

U.S. Earnings Reassure Investors

U.S. Companies Report Better Results....

America's companies have a message for markets: **DON'T PANIC!**

The largest American companies as a group are reporting better third-quarter earnings, thanks in large part to rising demand....

Even though some giant blue chips continue to run into plenty of trouble American companies as a group are reporting better third-quarter earnings, thanks in large part to rising demand in the U.S. for everything from beer cans to trucks to heating systems. Elsewhere, companies found discrete pockets of growth as varied as new knee replacements in Europe, and helicopters and car parts in China.

Chugging Along

After gloomy global forecasts, profits and sales growth sped up from a year earlier in earnings.



are stumbling and businesses in spots in the world, the largest reporting better third-quarter demand in the U.S. for everything and cooling systems. Elsewhere,

Praise for the economy is good news for investors who just two weeks ago appeared convinced that global growth had suddenly stopped amid forecasts for slower economic growth. Third-quarter earnings are expected to rise 8.1% from the same period a year ago for the 500 largest U.S. companies by stock-market value, according to Thomson Reuters. That reflects actual results from half of those companies and estimates for the rest. It would be the strongest third-quarter growth in three years, and revenues, meanwhile, are on track to rise 3.8%.

[Sherwin-Williams](#) Co. Tuesday said better U.S. commercial and residential real-estate markets helped drive an 11% increase in third-quarter sales and a 24% gain to profit, leading the paint maker to raise its earnings outlook for the year. [Colgate-Palmolive](#) Co. , which makes toothpaste, pet food and other products, predicted accelerating U.S. demand, and [Southwest Airlines](#) Co. said bookings for November and December were good, with no apparent harm from concerns over Ebola or the economy. [Flowserve](#) Corp., which makes pumps and valves for the energy and other industries, said Friday that it expected North American refinery upgrades, pipeline

construction and other activity to remain strong, despite lower oil prices...Discounter [Family Dollar Stores](#) Inc. said it faced fewer store visits and more sales of low-margin food, tobacco, laundry detergent and other consumable merchandise...[Intel](#) Corp. , projecting a 1% gain in revenue over the third quarter...

Memory-chip maker [SanDisk](#) Corp. is proceeding with plans to expand production capacity by 5% next year... [United Parcel Service](#) Inc. called third-quarter business-to-business deliveries the strongest in several years and said it expects shipments in December to rise 11% from last year's already frenzied pace...Railroad [CSX](#) Corp. expects stable to favorable demand in the fourth quarter in 96% of its markets... [AutoNation](#) Inc. on Tuesday predicted further growth in car and light truck sales into next year as retail sales of new and used vehicles rose 8% during the third quarter. [Alcoa](#) Inc., the aluminum giant, cited strength in the North American market for heavy trucks and trailers as well as improving demand for beer in cans.

Even in regions facing slower economic forecasts, companies are finding fertile territory. [Johnson & Johnson](#) reported strong sales outside the U.S. of a new knee-replacement product line, particularly in Europe. [Textron](#) Inc. said helicopter demand in China has remained strong as well, helped in part by regulatory changes making it easier to fly at the lower altitudes helicopters generally use...Similarly, industrial giant [Honeywell International](#) Inc. which raised the lower end of its earnings guidance for the year, clocked strong growth in sales of turbochargers for gasoline engines in China and other regions.

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