

Stock Market Briefing: The MegaCap-5

Yardeni Research, Inc.

December 29, 2023

Dr. Ed Yardeni

516-972-7683
eyardeni@yardeni.com

Joe Abbott

732-497-5306
jabbott@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com



thinking outside the box

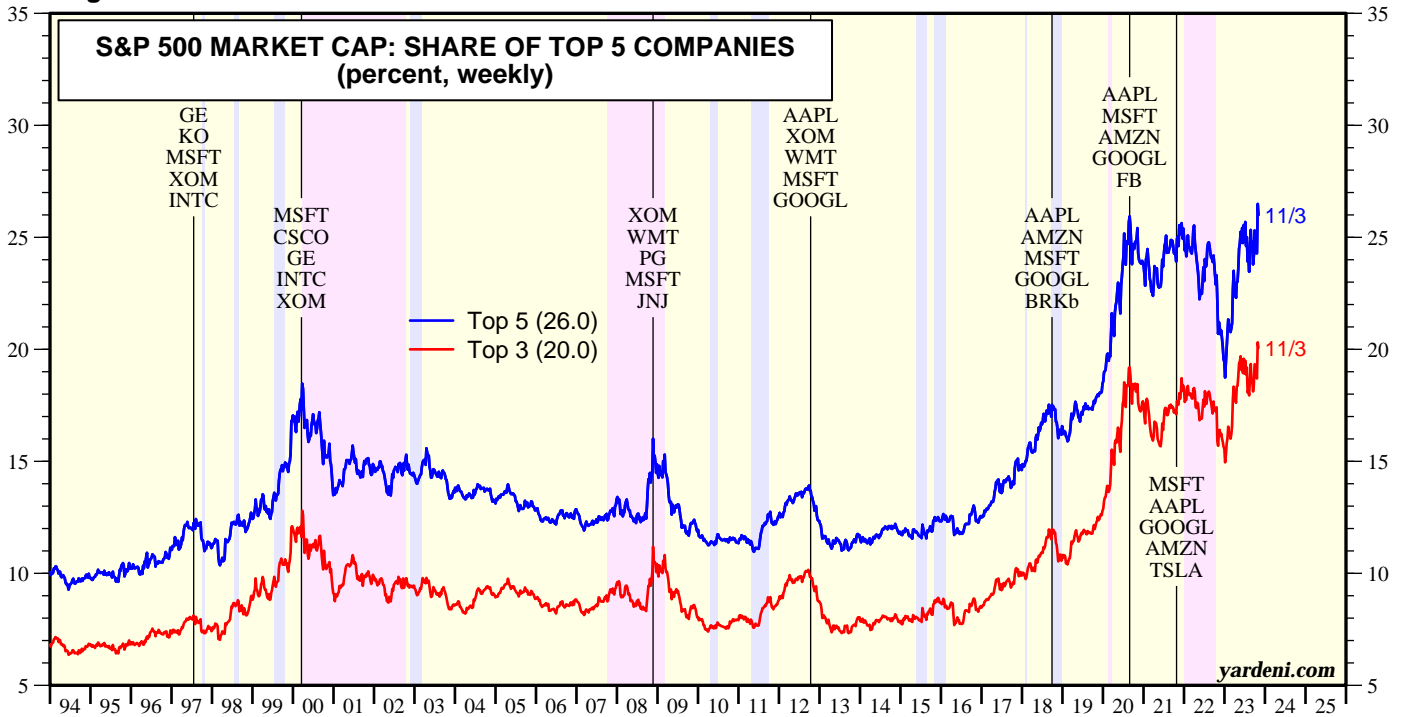
Table Of Contents

MAG-5

MegaCap-5: Market Cap	1
MegaCap-5: Performance	2
MegaCap-5: Relative Market Cap	3
MegaCap-5: Growth vs Value	4
MegaCap-5: Global Comparisons	5
MegaCap-5 (FAAMG): Performance	6-7
MegaCap-5 (FAAMG): Valuation	8
MegaCap-5 (FAAMG): Profit Margin	9
Miscellaneous	10

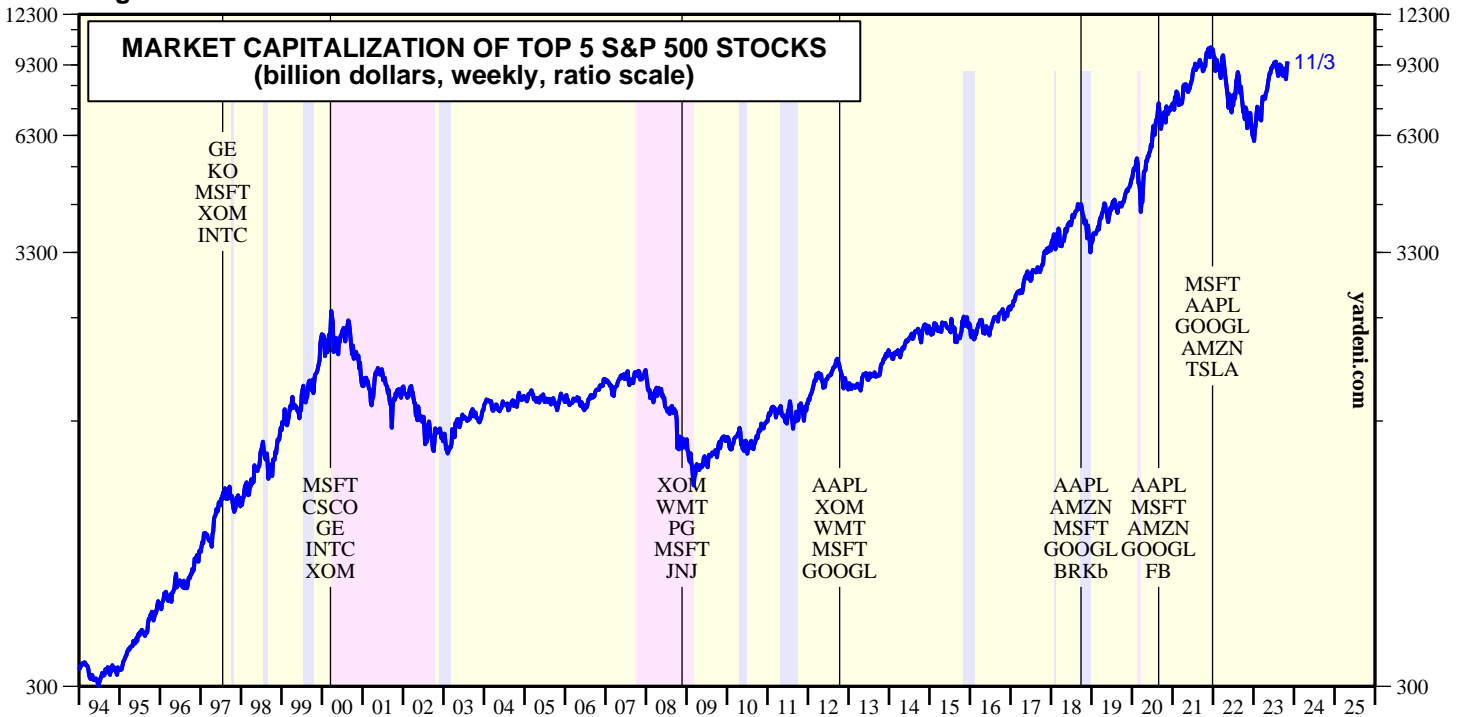
MegaCap-5: Market Cap

Figure 1.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Yardeni Research using Standard & Poor's and I/B/E/S data by Refinitiv.

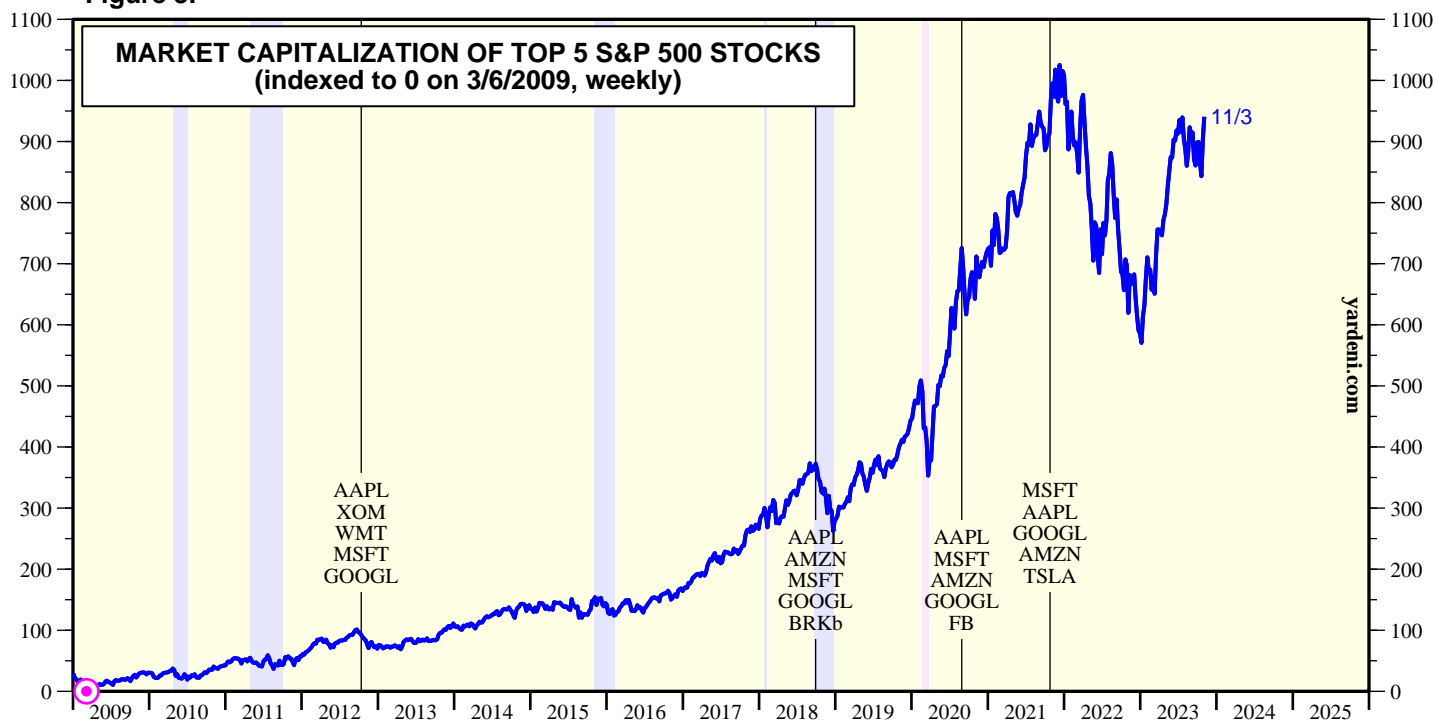
Figure 2.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

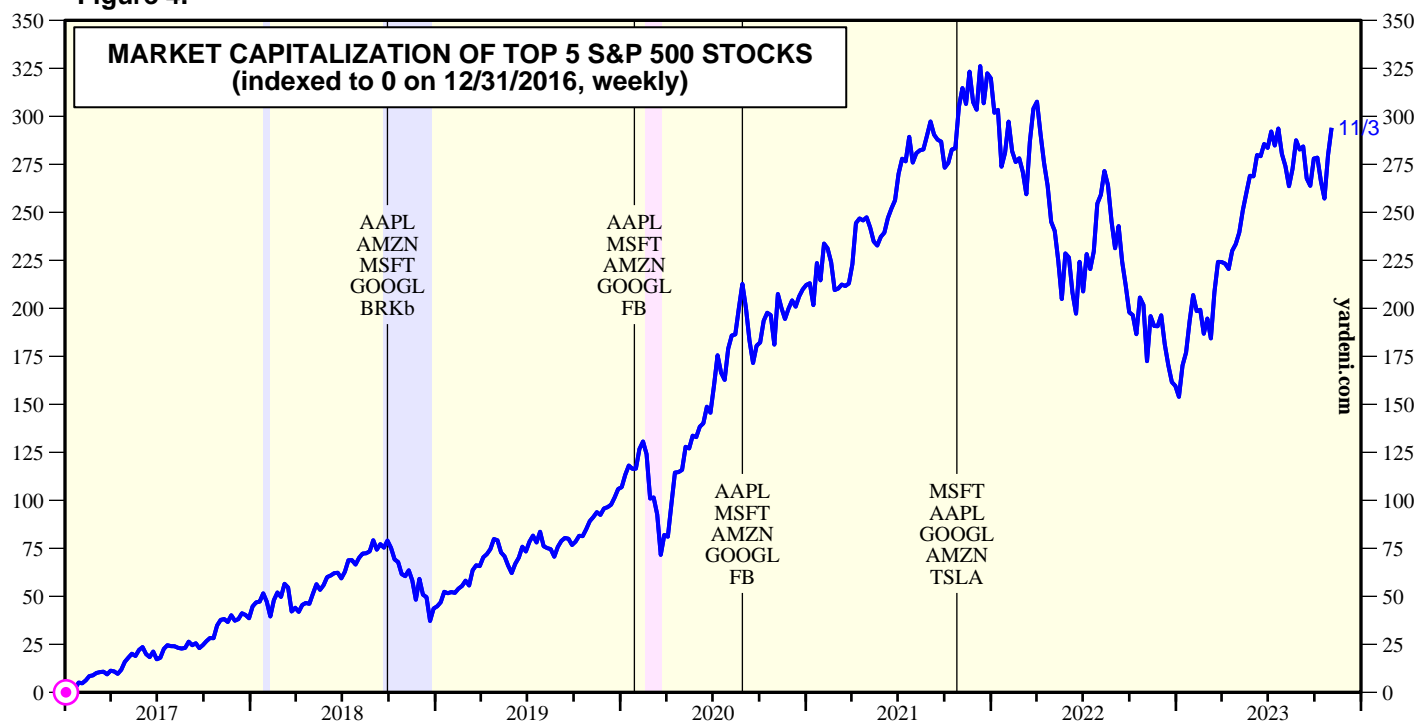
MegaCap-5: Performance

Figure 3.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
Source: Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

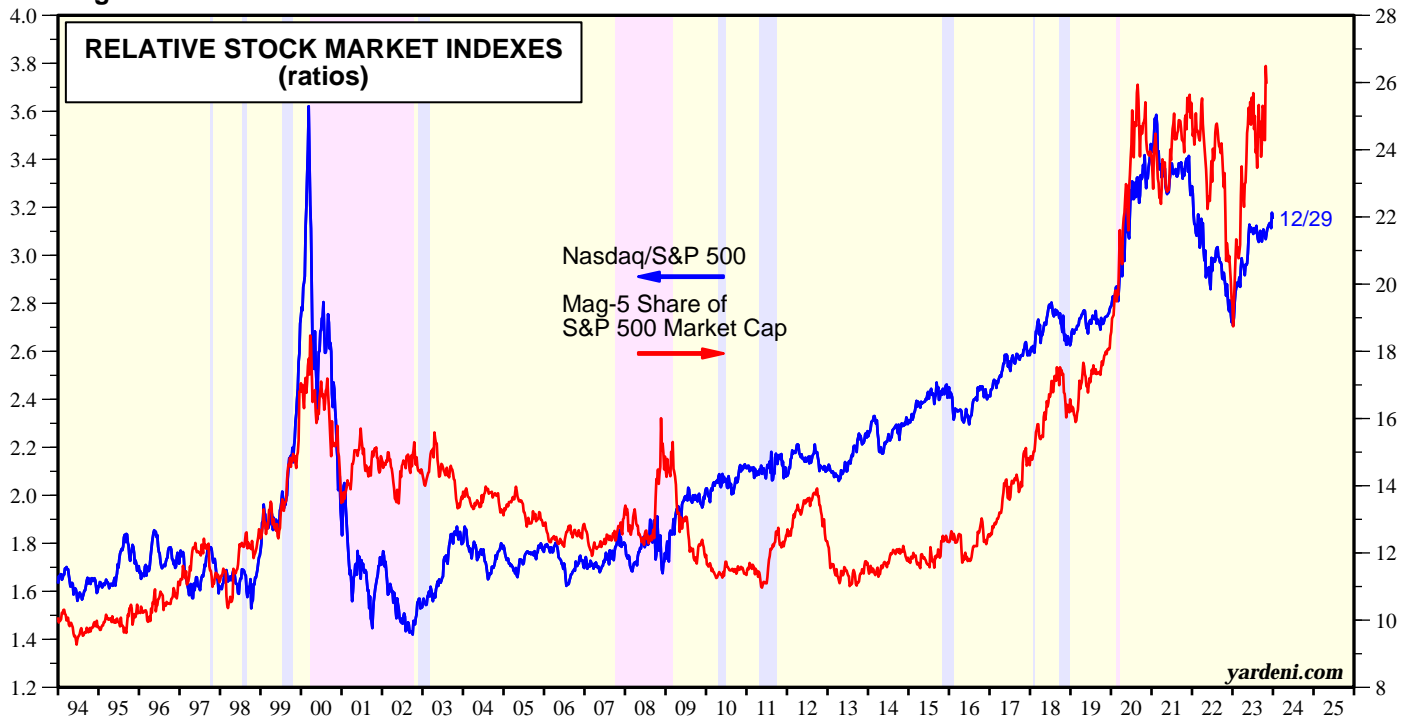
Figure 4.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
Source: Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

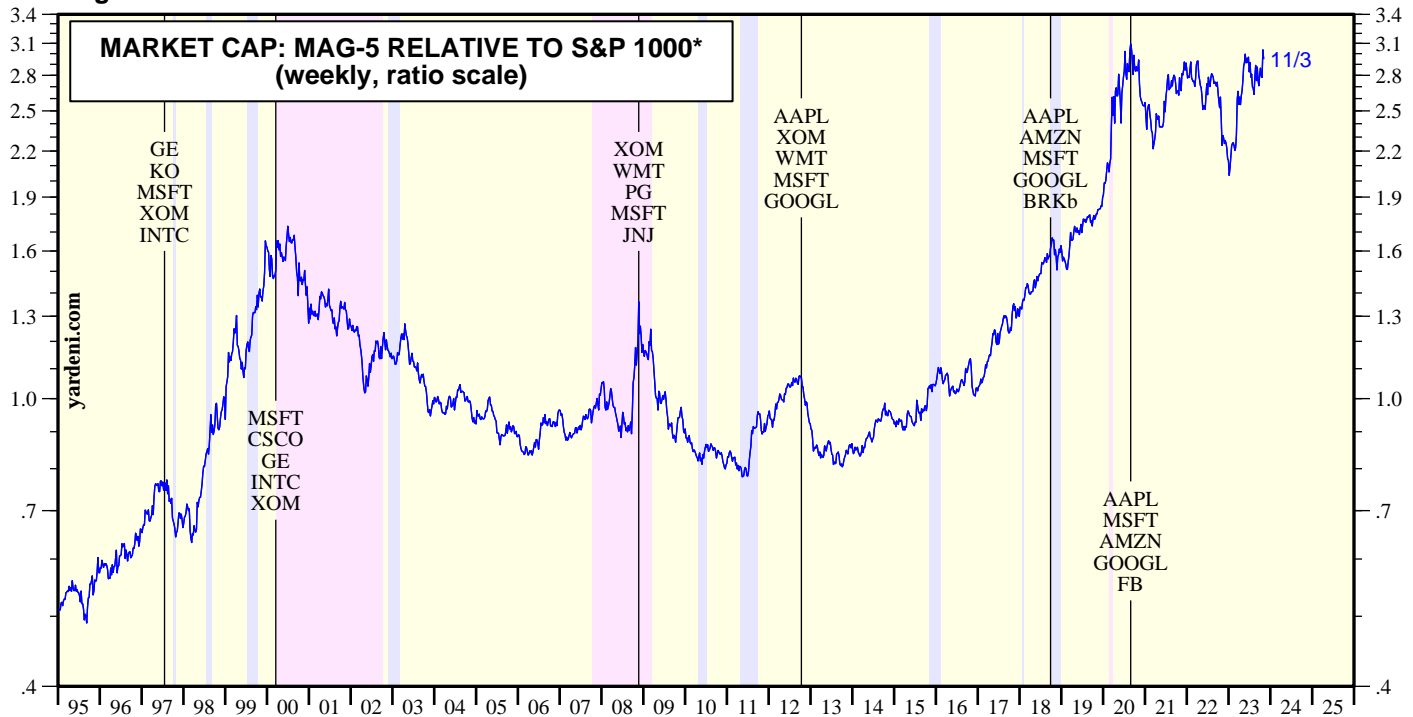
MegaCap-5: Relative Market Cap

Figure 5.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Yardeni Research using Standard & Poor's and I/B/E/S data by Refinitiv.

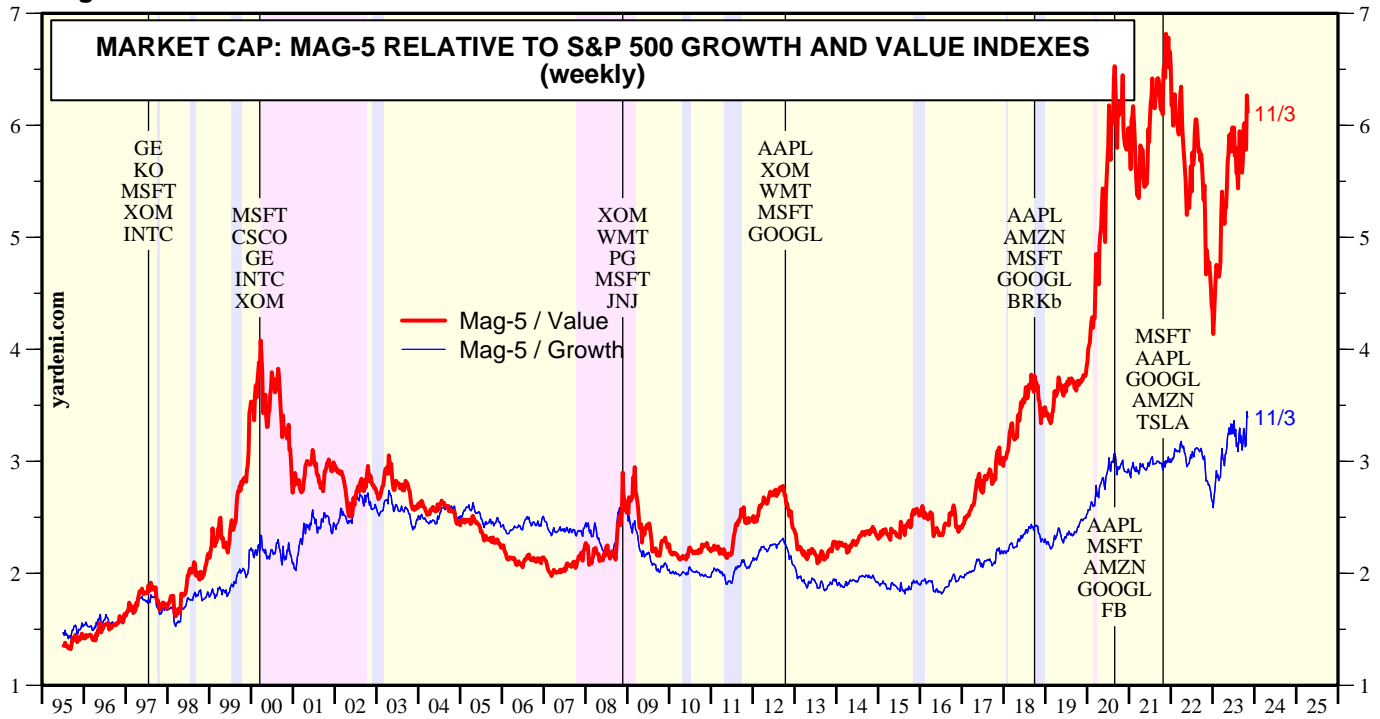
Figure 6.



* Market cap of Mag-5 divided by market cap of S&P 400 plus S&P 600.
 Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

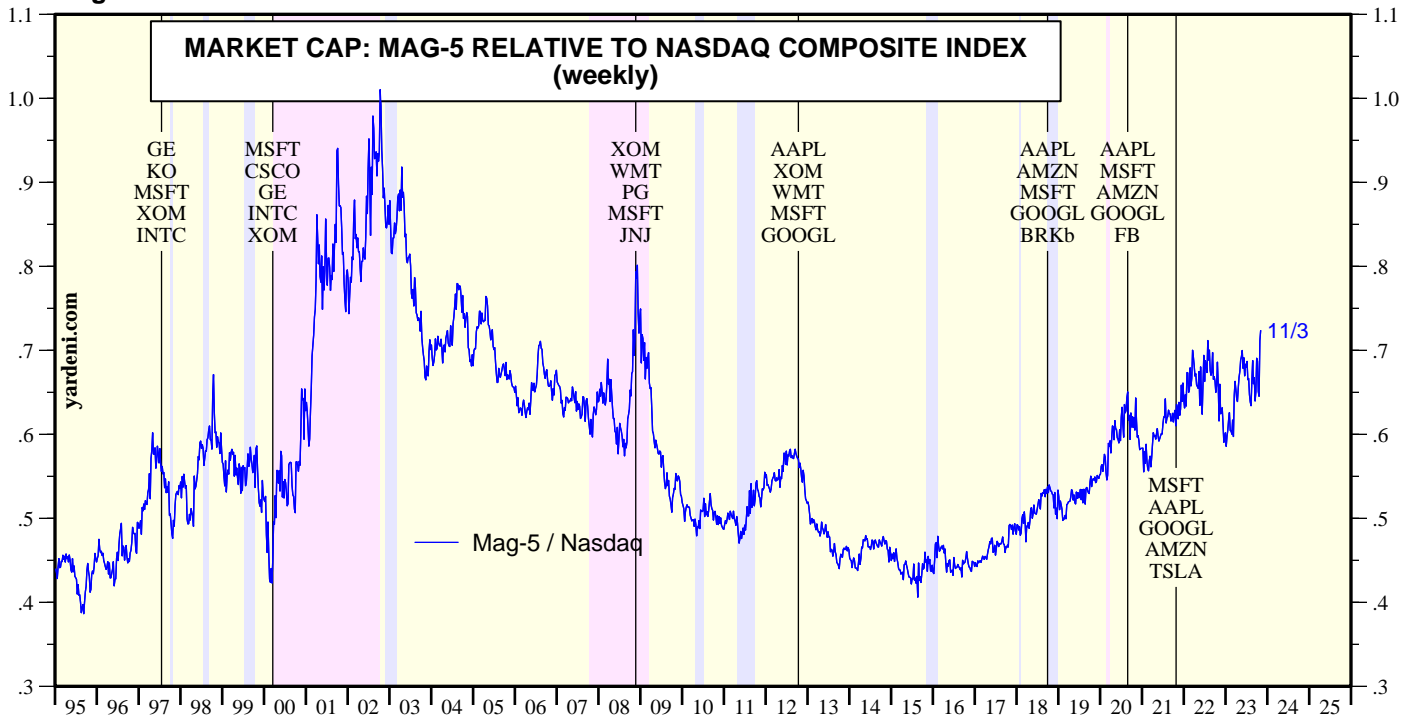
MegaCap-5: Growth vs Value

Figure 7.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
Source: Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

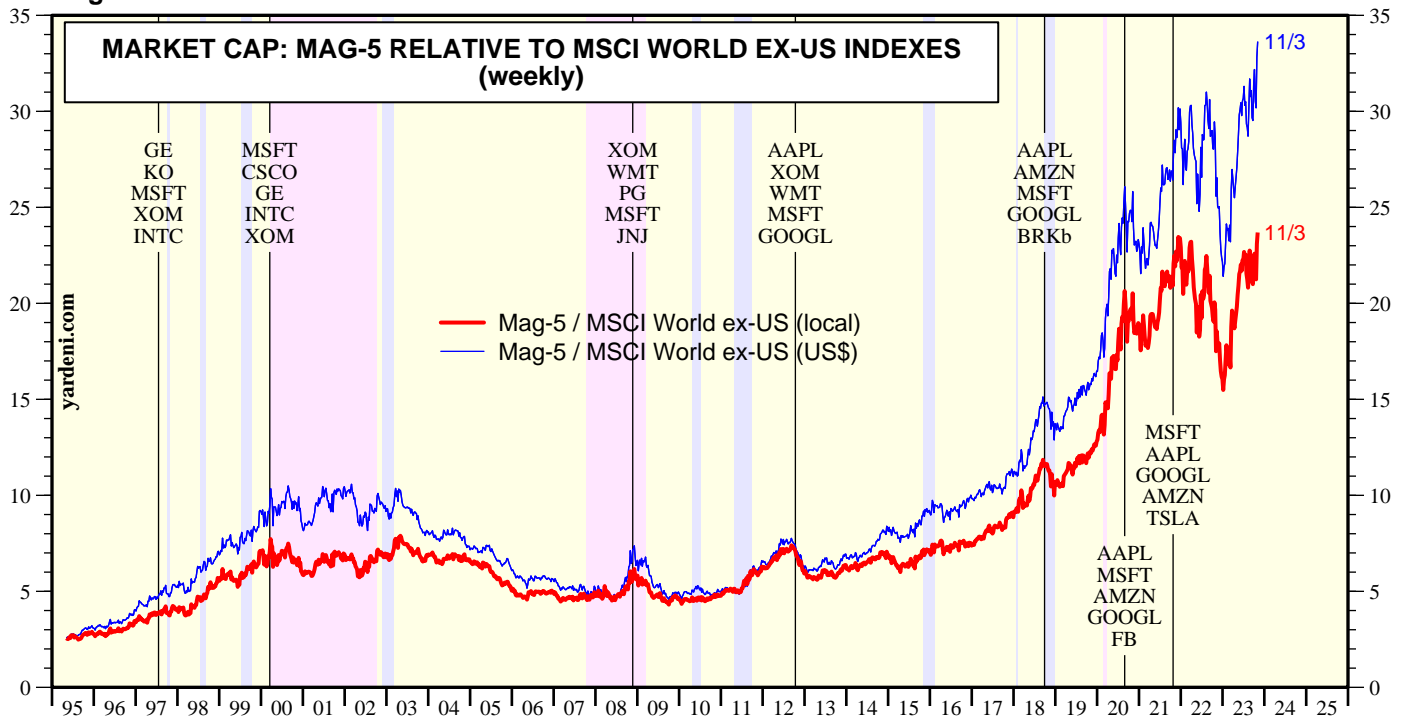
Figure 8.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
Source: Haver Analytics and Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

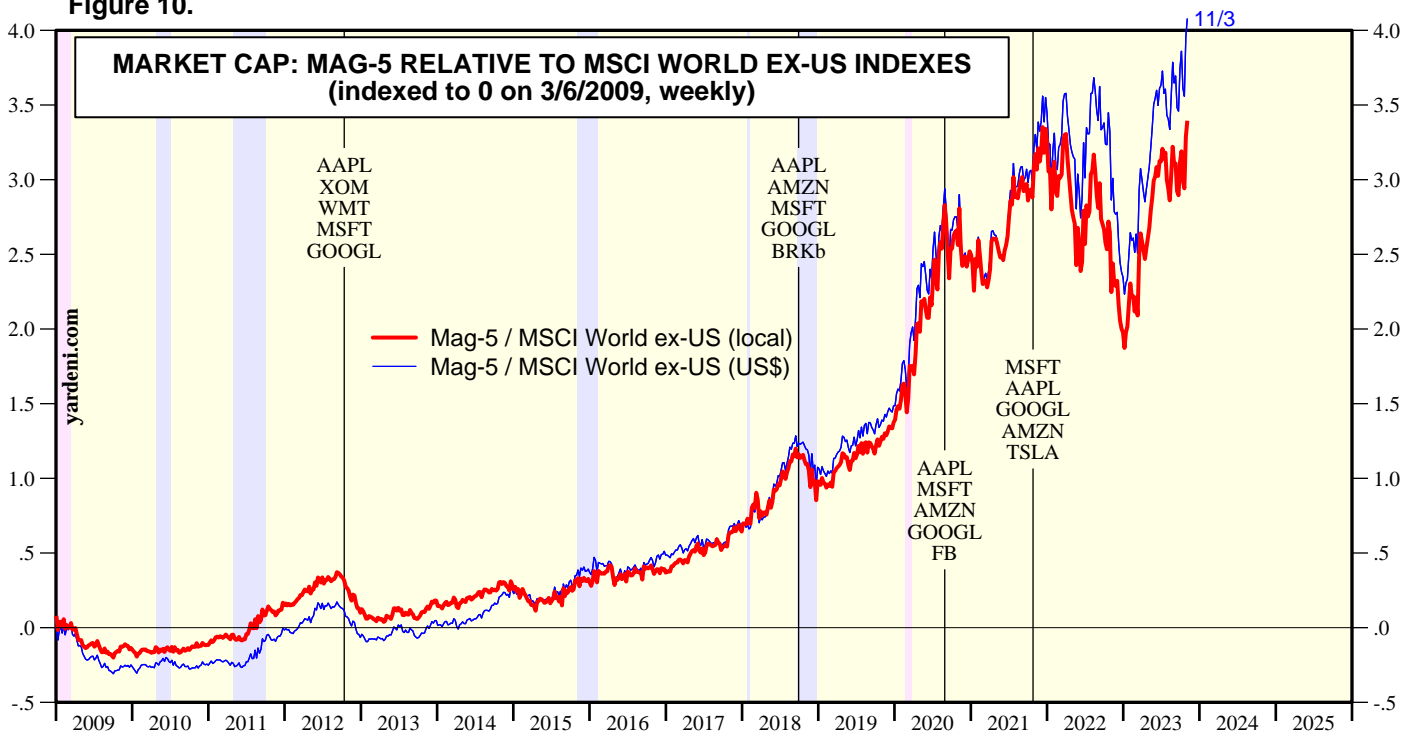
MegaCap-5: Global Comparisons

Figure 9.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Haver Analytics and Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

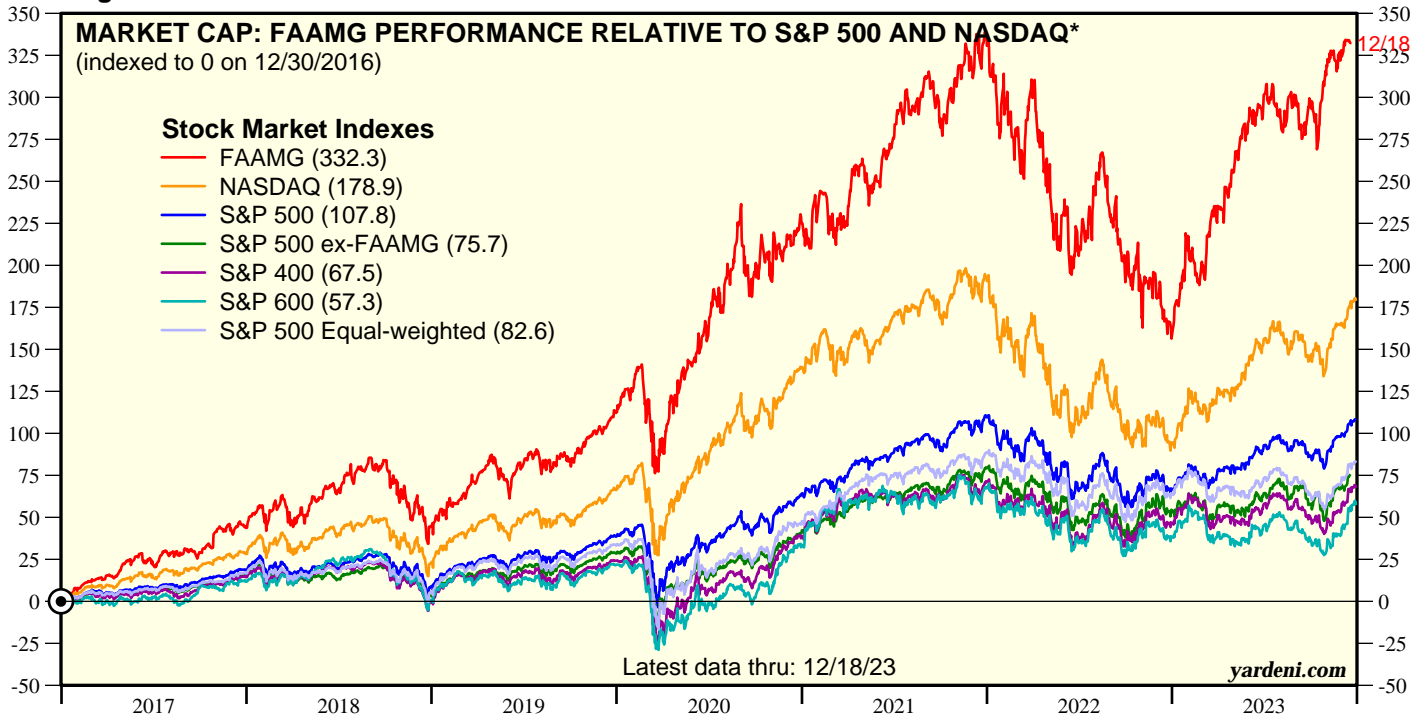
Figure 10.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Haver Analytics and Yardeni Research using Standard & Poors and I/B/E/S data by Refinitiv.

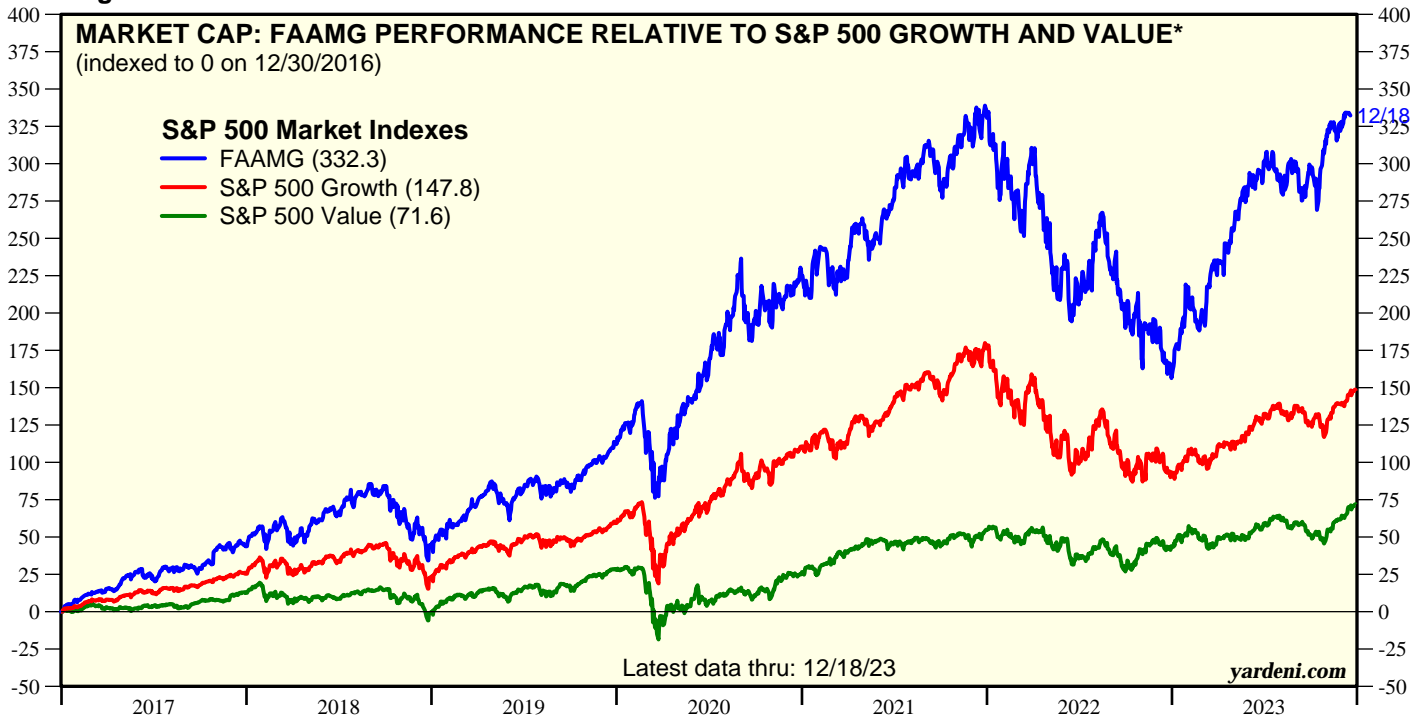
MegaCap-5 (FAAMG): Performance

Figure 11.



* FAAMG stocks include Facebook, Amazon, Apple, Microsoft, and Google (Alphabet). Both classes of Alphabet are included.
Source: Standard & Poor's.

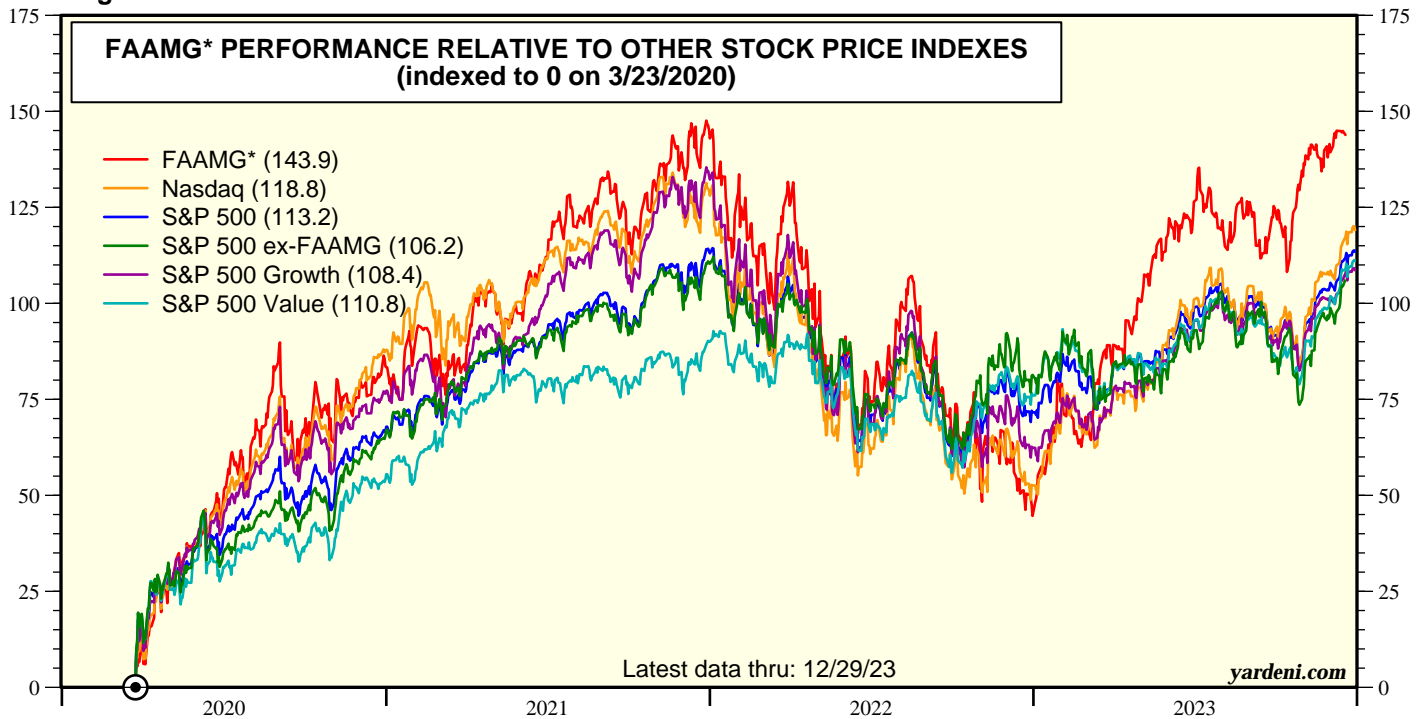
Figure 12.



* FAAMG stocks include Facebook, Amazon, Apple, Microsoft, and Google (Alphabet). Both classes of Alphabet are included.
Source: Standard & Poor's.

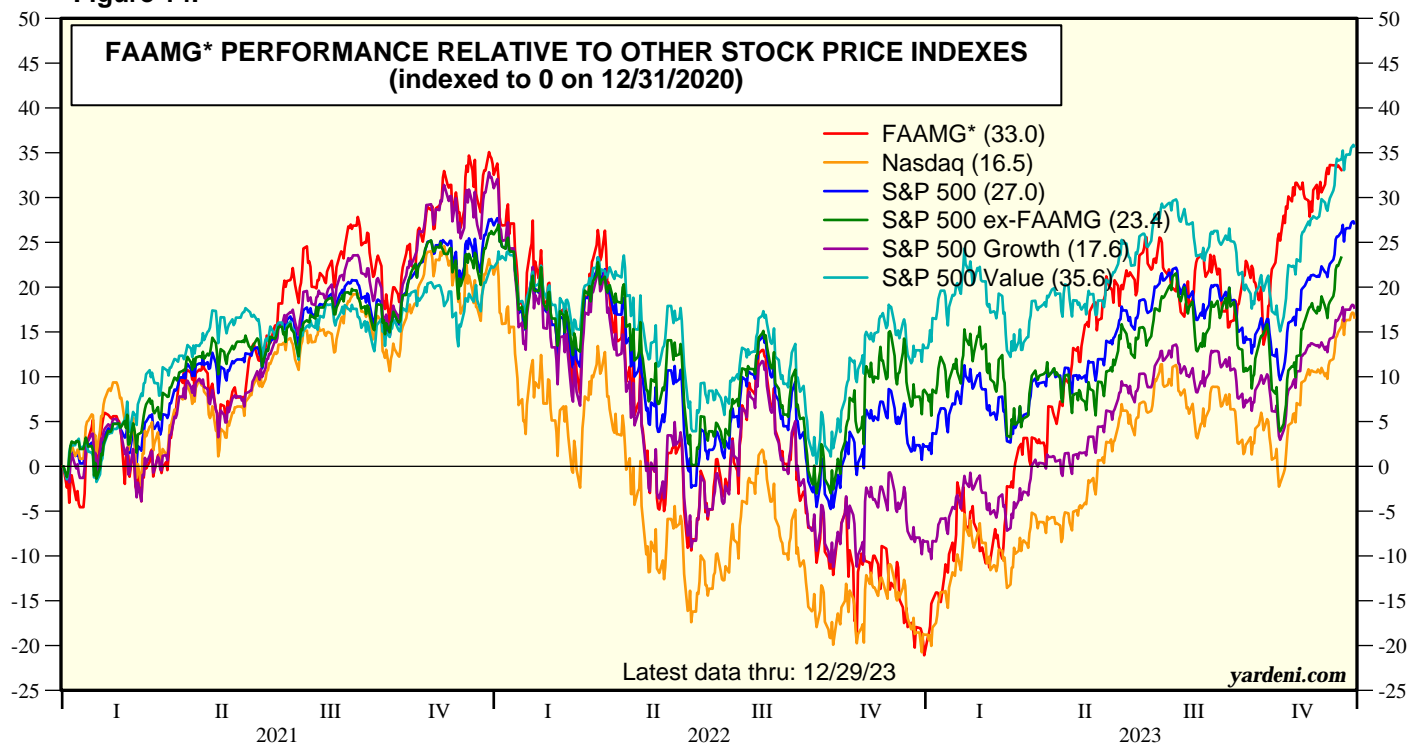
MegaCap-5 (FAAMG): Performance

Figure 13.



* Using market capitalization of FAAMG stocks, including Facebook, Amazon, Apple, Microsoft, and Google (Alphabet). Both classes of Alphabet are included.
Source: Standard & Poor's.

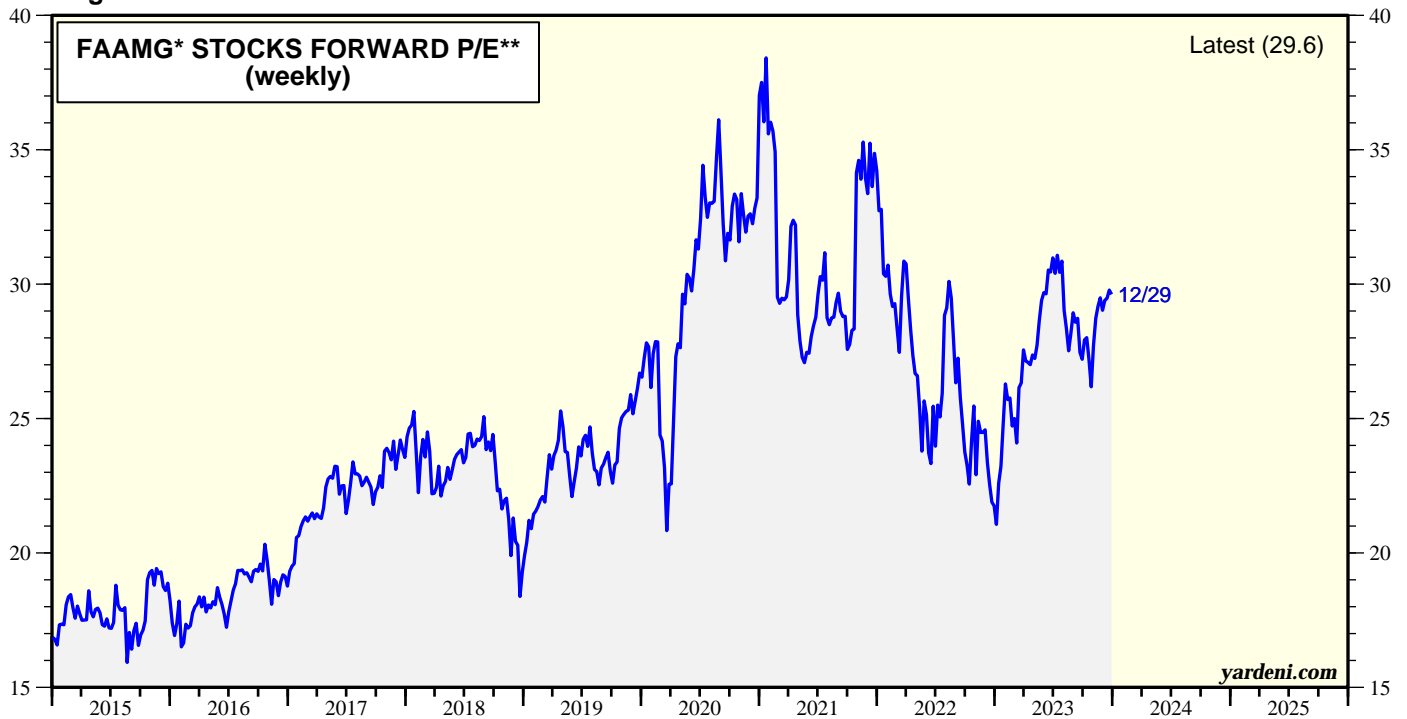
Figure 14.



* Using market capitalization of FAAMG stocks, including Facebook, Amazon, Apple, Microsoft, and Google (Alphabet). Both classes of Alphabet are included.
Source: Standard & Poor's.

MegaCap-5 (FAAMG): Valuation

Figure 15.

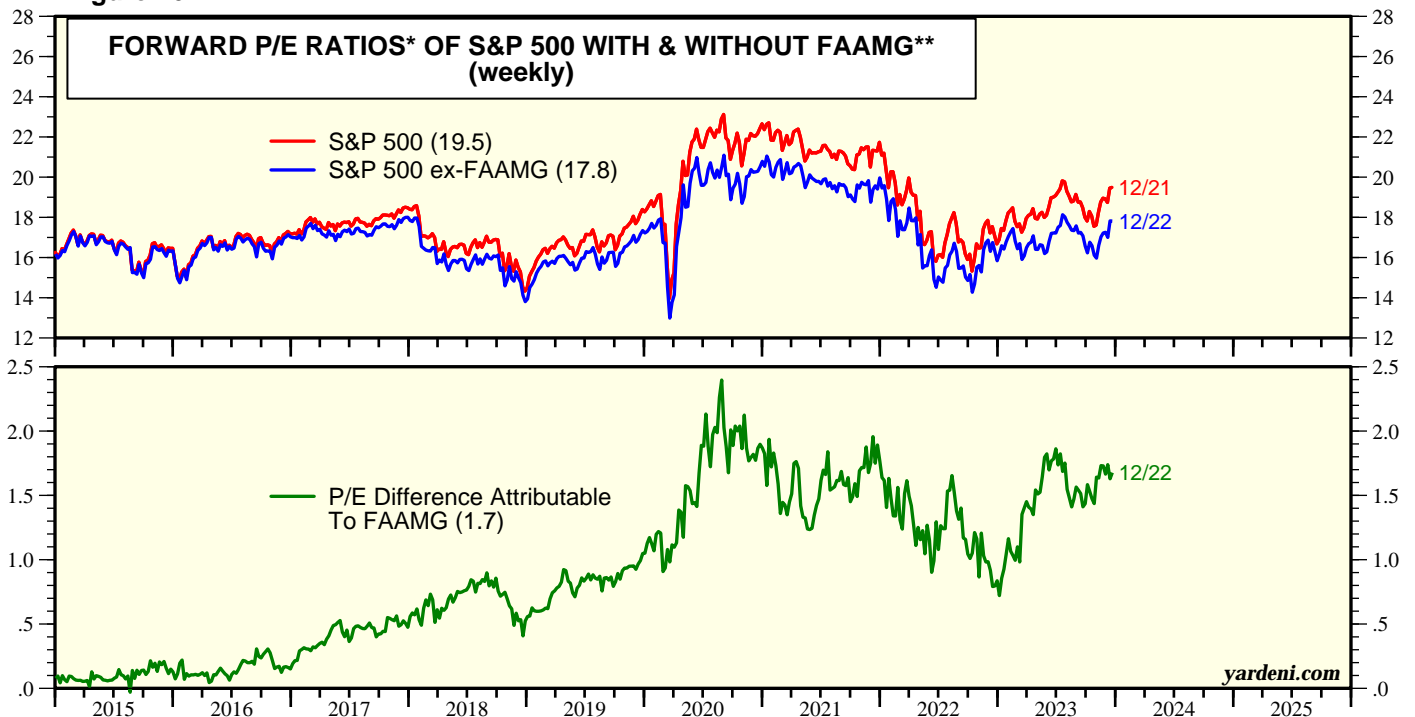


* FAAMG stocks include Facebook, Amazon, Apple, Microsoft, and Google (Alphabet). Both classes of Alphabet are included.

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

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

Figure 16.



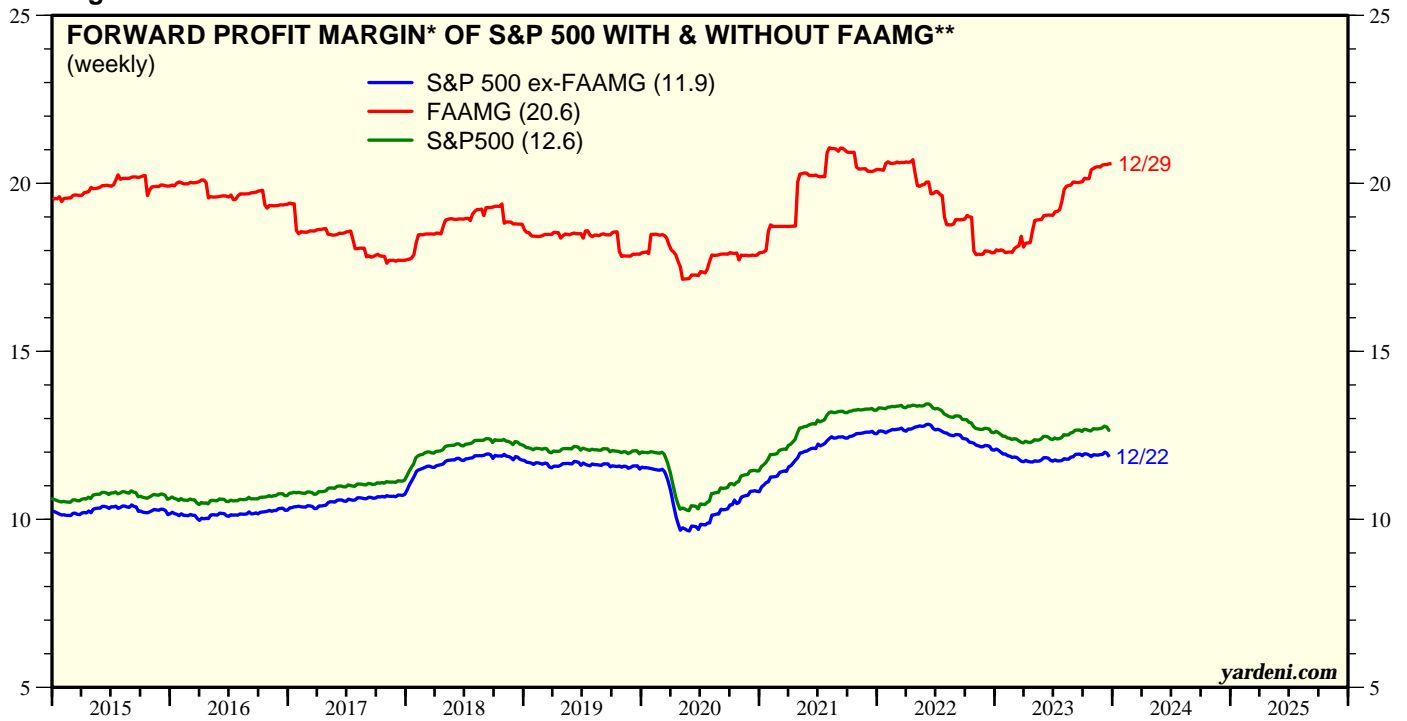
* Price divided by consensus forward earnings forecast.

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

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

MegaCap-5 (FAAMG): Profit Margin

Figure 17.



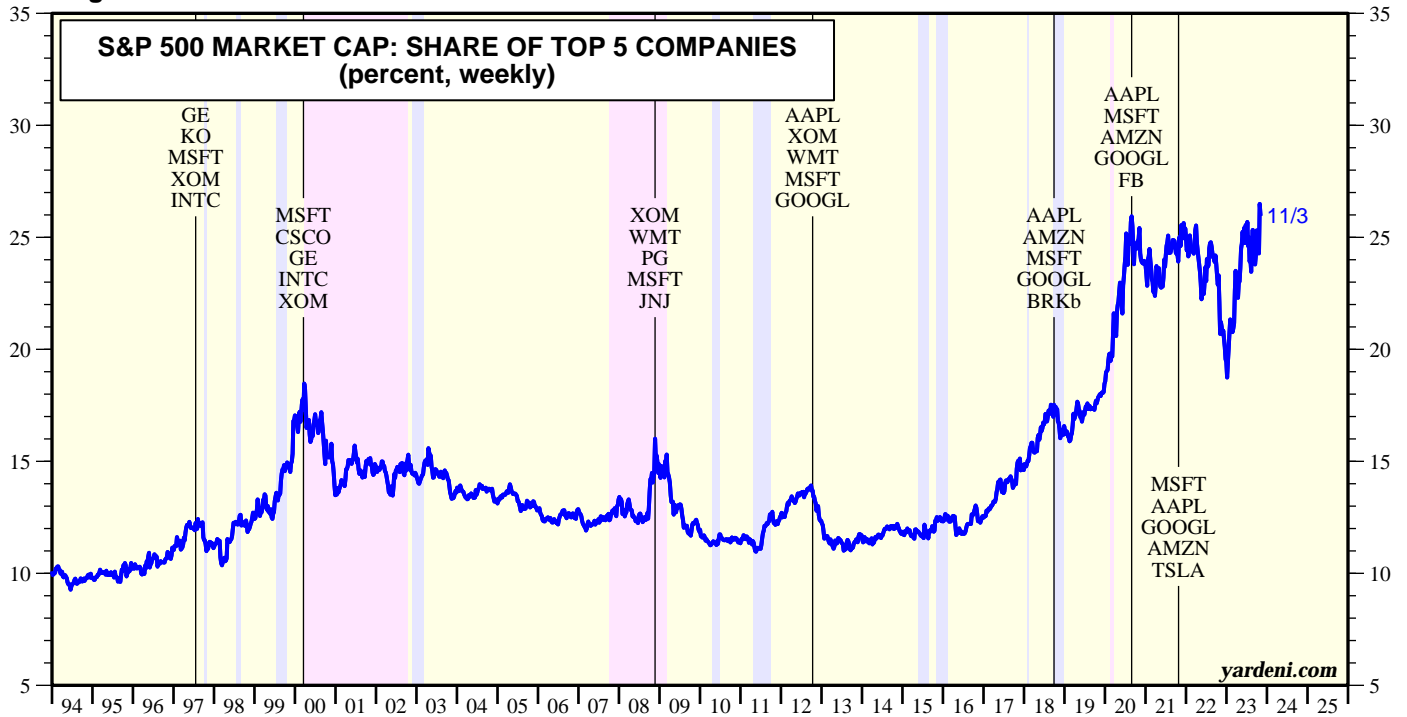
* Price divided by consensus forward earnings forecast.

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

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

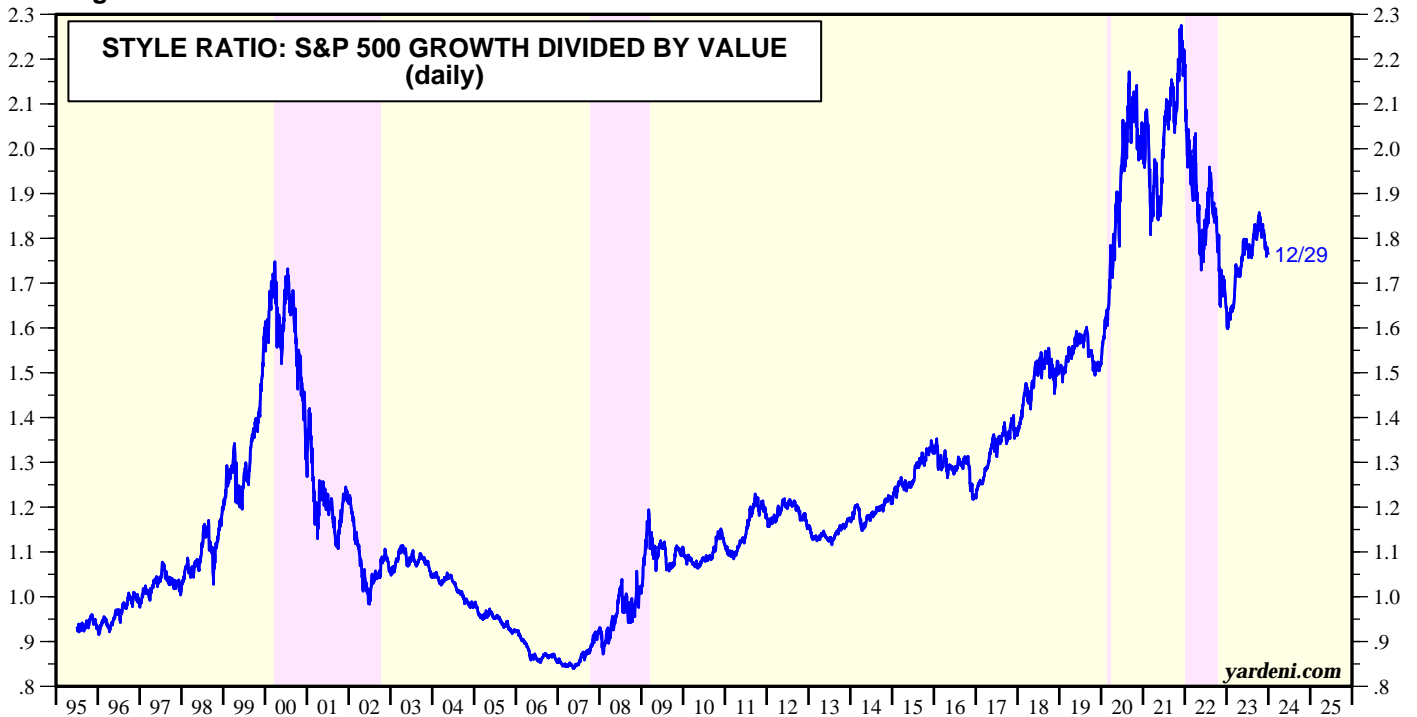
Miscellaneous

Figure 18.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Blue shaded areas are correction declines of 10% to less than 20%. Yellow areas are bull markets.
 Source: Yardeni Research using Standard & Poor's and I/B/E/S data by Refinitiv.

Figure 19.



Note: Shaded red areas are S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: Standard & Poor's and Haver Analytics.

Copyright (c) Yardeni Research, Inc. 2023. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports and podcasts posted on www.yardeni.com, blog.yardeni.com, and YRI's Apps are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company's stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security--including mutual funds, futures contracts, and exchange traded funds, or any similar instruments.

The text, images, and other materials contained or displayed on any Yardeni Research, Inc. product, service, report, email or website are proprietary to Yardeni Research, Inc. and constitute valuable intellectual property. No material from any part of www.yardeni.com, blog.yardeni.com, and YRI's Apps may be downloaded, transmitted, broadcast, transferred, assigned, reproduced or in any other way used or otherwise disseminated in any form to any person or entity, without the explicit written consent of Yardeni Research, Inc. All unauthorized reproduction or other use of material from Yardeni Research, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Yardeni Research, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Yardeni Research, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.

The recipient should check any email and any attachments for the presence of viruses. Yardeni Research, Inc. accepts no liability for any damage caused by any virus transmitted by this company's emails, website, blog and Apps. Additional information available on [request](#).