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Data Insights: Global Equity Risk Premia

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

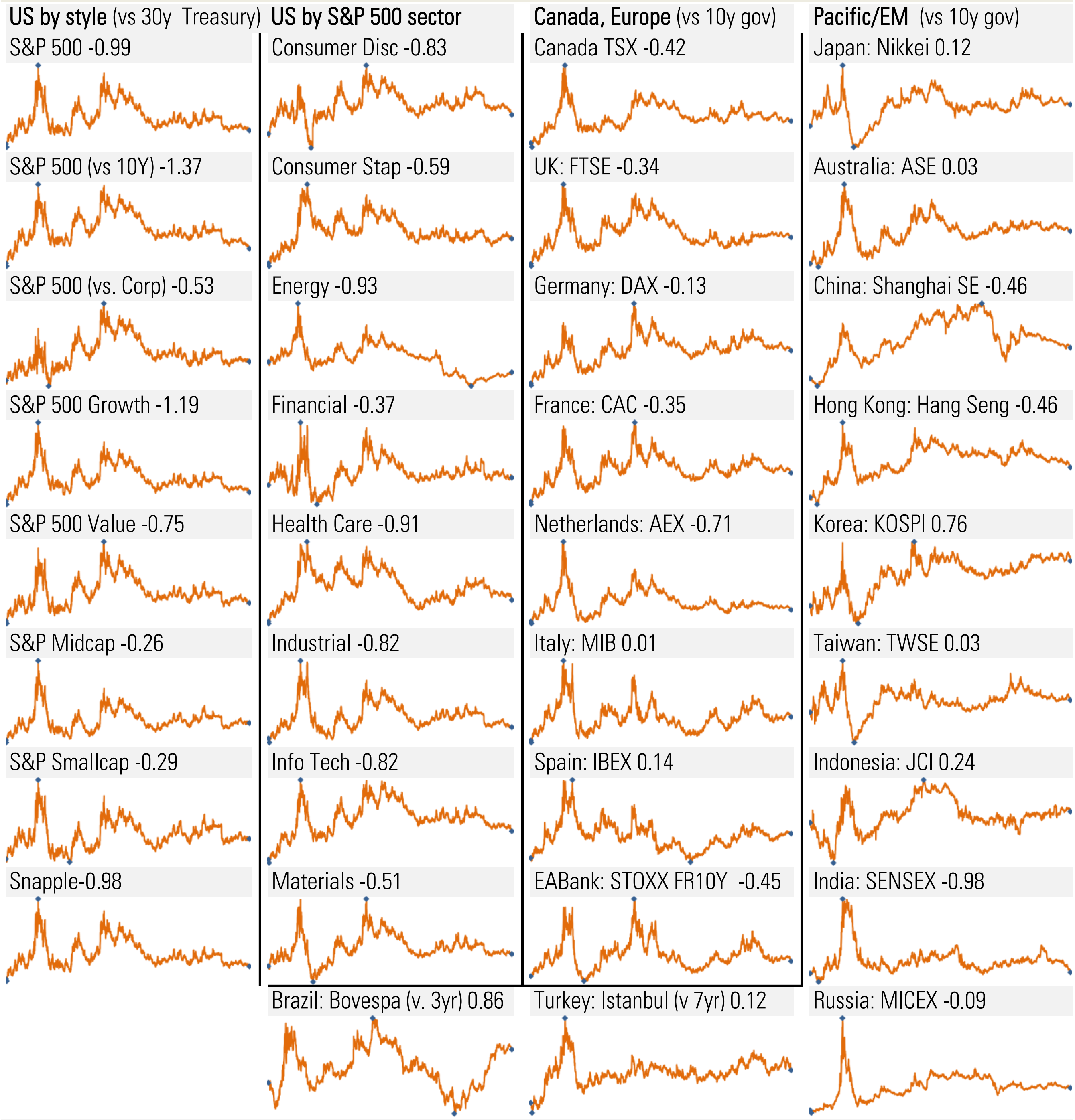
Best / Worst

Rank	Equity risk premium By SD from crisis era mean		Forward PE ratio		Fwd earnings upgrade rate Trailing 90 days, AR		Fwd sales upgrade rate Trailing 90 days, AR	
	By country		**By country**		**By country**		**By country**	
1	Brazil: Bovespa	+0.87	Russia: MICEX	6.7	HK: Hang Seng	+41%	Indonesia:JCI	+51%
2	Korea: KOSPI	+0.77	Turkey: Istanbul	8.7	Brazil: Bovespa	+40%	HK: Hang Seng	+39%
3	Indonesia:JCI	+0.25	Korea: KOSPI	9.5	US: S&P 500	+39%	Turkey: Istanbul	+24%
4	Spain: IBEX	+0.15	HK: Hang Seng	12.9	Russia: MICEX	+37%	Japan: Nikkei	+22%
5	Turkey: Istanbul	+0.13	China: Shanghai SE	13.5	Japan: Nikkei	+31%	Russia: MICEX	+16%
6	Japan: Nikkei	+0.13	Brazil: Bovespa	13.5	Italy: MIB	+27%	Brazil: Bovespa	+11%
7	Australia: ASE	+0.04	Italy: MIB	13.5	India: SENSEX	+26%	US: S&P 500	+10%
8	Taiwan:TWSA	+0.04	Germany: DAX	13.7	Canada:TSX	+22%	Australia: ASE	+8%
9	Italy: MIB	+0.01	Spain: IBEX	13.7	Korea: KOSPI	+20%	Germany: DAX	+3%
10	Russia: MICEX	-0.10	Taiwan:TWSA	14.4	Turkey: Istanbul	+17%	China: Shanghai SE	+2%
11	Germany: DAX	-0.14	UK: FTSE	14.6	Indonesia:JCI	+13%	Spain: IBEX	+2%
12	UK: FTSE	-0.34	France: CAC	15.2	Germany: DAX	+10%	Korea: KOSPI	+1%
13	France: CAC	-0.36	Canada:TSX	15.7	Taiwan:TWSA	+9%	UK: FTSE	+1%
14	Canada:TSX	-0.43	Australia: ASE	16.3	Australia: ASE	+9%	Canada:TSX	+1%
15	China: Shanghai SE	-0.47	Netherlands: AEX	16.5	China: Shanghai SE	+6%	France: CAC	-3%
16	HK: Hang Seng	-0.47	Indonesia:JCI	17.1	Netherlands: AEX	+6%	Italy: MIB	-4%
17	Netherlands: AEX	-0.71	Japan: Nikkei	17.7	Spain: IBEX	+5%	Netherlands: AEX	-6%
18	India: SENSEX	-0.98	US: S&P 500	18.3	UK: FTSE	+5%	Taiwan:TWSA	-6%
19	US: S&P 500	-1.00	India: SENSEX	19.2	France: CAC	+2%	India: SENSEX	-14%
	US, by style		**US, by style**		**US, by style**		**US, by style**	
1	S&P Midcap	-0.27	S&P 500 Value	16.1	S&P Midcap	+45%	S&P 500	+10%
2	S&P Smallcap	-0.29	S&P 500	18.3	S&P 500	+39%	S&P Smallcap	+8%
3	S&P 500 Value	-0.76	S&P Midcap	19.0	S&P Smallcap	+37%	S&P Midcap	+5%
4	S&P 500	-1.00	S&P Smallcap	20.3	S&P 500 Growth	+34%	S&P 500 Value	-1%
5	S&P 500 Growth	-1.20	S&P 500 Growth	21.0	S&P 500 Value	+32%	S&P 500 Growth	-10%
	US, by sector		**US, by sector**		**US, by sector**		**US, by sector**	
1	Telecom	+1.64	Telecom	11.6	Energy	+196%	Telecom	+21%
2	Utilities	-0.31	Financial	14.4	Financial	+69%	Energy	+20%
3	Financial	-0.38	Utilities	16.5	Telecom	+62%	Info Tech	+13%
4	Materials	-0.51	Health Care	17.5	Industrial	+41%	Industrial	+9%
5	Consumer Stap	-0.59	Materials	18.3	Materials	+38%	Materials	+9%
6	Info Tech	-0.82	Industrial	19.0	Consumer Disc	+31%	Consumer Disc	+7%
7	Industrial	-0.83	Info Tech	19.1	Health Care	+25%	Health Care	+7%
8	Consumer Disc	-0.84	Consumer Stap	19.6	Consumer Stap	+24%	Consumer Stap	+6%
9	Health Care	-0.92	Consumer Disc	21.3	Info Tech	+23%	Financial	+6%
10	Energy	-0.94	Energy	23.1	Utilities	+8%	Utilities	+2%

Source: Bloomberg, TrendMacro calculations

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

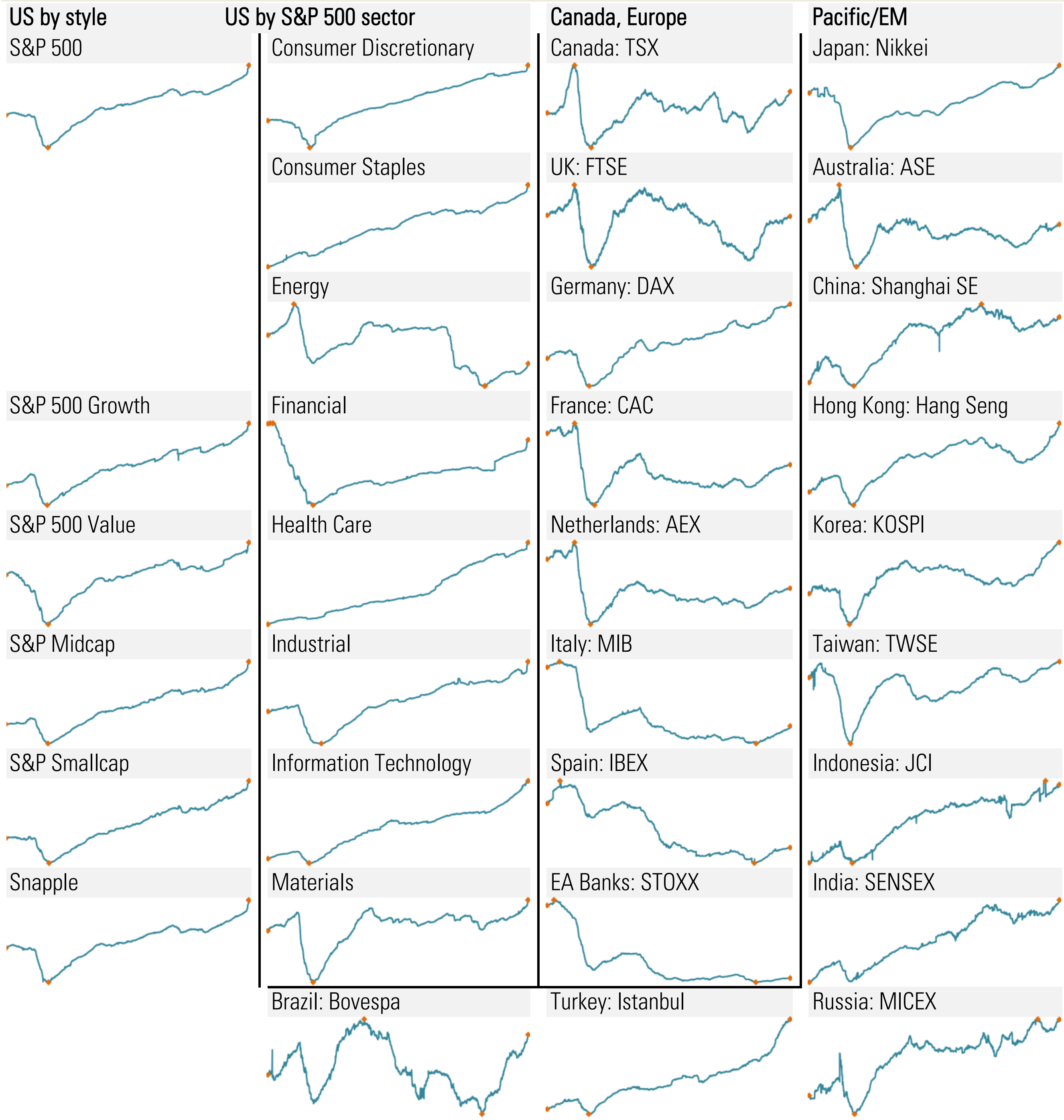
Standard deviations from crisis-era mean • First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

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

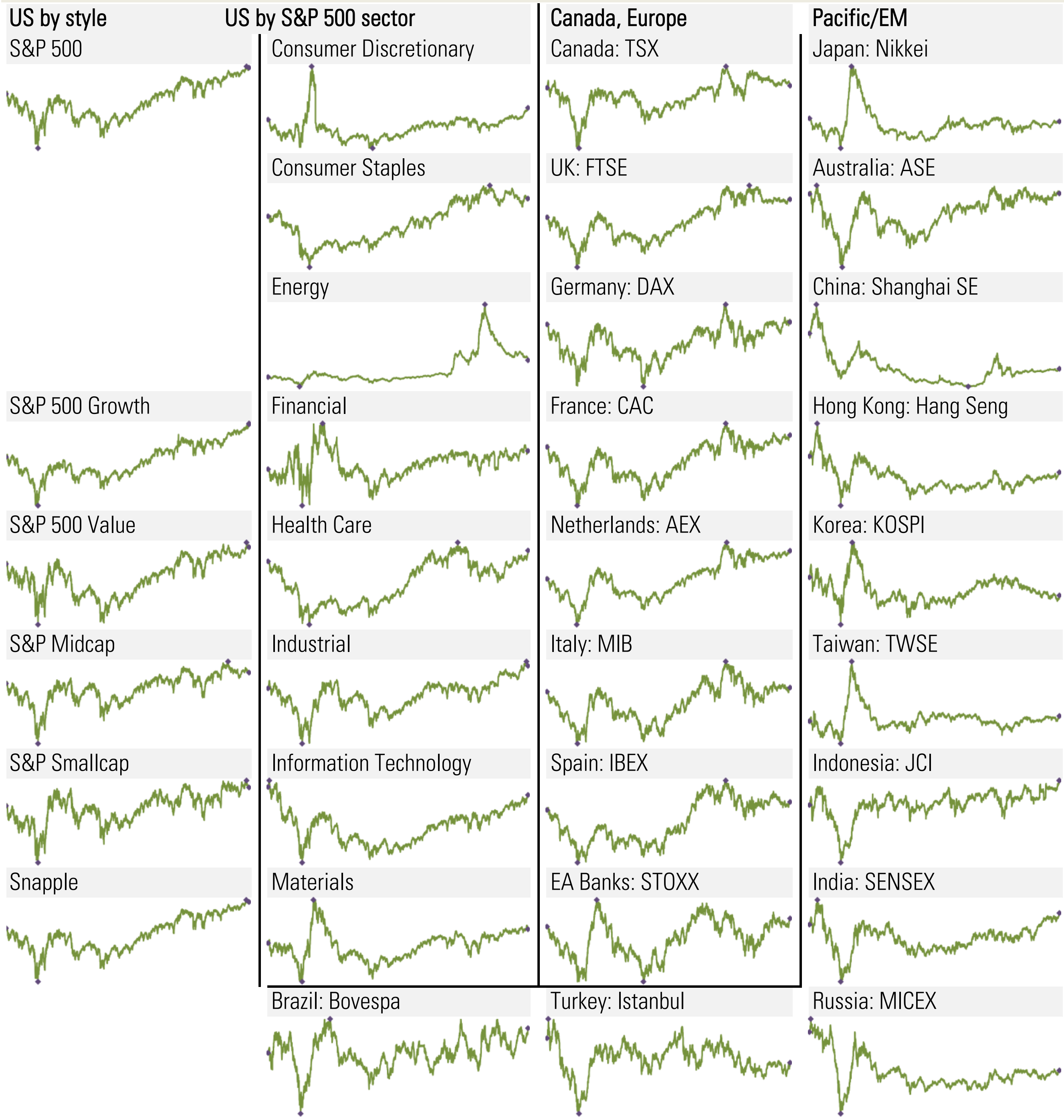
● First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

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

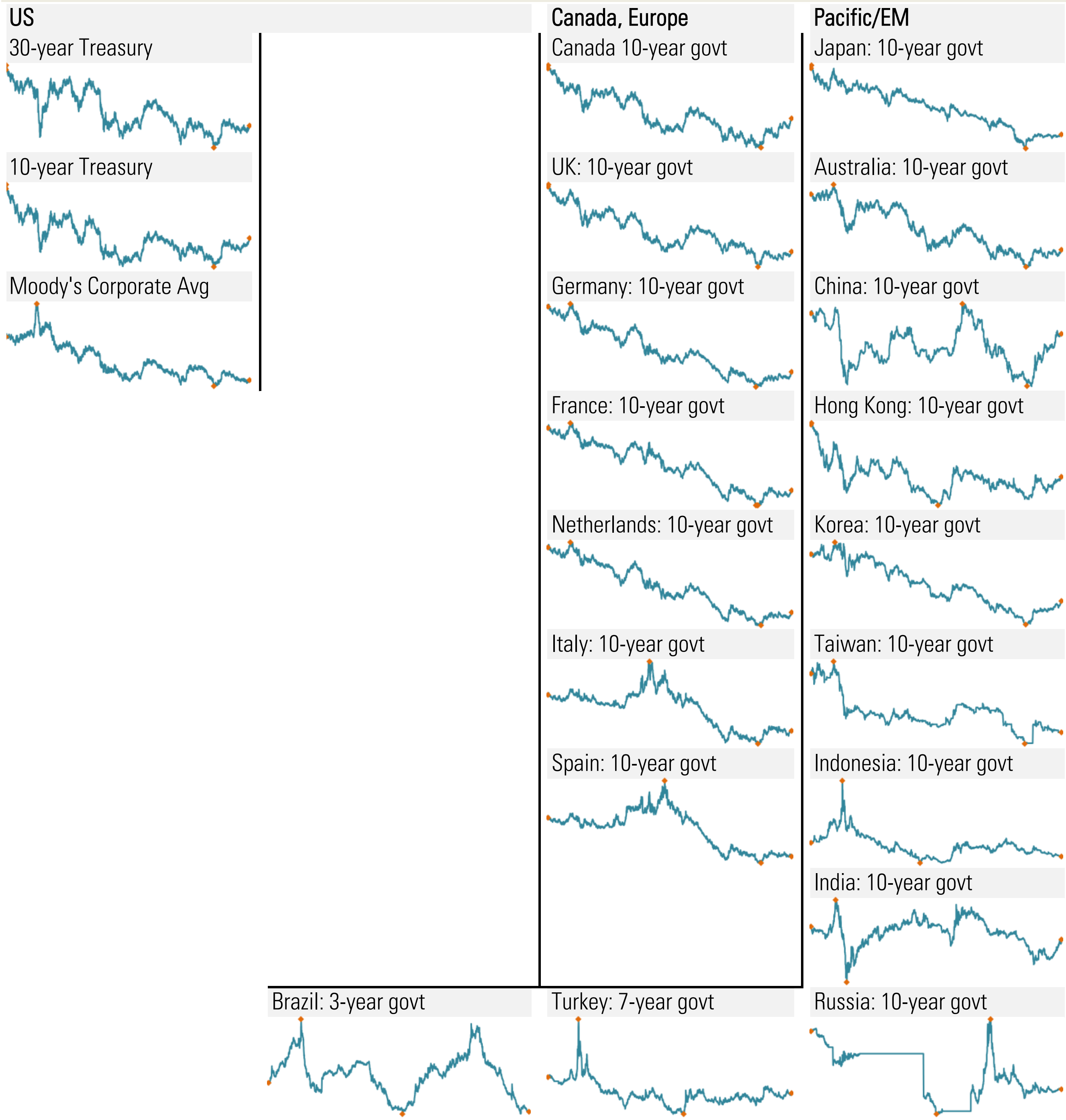
• First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

Benchmark bond yields, July 2007 to current

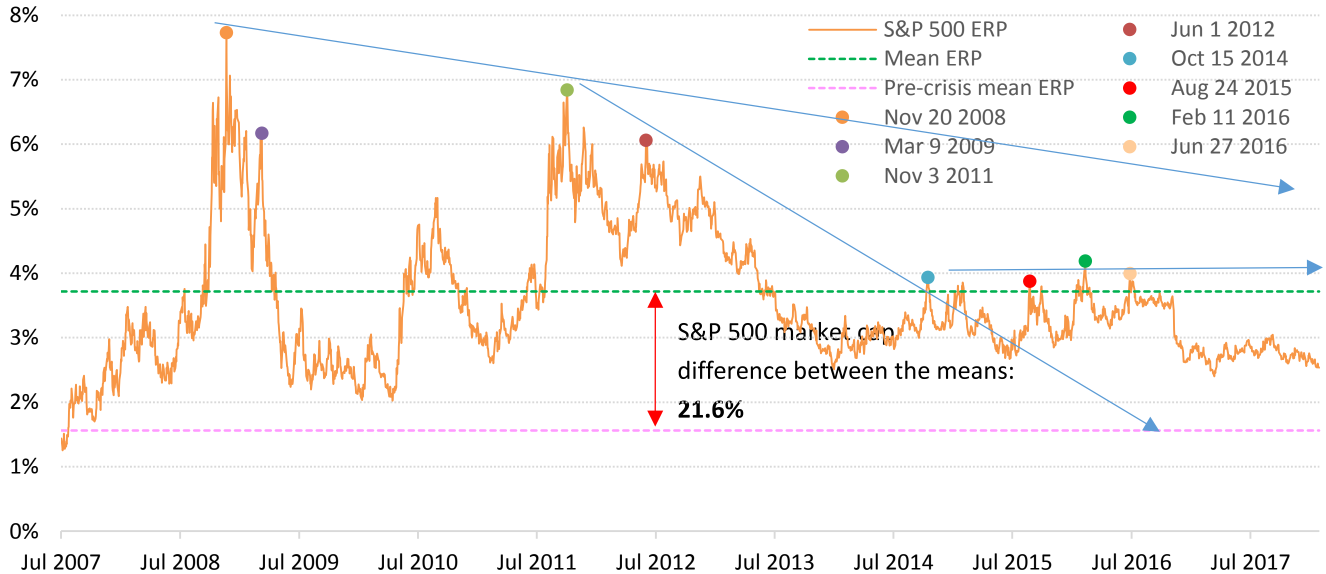
● First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

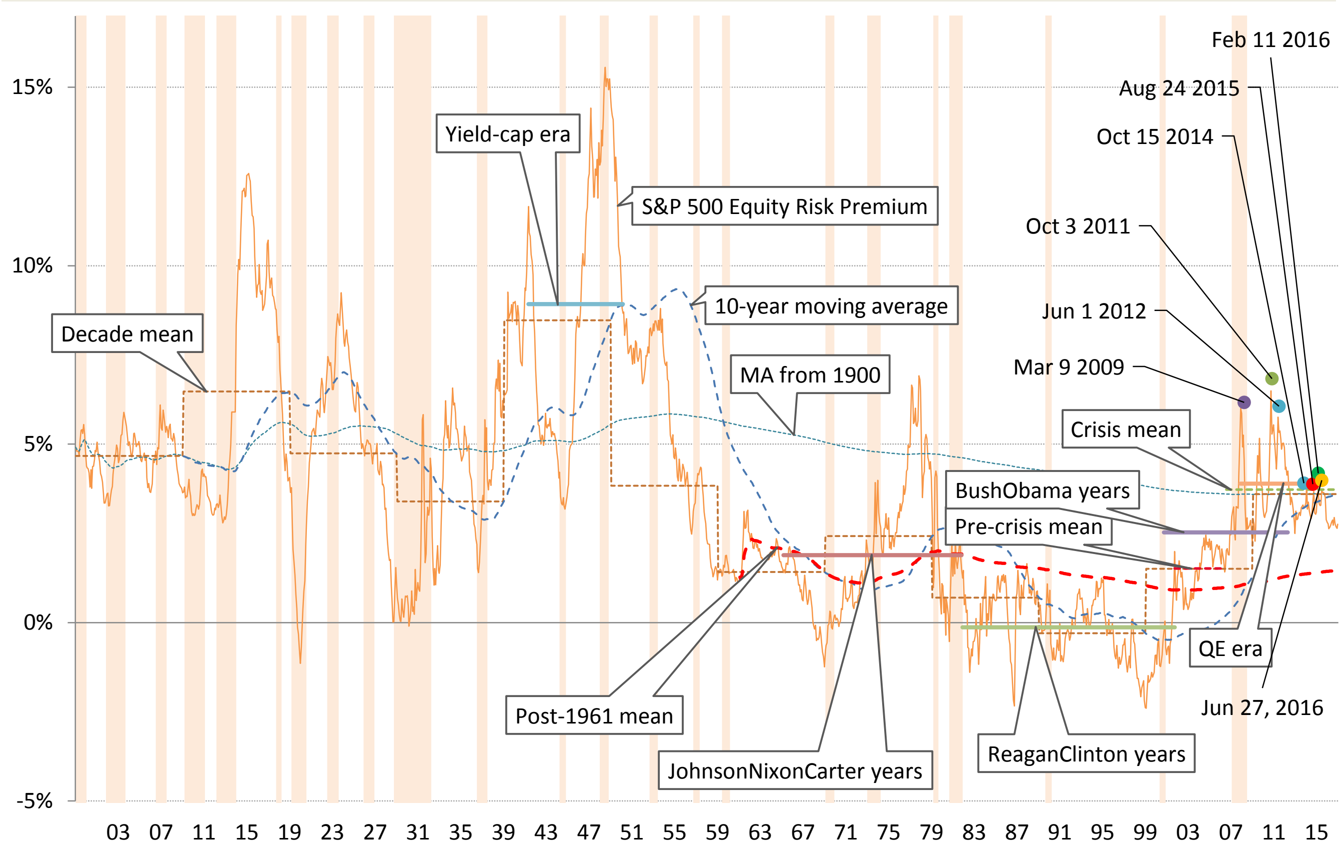
Daily S&P 500 equity risk premium in the crisis era

--- Crisis era mean --- Pre-crisis mean ↘ Trendlines



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