

Consensus Earnings Report

From S&P Global Market Intelligence

July 11, 2016

Lindsey Bell

Senior Analyst

S&P Global Market Intelligence

lindsey.bell@spglobal.com

@SPGEarnings

S&P 500 EARNINGS

Q2 2016 EPS & Growth Rate

	EPS (\$)	Growth (%)
Consumer Discretionary Sector Index	\$8.30	9.35%
Consumer Staples Sector Index	\$6.21	-3.09%
Energy Sector Index	\$1.04	-80.67%
Financials Sector Index	\$5.32	-8.62%
Healthcare Sector Index	\$12.75	2.99%
Industrials Sector Index	\$7.58	6.58%
Information Technology Sector Index	\$9.30	-5.33%
Materials Sector Index	\$4.52	-7.71%
Telecommunication Services Sector Index	\$3.00	-2.77%
Utilities Sector Index	\$3.04	2.98%
S&P 500	\$28.18	-5.37%

Q2 Earnings for S&P 500 Kicks-Off

- Aggregate Q2 2016 S&P 500 earnings are estimated at \$28.18, representing a decline of 5.4% year-over-year, for the fourth quarterly decline in a row.
- Alcoa will unofficially kick-off the second quarter earnings season after the close.
- Only four of 10 S&P sectors are projected to have positive earnings growth for Q2, with consumer discretionary (9.4%), industrials (6.6%), healthcare (3.0%), and utilities (3.0%) leading.
- The energy sector (-80.7%) once again is expected to post the largest decline in growth, though the decline is an improvement from first quarter results.
- Other sectors with large declines in growth are financials (-8.6%), materials (-7.7%), and information technology (-5.3%).
- Excluding the energy sector drag, S&P 500 EPS growth would still decline 0.9% in Q2.
- The earnings beat rate in the first quarter is currently 57%, below the historic average of 66%, though only 23 companies have reported results thus far.
- From a valuation perspective, the S&P 500 is trading at 17.6x on a forward 12 month price-to-earnings ratio, a premium to the fifteen year average.
- This week, 12 companies are slated to report results including, Yum! Brands, JPMorgan and Citigroup.

Earnings Calendar – Select Companies to Report Week of July 11th

Date	Company	Ticker	Qtr	Est	Yr Ago
11-Jul	Alcoa Inc.	AA	Q2 2016	\$0.10	\$0.19
12-Jul	Fastenal Company	FAST	Q2 2016	\$0.48	\$0.48
13-Jul	Yum! Brands, Inc.	YUM	Q2 2016	\$0.73	\$0.69
14-Jul	BlackRock, Inc.	BLK	Q2 2016	\$4.78	\$4.96
14-Jul	JPMorgan Chase & Co.	JPM	Q2 2016	\$1.43	\$1.54
14-Jul	Delta Air Lines, Inc.	DAL	Q2 2016	\$1.41	\$1.27
15-Jul	U.S. Bancorp	USB	Q2 2016	\$0.81	\$0.80
15-Jul	Citigroup Inc.	C	Q2 2016	\$1.11	\$1.45
15-Jul	Wells Fargo & Company	WFC	Q2 2016	\$1.01	\$1.03

The Quarterly Outlook for S&P 500 Earnings

Estimated Earnings Growth for 2Q2016*					
	Today	1 April	1 Jan	1 Oct	1 July
Cons. Disc.	9.35%	11.32%	14.17%	14.81%	19.07%
Cons. Stpls	-3.09%	-1.98%	1.43%	4.87%	9.32%
Energy	-80.67%	-80.03%	-26.20%	-14.91%	37.46%
Financials	-8.62%	-0.71%	3.60%	6.87%	12.23%
Healthcare	2.99%	3.59%	5.12%	5.92%	14.08%
Industrials	6.58%	5.22%	9.43%	12.53%	7.04%
Info. Tech.	-5.33%	1.59%	6.23%	8.10%	13.77%
Materials	-7.71%	-6.90%	6.40%	9.94%	18.67%
Telecom. Svcs	-2.77%	1.40%	0.85%	1.66%	2.95%
Utilities	2.98%	3.18%	4.69%	5.90%	7.00%
S&P 500	-5.37%	-2.51%	4.11%	6.78%	13.42%

Estimated Earnings Growth for 3Q2016*					
	Today	1 April	1 Jan	1 Oct	1 July
Cons. Disc.	10.33%	11.50%	13.04%	15.84%	14.64%
Cons. Stpls	5.27%	6.07%	8.52%	11.29%	10.39%
Energy	-54.18%	-58.65%	-5.89%	29.21%	39.45%
Financials	5.13%	12.67%	17.57%	17.13%	13.48%
Healthcare	6.72%	6.95%	7.62%	15.92%	16.58%
Industrials	0.84%	9.95%	4.44%	11.20%	7.84%
Info. Tech.	1.87%	7.10%	9.02%	15.21%	12.17%
Materials	15.46%	11.62%	25.53%	25.93%	22.65%
Telecom. Svcs	-1.83%	-1.45%	-1.67%	2.25%	1.44%
Utilities	5.07%	3.22%	6.47%	9.64%	7.88%
S&P 500	1.99%	4.80%	9.12%	14.78%	13.46%

Estimated Earnings Growth for 4Q2016*				
	Today	1 April	1 Jan	1 Oct
Cons. Disc.	11.00%	10.68%	14.10%	13.79%
Cons. Stpls	9.33%	8.74%	11.52%	10.92%
Energy	1.08%	-12.59%	64.47%	62.38%
Financials	12.64%	21.20%	19.24%	17.06%
Healthcare	9.01%	9.59%	15.50%	14.34%
Industrials	2.82%	4.36%	6.46%	6.54%
Info. Tech.	3.43%	6.65%	12.97%	11.76%
Materials	24.54%	21.17%	38.86%	24.04%
Telecom. Svcs	2.16%	2.86%	3.10%	1.10%
Utilities	13.24%	10.21%	10.99%	12.13%
S&P 500	7.94%	9.44%	15.17%	14.12%

Estimated Earnings Growth for 1Q2017*			
	Today	1 April	1 Jan
Cons. Disc.	11.32%	15.44%	18.29%
Cons. Stpls	11.27%	12.43%	9.59%
Energy	NM	NM	52.97%
Financials	19.54%	7.11%	15.35%
Healthcare	6.19%	12.56%	13.63%
Industrials	6.00%	17.46%	17.33%
Info. Tech.	13.42%	17.91%	14.12%
Materials	23.20%	29.97%	24.95%
Telecom. Svcs	-1.74%	2.03%	14.60%
Utilities	3.47%	5.28%	3.99%
S&P 500	16.08%	17.47%	14.79%

Earnings Growth for CY 2016*					
	Today	1 April	1 Jan	1 Oct	1 July
Cons. Disc.	12.57%	11.20%	14.21%	15.56%	16.21%
Cons. Stpls	3.08%	2.43%	5.88%	8.22%	9.29%
Energy	-70.49%	-72.82%	-11.95%	4.46%	28.10%
Financials	-2.21%	7.62%	10.25%	11.73%	11.75%
Healthcare	6.65%	5.77%	8.49%	10.63%	13.14%
Industrials	1.86%	3.46%	5.20%	8.79%	7.75%
Info. Tech.	-0.72%	2.59%	7.73%	10.31%	10.97%
Materials	2.69%	-0.61%	15.83%	17.32%	19.32%
Telecom. Svcs	1.54%	1.91%	1.95%	2.54%	3.50%
Utilities	4.09%	3.32%	5.80%	7.42%	5.61%
S&P 500	-0.54%	1.13%	7.41%	10.21%	11.96%

Earnings Growth for CY 2017*				
	Today	1 April	1 Jan	1 Oct
Cons. Disc.	13.20%	14.73%	16.25%	17.38%
Cons. Stpls	10.42%	10.24%	8.70%	9.72%
Energy	237.67%	257.11%	33.74%	26.48%
Financials	14.54%	9.94%	14.59%	10.82%
Healthcare	9.61%	11.29%	11.74%	16.82%
Industrials	7.65%	12.74%	15.04%	18.28%
Info. Tech.	13.70%	12.91%	11.28%	6.73%
Materials	16.04%	19.35%	18.75%	26.15%
Telecom. Svcs	2.94%	2.10%	4.48%	0.65%
Utilities	3.74%	5.15%	4.82%	4.87%
S&P 500	14.60%	14.60%	12.54%	10.94%

Latest Reported Quarter Earnings Statistics

Sectors	% with EPS & Revenue Beats	2Q'16 EPS Mix			2Q'16 Revenue Mix			% of Sector Reported
		Beat	InLine	Miss	Beat	InLine	Miss	
Consumer Discretionary	29%	4		3	2		5	8.0%
Consumer Staples	43%	6		1	3		4	19.4%
Energy	0%							0.0%
Financials	0%							0.0%
Healthcare	0%							0.0%
Industrials	100%	2			2			3.0%
Information Technology	0%	1	4	1	4		2	8.8%
Materials	0%			1			1	3.8%
Telecommunication Services	0%							0.0%
Utilities	0%							0.0%
S&P 500 Index	30%	13	5	5	11		12	4.6%

Historical/Current/Future Earnings Growth Rates

	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Consumer Discretionary Sector	8.49%	10.45%	16.40%	11.53%	21.31%	9.35%	10.33%	11.00%
Consumer Staples Sector	4.26%	1.70%	-1.47%	-1.75%	0.82%	-3.09%	5.27%	9.33%
Energy Sector	-54.57%	-55.76%	-58.62%	-73.00%	-106.57%	-80.67%	-54.18%	1.08%
Financials Sector	18.33%	9.64%	1.22%	-5.13%	-15.36%	-8.62%	5.13%	12.64%
Healthcare Sector	21.42%	14.71%	15.13%	10.15%	8.03%	2.99%	6.72%	9.01%
Industrials Sector	8.74%	0.11%	5.35%	0.80%	-3.32%	6.58%	0.84%	2.82%
Information Technology Sector	9.07%	6.15%	5.15%	0.50%	-3.96%	-5.33%	1.87%	3.43%
Materials Sector	-0.69%	7.76%	-14.56%	-17.70%	-11.37%	-7.71%	15.46%	24.54%
Telecommunications Services	2.13%	11.84%	14.60%	21.78%	9.14%	-2.77%	-1.83%	2.16%
Utilities Sector	0.39%	4.45%	1.63%	-2.30%	-2.50%	2.98%	5.07%	13.24%
S&P 500	3.22%	0.14%	-1.39%	-4.18%	-6.84%	-5.37%	1.99%	7.94%

S&P 500 Performance and Valuation Based on Close of July 8, 2016

	Market Cap Wgt	Current Div. Yield	YTD Price Change	2015 Price Change	Forward P/E	15 yr Avg Fwd P/E
Consumer Discretionary Sector	12.88%	1.63%	3.08%	8.43%	18.30	19.51
Consumer Staples Sector	11.62%	2.57%	10.17%	3.77%	21.85	16.94
Energy Sector	6.90%	2.83%	13.51%	-23.55%	54.34	13.70
Financials Sector	15.69%	2.44%	-3.94%	-3.48%	13.94	14.56
Healthcare Sector	14.35%	1.66%	2.11%	5.21%	16.22	17.53
Industrials Sector	9.62%	2.34%	7.41%	-4.72%	16.92	16.31
Information Technology Sector	20.15%	1.69%	0.67%	4.27%	16.70	18.16
Materials Sector	2.75%	2.28%	7.54%	-10.36%	17.04	17.66
Telecommunications Services	2.72%	4.35%	21.28%	-1.73%	14.94	17.28
Utilities Sector	3.31%	3.33%	21.30%	-8.39%	18.73	14.27
S&P 500		2.19%	4.21%	-0.73%	17.63	15.98

Current Earnings Per Share by Sector

	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016	CY2016	CY2017
Consumer Discretionary Sector	\$8.35	\$7.68	\$8.30	\$8.87	\$9.27	\$34.12	\$38.62
Consumer Staples Sector	\$6.20	\$5.85	\$6.21	\$6.65	\$6.77	\$25.48	\$28.13
Energy Sector	\$2.30	(\$0.35)	\$1.04	\$2.27	\$2.34	\$5.30	\$17.91
Financials Sector	\$4.98	\$4.82	\$5.32	\$5.48	\$5.62	\$21.24	\$24.32
Healthcare Sector	\$11.97	\$12.68	\$12.75	\$13.19	\$13.05	\$51.67	\$56.63
Industrials Sector	\$7.42	\$6.13	\$7.58	\$7.71	\$7.63	\$29.06	\$31.28
Information Technology Sector	\$12.55	\$9.72	\$9.30	\$10.20	\$12.98	\$42.19	\$47.97
Materials Sector	\$3.18	\$3.92	\$4.52	\$3.96	\$3.96	\$16.36	\$18.98
Telecommunications Services	\$2.81	\$3.21	\$3.00	\$3.14	\$2.87	\$12.22	\$12.58
Utilities Sector	\$2.58	\$3.67	\$3.04	\$4.53	\$2.92	\$14.12	\$14.65
S&P 500	\$29.28	\$26.54	\$28.18	\$30.23	\$31.61	\$116.56	\$133.58

Major Index Valuation Metrics

Index	Close Date	Last Close	Total Trailing	Trailing P/E	Fwd 12Mo Total	Fwd 12Mo P/E
S&P 500	7/8/2016	2,129.90	\$ 115.25	18.48	\$ 120.83	17.63

Current Earnings Margins by Sector

	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	CY2016
Consumer Discretionary	7.05%	7.14%	7.29%	7.35%	7.63%	8.00%	7.69%
Consumer Staples	5.67%	5.63%	5.43%	5.33%	5.59%	5.81%	5.62%
Energy	5.14%	5.20%	2.78%	-0.53%	1.27%	2.48%	1.63%
Financials	15.46%	13.71%	13.10%	14.08%	13.68%	14.12%	13.82%
Healthcare	10.59%	10.52%	9.60%	10.34%	10.10%	10.31%	10.18%
Industrials	9.25%	9.73%	9.53%	8.35%	9.84%	9.90%	9.49%
Information Technology	18.09%	18.27%	19.55%	18.06%	17.38%	18.44%	18.64%
Materials	9.75%	7.71%	7.65%	9.28%	10.18%	9.08%	9.46%
Telecomm. Services	11.35%	10.54%	8.75%	10.55%	9.81%	10.13%	9.85%
Utilities	9.55%	12.26%	8.65%	11.98%	9.46%	12.42%	10.47%
S&P 500	9.98%	9.86%	9.61%	9.35%	9.51%	9.92%	9.72%

Current Revenue Per Share Expectations

	1Q2016	2Q2016	3Q2016	CY2014	CY2015	CY2016
Consumer Discretionary	\$104.56	\$108.66	\$110.97	\$418.79	\$431.94	\$443.48
Consumer Staples Sector	\$109.59	\$111.03	\$114.50	\$454.18	\$453.63	\$453.46
Energy Sector	\$66.03	\$81.85	\$91.54	\$584.04	\$378.64	\$326.29
Financials Sector	\$36.98	\$38.88	\$38.77	\$146.56	\$150.23	\$153.71
Healthcare Sector	\$122.59	\$126.22	\$127.95	\$417.05	\$471.81	\$507.45
Industrials Sector	\$73.42	\$77.05	\$77.88	\$306.57	\$307.18	\$306.08
Information Technology	\$53.81	\$53.47	\$55.29	\$221.49	\$227.70	\$226.34
Materials Sector	\$42.28	\$44.37	\$43.58	\$213.39	\$187.10	\$172.86
Telecommunications Svcs	\$30.43	\$30.61	\$30.99	\$108.70	\$114.01	\$124.13
Utilities Sector	\$30.63	\$32.17	\$36.48	\$142.49	\$133.23	\$134.93
S&P 500	\$283.72	\$296.36	\$304.70	\$1,226.76	\$1,191.73	\$1,199.44

Expected Revenue Growth Rates

	1Q2016	2Q2016	3Q2016	CY2014	CY2015	CY2016
Consumer Discretionary Sector	3.6%	1.0%	1.8%	6.7%	3.1%	-0.4%
Consumer Staples Sector	-0.5%	-1.8%	-1.6%	3.9%	-0.1%	0.1%
Energy Sector	-31.0%	-22.0%	-3.9%	-2.7%	-35.2%	-13.6%
Financials Sector	0.0%	3.3%	3.0%	1.6%	2.5%	6.8%
Healthcare Sector	9.7%	8.0%	8.0%	11.1%	13.1%	7.8%
Industrials Sector	-0.5%	0.2%	-0.9%	5.0%	0.2%	0.0%
Information Technology Sector	-1.7%	-1.5%	1.5%	1.6%	2.8%	0.7%
Materials Sector	-12.1%	-11.6%	-7.7%	-0.8%	-12.3%	-7.3%
Telecommunications Services	12.6%	12.5%	12.0%	-7.9%	4.9%	9.1%
Utilities Sector	-17.5%	4.0%	3.2%	10.1%	-6.5%	1.3%
S&P 500	-2.0%	-0.7%	1.8%	3.3%	-2.9%	1.0%

Historical Revenue Growth Rates

	4Q2013	1Q2014	2Q2014	3Q2014	4Q2014	1Q2015	2Q2015	3Q2015	4Q2015
Consumer Discretionary Sector	12.7%	14.0%	5.2%	3.7%	5.1%	2.8%	3.7%	5.1%	1.1%
Consumer Staples Sector	2.5%	2.6%	4.6%	4.8%	3.4%	1.7%	0.6%	1.7%	-4.2%
Energy Sector	-1.9%	1.4%	4.1%	-1.3%	-14.7%	-35.2%	-32.6%	-37.4%	-35.7%
Financials Sector	-8.8%	-1.5%	1.8%	4.9%	1.3%	3.0%	2.1%	1.6%	3.3%
Healthcare Sector	6.3%	6.4%	11.8%	13.0%	13.2%	14.8%	12.5%	12.0%	13.3%
Industrials Sector	4.9%	3.5%	6.0%	5.3%	5.0%	2.6%	-0.2%	1.4%	-2.7%
Information Technology Sector	-1.6%	-3.0%	0.3%	0.8%	7.8%	4.3%	1.6%	1.1%	4.0%
Materials Sector	1.0%	-0.8%	1.3%	0.1%	-3.9%	-11.0%	-11.1%	-9.6%	-17.9%
Telecommunications Services	-2.4%	-10.5%	-11.0%	-5.6%	-4.2%	1.6%	1.1%	2.2%	14.2%
Utilities Sector	1.2%	19.5%	5.6%	6.0%	9.2%	-4.6%	-5.4%	-2.3%	-14.0%
S&P 500	1.5%	3.2%	4.2%	3.6%	2.3%	-2.3%	-3.0%	-3.0%	-3.1%

*Note: All revenue per share and revenue growth rates are based on index weighted revenue per share figures, not equally weighted total dollar revenues.

EUROPEAN EARNINGS

Calendar Year 2016 & 2017 EPS & Growth Rate

	CY 2016		CY 2017	
	EPS (€)	Growth (%)	EPS (€)	Growth (%)
Consumer Discretionary Sector Index	€ 125.82	1.9%	€ 138.98	10.5%
Consumer Staples Sector Index	€ 151.93	-1.3%	€ 167.29	10.1%
Energy Sector Index	€ 54.58	-24.3%	€ 86.49	58.5%
Financials Sector Index	€ 58.54	-15.8%	€ 66.76	14.0%
Healthcare Sector Index	€ 127.63	2.8%	€ 137.32	7.6%
Industrials Sector Index	€ 103.79	-2.7%	€ 116.03	11.8%
Information Technology Sector Index	€ 61.99	-7.7%	€ 73.96	19.3%
Materials Sector Index	€ 106.36	-5.8%	€ 123.83	16.4%
Telecommunication Services Sector Index	€ 71.34	1.4%	€ 78.35	9.8%
Utilities Sector Index	€ 85.64	-11.7%	€ 87.36	2.0%
S&P 350	€ 86.55	-4.5%	€ 98.70	14.0%

S&P Euro 350 CY 2016 & 2017 Earnings Expectations

- Analysts currently expect earnings growth for calendar year 2016 and 2017 to come in at -4.5% and 14.0%, respectively. Since last Monday, growth estimates improved by 80 bps for 2016 but contracted by 30 bps for 2017. These growth rates correspond to earnings per share of €86.55 and €98.70, respectively.
- Three of 10 sectors within the S&P Euro 350 are expecting earnings growth in 2016, with healthcare (2.8%) leading, followed by consumer discretionary (1.9%) and telecommunications (1.4%). Energy (-24.3%) and financials (-15.8%) are expected to have the largest contractions in growth.

Historical, Current, And Future Earnings and Growth Rates

	Earnings					Growth Rates			
	2013	2014	2015	2016	2017	2014	2015	2016	2017
Consumer Discretionary Sector	€ 95.58	€ 102.38	€ 123.49	€ 125.82	€ 138.98	7.1%	20.6%	1.9%	10.5%
Consumer Staples Sector	€ 148.21	€ 144.89	€ 153.87	€ 151.93	€ 167.29	-2.2%	6.2%	-1.3%	10.1%
Energy Sector	€ 112.44	€ 120.74	€ 72.12	€ 54.58	€ 86.49	7.4%	-40.3%	-24.3%	58.5%
Financials Sector	€ 51.55	€ 61.01	€ 69.54	€ 58.54	€ 66.76	18.3%	14.0%	-15.8%	14.0%
Healthcare Sector	€ 104.61	€ 112.59	€ 124.18	€ 127.63	€ 137.32	7.6%	10.3%	2.8%	7.6%
Industrials Sector	€ 88.91	€ 92.44	€ 106.70	€ 103.79	€ 116.03	4.0%	15.4%	-2.7%	11.8%
Information Technology Sector	€ 32.56	€ 48.84	€ 67.19	€ 61.99	€ 73.96	50.0%	37.6%	-7.7%	19.3%
Materials Sector	€ 132.63	€ 139.58	€ 112.91	€ 106.36	€ 123.83	5.2%	-19.1%	-5.8%	16.4%
Telecommunication Services	€ 77.15	€ 64.34	€ 70.35	€ 71.34	€ 78.35	-16.6%	9.3%	1.4%	9.8%
Utilities Sector	€ 98.39	€ 85.71	€ 97.01	€ 85.64	€ 87.36	-12.9%	13.2%	-11.7%	2.0%
S&P 350	€ 84.93	€ 88.32	€ 90.63	€ 86.55	€ 98.70	4.0%	2.6%	-4.5%	14.0%

Disclosure

This research report has been prepared by S&P Global Equity Research, a part of S&P Global Market Intelligence. In the United States, research reports are prepared and issued by Standard & Poor's Investment Advisory Services LLC ("SPIAS"). In the European Economic Area ("EEA") States, Research Reports are distributed by McGraw-Hill Financial Research Europe ("MHFRE"), which is authorized and regulated by the Financial Conduct Authority in the United Kingdom. Under and subject to the Markets in Financial Instruments Directive ("MiFID"), MHFRE is entitled to exercise a passport right to provide cross border investment advice into EEA States. MHFRE exercises its MiFID right to passport investment advice including the Research Reports into EEA States. In Hong Kong, Research Reports are issued by Standard & Poor's Investment Advisory Services (HK) Limited ("SPIAS HK"), which is regulated by the Hong Kong Securities Futures Commission; in Singapore, by McGraw-Hill Financial Singapore Pte. Limited ("MHFSPL"), which is regulated by the Monetary Authority of Singapore; Research Reports are distributed in Malaysia, by S&P Malaysia, which is regulated by the Securities Commission of Malaysia; in Australia, by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS"), which is regulated by the Australian Securities & Investments Commission; and in Japan, by McGraw-Hill Financial Japan KK ("MHF Japan"), which is registered by Kanto Financial Bureau. SPIAS, MHFRE, SPIAS HK, MHFSPL, S&P Malaysia, SPIS and MHF Japan, each a wholly owned subsidiary of S&P Global Inc., operate under the S&P Global Market Intelligence brand.

S&P Global Equity Research offers two broad categories of research reports, market research reports and investment research reports. Market research reports are intended for professional investors only and S&P Global Equity Research is not responsible for client suitability and or the appropriateness of the content for a client. Any performance data quoted represents past performance. S&P Global Equity Research may consider research and other information from affiliates in its preparation of research reports. While S&P Global Equity Research has obtained information from sources it believes to be reliable, S&P Global Equity Research does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Global Market Intelligence or its affiliates (collectively, S&P Global). The Content shall not be used for any unlawful or unauthorized purposes. S&P Global and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Global Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Global Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P GLOBAL PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Global Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global Market Intelligence and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

S&P Global keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions of S&P Global may have information that is not available to other S&P Global divisions. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

Research reports are not intended to be investment advice and do not constitute any form of invitation or inducement by S&P Global Equity Research to engage in investment activity. This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors and this material is not intended for any specific investor and does not take into account an investor's particular investment objectives, financial situations or needs. Any opinions expressed herein are given in good faith, are subject to change without notice, and are only current as of the stated date of their issue. Prices, values, or income from any securities or investments mentioned in this report may fluctuate, and an investor may, upon selling an investment, lose a portion of, or all of the principal amount invested. Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate. Where an investment or security is denominated in a different currency to the investor's chosen currency, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. The information contained in research reports does not constitute advice on the tax consequences of making any particular investment decision.

Copyright © 2016 by S&P Global Market Intelligence, a division of S&P Global Inc. Redistribution, reproduction and/or photocopying in whole or in part is prohibited without written permission. All rights reserved. STANDARD & POOR'S, S&P and S&P 500 are registered trademarks of Standard & Poor's Financial Services LLC. CAPITAL IQ is a registered trademark of Capital IQ, Inc. S&P Capital IQ is a trademark of Standard & Poor's Financial Services LLC.