

# Understanding the FAANG Stocks



# Introduction



## **FAANG acronym stands for**

Facebook (now Meta)

Amazon,

Apple ,

Netflix and,

Google (now Alphabet)

They are considered to be elite tech firms with strong financials and promising returns.

According to a report by CFI, the combined market value of FAANG is nearly **\$5 trillion**, which attributes to more than 10 percent of the \$31 trillion of the U.S. stock market's total market capitalization.

FAANG stocks account for around 29% of NASDAQ exchange platform as the top-performing companies for over 2 decades and have delivered consistent track record for being high-growth investment for investors.

**F**acebook | **A**amazon | **A**pple | **N**etflix | **G**oogle



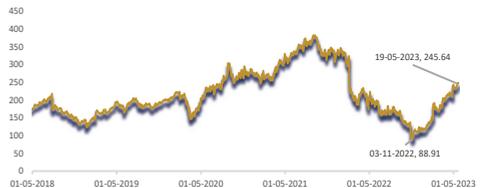


# FACEBOOK

(Meta Platforms)

- Meta Platforms, the tech giant formerly known as Facebook, is an American multinational technology conglomerate.
- Meta's stock price has almost doubled so far this year and is one of the tech sector's best-performing stocks, that has risen from \$120 level at the close of 2022 and is currently hovering around \$245 level.
- Better-than-expected earnings results and optimism surrounding its artificial intelligence (AI) initiatives has benefited the valuation of the social media giant.
- However, in the current scenario, when many economists expect that the U.S. economy will enter into recession later this year, the digital advertising companies are facing macroeconomic headwinds.
- Despite of these prevailing macro headwinds, the company continues to be immensely profitable, and it's showing it can respond flexibly to challenges. The company has performed exceptionally well so far this but, still trades down substantially from its all time high level.
- The company's core social-media and communications platforms continue to post impressive levels of engagement. This, alongwith investments in emerging tech trends could turn Meta platforms even more attractive in the months to come.

## Facebook (Meta Platforms Inc.): Trend over the last 5 years



## Facebook (Meta Platforms, Inc.) Yearly Performance



*The update and data points are compiled from Bloomberg , NSE IFSC website along with other media report*





- Amazon Inc. is an online retailer that offers a wide range of products. The Company products include books, music, computers, electronics, and numerous other products. And offers personalized shopping services, Web-based credit card payment, and direct shipping to customers. Amazon also operates a cloud platform offering services globally.
- Amazon Inc has risen 22% so far this year from \$85 and is currently hovering around 115 level. Last year Amazon has struggled with rising inflation and general pressure from today's economic environment.
- Since then, the e-commerce and cloud computing giant has cut costs, improved productivity, and reported progress along the road to recovery.
- Amazon remains a leader in two high-growth businesses, E-Commerce and cloud computing and today's economic woes haven't changed long-term prospects for Amazon in those areas.
- Overall revenue continues to climb -- and customers still flock to Amazon. The company is improving its cost structure and seeing results.

### Amazon Inc : Price trend over the last 5 years

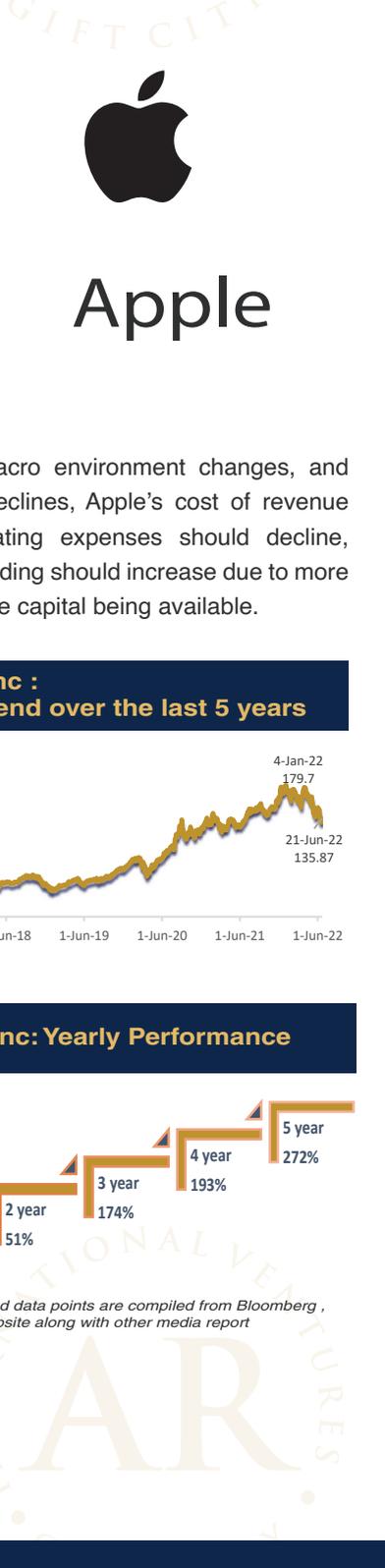


### Amazon Inc: Yearly Performance



The update and data points are compiled from Bloomberg, NSE IFSC website along with other media report





# Apple

- Started in 1976 by Steve Jobs, Steve Wozniak, and Ronald Wayne. Started off with the sale of personal computers and now it sells PCs, smartphones, and other electronics (iPads, iPods, smart watches, etc.).

- Apple shares are up by around 30% so far this year and have delivered positive returns year-on-year.

The company has a track record of success

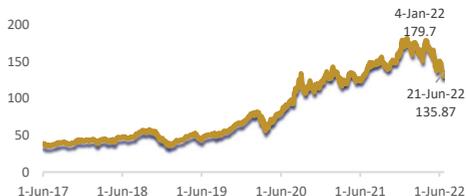
- in every area it enters. The iPhone changed the smartphone market and, over a decade later, is still generating more than 50% of Apple's annual revenue.

From their computers to the iPad, to smartwatches and headphones, Apple delivers best-in-class products, and all of this is complemented by their Services.

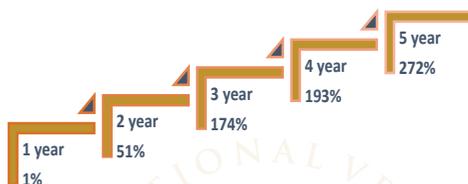
- Since 2012, Apple has returned \$740.3 billion to shareholders, which includes \$573.3 billion in buybacks and \$135.6 billion in dividends. From 2018 - 2022, Apple averaged \$77.28 billion in annual buybacks, with its largest year coming in 2022 with \$88.2 billion in buybacks.

As the macro environment changes, and inflation declines, Apple's cost of revenue and operating expenses should decline, while spending should increase due to more expendable capital being available.

### Apple Inc : Price trend over the last 5 years



### Apple Inc: Yearly Performance



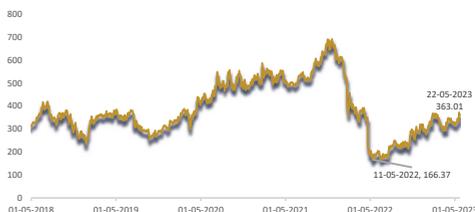
The update and data points are compiled from Bloomberg , NSE IFSC website along with other media report



Netflix

- Netflix, Inc. operates as a subscription streaming service and production company. The Company offers a wide variety of TV shows, movies, anime, and documentaries on internet-connected devices. Netflix serves customers worldwide.
- Netflix has a good growth runway, with a track record of creating originals and building engagement that improves pricing power and unit economics, even though a subscriber slowdown dominates the near-term thesis.
- According to the Q1 2023 reports to its shareholders, Netflix reveals that it now has 232.5 million paid subscribers. It means the subscribers count increased by 1.75 million as compared to previous quarter.
- Netflix password policing may bring some pain before gain, as sharing password will charge an additional \$8 per month for viewers. Netflix estimates that there are approximately 30 million password sharers in the United States and Canada.
- Looking at the figures, Netflix appears to be safe. Though saw a dip in the two consecutive years because of subscriber loss.

### Netflix Inc : Price trend over the last 5 years

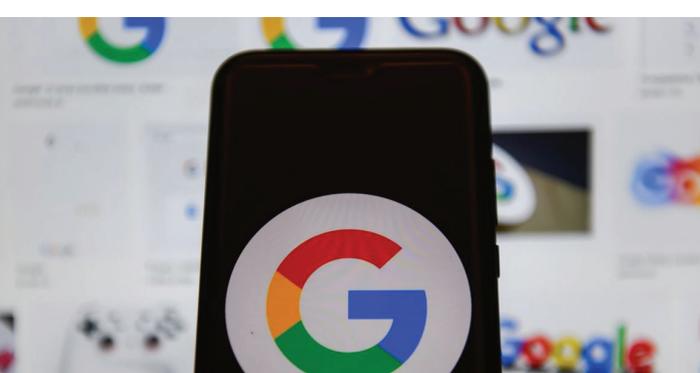


### Netflix Inc: Yearly Performance



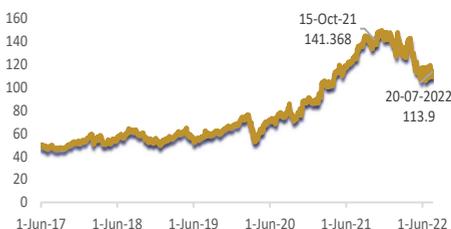
The update and data points are compiled from Bloomberg, NSE IFSC website along with other media report



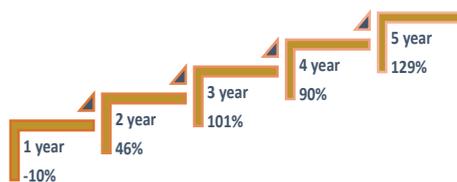


- Google, now formerly managed under the parent company Alphabet and on average, Google processes 40,000 search queries every second. This translates to 3.5 billion searches per day and 1.2 trillion per year.
- It is an American multinational technology company that focuses on artificial intelligence, search engine technologies, online advertising, cloud computing, quantum computing, ecommerce and consumer electronics.
- Alphabet shares are nearly 34% up so far this year and is trading near their 52-week high of \$126. The current surge can be linked to the company's strong first-quarter financial performance and a \$70 billion buyback in April.
- The potential for Artificial Intelligence (AI) to transform every industry is enormous, and with Alphabet being one of the most prominent players in AI research and development, it's well positioned to benefit from this transformation. Moreover, with the increasing use of AI, expect Alphabet to expand its business and profits further.
- Based on these strengths, many investors consider Alphabet to be a reliable long-term investment that can bounce back from any major economic downturns.

### Google (Alphabet Inc): Price trend over the last 5 years



### Google (Alphabet Inc): Yearly Performance



*The update and data points are compiled from Bloomberg, NSE IFSC website along with other media report*





# Go Global with your Investments!

In April 2015, Government of India took the initiative to develop an IFSC at Gujarat International Finance Tec-City (GIFT City) a Special Economic Zone (SEZ) to help India realize its potential in the international financial services industry. GIFT City IFSC provides a strategic location to develop an efficient platform for all inbound and outbound foreign currency transactions. GIFT IFSC ranked 1st in March 2021 report by the Global Financial Centers Index, London as one of the IFSC which could become more significant in next few years . GIFT CITY , IFSC hosts 3 exchanges – India INX, NSE IFSC Exchange and IIBX offering Gold Bullion trading , Indices , Equity , Commodity Derivatives , Currency Derivatives and US Stocks Investments!

*Under its LRS scheme, RBI allows outward remittance of \$250,000 yearly for all resident Indians. Investment and Trading in fractional quantity enables investor to buy units at low USD Investments, thus making Investment & trading affordable. What's more , the markets are Affordable , Accessible , Easy and Regulated by unified IFSC Authority . For NRIs , GIFT City offers cost benefits and nil currency risk with no limits on investments!*

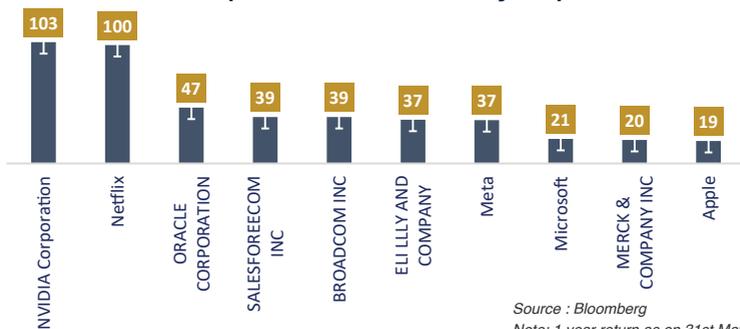
## Start Your Global Investment Journey

1. Digitally open trading and demat accounts with Anand Rathi International Ventures (IFSC)
2. Use your existing bank account to transfer USD amount to your trading account
3. Start Investing and trading Globally

## Stay tuned for .....

1. DIGINXT – Our Digital Account Opening Platform
2. Mobile and portal based front end trading platform
3. Bond Investment and Trading platform

### Top Ten gainers of US stocks- NSE IFSC Receipts (% returns in last 1 year)



Source : Bloomberg  
Note: 1 year return as on 31st May 2023 vs 31st May 2022

# Top 50 US Stocks\* and their Performances

Sr. No	US Stocks	1 year Performance			3 years Performance			5 years Performance		
		Close price	Close price	% change	Close price	Close Price 22-	% change	Close price	Close Price 22-	% change
		May 2023	May 2022		May 2023	05-2020		May 2023	05-2018	
1	Apple	177.25	148.84	19	177.25	79.485	123	177.25	46.718	279
2	Amazon	120.58	120.21	0	120.58	122.119	-1	120.58	81.481	48
3	Alphabet	122.87	113.762	8	122.87	71.676	71	122.87	55	123
4	Tesla	203.93	252.753	-19	203.93	55.667	266	203.93	18.982	974
5	Meta	264.72	193.64	37	264.72	225.09	18	264.72	191.78	38
6	Microsoft	328.39	271.87	21	328.39	183.25	79	328.39	98.84	232
7	Netflix	395.23	197.44	100	395.23	419.73	-6	395.23	351.6	12
8	Walmart	146.87	128.63	14	146.87	124.06	18	146.87	82.54	78
9	NVIDIA Corporation	378.34	186.72	103	378.34	88.755	326	378.34	63.0475	500
10	Johnson & Johnson	155.06	179.53	-14	155.06	148.75	4	155.06	119.62	30
11	United Health	487.24	496.78	-2	487.24	304.85	60	487.24	241.51	102
12	JP Morgan Chase & Co	135.71	132.23	3	135.71	97.31	39	135.71	107.01	27
13	Berkshire Hathway	321.08	315.98	2	321.08	185.58	73	321.08	191.53	68
14	Procter & Gamble	142.5	147.88	-4	142.5	115.92	23	142.5	73.17	95
15	Home Depot Inc	283.45	302.75	-6	283.45	248.48	14	283.45	186.55	52
16	Bank of America	27.79	37.2	-25	27.79	24.12	15	27.79	29.04	-4
17	VISA INC	221.03	212.17	4	221.03	195.24	13	221.03	130.72	69
18	Master card Incorporated	365.02	357.87	2	365.02	300.89	21	365.02	190.12	92
19	EXXON MOBIL CORP	102.18	96	6	102.18	45.47	125	102.18	81.24	26
20	PFIZER INC	38.02	53.04	-28	38.02	36.2022	5	38.02	34.0598	12
21	COCA-COLA COMPANY	59.66	63.38	-6	59.66	46.68	28	59.66	43	39
22	WALT DISNEY COMPANY	87.96	110.44	-20	87.96	117.3	-25	87.96	99.47	-12
23	CHEVRON CORPORATION	150.62	174.66	-14	150.62	91.7	64	150.62	124.3	21
24	ADOBE INC	417.79	416.48	0	417.79	386.6	8	417.79	249.28	68
25	ABBVIE INC	137.96	147.37	-6	137.96	92.67	49	137.96	98.94	39
26	BROADCOM INC	807.96	580.13	39	807.96	291.27	177	807.96	252.07	221
27	PEPSICO INC	182.35	167.75	9	182.35	131.55	39	182.35	100.25	82
28	CISCO SYSTEMS INC	49.67	45.05	10	49.67	47.82	4	49.67	42.71	16
29	ELI LILLY AND COMPANY	429.46	313.44	37	429.46	152.95	181	429.46	85.04	405
30	NIKE INC	105.26	118.85	-11	105.26	98.58	7	105.26	71.8	47
31	SALESFORCE.COM INC	223.38	160.24	39	223.38	174.79	28	223.38	129.33	73
32	THERMO FISHER SCIENTIFIC INC	508.46	567.57	-10	508.46	349.19	46	508.46	208.27	144
33	COMCAST CORPORATION	39.35	44.28	-11	39.35	39.6	-1	39.35	31.18	26
34	ABBOTT LABORATORIES	102	117.46	-13	102	94.92	7	102	61.53	66
35	COSTCO WHOLESALE CORPORATION	511.56	466.22	10	511.56	308.47	66	511.56	198.24	158
36	VERIZON COMMUNICATIONS INC	35.63	51.29	-31	35.63	57.38	-38	35.63	47.67	-25
37	ORACLE CORPORATION	105.94	71.92	47	105.94	53.77	97	105.94	46.72	127
38	MERCK & COMPANY INC	110.41	92.03	20	110.41	76.9686	43	110.41	56.7634	95
39	DANAHER CORPORATION	229.62	263.82	-13	229.62	166.61	38	229.62	99.28	131
40	WELLS FARGO & COMPANY	39.81	45.77	-13	39.81	26.47	50	39.81	53.99	-26
41	PAYPAL HOLDINGS INC	61.99	85.21	-27	61.99	155.01	-60	61.99	82.07	-24
42	INTEL CORPORATION	31.44	44.42	-29	31.44	62.93	-50	31.44	55.2	-43
43	QUALCOMM INCORPORATED	113.41	143.22	-21	113.41	80.88	40	113.41	58.12	95
44	MCDONALD'S CORPORATION	285.11	252.21	13	285.11	186.32	53	285.11	160.01	78
45	MORGAN STANLEY	81.76	86.14	-5	81.76	44.2	85	81.76	50.14	63
46	AT&T INC	15.73	21.29	-26	15.73	23.2924	-32	15.73	24.3944	-36
47	TEXAS INSTRUMENTS INCORPORATED	173.88	176.76	-2	173.88	118.74	46	173.88	111.91	55
48	PHILIP MORRIS INTERNATIONAL INC	90.01	106.25	-15	90.01	73.36	23	90.01	79.54	13
49	LOWE'S COMPANIES INC	201.13	195.3	3	201.13	130.35	54	201.13	95.01	112
50	CHARLES SCHWAB	52.69	70.1	-25	52.69	35.91	47	52.69	55.62	-5



### For more information



[giftifsc@rathi.com](mailto:giftifsc@rathi.com)



Sagar More: +91 98677 65629

Keyur Prajapati: +91 99985 02750



<https://anandrathigiftcity.com/>

#### **ANAND RATHI INTERNATIONAL VENTURES (IFSC) PRIVATE LIMITED**

Registered office:- 6th Floor, Unit No. 634, Signature Tower, Building 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India.

CIN No.: U65999GJ2016PTC094915. SEBI Registration No.: INZ000292939 INDIA INX Member Code-5064 I NSE IFSC Member Code-10048. For any complaints email at [Ifscgrievance@rathi.com](mailto:Ifscgrievance@rathi.com). Regulator: "International Financial Services Centres Authority (IFSCA)" <https://www.ifsc.gov.in/>

Disclaimer: Investment in securities Market are subject to market risks, read all the related documents carefully before investing.

The securities quoted are only for exemplary and not recommendatory.