Wall St Thriving Through COVID-19, Reports Bambridge Accountants

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While the pandemic induced recession has plunged many companies across the globe into financial distress, Wall St is thriving through COVID-19, reports Bambridge Accountants. Despite America's constant struggle to suppress the coronavirus and ceaseless concerns for the health of the economy, stock markets continue to reach new highs and a select few companies are thriving through the pandemic, an outstanding example being the e-commerce sector with Amazon prevailing with its net profit margin up by 115.74%.

Remote Working Sends Profits Surging

The pandemic has significantly changed the operation of the workforce, with workers being forced to work from home since March 2020. In advance of the COVID-19 outbreak, approximately 5 percent of the nations workforce worked remotely, specifically the finance industry, the figure was below 10 percent. Looking closely at the securities sector, when the New York Stock Exchange was closed on March 23, 2020 all physical trading was fully transferred to electronic trading. Hence technology profits and shares rocketed, such as business-focused applications like Zoom Video and Microsoft (Microsoft Teams) as these applications created a means for colleagues to keep in touch and hold meetings.

With remote working figures up from 5% to 51% for May 2020, Zoom Video Communications Inc. reached 300m participants in a day, showing the percentage of those working from home is directly proportionate to the rise in Zoom users. Zoom Video Communications has become a top performing stock on the NASDAQ this year, accompanied by 130% gains and their market capitalisation (value of company shares of stock) standing at 128.84B, surpassing Microsoft Skype and Google Hangouts.

Companies Prospering Through The Pandemic

Many companies will not survive the pandemic. Despite this, investors are keeping their eyes peeled for companies that can sustain such economic turmoil and uncertainty. For example, Apple's expanding list of services has enabled the company shares to proliferate, as they have experienced a gain of 54% and are up 130% over the span of the previous 12 months. Apple has indubitably demonstrated how the tech market can withstand such an economic earthquake.

COVID-19 has also most certainly amplified Amazon's market power with its dominance on the e-commerce market, with high street shops forced to close, e-commerce was the source of retail consumption; currently standing at 38% and it was hiring over 100,000 warehouse workers to deal with the escalation in demand, despite 30 million filing for unemployment in the US. Whilst the S&P 500 stock index fell by almost 15% since January, Amazon stocks are up by approximately 58% since 31 January 2020, despite the World Health Organisation declaring a global pandemic.

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