

Microsoft Stock Analysis



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OVERVIEW



Microsoft Corp

NASDAQ: MSFT

PRICE

Stock	Price
High	246.16
Low	242.21
TTM EPS	9.28

52 WEEKS HIGH/LOW

Time Period	Value
52 Week High	344.30
52 Week Low	213.43
TTM PE	26.32

MCAP

Features	Values
Dividend Yield	1.17
Mkt. Cap (\$ Billion)	1,820.98

RETURN

Time	+ve Return	-ve Return
1 Month	0.07	
1 Week		-0.04
1 Year		-0.27
3 Months		-0.05
3 Years	0.61	
YTD		-0.27



- Microsoft is a global technology company that specializes in developing and manufacturing a wide range of products and services in the areas of computing, productivity, and entertainment. The company's flagship products include the Windows operating system, the Microsoft Office suite of productivity software, and the Xbox gaming console. Microsoft's stock is a popular choice among investors, thanks to its steady performance and strong fundamentals.
- One of the biggest strengths of Microsoft is its diverse portfolio of products and services, which allows the company to generate revenue from multiple sources. In addition to its core products, Microsoft also has a strong presence in the cloud computing market, with its Azure platform being a leading choice for businesses looking for scalable, reliable, and secure cloud services.
- Overall, Microsoft is a well-established and well-managed company that has a strong track record of delivering value to its shareholders. Its diverse portfolio of products and services, commitment to innovation, and solid financials make it a solid choice for investors looking for a stable and reliable stock.

FINANCIALS

1. Microsoft is a global technology company that is known for its diverse portfolio of products and services, including the Windows operating system, the Microsoft Office suite of productivity software, and the Xbox gaming console.
2. The company has a strong track record of delivering value to its shareholders, with steady financial performance and strong fundamentals.
3. In terms of revenue, Microsoft generated \$110.4 billion in fiscal year 2020, representing a 13% increase over the previous year.
4. The company's net income for the same period was \$44.3 billion, representing a 12% increase over the previous year.
5. In terms of cash flow, Microsoft generated \$47.2 billion in fiscal year 2020, representing a 14% increase over the previous year.
6. As of December 31, 2020, the company had a total of \$132.4 billion in cash and cash equivalents, representing a 6% increase over the previous year.
7. In terms of stock performance, Microsoft's stock price has steadily increased over the past five years, with a return on investment of approximately 20% per year.
8. The company's stock is currently trading at around \$200 per share, with a market capitalization of over \$2.3 trillion.
9. In terms of dividends, Microsoft has a history of consistently increasing its dividend payout to shareholders. The company's current dividend yield is around 1.2%.
10. Overall, Microsoft's financial performance and strong fundamentals make it a compelling investment option for investors looking for a stable and reliable stock.

Column1	Values	Column3	Column4	Column5	Column6
Amortization of Intangibles	2.25B	1.9B	1.6B	1.6B	2B
Amortization of Intangibles					
Basic Shares Outstanding	7.7B	7.67B	7.61B	7.55B	7.5B
Basic Shares Outstanding					
COGS excluding D&A	29.02B	31.31B	33.78B	41.33B	48.19B
COGS excluding D&A					
COGS Growth	-	0.1011	0.0738	0.1336	0.1995
COGS Growth					
Consolidated Net Income	16.57B	39.24B	44.28B	61.27B	72.74B
Consolidated Net Income					
Cost of Goods Sold (COGS) incl. D&A	38.97B	42.91B	46.08B	52.23B	62.65B
Cost of Goods Sold (COGS) incl. D&A					
Cumulative Effect - Accounting Chg	-	-	-	-	-
Cumulative Effect - Accounting Chg					
Depreciation & Amortization Expense	9.95B	11.6B	12.3B	10.9B	14.46B
Depreciation & Amortization Expense					
Depreciation	7.7B	9.7B	10.7B	9.3B	12.46B
Depreciation					
Diluted Shares Outstanding	7.79B	7.75B	7.68B	7.61B	7.54B
Diluted Shares Outstanding					
Discontinued Operations	-	-	-	-	-
Discontinued Operations					
EBIT after Unusual Expense	34.64B	43.22B	53.08B	70.96B	83.74B
EBIT after Unusual Expense					
EBITDA Growth	-	0.2095	0.2036	0.2384	0.2107
EBITDA Growth					
EBITDA Margin	-	-	-	-	0.4935
EBITDA Margin					
EBITDA	44.83B	54.22B	65.26B	80.82B	97.84B
FRITDA					

SWOT ANALYSIS

A SWOT analysis of Microsoft's stock would involve identifying the company's strengths, weaknesses, opportunities, and threats.

Strengths:

- . Diverse portfolio of products and services
- . Strong presence in the cloud computing market
- . Commitment to innovation and R&D
- . Solid financial performance and strong fundamentals

Weaknesses:

- . Dependence on the personal computer market
- . High levels of competition
- . Potential challenges from emerging technologies, such as artificial intelligence and quantum computing

Opportunities:

- . Expansion into new markets, such as the Internet of Things and virtual reality
- . Partnerships and acquisitions to enhance product offerings and market share
- . Opportunities for growth in the cloud computing market

Threats:

- . Intense competition from other tech giants, such as Google and Amazon
- . Potential regulatory challenges and government scrutiny
- . Threats from cyber-attacks and data breaches.

MANAGEMENT TEAM



CEO Satya Nadella

Satya Nadella is the CEO of Microsoft, a global technology company that specializes in developing and manufacturing a wide range of products and services in the areas of computing, productivity, and entertainment. Nadella has been with the company since 1992, and he became CEO in 2014. Under his leadership, Microsoft has focused on cloud computing and artificial intelligence, leading to strong growth in these areas. Nadella has a bachelor's degree in electrical engineering from Manipal Institute of Technology and a master's degree in computer science from the University of Wisconsin. He is known for his focus on innovation and his commitment to diversity and inclusion within the company.

1. The management team at Microsoft is led by CEO Satya Nadella, who has been with the company since 1992.
2. Under Nadella's leadership, Microsoft has focused on cloud computing and artificial intelligence, leading to strong growth in these areas.
3. The management team also includes President and Chief Legal Officer Brad Smith, who is responsible for the company's legal affairs, corporate responsibility, and public affairs.
4. The management team also includes Chief Financial Officer Amy Hood, who is responsible for the company's financial strategy and performance.
5. The management team is supported by a strong group of executives with expertise in various areas of the business, including product development, marketing, and operations.
6. Overall, the management team at Microsoft has a track record of strong leadership and expertise in their respective fields, which has contributed to the company's success.
7. The management team is also focused on diversity and inclusion, with a commitment to promoting diversity and inclusion within the company and its workforce.
8. This focus on diversity and inclusion is seen as a key driver of innovation and creativity at the company, and it is an important part of Microsoft's culture and values.



**Chief Financial
Officer Amy Hood**

Amy Hood is the Chief Financial Officer of Microsoft, a global technology company that specializes in developing and manufacturing a wide range of products and services in the areas of computing, productivity, and entertainment. Hood joined Microsoft in 2002, and she has been the company's CFO since 2013. In this role, she is responsible for the company's financial strategy and performance, overseeing the company's financial planning and analysis, accounting, tax, and investor relations. Hood has a bachelor's degree in economics from Duke University and an MBA from Harvard Business School. She is known for her focus on driving growth and profitability for the company.



**President and Chief Legal
Officer Brad Smith**

Brad Smith is the President and Chief Legal Officer of Microsoft, a global technology company that specializes in developing and manufacturing a wide range of products and services in the areas of computing, productivity, and entertainment. Smith has been with the company since 1993, and he became President and Chief Legal Officer in 2015. In this role, he is responsible for the company's legal affairs, corporate responsibility, and public affairs. Smith has a bachelor's degree in political science from the University of Washington and a law degree from Yale Law School. He is known for his expertise in technology law and his focus on ethical and responsible leadership.

COMPETITIVE LANDSCAPE

PEERS

Name	Price (\$)	Technical Rating	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	52 wk high/low	Change%	DY	M.Cap(Billion \$)	TTM EPS	TTM PE
Facebook Meta	113.92	Bearish						17.84	352.71/88.22	-0.14	--	302.09	10.49	10.86
Microsoft	244.37	Neutral						7.20	344.30/213.43	-0.31	1.17	1,820.98	9.28	26.32
Oracle	78.78	Neutral						2.66	106.25/60.79	-0.16	2.1	212.40	4.91	16.04
Apple	140.94	Very Bearish						1.48	182.94/129.04	-1.38	0.67	2,242.57	6.11	23.07
Amazon	88.46	Very Bearish						-2.36	177.18/85.87	0.24	--	901.72	1.01	87.51

1. Microsoft operates in a highly competitive landscape, with a number of other technology companies competing for market share in the areas of computing, productivity, and entertainment.
2. Some of Microsoft's key competitors include tech giants such as Google, Apple, and Amazon, as well as smaller companies that specialize in specific areas of technology.
3. Microsoft faces competition from these companies in a number of areas, including operating systems, productivity software, cloud computing, and gaming.
4. In order to remain competitive, Microsoft focuses on innovation and R&D, as well as partnerships and acquisitions to enhance its product offerings and market share.
5. The company also focuses on providing a high level of customer service and support, as well as offering competitive pricing and value to its customers.
6. In order to stay ahead of the competition, Microsoft must continue to adapt to the changing technology landscape and develop new and innovative products and services.
7. Overall, the competitive landscape in the technology industry is constantly evolving, and Microsoft must continue to be proactive in order to maintain its competitive position.

INDUSTRIAL TREND

MICROSOFT

1. The technology industry is known for its rapid pace of change and innovation, and Microsoft is no exception.
2. One of the key trends in the technology industry is the shift towards cloud computing, and Microsoft has been at the forefront of this trend with its Azure platform.
3. Another key trend in the technology industry is the increasing importance of artificial intelligence and machine learning, and Microsoft is investing heavily in these areas.
4. The rise of the Internet of Things is also an important trend in the technology industry, and Microsoft is developing products and services to capitalize on this trend.
5. Additionally, the increasing use of virtual and augmented reality is an important trend in the technology industry, and Microsoft is developing products such as the HoloLens to capitalize on this trend.
6. Overall, the technology industry is constantly evolving, and Microsoft must continue to adapt and innovate in order to stay ahead of the competition.

IT SECTOR

1. The technology industry is known for its rapid pace of change and innovation, and the software sector is no exception.
2. One of the key trends in the software sector is the shift towards cloud-based software and services, which are becoming increasingly popular among businesses and consumers.
3. Another key trend in the software sector is the increasing importance of artificial intelligence and machine learning, which are being used to improve software functionality and user experiences.
4. The rise of the Internet of Things is also an important trend in the software sector, as more and more devices are being connected to the internet and are being controlled and managed through software.
5. Additionally, the increasing use of virtual and augmented reality is an important trend in the software sector, with software developers creating new applications and experiences for these technologies.
6. In the future, we can expect to see continued growth and innovation in the software sector, as new technologies and trends emerge and drive the industry forward.

RISK AND CHALLENGES

1. One potential risk for Microsoft is the dependence on the personal computer market, which has been declining in recent years.
2. Another potential risk is the high levels of competition in the technology industry, with many other companies competing for market share in the areas of computing, productivity, and entertainment.
3. Emerging technologies, such as artificial intelligence and quantum computing, could pose a threat to Microsoft's current business model and could disrupt the company's growth in the future.
4. The potential for regulatory challenges and government scrutiny is another potential risk for Microsoft, as the company operates in an industry that is heavily regulated and subject to intense scrutiny.
5. Cyber-attacks and data breaches are also a potential risk for Microsoft, as the company handles large amounts of sensitive data and is a target for cyber criminals.
6. Overall, while Microsoft has a strong track record of success and has a number of strengths, the company also faces potential risks and challenges that could impact its future growth and performance.