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Figure 1.

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
(percent, trailing four-quarter average)

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 (11.3)
- Trailing four-quarter average (11.6)

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 (9.7)
- Trailing four-quarter average (9.9)

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* (12.0)

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* 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)

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* 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 (3130.1)

Operating trailing 4-quarter profit margin (11.6)

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 (3130.1)

Forward profit margin (12.0)


Source: Standard & Poor’s Corporation and I/B/E/S data by Refinitiv.
Figure 9.

S&P 500 Sectors Operating Profit Margins

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

- **INDUSTRIALS**
  
  (9.4)

- **CONSUMER DISCRETIONARY**
  
  (6.9)

- **INFORMATION TECHNOLOGY**
  
  (19.9)

- **CONSUMER STAPLES**
  
  (7.5)

- **MATERIALS**
  
  (8.5)

- **ENERGY**
  
  (4.0)

- **REAL ESTATE**
  
  (20.3)

- **FINANCIALS**
  
  (18.1)

- **COMMUNICATION SERVICES**
  
  (14.1)

- **HEALTH CARE**
  
  (8.3)

- **UTILITIES**
  
  (13.3)

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

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Yardeni Research, Inc.
S&P 500 Sectors Forecasted & Actual Profit Margins

*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).
Consumer Discretionary

**Figure 11.**

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

- Consumer Discretionary Sector (6.9)
- Automobile Manufacturers (3.9)
- Auto Parts & Equipment (8.3)
- Motorcycle Manufacturers (8.4)

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 12.**

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

- Consumer Discretionary Sector (6.9)
- Casinos & Gaming (3.6)
- Hotels, Resorts & Cruise Lines (10.8)
- Restaurants (17.0)

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)

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)

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 STAPLES
(trailing 4-quarter EPS, percent)

- Consumer Staples Sector (7.5)
- Household Products (16.1)
- Packaged Foods & Meats (10.3)
- Personal Products (11.5)

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 16.

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

- Consumer Staples Sector (7.5)
- Brewers (9.3)
- Drug Retail (3.4)
- Soft Drinks (15.9)
- Tobacco (32.6)

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 17.

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

- Energy Sector (4.0)
- Integrated Oil & Gas (4.4)
- Oil & Gas Refining & Marketing (3.0)
- Oil & Gas Storage & Transportation (11.5)


Figure 18.

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

- Energy Sector (4.0)
- Oil & Gas Drilling (-0.9)
- Oil & Gas Equipment & Services (2.2)
- Oil & Gas Exploration & Production (5.7)

Health Care

**Figure 19.**

*S&P 500 OPERATING PROFIT MARGINS: HEALTH CARE*

(trailing 4-quarter EPS, percent)

- Health Care Sector (8.3)
- Biotechnology (32.5)
- Health Care Equipment (15.1)
- 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 (8.3)
- Pharmaceuticals (20.5)
- Health Care Facilities (7.2)
- 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 21.

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

Industrials Sector (9.4)
Construction Machinery & Heavy Trucks (10.3)
Industrial Conglomerates (9.5)
Industrial Machinery (11.3)

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 22.

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

Industrials Sector (9.4)
Aerospace & Defense (8.8)
Electrical Components & Equipment (12.6)
Railroads (26.5)

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 23.

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

- Information Technology Sector (19.9)
- Application Software (14.0)
- Data Processing & Outsourcing (25.6)
- IT Consulting & Other Services (11.1)
- Systems Software (29.3)

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 24.

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

- Information Technology Sector (19.9)
- Communications Equipment (21.4)
- Semiconductors (24.8)
- Semiconductor Equipment (20.5)

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.
Materials

Figure 25. S&P 500 OPERATING PROFIT MARGINS: MATERIALS
(trailing 4-quarter EPS, percent)

- Materials Sector (8.5)
- Diversified Chemicals (9.0)
- Fertilizers & Agricultural Chemicals (6.8)
- Industrial Gases (12.1)
- Specialty Chemicals (10.8)

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 (8.5)
- Copper (0.2)
- Gold (11.5)
- Metal & Glass Containers (6.5)
- Paper Packaging (7.1)
- Steel (5.7)

Source: Standard & Poor’s, I/B/E/S data by Refinitiv, and Haver Analytics.
Communication Services

**Figure 27.**

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

- Communication Services Sector (14.1)
- Alternative Carriers (6.4)
- Integrated Telecommunication (11.2)


**Figure 28.**

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

- Communication Services Sector (14.1)
- Cable & Satellite (9.5)
- Advertising (7.4)
- Broadcasting (11.5)
- Publishing (-2.2)

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

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

- Communication Services Sector (14.1)
- 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.
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