WHERE IS A RECESSION BEING PRICED IN U.S. Small Caps

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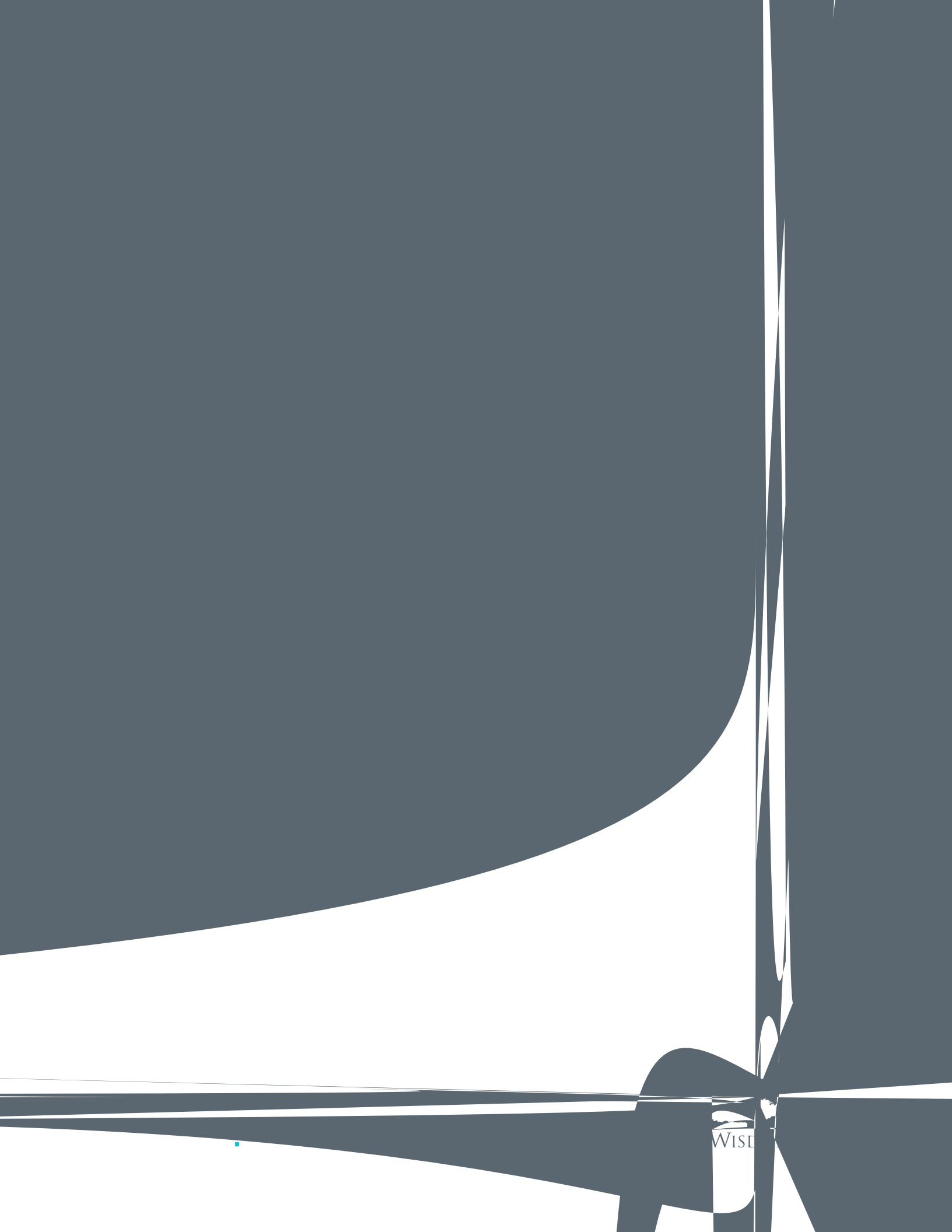
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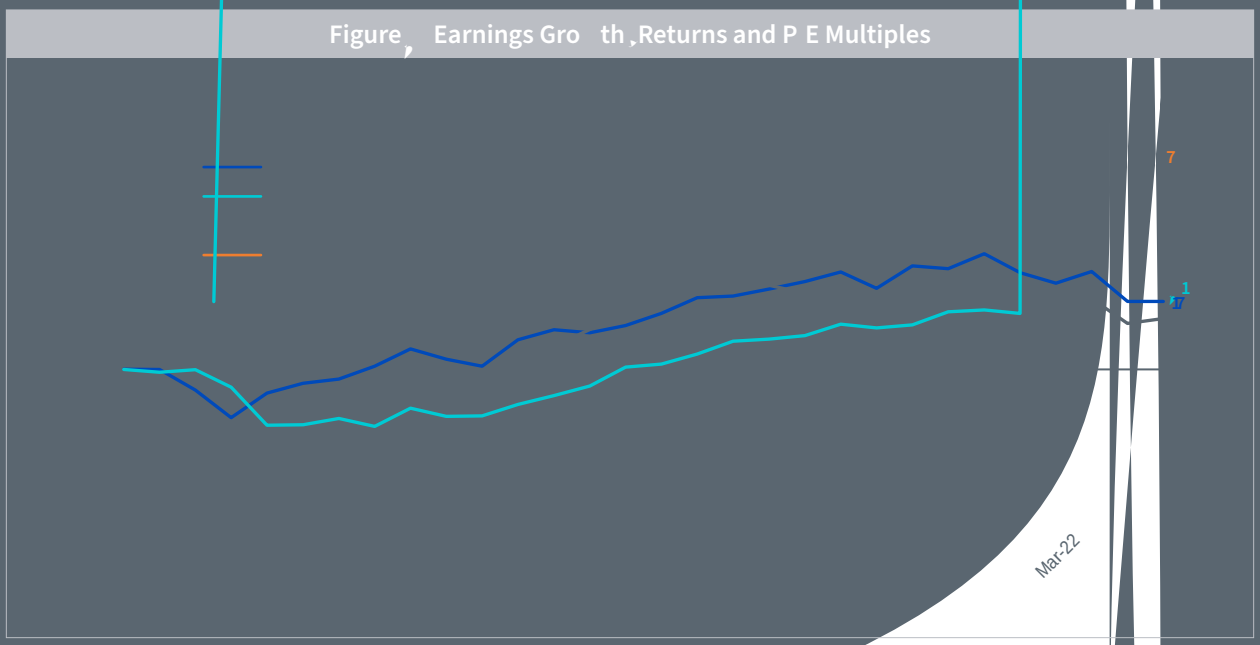
Figure Earnings Growth Returns and P E Multiples



down the multiples of both indexes. The S&P 500 multiple of 1 9x
year median P/E multiple but well below its 20-year peak of 23x from July 2020.

Figure S, P //

Figure S, P //

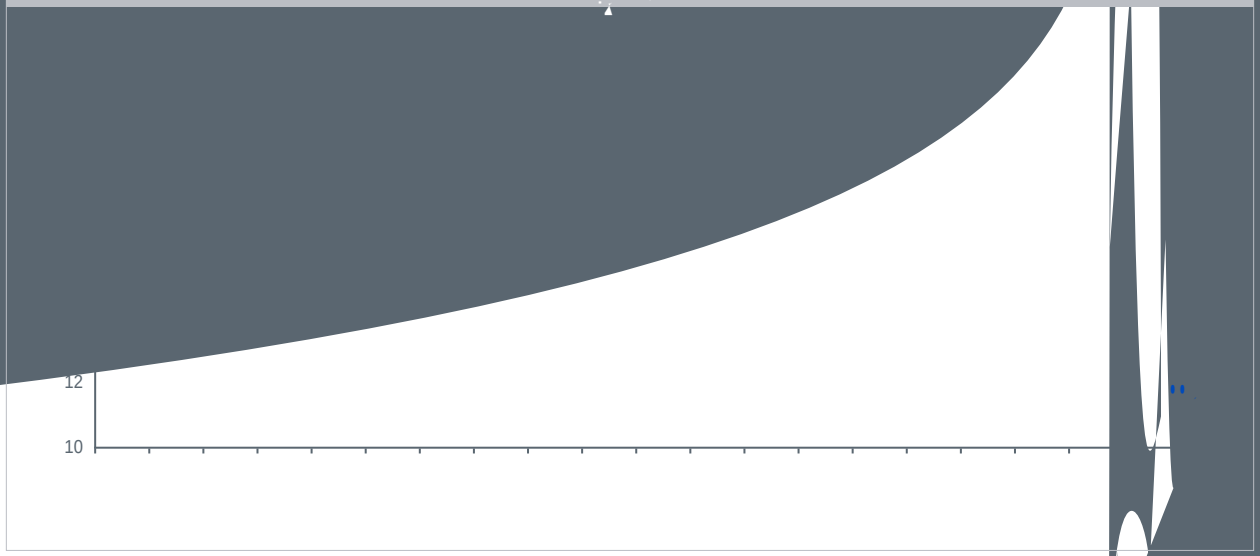


Figure S P // Energ

Figure7 S P // Industrials

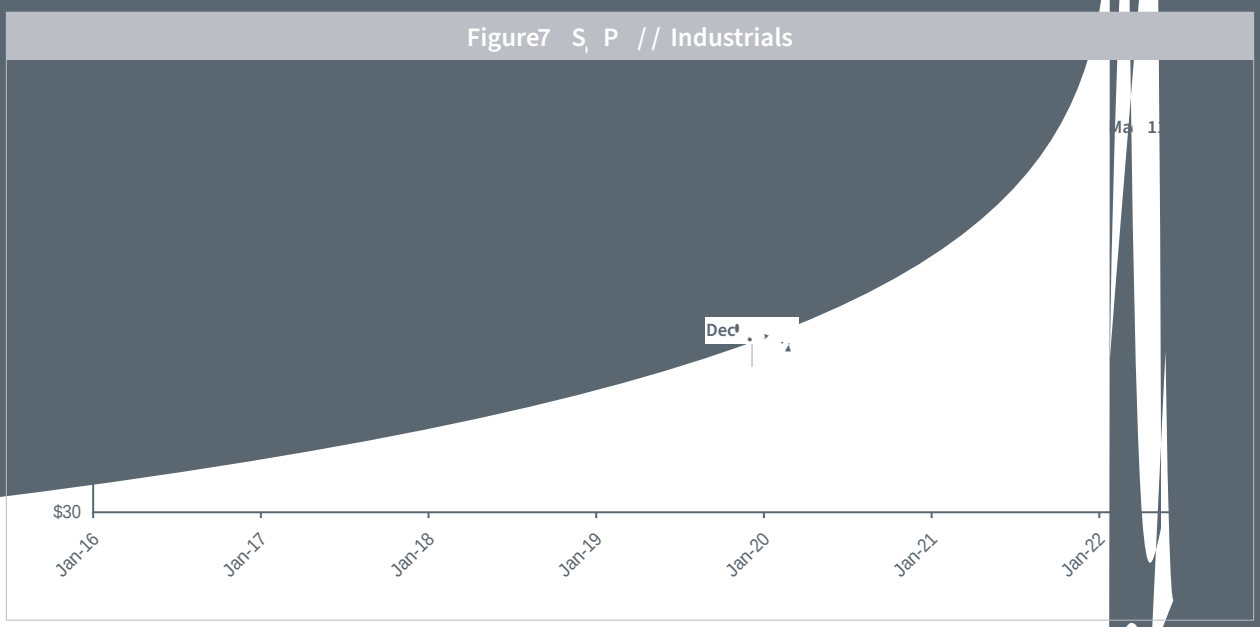


Figure . S, P // Materials

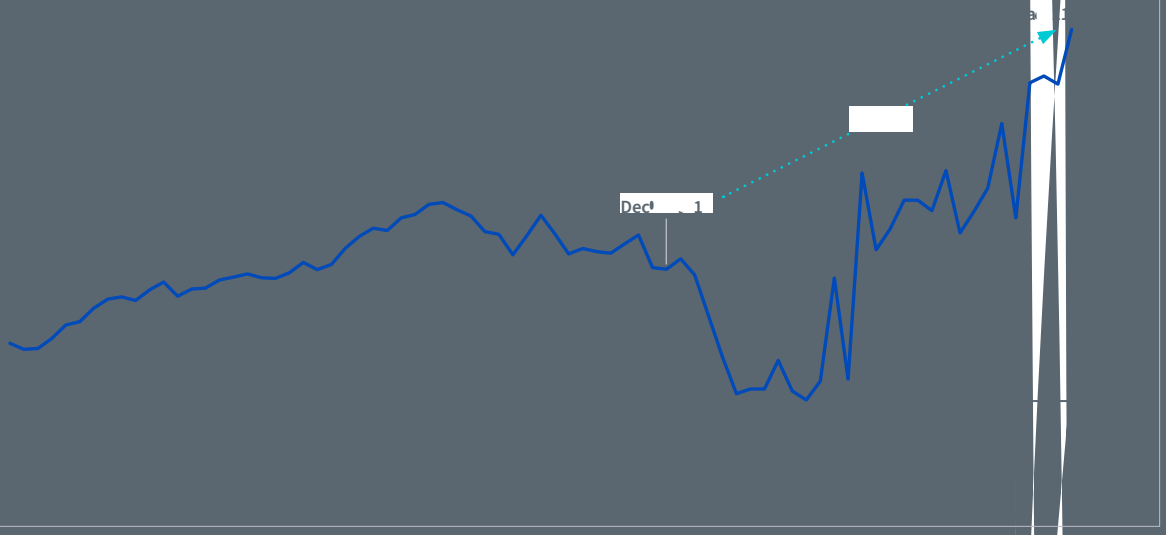


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Figure / S P // Consumer Staples

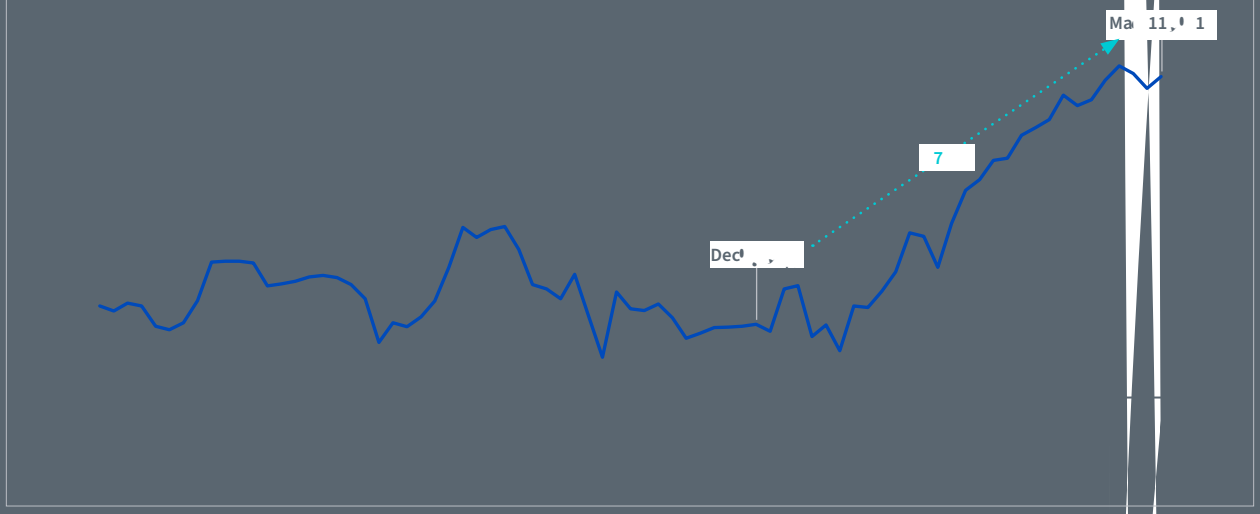
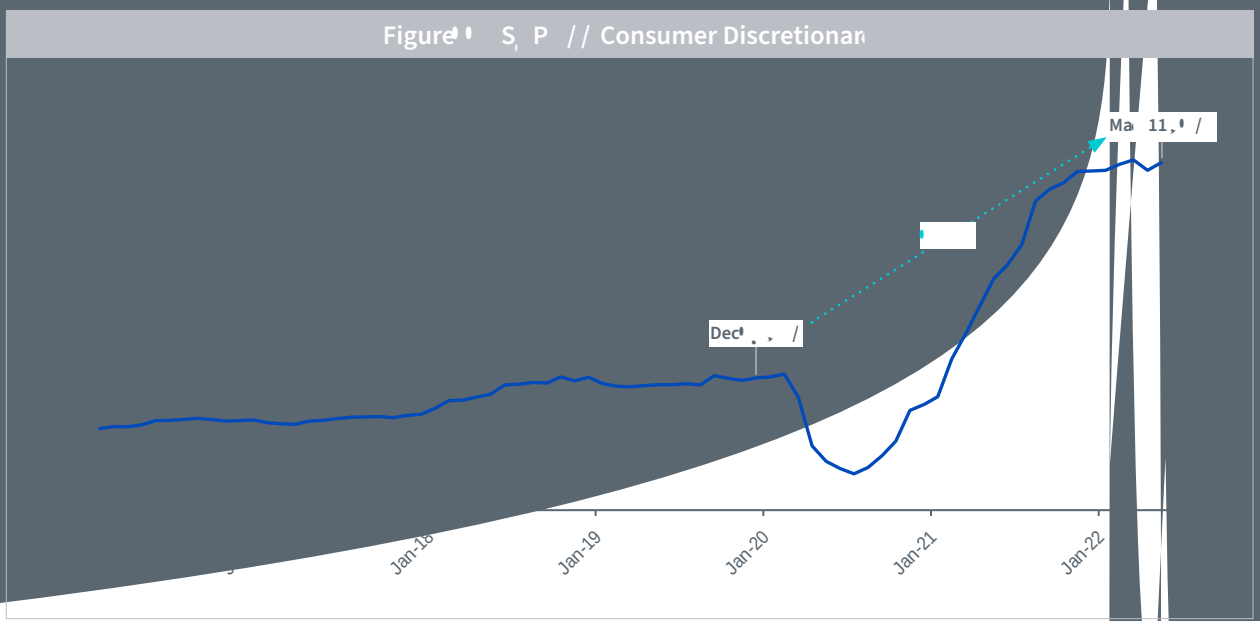


Figure ' S P // Consumer Discretionar



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The earnings outlook for Financials has arguably been the most dire of late. A er a roaring recover
expectations throughout much of the past few years, earnings growth estimates seem to have rolle o

Figure 1 S P // Financials

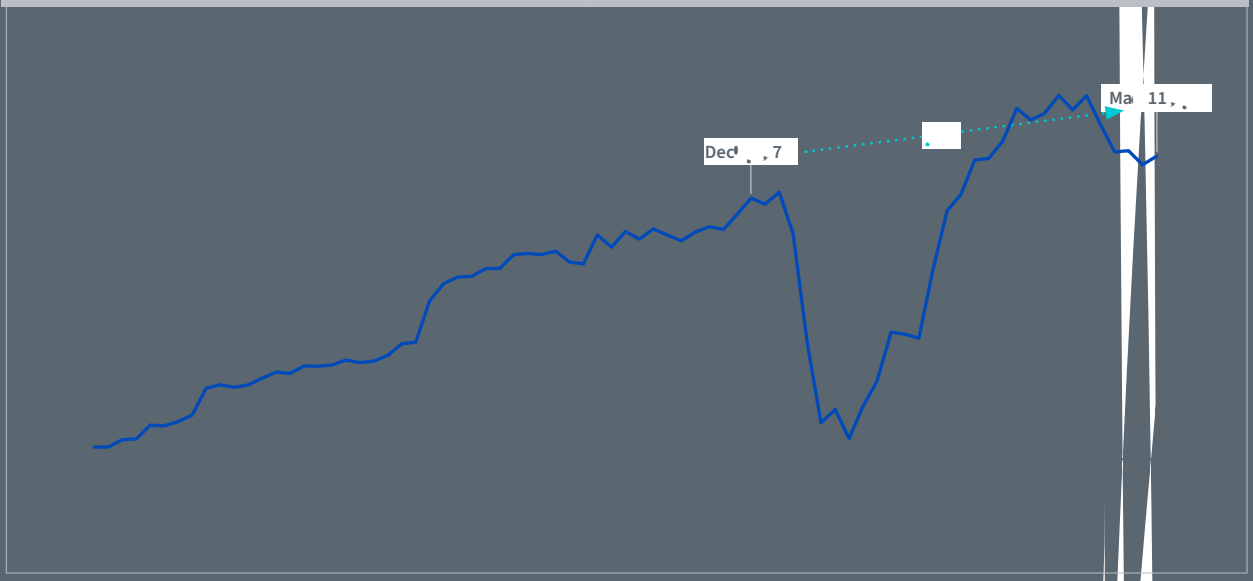
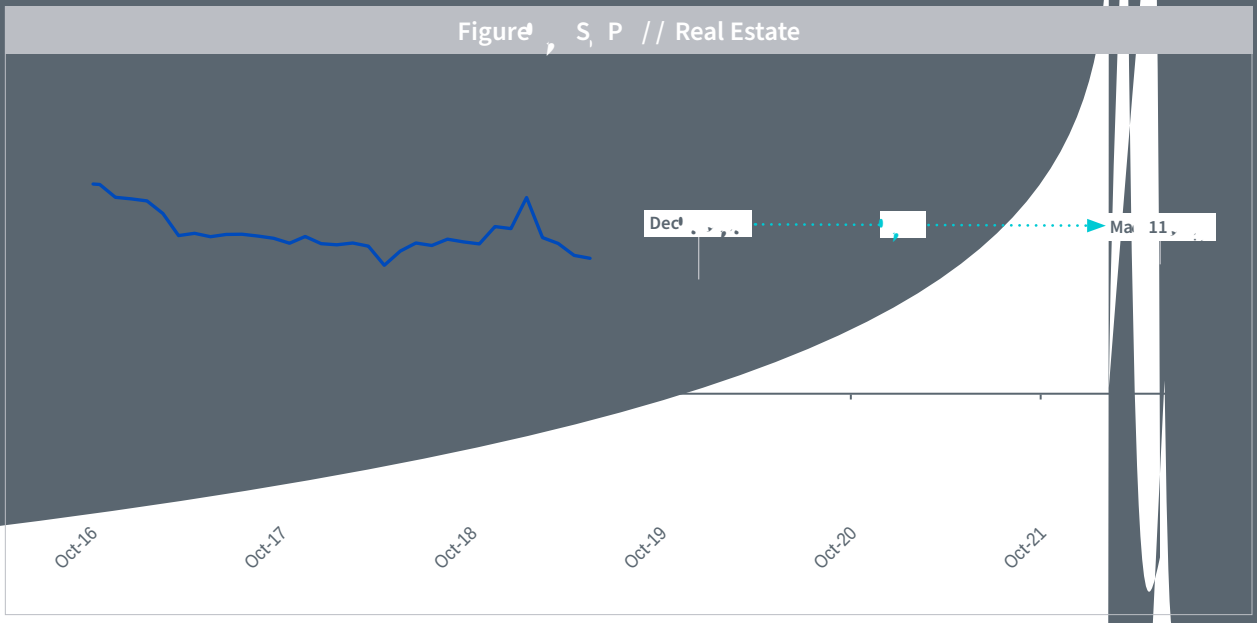
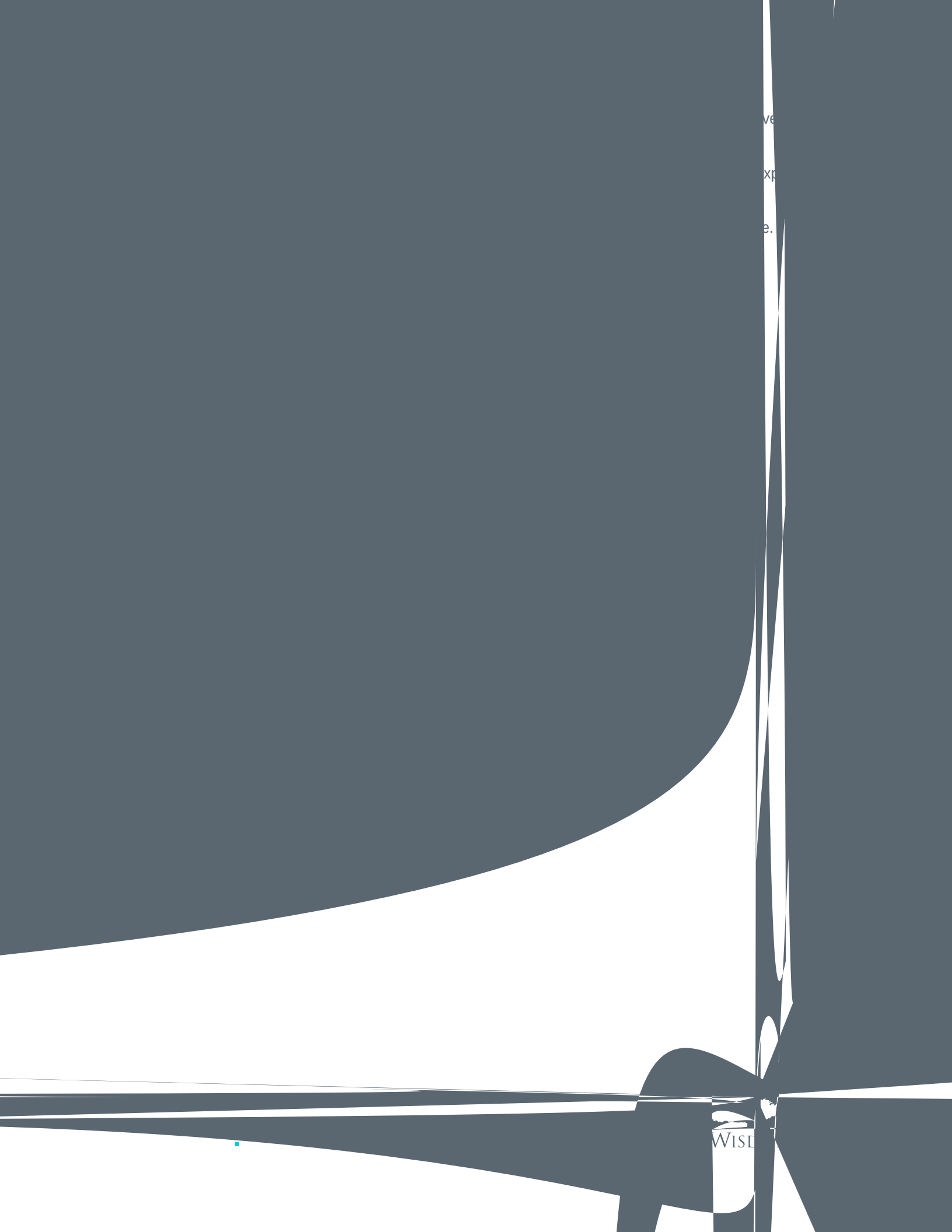


Figure S P // Real Estate



S ce W d | T ee S P Fac Se EPS a d ea e a e Y ca e d ec



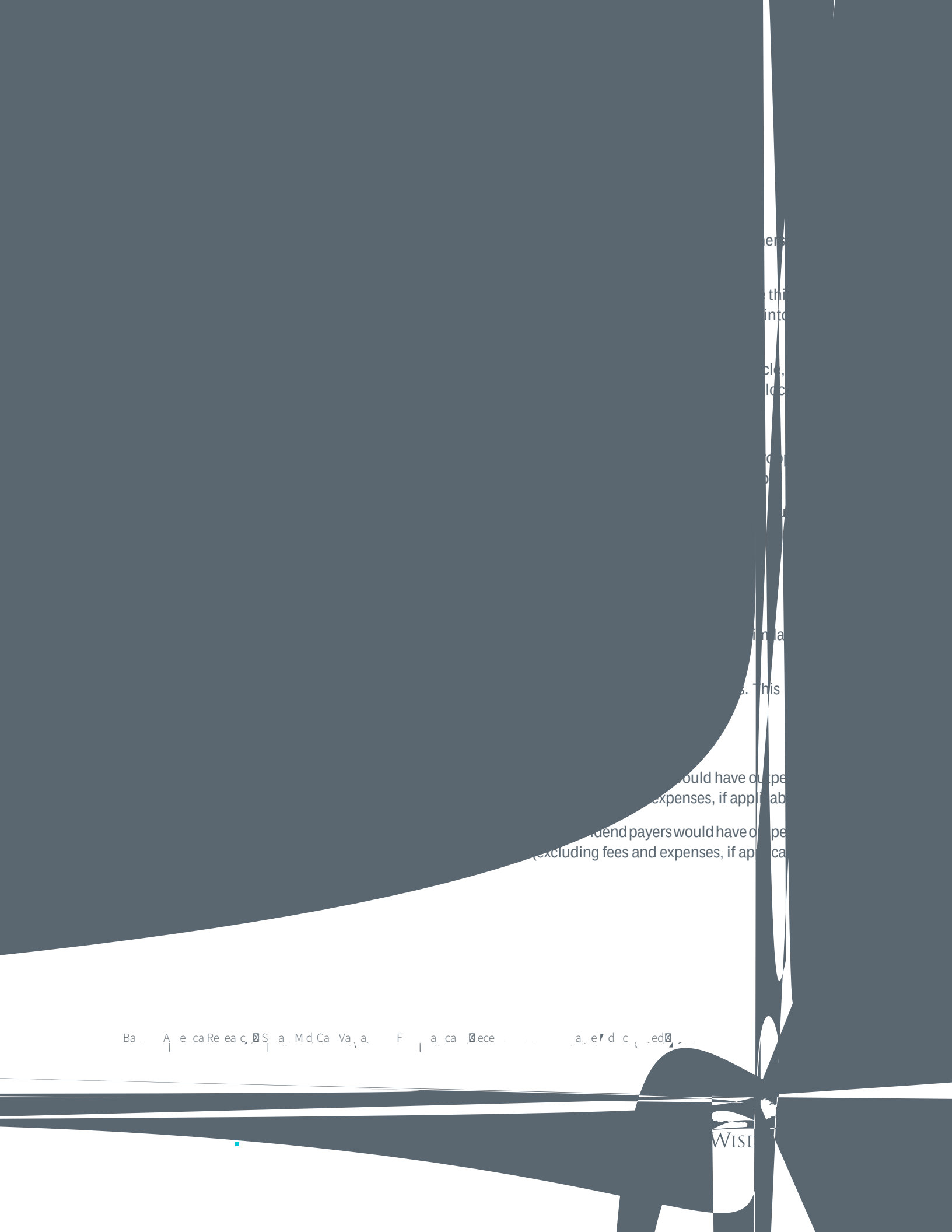
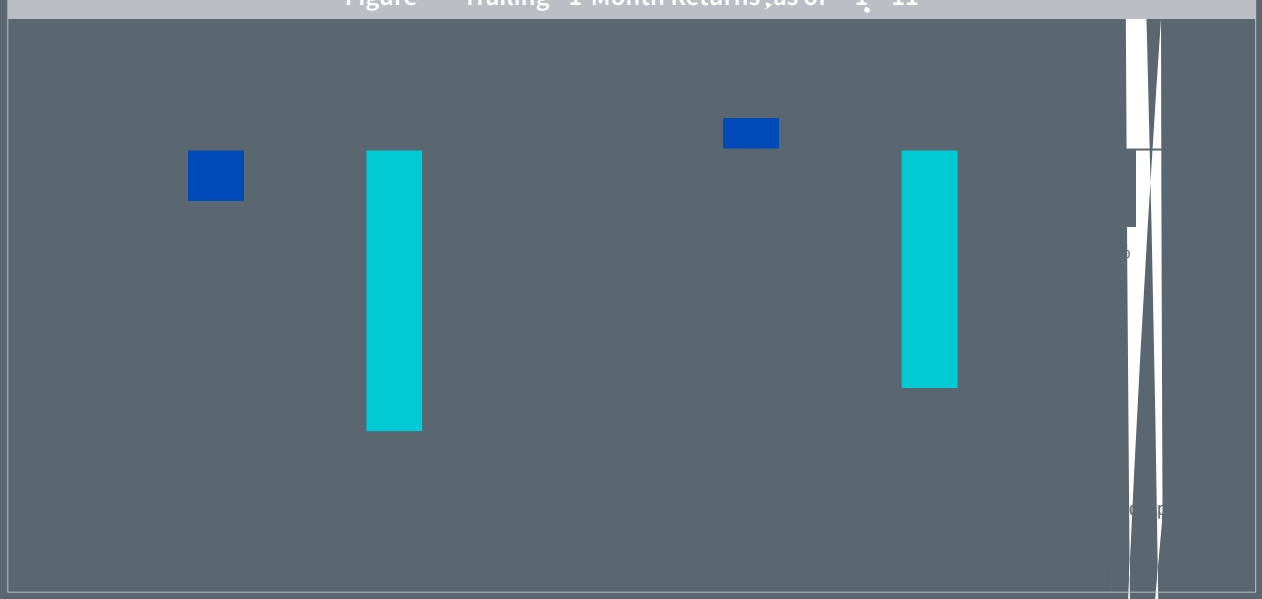


Figure Trailing 1 Month Returns ,as of 1 11



Financials, Rea

med the Russell Midcap Index by

Dividend Index outperformed the Russell 2000 Index by

WISD

Figure Mid Cap Inde Year Sector Attribution

Categon	Attribution Components				A erage Categon Weight			Categon Performance	
	Allocation	Stock Selection	Interaction	Total Attribution	Inde Weight	Benchmark Weight	Wgt	WT Inde Return	Benchmark Return
Communication Services	0.39%	1.91%	-0.48%	1.83%	2.93%	3.99%	-1.06%	3.45%	-35.46%
Health Care	0.69%	2.13%	-1.47%	1.35%	1.90%	11.58%	-9.69%	4.94%	-14.11%
Materials	0.63%	0.33%	0.20%	1.16%	9.74%	5.61%	4.13%	14.98%	8.74%

Figure 1 Mid Cap Estimated Price to Earnings Ratios

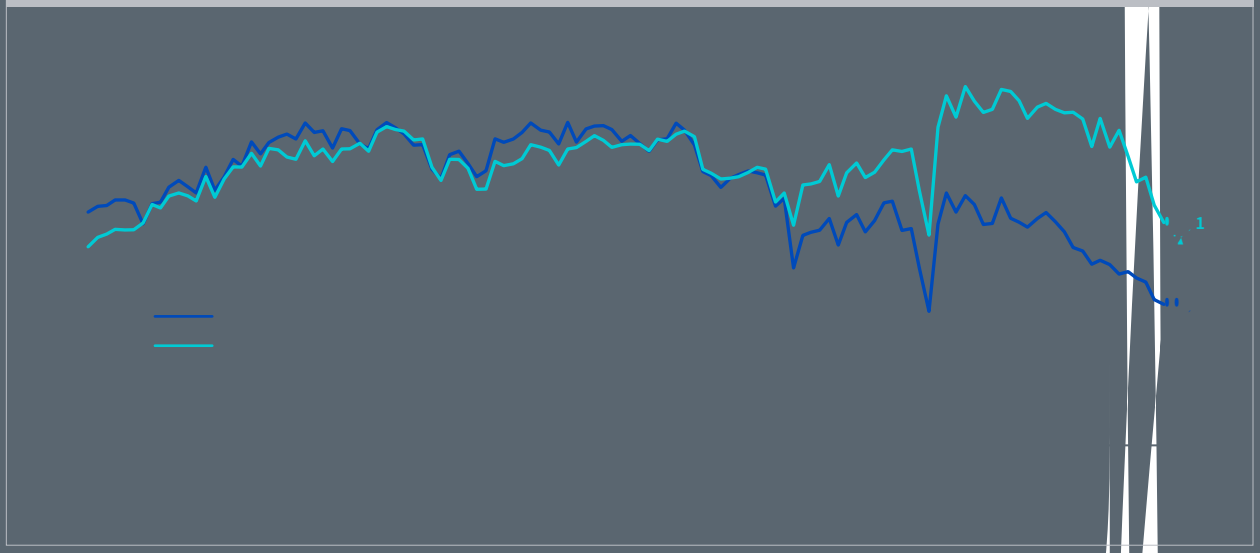
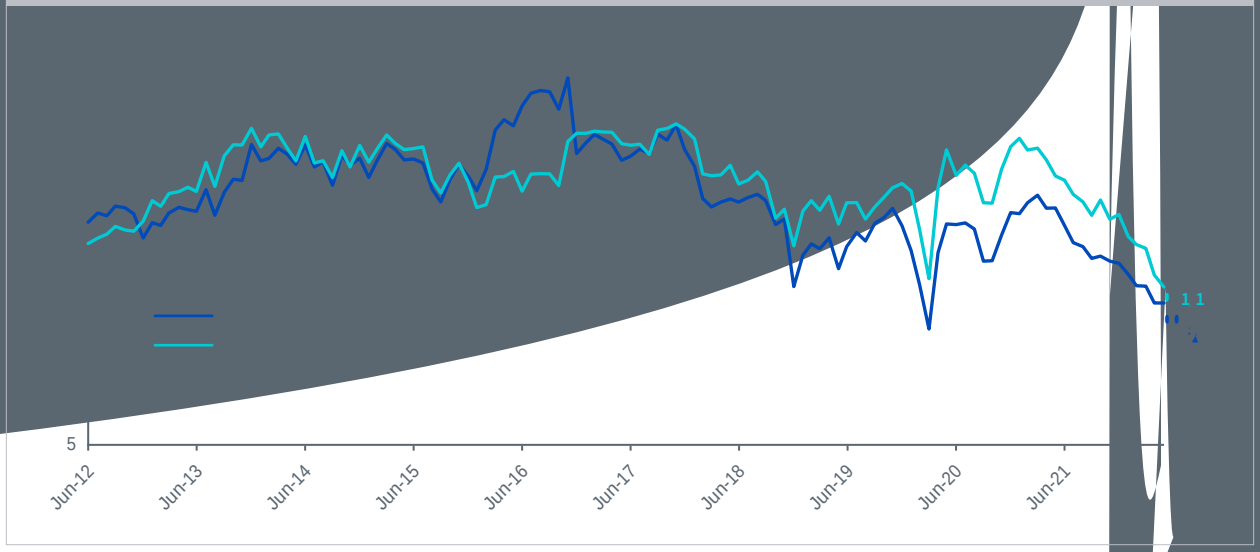


Figure 11 Small Cap Estimated Price to Earnings Ratios



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Basis point (bp): 1/100th of 1%. Bear market: A sustained downturn in market prices, increasing the chances of negative portfolio returns. Cash flows: A measure of how much cash a business generates a□er taking into account all necessary expenses, including net capital expenditures. Dividends: A portion of corporate profits paid out to shareholders. Earnings growth: Earnings growth is the annual compound annual growth rate of earnings from investments. Earnings: