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S&P 500 Profit Margin

**Figure 1.**

S&P 500 PROFIT MARGIN
(percent, quarterly)

- Operating (12.3)
- Reported (10.2)

Source: Standard & Poor's Corporation (revenues and reported EPS) and Thomson Reuters I/B/E/S (operating EPS).

**Figure 2.**

S&P 500 PROFIT MARGIN
(percent, trailing four-quarter average)

- Operating (11.5)
- Reported (9.5)

Source: Standard & Poor's Corporation (revenues and reported EPS) and Thomson Reuters I/B/E/S (operating EPS).
Figure 3.

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (12.3)
- Trailing four-quarter average (11.5)

Source: Standard & Poor’s Corporation.

Figure 4.

S&P 500 REPORTED PROFIT MARGIN (percent)

- Quarterly (10.2)
- Trailing four-quarter average (9.5)

Source: Standard & Poor’s Corporation and Thomson Reuters I/B/E/S and Bureau of Economic Analysis.
S&P 500 Profit Margin

* Time-weighted average of the consensus estimates for current year and next year. Monthly through December 2005, then weekly. Source: Thomson Reuters I/B/E/S.

S&P 500 Operating Profit Margins

* Forward earnings divided by forward revenues. Source: Thomson Reuters I/B/E/S and Standard & Poor’s.
Figure 7.
S&P 500 & PROFIT MARGIN

S&P 500 index (2656.1)

Operating trailing 4-quarter profit margin (11.5)

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

Figure 8.
S&P 500 & FORWARD PROFIT MARGIN

S&P 500 index (2656.1)

Forward profit margin (12.3)


Source: Standard & Poor’s Corporation and Thomson Reuters I/B/E/S.
S&P 500 Sectors Operating Profit Margins

* Operating margin in percent and based on trailing 4-quarter EPS and sales.
Source: Standard & Poor’s.
* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from Thomson Reuters I/B/E/S consensus forward EPS and sales, and pushed one year ahead.
Source: Standard & Poor’s Corporation (trailing 4-quarter margin) and Thomson Reuters I/B/E/S (forward margin).
Figure 11.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.8)
- Advertising (7.4)
- Automobile Manufacturers (4.9)
- Auto Parts & Equipment (9.2)
- Publishing (2.6)

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

Figure 12.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.8)
- Casinos & Gaming (8.4)
- Hotels, Resorts & Cruise Lines (10.9)
- Restaurants (14.9)
- Movies & Entertainment (15.1)

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Consumer Discretionary

Figure 13.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.8)
- Apparel Retail (7.5)
- Department Stores (3.7)
- Specialty Stores (5.9)

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

Figure 14.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.8)
- Household Appliances (5.3)
- Homebuilding (7.9)
- Computer & Electronics Retail (3.0)
- Home Improvement Retail (7.4)

Margins capped at -2% due to extreme values.

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Figure 15.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER STAPLES
(trailing 4-quarter EPS, percent)

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

Figure 16.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER STAPLES
(trailing 4-quarter EPS, percent)

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Figure 17.

S&P 500 OPERATING PROFIT MARGINS: ENERGY
(trailing 4-quarter EPS, percent)

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

Figure 18.

S&P 500 OPERATING PROFIT MARGINS: ENERGY
(trailing 4-quarter EPS, percent)

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Health Care

Figure 19.

S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

- Health Care Sector (8.7)
- Biotechnology (37.3)
- Health Care Equipment (18.2)
- Managed Health Care (4.0)

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

Figure 20.

S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

- Health Care Sector (8.7)
- Pharmaceuticals (25.8)
- Health Care Facilities (6.7)
- Health Care Distributors (1.4)

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

Figure 21.

S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS
(trailing 4-quarter EPS, percent)

Industrials Sector (9.7)
Construction Machinery & Heavy Trucks (6.8)
Industrial Conglomerates (13.2)
Industrial Machinery (10.4)

Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 22.

S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS
(trailing 4-quarter EPS, percent)

Industrials Sector (9.7)
Aerospace & Defense (7.9)
Electrical Components & Equipment (11.0)

Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.
Information Technology

**Figure 23.**

S&P 500 OPERATING PROFIT MARGINS: INFORMATION TECHNOLOGY
(trailing 4-quarter EPS, percent)

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

**Figure 24.**

S&P 500 OPERATING PROFIT MARGINS: INFORMATION TECHNOLOGY
(trailing 4-quarter EPS, percent)

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

Figure 25.
S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

Materials Sector (10.1)
Aluminum (2.8)
Paper Products (6.5)
Steel (6.1)

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

Figure 26.
S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

Materials Sector (10.1)
Diversified Chemicals (10.2)
Fertilizers & Agricultural Chemicals (9.9)
Industrial Gases (15.8)
Specialty Chemicals (10.9)

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Figure 27.

S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

- Materials Sector (10.1)
- Gold (8.4)
- Metal & Glass Containers (5.5)
- Diversified Metals & Mining (3.8)
- Paper Packaging (6.0)

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

Figure 28.

S&P 500 OPERATING PROFIT MARGINS: TELECOMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)

- Telecommunication Services Sector (11.5)
- Integrated Telecommunication (11.1)

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