Figure 1.

CANADA INFORMATION TECHNOLOGY SECTOR MSCI STOCK PRICE INDEX
(ratio scale)

Source: Morgan Stanley Capital International & I/B/E/S data by Refinitiv.

Figure 2.

CANADA INFORMATION TECHNOLOGY SECTOR MSCI, FORWARD EARNINGS, & VALUATION

Source: Standard & Poor’s and I/B/E/S data by Refinitiv.
Figure 3.

CANADA INFORMATION TECHNOLOGY SECTOR MSCI EARNINGS PER SHARE
(analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward earnings*

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

Figure 4.

CANADA 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.

CANADA INFORMATION TECHNOLOGY SECTOR MSCI REVENUES PER SHARE
(analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward revenues*

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

Figure 6.

CANADA INFORMATION TECHNOLOGY SECTOR MSCI PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (13.2)

* 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**

*CANADA INFORMATION TECHNOLOGY SECTOR MSCI VALUATION MULTIPLE*

- **Forward P/E (39.1)**

  P/E capped at 45 due to extreme values.

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

**Figure 7.**

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*CANADA INFORMATION TECHNOLOGY SECTOR MSCI RELATIVE VALUATION*

- **Relative P/E (2.52)**

  Relative valuation capped at 3.0 due to extreme values.

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

**Figure 8.**