COVID-19
Investor Pulse Check #13
Conducted December 12–13, 2020
BCG’s COVID-19 Investor Pulse Check

This COVID-19 Investor Pulse Check, conducted December 12–13, is the 13th in a series of periodic surveys that BCG is conducting to help corporate executives and boards of directors understand investors’ perspectives in this rapidly changing environment.

- Roughly 80% of the participants in this survey overlap with the respondents to the prior survey, which was conducted November 13–14
- Across the three most recent surveys (October 16–17, November 13–14, and December 12–13), the overlap in respondents is about 75%

**About the respondents:**

- They represent investment firms that have more than $4 trillion in combined assets under management
- About 80% are portfolio managers and senior analysts who are directly responsible for making buy, sell, and hold decisions
- They cover a broad spectrum of investing types or styles, including deep value, income, growth at a reasonable price, and core growth; they also include some quantitative, technical, and special situation investors

The survey focused on two key topics:

1. Investor expectations for the US economy and stock market as well as the shape of the recovery
2. Investor perspectives on important decisions that corporate executives and boards of directors are considering and making

The analysis shared in this document represents an aggregated view that is not segmented by investor type; it is important for corporate executives and boards of directors to keep in mind their current and target investor mix while interpreting the results.

- Select results by investor type can be made available upon request

The results represent the views of surveyed investors only; to understand BCG’s point of view, please click [here](https://www.bcg.com) to visit BCG’s microsite on the COVID-19 crisis.

Source: BCG’s COVID-19 Investor Pulse Check, October 17, 2020; November 14, 2020; and December 13, 2020; n = 150 for each survey.
Investors have become significantly more bullish on both the US economy and stock market over the past two pulse checks

- 60% of investors (up from 39% in October) are more bullish on the economy
- 54% of investors (up from 35% in October) are more bullish on the stock market
- However, investors’ forward three-year TSR expectation has softened slightly, from 7.5% to 7%

Investors anticipate that the severe impact of the crisis on the economy will last until the end of the first half of 2021, and they believe an additional $1.45 trillion of stimulus is required to support the economy through the pandemic

- 89% of investors support companies prioritizing building capabilities that will create advantage, drive future top-line growth, and position them better for a recovery, even if it means guiding to lower EPS
- Approximately two-thirds of investors support portfolio reshaping through either acquisitions or divestitures
- 67% of investors believe companies should take proactive steps to mitigate activism risk by strengthening their businesses’ near-term and medium-term fundamentals

Investors strongly believe that management teams should not waste the crisis and fail to build long-term advantage—even at the expense of near-term margins and EPS

- 83% of investors (up from a low of 67% in June) expect companies to provide or revise guidance
- 71% of investors (up from a low of 51% in May) expect companies to deliver EPS that at least meets revised guidance (reflecting the impact of moves to build long-term advantage)

Investors’ desire for healthy companies to provide and deliver against guidance has started to shift back toward prepandemic levels

- 83% of investors (up from a low of 67% in June) expect companies to provide or revise guidance
- 71% of investors (up from a low of 51% in May) expect companies to deliver EPS that at least meets revised guidance (reflecting the impact of moves to build long-term advantage)


Note: TSR = total shareholder return; EPS = earnings per share.
Overview of US investors’ current perspectives on the US economy and stock market

Duration of COVID-19 impact

- 53% of investors believe that the pandemic’s severe impact will last until Q2 2021
- AND
- only 41% of investors expect the S&P 500 to have returned to earnings growth by the end of Q2 2021

Shape of economic recovery

- 59% of investors anticipate a W- or U-shaped recovery
- VS.
- only 13% that expect a more rapid V-shaped recovery to the precrisis economic level and growth rate

Fiscal stimulus

Investors expect, on average, that the total fiscal stimulus needed to support the economy through the crisis is $3.95 trillion\(^1\)

Bear vs. bull

Investors surveyed are

- 24% bearish of investors are bullish on the stock market for 2021
- 53% neutral on the stock market for the rest of 2020
- 50% of investors are bullish on the stock market for 2022

Compared with one month ago

- 47% of investors are more bullish on the economy, and
- 60% are more bullish on the stock market

Expected low point for the stock market

- Investors expect an S&P 500 market low of 3,288
- and they anticipate that it will be reached by the end of Q2 2021

Expected stock market level in three years

- In three years, investors expect an S&P 500 level of 4,232
- translating into a 7% TSR from the date of this survey through December 2023

---

\(^1\)$3.95 trillion reflects $2.5 trillion in stimulus to date plus $1.45 trillion in additional stimulus.

Source: BCG’s COVID-19 Investor Pulse Check, December 13, 2020; n = 150.
Note: TSR = total shareholder return.
Investors’ perspectives on the US economy have evolved through the crisis

Most investors continue to expect a W-shaped recovery\(^1\)

Investors expect the economic recovery to take longer\(^2\)

Source: BCG's COVID-19 Investor Pulse Check, December 13, 2020; n = 150 for each survey.

1\(^{\text{In each COVID-19 Investor Pulse Check, a small proportion of the investors surveyed indicated an alternate recovery shape; therefore, the percentages do not add up to 100.}}\)

2\(^{\text{Based on the median of responses of the investors surveyed.}}\)

3\(^{\text{For the months in which multiple surveys were conducted, the most recent data point was used.}}\)
Investors’ perspectives on the US stock market have evolved through the crisis

Investors are increasingly bullish on the market for 2021, but less so for 2022

Investors continue to anticipate a correction in the equity markets, although the expected decline has decreased

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Bullish investors (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>14</td>
</tr>
<tr>
<td>2021</td>
<td>55</td>
</tr>
<tr>
<td>2022</td>
<td>47</td>
</tr>
</tbody>
</table>

Source: BCG’s COVID-19 Investor Pulse Check; n = 150 for each survey.

1 Based on the median of responses of the investors surveyed.
2 The S&P 500 close on December 11, 2020—the day prior to the survey—was used as the reference level.
3 For the months in which multiple surveys were conducted, the most recent data point was used.
Investors want financially healthy companies to build long-term advantage

Investing in the business

- **89%** | Near the average of 91%¹

  Investors that believe it is important for healthy companies to **prioritize building business capabilities, even at the expense of delivering EPS**

- **58%** | Near the low of 55%³

  Investors that think healthy companies should **not prioritize margins at the expense of investing in the business**

Reshaping the portfolio

- **65%** | Near the average of 66%¹

  Investors that believe healthy companies should **actively pursue acquisitions to strengthen the business** at today’s current valuations

- **71%** | Equal to the average of 71%³

  Investors that believe healthy companies should **actively consider exiting or divesting lines of business to strengthen the overall company given current market conditions**

---

Source: BCG’s COVID-19 Investor Pulse Check, December 13, 2020; n = 150.

Note: All questions were posed with respect to financially healthy companies, which were defined as companies with relatively strong and resilient free cash flow and a healthy balance sheet. EPS = earnings per share.

¹A peak, average, or low percentage reflects a comparison across the 13 COVID-19 Investor Pulse Checks.
Investors view liquidity and financial resilience through the crisis as a high priority for financially healthy companies

<table>
<thead>
<tr>
<th>Preserving liquidity</th>
<th>Maintaining the dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors that believe it is important for healthy companies to <strong>intensely focus on preserving liquidity</strong></td>
<td>Investors that think it is important for healthy companies to <strong>maintain the dividend per share</strong></td>
</tr>
<tr>
<td>65%</td>
<td>Only 43%</td>
</tr>
<tr>
<td>Down from the peak of 79%¹</td>
<td>Near the peak of 45%¹</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issuing debt</th>
<th>Repurchasing shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors that believe healthy companies should <strong>quickly access all available sources of debt financing</strong></td>
<td>Investors that think it is important for healthy companies to <strong>aggressively repurchase shares at today’s low valuations</strong></td>
</tr>
<tr>
<td>61%</td>
<td>Only 36%</td>
</tr>
<tr>
<td>Down from the peak of 73%¹</td>
<td>Near the low of 34%¹</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issuing equity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors that believe <strong>raising capital by issuing equity</strong> is a reasonable move for healthy companies</td>
<td></td>
</tr>
<tr>
<td>61%</td>
<td></td>
</tr>
<tr>
<td>The peak¹</td>
<td></td>
</tr>
</tbody>
</table>

Source: BCG’s COVID-19 Investor Pulse Check, December 13, 2020; n = 150.

Note: All questions were posed with respect to financially healthy companies, which were defined as companies with relatively strong and resilient free cash flow and a healthy balance sheet.

¹A peak, average, or low percentage reflects a comparison across the 13 COVID-19 Investor Pulse Checks.
Investors’ views regarding guidance from financially healthy companies appear to have been turned upside down because of the crisis.

<table>
<thead>
<tr>
<th>Providing, revising, and delivering on guidance</th>
<th>Investors that think it is important for healthy companies to provide or revise guidance within the next 90 days</th>
<th>Investors that will hold healthy companies to delivering on their revised guidance or the consensus EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>83%</td>
<td>The peak¹</td>
<td>71%</td>
</tr>
<tr>
<td>Investors that think it is important for healthy companies to provide or revise guidance within the next 90 days</td>
<td>Investors that will hold healthy companies to delivering on their revised guidance or the consensus EPS</td>
<td></td>
</tr>
<tr>
<td>86%</td>
<td>Near the peak of 87%¹</td>
<td>78%</td>
</tr>
<tr>
<td>Investors that think it is important for healthy companies that have withdrawn guidance to provide additional disclosures in the interim</td>
<td>Investors that understand why many healthy companies have decided to withdraw earnings guidance for 2020</td>
<td></td>
</tr>
</tbody>
</table>

¹A peak, average, or low percentage reflects a comparison across the 13 COVID-19 Investor Pulse Checks.

Source: BCG’s COVID-19 Investor Pulse Check, December 13, 2020; n = 150.
Note: All questions were posed with respect to financially healthy companies, which were defined as companies with relatively strong and resilient free cash flow and a healthy balance sheet.
Three additional priority areas for investors stand out

**Pursuing an ESG agenda**

50% | Near the average of 49%
---
Investors that think it is important for healthy companies to continue to **fully pursue their ESG agenda and priorities** as they navigate the crisis, even if it means guiding to lower EPS or delivering below consensus

**Mitigating activism risk**

67% | Near the average of 65%
---
Investors that believe healthy companies should expect an increase in activist activity given today’s low valuations and, therefore, **take proactive steps to mitigate activism risk** by strengthening their businesses’ near-term and medium-term fundamentals

**“Reopening”**

83% | The low
---
Investors that believe it is important for healthy companies that have “closed” their businesses to “reopen” with caution and **prioritize the health and safety of their employees**, even if it results in weaker P&L performance over the next 6 to 12 months

Source: BCG’s COVID-19 Investor Pulse Check, December 13, 2020; n = 150.
Note: All questions were posed with respect to financially healthy companies, which were defined as companies with relatively strong and resilient free cash flow and a healthy balance sheet. ESG = environmental, social, and governance; EPS = earnings per share; P&L = profit and loss.

1 A peak, average, or low percentage reflects a comparison across the 13 COVID-19 Investor Pulse Checks.
### Comparison of BCG’s COVID-19 Investor Pulse Checks (1/2)

<table>
<thead>
<tr>
<th>Duration of COVID-19’s Impact on the US economy</th>
<th>Mar 22 #1</th>
<th>Apr 5 #2</th>
<th>Apr 19 #3</th>
<th>May 3 #4</th>
<th>May 17 #5</th>
<th>Jun 7 #6</th>
<th>Jun 28 #7</th>
<th>Jul 19 #8</th>
<th>Aug 9 #9</th>
<th>Sep 19 #10</th>
<th>Oct 17 #11</th>
<th>Nov 14 #12</th>
<th>Dec 13 #13</th>
<th>Difference (Nov 14 vs. Dec 13)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal stimulus that is needed</td>
<td>Not asked</td>
<td>Not asked</td>
<td>$3.75 trillion</td>
<td>$4.5 trillion</td>
<td>$4.5 trillion</td>
<td>$3.9 trillion</td>
<td>$4.0 trillion</td>
<td>$4.25 trillion</td>
<td>$4.1 trillion</td>
<td>$3.95 trillion</td>
<td>$4.15 trillion</td>
<td>$4.10 trillion</td>
<td>$3.95 trillion</td>
<td>$-0.15 trillion</td>
</tr>
<tr>
<td>Bear vs. bull—investors that are bullish:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• CY 2020</td>
<td>14%</td>
<td>12%</td>
<td>16%</td>
<td>15%</td>
<td>14%</td>
<td>23%</td>
<td>27%</td>
<td>18%</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
<td>17%</td>
<td>23%</td>
<td>23%</td>
</tr>
<tr>
<td>• CY 2021</td>
<td>59%</td>
<td>53%</td>
<td>44%</td>
<td>46%</td>
<td>45%</td>
<td>43%</td>
<td>40%</td>
<td>37%</td>
<td>36%</td>
<td>35%</td>
<td>35%</td>
<td>35%</td>
<td>38%</td>
<td>47%</td>
</tr>
<tr>
<td>• CY 2022</td>
<td>63%</td>
<td>64%</td>
<td>67%</td>
<td>64%</td>
<td>62%</td>
<td>59%</td>
<td>64%</td>
<td>57%</td>
<td>57%</td>
<td>65%</td>
<td>65%</td>
<td>65%</td>
<td>59%</td>
<td>50%</td>
</tr>
<tr>
<td>• Next three years</td>
<td>65%</td>
<td>68%</td>
<td>69%</td>
<td>69%</td>
<td>64%</td>
<td>63%</td>
<td>63%</td>
<td>57%</td>
<td>60%</td>
<td>66%</td>
<td>66%</td>
<td>63%</td>
<td>59%</td>
<td>57%</td>
</tr>
<tr>
<td>More bullish vs. last month: economy</td>
<td>Not asked</td>
<td>Not asked</td>
<td>$3.75 trillion</td>
<td>$4.5 trillion</td>
<td>$4.5 trillion</td>
<td>$3.9 trillion</td>
<td>$4.0 trillion</td>
<td>$4.25 trillion</td>
<td>$4.1 trillion</td>
<td>$3.95 trillion</td>
<td>$4.15 trillion</td>
<td>$4.10 trillion</td>
<td>$3.95 trillion</td>
<td>$-0.15 trillion</td>
</tr>
<tr>
<td>• More bullish vs. last month: stock market</td>
<td>Not asked</td>
<td>Not asked</td>
<td>$3.75 trillion</td>
<td>$4.5 trillion</td>
<td>$4.5 trillion</td>
<td>$3.9 trillion</td>
<td>$4.0 trillion</td>
<td>$4.25 trillion</td>
<td>$4.1 trillion</td>
<td>$3.95 trillion</td>
<td>$4.15 trillion</td>
<td>$4.10 trillion</td>
<td>$3.95 trillion</td>
<td>$-0.15 trillion</td>
</tr>
<tr>
<td>Three-year S&amp;P 500 level expectation¹</td>
<td>3,075 (11% TSR)</td>
<td>3,165 (10% TSR)</td>
<td>3,411 (9% TSR)</td>
<td>3,551 (9% TSR)</td>
<td>3,525 (9% TSR)</td>
<td>3,717 (8% TSR)</td>
<td>3,685 (8% TSR)</td>
<td>3,727 (7% TSR)</td>
<td>3,869 (7% TSR)</td>
<td>3,998 (7.5% TSR)</td>
<td>4,061 (7.5% TSR)</td>
<td>4,153 (7.5% TSR)</td>
<td>4,232 (7% TSR)</td>
<td>-0.5 p.p.</td>
</tr>
</tbody>
</table>

Source: BCG’s COVID-19 Investor Pulse Check; n = 150 for each survey.

Note: This slide spotlights key differences between pulse checks. Color coding is based on consideration of absolute and percentage change. CY = calendar year; p.p. = percentage point; TH = first half; TSR = total shareholder return.

¹The S&P 500 level that was used is the closing level of the day prior to the survey date (for example, for the survey conducted September 18–19, we used the S&P 500 close of 3,350 on September 17). TSR is implied through the CAGR of the S&P 500 level and an assumed 2% dividend yield.
Comparison of BCG’s COVID-19 Investor Pulse Checks (2/2)

Investors that agree with the following statements about financially healthy companies (%)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mar 22 #1</th>
<th>Apr 5 #2</th>
<th>Apr 19 #3</th>
<th>May 3 #4</th>
<th>May 17 #5</th>
<th>Jun 7 #6</th>
<th>Jun 28 #7</th>
<th>Jul 19 #8</th>
<th>Aug 9 #9</th>
<th>Sep 19 #10</th>
<th>Oct 17 #11</th>
<th>Nov 14 #12</th>
<th>Dec 13 #13</th>
<th>Difference (Nov 14 vs. Dec 13)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>It is important for financially healthy companies to...</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prioritize building key business capabilities</td>
<td>89%</td>
<td>91%</td>
<td>92%</td>
<td>95%</td>
<td>88%</td>
<td>91%</td>
<td>90%</td>
<td>91%</td>
<td>89%</td>
<td>90%</td>
<td>90%</td>
<td>93%</td>
<td>89%</td>
<td>–4 p.p.</td>
</tr>
<tr>
<td>Prioritize maintaining their margin levels</td>
<td>Not asked</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>43%</td>
<td>38%</td>
<td>40%</td>
<td>42%</td>
<td>+4 p.p.</td>
</tr>
<tr>
<td>Actively pursue acquisitions</td>
<td>58%</td>
<td>64%</td>
<td>63%</td>
<td>60%</td>
<td>70%</td>
<td>68%</td>
<td>68%</td>
<td>69%</td>
<td>71%</td>
<td>72%</td>
<td>65%</td>
<td>63%</td>
<td>65%</td>
<td>+2 p.p.</td>
</tr>
<tr>
<td>Actively consider exiting or divesting lines of business</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>65%</td>
<td>64%</td>
<td>75%</td>
<td>67%</td>
<td>73%</td>
<td>75%</td>
<td>73%</td>
<td>77%</td>
<td>71%</td>
<td>–6 p.p.</td>
</tr>
<tr>
<td>Aggressively repurchase shares</td>
<td>35%</td>
<td>44%</td>
<td>38%</td>
<td>36%</td>
<td>42%</td>
<td>43%</td>
<td>34%</td>
<td>44%</td>
<td>37%</td>
<td>41%</td>
<td>43%</td>
<td>36%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>Maintain the dividend per share</td>
<td>41%</td>
<td>43%</td>
<td>35%</td>
<td>29%</td>
<td>36%</td>
<td>43%</td>
<td>33%</td>
<td>36%</td>
<td>37%</td>
<td>40%</td>
<td>45%</td>
<td>43%</td>
<td></td>
<td>–2 p.p.</td>
</tr>
<tr>
<td>Intensely focus on preserving liquidity</td>
<td>73%</td>
<td>79%</td>
<td>77%</td>
<td>68%</td>
<td>75%</td>
<td>76%</td>
<td>69%</td>
<td>72%</td>
<td>67%</td>
<td>64%</td>
<td>60%</td>
<td>63%</td>
<td>65%</td>
<td>+2 p.p.</td>
</tr>
<tr>
<td>Quickly access all available sources of debt financing</td>
<td>Not asked</td>
<td>71%</td>
<td>73%</td>
<td>73%</td>
<td>72%</td>
<td>71%</td>
<td>69%</td>
<td>67%</td>
<td>67%</td>
<td>65%</td>
<td>71%</td>
<td>63%</td>
<td>61%</td>
<td>–2 p.p.</td>
</tr>
<tr>
<td>Consider significant equity issuance a reasonable move</td>
<td>Not asked</td>
<td>48%</td>
<td>56%</td>
<td>53%</td>
<td>53%</td>
<td>61%</td>
<td>59%</td>
<td>55%</td>
<td>57%</td>
<td>56%</td>
<td>52%</td>
<td>61%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide or revise guidance</td>
<td>79%</td>
<td>77%</td>
<td>78%</td>
<td>74%</td>
<td>66%</td>
<td>72%</td>
<td>67%</td>
<td>69%</td>
<td>70%</td>
<td>74%</td>
<td>71%</td>
<td>83%</td>
<td>83%</td>
<td>+12 p.p.</td>
</tr>
<tr>
<td>Deliver EPS that at least meets revised guidance or consensus</td>
<td>56%</td>
<td>64%</td>
<td>56%</td>
<td>52%</td>
<td>54%</td>
<td>56%</td>
<td>58%</td>
<td>57%</td>
<td>57%</td>
<td>57%</td>
<td>64%</td>
<td>65%</td>
<td>71%</td>
<td>+6 p.p.</td>
</tr>
<tr>
<td>• Investors understand why companies have withdrawn 2020 earnings guidance</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td></td>
</tr>
<tr>
<td>Make additional temporary disclosures</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>85%</td>
<td>81%</td>
<td>79%</td>
<td>79%</td>
<td>83%</td>
<td>85%</td>
<td>77%</td>
<td>76%</td>
<td>73%</td>
<td>78%</td>
</tr>
<tr>
<td>Expect an increase in activist activity and take proactive steps to mitigate risk</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>83%</td>
<td>77%</td>
<td>76%</td>
<td>85%</td>
<td>87%</td>
<td>83%</td>
<td>84%</td>
<td>86%</td>
<td>84%</td>
<td>86%</td>
</tr>
<tr>
<td>Continue to fully pursue their ESG agenda and priorities</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td></td>
</tr>
<tr>
<td>“Reopen” with caution and prioritize employees’ health and safety</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>Not asked</td>
<td>84%</td>
<td>87%</td>
<td>89%</td>
<td>88%</td>
<td>87%</td>
<td>83%</td>
<td>83%</td>
<td>85%</td>
<td>83%</td>
<td>–2 p.p.</td>
</tr>
</tbody>
</table>

Source: BCG’s COVID-19 Investor Pulse Check; n = 150 for each survey.

Note: This slide spotlights key differences between pulse checks. Color coding is based on consideration of absolute and percentage change. EPS = earnings per share; p.p. = percentage point; ESG = environmental, social, and governance.

Financially healthy companies were defined as companies with relatively strong and resilient free cash flow and a healthy balance sheet.

Participants were subsequently asked to respond to this statement: “Given COVID-19’s impact on corporate visibility, I understand why many healthy companies have decided to withdraw earnings guidance for 2020.”


If you have any questions, please reach out to:

- Jeff Kotzen Kotzen.Jeffrey@bcg.com
- Tim Nolan Nolan.Tim@bcg.com
- Julien Ghesquieres Ghesquieres.Julien@bcg.com
- Greg Rice Rice.Gregory@bcg.com
- Eric Olsen Olsen.Eric@advisor.bcg.com
- Hady Farag Farag.Hady@bcg.com
- Akshay Kohli Kohli.Akshay@bcg.com
- Callan Sainsbury Sainsbury.Callan@bcg.com
The situation surrounding COVID-19 is dynamic and rapidly evolving, on a daily basis. Although we have taken great care prior to producing this presentation, it represents BCG’s view at a particular point in time. This presentation is not intended to: (i) constitute medical or safety advice, nor be a substitute for the same; nor (ii) be seen as a formal endorsement or recommendation of a particular response. As such you are advised to make your own assessment as to the appropriate course of action to take, using this presentation as guidance. Please carefully consider local laws and guidance in your area, particularly the most recent advice issued by your local (and national) health authorities, before making any decision.