Stock Market Briefing: FAANGMs

March 7, 2020

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FAANGMs

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Figure 1.

**FAANGM* MARKET CAP**

(Trillion dollars)

* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.

Source: Standard & Poor’s and I/B/E/S data by Refinitiv.

Figure 2.

**FAANGM* SHARE OF S&P 500 MARKET CAP**

(Percent)

* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.

Source: Standard & Poor’s and I/B/E/S data by Refinitiv.
FAANGMs

Figure 3.
MARKET CAP: FAANGM PERFORMANCE RELATIVE TO S&P 500 WITH & WITHOUT FAANGM*
(indexed to 0 on 12/28/2012)

FAANGM (339.7)
S&P 500 (96.6)
S&P 500 ex-FAANGM (72.3)

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* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.
Source: Standard & Poor’s and Yardeni Research Inc.

Figure 4.
FAANGM* vs S&P 500 RELATIVE FORWARD EARNINGS PERFORMANCE
(indexed to 0 on 1/1/2015)

FAANGM (100.5)
S&P 500 (41.1)
S&P 500 ex-FAANGM (25.6)

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* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.
Source: I/B/E/S data by Refinitiv.
Figure 5.

**FAANGM** STOCKS FORWARD P/E

* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.

** Market cap divided by aggregate forward consensus expected operating earnings.

Source: I/B/E/S data by Refinitiv.

Figure 6.

**FAANGM** STOCKS FORWARD VALUATION

Forward P/S** (4.51)

* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.

** Market cap divided by aggregate forward consensus expected revenues per share.

Source: I/B/E/S data by Refinitiv.
FORWARD P/E RATIOS* OF S&P 500 WITH & WITHOUT FAANGM**

- S&P 500 (19.1)
- S&P 500 ex-FAANGM (17.1)

P/E Difference Attributable To FAANGM (2.0)

* Price divided by consensus forward earnings forecast.
** FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.
Source: I/B/E/S data by Refinitiv.

FORWARD P/S RATIOS* OF S&P 500 WITH & WITHOUT FAANGM**

- S&P 500 (2.11)
- S&P 500 ex-FAANGM (1.87)

P/S Difference Attributable To FAANGM (0.24)

* Price divided by consensus forward revenues forecast.
** FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.
Source: I/B/E/S data by Refinitiv.
Figure 9.

FAANGM STOCKS FORWARD P/E*

P/E capped at 140 due to extreme values.

Facebook (19.0)
Amazon (60.2)
Apple (19.8)
Netflix (55.9)
Google (Alphabet) (23.2)
Microsoft (26.7)

* Price divided by 12-month forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv.

Figure 10.

FAANGM STOCKS FORWARD P/S*

Facebook (5.8)
Amazon (2.7)
Apple (4.3)
Netflix (6.3)
Google (Alphabet) (4.5)
Microsoft (7.9)

* Price divided by 12-month forward consensus expected revenues per share.
Source: I/B/E/S data by Refinitiv.
Figure 11.

FAANGM STOCKS % SHARE OF S&P 500 MARKET CAP AND FORWARD EARNINGS & REVENUES (percent)

- **Share of S&P 500**
  - Capitalization (20.3)
  - Earnings (11.2)
  - Revenues (1.3)

* FANG stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft.
* Market cap includes both classes of Alphabet.
* Source: I/B/E/S data by Refinitiv.

Figure 12.

BASIC SHARES OUTSTANDING: FAANGM STOCKS*

- Latest Basic Shares Outstanding (16.6)
- Y/Y % Change (-2.2)

* FAANGM stocks include Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. Both classes of Alphabet are included.
* Source: I/B/E/S data by Refinitiv.
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