

Market Briefing: S&P 500 Forward Earnings & the Economy

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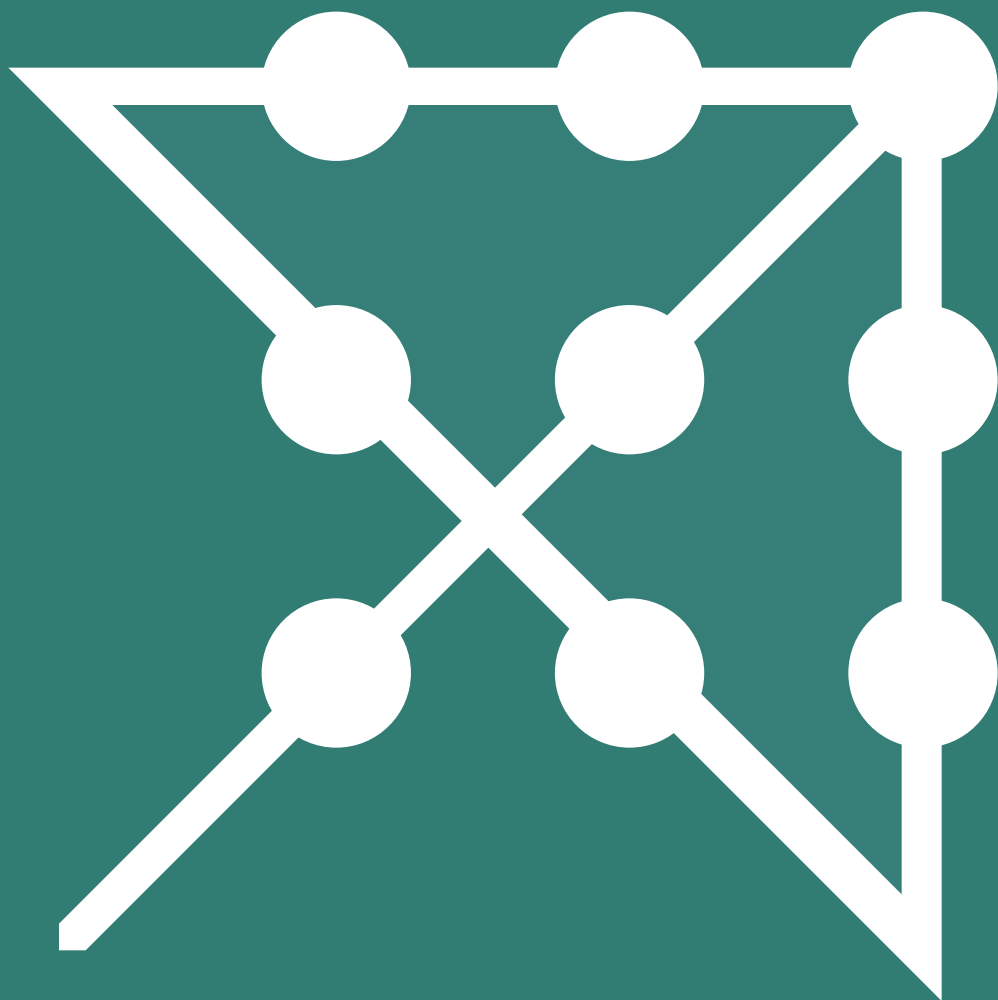
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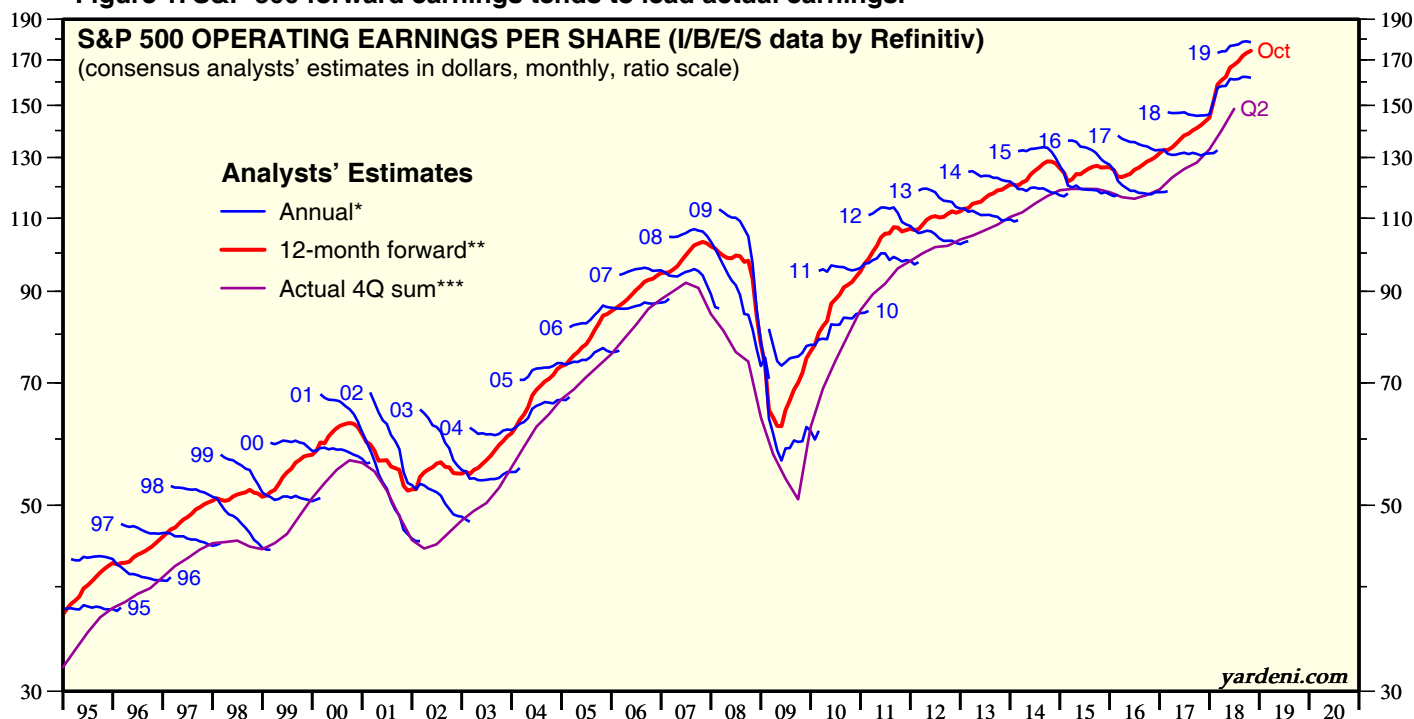
thinking outside the box

Table Of Contents

S&P 500 Earnings Squiggles	3
S&P 500 Forward & Operating Earnings	4
Forward Earnings & World Exports	5
Forward Earnings & OECD Production	6
Forward Earnings & US Leading Indicators	7
Forward Earnings & US Coincident Indicators	8
Forward Earnings & US Business Sales	9
Forward Earnings & Production	10
Forward Earnings & Employment	11
Forward Earnings, Orders & Shipments	12
Forward Earnings & Capital Spending	13-14
Forward Earnings & US Exports	15
Forward Earnings & ISM	16
Forward Earnings, Jobless Claims, & Spot Prices	17
Forward Earnings & Trade Weighted Dollar	18

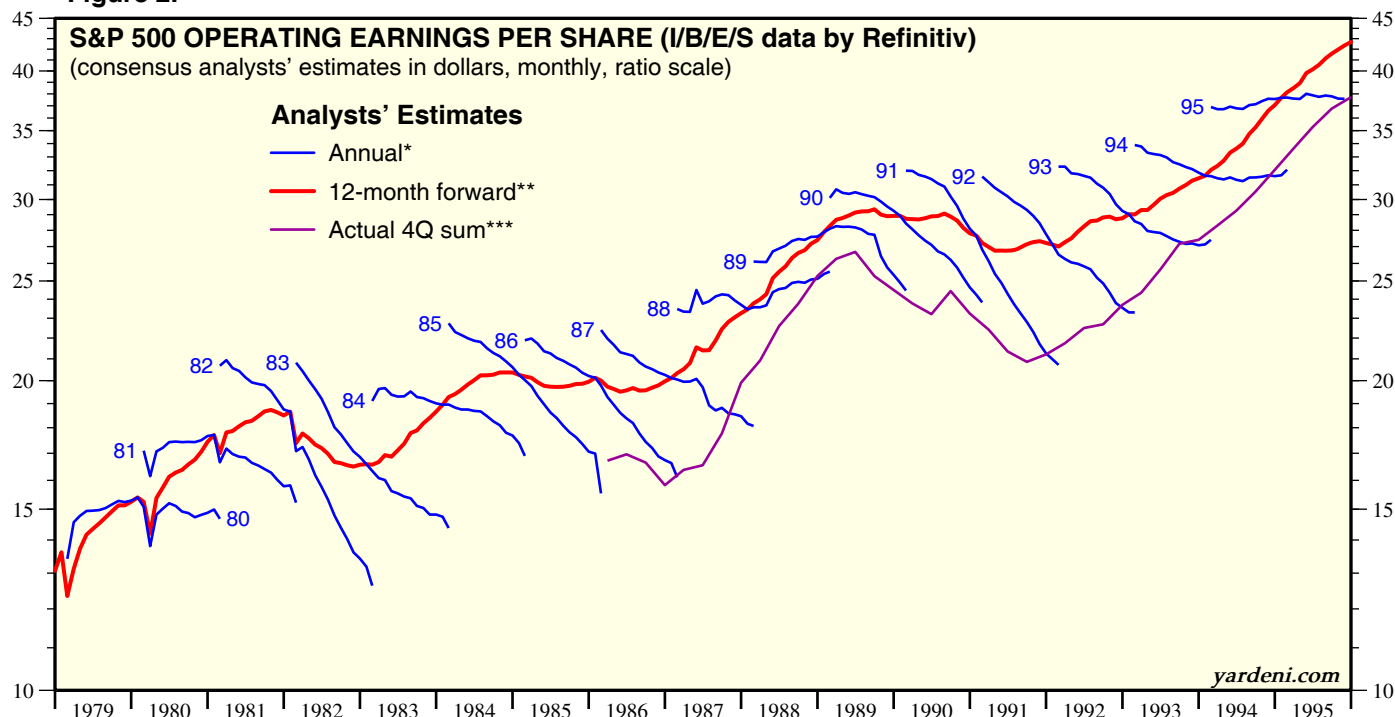
S&P 500 Earnings Squiggles

Figure 1. S&P 500 forward earnings tends to lead actual earnings.



* "Squiggles" span 25 months from February to February.
 ** Time-weighted average of consensus operating earnings estimates for current and next years.
 *** Actual 4Q sum from I/B/E/S data by Refinitiv.
 Source: I/B/E/S data by Refinitiv.

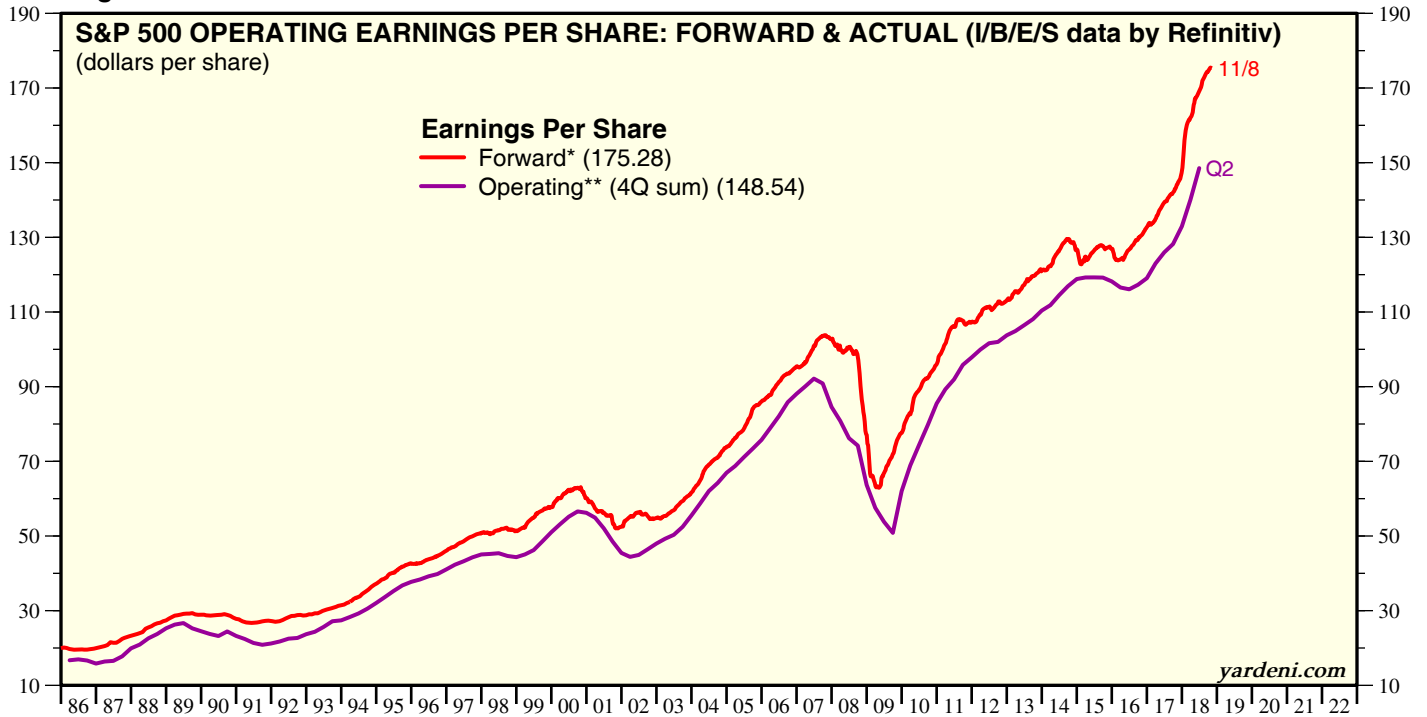
Figure 2.



* "Squiggles" span 25 months from February to February.
 ** Time-weighted average of consensus operating earnings estimates for current and next years.
 *** Actual 4Q sum from S&P until Q4-1993 then I/B/E/S data by Refinitiv thereafter.
 Source: I/B/E/S data by Refinitiv.

S&P 500 Forward & Operating Earnings

Figure 3.

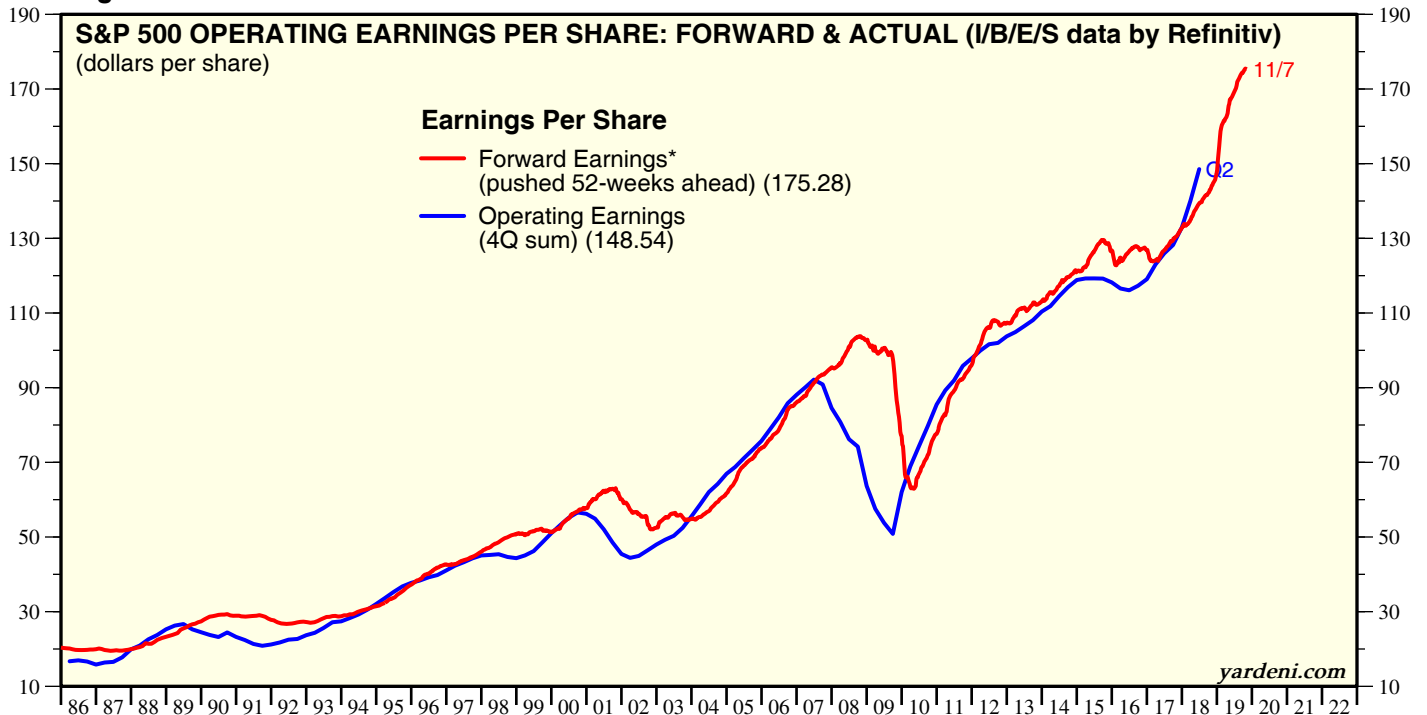


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, then weekly.

** From S&P until Q4-1993, then from I/B/E/S data by Refinitiv.

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

Figure 4.

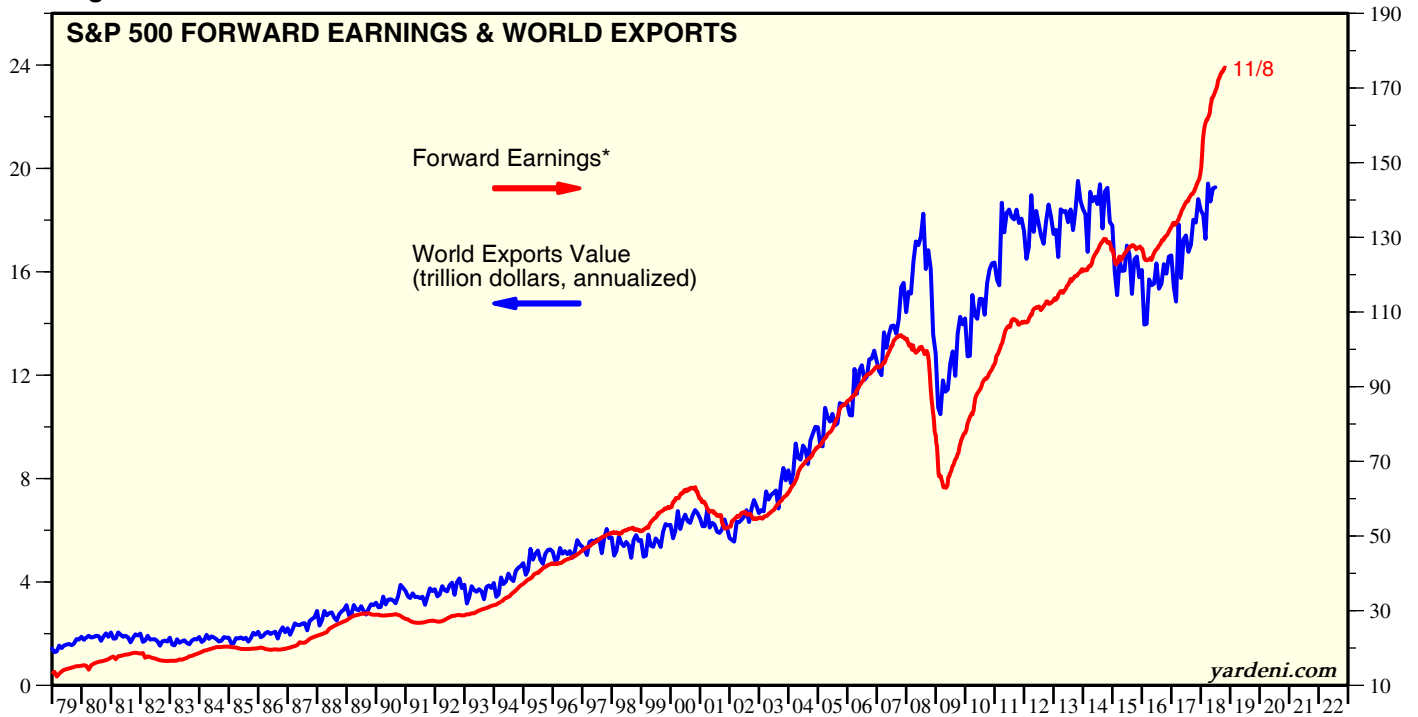


* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.

Source: Standard & Poor's until Q4-1993, then I/B/E/S data by Refinitiv.

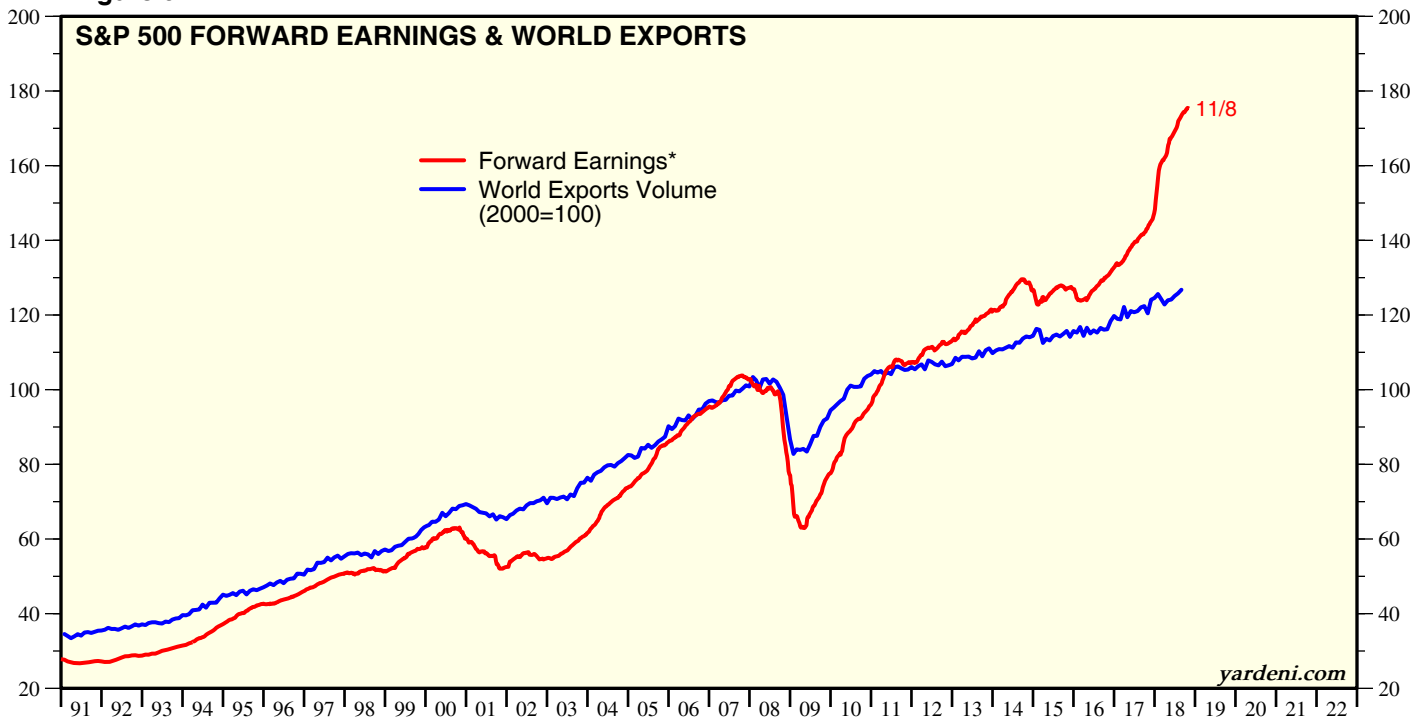
Forward Earnings & World Exports

Figure 5.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
 Source: Haver Analytics, International Monetary Fund (IMF), and I/B/E/S data by Refinitiv.

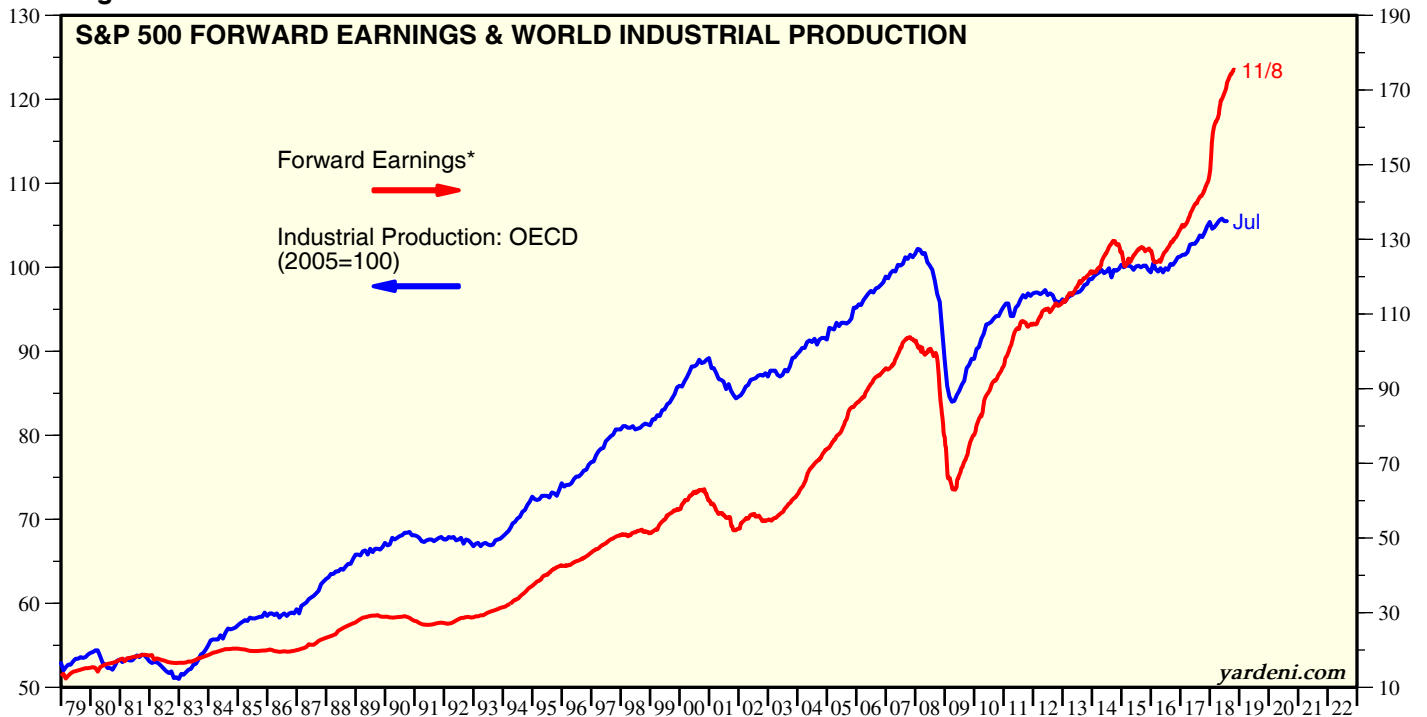
Figure 6.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
 Source: Haver Analytics, Netherlands Bureau for Economic Policy (CPB), and I/B/E/S data by Refinitiv.

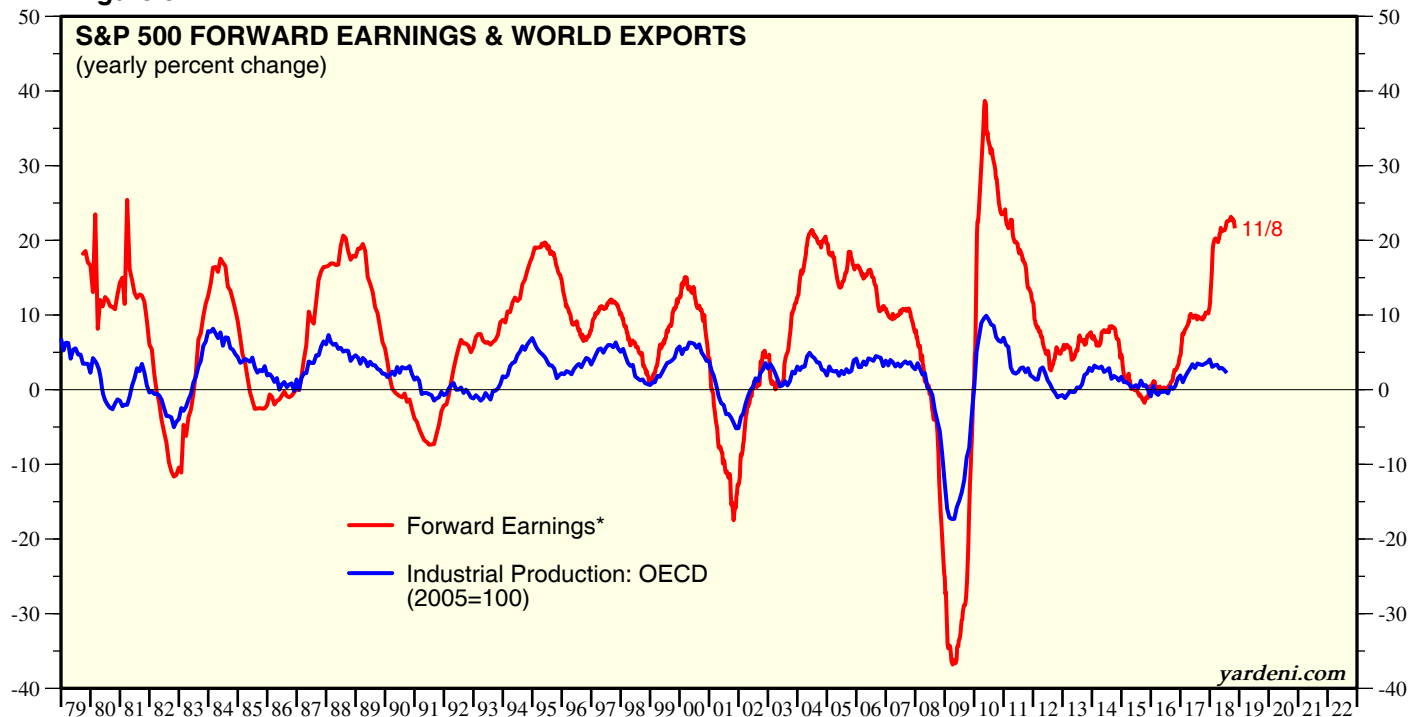
Forward Earnings & OECD Production

Figure 7.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: Haver Analytics, International Monetary Fund (IMF), and I/B/E/S data by Refinitiv.

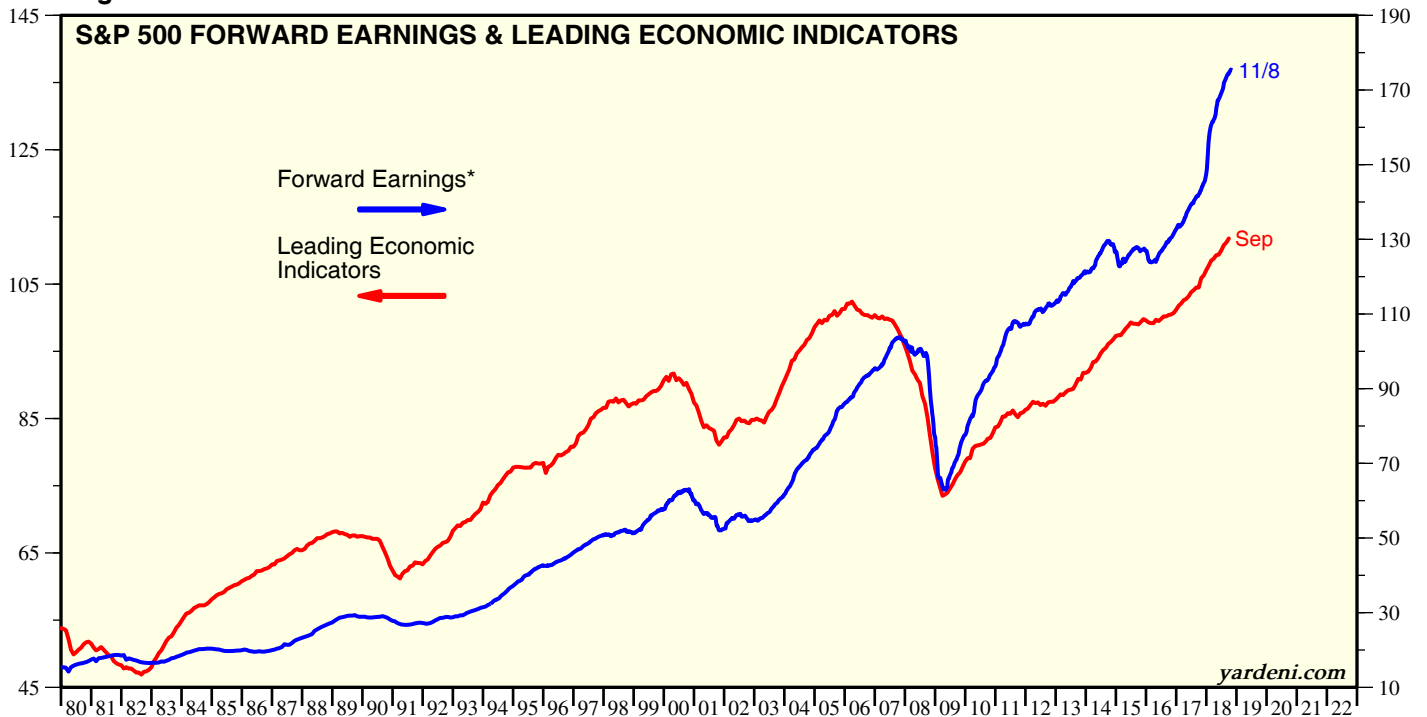
Figure 8.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: Haver Analytics, International Monetary Fund (IMF), and I/B/E/S data by Refinitiv.

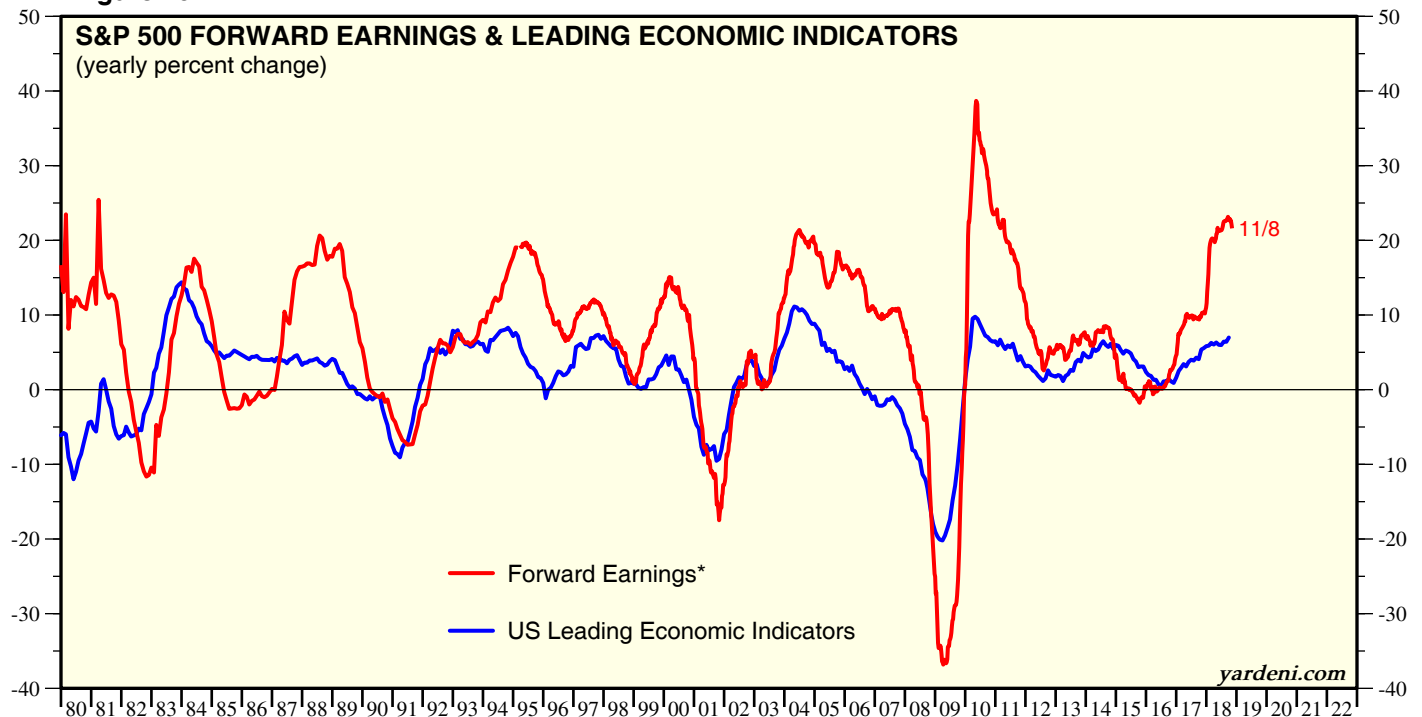
Forward Earnings & US Leading Indicators

Figure 9.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, then weekly.
Source: I/B/E/S data by Refinitiv and Conference Board.

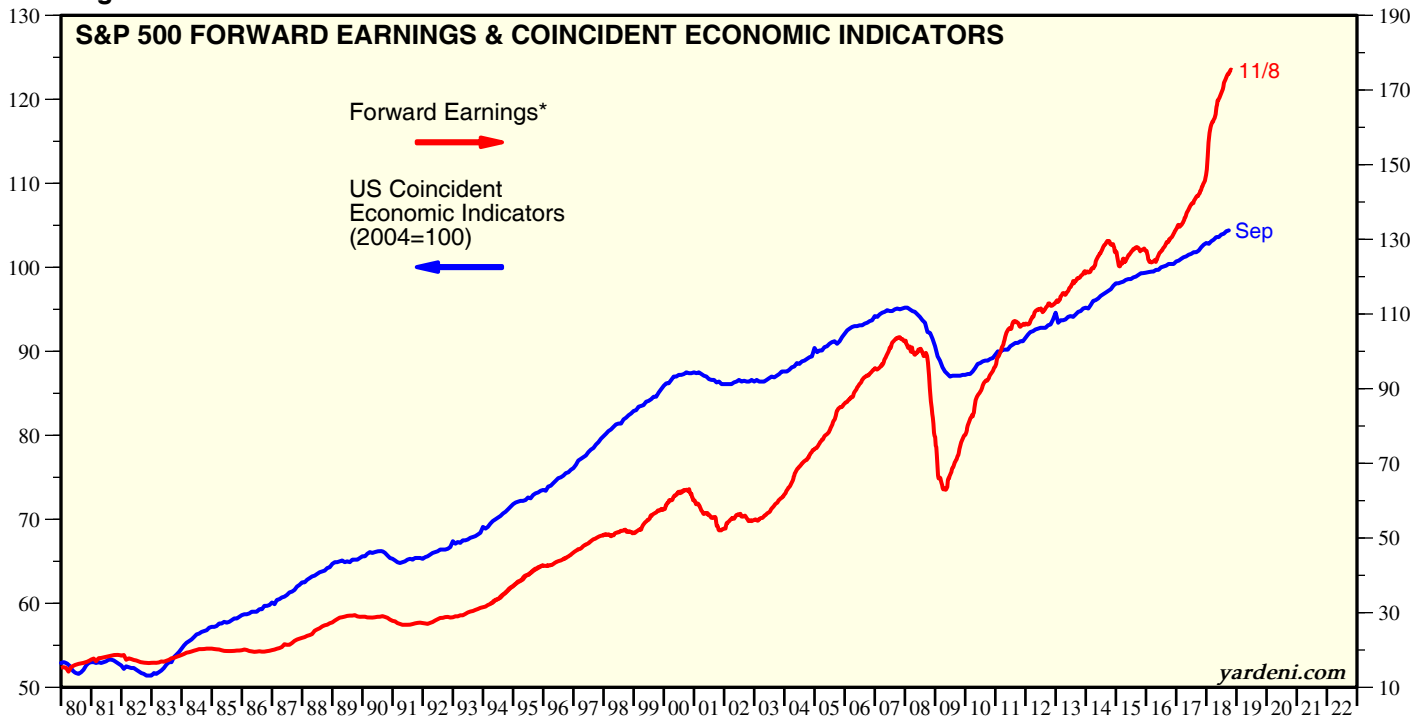
Figure 10.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: I/B/E/S data by Refinitiv and Conference Board.

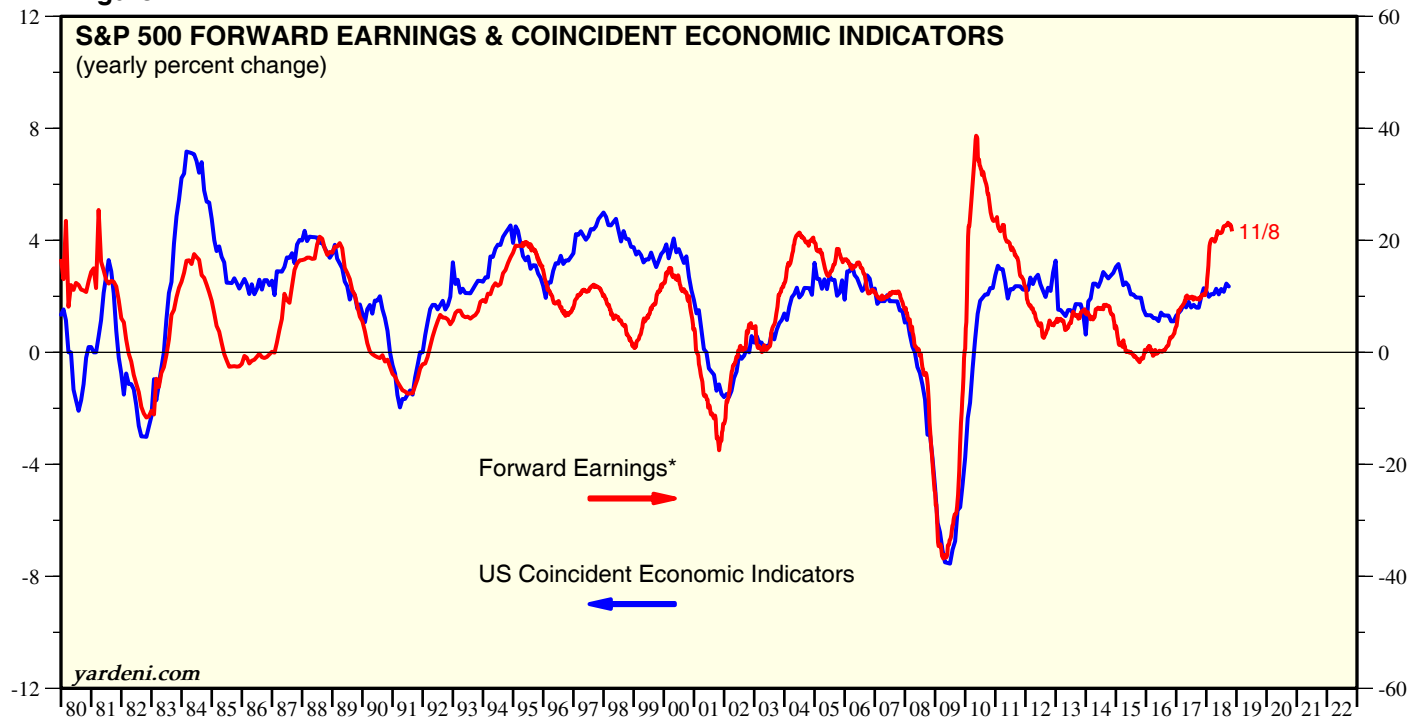
Forward Earnings & US Coincident Indicators

Figure 11.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and Conference Board.

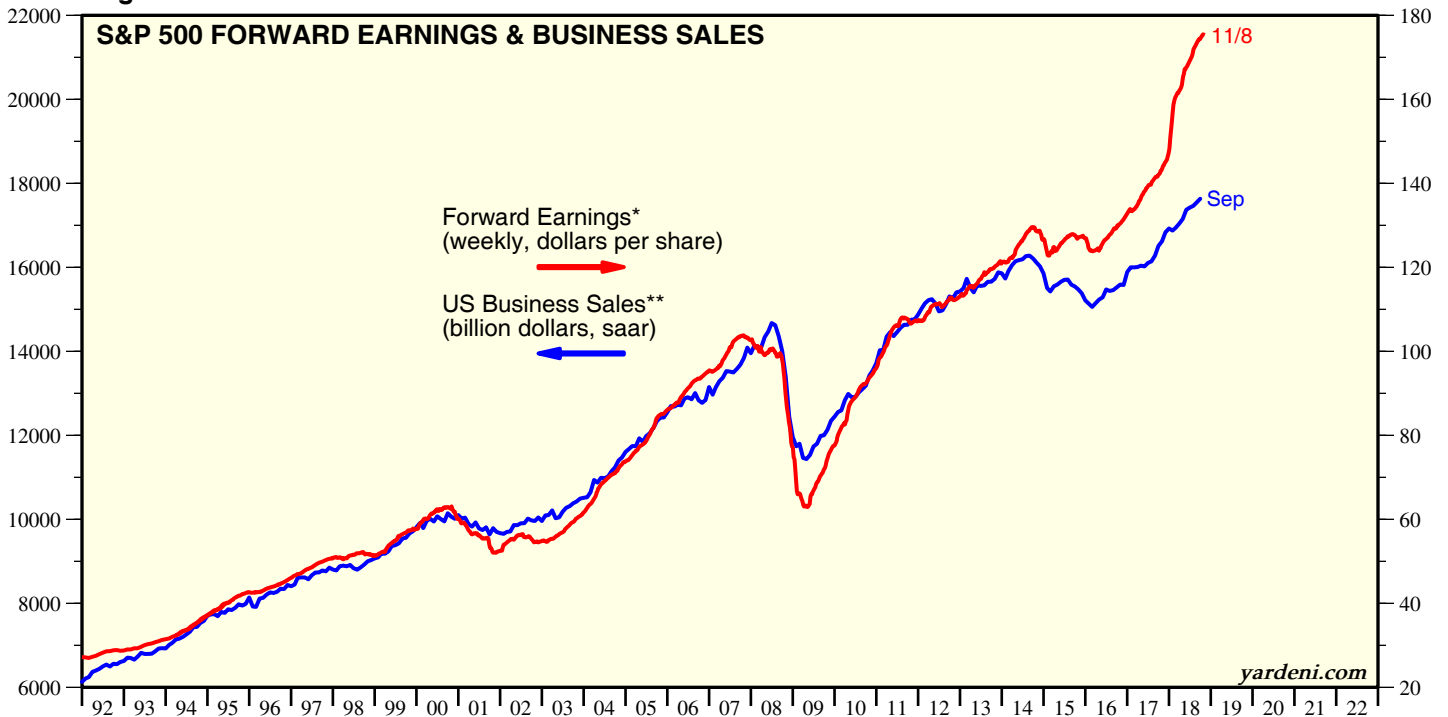
Figure 12.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and Conference Board.

Forward Earnings & US Business Sales

Figure 13.

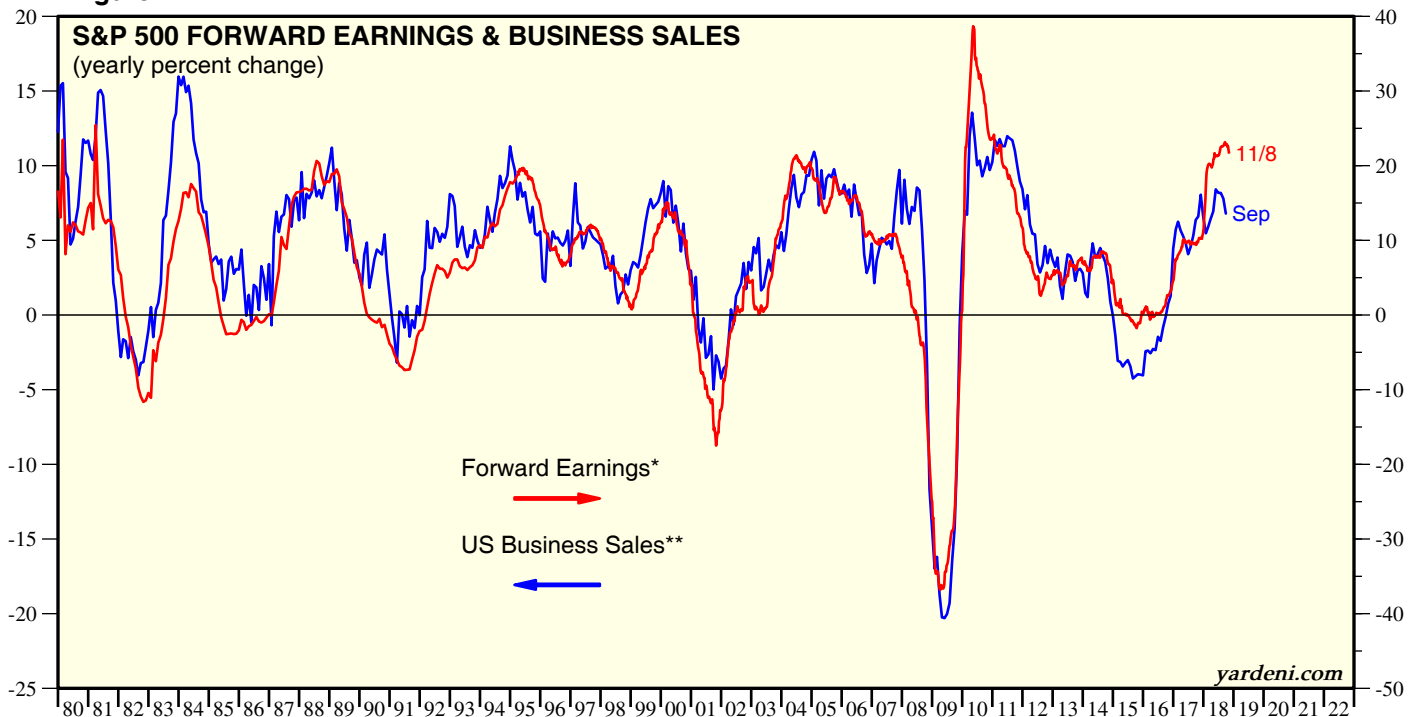


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.

** Manufacturing and trade sales.

Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

Figure 14.



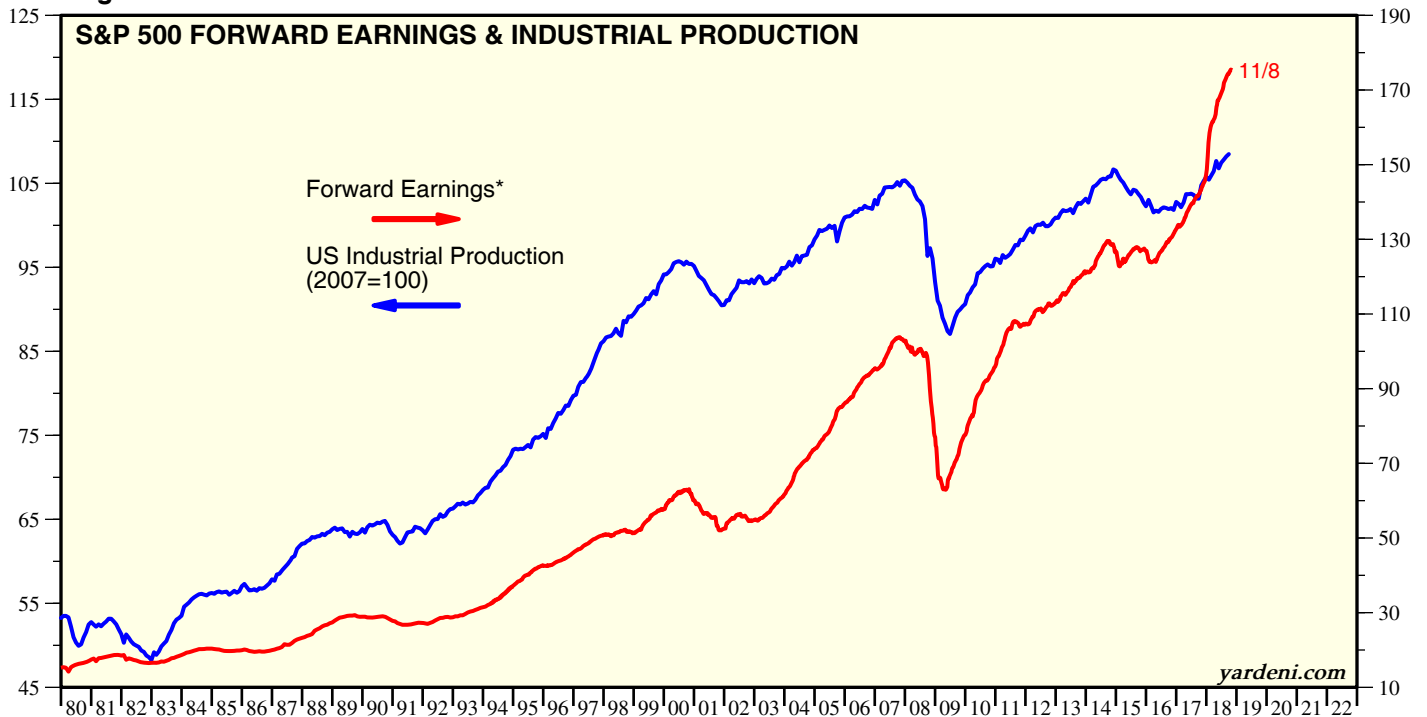
* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.

** Manufacturing and trade sales.

Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

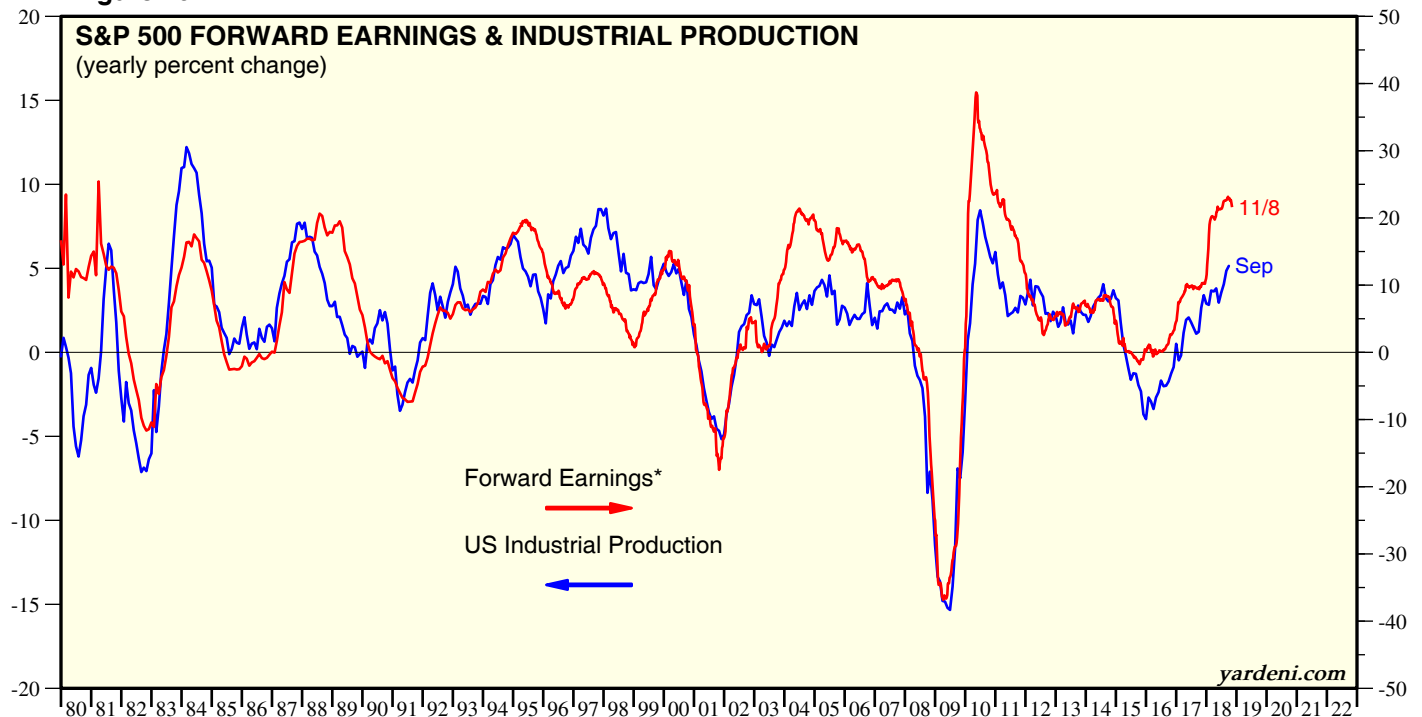
Forward Earnings & Production

Figure 15.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and Board of Governors of the Federal Reserve System.

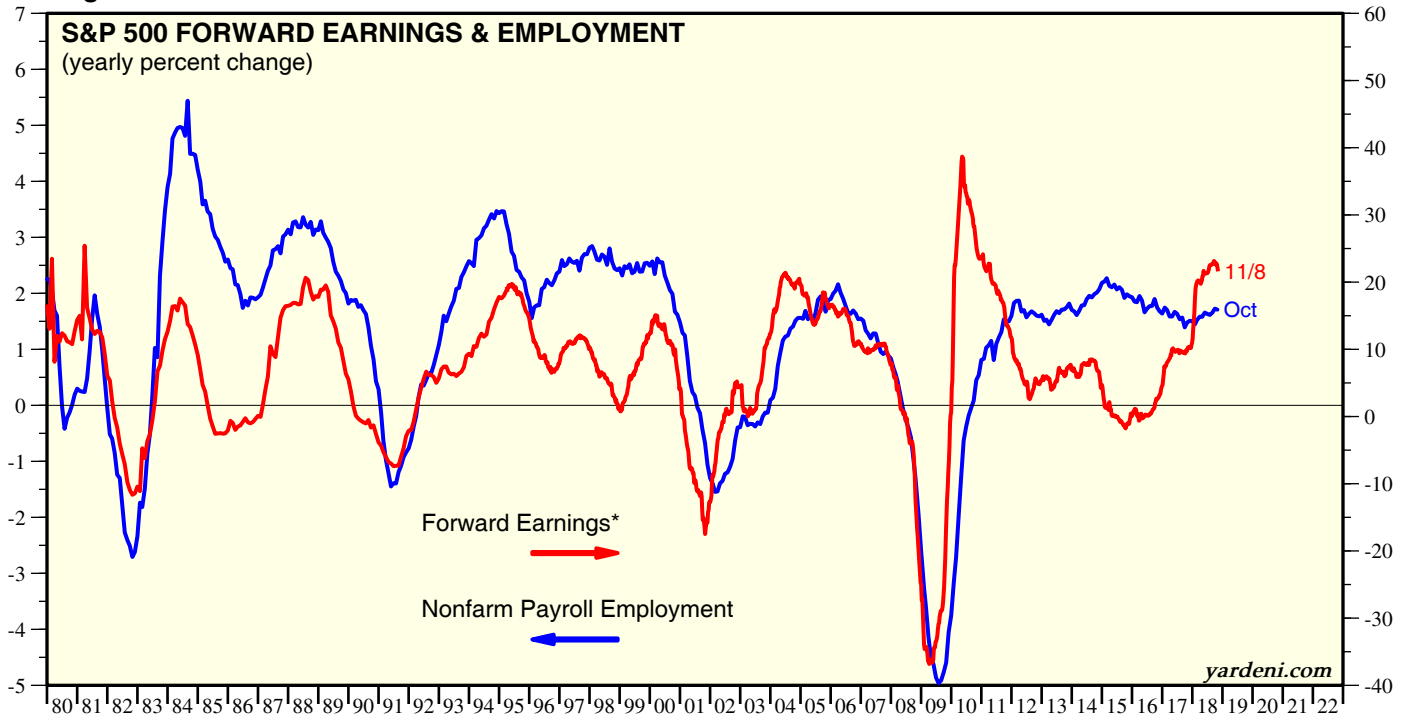
Figure 16.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and Board of Governors of the Federal Reserve System.

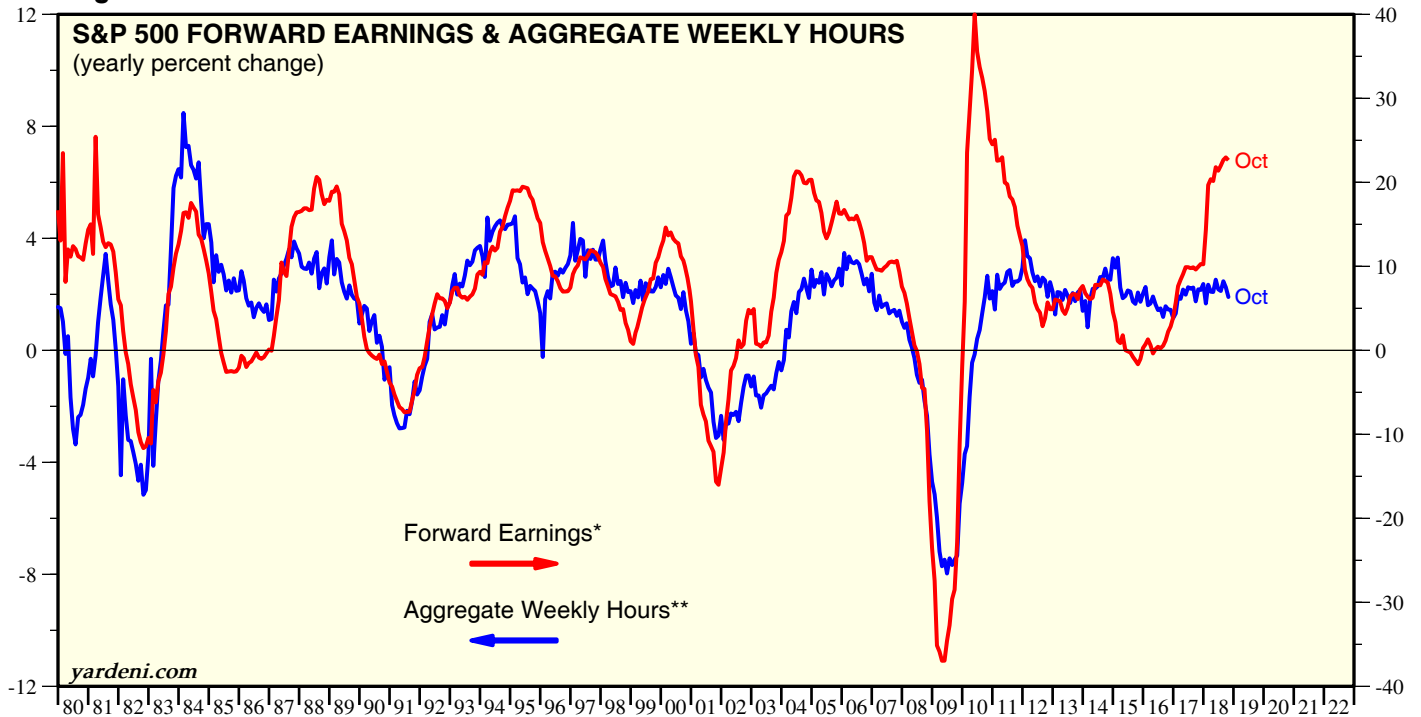
Forward Earnings & Employment

Figure 17.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: I/B/E/S data by Refinitiv and US Department of Labor, Bureau of Labor Statistics.

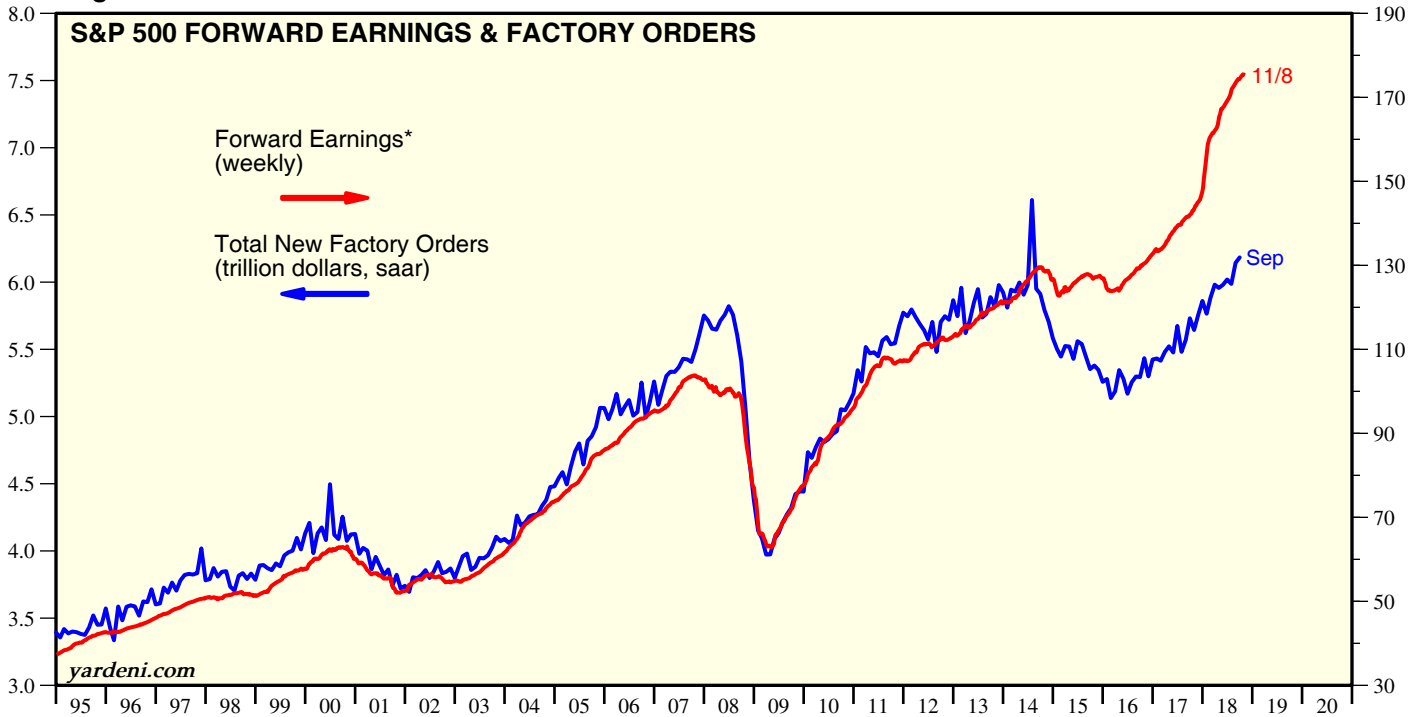
Figure 18.



* Time-weighted average of consensus operating earnings estimates for current and next year.
** Production & nonsupervisory employees.
Source: Bureau of Labor Statistics, I/B/E/S data by Refinitiv.

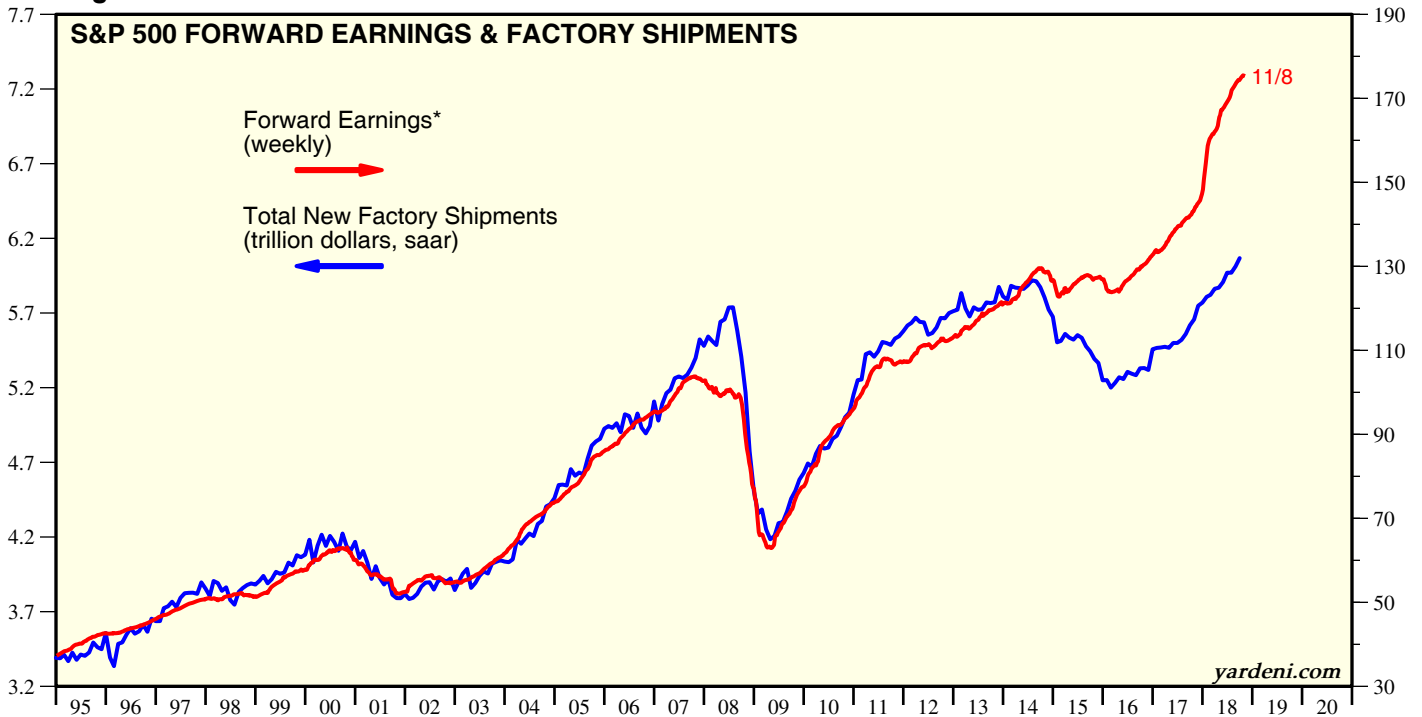
Forward Earnings, Orders & Shipments

Figure 19.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

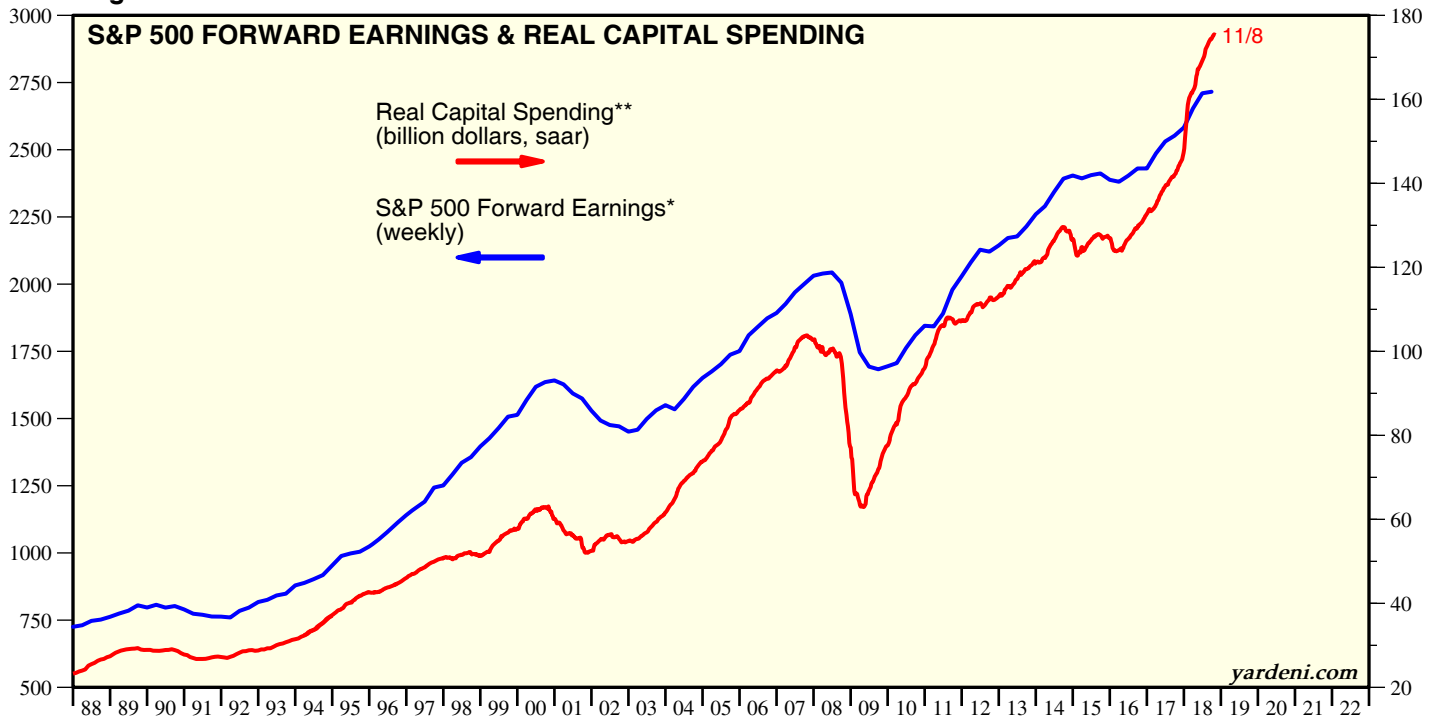
Figure 20.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

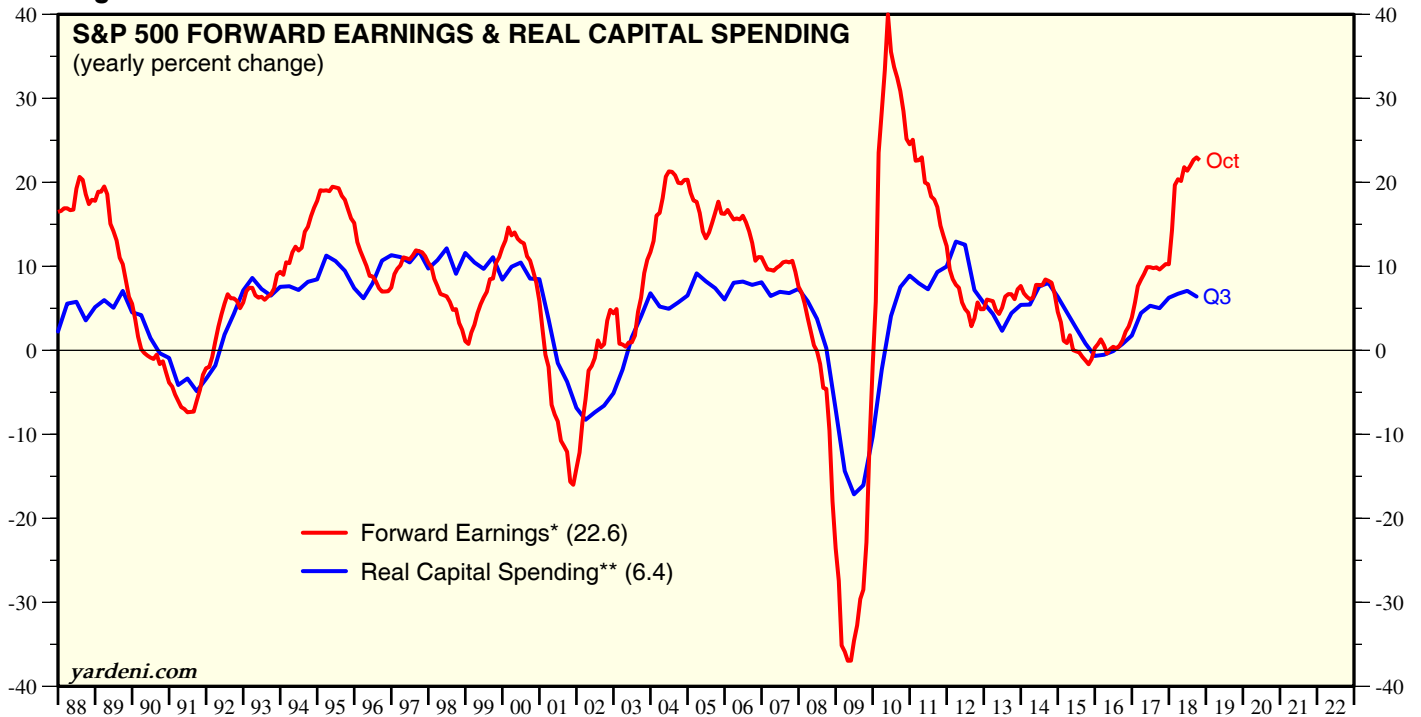
Forward Earnings & Capital Spending

Figure 21.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
 ** Nonresidential fixed investment including equipment, intellectual property products, and structures.
 Source: US Department of Commerce, Bureau of Economic Analysis, and I/B/E/S data by Refinitiv.

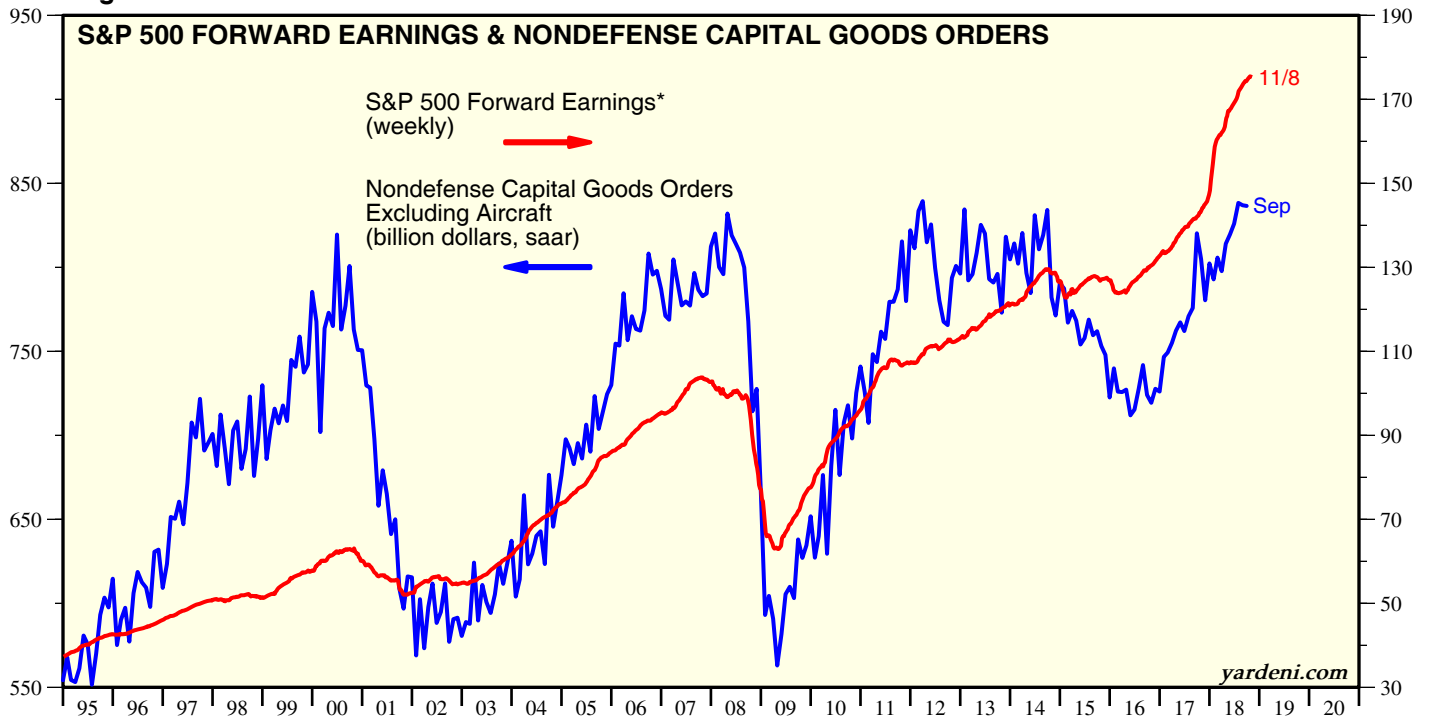
Figure 22.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
 ** Nonresidential fixed investment in real GDP.
 Source: US Department of Commerce, Bureau of Economic Analysis, and I/B/E/S data by Refinitiv.

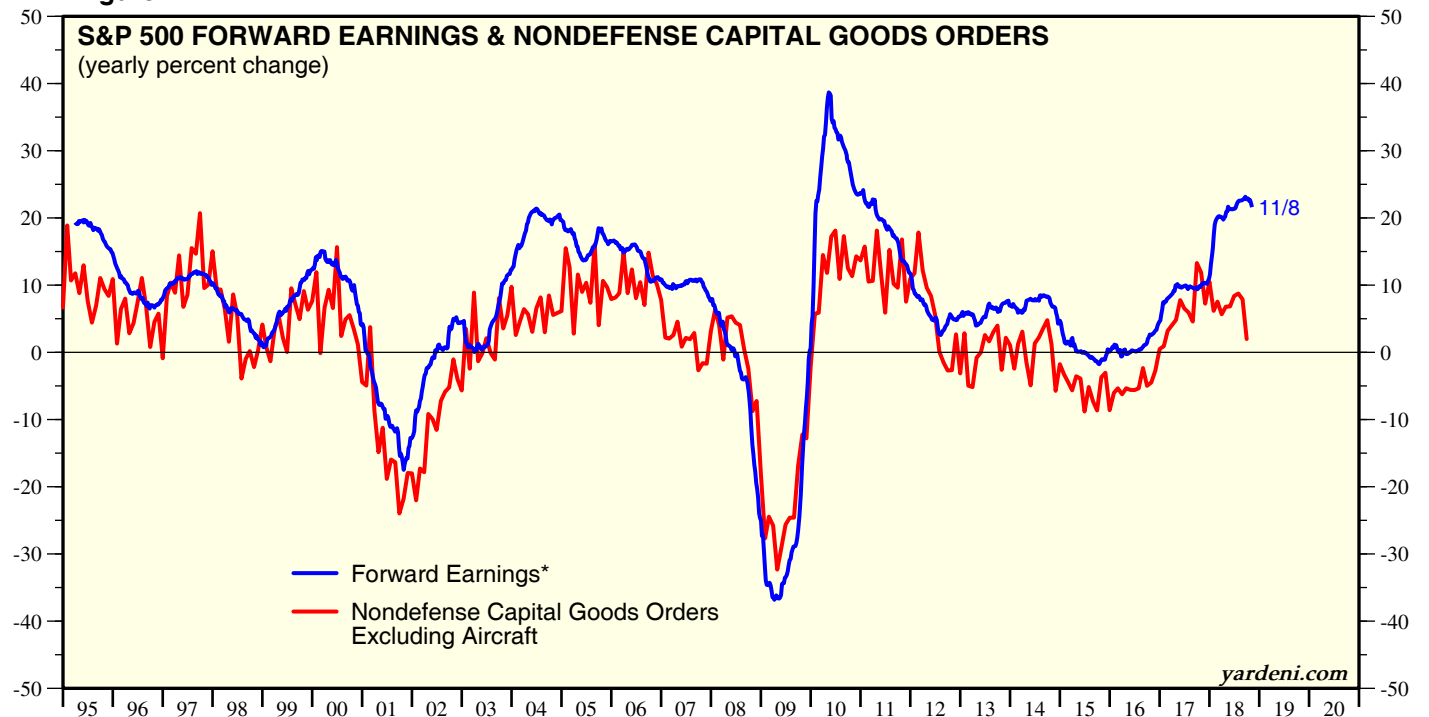
Forward Earnings & Capital Spending

Figure 23.



* 52-week forward consensus expected S&P 500 operating earnings per share. Time-weighted average of current and next year's consensus earnings estimates.
Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

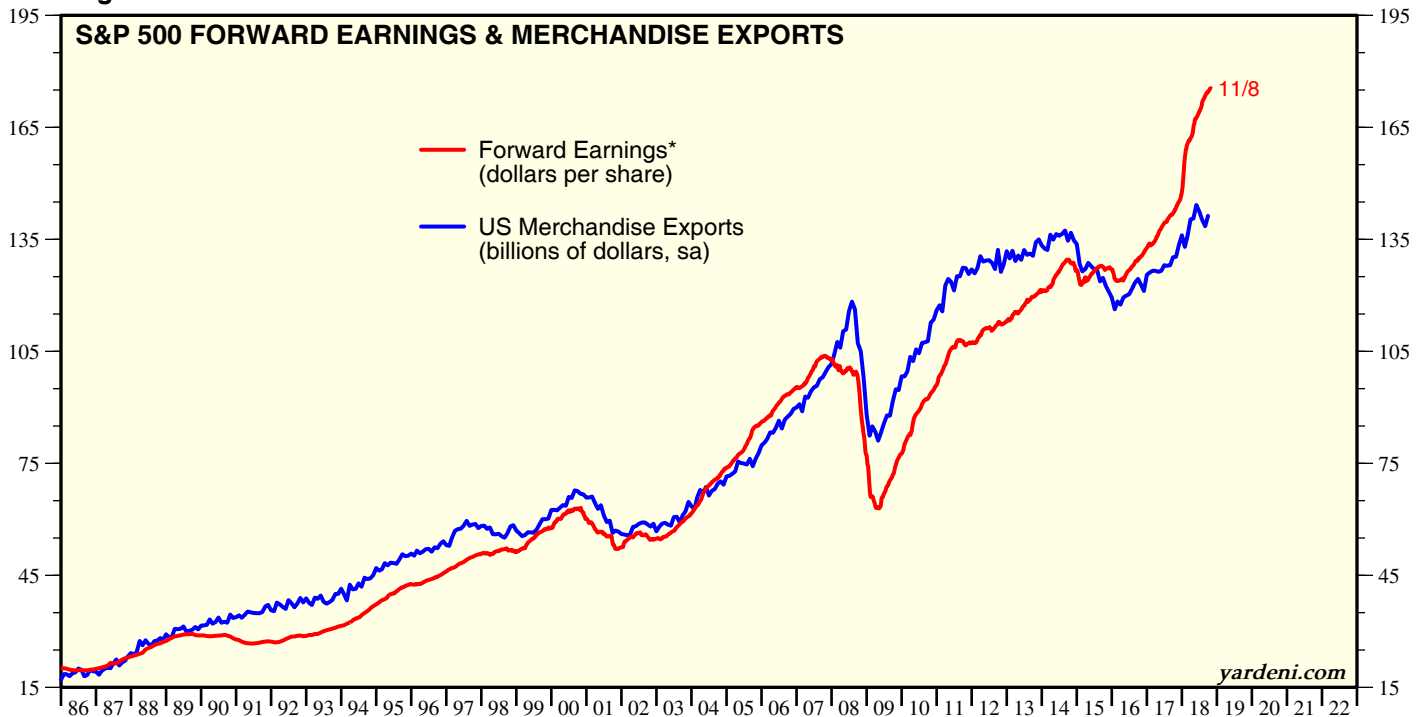
Figure 24.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: I/B/E/S data by Refinitiv and US Department of Commerce, Bureau of the Census.

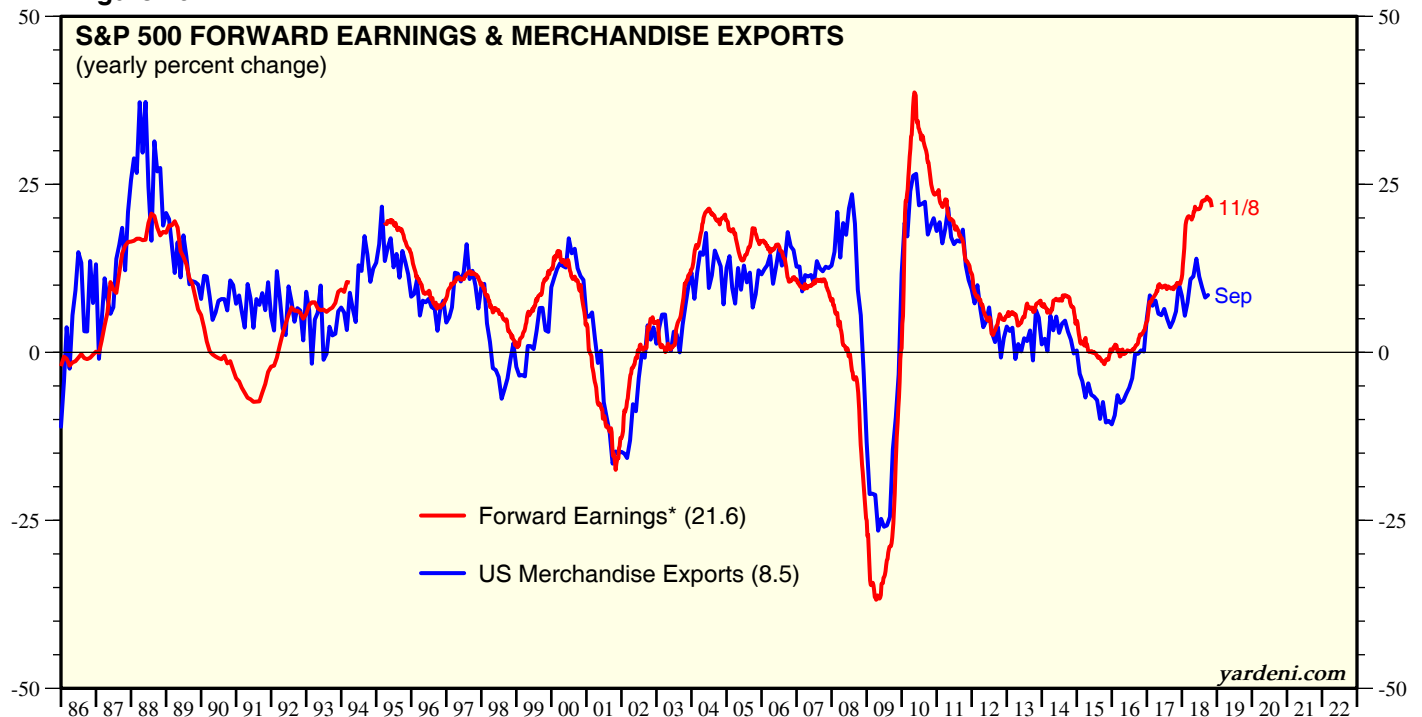
Forward Earnings & US Exports

Figure 25.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: U.S. Department of Commerce, Bureau of the Census and I/B/E/S data by Refinitiv.

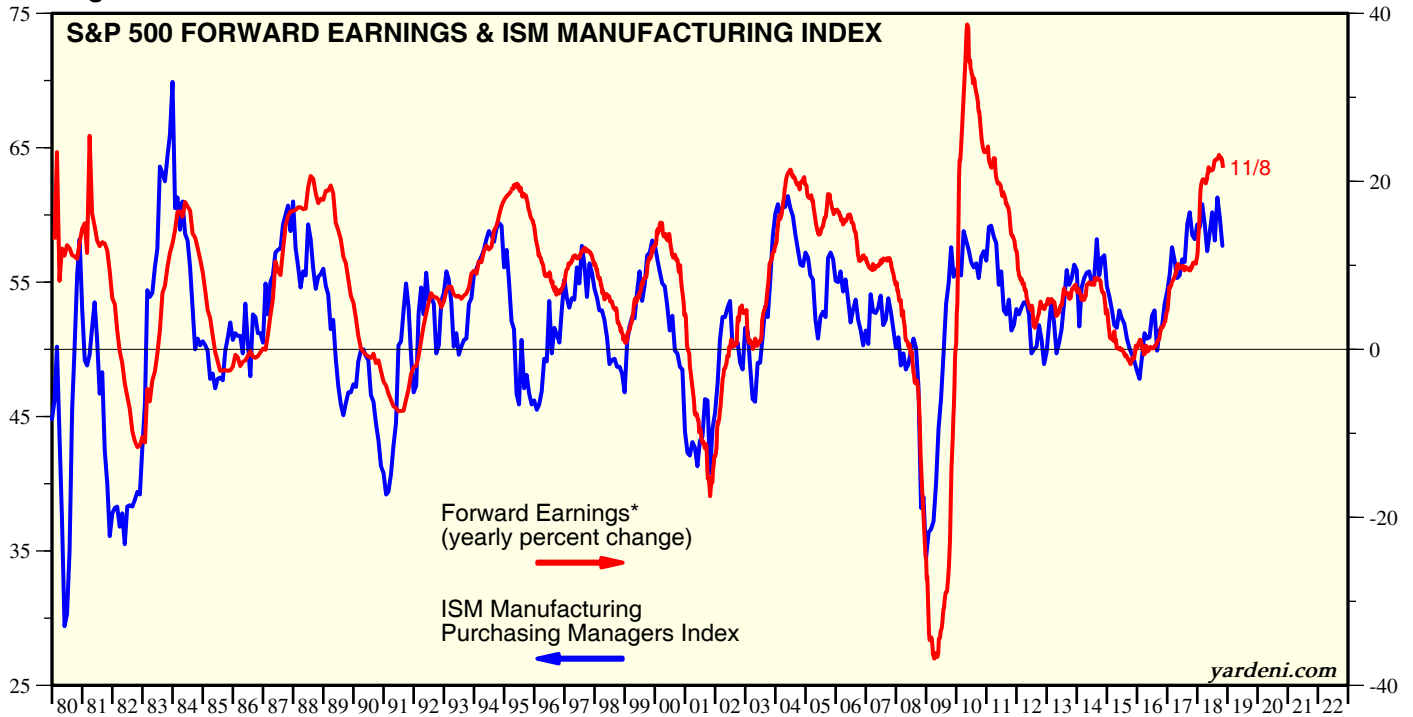
Figure 26.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.
Source: US Department of Commerce, Bureau of the Census and I/B/E/S data by Refinitiv.

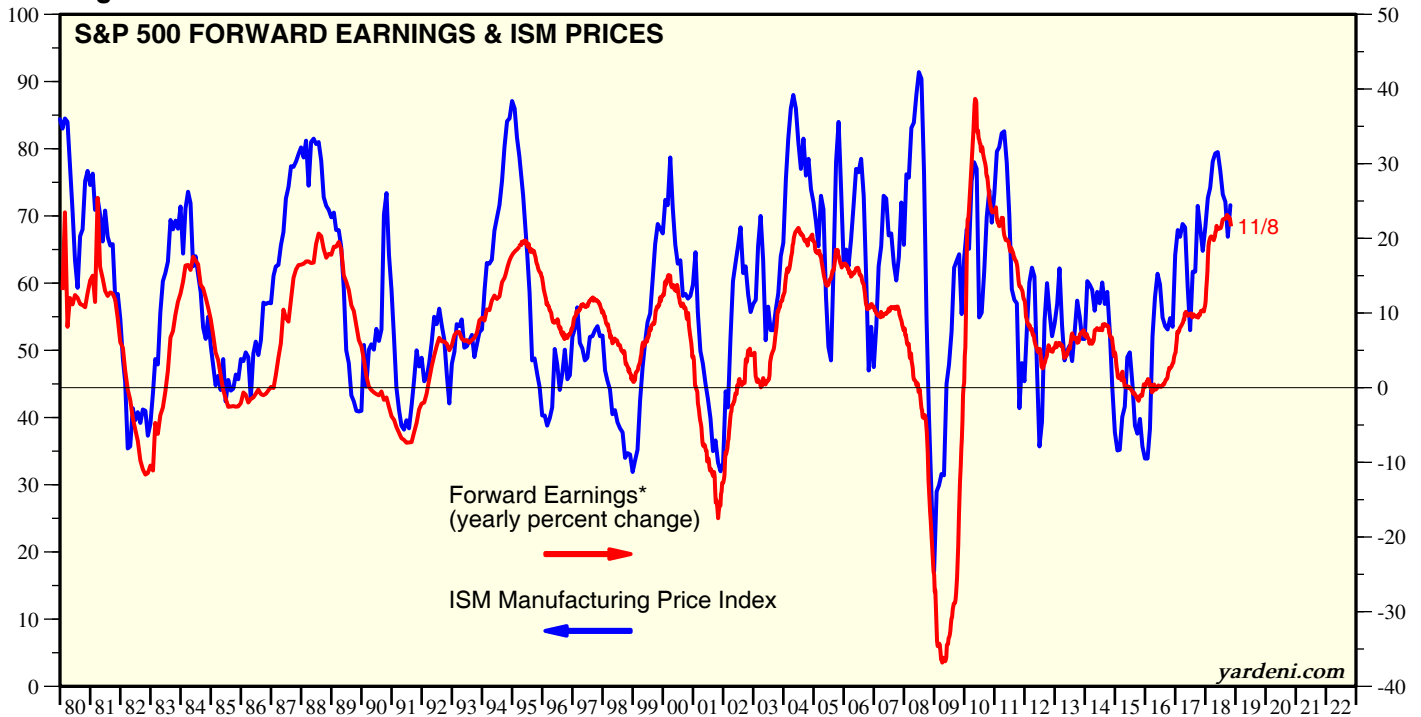
Forward Earnings & ISM

Figure 27.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: Institute for Supply Management and I/B/E/S data by Refinitiv.

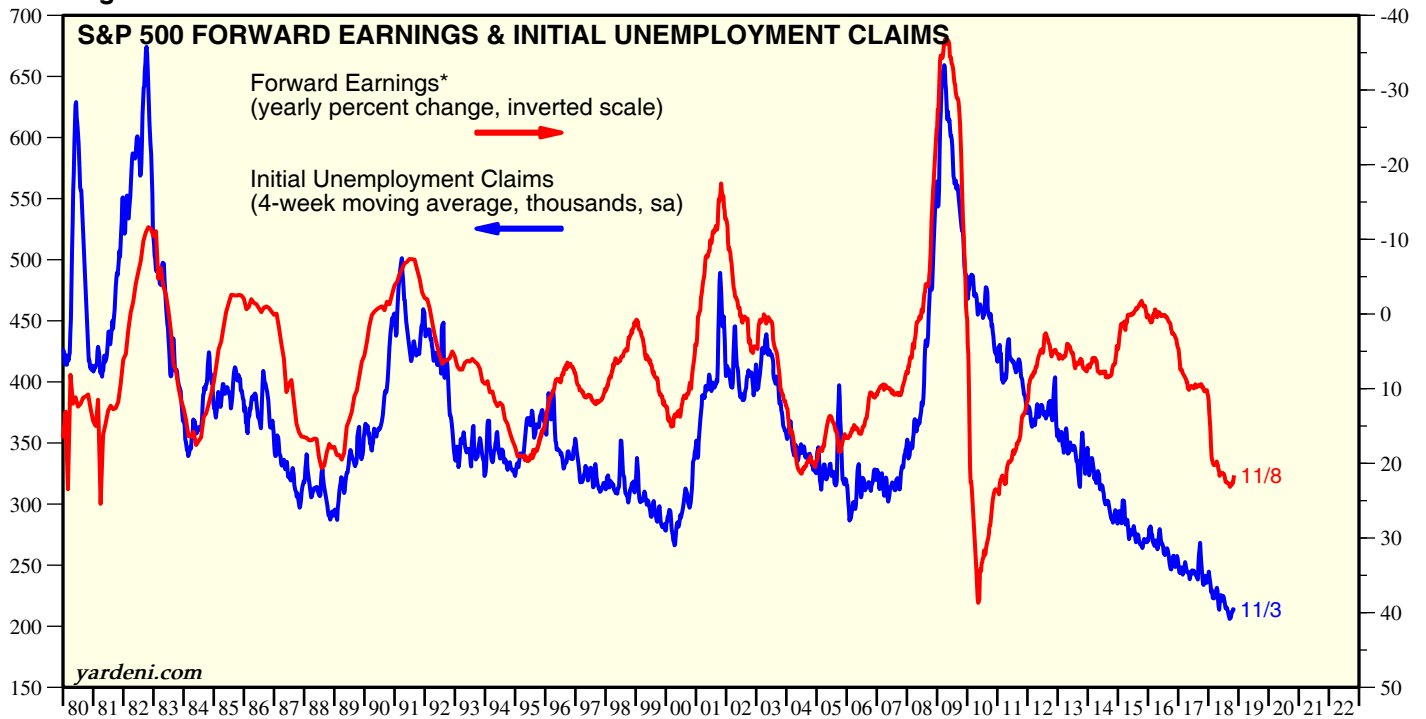
Figure 28.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: Institute for Supply Management and I/B/E/S data by Refinitiv.

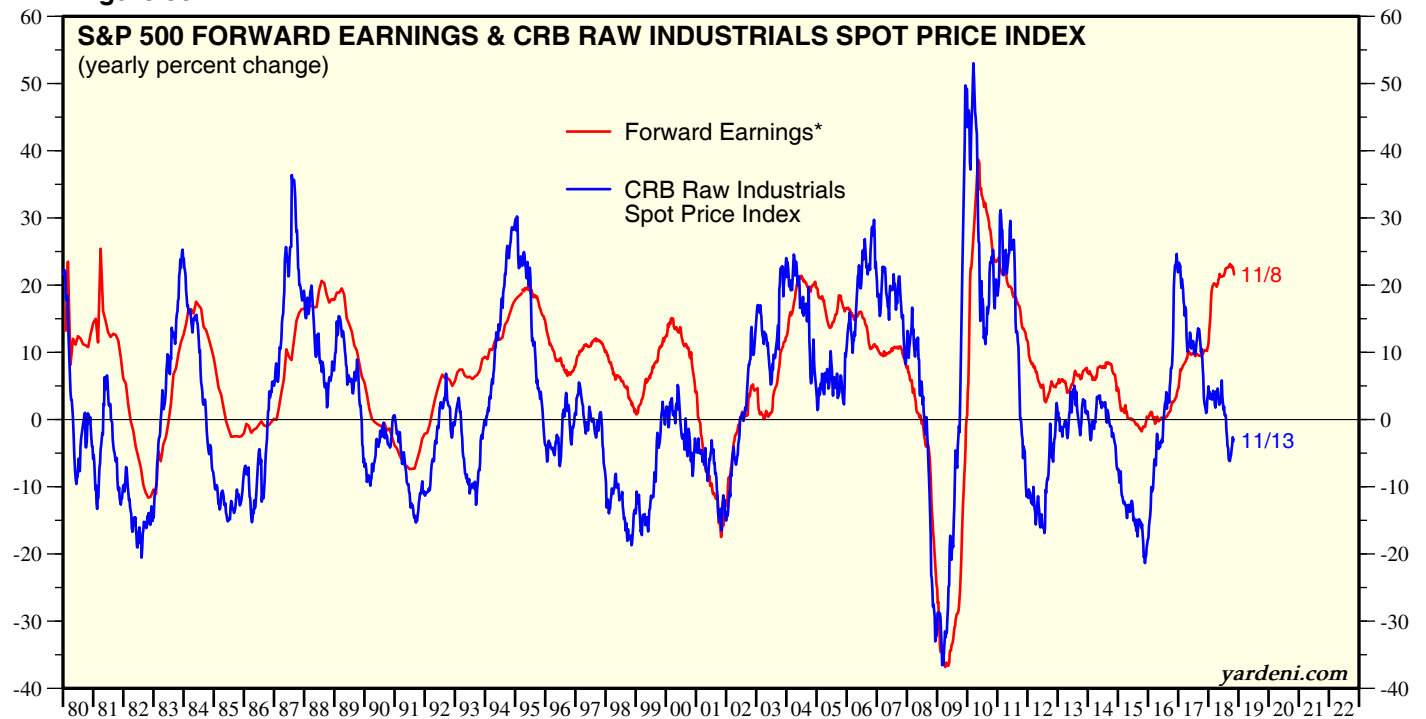
Forward Earnings, Jobless Claims, & Spot Prices

Figure 29.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: US Department of Labor and I/B/E/S data by Refinitiv.

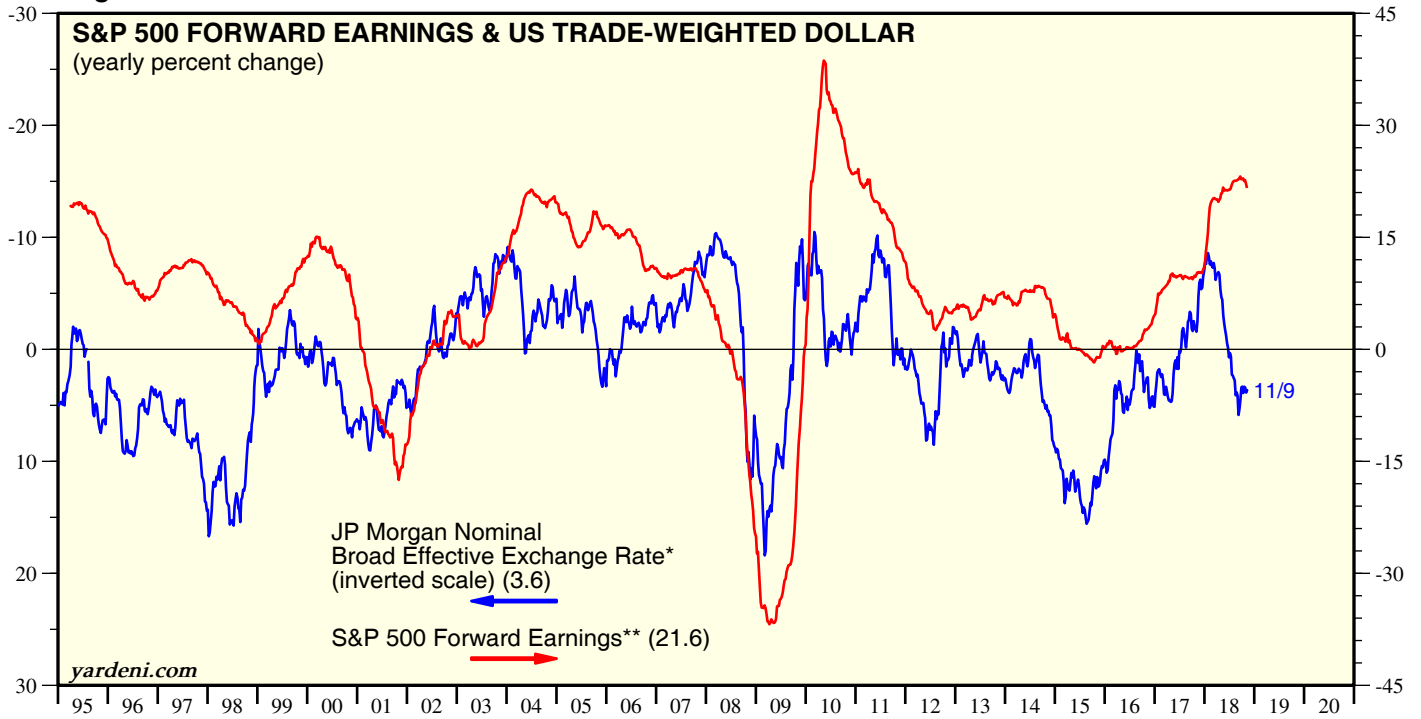
Figure 30.



* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter. Source: I/B/E/S data by Refinitiv and Commodity Research Bureau.

Forward Earnings & Trade Weighted Dollar

Figure 31.



* 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.

** Time-weighted average of consensus estimates for current and next year.

Source: I/B/E/S data by Refinitiv and JP Morgan.

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