Trend Macrolytics, LLC
Donald Luskin, Chief Investment Officer
Thomas Demas, Managing Director
Michael Warren, Energy Strategist

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

Tuesday, May 27, 2025

Global leader-board: by equity risk premium, value, and growth

Best / Worst / Data error

Rank	Equity risk premium By SD from 2007-> mean		Forward PE ratio		Fwd earns upgrade rate Trailing 90 days, AR		Fwd sales upgrade rate Trailing 90 days, AR	
	By country		**By country**		**By country**		**By country**	
1	Russia: MICEX	+3.75	Russia: MICEX	1.0	Turkey: Istanbul	+186%	Turkey: Istanbul	+199%
2	Turkey: Istanbul	+3.59	Turkey: Istanbul	3.1	Korea: KOSPI	+22%	HK: Hang Seng	+17%
3	Indonesia:JCI	+1.79	Brazil: Bovespa	7.9	Japan: Nikkei	+14%	Brazil: Bovespa	+15%
4	Korea: KOSPI	+1.16	Korea: KOSPI	8.7	Canada:TSX	+12%	India: SENSEX	+8%
5	China: Shanghai SE	+0.46	HK: Hang Seng	10.3	Spain: IBEX	+11%	Korea: KOSPI	+8%
6	HK: Hang Seng	-0.09	Indonesia:JCI	11.4	HK: Hang Seng	+10%	Australia: ASE	+8%
7	Brazil: Bovespa	-0.19	Italy: MIB	11.5	India: SENSEX	+5%	Japan: Nikkei	+4%
8	India: SENSEX	-0.22	China: Shanghai SE	12.4	Russia: MICEX	Unch	Canada:TSX	+4%
9	Italy: MIB	-0.67	Spain: IBEX	12.5	US: S&P 500	-1%	US: S&P 500	+2%
10	Japan: Nikkei	-0.96	UK: FTSE	12.9	Germany: DAX	-4%	Germany: DAX	+0%
11	Taiwan:TWSA	-1.01	France: CAC	14.6	Brazil: Bovespa	-5%	Russia: MICEX	Unch
12	Spain: IBEX	-1.09	Canada:TSX	15.2	China: Shanghai SE	-7%	Indonesia:JCI	-0%
13	Canada:TSX	-1.36	Taiwan:TWSA	15.2	Taiwan:TWSA	-8%	Taiwan:TWSA	-2%
14	Netherlands: AEX	-1.57	Germany: DAX	15.7	Netherlands: AEX	-10%	Spain: IBEX	-3%
15	Australia: ASE	-1.77	Netherlands: AEX	16.1	Italy: MIB	-10%	France: CAC	-7%
16	UK: FTSE	-2.14	Japan: Nikkei	17.8	Australia: ASE	-11%	China: Shanghai SE	-10%
17	Germany: DAX	-2.19	Australia: ASE	18.5	Indonesia:JCI	-13%	UK: FTSE	-14%
18	France: CAC	-2.19	India: SENSEX	21.0	France: CAC	-13%	Italy: MIB	-15%
19	US: S&P 500	-2.61	US: S&P 500	21.2	UK: FTSE	-20%	Netherlands: AEX	-43%
	US, by style		**US, by style**		**US, by style**		**US, by style**	
1	S&P Smallcap	-0.94	S&P Smallcap	15.0	S&P 500 Growth	+6%	S&P Midcap	+14%
2	S&P Midcap	-1.58	S&P Midcap	16.1	S&P 500	-1%	S&P 500 Growth	+6%
3	S&P 500 Value	-2.50	S&P 500 Value	17.7	S&P 500 Value	-7%	S&P 500	+2%
4	S&P 500 Growth	-2.59	S&P 500	21.2	S&P Smallcap	-11%	S&P 500 Value	-1%
5	S&P 500	-2.61	S&P 500 Growth	26.0	S&P Midcap	-14%	S&P Smallcap	-13%
	US, by sector		**US, by sector**		**US, by sector**		**US, by sector**	
1	Energy	-0.83	Energy	14.6	Communications	+13%	Info Tech	+9%
2	Health Care	-1.66	Health Care	15.9	Utilities	+8%	Health Care	+8%
3	Info Tech	-2.22	Financial	16.7	Info Tech	+8%	Communications	+5%
4	Communications	-2.31	Utilities	17.7	Financial	+0%	Industrial	+3%
5	Materials	-2.31	Communications	18.5	Consumer Stap	+0%	Materials	+0%
6	Utilities	-2.40	Materials	20.5	Health Care	-2%	Utilities	+0%
7	Financial	-2.50	Consumer Stap	22.2	Industrial	-3%	Financial	-0%
8	Industrial	-2.58	Industrial	23.6	Materials	-5%	Consumer Stap	-1%
9	Consumer Disc	-2.60	Consumer Disc	25.7	Consumer Disc	-16%	Consumer Disc	-6%
10	Consumer Stap	-2.88	Info Tech	26.8	Energy	-37%	Energy	-13%

Source: Bloomberg, TrendMacro calculations

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

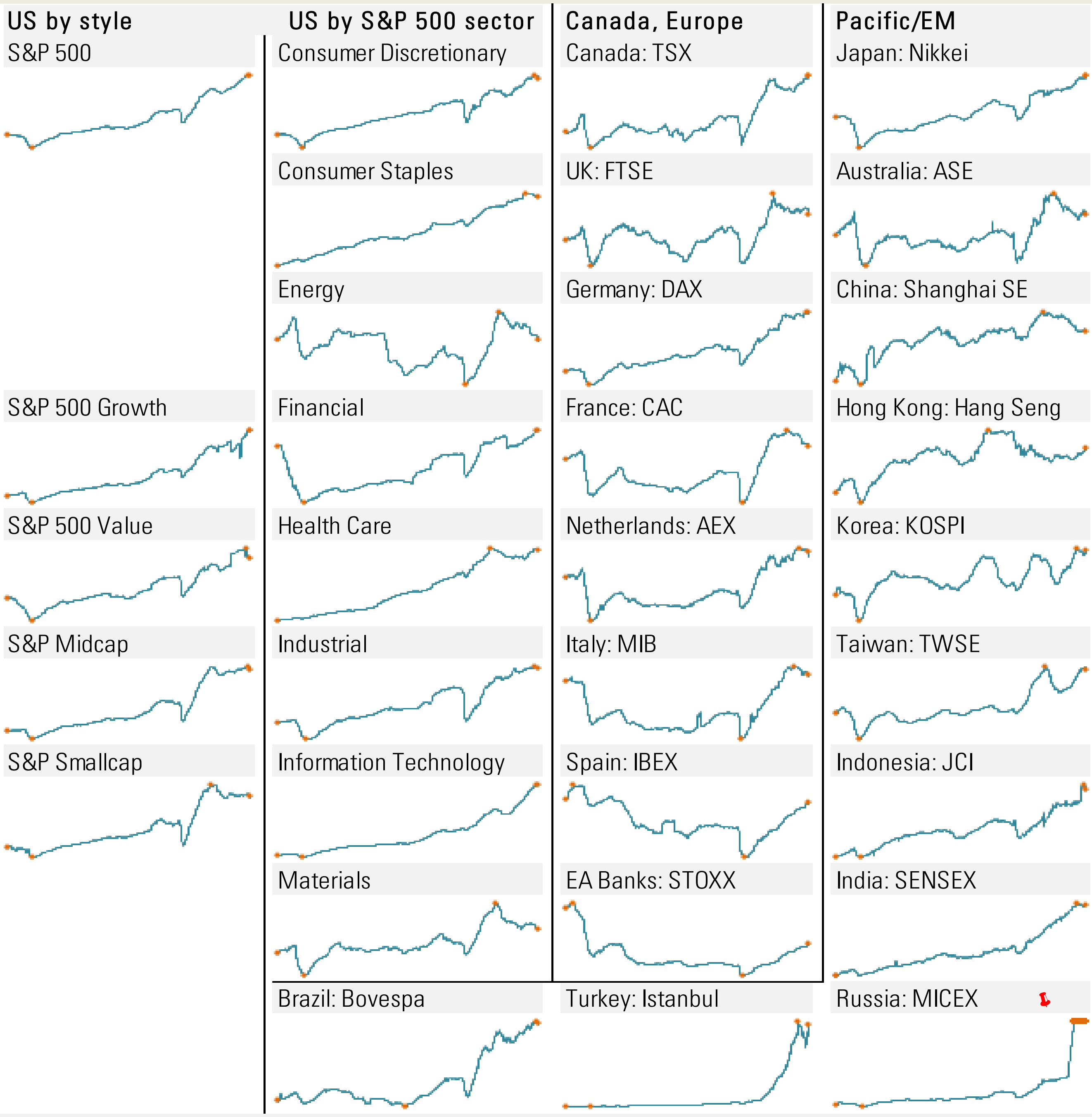
Standard deviations from mean • First, High, Low, Last ✎ Data error

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

Source: Bloomberg, TrendMacro calculations

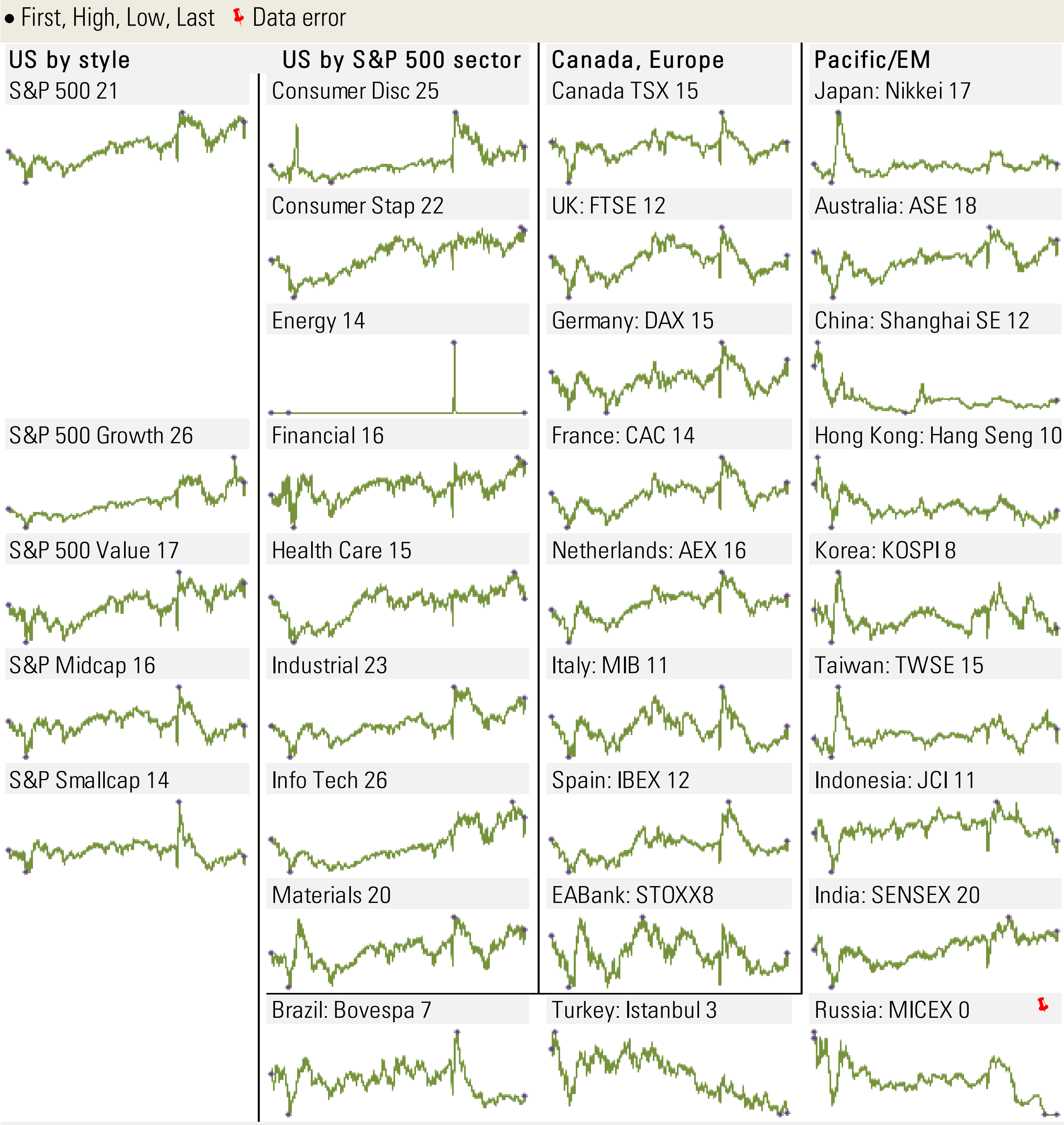
EPS: forward consensus, bottom-up, July 2007 to current

First, High, Low, Last   Data error



Source: Bloomberg, TrendMacro calculations

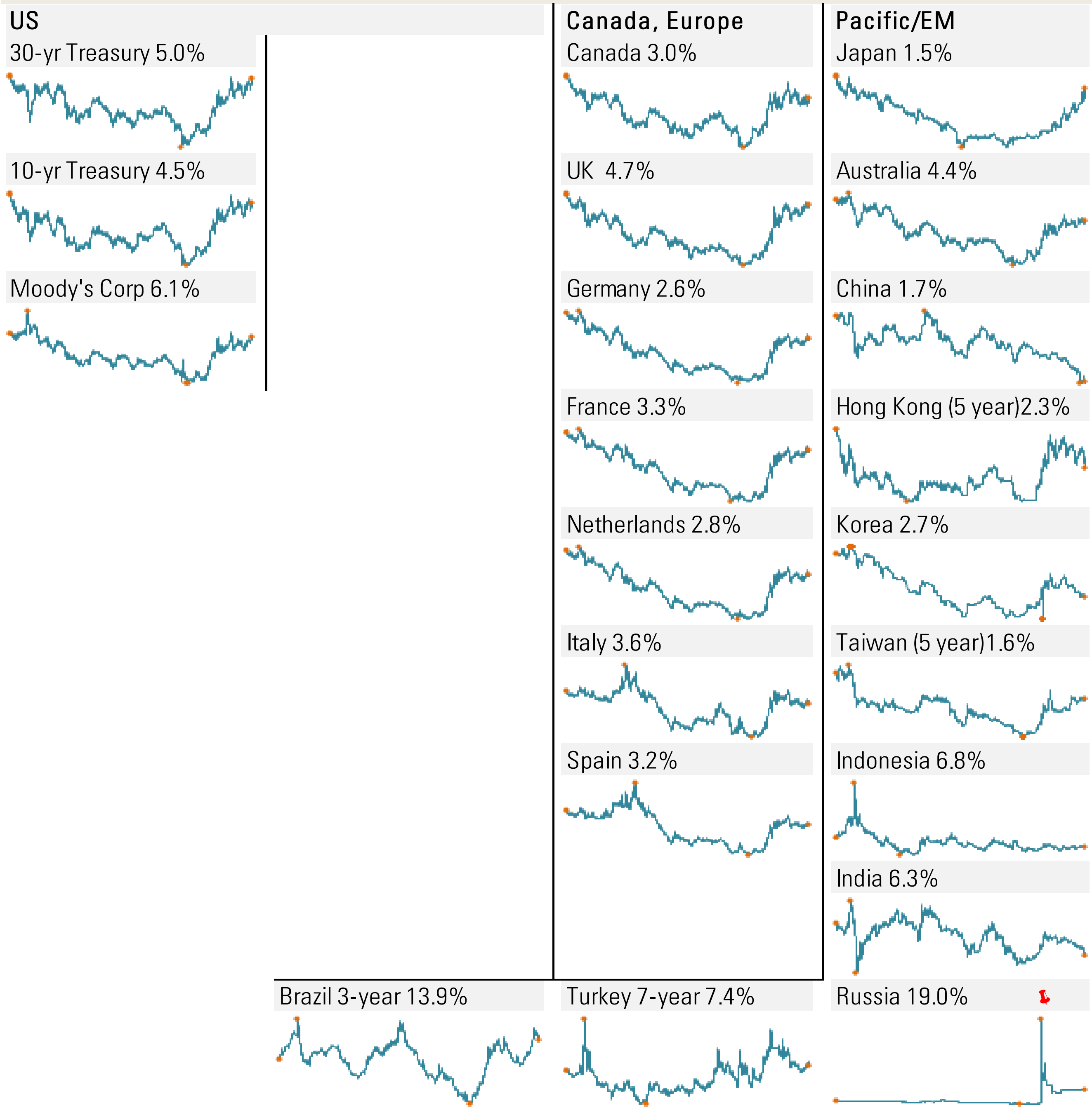
P/E ratio: forward consensus, bottom-up, July 2007 to current



Source: Bloomberg, TrendMacro calculations

Benchmark bond yields, July 2007 to current

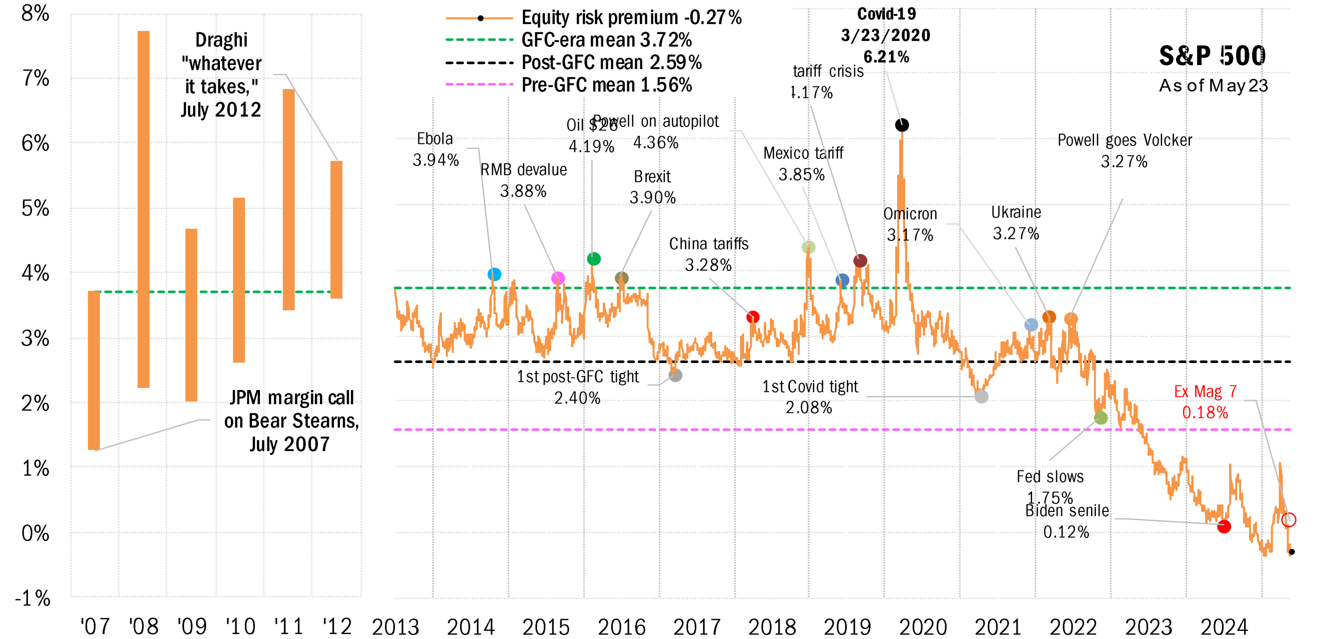
10-year government, unless indicated ● First, High, Low, Last Data error
(Brazil: 3 yr Hong Kong 5 yr Taiwan 5 yr Turkey 7 yr EA banks French 10 yr)



Source: Bloomberg, TrendMacro calculations

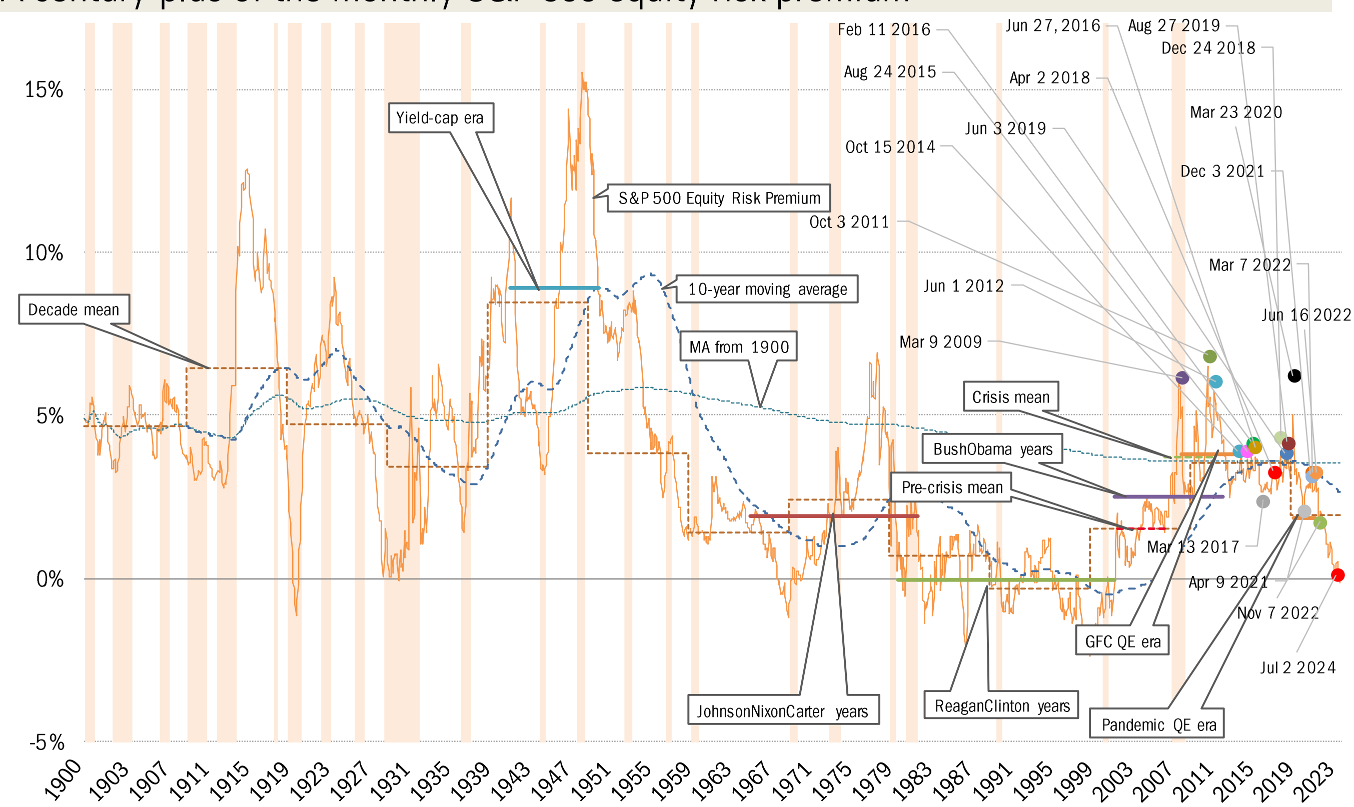
Daily S&P 500 equity risk premium in the era of crises

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



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

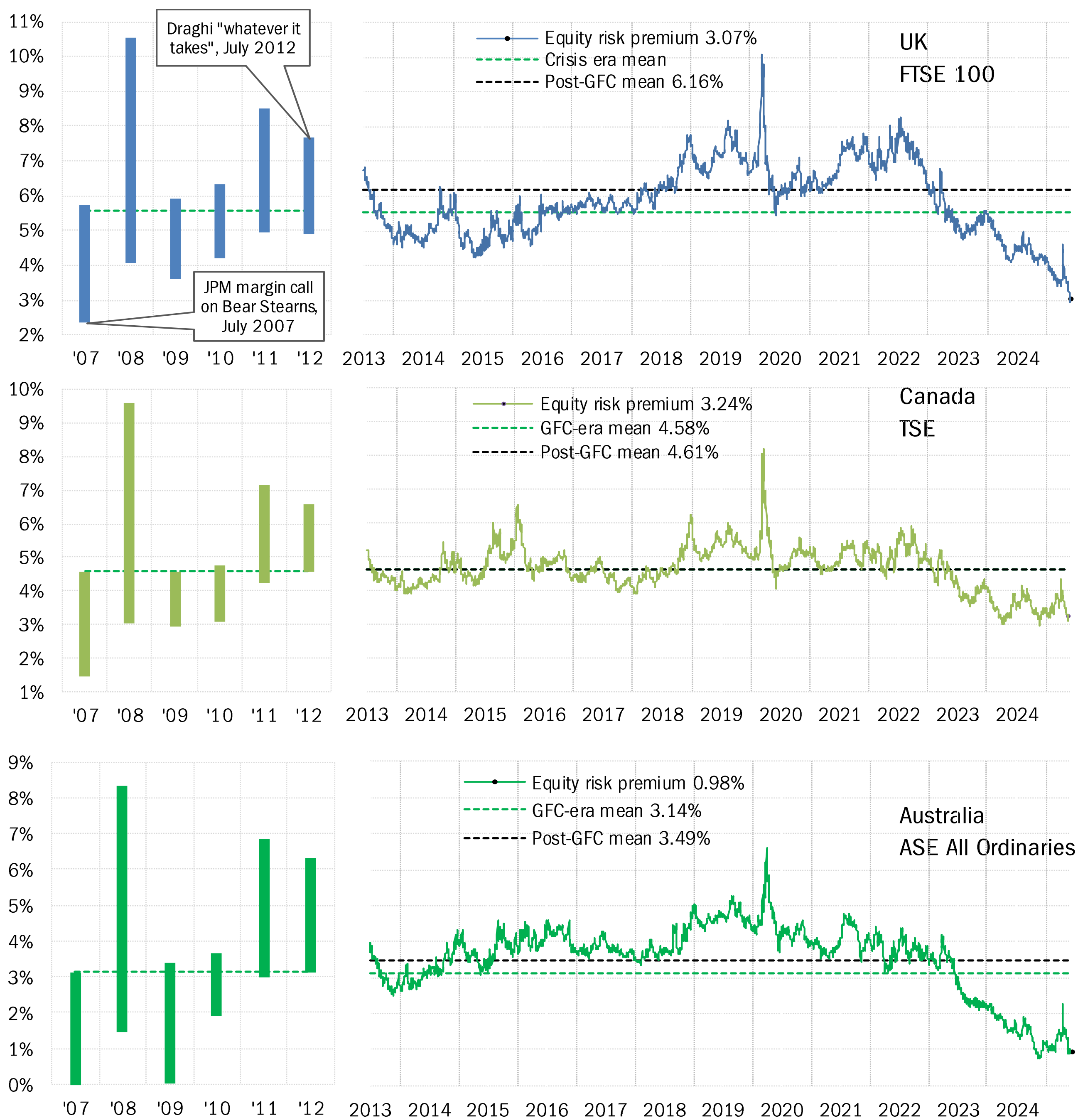
A century-plus of the monthly S&P 500 equity risk premium



Versus 30-year Treasury Source: Various, TrendMacro calculations

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

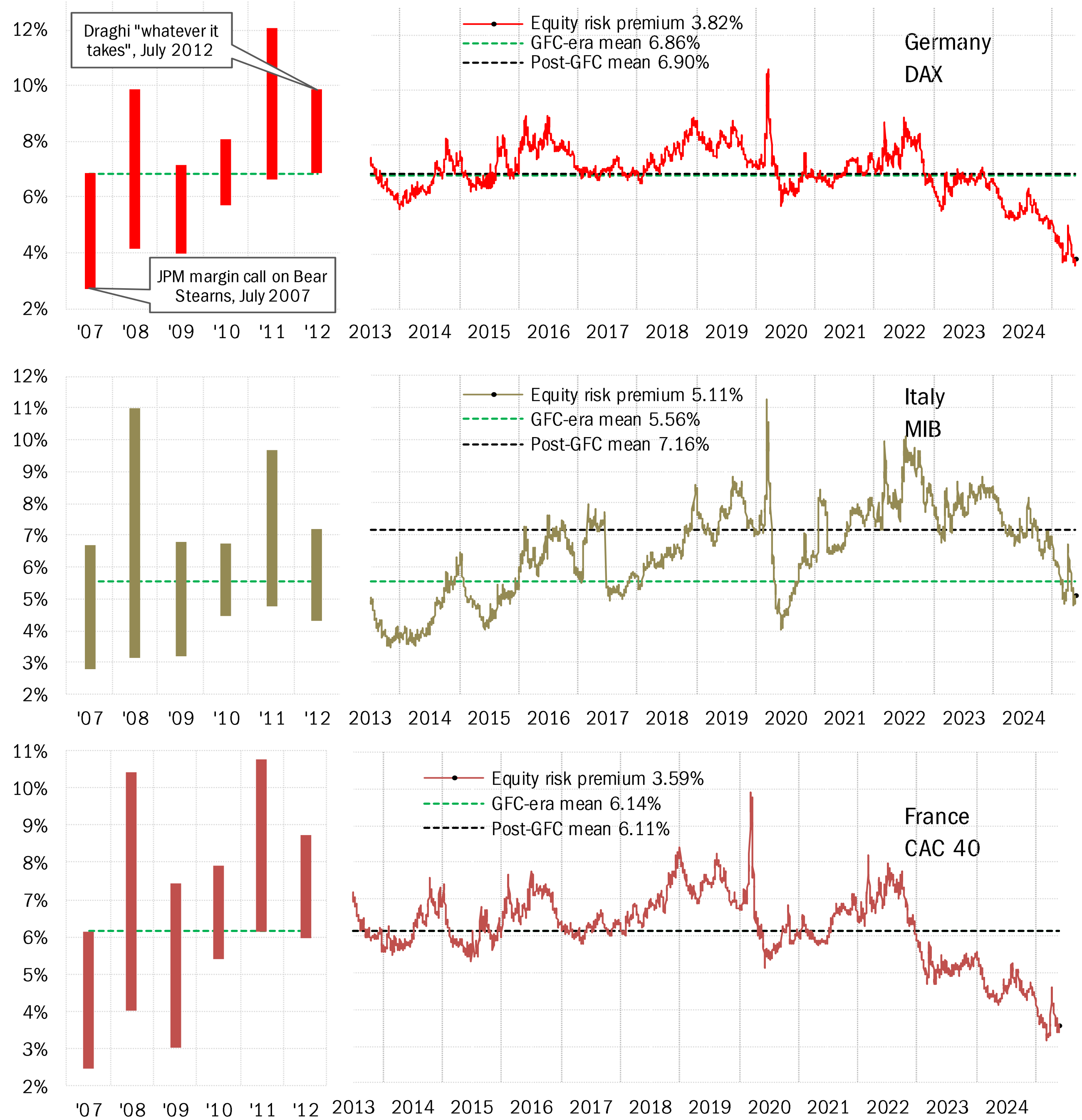
July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



Source: Bloomberg, TrendMacro calculations

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

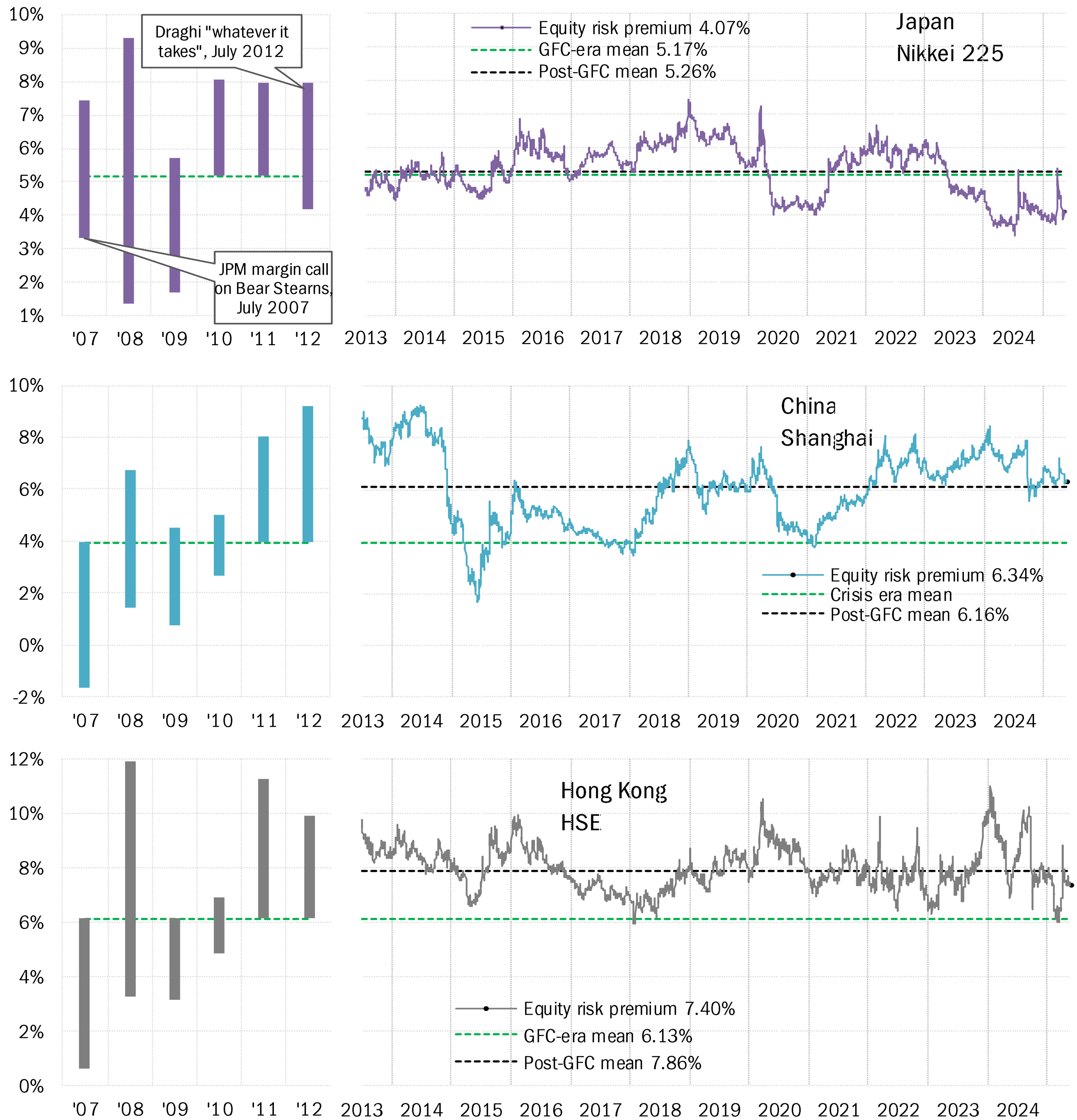
July-to-June 12-mo range (left panel), daily from July 2013 (right panel)



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