



## TSX Earnings: 3 Quotes You Should Hear

### Description

We are still facing the truth of how the crisis is impacting the economy. Luckily, the Canadian government has been boosting the economy with the Canada Emergency Response Benefit (CERB) through the Canada Revenue Agency (CRA). The COVID-19 pandemic hit many publicly traded companies on the **Toronto Stock Exchange** hard this year.

For this reason, investors are paying close attention to [earnings this quarter](#). Here are three quotes you should know from last week's TSX earnings reports.

### Precision Drilling: A top TSX stock to avoid

Oil demand faltered during the coronavirus outbreak, as people stayed at home. The oil price war may be over, but the fall in global demand for oil is still pushing up inventories.

To make matters worse, **Precision Drilling** ([TSX:PD](#)) doesn't expect the bad news to ease up until next year:

"The COVID-19 virus outbreak and associated mitigation efforts, including travel and economic restrictions, has led to severe destruction in global oil demand. This has been compounded by an oil price war, led by major oil-producing countries, resulting in collapsed commodity prices and the deepest downturn the oil and gas services industry has ever experienced. While Precision's first-quarter results were only nominally impacted by the commodity price collapse, we expect a significant and sustained reduction in customer demand for oil and gas services well into next year."

If you thought not was a good time to invest in oil and gas companies, you may want to hold off for now.

### Loblaw Companies: A top TSX stock to buy?

**Loblaw Companies** ([TSX:L](#)) had some exciting news about the firm's ability to weather the current pandemic through the e-commerce marketplace.

Galen G. Weston, executive chairman, released the following statement regarding the impact of COVID-19 on sales:

"Loblaw delivered strong operational performance, as both our base business and strategic growth pillars performed well amidst the extraordinary conditions brought on by COVID-19. Significant investments in the safety and well-being of everyone in our stores delivered against customer expectations, despite negatively impacting earnings. At the same time, the Company considerably strengthened its position in e-commerce as online grocery sales surged 280%."

A 280% surge in online grocery store sales is a significant feat. There was already a trend toward e-commerce prior to the health crisis. Will it stick? Could a nearly full transition toward e-commerce be the new way of life after the crisis?

## **FirstService: A diversified financial stock**

Financial services and banking on the TSX have been slower to recover after the initial March 2020 free fall in the market. Scott Patterson, CEO of **FirstService** ([TSX:FSV](#))([NASDAQ:FSV](#)), had this to say about the effects of COVID-19 on the businesses:

"We are pleased to report a solid quarter in the face of significant COVID-19 headwinds. Our financial results exceeded expectations and highlight the resiliency and diversification of our business model. We maintain a positive yet cautious outlook for the remainder of the year as we navigate around the ongoing pandemic uncertainty."

The key takeaway here is diversity. A diverse business model is a resilient business model. It is nice to hear that FirstService is optimistic about the future.

I'm sure that Canadian government economic stimulus measures have helped the firm navigate this uncharted territory more gracefully. Will the company continue to do well this year when the CRA ends CERB?

### **CATEGORY**

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Investing
5. Stocks for Beginners

### **TICKERS GLOBAL**

1. NASDAQ:FSV (FirstService Corporation)

2. TSX:FSV (FirstService Corporation)
3. TSX:L (Loblaw Companies Limited)
4. TSX:PD (Precision Drilling Corporation)

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