

Analyst's Handbook: Health Care

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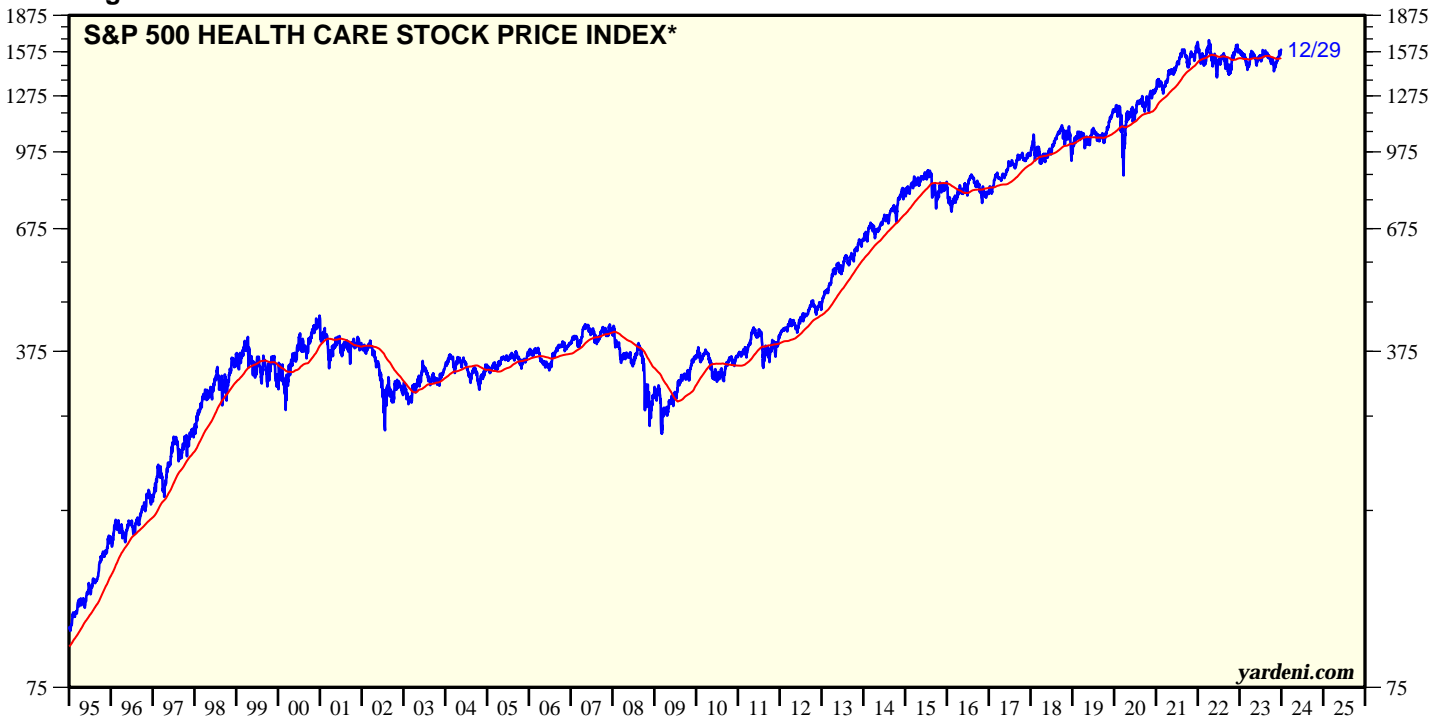
thinking outside the box

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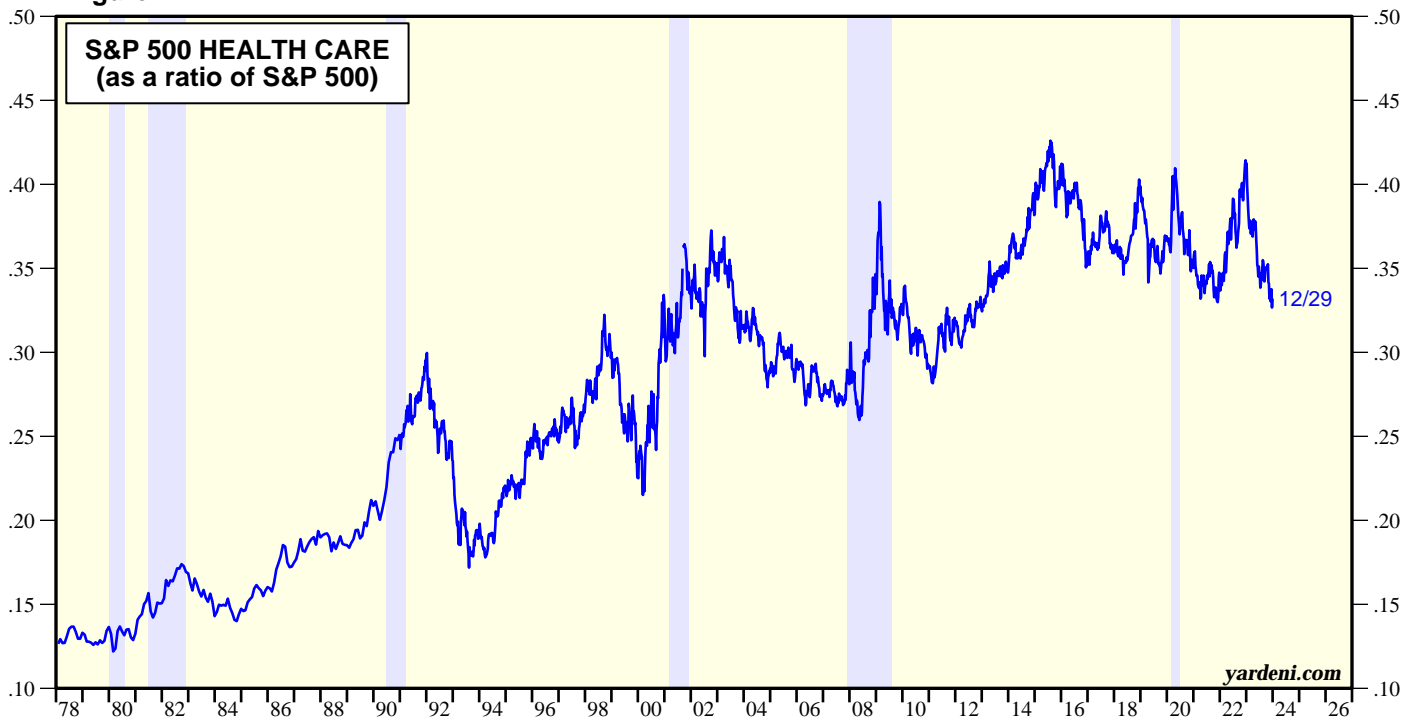
S&P 500 Health Care

Figure 1.



* Ratio scale.
Source: Standard & Poor's and Haver Analytics.

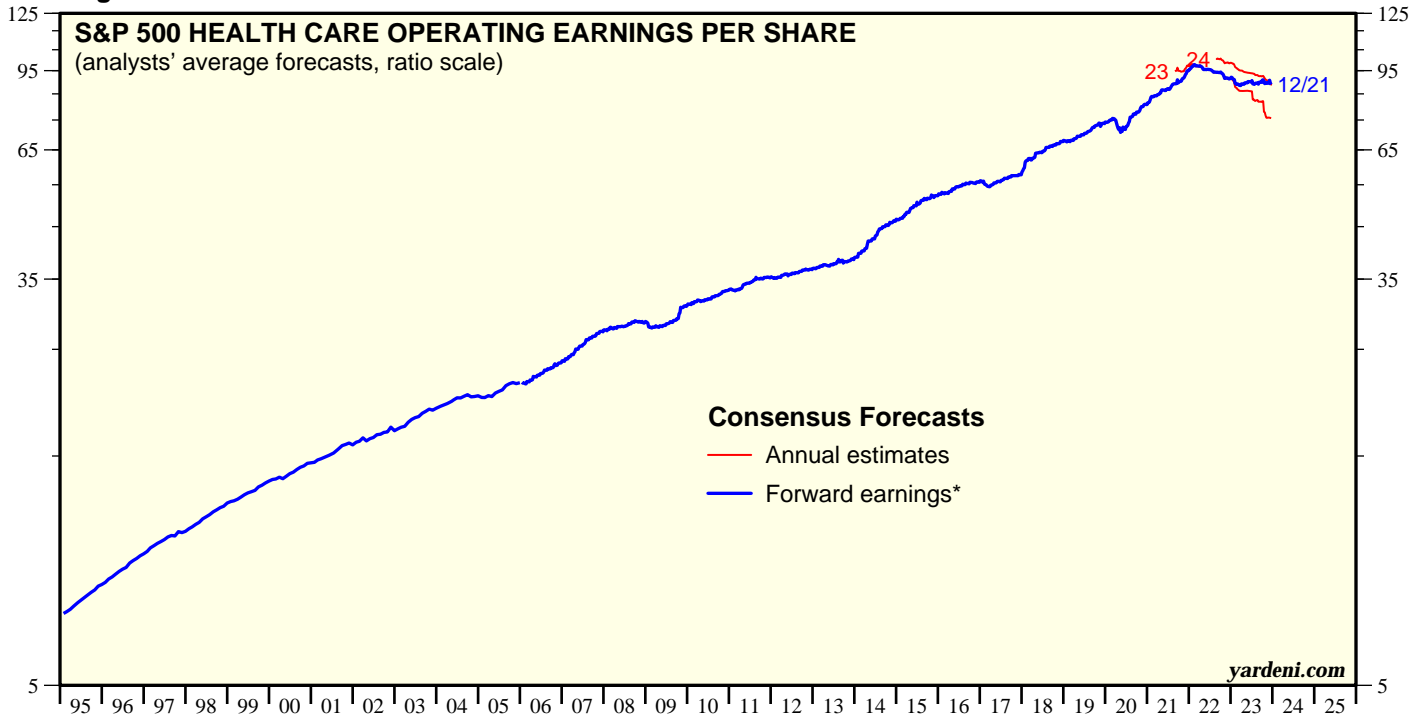
Figure 2.



Note: Shaded areas denote recessions according to the National Bureau of Economic Research. Monthly through December 1990, then weekly. Monthly data an average of Hospital Management, Medical Products, and Pharmaceutical industry ratios.
Source: Standard & Poor's Corporation.

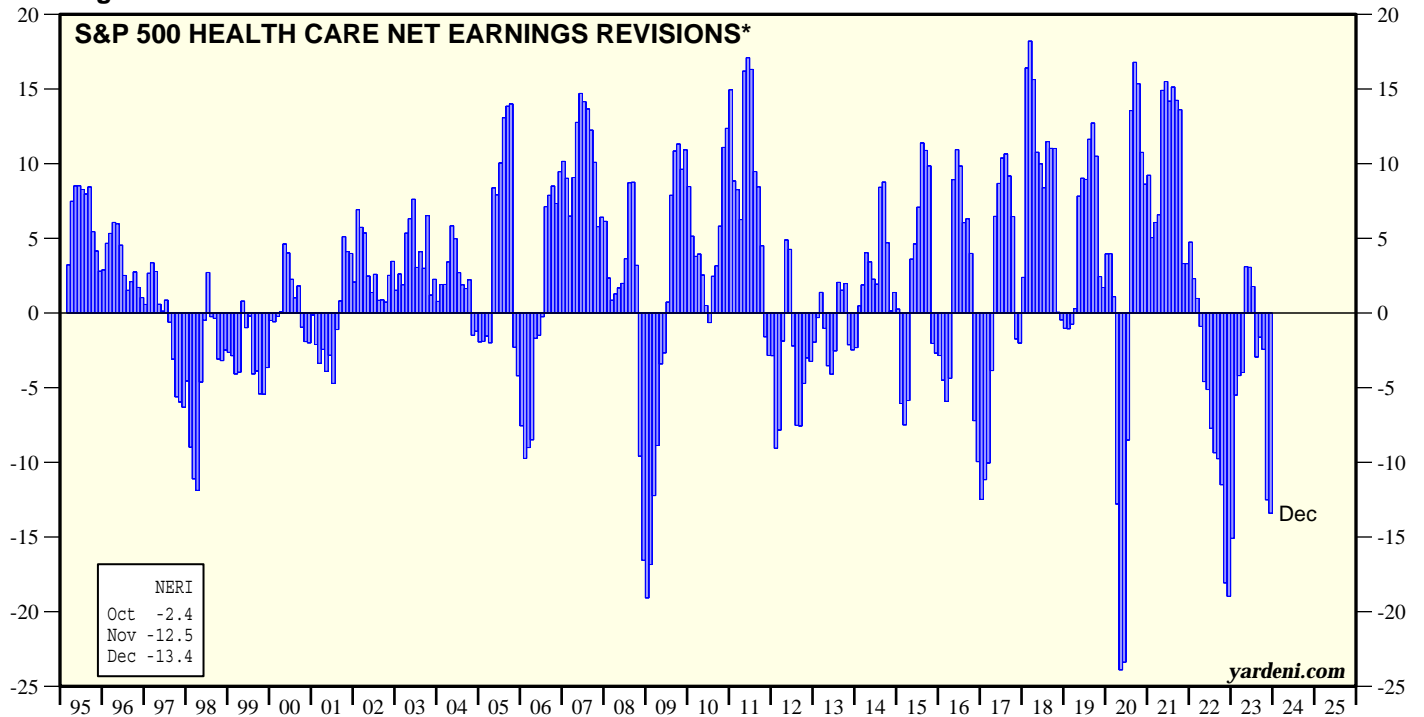
Earnings

Figure 3.



* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.
Source: I/B/E/S data by Refinitiv.

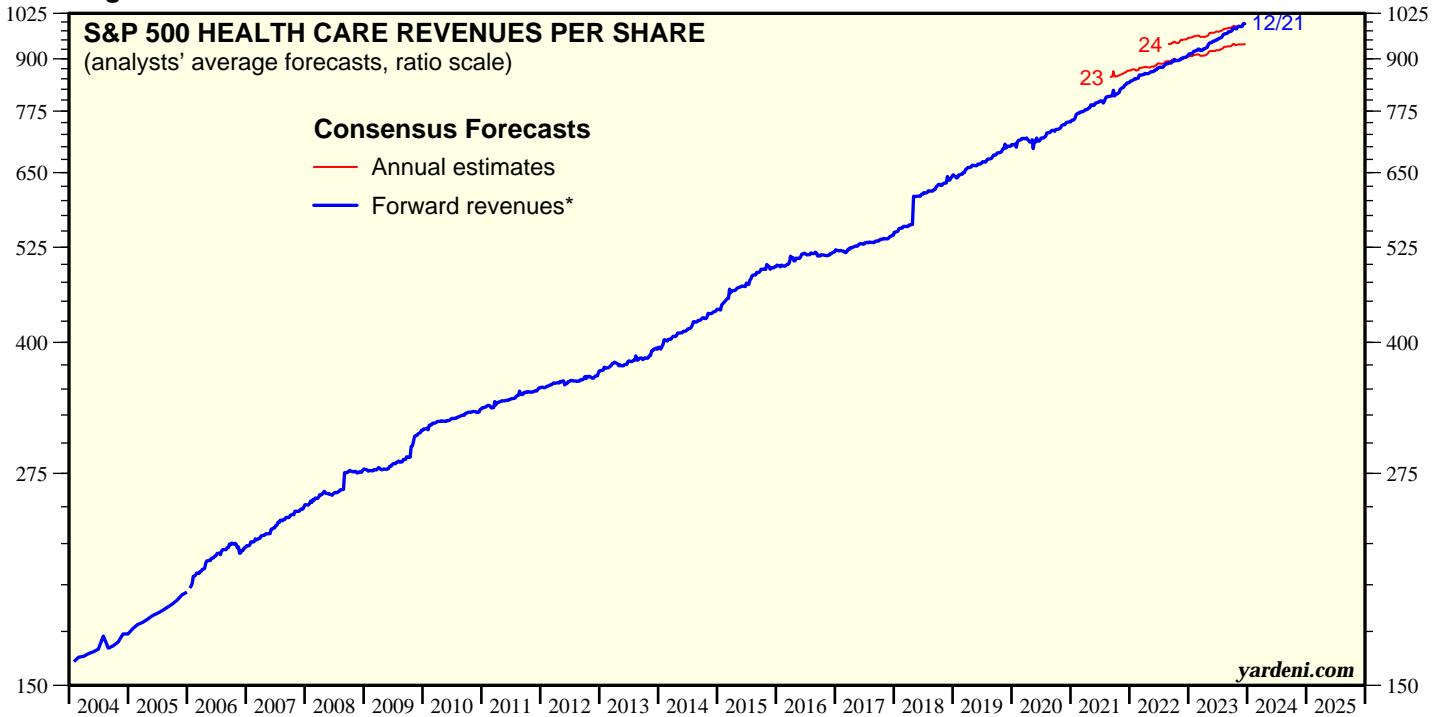
Figure 4.



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

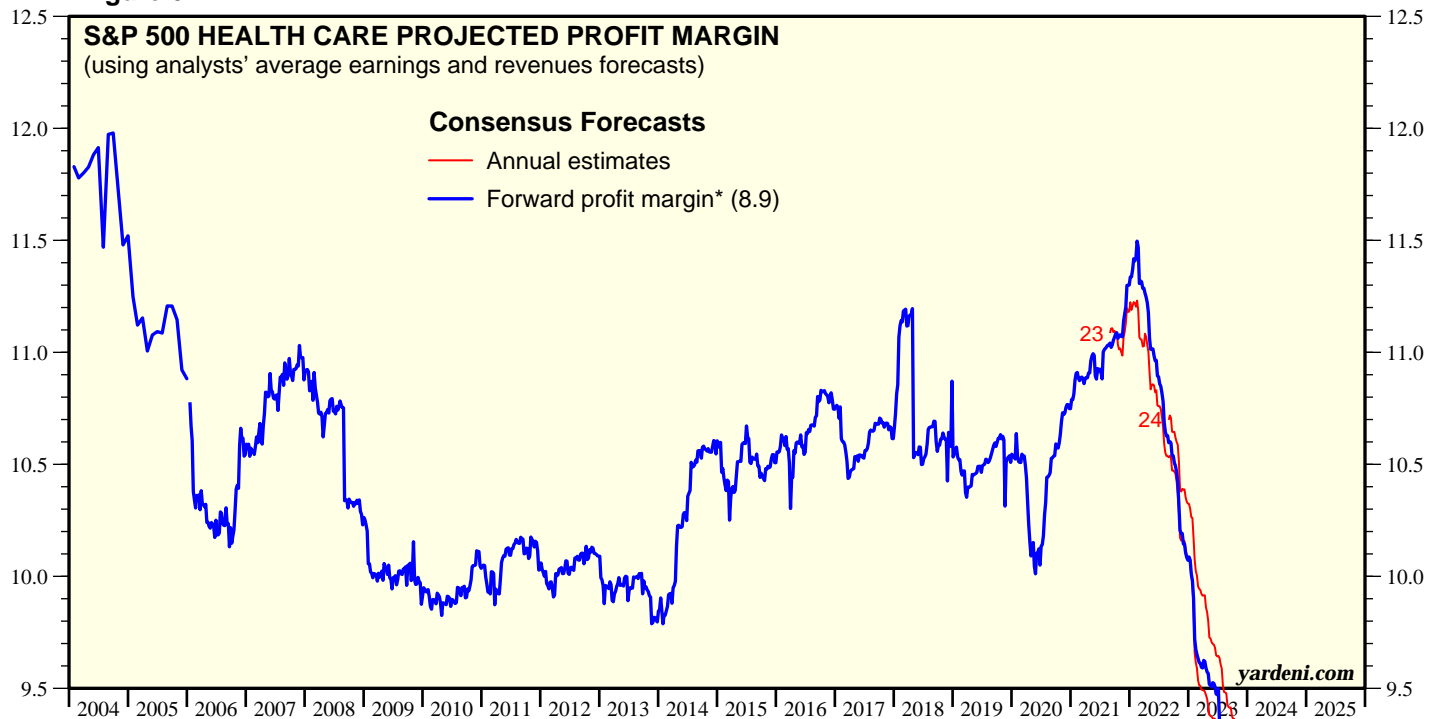
Revenues & Margins

Figure 5.



* Time-weighted average of consensus estimates for current year and next year. Monthly through December 2005, then weekly.
Source: I/B/E/S data by Refinitiv.

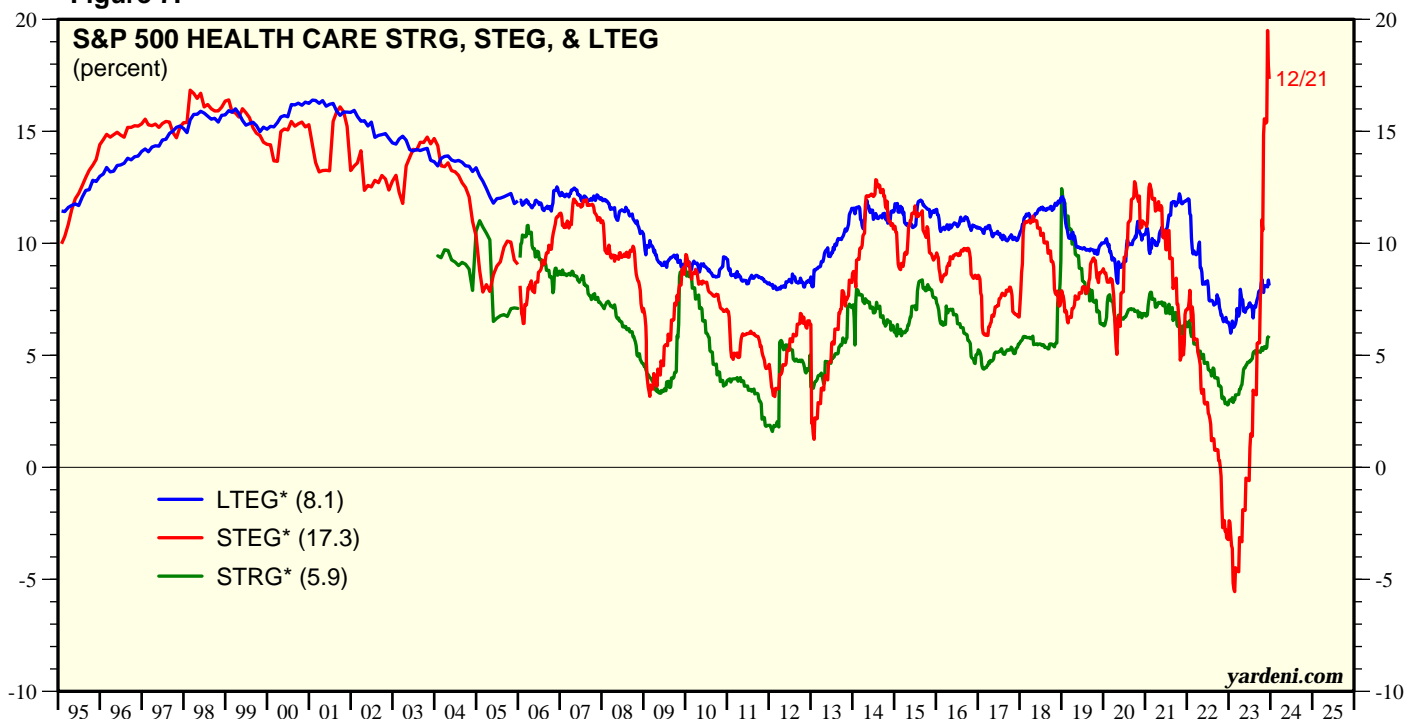
Figure 6.



* Time-weighted average of the consensus estimates for current year and next year. Monthly through December 2005, weekly thereafter.
Source: I/B/E/S data by Refinitiv.

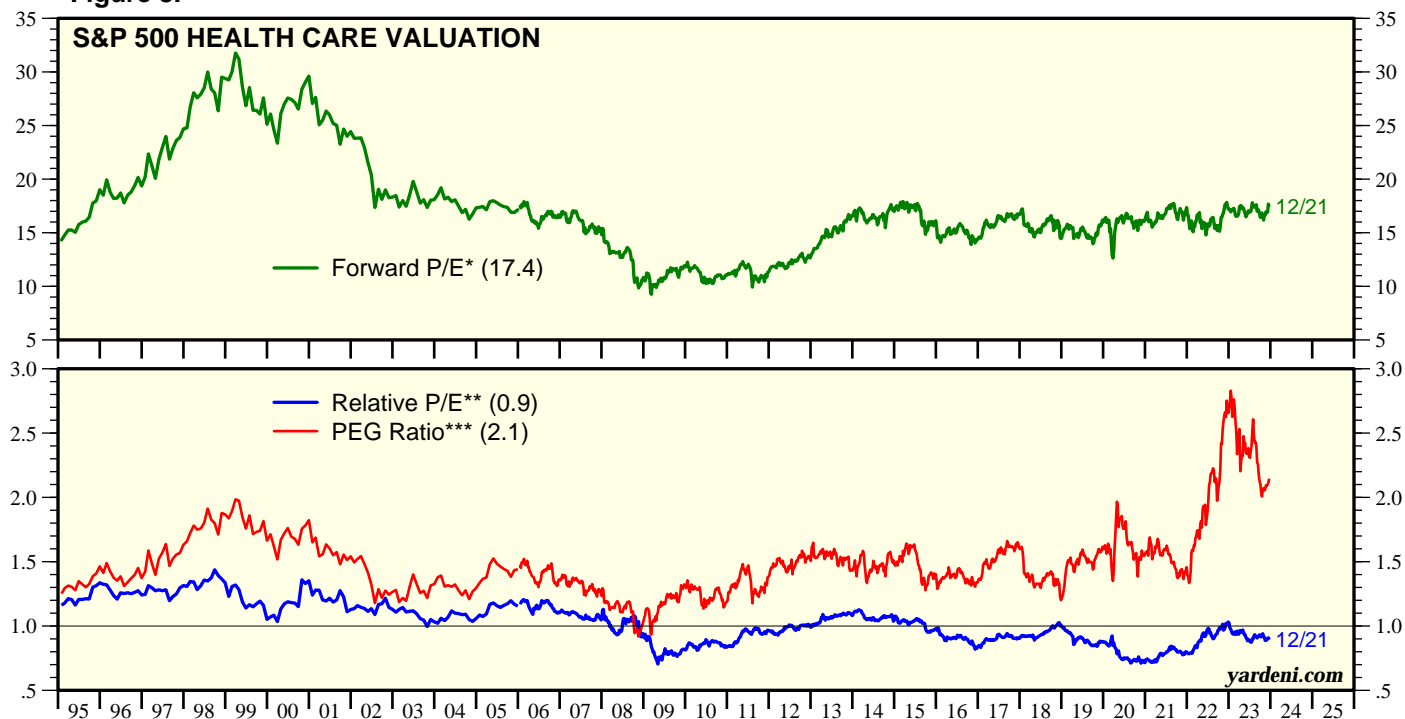
Earnings Growth & Valuation

Figure 7.



* STEG is year-ahead forward consensus expected short-term earnings growth. STRG is year-ahead forward consensus expected short-term revenue growth. LTEG is five-year consensus expected long-term earnings growth. Monthly data through 2005, weekly thereafter. Source: I/B/E/S data by Refinitiv.

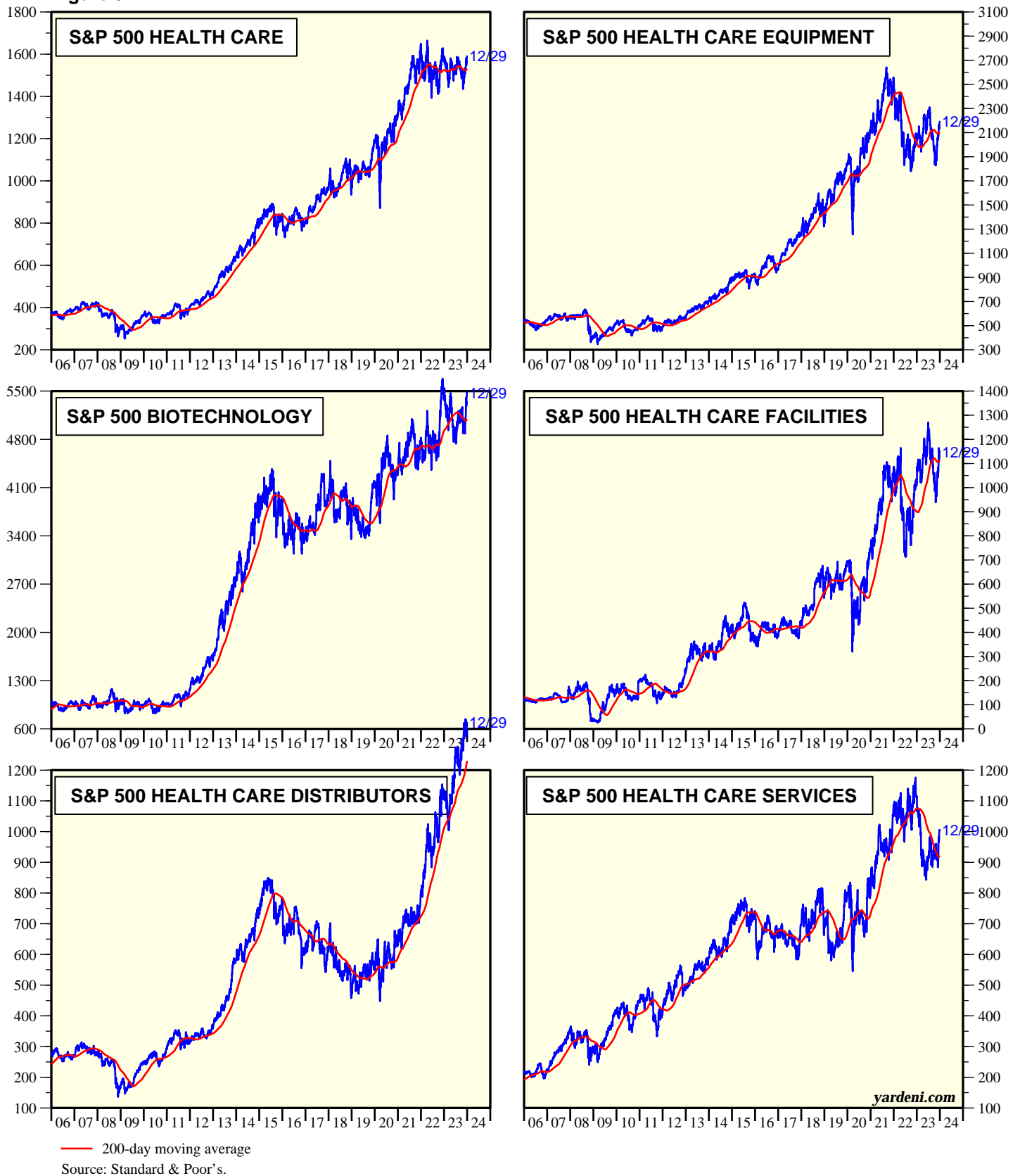
Figure 8.



* Price divided by 12-month forward consensus expected operating earnings per share.
 ** Sector or industry forward P/E relative to S&P 500 forward P/E.
 *** Sector or industry forward P/E relative to sector or industry consensus 5-year LTEG forecast.
 Source: I/B/E/S data by Refinitiv.

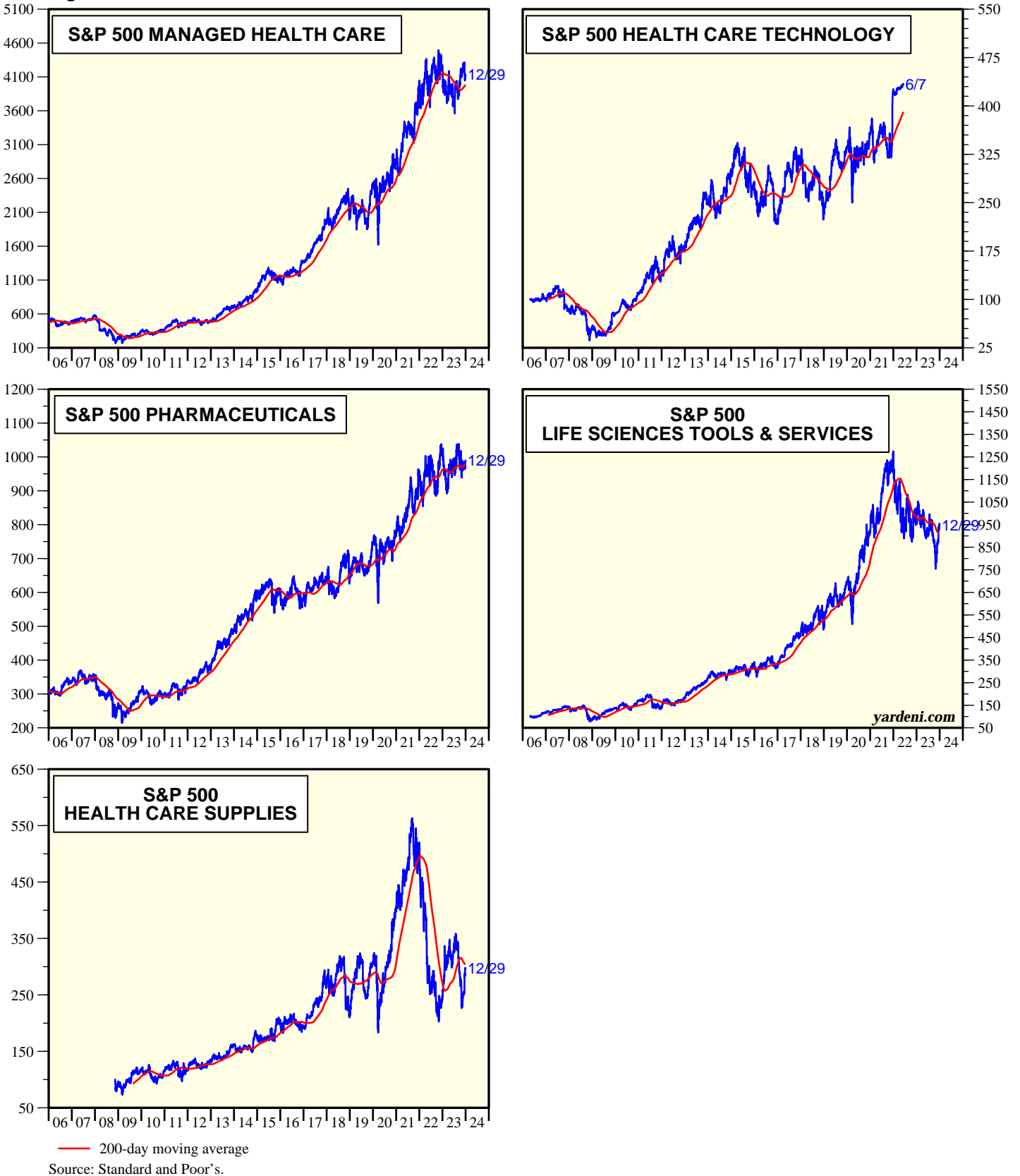
S&P 500: Health Care

Figure 9.



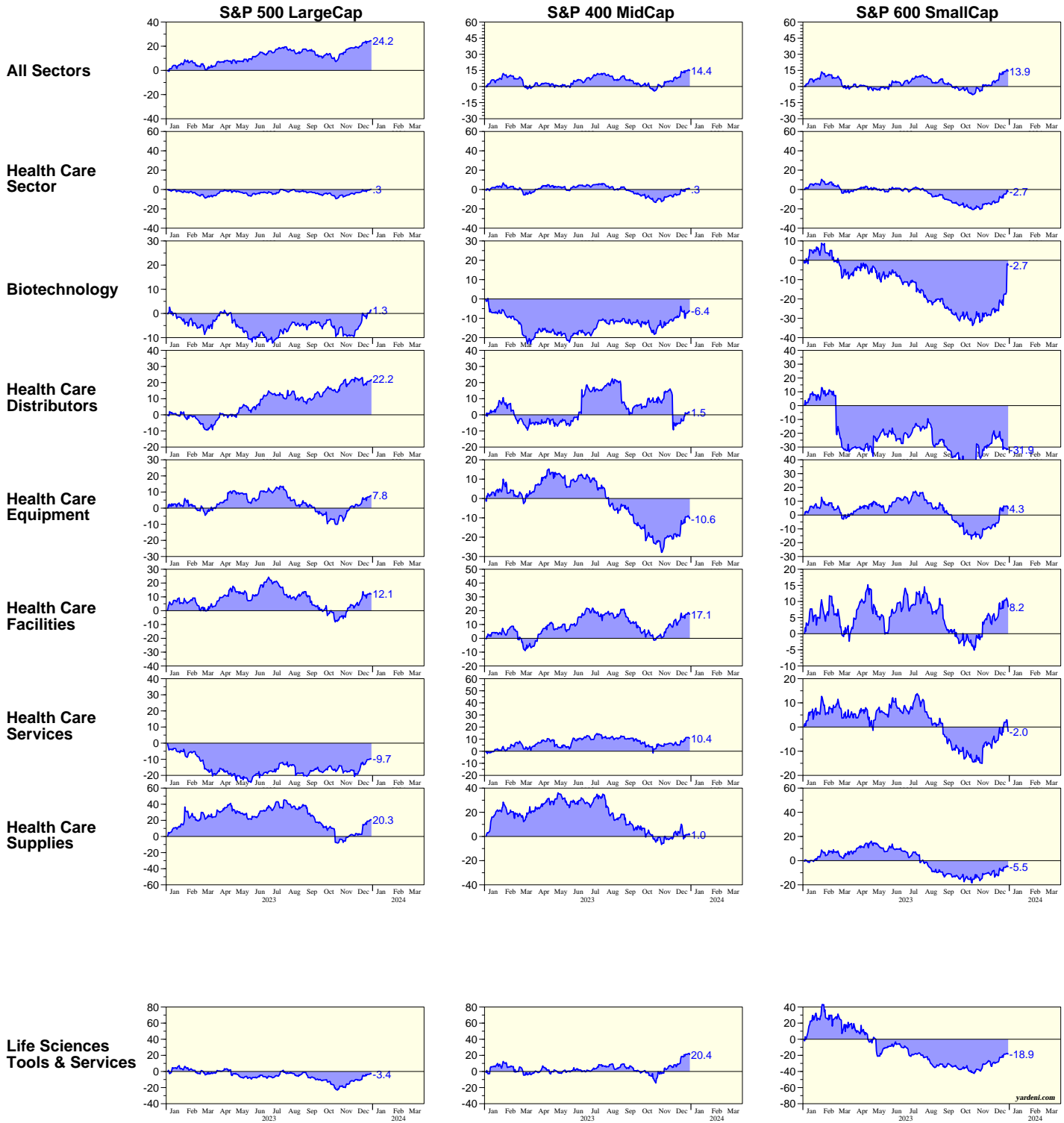
S&P 500: Health Care (cont)

Figure 10.



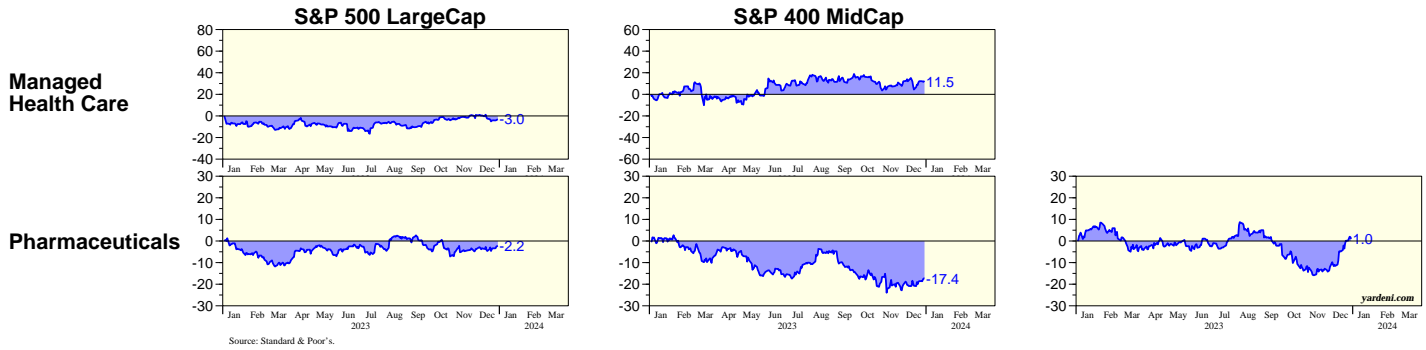
S&P 500/400/600 Health Care YTD

Figure 4.



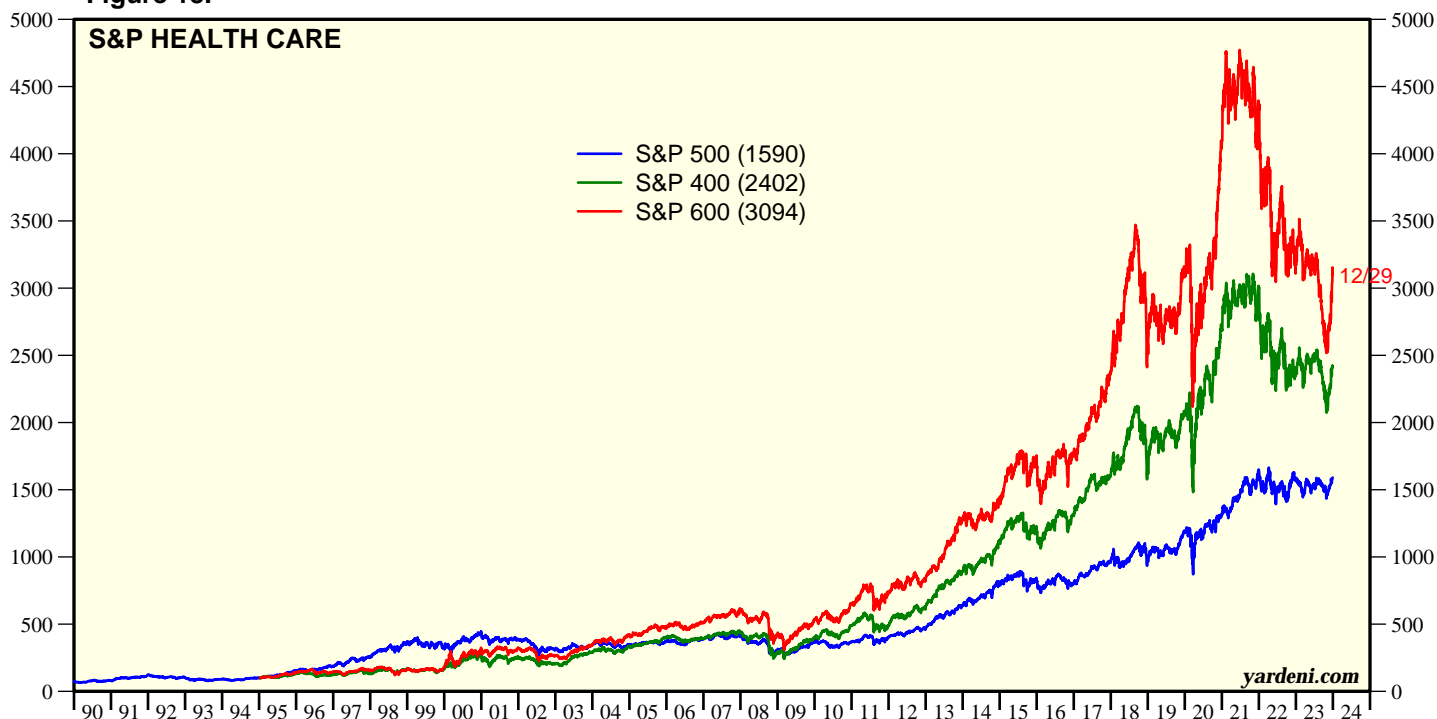
S&P 500/400/600 Health Care YTD

Figure 5.



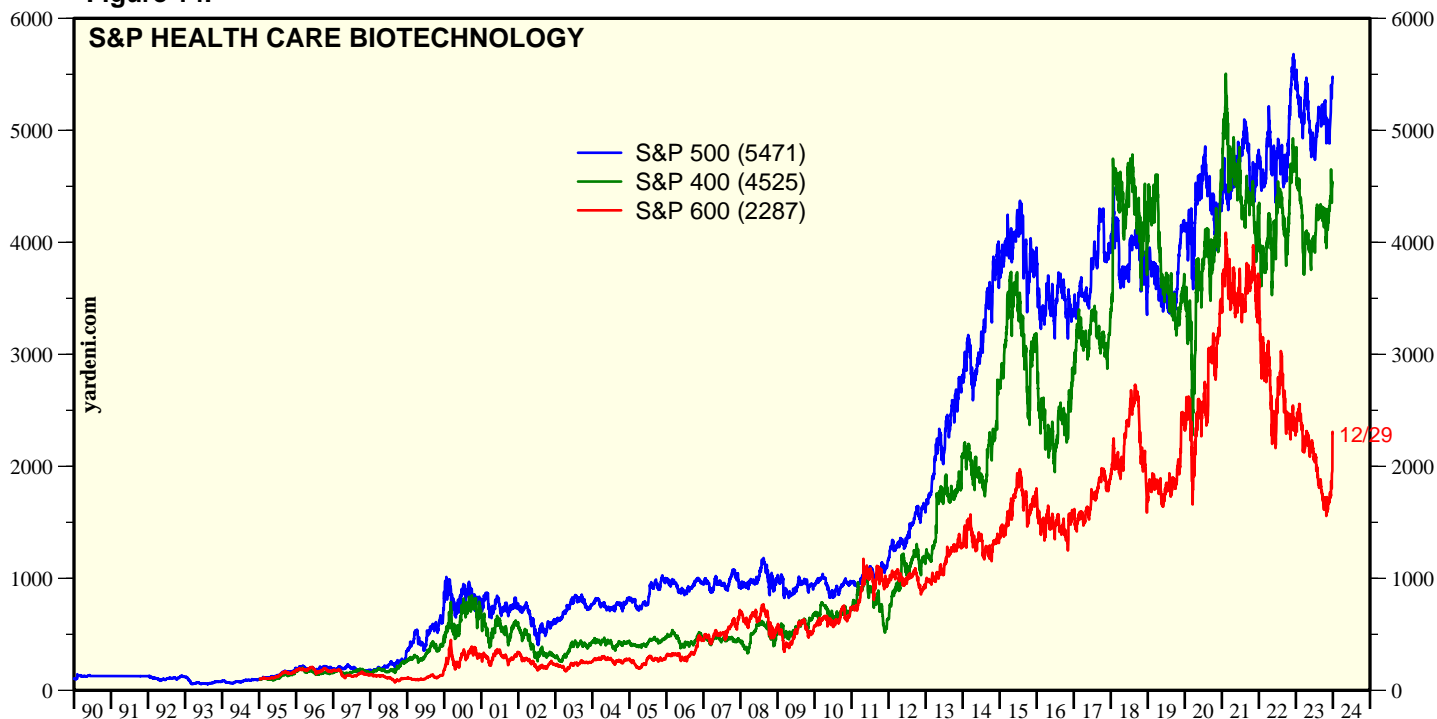
Health Care

Figure 13.



Source: Standard & Poor's Corporation.

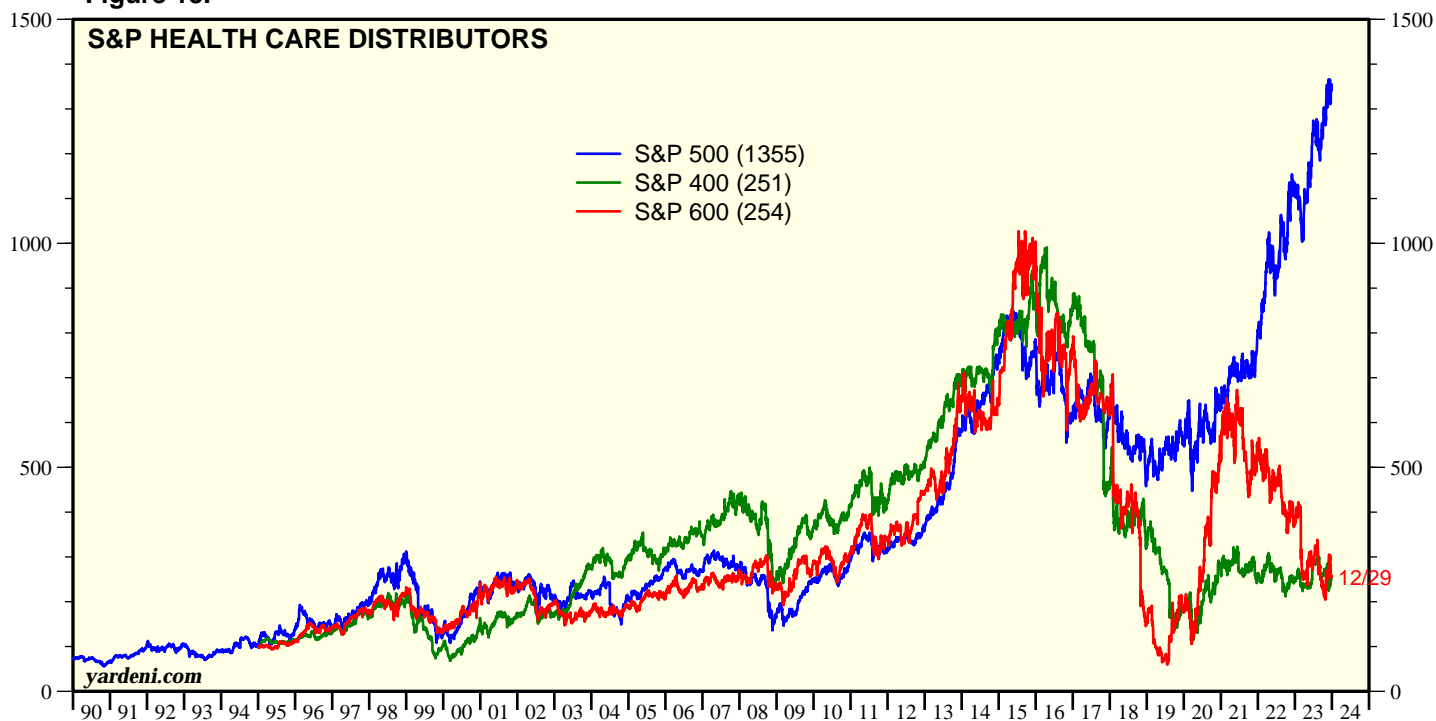
Figure 14.



Source: Standard & Poor's Corporation.

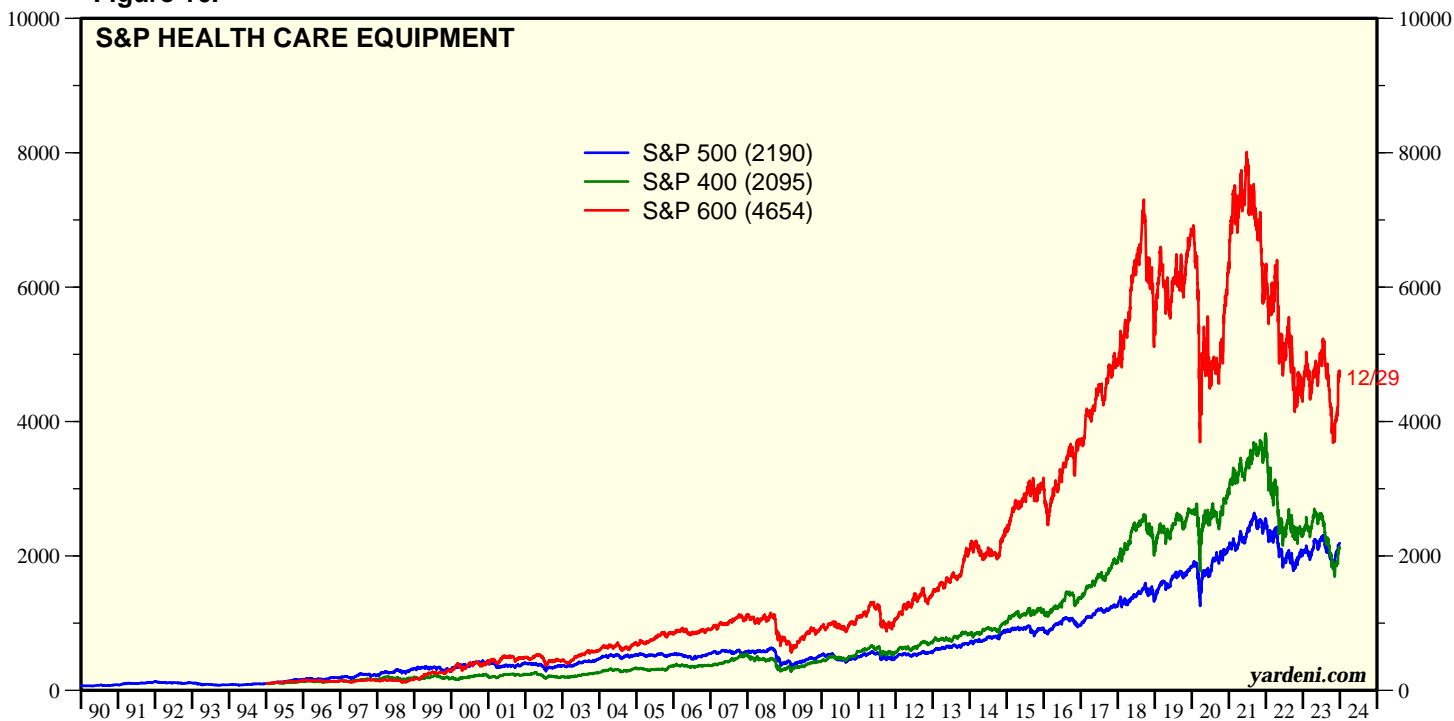
Health Care

Figure 15.



Source: Standard & Poor's Corporation.

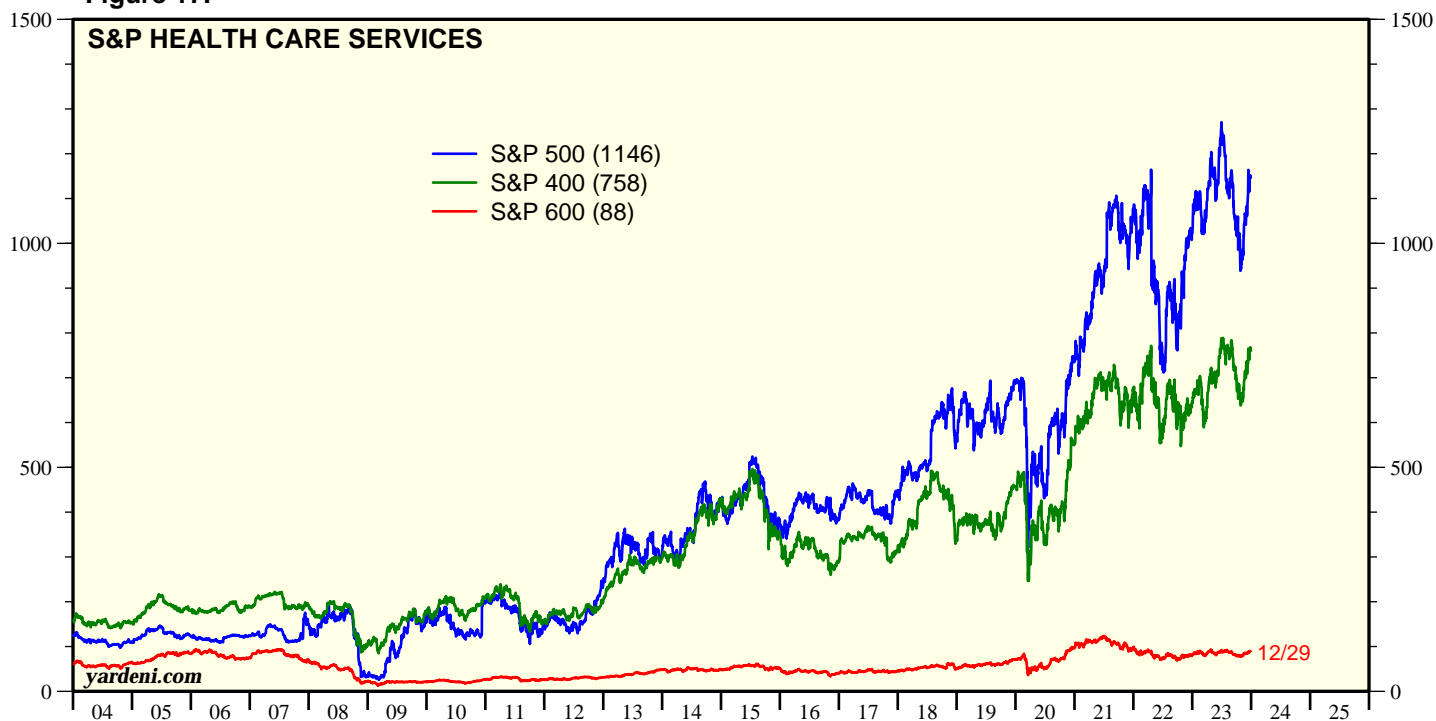
Figure 16.



Source: Standard & Poor's Corporation.

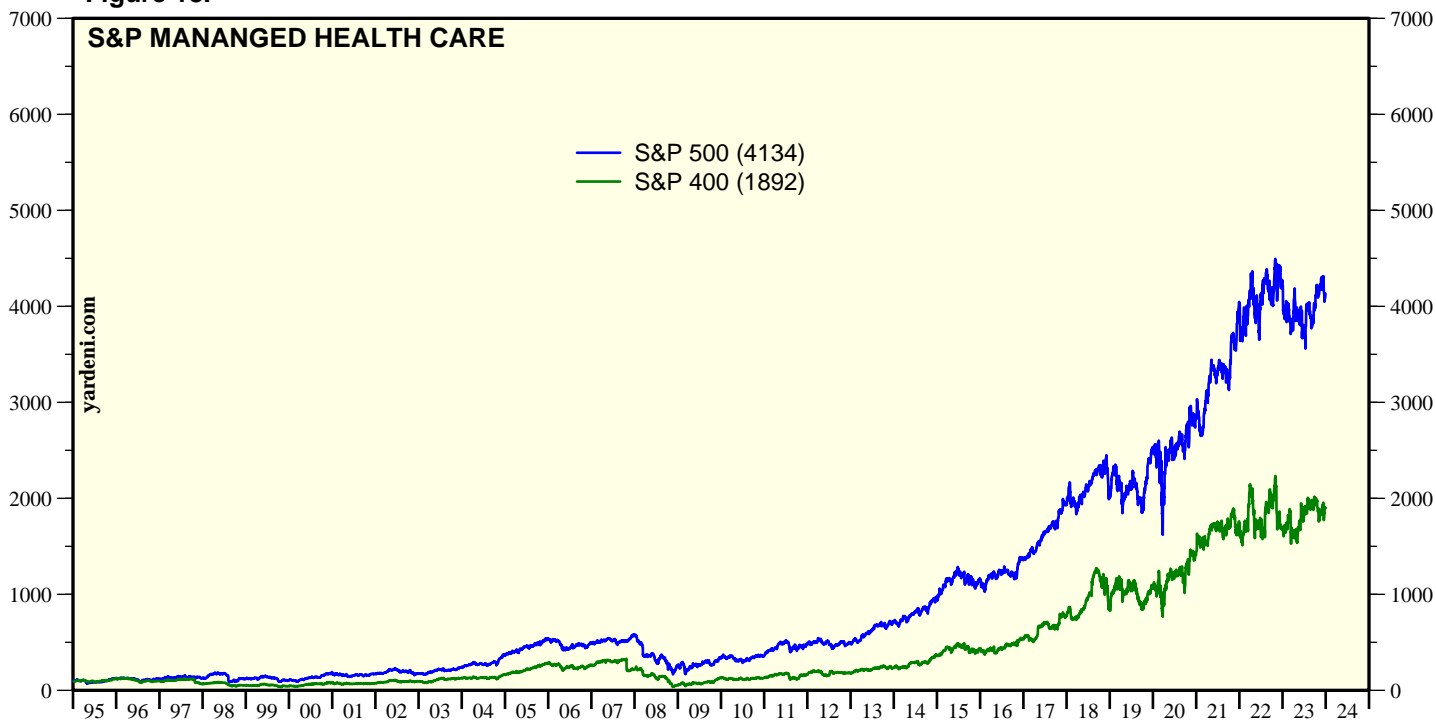
Health Care

Figure 17.



Source: Standard & Poor's Corporation.

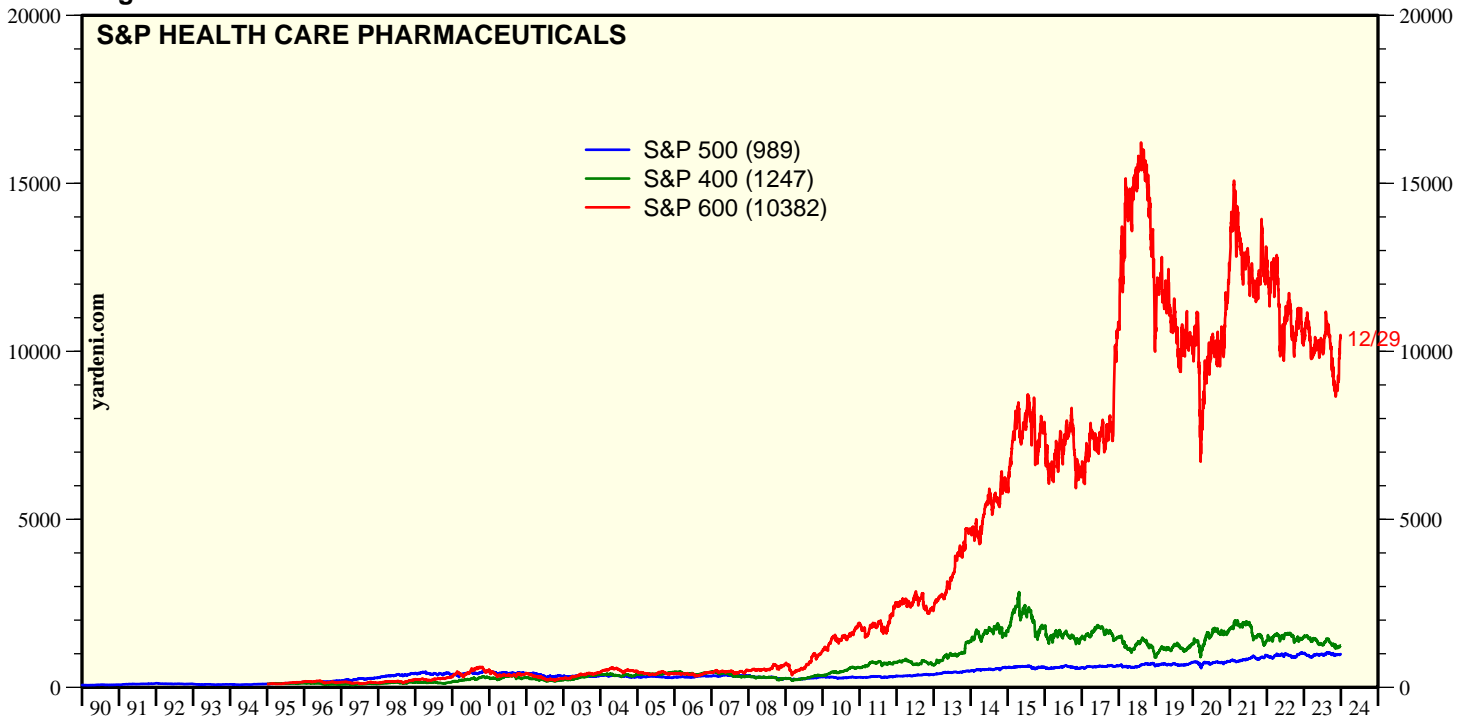
Figure 18.



Source: Standard & Poor's Corporation.

Health Care

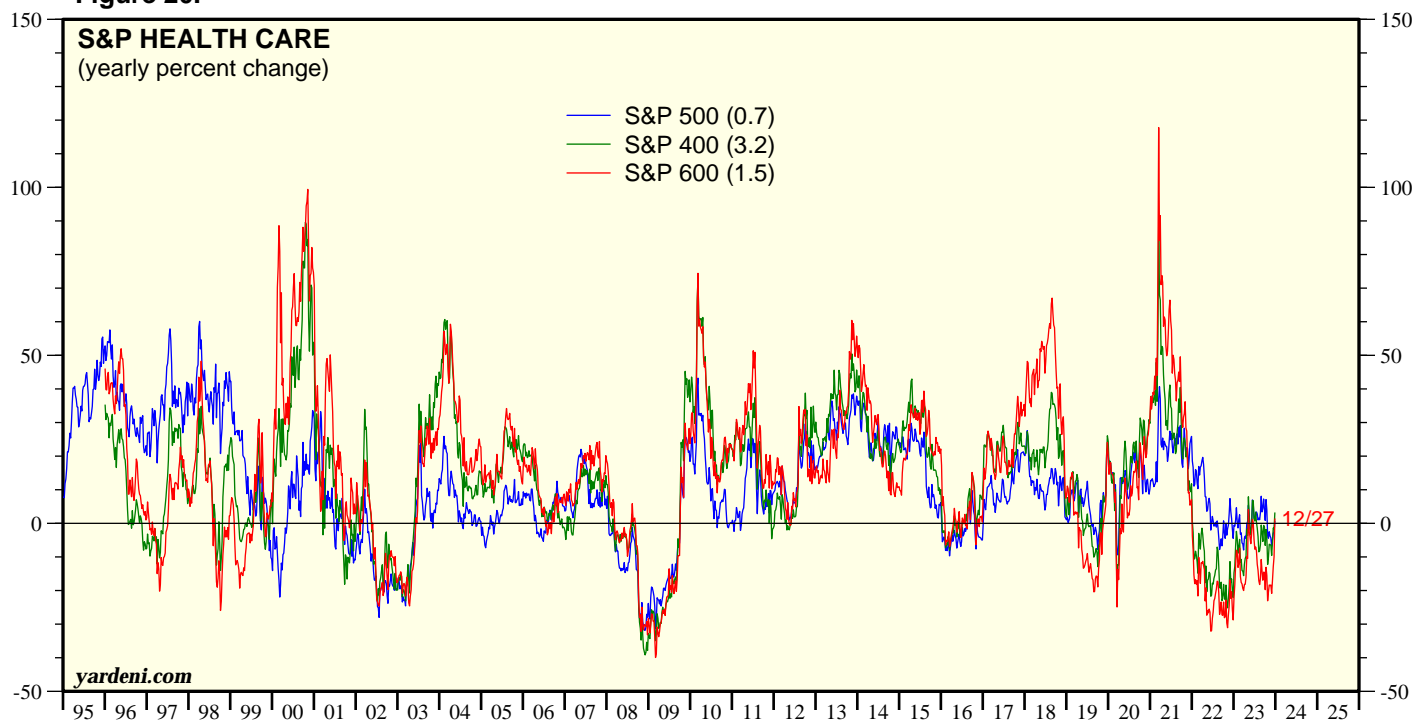
Figure 19.



Source: Standard & Poor's Corporation.

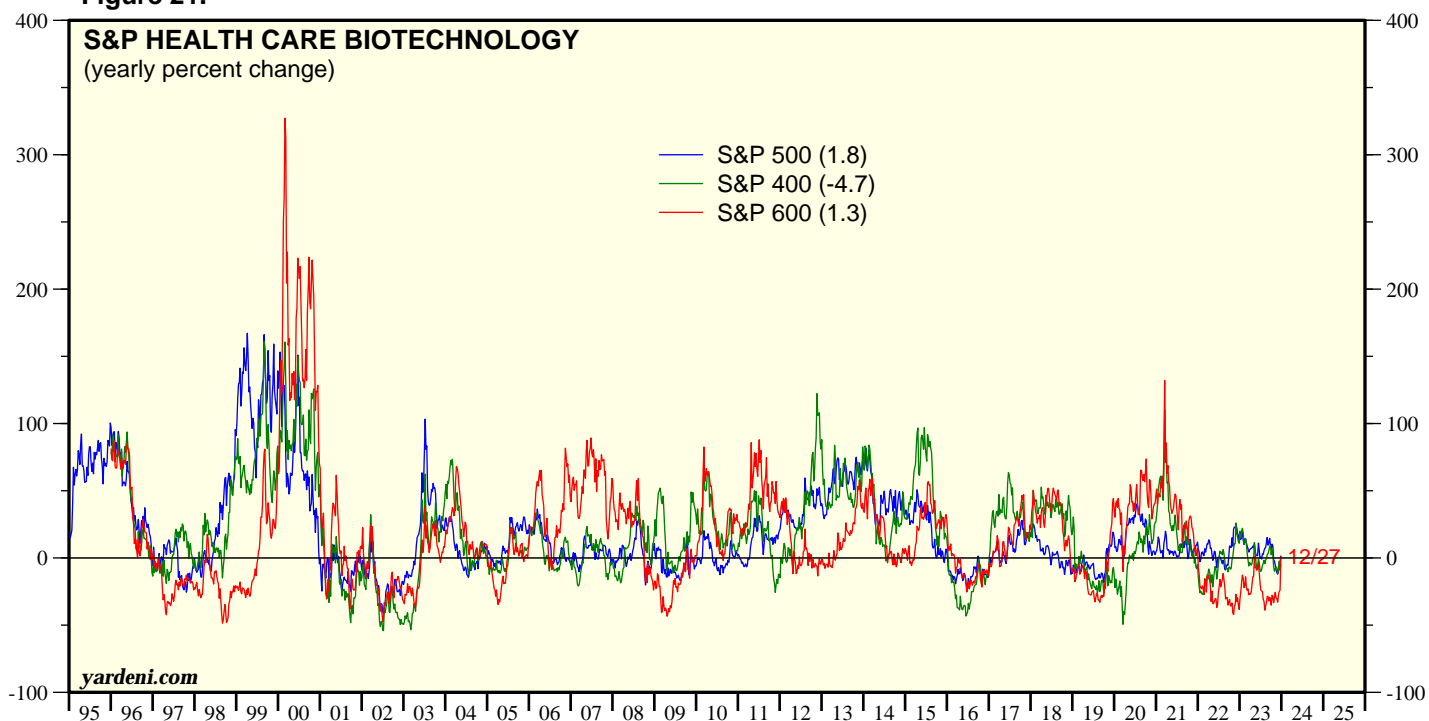
Health Care

Figure 20.



Source: Standard & Poor's Corporation.

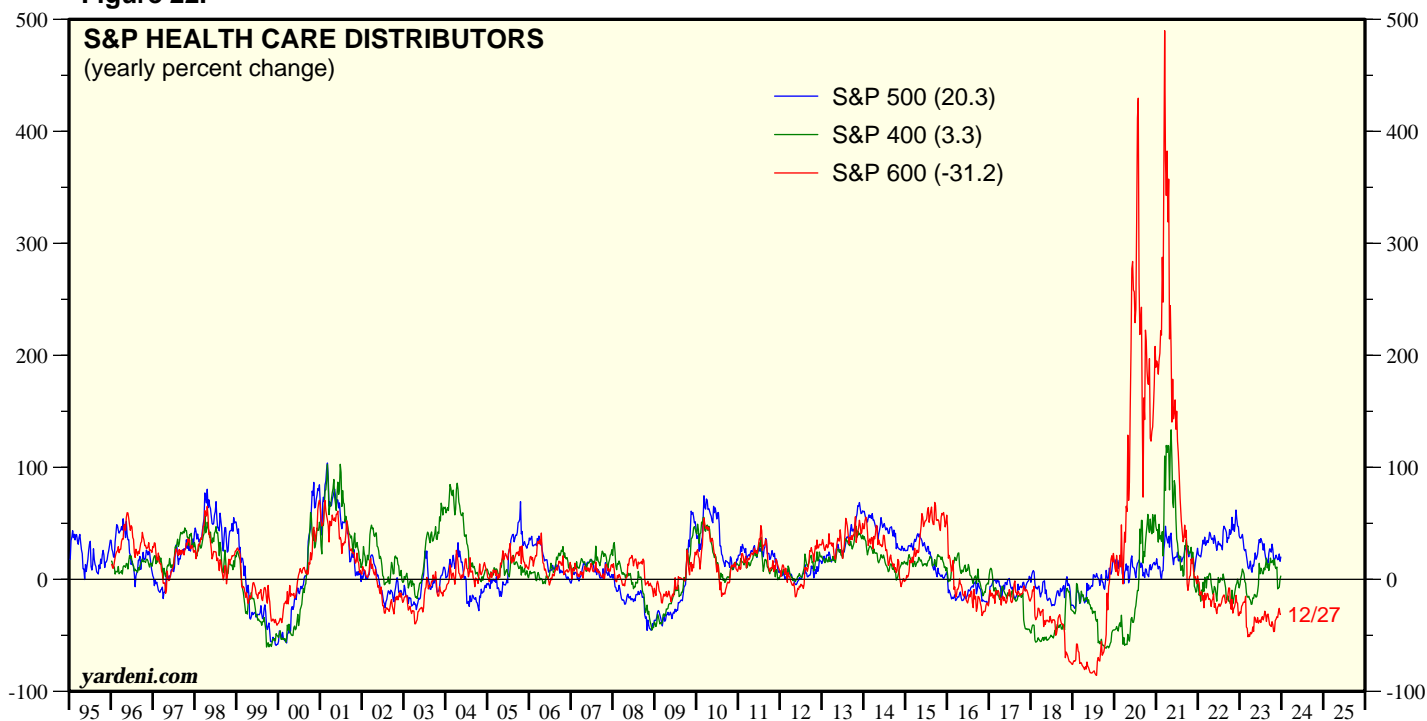
Figure 21.



Source: Standard & Poor's Corporation.

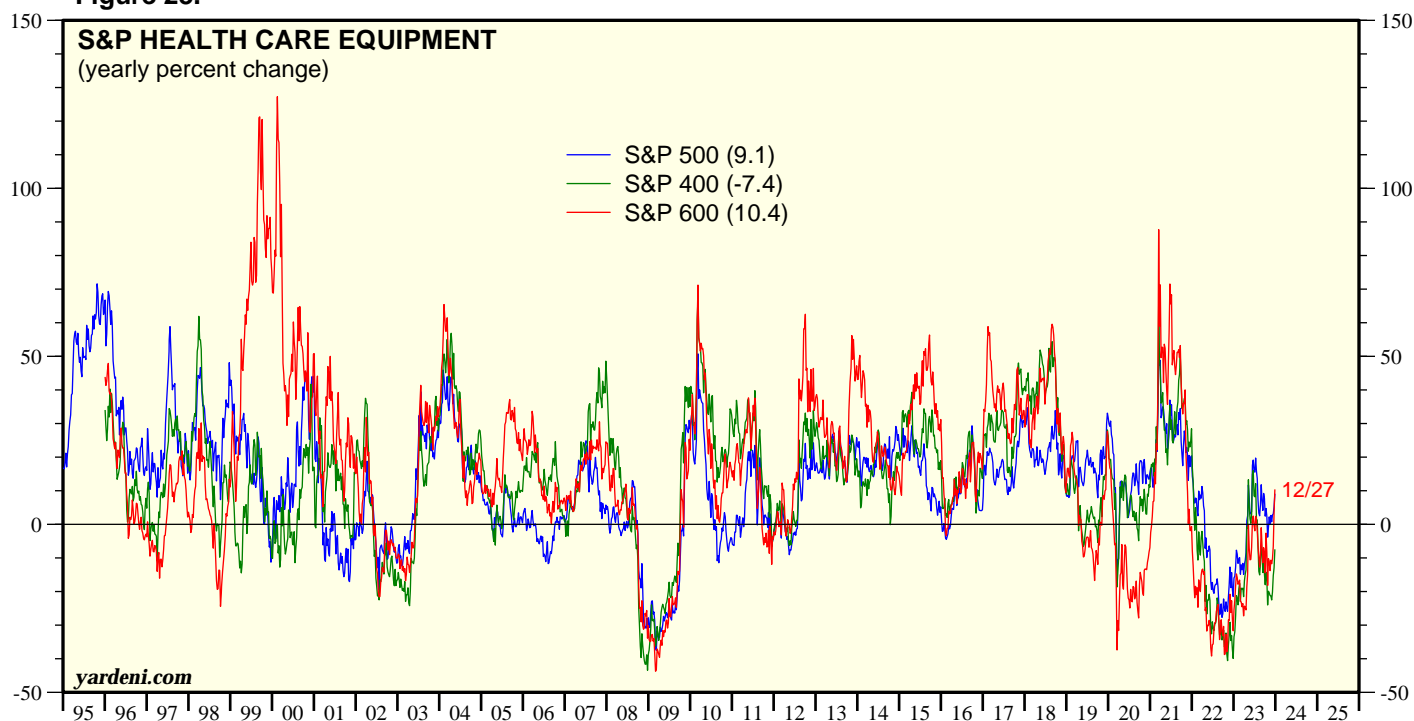
Health Care

Figure 22.



Source: Standard & Poor's Corporation.

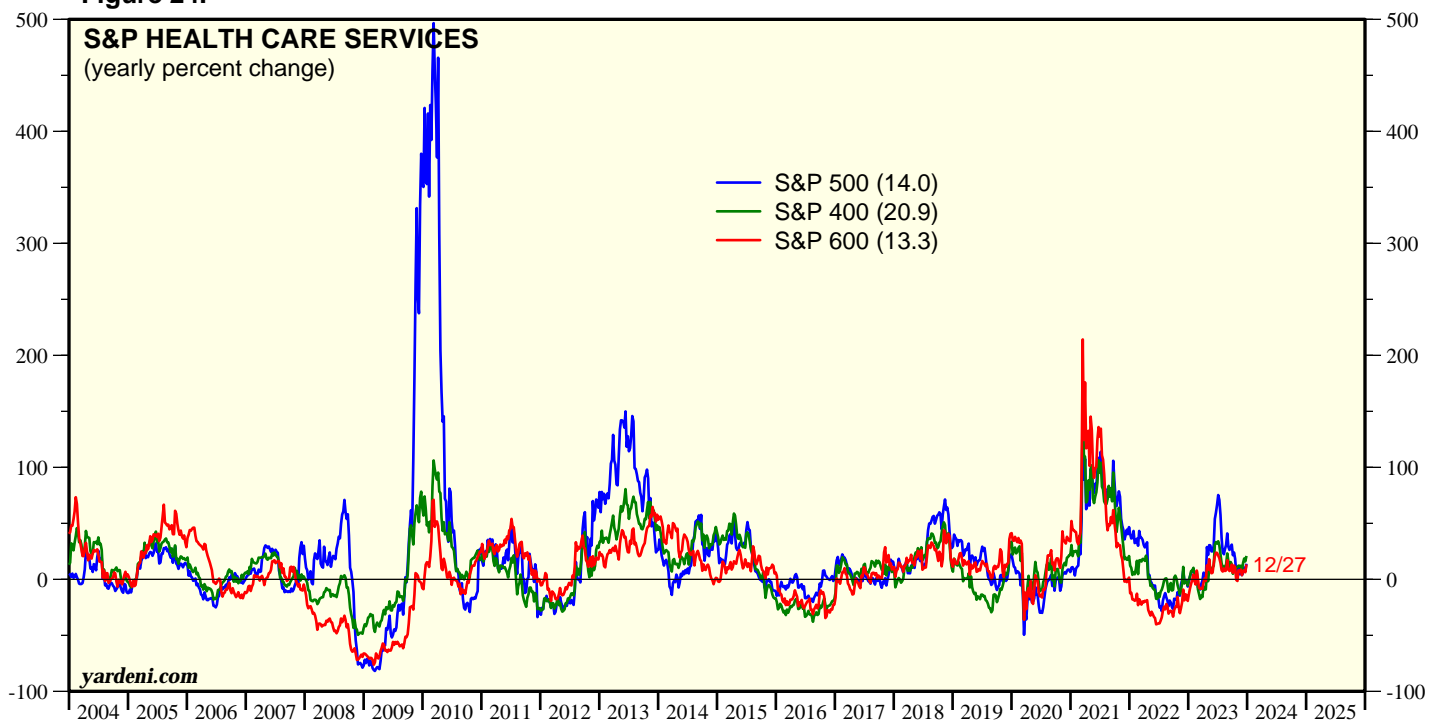
Figure 23.



Source: Standard & Poor's Corporation.

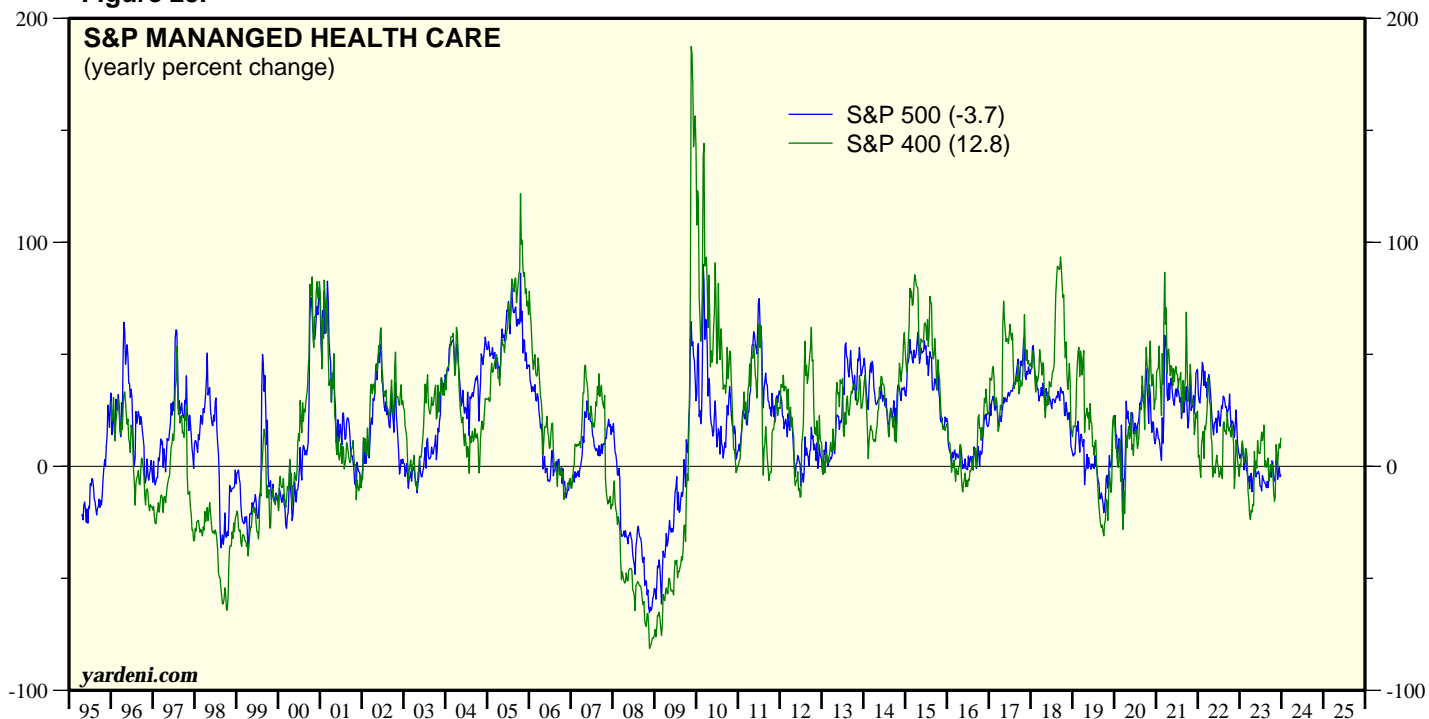
Health Care

Figure 24.



Source: Standard & Poor's Corporation.

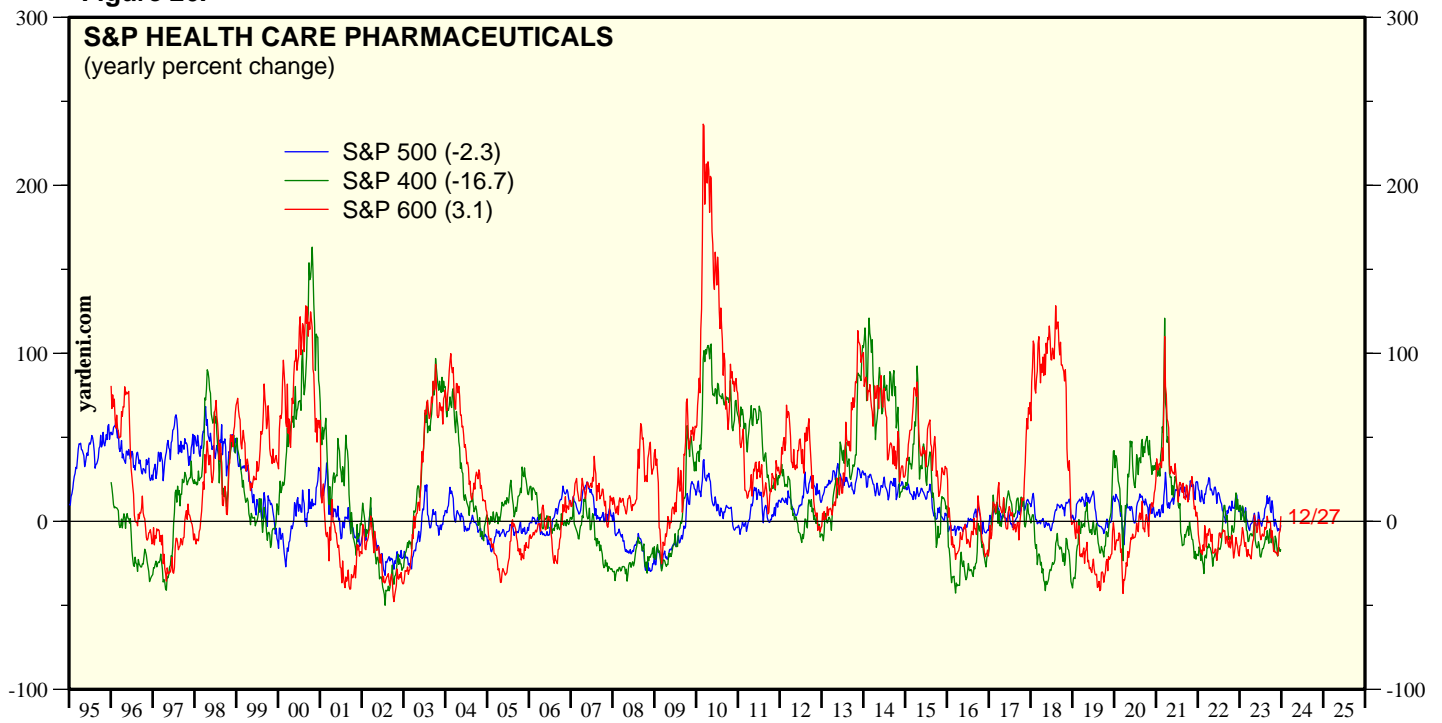
Figure 25.



Source: Standard & Poor's Corporation.

Health Care

Figure 26.



Source: Standard & Poor's Corporation.

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