

2020 Second Quarter Early look at Net Income

XBRL Elements: us-gaap: NetIncomeLoss

As at July 22, 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 60 results. 27 of these reported in April, including nine that reported in the first week of April, picking up about three of thirteen weeks of Pandemic Adjusted Earnings (PAE). 23 companies saw an improvement in earnings, but even the total improvement of the 23 was outweighed by the loss of Delta Airlines.

Individual highlights

The best improvement was Fedex, which improved by \$1.635 billion, to a smaller loss of \$334 million. Many of the winners were expected, such as Netflix, Lowes and Dominos.

On the other side, Delta Airlines has the largest fall so far, dropping from a profit of \$1.4 billion to a loss of \$5.7 billion, a change of \$7.1 billion. The bottom seven companies experienced a combined loss of \$20 billion.

By Sector

There are seven of the eleven sectors that had companies report so far. Communication services is the only one to see an improvement, while consumer discretionary took over half the total hit (Carnival, TXV, GAP). But it was not across the board, as Lowes, Dollar General and Lennar saw improvements.

GICSSector	2020 Q2	2019 Q2	change
Communication Services Total	720,196,000	270,650,000	449,546,000
Consumer Discretionary Total	(3,191,246,000)	8,796,178,000	(11,987,424,000)
Consumer Staples Total	6,031,734,000	8,720,129,000	(2,688,395,000)
Health Care Total	1,430,465,000	1,875,012,000	(444,547,000)
Industrials Total	(2,799,447,000)	3,324,926,000	(6,124,373,000)
Information Technology Total	9,730,606,000	10,169,291,000	(438,685,000)
Materials Total	122,331,000	658,483,000	(536,152,000)
Grand Total	12,044,639,000	33,814,669,000	(21,770,030,000)