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Figure 1.

S&P 500 Profit Margin

S&P 500 PROFIT MARGIN
(percent, quarterly)

Operating (11.7)
Reported (9.9)

Source: Standard & Poor’s Corporation (revenues and reported EPS) and I/B/E/S data by Refinitiv (operating EPS).

Figure 2.

S&P 500 Profit Margin

S&P 500 PROFIT MARGIN
(percent, trailing four-quarter average)

Operating (12.0)
Reported (10.1)

Source: Standard & Poor’s Corporation (revenues and reported EPS) and I/B/E/S data by Refinitiv (operating EPS).
S&P 500 Profit Margin

Figure 3.

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (11.7)
- Trailing four-quarter average (12.0)

Source: Standard & Poor’s Corporation (revenues) and I/B/E/S data by Refinitiv (operating EPS).

Figure 4.

S&P 500 REPORTED PROFIT MARGIN (percent)

- Quarterly (9.9)
- Trailing four-quarter average (10.1)

Source: Standard & Poor’s Corporation.
**Figure 5.**

**S&P 500 Profit Margin**

**(percent, dividing forward earnings by forward revenues)**

* Time-weighted average of the consensus estimates for current year and next year. Monthly through December 2005, then weekly.

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

**Figure 6.**

**S&P 500 Profit Margin Measures**

**(percent)***

* Forward earnings divided by forward revenues.

Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
Figure 7. S&P 500 Profit Margin

S&P 500 & PROFIT MARGIN

S&P 500 index (2989.7)

Operating trailing 4-quarter profit margin (12.0)

Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.

Figure 8. S&P 500 & FORWARD PROFIT MARGIN

S&P 500 index (2989.7)

Forward profit margin (12.0)


Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.
Figure 9.

S&P 500 Sectors Operating Profit Margins

- S&P 500 (11.2)
- CONSUMER DISCRETIONARY (7.2)
- CONSUMER STAPLES (7.4)
- ENERGY (6.7)
- FINANCIALS (15.6)
- HEALTH CARE (8.8)
- INDUSTRIALS (9.7)
- INFORMATION TECHNOLOGY (20.8)
- MATERIALS (9.1)
- REAL ESTATE (20.9)
- COMMUNICATION SERVICES (15.5)
- UTILITIES (12.0)

* Operating margin in percent and based on trailing 4-quarter EPS and sales.
Source: Standard & Poor’s.
S&P 500 Sectors Forecasted & Actual Profit Margins

Figure 10.

- **S&P 500**
  - Operating Profit Margin*
  - Actual 4Q Trailing
  - Implied Forward

- **INDUSTRIALS**
  - Q2 10/15

- **CONSUMER DISCRETIONARY**
  - Q2 10/15

- **INFORMATION TECHNOLOGY**
  - Q2 10/15

- **CONSUMER STAPLES**
  - Q2 10/15

- **MATERIALS**
  - Q2 10/15

- **ENERGY**
  - Q2 10/15

- **REAL ESTATE**
  - Q2 10/15

- **FINANCIALS**
  - Q2 10/15
  - Includes Real Estate through Q2-2016

- **COMMUNICATION SERVICES**
  - Q2 10/15

- **HEALTH CARE**
  - Q2 10/15

- **UTILITIES**
  - Q2 10/15

* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from I/B/E/S consensus forward EPS and sales, and pushed one year ahead.

Source: Standard & Poor’s Corporation (trailing 4-quarter margin) and I/B/E/S data by Refinitiv (forward margin).
Figure 11.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.2)
- Automobile Manufacturers (4.7)
- Auto Parts & Equipment (8.5)
- Motorcycle Manufacturers (9.0)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 12.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

- Consumer Discretionary Sector (7.2)
- Casinos & Gaming (4.4)
- Hotels, Resorts & Cruise Lines (11.6)
- Restaurants (17.2)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 13.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

Consumer Discretionary Sector (7.2)
Apparel Retail (7.5)
Department Stores (3.9)
Specialty Stores (8.9)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 14.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

Consumer Discretionary Sector (7.2)
Computer & Electronics Retail (3.5)
Household Appliances (4.1)
Home Improvement Retail (8.5)
Homebuilding (8.6)

Margins capped at -2% due to extreme values.

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 15.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER STAPLES
(trailing 4-quarter EPS, percent)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 16.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER STAPLES
(trailing 4-quarter EPS, percent)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Energy

**Figure 17.**
S&P 500 OPERATING PROFIT MARGINS: ENERGY
(trailing 4-quarter EPS, percent)

- Energy Sector (6.7)
- Integrated Oil & Gas (7.3)
- Oil & Gas Refining & Marketing (3.3)
- Oil & Gas Storage & Transportation (13.1)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

**Figure 18.**
S&P 500 OPERATING PROFIT MARGINS: ENERGY
(trailing 4-quarter EPS, percent)

- Energy Sector (6.7)
- Oil & Gas Drilling (-1.7)
- Oil & Gas Equipment & Services (2.5)
- Oil & Gas Exploration & Production (12.6)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Health Care

Figure 19.

S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

Health Care Sector (8.8)
Biotechnology (34.9)
Health Care Equipment (13.9)
Managed Health Care (4.5)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 20.

S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

Health Care Sector (8.8)
Pharmaceuticals (23.2)
Health Care Facilities (7.2)
Health Care Distributors (1.0)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 21.

**S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS**
(trailing 4-quarter EPS, percent)

- Industrials Sector (9.7)
- Construction Machinery & Heavy Trucks (10.4)
- Industrial Conglomerates (8.5)
- Industrial Machinery (11.3)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 22.

**S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS**
(trailing 4-quarter EPS, percent)

- Industrials Sector (9.7)
- Aerospace & Defense (9.4)
- Electrical Components & Equipment (12.8)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Figure 23.

S&P 500 OPERATING PROFIT MARGINS: INFORMATION TECHNOLOGY
(trailing 4-quarter EPS, percent)

- Information Technology Sector (20.8)
- Application Software (16.6)
- Data Processing & Outsourcing (27.2)
- IT Consulting & Other Services (12.1)
- Systems Software (27.7)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 24.

S&P 500 OPERATING PROFIT MARGINS: INFORMATION TECHNOLOGY
(trailing 4-quarter EPS, percent)

- Information Technology Sector (20.8)
- Communications Equipment (22.1)
- Semiconductors (25.8)
- Semiconductor Equipment (20.7)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Materials

S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

Materials Sector (9.1)
Diversified Chemicals (10.1)
Fertilizers & Agricultural Chemicals (9.6)
Industrial Gases (10.3)
Specialty Chemicals (10.9)


Figure 25.

S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

Materials Sector (9.1)
Copper (1.7)
Gold (6.0)
Metal & Glass Containers (6.1)
Paper Packaging (7.6)
Steel (7.3)


Figure 26.
Communication Services

Figure 27.

S&P 500 OPERATING PROFIT MARGINS: COMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)
- Communication Services Sector (15.5)
- Alternative Carriers (6.6)
- Integrated Telecommunication (12.9)

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.

Figure 28.

S&P 500 OPERATING PROFIT MARGINS: COMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)
- Communication Services Sector (15.5)
- Cable & Satellite (9.5)
- Advertising (7.4)
- Publishing (-2.2)
- Broadcasting (11.5)

Sub-industries awaiting S&P’s database update.

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Communication Services

S&P 500 OPERATING PROFIT MARGINS: COMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)

- Communication Services Sector (15.5)
- Interactive Home Entertainment (17.2)
- Movies & Entertainment (15.8)

Sub-industries awaiting S&P’s database update.

Note: Sector data from S&P. Industry-level data uses I/B/E/S data from Refinitiv for EPS through Q4-2007, and S&P’s EPS thereafter.
Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.