

Analyst's Handbook: Information Technology

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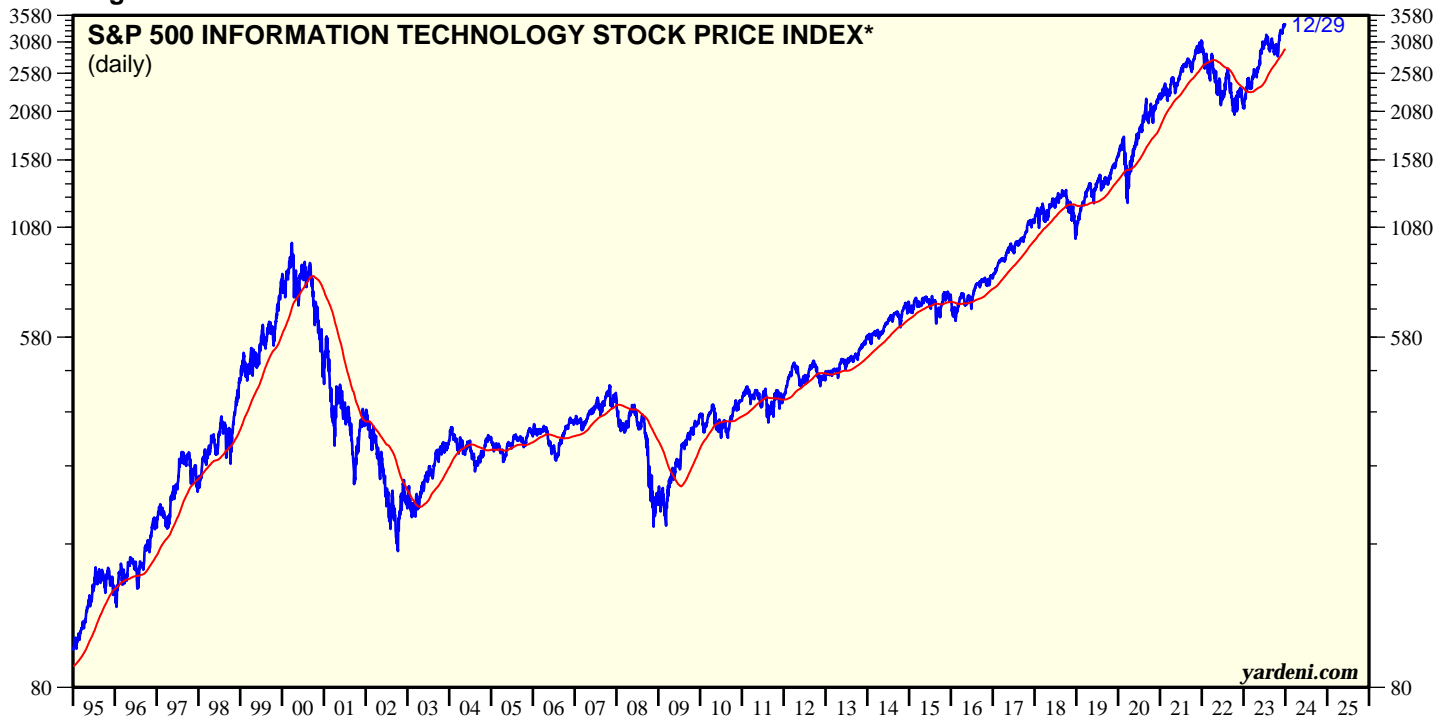


thinking outside the box

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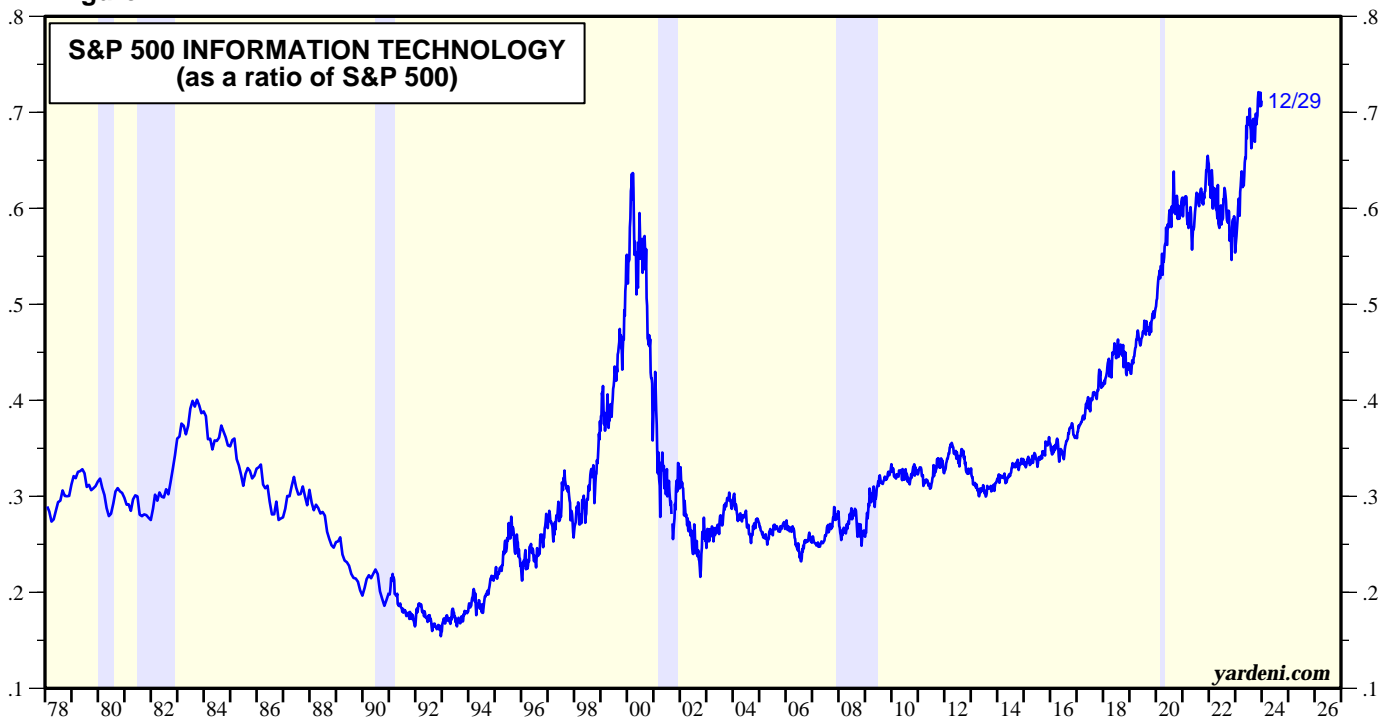
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Figure 1.



— 200-day moving average.
 * Ratio scale.
 Source: Standard & Poor's and Haver Analytics.

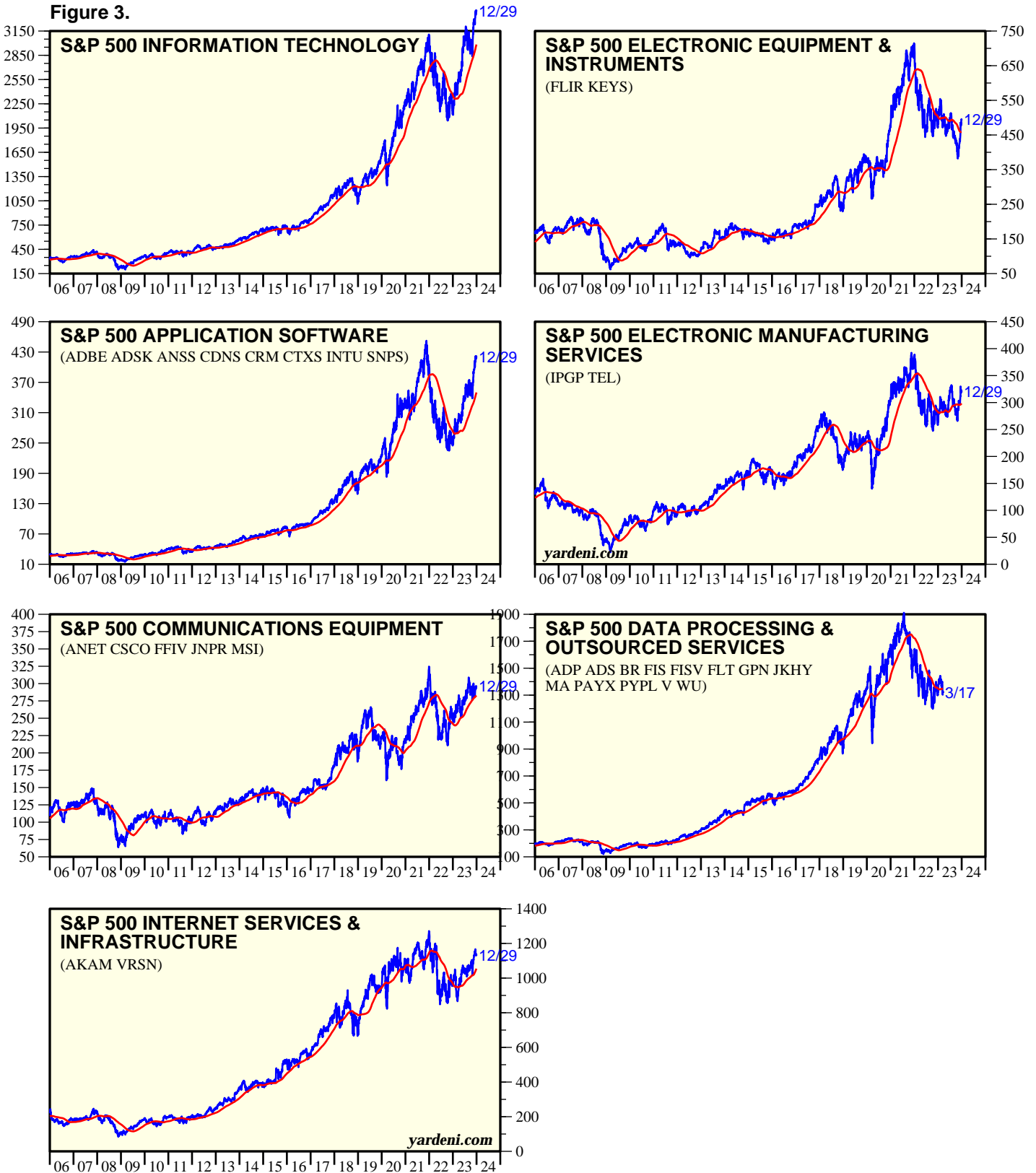
Figure 2.



Note: Shaded areas are recessions according to the National Bureau of Economic Research. Monthly through December 1990, then weekly. Monthly data an average of Communication Equipment, Hardware, Instrumentation, Semiconductor, and Software industry ratios.
 Source: Standard & Poor's Corporation.

S&P 500: Information Technology

Figure 3.

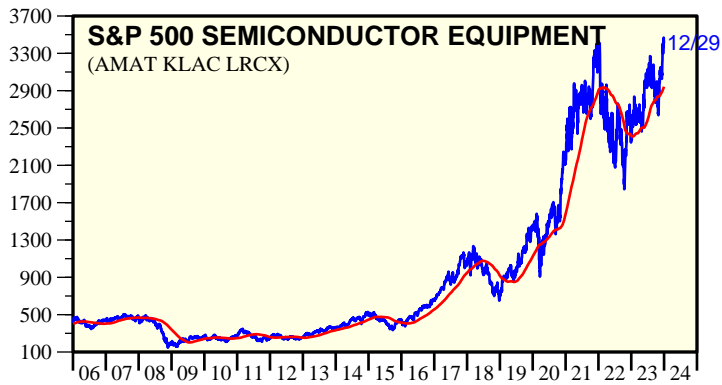
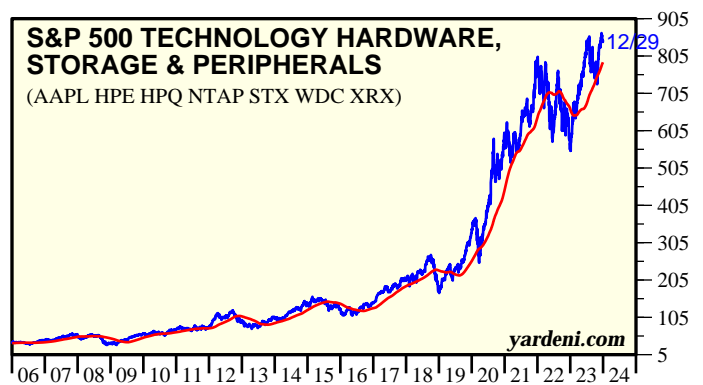
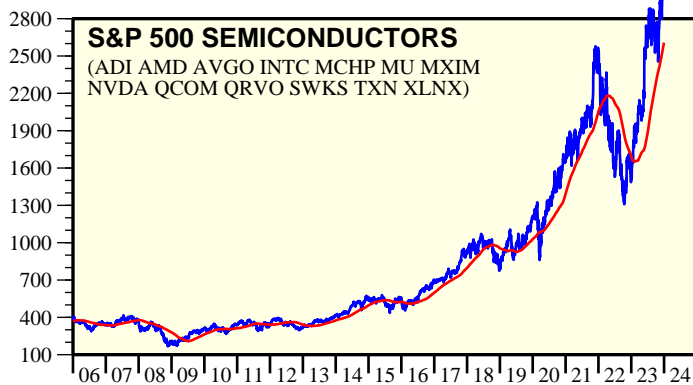
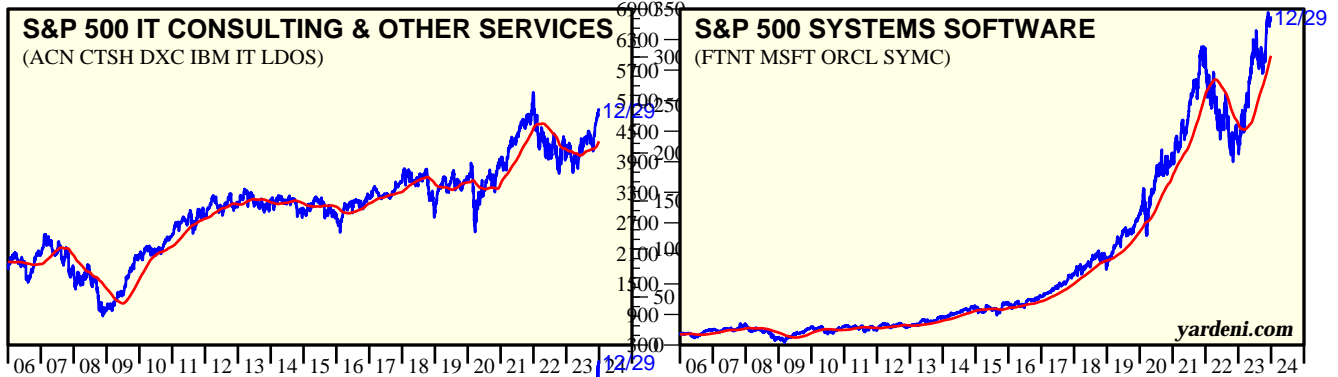


— 200-day moving average

Source: Standard & Poor's Corporation.

S&P 500: Information Technology (cont)

Figure 4.

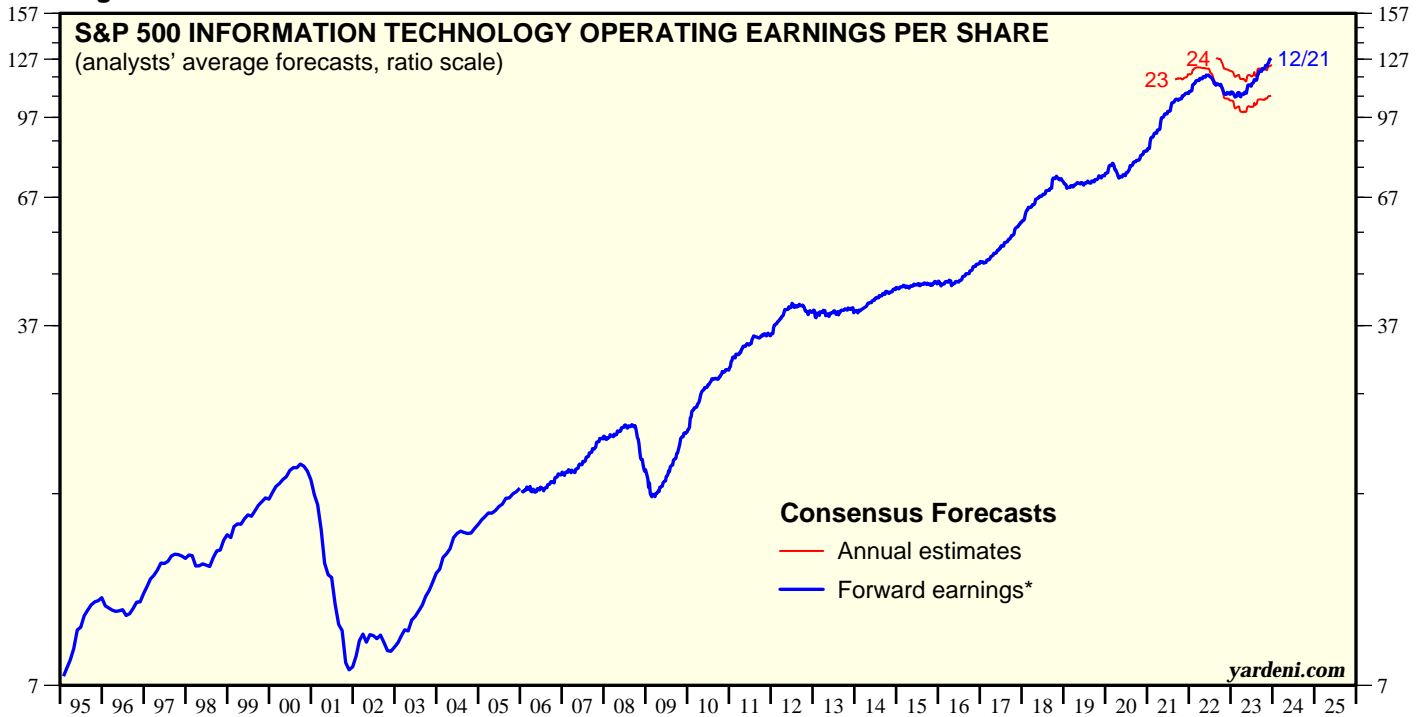


— 200-day moving average

Source: Standard & Poor's Corporation.

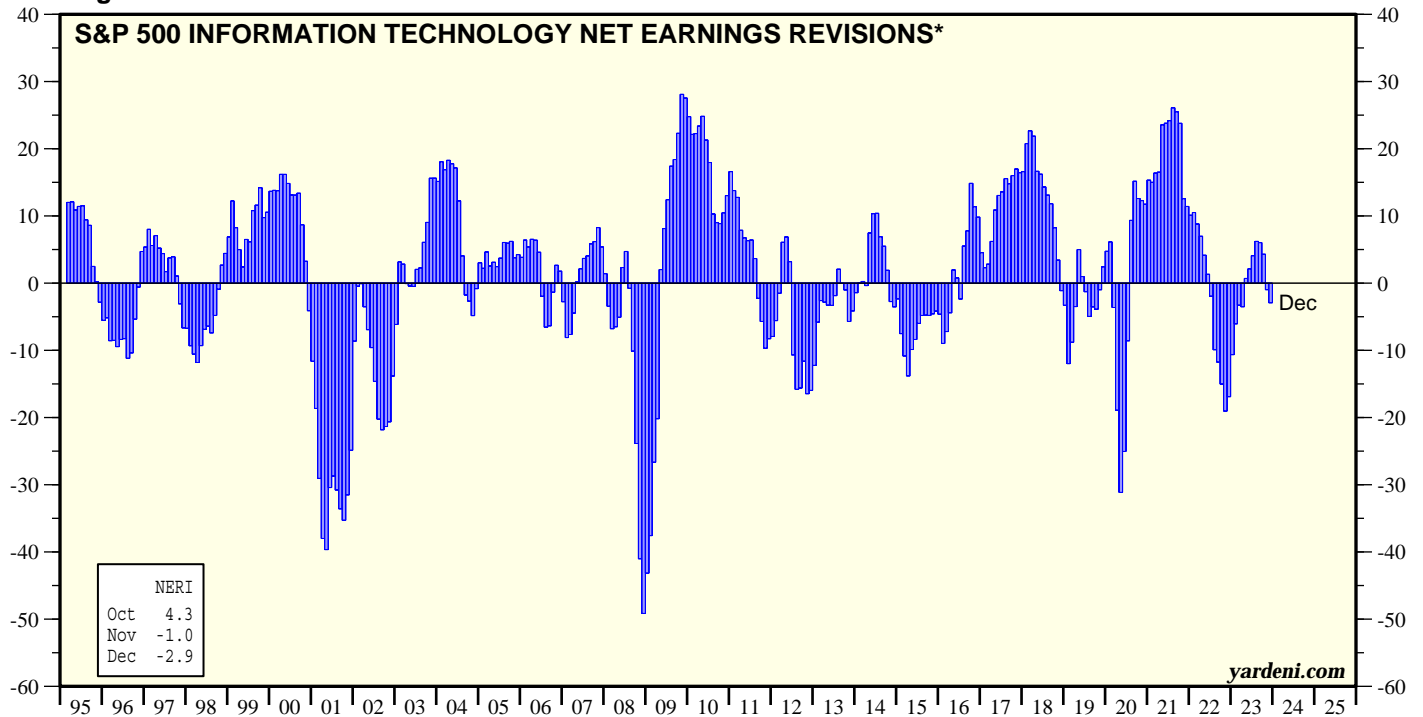
Earnings

Figure 7.



* 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.

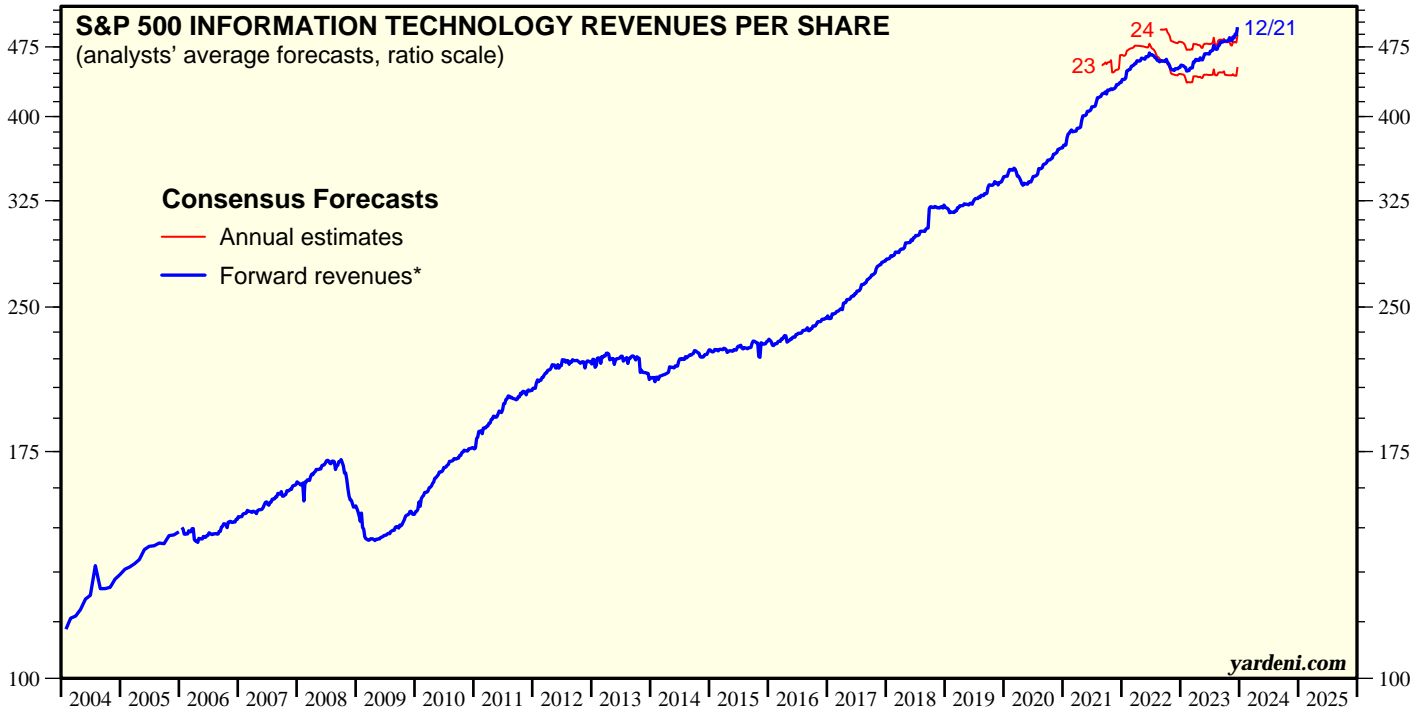
Figure 8.



* 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.

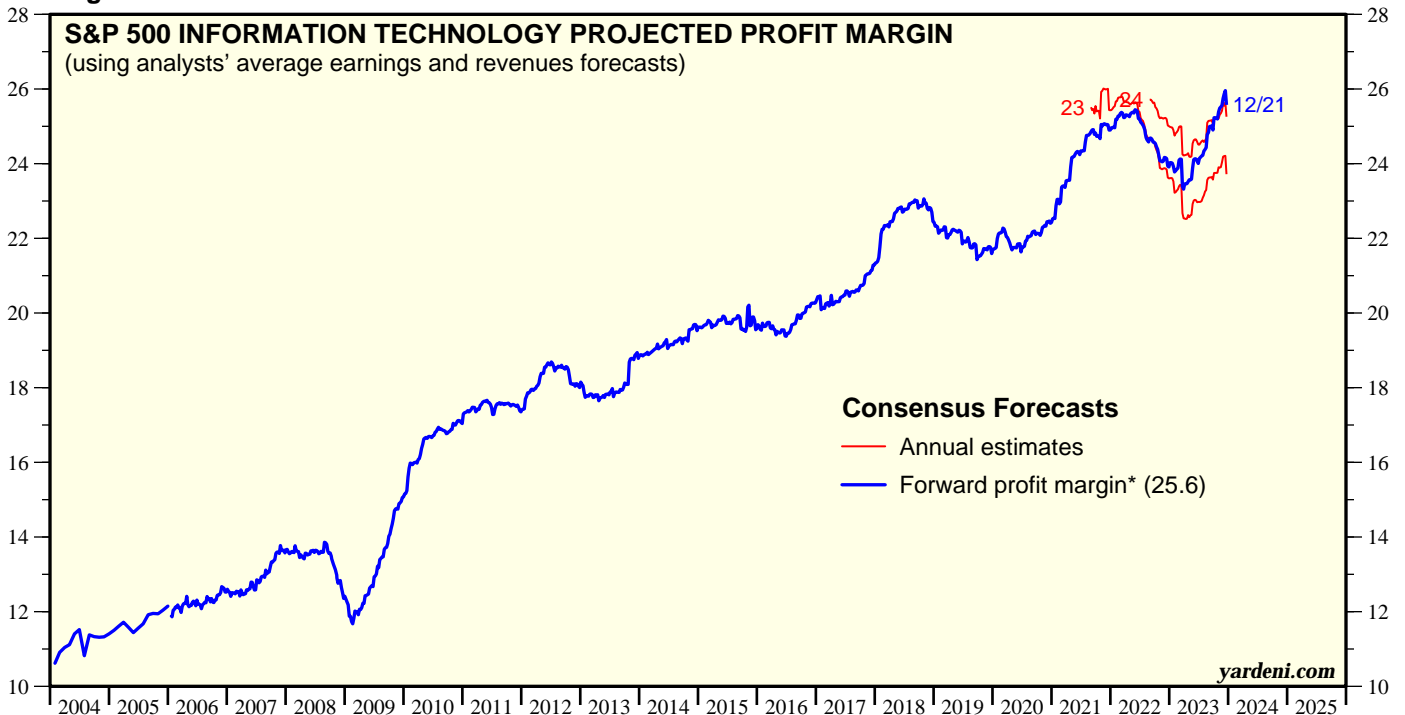
Revenues & Margins

Figure 9.



* 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.

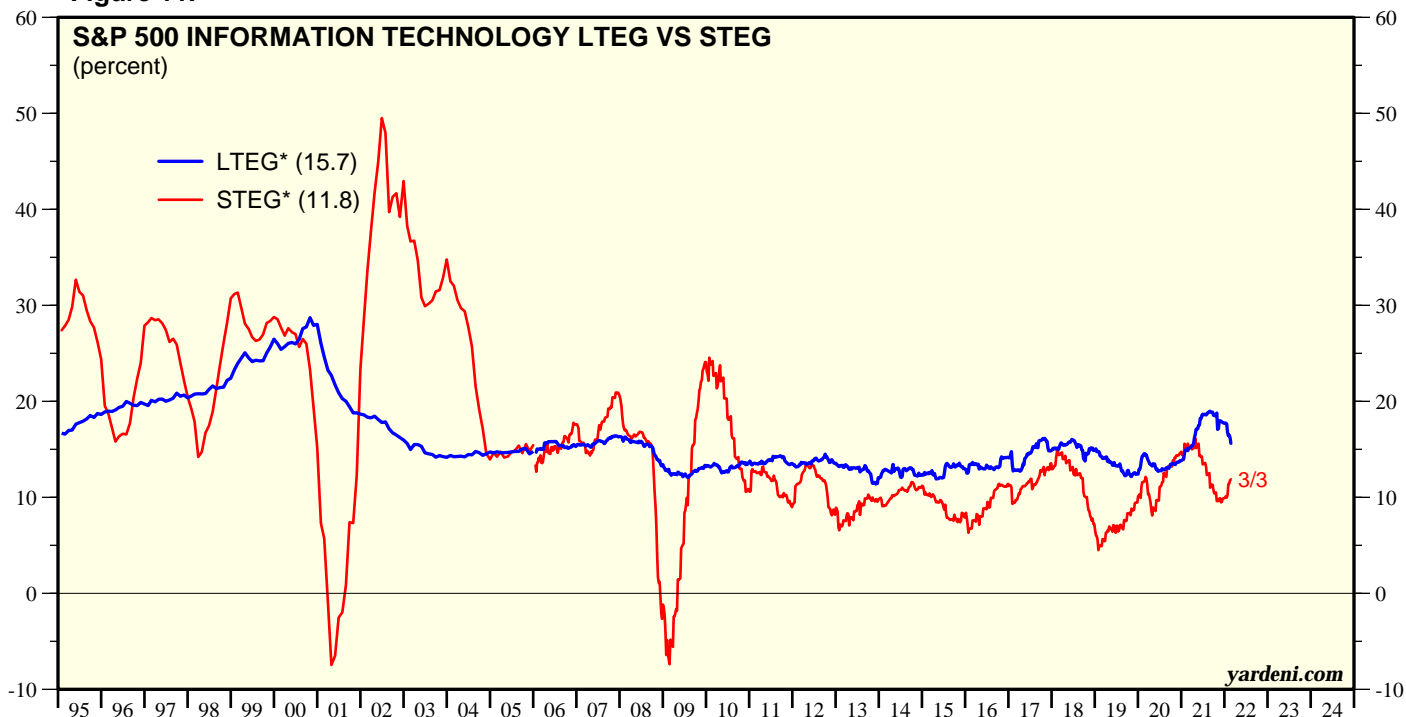
Figure 10.



* 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.

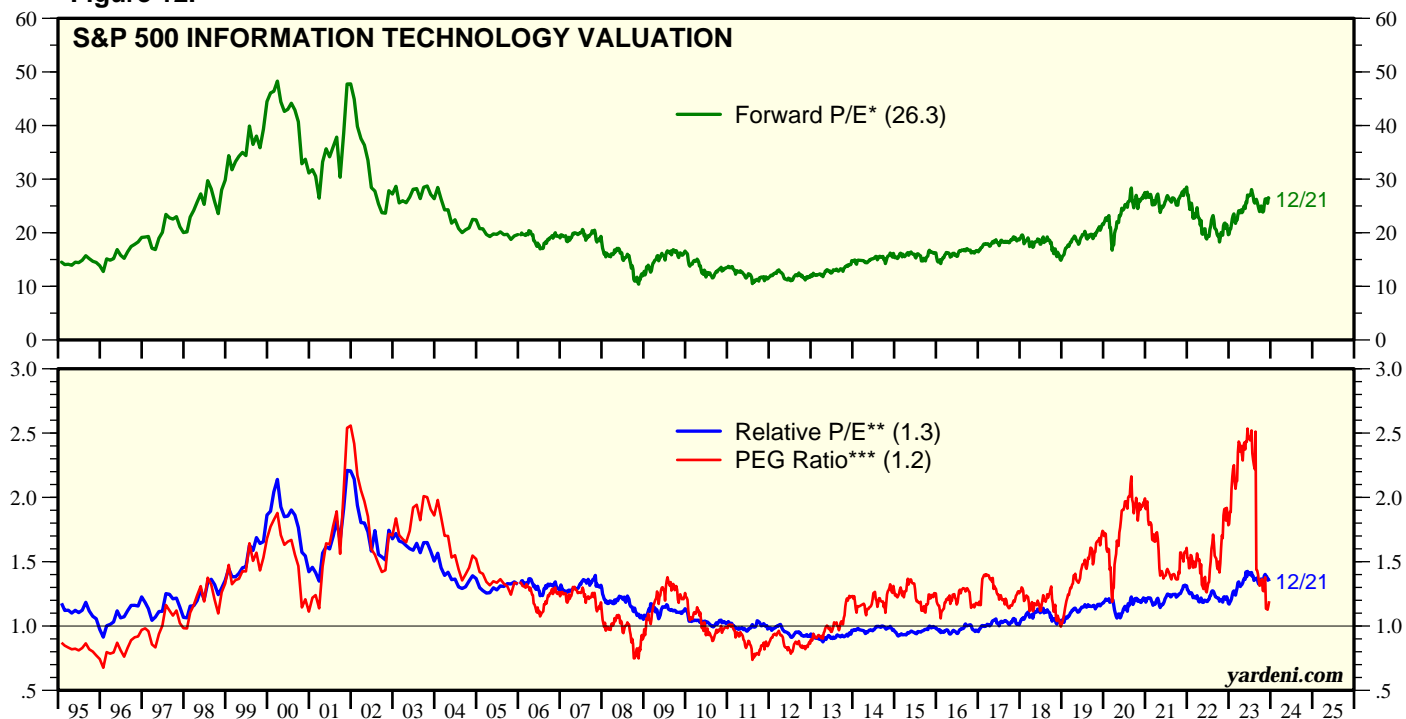
Earnings Growth & Valuation

Figure 11.



* STEG: 12-month (52-week) forward consensus expected earnings growth. LTEG: 5-year forward consensus expected earnings growth. Monthly data through 2005, then weekly.
Source: I/B/E/S data by Refinitiv.

Figure 12.



* 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.

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