

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 8, 2025

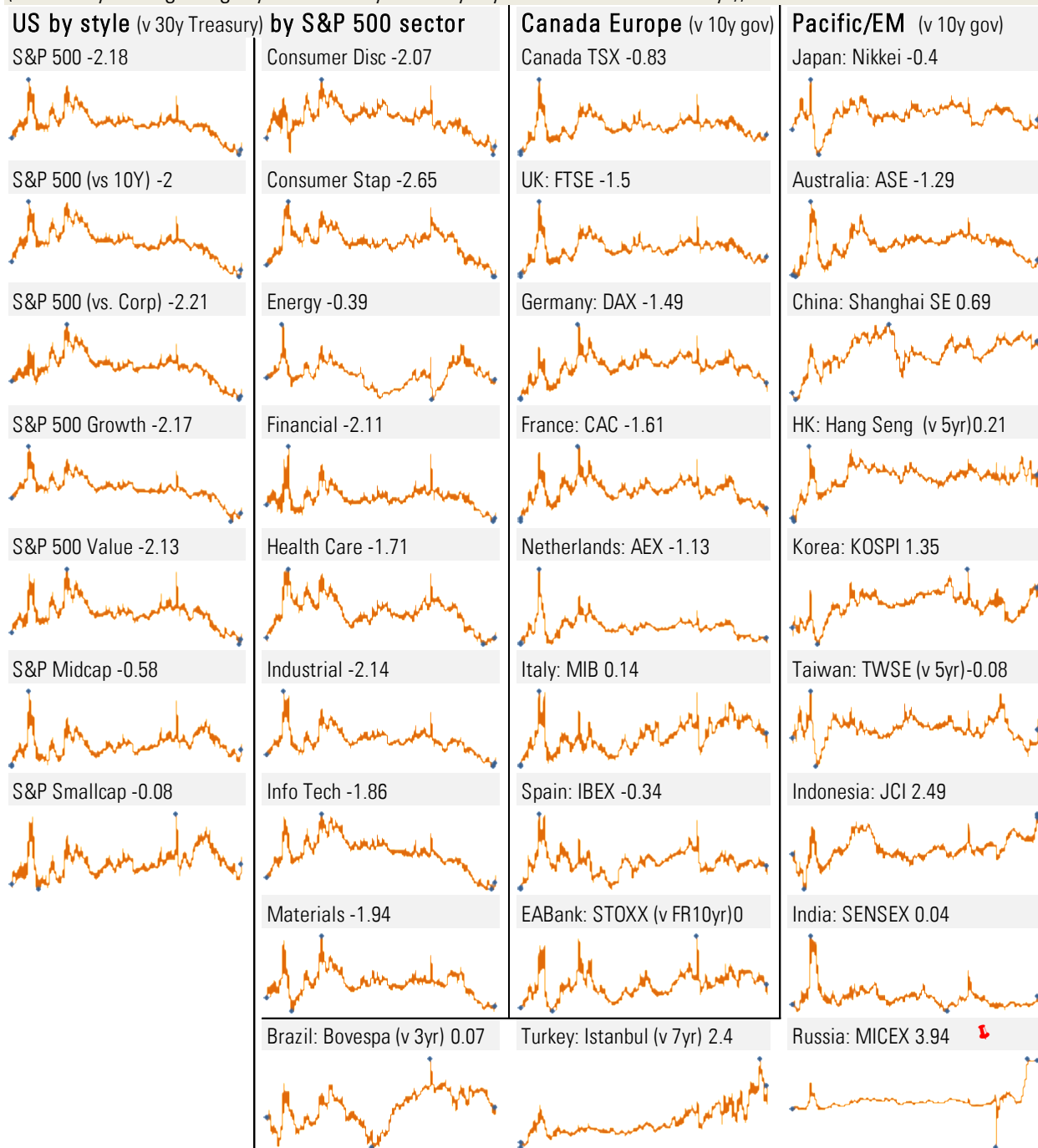
Global leader-board: by equity risk premium, value, and growth										Best	Worst	Data error
Rank	Equity risk premium			Forward PE ratio		Fwd earns upgrade rate		Fwd sales upgrade rate				
	By SD from 2007-> mean					Trailing 90 days, AR		Trailing 90 days, AR				
	By country			By country		By country		By country				
1	Russia: MICEX		+3.94	Russia: MICEX	1.0	Turkey: Istanbul	+69%	India: SENSEX		+130%		
2	Indonesia:JCI		+2.49	Turkey: Istanbul	3.7	Spain: IBEX	+18%	Turkey: Istanbul		+69%		
3	Turkey: Istanbul		+2.41	Brazil: Bovespa	7.3	HK: Hang Seng	+13%	Indonesia:JCI		+16%		
4	Korea: KOSPI		+1.36	Korea: KOSPI	8.3	India: SENSEX	+7%	Brazil: Bovespa		+15%		
5	China: Shanghai SE		+0.70	HK: Hang Seng	9.3	China: Shanghai SE	+5%	HK: Hang Seng		+15%		
6	HK: Hang Seng		+0.22	Italy: MIB	9.8	Japan: Nikkei	+4%	Japan: Nikkei		+10%		
7	Italy: MIB		+0.15	Indonesia:JCI	10.2	US: S&P 500	+2%	Taiwan:TWSA		+6%		
8	Brazil: Bovespa		+0.08	Spain: IBEX	11.0	Canada:TSX	+2%	Spain: IBEX		+5%		
9	India: SENSEX		+0.04	UK: FTSE	11.3	Taiwan:TWSA	+2%	Korea: KOSPI		+5%		
10	Taiwan:TWSA		-0.08	China: Shanghai SE	11.8	Australia: ASE	+1%	US: S&P 500		+4%		
11	Spain: IBEX		-0.35	France: CAC	13.2	Indonesia:JCI	+0%	Australia: ASE		+4%		
12	Japan: Nikkei		-0.40	Taiwan:TWSA	13.5	Russia: MICEX	Unch	Germany: DAX		+2%		
13	Canada:TSX		-0.84	Germany: DAX	13.6	Korea: KOSPI	-0%	Russia: MICEX		Unch		
14	Netherlands: AEX		-1.14	Canada:TSX	14.2	Brazil: Bovespa	-1%	Italy: MIB		-3%		
15	Australia: ASE		-1.30	Netherlands: AEX	14.5	Germany: DAX	-2%	China: Shanghai SE		-3%		
16	Germany: DAX		-1.50	Japan: Nikkei	16.5	Italy: MIB	-7%	France: CAC		-4%		
17	UK: FTSE		-1.50	Australia: ASE	16.6	France: CAC	-8%	UK: FTSE		-9%		
18	France: CAC		-1.62	India: SENSEX	19.0	Netherlands: AEX	-10%	Canada:TSX		-13%		
19	US: S&P 500		-2.19	US: S&P 500	19.5	UK: FTSE	-13%	Netherlands: AEX		-42%		
	US, by style			US, by style		US, by style		US, by style				
1	S&P Smallcap		-0.09	S&P Smallcap	13.5	S&P 500 Growth	+9%	S&P Midcap		+16%		
2	S&P Midcap		-0.59	S&P Midcap	14.2	S&P 500	+2%	S&P 500 Growth		+8%		
3	S&P 500 Value		-2.14	S&P 500 Value	16.6	S&P Midcap	-1%	S&P 500		+4%		
4	S&P 500 Growth		-2.18	S&P 500	19.5	S&P 500 Value	-2%	S&P 500 Value		+4%		
5	S&P 500		-2.19	S&P 500 Growth	23.3	S&P Smallcap	-7%	S&P Smallcap		-10%		
	US, by sector			US, by sector		US, by sector		US, by sector				
1	Energy		-0.39	Energy	13.0	Financial	+11%	Health Care		+11%		
2	Health Care		-1.72	Financial	15.6	Info Tech	+11%	Info Tech		+8%		
3	Communications		-1.85	Health Care	16.4	Utilities	+6%	Financial		+7%		
4	Info Tech		-1.86	Communications	16.9	Health Care	+4%	Communications		+6%		
5	Materials		-1.94	Utilities	17.0	Consumer Stap	-0%	Energy		+4%		
6	Utilities		-2.04	Materials	19.0	Communications	-4%	Industrial		+1%		
7	Consumer Disc		-2.07	Industrial	21.0	Consumer Disc	-6%	Consumer Stap		+1%		
8	Financial		-2.12	Consumer Stap	21.6	Industrial	-6%	Utilities		-0%		
9	Industrial		-2.14	Consumer Disc	22.8	Energy	-11%	Consumer Disc		-4%		
10	Consumer Stap		-2.66	Info Tech	23.6	Materials	-19%	Materials		-7%		

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 ✖ Data error

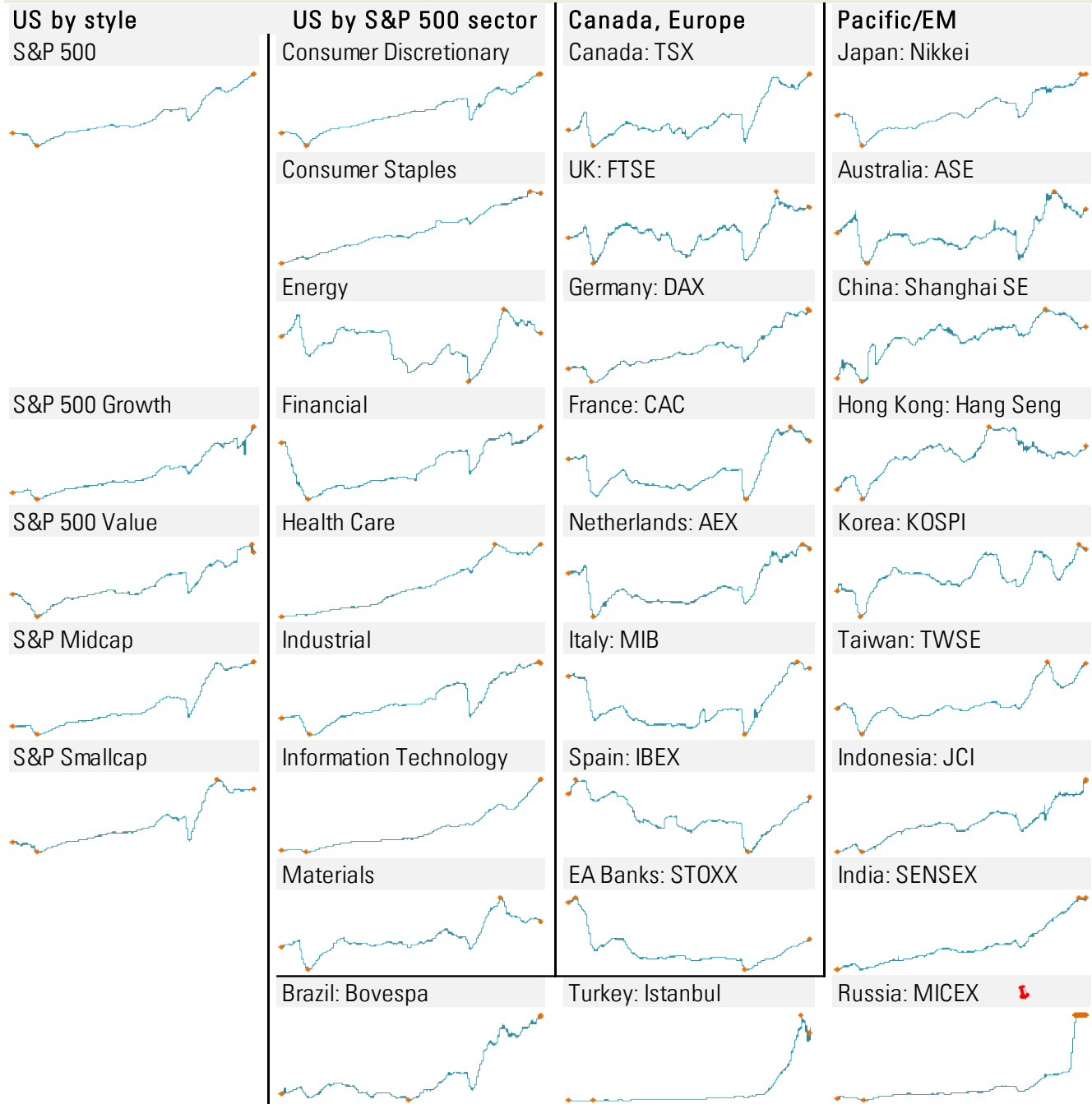
(Brazil: 3 yr Hong Kong 5 yr Taiwan 5 yr Turkey 7 yr EA banks French 10 yr)



Source: Bloomberg, TrendMacro calculations


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

● First, High, Low, Last 📉 Data error



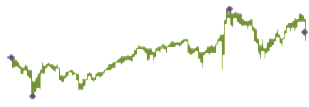
Source: Bloomberg, TrendMacro calculations

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

• First, High, Low, Last  Data error

US by style

S&P 500 19

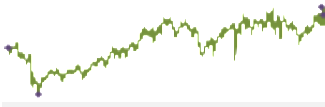


US by S&P 500 sector

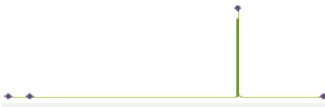
Consumer Disc 22



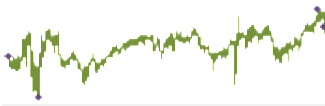
Consumer Stap 21



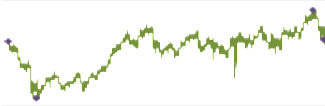
Energy 12



Financial 15



Health Care 16



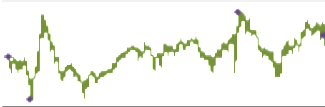
Industrial 21



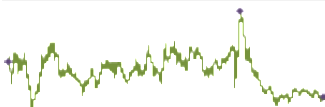
Info Tech 23



Materials 18



Brazil: Bovespa 7

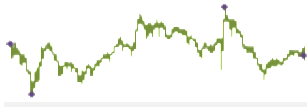


Canada, Europe

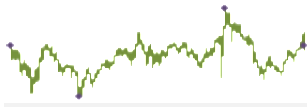
Canada TSX 14



UK: FTSE 11



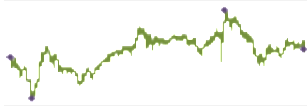
Germany: DAX 13



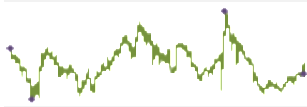
France: CAC 13



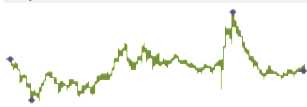
Netherlands: AEX 14



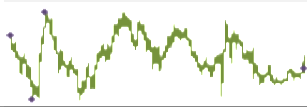
Italy: MIB 9



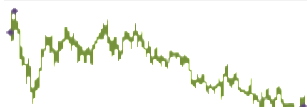
Spain: IBEX 11



EABank: STOXX7



Turkey: Istanbul 3



Pacific/EM

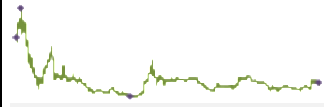
Japan: Nikkei 16



Australia: ASE 16



China: Shanghai SE 11



Hong Kong: Hang Seng 9



Korea: KOSPI 8



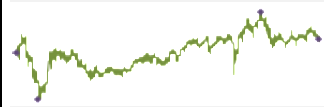
Taiwan: TWSE 13



Indonesia: JCI 10



India: SENSEX 19



Russia: MICEX 0 



Source: Bloomberg, TrendMacro calculations

Benchmark bond yields, July 2007 to current

10-year government, unless indicated • First, High, Low, Last 🚩 Data error
(Brazil: 3 yr Hong Kong 5 yr Taiwan 5 yr Turkey 7 yr EA banks French 10 yr)

US

30-yr Treasury 4.9%



10-yr Treasury 4.5%

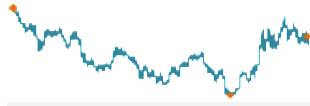


Moody's Corp 6.0%

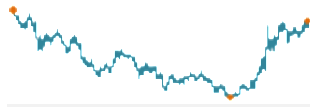


Canada, Europe

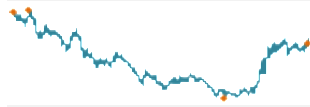
Canada 3.0%



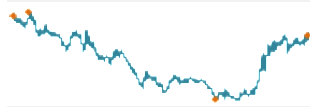
UK 4.8%



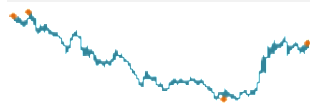
Germany 2.6%



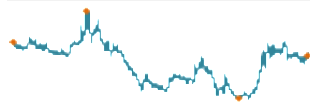
France 3.4%



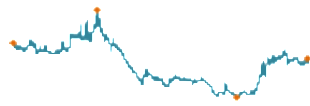
Netherlands 2.8%



Italy 3.8%



Spain 3.3%



Pacific/EM

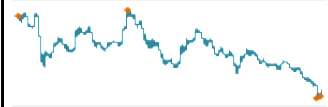
Japan 1.3%



Australia 4.4%



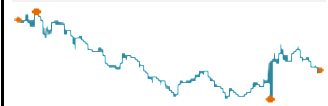
China 1.7%



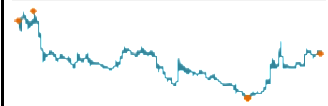
Hong Kong (5 year) 2.9%



Korea 2.8%



Taiwan (5 year) 1.5%



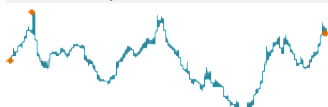
Indonesia 7.1%



India 6.4%



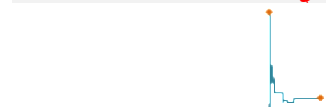
Brazil 3-year 14.3%



Turkey 7-year 7.9%



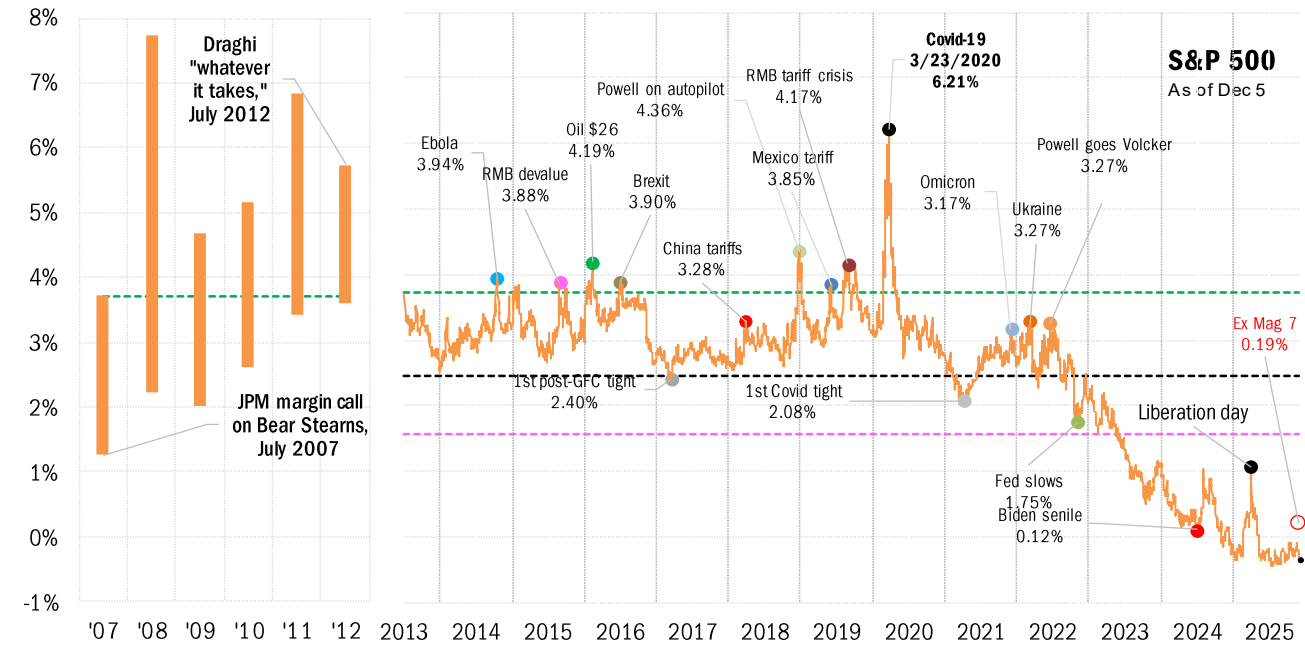
Russia 19.0% 🚩



Source: Bloomberg, TrendMacro calculations

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

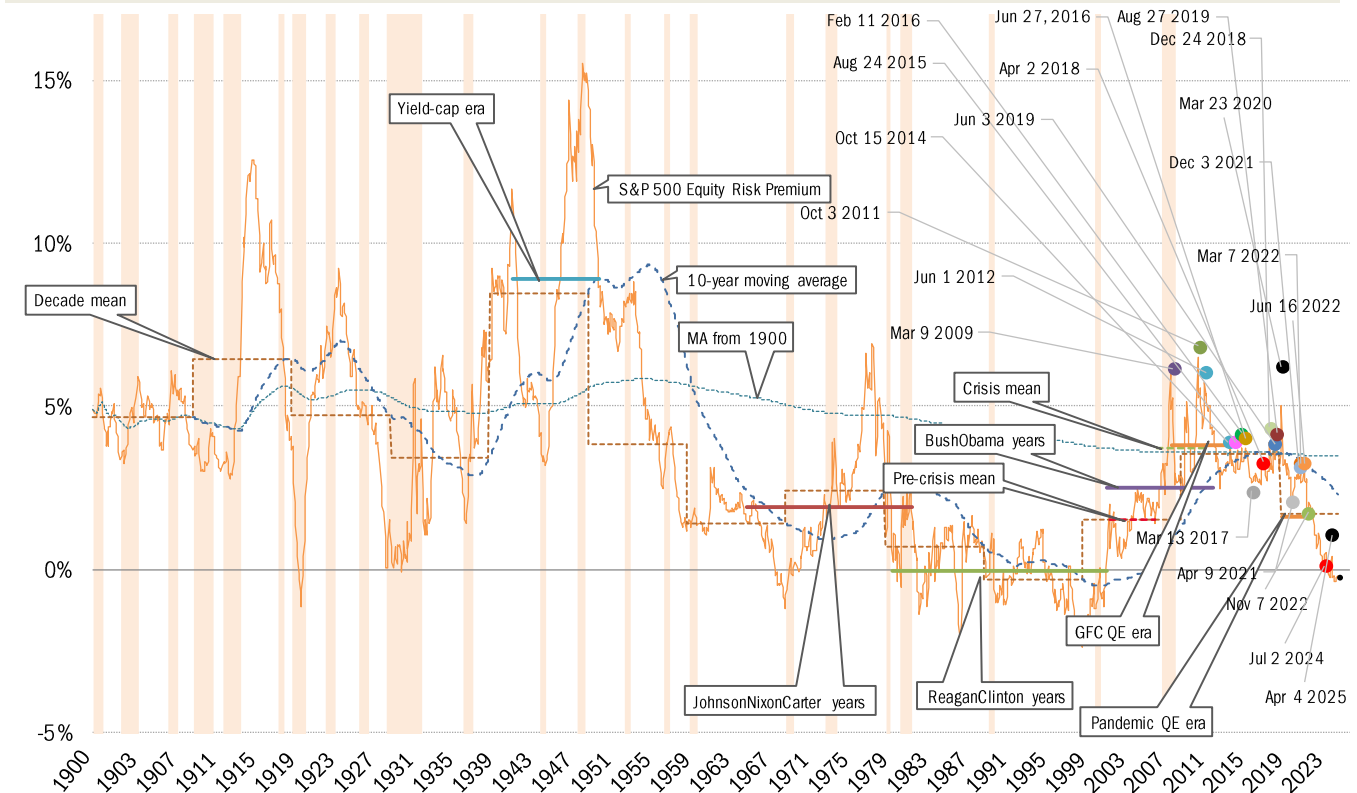
July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



Versus 30-year Treasury

Source: Bloomberg, NBER, TrendMacro calculations

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

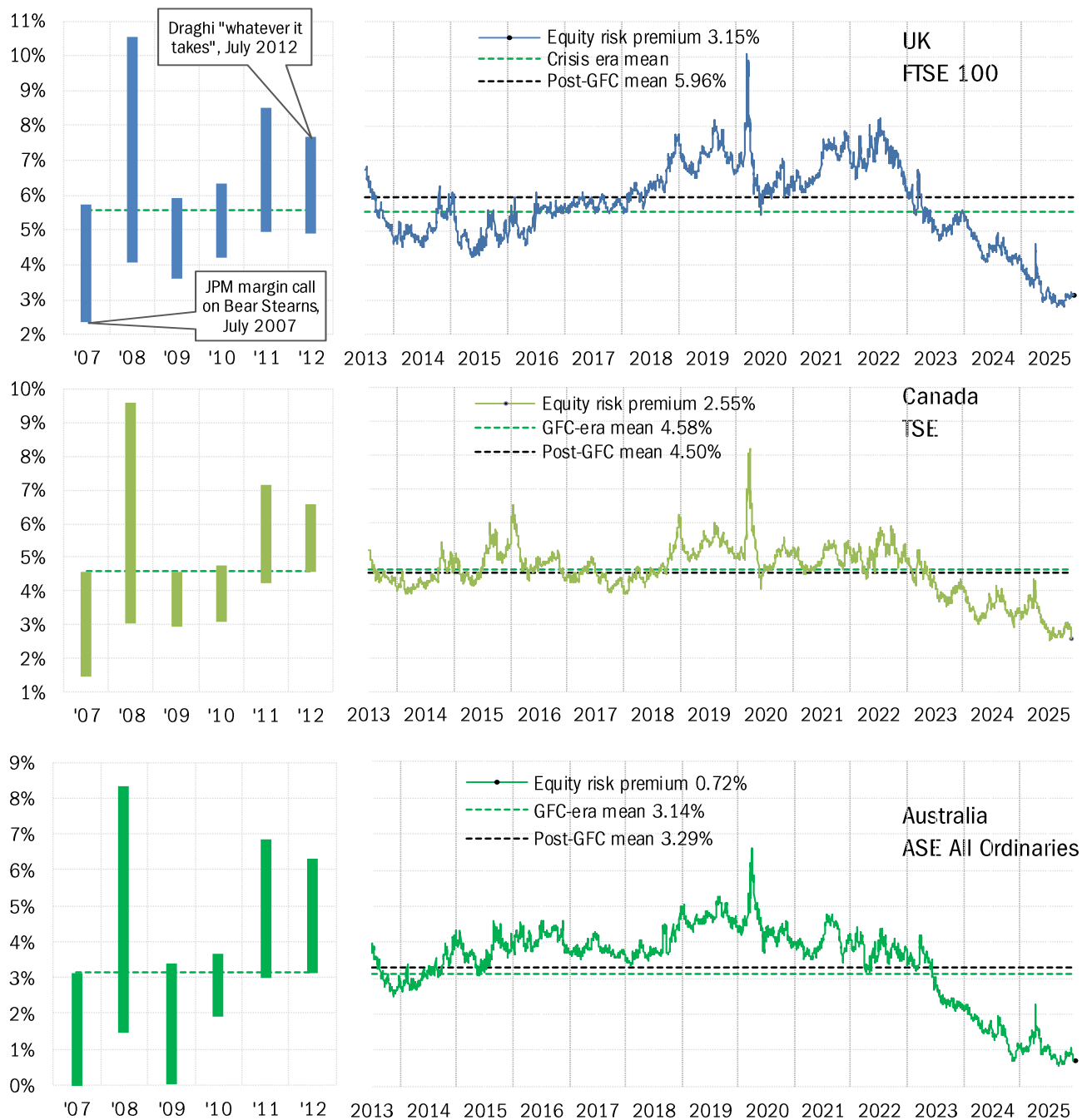


Versus 30-year Treasury

Source: Various, TrendMacro calculations

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

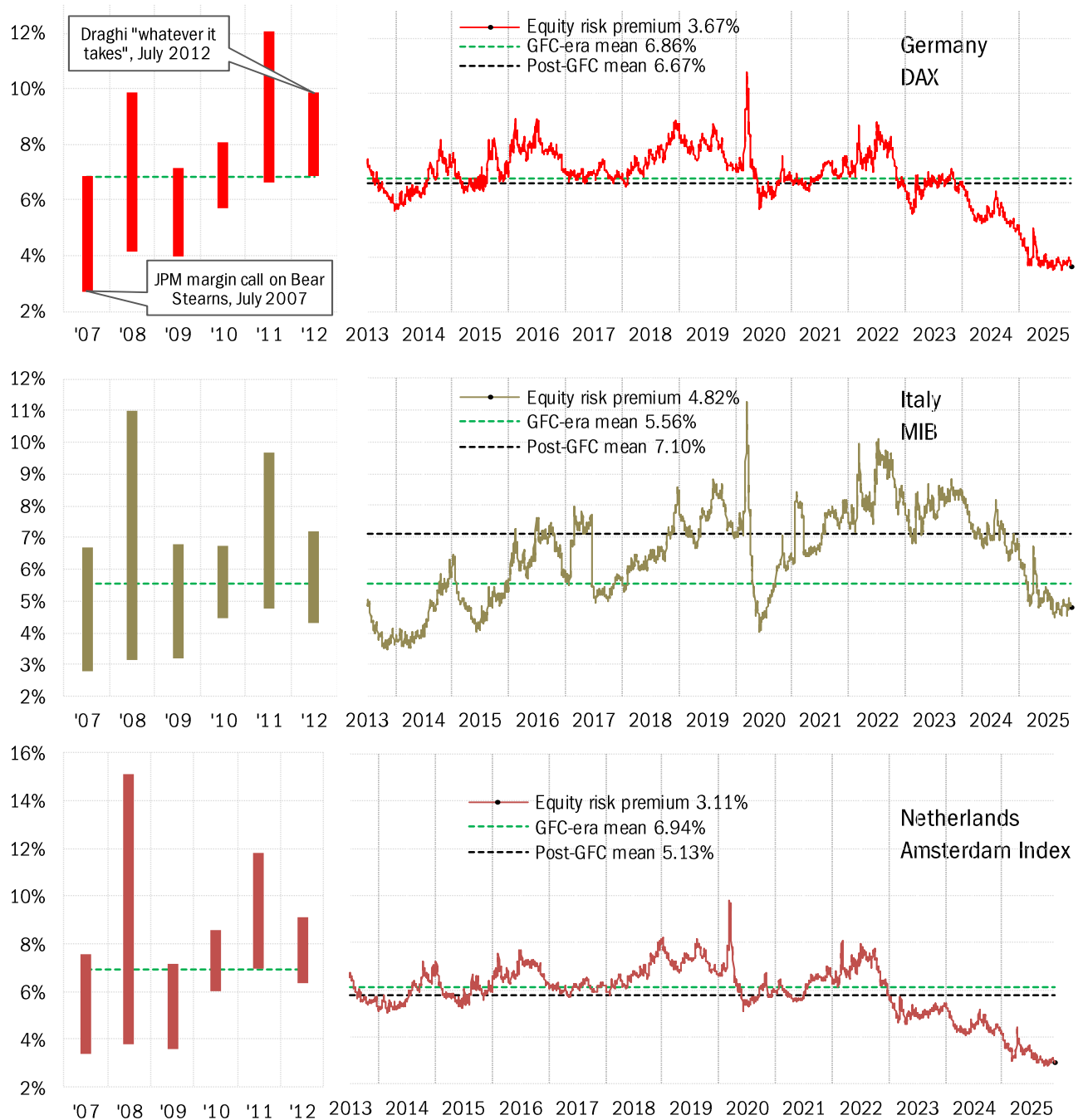
July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



Source: Bloomberg, TrendMacro calculations

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

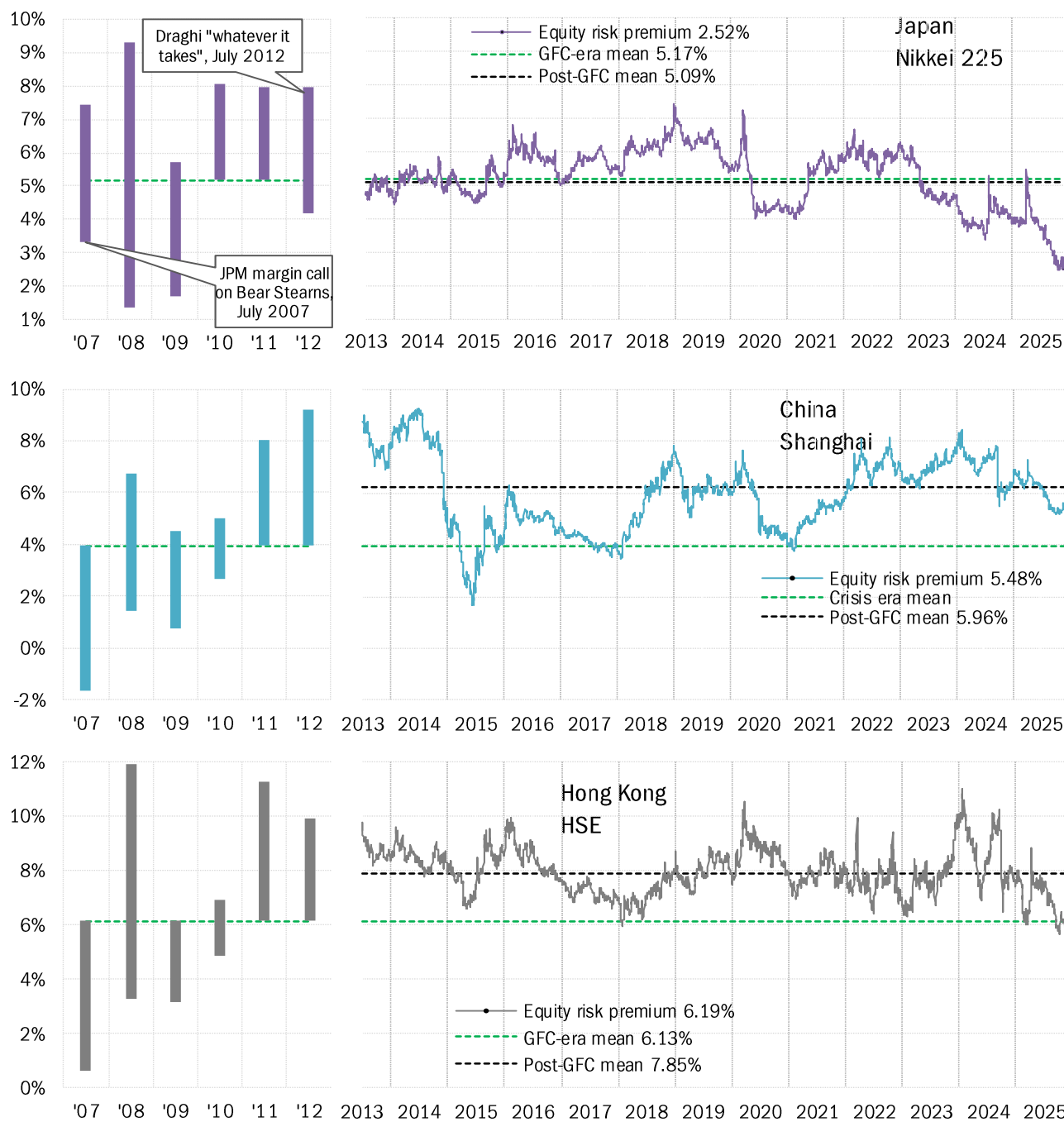
July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



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