

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

Yardeni Research, Inc.

June 19, 2018

Dr. Edward Yardeni

516-972-7683
eyardeni@yardeni.com

Joe Abbott

732-497-5306
jabbott@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com



thinking outside the box

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.

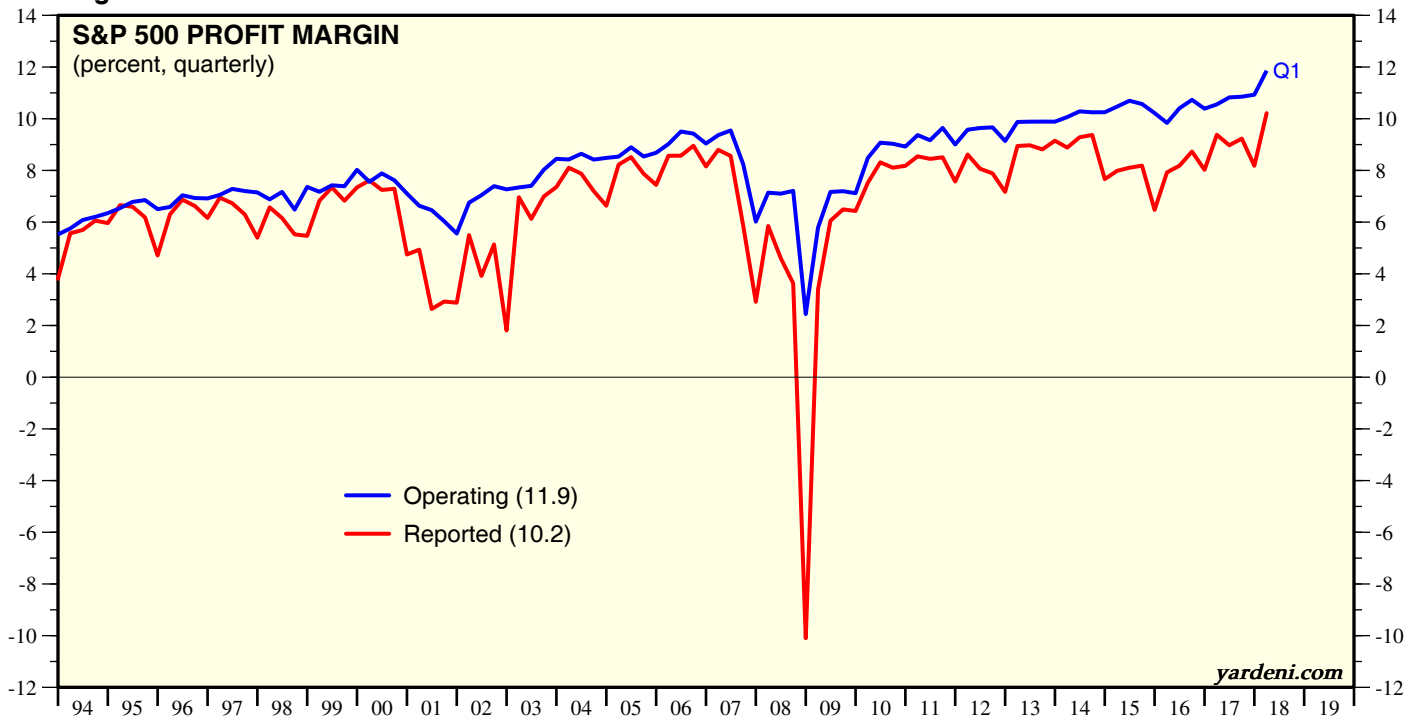
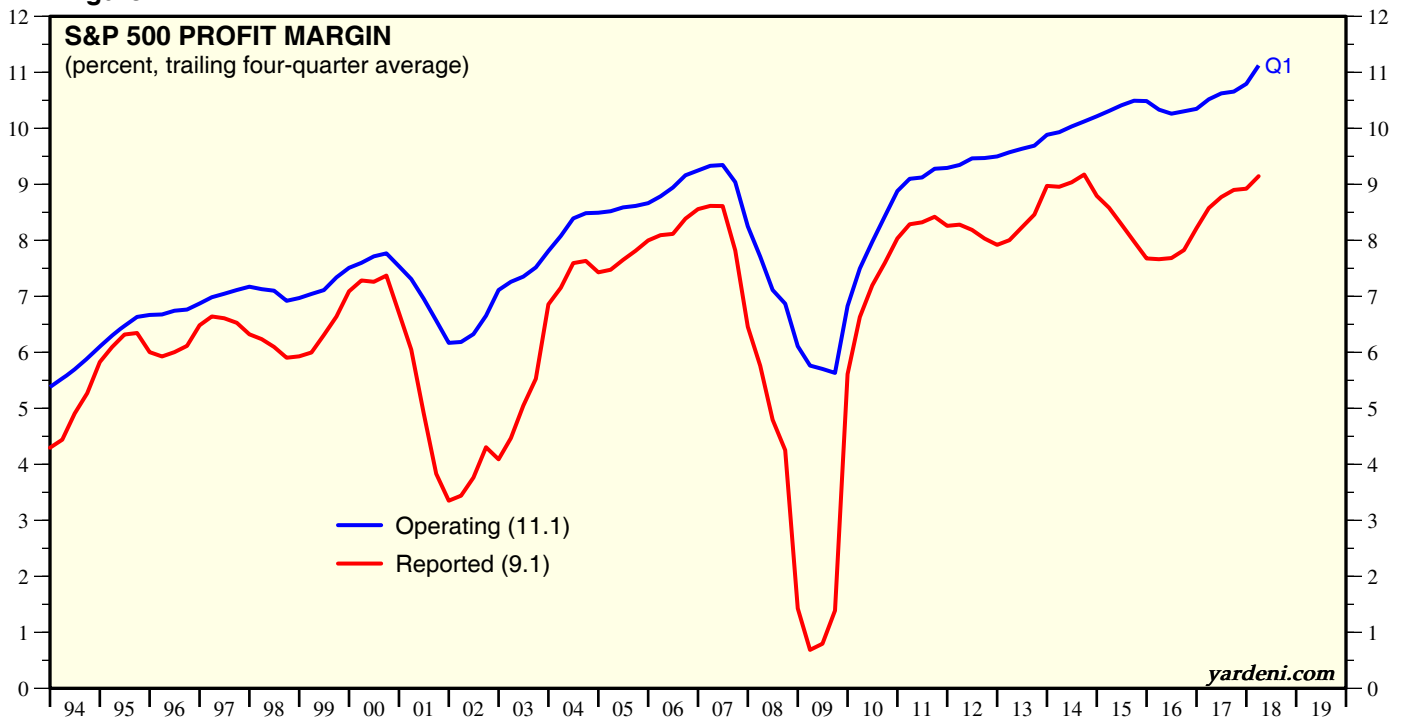


Figure 2.



S&P 500 Profit Margin

Figure 3.

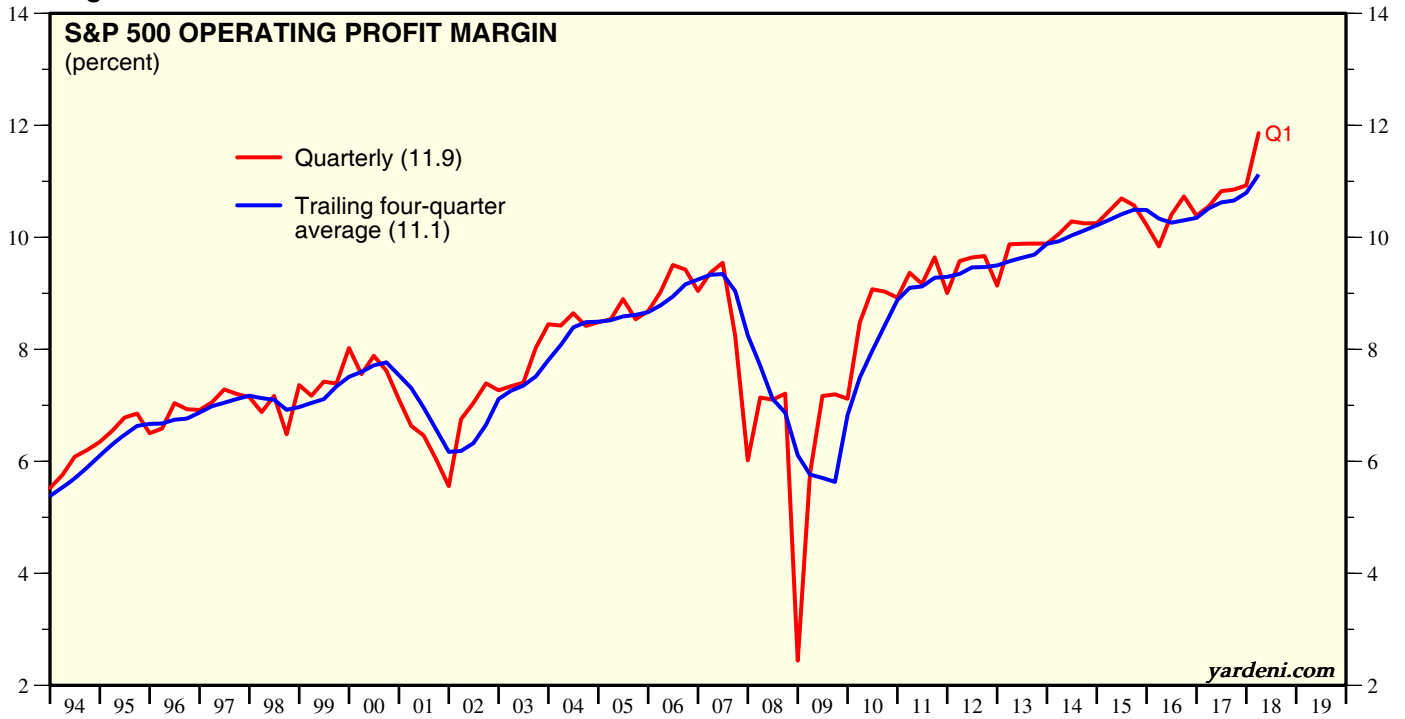
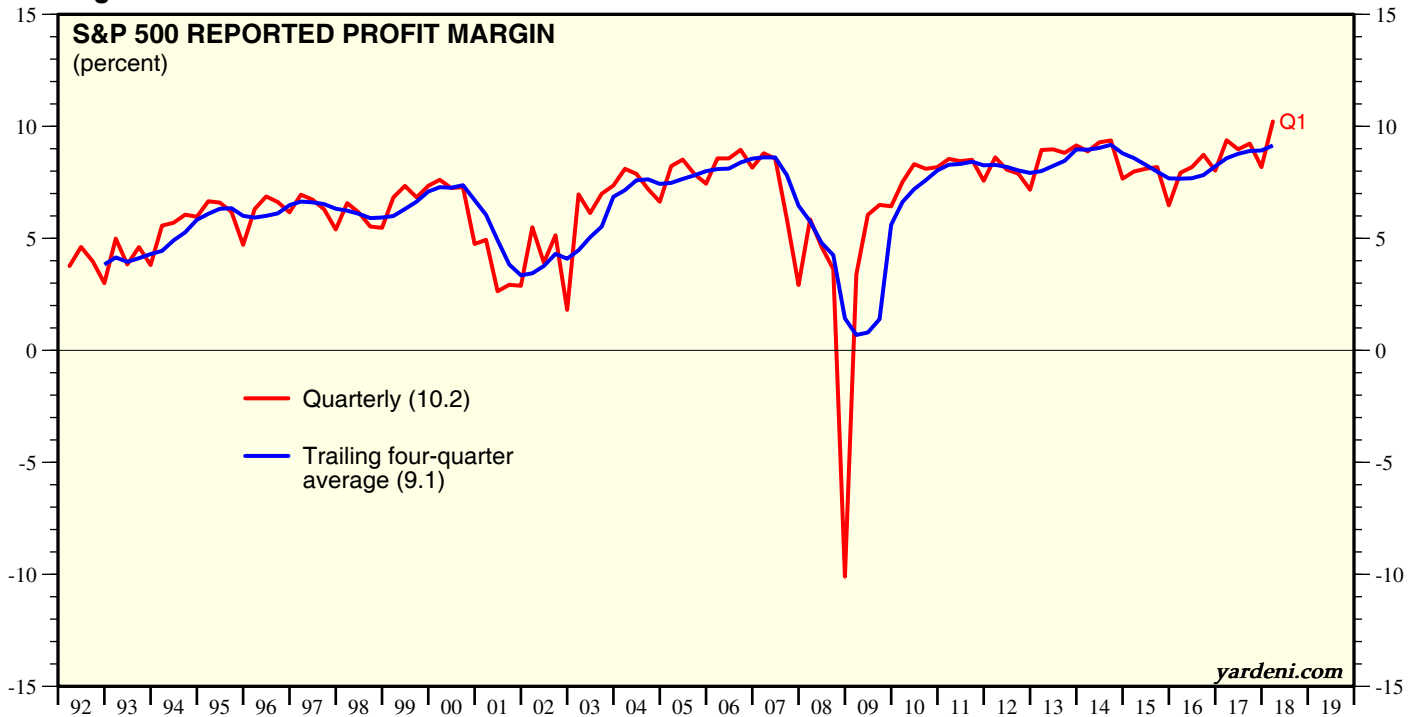
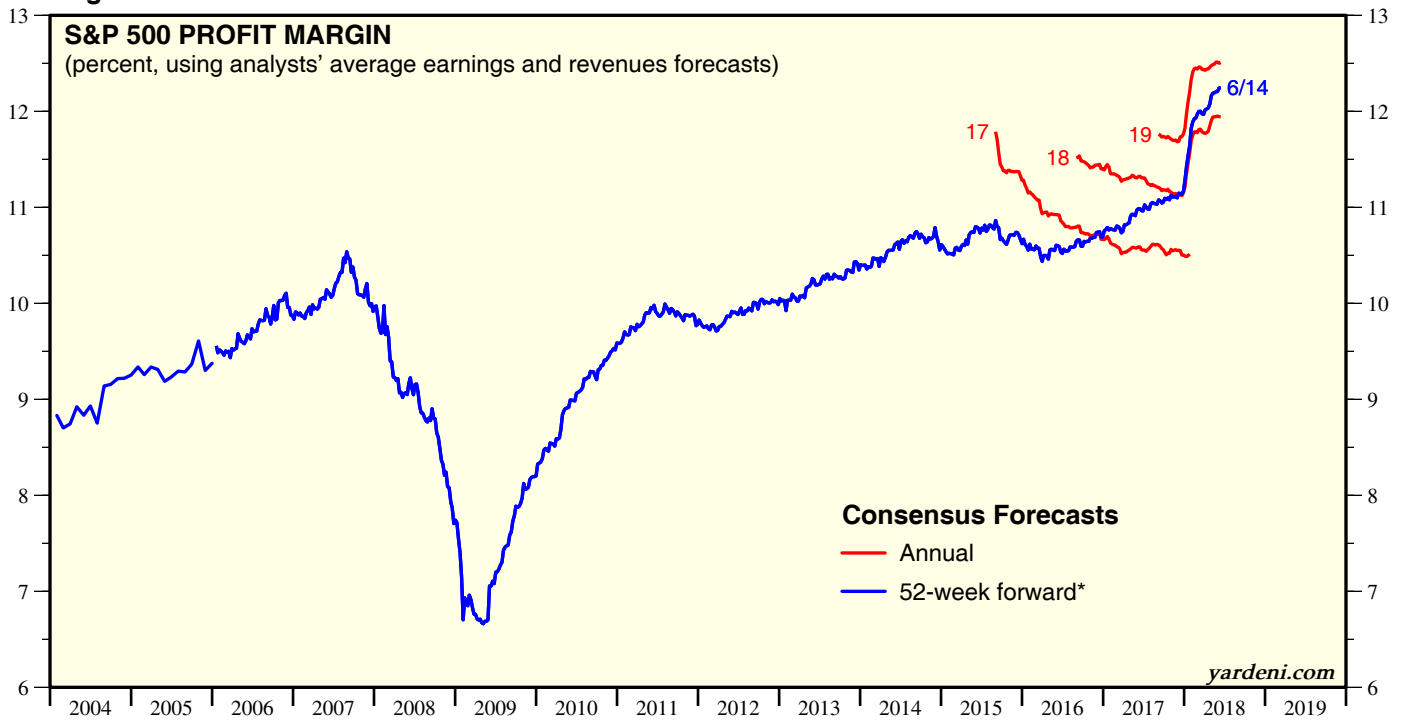


Figure 4.



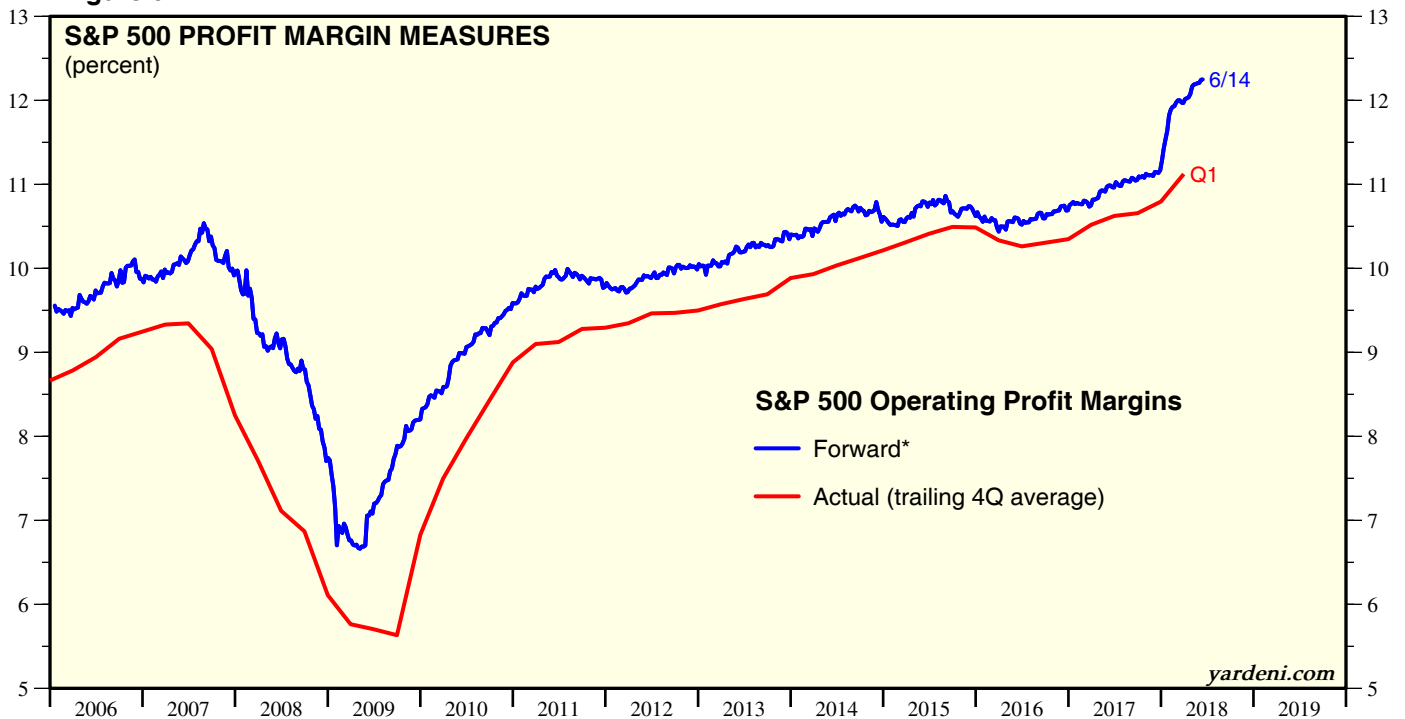
S&P 500 Profit Margin

Figure 5.



* 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.

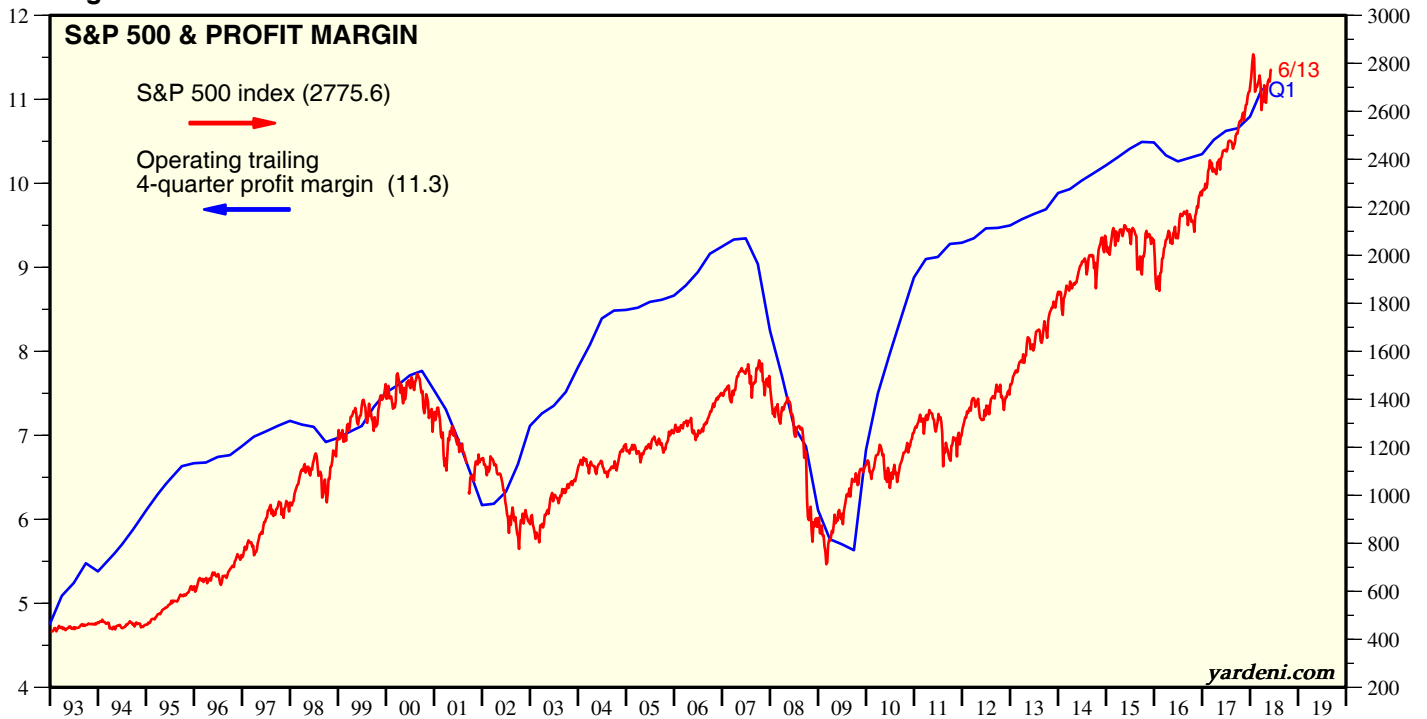
Figure 6.



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

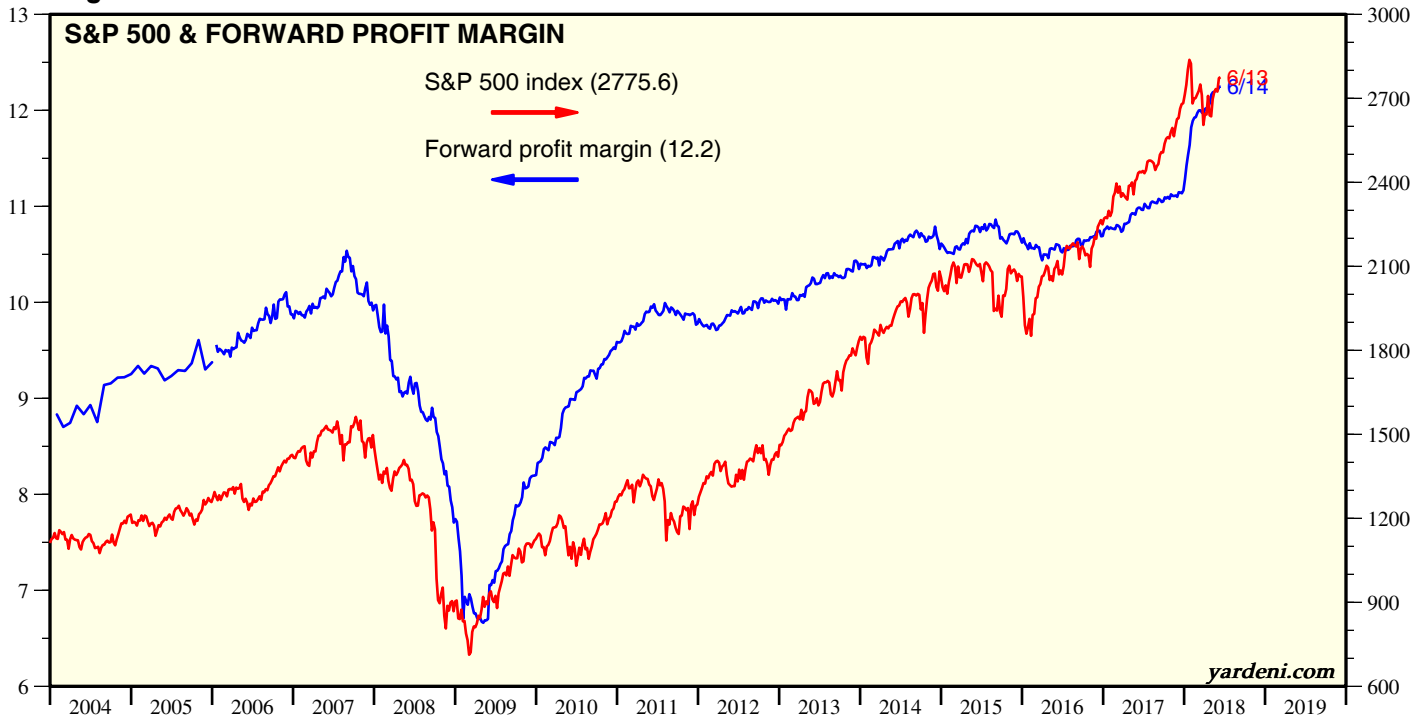
S&P 500 Profit Margin

Figure 7.



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

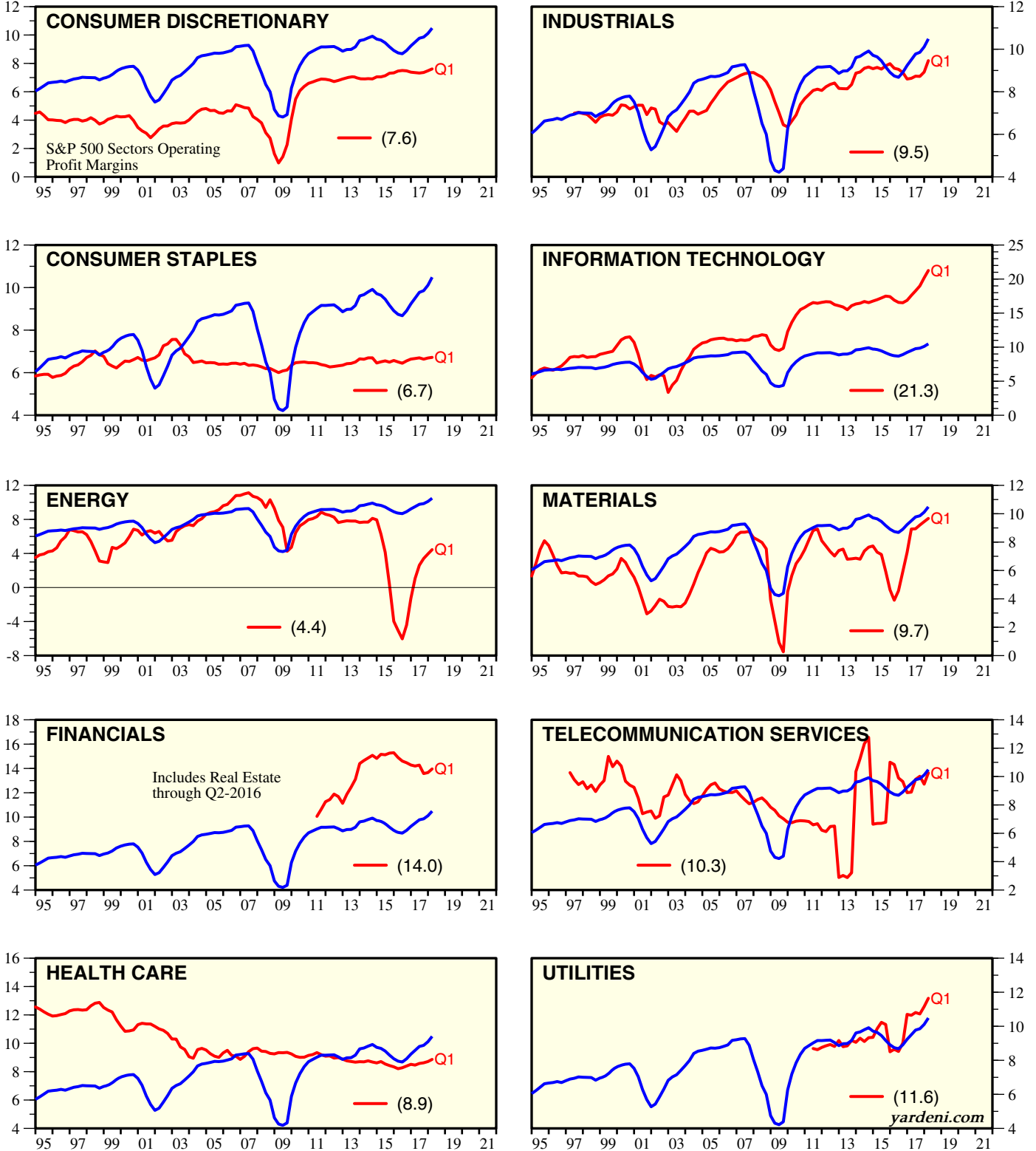
Figure 8.



* 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

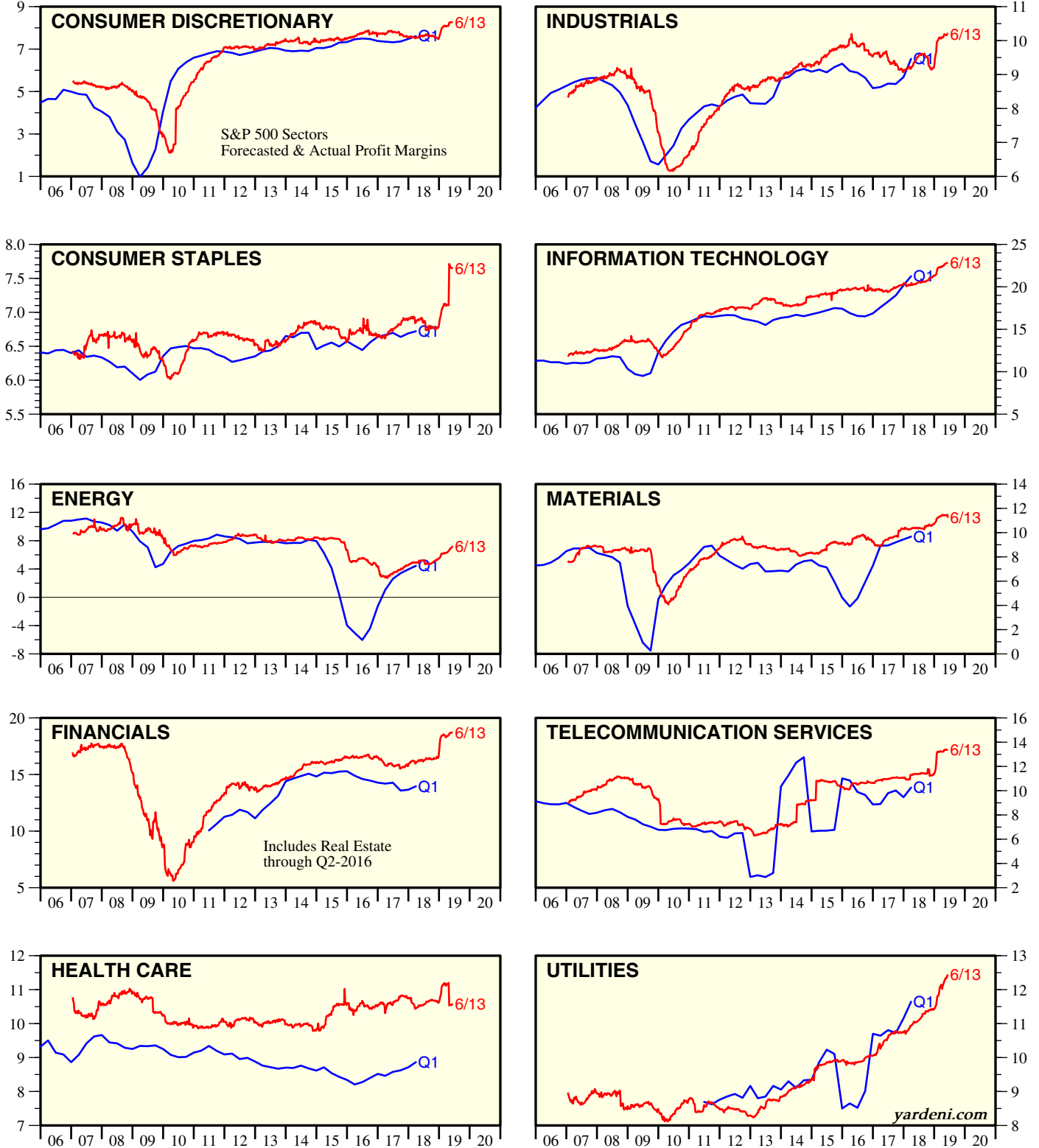
Figure 9.



* 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.

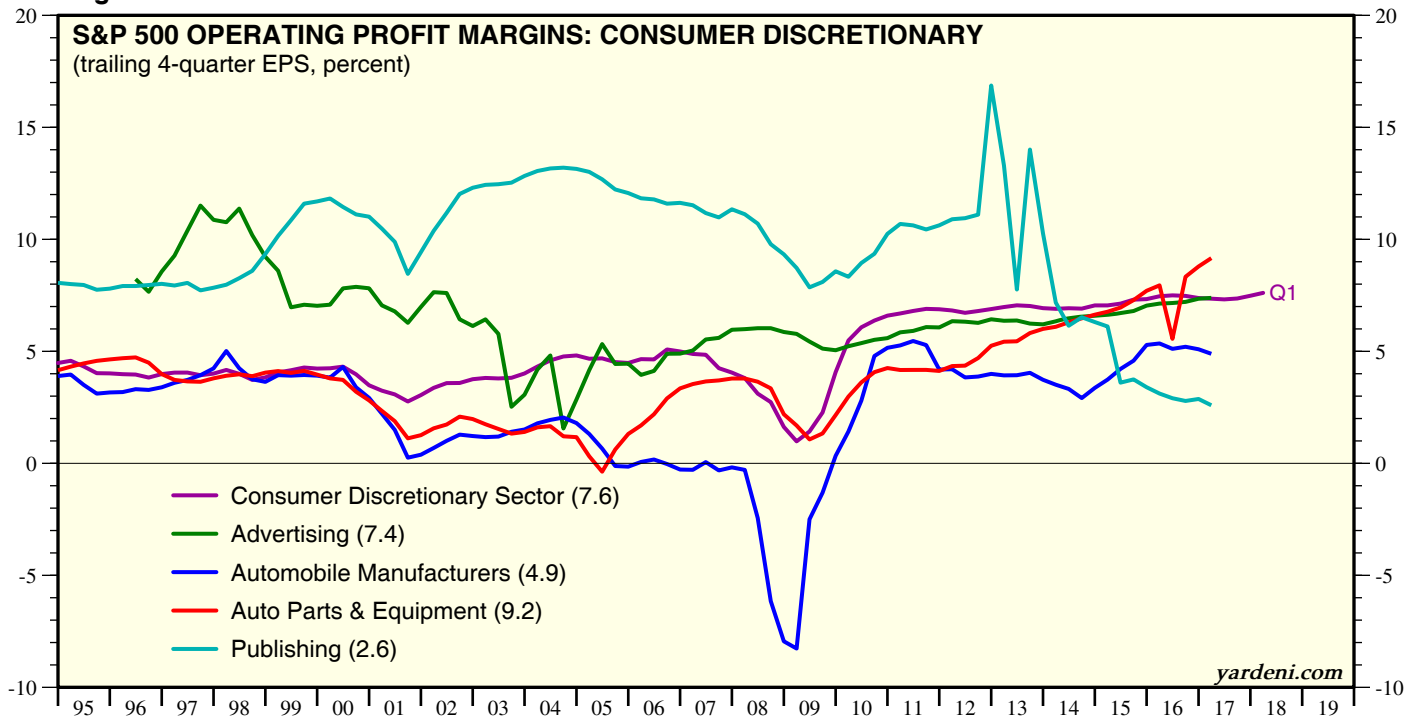


* Actual from S&P based on trailing 4-quarter EPS and sales. Forecast implied from Thomson Reuters I/B/E/S consensus forward EPS and sales, and pushed one year ahead.

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

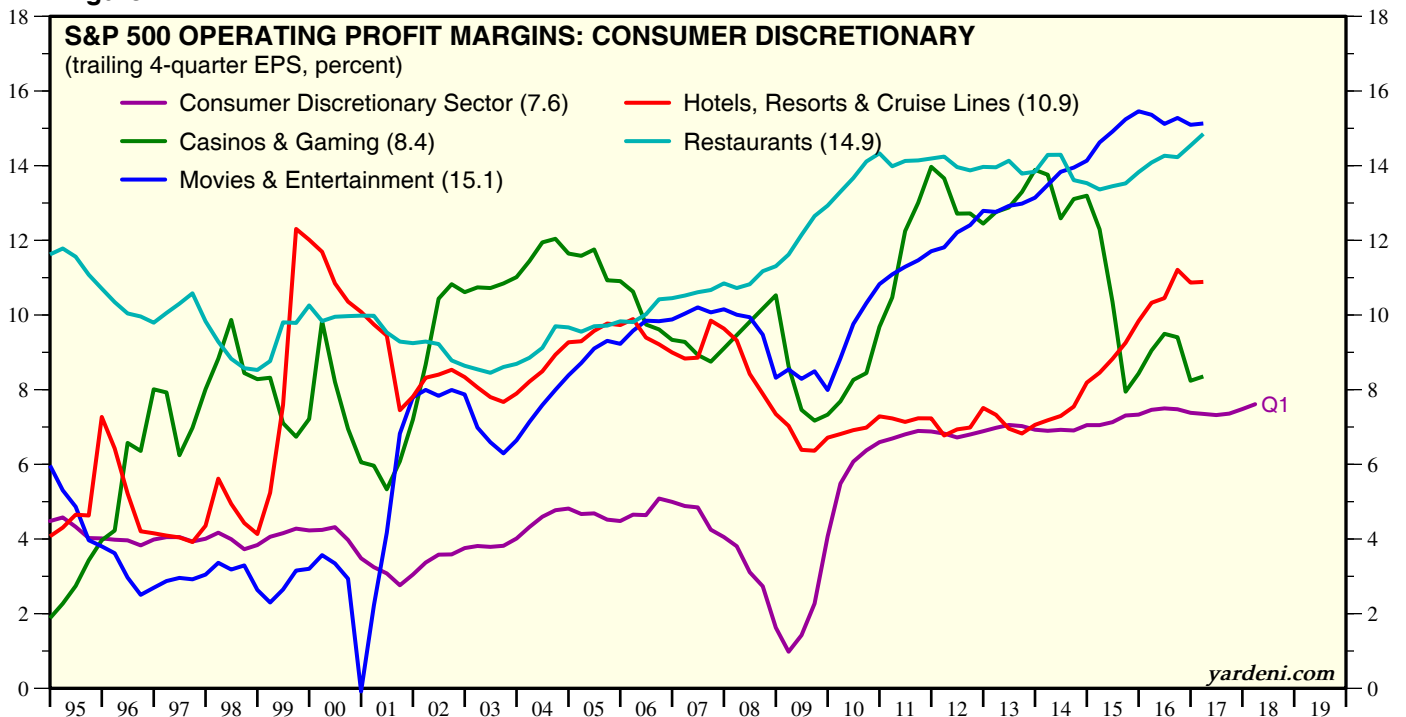
Consumer Discretionary

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.

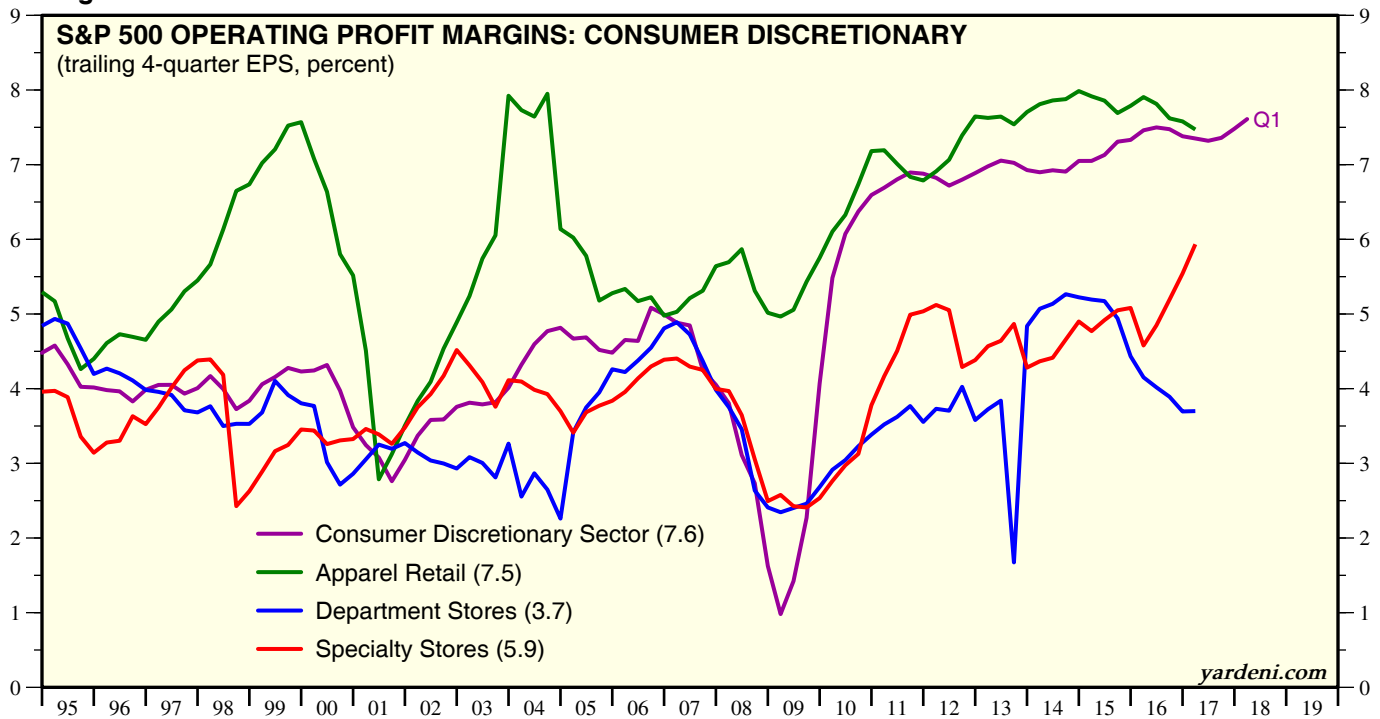
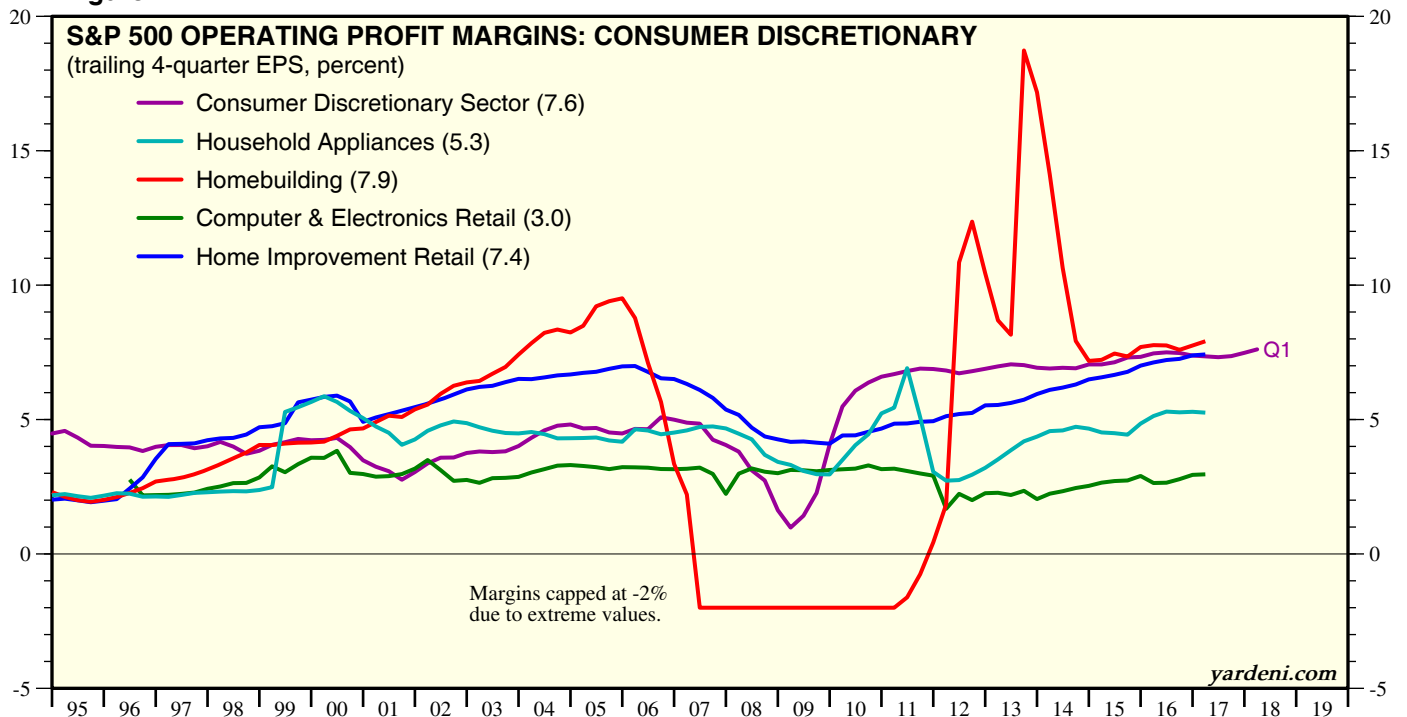
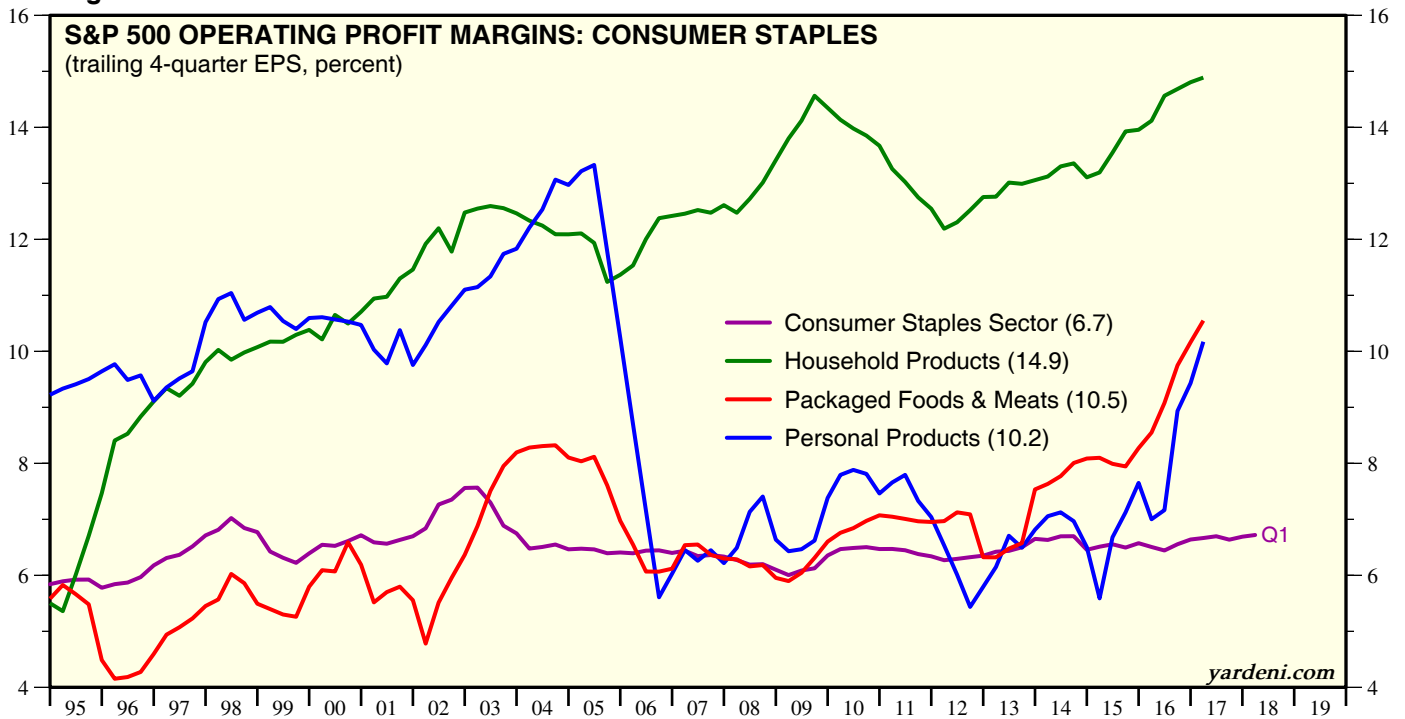


Figure 14.



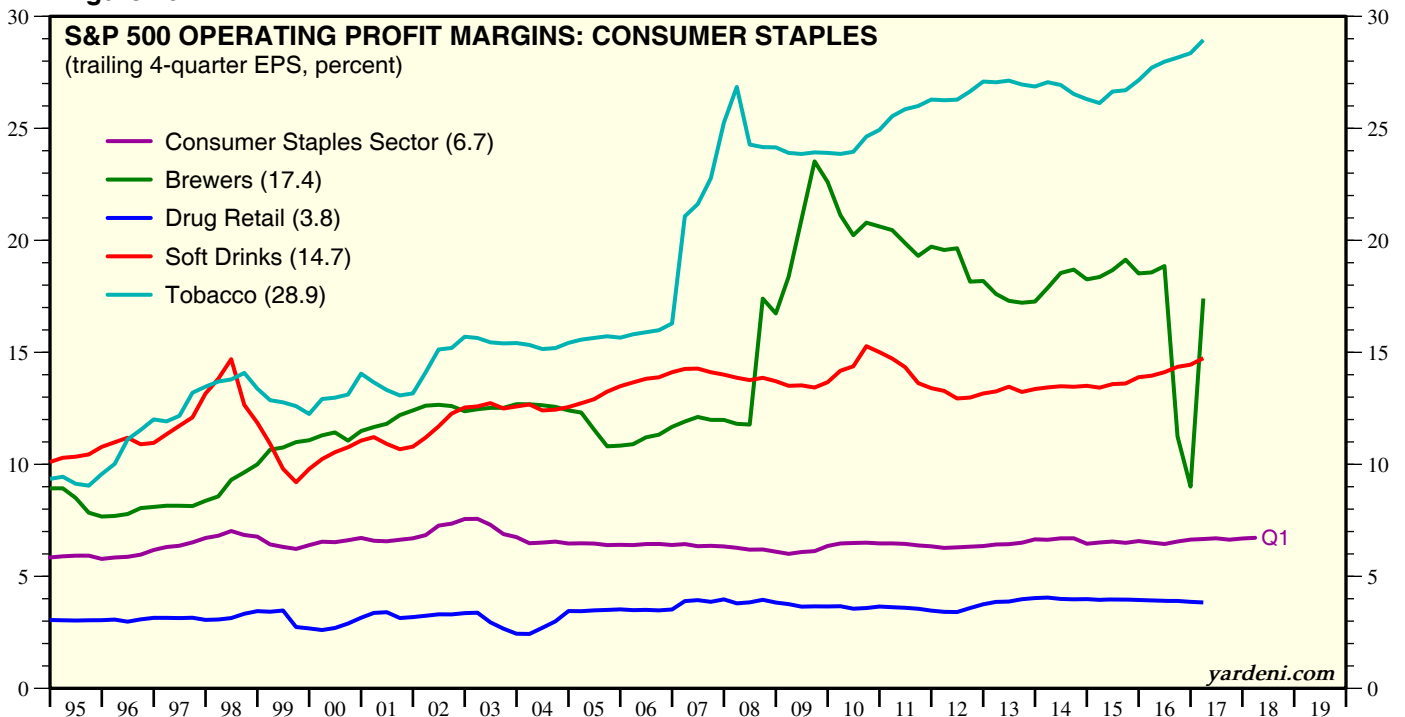
Consumer Staples

Figure 15.



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

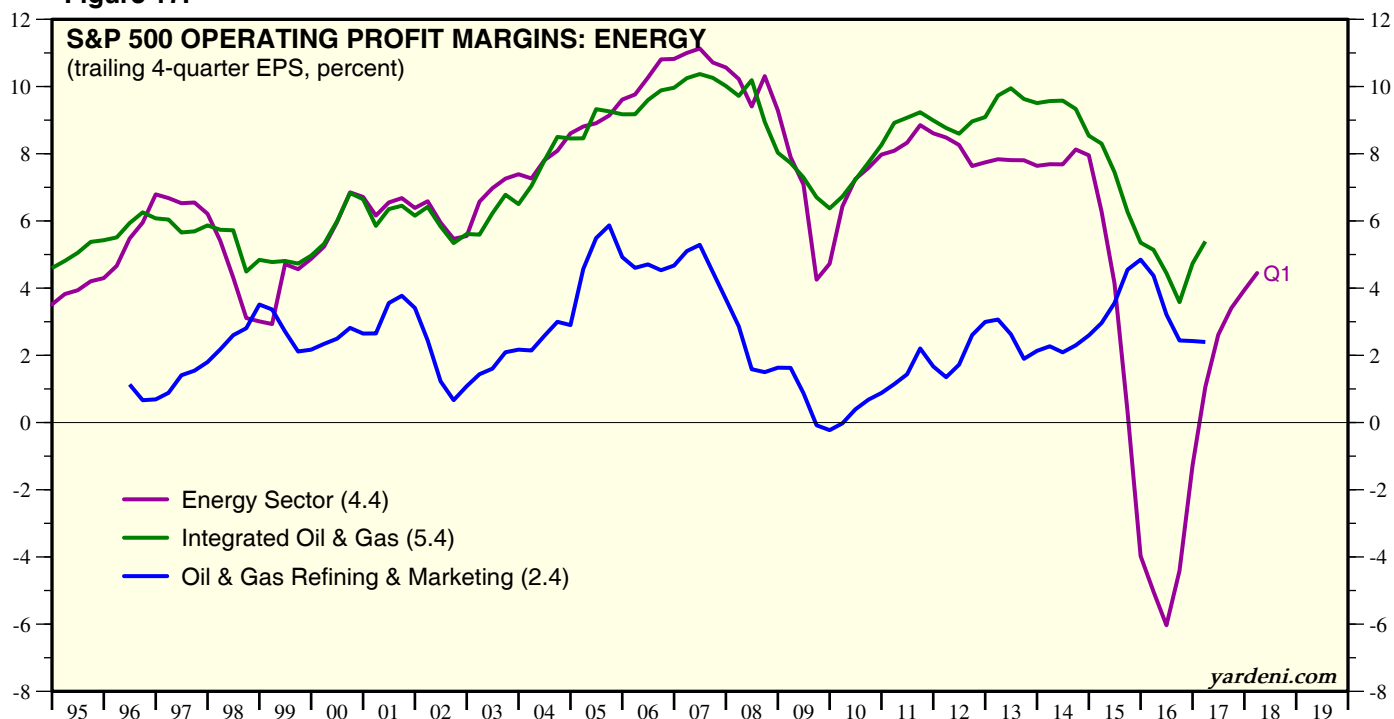
Figure 16.



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

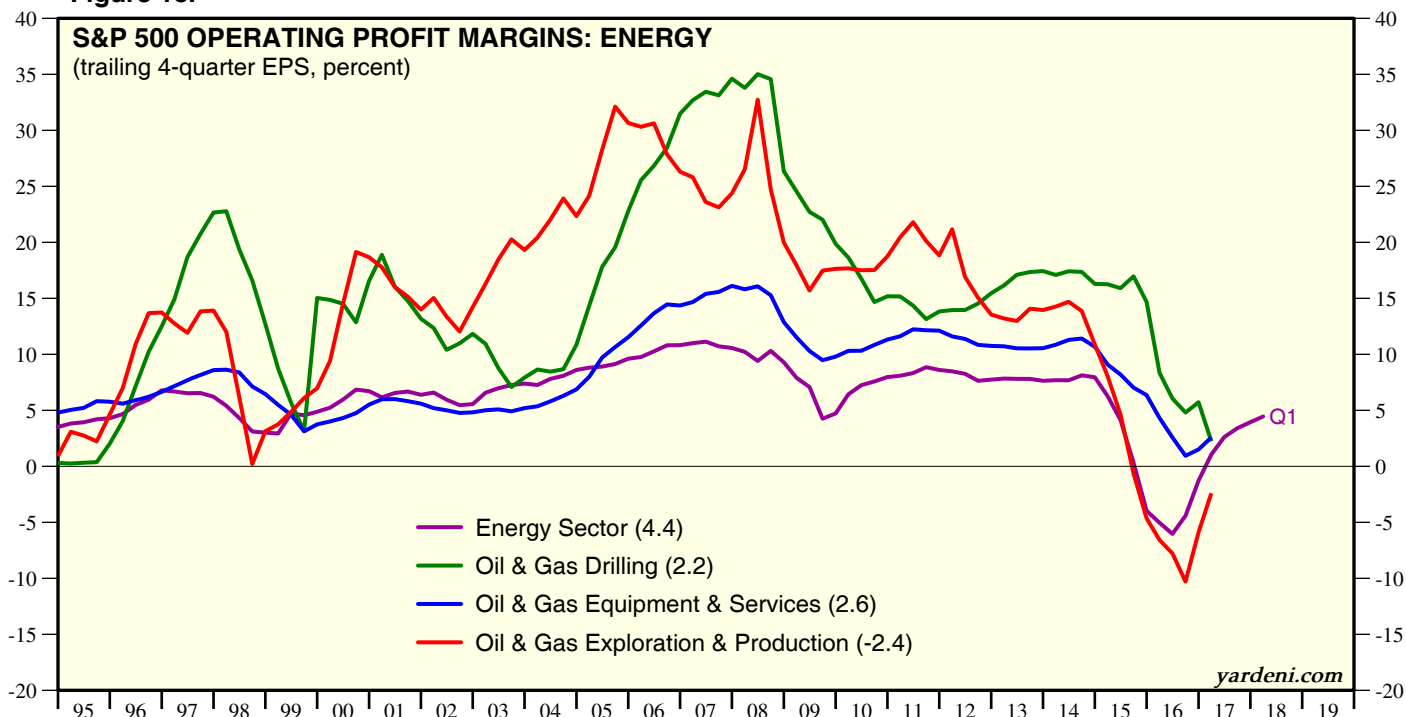
Energy

Figure 17.



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

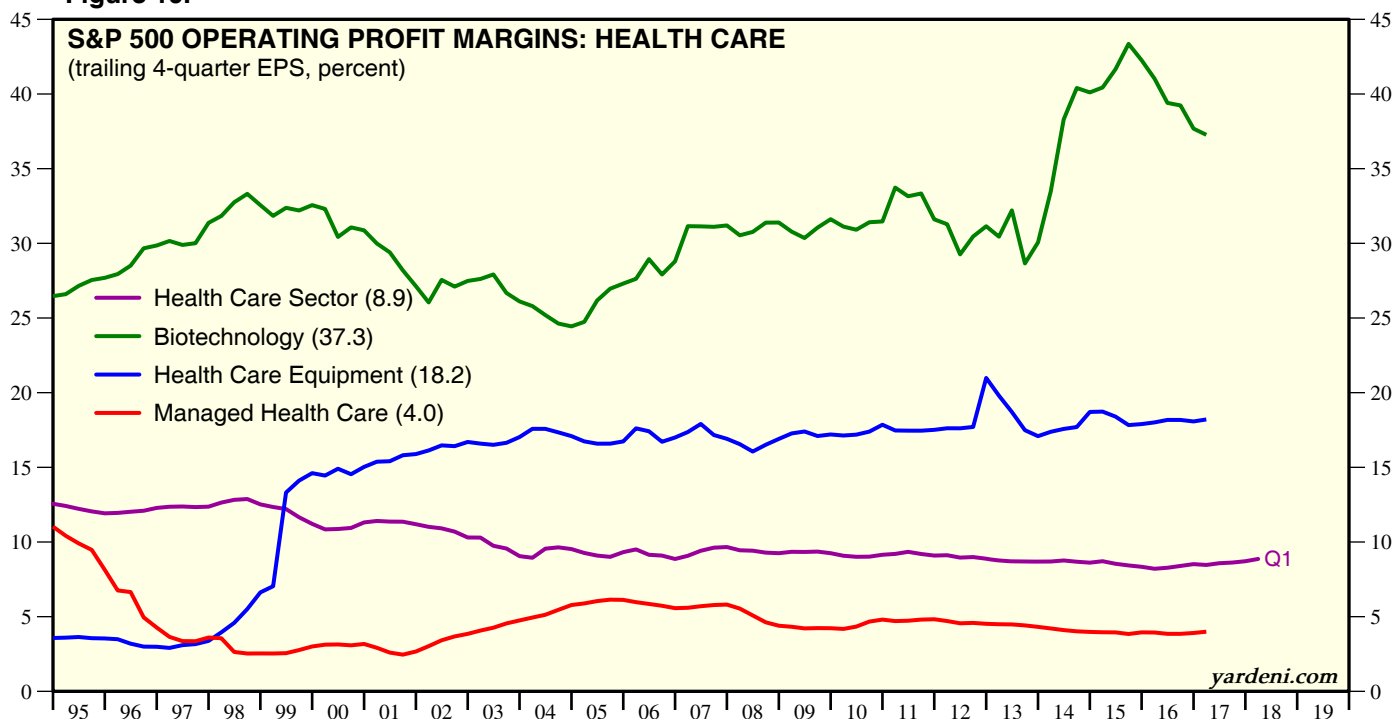
Figure 18.



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

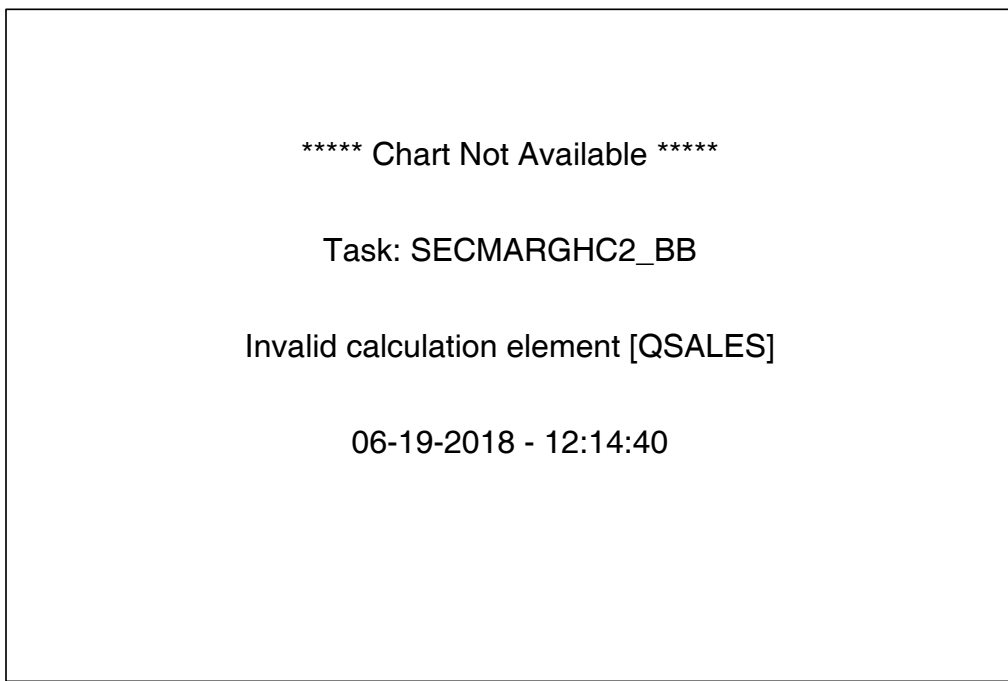
Health Care

Figure 19.



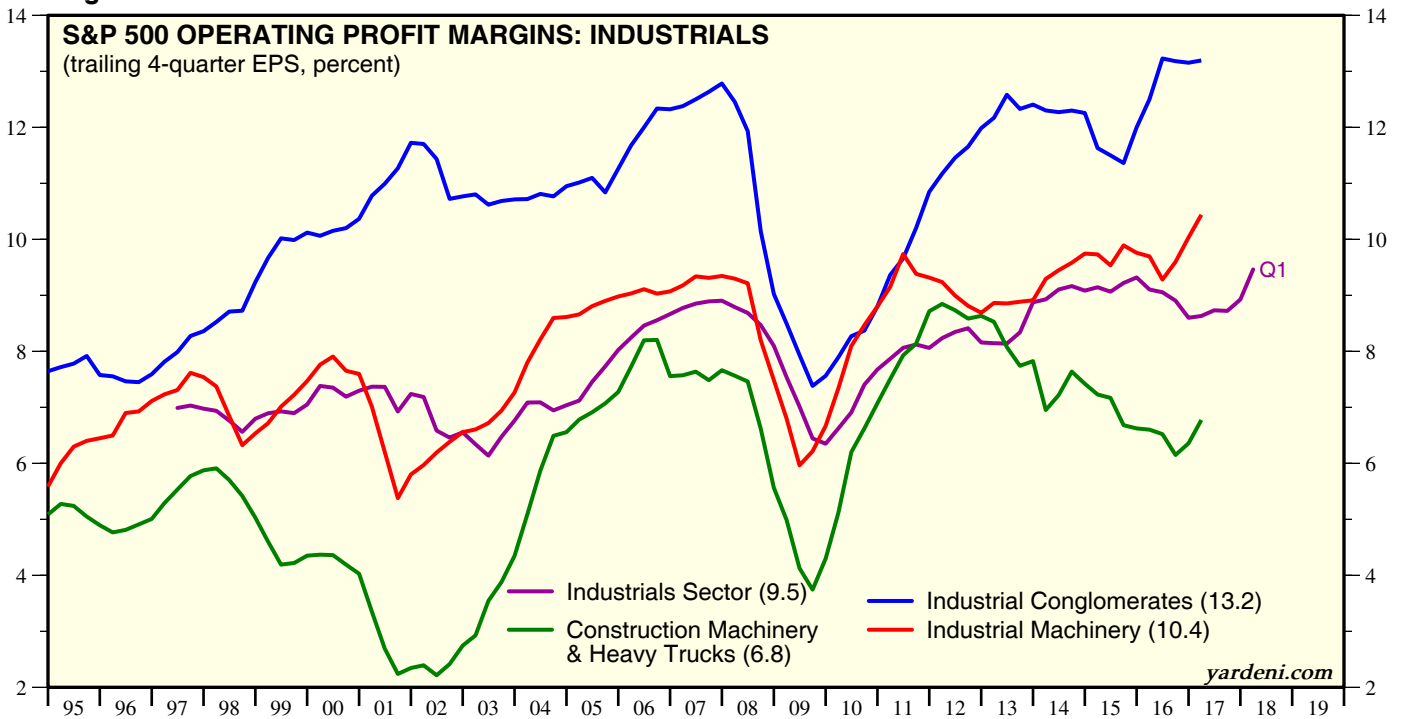
Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 20.



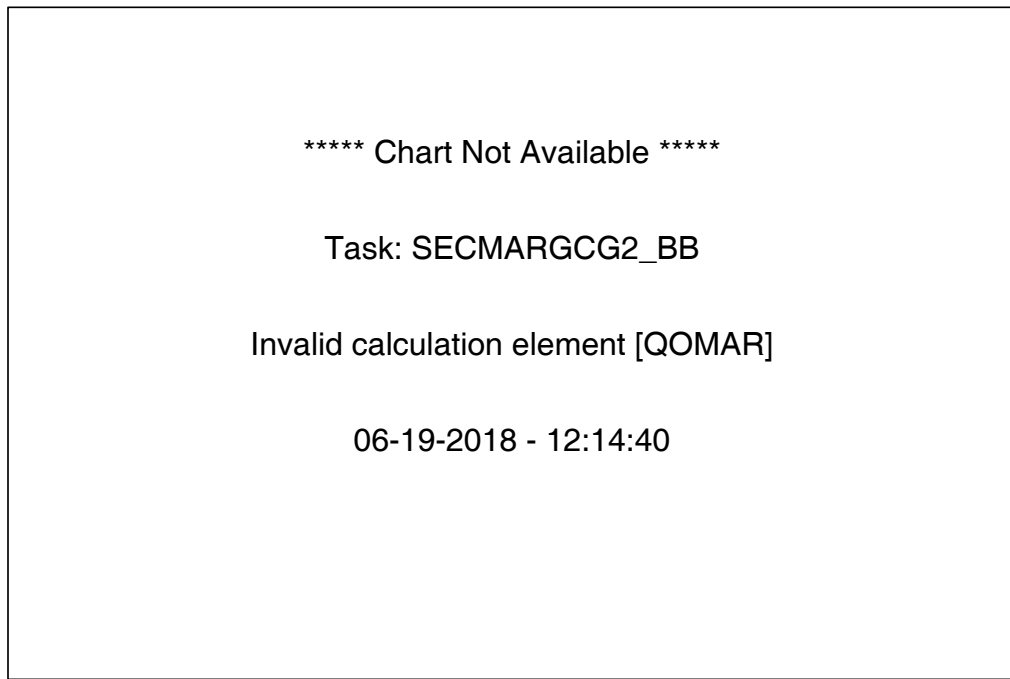
Industrials

Figure 21.



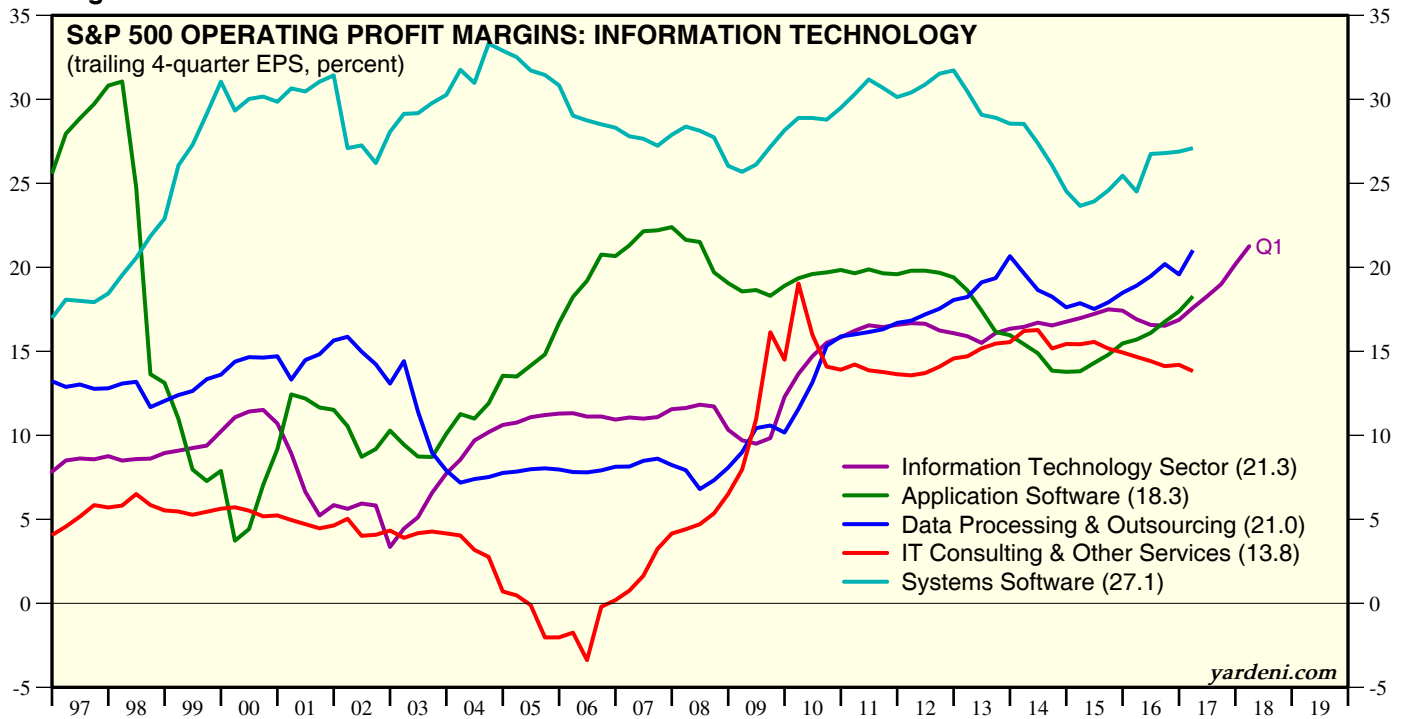
Source: Standard & Poor's, Thomson Reuters I/B/E/S, and Haver Analytics.

Figure 22.



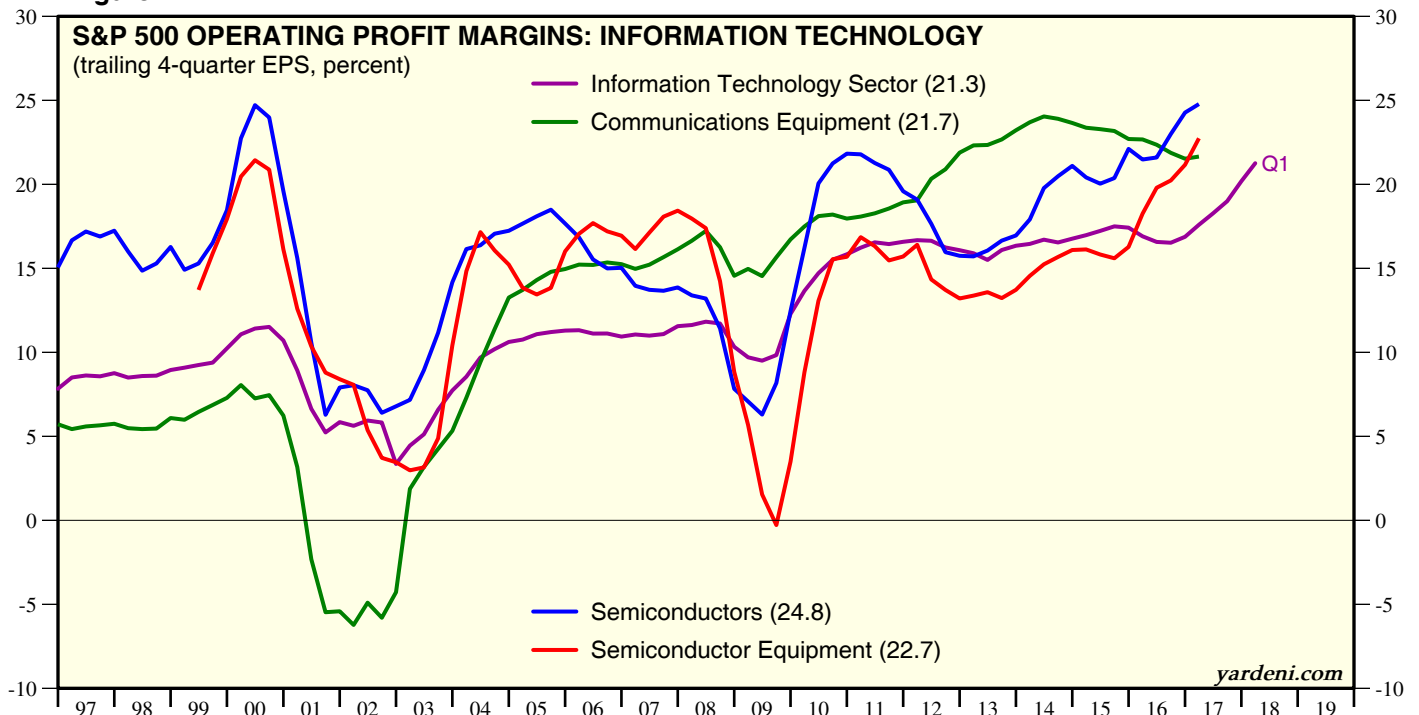
Information Technology

Figure 23.



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

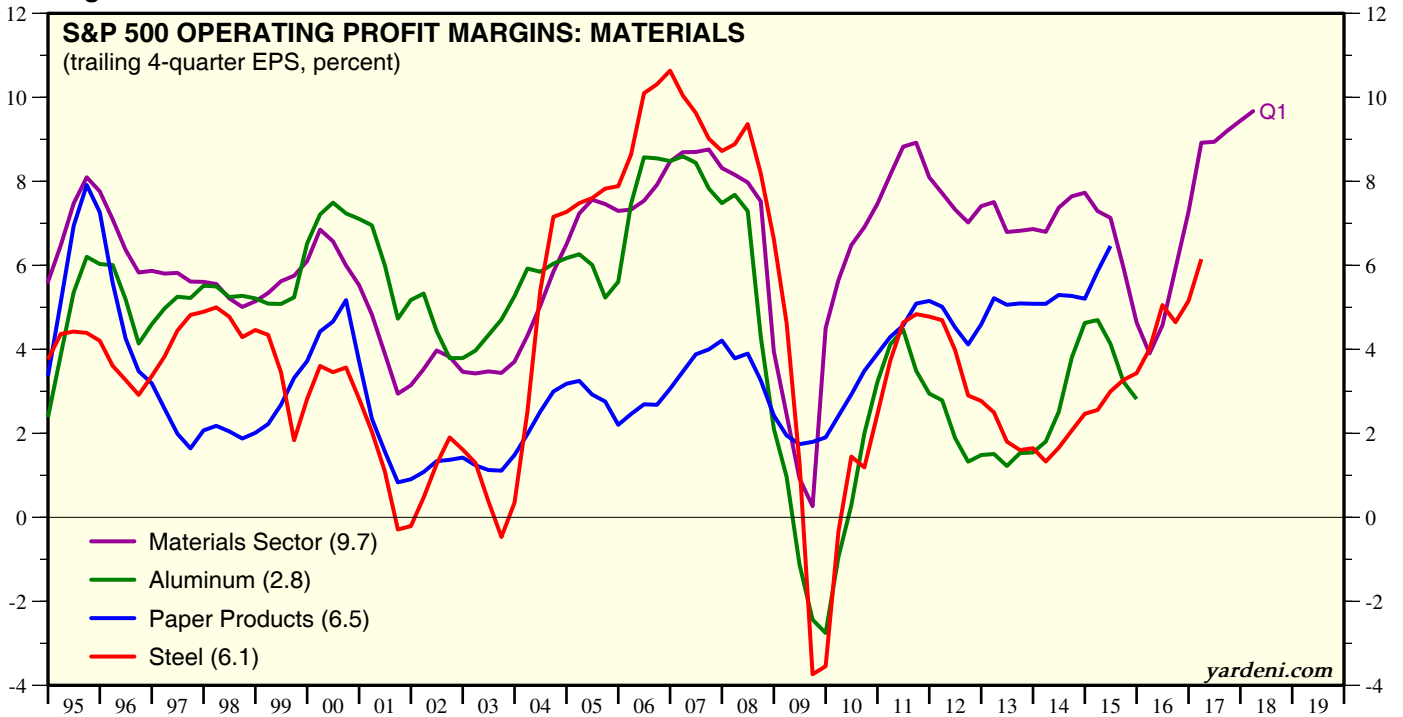
Figure 24.



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

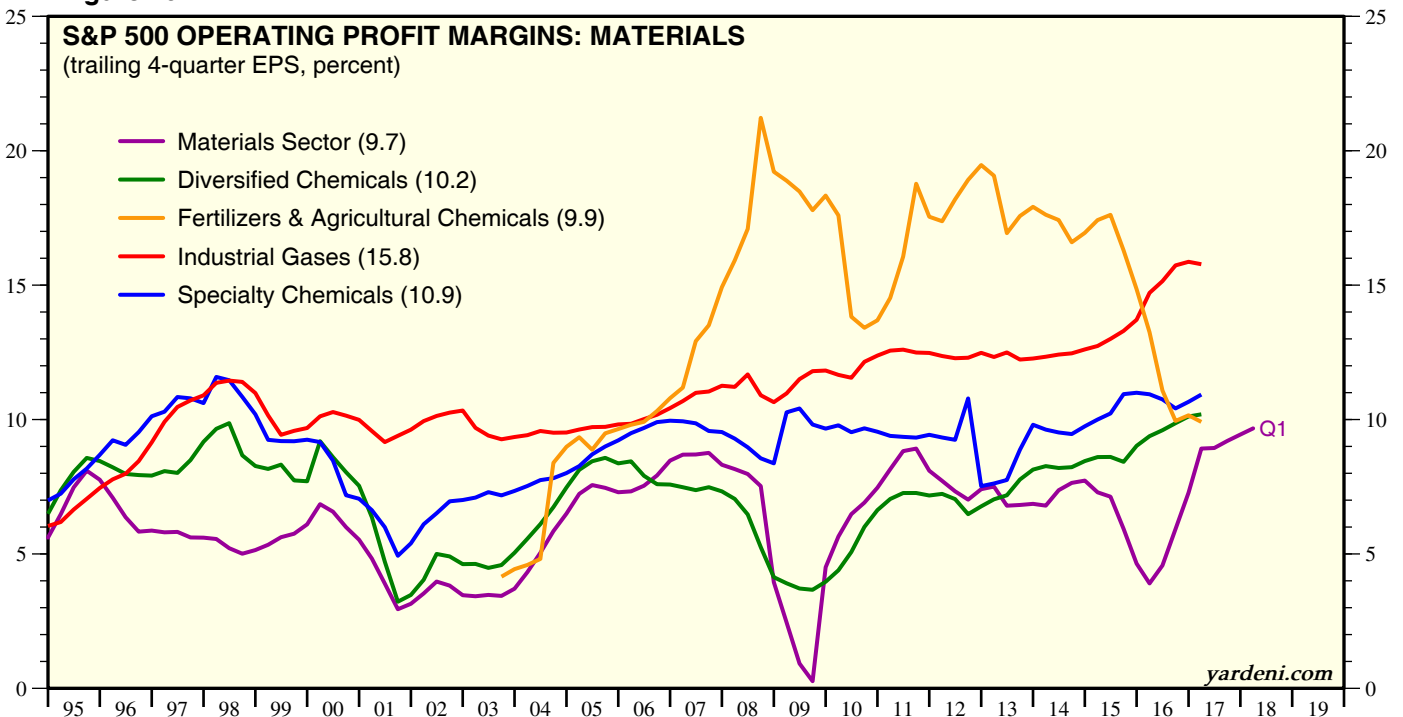
Materials

Figure 25.



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

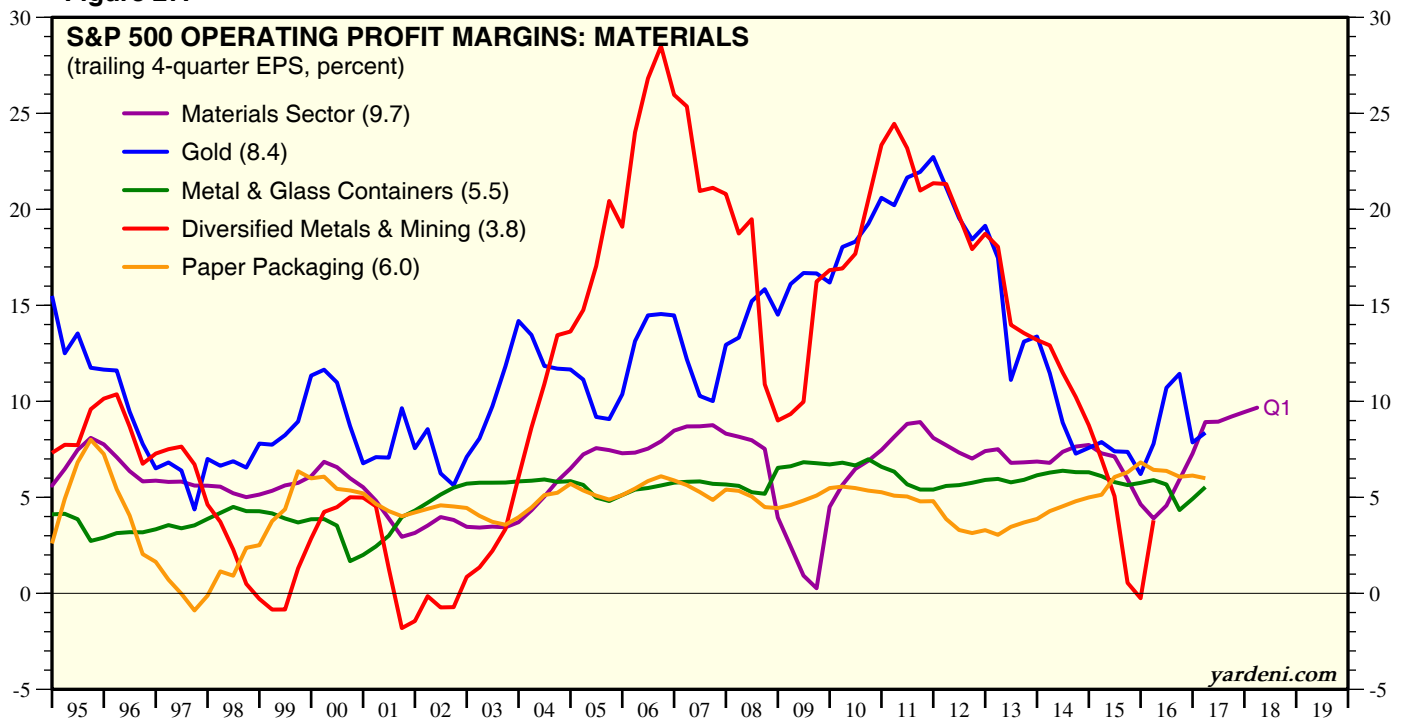
Figure 26.



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

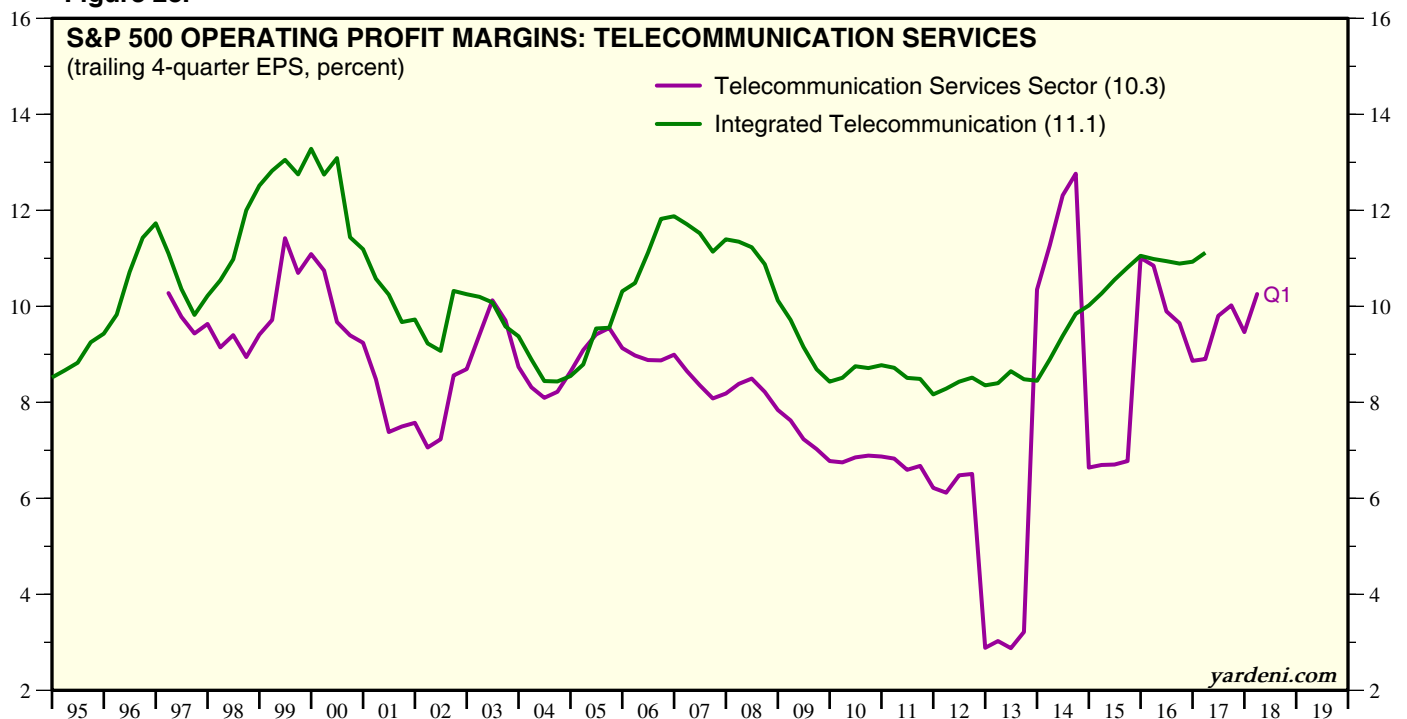
Materials & Telecommunication Services

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.

Copyright (c) Yardeni Research, Inc. 2018. 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 posted on www.yardeni.com, blog.yardeni.com, and YRI's Apps for iPads and iPhones 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 for iPads and iPhones 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](#).