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S&P 500 Profit Margin

Figure 1.

S&P 500 PROFIT MARGIN
(percent, quarterly)

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
(percent, trailing four-quarter average)

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 (12.8)
Trailing four-quarter average (12.0)

Source: Standard & Poor’s Corporation.

Figure 4.

S&P 500 REPORTED PROFIT MARGIN (percent)

Quarterly (11.0)
Trailing four-quarter average (9.9)

Source: Standard & Poor’s Corporation, I/B/E/S data by Refinitiv, and Bureau of Economic Analysis.
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 (2701.6)

Operating trailing 4-quarter profit margin (12.4)

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 (2701.6)

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

- **CONSUMER DISCRETIONARY** (Q3): (7.8)
- **INDUSTRIALS** (Q3): (10.0)
- **CONSUMER STAPLES** (Q3): (7.2)
- **INFORMATION TECHNOLOGY** (Q3): (22.7)
- **ENERGY** (Q3): (6.1)
- **MATERIALS** (Q3): (10.0)
- **FINANCIALS** (Q3): (16.1)
- **COMMUNICATION SERVICES** (Q3): (12.5)
- **HEALTH CARE** (Q3): (8.7)
- **UTILITIES** (Q3): (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

* 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)
- Advertising (7.4)
- Automobile Manufacturers (4.9)
- Auto Parts & Equipment (9.2)
- Publishing (2.6)

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 (8.4)
- Hotels, Resorts & Cruise Lines (10.9)
- Restaurants (14.9)
- Movies & Entertainment (15.1)

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
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, 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)
- 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, 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)

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)

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 17.

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

Energy Sector (6.1)
Integrated Oil & Gas (5.4)
Oil & Gas Refining & Marketing (2.4)

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 (2.2)
Oil & Gas Equipment & Services (2.6)
Oil & Gas Exploration & Production (-2.4)

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 (37.3)
- Health Care Equipment (18.2)
- Managed Health Care (4.0)

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

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS
(trailing 4-quarter EPS, percent)

Industrials Sector (10.0)
Construction Machinery & Heavy Trucks (6.8)
Industrial Conglomerates (13.2)
Industrial Machinery (10.4)

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

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

Industrials Sector (10.0)
Aerospace & Defense (7.9)
Electrical Components & Equipment (11.0)

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 23.

S&P 500 Operating Profit Margins: Information Technology
(trailing 4-quarter EPS, percent)

Information Technology Sector (22.7)
Application Software (18.3)
Data Processing & Outsourcing (21.0)
IT Consulting & Other Services (13.8)
Systems Software (27.1)

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 (22.7)
Communications Equipment (21.7)
Semiconductors (24.8)
Semiconductor Equipment (22.7)

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 (10.0)
- Aluminum (2.8)
- Paper Products (6.5)
- Steel (6.1)

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 (10.0)
- Diversified Chemicals (10.2)
- Fertilizers & Agricultural Chemicals (9.9)
- Industrial Gases (15.8)
- Specialty Chemicals (10.9)

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Materials & Telecommunication Services

Figure 27.
S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)
- Materials Sector (10.0)
- Gold (8.4)
- Metal & Glass Containers (5.5)
- Diversified Metals & Mining (3.8)
- Paper Packaging (6.0)

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

Figure 28.
S&P 500 OPERATING PROFIT MARGINS: TELECOMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)
- Telecommunication Services Sector (12.5)
- Integrated Telecommunication (11.1)

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