



### **Webinar Announcement**

Argus Research will host a webinar for clients at 11 a.m. ET on Wednesday, February 1, 2023. The webinar is entitled ***Communication Services: Opportunities in an Oversold Sector***. Argus Director of Research Jim Kelleher, CFA, will host and will be joined by Senior Analyst Joe Bonner, CFA, and Argus President John Eade.

The Communication Services sector was created in 2018. It includes legacy Telecom Services incumbents and select Technology sector companies in social media and video gaming, as well as traditional media companies formerly in the Consumer Discretionary sector. While the goal in creating Communication Services was to place like companies in one sector, the group is a “barbell” sector with low-growth, high-income stocks such as Verizon and AT&T on one side, and high-growth, no-income companies such as Alphabet and Meta Platforms on the other.

Both sides of the barbell had a rough 2022. The telco giants have been in a prolonged price war, seeking to lure 5G subscribers. As inflation hit, consumers sharply slowed purchases of new phones, and the telcos are now scaling back their cap-ex plans for 2023.

The social media companies on the other end of the barbell have faced a host of challenges, including restrictions on iOS ad tracking that have hurt revenue, and a decline in digital-advertising sales due to macroeconomic effects combined with a post-pandemic return to normalcy. These companies also face serious anti-competitive/regulatory action at home and abroad and self-inflicted wounds such as Meta’s expensive pursuit of the metaverse.

In the middle are traditional media companies, such as Disney and Comcast, which are wrestling with unbundling and OTT offerings while trying to drive profitability in their own streaming offerings; and gaming giants, such as Electronic Arts, which are trying to stay relevant in the mobile/casual gaming era.

Senior Analyst Joe Bonner will discuss these challenges, as well as the opportunities for these companies amid strong long-term secular trends. Joe will also touch on enterprise software companies that sold off in 2022 and are looking more attractive this year.

Participants are encouraged to submit questions that we will attempt to address at the conclusion of formal remarks.

Please note that the Investments & Wealth Institute has accepted Argus’ Monthly Webinar for one (1) hour of continuing education (CE) credit toward the CIMA/CIMC/CPWA certifications. The program also has been accepted by the CFP Board for one (1) hour of CE credit.

**To register for the event, please see the instructions on the first page of the PDF version of any Market Digest or Market Update report dated January 30, 2023, or later. If you have any problems, contact us at [clientservices@argusresearch.com](mailto:clientservices@argusresearch.com) or (212) 425-7500.**