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

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 (9.1)
- Trailing four-quarter average (10.6)

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 (5.7)
- Trailing four-quarter average (7.2)

Source: Standard & Poor’s Corporation.
S&P 500 Profit Margin

Figure 5.

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

Consensus Forecasts
- Annual
- 52-week forward* (10.8)

* 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.
S&P 500 Profit Margin

Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.

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

**Figure 9.**

- **S&P 500**
  - Operating Profit Margin* (trailing 4-quarter, %)
  - Q2
  - S&P 500 (9.2)

- **COMMUNICATION SERVICES**
  - Q2
  - (12.5)

- **CONSUMER DISCRETIONARY**
  - Q2
  - (5.3)

- **CONSUMER STAPLES**
  - Q2
  - (7.5)

- **ENERGY**
  - Q2
  - (-3.2)

- **FINANCIALS**
  - Q2
  - Includes Real Estate through Q2-2016
  - (12.7)

- **HEALTH CARE**
  - Q2
  - (8.2)

- **INDUSTRIALS**
  - Q2
  - (6.9)

- **INFORMATION TECHNOLOGY**
  - Q2
  - (19.2)

- **MATERIALS**
  - Q2
  - (7.8)

- **REAL ESTATE**
  - Q2
  - (18.4)

- **UTILITIES**
  - Q2
  - (13.5)

* 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.

S&P 500

COMMUNICATION SERVICES

CONSUMER DISCRETIONARY

CONSUMER STAPLES

ENERGY

FINANCIALS

HEALTH CARE

INDUSTRIALS

INFORMATION TECHNOLOGY

MATERIALS

REAL ESTATE

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).
Communication Services

Figure 11.

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

- Communication Services Sector (12.5)
- Alternative Carriers (6.7)
- Integrated Telecommunication (10.3)


Figure 12.

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

- Communication Services Sector (12.5)
- Cable & Satellite (9.5)
- Advertising (7.4)
- Broadcasting (11.5)
- Publishing (-2.2)

Sub-industries awaiting S&P’s database update.

Communication Services

Figure 13.

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

- Communication Services Sector (12.5)
- 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.
Figure 14.

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

- Consumer Discretionary Sector (5.3)
- Automobile Manufacturers (1.0)
- Auto Parts & Equipment (4.7)
- Motorcycle Manufacturers (7.2)

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 15.

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

- Consumer Discretionary Sector (5.3)
- Casinos & Gaming (-8.5)
- Hotels, Resorts & Cruise Lines (3.0)
- Restaurants (12.3)

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.
Consumer Discretionary

**Figure 16.**

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

- Consumer Discretionary Sector (5.3)
- Apparel Retail (2.0)
- Department Stores (-1.4)
- Specialty Stores (6.7)

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 17.**

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

- Consumer Discretionary Sector (5.3)
- Computer & Electronics Retail (3.3)
- Household Appliances (3.4)
- Home Improvement Retail (8.9)
- Homebuilding (10.1)

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.
Consumer Staples

Figure 18.

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

- Consumer Staples Sector (7.5)
- Household Products (16.7)
- Packaged Foods & Meats (10.0)
- Personal Products (9.0)


Figure 19.

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

- Consumer Staples Sector (7.5)
- Brewers (7.7)
- Drug Retail (2.5)
- Soft Drinks (15.6)
- Tobacco (33.4)

Figure 20.

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

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: ENERGY
(trailing 4-quarter EPS, percent)

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: HEALTH CARE
(trailing 4-quarter EPS, percent)

Health Care Sector (8.2)
Biotechnology (30.3)
Health Care Equipment (10.8)
Managed Health Care (5.3)

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 23.
S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE
(trailing 4-quarter EPS, percent)

Health Care Sector (8.2)
Pharmaceuticals (21.7)
Health Care Facilities (6.4)
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.
Industrials

Figure 24.

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

Industrials Sector (6.9)  Industrial Conglomerates (5.8)
Construction Machinery & Heavy Trucks (8.5)  Industrial Machinery (10.7)

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 25.

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

Industrials Sector (6.9)  Aerospace & Defense (6.7)
Electrical Components & Equipment (11.9)  Railroads (26.1)

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 26.

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

- Information Technology Sector (19.2)
- Application Software (15.1)
- Data Processing & Outsourcing (24.6)
- IT Consulting & Other Services (9.2)
- 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 27.

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

- Information Technology Sector (19.2)
- Communications Equipment (22.0)
- Semiconductors (23.2)
- Semiconductor Equipment (21.9)

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.
Materials

Figure 28.
S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

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 29.
S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

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.