## Table Of Contents

**S&P 500 Pharmaceuticals**
- Stock Price Index 1
- Forward Revenues & Earnings with Annual Squiggles 2
- Annual Growth Squiggles 3
- Margins & NERI 4
- Forward Growth & Valuation 5
Figure 1.

S&P 500 PHARMACEUTICALS STOCK PRICE INDEX*  
(AGN BMY JNJ LLY MRK MYL NKTR PFE PRGO ZTS)

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

Figure 2.  

S&P 500 PHARMACEUTICALS INDEX, FORWARD EARNINGS, & VALUATION  
Pharmaceuticals 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 and I/B/E/S data by Refinitiv.
Forward Revenues & Earnings with Annual Squiggles

Figure 3.

S&P 500 PHARMACEUTICALS REVENUES PER SHARE
(Analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Red: Annual estimates
- Blue: 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 PHARMACEUTICALS OPERATING EARNINGS PER SHARE
(Analysts’ average forecasts, ratio scale)

Consensus Forecasts
- Red: Annual estimates
- Blue: 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.
S&P 500 PHARMACEUTICALS ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts' consensus estimates, percent, weekly)

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

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

Latest data thru 09/12/19
**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.

---

**Figure 7.**

**S&P 500 PHARMACEUTICALS PROJECTED PROFIT MARGIN**

(using analysts’ average earnings and revenues forecasts)

**Consensus Forecasts**

- Annual estimates
- Forward profit margin* (27.8)

---

**Figure 8.**

**S&P 500 PHARMACEUTICALS 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 PHARMACEUTICALS STRG, STEG, & LTEG**

(Percent)

- LTEG (7.1)
- STEG (7.8)
- STRG (7.2)

* 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 PHARMACEUTICALS VALUATION**

- Forward P/E* (13.9)
- Relative P/E** (0.8)
- PEG Ratio*** (2.0)

Relative P/E and PEG capped at 3.0

* 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.