S&P 500 Industry Briefing: Gas Utilities

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thinking outside the box
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Figure 1.

S&P 500 GAS UTILITIES STOCK PRICE INDEX* stopped trading effective 6/30 due to removal of GAS (GAS)

- 200-day moving average.
- Ratio scale.
* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.

Figure 2.

S&P 500 GAS UTILITIES INDEX, FORWARD EARNINGS, & VALUATION

* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and Haver Analytics.
Figure 3.

**S&P 500 GAS UTILITIES OPERATING EPS**
(Analysts’ average forecasts, ratio scale)

* 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 GAS UTILITIES 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.

S&P 500 GAS UTILITIES 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.

S&P 500 GAS UTILITIES PROJECTED PROFIT MARGIN
(Using analysts' average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (17.0)

* 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 7.

S&P 500 GAS UTILITIES STRG, STEG, & LTEG
(percent)

-40 -30 -20 -10 0 10 20 30

LTEG* (7.1)
STEG* (7.4)
STRG* (11.0)

* 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 8.

S&P 500 GAS UTILITIES VALUATION

Forward P/E* (23.3)

Relative P/E** (1.3)
PEG Ratio*** (3.3)

* 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.