Global Index Briefing: World Pharmaceuticals Industry MSCI

Yardeni Research, Inc.

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

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

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

thinking outside the box
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Figure 1.

WORLD PHARMACEUTICALS INDUSTRY MSCI INDEX
(ratio scale)

Source: MSCI.

Figure 2.

WORLD PHARMACEUTICALS INDUSTRY MSCI FORWARD EARNINGS, & VALUATION

* 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.**

**WORLD PHARMACEUTICALS INDUSTRY MSCI EARNINGS PER SHARE**
(Analysts’ average forecasts, ratio scale)

*Consensus Forecasts*
- Red: Annual estimates
- Blue: 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.**

**WORLD PHARMACEUTICALS INDUSTRY 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.
**Revenues & Margins**

* Figure 5.

**WORLD PHARMACEUTICALS INDUSTRY 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.

**WORLD PHARMACEUTICALS INDUSTRY MSCI PROFIT MARGIN**

(Using analysts' average earnings and revenues forecasts)

**Consensus Forecasts**
- Annual estimates
- Forward profit margin* (22.5)

* Time-weighted average of the consensus estimates for current year and next year. Monthly through December 2005, then weekly thereafter.
Source: I/B/E/S data by Refinitiv.
Figure 7.

WORLD PHARMACEUTICALS INDUSTRY MSCI VALUATION MULTIPLE*

Forward P/E (15.0)

* 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.

WORLD PHARMACEUTICALS INDUSTRY MSCI RELATIVE VALUATION*

Relative P/E (0.96)

* 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.
Figure 9.

**MSCI INDUSTRIES PRICE INDEX* SELECTED COUNTRIES & REGIONS**
(weekly, indexed to 0 at 12-31-2008)

**Pharmaceuticals**
- Emerging Markets (112.7)
- EMU (87.3)
- Japan (90.1)
- Switzerland (86.7)
- United Kingdom (96.7)
- United States (158.3)

* All MSCI regions in US$ except EMU in euros. All MSCI countries in local currency except Peru and Russia in US$.
Source: Thomson Reuters I/B/E/S.

Figure 10.

**MSCI INDUSTRIES FORWARD EARNINGS* SELECTED COUNTRIES & REGIONS**
(weekly, indexed to 0 at 1-16-2006)

**Pharmaceuticals**
- Emerging Markets (123.5)
- EMU (54.5)
- Japan (36.8)
- Switzerland (97.3)
- United Kingdom (67.6)
- United States (139.7)

* Price divided by 12-month forward consensus expected operating earnings per share. Monthly through December 2005, weekly thereafter.
Source: Thomson Reuters I/B/E/S.
**Figure 11.**

**MSCI INDUSTRIES FORWARD REVENUES**

*SELECTED COUNTRIES & REGIONS*

(weekly, indexed to 0 at 1-16-2006)

**Pharmaceuticals**
- Emerging Markets (220.8)
- EMU (61.8)
- Japan (69.1)
- Switzerland (47.3)
- United Kingdom (100.2)
- United States (80.1)

* Price divided by 12-month forward consensus expected operating earnings per share. Monthly through December 2005, weekly thereafter.
* Source: Thomson Reuters I/B/E/S.

**Figure 12.**

**MSCI INDUSTRIES FORWARD PROFIT MARGIN**

*SELECTED COUNTRIES & REGIONS*

(percent)

**Pharmaceuticals**
- Emerging Markets (10.4)
- EMU (16.0)
- Japan (11.5)
- Switzerland (25.2)
- United Kingdom (18.3)
- United States (29.7)

* Price divided by 12-month forward consensus expected operating earnings per share. Monthly through December 2005, weekly thereafter.
* Source: Thomson Reuters I/B/E/S.
Metrics By Selected Countries & Regions

Figure 13.

MSCI INDUSTRIES FORWARD P/E* SELECTED COUNTRIES & REGIONS

Pharmaceuticals
- Emerging Markets (18.9)
- EMU (11.8)
- Japan (23.9)
- Switzerland (15.1)
- United Kingdom (16.8)
- United States (13.8)

* Price divided by 12-month forward consensus expected operating earnings per share. Monthly through December 2005, weekly thereafter.
Source: Thomson Reuters I/B/E/S.
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