

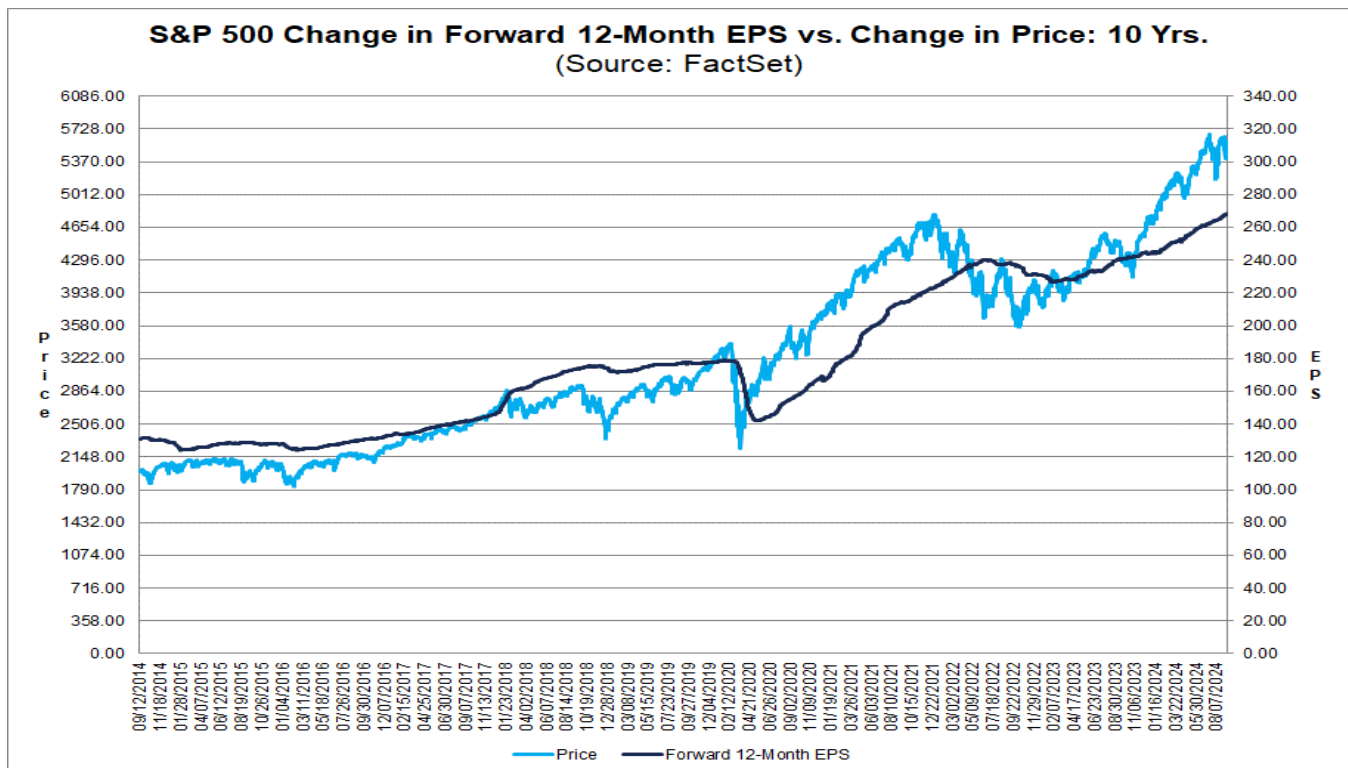
John Butters
 VP, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

September 20, 2024

Key Metrics

- **Earnings Growth:** For Q3 2024, the estimated (year-over-year) earnings growth rate for the S&P 500 is 4.6%. If 4.6% is the actual growth rate for the quarter, it will mark the 5th straight quarter of year-over-year earnings growth for the index.
- **Earnings Revisions:** On June 30, the estimated (year-over-year) earnings growth rate for the S&P 500 for Q3 2024 was 7.8%. Eight sectors are expected to report lower earnings today (compared to June 30) due to downward revisions to EPS estimates.
- **Earnings Guidance:** For Q3 2024, 60 S&P 500 companies have issued negative EPS guidance and 50 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 21.4. This P/E ratio is above the 5-year average (19.5) and above the 10-year average (18.0).
- **Earnings Scorecard:** For Q3 2024 (with 7 S&P 500 companies reporting actual results), 5 S&P 500 companies have reported a positive EPS surprise and 5 S&P 500 companies has reported a positive revenue surprise.



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 Revisions	6
Earnings Guidance	7
Earnings Growth	8
Revenue Growth	9
Net Profit Margin	9
Forward Estimates & Valuation	10

Charts

Q224 Earnings & Revenue Scorecard	12
Q224 Earnings & Revenue Surprises	13
Q224 Earnings & Revenue Growth	16
Q224 Net Profit Margin	18
Q324 EPS Guidance	19
Q324 EPS Revisions	20
Q324 Earnings & Revenue Growth	21
FY24 / FY25 EPS Guidance	22
CY24 Earnings & Revenue Growth	23
CY25 Earnings & Revenue Growth	24
Geographic Revenue Exposure	25
Bottom-Up EPS Estimates	26
Forward 12-Month P/E Ratio	28
Trailing 12-Month P/E Ratio	30
Target & Ratings	31

Topic of the Week:

Where Are Analysts Most Optimistic on Ratings for S&P 500 Companies Heading Into Q4?

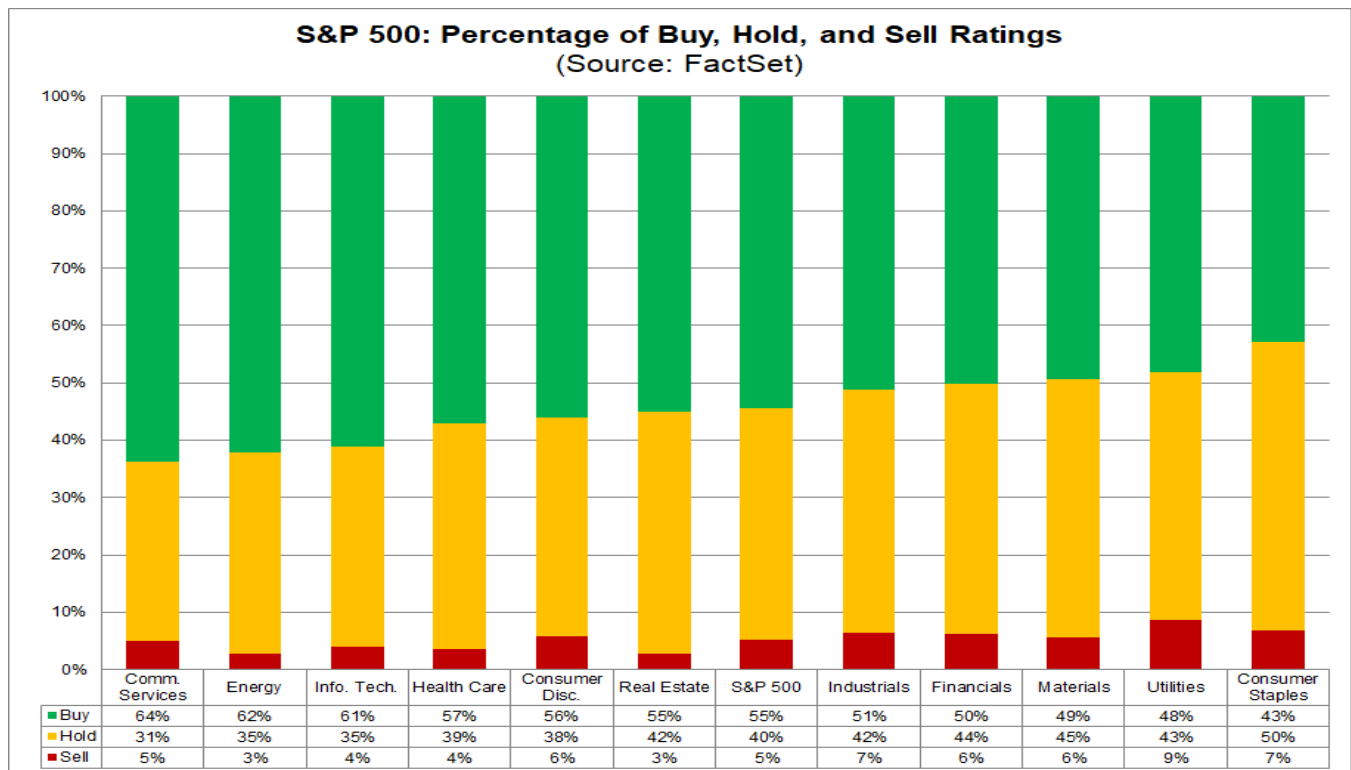
With the start of the fourth quarter approaching, where are analysts most optimistic and pessimistic in terms of their ratings on stocks in the S&P 500?

Overall, there are 11,882 ratings on stocks in the S&P 500. Of these ratings, 54.5% are Buy ratings, 40.2% are Hold ratings, and 5.2% are Sell ratings. The percentage of Buy ratings is slightly below its the 5-year (month-end) average of 54.6%. The percentage Hold ratings is above its 5-year (month-end) average of 39.4%. The percentage of Sell ratings is below its 5-year (month-end) average of 6.0%.

At the sector level, analysts are most optimistic on the Communication Services, Energy and Information Technology sectors, as these three sectors have the highest percentages of Buy ratings at 64%, 62%, and 61%, respectively. On the other hand, analysts are most pessimistic on the Consumer Staples, Utilities, and Materials sectors, as these three sectors have the lowest percentages of Buy ratings at 43%, 48%, and 49, respectively. The Consumer Staples sector has the highest percentage of Hold ratings at 50%, while the Utilities sector has the highest percentage of Sell ratings at 9%.

The ten S&P 500 companies with the highest percentages of Buy ratings and Sell ratings can be found on page 4. Three of the top four companies with the highest percentage of Buy ratings are also “Magnificent 7” companies: Amazon.com, Microsoft, and NVIDIA.

After rising to 55.2% at the end of June 2024, the overall percentage of Buy ratings for the S&P 500 has decreased for three straight months to 54.6% today. At the sector level, the Consumer Staples (42.8% from 45.9%) and Utilities (to 48.0% from 50.5%) sectors have seen the largest decreases in their percentages of Buy ratings of all eleven sectors since the end of June. On the other hand, the Communication Services (to 63.7% from 62.4%) and Materials (to 49.3% from 48.1%) sectors have seen the largest increases in their percentages of Buy ratings during this period. Overall, the value of the S&P 500 has increased by 4.6% (to 5,713.64 from 5,460.48) since June 30.



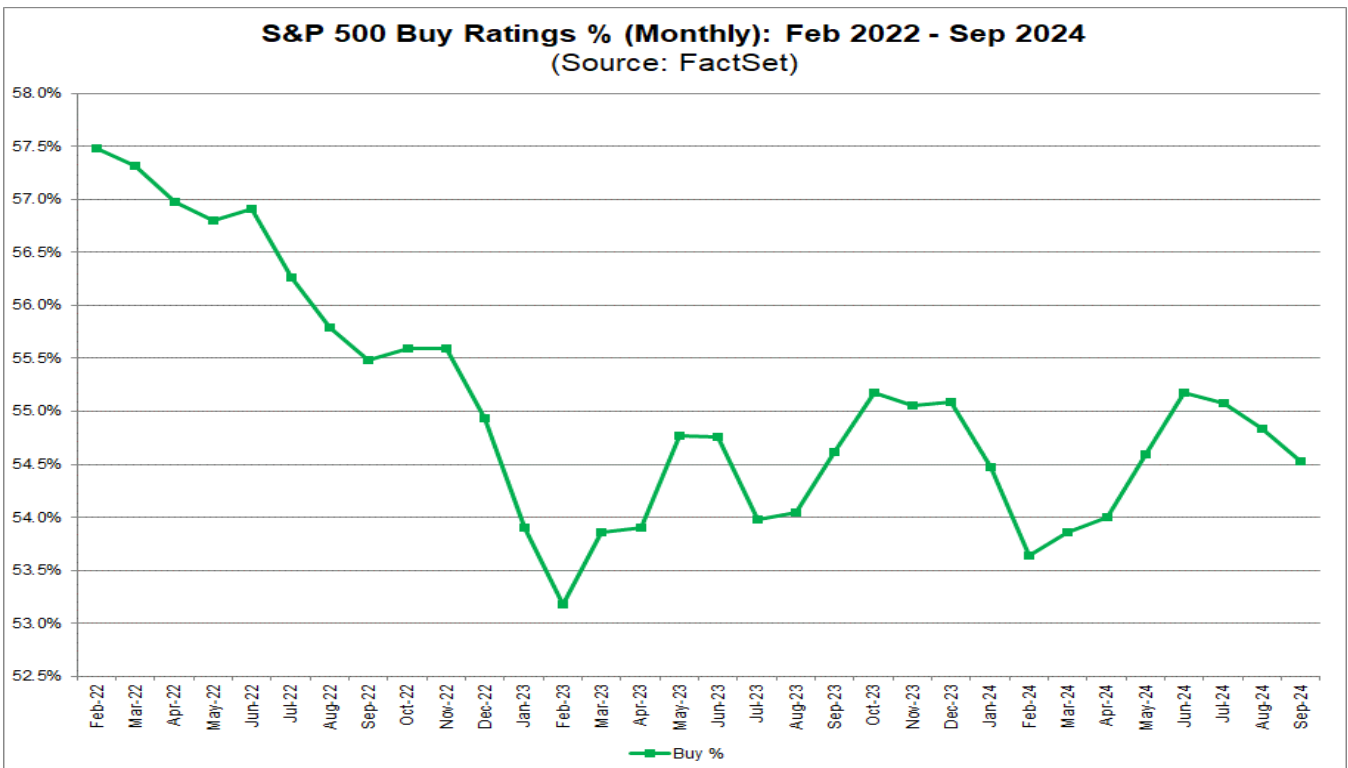
Highest % of Buy Ratings in S&P 500: Top 10 (Source: FactSet)

Company	Buy	Hold	Sell
Amazon.com, Inc.	95%	5%	0%
Microsoft Corporation	95%	3%	2%
GE Aerospace	94%	6%	0%
NVIDIA Corporation	94%	6%	0%
Schlumberger Limited	94%	6%	0%
Axon Enterprise Inc	93%	7%	0%
UnitedHealth Group Incorporated	93%	7%	0%
Vistra Corp.	92%	0%	8%
United Airlines Holdings, Inc.	91%	4%	4%
Delta Air Lines, Inc.	91%	9%	0%

Highest % of Sell Ratings in S&P 500: Top 10 (Source: FactSet)

Company	Buy	Hold	Sell
Franklin Resources, Inc.	6%	50%	44%
Paramount Global Class B	18%	46%	36%
T. Rowe Price Group	0%	65%	35%
Consolidated Edison, Inc.	11%	56%	33%
Garmin Ltd.	0%	67%	33%
Illinois Tool Works Inc.	14%	55%	32%
Expeditors Intl. of Washington, Inc.	0%	69%	31%
FactSet Research Systems Inc.	14%	57%	29%
Southwest Airlines Co.	14%	57%	29%
Mettler-Toledo International Inc.	7%	64%	29%

S&P 500 Buy Ratings % (Monthly): Feb 2022 - Sep 2024
(Source: FactSet)



Q3 Earnings Season: By The Numbers

Overview

Heading into the end of the third quarter, both analysts and companies have lowered earnings outlooks for the third quarter at average levels. As a result, estimated earnings for the S&P 500 for the third quarter are lower today compared to expectations at the start of the quarter. Despite the decline in estimated earnings, the index is still expected to report year-over-year earnings growth for the fifth-straight quarter. Analysts also still believe the index will report double-digit earnings growth again starting in Q4 2024.

In terms of estimate revisions for companies in the S&P 500, analysts have lowered earnings estimates for Q3 2024 near average levels. On a per-share basis, estimated earnings for the third quarter have decreased by 3.2% since June 30. This decrease is just slightly below the 5-year average (-3.3%) and the 10-year average (-3.3%).

In terms of guidance for the third quarter, the number of S&P 500 companies issuing negative EPS guidance for Q3 2024 is within average levels. At this point in time, 110 companies in the index have issued EPS guidance for Q3 2024. Of these companies, 60 have issued negative EPS guidance and 50 have issued positive EPS guidance. The number of S&P 500 companies issuing negative EPS guidance for Q3 2024 is between the 5-year average of 57 and the 10-year average of 62. However, it should be noted the percentage of S&P 500 companies issuing negative EPS guidance is 55% (60 out of 110), which is below the 5-year average of 58% and below the 10-year average of 62%.

Due to the downward revisions to earnings estimates by analysts and the negative EPS guidance issued by companies, the estimated (year-over-year) earnings growth rate for Q2 2024 is lower today relative to the start of the third quarter. As of today, the S&P 500 is expected to report (year-over-year) earnings growth of 4.6%, compared to the estimated (year-over-year) earnings growth rate of 7.8% on June 30.

If 4.6% is the actual growth rate for the quarter, it will mark the fifth consecutive quarter of year-over-year earnings growth for the index.

Eight of the eleven sectors are projected to report year-over-year growth. Of these eight sectors, three are predicted to report double-digit growth: Information Technology, Health Care, and Communication Services. On the other hand, three sectors are predicted to report a year-over-year decline in earnings. Of these three sectors, one is projected to report a double-digit decline: Energy.

In terms of revenues, analysts have also decreased their estimates during the quarter. As of today, the S&P 500 is expected to report (year-over-year) revenue growth of 4.7%, compared to expectations for revenue growth of 4.9% on June 30.

If 4.7% is the actual revenue growth rate for the quarter, it will mark the 16th consecutive quarter of revenue growth for the index.

Ten sectors are projected to report year-over-year growth in revenue, led by the Information Technology and Communication Services sectors. On the other hand, the Energy sector is the only sector expected to report a year-over-year decline in revenue.

Looking ahead, analysts expect (year-over-year) earnings growth rates of 15.0%, 14.6%, and 13.7% for Q4 2024, Q1 2025, and Q2 2025, respectively. For CY 2024, analysts are calling for (year-over-year) earnings growth of 10.0%. For CY 2025, analysts are predicting (year-over-year) earnings growth of 15.2%.

The forward 12-month P/E ratio is 21.4, which is above the 5-year average (19.5) and above the 10-year average (18.0). This P/E ratio is also above the forward P/E ratio of 21.0 recorded at the end of the second quarter (June 30).

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

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

Decrease In Estimated Earnings Growth Rate for Q3 This Week Due to Energy and Industrials

During the past week, the estimated earnings growth rate for the S&P 500 for Q3 2024 decreased to 4.6% from 4.8%. Downward revisions to EPS estimates for companies in the Energy and Industrials sectors, along with a negative EPS surprise reported by a company in the Industrials sector, were mainly responsible for the decrease in the overall earnings growth rate for the index during the week.

The estimated earnings growth rate for the S&P 500 for Q3 2024 of 4.6% today is below the estimate of 7.8% at the start of the quarter (June 30), as estimated earnings for the index of \$532.5 billion today are 3.0% below the estimate of \$548.7 billion at the start of the quarter. Eight sectors have recorded a decrease in dollar-level earnings due to downward revisions to earnings estimates, led by the Energy, Industrials, Materials, and Health sectors. On the other hand, three sectors have recorded an increase in expected (dollar-level) earnings of less than 1% due to upward revisions to earnings estimates: Communication Services, Information Technology, and Financials.

Energy: Exxon Mobil Leads Earnings Decrease Since June 30

The Energy sector has recorded the largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -17.1% (to \$30.1 billion from \$36.3 billion). As a result, the estimated (year-over-year) earnings decline for this sector has increased to -17.1% today from -0.6% on June 30. Falling oil prices are contributing to the decrease in earnings for this sector, as the price of oil has declined by 12% since June 30 (to \$71.95 from \$81.54). This sector has also witnessed the largest decrease in price of all eleven sectors since June 30 at -2.8%. Overall, 17 of the 22 companies (77%) in the Energy sector have seen a decrease in their mean EPS estimate during this time. Of these 17 companies, 10 have recorded a decrease in their mean EPS estimate of more than 10%, led by Marathon Petroleum (to \$2.44 from \$5.45), Valero Energy (to \$2.30 from \$4.45), and Phillips 66 (to \$2.18 from \$3.59). Exxon Mobil (to \$2.02 from \$2.47), Chevron (to \$2.78 from \$3.42), Marathon Petroleum, Valero Energy, and Phillips 66 have been the largest contributors to the decrease in expected (dollar-level) earnings for this sector since June 30.

Industrials: Boeing Leads Earnings Decrease Since June 30

The Industrials sector has recorded the second-largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -7.7% (to \$42.1 billion from \$45.6 billion). As a result, the estimated (year-over-year) earnings growth rate for this sector has decreased to 1.2% today from 9.6% on June 30. Despite the decrease in expected earnings, this sector has witnessed an increase in price of 9.7% since June 30. Overall, 52 of the 78 companies (67%) in the Industrials sector have seen a decrease in their mean EPS estimate during this time. Of these 52 companies, 15 have recorded a decrease in their mean EPS estimate of more than 10%, led by Boeing (to -\$0.89 from \$0.31), Southwest Airlines (to -\$0.21 from \$0.30), American Airlines Group (to 0.08 from \$0.64), and GE Vernova (to \$0.37 from \$0.83). Boeing has also been the largest contributor to the decrease in expected (dollar-level) earnings for this sector since June 30.

Materials: 71% of Companies Have Recorded a Decrease In Earnings Since June 30

The Materials sector has recorded the third-largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -6.6% (to \$11.5 billion from \$12.3 billion). As a result, this sector is now expected to report a (year-over-year) decline in earnings of -1.6% compared to estimated (year-over-year) growth in earnings of 7.6% on June 30. Despite the decrease in expected earnings, this sector has witnessed an increase in price of 6.9% since June 30. Overall, 20 of the 28 companies (71%) in the Materials sector have seen a decrease in their mean EPS estimate during this time. Of these 20 companies, 12 have recorded a decrease in their mean EPS estimate of more than 10%, led by Albemarle Corporation (to -\$0.25 from \$0.71), Corteva (to -\$0.28 from -\$0.14), and International Paper (to \$0.23 from \$0.64).

Health Care: Merck and Johnson & Johnson Lead Earnings Decrease Since June 30

The Health Care sector has recorded the fourth-largest percentage decrease in estimated (dollar-level) earnings of all eleven sectors since the start of the quarter at -4.8% (to \$68.8 billion from \$72.3 billion). As a result, the estimated (year-over-year) earnings growth rate for this sector has decreased to 11.2% today from 16.9% on June 30. Despite the decrease in expected earnings, this sector has witnessed an increase in price of 6.6% since June 30. Overall, 45 of the 63 companies (71%) in the Health Care sector have seen a decrease in their mean EPS estimate during this time. Of these 45 companies, 13 have recorded a decrease in their mean EPS estimate of more than 10%, led by Moderna (to -\$1.85 from -\$1.08), Bio-Rad Laboratories (to \$1.42 from \$2.51), West Pharmaceutical Services (to \$1.50 from \$2.14), and Merck & Co. (to \$1.74 from \$2.32). Merck & Co. and Johnson & Johnson (to \$2.18 from \$2.68) have been the largest contributors to the decrease in expected (dollar-level) earnings for this sector since June 30.

Index-Level EPS Estimate: 3.2% Decrease Since June 30

The Q3 bottom-up EPS estimate (which is an aggregation of the median Q3 earnings estimates for all 500 companies in the index and can be used as a proxy for the earnings of the index) has decreased by 3.2% (to \$61.16 from \$63.20) since June 30. In a typical quarter, analysts usually reduce earnings estimates. Over the past five years (20 quarters), earnings expectations have fallen by 3.3% on average during a quarter. Over the past ten years, (40 quarters), earnings expectations have fallen by 3.3% on average during a quarter. Over the past fifteen years (60 quarters), earnings expectations have fallen by 3.2% on average during a quarter. Over the past twenty years (60 quarters), earnings expectations have fallen by 4.1% on average during a quarter.

Guidance: Negative Guidance Percentage for Q3 is Below 5-Year and 10-Year Averages**Quarterly Guidance: Negative Guidance Percentage for Q3 is Below 5-Year and 10-Year Averages**

At this point in time, 110 companies in the index have issued EPS guidance for Q3 2024. Of these 110 companies, 60 have issued negative EPS guidance and 50 have issued positive EPS guidance. The number of companies issuing negative EPS guidance for Q3 2024 is above the 5-year average of 57 but below the 10-year average of 62. However, then number of companies issuing positive EPS guidance is above the 5-year average of 41 and above the 10-year average of 37.

The percentage of companies issuing negative EPS guidance for Q3 2024 is 55% (60 out of 110), which is below the 5-year average of 58% and below the 10-year average of 62%.

Annual Guidance: 46% of S&P 500 Companies Issuing Negative Guidance for Current Year

At this point in time, 271 companies in the index have issued EPS guidance for the current fiscal year (FY 2024 or FY 2025). Of these 271 companies, 126 have issued negative EPS guidance and 145 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 46% (126 out of 271).

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: 4.6%

The estimated (year-over-year) earnings growth rate for Q3 2024 is 4.6%, which is below the 5-year average earnings growth rate of 10.0% and below the 10-year average earnings growth rate of 8.5%. If 4.6% is the actual growth rate for the quarter, it will mark the fifth consecutive quarter of year-over-year earnings growth.

Eight of the eleven sectors are expected to report year-over-year earnings growth, led by the Information Technology, Health Care, and Communication Services sectors. On the other hand, three sectors are projected to report year-over-year decline in earnings, led by the Energy sector.

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

The Information Technology sector is expected to report the highest (year-over-year) earnings growth rate of all eleven sectors at 15.3%. At the industry level, 5 of the 6 industries in the sector are projected to report year-over-year earnings growth: Semiconductors & Semiconductor Equipment (37%), Technology Hardware, Storage, & Peripherals (13%), Software (7%), Electronic Equipment, Instruments, & Components (5%), and IT Services (1%). On the other hand, the Communications Equipment (-16%) industry is the only industry predicted to report a year-over-year decline in earnings.

At the company level, NVIDIA (\$0.74 vs. \$0.40) is expected to be the largest contributor to earnings growth for the sector. If this company were excluded, the estimated (year-over-year) earnings growth rate for the Information Technology sector would fall to 7.9% from 15.3%.

Health Care: Pfizer, Eli Lilly, and Moderna Are Largest Contributors to Year-Over-Year Growth

The Health Care sector is expected to report the second-highest (year-over-year) earnings growth rate of all eleven sectors at 11.2%. At the industry level, 3 of the 5 industries in the sector are projected to report year-over-year earnings growth: Pharmaceuticals (32%), Biotechnology (20%), and Health Care Equipment & Supplies (7%). On the other hand, two industries are predicted to report a year-over-year decline in earnings: Life Sciences, Tools, & Services (-11%) and Health Care Providers & Services (-2%).

At the company level, Pfizer (\$0.59 vs. -\$0.17), Eli Lilly and Company (\$4.49 vs. \$0.10), and Moderna (-\$1.85 vs. -\$9.53) are expected to be the largest contributors to earnings growth for the sector. If these three companies were excluded, the Health Care sector would be projected to report a (year-over-year) decline in earnings of -6.7% instead of (year-over-year) earnings growth of 11.2%.

Communication Services: Alphabet and Meta Platforms Lead Year-Over-Year Growth

The Communication Services sector is expected to report the third-highest (year-over-year) earnings growth rate of all eleven sectors at 10.5%. At the industry level, 3 of the 5 industries in the sector are predicted to report year-over-year earnings growth. All three industries are projected to report double-digit growth: Entertainment (33%), Wireless Telecommunication Services (33%), and Interactive Media & Services (15%), and. On the other hand, two industries are expected to report a year-over-year decline in earnings: Diversified Telecommunication Services (-7%) and Media (-3%).

At the company level, Alphabet (\$1.83 vs. \$1.55) and Meta Platforms (\$5.19 vs. \$4.39) are expected to be the largest contributors to earnings growth for the sector. If these two companies were excluded, the estimated (year-over-year) earnings growth rate for Communication Services sector would fall to 4.4% from 10.5%.

Energy: 3 of 5 Sub-Industries Expected to Report Year-Over-Year Decline

The Energy sector is expected to report the largest (year-over-year) earnings decline of all eleven sectors at -17.6%. 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 to date in Q3 2024 (\$75.97) is 8% below the average price for oil in Q3 2023 (\$82.22). At the sub-industry level, 3 of the 5 sub-industries in the sector are predicted to report a year-over-year decline in earnings: Oil & Gas Refining & Marketing (-69%), Oil & Gas Exploration & Production (-6%), and Integrated Oil & Gas (-6%). On the other hand, two sub-industries are predicted to report year-over-year growth in earnings: Oil & Gas Storage & Transportation (14%) and Oil & Gas Equipment & Services (14%). The Oil & Gas Refining & Marketing industry is also the largest contributor to the earnings decline for this sector. If this industry were excluded, the estimated (year-over-year) earnings decline for the Energy sector would improve to -3.3% from -17.6%.

Revenue Growth: 4.7%

The estimated (year-over-year) revenue growth rate for Q3 2024 is 4.7%, which is below the 5-year average revenue growth rate of 6.8% and below the 10-year average revenue growth rate of 5.1%. If 4.7% is the actual growth rate for the quarter, it will mark the 16th consecutive quarter of revenue growth for the index.

At the sector level, ten sectors are expected to report 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 that is expected to report a year-over-year decline in revenues.

Information Technology: 4 of 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 11.6%. At the industry level, 4 of the 6 industries in the sector are predicted to report year-over-year revenue growth: Semiconductors & Semiconductor Equipment (25%), Software (12%), Technology Hardware, Storage, & Peripherals (11%), and IT Services (2%). On the other hand, two industries are expected to report a year-over-year decline in revenue: Electronic Equipment, Instruments, & Components (-3%) and Communications Equipment (-3%).

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

The Communication Services sector is expected to report the second-highest (year-over-year) revenue growth rate of all eleven sectors at 8.0%. At the industry level, all 5 industries in the sector are projected to report year-over-year revenue growth: Interactive Media & Services (13%), Entertainment (5%), Wireless Telecommunication Services (4%), Media (3%), and Diversified Telecommunication Services (1%).

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

The Energy sector is expected to report the largest (year-over-year) revenue decline of all eleven sectors at -2.7%. At the sub-industry level, two sub-industries are predicted to report a year-over-year decline in revenue: Oil & Gas Refining & Marketing (-11%) and Oil & Gas Exploration & Production (-4%). On the other hand, the other 3 sub-industries in the sector are projected to report year-over-year revenue growth: Oil & Gas Storage & Transportation (17%), Oil & Gas Equipment & Services (8%), Integrated Oil & Gas (1%).

Net Profit Margin: 12.2%

The estimated net profit margin for the S&P 500 for Q3 2024 is 12.2%, which is equal to the previous quarter's net profit margin of 12.2% and equal to the year-ago net profit margin of 12.2%, but above the 5-year average of 11.5%.

At the sector level, four sectors are expected to report a year-over-year increase in their net profit margins in Q3 2024 compared to Q3 2023, led by the Information Technology (25.9% vs. 25.0%) sector. On the other hand, seven sectors are expected to report a year-over-year decrease in their net profit margins in Q3 2024 compared to Q3 2023, led by the Energy (9.3% vs. 10.6%) sector.

Six sectors are expected to report net profit margins in Q3 2024 that are above their 5-year averages, led by the Consumer Discretionary (9.2% vs. 6.7%) sector. On the other hand, five sectors are expected to report net profit margins in Q3 2024 that are below their 5-year averages, led by the Health Care (8.3% vs. 9.7%) and Materials (9.7% vs. 11.0%) sectors.

Forward Estimates and Valuation

Earnings: S&P 500 Expected to Report Earnings Growth of 10% for CY 2024

For the third quarter, S&P 500 companies are expected to report year-over-year growth in earnings of 4.6% and year-over-year growth in revenues of 4.7%.

For Q4 2024, analysts are projecting earnings growth of 15.0% and revenue growth of 5.2%.

For CY 2024, analysts are projecting earnings growth of 10.0% and revenue growth of 5.0%.

For Q1 2025, analysts are projecting earnings growth of 14.6% and revenue growth of 5.6%.

For Q2 2025, analysts are projecting earnings growth of 13.7% and revenue growth of 5.6%.

For CY 2025, analysts are projecting earnings growth of 15.2% and revenue growth of 5.9%.

Valuation: Forward P/E Ratio is 21.4, Above the 10-Year Average (18.0)

The forward 12-month P/E ratio for the S&P 500 is 21.4. This P/E ratio is above the 5-year average of 19.5 and above the 10-year average of 18.0. It is also above the forward 12-month P/E ratio of 21.0 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 4.6%, while the forward 12-month EPS estimate has increased by 2.8%. At the sector level, the Information Technology (28.8) sector has the highest forward 12-month P/E ratio, while the Energy (12.6) sector has the lowest forward 12-month P/E ratio.

The trailing 12-month P/E ratio is 26.7, which is above the 5-year average of 23.7 and above the 10-year average of 21.7.

Targets & Ratings: Analysts Project 10% Increase in Price Over Next 12 Months

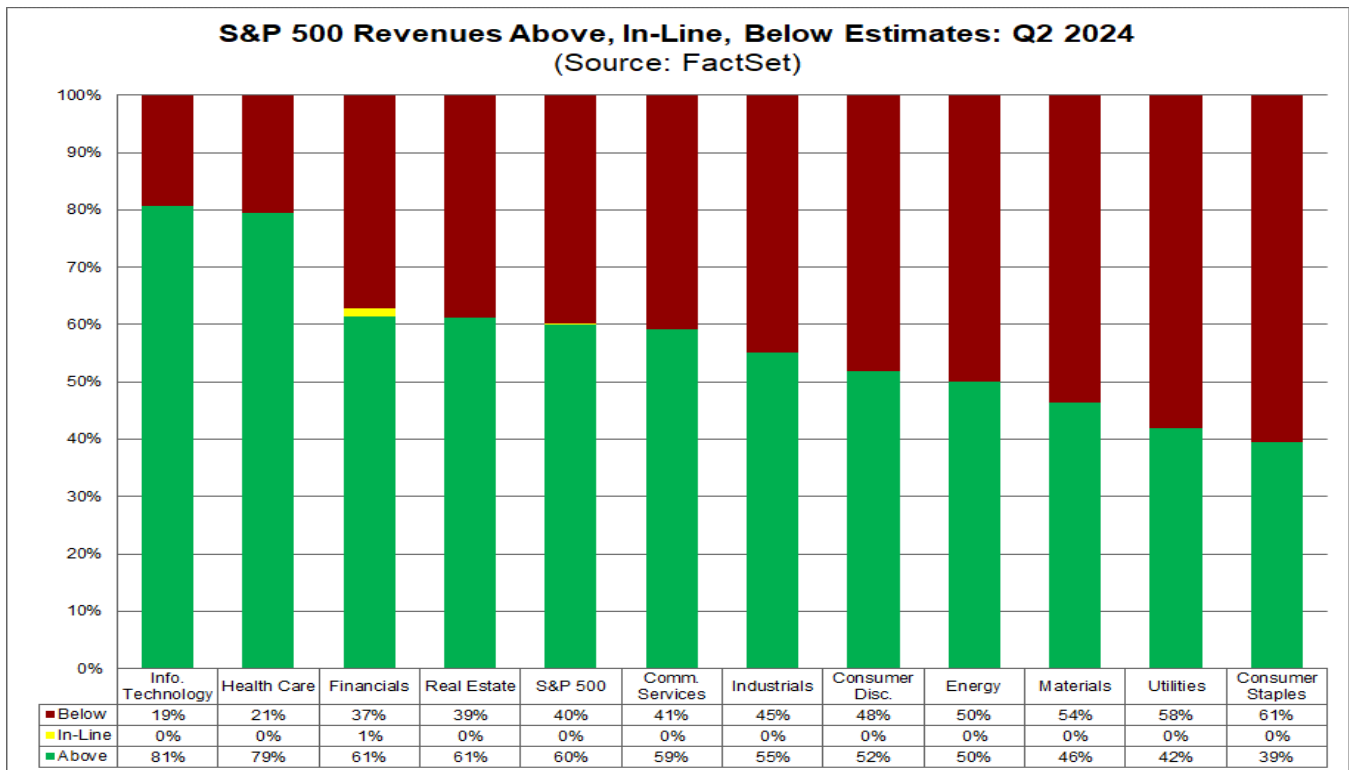
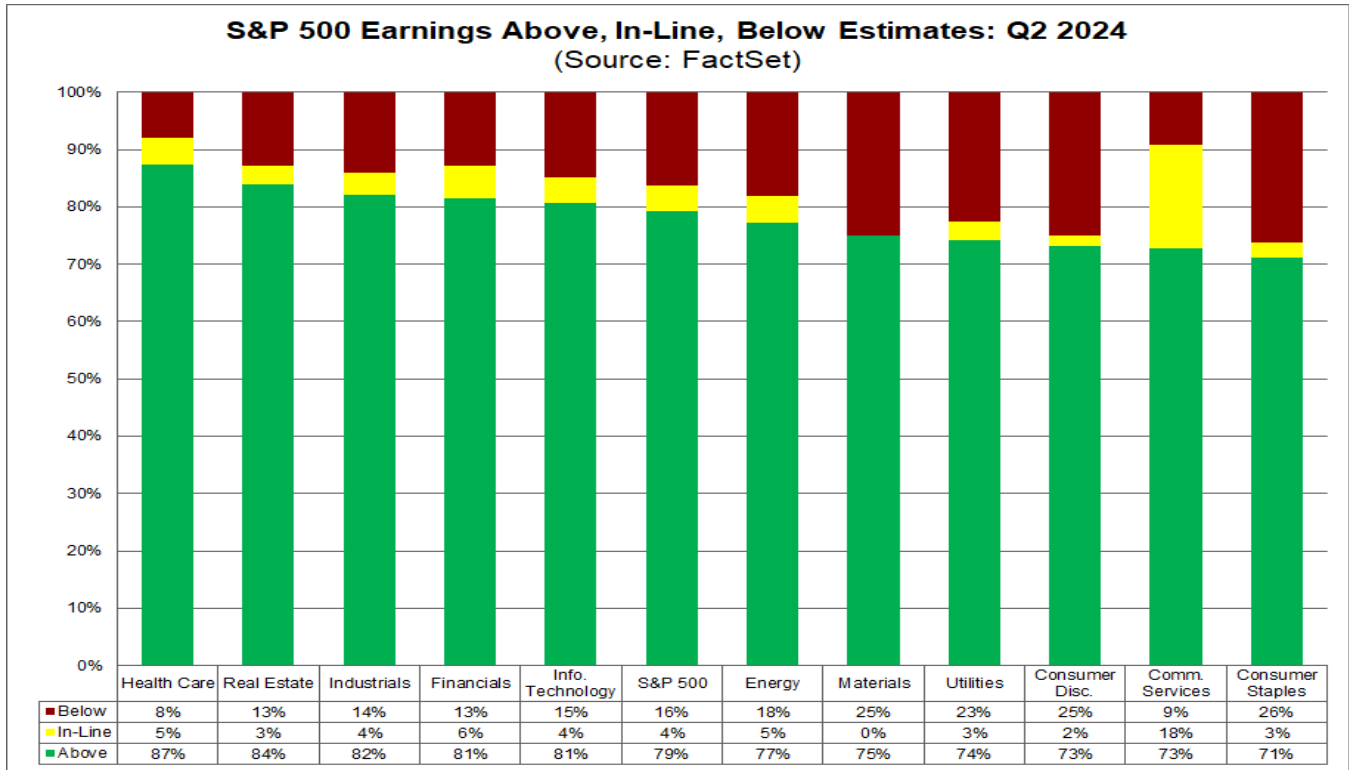
The bottom-up target price for the S&P 500 is 6280.17, which is 9.9% above the closing price of 5713.64. At the sector level, the Energy (+16.9%), Information Technology (15.4%), and Communication Services (14.1%) sectors are expected to see the largest price increases, as these sectors have the largest upside differences between the bottom-up target price and the closing price. On the other hand, the Real Estate (+3.2%) and Consumer Staples (+3.6%) 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 11,882 ratings on stocks in the S&P 500. Of these 11,882 ratings, 54.5% are Buy ratings, 40.2% are Hold ratings, and 5.2% are Sell ratings. At the sector level, the Communication Services (64%), Energy (62%), and Information Technology (61%) sectors have the highest percentages of Buy ratings, while the Consumer Staples (43%), Utilities (48%), and Materials (49%) sectors have the lowest percentages of Buy ratings.

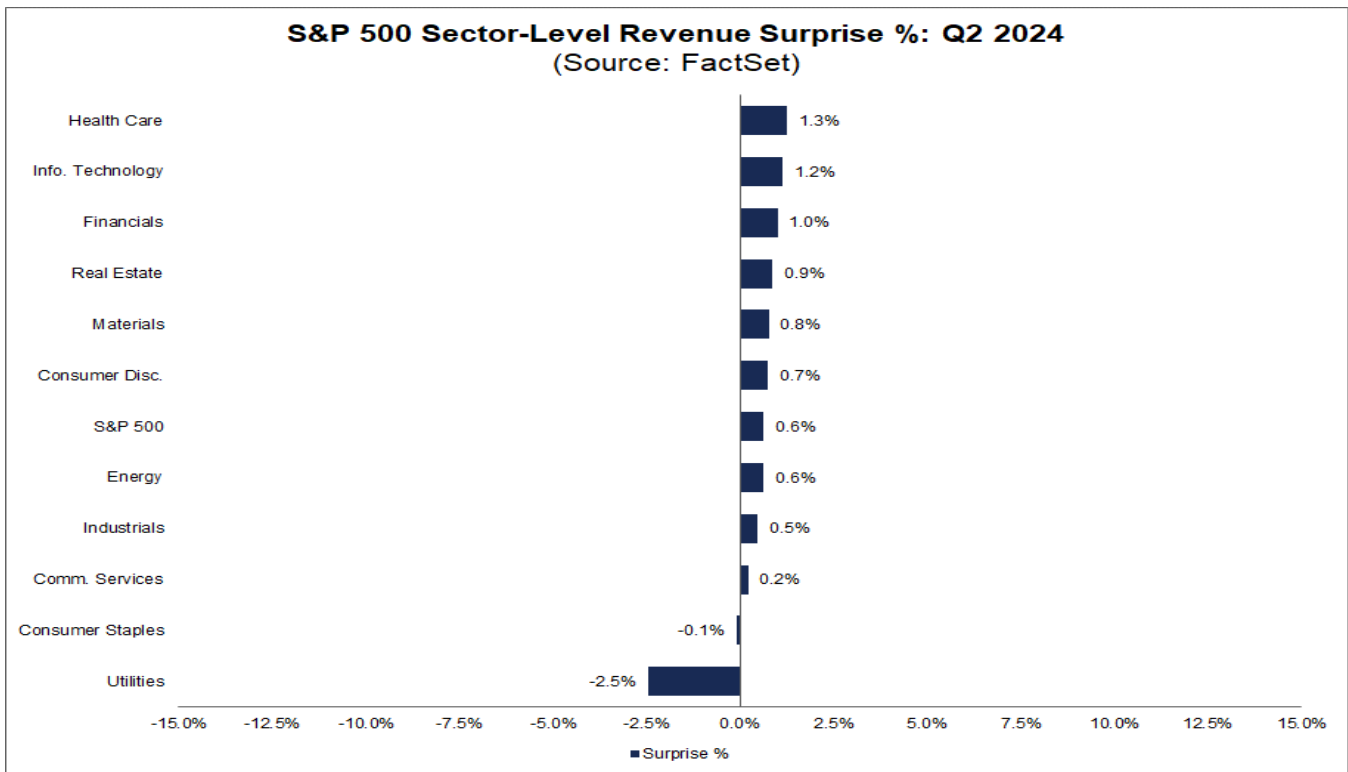
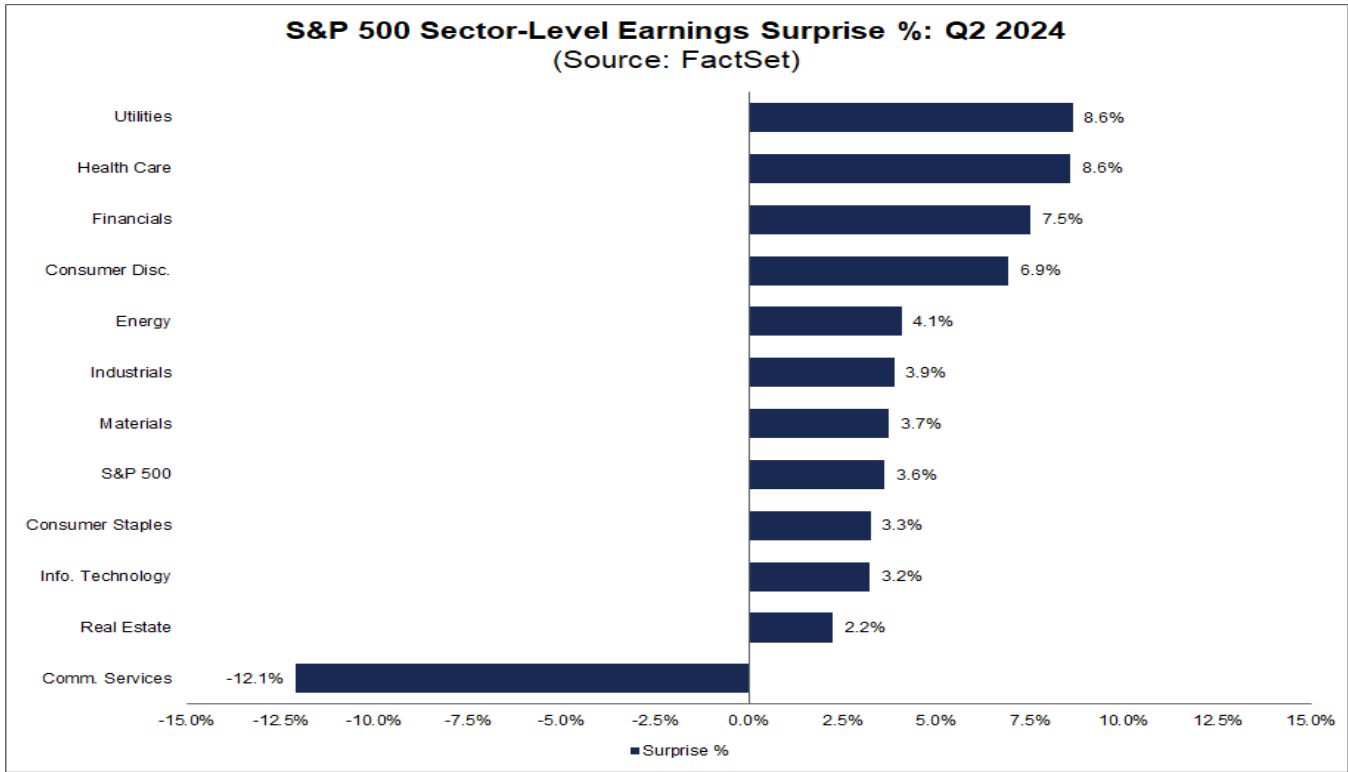
Companies Reporting Next Week: 7

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

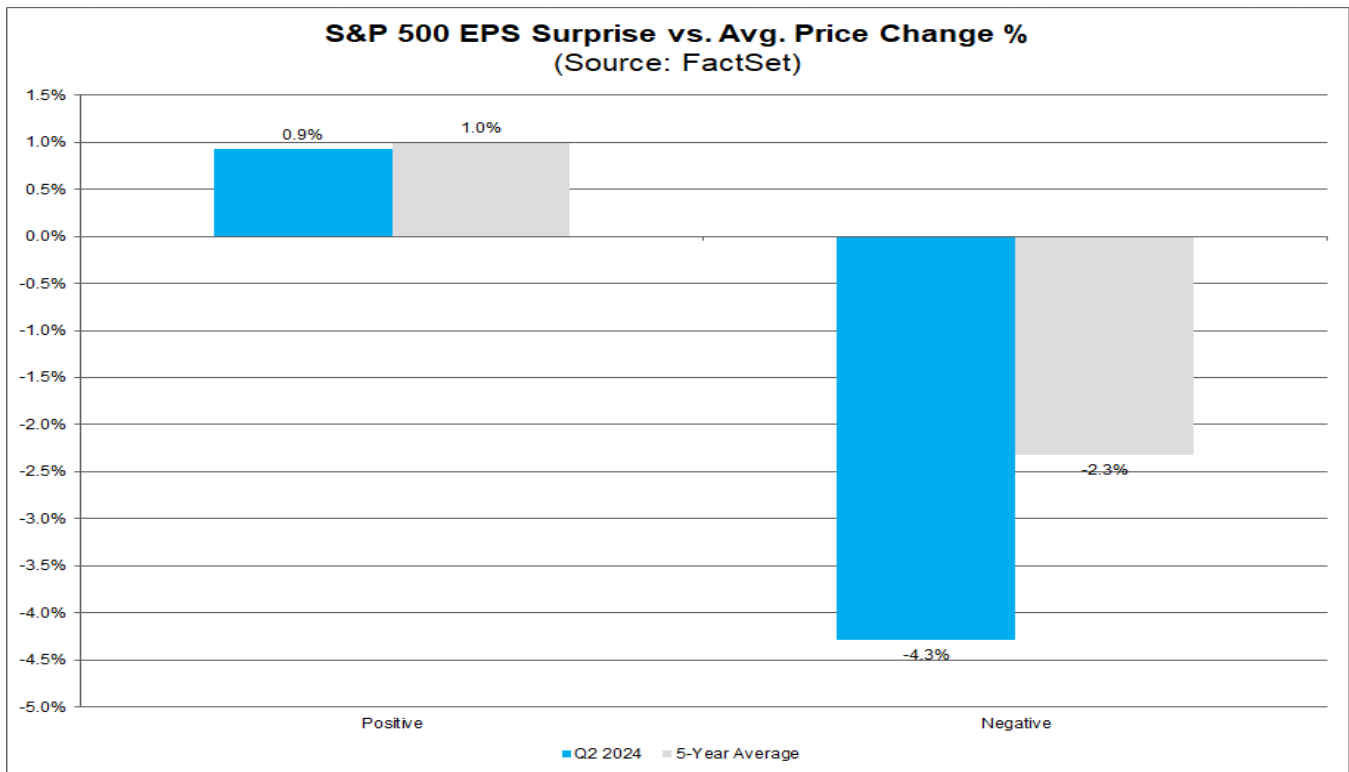
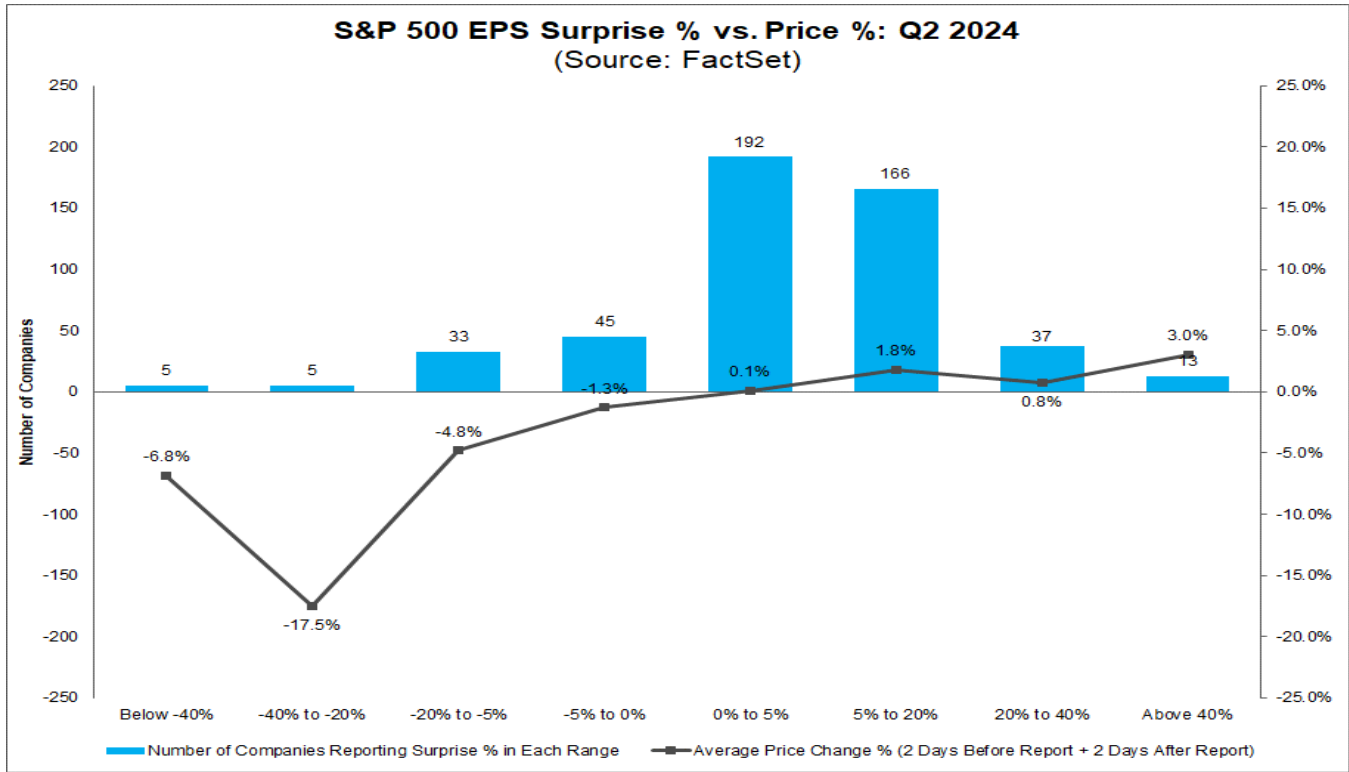
Q2 2024: Scorecard



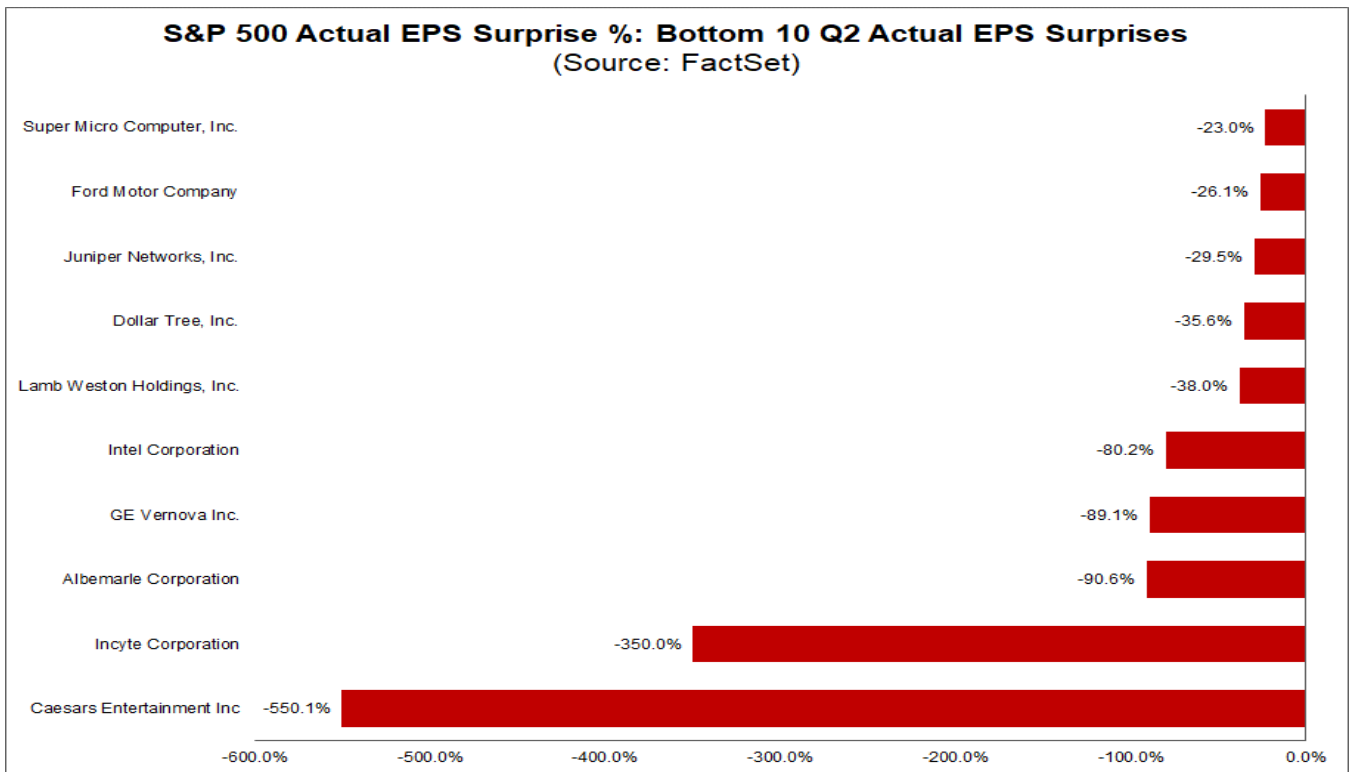
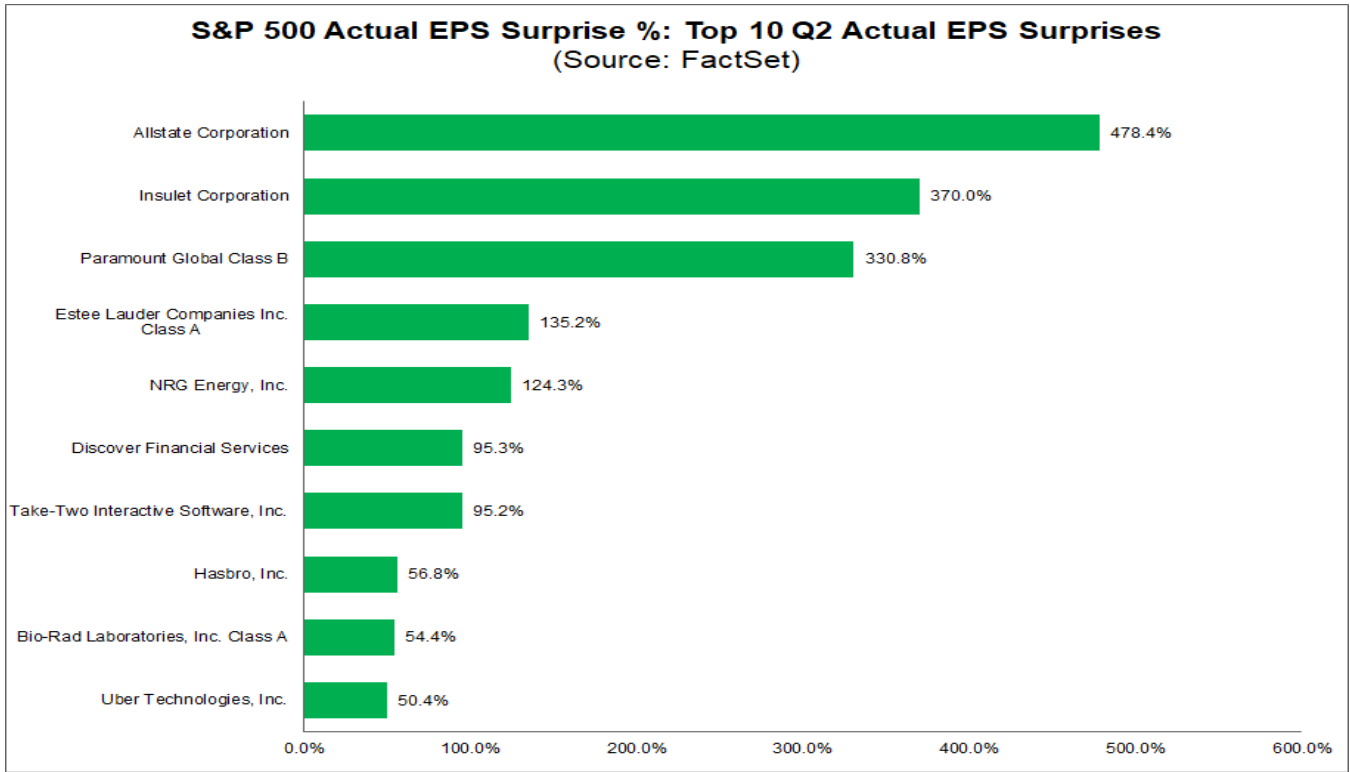
Q2 2024: Surprise



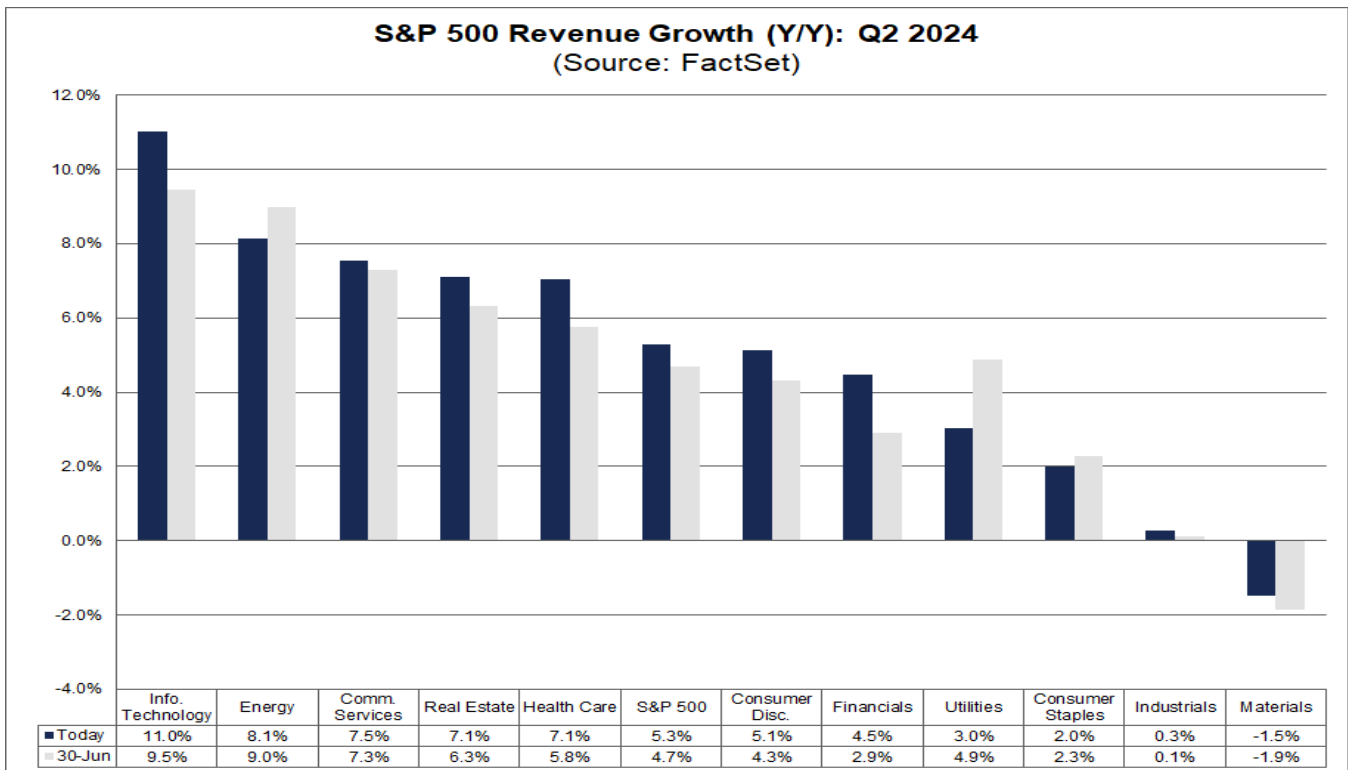
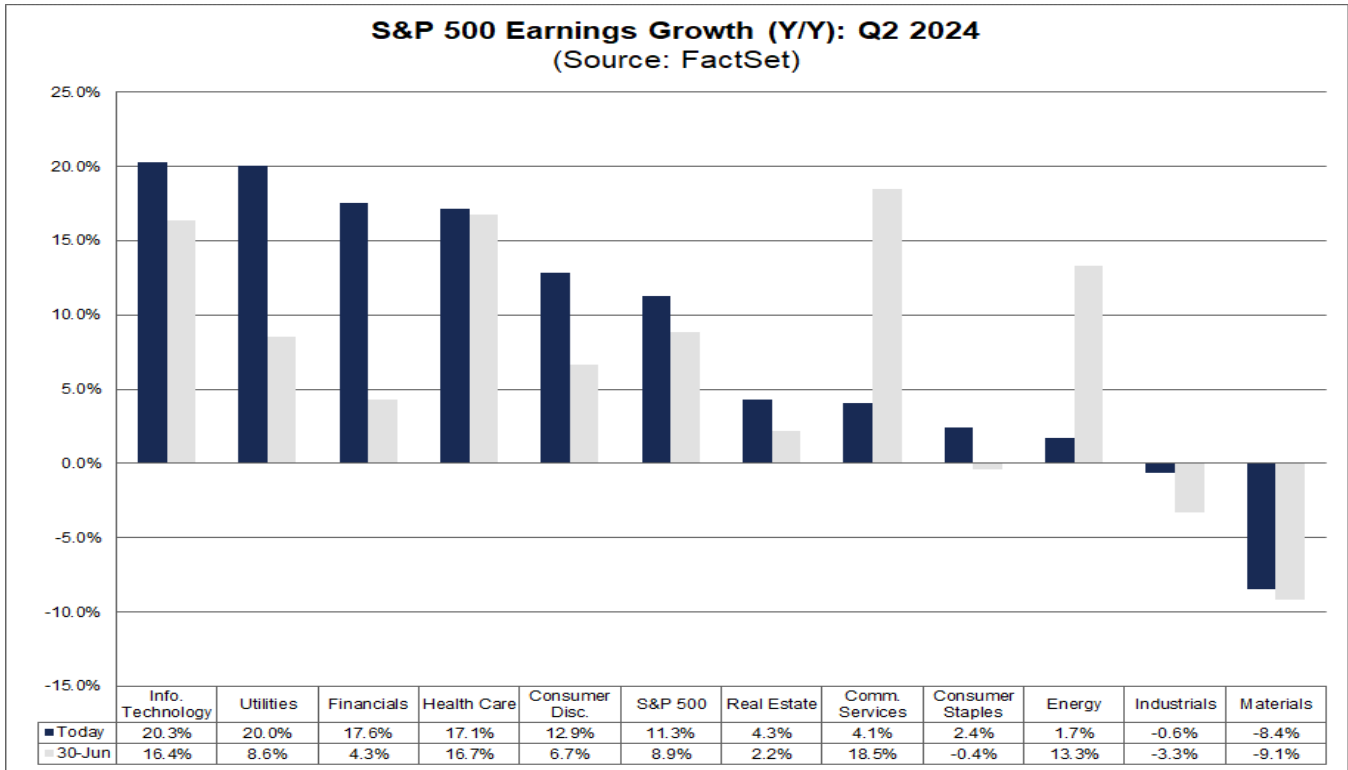
Q2 2024: Surprise



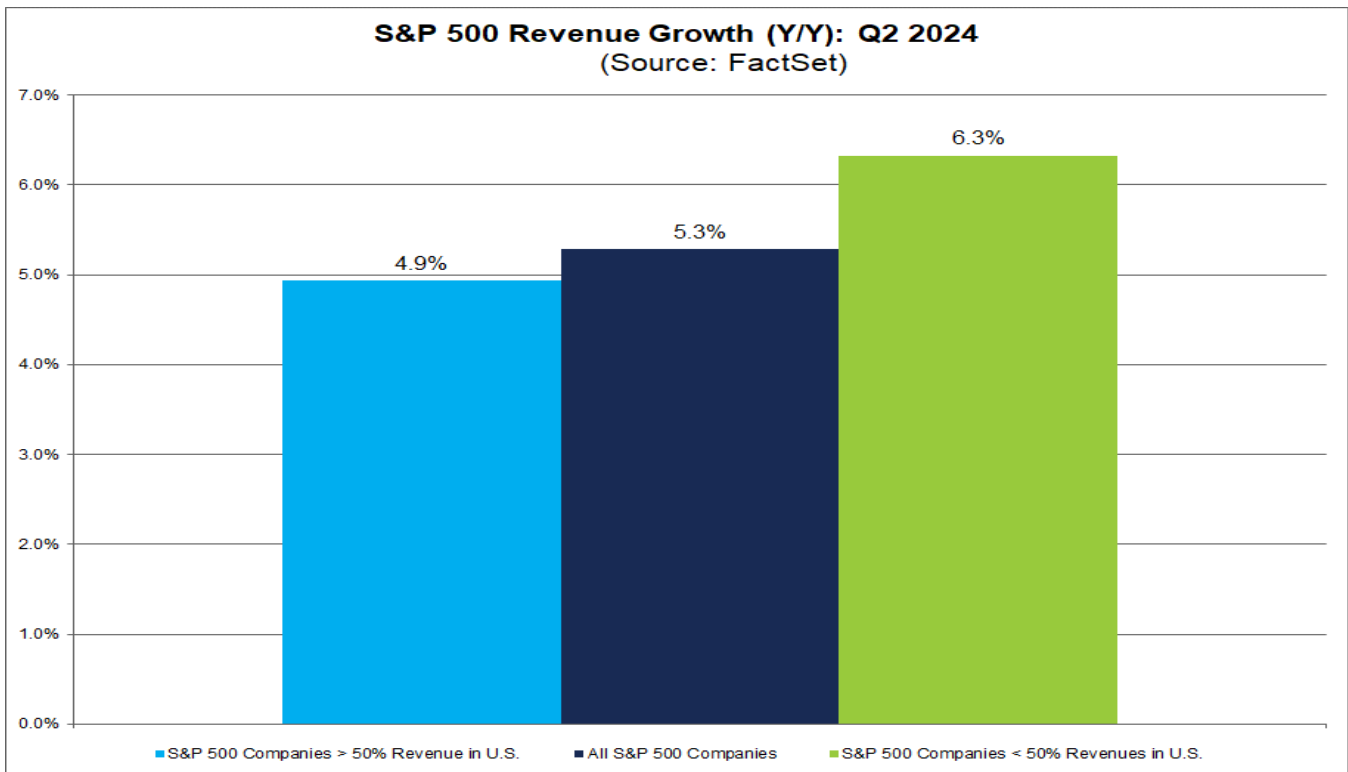
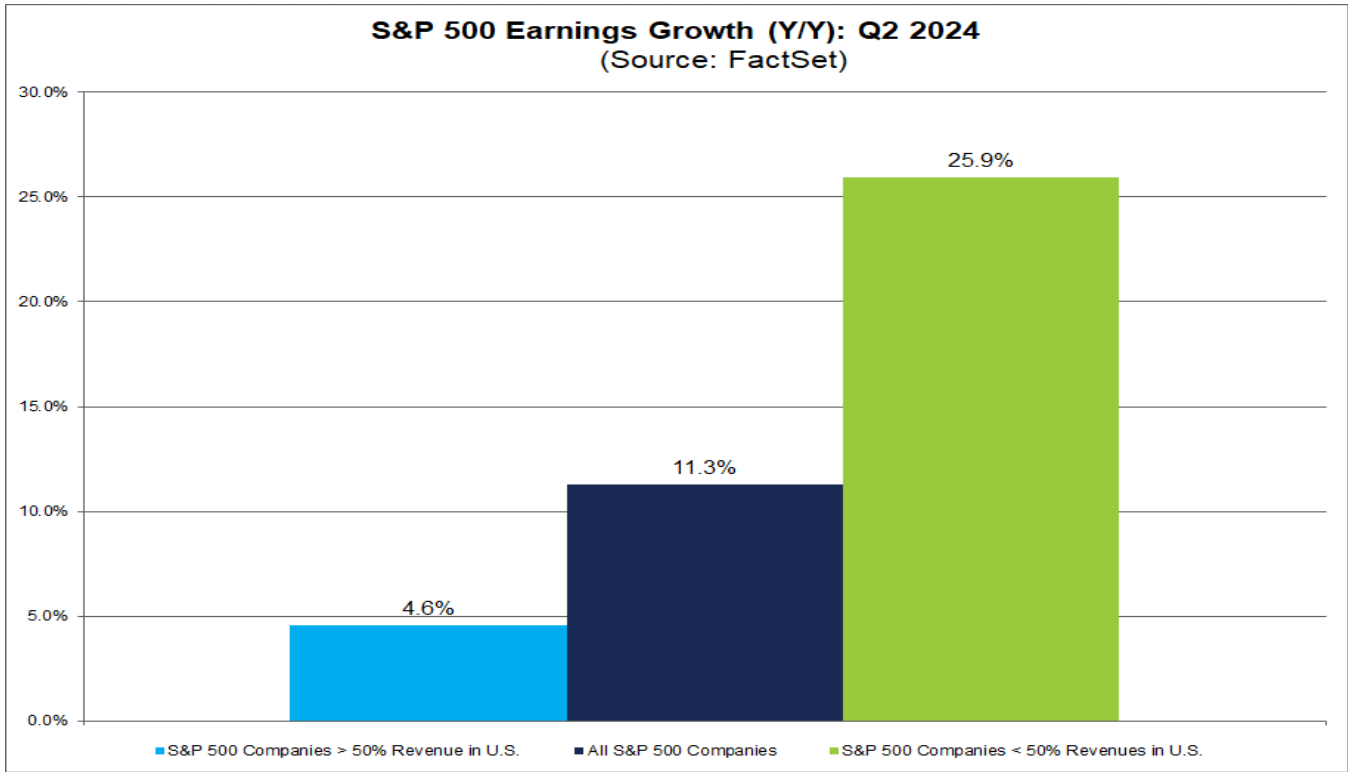
Q2 2024: Surprise



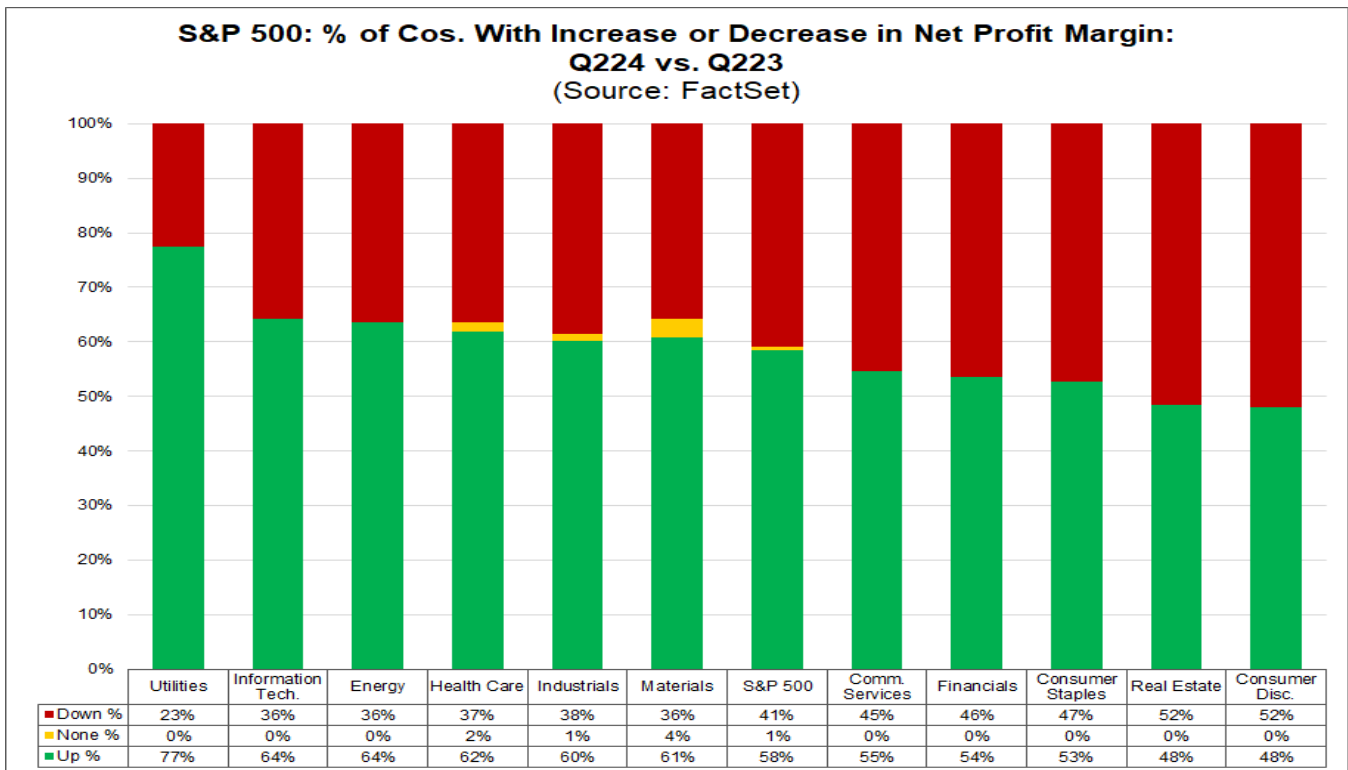
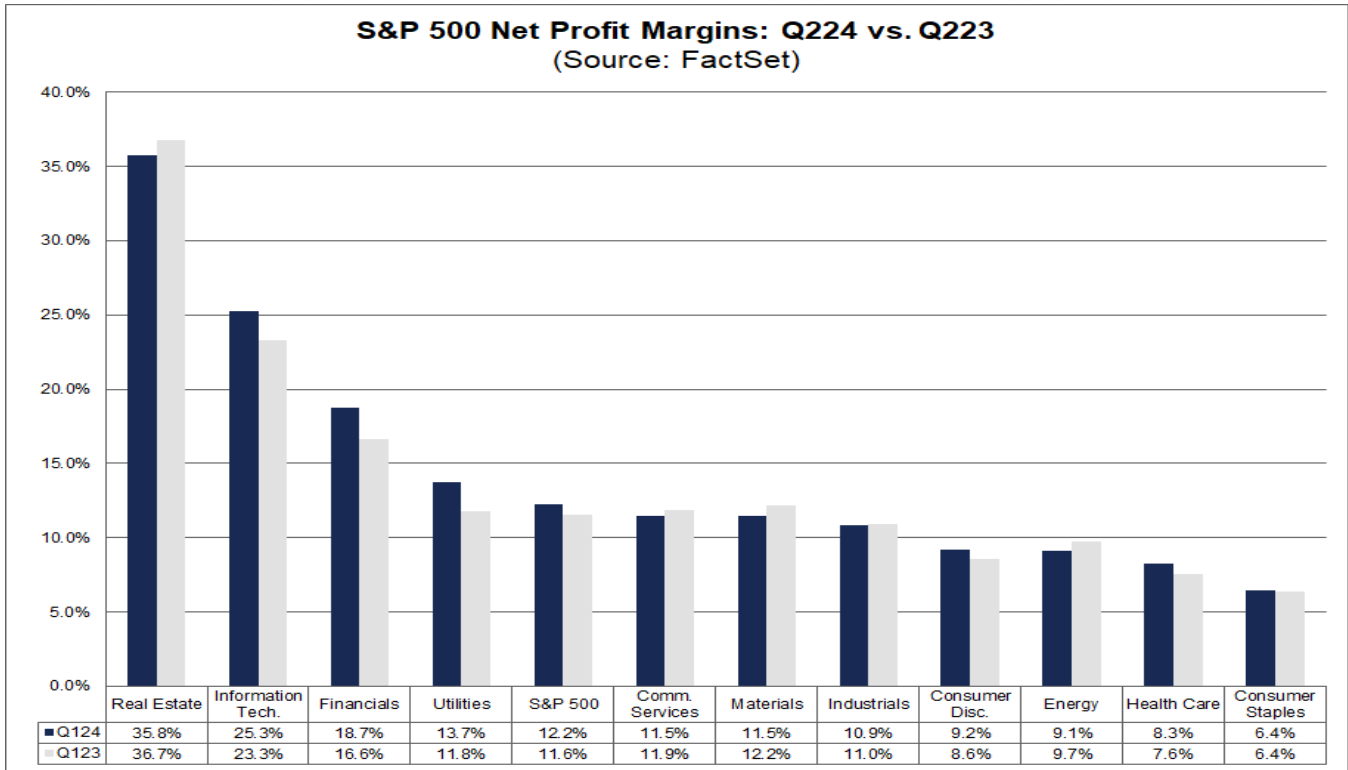
Q2 2024: Growth



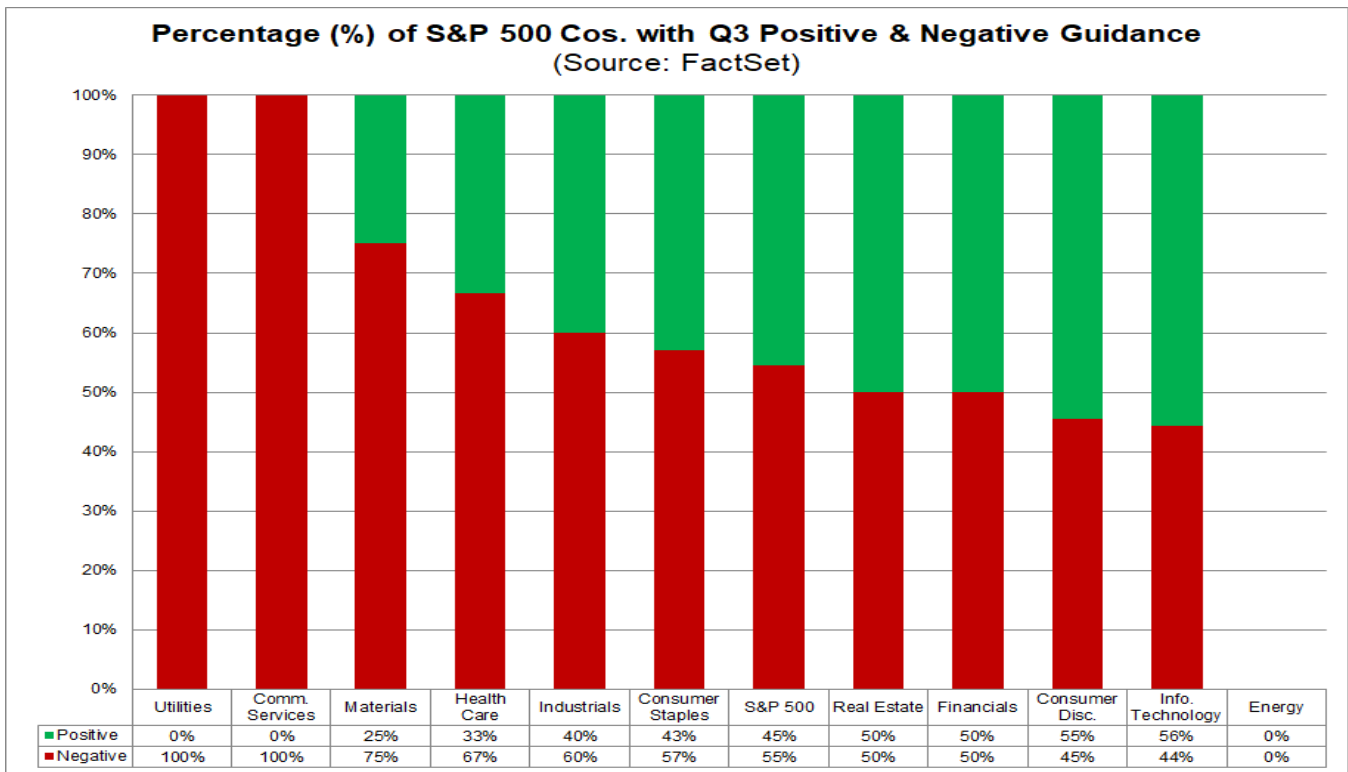
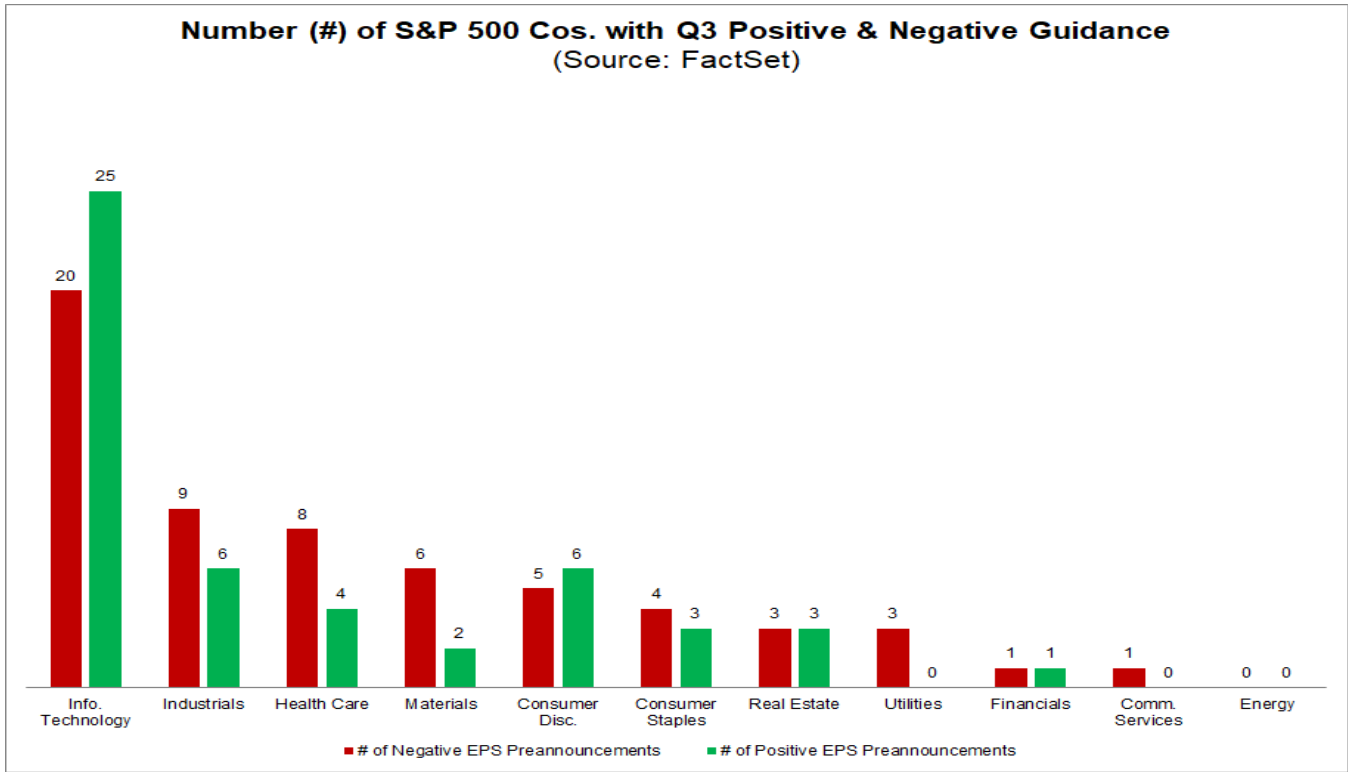
Q2 2024: Growth



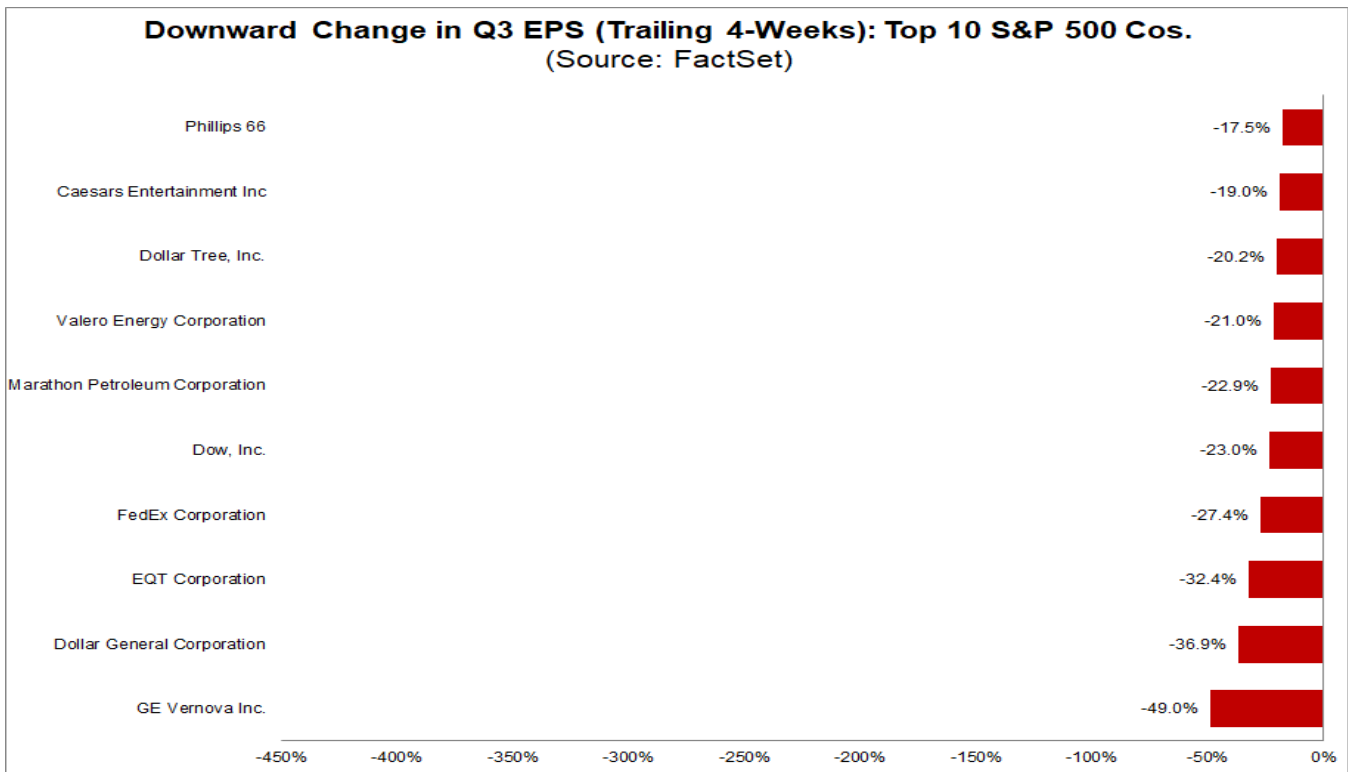
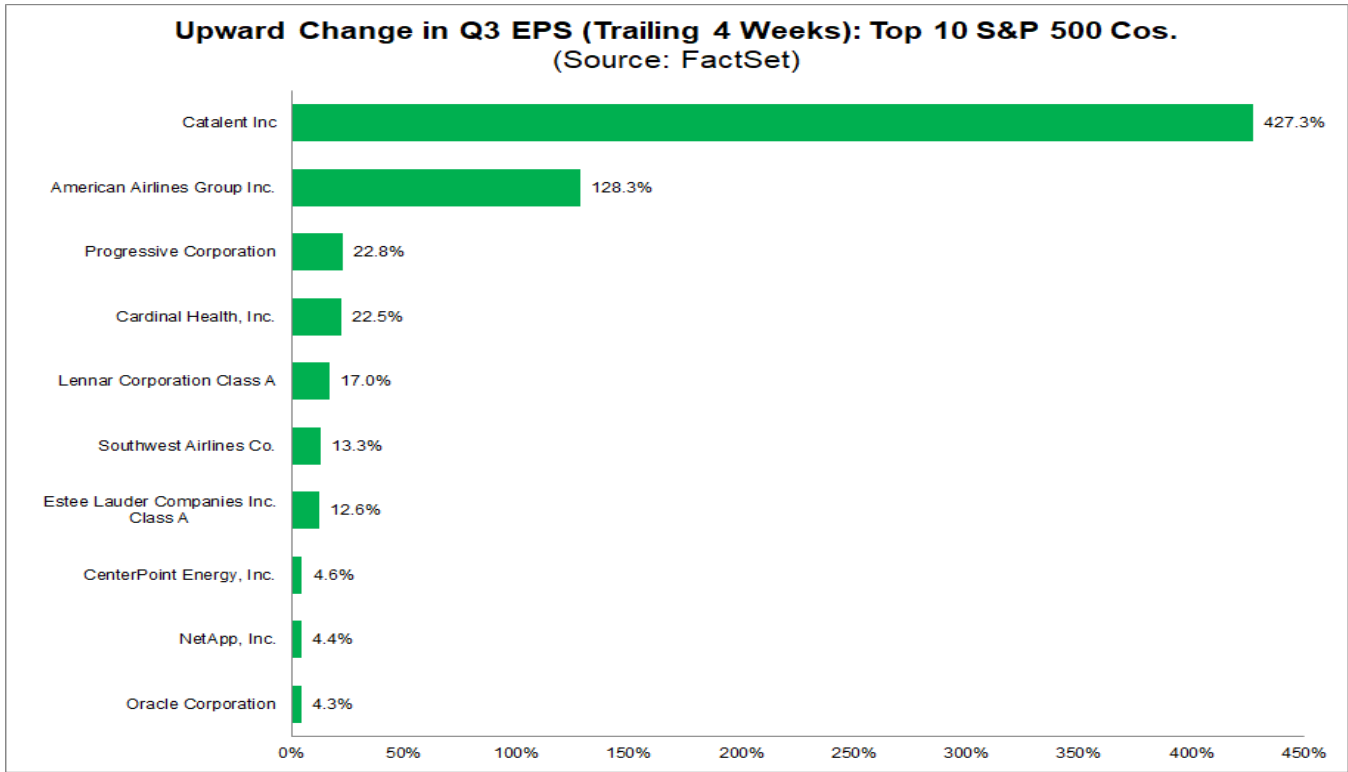
Q2 2024: Net Profit Margin



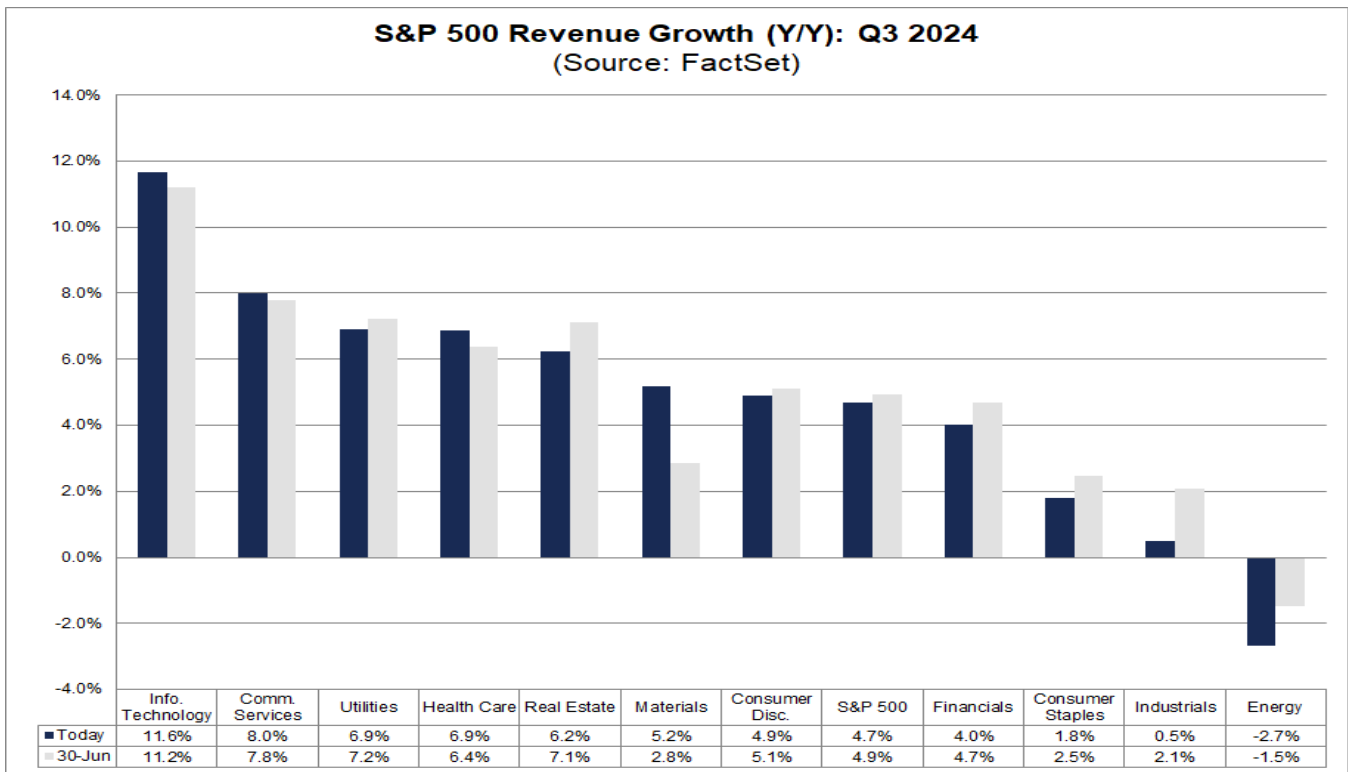
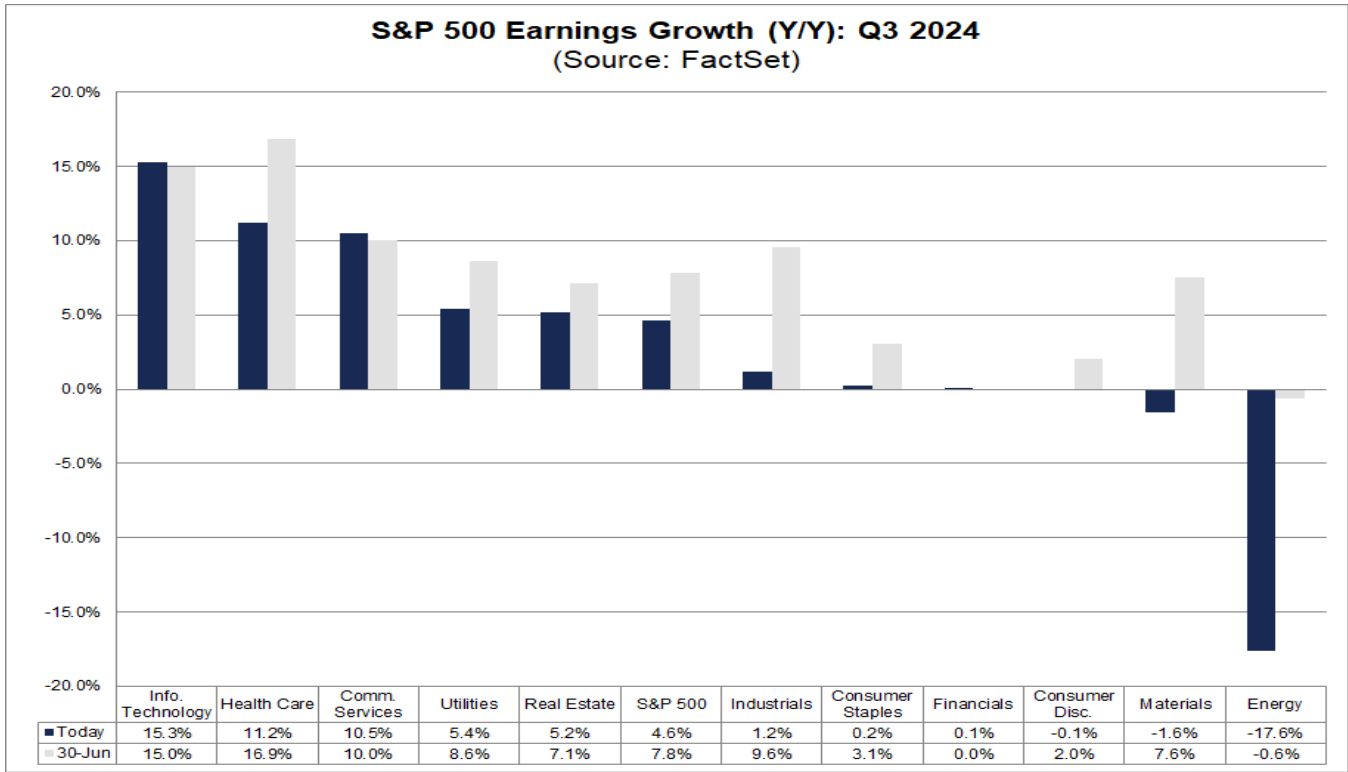
Q3 2024: Guidance



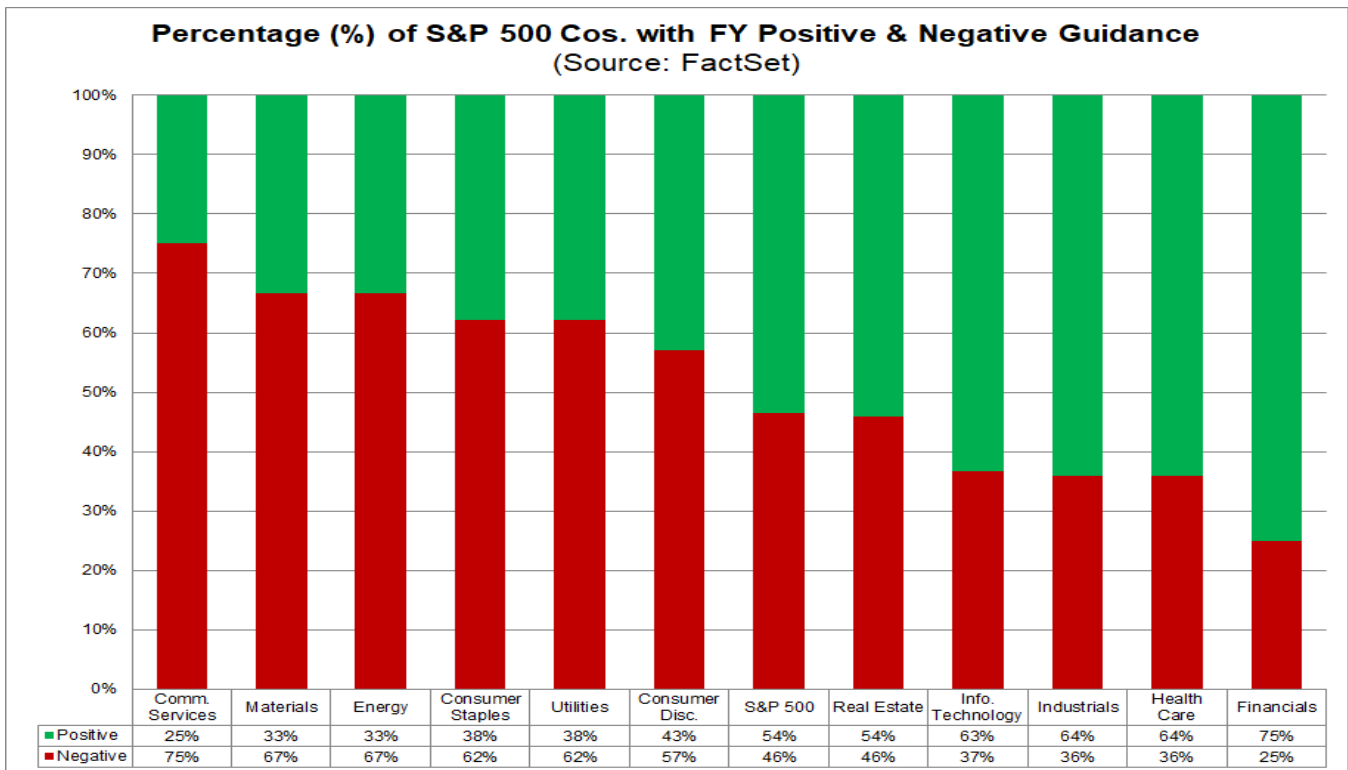
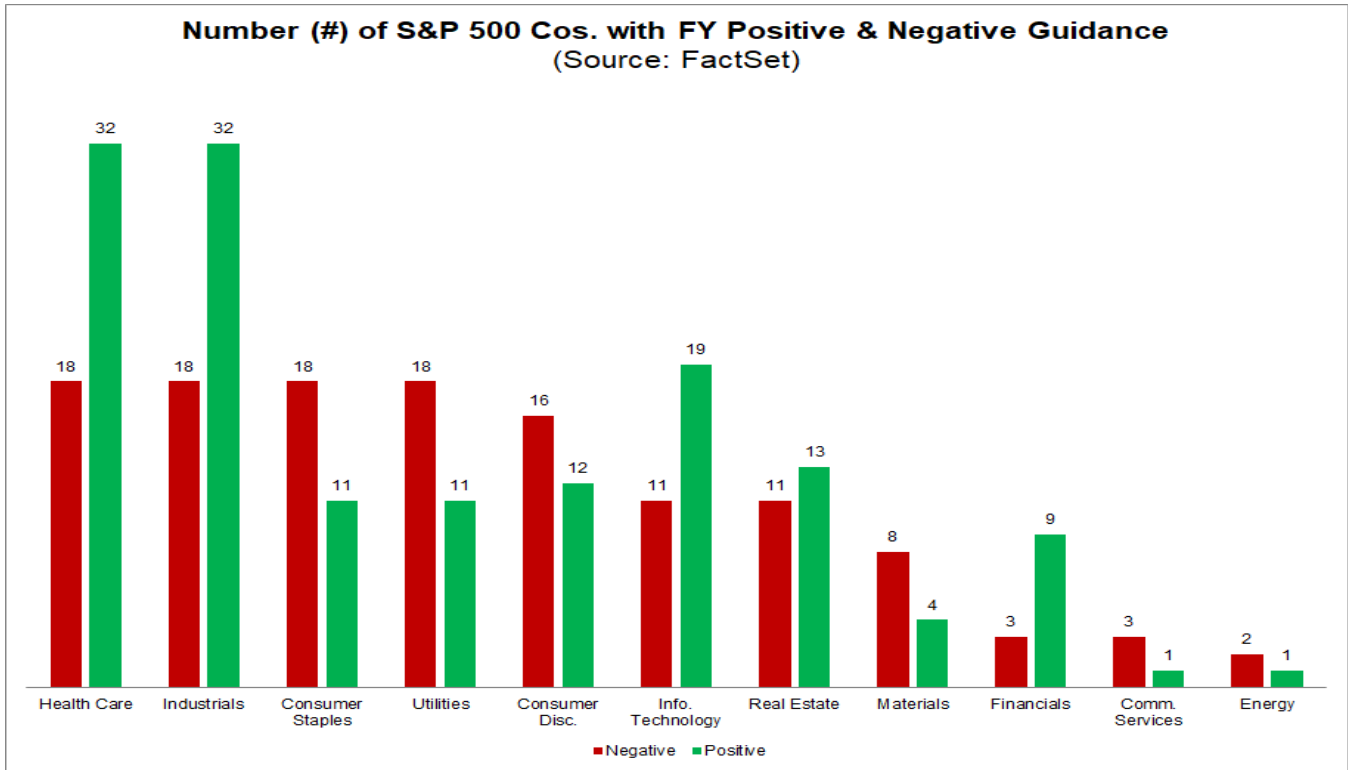
Q3 2024: EPS Revisions



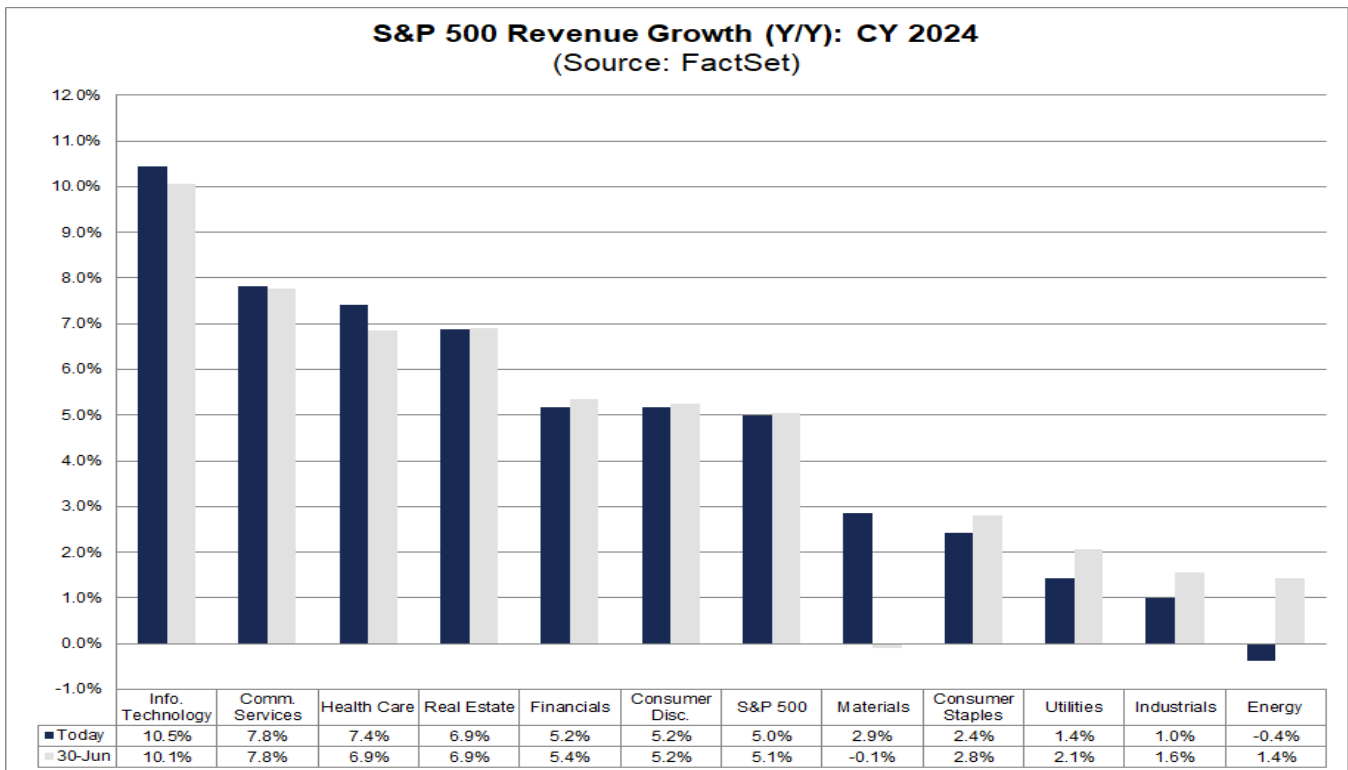
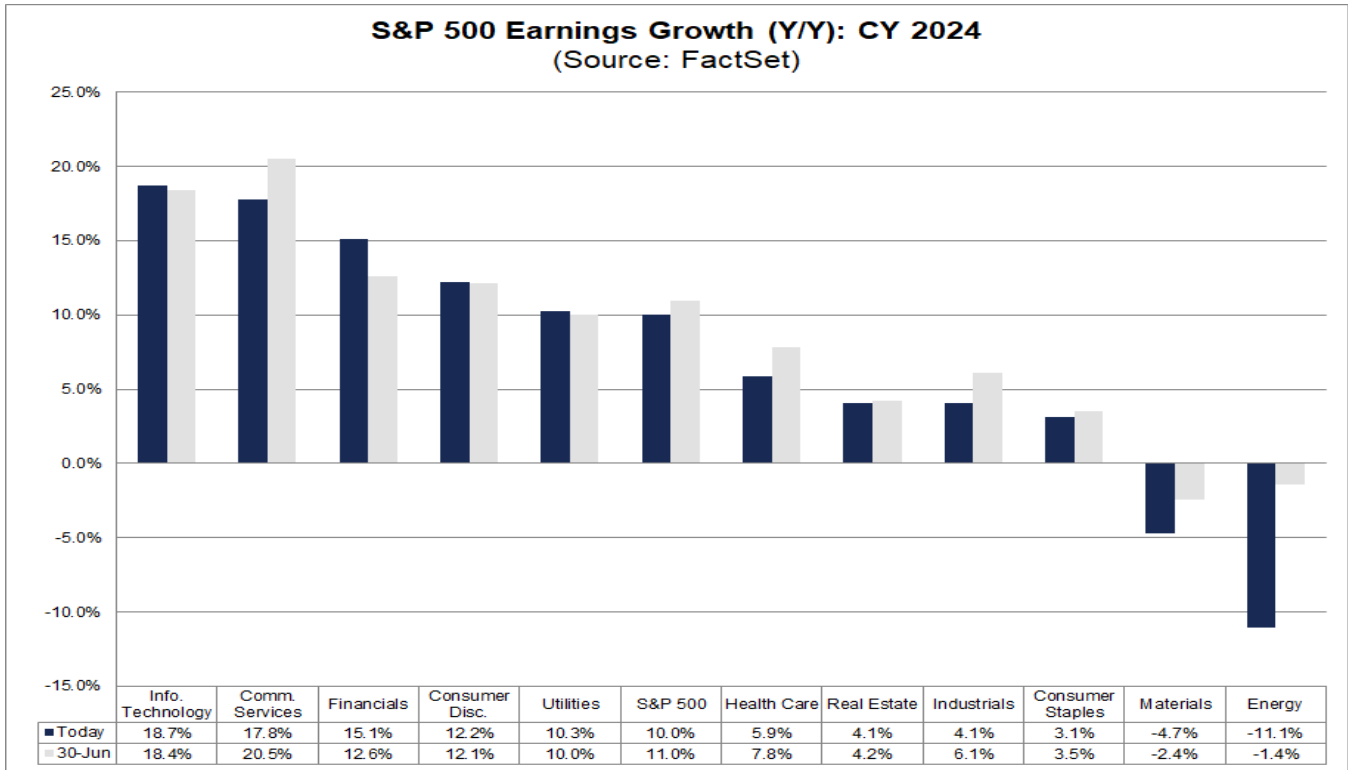
Q3 2024: Growth



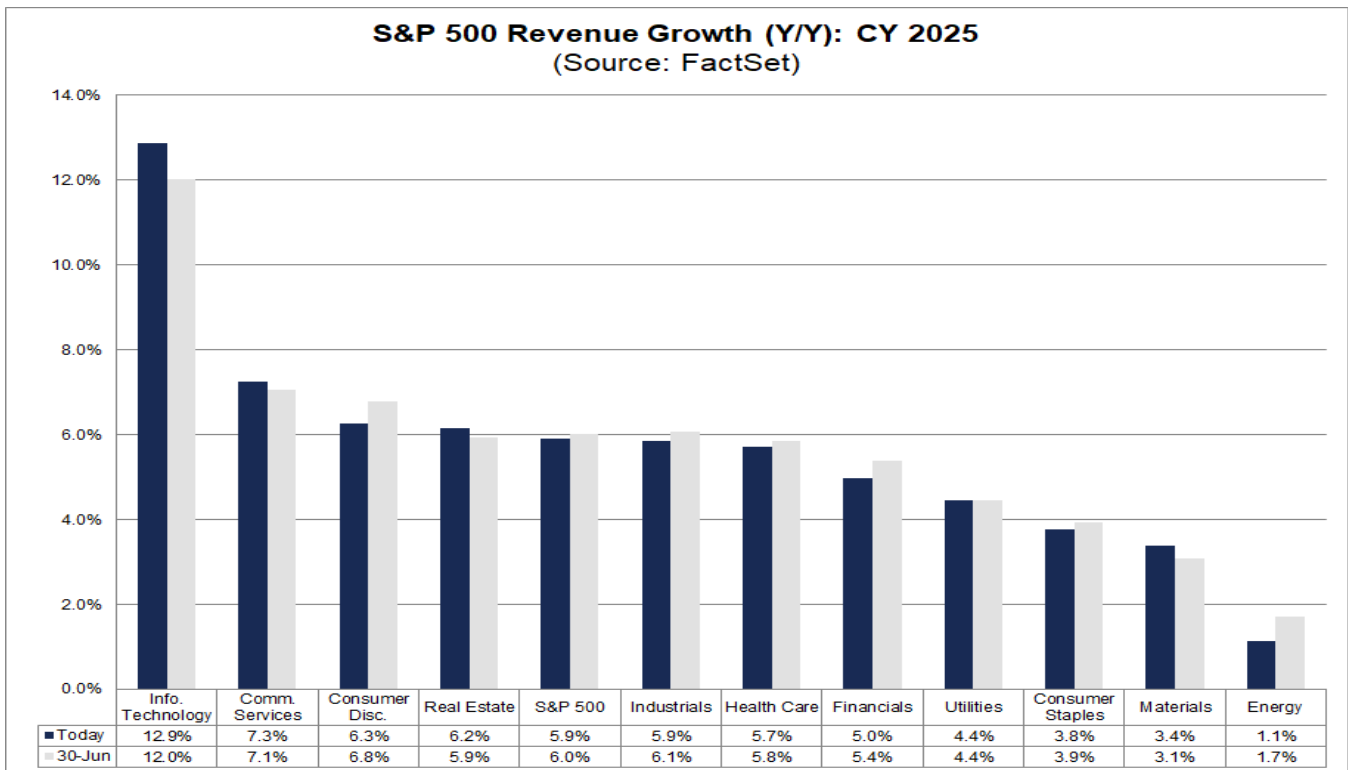
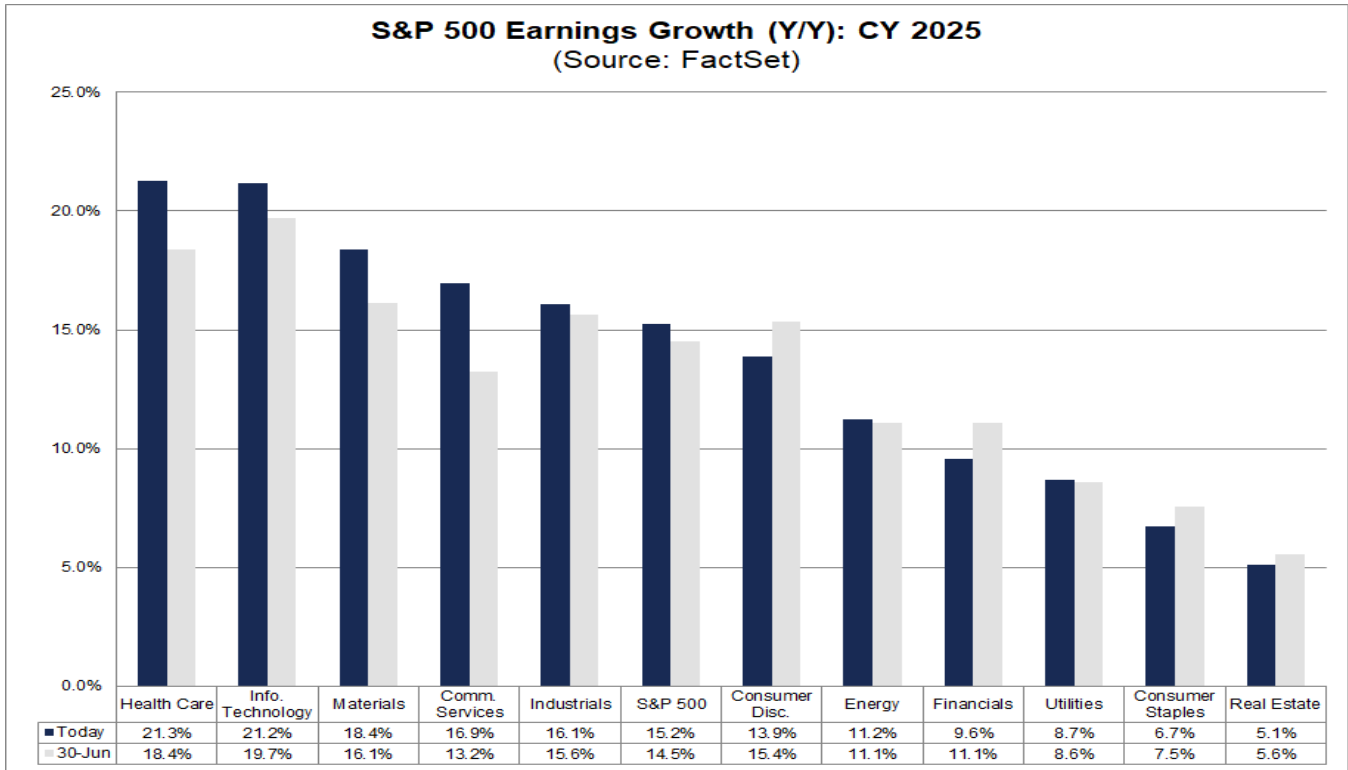
FY 2024 / 2025: EPS Guidance



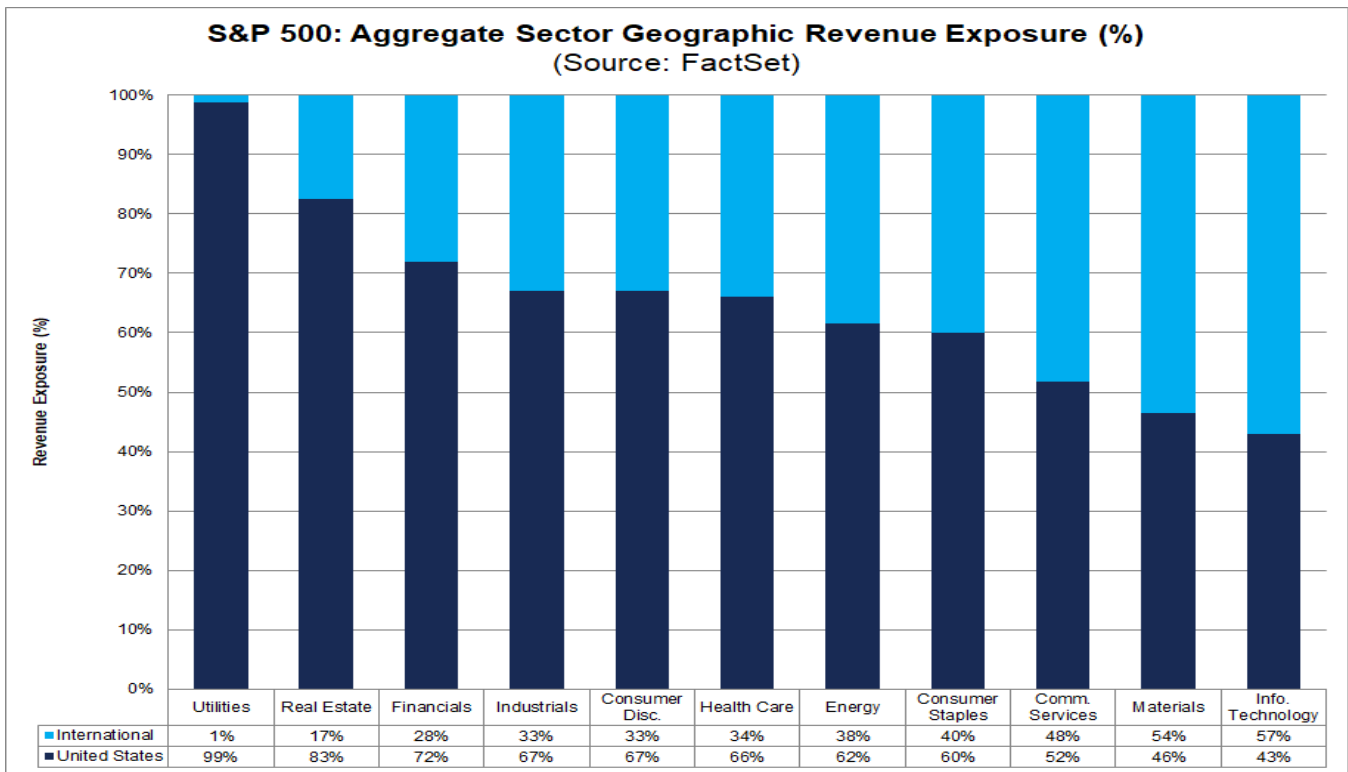
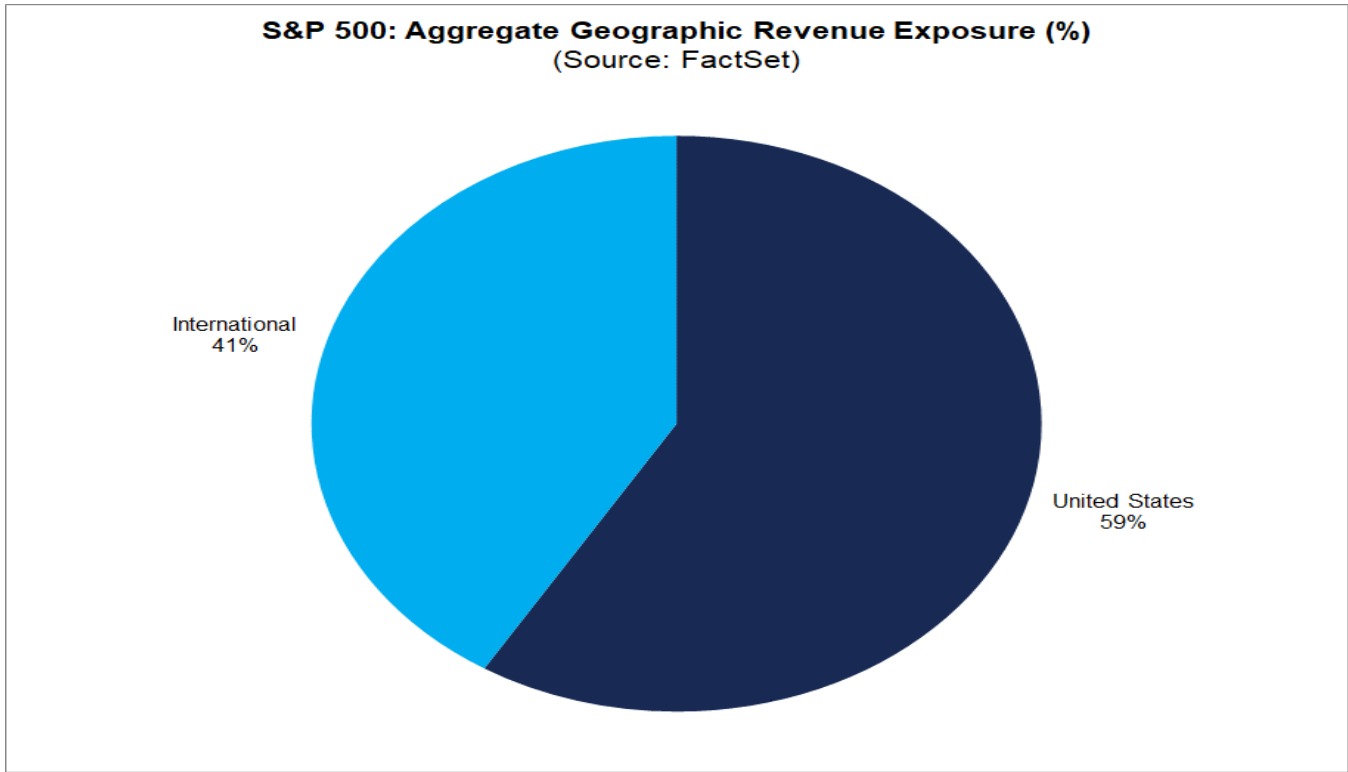
CY 2024: Growth



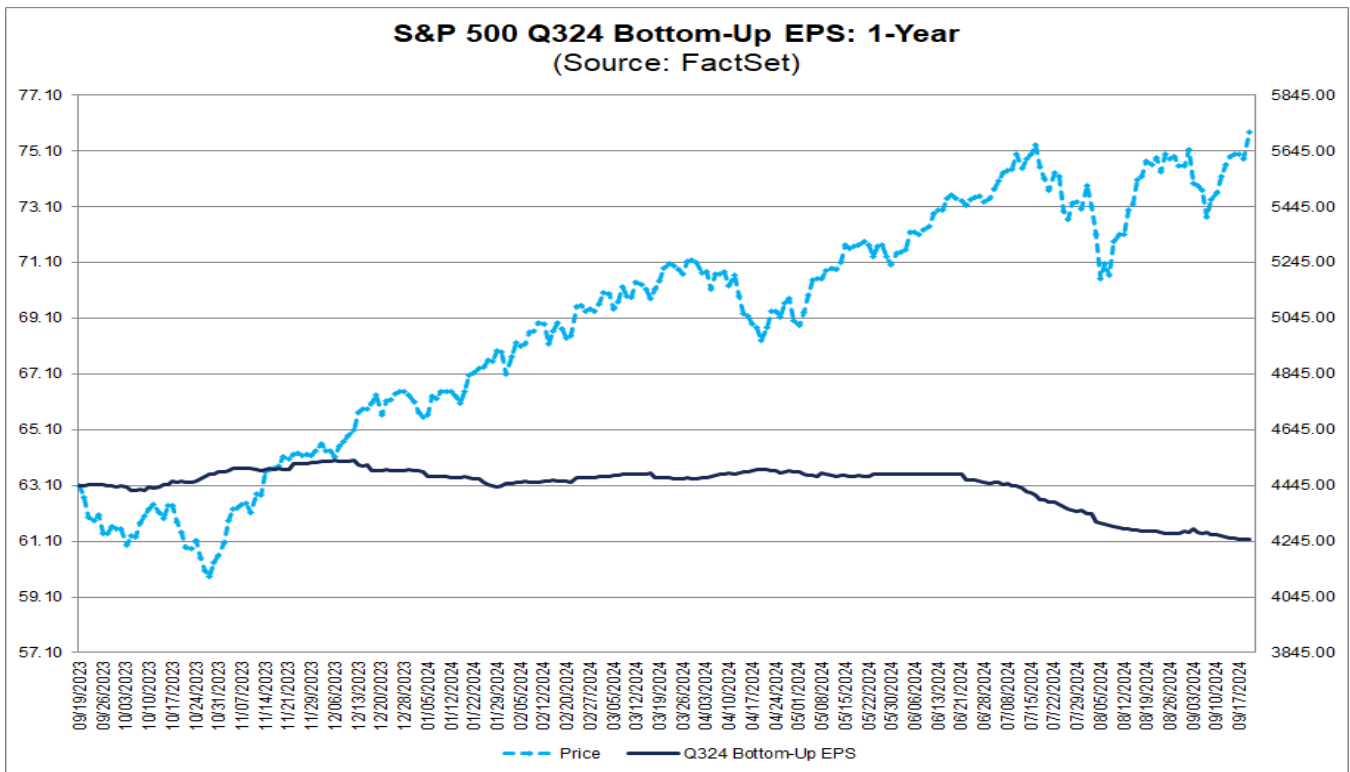
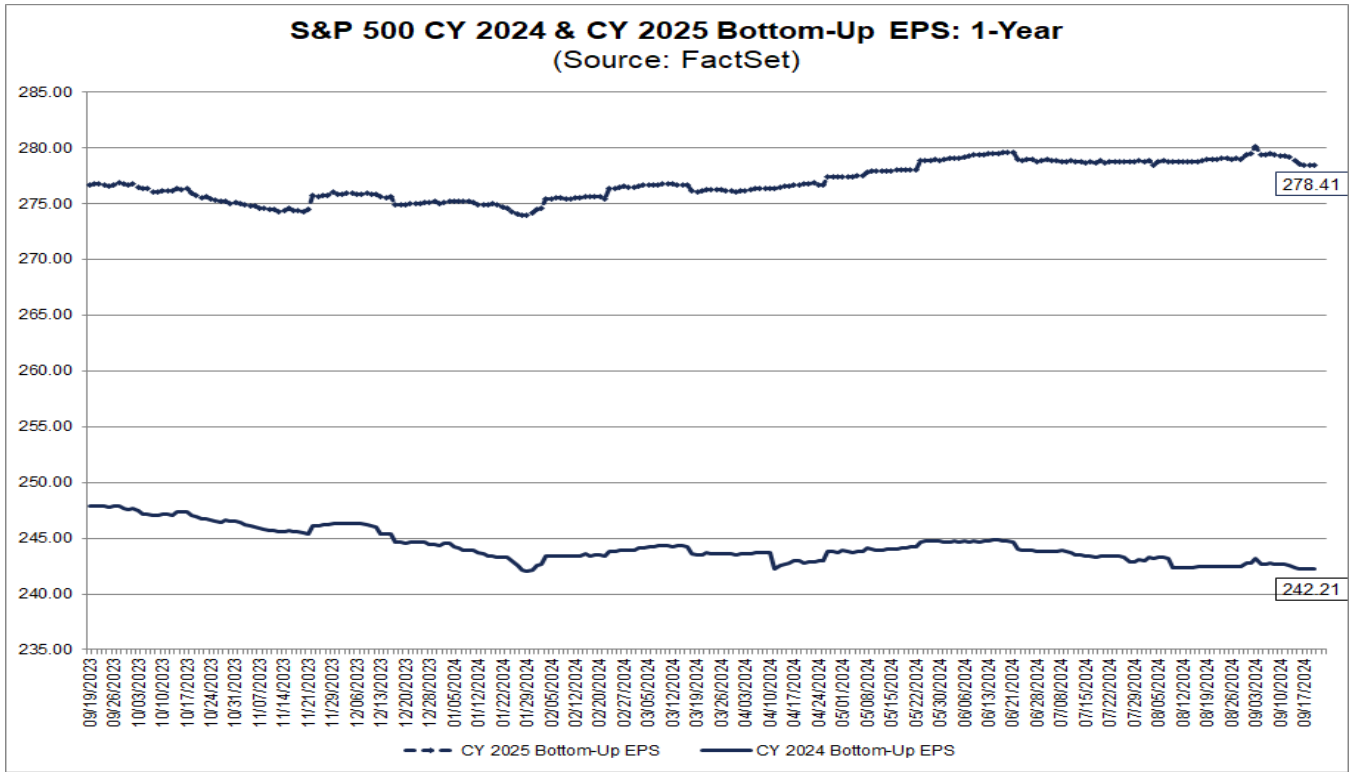
CY 2025: Growth



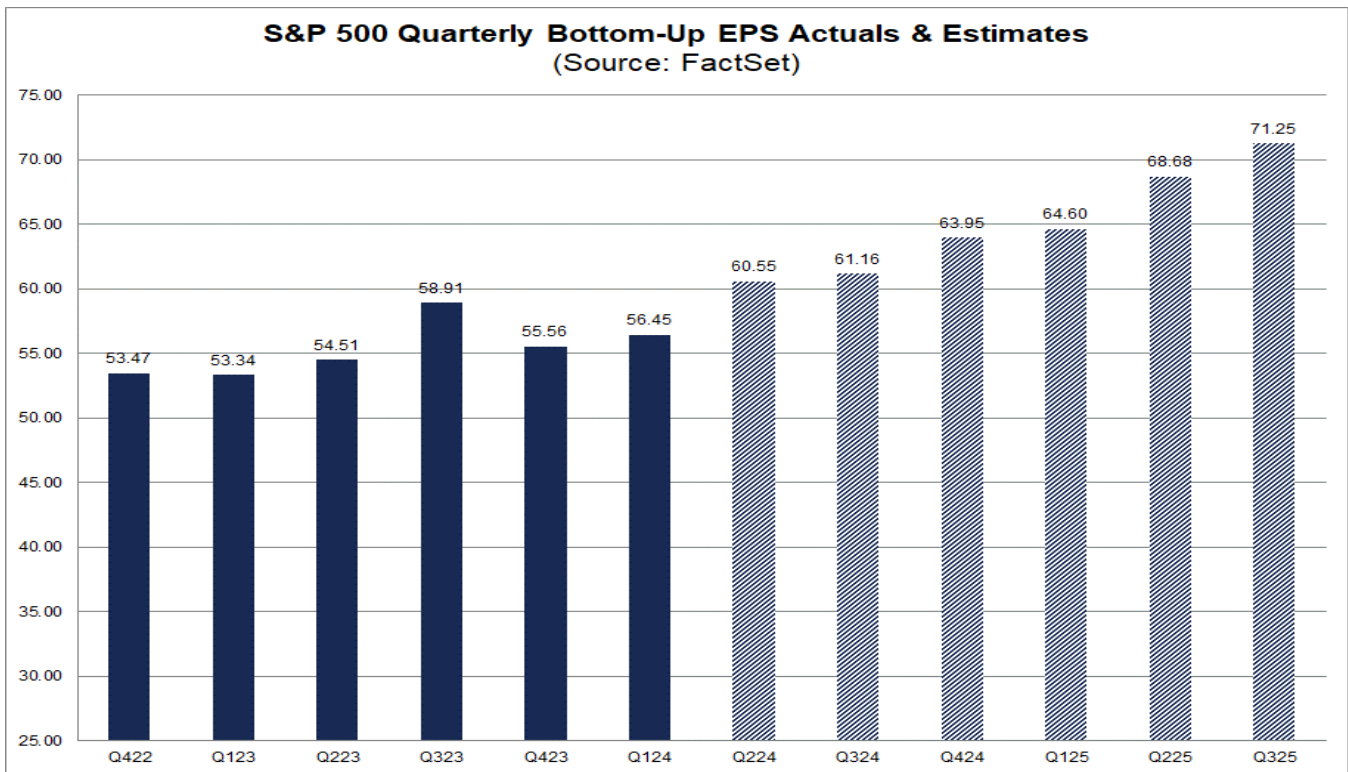
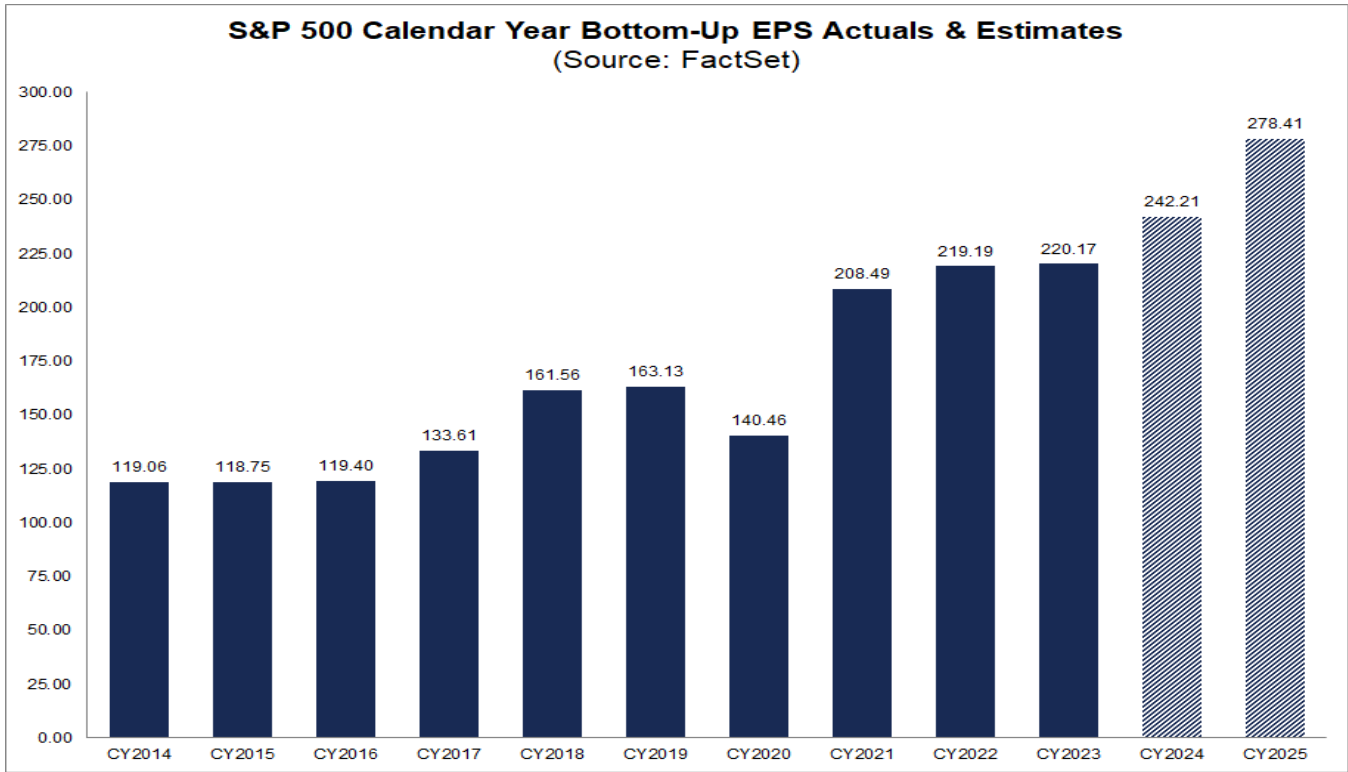
Geographic Revenue Exposure



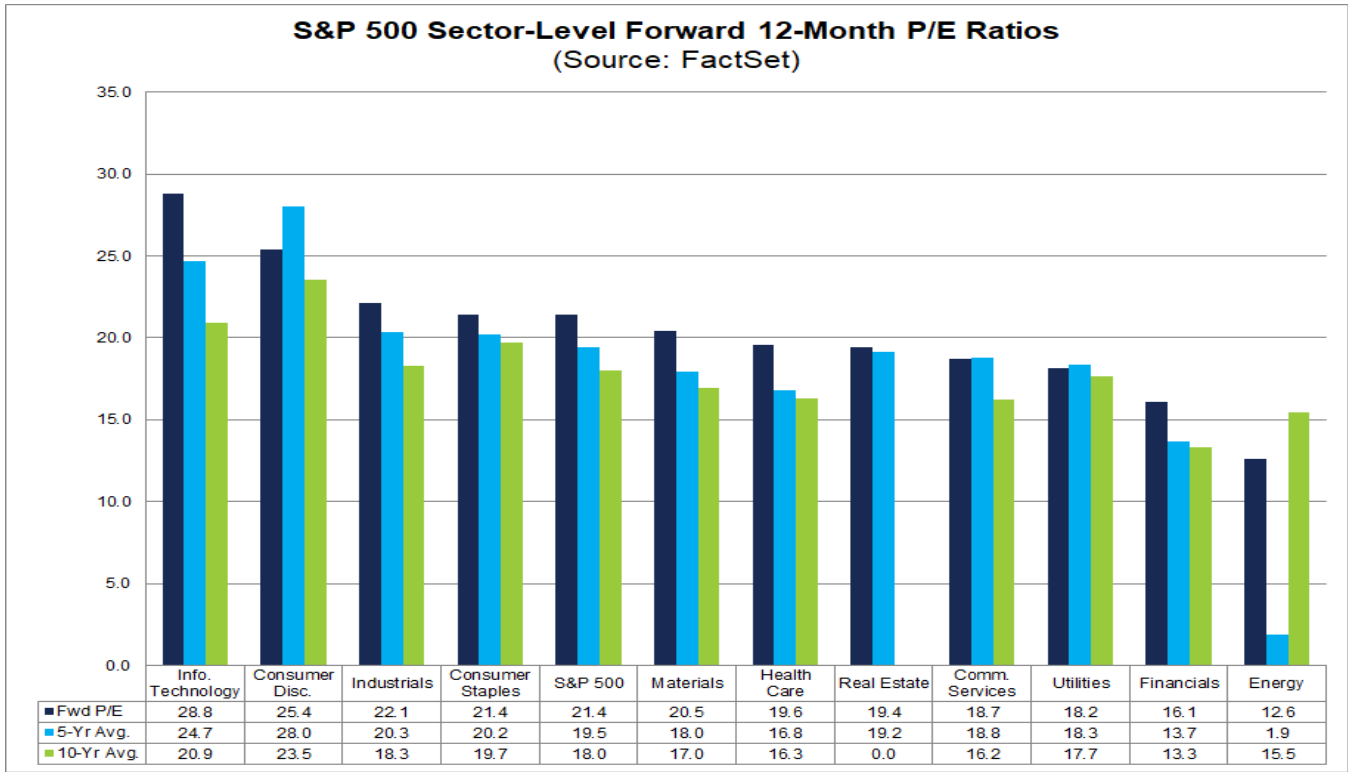
Bottom-Up EPS Estimates



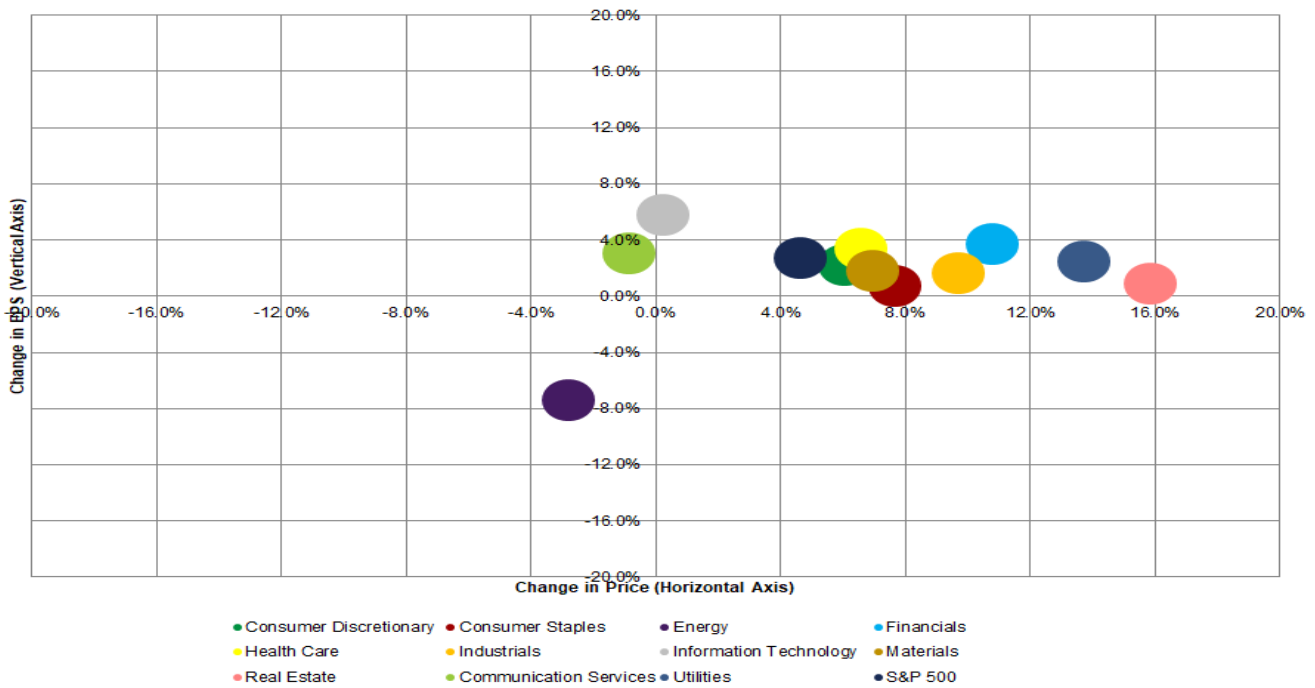
Bottom-Up EPS Estimates: Current & Historical



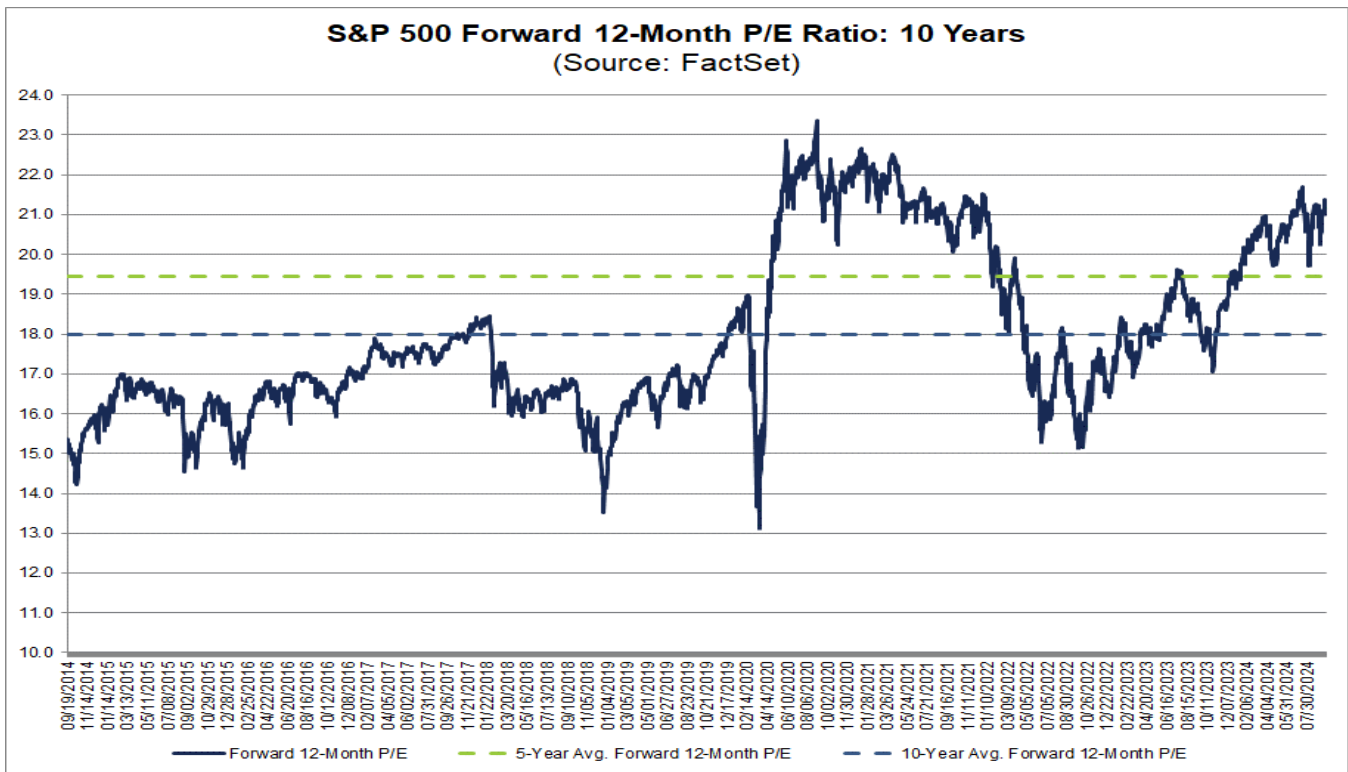
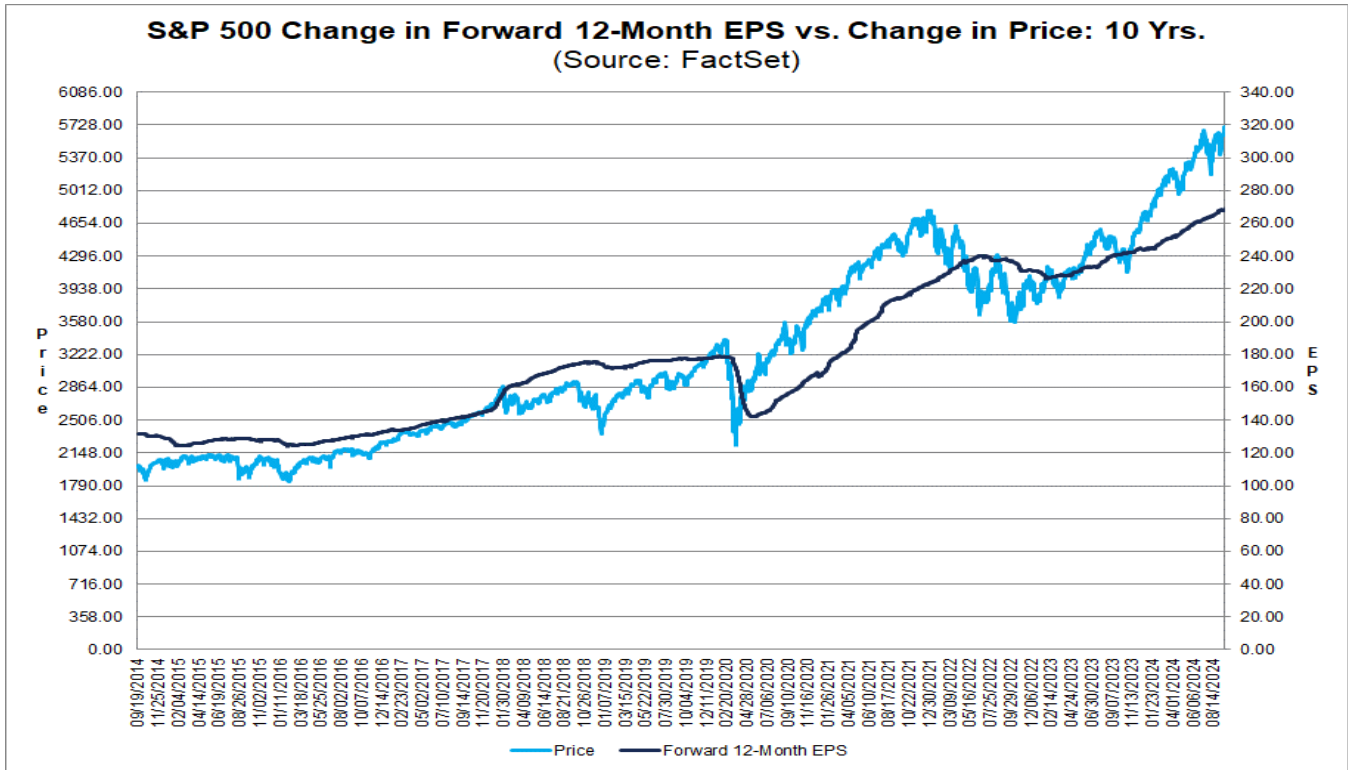
Forward 12M P/E Ratio: Sector Level



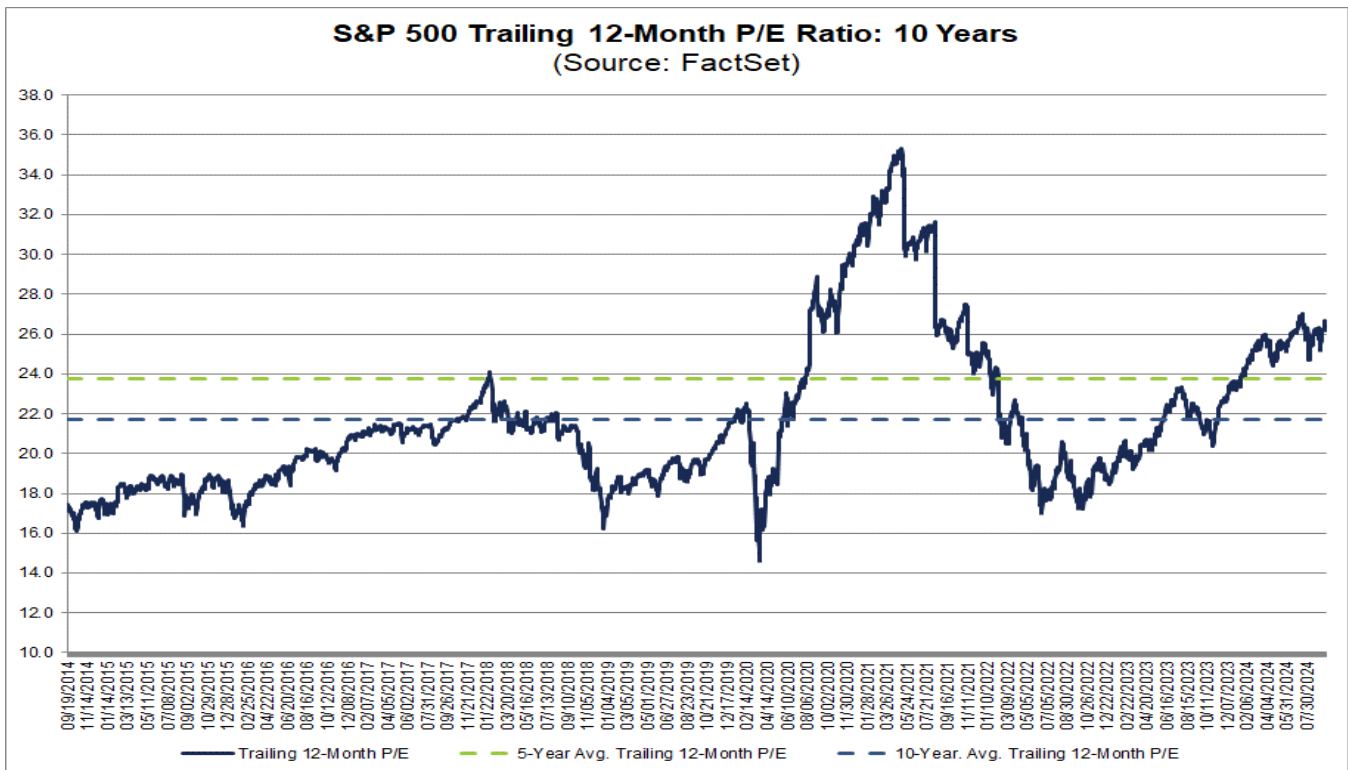
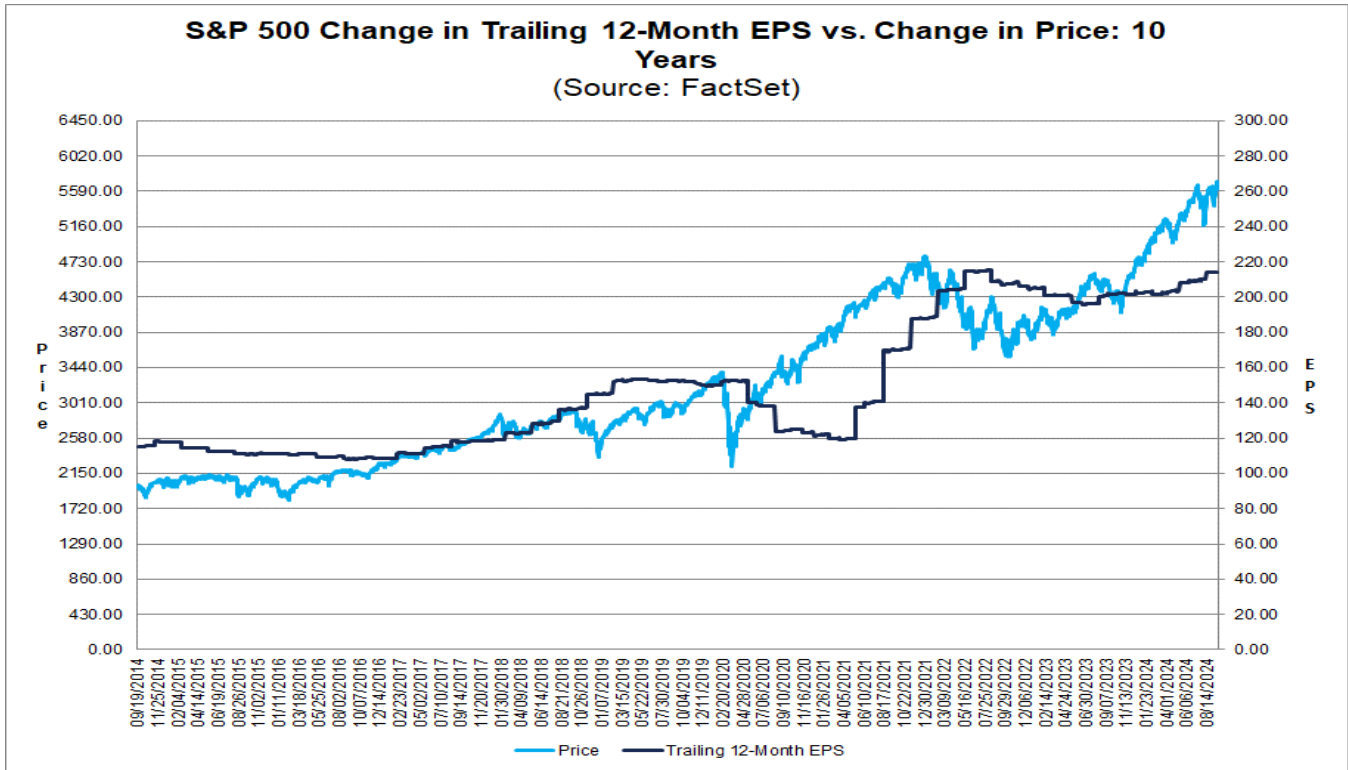
Sector-Level Change in Fwd. 12-Month EPS vs. Price: Since Jun. 30 (Source: FactSet)



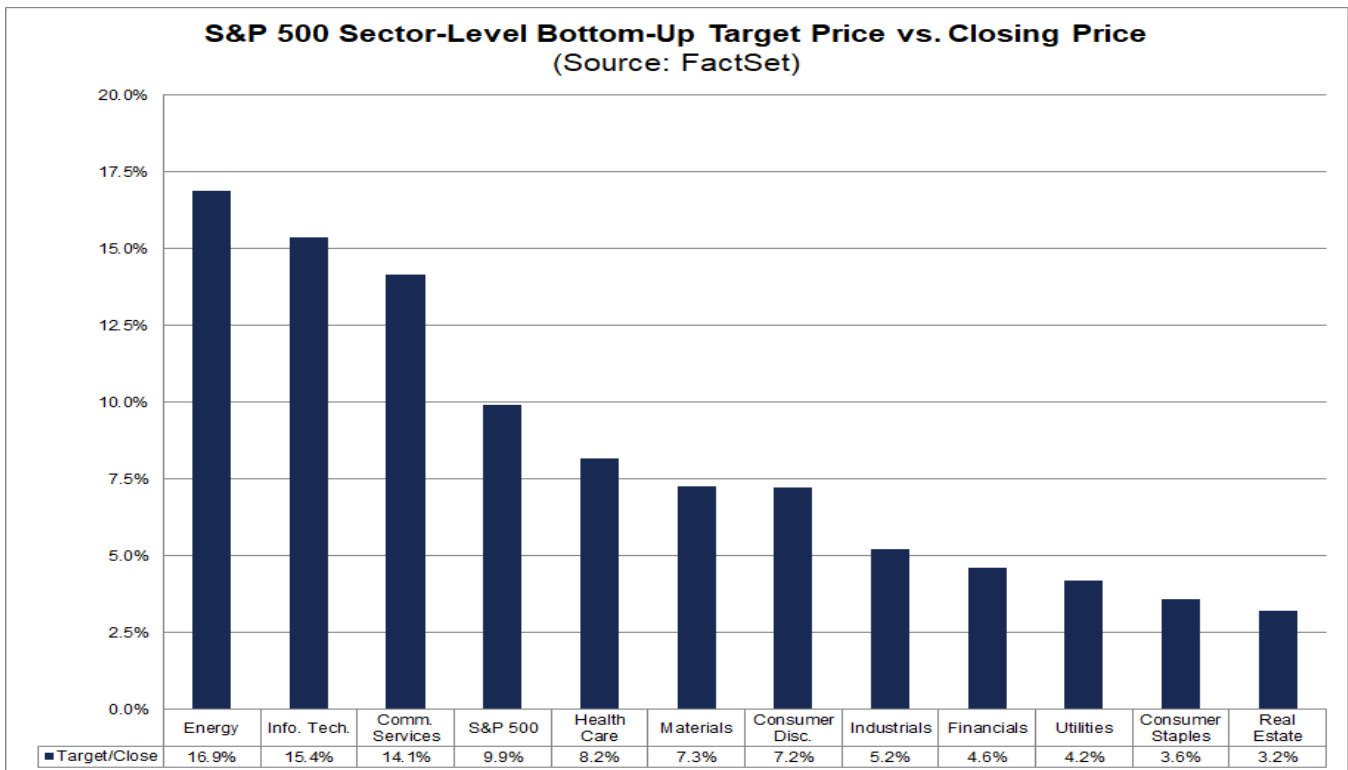
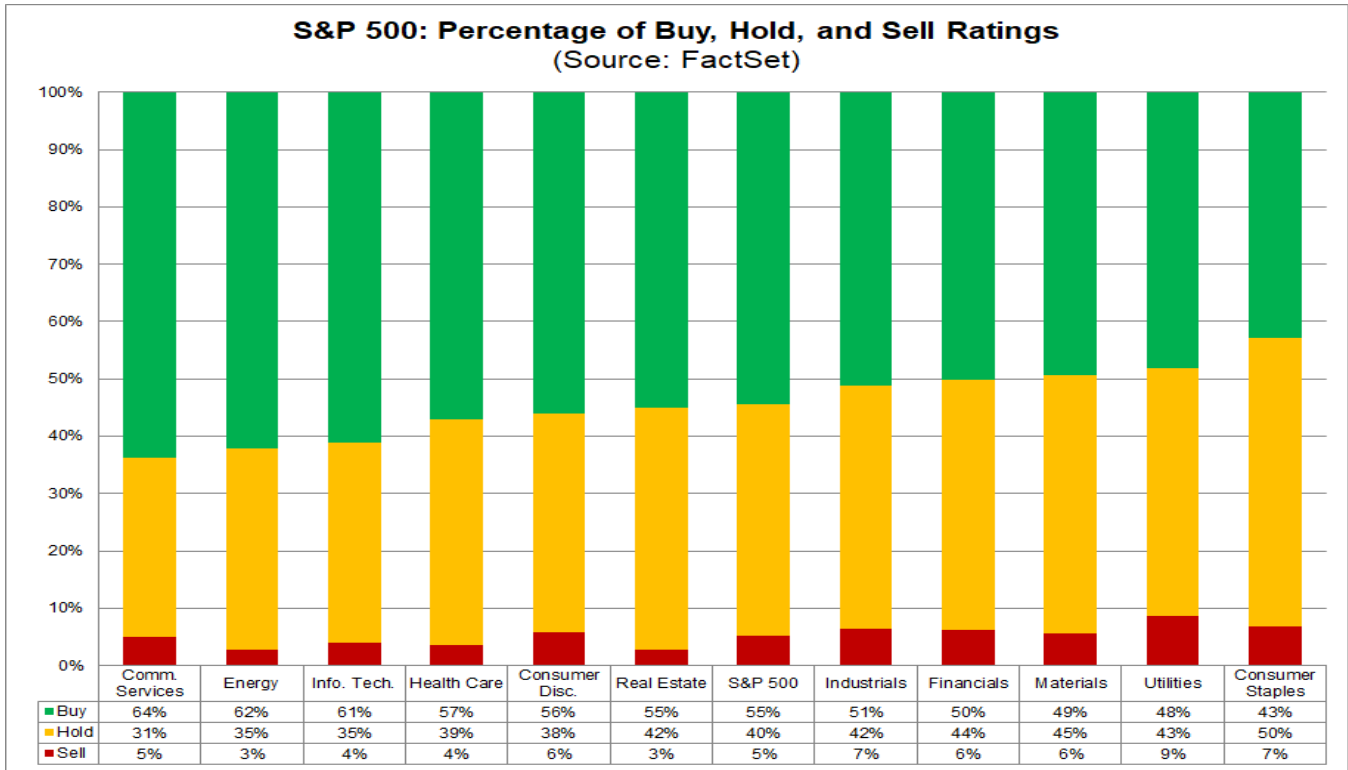
Forward 12M P/E Ratio: 10-Years



Trailing 12M P/E Ratio: 10-Years



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) helps the financial community to see more, think bigger, and work better. Our digital platform and enterprise solutions deliver financial data, analytics, and open technology to more than 8,000 global clients, including over 208,000 individual users. Clients across the buy-side and sell-side as well as wealth managers, private equity firms, and corporations achieve more every day with our comprehensive and connected content, flexible next-generation workflow solutions, and client-centric specialized support. As a member of the S&P 500, we are committed to sustainable growth and have been recognized amongst the Best Places to Work in 2023 by Glassdoor as a Glassdoor Employees' Choice Award winner. Learn more at www.factset.com and follow us on X and LinkedIn.