S&P 500 Industry Briefing: Communications Equipment

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thinking outside the box
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**Figure 1.**

S&P 500 COMMUNICATIONS EQUIPMENT STOCK PRICE INDEX*
(ANET CSCO FFIV JNPR MSI)

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

**Figure 2.**

S&P 500 COMMUNICATIONS EQUIPMENT INDEX, FORWARD EARNINGS, & VALUATION

Communications Equipment Index
04/01/21

Blue Angels implied price index*
03/25/21

* 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 COMMUNICATIONS EQUIPMENT 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 COMMUNICATIONS EQUIPMENT OPERATING EARNINGS 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.
**S&P 500 Communications Equipment Annual Revenue Growth Forecasts**

Based on analysts' consensus estimates, percent, weekly.

- 2011 (0.6)
- 2012 (8.8)
- 2013 (9.9)
- 2014 (-2.4)
- 2015 (1.2)
- 2016 (4.5)
- 2017 (-1.3)
- 2018 (3.7)
- 2019 (4.9)
- 2020 (-4.5)
- 2021 (1.7)
- 2022 (4.4)

Latest data thru 03/25/21

**S&P 500 Communications Equipment Annual Earnings Growth Forecasts**

Based on analysts' consensus estimates, percent, weekly.

- 2011 (9.6)
- 2012 (12.7)
- 2013 (15.5)
- 2014 (5.6)
- 2015 (1.3)
- 2016 (8.4)
- 2017 (2.2)
- 2018 (10.1)
- 2019 (16.5)
- 2020 (1.5)
- 2021 (2.0)
- 2022 (7.2)

Latest data thru 03/25/21

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

S&P 500 COMMUNICATIONS EQUIPMENT PROJECTED PROFIT MARGIN
(using analysts' average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (25.7)

* 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 COMMUNICATIONS EQUIPMENT 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.
* 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.

* 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.