Equity Analysis Report: Big Tech Growth Dynamics
A Comparative Study of AAPL, MSFT, and GOOGL

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February 2026

1 Executive Summary

This report investigates the relationship between market performance and fundamental health for three of the world's largest technology firms. By integrating live financial data via the `yfinance` API, the study quantifies how valuation (P/E Ratio), profitability (Margins), and expansion (Revenue Growth) dictate investor returns. The analysis concludes that the market is currently operating under a **Growth-Dominant Regime**.

2 Quantitative Methodology

The project utilized a two-pronged data approach:

- **Technical Data:** Time-series analysis of Adjusted Close prices to calculate daily volatility and total period returns.

- **Fundamental Data:** Extraction of valuation multiples and growth percentages to build a cross-sectional correlation matrix.

3 Correlation Analysis & Interpretation

3.1 The Growth Driver: Return vs. Revenue Growth ($\rho = +0.67$)

A strong positive correlation confirms that markets are heavily rewarding companies that show aggressive top-line expansion. Investors are currently "buying the future," where growth expectations have decoupled from immediate dividend safety.

3.2 The Valuation Paradox: Profit Margin vs. Forward P/E ($\rho = -0.98$)

A striking near-perfect inverse relationship exists between current profitability and valuation multiples. *Insight:* Highly efficient, high-margin firms (like Microsoft) are treated as "mature utilities," leading to valuation compression.

3.3 Size vs. Value: Market Cap vs. Forward P/E ($\rho = +0.85$)

Data indicates that "size is a moat." In an uncertain economic climate, investors pay a "safety premium" for the liquidity and stability of the largest mega-cap stocks.

4 Individual Ticker Performance

The following table synthesizes the performance metrics and qualitative sentiment for the period of February 2024 to February 2026.

Table 1: Summary of Financial Performance (Feb 2024 – Feb 2026)

Ticker	Total Return	Key Strength	Analyst Sentiment
Alphabet (GOOGL)	~70%	Revenue Growth	**Outperform**
Apple (AAPL)	~20%	Stability/Market Cap	**Market Perform**
Microsoft (MSFT)	~2%	Profit Margin (47%)	**Underperform**

5 Market Context & Validation

The empirical results align with the bifurcated market sentiment observed in early 2026. While the quantitative data confirms a **Growth-Dominant Regime**, certain anomalies in the correlation matrix warrant a qualitative overlay.

5.1 The AI Monetization Gap

A defining characteristic of the current period is the market's ruthless prioritization of *Revenue Growth Velocity* over traditional bottom-line stability.

- **Alphabet (GOOGL):** Successfully captured "Alpha" by demonstrating a direct link between Gemini-integrated Search and Cloud revenue.

- **Microsoft (MSFT):** Despite maintaining a superior operating margin, the stock faced valuation compression as investors signaled that high efficiency is insufficient without accelerating top-line growth to justify AI CapEx.

6 Conclusion

Alphabet (GOOGL) was the optimal investment choice for this period. While Microsoft maintained superior operational efficiency, Alphabet successfully aligned with the market's focus: **Revenue Growth Velocity.** For alpha generation in the current cycle, top-line expansion remains the leading indicator.