

Term paper on stock portfolio activity

[Business](#), [Company](#)



In this paper we look at financial analysis ratios which show liquidity, profitability, activity, financial leverage, shareholder and rate of return. The financial statements of apple used to get the ratios are; income statement, balance sheet and the cash flow.

Financial Analysis Ratios for Apple Inc.

Comparison with the Competitors

The competitors considered for this particular analysis are Google Inc (GOOG), Hewlett and Packard (HPQ) and Research in Motion Limited (BBRY)

Industry

With regard to the financial ratios of Apple Inc. it can be seen from the ratios in the first table that the company has been improving in financial performance in the last three years from 2010 to 2012. This can be seen from the gross profit margin although the net profit margin has remained at about 0. 2. The corporation has been reducing its debt which is healthy for investment. Among these competitors, it is only Google that has a healthy financial regime which matches apple inc. on the market. The rest of the market competitors are not worth the comparison as many are in debt and in losses with very little share of the market.

With respect to its competitors, it has been posting the highest revenue, with the best operating margin with some competitors making losses. It has the highest net income with a reasonable price –earnings ratio.

Whereas in the industry, when compared with Dell Inc, Apple Inc is doing very well as it captures a big share of the market and better price-earnings

ratio. Its share price is better than that of dell with a bigger percentage change. It is better to trade in its shares therefore.