

Stock Market Briefing: Selected P/E Ratios

Yardeni Research, Inc.

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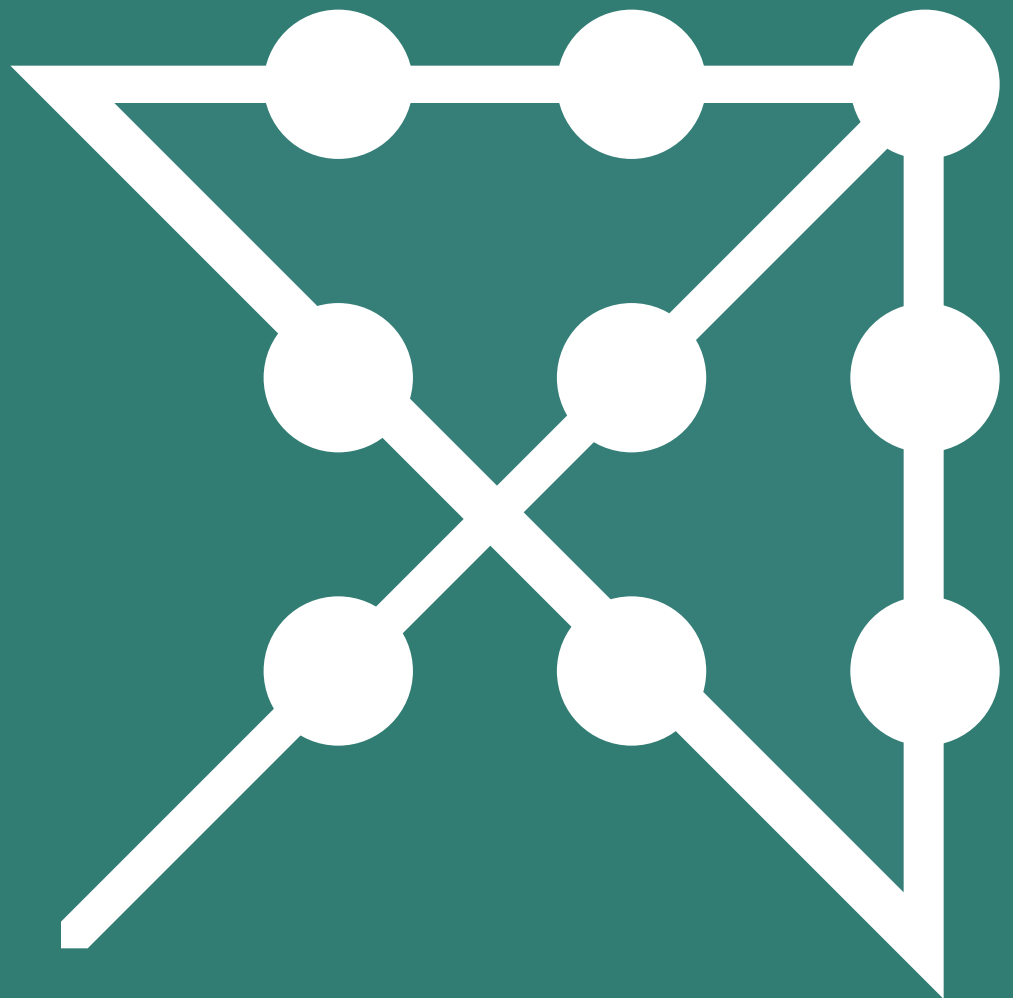
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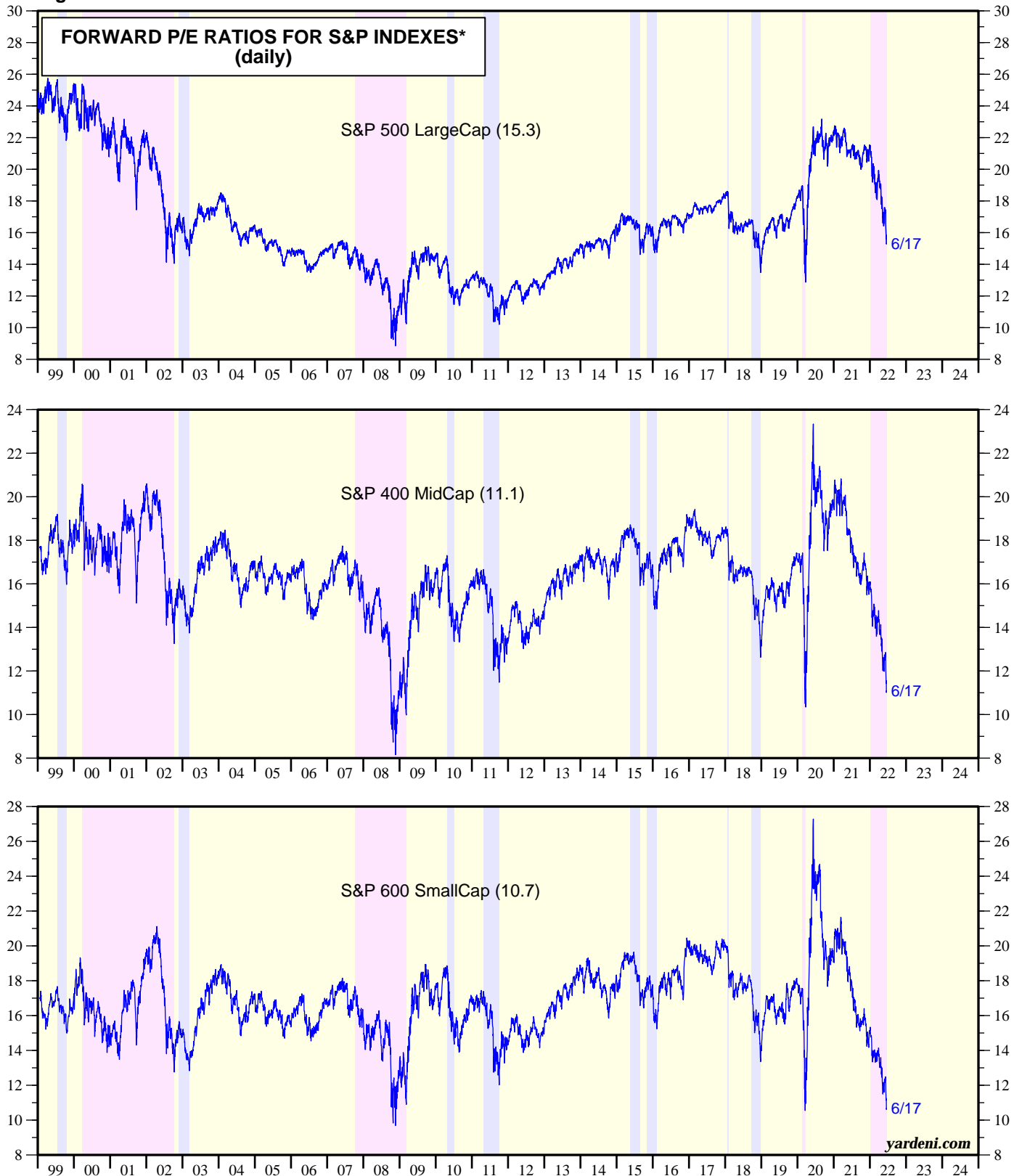


thinking outside the box

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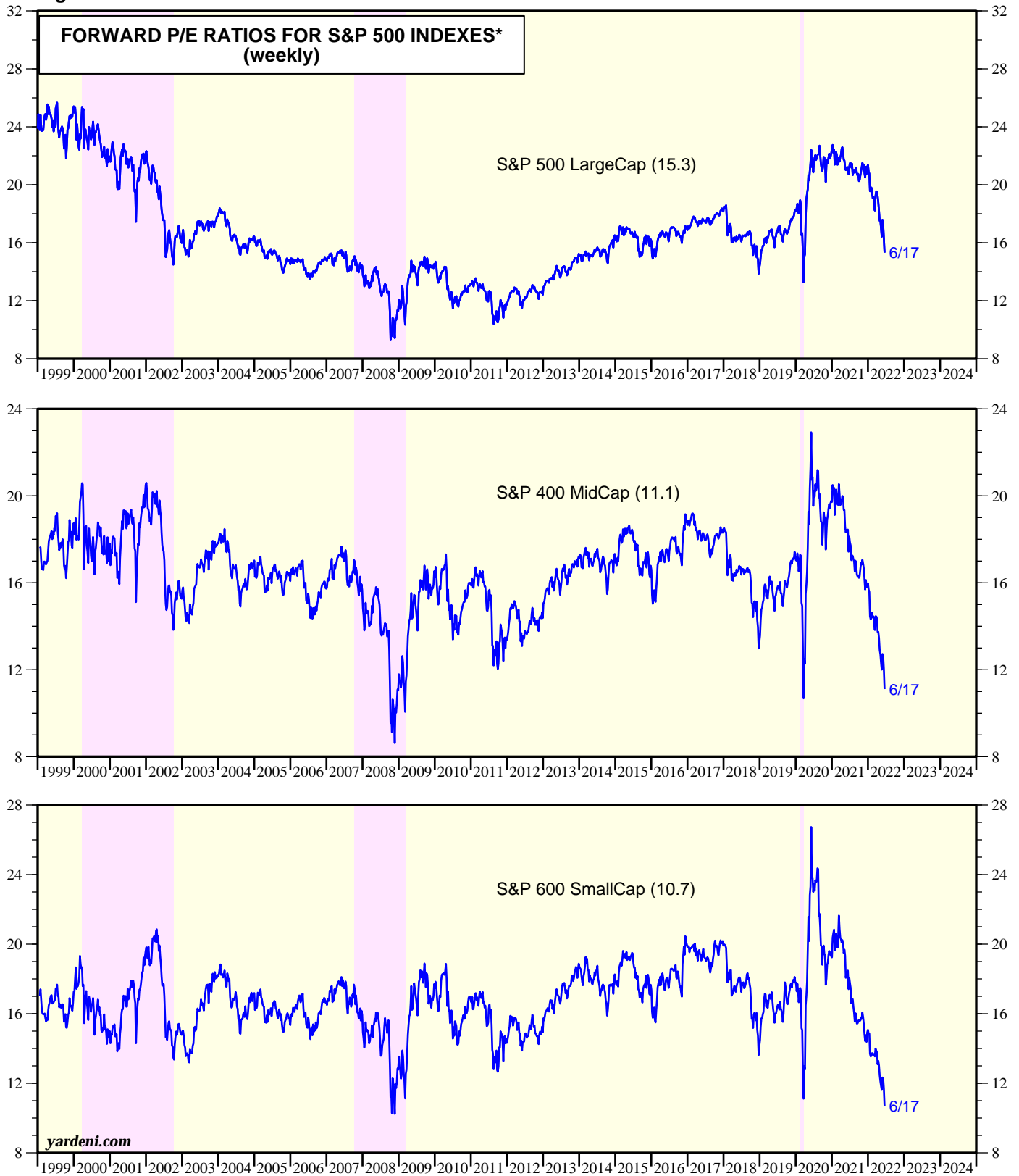
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Figure 1.



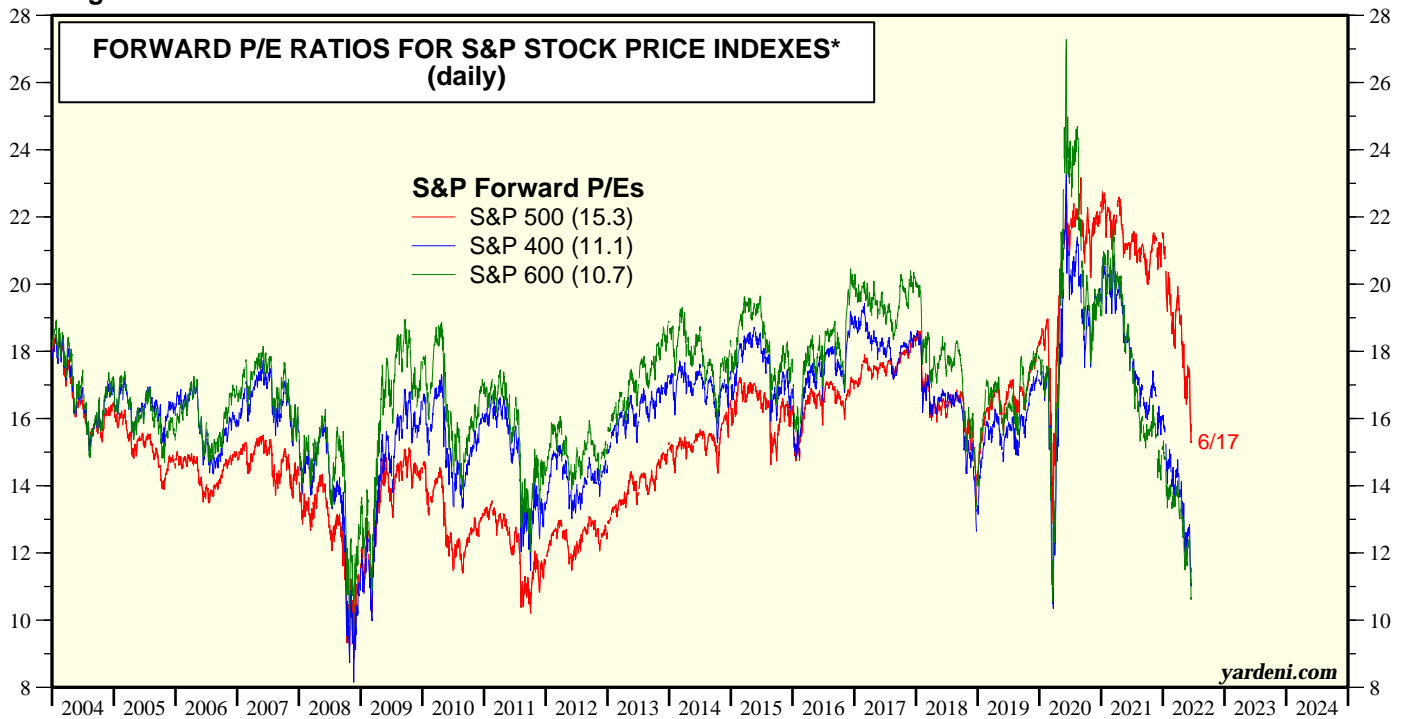
* Price divided by 52-week forward consensus expected operating earnings per share.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%.
 Yellow areas are bull markets.
 Source: I/B/E/S data by Refinitiv and Standard & Poor's.

Figure 2.



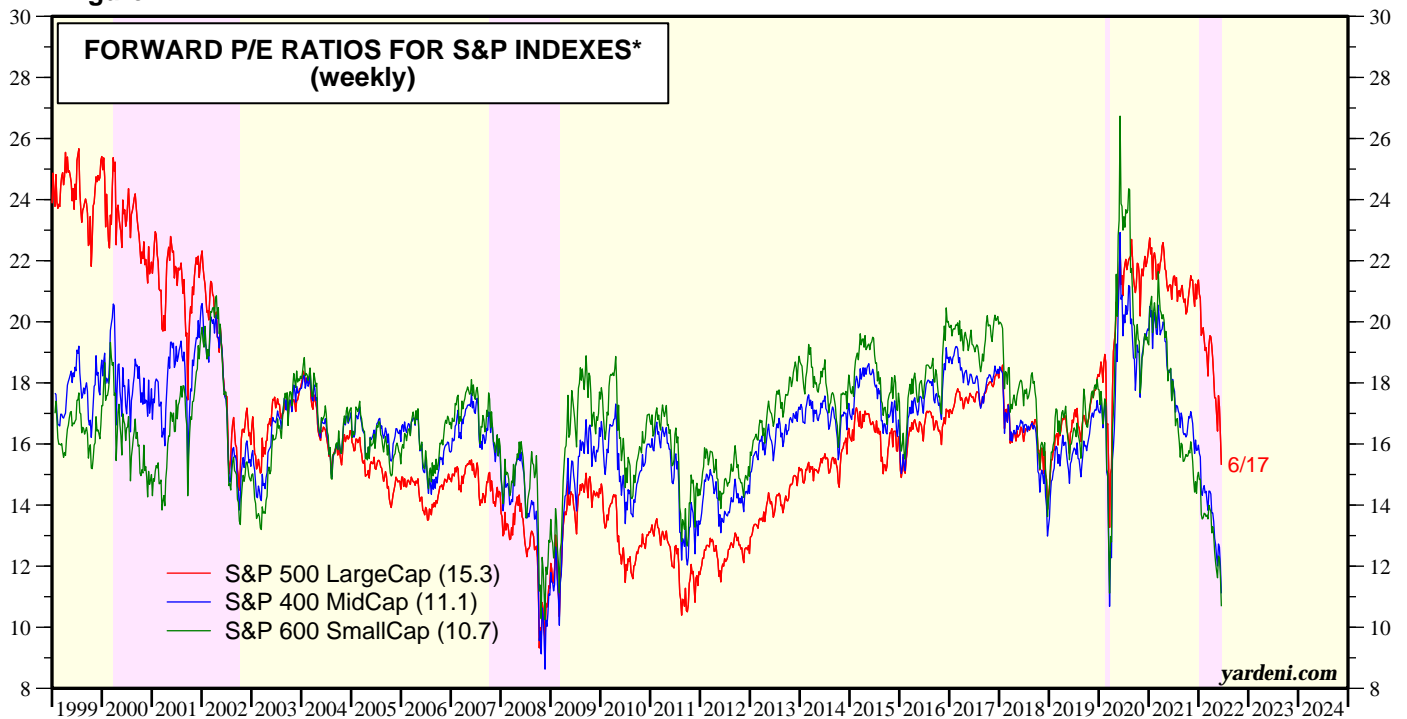
* Weekly stock price index divided by 52-week forward consensus expected operating earnings per share
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv and Standard & Poor's.

Figure 3.



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

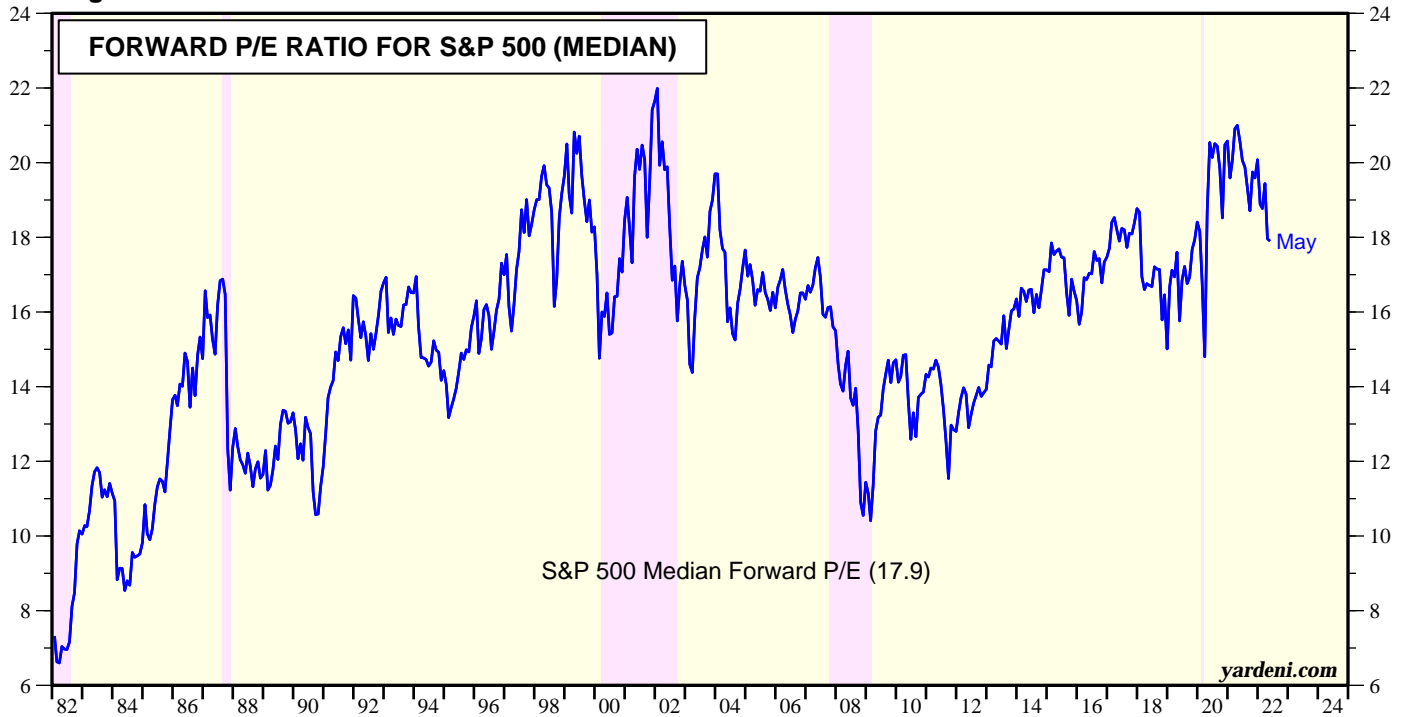
Figure 4.



* Price divided by 52-week forward consensus expected operating earnings per share.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: I/B/E/S data by Refinitiv.

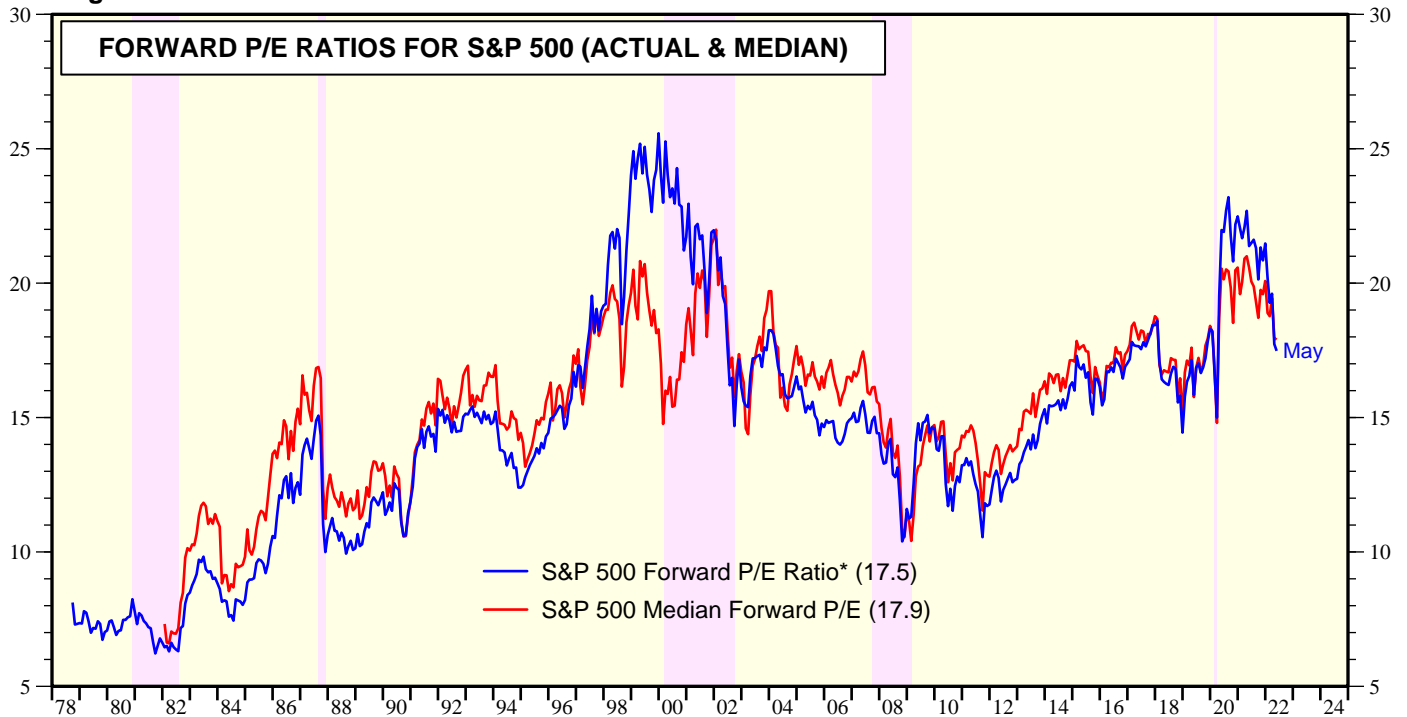
Median Forward P/E: S&P 500

Figure 5.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: I/B/E/S data by Refinitiv.

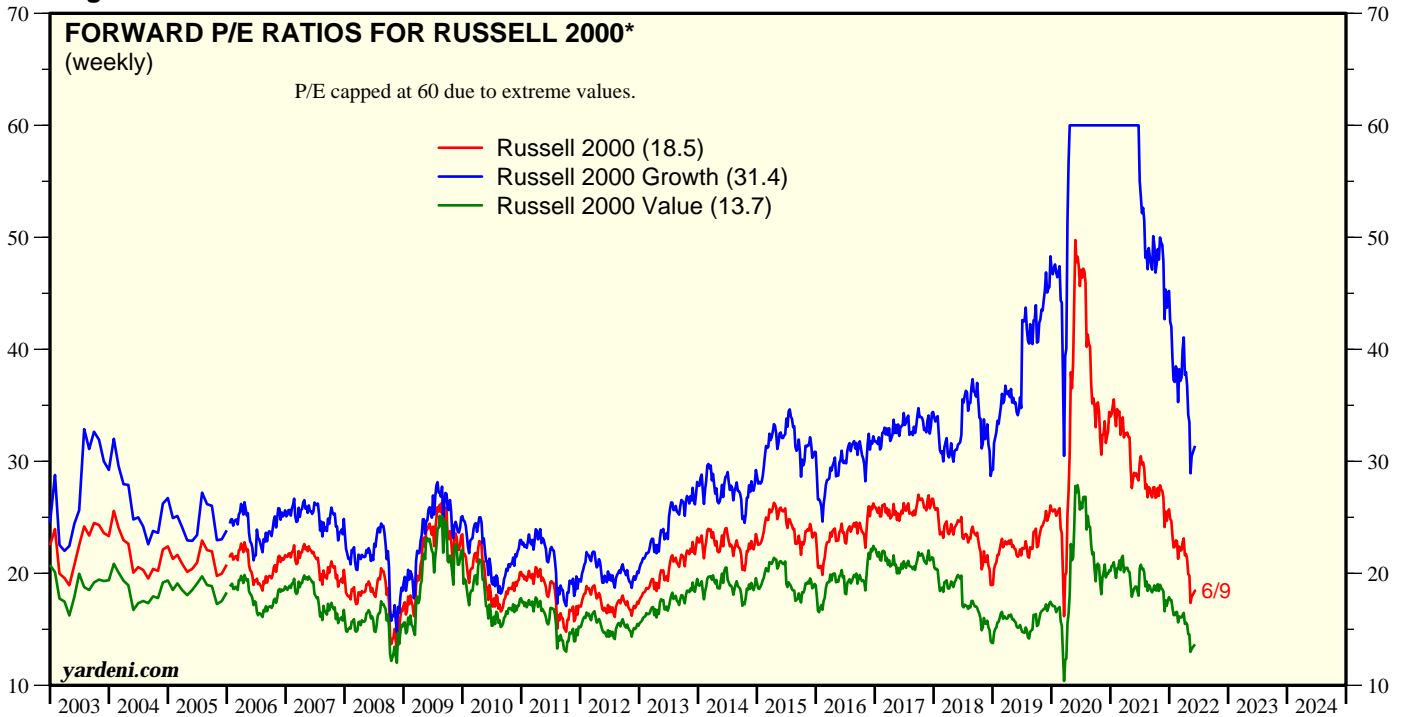
Figure 6.



* Average weekly price divided by 52-week forward consensus expected operating earnings per share.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: I/B/E/S data by Refinitiv.

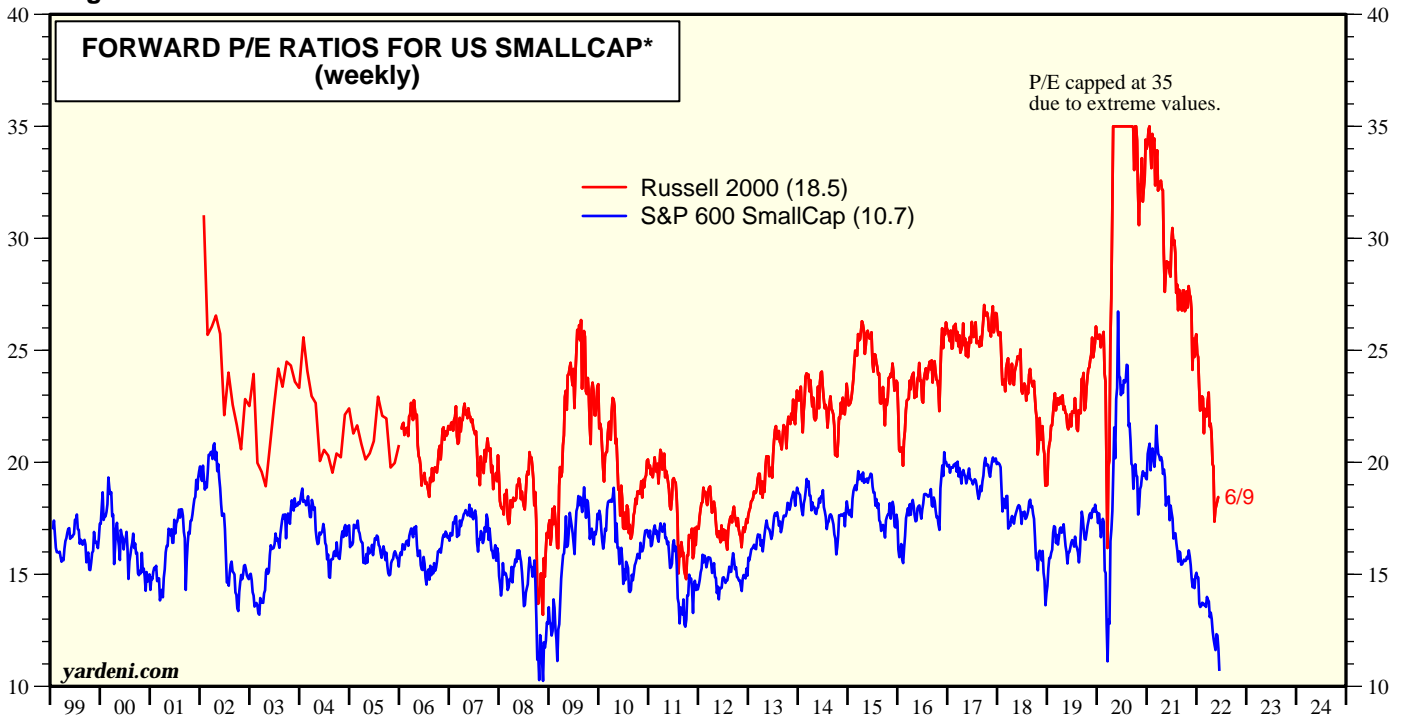
Forward P/E: Russell 2000

Figure 7.



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

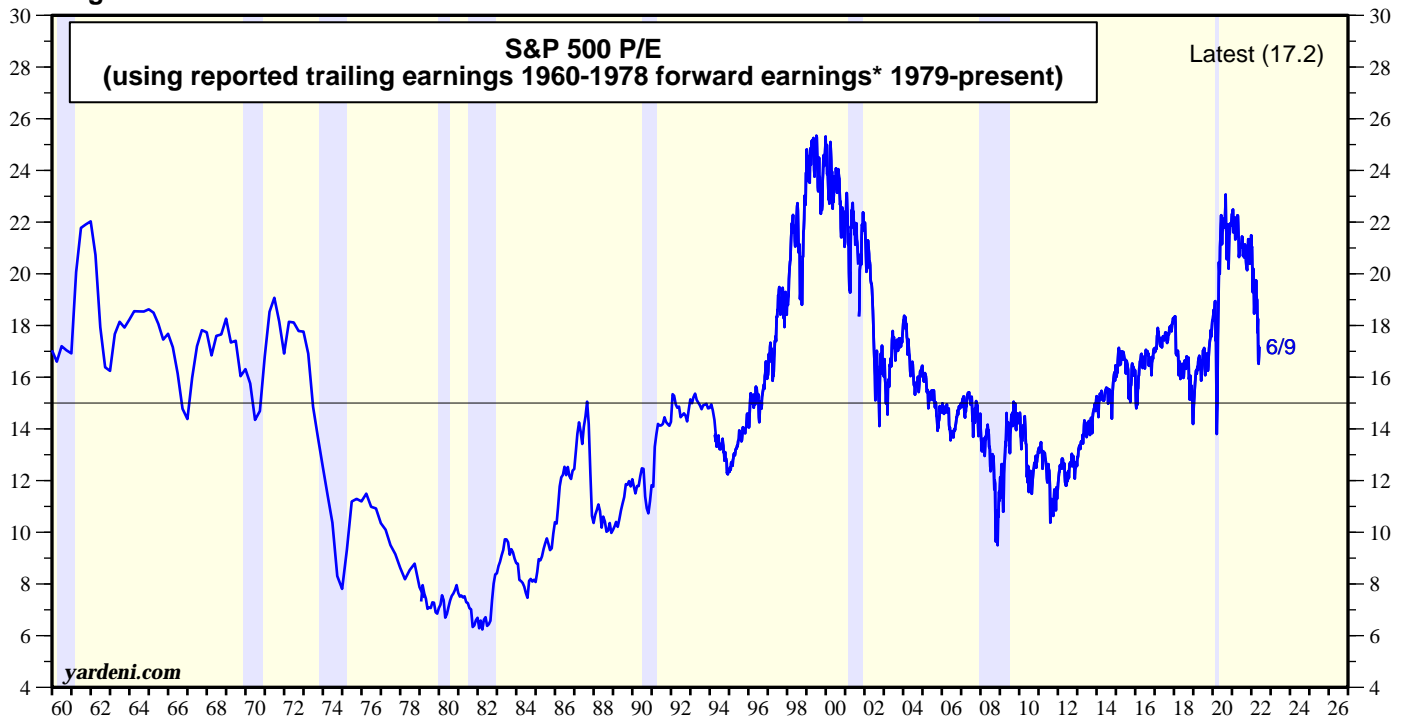
Figure 8.



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

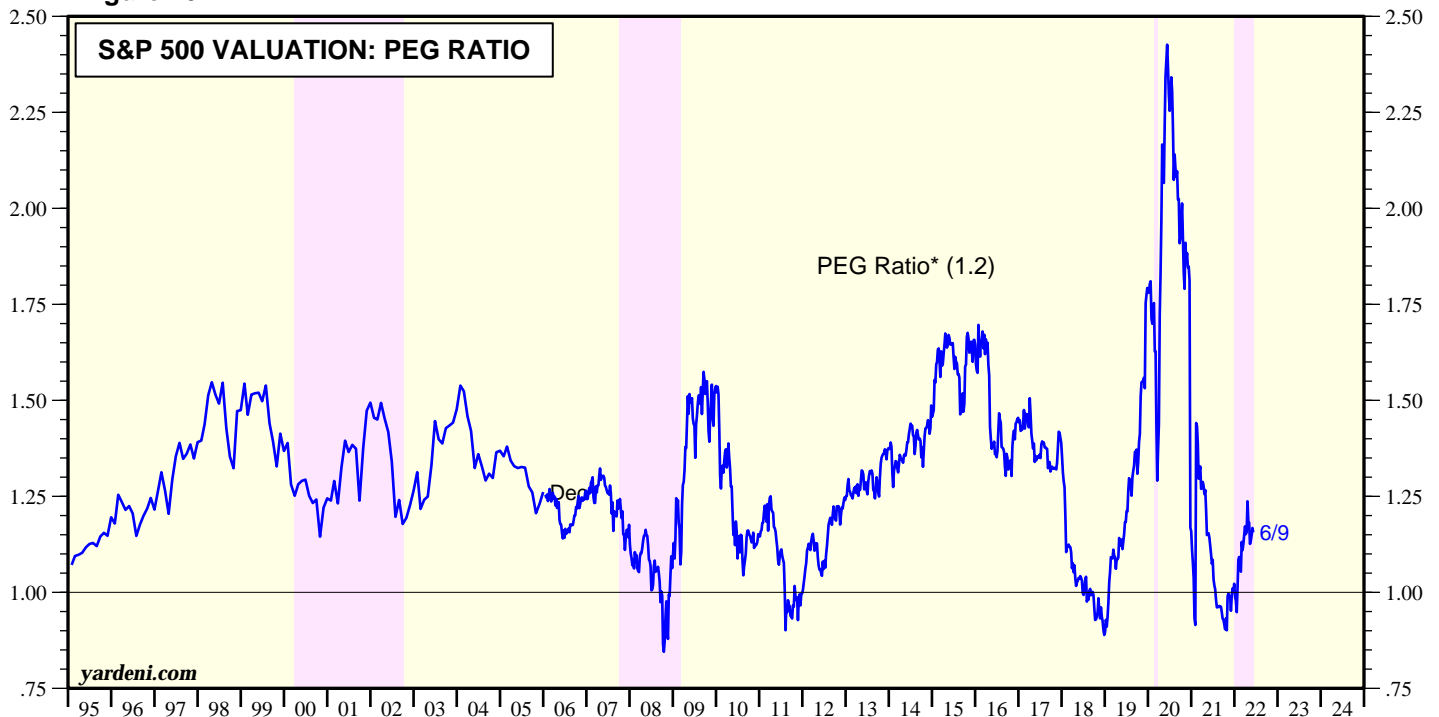
P/E & PEG: S&P 500

Figure 9.



* Time-weighted average of consensus estimates of S&P 500 operating earnings per share for current year and next year. Monthly from January 1979 through April 1994, then weekly.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: I/B/E/S data by Refinitiv and Standard & Poor's.

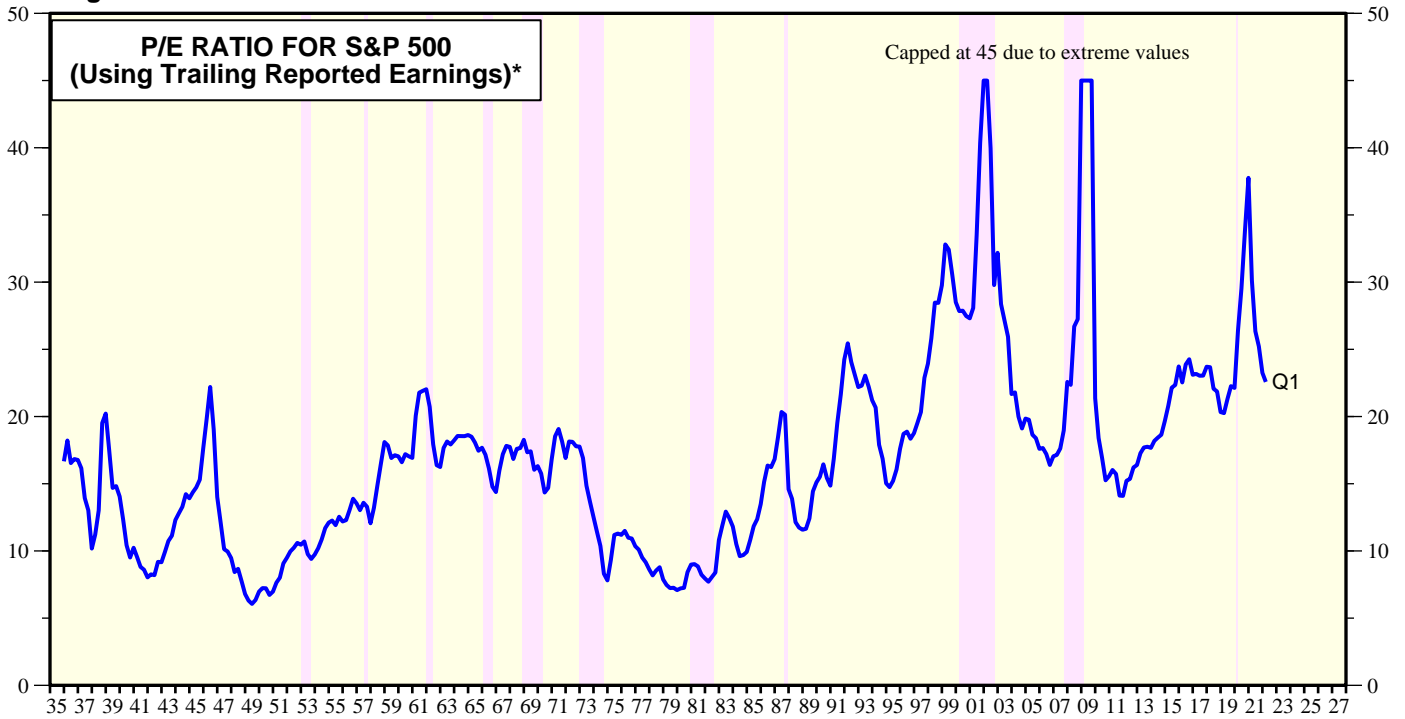
Figure 10.



* Forward P/E divided by LTEG, which is 5-year forward consensus expected annual earnings growth. Monthly through 2005, then weekly.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv.

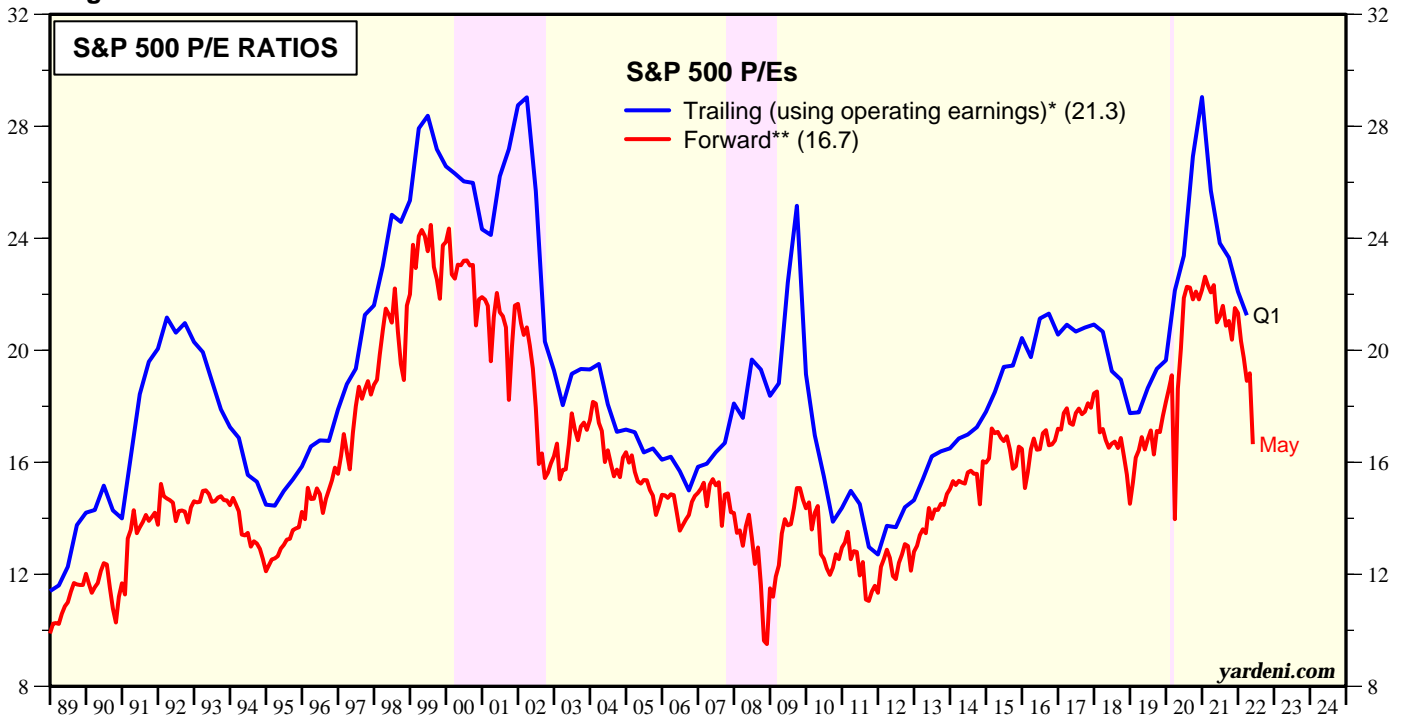
Trailing P/E

Figure 11.



* Using 4-quarter trailing reported earnings.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: Standard & Poor's.

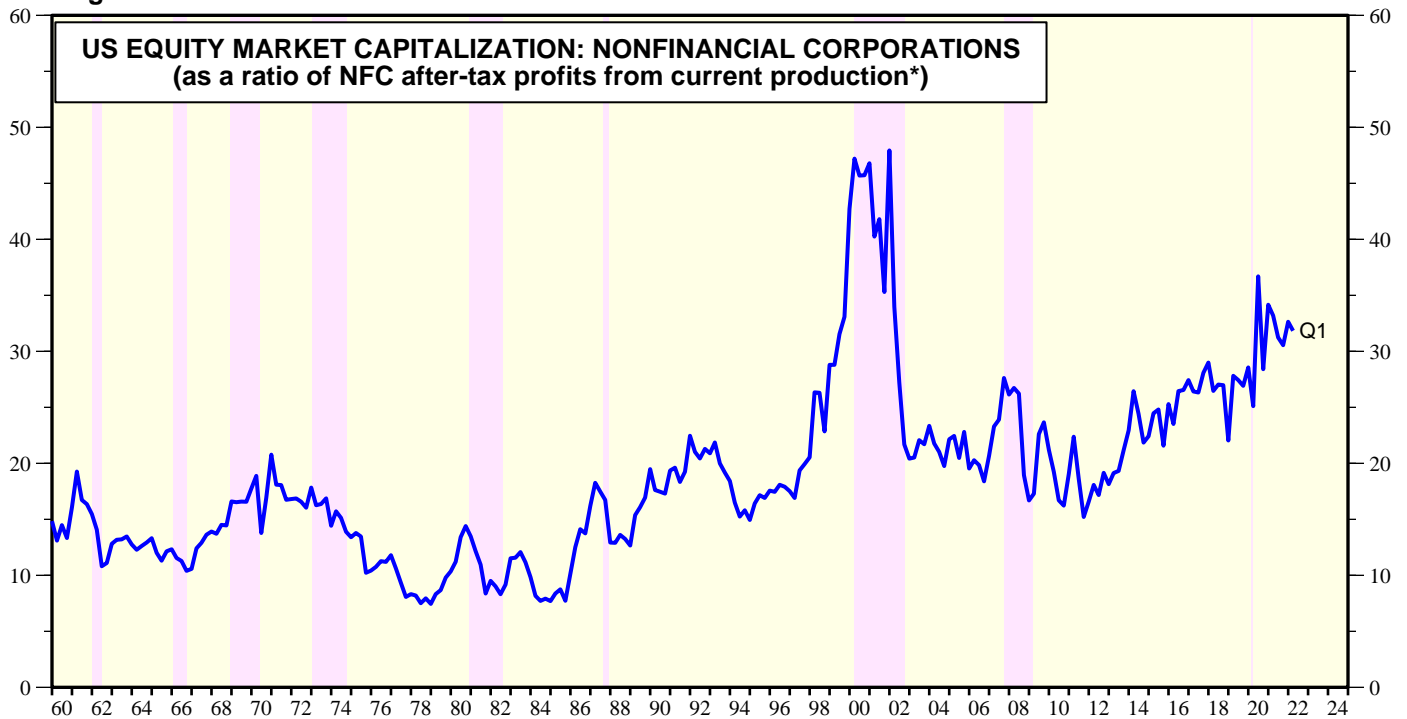
Figure 12.



* Using quarterly average of daily data for S&P 500 price index, and 4-quarter trailing operating earnings (I/B/E/S data).
 ** S&P 500 stock price index divided by S&P 500 12-month forward analysts' consensus expected operating earnings per share.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv and Standard & Poor's.

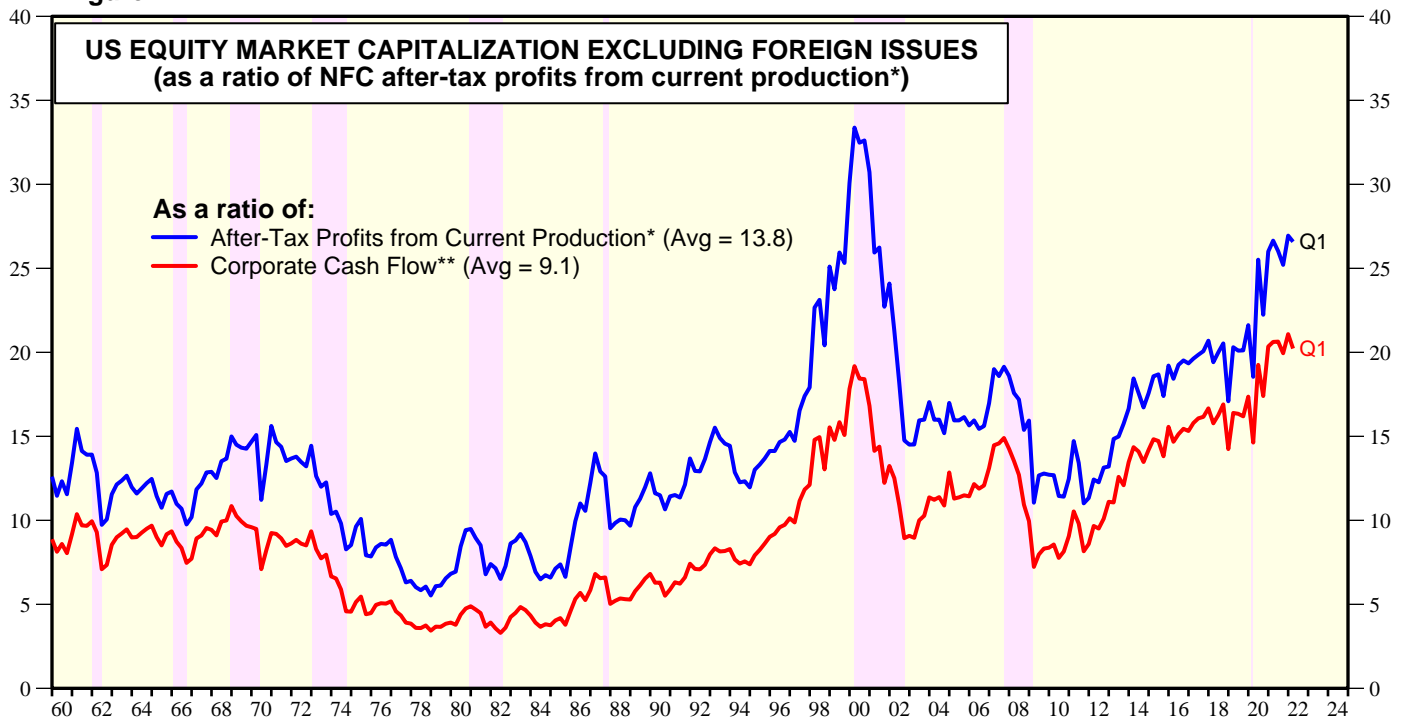
P/E

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.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: Haver Analytics.

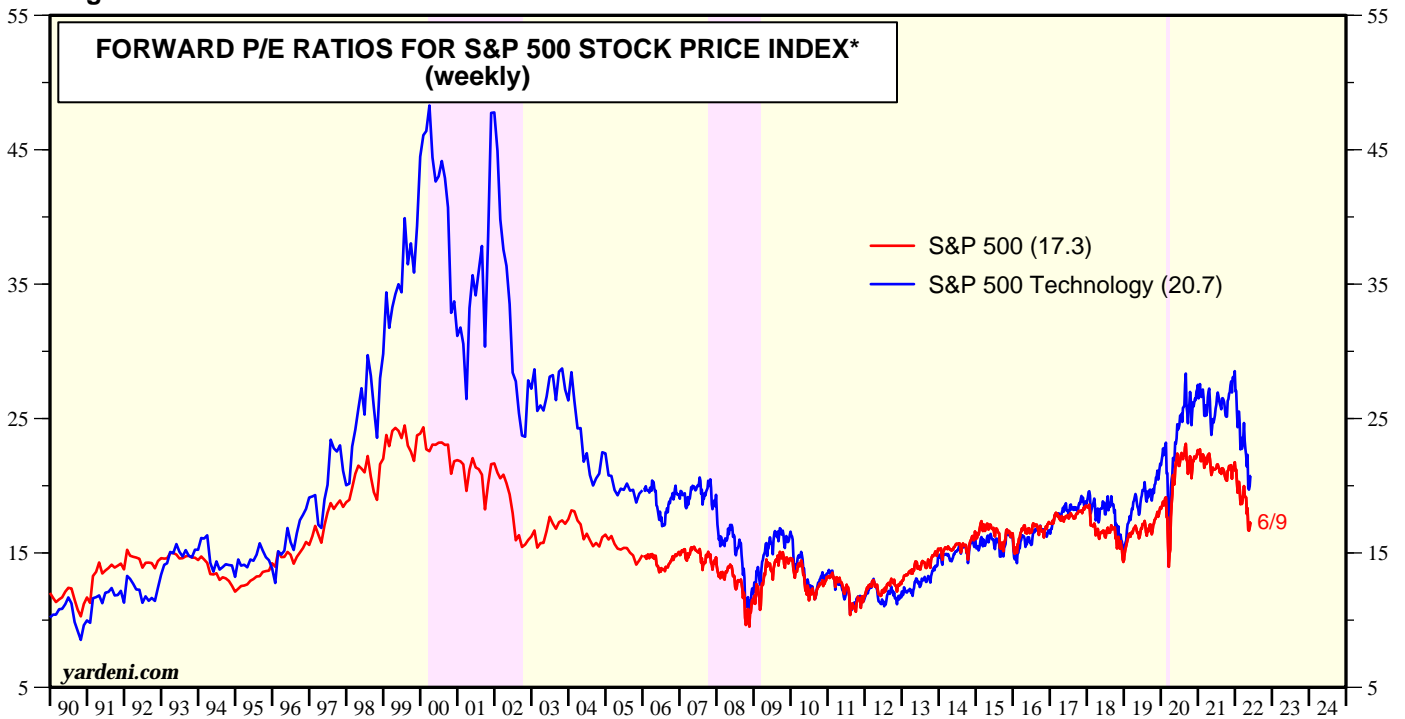
Figure 14.



* 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.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: I/B/E/S data by Refinitiv, Bureau of Economic Analysis, Federal Reserve Board Flow of Funds Accounts, and Standard & Poor's.

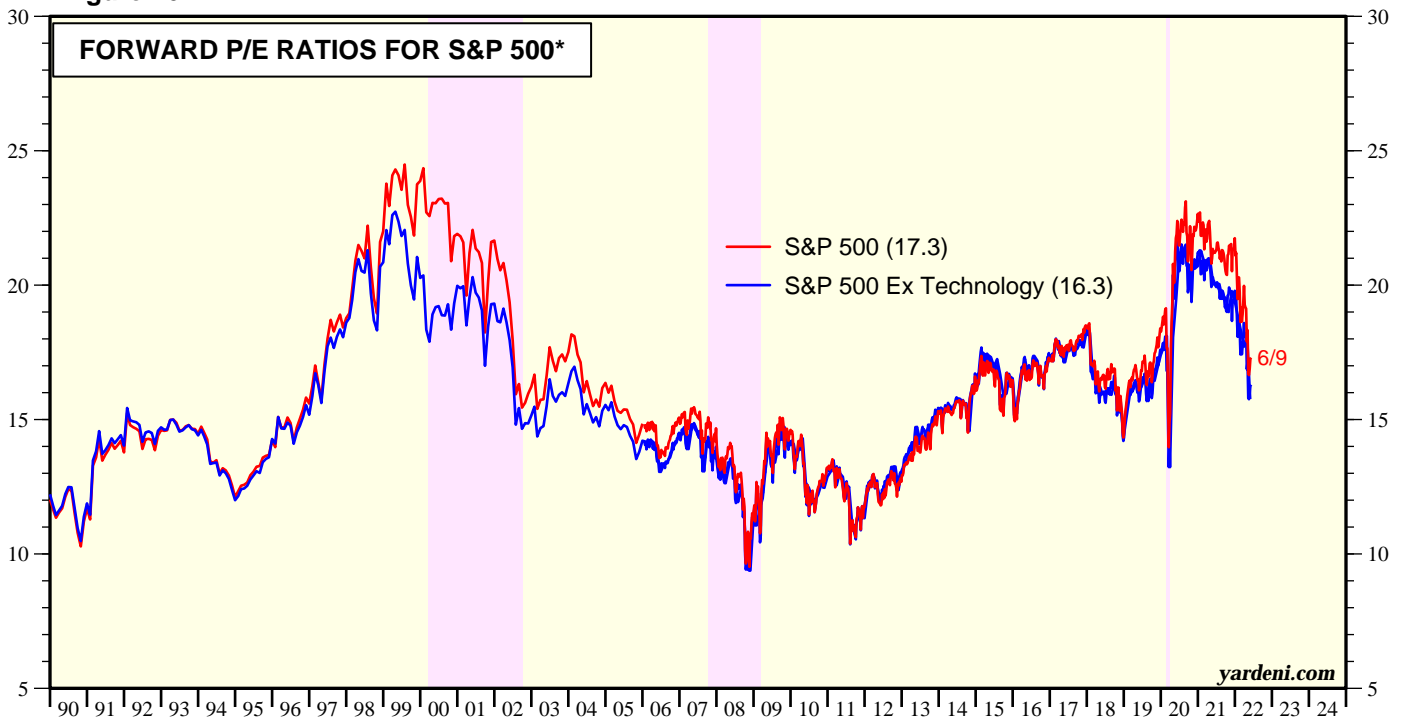
P/E

Figure 15.



* Stock price index divided by forward consensus expected operating earnings per share. Monthly through December 2005, then weekly.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: Standard & Poor's.

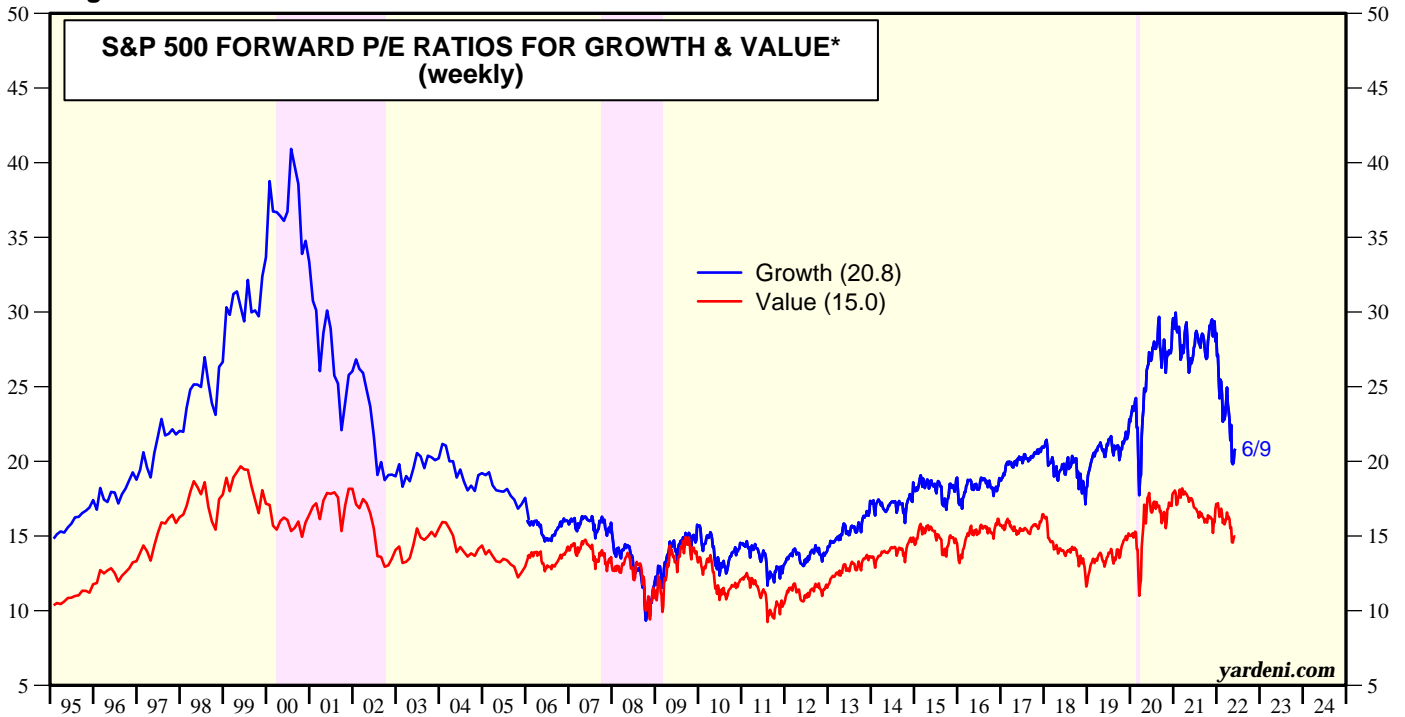
Figure 16.



* Stock price index divided by forward consensus expected operating earnings per share. Monthly through December 2005, then weekly.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv .

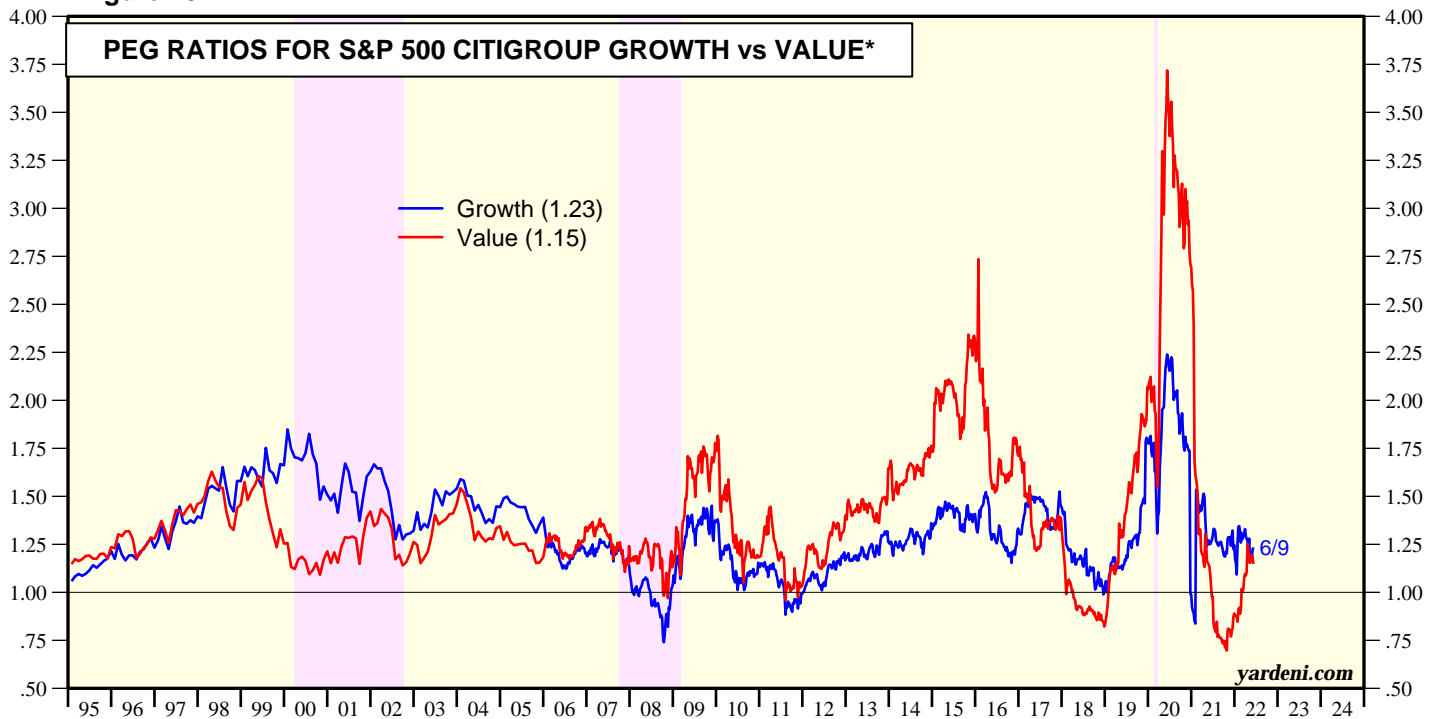
Forward P/E: Growth vs Value

Figure 17.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas are bull markets.
Source: I/B/E/S data by Refinitiv.

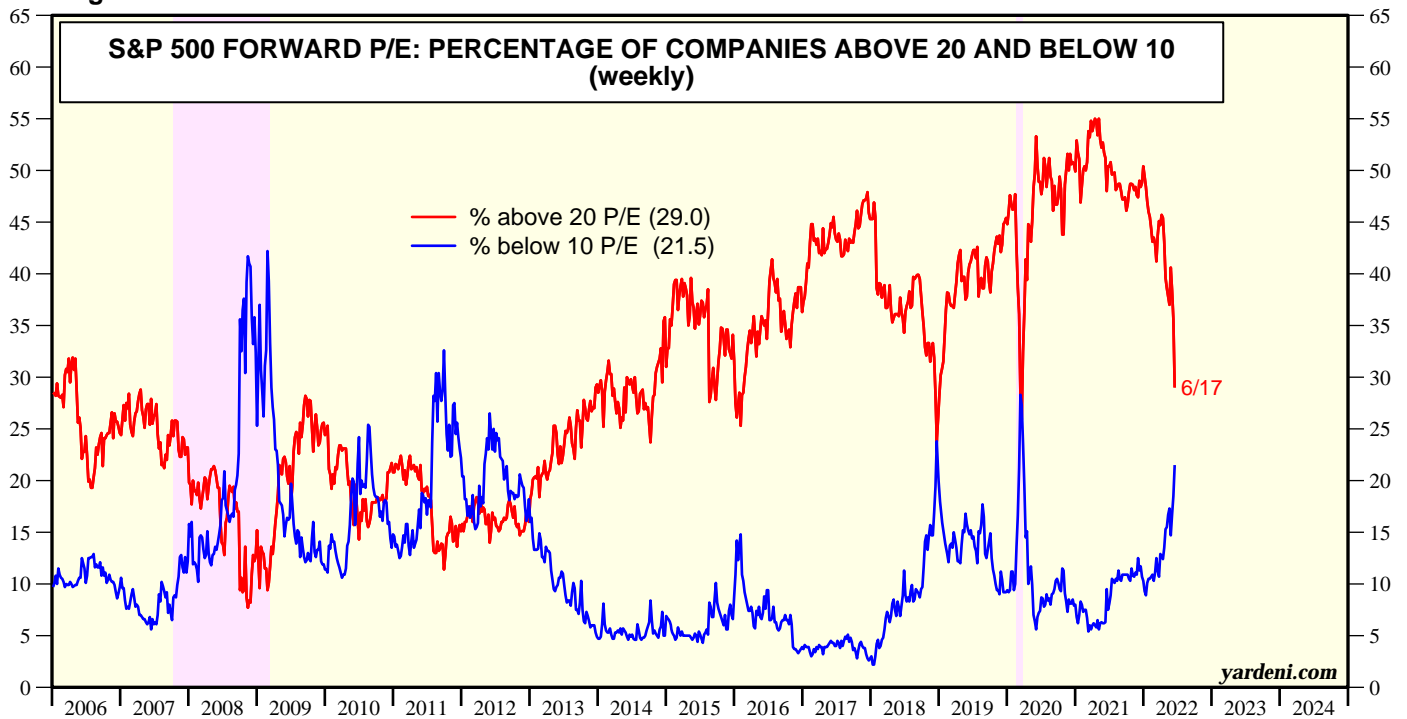
Figure 18.



* 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.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas are bull markets.
Source: I/B/E/S data by Refinitiv.

Forward P/E: Growth vs Value

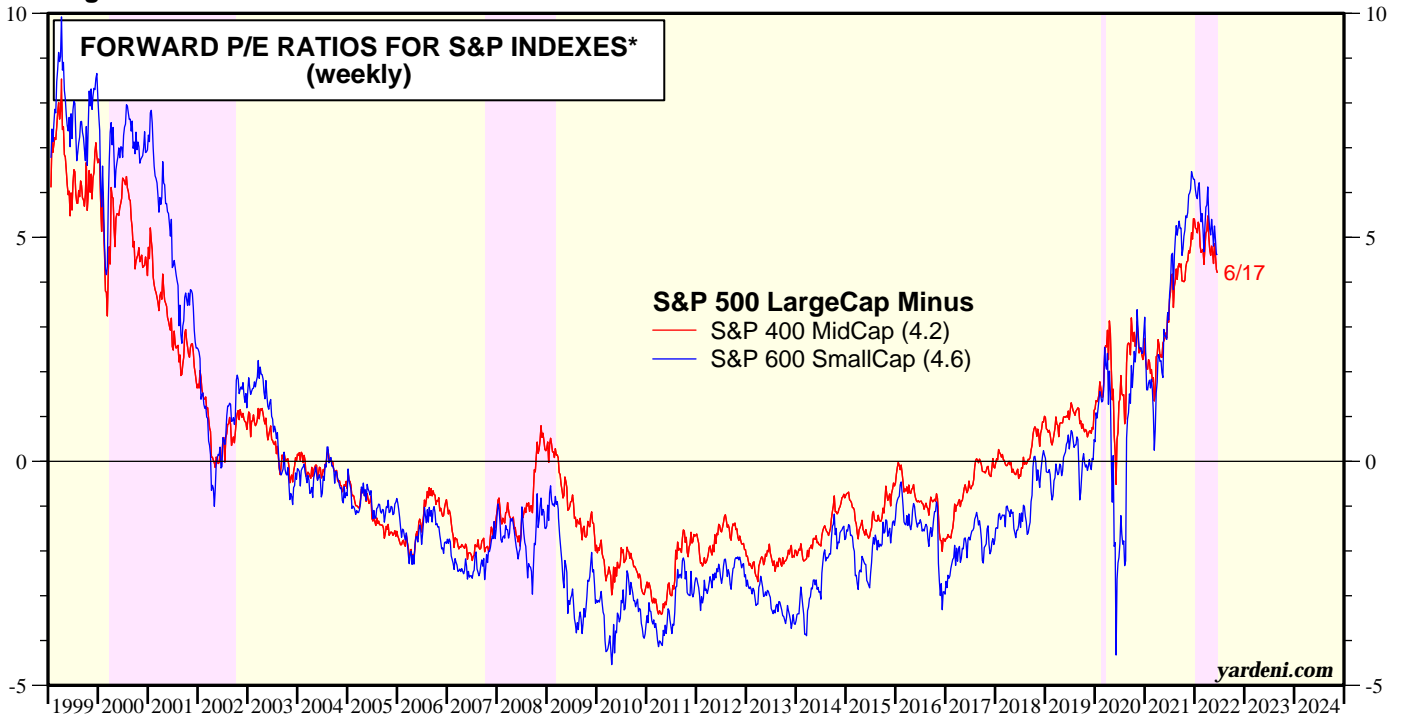
Figure 19.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas are bull markets.
Source: Yardeni Research using I/B/E/S data by Refinitiv.

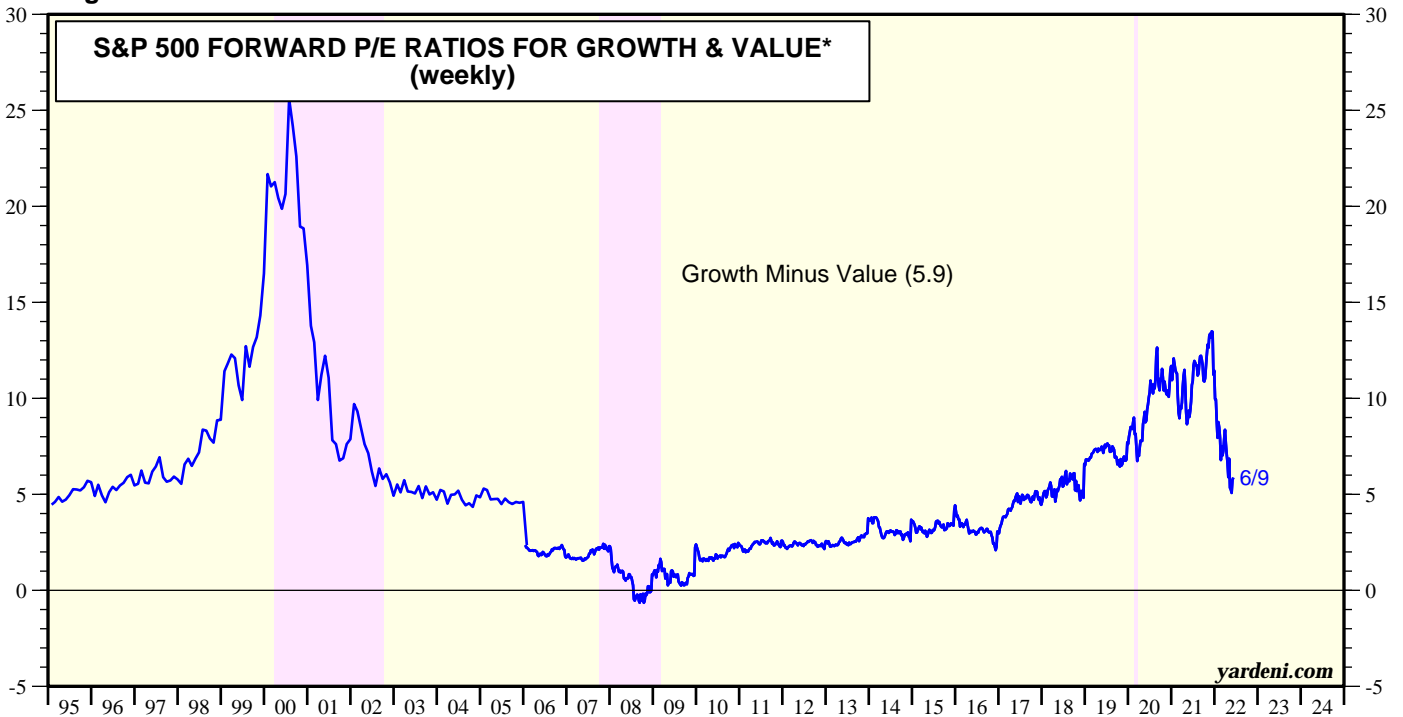
Miscellaneous

Figure 20.



* Price divided by 52-week forward consensus expected operating earnings per share.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv.

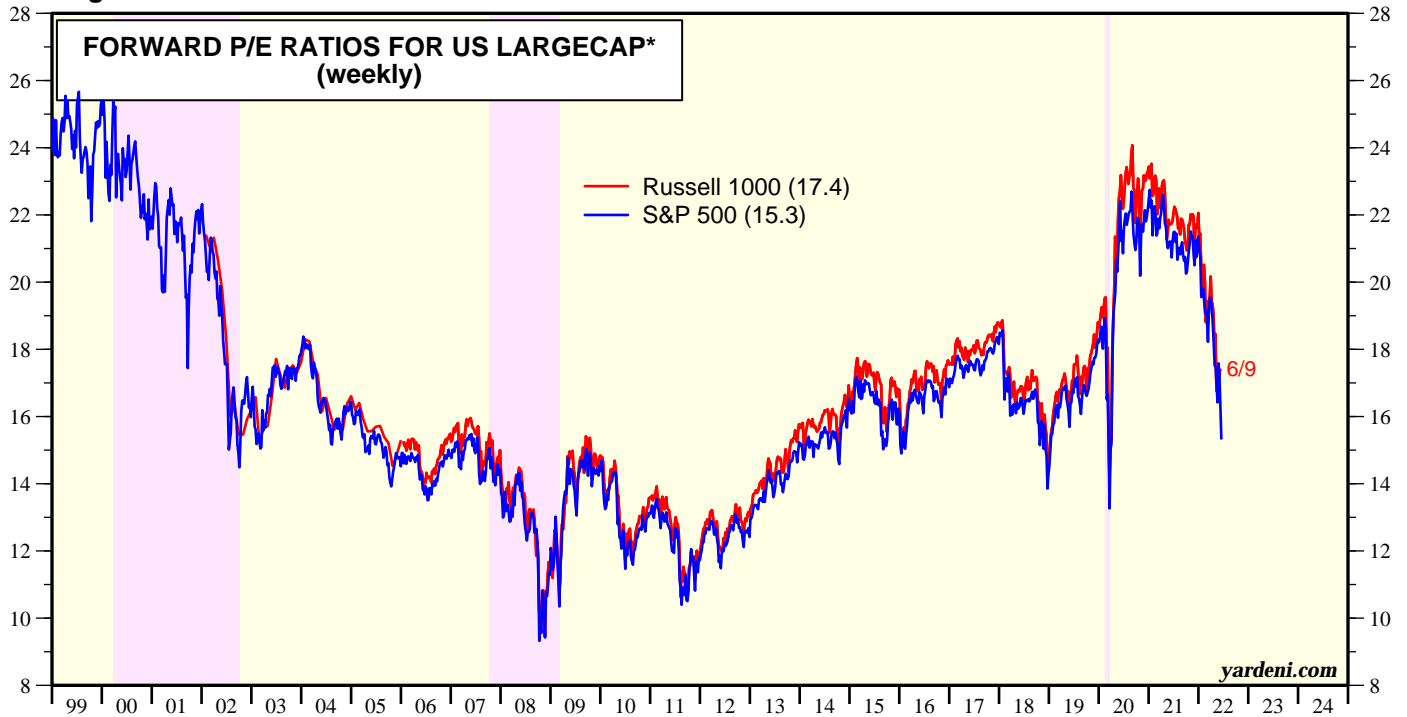
Figure 21.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas are bull markets.
 Source: I/B/E/S data by Refinitiv.

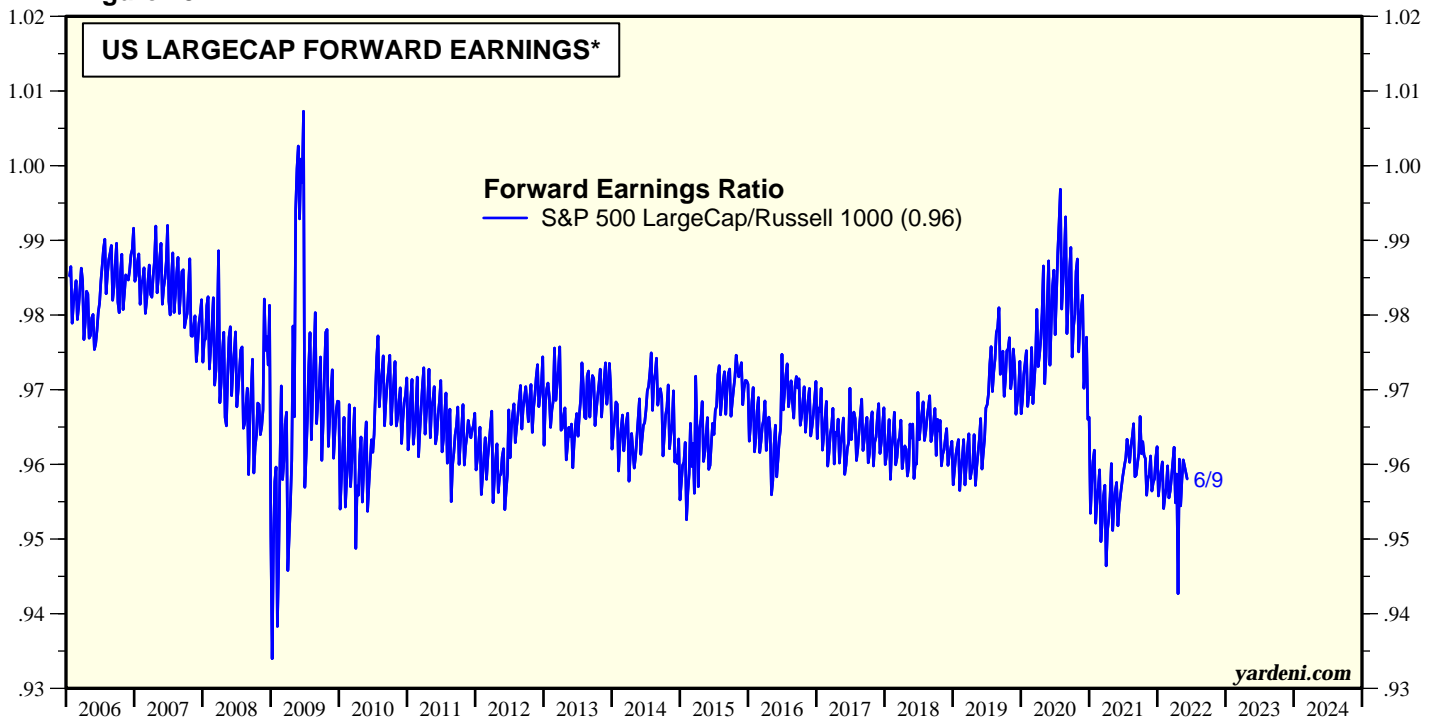
Miscellaneous

Figure 22.



* Price divided by 12-month forward consensus expected operating earnings per share.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
Source: I/B/E/S data by Refinitiv.

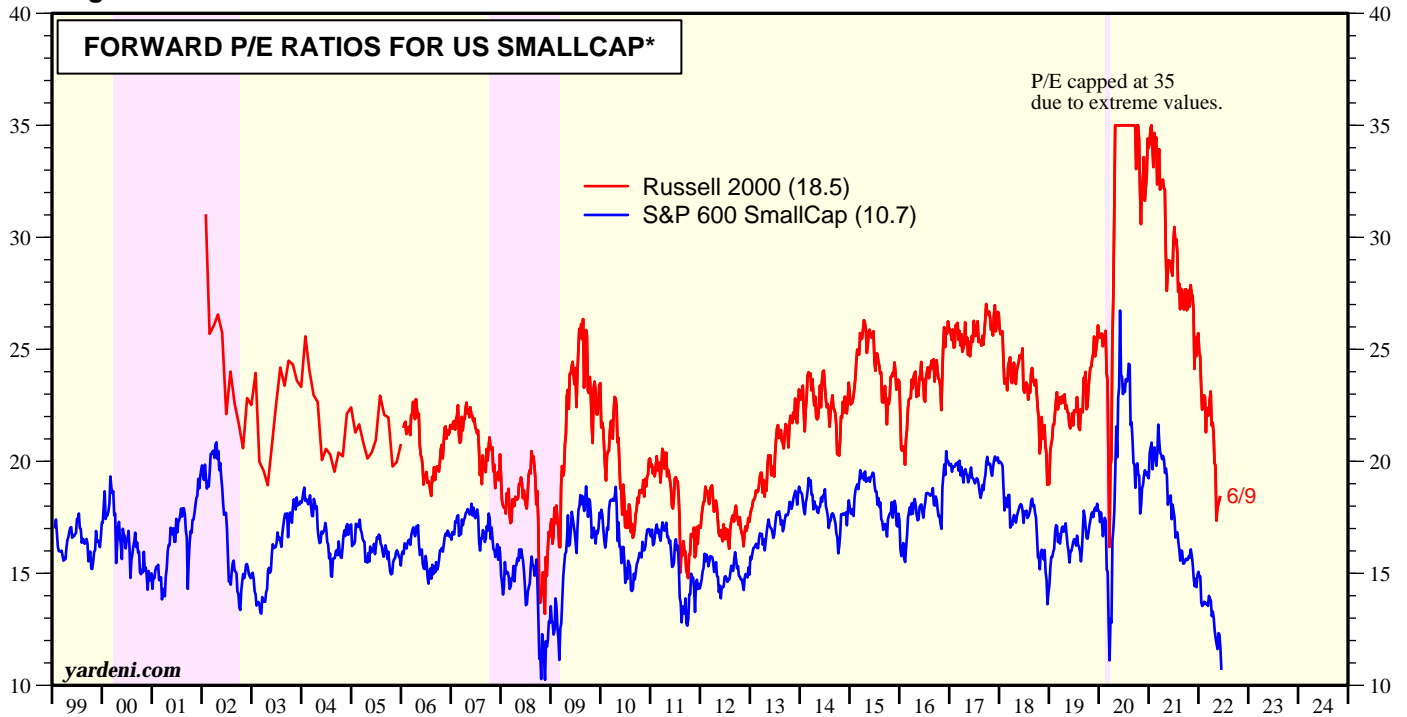
Figure 23.



* Price divided by 12-month forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv.

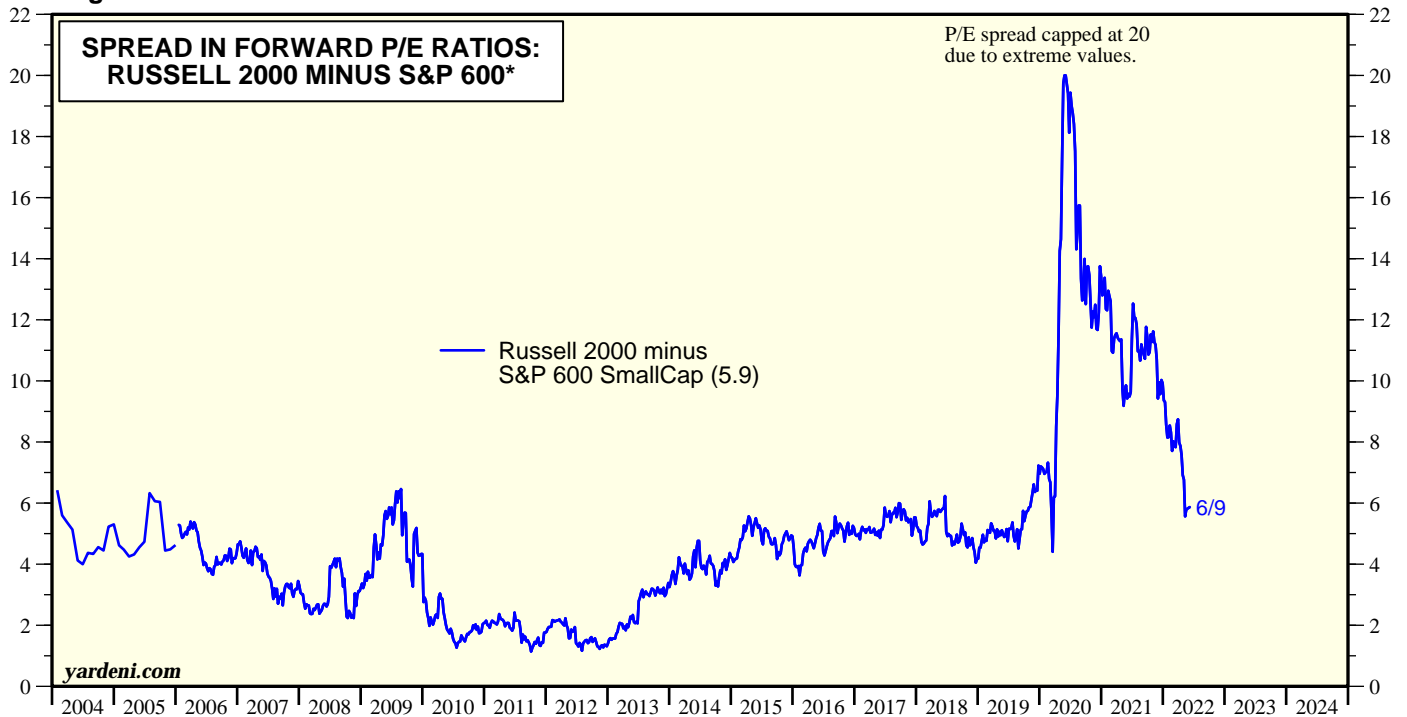
Miscellaneous

Figure 24.



* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter. Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets. Source: I/B/E/S data by Refinitiv.

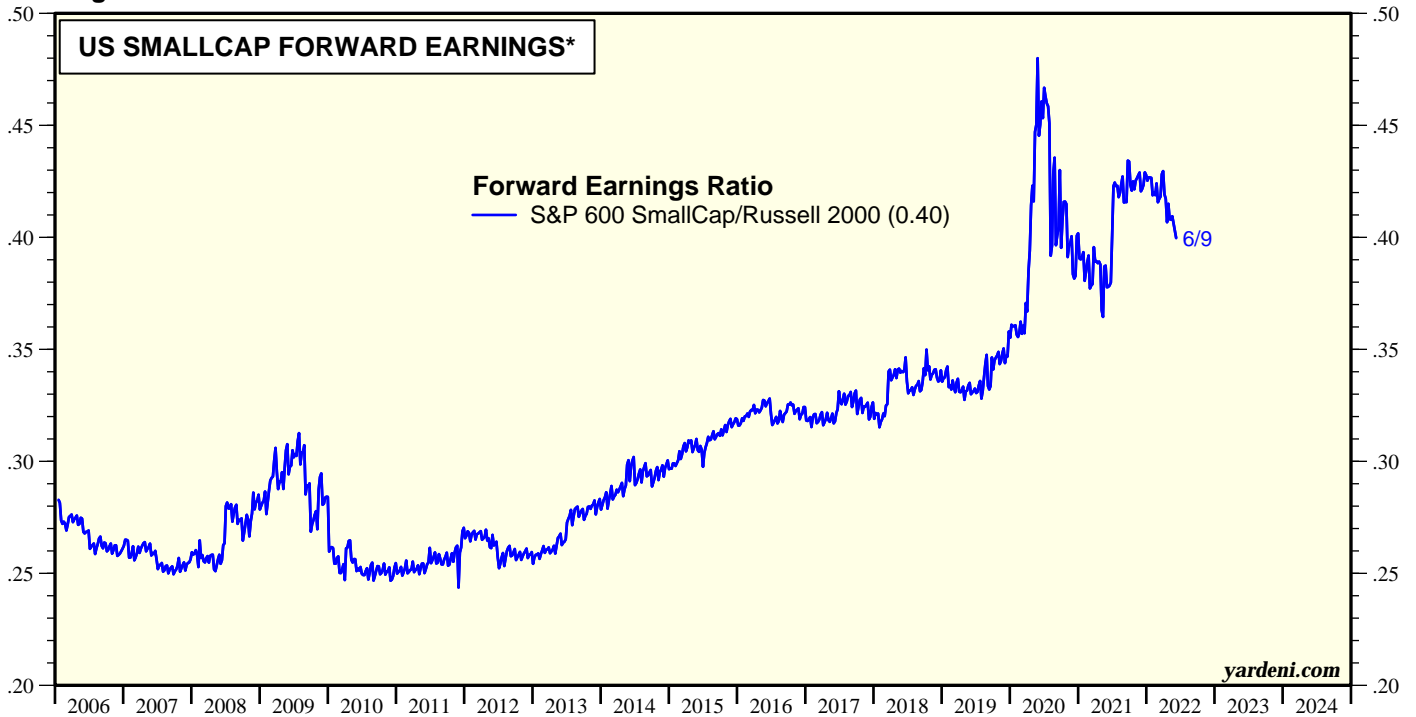
Figure 25.



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

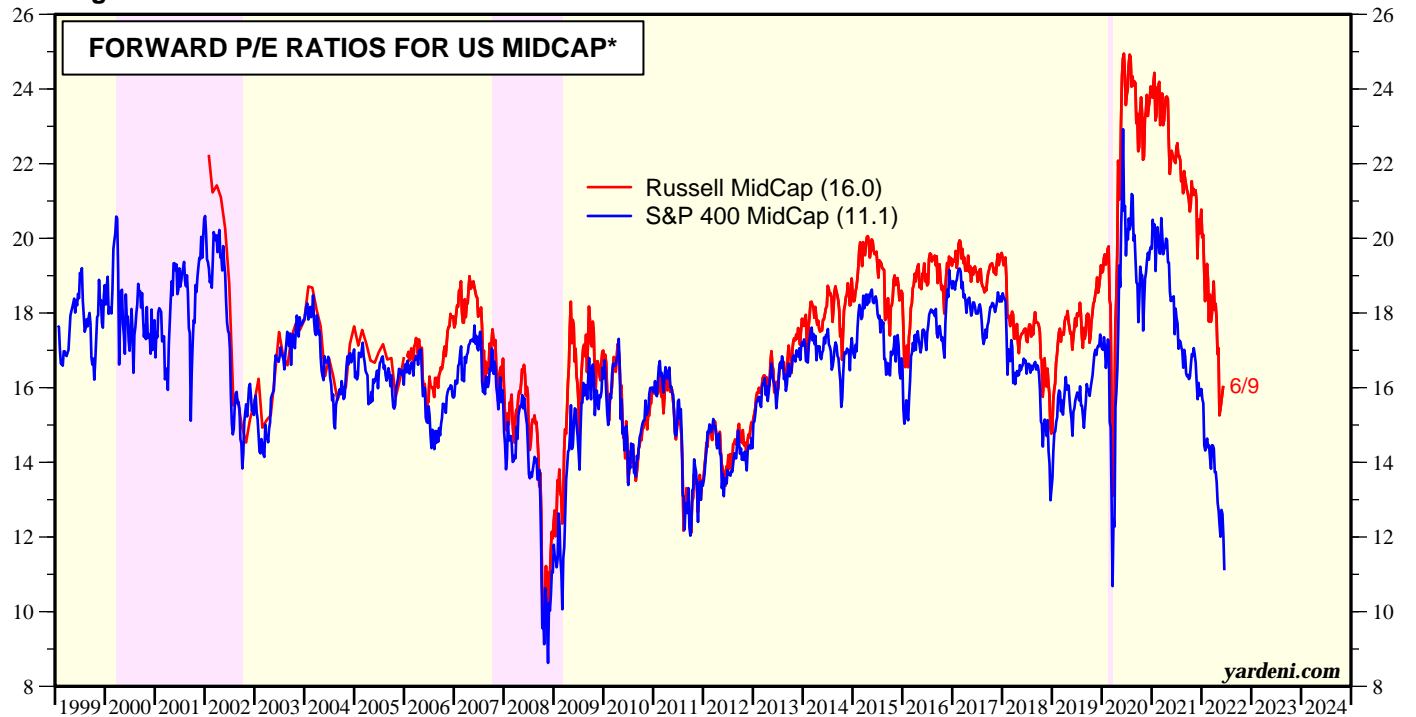
Miscellaneous

Figure 26.



* Price divided by 12-month forward consensus expected operating earnings per share.
 Source: I/B/E/S data by Refinitiv.

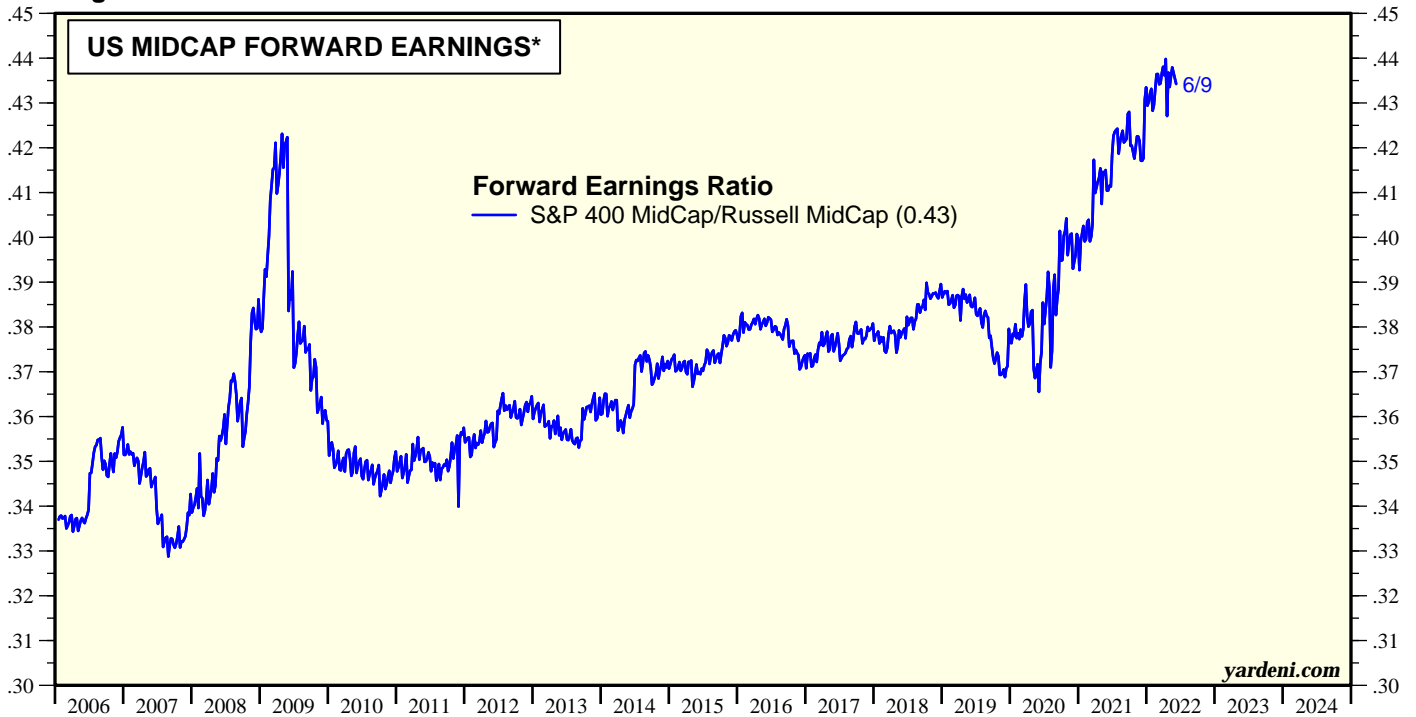
Figure 27.



* Price divided by 12-month forward consensus expected operating earnings per share.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: I/B/E/S data by Refinitiv.

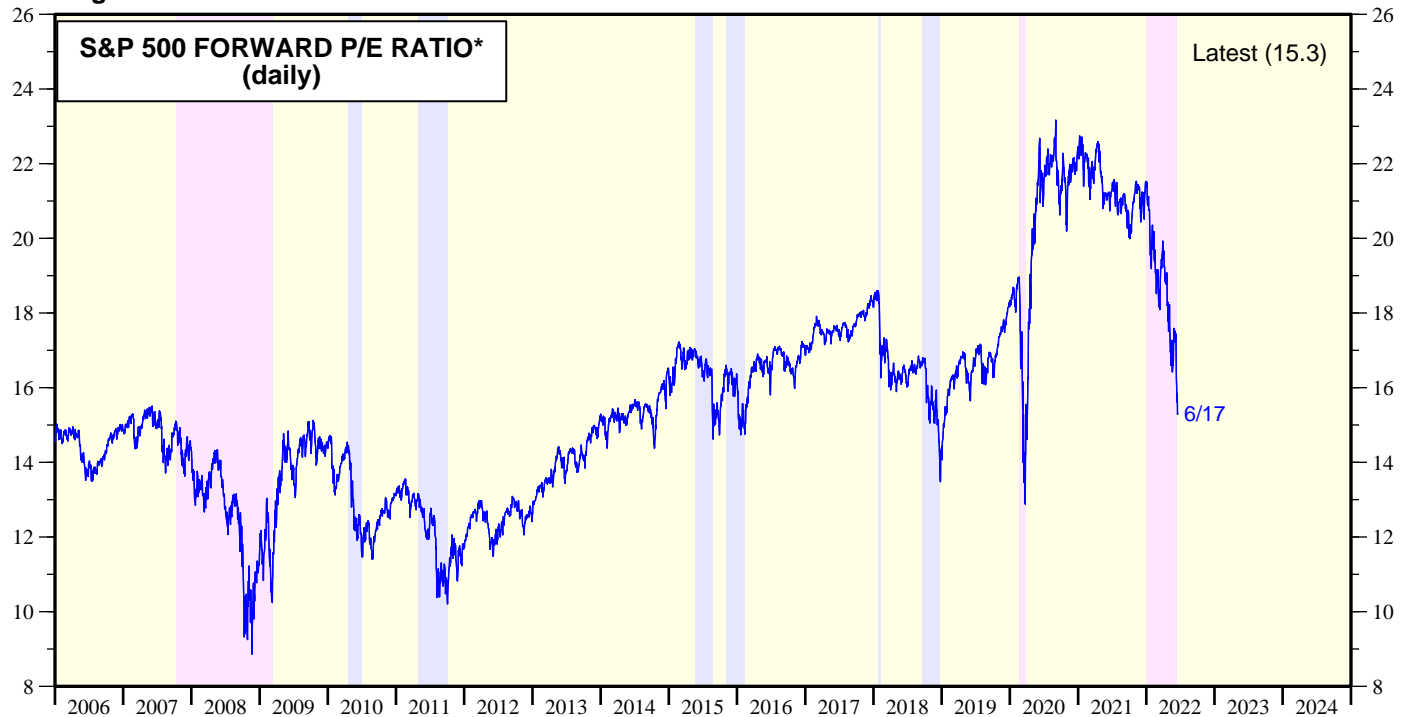
Miscellaneous

Figure 28.



* Price divided by 12-month forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv.

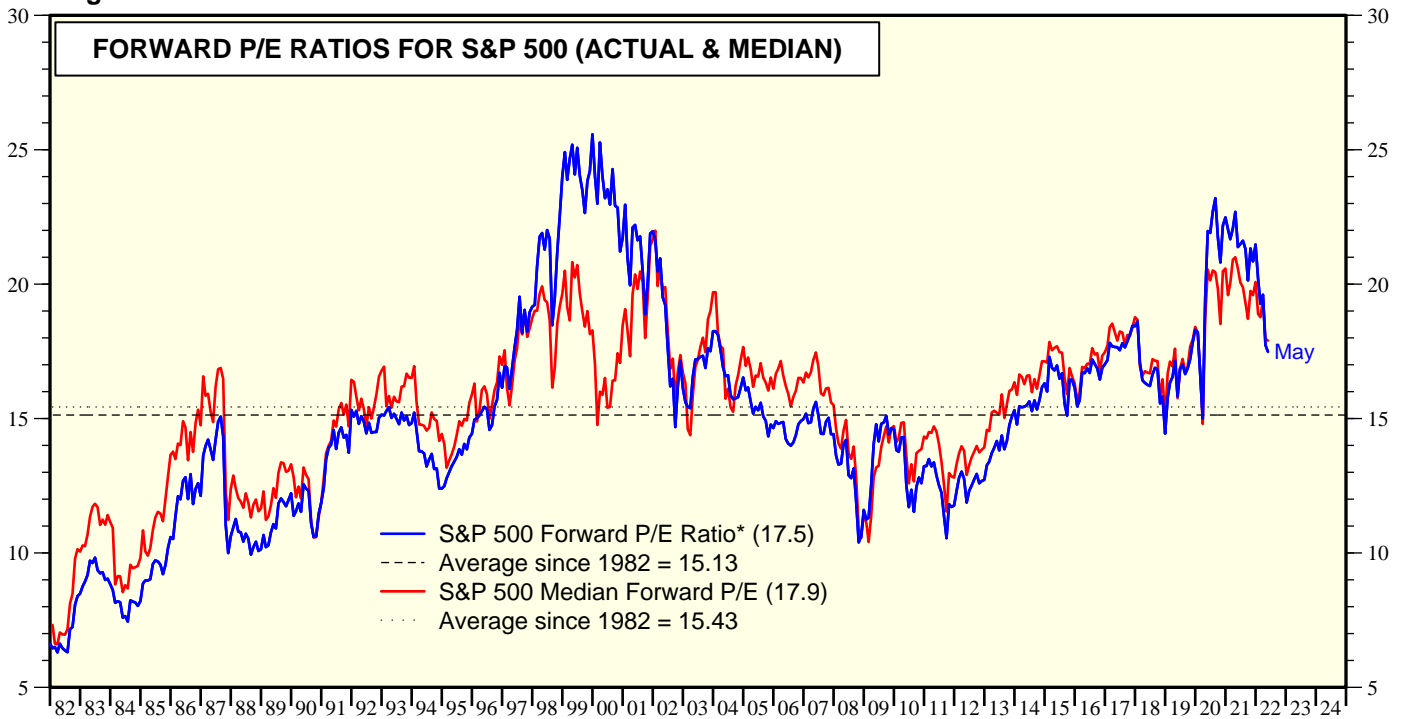
Figure 29.



* Price divided by 52-week forward consensus expected operating earnings per share.
Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%.
Yellow areas are bull markets.
Source: I/B/E/S data by Refinitiv and Standard & Poor's.

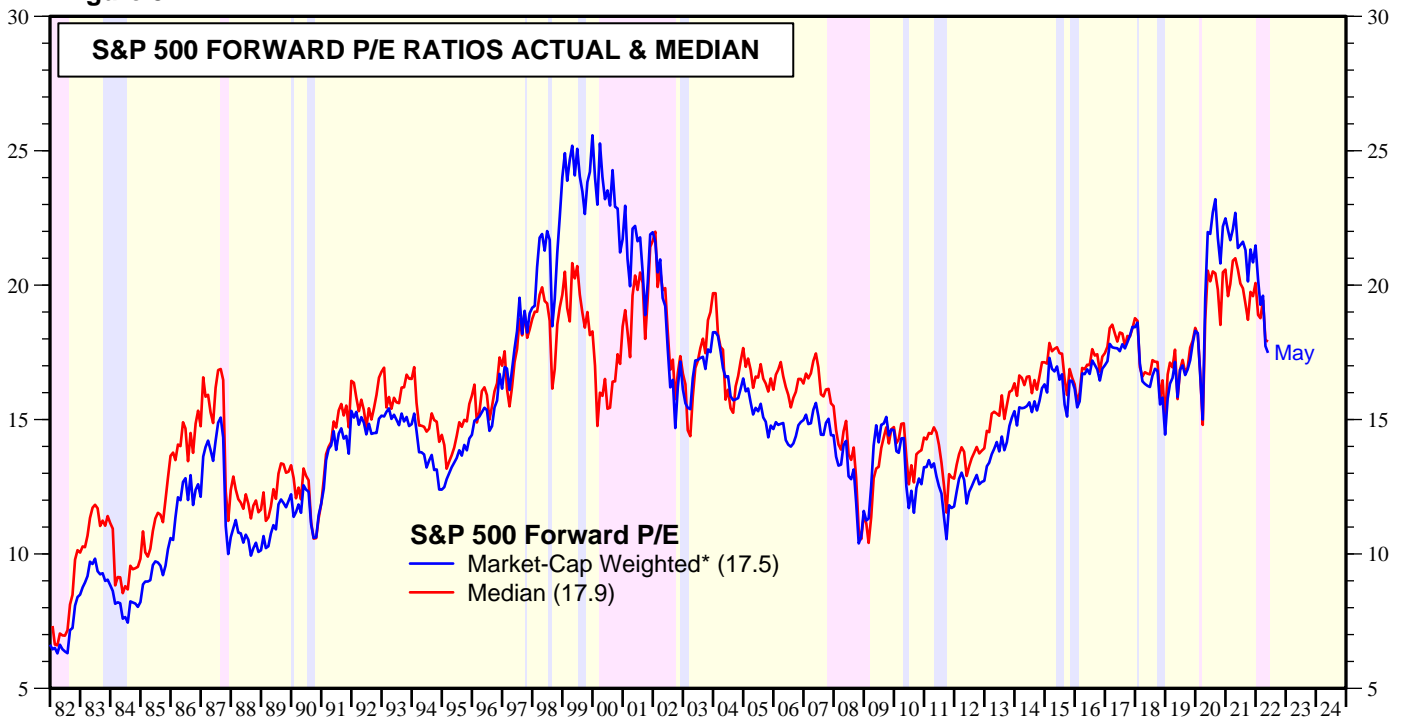
Miscellaneous

Figure 30.



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

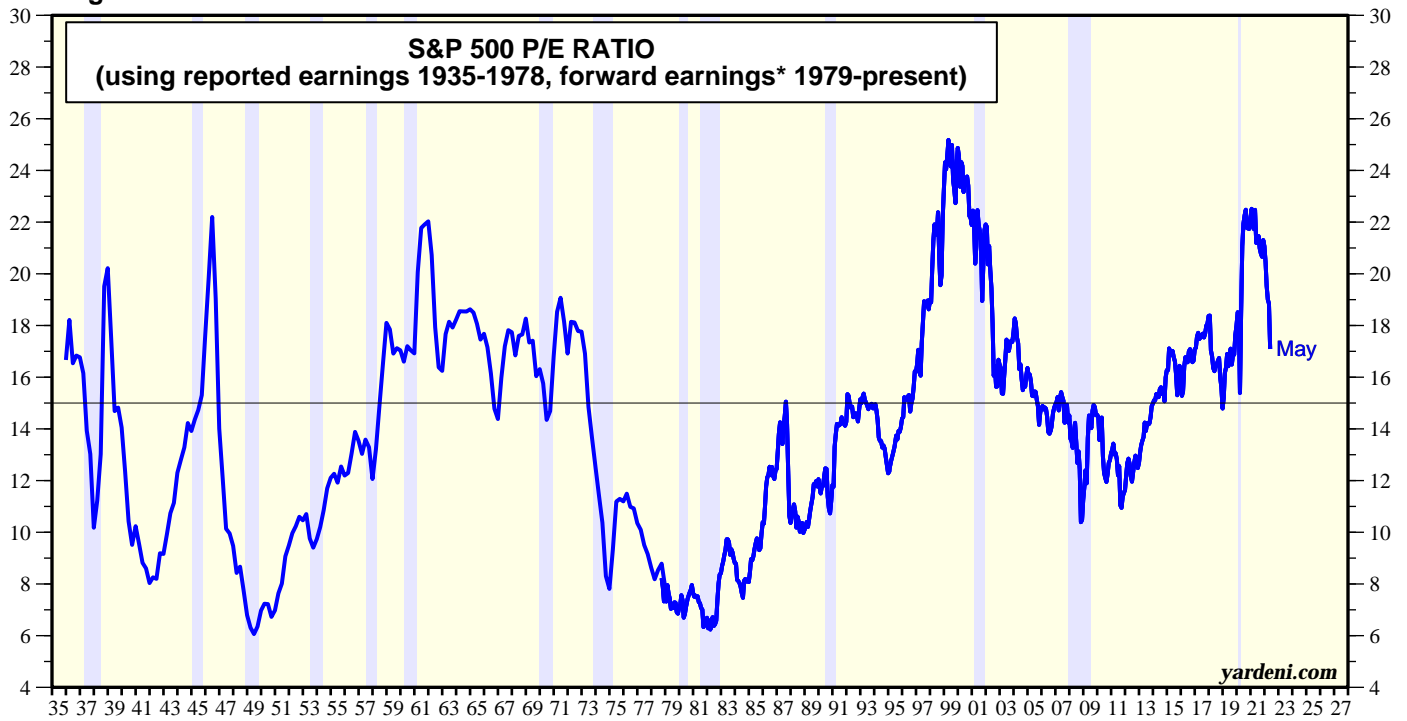
Figure 31.



* Average weekly price divided by 52-week forward consensus expected operating earnings per share.
Note: Corrections are declines of 10% or more, while minor ones are 5%-10% (all in blue shades). Bear markets are declines of 20% or more (in red shades).
Source: I/B/E/S data by Refinitiv.

Miscellaneous

Figure 32.



* Four-quarter trailing sum of reported earnings through 1978, then time-weighted average of analysts' consensus estimates for S&P 500 operating earnings per share for current year and next year. Monthly from January 1979.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: I/B/E/S data by Refinitiv and Standard & Poor's.

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