Chart Collection for Morning Briefing

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thinking outside the box
Figure 1.

STOCK MARKET CAPITALIZATION RATIO & S&P 500 PRICE-TO-SALES-RATIO

US Equity Market Capitalization Ex Foreign Issues*
(as a ratio of nominal GNP)
Forward P/S**

* Total excluding market value of holdings by US residents of foreign corporate equities, investment fund shares, and ADRs.
** S&P 500 index divided by forward consensus expected revenues per share for S&P 500. Monthly through 2005, then weekly.
Note: Shaded red areas denote S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: Federal Reserve Board, Bureau of Economic Analysis, Flow of Funds, and Standard & Poor’s.

Figure 2.

S&P 500 VALUATION MEASURES

Forward P/E*
Forward P/S**

* Price divided by forward consensus expected operating earnings per share. Monthly through 2005, then weekly.
** Price divided by forward consensus expected sales per share. Monthly through 2005, then weekly.
Source: Thomson Reuters I/B/E/S.
Figure 3.

**S&P 500 FORWARD REVENUES & EARNINGS PER SHARE**

Forward Revenues* (1306.4)

Forward Earnings* (150.7)

* Time-weighted average of consensus estimates for current year and next year.

Source: Thomson Reuters I/B/E/S and Standard & Poor’s.

Figure 4.

**S&P 500 REVENUES & OPERATING EARNINGS PER SHARE**

(dollars, quarterly)

Revenues (308.2)

Earnings (Thomson Reuters) (33.5)

Source: Standard & Poor’s and Thomson Reuters I/B/E/S.
**Figure 5.**

S&P 500 PROFIT MARGIN MEASURES (percent)

- **S&P 500 Operating Profit Margins**
  - 52-week Forward* (11.3)
  - Thomson Reuters (10.9)

* Time-weighted average of consensus operating earnings estimates for current and next years. Source: Standard & Poor’s (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).

**Figure 6.**

FORWARD P/E RATIOS FOR S&P STOCK PRICE INDEXES*

- S&P 500 LargeCap (18.5)
- S&P 400 MidCap (18.4)
- S&P 600 SmallCap (20.0)

* Daily stock price index divided by 52-week forward consensus expected operating earnings per share. Source: Thomson Reuters I/B/E/S and Standard & Poor’s.
Figure 7.

S&P 500 REPORTED EARNINGS YIELD* MINUS CPI INFLATION RATE**

* S&P 500 reported earnings as a percent of quarterly average S&P 500 index. Q4-2008 dropped because of negative value.
** Year-over-year percent change in three-month average of each quarter.
Note: Shaded red areas denote S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: Standard & Poor’s and Bureau of Labor Statistics.

Figure 8.

S&P 500 FORWARD P/E* PLUS MISERY INDEX**

* Average monthly S&P 500 stock price index divided by S&P 500 12-month forward consensus expected operating earnings per share.
** Unemployment rate plus yearly percent change in consumer price index.
Note: Bear markets are declines of 20% or more (in red shades).