

Stock Market Briefing: Selected P/E Ratios

Yardeni Research, Inc.

September 22, 2017

Dr. Edward Yardeni

516-972-7683
eyardeni@yardeni.com

Joe Abbott

732-497-5306
jabbott@yardeni.com

Mali Quintana

480-664-1333
aquintana@yardeni.com

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



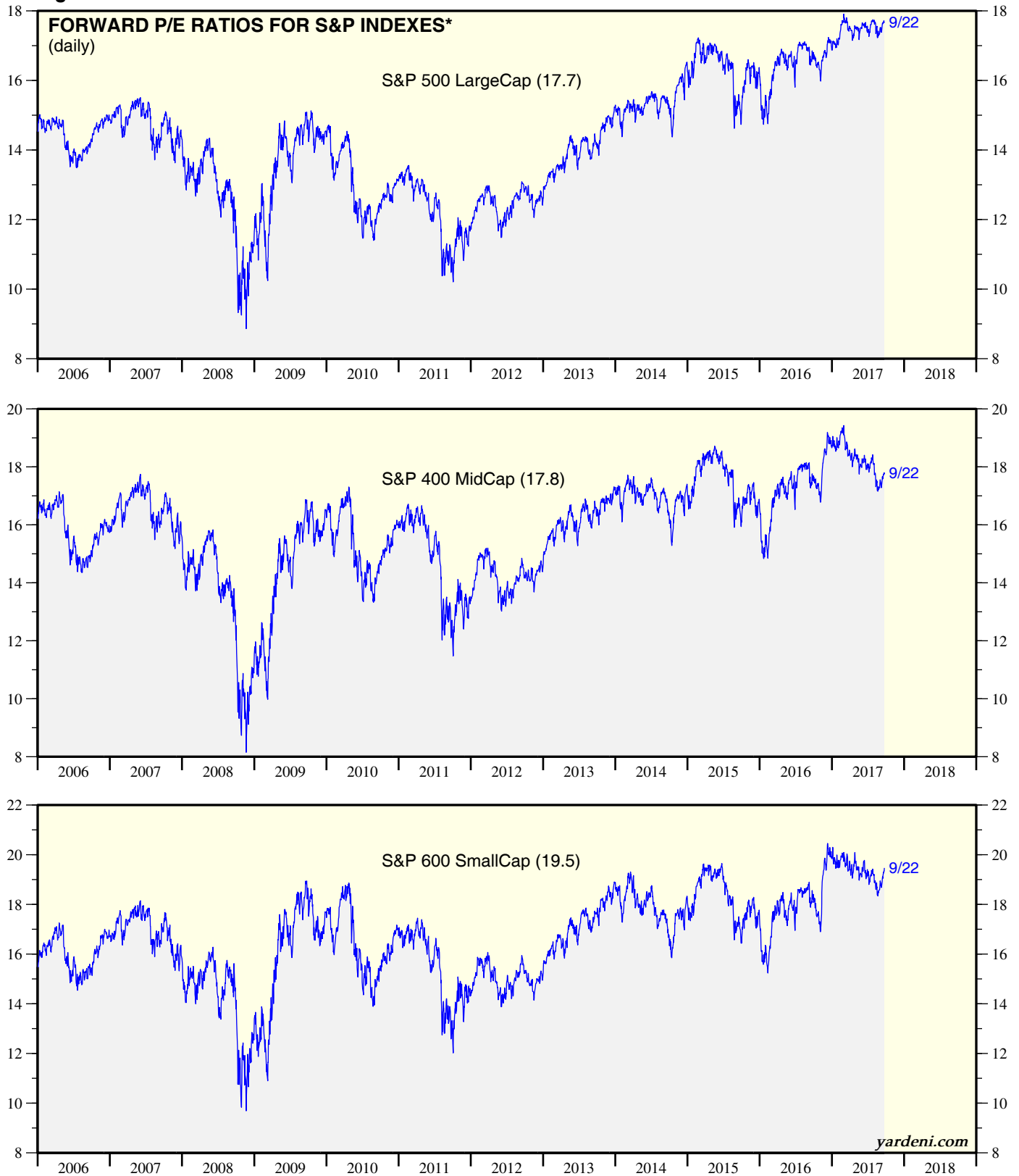
thinking outside the box

Table Of Contents

Forward P/E: S&P 500/400/600	1-3
Median Forward P/E: S&P 500	4
Forward P/E: Russell 2000	5
P/E & PEG: S&P 500	6
Trailing P/E	7
P/E	8-9
Forward P/E: Growth vs Value	10

Forward P/E: S&P 500/400/600

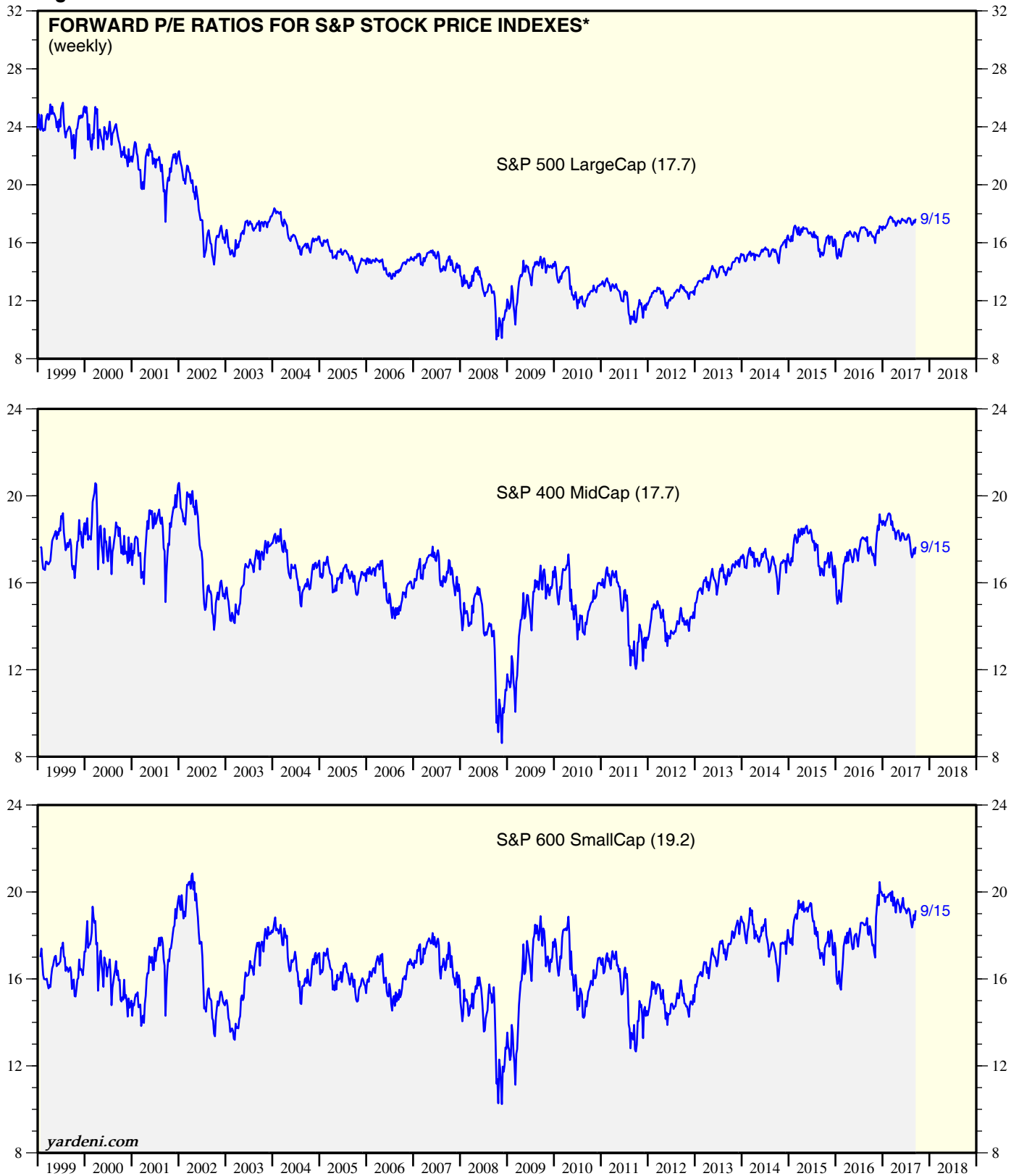
Figure 1.



* Price divided by 52-week forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S.

Forward P/E: S&P 500/400/600

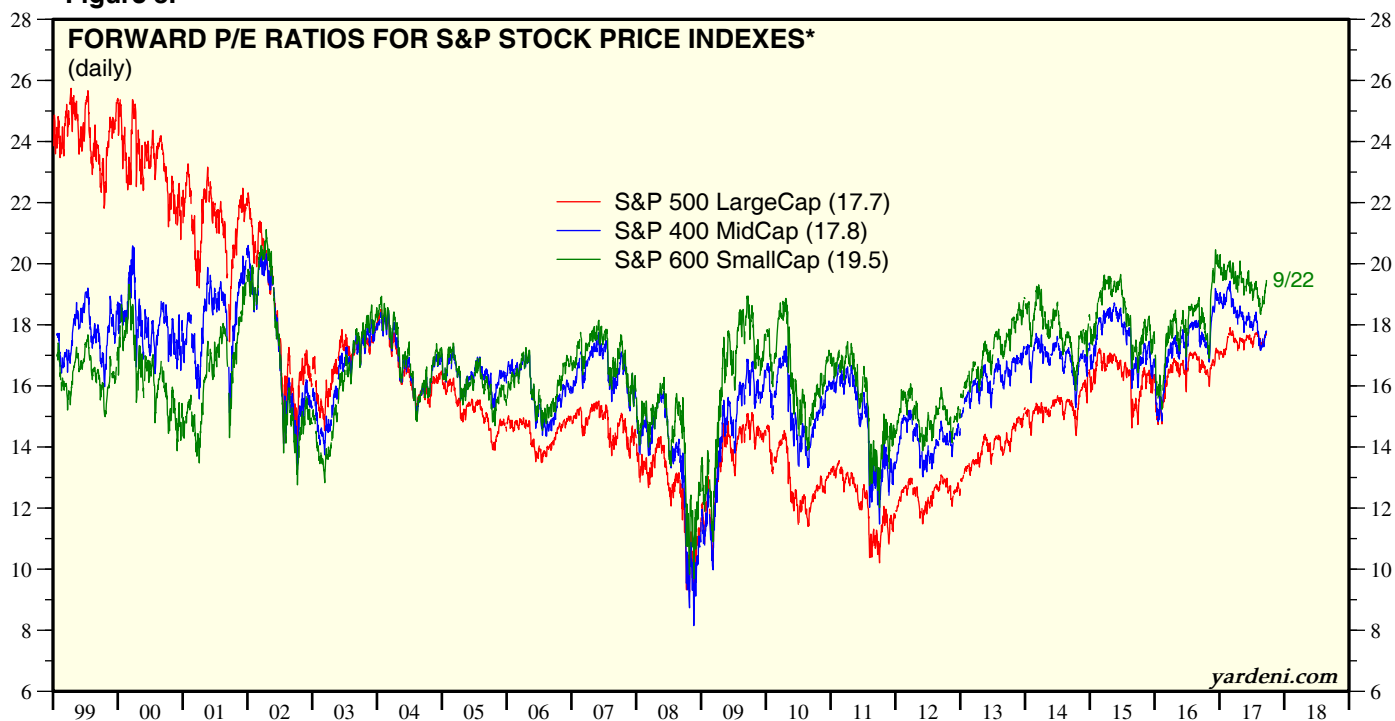
Figure 2.



* Weekly stock price index divided by 52-week forward consensus expected operating earnings per share
Source: Thomson Reuters I/B/E/S and Standard & Poor's Corporation.

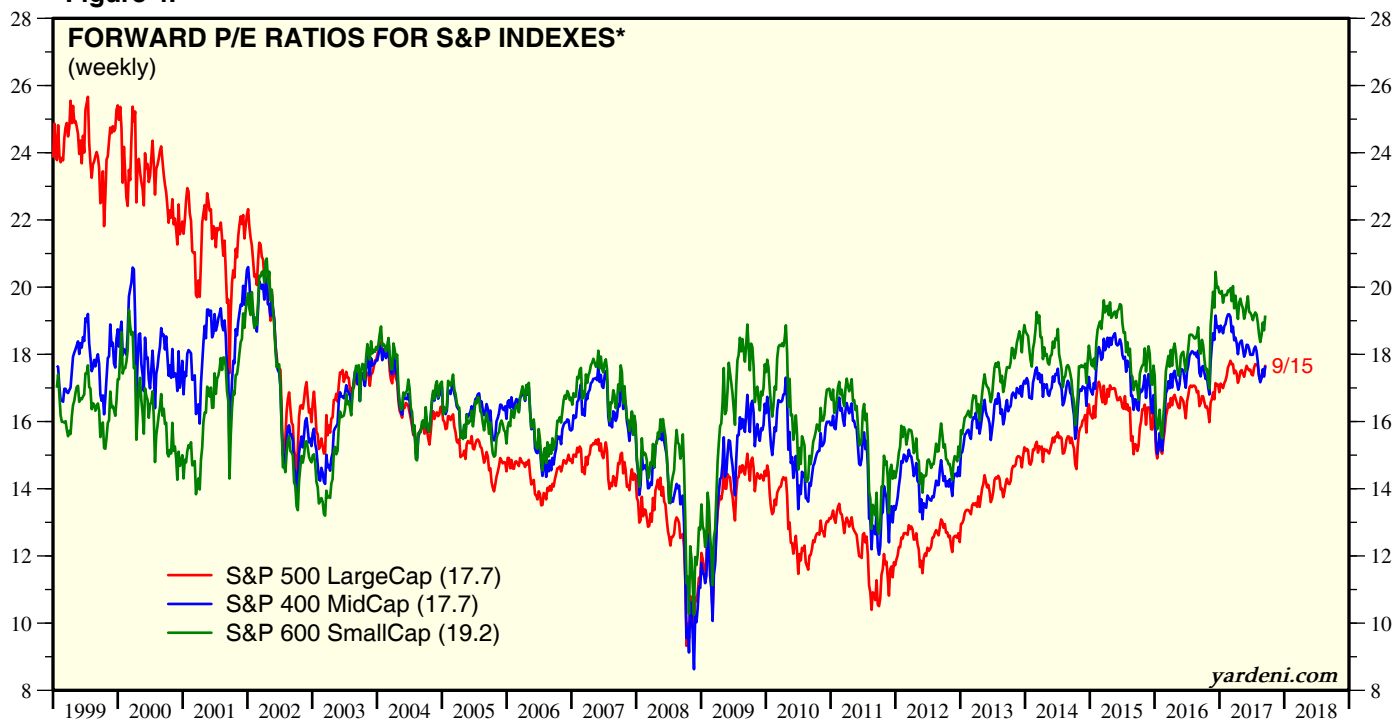
Forward P/E: S&P 500/400/600

Figure 3.



* Daily stock price index divided by 52-week forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

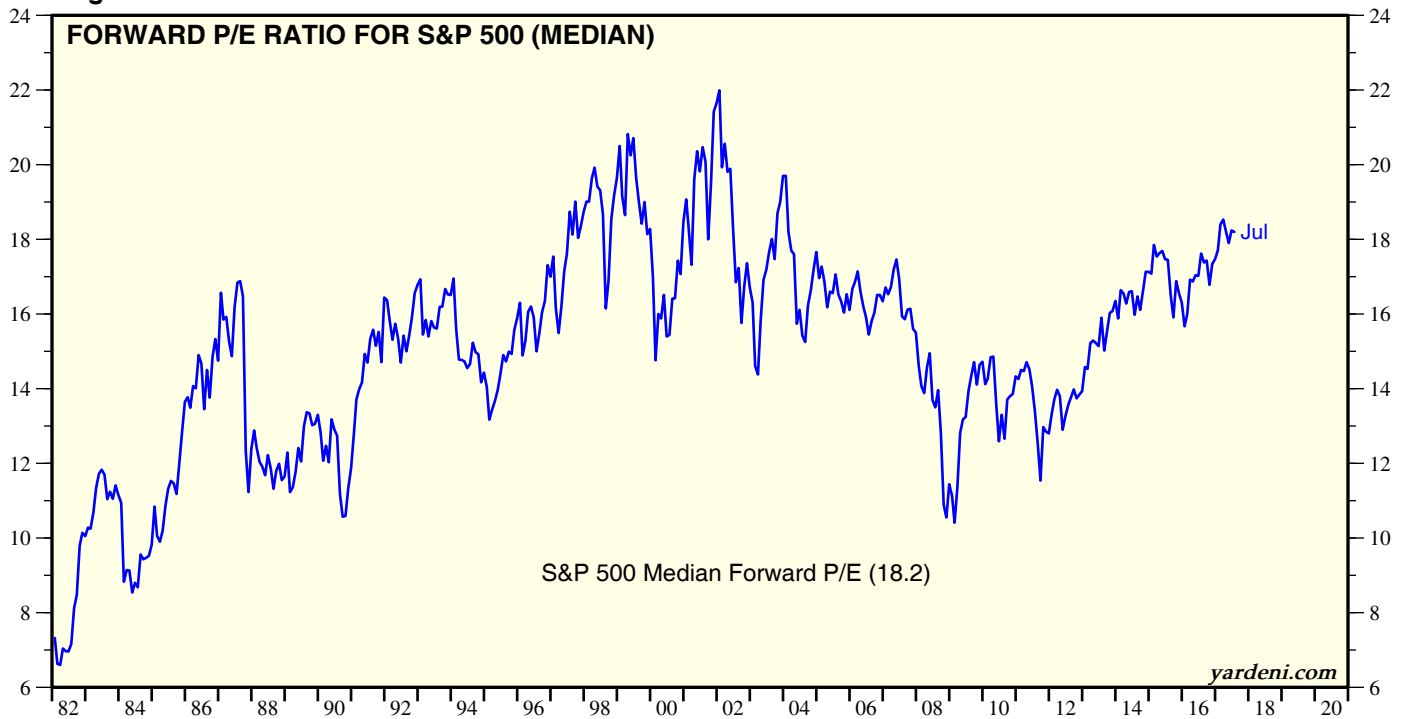
Figure 4.



* Price divided by 52-week forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S.

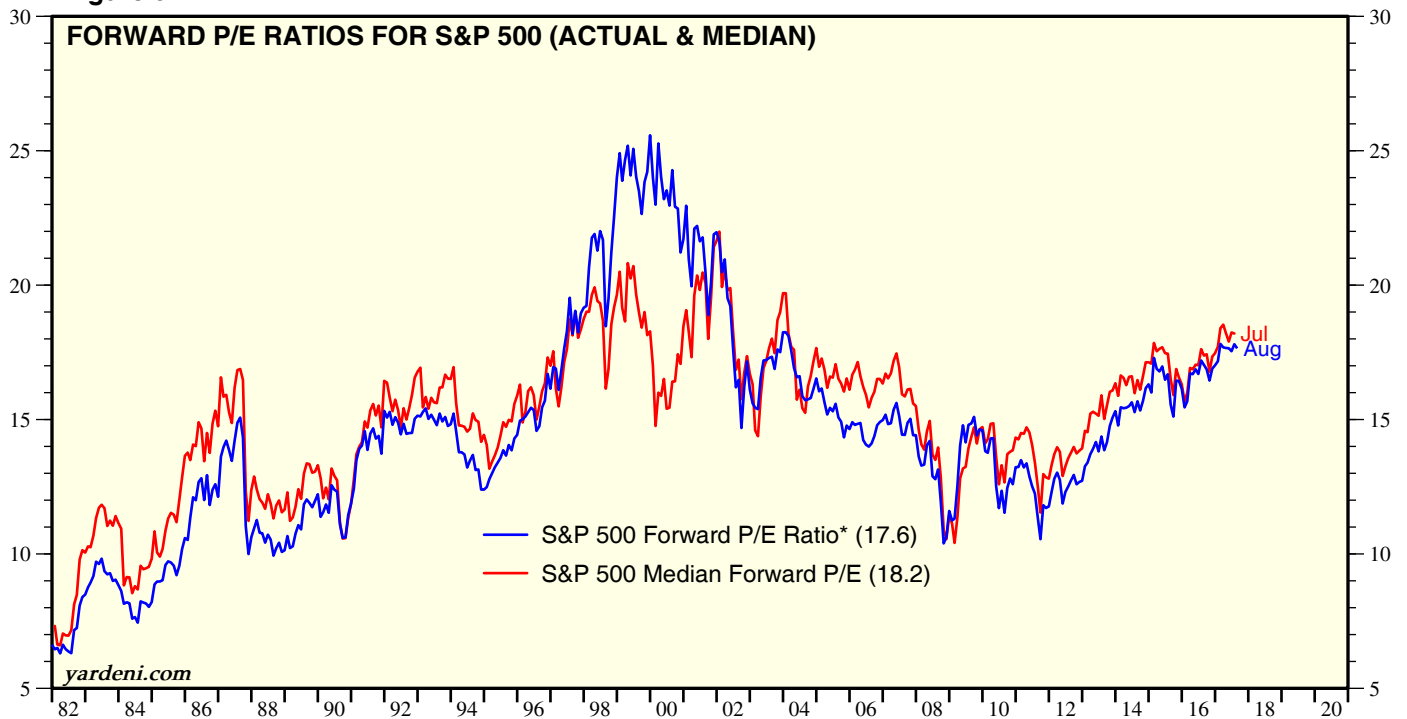
Median Forward P/E: S&P 500

Figure 5.



Source: Thomson Reuters I/B/E/S.

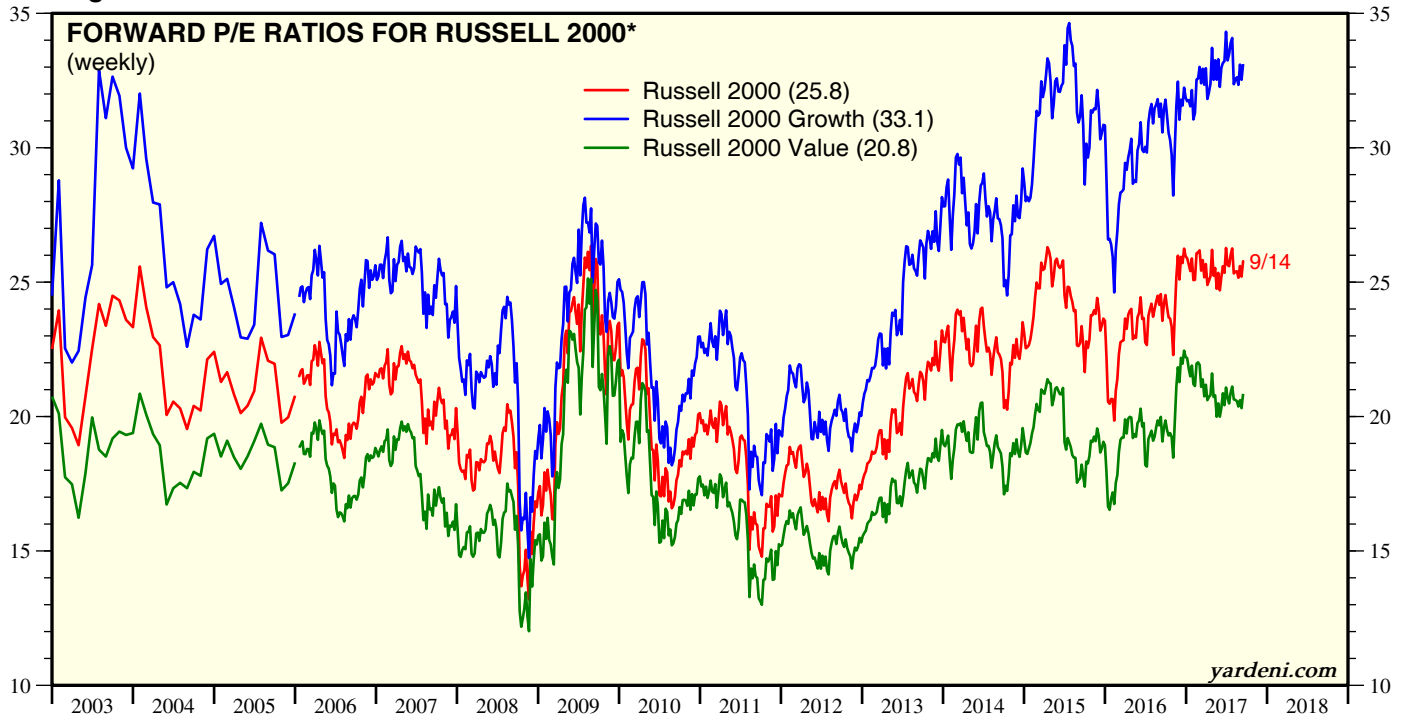
Figure 6.



* Average weekly price divided by 52-week forward consensus expected operating earnings per share.
Source: Thomson Reuters I/B/E/S.

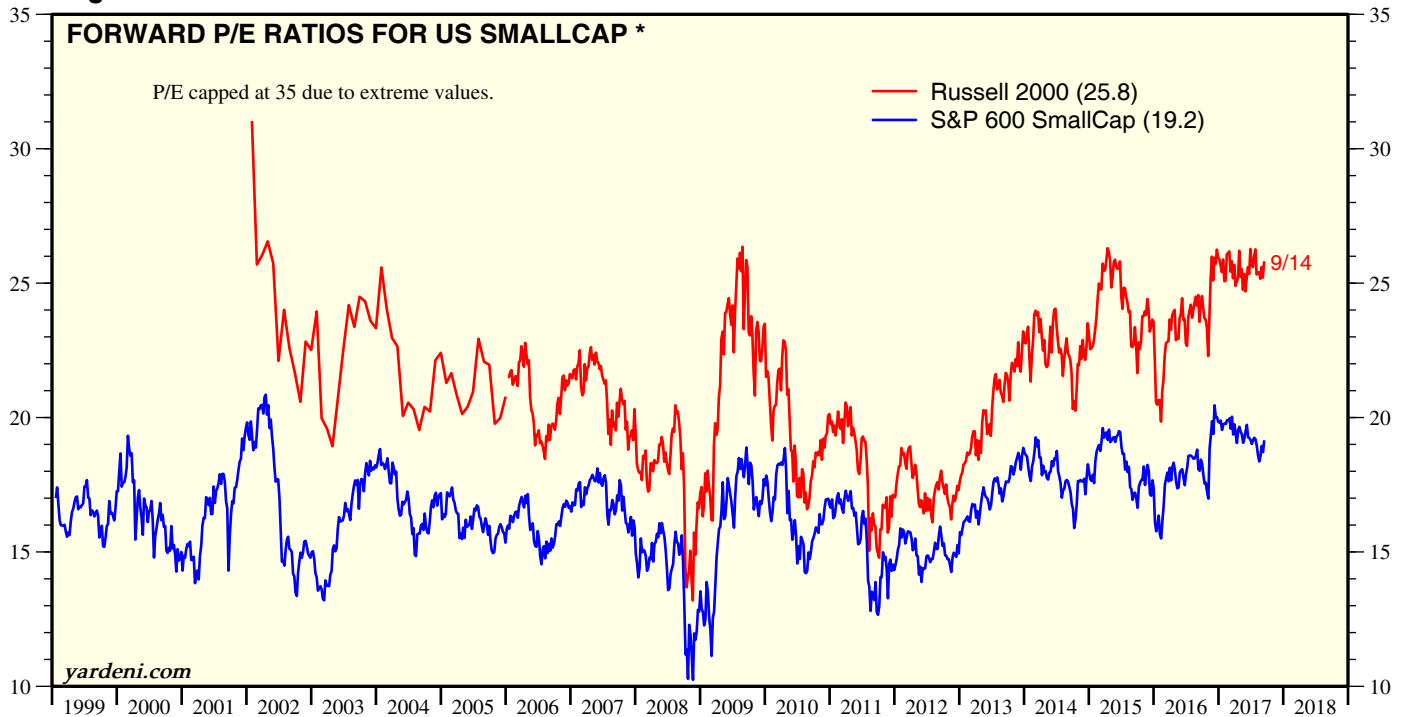
Forward P/E: Russell 2000

Figure 7.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter. Source: Thomson Reuters I/B/E/S.

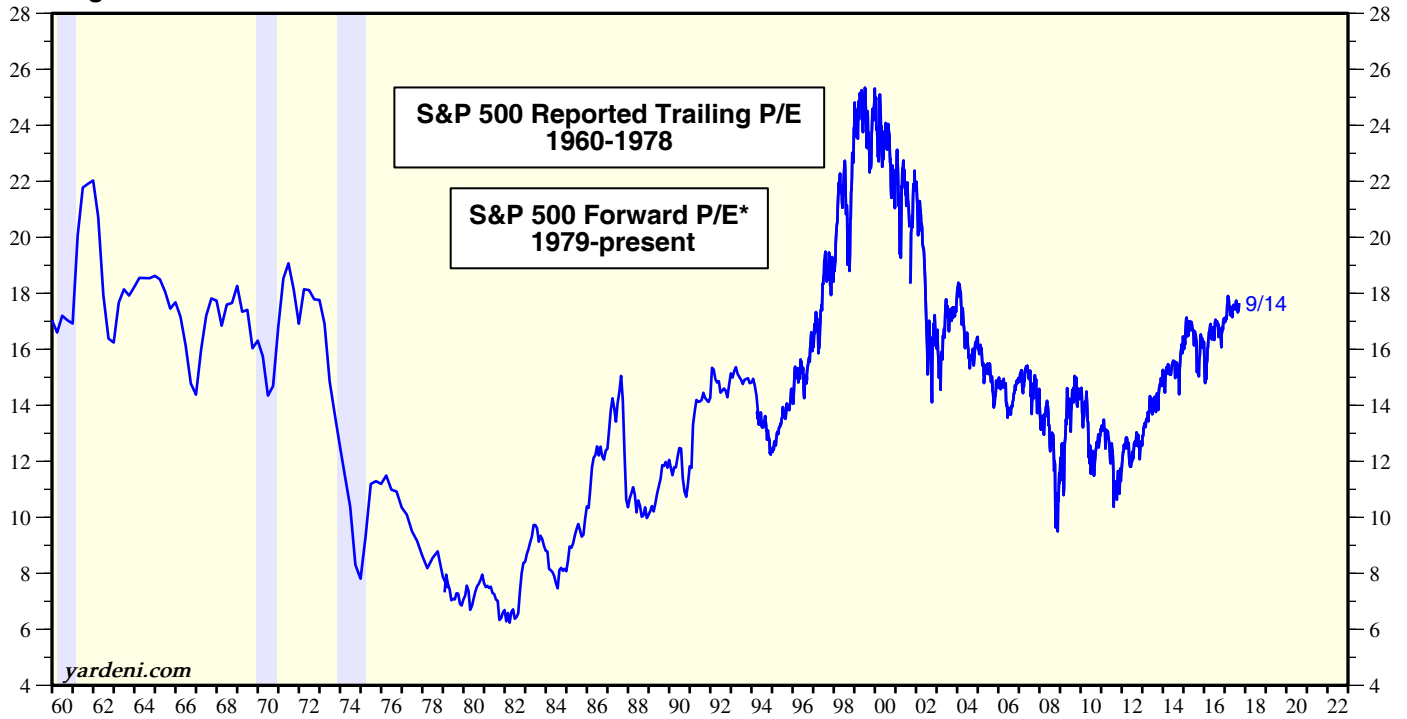
Figure 8.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter. Source: Thomson Reuters I/B/E/S.

P/E & PEG: S&P 500

Figure 9.



* 52-week forward consensus expected S&P 500 operating earnings per share. Monthly from January 1979 through April 1994, then weekly.
 Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
 Source: Thomson Reuters I/B/E/S and Standard & Poor's Corporation.

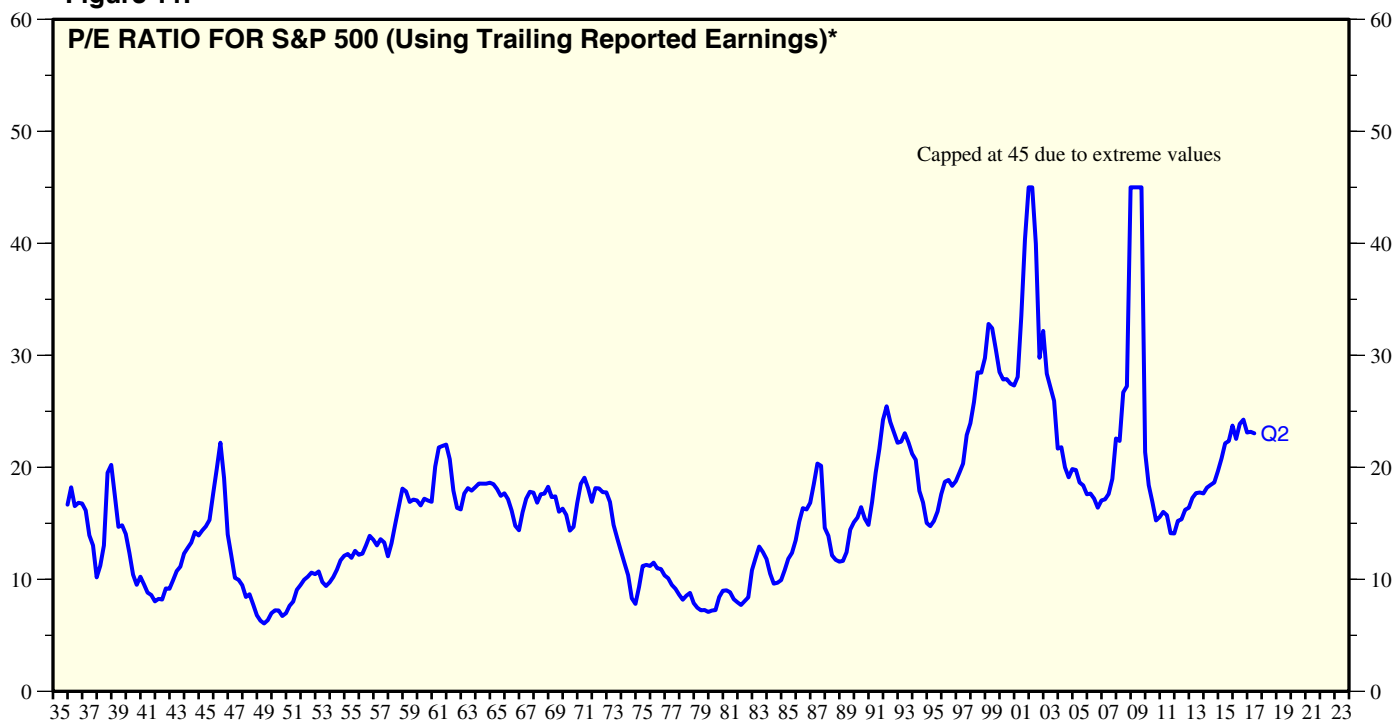
Figure 10.



* Forward P/E divided by LTEG, which is 5-year forward consensus expected annual earnings growth. Monthly through 2005, then weekly.
 Source: Thomson Reuters I/B/E/S.

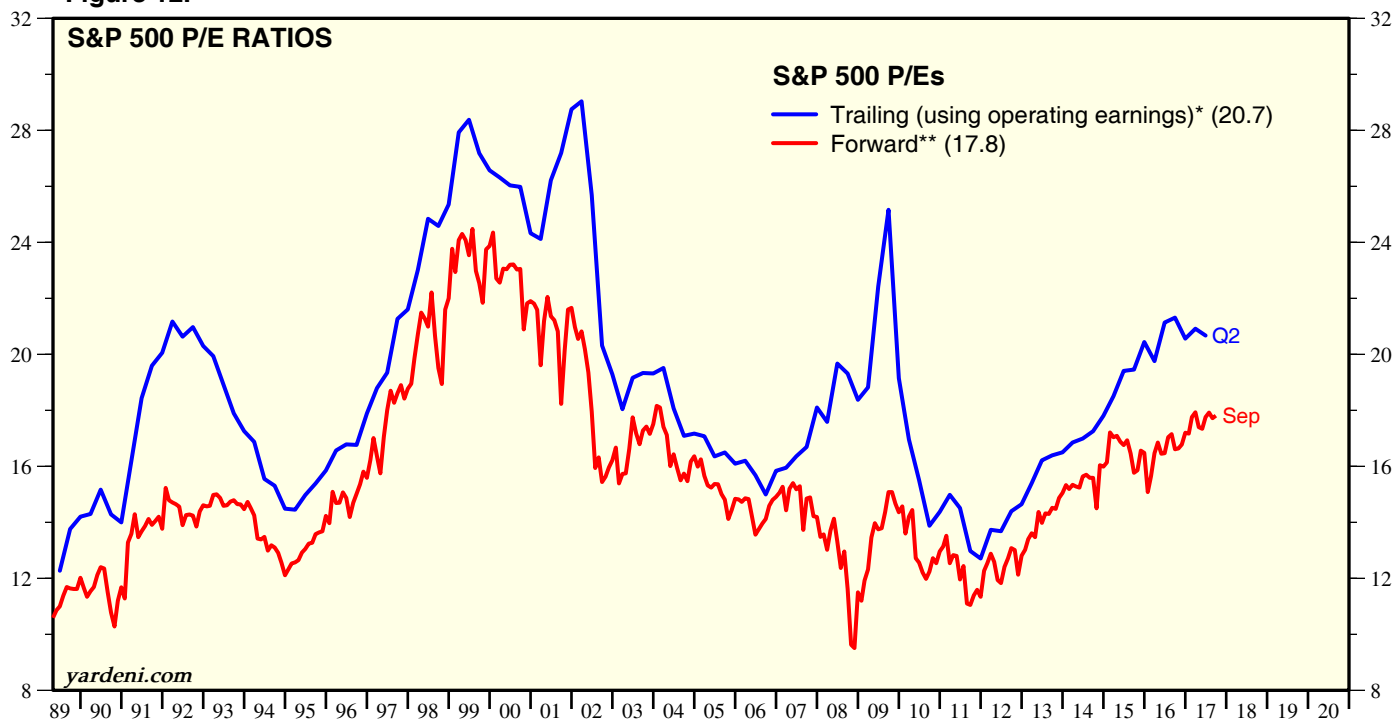
Trailing P/E

Figure 11.



* Using 4-quarter trailing reported earnings.
Source: Standard & Poor's Corporation.

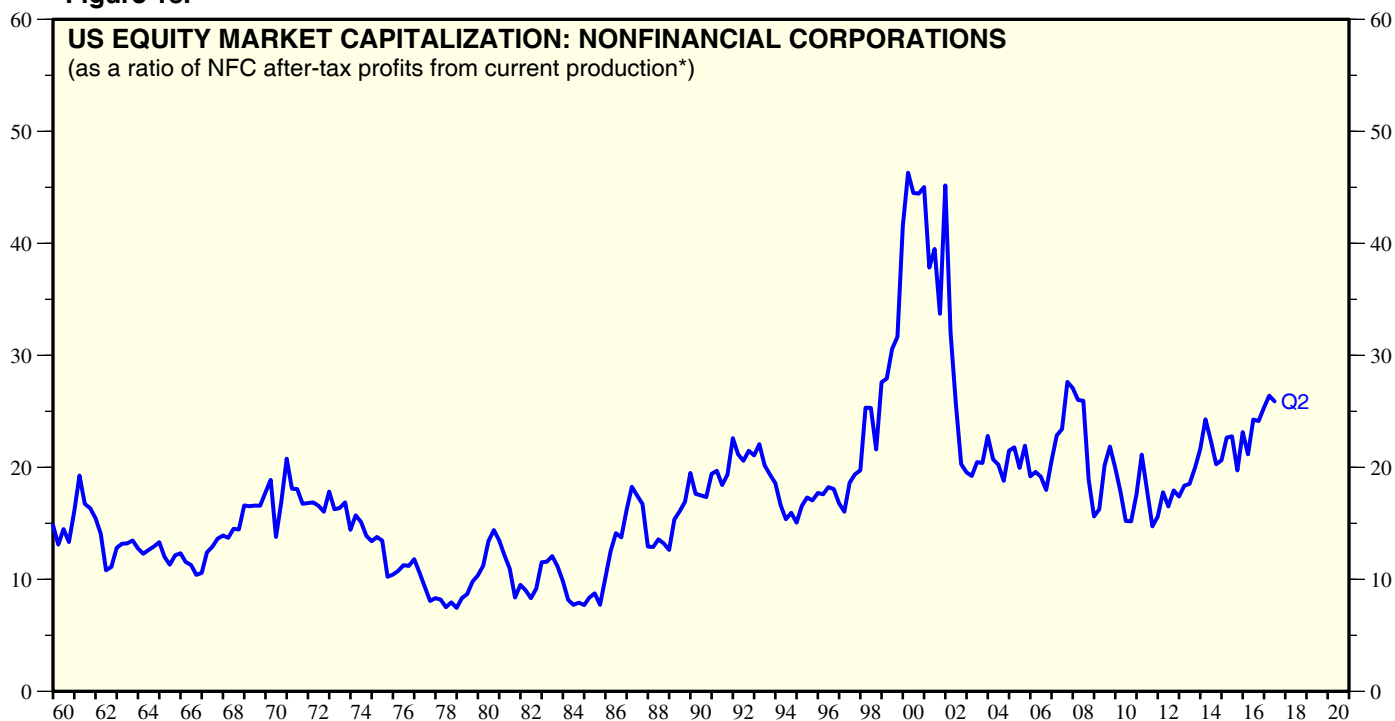
Figure 12.



* Using quarterly average of daily data for S&P 500 price index, and 4-quarter trailing operating earnings.
** S&P 500 stock price index divided by S&P 500 12-month forward consensus expected operating earnings.
Source: Thomson Reuters I/B/E/S and Standard & Poor's.

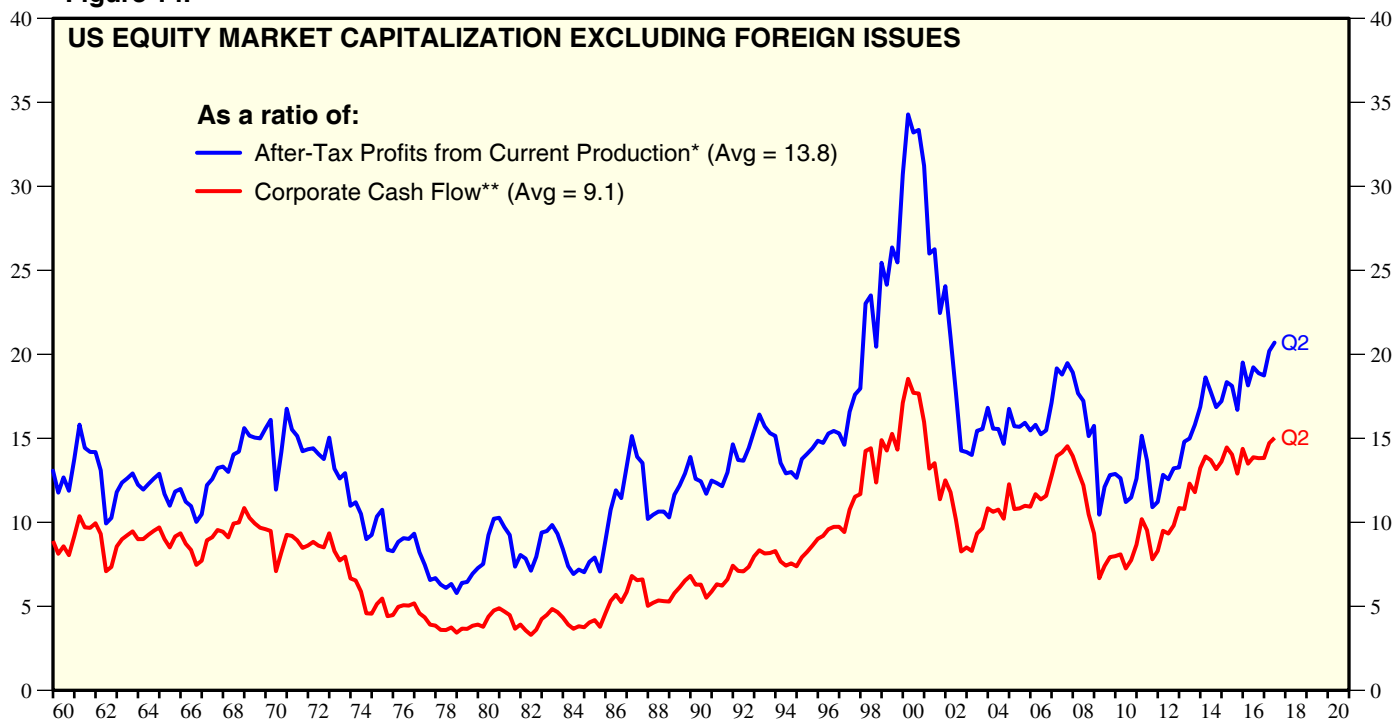
P/E

Figure 13.



* Including IVA and CCadj. These two adjustments restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.
Source: Haver Analytics.

Figure 14.



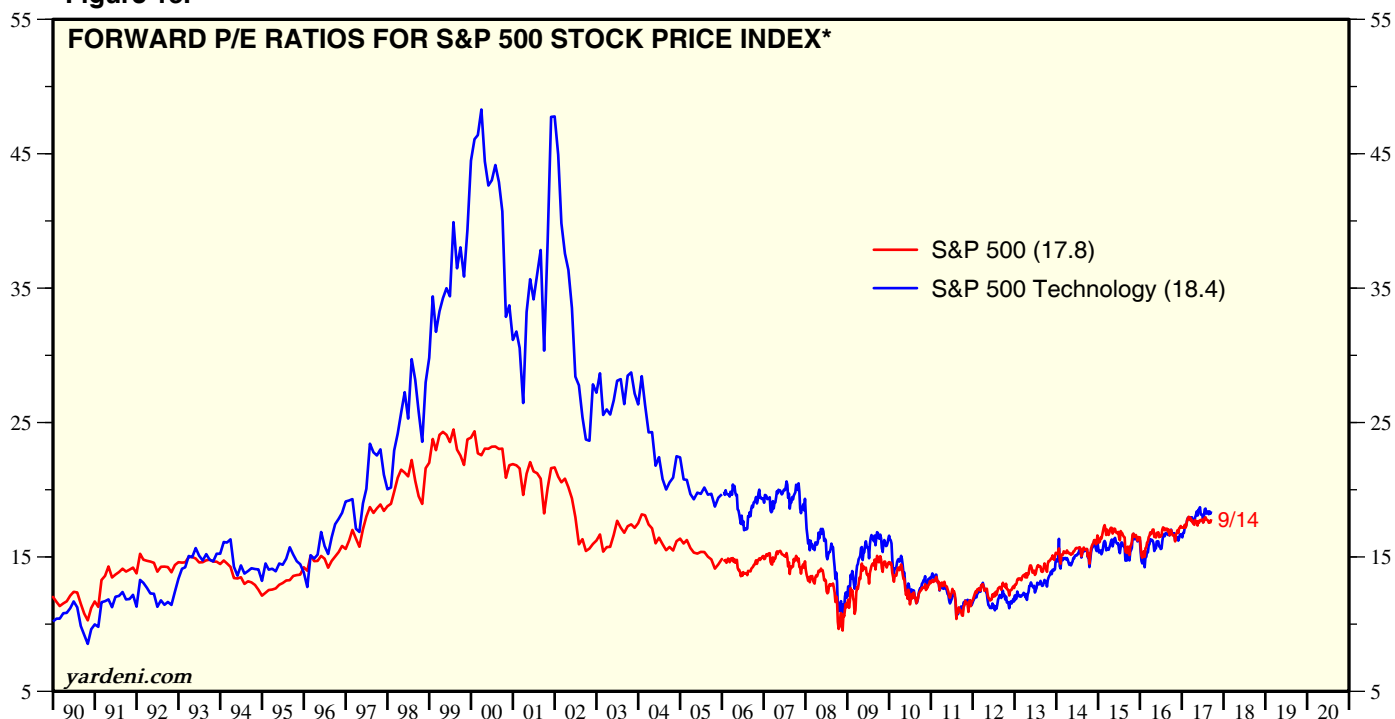
* Including IVA and CCadj. These two adjustments restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.

** After-tax operating retained earnings plus tax-return-based depreciation.

Source: Thomson Reuters I/B/E/S, US Department of Commerce, Bureau of Economic Analysis, Federal Reserve Board Flow of Funds Accounts, and Standard & Poor's Corporation.

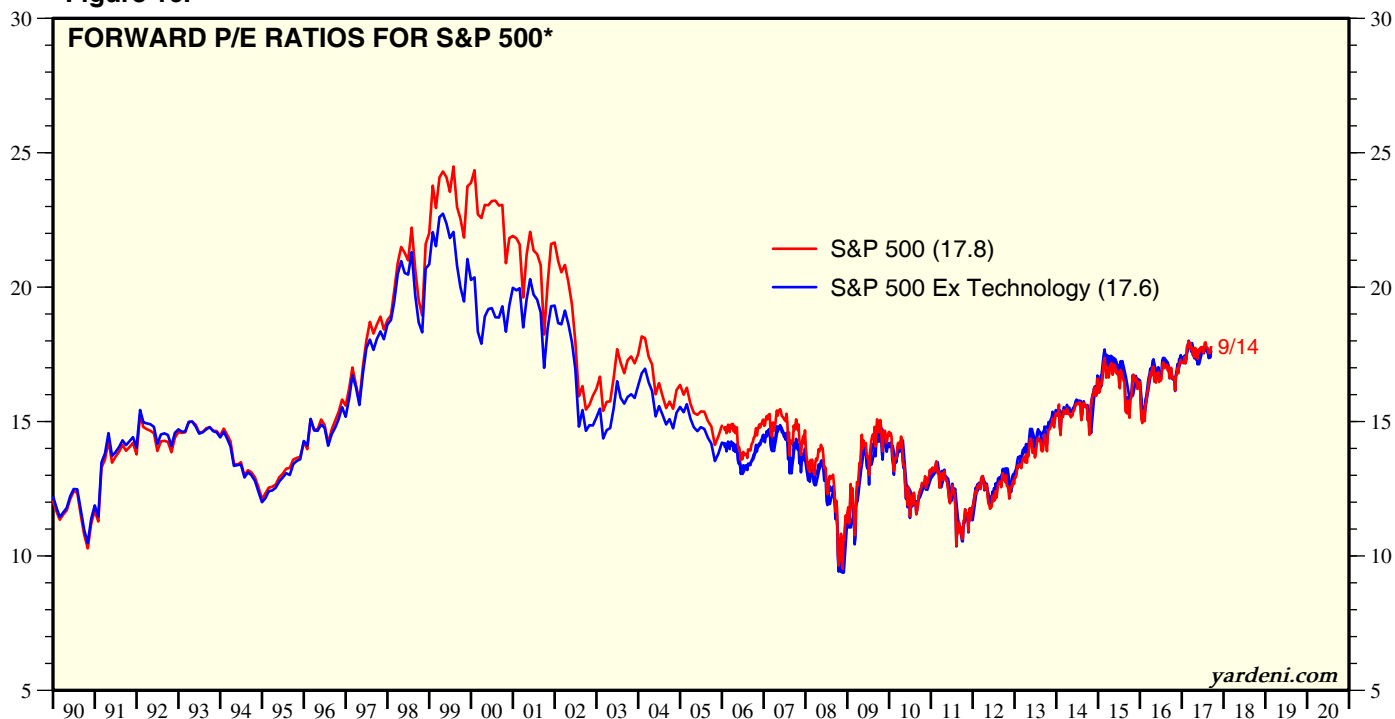
P/E

Figure 15.



* Stock price index divided by forward consensus expected operating earnings per share. Monthly through December 2005, then weekly.
Source: Thomson Reuters I/B/E/S.

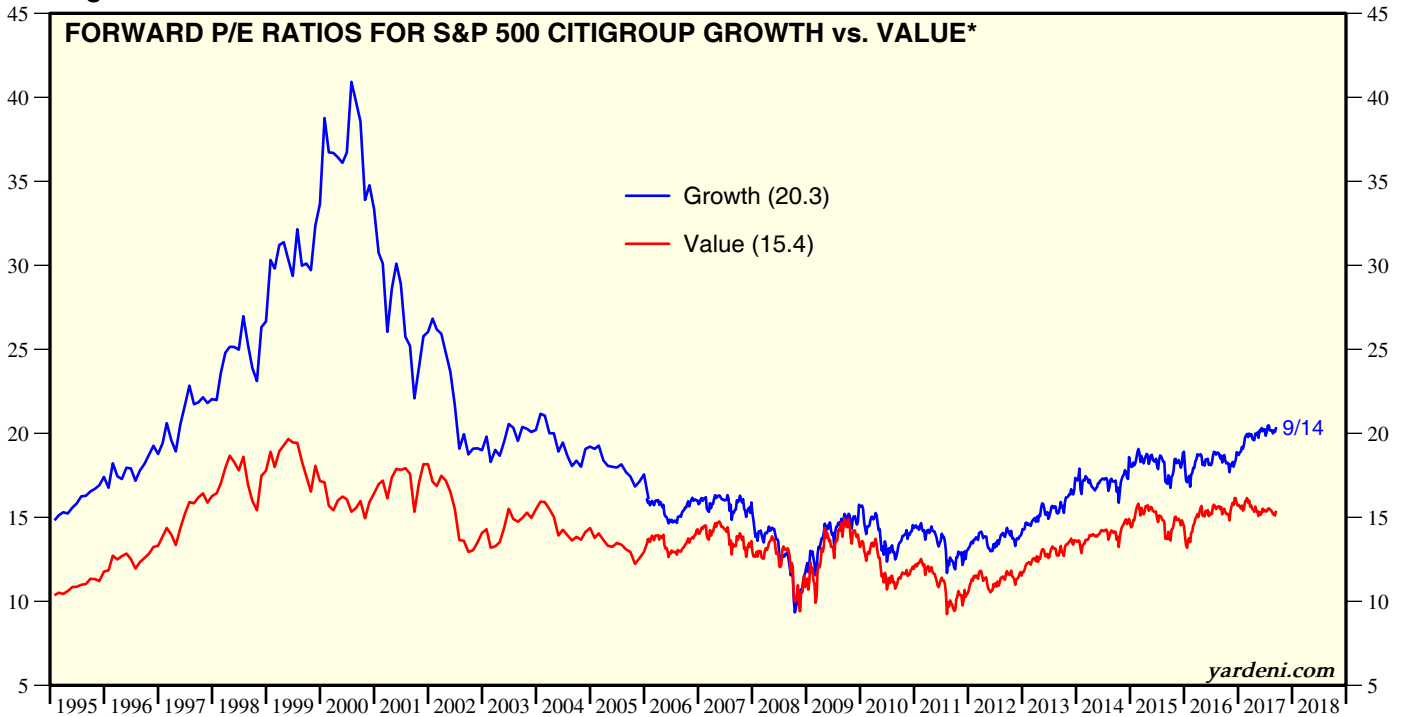
Figure 16.



* Stock price index divided by forward consensus expected operating earnings per share. Monthly through December 2005, then weekly.
Source: Thomson Reuters I/B/E/S.

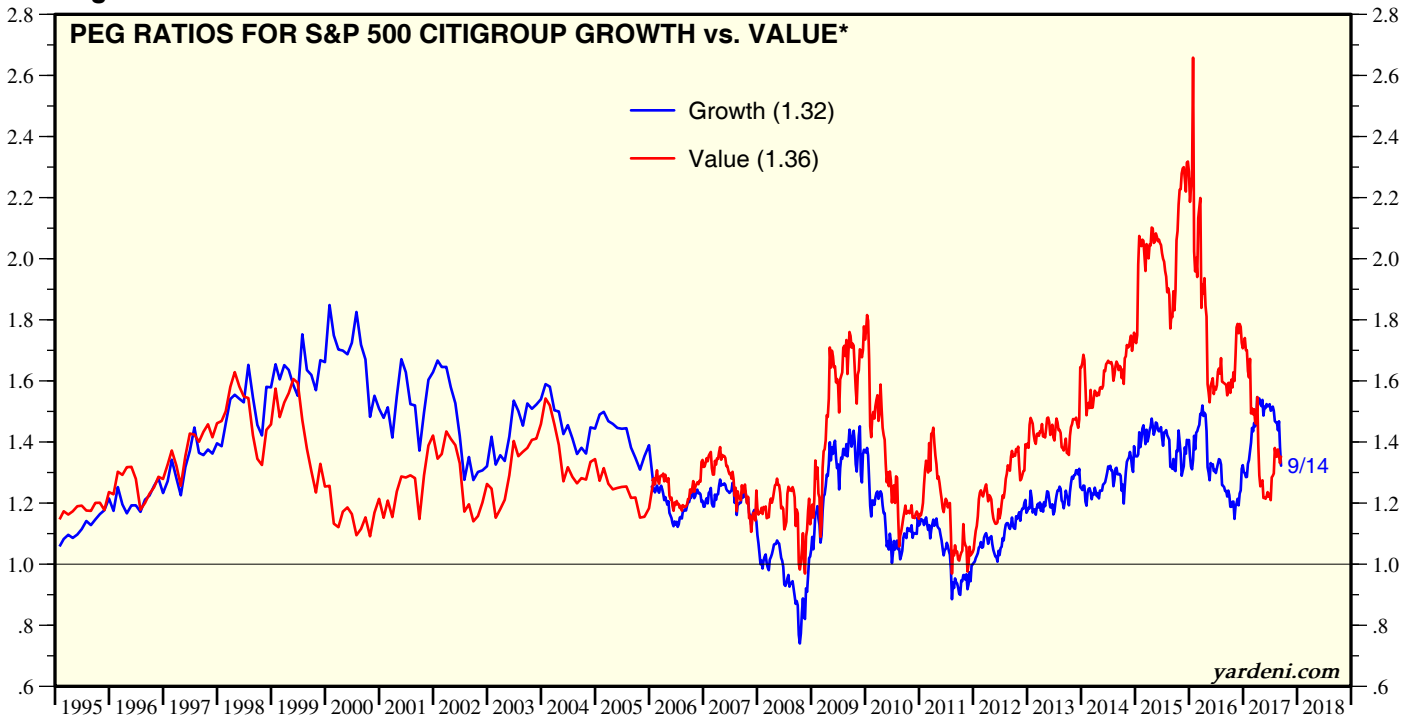
Forward P/E: Growth vs Value

Figure 17.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter. Source: Thomson Reuters I/B/E/S.

Figure 18.



* Using 5-year forward consensus expected earnings growth and price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter. Source: Thomson Reuters I/B/E/S.

Copyright (c) Yardeni Research, Inc. 2017. 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](#).