SUMMARY & OVERVIEW

This note looks at results from publicly traded companies who report "off-cycle" to gain insights into what's happening with the economy in the current quarter before the rest of publicly traded America further reports results in the coming weeks. We published Part 1 of our 4Q25 update two weeks ago, and now that we have the full sample's data, this is Part 2.

On the next page is a list of 22 companies who report after the traditional end of earnings season (typically the 6-10 weeks after a calendar quarter end), along with relevant metrics from each. Notably, while there are more than 22 companies of reasonable size and scale who report "off-cycle," we've chosen this set of 22 because all of them have fiscal and quarterly periods that end 2 months off the normal calendar cycle. This gives us 2/3 of the current calendar quarter instead of others who just report one month off-cycle (and thus would only give us 1/3 of the quarter). **Importantly, our set of 22 companies' combined revenue growth has a ~93% correlation and an 86% R-Squared with the cumulative growth rate of US revenues for our larger publicly traded company model (which at this point consists of around 900 companies). The off-cycle reporters therefore have solid directional predictive power for what's to come from the rest of publicly traded companies in the coming weeks.**

In our prior note, our off-cycle model was predicting about 7.6% nominal GDP growth year-on-year for 4Q25. With all of our off-cycle group now having reported, however, our new estimate is "only" 5.5% (we put this in quotes because 5.5% is still quite strong). Triangulating this with our estimate for 4Q inflation of around 1.5%, this puts our latest estimate at real GDP growth in 4Q25 at roughly 4.0% (again, on a year-over-year basis).

Editors' Note: we skipped December's CPI note due to seemingly major inconsistencies in the data. Consequently, we take an average of September's 1.4% inflation estimate and November's 1.2% as a proxy for 4Q and mark it up slightly to be conservative.

Similar to our prior note, both the median and average growth rates from our off-cycle reporting group accelerated sequentially this quarter. Our Diffusion Index also showed significant strength, with 15 of 22 companies seeing U.S. revenue growth rates accelerate sequentially (15 / 22 = 68% vs. the historical average of 48%). This points to a reasonable likelihood that the economy actually strengthened in the 4th quarter. Thus, even though our model technically indicates slower growth than 3Q25's very robust ~6% year-over-year growth rate, our off-cycle model has been undershooting our big model in recent quarters, so we'll have to see whether final 4Q25 GDP comes in above or below 3Q when we publish our 4Q25 GNI / GDP model updates in coming weeks. **Regardless of where the final number shakes out though, it's clear the economy was quite strong in the 4th quarter.**

SOME NOTES ON METHODOLOGY

A couple quick notes on methodology before we continue. Because of differences in reporting dates throughout the year, we will not have all datapoints from all of our off-cycle reporters at the same time each quarter when we initially publish this note. Consequently, we'll publish the *TCE Off-Cycle Reporters* note twice each quarter: once early in the current calendar quarter to provide a "first look" at last quarter's GDP, and then again a few weeks later once we have datapoints from all of the companies in the off-cycle group.

Why not just wait and do the note once after we have all the data? Two reasons: first, because waiting a few more weeks would push us into the

regular corporate reporting season, and by that time we'll have a significantly greater amount of datapoints from companies who are on the "normal" calendar reporting cycle from which to make assessments about what happened in the economy the previous quarter. Thus, waiting sort of defeats the point of trying to use the off-cycle reporters to gain insights. After all, at some point, all forecasts can be improved by simply waiting for more datapoints.

Second, this approach would be futile if the datapoints from the subsets we get for the early look note didn't have good statistical value. But they do. Thus, while the "first look model" may not be as good as the full off-cycle model, it's still useful.

For clarity's sake then, our model is set up to adjust for differences in the subset of companies each quarter. **All statistics quoted (unless otherwise noted) in these notes are based on the datapoints from the companies we have data from only. Those companies are highlighted in grey in the table below. In the second iteration of this note each quarter, this will become irrelevant since we'll have all the datapoints from the whole group.**

4Q25 OFF-CYCLE PUBLIC COMPANY DATA

Let's start with a table of companies in our Off-Cycle Reporting Group and the relevant metrics we're tracking from each of them. As noted above, the ones highlighted in grey are currently included in our analysis. Note that this quarter, we swapped in RPM International (Ticker: RPM) for Steelcase (Ticker: SCS), the latter of which was recently acquired.

Ticker	Mkt Cap	Sector	Metric
ADBE	122,978	Software	Americas Revenue
CCL	37,665	Consumer	North Am Segment Revs
CMC	8,318	Industrial	North America Steel Group Revs
CTAS	75,643	Industrial	Revenues
DRI	22,625	Consumer	Revenue
FDS	10,012	Consumer	Americas Revenue
FDX	73,974	Industrial	Total U.S. Domestic Package Revenue
FUL	3,239	Industrial	Americas Revenue
KBH	3,661	Homebuilding	Total Revenues
KMX	6,662	Autos	Revenues
LEN	28,256	Homebuilding	Revenues
LEVI	7,996	Homebuilding	Americas Revenues
LNN	1,292	Industrial	NorthAm Irrigation & Infrastructure Revs
MKC	16,603	Consumer	Americas Revenues
MSM	4,658	Industrial	Revenues
ORCL	496,563	Tech	Americas Revenues
PAYX	36,776	Tech	Revenues Ex. Float
RPM	13,685	Industrial	US Revenues
SNX	12,705	Tech	Americas Revenues
UNF	3,748	Industrial	Revenues
WGO	1,301	Industrial	Revenues
WOR	2,667	Industrial	US Revenues

Source: Company Data and *The Curb Economist*

Now here is another table showing each company's correlation with our big model of publicly traded company US revenues (which currently consists of close to 900 firms). This can be useful for the reader because certain companies are much more predictive than others. Thus, while our off-cycle group in general has good predictive power, we can therefore use this table to make quicker judgments about the state of the economy even earlier in the off-cycle reporting season when specific companies report. Companies like LEVI, DRI, KMX and FUL, for example, all have good track records at predicting the US results of the rest of corporate America with correlations at, close to, or even above 80%.

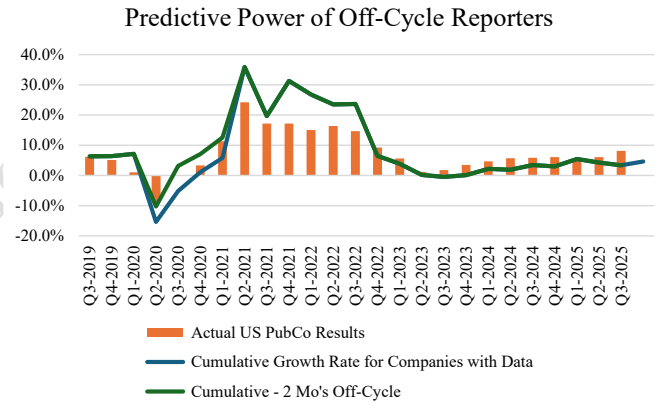
Correlation with Big US Group	
ADBE	21.6%
CCL	-24.3%
CMC	70.0%
CTAS	59.0%
DRI	78.9%
FDS	42.1%
FDX	35.3%
FUL	87.1%
KBH	73.4%
KMX	78.4%
LEN	66.8%
LEVI	82.1%
LNN	32.7%
MKC	5.2%
MSM	56.5%
ORCL	24.3%
PAYX	63.2%
RPM	54.0%
SNX	69.9%
UNF	26.3%
WGO	67.8%
WOR	69.8%
2 Mo's Off Cycle Co's	92.7%

Source: Company Data and *The Curb Economist*

The next chart shows the historical trends between the relevant revenue metrics from our group of off-cycle reporters and the growth rates for our entire dataset of publicly traded companies. Recall here we're trying to estimate *US based revenues* in each case for the purpose of estimating US GDP / GNI. Again, the goal here is to try and show how the off-cycle reporters' growth rates compare to the broader set of publicly traded firms so that we can predict what happened in the previous calendar quarter before the rest of corporate America reports in the coming weeks.

As the chart shows, the directional trendline of the off-cycle reporters matches the US revenues from broader publicly traded America quite well. This quarter, the off-cycle reporting group has reported cumulative 4.6% Y/Y revenue growth compared to 3.3% last quarter. This indicates a likely tick up in growth in 4Q vs. 3Q (though remember our "small" off-cycle reporting group significantly underperformed our "big" GNI model group of ~900 companies last quarter, the latter of which in final analysis indicated the economy grew 7.9% year-on-year in 3Q).

It's also worth noting that in the below chart, there are two lines. One line shows the cumulative growth rate for *all* the off-cycle reporters, and the other is for just the subset we have so far. As you can tell, the lines are generally on top of each other with only small differences (especially over the last few years). In each Part 2 note we produce, the lines will be on top of each other (so there will appear to only be one).

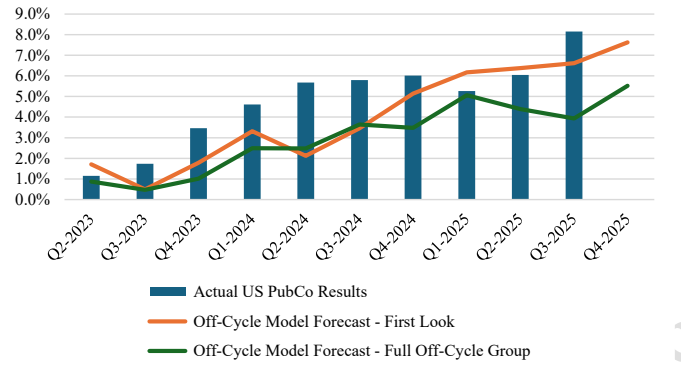


Source: Company Data and *The Curb Economist*

Importantly though, the 4.6% growth figure we have from our off-cycle subset so far does not represent our GDP or GNP *forecast*. ***TCE's* latest estimate for 4Q GDP is actually a higher at 5.5%.** Backing out our 4Q inflation estimate of around 1.5%, this results in real GDP growth year-over-year of over 4%.

The next chart shows the model's forecasts using just the "first look" data compared to the full off-cycle group. In both cases the models are trying to predict what US revenue growth will be for our larger dataset (which as noted earlier currently consists of about 900 companies), which is the ultimate foundation for our GDP / GNI estimates.

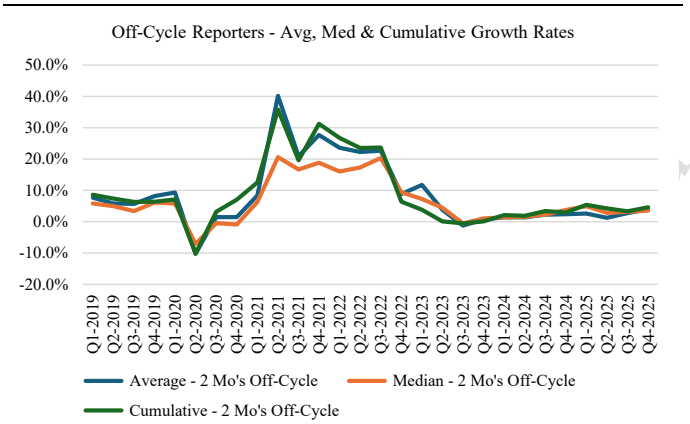
As you can tell from the chart, the first look model is consistently overshooting our final model of late (with our first look model actually being more accurate). The last two quarters were even more pronounced in this regard, as the first look model predicted an acceleration and the final model predicted a deceleration. This quarter, however, both models predict an acceleration, which as we noted earlier, also fits with the acceleration in average and median growth rates, as well as the acceleration in our Diffusion Index as well (more on all that in a minute).



Source: Company Data and *The Curb Economist*

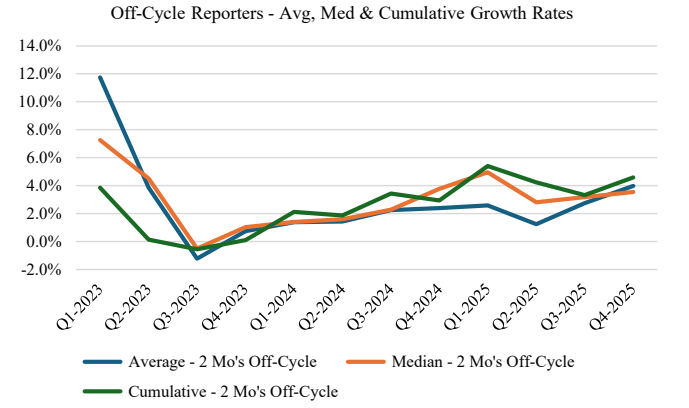
Now here is a chart of the off-cycle reporters' average, median, and cumulative growth rates over time. We'll first show the chart going back to 1Q19, and then go from 1Q23 to try and cut out the extremes of COVID.

The first chart shows all three lines indicating slower growth in absolute terms than pre-COVID levels. It also shows that while the three lines look to be on top of each other, that isn't the case, with the differences more easily shown in the second version.



Source: Company Data and *The Curb Economist*

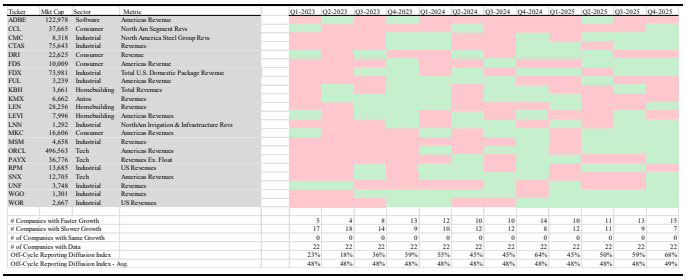
The second version of the chart shows both the average and medians growing more slowly than the cumulative figure for each of the last three quarters. This tells us that a few (large) companies are juicing growth for the whole group of late (such as ORCL). This quarter, however, both the average and median growth rates accelerated nicely (just as the cumulative did), indicating more breadth in terms of growth. This probably points towards a strengthening in economic activity in 4Q25.



Source: Company Data and *The Curb Economist*

Let's now look at a heat map and chart for the companies in our off-cycle group to see how many are sequentially accelerating versus decelerating. By summing the accelerators and decelerators, we can create an "Off-Cycle Reporters Diffusion Index". This quarter, 15 of 22 companies saw their relevant revenue growth metric accelerate, and 7

saw their growth decelerate. These figures result in the Diffusion Index coming in at 68% so far compared to the 2Q19-3Q25 average of 48%. This is the highest value this metric has produced since 4Q21, when the economy had very easy "comps" from the depressed 4Q20 COVID period. This also indicates growth may have ticked up in 4Q.



Ticker	Mkt Cap	Sector	Metric	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
ADBE	122,978	Software	Americas Revenue												
CCL	37,665	Consumer	North Am Segment Revs												
CMC	8,318	Industrial	North America Steel Group Revs												
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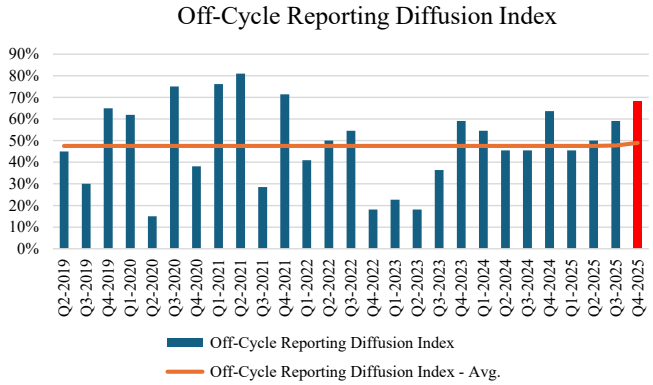
WGO	1,301	Industrial	Revenues												
WOR	2,667	Industrial	US Revenues												
# Companies with Faster Growth				5	4	8	13	12	10	10	14	10	11	13	15
# Companies with Slower Growth				17	18	14	9	10	12	12	8	12	11	9	7
# of Companies with Same Growth				0	0	0	0	0	0	0	0	0	0	0	0
# of Companies with Data				22	22	22	22	22	22	22	22	22	22	22	22
Off-Cycle Reporting Diffusion Index				23%	18%	36%	59%	55%	45%	45%	64%	45%	50%	59%	68%
Off-Cycle Reporting Diffusion Index - Avg.				48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	49%

Source: Company Data and *The Curb Economist*



Source: Company Data and *The Curb Economist*

CONCLUSION

Results from our Off-Cycle Reporting Group indicate that growth in 4Q remained quite strong. If we had to make a call based on 1) all the different ways we cut the data 2) our off-cycle model undershooting our bigger model of late, we'd say there's probably more (and potentially a lot more) upside to our latest 4.0% real GDP / GNI growth estimate than downside. Realistically, we think our 4Q inflation estimate of 1.5% may actually be closer to 1.0% as well, which would put real GDP growth closer to 4.5%. **Nonetheless, the message is that GDP growth in the 4th quarter was likely still very strong.**

Now that earnings season is in full swing, watch for our Gross National Income updates to see if the rest of corporate America follows or deviates from our predictions from our Off-Cycle group.