

# Corporate Finance Briefing: S&P 500 Reported Income Using 4Q Sums

Yardeni Research, Inc.

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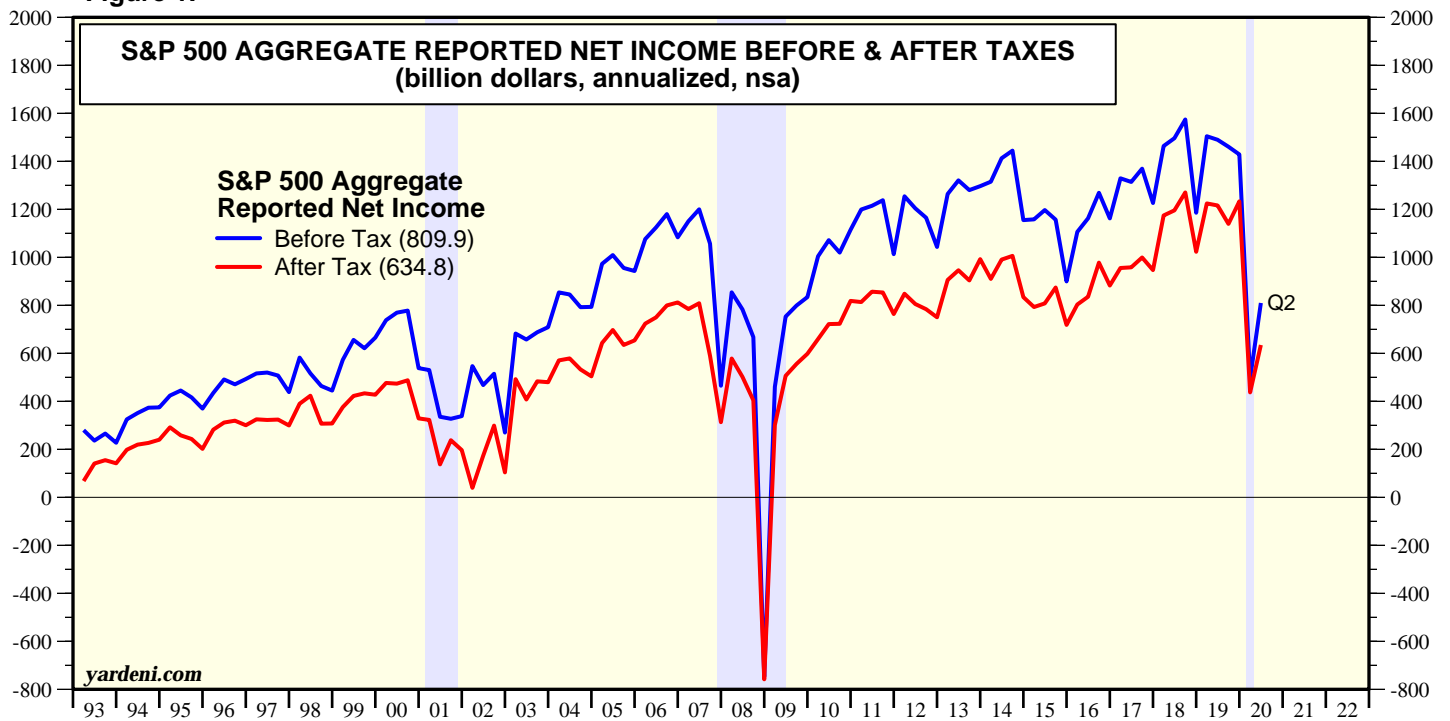
*thinking outside the box*

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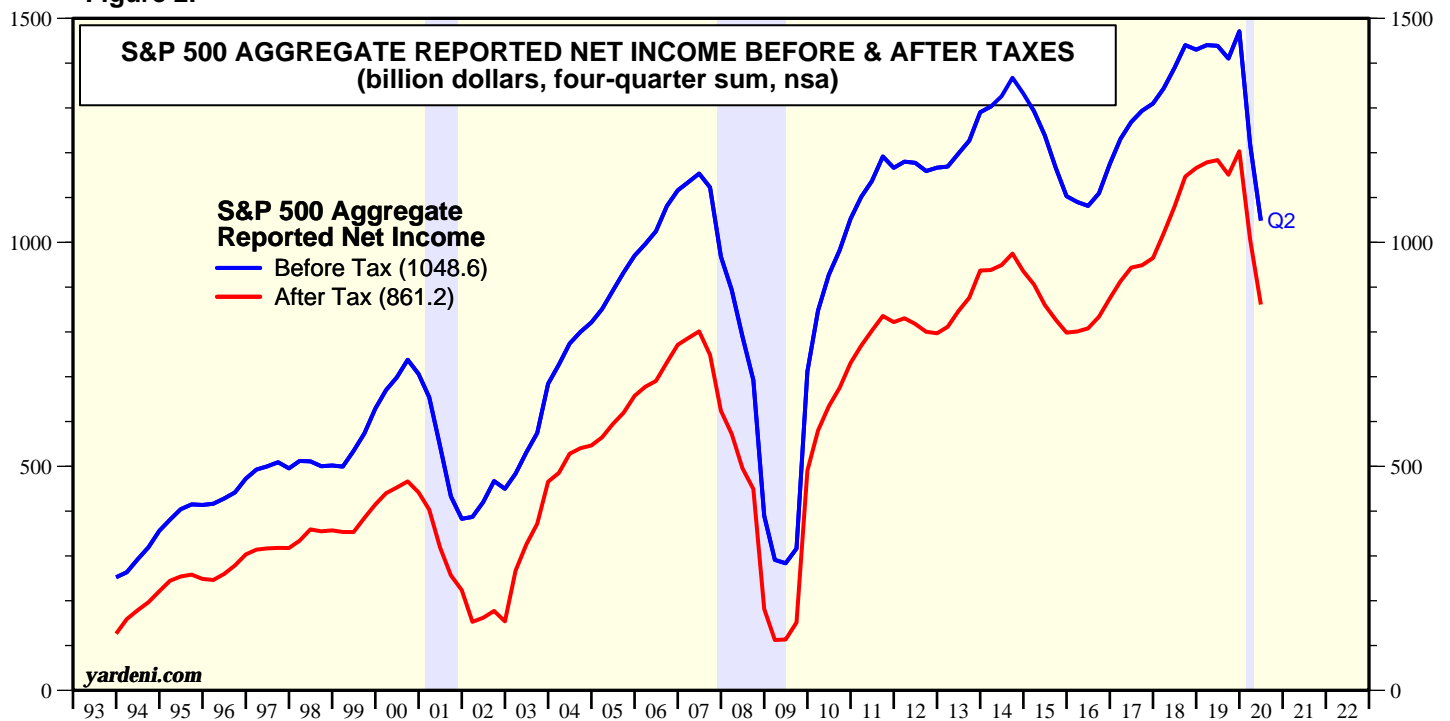
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**Figure 1.**



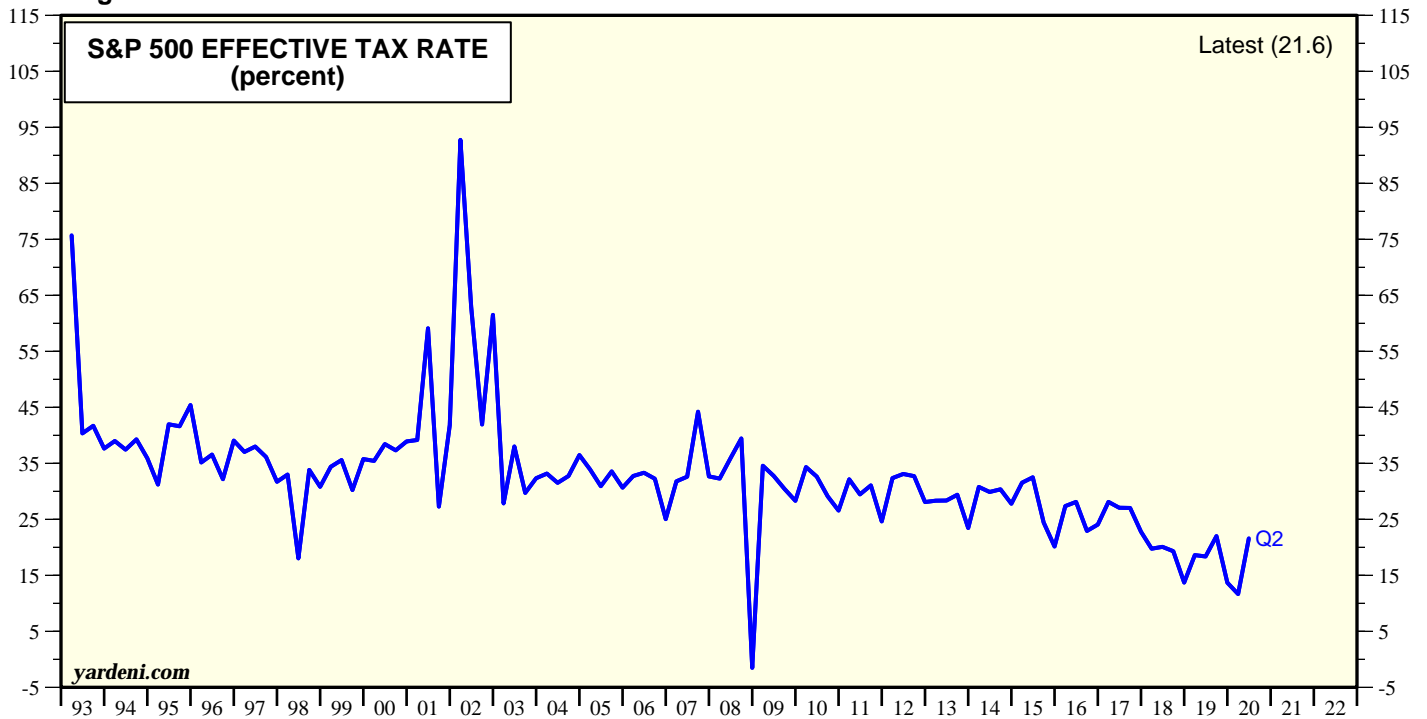
Note: Shaded areas are recessions according to the National Bureau of Economic Research.  
 Source: S&P Dow Jone Indices.

**Figure 2.**



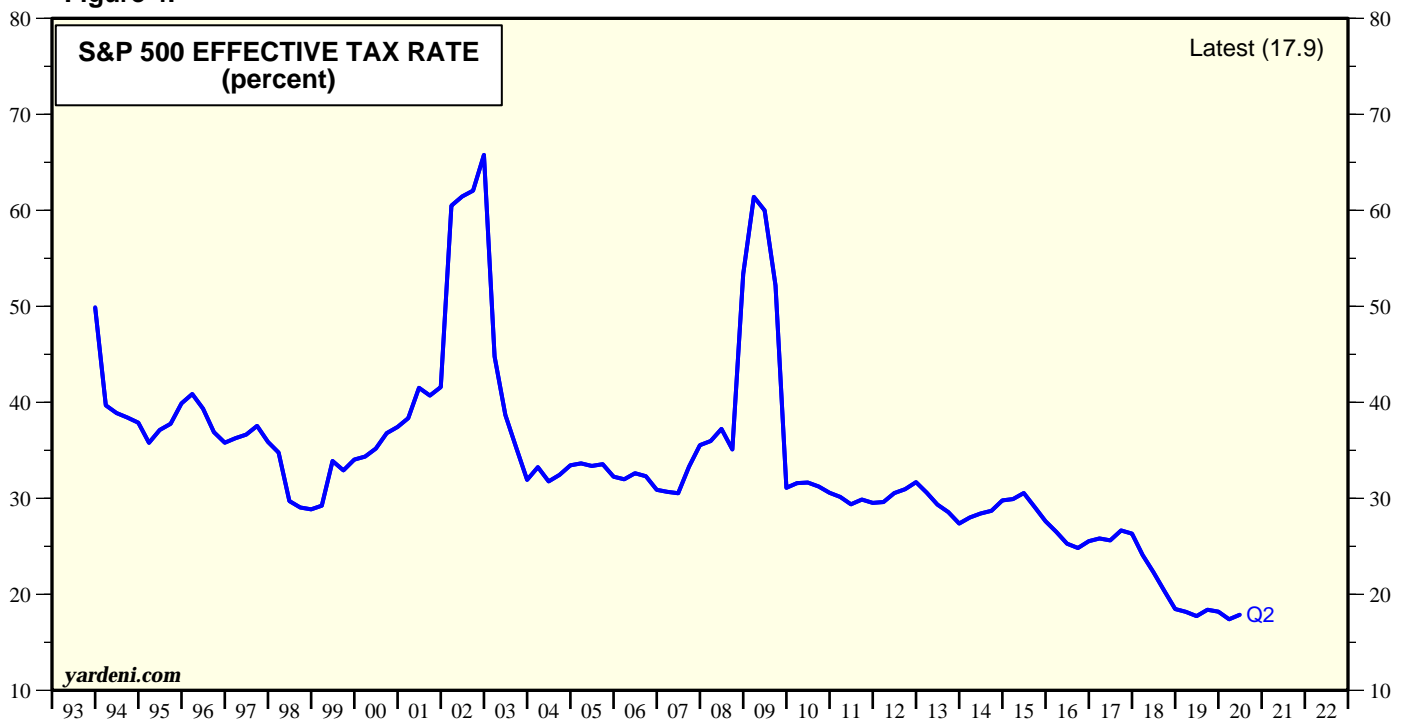
Source: S&P Dow Jone Indices.

**Figure 3.**



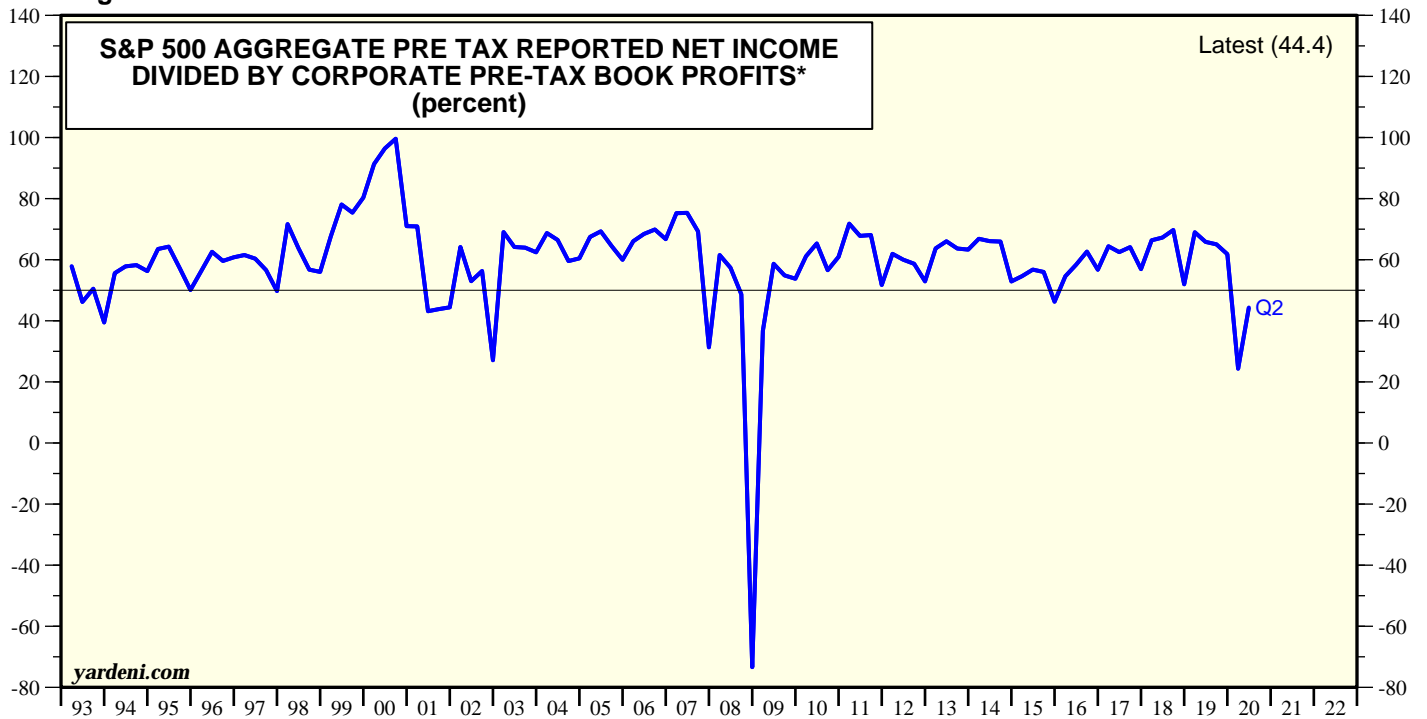
\* S&P 500 aggregate after-tax reported net income divided by aggregate pre-tax reported net income.  
Source: S&P Dow Jone Indices.

**Figure 4.**



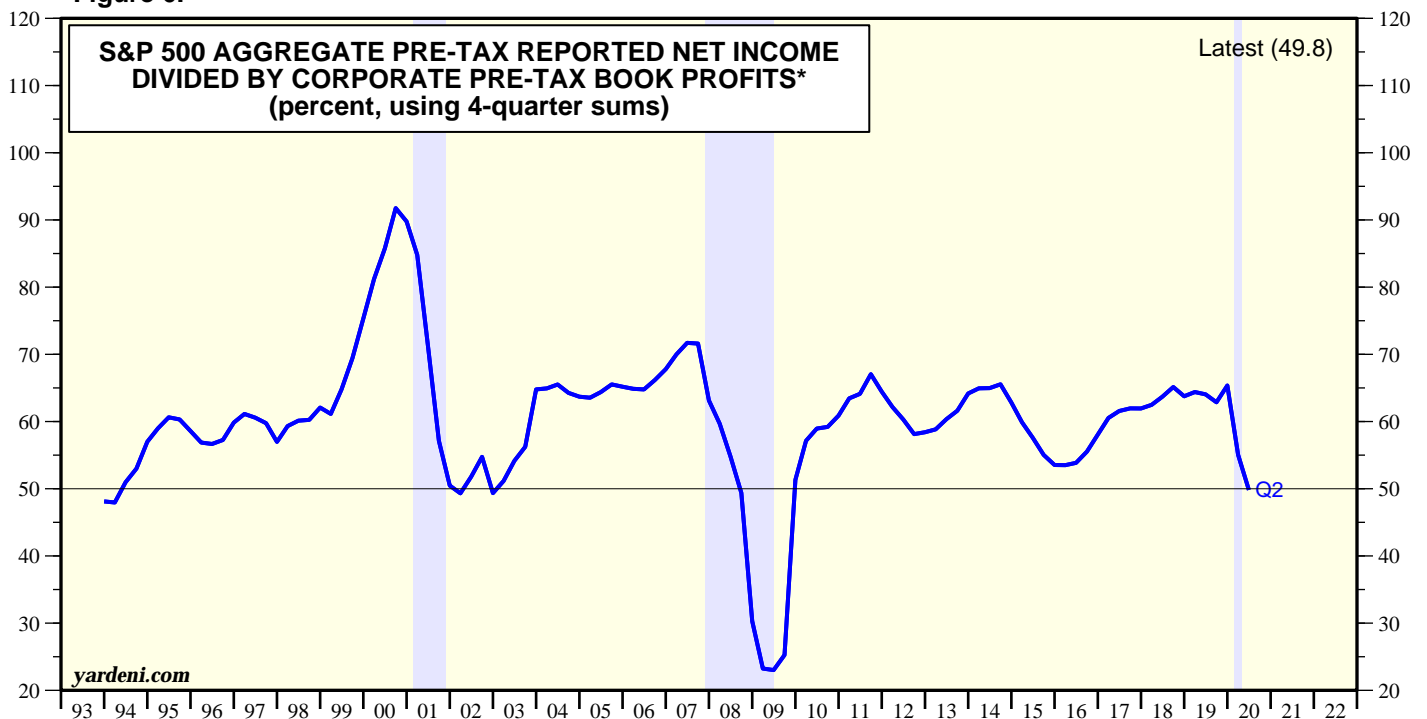
\* Using four-quarter sums of S&P 500 aggregate after-tax reported net earnings divided by aggregate pre-tax reported net income.  
Source: S&P Dow Jone Indices.

**Figure 5.**



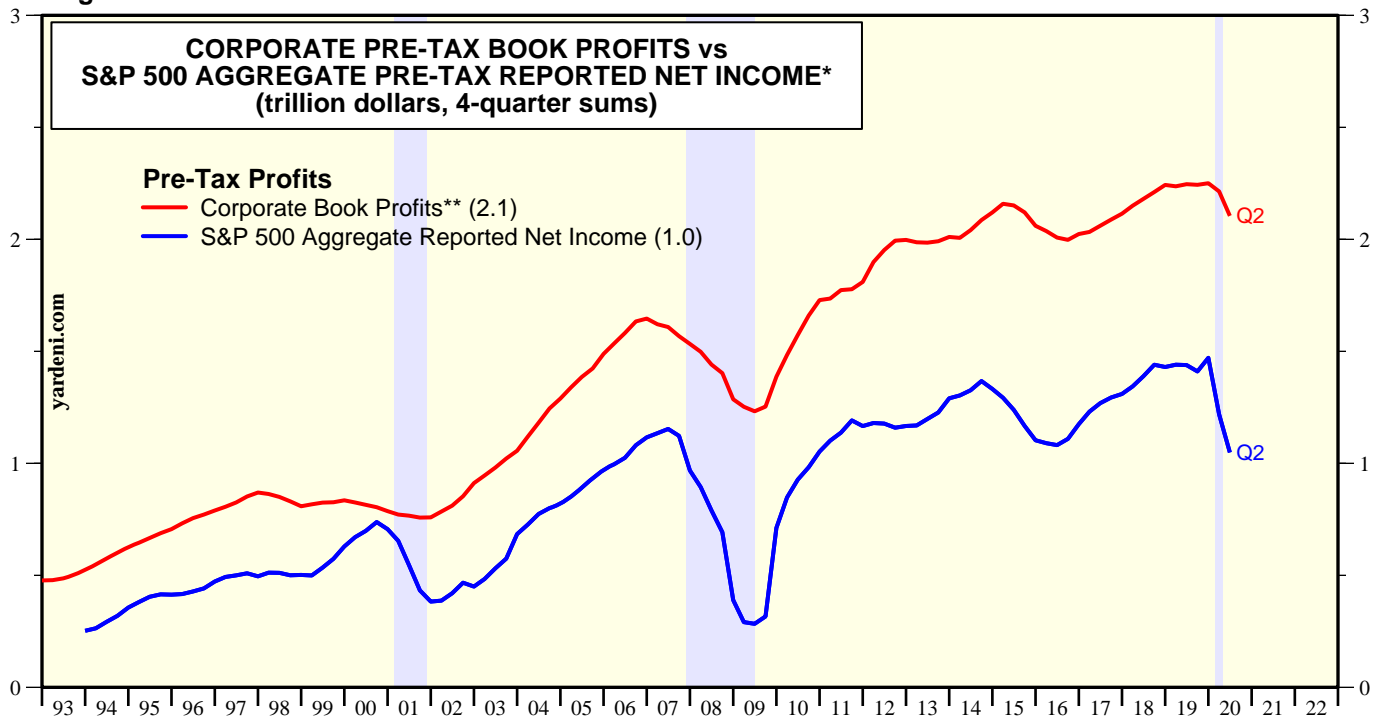
\* Excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCAdj), which restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.  
Source: Bureau of Economic Analysis and S&P Dow Jone Indices.

**Figure 6.**



\* Excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCAdj), which 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 areas are recessions according to the National Bureau of Economic Research.  
Source: Bureau of Economic Analysis and S&P Dow Jone Indices.

**Figure 7.**



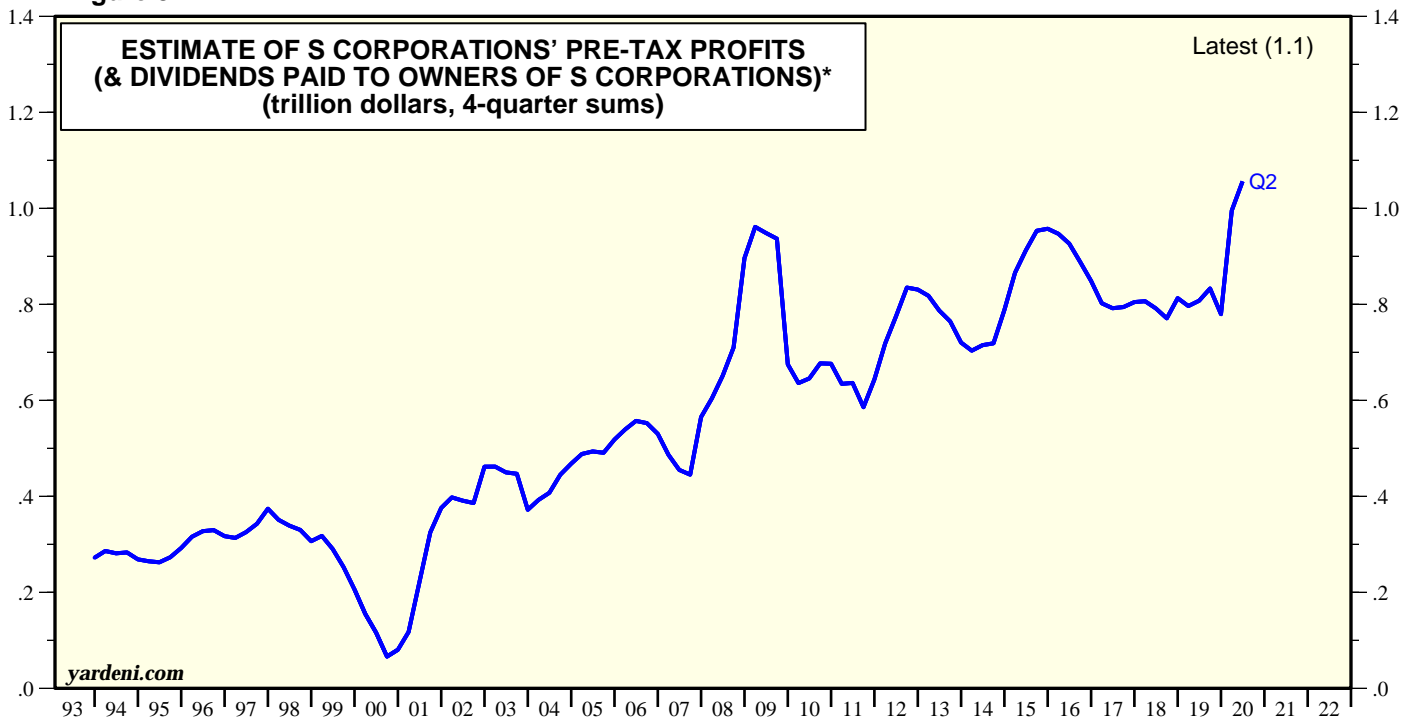
\* Using four-quarter sums of both S&P 500 aggregate pre-tax reported net income and corporate pre-tax book profits.

\*\* Excluding Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCAdj), which 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 areas are recessions according to the National Bureau of Economic Research.

Source: Bureau of Economic Analysis and S&P Dow Jones Indices.

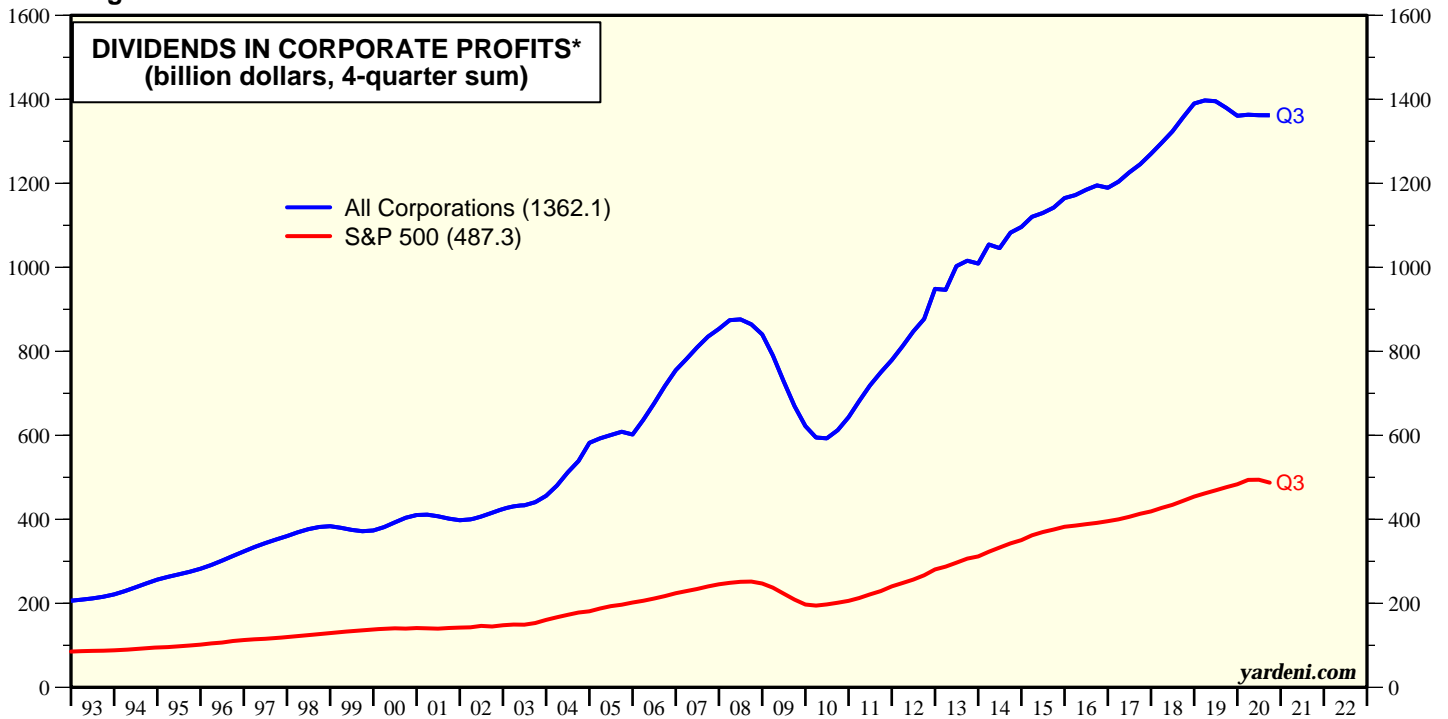
**Figure 8.**



\* Four-quarter sum of corporate pre-tax book profits (excluding IVA and CCAdj) minus S&P 500 aggregate pre-tax reported net income.

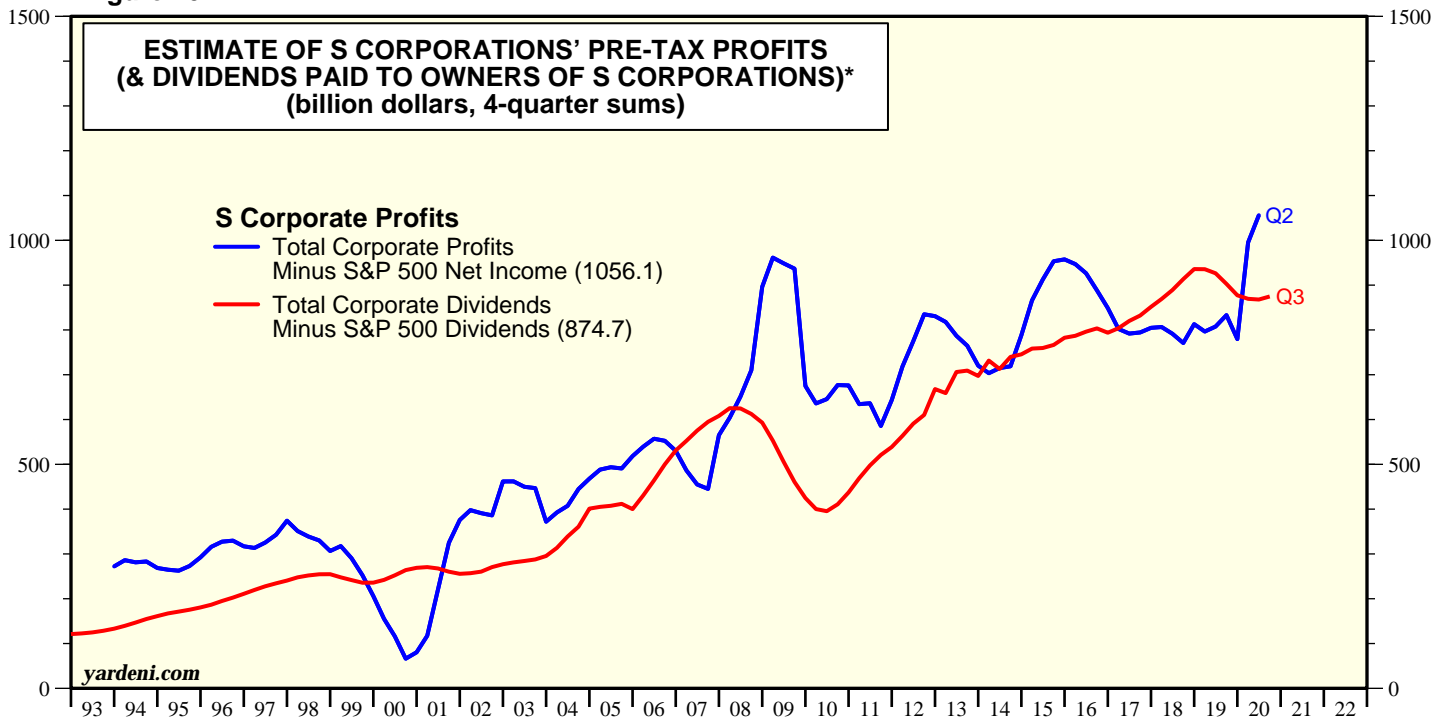
Source: Bureau of Economic Analysis and S&P Dow Jones Indices.

**Figure 9.**



\* Includes dividends paid by S corporations to owners.  
 Source: Bureau of Economic Analysis and Standard & Poor's.

**Figure 10.**



\* Both pre-tax and four-quarter sums.  
 Source: Bureau of Economic Analysis and S&P Dow Jones Indices.

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