



Company	Ticker	Sector	Industry
QUALCOMM Incorporated	QCOM-US	Information Technology	Semiconductors & Semiconductor Equipment

Business Description

Qualcomm is a leader in semiconductors used in wireless voice and data communications. The company is a top player in cellular connectivity, wifi, position-location, and Bluetooth. The Qualcomm CDMA Technologies (QCT) develops and supplies integrated circuits and system software based on technologies for the use in voice and data communications, networking, application processing, multimedia, and global positioning system products. It sells Qualcomm's Snapdragon Systems-on-a-Chip (SoCs) and other semiconductors used in cell phones, automotive, and Internet-of-Things (IoT) markets. The company also licenses its comprehensive patent portfolio through its Qualcomm Technology Licensing (QTL) segment. Founded in 1985, the company is headquartered in San Diego, CA.

Price Chart

Key Info & Metrics



Empirical Research Rank:	3
Date Purchased:	01/30/2019
Price:	\$136.63
52-Week Range:	\$103.88 - \$183.95
Dividend Yield:	2.14%
Market Cap (\$M):	\$152,342
Forward Price-to-Earnings:	13

Total Return

Year-to-Date:	24.3%
1 Year:	-20.3%
3 Year:	66.7%
5 Year:	141.3%

Investment Case - Updated: November 6, 2022

During the era of 4G cell service, most Qualcomm's revenue and profit came licensing its industry-leading portfolio of wireless communication patents. After high profile feuds with Apple and Huawei over licensing terms (now resolved), Qualcomm shifted its focus to selling more chips. The advent of 5G service in 2019 was a boon to Qualcomm. The new wireless standard boosted revenue per phone by about 50%. Qualcomm is still riding that wave, growing its footprint among customers. Wireless modems are also proliferating in non-phone devices. The Automotive and Internet-of-Things (IoT) segments are a fraction of revenue today but growing rapidly. Vehicles are adding new telematics and Advanced Driver Assistance Systems (ADAS) supported by a multibillion-dollar multiyear pipeline of design wins. The IoT segment serves over 13,000 customers in the industrial market, has several edge networking WiFi products, and powers exciting new consumer devices like augmented/virtual reality and wireless earbuds. Qualcomm is also in the early stages of developing chips that could be used in PCs and data centers – large untapped markets for the company.

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