S&P 500 Industry Briefing: Insurance Brokers

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

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

Please visit our sites at
www.yardeni.com
blog.yardeni.com
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**Figure 1.**

![S&P 500 Insurance Brokers Stock Price Index](https://yardeni.com)

The S&P 500 Insurance Brokers Stock Price Index tracks the performance of the insurance brokers sector within the S&P 500. The red line represents the 200-day moving average, while the blue line indicates the index itself. Source: Standard & Poor’s and Haver Analytics.

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**Figure 2.**

![S&P 500 Insurance Brokers Index, Forward Earnings, & Valuation](https://yardeni.com)

This graph illustrates the S&P 500 Insurance Brokers Index alongside the Blue Angels Implied Price Index. The red line represents the Insurance Brokers Index, while the blue line shows the Implied Price Index. Source: Standard & Poor’s and I/B/E/S data by Refinitiv.

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* Implied price index calculated using forward earnings times forward P/Es.

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200-day moving average.

* Ratio scale.

Source: Standard & Poor’s and Haver Analytics.
**Forward Revenues & Earnings with Annual Squiggles**

**Figure 3.**

*S&P 500 INSURANCE BROKERS 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 4.**

*S&P 500 INSURANCE BROKERS OPERATING 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 5.

S&P 500 INSURANCE BROKERS ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

<table>
<thead>
<tr>
<th>Year</th>
<th>% Growth</th>
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</thead>
<tbody>
<tr>
<td>2011</td>
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<tr>
<td>2012</td>
<td>2.8</td>
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<tr>
<td>2013</td>
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<td>2014</td>
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<tr>
<td>2019</td>
<td>8.6</td>
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<tr>
<td>2020</td>
<td>7.9</td>
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</tbody>
</table>

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

Figure 6.

S&P 500 INSURANCE BROKERS ANNUAL EARNINGS GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

<table>
<thead>
<tr>
<th>Year</th>
<th>% Growth</th>
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</thead>
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<td>2019</td>
<td>9.3</td>
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<tr>
<td>2020</td>
<td>11.7</td>
</tr>
</tbody>
</table>

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

*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.

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**Figure 7.**

**S&P 500 INSURANCE BROKERS PROJECTED PROFIT MARGIN**

(using analysts’ average earnings and revenues forecasts)

**Consensus Forecasts**

- Red: Annual estimates
- Blue: Forward profit margin* (16.0)

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*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.

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**Figure 8.**

**S&P 500 INSURANCE BROKERS NET EARNINGS REVISIONS***

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**Forward Growth & Valuation**

**Figure 9.**

S&P 500 INSURANCE BROKERS STRG, STEG, & LTEG

(Percent)

- LTEG* (10.2)
- STEG* (11.1)
- STRG* (8.0)

STEG capped at 50%

* STEG is year-ahead forward consensus expected short-term earnings growth. STRG is year-ahead forward consensus expected short-term revenue growth. LTEG is five-year consensus expected long-term earnings growth.

Monthly data through 2005, weekly thereafter.

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

**Figure 10.**

S&P 500 INSURANCE BROKERS VALUATION

- Forward P/E* (18.9)
- Relative P/E** (1.1)
- PEG Ratio*** (1.9)

* Price divided by 12-month forward consensus expected operating earnings per share.
** Sector or industry forward P/E relative to S&P 500 forward P/E.
*** Sector or industry forward P/E relative to sector or industry consensus 5-year LTEG forecast.

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