

Apple becomes 1st US company to reach \$3 tn valuation

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Apple became the first US company to hit a \$3 trillion valuation.

Apple became the first US company to hit \$3 trillion in market value, briefly reaching the landmark on Monday in the latest demonstration of the tech industry's pandemic surge.

The iPhone maker scaled the record level near 1845 GMT, reaching \$182.88 a share before slipping back slightly.

The tech giant also was the first US company to hit \$2 trillion in August 2020, during the COVID-19 pandemic that stoked demand for personal electronics and digital services, such as Apple's streaming and smartphone app store.

And it likewise was the first American firm to overtake \$1 trillion in August 2018.

The surge marks the latest accomplishment for Tim Cook, who became chief executive of the Cupertino, California giant in 2011 shortly before the death of the company's visionary cofounder, Steve Jobs.

While the top tier of US stock markets are dominated by Silicon Valley companies, Microsoft is the only other American company worth more than \$2 trillion.

In October, Apple reported net income of \$20.5 billion on revenue of \$83.4 billion, a record high for the quarter ending in September.

The company's fiscal 2021 revenues were \$365.8 billion, more than triple the level of a decade ago.

But as with many other tech giants, Apple has seen pressures in recent months due to supply chain problems, including a global shortage of semiconductors and COVID-related manufacturing disruptions in Southeast Asia.

Apple shares tumbled following that October earnings report, but rallied thereafter, winning nearly 20 percent in the final two months of 2021.

Some 45 years after its establishment that helped make personal computers a mainstream profit, Apple's revenues today are mostly closely tied to the iPhone, which was first unveiled in 2007.

But increasingly smartphones are also crucial gateways to services revenue, an increasingly pivotal component of Apple's prowess. Revenues for services, which includes the Apple TV streaming product and the Apple Pay services have tripled over the last five years.

This business has taken off under Cook, who initially faced questions about his ability to navigate and create the technology frontier as ably as the charismatic Jobs.

But Cook has won over Wall Street with clear communication and effective execution as he has helped build new business, including wearables, which accounted for more than \$38 billion in sales last year.

Antitrust questions

Like other Big Tech honchos, the Apple CEO has parried lawmakers on Capitol Hill.

While Apple's image has arguably emerged less bruised than some Big Tech names, it is hardly free of controversy.

The tech giant has clashed in court with Fortnite creator Epic Games, which has sought break Apple's grip on the App Store, accusing the iPhone maker of operating a monopoly in its shop for digital goods or services.

A federal judge in November ordered Apple to loosen control of its App Store payment options, but said Epic had failed to prove that antitrust violations had taken place.

Apple has also recently sparred with regulators in Europe.

In November, Italy's competition watchdog imposed fines totaling over 200 million euros (\$225 million) on Amazon and Apple, saying a 2018 deal between the two giants had "barred official and unofficial resellers of Apple and Beats products from using Amazon.it, allowing the sale of those products in that marketplace only to Amazon and to selected parties in a discriminatory manner".

Apple shares finished up 2.5 percent at \$182.01.

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