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Figure 1.

S&P 500 Profit Margin

S&P 500 PROFIT MARGIN (percent, quarterly)

Operating (12.5)
Reported (10.7)

Source: Standard & Poor’s Corporation (revenues and reported EPS) and I/B/E/S data by Refinitiv (operating EPS).

Figure 2.

S&P 500 Profit Margin

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

Operating (11.9)
Reported (9.8)

Source: Standard & Poor’s Corporation (revenues and reported EPS) and I/B/E/S data by Refinitiv (operating EPS).
**Figure 3.**

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (12.5)
- Trailing four-quarter average (11.9)

Source: Standard & Poor’s Corporation (revenues) and I/B/E/S data by Refinitiv (operating EPS).

**Figure 4.**

S&P 500 REPORTED PROFIT MARGIN (percent)

- Quarterly (10.7)
- Trailing four-quarter average (9.8)

Source: Standard & Poor’s Corporation.
S&P 500 Profit Margin

Figure 5.
S&P 500 PROFIT MARGIN
(percent, using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual
- 52-week forward* (12.3)

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

Figure 6.
S&P 500 PROFIT MARGIN MEASURES
(percent)

S&P 500 Operating Profit Margins
- Forward*
- Actual (trailing 4Q average)

* Forward earnings divided by forward revenues.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 7.

**S&P 500 & PROFIT MARGIN**

S&P 500 index (2700.1)

- Operating trailing 4-quarter profit margin (11.9)

Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.

Figure 8.

**S&P 500 & FORWARD PROFIT MARGIN**

S&P 500 index (2700.1)

- Forward profit margin (12.3)


Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.
Figure 9.

S&P 500 Sectors Operating Profit Margins

- **S&P 500**
  - Operating Profit Margin* (trailing 4-quarter, %)
  - S&P 500 (11.3)

- **INDUSTRIALS**
  - (10.0)

- **CONSUMER DISCRETIONARY**
  - (7.8)

- **INFORMATION TECHNOLOGY**
  - (22.5)

- **CONSUMER STAPLES**
  - (7.2)

- **MATERIALS**
  - (10.2)

- **ENERGY**
  - (6.1)

- **REAL ESTATE**
  - (18.6)

- **FINANCIALS**
  - Includes Real Estate through Q2-2016
  - (15.9)

- **COMMUNICATION SERVICES**
  - (12.5)

- **HEALTH CARE**
  - (8.7)

- **UTILITIES**
  - (12.4)

* Operating margin in percent and based on trailing 4-quarter EPS and sales.
Source: Standard & Poor’s.
S&P 500 Sectors Forecasted & Actual Profit Margins

Figure 10.

S&P 500

Operating Profit Margin*
Actual 4Q Trailing
Implied Forward

CONSUMER DISCRETIONARY

INFORMATION TECHNOLOGY

CONSUMER STAPLES

MATERIALS

ENERGY

REAL ESTATE

FINANCIALS

COMMUNICATION SERVICES

HEALTH CARE

UTILITIES

* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from I/B/E/S consensus forward EPS and sales, and pushed one year ahead.

Source: Standard & Poor’s Corporation (trailing 4-quarter margin) and I/B/E/S data by Refinitiv (forward margin).
Figure 11.

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

- Consumer Discretionary Sector (7.8)
- Automobile Manufacturers (4.8)
- Auto Parts & Equipment (8.8)
- Motorcycle Manufacturers (11.3)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, 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 (4.9)
- Hotels, Resorts & Cruise Lines (12.3)
- Restaurants (19.3)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, 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 (7.7)
Department Stores (4.3)
Specialty Stores (9.2)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 14.

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

Consumer Discretionary Sector (7.8)
Computer & Electronics Retail (3.4)
Household Appliances (4.4)
Home Improvement Retail (8.4)
Homebuilding (9.4)

Margins capped at -2% due to extreme values.

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Consumer Staples

Figure 15.

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

- Consumer Staples Sector (7.2)
- Household Products (15.4)
- Packaged Foods & Meats (10.9)
- Personal Products (8.8)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 16.

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

- Consumer Staples Sector (7.2)
- Brewers (9.4)
- Drug Retail (3.7)
- Soft Drinks (16.5)
- Tobacco (31.1)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Energy

Figure 17.

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

Energy Sector (6.1)
Integrated Oil & Gas (7.2)
Oil & Gas Refining & Marketing (2.9)
Oil & Gas Storage & Transportation (9.2)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 18.

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

Energy Sector (6.1)
Oil & Gas Drilling (-0.4)
Oil & Gas Equipment & Services (4.5)
Oil & Gas Exploration & Production (10.6)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, 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 (33.1)
- Health Care Equipment (9.5)
- Managed Health Care (4.6)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 20.
S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

- Health Care Sector (8.7)
- Pharmaceuticals (19.7)
- Health Care Facilities (7.6)
- Health Care Distributors (0.9)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 21.

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

Industrials Sector (10.0)
Construction Machinery & Heavy Trucks (10.5)
Industrial Conglomerates (11.9)
Industrial Machinery (11.6)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 22.

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

Industrials Sector (10.0)
Aerospace & Defense (9.2)
Electrical Components & Equipment (12.3)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Information Technology

**Figure 23.**

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

- Information Technology Sector (22.5)
- Application Software (15.7)
- Data Processing & Outsourcing (24.5)
- IT Consulting & Other Services (12.0)
- Systems Software (26.7)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

**Figure 24.**

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

- Information Technology Sector (22.5)
- Communications Equipment (21.3)
- Semiconductors (29.4)
- Semiconductor Equipment (26.4)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Materials

Figure 25.

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

- Materials Sector (10.2)
- Diversified Chemicals (9.7)
- Fertilizers & Agricultural Chemicals (8.3)
- Industrial Gases (16.7)
- Specialty Chemicals (10.7)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P's EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 26.

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

- Materials Sector (10.2)
- Copper (13.6)
- Gold (4.5)
- Metal & Glass Containers (5.4)
- Paper Packaging (7.8)
- Steel (7.9)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Communication Services

Figure 27.

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

- Communication Services Sector (12.5)
- Alternative Carriers (4.6)
- Integrated Telecommunication (12.5)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 28.

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

- Communication Services Sector (12.5)
- Cable & Satellite (9.5)
- Advertising (7.4)
- Broadcasting (11.5)
- Publishing (-2.2)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Communication Services

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

- Communication Services Sector (12.5)
- Interactive Home Entertainment (17.2)
- Movies & Entertainment (15.8)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 29.