

European Earnings Season

Q4 earnings: negative growth and weak beat ratios

Q4 EPS growth turns negative, weighed on by resources and industrials: with more than 40% of companies having reported, Q4 European earnings growth is running at -11% year-on-year, well below the 0% growth observed earlier in the season, but slightly better than the -13% consensus was expecting at this stage. Basic materials (-56%), energy (-28%) and industrials (-28%) have seen the weakest year-on-year growth, while growth in health care (14%) and tech (12%) has been the strongest. Energy and financials results have had the biggest impact on index earnings, with ex-energy EPS growth for the Stoxx 600 running at -3%, while ex-financials growth stands at -19%. Sell-side analysts project -11% Stoxx 600 EPS growth for Q4 as a whole, following -12% growth in Q3. This is weighing on expectations for the current quarter, with consensus estimates for Q1 EPS down by 5% since the start of Q4 reporting, the sharpest downgrade of subsequent quarter EPS in two and a half years.

EPS beats at multi-year lows, but companies that do beat get rewarded: Stoxx 600 sales and EPS beats stand at 37% and 48%, the lowest since 2016 and 2019, respectively. Sales surprises (i.e. the median magnitude of beats and misses) are at an eight-year low, at -0.2%, while earnings surprises are at a four-year low of 1%, though they have improved from -2% earlier in the season. Among sectors, tech (75%) and telecoms (67%) have achieved the strongest EPS beats so far, while construction materials (29%) and insurance (33%) have seen the weakest. Companies beating EPS estimates have been rewarded with a median 1-day outperformance of 1.2%, the strongest price response since Q1 2020.

2024 EPS growth expectations hit a new low, but 12-month forward EPS stays near record levels: Stoxx 600 2024 and 2025 consensus EPS expectations are down by 4% and 3%, respectively since October, weighed down by cuts to energy and healthcare, while banks remain the primary support. This has led 2024 EPS growth expectations to fade to a new low of 4.6%, while 2025 EPS growth stands at a peak 9.9%. The Stoxx 600 12-month forward EPS stands 1.5% below the record high in October. Our expectations for weakening global growth momentum in response to the lagged impact of monetary tightening implies around 10% further downside for 12-month forward EPS by year-end.

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Refer to important disclosures on page 22 to 24.

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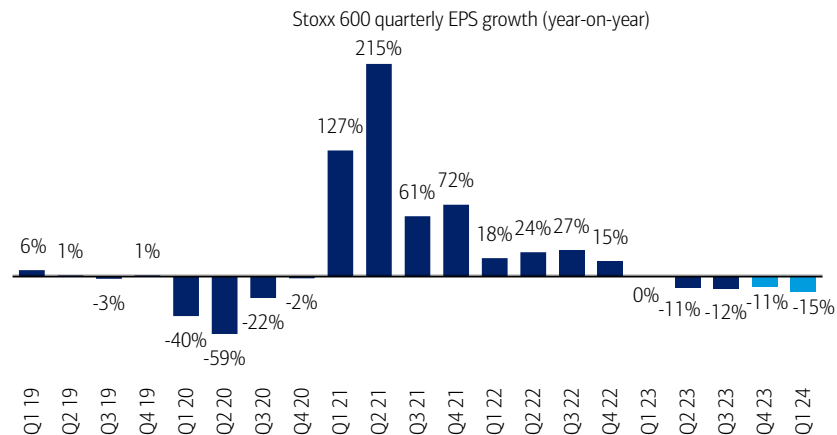
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Stoxx 600 Q4 2023 earnings season: year-on-year EPS growth

Exhibit 1: Stoxx 600 quarterly EPS growth expectations

Sell-side analysts expect -11% year-on-year EPS growth for the Stoxx 600 in Q4, following the -12% growth in Q3. Growth is expected to fade further into negative territory in Q1 2025, to -15%

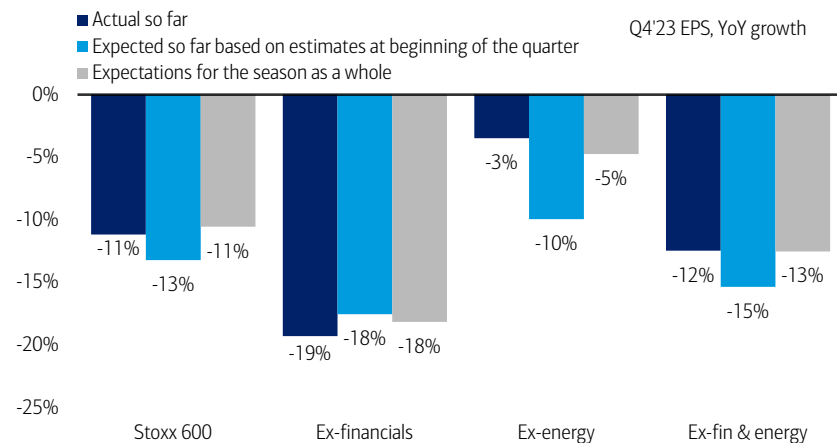


Source: BofA European Equity Quant Strategy, Factset
Based on companies that report quarterly figures

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Exhibit 3: Stoxx 600 year-on-year EPS growth expectations for Q4'23: actual versus expected

The Q4 year-on-year EPS growth rate for the companies that have reported so far is running at -11%, mildly above the -13% growth that was expected at the start of the quarter. Ex-financials, Q4 growth stands at -19%, while ex-energy, growth stands at -3%

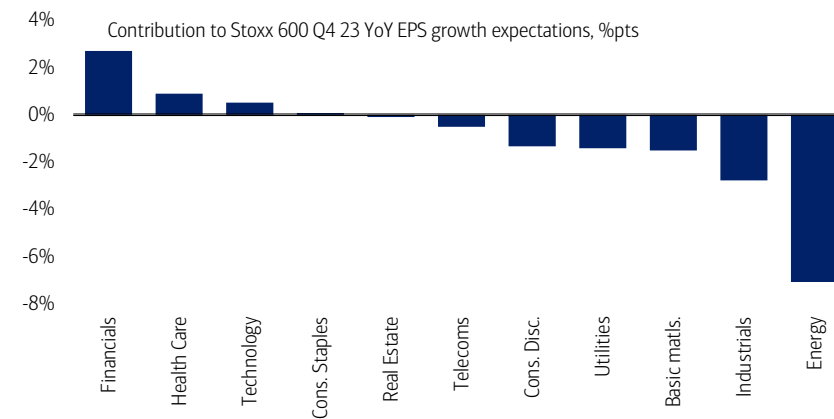


Source: BofA European Equity Quant Strategy, Factset
Based on companies that report quarterly figures

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Exhibit 2: Sector contribution to Stoxx 600 quarterly EPS growth expectations

Energy and industrials are expected to be the main drags on year-on-year EPS growth projected by consensus for the Stoxx 600 in Q4, subtracting 7ppts and 3ppts, respectively, while financials are expected to be the largest positive contributor, adding 3ppts

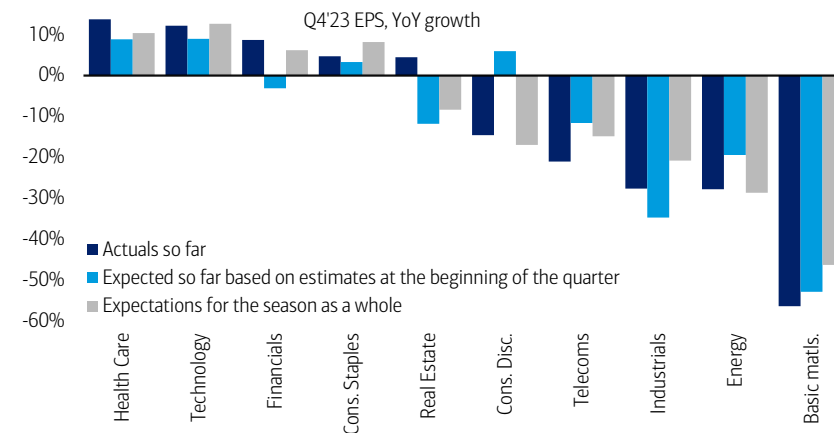


Source: BofA European Equity Quant Strategy, Factset
Based on companies that report quarterly figures

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Exhibit 4: Year-on-year EPS growth expectations for Q2'23 by sector: actual versus expected

Health care and tech have seen the strongest year-on-year EPS growth in Q2 so far, at 14% and 12%, respectively, while basic materials and energy have seen the weakest, at -56% and -28%



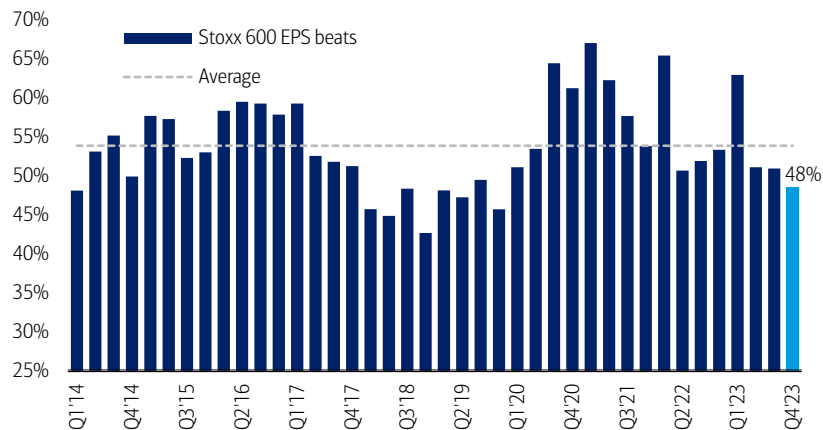
Source: BofA European Equity Quant Strategy, Factset
Based on companies that report quarterly figures. Only sectors with five or more EPS results are shown on the chart

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Stoxx 600 Q4 2023 earnings season: EPS and sales beats

Exhibit 5: Stoxx 600 EPS beats (% of companies)

48% of companies have beaten EPS expectations in the Q4 earnings season so far, the lowest since Q4 2019, down from 51% in Q3 and below the long-run average of 54%



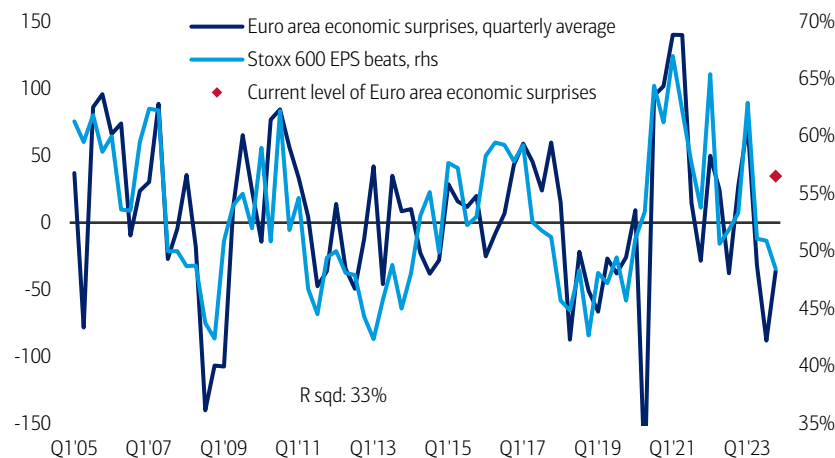
Source: BofA European Equity Quant Strategy, Bloomberg

Note: EPS beats show the proportion of companies that are beating on EPS

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Exhibit 7: Stoxx 600 EPS beats versus Euro area economic surprises

Stoxx 600 EPS beats for Q4, at 48%, are in line with the level implied by negative Euro area economic surprises in Q4

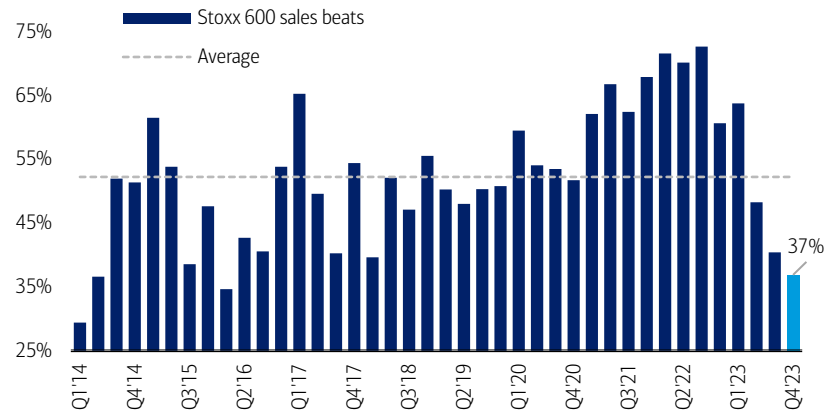


Source: BofA European Equity Quant Strategy, Bloomberg, Datastream

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Exhibit 6: Stoxx 600 sales beats (% of companies)

37% of companies have beaten sales expectations so far, the lowest since Q1 2016, down from a peak of 73% in Q4 2022 and well below the long-run average of 52%

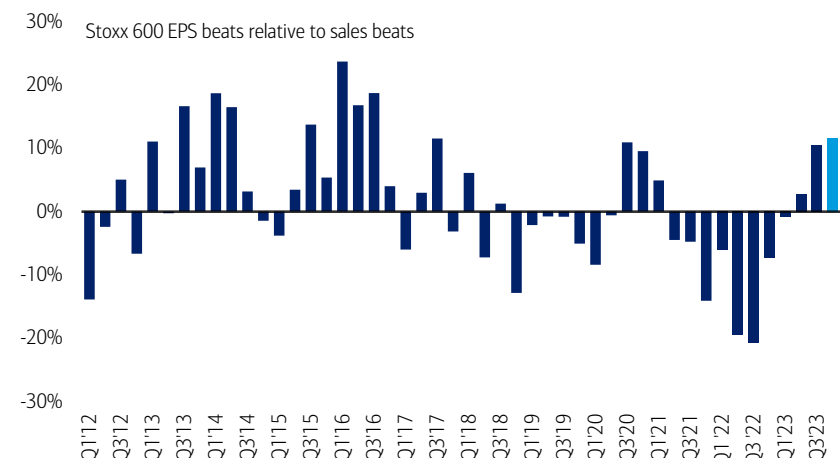


Source: BofA European Equity Quant Strategy, Bloomberg

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Exhibit 8: Stoxx 600 EPS beats relative to sales beats

The spread of Stoxx 600 EPS beats relative to sales beats in Q4 remains positive and is little changed from the previous quarter



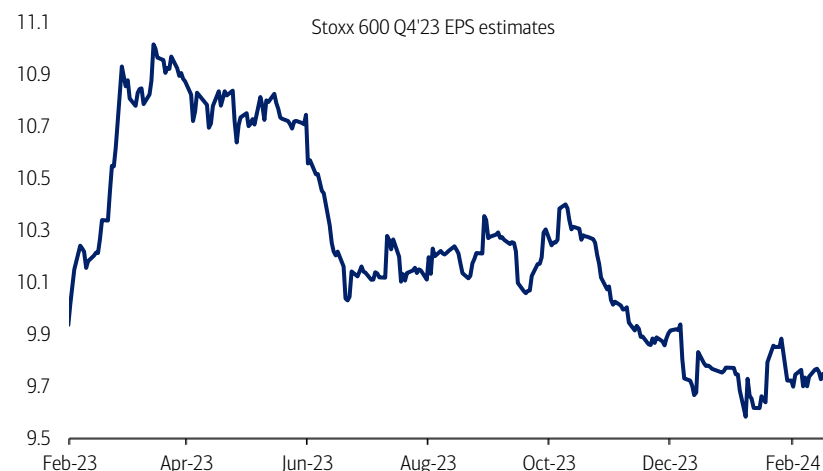
Source: BofA European Equity Quant Strategy, Bloomberg

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Stoxx 600 Q4 2023 earnings season: quarterly EPS revisions and surprises

Exhibit 9: Consensus estimates for Stoxx 600 Q4'23 EPS

Sell-side analyst estimates for Q4 2023 EPS have been downgraded by more than 6% since October, but have been little changed since the start of the earnings season

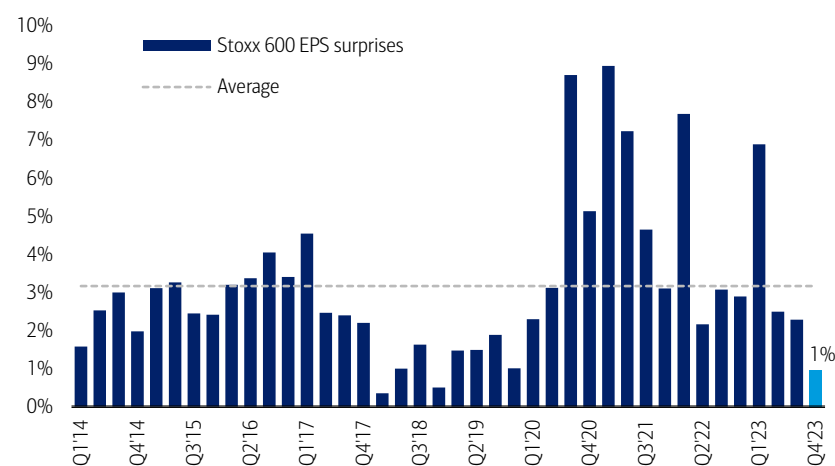


Source: BofA European Equity Quant Strategy, Factset

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Exhibit 11: Stoxx 600 EPS surprises

Stoxx 600 Q4 EPS surprises stand at 1%; the lowest since Q4 2019, down from 2% in Q3, but an improvement from a -2% surprise earlier this season



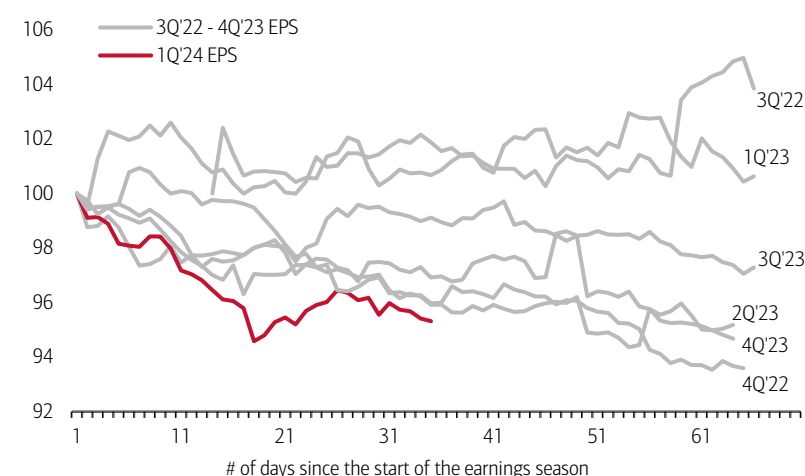
Source: BofA European Equity Quant Strategy, Bloomberg

Note: EPS surprises show the median of the company level surprises based on estimates at the time of reporting

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Exhibit 10: Subsequent quarter's EPS revision (100=start of earnings season)

Consensus estimates for Q1 2025 EPS have been downgraded by nearly 5% since the start of the earnings season, the sharpest downgrade of subsequent quarter EPS since at least mid-2022

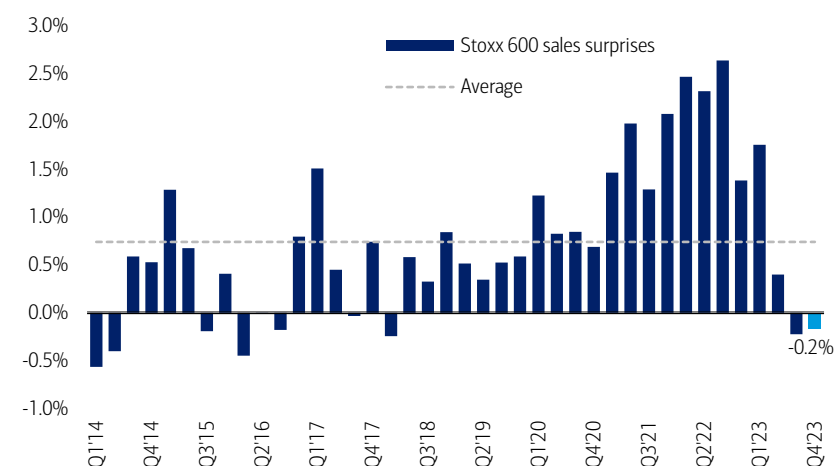


Source: BofA European Equity Quant Strategy, Factset

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Exhibit 12: Stoxx 600 sales surprises

Stoxx 600 sales surprises for Q4 stand at -0.2%, in line with the lowest on record since Q1 2016 and well below the long-term average of 0.7%



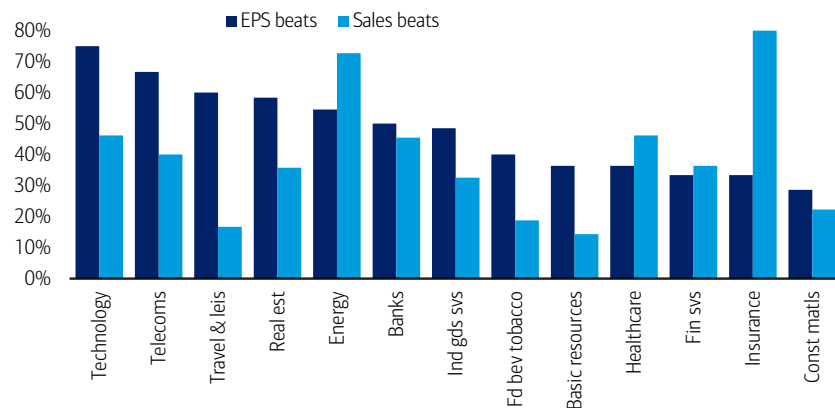
Source: BofA European Equity Quant Strategy, Bloomberg

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Stoxx 600 Q4 2023 earnings season: sector beats & surprises and stock reaction

Exhibit 13: Q4 2023 EPS beats & sales beats by sector

Tech (75%) and telecoms (67%) have achieved the strongest EPS beats so far this season, while construction materials (29%) and insurance (33%) have recorded the weakest



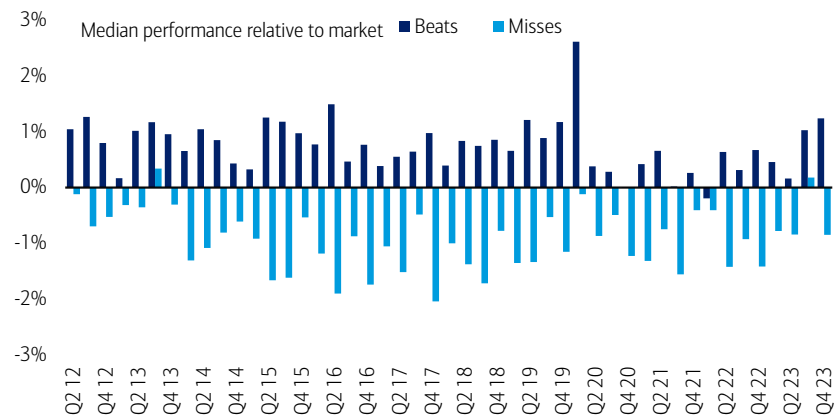
Source: BofA European Equity Quant Strategy, Bloomberg

Only sectors with five or more EPS and sales results are shown on the chart. Note: EPS beats show the proportion of companies that are beating on EPS

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Exhibit 15: Median 1-day performance relative to market for beats and misses

Companies beating on EPS have recorded a median 1-day outperformance of 1.2% so far, the strongest since Q1 2020, while those missing on EPS have underperformed by 0.9%

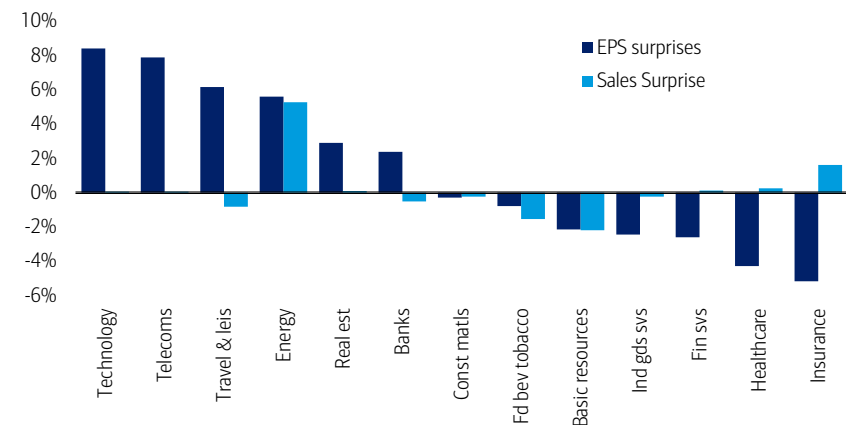


Source: BofA European Equity Quant Strategy, Bloomberg

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Exhibit 14: Q4 2023 EPS & sales surprises by sector

Technology (8%) and telecoms (8%) have seen the most positive EPS surprises so far, while insurance (-5%) and health care (-4%) have seen the most negative surprises



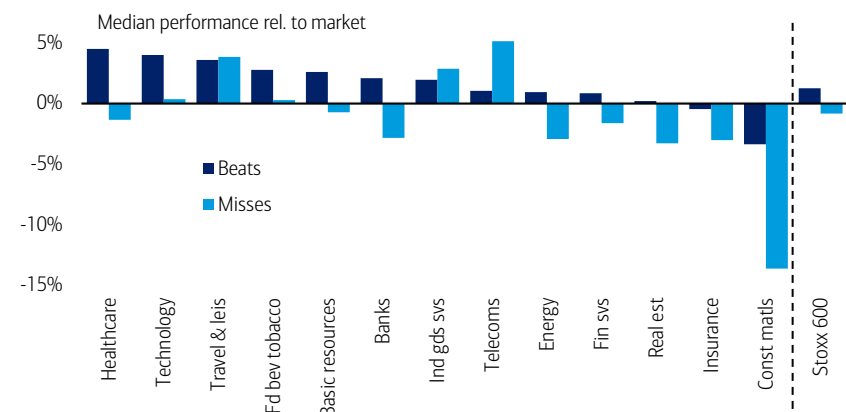
Source: BofA European Equity Quant Strategy, Bloomberg

Only sectors with five or more EPS and sales results are shown on the chart. Note: EPS surprises show the median of the company level surprises based on estimates at the time of reporting

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Exhibit 16: Median 1-day performance relative to market for beats and misses

Among companies beating on EPS, health care stocks have recorded a median 1-day outperformance of 4%, the strongest across sectors, while among companies that have missed on EPS, construction materials has suffered the most



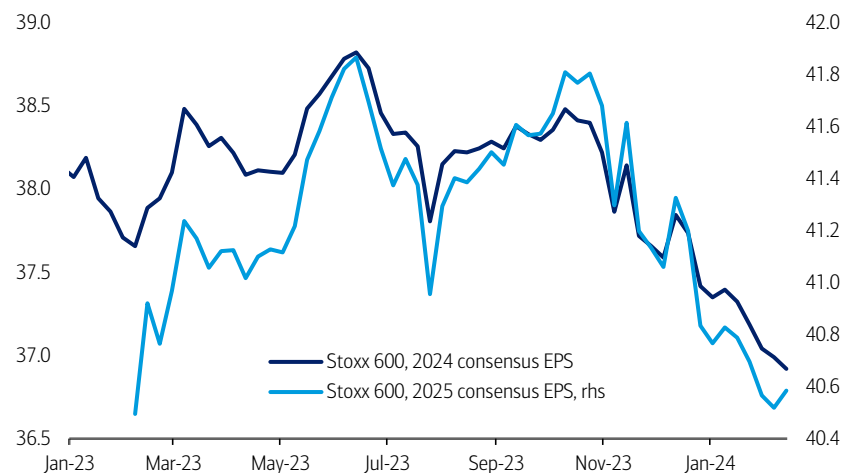
Source: BofA European Equity Quant Strategy, Bloomberg

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Stoxx 600 2024 and 2025 consensus EPS continues to decline

Exhibit 17: Consensus expectations for Stoxx 600 EPS in 2024 & 2025

Stoxx 600 2024 and 2025 consensus EPS expectations have seen a pullback of 4% and 3%, respectively, since October, leaving them 5% and 3% below the peak in June last year

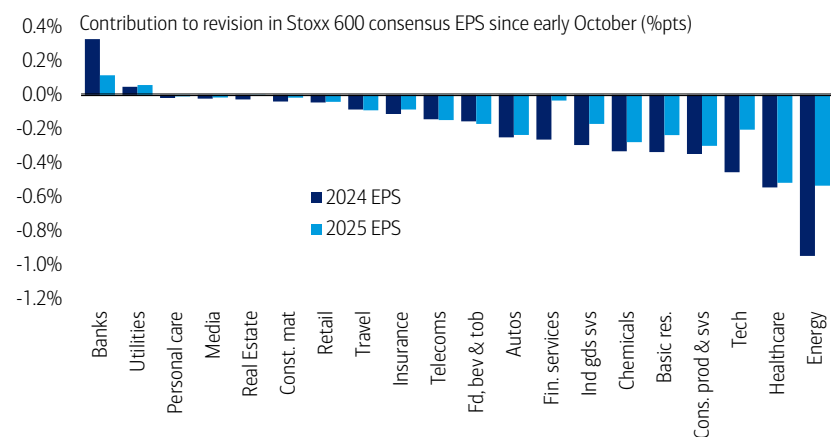


Source: BofA Global Research, IBES, Datastream

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Exhibit 19: Contribution to revisions in Stoxx 600 consensus EPS in 2024 & 2025 since October

Downgrades in energy and healthcare have been the major drags on Stoxx 600 EPS expectations since early October, while banks remain the primary positive contributor

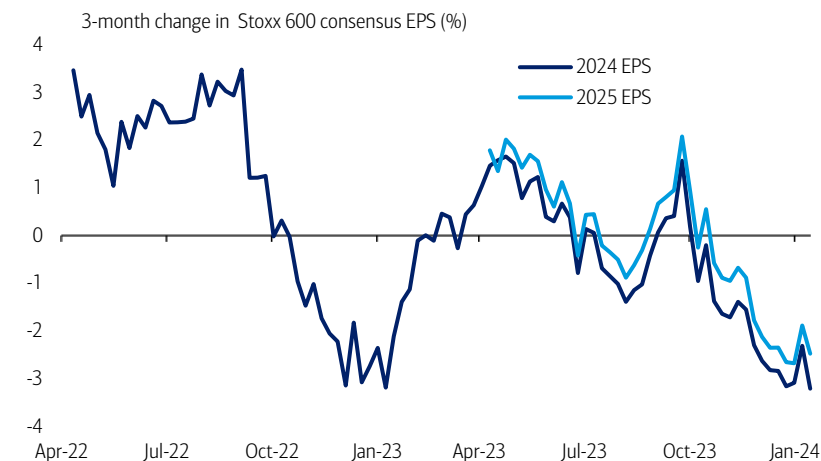


Source: BofA Global Research, IBES, Datastream

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Exhibit 18: 3-month change in Stoxx 600 consensus EPS in 2023 & 2024

Stoxx 600 earnings momentum, defined as the 3-month change in 2024 and 2025 consensus EPS, has fallen sharply into negative territory

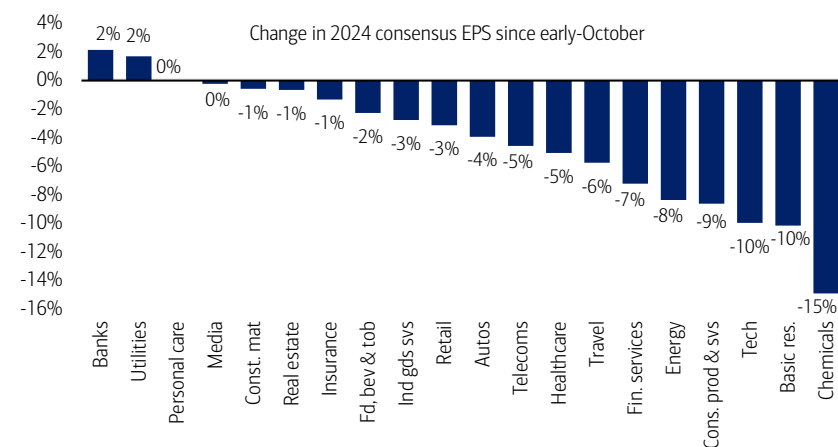


Source: BofA Global Research, IBES, Datastream

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Exhibit 20: Change in 2024 consensus EPS since early October

Chemicals, basic resources and tech stocks have seen 10%+ downward revisions in 2024 EPS since early October, while banks and utilities are up by 2%



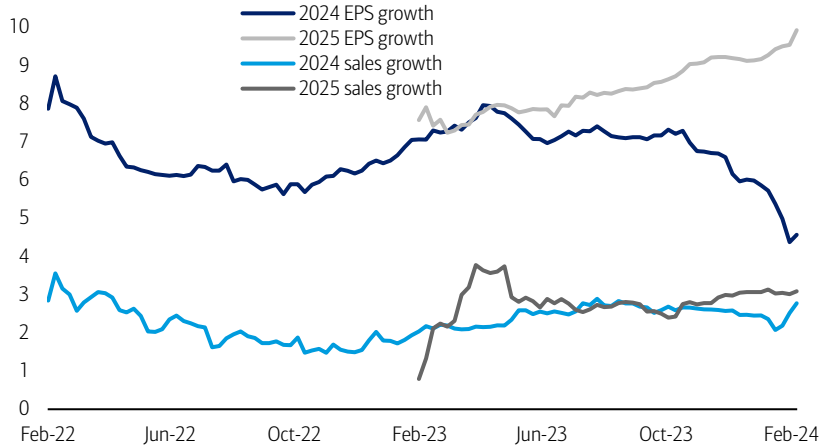
Source: BofA Global Research, IBES, Datastream

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Consensus expects 5% Stoxx 600 EPS growth this year and 10% growth next year

Exhibit 21: Consensus expectations for Stoxx 600 EPS and sales growth

The recent earnings downgrades have led consensus expectations for 2024 Stoxx 600 EPS growth to a new low of 4.6%, down from 7.3% in early Q4, while 2025 EPS growth stands at a high of 9.9%

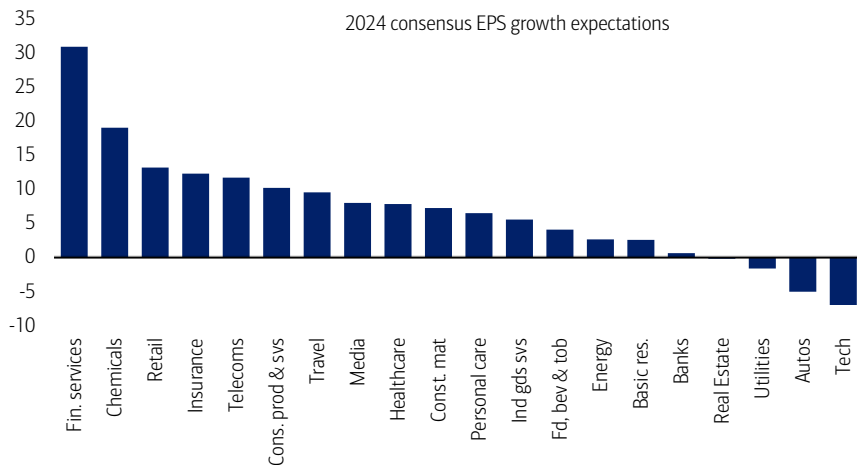


Source: BofA Global Research, IBES, Datastream

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Exhibit 23: 2024 EPS growth expectations for European sectors

Tech, autos and utilities are the only major sectors expected to see negative EPS growth this year, while financial services, chemicals and retail are expected to see the strongest growth

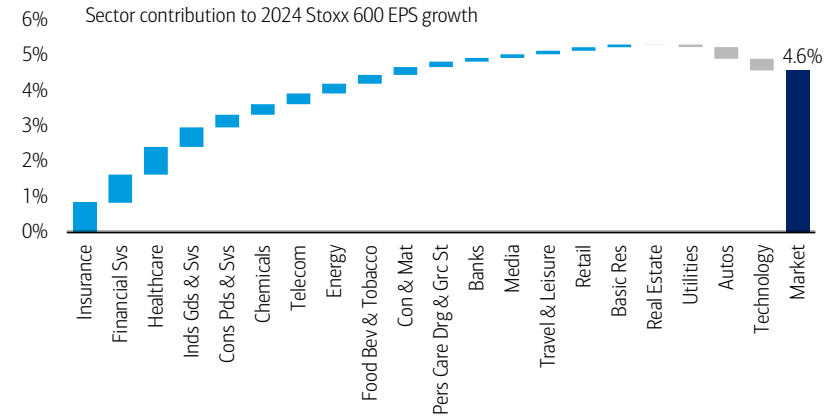


Source: BofA Global Research, IBES, Datastream

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Exhibit 22: Sector contribution to 2024 EPS growth expectations for the Stoxx 600

Consensus expects insurance and financial services to be the largest positive contributors to Stoxx 600 EPS growth this year, while tech and autos are expected to be the biggest drags

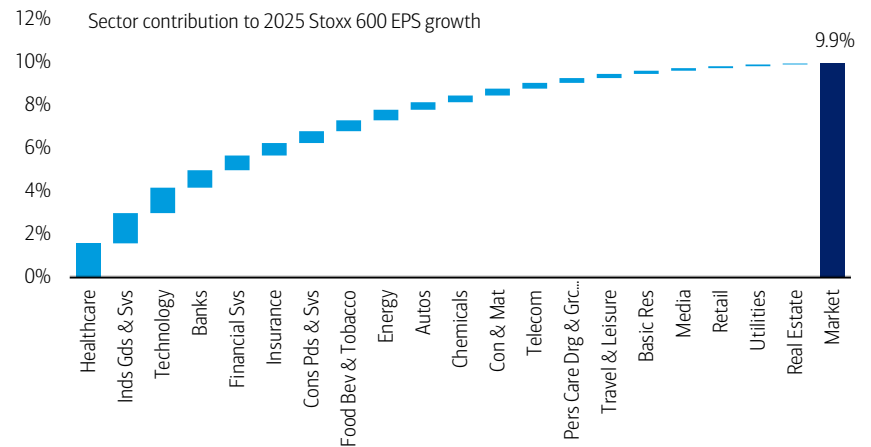


Source: BofA Global Research, IBES, Datastream

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Exhibit 24: Sector contribution to 2025 EPS growth expectations for the Stoxx 600

Consensus expects healthcare and industrials to be the largest positive contributors to Stoxx 600 EPS growth in 2025



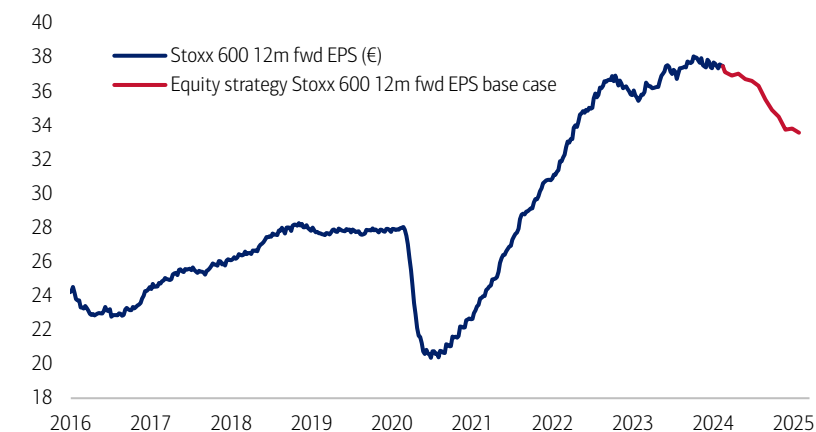
Source: BofA Global Research, IBES, Datastream

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We expect the Stoxx 600 12-month forward EPS to decline by 10% by year-end

Exhibit 25: Stoxx 600 12-month forward EPS

Our macro projections imply 10% downside for the Stoxx 600 12-month forward EPS by the end of the year, following a rise of more than 85% from the 2020 trough

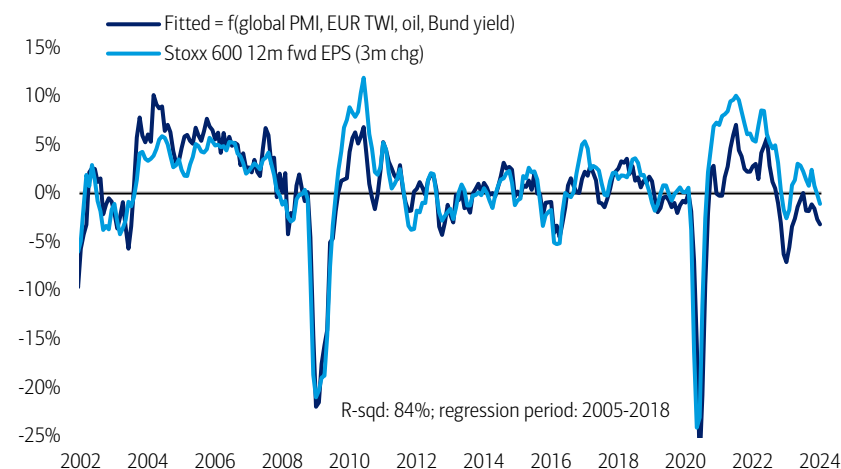


Source: BofA Global Research estimates, Datastream

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Exhibit 27: Stoxx 600 12-month forward EPS analysis

Our Stoxx 600 EPS analysis is based on the level of the global PMI and changes in the EUR trade-weighted index, the oil price and the Bund yield

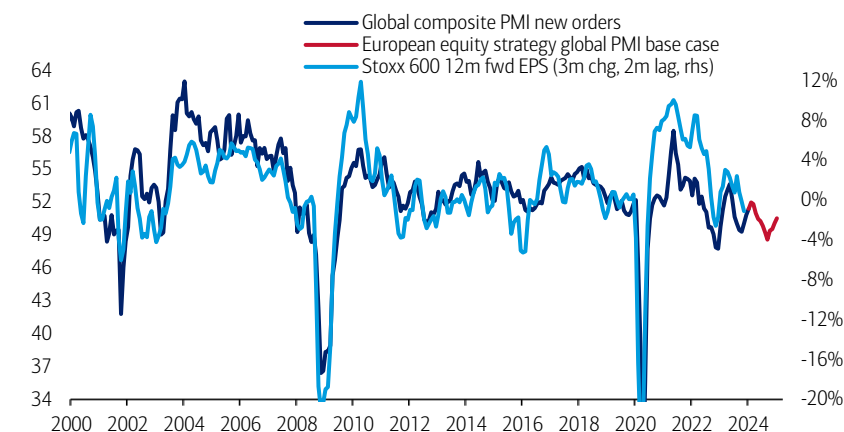


Source: BofA Global Research, Datastream, Haver; the fitted line uses sensitivities derived from 2005 to 2018. It represents the analysis output using input factors available at the time and does not reflect any forecast.

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Exhibit 26: Stoxx 600 12-month forward EPS versus the global composite PMI new orders

We expect a weak run-rate of global growth to translate into a renewed softening in EPS momentum this year



Source: BofA Global Research estimates, Datastream, Haver

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Exhibit 28: Stoxx 600 EPS vs global GDP growth-adjusted global composite PMI new orders

The robustness of GDP growth relative to the PMI has allowed European EPS to remain close to the historical peak, even as PMI weakness would be consistent with the start of an EPS downgrade cycle



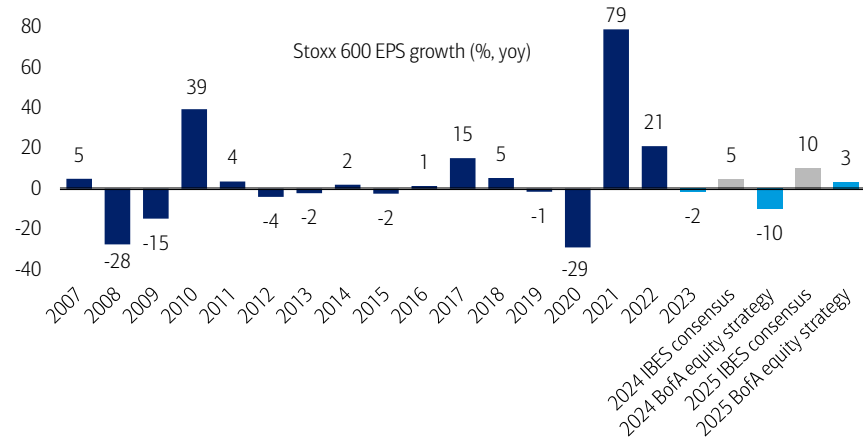
Source: BofA Global Research, Datastream, Haver

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We expect the Stoxx 600 12-month forward EPS to decline by 10% by year-end

Exhibit 29: Stoxx 600 EPS growth projections

Our macro projections are consistent with -10% year-on-year EPS growth in 2024 and 3% growth in 2025, below bottom-up consensus expectations of 5% and 10%, respectively

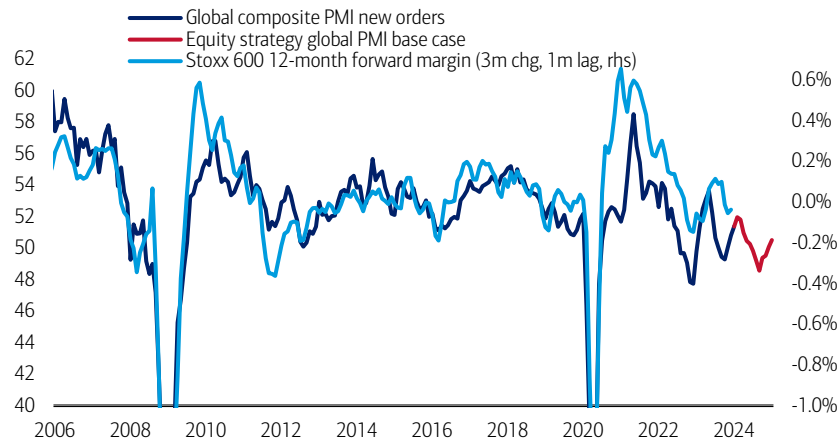


Source: BofA Global Research, Datastream

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Exhibit 31: Stoxx 600 12-month forward margin versus global composite PMI new orders

The global PMI is the primary driver of swings in Stoxx 600 12-month forward margins, and our expectation for further decline in global PMIs over the coming months is consistent with margin compression

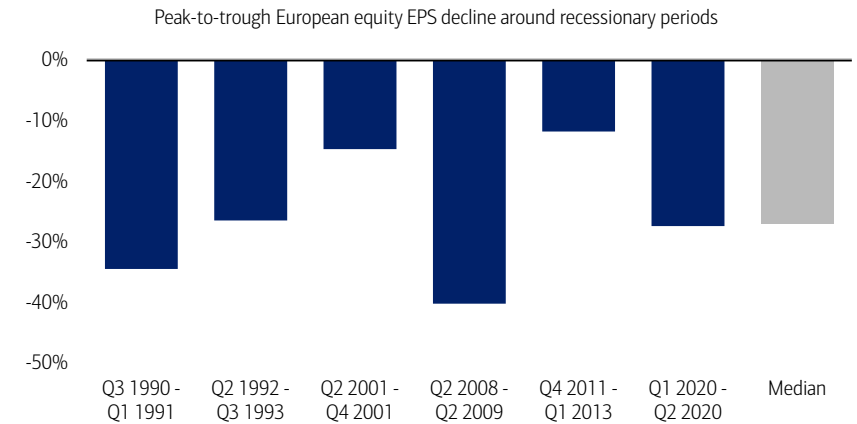


Source: BofA Global Research estimates, Haver, Datastream

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Exhibit 30: Peak-to-trough change in European equities' 12-month fwd EPS around recessions

Around Euro area or US recessions over the past 30 years, the median decline in European equities' 12-month forward EPS was 27%

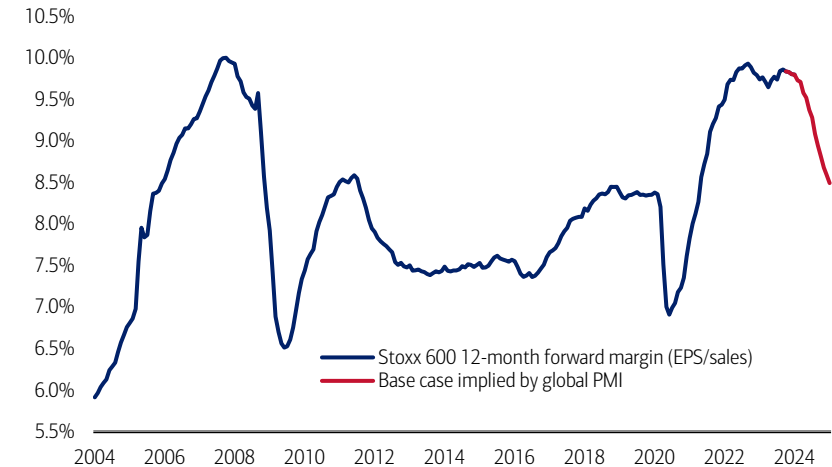


Source: BofA Global Research, Datastream

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Exhibit 32: Stoxx 600 12-month forward margin projections

Our global PMI projections are consistent with a decline in Stoxx 600 12-month forward margin expectations from the current level of 9.8% to around 8.5% by year-end



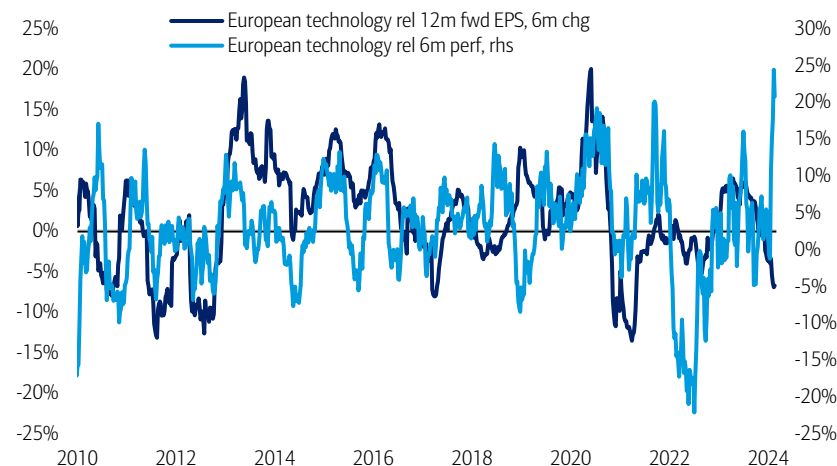
Source: BofA Global Research estimates, Datastream

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Tech is priced for sharp EPS upgrades, while Spain is priced for fading EPS momentum

Exhibit 33: European technology relative performance versus relative EPS

Technology's relative price momentum sits near record levels, sharply overshooting its relationship with relative EPS momentum, which remains in negative territory

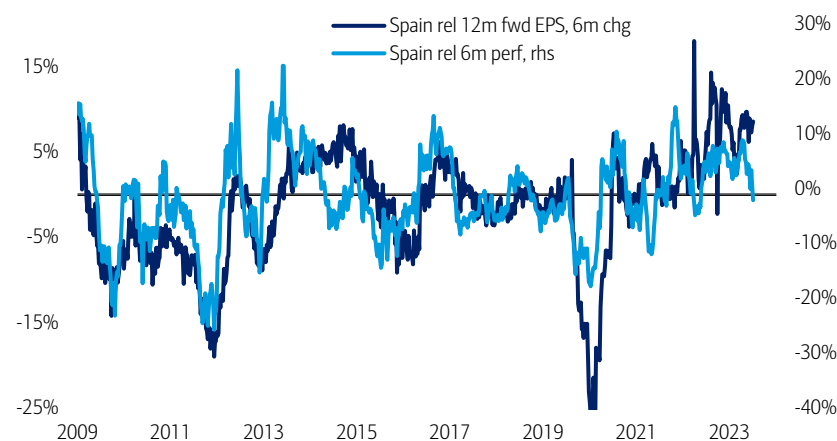


Source: BofA Global Research estimates, Datastream

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Exhibit 35: Spain's relative performance versus relative EPS

Spain's relative price momentum has faded into negative territory, even as relative EPS momentum remains strong

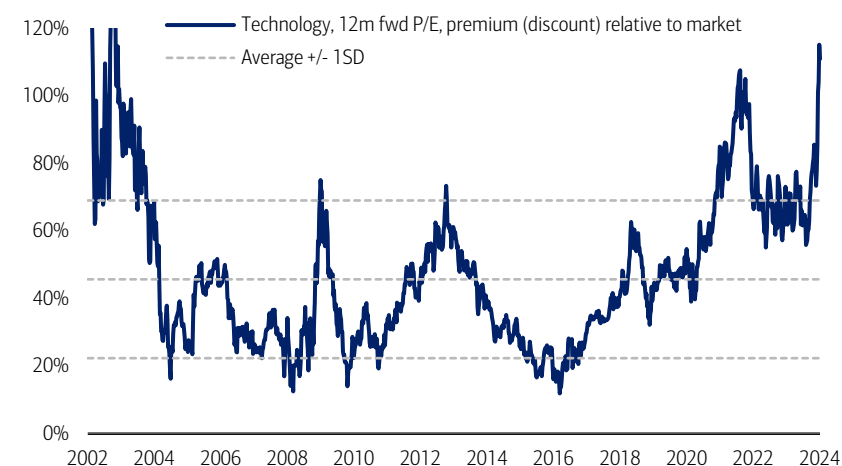


Source: BofA Global Research, Datastream

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Exhibit 34: Technology 12-month forward P/E relative to market

Tech's relative 12-month forward P/E premium, at 110%, has reached the highest level since the early 2000s

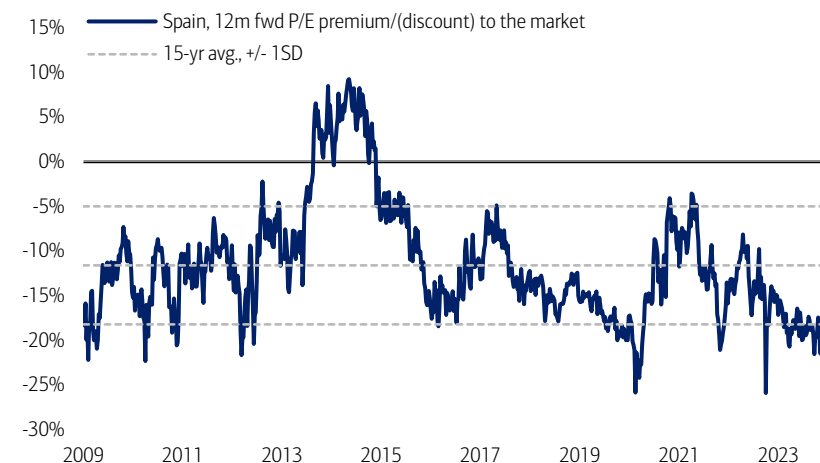


Source: BofA Global Research, Datastream

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Exhibit 36: Spain's 12-month forward P/E relative to market

Spain's 12-month forward P/E discount relative to market has fallen to a 15-year low of 27%



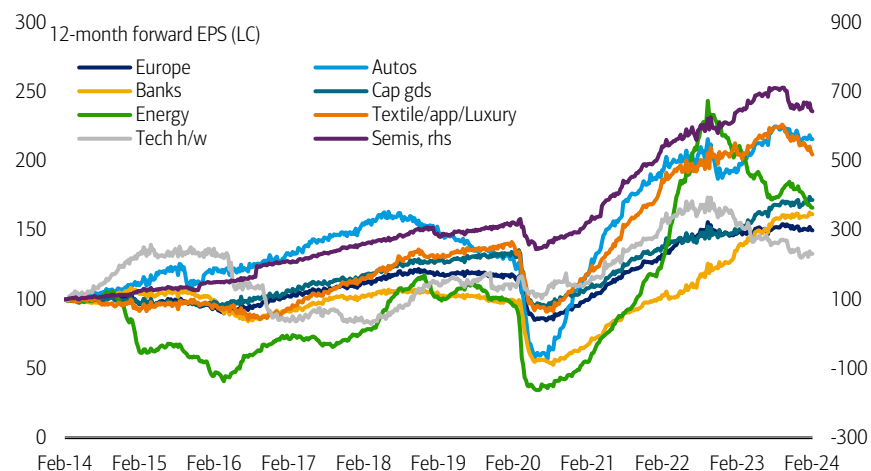
Source: BofA Global Research, Datastream

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Appendix: sector 12-month forward EPS trends

Exhibit 37: 12-month forward EPS evolution for cyclical sectors and the market

12-month forward EPS evolution for large European cyclical sectors over the past ten years

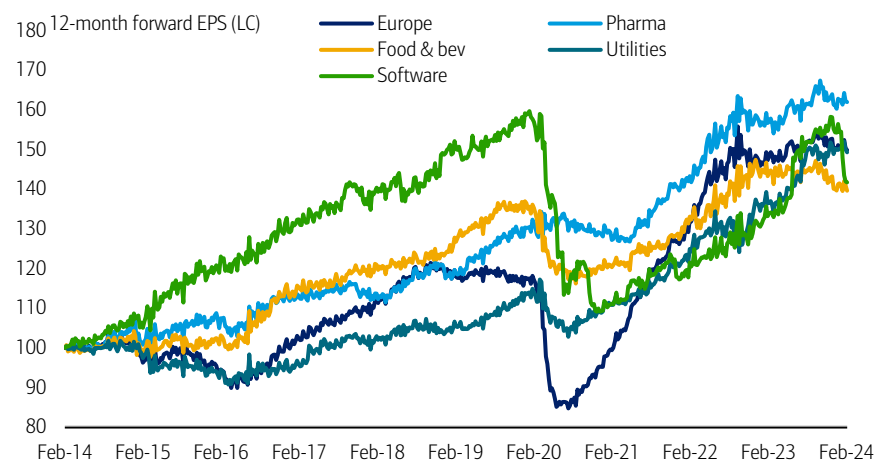


Source: BofA Global Research, Datastream, LC = local currency

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Exhibit 39: 12-month forward EPS evolution for defensive sectors and the market

12-month forward EPS evolution for large defensive sectors over the past ten years

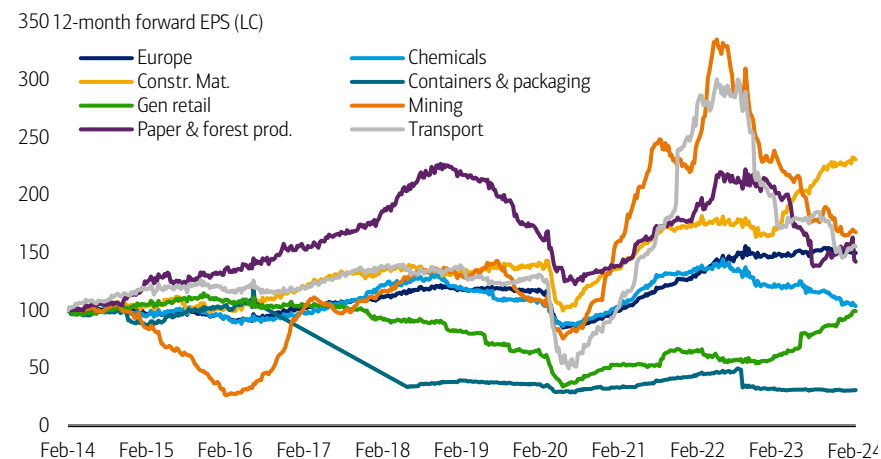


Source: BofA Global Research, Datastream, LC = local currency

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Exhibit 38: 12-month forward EPS evolution for cyclical sectors and the market

12-month forward EPS evolution for small European cyclical sectors over the past ten years

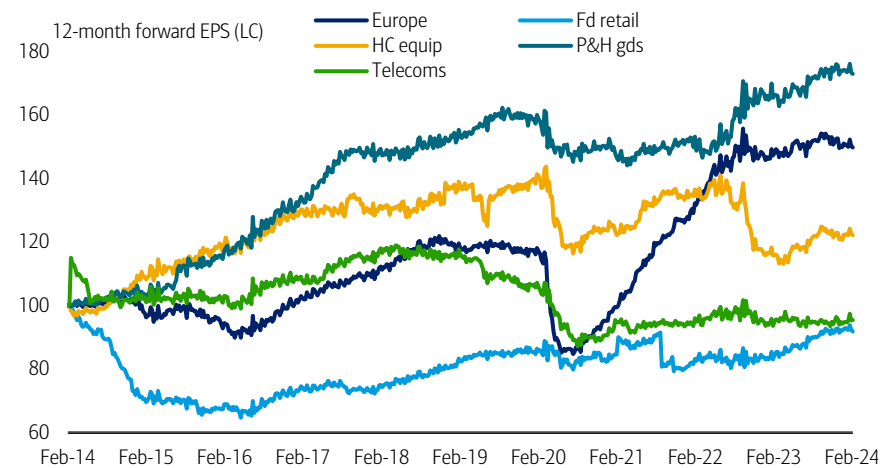


Source: BofA Global Research, Datastream, LC = local currency

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Exhibit 40: 12-month forward EPS evolution for defensive sectors and the market

12-month forward EPS evolution for small defensive sectors over the past ten years



Source: BofA Global Research, Datastream, LC = local currency

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Appendix: divergence between change in stock price and change in consensus EPS

Exhibit 41: Top 10 Stoxx 600 stocks with the highest positive divergence between change in price and change in 12m forward EPS

Telecom Italia is the stock with the strongest divergence between change in price and change in consensus EPS expectations over the past 3 months, having outperformed despite sharp decline in EPS expectations

Top 10	Sector	Market cap (Eur bn)	Price change (%)			12m fwd EPS change (%)			Divergence between Price chg. and EPS chg.		
			1m	3m	6m	1m	3m	6m	1m	3m	6m
Telecom Italia	Telecoms	5	4.03	13.6	6.28	-38.2	-47.7	-66.0	42.2	61.3	72.3
Oci Nv	Chemicals	5	2.64	21	9.51	-28.2	-37.2	-42.8	30.8	58.2	52.3
Just Eat Takeaway Com Nv	Technology	3	9.81	1.77	14.2	-22.2	-47.4	-52.8	32.0	49.2	67.0
Sectra Ab	Healthcare	4	17	56.6	32.9	1.2	9.8	8.7	15.8	46.8	24.2
Electrolux Ab	Cons Prod. Svs	2	-6.87	-17	-31.6	-56.2	-60.7	-69.7	49.3	43.7	38.1
A P Moller - Maersk A/S	Ind Gds Svs	11	-16.7	4.17	-19.6	-30.9	-37.5	-125.5	14.2	41.6	105.9
Lonza Group Ag	Healthcare	36	26.1	28.5	-3.37	3.4	-8.5	-14.8	22.7	37.0	11.4
Argenx Se	Healthcare	22	11.4	-18.4	-17.8	-26.1	-53.4	-68.9	37.5	35.0	51.1
Ucb Sa	Healthcare	19	16	39.2	18.5	1.7	4.4	7.8	14.3	34.8	10.7
Kongsberg Gruppen Asa	Ind Gds Svs	10	26.2	41.9	54.1	4.9	7.2	15.9	21.3	34.7	38.2

Source: BofA Global Research, Datastream

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Exhibit 42: Bottom 10 Stoxx 600 stocks with the sharpest negative divergence between change in price and change in 12m forward EPS

Bolloré is the stock with the sharpest negative divergence between change in price and change in consensus EPS expectations over the past 3 months

Bottom 10	Sector	Market cap (Eur bn)	Price change (%)			12m fwd EPS change (%)			Divergence between Price chg. and EPS chg.		
			1m	3m	6m	1m	3m	6m	1m	3m	6m
Bolloré Se	Ind Gds Svs	18	10.2	16.8	16.4	135.4	156.8	-63.3	-125.2	-140.0	-991.7
Evotec Se	Healthcare	2	-3	-26.4	-32.3	6.8	55.2	37.7	-9.8	-81.6	-165.2
Prosus Nv	Technology	76	11.5	-5.03	-1.87	10.1	39.4	56.3	1.4	-44.4	-70.0
Intl.Distributions Svs.	Ind Gds Svs	3	8.09	9.83	7.92	16.6	50.6	173.2	-8.5	-40.8	-62.1
Thyssenkrupp Ag	Ind Gds Svs	3	-18.9	-31.8	-34.2	5.3	5.1	11.9	-24.2	-36.9	-59.9
Zalando	Retail	5	19.8	-15.1	-26	1.6	11.9	12.7	18.2	-27.0	-58.3
Subsea 7 Sa	Energy	4	-5.43	-3.83	5.58	5.1	21.3	63.9	-10.5	-25.1	-58.1
Ubisoft Entertainment Sa	Cons Prod. Svs	3	20.1	-19.9	-12.2	-0.9	3.2	4.2	21.0	-23.1	-54.6
Millicom Intl.Celu.Sa	Telecoms	3	-10.3	-5.41	-2.38	2.3	17.6	33.0	-12.6	-23.0	-46.1
Bayer Ag	Healthcare	28	-10.8	-30.3	-42.6	1.3	-7.6	-13.7	-12.1	-22.7	-45.2

Source: BofA Global Research, Datastream

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Appendix: Q4 earnings season details

Exhibit 43: Q4 2023 earnings season summary: market and sectors

Details of the Q4 2023 earnings season

	Sales				EPS			
	No.	(%)	Beat	Miss	No.	(%)	Beat	Miss
Total	244	47%	37%	43%	194	42%	48%	43%
Ex-financials	195	45%	34%	43%	149	40%	50%	44%
Ex-energy	233	46%	35%	45%	183	41%	48%	43%
Ex-fin & energy	184	44%	32%	44%	138	40%	49%	43%
Super sectors								
Cyclicals	94	41%	33%	44%	69	36%	54%	41%
Defensives	76	46%	34%	39%	58	43%	47%	45%
Financials	49	56%	47%	47%	45	45%	44%	42%
Resources	25	66%	40%	48%	22	56%	45%	50%
Sectors								
Autos	5	38%	40%	40%	3	27%	100%	0%
Media	2	20%	50%	50%	1	14%	100%	0%
Technology	13	50%	46%	31%	12	55%	75%	25%
Telecoms	10	59%	40%	40%	6	38%	67%	33%
Utilities	3	13%	67%	33%	3	14%	67%	33%
Travel & leis	6	55%	17%	67%	5	63%	60%	20%
Real est	14	50%	36%	21%	12	63%	58%	25%
Energy	11	52%	73%	18%	11	55%	55%	45%
Banks	33	73%	45%	52%	30	67%	50%	37%
Chemicals	6	32%	0%	50%	4	22%	50%	25%
Personal care	5	36%	0%	60%	4	33%	50%	25%
Ind gds svcs	40	41%	33%	45%	33	40%	48%	52%
Fd bev tobacco	16	64%	19%	69%	10	59%	40%	40%
Basic resources	14	82%	14%	71%	11	58%	36%	55%
Healthcare	26	51%	46%	27%	22	49%	36%	64%
Fin svcs	11	46%	36%	45%	9	38%	33%	56%
Insurance	5	26%	80%	20%	6	20%	33%	50%
Const matls	9	33%	22%	33%	7	35%	29%	43%
Cons prod. svcs	13	46%	46%	46%	4	16%	25%	75%
Retail	2	22%	0%	50%	1	17%	0%	100%

Source: BofA European Equity Quant Strategy, Bloomberg

*Please refer to the How It Works section at the end of this report for the definition of the beats and misses

Sales beats and misses figures that are better than market numbers are highlighted in bold

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Exhibit 44: Q4 2023 earnings season summary: countries, size classes, revenue exposure and styles

Details of the Q4 2023 earnings season

	Sales				EPS			
	No.	(%)	Beat	Miss	No.	(%)	Beat	Miss
Countries								
Germany	15	22%	40%	47%	14	21%	86%	14%
Italy	10	33%	60%	20%	6	24%	67%	33%
Spain	5	20%	40%	60%	5	24%	60%	40%
United Kingdom	18	23%	39%	39%	14	19%	57%	29%
France	39	55%	26%	54%	19	46%	42%	42%
Switzerland	22	43%	36%	41%	15	35%	27%	73%
Revenue exposure								
Global Diversified	14	30%	36%	50%	13	32%	54%	38%
Domestic	103	49%	40%	41%	90	46%	51%	40%
US	81	50%	33%	46%	62	45%	48%	45%
EM Industrials	29	48%	31%	38%	23	40%	39%	52%
EM Consumer	17	40%	47%	53%	6	17%	33%	50%

Source: BofA European Equity Quant Strategy, Bloomberg

*Please refer to the How It Works section at the end of this report for the definition of the beat and miss

Sales beats and misses figures that are better than market numbers are highlighted in bold

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Appendix: Q4 earnings price reaction

Exhibit 45: Median 1-day performance relative to market for beats and misses

Median 1-day performance of companies relative to market for beats and misses

		Median +1 day performance rel. to market											
Sectors		Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Banks	Beats	0%	3%	1%	0%	0%	2%	0%	1%	0%	1%	0%	2%
	Misses	-6%	-5%	-5%	1%	-2%	-2%	-2%	-2%	-5%	-5%	0%	-3%
Basic Res	Beats	0%	1%	0%	0%	-1%	1%	-1%	1%	0%	-2%	1%	3%
	Misses	-5%	1%	-3%	1%	-4%	-3%	-3%	-2%	-1%	-2%	1%	-1%
Cons & Mats	Beats	1%	2%	-3%	8%	0%	0%	2%	0%	-1%	0%	4%	-3%
	Misses	-3%	-4%	-2%	-2%	-4%	0%	-5%	5%	-5%	-3%	-3%	-14%
Energy	Beats	0%	2%	-3%	-1%	0%	3%	2%	2%	1%	-1%	1%	1%
	Misses	-1%	-3%	-3%	-2%	0%	-2%	0%	1%	-1%	0%	1%	-3%
Fin Svs	Beats	2%	5%	-1%	0%	0%	2%	0%	2%	0%	1%	1%	1%
	Misses	-2%	1%	1%	-3%	-	0%	1%	-4%	-2%	3%	1%	-2%
Food Bev & Tobacco	Beats	1%	2%	4%	2%	-1%	2%	1%	3%	2%	0%	-1%	3%
	Misses	-	-3%	0%	0%	-1%	-1%	-1%	2%	0%	-2%	-8%	0%
Health Care	Beats	-1%	-2%	0%	0%	0%	0%	0%	0%	0%	-1%	2%	4%
	Misses	-2%	-6%	-1%	-1%	-12%	-6%	-3%	0%	-3%	0%	0%	-1%
Inds Gds & Svs	Beats	2%	0%	2%	0%	-1%	1%	0%	1%	1%	0%	3%	2%
	Misses	1%	1%	-2%	1%	0%	-3%	-1%	-2%	0%	0%	-3%	3%
Insurance	Beats	1%	1%	2%	1%	4%	1%	-1%	1%	0%	0%	1%	0%
	Misses	-1%	-	1%	-2%	-1%	0%	-1%	-4%	3%	0%	3%	-3%
Real Estate	Beats	0%	1%	3%	3%	0%	1%	0%	0%	-3%	0%	1%	0%
	Misses	0%	0%	1%	1%	0%	-1%	0%	0%	0%	0%	2%	-3%
Technology	Beats	1%	-2%	-2%	2%	1%	1%	4%	2%	-1%	2%	0%	4%
	Misses	-4%	2%	-2%	-2%	-4%	-1%	0%	1%	-1%	0%	-1%	0%
Telecoms	Beats	3%	4%	-4%	0%	0%	0%	0%	2%	-2%	-5%	-1%	1%
	Misses	1%	-5%	-2%	0%	1%	-6%	-1%	0%	-1%	0%	-2%	5%
Travel & Leisure	Beats	0%	0%	6%	2%	3%	5%	0%	-1%	1%	0%	2%	4%
	Misses	-3%	-	-1%	-2%	0%	0%	1%	-1%	7%	-2%	10%	4%
Market	Beats	0%	1%	0%	0%	0%	1%	0%	1%	0%	0%	1%	1%
	Misses	-1%	-1%	-2%	0%	0%	-1%	-1%	-1%	-1%	-1%	0%	-1%

Source: BofA European Equity Quant Strategy, Bloomberg

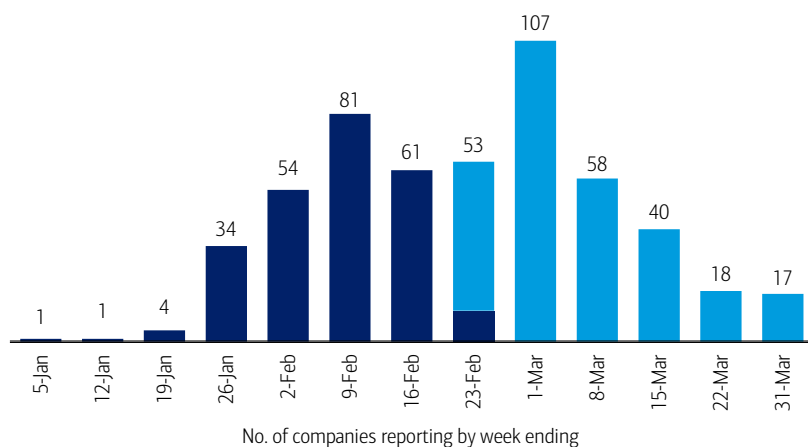
Current quarter figures are displayed only for sectors that have five or more companies having announced EPS and sales results



Appendix: reporting calendar & methodology

Exhibit 46: Number of companies reporting in each week of the Q4 2023 earnings season

Nearly 400 companies are expected to have reported Q4 earnings by end-February

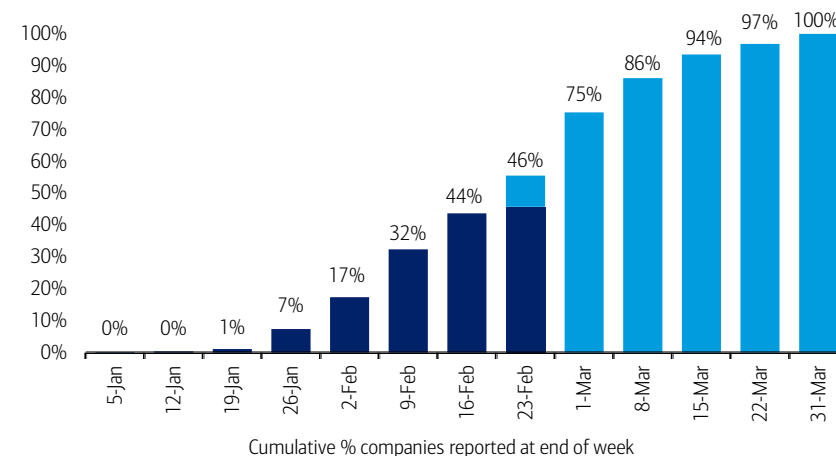


Source: BofA European Equity Quant Strategy, Bloomberg

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Exhibit 47: Cumulative % reported by week in Q4 2023 earnings season

More than 75% of European companies are expected to have reported Q4 earnings by end February



Source: BofA European Equity Quant Strategy, Bloomberg

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Exhibit 48: Companies reporting between 21st February 2024 and 29th February 2024

Companies reporting next week with their respective reporting dates, consensus EPS and estimated period

Company name	Sector	Dominant geographic exposure region	Market cap (Eur bn)	Reporting date	Consensus earnings estimate (Bloomberg, local cy)	Estimate period
Aedifica	Real Estate	Domestic	3	21/Feb/24	na	S
Bae Systems Plc	Industrial Goods and Services	US	44	21/Feb/24	0.3	S
Fresenius Se & C	Health Care	US	15	21/Feb/24	0.7	Q
Glencore Plc	Basic Resources	EM Industrials	56	21/Feb/24	0.2	Q
Hsbc Holdings Pl	Banks	EM Consumer	142	21/Feb/24	0.3	Q
Jde Peet'S Nv	Food, Beverage and Tobacco	EM Consumer	11	21/Feb/24	0.9	S
Nkt A/S	Industrial Goods and Services	Domestic	4	21/Feb/24	0.4	Q
Rio Tinto Plc	Basic Resources	EM Industrials	109	21/Feb/24	2.6	Q
Tenaris Sa	Energy	US	18	21/Feb/24	0.5	Q
Wienerberger Ag	Construction and Materials	Mixed	4	21/Feb/24	0.4	Q
Wolters Kluwer	Media	US	36	21/Feb/24	2.3	S
Aalberts Nv	Industrial Goods and Services	Mixed	4	22/Feb/24	1.6	S
Accor Sa	Travel and Leisure	Mixed	9	22/Feb/24	na	Q
Alten	Technology	Domestic	5	22/Feb/24	4.0	S
Anglo Amer Plc	Basic Resources	EM Industrials	25	22/Feb/24	1.1	S
Arcadis Nv	Construction and Materials	US	5	22/Feb/24	0.6	Q
Axa	Insurance	Mixed	70	22/Feb/24	1.6	S
Be Semiconductor	Technology	Mixed	13	22/Feb/24	0.6	Q
Bureau Veritas S	Industrial Goods and Services	EM Industrials	11	22/Feb/24	na	Q

Exhibit 48: Companies reporting between 21st February 2024 and 29th February 2024

Companies reporting next week with their respective reporting dates, consensus EPS and estimated period

Company name	Sector	Dominant geographic exposure region	Market cap (Eur bn)	Reporting date	Consensus earnings estimate (Bloomberg, local cy)	Estimate period
Cembra Money Ban	Banks	Domestic	2	22/Feb/24	2.7	S
Danone	Food, Beverage and Tobacco	EM Consumer	42	22/Feb/24	1.7	Q
Engie	Utilities	Domestic	35	22/Feb/24	0.3	Q
Gerresheimer Ag	Health Care	US	3	22/Feb/24	1.5	Q
Hargreaves Lansd	Financial Services	Domestic	5	22/Feb/24	0.3	S
Hays Plc	Industrial Goods and Services	Domestic	2	22/Feb/24	0.0	S
Heidelberg Mater	Construction and Materials	EM Industrials	16	22/Feb/24	2.9	Q
Hikma Pharmaceut	Health Care	US	5	22/Feb/24	0.8	S
Hochtief Ag	Construction and Materials	US	8	22/Feb/24	1.9	Q
Iberdrola Sa	Utilities	Mixed	69	22/Feb/24	0.2	Q
Indivior Plc	Health Care	US	2	22/Feb/24	0.3	Q
Iss A/S	Industrial Goods and Services	Mixed	3	22/Feb/24	6.0	Q
Knorr-Bremse Ag	Industrial Goods and Services	EM Industrials	9	22/Feb/24	1.0	Q
Lloyds Banking	Banks	Domestic	32	22/Feb/24	0.0	Q
Mercedes-Benz Gr	Automobiles and Parts	EM Consumer	72	22/Feb/24	2.7	Q
Nestle Sa-Reg	Food, Beverage and Tobacco	EM Consumer	277	22/Feb/24	2.7	Q
Orlen Sa	Energy	Domestic	18	22/Feb/24	7.5	Q
Pekao	Banks	Domestic	10	22/Feb/24	5.7	Q
Recordati Spa	Health Care	EM Consumer	11	22/Feb/24	0.5	Q
Repsol Sa	Energy	Domestic	17	22/Feb/24	0.7	Q
Rolls-Royce Hold	Industrial Goods and Services	US	33	22/Feb/24	0.0	S
Sagax Ab-B	Real Estate	Domestic	8	22/Feb/24	1.8	Q
Seb Sa	Consumer Products and Services	EM Consumer	6	22/Feb/24	na	Q
Sopra Steria Gro	Technology	Domestic	4	22/Feb/24	na	Q
Telefonica	Telecommunications	Mixed	21	22/Feb/24	na	Q
Wpp Plc	Media	US	10	22/Feb/24	na	Q
Zurich Insurance	Insurance	US	68	22/Feb/24	8.4	Q
Allianz Se-Reg	Insurance	Mixed	97	23/Feb/24	6.0	Q
Basf Se	Chemicals	EM Industrials	41	23/Feb/24	0.1	Q
Cofinimmo	Real Estate	Domestic	2	23/Feb/24	na	Q
Deutsche Telekom	Telecommunications	US	111	23/Feb/24	0.4	Q
Getlink Se	Industrial Goods and Services	Domestic	8	23/Feb/24	na	Q
Standard Charter	Banks	EM Consumer	19	23/Feb/24	0.2	Q
Banco Com Port-R	Banks	Domestic	4	26/Feb/24	0.0	Q
Bank Of Ireland	Banks	Domestic	9	26/Feb/24	0.9	S
Bunzl Plc	Industrial Goods and Services	US	13	26/Feb/24	0.9	S
Gaztransport	Energy	EM Industrials	5	26/Feb/24	na	Q
Abrdn Plc	Financial Services	Domestic	3	27/Feb/24	0.1	S
Acs	Construction and Materials	US	10	27/Feb/24	0.6	Q
Alcon Inc	Health Care	US	36	27/Feb/24	0.7	Q
Asm Intl Nv	Technology	EM Industrials	28	27/Feb/24	2.7	Q
Bouygues Sa	Construction and Materials	Domestic	13	27/Feb/24	1.1	Q
Croda Intl.	Chemicals	EM Industrials	8	27/Feb/24	na	Q
Davide Campari-M	Food, Beverage and Tobacco	US	12	27/Feb/24	na	Q
Edenred	Industrial Goods and Services	EM Industrials	14	27/Feb/24	na	Q



Exhibit 48: Companies reporting between 21st February 2024 and 29th February 2024

Companies reporting next week with their respective reporting dates, consensus EPS and estimated period

Company name	Sector	Dominant geographic exposure region	Market cap (Eur bn)	Reporting date	Consensus earnings estimate (Bloomberg, local cy)	Estimate period
Eurofins Scien	Health Care	US	11	27/Feb/24	na	Q
Ferrovial Se	Construction and Materials	US	26	27/Feb/24	0.1	Q
Jyske Bank-Reg	Banks	Domestic	5	27/Feb/24	26.0	Q
Millicom Int-Sdr	Telecommunications	EM Consumer	3	27/Feb/24	0.3	Q
Muenchener Rue-R	Insurance	US	56	27/Feb/24	7.9	Q
Naturgy Energy	Utilities	Domestic	22	27/Feb/24	2.1	Y
Psp Swiss Pr-Reg	Real Estate	Domestic	6	27/Feb/24	na	Q
Puma Se	Consumer Products and Services	EM Consumer	6	27/Feb/24	0.0	Q
Sig Group Ag	Industrial Goods and Services	EM Industrials	7	27/Feb/24	0.3	Q
Smith & Nephew	Health Care	US	12	27/Feb/24	0.5	Q
Straumann Hldg-R	Health Care	EM Consumer	24	27/Feb/24	na	Q
Unite Group/The	Real Estate	Domestic	5	27/Feb/24	44.3	Y
Zealand Pharma A	Health Care	US	4	27/Feb/24	-3.9	Q
Aena Sme Sa	Industrial Goods and Services	Domestic	25	28/Feb/24	2.1	Q
Ageas	Insurance	Domestic	7	28/Feb/24	3.1	S
Allreal Hold-Reg	Real Estate	Domestic	3	28/Feb/24	8.0	Y
Amadeus It Group	Technology	US	27	28/Feb/24	0.6	Q
Derwent London	Real Estate	Domestic	3	28/Feb/24	na	S
Edp Renovaveis S	Utilities	US	14	28/Feb/24	0.1	Q
Eiffage	Construction and Materials	Domestic	9	28/Feb/24	na	Q
Endesa	Utilities	Domestic	18	28/Feb/24	0.1	Q
Freenet Ag	Telecommunications	Domestic	3	28/Feb/24	0.7	Q
Glanbia Plc	Food, Beverage and Tobacco	US	4	28/Feb/24	na	Q
Holcim Ltd	Construction and Materials	US	42	28/Feb/24	na	Q
Inmobiliaria Col	Real Estate	Domestic	3	28/Feb/24	0.1	Q
Just Eat Takeawa	Technology	US	3	28/Feb/24	na	Q
Merlin Propertie	Real Estate	Domestic	4	28/Feb/24	na	Q
Moncler Spa	Consumer Products and Services	EM Consumer	17	28/Feb/24	0.9	Q
Reckitt Benckise	Personal Care, Drug and Grocery Stores	EM Consumer	48	28/Feb/24	na	Q
Redeia Corp	Utilities	Domestic	8	28/Feb/24	0.2	Q
Royal Unibrew	Food, Beverage and Tobacco	Domestic	3	28/Feb/24	5.2	Q
Scout24 Se	Technology	Domestic	5	28/Feb/24	0.7	Q
St James'S Place	Financial Services	US	4	28/Feb/24	0.4	S
Sydbank	Banks	Domestic	2	28/Feb/24	14.5	Q
Taylor Wimpey Pl	Consumer Products and Services	Domestic	6	28/Feb/24	0.0	S
Ucb Sa	Health Care	US	19	28/Feb/24	1.0	S
Universal Music	Media	US	49	28/Feb/24	0.2	Q
Viscofan	Food, Beverage and Tobacco	US	2	28/Feb/24	na	Q
Wendel	Financial Services	Domestic	4	28/Feb/24	na	Q
Worldline	Industrial Goods and Services	Mixed	3	28/Feb/24	na	Q
Acciona Sa	Construction and Materials	Mixed	6	29/Feb/24	3.8	S
Ackermans & Van	Construction and Materials	Domestic	5	29/Feb/24	12.3	Y
Adecco Group Ag	Industrial Goods and Services	Mixed	6	29/Feb/24	0.8	Q
Adevinta Asa	Consumer Products and Services	Domestic	12	29/Feb/24	0.0	Q
Aixtron Se	Technology	EM Industrials	4	29/Feb/24	0.5	Q

Exhibit 48: Companies reporting between 21st February 2024 and 29th February 2024

Companies reporting next week with their respective reporting dates, consensus EPS and estimated period

Company name	Sector	Dominant geographic exposure region	Market cap (Eur bn)	Reporting date	Consensus earnings estimate (Bloomberg, local cy)	Estimate period
Allfunds Group P	Financial Services	Domestic	4	29/Feb/24	0.2	S
Andritz Ag	Industrial Goods and Services	EM Industrials	6	29/Feb/24	1.6	Q
Anheuser-Busch I	Food, Beverage and Tobacco	EM Consumer	118	29/Feb/24	0.8	Q
Argenx Se	Health Care	US	22	29/Feb/24	-1.3	Q
Arkema	Chemicals	US	7	29/Feb/24	1.7	Q
Asr Nederland Nv	Insurance	Domestic	9	29/Feb/24	2.1	S
Beiersdorf Ag	Personal Care, Drug and Grocery Stores	Mixed	34	29/Feb/24	1.4	Q
Cellnex Telecom	Telecommunications	Domestic	23	29/Feb/24	-0.1	Q
Clariant Ag-Reg	Chemicals	EM Industrials	4	29/Feb/24	0.2	Q
Covestro Ag	Chemicals	EM Industrials	9	29/Feb/24	-0.5	Q
Crh Plc	Construction and Materials	US	54	29/Feb/24	na	Q
Drax Group Plc	Utilities	Domestic	2	29/Feb/24	1.2	Y
Elekta Ab-B	Health Care	EM Consumer	3	29/Feb/24	1.0	Q
Erste Group Bank	Banks	EM Consumer	17	29/Feb/24	1.5	Q
Frontline Plc	Industrial Goods and Services	Mixed	5	29/Feb/24	0.5	Q
Grifols Sa	Health Care	US	7	29/Feb/24	0.2	Q
Haleon Plc	Health Care	US	35	29/Feb/24	0.0	Q
Howden Joinery G	Retail	Domestic	5	29/Feb/24	0.3	S
Intl Cons Airlin	Travel and Leisure	Mixed	8	29/Feb/24	0.0	Q
Kion Group Ag	Industrial Goods and Services	Mixed	5	29/Feb/24	0.9	Q
Leonardo Spa	Industrial Goods and Services	US	11	29/Feb/24	0.7	Q
London Stock Ex	Financial Services	US	56	29/Feb/24	na	Q
Man Group Plc/Je	Financial Services	EM Consumer	3	29/Feb/24	0.1	S
Mtu Aero Engines	Industrial Goods and Services	US	12	29/Feb/24	3.1	Q
Nn Group	Insurance	Domestic	11	29/Feb/24	3.7	S
Ocado Group Plc	Personal Care, Drug and Grocery Stores	Domestic	5	29/Feb/24	-0.3	S
Poste Italiane	Insurance	Domestic	13	29/Feb/24	0.3	Q
Prysmian Spa	Industrial Goods and Services	US	12	29/Feb/24	0.5	Q
Saint Gobain	Construction and Materials	Mixed	35	29/Feb/24	na	Q
Schroders Plc	Financial Services	Mixed	8	29/Feb/24	0.1	S
Serco Group	Industrial Goods and Services	US	2	29/Feb/24	0.1	S
Ses	Telecommunications	US	3	29/Feb/24	0.2	Q
Spectris Plc	Industrial Goods and Services	EM Industrials	4	29/Feb/24	1.2	S
Subsea 7 Sa	Energy	EM Industrials	4	29/Feb/24	0.2	Q
Technip Energies	Energy	EM Industrials	4	29/Feb/24	0.5	Q
Valeo	Automobiles and Parts	EM Consumer	3	29/Feb/24	-1.3	Q
Veolia Environne	Utilities	EM Industrials	21	29/Feb/24	0.4	Q
Vidrala	Industrial Goods and Services	Domestic	3	29/Feb/24	na	Q
Weir Group Plc	Industrial Goods and Services	EM Industrials	6	29/Feb/24	0.6	S

Source: Factset, Bloomberg, BofA European Equity Quant Strategy team
Companies part of Euro Stoxx 50 are highlighted in bold



Surprise factor: how it works

EPS surprise is where the actual reported data is $>/<$ than 2% from Bloomberg BEst analysts' consensus forecasts.

Sales surprise is where the actual data is greater or less than 0.5% from Bloomberg BEst analysts' consensus forecasts.

The surprise factor is the median of the magnitude of beats/hit/miss at EPS and sales level.

We include companies with differing reporting frequencies here to make the breadth of coverage broader (i.e. annual, semi-annual and quarterly), and use the highest frequency reported in the current earnings season (i.e. quarterly data if company reports all three frequencies).

The source for all the earnings season related tables is Bloomberg and calculations by BofA European Equity Quant Strategy. Surprise factor at aggregated level for market, sector, country, exposure basket or size cap is median of surprise factors of all the underlying stocks. Stock level EPS surprise factor is calculated as $(\text{Actual} / \text{Estimated} - 1)$ and the same for sales.

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