

# Investments - Flash

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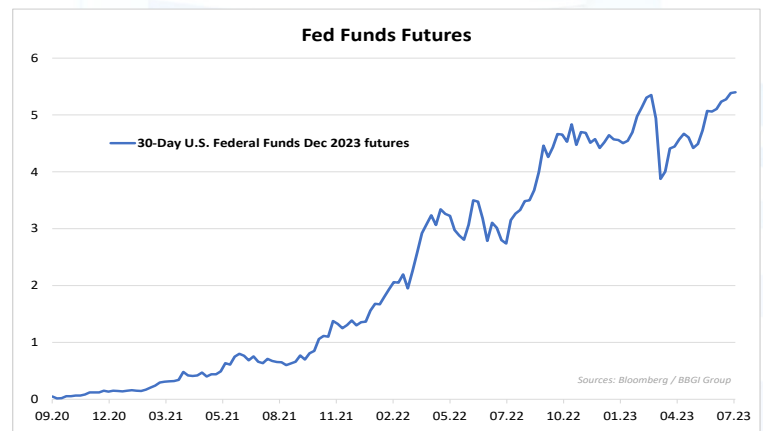
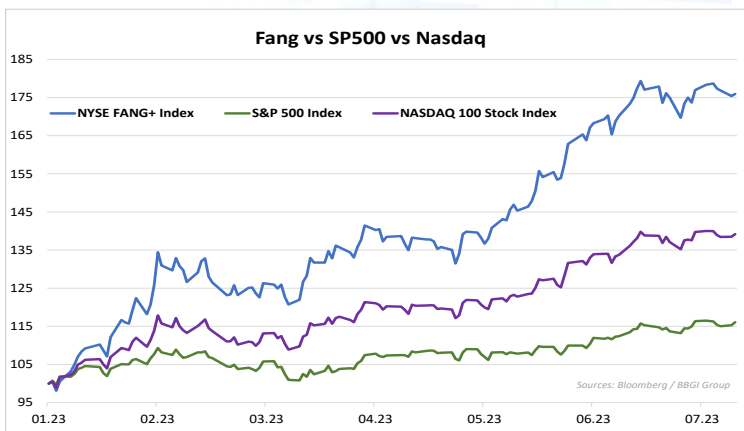
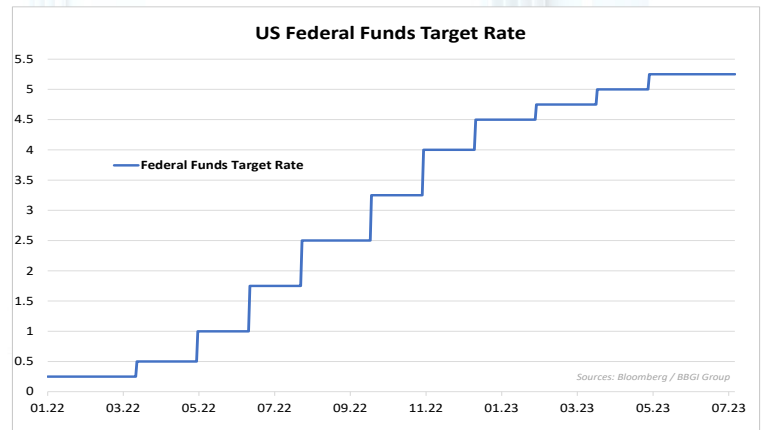
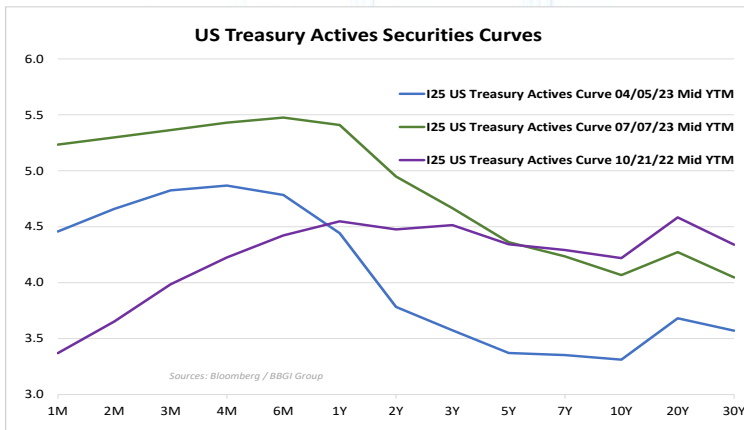


## POSITIVE EARNINGS SURPRISES FOR S&P500 COMPANIES

### Extended participation in index increases

In recent months, equity markets have shown excellent resilience despite the tighter interest rate environment in May and June, and the Fed's recent standstill. The S&P500 index continued its upward trend up +10% since the start of the year. Our expectations of a bullish recovery in the equity markets supported by renewed interest in leading technology stocks have materialized, with the Nasdaq now up +25% by 2023. Growth stocks are back in vogue, driven by the wave of enthusiasm generated by technological developments and the prospects for Artificial Intelligence (AI). The concentration of investor interest on a limited number of blue-chip stocks may be a cause for concern, but we expect participation to increase in the coming weeks. The rise in the indices is no longer likely to be

concentrated on a limited number of stocks, but should gradually broaden to support a further rise in the equity markets. Our Q2 growth scenario reinforces the feeling that earnings expectations for 2023 are still too pessimistic and will hold some positive surprises. The expected earnings growth for the S&P500, close to zero for the next twelve months, seems to us to be conservative. The US companies publication earnings season is therefore getting underway, while earnings expectations are estimated at -7.2% on average for Q2. Seven out of eleven sectors are expected to report increases over the past twelve months. We expect positive surprises on corporate earnings and remain overweight growth stocks.



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