

The Biggest Corporations In Major Consumer Price Index Categories Are Using Price Increases To Help Fund \$28 Billion In Additional Shareholder Handouts—Totaling \$140 Billion—While Working Families Struggle

SUMMARY: The 2021 Consumer Price Index (CPI) showed that overall, prices on common goods and services [increased by 7%](#) from December 2020 to December 2021. As working families were [unfairly burdened](#) by more expensive everyday necessities like food, shelter, and utilities, the biggest corporations saw [near-record](#) operating margins in 2021 because they were able to raise prices.

As President Biden vows to [fight inflation](#) and combat [corporate profiteering](#) in an effort to help struggling Americans, an Accountable.US review has found that the top three corporations within the CPI's major categories have raised prices while making at least **\$151 billion in increased profits from their last reported earnings periods**. And even worse, these same companies have **increased spending on shareholder handouts by \$28.2 billion** year-over-year to a **total of \$140.6 billion**:

- **Food**

- **Food At Home:** As grocery prices increased [6.5%](#), the country's [largest](#) grocery chains—[Walmart](#), [Kroger](#), and [Costco](#)—benefited from price increases while seeing their fiscal year net incomes increase by a total of \$238 million while increasing stock buybacks and dividends by over \$12 billion.
- **Food Away From Home:** As prices increased [6%](#), [two of the biggest U.S. food chains](#)—[McDonald's](#) and [YUM! Brands](#)—saw profits increase by over \$3.4 billion in FY 2021 while boosting shareholder handouts by over \$1.48 billion. Meanwhile, [Starbucks](#), the second-biggest restaurant chain, saw its FY 2021 profits increase by nearly \$3.2 billion.

- **Energy**

- **Gasoline:** As gasoline prices increased [49.6%](#) in 2021, the three [biggest](#) U.S. oil companies—[ExxonMobil](#), [Chevron](#), and [Marathon Petroleum](#)—benefited from higher prices, seeing previously negative profits jump nearly \$87.5 billion while boosting shareholder handouts by over \$4.5 billion in FY 2021.
- **Utility Gas & Electricity:** As gas and electric utility prices climbed [24.1%](#) and [6.3%](#) respectively, the three [biggest](#) U.S. gas and electric companies—[Exelon](#), [Duke](#), and [Southern Company](#)—all benefited from higher rates, with profits climbing by \$1.64 billion while spending \$7.3 billion on shareholder handouts in FY 2021.

- **Commodities**

- **New Vehicles:** As new vehicle prices increased nearly [12%](#), the two [top-selling](#) U.S. automakers—[General Motors](#) and [Ford](#)—saw profits climb at least \$22.7 billion and spent nearly \$586 million on shareholder handouts in 2021. Meanwhile, Toyota, the top-selling U.S. automaker recently reported [quarterly earnings](#) nearly \$7 billion higher than the previous year.
- **Used Vehicles:** While used vehicle prices climbed [37.3%](#), the [biggest used car](#) dealers—[CarMax](#), [Carvana](#), and [AutoNation](#)—saw profits climb by over \$1.4 billion while shareholder handouts increased by over \$2.2 billion in 2021.

- **Apparel:** While apparel prices climbed [5.8%](#), the [biggest](#) clothing companies—[TJX](#), [Nike](#), and [Gap](#)—saw profits climb by over \$4.5 billion while boosting shareholder handouts by over \$5 billion in 2021.

- **Healthcare**

- **Medical Commodities:** While medical care prices increased [2.2%](#), the [biggest](#) drugmakers—[Johnson & Johnson](#), [Pfizer](#), and [AbbVie](#)—saw profits jump by over 90% to \$54 billion while boosting shareholder handouts by nearly \$2.6 billion in 2021.
- **Medical Services:** While medical care prices climbed [2.2%](#), the [biggest](#) healthcare companies—[CVS](#), [UnitedHealth](#), and [Cigna](#)—benefited from increased consumer costs as they saw profits of nearly \$31 billion while boosting shareholder handouts by over \$2 billion in 2021.

- **Shelter**

- **Shelter:** While shelter prices increased [4.1%](#), the [biggest](#) apartment companies—[Mid-America Apartment Communities](#), [Starwood Property Trust](#), and [AvalonBay](#)—touted rent hikes as they saw profits climb \$588 million while increasing shareholder dividends by \$24.4 million in 2021.

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The 2021 Consumer Price Index Showed That Prices Increased By 7%—Disproportionately Raising Lower-Income Families' Everyday Expenses While The Biggest Corporations Were Able To Raise Prices And See Near-Record Margins During The Pandemic.

The 2021 Consumer Price Index Showed That Overall, Prices Increased By 7% From December 2020 To December 2021.

From December 2020 To December 2021, The Price For All Items Within The Consumer Price Index Increased 7 Percent, "The Largest December To December Percent Change Since 1981." "From December 2020 to December 2021, consumer prices for all items rose 7.0 percent, the largest December to December percent change since 1981. Over the year, food prices increased 6.3 percent, a larger percentage increase than the 12-month increase of 3.9 percent in 2020. Food at home prices increased 6.5 percent in 2021, the largest over-the-year increase since 2008." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

- **The Consumer Price Index Is The U.S. Bureau Of Labor Statistics' Measure Of Price Changes Paid By "Urban Consumers For A Market Basket Of Consumer Goods And Services."**
"The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Indexes are available for the U.S. and various geographic areas. Average price data for select utility, automotive fuel, and food items are also available." [U.S. Bureau of Labor Statistics, accessed [03/02/22](#)]

The Consumer Price Index Tracks Price Changes Across Several Common Categories Of Goods And Services, Including Food, Energy, Commodities, Medical Care, And Others. [U.S. Bureau of Labor Statistics, [01/14/22](#)]

Overall, Companies In The S&P 500 Saw Near-Record Operating Margins In 2021 Because They Were Able To Raise Prices.

Despite Increased Costs, Companies Within The S&P 500 Saw Their Operating Margins "Remai[n] Close To A Record 13% Through Most Of 2021" Thanks To Price Increases. "Profit margins: This is the

critical component of corporate profitability, since it measures how much profit a company is able to retain after paying costs. S&P 500 operating margins have remained close to a record 13% through most of 2021 because corporations, while faced with higher costs, were able to raise prices." [CNBC, [01/13/22](#)]

Companies Within The S&P 500 Had A "Remarkable 2021" With Overall Earnings Up "Approximately 49%." "Fourth quarter earnings for the S&P 500 are expected to be up 22.4%, according to Refinitiv, capping off a remarkable 2021 where overall earnings will be up approximately 49%." [CNBC, [01/13/22](#)]

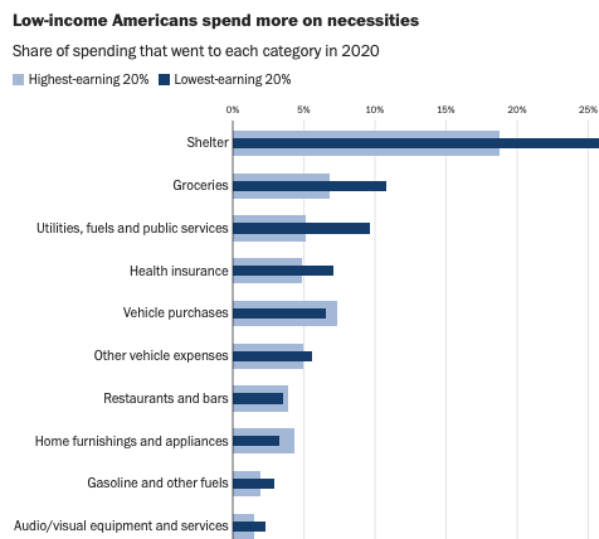
- **The S&P 500 Is A "Market-Capitalization-Weighted Index Of 500 Leading Publicly Traded Companies In The U.S, And Generally "Considered One Of The Best Gauges Of Large U.S. Stocks."** "The S&P 500 Index, or Standard & Poor's 500 Index, is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S. It is not an exact list of the top 500 U.S. companies by market cap because there are other criteria that the index includes. [...] Because of its depth and diversity, the S&P 500 is widely considered one of the best gauges of large U.S. stocks, and even the entire equities market." [Investopedia, [02/15/22](#)]

Increased Prices Are "Particularly Devastating" To Lower-Income Families, Who Have To Spend A Greater Share Of Their Income On Necessities Like Shelter, Food, And Utilities.

Increased Prices Are "Particularly Devastating To Lower-Income Households With Already Tight Budgets," With Most Of Their Expenses Going To Necessities Such As Food, Energy, And Housing.

"While inflation is rising everywhere, price hikes are particularly devastating to lower-income households with already tight budgets. Nearly all their expenses go to necessities — food, energy, housing — which have seen some of the largest increases at different points over the past year." [The Washington Post, [02/13/22](#)]

A Washington Post Study Found That Lower-Income Earners Spent A Greater Share Of Their Total Spending On Categories Of Goods And Services That Saw The Highest Levels Of Inflation During The Pandemic. "Of the 10 categories with the highest levels of pandemic inflation analyzed by The Washington Post, lower earners spent a greater share of their total spending on most of them, from natural gas to beef. (The highest earners outspent the lowest on cars and furniture.)" [The Washington Post, [02/13/22](#)]



[The Washington Post, [02/13/22](#)]

Inflation Has Largely "Canceled" Out Increased Wages During The Pandemic.

Although Wages Have Grown During The Pandemic, They Have Been Largely "Canceled" Out By Rising Prices. "You got a raise last year or switched jobs to get one. Congratulations! You're one of the many

Americans who saw their paychecks get bigger. Unfortunately, unless your wages or salary grew much higher than the national average of 4.5 percent last year, inflation likely canceled it out. That means that while you might be making more money, you can buy less stuff with it." [Vox, [02/16/22](#)]

Americans See Rising Prices As "The Most Urgent Issue Currently Facing The U.S."

As Of Mid-February 2022, Americans Saw Inflation As "The Most Urgent Issue Currently Facing The U.S." "Americans in a new survey list inflation as the most urgent issue currently facing the U.S., followed by immigration and the COVID-19 pandemic. The Quinnipiac University Poll survey found that 27 percent of respondents see inflation as the country's most urgent issue, followed by 12 percent for immigration and 10 percent saying COVID-19." [The Hill, [02/16/22](#)]

The Biden Administration Has Made Fighting Inflation A "Top Priority," Including Efforts To Stem Profiteering Among Heavily-Concentrated Meatpackers And Supply Chain Industries Like Railways And Ocean Shippers.

May 1, 2022: President Biden Said Fighting Inflation Was A "Top Priority" During His First State Of The Union Address. "President Biden used his State of the Union address to refocus the nation on how far the economy has come since the pandemic recession. But he also highlighted his plans to help slow rapid price gains, underscoring the challenge Democrats face ahead of the midterm elections: Inflation is painfully high, voters are unhappy about it, and the most tried and true way to cool price increases involves hurting growth and the labor market." [The New York Times, [03/01/22](#)]

- **Headline: Biden Says Fighting Inflation Is 'Top Priority' as Prices Bite Consumers** [The New York Times, [03/01/22](#)]

As Part Of The Effort, Biden Said He Would Begin A "Crackdown" On Ocean Shippers' Soaring Costs As Well As Cutting The Costs Of Prescription Drugs. "Mr. Biden said his administration would begin a 'crackdown' on ocean shipping costs, which have soared during the pandemic. He suggested that the administration wanted to cut the cost of prescription drugs, an ongoing push of his." [The New York Times, [03/01/22](#)]

January 2022: President Biden Met With Family Farmers And Ranchers As Part Of His Effort To "Pressure The Four Biggest Meatpacking Companies Into Easing Prices For Consumers," As He Pointed To Anti-Competitive Consolidation Behind The "Soaring Prices." "President Joe Biden met virtually with family farmers and ranchers on Monday to highlight his administration's ongoing effort to support independent meat processors, and to pressure the four biggest meatpacking companies into easing prices for consumers. With meat and poultry prices leading the broader nationwide increase in the cost of groceries, the White House has spent months arguing that anti-competitive consolidation within the meatpacking industry is to blame for the soaring prices." [CNBC, [01/03/22](#)]

- **"Four Companies – Tyson, JBS, Marfrig And Seaboard – Control As Much As 85% Of The Nationwide Meatpacking Business, According To A White House Estimate."** [CNBC, [01/03/22](#)]

July 2021: President Biden Issued An Executive Order With "72 Initiatives Designed To Increase Competition And Limit The Power Of Large Corporations Across A Wide Range Of Industries," Including Provisions To Address Shipping And Railroad Industry Fees. "In seeking to protect workers and consumers from what his administration views as the harmful consequences of corporate consolidation, President Biden is enlisting support from regulators across the executive branch in what the White House has described as an overarching, 'whole-of-government' effort. As part of the executive order Mr. Biden signed on Friday, the White House is asking more than a dozen federal agencies for input and action on 72 initiatives designed to increase competition and limit the power of large corporations across a wide range of industries." [The New York Times, [07/09/21](#)]

- **The Order Encouraged The Federal Maritime Commission To Pursue "Vigorous Enforcement Against Shippers Charging American Exporters Exorbitant Charges."** "In the Order, the President: [...] Encourages the Federal Maritime Commission to ensure vigorous enforcement against shippers charging American exporters exorbitant charges." [The White House, [07/09/21](#)]
- **The Order Sought To "Confront Consolidation And Perceived Anticompetitive Pricing" In The Rail Industry To Address "Aggressive Pricing."** "The Biden administration will push regulators to confront consolidation and perceived anticompetitive pricing in the ocean shipping and railroad industries as part of a broad effort to blunt the power of big business to dominate industries, according to a person familiar with the situation. The administration, in a sweeping executive order expected this week, will ask the Federal Maritime Commission and the Surface Transportation Board to combat what it calls a pattern of consolidation and aggressive pricing that has made it onerously expensive for American companies to transport goods to market." [The Wall Street Journal, [07/08/21](#)]

Food

As Grocery Prices Increased 6.5% From December 2020 To December 2021, The Country's Largest Grocery Chains—Walmart, Kroger, And Costco—Benefited From Price Increases With Their Fiscal Year Net Incomes Increasing By A Total Of \$238 Million While Increasing Stock Buybacks And Dividends By Over \$12 Billion To Over \$24 Billion.

From December 2020 To December 2021, Prices For "Food At Home" Increased 6.5%— The Bureau Of Labor Statistics Defines This Category As The "The Total Expenditures For Food At Grocery Stores (Or Other Food Stores) And Food Prepared By The Consumer Unit On Trips."

Food At Home Prices Rose 6.5% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics Defines "Food At Home" As "The Total Expenditures For Food At Grocery Stores (Or Other Food Stores) And Food Prepared By The Consumer Unit On Trips." "Food at home refers to the total expenditures for food at grocery stores (or other food stores) and food prepared by the consumer unit on trips. It excludes the purchase of nonfood items." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

Walmart—Which Was The Biggest U.S. Grocery Chain In 2020—Credited "Price Management And Mix" For An Increase In Its Gross Profit Rate In Q4 And FY 2022, Saw Its FY 2022 Net Income Increase By \$163 Million To Over \$13.6 Billion And Increased Its Stock Buybacks And Dividends By \$7.2 Billion To \$15.9 Billion In FY 2022.

Walmart Was The Biggest U.S. Grocery Chain By Revenue In 2020. [FoodIndustry.com, accessed [02/17/22](#)]

- **Walmart Sold \$341 Billion In Groceries Across 4,756 Stores In 2020.** "Walmart's 2020 grocery sales were \$341 billion from 4,756 stores. Walmart owns Sam's Club which itself boasted total

revenues over \$35 billion in 2020 grocery sales. We have combined Walmart and Sam's Club's for purposes of this list." [FoodIndustry.com, accessed [02/17/22](#)]

- **"Walmart Has More Than A 26% Share Of All Groceries Sold And In Some Locales It Commands A 90% Market Share."** [FoodIndustry.com, accessed [02/17/22](#)]

In Its Q4 And FY 2022 Presentation, Walmart Attributed An Increase In Its Gross Profit Rate To "Price Management And Mix," Among Other Factors.

Gross profit rate

+54 bps

- Strong results reflect price management and mix, which includes some benefit from Walmart Connect advertising, partially offset by higher supply chain costs

[Walmart Inc., [02/17/22](#)]

- **Walmart's Gross Profit Rate Grew 23.8% In Its Q4 2022 And By 24.4% In Its FY 2022:**

Gross profit rate² Gross profit rate

23.8%

24.4%

+10 bps

+14 bps

[Walmart Inc., [02/17/22](#)]

In Its Q4 Highlights, Walmart Touted "Market Share Gains In Grocery," Which Contributed To "Strong Sales In Walmart U.S." "Fourth-quarter highlights [...] Strong sales in Walmart U.S. with market share gains in grocery." [Walmart Inc., [02/17/22](#)]

In Its Q4 And FY 2022 Report, Walmart CEO Doug McMillon Said "'We Had Another Strong Quarter To Finish Off A Strong Year.'" "We had another strong quarter to finish off a strong year. We have momentum in our business in all three segments. We're being aggressive with our plans and executing on the strategy. It's exciting to see how the teams are simultaneously navigating today's challenges and reshaping our business.' Doug McMillon President and CEO, Walmart" [Walmart Inc., [02/17/22](#)]

FY 2022: Walmart Had \$13.673 Billion In Net Income, \$163 Million More Than Its FY 2021 Net Income Of \$13.510 Billion:

Fiscal Year Ended January 31,		
2022	2021	Percent Change
[...]		
\$ 13,673	\$ 13,510	1.2 %

[Walmart Inc., [02/17/22](#)]

Q4 2022: Walmart Had \$3.562 Billion In Consolidated Net Income, \$5.653 Billion More Than Its Q4 2021 Net Income Of -\$2,091:

(Amounts in millions, except per share data)	Three Months Ended January 31,		
	2022	2021	Percent Change
[...]			
Consolidated net income (loss) attributable to Walmart	\$ 3,562	\$ (2,091)	NM

[Walmart Inc., [02/17/22](#)]

Walmart Spent \$15.9 Billion On Stock Buybacks And Dividends In Its FY 2022, \$7.2 Billion More Than The \$8.7 Billion It Spent In FY 2021:

Returns to Shareholders	FY22	% Change
Dividends	\$6.2	0.6%
Share repurchases ²	\$9.8	272.8%
Total	\$15.9	82.3%

[Walmart Inc., [02/17/22](#)]

Returns to Shareholders	FY21	% Change
Dividends	\$6.1	1.0%
Share repurchases ³	\$2.6	-54.1%
Total	\$8.7	-25.8%

[Walmart Inc., [02/18/21](#)]

Walmart Plans To Spent "At Least \$10 Billion" On Stock Buybacks In Its FY 2023. "Planned share repurchases of at least \$10 billion in FY23." [Walmart Inc., [02/17/22](#)]

February 17, 2022: Walmart's Board Approved A 2% Increase To Its Annual Cash Dividend, The 49th Consecutive Year It Had Boosted Its Dividend. "The board of directors of Walmart Inc. (NYSE: WMT) approved an annual cash dividend for fiscal year 2023 of \$2.24 per share, an increase of approximately 2 percent from the \$2.20 per share paid for the last fiscal year. [...] 'We're proud of our track record of returning meaningful cash to shareholders and are pleased to be increasing our annual dividend for the 49th consecutive year,' said Brett Biggs, executive vice president and chief financial officer at Walmart Inc." [Walmart, [02/17/22](#)]

Kroger—"The Largest Supermarket Chain In The Country"—Admitted To Passing Along Higher Costs To Consumers While It Saw FY 2021 Net Earnings Of Over \$1.6 Billion And Boosted Shareholder Handouts By \$335 Million To Nearly \$2.2 Billion.

Kroger Was The Second Biggest U.S. Grocery Chain By Revenue In 2020. [FoodIndustry.com, accessed [02/17/22](#)]

- **Claims To Be "The Largest Supermarket Chain In The Country"—Although Amazon And Walmart Sell More Groceries—With \$122 Billion In Revenue Across Over 2,750 Store As Of 2020.** "THE KROGER CO. Revenues of about \$122 billion across its 2,757 stores operating under the Kroger, Harris Teeter and Smith's banners. While Walmart and Amazon both sell more grocery items, Kroger retains it's claim to being the largest supermarket chain in the country." [FoodIndustry.com, accessed [02/17/22](#)]

In Its Q3 2021 Earnings Call, Kroger Admitted To "Passing Along Higher Cost To The Customer Where It Makes Sense To Do So." "And during the third quarter, Kroger saw higher product cost inflation in most categories. We are being disciplined in managing these increases. Our teams are doing an excellent job working to minimize the effects on our customers and our financial model by using our data and working closely with our suppliers. We are passing along higher cost to the customer where it makes sense to do so." [Seeking Alpha, [12/02/21](#)]

In Its Q2 2021 Earnings Call, Kroger Announced That It Planned To Raise Prices. "Kroger (NYSE: KR), the nation's largest operator of traditional supermarkets, plans to raise prices this year in response to rising inflation, CFO Gary Millerchip told analysts and investors last week on a conference call to discuss the company's second-quarter earnings." [Phoenix Business Journal, [09/17/21](#)]

FY 2021: Kroger Had \$1.655 Billion In Net Income—\$930 Million Less Than Its FY 2020 Net Income Of \$2.585 Billion:

	FOURTH QUARTER		YEAR-1	
	2021	2020	2021	
[...]				
NET EARNINGS (LOSS) ATTRIBUTABLE TO THE KROGER CO.	\$ 566	1.7%	\$ (77)	(0.3)%
			\$ 1,655	1.2%

[Kroger, [03/03/22](#)]

- **FY 2020: Kroger Had \$2.585 Billion In Net Income:**

YEAR-TO-DATE	
2020	2019
[...]	
\$ 2,585	2.0%
\$ 1,659	1.4%

[Kroger, [03/04/21](#)]

In 2021, Kroger Spent Over \$330 Million More On Shareholder Handouts Than In 2020, Including \$280 Million More On Stock Buybacks And \$55 Million More On Shareholder Dividends.

- **In 2021, Kroger Spent \$2.2 Billion On Shareholder Handouts, Including \$1.6 Billion In Stock Buybacks And \$589 Million In Dividends With Kroger Increasing Its Dividend By 17 Percent.** "In total, Kroger returned \$2.2 billion to shareholders in 2021. Kroger repurchased \$1.6 billion of shares in 2021, under its board authorizations. Kroger also increased the dividend by 17 percent from 72¢ to 84¢ marking the 15th consecutive year of dividend increases, which resulted in a payout of \$589 million." [Kroger, [03/03/22](#)]
- **In 2020, Kroger Spent \$1.9 Billion On Shareholder Handouts, Including \$1.32 Billion In Stock Buybacks And \$534 Million In Dividends.** "In total, Kroger returned \$1.9 billion to shareholders in 2020. Kroger repurchased \$1.32 billion of shares in 2020 under its board authorizations. Kroger increased the dividend by 13 percent, from 64¢ to 72¢ per year, marking the 14th consecutive year of dividend increases, which resulted in a payout of \$534 million." [Kroger, [03/04/21](#)]

Costco, The Third-Biggest U.S. Grocery Chain In 2020, Raised Prices Up To 5% In Its Q1 2022, Is Likely To Increase Its Membership Fee In 2022, Saw Q1 2022 Net Income Grow By \$158 Million To Over \$1.3 Billion And Spent \$387 Million On Stock Buybacks And Dividends In 2021—In FY 2021, Costco's Net Income Grew \$1 Billion To \$5 Billion And Shareholder Handouts Grew Over \$4.5 Billion To Over \$6.2 Billion.

Costco Was The Third Biggest U.S. Grocery Chain By Revenue In 2020. [FoodIndustry.com, accessed [02/17/22](#)]

- **Costco "Sells Both Branded And Private-Label Grocery Products Online." And Sold Over \$103 Billion In Groceries In 2020.** "In the US, Costco sells both branded and private-label grocery products online and through about 543 stores. Costco's US grocery sales came in over \$103 billion 2020 making them a major grocery chain. We've added Costco Warehouses to our list which was not on our previous list." [FoodIndustry.com, accessed [02/17/22](#)]
- **Costco Operated 828 Warehouses, Including 572 In The U.S. And Puerto Rico, As Of January 2022.** "Costco currently operates 828 warehouses, including 572 in the United States and Puerto Rico, 105 in Canada, 40 in Mexico, 30 in Japan, 29 in the United Kingdom, 16 in Korea, 14 in Taiwan, 13 in Australia, four in Spain, and two each in France and China, and one in Iceland." [Costco Wholesale Corporation, [01/20/22](#)]

December 2021: Costco Said Its Prices Increased 4.5-5% In Its Q1 2022, Which Ended November 21, 2021. "Costco first quarter (Q1) sales were up 16.7% compared to the same period last year, with profits up 13.6%. [...] With that said, however, the company did discuss that prices have increased between 4.5 to 5% for Q1 based on many factors including supply chain congestion, Covid disruptions, increases in the cost of goods and growing labor costs." [Forbes, [12/10/21](#)]

- **Costco's Q1 2022 Ended On November 21, 2021.** "Costco Wholesale Corporation ('Costco' or the 'Company') (Nasdaq: COST) today announced its operating results for the first quarter (twelve weeks) of fiscal 2022, ended November 21, 2021." [Costco Wholesale Corporation, [12/09/21](#)]

May 2021: Costco Warned Of Price Increases On Eight Common Grocery Items, Including Paper Products, Meat, Soda, Cheese, And Bottled Water. "The pandemic has slowed down significantly (thank goodness), but its effects are still impacting the way you get your groceries. This is according to Richard Galanti, chief financial officer at Costco. This week, Galanti reported on Costco's latest earnings, blaming lags in the supply chain for impending price increases on eight of the everyday groceries you buy." [Eat This, Not That, [05/29/21](#)]

- **The Eight Items Were Paper Products, Aluminum Foil, Meat, Plastic Products, Soda, Cheese, Rotisserie Chicken, And Bottled Water.** [Eat This, Not That, [05/29/21](#)]

Costco Was Expected To Increase Its Membership Fees In August-September 2022, Which "Would Go A Long Way To Alleviating [Its] Cost Increases." "Costco (COST) could be nearing its first increase in membership fees in some five years. 'We believe we are now 8-9 months away from a likely membership fee increase, a historical catalyst for the shares. As is well known, Costco has increased its annual membership fee every five and a half years by \$5-10. On this timetable, the next hike would come in August-September 2022. The Gold Star fee would go to \$65 from \$60 while the Executive membership would move to \$130 from \$120,' said Guggenheim analyst John Heinbockel in a new research note on Monday. [...] But with inflationary pressures in areas like labor and transportation running hot, a hike in membership fees would go a long way to alleviating cost increases for the giant warehouse retailer." [Yahoo! News, [12/27/21](#)]

FY 2021: Costco Had A Net Income Of \$5.007 Billion—\$1.005 Billion More Than Its FY 2020 Net Income Of \$4.002 Billion:

52 Weeks Ended	
August 29, 2021	August 30, 2020
[...]	
\$ 5,007	\$ 4,002

[Costco Wholesale Corporation, [09/23/21](#)]

FY 2021: Costco Spent \$496 Million On Stock Buybacks—\$300 Million More Than The \$196 Million It Spent In FY 2020:

52 Weeks Ended August 29, 2021	52 Weeks Ended August 30, 2020
[...]	
(496)	(196)

[Costco Wholesale Corporation, [08/29/21](#)]

FY 2021: Costco Spent \$5.748 Billion On Dividends—\$4.269 Billion More Than The \$1.479 Billion It Spent In FY 2020:

52 Weeks Ended August 29, 2021	52 Weeks Ended August 30, 2020
[...]	
(5,748)	(1,479)

[Costco Wholesale Corporation, [08/29/21](#)]

Q1 2022: Costco Had \$1.324 Billion In Net Income, \$158 Million More Than Its Q1 2021 Net Income Of \$1.166 Billion:

		12 Weeks Ended	
		November 21, 2021	November 22, 2020
[...]			
NET INCOME ATTRIBUTABLE TO COSTCO	-	\$ 1,324	\$ 1,166

[Costco Wholesale Corporation, [12/09/21](#)]

Q1 2022: Costco Spent \$37 Million On Stock Buybacks, \$43 Million Less Than The \$80 Million It Spent In Q1 2021:

		12 Weeks Ended	
		November 21, 2021	November 22, 2020
[...]			
Repurchases of common stock		(37)	(80)

[Costco Wholesale Corporation, [12/09/21](#)]

Q1 2022: Costco Spent \$350 Million On Shareholder Dividends, \$40 Million More Than The \$310 Million It Spent In Q1 2021:

	12 Weeks Ended	
	November 21, 2021	November 22, 2020
	[...]	
Cash dividend payments	(350)	(310)

[Costco Wholesale Corporation, [12/09/21](#)]

As Restaurant Prices Increased 6%, The Biggest U.S. Food Chains—McDonald's And YUM! Brands—Saw Profits Increase By Over \$3.4 Billion To Over \$9 Billion In FY 2021 While Boosting Shareholder Handouts By Over \$1.48 Billion To Over \$6.9 Billion—Meanwhile, The Second-Biggest Restaurant Chain, Starbucks, Saw Its FY 2021 Profits Increase By Nearly \$3.2 Billion To Nearly \$4.2 Billion And Made Up For \$1.5 Billion Less In FY 2021 Handouts By Spending \$4 Billion On Them In Q1 2022 Alone.

From December 2020 To December 2021, Prices For "Food Away From Home," Defined By The Bureau Of Labor Statistics As All Meals From "Fast Food, Take-Out, Delivery" And Other "Full-Service Restaurants," Increased 6%.

Food Away From Home Prices Increased 6.0% From December 2020 To December 2021. [Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics Defines "Food Away From Home" As "All Meals (Breakfast And Brunch, Lunch, Dinner And Snacks And Nonalcoholic Beverages) Including Tips At Fast Food, Take-Out, Delivery, Concession Stands, Buffet And Cafeteria, At Full-Service Restaurants, And At Vending Machines And Mobile Vendors." "Food away from home includes all meals (breakfast and brunch, lunch, dinner and snacks and nonalcoholic beverages) including tips at fast food, take-out, delivery, concession stands, buffet and cafeteria, at full-service restaurants, and at vending machines and mobile vendors. Also included are board (including at school), meals as pay, special catered affairs, such as weddings, bar mitzvahs, and confirmations, school lunches, and meals away from home on trips." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

McDonald's—The Biggest U.S. Restaurant Chain As Of 2020—Credited Its "Strong" U.S. Sales Growth To "Strategic Menu Price Increases," Suggested It Would Raise Prices Even Further In 2022, Saw Its FY 2021 Net Income Grow Over \$2.8 Billion To Over \$7.5 Billion, And Increased Shareholder Handouts By Over \$103 Million To Over \$4.7 Billion In FY 2021.

McDonald's Was The Biggest U.S. Restaurant Chain As Of 2020, With Total Sales Of \$40.41 Billion. [Nation's Restaurant News, [07/16/20](#)]

- **In 2020, Nation's Restaurant News Ranked The Largest U.S. Restaurant Chains By Systemwide Sales.** "NRN's annual Top 200 report tracks the performance of the country's largest restaurant chains. The 2020 Top 200 chains, ranked here by Latest-Year U.S. systemwide sales, together make up \$313.5 billion in annual domestic sales, up 3.8% from \$301.9 billion a year earlier." [Nation's Restaurant News, [07/16/20](#)]

January 2022: McDonald's Reported That Its Q4 2021 Sales In The U.S. Saw "Strong Average Check Growth Driven By Strategic Menu Price Increases." "Comparable Sales: Quarterly comparable sales and guest counts were positive across all segments. [...] U.S.: Comparable sales benefited from strong average check growth driven by strategic menu price increases." [McDonald's [01/27/22](#)]

In Its Q4 2021 Earnings Call, McDonald's Chief Financial Officer Kevin Ozan Said McDonald's Increased Its Prices By About 6% Throughout 2021. "Kevin Ozan - Corporate EVP & CFO [...] From a pricing perspective, in the U.S. in 2021, consistent with what I had been saying kind of for the first 9 months, we ended up with pricing for the year a little over 6% or so. Again, that was to deal with the 4% commodity price increases or food and paper increases we had as well as labor inflation and just the competitive environment." [Seeking Alpha, [01/27/22](#)]

January 2022: McDonald's Said It Would Have To Further Raise Prices In 2022 In Response To Projections That Its Costs For Food, Paper, And Other Materials Would "Roughly Double This Year Compared With 2021's Pace." "McDonald's Corp. said it expects the rate of cost increases for food, paper and other materials in the U.S. to roughly double this year compared with 2021's pace, as the burger giant wrestles with rising inflation. Rising costs aren't likely to wipe out McDonald's recent gains in profitability, executives said, but will require the chain to balance menu-price increases while still offering value to customers." [The Wall Street Journal, [01/27/22](#)]

McDonald's Q4 2021 Net income Was \$1.6 Billion, \$261.6 Million More Than Its Q4 2020 Net Income Of \$1.377 Billion:

	Quarters Ended December 31,				Years Ended December 31,			
	2021	2020	Inc/ (Dec)	Inc/ (Dec) Excluding Currency Translation	2021	2020	Inc/ (Dec)	Inc/ (Dec) Excluding Currency Translation
	[...]							
Net income	1,638.8	1,377.2	19	20	7,545.2	4,730.5	59	56

[McDonald's [01/27/22](#)]

McDonald's FY 2021 Net Income Was \$7.5 Billion, \$2.8 Billion More Than Its FY 2020 Net Income Of \$4.7 Billion:

	Quarters Ended December 31,				Years Ended December 31,			
	2021	2020	Inc/ (Dec)	Inc/ (Dec) Excluding Currency Translation	2021	2020	Inc/ (Dec)	Inc/ (Dec) Excluding Currency Translation
	[...]							
Net income	1,638.8	1,377.2	19	20	7,545.2	4,730.5	59	56

[McDonald's [01/27/22](#)]

In Its FY 2021, McDonald's Spent \$845.5 Million On Stock Buybacks, \$62.3 Million Less Than The \$907.8 million It Spent In FY 2020:

<i>In millions</i>	Years ended December 31,		2021	2020
	[...]			
Treasury stock purchases			(845.5)	(907.8)

[McDonald's [01/27/22](#)]

In Its FY 2021, McDonald's Spent \$3.919 Billion On Dividends, \$165.7 Million More Than The \$3,753 Billion It Spent In FY 2020:

<i>In millions</i>	Years ended December 31,		2021	2020
	[...]			
Common stock dividends			(3,918.6)	(3,752.9)

[McDonald's [01/27/22](#)]

Starbucks—The Second-Biggest U.S. Restaurant Chain In 2020—Said It Would Continue Raising Prices After Raising Them In October 2021 And January 2022, Saw Its Fiscal 2021 Profits Increase By Nearly \$3.2 Billion As Its CEO's Pay Jumped 39% To Over \$20 Million—Although Starbucks' FY 2021 Shareholder Handouts Fell By \$1.5 Billion, They More Than Made Up For It With Q1 2022 Handouts Of \$4 Billion.

Starbucks Coffee Was The Second-Biggest U.S. Restaurant Chain As Of 2020, With Total Sales Of \$22.28 Billion. [Nation's Restaurant News, [07/16/20](#)]

- **In 2020, Nation's Restaurant News Ranked The Largest U.S. Restaurant Chains By Systemwide Sales.** "NRN's annual Top 200 report tracks the performance of the country's largest restaurant chains. The 2020 Top 200 chains, ranked here by Latest-Year U.S. systemwide sales, together make up \$313.5 billion in annual domestic sales, up 3.8% from \$301.9 billion a year earlier." [Nation's Restaurant News, [07/16/20](#)]

February 2022: Starbucks Announced That It Would Continue To Increase Prices After Raising Them In October 2021 And January 2022. "Starbucks will increase prices this year, the coffee giant said on Tuesday, blaming supply chain disruptions and a sharp rise in labor costs. [...] The company raised prices in October 2021 and again in January 2022, executives said on Tuesday, and more increases are coming." [The New York Times, [02/01/22](#)]

- **Starbucks President And CEO Kevin Johnson Said "We Have Additional Pricing Actions Planned Through The Balance Of This Year, Which Play An Important Role To Mitigate Cost Pressures Including Inflation."** "'We anticipate supply chain disruptions will continue for the foreseeable future,' said Kevin Johnson, the president and chief executive of Starbucks. 'We have additional pricing actions planned through the balance of this year, which play an important role to mitigate cost pressures including inflation.'" [The New York Times, [02/01/22](#)]

February 2022: Starbucks' Profits "Soared 31 Percent" To \$816 Million In Its Q1 2022. "For the last three months of last year, the company's profit soared 31 percent, to \$816 million, Starbucks said in reporting its quarterly earnings on Tuesday." [The New York Times, [02/01/22](#)]

- **Starbucks' Q1 2022 Ended On January 2, 2022.** "Starbucks Corporation (NASDAQ: SBUX) today reported financial results for its 13-week fiscal first quarter ended January 2, 2022." [Starbucks Corporation, [02/01/22](#)]

In Its 2021 Fiscal Year, Starbucks Saw Its Net Income Increase To \$4.2 Billion Compared To \$928 Million The Prior Year, A Nearly \$3.2 Billion Increase:

	Year Ended			Year Ended	
	Oct 3, 2021	Sep 27, 2020	% Change	Oct 3, 2021	Sep 27, 2020
	(53 Weeks Ended)	(52 Weeks Ended)		As a % of total net revenues	
	[...]				
Net earnings attributable to Starbucks	\$ 4,199.3	\$ 928.3	352.4	14.5%	3.9%

[Starbucks Corporation, [10/28/21](#)]

Starbucks' Profits "Soared 31 Percent" To \$816 Million In Its Q1 2022. "For the last three months of last year, the company's profit soared 31 percent, to \$816 million, Starbucks said in reporting its quarterly earnings on Tuesday." [The New York Times, [02/01/22](#)]

- **Starbucks' Q1 2022 Ended On January 2, 2022.** "Starbucks Corporation (NASDAQ: SBUX) today reported financial results for its 13-week fiscal first quarter ended January 2, 2022." [Starbucks Corporation, [02/01/22](#)]
- **Starbucks Had \$815.9 Million In Net Earnings In Its Q1 2022—31% Higher Than Its \$622.2 Million In Net Earnings In Q1 2022:**

	Quarter Ended	
	Jan 2, 2022	Dec 27, 2020
[...]		
Net earnings attributable to Starbucks	\$ 815.9	\$ 622.2

[Starbucks Corporation, [02/01/22](#)]

Q1 2022: Starbucks Spent Over \$3.5 Billion On Stock Buybacks In Its Q1 2022, After Having No Stock Buybacks The Prior-Year Period :

	Quarter Ended	
	Jan 2, 2022	Dec 27, 2020
[...]		
Repurchase of common stock	(3,520.9)	—

[Starbucks Corporation, [02/01/22](#)]

Q1 2022: Starbucks Paid \$576 Million In Cash Dividends In Its Q1 2022, Over \$40 Million More Than The Prior Year Period:

	Quarter Ended	
	Jan 2, 2022	Dec 27, 2020
[...]		
Cash dividends paid	(576.0)	(528.2)

[Starbucks Corporation, [02/01/22](#)]

January 2022: Starbucks Reported That CEO Kevin Johnson's Total Compensation Rose 39% In 2021 To \$20.43 Million—The Company Also Reported That Its CEO Pay Ratio Was 1,579-To-1 In 2021 Compared To 1,211-To-1 In 2020. "Starbucks Corp. disclosed that Chief Executive Kevin Johnson's total compensation for 2021 totaled \$20.43 million in 2021, up 39% from \$14.67 million in 2020, which was down from \$19.24 million in 2019. [...] Regarding the CEO pay ratio, the company said it calculated the annual pay of its 'median employee,' which it identified as a part-time barista in Canada, at \$12,935, up from \$12,113 in 2020, so the CEO pay ratio increased to 1,579 to 1 from 1,211 to 1." [MarketWatch, [01/31/22](#)]

Yum! Brands—Whose Brands Include The Fourth-Biggest Chain Taco Bell As Well As Pizza Hut And Taco Bell—Raised Prices While Touting "The Strongest Growth Year" In Its History, Saw FY 2021 Net Income Increase By \$671 Million To Over \$1.57 Billion, And Increased Stock Buybacks And Dividends By \$1.38 Billion To \$2.2 Billion In FY 2021.

Taco Bell—A Subsidiary Of Yum! Brands, Inc.—Was The Fourth-Biggest U.S. Restaurant Chain As Of 2020, With Total Sales Of \$11.29 Billion. [Nation's Restaurant News, [07/16/20](#)]

Pizza Hut—A Subsidiary Of Yum! Brands, Inc.—Was The Eleventh-Biggest U.S. Restaurant Chain As Of 2020, With Total Sales Of \$5.56 Billion. [Nation's Restaurant News, [07/16/20](#)]

KFC—A Subsidiary Of Yum! Brands, Inc.—Was The Fourteenth-Biggest U.S. Restaurant Chain As Of 2020, With Total Sales Of \$4.55 Billion. [Nation's Restaurant News, [07/16/20](#)]

- **In 2020, Nation's Restaurant News Ranked The Largest U.S. Restaurant Chains By Systemwide Sales.** "NRN's annual Top 200 report tracks the performance of the country's largest restaurant chains. The 2020 Top 200 chains, ranked here by Latest-Year U.S. systemwide sales, together make up \$313.5 billion in annual domestic sales, up 3.8% from \$301.9 billion a year earlier." [Nation's Restaurant News, [07/16/20](#)]
- **Yum! Brands, Inc.'s Brands Include KFC, Pizza Hut, And Taco Bell—And The Company Has Over 53,000 Restaurants In Over 155 Counties And Territories.** "Yum! Brands, Inc., based in Louisville, Kentucky, has over 53,000 restaurants in more than 155 countries and territories, operating the Company's brands – KFC, Pizza Hut and Taco Bell – global leaders of the chicken, pizza and Mexican-style food categories." [Yum! Brands, [02/09/22](#)]

Yum! Brand Taco Bell Raised Prices By 10% Between July 2020 And July 2021. "Taco Bell, in particular, used to be one of the least expensive meal options in the industry, with an extensive value menu and items for \$1. The Mexican chain had raised prices by 10% between July 2020 and July 2021, an analysis by Gordon Haskett found." [Insider, [02/10/22](#)]

Yum! Brand KFC Began Rolling Back Its Discounted "'Value'" Meals And Promoted More Expensive Options In Mid-2021. "In another pricing shift, chains including KFC and Wendy's are also rolling back discounted 'value' meals and instead promoting costlier options to boost sales and offset increasing food costs as Americans return to pre-pandemic habits. [...] Yum Brands-owned KFC pulled the plug on marketing its \$5 combo meal last year and now advertises its family meal deals that can run as much as \$30, a spokesperson confirmed." [CBS News, [06/23/21](#)]

Yum! CEO David Gibbs Said 2021 Was "The Strongest Growth Year In Yum!'s History," Citing The Company's Unit Growth. "David Gibbs, CEO, said 'We opened an astounding 4,180 gross units in 2021, marking the strongest growth year in Yum!'s history and setting a restaurant industry record for unit development.'" [Yum! Brands, [02/09/22](#)]

- **In 2021, Yum! Brands Added "3,057 Net New Units And 4,181 Gross New Units" Which Set A "Company–And Restaurant Industry–Record For Net New Unit Growth."** "The company set a company–and restaurant industry–record for net new unit growth in 2021, adding 3,057 net new units and 4,181 gross new units to push the system to over 54,000 total units worldwide. This development momentum spanned each of Yum's four brands–KFC, Taco Bell, Pizza Hut and The Habit Burger Grill– and translated to a pace of about one new restaurant opening every two hours." [Forbes, [02/09/22](#)]
- **Gibbs Said That Yum! Opened One New Restaurant Roughly Every Two Hours In 2021.** "Yum Brands, the parent company of Taco Bell, KFC, and Pizza Hut, broke a fast food industry record in 2021 by opening 4,180 new restaurants. That averages out to about one new restaurant every two

hours for the entire year, CEO David Gibbs told investors in a Wednesday fourth-quarter earnings call." [Insider, [02/10/22](#)]

Yum!'s FY 2021 Net Income Of \$1.575 Billion Was \$671 Million More Than Its FY 2020 Net Income Of \$904 Million:

	Quarter ended		% Change B/(W)	Year ended		% Change B/(W)
	12/31/21	12/31/20		12/31/21	12/31/20	
	[...]					
Net income	\$ 330	\$ 332	—	\$ 1,575	\$ 904	74

[Yum! Brands, [02/09/22](#)]

Yum! Spent \$1.59 Billion On Stock Buybacks In Its FY 2021, \$1.35 Billion More Than The \$239 Million It Spent In FY 2020:

	Year ended	
	12/31/21	12/31/20
	[...]	
Repurchase shares of Common Stock	(1,591)	(239)

Yum! Spent \$592 Million On Shareholder Dividends In Its FY 2021, \$26 Million More Than The \$566 Million It Spent In FY 2020:

	Year ended	
	12/31/21	12/31/20
	[...]	
Dividends paid on Common Stock	(592)	(566)

[Yum! Brands, [02/09/22](#)]

Energy

As Gasoline Prices Increased 49.6% In 2021, The Three Biggest U.S. Oil Companies—ExxonMobil, Chevron, And Marathon Petroleum—Benefited From Higher Prices, Seeing Previously Negative Profits Jump By Around \$87.6 Billion To Over \$49.6 Billion And Boosting Shareholder Handouts By Over \$4.5 Billion To \$32.6 Billion In FY 2021.

From December 2020 To December 2021, Prices For The Three Common Grades Of Gasoline Increased Nearly 50%.

Prices For "Gasoline (All Types) Increased 49.6% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics' "Gasoline (All Types)" Category Includes The Three Common Grades Of Gasoline: Regular Unleaded, Midgrade Unleaded, And Premium Unleaded. "The gasoline (all types) index, which has the majority of the weight of the motor fuel index, is composed of three grades of gasoline: [...] Regular unleaded gasoline: Gasoline having an octane rating greater than or equal to 85 and less than 88. [...] Midgrade unleaded gasoline: Gasoline having an octane rating greater than or equal to 88

and less than or equal to 90. [...] Premium unleaded gasoline: Gasoline having an octane rating greater than 90." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

ExxonMobil—The Biggest U.S. Oil Company—Saw Its Biggest Quarterly Profit In 7 Years Due To Higher Oil Prices, Said High Oil Prices Could Speed Up Its New \$10 Billion Stock Buyback Plan, Saw FY 2021 Net Income Grow By \$45.48 Billion To \$23.04 Billion, And Increased FY 2021 Dividends By \$59 Million To \$14.9 Billion.

Exxon Mobil Corp. Was The Biggest U.S.-Based Oil Company And The Sixth-Biggest In The World As Of 2020, With A Revenue Of \$213.9 Billion. [Investopedia, [09/10/20](#)]

February 2022: ExxonMobil Posted Its Biggest Quarterly Profit In Seven Years, "Helped By The Rise In Oil Prices." "Exxon Mobil Corp (XOM.N) on Tuesday reported a fourth-quarter profit of \$8.87 billion, its largest in seven years, as the top U.S. oil producer benefited from strong energy prices. The company slashed spending after fuel demand cratered two years ago. Since then, earnings have topped pre-pandemic levels, helped by the rise in oil prices, with the global oil benchmark Brent also at a seven-year high." [Reuters, [02/01/22](#)]

ExxonMobil's Chief Financial Officer Said Continued High Oil Prices Would "'Cause Us To Increase The Pace Of The Share Repurchase Program,'" After The Company Resumed Stock Buybacks In January 2022 With Plans To Repurchase \$10 Billion In Stock By The End Of 2023. "A continuation of high oil prices would 'cause us to increase the pace of the share repurchase program,' Chief Financial Officer Kathryn Mikells said. Exxon restarted buybacks last month after a long suspension, with pledge to buy \$10 billion by the end of 2023." [Reuters, [02/01/22](#)]

October 2021: ExxonMobil Chairman And CEO Darren Woods Said Q3 2021's "'Strong Cash Flow Outlook Will Enable Us To Further Increase Shareholder Distributions'" While The Company Announced A \$10 Billion Stock Buyback Program. "'All three of our core businesses generated positive earnings during the quarter, with strong operations and cost control, as well as increased realizations and improved demand for fuels," said Darren Woods, chairman and chief executive officer. [...] 'We anticipate the company's strong cash flow outlook will enable us to further increase shareholder distributions by up to \$10 billion through a share repurchase program over 12-24 months, beginning in 2022.'" [ExxonMobil, [10/29/21](#)]

- **In Its Q3 2021 Earnings Release, ExxonMobil Announced That It Would Start A Stock Buyback Program Of Up To \$10 Billion Beginning In 2022.** "Starting 2022, share repurchase program of up to \$10 billion over 12 - 24 months" [ExxonMobil, [10/29/21](#)]
- **ExxonMobil Had Already Begun Its Stock Buybacks In Q1 2022.** "Beginning in the first quarter of 2022, the company initiated share repurchases associated with the previously announced buyback program of up to \$10 billion over the next 12 to 24 months." [Exxon Mobil Corporation, [02/01/22](#)]

October 2021: ExxonMobil's Stock Rose After It "Estimated That Rising Oil And Natural-Gas Prices Will Lift Its Third-Quarter Earnings By \$700 Million To \$1.5 Billion." "[Exxon Mobil Corporation] shares firmed Friday after the Fossil-fuel titan estimated that rising oil and natural-gas prices will lift its third-quarter earnings by \$700 million to \$1.5 billion. In a Securities and Exchange Commission filing Exxon said oil will likely give a \$200 million to \$600 million fillip, while gas will likely offer a \$500 million to \$900 million boost. U.S. oil prices have soared 54% year to date, recently trading at \$74.54. Natural-gas prices have more than doubled this year." [TheStreet, [10/01/21](#)]

In Its FY 2021, ExxonMobil Had \$23.040 Billion In Net Income—\$45.480 Billion More Than Its FY 2020 Loss Of \$22.440 Billion:

	Fourth Quarter		Third Quarter	Twelve Months	
	2021	2020	2021	2021	2020
Earnings (Loss) / Earnings (Loss) Per Share					
Total revenues and other income	84,965	46,540	73,786	285,640	181,502
Total costs and other deductions	73,236	73,153	64,180	254,406	210,385
Income (loss) before income taxes	11,729	(26,613)	9,606	31,234	(28,883)
Income taxes	2,650	(6,010)	2,664	7,636	(5,632)
Net income (loss) including noncontrolling interests	9,079	(20,603)	6,942	23,598	(23,251)
Net income (loss) attributable to noncontrolling interests	209	(533)	192	558	(811)
Net income (loss) attributable to ExxonMobil (U.S. GAAP)	8,870	(20,070)	6,750	23,040	(22,440)

[Exxon Mobil Corporation, [02/01/22](#)]

In Its FY 2021, ExxonMobil Spent \$14.924 Billion On Dividends—\$59 Million More Than The \$14.865 Billion It Spent In FY 2020:

	Fourth Quarter		Third Quarter	Twelve Months	
	2021	2020	2021	2021	2020
[...]					
Other Financial Data					
Dividends on common stock					
Total	3,763	3,715	3,720	14,924	14,865
Per common share (dollars)	0.88	0.87	0.87	3.49	3.48

[Exxon Mobil Corporation, [02/01/22](#)]

In 2021, Exxon Mobile Suspended Its Stock Buyback Program After Spending \$305 Million On Buybacks In 2020, But In Early 2022 Resumed Up To \$10 Billion In Buybacks. "During 2021, Exxon Mobil Corporation suspended its share repurchase program used to offset shares or units settled in shares issued in conjunction with the company's benefit plans and programs." [Exxon Mobile Form 10-K, [02/23/22](#)]

- **Exxon Mobil Spent \$305 Million On Stock Buybacks In Its Fiscal 2020.** "During 2020, Exxon Mobil Corporation purchased 6 million shares of its common stock for the treasury at a gross cost of \$305 million." [Exxon Mobil Corporation, [02/02/21](#)]
- **In The First Quarter Of FY 2022, Exxon Mobil Initiated A "Buyback Program Of Up To \$10 Billion Over The Next 12 To 24 Months.** "Beginning in the first quarter of 2022, the company initiated share repurchases associated with the previously announced buyback program of up to \$10 billion over the next 12 to 24 months." [Exxon Mobile Corporation, [02/01/22](#)]

Chevron, The Second-Biggest U.S. Based Oil Company, Touted Oil And Gas Prices That Had Doubled And Tripled Since 2020, Reported That FY 2021 Earnings Grew Over \$21 Billion To Over \$15.6 Billion, And Increased Its FY 2021 Stock Buybacks And Dividends By \$150 Million To \$11.6 Billion.

Chevron Corp. Was The Second-Biggest U.S.-Based Oil Company And The Eighth-Biggest In The World As Of 2020, With A Revenue Of \$115 Billion. [Investopedia, [09/10/20](#)]

- **January 2022: Chevron CEO Mike Wirth Claimed The Company Was "The Largest Producer Of Oil And Gas In The World."** "[Chevron CEO Mike Wirth] added, 'We're the largest producer of

oil and gas in the world, and can be for a long time to come if we're allowed to responsibly develop those resources." [Fox Business, [01/29/22](#)]

Q4 2021: Chevron Had A Net Income Of \$5.055 Billion—\$5.720 Billion More Than Its Q4 2020 Net Income Of -\$665 Million:

	Three Months Ended Dec. 31	
	2021	2020
REVENUES AND OTHER INCOME		
[...]		
NET INCOME (LOSS) ATTRIBUTABLE TO CHEVRON CORPORATION	\$ 5,055	\$ (665)

[Chevron Corporation, [01/28/22](#)]

FY 2021: Chevron Had A Net Income Of \$15.625 Billion—\$21.168 Billion More Than Its FY 2020 Net Loss Of \$5.543 Billion:

Year Ended Dec. 31	
2021	2020
[...]	
\$ 15,625	\$ (5,543)

[Chevron Corporation, [01/28/22](#)]

January 2022: Chevron Corporation Reported \$5.1 Billion In Earnings In Its Q4 2021, Compared to A \$665 Million Loss The Prior-Year Period. "Chevron Corporation (NYSE: CVX) today reported earnings of \$5.1 billion (\$2.63 per share - diluted) for fourth quarter 2021, compared with a loss of \$665 million (\$0.33) per share - diluted) in fourth quarter 2020. Included in the current quarter were asset sale gains of \$520 million, losses on the early retirement of debt of \$260 million and pension settlement costs of \$82 million." [Chevron Corporation, [01/28/22](#)]

Chevron's Full FY 2021 Earnings Were \$15.6 Billion, Compared To Its \$5.5 Billion Loss In Its FY 2020. "Chevron reported full-year 2021 earnings of \$15.6 billion (\$8.14 per share - diluted), compared with a loss of \$5.5 billion (\$2.96) per share - diluted) in 2020." [Chevron Corporation, [01/28/22](#)]

CEO Mike Wirth Said, "By The End Of 2021, We Had One Of Our Most Successful Years Ever With Return On Capital Employed Approaching 10%, Our Highest Since 2014." "Mike Wirth -- Chairman and Chief Executive Officer [...] Thanks, Roderick. After the challenges of 2020, we began last year clear-eyed about the economic realities we faced and at the same time optimistic about an eventual recovery. By the end of 2021, we had one of our most successful years ever with return on capital employed approaching 10%, our highest since 2014; the successful integration of Noble Energy, while more than doubling initial synergy estimates; and record free cash flow, 25% greater than our previous high." [The Motley Fool, [01/28/22](#)]

Chevron's Stock Price "Reached Its Highest Level Ever" Before Dipping Following The Company's Q4 2021 Earnings Report. "Chevron's stock price reached its highest level ever Thursday, closing at more than \$135 a share, as investors reacted to Chevron's announcement that it would raise its quarterly dividend by 6%. But the company's shares fell more than 3% in trading Friday following the release of its fourth-quarter earnings, which were lower than analysts had expected." [The Wall Street Journal, [01/28/22](#)]

Chevron's Average Price Per Barrel Of Crude Oil And Natural Gas Liquids Nearly Doubled From \$33 In Its Q4 2020 To \$63 In Its Q4 2021. "The company's average sales price per barrel of crude oil and natural gas liquids was \$63 in fourth quarter 2021, up from \$33 a year earlier." [Chevron Corporation, [01/28/22](#)]

Chevron's Average Natural Gas Price Over Tripled From \$1.49 Per Thousand Cubic Feet In Its Q4 2020 To \$4.78 In In Its Q4 2021. "The average sales price of natural gas was \$4.78 per thousand cubic feet in fourth quarter 2021, up from \$1.49 in last year's fourth quarter." [Chevron Corporation, [01/28/22](#)]

Chevron CEO Mike Wirth Touted "Record Free Cash Flow" In Its FY 2021 And Said The Company Was In A Position "To Return More Cash To Shareholders." "In 2021, we delivered record free cash flow and accelerated our progress towards a lower carbon future,' said Mike Wirth, Chevron's chairman and chief executive officer. 'We're an even better company than we were just a few years ago. We're more capital and cost efficient, enabling us to return more cash to shareholders.'" [Chevron Corporation, [01/28/22](#)]

- **Wirth Said That Chevron's "Record Free Cash Flow" Was "25% Greater Than Our Previous High."** "Mike Wirth -- Chairman and Chief Executive Officer [...] By the end of 2021, we had one of our most successful years ever with return on capital employed approaching 10%, our highest since 2014; the successful integration of Noble Energy, while more than doubling initial synergy estimates; and record free cash flow, 25% greater than our previous high." [The Motley Fool, [01/28/22](#)]
- **Wirth Projected That "2022 Will Be Even Better For Cash Returns To Shareholders," Noting The Recent Dividend Increase And The Heightened Guidance For Its Q1 2022 Stock Buybacks.** "Mike Wirth -- Chairman and Chief Executive Officer [...] I expect 2022 will be even better for cash returns to shareholders with another dividend increase announced this week and first quarter buybacks projected at the top of our guidance range." [The Motley Fool, [01/28/22](#)]

FY 2021: Chevron Bought Back \$1.4 Billion Of Its Stock—\$350 Million Less Than In Its FY 2020. "During 2021, Chevron increased its quarterly dividend per share by 4 percent to \$1.34 and repurchased \$1.4 billion of company stock, all while increasing return on capital employed to 9.4 percent and reducing debt by \$12.9 billion. The company raised its dividend per share an additional 6 percent to \$1.42 earlier this week and guided first quarter 2022 buybacks to the top of its \$3 to \$5 billion annual guidance range." [Chevron Corporation, [01/28/22](#)]

- **FY 2020: Chevron Repurchased \$1.75 Billion In Stock Before Suspending Buybacks In March 2020.** "The company purchased \$1.75 billion of its common stock in 2020 under its stock repurchase programs. The stock repurchase program was suspended in March 2020." [Chevron Corporation SEC Form 10-K, [02/25/21](#)]

FY 2021: Chevron Spent \$10.2 Billion On Shareholder Dividends—\$500 Million More Than The \$9.7 Billion It Spent In FY 2020:

SUMMARIZED STATEMENT OF CASH FLOWS (Preliminary)⁽¹⁾

	Three Months Ended Dec. 31	Year Ended Dec. 31	
		2021	2020
OPERATING ACTIVITIES			
	[...]		
Cash dividends — common stock		(2.6)	(9.7)

[Chevron Corporation, [01/28/22](#)]

- **Chevron Raised Its Quarterly Dividend By 4% In 2021 And An Additional 6% In January 2022.** "During 2021, Chevron increased its quarterly dividend per share by 4 percent to \$1.34 and repurchased \$1.4 billion of company stock, all while increasing return on capital employed to 9.4 percent and reducing debt by \$12.9 billion. The company raised its dividend per share an additional

6 percent to \$1.42 earlier this week and guided first quarter 2022 buybacks to the top of its \$3to \$5 billion annual guidance range." [Chevron Corporation, [01/28/22](#)]

In January 2022, It Projected Its Q1 2022 Stock Buybacks To Be At "The Top Of Its \$3 To \$5 Billion Guidance Range." "During 2021, Chevron increased its quarterly dividend per share by 4 percent to \$1.34 and repurchased \$1.4 billion of company stock, all while increasing return on capital employed to 9.4 percent and reducing debt by \$12.9 billion. The company raised its dividend per share an additional 6 percent to \$1.42 earlier this week and guided first quarter 2022 buybacks to the top of its \$3 to \$5 billion annual guidance range." [Chevron Corporation, [01/28/22](#)]

January 2022: Wirth Suggested To Fox Business That "The Prospect Of Oil Hitting \$100 Per Barrel Is Not Out Of The Realm Of Possibility In The Coming Months." "Chevron CEO Mike Wirth says the prospect of oil hitting \$100 per barrel is not out of the realm of possibility in the coming months, pointing to recent markets trends and global uncertainty. Wirth appeared on FOX Business' 'The Claman Countdown' on Friday, where host Liz Claman noted, 'Oil hit \$90 a barrel earlier this week, and you look at Wall Street's \$100 a barrel forecast by this summer, that suddenly doesn't look so lofty.'" [Fox Business, [01/29/22](#)]

- **Chevron Also Noted Elsewhere That Gasoline Demand Was "Above Pre-Pandemic Levels."** "Chevron Chief Executive Mike Wirth said demand for gasoline is above pre-pandemic levels and that he expects further recovery in fossil markets in 2022. Despite that, he said Chevron will stick to disciplined spending." [The Wall Street Journal, [01/28/22](#)]

Marathon Petroleum Corp., The Third-Biggest U.S. Oil Company, Saw Its FY 2021 Net Income Grow Nearly \$21 Billion To \$11 Billion, Increased Stock Buybacks By Over \$4.6 Billion To \$4.6 Billion, And Spent Over \$1.48 Billion On Shareholder Dividends In FY 2021—Marathon's CEO Said It A "Focus Has Been To Return Capital To Shareholders" In 2021.

Marathon Petroleum Corp. Was The Third-Biggest U.S.-Based Oil Company And The Ninth-Biggest In The World As Of 2020, With A Revenue Of \$102.4 Billion. [Investopedia, [09/10/20](#)]

- **Marathon Petroleum Corp. And Marathon Oil Company Are "Two Completely Separate Entities."** "As of 2011, Marathon Oil Corporation and Marathon Petroleum Corporation are two completely separate entities — each positioned to deliver continued shareholder growth." [Marathon, accessed [02/28/22](#)]

FY 2021: Marathon's Net Income Was \$11.001 Billion—\$20.978 Billion More Than Its FY 2020 Loss Of \$9.977 Billion:

(In millions)	2021	2020
	[...]	
Net income (loss)	11,001	(9,977)

[Marathon Petroleum Corporation, [02/24/22](#)]

- **Marathon's FY 2021 Net Income Of \$11.001 Billion Was Also \$7.746 Billion More Than Its FY 2019 Net Income Of \$3.255:**

2019
[...]
3,255

[Marathon Petroleum Corporation, [02/24/22](#)]

Marathon Spent \$4.654 Billion On Stock Buybacks In Its FY 2021—\$4.654 Billion More Than In FY 2021 And \$2.704 Billion More Than In FY 2019:

(Millions of dollars)	2021	2020	2019
[...]			
Common stock repurchased	(4,654)	—	(1,950)

[Marathon Petroleum Corporation, [02/24/22](#)]

Marathon Spent \$1.484 Billion On Shareholder Dividends In Its FY 2021—Just \$26 Million Less Than In FY 2020 And \$86 Million More Than In FY 2019:

(Millions of dollars)	2021	2020	2019
[...]			
Dividends paid	(1,484)	(1,510)	(1,398)

[Marathon Petroleum Corporation, [02/24/22](#)]

Marathon CEO Michael J. Hennigan Said That A "Focus Has Been To Return Capital To Shareholders" In 2021. "In 2021, we progressed all three of our strategic initiatives," said President and Chief Executive Officer Michael J. Hennigan. [...] 'Another focus has been to return capital to shareholders. We have completed approximately 55% of our \$10 billion capital return program and today, as part of our long term commitment to return capital, announced an incremental \$5 billion share repurchase authorization.'" [Marathon Petroleum Corp., [02/02/22](#)]

February 2022: Marathon Had Spent About \$3 Billion On Stock Buybacks Since October 31, 2021 And Announced An Additional \$5 Billion In Stock Buybacks. "Returned approximately \$3 billion of capital through share repurchases since Oct 31; completed approximately 55% of \$10 billion repurchase program through Jan 31; announced an incremental \$5 billion repurchase authorization" [Marathon Petroleum Corp., [02/02/22](#)]

Marathon CEO Michael J. Hennigan Said The Company Cut Costs By \$1.5 Billion In 2021. "In 2021, we progressed all three of our strategic initiatives," said President and Chief Executive Officer Michael J. Hennigan. [...] 'Throughout this year, we maintained \$1.5 billion of cost reductions and today, the announcement of our 2022 capital outlook reflects our continued commitment to capital discipline.'" [Marathon Petroleum Corp., [02/02/22](#)]

As Gas And Electric Utility Prices Climbed 24.1% And 6.3% Respectively, The Three Biggest U.S. Gas And Electric Companies—Exelon, Duke, And Southern Company—All Benefited From Higher Rates With Profits Climbing By \$1.64 Billion While Spending \$7.3 Billion On Shareholder Handouts In FY 2021.

From December 2020 To December 2021, Prices For Gas Utilities Increased 24.1%, While Prices For Electric Utilities Increased 6.3%.

Prices For "Utility (Piped) Gas Service" Increased 24.1% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

Prices For Electricity Increased 6.3% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

For Its "Electricity And Utility (Piped) Gas Service" Categories, The Bureau Of Labor Statistics Collects Data On Service Charges, Consumption Charges, Additional Charges, And Related Taxes.

"For electricity and utility (piped) gas service, data are collected on the following items: [...] Service charges—a fixed charge per bill [...] Consumption charges—for total monthly energy usage [...] Additional charges and/or credits [...] Taxes" [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

Exelon Corporation—The "Largest Gas And Electric Utility In The United States"—Was Expected To Benefit From Higher Rates, Had An FY 2021 Net Income Of Over \$1.8 Billion And Increased Its Shareholder Dividends By \$5 Million To Nearly \$1.5 Billion In FY 2021.

Exelon Corporation Was The "Largest Gas And Electric Utility In The United States" In 2020, With A Revenue Of About \$33 Billion. "Exelon Corporation was ranked as the largest gas and electric utility in the United States, based on revenues in 2020. Exelon generated approximately 33 billion U.S. dollars in FY 2020." [Statista, accessed [02/28/22](#)]

Exelon Corporation Claims To Have "The Largest Number Of Utility Customers," With Six Gas And Electric Utility Subsidiaries With About 10 Million Customers. "Exelon is a Fortune 100 energy company with the largest number of utility customers, one of the cleanest, lowest-cost power generation fleets and largest retail customer bases in the U.S. The Exelon family of companies participates in nearly every stage of the energy business, from generation and power sales to transmission and delivery. Headquartered in Chicago, the company does business in 48 states, the District of Columbia and Canada. [...] Exelon's six utilities deliver electricity and natural gas to approximately 10 million customers in Delaware, the District of Columbia, Illinois, Maryland, New Jersey and Pennsylvania through its Atlantic City Electric, BGE, ComEd, Delmarva Power, PECO, and Pepco subsidiaries." [Exelon Corporation, accessed [02/28/22](#)]

Q4 2021: Exelon Was Expected To Benefit From "New Electric And Distribution Rates" That Became Effective September 2021. "Exelon's fourth-quarter earnings are likely to have benefited from new electric and distribution rates that became effective from Sep 17, 2021." [Yahoo!, [02/21/22](#)]

September 2021: Exelon Corporation's Delmarva Power Maryland Applied To Increase Its Electric Rates With The Maryland Public Service Commission. "Delmarva Power Maryland filed an electric distribution rate case with the Maryland Public Service Commission (MDPSC) in September seeking an increase in base rates to support an updated depreciation study and continued investments in the system to enhance grid reliability and customer service" [Exelon Corporation, [11/03/21](#)]

- **A Rate Case Is A Formal Proceeding In Which A Utility Files An Application To A Regulator To Increase Its Distribution Rate, Which Is The Cost To Deliver Utilities.** "A distribution rate case is a formal proceeding before a utility regulatory body in which a utility files an application to increase its distribution rate. The distribution rate is simply that, the cost to deliver electricity, natural gas or water to customers. A utility company files a rate case when customer rates no longer cover the cost of delivering reliable service." [Ohio Public Utilities Commission, [01/11/21](#)]

April 2021: Exelon Subsidiary ComEd Applied To Increase Its Rates With The Illinois Commerce Commission. "Exelon Corporation (EXC Quick Quote EXC - Free Report) announced that its unit, ComEd, filed for a distribution rate increase with the Illinois Commerce Commission ('ICC'). The appeal to increase rates has been made after four years to recoup the investments made by the company to strengthen infrastructure and increase resilience of its operations. If approved by ICC, it will result in 20 cents increase in the monthly bill of average residential customers." [Zacks, [04/19/21](#)]

FY 2021: Exelon Corporation Had A Net Income Of \$1.829 Billion—\$125 Million Less Than Its FY 2020 Net Income Of \$1.954 Billion:

Exelon Corporation and Subsidiary Companies			
Consolidated Statements of Operations and Comprehensive Income			
For the Years Ended December 31,			
(In millions, except per share data)	2021	2020	2019
[...]			

Net income	\$	1,829	\$	1,954	\$	3,028
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[Exelon Corporation SEC Form 10-K, [02/25/22](#)]

FY 2021: Exelon Corporation Spent \$1.497 Billion On Shareholder Dividends—\$5 Million More Than It Spent In FY 2020:

(In millions)	For the Years Ended December 31,		
	2021	2020	2019
	[...]		
Dividends paid on common stock	(1,497)	(1,492)	(1,408)

[Exelon Corporation SEC Form 10-K, [02/25/22](#)]

Duke Energy—Which Touted Positive Results In Its FY 2021 From Increased Rates After Trying To Increase Its Energy Rates In Multiple States—Had An "Exceptionally Productive 2021," With FY 2021 Net Income Increasing By Nearly \$2.5 Billion To Nearly \$3.6 Billion While Spending \$3.114 Billion On Dividends, \$305 Million More Than The Prior Year.

Duke Energy Was The Second-Biggest U.S. Gas And Electric Utility In 2020, With About 7.8 Million Customers Across Six States. "Exelon Corporation was ranked as the largest gas and electric utility in the United States, based on revenues in 2020. Exelon generated approximately 33 billion U.S. dollars in FY 2020. The utility was also considered one of the largest publicly traded companies in its state, Illinois; Exelon is headquartered in Chicago, Illinois. Duke Energy and Southern were ranked second and third, respectively during this same period." [Statista, accessed [02/28/22](#)]

- **Duke Energy Corporation Is "One Of The Largest Electric Power Holding Companies In The U.S.," With 7.8 Million Customers In Six States.** "We are one of the largest electric power holding companies in the U.S., providing electricity to 7.8 million customers in six states." [Duke Energy Corporation, accessed [02/10/22](#)]

Duke Announced That Its Higher Full-Year 2021 Results Were "Primarily Driven By Rate Case Contributions And Higher Volumes" In Electric Utilities. "Higher full-year 2021 adjusted results were primarily driven by rate case contributions and higher volumes in the Electric Utilities Infrastructure segment, complemented by growth and rate case contributions in the Gas Utilities and Infrastructure segment." [Duke Energy Corporation, [02/10/22](#)]

- **A Rate Case Is A Formal Proceeding In Which A Utility Files An Application To A Regulator To Increase Its Distribution Rate, Which Is The Cost To Deliver Utilities.** "A distribution rate case is a formal proceeding before a utility regulatory body in which a utility files an application to increase its distribution rate. The distribution rate is simply that, the cost to deliver electricity, natural gas or water to customers. A utility company files a rate case when customer rates no longer cover the cost of delivering reliable service." [Ohio Public Utilities Commission, [01/11/21](#)]

December 2021: The Kentucky Public Service Commission Approved New Rates For Duke Energy Kentucky's Natural Gas, Resulting In About 6.27% Increases In Customers' Monthly Gas Bills. "The Kentucky Public Service Commission (PSC) issued an order on Dec. 28 approving new rates for Duke Energy Kentucky's 102,000 natural gas customers, effective beginning in January. Average residential usage will result in an approximate 6.27% increase in monthly natural gas bills. The increase will vary depending on the amount of natural gas a customer uses, a customer's rate class and the market price of natural gas." [Duke Energy Corporation, [12/30/21](#)]

- **Duke Claimed That It "Does Not Earn Any Profit From Increases In Fuel Costs."** "The company does not earn any profit from increases in fuel costs." [Duke Energy Corporation, [12/30/21](#)]

December 2021: Duke Energy Florida Asked A Florida Regulator To Increase Its Natural Gas Rates By About \$6.62 A Month For 2022. "Duke Energy Florida asked for another price adjustment due to the continuing rise of natural gas prices. As a result, they've proposed a fuel adjustment that would spread costs to consumers over a year-long period, rather than just in 2022. The power company made an announcement on their proposed increases on Friday, Dec. 17. In the announcement, Duke said the 'volatile natural gas prices' are causing them to seek the fuel adjustment, rather than have it impact customers' bills. [...] The announcement from Duke estimates the increase on bills will be about \$6.62 per month for 2022. Taking effect from March 2022 to February 2023, instead of a shorter 10-month period in 2022, Duke said it would potentially save their customers money, with bills rising between just 4% and 10%." [News Channel 8, [12/20/21](#)]

Duke CEO Lynn Good Said, "The Fourth Quarter Capped A Strong Finish To An Exceptionally Productive 2021." "The fourth quarter capped a strong finish to an exceptionally productive 2021, where we made great progress against our strategic and financial goals," said Lynn Good, Duke Energy chair, president and chief executive officer." [Duke Energy Corporation, [02/10/22](#)]

FY 2021: Duke Had \$3.579 Billion In Net Income—\$2.497 Billion More Than Its FY 2020 Net Income Of \$1.082 Billion:

	Years Ended December 31,		
	2021	2020	2019
[...]			
Net Income	3,579	1,082	3,571

[Duke Energy Corporation, [02/10/22](#)]

In 2021, Duke Energy Paid \$3.114 Billion In Dividends, \$302 Million More Than The \$2.812 Billion Paid In 2020:

(in millions)	Years Ended December 31,		
	2021	2020	Variance
Issuance of common stock	\$ 5	\$ 2,745	\$ (2,740)
Issuances of long-term debt, net	3,758	1,824	1,934
Notes payable and commercial paper	479	(319)	798
Dividends paid	(3,114)	(2,812)	(302)
Contributions from noncontrolling interests	1,575	426	1,149
Other financing items	(94)	(133)	39
Net cash provided by financing activities	\$ 2,609	\$ 1,731	\$ 878

[Duke Energy, [02/24/22](#)]

Duke Forecasted Paying \$3.065 Billion In Shareholder Dividends In 2022:

	Forecast 2022
Dividends	(c) (3,065)

[Duke Energy Corporation, [02/10/22](#)]

Southern Company, The Third-Biggest U.S. Gas And Electric Utility, Has Credited FY 2021 Earnings And Its "Excellent Year" To "Constructive State Regulatory Actions" After Seeing Multiple Rate Increase Approvals, Had An FY 2021 Net Income Of \$2.39 Billion, And Increased Its Dividend For The 20th Consecutive Year After Paying \$92 Million More In Dividends Than The Prior Year.

Southern Company Was The Third-Biggest U.S. Gas And Electric Utility In 2020. "Exelon Corporation was ranked as the largest gas and electric utility in the United States, based on revenues in 2020. Exelon generated approximately 33 billion U.S. dollars in FY 2020. The utility was also considered one of the largest publicly traded companies in its state, Illinois; Exelon is headquartered in Chicago, Illinois. Duke Energy and Southern were ranked second and third, respectively during this same period." [Statista, accessed [02/28/22](#)]

- **Southern Company Has 9 Million Customers Through Electric Companies In Three States, Natural Gas Companies In Four States, And Others.** "Southern Company (NYSE: SO) is a leading energy company serving 9 million customers through its subsidiaries. The company provides clean, safe, reliable and affordable energy through electric operating companies in three states, natural gas distribution companies in four states, a competitive generation company serving wholesale customers across America, a leading distributed energy infrastructure company, a fiber optics network and telecommunications services." [Southern Company, [02/17/22](#)]

Southern Company Was Expected To Benefit From Several Rate Case Decisions And "Supportive Regulatory Decisions." "Supportive Regulatory Decisions: The Southern Company's subsidiaries have been successful in receiving constructive decisions in 2019-2020 on their pending rate cases." [Fitch Ratings, [02/25/21](#)]

- **Southern Company Subsidiary Georgia Power Saw A Rate Increase Of \$909 Million Through The End Of 2022.** "In particular, Georgia Power authorized a cumulative rate increase of \$909 million as part of an alternate rate plan approved for the period Jan. 1, 2020-Dec. 31, 2022." [Fitch Ratings, [02/25/21](#)]
- **Southern Company Subsidiary Atlanta Gas Light Was Authorized A \$65 Million Base Rate Increase Effective January 1, 2020.** "Atlanta Gas Light was authorized a \$65 million base rate increase effective Jan. 1, 2020 based on a 10.25% ROE and a 56% equity ratio." [Fitch Ratings, [02/25/21](#)]
- **Southern Company Subsidiary Virginia Natural Gas Requested A \$49.6 Million Rate Increase That Became Effective November 1, 2020.** "Ongoing rate proceedings include a general rate case filing by Virginia Natural Gas that requested a \$49.6 million rate increase based on projected 12-month test year beginning Nov. 1, 2020, a 10.35% ROE and a 54% equity ratio. Interim rate increase became effective Nov. 1, 2020." [Fitch Ratings, [02/25/21](#)]

Southern Company Credited Its FY 2021 Earnings To "Constructive State Regulatory Actions," "Strong Customer Usage," And Other Factors. "Adjusted earnings drivers for the full year 2021, as compared with 2020, were strong customer usage, as well as robust customer growth and constructive state regulatory actions." [Southern Company, [02/17/22](#)]

Southern Company CEO Thomas A. Fanning Said "2021 Was An Excellent Year And We Believe We Are Well-Positioned To Carry That Momentum Into 2022." "2021 was an excellent year and we believe we are well-positioned to carry that momentum into 2022," said Chairman, President and CEO, Thomas A. Fanning." [Southern Company, [02/17/22](#)]

FY 2021: Southern Company Reported A Net Income Of \$2.393 Billion—\$726 Million Less Than Its FY 2021 Net Income Of \$3.119 Billion:

Year-to-Date December	
2021	2020
\$2,393	\$3,119

[Southern Company, [02/17/22](#)]

FY 2021: Southern Company Paid \$2.777 Billion In Dividends—\$92 Million More Than In FY 2020:

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021, 2020, and 2019

Southern Company and Subsidiary Companies 2021 Annual Report

	2021	2020
		(in millions)
[...]		
Payment of common stock dividends	(2,777)	(2,685)

[Southern Company, 02/16/22]

April 2021: Southern Company Increased Its Dividend For The 20th Consecutive Year. "Southern Company announced today it is increasing its dividend by 8 cents per share on an annualized basis to a rate of \$2.64 per share. This marks the 20th consecutive year that Southern Company has raised the dividend on its common stock." [Southern Company, [04/20/21](#)]

Commodities

As New Vehicle Prices Increased Nearly 12%, Two Of The Top-Selling U.S. Automakers—General Motors And Ford—Saw Profits Climb At Least \$22.7 Billion To Over \$27 Billion And Spent Over \$586 Million In Shareholder Handouts In 2021. Meanwhile Toyota, The Top Selling U.S. Automaker Recently Reported Quarterly Earnings Nearly \$7 Billion Higher Than Last Year And Was Reported As Being "Upbeat" About Its Full-Year 2022 Projection After Charging Customers More.

From December 2020 To December 2021, The Prices For New Vehicles, Including New Cars And New Trucks, Increased 11.8%.

Prices For New Vehicles Increased 11.8% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics' "New Vehicles" Category Includes "New Cars" And "New Trucks."

"The new vehicles index, a component of the private transportation index, is included in the transportation group of the Consumer Price Index (CPI). [...] Item Definition [...] The new cars index is composed of subcompact, compact or sporty, intermediate, full, and luxury cars. The new trucks index is composed of pickup trucks, vans, and specialty vehicles; specialty vehicles include sport and cross utility vehicles." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

Toyota—The Top-Selling Automaker In The U.S. In 2021—Was Reported As Being "Upbeat" About Its Full-Year 2022 Projection After Charging Customers More, Saw Its Q3 2022 Net Income Rise Over \$7.6 Billion To Over \$20.8 Billion, Forecasted A Net Income Of Over \$22 Billion In Its FY 2022, And Spent About \$8.8 Billion On Stock Buybacks And Shareholder Dividends In The First Nine Months Of Its FY 2022.

In 2021, Toyota Was The Top-Selling Automaker In The U.S. With 2.3 Million Units Sold. "For the first time since 1931, General Motors Co. isn't the top-selling automaker in the U.S. The Detroit-based manufacturer lost its crown to Japanese rival Toyota Motor Corp., which boosted sales 10% last year despite a 28% decline in the fourth quarter. With 2.3 million units sold in the U.S. in 2021, Toyota narrowly outpaced GM's 2.2 million." [Fortune, [01/04/22](#)]

February 9, 2022: Toyota Was Reported To Be "Upbeat" About Its Full-Year Financial Results After "Tight Vehicle Supplies" Allowed It To Charge Customers More. "Toyota Motor and Honda Motor were upbeat about their full-year profit prospects on Wednesday as tight vehicle supplies caused by a chip shortage allowed Japan's two biggest automakers to charge their customers more." [Reuters, [02/09/22](#)]

- **Toyota "Cut Costs In A Bid To Squeeze Out More Profit Per Vehicle."** "Still, supply chain disruptions and chip shortages will continue to affect operations, Japan's No. 1 and No. 2 automakers said, prompting them to cut costs in a bid to squeeze out more profit per vehicle." [Reuters, [02/09/22](#)]
- **Headline: Toyota And Honda Upbeat On Profits As Customers Pay More For Scarce Cars** [Reuters, [02/09/22](#)]

In Its Q3 2022, Toyota's Net Income Was \$20.866 Billion—Over 57% More Than Its Q3 2021 Net Income Of \$13.225 Billion. "Toyota Motor Corporation (TMC) today announced its financial results for the third quarter which ended December 31, 2021. [...] Net income² increased from 1.4680 trillion yen (\$13.225 billion) to 2.3162 trillion yen (\$20.866 billion)." [Toyota Motor Corporation, [02/09/22](#)]

- **Toyota's Q3 2022 Ended On February 9, 2022.** [Toyota Motor Corporation, accessed [02/11/22](#)]

Toyota's Total Vehicle Sales Increased By 658,000 To 6,096,000, With North American Sales Increasing By 122,000 To About 1,805,000. "Consolidated vehicle sales totaled approximately 6,096,000 units, an increase of approximately 658,000 units compared to the same period last fiscal year." [Toyota Motor Corporation, [02/09/22](#)]

- **Toyota's North American Vehicle Sales Increased By 122,000 To About 1,805,000.** "North America: Vehicle sales totaled approximately 1,805,000 units, an increase of 122,000 units. Operating income, excluding the impact of valuation gains/losses from interest rate swaps, increased by 233.4 billion yen (\$2.102 billion) to 503.9 billion yen (\$4.539 billion)." [Toyota Motor Corporation, [02/09/22](#)]

Toyota Forecasted A Net Income Of \$22.432 Billion In Its FY 2022, Ending March 31, 2022. "Forecast [...] For the fiscal year ending March 31, 2022, TMC estimates consolidated vehicles sales will be 8.25 million units. Based on an exchange rate assumption of 111 yen to the U.S. dollar, TMC forecasts consolidated net revenue of 29.5 trillion yen (\$265.7 billion), operating income of 2.8 trillion yen (\$25.225 billion), income before income taxes of 3.520 trillion yen (\$31.711 billion), and net income of 2.49 trillion yen (\$22.432 billion)." [Toyota Motor Corporation, [02/09/22](#)]

Toyota Spent About \$6.1 Billion On Shareholder Dividends And About \$2.7 Billion On Stock Buybacks In The First Nine Months Of 2021:

	Yen in millions	
	For the first nine months ended	For the first nine months ended
	December 31, 2020	December 31, 2021
[...]		
Dividends paid to Toyota Motor Corporation common shareholders	(625,514)	(709,872)
Dividends paid to non-controlling interests	(35,858)	(51,464)
Reissuance (repurchase) of treasury stock	199,937	(316,327)

[Toyota Motor Corporation, [02/09/22](#)]

- **¥709,872,000,000 Was Equivalent To \$6,175,886,400, As Of February 11, 2022:**

1 Japanese Yen = 0.0087 United States Dollar

709872000000 JPY - Japan... → 6,175,886,400.00 USD - ...

[Yahoo! Finance, accessed [02/11/22](#)]

- **¥316,327,000,000 Was Equivalent To \$2,752,044,900, As Of February 11, 2022:**

1 Japanese Yen = 0.0087 United States Dollar

316327000000 JPY - Japan... → 2,752,044,900.00 USD - ...

[Yahoo! Finance, accessed [02/11/22](#)]

In 2021, General Motors, The 2nd Top-Selling U.S. Automaker, Saw Its FY 2021 Net Income Increase By Nearly \$3.6 Billion To A Record \$10.02 Billion Thanks To Higher Sale Prices—including A Nearly 20% Increase In Average Vehicle Sale Prices In The Fourth Quarter Of 2021—and Spent \$186 Million On Dividends In FY 2021.

In 2021, General Motors Was The 2nd Top-Selling Automaker In The U.S. With 2.2 Million Units Sold.
 "For the first time since 1931, General Motors Co. isn't the top-selling automaker in the U.S. The Detroit-based manufacturer lost its crown to Japanese rival Toyota Motor Corp., which boosted sales 10% last year despite a 28% decline in the fourth quarter. With 2.3 million units sold in the U.S. in 2021, Toyota narrowly outpaced GM's 2.2 million." [Fortune, [01/04/22](#)]

In 2021, General Motors' Net Income Increased 56% Year Over Year To A Record \$10.02 Billion, Thanks To "Higher Prices For Its Vehicles That Were Made Scarce By A Global Shortage Of Computer Chips."
 "General Motors increased its net income 56% last year, helped by higher prices for its vehicles that were made scarce by a global shortage of computer chips. The Detroit automaker said Tuesday that it made \$10.02 billion for the full year. And it predicted record pretax earnings in 2022 of \$13 billion to \$15 billion and net income of \$9.4 billion to \$10.8 billion." [Associated Press, [02/01/22](#)]

- **In 2021, General Motors Had A Record "Full-Year Net Income, EBIT-Adjusted, EBIT-Adjusted Margin And EPS."** [General Motors, [02/01/22](#)]

[Associated Press, [02/01/22](#)]

up in price by \$600, while the range-topping High Country has increased by \$500." [GM Authority, [05/11/21](#)]

Income Of \$6.426 Billion And \$3.288 More Than Its FY 2019:

Net income attributable to stockholders

[General Motors, accessed 02/28/22]

Prior Year:

Cash flows from operating activities

[...]

[General Motors, accessed 02/28/22]

December 31, 2020." [General Motors, 02/02/22]

Late 2021, Spending \$400 Million Just In Q4 2021.

[The New York Times, 01/04/22]

10/27/21]

December 2021: Ford Increased Prices On 7 Models By As Much As \$3,000 Ahead Of The Holiday Season. "Ford increased prices Wednesday on 7 models by as much as \$3,000, according to a letter sent to dealers. From the brand's cheapest car to its most popular vehicles, holiday car shoppers will find higher prices ahead of Christmas. Here's a quick look at where you'll see the biggest Ford price increases this week." [CarsDirect, [12/10/21](#)]

In Its FY 2021, Ford Credited North American Performance To "Strong Pricing," Which It Said "More Than Offset Higher Commodities And Lower Volume." "North America [...] Strong pricing / mix more than offset higher commodities and lower volume due to semiconductor constraints" [Ford Motor Company, [02/03/22](#)]

Ford Expected The "Pricing Environment" To "Remain Strong" In 2022. "Perspectives On 2022 [...] Pricing environment expected to remain strong – interplay between volume and pricing to remain dynamic." [Ford Motor Company, [02/03/22](#)]

FY 2021: Ford Had A Net Income Of \$17.91 Billion—\$19.186 Billion More Than Its FY 2020 Net Loss Of \$1.276 Billion:

	Fourth Quarter		Full Year	
	2020	2021	2020	2021
Net income / (loss) attributable to Ford (GAAP)	\$ (2,788)	\$ 12,282	\$ (1,279)	\$ 17,937
Income / (Loss) attributable to non-controlling interests	(3)	(9)	3	(27)
Net income / (loss)	\$ (2,791)	\$ 12,273	\$ (1,276)	\$ 17,910

[Ford Motor Company, [02/03/22](#)]

Ford Reinstated "A Regular Dividend Of 10 Cents Per Share" In Its Q4 2021 And Had Spent \$400 Million On Dividends By The End Of Its FY 2021. "During the fourth quarter, Ford, consistent with its focus on creating value for shareholders, reinstated a regular dividend of 10 cents per share." [Ford Motor Company, [02/03/22](#)]

- **Ford Spent \$400 Million On Dividends In 2021.** "Shareholder distributions were \$400 million in 2021, all of which were attributable to the reinstatement of our regular quarterly dividend in the fourth quarter." [Ford Motor Company SEC Form 10-K, [02/03/22](#)]
- **In Fiscal 2020, Ford Spent \$596 Million On Dividends.** [Ford Motor Company, [02/03/22](#)]

While Used Vehicle Prices Climbed 37.3%, The Biggest Used Car Dealers—CarMax, Carvana, And AutoNation—Saw Profit Climb By Over \$1.4 Billion To Over \$2.3 Billion And Shareholder Handouts Increase By Over \$2.2 Billion To Over \$2.7 Billion In 2021.

From December 2020 To December 2021, The Prices For Used Cars And Trucks Increased 37.3%.

Prices For Used Car And Trucks Increased 37.3% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics' "Used Cars And Trucks Index" Includes Used Vehicles Between 2 And 7 Years Old. "The used cars and trucks index, a component of the private transportation index, is included in the transportation group of the Consumer Price Index (CPI). [...] The used cars and trucks index is comprised

of used cars and trucks from 2 through 7 years of age. Included cars consist of subcompact, compact or sporty, intermediate, full, luxury or status cars. Included light trucks consist of pickup trucks, vans, and specialty vehicles. Specialty vehicles include sport/cross utility vehicles." [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

CarMax, "The Nation's Largest And Most Profitable Retailer Of Used Cars," Saw "Record" Sales Due To "Strong Pricing" In Q2 2021 And Continued To See Average Selling Prices Increase By \$6,600 In Q3 2021—The Company Saw Net Income Climb By Over \$454 Million To Over \$991 Million In 2021's First Nine Months While It Boosted Stock Buybacks By \$317 Million To Nearly \$476 Million.

CarMax Claims To Be "The Nation's Largest And Most Profitable Retailer Of Used Cars." "CarMax, Inc., the nation's largest and most profitable retailer of used cars, today reported results for the third quarter ended November 30, 2021." [CarMax, [12/22/21](#)]

September 2021: CarMax Reported That Its Most Recent Quarterly Sales Were Up 48.7% To A "Record" \$8 Billion, Due To "Strong Pricing For Used Vehicles." "The chip shortage is turning out to be a gift that just keeps giving for the used-car business. But it still doesn't come free. Used-car seller CarMax on Thursday said sales in its quarter ended Aug. 31 grew 48.7% compared with a year earlier, hitting a record of \$8 billion, exceeding analyst expectations. Strong pricing for used vehicles, driven by continued delays to new-car manufacturing from the global chip shortage, continues to boost the company's top line." [The Wall Street Journal, [09/30/21](#)]

November 2021: CarMax's Chief Marketing Officer Said Of Used Vehicle Price Increases, "The Average Purchase Price Of Cars Are Inching Up \$100, \$200 A Week." "There's just not a lot of cars out there, and if you go in and walk some lots, you'll notice that it's not there,' Jim Lyski, executive vice president and chief marketing officer for CarMax, tells Fortune. [...] And prices are still on the rise, observes Lyski. He says prices have persisted in moving up 'over the last few weeks,' estimating 'the average purchase price of cars are inching up \$100, \$200 a week,' he noted late last month based on CarMax's vantage point." [Fortune, [11/01/21](#)]

- **CarMax's Chief Marketing Officer Did Not Project Used Car Prices Falling Back To 2019 Levels "Anytime In The Next Nine, 12 Months."** "Others like Mike Jackson, the CEO of AutoNation, note that "consumer demand continues to outpace supply, driven by consumer desire for personal transportation and ongoing manufacturer supply chain disruption,' he said on the company's most recent earnings call in October, adding that he expects that to continue 'well into 2022. That assessment is shared by CarMax's Lyski, who doesn't foresee prices heading back down to 2019 levels 'anytime in the next nine, 12 months.'" [Fortune, [11/01/21](#)]

Q3 2021: CarMax CEO Bill Nash Touted "Record Levels Of Third Quarter Unit Sales" And "All-Time Record Revenues." "Our solid execution, customer-centric omni-channel strategy, and macro factors are driving strong performance across our diversified businesses,' said Bill Nash, president and chief executive officer. 'Our top line momentum continued into this quarter and we achieved record levels of third quarter unit sales in both retail and wholesale, generating all-time record revenues.'" [CarMax, [12/22/21](#)]

Q3 2021: CarMax's Gross Profit Per Used Unit Increased \$84 Over Its Q3 2020. "Gross profit per retail used unit of \$2,235 and gross profit per wholesale unit of \$1,131, representing increases of \$84 and \$225 per unit, respectively, versus last year's third quarter." [CarMax, [12/22/21](#)]

Q3 2021: CarMax Saw Average Retail Selling Price Increase \$6,600 Or 30.8% Per Unit, Contributing To A 52.9% Increase In Total Retail Used Vehicle Revenues. "Total retail used vehicle revenues increased 52.9% compared with the prior year's third quarter due to an increase in the average retail selling price, which rose nearly \$6,600 per unit, or 30.8%, together with the growth in retail used units sold." [CarMax, [12/22/21](#)]

In The First Nine Months Of 2021, CarMax Had A Net Earnings Of \$991.461 Million—\$454.487 Million More Than The \$536.974 Million It Made In The Same Period In 2020:

(In thousands except per share data)	Three Months Ended November 30				Nine Months Ended November 30			
	2021	% ⁽¹⁾	2020	% ⁽¹⁾	2021	% ⁽¹⁾	2020	% ⁽¹⁾
	[...]							
NET EARNINGS	\$ 269,438	3.2	\$ 235,300	4.5	\$ 991,461	4.1	\$ 536,974	3.9

[CarMax, [12/22/21](#)]

- **Net Earnings, Also Known As Net Income, Is An "Indicator Of A Company's Profitability."** "Net income (NI), also called net earnings, is calculated as sales minus cost of goods sold, selling, general and administrative expenses, operating expenses, depreciation, interest, taxes, and other expenses. It is a useful number for investors to assess how much revenue exceeds the expenses of an organization. This number appears on a company's income statement and is also an indicator of a company's profitability." [Investopedia, accessed [01/19/22](#)]

In The First Nine Months Of Its 2021 Fiscal Year, CarMax Spent \$475.95 Million On Stock Buybacks—\$317.325 Million More Than The \$158.625 Million It Spent In The Same Period In 2020:

(In thousands)	Nine Months Ended November 30	
	2021	2020
	[...]	
Repurchase and retirement of common stock	(475,950)	(158,625)

[CarMax Inc. SEC Form 10-Q, [01/06/22](#)]

Carvana—Which Claims To Be "The Leading E-Commerce Platform For Buying And Selling Used Cars"—Reported That Its Average Used Vehicle Price Increased By Over 30% And That Its Total Gross Profit Per Unit Climbed By \$1,285 Per Unit, Touted 2021 As Its First Positive Year And Its Position As "The Fastest Growing E-Commerce Company In U.S. History."

Carvana Claims To Be "The Leading E-Commerce Platform For Buying And Selling Used Cars."

"Carvana Co. (NYSE: CVNA), the leading e-commerce platform for buying and selling used cars, today announced financial results for the quarter and year ended December 31, 2021." [Carvana Co., [02/24/22](#)]

Q4 2021: Carvana Reported That The Price Of Its Average Used Vehicle Increased By Over 30%.

"Carvana said it lost \$182 million, or \$1.02 a share, in the fourth quarter, compared with a loss of \$154 million, or 87 cents a share, in the year-ago quarter. [...] The average used vehicle in Carvana's inventories increased in price by more than 30%, the company said." [MarketWatch, [02/24/22](#)]

FY 2021: Carvana's Total Gross Profit Per Unit Increased By \$1,285 Since FY 2020. "Full Year 2021 [...] Total Gross Profit per Unit of \$4,537, an increase of \$1,285 YoY" [Carvana Co., [02/24/22](#)]

- **Carvana's 2020 Total Gross Profit Per Unit Was \$3,252.** [Carvana Co. SEC Form 10-K, [02/24/22](#)]

FY 2021: Carvana's Revenue Climbed 129% To Over \$12.8 Billion Since FY 2020. "Full Year 2021 [...] Revenue of \$12.814 Billion, an increase of 129% YoY" [Carvana Co., [02/24/22](#)]

FY 2021 Was Carvana's "First Full Year With Positive EBITDA, Excluding One-Time Items" [Carvana Co., [02/24/22](#)]

- **Earnings Before Interest, Taxes, Depreciation, And Amortization (EBITDA) Is "Is Used As An Alternative To Net Income In Some Circumstances."** "EBITDA, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial

accessed [02/28/22](#)]

Carvana." [Carvana Co., [02/24/22](#)]

Increase Of \$36 Million:

(In millions, except number of shares, which are reflected in thousands, and per share amounts)

Net loss attributable to Carvana Co.

[Carvana Co, Form 10-K, [02/24/22](#)]

Boosted Stock Buybacks By Over \$1.9 Billion To \$2.3 Billion In FY 2021.

consecutive record quarterly EPS." [AutoNation, Inc., [02/17/22](#)]

Headline: Rising car prices fuel AutoNation's great year [Axios, 10/22/21]

earnings record on Thursday. That's thanks to higher consumer prices driven by production constraints. [...]

that he expects that to continue 'well into 2022.'" [Fortune, 11/01/21]

- **Jackson Retired On November 1, 2021 And Was Replaced By Mike Manley.** "AutoNation, Inc. (NYSE: AN), America's largest and most admired automotive retailer, today announced that it has appointed Mike Manley as Chief Executive Officer and as a member of its Board of Directors, effective November 1, 2021. Mike Jackson will retire from AutoNation on November 1, 2021, as Chief Executive Officer and as a member of the Board of Directors." [AutoNation, Inc., [09/21/21](#)]

have seen an increase in used car retail prices. But the reality is, if I look at wholesale prices as well, and you

take the gap between the increase in retail prices and used car and the increase in wholesale, i.e., in purchase prices of the cars per sell, and you use that as a proxy of a balance to fund, that hasn't really changed either over the period." [The Motley Fool, [02/17/22](#)]

AutoNation CEO Mike Manley Said "So I Think What's Really Driven Our Business Is Some Improvement In The Actual Income From The Increasing In Prices." "Mike Manley -- Chief Executive Officer [...] So I think what's really driven our business is some improvement in the actual income from the increasing in prices." [The Motley Fool, [02/17/22](#)]

February 2022: AutoNation Reported "All-Time Record Quarterly And Full Year EPS." "AutoNation Press Release: AutoNation Reports All-Time Record Quarterly and Full Year EPS." [AutoNation, Inc., [02/17/22](#)]

Q4 2021: AutoNation Had A Net Income Of \$387.1 Million—\$235.6 Million More Than Its Q4 2020 Net Income Of \$151.5 Million:

Selected GAAP Financial Data (\$ in millions, except per share data)			
	Three Months Ended Dec 31,		
	2021	2020	YoY
Revenue	\$ 6,582.3	\$ 5,785.1	14%
Gross Profit	\$ 1,321.6	\$ 986.7	34%
Operating Income	\$ 532.4	\$ 309.4	72%
Net Income	\$ 387.1	\$ 151.5	156%
Diluted EPS	\$ 5.87	\$ 1.73	239%
New Vehicle Retail Unit Sales	57,601	72,404	-20%
Used Vehicle Retail Unit Sales	74,442	61,526	21%

[AutoNation, Inc., [02/17/22](#)]

FY 2021: AutoNation Had A Net Income Of \$1.373 Billion—\$991.4 Million More Than Its FY 2020 Net Income Of \$381.6 Million:

Selected GAAP Financial Data (\$ in millions, except per share data)			
	Twelve Months Ended Dec 31,		
	2021	2020	YoY
Revenue	\$ 25,844.0	\$ 20,390.0	27%
Gross Profit	\$ 4,952.6	\$ 3,566.4	39%
Operating Income	\$ 1,902.8	\$ 563.2	238%
Net Income	\$ 1,373.0	\$ 381.6	260%
Diluted EPS	\$ 18.31	\$ 4.30	326%
New Vehicle Retail Unit Sales	262,403	249,654	5%
Used Vehicle Retail Unit Sales	304,364	241,182	26%

[AutoNation, Inc., [02/17/22](#)]

FY 2021: AutoNation Spent \$2.3 Billion On Stock Buybacks—\$1.917 Billion More Than The \$382.3 Million It Spent In FY 2020. "During 2021, we repurchased 22.3 million shares of common stock for an aggregate purchase price of \$2.3 billion (average purchase price per share of \$103.18). During 2020, we repurchased 7.2 million shares of our common stock for an aggregate purchase price of \$382.3 million (average purchase price per share of \$52.76), including repurchases for which settlement occurred subsequent to December 31, 2020." [AutoNation, Inc. SEC Form 10-K, [02/17/22](#)]

While Apparel Prices Climbed 5.8%, The Biggest Clothing Companies—TJX, Nike, And Gap—Saw Profits Climb By Over \$4.5 Billion To Over \$6.7 Billion And Boosted Shareholder Handouts By Over \$5 Billion To \$6.4 Billion In 2021.

From December 2020 To December 2021, The Prices For All Clothing Apparel Increased 5.8%.

Prices For Apparel Increased 5.8% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

The Bureau Of Labor Statistics' Definition Of Apparel Includes Men's And Boys' Apparel, Women's And Girls' Apparel, Apparel For Children Under Age 2, Footwear, And Other Apparel And Services.

"APPAREL AND SERVICES

- *Men's and boys' apparel* includes coats and jackets, sweaters and vests, sportcoats and tailored jackets, trousers and slacks, shorts and short sets, sportswear, shirts, underwear, nightwear, hosiery, uniforms, and other accessories.
- *Women's and girls' apparel* includes coats and jackets, furs, sportcoats and tailored jackets, sweaters and vests, blouses and shirts, dresses, jeans, culottes, slacks, shorts, sportswear, underwear, nightwear, uniforms, hosiery, and other accessories.
- *Apparel for children under age 2* includes coats, jackets, and snowsuits; underwear; diapers; dresses; crawlers and other sleeping garments; hosiery; footwear; and accessories.
- *Footwear* includes articles such as shoes, slippers, boots, and other similar items. It excludes footwear for children under age 2 and special footwear used for sports such as bowling or golf shoes.
- *Other apparel products and services* includes material for making clothes, shoe repair, alterations and repairs, sewing patterns and notions, clothing rental, clothing storage, dry cleaning and sent-out laundry, watches, jewelry, and repairs to watches and jewelry."

[U.S. Bureau of Labor Statistics, accessed [02/16/22](#)]

During Its February 2022 Earnings Call, TJX Companies Admitted Its "Pricing Strategy" Had Driven "Really Healthy Margins" In The Last Half Of 2021, With The Company Seeing "Record Net Income" Climb By Over \$3.19 Billion To Over \$3.28 Billion In FY 2021 And Boosting Shareholder Handouts By Over \$2.94 Billion To \$3.43 Billion In The Same Time.

TJX Companies—Which Owns TJ Maxx, Marshalls, And Other Brands—Was The Biggest U.S. Apparel Retail Company In 2018 And Continued To Be Among The Biggest In The Sector, With \$32.1 Billion In Net Sales In 2021. "We put together a list of the top retail companies in the US by annual sales numbers. The data is taken from Forbes' Global 2000 report on the world's largest public companies. This list includes all public companies with annual sales over \$4.47 billion. [...] 1. TJX Companies — TJ Maxx, Marshalls [...] Annual sales: \$35.9 billion TJX Companies is the parent company of several off-price chains in the US including TJ Maxx and Marshalls." [Insider, [10/14/18](#)]

- **As Of 2021, TJX Companies Had Annual Sales Of \$32.1 Billion.** [Forbes, [05/13/21](#)]

In February 2022, TJX Companies President And CEO Ernie Herrman Stated His Company's "Retail Pricing Strategy" Gave Him "Confidence In Improving Our Profitability" Despite "Freight And Wage Cost Pressures." "While freight and wage cost pressures remain elevated, we are pleased that our retail pricing strategy is working very well. This gives us confidence in improving our profitability when the macro environment normalizes, while continuing to offer exceptional values to customers every day." [TJX, [02/23/22](#)]

- **TJX Companies Owns A Number Of Major Consumer Retail Brands, Including T.J. Maxx, Marshalls, And Homegoods.** [TJX Companies, accessed [02/24/22](#)]

During TJX's February 2022 Earnings Call, Herrman Admitted He Was Looking At "Inflationary Price Increase As A Major Opportunity For Us At TJX To Get Even More Aggressive About Adjusting Our Retails Than We've Been." "Ernie Herrman [...] Great question, Lorraine. Yes, first of all, what's happened around us, as you can see, even in some of the media that outwardly reported many of the retailers adjusting their prices across the board. I won't name them, but you probably read about certain retailers taking blanket approaches to raising their retail. So ironically, like anything in this business, I'm looking at this inflationary price increase as a major opportunity for us at TJX to get even more aggressive about adjusting our retail than we've been." [Seeking Alpha, [02/23/22](#)]

Herrmann Went On To State That TJX's "Really Healthy Margins" In The Last Half Of 2021 Were "Driven" By The Company's "Pricing Strategy." "Ernie Herrman [...] So when we started off, as you know, we were taking a very -- the word I was using was surgically and then selectively adjusting retail, but we've had such strong success. And in fact, if you look at the fourth quarter merchandise margin, we had really healthy margins all the way through the back half of the year, really driven by a large part by the pricing strategy." [Seeking Alpha, [02/23/22](#)]

In February 2022, TJX Companies Announced It Had Spent \$3.4 Billion On Shareholder Handouts In 2021, Including \$2.2 Billion In Stock Buybacks And \$1.25 Billion In Cash Dividends. "In Fiscal 2022, the Company returned a total of \$3.4 billion to shareholders. In Fiscal 2022, the Company repurchased a total of \$2.2 billion of TJX stock, retiring 31.5 million shares, and paid \$1.25 billion in shareholder dividends." [TJX, [02/23/22](#)]

TJX CFO Scott Goldenberg Was Proud To Announce TJX Had A "Record Net Income" In 2021, Ended The Year With \$6.2 Billion, And Had Returned The Most Money To Shareholders On An Annual Basis In Company History. "Scott Goldenberg [...] I'll finish with our liquidity and shareholder distributions. For the full year, we generated \$3.1 billion in operating cash flow, driven by record net income. We ended this year with \$6.2 billion in cash. In fiscal '22, we returned \$3.4 billion to shareholders through our buyback and dividend programs, which is the most we've returned to shareholders on an annual basis in our history." [Seeking Alpha, [02/23/22](#)]

FY 2021: TJX Had A Net Income Of Over \$3.282 Billion—Over \$3.192 Billion More Than Its FY 2020 Net Income Of \$90.470 Million:

	Fifty-Two Weeks Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Net income	\$ 3,282,815	\$ 90,470	\$ 3,272,193

[TJX, [02/23/22](#)]

FY 2021: TJX Spent \$2.1763 Billion On Stock Buybacks—\$1.9748 Billion More Than The \$201.5 Million It Spent In FY 2020:

Fifty-Two Weeks Ended		
January 29, 2022	January 30, 2021	February 1, 2020

	[...]			
Payments for repurchase of common stock		(2,176.3)	(201.5)	(1,552.0)
	[TJX, 02/23/22]			

FY 2021: TJX Spent \$1.2518 Billion On Shareholder Dividends—\$973.5 Million More Than The \$278.3 Million It Spent In FY 2020:

	Fifty-Two Weeks Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
	[...]		
Cash dividends paid	(1,251.8)	(278.3)	(1,071.6)
	[TJX, 02/23/22]		

Shortly After It Announced Price Hikes, Nike Reported That Its Net Income Climbed By \$442 Million To Over \$3.2 Billion In The First Six Months Of Its FY 2021 And It Boosted Shareholder Handouts By \$1.83 Billion To \$2.6 Billion In The Same Period.

Nike Was The Second-Biggest Apparel Retail Company In 2018 And Continued To Be Among The Biggest In The Sector In 2021, With \$38.5 Billion In Net Sales In 2021. "We put together a list of the top retail companies in the US by annual sales numbers. The data is taken from Forbes' Global 2000 report on the world's largest public companies. This list includes all public companies with annual sales over \$4.47 billion. [...] 2. Nike [...] Annual sales: \$35.3 billion Nike has not only dominated the US athletic footwear market but is also considered to be one of the most powerful brands in the world." [Insider, [10/14/18](#)]

- **As Of 2021, Nike Had Annual Sales Of \$38.5 Billion.** [Forbes, [05/13/21](#)]

September 2021: Nike Expected To Increase Prices As It Reported Increased Revenue, Gross Margin, And Direct Sales In Its Q1 2022 Ending August 31, 2021. "Nike announced first quarter earnings (Q1) for fiscal year 2022 month ending August 31, 2021, with revenues up 16% compared to last year. Nike direct sales were up 28% and gross margin improved to 46.5% as compared to 44.8% in Q1 last year. John Donahoe, CEO of Nike, discussed the growth in Q1 despite current supply chain issues and inventories being flat to last year. 'Nike is doing what we always do, playing the offense. We have gotten stronger from the pandemic and will be even stronger as we emerge from it.' Nike anticipates that prices will rise in the second half of the year to offset costs related to on-going supply chain issues. [...] Price increases will be implemented in the second half of the year to offset transportation, logistics and air freight costs required to move products through the supply chain especially to meet holiday demand." [Forbes, [09/23/21](#)]

Q2 2022: Nike Had A Net Income Of \$1.337 Billion—\$86 Million More Than Its Q2 2020 Net Income Of \$1.251 Billion:

(In millions, except per share data)	THREE MONTHS ENDED		%
	11/30/2021	11/30/2020	Change
	[...]		
NET INCOME	\$ 1,337	\$ 1,251	7% \$

[Nike, [12/20/21](#)]

In The First Six Months Of Its FY 2022, Nike Had A Net Income Of \$3.211 Billion—\$442 Million More Than The \$2.769 Billion It Made In The Same Period In 2020:

SIX MONTHS ENDED		%
11/30/2021	11/30/2020	Change

[...]

\$	3,211	\$	2,769	16%
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[Nike, [12/20/21](#)]

Nike Reported Increased Gross Margin And Diluted Earnings Per Share Figures, Both Of Which Are Measures Of Profitability, In Its Q2 2022. "NIKE, Inc. (NYSE:NKE) today reported fiscal 2022 financial results for its second quarter ended November 30, 2021. [...] Second quarter reported revenues were \$11.4 billion, up 1 percent compared to prior year and flat on a currency-neutral basis. [...] Gross margin increased 280 basis points to 45.9 percent. [...] Diluted earnings per share for the quarter was \$0.83, up 6 percent." [Nike, [12/20/21](#)]

- **Diluted Earnings Per Share Are "The Portion Of Profits That Go To Investors."** "Diluted earnings per share (EPS) are the portion of profits that go to investors and should be used when making calculations about your stocks." [The Balance, [07/20/21](#)]
- **Gross Margin Is "The Amount Of Profit Made Before Deducting Selling, General, And Administrative (SG&A) Costs."** "The gross margin shows the amount of profit made before deducting selling, general, and administrative (SG&A) costs. Gross margin can also be called gross profit margin, which is gross profit divided by net sales." [Investopedia, accessed [01/03/22](#)]

Nike President And CEO John Donahoe Touted The Company's "Strong Results" In Its Q2 2022.

"NIKE's strong results this quarter provide further proof that our strategy is working, as we execute through a dynamic environment," said John Donahoe, President and CEO, NIKE, Inc." [Nike, [12/20/21](#)]

Nike Executive Vice President and Chief Financial Officer Matt Friend Credited The Financial Results To "Strong Marketplace Demand." "Our second quarter results reflect our deep consumer connections, the continued strength of our brands and strong marketplace demand," said Matt Friend, Executive Vice President and Chief Financial Officer, NIKE, Inc." [Nike, [12/20/21](#)]

Nike Held \$10.75 Billion In Cash And Cash Equivalents As Of November 30, 2021, Which Was 25% More Than It Held A Year Prior:

(Dollars in millions)	November 30,		November 30,	
	2021	2020	% Change	
ASSETS				
Current assets:				
Cash and equivalents	\$ 10,751	\$ 8,635	25%	

[Nike, [12/20/21](#)]

Nike Returned About \$1.4 Billion To Shareholders In Its Q2 2022, Including \$968 Million In Stock Buybacks And \$437 Million In Shareholder Dividends, A 14% Increase From The Prior-Year Period. "In the second quarter, NIKE returned approximately \$1.4 billion to shareholders, including: *Dividends* of \$437 million, up 14 percent from the prior year. *Share repurchases* of \$968 million for the quarter, reflecting 6.0 million shares retired as part of the four-year, \$15 billion program approved by the Board of Directors in June 2018. As of November 30, 2021, a total of 60.8 million shares have been repurchased under the program for a total of approximately \$6.4 billion." [Nike, [12/20/21](#)]

In The First Six Months Of Its FY 2022, Nike Spent \$1.723 Billion On Stock Buybacks After Having No Buybacks In The Same Period Of 2020:

SIX MONTHS ENDED NOVEMBER 30,	
2021	2020
[...]	
(1,723)	—

In The First Six Months Of Its FY 2022, Nike Spent \$873 Million On Shareholder Dividends—\$104 Million More Than The \$769 Million It Spent In The Same Period In 2020:

SIX MONTHS ENDED NOVEMBER 30,	
2021	2020
[...]	
(873)	(769)

[Nike Inc. SEC Form 10-Q, [01/06/22](#)]

Gap Inc.—Which Owns Gap, Old Navy, And Other Brands—Said "We Have Pricing Power" And Acknowledged "Price Gains" Across All Of Its Brands As It Saw Its Previously Negative Net Income Climb By \$921 Million to \$256 Million in 2021 While It Increased Shareholder Handouts By \$427 Million After Having None In 2020.

Gap Inc.—Which Owns The Gap, Old Navy, Banana Republic Brands And Claims To Be "The Largest Specialty Apparel Company In The U.S."—Was The Third-Biggest Apparel Retail Company In 2018 And Continued To Be Among The Biggest In The Sector, With \$13.8 Billion In Net Sales In 2021. "We put together a list of the top retail companies in the US by annual sales numbers. The data is taken from Forbes' Global 2000 report on the world's largest public companies. This list includes all public companies with annual sales over \$4.47 billion. [...] 3. Gap Inc. — Gap, Old Navy, Banana Republic, Athleta [...] Annual sales: \$15.9 billion Gap Inc. is the parent company of Gap, Banana Republic, Old Navy, and Athleta." [Insider, [10/14/18](#)]

- **As Of 2021, Gap Had Annual Sales Of \$13.8 Billion.** [Forbes, [05/13/21](#)]
- **Gap Inc. Claims To Be "The Largest Specialty Apparel Company In The U.S."** "Gap Inc. (NYSE: GPS), a portfolio of purpose-led, billion-dollar lifestyle brands including Old Navy, Gap, Banana Republic, and Athleta, and the largest specialty apparel company in the U.S., reported a third quarter fiscal year 2021 diluted loss per share of \$0.40." [Gap Inc., [11/23/21](#)]

In Gap's Q3 2021 Earnings Call, CEP Sonia Syngal Said "We Have Pricing Power With Average Unit Retail Contributing To The Highest Gross Margins In Over A Decade." "Sonia Syngal -- Chief Executive Officer [...] We have an acute focus on what really matters, our unique, ownable asset. It's because of the simple, consumable, and executable strategy we shared in October of last year, our Power Plan 2023, the Gap Inc. is in a stronger, more resilient position today than we were entering this fiscal year. Even in the face of current headwinds, I'm confident this is true. Our brands are healthy, demand for our product is strong, and we have pricing power with average unit retail contributing to the highest gross margins in over a decade." [The Motley Fool, [11/24/21](#)]

During The Earnings Call, Syngal Acknowledged "The Price Gains We've Seen Across All Four Of Our Brands As Exemplified By The Q3 Margins" While Answering A Question About Higher Prices.

"Lorraine Hutchinson -- Bank of America Merrill Lynch – Analyst Thanks. Good afternoon. When you think about the supply chain cost, how much of these costs do you view as structural? And are there any actions you can take to take price points higher to offset some of the headwinds? Sonia Syngal -- Chief Executive Officer [...] Our brands are resonating. We have a 10-year high margin through price realization. [...] So, you know, I think that through the price gains we've seen across all four of our brands as exemplified by the Q3 margins, we think that that can continue through a combination of the investments we've made in marketing, the strong product acceptance we're seeing, as well as the enabling capabilities such as personalized pricing and inventory management optimization as key levers to continue the charge over the coming years and price gains across the company." [The Motley Fool, [11/24/21](#)]

In Its FY 2021, Gap Had A Net Income Of \$256 Million, Over \$921 Million More Than Its Fiscal 2020 Loss Of \$665 Million:

(\$ and shares in millions except per share amounts)	52 Weeks Ended		
	January 29, 2022	January 30, 2021	February 1, 2020 (a)
Net sales	\$ 16,670	\$ 13,800	\$ 16,383
Cost of goods sold and occupancy expenses	10,033	9,095	10,250
Gross profit	6,637	4,705	6,133
Operating expenses	5,827	5,567	5,559
Operating income (loss)	810	(862)	574
Loss on extinguishment of debt	325	58	-
Interest, net	162	182	46
Income (loss) before income taxes	323	(1,102)	528
Income taxes	67	(437)	177
Net income (loss)	\$ 256	\$ (665)	\$ 351

[Gap Inc., [03/03/22](#)]

In Its FY 2021, Gap Spent \$201 Million On Stock Buybacks. "During the year, the company repurchased 9 million shares for a total of \$201 million and ended fiscal year 2021 with 371 million shares outstanding." [Gap Inc., [03/03/22](#)]

In Its FY 2021, Gap Spent \$226 Million On Shareholder Dividends. "In fiscal year 2021, the company paid dividends totaling \$226 million. In addition, on February 24, 2022, the company announced that its Board of Directors authorized a first quarter fiscal 2022 dividend of \$0.15 per share, an increase of 25% versus the fourth quarter fiscal 2021 dividend." [Gap Inc., [03/03/22](#)]

Gap Had No Stock Buybacks Or Cash Dividends In Its FY 2020:

(\$ in millions)	52 Weeks Ended	
	January 30, 2021 (a)	February 1, 2020 (a)
Repurchases of common stock	-	(200)
Cash dividends paid	-	(364)

[Gap Inc., [03/04/21](#)]

Healthcare

While Medical Care Commodities Prices Increased 2.2%, The Biggest Drugmakers—including Johnson & Johnson, Pfizer, And AbbVie—Saw Profits Jump By Nearly \$26 Billion To \$54 Billion While They Boosted Shareholder Handouts By Nearly \$2.6 Billion To Over \$33.4 Billion In 2021.

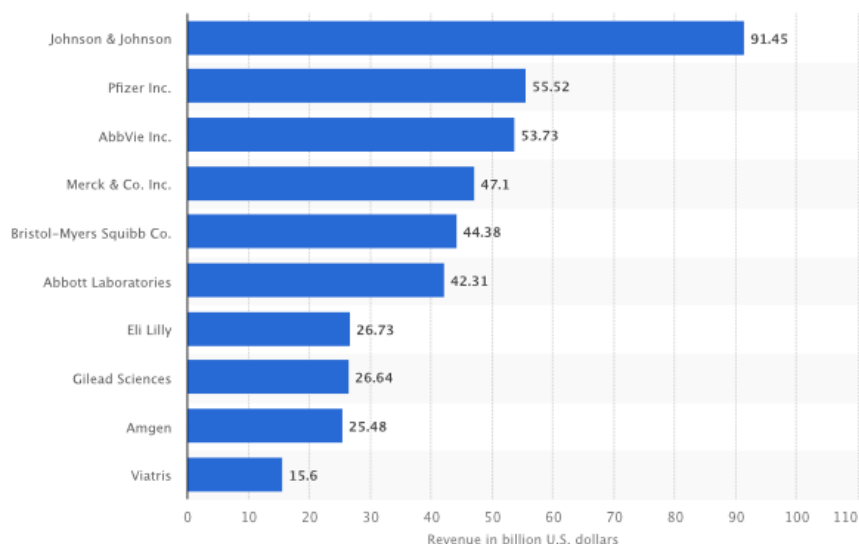
From December 2020 To December 2021, Medical Care Prices—which Include Medical Care Commodities Such As Drugs, Medical Equipment, And Supplies—Increased 2.2%.

Prices For Medical Care Increased By 2.2% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

One Of The Two Divisions In The Bureau Of Labor Statistics' Medical Care Index Is Medical Care Commodities, Which "Includes Medicinal Drugs And Medical Equipment And Supplies." "The medical care index is one of eight major groups in the Consumer Price Index (CPI) and is divided into two main components: medical care services and medical care commodities, each containing several item categories. Medical care services, the larger component in terms of weight in the CPI, is organized into three categories: professional services, hospital and related services, and health insurance. Medical care commodities, the other major component, includes medicinal drugs and medical equipment and supplies." [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

Johnson & Johnson—The Biggest Pharmaceutical Company In 2020 By Revenue—Said It Would Be "Instituting Price Increases Across Our Consumer Health Portfolio In 2022" After Its FY 2021 Net Earnings Jumped \$6.16 Billion To Over \$20.87 Billion And It Boosted Shareholder Handouts By \$786 Million To Nearly \$14.5 Billion.

Johnson & Johnson Was The Biggest U.S. Based Pharmaceutical And Biotechnology Company In 2021, Based On Total Revenue:



[Statista, accessed [03/01/22](#)]

During Johnson & Johnson's Q4 2021 Earnings Call, CFO Joseph Wolk Stated His Company Would Be "Instituting Price Increases Across Our Consumer Health Portfolio In 2022" In Order To Deal With The "Impact Of Inflationary Pressures, Including Higher Input Costs Across Our Business And More Significantly With Respect To Consumer Health." "Joseph Wolk [...] In Consumer Health, we are confident that our well-balanced portfolio positions us well. Consistent with current global macroeconomic trends, we are experiencing the impact of inflationary pressures, including higher input costs across our business and more significantly with respect to Consumer Health. These external challenges include availability and cost of certain commodities, labor and transportation. Similar to competitors, we are instituting price increases across our Consumer Health portfolio in 2022, enabling us to remain competitive as we continue to deliver the products that consumers love and trust." [Seeking Alpha, [01/25/22](#)]

- **Johnson & Johnson's Consumer Health Portfolio Includes Household Brands Such As Tylenol, Listerine, Motrin, Carefree, And Band-Aids.** [Johnson & Johnson, accessed [01/27/22](#)]

Wolk Also Stated Johnson & Johnson Was "Offsetting" Increased Labor And Transportation Costs With "Select Price Increases In Our [Skin Health And Beauty] Portfolio." "Joseph Wolk [...] So in consumer, there's, I would say, select products within the portfolio, think Skin Health and Beauty, as mentioned in the prepared remarks, where lubricants and things of that nature are in shorter supply. There are some, I'd

say, probably increased labor costs with respect to third-party manufacturers, and we're obviously seeing heightened transportation costs. We are like the competitors in the consumer space, offsetting some of those costs with select price increases in our portfolio, where we can still provide those trusted brands and products to people without really impacting the elasticity or the demand of those products overall." [Seeking Alpha, [01/25/22](#)]

- **Johnson & Johnson's Skin Health And Beauty Portfolio Includes Household Brands Such As Aveeno, Neutrogena, and Lubriderm.** [Johnson & Johnson, accessed [01/27/22](#)]

August 2020: Reuters Reported That The U.S. Government Planned To Pay Johnson & Johnson "Over \$1 Billion For 100 Million Doses Of Its Potential Coronavirus Vaccine." "The United States government will pay Johnson & Johnson over \$1 billion for 100 million doses of its potential coronavirus vaccine, as it stocks up on vaccine and drugs in an attempt to tame the pandemic. The latest contract is priced at roughly \$10 per vaccine dose produced by J&J, or around \$14.50 per dose, including a previous \$456 million the U.S. government promised to J&J for vaccine development in March." [Reuters, [08/05/20](#)]

FY 2021: Johnson & Johnson Had A Net Earnings Of \$20.878 Billion—\$6.164 Billion More Than Its FY 2020 Net Income Of \$14.714 Billion. [Johnson & Johnson, [01/25/22](#)]

	Q4			Full Year		
(\$ in Millions, except EPS)	2021	2020	% Change	2021	2020	% Change
Reported Sales	\$ 24,804	\$ 22,475	10.4%	\$ 93,775	\$ 82,584	13.6%
Net Earnings	4,736	1,738	172.5%	20,878	14,714	41.9%
EPS (diluted)	\$ 1.77	\$ 0.65	172.3%	\$ 7.81	\$ 5.51	41.7%

[Johnson & Johnson, [01/25/22](#)]

FY 2021: Johnson & Johnson Spent \$3.456 Billion On Stock Buybacks—\$235 Million More Than The \$3.221 Billion It Spent In FY 2020:

	2021	2020	2019
Cash flows from operating activities	[...]		
Repurchase of common stock	(3,456)	(3,221)	(6,746)

[Johnson & Johnson, [01/25/22](#)]

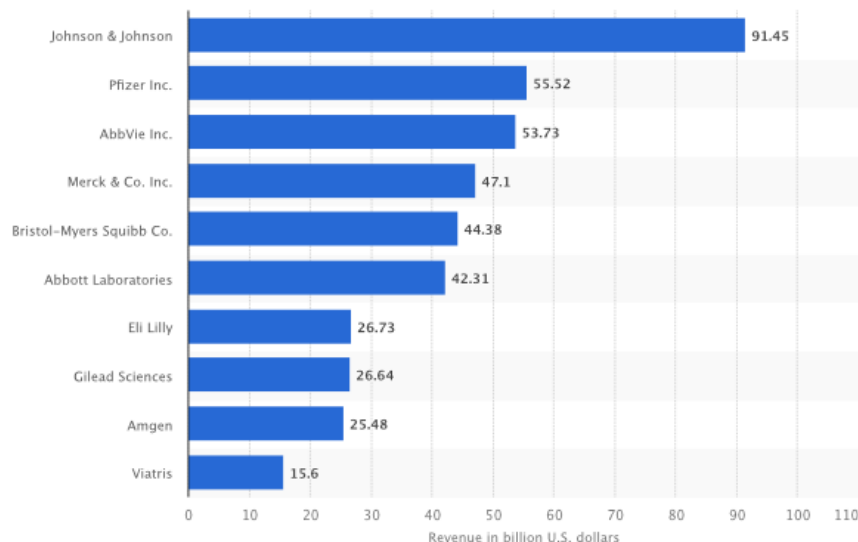
FY 2021: Johnson & Johnson Spent \$11.032 Billion On Shareholder Dividends—\$551 Million More Than The \$10.481 Billion It Spent In FY 2020:

	2021	2020	2019
Cash flows from operating activities	[...]		
Dividends to shareholders	(11,032)	(10,481)	(9,917)

[Johnson & Johnson, [01/25/22](#)]

Pfizer—Which Has Projected "Durable COVID-19 Revenues" While Facing Criticism For Maximizing Its Profits During The Pandemic—Touted Its FY 2021 As "A Watershed Year," With Net Income Climbing By \$12.82 Billion To \$21.98 Billion And Shareholder Dividends Rising By \$289 Million To \$8.73 Billion.

Pfizer Was The Second-Biggest U.S. Based Pharmaceutical And Biotechnology Company In 2021, Based On Total Revenue:



[Statista, accessed [03/01/22](#)]

Pfizer Chairman And CEO Albert Bourla Called 2021 "A Watershed Year" For The Company, In Which It "Set All-Time Highs In All Major Areas Of Focus." "Albert Bourla -- Chairman and Chief Executive Officer Thank you, Chris. Hello, everyone. 2021 was a watershed year for Pfizer, a year in which we set all-time highs in all major areas of focus for Pfizer." [The Motley Fool, [02/08/22](#)]

FY 2021: Pfizer Had A Net Income Of \$21.979 Billion—\$12.820 Billion More Than Its FY 2020 Net Income Of \$9.159 Billion:

(\$ in millions, except per share amounts)

	Fourth-Quarter			Full-Year		
	2021	2020	Change	2021	2020	Change
Revenues	\$ 23,838	\$ 11,634	105%	\$ 81,288	\$ 41,651	95%
Reported Net Income ⁽²⁾	3,393	847	*	21,979	9,159	*

[Pfizer, [02/08/22](#)]

Pfizer Spent \$8.7 Billion On Shareholder Dividends In Its FY 2021, A 3% Increase From Its FY 2020. "During full-year 2021, Pfizer paid \$8.7 billion of cash dividends, or \$1.56 per share of common stock, which represents an increase in dividends per share of 3% compared to full-year 2020." [Pfizer, [02/08/22](#)]

FY 2021: Pfizer Spent \$8.729 Billion On Shareholder Dividends—\$289 Million More Than The \$8.440 Billion It Spent In FY 2020:

(MILLIONS)	Year Ended December 31,		
	2021	2020	2019
...			
Cash dividends paid	(8,729)	(8,440)	(8,043)

[Pfizer, [02/08/22](#)]

In Its Q4 2021 Earnings Presentation, Pfizer Said It Expected To Be "A Growth Company From 2025-2030, Driven By: [...] Durable COVID-19 Revenues."

- Pfizer anticipated to continue to be a **growth company** from 2025-2030, driven by:
 - Durable COVID-19 revenues

[Pfizer, [02/08/22](#)]

Pfizer Used Its Power To "Shift Risk And Maximize Profits" In Its COVID-19 Vaccine Government Contracts, Which Included Language To Block Donation Of Vaccine Doses And To "Demand Public Assets As Collateral." "A report released Tuesday by Public Citizen, a consumer rights advocacy group that gained access to a number of leaked, unredacted Pfizer contracts, sheds light on how the company uses that power to 'shift risk and maximize profits,' the organization argues. [...] Public Citizen found common themes across contracts, including not only secrecy but also language to block donations of Pfizer doses. Disputes are settled in secret arbitration courts, with Pfizer able to change the terms of key decisions, including delivery dates, and demand public assets as collateral." [The Washington Post, [10/19/21](#)]

- **Headline: In secret vaccine contracts with governments, Pfizer took hard line in push for profit, report says** [The Washington Post, [10/19/21](#)]

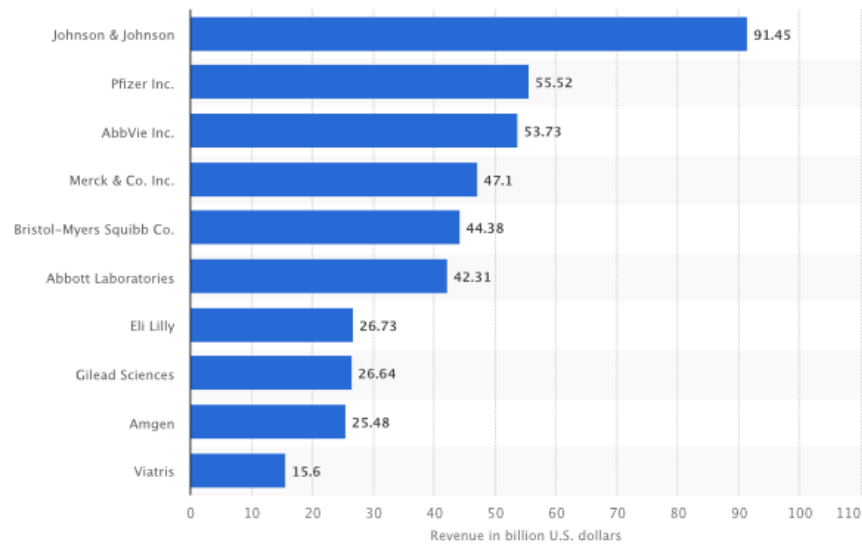
August 2021: Pfizer Raised The Price Of Its COVID-19 Vaccine By 25% In Its Supply Contract With The European Union. "Both Pfizer and Moderna have upped the prices of their Covid-19 coronavirus mRNA vaccines in their latest supply contracts to the European Union (EU). According to Reuters, each Pfizer/BioNTech vaccine dose will now be 19.50 euros, a 25% increase from the 15.50 euros previous price. That's going from about \$18.40 to \$23.15 in U.S. dollars." [Forbes, [08/01/21](#)]

Pfizer Was Projected To Sell \$54.5 Billion Worth Of COVID-19 Vaccine In 2022. "Analytics firm Airfinity this week predicted Pfizer will sell \$54.5 billion worth of coronavirus vaccine next year, almost twice the value of Moderna's sales." [The Washington Post, [10/19/21](#)]

Pfizer Has Reportedly Blocked "Low-Income Countries From Accessing Its Novel Technology, While Enriching Shareholders." "Yet, even as the corporation has led in the fight against Covid-19 in wealthy countries, it has held a vaccine monopoly, blocking low-income countries from accessing its novel technology, while enriching shareholders at levels advocates for vaccine equity label 'obscene.' The corporation is making as much as \$1 million in profits every hour from vaccine sales, according to Oxfam, and its executives boast that revenues will expand exponentially in 2022." [The Nation, [02/10/22](#)]

AbbVie—The Third-Biggest U.S. Drugmaker With A Long History Of Hiking Prices—Touted "Double-Digit Revenue And EPS Growth" In 2021, With Net Earnings Climbing By Over \$6.9 Billion To Over \$11.5 Billion And Shareholder Handouts Climbing By \$1.545 Billion To \$10.2 Billion In The Year.

AbbVie Was The Third-Biggest U.S. Based Pharmaceutical And Biotechnology Company In 2021, Based On Total Revenue:



[Statista, accessed [03/01/22](#)]

November 2021: A New Report Showed That "Drugmakers Hiked U.S. Prices On Seven Of The 10 Costliest Prescription Drugs In 2020 Without Justification," With AbbVie's Humira Accounting For Nearly \$1.4 Billion Of An Additional \$1.67 Billion Across The Seven Drugs. "Drugmakers hiked U.S. prices on seven of the 10 costliest prescription drugs in 2020 without justification, increasing drug spending by \$1.67 billion, a U.S. group that reviews the value of medicines said on Tuesday. AbbVie Inc's (ABBV.N) widely used Humira rheumatoid arthritis drug accounted for the majority of the spending increase, with a net price increase of 9.6% leading to an almost \$1.4 billion increase in U.S. spending." [Reuters, [11/16/21](#)]

May 2021: The House Oversight Committee Found That AbbVie "Significantly Inflated Prices" For Humira And Imbruvica, A Drug For Certain Cancers. "Pharmaceutical company AbbVie significantly inflated prices over the past two decades for patients in the U.S. who take the drugs Humira and Imbruvica, a report released Tuesday by the House Oversight and Reform Committee found. The committee concluded that the price increases led to billions of dollars in corporate revenue and hefty bonuses for company executives. [...] Meanwhile, AbbVie, in conjunction with Janssen Biotech, has increased the price of Imbruvica, a drug used to treat mantle cell lymphoma and other cancers, by 82 percent since it launched in 2013." [NBC News, [05/18/21](#)]

AbbVie CEO Richard A. Gonzalez Touted The Company's FY 2021 As "'Another Year Of Outstanding Performance In 2021 With Double-Digit Revenue And EPS Growth.'" "AbbVie (NYSE:ABBV) announced financial results for the fourth quarter and full year ended December 31, 2021. 'We delivered another year of outstanding performance in 2021 with double-digit revenue and EPS growth that were well above our initial expectations,' said Richard A. Gonzalez, chairman and chief executive officer, AbbVie." [AbbVie, [02/02/22](#)]

FY 2021: AbbVie Had Net Earnings Of \$11.549 Billion—\$6.927 Billion More Than Its \$4.622 Billion In Net Earnings In FY 2020:

Twelve Months Ended December 31	
2021	2020
[...]	
11,549	4,622

[AbbVie, [02/02/22](#)]

FY 2021: AbbVie Spent \$9.261 Billion On Shareholder Dividends—\$1.545 Billion More Than The \$7.716 Billion It Spent In Its FY 2020:

2021	2020	2019
[...]		
(9,261)	(7,716)	(6,366)

[AbbVie SEC Form 10-K, [02/18/22](#)]

- October 2021: AbbVie's Board Approved An 8.5% Dividend Increase, Payable In February 2022.**
 "In October 2021, AbbVie's board of directors declared a quarterly cash dividend of \$1.41 per share of common stock payable in February 2022. This reflects an increase of approximately 8.5% over the previous quarterly dividend of \$1.30 per share of common stock." [AbbVie Inc. SEC Form 10-K, [02/18/22](#)]

FY 2021: AbbVie Spent \$934 Million On Stock Buybacks:

2021	2020	2019
[...]		
(934)	(978)	(629)

[AbbVie SEC Form 10-K, [02/18/22](#)]

While Medical Care Services Prices Climbed 2.2%, The Biggest Healthcare Companies—CVS, UnitedHealth, And Cigna—Benefited From Increased Consumer Costs As They Saw Profits Of Nearly \$31 Billion While Boosting Shareholder Handouts By Over \$2 Billion To Nearly \$22 Billion In 2021.

From December 2020 To December 2021, Medical Care Prices—Which Include Medical Care Services Such As Hospitals And Health Insurance—Increased 2.2%.

Prices For Medical Care Increased By 2.2% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

One Of The Two Divisions In The Bureau Of Labor Statistics' Medical Care Index Is Medical Care Services, Which Includes "Professional Services, Hospital And Related Services, And Health Insurance." "The medical care index is one of eight major groups in the Consumer Price Index (CPI) and is divided into two main components: medical care services and medical care commodities, each containing several item categories. Medical care services, the larger component in terms of weight in the CPI, is organized into three categories: professional services, hospital and related services, and health insurance. Medical care commodities, the other major component, includes medicinal drugs and medical equipment and supplies." [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

CVS—The Biggest Healthcare Company In 2020 With Operations In Health Insurance And Pharmacy Benefit Management—Saw A 45% Retail Sales "Windfall" From Vaccines And Tests, Saw FY 2021 Net Income Climb By \$706 Million To Nearly \$7.9 Billion, And Spent Over \$2.6 Billion On Dividends Before Boosting Them By 10% And Authorizing \$10 Billion In Stock Buybacks For 2022.

CVS Health Corporation Was The Biggest Healthcare Company As Of 2020, With Operations In Pharmacy Benefit Management And In Health Insurance Through Its 2018 Acquisition Of Aetna. "The healthcare sector includes companies that produce medical goods, such as drugs and medical devices, and companies that provide medical services, such as health insurance or hospital administration. Here are the

10 biggest healthcare companies based on 12-month trailing (TTM) revenue as of March 24, 2020. [...] #1 CVS Health Corp. (CVS) [...] The parent company of a leading drugstore chain, CVS Health Corp. also is among the biggest pharmacy benefit management (PBM) companies. Additionally, through its 2018 acquisition of Aetna, CVS has become a major player in health insurance." [Investopedia, accessed [03/01/22](#)]

While U.S. Healthcare Companies Were Able To Benefit From Pandemic-Related Profits, CVS Saw A "Windfall," With A 45% Growth In Its Retail Sales From Vaccines And Tests—Mostly Paid For By Private And Government-Backed Insurers. "One reason U.S. healthcare is so financially dysfunctional is that a patient on the operating table rarely questions the cost of saving their life. That's especially true when an insurer or the government is paying the bill. The same principle has informed the pricing of Covid-19 vaccines and tests. Retailers like CVS Health (CVS.N) and Walgreens Boots Alliance (WBA.O) performed a public good on the front line while pocketing a sizeable private profit. CVS said on Wednesday that 45% of the growth in its retail sales last year – around \$4 billion – came from Covid-19 vaccines and tests. Those were mostly paid for by insurers, both private and government-backed, and in some cases by the state. The windfall accounted for 30% of CVS's adjusted retail operating profit, or \$2.3 billion." [Reuters, [02/09/22](#)]

- **Headline: CVS tests positive for Covid-related profit** [Reuters, [02/09/22](#)]

In CVS's Q4 And FY 2021 Earnings Call, CEO Karen Lynch Said "2021 Was An Important Year For CVS Health. We Exceeded Our Financial Goals." "Karen Lynch -- President and Chief Executive Officer [...] Thank you, Susie. Good morning, everyone, and thank you for joining our call today. 2021 was an important year for CVS Health. We exceeded our financial goals." [The Motley Fool, [02/10/22](#)]

FY 2021: CVS Had A Net Income Of \$7.898 Billion—\$706 Million More Than Its FY 2020 Net Income Of \$7.192 Billion:

<i><u>In millions, except per share amounts</u></i>	Year Ended December 31,		
	2021	2020	Change
Net income	7,898	7,192	706

[...] [CVS Health, [02/09/22](#)]

FY 2021: CVS Spent \$2.625 Billion On Shareholder Dividends—\$1 Million More Than The \$2.624 Billion It Spent In FY 2020:

<i><u>In millions</u></i>	For the Years Ended December 31,		
	2021	2020	2019
Dividends paid	(2,625)	(2,624)	(2,603)

[...] [CVS Health, [02/09/22](#)]

In 2021, CVS Authorized A \$10 Billion Stock Buyback Program And Increased Its Dividend By 10%, Effective February 1, 2022. "Announced a 10% increase to the annual shareholder dividend, which became effective with the February 1, 2022 dividend distribution, and the authorization of a \$10 billion share repurchase program." [CVS Health, [02/09/22](#)]

UnitedHealth Group—The Second-Biggest Healthcare Company In 2020—Suggested It Would Raise Premiums And Stoked Controversy For Planning To Retroactively Deny Emergency Care Claims During The Pandemic Before Touting A "Strong" 2021, With Net Income Climbing By Over \$1.96 Billion To Over \$17.73 Billion And Shareholder Handouts Jumping By Over \$1.4 Billion To Nearly \$10.3 Billion.

UnitedHealth Group Was The Second-Biggest Healthcare Company As Of 2020, With Operations In Health Insurance, Pharmacy Care Services, And Data Analytics For Healthcare Providers.

"The healthcare sector includes companies that produce medical goods, such as drugs and medical devices, and companies that provide medical services, such as health insurance or hospital administration. Here are the 10 biggest healthcare companies based on 12-month trailing (TTM) revenue as of March 24, 2020. [...] #2 UnitedHealth Group Inc. (UNH) [...] UnitedHealth Group is a health insurance company that also provides data analytics and consulting services to healthcare providers, as well as pharmacy care services. Its principal divisions include UnitedHealthcare, OptumHealth, OptumInsight, and OptumRx." [Investopedia, accessed [03/01/22](#)]

October 2021: As UnitedHealth Saw Q3 2021 Profit "Surge" Beyond \$4 Billion, Its Chief Operating Officer Suggested That Higher Labor Costs Would Be Passed On Through Customers' Premiums.

"UnitedHealth Group saw its third-quarter profit surge beyond the \$4 billion mark as company executives provided a cautiously optimistic outlook that financial hits from COVID-19 should moderate next year. [...] UnitedHealthcare is hearing about staffing woes as it negotiates payment rates with clinics and hospitals, said Dirk McMahon, the UnitedHealth Group chief operating officer. Eventually, higher labor costs for health care providers will have an impact on the insurance company's premiums, he said." [Star Tribune, [10/14/21](#)]

June 2021: UnitedHealth Stoked Controversy For Planning To "Retroactively Deny Some Emergency Care Claims," With The American Hospital Association Stating It Was "Deeply Concerned" About The Policy's Effect On Patients' Health And Access To Care. "Health Care In 2022 Will Cost You 6.5% More Than This Year [...] The annual cost growth is above figures for the period 2017 to 2020, and will hit as people seek care they delayed during the pandemic. Meanwhile, UnitedHealthcare's plans to scrutinize and retroactively deny some emergency care claims cause controversy. [...] Numerous healthcare providers and policymakers are publicly speaking out against UnitedHealthcare's new policy of retroactively denying patients' emergency care claims that are considered non-emergent. In a letter to UnitedHealthcare on Wednesday, the American Hospital Association said it is 'deeply concerned' about the policy's potential effect on patients' access to care and health outcomes." [Kaiser Health News, [06/10/21](#)]

In UnitedHealth Group's Q4 And FY 2020 Earnings Report, CEO Andrew Witty Touted "Our Strong 2021 Performance And Confident Growth Outlook For 2022." "UnitedHealth Group (NYSE: UNH) reported full year and fourth quarter 2021 results led by continued broad-based growth across the enterprise. 'Our strong 2021 performance and confident growth outlook for 2022 and beyond reflect the accelerating innovation and expanding capabilities across Optum and UnitedHealthcare,' said Andrew Witty, chief executive officer of UnitedHealth Group." [UnitedHealth Group, [01/19/22](#)]

FY 2021: UnitedHealth Had A Net Income Of \$17.732 Billion—\$1.963 Billion More Than Its FY 2020 Net Income Of \$15.769 Billion:

	Year Ended December 31,	
	2021	2020
Operating Activities		
Net earnings	\$17,732	\$15,769

[UnitedHealth Group, [01/19/22](#)]

FY 2021: UnitedHealth Spent \$5.280 Billion On Shareholder Dividends, \$696 Million More Than The \$4.584 Billion It Spent In FY 2020, And \$5 Billion On Stock Buybacks, \$750 Million More Than The \$4.250 Billion It Spent In FY 2020:

	Year Ended December 31,	
	2021	2020
Operating Activities		
	[...]	
Financing Activities		
Common share repurchases	(5,000)	(4,250)
Dividends paid	(5,280)	(4,584)

[UnitedHealth Group, [01/19/22](#)]

Cigna—The Third-Biggest Healthcare Services Company—Claimed Pricing Actions In 2021 And 2022 As It Touted Adjusted Earnings Per Share Growth Of 11%, Over \$5.3 Billion In Net Income, And Increased Shareholder Handouts By Over \$5 Billion To Over \$9 Billion In FY 2021.

As Of 2020, Cigna Corp. Was The Third-Biggest Healthcare Service Company—And Fifth-Biggest Healthcare Company Overall—With Operations In Medical Insurance And Managed Care Services.

"The healthcare sector includes companies that produce medical goods, such as drugs and medical devices, and companies that provide medical services, such as health insurance or hospital administration. Here are the 10 biggest healthcare companies based on 12-month trailing (TTM) revenue as of March 24, 2020. [...] #2 UnitedHealth Group Inc. (UNH) [...] #5 Cigna Corp. (CI) [...] Cigna Corp. offers medical, life, and accident insurance products, as well as managed care services." [Investopedia, accessed [03/01/22](#)]

- **The Third- And Fourth-Biggest Companies—McKesson And AmerisourceBergen—Were Not Service-Based.** [Investopedia, accessed [03/01/22](#)]

In Cigna's Q4 And FY 2021 Earnings Call, CEO David Cordani Said, "We Took Targeted Pricing And Affordability Actions Earlier In 2021 For 2022 Impact, As We Continue To Prioritize Margin Expansion For 2022." "David Cordani -- Chairman and Chief Executive Officer [...] As we previously discussed, we also experienced elevated medical costs. We had higher claims costs in our commercial insured and stop-loss businesses and continued higher claims from our special enrollment Perry customers within the individual business. These included the impact of elevated COVID costs for testing treatment of vaccines. The elevated trend continued throughout the year. As a result, our medical care ratio for Cigna Healthcare was 84% for full year 2021. As Brian will discuss in further detail, we took targeted pricing and affordability actions earlier in 2021 for 2022 impact, as we continue to prioritize margin expansion for 2022." [The Motley Fool, [02/03/22](#)]

- **Cordani Also Said Cigna Planned On Executing "Pricing Actions Throughout 2022."** "David Cordani -- Chairman and Chief Executive Officer [...] For Cigna Healthcare in 2022, we expect to drive customer growth in each of our U.S. commercial market segments and grow earnings as we continue executing on our affordability and pricing actions throughout 2022." [The Motley Fool, [02/03/22](#)]

Cigna CEO David Cordani Touted Adjusted Earnings Per Share Growth Of 11% In FY 2021. "David Cordani -- Chairman and Chief Executive Officer [...] We delivered full-year adjusted earnings-per-share growth of 11% and to \$20.47, and we returned over \$9 billion to shareholders in dividends and share repurchases." [The Motley Fool, [02/03/22](#)]

FY 2021: Cigna Had \$5.365 Billion In Net Income—\$3.093 Billion Less Than Its FY 2020 Net Income Of \$8.458 Billion:

Years Ended		
December 31,		
2021		2020
[...]		
\$	5,365	\$ 8,458

[Cigna Corporation, [02/03/22](#)]

FY 2021: Cigna Spent \$7.742 Billion On Stock Buybacks—\$3.7 Billion More Than The \$4.042 It Spent In FY 2020:

For the years ended		
December 31,		
2021	2020	2019
[...]		
(7,742)	(4,042)	(1,987)

[Cigna Corporation SEC Form 10-K, [02/24/22](#)]

FY 2021: Cigna Spent \$1.341 Billion On Shareholder Dividends—\$1.326 Billion More Than The \$15 Million It Spent In FY 2020:

For the years ended		
December 31,		
2021	2020	2019
[...]		
(1,341)	(15)	(15)

[Cigna Corporation SEC Form 10-K, [02/24/22](#)]

- **Cigna's Recently Board Of Directors Approved A 12% Increase To The Company's Quarterly Dividend.** "Board of Directors declared a 12% increase in the quarterly dividend rate, to \$1.12 per share" [Cigna Corporation, [02/03/22](#)]

Services

While Shelter Prices Increased 2.2%, The Biggest Apartment Companies—including Mid-America Apartment Communities, Starwood Property Trust, And AvalonBay—Touted Rent Hikes As They Saw Profits Climb \$589 Million To Over \$2 Billion And Increased Shareholder Dividends By \$24.4 Million In 2021.

From December 2020 To December 2021, Shelter Prices—Which Include Rental Residences—Increased 2.2%.

Prices For Shelter Increased 4.1% From December 2020 To December 2021. [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

The Bureau Of Labor Statistics Defines Shelter As "The Service That Housing Units Provide Their Occupants." "Shelter, the service that housing units provide their occupants, is a major part of the CPI market

basket—the goods and services that people need for day-to-day living." [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

- **The Shelter Category Is Comprised Of Two Indexes: "Owners' Equivalent Rent Of Primary Residence (OER) And Rent Of Primary Residence (Rent)."** "Two CPI indexes, Owners' equivalent rent of primary residence (OER) and Rent of primary residence (Rent), measure the change in the shelter cost consumers receive from their primary residences." [U.S. Bureau of Labor Statistics, accessed [02/17/22](#)]

Mid-America Apartment Communities (MAA)—The Biggest Publicly-Traded Apartment Owner—Touted "Strong Rent Growth" And "Strong Pricing Momentum Into 2022" As It Reported That FY 2021 Net Income Climbed By Over \$286 Million To Over \$550 Million And Boosted Its Dividends And Distributions By \$12.3 Million To Nearly \$486 Million The Same Year.

Mid-America Apartment Communities Inc. (MAA) Was The Biggest Publicly-Traded Apartment Owner In 2021, With 100,490 Units Owned. [National Multifamily Housing Council, accessed [03/01/22](#)]

- **Mid-America Apartment Communities Inc. (MAA) Has Ownership Interests In Over 101,000 Apartment Units In 16 States And The District Of Columbia.** "As of December 31, 2021, MAA had ownership interest in 101,607 apartment units, including communities currently in development, across 16 states and the District of Columbia." [Mid-America Apartment Communities, [02/02/22](#)]

In Its Q4 And FY 2021 Earnings Report, MAA CEO Eric Bolton Said "Results For The Fourth Quarter Were Ahead Of Expectations With Strong Rent Growth" And That The Company Was "Carrying Strong Pricing Momentum Into 2022." "Eric Bolton, Chairman and Chief Executive Officer, said, 'Results for the fourth quarter were ahead of expectations with strong rent growth and high occupancy. The demand for apartment housing across our markets continues to accelerate. We are carrying strong pricing momentum into 2022 and expect leasing conditions in the coming year will remain very favorable.'" [Mid-America Apartment Communities, [02/02/22](#)]

Q4 2021: MAA Reported A 9.3% Increase In Property Revenues In Its Same Store Portfolio, "Primarily Driven By A 10.1% Growth In Average Effective Rent Per Unit." "Property revenues from the Same Store Portfolio increased 9.3% during the fourth quarter of 2021 as compared to the same period in the prior year, ahead of expectations. That increase was primarily driven by a 10.1% growth in Average Effective Rent per Unit for the Same Store Portfolio." [Mid-America Apartment Communities, [02/02/22](#)]

- **MAA's Same Store Portfolio Consists Of "Properties That Were Owned By MAA And Stabilized" At The Beginning Of 2020.** "To ensure comparable reporting with prior periods, the Same Store Portfolio includes properties that were owned by MAA and stabilized at the beginning of the previous year." [Mid-America Apartment Communities, [02/02/22](#)]

FY 2021: MAA Had A Net Income Of \$550.702 Million—\$286.687 Million More Than Its FY 2020 Net Income Of \$264.015 Million:

Year ended December 31,	
2021	2020
[...]	
550,702	264,015

[Mid-America Apartment Communities, [02/02/22](#)]

FY 2021: MAA Spent \$485.898 Million On Dividends And Distributions—\$12.3 Million More Than The \$473.598 Million It Spent In FY 2020:

Year ended December 31,	
2021	2020
[...]	
\$ 485,898	\$ 473,598

[Mid-America Apartment Communities, [02/02/22](#)]

- **MAA Raised Its Quarterly Dividend By 6.1%, Payable On January 31, 2022.** "112th Consecutive Quarterly Common Dividend Declared MAA declared its 112th consecutive quarterly common dividend, which was paid on January 31, 2022 to holders of record on January 14, 2022. The current annual dividend rate is \$4.35 per common share, an increase of 6.1% from the prior year's annual rate of \$4.10." [Mid-America Apartment Communities, [02/02/22](#)]

Starwood Property Trust—The Second-Biggest Publicly-Traded Apartment Owner Via Its Parent Starwood Capital Group—Praised Increasing Market Rents And Called Wage Inflation "An Extraordinary Gift" As it Posted "A Record Year," With FY 2021 Net Income Climbing By Over \$126 Million To \$492 Million And Increasing Dividends Over \$7 Million To Nearly \$554 Million.

Starwood Capital Group, A Private Equity Firm That Operates Through Publicly-Traded Starwood Property Trust, Was The Second-Biggest Publicly-Traded Apartment Owner In 2021. [National Multifamily Housing Council, accessed [03/01/22](#)]

- **Starwood Property Trust Is A Publicly-Traded Holding Company Managed By Private Equity Firm Starwood Capital Group.** "We are organized as a holding company and conduct our business primarily through our various wholly-owned subsidiaries. We are externally managed and advised by SPT Management, LLC (our 'Manager') pursuant to the terms of a management agreement. Our Manager is controlled by Barry Sternlicht, our Chairman and Chief Executive Officer. Our Manager is an affiliate of Starwood Capital Group Global, L.P. ('Starwood Capital Group'), a privately-held private equity firm founded by Mr. Sternlicht." [Starwood Property Trust, Inc. SEC Form 10-K, [02/25/22](#)]
- **Starwood Property Trust Has "A Core Focus On The Real Estate And Infrastructure Sectors."** "Starwood Property Trust (NYSE: STWD) is a leading diversified finance company with a core focus on the real estate and infrastructure sectors." [Starwood Property Trust, [02/25/22](#)]
- **Parent Starwood Capital Group Claims To Control 220,000 Multifamily Units.** [Starwood Property Trust, accessed [03/01/22](#)]

Morgan Properties, The Second-Largest Apartment Owner, Is Privately-Owned. [National Multifamily Housing Council, accessed [03/01/22](#)]

- **Morgan Properties Is Privately Owned.** "[Morgan Properties](#), the nation's largest private multifamily owner, announced today it has acquired, in partnership with Olayan America, a portfolio of 48 apartment communities and 14,414 units in 11 states for \$1.75 billion." [Associated Press, [02/24/21](#)]

In Starwood Property Trust's Q4 And FY 2021 Earnings Call, CEO Barry Sternlicht Said "You All Know That The Speed Of Rent Growth In Multifamily Has Been Accelerating, Not Decelerating," Adding That The Company Has "A Really Good View Place" Due To Its 100,000 Apartments. "Barry Sternlicht - Chairman and Chief Executive Officer [...] I think this is the strongest real estate markets I've seen in 30 years, 35 years if you count my time before Starwood, and the strongest asset classes are obviously

multifamily and industrial. You all know that the speed of rent growth in multifamily has been accelerating, not decelerating, which I see numbers trailing 90 trailing, 60 trailing 30, and we are -- have a portfolio of well over 100,000 apartments between our equity book and our assets in the REIT. So we have a really good view place. It can't go on forever, and nobody is expecting it to but it is a very healthy market and tenants seem capable and willing to pay these rent increases." [The Motley Fool, [02/25/22](#)]

Sternlicht Said Starwood's New Portfolio Of Affordable Housing Units In Florida Was "The Gift That Keeps On Giving" Due To Market Rents Increasing By 20%. "Barry Sternlicht -- Chairman and Chief Executive Officer [...] And then unlocking the -- what we told you about the book value of the Woodstar portfolio, moving our book value of undepreciated book almost to \$21. And then quickly following on that, as Jeff mentioned, the equity assets, this Woodstar portfolio is the gift that keeps on giving. That portfolio of affordable housing is 50% located in Orlando to remind you and 30% in Tampa, and 10% in West Palm Beach. And what we're seeing in those markets and market rate apartments today are 20% increases in rents." [The Motley Fool, [02/25/22](#)]

- **In Q4 2021, Starwood Established The Woodstar Fund To Hold "Over 15,000 Affordable Housing Units In Florida."** "As discussed on our last earnings call, during the fourth quarter, we established the Woodstar Fund to hold our over 15,000 affordable housing units in Florida." [The Motley Fool, [02/25/22](#)]

Sternlicht Said Inflation Could Be "An Extraordinary Gift That Keeps On Giving A Tune Of Maybe \$400 Million Or \$500 Million." "Barry Sternlicht -- Chairman and Chief Executive Officer [...] And as Jeff mentioned, the AMI or the rent that is set in affordable housing is on a trailing basis and it's based on both average incomes, as well as inflation. And obviously, 2019, what we've seen recently is not [Inaudible] to 2019. And to give you an idea of the orders of magnitude of what that could look like, the portfolio makes roughly around \$90 million, every \$10 million increase would be a couple of hundred million dollar increase in our book value, and we would expect to see \$10 million in compounding more than \$10 million gains in that income for the next several years. So -- and it's pretty much locked in because you know what wage inflation is and you know what CPI is. So it could be an extraordinary gift that keeps on giving a tune of maybe \$400 million or \$500 million." [The Motley Fool, [02/25/22](#)]

In Starwood Property Trust's Q4 And FY 2021 Earnings Call, CEO Barry Sternlicht Observed, "The Other Thing Of Course About This Pandemic Period Is The Insensitivity Of Customers To Price," Noting That It "Has Shown Itself In A Big Way In The Hotel Market." "Barry Sternlicht -- Chairman and Chief Executive Officer [...] And I'm hearing from my fellow CEOs is that even though they're in three days a week, they're still looking for more space, which I find fascinating, and maybe it will change. But the other thing of course about this pandemic period is the insensitivity of customers to price. And that has shown itself in a big way in the hotel market. And there again, it's a tale of haves and have nots." [The Motley Fool, [02/25/22](#)]

- **Starwood Capital Group Claims To Control 380,000 Hotel Units, In Addition To 220,000 Multifamily Units.** [Starwood Property Trust, accessed [03/01/22](#)]

Starwood Chief Financial Officer Rina Paniry Said "The Fourth Quarter Capped Off A Record Year For Us." "Rina Paniry -- Chief Financial Officer Thank you, Zach, and good morning, everyone. The fourth quarter capped off a record year for us with distributable earnings or DE of \$335 million or \$1.10 per share for the quarter and \$794 million or \$2.63 for the year." [The Motley Fool, [02/25/22](#)]

FY 2021: Starwood Property Trust Reported A Net Income Of \$492.426 Million—\$126.345 Million More Than Its FY 2020 Net Income Of \$366.081 Million:

For the Year Ended December 31,		
2021	2020	2019
	[...]	
492,426	366,081	536,935

[Starwood Property Trust Form 10-K, [02/25/22](#)]

FY 2021: Starwood Property Trust Spent \$553.930 Million On Dividends—\$7.045 Million More Than It Spent In FY 2020:

Payment of dividends

(553,930)

[Starwood Property Trust Form 10-K, [02/25/22](#)]

- **Starwood Spent \$546.885 Million On Dividends In FY 2020:**

	For
2020	
[...]	
(546,885)	

[Starwood Property Trust Form 10-K, [02/25/21](#)]

FY 2021: Starwood Property Trust Had No Stock Buybacks After Spending \$33.8 Million On Buybacks The Prior Year:

	For the Year Ended December 31, For the Year Ended December 31,		
	2021	2020	2019
[...]			
Purchase of treasury stock	—	(33,828)	—

[Starwood Property Trust SEC Form 10-K, [02/25/21](#)]

AvalonBay Communities—The Third-Biggest Publicly-Traded Apartment Owner—Saw Average Move-In Rent Grow By 23% In FY 2021, Projected "Very Healthy Rent Increases" In 2022, Saw FY 2021 Net Income Grow By Over \$176 Million To Over \$1 Billion While It Increased Dividends By \$5 Million To Over \$888 Million.

AvalonBay Communities Inc. Was The Third-Biggest Publicly-Traded Apartment Owner—And The Fourth-Biggest Owner Overall—In 2021. [National Multifamily Housing Council, accessed [03/01/22](#)]

- **AvalonBay Is A Publicly-Traded Real Estate Investment Trust:**



[AvalonBay Communities, accessed [03/01/22](#)]

AvalonBay Has Ownership Interests In 297 Apartment Communities With Nearly 88,000 Units In 12 States And The District Of Columbia. "As of December 31, 2021, the Company owned or held a direct or indirect ownership interest in 297 apartment communities containing 87,992 apartment homes in 12 states and the District of Columbia, of which 19 communities were under development and one community was under redevelopment." [AvalonBay Communities, [02/17/22](#)]

In Its Q4 And FY 2021 Earnings Call, AvalonBay Chief Operating Officer Sean Breslin Said "Average Move-In Rent Grew By 23% And At Year End Exceeded 2019 Levels By About 9%." "Sean Breslin – COO [...] For the calendar year 2021, the portfolio average move-in rent grew by 23% and at year end exceeded 2019 levels by about 9%." [Seeking Alpha, [02/03/22](#)]

AvalonBay Saw "A Significant Increase In Average Move-In Rent" In All Of Its Regions In FY 2021.

"Sean Breslin – COO [...] Moving to Slide 10, improved performance has been broad based with every region experienced a significant increase in average move-in rent over the past year." [Seeking Alpha, [02/03/22](#)]

AvalonBay Said It Was Starting 2022 "From A Position Of Strength," With Asking Rents Increasing 1.5% In January 2022 And "An Environment With Very Healthy Rent Increases." "Sean Breslin – COO [...] And overall, we're starting the year from a position of strength, January occupancy averaged 96.4%, asking rents have increased 1.5% since the first of the year. And we're seeing early signs of continued low turnover in an environment with very healthy rent increases." [Seeking Alpha, [02/03/22](#)]

FY 2021: AvalonBay Had A Net Income Of \$1.004 Billion—\$176.65 Million More Than Its FY 2020 Net Income Of \$827.706 Million:

Full Year 2021	Full Year 2020	% Change
[...]		
1,004,356	827,706	21.3 %

[AvalonBay Communities, [02/02/22](#)]

FY 2021: AvalonBay Spent \$888.344 Million On Shareholder Dividends—\$5.132 Million More Than The \$883.212 Million It Spent In FY 2020:

For the year ended		
12/31/21	12/31/20	12/31/19
[...]		
(888,344)	(883,212)	(839,646)

[AvalonBay Communities SEC Form 10-K, [02/25/22](#)]

FY 2021: AvalonBay Had No Stock Buybacks After Spending \$183,876,000 In 2021:

		For the year ended	
		12/31/21	12/31/20
[...]			
Repurchase of common stock, net		—	(183,876)

[AvalonBay Communities SEC Form 10-K, [02/25/22](#)]

Methodology

Accountable.US identified major categories from the U.S. Bureau of Labor Statistics' [2021 Consumer Price Index \(CPI\)](#) that are most likely to impact working families.

These categories included:

- Food (including CPI categories "Food at Home" and "Food Away from Home")
- Energy (including CPI categories "Gasoline (All Types)" and "Electricity And Utility (Piped) Gas Service")
- Commodities (including CPI categories "New Vehicles," "Used Cars and Trucks," and "Apparel")
- Healthcare (including CPI "Medical Care" subcategories" and "Medical Care Commodities" and "Medical Care Services")

- Services (including CPI category "Shelter")

Accountable.US then identified the top three U.S. companies within each CPI category, according to most recently-available industry analyses. Once these top companies were identified, Accountable.US reviewed their most recently available annual financial reports—or their most recently-available quarterly reports where annual reports were unavailable or not timely—to determine their profitability and spending on share repurchases (commonly known stock buybacks) and shareholder dividends. Toyota Motors was excluded from our totals due to their reporting schedule and use of the Japanese yen in reporting.

Once financial information for all companies was compiled, Accountable.US calculated the difference between their most recent reporting period and a comparable period in the prior year. These differences were used to determine how much more that each company made in profit and spent on shareholders in their most recent reporting period. Once all of these totals and differences were determined, Accountable.US added them up to calculate totals for each CPI category and for the grand total for all categories.