200-day moving average (adjusted using monthly price data through 2005 and weekly thereafter).
Source: Morgan Stanley Capital International & I/B/E/S data by Refinitiv.

Implied price capped at $40 because forward earnings was near zero in 2009.
* Implied price index calculated using forward earnings times forward P/Es. Monthly through December 2005, weekly thereafter.
Source: Standard & Poor's and I/B/E/S data by Refinitiv.
Figure 3.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI EARNINGS PER SHARE
(Analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward earnings*

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

Figure 4.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI INDEX NET EARNINGS REVISIONS*

* Three-month moving average of the number of forward earnings estimates up less number of estimates down, expressed as a percentage of the total number of forward earnings estimates.
Source: I/B/E/S data by Refinitiv.
Figure 5.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI REVENUES PER SHARE
(Analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward revenues*

Figure 6.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI PROFIT MARGIN
(Using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (7.3)

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

Figure 7.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI VALUATION MULTIPLE*

- Forward P/E (15.5)

* Price divided by forward consensus expected earnings per share. Monthly data through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.

Figure 8.

JAPAN INFORMATION TECHNOLOGY SECTOR MSCI RELATIVE VALUATION*

- Relative P/E (1.00)

* Forward P/E of index relative to All Country World MSCI forward P/E. Monthly data through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.
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