S&P 500 Industry Briefing: Asset Management & Custody Banks

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thinking outside the box
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Figure 1.

**S&P 500 ASSET MANAGEMENT & CUSTODY BANKS STOCK PRICE INDEX**
(AMG AMP BEN BK BLK IVZ NTRS STT TROW)

- 200-day moving average.
- Ratio scale.
* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and Haver Analytics.

Figure 2.

**S&P 500 ASSET MANAGEMENT & CUSTODY BANKS INDEX, FORWARD EARNINGS, & VALUATION**

- Asset Management & Custody Banks Index
  03/12/20
- Blue Angels Implied Price Index*
  03/05/20

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

**Figure 3.**

*S&P 500 Asset Management & Custody Banks Revenues Per Share*

(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 Asset Management & Custody Banks 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.*
S&P 500 ASSET MANAGEMENT & CUSTODY BANKS ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

2011 (7.8)
2012 (1.5)
2013 (6.6)
2014 (6.2)
2015 (-1.3)
2016 (-2.4)
2017 (6.3)
2018 (6.1)
2019 (-0.1)
2020 (2.9)

Figure 5.

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

S&P 500 ASSET MANAGEMENT & CUSTODY BANKS ANNUAL EARNINGS GROWTH FORECASTS*
(based on analysts’ consensus estimates, percent, weekly)

2011 (6.2)
2012 (2.2)
2013 (22.0)
2014 (12.7)
2015 (3.3)
2016 (1.2)
2017 (18.9)
2018 (16.0)
2019 (-1.6)
2020 (7.6)
2021 (7.7)

Figure 6.

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

S&P 500 ASSET MANAGEMENT & CUSTODY BANKS PROJECTED PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Red: Annual estimates
- Blue: Forward profit margin* (24.7)

* 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 ASSET MANAGEMENT & CUSTODY BANKS 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 ASSET MANAGEMENT & CUSTODY BANKS STRG, STEG, & LTEG (percent)

- LTEG* (5.4)
- STEG* (7.5)
- STRG* (2.8)

* 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 ASSET MANAGEMENT & CUSTODY BANKS VALUATION

- Forward P/E* (11.2)
- Relative P/E** (0.6)
- 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.