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Figure 1.

S&P 500 PROFIT MARGIN
(percent, quarterly)

- Operating (10.0)
- Reported (3.6)

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
(percent, trailing four-quarter average)

- Operating (11.3)
- Reported (8.3)

Source: Standard & Poor’s (revenues and reported EPS) and I/B/E/S data by Refinitiv (operating EPS).
Figure 3.

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (10.0)
- Trailing four-quarter average (11.3)

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 (3.6)
- Trailing four-quarter average (8.3)

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

S&P 500 Profit Margin

S&P 500 PROFIT MARGIN
(percent, dividing forward earnings by forward revenues)

Consensus Forecasts
- Annual
- 52-week forward* (10.3)

* 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

S&P 500 Operating Profit Margins
- Forward*
- Actual (trailing 4Q average)

* Forward earnings divided by forward revenues.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
S&P 500 Profit Margin

Figure 7.

S&P 500 & PROFIT MARGIN

S&P 500 index (3122.9)

Operating trailing 4-quarter profit margin (11.3)

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 (3122.9)

Forward profit margin (10.3)


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**
  - Operating Profit Margin* (trailing 4-quarter, %)
  - S&P 500 (9.9)

- **INDUSTRIALS**
  - Q1
  - (8.4)

- **CONSUMER DISCRETIONARY**
  - Q1
  - (6.1)

- **INFORMATION TECHNOLOGY**
  - Q1
  - (19.7)

- **CONSUMER STAPLES**
  - Q1
  - (7.4)

- **MATERIALS**
  - Q1
  - (8.2)

- **ENERGY**
  - Q1
  - (0.8)

- **REAL ESTATE**
  - Q1
  - (20.8)

- **FINANCIALS**
  - Q1
  - (13.6)
  - Includes Real Estate through Q2-2016

- **COMMUNICATION SERVICES**
  - Q1
  - (13.3)

- **HEALTH CARE**
  - Q1
  - (8.2)

- **UTILITIES**
  - Q1
  - (12.9)

* 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 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)

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.

Consumer Discretionary Sector (6.1)
Automobile Manufacturers (2.8)
Auto Parts & Equipment (7.9)
Motorcycle Manufacturers (7.2)

Figure 12.

S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(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 13.

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

- Consumer Discretionary Sector (6.1)
- Apparel Retail (5.0)
- Department Stores (0.3)
- Specialty Stores (7.4)

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 (6.1)
- Computer & Electronics Retail (3.4)
- Household Appliances (3.4)
- Home Improvement Retail (8.9)

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)

- Consumer Staples Sector (7.4)
- Household Products (16.4)
- Packaged Foods & Meats (10.0)
- Personal Products (10.2)

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 16.

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

- Consumer Staples Sector (7.4)
- Brewers (7.8)
- Drug Retail (3.2)
- Soft Drinks (15.8)
- Tobacco (33.8)

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.
Energy

Figure 17.

S&P 500 OPERATING PROFIT MARGINS: ENERGY
(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 18.

S&P 500 OPERATING PROFIT MARGINS: ENERGY
(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.
Health Care

Figure 19.

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

- Health Care Sector (8.2)
- Biotechnology (31.3)
- Health Care Equipment (13.3)
- Managed Health Care (4.4)

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 (8.2)
- Pharmaceuticals (21.3)
- Health Care Facilities (6.7)
- Health Care Distributors (0.9)

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

- Industrials Sector (8.4)
- Construction Machinery & Heavy Trucks (9.6)
- Industrial Conglomerates (6.7)
- Industrial Machinery (11.5)

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.

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

- Industrials Sector (8.4)
- Aerospace & Defense (7.8)
- Electrical Components & Equipment (12.5)
- Railroads (26.9)

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

Information Technology Sector (19.7)
Application Software (13.2)
Data Processing & Outsourcing (24.4)
IT Consulting & Other Services (10.5)
Systems Software (29.7)

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 23.
Materials

Figure 25.

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

- Materials Sector (8.2)
- Diversified Chemicals (9.8)
- Fertilizers & Agricultural Chemicals (5.8)
- Industrial Gases (12.5)
- Specialty Chemicals (10.3)

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 26.

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

- Materials Sector (8.2)
- Copper (-3.4)
- Gold (17.6)
- Metal & Glass Containers (6.6)
- Paper Packaging (7.0)
- Steel (5.0)

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.
Communication Services

Figure 27.
S&P 500 OPERATING PROFIT MARGINS: COMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)
- Communication Services Sector (13.3)
- Alternative Carriers (6.7)
- Integrated Telecommunication (10.9)

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 (13.3)
- 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 (13.3)
- 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.