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S&P 500/400/600 Annual Earnings

Figure 1.

S&P 500 OPERATING EARNINGS PER SHARE
(consensus analysts’ estimates in dollars, weekly, ratio scale)

Consensus Forecasts
- Annual Earnings
- Forward Earnings*


<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Earnings</th>
<th>Forward Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>113.33</td>
<td>124.52</td>
</tr>
<tr>
<td>2019</td>
<td>113.41</td>
<td>124.31</td>
</tr>
<tr>
<td>2020</td>
<td>113.41</td>
<td>124.31</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Earnings</th>
<th>Forward Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>51.90</td>
<td>59.93</td>
</tr>
<tr>
<td>2019</td>
<td>51.96</td>
<td>59.93</td>
</tr>
<tr>
<td>2020</td>
<td>51.96</td>
<td>59.93</td>
</tr>
</tbody>
</table>

* Time-weighted average of consensus estimates for current and next year.
Source: I/B/E/S data by Refinitiv.
S&P 500/400/600 Annual Revenues

*Time-weighted average of consensus revenue estimates for current and next year.
Source: IBES data by Refinitiv.
Figure 3.

S&P 500 PROFIT MARGIN
(using analysts average earnings and sales forecasts, percent)

Consensus Forecasts
- Annual Margins
- Forward Margins* (12.2)

S&P 400

Consensus Forecasts
- Annual Margins
- Forward Margins* (7.5)

S&P 600

Consensus Forecasts
- Annual Margins
- Forward Margins* (5.4)

* Time-weighted average of the consensus estimates for current and next year.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
S&P 500 Annual & Quarterly Earnings

Figure 4.

S&P 500 OPERATING EARNINGS PER SHARE
(analysts’ consensus estimates, dollars, weekly, ratio scale)

Consensus Forecasts
- Annual
- Forward*

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

Source: I/B/E/S data by Refinitiv.

Figure 5.

S&P 500 OPERATING EARNINGS PER SHARE: QUARTERLY FORECASTS 2018
(analysts’ consensus estimates, dollars, weekly)

Source: I/B/E/S data by Refinitiv.
**S&P 400 Midcap Operating Earnings Per Share**

(consensus analysts’ estimates in dollars, weekly)

Consensus Forecasts
- **Annual**
- **52-Week Forward***

*Time-weighted average of the current year’s and next year’s consensus earnings estimates.

Source: I/B/E/S data by Refinitiv.

**S&P 400 Midcap Earnings Per Share: Consensus Quarterly Estimates 2018**

(consensus analysts’ estimates in dollars, weekly)

Source: I/B/E/S data by Refinitiv.
Figure 8.

**S&P 600 SMALLCAP OPERATING EARNINGS PER SHARE**
(consensus analysts estimates in dollars, weekly)

**Consensus Forecasts**
- Red: Annual
- Blue: 52-Week Forward*

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Prwd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 13</td>
<td>51.90</td>
<td>59.93</td>
<td>68.92</td>
<td>59.62</td>
</tr>
<tr>
<td>Dec 20</td>
<td>51.96</td>
<td>59.59</td>
<td>68.75</td>
<td>59.44</td>
</tr>
</tbody>
</table>

* Time-weighted average of consensus operating earnings estimates for current and next year.
Source: I/B/E/S data by Refinitiv.

Figure 9.

**S&P 600 SMALLCAP EARNINGS PER SHARE: CONSENSUS QUARTERLY ESTIMATES 2018**
(consensus analysts' estimates in dollars, weekly)

**2018 By Quarter as of 12/20/18**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 13</td>
<td>11.73</td>
<td>13.64</td>
<td>12.82</td>
<td>13.33</td>
</tr>
<tr>
<td>Dec 20</td>
<td>11.73</td>
<td>13.64</td>
<td>12.81</td>
<td>13.25</td>
</tr>
</tbody>
</table>

Source: I/B/E/S data by Refinitiv.
S&P 500/400/600 2018 Quarterly Earnings

S&P 500 EARNINGS PER SHARE: CONSENSUS QUARTERLY ESTIMATES 2018
(consensus analysts’ estimates in dollars, weekly)

2018 By Quarter as of 12/20/18
Dec 13 38.07 41.00 42.75 41.23
Dec 20 38.07 41.00 42.75 41.08

S&P 400

2018 By Quarter as of 12/20/18
Dec 13 25.75 28.94 29.74 28.62
Dec 20 25.75 28.94 29.76 28.60

S&P 600

2018 By Quarter as of 12/20/18
Dec 13 11.73 13.64 12.82 13.33
Dec 20 11.73 13.64 12.81 13.25

Source: I/B/E/S data by Refinitiv.
Figure 11.

S&P 500 CONSENSUS QUARTERLY Y/Y EPS GROWTH 2018
(consensus analysts’ estimates in percent, weekly)

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 13</td>
<td>23.2</td>
<td>25.8</td>
<td>27.8</td>
<td>14.5</td>
</tr>
<tr>
<td>Dec 20</td>
<td>23.2</td>
<td>25.8</td>
<td>27.8</td>
<td>14.0</td>
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</table>

2018 By Quarter as of 12/20/18

S&P 400

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 13</td>
<td>26.8</td>
<td>40.2</td>
<td>29.4</td>
<td>10.8</td>
</tr>
<tr>
<td>Dec 20</td>
<td>26.8</td>
<td>40.2</td>
<td>29.3</td>
<td>10.1</td>
</tr>
</tbody>
</table>

2018 By Quarter as of 12/20/18

S&P 600

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 13</td>
<td>34.8</td>
<td>40.2</td>
<td>29.4</td>
<td>10.8</td>
</tr>
<tr>
<td>Dec 20</td>
<td>34.8</td>
<td>40.2</td>
<td>29.3</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Source: I/B/E/S data by Refinitiv.
Figure 12.

S&P 500/400/600 STOCK PRICE INDEXES
(daily, ratio scale)

Source: Standard & Poor's.

Figure 13.

S&P 500/400/600 FORWARD EARNINGS
(dollars per share, ratio scale)

* Time-weighted average of consensus estimates for current year and next year.
Source: I/B/E/S data by Refinitiv.
**S&P 500/400/600 Forward Revenues & Margins**

**Figure 14.**

*S&P 500/400/600 FORWARD REVENUES*

(dollars per share, ratio scale)

* Time-weighted average of consensus estimates for current year and next year.
Source: I/B/E/S data by Refinitiv.

**Figure 15.**

*S&P FORWARD PROFIT MARGINS*

(using analysts average earnings and sales forecasts, percent)

* Time-weighted average of the consensus estimates for current and next year using forward earnings divided by forward revenues.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 16. FORWARD P/E RATIOS FOR S&P INDEXES*
(weekly)

FORWARD P/E RATIOS FOR S&P INDEXES*
(weekly)

*S&P 500 LargeCap (13.9)
S&P 400 MidCap (13.0)
S&P 600 SmallCap (13.6)

* Price divided by 52-week forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv.

Figure 17. Stock Market: Today’s stock valuations are cheap if there’s no recession in 2019.

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

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

S&P 500 LargeCap (14.3)
S&P 400 MidCap (13.3)
S&P 600 SmallCap (14.1)

* Daily stock price index divided by 52-week forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 18.

FORWARD P/Sales RATIOS FOR S&P STOCK PRICE INDEXES*
(weekly)

- S&P 500 LargeCap (1.75)
- S&P 400 MidCap (1.05)
- S&P 600 SmallCap (0.79)

* Price divided by 52-week forward consensus expected revenues per share.
Source: I/B/E/S data by Refinitiv.

Figure 19.

FORWARD P/Sales RATIOS FOR S&P STOCK PRICE INDEXES*
(daily)

- S&P 500 LargeCap (1.80)
- S&P 400 MidCap (1.08)
- S&P 600 SmallCap (0.82)

* Daily stock price index divided by 52-week forward consensus expected revenues per share.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s Corporation.
S&P 500 Revenues, Earnings, & Margins

Figure 20.

**S&P 500 REVENUES PER SHARE**
(consensus analysts estimates in dollars, weekly, ratio scale)

**Consensus Forecasts**
- Annual Revenues
- Forward Revenues*

**S&P 500 OPERATING EARNINGS PER SHARE**
(consensus analysts estimates in dollars, weekly, ratio scale)

**Consensus Forecasts**
- Annual Earnings
- Forward Earnings*

**S&P 500 PROFIT MARGIN**
(using analysts average earnings and sales forecasts, percent)

**Consensus Forecasts**
- Annual Margins
- Forward Margins* (12.2)

* Time-weighted average of the consensus estimates for current and next year.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
S&P 400 Revenues, Earnings, & Margins

Figure 21.

S&P 400 OPERATING EARNINGS PER SHARE
(consensus analysts estimates in dollars, weekly, ratio scale)

S&P 400 PROFIT MARGIN
(using analysts average earnings and sales forecasts, percent)

* Time-weighted average of the consensus estimates for current and next year.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 22.

S&P 600 REVENUES PER SHARE
(consensus analysts estimates in dollars, weekly, ratio scale)

Consensus Forecasts
- Annual Revenues
- Forward Revenues*

S&P 600 OPERATING EARNINGS PER SHARE
(consensus analysts estimates in dollars, weekly, ratio scale)

Consensus Forecasts
- Annual Earnings
- Forward Earnings*

S&P 600 PROFIT MARGIN
(using analysts average earnings and sales forecasts, percent)

Consensus Forecasts
- Annual Margins
- Forward Margins* (5.4)

* Time-weighted average of the consensus estimates for current and next year.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 23.

S&P 500/400/600 Blue Angels

S&P STOCK PRICE INDEXES, FORWARD EARNINGS, & VALUATION

- S&P 500
  01/04/19
- S&P 500 Blue Angels
  Implied Price Index*
  12/20/18

- S&P 400
  01/04/19
- S&P 400 Blue Angels
  Implied Price Index*
  12/20/18

- S&P 600
  01/04/19 01/04/19
- S&P 600 Blue Angels
  Implied Price Index*
  12/20/18

* Implied stock price index calculated using actual 52-week consensus expected forward earnings times hypothetical forward P/Es.
Source: Standard & Poors and I/B/E/S data by Refinitiv.
Figure 24.

**S&P 500 FORWARD EARNINGS & REVENUES PER SHARE**
(ratio scale)

- **Forward Earnings**: (174.4)
- **Forward Revenues**: Divided by 10 (140.8)
- **7% Growth Rate**

* Time-weighted average of consensus estimates for current and next year. Monthly through April 1994, then weekly.

** Compounded monthly to yield 7% annually.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: I/B/E/S data by Refinitiv.

Figure 25.

**S&P 500 OPERATING EARNINGS ANNUAL GROWTH FORECASTS**
(based on analysts' consensus estimates, percent, weekly)

- 2011 (14.9)
- 2012 (6.0)
- 2013 (6.1)
- 2014 (7.0)
- 2015 (0.5)
- 2016 (1.5)
- 2017 (11.2)
- 2018 (23.7)
- 2019 (7.6)
- 2020 (10.8)

Latest data thru 12/27/18

Source: I/B/E/S data by Refinitiv.
<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues Growth Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>(9.9)</td>
</tr>
<tr>
<td>2012</td>
<td>(1.5)</td>
</tr>
<tr>
<td>2013</td>
<td>(1.7)</td>
</tr>
<tr>
<td>2014</td>
<td>(3.1)</td>
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<tr>
<td>2015</td>
<td>(-3.7)</td>
</tr>
<tr>
<td>2016</td>
<td>(1.9)</td>
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<td>2017</td>
<td>(6.4)</td>
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<tr>
<td>2018</td>
<td>(8.8)</td>
</tr>
<tr>
<td>2019</td>
<td>(5.6)</td>
</tr>
<tr>
<td>2020</td>
<td>(4.9)</td>
</tr>
</tbody>
</table>

Latest data thru 12/27/18

Source: I/B/E/S data by Refinitiv.