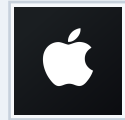


59



NEUTRAL

Apple Inc. (AAPL) Comprehensive Report

Ticker: AAPL Report Date: 2026-03-24

Sector: Technology Headquarters: Cupertino, California, United States

Stock Price
\$253.07

Daily Change
+\$32.34

YTD Return
-6.62%

52W Range
\$169.21 to \$288.62

Analyst Consensus
Buy-leaning (5 SB / 25 B / 16 H / 2 S)

Sector
Technology

Top Positive Drivers

- Record Q1 FY2026 revenue, EPS, iPhone revenue, and Services revenue show Apple's core ecosystem is still
- China demand improved materially, both in quarterly revenue and in early-2026 smartphone sell-through
- Cash generation remains massive, preserving room for buybacks, dividends, supply-chain investment, and AI

Key Risks

- The valuation already assumes resilience; roughly 33x FY net income and 37x FY free cash flow leave little room for
- Regulation is no longer abstract. China fee cuts, Epic-related remedies, and broader antitrust scrutiny
- Apple still faces an uncomfortable AI narrative: the company has distribution power, but headline

Executive Summary

Apple designs and sells iPhone, Mac, iPad, wearables, accessories, and a large services bundle layered on top of its hardware base.[14] At the March 24, 2026 retrieval point, the stock is really a bet that Apple can keep iPhone premium enough to protect ecosystem demand while Services, installed-base monetization, and AI distribution partnerships extend the earnings power of that ecosystem.[5][12][14]

Full Report

Apple Inc. (AAPL) Comprehensive Report

Report Date: 2026-03-24

Ticker: AAPL

Sector: Technology

Headquarters: Cupertino, California, United States

Website: <https://www.apple.com>

Icon URL: https://static2.finnhub.io/file/publicdatany/finnhubimage/stock_logo/AAPL.png

Executive Summary

Apple designs and sells iPhone, Mac, iPad, wearables, accessories, and a large services bundle layered on top of its hardware base.[14] At the March 24, 2026 retrieval point, the stock is really a bet that Apple can keep iPhone premium enough to protect ecosystem demand while Services, installed-base monetization, and AI distribution partnerships extend the earnings power of that ecosystem.[5][12][14]

The operating evidence is still strong. TTM revenue stood at \$435.62B, FY net income at \$112.01B, and FY free cash flow at \$98.77B, while fiscal Q1 2026 delivered record quarterly revenue of \$143.76B, diluted EPS of \$2.84, and nearly \$54B of operating cash flow.[3][4][5][6] iPhone revenue reached \$85.27B and Services revenue \$30.01B in the quarter, with Greater China revenue rebounding to \$25.53B from \$18.51B a year earlier.[5][6]

The restraint case is valuation plus execution and regulation. Using provider market cap and reported profits, Apple trades at roughly 33.0x FY net income and about 37.4x FY free cash flow, which leaves less room for disappointment on AI execution, App Store economics, or component-cost inflation.[3][4][7][8][9] This report is analytical and non-advisory.

Technical Analysis

Observed Data

- As of retrieval on March 24, 2026, the merged quote feed showed AAPL at \$253.07 versus a previous close of \$220.73, or +14.65% intraday; Alpha Vantage also returned a rate-limit error during the same merged retrieval, so short-term tape conclusions should be treated with lower confidence than the fundamental read.[1]
- The stock is 12.3% below the 52-week high of \$288.62 and 49.6% above the 52-week low of \$169.21; YTD return is -6.62%.[1]
- Even after the latest move, AAPL remains off the prior 52-week peak, so the stock is not trading like a clean momentum breakout from a long base.[1]

Analytical Inference

- The broad technical picture is constructive but not definitive: the stock is well above the 52-week low, yet still far enough below the 52-week high that the market is not fully pricing an all-clear on Apple's 2026 execution path.
- Because the latest daily move is unusually large and the quote feed was partially degraded, technical evidence should be weighted behind quarter-to-quarter operating evidence until the price action settles.

Full Report (cont.)

- If the recent move holds while Q2 confirms China and Services strength, the chart can transition from repair to rerating. If not, the recent jump risks being more noise than signal.

Fundamental Analysis

Observed Data

- Comprehensive fundamentals show TTM revenue of \$435.62B, FY net income of \$112.01B, FY free cash flow of \$98.77B, gross margin of 47.33%, operating margin of 35.40%, and debt-to-equity of 1.23x.[3][4]
- Apple reported fiscal Q1 2026 revenue of \$143.76B, up 16% year over year, with diluted EPS of \$2.84, up 19% year over year.[5][6]
- Quarterly category detail showed iPhone revenue of \$85.27B, Mac revenue of \$8.39B, iPad revenue of \$8.60B, Wearables/Home/Accessories revenue of \$11.49B, and Services revenue of \$30.01B.[5][6]
- Quarterly geographic detail showed Americas revenue of \$58.53B, Europe \$38.15B, Greater China \$25.53B, Japan \$9.41B, and Rest of Asia Pacific \$12.14B.[5][6]
- Apple ended the quarter with \$45.32B of cash and cash equivalents, \$21.59B of current marketable securities, \$77.89B of non-current marketable securities, and \$88.51B of total term debt.[6]

Analytical Inference

- Apple's operating model remains elite. The company is still combining premium hardware revenue, recurring services monetization, and very large capital returns in a way few public companies can match.
- The stock is not a turnaround story. It is a quality-compounder story, which means the debate is less about survival or even near-term profitability and more about whether the market is already paying too much for durability.
- The quarter reinforced that iPhone is still the economic engine, but the market multiple depends on Apple proving that Services growth, installed-base depth, and AI-enhanced engagement can keep reducing dependence on pure hardware cyclicality over time.

Risk Assessment

Observed Data

- Reuters reported on January 29, 2026 that Apple warned rising memory chip prices had started pressuring profitability in the current quarter as AI infrastructure demand tightened conventional DRAM supply.[7]
- Reuters reported on January 12, 2026 that Apple will use Google's Gemini models for its revamped Siri and future AI features, underscoring dependence on a third-party model provider for a core part of the AI roadmap.[8]
- Reuters reported on March 13, 2026 that Apple cut mainland China App Store commissions to 25% from 30% after government pressure, showing that Services economics remain exposed to regulatory concessions.[9]
- Reuters reported on February 26, 2026 that Apple sought dismissal of a shareholder fraud suit tied to Siri AI claims and App Store injunction compliance, keeping legal overhangs alive even after partial appellate relief in the Epic-related case.[10]
- FintHub's insider dataset showed ownershipChange of -609,843 shares in the sampled period, with March 2026 Jennifer Newstead sales and smaller February 2026 director transactions among the most recent entries.[11]

Full Report (cont.)

- Apple's 2026 proxy statement describes a shareholder-friendly governance framework that includes one share/one vote, annual director elections, majority voting, proxy access, and prohibitions on hedging and pledging by directors and executive officers.[12]

Analytical Inference

- The biggest medium-term risk is not balance-sheet stress; it is a structural haircut to ecosystem monetization if regulators keep forcing lower fee capture or more open distribution and payment flows.
- AI execution risk matters because Apple is no longer being judged only on device polish. It is being judged on whether Siri and Apple Intelligence can remain differentiated without ceding too much strategic control to partners.
- Insider activity does not read like an obvious red flag by itself, but the net ownership drift is mildly negative and offers little incremental bullish confirmation.
- Memory-cost inflation is easy to miss because Apple is so profitable. It still matters: when a stock trades at a premium multiple, even modest gross-margin pressure can reset sentiment quickly.

Portfolio Fit

Not evaluated: missing portfolio holdings, benchmark, and mandate.

Market Intelligence

Observed Data

- Apple said on January 29, 2026 that quarterly revenue reached \$143.8B, iPhone and Services each set all-time revenue records, and the installed base exceeded 2.5 billion active devices.[5]
- Reuters reported on March 19, 2026 that Apple's China smartphone sales rose 23% in the first nine weeks of 2026 while the broader China smartphone market declined 4%, helped by discounts, subsidy eligibility on the base iPhone 17 model, and Apple's supply-chain leverage.[13]
- Apple's 2026 proxy statement said FY2025 Services revenue surpassed \$100B for the first time, the company returned over \$110B to shareholders, and 2025 say-on-pay approval was 92%.[12]
- Apple's 2025 Form 10-K emphasizes that the business remains highly competitive, exposed to supply constraints, and still heavily dependent on continual product innovation and the iPhone category.[14]

Analytical Inference

- The stock is being supported by a combination of operating proof and strategic optionality. Apple does not need to win the frontier-model race if it can stay the highest-value consumer distribution layer for AI usage.
- China has become a swing variable rather than a one-way drag. If the regional rebound holds, investors can tolerate some AI ambiguity. If China rolls over again, the premium multiple becomes harder to defend.
- Capital return remains an important stabilizer. Buybacks and dividends can support per-share results, but they cannot offset a structural reduction in Services economics or a prolonged loss of AI credibility.

Scenario Valuation

Observed Data

Full Report (cont.)

- Current price: \$253.07.[1]
- Market cap: approximately \$3.70T.[3]
- Derived valuation: about 33.0x FY net income and 37.4x FY free cash flow.[3][4]
- FY2025 diluted EPS reached a record \$7.46, according to Apple's 2026 proxy statement.[12]

Modeled Assumptions

Scenario	Probability	Core assumption set	Fair value
Bull	25%	China momentum persists, Services sustains low-to-mid teens growth, Gemini-backed Siri rollout lands cleanly, and regulation remains economically absorbable.	\$310
Base	50%	Apple remains a very high-quality franchise, but regulation, AI execution complexity, and premium valuation keep upside capped despite solid growth.	\$255
Bear	25%	App Store economics compress, Siri differentiation slips, and margin pressure from regulation plus memory costs drives a lower multiple.	\$195

The probability-weighted model value is \$253.75, essentially in line with the latest observed market price. That supports a neutral rather than strongly bullish directional stance.

Top Positive Drivers

- Record Q1 FY2026 revenue, EPS, iPhone revenue, and Services revenue show Apple's core ecosystem is still monetizing at very high levels.[5][6]
- China demand improved materially, both in quarterly revenue and in early-2026 smartphone sell-through checks, which reduces one of the market's biggest recent worries.[6][13]
- Cash generation remains massive, preserving room for buybacks, dividends, supply-chain investment, and AI spending at the same time.[6][12]
- Governance and capital-return practices remain shareholder-friendly by large-cap standards, which lowers the probability of a capital-allocation accident.[12]

Top Negative Drivers

- The valuation already assumes resilience; roughly 33x FY net income and 37x FY free cash flow leave little room for disappointment.[3][4]
- Regulation is no longer abstract. China fee cuts, Epic-related remedies, and broader antitrust scrutiny create a direct path to lower ecosystem economics.[9][10]

Full Report (cont.)

- Apple still faces an uncomfortable AI narrative: the company has distribution power, but headline differentiation now depends partly on external model partnerships and delayed Siri upgrades.[8][10]
- Rising memory prices create an underappreciated margin headwind if Apple chooses to protect share rather than pass higher costs through to consumers.[7]

Directional Conviction Score and Monitoring Triggers

Score: 59 | Band: neutral

Monitoring Triggers

- Services durability: If Services growth drops below 10% while regulatory concessions deepen, the premium multiple is harder to justify.[5][6][9]
- Greater China confirmation: Another quarter above roughly \$23B of Greater China revenue would support the rebound thesis; a reversal would weaken it quickly.[6][13]
- Margin resilience: Gross margin needs to remain around the high-40% area. A move toward or below 46% would suggest component costs and regulatory changes are starting to bite materially.[3][6][7]
- AI execution: Watch whether Siri and Apple Intelligence milestones are shipping on time and with clear user value; another delay would keep Apple in a defensive AI posture.[5][8][10]
- Remedy risk: Any further forced fee reductions, steering changes, or app-distribution remedies in China, the U.S., or Europe would directly test the Services thesis.[9][10][14]

Decision Framework

What must be true

- iPhone has to remain strong enough to fund the ecosystem while Services continues compounding as a higher-quality revenue stream.
- Apple must keep translating its installed base into higher monetization without losing control over the user experience.[5][12]
- AI partnerships need to improve product usefulness without reducing Apple's pricing power or ecosystem distinctiveness.[8]

What breaks the thesis

- App Store economics are structurally reset lower across major jurisdictions.
- China demand improvement proves temporary and the regional revenue rebound fades over the next one to two quarters.
- Apple fails to convert Apple Intelligence and Siri upgrades into a credible product advantage, leaving the company as a hardware distributor of other firms' AI.
- Margin compression combines with premium valuation to trigger a multiple reset.

How to detect breaks early

- Read the next 10-Q and earnings release first; Services growth, Greater China revenue, and margin direction matter more than headline EPS.[5][6]

Full Report (cont.)

- Track remedy language, not just lawsuit headlines. The economics of fee capture and steering rules matter more than narrative noise.[9][10][14]
- Watch whether capital return stays large without crowding out AI, silicon, and supply-chain investment.[6][12]
- Compare future product launches with market reaction: if Apple ships AI updates and the stock still derates, the market is signaling skepticism about economic payoff.

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[13] Reuters, "Apple's China smartphone sales jump 23% to start 2026, bucking industry trend,"

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Full Report (cont.)

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Dashboard

AAPL Dashboard

As of: 2026-03-24

KPI	Value	Period	Source	Source URL	Retrieval timestamp
Stock Price	\$253.07	Spot (intraday)	Yahoo Finance	https://query1.finance.yahoo.com/v7/finance/quote?symbols=AAPL	2026-03-24T15:09:04.476Z
Previous Close	\$220.73	Previous session	Yahoo Finance	https://query1.finance.yahoo.com/v7/finance/quote?symbols=AAPL	2026-03-24T15:09:04.476Z
Daily Change	+\$32.34	Intraday	Yahoo Finance	https://query1.finance.yahoo.com/v7/finance/quote?symbols=AAPL	2026-03-24T15:09:04.476Z
Daily Change Percent	+14.65%	Intraday	Yahoo Finance	https://query1.finance.yahoo.com/v7/finance/quote?symbols=AAPL	2026-03-24T15:09:04.476Z
52W Range	\$169.21 to \$288.62	52W	Yahoo Finance	https://query1.finance.yahoo.com/v8/finance/chart/AAPL?range=1y&interval=1d	2026-03-24T15:09:04.476Z
YTD Return	-6.62%	YTD	Yahoo Finance	https://query1.finance.yahoo.com/v8/finance/chart/AAPL?range=1y&interval=1d	2026-03-24T15:09:04.476Z
Market Cap	\$3.70T	Spot	Finnhub	https://finnhub.io/api/v1/stock/profile2?symbol=AAPL	2026-03-24T15:09:02.881Z
Analyst Consensus	Buy-leaning (5 SB / 25 B / 16 H / 2 S)	Current	Finnhub	https://finnhub.io/api/v1/stock/recommendation?symbol=AAPL	2026-03-24T15:09:02.881Z
Revenue	\$435.62B	TTM	Finnhub	https://finnhub.io/api/v1/stock/financials-reported?symbol=AAPL&freq=annual	2026-03-24T15:09:02.881Z

Dashboard (cont.)

KPI	Value	Period	Source	Source URL	Retrieval timestamp
Net Income	\$112.01B	FY	Finnhub	https://finnhub.io/api/v1/stock/financials-reported?symbol=AAPL&freq=annual	2026-03-24T15:09:02.881Z
Free Cash Flow	\$98.77B	FY	Finnhub	https://finnhub.io/api/v1/stock/metric?symbol=AAPL&metric=all	2026-03-24T15:09:02.881Z
Debt-to-Equity	1.23x	FY	Finnhub	https://finnhub.io/api/v1/stock/metric?symbol=AAPL&metric=all	2026-03-24T15:09:02.881Z

Monitoring Dashboard

Item	Current state	Threshold /	Why it matters	Next check	Evidence tag
Services growth	Q1 Services revenue hit \$30.01B, an all-time quarterly high	Sustained growth below 10% becomes a concern	Services is the cleanest support for the premium multiple	Next earnings release / 10-Q	Observed
Greater China recovery	Q1 Greater China revenue rebounded to \$25.53B; channel data showed 23% early-2026 China sell-through growth	Revenue falls back below about \$23B or channel checks deteriorate	China is the largest swing factor in the current thesis	Next earnings release / regional checks	Observed + Inferred
Margin resilience	Gross margin sits at 47.33%	Gross margin drifts toward or below 46%	Memory costs and fee concessions hit earnings power first through margins	Next earnings release	Observed
AI execution	Gemini partnership should support a revamped Siri roadmap	Another meaningful Siri slip or weak user adoption	Apple needs product-level AI credibility to defend the multiple	Product releases / WWDC / earnings call	Inferred
App Store economics	China fee cut shows concession risk is real	More fee cuts, steering remedies, or adverse rulings	Services valuation depends on durable ecosystem monetization	Regulatory filings / court updates	Observed

Dashboard (cont.)

Item	Current state	Threshold /	Why it matters	Next check	Evidence tag
Capital return	Apple returned over \$110B to shareholders in FY2025 and nearly \$32B in Q1 FY2026	Buyback pace slows while investment intensity rises with no offsetting growth	Capital return helps stabilize per-share compounding	Next proxy / quarterly results	Observed

Catalysts

Event	Expected timing	Why it matters	Evidence tag
Fiscal Q2 2026 results	Late April or early May 2026	Confirms whether China, Services, and margins are holding	Inferred from filing cadence
WWDC / AI product updates	Mid-2026	Best near-term proof point for Siri and Apple Intelligence credibility	Inferred
Ongoing App Store and antitrust developments	Ongoing	Direct read-through to Services economics and sentiment	Observed
Next iPhone-cycle channel build	Mid-2026 into September 2026	Helps frame whether Apple can absorb cost inflation and sustain premium demand	Inferred

Notes

- Portfolio fit: Not evaluated: missing portfolio holdings, benchmark, and mandate.
- Data quality: Alpha Vantage rate-limited during merged quote retrieval and yfinance fundamentals returned a 401 during comprehensive fundamentals retrieval; core KPI fields still resolved from Yahoo Finance, Finnhub, Apple disclosures, and SEC filings.
- Source gaps: Full Q1 earnings call transcript, recent 13D/13G ownership changes, and a quantified estimate of the earnings impact from China App Store fee concessions were not retrieved.

Assumptions

Assumptions Ledger

Path	Value
root.ticker	AAPL
root.report_date	2026-03-24
root.workflow	finance_comprehensive_report
root.scenario_assumptions.valuation_method	12-month probability-weighted scenario framework
root.scenario_assumptions.spot_price_usd	253.07
root.scenario_assumptions.shares_outstanding_millions	14702.703
root.scenario_assumptions.scenarios[0].name	bull
root.scenario_assumptions.scenarios[0].probability	0.25
root.scenario_assumptions.scenarios[0].assumptions.china_recovery	holds through fiscal 2026
root.scenario_assumptions.scenarios[0].assumptions.services_growth	low-to-mid teens
root.scenario_assumptions.scenarios[0].assumptions.ai_execution	Gemini-backed Siri rollout lands cleanly
root.scenario_assumptions.scenarios[0].assumptions.regulation	economically absorbable
root.scenario_assumptions.scenarios[0].assumptions.multiple	roughly 35x to 36x earnings
root.scenario_assumptions.scenarios[0].implied_fair_value_usd	310
root.scenario_assumptions.scenarios[1].name	base
root.scenario_assumptions.scenarios[1].probability	0.5
root.scenario_assumptions.scenarios[1].assumptions.china_recovery	moderately positive but uneven
root.scenario_assumptions.scenarios[1].assumptions.services_growth	high single-digit to low teens
root.scenario_assumptions.scenarios[1].assumptions.ai_execution	incremental rather than category-defining
root.scenario_assumptions.scenarios[1].assumptions.regulation	ongoing but not thesis-breaking
root.scenario_assumptions.scenarios[1].assumptions.multiple	roughly 32x to 33x earnings
root.scenario_assumptions.scenarios[1].implied_fair_value_usd	255
root.scenario_assumptions.scenarios[2].name	bear
root.scenario_assumptions.scenarios[2].probability	0.25

Assumptions (cont.)

Path	Value
root.scenario_assumptions.scenarios[2].assumptions.china_recovery	fades
root.scenario_assumptions.scenarios[2].assumptions.services_growth	slows sharply
root.scenario_assumptions.scenarios[2].assumptions.ai_execution	further delays reduce differentiation
root.scenario_assumptions.scenarios[2].assumptions.regulation	fee and steering remedies cut economics
root.scenario_assumptions.scenarios[2].assumptions.multiple	roughly 24x to 26x earnings
root.scenario_assumptions.scenarios[2].implied_fair_value_usd	195
root.scenario_assumptions.probability_weighted_value_usd	253.75
root.score_inputs.directional_conviction_score	59
root.score_inputs.score_band	neutral
root.score_inputs.observed_metrics.retrieval_timestamp_quote	2026-03-24T15:09:04.476Z
root.score_inputs.observed_metrics.retrieval_timestamp_fundamentals	2026-03-24T15:09:02.881Z
root.score_inputs.observed_metrics.price_usd	253.07
root.score_inputs.observed_metrics.previous_close_usd	220.73
root.score_inputs.observed_metrics.daily_change_usd	32.34
root.score_inputs.observed_metrics.daily_change_percent	14.651384
root.score_inputs.observed_metrics.ytd_return_percent	-6.619685
root.score_inputs.observed_metrics.fifty_two_week_high_usd	288.62
root.score_inputs.observed_metrics.fifty_two_week_low_usd	169.21
root.score_inputs.observed_metrics.market_cap_usd	3696381395000
root.score_inputs.observed_metrics.revenue_ttm_usd	435617006000
root.score_inputs.observed_metrics.net_income_fy_usd	112010000000
root.score_inputs.observed_metrics.free_cash_flow_fy_usd	98767000000
root.score_inputs.observed_metrics.gross_margin_ttm_percent	47.3253
root.score_inputs.observed_metrics.operating_margin_ttm_percent	35.4
root.score_inputs.observed_metrics.debt_to_equity_fy	1.229816

Assumptions (cont.)

Path	Value
root.score_inputs.observed_metrics.q1_2026_revenue_usd	143756000000
root.score_inputs.observed_metrics.q1_2026_net_income_usd	42097000000
root.score_inputs.observed_metrics.q1_2026_operating_cash_flow_usd	53925000000
root.score_inputs.observed_metrics.q1_2026_iphone_revenue_usd	85269000000
root.score_inputs.observed_metrics.q1_2026_services_revenue_usd	30013000000
root.score_inputs.observed_metrics.q1_2026_greater_china_revenue_usd	25526000000
root.score_inputs.observed_metrics.derived_price_to_fy_net_income	32.99912083563967
root.score_inputs.observed_metrics.derived_price_to_fcf	37.42467811920784
root.score_inputs.observed_metrics.derived_price_to_sales	8.48486706144525
root.score_inputs.observed_metrics.analyst_ratings.strong_buy	5
root.score_inputs.observed_metrics.analyst_ratings.buy	25
root.score_inputs.observed_metrics.analyst_ratings.hold	16
root.score_inputs.observed_metrics.analyst_ratings.sell	1
root.score_inputs.observed_metrics.analyst_ratings.strong_sell	1
root.score_inputs.observed_metrics.ownership_change_shares	-609843
root.score_inputs.factor_scores.business_quality.weight_points	25
root.score_inputs.factor_scores.business_quality.raw_score_out_of_10	8.6
root.score_inputs.factor_scores.business_quality.weighted_points	21.5
root.score_inputs.factor_scores.business_quality.rationale	Apple still posts elite profitability, record revenue lines, and unusually large operating cash flow.
root.score_inputs.factor_scores.growth_and_cash_flow.weight_points	20
root.score_inputs.factor_scores.growth_and_cash_flow.raw_score_out_of_10	7.5
root.score_inputs.factor_scores.growth_and_cash_flow.weighted_points	15

Assumptions (cont.)

Path	Value
root.score_inputs.factor_scores.growth_and_cash_flow.rationale	Q1 strength, Services momentum, and China recovery support growth, though hardware concentration remains meaningful.
root.score_inputs.factor_scores.valuation.weight_points	20
root.score_inputs.factor_scores.valuation.raw_score_out_of_10	2.25
root.score_inputs.factor_scores.valuation.weighted_points	4.5
root.score_inputs.factor_scores.valuation.rationale	Around 33x earnings and 37x free cash flow, valuation already embeds a lot of resilience.
root.score_inputs.factor_scores.balance_sheet_and_capital_return.weight_points	10
root.score_inputs.factor_scores.balance_sheet_and_capital_return.raw_score_out_of_10	6.25
root.score_inputs.factor_scores.balance_sheet_and_capital_return.weighted_points	6.25
root.score_inputs.factor_scores.balance_sheet_and_capital_return.rationale	Cash plus marketable securities remain deep and capital return is still very large, even with debt outstanding.
root.score_inputs.factor_scores.technical.weight_points	10
root.score_inputs.factor_scores.technical.raw_score_out_of_10	4
root.score_inputs.factor_scores.technical.weighted_points	4
root.score_inputs.factor_scores.technical.rationale	The stock is off the lows but still well below the 52-week high, and the latest tape should be treated cautiously due to feed noise.
root.score_inputs.factor_scores.catalysts_and_regulatory.weight_points	15
root.score_inputs.factor_scores.catalysts_and_regulatory.raw_score_out_of_10	5.15
root.score_inputs.factor_scores.catalysts_and_regulatory.weighted_points	7.725
root.score_inputs.factor_scores.catalysts_and_regulatory.rationale	Catalysts exist around China and AI, but regulation and App Store remedies keep the setup two-sided.
root.score_inputs.top_positive_drivers[0]	Record Q1 FY2026 execution in revenue, EPS, iPhone revenue, and Services revenue.
root.score_inputs.top_positive_drivers[1]	Early-2026 China smartphone sell-through improved while the broader local market weakened.
root.score_inputs.top_positive_drivers[2]	Very large cash generation and continuing capital return.
root.score_inputs.top_negative_drivers[0]	Premium valuation leaves little room for disappointment.

Assumptions (cont.)

Path	Value
root.score_inputs.top_negative_drivers[1]	App Store regulation and litigation can directly erode ecosystem economics.
root.score_inputs.top_negative_drivers[2]	AI execution now depends partly on partner models and delayed Siri delivery.
root.factor_weights.business_quality	25
root.factor_weights.growth_and_cash_flow	20
root.factor_weights.valuation	20
root.factor_weights.balance_sheet_and_capital_return	10
root.factor_weights.technicals	10
root.factor_weights.catalysts_and_regulatory	15
root.uncertainty_flags[0].flag	alpha_vantage_rate_limit
root.uncertainty_flags[0].status	active
root.uncertainty_flags[0].detail	The comprehensive quote request returned an Alpha Vantage rate-limit error, though quote fields still resolved from other providers.
root.uncertainty_flags[1].flag	yfinance_fundamentals_401
root.uncertainty_flags[1].status	active
root.uncertainty_flags[1].detail	Comprehensive fundamentals retrieval reported a yfinance 401, so core fundamental fields rely primarily on Finnhub plus SEC and Apple disclosures.
root.uncertainty_flags[2].flag	intraday_quote_noise
root.uncertainty_flags[2].status	active
root.uncertainty_flags[2].detail	The latest merged quote showed an unusually large positive daily move, so technical interpretation is lower confidence than the underlying operating data.
root.uncertainty_flags[3].flag	portfolio_context_missing
root.uncertainty_flags[3].status	active
root.uncertainty_flags[3].detail	Portfolio fit was not evaluated because holdings, benchmark, and mandate were not provided.
root.uncertainty_flags[4].flag	source_gap_transcript_and_ownership
root.uncertainty_flags[4].status	active
root.uncertainty_flags[4].detail	The Q1 earnings call transcript and recent 13D/13G changes were not retrieved, limiting confidence in tone-change and ownership-flow conclusions.
root.uncertainty_flags[5].flag	valuation_model_simplification
root.uncertainty_flags[5].status	active

Assumptions (cont.)

Path	Value
root.uncertainty_flags[5].detail	Scenario valuation uses a simplified probability-weighted framework rather than a full DCF or segment-by-segment model.
root.monitoring_triggers[0].item	Services growth
root.monitoring_triggers[0].current_state	Q1 Services revenue set a record at \$30.01B
root.monitoring_triggers[0].trigger	Growth slows below 10%
root.monitoring_triggers[0].why_it_matters	Services is the cleanest support for Apple's premium valuation
root.monitoring_triggers[1].item	Greater China demand
root.monitoring_triggers[1].current_state	Q1 Greater China revenue rebounded to \$25.53B
root.monitoring_triggers[1].trigger	Regional revenue falls back below about \$23B or channel checks weaken materially
root.monitoring_triggers[1].why_it_matters	China is the key swing factor in near-term sentiment
root.monitoring_triggers[2].item	Gross margin
root.monitoring_triggers[2].current_state	TTM gross margin is 47.33%
root.monitoring_triggers[2].trigger	Gross margin trends toward or below 46%
root.monitoring_triggers[2].why_it_matters	Cost inflation and regulatory pressure would likely show up here first
root.monitoring_triggers[3].item	AI roadmap
root.monitoring_triggers[3].current_state	Apple is relying on Gemini for the revamped Siri roadmap
root.monitoring_triggers[3].trigger	Another meaningful Siri delay or weak usage response
root.monitoring_triggers[3].why_it_matters	AI execution now matters to the multiple, not just the product story
root.market_implied_expectations.summary	The current valuation implies the market expects Apple to preserve high margins, keep Services growing, and manage regulation without a structural reset to ecosystem economics.
root.market_implied_expectations.observable_expectations[0]	China recovery holds through at least the next quarter
root.market_implied_expectations.observable_expectations[1]	Services remains a high-quality growth line
root.market_implied_expectations.observable_expectations[2]	AI partnerships improve user engagement without reducing control
root.market_implied_expectations.guesswork_heavy_expectations[0]	The exact earnings contribution from Apple Intelligence and Gemini-backed Siri
root.market_implied_expectations.guesswork_heavy_expectations[1]	The long-run earnings impact of future fee remedies across regions

Assumptions (cont.)

Path	Value
root.red_team_checks[0]	Assume App Store economics are worth less than investors think and ask whether hardware alone deserves the current multiple.
root.red_team_checks[1]	Assume AI distribution without proprietary differentiation fails to improve willingness to pay.
root.red_team_checks[2]	Assume China recovery is subsidy-driven and temporary rather than structural.
root.source_map[0].source_class	10-K
root.source_map[0].specific_item	Apple Form 10-K for fiscal year ended 2025-09-27
root.source_map[0].date	2025-10-31
root.source_map[0].status	retrieved
root.source_map[0].basis	regulator-filed
root.source_map[0].confidence	high
root.source_map[0].notes	Used for business model, competitive context, and risk framing.
root.source_map[1].source_class	10-Q
root.source_map[1].specific_item	Apple Form 10-Q for quarter ended 2025-12-27
root.source_map[1].date	2026-01-30
root.source_map[1].status	retrieved
root.source_map[1].basis	regulator-filed
root.source_map[1].confidence	high
root.source_map[1].notes	Used for Q1 financial detail, balance sheet, and geography/category mix.
root.source_map[2].source_class	8-K / earnings release
root.source_map[2].specific_item	Apple Q1 2026 earnings release
root.source_map[2].date	2026-01-29
root.source_map[2].status	retrieved
root.source_map[2].basis	company-stated
root.source_map[2].confidence	high
root.source_map[2].notes	Used for installed-base and management commentary.
root.source_map[3].source_class	proxy statement
root.source_map[3].specific_item	Apple 2026 DEF 14A
root.source_map[3].date	2026-01-08
root.source_map[3].status	retrieved

Assumptions (cont.)

Path	Value
root.source_map[3].basis	regulator-filed
root.source_map[3].confidence	high
root.source_map[3].notes	Used for governance and capital-return summary.
root.source_map[4].source_class	Forms 3/4/5 / insider
root.source_map[4].specific_item	Finnhub insider transactions feed
root.source_map[4].date	2026-03-24
root.source_map[4].status	retrieved
root.source_map[4].basis	market-data
root.source_map[4].confidence	medium
root.source_map[4].notes	Ownership change available, but not every transaction was independently reviewed from SEC forms.
root.source_map[5].source_class	13D/13G
root.source_map[5].specific_item	Recent beneficial ownership changes
root.source_map[5].date	2026-03-24
root.source_map[5].status	not retrieved
root.source_map[5].basis	regulator-filed
root.source_map[5].confidence	low
root.source_map[5].notes	Only a stale 2019 Schedule 13G was surfaced in the quick filing filter; recent changes remain unknown.
root.source_map[6].source_class	earnings call transcript
root.source_map[6].specific_item	Q1 2026 earnings call transcript
root.source_map[6].date	2026-03-24
root.source_map[6].status	not retrieved
root.source_map[6].basis	company-stated
root.source_map[6].confidence	low
root.source_map[6].notes	Tone and Q&A analysis are therefore limited.
root.source_map[7].source_class	news context
root.source_map[7].specific_item	Reuters coverage on AI, China, regulation, and cost structure
root.source_map[7].date	2026-01-12 to 2026-03-19
root.source_map[7].status	retrieved
root.source_map[7].basis	analyst-inferred
root.source_map[7].confidence	medium

Assumptions (cont.)

Path	Value
root.source_map[7].notes	Used only for qualitative context, not for numeric financial metrics.
root.known_unknowns[0]	The exact financial impact of the China App Store fee concession is unknown.
root.known_unknowns[1]	The timing and economic payoff of the Gemini-backed Siri rollout remain uncertain.
root.known_unknowns[2]	Recent 13D/13G ownership changes were not validated in this run.
root.evidence_labels.observed	Directly reported by finance providers, Apple disclosures, SEC filings, or Reuters reporting
root.evidence_labels.inferred	Analytical conclusion derived from observed data
root.evidence_labels.management_claimed	Claim made in Apple's earnings release or proxy materials
root.evidence_labels.market_implied	Expectation backed out from valuation or price behavior
root.evidence_labels.needs_verification	Could not be directly validated in the current run