

Understanding the FAANG Stocks



Introduction



US stock market is the biggest in the world and it houses some of the largest and most prosperous companies. Investors who are keen to build their wealth cannot ignore the US stock market. Nine of the top ten holdings of Berkshire Hathaway, Warren Buffett's company, are players in various sectors of the US stock market.

The prosperity of the US is evident in the relative success, stability, size, and growth of many of the companies that operate there. For example, five of the fast-growing technology companies in the world –

Facebook | **A**mazons | **A**pple | **N**etflix | **G**oogle

Are often grouped together (dubbed the FAANG stocks) and analysed by investors.



FACEBOOK (Meta Platforms)

- Meta Platforms, the tech giant formerly known as Facebook, is an American multinational technology conglomerate.

- In October 2021, the parent company of Facebook changed its name to Meta Platforms, reflecting the company's shifting long term focus of building the metaverse, a digital extension of the physical world by social media, virtual reality and augmented reality features.

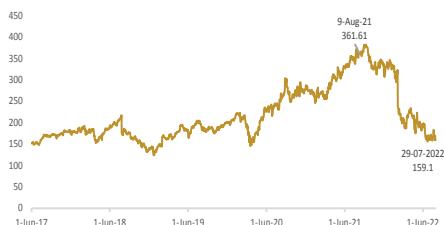
- The company is down by about 50% since the beginning of the year which has raised investor concerns about the company as well as questions over its core online advertising business.

- Meta's apps are consumed by almost half of the entire world's population.

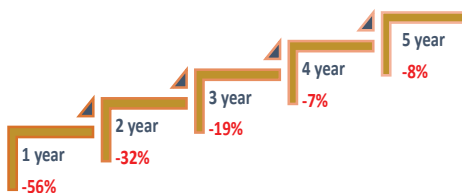
- According to Refinitiv, Meta Platforms reported a steeper revenue of \$28.82 billion in June quarter vs. expectations of \$28.94 billion. Earnings for the same quarter fell to \$2.46 per share vs. estimates of \$2.59 per share.

- Revenue for the third quarter is forecasted lower in the range of \$26 billion to \$28.5 billion with respect to average revenue of \$30.5 billion as per the data from Refinitiv which see a projected decline of 2%-11% from a year ago.

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



Facebook (Meta Platforms, Inc.) Yearly Performance

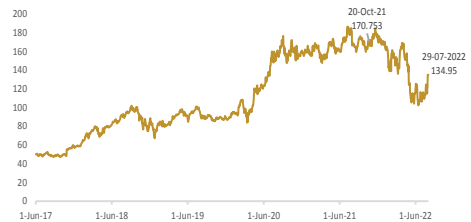


The update and data points are compiled from Bloomberg, NSE IFSC website along with other media report

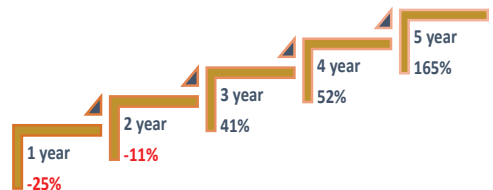


- Started by Jeff Bezos as a book renting platform in 1995. It is the biggest e-commerce platform in the world with 150 million users of its shopping app in the US. Also invested in cloud computing through its Amazon Web Services, with more than 1 million users globally.
- On June 6, Amazon completed a 20-to-1 stock split. While this change doesn't reduce the company's \$1.1 trillion market cap, but makes the stock more accessible to investors who might not have thousands to put into the market.
- The company reported revenue growth of 7% in June quarter at \$121.23 billion which beat estimates of \$119.09 billion.
- Amazon Web Services (AWS) which is the dominant force in driving revenue for the company contributed around \$19.7 billion in June quarter vs. estimates of \$19.56 billion. Advertising unit contributed around \$8.76 billion in Q2 of 2022 vs. expectations of \$8.65 billion.
- According to Refinitiv, Amazon forecast a revenue between \$125 billion-\$130 billion for third quarter of 2022, which will be around 13%-17%.

Amazon Inc : Price trend over the last 5 years

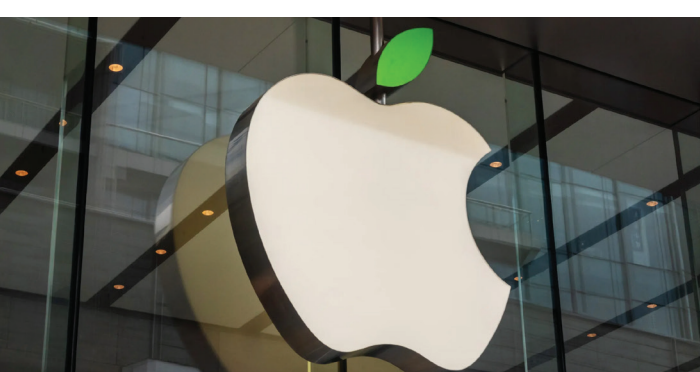


Amazon Inc: Yearly Performance



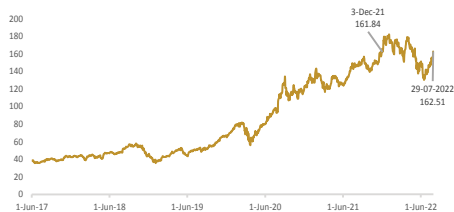
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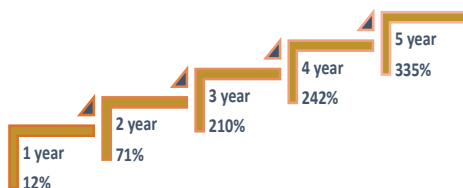


- Started in 1976 by Steve Jobs, Steve Wozniak, and Ronald Wayne. Started off with the sale of personal computers and now it sells PCs, smartphones, and other electronics (iPads, iPods, smart watches, etc.).
- Currently, there are a billion iPhone users in the world. Apple manufactures its own hardware and software (iOS).
- Apple announced financial results for its fiscal 2022 third quarter ended June, 2022. The company beats street expectations for sales and profit but showed slowing growth for the iPhone maker.
- Apple's Earnings Per Share (EPS) for June quarter was seen at \$1.20 vs. estimates of \$1.16 but still down by 8% on YoY. Revenue for the same quarter was reported at \$83 billion vs. forecast of \$82.81 billion. iPhone revenue also rose to \$40.67 billion vs. estimates of \$38.33 billion. Revenue from services unit contributed around 19.60 billion vs. expectations of \$19.70 billion.
- Apple failed to provide guidance for the upcoming quarter but Wall Street analysts expects company to have EPS of \$1.31 and forecasting a sales of nearly \$90 billion.

Apple Inc : Price trend over the last 5 years



Apple Inc: Yearly Performance



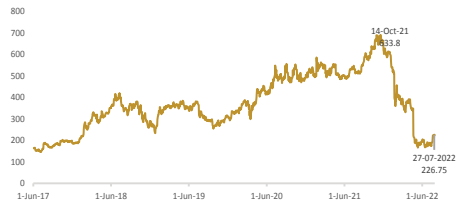
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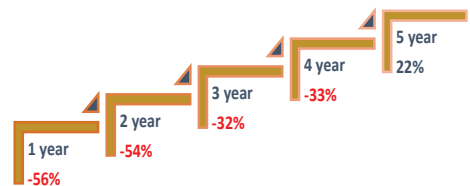
Netflix

- Netflix was launched by Reed Hastings (who still serves as its CEO) and Marc Randolph on August 29, 1997. It is an American subscription streaming service and production company. As of June 30, 2022, Netflix had around 220.67 million subscribers worldwide
- The eye-popping growth in Netflix earnings experienced during the pandemic, had abruptly halted. Its service lost 200,000 customers in the first quarter of 2022, but lost only 970,000 subscribers in June quarter as compared to company's expectations of losing another 2 million subscribers for Q2 of 2022.
- According to Refinitiv, compared reported an EPS of \$3.20 per share in June quarter vs. expectations of \$2.94 per share. Revenue for the same quarter was seen at \$7.97 billion vs. estimates of \$8.035 billion.
- For the Q3 2022, company expects to add 1 million subscribers as against analysts forecast for growth of around 1.8 million. Further, streamer aims to unveil its lower-cost, ad-supported tier in early 2023. This comes on the heels of Netflix tapping Microsoft to be its partner on the ad-supported offering.

Netflix Inc : Price trend over the last 5 years



Netflix Inc: Yearly Performance



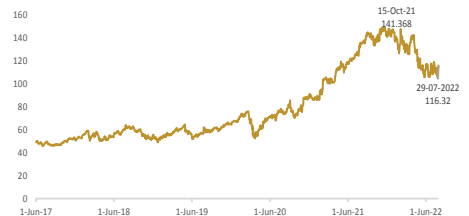
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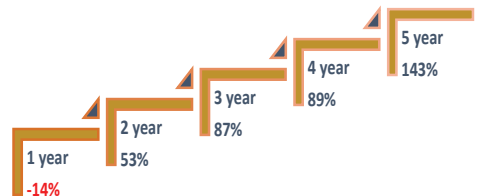


- Google, now formerly managed under the parent company Alphabet and is the number one search engine in the world with 3.5 billion searches everyday.
- Founded in September 1998 by Larry Page and Sergey Brin.
- It is an American multinational technology company that focuses on artificial intelligence, search engine technologies, online advertising, cloud computing, quantum computing, ecommerce and consumer electronics.
- Google is also the owner of Android, the operating software powering 72.72% of smartphones. It Has investments also in biotechnology, self-driving cars, and smart cities.
- The company reported slow revenue growth of 13% at \$69.69 billion in June quarter vs. estimates of \$69.9 billion. While EPS was seen at \$1.21 for the same quarter vs. expectations of \$1.28 as per Refinitiv. Alphabet didn't provide a revenue forecast for the upcoming quarter, but according to survey from Refinitiv analysts growth for the year can be seen at 14% to \$293.9 billion. The shares have lost about a quarter of their value in 2022.

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



Google (Alphabet Inc): Yearly Performance



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Go Global

with your Investments!

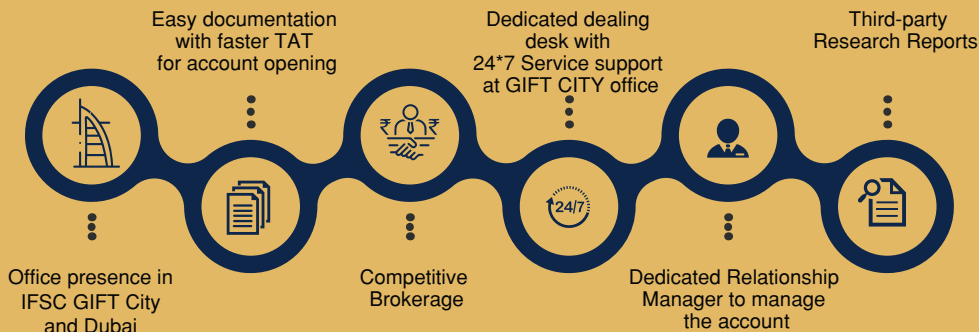
In April 2015, Government of India took the initiative to develop an IFSC at Gujarat International Finance Tec-City (GIFT City) a Special Economic Zone (SEZ) to help India realize its potential in the international financial services industry. GIFT City IFSC provides a strategic location to develop an 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 2 exchanges – India INX and NSE IFSC Exchange offering 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. Whats more , the markets are Affordable , Accessible , Easy and Regulated by unified IFSC Authority.

Start Your Global Investment Journey

1. Open a trading account with Anand Rathi International Ventures (IFSC)
2. Use your existing bank account to transfer USD amount to your trading account
3. Start Investing

Why Anand Rathi



Top 50 US Stocks* and their Performances

Sr.No	US Stocks	1 year Performance			3 years Performance			5 years Performance		
		CMP (29-07-22)	29-07-2021	% change	CMP (20-07-22)	22-07-2019	% change	CMP (20-07-22)	20-07-2017	% change
1	Apple	162.51	145.64	12	162.51	52.42	210	162.51	37.375	335
2	Amazon	134.95	179.996	-25	134.95	95.623	41	134.95	51.002	165
3	Alphabet	116.32	135.778	-14	116.32	62.092	87	116.32	47.917	143
4	Tesla	891.45	677.35	32	891.45	47.154	1791	891.45	67.014	1230
5	Meta	159.1	358.32	-56	159.1	195.94	-19	159.1	172.45	-8
6	Microsoft	280.74	286.5	-2	280.74	141.03	99	280.74	73.04	284
7	Netflix	224.9	514.25	-56	224.9	332.7	-32	224.9	184.04	22
8	Walmart	132.05	142.24	-7	132.05	112.27	18	132.05	79.81	65
9	NVIDIA Corporation	181.63	196.62	-8	181.63	43.705	316	181.63	41.0975	342
10	Johnson & Johnson	174.52	172.18	1	174.52	133.02	31	174.52	131.85	32
11	United Health	542.34	412.08	32	542.34	253.82	114	542.34	191.15	184
12	JP Morgan Chase & Co	115.36	153	-25	115.36	115.85	0	115.36	91.28	26
13	Berkshire Hathway	300.6	279.76	7	300.6	208.61	44	300.6	174	73
14	Procter & Gamble	138.91	139.48	0	138.91	116	20	138.91	90.21	54
15	Home Depot Inc	300.94	327.43	-8	300.94	218.04	38	300.94	148.08	103
16	Bank of America	33.81	38.68	-13	33.81	30.52	11	33.81	24.03	41
17	VISA INC	212.11	247.92	-14	212.11	183.21	16	212.11	99.15	114
18	Master card Incorporated	353.79	388.81	-9	353.79	281.44	26	353.79	127.91	177
19	EXXON MOBIL CORP	96.93	58.93	64	96.93	75.34	29	96.93	79.6	22
20	PFIZER INC	50.51	42.79	18	50.51	39.2925	29	50.51	31.4245	61
21	COCA-COLA COMPANY	64.17	57.05	12	64.17	53.99	19	64.17	46.01	39
22	WALT DISNEY COMPANY	106.1	178.35	-41	106.1	146.39	-28	106.1	109.96	-4
23	CHEVRON CORPORATION	163.78	102.57	60	163.78	124.23	32	163.78	108.12	51
24	ADOBE INC	410.12	621.7	-34	410.12	307.22	33	410.12	146.73	180
25	ABBVIE INC	143.51	118.87	21	143.51	67.18	114	143.51	70.44	104
26	BROADCOM INC	535.48	484.11	11	535.48	301.74	77	535.48	250.37	114
27	PEPSICO INC	174.96	156.81	12	174.96	131.53	33	174.96	116.61	50
28	CISCO SYSTEMS INC	45.37	55.07	-18	45.37	56.93	-20	45.37	31.52	44
29	ELI LILLY AND COMPANY	329.69	245.33	34	329.69	108.72	203	329.69	83.1	297
30	NIKE INC	114.92	166.99	-31	114.92	87.62	31	114.92	58.67	96
31	SALESFORCE.COM INC	184.02	244.04	-25	184.02	156.21	18	184.02	90.62	103
32	THERMO FISHER SCIENTIFIC INC	598.41	533.77	12	598.41	288.92	107	598.41	175.97	240
33	COMCAST CORPORATION	37.52	58.11	-35	37.52	44.23	-15	37.52	39.52	-5
34	ABBOTT LABORATORIES	108.84	121.09	-10	108.84	88.55	23	108.84	49.61	119
35	COSTCO WHOLESALE CORPORATION	541.3	425.28	27	541.3	280.13	93	541.3	152.89	254
36	VERIZON COMMUNICATIONS INC	46.19	55.98	-17	46.19	57.37	-19	46.19	47.94	-4
37	ORACLE CORPORATION	77.84	87.63	-11	77.84	58.06	34	77.84	50.3	55
38	MERCK & COMPANY INC	89.34	76.93	16	89.34	78.6564	14	89.34	61.1306	46
39	DANAHER CORPORATION	291.47	297.63	-2	291.47	142.68	104	291.47	81.43	258
40	WELLS FARGO & COMPANY	43.87	46.5	-6	43.87	48.28	-9	43.87	53.3	-18
41	PAYPAL HOLDINGS INC	86.53	283.17	-69	86.53	111.45	-22	86.53	59.2	46
42	INTEL CORPORATION	36.31	53.7	-32	36.31	52.51	-31	36.31	35.31	3
43	QUALCOMM INCORPORATED	145.06	150.99	-4	145.06	74.97	93	145.06	52.88	174
44	MCDONALD'S CORPORATION	263.37	244.02	8	263.37	214.98	23	263.37	155.85	69
45	MORGAN STANLEY	84.3	96.28	-12	84.3	45.23	86	84.3	46.66	81
46	A&T INC	18.78	21.3526	-12	18.78	25.919	-28	18.78	29.4363	-36
47	TEXAS INSTRUMENTS INCORPORATED	178.89	189.83	-6	178.89	129.97	38	178.89	80.71	122
48	PHILIP MORRIS INTERNATIONAL INC	97.15	100.29	-3	97.15	86.76	12	97.15	118.51	-18
49	LOWE'S COMPANIES INC	191.53	193.62	-1	191.53	103.96	84	191.53	76.48	150
50	CHARLES SCHWAB	69.05	68.57	1	69.05	43.71	58	69.05	42.55	62

Source : Bloomberg



For more information



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