

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

Yardeni Research, Inc.

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*thinking outside the box*

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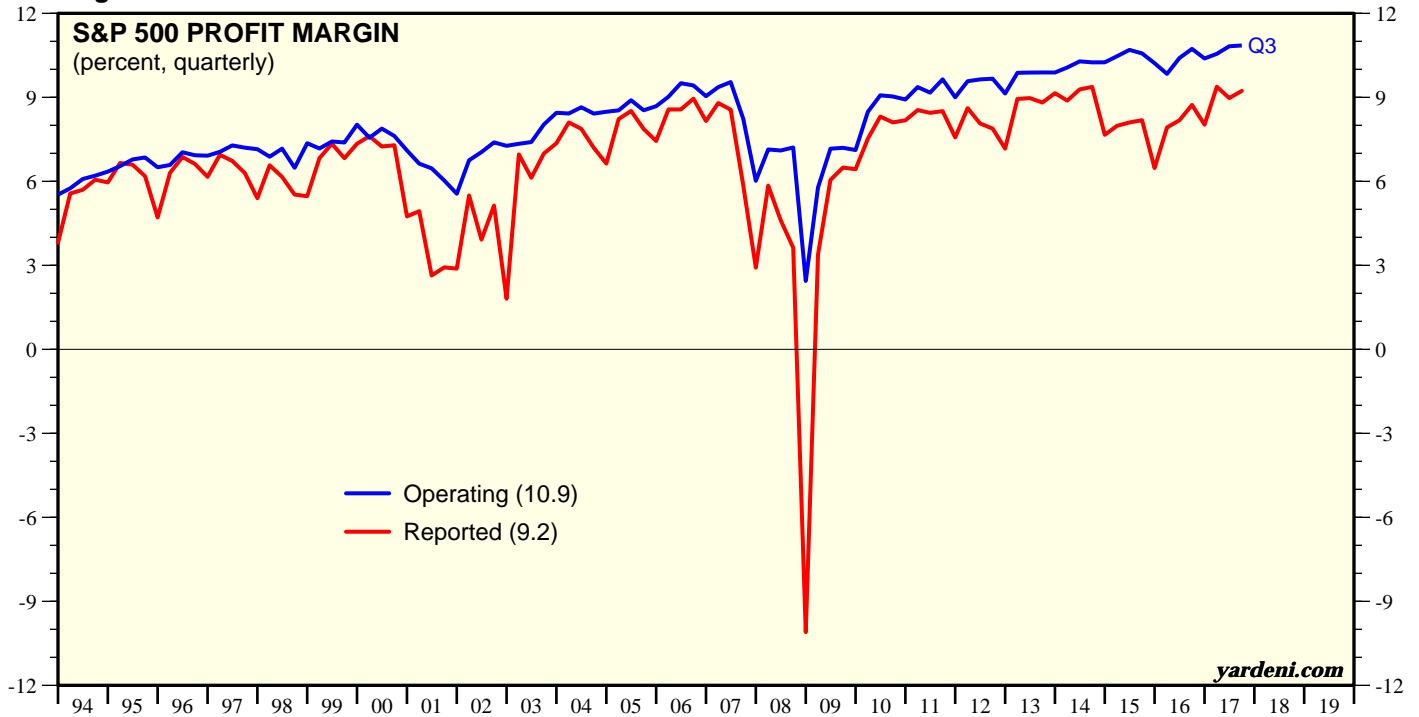
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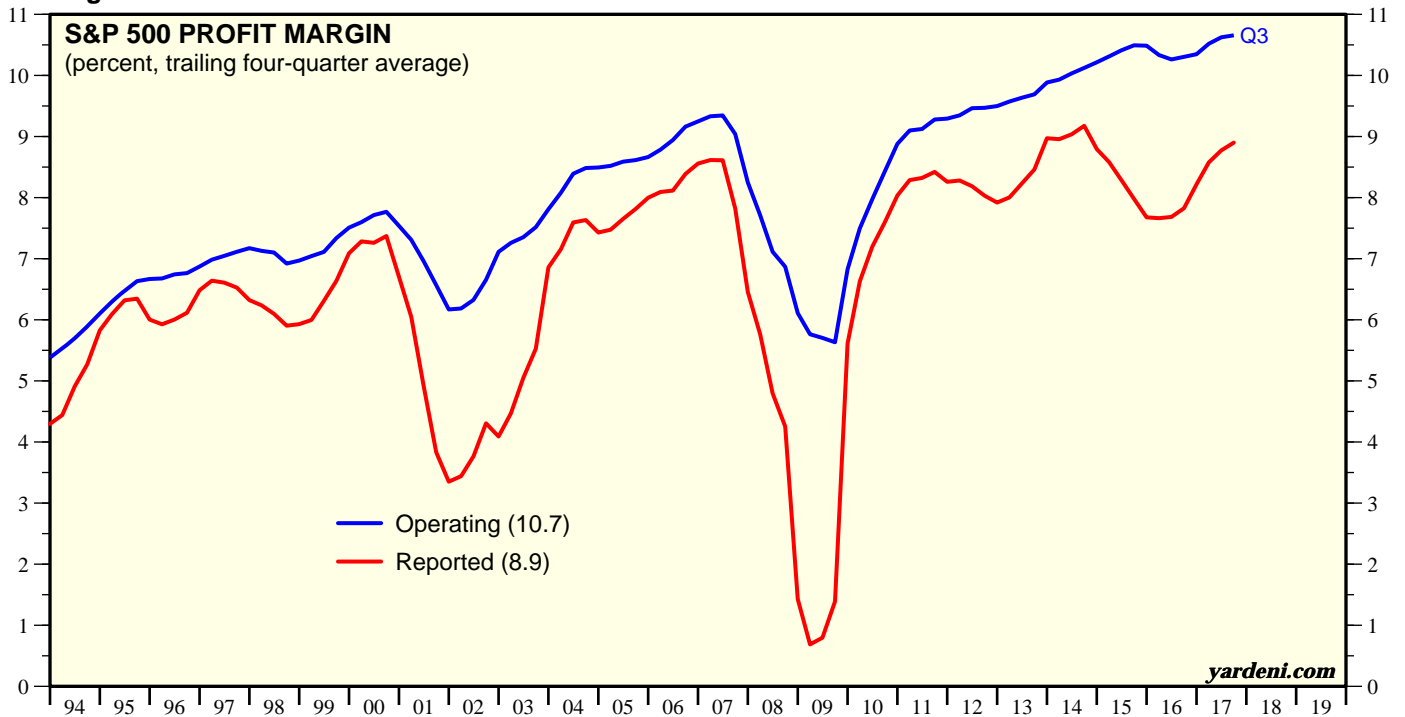
# S&P 500 Profit Margin

Figure 1.



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

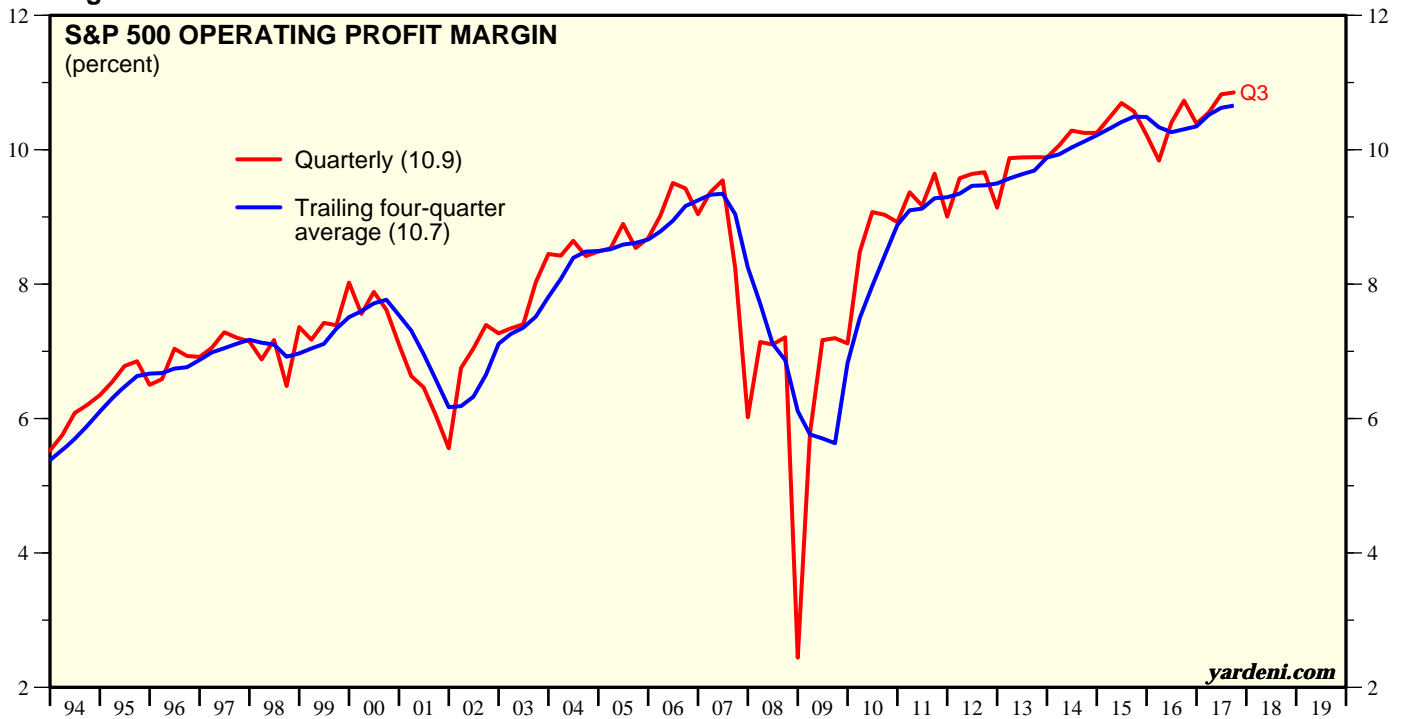
Figure 2.



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

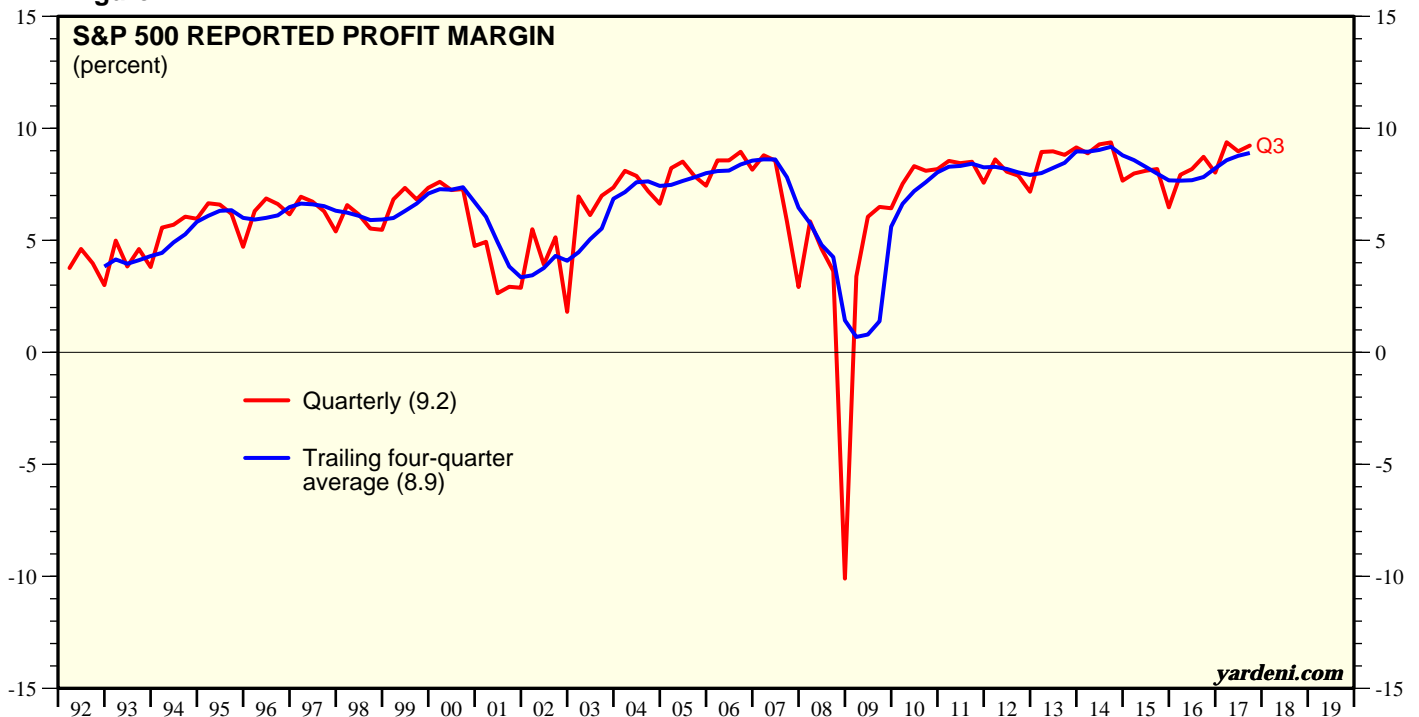
# S&P 500 Profit Margin

Figure 3.



Source: Standard & Poor's Corporation.

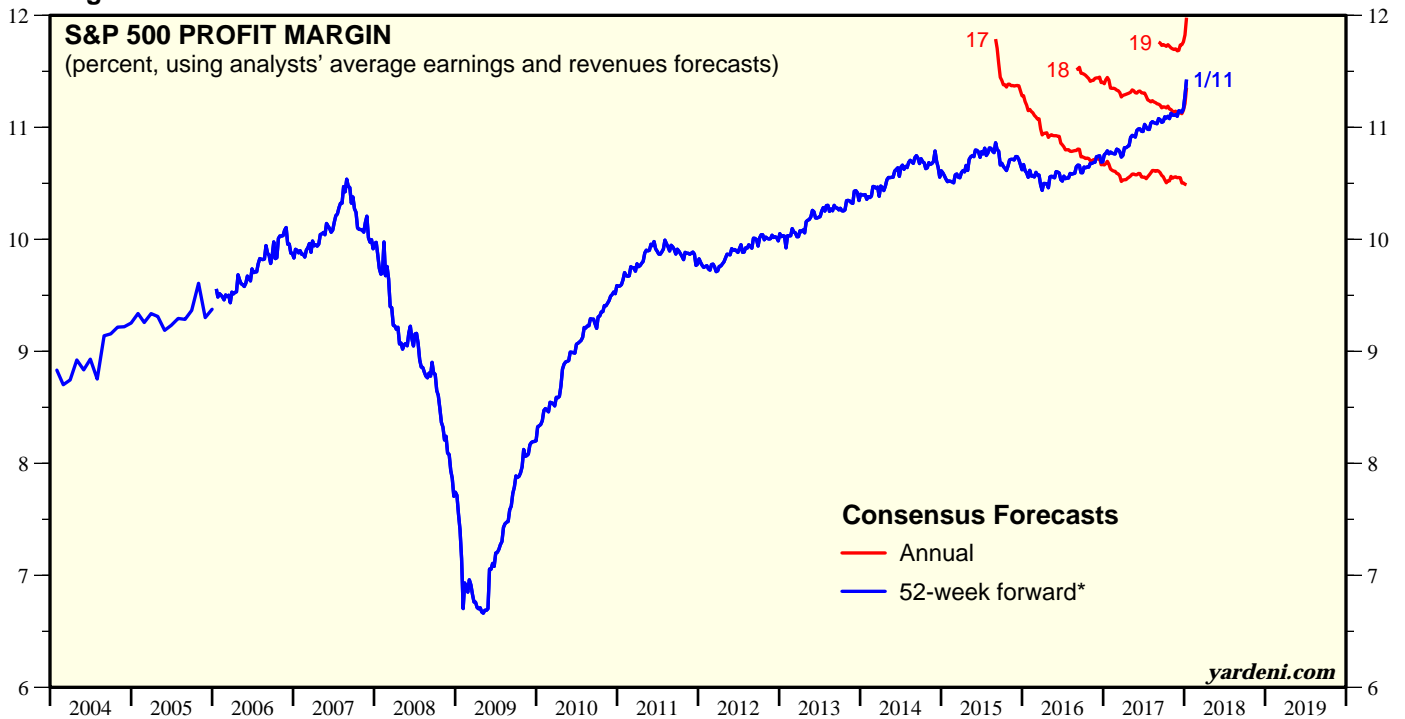
Figure 4.



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

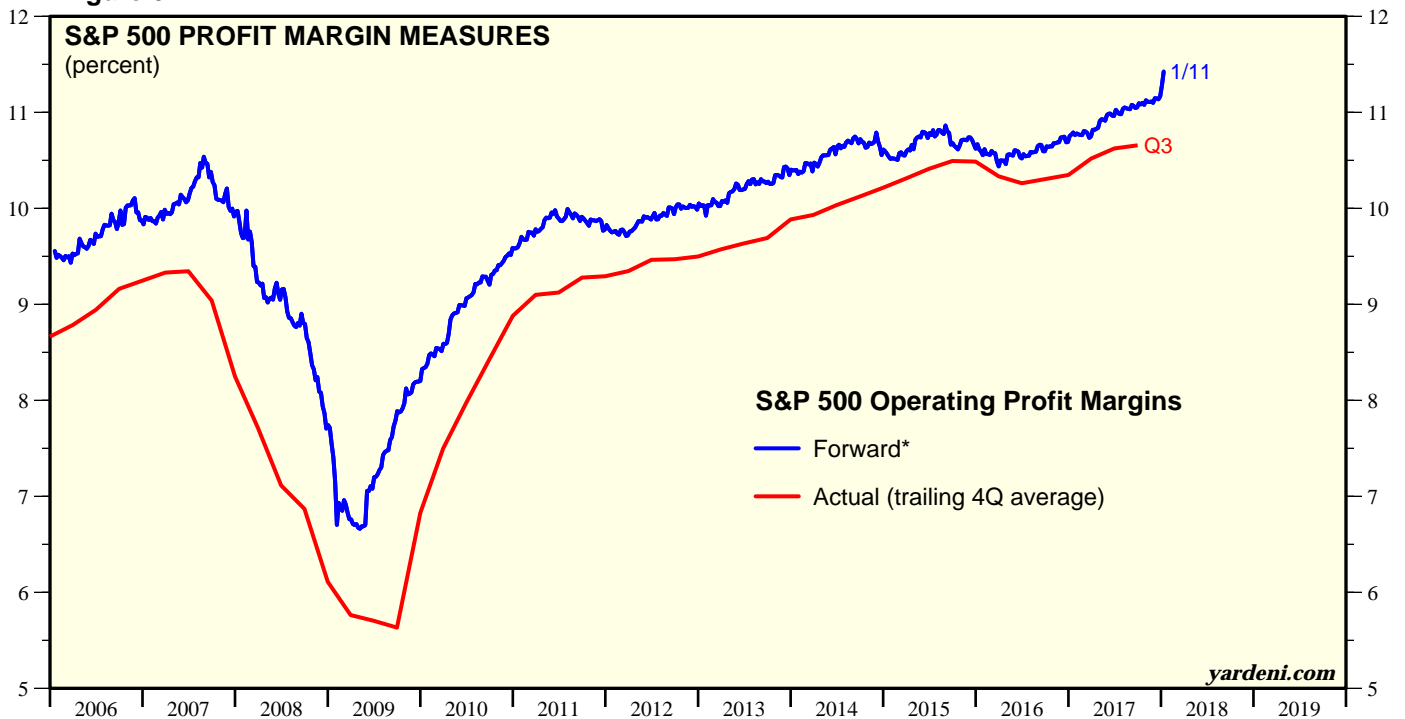
# S&P 500 Profit Margin

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.

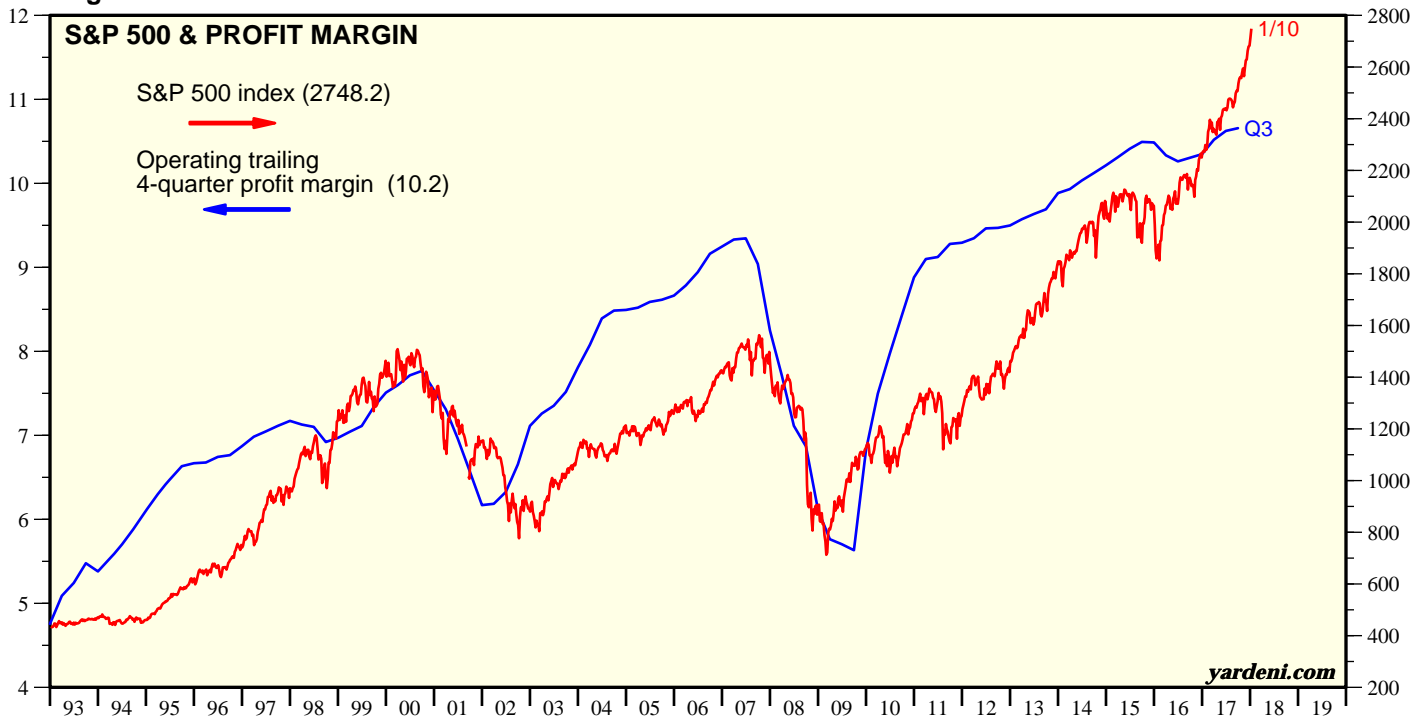
Figure 6.



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

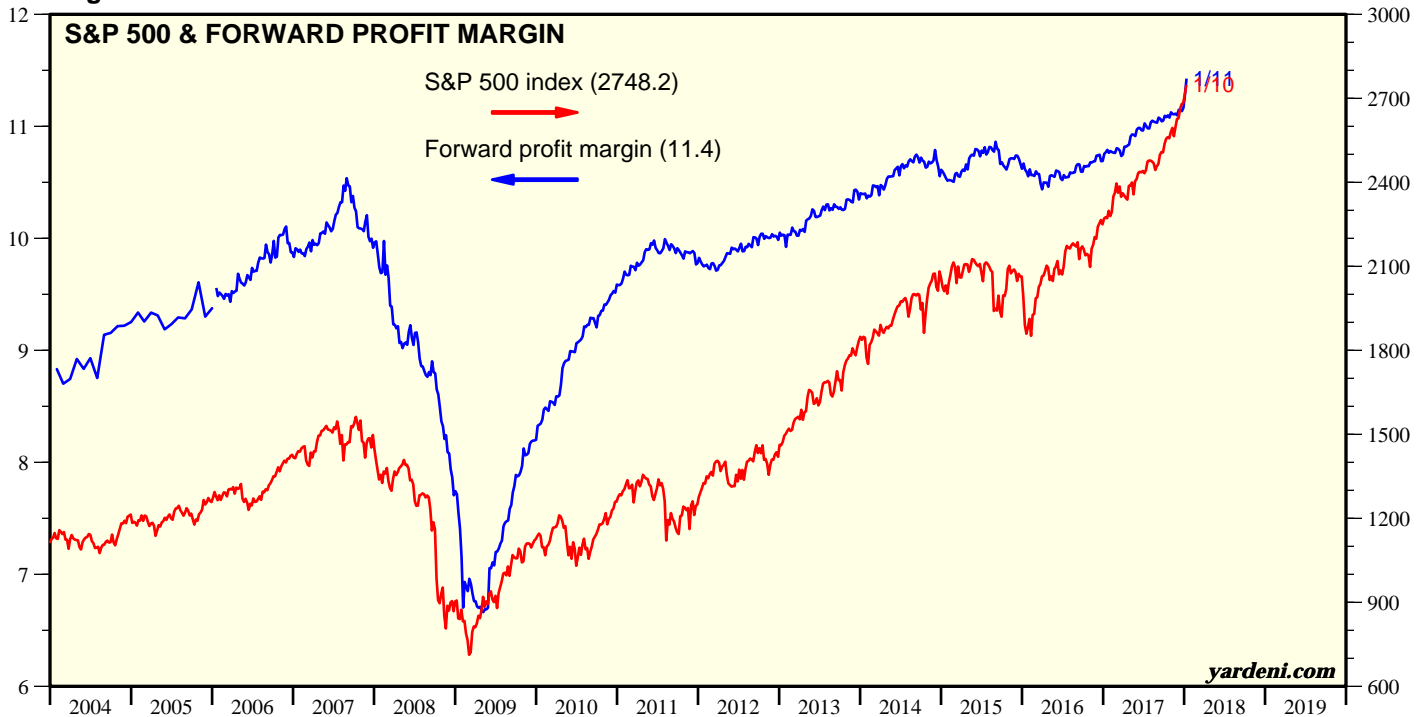
# S&P 500 Profit Margin

Figure 7.



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

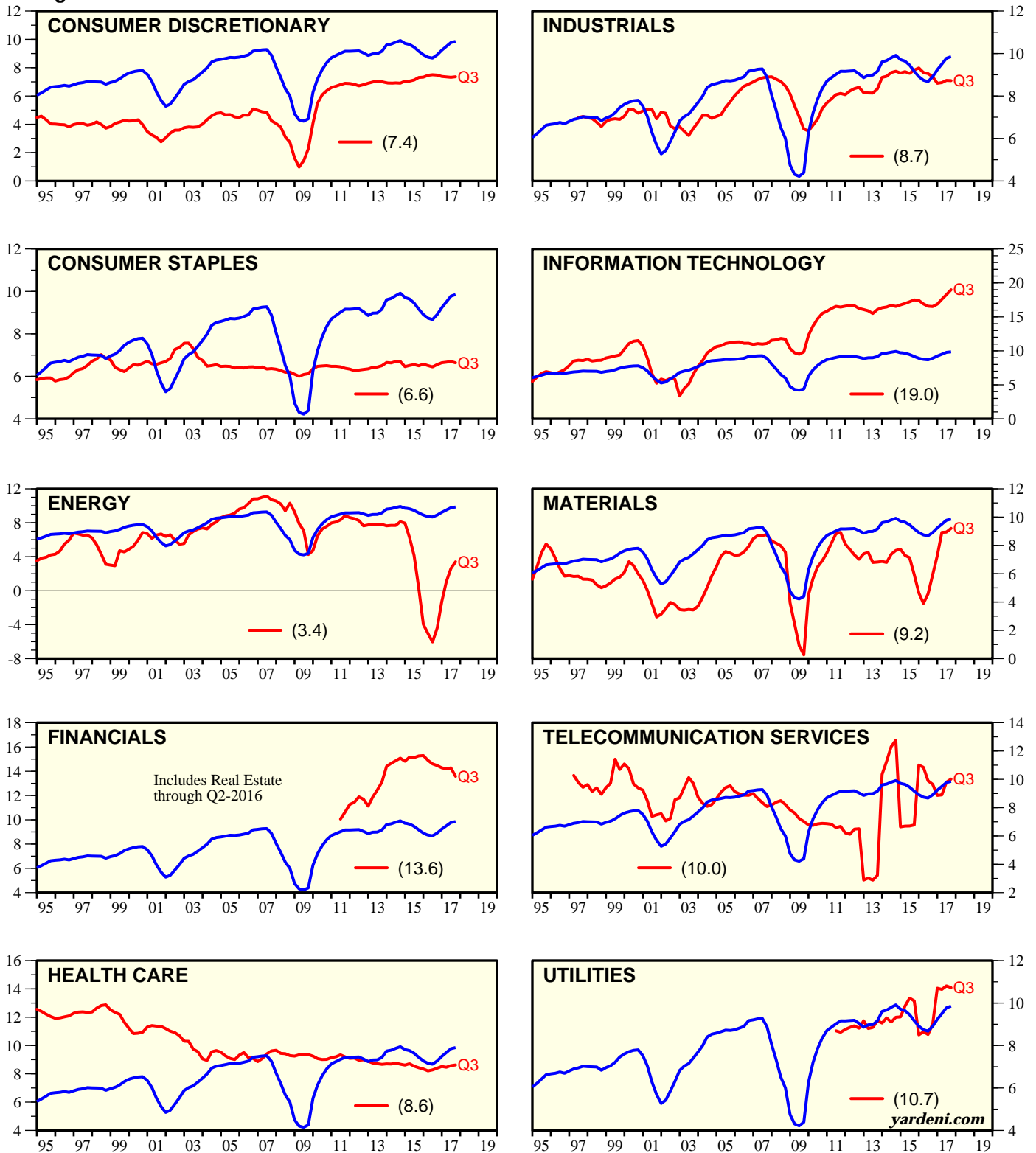
Figure 8.



\* 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

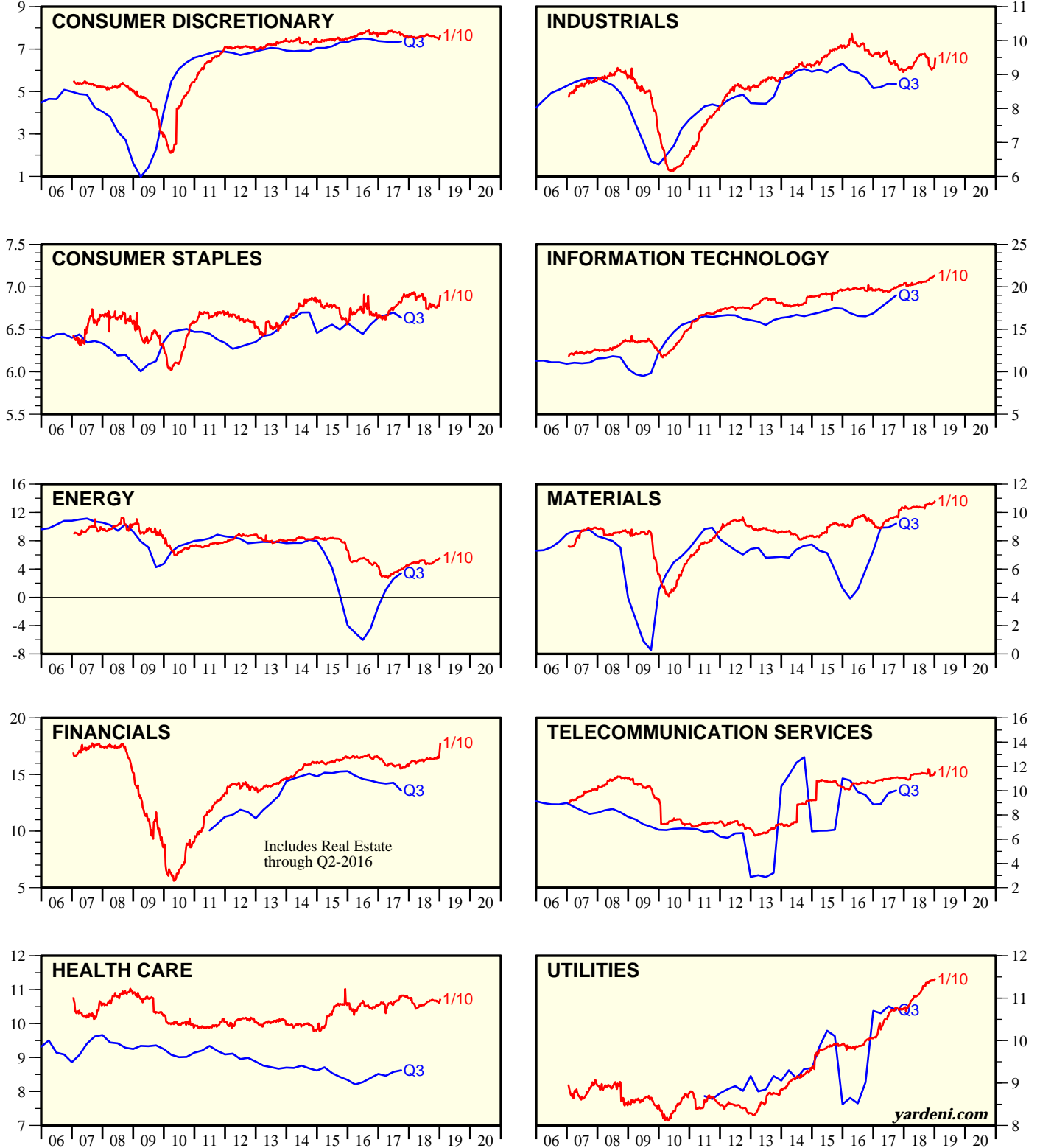
Figure 9.



\* 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.



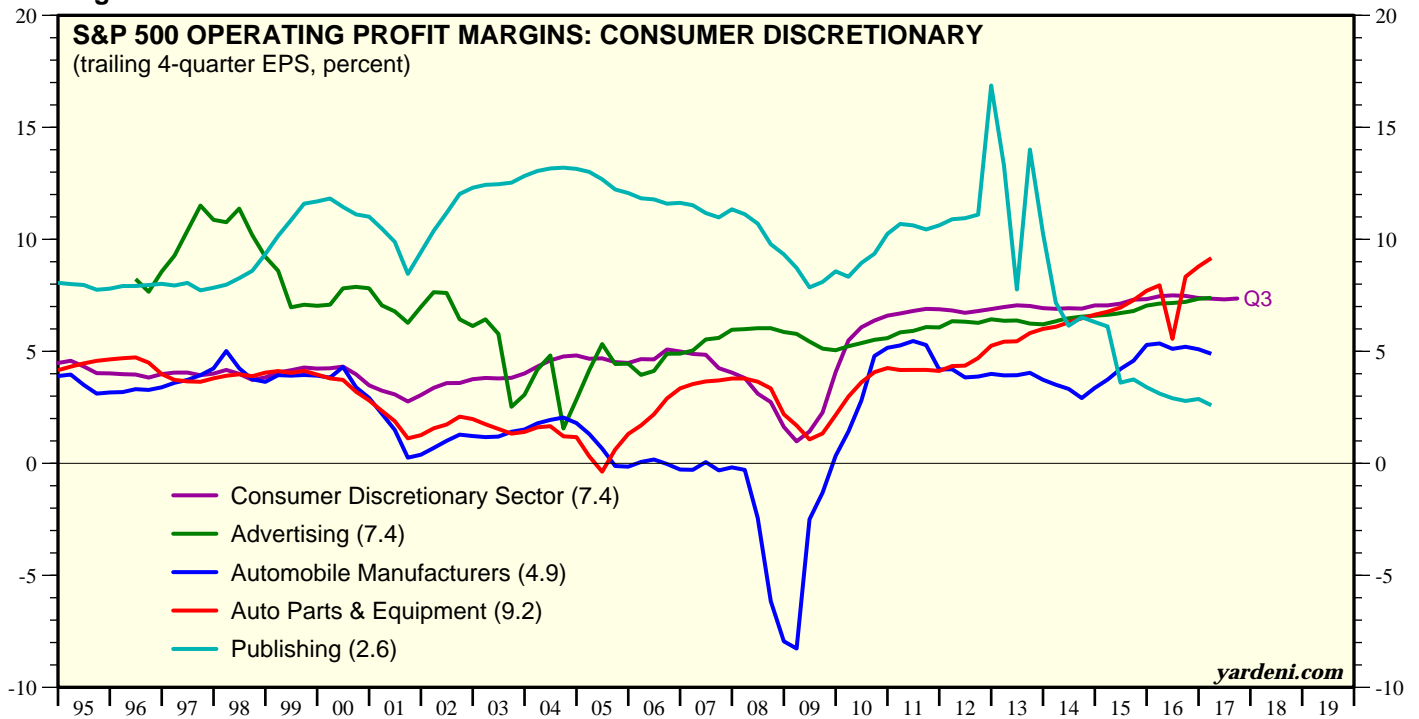
\* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from Thomson Reuters I/B/E/S consensus forward EPS and sales, and pushed one year ahead.

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



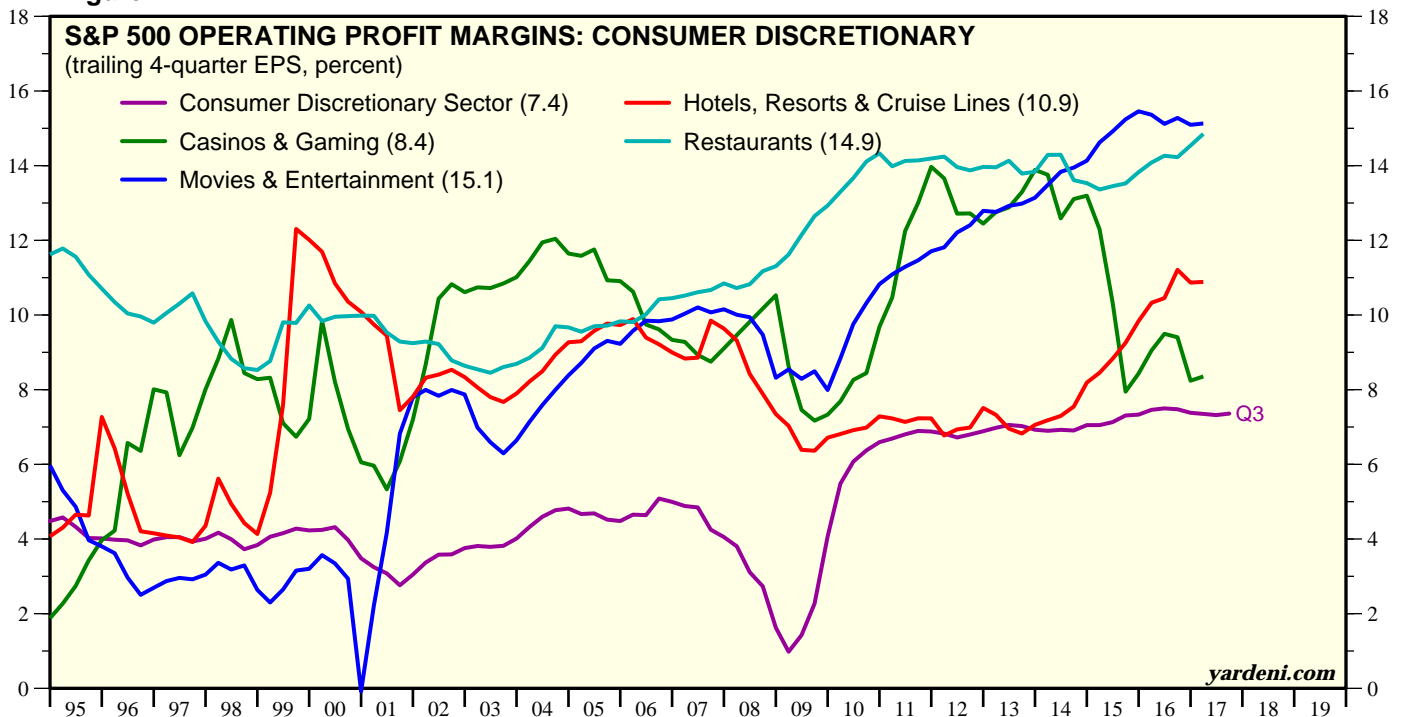
# Consumer Discretionary

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.

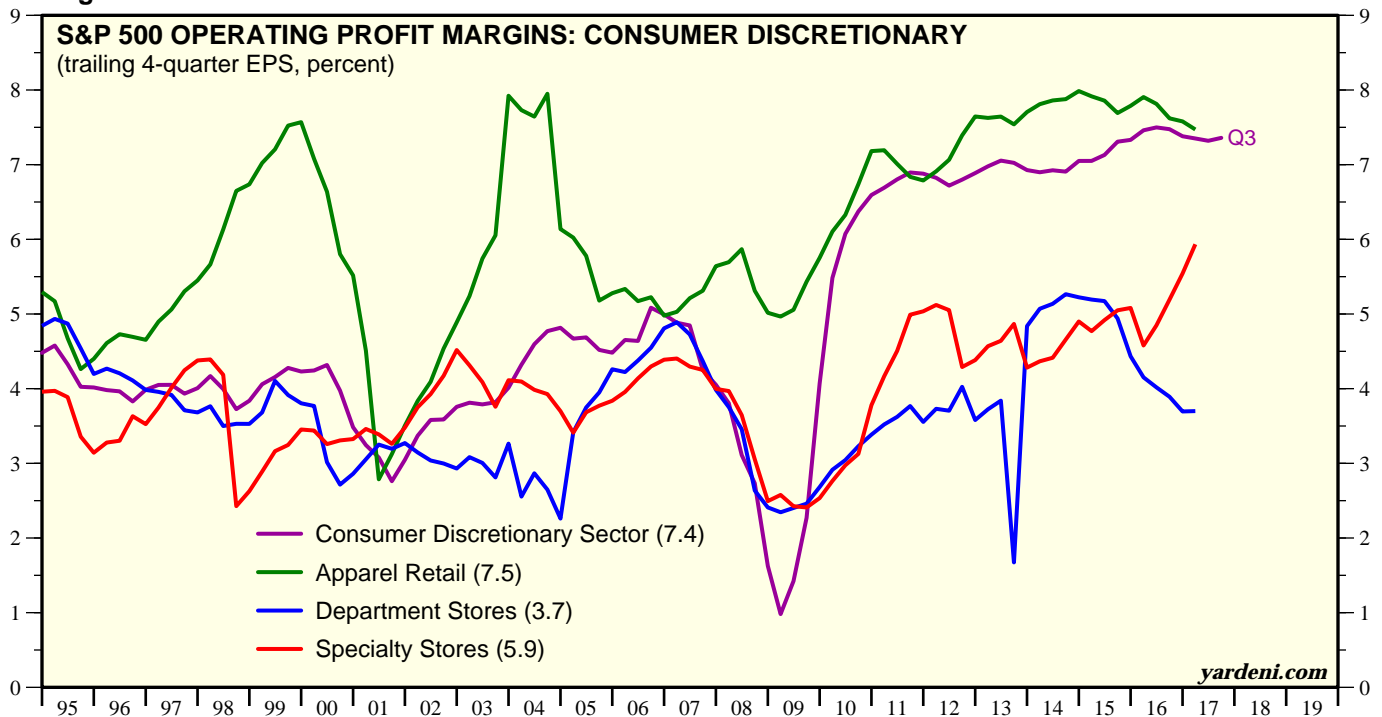
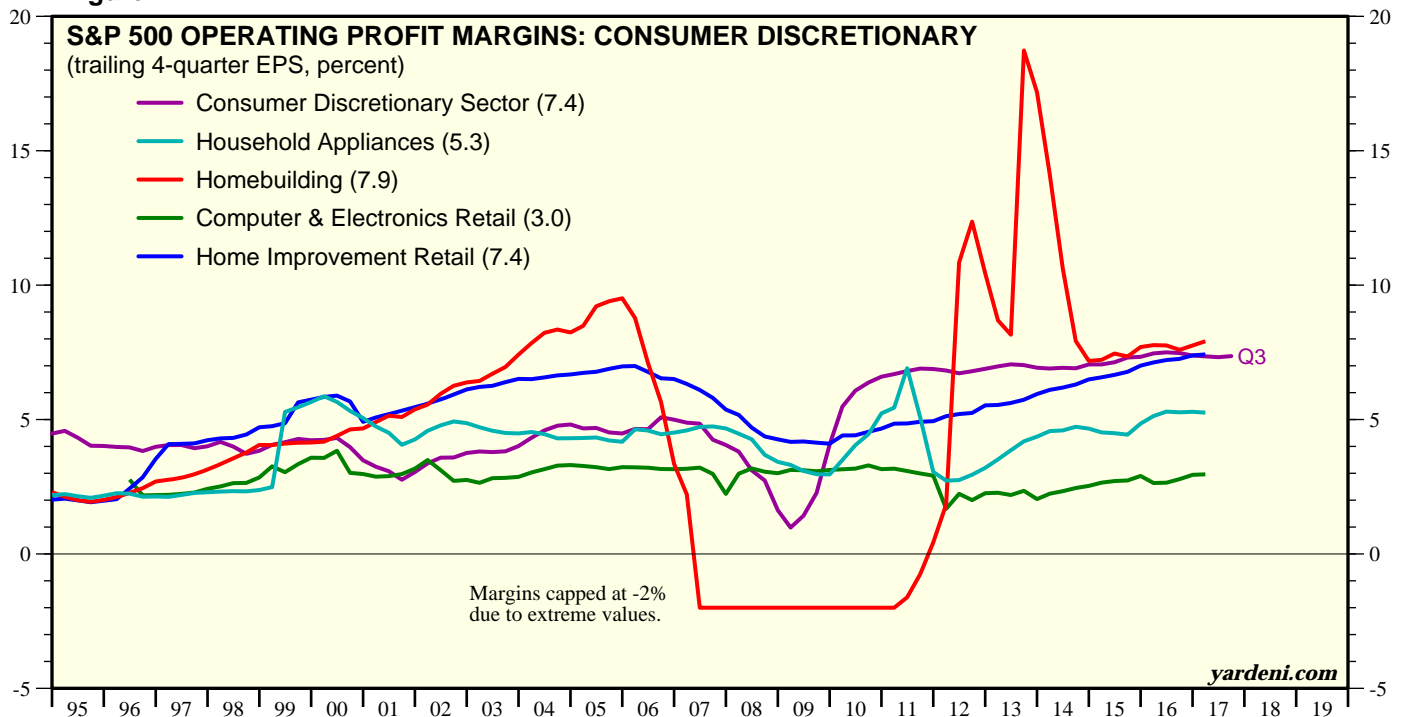
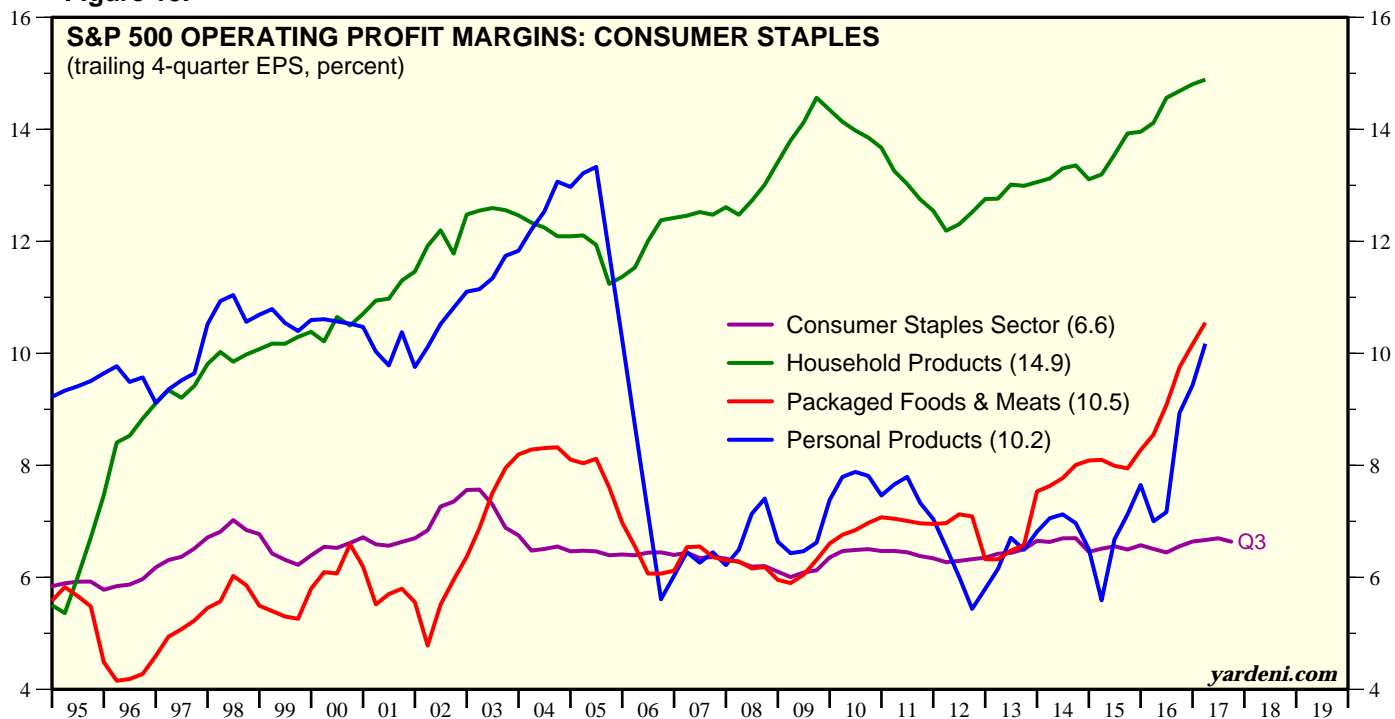


Figure 14.



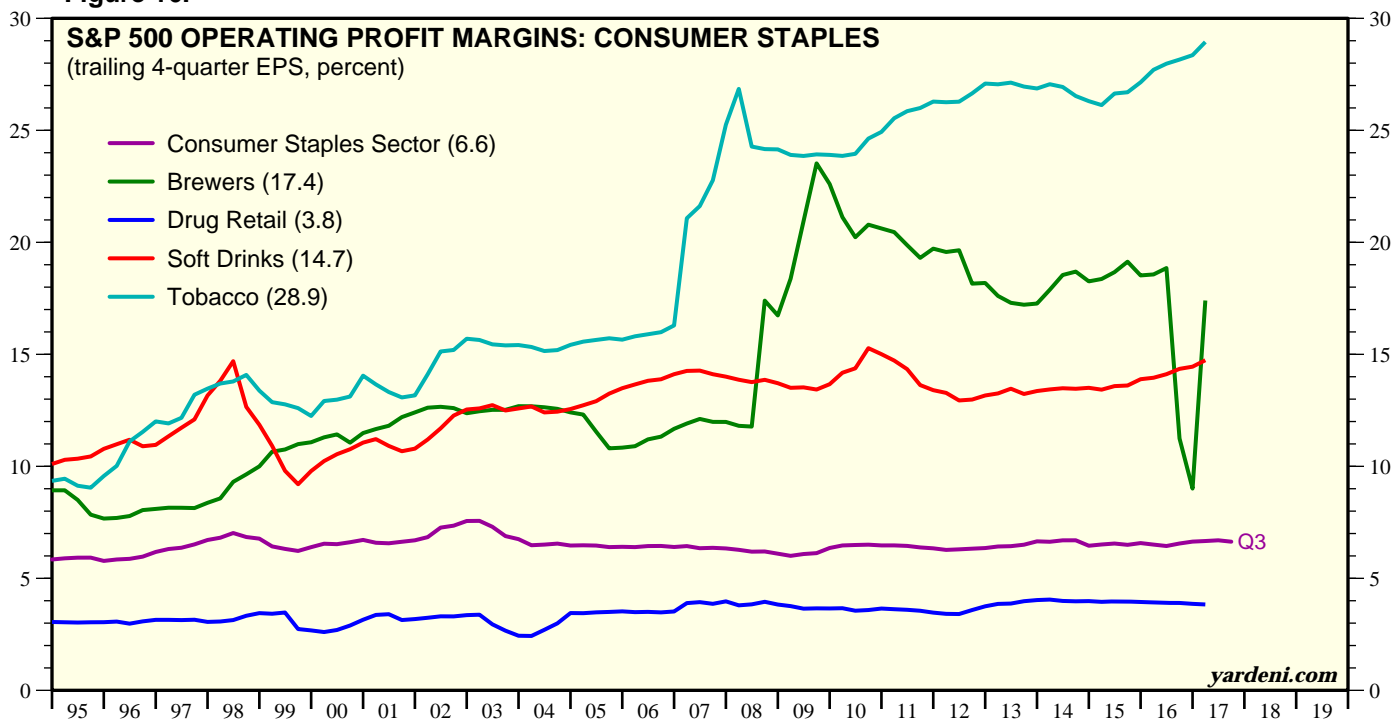
# Consumer Staples

Figure 15.



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

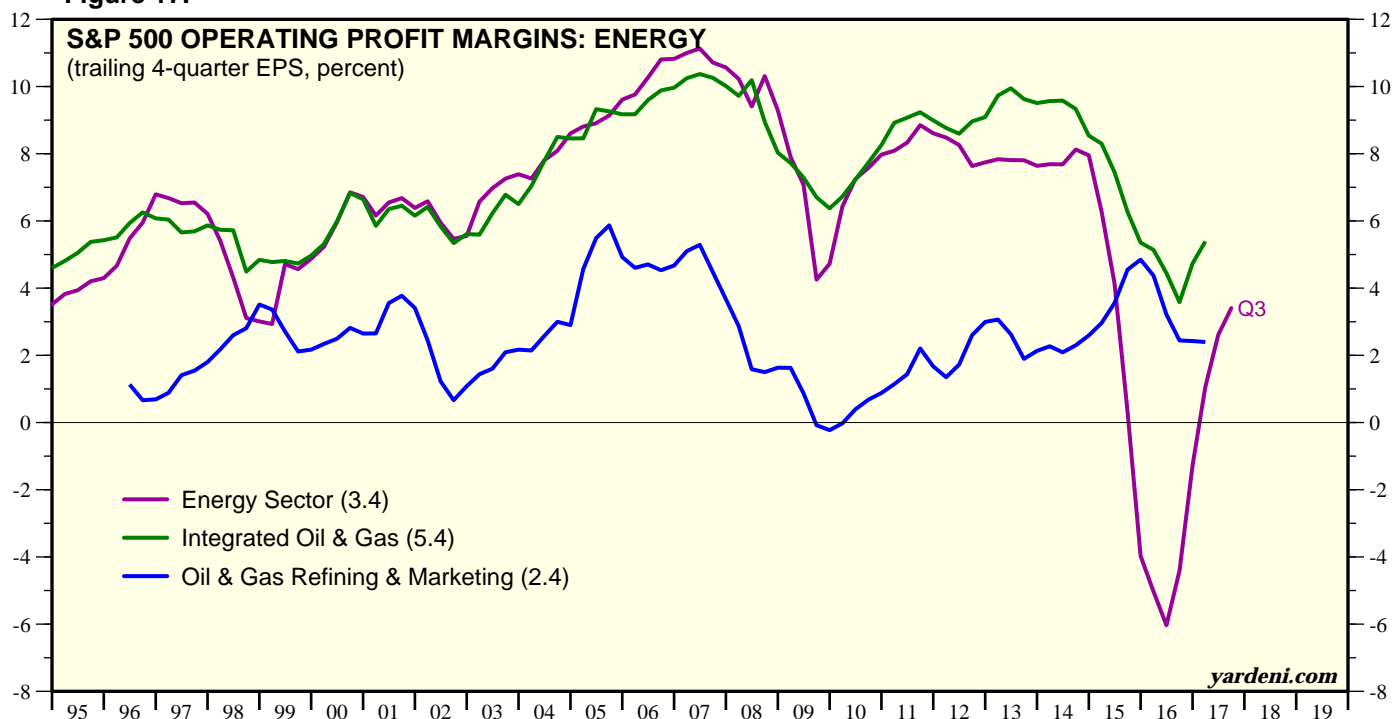
Figure 16.



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

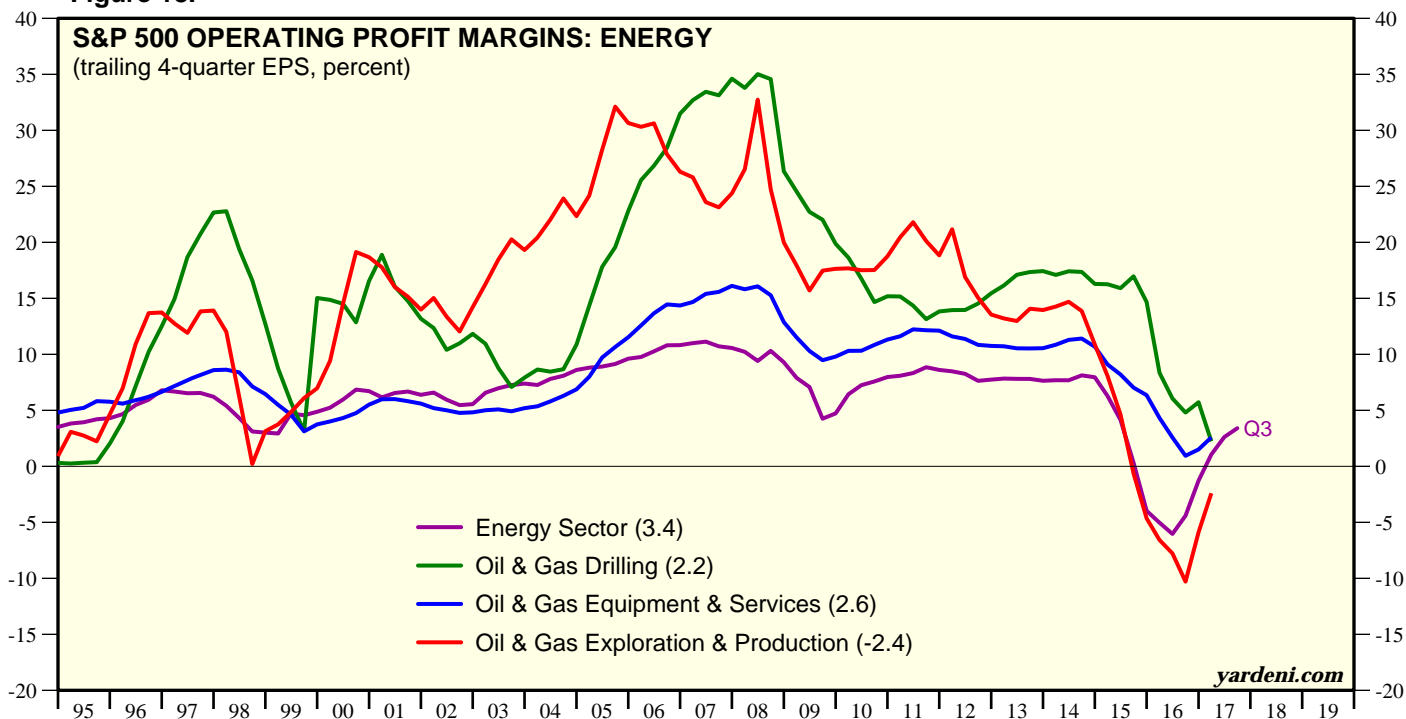
# Energy

Figure 17.



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

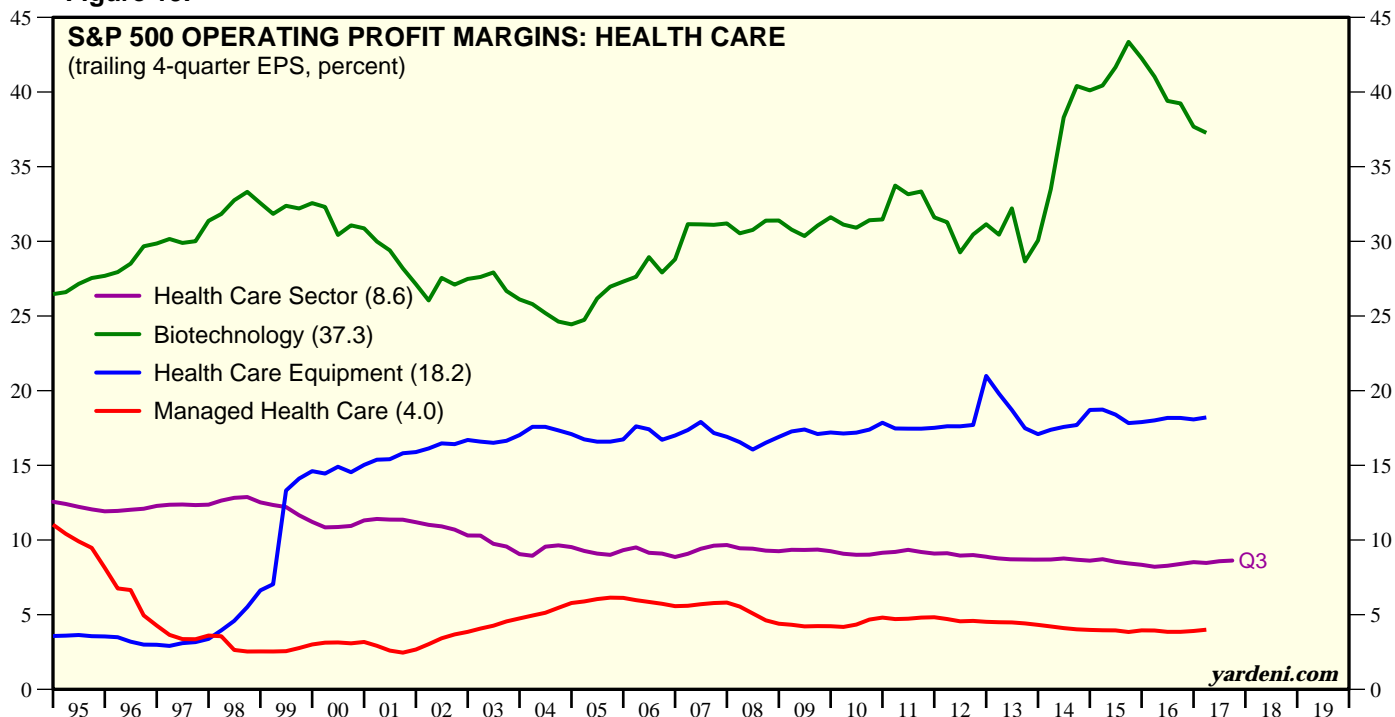
Figure 18.



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

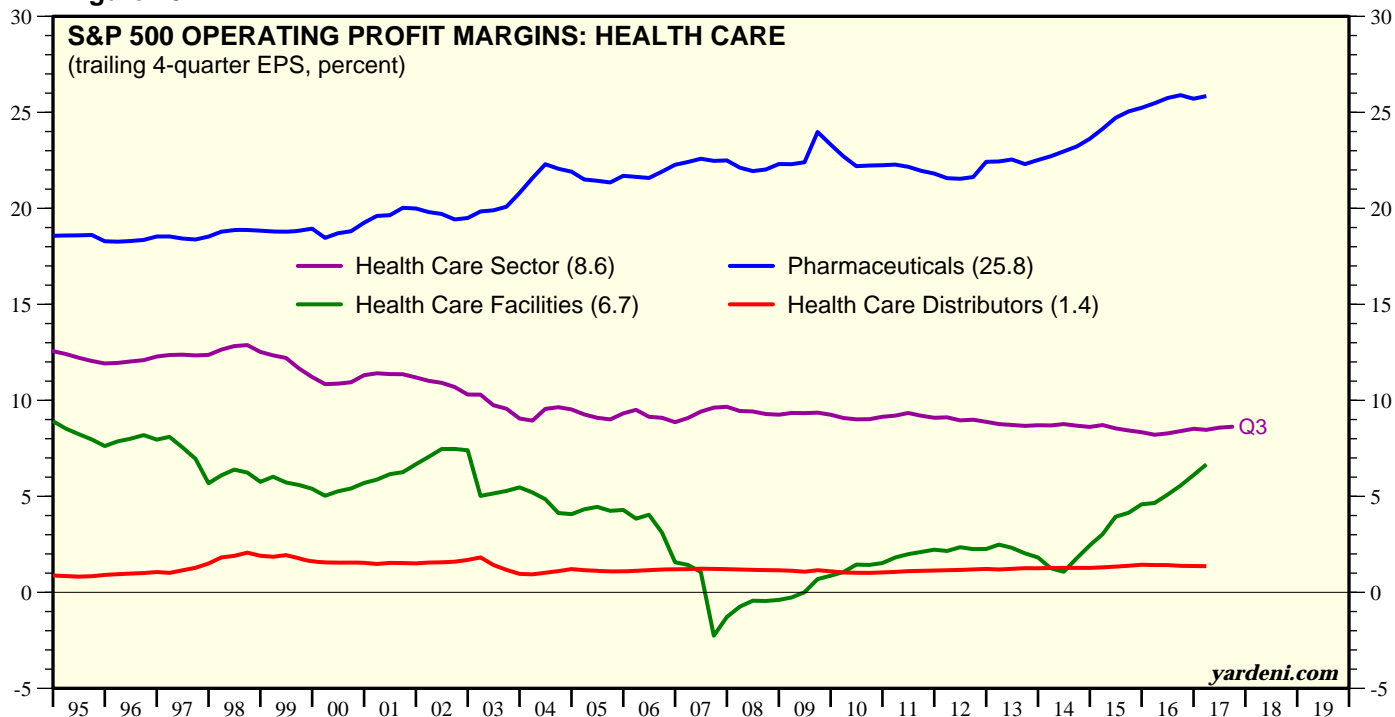
# Health Care

Figure 19.



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

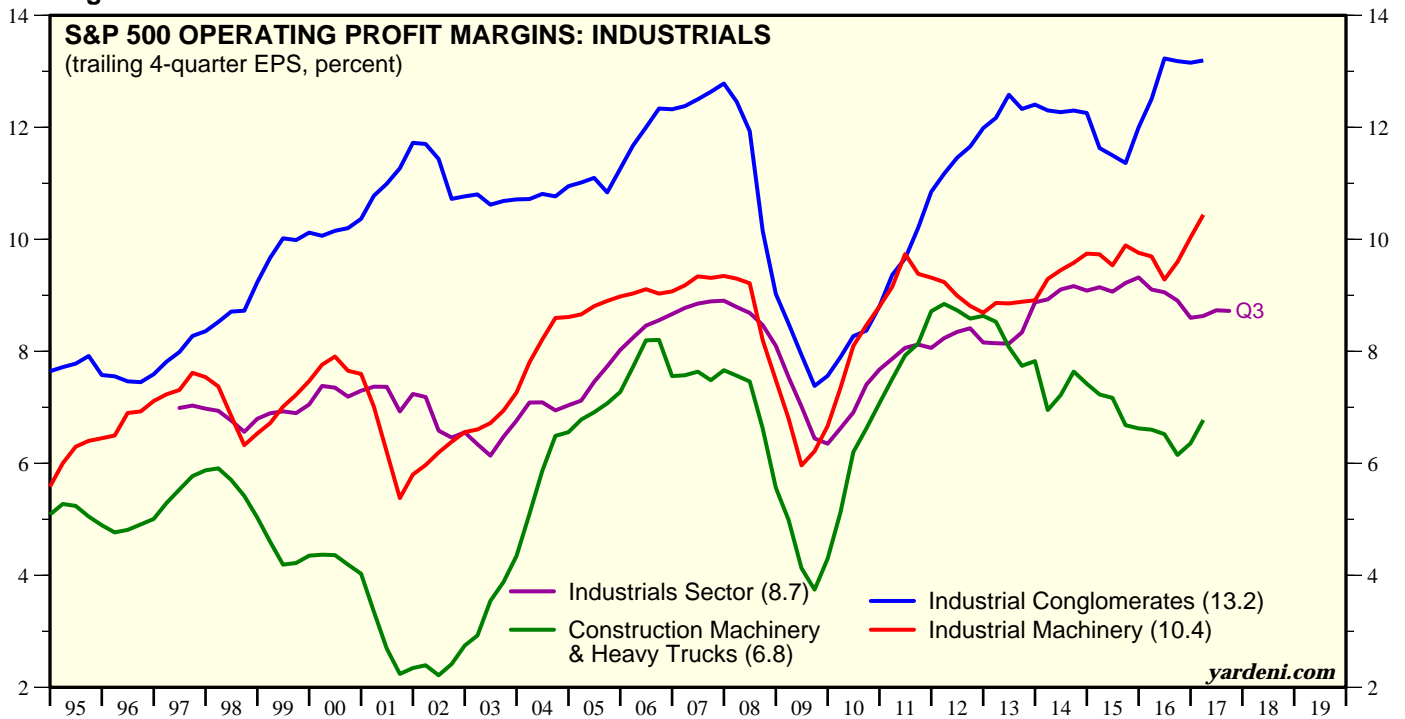
Figure 20.



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

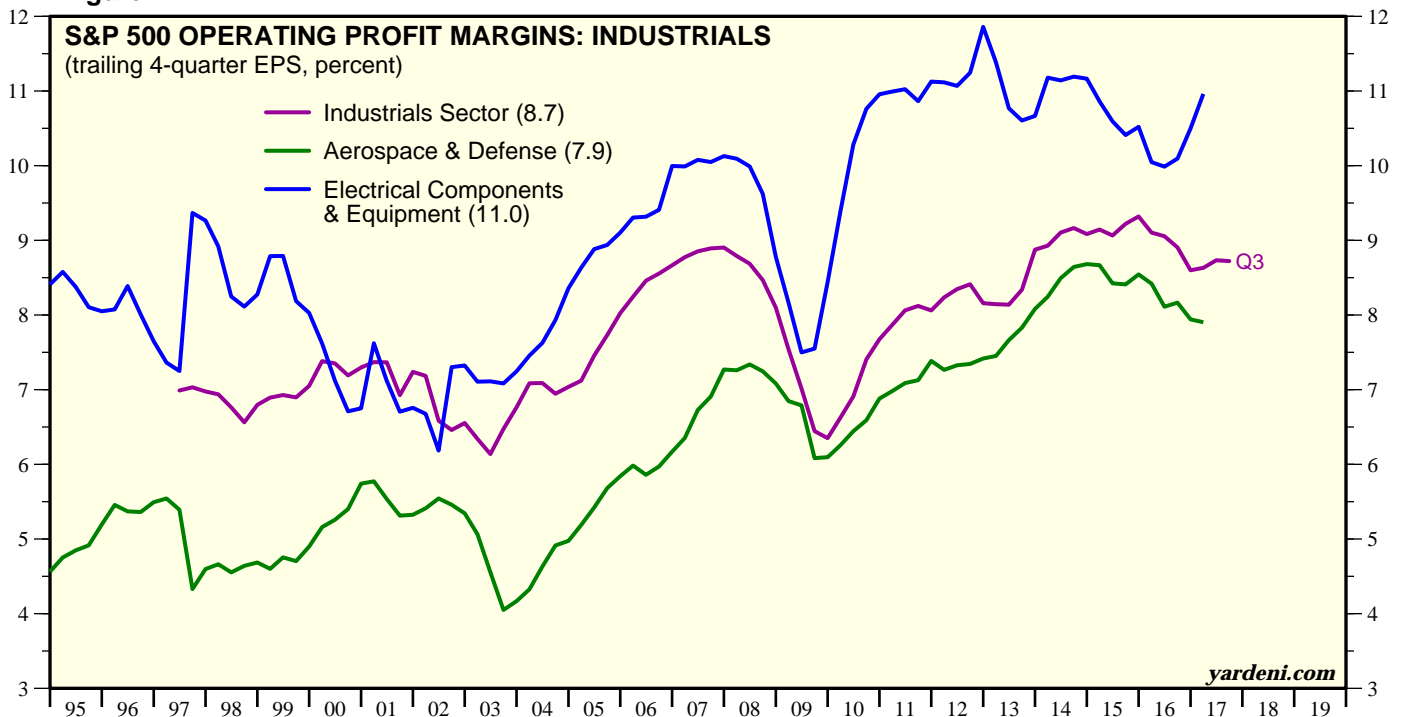
# Industrials

Figure 21.



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

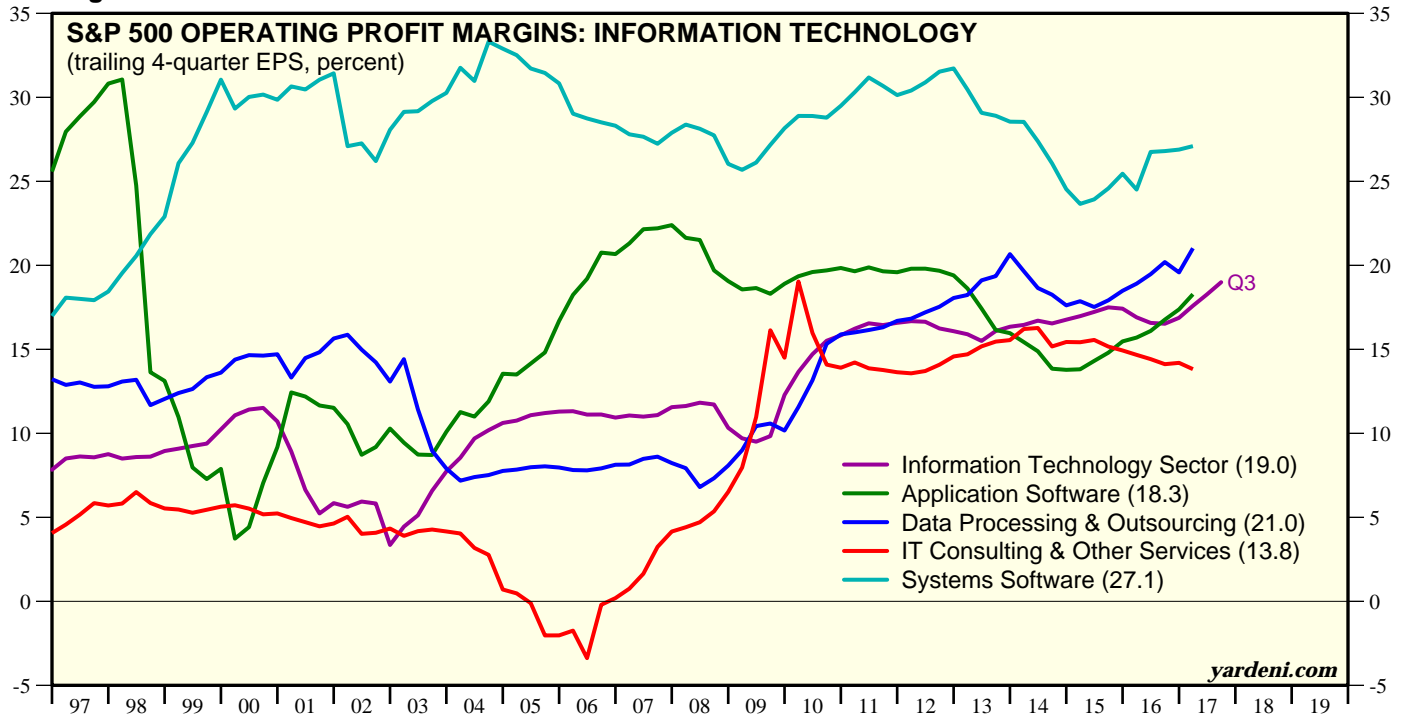
Figure 22.



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

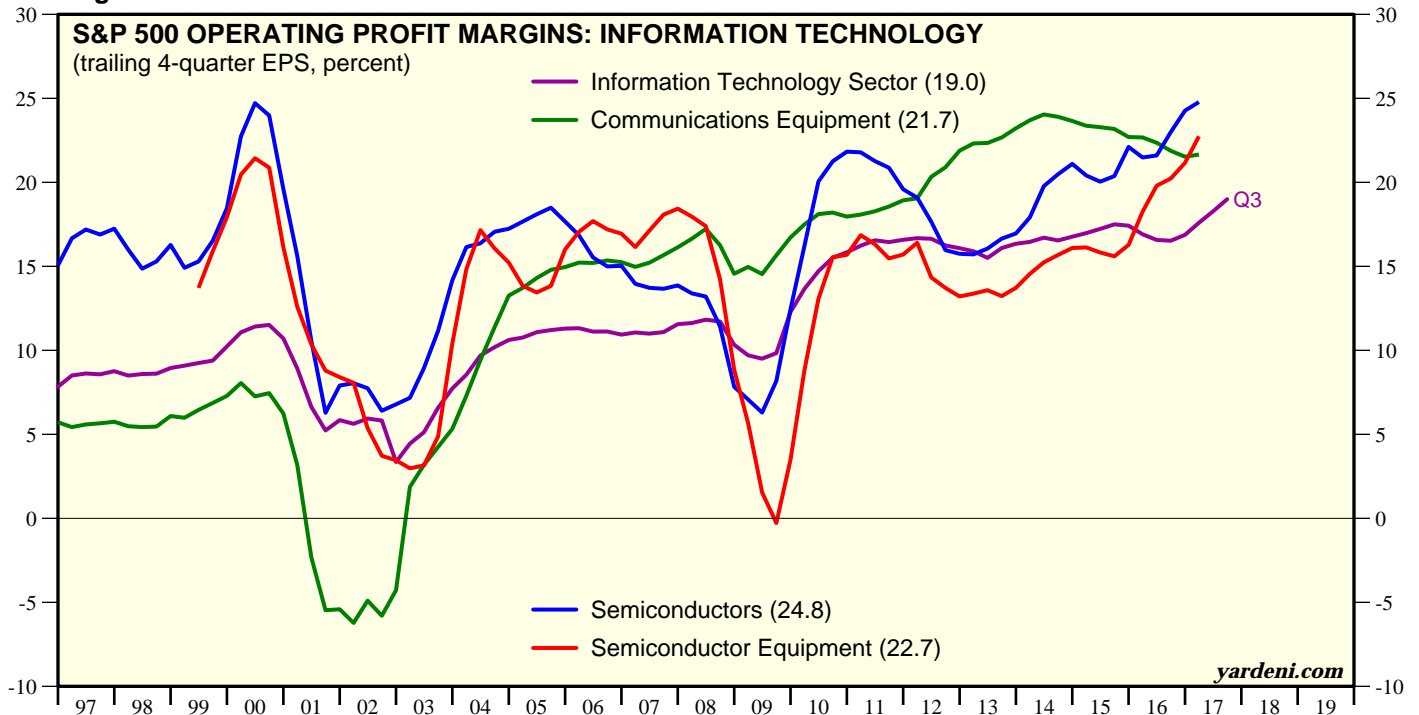
# Information Technology

Figure 23.



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

Figure 24.



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

# Materials

Figure 25.

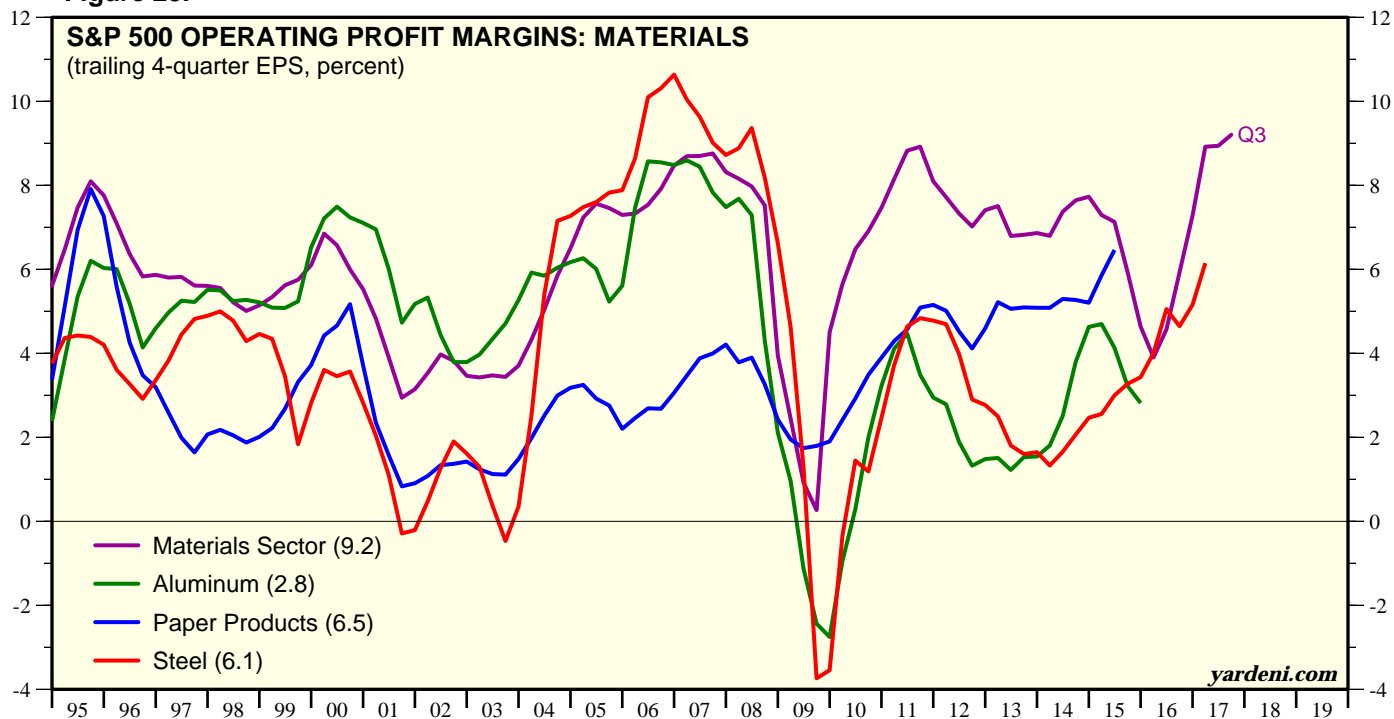
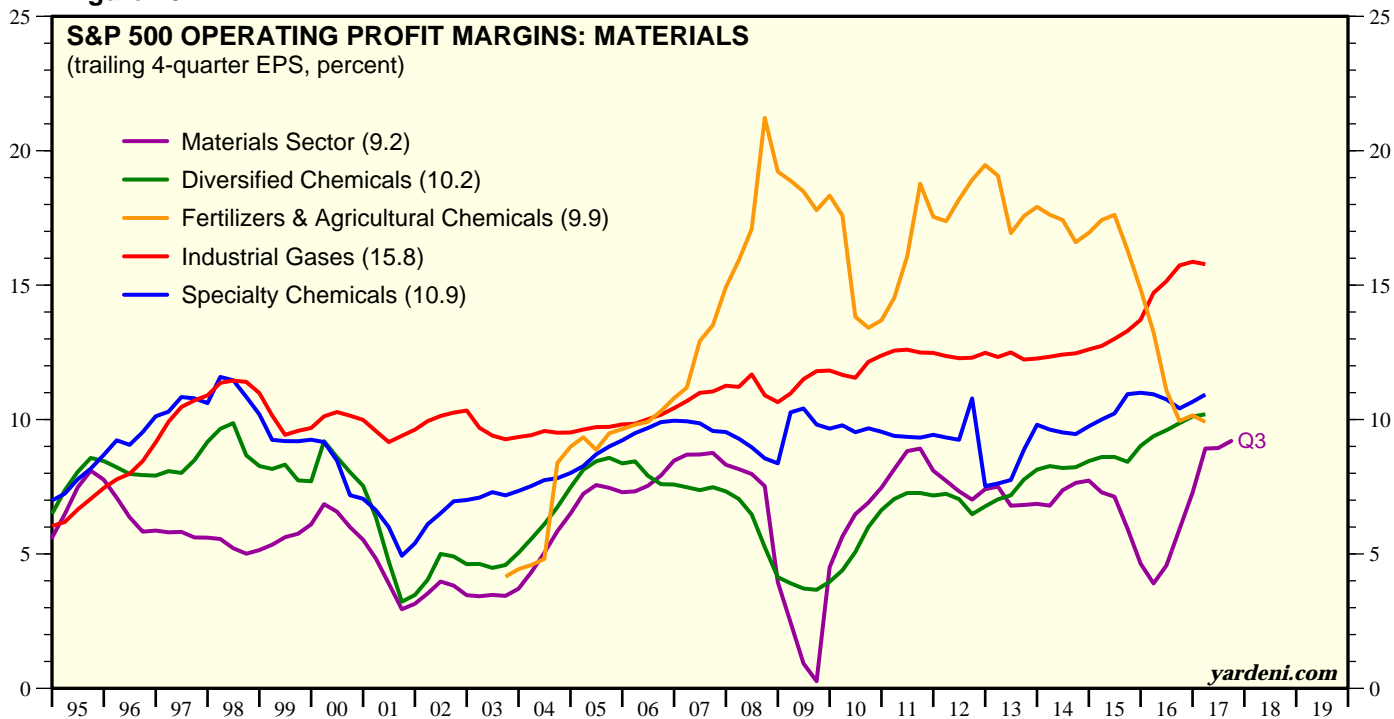


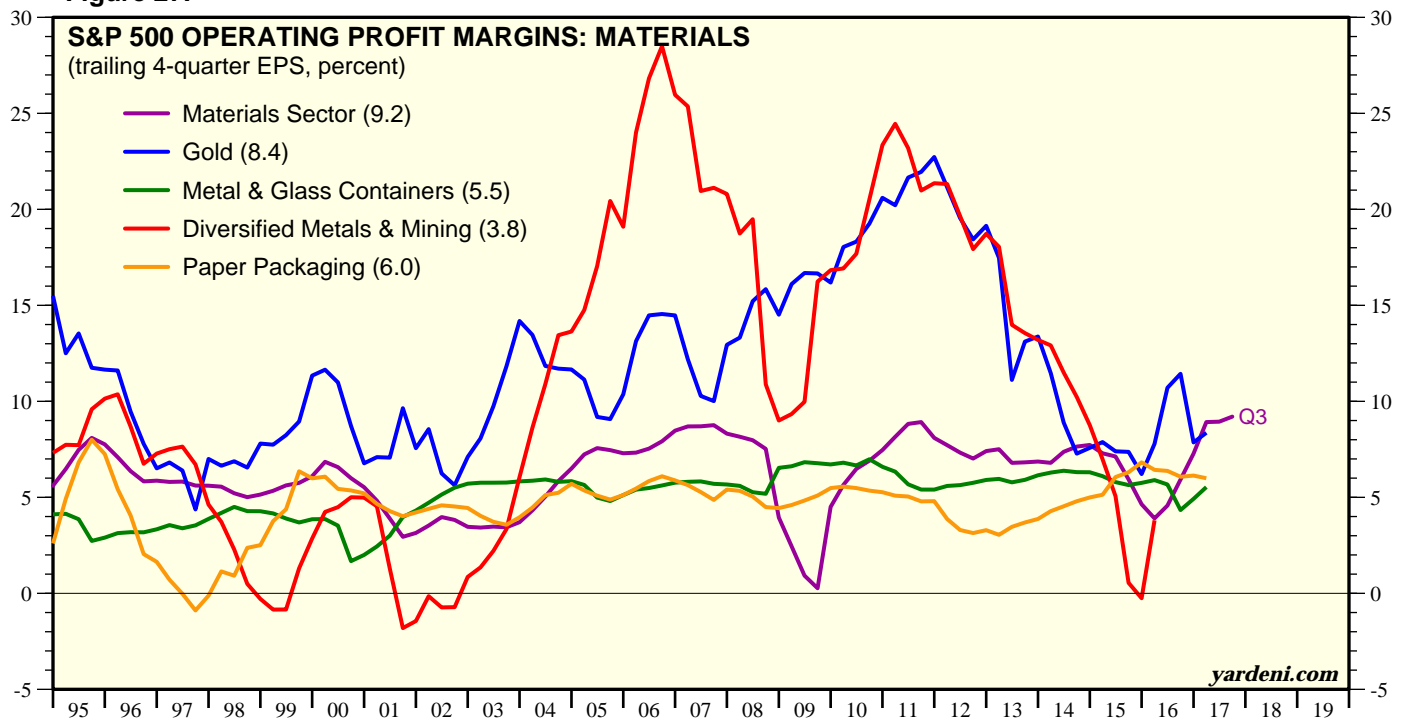
Figure 26.





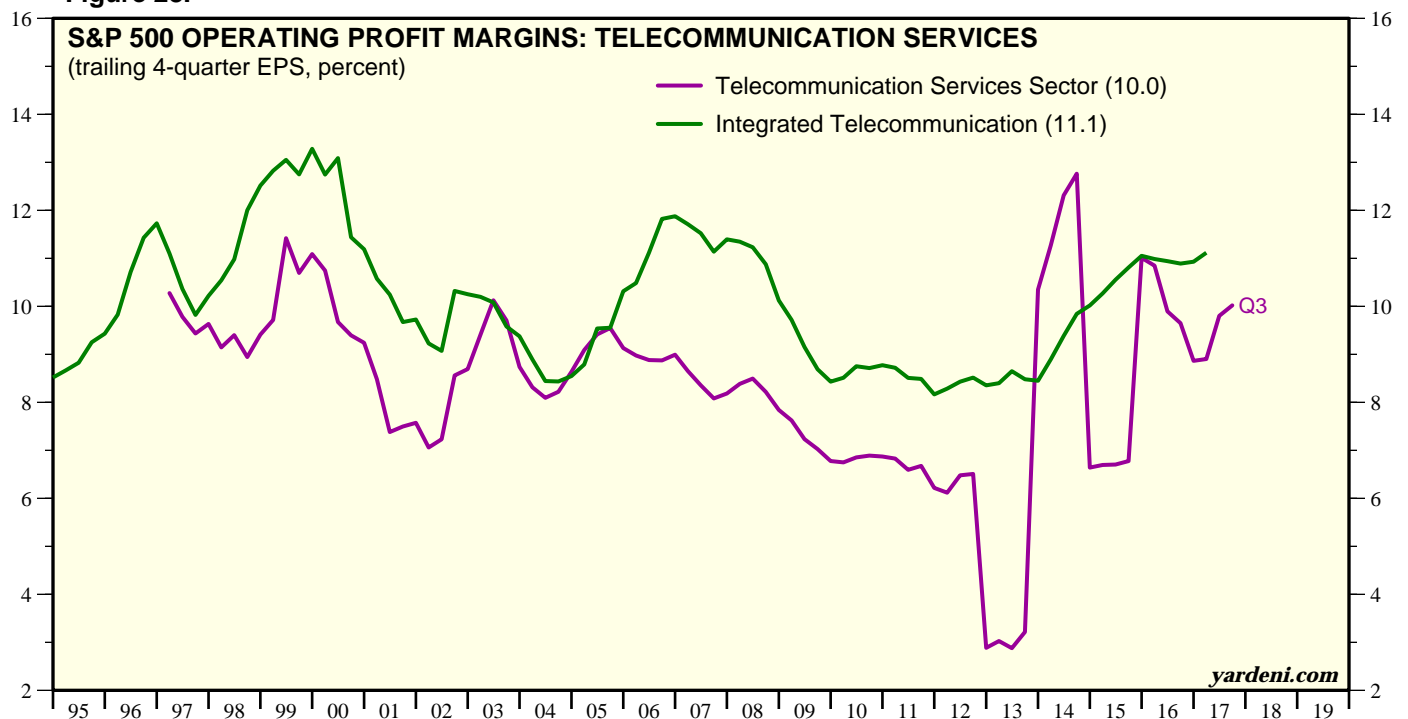
# Materials & Telecommunication Services

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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