

## Macro Roundup Article

**Headline:** [The Concentration Conundrum; What To Do About Market Dominance](#)

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**Tweet:** A @GoldmanSachs analysis notes while market concentration is high, valuations are lower than in recent bubble periods and US superstar firms are much more profitable and have stronger balance sheets than they did during the tech bubble.

**Summary:** While the biggest stocks in the US equity market are much bigger today as a share of the market compared with the stock market bubble of 2000, current valuations are much lower than have been typical in other recent bubble periods, stretching back to the Nifty 50 era of the early 1970s, the Japanese bubble in the late 1980s, and indeed the technology bubble in 2000. Perhaps more importantly, however, the current dominant companies are much more profitable and have stronger balance sheets than those that dominated during the tech bubble. Related: Five Easy Pieces and Long-Term Shareholder Returns: Evidence From 64,000 Global Stocks and Pillow Talk

**Primary Topic:** Financial Markets

**Topics:** Database, Financial Markets, GDP, Op-Ed/Blog Post, Weekly

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