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**S&P 500 Life Sciences Tools & Services**

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Figure 1.

S&P 500 LIFE SCIENCES & TOOLS STOCK PRICE INDEX*
(A ILMN IQV MTD PKI TMO WAT)


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

Figure 2.

S&P 500 LIFE SCIENCES TOOLS & SERVICES INDEX, FORWARD EARNINGS, & VALUATION

Life Sciences Tools & Services Index
09/20/19

Blue Angels Implied Price Index*
09/12/19

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

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Forward Revenues & Earnings with Annual Squiggles

Figure 3.

S&P 500 LIFE SCIENCES TOOLS & SERVICES 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 LIFE SCIENCES & TOOLS 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 LIFE SCIENCES TOOLS & SERVICES ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

2011 (11.3) 2012 (4.8) 2013 (2.6) 2014 (17.3) 2015 (-8.1) 2016 (6.4) 2017 (14.9) 2018 (17.0) 2019 (4.6) 2020 (7.0) Latest data thru 09/12/19

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

Figure 6.
S&P 500 LIFE SCIENCES TOOLS & SERVICES ANNUAL EARNINGS GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

2011 (20.6) 2012 (11.0) 2013 (3.0) 2014 (19.8) 2015 (-2.6) 2016 (10.7) 2017 (14.3) 2018 (19.2) 2019 (10.3) 2020 (12.1) Latest data thru 09/12/19

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

Figure 7.

S&P 500 LIFE SCIENCES TOOLS & SERVICES PROJECTED PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (19.0)

* 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 8.

S&P 500 LIFE SCIENCES & TOOLS NET 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 LIFE SCIENCES TOOLS & SERVICES STRG, STEG, & LTEG (percent)

- LTEG* (12.4)
- STEG* (11.7)
- STRG* (6.4)

capped at 25%

* 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 LIFE SCIENCES TOOLS & SERVICES VALUATION

- Forward P/E* (24.5)
- Relative P/E** (1.4)
- PEG Ratio*** (2.0)

* 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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