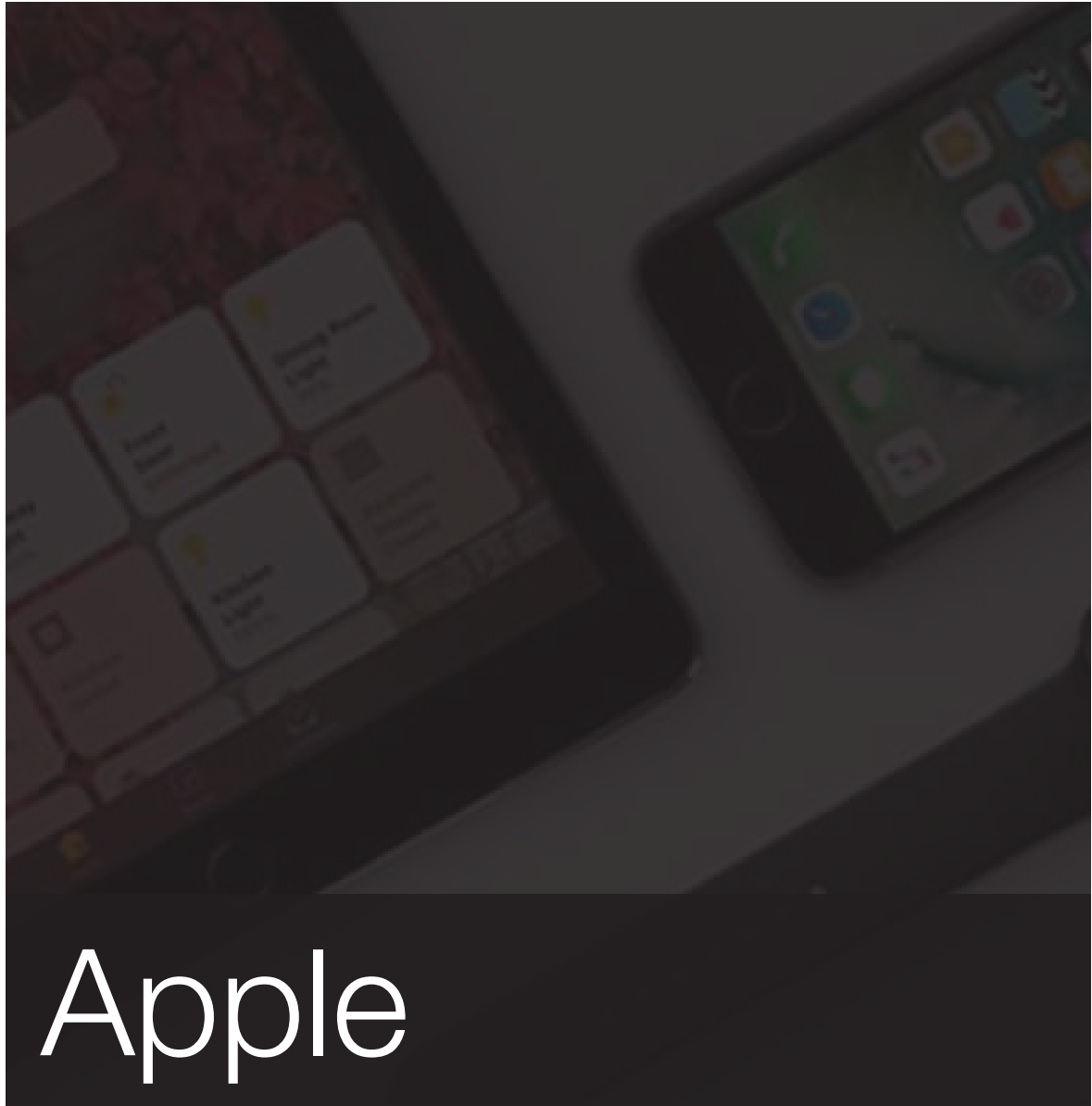


Equities

‘FAANG’ Stocks 2019



Shares recently tumbled 10% in a day after cutting revenue guidance - is Apple now rotten?

Lengthier phone contracts coupled with a lack of new technology has resulted in a slowing of iPhone sales, so much so that Apple announced it would no longer detail the number of handsets sold but instead choose to quote group revenue encompassing all gadgets sold.

The ongoing U.S.-China trade spat has impacted an already frustrating market for Apple where competition from domestic technology companies is fierce. This was confirmed by Apple in recent days as the company lowered its Q1 revenue guidance sparking a near 10% one-day fall in the share price.

In 2018 the shares surged 38% by September valuing Apple at \$1 trillion - the first ever company reach the milestone - before tumbling from \$234 to \$157 a share at the close of 2018. Today the shares reside at \$144, almost 40%

lower in just 3 months, perhaps causing Warren Buffet some sleepless nights - the billionaire investor owns 250 million shares in Apple.

The recent price decline coupled with the incoming launch of 5G services and a new product range should peak the interest of investors, whilst it is widely anticipated the U.S. and China will agree a trade deal in the first half of 2019.

Reassess at \$120 – This price has proved pivotal in the past and would also represent a 2-year low.

BUY

Apple Inc - current price \$142.00

Background

Apple Inc. designs, manufactures, and markets personal computers and related personal computing and mobile communication devices along with a variety of related software, services, peripherals, and networking solutions. Apple sells its products worldwide.

Listing

Dow Jones

Market Cap

\$748.6bn

52-week range

\$146 - \$233

Dividend yield

2.1%

Analyst Ratings

A collection of current ratings (Buy/Hold/Sell) issued by city analysts, accompanied by the average 12-month target price. Data compiled by Bloomberg.

BUY ratings

23

HOLD ratings

24

SELL ratings

1

12-month av. TP

\$182.00 (+28%)

Technical Levels

Potential support level \$120 / Potential resistance level \$160

Apple Inc. 2018

2018 open to high +38%

2018 high to close -32%

2018 open to close -7%

Support and resistance levels are prices at which a stock stops declining (finds support) and stops rising (finds resistance), these levels are derived from historical price analysis and are often considered when identifying future prices at which to buy and sell.