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Figure 1.

S&P 500 BIOTECHNOLOGY STOCK PRICE INDEX *
(ABBV ALXN AMGN BIIB GILD INCY REGN VRTX)

* 200-day moving average.
* Ratio scale.
Source: Standard & Poor’s and Haver Analytics.

Figure 2.

S&P 500 BIOTECHNOLOGY INDEX, FORWARD EARNINGS, & VALUATION

* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.
Figure 3.

S&P 500 BIOTECHNOLOGY 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 BIOTECHNOLOGY 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 BIOTECHNOLOGY ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts' consensus estimates, percent, weekly)

Latest data thru 01/23/20

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

Figure 6.

S&P 500 BIOTECHNOLOGY ANNUAL EARNINGS GROWTH FORECASTS*
(based on analysts' consensus estimates, percent, weekly)

Latest data thru 01/23/20

Source: I/B/E/S data by Refinitiv.
Figure 7.

S&P 500 BIOTECHNOLOGY PROJECTED PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (39.1)

* 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.

Figure 8.

S&P 500 BIOTECHNOLOGY 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 9.**

S&P 500 BIOTECHNOLOGY STRG, STEG, & LTEG (percent)

- LTEG (10.5)
- STEG (5.9)
- STRG (5.8)


**Figure 10.**

S&P 500 BIOTECHNOLOGY VALUATION

- Forward P/E* (11.6)
- Relative P/E and PEG capped at 3.0
- Relative P/E** (0.6)
- PEG Ratio*** (1.1)

* 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.
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