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## [Apple's Stock Is a 'Buy,' Analysts Say](#)

*Investors are encouraged to buy stock, as Mac sales seem to be on the rise*

Yahoo! Finance reports that JPMorgan analyst Mark Moskowitz has lowered his sales estimates for the [iPhone](#) and the [iPod](#), while raising [MacBook](#) forecasts and earnings estimates for the three months ending in December. Most analysts agree that Apple's stock is ripe for the picking, advising clients to do so without fail.

According to [the report](#), Moskowitz now expects earnings per share of \$1.38, up from a previous estimate of \$1.29. On average, analysts expect \$1.43, the report reveals. A similar outlook was given by Oppenheimer & Co. analyst Yair Reiner, who told investors that "Even with the consumer battling hypothermia of the wallet and soul, we believe the fundamental attraction of the Mac -- its aesthetic appeal, usability, and integrated multimedia applications -- will continue to peel users away from the Windows mold."

In a BusinessWeek [report](#), Standard & Poor's analyst Thomas Smith is cited as recommending clients to buy Apple stock new products, which are likely to arrive and spur sales. "We also believe present valuation levels are attractive for the pace of earnings-per-share growth we anticipate," he adds.

Apple continues to provide what Smith describes as "simple, superior, and differentiated products." However, gross margin trends may narrow as demand for consumer electronics is likely to soften because of the U.S. economy's downturn, Smith concedes.

Ben Reitzes, tech analyst at Barclays Capital (BCS), is also advising clients to buy. His analysis revealed that "Apple's valuation is compelling, given its cash of \$27 a share and prospects for \$10 a share in free cash flow in fiscal 2010." He rates Apple overweight with a 12-month price target of 113 a share.

But these estimates are nothing compared to Charles Wolf's figures. The tech analyst at investment bank Needham, and Apple shares holder, placed his rating of strong buy, with a 12-month price target way above those of other analysts: a whopping 240 a share! His estimates are based on fourth-quarter results - more precisely, the iPhone. Wolf asserts that Apple's smartphone has emerged as the largest revenue and income generator in Apple's product portfolio to date.

Apple's entire product line is expected to drive continued sales and earnings growth throughout Fiscal 2009 and 2010 (15% and 22% respectively).