

# 7 Things That You Need To Know About Apple Stock

## About Apple Inc.

Apple Inc. (AAPL) is the largest U.S. corporation in terms of market capitalization, and among the largest firms in the world when considering total revenue.

The company designs, manufactures and markets consumer electronic devices. Apple also sells software, services, network applications, and third party apps for its products.

Apple's main products include the iPhone, iPad, Mac, iPod, Apple Watch and Apple TV. Apple devices are characterized by their detailed design, which gives them elegance, a unique sensual feeling, and high quality.

This approach was defined by its legendary CEO Steve Jobs.

## Apple Stock History

Shares of Apple have been trading exceedingly well, making them a favorite choice among hedge funds. Its outstanding performance has been a mixture of technology wizardry, and financial engineering.

Apple has a history as a dividend payer. It paid dividends between 1987 and 1995, and reinstated dividend payouts in 2012.

Apple usually announces its yearly revenues in the month of October. In 2015, revenues amounted to US \$233.72 bn or US \$ 9.22 per share. These revenues represented a 27.86% increase from the previous year, and an average growth rate of +22.15%. Apple's record earnings were the result of rising iPhone sales, increased market share, and big stock buybacks.

Dividends paid were US \$ 1.98 apiece, that is an 8.79% increase over the previous year. The next earnings announcement is expected during the week of October 25, 2016.

Apple went public in 1980 and since then Apple stock split four times. Three times in a 2-for-1 split, in May 1987, February 2005 and June 2006. In 2014 Apple stock split in an unusual 7-to-1. This basically meant that each investor was given 6 shares for every share it owned. This Apple share split resulted in an increase from a total of 861 million Apple shares to about 6 billion shares.

## **Apple Stock Split Reasons**

The reasons behind share splits are more psychological than technical. Share splits lower the price of shares by dividing the stock into smaller, less expensive units. This increases the number of total shares available, thereby creating excitement in investors who previously thought the stock was too expensive.

However, the market value of the firm and other fundamentals remain the same.

On June 6, 2014, prior to the split, Apple stock quote was at US \$645.57. The following Monday, after the split, Apple stock quote was at US \$92.70. A year later, in June 2015 Apple shares were priced at US \$126.68, which is an increase of 35%. Without the split, the price would have been US \$887 per share, making it the second most expensive share in the market.

Another reason for the 2014 split, could have been the inclusion of Apple stock in the Dow Jones index.

## **Apple Stock And Financial Indices**

The Dow Jones index bases its selection on prices. Apple stock is a very attractive selection, because the company is a leader in consumer electronics, and therefore, of consumer behavior.

However, by being weighted according to price, the Dow Jones rarely considers stocks over US \$300. Apple Stock, with a value of over US\$ 600 per share would have been too big to incorporate.

In this manner, after the split of 2014, Apple stock price was included in the Dow index with a weight of 4.8%, effective March 19, 2015. Apple stock is also included in the S&P with a 4% weight, and in the Nasdaq Composite with a 9.7% weight.

## **Apple Stock Predictions**

With dividends expected to grow and the price set to rise, the consensus recommendation amongst analysts is to buy Apple stock.

Third quarter 2016 revenues were US \$42.36 bn, a value above the forecasted US \$42.09 bn. However, they were 14.61% below the previous year's third quarter results.

Current estimates place the share at a median of US \$120.00, with a forecasted high of US \$185.00 and a low of US \$85.00. This represents an increase of more than 10% when compared to prices in September 2015.

## **Apple Stock Essential Applications**

With the yearly earnings announcement expected at the end of this October 2016, excitement is mounting. Besides, knowing Apple stock price today, and following Apple stock news are time consuming tasks. And when excitement is at fever pitch, the chances of making an unintended data deletion are higher than normally.

Fortunately, there is an application in the market that solves the problem. It is named [REDACTED] [REDACTED], and it is being used by more than 500,000 clients worldwide.

[REDACTED] is a data recovering application by [REDACTED] that can be downloaded for free.

## **Apple's Webpage**

Apple's website: <http://www.apple.com>