

Macro Roundup Article

Headline: [The Wealth of Greedflation](#)

Article Link: <https://www.ft.com/content/e1c6b39d-00ca-4976-bf10-0034727f9272>

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Tweet: Globally, large cap profit net profit margins are returning to their long run average of 13.5%. However, 52% of the firms are still earning above their 10-year mean margin with an average excess return of 2.15%. @FTAlphaville

Summary: Here's a very simple screen of margins across more than 1,000 global large-caps. We've taken the quick and dirty approach and used only reported net profit, where the previous periods are the year-ago figure rather than annualised. Anyone contesting the value of this methodology is invited to share their own. The screen shows net margins recently returning to a long-run average of 13.5 per cent, having been suppressed during the 2017 tech nonsense then inflated through the late-stage pandemic. But on a granular view it also shows 52 per cent of global companies are still earning above their 10-year average margin, with the average excess of 2.15 percentage points.

Primary Topic: Business Cycle

Topics: Business Cycle, Data, Financial Markets, GDP, Graph, Op-Ed/Blog Post

Permalink: <https://www.edwardconard.com/macro-roundup/globally-large-cap-profit-net-profit-margins-are-returning-to-their-long-run-average-of-13-5-however-52-of-the-firms-are-still-earning-above-their-10-year-mean-margin-with-an-average-excess-return?view=detail>

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