

Apple's Stock Analysis and Financials with Bloomberg Terminal



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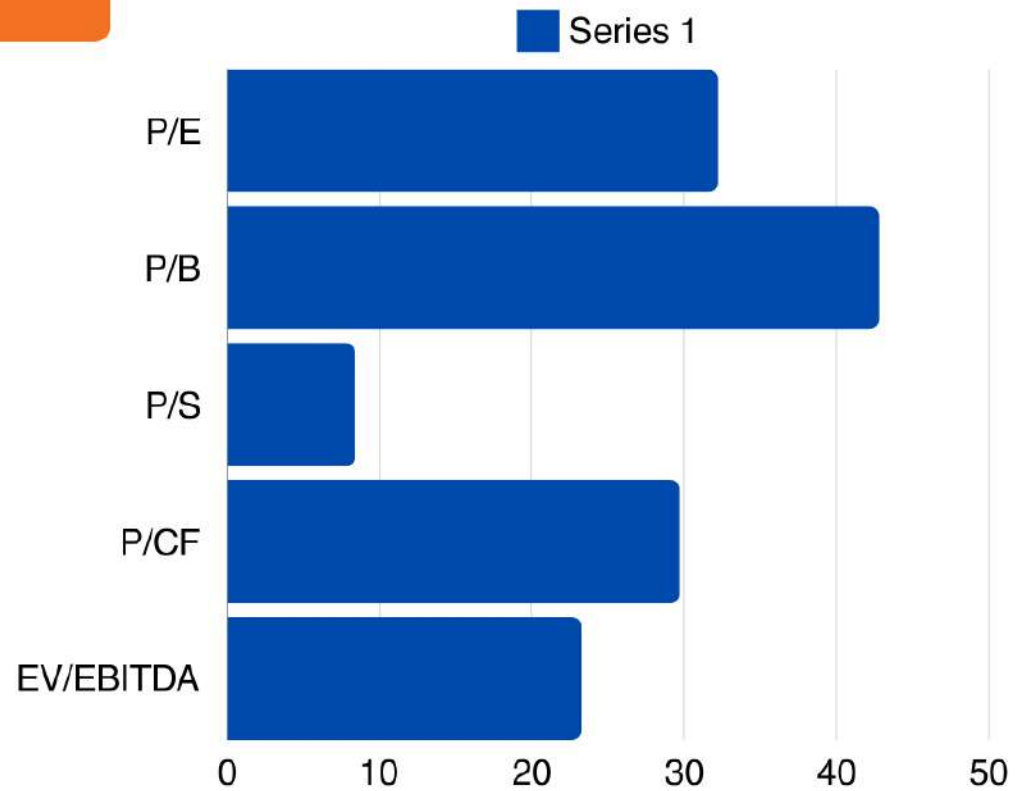
Overview

Market Cap	2.961T USD	Price Range 12M	164.08-199.62 USD
EV	2.99T USD	Average Price Target	208.68 USD
Current Price	193.12 USD		

*The price target is based average price targets given by different market analysts on Bloomberg.

KEY STATISTICS

Apple Inc
AAPL.US



P/E Ratio: 32.22

Why to use it:

It indicates how much investors are willing to pay per dollar of earnings. The P/E ratio helps compare the valuation of companies within the same industry. A higher P/E can mean higher growth expectations or overvaluation.

Ideal Range

Generally, a P/E ratio between 15 and 25 is considered reasonable for large, mature companies. Tech companies, especially high-growth ones, might have higher P/E ratios.

Insights

A P/E ratio of 32.22 suggests that investors are willing to pay \$30 for every \$1 of earnings. This is relatively high, indicating that the **market has high expectations for Apple's future growth and profitability.**

Analysis and Peer Comparison

Apple's P/E of 32.22 suggests higher growth expectations. **Compared to peers like Microsoft (often around 35) and Google (around 25),** Apple's P/E ratio is competitive but on the higher side for mature tech companies.

P/S Ratio: 8.44

Why to use it:

It indicates how much investors are willing to pay per dollar of sales. The P/S ratio is particularly useful for companies with inconsistent earnings. It provides a measure of valuation based on sales, which are typically less volatile than earnings.

Ideal Range

Typically between 1 and 5 for most companies. High-growth tech companies may have higher P/S ratios.

Insights

A P/S ratio of 8.44 means investors are willing to pay \$8 for every \$1 of sales. This is high, indicating strong market confidence in Apple's revenue-generating capabilities and future sales growth.

Analysis and Peer Comparison

A P/S ratio of 8.44 is high, indicating strong sales expectations. This compares with companies like Microsoft and Google, which often have P/S ratios in the range of 5-10. Apple's ratio indicates robust revenue expectations.

P/B Ratio: 42.82

Why to use it:

It measures the market's valuation of a company relative to its book value. The P/B ratio is useful for assessing whether a stock is **over- or undervalued** compared to its net assets. A high ratio could suggest overvaluation or a strong brand.

Ideal Range

A P/B ratio between 1 and 3 is typical for most companies. For tech companies with significant intangible assets, higher ratios are common.

Insight

A **P/B ratio of 42.82 is extremely high**, suggesting that the market values Apple significantly more than its book value. This **could indicate strong intangible assets** like brand value or high future earnings potential.

Analysis and Peer Comparison

P/B of 42.82 is very high, indicating significant market premium over book value. This could be driven by strong brand value, intellectual property, and future growth potential. However, it is much higher than the tech industry average, **suggesting overvaluation** or strong investor confidence in future performance.

P/CF Ratio: 30

Why to use it:

It measures the market's valuation of a company relative to its operating cash flow. The P/CF ratio is valuable because it provides insight into the valuation based on cash flow, which is a crucial measure of financial health and liquidity.

Ideal Range

A P/CF ratio between 10 and 20 is usually considered healthy.

Insights

A P/CF ratio of 30 indicates that investors are willing to pay \$30 for every \$1 of cash flow, suggesting **high expectations for Apple's ability to generate cash.**

Analysis and Peer Comparison

A P/CF of 30 is high, indicating strong market expectations for Apple's cash flow generation. This might be above the average of many tech peers, suggesting high confidence in Apple's cash flow stability and growth.

EV/EBITDA Ratio: 23.26

Why to use it:

It provides a measure of a company's valuation relative to its operating performance. The EV/EBITDA ratio is useful for comparing companies with different capital structures. It provides a valuation measure that is less affected by debt and amortization policies.

Ideal Range

Between 10 and 20 for most industries; higher for tech companies due to growth potential.

Insights

An EV/EBITDA ratio of 25 suggests that the market values Apple at 25 times its EBITDA. This is relatively high, indicating expectations for continued strong operational performance.

Analysis and Peer Comparison

An EV/EBITDA of 23.26 is high, reflecting strong expectations for future EBITDA growth. This is comparable to other leading tech firms, which often range from 20 to 30, indicating that Apple's valuation aligns with high-growth tech industry norms.



REVENUE AND NET PROFIT FORECAST

- **Revenue-** Revenue growth is increasing each year from 2019 to 2023. However looking at the revenue forecasts in 2024 and 2025 in Bloomberg, it will still increase significantly in the future. However growth rate will slow down as projected.
- **Net Profit-** Like Revenue Net profit margins will increase in future. However there will be a decline in net profit margins as per future forecasts.



SUMMARY

Apple's high valuation ratios across the board (P/E, P/B, P/S, P/CF, EV/EBITDA) suggest **strong market confidence** in its future growth, profitability, and operational efficiency. However, these high ratios also **raise questions about potential overvaluation** and market expectations. Investors should consider these ratios in the context of Apple's competitive position, growth prospects, and overall market conditions.

Reach out.



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