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S&P 500 OPERATING EARNINGS PER SHARE (Thomson Reuters data)
(consensus analysts’ estimates in dollars, monthly, ratio scale)

Analysts’ Estimates
- Annual*
- 12-month forward**
- Actual 4Q sum***

* “Squiggles” span 25 months from February to February.
** Time-weighted average of consensus operating earnings estimates for current year and next year.
*** Actual 4Q sum from Thomson Reuters I/B/E/S.
Source: Thomson Reuters I/B/E/S.

Figure 2.

S&P 500 OPERATING EARNINGS PER SHARE (Thomson Reuters data)
(consensus analysts’ estimates in dollars, monthly, ratio scale)

Analysts’ Estimates
- Annual*
- 12-month forward**
- Actual 4Q sum***

* “Squiggles” span 25 months from February to February.
** Time-weighted average of consensus operating earnings estimates for current year and next year.
*** Actual 4Q sum from S&P until Q4-1993 then Thomson Reuters I/B/E/S thereafter.
Source: Thomson Reuters I/B/E/S.
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S&P 500 OPERATING EARNINGS PER SHARE (Thomson Reuters data)
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Analysts’ Estimates
- Annual*
- 52-week forward**
- Actual 4Q sum***

* "Squiggles" span 25 months from February to February.
** Time-weighted average of consensus operating earnings estimates for current year and next year.
*** Actual 4Q sum from Thomson Reuters I/B/E/S.
Source: Thomson Reuters I/B/E/S.

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S&P 500 OPERATING EARNINGS PER SHARE (Thomson Reuters data)
(consensus analysts’ estimates in dollars, weekly, ratio scale)

Analysts’ Estimates
- Annual*
- 52-week forward**
- Actual 4Q sum***

* "Squiggles" span 25 months from February to February.
** Time-weighted average of consensus operating earnings estimates for current year and next year.
*** Actual 4Q sum from Thomson Reuters I/B/E/S.
Source: Thomson Reuters I/B/E/S.
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(25-month percent change)

* Percent change in consensus annual forecast from initial forecast to actual, e.g., from February 1979 to February 1981 for calendar year 1980. Source: Thomson Reuters I/B/E/S.

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S&P 500 NET EARNINGS REVISIONS*
(percent, three-month basis)

* Three-month moving average of the number of forward earnings estimates up less number of estimates down, expressed as a percentage of the total number of forward earnings estimates.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Thomson Reuters I/B/E/S.
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S&P 500 OPERATING EARNINGS PER SHARE: FORWARD & ACTUAL (Thomson Reuters data)  
(dollars per share)

Earnings Per Share  
- **Forward**  
- **Operating**  

* Time-weighted average of consensus estimates for current year and next year. Monthly through March 1994, then weekly.  
** Actual 4Q sum from S&P until Q4-1993, then from Thomson Reuters I/B/E/S.  
Source: Thomson Reuters I/B/E/S.

**Figure 8.**

S&P 500 OPERATING EARNINGS PER SHARE: FORWARD & ACTUAL (Thomson Reuters data)  
(dollars per share)

Earnings Per Share  
- **Forward Earnings**  
- **Operating Earnings**  

* Time-weighted average of consensus estimates for current year and next year. Monthly through March 1994, then weekly.  
** Actual 4Q sum from S&P until Q4-1993, then from Thomson Reuters I/B/E/S.  
Source: Thomson Reuters I/B/E/S.
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**Figure 9.**

S&P 500, FORWARD EARNINGS, and VALUATION (monthly)

S&P 500

S&P 500 Blue Angels

Implied Price Index*

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

* Implied price index calculated using forward earnings times forward P/Es.

**Figure 10.**

S&P 500, FORWARD EARNINGS, and VALUATION (weekly)

S&P 500

02/23/18

S&P 500 Blue Angels

Implied Price Index*

02/15/18

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

* Implied price index calculated using forward earnings times forward P/Es.
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S&P 500 REPORTED EARNINGS PER SHARE*
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* Q4-2008 not shown because of large negative value.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Standard & Poor’s.

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S&P 500 OPERATING & REPORTED EARNINGS PER SHARE (S&P data)
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Source: Standard & Poor’s.
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S&P 500 Operating Earnings
- Thomson Reuters data
- S&P data

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

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S&P 500 NET WRITE-OFFS PER SHARE (dollars, 4-quarter sum)

S&P 500 Net Write-Offs
- S&P Data*
- Thomson Reuters Data**

* S&P operating less S&P reported earnings per share.
** Thomson operating less S&P reported earnings per share.
Source: Standard & Poor’s (reported earnings) and Thomson Reuters I/B/E/S (operating earnings).
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INVENTORY VALUATION ADJUSTMENT*
(billion dollars, saar)

CAPITAL CONSUMPTION ADJUSTMENT*

* 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: Bureau of Economic Analysis.

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AFTER-TAX CORPORATE PROFITS: NIPA vs S&P 500
(billion dollars, quarterly)

NIPA Profits (saar)
- Based on Tax Returns*
- From Current Production**

S&P 500 Net Income
- Reported (S&P data)
- Operating (S&P data)

* Excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCadj).
** Including IVA & 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: Bureau of Economic Analysis and Standard & Poor’s.
After-Tax Adjusted Profits

- From Current Production (NIPA data)*
- S&P 500 Operating Net Income (S&P data)**

* Annualized and seasonally adjusted. Including Inventory Valuation Adjustment and Capital Consumption Adjustment. 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.

** Annualized and not seasonally adjusted. Q4-2008 not shown because of large negative value.

Source: Bureau of Economic Analysis and Standard & Poor’s.

After-Tax Reported Profits

- Book Profits (NIPA data)*
- S&P 500 Reported Net Income (S&P GAAP data)**

* Annualized and seasonally adjusted. Excluding Inventory Valuation Adjustment and Capital Consumption Adjustment.

** Annualized and not seasonally adjusted. Q4-2008 not shown because of large negative value.

Source: Bureau of Economic Analysis and Standard & Poor’s.
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(four-quarter sum as a percent of four-quarter sum of NIPA after-tax book profits*)

Capped in Q4-2008

* Profits reported on tax returns.
Source: Bureau of Economic Analysis and Standard & Poor’s.

Figure 20.

**S&P 500 REVENUES PER SHARE: ACTUAL (S&P quarterly data) & FORWARD (TR weekly data)**
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* Time-weighted average of consensus estimates for current and next year. Monthly through December 2005, then weekly.
Source: Standard & Poor’s (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).
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S&P 500 AGGREGATE REVENUES, NOMINAL GNP, and US BUSINESS SALES OF GOODS
(trillion dollars, ratio scale)

- Nominal GNP (saar)
- Business Sales of Goods (saar)*
- S&P 500 Aggregate Revenues (x 4, nsa)**

* Manufacturing and trade sales.
** Revenues are derived by multiplying S&P 500 revenues per share by the S&P 500 divisor for each quarter.
Source: Bureau of the Census, Bureau of Economic Analysis, and Standard & Poor’s.

Figure 22.

S&P 500 AGGREGATE REVENUES
(as percent of US GNP and US business sales)

- S&P 500 Revenues* / Business Sales**
- S&P 500 Revenues* / Nominal GNP

* Revenues are derived by multiplying S&P 500 revenues per share by the S&P 500 divisor for each quarter.
** Manufacturing and trade sales.
Source: Bureau of the Census, Bureau of Economic Analysis, and Standard & Poor’s.
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NOMINAL GNP & AFTER-TAX CORPORATE PROFITS
(Q4-1949=100, ratio scale)

- 7% Growth Path*
- Nominal GNP
- After-Tax Corporate Profits
  Reported to IRS
  From Current Production**

* Compounded monthly to yield 7% annually.
** Including Inventory Valuation Adjustment and Capital Consumption Adjustment, which restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.
Source: Bureau of Economic Analysis.

Figure 24.

S&P 500 EARNINGS PER SHARE With 5%-7% CAGR GROWTH PATHS*
(dollars, ratio scale)

- S&P 500 Earnings Per Share
  Reported (GAAP)
  (4-quarter sum)
  Operating**
  (4-quarter sum)
  Forward***

* Compounded monthly to yield 5% and 7% annually.
** Excluding write-offs. Thomson Reuters data.
*** S&P 500 12-month forward consensus expected operating earnings per share. Time-weighted average of consensus estimates for current year and next year.
Source: Standard & Poor’s and Thomson Reuters I/B/E/S.
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* Q4-2008 not shown because of large negative value.
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Source: Standard & Poor’s.

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Source: Standard & Poor’s.
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(Yearly percent change)

- S&P 500 Aggregate Revenues*
- Nominal GNP

* Revenues are derived by multiplying S&P 500 revenues per share by the S&P 500 divisor for each quarter.
Source: Bureau of Economic Analysis and Standard & Poor’s.

Figure 28.

S&P 500 AGGREGATE REVENUES & US BUSINESS SALES OF GOODS
(Yearly percent change)

- S&P 500 Aggregate Revenues*
- Business Sales of Goods**

* Revenues are derived by multiplying S&P 500 revenues per share by the S&P 500 divisor for each quarter.
** Manufacturing and trade sales.
Source: Bureau of the Census and Standard & Poor’s.
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S&P 500 OPERATING MARGIN (S&P data) & REPORTED MARGIN (S&P data)
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S&P 500 Margins
- S&P Operating
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Source: Standard & Poor’s.

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S&P 500 REPORTED PROFIT MARGIN & AFTER-TAX CORPORATE PROFITS MARGIN
( excluding IVA & CCAdj*)

Corporate Profits After Tax* (as a percent of nominal GNP)
S&P 500 Profit Margin: Reported (percent)

* After-tax profits as reported to IRS excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (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 GNP.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Standard & Poor’s and Bureau of Economic Analysis.
* After-tax profits as reported to IRS excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (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 GNP.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Bureau of Economic Analysis.

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CORPORATE PROFITS AFTER TAX*
(as a percent of nominal GNP)

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COMPENSATION OF EMPLOYEES + PRIVATE NONRESIDENTIAL FIXED INVESTMENT
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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Bureau of Economic Analysis.
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- S&P 500 Operating Profit Margins
  - 52-week Forward*
  - Thomson Reuters (Trailing 4Q)
  - S&P (Trailing 4Q)

* Time-weighted average of consensus operating estimates for current and next years.
Source: Standard & Poor’s (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).

Figure 34.

S&P 500 EARNINGS PER SHARE: FORWARD & ACTUAL (dollars)

- Thomson Reuters Operating (Trailing 4Q)
- S&P Operating (Trailing 4Q)
- Forward*

* Time-weighted average of consensus operating estimates for current and next years.
Source: Standard & Poor’s (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).
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Figure 35. S&P 500 REVENUES PER SHARE: FORWARD (TR data) & ACTUAL (S&P data)
dollars)

Revenues Per Share
52-Week Forward*
Actual (Trailing 4Q)

* Time-weighted average of consensus operating estimates for current and next years.
Source: Standard & Poor’s (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).

Figure 36. S&P 500 BUYBACKS, DIVIDENDS, & OPERATING EARNINGS
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Dividends
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Buybacks+Dividends

Source: Standard & Poor’s.
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(percent of total)

Source: Standard & Poor’s.

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DIVIDEND PAYOUT RATIOS
(percent)

NIPA Dividends
(as a percent of NIPA After-Tax Profits*)

S&P 500 Dividends
(as a percent of S&P 500 reported net income)

* From Current Production. Including IVA & 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: Bureau of Economic Analysis and Standard & Poor’s.
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S&P 500 DIVIDENDS & RETAINED EARNINGS PER SHARE
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- Dividends
- Retained Earnings*

* Reported earnings minus dividends per share.
Source: Standard & Poor’s.

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(base period Dec 1946 = 0.71, ratio scale)

Source: Standard & Poor’s.
**CORPORATE CASH FLOW**
(ratio scale, billion dollars, saar)

* After-tax retained earnings plus tax-reported depreciation.
** Corporate capital consumption allowances.
*** Corporate capital consumption allowances with capital consumption adjustment.

Source: Bureau of Economic Analysis.

**CAPITAL CONSUMPTION ADJUSTMENT***
(billion dollars, saar)

* This adjustment is used to restate the historical cost basis used in profits tax accounting for depreciation to the current cost measures used in GDP.

Source: Bureau of Economic Analysis.
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CORPORATE & NONFINANCIAL CORPORATIONS (NFC): CASH FLOW
(billion dollars, saar, ratio scale)

Corporate Cash Flow*
NFC Cash Flow (BEA measure)**
NFC Internal Funds (Fed measure)

* After-tax retained earnings plus tax-reported depreciation.
** After-tax operating retained earnings plus tax-return-based depreciation.
Source: Bureau of Economic Analysis and Flow of Funds Accounts.

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NONFINANCIAL CORPORATE BUSINESS
(trillion dollars, 4-quarter sum, ratio scale)

Nonfinancial Corporate
Capital Expenditures*
Internal Cash Flow

* Includes nonresidential fixed investment plus residential fixed investment, and inventory change with IVA.
Source: Flow of Funds Accounts.
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(trillion dollars, 4-quarter sum, ratio scale)

Nonfinancial Corporate
- Gross Fixed Investment
- Capital Consumption Allowance*

* Consumption of fixed capital plus the capital consumption adjustment.
Source: Flow of Funds Accounts.

Figure 46.
NONFINANCIAL CORPORATE BUSINESS
(billion dollars, 4-quarter sum)

Net Fixed Investment*

* Gross fixed investment less consumption of fixed capital plus the capital consumption adjustment.
Source: Flow of Funds Accounts.
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**NONFINANCIAL CORPORATIONS: NET NEW ISSUES**
(billion dollars, 4-quarter sum)

Source: Flow of Funds Accounts.

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**S&P 500 DIVIDENDS & BUYBACKS**
(billion dollars, annualized)

Source: Standard & Poor’s.