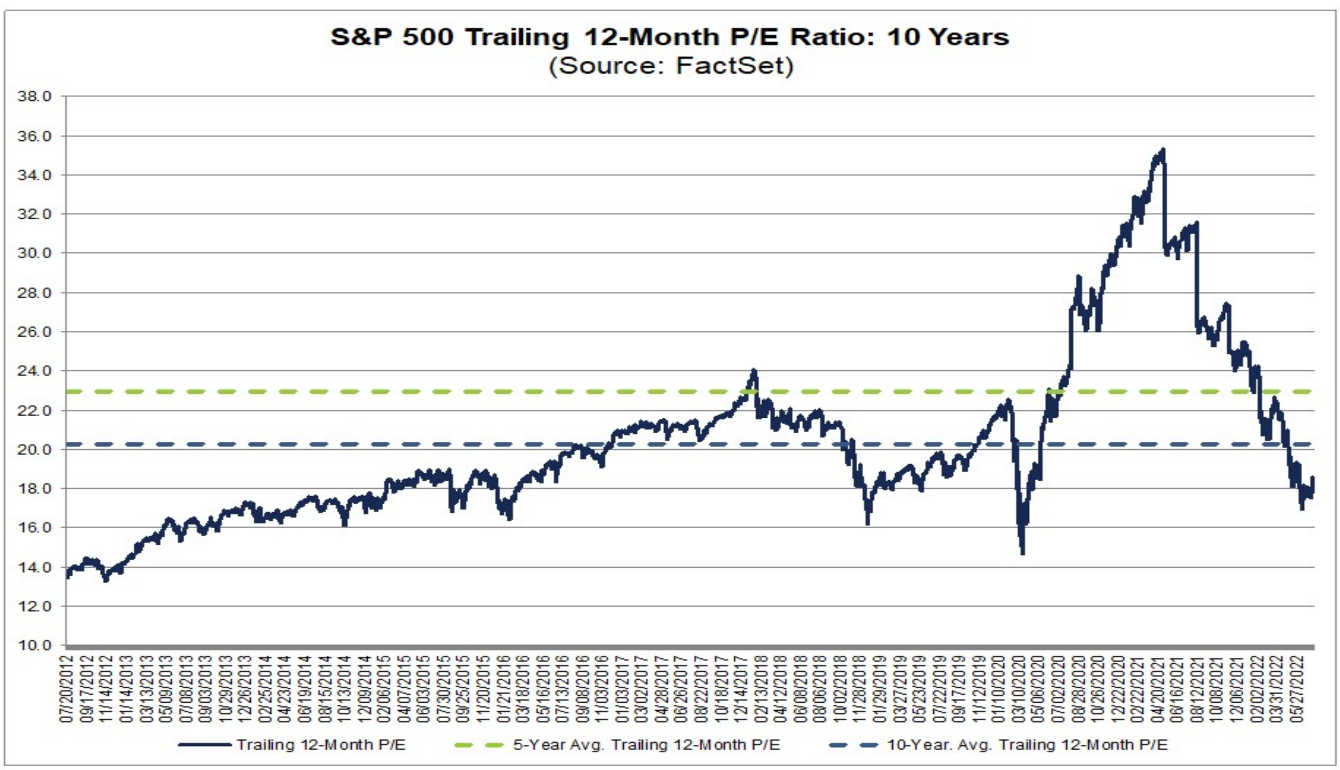
Forward 12M P/E Ratio: 10-Years



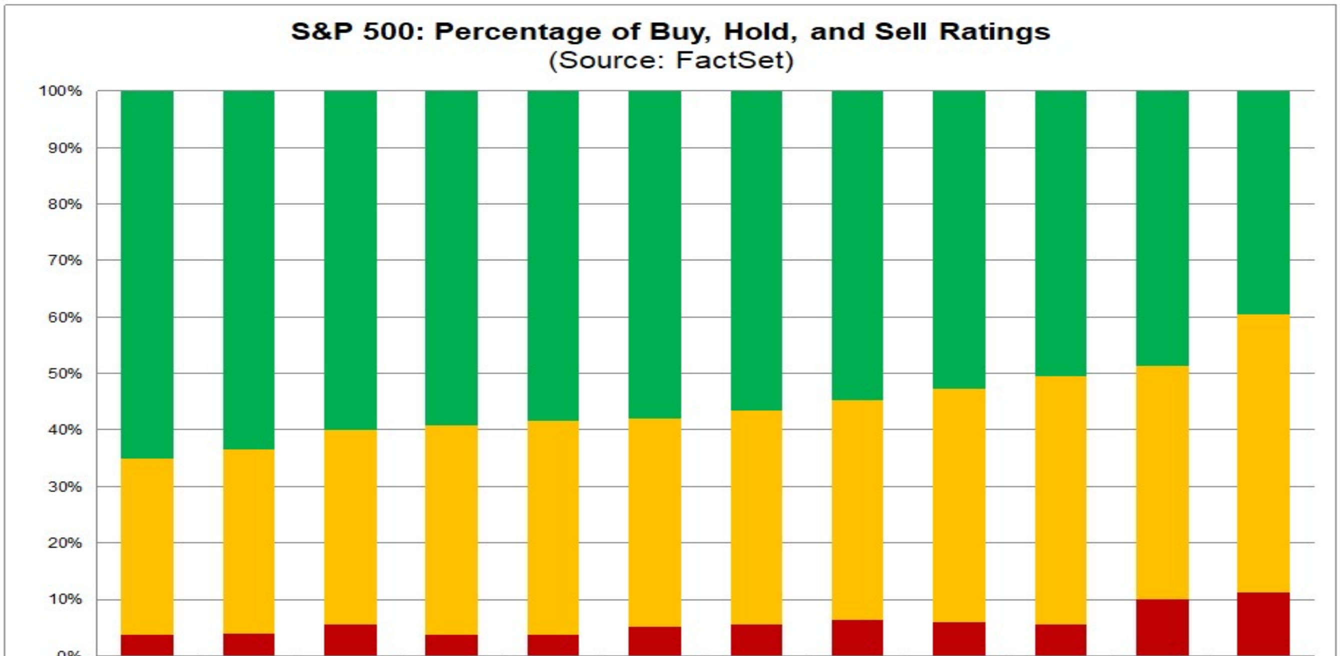


Trailing 12M P/E Ratio: 10-Years





Targets & Ratings



	Info. Tech.	Energy	Comm. Services	Consumer Disc.	Real Estate	Health Care	S&P 500	Industrials	Financials	Materials	Utilities	Consumer Staples
Buy	65%	63%	60%	59%	58%	58%	57%	55%	53%	50%	49%	40%
Hold	31%	33%	34%	37%	38%	37%	38%	39%	41%	44%	41%	49%
Sell	4%	4%	6%	4%	4%	5%	5%	6%	6%	6%	10%	11%

	Energy	Comm. Services	Consumer Disc.	Materials	Info. Tech.	S&P 500	Financials	Real Estate	Industrials	Health Care	Utilities	Consumer Staples
Target/Close	29.2%	28.3%	23.5%	23.4%	21.5%	19.9%	18.2%	17.7%	17.1%	13.6%	12.7%	11.7%

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