

## 2020 Q1 Capital Expenditures

XBRL Elements: us-gaap:PaymentsToAcquirePropertyPlantAndEquipment ,  
PaymentsToAcquireProductiveAssets, PaymentsToExploreAndDevelopOilAndGasProperties

As at July 10, 2020

### Introduction

With the first and second quarters finished, and only the first quarter reported, it is assumed that the S&P 500 would be slowing down its capital expenditures due to the weak economy and need to conserve and protect cash. But would the numbers bear this out?

### The method

We are pulling data for the most recent quarter (99 days long or less), and for quarters ending after January 30, 2020. For companies publishing six and nine months cash flow only, their numbers were ignored.

### Overall

Just over half of the 500 (268) had reported single quarter capital expenditures, with only 19 companies having a fiscal period end in May or April. Of these 19, 10 had reduced capex, but only by \$9.1 million on average, a light reduction. This is noteworthy in that most of these companies with May quarter ends are in the Consumer Staples and Consumer Discretionary sectors.

### Individual Highlights

Sitting at the very top, both in Q1 capex and increase in capex is Google's parent Alphabet. For the first three months of the year it dedicated over \$6 billion to acquire property, plant and equipment, as well as other productive assets. This showed an acceleration of \$1.367 billion from the same period last year.

At the other end of the list is Carnival Cruise lines, cutting capex by \$803 million, just edging out General Motors at \$790 million. It is worthy to note that Carnival's quarter ended February 29, prior to receiving instructions to shut down all operations. (Although at the time there were cruise ships seeing infections and deaths, and were having difficulty getting people off their ships).



## By Sector

Overall the S&P 500 will spend \$1.6 billion more than last year, a fairly small change averaging to an increase of \$6.17 million (not billion) per company. It appears there is not an acceleration or a deceleration of capital expenditures.

By sector, Information technology just edged out Utilities in greatest increase, although almost all of this increase was Alphabet.

The biggest decrease occurred in the Industrials sector. It had 41 companies reporting, with 22 reporting lower capex. UPS led the way lower with a \$581 million cut.

GICS Sector	2020 Q1	2019 Q1	change
Communication Services	\$15,183,742,000	\$14,590,376,000	\$593,366,000
Consumer Discretionary	\$8,672,869,000	\$9,513,546,000	(\$840,677,000)
Consumer Staples	\$3,320,047,000	\$4,148,529,000	(\$828,482,000)
Energy	\$11,242,986,000	\$10,876,922,000	\$366,064,000
Financials	\$8,483,008,000	\$8,006,424,000	\$476,584,000
Health Care	\$6,721,636,000	\$6,629,296,000	\$92,340,000
Industrials	\$7,437,879,000	\$8,816,168,000	(\$1,378,289,000)
Information Technology	\$10,071,049,000	\$8,409,489,000	\$1,661,560,000
Materials	\$3,516,230,000	\$3,412,646,000	\$103,584,000
Real Estate	\$198,676,000	\$278,118,000	(\$79,442,000)
Utilities	\$14,473,500,000	\$12,986,500,000	\$1,487,000,000
Grand Total	\$89,321,622,000	\$87,668,014,000	\$1,653,608,000