S&P 500 Industry Briefing: Paper Packaging

March 13, 2020

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
# Table Of Contents

**S&P 500 Paper Packaging**  
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 PAPER PACKAGING STOCK PRICE INDEX**
(AVY IP PKG SEE WRK)

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

Figure 2.

**S&P 500 PAPER PACKAGING INDEX, FORWARD EARNINGS, & VALUATION**

* 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 PAPER PACKAGING 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 PAPER PACKAGING OPERATING EPS**
(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 PAPER PACKAGING ANNUAL REVENUE GROWTH FORECASTS*
(based on analysts' consensus estimates, percent, weekly)

- 2011 (10.8)
- 2012 (16.2)
- 2013 (0.0)
- 2014 (2.7)
- 2015 (3.0)
- 2016 (2.8)
- 2017 (2.8)
- 2018 (8.1)
- 2019 (1.7)
- 2020 (3.6)

Latest data thru 03/05/20

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

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

- 2011 (3.3)
- 2012 (-12.7)
- 2013 (11.5)
- 2014 (40.8)
- 2015 (14.1)
- 2016 (-12.8)
- 2017 (3.6)
- 2018 (44.4)
- 2019 (-6.8)
- 2020 (-15.6)
- 2021 (6.8)

Latest data thru 03/05/20

Source: I/B/E/S data by Refinitiv.
**Consensus Forecasts**

- **Annual estimates**
- **Forward profit margin** (6.6)

*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.

---

**S&P 500 PAPER PACKAGING 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 PAPER PACKAGING STRG, STEG, & LTEG (percent)

- LTEG* (5.3)
- STEG* (-8.9)
- STRG* (0.8)

* 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 PAPER PACKAGING VALUATION

- Forward P/E* (13.3)
- Relative P/E** (0.8)
- 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.