TRIVARIATE RESEARCH

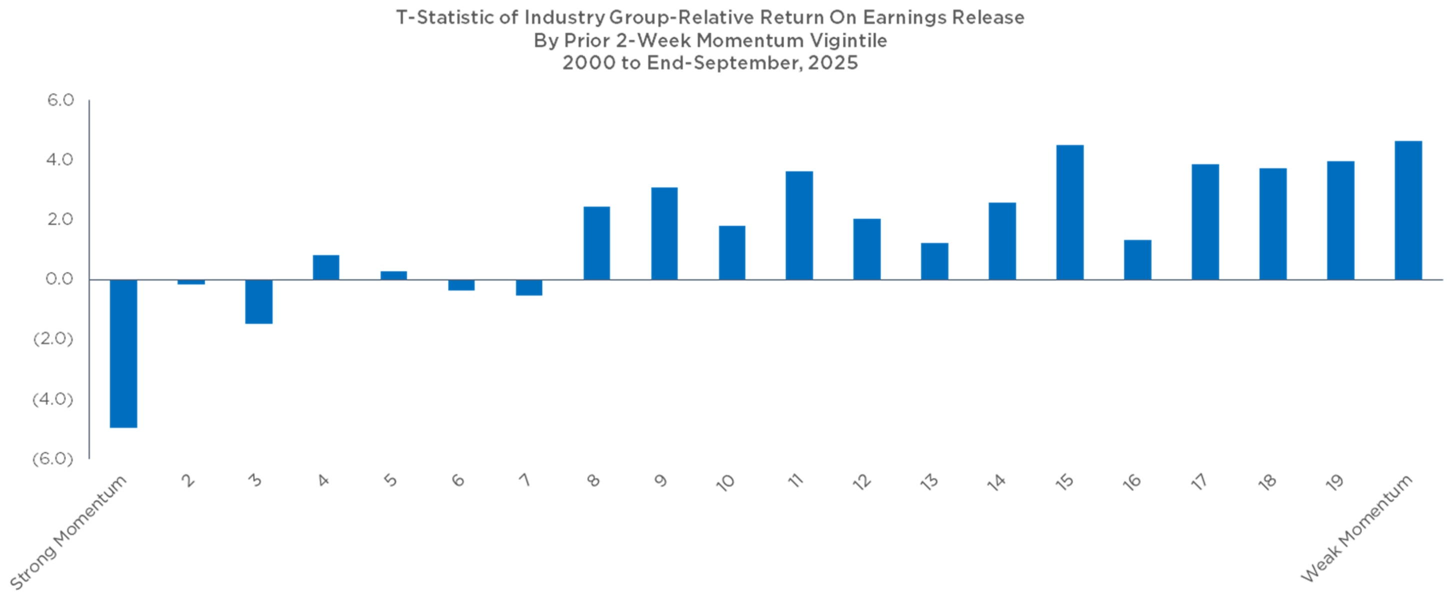
US Equities
October 14, 2025

What Can We Expect From This Week's Earnings?

In our recent research report (*How Should You Play Earnings Results?*) we highlighted that high momentum into earnings implies elevated expectations — these stocks often underperform post-report, while laggards tend to beat expectations. In today's report, we reiterate these results and provide long and short screens for this week's upcoming earnings reports.

Strong Momentum is Indicative of High Expectations

Stocks in the bottom half of industry group-relative momentum tend to beat expectations on the earnings release. Those in the highest 5% of two-week stock performance see a statistically significant underperformance on the day that they report earnings. **This is an important result – on average big moves into earnings releases should be sold, and big laggards should be bought. The notion that on average EPS season should be avoided independent of pre-report stock performance doesn't appear to be true.**



Source: Trivariate Research, LP

The Penalty For Missing is Greater Than The Reward For Beating

The high expectations of stocks with prior strong price momentum is also seen in the penalty for missing vs. the reward for beating. Companies in the highest vigintile of two-week momentum that beat EPS estimates outperform their industry group by 0.92% on the earnings release. However, those in the top vigintile of momentum that miss EPS estimates underperform by

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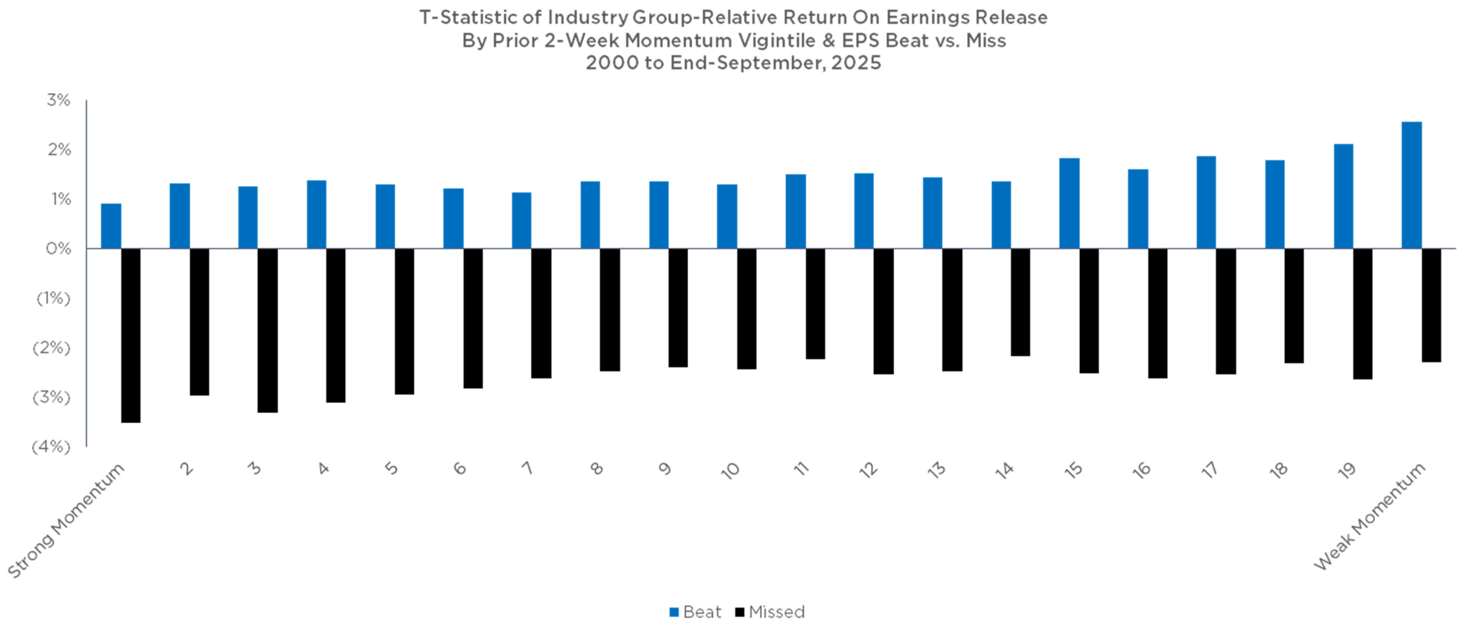
3.5%. The reward for beating is only greater than the penalty for missing for the worst performing 5% of stocks prior to the EPS report, where those that beat on EPS outperform by 2.5% while those that miss underperform by 2.3%.



Source: Trivariate Research, LP

Long Ideas: Companies Reporting This Week With Poor 2-Week Momentum

Below we show companies that report this week where expectations are likely lower. These companies are in the bottom 5% of two-week momentum relative to their industry group, which is the only vigintile where the reward for beating is greater than the penalty for missing.

Companies Reporting This Week With Low Expectations (Weak 2-Week Momentum)
As of October 13th, 2025

Ticker	Company	Industry	Market Cap. (US$ Bil.)	Report Date	2-Week Industry Group-Relative Return
BAC	Bank of America Corporation	Banks	382.12	10/15/2025	(3.8%)
PNC	The PNC Financial Services Group, Inc.	Banks	79.13	10/15/2025	(4.4%)
CFG	Citizens Financial Group, Inc.	Banks	22.93	10/15/2025	(3.2%)
HOMB	Home Bancshares, Inc. (Conway, AR)	Banks	5.58	10/15/2025	(1.2%)
SLG	SL Green Realty Corp.	Office REITs	4.25	10/15/2025	(4.6%)
BANR	Banner Corporation	Banks	2.27	10/15/2025	(3.3%)
EPAC	Enerpac Tool Group Corp.	Machinery	2.21	10/15/2025	(4.6%)
TFIN	Triumph Financial, Inc.	Banks	1.19	10/15/2025	(4.2%)
USB	U.S. Bancorp	Banks	75.21	10/16/2025	(1.7%)
TRV	The Travelers Companies, Inc.	Insurance	62.86	10/16/2025	(1.3%)
MTB	M&T Bank Corporation	Banks	30.88	10/16/2025	(4.9%)
KEY	KeyCorp	Banks	20.49	10/16/2025	(3.9%)
SNA	Snap-on Incorporated	Machinery	18.08	10/16/2025	(5.9%)
AXP	American Express Company	Consumer Finance	231.14	10/17/2025	(1.5%)
TFC	Truist Financial Corporation	Banks	58.95	10/17/2025	(3.4%)
SLB	SLB N.V.	Energy Equipment & Services	51.34	10/17/2025	(4.5%)
HBAN	Huntington Bancshares Incorporated	Banks	25.32	10/17/2025	(5.4%)
RF	Regions Financial Corporation	Banks	23.53	10/17/2025	(4.3%)
ALLY	Ally Financial Inc.	Consumer Finance	12.07	10/17/2025	(1.0%)
ALV	Autoliv, Inc.	Automobile Components	9.38	10/17/2025	(1.8%)

Source: Trivariate Research, LP

Short Ideas: Companies Reporting This Week With Strong 2-Week Momentum

Below we show companies that report this week which have strong 2-week price momentum. The penalty for missing is far greater than the reward for beating for these companies.

Companies Reporting This Week With High Expectations (Strong 2-Week Momentum)
As of October 13th, 2025

Ticker	Company	Industry	Market Cap. (US$ Bil.)	Report Date	2-Week Industry Group-Relative Return
PLD	Prologis, Inc.	Industrial REITs	106.28	10/15/2025	1.3%
UAL	United Airlines Holdings, Inc.	Passenger Airlines	31.24	10/15/2025	3.5%
JBHT	J.B. Hunt Transport Services, Inc.	Ground Transportation	12.99	10/15/2025	5.5%
FHN	First Horizon Corporation	Banks	11.48	10/15/2025	2.3%
REXR	Rexford Industrial Realty, Inc.	Industrial REITs	9.71	10/15/2025	1.3%
FR	First Industrial Realty Trust, Inc.	Industrial REITs	6.82	10/15/2025	3.4%
MMC	Marsh & McLennan Companies, Inc.	Insurance	99.08	10/16/2025	3.8%
CSX	CSX Corporation	Ground Transportation	66.20	10/16/2025	1.9%
IBKR	Interactive Brokers Group, Inc.	Capital Markets	30.64	10/16/2025	6.7%
OZK	Bank OZK	Banks	5.74	10/16/2025	1.4%
CNS	Cohen & Steers, Inc.	Capital Markets	3.35	10/16/2025	4.2%
MAN	ManpowerGroup Inc.	Professional Services	1.75	10/16/2025	3.4%
STT	State Street Corporation	Capital Markets	32.91	10/17/2025	2.2%

Source: Trivariate Research, LP

Important Disclosures

Analyst Certification

The analysts, Adam Parker, Maxwell Arnold, Chang Ge, Colin Cooney and Ryan McGovern, responsible for the preparation of this research report certifies that: all the views expressed in this research report accurately reflect the research analyst's personal views.

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