

**NOTE:** In September 2016, Standard & Poor's created a new Real Estate sector from stocks that had been in the Financials sector. In October 2018 it converted the Telecom sector to "Communications Services," moving stocks from Info Tech and Consumer Discretionary. These changes distort metrics for those sectors throughout this report. The overall S&P 500 is not affected.

## Data Insights: Global Equity Risk Premia

Monday, April 22, 2024

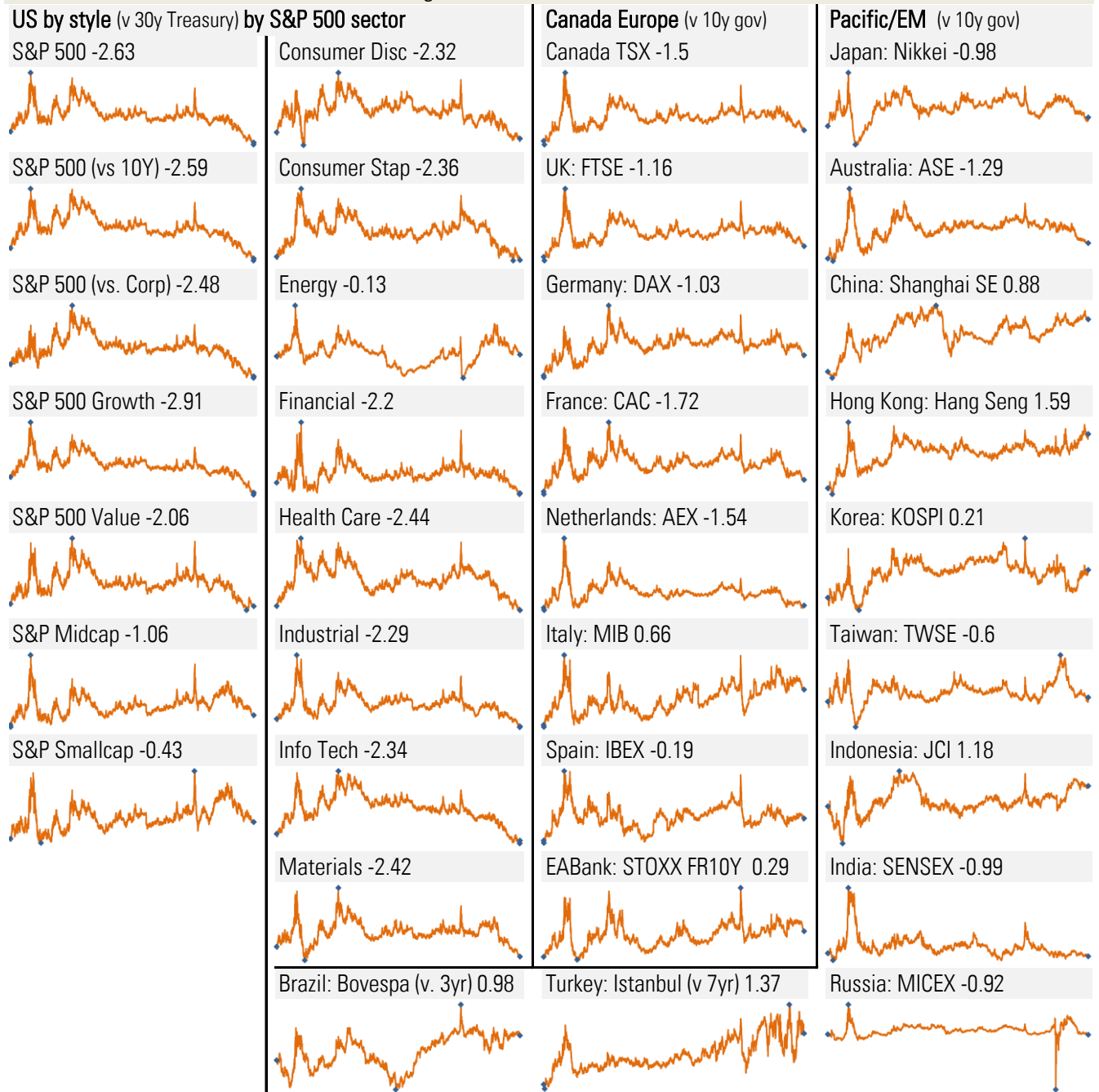
### Global leader-board: by equity risk premium, value, and growth ■ Best ■ Worst

Rank	Equity risk premium		Forward PE ratio		Fwd earns upgrade rate		Fwd sales upgrade rate	
	By SD from 2007-> mean				Trailing 90 days, AR		Trailing 90 days, AR	
	By country		By country		By country		By country	
1	HK: Hang Seng	+1.59	Russia: MICEX	3.1	Turkey: Istanbul	+34%	Turkey: Istanbul	+41%
2	Turkey: Istanbul	+1.37	Turkey: Istanbul	5.3	Netherlands: AEX	+34%	Netherlands: AEX	+40%
3	Indonesia:JCI	+1.19	Brazil: Bovespa	7.9	Taiwan:TWSA	+24%	Canada:TSX	+16%
4	Brazil: Bovespa	+0.99	HK: Hang Seng	7.9	Japan: Nikkei	+23%	Indonesia:JCI	+14%
5	China: Shanghai SE	+0.88	Italy: MIB	9.0	Spain: IBEX	+17%	Brazil: Bovespa	+8%
6	Italy: MIB	+0.66	Korea: KOSPI	9.6	Russia: MICEX	+16%	Taiwan:TWSA	+6%
7	Korea: KOSPI	+0.22	China: Shanghai SE	10.6	US: S&P 500	+13%	US: S&P 500	+6%
8	Spain: IBEX	-0.19	Spain: IBEX	10.8	Italy: MIB	+13%	UK: FTSE	+5%
9	Taiwan:TWSA	-0.60	UK: FTSE	11.3	Korea: KOSPI	+11%	Russia: MICEX	+3%
10	Russia: MICEX	-0.92	Germany: DAX	12.5	Indonesia:JCI	+9%	Australia: ASE	+3%
11	Japan: Nikkei	-0.98	Indonesia:JCI	12.6	India: SENSEX	+4%	Italy: MIB	+2%
12	India: SENSEX	-0.99	France: CAC	13.7	Canada:TSX	+1%	Japan: Nikkei	+0%
13	Germany: DAX	-1.04	Canada:TSX	14.4	UK: FTSE	+1%	Spain: IBEX	-2%
14	UK: FTSE	-1.17	Netherlands: AEX	15.1	France: CAC	+0%	Korea: KOSPI	-3%
15	Australia: ASE	-1.30	Australia: ASE	16.4	Brazil: Bovespa	-0%	France: CAC	-4%
16	Canada:TSX	-1.50	Taiwan:TWSA	16.6	Germany: DAX	-9%	Germany: DAX	-9%
17	Netherlands: AEX	-1.54	Japan: Nikkei	19.0	Australia: ASE	-10%	HK: Hang Seng	-12%
18	France: CAC	-1.72	US: S&P 500	19.8	HK: Hang Seng	-13%	China: Shanghai SE	-17%
19	US: S&P 500	-2.63	India: SENSEX	20.6	China: Shanghai SE	-15%	India: SENSEX	-21%
<b>US, by style</b>								
1	S&P Smallcap	-0.43	S&P Smallcap	14.4	S&P 500 Growth	+25%	S&P Midcap	+13%
2	S&P Midcap	-1.07	S&P Midcap	15.4	S&P 500	+13%	S&P 500 Growth	+12%
3	S&P 500 Value	-2.07	S&P 500 Value	15.8	S&P 500 Value	+6%	S&P 500	+6%
4	S&P 500	-2.63	S&P 500	19.8	S&P Midcap	+5%	S&P 500 Value	+4%
5	S&P 500 Growth	-2.91	S&P 500 Growth	25.2	S&P Smallcap	-4%	S&P Smallcap	+0%
<b>US, by sector</b>								
1	Energy	-0.13	Energy	12.2	Info Tech	+25%	Communications	+13%
2	Utilities	-1.72	Financial	15.1	Communications	+21%	Health Care	+13%
3	Financial	-2.20	Utilities	15.9	Energy	+21%	Info Tech	+12%
4	Industrial	-2.29	Communications	18.3	Financial	+18%	Financial	+9%
5	Consumer Disc	-2.33	Health Care	18.5	Consumer Stap	+11%	Industrial	+6%
6	Info Tech	-2.35	Consumer Stap	19.4	Industrial	+11%	Consumer Stap	+3%
7	Consumer Stap	-2.36	Materials	20.4	Consumer Disc	+10%	Energy	+0%
8	Communications	-2.41	Industrial	20.5	Utilities	+6%	Consumer Disc	-1%
9	Materials	-2.43	Consumer Disc	22.9	Materials	-2%	Materials	-3%
10	Health Care	-2.44	Info Tech	25.8	Health Care	-5%	Utilities	-4%

Source: Bloomberg, TrendMacro calculations

# Equity risk premium: forward earnings yield minus bond yield, July 2007 to current

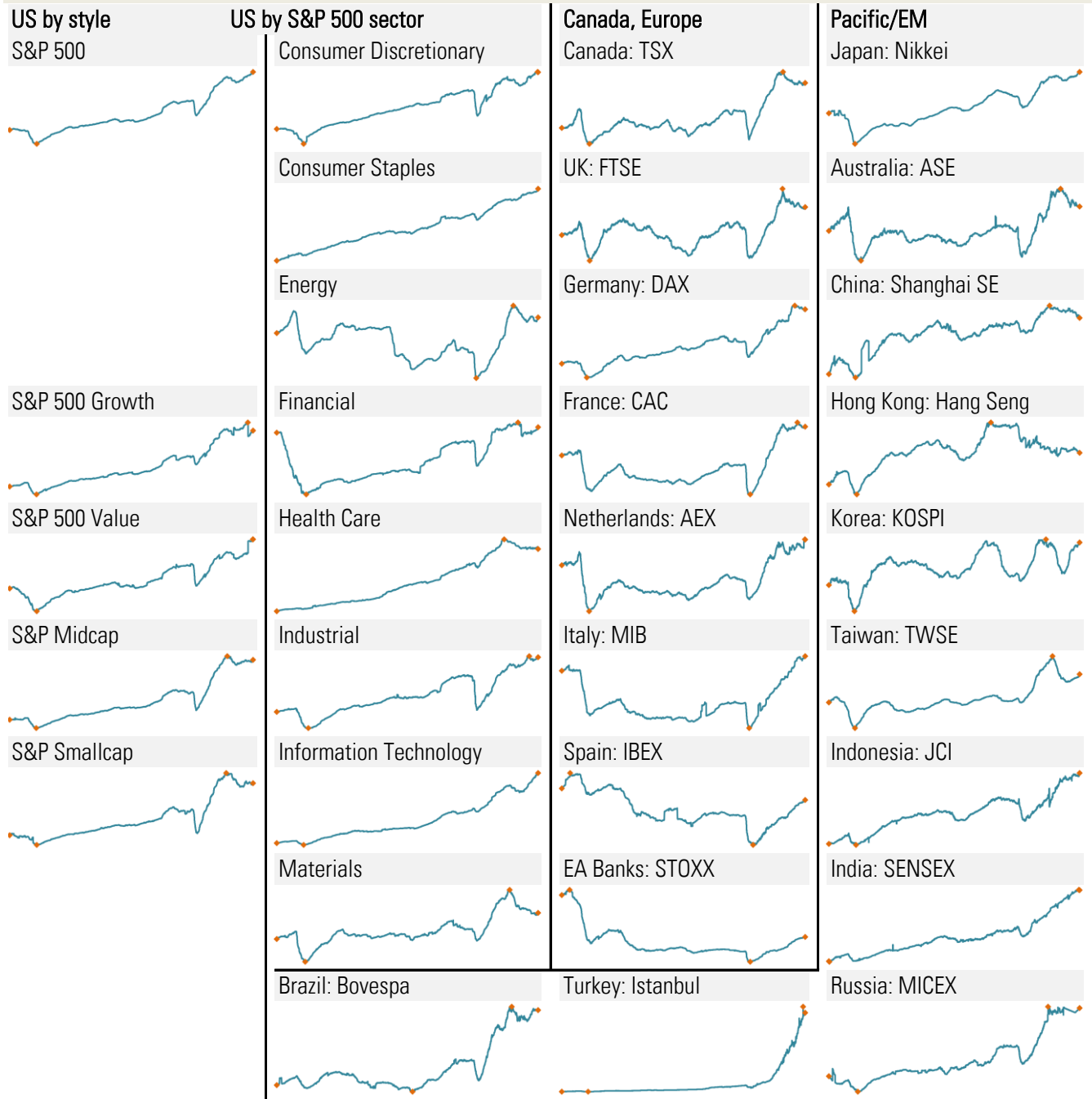
Standard deviations from mean • First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

# EPS: forward consensus, bottom-up, July 2007 to current

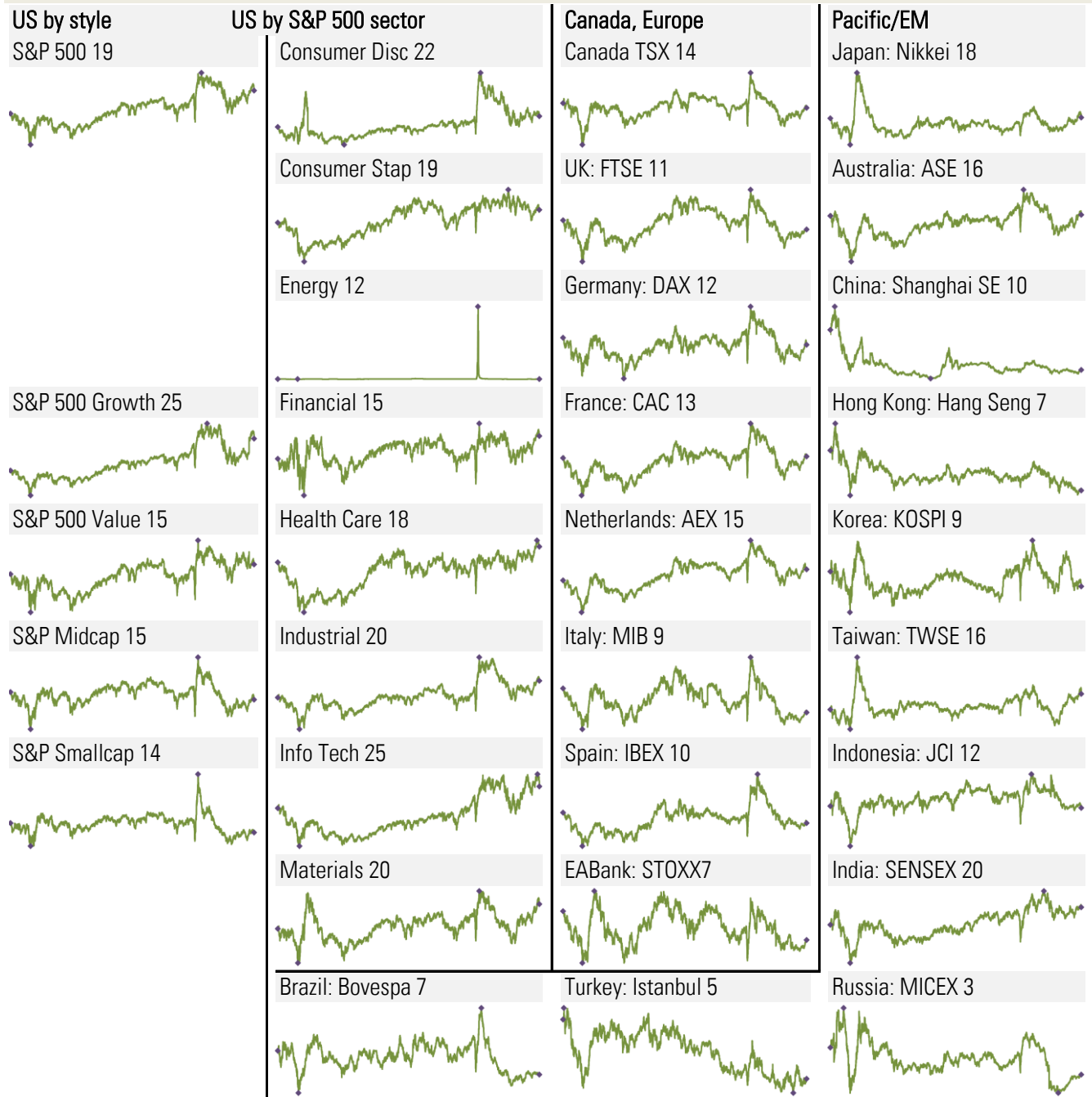
● First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

# P/E ratio: forward consensus, bottom-up, July 2007 to current

• First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

# Benchmark bond yields, July 2007 to current

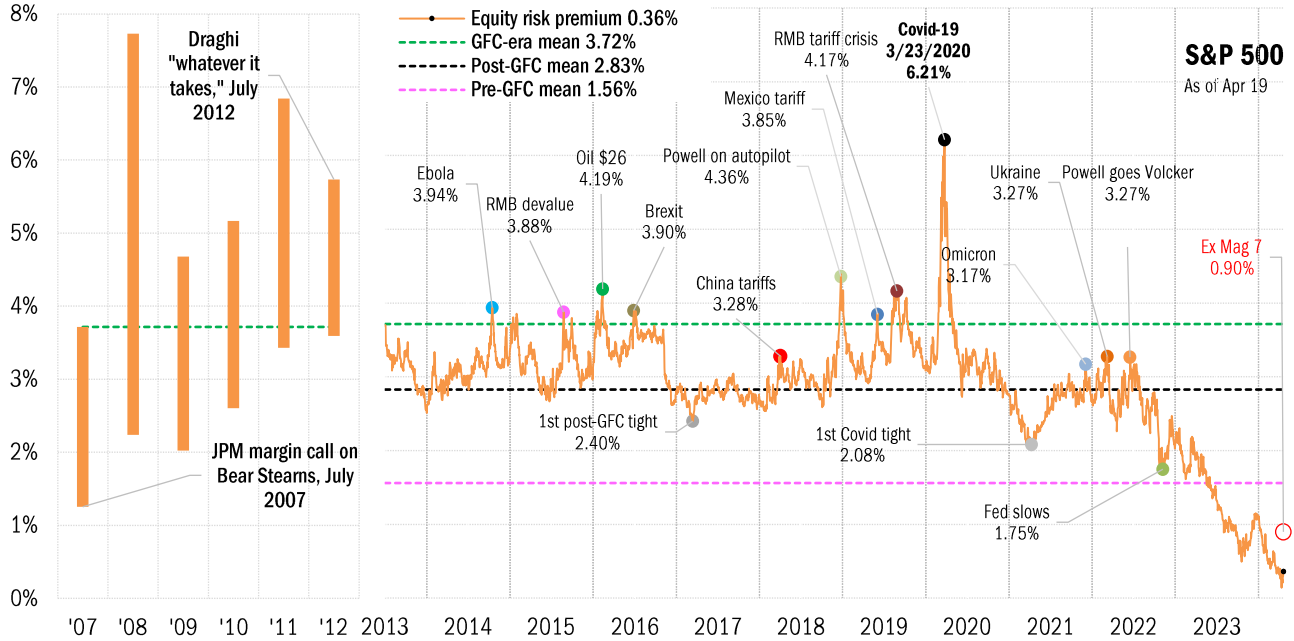
10-year government, unless indicated • First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

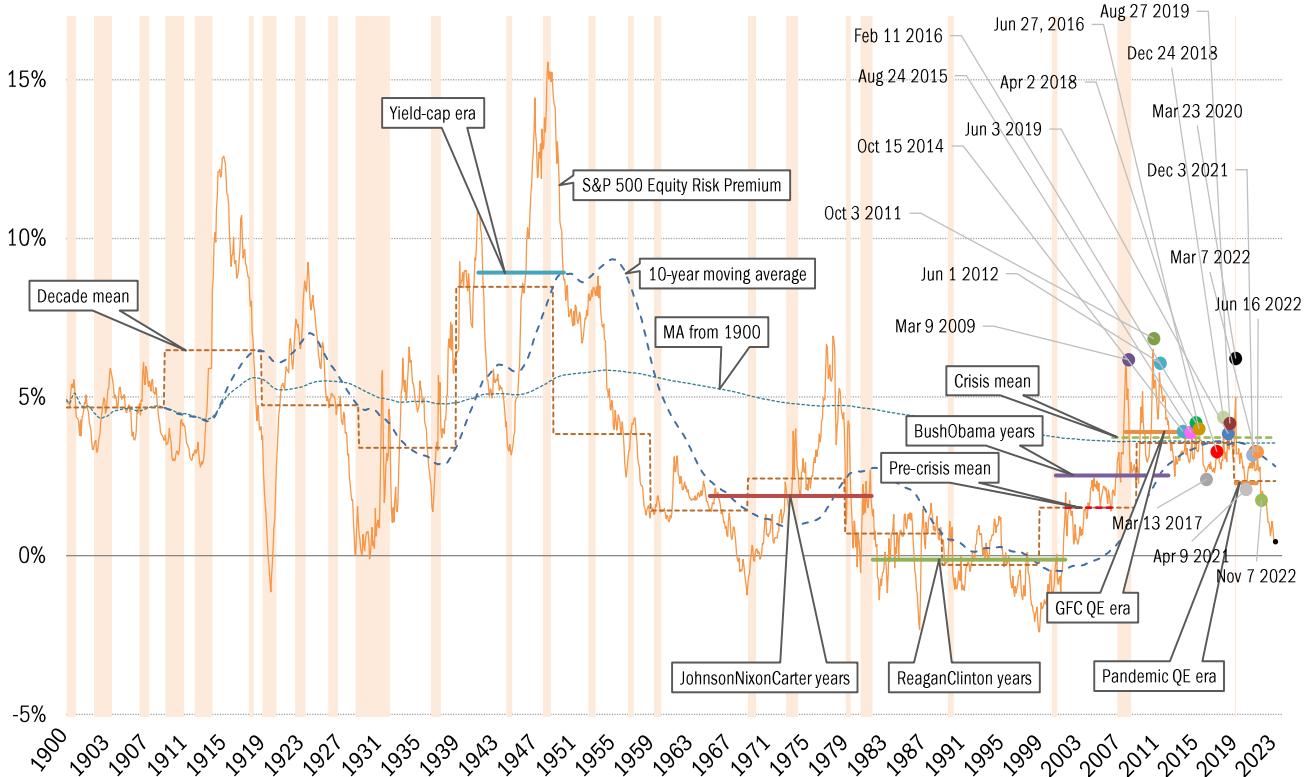
# Daily S&P 500 equity risk premium in the era of crises

July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



Versus 30-year Treasury Source: Bloomberg, NBER, TrendMacro calculations

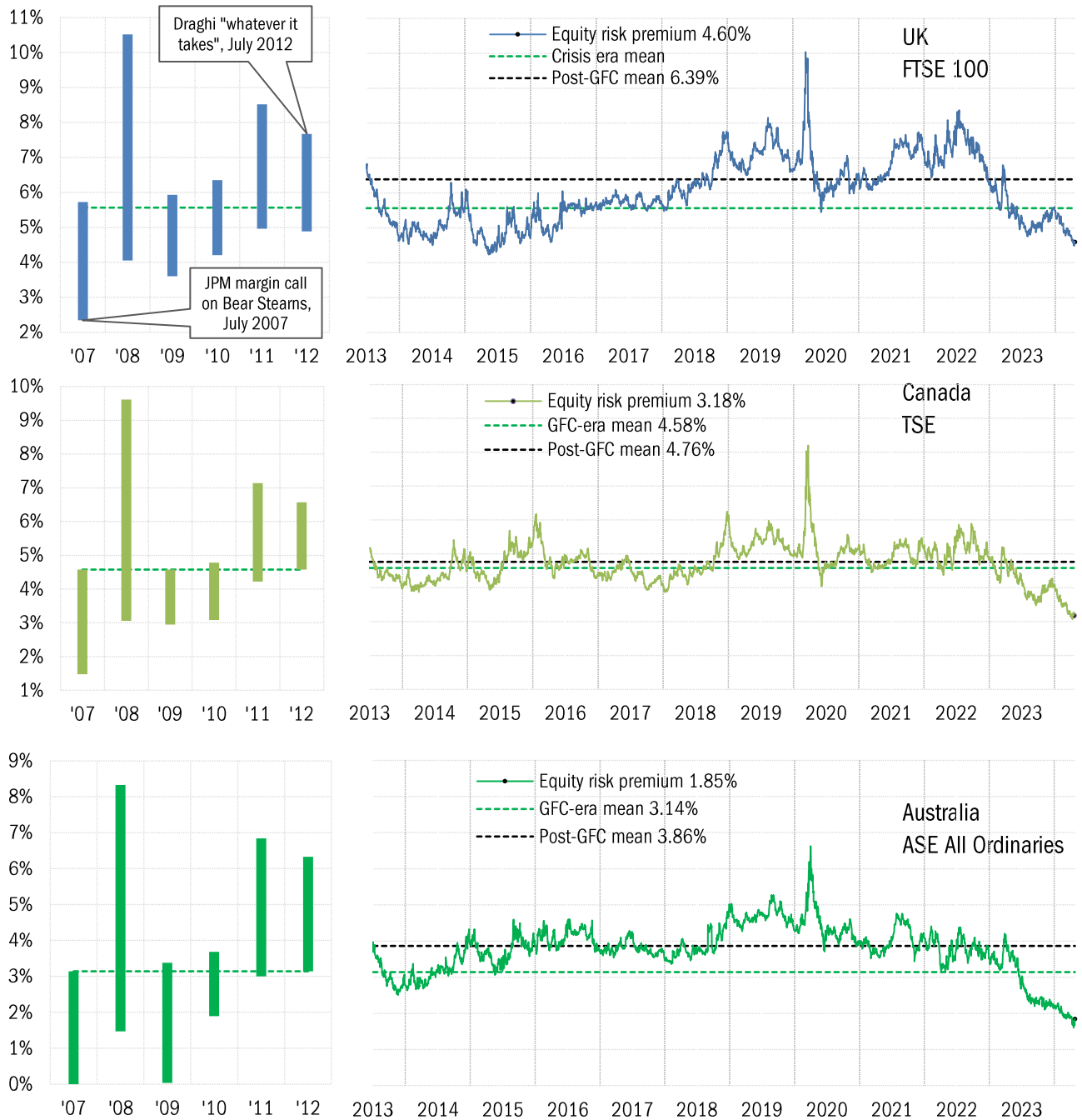
# A century-plus of the monthly S&P 500 equity risk premium



Versus 30-year Treasury Source: Various, TrendMacro calculations

# Global equity risk premia in the GFC, and its aftermath: the Anglosphere

July-to-June 12-mo range (left panel), daily from July 2013 (right panel)

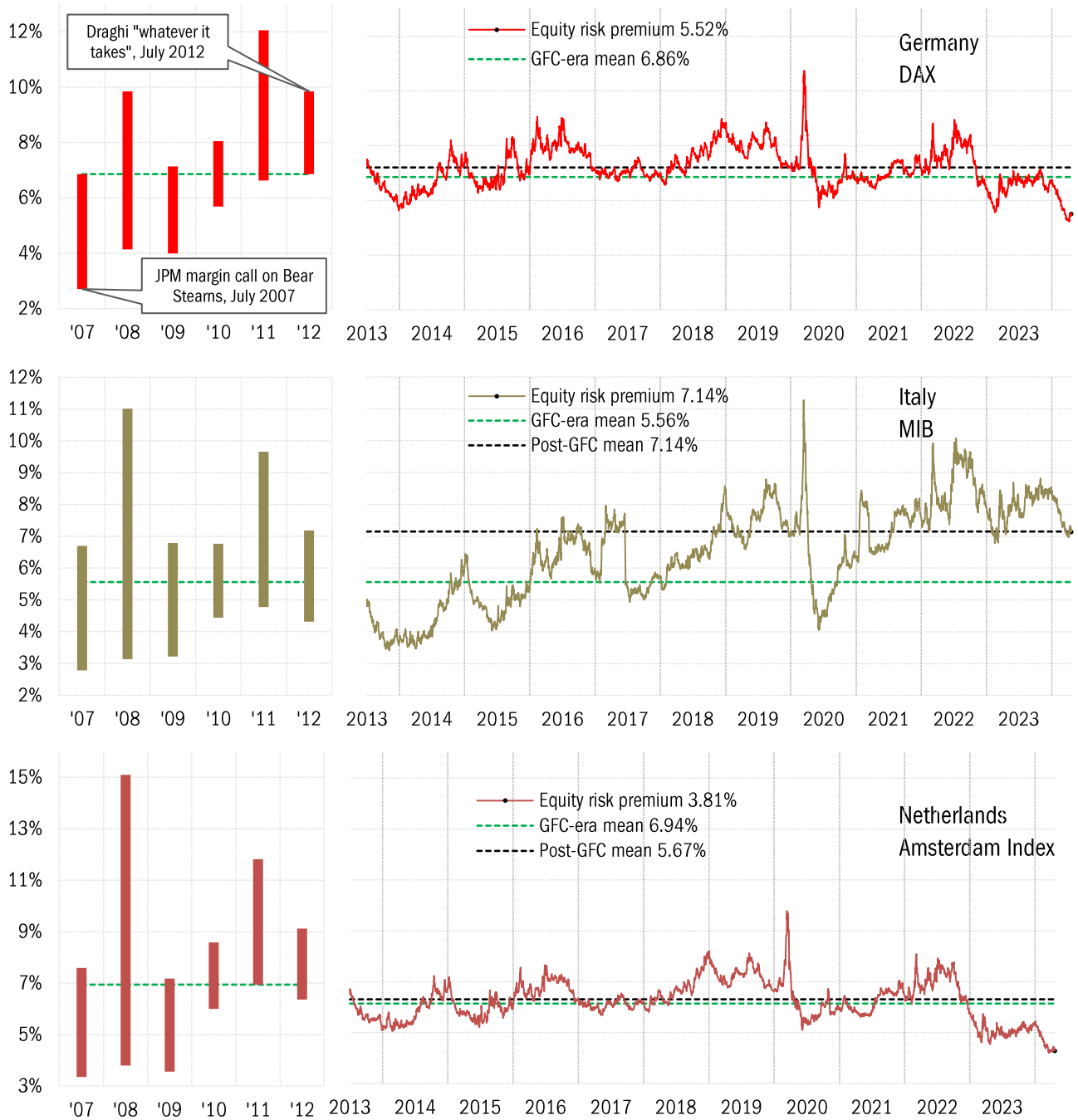


Source: Bloomberg, TrendMacro calculations



# Global equity risk premia in the GFC, and its aftermath: Europe

July-to-June 12-mo range (left panel), daily from July 2013 (right panel)

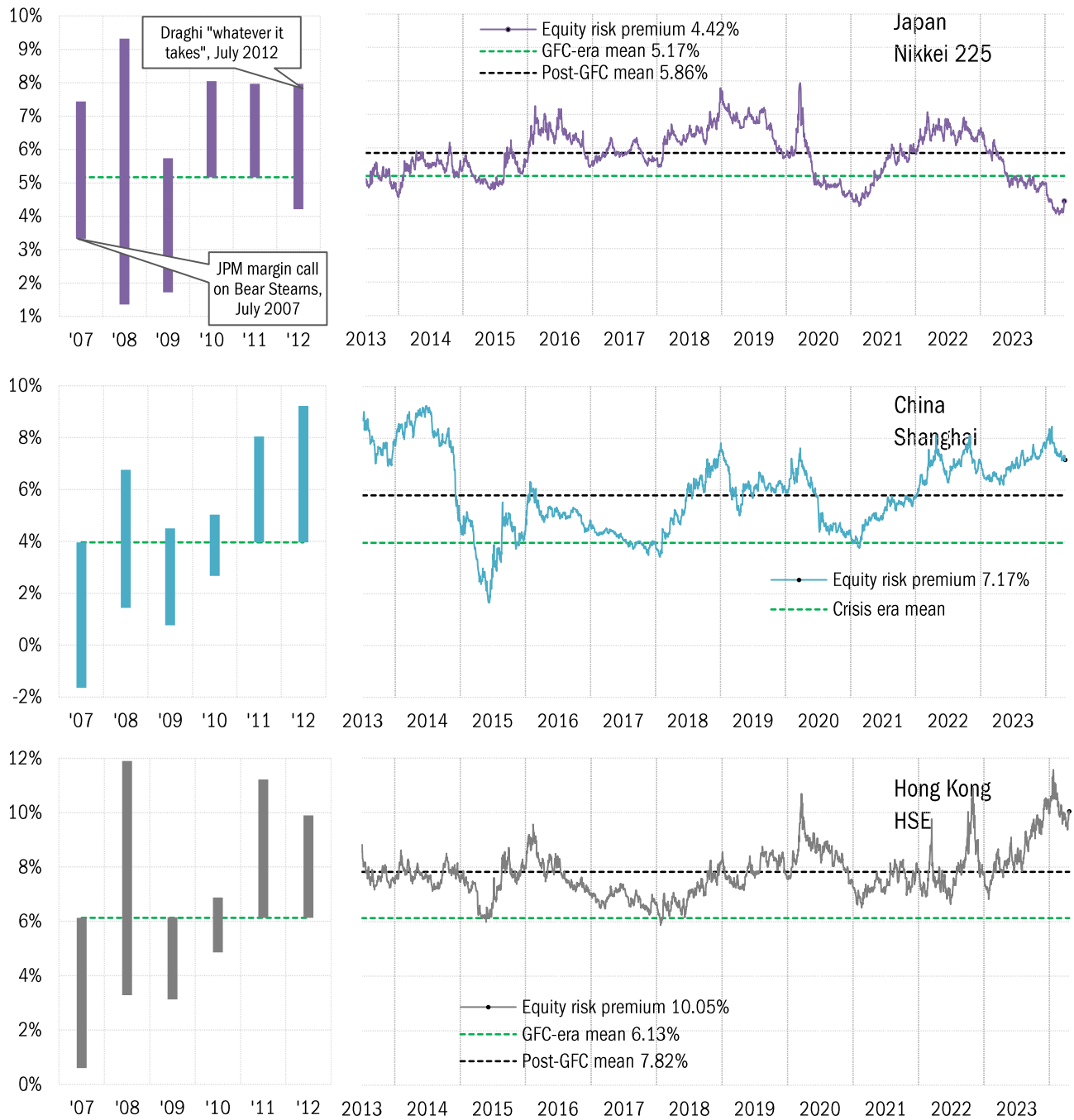


Source: Bloomberg, TrendMacro calculations



# Global equity risk premia in the GFC, and its aftermath: Asia

July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



Source: Bloomberg, TrendMacro calculations