

corbin

Q3'25

ISSUE: 64 October 9, 2025 **ISSUE:** 64 **Date:** October 9, 2025



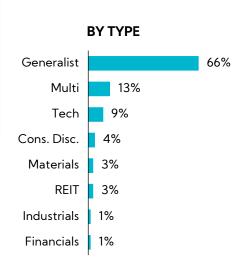
Since 2007, we have surveyed institutional investors and analysts globally on the equity markets, world economy, and business climate. At the start of every earnings season, we publish our flagship *Inside The Buy-Side® Earnings Primer®*, which captures real-time investor sentiment and trends.

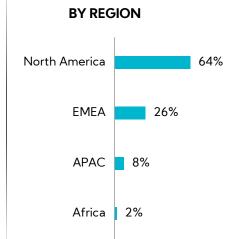
Leveraging our capital markets experience, deep understanding of investor relations, and best practice knowledge, our research and advice is at the nexus of global market trends, investor sentiment, and effective investor communication strategies.

Survey Timeframe: September 5 – October 2, 2025

Survey Scope







Market Performance¹

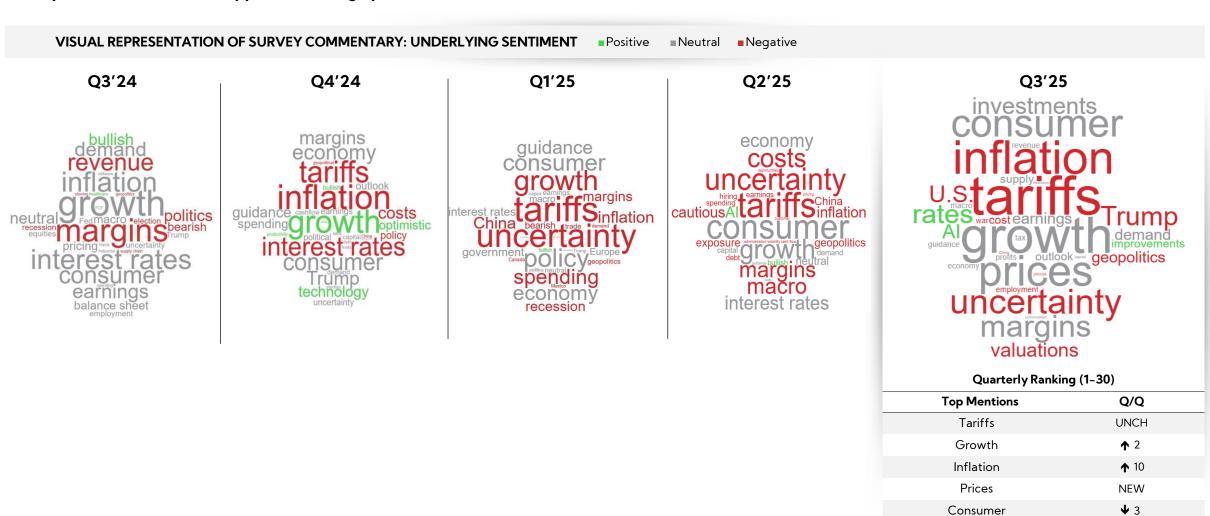
	YTD	Q3′25	Q3′24
U.S.			
DJIA	9.8%	5.2%	8.2%
NASDAQ	18.8%	11.2%	2.6%
S&P 500	14.6%	7.8%	5.5%
Russell 2000	11.5%	12.0%	8.9%
Europe			
FTSE 100	16.1%	6.7%	0.9%
Stoxx 600	12.3%	3.1%	2.2%
Asia			
Hang Seng	34.4%	11.6%	19.3%
Shanghai	15.8%	12.7%	12.4%

¹Source: FactSet; YTD as of 10'6'25 Market Close



Tariff and Related Inflation Concerns Continue to Dominate Focus while Expectations for Future Growth Serve as a Sentiment Salve

Concern about geopolitics, mounting tariff headwinds, and resultant inflation and margin pressures are prevalent while solid 1H earnings and resumption of Fed rate cuts support increasing optimism



Positive Investor Sentiment Continues to Build as Heightened Expectations for Higher Growth Contend with Anticipated Tariff Turbulence

Investor Sentiment Builds on Last Quarter's Rebound, with Outright Bullishness Reaching Highest Level Since March 2024; While Most Anticipate In-line Q3 Results, Consensus Beats Still Expected to Outpace Misses

- 53% characterize sentiment as *Bullish* or *Neutral to Bullish*, up from 50% in Q2'25, with nearly one-quarter outright *Bullish*; meanwhile, those that describe views as *Neutral to Bearish* or *Bearish* see the lowest level in three quarters
- **53%** of investors characterize executive tone as *Bullish* or *Neutral to Bullish*, up 12 points QoQ but still well shy of the 72% captured in Q4′24; fewer than one in five fall in the *Neutral to Bearish* or *Bearish* camp, down from 23% observed last quarter
- 37% expect Q3 earnings to be Better Than consensus, while more than half anticipate In Line results; only 12% expect results to be Worse Than consensus, the lowest level since Q4'23
- As for Q3 KPIs, expectations suggest a prevailing view of Improving over Worsening conditions, particularly for Revenue where 58% anticipate improved sequential performance (a surge from 32% last quarter); expectations for EPS are also elevated while views on Margins and FCF are for continued stability
- Majority still anticipate companies to Maintain annual guides, though expectations for Revenue and EPS Raises more than double QoQ

Investors Increasingly Prioritize Growth over Margins, But with a Level of Cautiousness Remaining amid Continued Uncertainties

- Nearly 50% project 2025 U.S. GDP growth will be Higher YoY — up sharply from 29% observed last quarter; a slight majority do not anticipate the U.S. economy will enter a recession within the next year
- Investors are prioritizing Growth over Margins 66% to 34% – a notable shift from the 50/50 split observed last quarter and the highest level registered for growth since the "Trump Bump" in December 2024
- In addition to tariffs, growth/demand remains the top focus area for earnings calls, while investors now also set their sights on capex outlooks amid growth focus
- Tariffs (57%) and Policy Impacts (48%) top the list of unaided concerns, surging QoQ; Geopolitics, Economic Slowdown, and Inflation round out the top five
 - Views are mixed on whether OBBBA will prove a meaningful tailwind for companies over the next six months; while 35% expect a *Positive* impact, over half believe it will be *Neutral* or note they are *Unsure*
 - Regarding tariffs, 63% expect companies to face the greatest financial impacts in the next six months or suggest they are already being felt; notably, over one-third indicate middling confidence in companies' tariff mitigation strategies

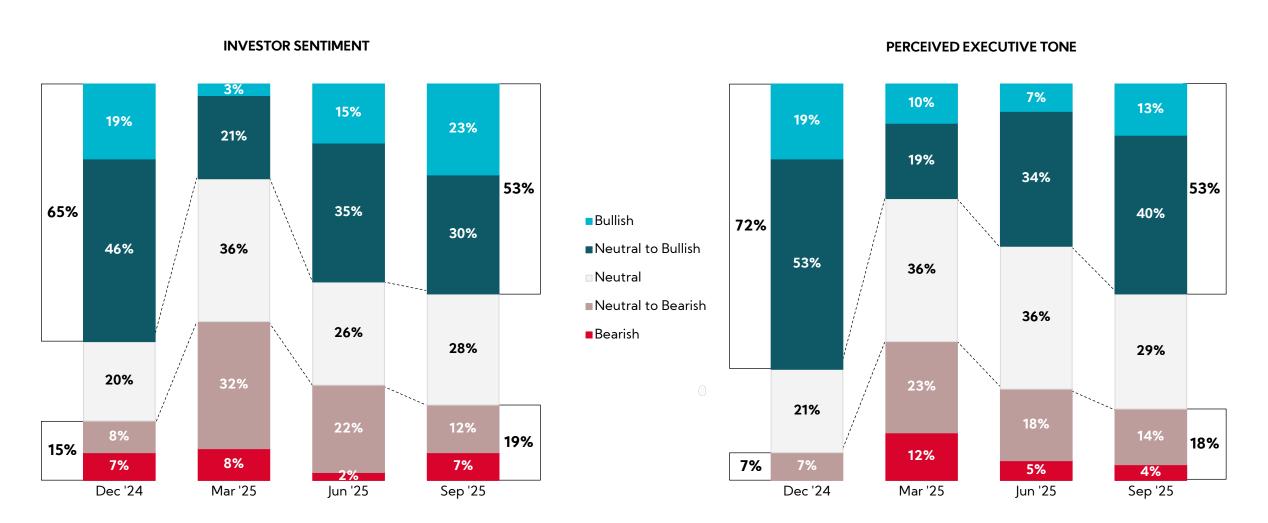
Buybacks Join Debt Paydown as the Top Preferred Uses of Cash, While Reinvestment Interest Rebounds; Tech Remains Most In-favor Sector, Though Financials and REITs See an Influx of Bulls and Bearishness Recedes Across Virtually All Sectors

- Debt paydown and buybacks are cited as a top-two preferred use of cash by 46% of participants each
 - Despite some concerns with valuations, buyback interest climbs for a second consecutive quarter, setting a new 5-year survey record
 - In line with a pivot toward growth, support for reinvestment surges
- Nearly three-quarters of investors expect M&A activity to increase over the next 6 to 12 months given the current regulatory environment
 - 85% report Overpaying as their biggest concern with large deals, followed by Integration Risk, Leverage, and Chasing Growth
 - Notably, only 15% count M&A among their top two preferred uses of cash, down from 24% QoQ
- Virtually all sectors experience waning bearishness QoQ, with Consumer Staples and Healthcare seeing the greatest improvement, though views toward the former remain largely downbeat
 - Tech retains the top spot as the most favored sector, while Financials jump ahead of Healthcare to the #2 position; REITs see their highest level of generalist bulls in a decade



Investor Sentiment Remains Optimistic with Outright Bulls at Highest Level Since Mar. 2024; Executive Tone Follows Suit and Seen as Most Upbeat Since Dec. 'Trump Bump'

Both Investor Sentiment and Perceived Executive Tone see continued bullish trend, with more than half upbeat and a downtick in bears registered





Executives Described as Increasingly Upbeat and Moving Past "Wait-and-See" Mode; Investors Highlight Resilience and Al Benefits, But Cite Concerns with Tariffs and Other Uncertainties

Bullish

"It depends what industry, but executives have been bullish in that a number of those companies were wait-and-see attitude with all the political developments and it sounds like they now feel more comfortable that they understand the environment." **Buy Side, N. America, Generalist**

"Companies are finally normalizing after COVID, tariffs weren't the end of the world, less regulation, and lower interest rates, with the promise of Al boosting margins in the wings." **Buy Side, N. America, Multi**

"Earnings growth." Buy Side, N. America, Multi

"Rate cuts and end to the war in Ukraine." Buy Side, N. America, Multi

"4th industrial revolution is just getting started." Buy Side, N. America, Multi

"The world is seeing a lot of uncertainty. However, it is bringing out resilience. The relationships remain strong in the private sector, despite the rhetoric." **Sell Side, Asia, Multi**

Neutral to Bullish

"No recession in sight and declining short rates." Buy Side, N. America, Generalist

"In the long term, it all works out, and holders of equities benefit." Buy Side, N. America, Generalist

"Things are never as bad as they seem." Buy Side, N. America, Generalist

"Valuations are too high and tariffs add uncertainty." Buy Side, N. America, Generalist

"Market seems to be at the bottom or near the bottom." Buy Side, N. America, Multi

"Good earnings momentum for companies, especially in U.S." Buy Side, Europe, Generalist

"A reduction in the restraint of statements, especially in semi supply chain / IT / Al area, which is driving markets." Buy Side, Europe, Multi

"Most of the companies that I cover have provided poor guidance for the rest of the year, but the stock market remains strong." Sell Side, N. America, Consumer Discretionary

Neutral

"Uncertainty. There are a lot of things to be excited about, but also from a pure macro perspective and looking at the economy, there are causes for concern. It is unclear how the current macro situation with employment, labor market, and inflation settles out in the next five or six months, and a lot of that has to do with the direction the market goes. The executives sounded bearish at the beginning of Q2 and are now starting to sound more bullish." Buy Side, N. America, Generalist

"Capital investment allocation towards Al has not produced ROI that meet stock valuations."

Buy Side, N. America, Generalist

"Tariff uncertainty; weak jobs market." Buy Side, N. America, Generalist

"U.S. tariffs." Buy Side, Europe, Generalist

"Uncertainty remains overall, aside from a few select sectors (Tech, Crypto)." Buy Side, Europe, Generalist

"Most stocks look fully priced, but supported by weight of money!" Sell Side, Australia, Generalist "Risks of inflation rising." Sell Side, Africa, Multi

Neutral to Bearish/Bearish

"Worries about Trump admin policy, especially attack on the Fed's independence." **Buy Side, N. America, Generalist**

"Valuation, tariff impacts, employment trends." Buy Side, N. America, Generalist

"Uncertainty over U.S. government policies and actions." Buy Side, Europe, Generalist

"Tariffs; wars; political tension; global instability." Sell Side, N. America, Generalist

"Valuations and a slowing economy. Executives I have spoken to are cautious." Buy Side, N. America, Generalist

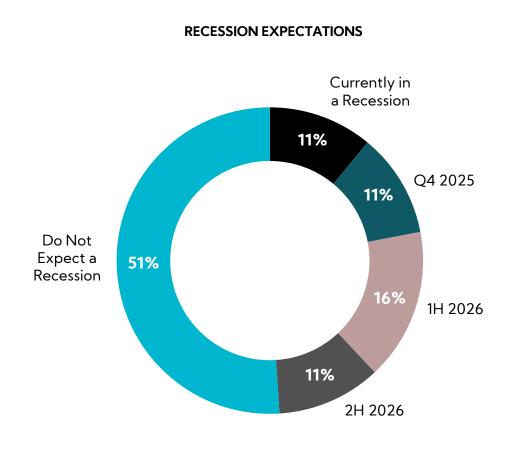
I. America, Generalist

"They are constantly emphasizing the high uncertainty." **Sell Side, Europe, Multi**



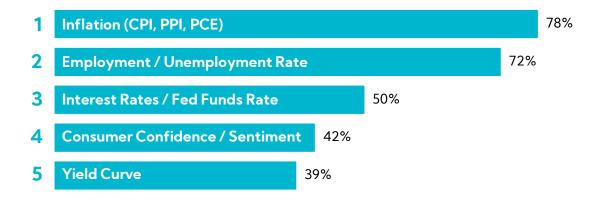
More Than Half of Investors Do Not Anticipate a Recession as 2025 U.S. GDP Outlooks Improve; Still, Investors Eye Potential Cracks on the Horizon

While recession concerns are not widespread, 49% anticipate contraction at some point by the end of 2026 with views evenly split on timing of a potential downturn; inflation and unemployment are cited as the most critical macro indicators under watch



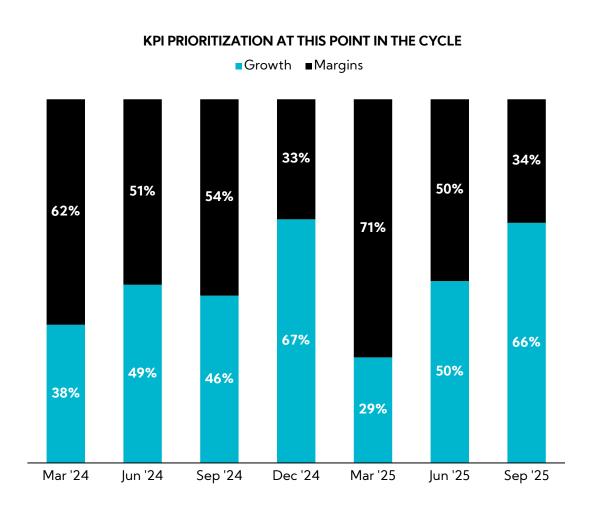


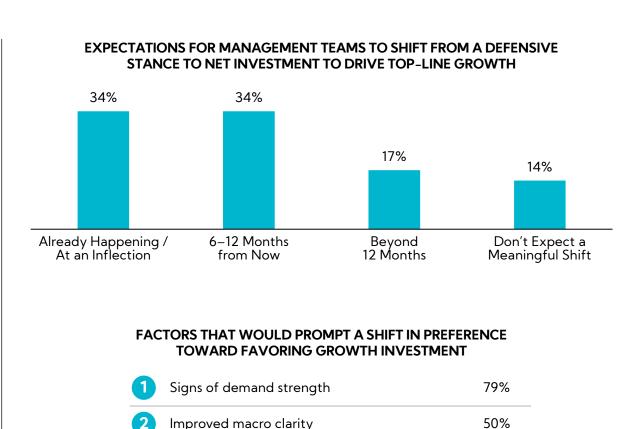




Hunger for Growth Continues to Climb, Surpassing Margin Mania Earlier this Year, Suggesting We May Be at an Inflection

With companies demonstrating ability to manage through headwinds and protect margins, investors go for the gusto





Demonstrated margin stability

Lower interest rates / improved cost of capital



43%

29%

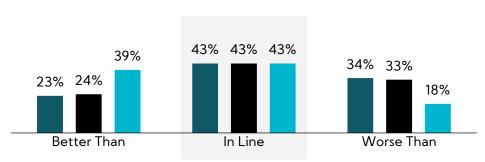
In-line Results Widely Anticipated, But with Consensus Beats Still Expected to Outpace Misses

58% anticipate Q3'25 results will surpass Q3'24 prints

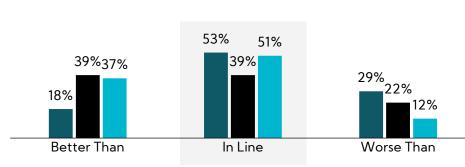
Q3'25 EARNINGS EXPECTATIONS

■Mar '25 ■Jun '25 ■Sep '25

VS. PRIOR QUARTER



VS. CONSENSUS



Better Than

"I think many companies are running lean on personnel, so that might generate higher earnings." Buy Side, N. America. Generalist

"Companies benefiting from Al." Buy Side, N. America, Generalist

"Profits remain strong as the consumer remains fairly flush." Buy Side, N. America, Generalist

"Easy comps." Buy Side, N. America, Multi

"Earnings growth, macro sentiment." Buy Side, N. America, Multi

"Positive consumer sentiment." Buy Side, N. America, Multi "Consensus is more cautious on macro sentiment than it realizes." Buy Side, Europe, Multi

"In the quarter, we are seeing great growth numbers." Sell Side, Asia, Multi

In Line

"Everyone is tempering expectations." Buy Side, N. America. Generalist

"No recession and some growth." Buy Side, N. America, Generalist

"Sales growth has been slowing, but companies have been doing their best to keep costs down, which drives higher EPS. This starts to go the other way as tariffs and employment are going to be a big headwind towards EPS growth over the next 12 months." **Buy Side**,

N. America, Generalist

"Less competition." Buy Side, N. America, Multi

"Rates coming down into 2026." Buy Side, N. America, Multi

"Global growth and U.S. tariffs." Buy Side, Europe, Generalist

"Tariff preordering helped Q2. In Q3, this effect will slow down to diminish." Sell Side, N. America, Generalist

"Strong spending trends, but underlying spend is stable and there are starting to be cracks (weak guidance)."

Sell Side, N. America, Financials

"Expected improvements are not materializing."
Sell Side, Europe, Multi

Worse Than

"Q2 has recalibrated expectations - inflation should hit now." Buy Side, Europe, Generalist

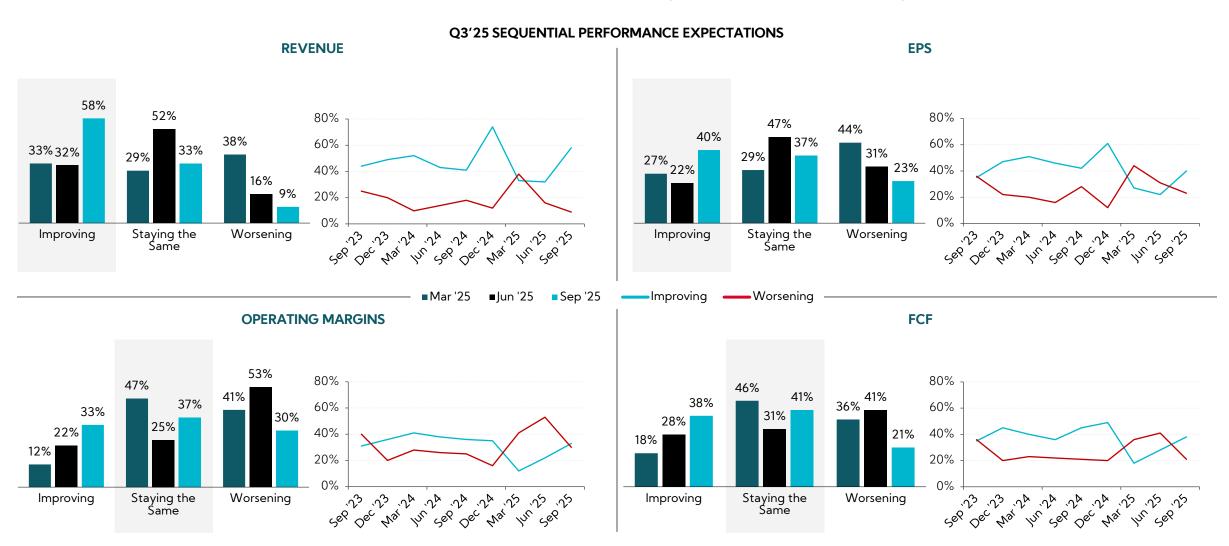
"Tariffs are likely to reduce earnings for many of the companies that I cover." Sell Side, N. America, Consumer Discretionary "Tariff impact not understood by investors." Sell Side, N. America, Multi

"Weaker oil price." Sell Side, Europe, Energy
"U.S. economy starting to worsen." Sell Side, Africa, Multi



KPI Expectations Reveal Big QoQ Jumps in Revenue and EPS Optimism; Mixed Views on Margin and FCF, But with More Anticipating Improvement

Institutional investors and analysts adopt a more positive stance, with all metrics seeing an increase in those expecting sequential improvement

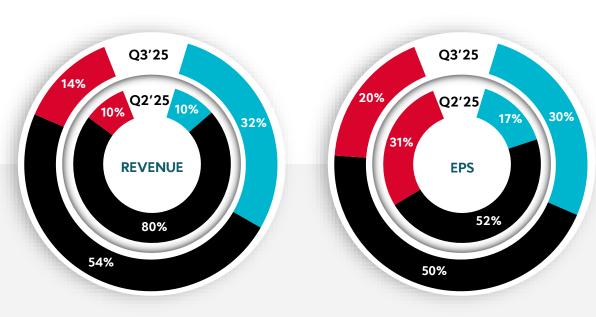


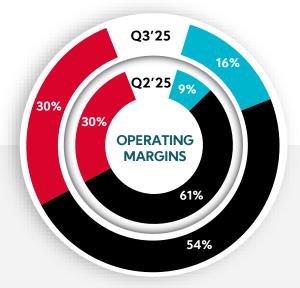


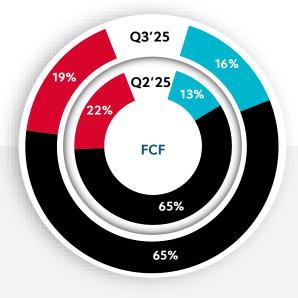
Majority Expect Companies to *Maintain* Annual Guides, Though All Metrics See Upticks in Those Expecting *Raises* Relative to Last Quarter, Particularly Revenue and EPS

FULL YEAR 2025 GUIDANCE UPDATE EXPECTATIONS









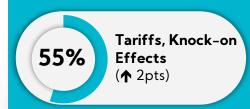
"Companies like to set the bar low, so they can step over it!" Buy Side, N. America, Generalist
"Everyone being conservative." Buy Side, N. America, Generalist
"Guidance is already reflecting strong economic growth." Buy Side, N. America, Generalist
"Most companies will try to beat and raise on top line." Sell Side, N. America, Financials
"It's looking good." Sell Side, Asia, Multi

"I think management will still be cautious." Buy Side, N. America, Multi

"Management will stick with guidance, not take the risk of raise." Buy Side, Europe, Multi

"Most [consumer] companies have lowered guidance already." Sell Side, N. America, Consumer Discretionary

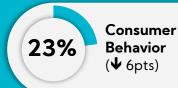
"Inflationary pressures." Sell Side, Africa, Multi













Topics of Interest for Upcoming Earnings Calls

Tariffs retain the top focus, along with related impacts on end market demand; notably, with growth top of mind, investors increasingly focused on capital priorities, largely capex

Views from N. America

"Pipeline, tariffs, people plans." Buy Side, Generalist

"Al related info, trends in their industry, guidance." Buy Side, Generalist

"Demand environment for products in uncertain macro, cost pressures across areas, margins going forward." **Buy Side, Generalist**

"Impact of tariffs on operating costs, M&A environment improvements, new tax bill passed and impacts that are being seen in their numbers." **Buy Side, Generalist**

"Strength of revenues, strength of profits, product/service pipeline."

Buy Side, Generalist

"Geopolitical, tariffs, China impact on trade with us." Buy Side, Multi

"Tangible benefits from Al adoption in the workplace, effects of onshoring, true consumer demand and strength of economy." **Buy Side, Multi**

"EPS, cash flow, revenue." Buy Side, Multi

"Al, productivity, new markets." Buy Side, Multi

"Tariffs, investments, balance sheet." Sell Side, Generalist

"Tariffs, state of the consumer, how they are planning for 2026." **Sell Side, Multi**

"Are you able to raise prices to offset tariffs? If tariffs are declared illegal, how big would the impact be? How are you planning for 2026?" Sell Side, Consumer Discretionary

"Rate cuts, state of the consumer, operating leverage." Sell Side, Financials "Revenue growth, margins, capex." Sell Side, REIT

Views from Europe

"Revenue growth outlook, impact of US tariff, margin." **Buy Side,** Generalist

"Margins vs. inflation, revenue and consumer budget, procurement / tariffs." **Buy Side, Generalist**

"Resistance of consumer demand, maybe shrinking consumers due to drop in foreign employment, labor supply as foreign employment in the us dropped drastically, capital deployment in terms of productivity capex." **Buy Side, Multi**

"Shifts in trade flows, demand outlook, cost flexibility." **Sell Side, Multi**

"FCF generation, capex outlook, renewables strategy." **Sell Side, Energy**

"Tariff Impacts, rate cuts, geopolitics." **Sell Side, Financials**

Views from APAC

"Consumer confidence, state of the U.S. economy, currency moves." **Sell Side, Generalist**

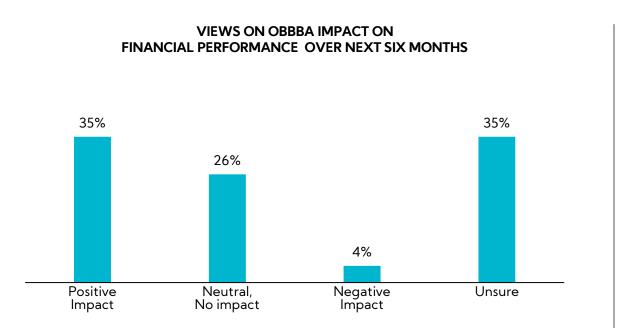
"How the companies deploy AI to improve business performance? What is the plan for managing global uncertainty and disruptions in the supply chains? Which new markets and sectors are you exploring?" **Sell Side**, **Multi**

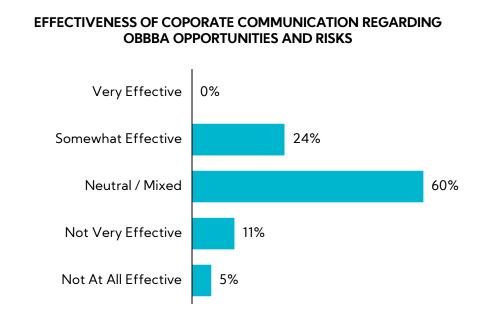
"Al, R&D, capex." Sell Side, Healthcare

"Changes to capital allocation, Al strategy, impact of tariffs / geopolitics." Sell Side, Multi

Uncertainty Exists Over Whether the OBBBA Passage Will Provide a Meaningful Tailwind for Financial Performance; Pluses and Minuses Observed

While more than one-third anticipate a positive impact, an equal share are unsure, and more than a quarter expect no impact; responses underscore an opportunity for executives to sharpen communication around the related puts and takes





"We expect it to have a positive impact, but there are offsetting factors with some foreign trade policies. The 100% depreciation of different investments should be something that is an impetus for significant investment in the U.S. and that should be positive." Buy Side, N. America, Generalist

"Immediate expense on capital investment may prove out to be a larger impact than forecasted." Buy Side, N. America, Generalist "I expect the legislation to have a positive impact on financial performance." Sell Side, N. America, Industrials

"The pluses and minuses cancel each other out. Regulatory changes are the things that can drive the economy." Buy Side, N. America, Generalist

"Extending the tax advantages is no additional upside."

Buy Side, Europe, Multi

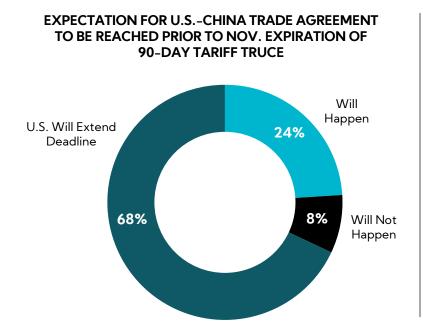
"Tax cuts and higher spending may lead to inflation and depress demand." Sell Side, N. America, Consumer Discretionary

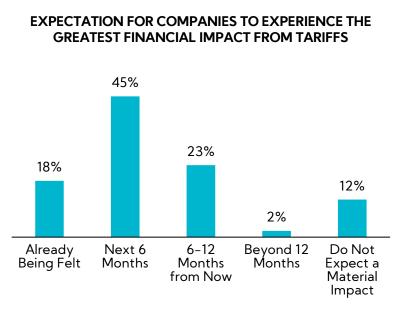
"I expect the impact on financial performance to be sector dependent." **Sell Side, N. America, Industrials**

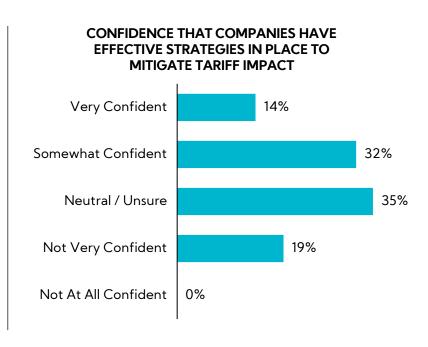


Tariff Spotlight: Majority Expect Peak Tariff Impacts Within the Next Six Months; Varying Confidence in Mitigation Strategies Suggests a Degree of Skepticism

More than two-thirds believe the U.S. and China will extend their tariff truce beyond the currently targeted November 10 deadline







"You are going to start to see companies talk about it in October. This could be a brutal October. This is all differentials but in general, you are going to hear it in the fourth quarter and particularly next year. The numbers for next year are not going to be as much growth as people hoped. Most of this year, tariffs did not affect. Next year, you will have a full year of impact." Buy Side, N. America, Generalist

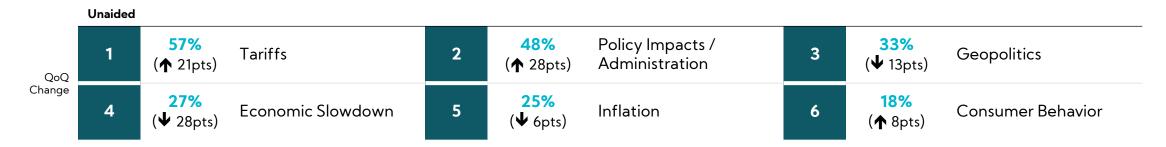
"It is the next six months, but as we get clarity as to whether the President has the authority he has already exercised, then we will have the biggest impact." Buy Side, N. America, Generalist

"It depends on the sector. I expect companies to experience the greatest financial impact from tariffs during Q4 and into the first half of '26." Buy Side, N. America, Multi

"Companies will experience the greatest financial impact from tariffs in the next six months. Things are still building and some have inventory, which they have not used up. There is a lot of input material, which has increased in prices and is flowing through the inventory in a delayed manner; it will help in Q4 and Q1 and then nobody knows what is to come." Buy Side, Europe, Healthcare

Top Concerns from Around the Globe

Tariffs top the list, while White House policy impacts jump to the #2 spot; geopolitics, economic slowdown, and inflation remain top concerns but ebb QoQ



Views from N. America

"Inflation, Fed independence, tariff uncertainty." **Buy Side, Generalist**

"Geopolitical wars and rumors of wars, Al spend in some sectors with no real business plan, money supply continuing to rise – it's the driver of inflation, not interest rates." Buy Side, Generalist

"Valuation, policy risks, global diplomacy or lack thereof." **Buy Side. Generalist**

"Tariff overhang, Trump getting even crazier, market valuations." **Buy Side, Generalist**

"Tariff effects, political uncertainty, inability to make long-term plans." **Buy Side, Generalist**

"Overprice of NASDAQ, impact of tariffs, tension with the dollar." **Buy Side, Generalist**

"Policy uncertainty, persistent inflation, worsening labor market." **Buy Side, Generalist**

"Inflation coming back, economic slowdown, trade retaliation." **Buy Side, Generalist**

"Inflation, tariffs, employment." Buy Side, Generalist

"True effects of tariffs, consumer strength, government meddling (i.e., buying a piece of Intel, etc.)" Buy Side, Generalist

"Weakness in housing/real estate, health of consumer, worldwide slowdown." **Buy Side, Multi**

"Trump, Trump, Trump." Buy Side, Multi

"Rate cuts, Ukraine, Santa rally." Buy Side, Multi

"Tariff impacts, U.S. dollar strength, debt/deficits government." Buy Side, Multi

"Global instability, wars, social unrest." Sell Side, Generalist

"Margins, tariffs, debt." Sell Side, Multi

"Consumer demand, tariffs, economic weakness in the U.S. and China." Sell Side, Consumer Discretionary

 $"Valuation, in flation, recession." {\bf Sell Side, Financials}$

"Growth, margin, investment." **Sell Side, REIT**

Views from Abroad

"Global growth slowdown, U.S. tariffs erode argins, inflation." Buy Side, Generalist

"Trump's random policies, U.S. central bank perceives to lose its independence, U.S. shutdown and antidemocratic behavior." **Buy Side, Generalist**

"Growth, interest rates, inflation." Buy Side, Generalist

"Tariffs, world risk sentiment, China, U.S., Indian conflict escalation." **Buy Side, Generalist**

"Margins, growth, supply chains." Buy Side, Generalist

"FX impact on profitability, policy impact on operations especially labor, inflation vs. interest." **Buy Side, Multi**

"Fed Independence, tariff wars, higher crude prices." **Sell Side, Financials**

"Interest rates, consumer confidence, geopolitical risks." **Sell Side, Generalist**

"Global uncertainty, Al, disruptions." Sell Side, Multi

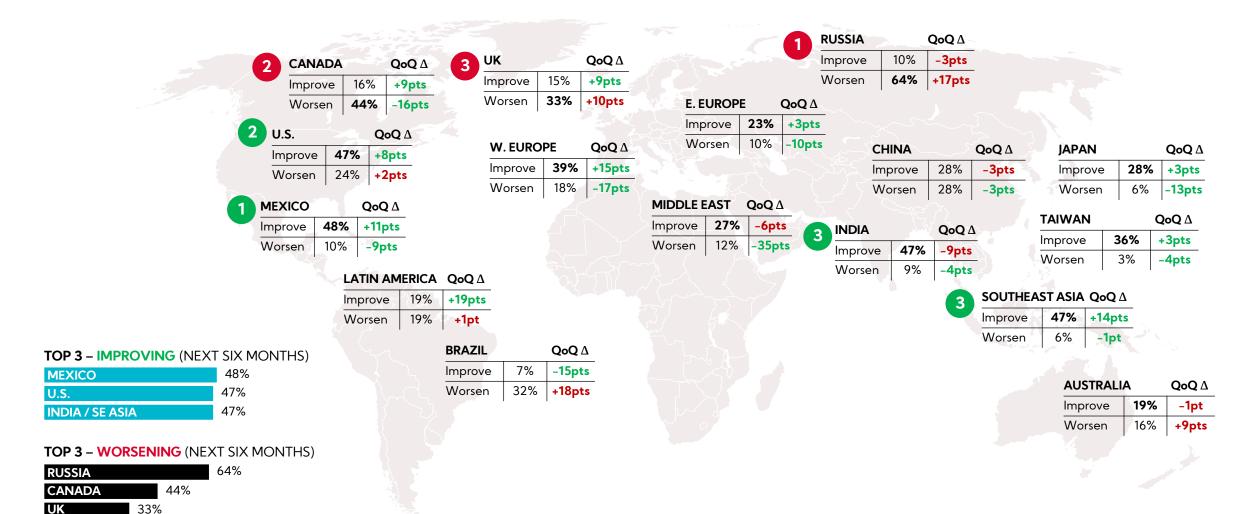
"Sustainability of earnings, tariff-related cost increases, supply chain issues."

Sell Side, Healthcare

"Valuations are too high, U.S. policies are unpredictable, demand for defensive assets, such as gold." **Sell Side, Multi**



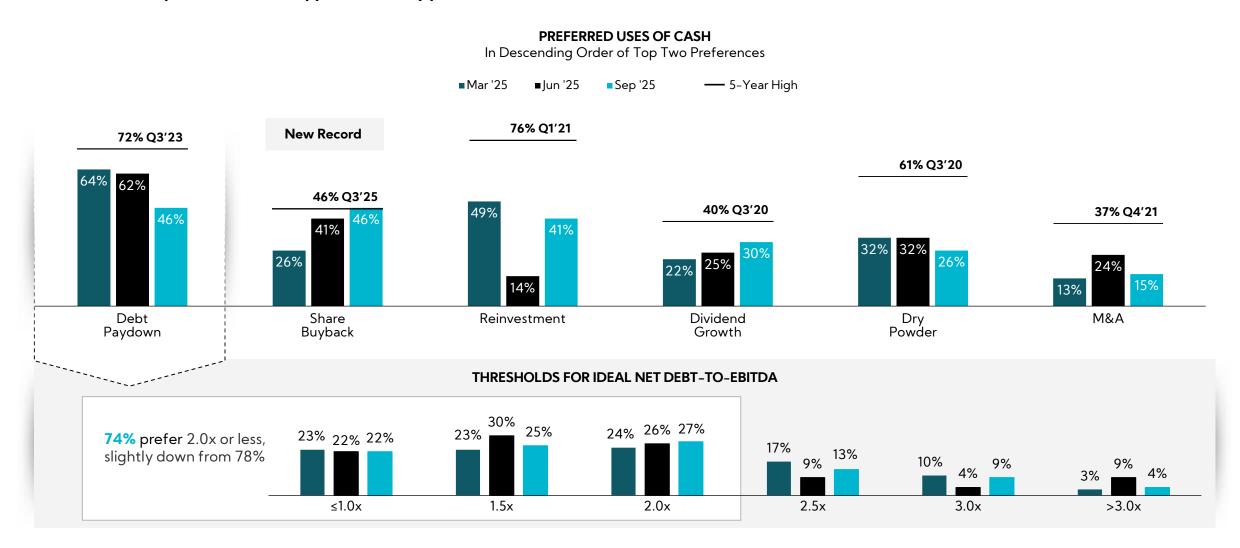
Investors Remain Most Upbeat on Mexico, U.S., and India...Canada Sees Modest Improvement... Russia, UK, and Brazil Increasingly Expected to Worsen





Debt Paydown and Buybacks Tie for Top Cash Use, with Support for Repurchases Reaching a High Watermark; Reinvestment Interest Rebounds

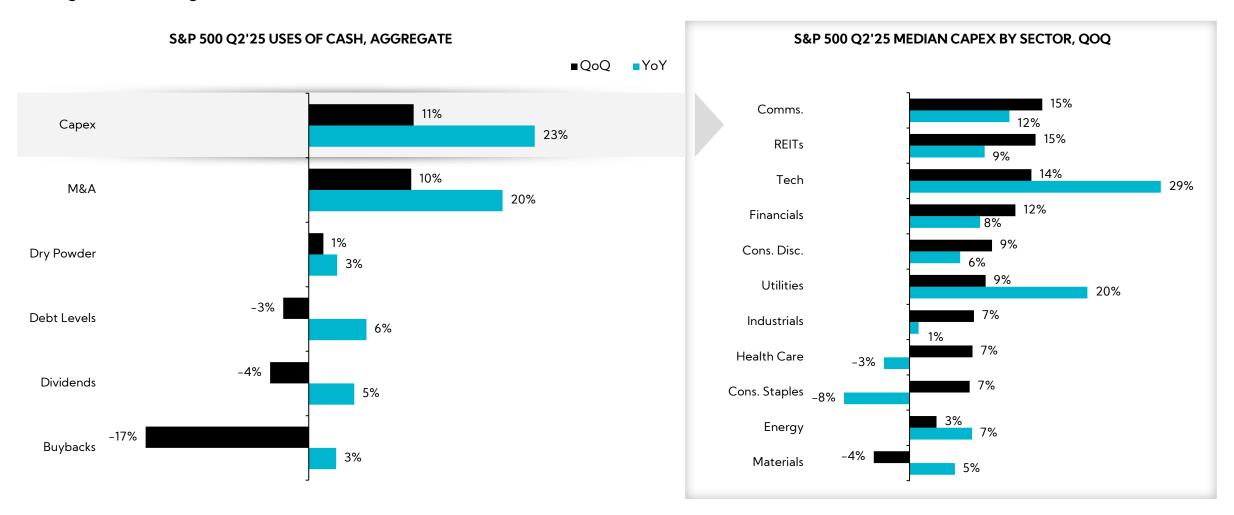
Dividends see an uptick in investor support, while dry powder and M&A interest ebbs





Data Spotlight: Capital Allocation Shifts Toward Growth as Capex and M&A Activity Experience Sharp Increases QoQ and YoY

S&P 500 capex increased across nearly all sectors in Q2, led by Communications, REITs, Tech, and Financials, underscoring renewed investment momentum heading into Q3 earnings season

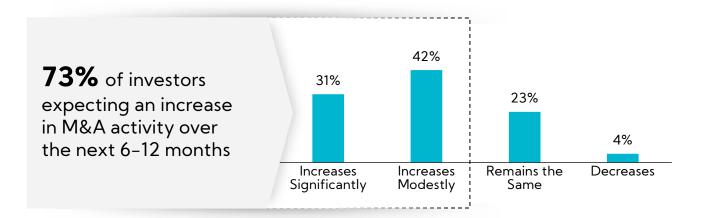




Vast Majority of Investors Expect M&A Activity to Increase Under the Current Regulatory Environment, with Bolt-ons Still Widely Preferred over Large, Transformational Acquisitions

Investors cite overpaying as their greatest concern regarding larger deals, followed by integration risk, balance sheet impacts, and strategic fit

IMPACT OF THE CURRENT REGULATORY ENVIRONMENT ON M&A ACTIVITY OVER THE NEXT 6 TO 12 MONTHS



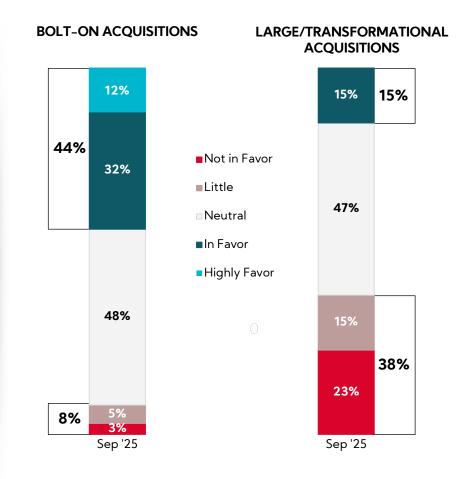
LEADING CONCERNS / RISKS WITH LARGE, TRANSFORMATIONAL M&A IN THE CURRENT ENVIRONMENT







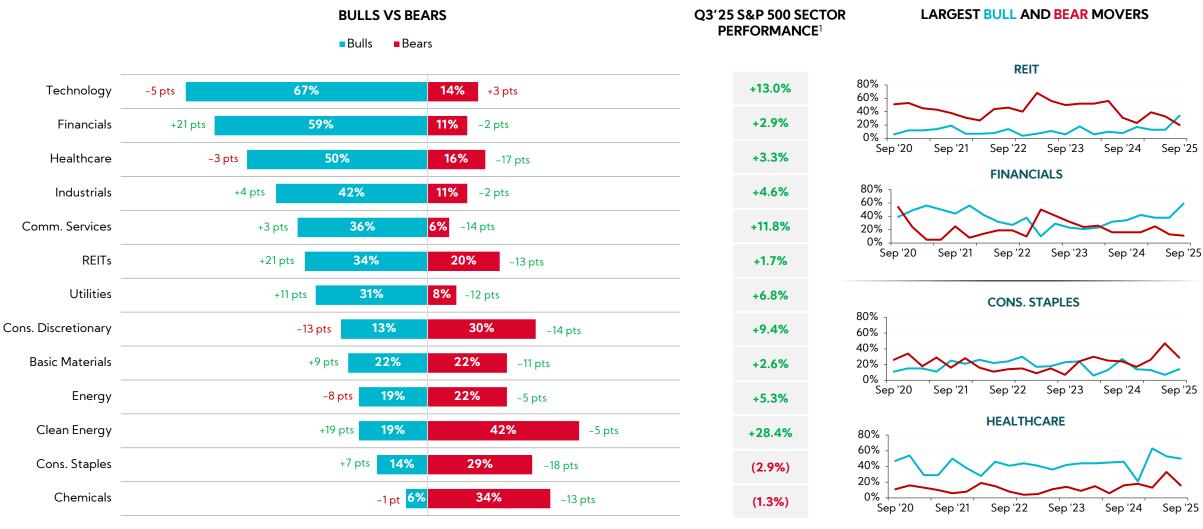






Tech Retains Top Spot, While Bulls Flock to Financials at Highest Rate Since 2021 and Investors (Finally) Show REITs Some Love with the Highest Level of Support in a Decade

Nearly all sectors see fewer bears QoQ; Staples and Healthcare see the largest pullback in bears, though bullish conviction in the former remains muted



¹Source: FactSet



Regulatory Spotlight: Majority of Surveyed Investors Would Be Opposed to Proposed Shift in U.S. Reporting – from Quarterly to Semiannual

Given recent developments suggesting the SEC may be considering a proposal to change the reporting requirement to semiannual, we polled the investment community to capture their perspectives



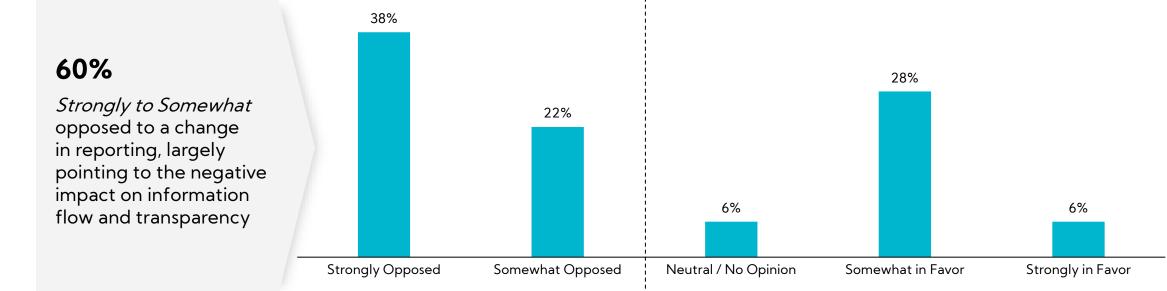
BACKGROUND

SEC has required quarterly reporting in the U.S. since 1970; including quarterly 10-Q filings and annual 10-K filing

Importantly, earnings press releases and webcasts are not SEC requirements, but are standard/best practice; Reg FD (2000) reinforced broad, simultaneous disclosure

On Sept. 15, 2025, President Trump renewed his call for a shift to semiannual reporting; SEC Chair Paul Atkins signaled willingness to consider

PERSPECTIVE ON CHANGING TO SEMI-ANNUAL REPORTING







A strategic investor relations and communications advisory firm with a track record of supporting our publicly traded clients in creating sustained shareholder value.

Our approach leverages decades of Voice of Investor® (VOI) research and data-driven insights; capital markets expertise and deep best practice knowledge; and a proven playbook and passion for client outperformance.

We are a trusted advisor and partner to boards of directors, executive leaders, and investor relations professionals, serving a broad range of companies globally across sectors, sizes, and situations.

Through defining the standard of excellence and challenging conventional thinking, we enable our clients to boldly differentiate their equity brand, maximize valuation, and build more durable franchises.

Corbin Advisors. Outperformance Built on Trust®.









PURPOSEFUL

Partner with us and leverage the differentiated experience and expertise of our specialized team

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