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S&P 500 OPERATING EARNINGS PER SHARE
(consensus analysts' estimates, I/B/E/S data 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 I/B/E/S.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.

Figure 2.

S&P 500 OPERATING EARNINGS PER SHARE
(consensus analysts' estimates, I/B/E/S data 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 I/B/E/S thereafter.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.
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(consensus analysts’ estimates, I/B/E/S data 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 I/B/E/S.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.

Figure 4.

S&P 500 OPERATING EARNINGS PER SHARE
(consensus analysts’ estimates, I/B/E/S data 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 I/B/E/S.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.
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(25-month percent change)

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Source: I/B/E/S data by Refinitiv.

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(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: I/B/E/S data by Refinitiv.
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- Forward*

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.

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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv.
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S&P 500, FORWARD EARNINGS, and VALUATION
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* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.

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* Implied price index calculated using forward earnings times forward P/Es.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.
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Source: Standard & Poor’s.

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S&P 500 OPERATING EARNINGS PER SHARE
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S&P data

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Standard & Poor’s and I/B/E/S data by Refinitiv.

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S&P 500 NET WRITE-OFFS PER SHARE
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S&P 500 Net Write-Offs
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S&P Data*

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Standard & Poor’s (reported earnings) and I/B/E/S data by Refinitiv (operating earnings).

* S&P operating less S&P reported earnings per share.
** I/B/E/S operating less S&P reported earnings per share.
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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
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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.
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AFTER-TAX CORPORATE PROFITS: NIPA FROM CURRENT PRODUCTION vs S&P 500
(billion dollars, quarterly, ratio scale)

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- 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.

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- S&P 500 Reported Net Income (4-quarter sum)**

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** S&P GAAP data.

Source: Bureau of Economic Analysis and Standard & Poor’s.
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Capped in Q4-2008

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S&P 500 REVENUES PER SHARE: ACTUAL (S&P quarterly data) & FORWARD (TR weekly data)
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Revenues Per Share

Forward*

Actual (quarterly, annualized, nsa)

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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
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- Green line: Nominal GNP (saar)
- Blue line: Business Sales of Goods (saar)*
- Red line: 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.

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

- Blue line: S&P 500 Revenues* / Business Sales**
- Red line: 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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7% Growth Path*
Nominal GNP
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From Current Production**

* Compounded monthly to yield 7% annually.
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Source: Bureau of Economic Analysis.

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

S&P 500 Earnings Per Share
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(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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*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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Corporate Profits After Tax*
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(percent)

Capped at 0

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

* 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.

COMPENSATION OF EMPLOYEES + PRIVATE NONRESIDENTIAL FIXED INVESTMENT (as a percent of nominal GNP)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
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Source: Standard & Poor's (for actual revenues) and Thomson Reuters I/B/E/S (for forward revenues).
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Source: Bureau of Economic Analysis and Standard & Poor’s.

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- **Dividends**
- **Retained Earnings**

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Source: Standard & Poor’s.

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**CORPORATE CASH FLOW**

(ratio scale, billion dollars, saar)

- **Corporate Cash Flow***: After-tax retained earnings plus tax-reported depreciation.
- **Economic Depreciation**: Corporate capital consumption allowances.
- **Tax-Reported Depreciation***: Corporate capital consumption allowances with capital consumption adjustment.

Source: Bureau of Economic Analysis.

**Figure 42.**

**CAPITAL CONSUMPTION ADJUSTMENT***

(billion dollars, saar)

- **Tax-Reported > Economic Depreciation**: 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.
- **Tax-Reported < Economic Depreciation**: Source: Bureau of Economic Analysis.
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Figure 43.
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
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*Nonfinancial Corporate*  
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S&P 500 DIVIDENDS & BUYBACKS
(billion dollars, annualized)

Source: Standard & Poor’s.
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