Market Briefing: S&P 500 Revenues, Earnings, & Dividends

Yardeni Research, Inc.

October 26, 2020

Dr. Edward Yardeni
516-972-7683
eyardeni@yardeni.com

Joe Abbott
732-497-5306
jabbott@yardeni.com

Debbie Johnson
480-664-1333
djohnson@yardeni.com

Mali Quintana
480-664-1333
aquintana@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com

thinking outside the box
S&P 500 Earnings & Revenue Growth

Figure 1.

S&P 500 EARNINGS PER SHARE GROWTH* (yearly percent change)

Latest data thru 10/26/2020

- Yearly growth rates capped at +100% and -100% due to extreme values.
- Industry analysts’ consensus expected earnings growth.

Source: Standard & Poor’s.

Figure 2.

S&P 500 REVENUES PER SHARE (yearly percent change)

Latest (-10.3)

Source: Standard & Poor’s.
S&P 500 REVENUES PER SHARE: FORWARD & ACTUAL
(dollars)

* Time-weighted average of consensus estimates for current and next year.
** Actual 4Q sum from Standard & Poor’s.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.

Revenues Per Share
- Forward Revenues*
- Revenues**
  (4Q sum)

S&P 500 EARNINGS & REVENUES
- Revenues
  (trailing 4-quarter sum)
- Earnings*
  (trailing 4-quarter sum)

* Operating earnings.
Source: Standard & Poor’s.
Figure 5.
S&P 500 REVENUES
(dollars per share)

Source: Census Bureau and Standard & Poor’s.

Figure 6.
S&P 500 REVENUES*
(yearly percent change)

* Using dollars per share.
S&P 500 Operating Earnings

Figure 7.

S&P 500 OPERATING EARNINGS
(dollars per share)

Total (28.0)

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

Figure 8.

S&P 500 OPERATING EPS
(yearly percent change)

Total (-32.3)

Capped at 50

Source: I/B/E/S data by Refinitiv.
Figure 9. S&P 500 AGGREGATE NET INCOME

S&P 500 AGGREGATE NET INCOME
(billion dollars)

Operating (221.5)
Reported (147.4)

Source: Standard & Poor’s Corporation.

Figure 10. S&P 500 OPERATING EPS: THOMSON REUTERS vs. S&P MEASURES

S&P 500 OPERATING EPS: THOMSON REUTERS vs. S&P MEASURES
(dollars per share)

Thomson (27.98)
S&P (26.79)

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


Figure 13.

TREASURY BILL YIELD VS S&P 500 DIVIDEND YIELD
(percent)

- Three-Month Treasury Bill Yield
- S&P 500 Dividend Yield*

* S&P 500 four-quarter trailing dividends per share divided by quarterly closing value of the S&P 500 index.

Source: Standard & Poor's and Federal Reserve Board.

Figure 14.

S&P 500 DIVIDEND YIELD
(trailing 4-quarter sum)

- Invested in 1970 (68.2)
- Invested in 1980 (43.4)
- Invested in 1990 (17.8)
- Invested in 2000 (4.4)
- Invested in 2010 (4.7)

Source: Standard & Poor’s Corporation.
Figure 15. S&P 500 Dividends

S&P 500 DIVIDENDS & RETAINED EARNINGS PER SHARE
(dollars, trailing 4-quarter sum, ratio scale)

- Dividends
- Retained Earnings*

* Reported earnings minus dividends per share.
Source: Standard & Poor’s.

Figure 16. S&P Dividend Payout Ratios*

S&P DIVIDEND PAYOUT RATIOS*
(percent)

- S&P 500
- S&P Industrials

S&P 500 COMPANIES PAYING A DIVIDEND
(percent of total)

* Four-quarter trailing dividends per share divided by four-quarter trailing reported earnings.
Source: Standard & Poor’s Corporation and FactSet.
S&P 500 Write-Offs

Figure 17.

S&P 500 OPERATING & REPORTED EARNINGS PER SHARE (S&P data)
(dollars, quarterly)

Source: Standard & Poor’s.

Figure 18.

S&P 500 WRITE-OFFS PER SHARE*
(dollars)

Source: Standard & Poor’s Corporation.

* S&P Operating less S&P reported earnings per share.