# 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
- Materials & Telecommunication Services .................. 13
S&P 500 Profit Margin

Figure 1.

S&P 500 PROFIT MARGIN
(percent, quarterly)

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

Figure 2.

S&P 500 PROFIT MARGIN
(percent, trailing four-quarter average)

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

S&P 500 OPERATING PROFIT MARGIN (percent)

- Quarterly (12.3)
- Trailing four-quarter average (11.5)

Source: Standard & Poor's Corporation.

Figure 4.

S&P 500 REPORTED PROFIT MARGIN (percent)

- Quarterly (10.2)
- Trailing four-quarter average (9.5)

Source: Standard & Poor’s Corporation and Thomson Reuters I/B/E/S and Bureau of Economic Analysis.
S&P 500 Profit Margin

Figure 5.

*S&P 500 PROFIT MARGIN*
(percentage, using analysts’ average earnings and revenues forecasts)

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

Consensus Forecasts
- Annual
- 52-week forward* (12.4)

Figure 6.

*S&P 500 PROFIT MARGIN MEASURES*
(percentage)

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

* Forward earnings divided by forward revenues.
Source: Thomson Reuters I/B/E/S and Standard & Poor’s.
Figure 7.

S&P 500 & PROFIT MARGIN

S&P 500 index (2813.9)

Operating trailing 4-quarter profit margin (11.5)

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

Figure 8.

S&P 500 & FORWARD PROFIT MARGIN

S&P 500 index (2813.9)

Forward profit margin (12.4)


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

Figure 9.

**CONSUMER DISCRETIONARY**

S&P 500 Sectors Operating Profit Margins

**INDUSTRIALS**

**CONSUMER STAPLES**

**INFORMATION TECHNOLOGY**

**ENERGY**

**MATERIALS**

**FINANCIALS**

Includes Real Estate through Q2-2016

**COMMUNICATION SERVICES**

**HEALTH CARE**

**UTILITIES**

* 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

* 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).
Figure 11.

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

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

Figure 12.

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

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

Figure 13. S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

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

Figure 14. S&P 500 OPERATING PROFIT MARGINS: CONSUMER DISCRETIONARY
(trailing 4-quarter EPS, percent)

Margins capped at -2% due to extreme values.

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

Figure 15.

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

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

Figure 16.

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

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

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

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

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

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

Figure 19.

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

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

Figure 20.

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

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
S&P 500 OPERATING PROFIT MARGINS: INDUSTRIALS
(trailing 4-quarter EPS, percent)

Industrials Sector (9.7)

Construction Machinery & Heavy Trucks (6.8)

Industrial Conglomerates (13.2)

Industrial Machinery (10.4)

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

Figure 21.

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

Aerospace & Defense (7.9)

Electrical Components & Equipment (11.0)

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

Figure 22.
Figure 23.

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

Information Technology Sector (22.0)
Application Software (18.3)
Data Processing & Outsourcing (21.0)
IT Consulting & Other Services (13.8)
Systems Software (27.1)

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

Figure 24.

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

Information Technology Sector (22.0)
Communications Equipment (21.7)
Semiconductors (24.8)
Semiconductor Equipment (22.7)

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

Figure 25.

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

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

Figure 26.

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

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Haver Analytics.
Materials & Telecommunication Services

Figure 27.

S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)
- Materials Sector (10.1)
- Gold (8.4)
- Metal & Glass Containers (5.5)
- Diversified Metals & Mining (3.8)
- Paper Packaging (6.0)

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

Figure 28.

S&P 500 OPERATING PROFIT MARGINS: TELECOMMUNICATION SERVICES
(trailing 4-quarter EPS, percent)
- Telecommunication Services Sector (11.5)
- Integrated Telecommunication (11.1)

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