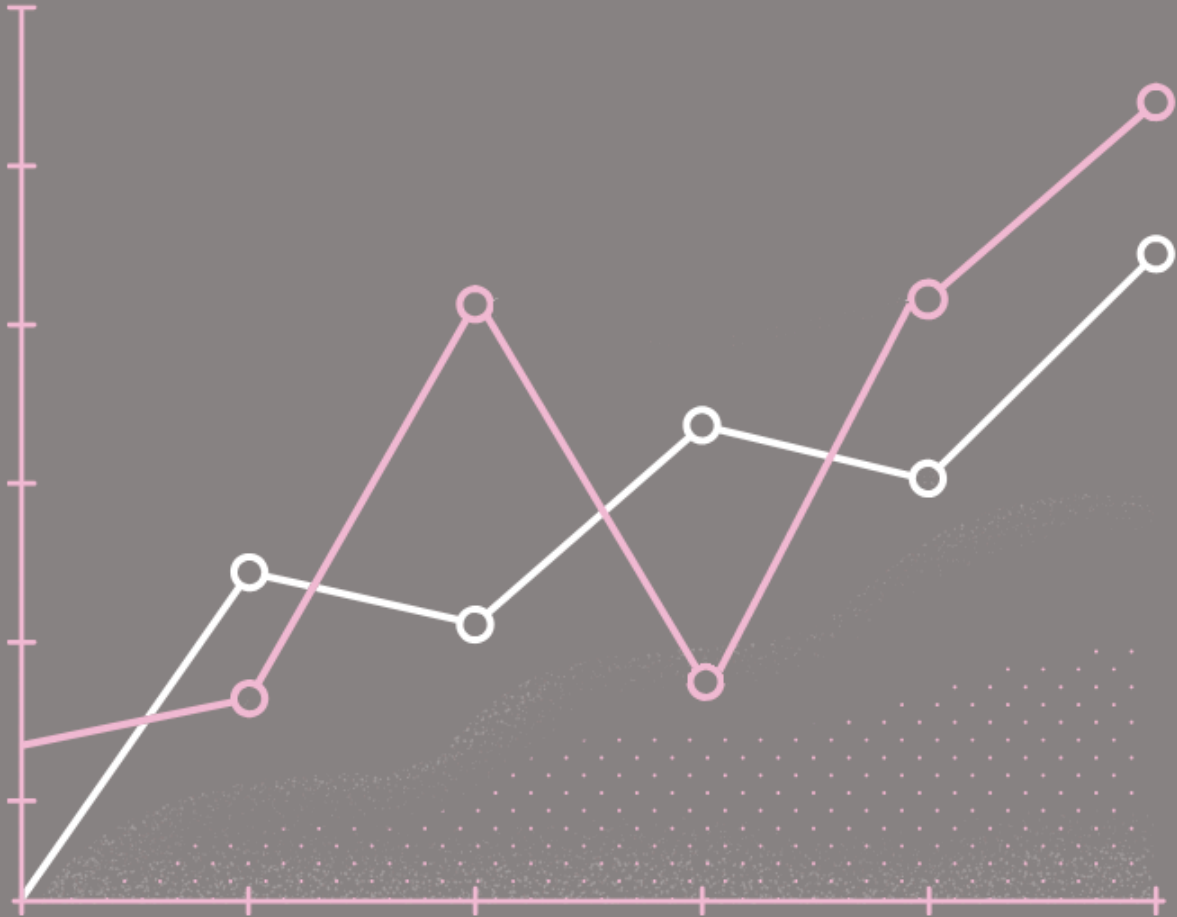


Revenue Realities



An ongoing quantitative analysis of revenue performance compared to equity prices across various times, sectors, and geographic regions.

Summary:

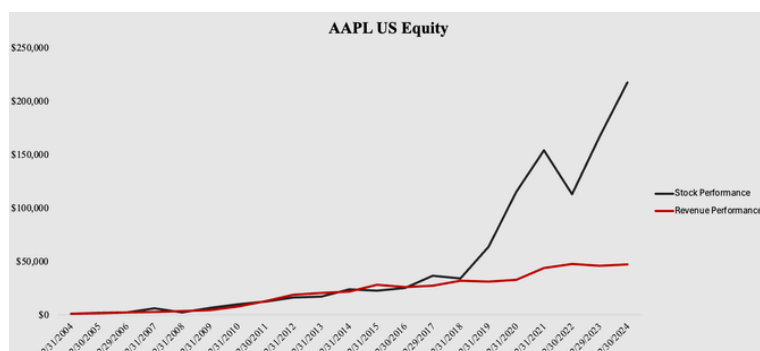
Revenue Realities offers investors ongoing quantitative analytical research of company revenue performance versus stock prices, emphasizing fundamental “top-line” business performance rather than market sentiment. This approach allows investors to see revenues as a measure of company performance versus stock volatility driven by investor perceptions.

The primary objective of Revenue Realities is to create a consistent, reliable framework enabling investors to evaluate economic performance across diverse geographic and industry sectors, supported by detailed revenue segmentation for enhanced financial clarity.

An example of the deviation in stock price versus company performance can be seen in Apple as shown:

Apple Inc. (AAPL): The Impact of Narrative on Stock Valuations

Apple demonstrates how market sentiment can significantly influence stock prices, often diverging from underlying financial top-line performance. Despite steady revenue growth, Apple's stock experiences notable volatility, highlighting how investor perception can overshadow fundamental economic metrics.



By emphasizing revenue as a key indicator of corporate performance, Revenue Realities redirects attention from short-term market volatility to sustainable, long-term business performance. This strategic approach provides investors with greater clarity on intrinsic company value, enabling better-informed portfolio decisions. It is particularly effective in highlighting revenue as a corporate performance indicator whose stock values may be impacted temporarily, positively or negatively, by external market forces or investor sentiment.

Revenue Realities reports will analyze various groupings of public companies, beginning with the 30 constituents of the Dow Jones Industrial Average. The objective is to examine how top-line revenue performance compares to stock price behavior across different sectors, markets, and geographic groupings—highlighting where alignment exists, and where it does not.

Private Company Revenue Realities reports will focus on the 33 million privately held companies across the United States. Each report is designed to present institutional investors with potential investment solutions within new asset categories assembled by Entrex—organized by sector or geographic region within a regulatory-compliant framework.

About the Collaborators

Entrex

Entrex (www.Entrex.net) develops regulatory-compliant, sector-specific and geographically focused trading markets for alternative securities—utilizing securitized, revenue-enhanced debt instruments issued by private companies listed in the markets through its patented and trademarked “TIGRcubs” (Top-line Income Generating Rights Certificates). By leveraging proprietary end to end technology platform, which had a case-study authored by IBM, Entrex provides a transparent and secure marketplace where these securities can be found, researched, tracked, managed, and traded by investors, institutions, and advisors.

Private Company Index (PCI)

Developed in collaboration with Dow Jones, the PCI (www.PrivateCompanyIndex.com) tracks private company performance based on revenue—not equity valuation. By focusing on top-line results, the PCI provides analysts and investors a more reliable benchmark for assessing economic health, sector performance, and emerging investment opportunities within the private sector.

TampaTwenty

TampaTwenty (www.TPA-20.com) represents the first micro-sector index of private companies within the Tampa region. Each participant's revenue is indexed under PCI methodology, providing aggregated insights to investors and media. As with NASDAQ's structure, TampaTwenty aims to create an investable security across the entire revenue-based basket, proportionally benefiting all participating companies.

The University of Tampa

The University of Tampa (www.ut.edu) is a private university recognized for its leadership in experiential business education. Through nationally ranked entrepreneurship programs, students engage in hands-on business building—from venture capital strategies to startup execution—supported by incubators, mentorship, and industry collaboration. Their focus on real-world learning makes UT an ideal academic partner for revenue-based analysis initiatives.

When the Numbers Say Yes, But the Market Says No

Revenues are rising. Stocks aren't. Why?

In the first installment of Revenue Realities, a new quarterly series from Entrex, the Private Company Index, and the Spartan20 team at the University of Tampa, we examine the disconnect between real business performance and Wall Street's chaotic response to it.

Backed by real data — including a side-by-side look at companies like Amazon, which has never experienced a year-over-year revenue decline since its inception — we show how market noise, volatility, and macroeconomic fear have clouded what investors should actually be watching: the top line.

Our focus on top-line performance is a resurgence of the founding principles of the Royal Exchange and the London Stock Exchange, which originally traded a percentage of revenues — or simplistically, “royalties” — on British Far East shipping lines as a form of security.

We believe that today, the 3,500 public companies on Wall Street have been done a disservice by traditional equities, as demonstrated in this publication's 20-year comparison of Dow Jones 30 companies' revenues versus equity performance.

In future editions, we'll provide similar research into the 600 public companies that have reported for over a decade — a remarkable statement in itself about public company longevity.

Beneath that group, our past reports show that private company equity valuations are often inconsistent. Instead, net present value formulas based on a slice of revenue offer a more accurate investment instrument — one that better reflects private company performance versus market sentiment, while also enabling simplified trading of cash-flowing assets.

“Wall Street is no longer rewarding companies for building real businesses. It's rewarding narratives. That's dangerous.” — Matt Henderson, 25'

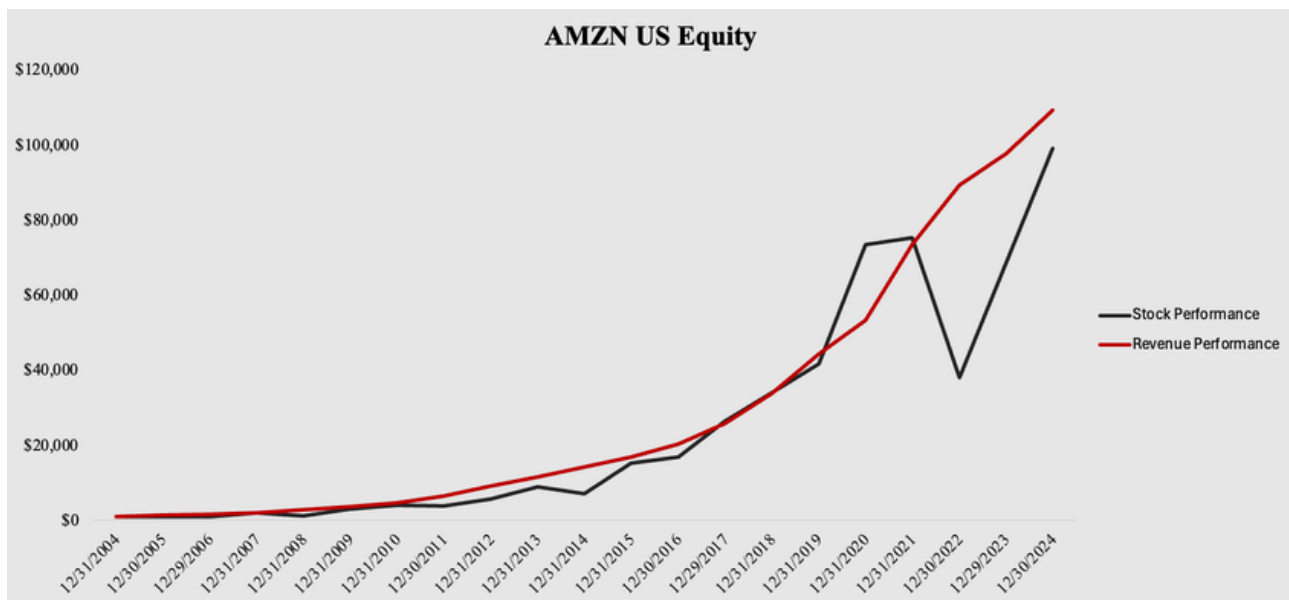
Sir Thomas Gresham, the father of English investment banking, founded the Royal Exchange as London's first purpose-built center for trading - initially the revenue royalties of shipping vessels.

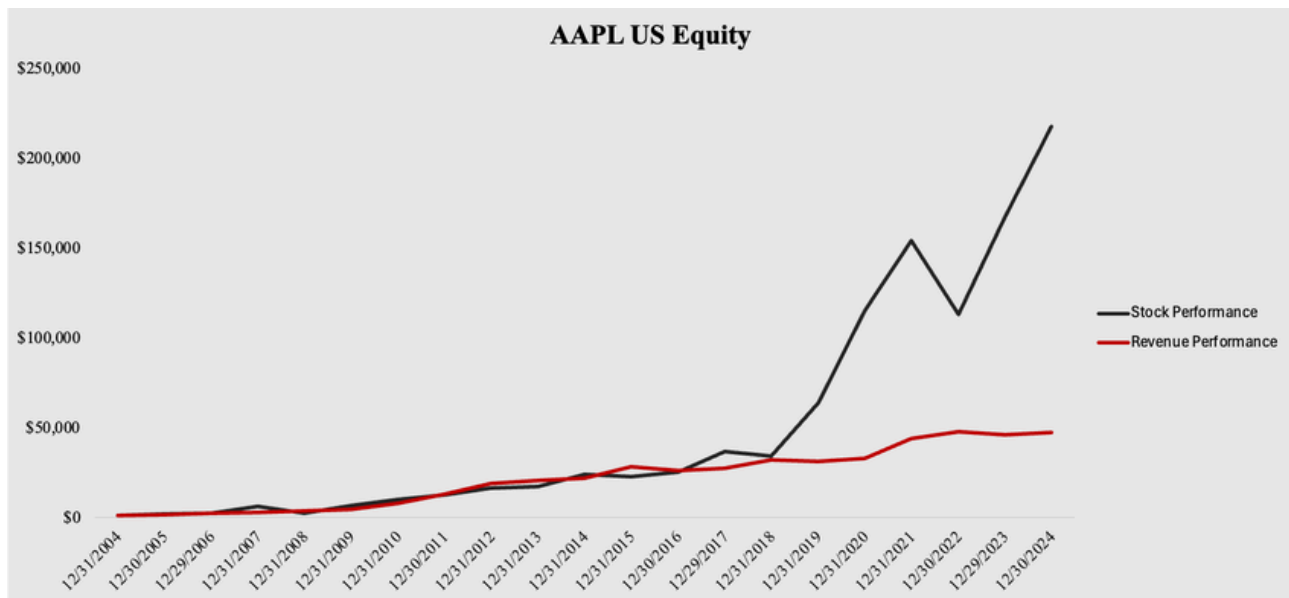
What's Causing the Disconnect?

- 50% of U.S. Treasuries need refinancing this year, and with interest rates high, that's putting pressure across every market.
- The Fed can't lower rates due to sticky inflation and artificially low unemployment metrics.
- As stocks fall, bonds are no longer seen as a pure safe haven. Stocks and bonds are starting to move together—creating confusion.
- Add in tariff realignment, global economic uncertainty, and thin trading conditions, and you've got a storm where even good companies get punished.

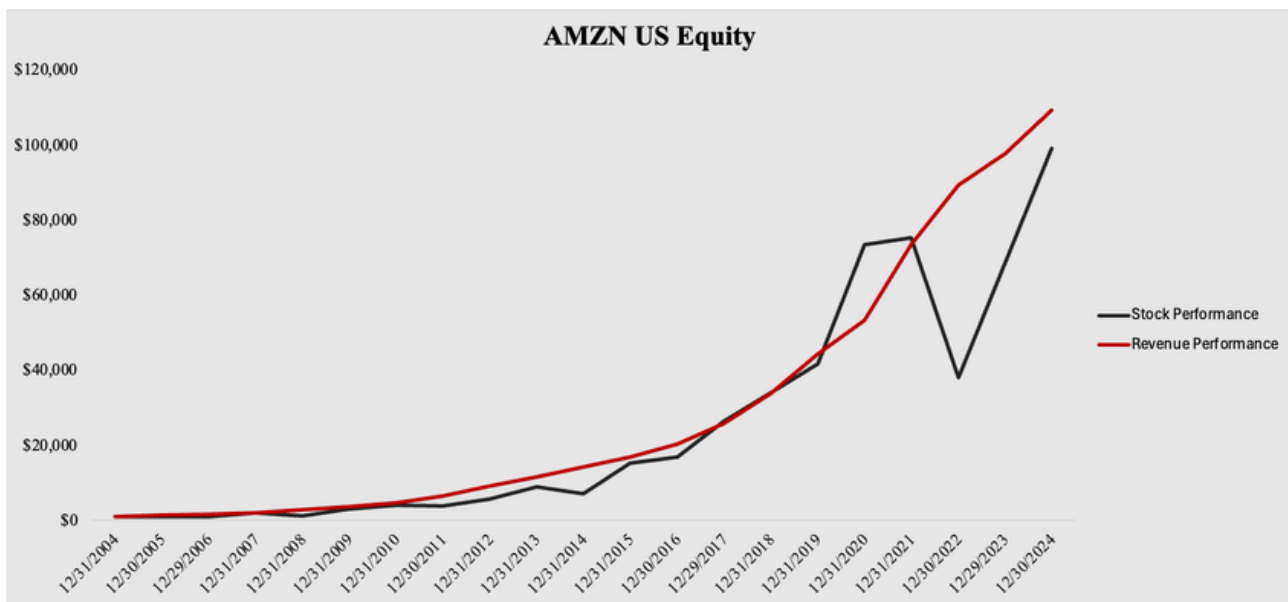
Amazon: A Clear Example

\$1,000 invested in Amazon revenue since 2004 would have outperformed its stock. Revenue never dropped YoY. Stock price? Erratic and highly correlated to S&P 500 sentiment. Who wouldn't want to invest in the orange line — steady, growing, and consistent?

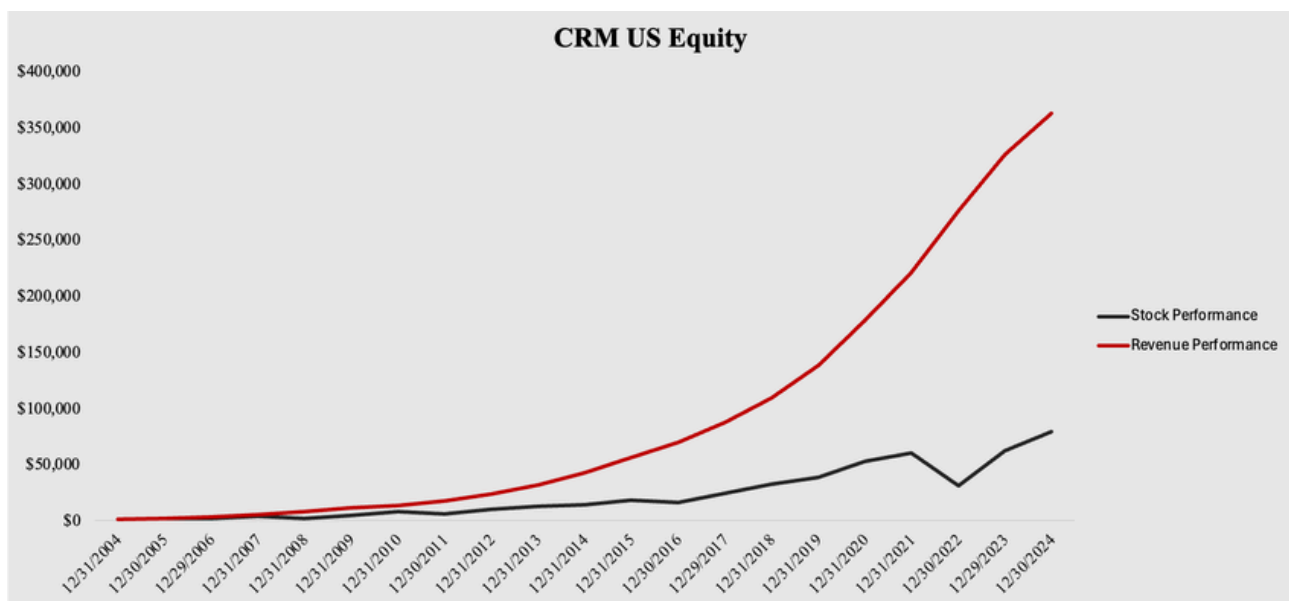


AAPL (Apple)

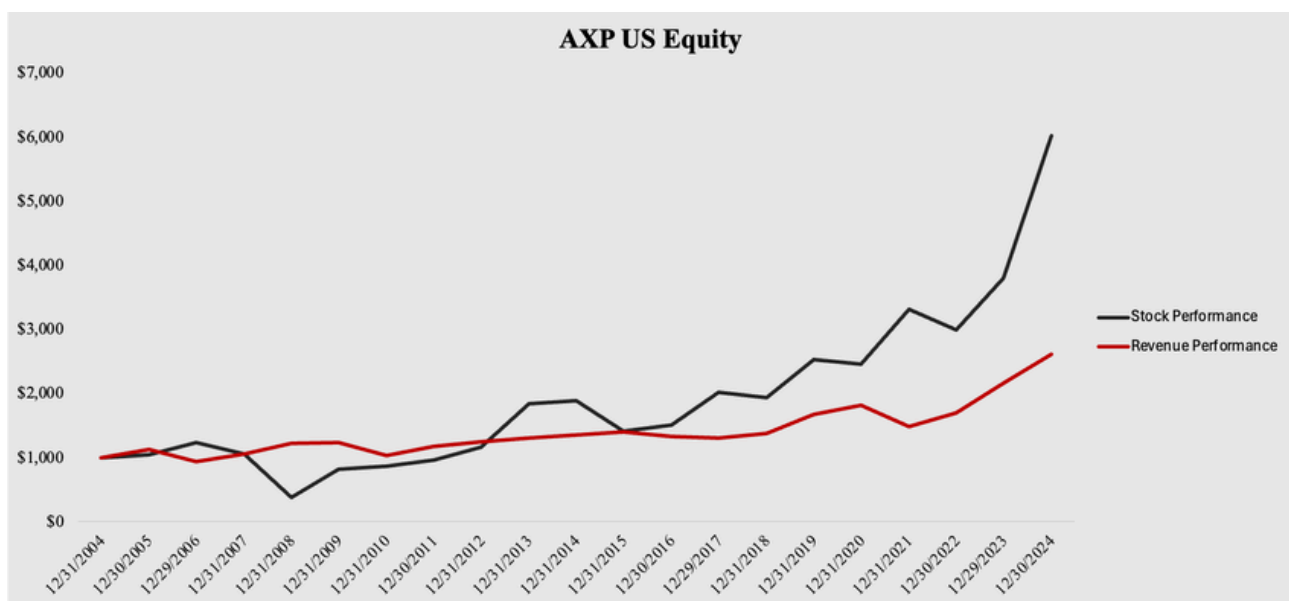
Apple serves as a definitive case study in how investor sentiment and narrative can propel stock prices well beyond company fundamentals. Despite robust and consistent revenue growth, the stock's valuation appears driven more by perceptions of national importance, safety, and innovation leadership—making it a compelling example for discussions around market psychology.

AMZN (Amazon)

Amazon has maintained uninterrupted year-over-year revenue growth, even during economic downturns. This stability highlights revenue as a more reliable long-term growth indicator than stock price, which has experienced more volatility. The chart is especially effective for illustrating the consistency of Amazon's core business performance.

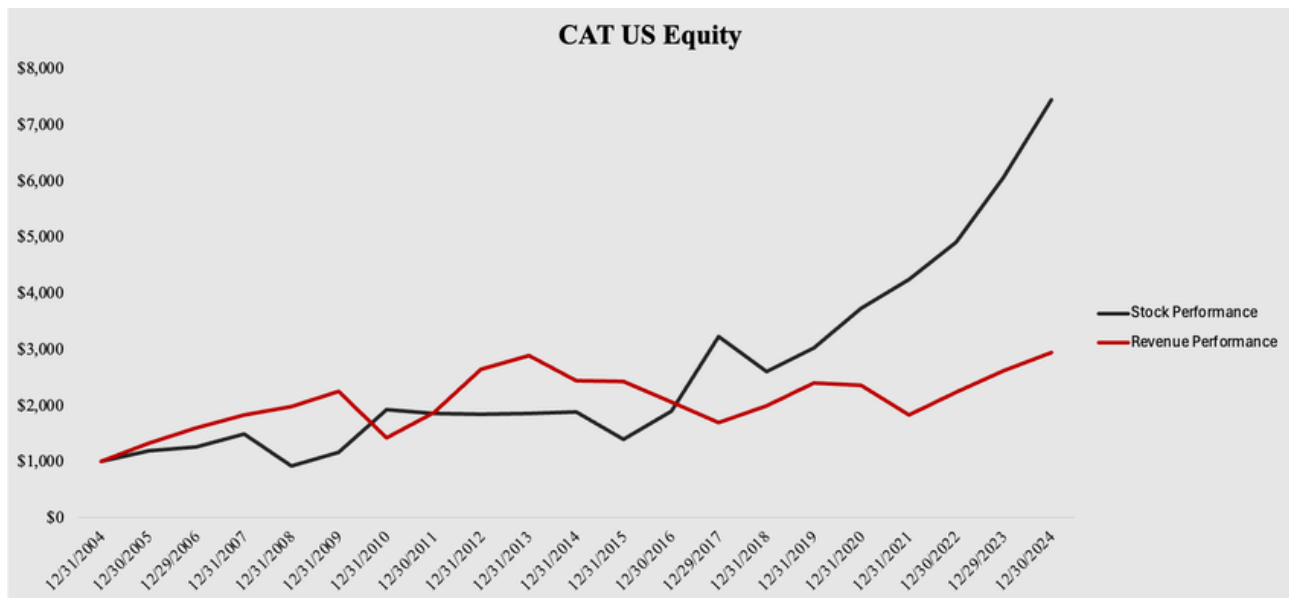
CRM (Salesforce)

Salesforce exemplifies the compounding power of sustained revenue growth. The chart presents a clear and straightforward case for long-term investing, making it particularly valuable in investor presentations that emphasize fundamental business momentum.

AXP (American Express)

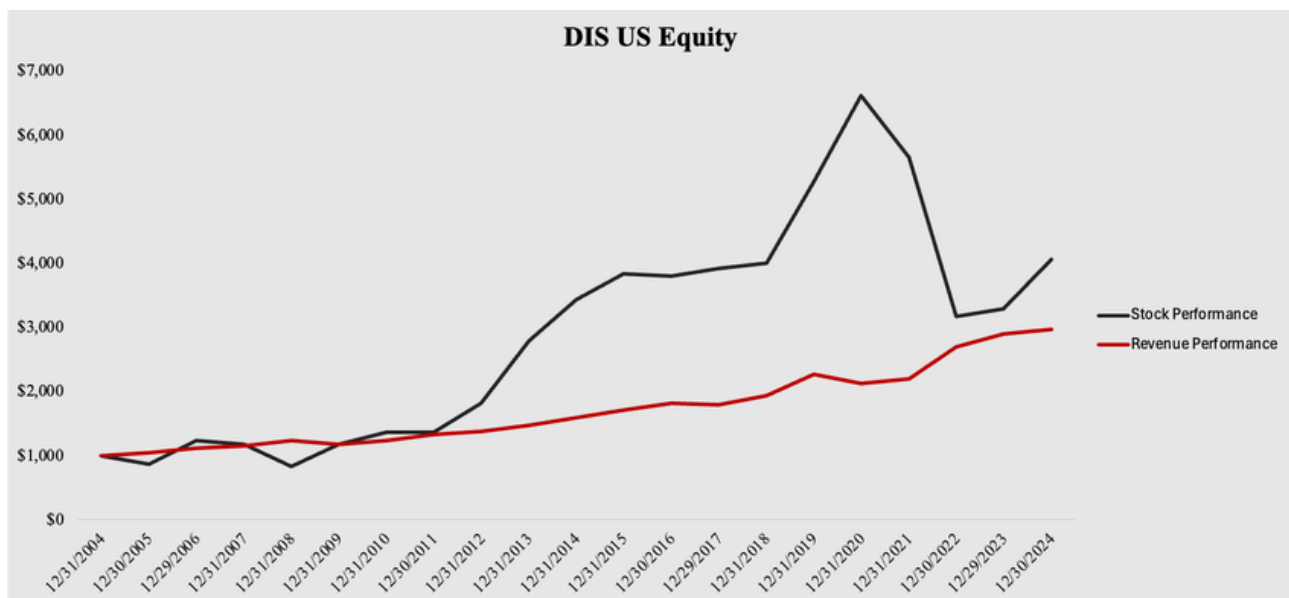
Beginning in 2017, AXP's stock price began to significantly outpace revenue growth, creating a noticeable divergence. This decoupling underscores how equity valuations can accelerate independently of business fundamentals, often driven by market optimism or sector rotation.

CAT (Caterpillar)



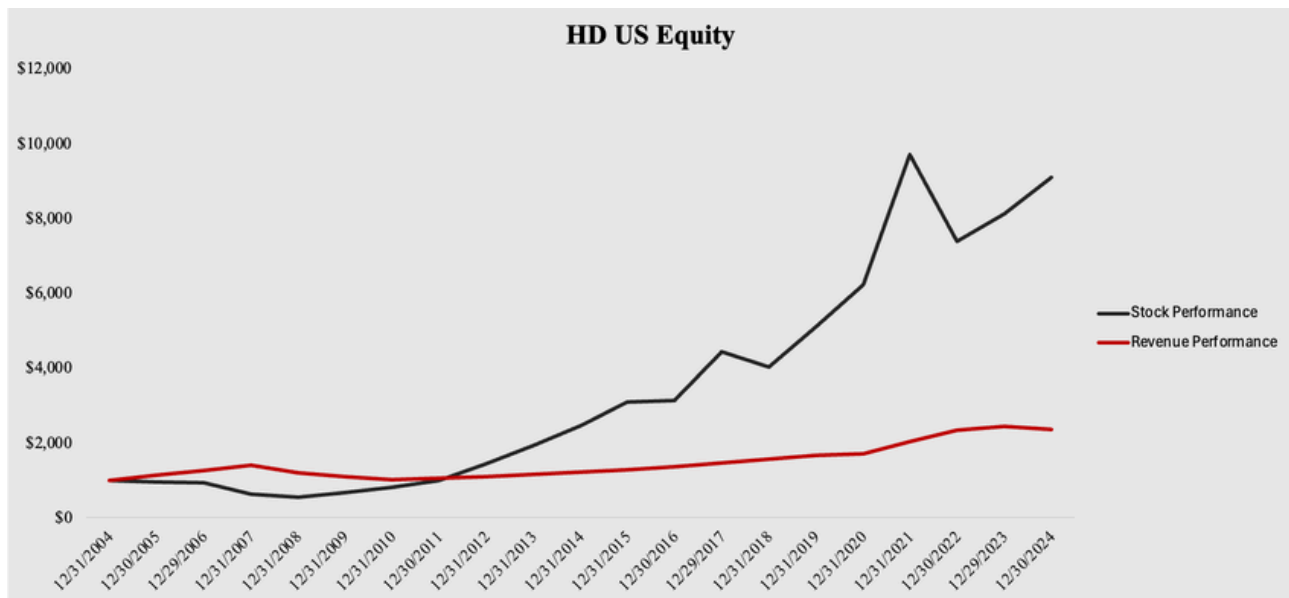
Caterpillar's performance mirrors that of AXP. Over time, stock price and revenue become increasingly uncorrelated, suggesting a disconnect between market valuation and underlying fundamentals—useful for highlighting misalignments in market behavior.

DIS (Disney)



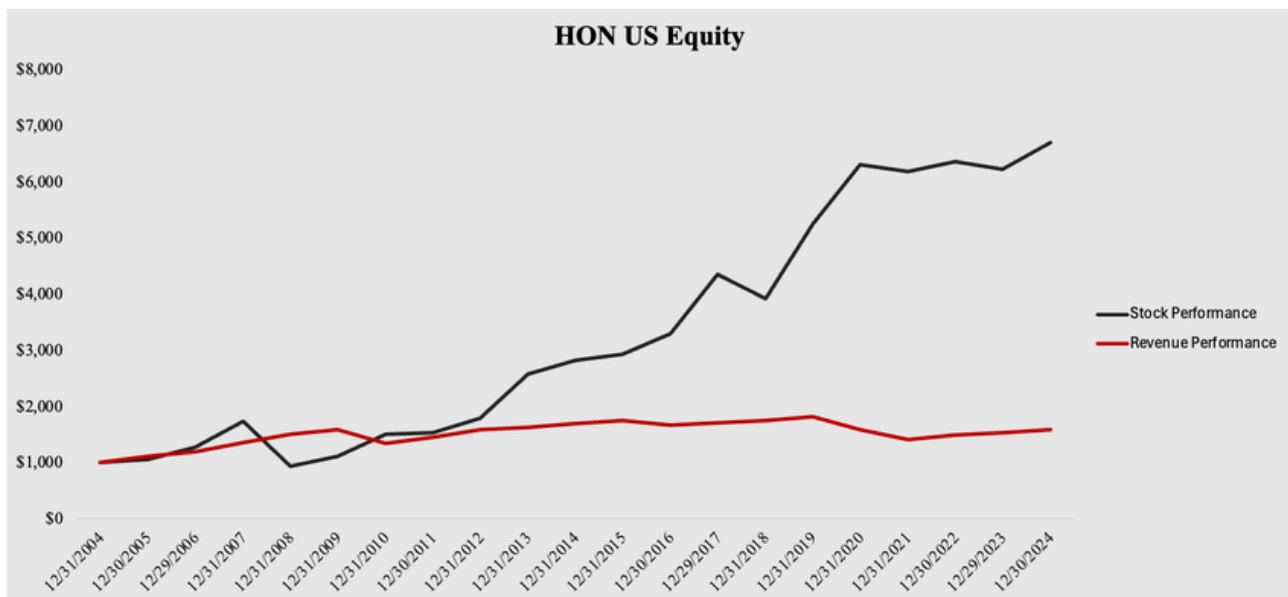
Between 2011 and 2020, Disney's stock sharply outpaced revenue growth, followed by a steep decline in share price post-COVID, despite relatively stable revenues. This illustrates how macroeconomic fears and dominant narratives can eclipse fundamentals in investor decision-making.

HD (Home Depot)

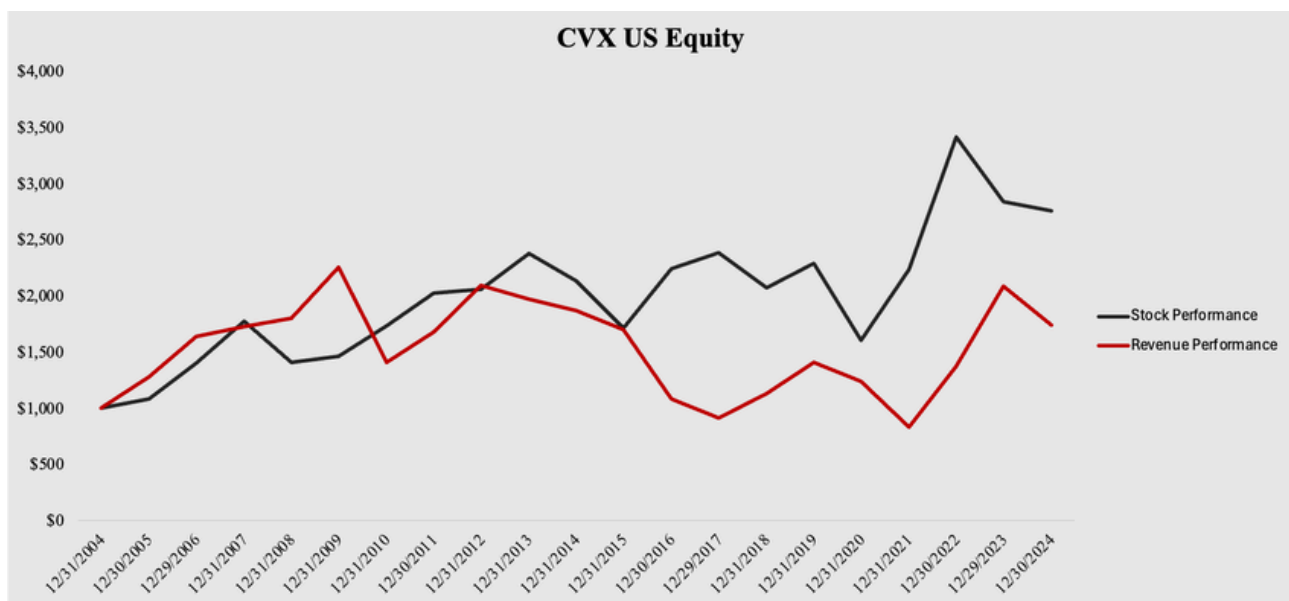


From 2004 to 2011, Home Depot's revenue outpaced its stock performance. Post-2011, this dynamic reversed, with stock price significantly outperforming revenue. The two-phase trajectory is illustrative for discussions on how markets can shift from fundamental drivers to momentum and sentiment.

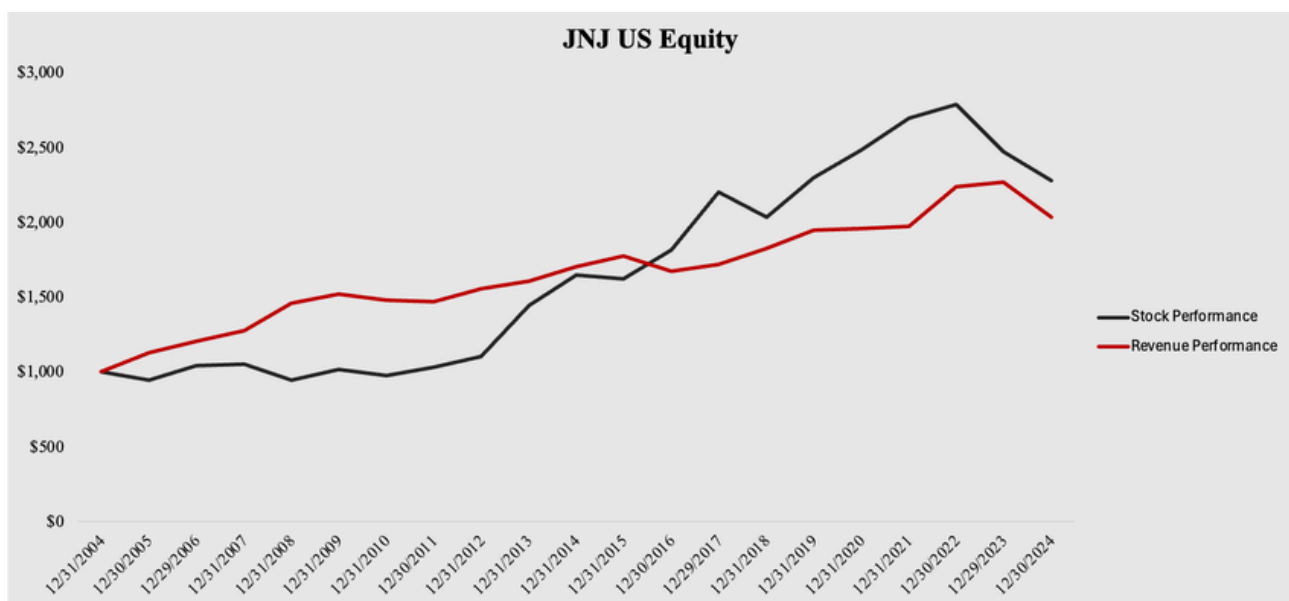
HON (Honeywell)



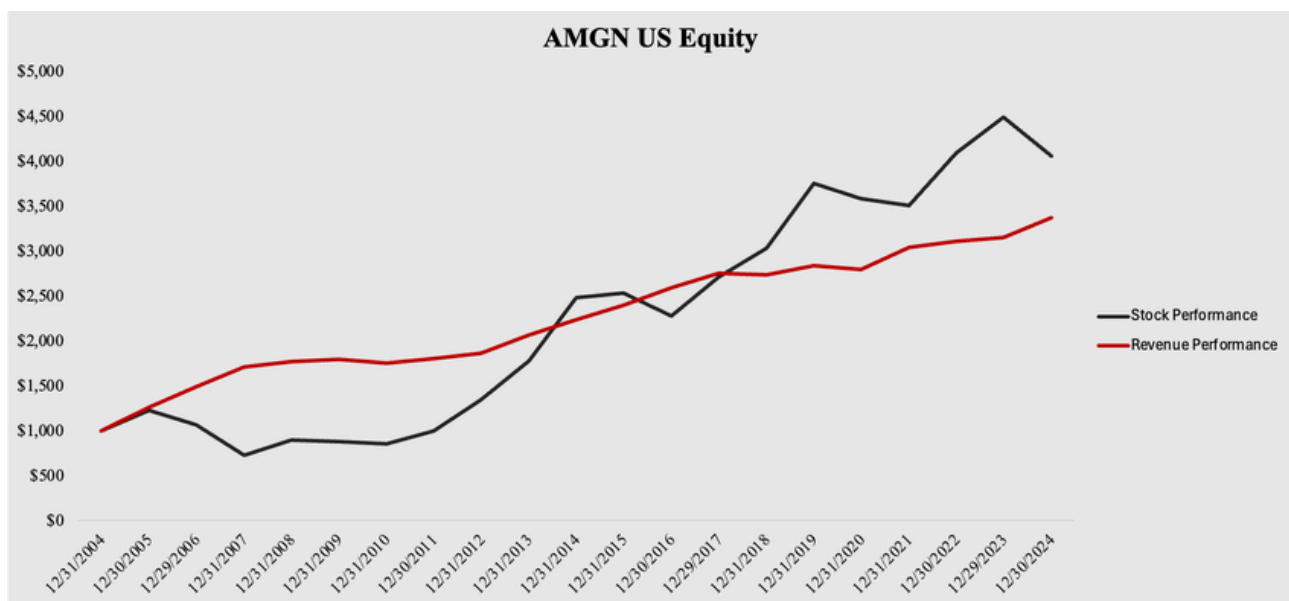
Honeywell's stock has consistently outperformed its revenue, with a notable divergence in 2019 when stock price rose despite a revenue decline—creating a temporary negative correlation. This suggests that investor perception and external variables may have outweighed business fundamentals during that period.

CVX (Chevron)

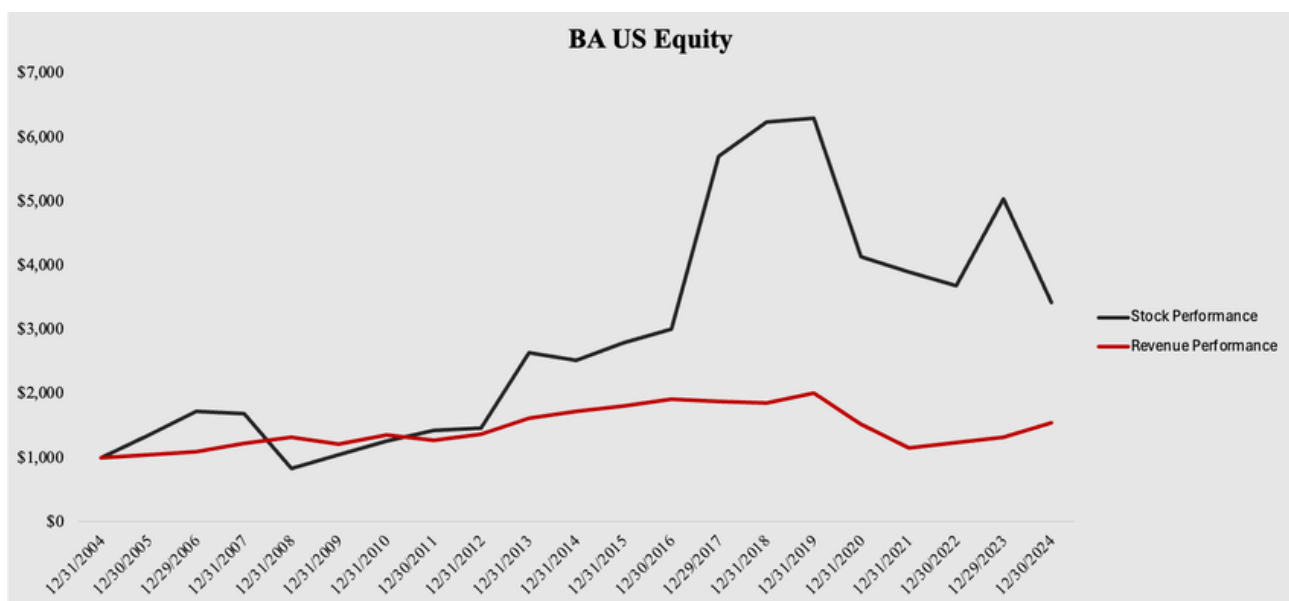
Chevron's revenue and stock price show little to no long-term correlation. The erratic behavior of both lines—often moving in opposite directions—implies that investor sentiment and macroeconomic variables (such as oil prices) dominate valuation more than core financials.

JNJ (Johnson & Johnson)

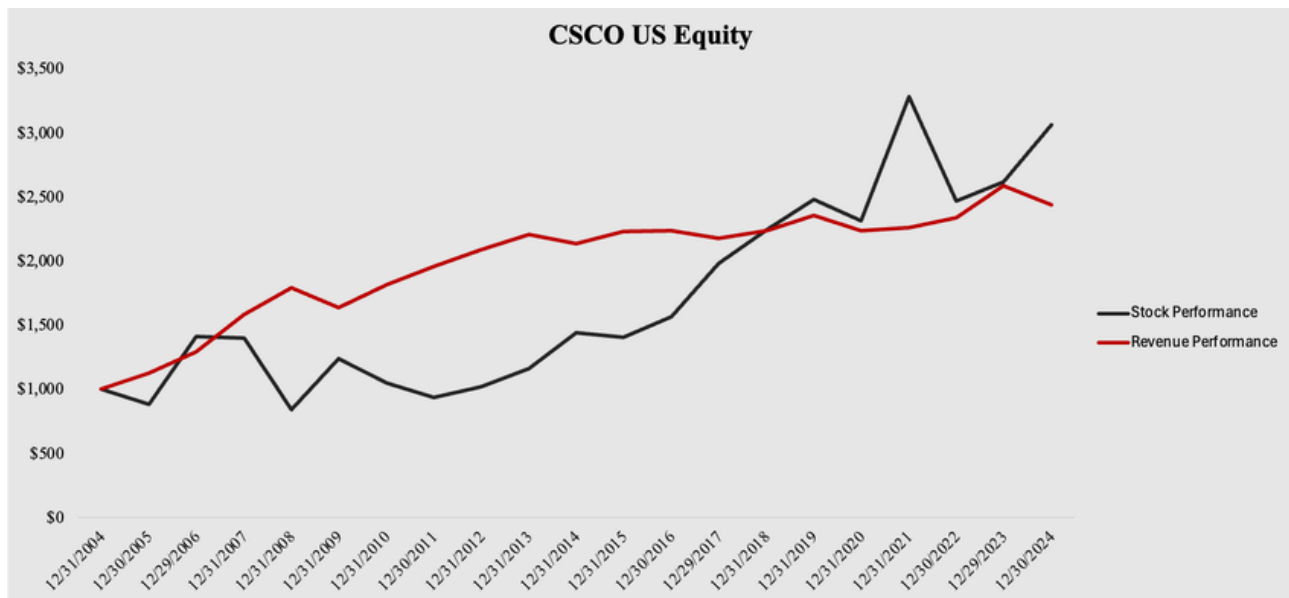
Johnson & Johnson presents a steady, modest correlation between stock price and revenue. With neither metric showing dramatic divergence, this chart is less compelling for thematic analysis but reflects consistent upward movement in both areas.

AMGN (Amgen)

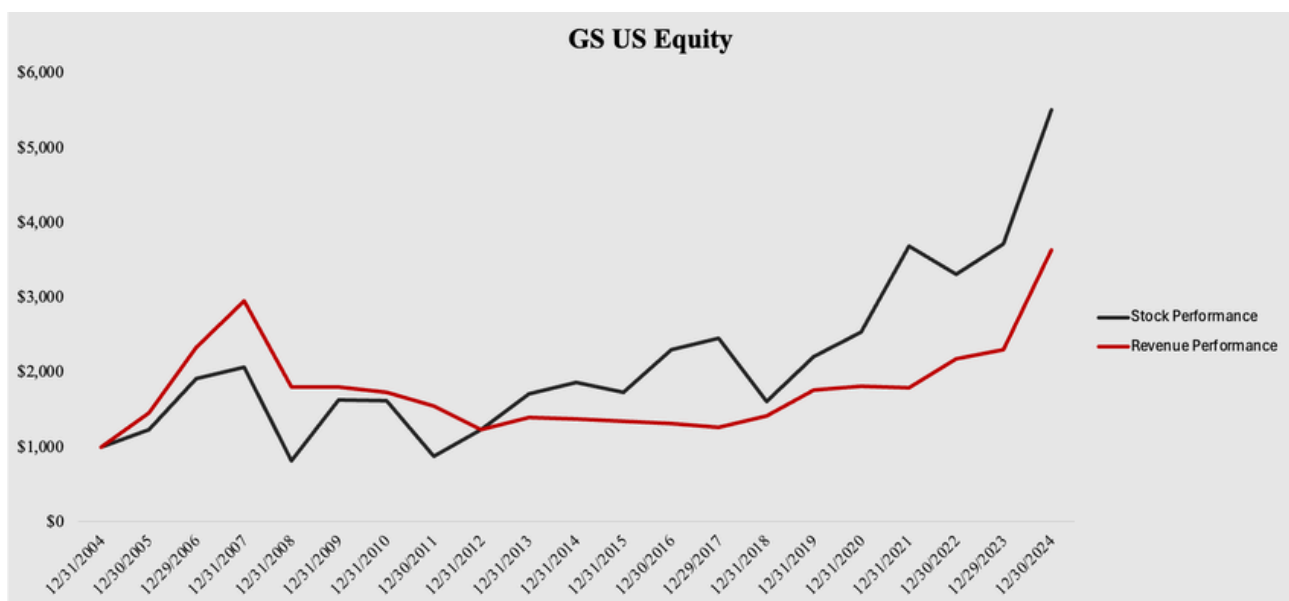
Amgen displays steady revenue growth accompanied by a notable upward shift in stock price post-2011. This chart serves as a subtle example of delayed but meaningful investor recognition of fundamental performance.

BA (Boeing)

Boeing's chart shows peak alignment in 2019 followed by volatility in both stock and revenue, likely influenced by travel restrictions and reputational damage from product safety issues. The inconsistency offers insights into industry-specific risks.

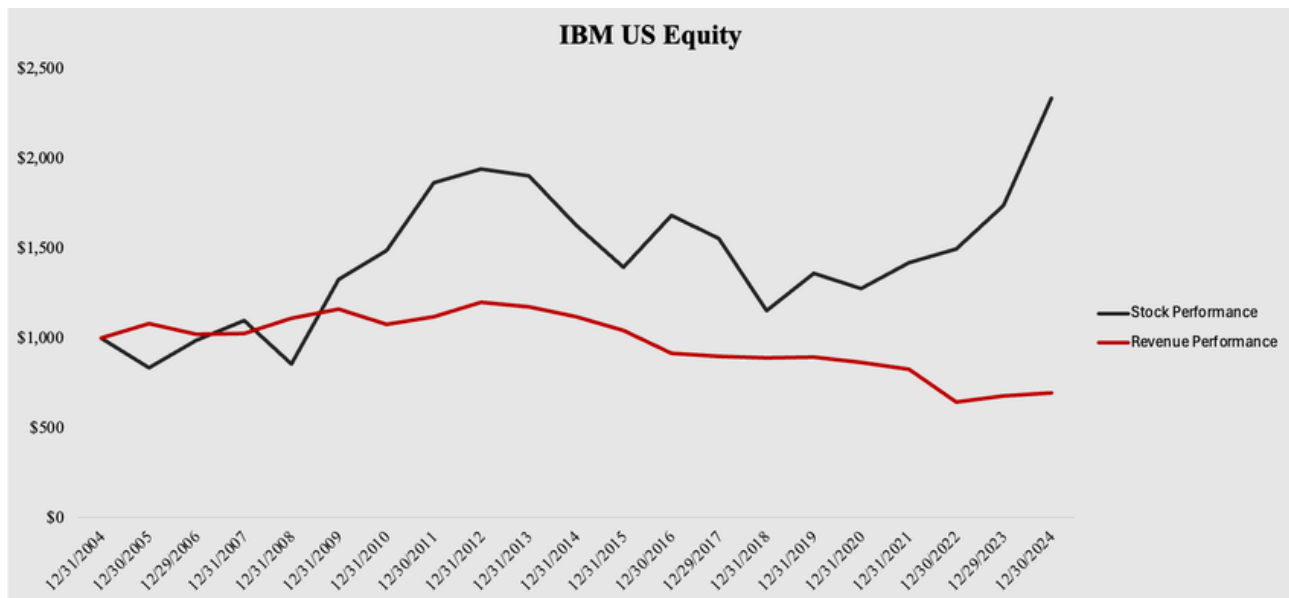
CSCO (Cisco)

Cisco's revenue chart trends modestly upward, while stock price remained relatively flat until accelerating post-2016. The lack of predictability in either line highlights the limitations of relying solely on financials for valuation in certain sectors.

GS (Goldman Sachs)

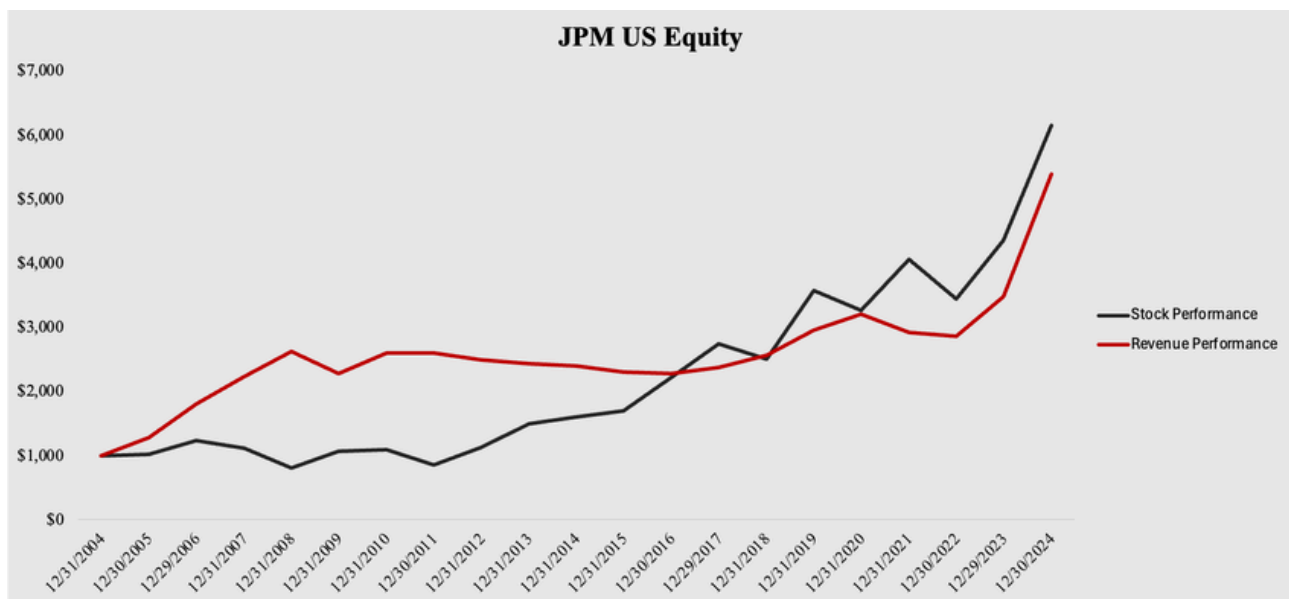
Goldman Sachs reflects a pattern similar to AXP and CAT, with stock price dramatically outpacing revenue growth from 2018 onward. Despite operating in a different sector, the pattern reinforces broader themes of valuation dislocation across industries.

IBM

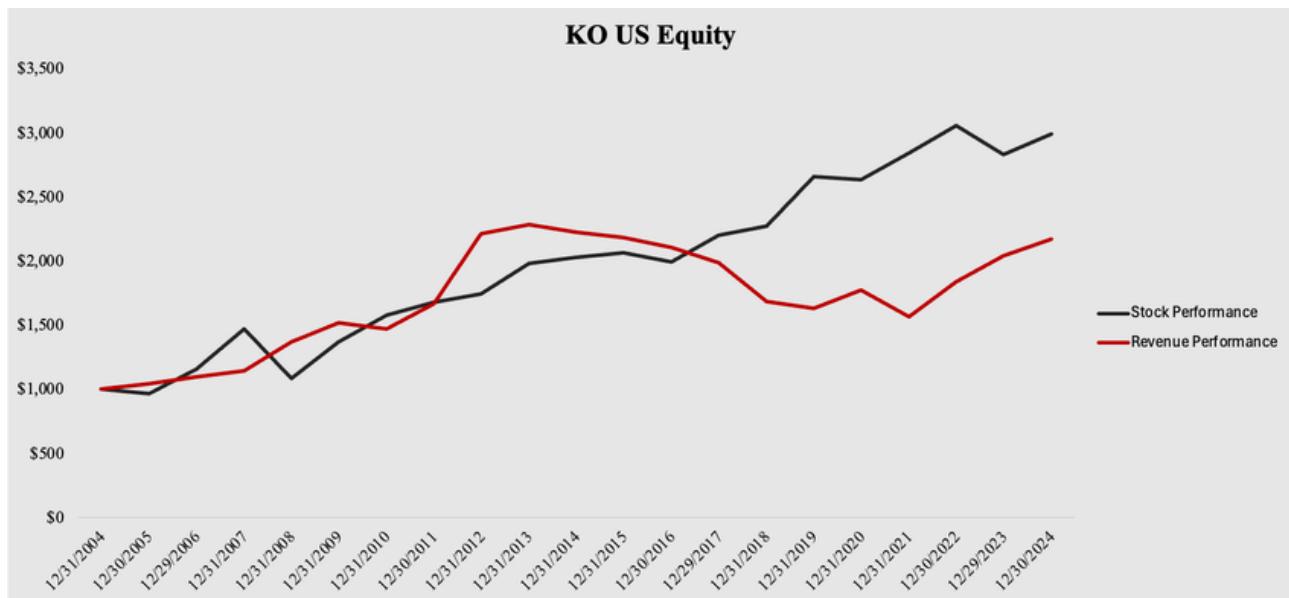


IBM has experienced a long-term decline in revenue, yet its stock has risen in recent years, especially post-2021. This divergence creates a clear negative correlation, likely due to investor enthusiasm around AI and cloud computing prospects despite weaker core performance.

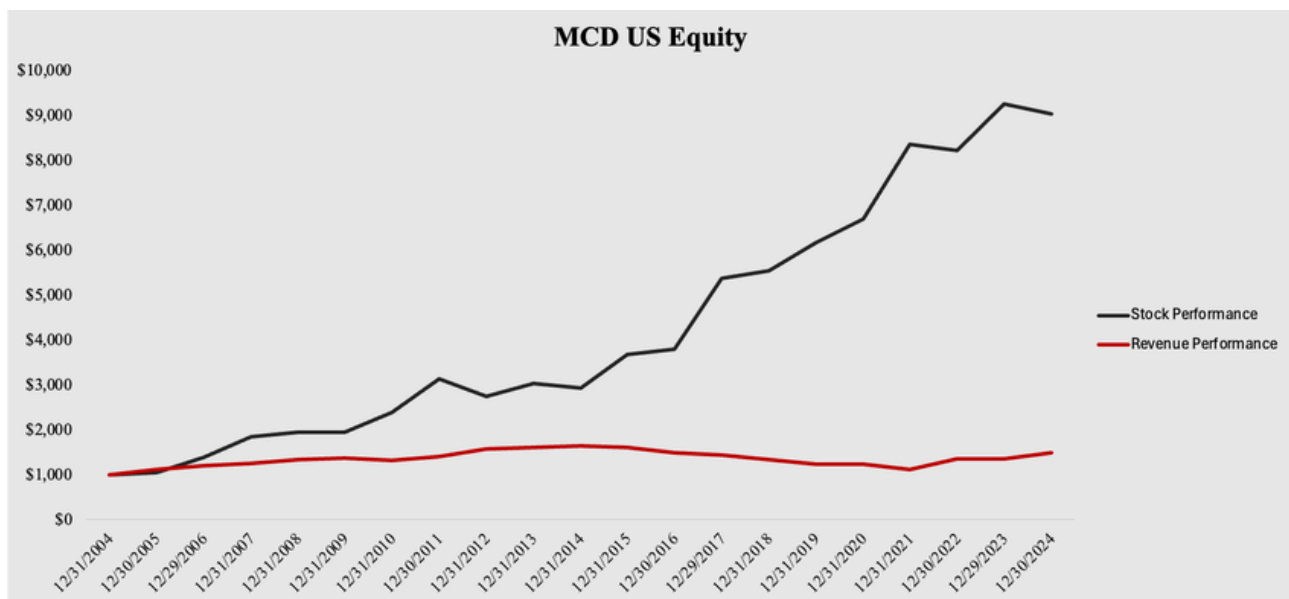
JPM (JPMorgan Chase)



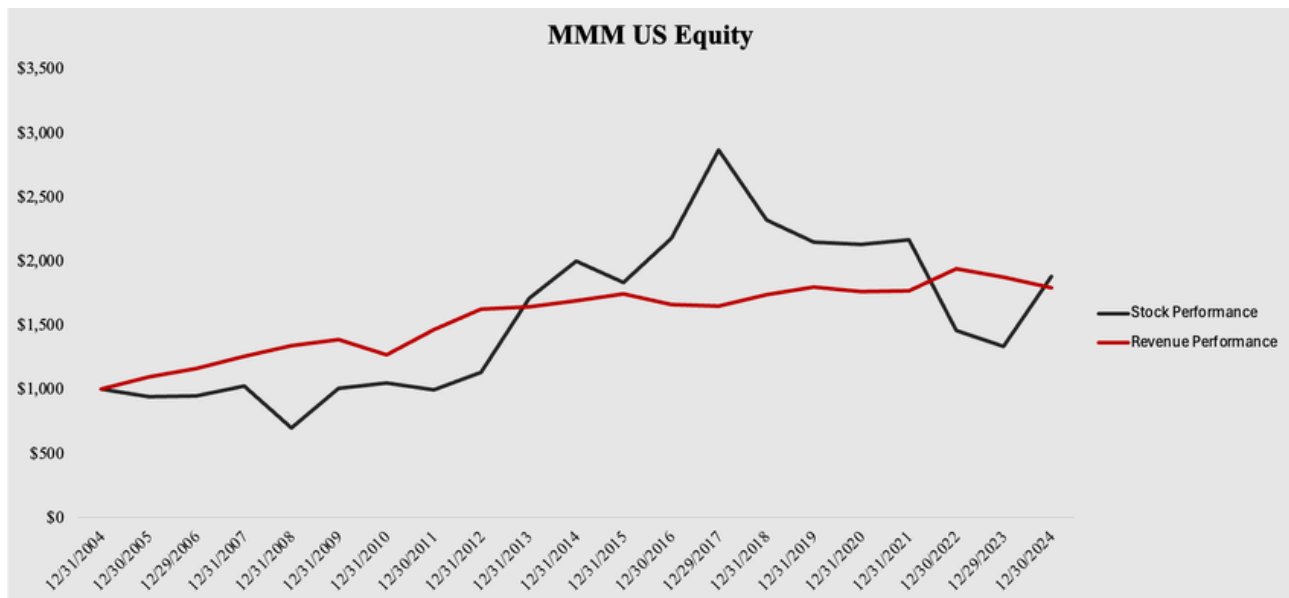
JPMorgan has seen parallel growth in both revenue and stock price since 2021, indicating a strong correlation. Prior to this period, both metrics showed minimal activity, reflecting JPM's late-cycle growth emergence.

KO (Coca-Cola)

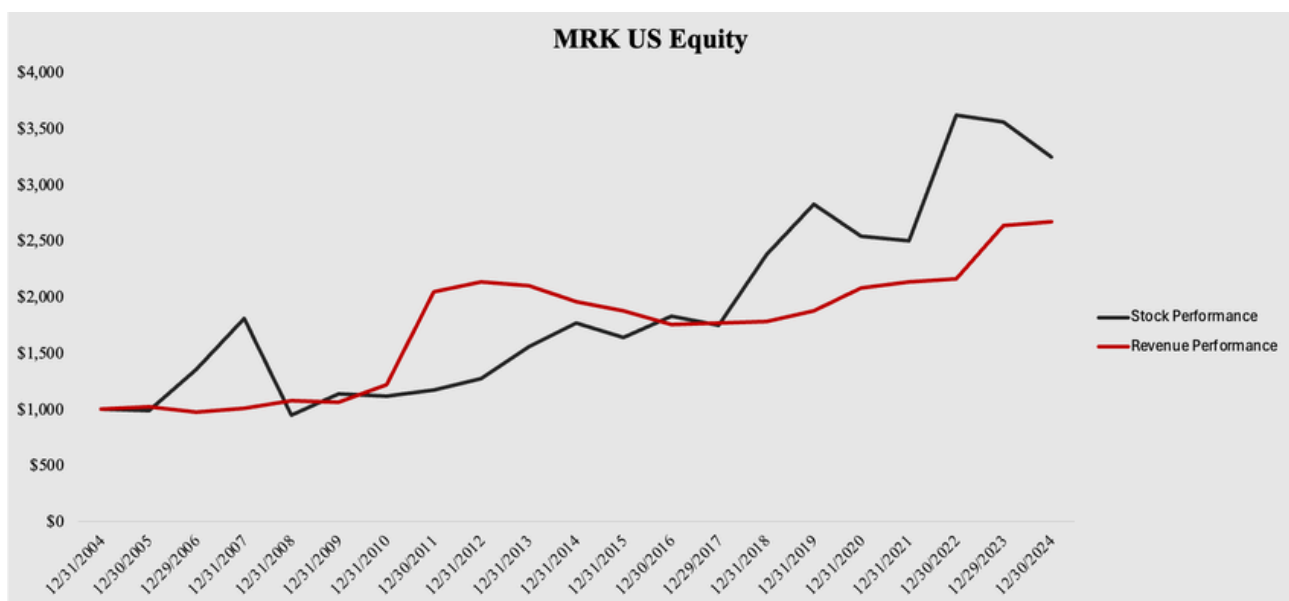
Coca-Cola's revenue grew approximately 117% over the 20-year period, while its stock returned nearly 200%. While this outperformance is notable, the growth rates are relatively modest, making the case less compelling from a return-on-investment perspective.

MCD (McDonald's)

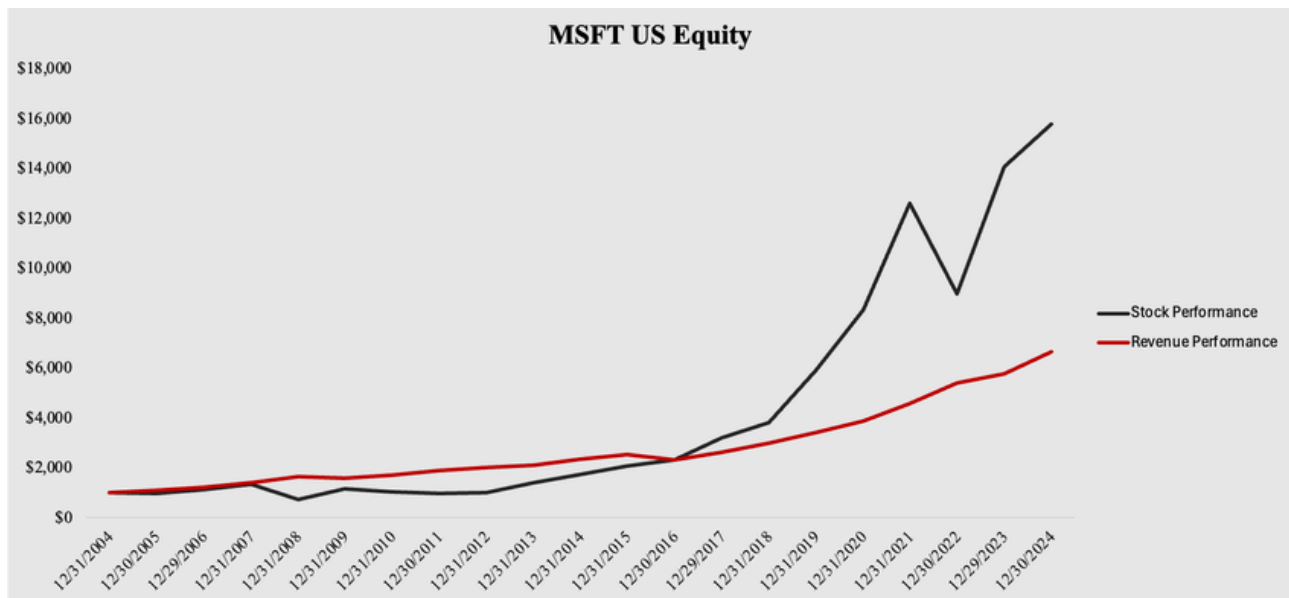
McDonald's stock significantly outperforms its revenue growth. This discrepancy can be used to demonstrate the importance of equity retention for businesses, particularly when presenting to companies considering equity dilution in pursuit of revenue.

MMM (3M)

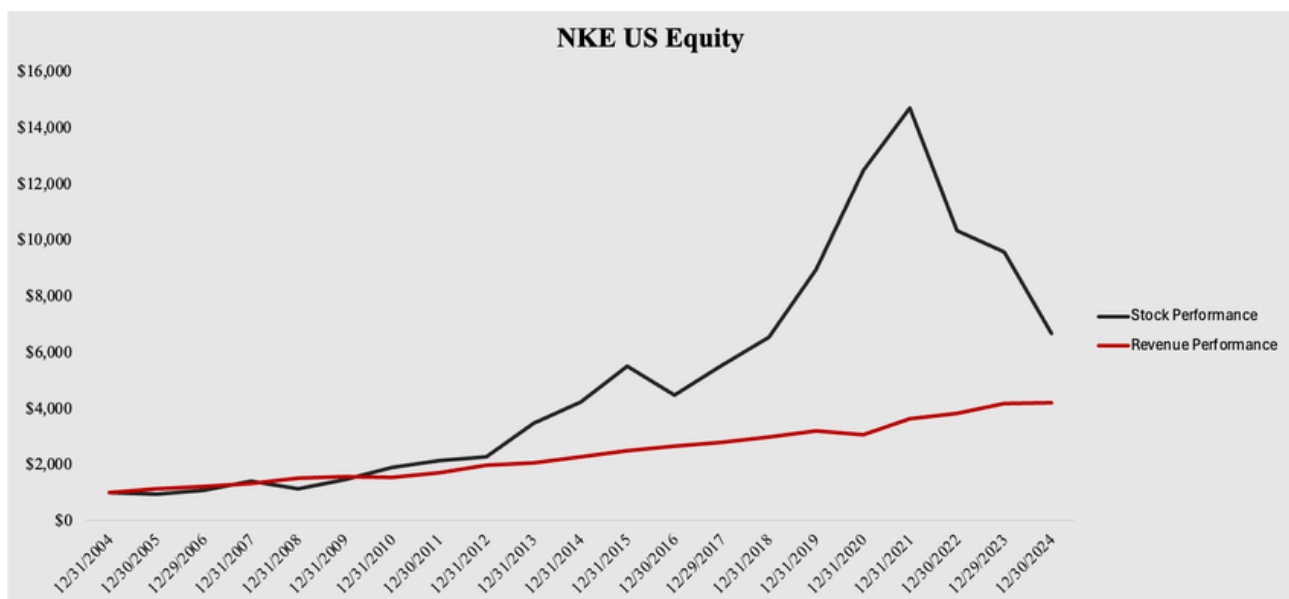
3M's stock has exhibited high volatility, ultimately ending the period with returns similar to its revenue growth. The lack of strong divergence makes this chart less compelling for narrative-driven analysis.

MRK (Merck)

Merck's data shows limited correlation between revenue and stock price. A revenue spike in 2011 is followed by a downward trend, while stock price continues to climb. This reinforces the notion that long-term investor confidence can override short-term fundamental weakness.

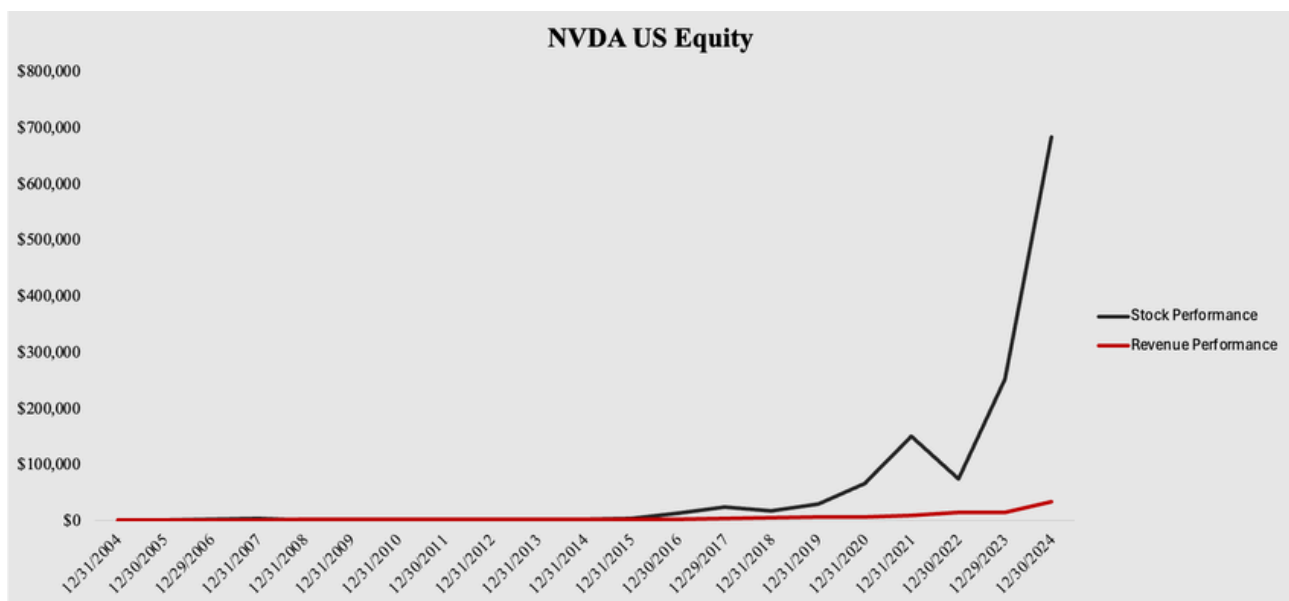
MSFT (Microsoft)

Microsoft's stock has significantly outpaced revenue, though both show consistent upward trends. The trajectory closely mirrors Apple, suggesting sector-wide valuation premiums in tech driven by innovation expectations and scalability.

NKE (Nike)

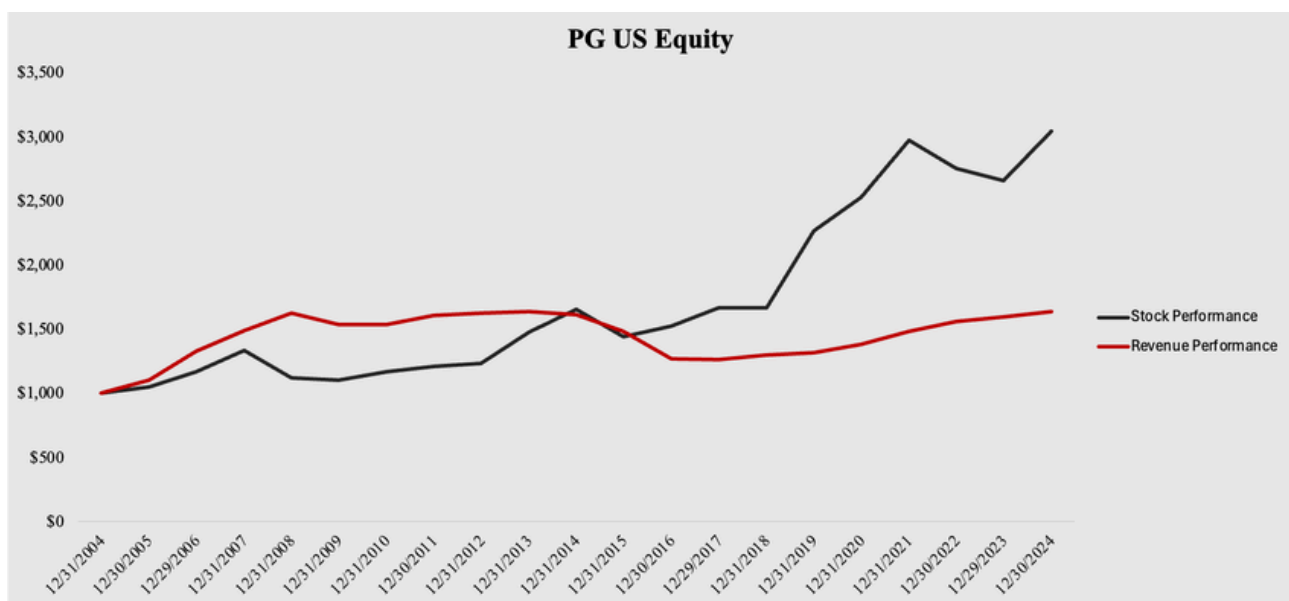
Nike's chart features steady revenue growth and a sharp rise in stock price, peaking in 2021 before declining. This makes it a strong example of sentiment-driven overvaluation followed by correction.

NVDA (Nvidia)

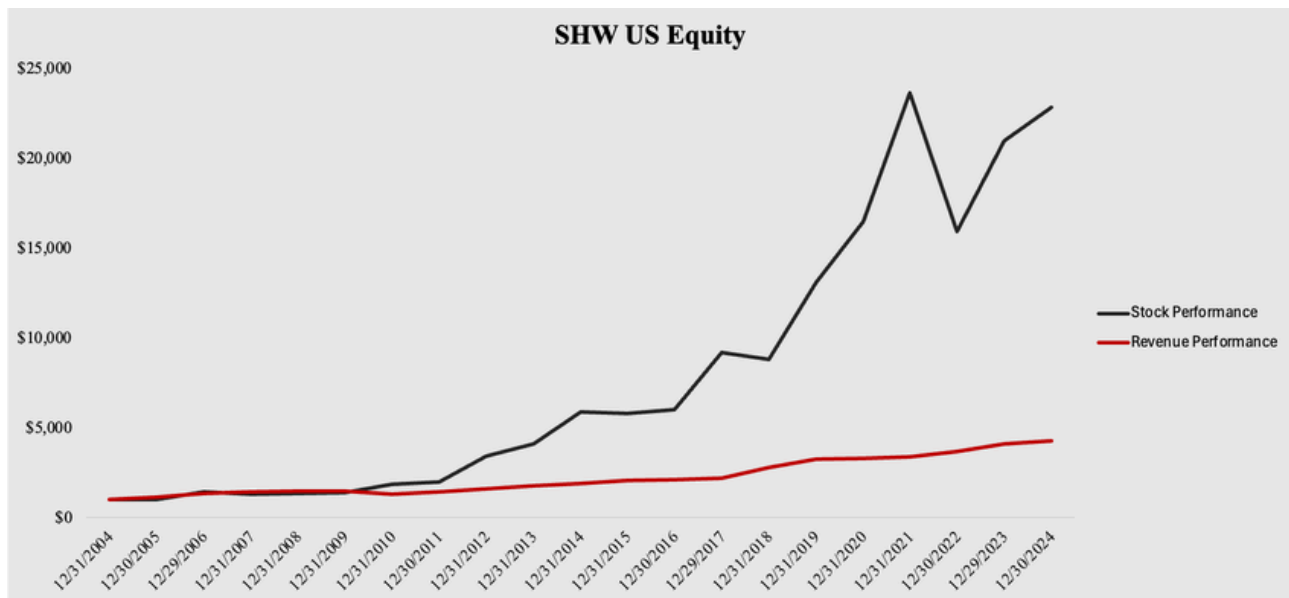


Nvidia's chart is perhaps the most striking. While revenues have grown steadily, the stock price has undergone a meteoric rise, far outpacing fundamentals. Investor enthusiasm around AI has clearly decoupled valuation from core business metrics.

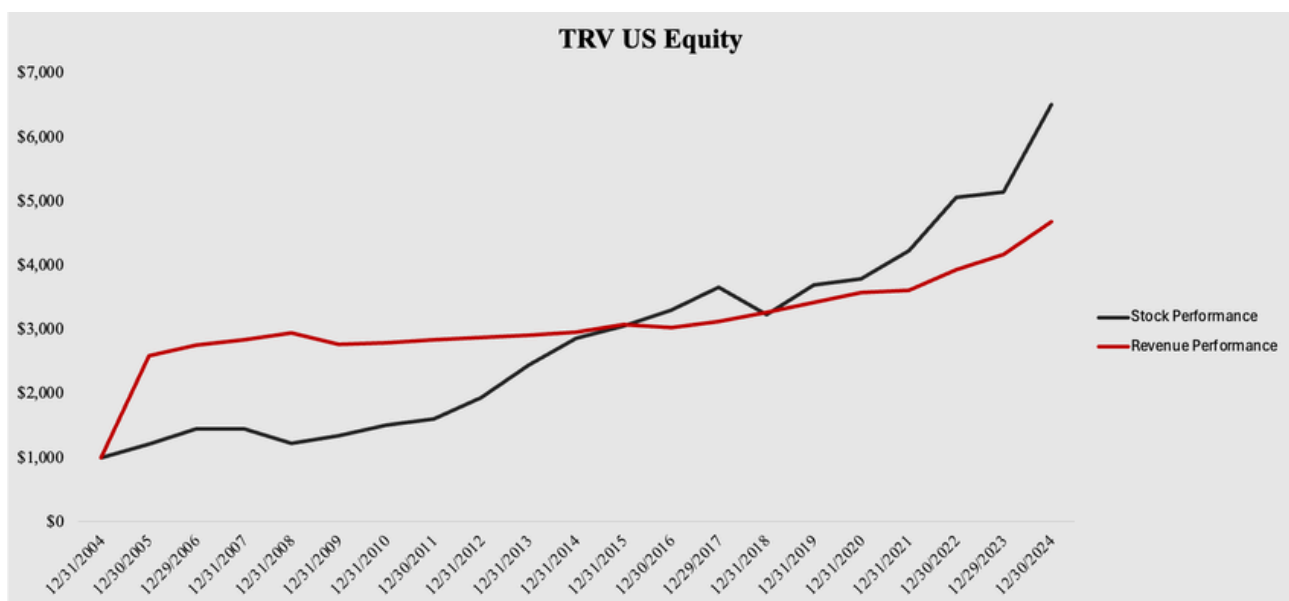
PG (Procter & Gamble)



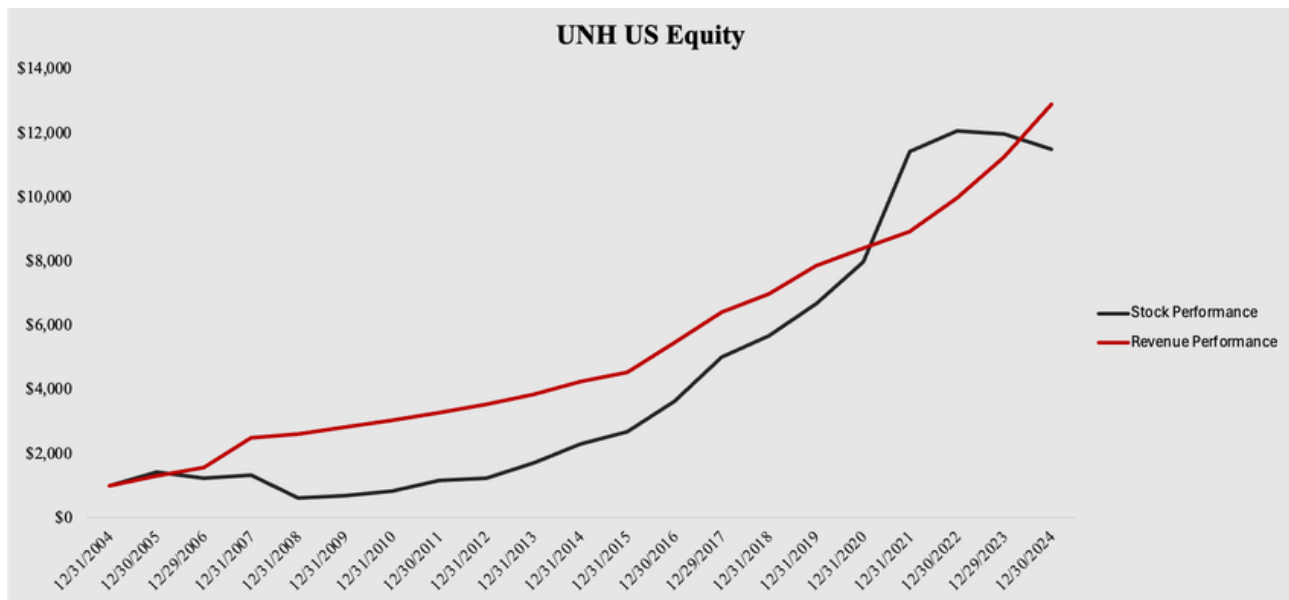
Until 2018, PG showed minimal movement in both stock price and revenue. Post-2018, likely influenced by Federal Reserve monetary policy, the stock price spiked dramatically—outpacing revenue growth and creating a late-cycle valuation premium.

SHW (Sherwin-Williams)

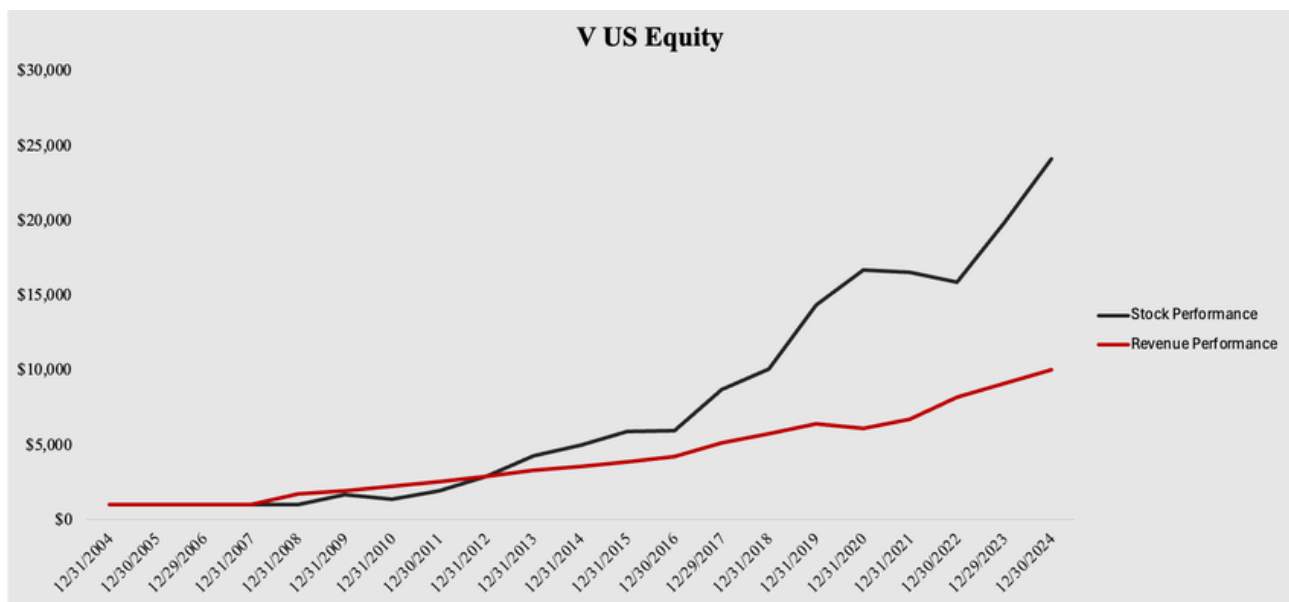
Sherwin-Williams presents a surprising divergence. Since 2004, stock price has increased by approximately 2200%, while revenue grew just 326%. This serves as a potent example of long-term compounding via market sentiment and shareholder optimism.

TRV (Travelers)

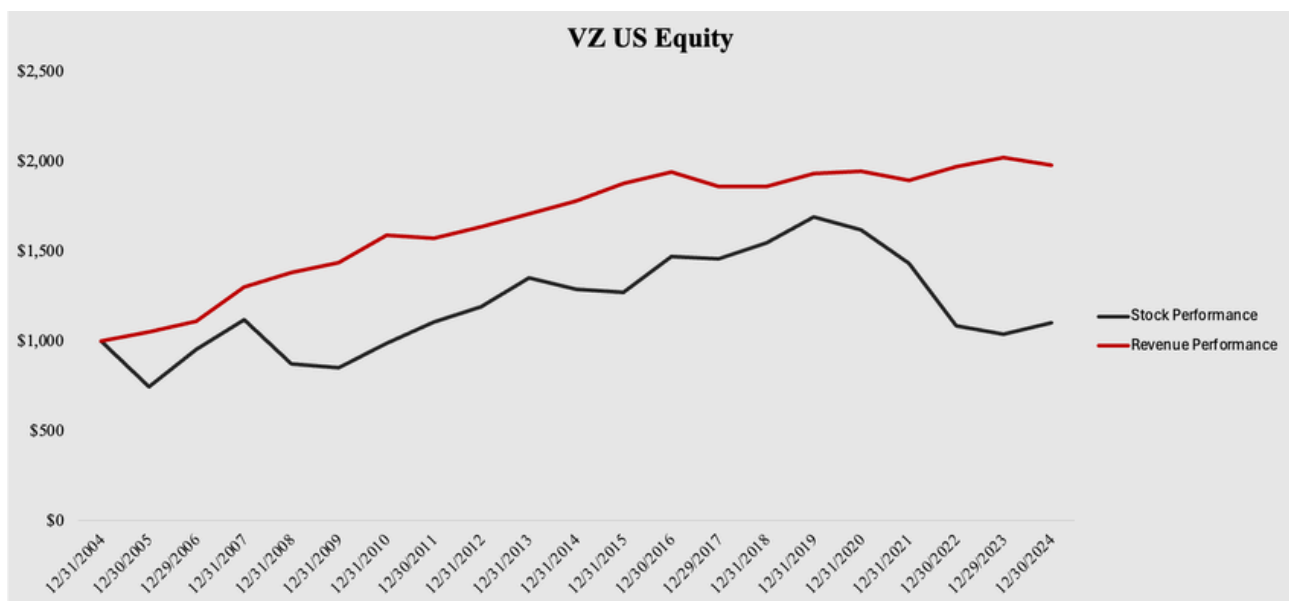
Revenues for Travelers surged in 2005 with little corresponding change in stock price. Since then, revenues have stagnated while stock price has continued to rise, reinforcing the idea that equity valuations often move independently of operational performance.

UNH (UnitedHealth)

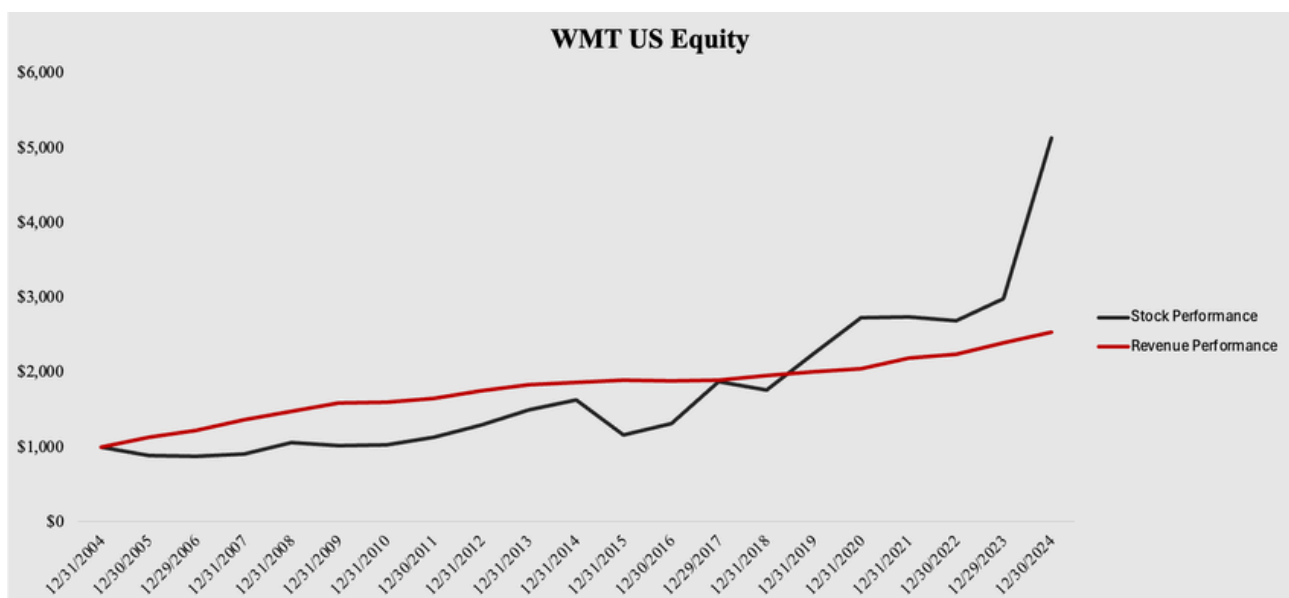
One of the most strongly correlated charts, UNH's stock and revenue move almost in lockstep. This alignment suggests that investors view revenue growth as a direct signal of value in the healthcare sector.

V (Visa)

Since its IPO in 2007, Visa has achieved consistent revenue growth, though stock price has outperformed significantly. The chart effectively illustrates the investor premium placed on Visa's scalable business model and market dominance.

VZ (Verizon)

Verizon's revenue and stock price both grew less than 100% over the observed period. However, revenue was a better predictor of value, as stock price largely stagnated—making this a modest case for fundamental consistency.

WMT (Walmart)

Despite producing the highest revenue totals among peers, Walmart's YoY revenue growth remains minimal. Nonetheless, its stock has performed exceptionally well during recessionary periods and recently achieved its best annual return since IPO—demonstrating its appeal as a defensive asset in uncertain markets.

Investor Takeaway: Stop Following the Noise

The stock market doesn't reward fundamentals during fear cycles. That's why this paper — and this series — matters. Revenue Realities cuts through sentiment and highlights companies with real, growing value.

Whether it's equities, bonds, cash, or currencies—investors are confused. So we ask: What if the real signal is in the top line?

The markets are scared. Politicians are gambling with tariffs. The Fed is cornered. But good businesses — the ones with strong revenues — are still out there. This series is about finding them. The world is noisy. Let's focus on what actually grows.

Our future “Revenue Realities”

As our review of the Dow 30 reveals, the disparity between revenue performance and stock price valuation is significant—and our quantitative team believes this is only part of the story. Preliminary analysis of the S&P 500 and MicroCap companies indicates even greater divergence, particularly as company size and revenue scale decrease.

In future editions, we aim to deliver quantified insights into these trends, reinforcing the case for revenue-based investing. We believe that securitizing a small portion of company revenue presents a compelling, performance-driven alternative to sentiment-driven equity markets—benefiting both companies and investors.

We welcome your thoughts, questions, or topics that might further inform or challenge this perspective.

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About the Team

Matthew J. Henderson

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Matthew Henderson is driven by a passion for financial research and strategic communication. As a co-lead of the Revenue Realities series, he works alongside a talented team to explore and articulate the evolving relationship between revenue performance and market valuation.

Originally from Philadelphia, Matt is pursuing a dual major in Finance and Marketing at the University of Tampa. He excels at blending data analysis with narrative-driven writing, translating complex financial insights into clear and accessible commentary. With a strong interest in challenging traditional market paradigms, Matt is actively contributing to the next generation of private capital market strategies.

His background also includes experience in sales, financial analysis, and business communications—further reinforcing his ability to bridge insight and impact.



Massimo Lanzi

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Massimo Lanzi is a senior at the University of Tampa majoring in Finance, where he combines a strong analytical foundation with a growing interest in data science and quantitative methods. As a contributing data analyst for the Tampa Twenty research initiative, Massimo plays a key role in identifying patterns, trends, and actionable insights that inform private market strategy.

His academic work and hands-on experience reflect a clear passion for turning complex data into decision-ready intelligence. Whether through statistical modeling, financial analysis, or collaboration with peers, Massimo approaches each project with precision, discipline, and a sharp attention to detail.

With additional experience in corporate finance, investment analysis, and operations, he brings a well-rounded perspective to the team's research efforts—bridging classroom knowledge with real-world applications in financial innovation.

Marshall Chiles

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Marshall Chiles is an outreach and business development specialist working on the Tampa Twenty initiative, where he brings a dynamic background in sales, financial strategy, and client engagement. A proud U.S. Marine Corps veteran originally from Austin, Texas, Marshall pursued a degree in Finance at the University of Tampa to deepen his analytical foundation and complement his natural aptitude for relationship-building.

With a strong track record in account management, persuasive pitch writing, and high-stakes deal execution, Marshall serves as a strategic liaison – connecting people, ideas, and opportunities. He is driven by a fiduciary mindset, consistently prioritizing client outcomes and leveraging his extensive network to unlock tailored solutions. Marshall is dedicated to the development and execution of The Tampa Twenty, contributing meaningfully to the evolution of private capital markets.

