

Q3 earnings are being reported in full force. Earnings can produce bad news or negative results, and may be worse or not as bad as analysts anticipated. According to Factset, nine of eleven sectors in the S&P 500 index are reporting a year over year decline in earnings. Further, there are 63 industries represented in the S&P 500. 44 of 63 are reporting or are projected to report a year over year decline (Factset). The energy sector led the year over year declines, while airlines led the industry declines over the same time period.

- The chart to the left shows that airline industry Q3 earnings were down over 300% year over year.
- Wireless telecommunications services had the least decline in earnings at 34% (Factset).
- As of October 23, 2020, the percentage of S&P 500 companies outpacing earnings estimates are at near record levels (Factset).

