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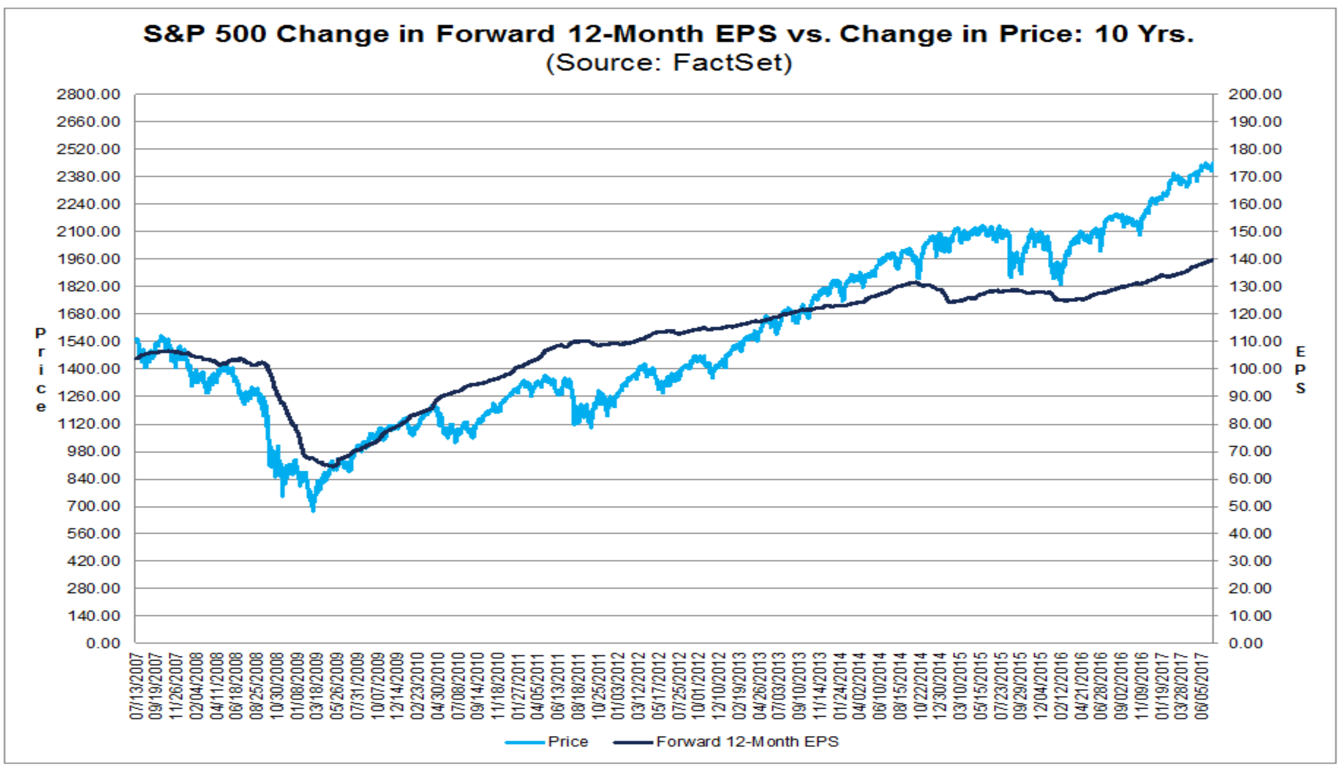
Key Metrics

- **Earnings Scorecard:** As of today (with 6% of the companies in the S&P 500 reporting actual results for Q2 2017), 80% of S&P 500 companies have beat the mean EPS estimate and 83% of S&P 500 companies have beat the mean sales estimate.
- **Earnings Growth:** For Q2 2017, the blended earnings growth rate for the S&P 500 is 6.8%. Nine sectors are reporting or are expected to report earnings growth for the quarter, led by the Energy sector.
- **Earnings Revisions:** On June 30, the estimated earnings growth rate for Q2 2017 was 6.6%. Five sectors have higher growth rates today (compared to June 30) due to upside earnings surprises, led by the Financials sector.
- **Earnings Guidance:** For Q3 2017, one S&P 500 company has issued negative EPS guidance and five S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 17.6. This P/E ratio is above the 5-year average (15.4) and the 10-year average (14.0).



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Topic of the Week: 1

S&P 500 Companies with More Global Exposure to Report Higher Earnings Growth in Q2

"Signs of enhanced momentum in the global economy have recently emerged. Global GDP growth has picked up to an annualised rate of over 3¼ per cent since the middle of 2016, with a rebound in industrial production, global trade and investment." –OECD Global Economic Outlook (June 7)

"On a reported basis, at current rates, we anticipate FX will be an approximately $700 million headwind in fiscal year 2018." –NIKE (June 29)

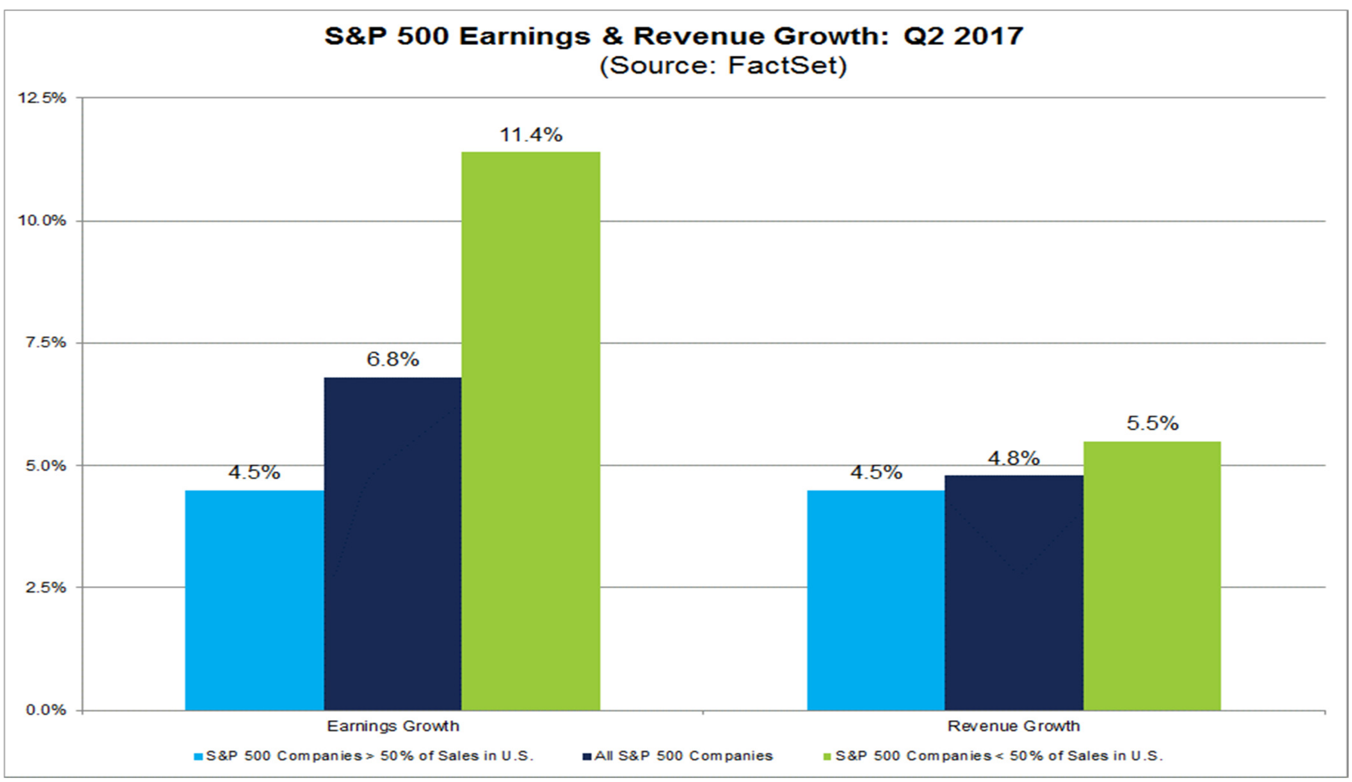
Coming into the Q2 earnings season, some companies with higher global exposure are facing the headwind of unfavorable foreign exchange rates, but may also see a tailwind from higher global GDP growth. Based on current estimates, are S&P 500 companies with higher global revenue exposure expected to outperform or underperform S&P 500 companies with lower global revenue exposure in terms of earnings and sales growth for Q2 2017?

FactSet Geographic Revenue Exposure data (based on the most recently reported fiscal year data for each company in the index) can be used to answer this question. For this particular analysis, the index was divided into two groups: companies that generate more than 50% of sales inside the U.S. (less global exposure) and companies that generate less than 50% of sales inside the U.S. (more global exposure). Aggregate earnings and revenue growth rates were then calculated based on these two groups. The results are listed below.

The earnings growth rate for the S&P 500 for Q2 2017 is 6.8%. For companies that generate more than 50% of sales inside the U.S., the earnings growth rate is 4.5%. For companies that generate less than 50% of sales inside the U.S., the earnings growth rate is 11.4%.

The sales growth rate for the S&P 500 for Q1 2017 is 4.8%. For companies that generate more than 50% of sales inside the U.S., the sales growth rate is 4.5%. For companies that generate less than 50% of sales inside the U.S., the sales growth rate is 5.5%.

What is driving the expected outperformance of S&P 500 companies with higher global revenue exposure? At the sector level, the Information Technology and Energy sector are the largest contributors to earnings and revenue growth in Q2 for companies with less than 50% of sales inside the U.S.



Topic of the Week: 2

"Trump" No Longer a Topic of Discussion on S&P 500 Earnings Calls for Q2

During each corporate earnings season, it is not unusual for companies to comment on subjects that had an impact on their earnings and revenues for a given quarter, or may have an impact on earnings and revenues for future quarters. While the majority of S&P 500 companies will report earnings results for Q2 2017 over the next few weeks, approximately 5% of the companies in the index (25 companies) had reported earnings results for the second quarter through Wednesday (July 12).

Back in January and February, a number of S&P 500 companies commented (during their earnings calls for the fourth quarter) on potential changes to government policies due to the election of Donald Trump as president. Given the Trump administration has now been in office for about six months, have companies in the S&P 500 continued to comment on the Trump administration during their earnings conference calls for the second quarter?

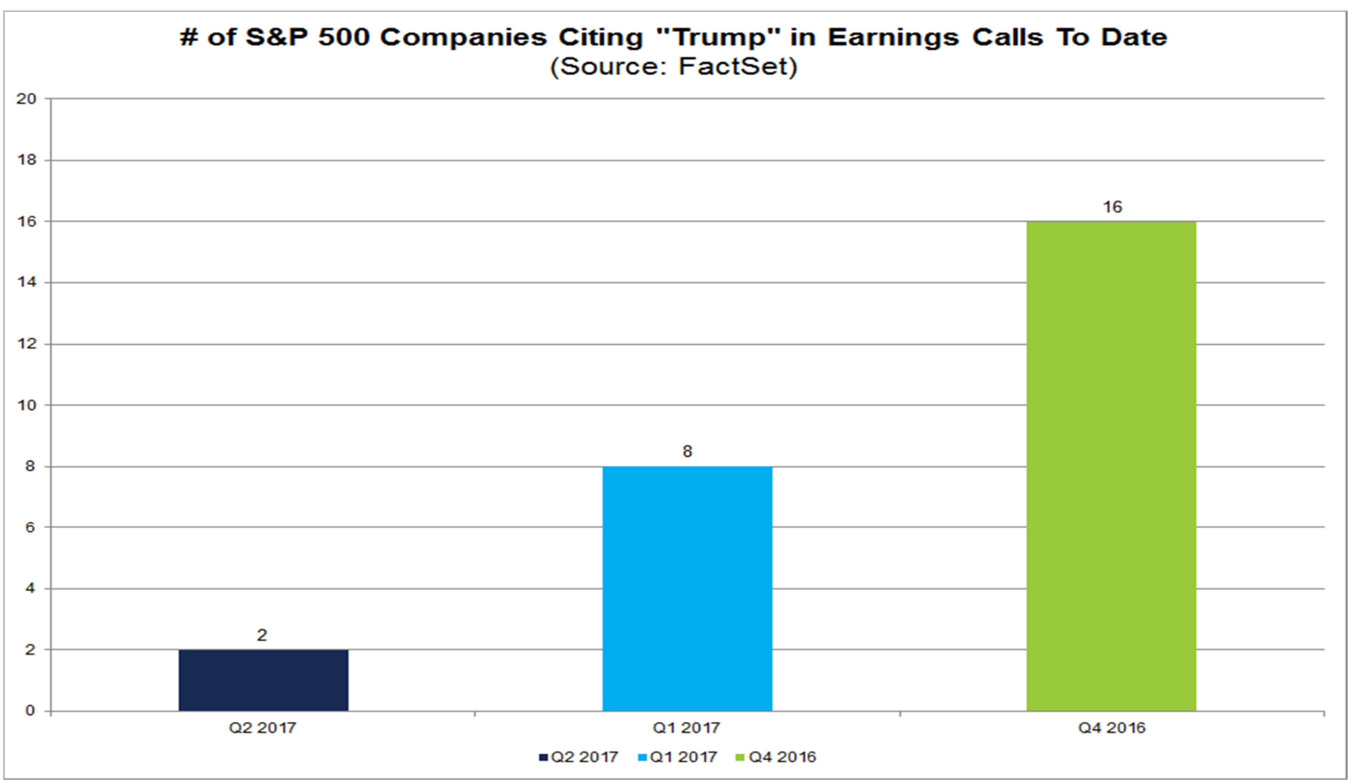
To answer this question, FactSet searched for the terms "Trump" and "administration" in the conference call transcripts of the 25 S&P 500 companies that had conducted second quarter earnings conference calls through July 12 to see how many companies discussed these terms. The term "administration" was only counted if it was used to reference the Trump administration.

Of the 25 S&P 500 companies that had reported actual results for Q2 2017 through July 12, only 2 (or 8%) cited the term "Trump" or "administration" during their Q2 earnings calls.

During the Q1 earnings season through the same point in time (April 12), 8 of the 25 S&P 500 companies (or 32%) that had reported actual results for Q1 2017 cited the term "Trump" or "administration" during their Q1 earnings calls.

During the Q4 earnings season through the same point in time (January 12), 16 of the 24 S&P 500 companies (or 67%) that had reported actual results for Q4 2016 cited the term "Trump" or "administration" during their Q4 earnings calls.

The decline in "Trump" citations over the past six months may be a sign that corporations are less confident today relative to the start of the year that the policies proposed by President Trump will be enacted in the near future. Please note the comments from Accenture on the next page.



“But there is an expectation that indeed the new administration will launch critical reforms in order to boost the business and the economic growth. And this economic reform probably, I would set – the one which are the most important, the healthcare reform, the tax reform, the trade reform, and anything linked to the infrastructure investments. And all of these four were the ones supposed to indeed unleash more growth for the business, so the business could invest and drive more growth. And by driving more growth and driving more investments, we'd have a positive impact. The fact of the matter is that would – I would say this to be honest, three months ago, because just reading the observers and all the analyses, we believe that these four reforms would happen reasonably rapidly in the U.S. And fact of the matter, they are not yet being announced or executed, and so we are in this zone where the business is still waiting.” –Accenture (June 22)

Q2 2017 Earnings Season: By the Numbers

Overview

To date, 6% of the companies in the S&P 500 have reported actual results for Q2 2017. In terms of earnings, more companies (80%) are reporting actual EPS above estimates compared to the 5-year average. In aggregate, companies are reporting earnings that are 8.2% above the estimates, which is also above the 5-year average. In terms of sales, more companies (83%) are reporting actual sales above estimates compared to the 5-year average. In aggregate, companies are reporting sales that are 1.7% above estimates, which is also above the 5-year average.

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 6.8% today, which is higher than the earnings growth rate of 6.4% last week. Upside earnings surprises reported by companies in the Financials sector were mainly responsible for the increase in the earnings growth rate for the index during the past week. Overall, nine sectors are reporting or are predicted to report year-over-year earnings growth, led by the Energy, Information Technology, and Financials sectors. Two sectors are reporting or are projected to report a year-over-year decline in earnings, led by the Consumer Discretionary sector.

The blended sales growth rate for the second quarter is 4.8% today, which is equal to the sales growth rate of 4.8% last week. During the past week, upside sales surprises reported by companies in the Financials sector were mainly offset by downward revisions to sales estimates for companies in the Energy sector, resulting in no change in the revenue growth rate for the index. Overall, ten sectors are reporting or are projected to report year-over-year growth in revenues, led by the Energy sector. The only sector predicted to report a year-over-year decline in revenues is the Telecom Services sector.

During the upcoming week, 68 S&P 500 companies (including nine Dow 30 components) are scheduled to report results for the second quarter.

For Q3 2017, one S&P 500 company has issued negative EPS guidance and five S&P 500 companies have issued positive EPS guidance.

The forward 12-month P/E ratio is 17.6, which is above the 5-year average and the 10-year average.

Scorecard: More Companies Beating EPS and Revenue Estimates than Average

Percentage of Companies Beating EPS Estimates (80%) is Above 5-Year Average

Overall, 6% of the companies in the S&P 500 have reported earnings to date for the second quarter. Of these companies, 80% have reported actual EPS above the mean EPS estimate, 10% have reported actual EPS equal to the mean EPS estimate, and 10% have reported actual EPS below the mean EPS estimate. The percentage of companies reporting EPS above the mean EPS estimate is above the 1-year (70%) average and above the 5-year (68%) average.

At the sector level, the Materials (100%) and Financials (100%) sectors have the highest percentages of companies reporting earnings above estimates, while the Industrials (60%) sector has the lowest percentage of companies reporting earnings above estimates.

Earnings Surprise Percentage (+8.2%) is Above 5-Year Average

In aggregate, companies are reporting earnings that are 8.2% above expectations. This surprise percentage is above the 1-year (+4.7%) average and above the 5-year (+4.2%) average.

The Materials (+9.8%), Consumer Discretionary (+9.5%), Financials (+9.2%), and Information Technology (+9.0%) sectors are reporting the largest upside aggregate differences between actual earnings and estimated earnings. On the other hand, the Industrials (+3.8%) sector is reporting the smallest upside aggregate difference between actual earnings and estimated earnings.

Percentage of Companies Beating Revenue Estimates (83%) is Above 5-Year Average

In terms of revenues, 83% of companies have reported actual sales above estimated sales and 17% have reported actual sales below estimated sales. The percentage of companies reporting sales above estimates is well above the 1-year average (56%) and well above the 5-year average (53%).

At the sector level, the Information Technology (100%) and Materials (100%) sectors have the highest percentages of companies reporting revenues above estimates, while the Consumer Discretionary (71%) sector has the lowest percentage of companies reporting revenues above estimates.

Revenue Surprise Percentage (+1.7%) is Above 5-Year Average

In aggregate, companies are reporting sales that are 1.7% above expectations. This surprise percentage is above the 1-year (+0.5%) average and above the 5-year (+0.5%) average.

The Information Technology (+2.7%), Financials (+2.5%), and Consumer Discretionary (+2.1%) sectors are reporting the largest upside aggregate differences between actual sales and estimated sales, while the Industrials (+0.5%) sector is reporting the smallest upside aggregate difference between actual sales and estimated sales.

Increase in Blended Earnings Growth This Week Due to Financials

Increase in Blended Earnings Growth This Week Due to Financials

The blended earnings growth rate for the second quarter is 6.8% today, which is higher than the earnings growth rate of 6.4% last week. Upside earnings surprises reported by companies in the Financials sector were mainly responsible for the increase in the overall earnings growth rate for the index during the past week.

In the Financials sector, the upside earnings surprises reported by JPMorgan Chase ($1.82 vs. $1.59), Wells Fargo ($1.07 vs. $1.01), and Citigroup ($1.28 vs. $1.21) were the largest contributors to the increase in the overall earnings growth rate for the index during the past week. As a result, the blended earnings growth rate for the Financials sector increased to 8.2% from 5.6% during this period.

The blended sales growth rate for the second quarter is 4.8% today, which is equal to the sales growth rate of 4.8% last week. Upside sales surprises reported by companies in the Financials sector were mainly offset by downward revisions to sales estimates for companies in the Energy sector, resulting in no change in the revenue growth rate for the index during the past week.

Energy Sector Has Seen Largest Decrease in Earnings Growth since June 30

The blended earnings growth rate for Q2 2017 of 6.8% is slightly higher than the estimate of 6.6% at the end of the second quarter (June 30). Five sectors have recorded an increase in earnings growth since the end of the quarter due to upward revisions to earnings estimates and upside earnings surprises, led by the Financials (to 8.2% from 6.1%) sector. Two sectors have seen no change in earnings growth since June 30. Four sectors have recorded a decrease in earnings growth during this time due to downward revisions to estimates and downside earnings surprises, led by the Energy (to 357.4% from 392.3%) sector.

Earnings Growth: 6.8%

The blended (year-over-year) earnings growth rate for Q2 2017 is 6.8%. Nine sectors are reporting or are projected to report year-over-year growth in earnings, led by the Energy, Information Technology, and Financials sectors. Two sectors are reporting or are projected to report a year-over-year decline in earnings, led by the Consumer Discretionary sector.

Energy: Largest Contributor to Earnings Growth for Q2

The Energy sector is expected to report the highest (year-over-year) earnings growth of all eleven sectors at 357.4%. The unusually high growth rate for the sector is mainly due to unusually low earnings in the year-ago quarter. On a dollar-level basis, the Energy sector is projected to report earnings of $8.7 billion in Q2 2017, compared to earnings of 1.9 billion in Q2 2016. Due to this projected $6.8 billion year-over-year increase in earnings, the Energy sector is expected to be the largest contributor to earnings growth for the S&P 500 as a whole. If this sector is excluded, the blended earnings growth rate for the remaining ten sectors would fall to 4.3% from 6.8%

At the sub-industry level, five of the six sub-industries in the sector are projected to report earnings growth: Oil & Gas Exploration & Production (N/A due to year-ago loss), Oil & Gas Equipment & Services (N/A due to year-ago loss), Integrated Oil & Gas (148%), Oil & Gas Refining & Marketing (10%), and Oil & Gas Storage & Transportation (4%). On the other hand, the Oil & Gas Drilling (-685%) sub-industry is the only sub-industry predicted to report a year-over-year decline in earnings.

Information Technology: Semiconductor Industry Leads Growth

The Information Technology sector is reporting the second highest (year-over-year) earnings growth of all eleven sectors at 10.5%. At the industry level, six of the seven industries in this sector are reporting or are predicted to report earnings growth. However, only one of these six industries is reporting double-digit earnings growth: Semiconductor & Semiconductor Equipment (42%). This industry is also the largest contributor to earnings growth for the sector. If the Semiconductor & Semiconductor Equipment industry is excluded, the blended earnings growth rate for the Information Technology sector would fall to 4.4% from 10.5%. At the company level, Micron Technology is the largest contributor to earnings growth for the sector. The company reported actual EPS of $1.62 for Q2 2017, compared to year-ago EPS of -$0.08. If this company alone is excluded, the estimated earnings growth rate for the Information Technology sector would fall to 6.9% from 10.5%.

Financials: Insurance Industry Leads Growth

The Financials sector is reporting the third highest (year-over-year) earnings growth of all eleven sectors at 8.2%. At the industry level, four of the five industries in this sector are reporting or are predicted to report earnings growth, led by the Insurance (20%) industry. This industry is also projected to be the largest contributor to earnings growth for the sector. If the Insurance industry is excluded, the blended earnings growth rate for the Financials sector would fall to 5.6% from 8.2%.

Consumer Discretionary: Automobiles Industry Leads Decline

The Consumer Discretionary sector is reporting the largest (year-over-year) earnings decline of all eleven sectors at -2.0%. At the industry level, eight of the twelve industries in this sector are reporting or are predicted to report an earnings decline, led by the Leisure Products (-42%) and Automobiles (-13%) industries. The Automobiles industry is also the largest contributor to the year-over-year decline in earnings for this sector. If this industry is excluded, the blended earnings growth rate for the Consumer Discretionary sector would improve to 0.1% from -2.0%. At the company level, Ford Motor and General Motors are predicted to be the largest contributors to the earnings decline for this sector. The mean EPS estimate for Ford Motor for Q2 2017 is $0.44, compared to year-ago EPS of $0.52. The mean EPS estimate for General Motors for Q2 2017 is $1.69, compared to year-ago EPS of $1.86.

Revenue Growth: 4.8%

The blended (year-over-year) revenue growth rate for Q2 2017 is 4.8%. Ten sectors are reporting or are projected to report year-over-year growth in revenues, led by the Energy sector. The only sector projected to report a decline in revenues is the Telecom Services sector.

Energy: Largest Contributor to Revenue Growth for Q2

The Energy sector is expected to report the highest (year-over-year) revenue growth of all eleven sectors at 16.5%. At the sub-industry level, five of the six sub-industries in the sector are projected to report revenue growth: Oil & Gas Refining & Marketing (25%), Oil & Gas Equipment & Services (23%), Oil & Gas Exploration & Production (15%), Oil & Gas Storage & Transportation (11%), and Integrated Oil & Gas (11%). On the other hand, the Oil & Gas Drilling (-11%) sub-industry is the only sub-industry predicted to report a year-over-year decline in earnings.

This sector is also predicted to be the largest contributor to revenue growth for the S&P 500. If the Energy sector is excluded, the blended revenue growth rate for the index would fall to 3.9% from 4.8%.

Telecom Services: 3 of 4 Companies To Report Decline

The Telecom Services sector is the only sector expected to report a (year-over-year) decline in revenues at -2.1%. Overall, three of the four companies in the sector are projected to report a decline in sales for the quarter, led by CenturyLink (-7%).

Looking Ahead: Forward Estimates and Valuation

Earnings Guidance: Fewer Companies Issuing Negative EPS Guidance for Q3 than 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, 6 companies in the index have issued EPS guidance for Q3 2017. Of these 6 companies, 1 has issued negative EPS guidance and 5 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 17% (1 out of 6), which is below the 5-year average of 75%.

Growth Expected to Continue for Remainder of 2017

For the second quarter, companies are reporting earnings growth of 6.8% and revenue growth rate of 4.8%. Analysts currently expect earnings and revenue growth to continue in 2017.

For Q3 2017, analysts are projecting earnings growth of 7.1% and revenue growth of 5.0%.

For Q4 2017, analysts are projecting earnings growth of 12.2% and revenue growth of 5.0%.

For all of 2017, analysts are projecting earnings growth of 9.6% and revenue growth of 5.3%.

Valuation: Forward P/E Ratio is 17.6, above the 10-Year Average (14.0)

The forward 12-month P/E ratio is 17.6. This P/E ratio is above the 5-year average of 15.4, and above the 10-year average of 14.0. It is also above the forward 12-month P/E ratio of 17.5 recorded at the start of the third quarter (June 30). Since the start of the third quarter, the price of the index has increased by 1,0%, while the forward 12-month EPS estimate has increased by 0.3%.

At the sector level, the Energy (27.1) sector has the highest forward 12-month P/E ratio, while the Telecom Services (12.2) sector has the lowest forward 12-month P/E ratio. Nine sectors have forward 12-month P/E ratios that are above their 10-year averages, led by the Energy (27.1 vs. 18.4) sector. One sector (Telecom Services) has a forward 12-month P/E ratio that is below the 10-year average (12.2 vs. 14.2). Historical averages are not available for the Real Estate sector.

Targets & Ratings: Analysts Project 8% Increase in Price Over Next 12 Months

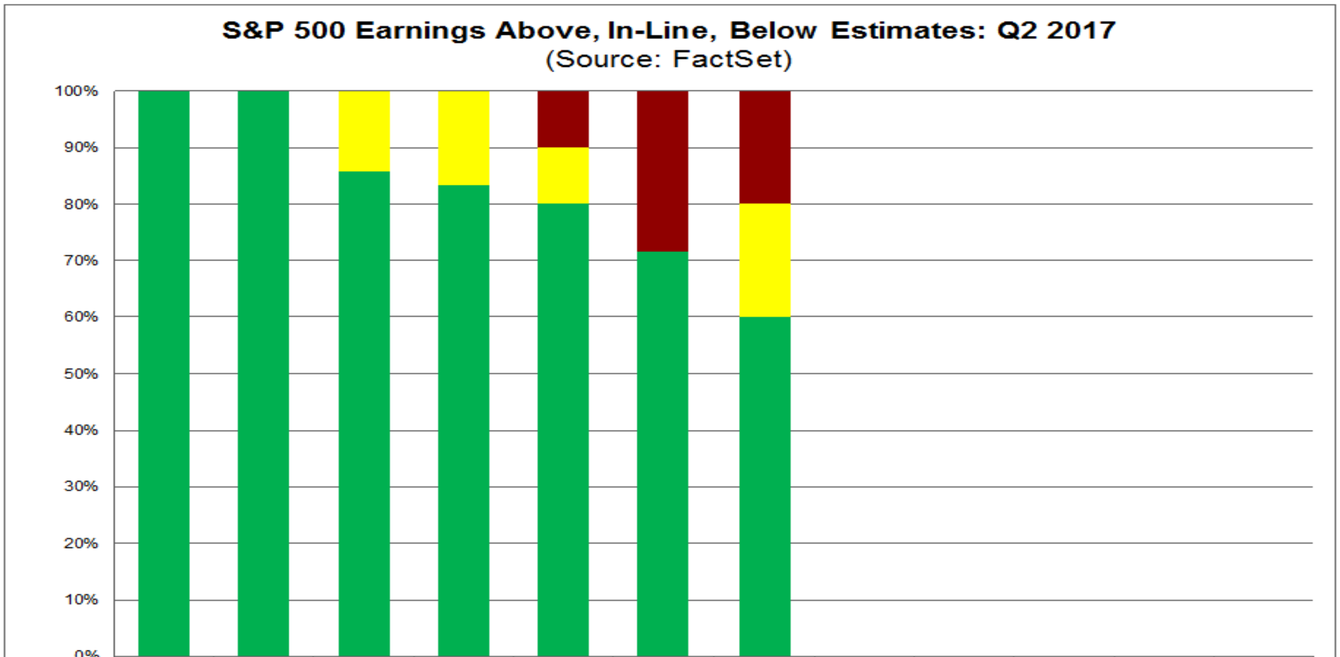
The bottom-up target price for the S&P 500 is 2653.50, which is 8.4% above the closing price of 2447.83. At the sector level, the Energy sector has the largest upside difference between the bottom-up target price and the closing price (+18.1%), while the Utilities sector has the smallest upside difference between the bottom-up target price and the closing price (+4.4%).

Overall, there are 11,199 ratings on stocks in the S&P 500. Of these 11,199 ratings, 49.1% are Buy ratings, 45.4% are Hold ratings, and 5.6% are Sell ratings. At the sector level, the Information Technology sector has the highest percentages of Buy ratings at 57%, while the Utilities and Consumer Staples sectors have the highest percentages of Sell ratings at 7%.

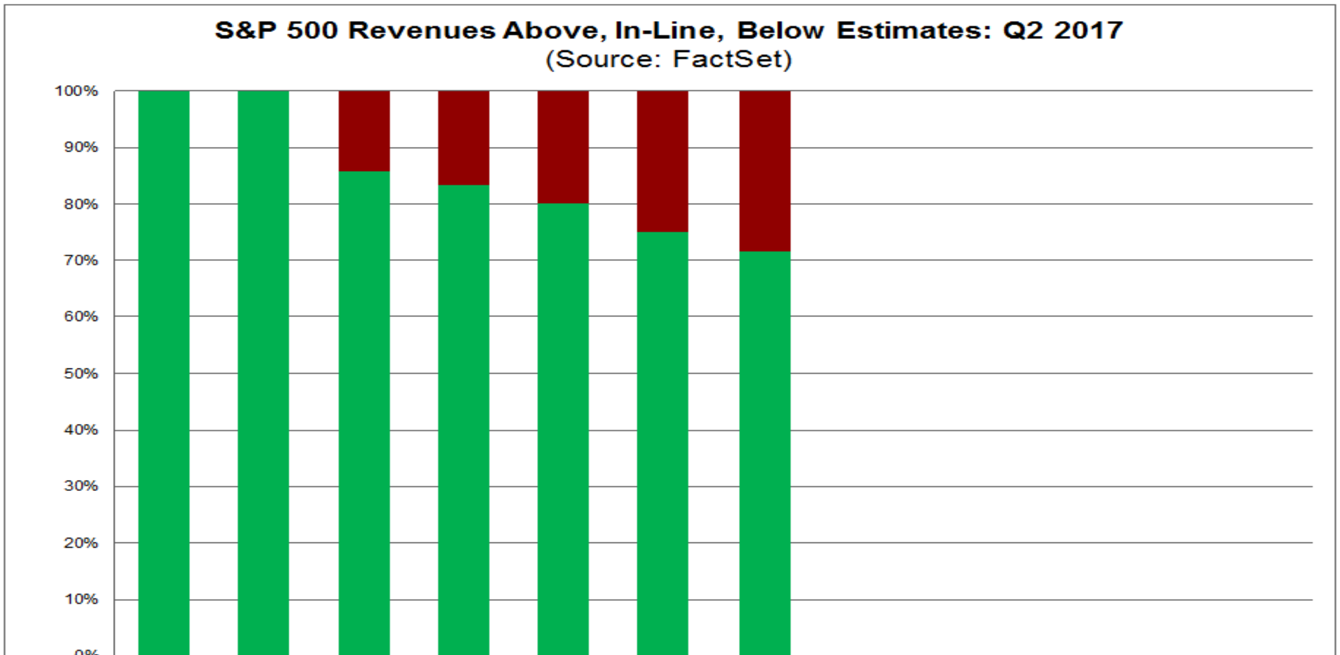
Companies Reporting Next Week: 68

During the upcoming week, 68 S&P 500 companies (including 9 Dow 30 components) are scheduled to report results for the second quarter.

Q2 2017: Scorecard

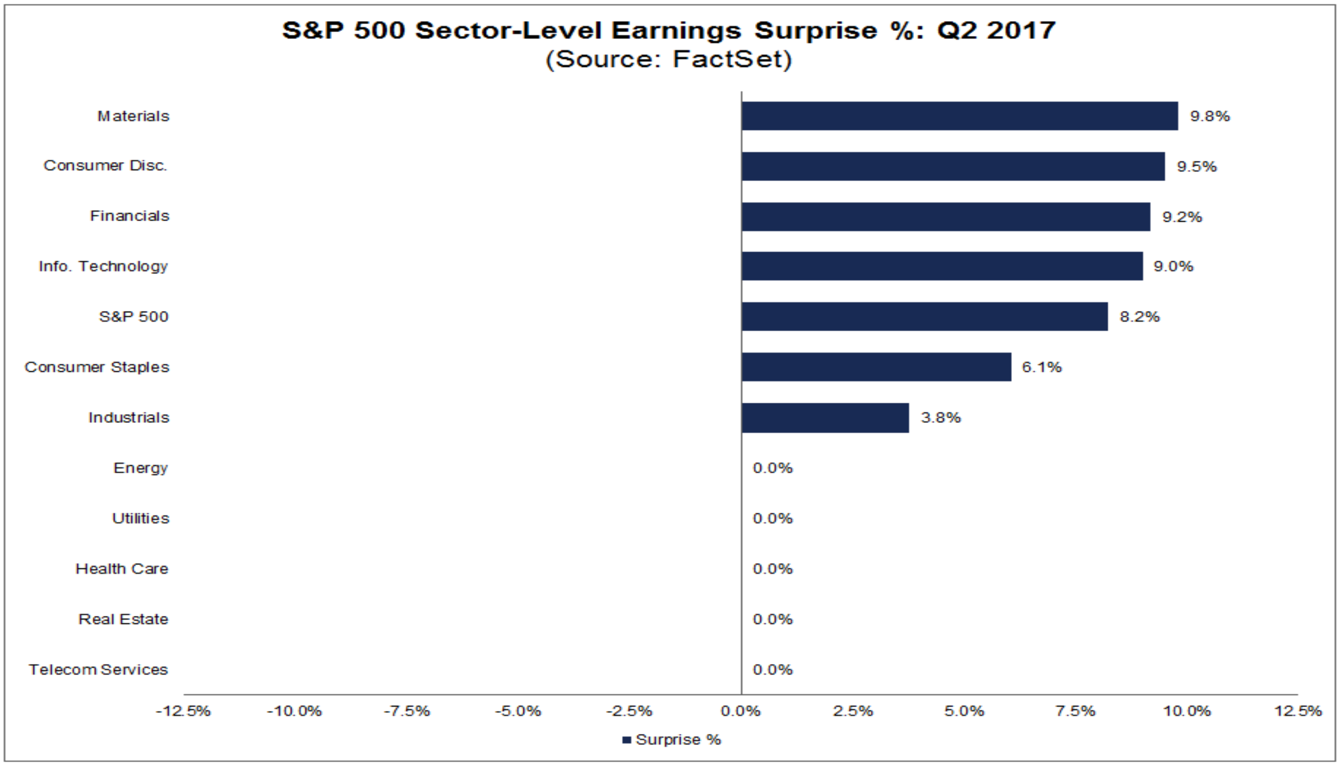


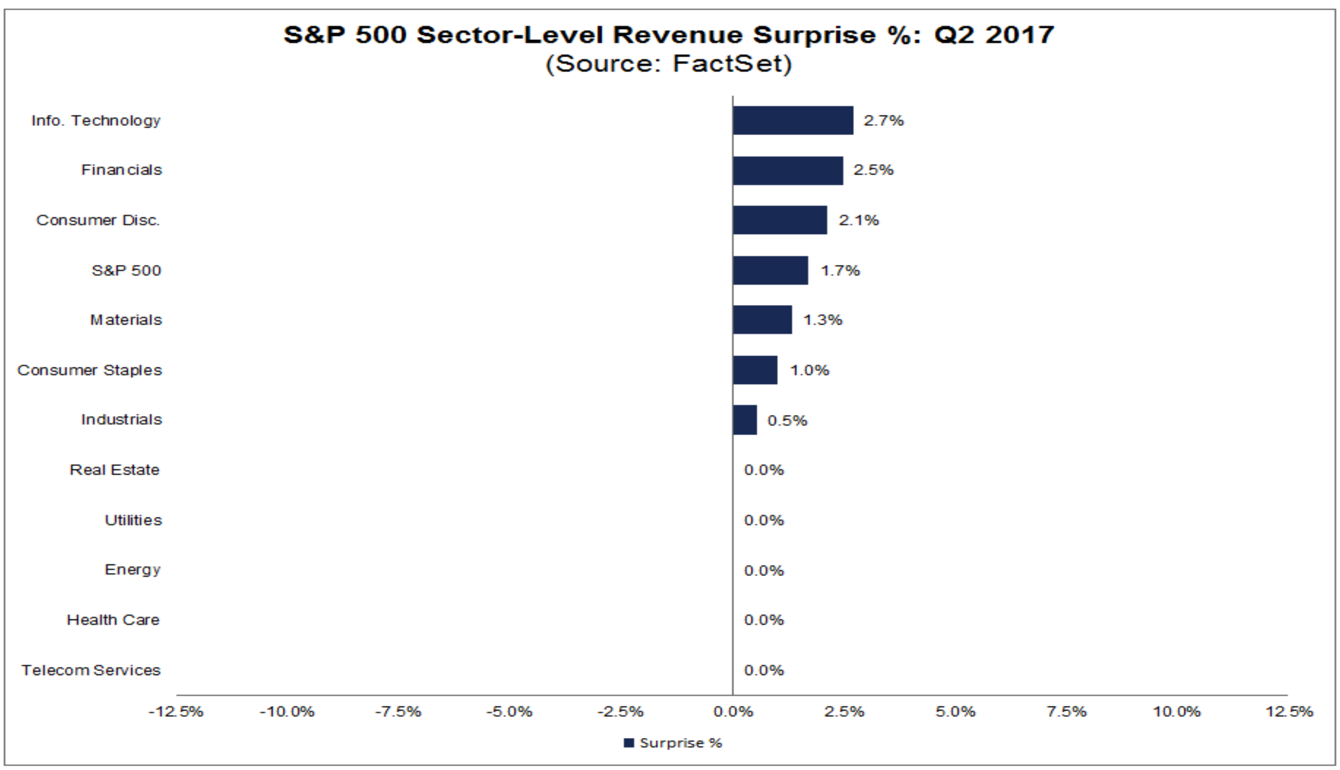
	Materials	Financials	Consumer Staples	Info. Technology	S&P 500	Consumer Disc.	Industrials	Health Care	Utilities	Energy	Real Estate	Telecom Services
Below	0%	0%	0%	0%	10%	29%	20%	0%	0%	0%	0%	0%
In-Line	0%	0%	14%	17%	10%	0%	20%	0%	0%	0%	0%	0%
Above	100%	100%	86%	83%	80%	71%	60%	0%	0%	0%	0%	0%



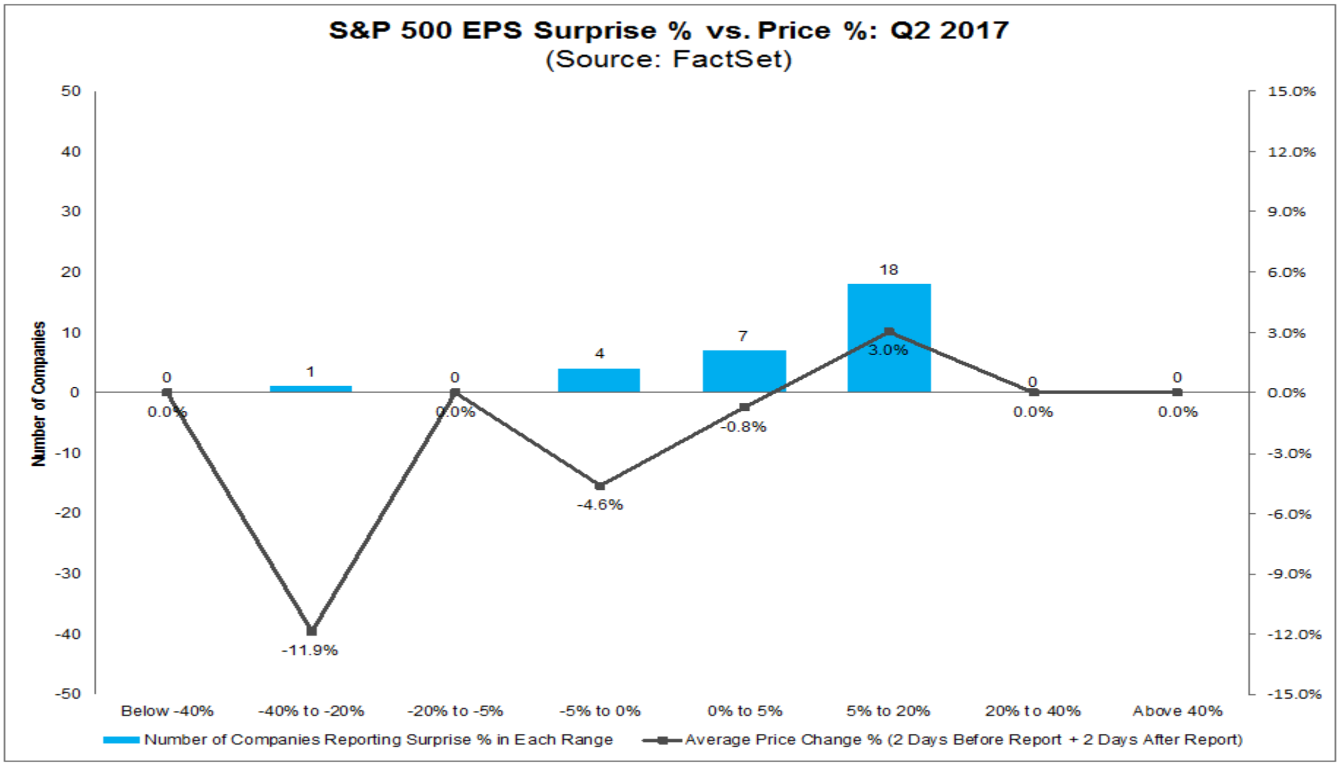
	Info. Technology	Materials	Consumer Staples	S&P 500	Industrials	Financials	Consumer Disc.	Real Estate	Health Care	Energy	Utilities	Telecom Services
Below	0%	0%	14%	17%	20%	25%	29%	0%	0%	0%	0%	0%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	100%	100%	86%	83%	80%	75%	71%	0%	0%	0%	0%	0%

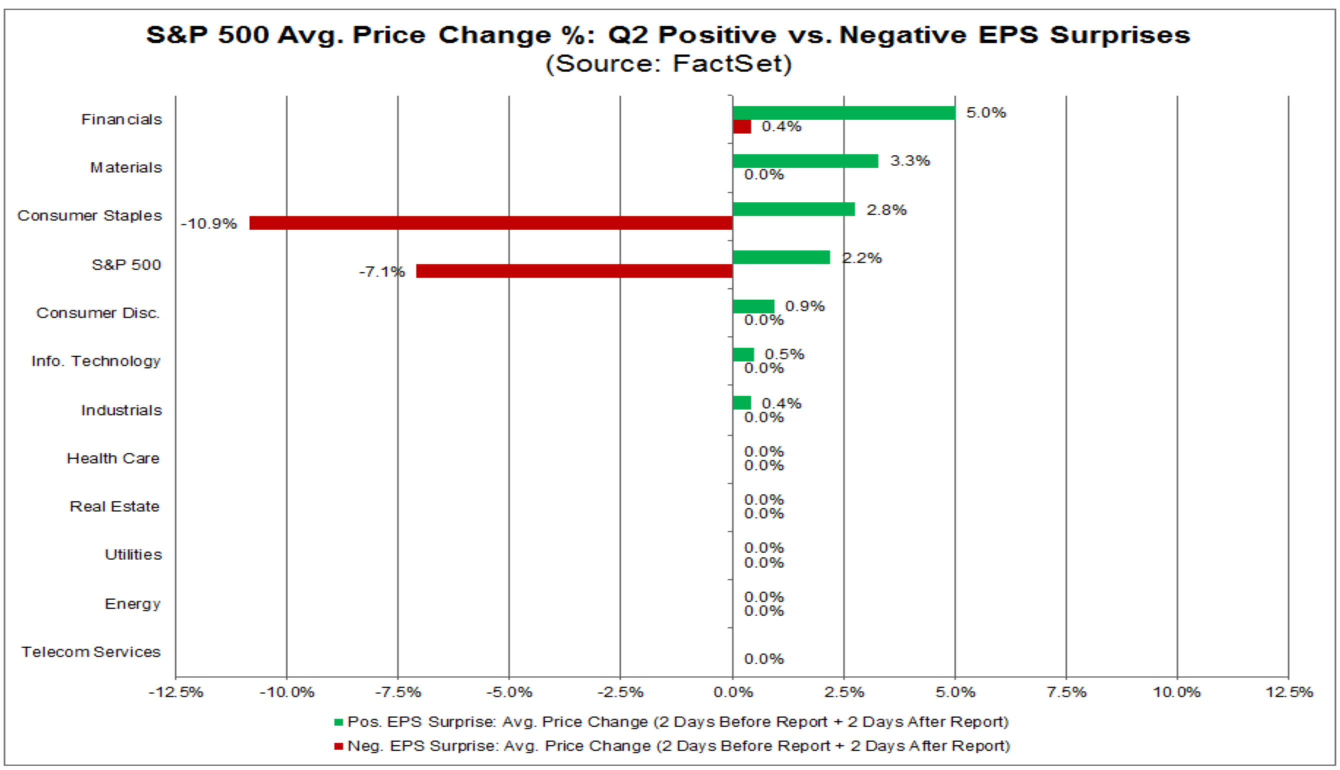
Q2 2017: Scorecard



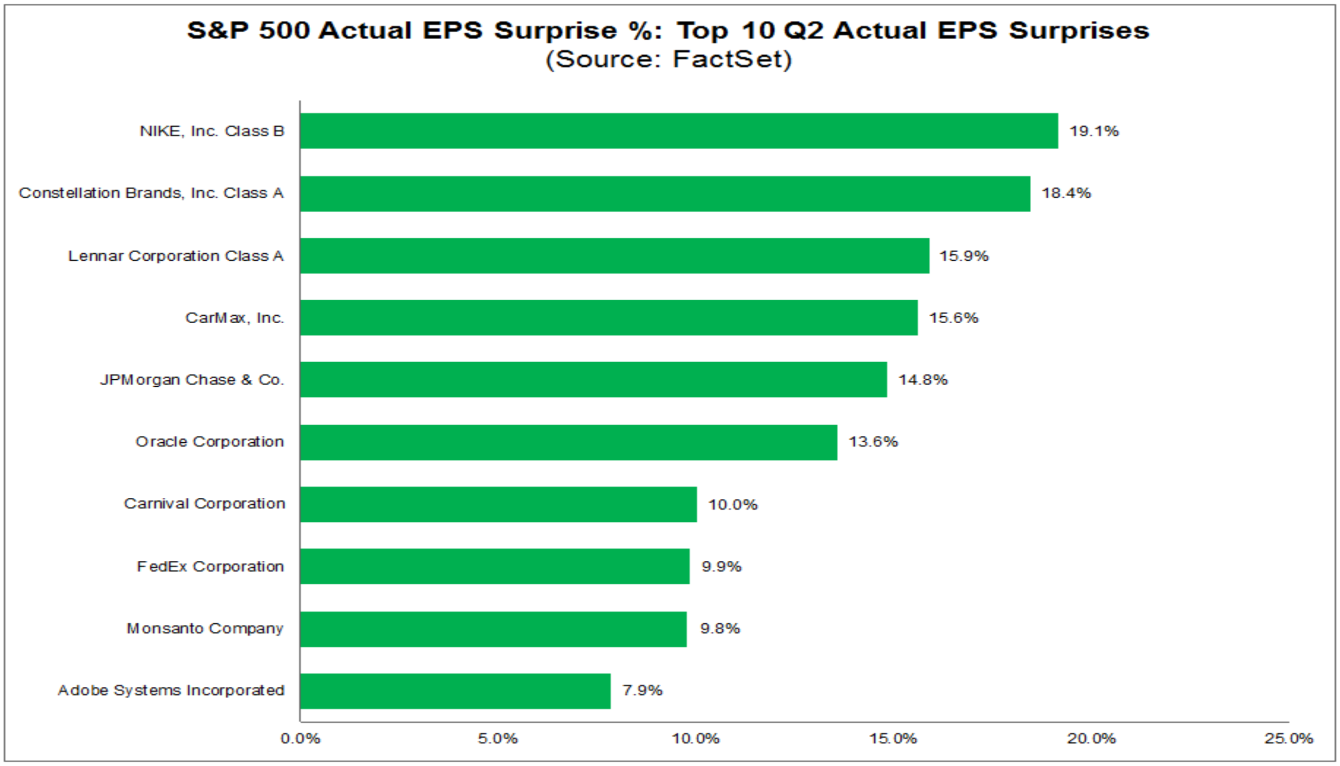


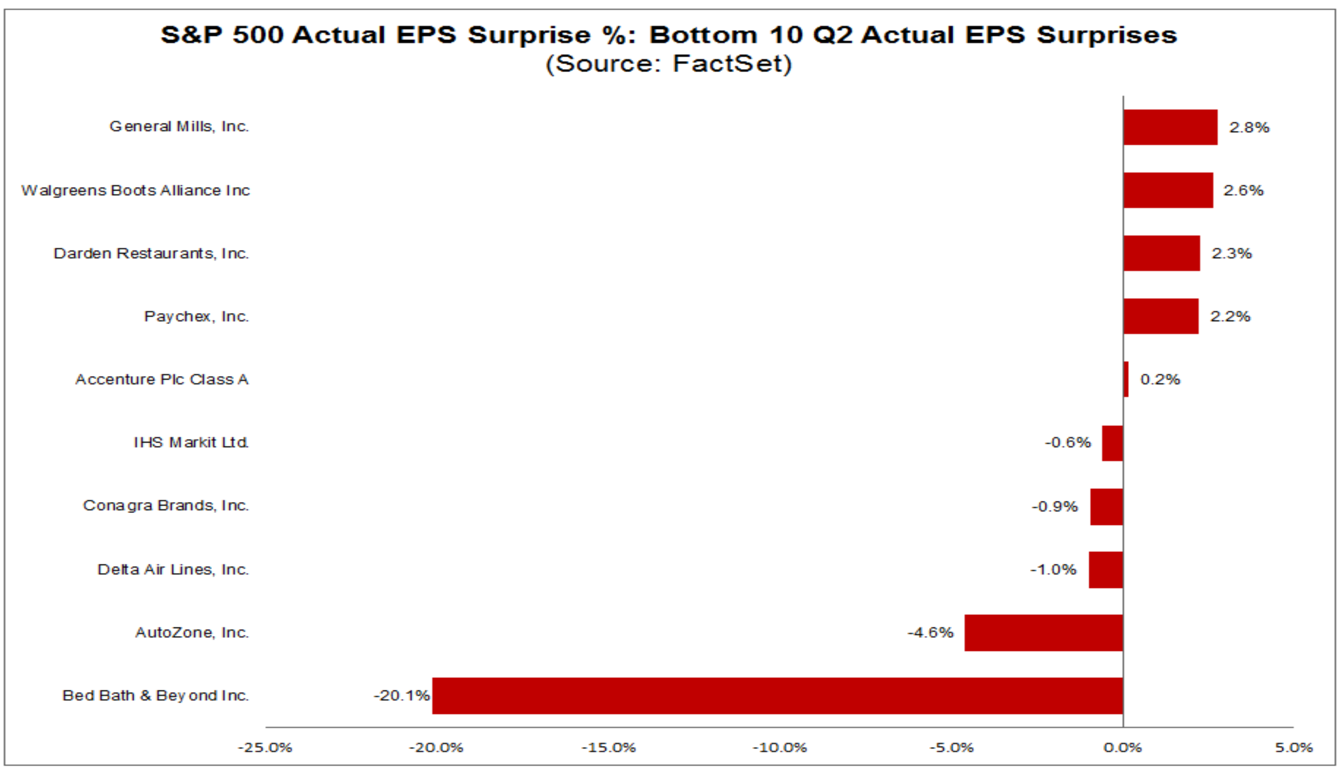
Q2 2017: Scorecard



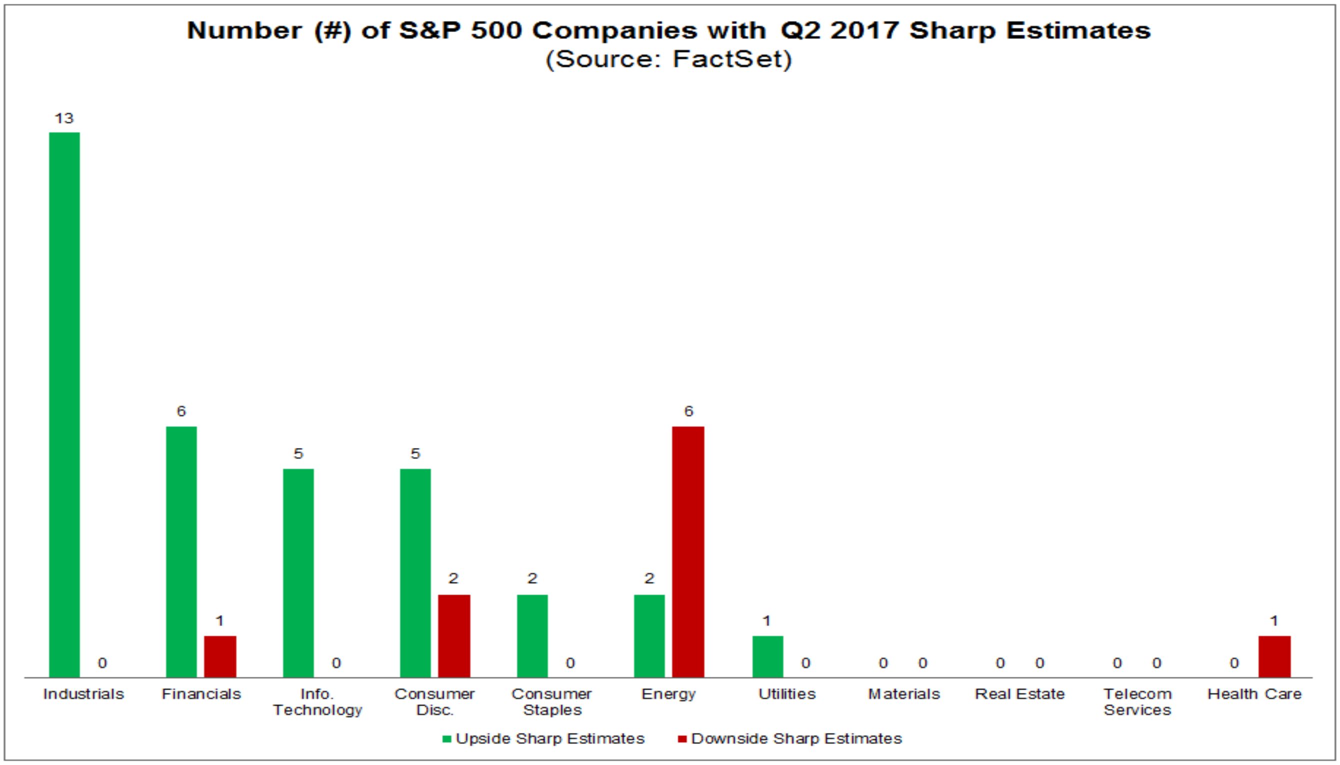


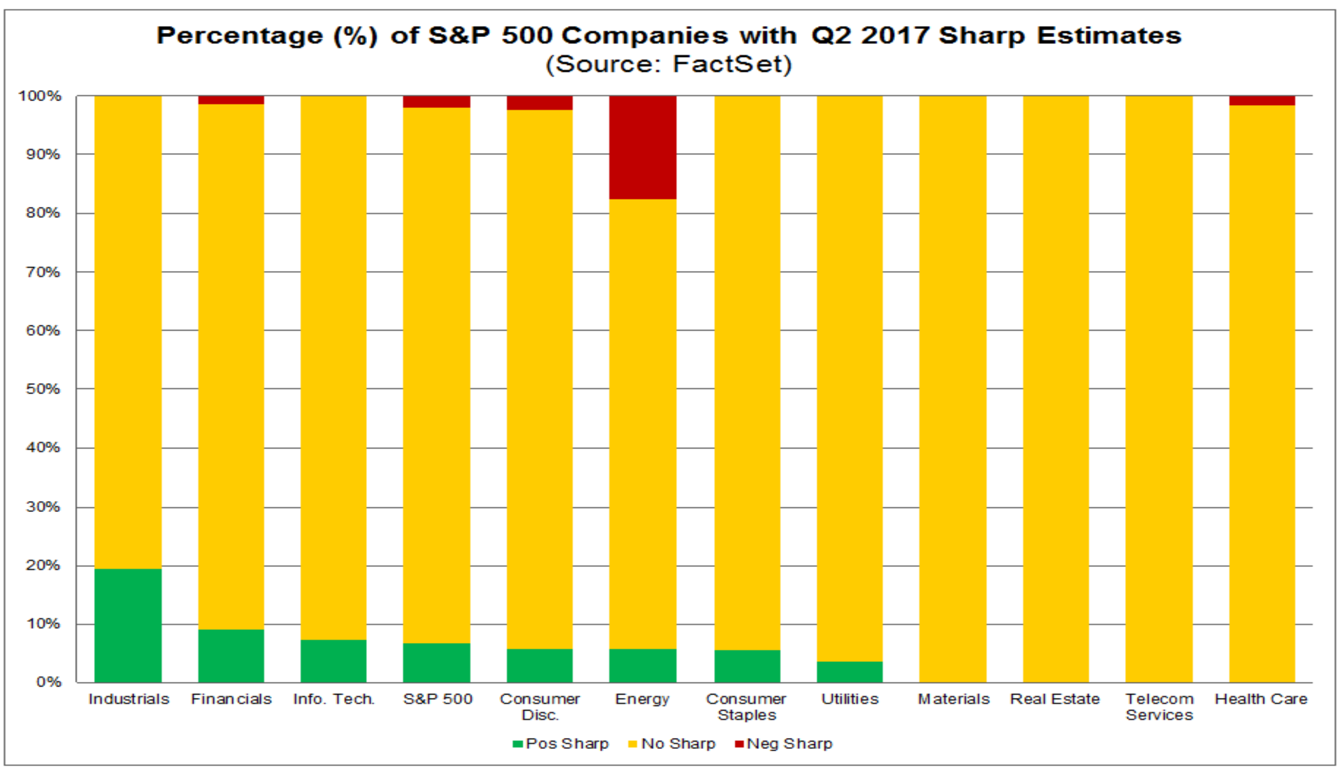
Q2 2017: Scorecard



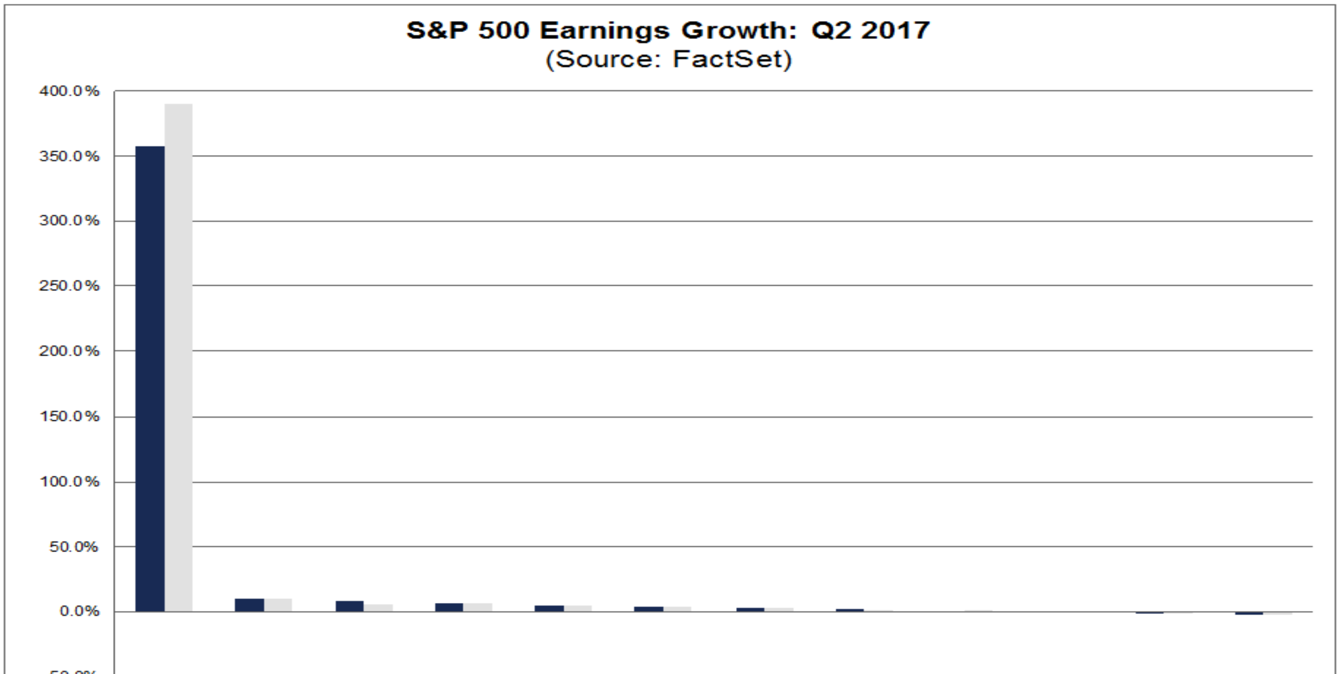


Q2 2017: Projected EPS Surprises (Sharp Estimates)

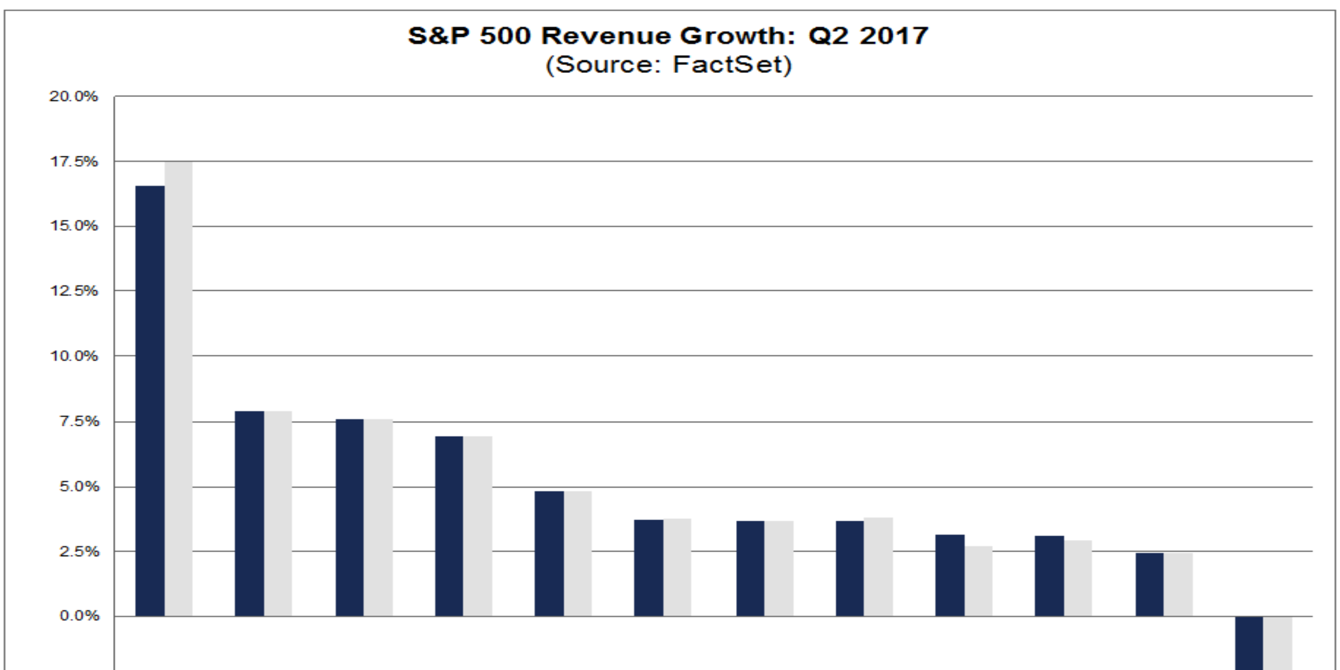




Q2 2017: Growth

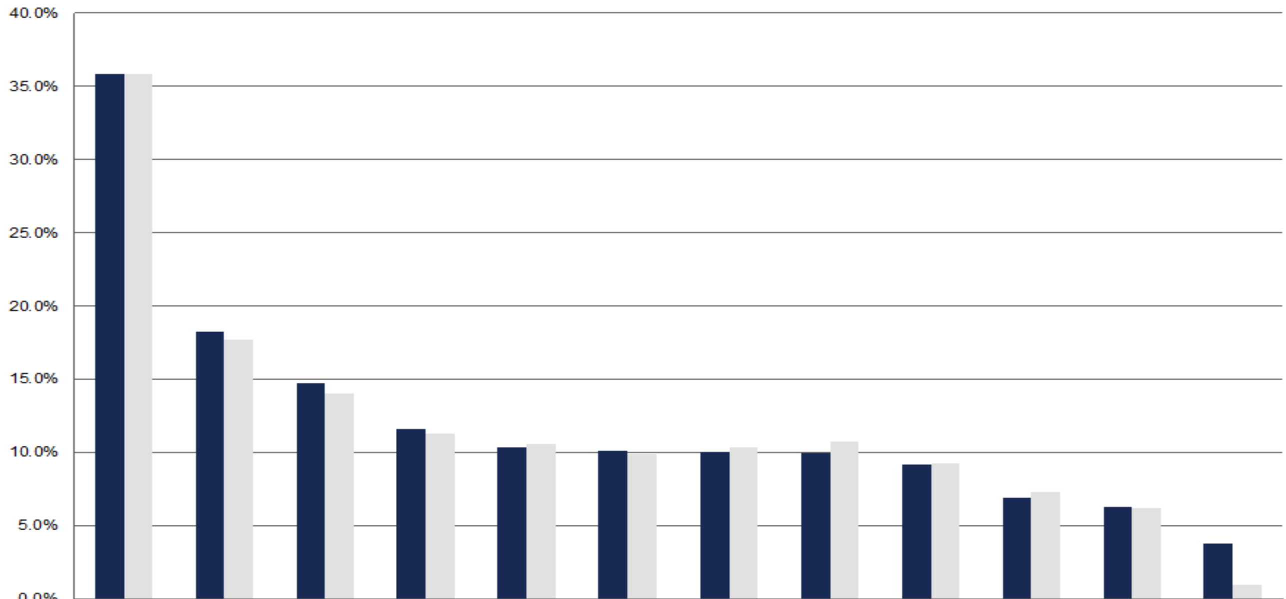


	Energy	Info. Technology	Financials	S&P 500	Materials	Real Estate	Consumer Staples	Industrials	Telecom Services	Health Care	Utilities	Consumer Disc.
Today	357.4%	10.5%	8.2%	6.8%	4.7%	3.7%	3.2%	2.5%	0.8%	0.5%	-0.2%	-2.0%
30-Jun	390.5%	10.5%	6.1%	6.6%	4.9%	3.8%	2.8%	1.8%	1.1%	0.4%	-0.3%	-2.0%

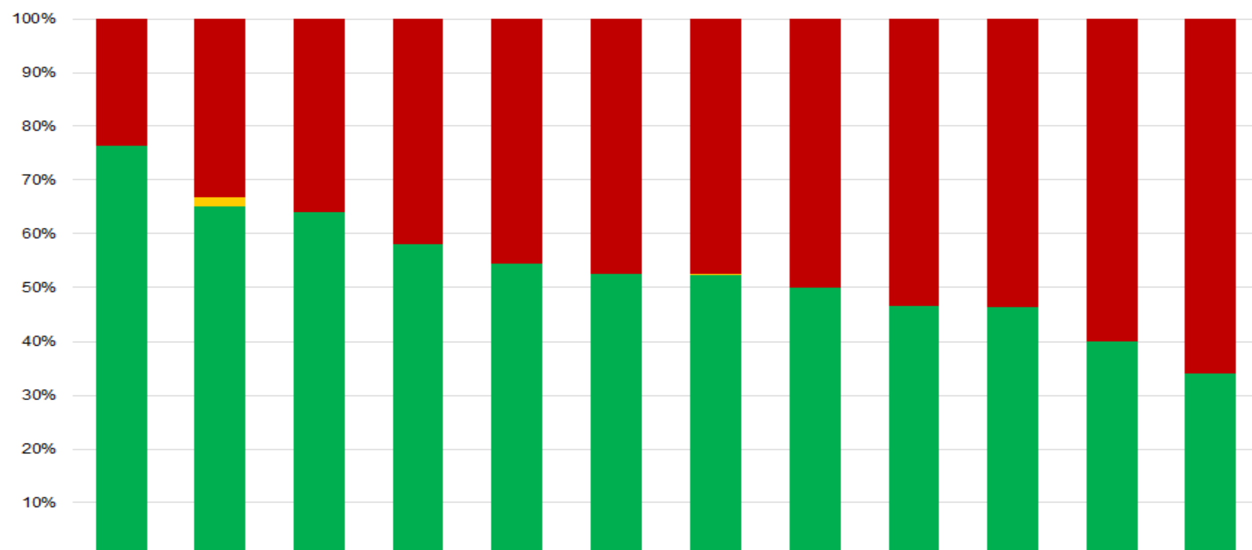


	Energy	Info. Technology	Utilities	Materials	S&P 500	Real Estate	Health Care	Consumer Disc.	Financials	Industrials	Consumer Staples	Telecom Services
Today	16.5%	7.9%	7.6%	7.0%	4.8%	3.7%	3.7%	3.7%	3.1%	3.1%	2.4%	-2.1%
30-Jun	17.5%	7.9%	7.6%	6.9%	4.8%	3.8%	3.7%	3.8%	2.7%	2.9%	2.5%	-2.1%

Q2 2017: Net Profit Margin

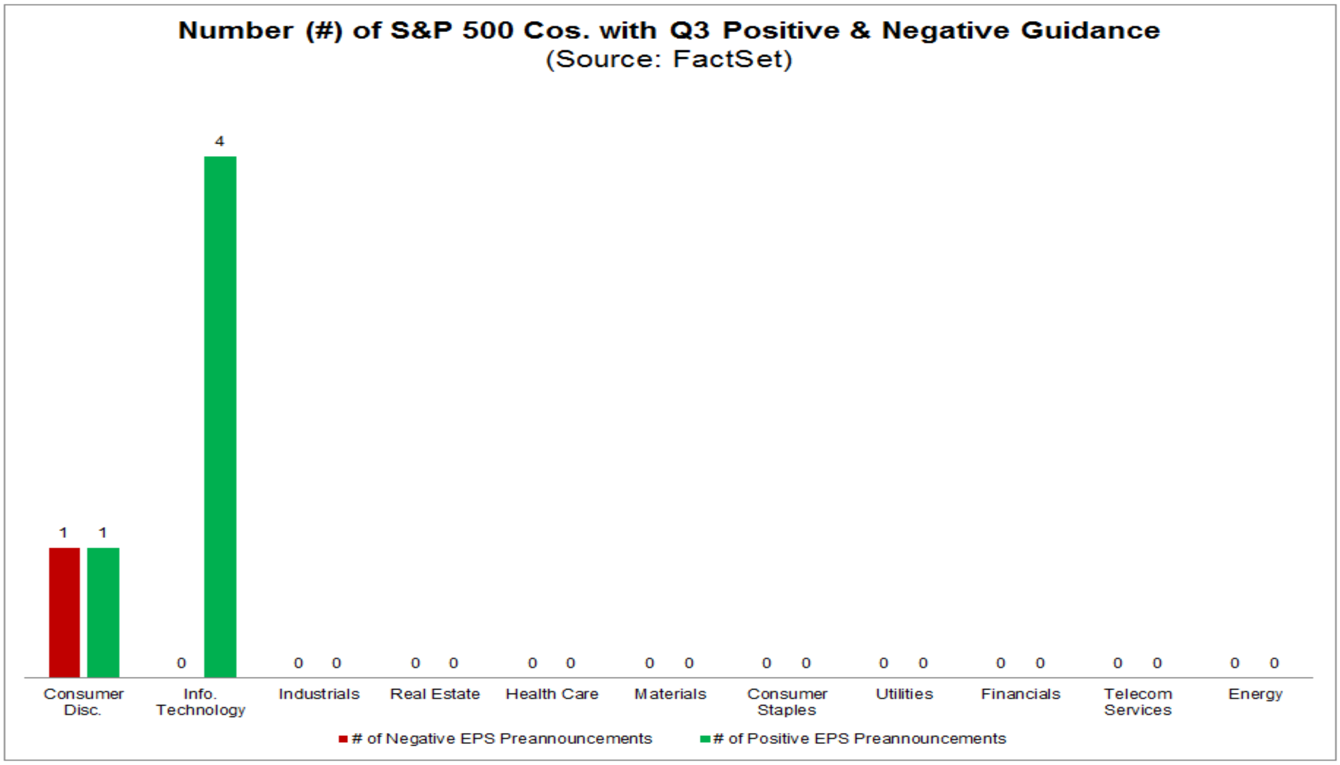


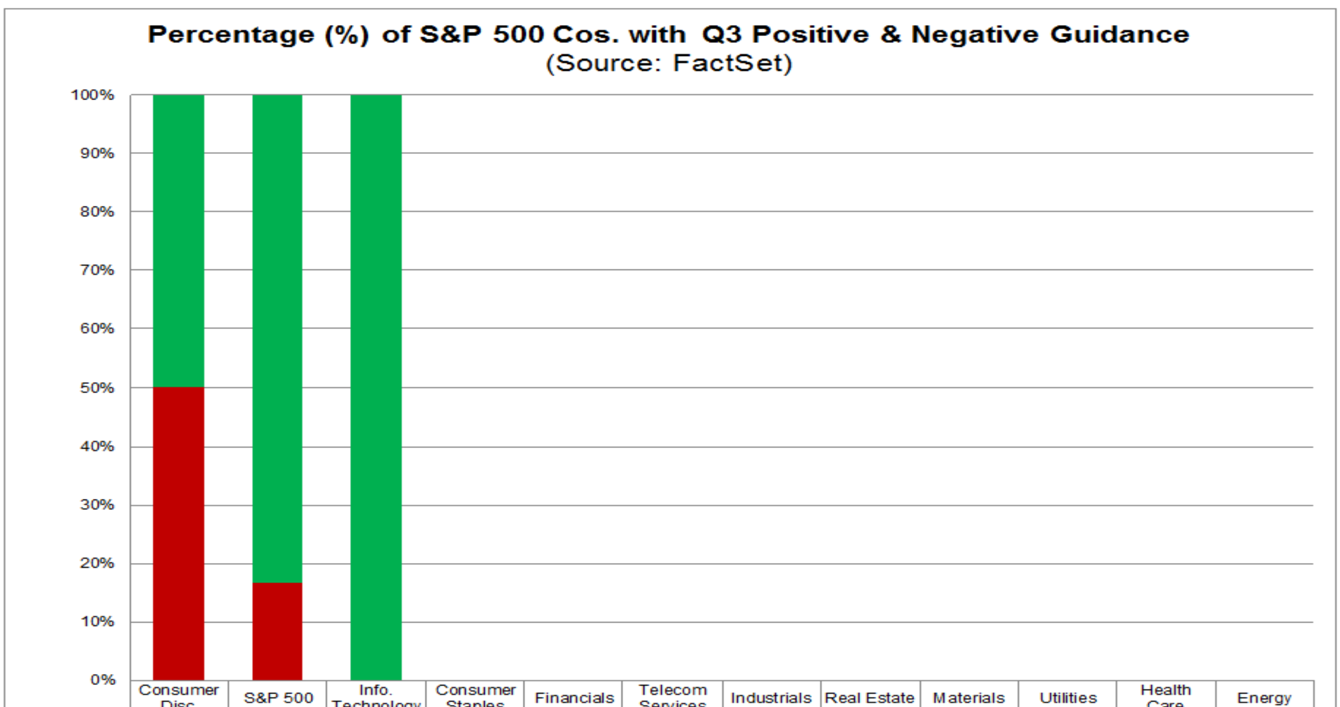
	Real Estate	Information Tech	Financials	Telecom Services	Materials	S&P 500	Health Care	Utilities	Industrials	Consumer Disc.	Consumer Staples	Energy
Q217	35.8%	18.2%	14.7%	11.6%	10.4%	10.1%	10.0%	9.9%	9.2%	6.9%	6.3%	3.7%
Q216	35.9%	17.7%	14.0%	11.3%	10.6%	9.9%	10.4%	10.7%	9.3%	7.3%	6.2%	1.0%



	Energy	Financials	Consumer Staples	Real Estate	Information Tech.	Health Care	S&P 500	Telecom Services	Utilities	Industrials	Materials	Consumer Disc.
Down %	24%	33%	36%	42%	46%	48%	48%	50%	54%	54%	60%	66%
None %	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Up %	76%	65%	64%	58%	54%	52%	52%	50%	46%	46%	40%	34%

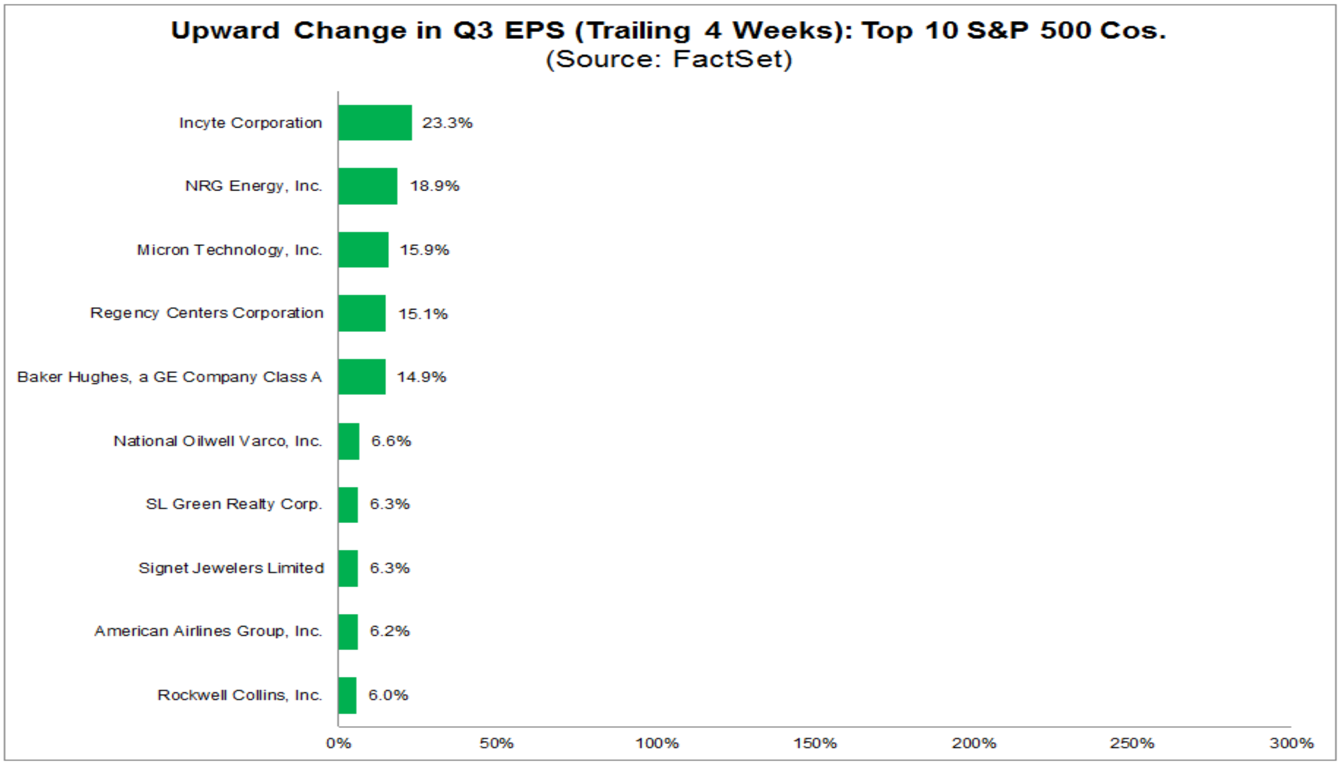
Q3 2017: Guidance

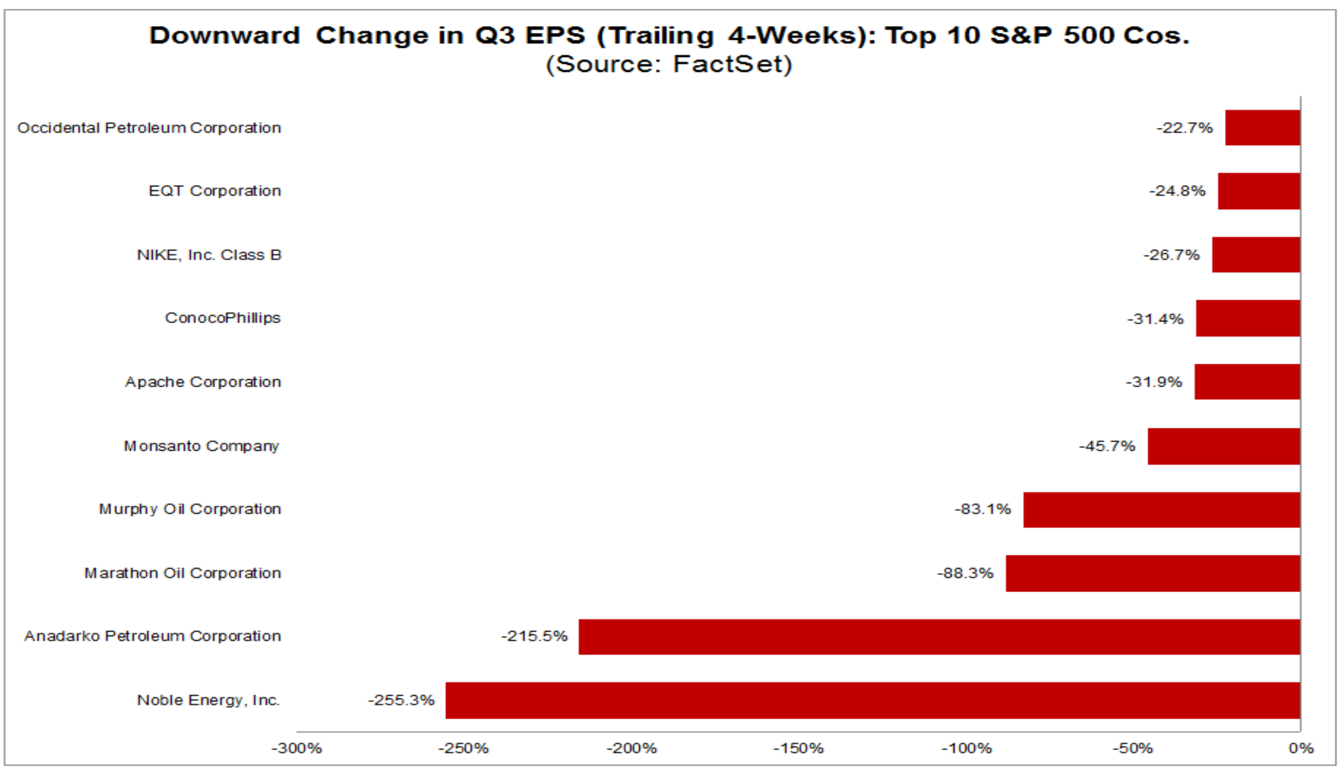




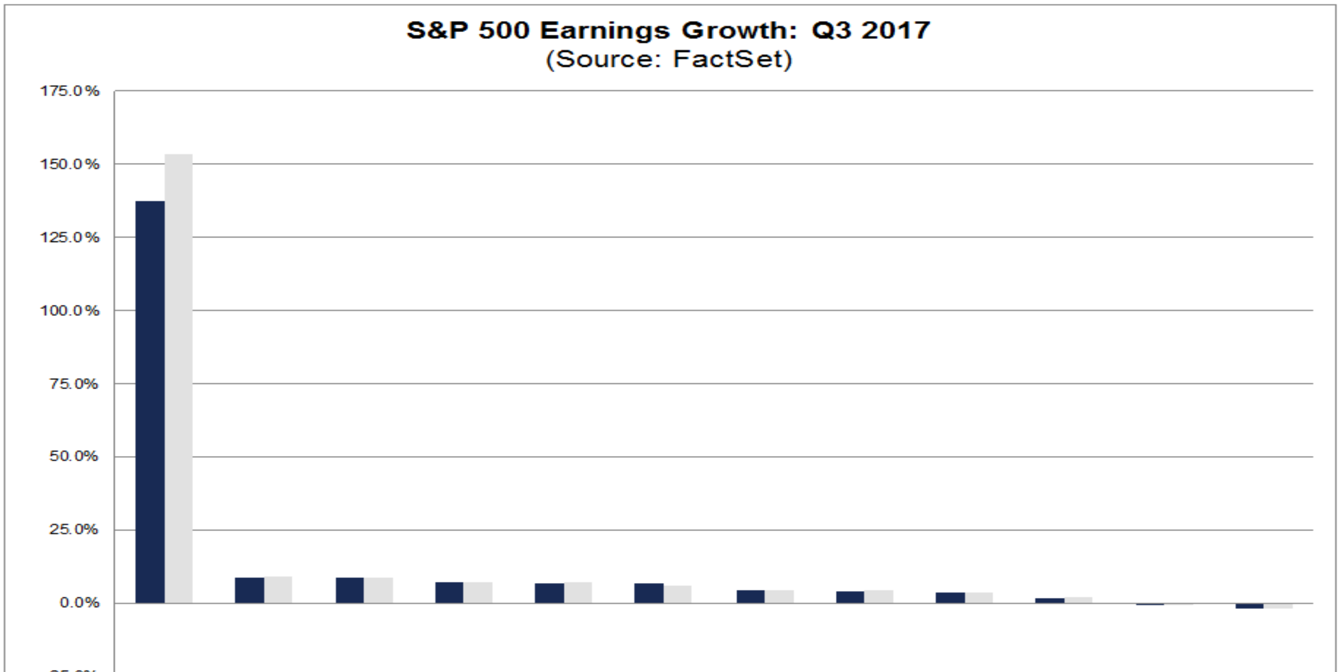
	Consumer Disc.	S&P 500	Info. Technology	Consumer Staples	Financials	Telecom Services	Industrials	Real Estate	Materials	Utilities	Health Care	Energy
Positive	50%	83%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Negative	50%	17%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Q3 2017: EPS Revisions

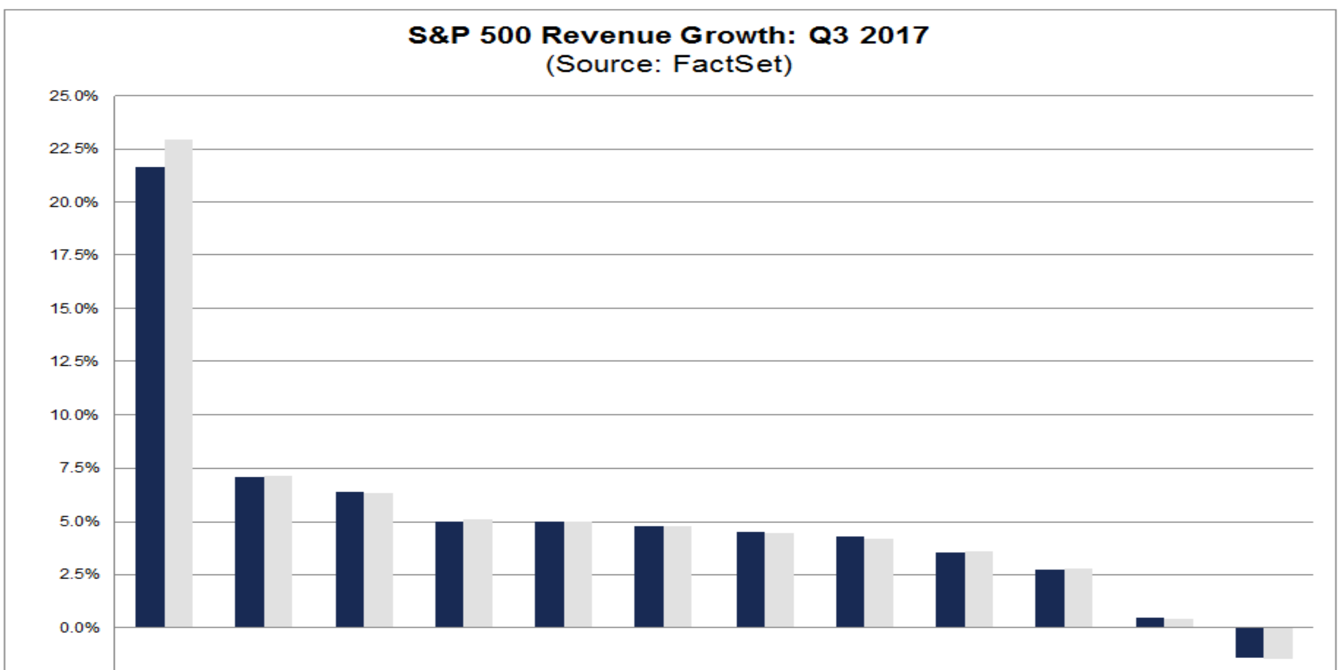




Q3 2017: Growth



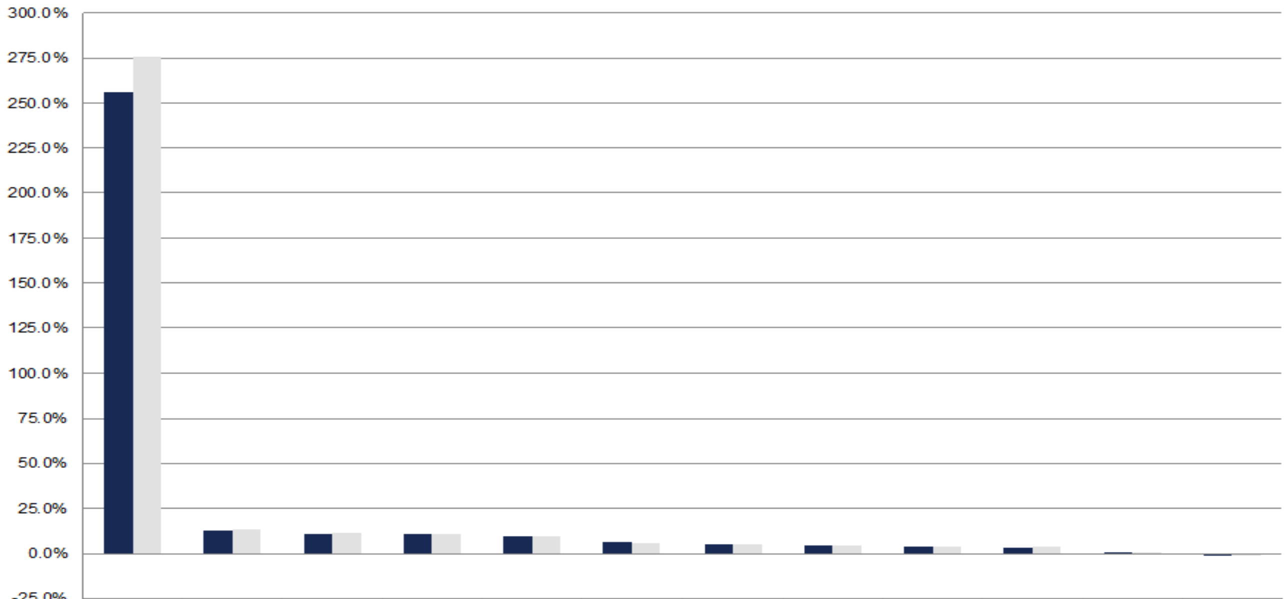
	Energy	Materials	Info. Technology	S&P 500	Real Estate	Industrials	Financials	Consumer Staples	Health Care	Consumer Disc.	Utilities	Telecom Services
Today	137.2%	8.8%	8.8%	7.1%	7.0%	6.7%	4.6%	4.2%	3.6%	1.7%	-0.6%	-1.7%
30-Jun	153.5%	9.2%	9.0%	7.4%	7.2%	6.2%	4.5%	4.5%	3.6%	2.0%	-0.7%	-1.6%



	Energy	Info. Technology	Materials	S&P 500	Utilities	Real Estate	Health Care	Industrials	Consumer Staples	Consumer Disc.	Financials	Telecom Services
Today	21.6%	7.1%	6.4%	5.0%	5.0%	4.8%	4.5%	4.3%	3.5%	2.7%	0.5%	-1.4%
30-Jun	22.9%	7.1%	6.3%	5.1%	5.0%	4.8%	4.5%	4.2%	3.6%	2.8%	0.4%	-1.5%

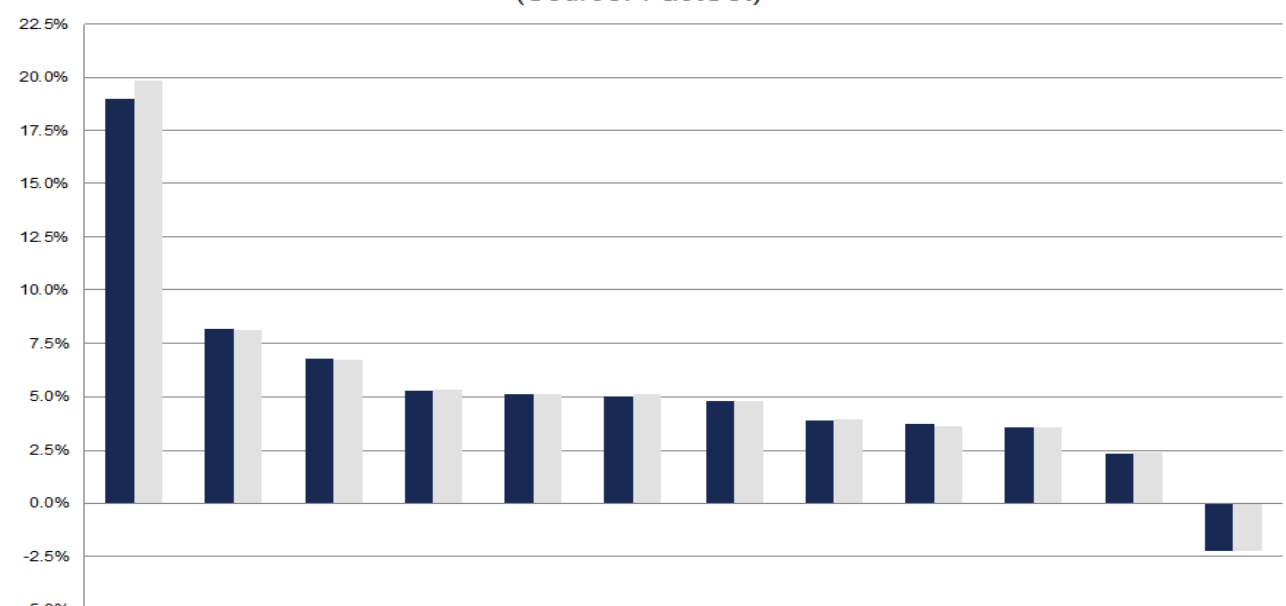
CY 2017: Growth

S&P 500 Earnings Growth: CY 2017
(Source: FactSet)



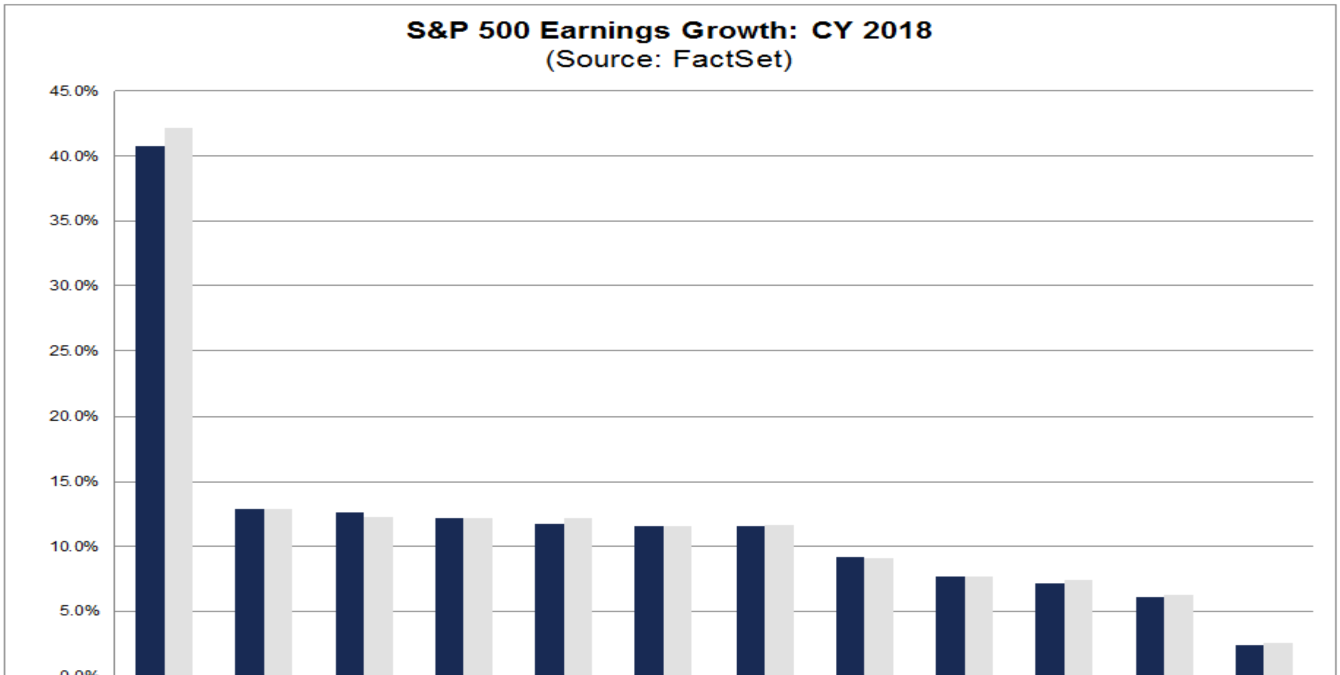
	Energy	Materials	Financials	Info. Technology	S&P 500	Industrials	Consumer Disc.	Health Care	Consumer Staples	Real Estate	Utilities	Telecom Services
Today	256.2%	13.0%	11.2%	10.7%	9.6%	6.4%	4.8%	4.6%	3.6%	3.5%	0.2%	-1.5%
30-Jun	275.4%	13.3%	11.3%	10.7%	9.8%	6.0%	4.9%	4.6%	3.6%	3.6%	0.1%	-1.4%

S&P 500 Revenue Growth: CY 2017
(Source: FactSet)

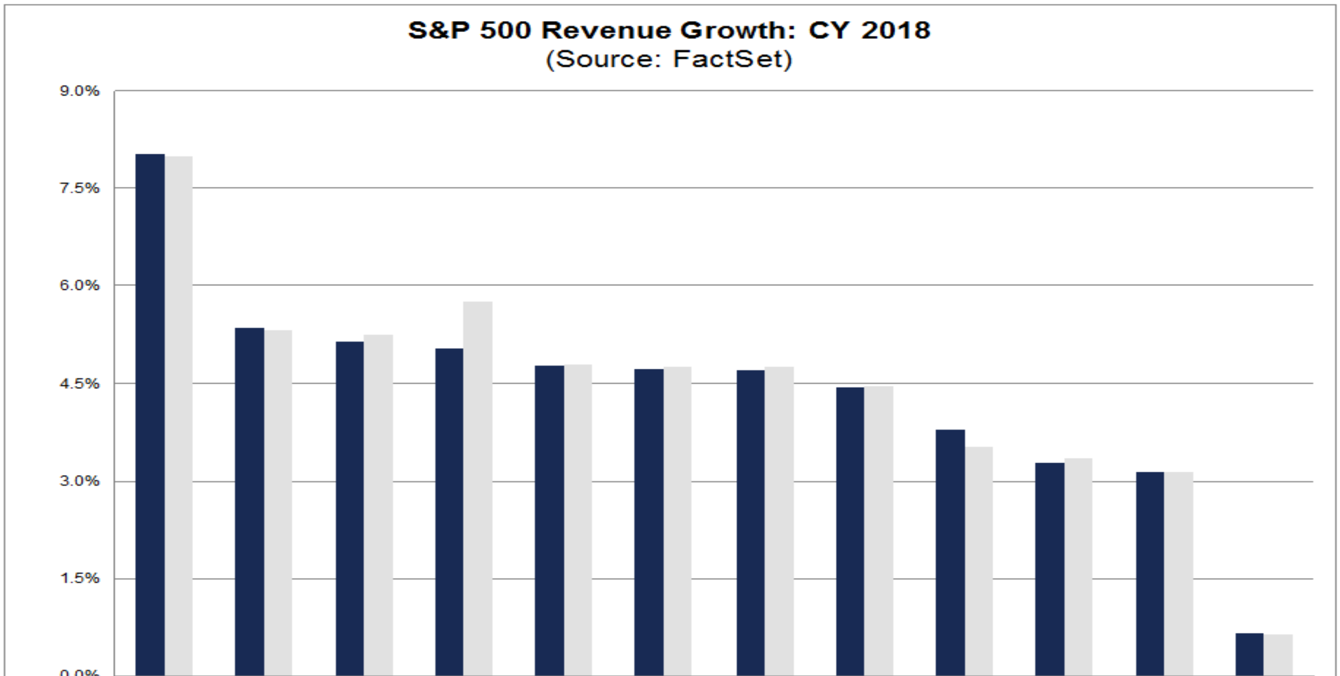


	Energy	Info. Technology	Materials	S&P 500	Real Estate	Utilities	Health Care	Consumer Disc.	Industrials	Financials	Consumer Staples	Telecom Services
Today	19.0%	8.1%	6.8%	5.3%	5.1%	5.0%	4.8%	3.9%	3.7%	3.6%	2.4%	-2.2%
30-Jun	19.8%	8.1%	6.8%	5.4%	5.2%	5.2%	4.8%	3.9%	3.6%	3.6%	2.4%	-2.2%

CY 2018: Growth

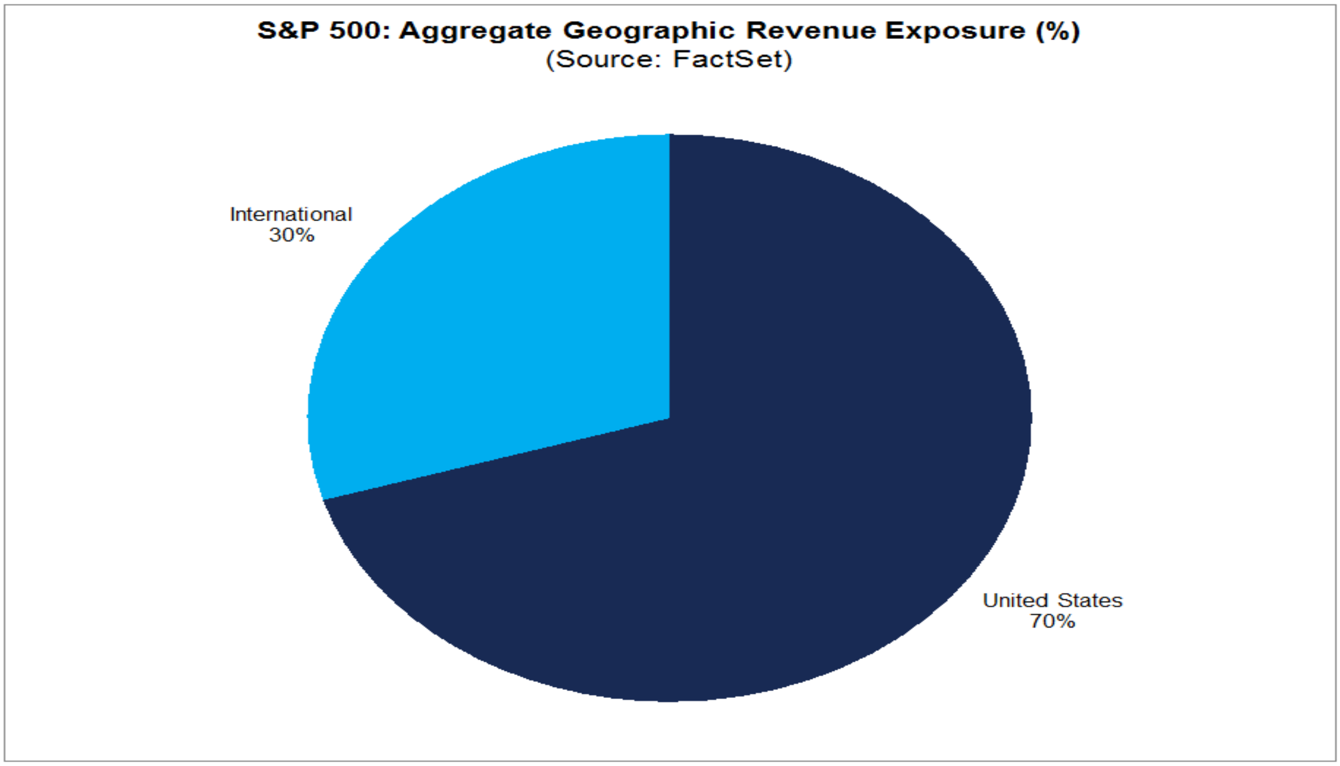


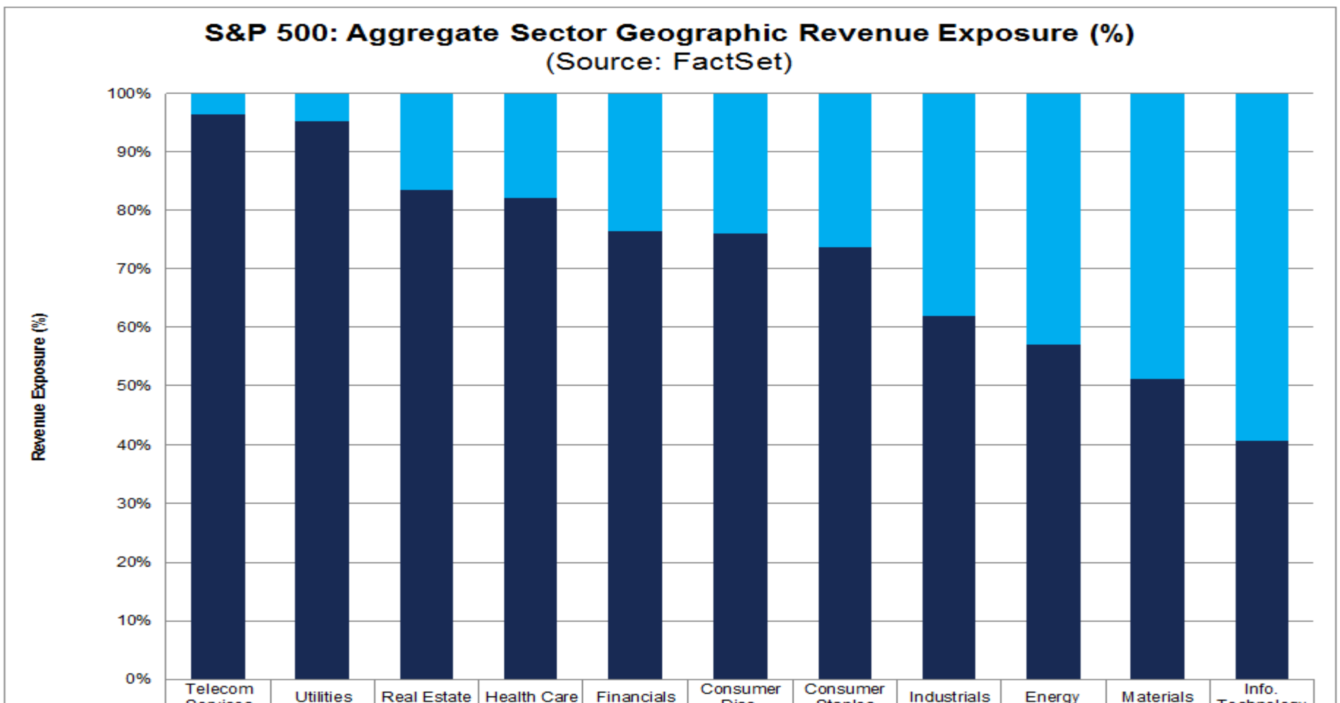
	Energy	Materials	Financials	Consumer Disc.	Industrials	Info. Technology	S&P 500	Health Care	Consumer Staples	Real Estate	Utilities	Telecom Services
Today	40.8%	12.9%	12.6%	12.2%	11.8%	11.6%	11.6%	9.2%	7.7%	7.2%	6.1%	2.4%
30-Jun	42.1%	12.9%	12.3%	12.2%	12.2%	11.6%	11.7%	9.1%	7.7%	7.4%	6.3%	2.6%



	Info. Technology	Health Care	Real Estate	Energy	Materials	Industrials	S&P 500	Consumer Disc.	Financials	Consumer Staples	Utilities	Telecom Services
Today	8.0%	5.3%	5.1%	5.0%	4.8%	4.7%	4.7%	4.4%	3.8%	3.3%	3.1%	0.7%
30-Jun	8.0%	5.3%	5.2%	5.7%	4.8%	4.8%	4.7%	4.4%	3.5%	3.4%	3.1%	0.6%

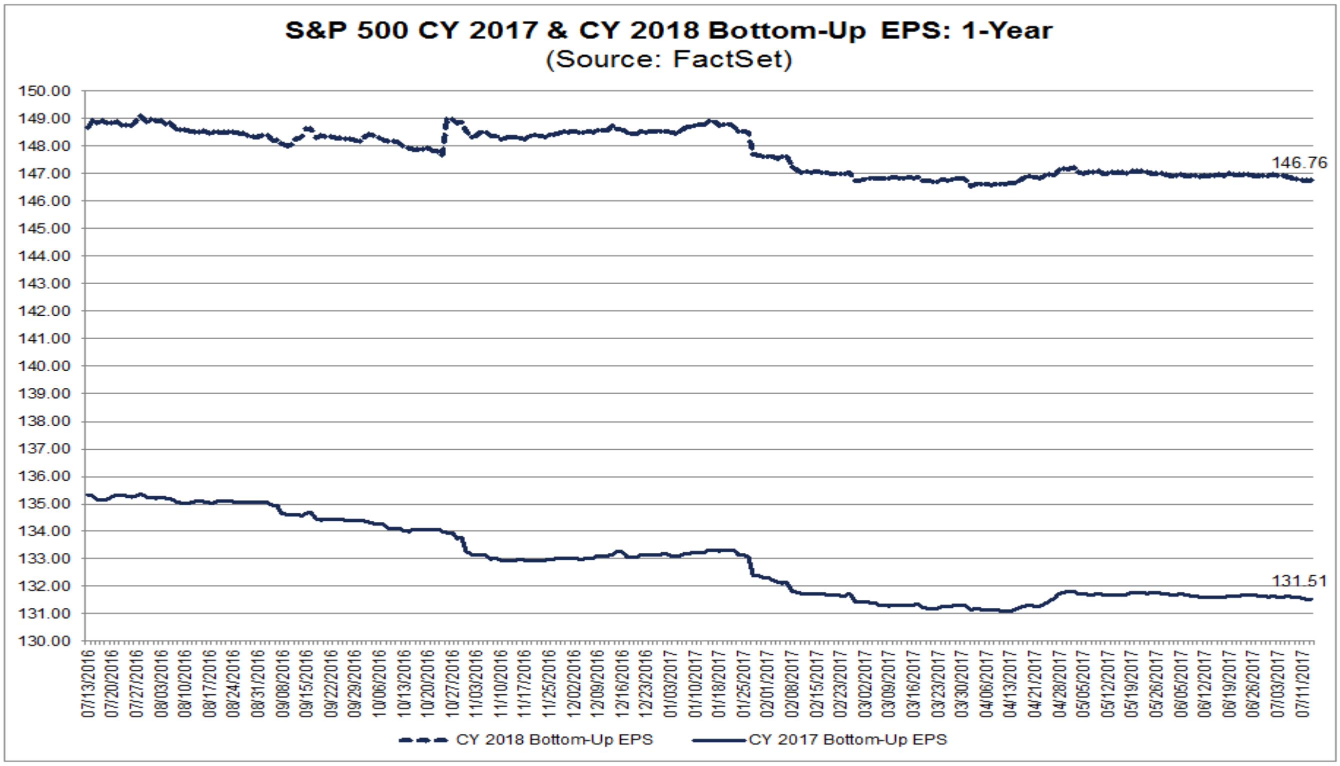
Geographic Revenue Exposure

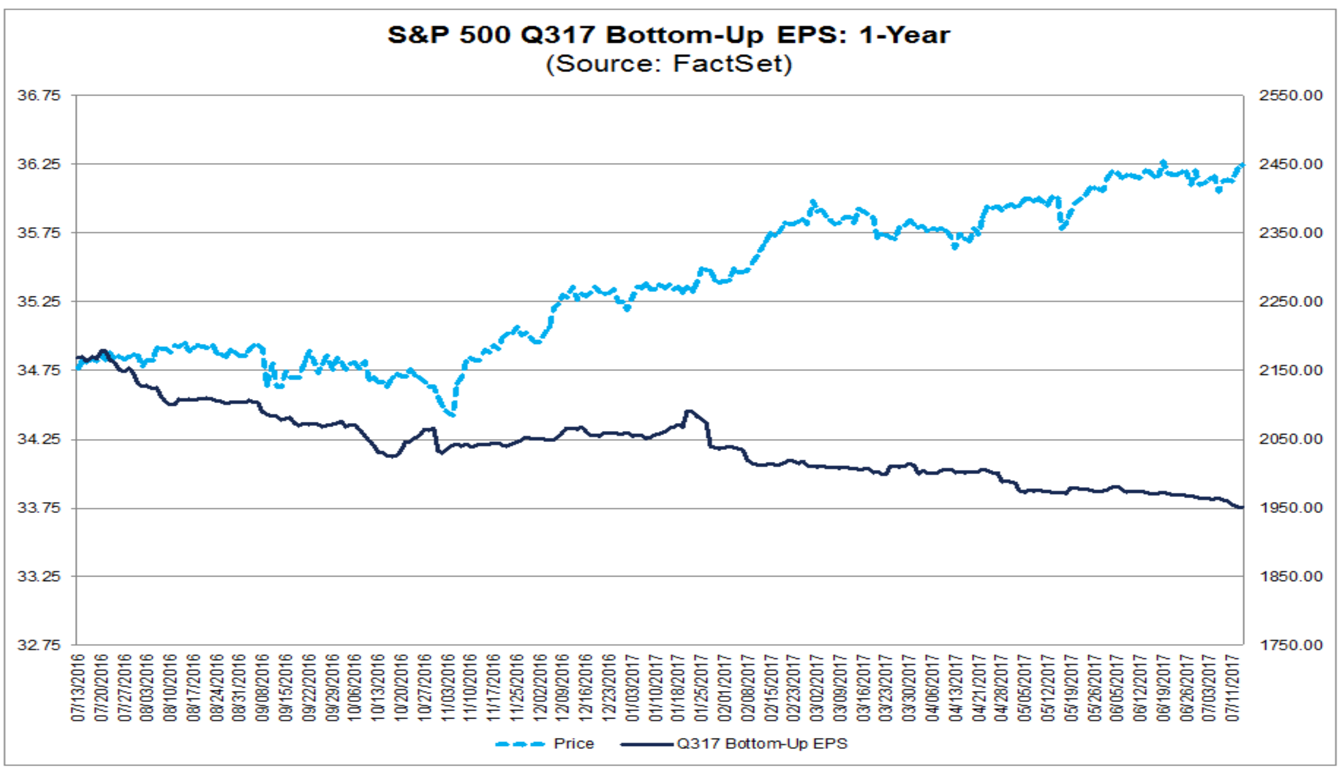




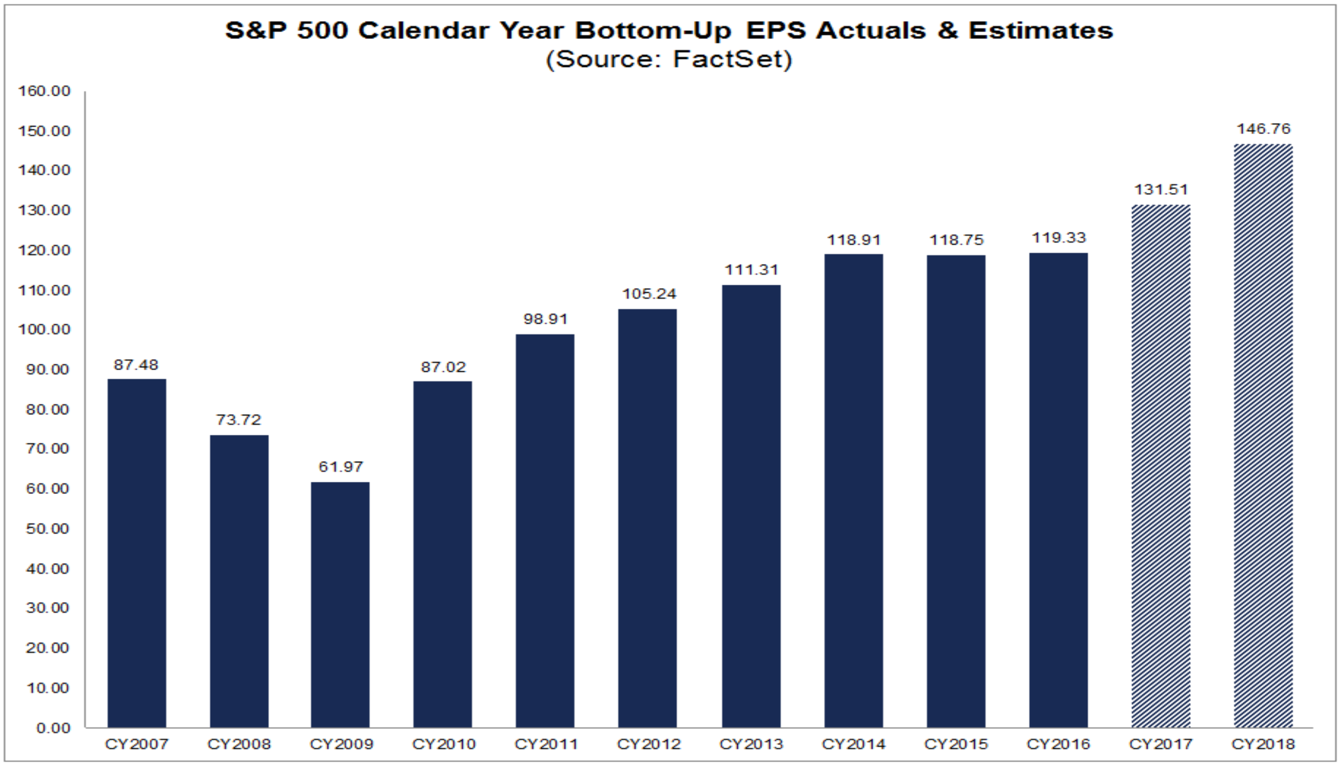
	Telecom Services	Utilities	Real Estate	Health Care	Financials	Consumer Disc.	Consumer Staples	Industrials	Energy	Materials	Info. Technology
International	4%	5%	17%	18%	24%	24%	26%	38%	43%	49%	59%
United States	96%	95%	83%	82%	76%	76%	74%	62%	57%	51%	41%

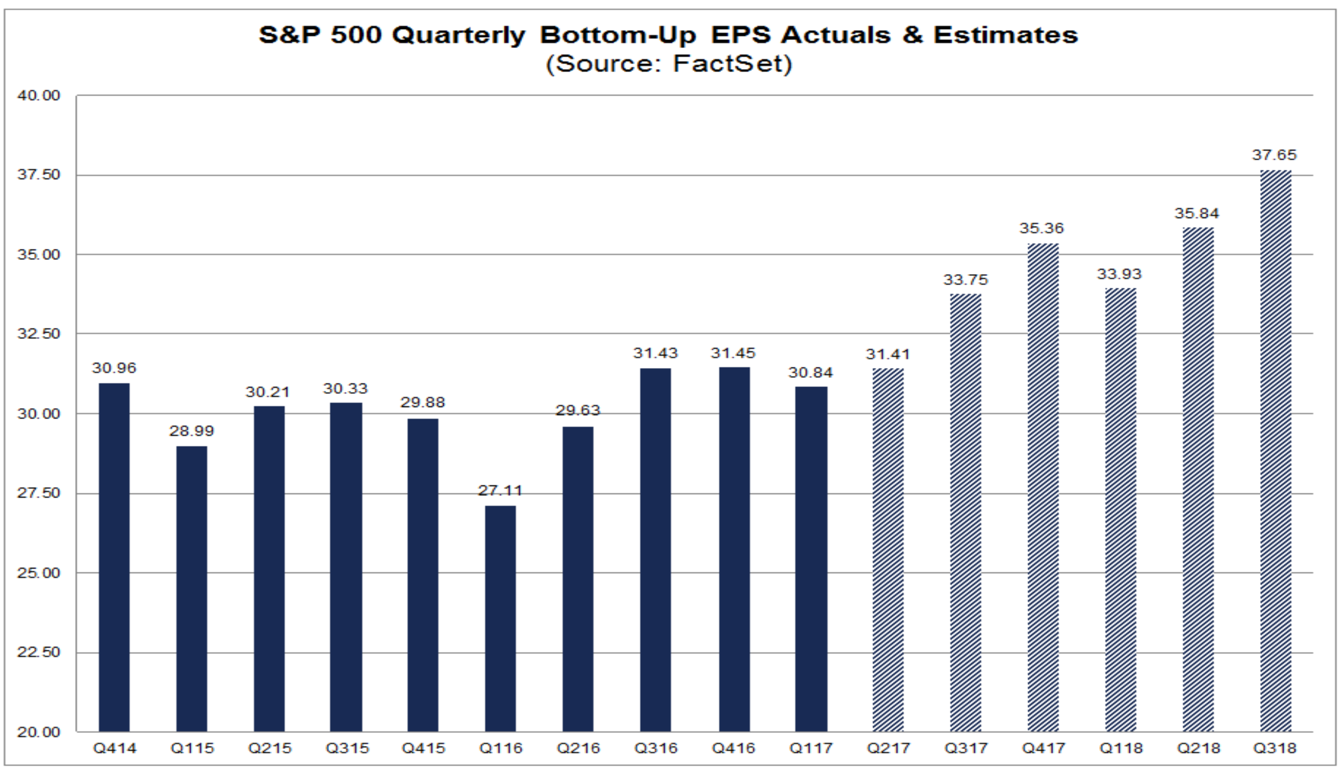
Bottom-up EPS Estimates: Revisions



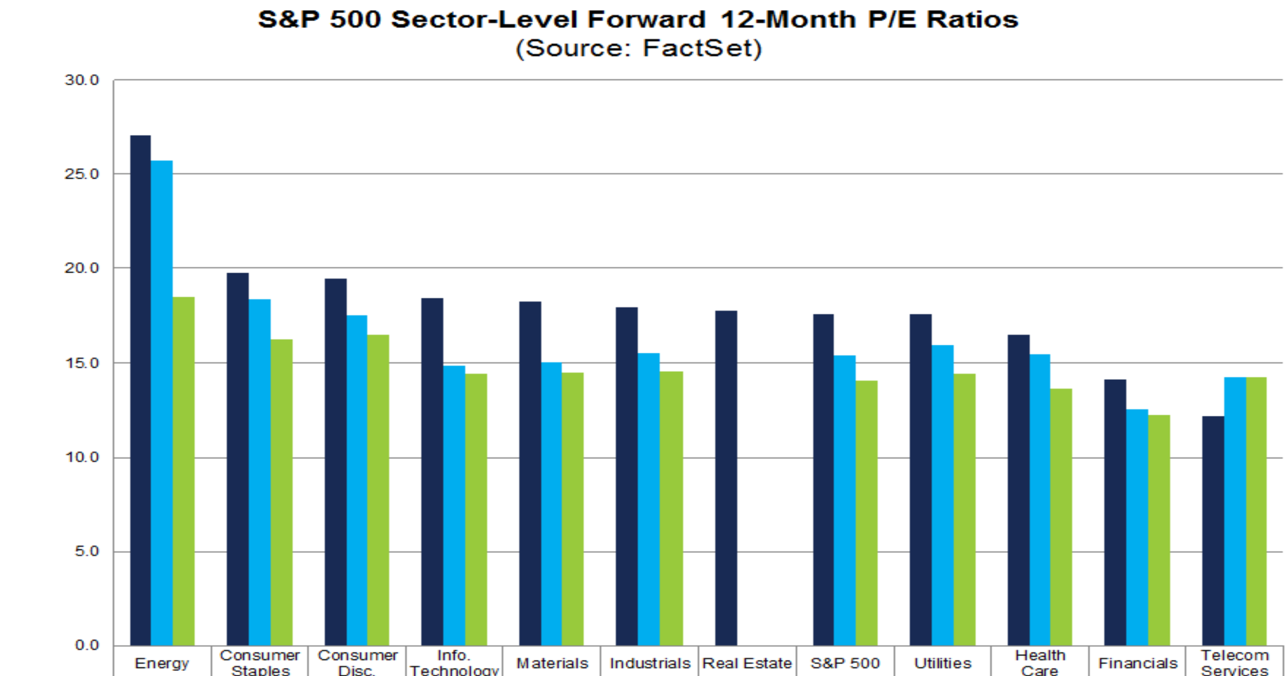


Bottom-up EPS Estimates: Current & Historical

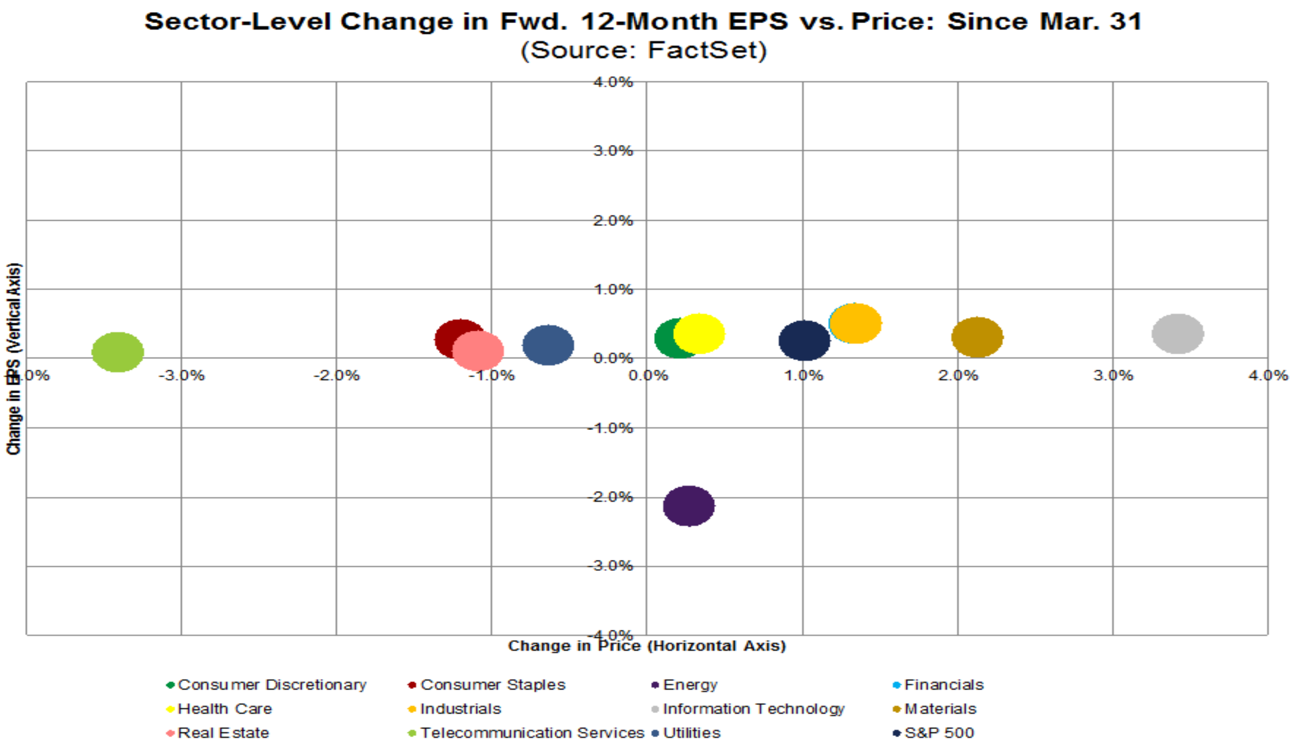




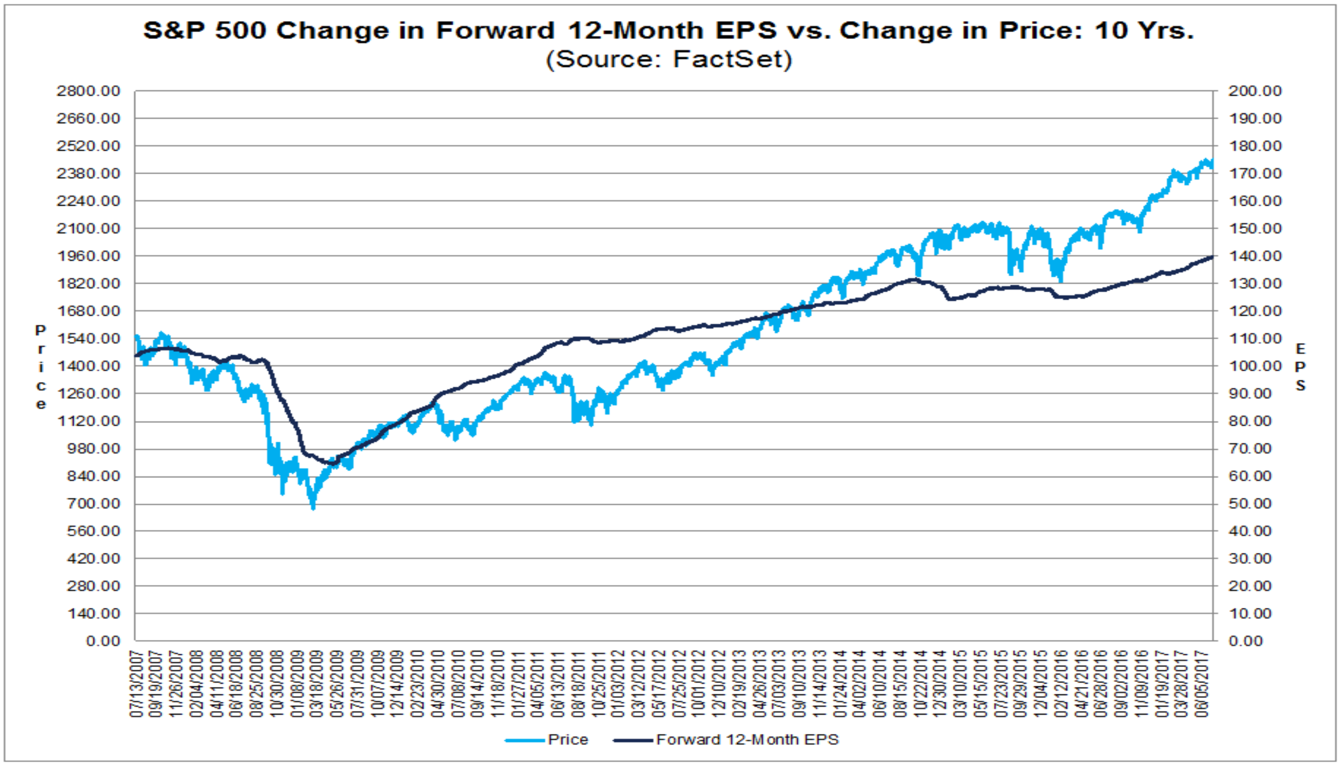
Forward 12M P/E Ratio: Sector Level

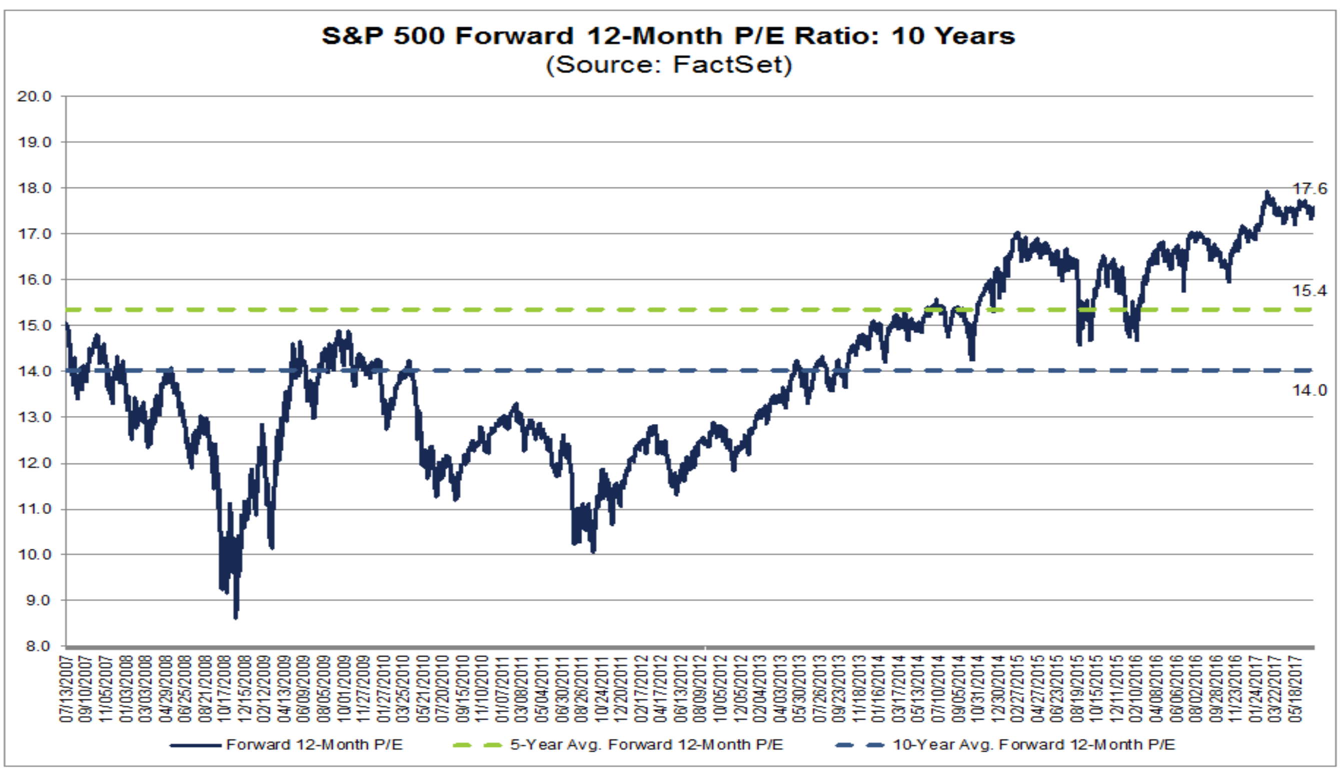


	Energy	Consumer Staples	Consumer Disc.	Info. Technology	Materials	Industrials	Real Estate	S&P 500	Utilities	Health Care	Financials	Telecom Services
Fwd P/E	27.1	19.8	19.4	18.4	18.3	18.0	17.8	17.6	17.6	16.5	14.1	12.2
5-Yr Avg.	25.7	18.3	17.5	14.8	15.0	15.5		15.4	15.9	15.4	12.6	14.2
10-Yr Avg.	18.4	16.2	16.5	14.4	14.4	14.5		14.0	14.4	13.6	12.2	14.2

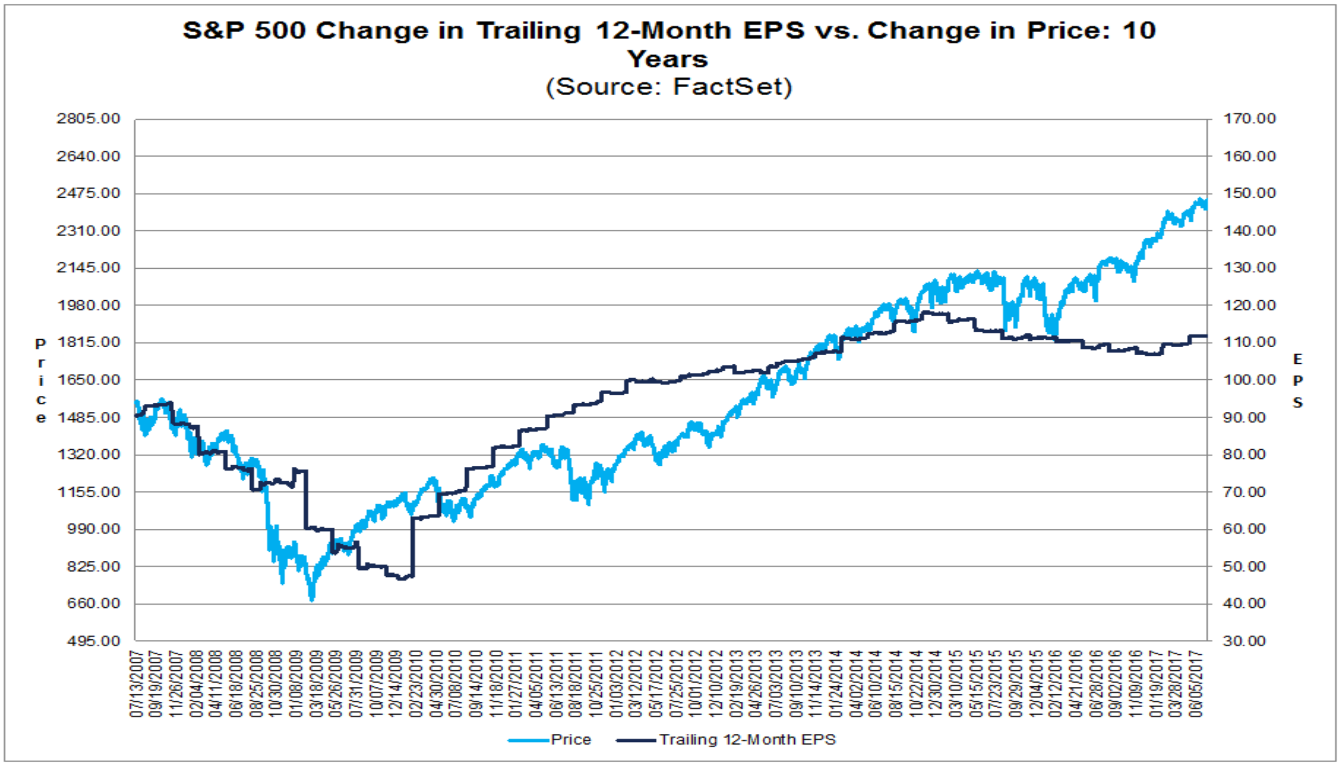


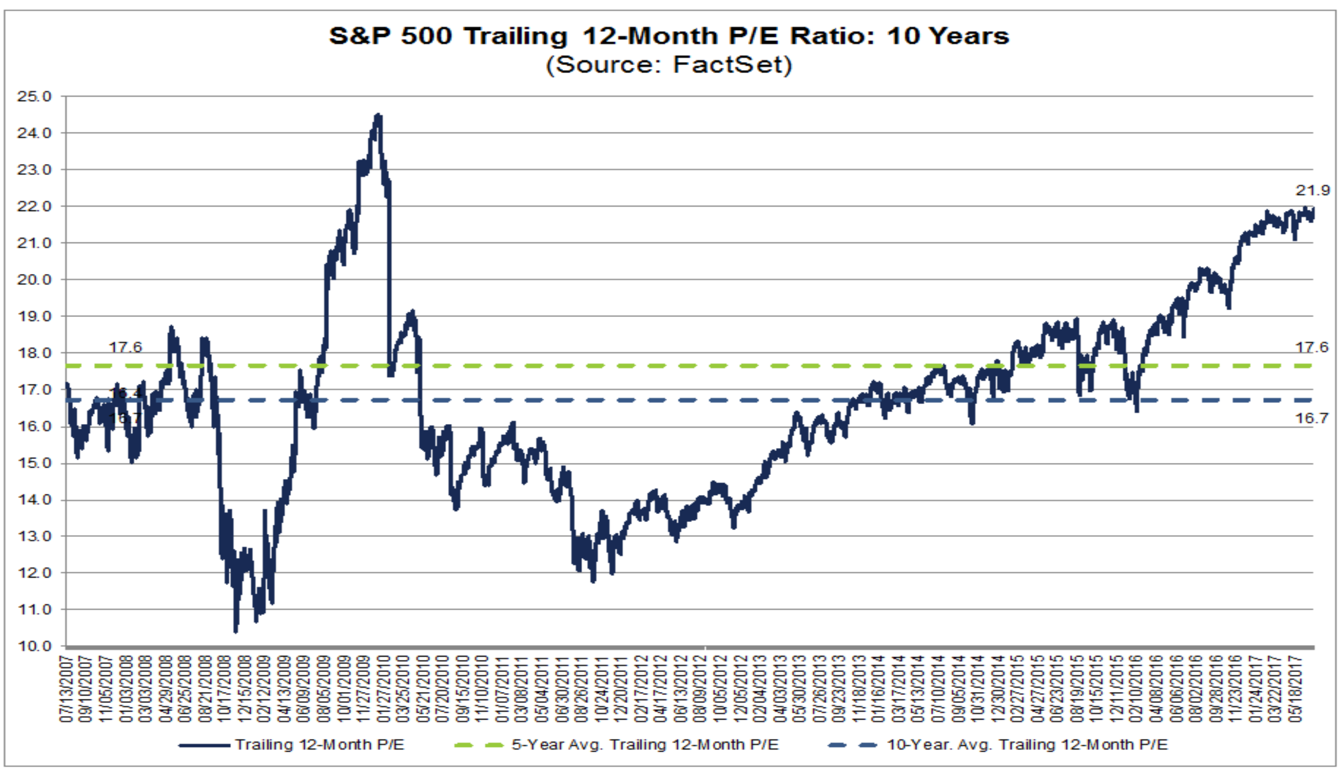
Forward 12M P/E Ratio: Long-Term Averages



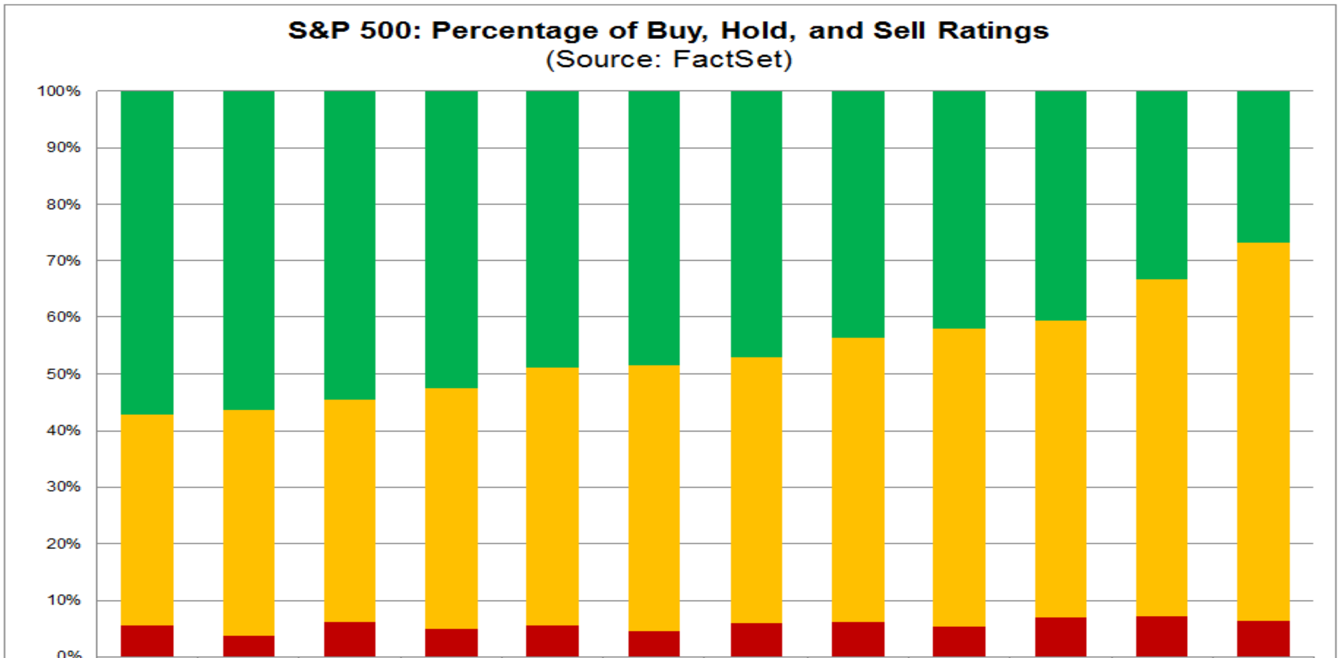


Trailing 12M P/E Ratio: Long-Term Averages

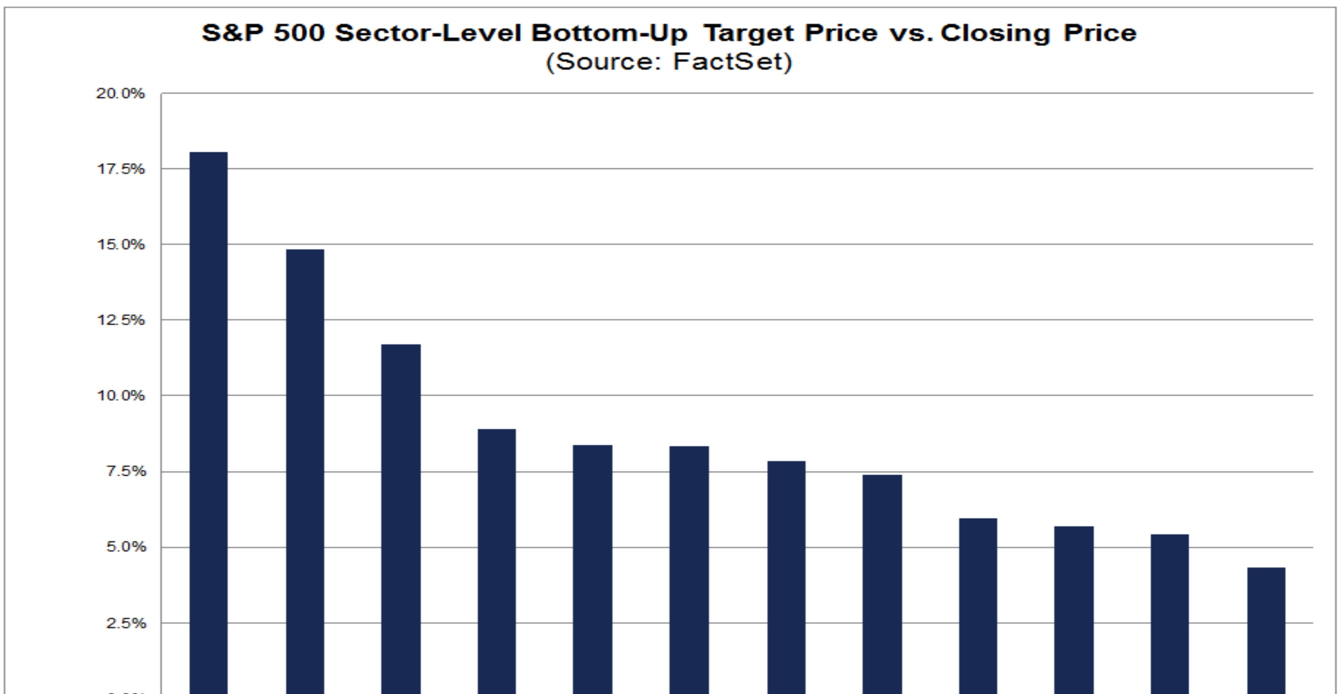




Targets & Ratings



	Info. Tech.	Health Care	Energy	Materials	S&P 500	Industrials	Consumer Disc.	Financials	Real Estate	Consumer Staples	Utilities	Telecom Services
Buy	57%	56%	55%	53%	49%	49%	47%	44%	42%	41%	33%	27%
Hold	37%	40%	39%	43%	45%	47%	47%	50%	53%	52%	60%	67%
Sell	6%	4%	6%	5%	6%	4%	6%	6%	5%	7%	7%	6%



	Energy	Telecom Services	Consumer Disc.	Info. Tech.	S&P 500	Consumer Staples	Real Estate	Materials	Health Care	Industrials	Financials	Utilities
Target/Close	18.1%	14.8%	11.7%	8.9%	8.4%	8.4%	7.9%	7.4%	6.0%	5.7%	5.5%	4.4%

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