

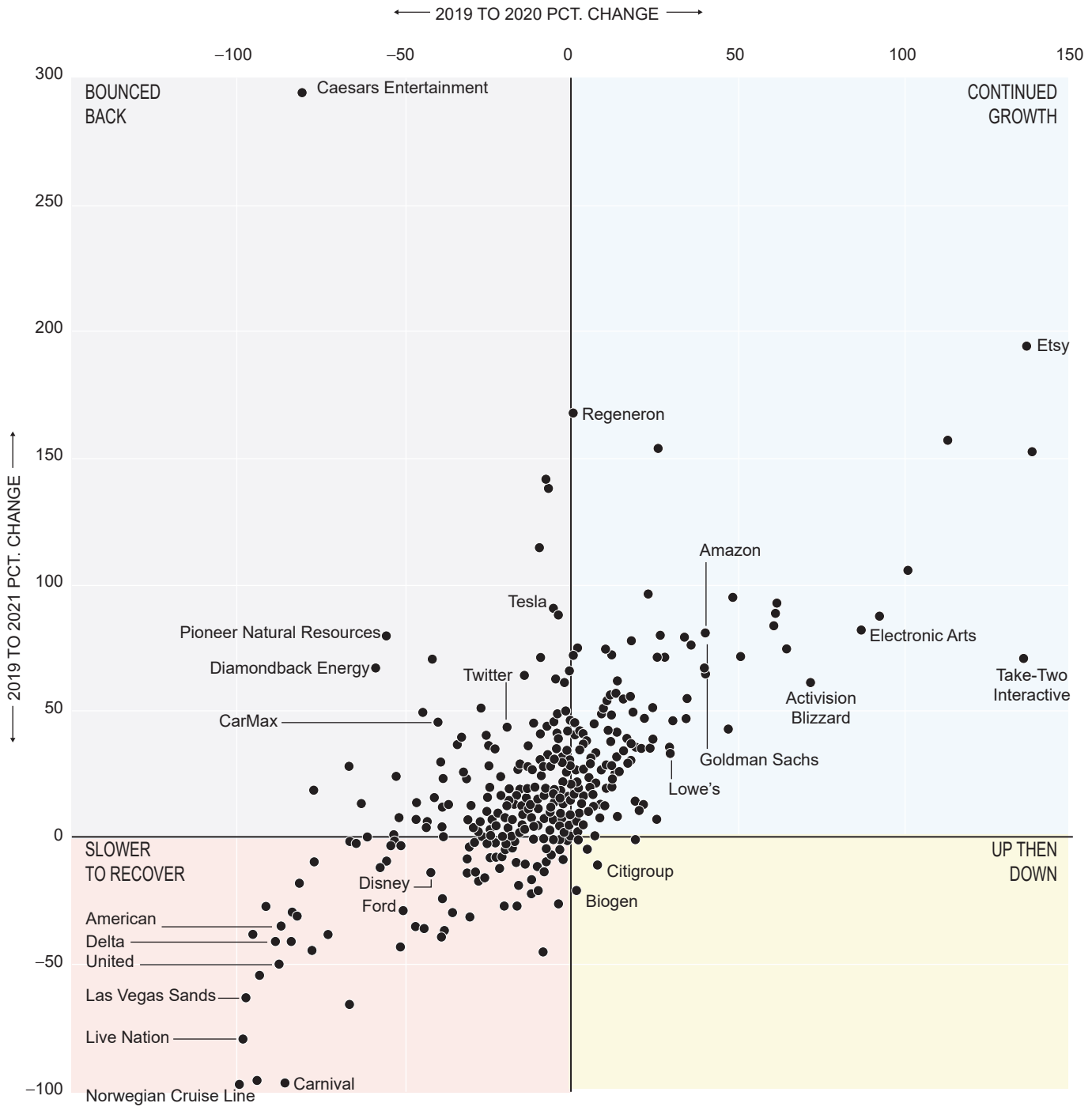
P Discovery Project

The Performance of the S&P 500 Companies During the Covid-19 Pandemic

An article published by the Wall Street Journal in August of 2021 summarized the effects of Covid-19 on the performance of the S&P 500 companies. More than three-fourths of the companies reported higher revenues than pre-pandemic levels. Of those reporting higher levels of revenue, 213 reported revenues in the second quarter of 2021 above 2019 levels after undergoing a drop in revenues in 2020. Of the remaining 153 companies that had higher revenues, revenues in the second quarter for the past two years exceeded 2019 levels. There were 101 companies in the S&P 500 that had revenues below 2019 levels and ten companies experienced a drop in revenue in 2021 after having a rise in income in 2020.

The revenue figures are based on FactSet data for the 477 S&P companies that reported their revenue for the second quarter of 2021. Approximately one-third of the S&P 500 have seen steady or rapid growth throughout the pandemic. The companies that have fared the best are the pharmaceutical, retail, and semiconductor companies. Moderna Inc. experienced the largest increase in revenue of all the S&P companies. Moderna's revenue increased 33,187% from the second quarter of 2019 to the second quarter of 2021, a value too large to include in the figure below. The consumer services sector experienced the largest decline in second quarter 2021 revenues, largely due to companies related to travel and tourism.

Second-quarter Revenues Compared to Pre-pandemic Levels



Note: Moderna is excluded. Its second quarter revenue percentage change since 2019 was 407.3% in 2020 and 33,187% in 2021.

Source: FactSet

Based on the article summary and the figure, answer the following questions.

1. What is the population of interest?
2. What is/are the variable(s) of interest?
3. Which company experienced the largest percentage change from 2019 to 2021?
4. Based on the figure, which company experienced the largest percentage change from 2019 to 2021? Can you think of an explanation of why this is the case?
5. Based on the figure, which company experienced the smallest percentage change from 2019 to 2021? Can you think of an explanation of why this is the case?
6. Based on the figure, which company did a major recovery from 2020 to 2021 based on revenues? Do some research on the internet to find out what caused the company to make such a major recovery.