

Volatility Inducing Events from 2023

Despite markets roaring back in Q4, many corporate event indicators showed companies taking a more cautious approach to finish out 2023 (not to be a Debbie Downer).

160K+ EVENTS TRACKED



Top 5 Themes of 2023

- LERI Continues to Show Corporate Uncertainty**
 According to the Wall Street Horizon Late Earnings Report Index (LERI), as profiled in [Yahoo Finance](#), 2023 showed the highest level of corporate uncertainty in a year. The LERI has a baseline reading of 100, anything above that indicates companies are feeling unsure of their short-term prospects. For 2023 the LERI averaged 109, as compared to 94 last year.
- Fewer Companies Raising Dividends**
 For Q3 and Q4, only 21% of dividend announcements were increases from prior levels, the lowest amount since we began collecting this data in 2018. The 5-year average of quarterly dividend increases is 29%. Decreases in dividend payments showed an uptick in the back half of the year to 15% vs. the 5-year average of 14%.
- Buyback Announcements Remain Few**
 As profiled in [Barron's](#), Wall Street Horizon data shows that global corporate buyback announcements totaled 568 in 2023, the lowest number of share repurchases since we began collecting this data in 2018. The 5-year average of buyback announcements is 962. Buyback end dates for 2023 total 608 vs. the 5-year average of 660.
- IPO Announcements Slump**
 As discussed on [Yahoo Finance](#), hope was abound for an IPO resurgence in H2 2023, but that never materialized. 2023 only saw 238 IPO announcements vs 518 in 2022, well below the 5-year average of 536, suggesting private companies were still hesitant to go public in the face of a challenging environment that included high interest rates, volatility and several high-profile IPO flops.
- Reverse Stock Splits Gain in Popularity**
 In another sign of distress for corporations in 2023, the number of reverse stock splits increased from their averages. In total, 262 companies announced reverse stock splits throughout the year (as referenced in [Wall Street Journal](#)) vs. the 5-year average of 169. Typically companies pursue reverse splits when they are trying to raise the value of otherwise fallen share prices.

Earnings Announcements Wave

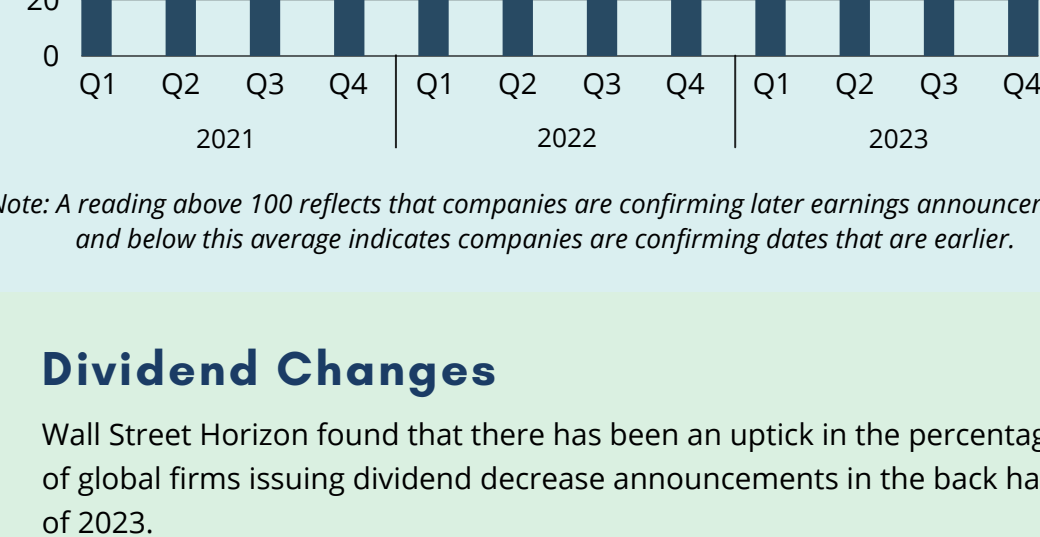
Note the peak of each season slightly shifting forward which is expected as we expand our global coverage and see companies adjusting their earnings dates over time to fit into their fiscal calendar.



Figures based on our universe of 10,000 stocks, the horizontal axis refers to week of year.

LERI - Late Earnings Report Index

The LERI is a Wall Street Horizon proprietary index that allows investors and traders to factor in the market intelligence derived from US public companies releasing earnings later than their historical average, which typically signals negative news on the horizon. In 2023, we continued to see corporate uncertainty trending high.



Note: A reading above 100 reflects that companies are confirming later earnings announcements and below this average indicates companies are confirming dates that are earlier.

Dividend Changes

Wall Street Horizon found that there has been an uptick in the percentage of global firms issuing dividend decrease announcements in the back half of 2023.



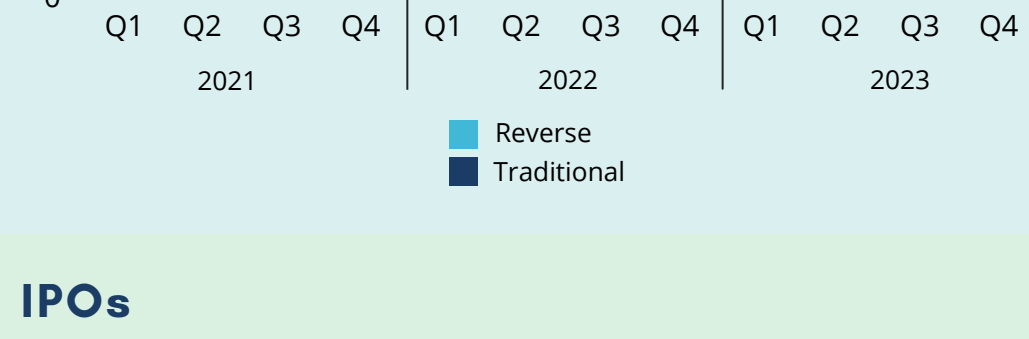
Buyback Announcements

Buyback announcements in 2023 were at an all-time low after hitting a record in 2021. Q4 2023 is the lowest trailing buyback announcement period in Wall Street Horizon data history.



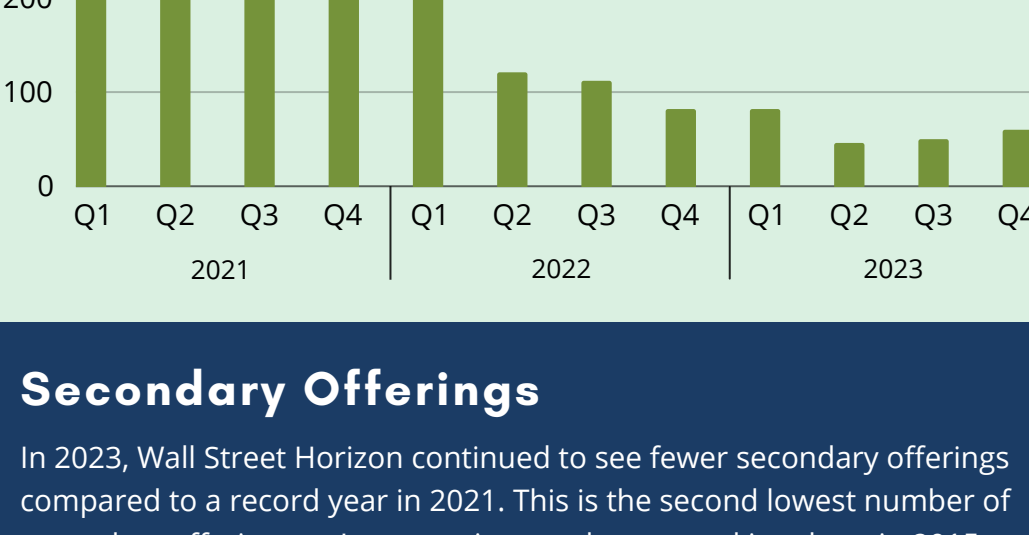
Reverse vs Traditional Splits

Traditional splits were all the rage in 2021 amid a speculative frenzy in financial markets compared to 2023 where reverse splits take the cake.



IPOs

The global IPO market continues to run cold. Only 238 companies IPO'd in 2023, the lowest amount since 2016.



Secondary Offerings

In 2023, Wall Street Horizon continued to see fewer secondary offerings compared to a record year in 2021. This is the second lowest number of secondary offerings we've seen since we began tracking them in 2015.



M&A Announcements & Closes

M&A announcements and closes continued to trend down in 2023 compared to a record year in 2021.



Wall Street Horizon, a TMX company, provides primary and publicly sourced event data covering 10,000 equities worldwide. Knowing when corporate events will occur as well as any changes to the date, time and content of the events, can help investors get in front of any resulting risk or volatility.