

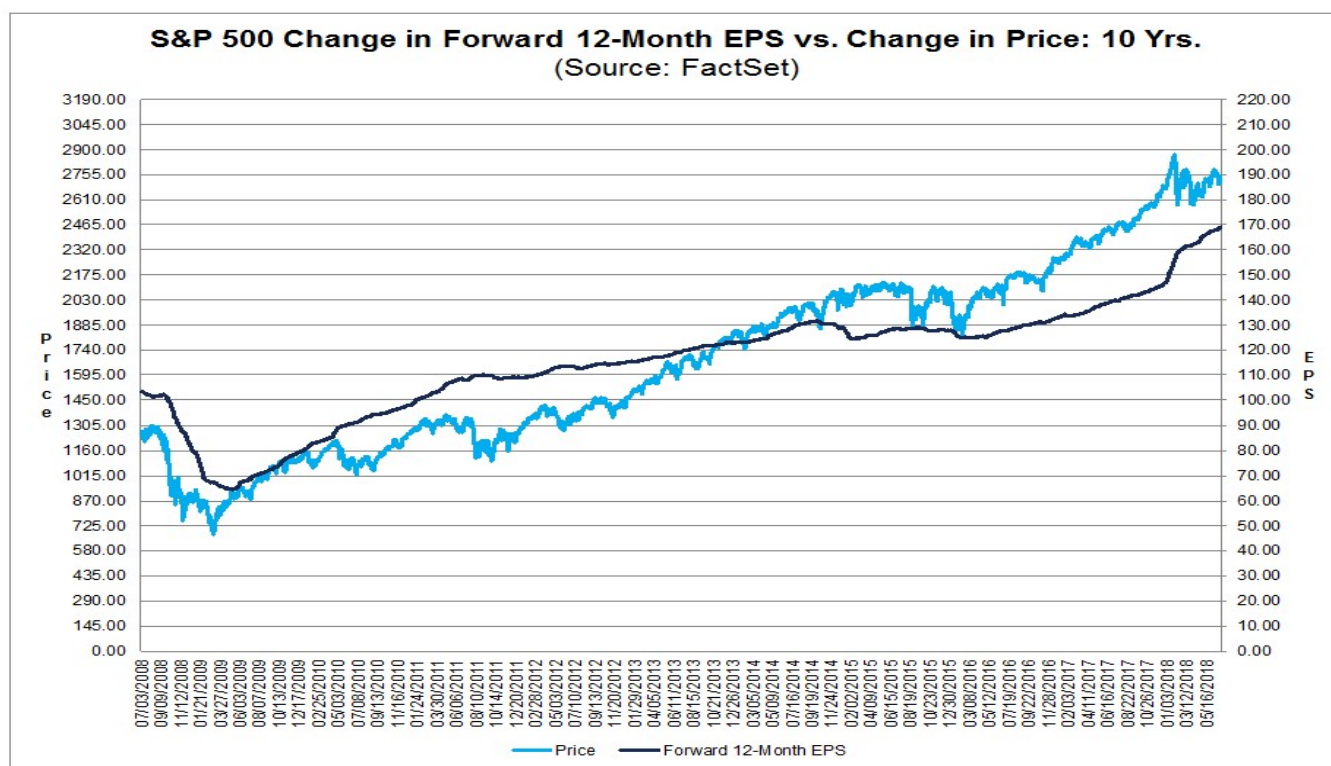
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## Key Metrics

- **Earnings Scorecard:** For Q2 2018 (with 20 companies in the S&P 500 reporting actual results for the quarter), 85% of S&P 500 companies have reported a positive EPS surprise and 90% have reported a positive sales surprise.
- **Earnings Growth:** For Q2 2018, the estimated earnings growth rate for the S&P 500 is 20.0%. If 20.0% is the actual growth rate for the quarter, it will mark the second highest earnings growth since Q3 2010 (34.0%).
- **Earnings Revisions:** On March 31, the estimated earnings growth rate for Q2 2018 was 18.9%. Five sectors have higher growth rates today (compared to March 31) due to upward revisions to EPS estimates, led by the Energy sector.
- **Earnings Guidance:** For Q2 2018, 62 S&P 500 companies have issued negative EPS guidance and 47 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 16.2. This P/E ratio is equal to the 5-year average (16.2) and above the 10-year average (14.4).



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## Topic of the Week: 1

### S&P 500 Likely to Report Earnings Growth Above 20% for 2<sup>nd</sup> Straight Quarter

As of today, the S&P 500 is expected to report earnings growth of 20.0% for the second quarter. What is the likelihood the index will report an actual earnings increase of 20.0% for the quarter?

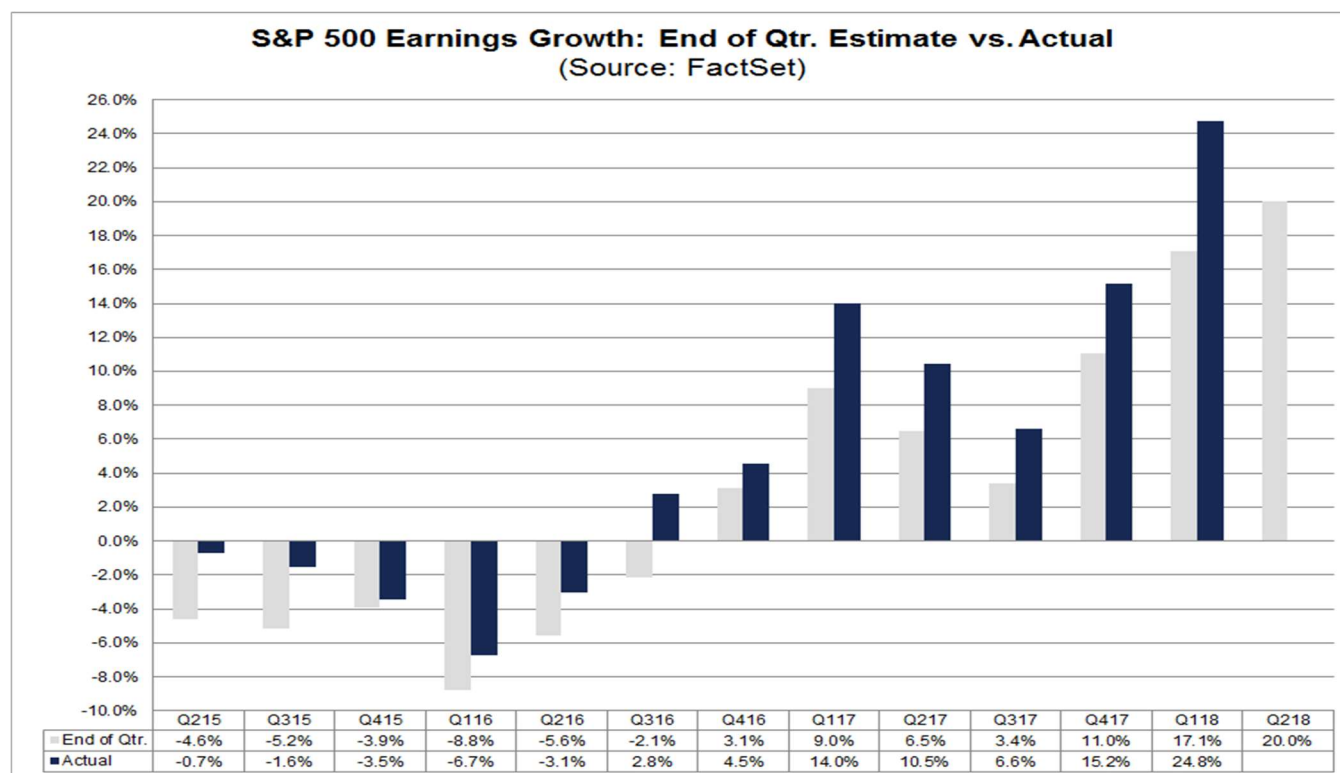
Based on the average change in earnings growth due to companies reporting positive earnings surprises, it is likely the index will report earnings growth above 20% for Q2, but below the 24.8% growth reported in Q1.

When companies in the S&P 500 report actual earnings above estimates during an earnings season, the overall earnings growth rate for the index increases because the higher actual EPS numbers replace the lower estimated EPS numbers in the calculation of the growth rate. For example, if a company is projected to report EPS of \$1.05 compared to year-ago EPS of \$1.00, the company is projected to report earnings growth of 5%. If the company reports actual EPS of \$1.10 (a \$0.05 upside earnings surprise compared to the estimate), the actual earnings growth for the company for the quarter is now 10%, five percentage points above the estimated growth rate (10% - 5% = 5%).

Over the past five years, actual earnings reported by S&P 500 companies have exceeded estimated earnings by 4.4% on average. During this same period, 70% of companies in the S&P 500 have reported actual EPS above the mean EPS estimate on average. As a result, from the end of the quarter through the end of the earnings season, the earnings growth rate has typically increased by 3.2 percentage points on average (over the past 5 years) due to the number and magnitude of upside earnings surprises.

If this average increase is applied to the estimated earnings growth rate at the end of Q2 (June 30) of 20.0%, the actual earnings growth rate for the quarter would be 23.2% (20.0% + 3.2% = 23.2%).

If the index does report growth of 23.2% for Q2 2018, it will mark the second consecutive quarter of earnings growth above 20% and the third consecutive quarter of double-digit earnings growth.



## Topic of the Week: 2

### Industry Analysts Project 13% Price Increase for S&P 500 Over the Next 12 Months

During the second quarter, the S&P 500 index recorded an increase in value of 2.9%. Ahead of the start of second quarter earnings season, where do industry analysts believe the price of the index will go from here?

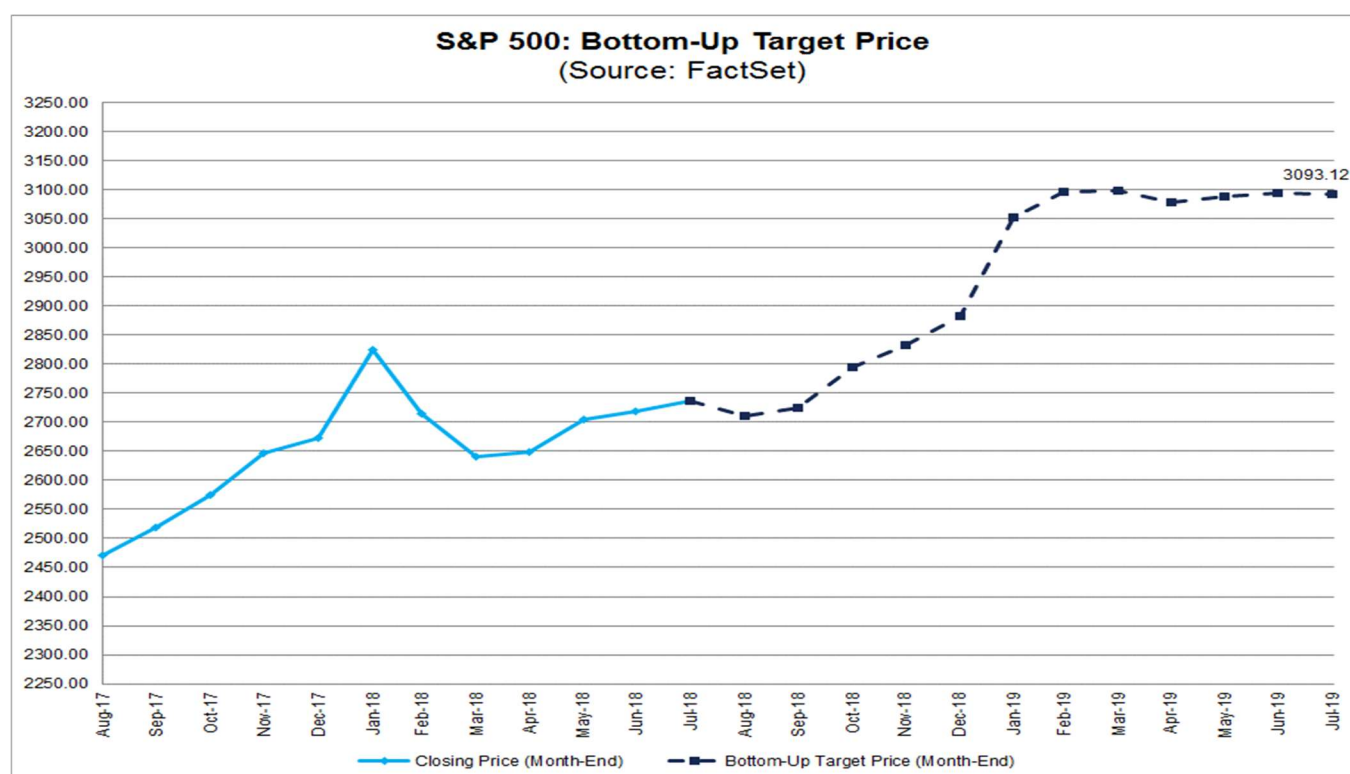
Industry analysts in aggregate predict the S&P 500 will see a 13.0% increase in price over the next twelve months. This percentage is based on the difference between the bottom-up target price and the closing price for the index as of yesterday (July 5). The bottom-up target price is calculated by aggregating the median target price estimates (based on company-level estimates submitted by industry analysts) for all of the companies in the index. On July 5, the bottom-up target price for the S&P 500 was 3093.12, which was 13.0% above the closing price of 2736.61.

At the sector level, the Financials (+18.8%), Materials (17.4%), and Industrials (+17.1%) sectors are expected to see the largest price increases, as these sectors had the largest upside differences between the bottom-up target price and the closing price on July 5. On the other hand, the Utilities (+2.1%) and Real Estate (3.9%) sectors are expected to see the smallest price increases, as these sectors had the smallest upside differences between the bottom-up target price and the closing price on July 5.

At the company level, the ten stocks in the S&P 500 with the largest upside and downside differences between their median target price and closing price (on July 5) are listed on the next page.

How accurate have the industry analysts been in predicting the future value of the S&P 500?

Over the past 5 years, the average difference between the bottom-up target price estimate at the end of the month and the closing price 12 months later has been -0.3%. In other words, industry analysts have underestimated the price of the index 12 months in advance by 0.3% on average during the previous five years (using month-end values). Over the past 10 years, the average difference between the bottom-up target price estimate at the end of the month and the closing price 12 months later has been 10.9%. Over the past 15 years, the average difference between the bottom-up target price estimate at the end of the month and the closing price 12 months later has been 9.7%. In other words, industry analysts have overestimated the price of the index 12 months in advance by 10.9% on average over the past 10 years (using month-end values) and by 9.7% on average over the past 15 years (using month-end values).

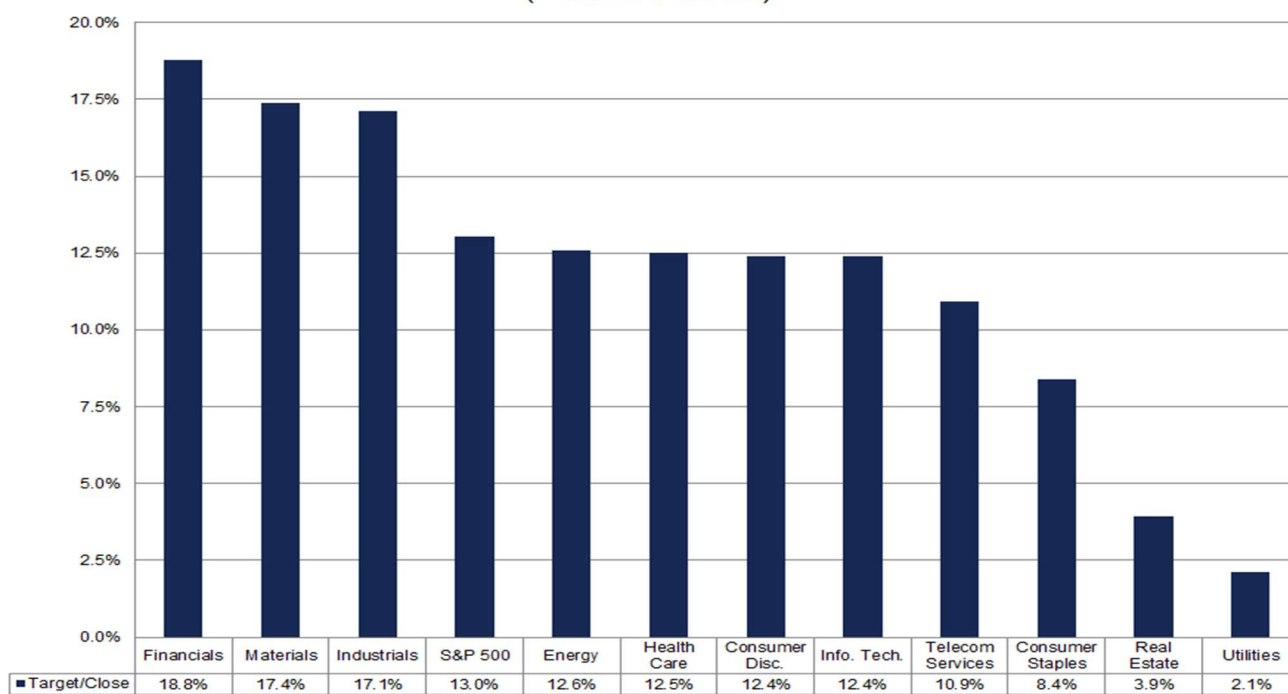


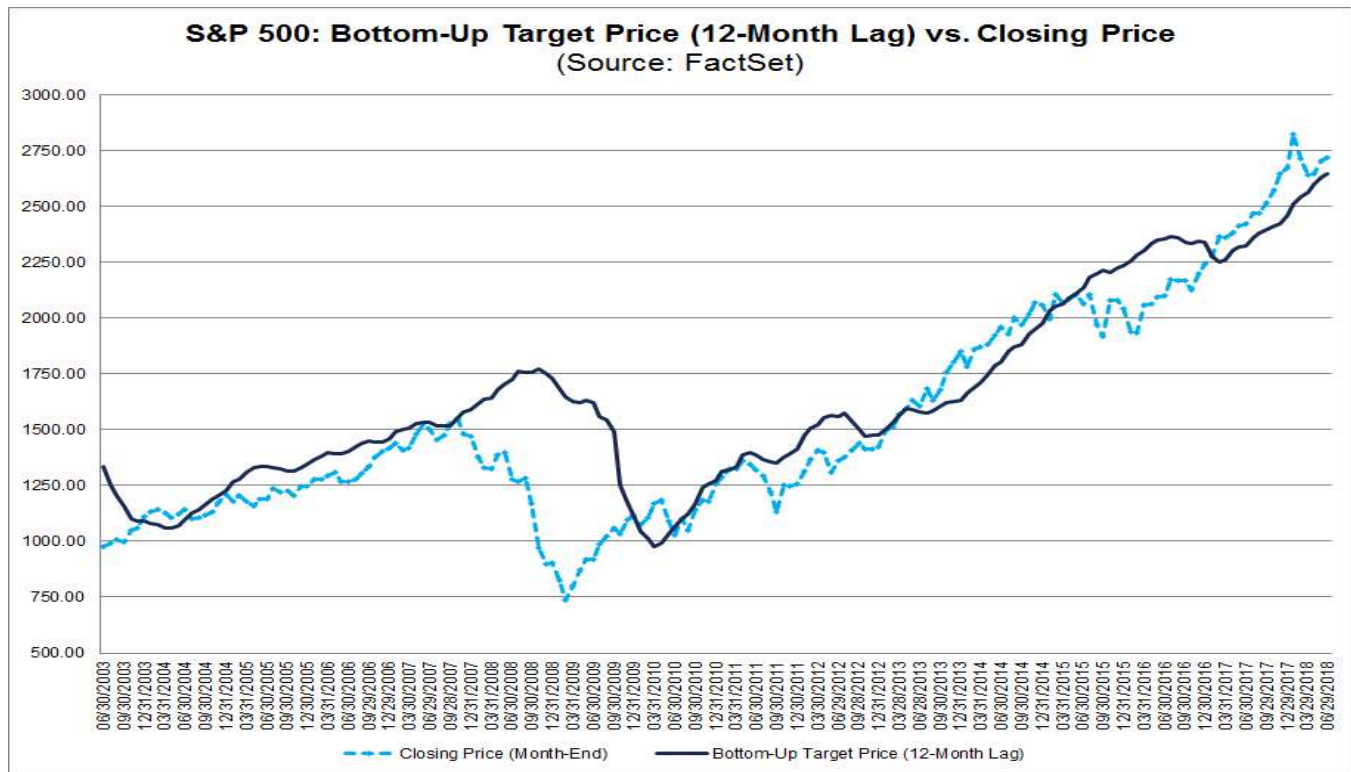
## S&amp;P 500: Difference Between Median Target Price &amp; Closing Price: Top 10 (Source: FactSet)

Company	Target	Closing	Diff (\$)	Diff (%)
Nektar Therapeutics	101.00	47.54	53.46	112.5%
Xerox Corporation	38.00	24.19	13.81	57.1%
Lam Research Corporation	262.50	171.82	90.68	52.8%
Micron Technology, Inc.	80.00	52.84	27.16	51.4%
Jefferies Financial Group Inc.	34.00	22.62	11.38	50.3%
Western Digital Corporation	115.00	77.46	37.54	48.5%
Norwegian Cruise Line Holdings	67.00	46.62	20.38	43.7%
Applied Materials, Inc.	65.00	45.44	19.56	43.0%
Affiliated Managers Group, Inc.	210.00	148.02	61.98	41.9%
American Airlines Group, Inc.	53.50	37.99	15.51	40.8%

## S&amp;P 500: Difference Between Median Target Price &amp; Closing Price: Bottom 10 (Source: FactSet)

Company	Target	Closing	Diff (\$)	Diff (%)
Twitter, Inc.	32.00	45.06	-13.06	-29.0%
Under Armour, Inc. Class A	16.00	22.07	-6.07	-27.5%
Under Armour, Inc. Class C	16.00	20.75	-4.75	-22.9%
Campbell Soup Company	34.00	41.49	-7.49	-18.1%
TripAdvisor, Inc.	48.00	56.91	-8.91	-15.7%
National Oilwell Varco, Inc.	37.50	43.58	-6.08	-14.0%
Advanced Micro Devices, Inc.	13.50	15.50	-2.00	-12.9%
VeriSign, Inc.	123.00	140.99	-17.99	-12.8%
Cintas Corporation	167.00	189.40	-22.40	-11.8%
Public Storage	207.50	232.71	-25.21	-10.8%

S&P 500 Sector-Level Bottom-Up Target Price vs. Closing Price  
(Source: FactSet)





## Q2 Earnings Season: By The Numbers

### Overview

In terms of estimate revisions for companies in the S&P 500, analysts increased earnings estimates in aggregate for Q2 2018. On a per-share basis, estimated earnings for the second quarter increased by 0.8% during the quarter. In a typical quarter, analysts usually reduce earnings estimates. Over the past five years (20 quarters), earnings estimates have fallen by 3.4% on average during a quarter. Over the past ten years, (40 quarters), earnings estimates have fallen by 5.0% on average during a quarter. Over the past fifteen years, (60 quarters), earnings estimates have fallen by 3.9% on average during a quarter.

In addition, a smaller percentage of S&P 500 companies have lowered the bar for earnings for Q2 2018 relative to recent averages. Of the 109 companies that have issued EPS guidance for the second quarter, 62 have issued negative EPS guidance and 47 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 57% (62 out of 109), which is well below the 5-year average of 72%.

Because of the upward revisions to earnings estimates, the estimated year-over-year earnings growth rate for Q2 2018 has increased from 18.9% on March 31 to 20.0% today. All eleven sectors are predicted to report year-over-year earnings growth. Seven sectors are projected to report double-digit earnings growth for the quarter, led by the Energy, Materials, Telecom Services, and Information Technology sectors.

Because of the upward revisions to sales estimates, the estimated year-over-year sales growth rate for Q2 2018 has increased from 7.9% on March 31 to 8.7% today. All eleven sectors are projected to report year-over-year growth in revenues. Three sectors are predicted to report double-digit growth in revenues: Energy, Materials, and Information Technology.

Looking at future quarters, analysts currently project earnings growth to continue at double-digit levels through the remainder 2018.

The forward 12-month P/E ratio is 16.2, which is equal to the 5-year average and above the 10-year average.

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

### Earnings Revisions: Energy Sector Has Recorded Largest Increase in Earnings Estimates

#### No Change in Estimated Earnings Growth Rate for Q2 This Week

The estimated earnings growth rate for the second quarter is 20.0% this week, which is equal to the estimated earnings growth rate of 20.0% last week.

Overall, the estimated earnings growth rate for Q2 2018 of 20.0% today is above the estimated earnings growth rate of 18.9% at the start of the quarter (March 31). Five sectors have recorded an increase in expected earnings growth since the beginning of the quarter due to upward revisions to earnings estimates, led by the Energy, Materials, and Information Technology sectors. On the other hand, five sectors have a recorded a decrease in expected earnings growth due to downward revisions to earnings estimates, led by the Consumer Staples sector. One sector (Real Estate) has recorded no change in FFO growth (5.7%) since March 31.

#### Energy: Chevron Leads Increase in Expected Earnings

The Energy sector has recorded the largest increase in expected earnings growth since the start of the quarter (to 142.5% from 115.1%). This sector has also witnessed the largest increase in price of any sector since March 31 at 11.3%. Overall, 22 of the 31 companies (71%) in the Energy sector have seen an increase in their mean EPS estimate during this time. Of these 22 companies, 12 have recorded an increase in their mean EPS estimate of more than 10%, led by Helmerich & Payne (to \$0.03 from \$0.01), Occidental Petroleum (to \$1.24 from \$0.70), and Anadarko Petroleum (to \$0.54 from \$0.33). However, the increase in the mean EPS estimate for Chevron (to \$2.10 from \$1.67) has been the largest contributor to the increase in expected earnings for this sector since March 31. The stock price for Chevron has increased by 8.8% over this same time frame.

### Information Technology: Intel and Microsoft Lead Increase in Expected Earnings

The Information Technology sector has recorded the second largest increase in expected earnings growth since the start of the quarter (to 24.6% from 21.0%). This sector has also witnessed the third largest increase in price of all eleven sectors during this time at 7.9%. Overall, 43 of the 71 companies (61%) in the Information Technology sector have seen an increase in their mean EPS estimate during this time. Of these 43 companies, 10 have recorded an increase in their mean EPS estimate of more than 10%, led by Advanced Micro Devices (to \$0.13 from \$0.09) and Twitter (to \$0.16 from \$0.12). However, the increase in the mean EPS estimates for Intel (to \$0.96 from \$0.81) and Microsoft (to \$1.08 from \$1.00) have been the largest contributors to the increase in expected earnings for this sector since March 31. While the stock price for Microsoft has increased by 9.9% since the start of the quarter, the stock price for Intel has fallen by 2.4% over this same period.

### Materials: DowDuPont Leads Increase in Estimated Earnings

The Materials sector has recorded the third largest increase in expected earnings growth since the start of the quarter (to 48.5% from 45.0%). This sector has witnessed an increase in price of 2.2% during this same period. Overall, 11 of the 24 companies (46%) in the Materials sector have seen an increase in their mean EPS estimate during this time, led by FMC Corporation (to \$1.72 from \$1.39) and Nucor (to \$1.89 from \$1.63). However, the increase in the mean EPS estimate for DowDuPont (to \$1.29 from \$1.23) has been the largest contributor to the increase in expected earnings for this sector since March 31. The stock price for DowDuPont has increased by 3.1% since the start of the quarter.

### Consumer Staples: 78% of Companies Have Seen Decline in Earnings Expectations

The Consumer Staples sector has recorded the largest decrease in expected earnings growth since the start of the quarter (to 8.0% from 11.0%). This sector has also witnessed a decrease in price of 1.2% during this period. Overall, 25 of the 32 companies (78%) in the Consumer Staples sector have seen a decrease in their mean EPS estimate during this time. Of these 25 companies, three have recorded a decrease in their mean EPS estimate of more than 10%, led by Campbell Soup (to \$0.25 from \$0.58). Companies that have been significant contributors to the decrease in earnings for this sector since March 31 include Philip Morris International (to \$1.24 from \$1.31), Campbell Soup, Kraft Heinz (to \$0.93 from \$1.01), and Coca-Cola Company (to \$0.60 from \$0.63).

### Index-Level (Bottom-Up) EPS Estimate: Increased 0.8% During Q2

The Q2 bottom-up EPS estimate (which is an aggregation of the median earnings estimates for all 500 companies in the index and can be used as a proxy for the earnings for the index) increased by 0.8% (to \$39.35 from \$39.03) during the second quarter. In a typical quarter, analysts usually reduce earnings estimates. Over the past five years (20 quarters), earnings estimates have fallen by 3.4% on average during a quarter. Over the past ten years, (40 quarters), earnings estimates have fallen by 5.0% on average during a quarter. Over the past fifteen years, (60 quarters), earnings estimates have fallen by 3.9% on average during a quarter.

### Earnings Guidance: Negative EPS Guidance For Q2 2018 is Below Average

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.

At this point in time, 109 companies in the index have issued EPS guidance for Q2 2018. Of these 109 companies, 62 have issued negative EPS guidance and 47 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 57% (62 out of 109), which is well below the 5-year average of 72%.

## Second-Highest Earnings Growth (20.0%) Since Q3 2010

The estimated (year-over-year) earnings growth rate for Q2 2018 is 20.0%. If 20.0% is the final growth rate for the quarter, it will mark the second highest earnings growth reported by the index since Q3 2010 (34.0%), trailing only the previous quarter (24.8%). It will also mark the third straight quarter in which the index has reported double-digit earnings growth. All eleven sectors are expected to report year-over-year growth in earnings. Seven sectors are expected to report double-digit earnings growth, led by the Energy, Materials, Telecom Services, and Information Technology sectors.

### Energy: Highest Earnings Growth On Easy Comparison to Low Year-Ago Earnings

The Energy sector is expected to report the highest (year-over-year) earnings growth of all eleven sectors at 142.5%. At the sub-industry level, all six sub-industries in the sector are predicted to report earnings growth for the quarter: Oil & Gas Exploration & Production (N/A due to year-ago loss), Oil & Gas Drilling (N/A due to year-ago loss), Integrated Oil & Gas (100%), Oil & Gas Storage & Transportation (77%), Oil & Gas Refining & Marketing (75%), and Oil & Gas Equipment & Services (69%).

The unusually high growth rate for the sector is due to a combination of a year-over-year increase in oil prices and a comparison to unusually low earnings in the year-ago quarter. The average price of oil in Q2 2018 (\$67.91) was 41% higher than the average price of oil in Q2 2017 (\$48.15). On a dollar-level basis, the Energy sector is projected to report earnings of \$19.7 billion in Q2 2018, compared to earnings of \$8.1 billion in Q2 2017. The Energy sector has the lowest dollar-level earnings in the year-ago quarter of all eleven sectors.

### Materials: DowDuPont Leads Growth On Easy Comparison to Standalone EPS for Dow Chemical

The Materials sector is expected to report the second highest (year-over-year) earnings growth of all eleven sectors at 48.5%. At the industry level, all four industries in the sector are predicted to report double-digit earnings growth: Metals & Mining (90%), Chemicals (44%), Containers & Packaging (39%), and Construction Materials (38%). At the company level, DowDuPont is predicted to be the largest contributor to earnings growth for the sector. However, the estimated (dollar-level) earnings for Q2 2018 (\$3.0 billion) reflect the combined DowDuPont company, while the actual earnings for Q2 2017 (\$1.3 billion) reflect the standalone Dow Chemical company. This apple-to-orange comparison is the main reason DowDuPont is projected to be the largest contributor to earnings growth for the sector. If this company were excluded, the estimated earnings growth rate for the sector would fall to 30.5% from 48.5%.

### Telecom Services: AT&T Leads Growth

The Telecom Services sector is expected to report the third highest (year-over-year) earnings growth of all eleven sectors at 27.2%. At the company level, AT&T is predicted to be the largest contributor to earnings growth for the sector. If this company were excluded, the estimated earnings growth rate for the sector would fall to 20.1% from 27.3%.

### Information Technology: 5 of 7 Industries Expected to Report Double-Digit Earnings Growth

The Information Technology sector is expected to report the fourth highest (year-over-year) earnings growth of all eleven sectors at 24.6%. At the industry level, six of the seven industries in this sector are predicted to report earnings growth. Five of these six industries are predicted to report double-digit earnings growth: Internet Software & Services (59%), Semiconductor & Semiconductor Equipment (38%), Technology Hardware, Storage, & Peripherals (22%), IT Services (17%), and Software (10%).

## Highest Revenue Growth (8.7%) Since Q3 2011

The estimated (year-over-year) revenue growth rate for Q2 2018 is 8.7%. If 8.7% is the final growth rate for the quarter, it will mark the highest revenue growth reported by the index since Q3 2011 (12.5%). All eleven sectors are expected to report year-over-year growth in revenues. Three sectors are predicted to report double-digit growth in revenues: Materials, Energy, and Information Technology.



### Materials: DowDuPont Leads Growth On Easy Comparison to Standalone Revenue for Dow Chemical

The Materials sector is expected to report the highest (year-over-year) revenue growth of all eleven sectors at 23.8%. At the industry level, all four industries in this sector are expected to report revenue growth, led by the Chemicals (31%) and Metals & Mining (22%) industries. At the company level, DowDuPont is predicted to be the largest contributor to revenue growth for the sector. However, the estimated revenues for Q2 2018 (\$23.6 billion) reflect the combined DowDuPont company, while the actual revenues for Q2 2017 (\$13.8 billion) reflect the standalone Dow Chemical company. This apple-to-orange comparison is the main reason DowDuPont is projected to be the largest contributor to revenue growth for the sector. If this company were excluded, the estimated revenue growth rate for the sector would fall to 13.2% from 23.8%.

### Energy: All 6 Sub-Industries Expected to Report Double-Digit Growth

The Energy sector is expected to report the second highest (year-over-year) revenue growth of all eleven sectors at 21.8%. At the sub-industry level, all six sub-industries in the sector are predicted to report double-digit revenue growth: Oil & Gas Refining & Marketing (24%), Oil & Gas Drilling (24%), Oil & Gas Equipment & Services (23%), Integrated Oil & Gas (23%), Oil & Gas Storage & Transportation (12%), and Oil & Gas Exploration & Production (10%).

### Information Technology: 4 of 7 Industries Expected to Report Double-Digit Growth

The Information Technology sector is expected to report the third highest (year-over-year) revenue growth of all eleven sectors at 13.4%. At the industry level, all seven industries in this sector are predicted to report revenue growth. Four of these seven industries are projected to report double-digit revenue growth: Internet Software & Services (26%), Semiconductor & Semiconductor Equipment (17%), Software (13%), and Technology Hardware, Storage, & Peripherals (11%).

## Looking Ahead: Forward Estimates and Valuation

### Double-Digit Earnings Growth Expected For All of 2018

For the second quarter, companies are expected to report earnings growth of 20.0% and revenue growth of 8.7%. Analysts also currently expect earnings to grow at double-digit levels for the remainder 2018.

For Q3 2018, analysts are projecting earnings growth of 21.7% and revenue growth of 7.6%.

For Q4 2018, analysts are projecting earnings growth of 17.9% and revenue growth of 5.8%.

For all of 2018, analysts are projecting earnings growth of 20.4% and revenue growth of 7.5%.

### Valuation: Forward P/E Ratio is 16.2, above the 10-Year Average (14.4)

The forward 12-month P/E ratio is 16.2. This P/E ratio is equal to the 5-year average of 16.2, but above the 10-year average of 14.4. It is also below the forward 12-month P/E ratio of 16.4 recorded at the start of the second quarter (March 31). Since the start of the second quarter, the price of the index has increased by 3.6%, while the forward 12-month EPS estimate has increased by 4.4%.

At the sector level, the Consumer Discretionary (20.7) sector has the highest forward 12-month P/E ratio, while the Telecom Services (10.4) and Financials (12.1) sectors have the lowest forward 12-month P/E ratios. Seven sectors have forward 12-month P/E ratios that are above their 10-year averages, led by the Information Technology (18.3 vs. 14.5) and Consumer Discretionary (20.7 vs. 16.9) sectors. Three sectors have forward 12-month P/E ratios that are below their 10-year averages, led by the Telecom Services (10.4 vs. 14.0) sector.

### Targets & Ratings: Analysts Project 13% Increase in Price Over Next 12 Months

The bottom-up target price for the S&P 500 is 3093.12, which is 13.0% above the closing price of 2736.61. At the sector level, the Financials (+18.8%), Materials (+17.4%), and Industrials (+17.1%) 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 Utilities (+2.1%) and Real Estate (+3.9%) sectors are expected to see the smallest price increases, as these sectors have the smallest upside difference between the bottom-up target price and the closing price. For more details, please see pages 3 through 5.

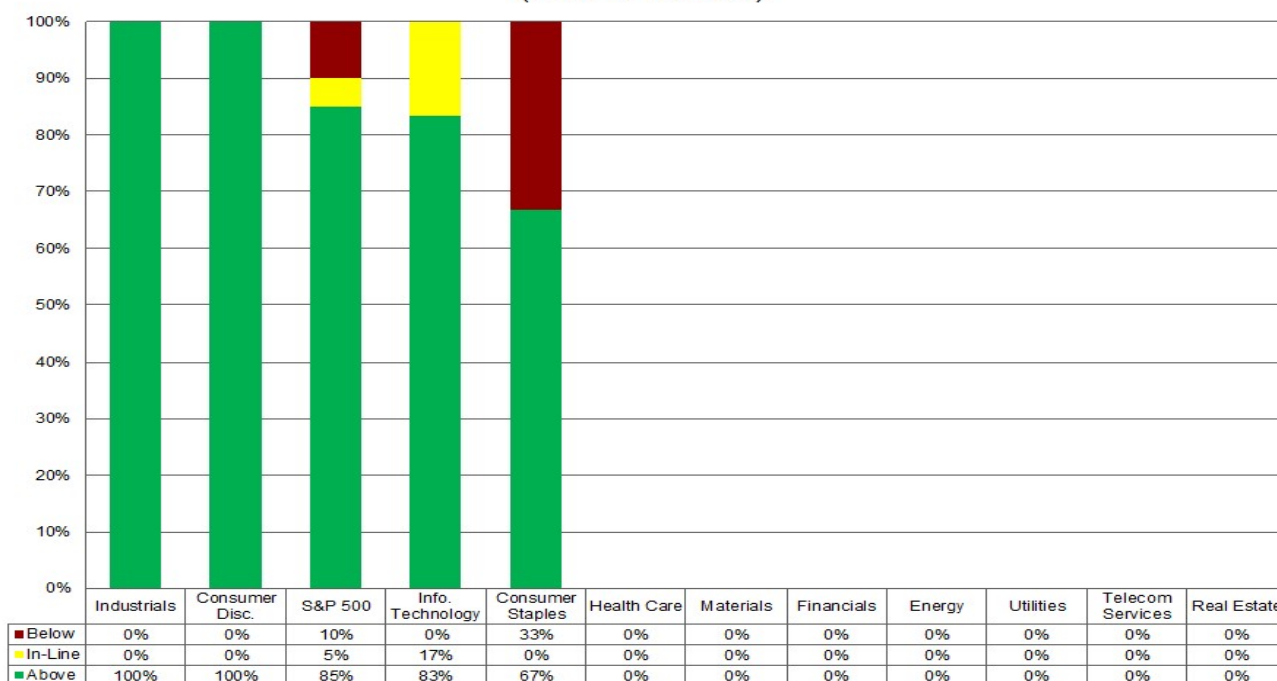
Overall, there are 10,910 ratings on stocks in the S&P 500. Of these 10,910 ratings, 53.2% are Buy ratings, 41.7% are Hold ratings, and 5.1% are Sell ratings. At the sector level, the Information Technology (60%), Energy (60%), Health Care (59%), and Materials (58%) sectors have the highest percentages of Buy ratings, while the Telecom Services (41%) and Utilities (43%) sectors have the lowest percentages of Buy ratings.

### Companies Reporting Next Week: 9

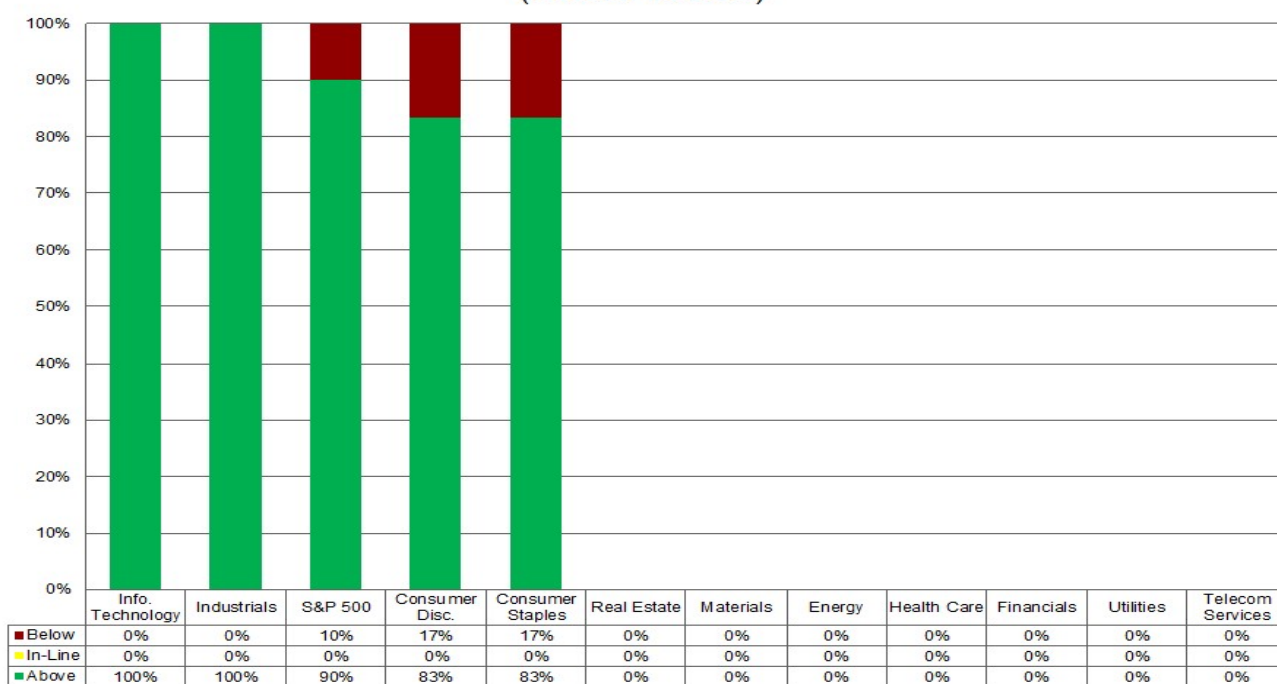
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## Q2 2018: Scorecard

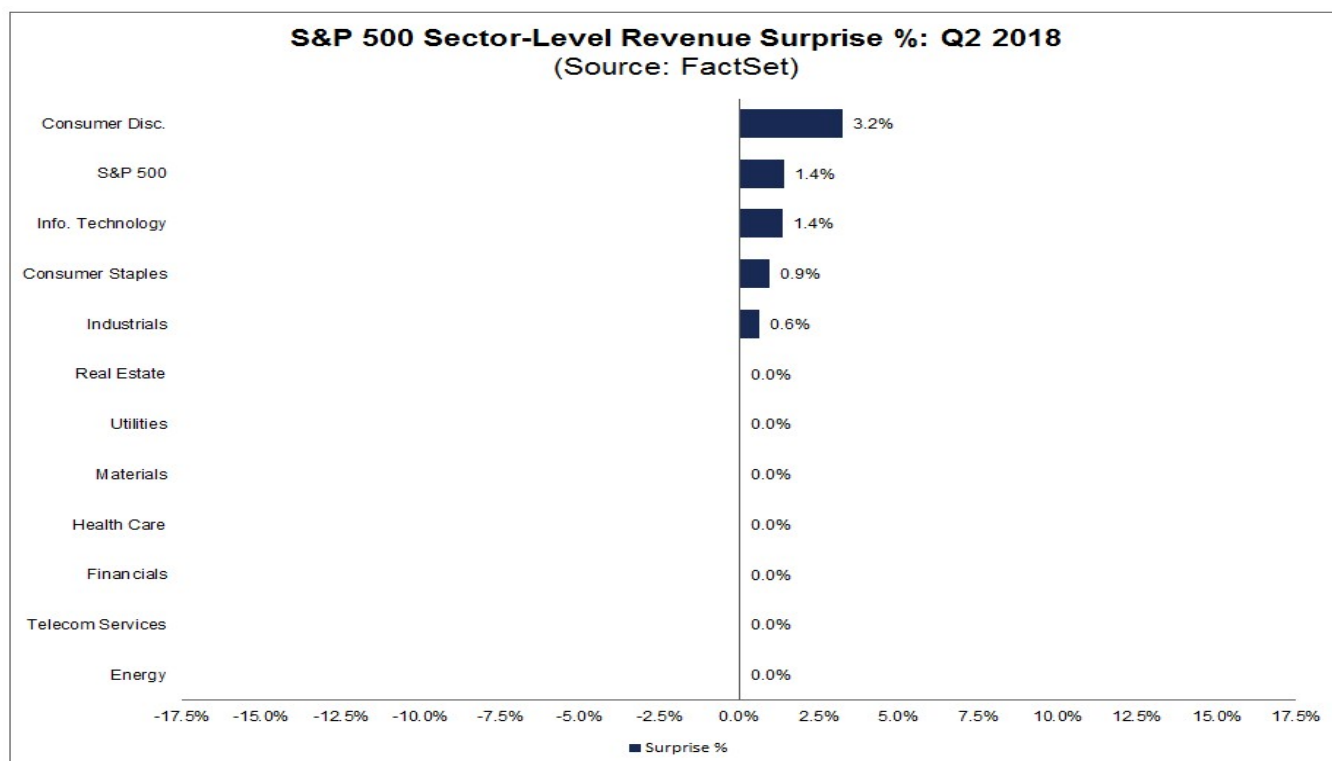
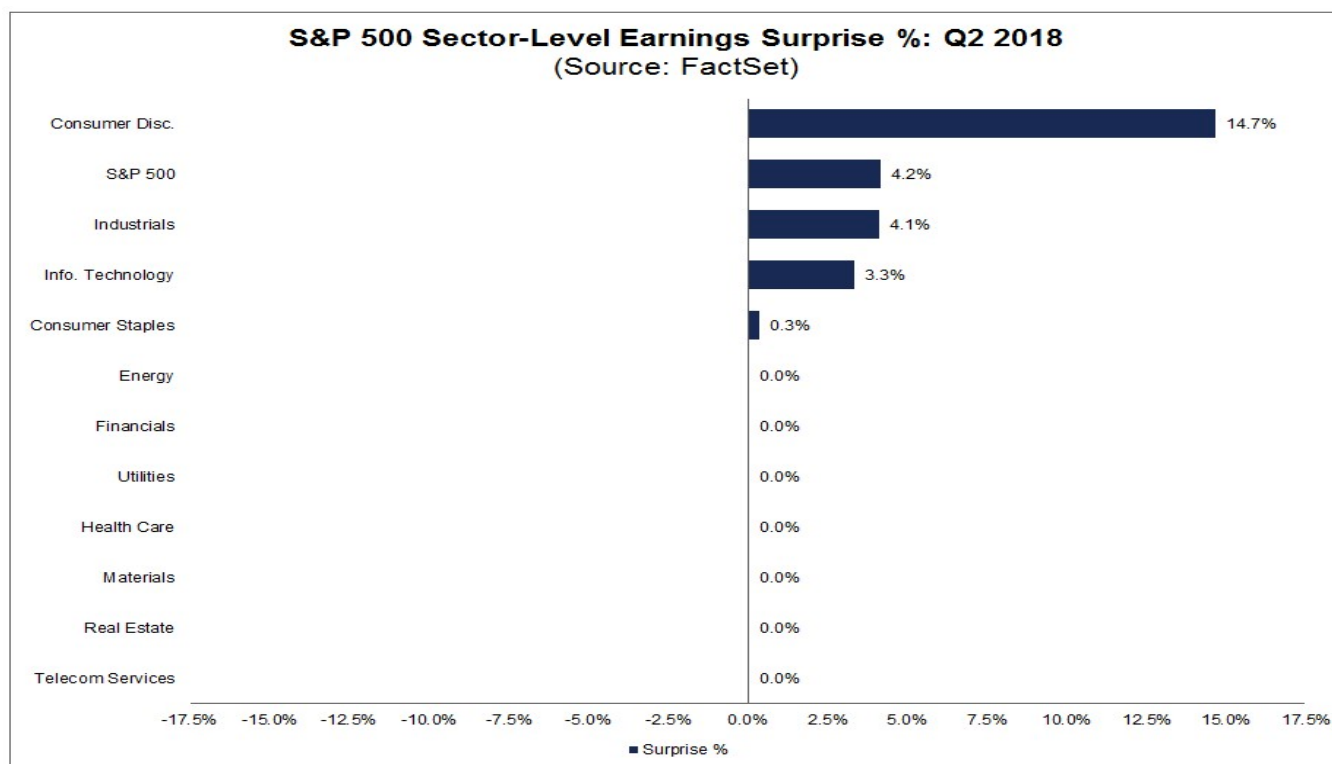
**S&P 500 Earnings Above, In-Line, Below Estimates: Q2 2018**  
(Source: FactSet)



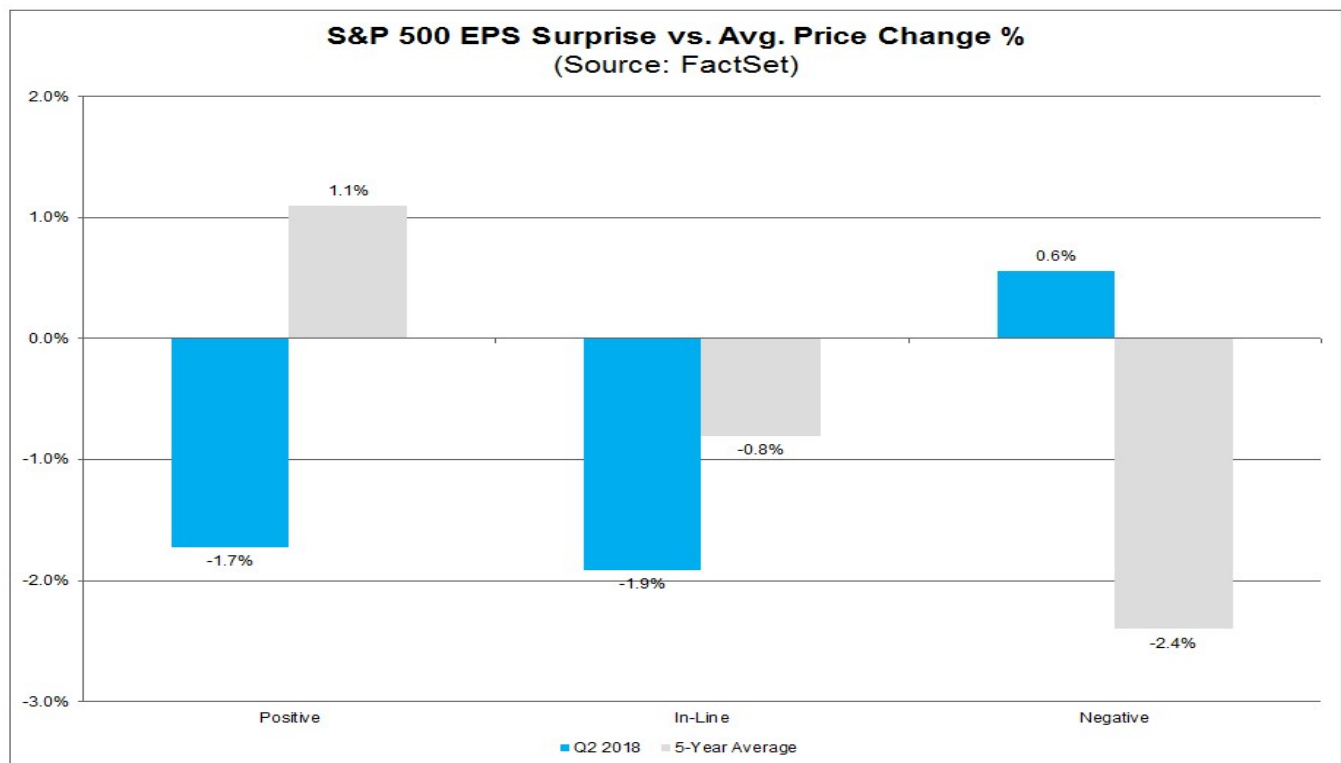
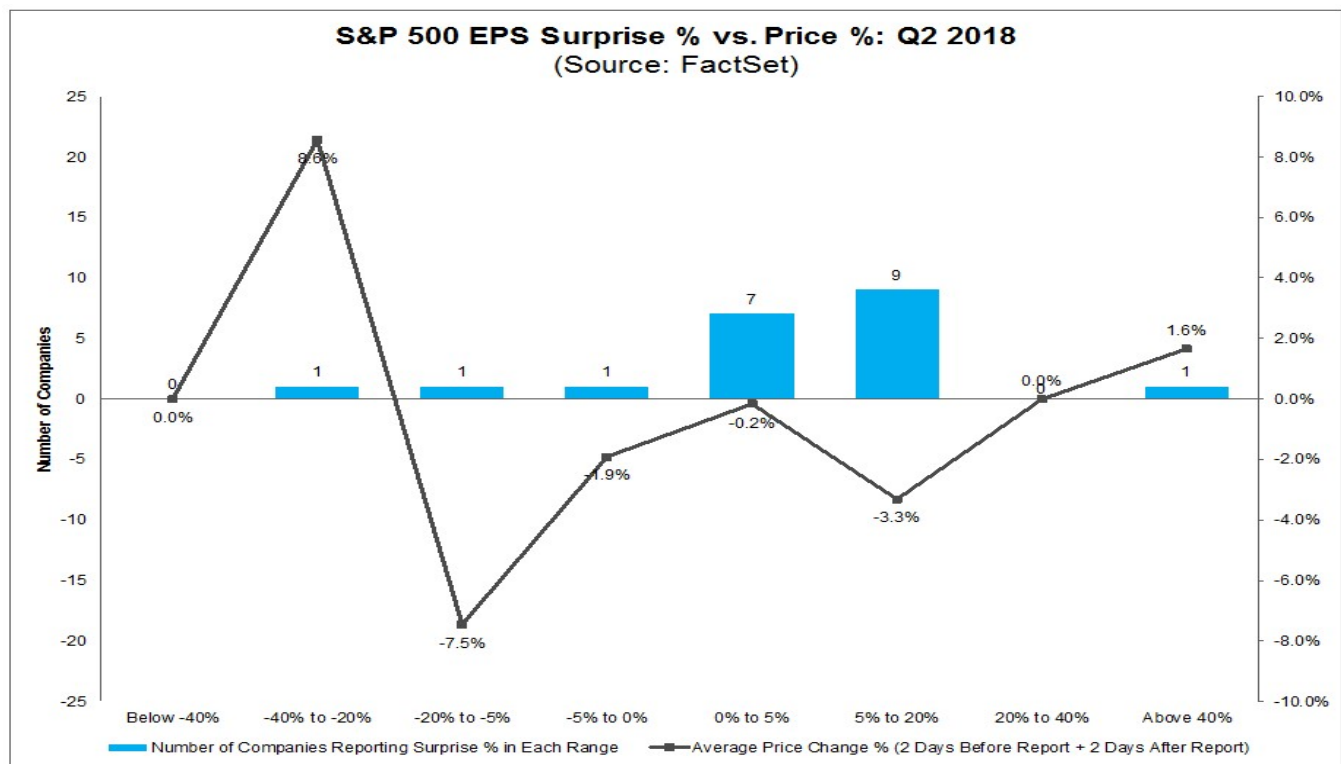
**S&P 500 Revenues Above, In-Line, Below Estimates: Q2 2018**  
(Source: FactSet)



## Q2 2018: Scorecard



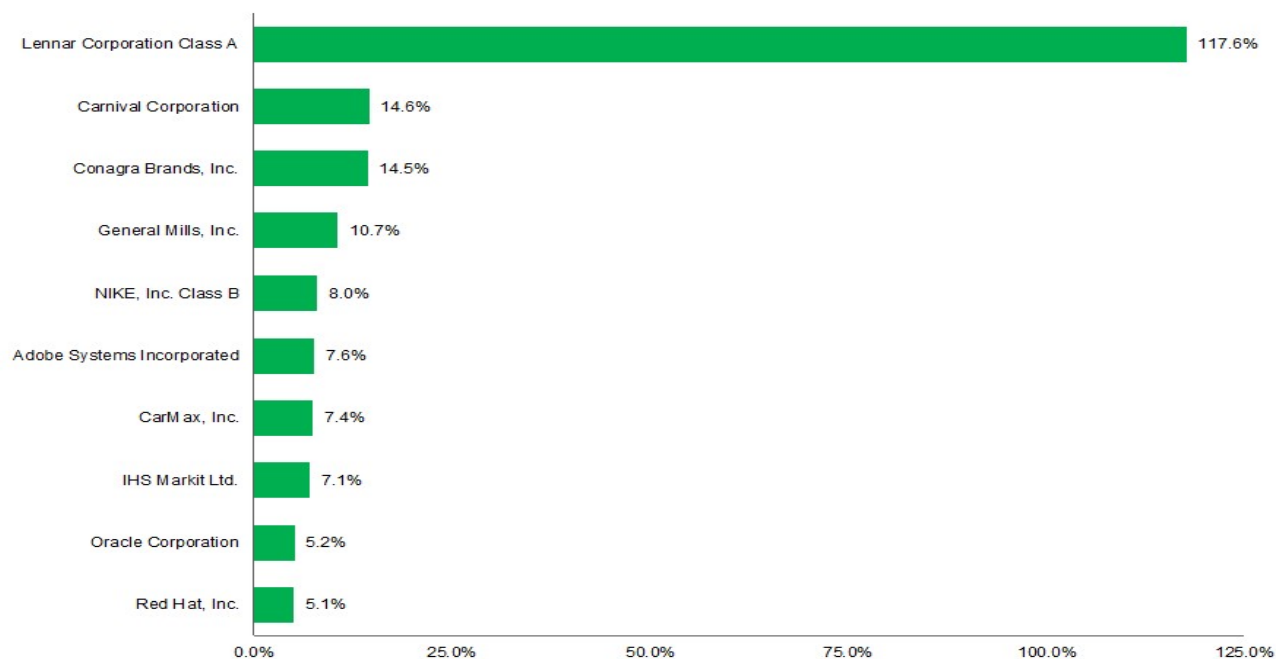
# Q2 2018: Scorecard



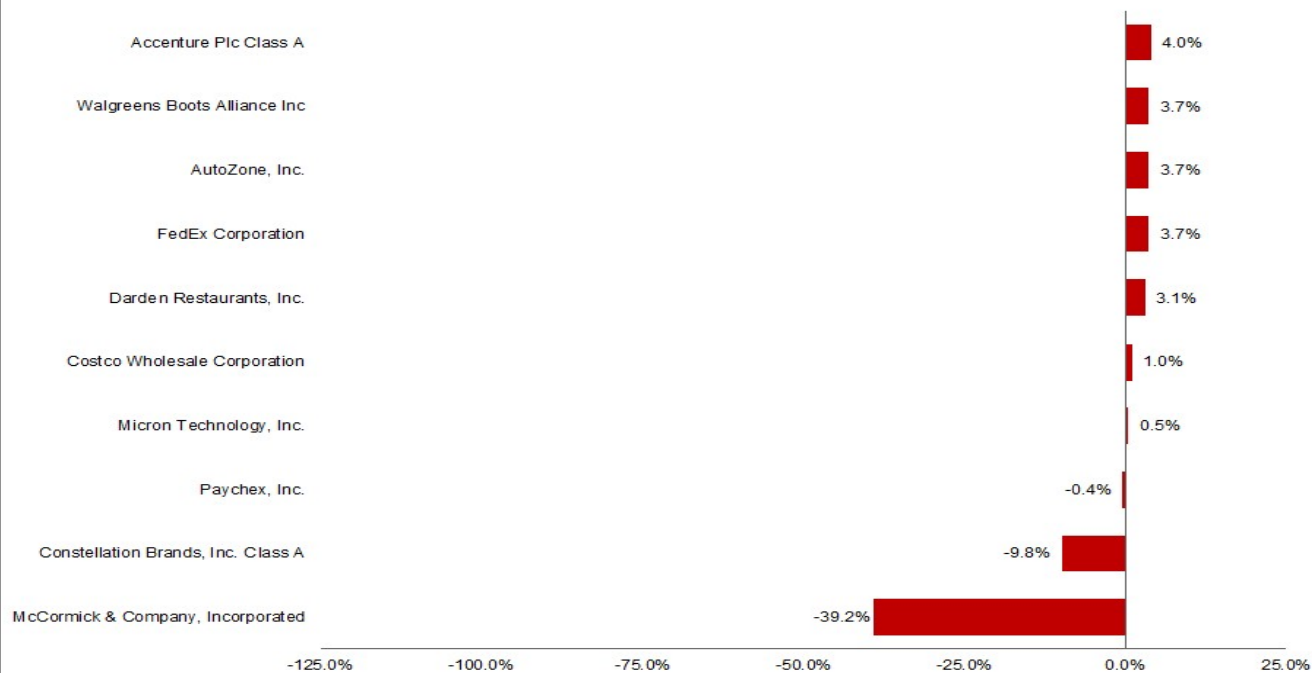


## Q2 2018: Scorecard

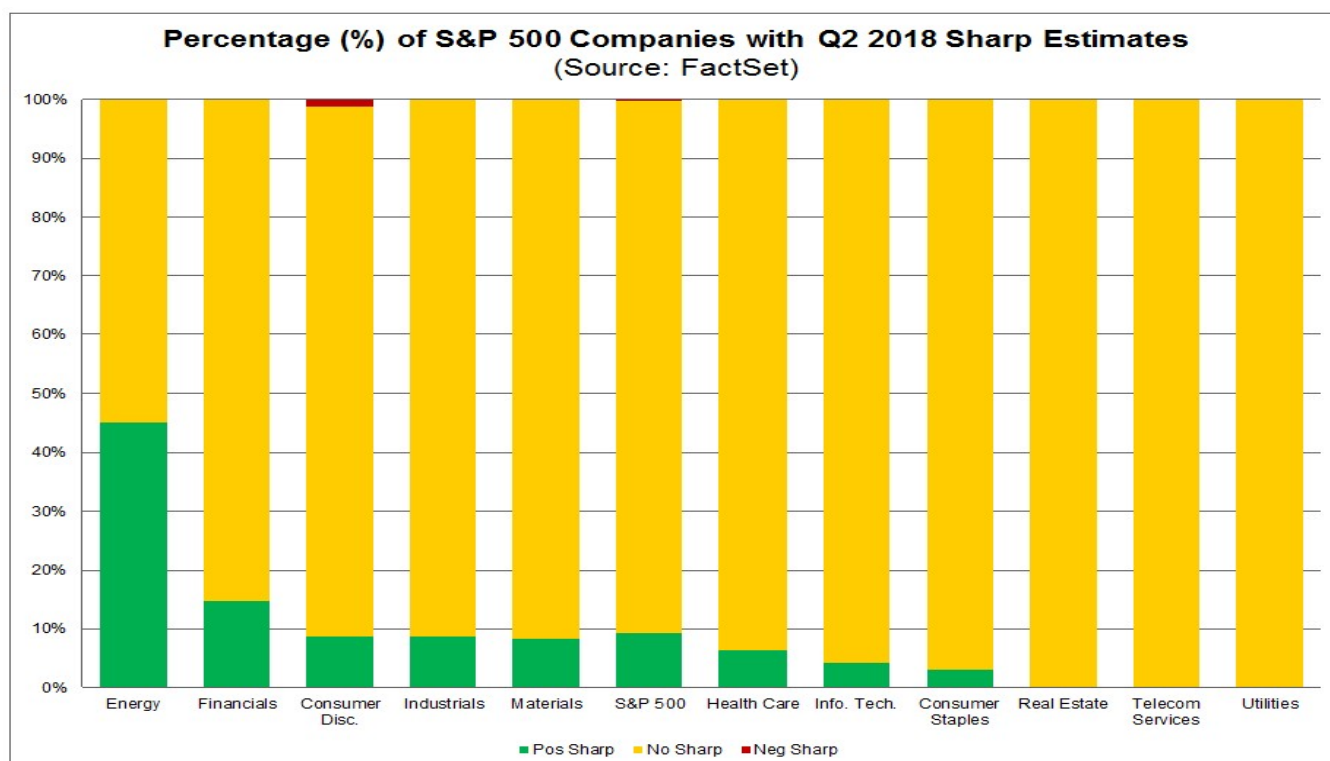
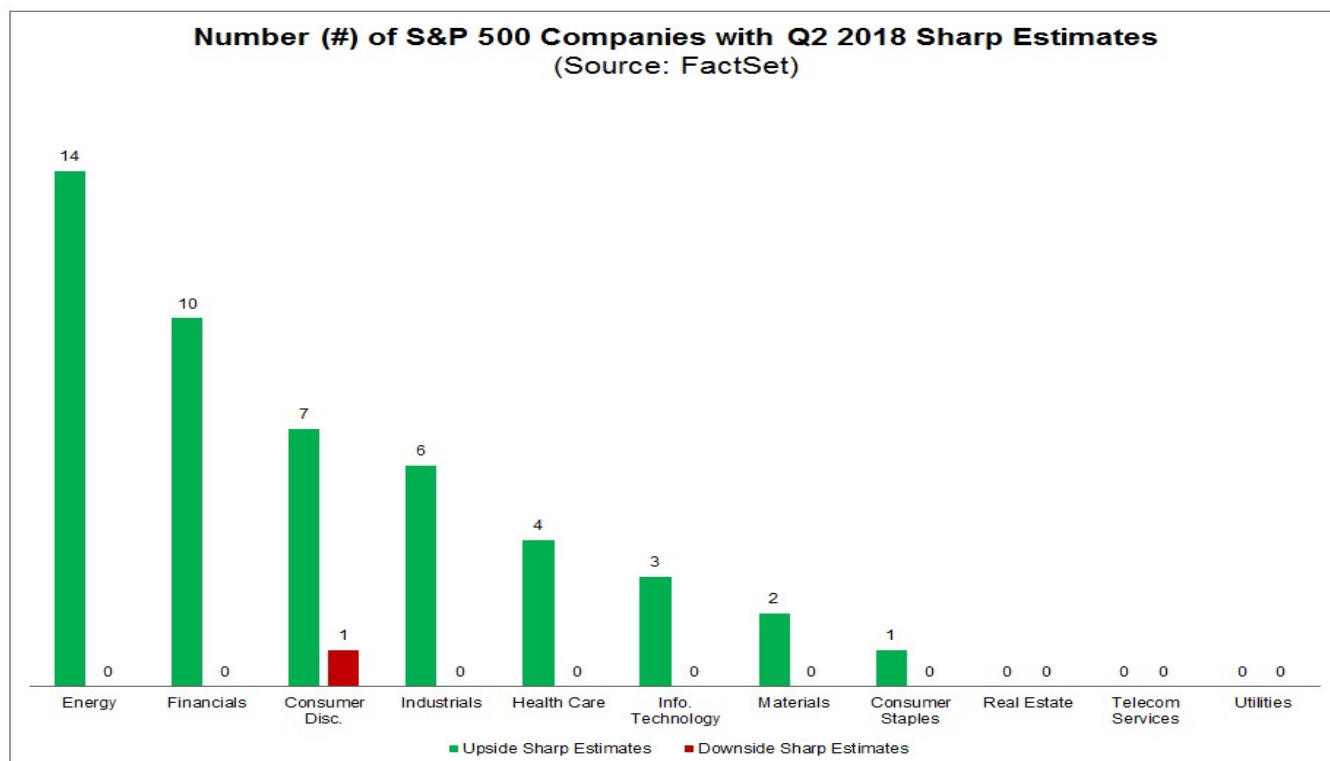
**S&P 500 Actual EPS Surprise %: Top 10 Q2 Actual EPS Surprises**  
(Source: FactSet)



**S&P 500 Actual EPS Surprise %: Bottom 10 Q2 Actual EPS Surprises**  
(Source: FactSet)

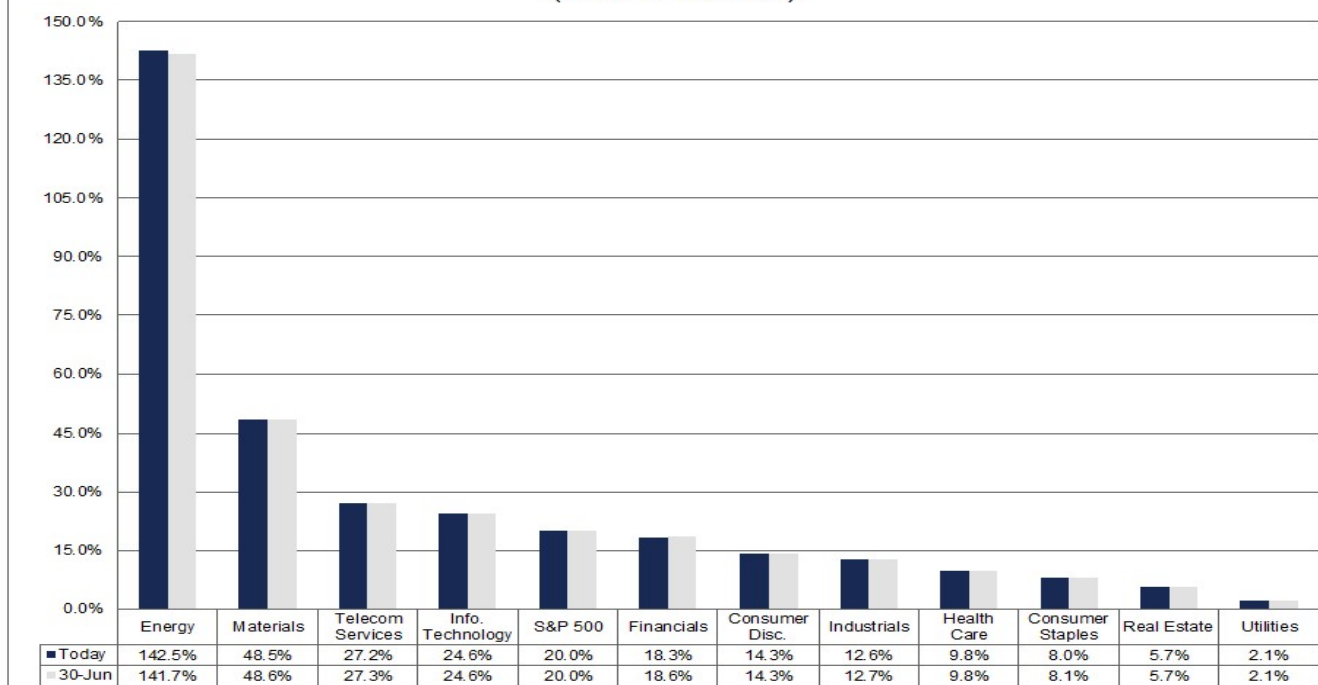


## Q2 2018: Projected EPS Surprises (Sharp Estimates)

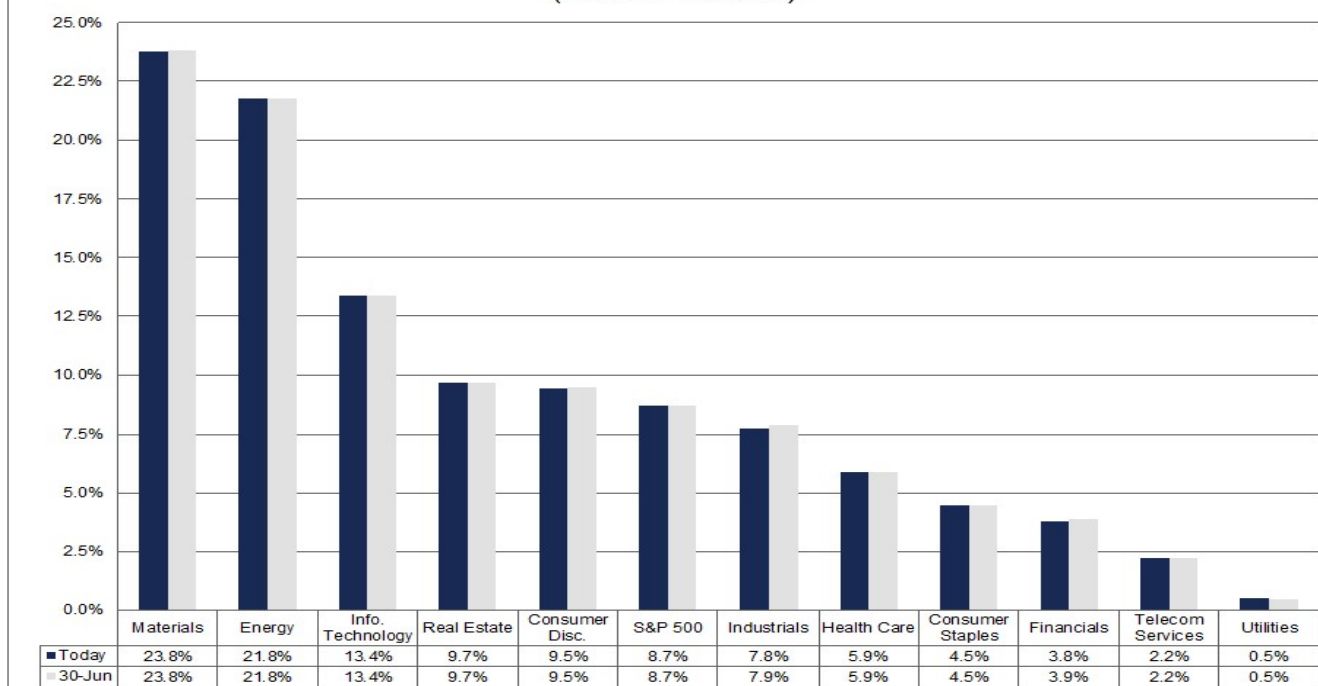


## Q2 2018: Growth

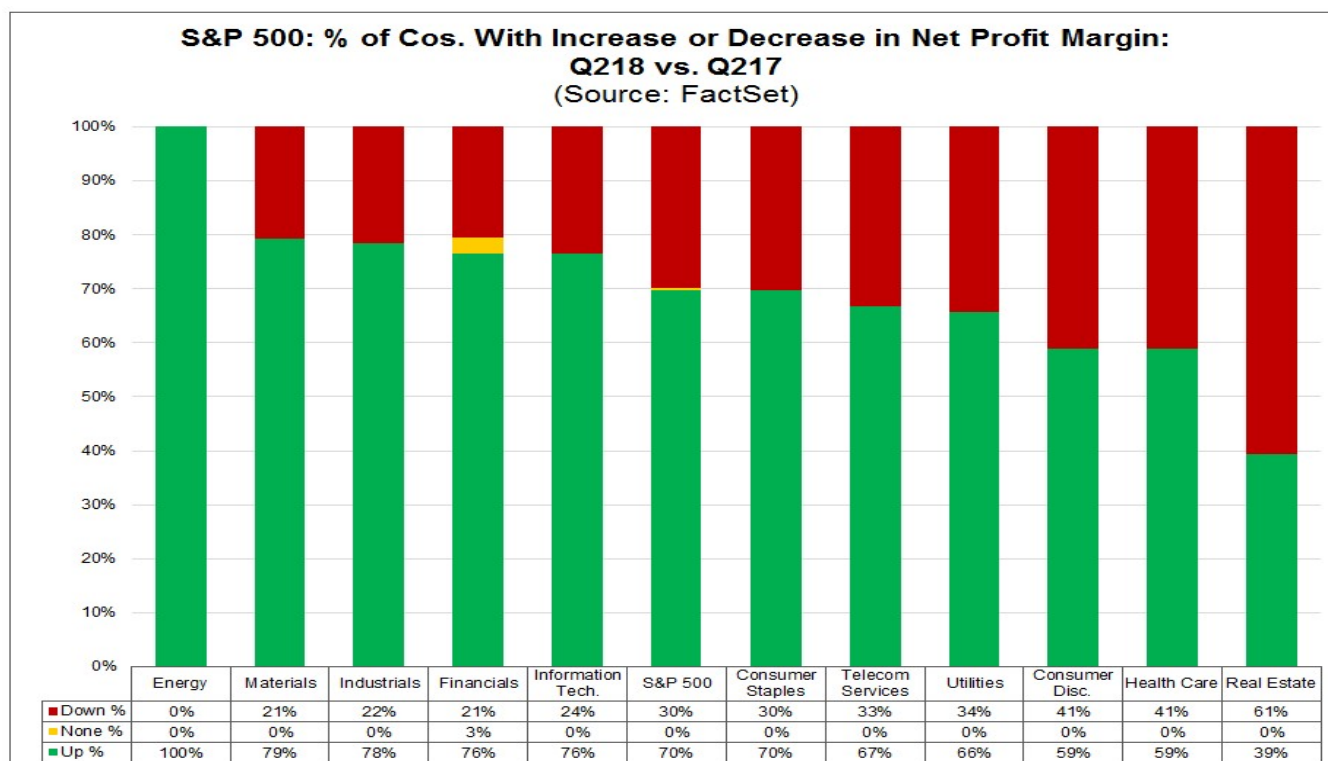
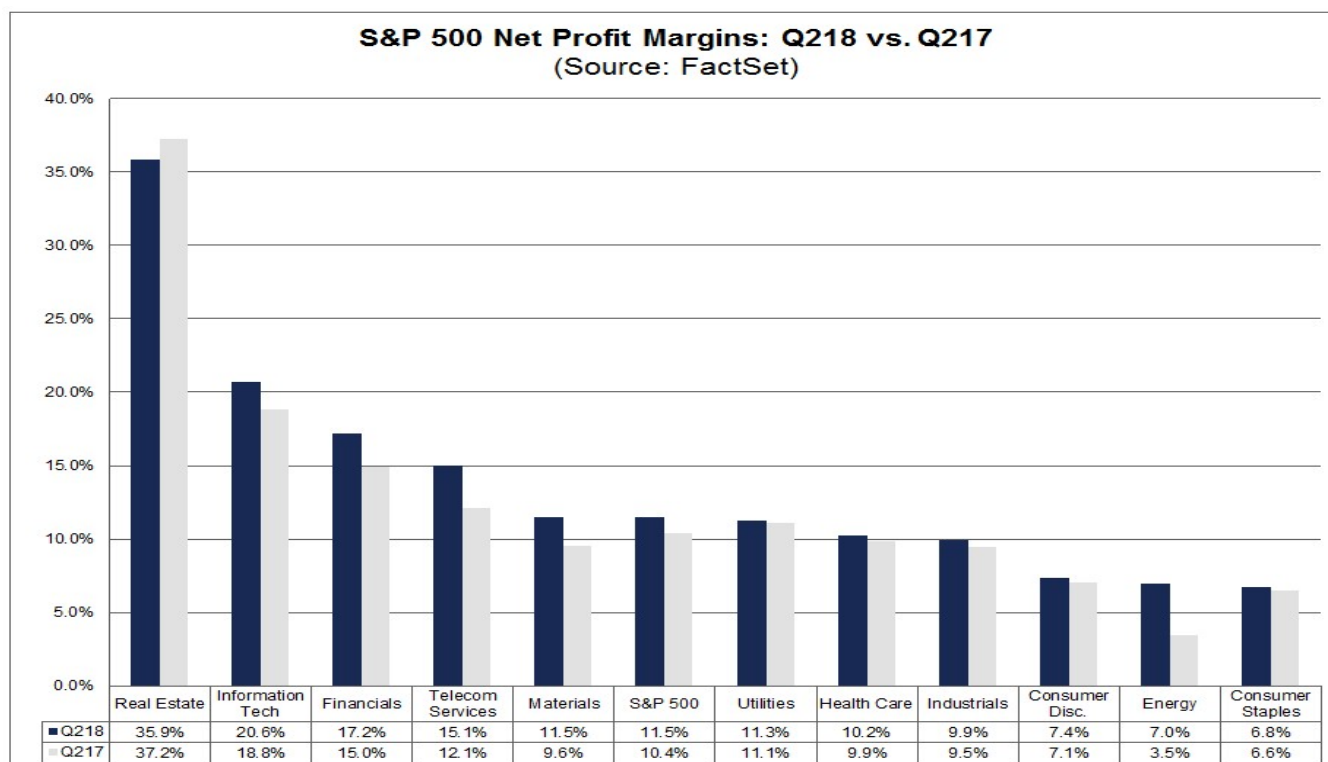
**S&P 500 Earnings Growth: Q2 2018**  
(Source: FactSet)



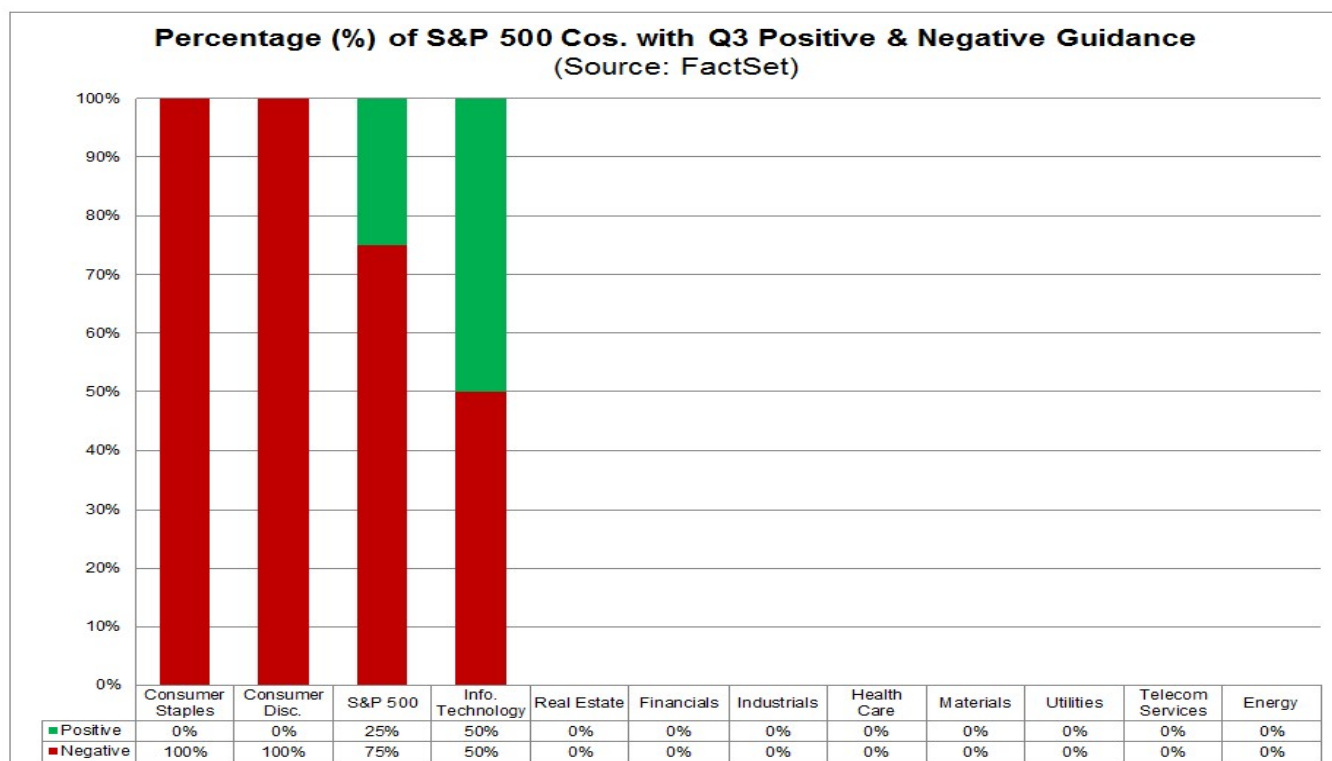
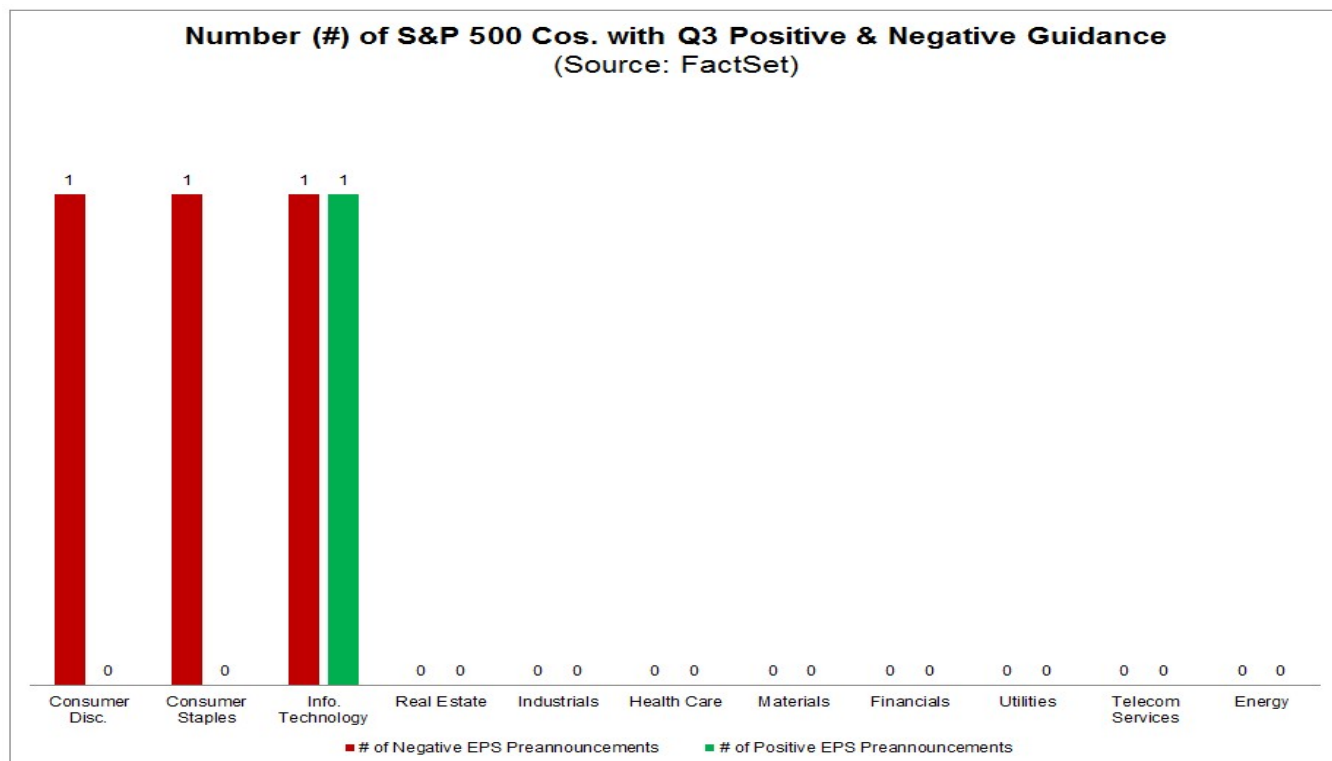
**S&P 500 Revenue Growth: Q2 2018**  
(Source: FactSet)



## Q2 2018: Net Profit Margin

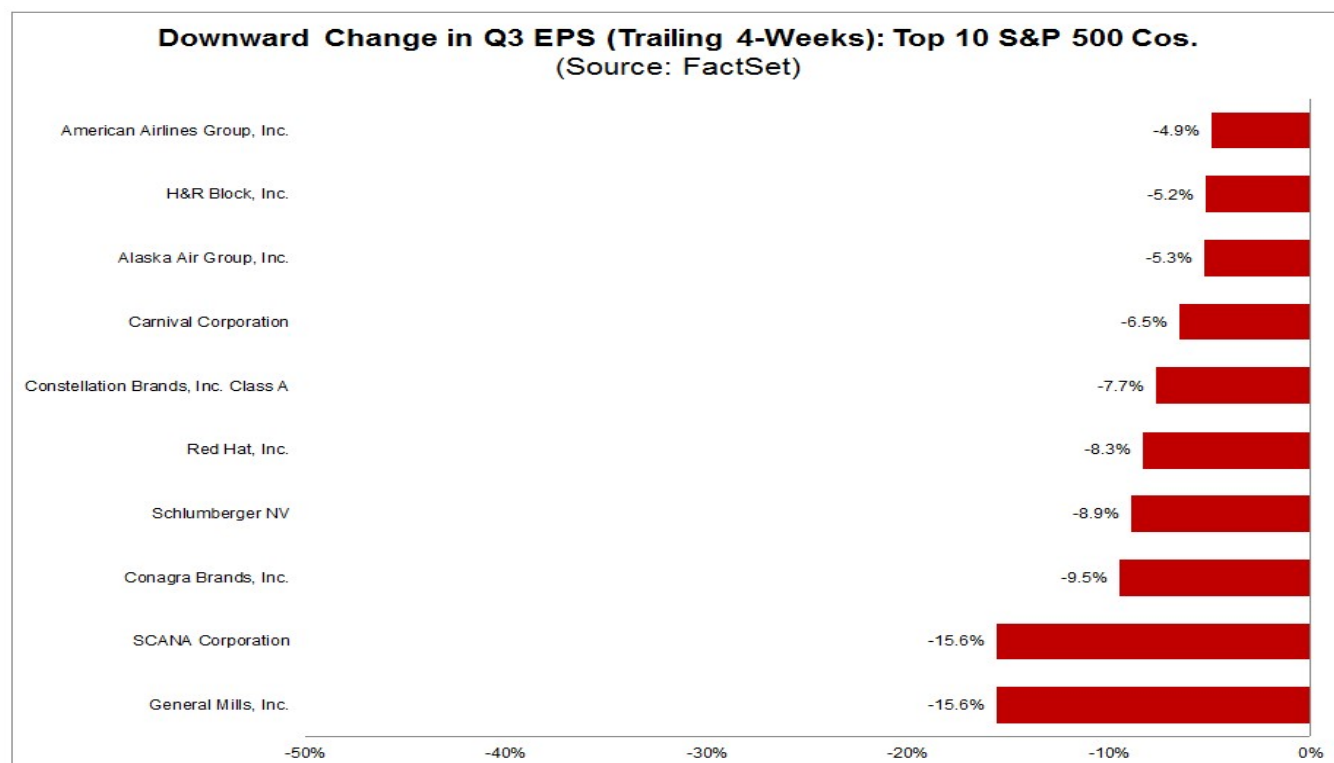
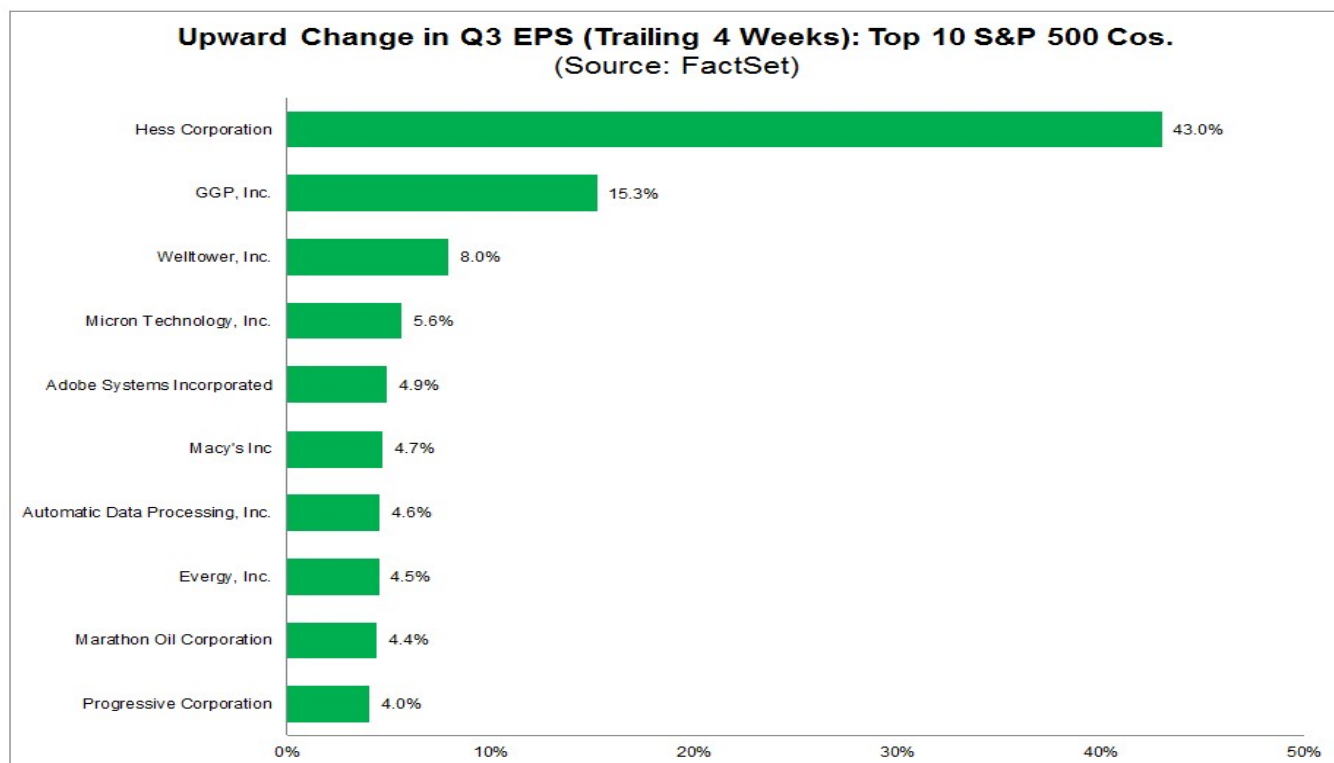


## Q3 2018: EPS Guidance



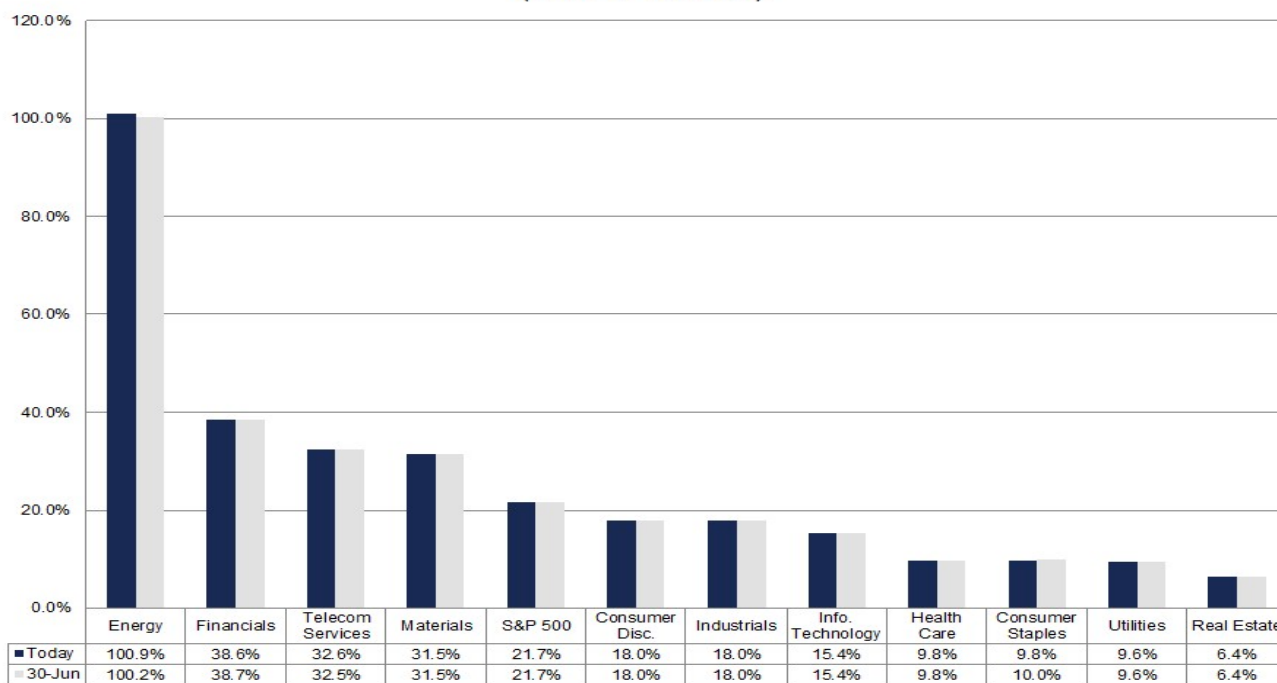


## Q3 2018: EPS Revisions

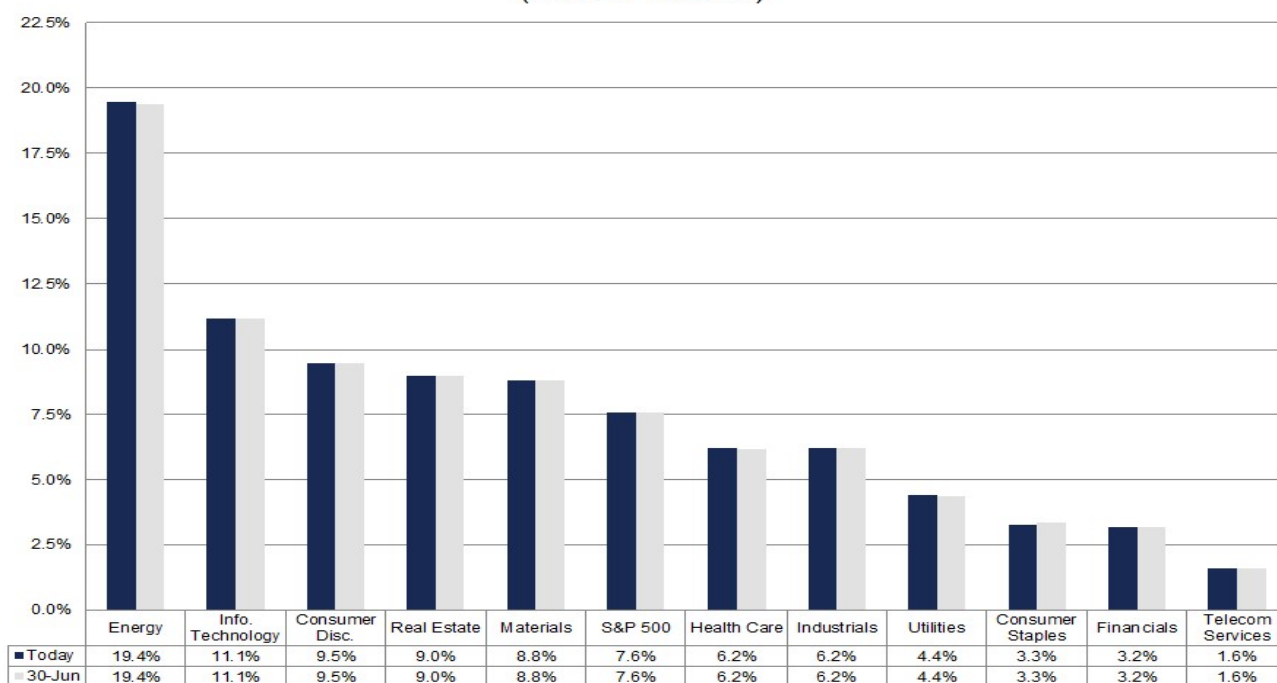


## Q3 2018: Growth

**S&P 500 Earnings Growth: Q3 2018**  
(Source: FactSet)



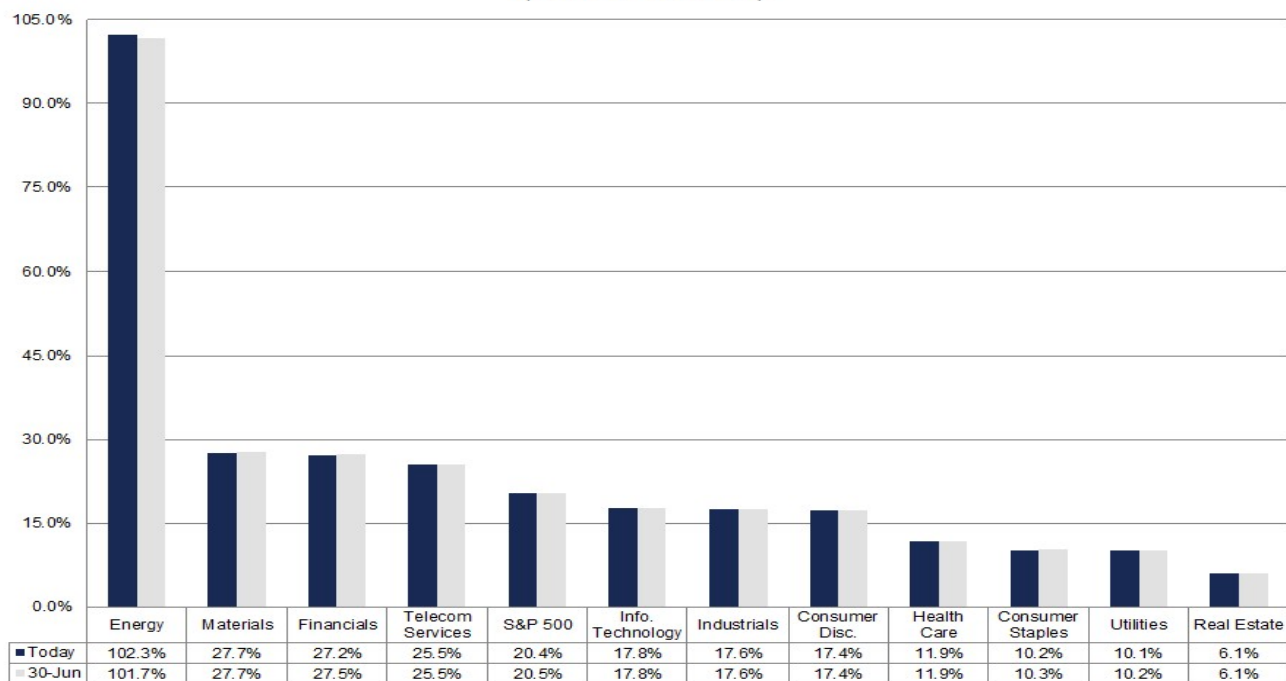
**S&P 500 Revenue Growth: Q3 2018**  
(Source: FactSet)



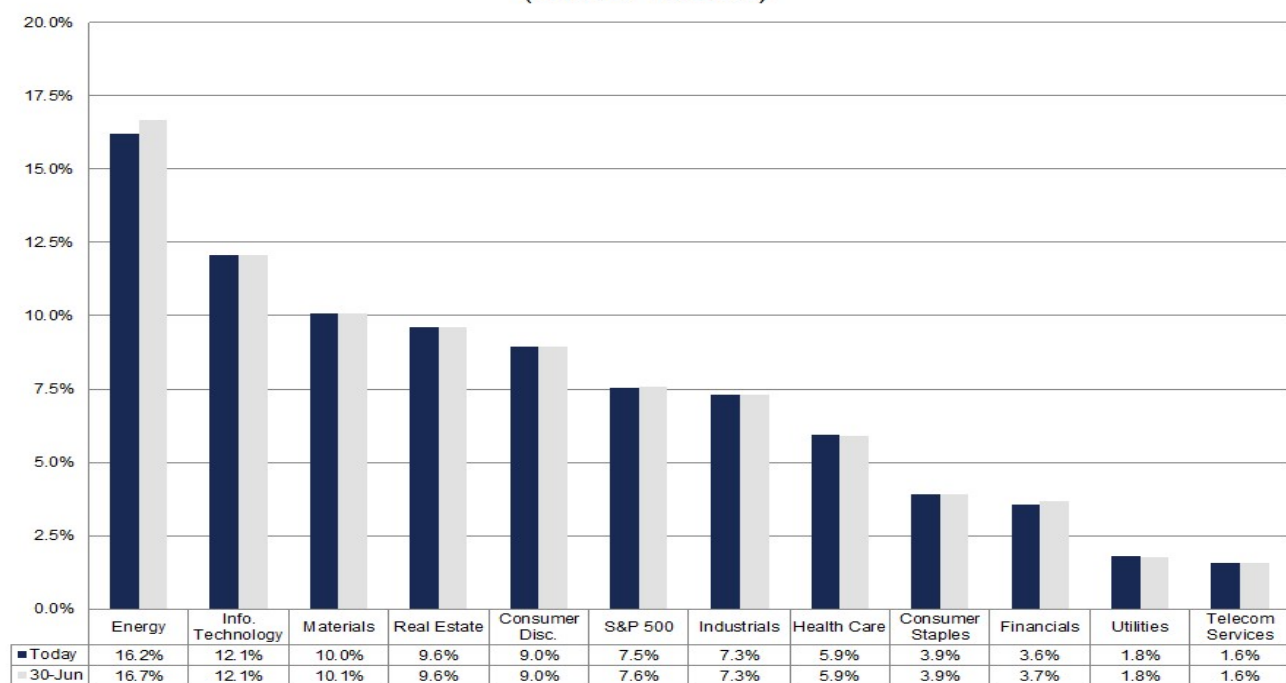
## CY 2018: Growth

**S&P 500 Earnings Growth: CY 2018**

(Source: FactSet)

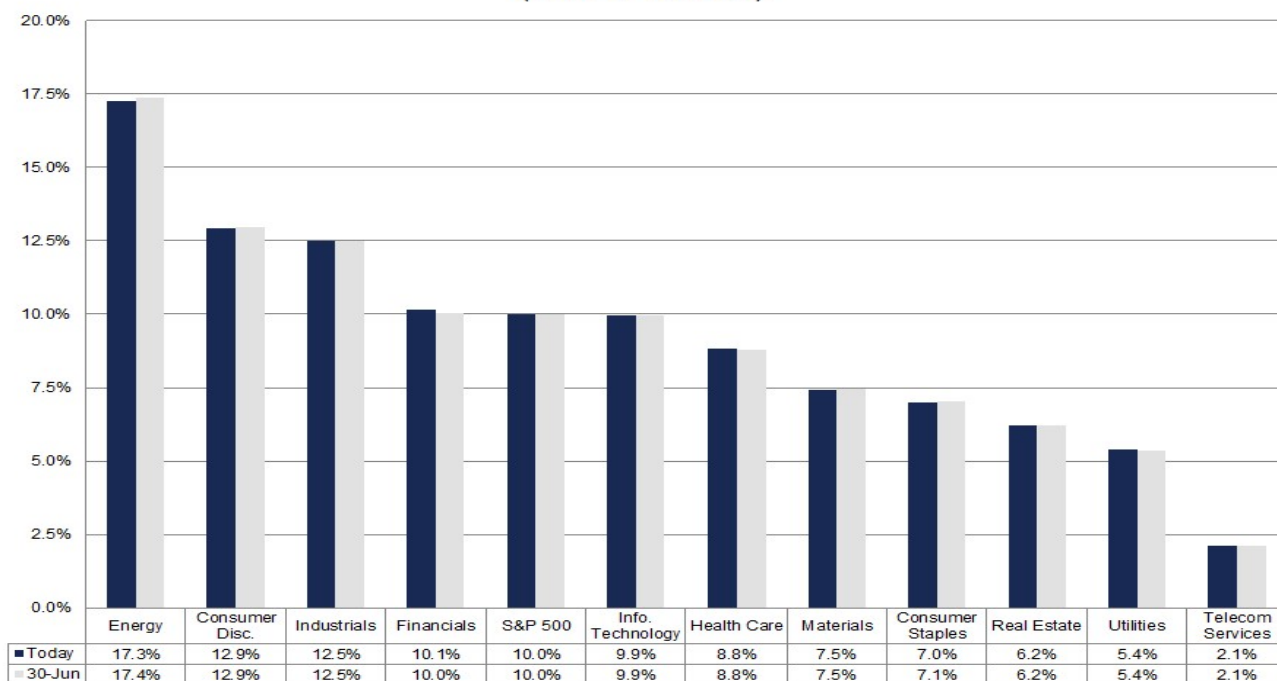
**S&P 500 Revenue Growth: CY 2018**

(Source: FactSet)

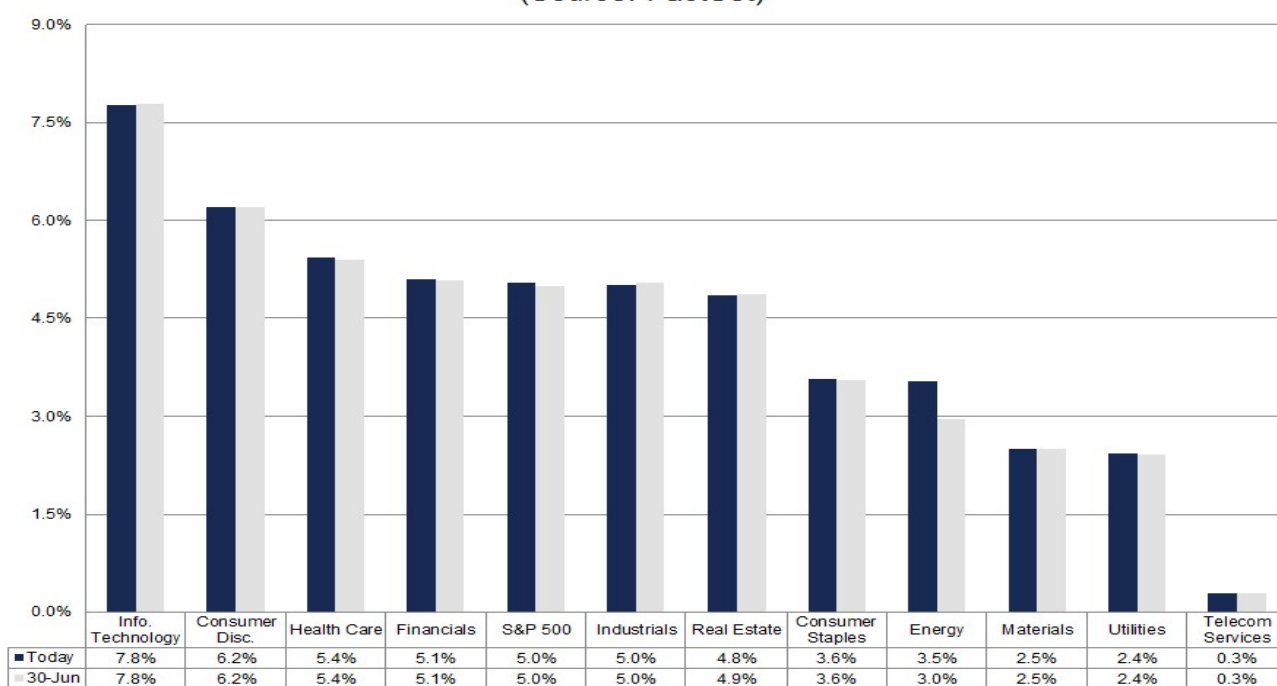


## CY 2019: Growth

**S&P 500 Earnings Growth: CY 2019**  
(Source: FactSet)

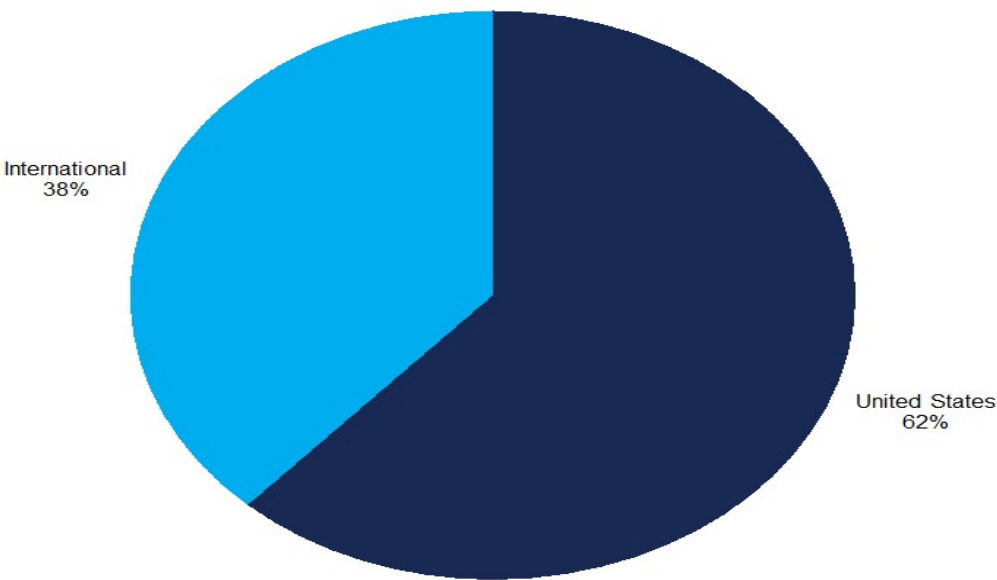


**S&P 500 Revenue Growth: CY 2019**  
(Source: FactSet)

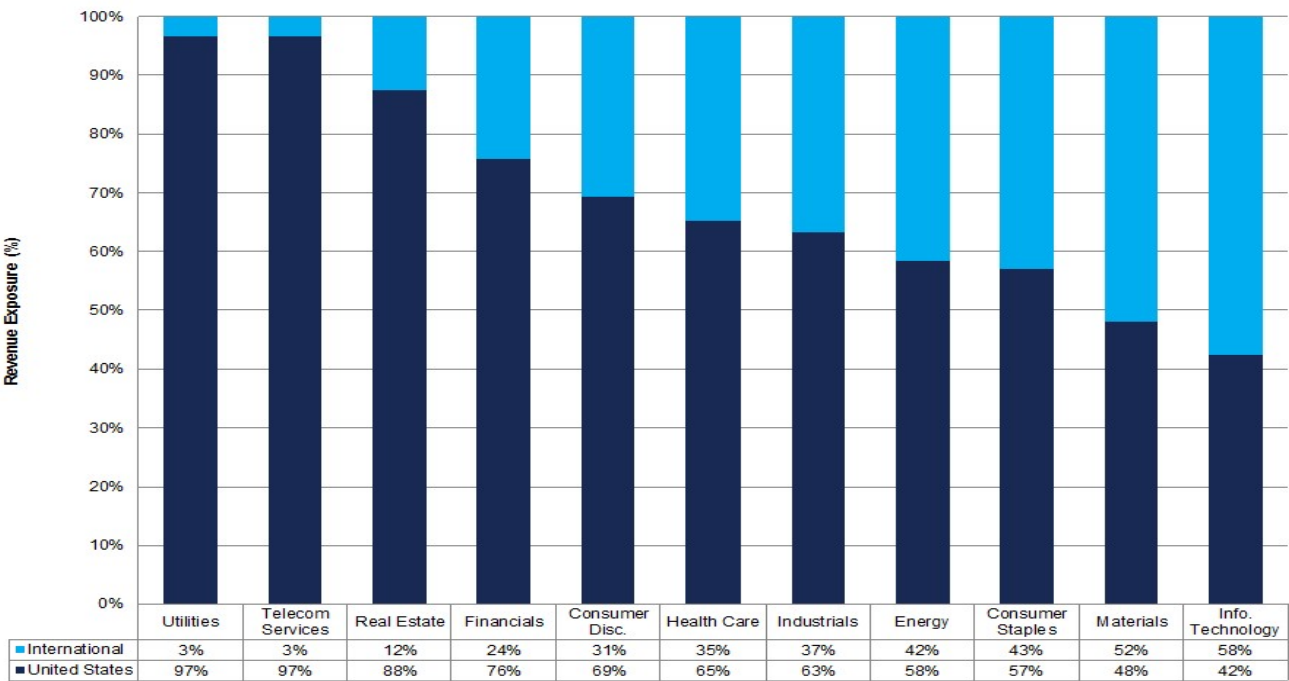


# Geographic Revenue Exposure

**S&P 500: Aggregate Geographic Revenue Exposure (%)**  
(Source: FactSet)

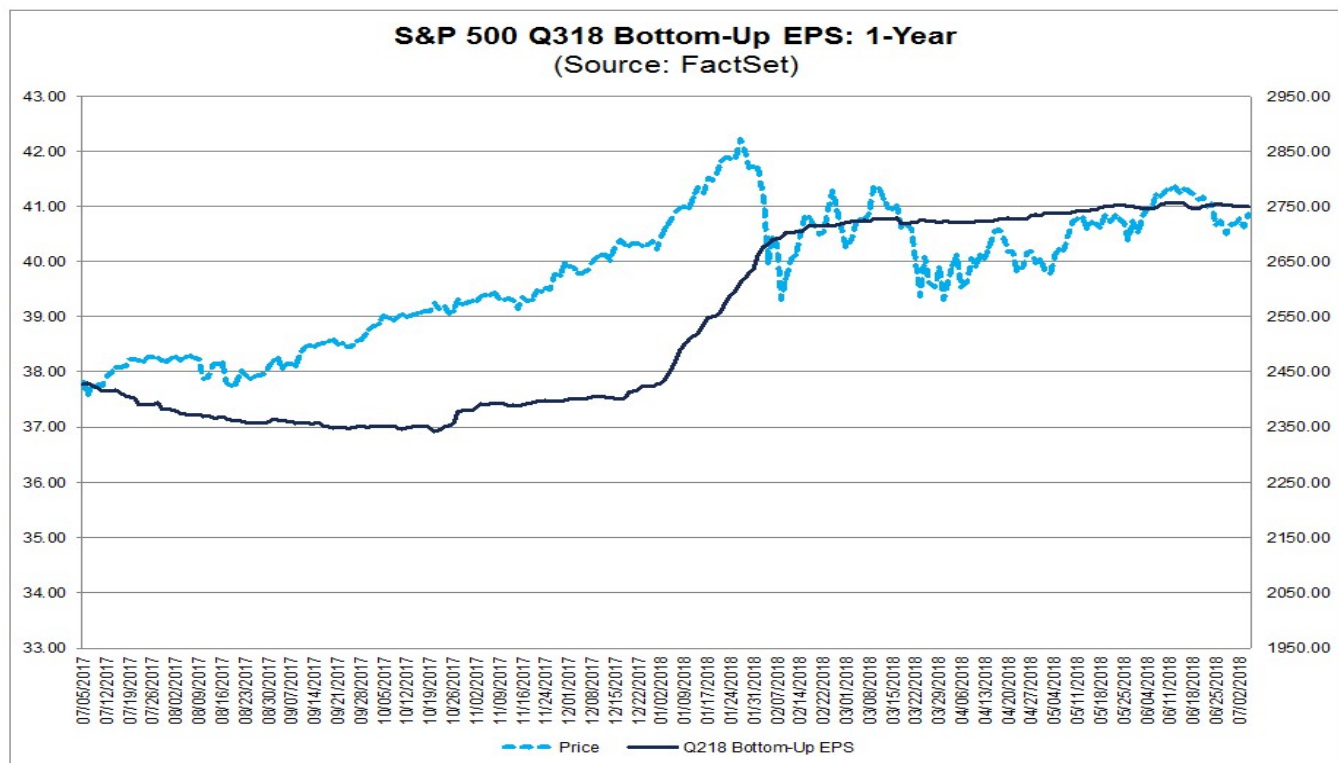
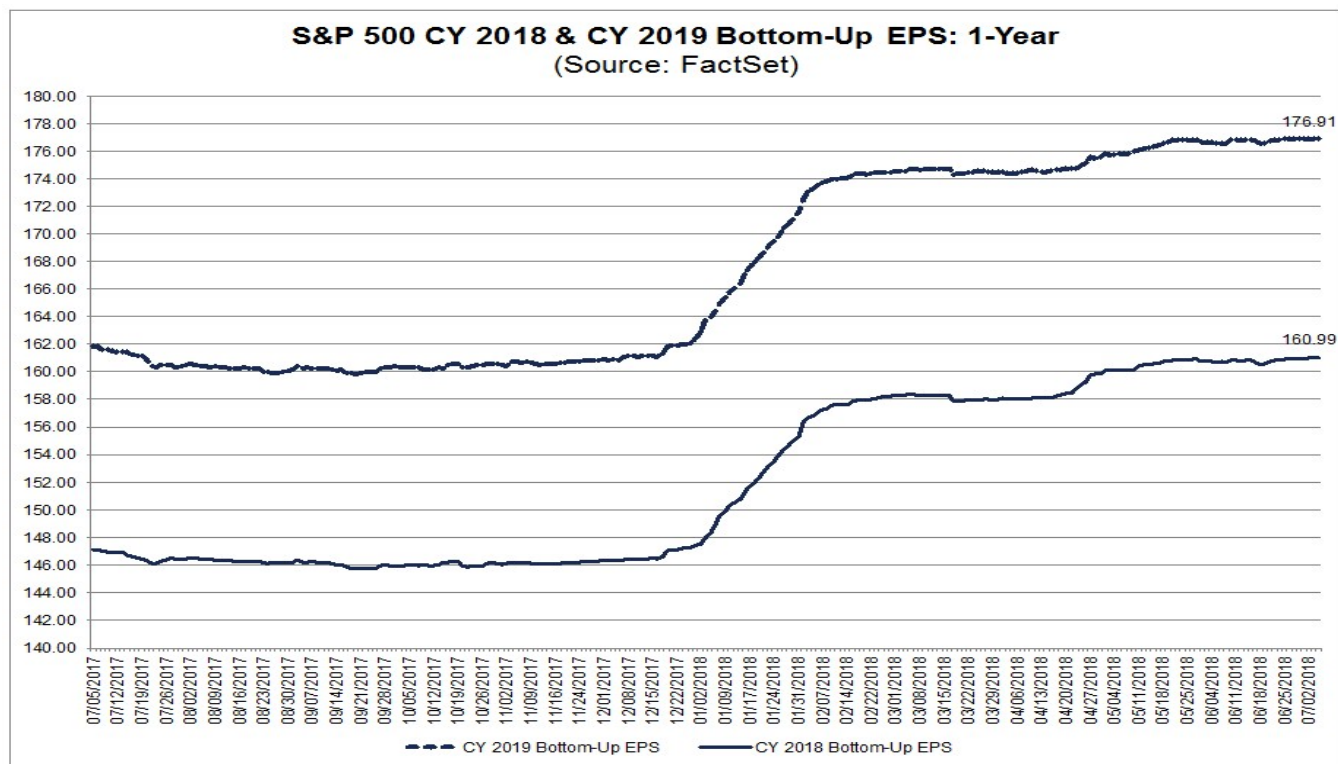


**S&P 500: Aggregate Sector Geographic Revenue Exposure (%)**  
(Source: FactSet)

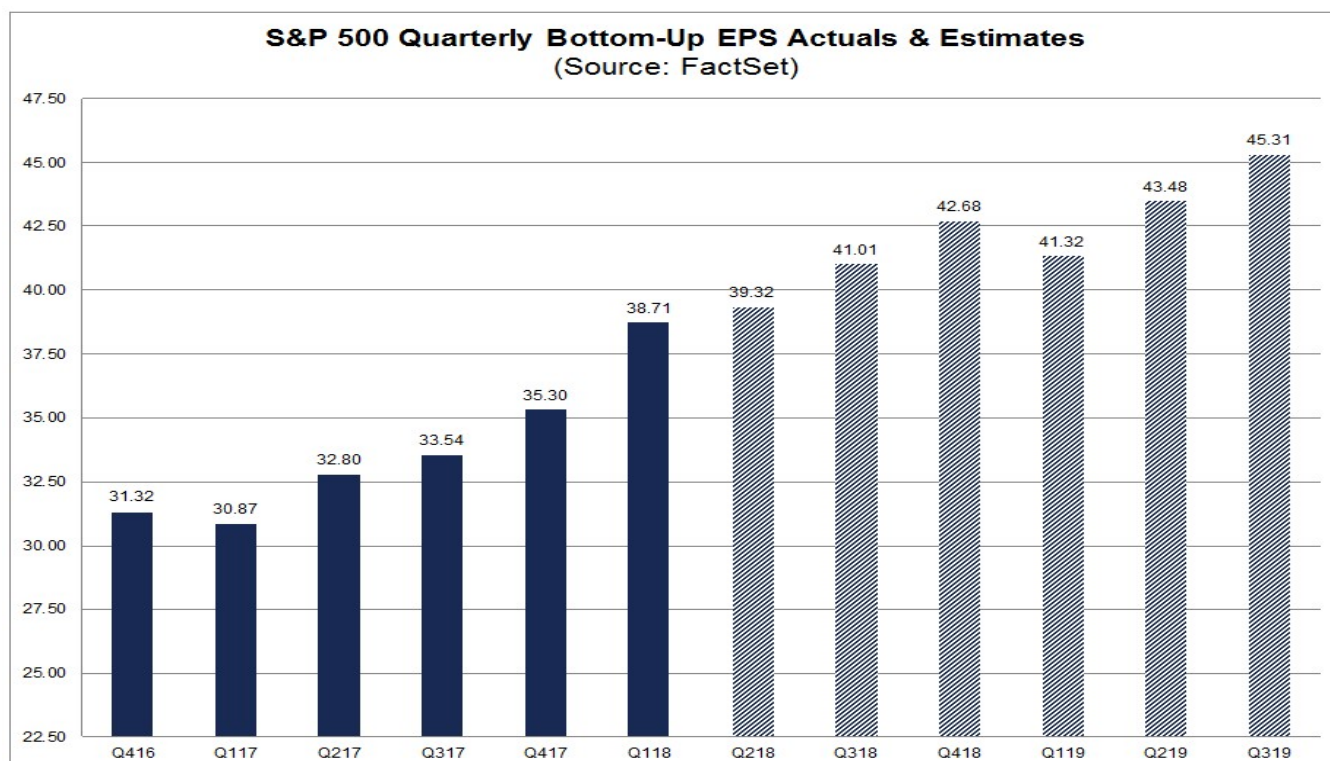
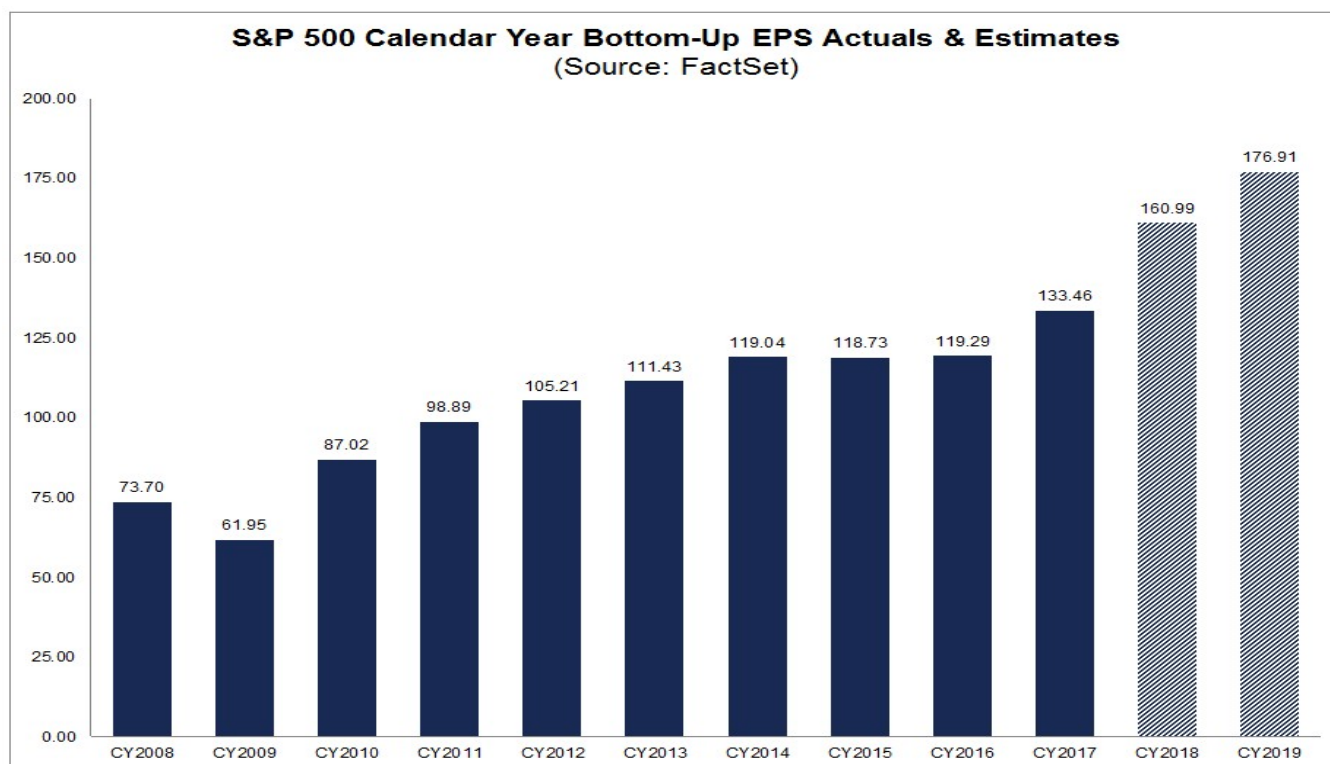




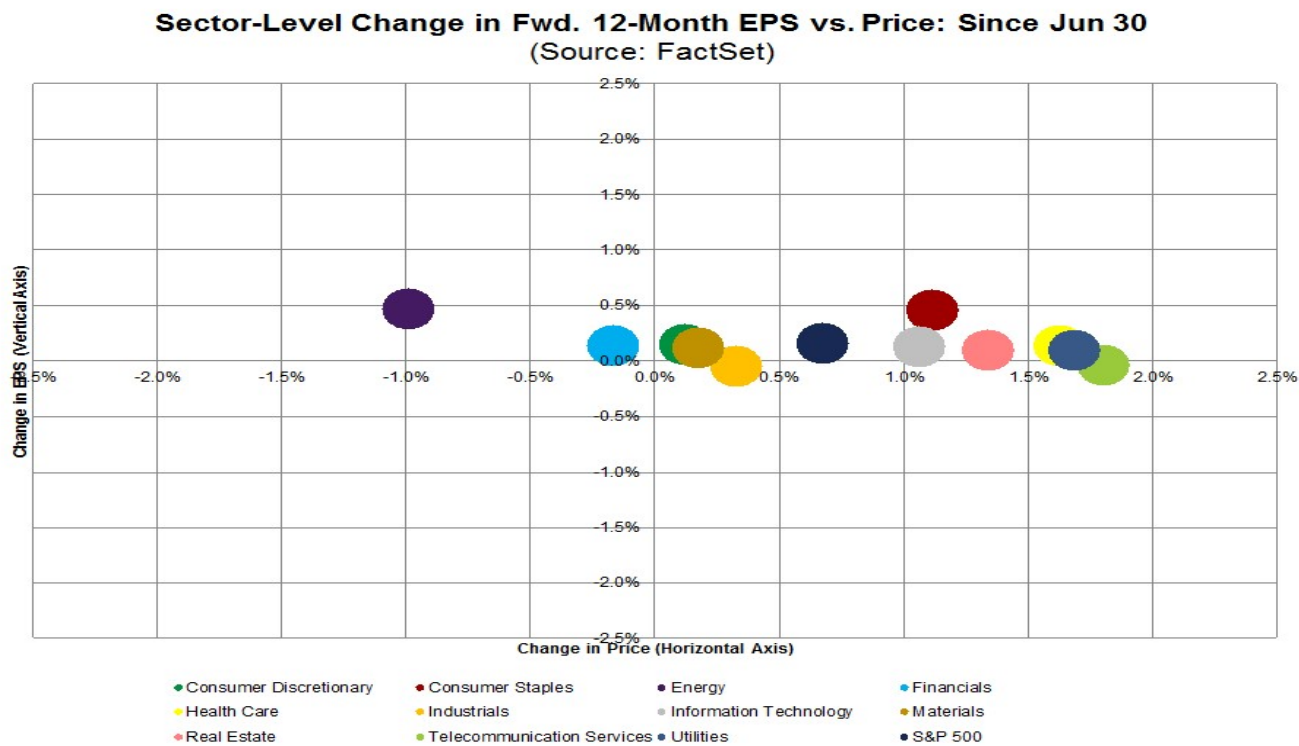
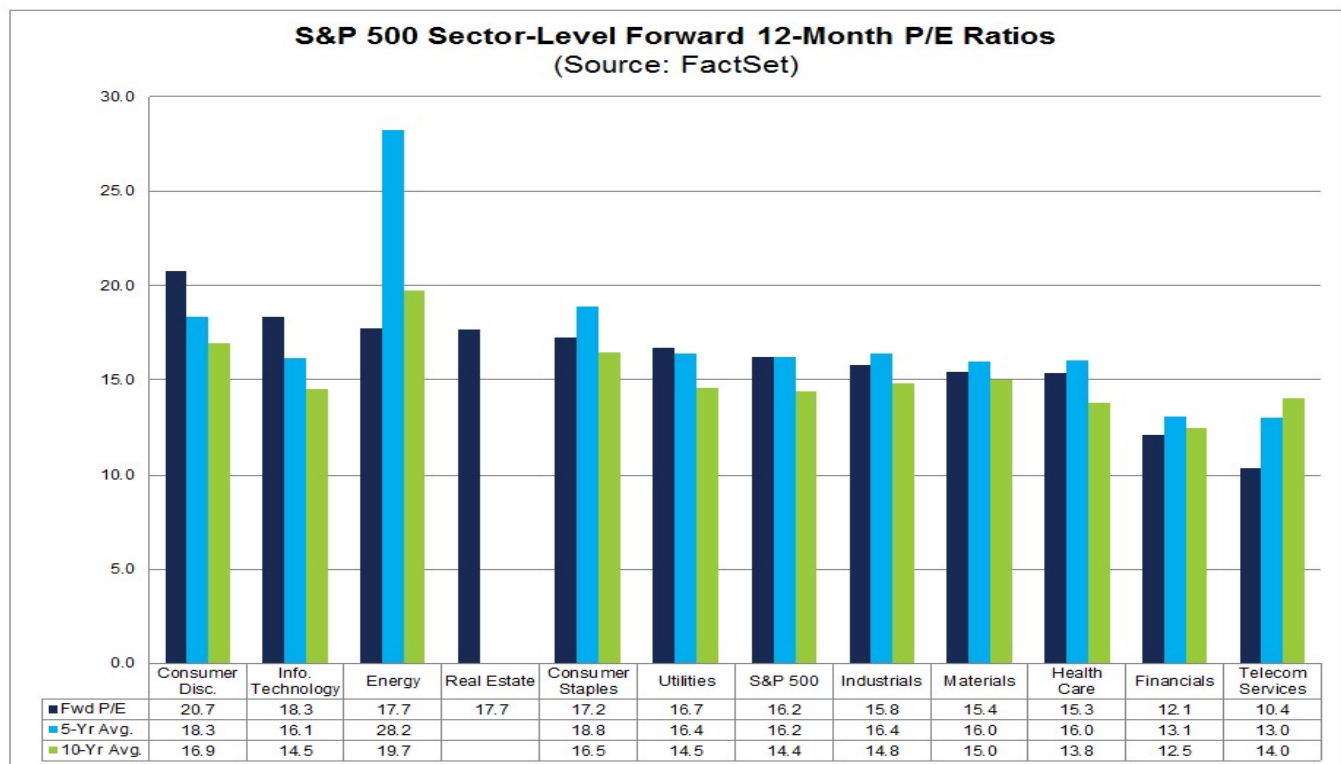
# Bottom-up EPS Estimates: Revisions



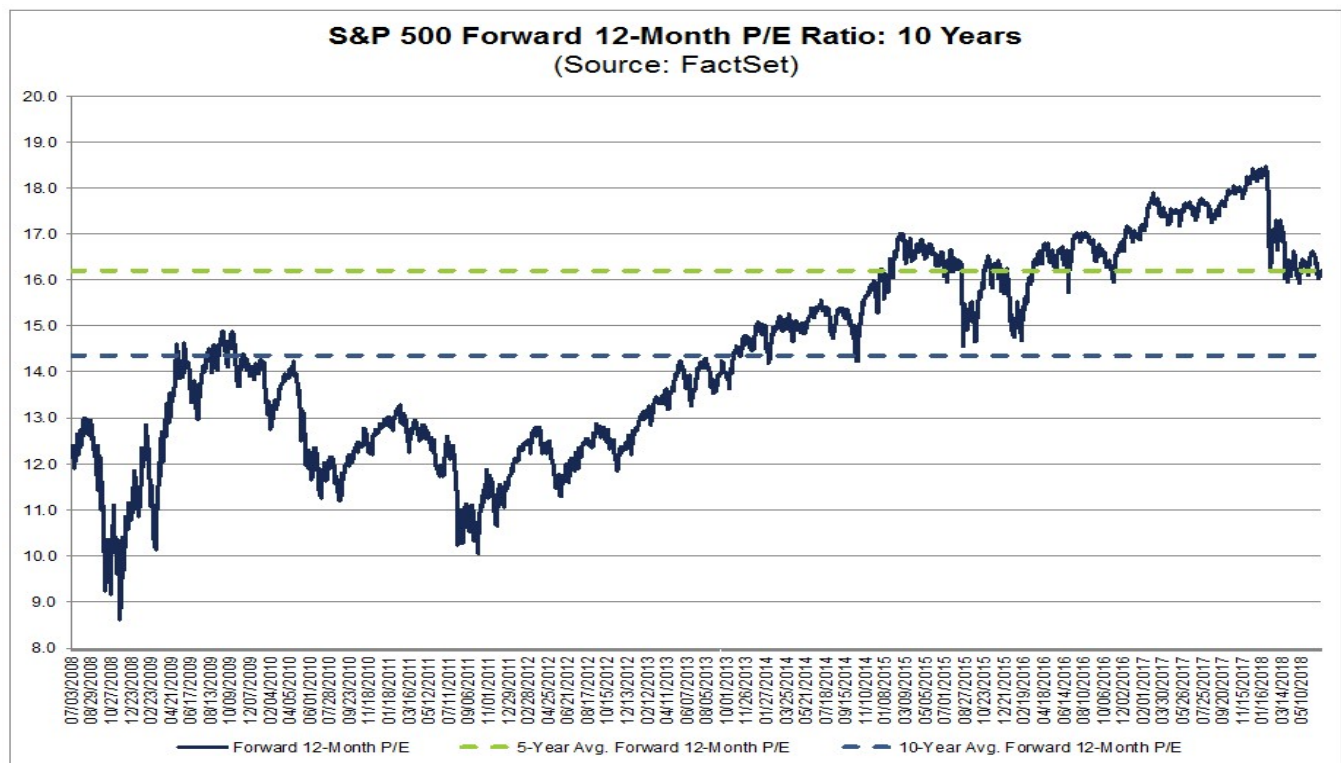
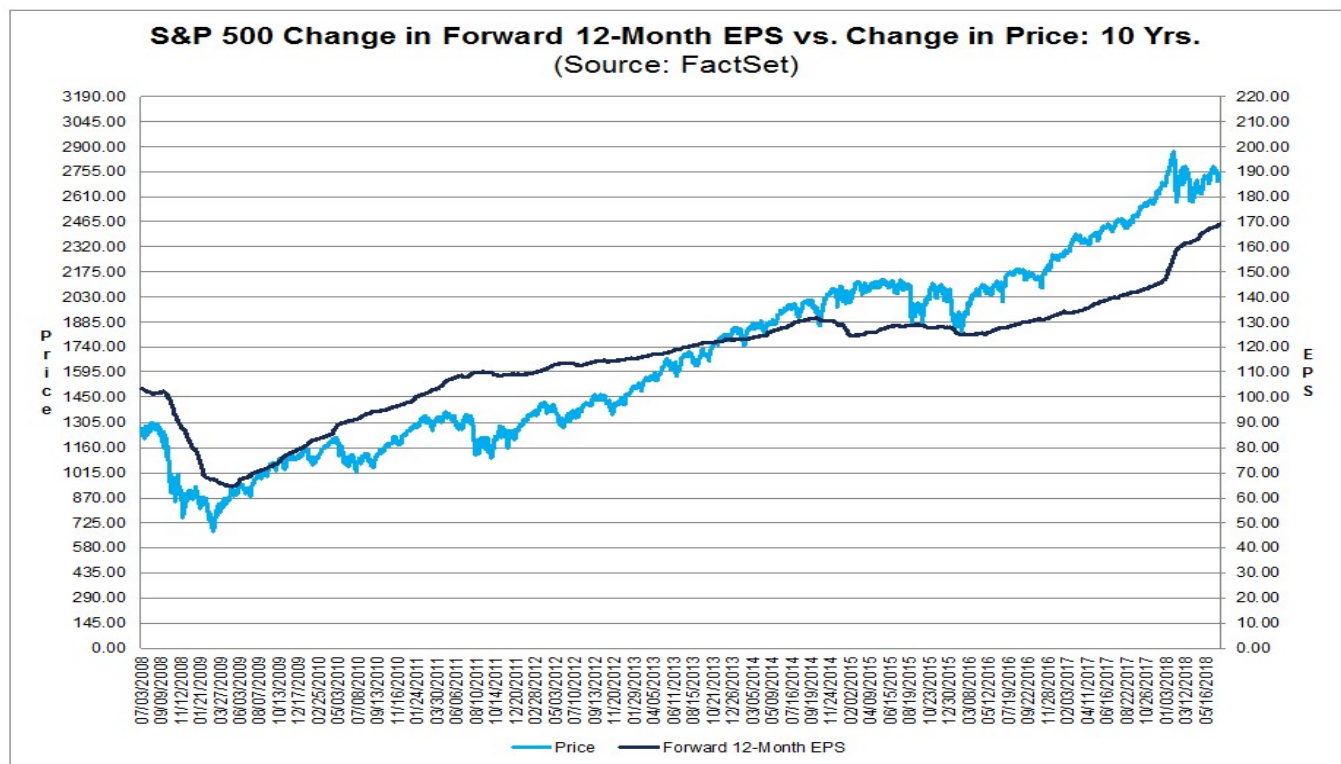
## Bottom-up EPS Estimates: Current & Historical



# Forward 12M P/E Ratio: Sector Level

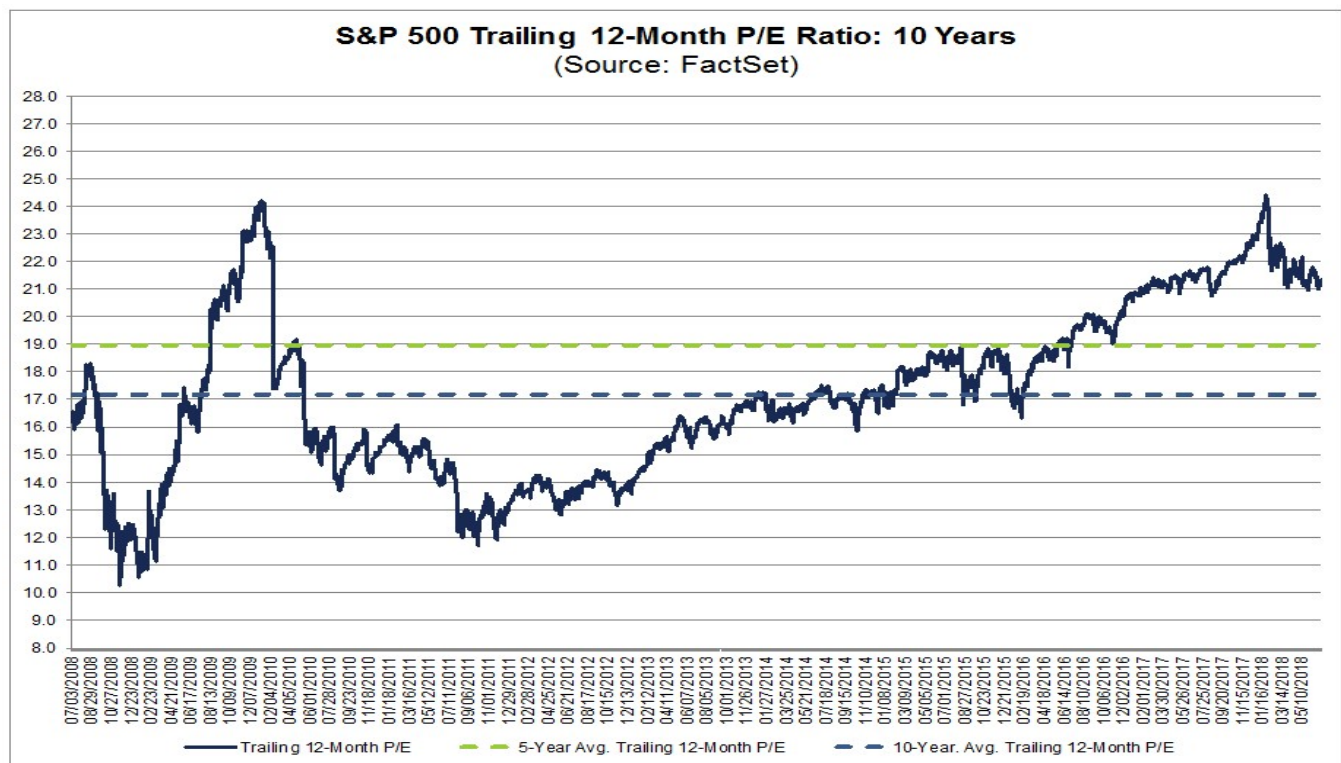
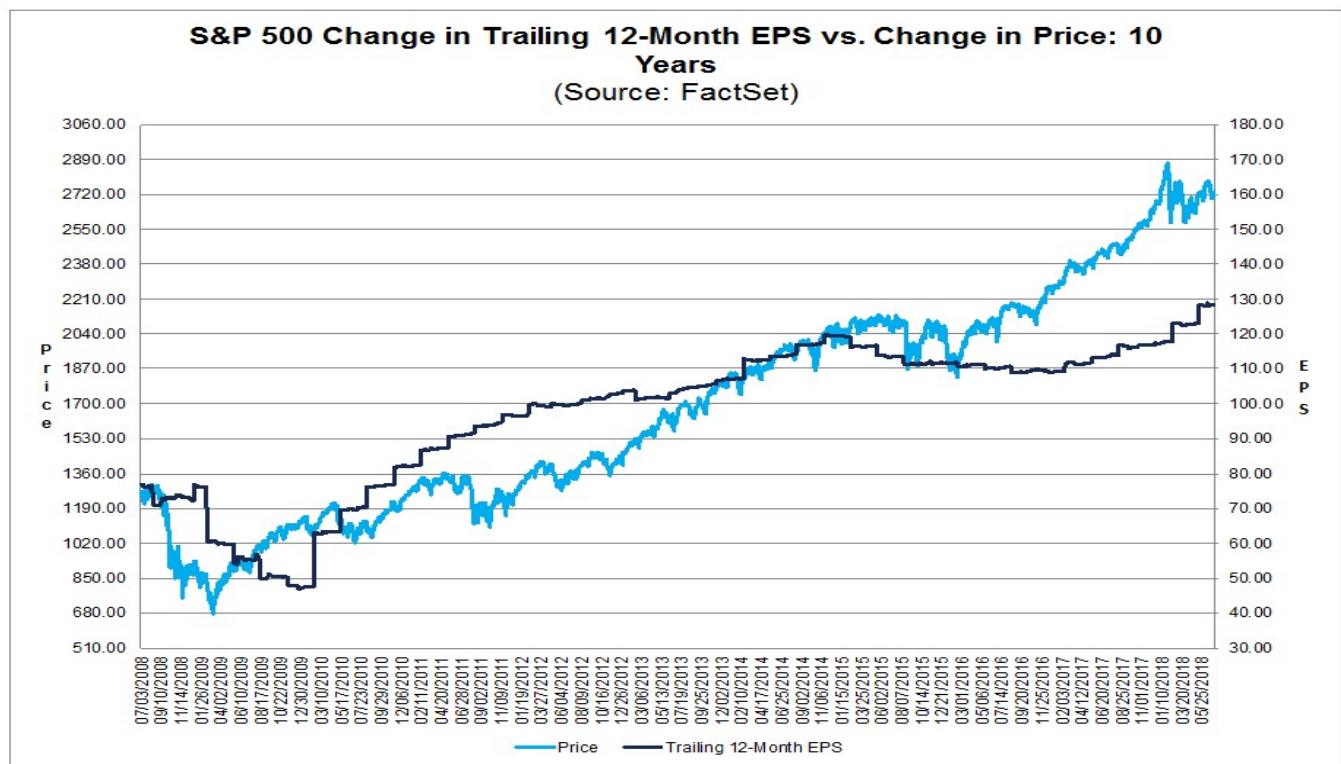


# Forward 12M P/E Ratio: Long-Term Averages





# Trailing 12M P/E Ratio: Long-Term Averages

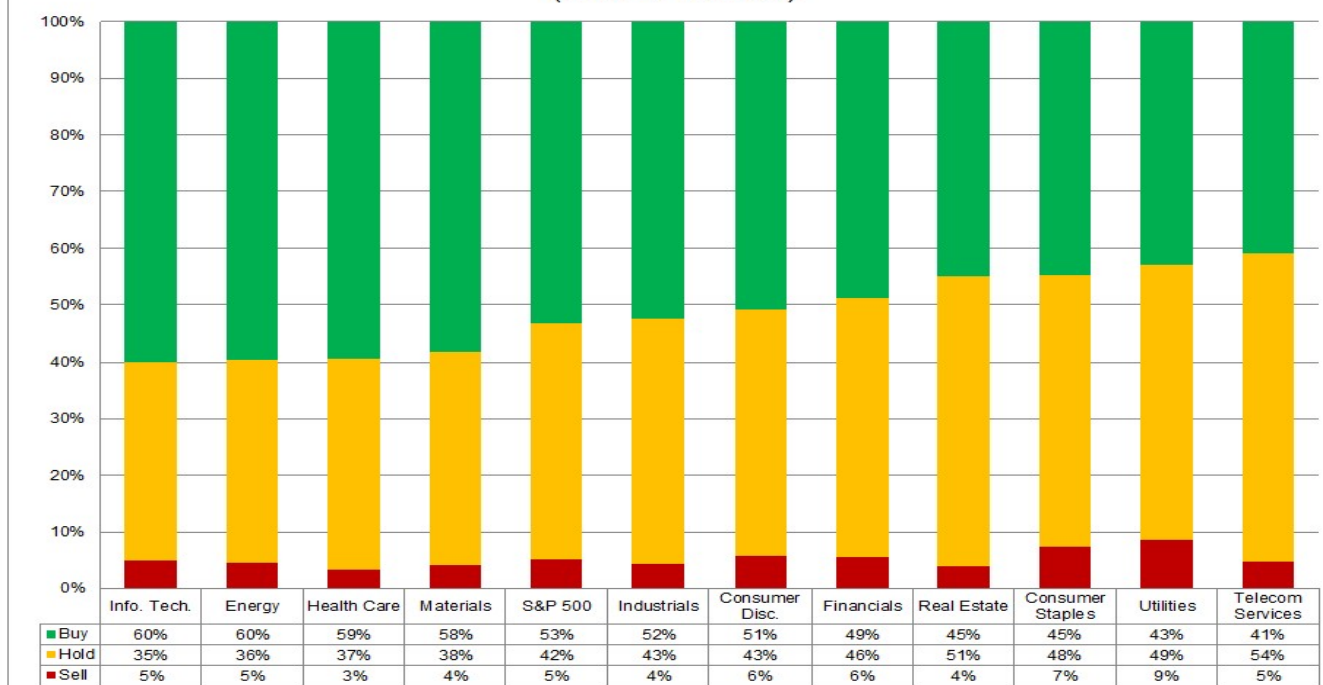




## Targets & Ratings

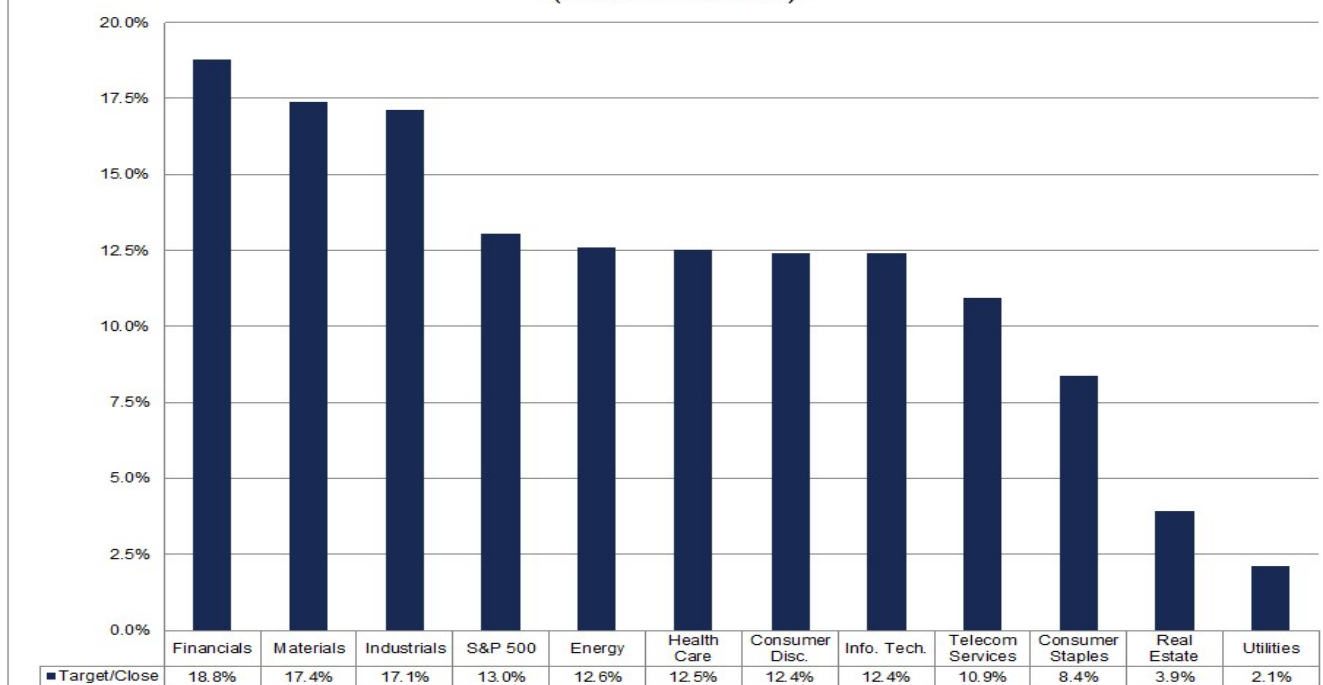
**S&P 500: Percentage of Buy, Hold, and Sell Ratings**

(Source: FactSet)



**S&P 500 Sector-Level Bottom-Up Target Price vs. Closing Price**

(Source: FactSet)



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