

Strategist's Handbook: Chart Updates

Yardeni Research, Inc.

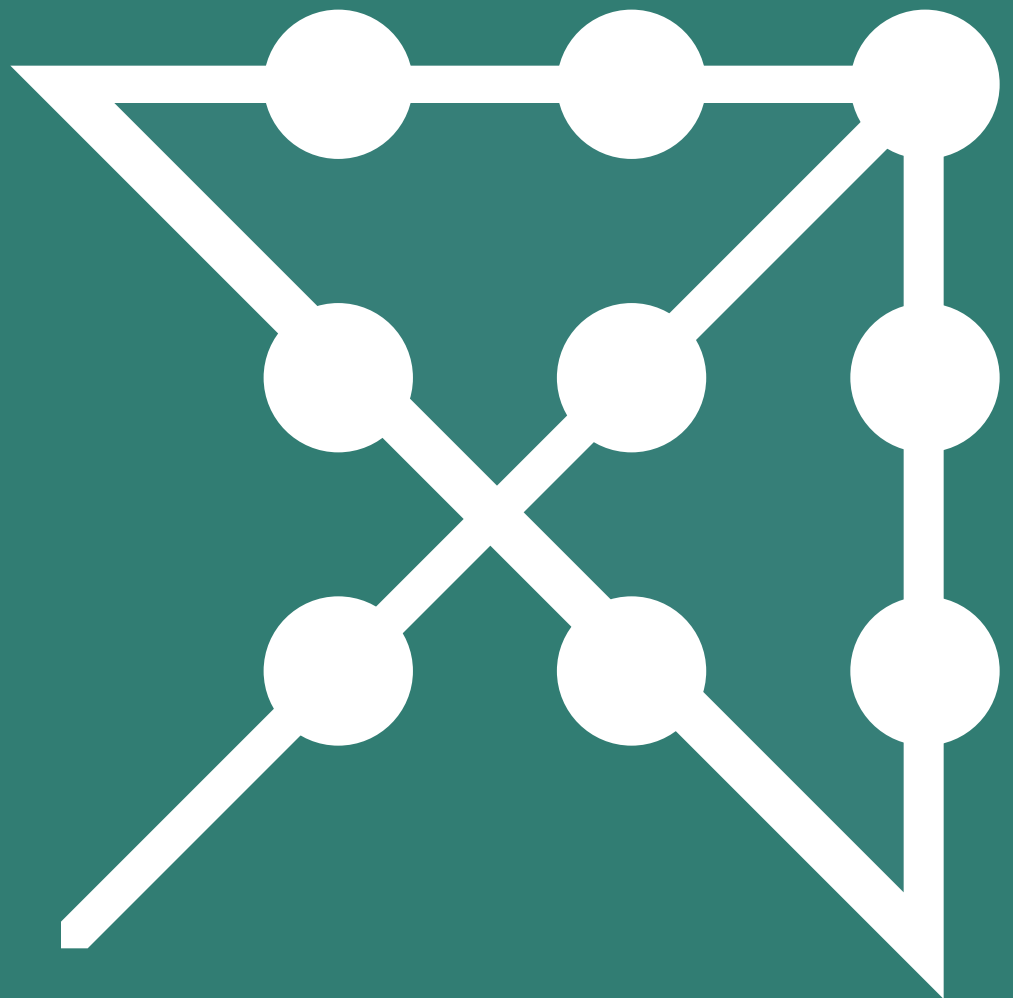
October 23, 2017

Dr. Edward Yardeni

516-972-7683

eyardeni@yardeni.com

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



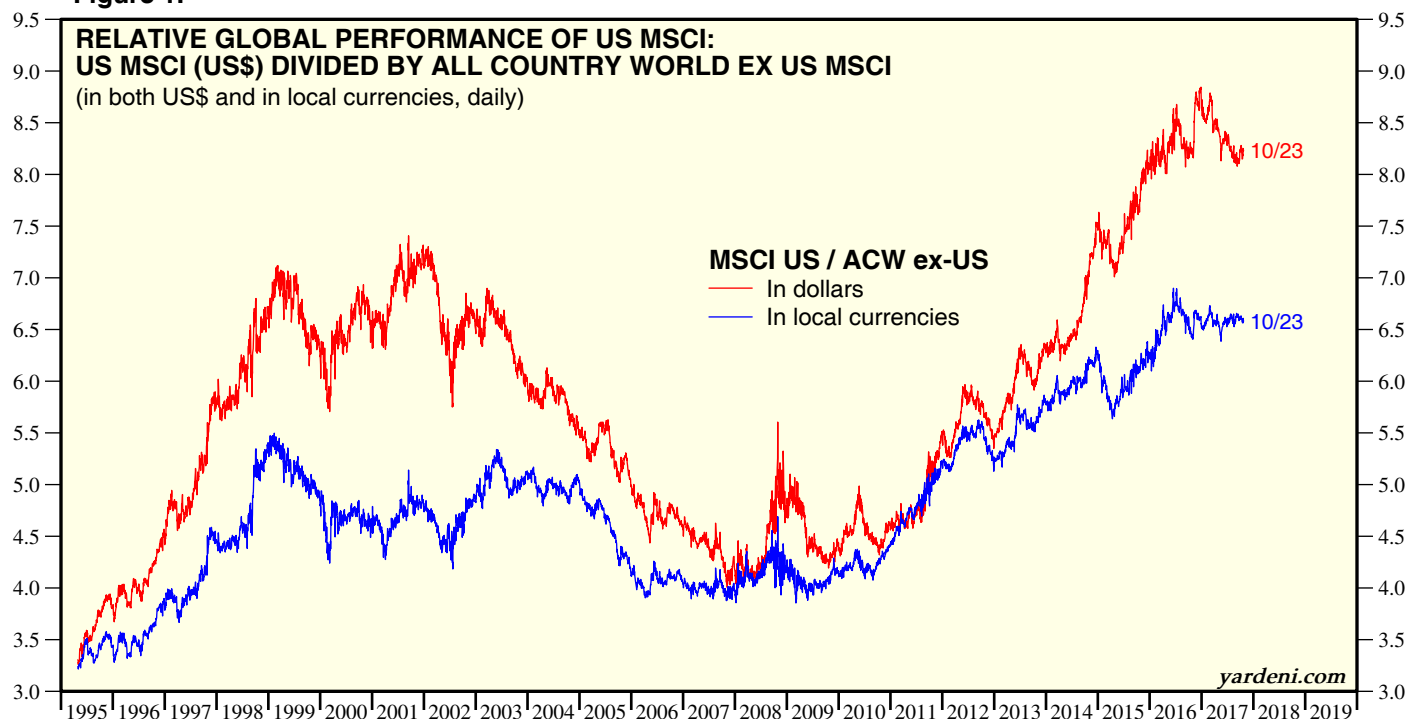
thinking outside the box

Table Of Contents

Stock Prices	1
S&P 500 Earnings, Revenues, Margins	2
S&P 500 Revenues & Margins	3
Forward Revenues, Earnings, & Margins	4
S&P 500/400/600 Forward Earnings & Margins	5
Blue Angels	6
Valuation	7
S&P 500 Sectors Forward P/Es	8
S&P 500 Sectors Price Indexes	9
S&P 500 Sectors Forward Earnings	10
Equity Flows	11
Dollar & Commodities	12
Stocks & Commodities	13
Big Picture	14
US Economic Indicators	15-16
China	17-18
Eurozone	19

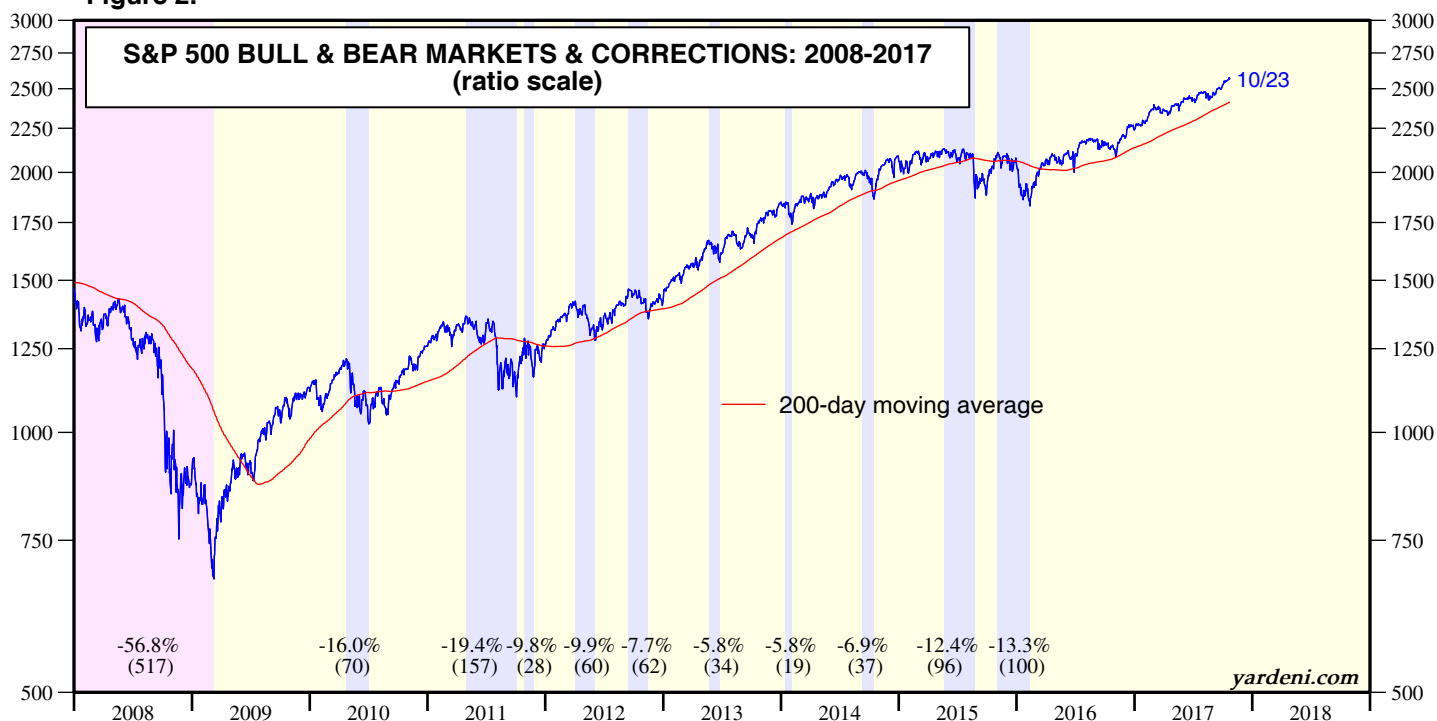
Stock Prices

Figure 1.



Source: MSCI.

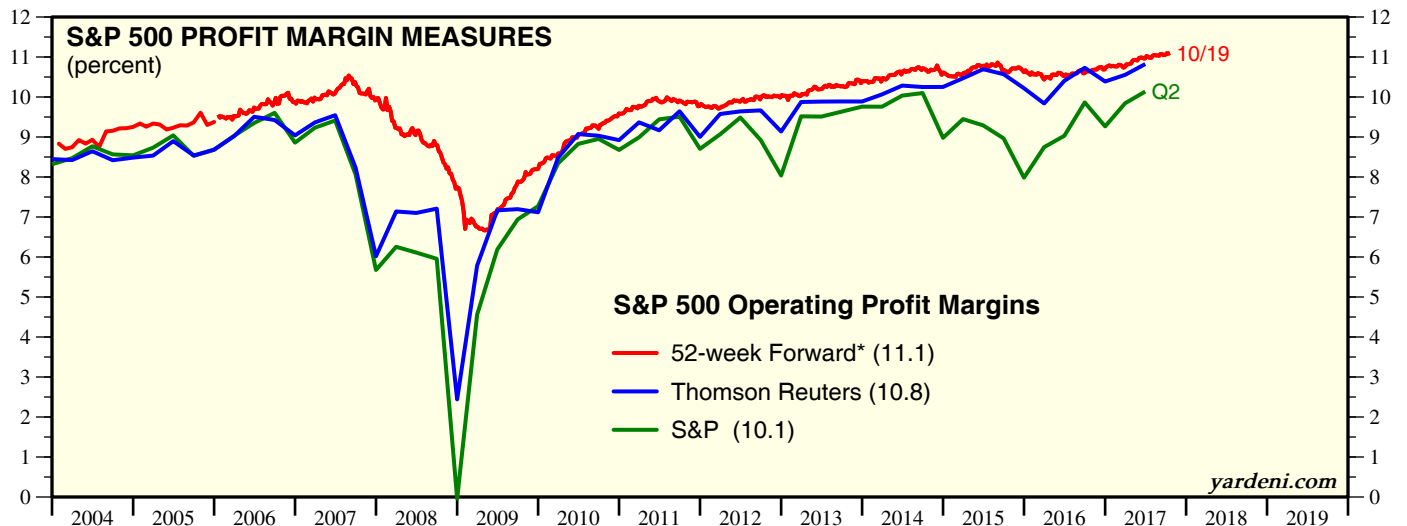
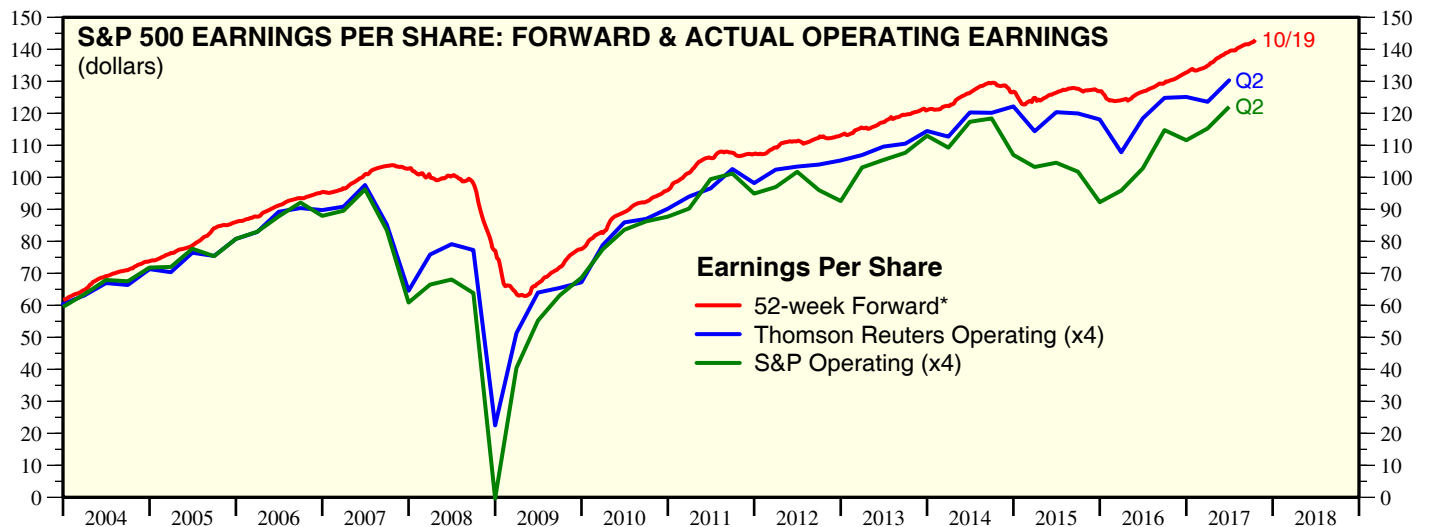
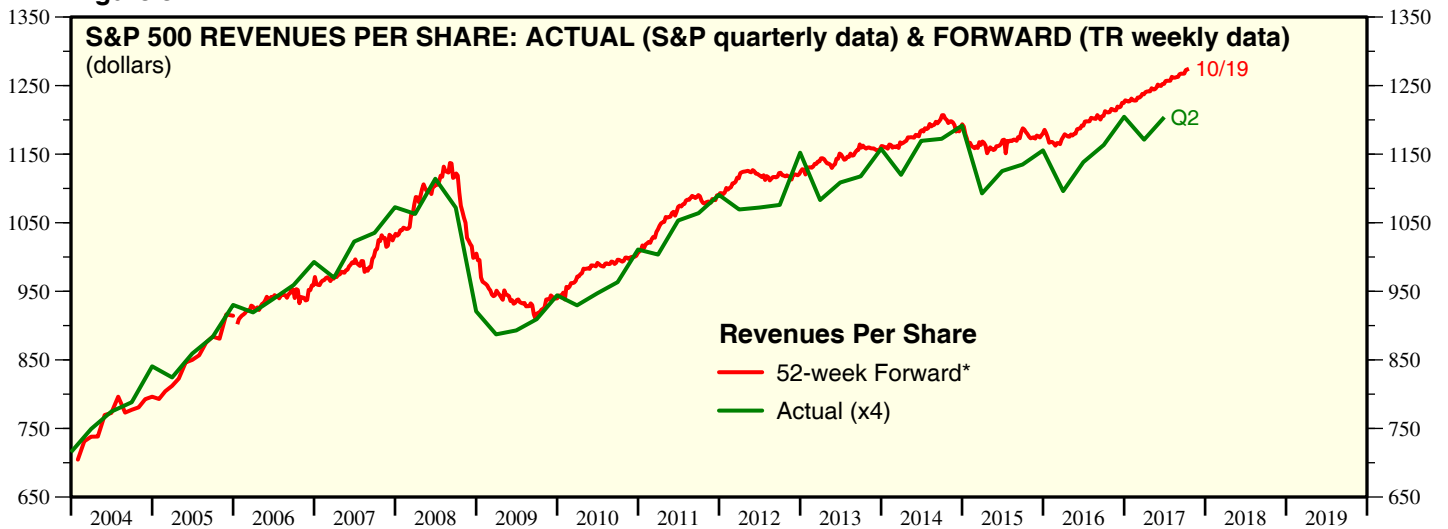
Figure 2.



Note: Corrections are declines of 10% or more, while minor ones are 5%-10% (all in blue shades). Bear markets are declines of 20% or more (in red shades). Number of calendar days in parentheses.
 Source: Standard & Poor's.

S&P 500 Earnings, Revenues, Margins

Figure 3.

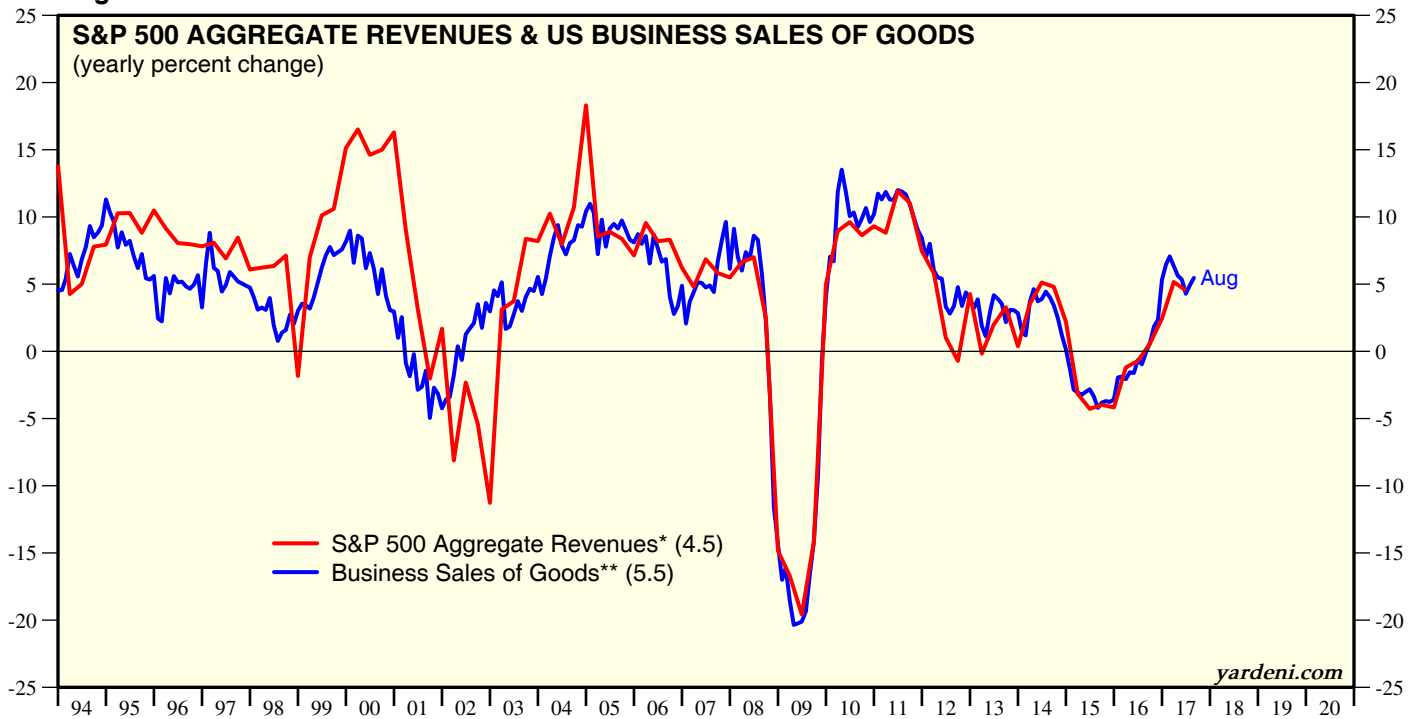


* Time-weighted average of consensus operating earnings estimates for current and next years.

Source: Standard & Poor's (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues), and Bureau of the Census.

S&P 500 Revenues & Margins

Figure 4.

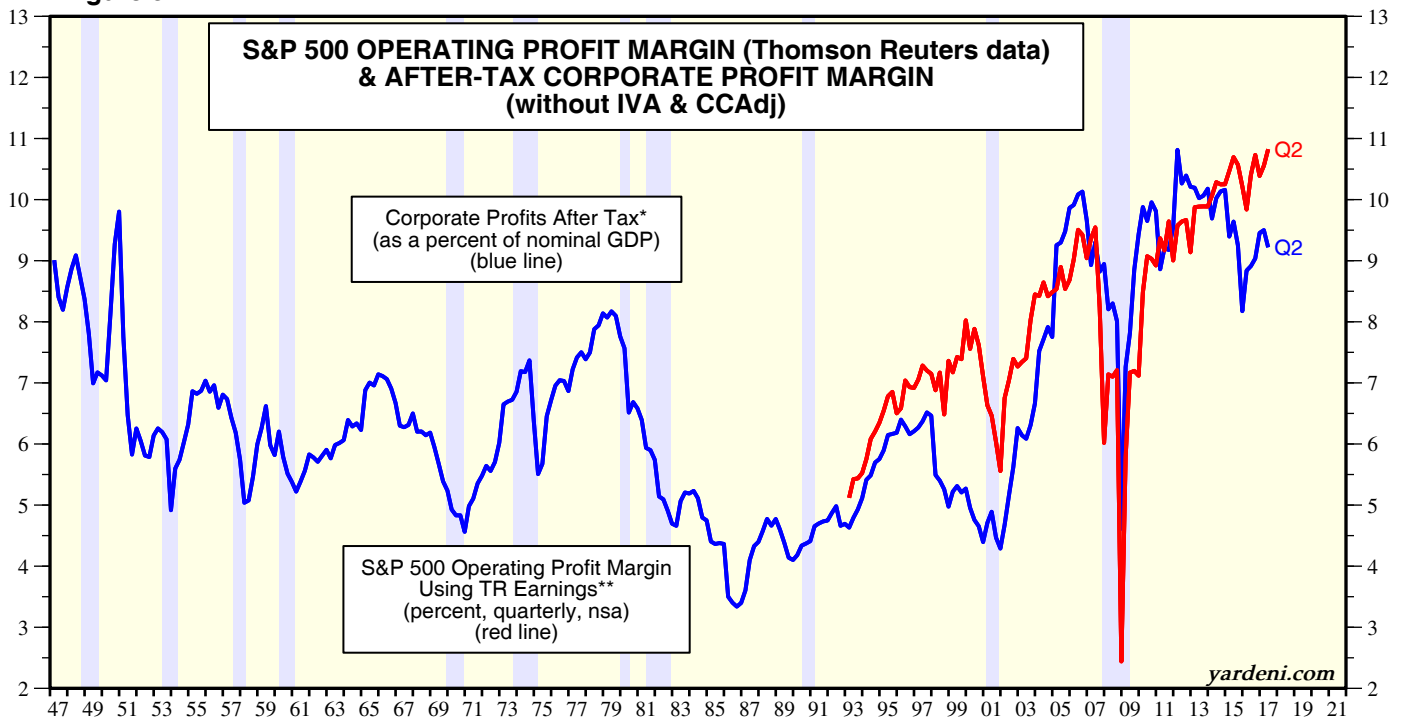


* Revenues are derived by multiplying S&P 500 revenues per share by the S&P 500 divisor for each quarter.

** Manufacturing and trade sales.

Source: Census Bureau and Standard & Poor's.

Figure 5.



* After-tax profits as reported to IRS excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCAdj), which restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.

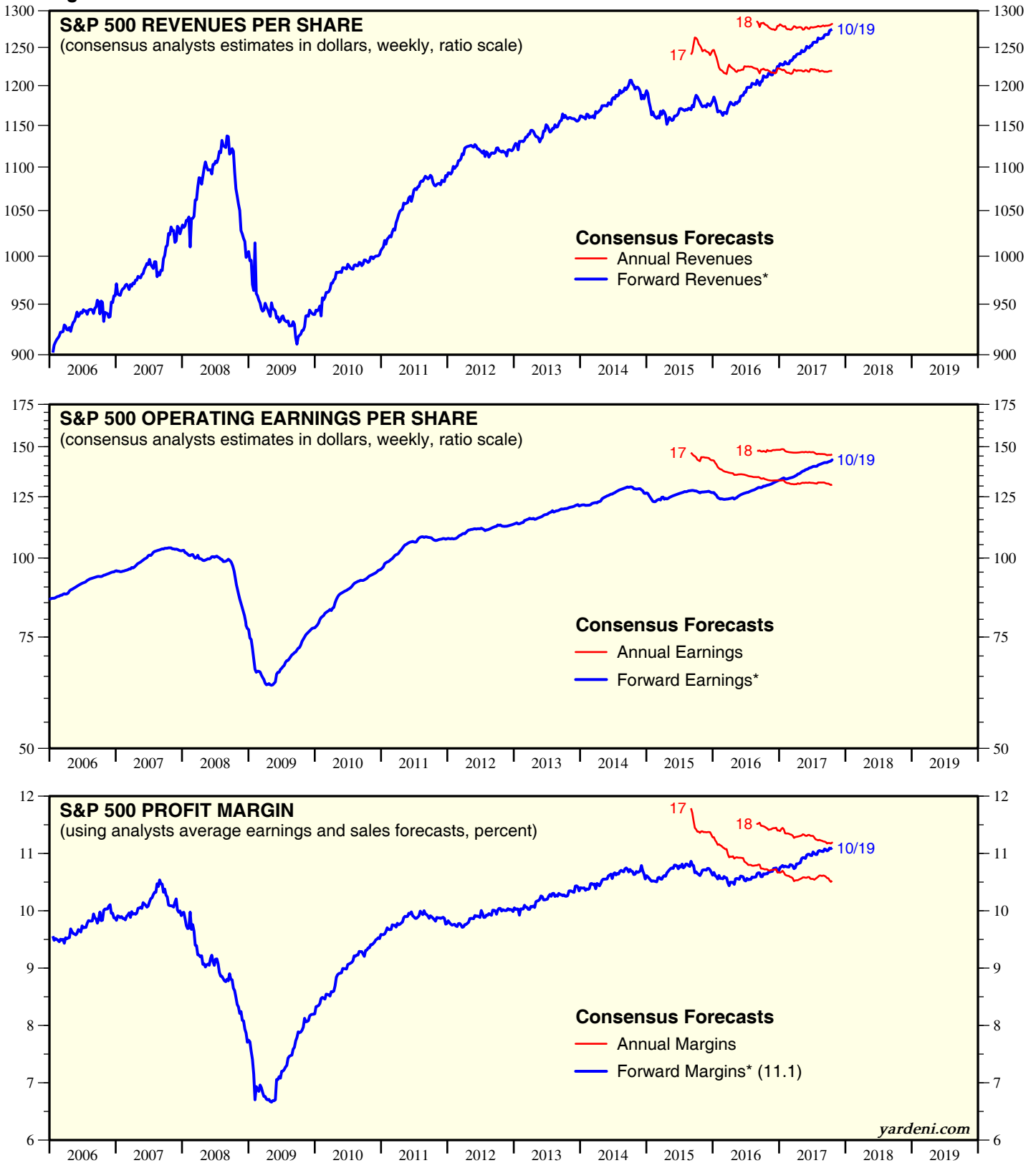
** Operating Profit Margin derived using revenues from S&P and earnings from Thomson Reuters I/B/E/S.

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

Source: Standard & Poor's, Thomson Reuters I/B/E/S and Bureau of Economic Analysis.

Forward Revenues, Earnings, & Margins

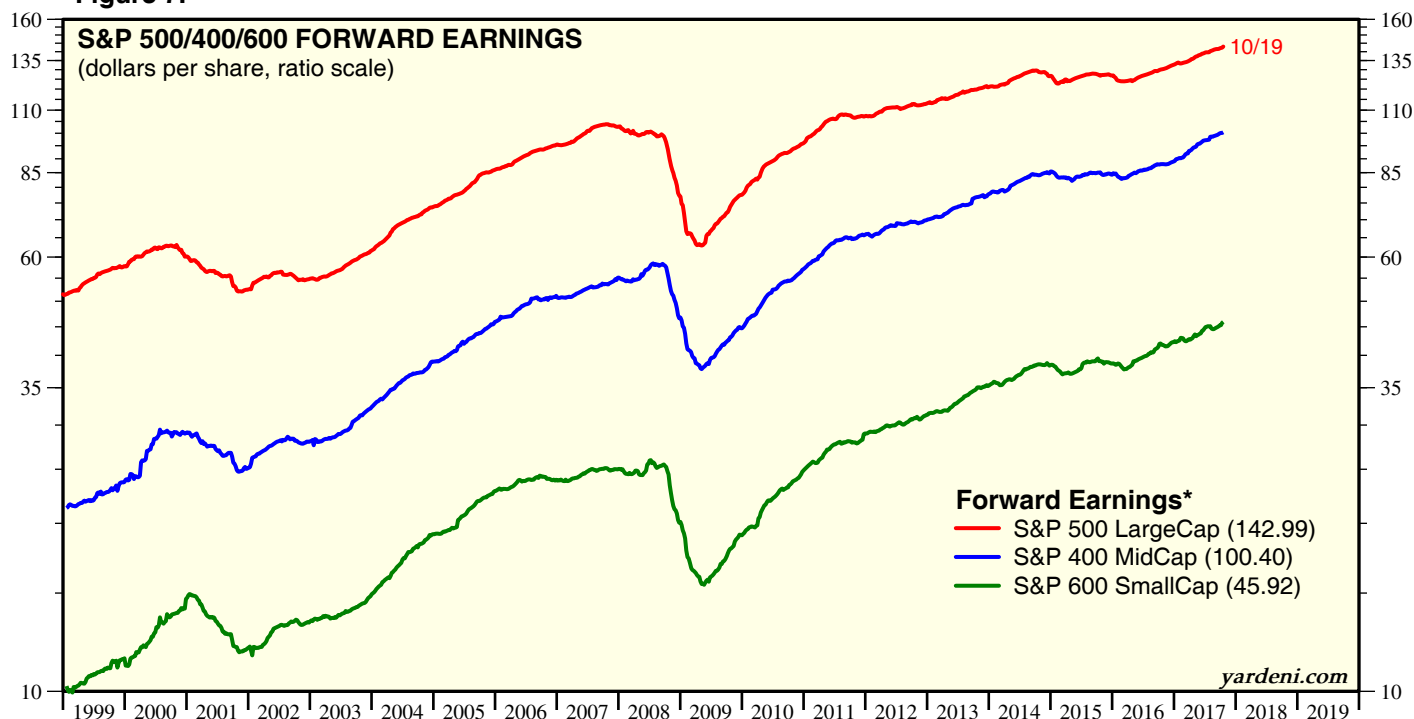
Figure 6.



* Time-weighted average of the consensus estimates for current and next year.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

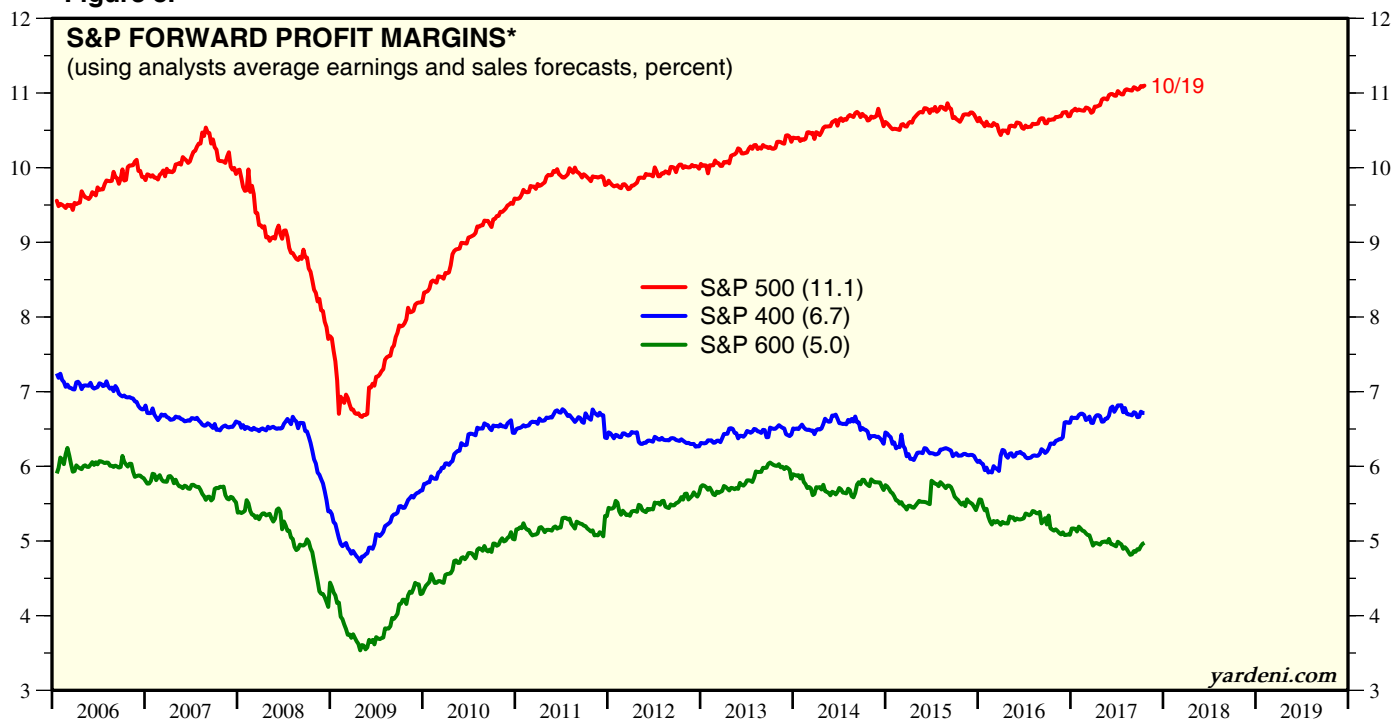
S&P 500/400/600 Forward Earnings & Margins

Figure 7.



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

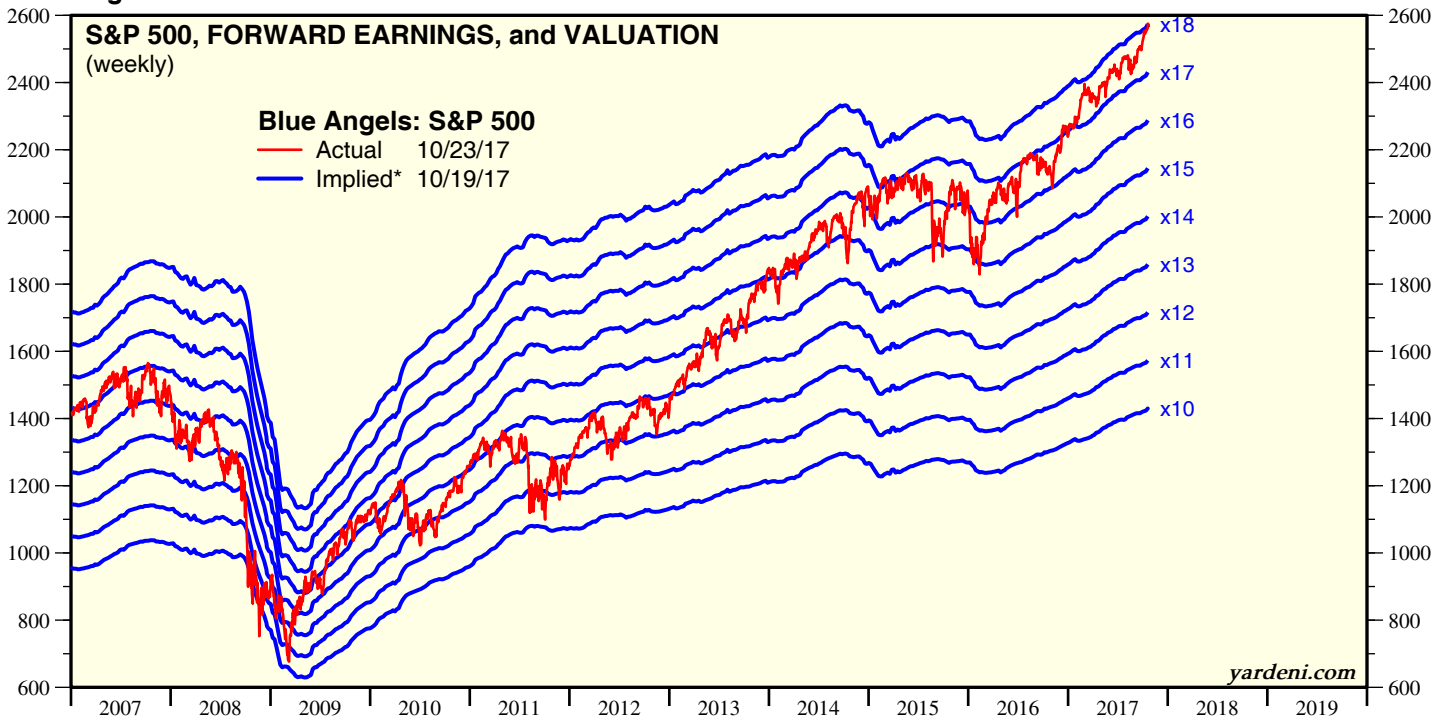
Figure 8.



* Time-weighted average of the consensus estimates for current and next year.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

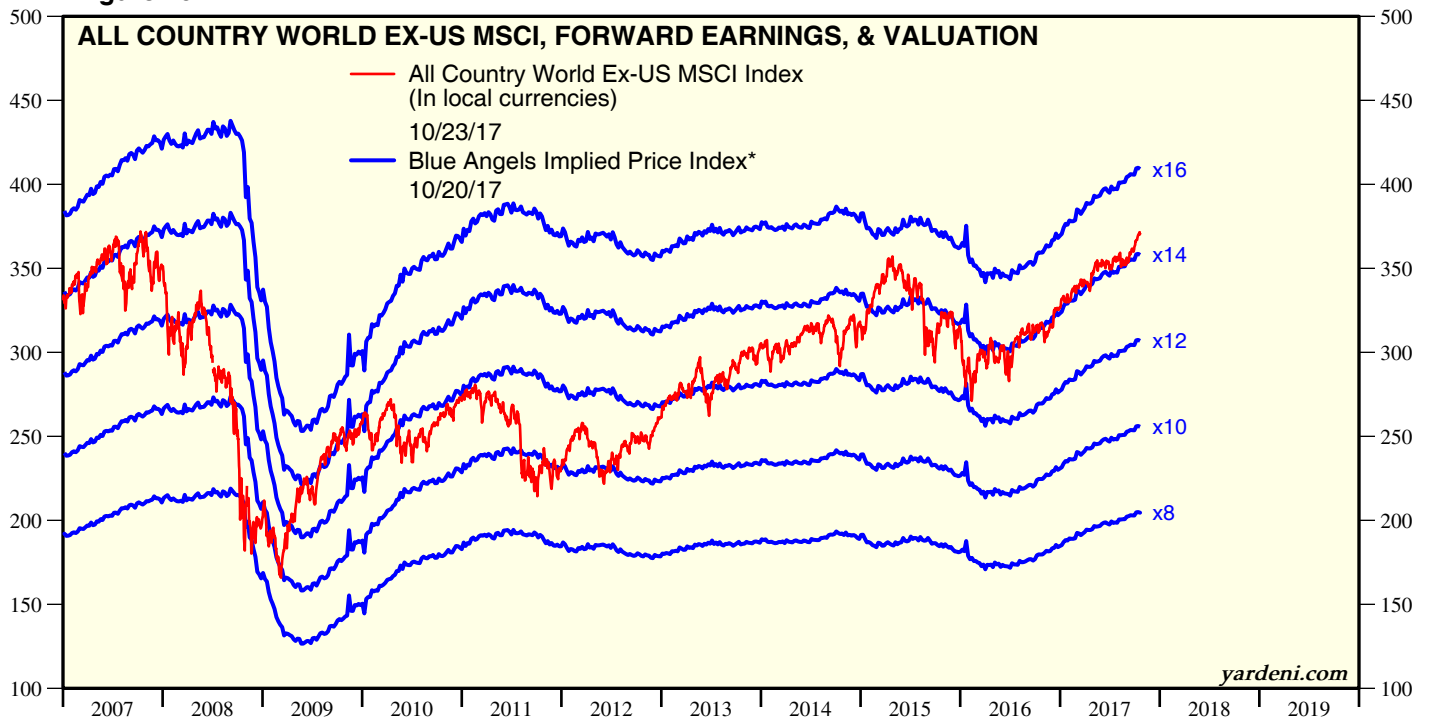
Blue Angels

Figure 9.



* Implied price index calculated using forward earnings times forward P/Es. Weekly data start January 2007.
 Source: Standard & Poor's and Thomson Reuters I/B/E/S.

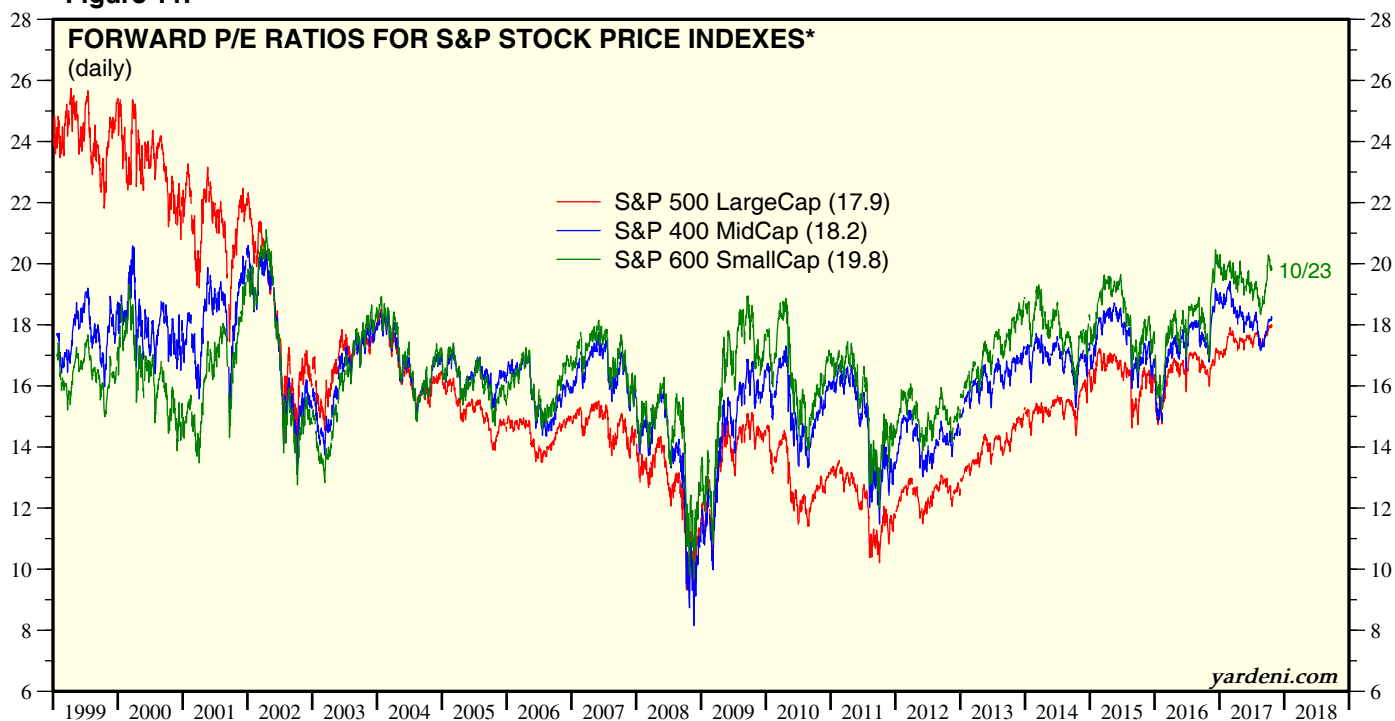
Figure 10.



* Implied price index calculated using forward earnings times forward P/Es. Monthly through December 2005, weekly thereafter.
 Source: MSCI and Thomson Reuters I/B/E/S.

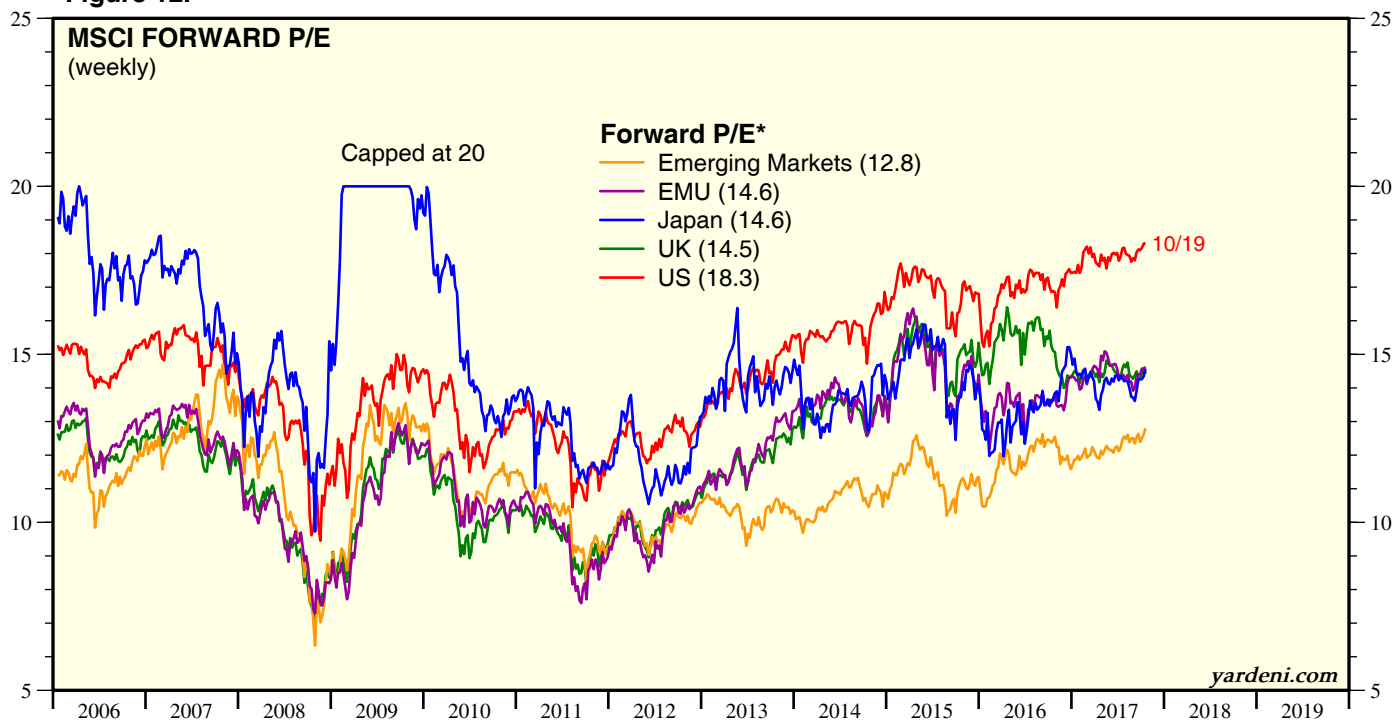
Valuation

Figure 11.



* Daily stock price index divided by 52-week forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

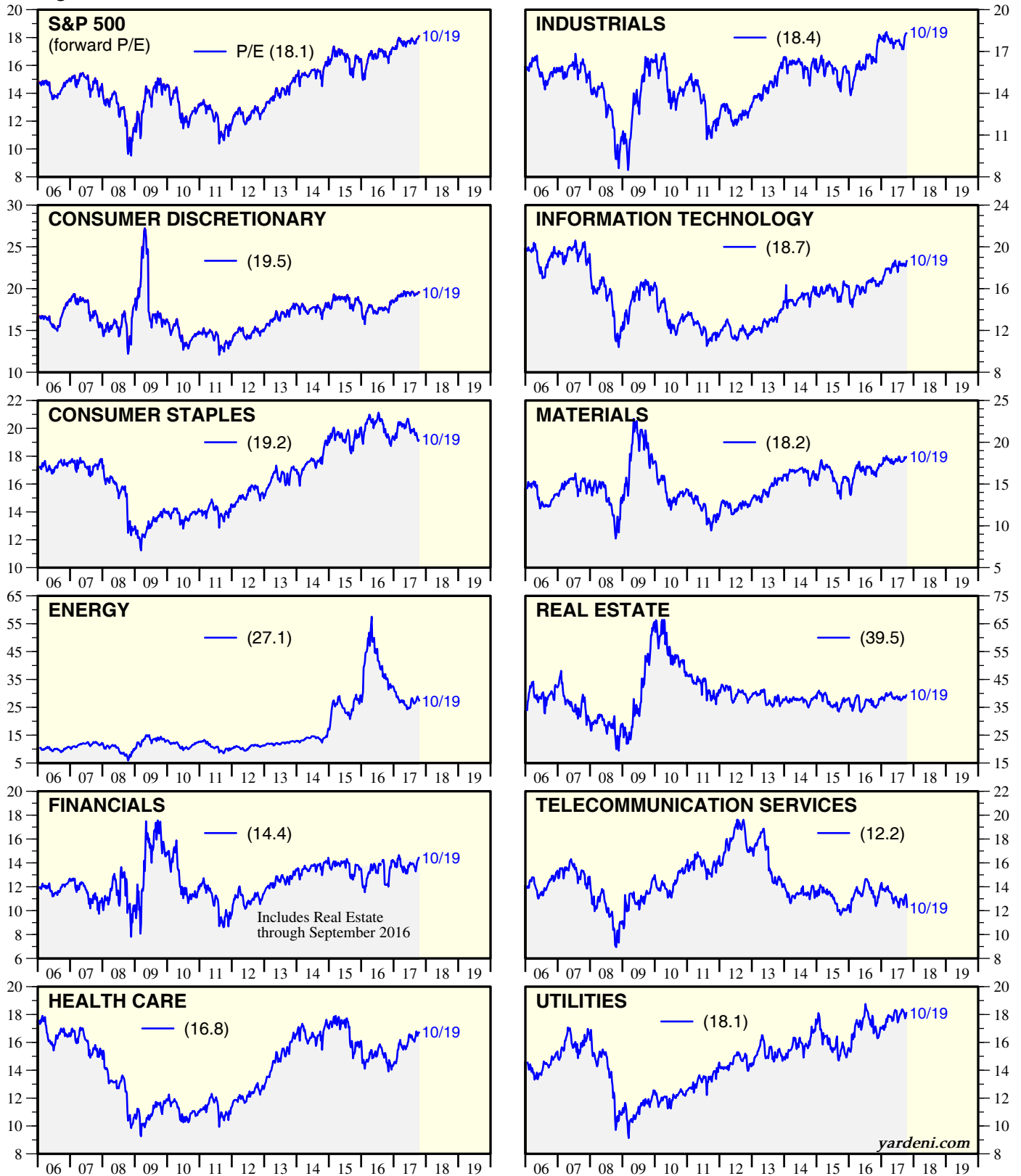
Figure 12.



* Price divided by 12-month forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S.

S&P 500 Sectors Forward P/Es

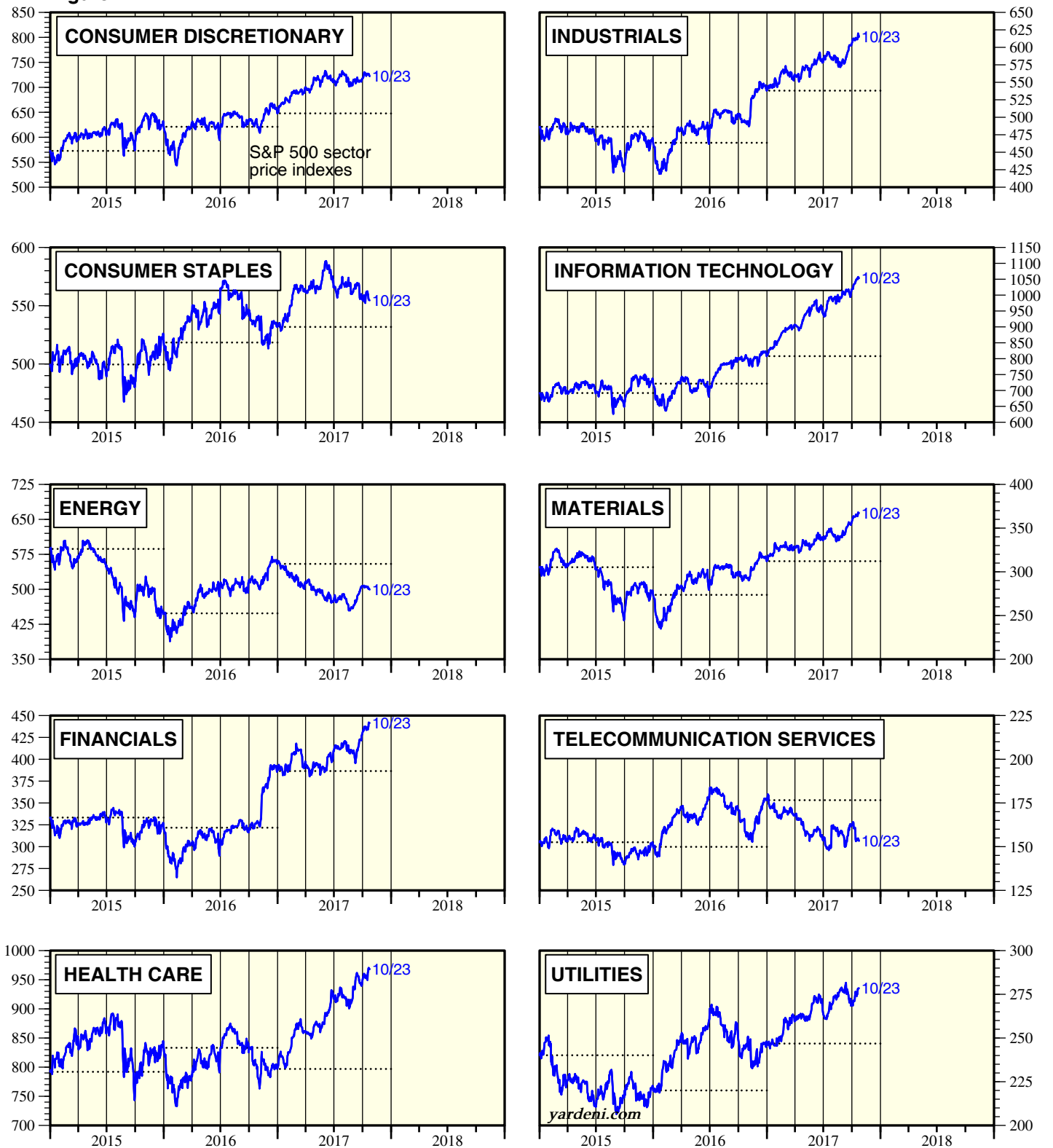
Figure 13.



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

S&P 500 Sectors Price Indexes

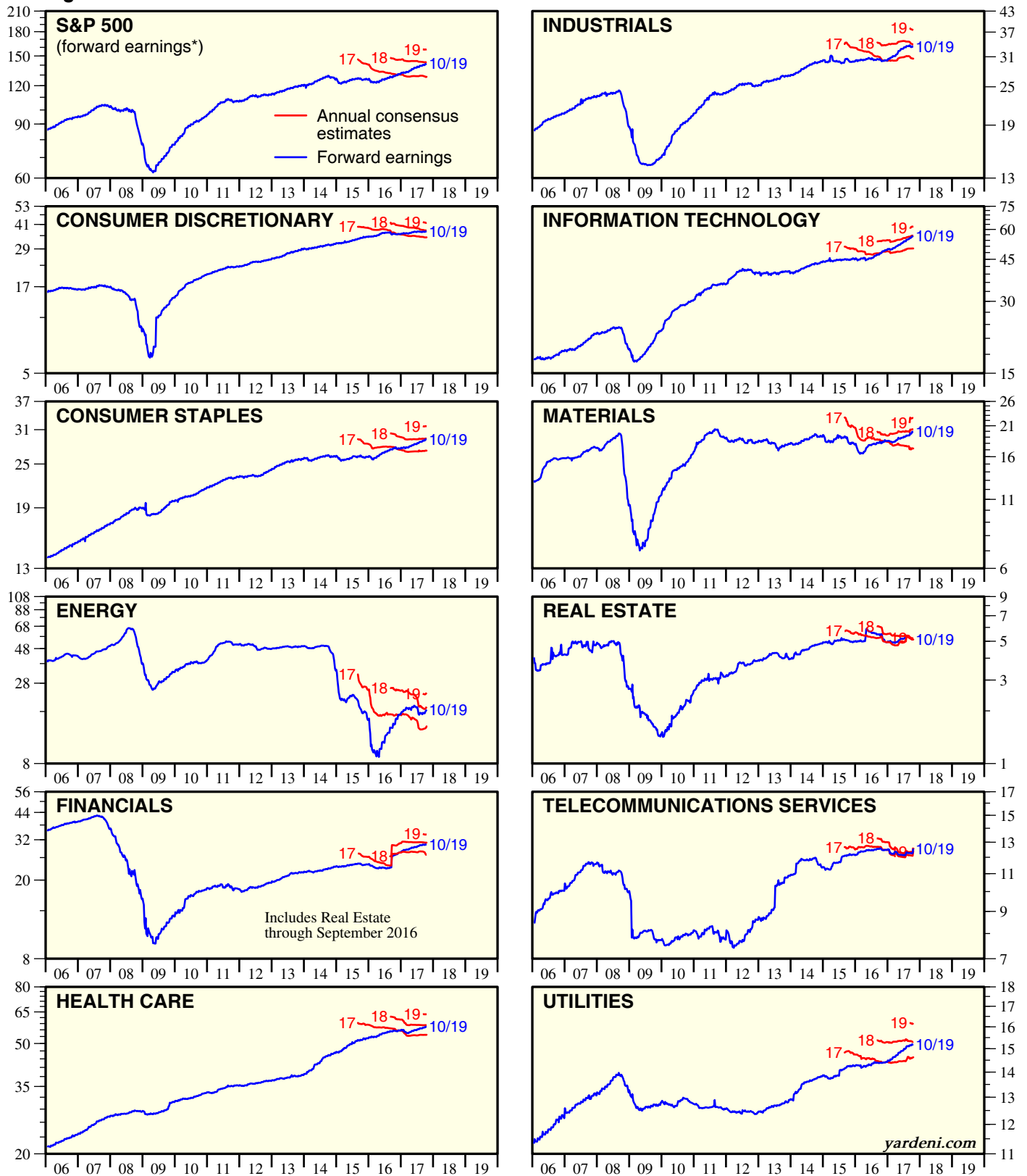
Figure 14.



Source: Standard & Poor's and Haver Analytics.

S&P 500 Sectors Forward Earnings

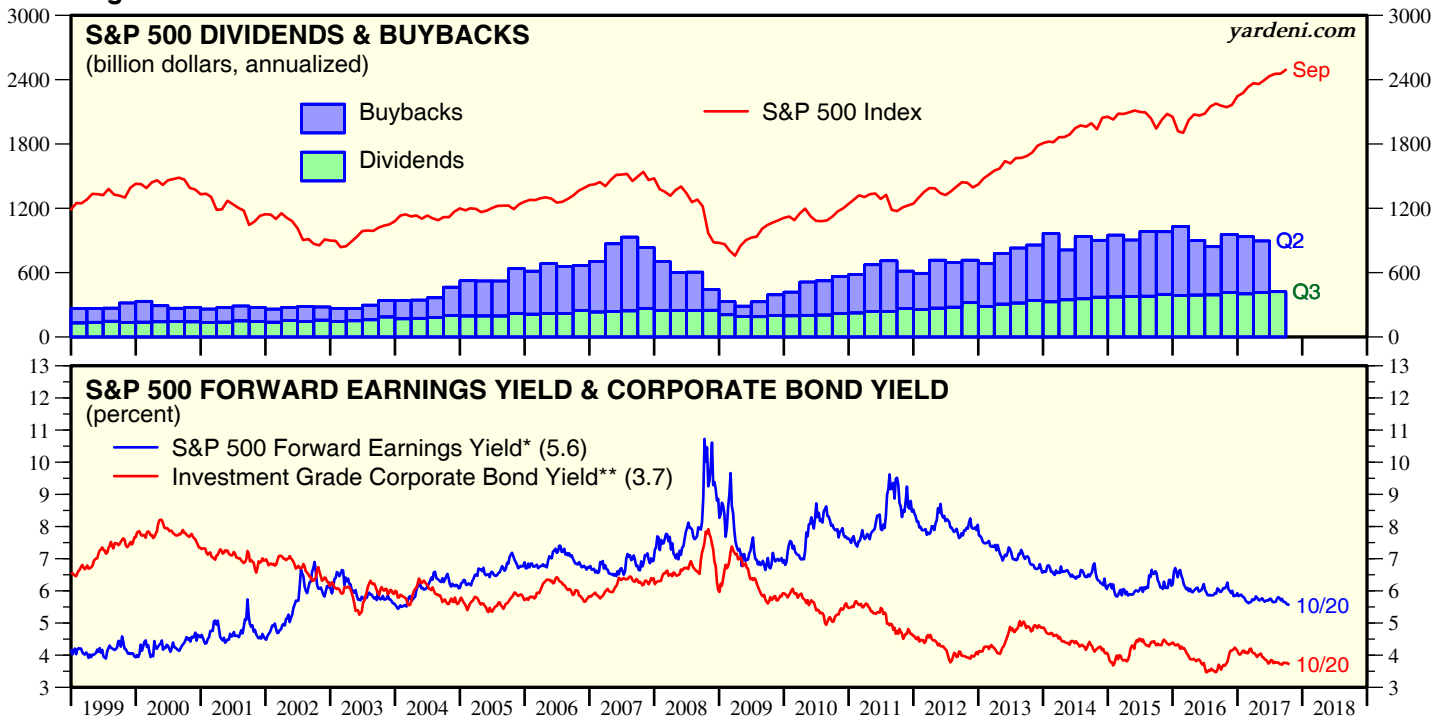
Figure 15.



* Time-weighted average (in blue) of consensus operating earnings estimates for current and next year (in red).
Source: Thomson Reuters I/B/E/S.

Equity Flows

Figure 16.

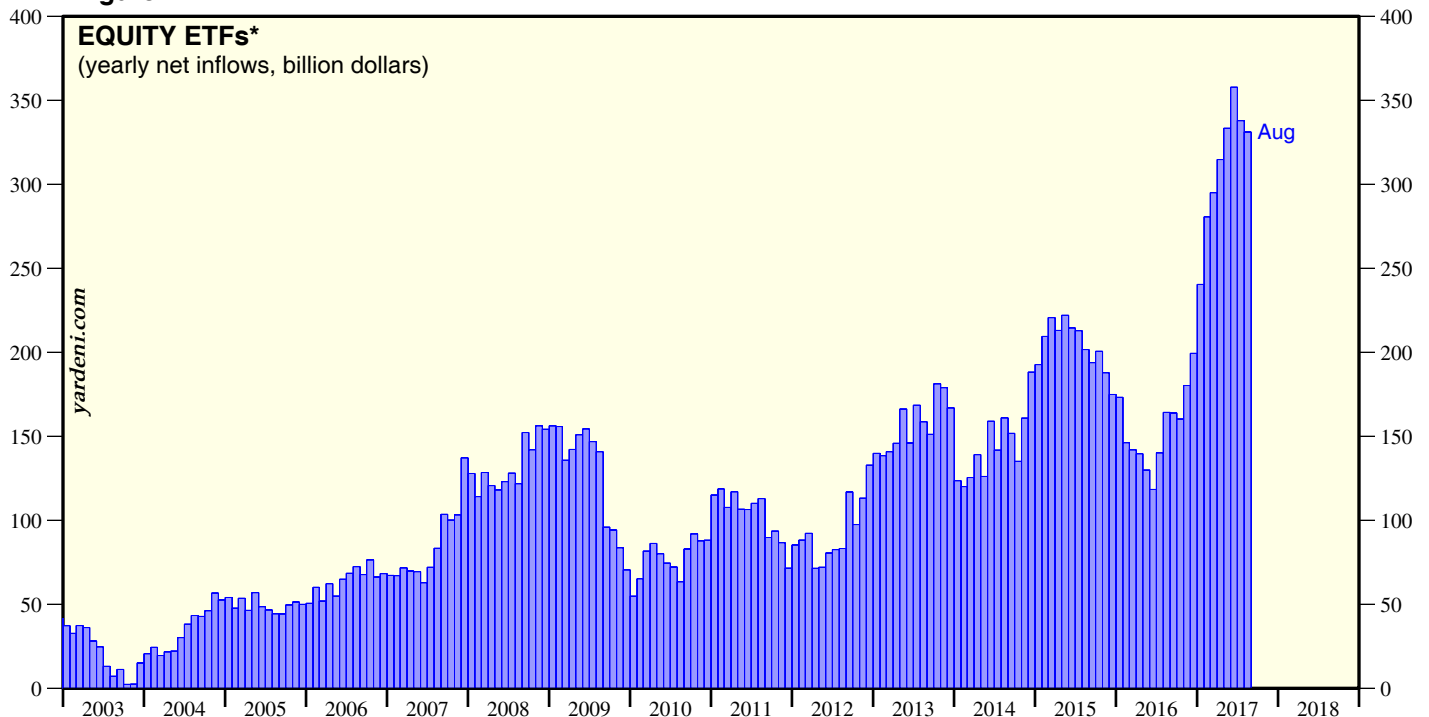


* Forward earnings (time-weighted average of consensus operating earnings estimates for current and next year) divided by S&P 500 index.

** BoA Merrill Lynch data for AA-AAA yields.

Source: Thomson Reuters I/B/E/S, Federal Reserve Board, and Standard & Poor's.

Figure 17.

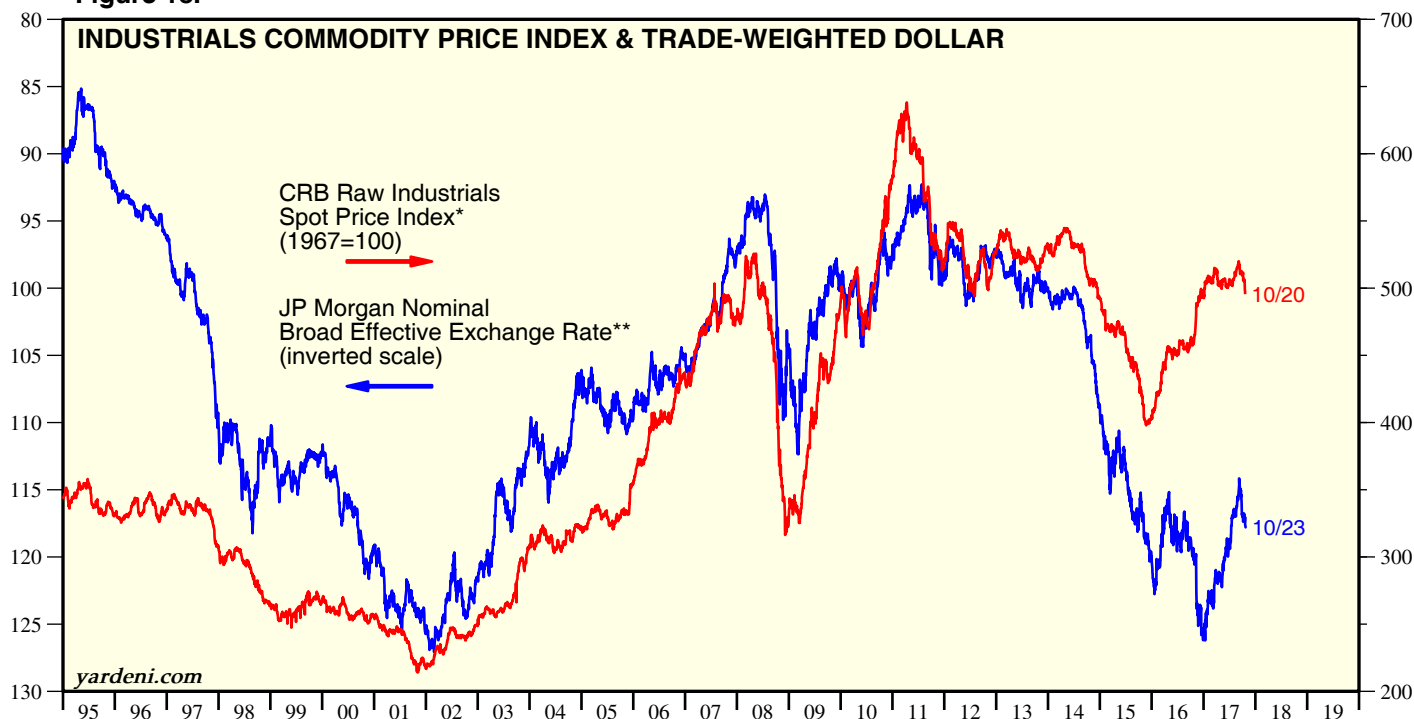


* Net share issuance by equity ETFs.

Source: Investment Company Institute.

Dollar & Commodities

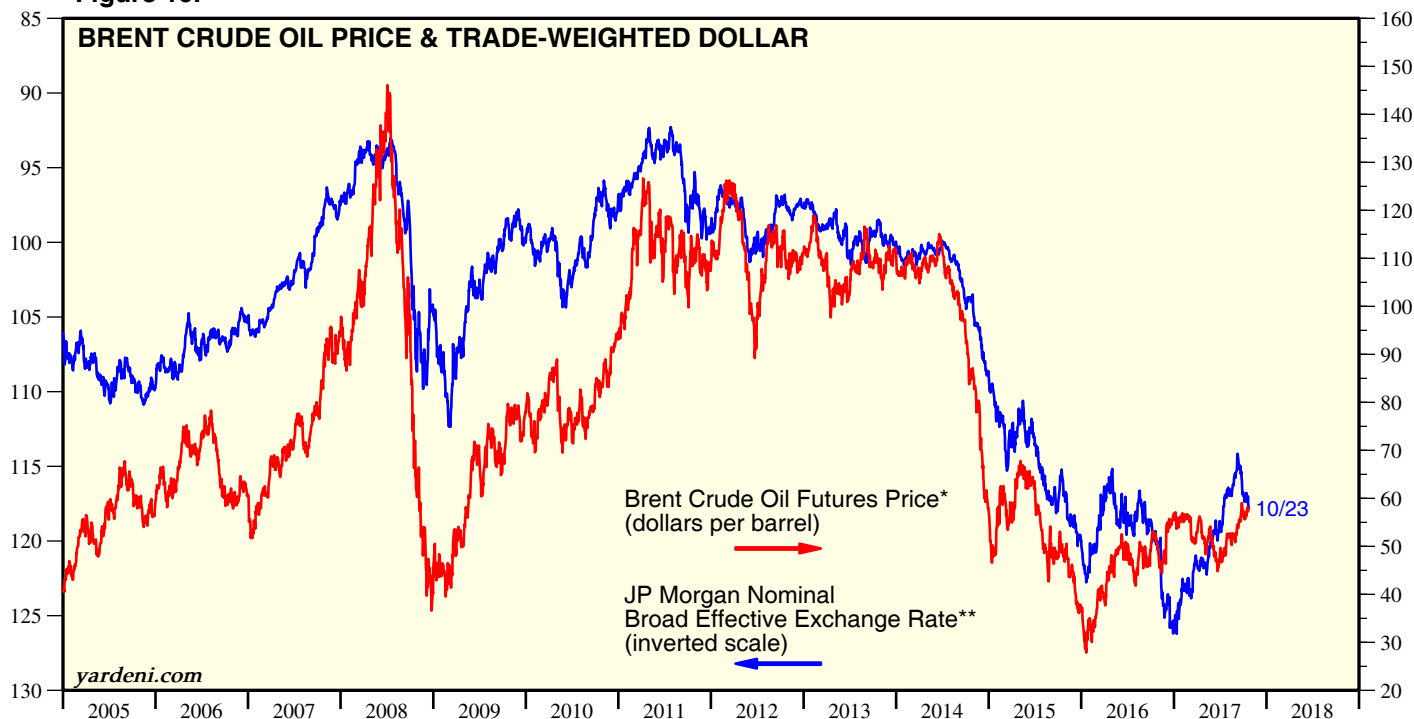
Figure 18.



* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.

** Argentina, Australia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Ecuador, Egypt, France, Germany, Hong Kong, Hungary, Japan, India, Indonesia, Israel, Italy, Korea, Kuwait, Malaysia, Mexico, Morocco, New Zealand, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Romania, Russia Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, Ukraine, Uruguay, Venezuela, Vietnam, and United States. Source: Commodity Research Bureau and JP Morgan.

Figure 19.

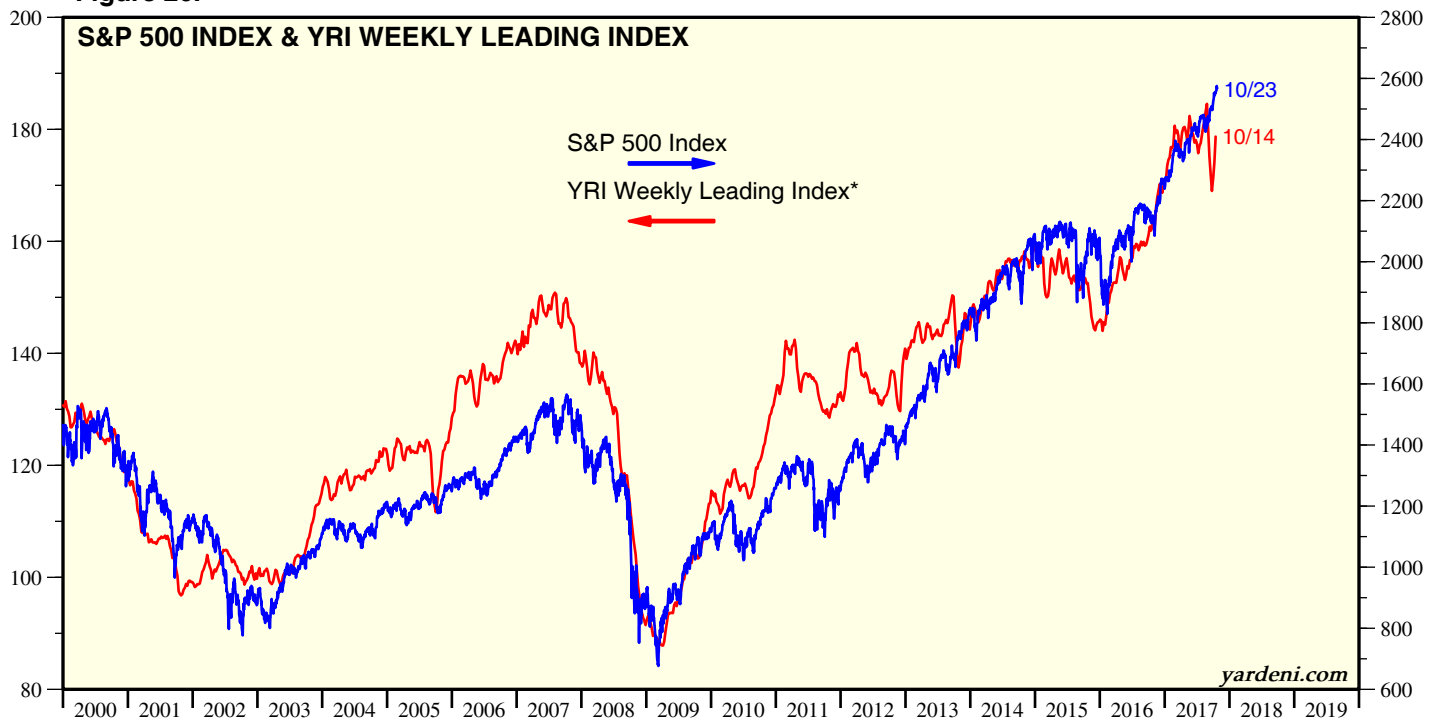


* Nearby futures price.

** Argentina, Australia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Ecuador, Egypt, France, Germany, Hong Kong, Hungary, Japan, India, Indonesia, Israel, Italy, Korea, Kuwait, Malaysia, Mexico, Morocco, New Zealand, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Romania, Russia Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, Ukraine, Uruguay, Venezuela, Vietnam, and United States. Source: JP Morgan and Haver Analytics.

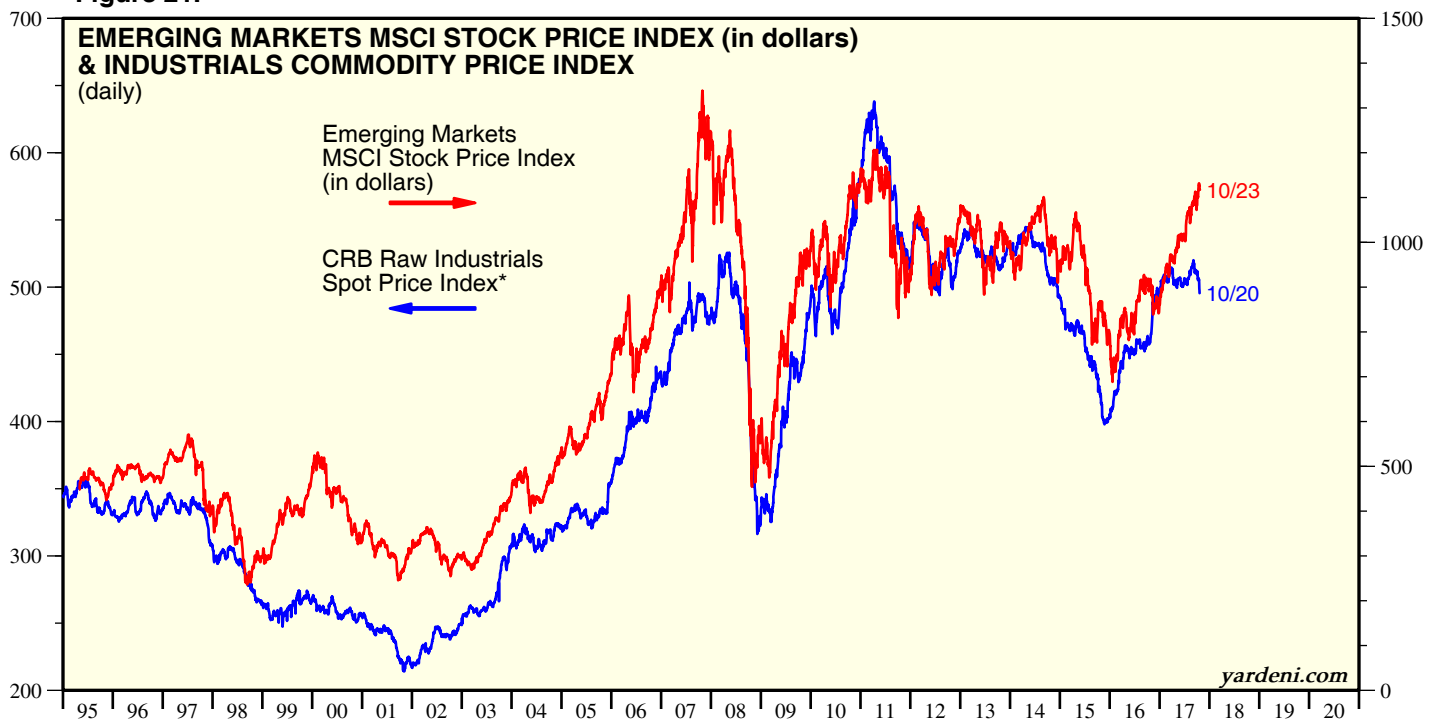
Stocks & Commodities

Figure 20.



* Average of Consumer Comfort Index (which is a four-week average) and the four-week average of Boom-Bust Barometer, which is CRB raw industrials spot price index (weekly average) divided by weekly initial unemployment claims.
Source: Bloomberg, Commodity Research Bureau, Bureau of Labor Statistics, and Standard & Poor's.

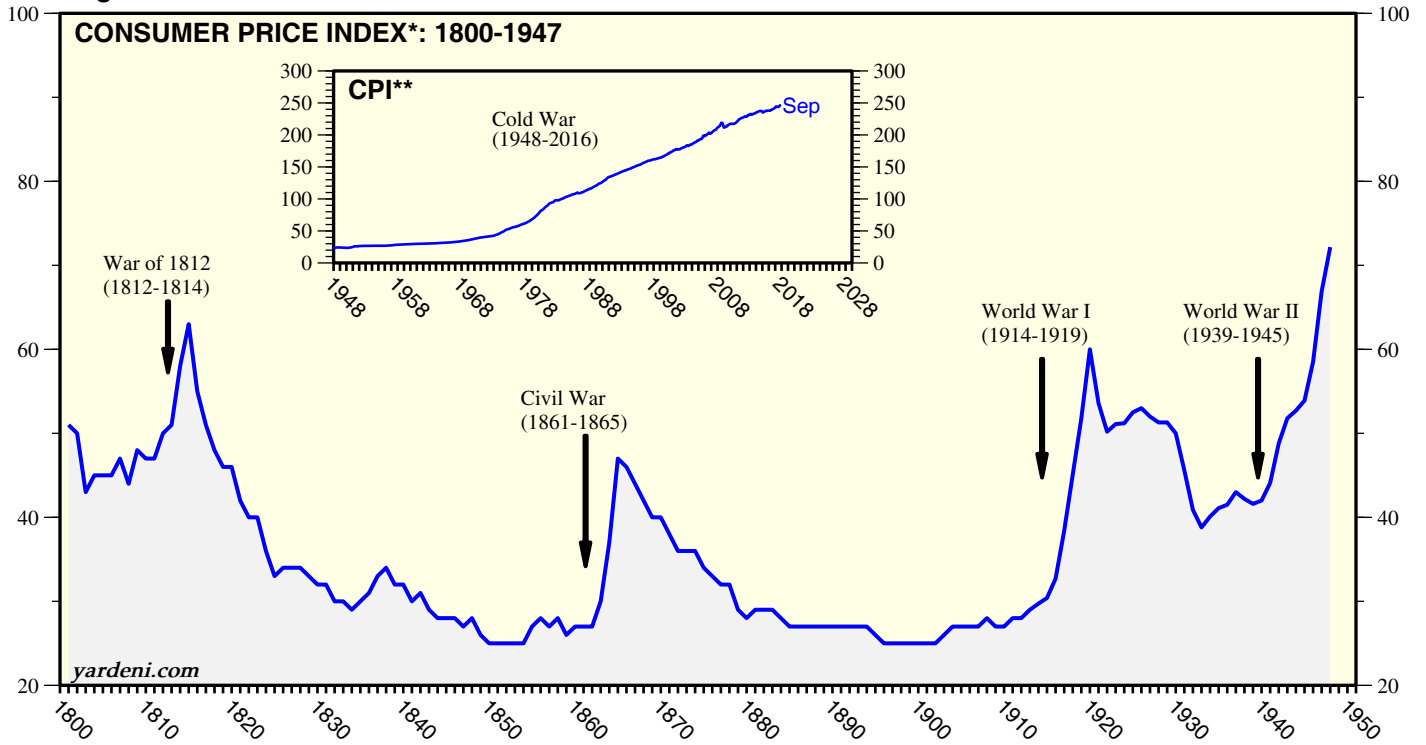
Figure 21.



* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.
Source: MSCI and Commodity Research Bureau.

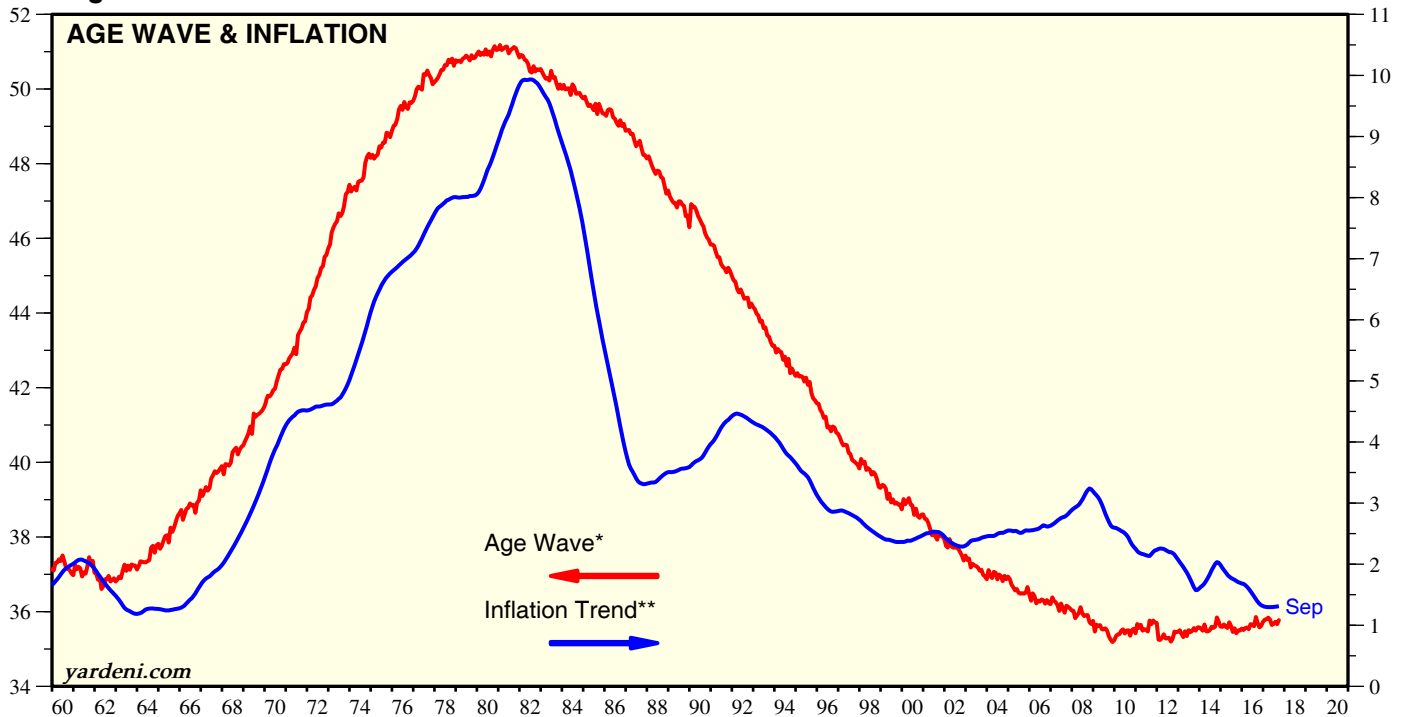
Big Picture

Figure 22.



* Base index from 1800 to 1947 is 1967 = 100.
** 1982-84=100.
Source: Census Bureau, Historical Statistics of the United States

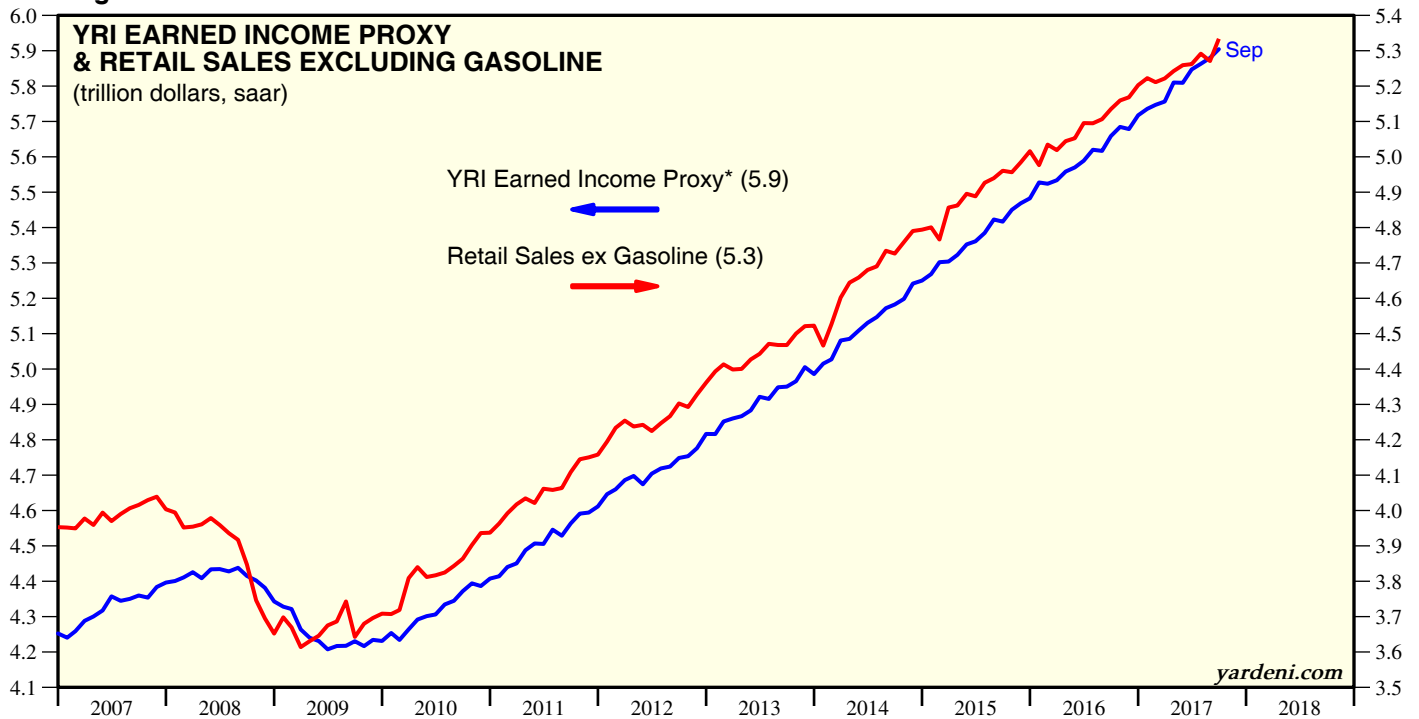
Figure 23.



* Percent of labor force 16-34 years old.
** Five-year moving average of yearly percent change in CPI.
Source: Bureau of Labor Statistics.

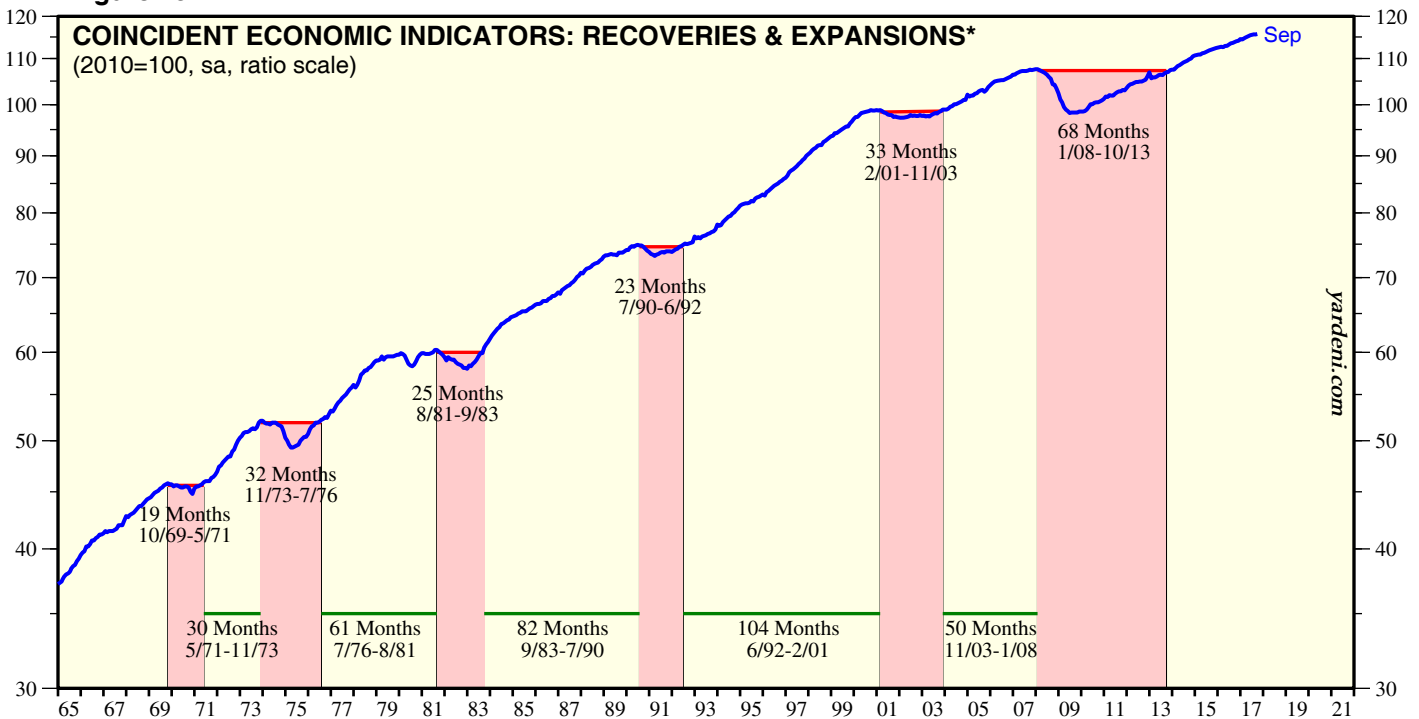
US Economic Indicators

Figure 24.



* Aggregate weekly hours times average hourly earnings of total private industries times 52.
Source: Bureau of Labor Statistics and Bureau of the Census.

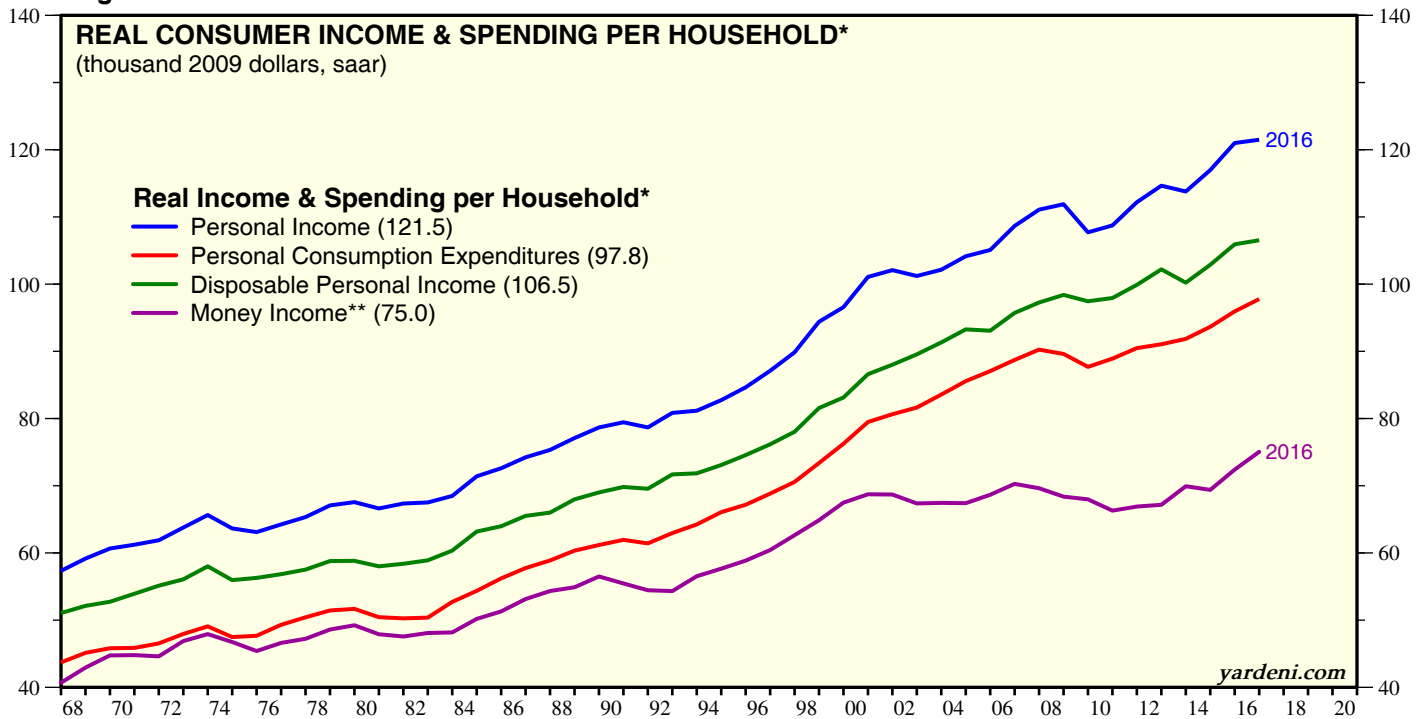
Figure 25.



* Red horizontal lines span cyclical peaks through subsequent cyclical recoveries. Green horizontal lines are expansion periods following recoveries.
Source: Conference Board, Haver Analytics, and YRI calculations.

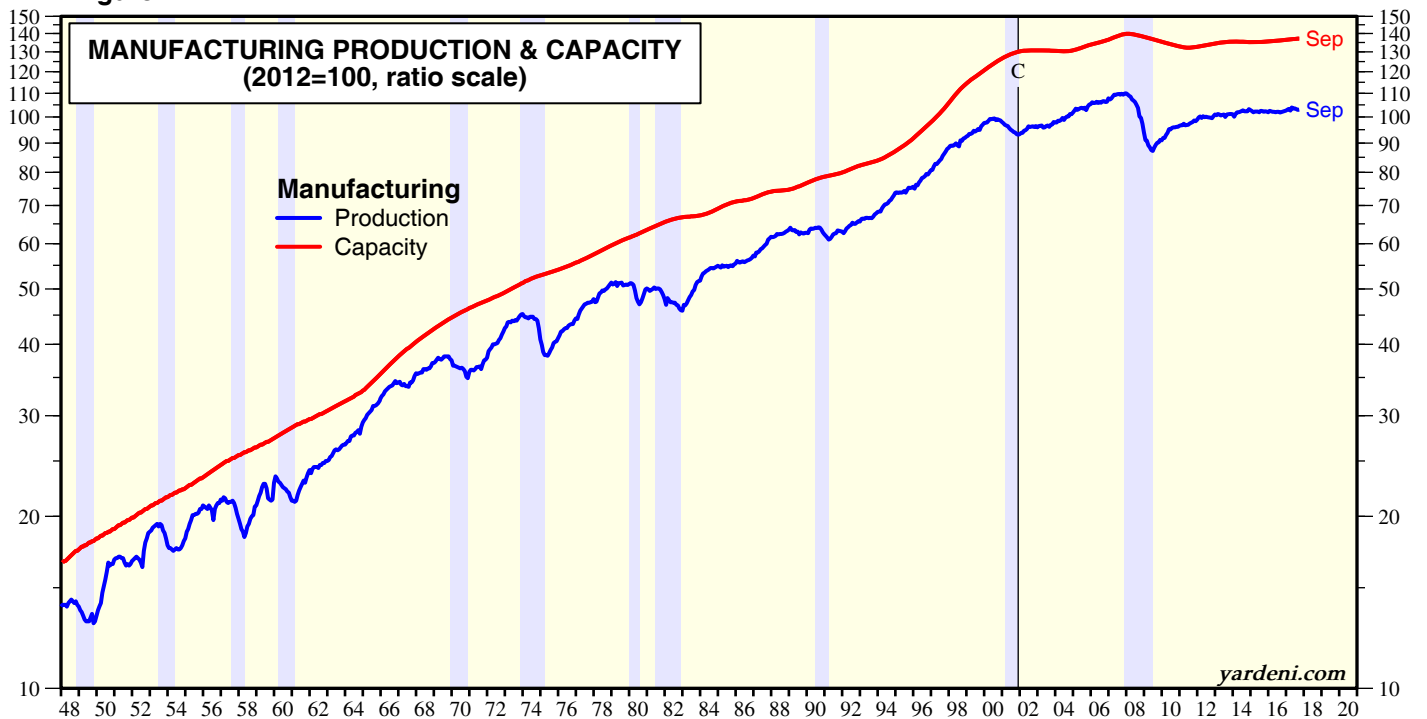
US Economic Indicators

Figure 26.



* All series deflated using Personal Consumption Expenditures Deflator.
 ** Mean household income.
 Source: Bureau of Economic Analysis, Bureau of the Census and Current Population Reports.

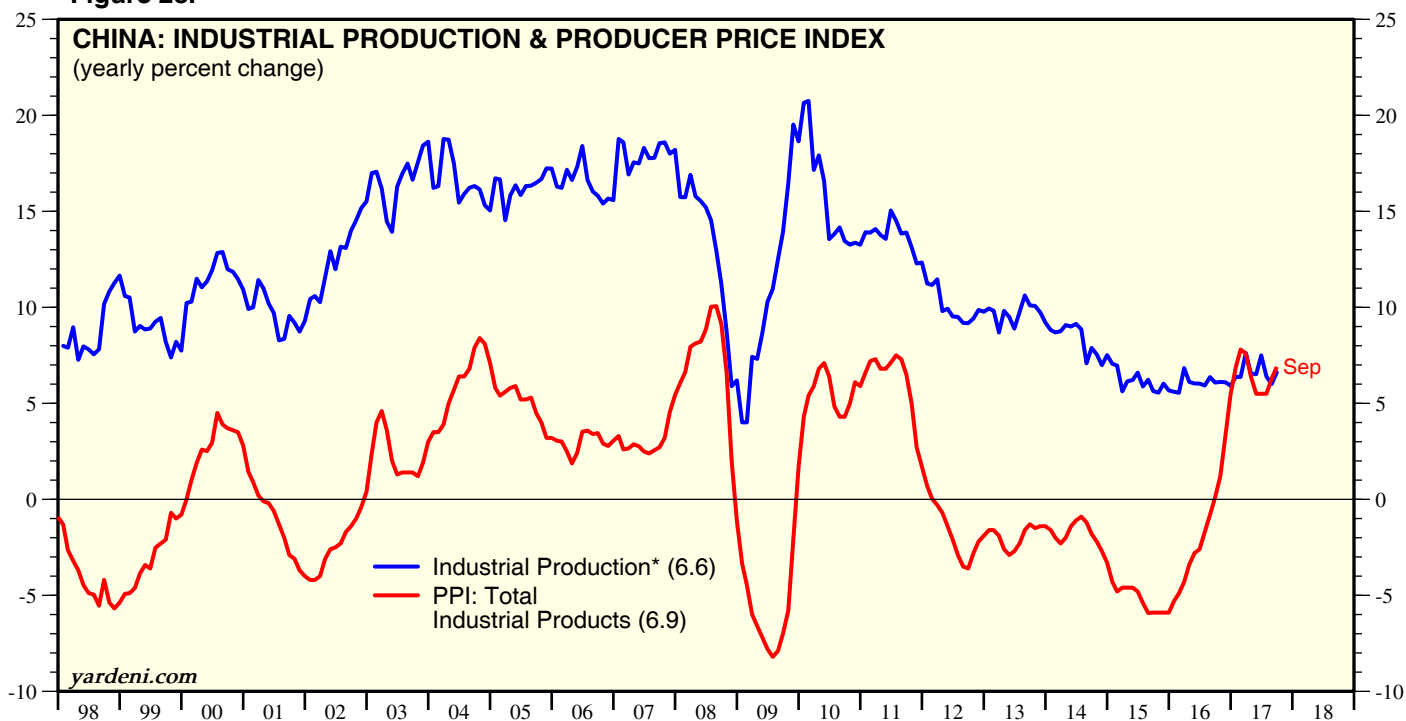
Figure 27.



Note: C = China joined WTO on December 11, 2001. Shaded areas denote recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

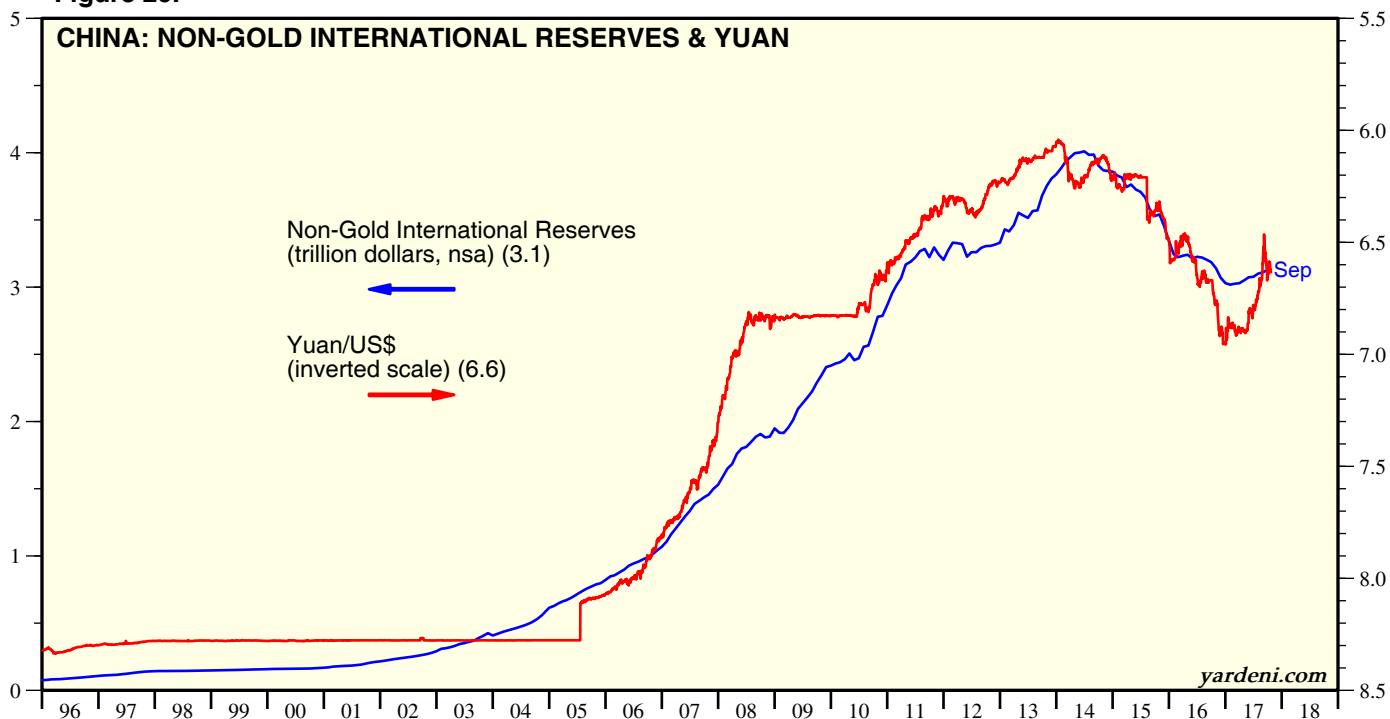
China

Figure 28.



* Value added basis.
 Source: IMF International Financial Statistics and China National Bureau of Statistics.

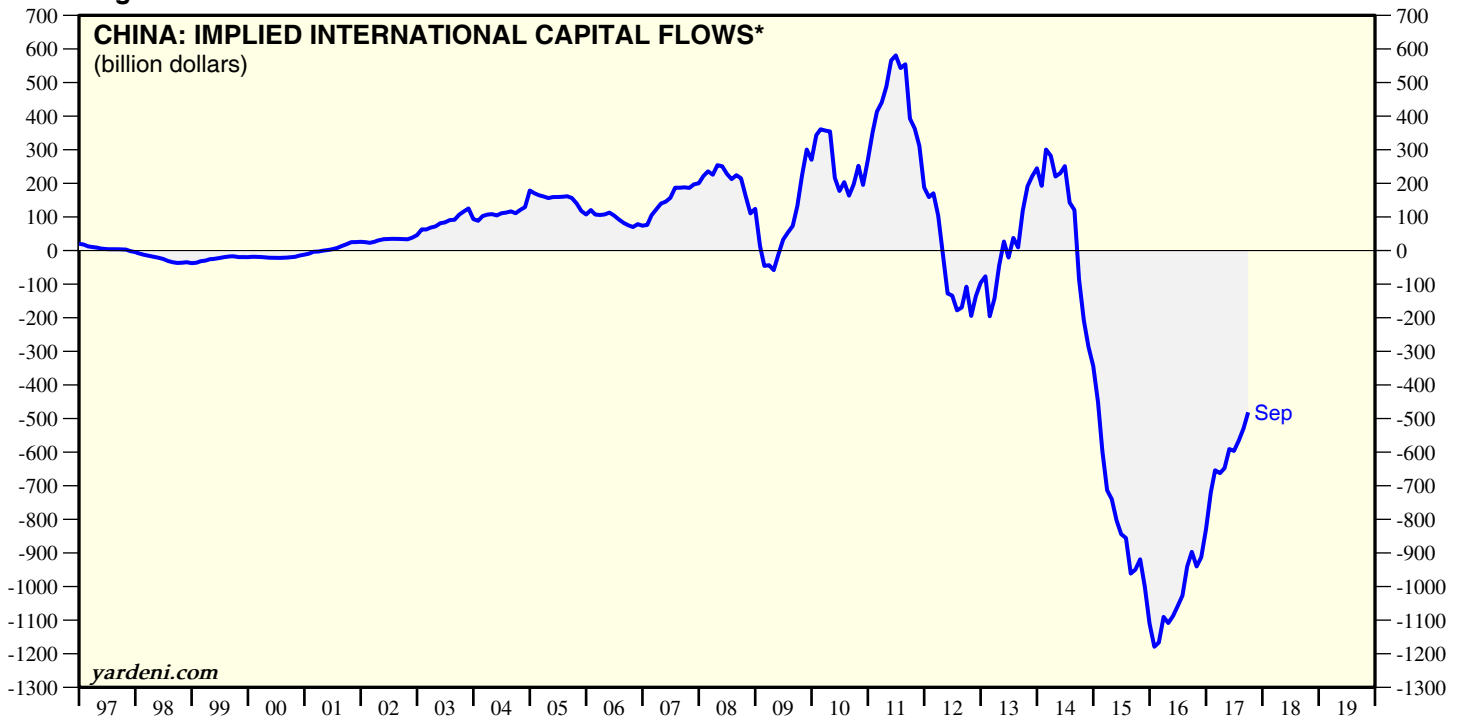
Figure 29.



Source: International Monetary Fund and Haver Analytics.

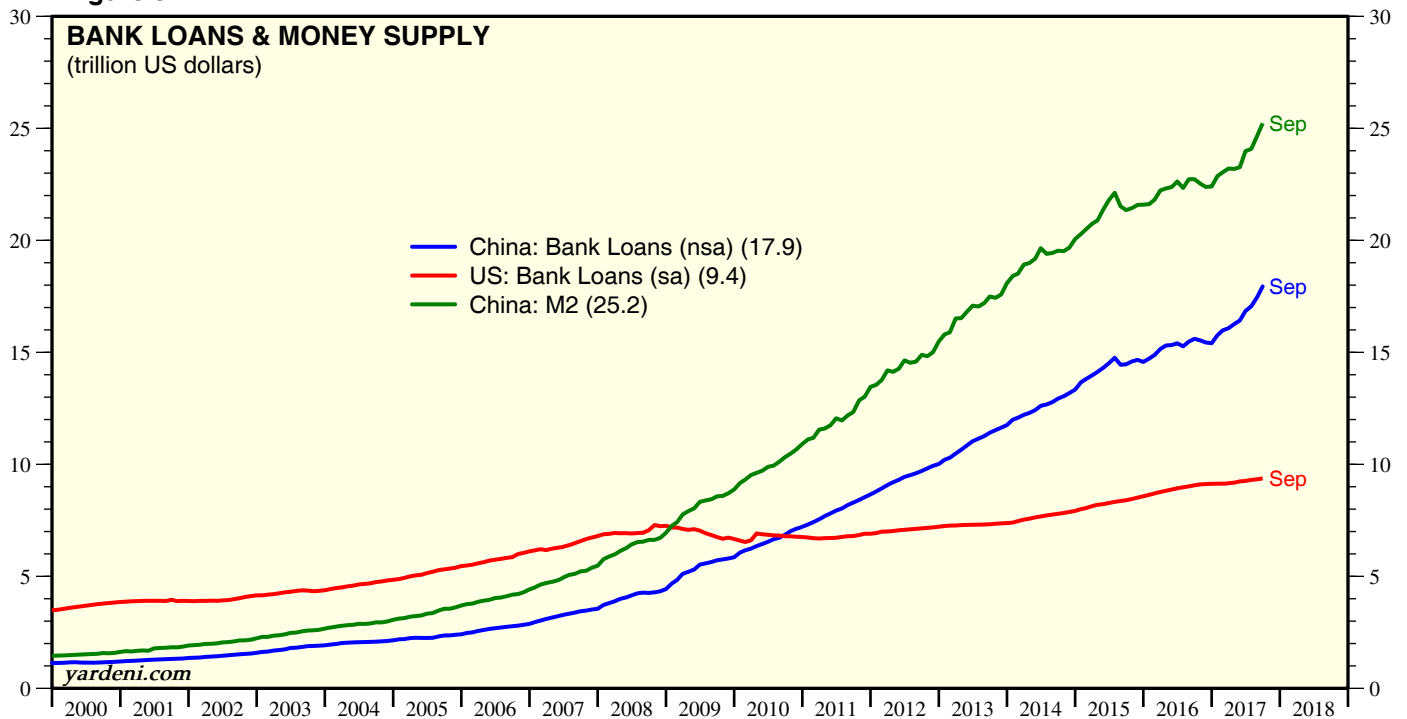
China

Figure 30.



* 12-month change in non-gold international reserves minus 12-month sum of the merchandise trade surplus (deficit).
Source: China Customs and Haver Analytics.

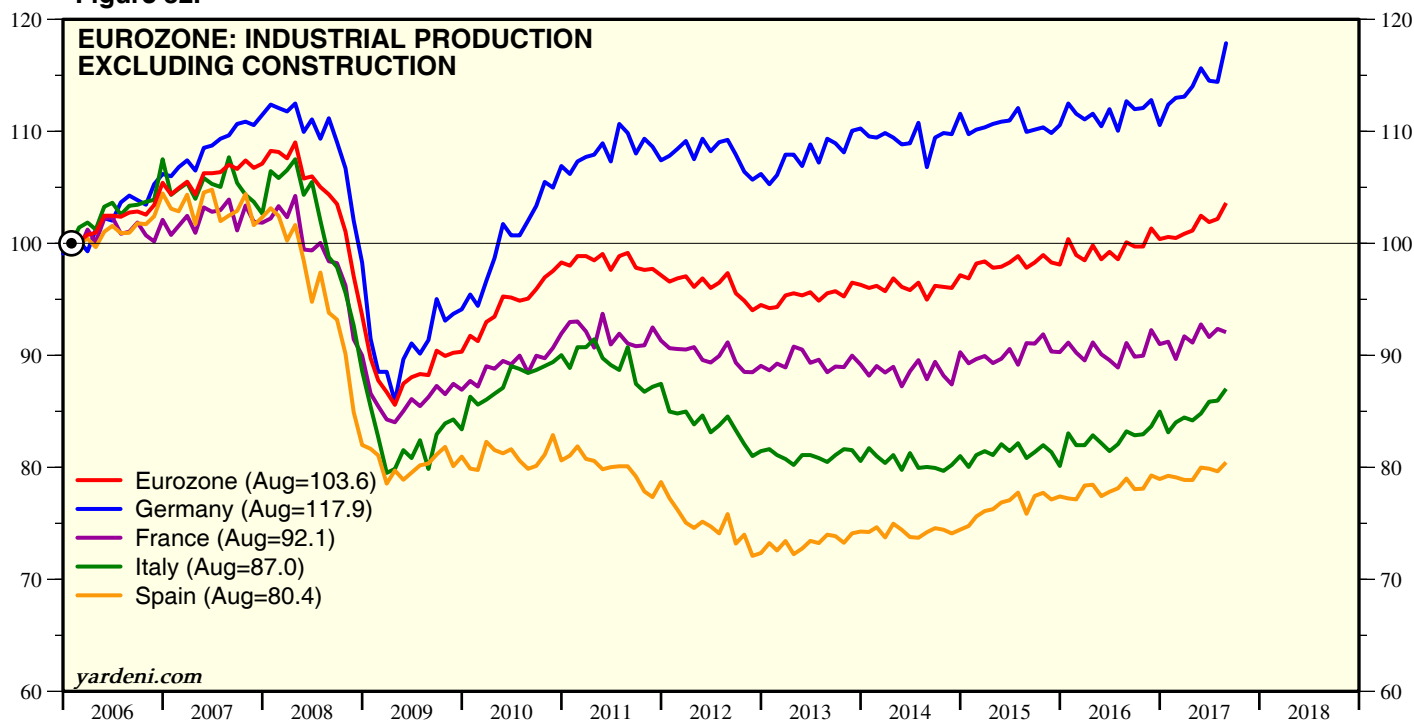
Figure 31.



Source: Federal Reserve Board and People's Bank of China.

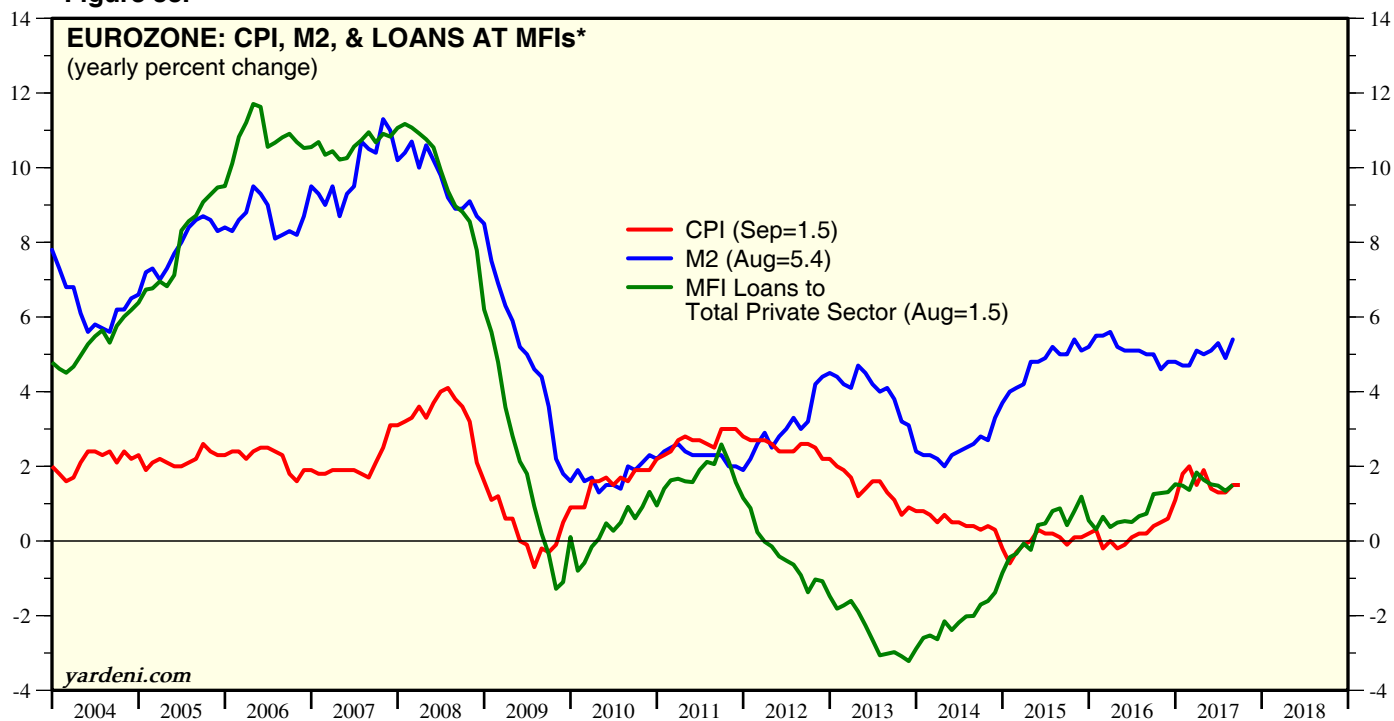
Eurozone

Figure 32.



Source: Haver Analytics.

Figure 33.



* Monetary Financial Institutions (MFIs) exclude Euro System of Central Banks (ESCB) and Money Market Funds (MMFs).
Source: Statistical Office of the European Communities.

Copyright (c) Yardeni Research, Inc. 2017. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports posted on www.yardeni.com, blog.yardeni.com, and YRI's Apps for iPads and iPhones are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company's stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security--including mutual funds, futures contracts, and exchange traded funds, or any similar instruments.

The text, images, and other materials contained or displayed on any Yardeni Research, Inc. product, service, report, email or website are proprietary to Yardeni Research, Inc. and constitute valuable intellectual property. No material from any part of www.yardeni.com, blog.yardeni.com, and YRI's Apps for iPads and iPhones may be downloaded, transmitted, broadcast, transferred, assigned, reproduced or in any other way used or otherwise disseminated in any form to any person or entity, without the explicit written consent of Yardeni Research, Inc. All unauthorized reproduction or other use of material from Yardeni Research, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Yardeni Research, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Yardeni Research, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.

The recipient should check any email and any attachments for the presence of viruses. Yardeni Research, Inc. accepts no liability for any damage caused by any virus transmitted by this company's emails, website, blog and Apps. Additional information available on [request](#).