

## 2020 Second Quarter Early Look at Net Income

XBRL Elements: us-gaap: NetIncomeLoss

As at Aug 4, 2020

### Introduction

The second quarter has finished, and some companies have reported with some or all of the quarter during these crazy times. How much has the shutdown cost the S&P 500 so far?

### The method

We are looking at the Net Income numbers for companies that reported a quarter of 99 days or less ending between April 1 and June 30, 2020.

### Overall

Out of a possible 500, we produced 112 results by July 27, and 139 by July 29, and 272 by August 4. At this point we have at least one company reporting in all the eleven sectors. By June 27 we had \$40.97 billion in losses, by July 29 this had risen to \$47 billion of Pandemic Adjusted Earnings (PAE). August 4 saw the total drop equal \$95.3 billion dollars, or 46% drop the prior period.

### Individual highlights

The best improvement was National Oilwell Varco, which came in with a better loss, if that is considered a good thing. Its \$93 million loss was a vast improvement to its \$5.39 billion loss in the same period last year. This result alone was enough to move the Energy index from one that declined to one that improved. Many of the winners were expected, such as Netflix, Lowes and Dominos, as we sit at home, eat pizza and watch movies during worktime.

On the other side, Wells Fargo has the largest fall so far, dropping from a profit of \$6.2 billion to a loss of \$2.4 billion, a change of \$8.6 billion. The bottom five companies experienced a combined drop of \$31.3 billion.

## By Sector

We now have only one sector to see improvement, coming from the Utilities sector. All six reporting companies have shown an improvement.

The largest losses are now seen in the Industrials sector, which includes airlines such as American, United, Southwest and Delta. While 41 of the 50 industrials reported a profit, only nine of these were an improvement from the same period last year.

GICSSector	2020 Q2	2020 Q1	change	
<b>Communication Services</b>	\$19,951,896,000	\$21,922,690,000	(\$1,970,794,000)	-8.99%
<b>Consumer Discretionary</b>	(\$1,091,959,000)	\$19,088,635,000	(\$20,180,594,000)	-105.72%
<b>Consumer Staples</b>	\$14,110,135,000	\$20,183,769,000	(\$6,073,634,000)	-30.09%
<b>Energy</b>	(\$5,463,525,000)	(\$844,674,000)	(\$4,618,851,000)	546.82%
<b>Financials</b>	\$14,513,937,000	\$36,767,704,000	(\$22,253,767,000)	-60.53%
<b>Health Care</b>	\$22,402,285,000	\$23,988,667,000	(\$1,586,382,000)	-6.61%
<b>Industrials</b>	(\$4,447,976,000)	\$24,814,102,000	(\$29,262,078,000)	-117.93%
<b>Information Technology</b>	\$46,327,723,000	\$50,406,605,000	(\$4,078,882,000)	-8.09%
<b>Materials</b>	(\$65,969,000)	\$2,490,983,000	(\$2,556,952,000)	-102.65%
<b>Real Estate</b>	\$1,162,778,000	\$4,321,629,000	(\$3,158,851,000)	-73.09%
<b>Utilities</b>	\$2,744,000,000	\$2,292,000,000	\$452,000,000	19.72%
<b>Grand Total</b>	\$110,143,325,000	\$205,432,110,000	(\$95,288,785,000)	-46.38%