

Stock Market Briefing: S&P 500 Sectors & Industries Profit Margins

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thinking outside the box

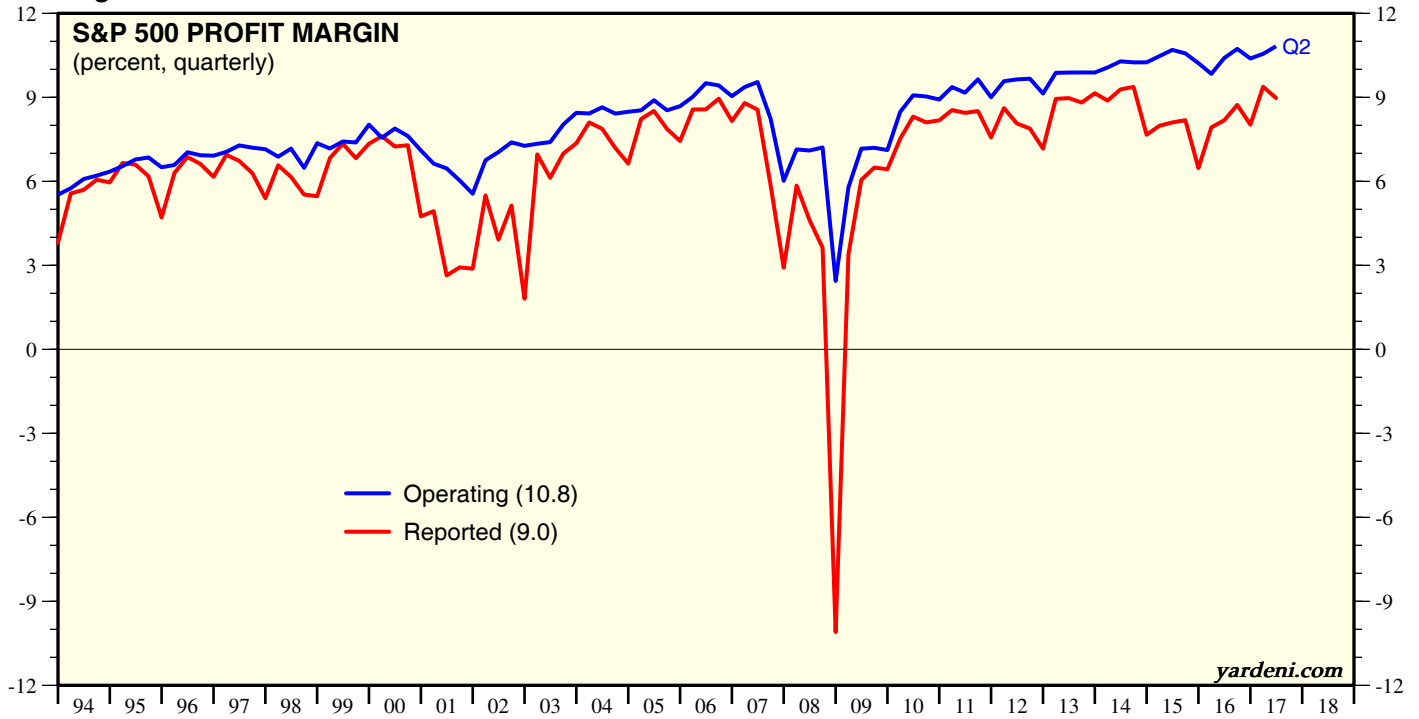
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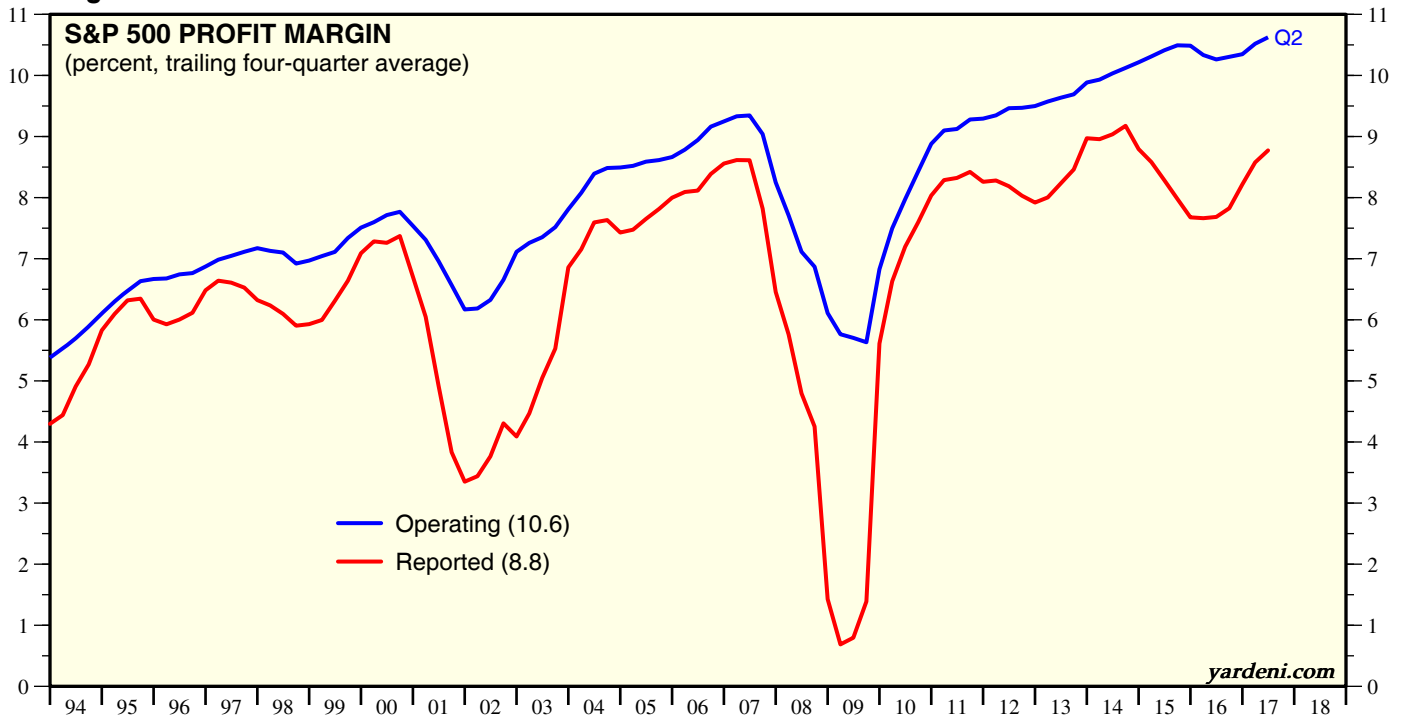
S&P 500 Profit Margin

Figure 1.



Source: Standard & Poor's Corporation (revenues and reported EPS) and Thomson Reuters I/B/E/S (operating EPS).

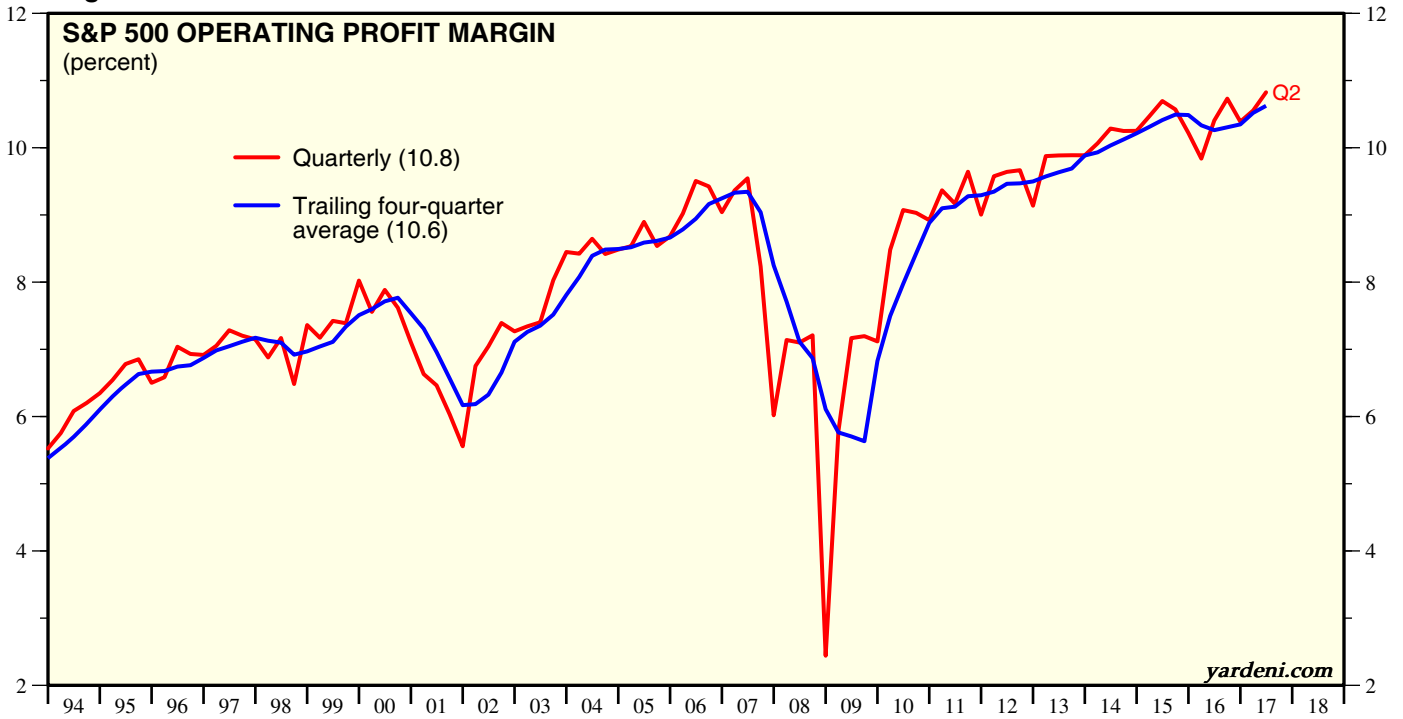
Figure 2.



Source: Standard & Poor's Corporation (revenues and reported EPS) and Thomson Reuters I/B/E/S (operating EPS).

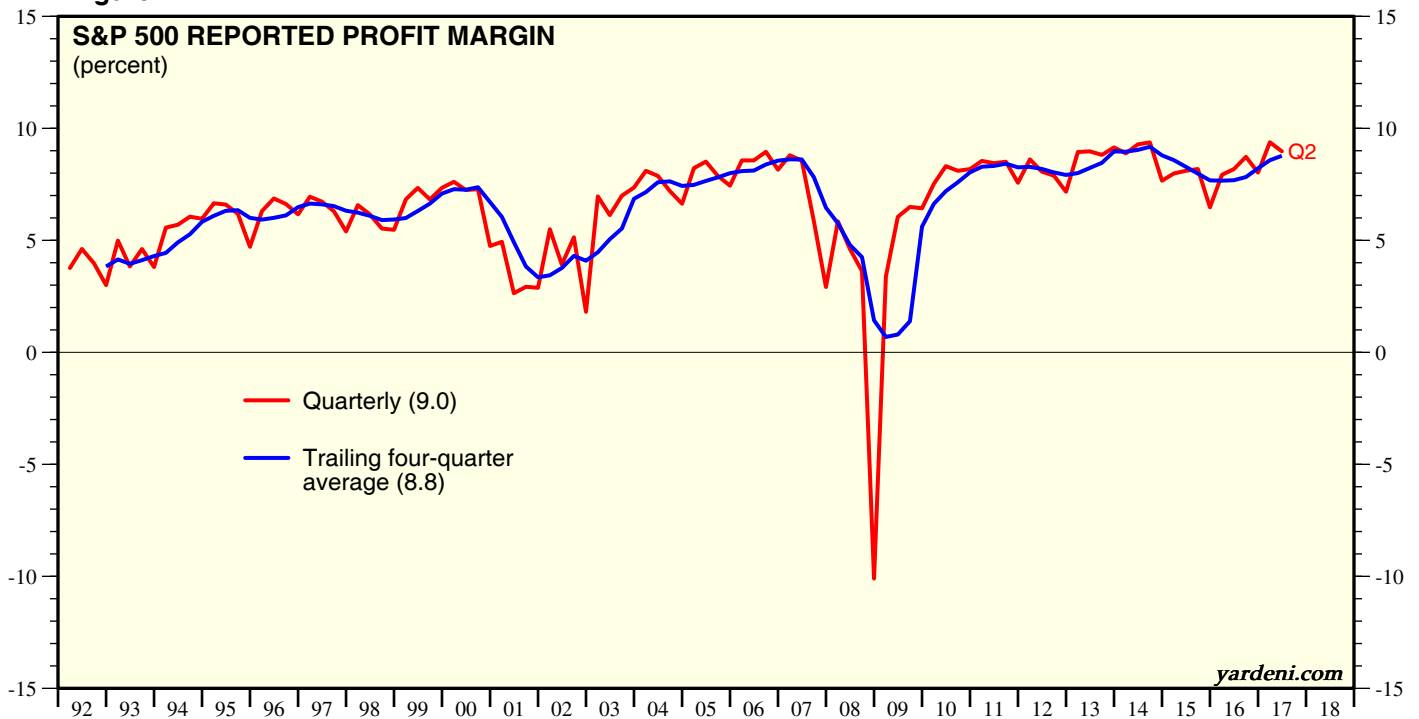
S&P 500 Profit Margin

Figure 3.



Source: Standard & Poor's Corporation.

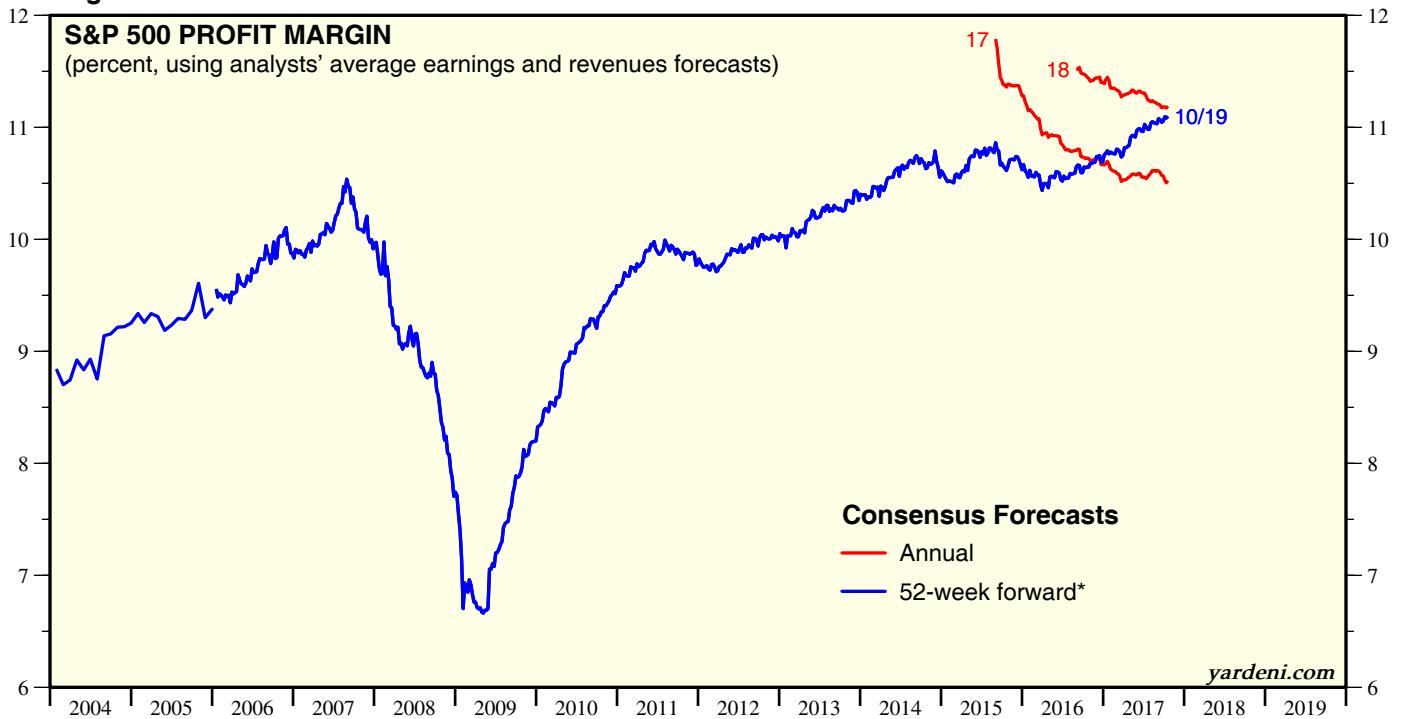
Figure 4.



Source: Standard & Poor's Corporation and Thomson Reuters I/B/E/S and Bureau of Economic Analysis.

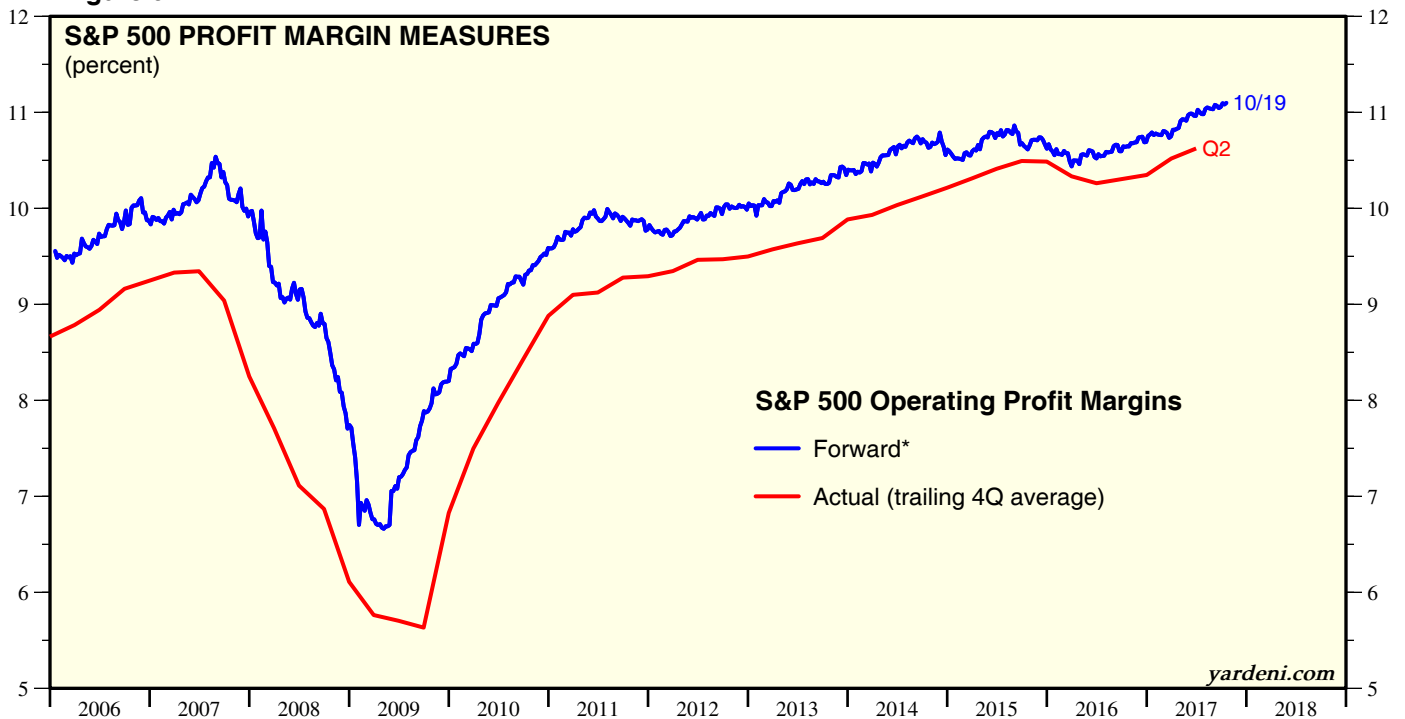
S&P 500 Profit Margin

Figure 5.



* Time-weighted average of the consensus estimates for current and next year. Monthly through December 2005, weekly thereafter.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

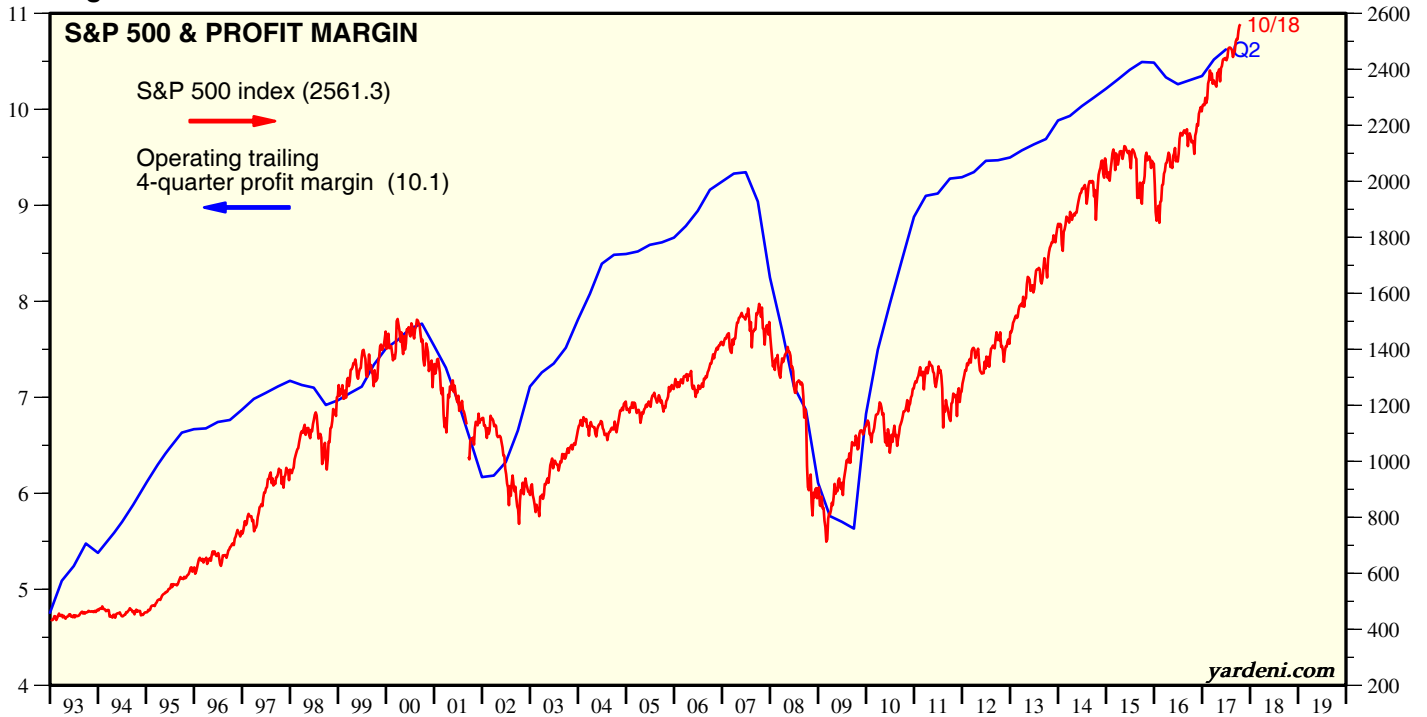
Figure 6.



* Forward earnings divided by forward revenues.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

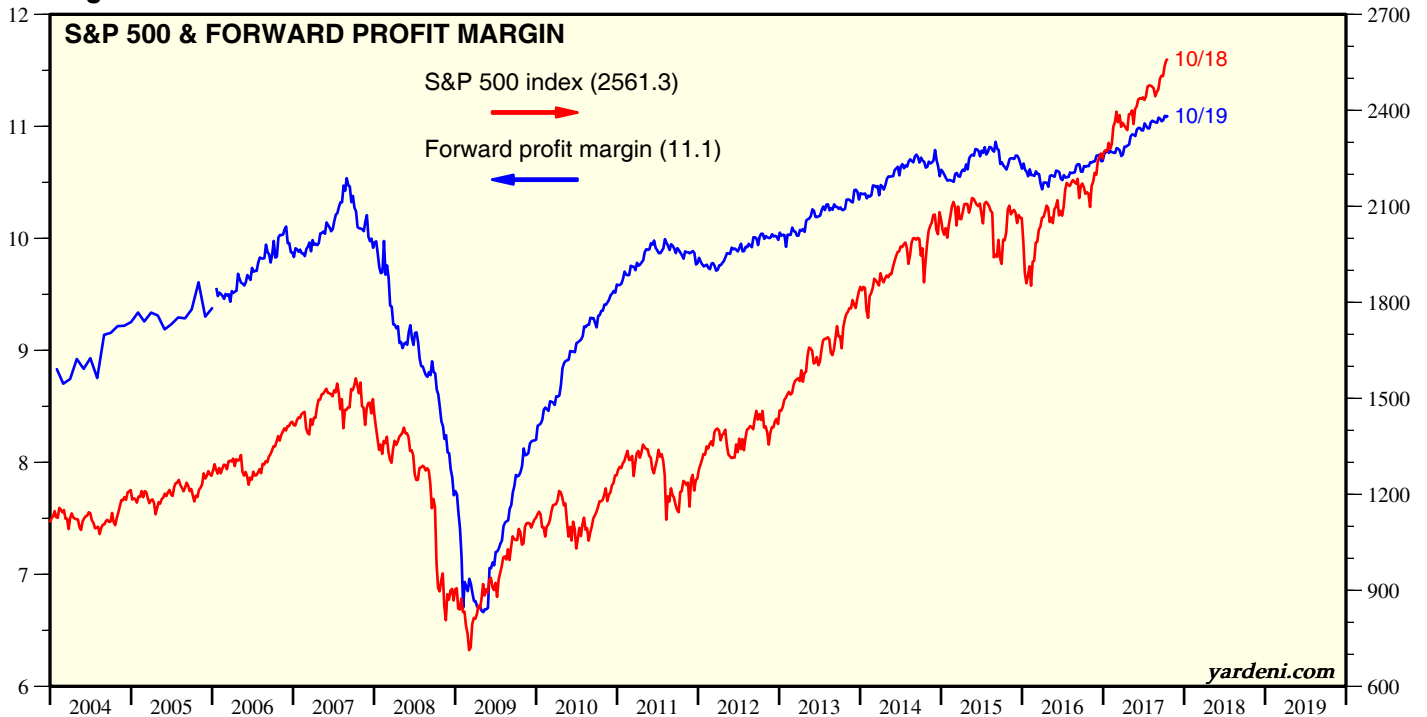
S&P 500 Profit Margin

Figure 7.



Source: Standard & Poor's Corporation and Thomson Reuters I/B/E/S.

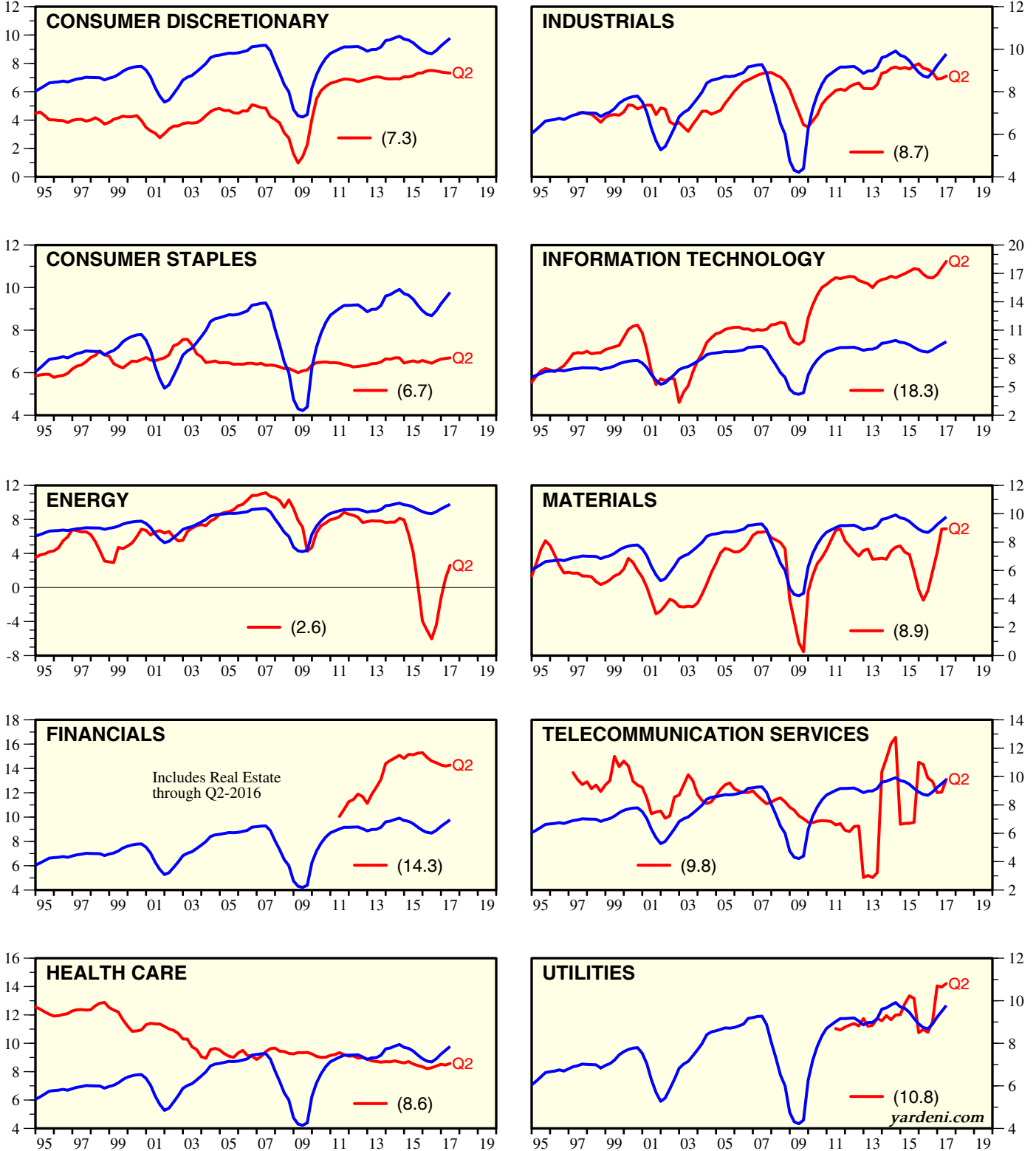
Figure 8.



* Time-weighted average of the consensus estimates for current and next year. Monthly through December 2005, weekly thereafter.
Source: Standard & Poor's Corporation and Thomson Reuters I/B/E/S.

S&P 500 Sectors Operating Profit Margins

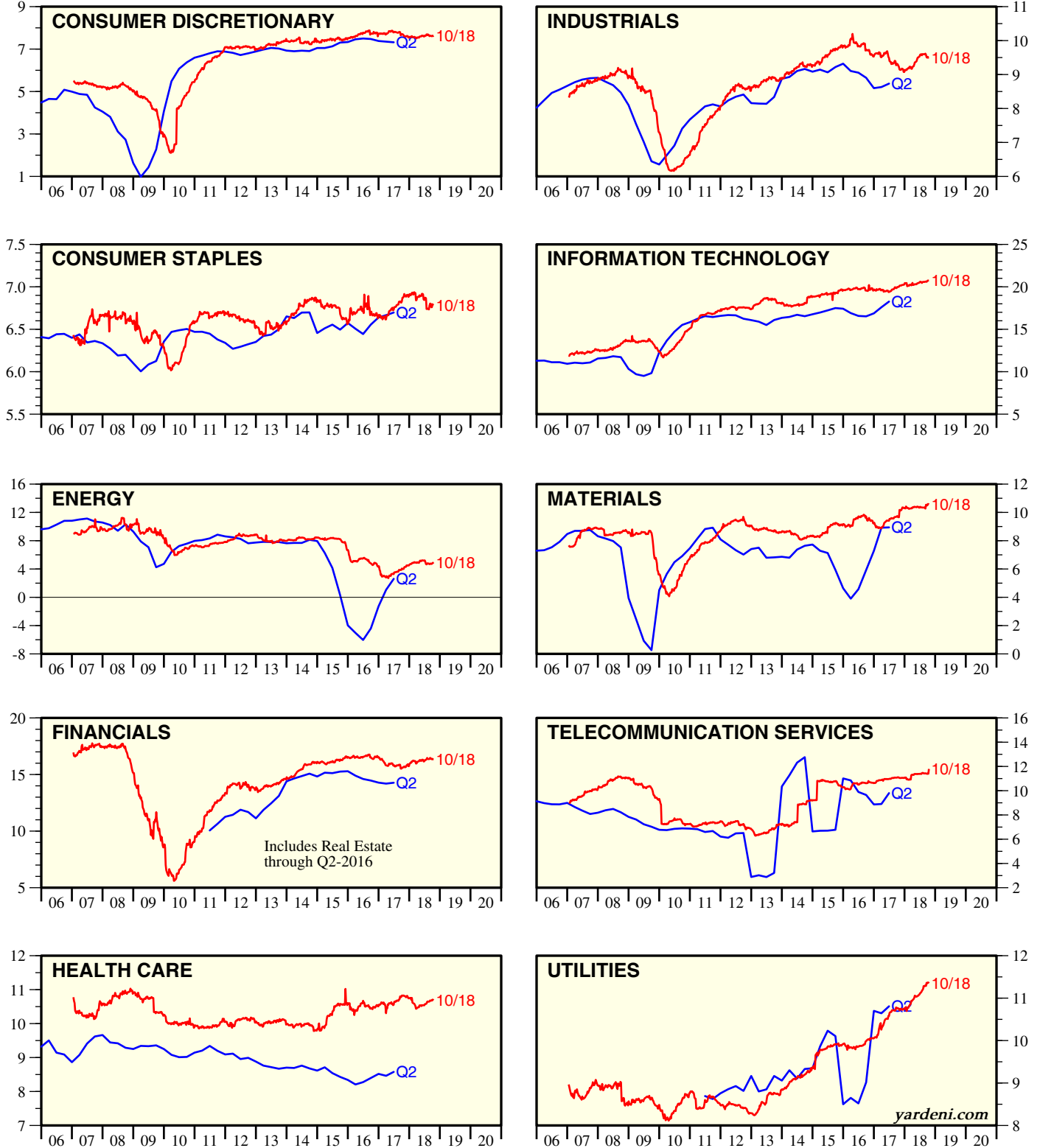
Figure 9.



* 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.

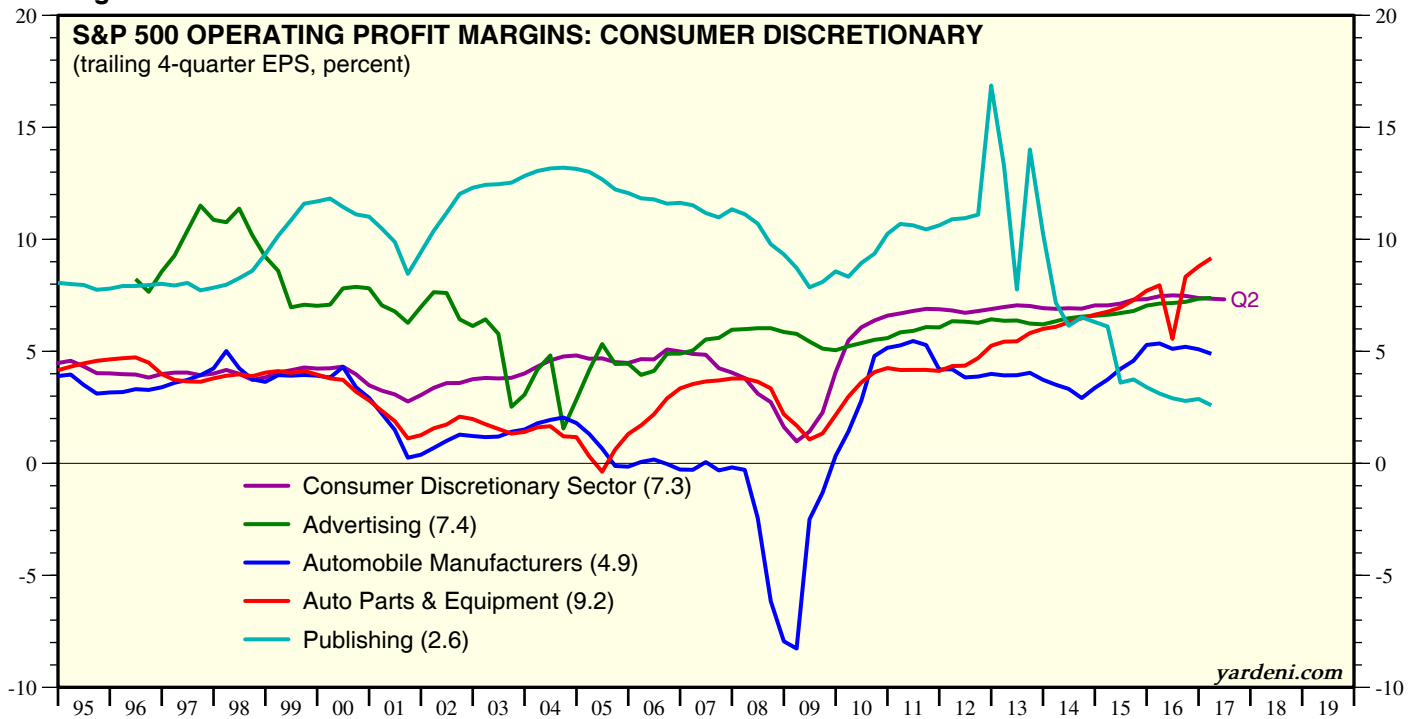


* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from Thomson Reuters I/B/E/S consensus forward EPS and sales, and pushed one year ahead.

Source: Standard & Poor's Corporation (trailing 4-quarter margin) and Thomson Reuters I/B/E/S (forward margin).

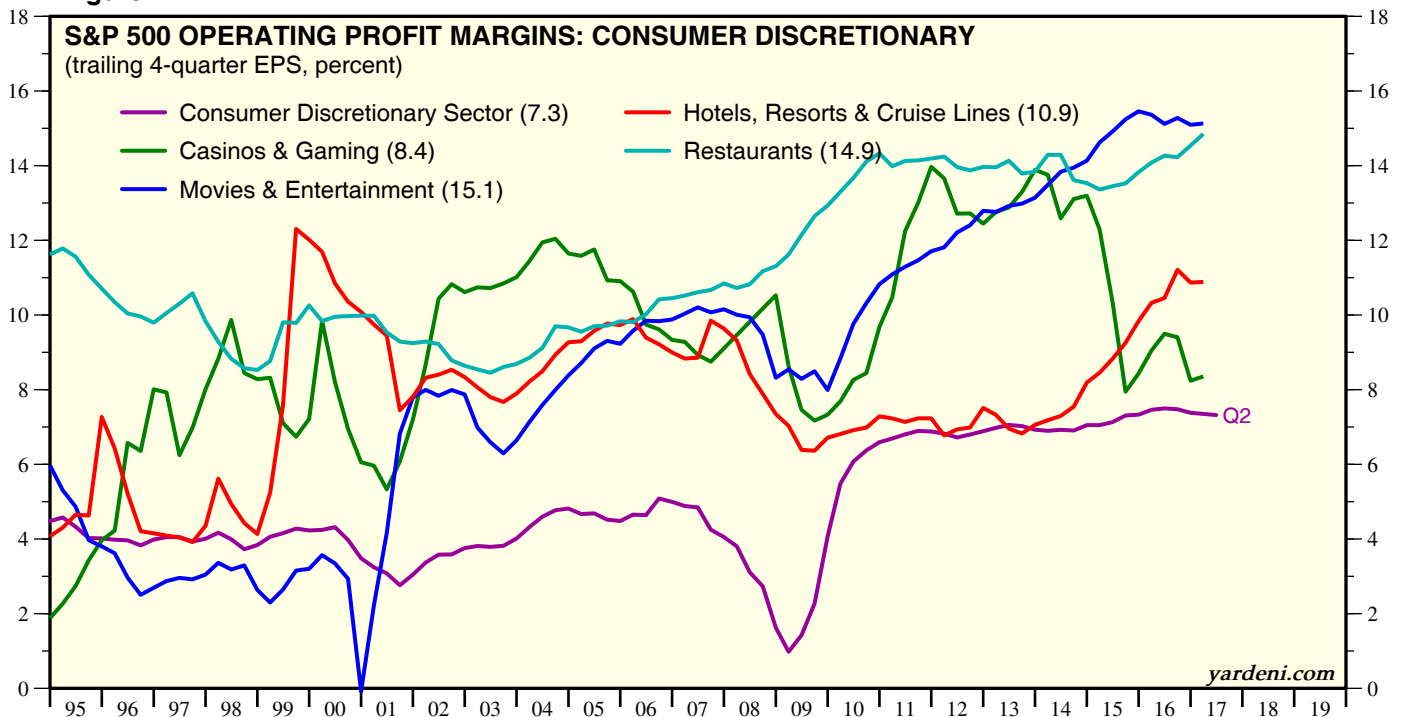
Consumer Discretionary

Figure 11.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 12.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Consumer Discretionary

Figure 13.

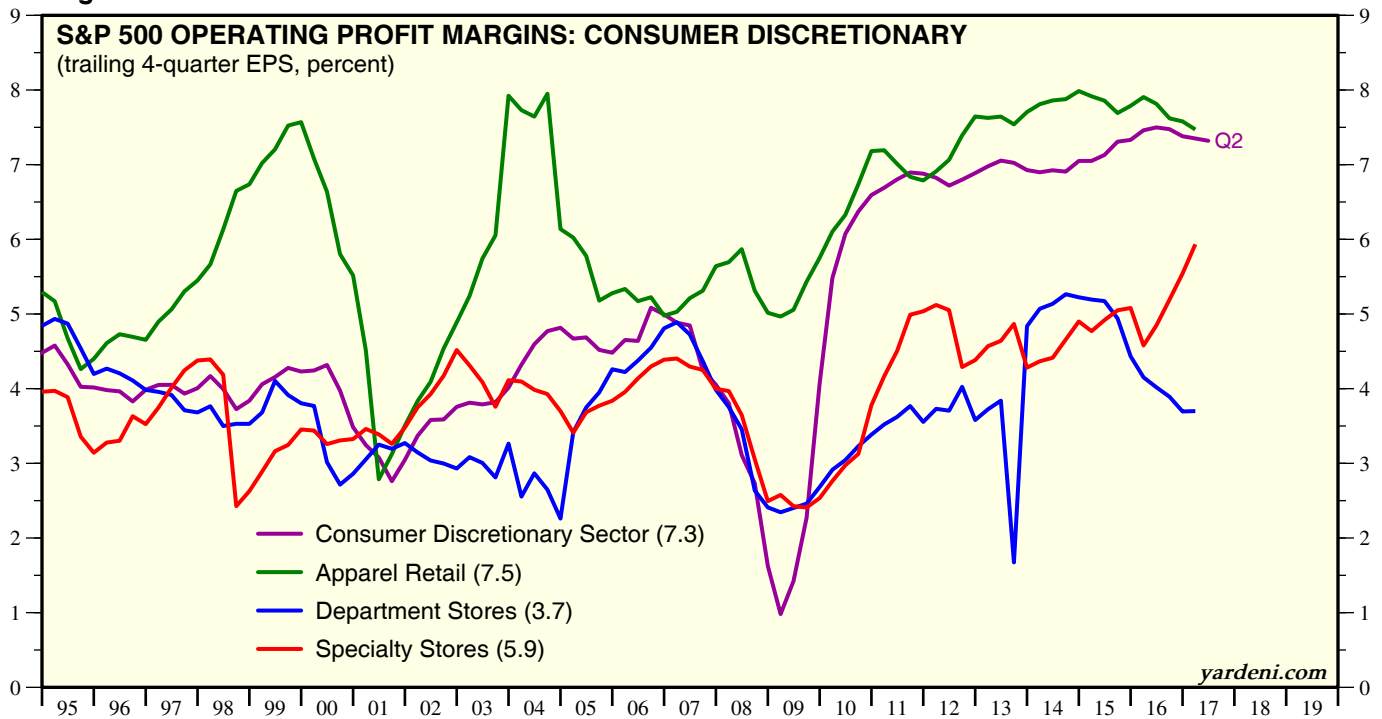
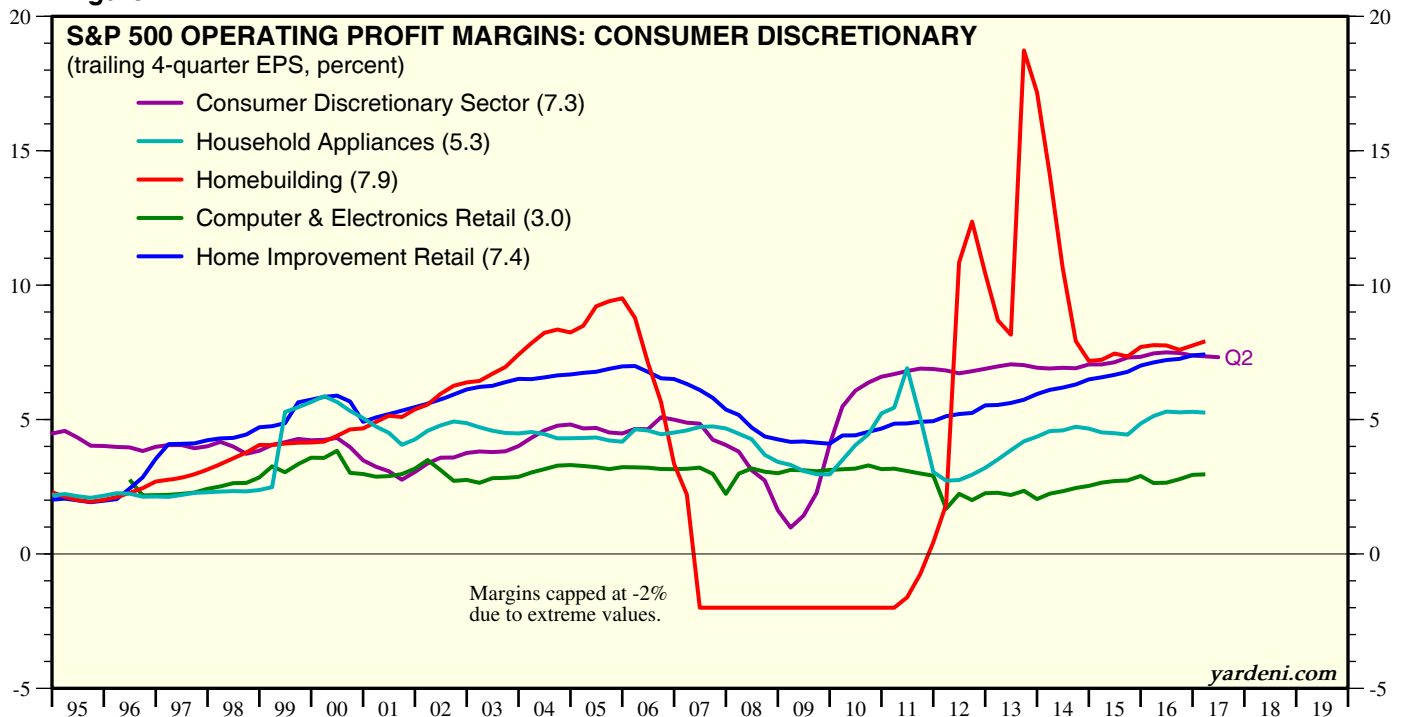


Figure 14.



Consumer Staples

Figure 15.

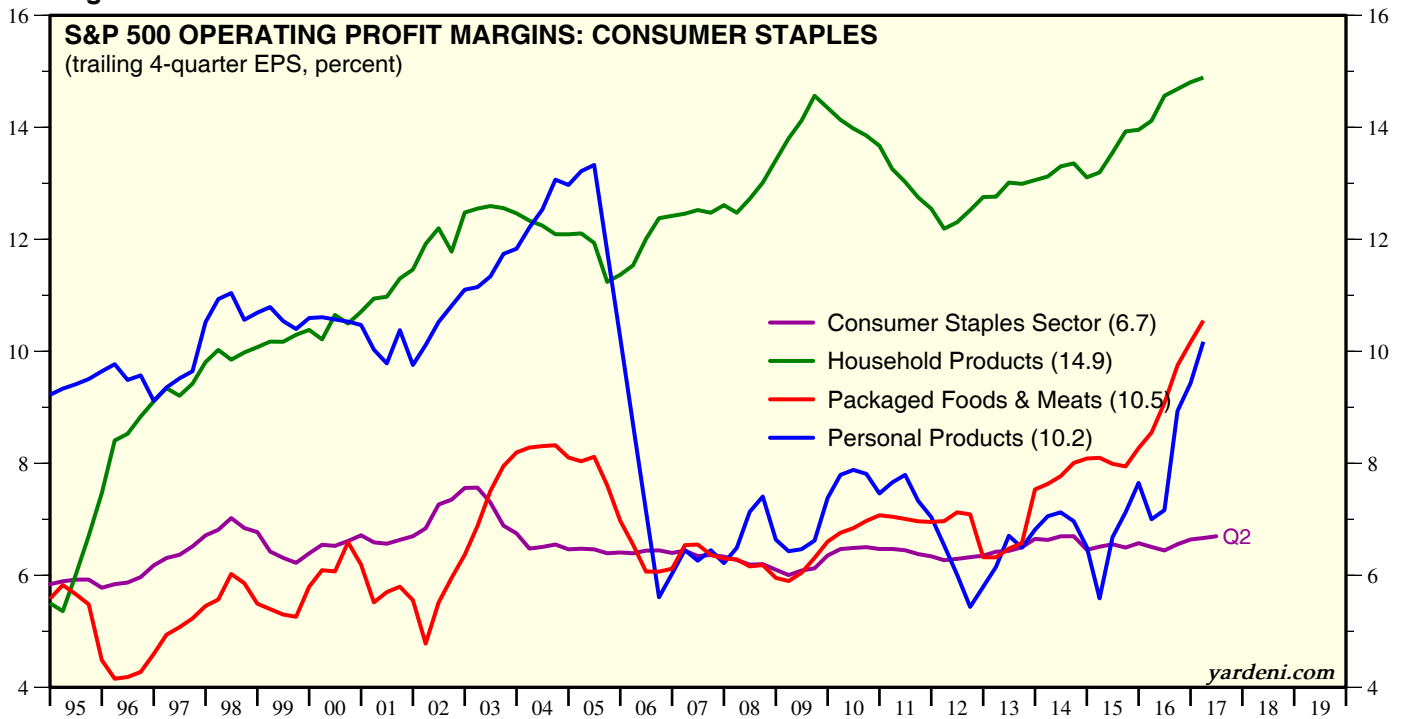
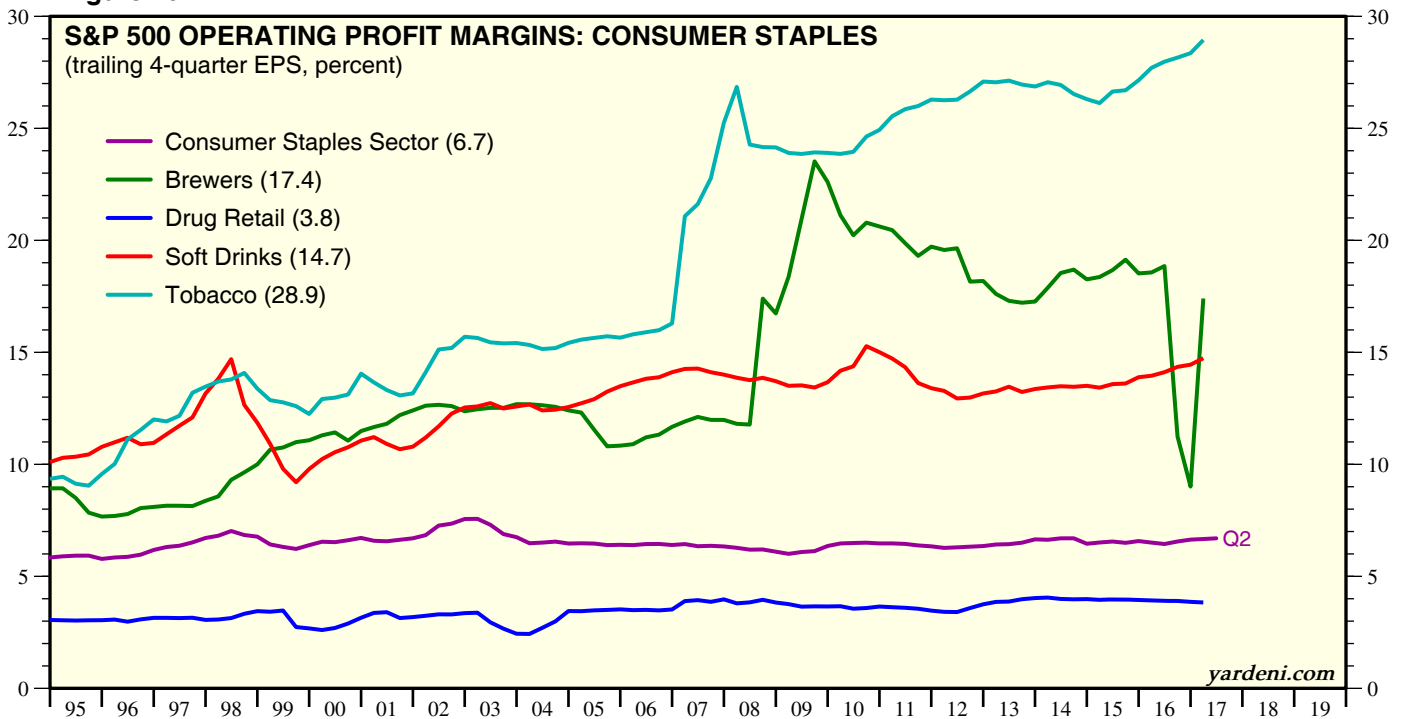
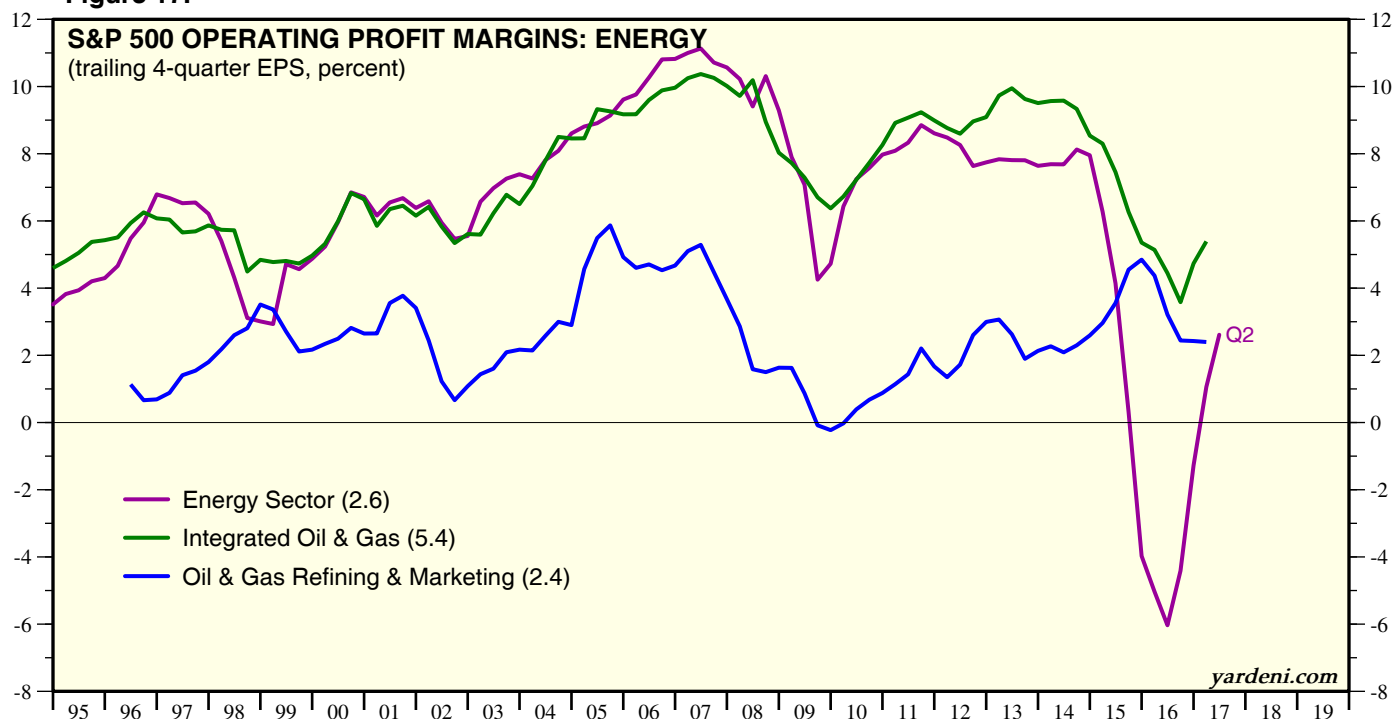


Figure 16.



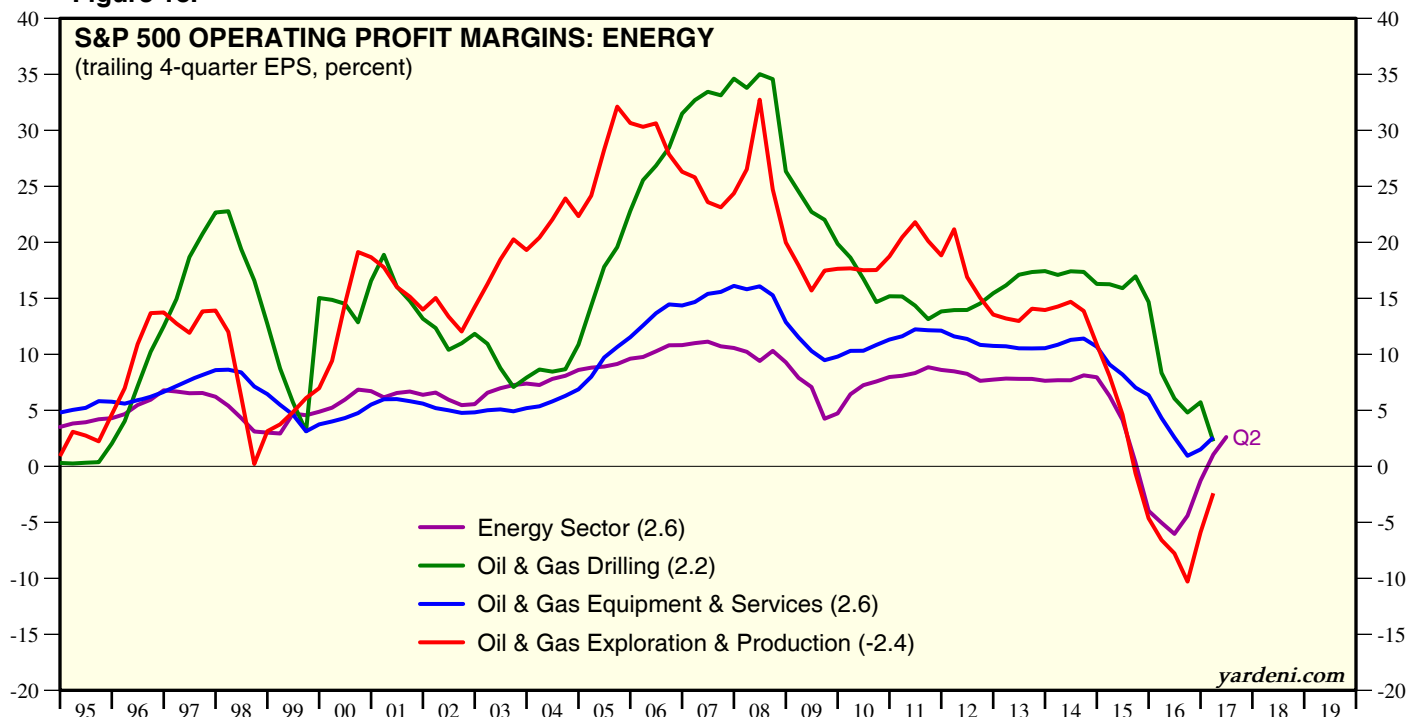
Energy

Figure 17.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

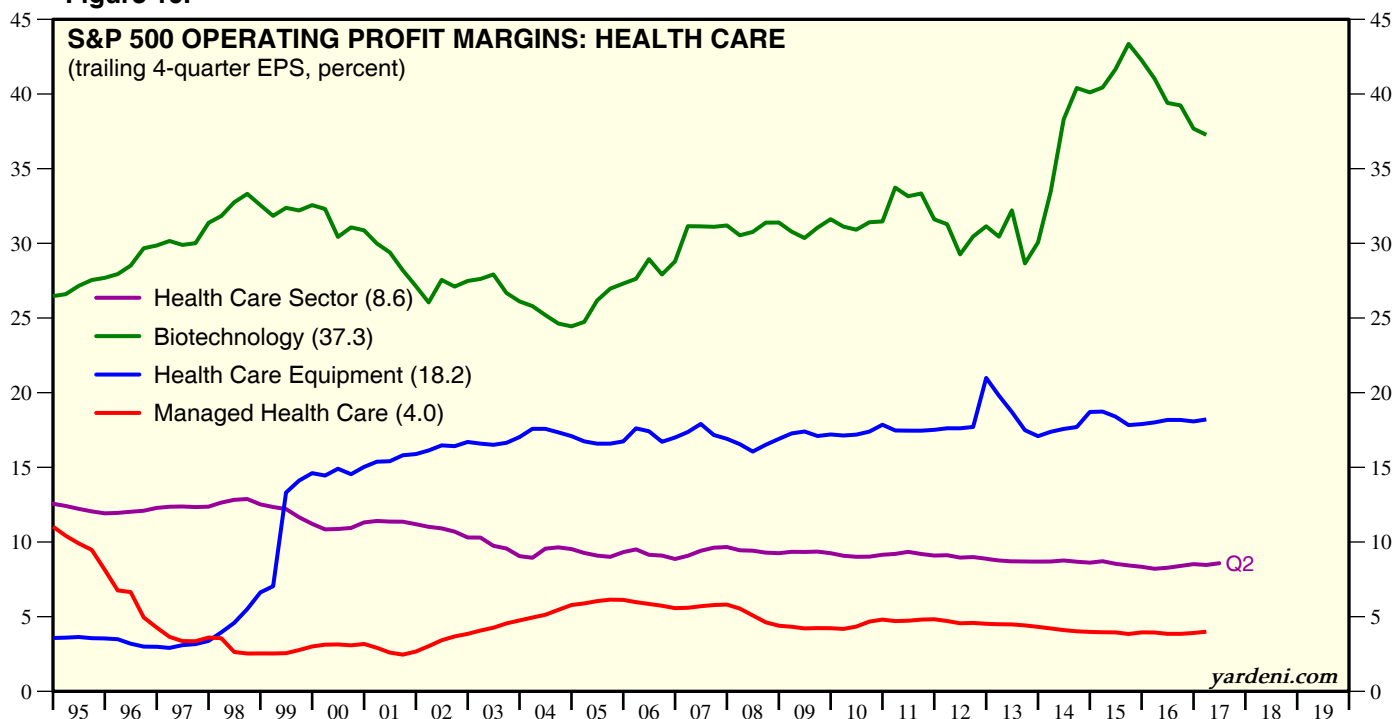
Figure 18.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

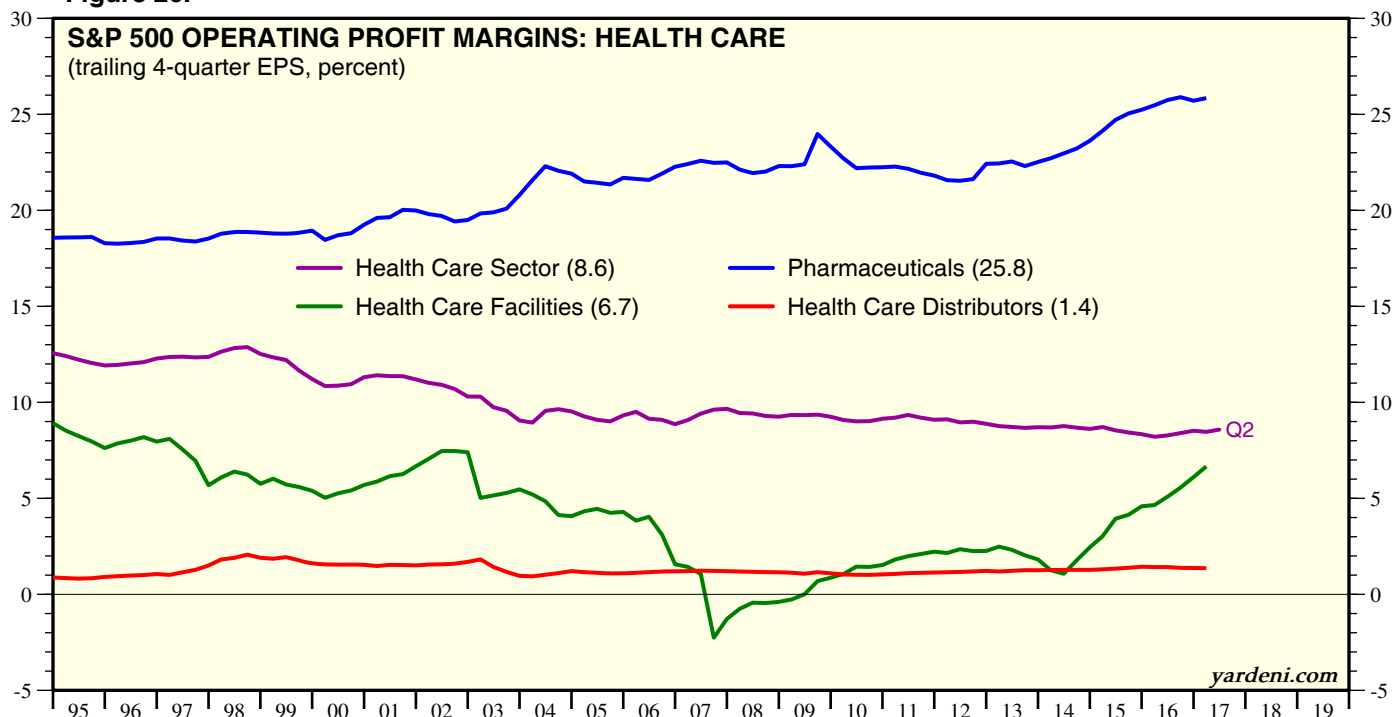
Health Care

Figure 19.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

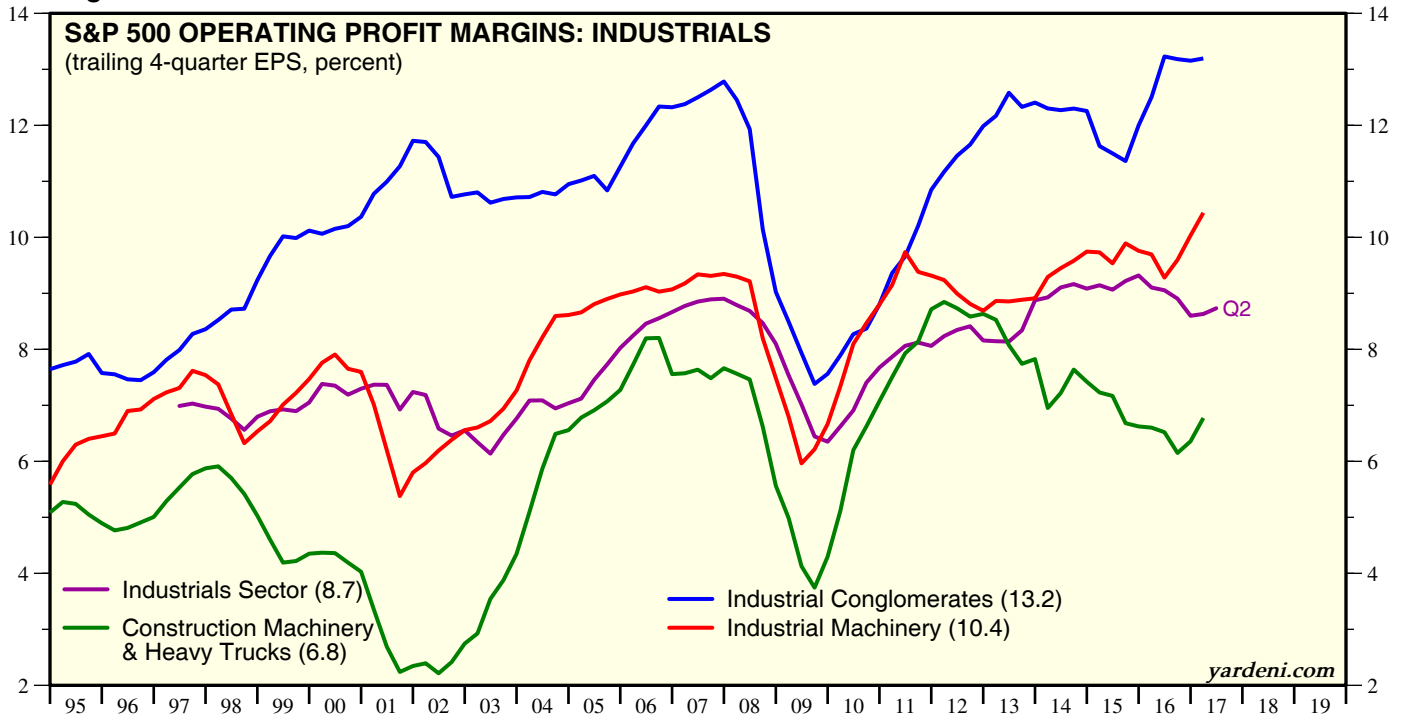
Figure 20.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

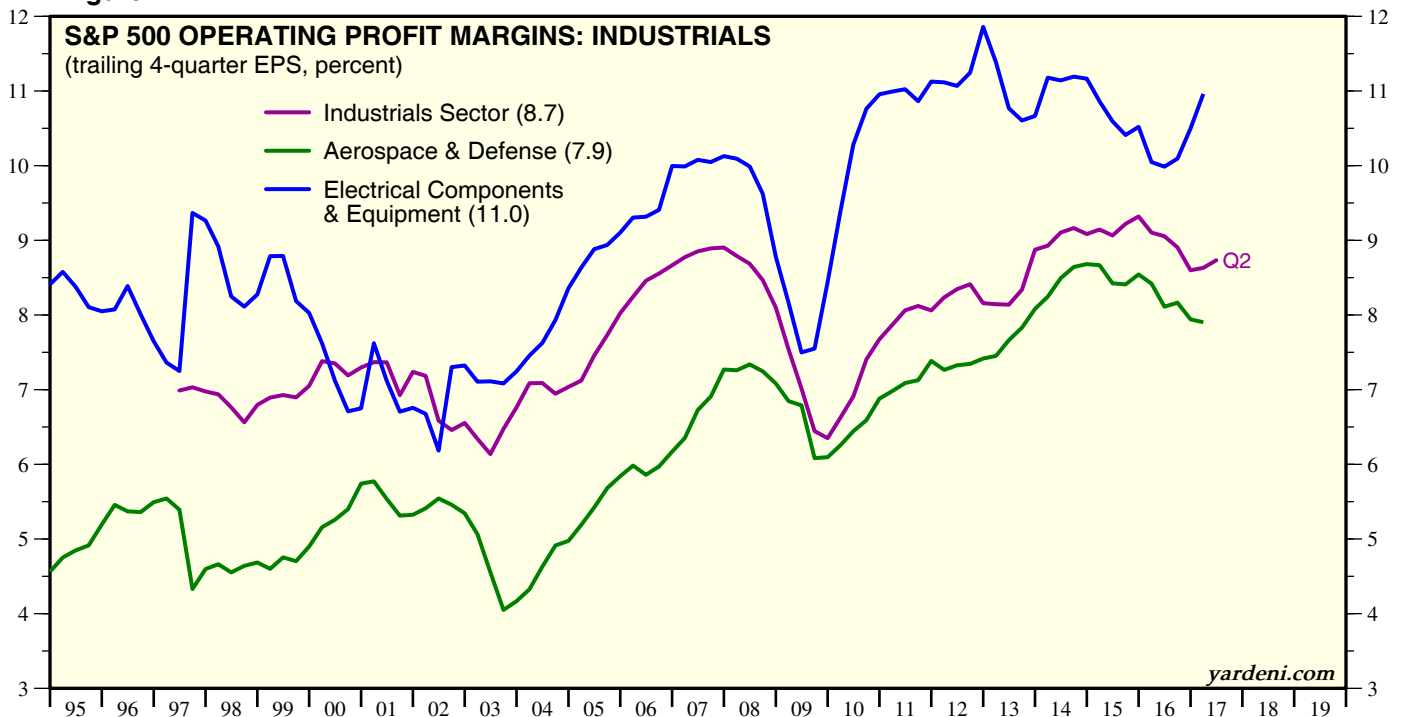
Industrials

Figure 21.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 22.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Information Technology

Figure 23.

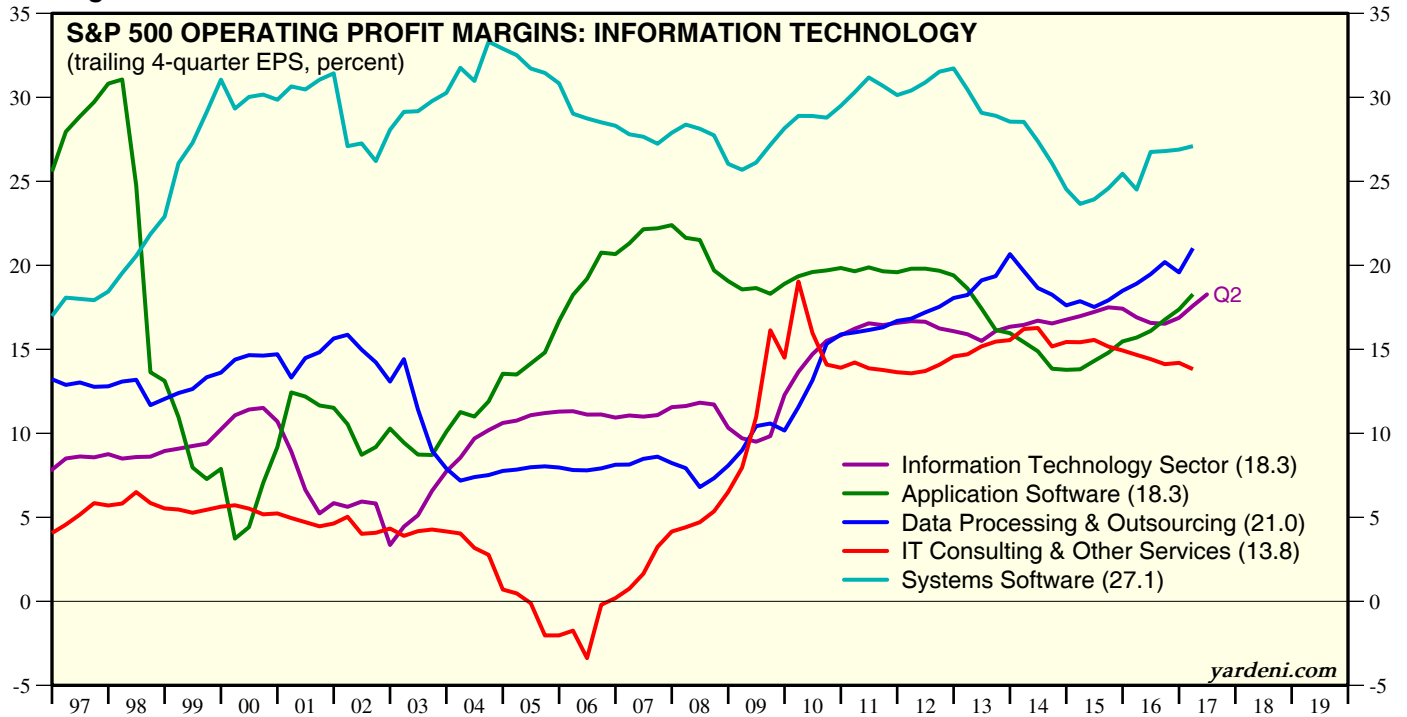
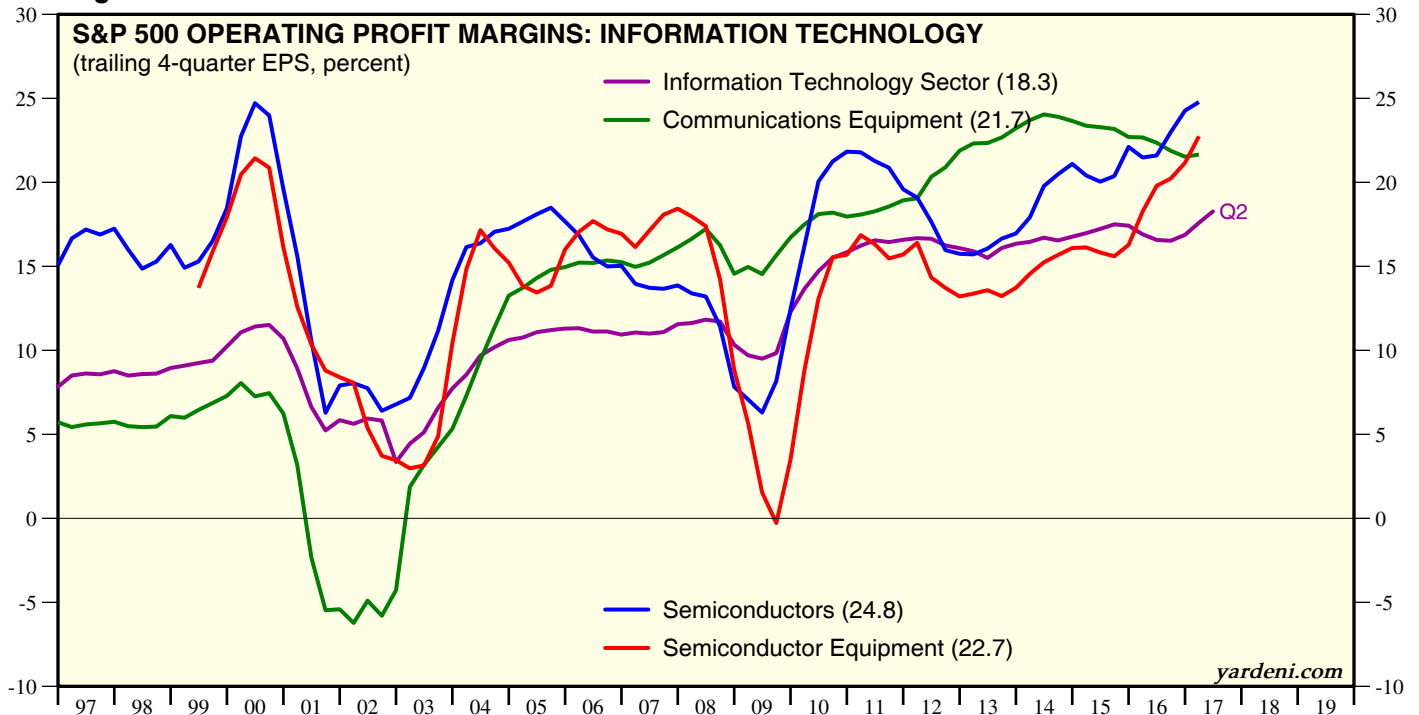
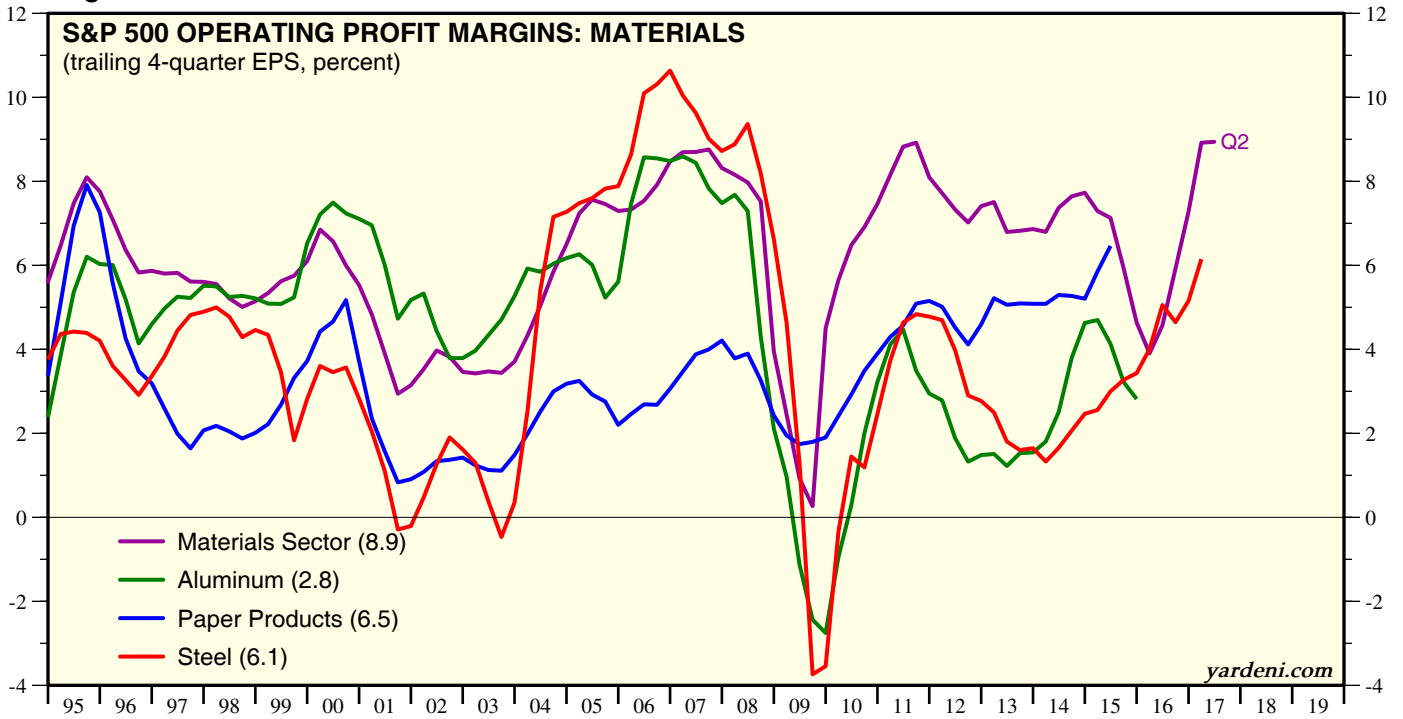


Figure 24.



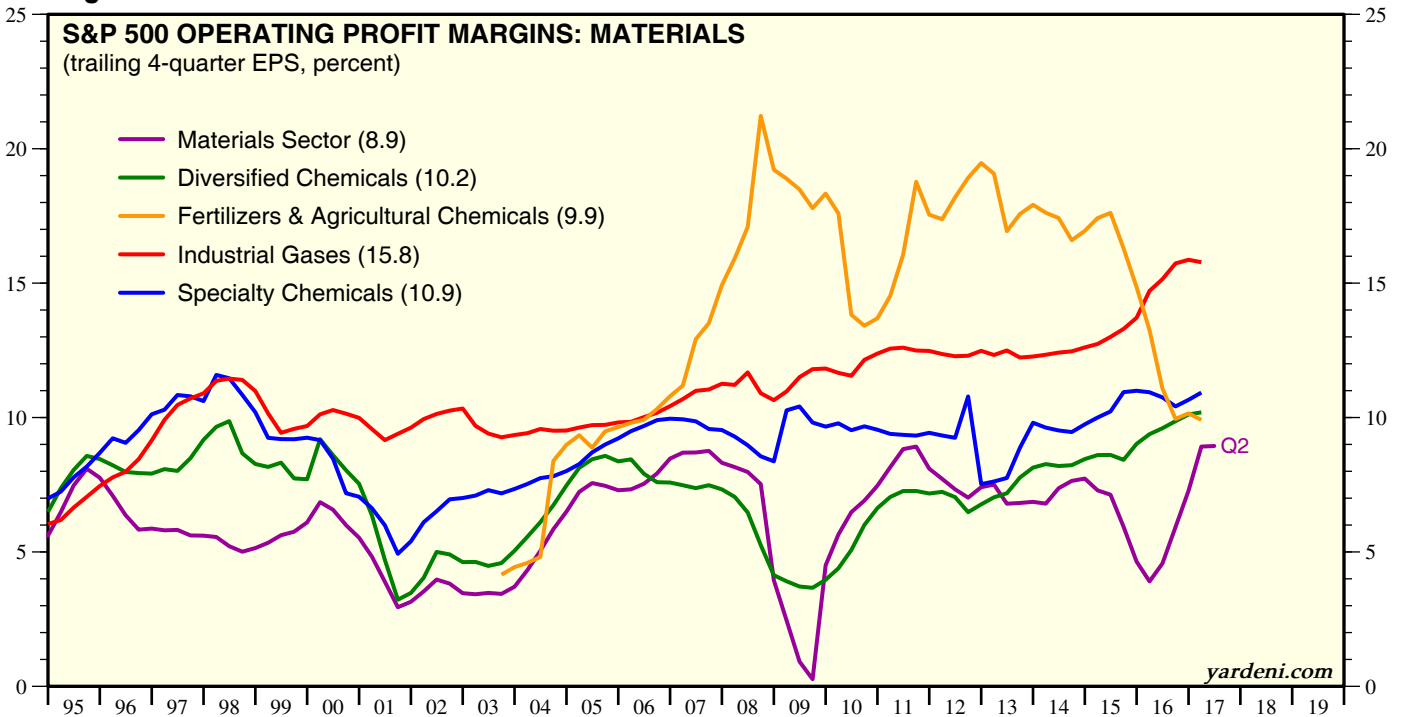
Materials

Figure 25.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

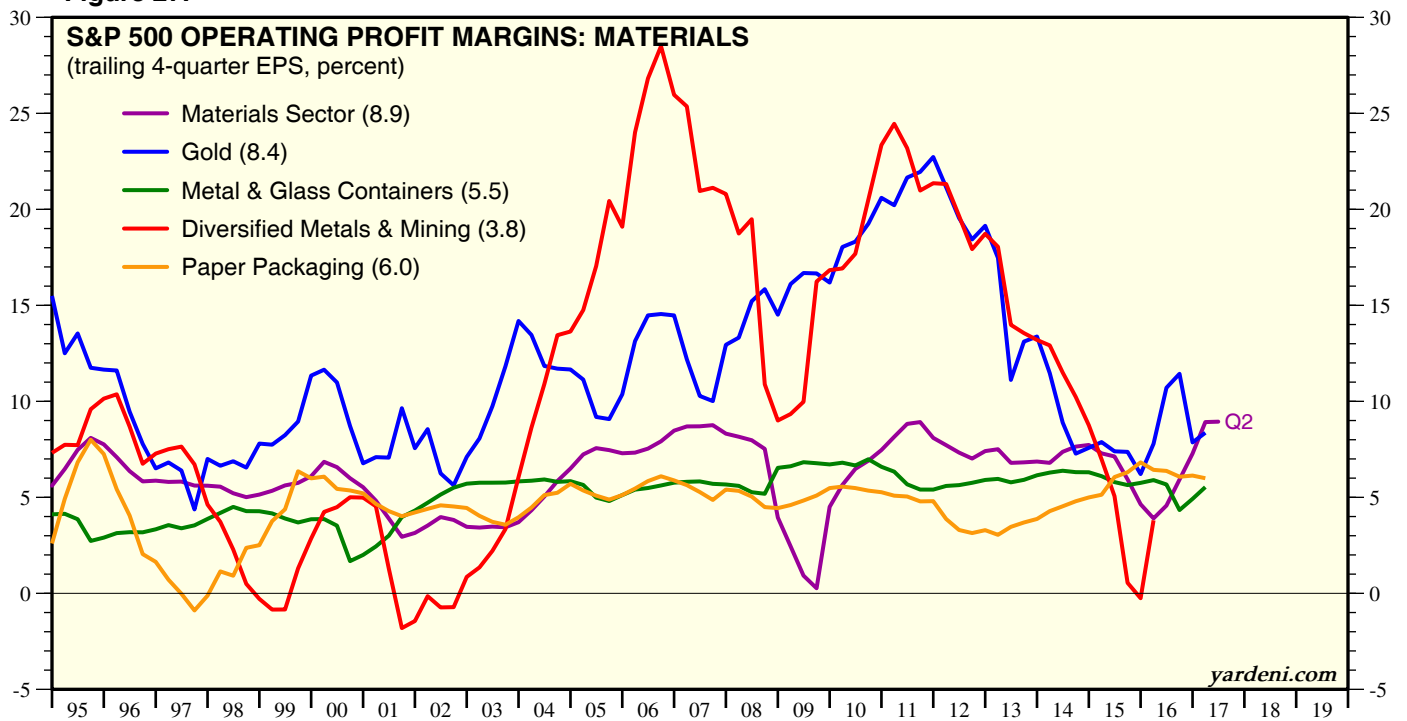
Figure 26.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

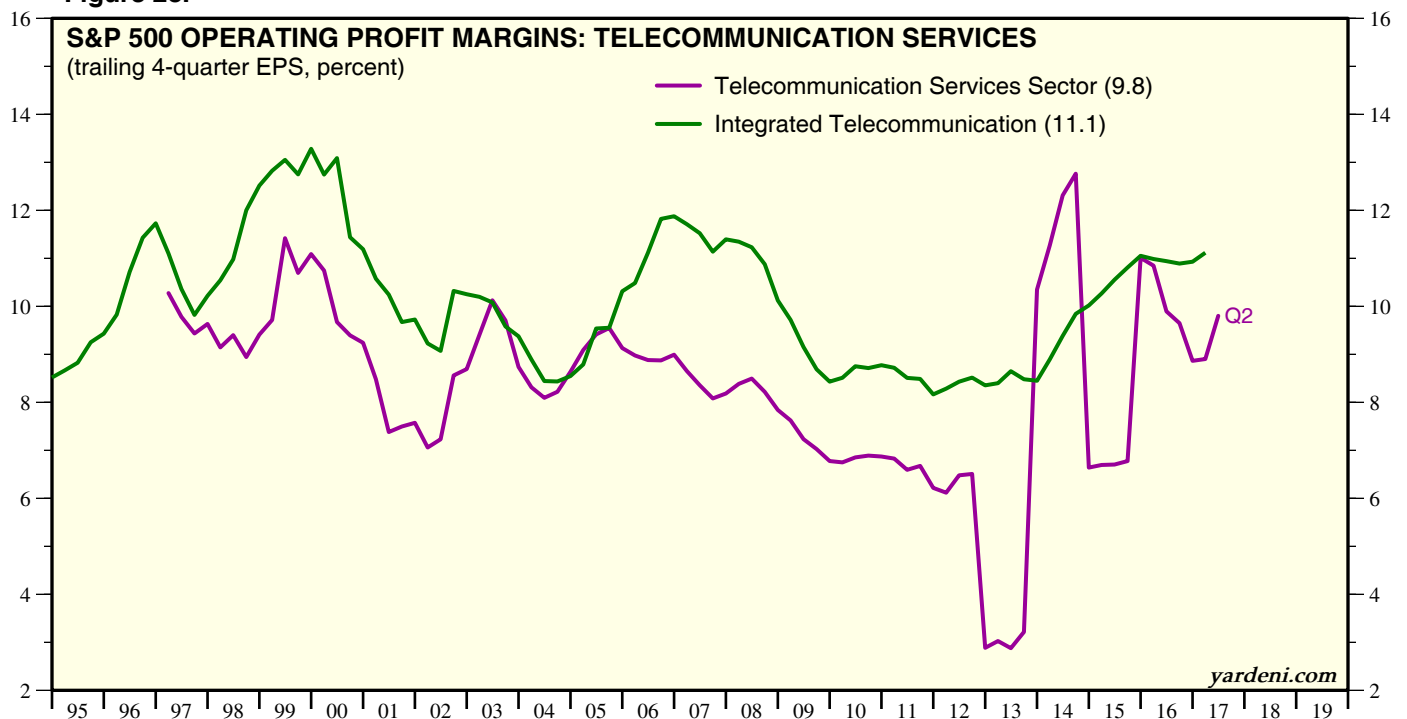
Materials & Telecommunication Services

Figure 27.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 28.



Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

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