EVENT STUDY · Q3 FY2026 RESULTS, WITH THE POST-MIDTERM HOUSING RALLY

The Home Depot, Inc. (HD)

Home Depot shares beat the S&P 500 over two sessions after five of their last eight reports but lagged it over 21 sessions after five; they enter the 17 November report after a 15.0% two-month rise against the index, the largest before any report.

PRIMARY CATALYST	PAST EVENTS	D0–1 VS SPY, MEDIAN	D0–21 VS SPY, MEDIAN
Q3 FY2026 results	16	+1.5%	−1.0%
17 Nov 2026, before the open (company)	Last eight reports plus eight reports from the 2022–2024 slowdown	Last eight reports; range −6.1% to +3.2%	Last eight reports; range −8.5% to +11.0%

WHAT HISTORY SAYS

01 **Home Depot's last eight reports were followed by gains against the S&P 500 in five cases over two sessions.** The two-session median excess return was +1.5% (range −6.1% to +3.2%). Over 21 sessions the median was −1.0%, with five of eight below the index, as the gains of February 2025 and August 2026 faded.

02 **During the 2022–2024 housing slowdown, even reports that cut the sales outlook were followed by two-session gains.** Seven of eight reports beat the index over two sessions (median +0.9%), including May 2023 and August 2024. Without the contaminated November 2023 report, the 21-session median was 0.0%. Beta was about 1.0 then, against 0.71 now.

03 **The shares enter this report after a larger rise against the S&P 500 than before any past report.** Home Depot beat the index by 15.0% over the 42 sessions before the report, mostly on post-midterm housing hopes. After four past run-ins above 5%, 21-session excess returns were +8.8%, 0.0%, +3.4% and −7.7%.

04 **Past housing-policy and rate rallies held for a month, but each followed an action already taken.** After the December 2023 Fed projections, the September 2024 cut and the January 2026 mortgage-bond plan, the shares beat the index by 4.7–8.0% over 21 sessions. The midterm rally rests on legislation not yet proposed. Thin base rate.

SCENARIO RANGE, HD VS SPY

DOWNSIDE · D0–1 −7% TO −3% · D0–21 −15% TO −6%

If comparable sales fall short of last year's pace or EPS guidance moves to the low end, as in November 2025 and February 2026.

BASE · D0–1 −3% TO +2% · D0–21 −6% TO +2%

If EPS lands near the $3.87 consensus and guidance is reaffirmed, as in August 2026 and May 2025.

UPSIDE · D0–1 +2% TO +5% · D0–21 +2% TO +15%

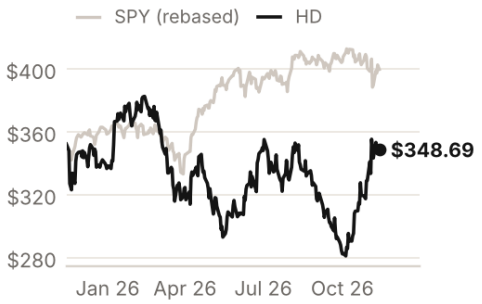
If comparable sales exceed 2% and fiscal 2026 guidance rises, as in November 2024, with May 2026 showing the 21-session upside.

CATALYST CALENDAR

Q3 FY2026 results (before the open)	17 Nov 2026
Lowe's Q3 results (before the open)	18 Nov 2026
End of the d0–21 window	17 Dec 2026
Price (13 Nov 2026 close)	$348.69
52-week closing high (13 Feb 2026)	$391.05
Q3 EPS consensus / year ago	$3.87 / $3.74
FY2026 comparable sales guide	Flat to +2%

Home Depot and Lowe's 8-K filings and call notices (SEC EDGAR; earnings calendars; Finviz); Zacks (consensus). Prices: Yahoo Finance closes to 13 November 2026.

HD vs S&P 500, one year



Yahoo Finance adjusted closes, to 13 November 2026

Summary

KEY TAKEAWAYS

Home Depot reports third-quarter fiscal 2026 results before the open on 17 November 2026, and over its last eight reports the shares beat the S&P 500 five times over two sessions, with a median excess return (the stock's move minus the S&P 500's) of +1.5%. Over 21 sessions the same reports produced a median of −1.0%, with five of eight below the index, so early gains have often faded. The shares enter this print after a 15.0% rise against the S&P 500 over the prior 42 sessions, larger than before any of the 16 reports we studied, and the biggest caveat is that most of that rise came from housing-policy hopes after the 3 November midterm elections that a quarterly report cannot confirm.

This study gives no view on value; our equity research on Home Depot of the same date does, and it links to this study. Across eight reports during the 2022–2024 housing slowdown, the two-session median excess return was +0.9%, with seven of eight above the index; that group comes from a period when the shares' beta to the S&P 500 (their sensitivity to market moves) was about 1.0, against 0.71 today, so it is a weaker guide to the size of moves now. The shares closed at $348.69 on 13 November 2026 (Yahoo Finance), 24.0% above their 5 October low and 8.9% below their 52-week high, while the S&P 500 fell 2.6% over the same five weeks. Lowe's reports the following morning, inside the two-session window, as it has in seven of Home Depot's last eight quarters.

Our view: the two-session history points to a modest gain against the S&P 500 if guidance is reaffirmed, but the 21-session history and the size of the run-in point to downside, because the report can show at most low single-digit comparable sales growth while the price now reflects a housing recovery that the October builder sentiment index (29, the lowest since June 2012) does not yet show. We expect the shares to lag the S&P 500 over the 21 sessions to 17 December 2026, and we would be wrong if they beat it by more than 2% over that window, which in the past has needed a raised outlook or a fall in mortgage rates.

The catalysts below are tiered by how much each could move the shares around the report. The post-midterm housing rally is a secondary catalyst because it explains most of the recent rise, and three past housing-policy and rate rallies give a reference for whether such moves hold.

EXHIBIT 1 Current and upcoming catalysts

Catalyst	Date/status	Mechanism	Materiality	Tier
Q3 FY2026 results and outlook	17 Nov 2026, before the open (company)	Comparable sales, margins, guidance	High	Primary
Post-midterm housing-policy rally	Began 4 Nov 2026; follow-through pending	Rates, housing turnover, multiple	High	Secondary
Lowe's Q3 2026 results	18 Nov 2026, before the open (company)	Read-across on home-improvement demand	Medium	Other
Housing data and mortgage rates	Ongoing	Demand for large projects	Medium	Other
Housing legislation in the new Congress	2027 at the earliest	Turnover, affordability	Medium	Other

Source: Home Depot 8-K filings and conference call notice (SEC EDGAR; PR Newswire via earnings calendars); Lowe's call notice (Finviz); Yahoo Finance via AOL and Seeking Alpha (midterm rally); NAHB; Insider Monkey (Wolfe Research).

What the news is saying

The news of the last six months has moved from a weak housing market and a cautious fiscal 2026 outlook to a sharp rally in housing-related stocks after the midterm elections. Home Depot's February guidance called for comparable sales growth of flat to 2% and an operating margin of 12.4–12.6%, down from 13.1% in fiscal 2025 (Home Depot release; TradingKey), and coverage tied the decline that followed to mortgage rates reaching their highest level since 2023 (TIKR). Wolfe Research downgraded the shares to Peer Perform on 23 June 2026, citing the lock-in effect on housing turnover and questions about the large-professional strategy, and said legislation able to unlock the housing market was unlikely before mid-2027 (Insider Monkey). On 12 August Home Depot announced that chief executive Ted Decker would take a temporary medical leave, with senior executive vice president Ann-Marie Campbell and chief financial officer Richard McPhail overseeing the business (Home Depot 8-K), and the shares fell 3.1% that day; we found no report of his return by 15 November, so the third-quarter report will be the first presented by the interim leadership. In August the company reported comparable sales growth of 1.7%, beat EPS consensus with help from $685 million of tariff refunds, and reaffirmed rather than raised its guidance (Home Depot release; Stocktwits). The shares then fell 16.2% to a closing low of $281.15 on 5 October while the S&P 500 rose 0.5%, as the NAHB builder sentiment index fell to 29 with mortgage rates above 7% (NAHB; RISMedia).

Since 5 October the shares have risen 24.0%, against an 8.7% rise in the consumer discretionary ETF (XLY, our sector benchmark) and a 2.6% fall in the S&P 500. Coverage tied the largest move, on 4 November, to expectations that a Democratic majority in Congress would pursue housing-affordability measures, such as tariff relief and first-time buyer credits, and to lower Treasury yields; Home Depot traded as much as 17% higher during the session before closing up 6.5% (Yahoo Finance via AOL; seekingalpha.com via TradingView). Skeptics in the same coverage doubted that legislation would pass. Several earlier October gains (15 and 22 October, each +4.3%) came with similar moves in Lowe's and the homebuilder ETF, and we could not obtain a company-specific cause for them. In the last two weeks no session moved the stock more than 3 percentage points against the sector ETF; the largest gaps were 4 November (+2.3 points) and 5 November (+2.3 points).

EXHIBIT 2 Recent news and market reaction (session returns)

Date	News	HD	vs SPY	vs XLY
2026-01-09	$200B mortgage-bond purchase plan announced the prior evening	+4.2%	+3.5%	+3.0%
2026-02-25	Lowe's results; no housing policy in State of the Union	−2.3%	−3.2%	−2.6%
2026-05-19	Q1 FY2026 results; EPS beat, guidance reaffirmed	+0.9%	+1.5%	+2.0%
2026-06-24	Housing stocks rise the day after Wolfe downgrade; cause not obtained	+5.7%	+5.7%	+4.5%
2026-08-12	CEO Ted Decker takes temporary medical leave	−3.1%	−3.4%	−2.0%
2026-08-18	Q2 FY2026 results; guidance reaffirmed, not raised	−0.1%	+0.6%	+0.2%
2026-10-22	Housing-related rally; company cause not obtained	+4.3%	+5.5%	+4.8%
2026-11-04	Housing stocks rally after the midterm elections	+6.5%	+4.9%	+2.3%
2026-11-05	Market-wide decline (S&P 500 −4.4%)	−1.5%	+2.9%	+2.3%
2026-11-09	Lower Treasury yields; housing sentiment	+2.9%	+0.5%	−0.0%

Source: ABiS calculations on Yahoo Finance adjusted closes; Bloomberg, Axios and Yahoo Finance (January); TechNews (February); Yahoo Finance (May); TIKR and Insider Monkey (June); Home Depot 8-K (12 August); Stocktwits and Home Depot release (August); TradingKey (October and 9 November); Yahoo Finance via AOL and Seeking Alpha (4 November).

Q3 FY2026 results

KEY TAKEAWAYS

Home Depot's last eight reports produced a two-session median excess return of +1.5% against the S&P 500, with five gains and a range of −6.1% to +3.2%. The one large decline followed November 2025, when comparable sales missed consensus by more than a point and the company cut its earnings outlook. Over 21 sessions the median turned to −1.0%, and two of the five two-session gains had become losses by then.

What's happening now

Home Depot will release third-quarter fiscal 2026 results before the open on Tuesday 17 November 2026 and hold its call at 9:00 a.m. ET (company notice of 3 November, via earnings calendars), so day 0 is 17 November; the company has released results between 6:00 and 7:00 a.m. ET in every quarter since 2015 (Home Depot 8-K filings). Consensus for the quarter is adjusted EPS of $3.87, 3.5% above the $3.74 of a year earlier, on revenue of $42.7 billion, 3.3% higher (Zacks; Home Depot release); one other Zacks estimate is $3.81. We could not obtain a published consensus for comparable sales or an options-implied move for this report. The company has reaffirmed its fiscal 2026 guidance twice (comparable sales flat to +2%, adjusted EPS flat to +4% from $14.69), and on the August call management said the timing of tariff refunds could shift some benefit between the second and third quarters (Home Depot releases; MarketBeat).

Historical analogs

The last eight reports show five gains and three declines over two sessions, but only three of the eight were above the S&P 500 after 21 sessions.

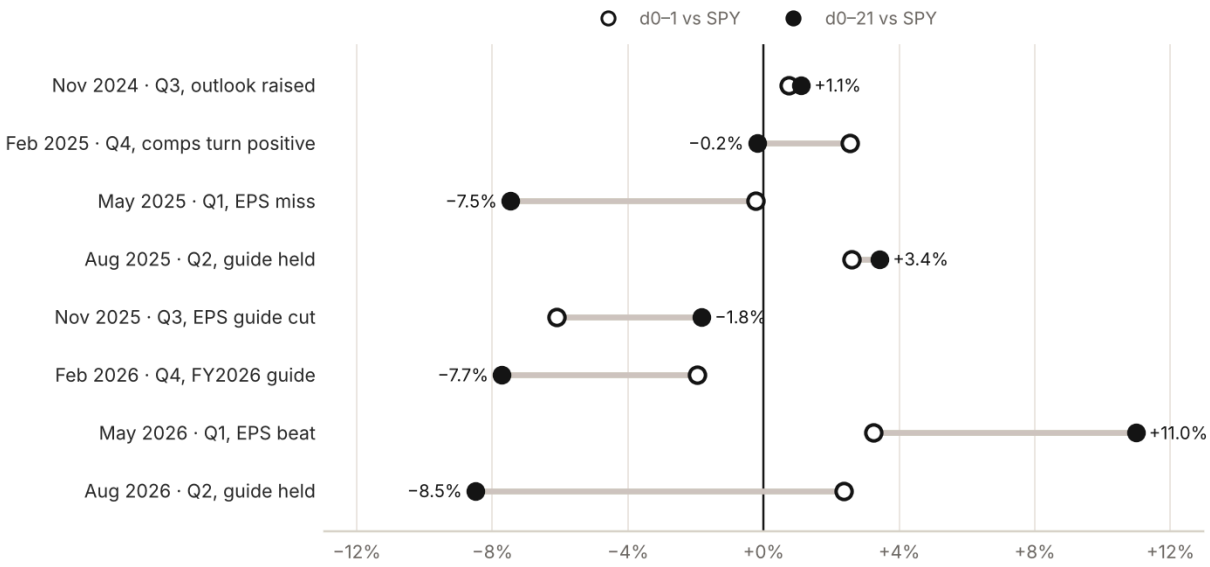
EXHIBIT 3 HD around past quarterly results

Analog	Day 0	Pre-event drift (−5 to −1)	d0–1 raw / xSPY / xSector	d0–21 raw / xSPY / xSector	d0–63 xSPY	Source/method
Nov-2024 Q3 FY2024 results	2024-11-12	+3.2%	+0.5% / +0.7% / +1.0%	+2.0% / +1.1% / −4.8%	−1.3%	Home Depot 8-K
Feb-2025 Q4 FY2024 results	2025-02-25	−6.6%	+2.1% / +2.6% / +3.0%	−4.7% / −0.2% / +1.6%	−1.8%	Home Depot 8-K
May-2025 Q1 FY2025 results	2025-05-20	+0.7%	−2.3% / −0.2% / +0.3%	−7.3% / −7.5% / −4.3%	−1.0%	Home Depot 8-K
Aug-2025 Q2 FY2025 results	2025-08-19	+1.9%	+1.8% / +2.6% / +2.8%	+6.4% / +3.4% / +1.8%	−12.5%	Home Depot 8-K
Nov-2025 Q3 FY2025 results	2025-11-18	−3.3%	−6.6% / −6.1% / −4.7%	−0.2% / −1.8% / −7.2%	+3.6%	Home Depot 8-K
Feb-2026 Q4 FY2025 results	2026-02-24	−3.6%	−0.4% / −2.0% / −2.2%	−11.2% / −7.7% / −7.7%	−27.4%	Home Depot 8-K
May-2026 Q1 FY2026 results	2026-05-19	−3.7%	+3.6% / +3.2% / +2.2%	+12.3% / +11.0% / +11.6%	+11.3%	Home Depot 8-K
Aug-2026 Q2 FY2026 results	2026-08-18	−3.7%	+1.9% / +2.4% / +0.3%	−9.8% / −8.5% / −5.2%		Home Depot 8-K

Source: ABiS calculations on Yahoo Finance adjusted closes; report dates and times from Home Depot 8-K filings (SEC EDGAR). Home Depot releases results before the open, so day 0 is the release date.

The two-session gains of February 2025 and August 2026 turned into 21-session declines, while those of August 2025 and May 2026 extended, as the chart of the two windows shows.

EXHIBIT 4 HD excess return vs. SPY after quarterly results, d0–1 and d0–21



Source: ABiS calculations on Yahoo Finance adjusted closes.

Reports during the 2022–2024 housing slowdown

The eight reports from November 2022 to August 2024, when comparable sales were falling and mortgage rates were rising, were followed by gains against the S&P 500 in seven cases over two sessions, including two reports that cut the sales outlook.

EXHIBIT 5 HD around quarterly results, November 2022 to August 2024

Analog	Day 0	Pre-event drift (−5 to −1)	d0–1 raw / xSPY / xSector	d0–21 raw / xSPY / xSector	d0–63 xSPY	Source/method
Nov-2022 Q3 FY2022 results	2022-11-15	+5.7%	+2.6% / +2.5% / +2.8%	+7.4% / +8.8% / +11.8%	+1.5%	Home Depot 8-K
Feb-2023 Q4 FY2022 results	2023-02-21	+0.4%	−6.8% / −4.7% / −4.0%	−10.5% / −7.1% / −5.2%	−11.1%	Home Depot 8-K
May-2023 Q1 FY2023 results	2023-05-16	+0.2%	+1.3% / +0.8% / −0.3%	+5.4% / −1.7% / −7.1%	+9.4%	Home Depot 8-K
Aug-2023 Q2 FY2023 results	2023-08-15	+0.2%	+0.9% / +2.8% / +3.5%	+0.5% / +0.0% / −2.1%	−10.7%	Home Depot 8-K
Nov-2023 Q3 FY2023 results (contaminated)	2023-11-14	−2.2%	+7.0% / +4.8% / +3.5%	+22.9% / +15.7% / +12.6%	+11.7%	Home Depot 8-K
Feb-2024 Q4 FY2023 results	2024-02-20	−0.2%	+0.5% / +1.0% / +0.7%	+6.7% / +2.2% / +4.1%	−12.7%	Home Depot 8-K
May-2024 Q1 FY2024 results	2024-05-14	−0.4%	+2.3% / +0.6% / +1.7%	+2.7% / −1.4% / +1.7%	+0.3%	Home Depot 8-K
Aug-2024 Q2 FY2024 results	2024-08-13	−1.2%	+2.8% / +0.9% / +0.9%	+8.9% / +4.1% / −1.2%	+6.2%	Home Depot 8-K

Source: ABiS calculations on Yahoo Finance adjusted closes; report dates and times from Home Depot 8-K filings (SEC EDGAR).

Reaction distribution

Across the last eight reports the median excess return was positive over two and five sessions and negative over 21 and 63, which describes early gains that tended to fade.

EXHIBIT 6 Reaction distribution, last eight reports

Window	n	Up / down (excess)	Median xSPY	Range xSPY	Median abnormal (beta-adj.)
d0–1	8	5 / 3	+1.5%	−6.1% to +3.2%	+1.5%
d0–5	8	5 / 3	+1.0%	−3.3% to +4.4%	+0.8%
d0–21	8	3 / 5	−1.0%	−8.5% to +11.0%	−1.3%
d0–63	7	2 / 5	−1.3%	−27.4% to +11.3%	−1.2%

Source: ABiS calculations on Yahoo Finance adjusted closes.

The slowdown group was more consistently positive over two sessions, but its 21-session median was close to the recent group's once the contaminated November 2023 report is removed (see below). The two groups also differ in where Lowe's results fell: Lowe's reported inside the two-session window after seven of the last eight reports but after only one of the 2022–2024 reports (November 2022), and inside the five-session window after eight and seven of them respectively, while it falls inside every window this time, so the slowdown group's two-session figures exclude a peer read-across that today's will include.

EXHIBIT 7 Reaction distribution, reports November 2022 to August 2024

Window	n	Up / down (excess)	Median xSPY	Range xSPY	Median abnormal (beta-adj.)
d0–1	8	7 / 1	+0.9%	−4.7% to +4.8%	+0.9%
d0–5	8	6 / 2	+1.7%	−4.0% to +4.6%	+1.7%
d0–21	8	5 / 3	+1.1%	−7.1% to +15.7%	+1.1%
d0–63	8	5 / 3	+0.9%	−12.7% to +11.7%	+1.1%

Source: ABiS calculations on Yahoo Finance adjusted closes.

Medians without contaminated windows

An analog is labelled contaminated when other material news fell inside its window, and it is then left out only of the windows that include that news. November 2023 is left out of every window because the October consumer price index, which showed no change from September, was released at 8:30 a.m. on the morning of the report and lifted rate-sensitive stocks (Motley Fool; AP). Without it, the two-session median stays at +0.9% and the 21-session median falls to 0.0% from +1.1%.

EXHIBIT 8 Reaction distribution without contaminated windows, reports November 2022 to August 2024

Window	n	Up / down (excess)	Median xSPY	Range xSPY	Median abnormal (beta-adj.)
d0–1	7	6 / 1	+0.9%	−4.7% to +2.8%	+0.9%
d0–5	7	5 / 2	+1.4%	−4.0% to +4.6%	+1.5%
d0–21	7	4 / 3	+0.0%	−7.1% to +8.8%	+0.0%
d0–63	7	4 / 3	+0.3%	−12.7% to +9.4%	+0.3%

Source: ABiS calculations. November 2023 leaves every window because the CPI release came before the open on day 0. No report in the last eight had other material news in its window, so that group has no separate table.

Why each analog moved the way it did

In November 2024 (Q3 FY2024), sales rose 6.6% to $40.2 billion against $39.3 billion expected, comparable sales fell 1.3% against an expected 3.1% decline, and Home Depot raised its full-year sales outlook, helped by hurricane-related demand (Bloomberg via BNN; Sharecast). The shares beat the S&P 500 by 0.7% over two sessions and by 1.1% over 21, but lagged the consumer discretionary ETF by 4.8% over 21 sessions.

In February 2025 (Q4 FY2024), US comparable sales rose 1.3%, the first increase in two years, and adjusted EPS of $3.13 beat the $3.04 estimate, while guidance called for about 1% comparable sales growth and a 2% decline in EPS for fiscal 2025 (TT News; Barchart). The shares beat the index by 2.6% over two sessions, then fell 4.2% on 13 March (day +12) in a broad decline of housing and consumer stocks for which we did not obtain a company-specific cause, and ended 21 sessions 0.2% behind.

In May 2025 (Q1 FY2025), adjusted EPS of $3.56 missed estimates for the first time in five years while revenue beat, and Home Depot kept its guidance and said it did not expect broad price increases from tariffs (ii; Finviz). The shares lagged by 0.2% over two sessions and by 7.5% over 21; we did not obtain a cause for the later decline.

In August 2025 (Q2 FY2025), adjusted EPS of $4.68 and revenue of $45.27 billion were slightly below estimates, comparable sales rose 1.0%, and management pointed to a 3.3% comparable sales gain in July while investors looked ahead to Federal Reserve rate cuts (ii; Retail Insight Network). The shares rose 3.1% on the day and beat the index by 2.6% over two sessions and 3.4% over 21; the 63-session window, which ends at the next report, fell 12.5% behind.

In November 2025 (Q3 FY2025), adjusted EPS of $3.74 missed by ten cents, the third miss in a row, comparable sales rose 0.2% against 1.4% expected, and Home Depot now expected fiscal 2025 EPS to fall about 5% rather than 2%, citing the absence of storms and housing pressure (TT News; Zacks; Schaeffer's). The shares lagged by 6.1% over two sessions, the largest decline in either group, and recovered part of it by day +21 (−1.8%) after a housing-wide rally on 25 November (day +5), for which we did not obtain a company-specific cause.

In February 2026 (Q4 FY2025), comparable sales rose 0.4%, and fiscal 2026 guidance called for flat to 4% EPS growth with a lower operating margin (Home Depot release; TradingKey). After a 9.0% rise against the S&P 500 in the prior 42 sessions, the shares lagged by 2.0% over two sessions, including a 3.2-point decline the next day when Lowe's reported and the State of the Union contained no housing measures (TechNews). They lagged by 7.7% over 21 sessions and by 27.4% over 63 as mortgage rates rose to their highest since 2023 (TIKR).

In May 2026 (Q1 FY2026), adjusted EPS of $3.43 beat the $3.30 estimate, comparable sales rose 0.6% and guidance was reaffirmed; the shares were little changed early in the session (Yahoo Finance). They had fallen 21.4% against the S&P 500 in the prior 42 sessions and sat 28.3% below their 52-week high, and they beat the index by 3.2% over two sessions and 11.0% over 21, the largest 21-session gain in the recent group; we did not obtain a cause for the later gain.

In August 2026 (Q2 FY2026), comparable sales rose 1.7%, the best since 2022, and adjusted EPS of $4.92 beat the $4.71 consensus with help from $685 million of tariff refunds, but guidance was reaffirmed rather than raised and one trader cited rates and fuel prices as risks (ii; Stocktwits; Home Depot release). The shares beat the index by 2.4% over two sessions, were lower a week later (TIKR), and lagged by 8.5% over 21 sessions on the way to the October low.

The 2022–2024 group shows that even guidance cuts did not produce large two-session declines when expectations were already low. November 2022 beat EPS ($4.24 against $4.11) and reaffirmed guidance (+2.5% over two sessions, +8.8% over 21; AP). February 2023 gave a flat sales outlook and a $1 billion wage investment, and the shares fell 5.1% in the morning (−4.7% over two sessions; Bloomberg via BNN; AP). May 2023 cut the sales outlook to a 2–5% decline, the first annual decline since 2009, on lumber deflation and weather, yet the shares beat the index by 0.8% over two sessions after a weak open (AP; Reuters via MarketScreener). August 2023 beat EPS ($4.65 against $4.46) and added a $15 billion buyback (+2.8%; Investing.com). November 2023 (contaminated) beat narrowly on a day of a soft inflation report, and the shares closed up 5.4% (+4.8%; Motley Fool). February 2024 beat EPS but guided comparable sales down about 1% (+1.0%; Zacks). May 2024 reported a 2.8% comparable sales decline and a 6.5% fall in big-ticket transactions, and the shares still rose about 2% (+0.6%; Sharecast; Digital Commerce 360). August 2024 cut the comparable sales outlook to a 3–4% decline, and the shares fell 2.4% before the open but beat the index by 0.9% over two sessions; we did not obtain a cause for the recovery (Benzinga; Investing.com).

How today compares

Today's setup differs from every analog in the size of the rise before the report, and in that the rise rests on expected policy rather than on results.

EXHIBIT 9 Today versus the analogs

Factor	Today	Closest analogs
42-session rise vs S&P 500 before report	+15.0%	Nov 2022 (+11.3%), Feb 2026 (+9.0%), Aug 2023 (+7.0%), Aug 2025 (+5.2%)
Distance from 52-week high	−8.9%	Aug 2025 (−7.3%), Feb 2026 (−10.4%)
Beta to the S&P 500 (250 sessions)	0.71	Recent group 0.59–0.80; 2022–2024 group 0.92–1.06
Expectations	EPS $3.87 consensus, +3.5% year on year	Aug 2026 (beat, guide reaffirmed)
Housing backdrop	Builder index 29, mortgage rates above 7%	May 2023, Aug 2024 (falling comps, rising rates)
Source of the run-in	Policy hopes after the midterms	No close analog

Source: ABiS calculations on Yahoo Finance adjusted closes; Zacks; NAHB; RISMedia; Yahoo Finance via AOL.

The size of the run-in is the clearest difference, but on its own it has not predicted a decline over two sessions. Four of the 16 reports followed a 42-session rise of more than 5% against the S&P 500, and the two-session excess returns after them were +2.5%, +2.8%, +2.6% and −2.0%; over 21 sessions they were +8.8%, 0.0%, +3.4% and −7.7%. The one decline among them, February 2026, is the closest match to today in one respect, because it carried a full-year outlook that did not justify the rise, and the third-quarter report will give the first indication of whether fiscal 2026 lands near the top of the guided range. Today's beta of 0.71 is close to the recent group's, so the excess return should track the raw move more closely than in 2022–2024, when the shares moved roughly one for one with the market.

Our view: the report is more likely to disappoint the post-midterm expectations over the following month than on the day, because the company can show at most low single-digit comparable sales growth in a quarter when builder sentiment reached a 14-year low, while the 24.0% rise since 5 October already prices a turn in housing demand.

Scenario range

Each case below is conditional on what the report contains and is tied to specific past reports; the ranges describe history and are not forecasts.

EXHIBIT 10 Scenario range, Q3 FY2026 results (excess return vs SPY)

Case	d0–1	d0–21	What it takes	Closest analogs
Downside	−7% to −3%	−15% to −6%	Comparable sales below last year's pace, an EPS miss, or guidance cut to the low end	Nov 2025, Feb 2023, Feb 2026
Base	−3% to +2%	−6% to +2%	EPS near $3.87, guidance reaffirmed, cautious housing commentary	Aug 2026, May 2025, Feb 2025
Upside	+2% to +5%	+2% to +15%	Comparable sales above 2% and raised fiscal 2026 guidance	May 2026, Nov 2022, Nov 2024

Source: ABiS, from the analogs above. Ranges are excess returns against the S&P 500 from the close of 16 November 2026.

If comparable sales fall short of last year's pace or Home Depot moves its EPS guidance to the low end, we would expect a reaction similar to November 2025 (−6.1% over two sessions), and the post-midterm rise would leave more room to fall over 21 sessions than in February 2026 (−7.7%). If EPS lands near consensus and guidance is reaffirmed, we would expect a small two-session move with a lean below the recent median of +1.5%, because the run-in has already priced part of the relief that followed past reaffirmations, and a 21-session result like August 2026 or May 2025 if housing data stay weak. The upside scenario needs comparable sales above the top of the guided range and a raised outlook, as in May 2026 and November 2024; we have capped the two-session upside at +5% because no report in either group beat the S&P 500 by more than 4.8% over two sessions.

Post-midterm housing-policy rally

Past housing-policy and rate rallies in Home Depot held for a month in all three cases we found, which is the strongest evidence against our view, but each of them rested on an action already taken. The three analogs form a thin base rate (fewer than five events).

EXHIBIT 11 HD around housing-policy and rate announcements

Analog	Day 0	Pre-event drift (−5 to −1)	d0–1 raw / xSPY / xSector	d0–21 raw / xSPY / xSector	d0–63 xSPY	Source/method
Dec-2023 Fed signals 2024 rate cuts	2023-12-13	n/a	+5.6% / +3.9% / +2.9%	+7.6% / +4.8% / +7.6%	n/a	Fed statement and projections; NAHB
Sep-2024 Fed half-point cut	2024-09-18	n/a	+1.9% / +0.4% / −0.2%	+8.4% / +4.7% / +5.3%	n/a	Fed statement; Business Insider
Jan-2026 $200B mortgage-bond plan	2026-01-09	n/a	+4.3% / +3.5% / +3.0%	+8.4% / +8.0% / +12.1%	n/a	Bloomberg; Axios; Yahoo Finance

Source: ABiS calculations on Yahoo Finance adjusted closes; Federal Reserve statement via NAHB and Miami Realtors (December 2023); Business Insider (September 2024); Bloomberg, Axios and Yahoo Finance (January 2026).

With three analogs, the medians below show the direction of past reactions and carry no statistical weight.

EXHIBIT 12 Reaction distribution, housing-policy and rate announcements

Window	n	Up / down (excess)	Median xSPY	Range xSPY	Median abnormal (beta-adj.)
d0–1	3 — thin base rate	3 / 0	+3.5%	+0.4% to +3.9%	+3.8%
d0–21	3 — thin base rate	3 / 0	+4.8%	+4.7% to +8.0%	+4.8%

Source: ABiS calculations. Both windows are thin base rates.

On 13 December 2023 the Federal Reserve held rates and projected three cuts in 2024, and homebuilder stocks rallied (NAHB; Miami Realtors); Home Depot beat the S&P 500 by 3.9% over two sessions and 4.8% over 21. On 18 September 2024 the Federal Reserve cut by half a point, and Home Depot and Lowe's closed higher the next day while the S&P 500 fell, though Bank of America analysts said housing stocks had already anticipated the cuts (Business Insider; Investing.com); the two-session excess return was +0.4% and the 21-session +4.7%. On the evening of 8 January 2026 President Trump announced that Fannie Mae and Freddie Mac would buy $200 billion of mortgage bonds, and Home Depot closed up 4.2% the next day even though Redfin estimated the effect on mortgage rates at 10 to 15 basis points (Bloomberg; Axios; Yahoo Finance); it beat the index by 8.0% over 21 sessions.

The follow-through so far is smaller than in those analogs. From the close of 3 November to 13 November the shares rose 4.5% against no change in the S&P 500 and a 2.3% rise in the consumer discretionary ETF, and six of the seven sessions after 4 November were within one point of the S&P 500 or below it. Unlike the three analogs, the midterm rally rests on legislation that has not been proposed, and Wolfe Research's view in June was that housing legislation was unlikely before mid-2027 (Insider Monkey). If the report gives no sign of improving demand, we would expect the rally to fade over the 21-session window, as the January 2026 gain did once the February outlook arrived (the shares lagged by 27.4% over the 63 sessions after that report).

Other catalysts

- Lowe's reports third-quarter results before the open on 18 November 2026 (Finviz), the second session of Home Depot's two-session window, with consensus EPS of $2.86 on $22.4 billion of revenue (Hudson Labs); in February 2026 its report coincided with a 3.2-point decline in Home Depot against the S&P 500.
- Housing data and mortgage rates remain the main external driver; the NAHB index for November is due in the 21-session window, and the October reading of 29 came with 43% of builders cutting prices (NAHB).
- Housing legislation in the new Congress could not take effect before 2027 and has no analogs in this study.
- Chief executive Ted Decker has been on temporary medical leave since 12 August 2026 (Home Depot 8-K); a return or a leadership change could move the shares, and we did not build an analog set for it because the company has given no date.

Method and data notes

Prices are Yahoo Finance adjusted closes to 13 November 2026, with the S&P 500 (through its exchange-traded fund) as the market benchmark and the Consumer Discretionary Select Sector SPDR (XLY) as the sector benchmark, the house choice for retail. Home Depot's shares have recently moved more closely with Lowe's and homebuilders than with the ETF, so excess returns against XLY should be read with that in mind. Windows run from the close before day 0: pre-event drift (−5 to −1), d0–1 (two sessions), d0–5, d0–21 and d0–63. Home Depot releases results before the open, so day 0 is the release date; report dates and times come from Home Depot's 8-K filings (item 2.02), and Lowe's dates from Lowe's 8-K filings. Lowe's reports inside the 21-session window of all 16 analogs and inside every window of today's report, so we treated its results as part of each event and did not label those analogs contaminated. The 63-session windows end close to the next quarterly report, so they include part of the following report's reaction. Abnormal returns subtract beta times the S&P 500's return, with beta from the 250 sessions before each event; the betas, 42-session run-ins and 52-week distances quoted for today and the analogs use the same data. We scanned each primary analog's sessions d+2 to d+21 for moves above 2.5 times the stock's prior daily volatility (4–5% across the analogs). Two sessions crossed it: 13 March 2025 (−4.2%, day +12 of February 2025) and 25 November 2025 (+4.3%, day +5 of November 2025). On both days Lowe's and the homebuilder ETF moved in the same direction by 2.5–4.2%, and our searches found no company-specific news, so we did not treat them as contamination. The day 0 of the January 2026 analog assumes the announcement came after the close on 8 January, as after-hours moves in mortgage stocks indicate (Bloomberg). This is historical analysis and is not investment advice.

House rules H-2026-11-15.10; skill stock-event-precedents (repository copy); benchmarks SPY and XLY; contamination threshold 2.5 times prior daily volatility, minimum 4% (4–5% across the analogs).

Appendix: full-precision returns

The table gives the key windows for every analog at one decimal; full precision for every window, including abnormal returns, is kept in our working files.

EXHIBIT 13 Excess returns against the S&P 500, all analogs

Group	Analog	Day 0	d0–1 xSPY	d0–5 xSPY	d0–21 xSPY	d0–63 xSPY
Last eight reports	Nov-2024 Q3 FY2024 results	2024-11-12	+0.7%	+1.0%	+1.1%	−1.3%
Last eight reports	Feb-2025 Q4 FY2024 results	2025-02-25	+2.6%	+3.2%	−0.2%	−1.8%
Last eight reports	May-2025 Q1 FY2025 results	2025-05-20	−0.2%	−1.8%	−7.5%	−1.0%
Last eight reports	Aug-2025 Q2 FY2025 results	2025-08-19	+2.6%	+3.0%	+3.4%	−12.5%
Last eight reports	Nov-2025 Q3 FY2025 results	2025-11-18	−6.1%	−3.3%	−1.8%	+3.6%
Last eight reports	Feb-2026 Q4 FY2025 results	2026-02-24	−2.0%	−2.4%	−7.7%	−27.4%
Last eight reports	May-2026 Q1 FY2026 results	2026-05-19	+3.2%	+4.4%	+11.0%	+11.3%
Last eight reports	Aug-2026 Q2 FY2026 results	2026-08-18	+2.4%	+0.9%	−8.5%	
2022–2024 slowdown	Nov-2022 Q3 FY2022 results	2022-11-15	+2.5%	+4.6%	+8.8%	+1.5%
2022–2024 slowdown	Feb-2023 Q4 FY2022 results	2023-02-21	−4.7%	−4.0%	−7.1%	−11.1%
2022–2024 slowdown	May-2023 Q1 FY2023 results	2023-05-16	+0.8%	+2.0%	−1.7%	+9.4%
2022–2024 slowdown	Aug-2023 Q2 FY2023 results	2023-08-15	+2.8%	+0.6%	+0.0%	−10.7%
2022–2024 slowdown	Nov-2023 Q3 FY2023 results (contaminated)	2023-11-14	+4.8%	+3.0%	+15.7%	+11.7%
2022–2024 slowdown	Feb-2024 Q4 FY2023 results	2024-02-20	+1.0%	+2.2%	+2.2%	−12.7%
2022–2024 slowdown	May-2024 Q1 FY2024 results	2024-05-14	+0.6%	−3.4%	−1.4%	+0.3%
2022–2024 slowdown	Aug-2024 Q2 FY2024 results	2024-08-13	+0.9%	+1.4%	+4.1%	+6.2%
Housing policy	Dec-2023 Fed signals 2024 rate cuts	2023-12-13	+3.9%		+4.8%	
Housing policy	Sep-2024 Fed half-point cut	2024-09-18	+0.4%		+4.7%	
Housing policy	Jan-2026 $200B mortgage-bond plan	2026-01-09	+3.5%		+8.0%	

Source: ABiS calculations on Yahoo Finance adjusted closes.

Sources

Home Depot and Lowe's results 8-K filings (SEC EDGAR, 2022–2026). Prices: Yahoo Finance adjusted closes for Home Depot, Lowe's, the S&P 500 ETF, the consumer discretionary ETF and the homebuilder ETF, retrieved 15 November 2026. Results date and consensus: Home Depot conference call notice via earnings calendars, Zacks and Finviz (November 2026); Hudson Labs (Lowe's). Housing data: NAHB and RISMedia (October 2026). Coverage: Bloomberg via BNN and Sharecast (November 2024); TT News and Barchart (February 2025); ii and Finviz (May 2025); ii and Retail Insight Network (August 2025); TT News, Zacks and Schaeffer's (November 2025); Home Depot release, TradingKey, TechNews and TIKR (February 2026); Yahoo Finance (May 2026); Insider Monkey and TIKR (June 2026); Home Depot release, ii, Stocktwits, MarketBeat and TIKR (August 2026); TradingKey (October and November 2026); Yahoo Finance via AOL and seekingalpha.com via TradingView (midterm rally); AP (November 2022, February and May 2023); Bloomberg via BNN (February 2023); Reuters via MarketScreener (May 2023); Investing.com (August 2023); Motley Fool and AP (November 2023); Zacks (February 2024); Sharecast and Digital Commerce 360 (May 2024); Benzinga and Investing.com (August 2024); NAHB and Miami Realtors (December 2023); Business Insider and Investing.com (September 2024); Bloomberg, Axios and Yahoo Finance (January 2026).

DISCLOSURES

Published by ABiS Capital Research, the research imprint of ABiS Capital. This is a historical event study: it describes how the stock reacted to comparable past events and gives no rating, price target or recommendation. Not investment advice. ABiS Capital receives no compensation from the companies it covers. Returns are computed from adjusted closes; small samples are flagged as thin base rates.