# Table Of Contents

**S&P 500 Operating Profit Margins**
- S&P 500 Profit Margin
- S&P 500 Sectors Operating Profit Margins
- S&P 500 Sectors Forecasted & Actual Profit Margins
- Consumer Discretionary
- Consumer Staples
- Energy
- Health Care
- Industrials
- Information Technology
- Materials
- Communication Services

<table>
<thead>
<tr>
<th>Topic</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P 500 Profit Margin</td>
<td>3-6</td>
</tr>
<tr>
<td>S&amp;P 500 Sectors Operating Profit Margins</td>
<td>7</td>
</tr>
<tr>
<td>S&amp;P 500 Sectors Forecasted &amp; Actual Profit Margins</td>
<td>8</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>5-6</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>7</td>
</tr>
<tr>
<td>Energy</td>
<td>8</td>
</tr>
<tr>
<td>Health Care</td>
<td>9</td>
</tr>
<tr>
<td>Industrials</td>
<td>10</td>
</tr>
<tr>
<td>Information Technology</td>
<td>11</td>
</tr>
<tr>
<td>Materials</td>
<td>12</td>
</tr>
<tr>
<td>Communication Services</td>
<td>13-14</td>
</tr>
</tbody>
</table>
Figure 1.

S&P 500 Profit Margin

Operating (11.9)
Reported (9.6)

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

Operating (11.8)
Reported (9.5)

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 (11.9)
- Trailing four-quarter average (11.8)

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 (9.6)
- Trailing four-quarter average (9.5)

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

S&P 500 Profit Margin

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

Consensus Forecasts
- Annual
- 52-week forward* (12.0)

* 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.
Figure 7.

S&P 500 & PROFIT MARGIN

- S&P 500 index (3379.5)
- Operating trailing 4-quarter profit margin (11.8)

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 (3379.5)
- 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

* Operating margin in percent and based on trailing 4-quarter EPS and sales.
Source: Standard & Poor’s.

* Includes Real Estate through Q2-2016.
S&P 500 Sectors Forecasted & Actual Profit Margins

* 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).
Consumer Discretionary

Figure 11.

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

- Consumer Discretionary Sector (7.0)
- Automobile Manufacturers (4.0)
- Auto Parts & Equipment (8.2)
- Motorcycle Manufacturers (8.4)

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 12.

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

- Consumer Discretionary Sector (7.0)
- Casinos & Gaming (4.8)
- Hotels, Resorts & Cruise Lines (11.4)
- Restaurants (17.1)

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 13.

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

- Consumer Discretionary Sector (7.0)
- Apparel Retail (7.2)
- Department Stores (3.5)
- Specialty Stores (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 14.

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

- Consumer Discretionary Sector (7.0)
- Computer & Electronics Retail (3.5)
- Household Appliances (3.3)
- Home Improvement Retail (8.5)

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.
**Consumer Staples**

**Figure 15.**

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

- Consumer Staples Sector (7.3)
- Household Products (16.1)
- Packaged Foods & Meats (10.3)
- Personal Products (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 16.**

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

- Consumer Staples Sector (7.3)
- Brewers (8.8)
- Drug Retail (3.4)
- Soft Drinks (15.8)
- Tobacco (32.6)

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.
Energy

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

Energy Sector (6.4)
Integrated Oil & Gas (4.4)
Oil & Gas Refining & Marketing (3.0)
Oil & Gas Storage & Transportation (12.0)

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

Energy Sector (6.4)
Oil & Gas Drilling (-1.2)
Oil & Gas Equipment & Services (0.5)
Oil & Gas Exploration & Production (11.8)

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.
Health Care

Figure 19.

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

Health Care Sector (8.5)
Biotechnology (33.4)
Health Care Equipment (15.1)
Managed Health Care (4.6)

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.

Figure 20.

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

Health Care Sector (8.5)
Pharmaceuticals (22.0)
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 (9.6)
- Construction Machinery & Heavy Trucks (10.3)
- Industrial Conglomerates (9.5)
- Industrial Machinery (11.4)

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 22.

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

- Industrials Sector (9.6)
- Aerospace & Defense (8.9)
- Electrical Components & Equipment (12.5)
- Railroads (26.4)

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 23.

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

- Information Technology Sector (19.9)
- Application Software (15.9)
- Data Processing & Outsourcing (26.6)
- IT Consulting & Other Services (11.1)
- Systems Software (29.2)

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 24.

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

- Information Technology Sector (19.9)
- Communications Equipment (21.8)
- Semiconductors (25.2)
- Semiconductor Equipment (20.3)

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.
Materials

Figure 25.

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

- Materials Sector (8.8)
- Diversified Chemicals (9.0)
- Fertilizers & Agricultural Chemicals (7.7)
- Industrial Gases (13.0)
- Specialty Chemicals (10.8)

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 26.

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

- Materials Sector (8.8)
- Copper (0.9)
- Gold (10.5)
- Metal & Glass Containers (6.3)
- Paper Packaging (7.1)
- Steel (5.7)

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.
Communication Services

**Figure 27.**

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

- Communication Services Sector (14.5)
- Alternative Carriers (6.4)
- Integrated Telecommunication (11.2)

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 28.**

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

- Communication Services Sector (14.5)
- Cable & Satellite (9.5)
- Advertising (7.4)
- Broadcasting (11.5)
- Publishing (-2.2)

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

- Communication Services Sector (14.5)
- 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.
Copyright (c) Yardeni Research, Inc. 2020. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports and podcasts posted on www.yardeni.com, blog.yardeni.com, and YRI’s Apps are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company’s stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security—including mutual funds, futures contracts, and exchange traded funds, or any similar instruments.

The text, images, and other materials contained or displayed on any Yardeni Research, Inc. product, service, report, email or website are proprietary to Yardeni Research, Inc. and constitute valuable intellectual property. No material from any part of www.yardeni.com, blog.yardeni.com, and YRI’s Apps may be downloaded, transmitted, broadcast, transferred, assigned, reproduced or in any other way used or otherwise disseminated in any form to any person or entity, without the explicit written consent of Yardeni Research, Inc. All unauthorized reproduction or other use of material from Yardeni Research, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Yardeni Research, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Yardeni Research, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.

The recipient should check any email and any attachments for the presence of viruses. Yardeni Research, Inc. accepts no liability for any damage caused by any virus transmitted by this company’s emails, website, blog and Apps. Additional information available on request.