

# Technology Company Analysis (2024)

An in-depth analysis of the top 1,000 technology companies worldwide, examining market capitalization, industry trends, and regional distribution. This analysis aims to provide insights into potential investment opportunities and guide stakeholders in identifying key market segments. Interactive Tableau dashboard can be found [here](#).

## Northstar Metrics and Dimensions

- **Market Cap Leaders:** by Company, by Market Cap, by Market Cap Percentage (MC%), by Industry
- **Company Volume:** by Market Cap, by Market Cap Percentage (MC%), by Industry

## Summary of Insights

### Total market capitalisation

**Top Companies:** Apple and Microsoft rank as the top two companies in overall market capitalisation, together comprising over 60% of the total market among the top 10 global tech companies. Nvidia ranks third, holding a significant share in total market capitalisation and standing as the leading company in the semiconductor industry.

**Regional Distribution:** The United States commands 71% of global market capitalisation, with Apple, Microsoft, and Nvidia as the primary drivers of this dominance. These top-ranked companies significantly contribute to the U.S.'s leading position in the global technology market. Taiwan, China, and Japan are significant contributors to the global market, particularly in the semiconductor and electronic component sectors, where they hold substantial market share.

### Total number of companies

**Industry Concentration:** The Software Infrastructure and Software Application industries have the highest concentration of companies, particularly in the US, which leads globally in tech company volume. China follows closely, with a significant number of companies, especially in the semiconductor and electronic components sectors.

**Regional Insights:** The US leads in tech company volume across most industries, with strong contributions in Software Infrastructure and IT Services. China and Taiwan are also major players, particularly in the semiconductor sector.

## Top Industries

**Software Infrastructure:** The Software Infrastructure industry leads in total market capitalisation at \$4.3 trillion, predominantly driven by US companies. This high market cap underscores the critical role of cloud computing, cybersecurity, and enterprise software in the global tech ecosystem, highlighting the US's significant impact in this sector.

**Semiconductors:** The Semiconductor industry ranks second in market capitalisation at \$4.1 trillion. This industry has a strong international footprint, with significant contributions from the US (\$13.3 trillion), Taiwan (\$1.03 trillion), and China (\$863.7 billion). Taiwan, in particular, plays a pivotal role in semiconductor manufacturing, highlighting its essential position in the global supply chain.

**IT Services and Software Application:** The Information Technology Services industry has a market capitalisation of \$1.35 trillion, while the Software Application industry follows with \$2.38 trillion. The US leads in both sectors, particularly in IT Services, which are crucial for global business operations. The strong presence of these industries in the US and Japan underscores their roles as major hubs for tech services and software innovation.

## Recommendations/Next Steps

**Focus Investments:** Based on the high market capitalisation of Software Infrastructure and Semiconductors, it is recommended that the firm focuses its investments in these areas, particularly targeting companies in the US and Taiwan.

**Geographical Diversification:** Consider diversifying investments by also allocating capital to emerging markets in China and Japan, especially within the semiconductor and electronic component sectors.

**Ongoing Monitoring:** Establish a process for regularly reviewing market trends and updating the portfolio based on the latest data insights.