

Apple and microsoft essay sample

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



Microsoft Corporation and Apple have for long staged a serious competitive ground inviting the interest of many analysts. It has recently been contemplated that Apple's capitalization exceeds that of Microsoft. One of questions that arise is whether the securities offered by the two companies are regulated by different agencies or the same regulating bodies.

Regulation is a very important aspect of investment since it actually provides a basis for investor confidence. If a company is downgraded in bid to regulate it yet it does not deserve a downgrade, it is possible that the fund managers of the firm may be forced to release more of its securities.

There have also been concerns that it is not clear which government agency regulates the issuance of securities by these companies. However, Fitch, Standard Poor's and Moody's generally rate the two companies and give their stand of the assessment of the companies' ratings. In addition, regulation helps in putting up a daily trading limit that protects the consumer against unpredictable price fluctuations (Atkins 2007).

Disclosures are very important and vital part of securities regulation. For both the companies, the Securities and Exchange Commission regulates the issuance of the securities to ensure that the firms disclose to the investor how a particular security works before purchase (Yahoo Personal Finance 2010). Institution of indices such as the Domini Social Index 400 helps in the regulation of the firm's through weighting of the particular company's capitalization and match a range of specifically identified environmental and social standards. Therefore, the Securities and Exchange Commission is a powerful regulator for all the companies that issue their securities in the US.

Reference List:

Atkins (23 April 2007) " U. S. Securities Regulator Backs Capital Market Regulation Reform" Source UREL: <http://www.america.gov/st/texttrans-english/2007/April/20070423151350eaifas0.8690912.html#ixzz2XW35EHBI>

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