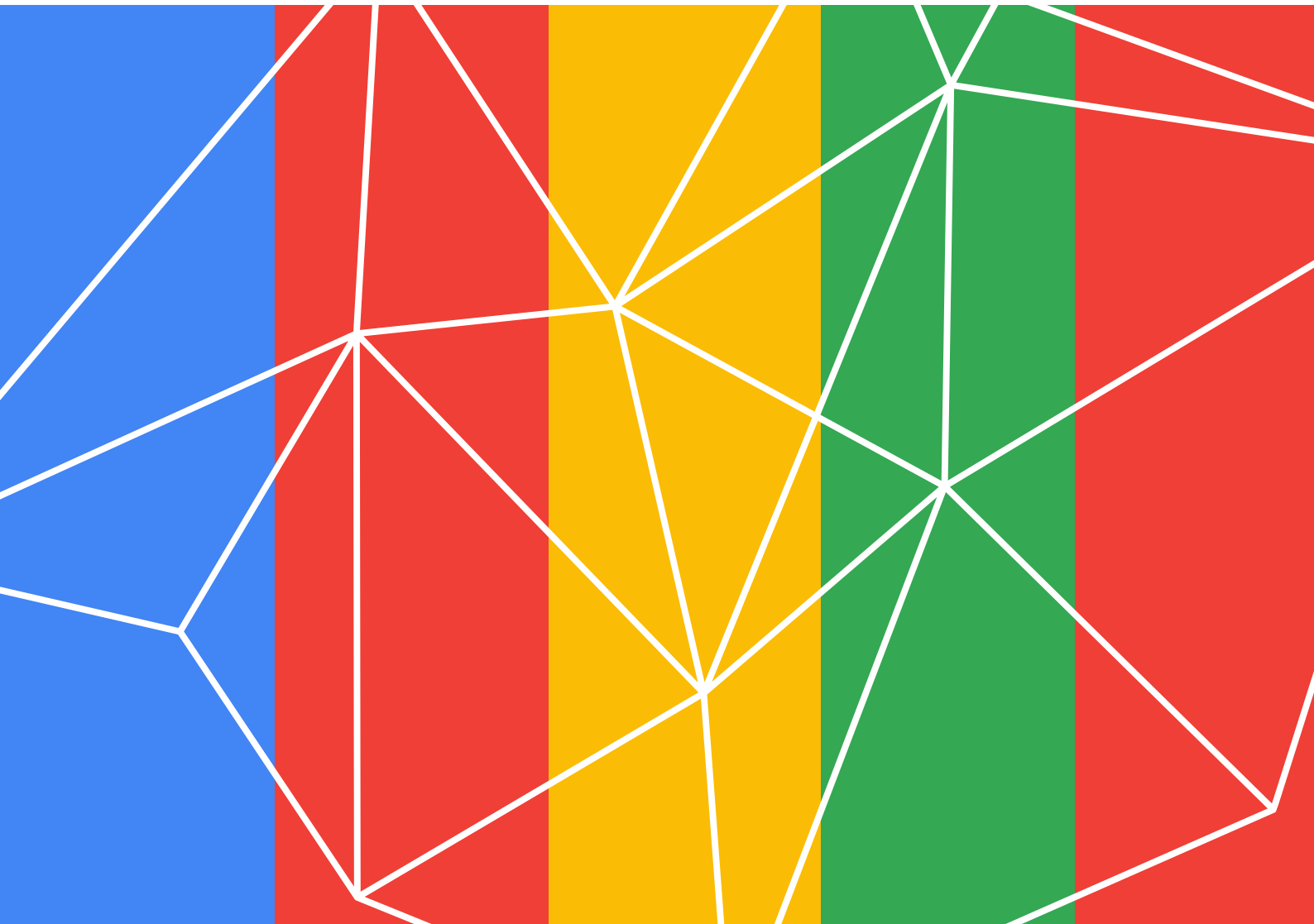


2024

# Google Stock Overview

PRESENTED BY

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# Introduction

This report presents a comprehensive analysis of Google's stock performance from its initial public offering (IPO) in 2004 through November 2023. The analysis aims to provide insights into Google's historical stock trends, trading patterns, and performance relative to major market indices. By examining various aspects of Google's stock data, including price movements, trading volumes, and comparative performance, this report seeks to offer a holistic view of Google's position in the stock market over nearly two decades. The findings presented here are intended to inform investors, analysts, and stakeholders about Google's historical market behavior and potential future trends.



# Executive Summary

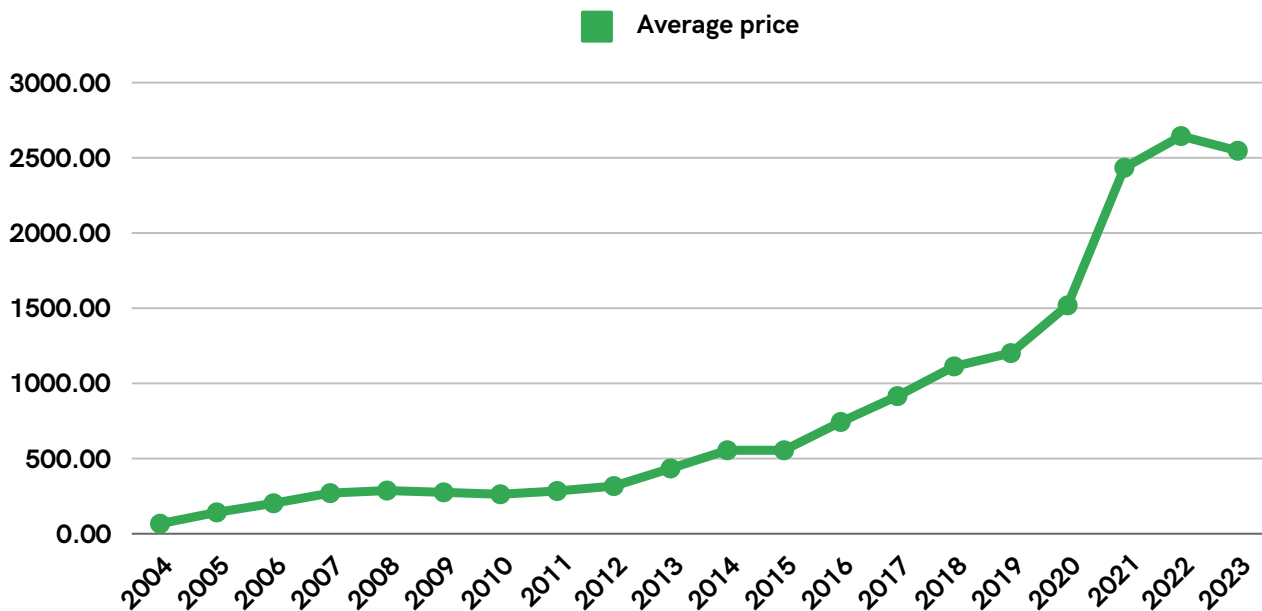
The analysis reveals that Google's stock has demonstrated remarkable growth since its IPO, significantly outperforming major market indices. Key findings include:

1. Strong long-term price appreciation with periods of volatility
2. Increasing trading volumes, indicating growing market interest
3. Consistent outperformance compared to S&P 500 and NASDAQ-100 indices
4. Clear upward trends identified through moving average analysis
5. Higher volatility compared to broader market indices, suggesting both higher risk and potential returns

These insights suggest that Google has been a robust growth stock, offering substantial returns to long-term investors while also presenting higher volatility compared to diversified index investments



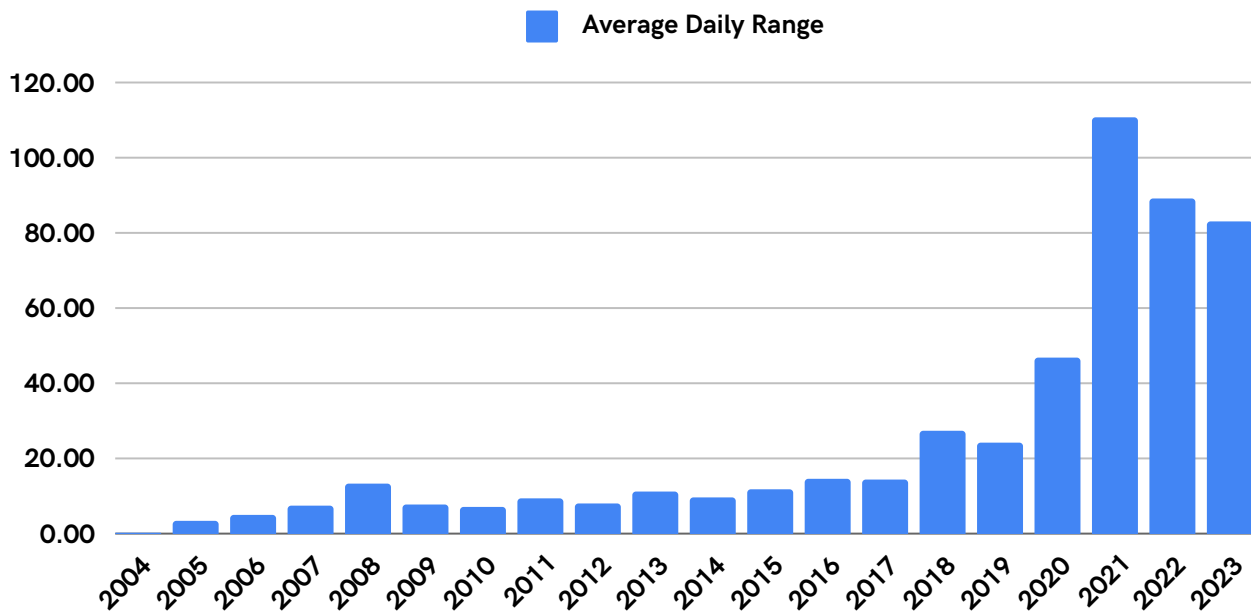
# Price Trends



Google's stock price trends reveals a remarkable journey of growth and trend remains strongly positive, reflecting volatility. From its IPO price of \$85 in 2004, the stock has shown significant appreciation, reaching over \$2,700 by 2023. This represents a compound annual growth rate (CAGR) of approximately 24%, far outpacing the broader market. The price chart exhibits several notable features, including sharp increases during periods of strong company performance and market optimism, as well as significant corrections during economic downturns such as the 2008 financial crisis and the 2020 COVID-19 pandemic.

Despite these fluctuations, the overall trend remains strongly positive, reflecting Google's growing dominance in the tech sector and its ability to consistently innovate and expand its revenue streams. The stock's resilience in recovering from market downturns also stands out, indicating strong investor confidence in the company's long-term prospects.

# Stock Volatility



1. Google's stock volatility, as measured by the average daily price range, shows interesting patterns over the 2004-2023 period. In the early years (2004-2007), volatility was relatively low, with average daily ranges under \$10. This suggests a period of steady growth with minimal price swings.

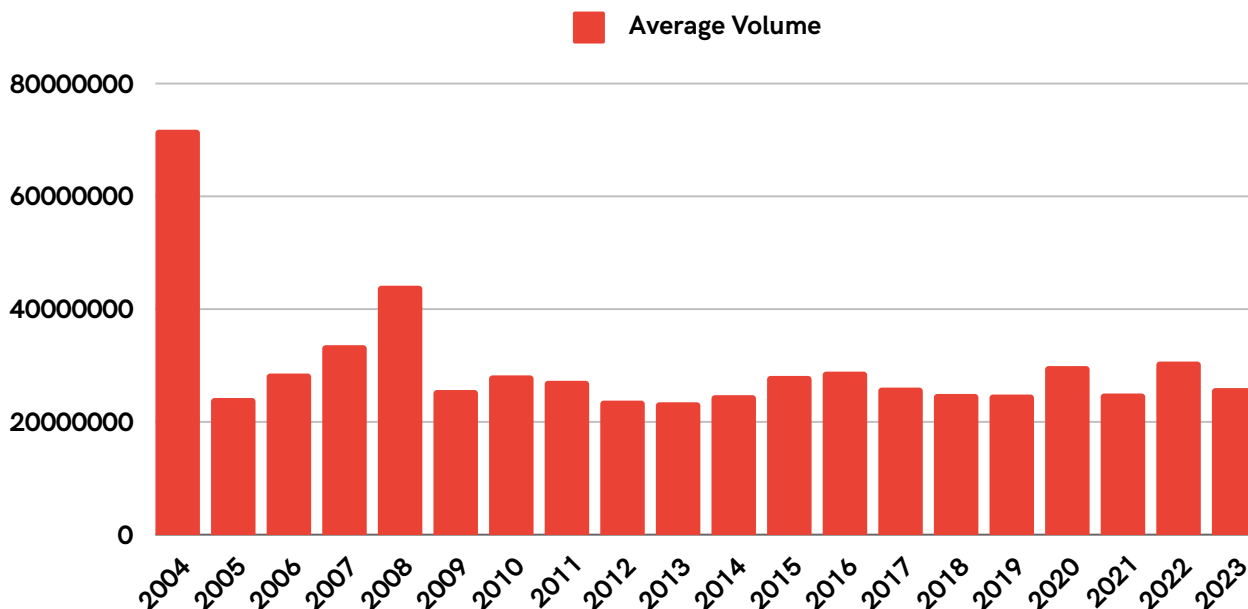
2. Volatility increased significantly during the 2008 financial crisis, with the average daily range nearly doubling. This reflects the increased market uncertainty during that period. Post-crisis, volatility remained elevated compared to the early years but showed a gradual decline from 2009 to 2015.

3. A notable shift occurred from 2016 onwards, with volatility increasing substantially.

The average daily range more than tripled between 2015 and 2020, reaching its peak in 2021 at over \$110. This increased volatility coincides with Google's accelerated growth period and may reflect both the stock's higher price and increased market sensitivity to tech sector news.

4. The slight decrease in volatility in 2022 and 2023, while still high compared to historical levels, might indicate a maturation phase or market adaptation to Google's higher valuation. Overall, the volatility trend mirrors Google's growth story, with periods of stability, crisis response, and high-growth volatility clearly visible in the data.

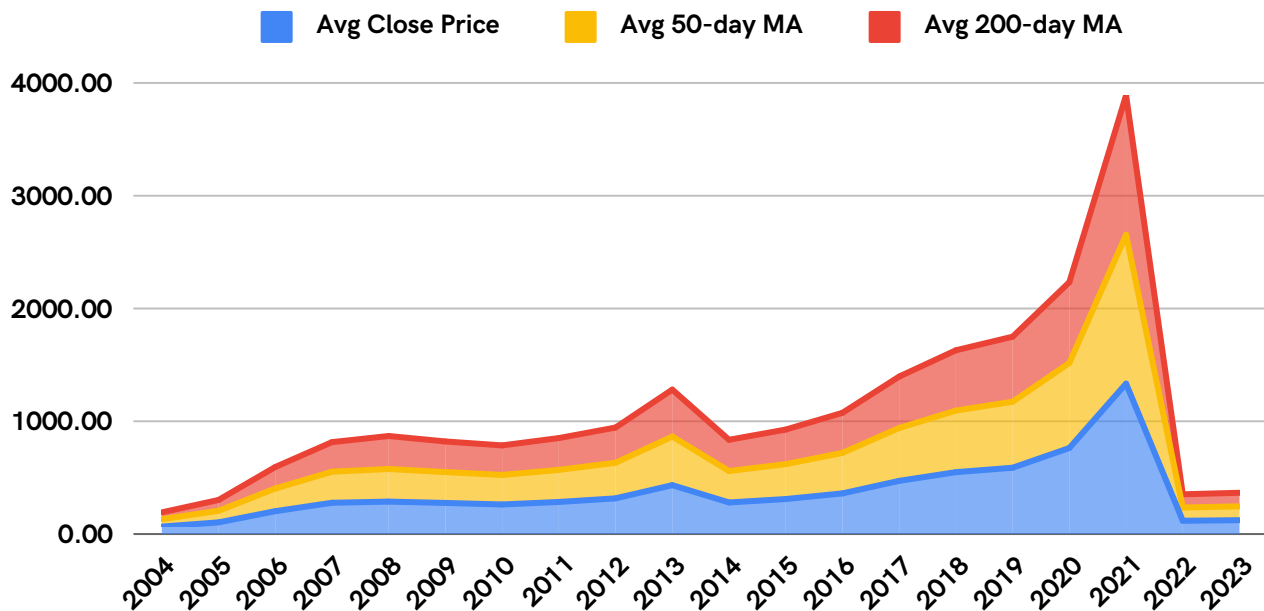
# Volume Activity



The volume activity analysis provides crucial insights into market interest and liquidity of Google's stock over time. The data shows a general trend of increasing trading volume since the IPO, indicating growing market participation and liquidity. Notable spikes in volume often coincide with significant company events, earnings releases, or broader market movements. For instance, exceptionally high volume periods were observed during the 2008 financial crisis and the 2020 COVID-19 pandemic, reflecting heightened investor activity during times of market uncertainty.

The yearly average volume progression reveals cyclical patterns, with volume often increasing around quarterly earnings reports. This trend suggests that investor interest peaks during periods of new information release. The overall increase in average yearly volume over time underscores Google's growing importance in investment portfolios and its increasing weight in major indices. These volume trends provide valuable context for understanding market sentiment and potential price movements.

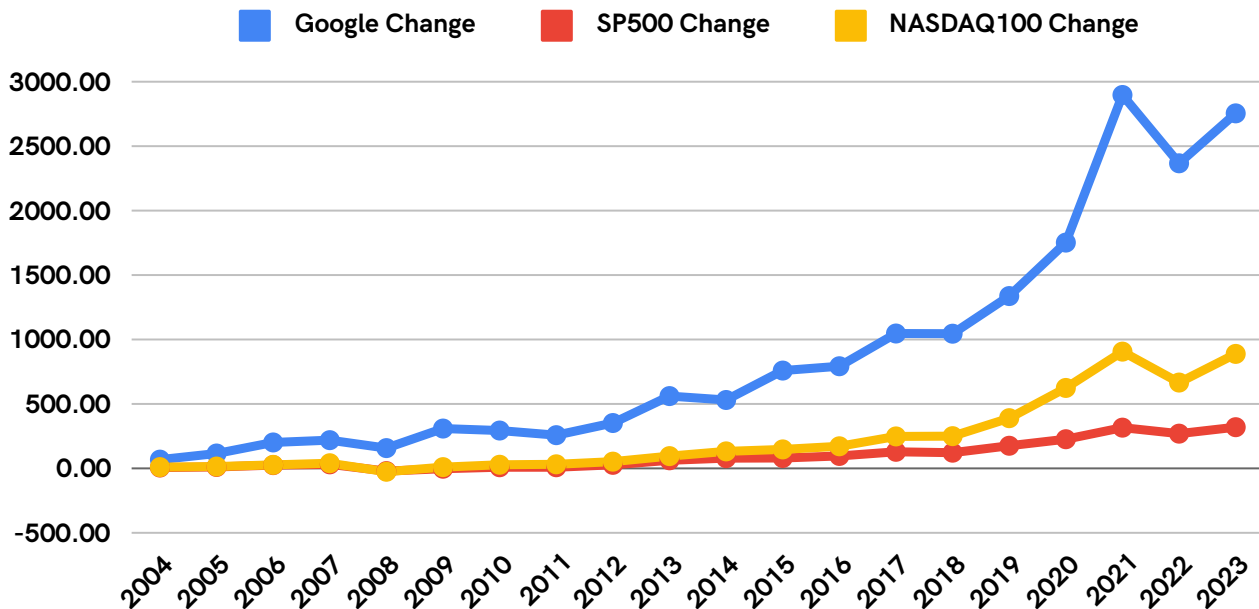
# Moving Averages



The implementation of 50-day and 200-day moving averages provides critical insights into Google's stock price trends and potential reversal points. The 50-day moving average, being more responsive to recent price changes, helps identify short to medium-term trends. In contrast, the 200-day moving average smooths out shorter-term fluctuations, revealing the long-term trend. The crossover points between these two averages often signal significant trend changes. For instance, when the 50-day MA crosses above the 200-day MA (a "golden cross"), it typically indicates the start of a bullish trend, while the reverse (a "death cross") may signal a bearish trend. These moving averages also frequently act as support or resistance levels for the stock price, providing valuable information for technical analysis. The chart shows that Google's stock has generally maintained a bullish trend, with the 50-day MA frequently positioned above the 200-day MA.



# Comparative Performance



The comparative analysis of Google's stock performance against the S&P 500 and NASDAQ-100 indices reveals Google's exceptional market outperformance. Since its IPO in 2004, Google has consistently delivered higher returns compared to both broad market indices. By 2023, Google's stock price had increased by over 2,700%, significantly surpassing the S&P 500's 319% and NASDAQ-100's 888% gains over the same period. This outperformance underscores Google's position as a leading growth stock in the technology sector.

The analysis also shows that while Google's stock generally moves in tandem with market trends, it often exhibits higher volatility, both in upswings and downturns. This suggests that while Google offers potential for higher returns, it also carries increased risk compared to diversified index investments. The closer alignment with the NASDAQ-100 performance compared to the S&P 500 reflects Google's significant influence in the tech-heavy NASDAQ index and its sensitivity to sector-specific trends.

# Conclusion

The comprehensive analysis of Google's stock performance from 2004 to 2023 reveals a compelling narrative of growth, resilience, and market outperformance. Google has consistently demonstrated its ability to generate substantial returns for investors, significantly outpacing major market indices. The stock's long-term upward trajectory, punctuated by periods of heightened volatility, reflects the company's robust business model, innovative capacity, and dominant market position in the digital economy.

Key findings and recommendations:

1. Long-term Growth Potential: Google's consistent outperformance suggests strong long-term growth potential. Investors seeking exposure to the technology sector and high-growth stocks should consider maintaining or increasing their positions in Google.
2. Volatility Management: While offering high returns, Google's stock also exhibits higher volatility compared to broader market indices. Investors should be prepared for short-term fluctuations and consider employing risk management strategies such as portfolio diversification.



3. Technical Analysis Opportunities: The moving average analysis reveals potential entry and exit points for traders. Monitoring crossovers between short-term and long-term moving averages could provide valuable trading signals.

4. Volume as a Leading Indicator: Significant changes in trading volume often precede major price movements. Investors should pay close attention to unusual volume activity as it may signal impending price shifts or important company developments.

5. Sector Leadership: Google's strong performance relative to the NASDAQ-100 index highlights its leadership in the technology sector. This position suggests that Google could be a key component in technology-focused investment strategies.

6. Economic Sensitivity: While Google has shown resilience during economic downturns, it is not immune to broader market forces. Investors should consider macroeconomic factors and their potential impact on Google's performance.

7. Regular Reassessment: Given the dynamic nature of the technology industry, regular reassessment of Google's market position, competitive landscape, and growth prospects is crucial for maintaining an informed investment stance.

In conclusion, Google's stock has proven to be a formidable investment over the past two decades, offering substantial returns to long-term investors. While past performance does not guarantee future results, the company's strong market position, innovative culture, and financial strength suggest continued potential for growth. However, investors should remain vigilant, considering both the opportunities and risks associated with investing in a high-growth technology stock in an ever-evolving digital landscape.

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