

Figure 55: S&P 500 Annual EPS Outlook by Industry (2 of 2)

	2005A	2006A	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	¥/¥	2015E	¥/¥	2016E	¥/¥	2015E	¥/¥	2016E	¥/¥	Normalized 2016		
	2007-2014 shown below is approximate net income, 2014 ¥/¥ is EPS growth																					
	2007	2008	2009	2010	2011	2012	2013	2014	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	
INDUSTRIALS (\$bn)	62.0	68.5	82.9	73.5	51.1	72.9	87.0	95.2	105.2	112.4	7%	114.0	2.7%	119.6	4.2%	115.0	2.3%	120.0	4.3%	111.9	93%	
Aerospace & Defense	14,004	16,150	21,100	21,297	17,772	20,554	23,132	23,187	26,455	29,333	11%	28,877	-1.6%	30,502	7.0%	29,000	-1.7%	30,000	3.4%	28,500	95%	
Air Freight & Logistics	4,972	5,610	5,811	4,766	3,489	4,796	5,802	6,045	6,054	6,430	6%	7,483	16.4%	8,305	11.0%	7,500	16.6%	8,000	6.7%	8,000	100%	
Airlines	(2,962)	(3,988)	1,458	(2,807)	(3,330)	2,611	1,589	4,695	9,698	9,532	2%	17,009	71.2%	16,682	-1.9%	17,000	71.2%	20,000	7.8%	16,000	80%	
Building Products	954	878	656	109	24	56	7	111	475	599	29%	686	14.5%	842	22.6%	700	16.6%	750	7.1%	750	100%	
Commercial Services & Supplies	5,900	5,115	3,291	3,577	3,275	3,610	3,649	3,388	3,639	3,834	5%	4,002	4.4%	4,244	6.0%	4,000	4.3%	4,200	5.0%	4,200	100%	
Construction & Engineering	409	536	827	1,217	1,155	847	1,041	1,328	1,347	1,472	9%	1,254	-14.9%	1,304	4.1%	1,300	-11.7%	1,300	0.0%	1,235	95%	
Electrical Equipment	3,036	3,645	4,045	4,129	2,704	3,852	4,865	5,068	5,836	6,167	6%	5,713	-7.4%	5,647	-1.2%	5,700	-7.6%	5,500	-3.5%	4,950	90%	
Industrial Conglomerates	21,062	23,605	25,759	21,696	14,639	17,137	19,794	21,671	22,813	23,271	2%	20,275	-12.9%	23,143	14.1%	20,500	-11.9%	22,000	7.3%	22,000	100%	
Machinery	9,917	11,664	12,336	11,999	6,526	11,291	16,870	18,150	16,181	16,932	5%	15,127	-10.7%	14,132	-6.6%	15,000	-11.4%	13,800	-6.0%	12,420	90%	
Professional Services	910	910	1,008	577	109	1,158	1,599	1,885	2,090	2,374	14%	2,619	10.2%	2,866	9.4%	2,800	9.5%	2,800	7.7%	2,800	100%	
Road & Rail	3,208	4,605	5,073	6,045	4,204	6,246	7,626	8,255	8,975	10,113	13%	9,664	-4.4%	9,474	-2.0%	9,700	-4.1%	9,800	1.0%	9,310	95%	
Trading Companies & Distributors	658	784	902	921	489	720	1,050	1,416	1,676	1,950	16%	2,078	6.6%	2,070	-0.4%	2,000	2.6%	1,800	-10.0%	1,710	95%	
INFORMATION TECHNOLOGY (\$bn)	81.5	96.9	120.1	120.4	103.4	148.7	168.7	167.5	190.8	207.5	9%	221.9	6.9%	234.4	5.7%	224.0	7.5%	237.0	5.6%	237.0	100%	
Communications Equipment	11,403	13,476	13,649	13,368	12,903	15,712	16,951	18,967	21,277	21,321	0%	21,226	-0.4%	21,693	2.2%	21,500	0.6%	22,100	2.6%	22,100	100%	
Technology Hardware, Storage & Peripherals	15,916	26,145	38,041	37,388	20,025	31,896	41,419	39,461	52,121	56,695	9%	68,758	21.3%	69,542	1.1%	70,000	23.5%	73,000	4.3%	73,000	100%	
Electronic Equipment, Instruments & Components	1,553	2,098	3,763	3,969	3,148	5,051	4,713	3,873	3,884	4,429	14%	4,268	-3.6%	4,540	6.4%	4,200	-5.2%	4,400	4.6%	4,400	100%	
Internet Software & Services	3,528	5,137	7,096	8,439	9,170	11,754	13,917	16,026	19,802	24,253	22%	25,090	3.9%	30,562	21.6%	25,300	4.3%	29,500	16.6%	29,500	100%	
IT Services	14,154	16,026	18,179	21,509	22,831	27,327	30,534	31,793	35,612	36,432	2%	37,856	3.9%	38,973	3.0%	38,000	4.3%	40,000	5.3%	40,000	100%	
Semiconductors & Semiconductor Equipment	14,995	12,790	14,557	9,436	7,899	23,305	23,191	18,799	19,832	27,318	35%	27,335	0.1%	28,249	3.3%	27,500	0.7%	28,000	1.6%	28,000	100%	
Software	19,974	21,117	24,828	26,328	27,413	33,653	37,948	38,708	38,253	37,070	-3%	37,356	0.8%	40,887	9.5%	37,500	1.2%	40,000	6.7%	40,000	100%	
MATERIALS (\$bn)	17.1	21.0	28.3	16.9	13.2	24.8	31.5	29.0	30.4	31.9	5%	29.3	-6.2%	30.1	2.6%	30.0	-6.1%	30.0	0.0%	30.0	100%	
Chemicals	10,771	11,798	14,595	7,830	8,011	14,891	19,890	20,169	21,959	23,597	7%	23,646	0.2%	24,138	2.1%	24,200	2.6%	24,000	-0.8%	24,000	100%	
Construction Materials	524	707	714	359	102	(6)	(26)	45	128	332	160%	522	57.5%	801	53.2%	500	50.7%	600	20.0%	600	100%	
Containers & Packaging	1,083	1,117	1,595	1,671	1,493	1,609	1,585	1,653	1,958	2,171	11%	2,100	-3.3%	2,154	2.6%	2,200	1.3%	2,300	4.5%	2,300	100%	
Metals & Mining	4,203	6,749	8,503	6,201	3,176	7,399	8,763	6,001	4,955	4,554	-8%	1,510	-66.6%	1,523	0.9%	1,500	-67.1%	1,500	0.0%	1,500	100%	
Paper & Forest Products	517	632	953	846	372	981	1,336	1,158	1,405	1,283	-9%	1,542	20.2%	1,461	-5.3%	1,600	24.7%	1,600	0.0%	1,600	100%	
TELECOMMUNICATION SERVICES (\$bn)	13.1	16.7	23.9	24.6	20.0	21.2	20.4	22.0	23.2	28.9	24%	32.1	11.3%	32.9	2.7%	32.5	12.6%	32.5	0.0%	29.3	90%	
UTILITIES (\$bn)	21.4	23.4	25.9	26.9	26.6	29.2	29.5	29.9	30.5	32.2	9%	33.0	-0.6%	34.2	3.6%	33.5	0.7%	34.5	3.1%	34.5	100%	
Electric Utilities	12,387	13,661	15,221	15,273	14,867	16,451	17,517	17,991	18,836	19,694	5%	19,852	0.8%	20,274	2.1%	20,000	1.6%	20,500	2.6%	20,500	100%	
Gas Utilities	194	213	211	208	222	238	236	290	304	562	65%	351	-37.6%	367	4.7%	350	-37.6%	375	7.1%	375	100%	
Independent Power and Renewable Electricity	796	1,077	1,234	1,901	1,631	1,159	1,126	967	577	1,082	87%	965	-10.8%	972	0.7%	1,000	-6%	1,100	10.0%	1,100	100%	
Multi-Utilities	8,085	8,422	9,229	9,430	9,904	10,401	10,647	10,566	10,776	11,869	10%	11,845	-0.2%	12,574	6.2%	12,100	1.9%	12,500	3.3%	12,500	100%	

Source: Company reports, IBES, Deutsche Bank Markets Research

