

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

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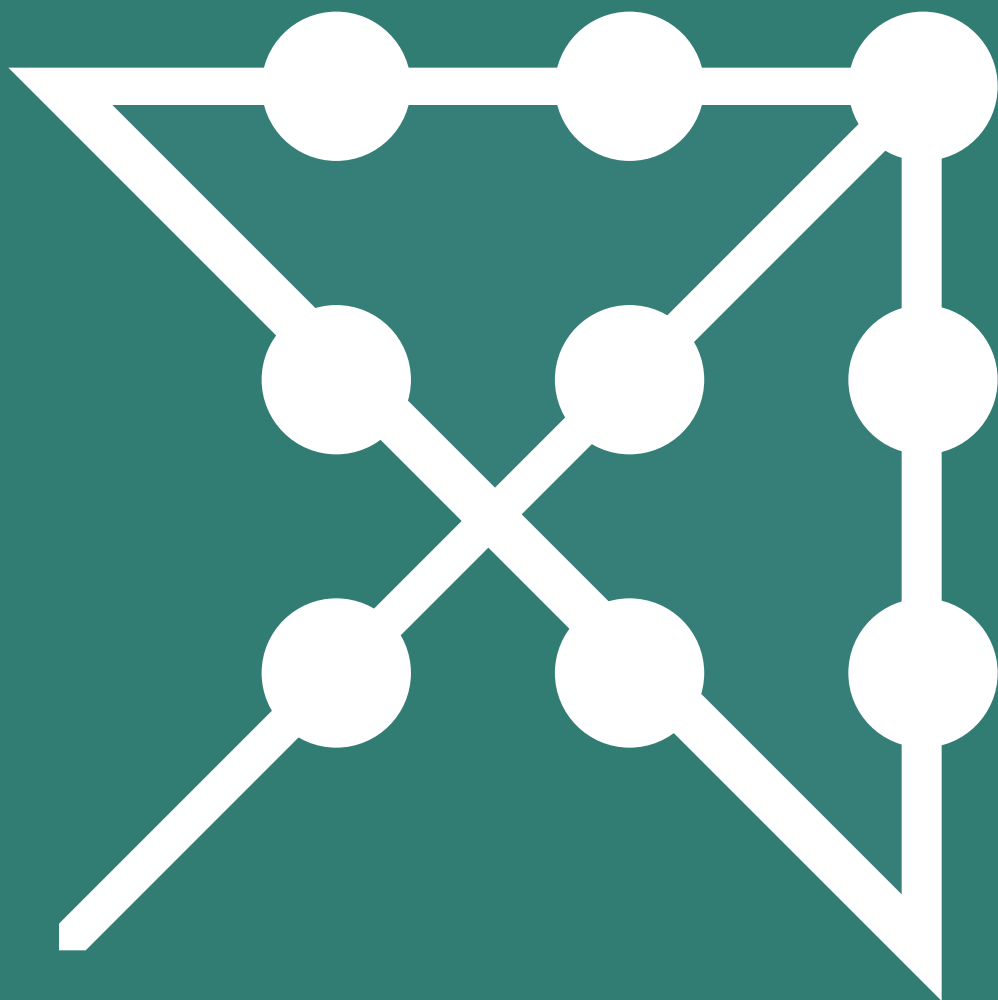
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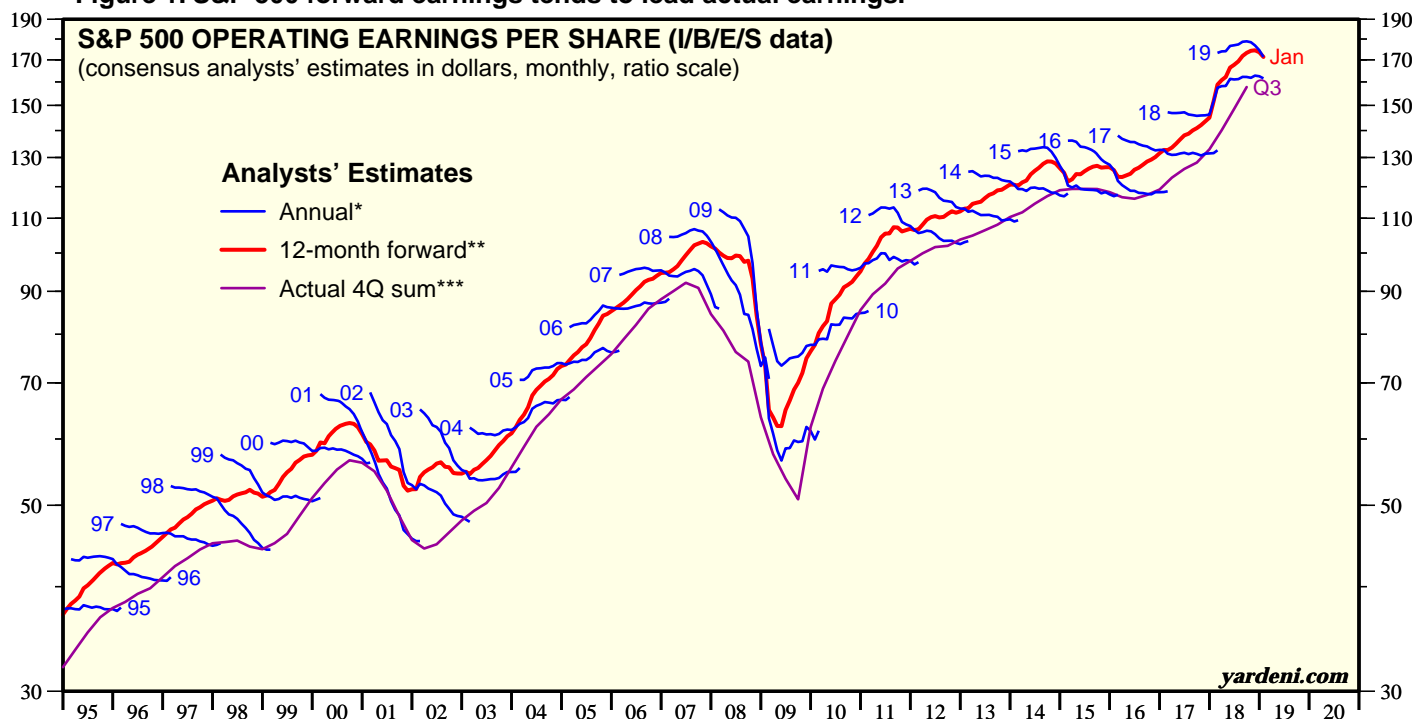
thinking outside the box

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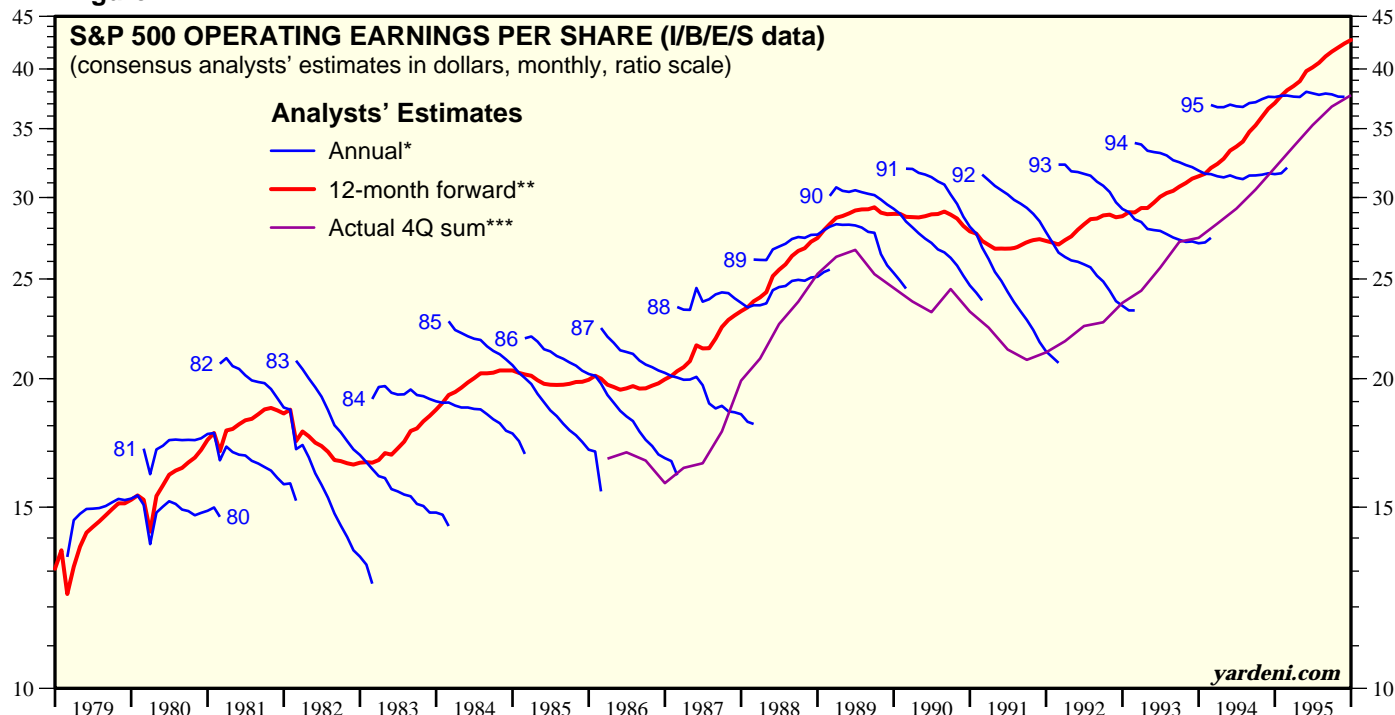
S&P 500 Earnings Squiggles

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.

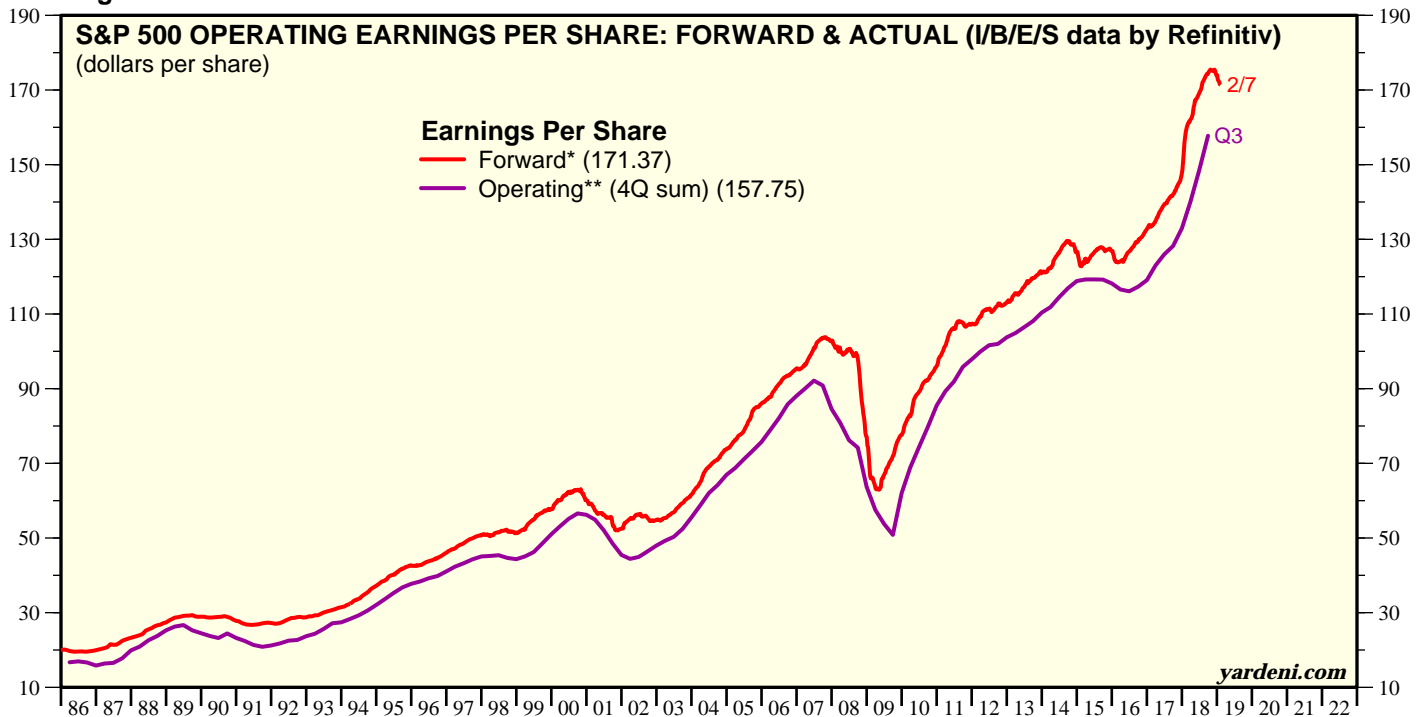
Figure 2.



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

S&P 500 Forward & Operating Earnings

Figure 3.

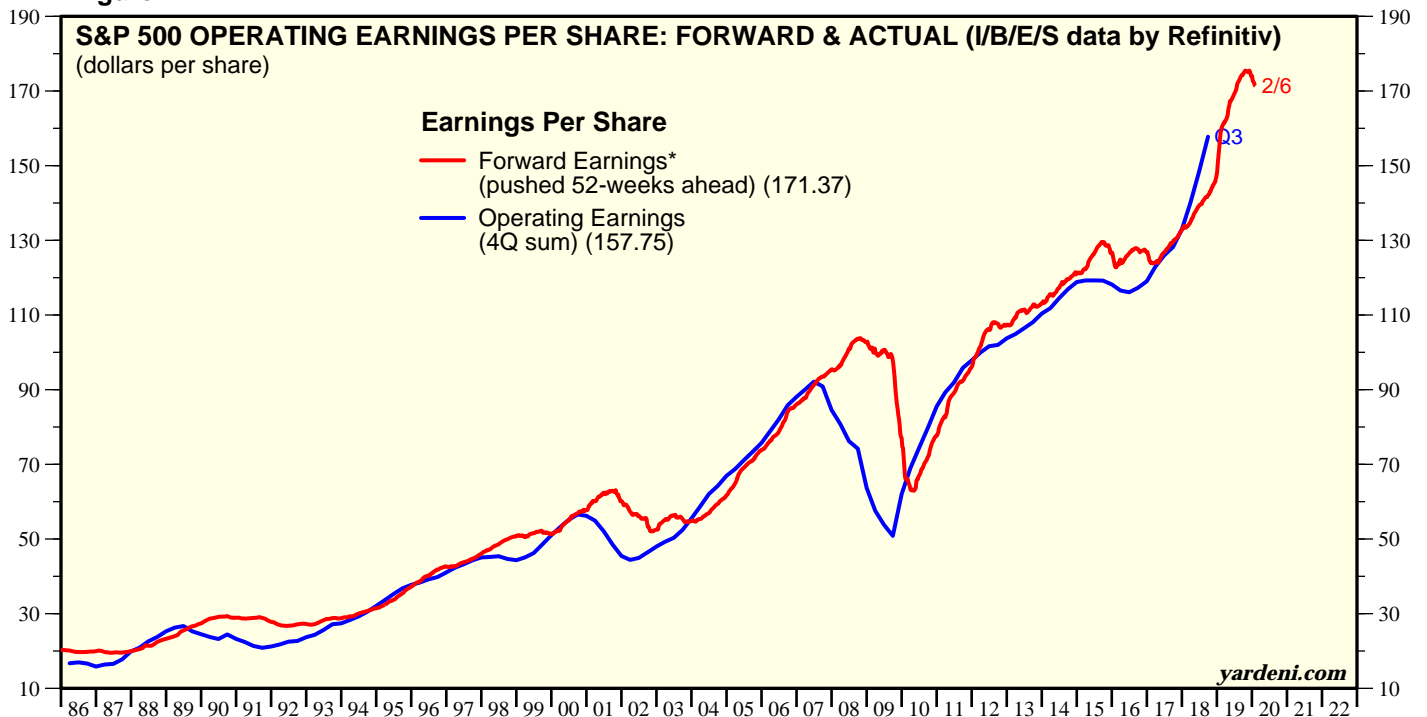


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, then weekly.

** 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.

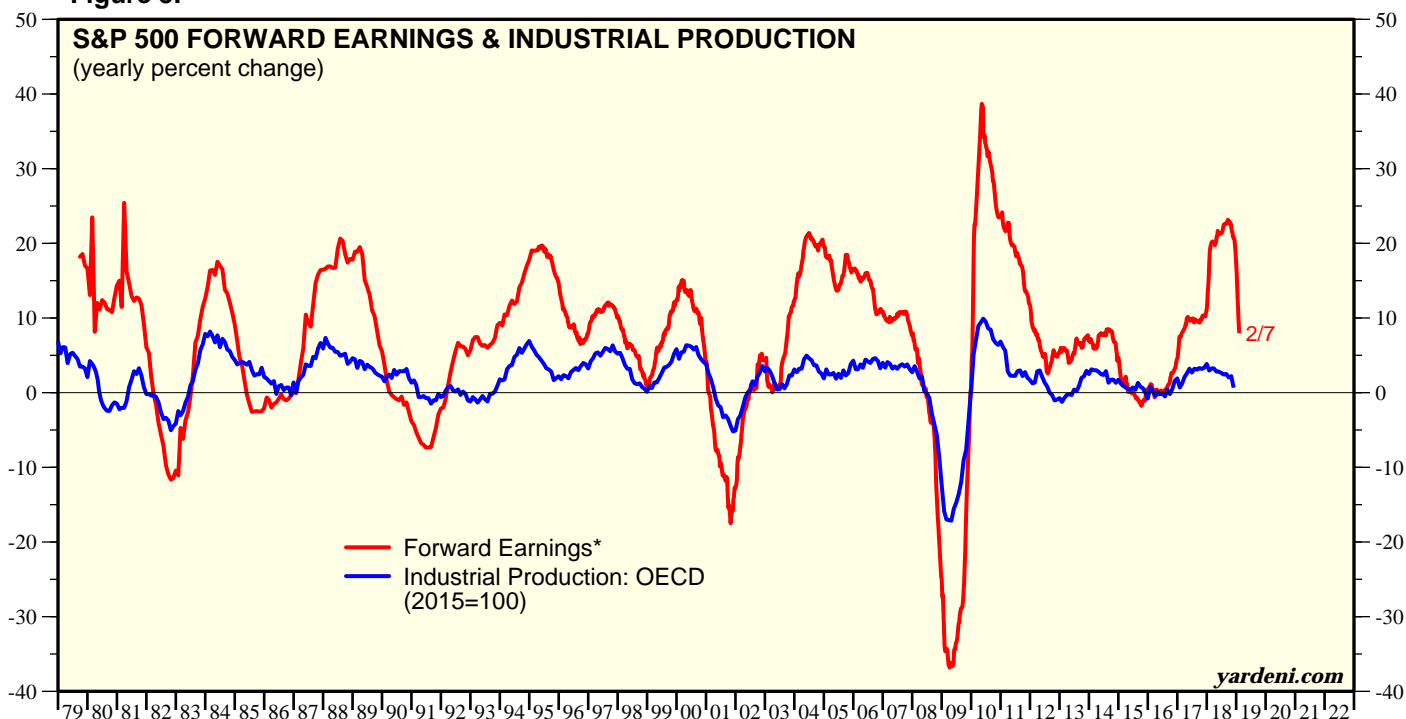


* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.

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

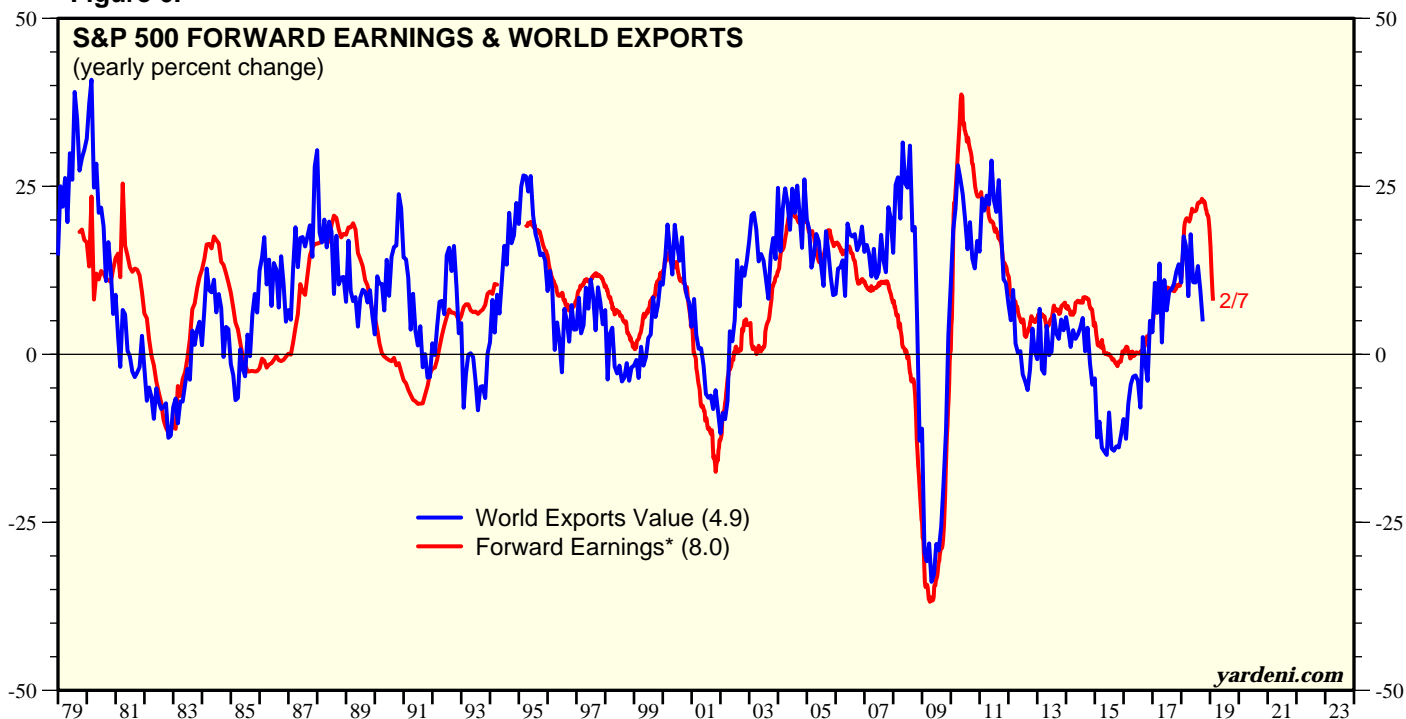
OECD Production & Exports

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.

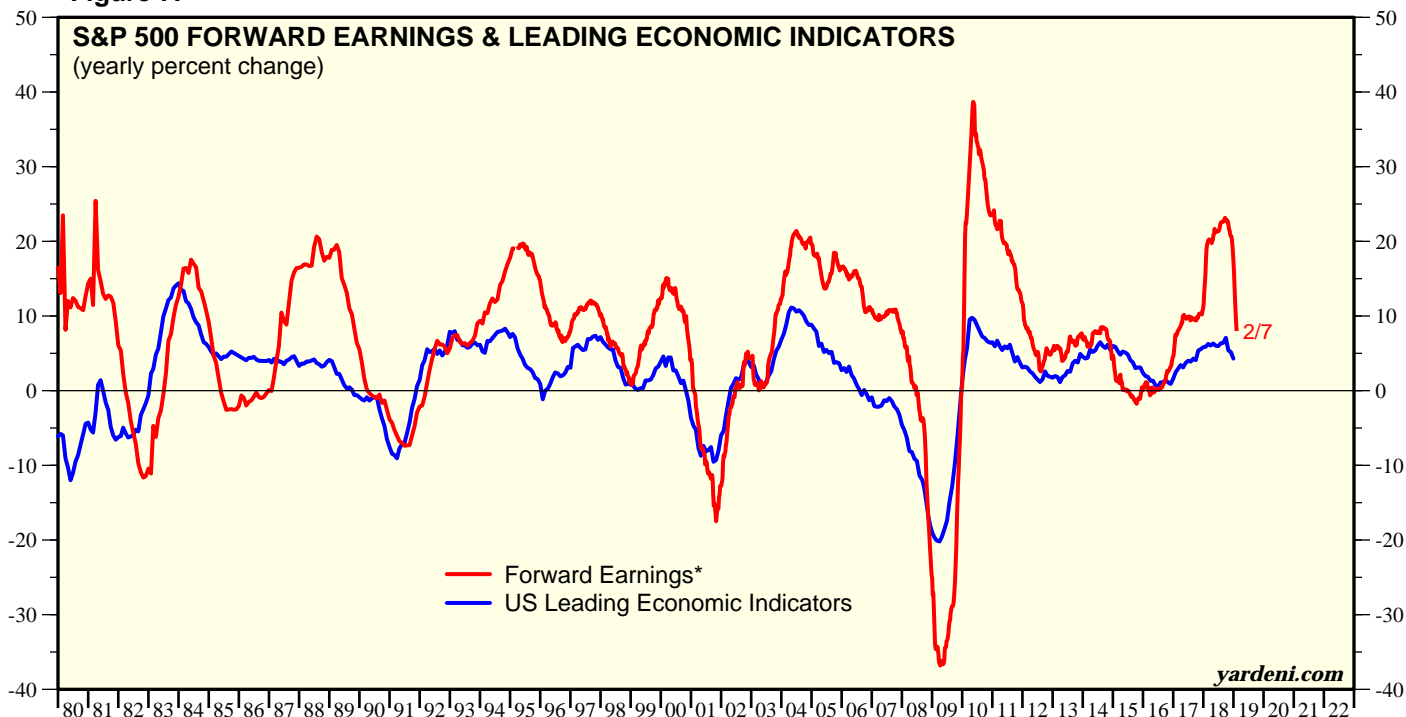
Figure 6.



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

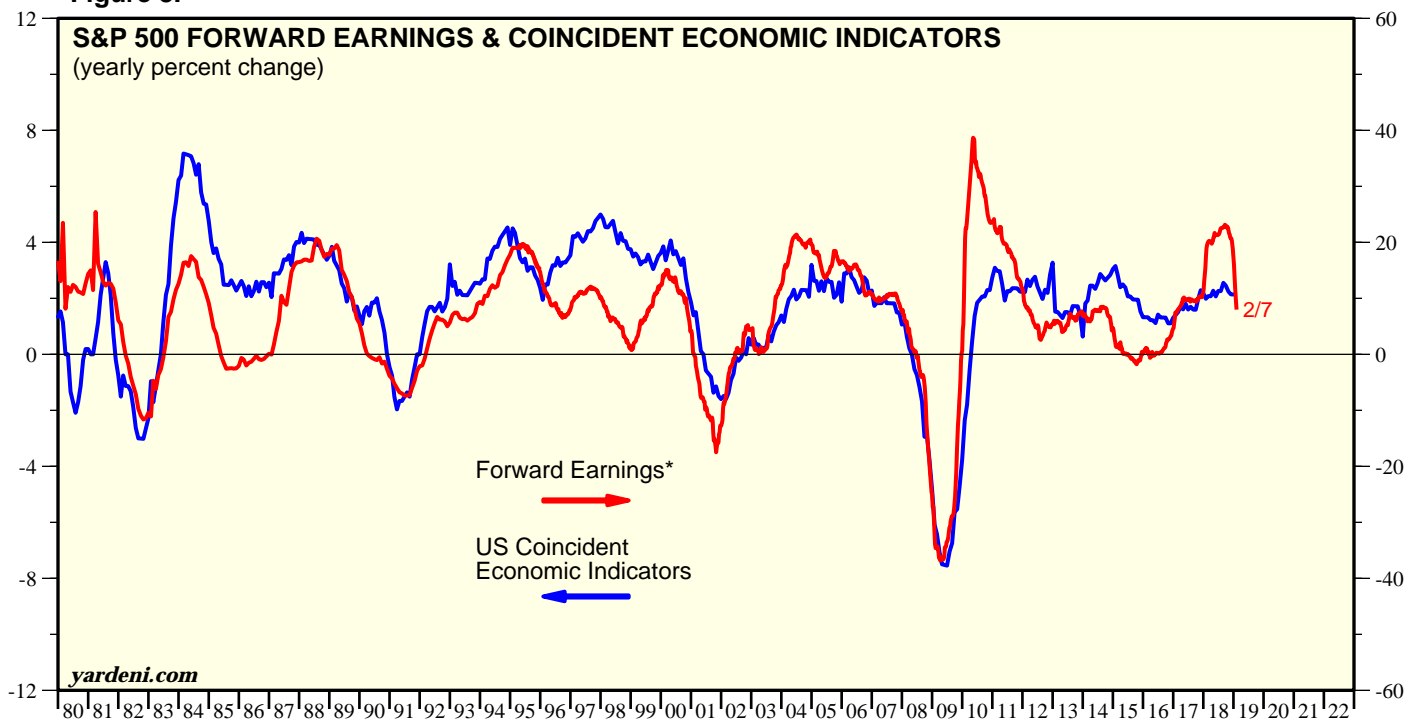
US Leading & Coincident Indicators

Figure 7.



* 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.

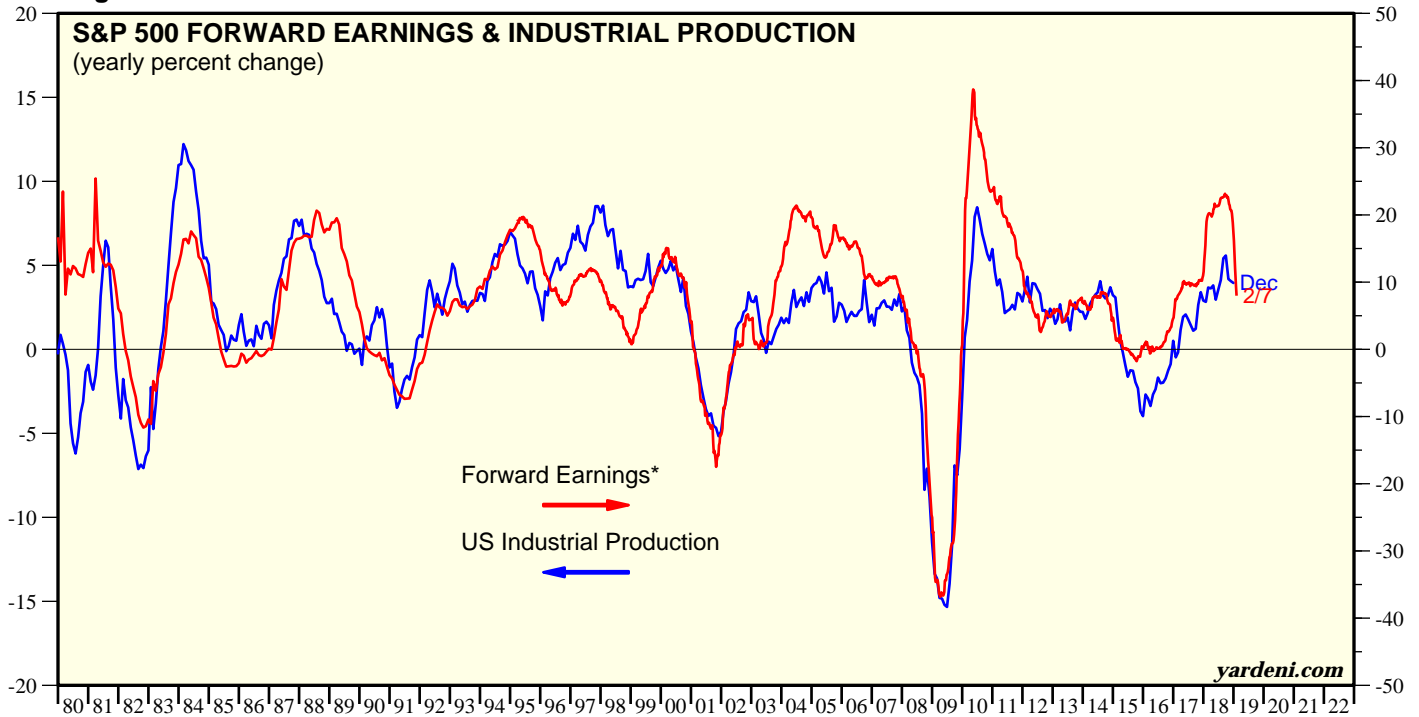
Figure 8.



* 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.

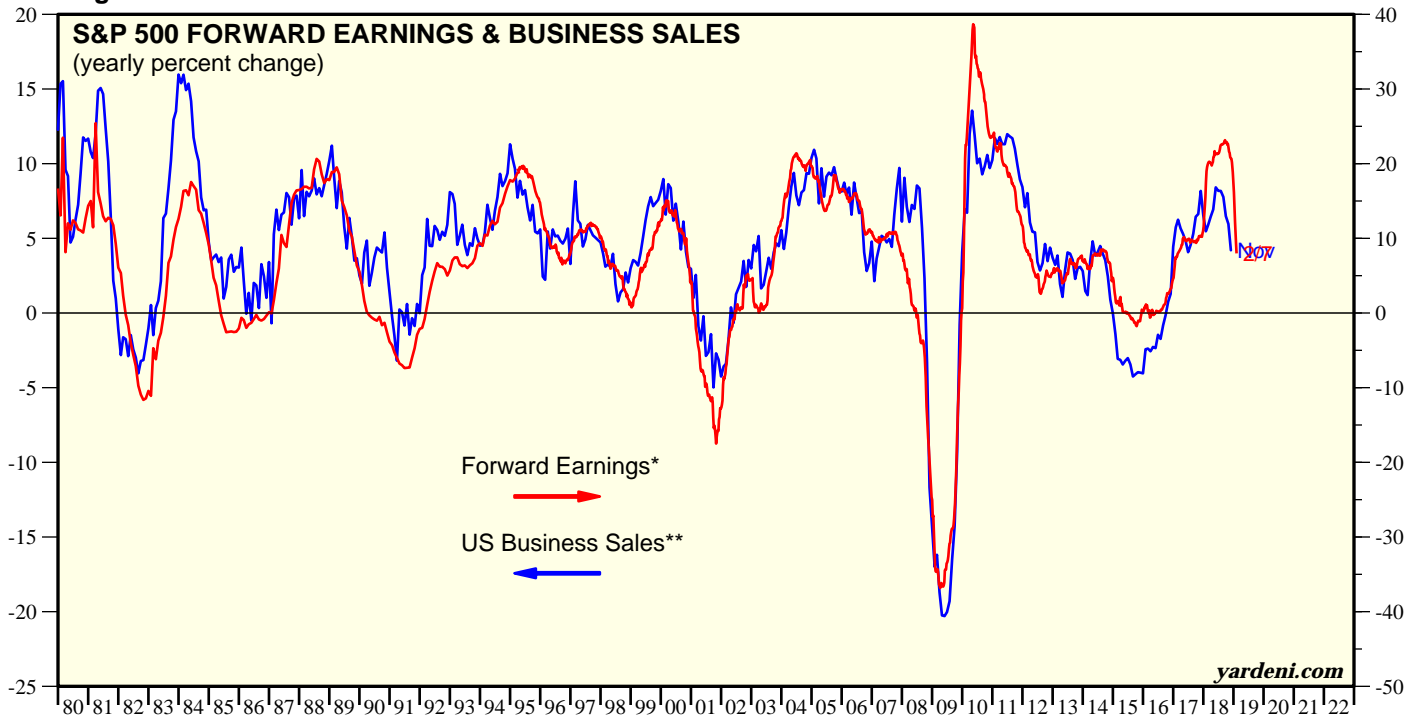
US Production & Business Sales

Figure 9.



* 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 10.

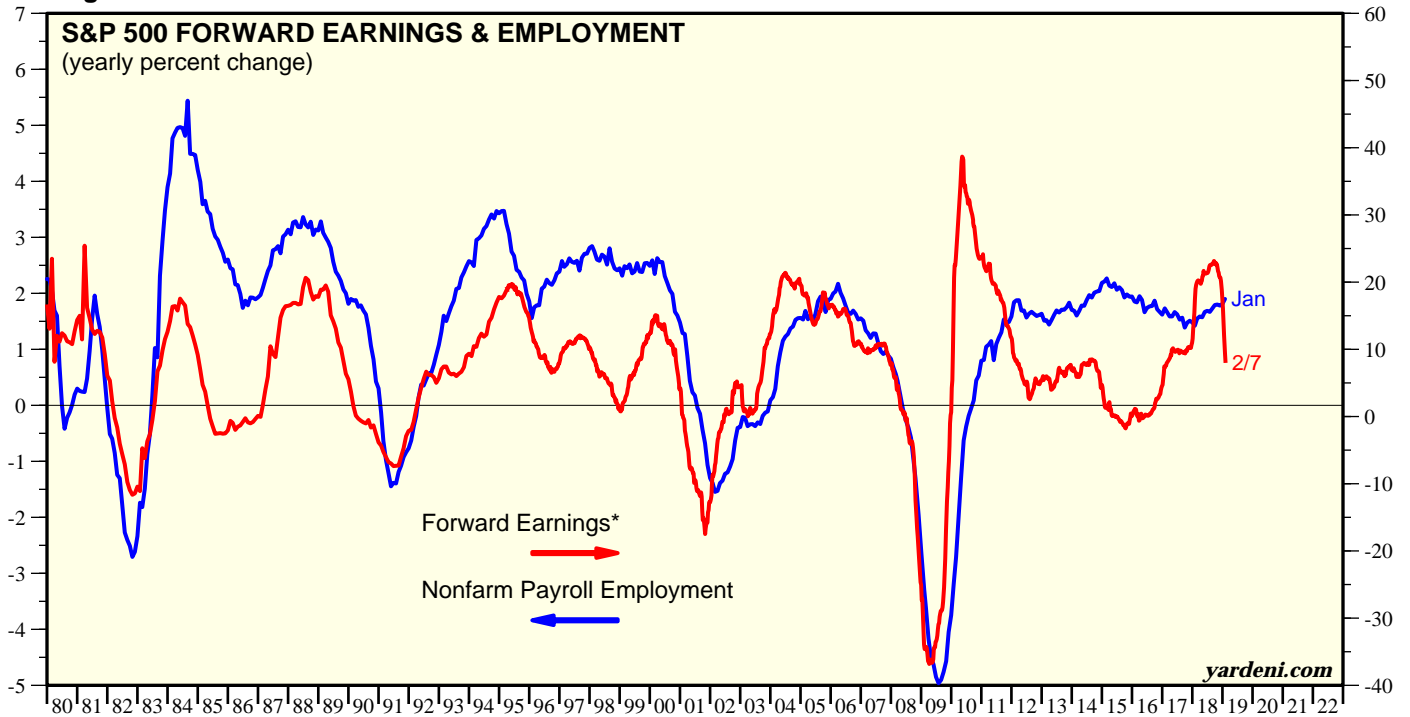


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.

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

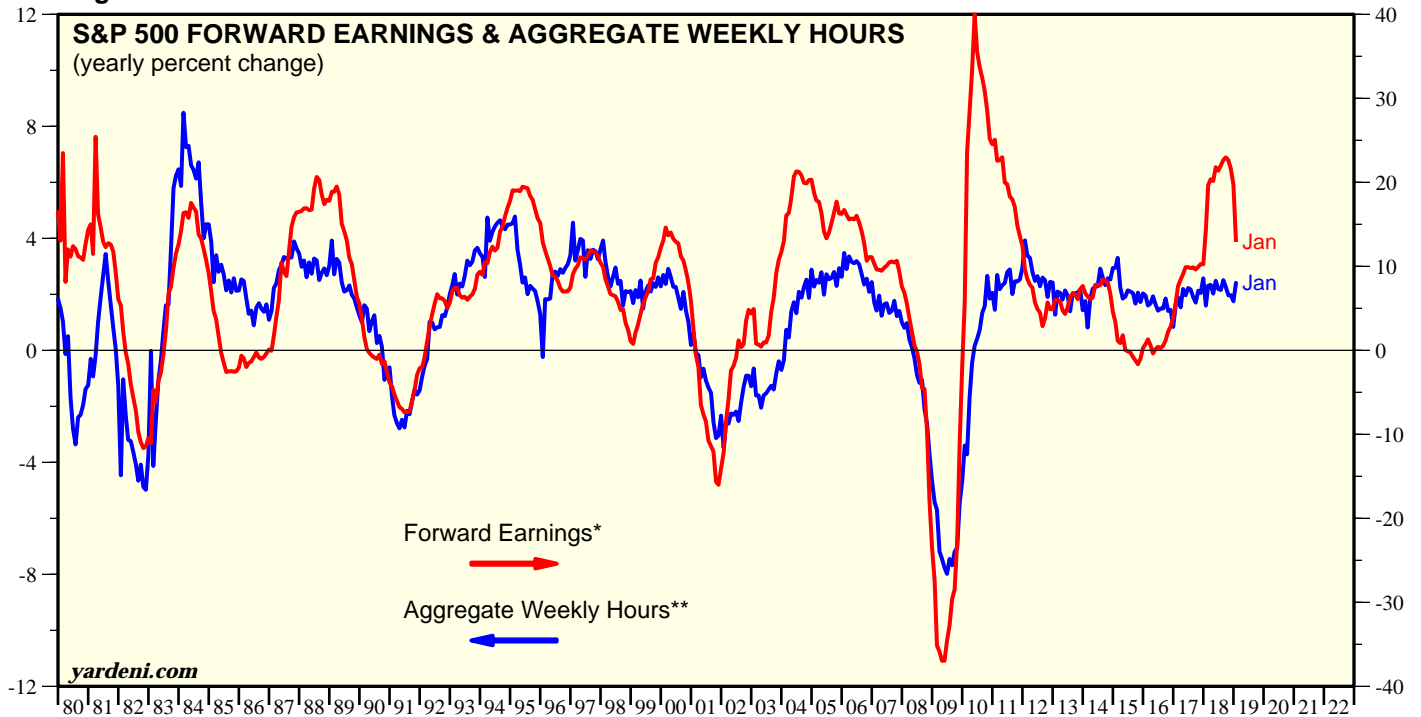
US Employment

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 US Department of Labor, Bureau of Labor Statistics.

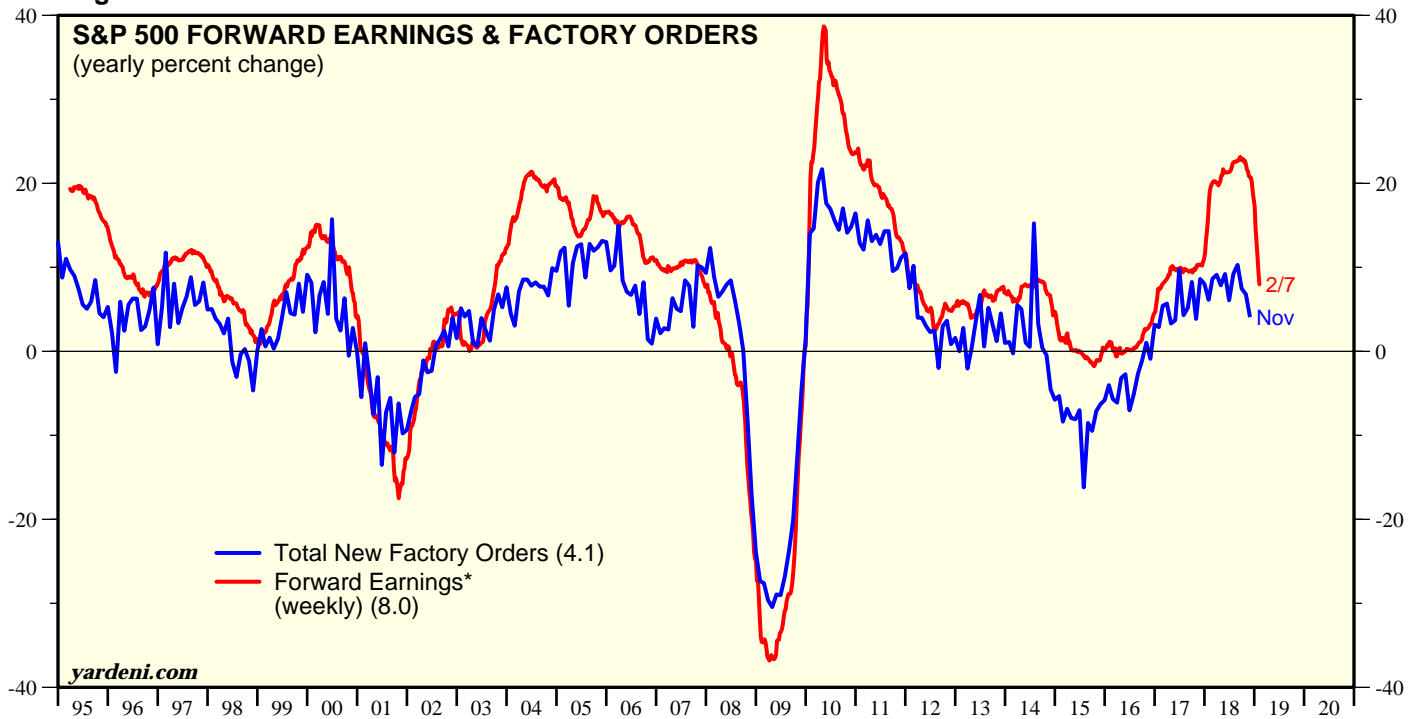
Figure 12.



* 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.

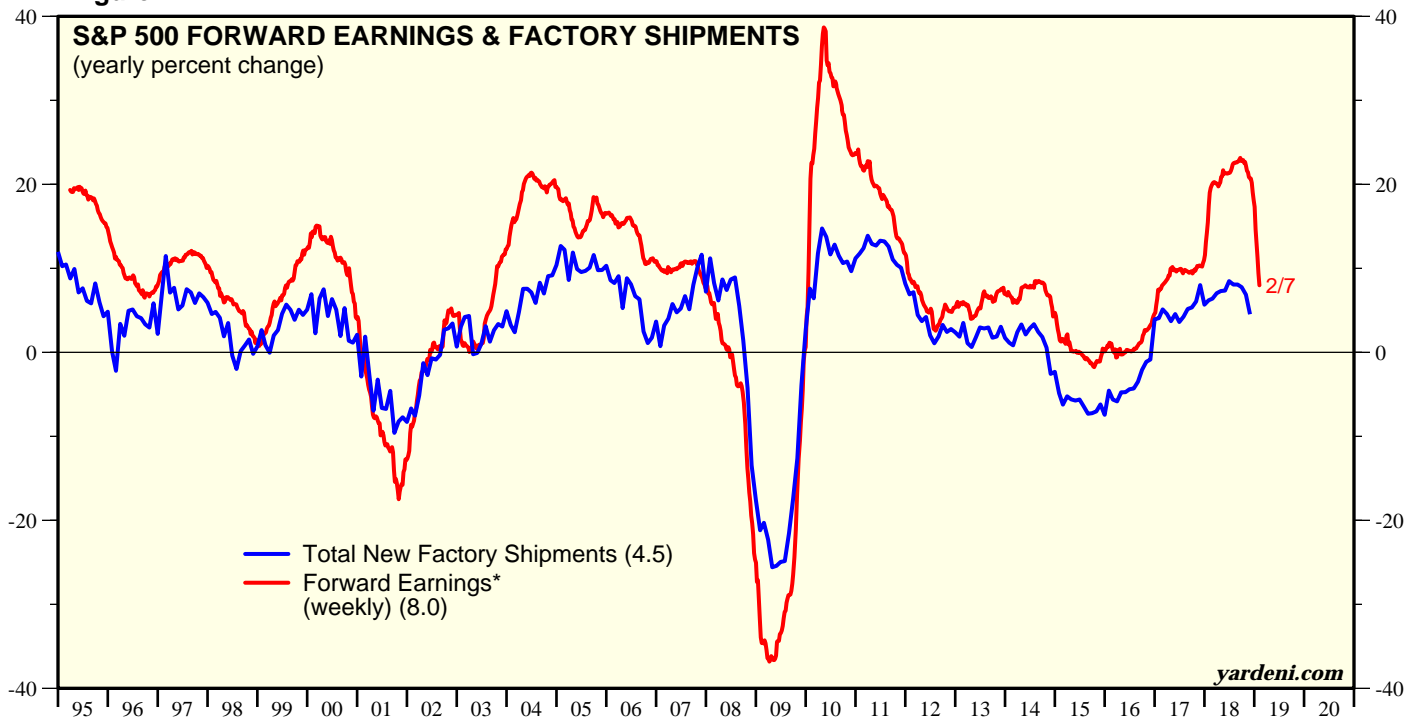
US Orders & Shipments

Figure 13.



* 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.

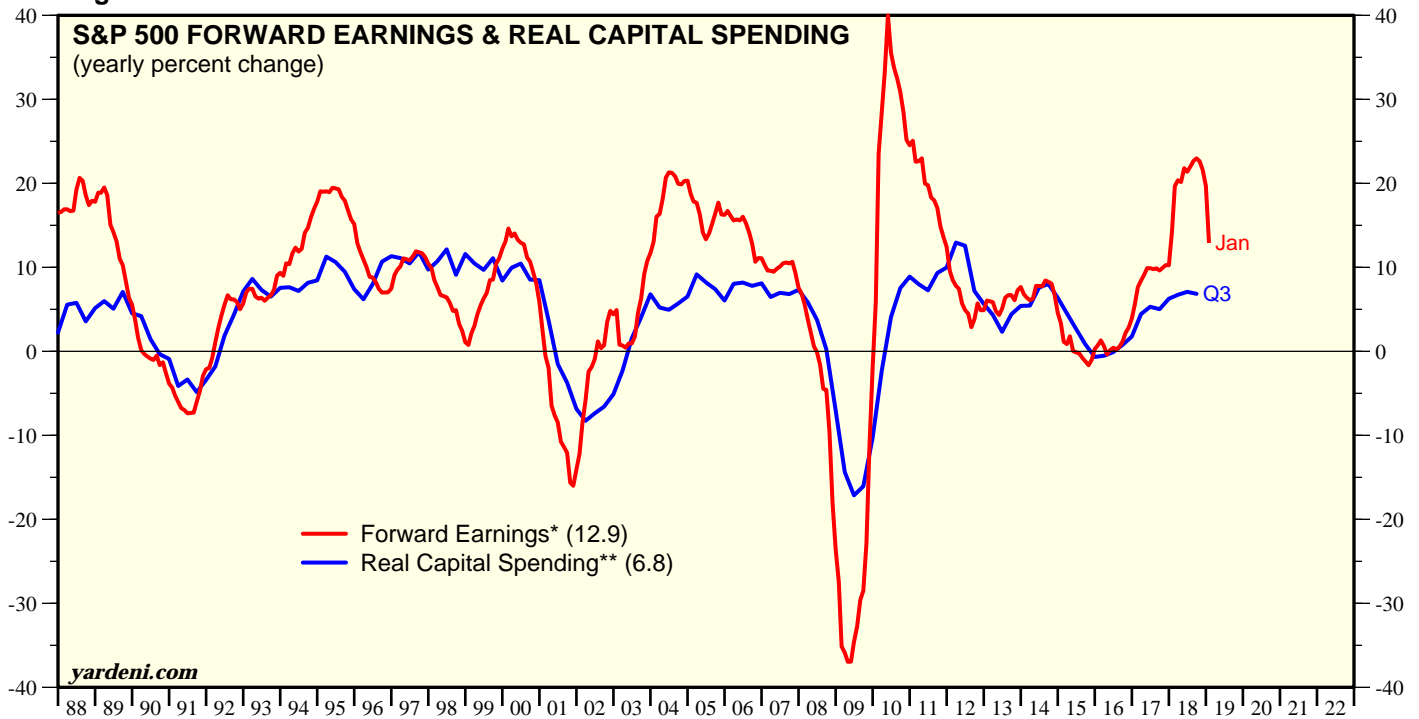
Figure 14.



* 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.

US Capital Spending

Figure 15.

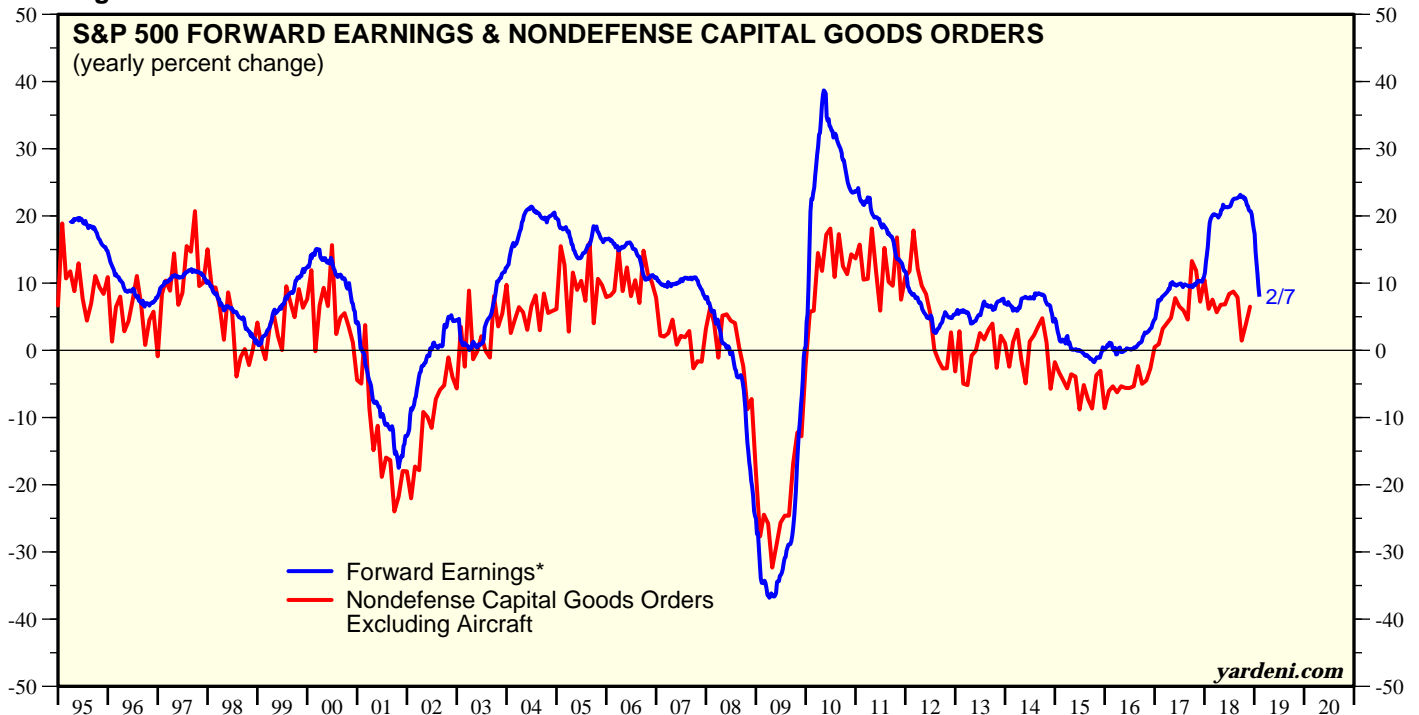


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.

** Nonresidential fixed investment in real GDP.

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

Figure 16.

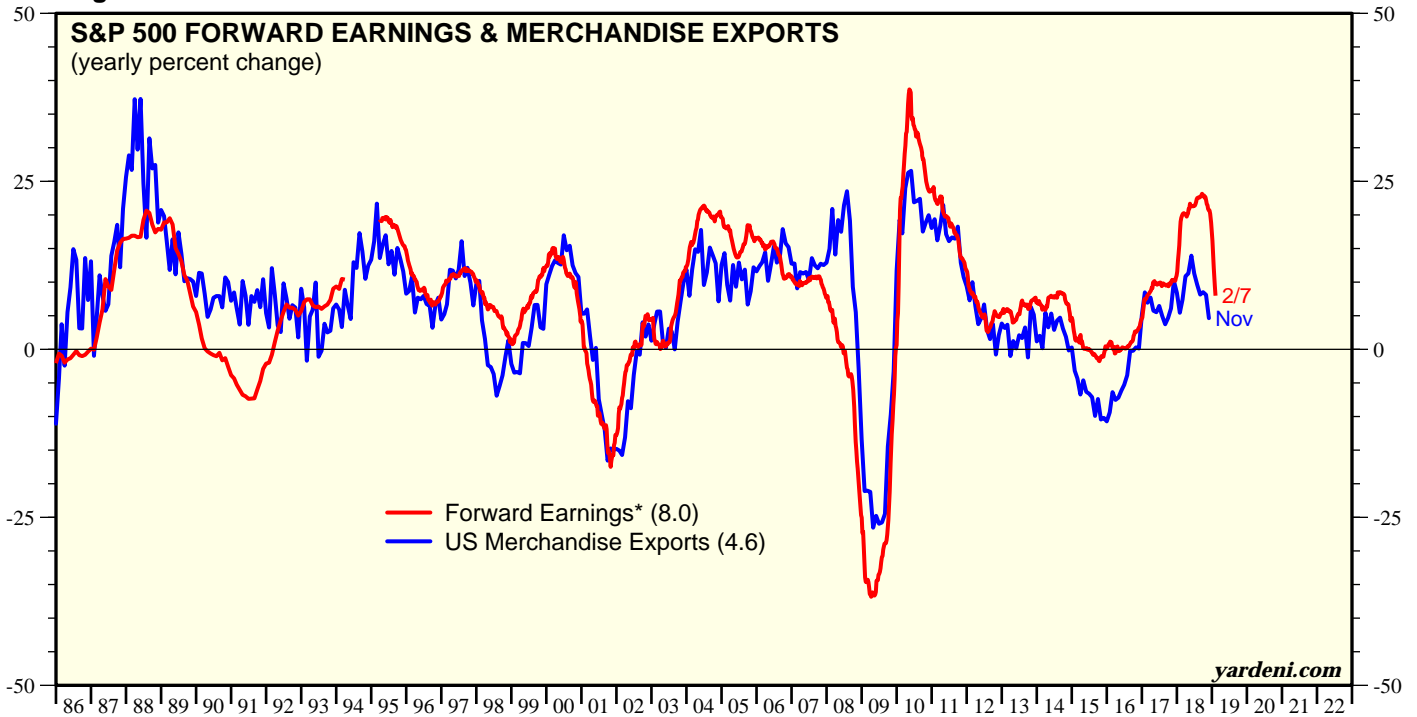


* Time-weighted average of consensus operating earnings estimates for current and next year. Monthly through March 1994, weekly thereafter.

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

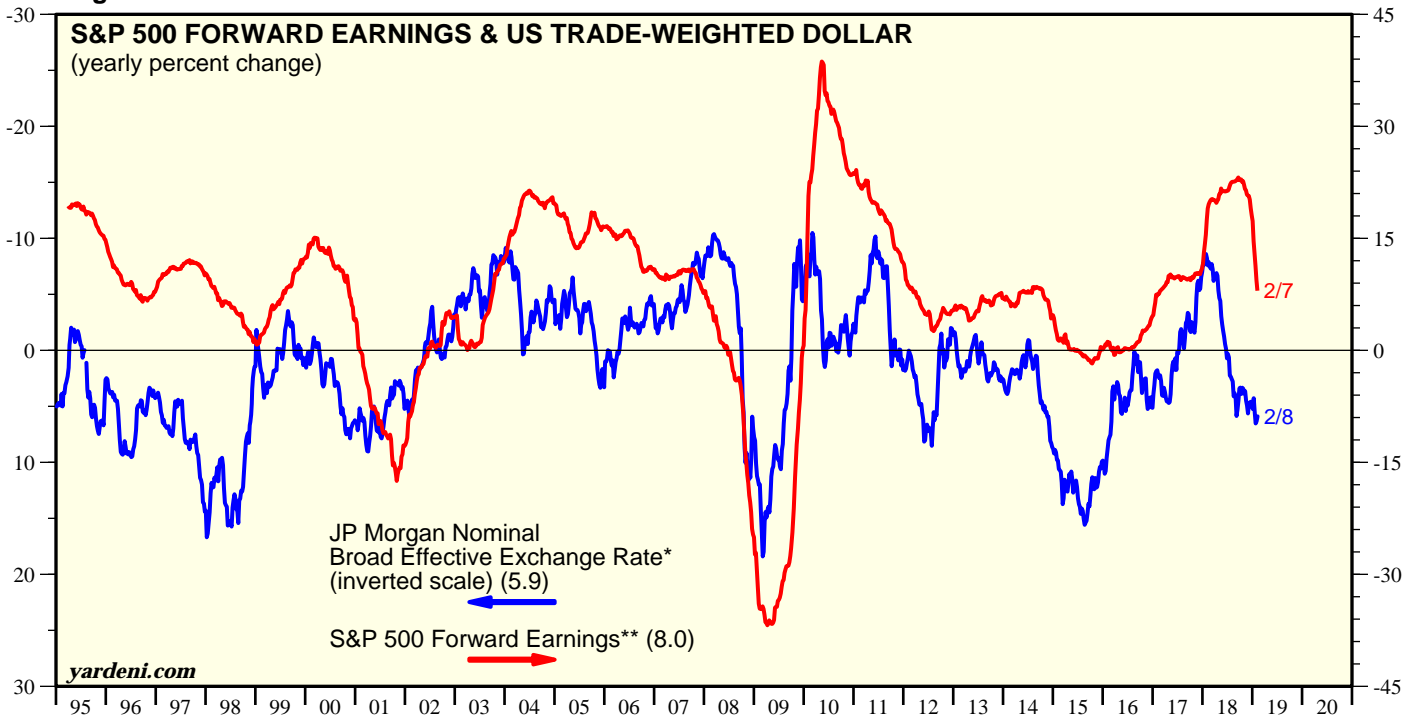
US Exports & the Dollar

Figure 17.



* 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.

Figure 18.

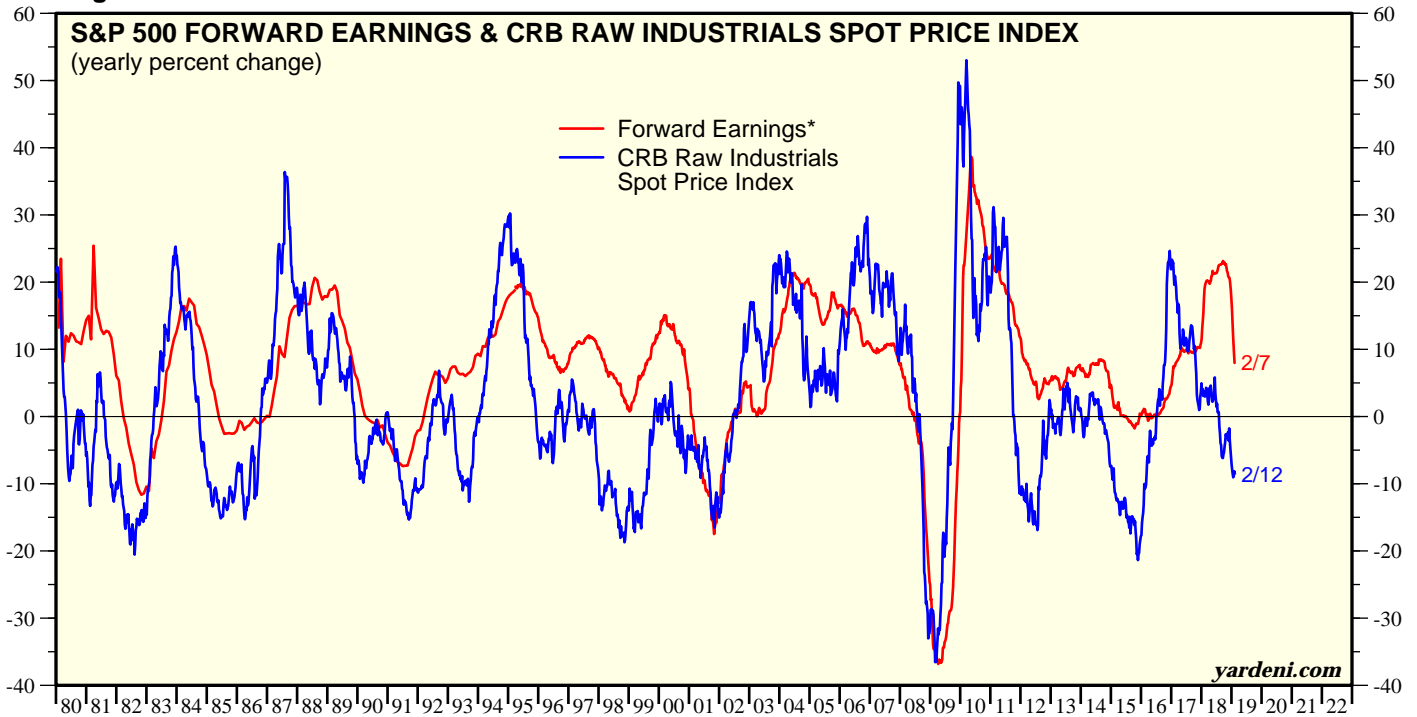


* Argentina, Australia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Ecuador, Egypt, France, Germany, Hong Kong, Hungary, Japan, India, Indonesia, Israel, Italy, Korea, Kuwait, Malaysia, Mexico, Morocco, New Zealand, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, 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.

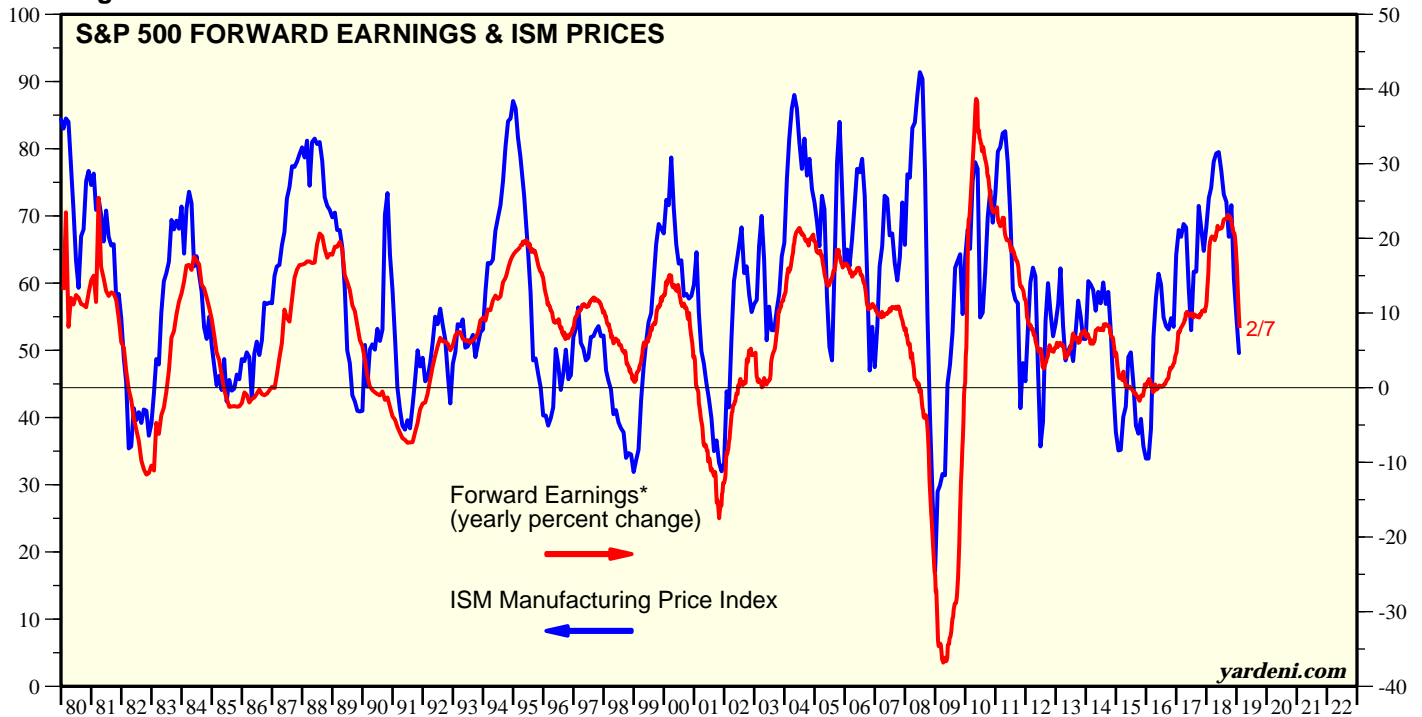
Prices

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 Commodity Research Bureau.

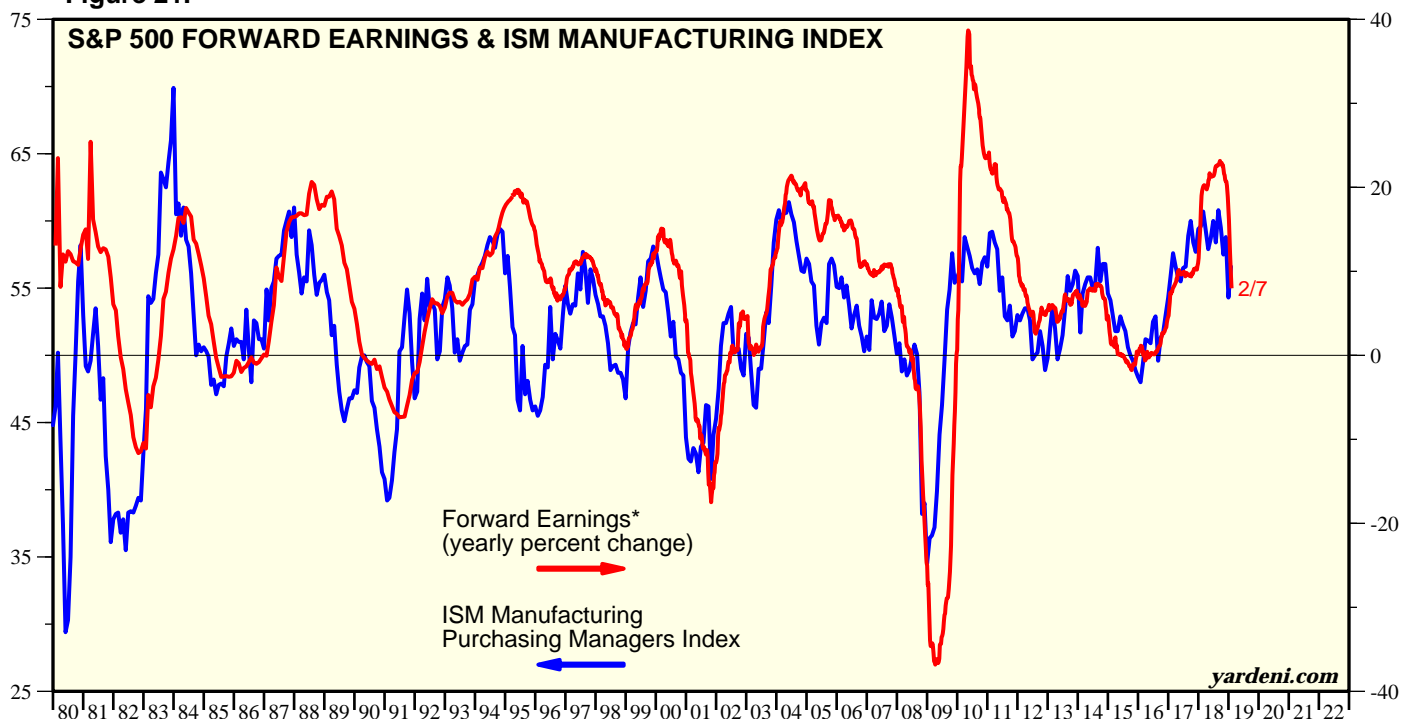
Figure 20.



* 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.

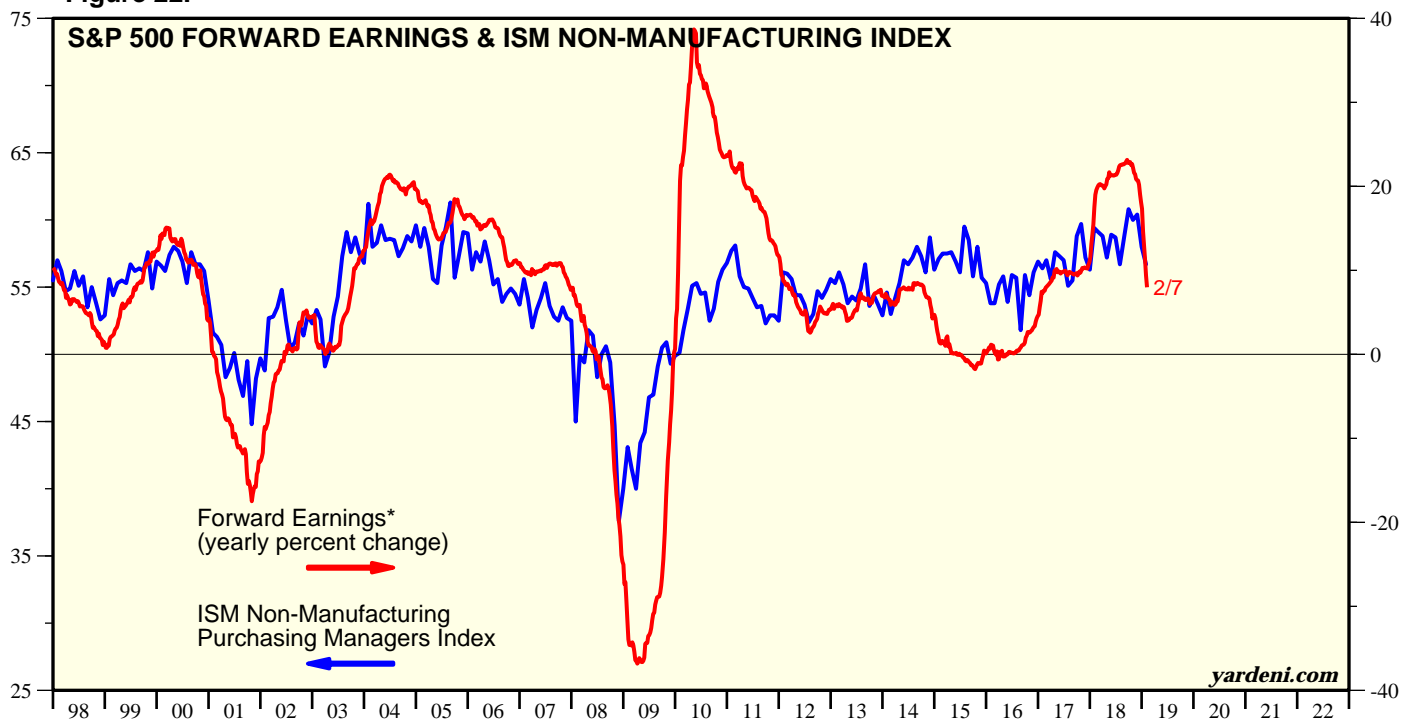
US Managers Indexes

Figure 21.



* 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 22.



* 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.

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