

Stock Market Briefing: Stocks As Recession Indicator

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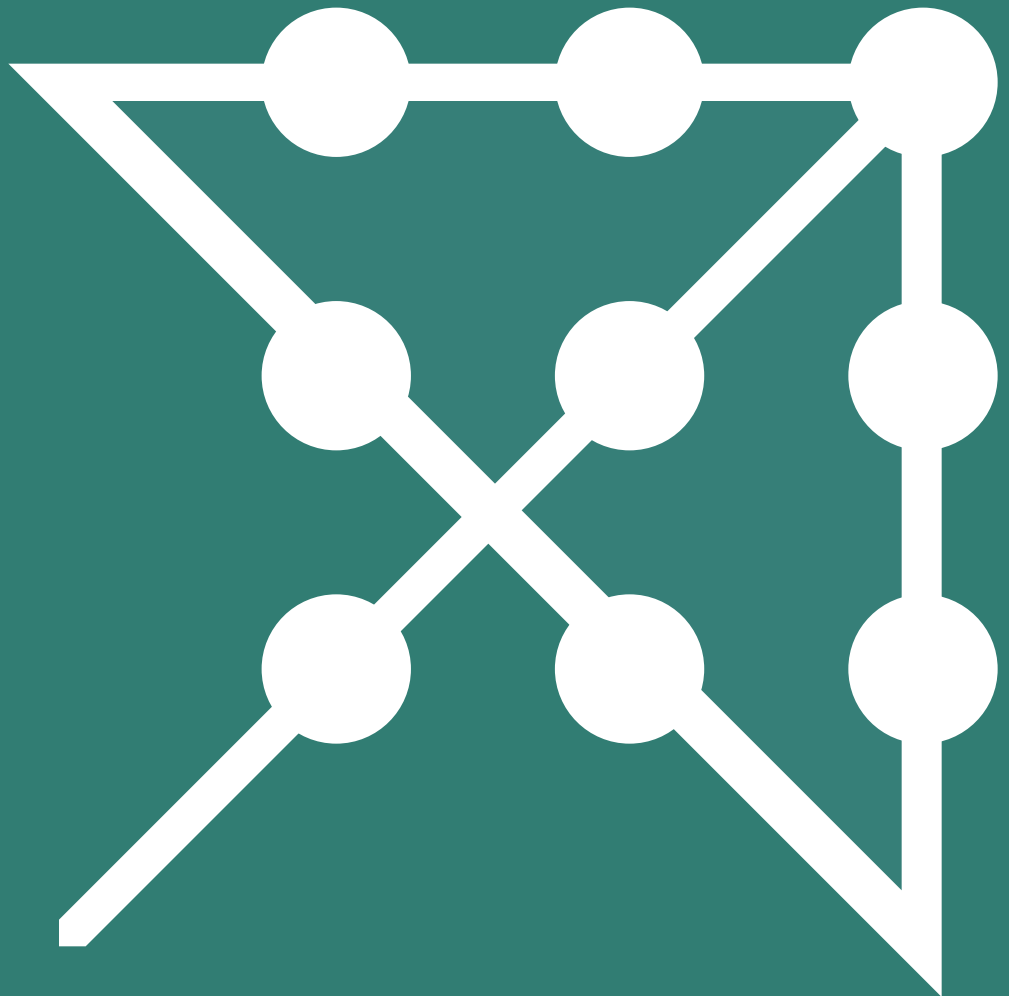
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thinking outside the box

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Figure 1.

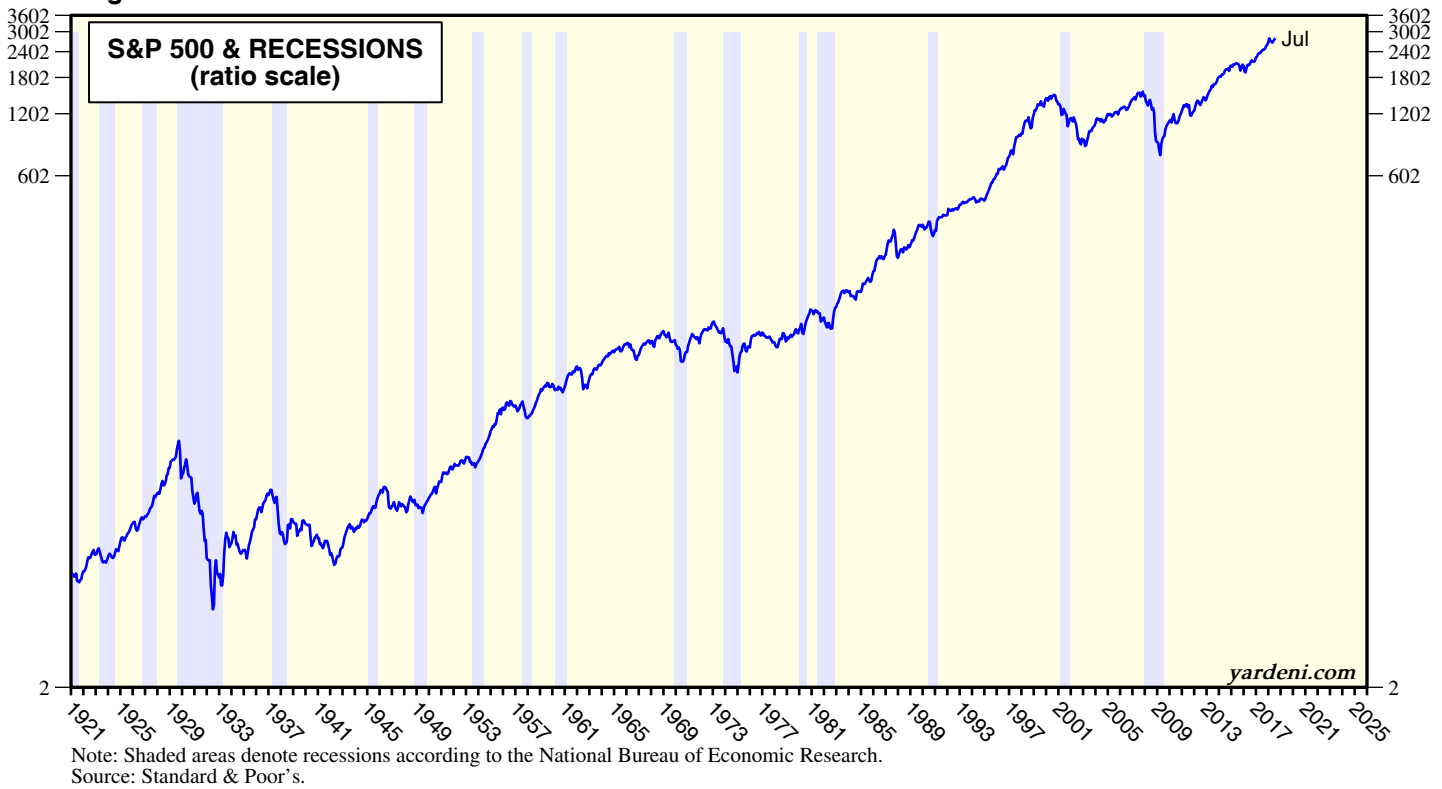
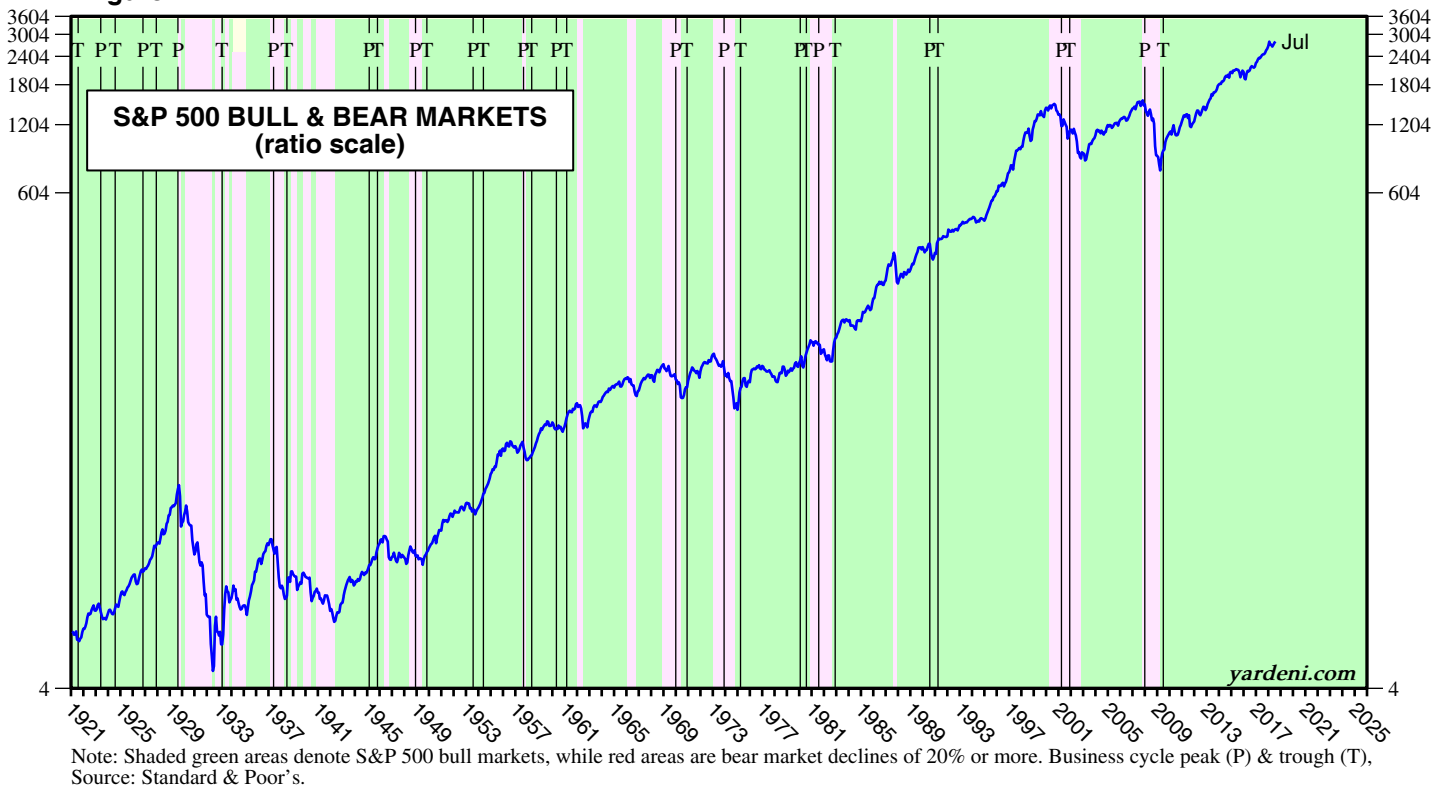
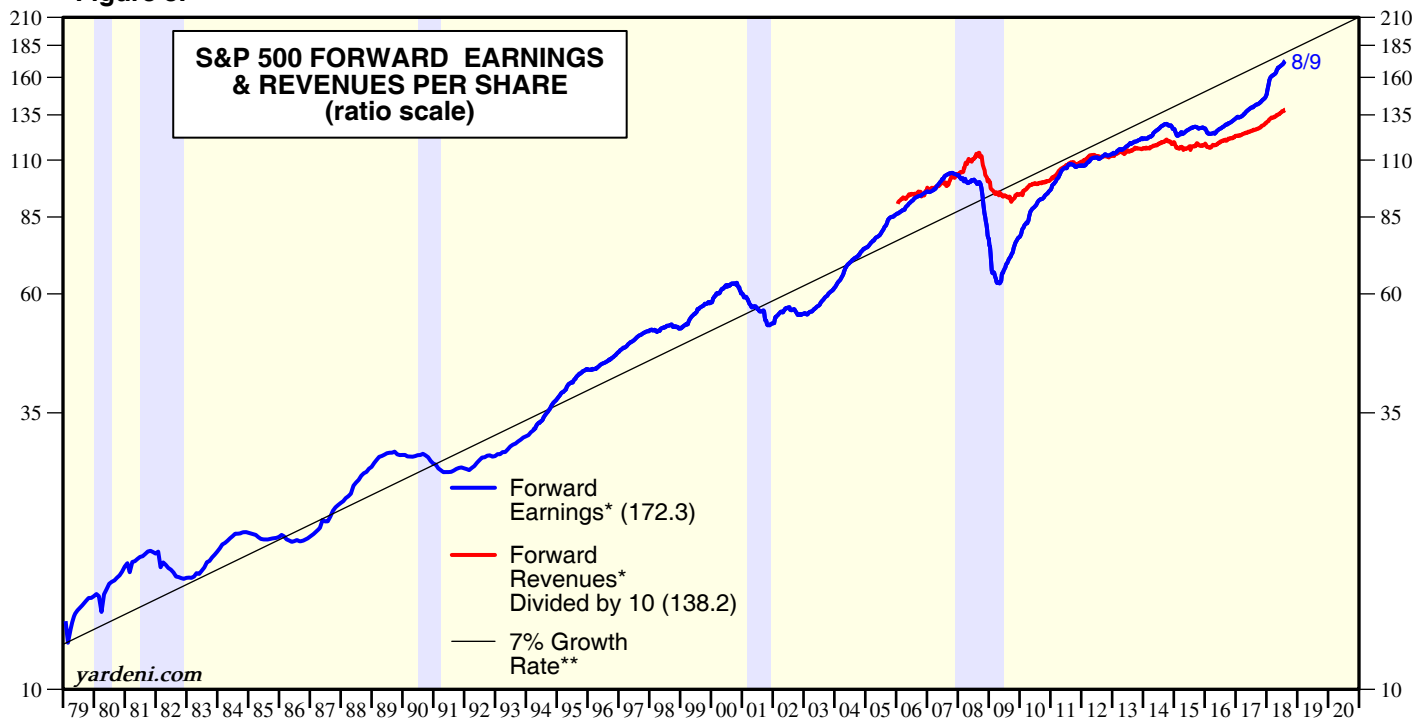


Figure 2.



Stocks As Recession Indicator

Figure 3.



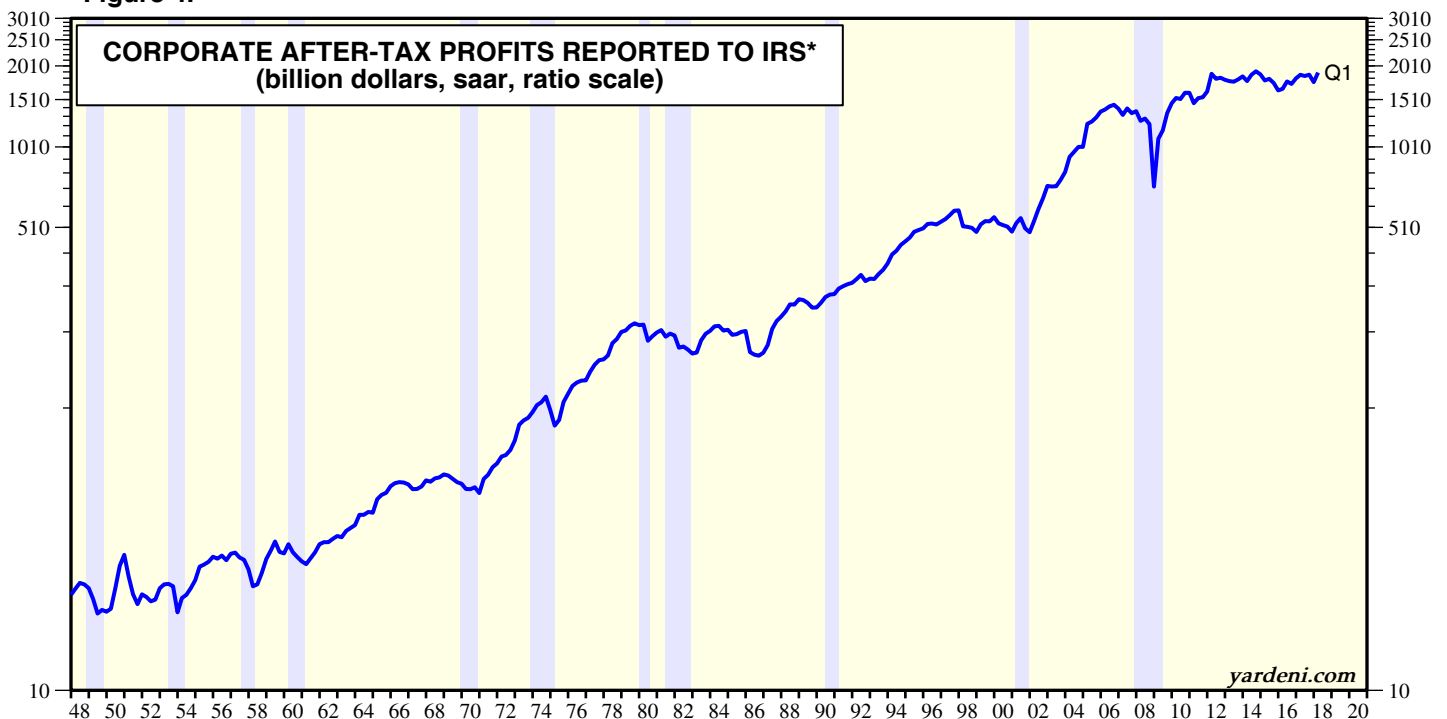
* Time-weighted average of consensus estimates for current and next year. Monthly through April 1994, then weekly.

** Compounded monthly to yield 7% annually.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Thomson Reuters I/B/E/S.

Figure 4.



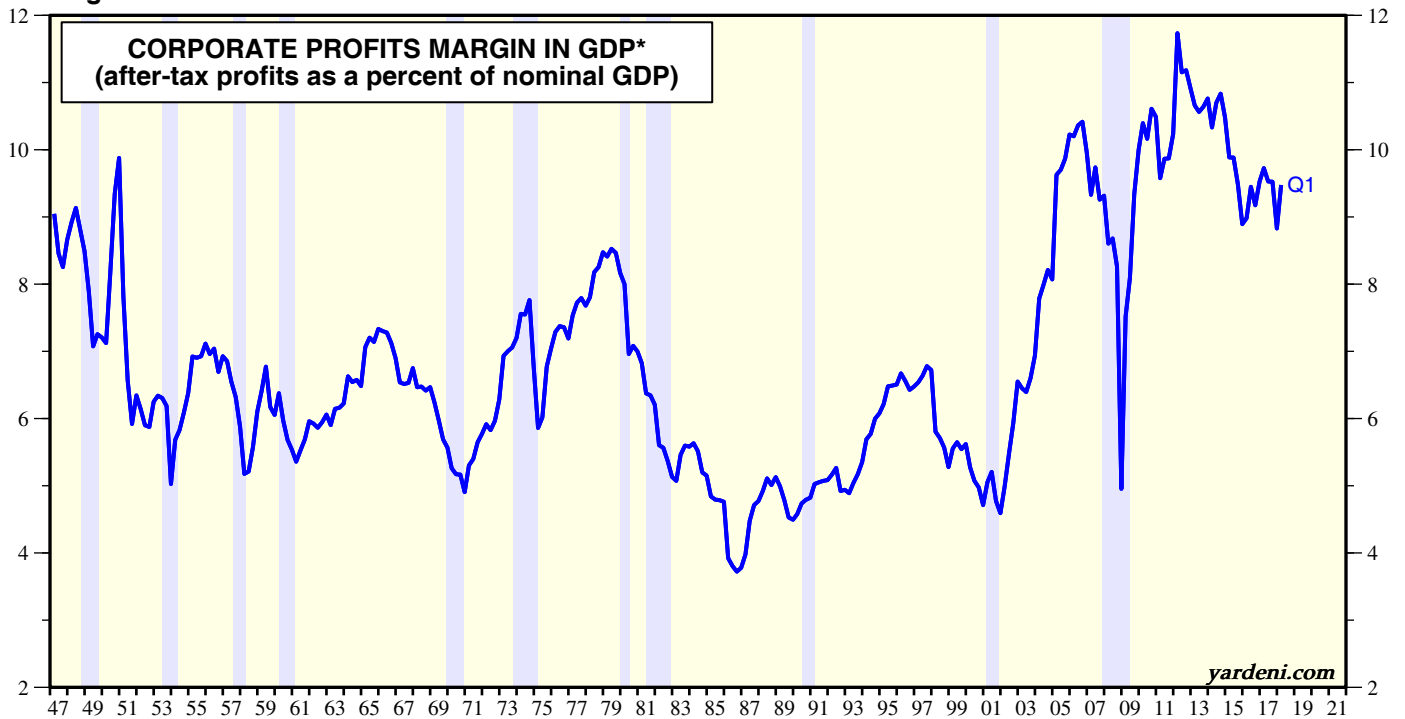
* Excluding IVA & CCAdj.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Bureau of Economic Analysis.

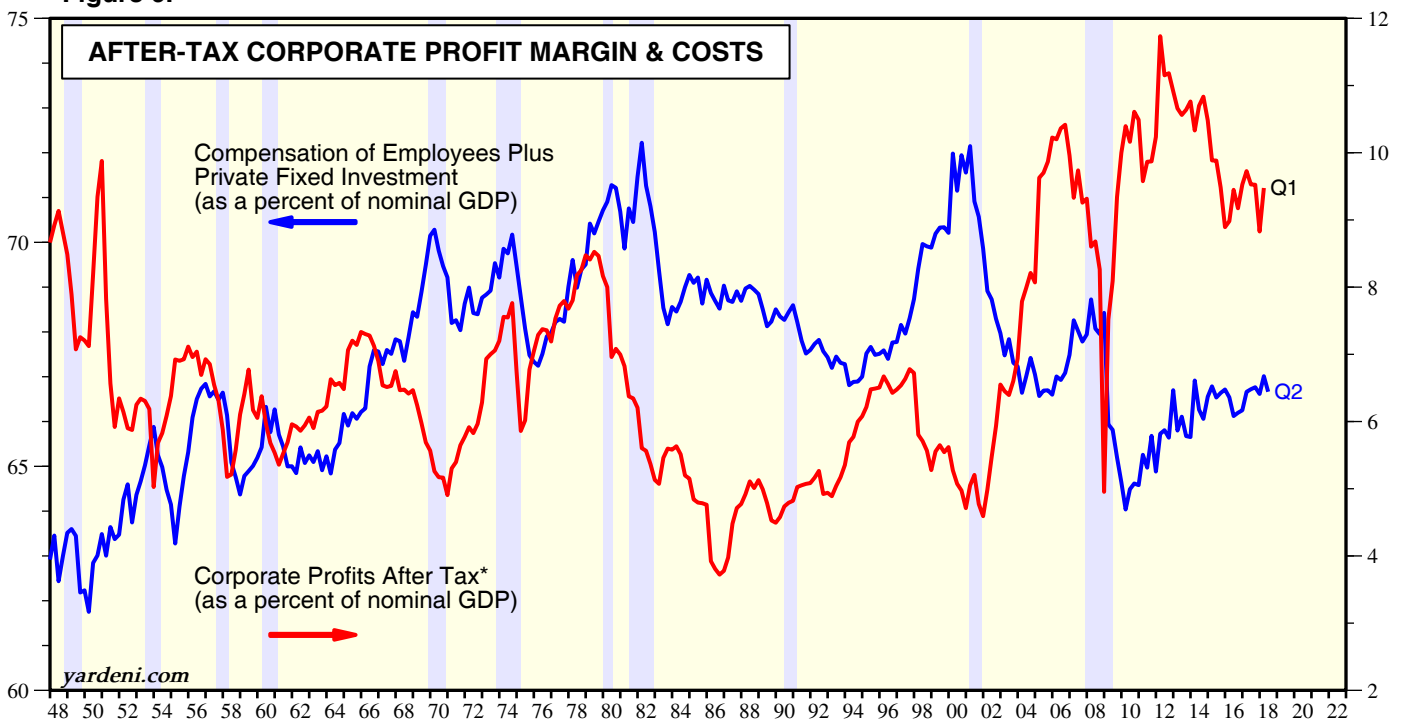
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Figure 5.



* Using after-tax corporate profits reported to IRS. Excluding IVA & CCadj.
 Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
 Source: Bureau of Economic Analysis.

Figure 6.



* After-tax profits as reported to IRS (without IVA and CCAdj).
 Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
 Source: Bureau of Economic Analysis.

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