

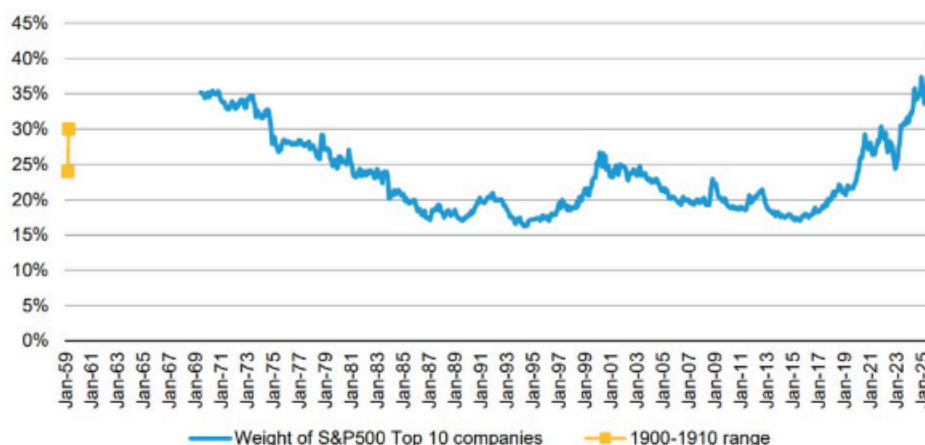


## Earnings Season Is Coming—Is Your Portfolio Ready?

An exciting time for stocks is just around the corner. Earnings season. This week, I wanted to share a few datapoints with you that will factor into the coming quarters as companies announce their earnings.

First, unless you've been away on an extended vacation and haven't seen the market lately, it's increasingly dominated by just a few companies. In fact, we are now in an unprecedented period of concentration among the top stocks in the U.S. market.

**DISPLAY 1: CONCENTRATION OF US MARKET: WE HAVE BEEN HERE BEFORE**



**Past performance does not guarantee future results.**

As of October 31, 2025

Source: Factset, <https://finaeon.com/200-years-of-market-concentration/> and AllianceBernstein (AB)

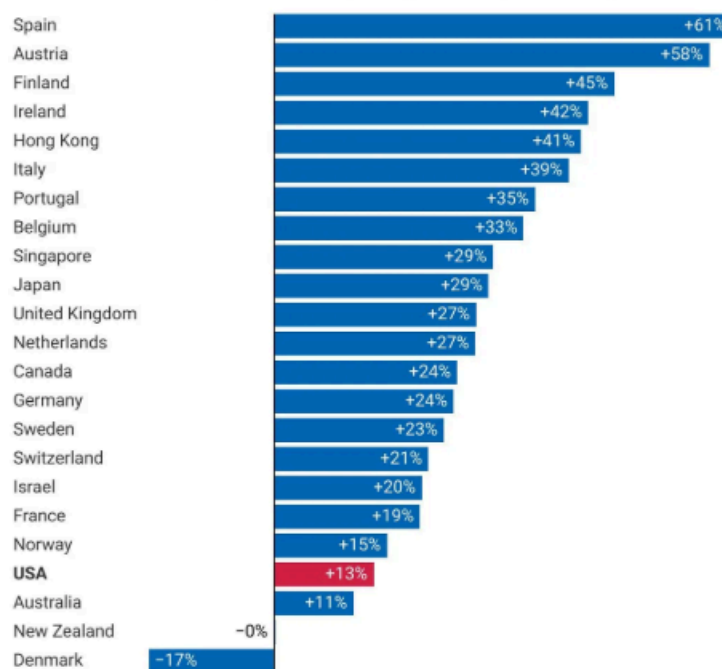
As the chart shows, the top 10 companies in the S&P 500 now account for about 40% of the index. Of course, these are different companies than in prior lofty periods like the late 1960's and the 2000 Dot Com era pales in comparison.

This has been great for investors in the S&P 500, as these leaders have an AI component, and AI is currently all the rage.

If you invest in individual stocks, though, you've lagged.

### Stocks have risen even more rapidly in other developed countries than in the United States

Total return on stocks (in U.S. dollars) during the Trump Presidency



MSCI total gross return indices in U.S. dollars, for all developed markets for which it calculates country indices. Returns are calculated from January 19, 2025, through November 7, 2025.  
Chart: @JustinWolfers • Source: MSCI

The U.S. market has been one of the worst-performing globally in 2025. I've written in this space before that international stocks and emerging markets represented a great opportunity because they had significantly lagged the U.S. market for years. 2025 was a catch-up year, that's for sure!

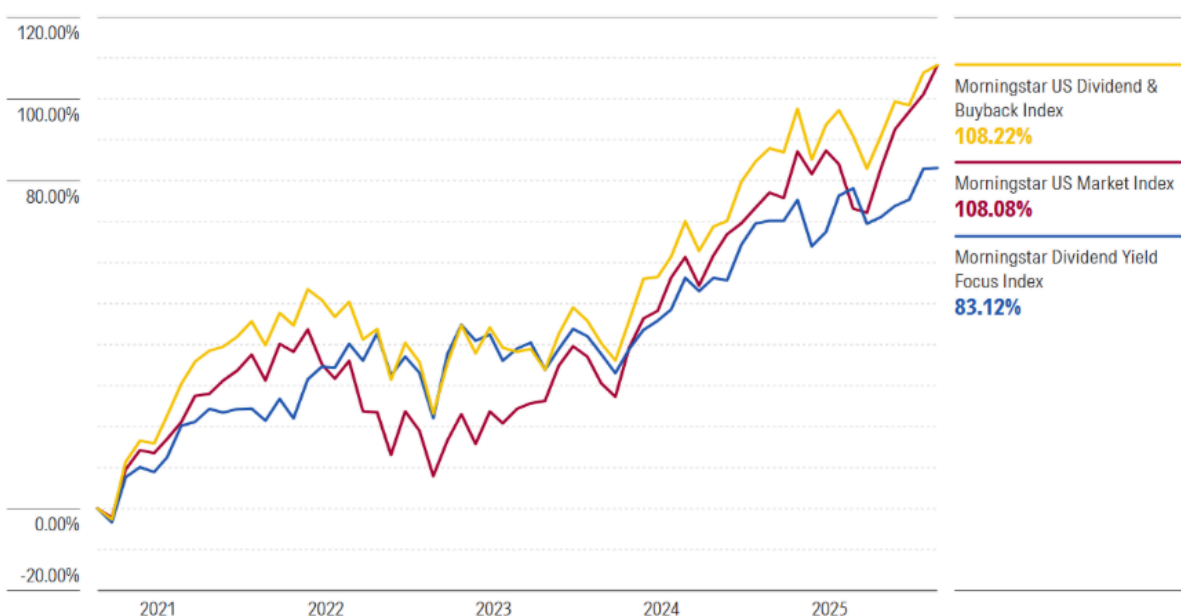
I think 2026 can be an excellent opportunity for individual stocks as the AI mania takes a breather amid recent questions about aggressive accounting and overvaluation relative to income opportunities.

And, speaking of aggressive accounting, stocks that buy back their shares or pay dividends have lagged badly.

As the chart below shows, the total market return over the last five years has erased the gap relative to companies buying back stock and has smoked dividend payers.

## Dividend Stocks Have Underperformed; Adding in Buyback Stocks Has Improved Performance

Trailing five-year total returns

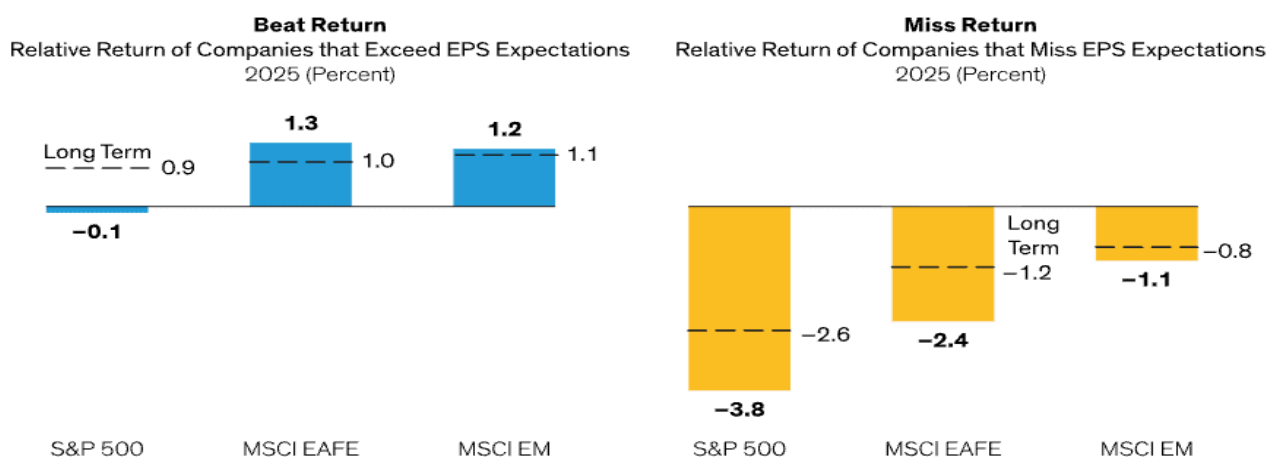


Source: Morningstar Direct. Data as of Sept. 30, 2025. Total returns in USD. [Download CSV](#).

Of course, not all dividends or stock buybacks are equal. You need to know how to separate the wheat from the chaff.

And what happens when you don't know how to do that? Well, you run the risk of getting punched in the nose. It turns out that companies that miss earnings perform worse than those that beat earnings. Culling risky bets will be a key driver in 2026.

## US Stocks Are Rewarded Less for Beating Earnings, Punished More for Misses



Past performance and current analysis do not guarantee future results.

In 2026, you can either own the S&P 500 and take your chances that the AI Boom continues to roll on without any hiccups or allocate dough elsewhere. I own some S&P 500 and have for a long time. I'm not as thrilled to buy it here when it's so top-heavy with massive companies.

I also own plenty of international markets and have been bullish on emerging markets for some time. While those markets did catch up in 2025, they suffered for years. So, the positive trend may continue.

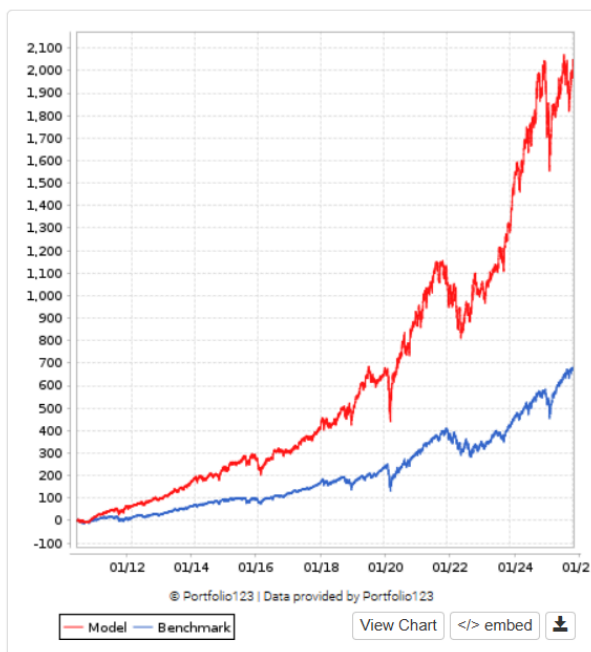
Then there are individual stocks.

Remember, earnings season isn't just a calendar event—it's a minefield. Stocks that miss estimates crater. Stocks that beat? Often, they barely move—the difference between a portfolio that thrives and one that tanks can be measured in minutes.

What's the solution?

That's where **FAST Profits** comes in. Using my proprietary **Forensic Accounting Stock Tracker (FAST)**, *FAST Profits* cuts through the smoke and mirrors of corporate earnings. It tells you, **before the market reacts**, which companies are reporting high-quality earnings and which are inflating the numbers. In other words, it gives you the power to **see the cracks before the crash**.

Since 2010, the top eight stocks in the FAST model have **tripled the return of the S&P 500**. I do not think that's luck. That's strategy. That's forensic-level scrutiny applied to real-world investing.



#### General Info

PDF Report

Total Market Value (inc. Cash)	2,148,762.29
Cash	6,049.16
Number of Positions	8
Last Trades (2)	01/05/26
Period	04/01/10 - 01/09/26
Sizing Method	Static Weight
Next Rebalance (Every Week)	01/11/26 <a href="#">Tomorrow</a>
Mode	Manual
PIT Method - Prelim	Use
Benchmark	S&P 500 (SPY:USA)
Universe	S&P1500 CompositeCap (IVV+IDH+IDR)
Ranking System	FAST Ranking

#### Quick Stats as of 1/9/2026

Total Return	2,048.76%
Benchmark Return	682.09%
Active Return	1,366.67%
Annualized Return	21.45%
Annual Turnover	1,317.63%
Max Drawdown	-30.94%
Benchmark Max Drawdown	-33.72%
Overall Winners	(1011/1665) 60.00%
Sharpe Ratio	1.18
Correlation with S&P 500 (SPY:USA)	0.81

Right now, every day matters. With earnings season just around the corner, you need tools to **diagnose your portfolio**—to identify hidden risks and spot opportunities others miss. *FAST Profits* doesn't speculate. It analyzes, flags, and positions you to profit when others panic.

If you're serious about protecting your wealth and exploiting market inefficiencies, waiting is costly. **Subscribe to *FAST Profits* today** and turn earnings season into your personal profit engine.

That's why I want you to try *FAST Profits* today! Click the link below and get \$100 for the next 72 hours, and obtain access to the entire *FAST* Model of 1,500 stocks and their rankings.

That's a \$25,000 value for less than a cup of coffee...*per day!*

Click <https://hsdent.com/product/fast-profit/> to learn more about *FAST Profits* and place your order today!

**P.S.** The market doesn't punish *opinions*—it punishes **bad earnings**. *FAST Profits* is designed to spot them before Wall Street does. Once earnings hit, it's already too late.

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