# Table Of Contents

**S&P 500 Operating Profit Margins**
- S&P 500 Profit Margin 3-6
- S&P 500 Sectors Operating Profit Margins 7
- S&P 500 Sectors Forecasted & Actual Profit Margins 8
- Consumer Discretionary 5-6
- Consumer Staples 7
- Energy 8
- Health Care 9
- Industrials 10
- Information Technology 11
- Materials 12
- Communication Services 13-14
Figure 1.

S&P 500 Profit Margin

S&P 500 PROFIT MARGIN
(Percent, quarterly)

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)

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

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (11.6)
- Trailing four-quarter average (12.1)

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 (10.4)
- Trailing four-quarter average (10.2)

Source: Standard & Poor’s Corporation.
Figure 5.
S&P 500 PROFIT MARGIN
(percent, using analysts’ average earnings and revenues forecasts)

Consensus Forecasts
- Annual
- 52-week forward* (12.2)

* 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)

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 (2913.8)

Operating trailing 4-quarter profit margin (12.1)

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 (2913.8)

Forward profit margin (12.2)

Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.
S&P 500 Sectors Operating Profit Margins

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

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S&P 500 Sectors Forecasted & Actual Profit Margins

Figure 10.

S&P 500

Operating Profit Margin*

- Actual 4Q Trailing
- Implied Forward

INDUSTRIALS

CONSUMER DISCRETIONARY

CONSUMER STAPLES

MATERIALS

ENERGY

REAL ESTATE

FINANCIALS

COMMUNICATION SERVICES

HEALTH CARE

UTILITIES

* 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 (7.4)
- Automobile Manufacturers (4.7)
- Auto Parts & Equipment (8.7)
- Motorcycle Manufacturers (9.7)

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 12.

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

- Consumer Discretionary Sector (7.4)
- Casinos & Gaming (4.6)
- Hotels, Resorts & Cruise Lines (11.8)
- Restaurants (17.5)

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.
Consumer Discretionary

Figure 13.

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

- Consumer Discretionary Sector (7.4)
- Apparel Retail (7.5)
- Department Stores (4.3)
- Specialty Stores (9.1)

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 (7.4)
- Computer & Electronics Retail (3.5)
- Household Appliances (4.3)
- 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.
S&P 500 OPERATING PROFIT MARGINS: CONSUMER STAPLES
(trailing 4-quarter EPS, percent)

- Consumer Staples Sector (7.5)
- Household Products (15.5)
- Packaged Foods & Meats (10.4)
- Personal Products (9.4)

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.

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

- Consumer Staples Sector (7.5)
- Brewers (10.0)
- Drug Retail (3.8)
- Soft Drinks (16.7)
- Tobacco (30.4)

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.
Energy

Figure 17.

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

- Energy Sector (6.9)
- Integrated Oil & Gas (7.9)
- Oil & Gas Refining & Marketing (3.6)
- Oil & Gas Storage & Transportation (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 18.

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

- Energy Sector (6.9)
- Oil & Gas Drilling (2.7)
- Oil & Gas Equipment & Services (4.3)
- Oil & Gas Exploration & Production (13.5)

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.
Health Care

Figure 19.
S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

Health Care Sector (8.6)
Biotechnology (32.3)
Health Care Equipment (10.1)
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 (8.6)
Pharmaceuticals (21.1)
Health Care Facilities (7.5)
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.
Figure 21.

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

- Industrials Sector (9.8)
- Construction Machinery & Heavy Trucks (10.7)
- Industrial Conglomerates (9.1)
- 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 (9.8)
- Aerospace & Defense (9.6)
- Electrical Components & Equipment (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.
Figure 23.

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

Information Technology Sector (21.1)
Application Software (16.3)
Data Processing & Outsourcing (25.7)
IT Consulting & Other Services (12.0)
Systems Software (26.8)

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 24.

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

Information Technology Sector (21.1)
Communications Equipment (22.0)
Semiconductors (27.4)
Semiconductor Equipment (23.6)

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.
Materials

Figure 25.

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

- Materials Sector (9.7)
- Diversified Chemicals (9.3)
- Fertilizers & Agricultural Chemicals (9.4)
- Industrial Gases (11.8)
- Specialty Chemicals (10.6)

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 26.

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

- Materials Sector (9.7)
- Copper (9.5)
- Gold (1.3)
- Metal & Glass Containers (4.7)
- Paper Packaging (8.0)
- Steel (9.5)

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 27.

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

- Communication Services Sector (15.7)
- Alternative Carriers (5.9)
- Integrated Telecommunication (13.5)

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 28.

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

- Communication Services Sector (15.7)
- 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.
Communication Services

Figure 29.

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

- Communication Services Sector (15.7)
- 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.