S&P 500 Industry Briefing: Industrials

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thinking outside the box
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Figure 1.

S&P 500 INDUSTRIALS STOCK PRICE INDEX*

* 200-day moving average.

* Ratio scale.

Source: Standard & Poor’s and Haver Analytics.

Figure 2.

S&P 500 INDUSTRIALS INDEX, FORWARD EARNINGS, & VALUATION

-- Indusrtials Index
Daily: 09/20/19

Blue Angels Implied Price Index*
Weekly: 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 INDUSTRIALS REVENUES PER SHARE
(analysts' average forecasts, ratio scale)

Consensus Forecasts
- Annual estimates
- 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 INDUSTRIALS 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 INDUSTRIALS ANNUAL REVENUE GROWTH FORECASTS
(based on analysts' consensus estimates, percent, weekly)

Figure 6.
S&P 500 INDUSTRIALS 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 INDUSTRIALS PROJECTED PROFIT MARGIN
(using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual estimates
- Forward profit margin* (10.4)

* 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 INDUSTRIALS 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.
### Forward Growth & Valuation

**Figure 9.**

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

- LTEG* (9.2)
- STEG* (13.7)
- STRG* (5.4)

* 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.

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**Figure 10.**

**S&P 500 INDUSTRIALS VALUATION**

- Forward P/E* (16.0)
- Relative P/E** (0.9)
- PEG Ratio*** (1.7)

* 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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