S&P 500 Industry Briefing: Oil & Gas Refining & Marketing

Yardeni Research, Inc.

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Dr. Ed Yardeni
516-972-7683
eyardeni@yardeni.com

Joe Abbott
732-497-5306
jabbott@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com

thinking outside the box
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Figure 1.

**S&P 500 OIL & GAS REFINING & MARKETING STOCK PRICE INDEX**
(HFC MPC PSX VLO)

- 200-day moving average.
- Ratio scale.

Source: Standard & Poor’s and Haver Analytics.

* 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

* 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.

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S&P 500 OIL & GAS REFINING & MARKETING REVENUES PER SHARE
(Analysts' average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- Forward revenues*

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S&P 500 OIL & GAS REFINING & MARKETING 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 OIL & GAS REFINING & MARKETING ANNUAL REVENUE GROWTH FORECASTS*  
(based on analysts’ consensus estimates, percent, weekly)

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

Figure 6.

S&P 500 OIL & GAS REFINING & MARKETING ANNUAL EARNINGS GROWTH FORECASTS*  
(based on analysts’ consensus estimates, percent, weekly)

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

Figure 7.

S&P 500 OIL & GAS REFINING & MARKETING PROJECTED PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Red: Annual estimates
- Blue: Forward profit margin* (3.4)

* 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 OIL & GAS REFINING & MARKETING 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 OIL & GAS REFINING & MARKETING STRG, STEG & LTEG

(Percent)

- LTEG* (1.5)
- STEG* (28.9)
- STRG* (7.1)

STEGL capped at 50%

* 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 OIL & GAS REFINING & MARKETING VALUATION

- Forward P/E* (9.5)
- Relative P/E** (0.6)
- PEG Ratio*** (2.5)

* 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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