INSIDE THE

Buy·Side®

EARNINGS PRIMER®

corbin

Q4'24

ISSUE: 61

January 9, 2025

ISSUE: 61 **Date:** January 9, 2025

INSIDE THE Buy-Side® EARNINGS PRIMER®

Survey Scope:
62 participants globally, comprising 69% buy side and 31% sell side; equity assets under management total ~$913 billion

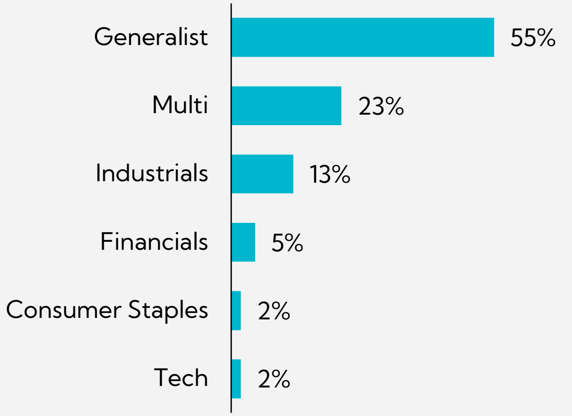
Survey Timeframe:
December 10, 2024 – January 3, 2025

Since 2007, we have surveyed global investors quarterly on the equity markets, world economies, and business climate. At the start of every earnings season, we publish our flagship *Inside The Buy-Side® Earnings Primer®*, which captures real-time *Voice of Investor®* sentiment and trends.

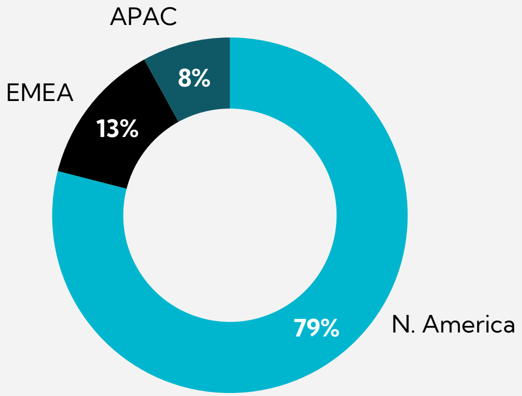
Leveraging our capital markets experience, deep understanding of investor relations, and best practice knowledge, our research and advice is at the nexus of global market trends, investor sentiment, and effective communication strategies.

Market Performance[1]	Q4'24	2024
U.S.		
DJIA	0.5%	12.9%
NASDAQ	6.2%	28.6%
S&P 500	2.1%	23.3%
Russell 2000	0.0%	10.0%
Europe		
FTSE 100	(0.8%)	5.7%
Stoxx 600	(2.9%)	6.0%
Asia		
Hang Seng	(5.1%)	17.7%
Shanghai	0.5%	12.7%

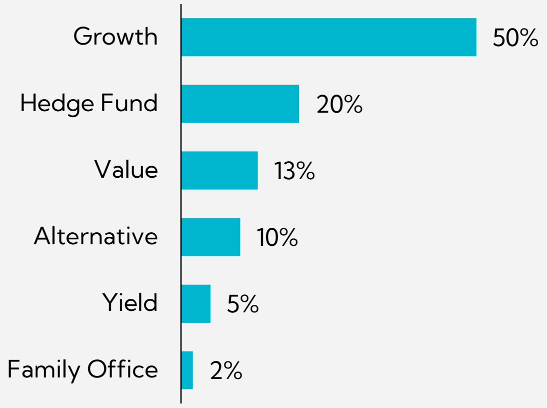
BY TYPE



BY REGION



BY INVESTMENT STYLE



[1] Source: FactSet

Sentiment Ebbs More Positive Despite Reignition of Key Concerns; Tariffs Enter the Lexicon

Growth commentary becomes noticeably more optimistic following the U.S. Presidential election, but persistent concerns over inflation and interest rate trajectory serve as clouds, while mentions of tariffs see a sharp increase

VISUAL REPRESENTATION OF SURVEY COMMENTARY: UNDERLYING SENTIMENT ■ Positive ■ Neutral ■ Negative

Q4'23

Q1'24

Q2'24

Q3'24

Q4'24

Quarterly Ranking (1–30)

Q4'23	Q1'24	Q2'24	Q3'24	Q/Q	Q4'24	Top Mentions
3	3	11	4	↑ 3	1st	Inflation
2	1	1	1	↓ 1	2nd	Growth
30+	30+	30+	30+	↑ 30	3rd	Tariffs
1	5	5	3	↓ 1	4th	Interest Rates
8	16	2	5	UNCH	5th	Consumer

A Look Back at the Voice of Investor® Word Clouds in the Trump 1.0 Era: The First Year

China, trade wars, geopolitics, and taxes dominated investor mindshare at the start of President-elect Trump's first term

Q4'16

Q1'17

Q2'17

Q3'17

Survey Finds Renewed Hunger for Growth and High Expectations for 2025, though Shift 'From Political to Policy Uncertainty' Keeps Outright Bullishness at Bay

Following Largely Divided Sentiment Observed Last Quarter, Notable Step Up in Optimism Captured, with Investor Sentiment and Perceived Executive Tone Reaching Heights Not Seen Since Mid-2021

- **65%** report current sentiment as *Neutral to Bullish* or *Bullish*, up from 45% QoQ and the most optimistic reading since June 2021; meanwhile, only **15%** characterize views as *Neutral to Bearish* or *Bearish*, less than half of the 33% observed last quarter
- Executive tone similarly receives a favorable boost; **72%** of investors describe leaders as *Neutral to Bullish* or *Bullish*, a 30-point increase over Q3'24, with no outright bears registered
- **46%** expect earnings results to be *In Line* with consensus, while those anticipating beats increases from 34% last quarter to **42%**; a majority, **54%**, anticipate *Better Than* sequential earnings performances
- As for Q4 KPIs, investors have high expectations for Revenue, EPS, and FCF — each draws proportions of investors expecting *Improving* performances not seen since 2021; Margins sees largely neutral views as more expect profit levels to *Stay the Same*
- **50%+** expect executives to set *Higher* Revenue and EPS guides relative to 2024 actuals, while Margins and FCF are forecasted to be *In Line*
- Demand/order trends and margins remain leading topics of focus for earnings, though capital allocation and tariff impacts jump onto the board

Nearly 8 in 10 Investors No Longer Expect a U.S. Recession Amid Promising 2025 GDP Growth Projections; Despite a Prominent Focus on Growth and Outsized Support for Reinvestment, Views are Clouded by Policy Uncertainty and Potential Tariff Impacts

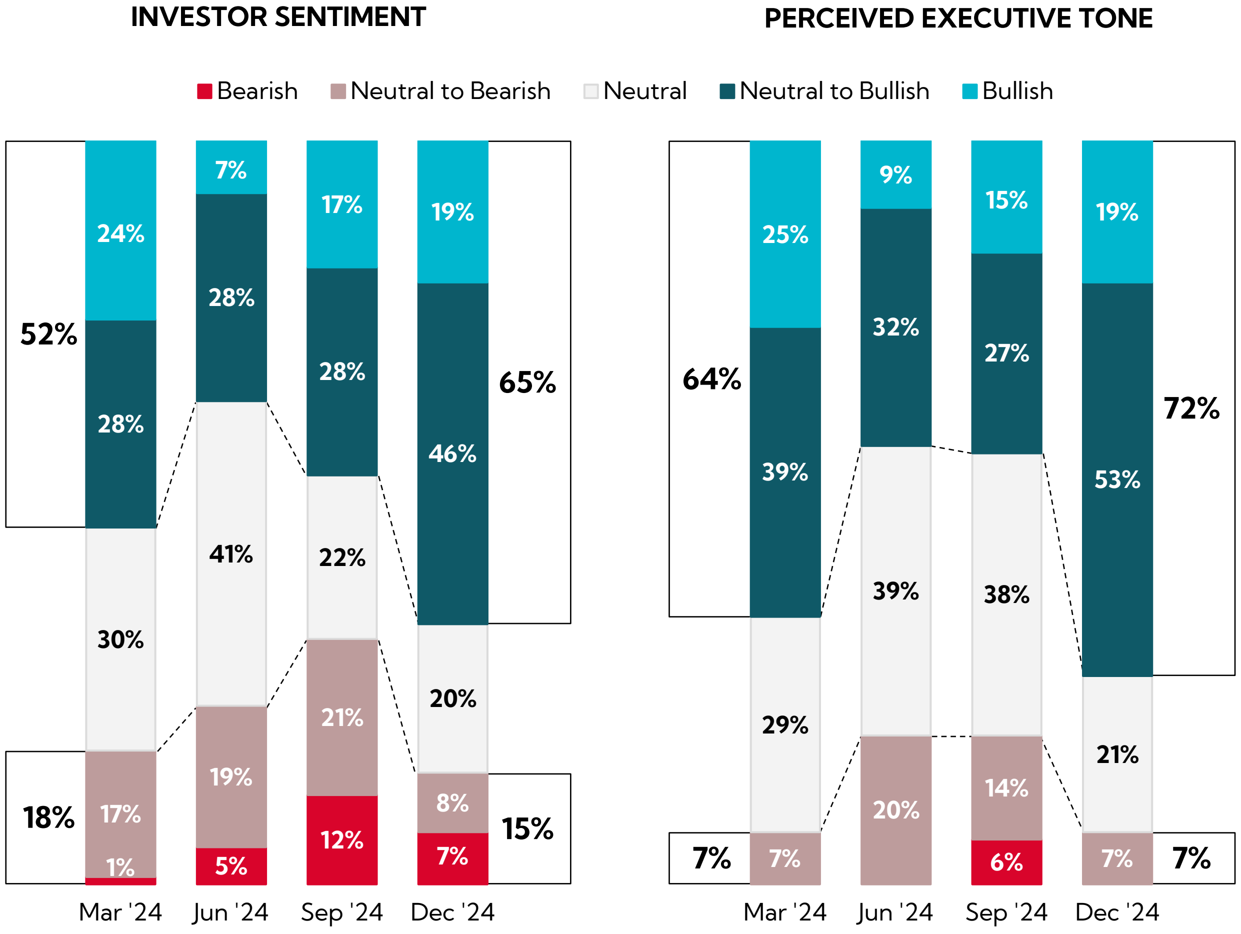
- **78%** now expect the U.S. to dodge a recession, up from 38% QoQ, marking the lowest level of apprehension observed in two years
- Over half, **56%,** report current views on 2024 GDP exceed initial expectations while **46%** anticipate 2025 GDP will surpass 2024 levels
- Investors are prioritizing growth to margins **67%** to **33%**, respectively
- Reinvestment emerges as the top preferred cash use, supported by **66%** of investors, overtaking debt paydown, **46%**, for the first time in 10 quarters; backing for M&A also climbs, now favored by **32%**
- **60%** cite Policy Uncertainty as the leading concern, followed by **45%** highlighting Tariffs, a 42% increase QoQ; Geopolitical Risks remain prevalent, while reigniting Inflation emerges as a watch out
  - **87%** express *More* or *High Levels of Concern* over the potential impact of U.S. trade and tariffs, up from 59%; moreover, **76%** assert tariffs will negatively impact the broader investment environment
  - Anxiety around U.S.-China relations remains elevated with **90%** reporting *More* or *High Levels of Concern*, a 30-point increase QoQ

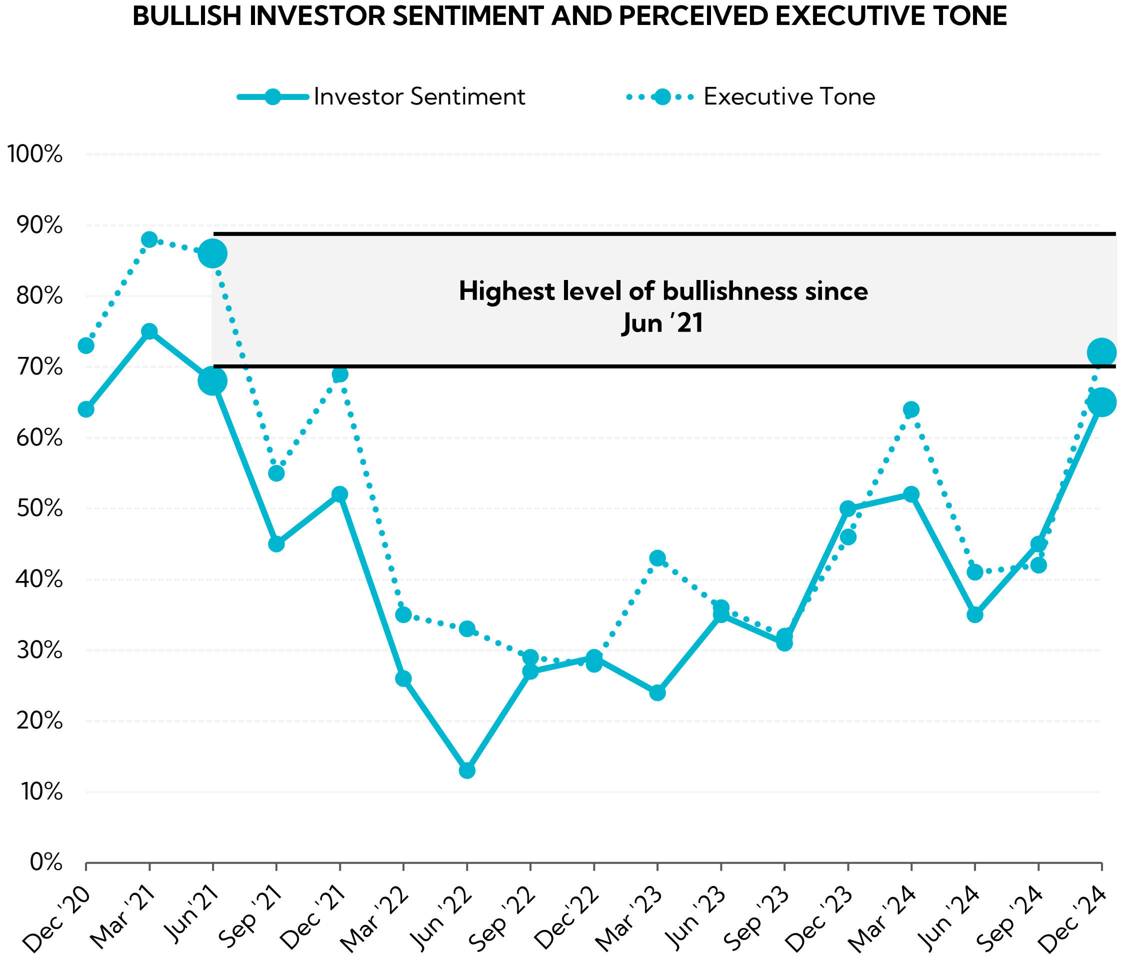
Surveyed Investors Largely Report Being Net Buyers Despite Concerns Over Stretched Valuations, with More Viewing Small-Caps as Compelling

- **40%** of respondents report being *Net Buyers*, while **31%** note they are *Holding*
- Small-caps are viewed as *most compelling* of the market caps, garnering **56%** support and overtaking Mid-caps (**46%**); Mega-caps register the lowest level of support
- Tech remains the market darling, followed by a resurgence in Energy; Healthcare ex. Biotech, once among the top bullish bets throughout 2024, experiences a large pullback, though outright bears remain scarce
- Clean Energy displaces Consumer Discretionary as the sector seeing the highest level of bears, while Biotech is among those with the largest net improvement in sentiment QoQ
- India continues to see the most positive outlook over the next six months, followed by the U.S. and S.E. Asia
- Following the U.S. Presidential election, Canada and Mexico are projected to *Worsen*, with the latter receiving the highest level of pessimism since the pandemic onset; Russia and China also garner downbeat views

'Cautious Optimism' Emerges as Upbeat Views Reach Highest Levels Since Q2'21

Both Investor Sentiment and Perceived Executive Tone exhibit double-digit improvement QoQ, a notable shift from the bull-bear barbell observed last quarter





Investors and Analysts Largely Upbeat on a "Better" Economy in 2025, Though Some Still Report Pause Over Policy Uncertainty and Stretched Valuations

Bullish/Neutral to Bullish

"Economic momentum, and Trump seems to view the state of the economy by how the stock market is doing." **Buy Side, N. America, Generalist**

"Better economy and history." **Buy Side, N. America, Multi**

"Management tone varies by region but overall, cautiously optimistic. There are some companies that talk to the weak consumer — those companies, I find, are blaming the consumer for their own missteps, so I take it with a grain of salt. This was not the case last year; they might be in the wrong market with the wrong product. The consumer has surprised us on the upside." **Buy Side, Europe, Generalist**

"Macro improvements." **Buy Side, Europe, Generalist**

"We see a sound backdrop for earnings growth." **Buy Side, Europe, Generalist**

"More favorable rate environment, full employment, higher wages, cooling inflation, but some risks from geopolitics and higher consumer debt levels." **Sell Side, N. America, Multi**

"M&A; project pipelines are robust; demand is there; government stimulus is starting to flow. I expect 2H'25 order acceleration broadly." **Sell Side, N. America, Industrials**

"I was ultra bullish, and now I'm a little nervous. I'm generally positive on the market, I think that the new administration is business friendly, and they believe in a smaller government, so less regulation. We believe a lot of businesses have been on the sidelines and we're hoping they get off the sidelines. We believe the bank CEOs are more bullish, expressing the message to their clients that there is more optimism. They talk about loan pipelines they are building, but it goes back to that trade off of political to policy uncertainty. It's not translating to growth yet, but the bank management teams are more positive/bullish after the election. It went from political uncertainty to policy uncertainty." **Sell Side, N. America, Financials**

"I was outright bullish, but high mortgage rates continue to be a headwind." **Sell Side, N. America, Industrials**

"U.S. 'no landing'." **Sell Side, Europe, Multi**

Neutral

"Uncertain. Executives sound uncertain as well." **Buy Side, N. America, Generalist**

"Somewhat mixed guidance from C-suite, especially in small-cap." **Buy Side, N. America, Generalist**

"Speculation, valuations." **Buy Side, N. America, Generalist**

"The valuation of the overall market is a little stretched despite what I view as underlying improvement in fundamentals. The executive tone is incrementally optimistic but cautious." **Buy Side, N. America, Financials**

"Trump election and tariffs." **Buy Side, Europe, Generalist**

"Uncertainty with regard to incoming administration's policies." **Sell Side, N. America, Generalist**

Neutral to Bearish/Bearish

"Persistent inflation and confusing political signals." **Buy Side, N. America, Generalist**

"Interest rate expectations." **Buy Side, N. America, Multi**

"I believe the strong U.S. economy is unfolding." **Buy Side, N. America, Generalist**

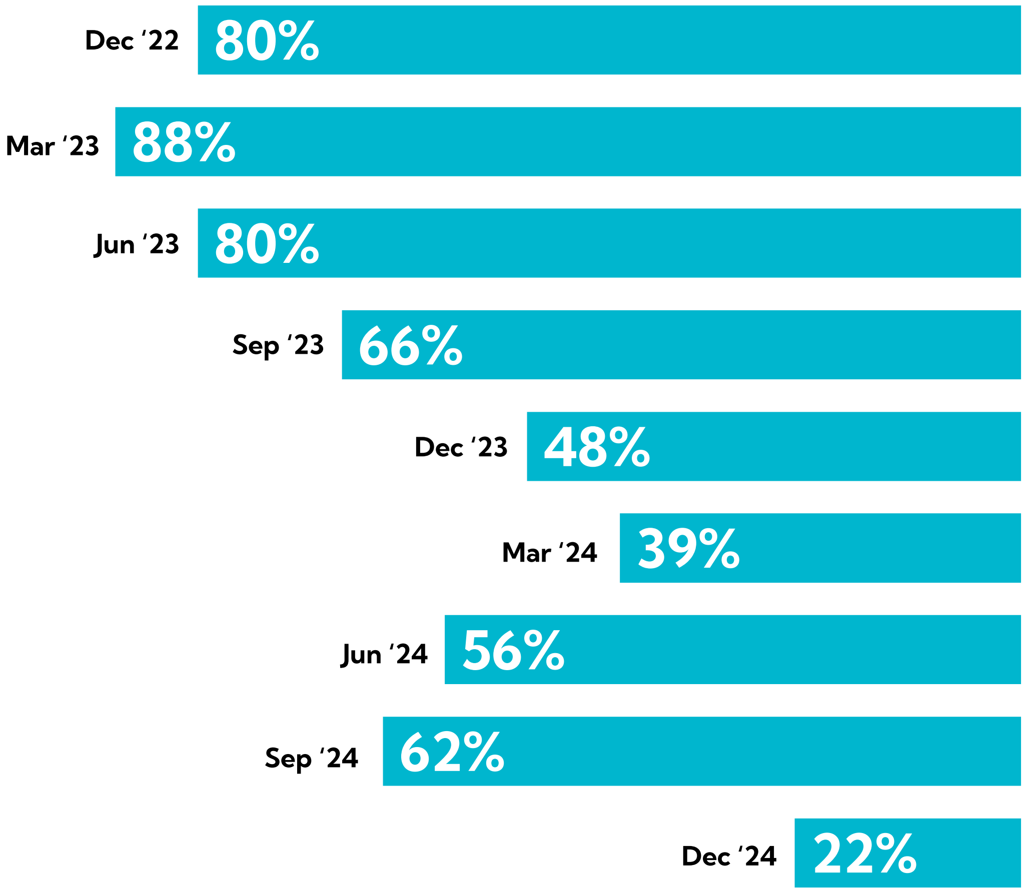
"The first half of 2025 should see a disappointment relative to current expectations. Management teams have universally said no improvement has been seen in Q4'24, and they will likely guide in-line to lower when improvement is widely anticipated." **Buy Side, N. America, Industrials**

"People are not objective and their sentiment is based on 'hopium'." **Sell Side, N. America, Generalist**

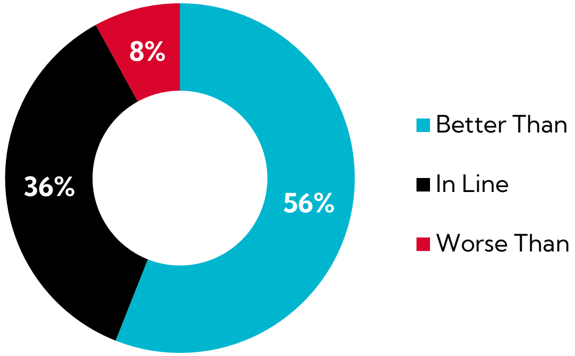
Recession Expectations Drop Precipitously as GDP Forecasts Warm

Nearly 80% now expect the U.S. to dodge a recession, the highest level observed in two years; further, over half expect a more favorable 2024 U.S. GDP than initially anticipated, and more forecast higher 2025 GDP growth YoY

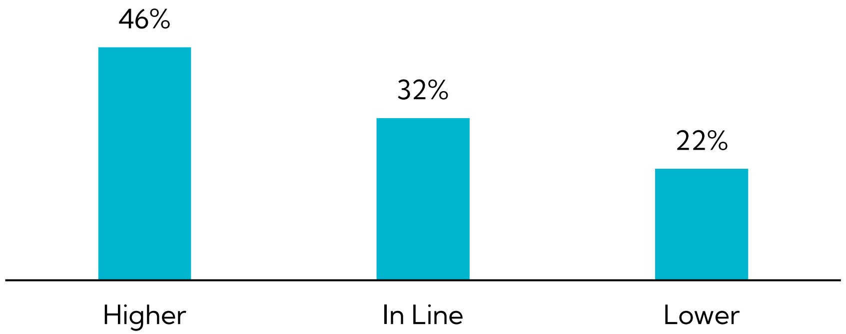
RECESSION EXPECTATIONS



CURRENT EXPECTATIONS
FOR 2024 U.S. GDP GROWTH VS. INITIAL VIEWS



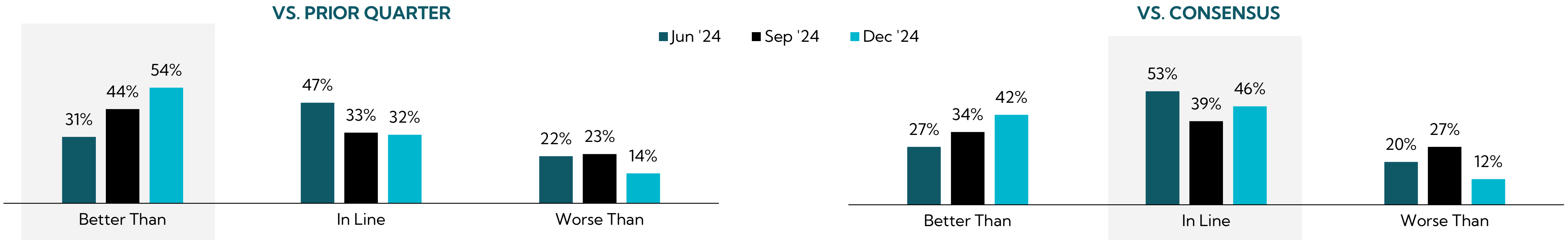
2025 U.S. GDP GROWTH EXPECTATIONS
RELATIVE TO 2024



Majority Expect Earnings to Improve Sequentially, Though Sentiment Mixed on Consensus Meets or Beats

Notably, 75% anticipate Q4'24 results will outpace Q4'23

Q4'24 EARNINGS EXPECTATIONS



Better Than

"Improving macro conditions." **Buy Side, N. America, Generalist**

"Consumer strength." **Buy Side, N. America, Generalist**

"The U.S. economy is doing well, plus companies are increasing orders in anticipation of tariffs." **Buy Side, N. America, Generalist**

"General optimism post-election." **Buy Side, N. America, Multi**

"Economic growth will be positive, though no inflections of activity coupled with a currency headwind." **Buy Side, N. America, Industrials**

"Trump election." **Buy Side, Europe, Generalist**

"Optimism and a drop in U.S. interest rates." **Buy Side, Australia, Generalist**

"Strong e-commerce trends; healthy consumer spending environment." **Sell Side, N. America, Multi**

"Destocking concluded, and customer restocking conversations sound firm. Project pipelines look strong." **Sell Side, N. America, Industrials**

"U.S. exceptionalism, energy, and tech." **Sell Side, Europe, Multi**

"Economic growth and slight dip in interest rates." **Sell Side, Asia, Multi**

In Line

"Deteriorating ex-tech margins." **Buy Side, N. America, Generalist**

"Ongoing economic strength plus tenor of corporate guidance sets an achievable, yet constrained, expectation for Q4'24 earnings." **Buy Side, N. America, Generalist**

"Companies have been communicating well with investors for the most part. Economic data seems to support the level of earnings for most companies." **Buy Side, N. America, Generalist**

"Indecision by traders/managers." **Buy Side, N. America, Multi**

"U.S. economic strength." **Buy Side, N. America, Multi**

"New administration." **Buy Side, N. America, Tech**

Worse Than

"Persistent inflation." **Buy Side, N. America, Generalist**

"Fundamental analysis, base effects." **Buy Side, Europe, Generalist**

"Economic growth is not as strong as government numbers indicate." **Sell Side, N. America, Generalist**

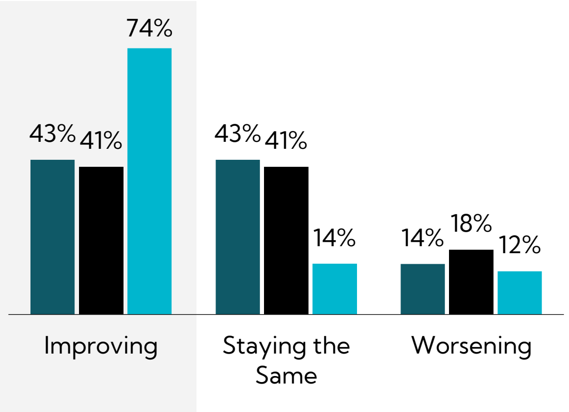
"Activity for domestic firms is okay, but international markets are weak." **Sell Side, N. America, Industrials**

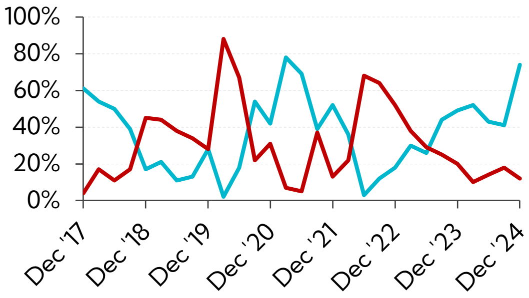
KPIs Largely Expected to *Improve* QoQ, with Sharp Upticks in Revenue and EPS Optimism; Bullish Revenue, EPS, and FCF Projections Reach Highest Levels Since 2021

Institutional investors and analysts exhibit more neutral views toward sequential operating margin trajectory

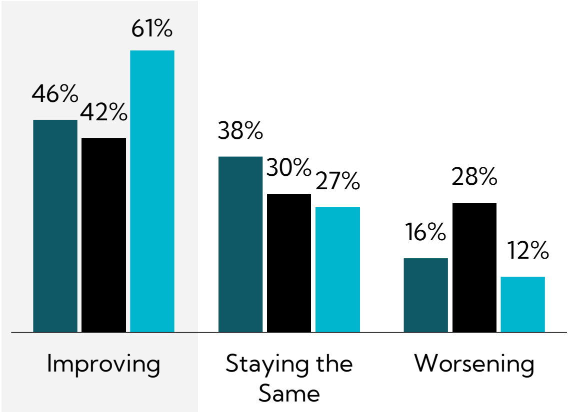
Q4'24 PERFORMANCE EXPECTATIONS

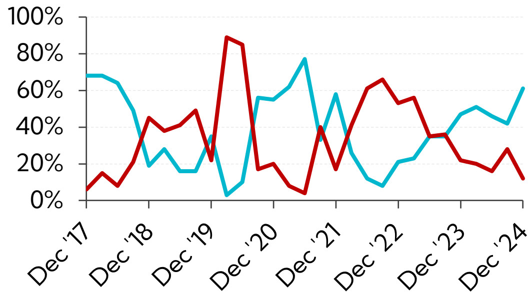
REVENUE





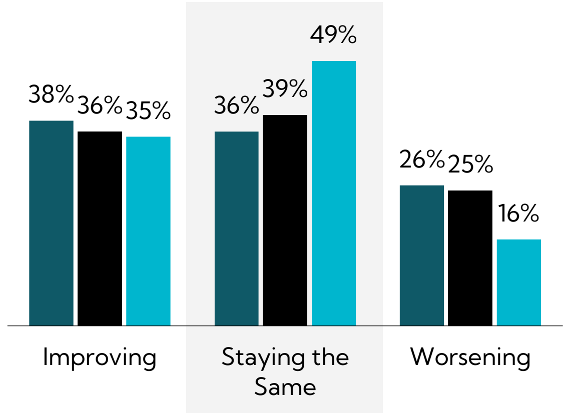
EPS

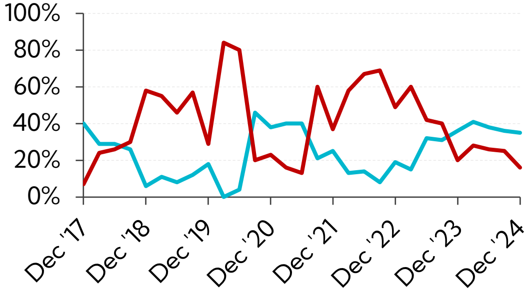




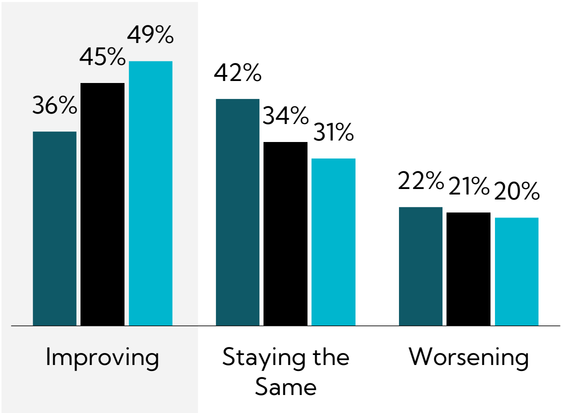
Jun '24 Sep '24 Dec '24 Improving Worsening

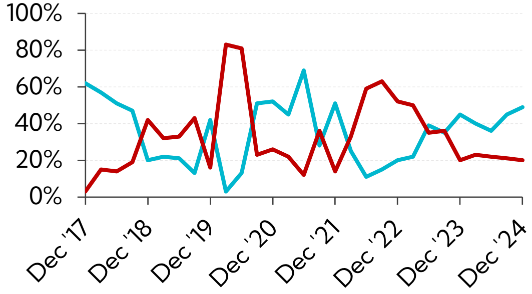
OPERATING MARGINS





FCF

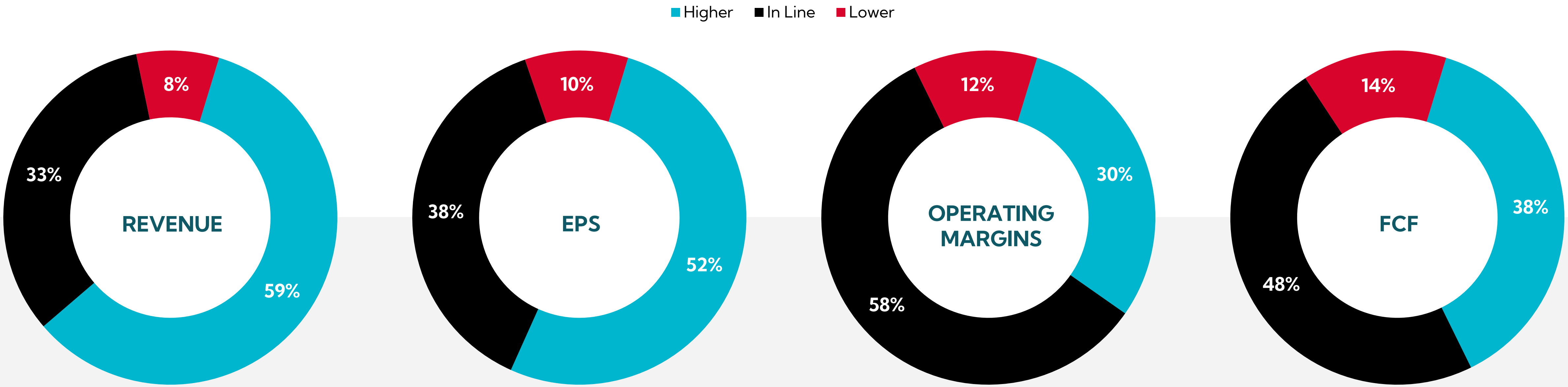




Majority Anticipate *Higher* 2025 Revenue and EPS Guides Relative to 2024 Actuals, While Operating Margins and FCF are Forecasted to be *In Line*

When aided, 74% of investors indicate they prefer *wider* initial guidance ranges

FULL YEAR 2025 GUIDANCE EXPECTATIONS RELATIVE TO 2024 ACTUALS



"While growth should be comfortably higher, it should start out below current expectations due to no cyclical upturn and currency headwind." **Buy Side, N. America, Industrials**

"There is a lot of momentum, and the Fed will not be raising rates." **Buy Side, N. America, Generalist**

"While I think guidance will be higher over 2024 due to positive economic growth, I think it will come in line to under current expectations." **Buy Side, N. America, Industrials**

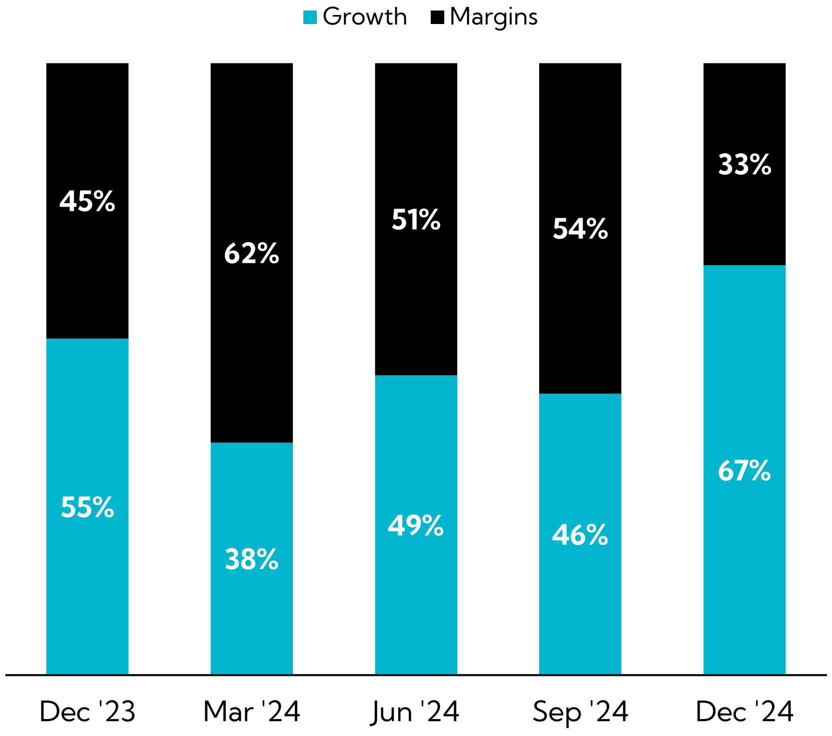
"Inflation is picking up and consumers are bearing some of the increases, as are the companies. Relative to 2024, we believe changes in regulation may relieve some of the costs on companies, which should allow them to absorb some of the inflation that seems to have picked up recently." **Buy Side, N. America, Generalist**

"I think guidance ranges are going to be broad and they're going to need to be conservative or otherwise they're opening themselves up to a lot of tough questions." **Sell Side, N. America, Industrials**

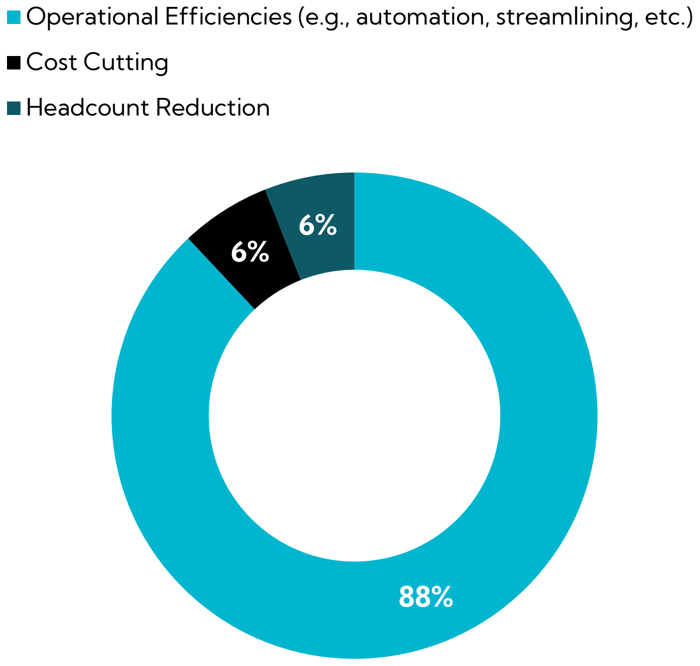
'The Market Wants Growth Again'; Investors Zero-in on Growth Over Margins

While investors believe margins are less of a priority at this point in the cycle, most prefer operational efficiency strategies – such as automation – over cost-cutting and headcount reduction measures

KPI PRIORITIZATION AT THIS POINT IN THE CYCLE



MARGIN PRESERVATION PRIORITIES



"Most companies have shown they can manage expenses. The market wants growth again." **Buy Side, N. America, Multi**

"Margins are relatively high; volumes are coming back, positively impacting growth; inflation will eventually boost the topline in the course of 2025." **Buy Side, Europe, Generalist**

"Revenue growth versus competitors determines winners and losers. True today and true tomorrow." **Buy Side, N. America, Generalist**

"Most companies still have pricing power in advance of tariffs." **Buy Side, N. America, Generalist**

"In the near-term, ensure margin sustainability and prospective enhancement via increases in productivity, ROI relating to capital expenditures, and stability in cost of capital." **Buy Side, N. America, Generalist**

"Companies will have to do all three [margin preservation measures]. It will mean getting back to the 'lean and mean' times of the late 1970s and 1980s." **Buy Side, N. America, Generalist**

- **67%** Growth, Volume & Demand (↓ 22pts)
- **37%** Margins, Expense Management (↓ 14pts)
- **29%** Capital Allocation (↑ 17pts)
- **29%** AI, Technology Trends (↓ 3pts)
- **23%** Tariffs (↑ 20pts)
- **14%** 2025 Outlook, Guidance (↑ 14pts)

Topics of Interest for Upcoming Earnings Calls

Growth and expense management continue to dominate investor mindshare, as capital allocation and tariffs receive notable jumps in interest

Views from N. America

"Capital recycling/investment outlook, one- to three-year margin outlook, strategic priorities." **Buy Side, Generalist**

"Margin outlook (is it sustainable to expanding or weakening?), outlook regarding capital composition, impact of interest rates, cost of capital overall, impact of dollar strength." **Buy Side, Generalist**

"Pipeline is always the most important thing, cost environment, such as what they are seeing in pricing and availability of inputs, new product offerings because it's been a while in many industries since the products have been dramatically different. Will the addition of AI be compelling to consumers?" **Buy Side, Generalist**

"Margins, cash flow, growth." **Buy Side, Generalist**

"Outlook for 2025 and 2026, margin expansion, pricing, labor costs." **Buy Side, Generalist**

"Current '25 outlook and why, underlying trends in their own business, what if any effect will Trump have." **Buy Side, Generalist**

"Tariffs, margins, revenues." **Buy Side, Multi**

"2025 guide, economy, health of customer." **Buy Side, Multi**

"Have you integrated AI? What has been the incremental productivity, how much has the recent rise in interest rates affected your sentiment, do you see your company's net hiring plans for 2025?" **Buy Side, Multi**

"Reshoring impacts, capex cycle, organic growth opportunities (AI, etc.)." **Buy Side, Industrials**

"How did regions outside of the U.S. perform during Q4. Was there any improvement in organic order growth as the quarter progressed? How much could a continued rally in USD impair 2025 results?" **Buy Side, Industrials**

"Order rates excluding price increases (organic order rates), backlogs, free cash flow." **Buy Side, Industrials**

"Tariffs, inflation, regulatory impacts." **Sell Side, Generalist**

"Topline, margins, prospective growth." **Sell Side, Generalist**

"2025 spending plans, any signs of consumer spending weakening? Use of AI and generative AI internally and externally, and customer adoption/usage of these tools." **Sell Side, Multi**

"Mortgage rate expectations, industrial end market growth, federal policy." **Sell Side, Industrials**

"Impact of weak oil price fundamentals on oil company capex, penetration of new technology, fresh efficiency improvements and cost cutting efforts." **Sell Side, Industrials**

"Order visibility and timing underpinning confidence, indications that government infrastructure spending is starting to flow, margin levers following several strong years." **Sell Side, Industrials**

"They have to address their exposure to tariffs, impact from inflation, and order trends." **Sell Side, Industrials**

"International manufacturing activity, tariffs, automation." **Sell Side, Industrials**

Views from Abroad

"Strategy, culture, capital allocation." **Buy Side, Europe, Generalist**

"Volumes, structural changes, cash flows." **Buy Side, Europe, Generalist**

"Impact of tariffs, impact of AI, impact of slowing inflation." **Buy Side, Europe, Generalist**

"Interest rates and energy costs." **Buy Side, Australia, Generalist**

"Storage, product mix, sales." **Sell Side, Europe, Generalist**

"Earnings reinvestment plans, views on AI impact, U.S. tariff impacts." **Sell Side, Europe, Multi**

"Operational metrics, balance sheet management, acquisition and divestment plans." **Sell Side, Asia, Multi**

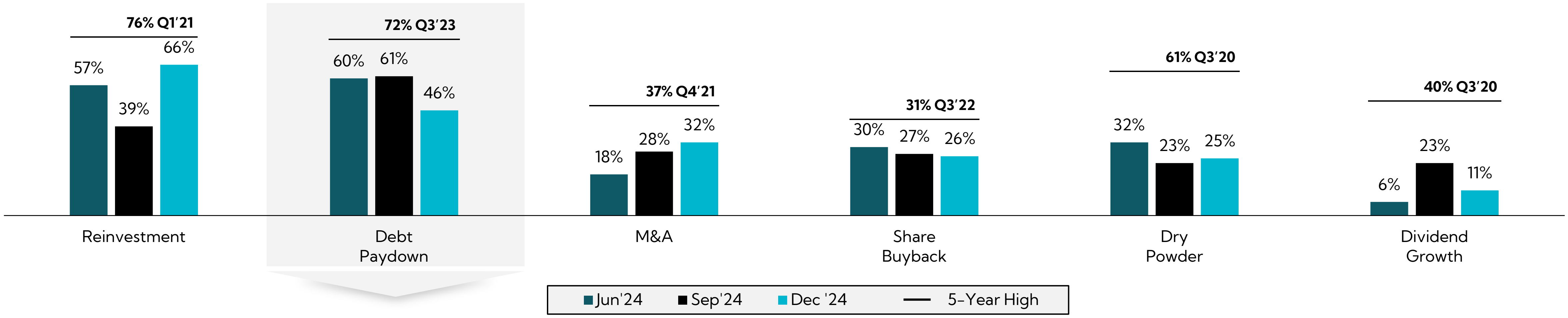
"Volume growth drivers for next year, margin sustainability, People's Liberation Army outlook." **Sell Side, Asia, Consumer Staples**

Reinvestment Reclaims Leading Position as #1 Preferred Cash Usage After Trailing Debt Paydown for 10 Consecutive Quarters

Support for M&A rises for second consecutive quarter, inching closer to the five-year high set in Q4'21, while improved growth outlooks have not yet translated into increased tolerance for debt

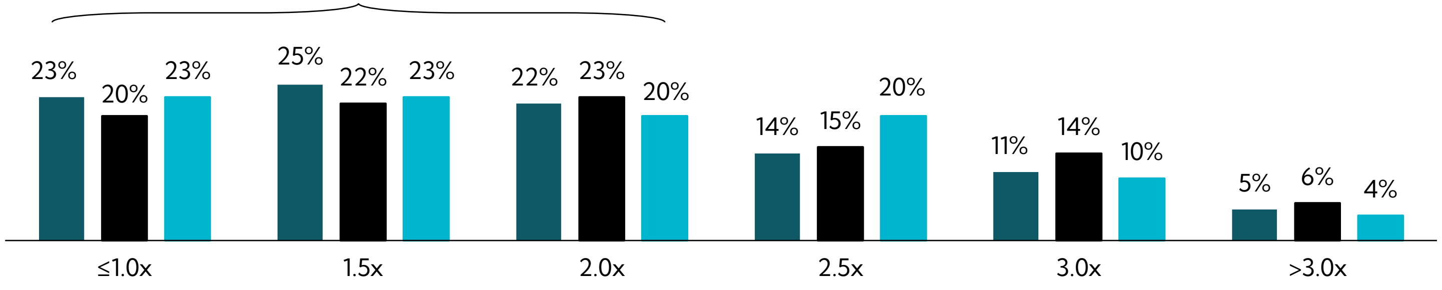
PREFERRED USES OF CASH

In Descending Order of Top Two Preferences

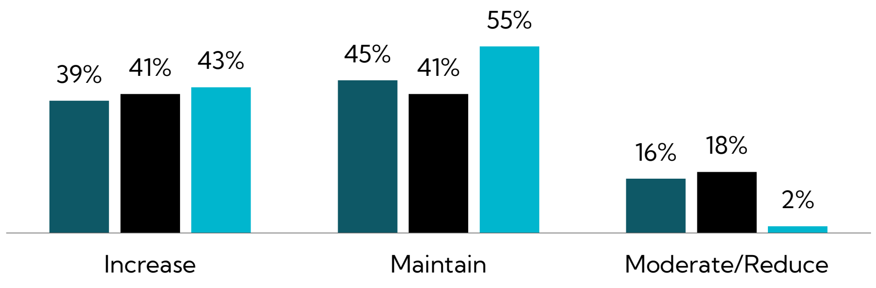


THRESHOLDS FOR IDEAL NET DEBT-TO-EBITDA

66% prefer 2.0x or less, largely unchanged QoQ (+1%)



GROWTH CAPEX PREFERENCES



Top Concerns from Around the Globe

Policy uncertainty and specifically tariffs top the list, followed by persistent geopolitical risks, and a resurgence in inflation; regarding the latter, 27% foresee inflation *worsening* over the next six months when aided, up from 11% QoQ

Unaided

QoQ Change

1	60% (↑ 9pts)	Policy Uncertainty	2	45% (↑ 42pts)	Tariffs	3	35% (↑ 5pts)	Geopolitical Risks
4	28% (↑ 17pts)	Inflation	5	26% (UNCH)	Monetary Policy	6	15% (↓ 5pts)	Consumer Health

Views from N. America

"Long-term bond yields, trade protection, sticky inflation." **Buy Side, Generalist**

"Global instability, political mistakes, Trump tariffs causing issues." **Buy Side, Generalist**

"Inflation, interest rates, U.S. deficit spending." **Buy Side, Generalist**

"Fiscal imbalances, chronic low inflation, policy gridlock." **Buy Side, Generalist**

"Both political parties are irresponsible financially. The level of debt in our economy is unconscionable and extremely dangerous, and both the left and the right have contributed to growing levels of debt, growing deficits and irresponsible spending. The other thing is the world order is growing with more levels of dictatorships and autocracies. Countries like Russia, China, Iran, North Korea, Syria, Venezuela, and Cuba — they're going to do dangerous things, and the U.S. has not defended its democratic values at all." **Buy Side, Generalist**

"Aggressive tariffs leading to a trade war, failure to extend 2017 tax rates, labor shortage if large deportations occur." **Buy Side, Generalist**

"Inflation, uncertain political actions, cash flow." **Buy Side, Generalist**

"Transition of U.S. government and the potential for gridlock versus execution of perceived mandate, U.S. monetary policy, such as a change in stance (emphasis to inflation versus growth), retrenchment by the U.S. consumer." **Buy Side, Generalist**

"WWIII — people fall into these situations unwittingly. Inflation — if it's imported, how can we stop it? AI — while somewhat cool, the definition of the problem and then the cost of the problem solved is missing. Just developing a new technology is never enough to support an industry." **Buy Side, Generalist**

"Worldwide debt, employment and wages, U.S. government chaos." **Buy Side, Generalist**

"War, global warming, famine." **Buy Side, Multi**

"Trump, consumer confidence, inflation." **Buy Side, Multi**

"Economic slowdown, China, trade wars." **Buy Side, Multi**

"Healthcare, energy, international relations." **Buy Side, Multi**

"Tariffs, will DOGE cause a recession, less immigration, less growth." **Buy Side, Multi**

"Geopolitics, tariffs, inflation." **Buy Side, Multi**

"The Federal Reserve outlook and communication are challenging. The market and I are struggling to know exactly what the path of the Fed is. Another major concern is the health of the economy. Given it is a presidential transition year, it creates a little more uncertainty about the path forward for the economy, inflation, and unemployment." **Buy Side, Financials**

Views from Abroad

"Sustainability of U.S. deficit, valuations, market structure." **Buy Side, Europe, Generalist**

"Bad investor sentiment based on irrelevant policy discussions in the U.S. and elsewhere, irrationality of investors, incompetent monetary policy like the last 16 years." **Buy Side, Europe, Generalist**

"Trump being unpredictable, U.S. vs. China, pickup in inflation." **Buy Side, Europe, Generalist**

"AI impacts to business, U.S. tariff impacts to business, geopolitical upheaval." **Sell Side, Europe, Multi**

"Impact of tariffs, inflation resurgence, supply chain shifts." **Sell Side, Asia, Multi**

"Inflation, tariff policies, consumer spending." **Sell Side, Asia, Multi**

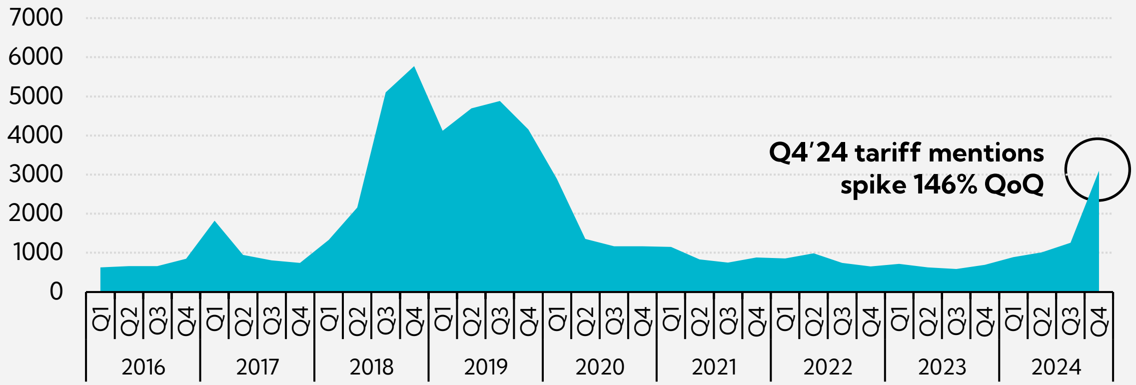
"Consumer demand, inflation, recession." **Sell Side, Asia, Consumer Staples**

Tariff Spotlight

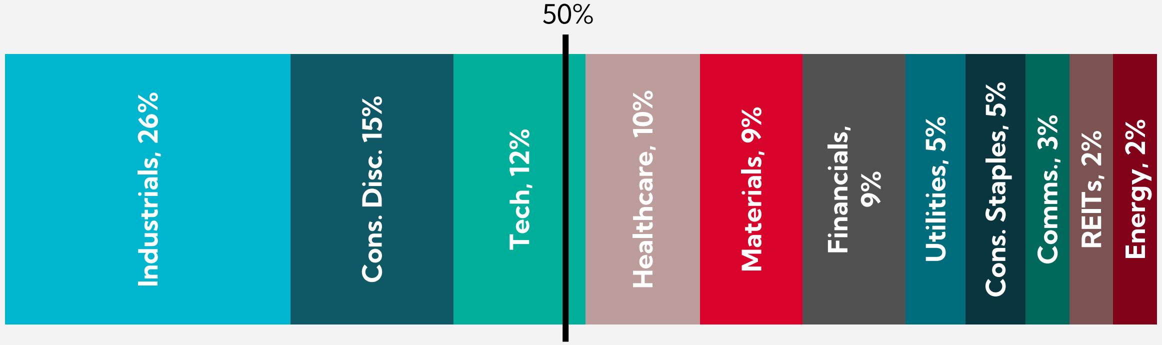
While only 14% of investors report a negative shift in investment sentiment due to the U.S. Presidential election outcome, 87% express heightened or sustained concern over U.S. trade and tariffs — a 26% increase QoQ; moreover, 76% assert tariffs will negatively impact the broader investment environment

TARIFF MENTIONS, TRANSCRIPTS

Public Companies >$1B Market Cap, North America and Europe, n = 2,153

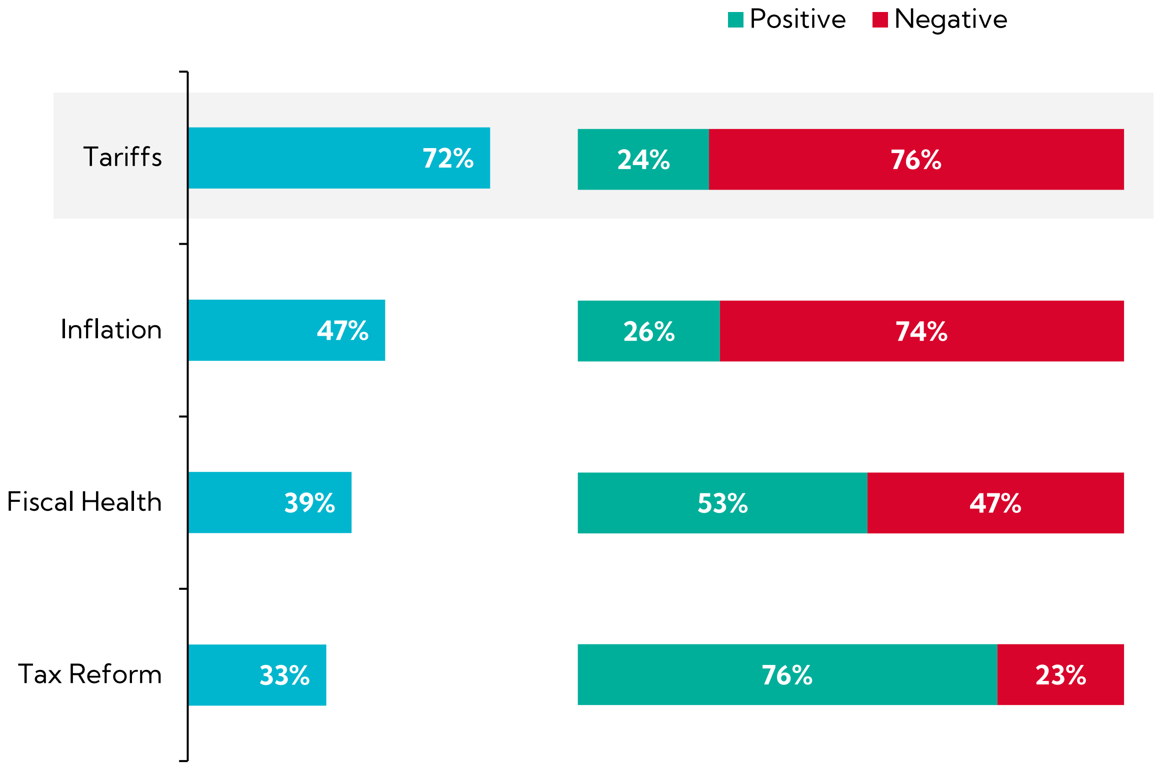


Q4'24 TARIFF MENTIONS BY SECTOR



KEY AREAS OF INTEREST FOR EXECUTIVES TO ADDRESS REGARDING U.S. ELECTION IMPACT

ANTICIPATED IMPACT TO THE BROADER INVESTMENT ENVIRONMENT



Following U.S. Presidential Election Result, Neighboring Economies Expected to *Worsen* Over the Next Six Months; India and S.E. Asia Seen as Bright Spots; China Views Remain Dour

CANADA		QoQ Δ
Improve	11%	-13pts
Worsen	**39%**	UNCH

2 U.S.		QoQ Δ
Improve	**46%**	+8pts
Worsen	15%	-12pts

Highest proportion of *Worsening* since Q1'20 (69%)

2 MEXICO		QoQ Δ
Improve	14%	-12pts
Worsen	**42%**	+13pts

LATIN AMERICA		QoQ Δ
Improve	**20%**	+4pts
Worsen	14%	-4pts

BRAZIL		QoQ Δ
Improve	**31%**	+7pts
Worsen	29%	-5pts

UK		QoQ Δ
Improve	16%	-4pts
Worsen	**21%**	-19pts

W. EUROPE		QoQ Δ
Improve	13%	+3pts
Worsen	**37%**	+2pts

E. EUROPE		QoQ Δ
Improve	22%	+9 pts
Worsen	22%	-8pts

MIDDLE EAST		QoQ Δ
Improve	29%	+11pts
Worsen	**31%**	-7pts

1 RUSSIA		QoQ Δ
Improve	14%	+6pts
Worsen	**66%**	-8pts

3 CHINA		QoQ Δ
Improve	23%	+3pts
Worsen	**41%**	-17pts

1 INDIA		QoQ Δ
Improve	**53%**	-3pts
Worsen	5%	-5pts

JAPAN		QoQ Δ
Improve	**40%**	+8pts
Worsen	5%	-5pts

TAIWAN		QoQ Δ
Improve	**41%**	+23pts
Worsen	9%	-12pts

3 SOUTHEAST ASIA		QoQ Δ
Improve	**42%**	+6pts
Worsen	8%	-7pts

AUSTRALIA		QoQ Δ
Improve	**29%**	+8pts
Worsen	17%	+4pts

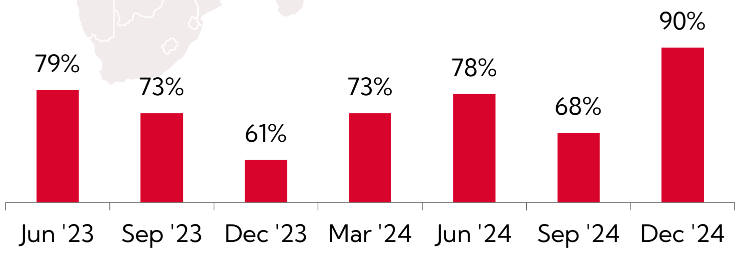
TOP 3 – IMPROVING (NEXT SIX MONTHS)

INDIA	53%
U.S.	46%
SE ASIA	42%

TOP 3 – WORSENING (NEXT SIX MONTHS)

RUSSIA	66%
MEXICO	42%
CHINA	41%

THOSE EXHIBITING 'MORE' OR A 'CONTINUED HIGH LEVEL' OF CONCERN TOWARD U.S.-CHINA RELATIONS

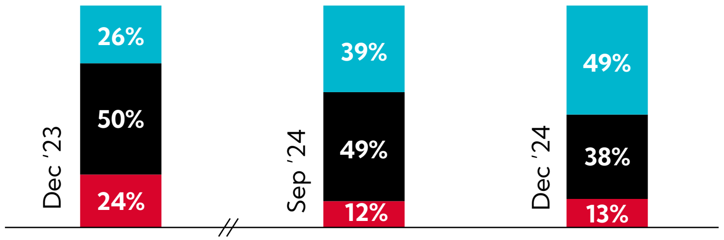


corbin

Views on Key Economic Indicators Over the Next Six Months

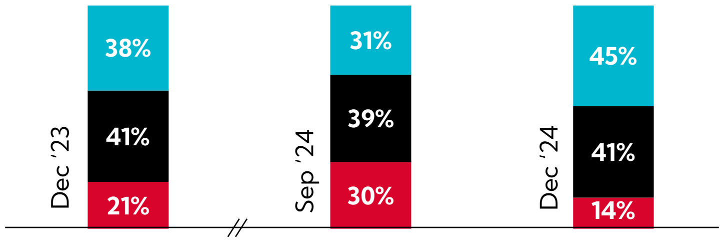
Animal spirits ignite: all key economic indicators seen as *improving* with *worsening* conditions now representing a minority view across measures

GLOBAL CAPEX



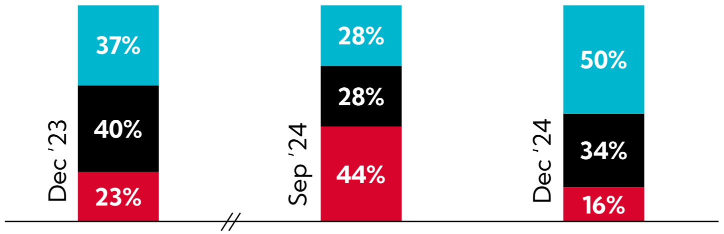
Improving: *"Expect a pickup in global capex, primarily reflective of the continuing economic (specifically technology) leadership attributed to the U.S."* **Buy Side, N. America, Generalist**

GLOBAL PMI



Staying the Same: *"Service PMIs continue to remain above 50 globally. While manufacturing may be expected to improve, any improvement may be limited to certain economic regions which may hamper PMIs overall."* **Buy Side, N. America, Generalist**

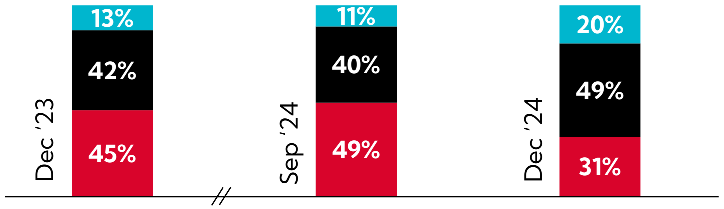
CONSUMER CONFIDENCE



Improving: *"Recent rise in consumer confidence is anticipated to sustain/improve during 2025 primarily given the rising tide attributed to the U.S. election. This tide may stall should gridlock prevail in the legislative body."* **Buy Side, N. America, Generalist**

■ Improving ■ Staying the Same ■ Worsening

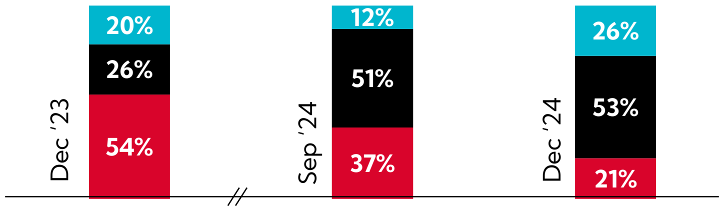
U.S. UNEMPLOYMENT



Staying the Same: *"The deportation of immigrants will increase the number of open jobs keeping unemployment low."* **Buy Side, N. America, Generalist**

Worsening: *"Slowing economy."* **Buy Side, N. America, Generalist**

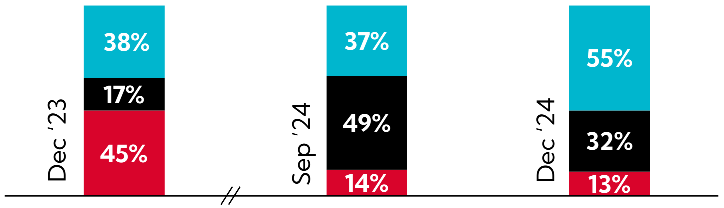
NON-RESI CONSTRUCTION



Improving: *"Projects appear to have been backlogged or postponed pending 2024 events. Anticipate some improvement at the margin."* **Buy Side, N. America, Generalist**

Staying the Same: *"The infrastructure bill is still furnishing funds."* **Buy Side, N. America, Generalist**

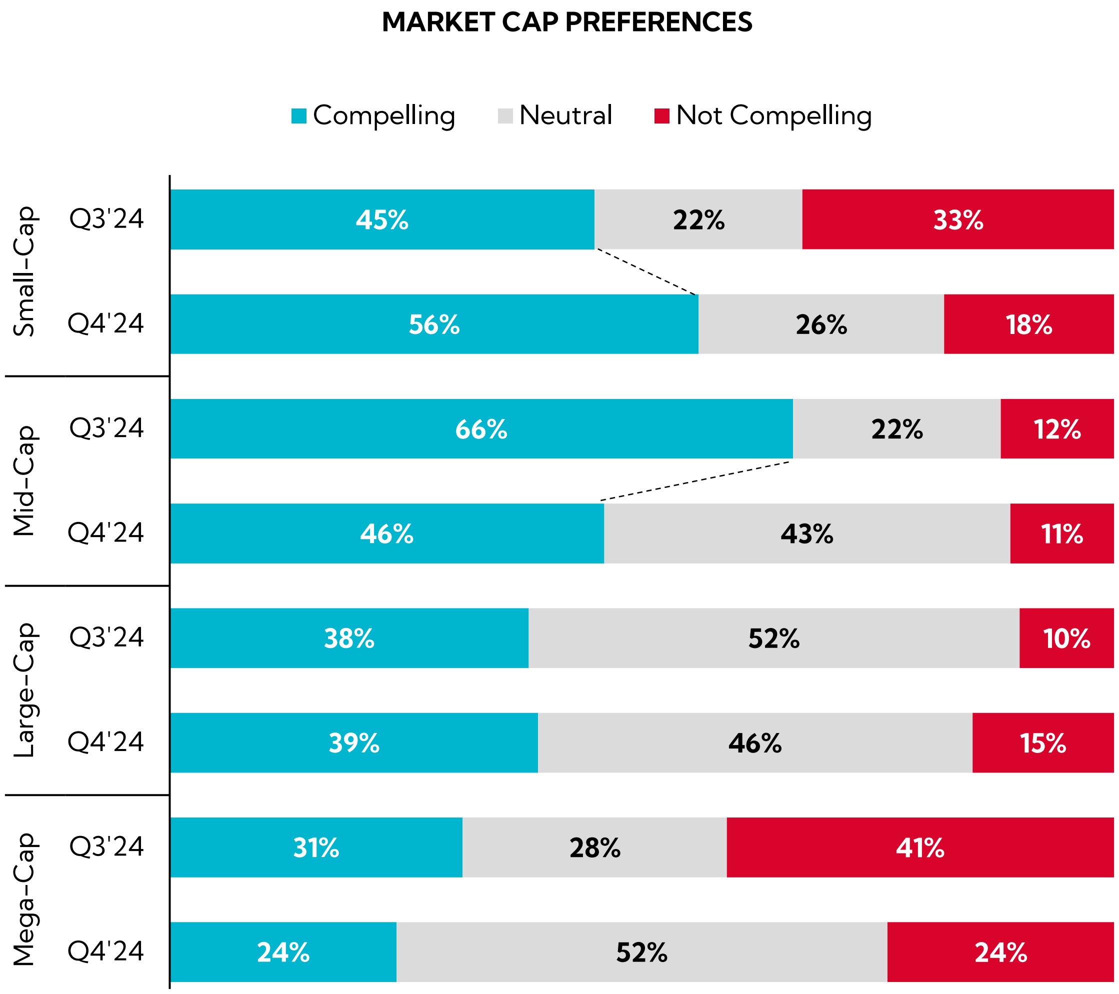
U.S. RESI CONSTRUCTION

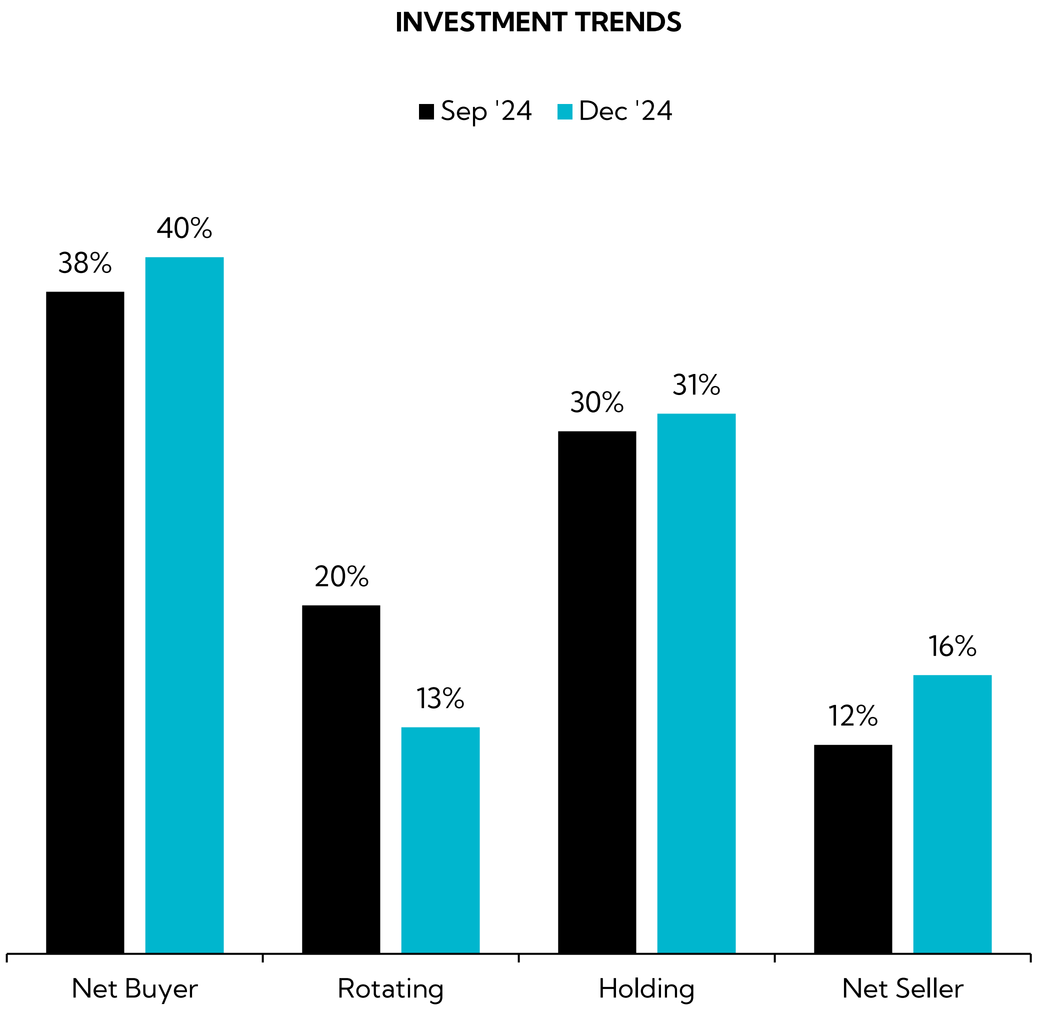


Improving: *"There is a shortage of housing in the U.S. and the Fed is lowering rates."* **Buy Side, N. America, Generalist**

Staying the Same: *"Housing remains fluid, formation seems waning in the face of higher interest rates."* **Buy Side, N. America, Generalist**

Small-Cap Companies Overtake Mid-Caps as Most Compelling to Investors at this Time; Investment Activity Still Skews Toward Buying or Holding



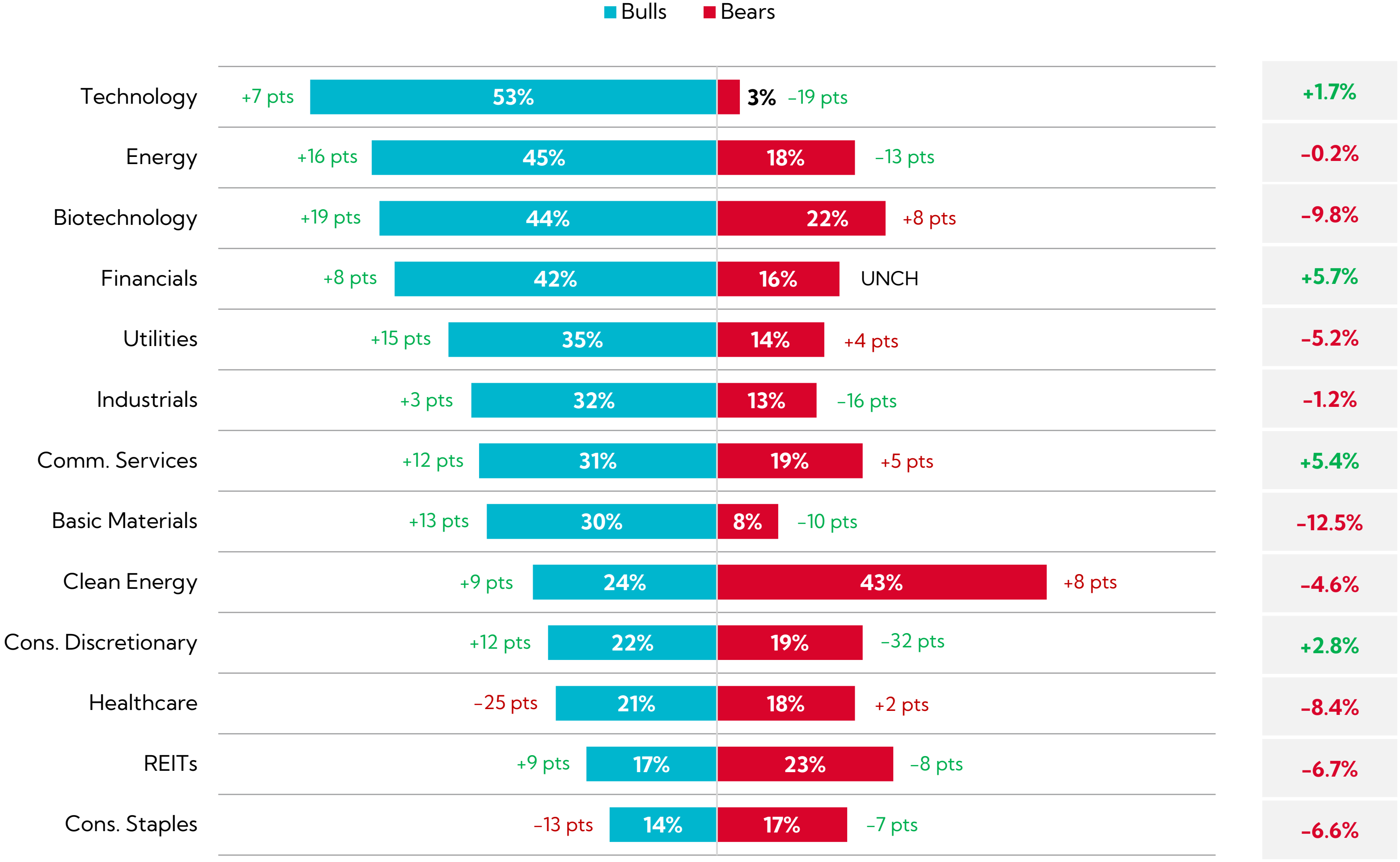


Investors Pick Sides on Policy with Bulls Piling into Energy and Biotech while Healthcare is Left Behind and Consumer Discretionary Gets a New Lease on Life

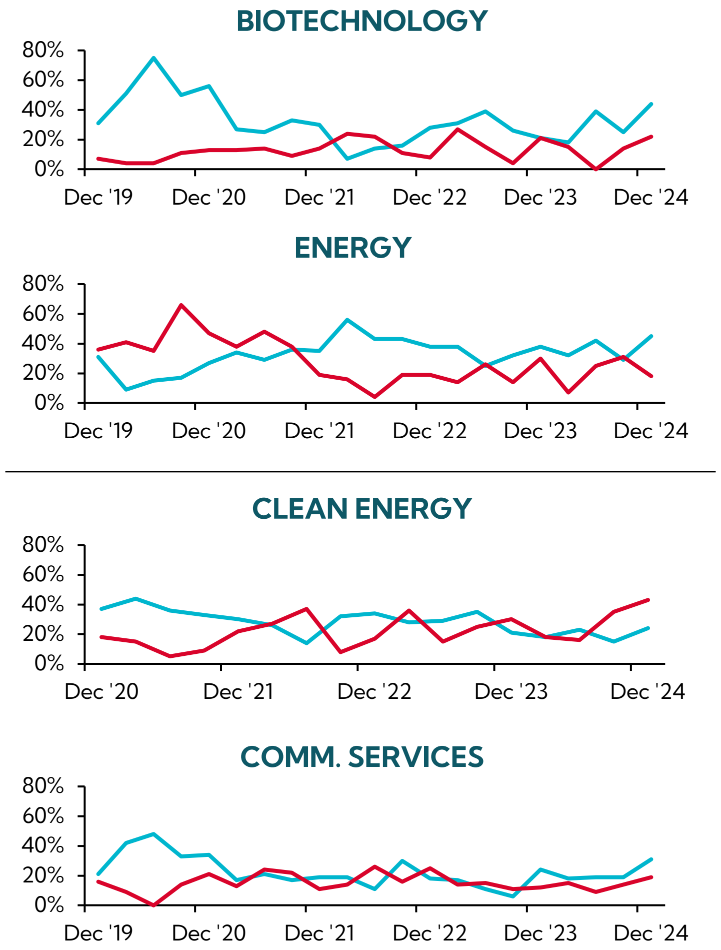
Healthcare experiences a large drawback in bullish velocity, though outright bears remain scarce

BULLS VS BEARS

Q4'24 S&P 500 SECTOR PERFORMANCE[1]



LARGEST BULL AND BEAR MOVERS



[1] Source: FactSet as of 12/31/24

corbin

A Leading Investor Research and Investor Communications Advisory Firm

We engage deeply with our clients — companies ranging from pre-IPO to over $500 billion in market cap across all sectors globally — to increase equity market value.

We deliver research-based insights and execution excellence through a cultivated and caring team of experts with deep sector and situational experience, a best practice approach, and an outperformance mindset.

We have a long track record of delivering successful client outcomes, most notably by rerating and compounding equity valuations through our Voice of Investor® research and counsel.

TRANSFORMATIONAL INSIGHT

STRATEGIC MINDSET

IMPACTFUL EXECUTION

PURPOSEFUL CANDOR

Partner with Us

Leverage the experience and expertise of our specialized team

- Voice of Investor® Perception Studies
- Investor Days
- Investment Thesis / Narrative Development
- Investor Presentations
- Investor Targeting & Marketing
- Investor Relations, Earnings Advisory
- Executive Coaching
- Sustainability / ESG
- Strategic Communications / M&A
- IPO Preparedness

FOUNDED 2007

Certified WOMEN OWNED Business

SILVER 2024 STEVIE WINNER FOR EMPLOYER OF THE YEAR

contactus@corbinadvisors.com

corbinadvisors.com