

Debt Per Share (D/S) & Debt To Earnings (DEM)

Innovating Stock Market Valuations

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Preface

In the realm of stock analysis, investors utilize comprehensive metrics to gauge a company's financial health and potential returns. However, acknowledging the limitations of traditional valuations and the ever-evolving nature of markets is an imperative for informed decision-making and mature portfolio management. This project attempts to unveil a new possible perspective within financial research, not to redefine conventional approaches of assessing companies, but rather to provide another practical tool that benefits retail investors specifically. **To immediately view a spreadsheet of completed data collection, see the appendix.**

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*With over 30 years experience in both public & private debt markets, including the firm's first securitization of bitcoin backed loans, the idea of establishing a **debt to earnings multiple** is intriguing and potentially a very powerful analytics tool. It would allow investors and debt providers to correlate stock performance and also (provide) an opportunity to develop a model to forecast probability of defaults on corporate debt.*

- Randy Smyth,
CEO, Geminus Acquisition & Management Inc.

Background

When investing, investors typically undertake a multifaceted approach to discern the potential risks and rewards of an opportunity. Key considerations include metrics such as Price to Earnings (P/E) or Return on Equity (ROE). Many also assess a company's cash flow, weigh the strength of brand name and reputation, and recognize prevailing market sentiment and trends in order to anticipate future stock performance. But, as the importance of debt for company success continues to rise, the contemporary landscape for investment valuations under-represents the presence of debt within a company.

A leverage ratio is a metric that indicates how a company's assets and business operations are financed. Common leverage ratios often examine the level of debt incurred by a company against several other accounts in its balance sheet, income statement, or cash flow statement. There are five foundational leverage multiples which have been popularized and made available to non-professional investors: Debt-to-Assets Ratio, Debt-to-Equity Ratio, Debt-to-Capital Ratio, Debt-to-EBITDA Ratio, and Asset-to-Equity Ratio. Of course, asset to equity fails to recognize obligations a business might have to lenders. Debt to assets, debt to equity, and debt to capital are all viable tools for measuring debt exposure. However, these metrics do not take into consideration the earnings needed to satisfy debt without liquidation of company assets. An investor taking a new position should also consider the presence of ample earnings, or earnings per share (EPS), in order to service liabilities. In turn, the company might be capable of using current cash for company expansion, returns to shareholders, etc. While the debt to EBITDA metric observes earnings, it does not do so on the basis of shares outstanding. Overall, it is possible that more multiples are needed for investors to flag potentially risky situations before a company needs to start utilizing equity.

The Ratios

$$\begin{aligned} & \text{DEBT PER SHARE} \\ & \text{(D/S)} \\ & \frac{\text{TOTAL DEBT}}{\text{OUTSTANDING SHARES}} \end{aligned}$$

$$\begin{aligned} & \text{DEBT TO EARNINGS} \\ & \text{MULTIPLE (DEM)} \\ & \frac{\text{DEBT PER SHARE}}{\text{EARNINGS PER SHARE}} \end{aligned}$$

The two provided multiples offer valuable insight into the relationship between a company's debt and earnings. You can see a practical reflection of the EPS and P/E metrics. The debt per share ratio (D/S) readily provides an analysis of a company's debt per one share. Then, the debt to earnings multiple (DEM) is utilized to compare the debt per one share with the earnings per one share of any given company.

While debt among businesses is not inherently detrimental, acknowledging its presence is essential for accurately assessing a company's risk exposure and financial health. Ben Graham, the "father of value investing," famously quotes, "In the world of securities, courage becomes the supreme virtue after adequate knowledge and a tested judgment are at hand. The presence of debt reduces your margin of safety and the margin of safety is the central concept of investment" ¹. Graham and similar investors might appreciate the utility of a debt to earnings multiple, allowing for holistic company knowledge and possible risk aversion.

A Look at the S&P 500

To establish a foundation for the valuations, I calculated the D/S and DEM for every company in the Standard and Poor's 500 (S&P 500). This ensured an investigation of diverse industries and sectors, and it established benchmark rates to identify outliers and averages. Following, there is a snapshot* of the six companies with some of the highest and lowest debt to earnings multiples. The S&P 500 average DEM was 8.99, while the average D/S was 217.33.

Name	Ticker	Sector	Total Debt	Shares Outstanding	Earnings per Share	Debt per Share	Debt to Earnings
Citigroup Inc.	C	Financials	666,290,000,000	1,907,439,613	3.42	349.31	102.14
Boston Properties Inc.	BXP	Real Estate	16,155,880,000	157,058,652	1.22	102.87	84.32
The Goldman Sachs Group Inc.	GS	Financials	722,595,000,000	339,790,289	25.52	2126.59	83.33
Old Dominion Freight Line Inc.	ODFL	Industrials	79,980,000	217,285,082	5.68	0.37	0.06
Incyte Corporation	INCY	Health Care	37,400,000	224,540,751	3.3	0.17	0.05
Monster Beverage Corporation	MNST	Consumer Staples	61,910,000	1,041,728,228	1.58	0.06	0.04

*Full spreadsheet available in appendix

Rationalizing Sector Averages

Comparing a company's DEM to sector averages allows investors to assess a company's debt levels relative to its industry peers. This benchmarking helps investors gauge whether a company's DEM is typical or exceptional within its sector, offering insights into its competitive position and financial health. The following chart defines the D/S and DEM averages for the entirety of the S&P 500 and also for every individual sector.

Name	Debt per Share (D/S)	Debt to Earnings (DEM)
S&P500	217.33	8.99
Real Estate	49.11	20.96
Utilities	58.95	18.44
Financials	1287.78	11.16
Communication Services	53.02	10.5
Consumer Discretionary	72.6	9.82
Materials	33.76	8.59
Healthcare	39.32	6.97
Industrials	41.41	6.4
Consumer Staples	25.84	5.66
Energy	23.12	4.5
Information Technology	21.07	3.55

It is fruitful to understand why the resulting averages differ. Real estate companies, for example, typically exhibit higher DEMs primarily due to the capital-intensive nature of real estate ventures. Real estate requires substantial upfront capital for property acquisition, development, and maintenance, leading investors to rely heavily on borrowing to finance these endeavors. Moreover, leveraging real estate investments can amplify returns, as property values tend to appreciate over time. This leverage benefit encourages the industry to utilize debt more aggressively than sectors such as Information Technology, in which the business model relies less heavily on borrowing.

Listed, you can also see how sectors take on and compensate for debt in different ways. Financials in the aggregate carry large debt loads as the essence of the business model is borrowing money to relend. So, the financial sector has a staggering high debt per share average when placed among the other sectors. However, distribution of outstanding shares and strong EPS averages gives the sector only the third highest DEM average for the S&P 500.

To continue, investors can manipulate the results to get more personalized and applicable averages. For example, the average debt per share price of a S&P 500 company drops from \$217.33 to \$43.22 when excluding the financial sector. This process might help investors see D/S and DEM better in context. Finally, analysts have the option to manipulate the variables of the ratios so that specific relationships between debt and earnings can be observed. While collecting data, debt was retrieved as a company's total debt of the trailing twelve months (TTM). However, some investors prefer net debt, which is company debt without any cash balances or cash equivalents. Earnings per share is commonly diluted when analyzed to account for all convertible securities. While collecting data, EPS was retrieved as a company's diluted EPS TTM. However, if curious about future earnings, investors can utilize a forward EPS of a company to see how it relates to levels of indebtedness in relation to estimated earnings.

Applying DEM: Case Studies

Now that benchmarks have been established, comparing and contrasting DEM rates has utility. To begin, let us examine two large pharmaceuticals within the healthcare sector. As seen below, Johnson and Johnson (JNJ) has \$31 billion of debt and a debt to earnings multiple of 2.06, which is very low compared to the healthcare average of 6.97. Gilead Sciences (GILD) is another research-based biopharmaceutical company with similar debt levels. However, GILD's DEM is 51.8, a 2400% increase from JNJ and a 643% increase from the sector average. This should be an immediate red flag to investors who are looking to enter into a pharmaceutical. Yahoo Finance uploaded an article December 2023 quoting that GILD's "(debt) load is sufficiently heavy that we would recommend any shareholders keep a close eye on it" ². This well exemplifies how DEM rates are capable of accurately measuring a company's debt exposure and representative of professional analysis.

Name	Ticker	Sector	Total Debt	Shares Outstanding	Earnings per Share	Debt per Share	Debt to Earnings
Johnson & Johnson	JNJ	Health Care	33,632,000,000	2,406,679,183	6.78	13.97	2.06
Gilead Sciences Inc.	BXP	Health Care	25,194,000,000	1,245,853,209	0.39	20.22	51.85

Another illustration of DEM in use comes from three national retailers. Ulta (ULTA) currently has strong fundamentals and a debt to earnings metric of 1.53, resting well below the consumer discretionary average. Target' (TGT) has a DEM of 4.78, which borders its sector average. However, Nordstrom (JWN) has a debt per share of \$27.44 and an EPS of 0.82, contributing to a DEM of 33.46. JWN's debt to earnings multiple is a huge increase from those of ULTA and TGT, though the companies are in the same industry and relate through customer demographics, supply chain dynamics, market trends, and more. These three DEMs might certainly communicate to an investor about how each company is currently managing levels of indebtedness and risk.

Name	Ticker	Sector	Total Debt	Shares Outstanding	Earnings per Share	Debt per Share	Debt to Earnings
Ulta Beauty Inc.	ULTA	Consumer Discretionary	1,911,090,000	47,935,024	26.03	39.87	1.53
Target	TGT	Consumer Staples	19,769,000,000	462,632,124	8.94	42.73	4.78
Nordstrom Inc.	JWN	Consumer Discretionary	4,480,000,000	163,260,000	0.82	27.44	33.46

Historical experiments also support the credibility of the new metric. For example, Party City Holdco Inc. went public in 2015, but filed for bankruptcy on January 17, 2023. Is it possible that their DEM was able to flag poor returns or even closure of the company before it happened? Well, when 2018 came to an end, Party City had \$1.94 billion in debt, with a debt per share of \$20 and a debt to earnings of 15.75 ³. However, in exactly nine months, the company's debt jumped to \$2.93 billion, and their EPS dropped 43% ⁴. As of September 30, 2019, their DEM was 36.93. Party City went on to liquidate and struggle for the next three years before closing. If an investor was keeping an eye on Party City, they might have noticed a huge red flag in this rapid DEM increase of 134%. Even before the pandemic naturally interfered with trends and returns, Party City's DEM was almost 3 times larger than the sector (consumer discretionary) average. This case study represents the possible consequences of mishandling company debt. It wasn't until restructuring efforts and debt relief that Party City emerged from bankruptcy. "With our debt substantially reduced and Party City store portfolio optimized," Brad Weston, the company's CEO, claims, "we will emerge better positioned to advance our strategic priorities, continue to innovate and elevate the consumer experience, and pursue new growth opportunities." Again, Party City exemplifies how the D/S and DEM valuations might be viable analytic tools for the retail investor.

Limitations

As with any metric, debt per share and debt to earnings are limited in their utility. First of all, there is not a universal “good” or “bad” DEM. As noted, it is important to observe DEM in the context of the sector, industry, and company habits. Companies might acquire large sums of debt for capital investments, mergers and acquisitions, or research and development. For instance, Amazon’s acquisition of Whole Foods in 2017 for \$13.7 billion was financed partly through debt, allowing Amazon to enter the physical grocery store market and integrate its online and offline retail operation ⁵. Moreover, companies might hang onto debt loads for interest deductibility and because debt capital is cheaper compared to capital via equity. Therefore, a high DEM does not always indicate a struggling balance sheet. By the same reasoning, a low DEM is not an immediate indicator to buy a security, as it fails to consider factors like sale trends and management.

To continue, DEM is incapable of calculation when earnings are negative. Bed Bath and Beyond (BBBY), for example, had a DEM of 9.75 in Q4 2018. This almost mirrors the contemporary sector average of 9.82. However, from 2019 onward, BBBY struggled and eventually filed for bankruptcy in April 2023. This was largely due to the company failing to generate revenue, as BBBY’s EPS was negative in all but one quarter in their last four years ⁶. When EPS is negative, DEM is misvalued and reported as non-applicable. So, investors would be unable to recognize the dangerous relationship between debt and earnings for Bed Bath and Beyond as it gradually began to fail. This methodology of voiding DEM with negative earnings stems from the sister ratio, price to earnings. When EPS is negative, price to earnings is also negative, and a negative P/E is not generally accepted by the financial community.

Debt to Earnings as a Practical Tool for Investors

Peter Lynch is arguably one of the greatest mutual fund managers in history. In the late 1900s, Lynch popularized the PEG ratio ($P/E \div \text{annual EPS growth}$) to solve an imperfection of P/E by factoring in the projected growth rate of future earnings. When Peter Lynch discussed this novel metric in his book “One Up on Wall Street,” it gained significant attention and adoption among the financial community. This represents investors’ wide scale readiness to adopt new styles of stock analysis if increased profitability and insight is offered.

The debt to earnings multiple similarly addresses some shortcomings of contemporary leverage ratios. In my personal research, I hyper-analyzed Macy's DEM over a period of two quarters. In Q1 2024, Macy's had a debt per share of \$22.58 and a debt to earnings multiple of 9.21, which matches the consumer discretionary sector average DEM of 9.82. In Q2 2024, Macy's debt per share slightly dropped to \$21.81, showing that the company had retired some of its debt in the quarter. However, published TTM EPS dropped from \$2.45 in Q1 to just \$0.03 in Q2, which exploded Macy's DEM to 727. This 7,794% increase of debt to earnings is a huge red flag in debt repayment ability for the company. However, Macy's debt to equity (D/E), the most commonly used leverage ratio, is unable to warn investors, as it does not consider current earnings. Moreover, Macy's stock price (as of May 2024) is higher than its average price in Q1. Average retail investors simply have no viable metric to alert about the dire relationship between Macy's outstanding debt and company profit.

A Growing Need for Debt Considerations

National interest rates plummeted after the 2008 financial crisis. Consequently, debt has not been a major consideration for retail investors when analyzing stock. However, there is a real and rising cost of capital as interest reaches relative highs. In fact, the federal funds rate went from .08% in 2022 to 5.25% in 2024. As a result, there are higher costs for new debt, making borrowing risky for many companies. "Utilities require a significant amount of expensive infrastructure and consequently carry large amounts of debt on their balance sheets," says economist and writer Chris B. Murphy. "These debt loads make utilities hypersensitive to changes in the market interest rate" ⁷. But, it is not just utilities who might struggle. Increased interest rates reduce the profitability of any company, limiting their ability to invest in growth opportunities and straining their cash flow.

What's more, current interest rates are skyrocketing refinancing costs. According to Moody's, a national credit rating agency, "higher-for-longer interest rates increase refinancing costs, a credit negative... Companies looking to refinance will continue to face higher funding costs because stubborn inflation is keeping benchmark rates elevated." \$1.26 trillion of corporate debt needs to be refinanced between 2024 and 2028 ⁸. Companies may begin to face difficulty accessing credit markets or securing favorable terms, exacerbating their financial challenges and potentially impacting their

long-term viability. *Investment Executive* cites that default risk is also susceptible to rising among increased refinancing costs, as the share of debt that's held by the lowest-rated companies has increased. So, for the first time in over a generation, the drain on future earnings to pay the interest of past debt is a sincere factor towards company success. Retail investors should logically acknowledge the interest rate environment and consider debt with DEM before buying a stock.

Conclusion

On a per share basis, there are numerous metrics, such as earnings per share, cash per share, cash flow per share and revenue per share. All of which convey assets or cash. Debt per share is needed to represent liabilities at the per share level. Moving forward, it is important that D/S and DEM are publicly shared so that intellectual errors are located. It also will be fruitful to conduct another series of testing so that forward DEM is calculated using predicted EPS metrics. To summarize, the average retail stock investor heavily relies on earnings, assets, and cash flow. Establishing a simple metric to consider the other side of the balance sheet will awaken the retail investor to debt as a factor. Given the interest rate environment, high cost of capital, and a dooming period of refinancing, debt is undoubtedly related to the financial success of a company. While averages vary among sectors, a high DEM should be a red flag, causing potential investors to ask "why does this company have such high debt to earnings?" Perhaps the relationship is acceptable, as seen in many financials. But, perhaps it is a red flag, such as Macy's unusually high DEM. As a lighthouse signals the danger of shore but does not tell the captain how to navigate, DEM warns of debt. Indeed, retail investors being better educated on company indebtedness is for the greater good of the public and investment community.

Resources

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Appendix

Data was collected upon the US Stock Market on May 15, 2024 upon all 503 companies in the S&P 500. Data was retrieved from Koyfin, an interactive software platform with up to date market watch information. Earnings per share and total debt was collected for the trailing twelve months. Data listed below is sorted from highest DEM to lowest, as seen in the far right column.

To access the full spreadsheet, including company names, sector-specific pages, and a summary of the averages for the multiples, click here:

[Microsoft Excel](#)

[Google Sheets](#)

To view periodical updates, click here:

[January 2025](#)

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Debt per Share and Debt to Earnings Multiples Among the S&P 500

Company Ticker	Sector	Total Debt	Shares Outstanding	Earnings per Share	Debt per Share	Debt to Earnings
C	Financials	666,290,000,000	1,907,439,613	3.42	349.31	102.14
BXP	Real Estate	16,155,880,000	157,058,652	1.22	102.87	84.32
GS	Financials	722,595,000,000	339,790,289	25.52	2126.59	83.33
AAL	Industrials	40,060,000,000	656,090,344	0.75	61.06	81.41
IRM	Real Estate	15,534,240,000	293,133,321	0.66	52.99	80.29
CCL	Consumer Discr.	32,025,000,000	1,267,121,360	0.32	25.27	78.98
ARE	Real Estate	12,598,740,000	174,883,138	1.07	72.04	67.33
AES	Utilities	30,478,000,000	710,666,647	0.73	42.89	58.75
GILD	Health Care	25,194,000,000	1,245,853,209	0.39	20.22	51.85
MS	Financials	416,833,000,000	1,625,162,676	5.48	256.49	46.80
NCLH	Consumer Discr.	14,427,050,000	429,040,624	0.8	33.63	42.03
EIX	Utilities	36,653,000,000	384,753,060	2.27	95.26	41.97

KMX	Consumer Discr.	19,530,110,000	157,327,101	3.02	124.14	41.10
F	Consumer Discr.	151,423,000,000	3,992,337,157	0.97	37.93	39.10
MGM	Consumer Discr.	31,732,900,000	313,680,435	2.59	101.16	39.06
DOC	Real Estate	9,062,910,000	703,781,516	0.34	12.88	37.87
KEY	Financials	25,091,000,000	942,860,462	0.78	26.61	34.12
CZR	Consumer Discr.	25,918,000,000	216,415,536	3.53	119.76	33.93
IP	Materials	6,047,000,000	347,332,324	0.53	17.41	32.85
BAC	Financials	727,036,000,000	7,820,370,305	2.89	92.97	32.17
LYV	Comms. Services	8,021,220,000	229,743,774	1.09	34.91	32.03
WRK	Materials	9,682,100,000	258,148,063	1.18	37.51	31.78
STT	Financials	51,861,000,000	301,258,872	5.42	172.15	31.76
WELL	Real Estate	14,605,730,000	597,916,197	0.82	24.43	29.79
VST	Utilities	16,465,000,000	347,460,001	1.63	47.39	29.07
FIS	Financials	11,278,000,000	556,251,447	0.72	20.28	28.16
O	Real Estate	25,982,750,000	870,774,436	1.06	29.84	28.15
DIS	Comms. Services	46,299,000,000	1,823,043,026	0.93	25.40	27.31
SBAC	Real Estate	14,432,540,000	107,443,014	5.1	134.33	26.34
PCG	Utilities	58,568,000,000	2,137,031,358	1.12	27.41	24.47
LUV	Industrials	9,161,000,000	598,456,459	0.64	15.31	23.92
DAY	Industrials	1,239,400,000	157,900,000	0.33	7.85	23.79
AMT	Real Estate	47,841,000,000	466,975,019	4.42	102.45	23.18
BK	Financials	68,942,000,000	747,815,835	3.98	92.19	23.16
FE	Utilities	24,515,000,000	575,516,472	1.89	42.60	22.54
DD	Materials	8,321,000,000	418,104,390	0.9	19.90	22.11
KIM	Real Estate	7,740,650,000	674,116,450	0.52	11.48	22.08
RVTY	Health Care	4,003,640,000	123,392,991	1.47	32.45	22.07
CHTR	Comms. Services	97,965,000,000	144,029,996	30.91	680.17	22.00
D	Utilities	41,850,000,000	838,210,685	2.31	49.93	21.61
PPL	Utilities	16,106,000,000	737,740,859	1.03	21.83	21.20
CNP	Utilities	19,161,000,000	639,724,143	1.43	29.95	20.95
CCI	Real Estate	29,124,000,000	434,523,224	3.2	67.03	20.95
PNW	Utilities	10,504,940,000	113,558,885	4.58	92.51	20.20
MET	Financials	40,485,000,000	711,123,411	2.89	56.93	19.70
FRT	Real Estate	4,571,370,000	82,948,600	2.8	55.11	19.68
EXC	Utilities	45,370,000,000	1,000,025,124	2.32	45.37	19.56
NWS	Comms. Services	3,953,000,000	569,999,717	0.36	6.94	19.26
NWSA	Comms. Services	3,953,000,000	569,999,717	0.36	6.94	19.26
EVRG	Utilities	13,630,600,000	229,929,116	3.08	59.28	19.25

DUK	Utilities	82,355,000,000	771,768,612	5.59	106.71	19.09
WFC	Financials	317,962,000,000	3,486,315,358	4.8	91.20	19.00
NI	Utilities	12,970,900,000	448,305,338	1.54	28.93	18.79
NTRS	Financials	17,197,500,000	204,591,724	4.53	84.06	18.56
EQIX	Real Estate	17,277,000,000	94,905,734	9.97	182.04	18.26
JPM	Financials	840,651,000,000	2,871,667,879	16.57	292.74	17.67
DTE	Utilities	22,093,000,000	206,937,244	6.11	106.76	17.47
AMGN	Health Care	64,020,000,000	536,434,692	7.01	119.34	17.02
LDOS	Industrials	5,174,000,000	135,211,535	2.33	38.27	16.42
PRU	Financials	34,626,000,000	359,075,708	5.89	96.43	16.37
PNC	Financials	76,629,000,000	397,907,180	11.9	192.58	16.18
CMS	Utilities	15,806,000,000	298,617,929	3.28	52.93	16.14
VZ	Comms. Services	180,774,000,000	4,209,254,894	2.67	42.95	16.08
TDC	Industrials	22,541,000,000	55,958,480	25.2	402.82	15.98
DLR	Real Estate	18,498,520,000	322,926,614	3.6	57.28	15.91
USB	Financials	74,720,000,000	1,560,459,913	3.01	47.88	15.91
INVH	Real Estate	8,560,080,000	612,535,649	0.88	13.97	15.88
AEP	Utilities	44,189,900,000	527,121,759	5.37	83.83	15.61
LH	Health Care	6,047,100,000	84,293,628	4.61	71.74	15.56
SO	Utilities	65,464,000,000	1,093,426,111	3.86	59.87	15.51
XEL	Utilities	28,682,000,000	555,639,439	3.33	51.62	15.50
EL	Consumer Staples	9,840,000,000	358,563,940	1.78	27.44	15.42
DVA	Health Care	11,841,480,000	87,702,623	8.8	135.02	15.34
WYNN	Consumer Discr.	12,846,650,000	111,093,203	7.65	115.64	15.12
DOW	Materials	17,814,000,000	703,205,830	1.68	25.33	15.08
MRK	Health Care	34,219,000,000	2,532,806,307	0.9	13.51	15.01
AEE	Utilities	17,184,000,000	266,670,374	4.35	64.44	14.81
GPN	Financials	18,244,220,000	255,249,780	5.04	71.48	14.18
GEN	Info. Technology	8,604,000,000	636,909,965	0.96	13.51	14.07
SCHW	Financials	61,046,000,000	1,828,174,999	2.39	33.39	13.97
ED	Utilities	25,024,000,000	345,834,711	5.2	72.36	13.92
AWK	Utilities	13,204,000,000	194,822,567	4.91	67.77	13.80
LNT	Utilities	9,667,000,000	256,379,032	2.75	37.71	13.71
CARR	Industrials	17,400,000,000	901,012,491	1.43	19.31	13.50
GM	Consumer Discr.	124,623,000,000	1,140,394,855	8.12	109.28	13.46
TMUS	Comms. Services	116,216,000,000	1,175,119,211	7.35	98.90	13.46
GLW	Info. Technology	8,291,000,000	856,619,222	0.72	9.68	13.44
TRMB	Info. Technology	3,145,700,000	244,207,611	0.96	12.88	13.42
RTX	Industrials	44,254,000,000	1,327,344,766	2.49	33.34	13.39

ETR	Utilities	28,400,010,000	213,536,936	9.96	133.00	13.35
BDX	Health Care	18,011,000,000	289,006,461	4.68	62.32	13.32
KMI	Energy	32,146,000,000	2,219,384,484	1.09	14.48	13.29
UDR	Real Estate	5,947,290,000	329,306,648	1.37	18.06	13.18
UAL	Industrials	34,844,000,000	328,803,431	8.1	105.97	13.08
NSC	Industrials	18,117,000,000	225,914,028	6.21	80.19	12.91
WEC	Utilities	18,590,500,000	315,822,587	4.58	58.86	12.85
INTC	Info Technology	52,450,000,000	4,256,872,276	0.96	12.32	12.83
CLX	Consumer Staples	3,020,000,000	124,188,188	1.93	24.32	12.60
ESS	Real Estate	6,617,090,000	64,209,059	8.18	103.06	12.60
ABBV	Health Care	74,359,000,000	1,765,867,781	3.36	42.11	12.53
EXR	Real Estate	11,391,390,000	211,725,246	4.33	53.80	12.43
REG	Real Estate	4,662,420,000	184,326,402	2.05	25.29	12.34
CFG	Financials	15,518,000,000	455,019,971	2.77	34.10	12.31
PEG	Utilities	21,957,000,000	498,080,467	3.61	44.08	12.21
TRGP	Energy	13,132,600,000	221,716,505	4.87	59.23	12.16
CMA	Financials	8,009,000,000	132,587,251	5.04	60.41	11.99
AMCR	Materials	7,758,000,000	1,444,343,212	0.45	5.37	11.94
LHX	Industrials	13,708,000,000	189,680,354	6.16	72.27	11.73
CVS	Health Care	81,792,000,000	1,255,372,972	5.71	65.15	11.41
T	Comms. Services	152,076,000,000	7,170,165,104	1.87	21.21	11.34
SRE	Utilities	32,263,000,000	632,845,743	4.52	50.98	11.28
ALB	Materials	3,667,870,000	117,527,473	2.77	31.21	11.27
COF	Financials	54,355,000,000	382,102,457	12.77	142.25	11.14
DG	Consumer Staples	18,090,770,000	219,671,316	7.55	82.35	10.91
CAH	Health Care	5,854,000,000	243,566,952	2.22	24.03	10.83
RCL	Consumer Discr.	21,185,000,000	257,349,196	7.64	82.32	10.77
TPR	Consumer Discr.	9,269,800,000	229,773,250	3.77	40.34	10.70
NEE	Utilities	79,937,000,000	2,054,532,552	3.66	38.91	10.63
COO	Health Care	3,053,700,000	198,756,284	1.46	15.36	10.52
FITB	Financials	22,376,000,000	684,044,683	3.14	32.71	10.42
IQV	Health Care	13,894,000,000	182,200,000	7.33	76.26	10.40
SPG	Real Estate	26,045,020,000	325,943,826	7.84	79.91	10.19
EFX	Industrials	5,625,300,000	123,611,310	4.49	45.51	10.14
HBAN	Financials	15,907,000,000	1,449,254,147	1.11	10.98	9.89
NDAQ	Financials	10,464,000,000	576,532,636	1.86	18.15	9.76
DPZ	Consumer Discr.	5,203,310,000	34,832,009	15.32	149.38	9.75
BALL	Materials	6,156,000,000	310,377,752	2.08	19.83	9.54

PLD	Real Estate	30,172,300,000	925,844,000	3.42	32.59	9.53
HLT	Consumer Discr.	10,948,000,000	250,046,052	4.61	43.78	9.50
CI	Health Care	32,768,000,000	284,074,001	12.31	115.35	9.37
ETSY	Consumer Discr.	2,389,040,000	116,932,568	2.19	20.43	9.33
DFS	Financials	20,475,000,000	250,599,037	8.77	81.70	9.32
CAG	Consumer Staples	8,677,300,000	478,062,749	1.99	18.15	9.12
LVS	Consumer Discr.	13,957,000,000	745,029,984	2.06	18.73	9.09
KR	Consumer Staples	19,366,000,000	721,687,844	2.96	26.83	9.07
WMB	Energy	26,887,000,000	1,218,754,019	2.44	22.06	9.04
ICE	Financials	22,309,000,000	573,584,580	4.35	38.89	8.94
EXPE	Consumer Discr.	6,557,000,000	132,470,576	5.54	49.50	8.93
ZBRA	Info. Technology	2,312,000,000	51,419,403	5.05	44.96	8.90
FDX	Industrials	37,514,000,000	246,080,750	17.37	152.45	8.78
UBER	Industrials	11,314,000,000	2,089,520,408	0.62	5.41	8.73
OKE	Energy	22,001,000,000	583,646,909	4.33	37.70	8.71
NOC	Industrials	18,154,000,000	147,989,969	14.29	122.67	8.58
AVB	Real Estate	8,134,200,000	141,993,292	6.72	57.29	8.52
EQT	Energy	5,504,740,000	441,592,000	1.47	12.47	8.48
ORCL	Info. Technology	87,980,000,000	2,748,514,000	3.78	32.01	8.47
MAA	Real Estate	4,651,400,000	116,826,006	4.77	39.81	8.35
K	Consumer Staples	6,676,000,000	341,883,645	2.36	19.53	8.27
EQR	Real Estate	7,520,150,000	378,971,999	2.41	19.84	8.23
CPT	Real Estate	3,558,870,000	106,535,189	4.08	33.41	8.19
JNPR	Info. Technology	1,821,400,000	324,987,897	0.69	5.60	8.12
HCA	Health Care	42,103,000,000	261,914,100	20.02	160.75	8.03
HSIC	Health Care	2,718,000,000	128,050,943	2.66	21.23	7.98
KDP	Consumer Staples	16,750,000,000	1,355,574,275	1.55	12.36	7.97
AJG	Financials	8,620,100,000	218,516,000	4.95	39.45	7.97
FI	Financials	24,539,000,000	585,101,873	5.34	41.94	7.85
IBM	Info. Technology	62,871,000,000	918,602,666	8.81	68.44	7.77
PTC	Info. Technology	2,189,530,000	119,744,260	2.39	18.29	7.65
YUM	Consumer Discr.	11,936,000,000	281,632,212	5.64	42.38	7.51
AKAM	Info. Technology	4,572,960,000	152,316,548	4.01	30.02	7.49
ATO	Utilities	7,535,710,000	150,877,056	6.7	49.95	7.45
NRG	Utilities	10,888,000,000	208,475,647	7.04	52.23	7.42
GNRC	Industrials	1,627,880,000	60,614,444	3.63	26.86	7.40
KHC	Consumer Staples	20,545,000,000	1,214,298,182	2.29	16.92	7.39
STZ	Consumer Staples	12,557,600,000	182,952,680	9.39	68.64	7.31

RSG	Industrials	13,070,800,000	314,932,459	5.7	41.50	7.28
JCI	Industrials	12,079,000,000	673,675,568	2.48	17.93	7.23
CPAY	Financials	6,790,350,000	70,268,506	13.44	96.63	7.19
HST	Real Estate	5,074,000,000	705,044,134	1.02	7.20	7.06
CRL	Health Care	3,081,140,000	51,511,687	8.5	59.81	7.04
CHRW	Industrials	2,085,880,000	117,094,728	2.54	17.81	7.01
MTB	Financials	17,317,000,000	166,854,421	14.8	103.79	7.01
HUM	Health Care	13,545,000,000	120,500,635	16.13	112.41	6.97
CE	Materials	13,839,000,000	109,219,856	18.23	126.71	6.95
HPE	Info. Technology	12,901,000,000	1,299,828,732	1.45	9.93	6.84
LKQ	Consumer Discr.	5,613,000,000	266,775,849	3.09	21.04	6.81
CTVA	Materials	4,640,000,000	696,976,000	0.98	6.66	6.79
L	Financials	10,103,000,000	221,406,259	6.72	45.63	6.79
OXY	Energy	20,836,000,000	886,636,750	3.47	23.50	6.77
UHS	Health Care	5,307,200,000	66,929,208	11.76	79.30	6.74
DRI	Consumer Discr.	6,855,700,000	119,358,947	8.54	57.44	6.73
VICI	Real Estate	17,614,290,000	1,043,181,591	2.52	16.89	6.70
DE	Industrials	64,150,000,000	278,358,210	34.45	230.46	6.69
CNC	Health Care	18,000,000,000	533,656,000	5.05	33.73	6.68
CBRE	Real Estate	6,380,000,000	301,603,844	3.2	21.15	6.61
WM	Industrials	16,098,000,000	401,083,098	6.11	40.14	6.57
WTW	Financials	6,650,000,000	102,235,963	9.92	65.05	6.56
CMCSA	Comms. Services	96,573,000,000	3,923,626,048	3.77	24.61	6.53
ALL	Financials	7,940,000,000	263,915,332	4.63	30.09	6.50
DGX	Health Care	5,352,000,000	111,091,574	7.43	48.18	6.48
MKC	Consumer Staples	4,508,900,000	266,019,489	2.62	16.95	6.47
BBWI	Consumer Discr.	5,573,000,000	224,896,515	3.84	24.78	6.45
SOLV	Health Care	8,303,000,000	172,709,505	7.46	48.07	6.44
TFX	Health Care	1,895,430,000	47,102,562	6.26	40.24	6.43
SYU	Consumer Staples	13,120,420,000	497,982,485	4.1	26.35	6.43
WY	Real Estate	5,092,000,000	729,017,000	1.1	6.98	6.35
PM	Consumer Staples	50,458,000,000	1,554,556,966	5.12	32.46	6.34
CPB	Consumer Staples	4,818,000,000	298,102,601	2.55	16.16	6.34
ZBH	Health Care	6,010,700,000	205,728,398	4.62	29.22	6.32
MTCH	Comms. Services	3,843,900,000	265,668,115	2.29	14.47	6.32
MOS	Materials	4,781,900,000	321,392,799	2.36	14.88	6.30
BSX	Health Care	11,001,000,000	1,470,179,843	1.19	7.48	6.29
AON	Financials	17,317,000,000	217,430,759	12.72	79.64	6.26

AVGO	Info. Technology	75,901,000,000	463,421,237	26.53	163.78	6.17
GEHC	Health Care	9,668,000,000	456,465,369	3.44	21.18	6.16
SBUX	Consumer Discr.	25,209,400,000	1,132,700,000	3.63	22.26	6.13
LYB	Materials	12,799,000,000	325,622,260	6.48	39.31	6.07
TAP	Consumer Staples	6,436,600,000	211,872,217	5.01	30.38	6.06
PODD	Health Care	1,401,500,000	70,039,511	3.31	20.01	6.05
MDT	Health Care	25,182,000,000	1,327,822,539	3.15	18.96	6.02
MCD	Consumer Discr.	50,945,000,000	720,681,656	11.77	70.69	6.01
TMO	Health Care	35,664,000,000	381,716,323	15.59	93.43	5.99
BIIB	Health Care	6,946,600,000	145,596,895	8	47.71	5.96
EMR	Industrials	11,435,000,000	572,000,000	3.36	19.99	5.95
AVY	Materials	3,240,400,000	80,553,349	6.84	40.23	5.88
BWA	Consumer Discr.	3,883,000,000	227,837,662	2.9	17.04	5.88
APD	Materials	14,339,000,000	222,305,907	11.06	64.50	5.83
KVUE	Consumer Staples	8,697,000,000	1,914,810,796	0.78	4.54	5.82
AXP	Financials	50,747,000,000	719,303,053	12.14	70.55	5.81
SYF	Financials	16,133,000,000	401,543,685	6.94	40.18	5.79
BX	Financials	12,435,800,000	759,176,426	2.84	16.38	5.77
HOLX	Health Care	2,568,500,000	233,376,948	1.91	11.01	5.76
FCX	Materials	9,425,000,000	1,436,489,977	1.14	6.56	5.76
CDW	Info. Technology	6,184,600,000	134,397,680	8.01	46.02	5.74
EMN	Materials	5,209,000,000	117,598,701	7.77	44.29	5.70
STE	Health Care	3,120,160,000	98,814,035	5.55	31.58	5.69
J	Industrials	3,653,500,000	125,212,831	5.2	29.18	5.61
FOX	Comms. Services	8,139,000,000	466,731,157	3.18	17.44	5.48
FOXA	Comms. Services	8,139,000,000	466,731,157	3.18	17.44	5.48
DAL	Industrials	27,409,000,000	645,313,244	7.78	42.47	5.46
URI	Industrials	13,371,000,000	66,589,926	36.91	200.80	5.44
BR	Industrials	3,726,200,000	118,180,477	5.86	31.53	5.38
GE	Industrials	22,433,000,000	1,094,606,676	3.81	20.49	5.38
CSX	Industrials	19,133,000,000	1,954,927,162	1.83	9.79	5.35
SHW	Materials	12,684,000,000	253,646,725	9.39	50.01	5.33
LOW	Consumer Discr.	40,221,000,000	572,192,281	13.2	70.29	5.33
PWR	Industrials	4,006,460,000	146,388,455	5.15	27.37	5.31
ROP	Info. Technology	7,722,000,000	107,044,532	13.62	72.14	5.30
ECL	Materials	8,104,000,000	285,569,775	5.4	28.38	5.26
UNP	Industrials	33,266,000,000	610,122,122	10.47	54.52	5.21
OTIS	Industrials	7,165,000,000	404,322,811	3.46	17.72	5.12
GIS	Consumer Staples	12,514,000,000	564,548,763	4.36	22.17	5.08

PPG	Materials	7,063,000,000	235,361,146	5.93	30.01	5.06
MSI	Info. Technology	6,876,000,000	166,787,080	8.17	41.23	5.05
PEP	Consumer Staples	45,868,000,000	1,374,785,980	6.64	33.36	5.02
ENPH	Info. Technology	1,319,800,000	136,062,737	1.97	9.70	4.92
RL	Consumer Discr.	2,756,100,000	63,925,556	8.76	43.11	4.92
AIG	Financials	21,935,000,000	663,668,009	6.73	33.05	4.91
OMC	Comms. Services	7,089,700,000	195,833,671	7.4	36.20	4.89
MAR	Consumer Discr.	13,509,000,000	285,622,357	9.7	47.30	4.88
AZO	Consumer Discr.	12,026,300,000	17,302,899	142.66	695.05	4.87
UNH	Health Care	73,637,000,000	920,385,075	16.47	80.01	4.86
HES	Energy	9,643,000,000	307,090,879	6.52	31.40	4.82
TGT	Consumer Staples	19,769,000,000	462,632,124	8.94	42.73	4.78
DHR	Health Care	19,263,000,000	740,686,541	5.45	26.01	4.77
WAB	Industrials	4,291,000,000	176,384,942	5.13	24.33	4.74
HON	Industrials	26,354,000,000	651,185,513	8.63	40.47	4.69
PSA	Real Estate	9,067,890,000	175,724,665	11.01	51.60	4.69
MDLZ	Consumer Staples	19,568,000,000	1,341,359,018	3.14	14.59	4.65
TSCO	Consumer Discr.	5,084,420,000	107,810,395	10.29	47.16	4.58
HWM	Industrials	3,839,000,000	408,183,459	2.07	9.41	4.54
MCO	Financials	7,530,000,000	182,609,362	9.16	41.24	4.50
BRO	Financials	4,107,000,000	285,249,262	3.24	14.40	4.44
FTV	Industrials	3,941,700,000	352,028,662	2.52	11.20	4.44
PKG	Materials	3,162,700,000	89,143,527	8	35.48	4.43
SPGI	Financials	12,332,000,000	312,900,000	8.9	39.41	4.43
BEN	Financials	4,024,200,000	526,091,302	1.73	7.65	4.42
FICO	Info. Technology	2,078,800,000	24,710,938	19.06	84.12	4.41
TXT	Industrials	3,908,000,000	190,698,993	4.69	20.49	4.37
RF	Financials	7,423,000,000	915,827,099	1.86	8.11	4.36
KMB	Consumer Staples	7,996,000,000	336,709,077	5.45	23.75	4.36
IPG	Comms. Services	4,619,800,000	377,423,506	2.82	12.24	4.34
AMZN	Consumer Discr.	160,560,000,000	10,406,627,415	3.56	15.43	4.33
LLY	Health Care	26,346,500,000	900,405,386	6.79	29.26	4.31
ELV	Health Care	26,451,000,000	232,417,867	26.45	113.81	4.30
VMC	Materials	3,913,000,000	132,252,263	6.92	29.59	4.28
DXCM	Health Care	2,590,100,000	397,683,837	1.54	6.51	4.23
CEG	Utilities	9,983,000,000	315,234,850	7.5	31.67	4.22
HRL	Consumer Staples	3,311,210,000	547,687,578	1.45	6.05	4.17
PH	Industrials	11,370,970,000	128,540,990	21.28	88.46	4.16

UPS	Industrials	24,397,000,000	855,558,947	6.91	28.52	4.13
WMT	Consumer Staples	63,277,000,000	8,059,794,418	1.91	7.85	4.11
KO	Consumer Staples	43,767,000,000	4,307,955,307	2.49	10.16	4.08
ALLE	Industrials	2,164,700,000	87,440,696	6.13	24.76	4.04
MSCI	Financials	4,666,480,000	79,224,201	14.65	58.90	4.02
SYK	Health Care	13,400,000,000	380,949,778	8.76	35.18	4.02
MRO	Energy	5,428,000,000	564,035,502	2.41	9.62	3.99
CMI	Industrials	7,420,000,000	136,779,875	13.59	54.25	3.99
ADM	Consumer Staples	11,288,000,000	494,437,789	5.72	22.83	3.99
MPC	Energy	28,531,000,000	352,330,482	20.31	80.98	3.99
VRSK	Industrials	3,100,500,000	142,675,237	5.47	21.73	3.97
MMC	Financials	15,379,000,000	492,724,025	7.88	31.21	3.96
GPC	Consumer Discr.	4,945,130,000	139,298,651	8.97	35.50	3.96
BKNG	Consumer Discr.	17,456,000,000	33,927,537	134.39	514.51	3.83
HII	Industrials	2,655,000,000	39,433,340	17.71	67.33	3.80
IT	Info. Technology	2,948,060,000	77,630,468	10.06	37.98	3.77
CSGP	Real Estate	1,105,300,000	408,342,326	0.73	2.71	3.71
TDY	Info. Technology	3,246,300,000	47,422,490	18.48	68.45	3.70
FMC	Materials	4,484,700,000	124,817,570	9.74	35.93	3.69
NXPI	Info. Technology	10,178,000,000	255,683,781	10.82	39.81	3.68
COR	Health Care	6,671,280,000	199,451,791	9.13	33.45	3.66
PSX	Energy	20,154,000,000	423,952,135	13.05	47.54	3.64
MAS	Industrials	3,249,000,000	220,244,380	4.09	14.75	3.61
NDSN	Industrials	1,755,940,000	57,192,245	8.55	30.70	3.59
BFB	Consumer Staples	3,406,000,000	472,524,234	2.01	7.21	3.59
LW	Consumer Staples	3,880,800,000	144,391,021	7.5	26.88	3.58
WAT	Health Care	2,144,080,000	59,319,699	10.18	36.14	3.55
HD	Consumer Discr.	53,101,000,000	991,030,548	15.11	53.58	3.55
FDS	Financials	1,704,210,000	38,115,834	12.63	44.71	3.54
PNR	Industrials	2,206,400,000	166,024,623	3.77	13.29	3.53
ROK	Industrials	4,092,600,000	114,003,176	10.22	35.90	3.51
CAT	Industrials	37,853,000,000	489,052,829	22.14	77.40	3.50
VLTO	Industrials	2,784,000,000	246,846,767	3.23	11.28	3.49
PFG	Financials	4,350,600,000	234,383,541	5.32	18.56	3.49
IR	Industrials	2,800,500,000	403,431,881	2.01	6.94	3.45
XYL	Industrials	2,374,000,000	242,447,263	2.84	9.79	3.45
TYL	Info. Technology	645,420,000	42,455,267	4.41	15.20	3.45
HAL	Energy	8,787,000,000	885,301,252	2.88	9.93	3.45
BG	Consumer Staples	5,967,000,000	141,595,107	12.44	42.14	3.39

CL	Consumer Staples	8,689,000,000	820,441,114	3.15	10.59	3.36
BKR	Energy	6,006,000,000	997,997,634	1.79	6.02	3.36
CRM	Info. Technology	13,562,000,000	970,000,000	4.2	13.98	3.33
GD	Industrials	11,063,000,000	273,923,009	12.26	40.39	3.29
LIN	Materials	20,319,000,000	480,716,321	12.88	42.27	3.28
HPQ	Info. Technology	10,934,000,000	978,481,281	3.41	11.17	3.28
ORLY	Consumer Discr.	7,588,080,000	58,894,096	39.44	128.84	3.27
BBY	Consumer Discr.	3,982,000,000	216,352,418	5.68	18.41	3.24
CMG	Consumer Discr.	4,157,500,000	27,467,305	46.85	151.36	3.23
EBAY	Consumer Discr.	8,208,000,000	506,443,550	5.02	16.21	3.23
MCHP	Info. Technology	5,999,800,000	540,387,949	3.48	11.10	3.19
HUBB	Industrials	2,263,600,000	53,685,997	13.41	42.16	3.14
CHD	Consumer Staples	2,417,200,000	244,522,956	3.16	9.89	3.13
ROST	Consumer Discr.	5,747,700,000	335,307,087	5.56	17.14	3.08
MO	Consumer Staples	25,042,000,000	1,717,626,424	4.78	14.58	3.05
RJF	Financials	5,186,000,000	207,276,768	8.27	25.02	3.03
BLDR	Industrials	4,246,140,000	122,057,169	11.7	34.79	2.97
LMT	Industrials	19,418,000,000	239,938,144	27.35	80.93	2.96
NTAP	Info. Technology	2,656,000,000	206,376,661	4.38	12.87	2.94
ADSK	Info. Technology	2,626,000,000	213,915,325	4.19	12.28	2.93
CF	Materials	3,217,000,000	182,782,174	6.04	17.60	2.91
ETN	Industrials	9,789,000,000	399,800,000	8.47	24.48	2.89
ZTS	Health Care	6,800,000,000	456,295,137	5.19	14.90	2.87
TJX	Consumer Discr.	12,542,000,000	1,132,502,522	3.86	11.07	2.87
SLB	Energy	12,279,000,000	1,429,337,724	3	8.59	2.86
AIZ	Financials	2,081,200,000	51,985,804	14.28	40.03	2.80
PCAR	Industrials	14,121,700,000	524,145,446	9.63	26.94	2.80
PYPL	Financials	11,642,000,000	1,046,046,041	3.98	11.13	2.80
HSY	Consumer Staples	5,696,730,000	202,229,200	10.1	28.17	2.79
AXON	Industrials	720,040,000	75,467,220	3.44	9.54	2.77
DOV	Industrials	3,942,460,000	137,430,160	10.4	28.69	2.76
ITW	Industrials	8,325,000,000	298,400,000	10.14	27.90	2.75
MTD	Health Care	2,086,750,000	21,357,370	35.69	97.71	2.74
JBHT	Industrials	1,756,910,000	103,196,573	6.3	17.02	2.70
AMD	Info. Technology	2,998,000,000	1,616,313,871	0.69	1.85	2.69
NFLX	Comms. Services	16,511,610,000	430,901,161	14.41	38.32	2.66
KLAC	Info. Technology	6,823,690,000	134,639,951	19.08	50.68	2.66
ABT	Health Care	14,705,000,000	1,739,633,759	3.21	8.45	2.63

POOL	Consumer Discr.	1,294,070,000	38,329,420	12.83	33.76	2.63
TRV	Financials	8,032,000,000	228,993,392	13.45	35.08	2.61
MCK	Health Care	7,425,000,000	129,985,514	22.39	57.12	2.55
ADI	Info. Technology	7,027,510,000	495,908,150	5.6	14.17	2.53
TECH	Health Care	494,730,000	157,584,637	1.25	3.14	2.51
GL	Financials	2,363,520,000	92,269,711	10.46	25.62	2.45
TXN	Info. Technology	14,189,000,000	910,482,146	6.42	15.58	2.43
AME	Industrials	3,167,050,000	231,469,581	5.69	13.68	2.40
INTU	Info. Technology	6,504,000,000	279,979,000	9.78	23.23	2.38
JBL	Info. Technology	3,252,000,000	120,597,316	11.42	26.97	2.36
NKE	Consumer Discr.	12,105,000,000	1,509,358,807	3.4	8.02	2.36
CTRA	Energy	2,988,000,000	744,232,925	1.71	4.01	2.35
APTV	Consumer Discr.	6,770,000,000	272,062,381	10.6	24.88	2.35
CB	Financials	21,370,000,000	406,061,045	22.51	52.63	2.34
IEX	Industrials	1,345,300,000	75,695,352	7.61	17.77	2.34
AFL	Financials	11,761,000,000	568,222,447	9.06	20.70	2.28
TT	Industrials	4,880,800,000	226,352,436	9.47	21.56	2.28
MLM	Materials	4,743,000,000	61,640,190	34.03	76.95	2.26
A	Health Care	2,719,000,000	293,055,284	4.18	9.28	2.22
VRSN	Info. Technology	1,795,700,000	99,600,000	8.13	18.03	2.22
PG	Consumer Staples	31,982,000,000	2,360,135,282	6.12	13.55	2.21
MOH	Health Care	2,382,000,000	58,600,000	18.42	40.65	2.21
APH	Info. Technology	4,309,400,000	600,603,947	3.27	7.18	2.19
KEYS	Info. Technology	2,058,000,000	174,555,842	5.45	11.79	2.16
FANG	Energy	6,824,000,000	178,343,733	17.74	38.26	2.16
WRB	Financials	3,070,380,000	255,662,277	5.63	12.01	2.13
JNJ	Health Care	33,632,000,000	2,406,679,183	6.78	13.97	2.06
CBOE	Financials	1,604,900,000	105,154,144	7.46	15.26	2.05
ANSS	Info. Technology	871,790,000	87,299,981	4.98	9.99	2.01
BLK	Financials	11,632,000,000	148,599,981	39.36	78.28	1.99
ROL	Industrials	854,920,000	484,230,396	0.9	1.77	1.96
DVN	Energy	6,486,000,000	632,639,718	5.25	10.25	1.95
QCOM	Info. Technology	15,457,000,000	1,116,000,000	7.5	13.85	1.85
CTAS	Industrials	2,665,400,000	101,463,249	14.49	26.27	1.81
COP	Energy	18,417,000,000	1,169,533,976	8.83	15.75	1.78
SMCI	Info. Technology	1,863,470,000	58,556,527	18	31.82	1.77
ON	Info. Technology	3,594,200,000	430,231,889	4.91	8.35	1.70
BRKB	Financials	122,754,000,000	1,437,232	50823.99	85410.01	1.68

HIG	Financials	4,360,000,000	295,755,372	8.78	14.74	1.68
NUE	Materials	6,851,450,000	239,761,770	17.02	28.58	1.68
VLO	Energy	10,897,000,000	326,996,383	20.32	33.32	1.64
APA	Energy	5,299,000,000	371,192,344	8.96	14.28	1.59
GWW	Industrials	2,728,000,000	49,068,805	36.23	55.60	1.53
ULTA	Consumer Discr.	1,911,090,000	47,935,024	26.03	39.87	1.53
EA	Comms. Services	1,882,000,000	267,350,461	4.68	7.04	1.50
SWKS	Info. Technology	1,209,800,000	160,446,602	5.31	7.54	1.42
LRCX	Info. Technology	4,983,450,000	130,741,000	27.18	38.12	1.40
COST	Consumer Staples	9,433,000,000	443,504,036	15.28	21.27	1.39
AMP	Financials	3,946,000,000	99,324,923	29.39	39.73	1.35
MA	Financials	15,629,000,000	929,615,400	12.59	16.81	1.34
STLD	Materials	3,037,940,000	157,133,196	14.61	19.33	1.32
SNA	Industrials	1,280,700,000	52,718,549	19.07	24.29	1.27
TEL	Info. Technology	4,233,000,000	306,228,494	10.95	13.82	1.26
XOM	Energy	40,440,000,000	3,943,006,866	8.15	10.26	1.26
IDXX	Health Care	1,068,940,000	82,587,328	10.32	12.94	1.25
MSFT	Info. Technology	106,229,000,000	7,432,305,794	11.54	14.29	1.24
DHI	Consumer Discr.	5,985,800,000	329,312,248	14.7	18.18	1.24
CME	Financials	3,872,300,000	360,065,371	8.78	10.75	1.22
RMD	Health Care	1,167,440,000	146,907,207	6.5	7.95	1.22
PGR	Financials	6,889,700,000	585,698,387	9.77	11.76	1.20
NOW	Info. Technology	2,273,000,000	205,382,000	9.34	11.07	1.18
EG	Financials	3,386,000,000	43,458,245	67.28	77.91	1.16
V	Financials	20,603,000,000	2,000,997,168	8.94	10.30	1.15
LEN	Consumer Discr.	4,507,290,000	278,343,573	14.28	16.19	1.13
CVX	Energy	21,835,000,000	1,842,966,118	10.86	11.85	1.09
AAPL	Info. Technology	104,590,000,000	15,334,082,000	6.42	6.82	1.06
PANW	Info. Technology	2,184,500,000	322,700,000	6.47	6.77	1.05
PHM	Consumer Discr.	2,593,850,000	210,342,113	12.5	12.33	0.99
CSCO	Info. Technology	12,656,000,000	4,049,187,080	3.29	3.13	0.95
ADP	Industrials	3,395,100,000	409,291,332	8.95	8.30	0.93
FTNT	Info. Technology	1,082,600,000	763,938,008	1.54	1.42	0.92
LULU	Consumer Discr.	1,403,280,000	125,912,644	12.2	11.14	0.91
ADBE	Info. Technology	4,086,000,000	448,000,000	10.48	9.12	0.87
META	Comms. Services	37,633,000,000	2,536,534,191	17.35	14.84	0.86
AMAT	Info. Technology	5,989,000,000	830,897,356	8.5	7.21	0.85
EXPD	Industrials	564,930,000	141,252,246	4.72	4.00	0.85

JKHY	Financials	309,330,000	72,900,026	5.19	4.24	0.82
TSLA	Consumer Discr.	9,911,000,000	3,189,196,167	3.91	3.11	0.79
REGN	Health Care	2,703,300,000	107,885,503	33.85	25.06	0.74
RHI	Industrials	240,990,000	103,175,609	3.35	2.34	0.70
NVR	Consumer Discr.	1,024,990,000	3,133,092	479.95	327.15	0.68
FSLR	Info. Technology	681,520,000	107,041,420	9.54	6.37	0.67
CDNS	Info. Technology	649,310,000	272,134,000	3.84	2.39	0.62
CTSH	Info. Technology	1,277,000,000	497,198,868	4.17	2.57	0.62
ACGL	Financials	2,727,000,000	373,969,632	12.66	7.29	0.58
EOG	Energy	4,109,000,000	574,710,614	12.65	7.15	0.57
WST	Health Care	306,600,000	72,843,157	7.58	4.21	0.56
FFIV	Info. Technology	266,850,000	58,611,430	8.34	4.55	0.55
PAYX	Industrials	868,800,000	359,963,341	4.59	2.41	0.53
EW	Health Care	699,200,000	602,600,000	2.32	1.16	0.50
SNPS	Info. Technology	669,960,000	152,543,690	9.06	4.39	0.48
ABNB	Consumer Discr.	2,290,000,000	634,843,815	7.51	3.61	0.48
ACN	Info. Technology	3,158,580,000	628,728,944	11.03	5.02	0.46
FAST	Industrials	483,400,000	572,547,449	2.02	0.84	0.42
EPAM	Info. Technology	172,360,000	57,974,371	7.3	2.97	0.41
DECK	Consumer Discr.	273,990,000	25,668,220	27.6	10.67	0.39
NVDA	Info. Technology	11,056,000,000	2,461,200,000	11.93	4.49	0.38
CINF	Financials	873,000,000	156,689,024	15.02	5.57	0.37
GOOG	Comms. Services	28,376,000,000	12,357,994,411	6.52	2.30	0.35
GOOGL	Comms. Services	28,376,000,000	12,357,994,411	6.52	2.30	0.35
MKTX	Financials	78,240,000	37,896,895	6.81	2.06	0.30
ALGN	Health Care	126,420,000	75,281,687	6.06	1.68	0.28
AOS	Industrials	146,100,000	146,670,117	3.85	1.00	0.26
TROW	Financials	380,200,000	223,299,903	8.42	1.70	0.20
TER	Info. Technology	82,950,000	156,111,885	2.64	0.53	0.20
GRMN	Consumer Discr.	261,560,000	192,077,718	7.09	1.36	0.19
VRTX	Health Care	721,300,000	258,053,387	15.41	2.80	0.18
CPRT	Industrials	115,550,000	961,461,830	1.4	0.12	0.09
ODFL	Industrials	79,980,000	217,285,082	5.68	0.37	0.06
INCY	Health Care	37,400,000	224,540,751	3.3	0.17	0.05
MNST	Consumer Staples	61,910,000	1,041,728,228	1.58	0.06	0.04
MPWR	Info. Technology	8,550,000	48,672,000	8.39	0.18	0.02
ISRG	Health Care	0	354,705,822	5.54	0.00	0.00
PAYC	Industrials	0	56,558,697	8.13	0.00	0.00

ANET	Info. Technology	0	313,363,097	7.19	0.00	0.00
WBD	Comms. Services	42,585,000,000	2,450,313,398	-1.24	17.38	-
PARA	Comms. Services	15,807,000,000	666,478,682	-1.14	23.72	-
TTWO	Comms. Services	3,526,100,000	170,586,411	-8.57	20.67	-
HAS	Consumer Discr.	3,496,000,000	139,215,964	-10.14	25.11	-
MHK	Consumer Discr.	3,057,100,000	63,863,085	-6.51	47.87	-
WBA	Consumer Staples	34,627,000,000	862,713,366	-7	40.14	-
TSN	Consumer Staples	10,960,000,000	356,024,886	-1.77	30.78	-
DLTR	Consumer Staples	10,386,900,000	218,219,749	-4.55	47.60	-
SJM	Consumer Staples	8,740,200,000	106,175,550	-0.98	82.32	-
TFC	Financials	69,745,000,000	1,338,096,145	-1.31	52.12	-
IVZ	Financials	1,257,500,000	449,831,075	-0.75	2.80	-
PFE	Health Care	69,902,000,000	5,666,592,898	-0.05	12.34	-
BYM	Health Care	57,457,000,000	2,027,100,096	-3	28.34	-
VTRS	Health Care	18,210,200,000	1,190,675,819	-0.05	15.29	-
BAX	Health Care	14,170,000,000	509,580,190	-0.08	27.81	-
CTLT	Health Care	4,990,000,000	180,979,849	-6.47	27.57	-
ILMN	Health Care	2,276,000,000	159,255,385	-8.15	14.29	-
BIO	Health Care	1,399,720,000	28,524,797	-11.15	49.07	-
MRNA	Health Care	1,237,000,000	383,239,726	-15.66	3.23	-
BA	Industrials	47,940,000,000	613,884,224	-3.54	78.09	-
MMM	Industrials	22,256,000,000	553,361,257	-12.7	40.22	-
SWK	Industrials	8,337,400,000	153,878,739	-0.5	54.18	-
GEV	Industrials	1,021,000,000	274,085,523	-0.92	3.73	-
MU	Info. Technology	14,380,000,000	1,107,368,110	-3.43	12.99	-
WDC	Info. Technology	8,197,000,000	326,524,668	-5.05	25.10	-
STX	Info. Technology	5,671,000,000	209,988,542	-1.3	27.01	-
QRVO	Info. Technology	1,988,010,000	96,548,458	-0.72	20.59	-
IFF	Materials	11,040,000,000	255,350,544	-9.79	43.23	-
NEM	Materials	9,468,000,000	1,153,163,321	-2.89	8.21	-
VTR	Real Estate	13,757,390,000	404,773,758	-0.18	33.99	-
ES	Utilities	28,286,940,000	352,255,238	-1.18	80.30	-

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Debt per Share (D/S) & Debt to Earnings (DEM)

January 2025 Update

Updated valuations for the S&P500: [Microsoft Excel](#) / [Google Sheets](#)

Since the release of D/S and DEM in July 2024, several companies have been added to and removed from the S&P 500 index. Additions include Palantir Technologies (PLTR), Dell Technologies (DELL), Erie Indemnity (ERIE), Texas Pacific Land Corporation (TPL), Apollo Global Management (APO), and Workday, Inc. (WDAY). Companies removed include American Airlines Group (AAL), Etsy (ETSY), Bio-Rad Laboratories (BIO), Marathon Oil (MRO), Qorvo (QRVO), and Amentum Holdings (AMTM).

In the past 6 months, the U.S. economy has shown resilience, characterized by steady growth and a strong labor market. Real GDP increased at an annual rate of 3.1% in the third quarter of 2024, slightly improving from the 3.0% growth in the second quarter. This growth has been largely fueled by consumer spending, which expanded at a 3.5% annual rate—its fastest pace since late 2023. Confidence in the economy has remained relatively high, as households continue to drive economic momentum through increased discretionary expenditures. Global events have also significantly influenced the U.S. economy during this period. Trade policy discussions under President Elect Trump, particularly around potential import taxes, raised concerns about international trade tensions. Geopolitical issues, including the ongoing war between Israel and Palestine, have added to investor caution and impacted global markets indirectly. Rising interest rates, coupled with the Federal Reserve's stance on inflation, have further reshaped borrowing costs and affected corporate and household decisions.

When looking at debt specifically, D/S and DEM are valuable tools. The industrial sector experienced a notable rebound recently, with production increasing by 0.6% in December, possibly supported by the resolution of a workers' strike at Boeing and strength in aerospace output. Financial services saw a particular finish, with major investment banks like JPMorgan Chase achieving record profits. Meanwhile, rising oil and natural gas prices propelled the energy sector to a 5.4% gain, while healthcare posted a 2.8% rise as investors sought defensive assets amid market uncertainties. Let us now explore the quantitative side.

July 2024

Averages by Sectors	Debt per Share (D/S)	Debt to Earnings (DEM)
S&P500	217.33	8.99
Real Estate	49.11	20.96
Utilities	58.95	18.44
Financials	1287.78	11.16
Communication Services	53.02	10.5
Consumer Discretionary	72.6	9.82
Materials	33.76	8.59
Healthcare	39.32	6.97
Industrials	41.41	6.4
Consumer Staples	25.84	5.66
Energy	23.12	4.5
Information Technology	21.07	3.55

January 2025

Averages by Sectors	Debt per Share (D/S)	Debt to Earnings (DEM)
S&P500	220.09	9.15
Real Estate	50.37	23.31
Utilities	58.17	16.41
Financials	1289.54	10.09
Communication Services	53.93	9.51
Consumer Discretionary	73.78	7.88
Materials	33.22	8.2
Healthcare	41.02	11.08
Industrials	42.58	4.65
Consumer Staples	26.69	8.52
Energy	25.38	5.95
Information Technology	18.05	4.62

For the S&P500, D/S rose from 217.33 to 220.09, reflecting a marginal rise in average debt levels across companies. DEM also experienced a slight increase, moving from 8.99 to 9.15, suggesting that earnings growth may not have kept pace with rising debt in certain sectors.

Healthcare jumped from the seventh highest DEM to the third highest. A Moody's [report](#) published at the dawn of 2024 successfully predicted problems for the healthcare sector, suggesting that many companies would have no other options but to default. "Reasons include excessive leverage,

elevated interest rates and expiring interest rate hedges.” Real estate and utilities remained at the top of the list for DEM. Real estate saw a significant rise in DEM from 20.96 to 23.31, maintaining its position as the highest among all sectors. This continued dominance reflects the capital-intensive nature of the industry, but it also reflects trends in the housing market. In December 2024, the median price of a home in the US was \$427,670, a 6.3% increase YoY. In December 2024, the national average 30-year fixed mortgage rate was 6.7%, which is a 0.1 point decrease from the previous year. Continuously high mortgage rates will not be helpful in improving the companies’ leverage positions. Utilities, however, experienced a notable decrease from 18.44 to 16.41, showing some stabilization within the sector. The 11.01% drop could possibly be attributed to the growing adoption of artificial intelligence and the expansion of data centers, which increases earnings. A similar argument can be made for the industrial sector, which experienced a DEM drop of 27 percentage points. The industry has strived post-pandemic, and companies are often resilient to fluctuations in interest rates.

Big names in the S&P500 have held strong. Apple, Nvidia, Microsoft, Meta, and Alphabet– some of the biggest holdings within the index– all remain in the bottom 100 in terms of DEM. Tech company stock has notably outperformed in the past year. My research reflects the fact they have an important ability to generate earnings while keeping debt levels low, making them a safe long-term bet for investors. There are many other individual conglomerates worth exploring. Gilead Sciences, a biopharma company in the healthcare sector, had the 10th highest DEM among the S&P500 at 51.85 in July 2024. Since then, the company has seen a 259.72% increase in DEM, making its Debt to Earnings of 186.55 the highest in the S&P. This is likely due to the fact that earnings per share dropped from 0.39 to 0.1, all while the company increased its debt. I discussed Gilead in my initial white paper, quoting, “This [DEM] should be an immediate red flag to investors who are looking to enter into a pharmaceutical.” Although the stock price has seen about a 25% increase over the past six months, how long can the company sustain its current leverage position?

Debt to earnings is useful in pointing out red-flags for investors. But, it is also important in reflecting a company’s ability to manage its financial obligations and sustain long-term growth. Costco, for example, has the second lowest DEM for consumer staples. The stock (COST) has surged in recent years and has served as a successful play for value investors. Next, we can look at a

company like MarketAxess Holdings Inc (MKTX). The stock is down in the past six months and possibly continuing its trend. Yahoo Finance reports that the company is experiencing “short-term challenges such as declining market share, falling transaction fees, rising expenses.” However, “trading volumes” and a “strong financial position” show upside for the company. Is this the case? According to my numbers, the company's DEM has held steady in the past six months, sitting around 0.27. This is the third lowest DEM for the entire financial sector. What's more, earnings per share has increased by about half a dollar. Although this is not investment advice, exploring debt per share and debt to earnings might provide valuable long-term insight for a company.