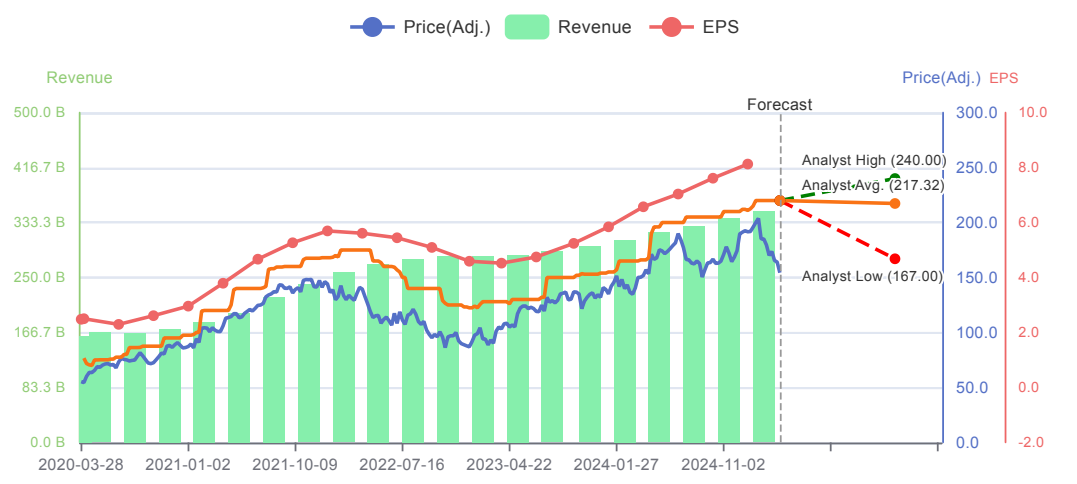


Key Indicators:		Date: Apr 3, 2025			
Stock Price	\$157.0	EPS Actual	8.04	Beta (5Y)	1.03
Upside	+\$14.8	EPS Estimate	9.01	Revenue	350.0B
Fair Value	\$171.8	EPS Revisions (90d)	↑ 7 ↓ 15	Revenue Forecast	389.7B
52-Week Range	\$146.9 - \$206.8	PEG Ratio	0.50	1-Year Change	1.85%
Market Cap	1.9T	FCF Yield	3.78	Div Yield	0.51%
P/E Ratio	19.2	EV / EBITDA	14.0	Div. Growth Streak	1 year
P/E (Fwd.)	17.5	Book / Share	26.6	Next Earnings	2025-04-29

5-Year Chart



Financial Health

7.0/10
Growth Rating

8.8/10
Profitability Rating

7.3/10
Cash Flow Rating

Financial health is determined by ranking the company on over 100 indicators compared to other companies in its sector that operate in similar economic markets.

Executive Summary

Alphabet Inc., the parent company of Google, dominates the global digital landscape with its search engine, advertising platform, and diverse technology services, processing over **5 trillion search queries annually** as of January 2025. The company maintains an exceptional financial position, demonstrated by its **13.87% revenue growth** and impressive **58.2% gross profit margin**. Google's core services continue to deliver robust performance, with YouTube revenue growing 14% in Q4 2024, while Google Cloud has shown significant momentum with a 28% revenue increase. The company's financial health is rated as "GREAT" by InvestingPro, supported by strong cash reserves that exceed debt obligations and consistent profitability.

In the innovation sphere, Alphabet is making substantial strides in artificial intelligence, recently launching an *experimental AI-only search mode* for premium subscribers, powered by their advanced Gemini 2.0 model. The company's diverse portfolio encompasses successful products across search, cloud computing, video streaming, and emerging technologies, though they face some capacity constraints for AI workloads in their cloud platform.

However, Alphabet faces notable challenges, including intense regulatory scrutiny and potential antitrust actions. The U.S. Department of Justice's updated final remedy list presents significant challenges for Google's search business, and the company is actively lobbying against potential breakup measures, citing national security concerns. Additionally, the company's heavy dependence on advertising revenue exposes it to economic uncertainties and market fluctuations.

Recent developments showcase Alphabet's strategic positioning, with the company introducing AI-generated summaries in search results across over 100 countries and monetizing these features through advertisements. The acquisition of Wiz aims to enhance cloud security offerings, while the company continues to navigate regulatory challenges through high-level governmental engagement. Despite these headwinds, Alphabet maintains its position as a leading technology innovator with strong growth prospects in AI, cloud computing, and digital advertising.

Valuation

Reporting Date	2022	2023	2024	2025	2026
Period Ending	31/12	31/12	31/12	31/12	31/12
Capitalization	1.1T	1.8T	2.3T	1.9T	1.9T
P/E Ratio	17.1	26.3	19.2	17.5	15.6
Div. Yield	0	0	0.42	0.51	-
Capitalization / Revenue	4.06	5.91	5.50	4.94	4.46
EV / Revenue	3.64	5.50	5.19	4.66	4.21
EV / EBITDA	11.0	18.3	14.0	10.5	9.24
EV / FCF	22.5	27.7	31.7	-	-
FCF Yield	5.46	4.42	3.78	-	-
Price / Book	4.51	6.43	5.92	5.92	-

- Forecast

Analyst Projections:

Analyst EPS Forecasts

Period Ending	Average	YoY Growth	Forward P/E	# of Analysts
2024	9.01	11.8%	17.5x	54
2025	10.15	14.0%	15.6x	49
2026	11.3	15.8%	14.0x	25

Latest Ratings

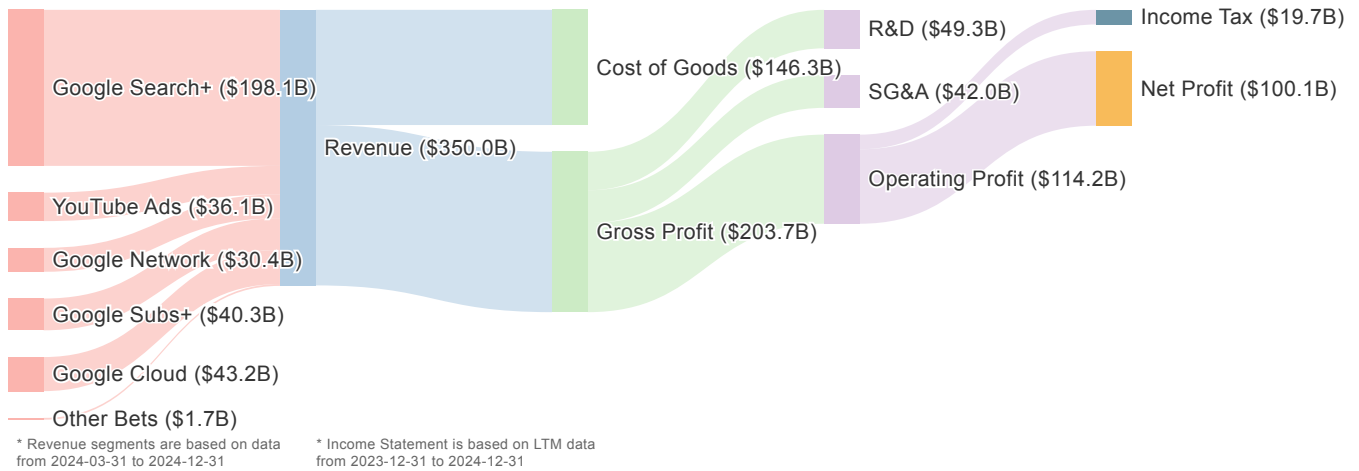
Date	Analyst	Rating	Target
Mar 24, 25	Wedbush	Outperform	\$220.00
Mar 24, 25	Cantor Fitzgerald	Neutral	\$200.00
Mar 19, 25	Truist Securities	Buy	\$220.00
Mar 19, 25	BMO Capital Markets	Outperform	\$230.00
Mar 10, 25	Barclays	Overweight	\$220.00
Feb 5, 25	Cantor Fitzgerald	Neutral	\$200.00
Feb 5, 25	BMO Capital Markets	Outperform	\$230.00
Feb 5, 25	RBC Capital Markets	Outperform	\$235.00
Feb 5, 25	Barclays	Overweight	\$220.00
Feb 5, 25	KeyBanc	Overweight	\$220.00

EPS Revisions Q1 2025



The chart above depicts the trend in analyst earnings per share (EPS) forecasts for the upcoming quarter. Analysts have increased this quarter's expectations by 11.1% for EPS from \$1.92 per share to \$2.13 per share over the last 12 months. The company is expected to report earnings for Q1, 2025, on April 29, 2025.

Y LTM Financials:



Income Statement

Date	2021	2022	2022	2024	LTM
Revenue	257,637	282,836	307,394	350,018	350,018
Operating Income	78,714	74,842	84,293	114,186	114,186
Net Income to Stockholders	76,033	59,972	73,795	100,118	100,118
Shares Outstanding	13,275	12,943	12,516	12,241	12,190
Diluted EPS	5.61	4.56	5.80	8.04	8.04
EBITDA	88,987	88,317	96,239	129,497	129,497

Balance Sheet

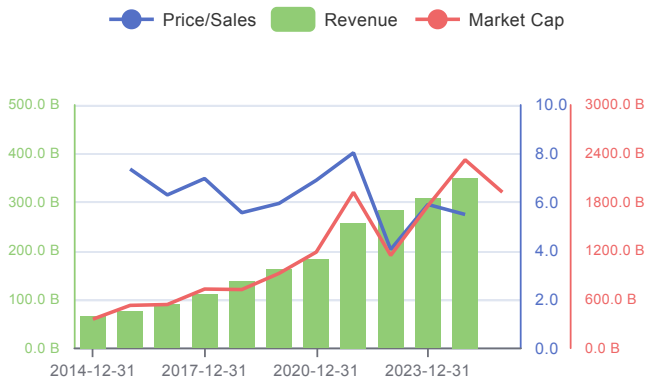
Date	2021	2022	2022	2024	LTM
Total Current Assets	188,143	164,795	171,530	163,711	163,711
Total Assets	359,268	365,264	402,392	450,256	450,256
Total Current Liabilities	64,254	69,300	81,814	89,122	89,122
Total Liabilities	107,633	109,120	119,013	125,172	125,172
Total Equity	251,635	256,144	283,379	325,084	325,084
Total Debt	28,508	29,977	29,787	28,137	28,137

Cash Flow Statement

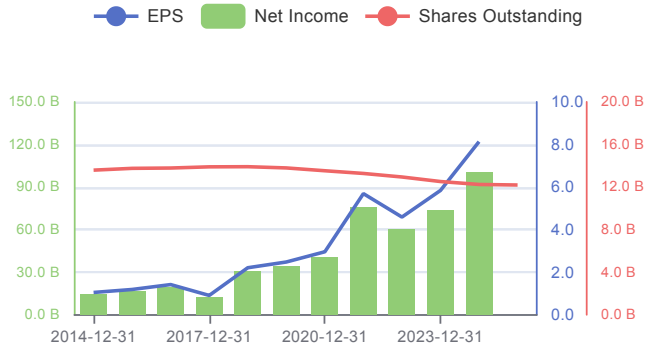
Date	2021	2022	2022	2024	LTM
Cash from Operations	91,652	91,495	101,746	125,299	125,299
Cash from Investing	-35,523	-20,298	-27,063	-45,536	-45,536
Cash from Financing	-61,362	-69,757	-72,093	-79,733	-79,733
Levered Free Cash Flow	67,012	60,010	69,495	72,764	72,764

*In millions, except number of shares, which are reflected in thousands, and per share amounts.

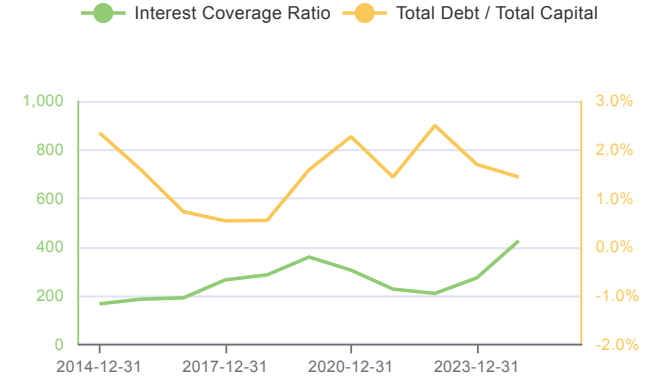
Revenue, Market Cap, Price/sales



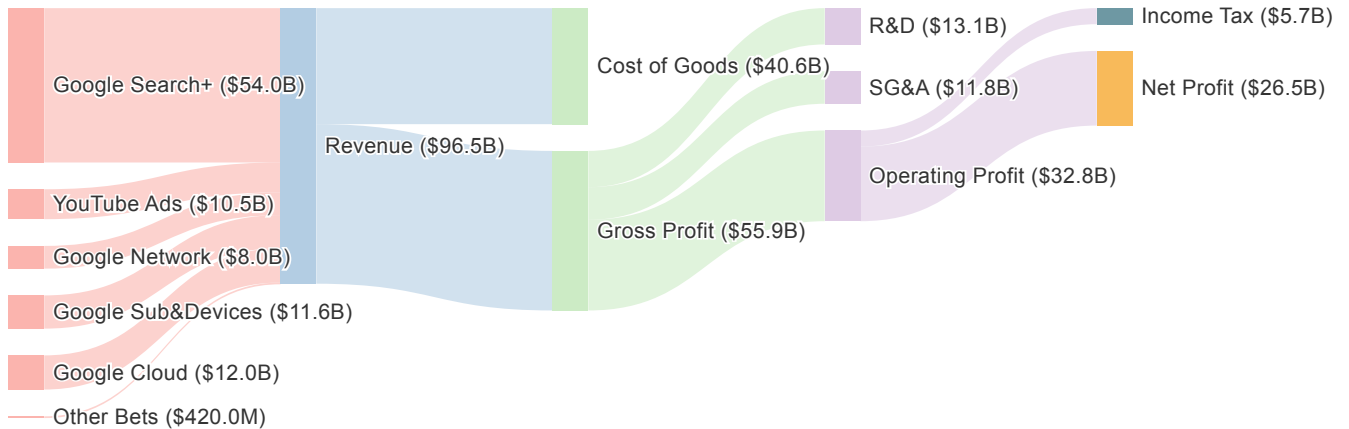
Net Income, EPS, Shares



Leverage and Debt



Q3 Financials



* Revenue segments are based on data from 2024-12-31 * Income Statement is based on LTM data from 2024-12-31

Income Statement

Date	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Revenue	86,310	80,539	84,742	88,268	96,469
Operating Income	23,697	26,188	27,425	28,521	32,768
Net Income to Stockholders	20,687	23,662	23,619	26,301	26,536
Shares Outstanding	12,516	12,433	12,358	12,310	12,241
Diluted EPS	1.64	1.89	1.89	2.12	2.15
EBITDA	27,013	29,601	31,133	32,506	36,973

Balance Sheet

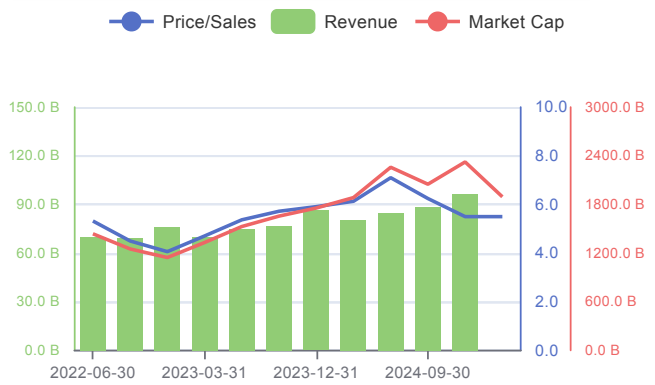
Date	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Total Current Assets	171,530	165,471	161,995	157,541	163,711
Total Assets	402,392	407,350	414,770	430,266	450,256
Total Current Liabilities	81,814	76,997	77,913	80,803	89,122
Total Liabilities	119,013	114,506	114,017	116,147	125,172
Total Equity	283,379	292,844	300,753	314,119	325,084
Total Debt	29,787	28,376	28,719	29,289	28,137

Cash Flow Statement

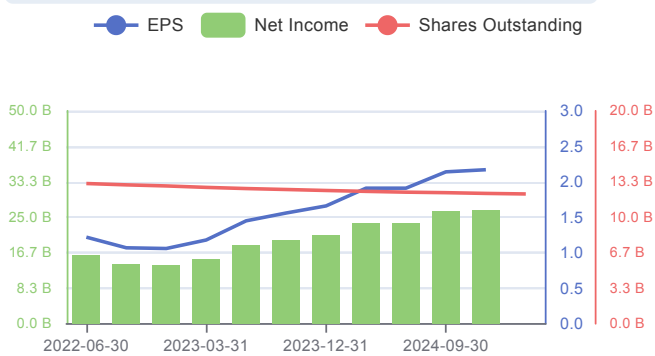
Date	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Cash from Operations	18,915	28,848	26,640	30,698	39,113
Cash from Investing	-6,167	-8,564	-2,781	-18,011	-16,180
Cash from Financing	-19,308	-19,714	-20,889	-20,094	-19,036
Levered Free Cash Flow	7,896	16,836	13,454	17,637	24,837

*In millions, except number of shares, which are reflected in thousands, and per share amounts.

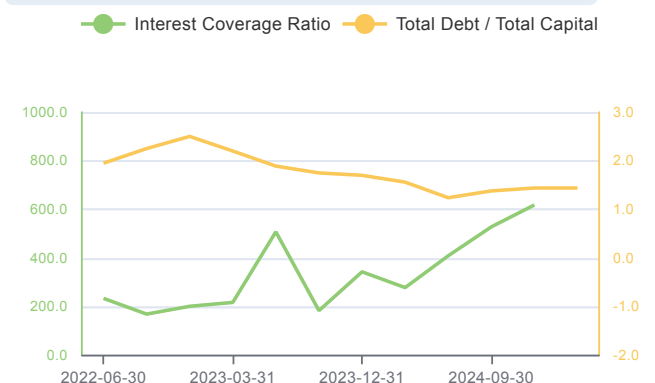
Revenue, Market Cap, Price/sales



Net Income, EPS, Shares



Leverage and Debt



Latest Wall Street Insights

Bull Case

- Google's AI advancements could drive growth across various business segments, improving search relevance, YouTube recommendations, and cloud computing offerings.
- Integration of more advanced AI models like Gemini 2.0 could increase user engagement and ad effectiveness in search, maintaining market dominance.
- AI-powered content recommendations and ad targeting on YouTube could enhance user experience and advertiser ROI, leading to increased ad spending.
- Google's AI capabilities could differentiate its cloud offerings, attracting more enterprise customers and driving higher-margin service adoption.
- AI advancements could lead to breakthrough products in emerging fields such as autonomous vehicles and quantum computing, potentially opening new revenue streams.
- The Wiz acquisition positions Google to significantly enhance its cloud security capabilities, addressing a critical need in the cloud computing market.
- Enhanced security offerings could increase customer retention and drive higher-margin service adoption within Google's existing cloud customer base.
- The Wiz acquisition brings valuable talent and intellectual property in cloud security, potentially fueling further innovation and product development.

Bear Case

- Ongoing antitrust investigations and potential regulatory actions pose significant risks to Google's dominant position in the search market.
- Strict limitations on Google's ability to leverage its search engine for advertising could negatively impact the company's primary revenue stream.
- Forced changes to Google's search algorithms or advertising practices could create opportunities for competitors to gain market share.
- Substantial increase in capital expenditures, particularly the \$75 billion guidance for 2025, raises concerns about short-term profitability and return on investment.
- High costs associated with developing and deploying cutting-edge AI technologies could pressure Alphabet's margins, especially if revenue growth doesn't keep pace with expenses.
- Rapid pace of technological change in the AI field means that significant investments could become obsolete more quickly than expected.
- Uncertainty surrounding legal challenges may affect investor confidence and potentially lead to reduced market valuation.

Additional Analyst Takeaways

- AI-powered search features, such as AI Overviews, are monetizing at similar rates to traditional search results.
- Google's Shopping Daily Active Users (DAUs) increased by 13% year-over-year in Q4 2024.
- YouTube's revenue growth is driven by improvements in Shorts monetization and AI-powered advertising solutions.
- Google Cloud Platform has experienced strong growth, with several deals over \$1 billion and a doubling of deals over \$250 million year-over-year.
- Alphabet has increased its capital expenditure guidance for 2025 to \$75 billion, nearly 30% above previous Street expectations.
- Q4 2024 results met consensus expectations for overall revenue, with operating income exceeding projections by 2%.
- Estimated revenues for FY2025 range from \$385 billion to \$395 billion, with EPS projections between \$8.91 and \$10.64.
- According to InvestingPro's Fair Value analysis, the stock is currently trading near its fair value.
- Analyst targets range from \$184 to \$240 per share.
- The Wiz acquisition, while considered expensive by some analysts, is viewed as a strategic necessity to compete effectively against major cloud providers.

SWOT Analysis

Strengths

- Dominant position in search and digital advertising
- Strong AI research and development capabilities
- Robust financial performance and cash reserves
- Diverse portfolio of successful products and services
- Extensive user data and advanced analytics capabilities
- Market capitalization of \$2.04 trillion
- "GREAT" financial health rating according to InvestingPro
- Processing over 5 trillion search queries on an annualized basis as of January 2025
- YouTube's revenue grew by 14% in Q4 2024
- 13.87% revenue growth and 58.2% gross profit margin

Weaknesses

- Dependence on advertising revenue
- Regulatory scrutiny and antitrust concerns
- Lagging behind in some cloud market segments
- High capital expenditure requirements for AI and infrastructure
- Challenges in cloud revenue growth
- Capacity constraints for AI workloads in Google Cloud Platform
- Sense of urgency in AI development may not be keeping pace with the broader field

Opportunities










- Expansion of AI-powered products and services
- Growth in cloud computing market share
- Potential for new revenue streams from emerging technologies
- Increasing demand for digital advertising and e-commerce solutions
- Advancements in quantum computing and autonomous vehicles
- Integration of Gemini 2.0 into AI Overviews in 2025 to improve complex query handling
- Acquisition of Wiz to enhance cloud security offerings
- Shift of advertising budgets from linear TV to digital platforms



Threats

- Intense competition in AI and cloud markets
- Potential disruption from new search technologies
- Regulatory actions that could limit business practices
- Rapid technological changes requiring continuous innovation
- Economic uncertainties affecting advertising spending
- U.S. Department of Justice's updated final remedy list presenting significant challenges for Google's search business
- Foreign exchange headwinds

Pro Tips

Tips that distill complex financial data into concise, actionable investment insights.

-  Holds more cash than debt on its balance sheet
-  Trading at a low P/E ratio relative to near-term earnings growth
-  Prominent player in the Interactive Media & Services industry
-  Cash flows can sufficiently cover interest payments
-  Liquid assets exceed short term obligations
-  Analysts predict the company will be profitable this year
-  Profitable over the last twelve months
-  High return over the last decade
-  Strong return over the last five years

-  Trading at a high revenue valuation multiple
-  Trading at a high Price / Book multiple

Momentum & Technical Indicators

Price Momentum			
Metric	GOOGL	Percentile	Score
Price % of 52 Week High	75.9%	57.1%	2.9
1 Month Price Total Return	-7.7%	28.0%	1.4
1 Week Price Total Return	-4.9%	27.4%	1.4
1 Year Price Total Return	2.1%	57.6%	2.9
2 Week Price Total Return	-4.2%	29.8%	1.5
2 Year Price Total Return	52.1%	86.1%	4.3
3 Month Price Total Return	-17.0%	20.2%	1.0
3 Week Price Total Return	-6.0%	23.1%	1.2
3 Year Price Total Return	12.6%	74.3%	3.7
4 Year Price Total Return	48.2%	85.2%	4.3
5 Year Price Total Return	182.5%	89.2%	4.5
6 Month Price Total Return	-5.1%	44.1%	2.2

Peers	
SSTK	MTCH
40.7%	81.5%
-14.3%	-0.8%
-2.2%	-1.1%
-56.8%	-10.1%
-7.4%	0.1%
-73.3%	-17.5%
-36.8%	-2.9%
-8.3%	2.4%
-78.9%	-71.0%
-78.2%	-77.8%
-37.0%	-70.0%
-42.2%	-15.5%

Technical Summary

Strong Sell

Moving Averages

Strong Sell

Technical Indicators

Strong Sell

The Moving Average Score is based on various moving averages, both simple and exponential, with ranges from 5 to 200.

The Technical Score is calculated based on key technical indicators, including RSI, Stochastic, MACD, Williams %R, CCI, ATR, Highs/Lows, Ultimate Oscillator, ROC, and Bull/Bear Power, among others.

Peer Benchmarks:

Market and Yield Metrics

Metric	GOOGL	SSTK	MTCH
Market Cap	1.9T	\$632.6M	\$7.9B
Price % of 52 Week High	75.8%	39.3%	81.0%
Div Yield	0.51%	7.28%	2.43%
Beta	1.03	1.12	1.44
1 Year Return	1.85%	-56.2%	-11.5%

Growth Metrics

Metric	GOOGL	SSTK	MTCH
Revenue Growth	13.9%	6.94%	3.41%
Revenue CAGR (5y)	16.7%	7.53%	11.1%
Net Income Growth	35.7%	-67.4%	-15.4%
Net Income CAGR (5y)	23.9%	12.3%	3.97%
Revenue Forecast CAGR (5y)	11.0%	5.96%	4.91%
Net Income Forecast CAGR (5y)	11.8%	44.9%	44.9%

Financial Statement Metrics

Metric	GOOGL	SSTK	MTCH
Revenue	\$350.0B	\$935.3M	\$3.5B
Gross Profit	203.7B	539.0M	2.5B
Operating Income	\$114.2B	\$77.2M	\$853.9M
Gross Profit Margin	58.2	57.6	71.6
Net Income to Common	\$100.1B	\$35.9M	\$551.3M
ROE	32.9	6.87	
ROI	28.8	8.67	
ROA	23.5	3.06	12.3
Total Assets	450.3B	\$1.3B	\$4.5B
Total Debt	28,137	\$310.8M	\$4.0B

Valuation Metrics

Metric	GOOGL	SSTK	MTCH
P/E Ratio (LTM)	19.2	17.6	14.3
PEG Ratio	0.50	-0.26	-1.33
Price / Book	5.92	1.22	-123.8
Price / LTM Sales	5.50	0.68	2.27
Analyst Upside	40.1%	62.3%	11.2%
Fair Value Upside	9.39%	54.7%	34.9%

Earnings Call - Q1 2024

Date: 04/25/24

- Alphabet reported a 14% year-over-year increase in Google Services revenues and a 28% increase in Google Cloud revenues.
- Google Search continues to be a major revenue driver, with a 14% increase in advertising revenues.
- YouTube and Google Cloud are on track to achieve a combined annual run rate of over \$100 billion by the end of 2024.

Bullish Highlights

- AI innovations in advertising, such as smart bidding and broad match capabilities, have shown positive results.
- New products and features in Google Cloud and YouTube have attracted partnerships and increased paid subscribers.
- Performance Max and its asset generation features have been successful in driving advertiser results.
- The company has more cash than debt, providing financial flexibility and security.

Q&A Highlights

- Google plans to pursue organic growth and partnerships to address cloud market challenges and AI transformation.
- Sundar Pichai expressed confidence in Google's ability to improve user experience and transition to new monetization methods.
- Some AI searches can be performed on-device, but many will still require cloud access.
- Early experiments with search improvements have positively impacted user satisfaction and engagement.
- The company is focused on balancing investment in AI innovation with operational efficiency and cost management.

- Operating income increased by 46% to \$25.5 billion, with net income at \$23.7 billion.
- Alphabet announced a new \$70 billion share repurchase authorization and a quarterly dividend of \$0.20 per share.
- Alphabet is making significant investments in AI and technical infrastructure to sustain growth and innovation.

Bearish Highlights

- Alphabet's Other Bets segment reported an operating loss of \$1 billion, despite generating \$495 million in revenues.

Misses

- There were no new developments in sports rights partnerships announced during the call.

Top News, last 60 days:

[Google Launches AI-Only Search Mode for Premium Subscribers](#)

March 05, 2025

- Google introduced an experimental 'AI Mode' search version on 20250305 that replaces traditional blue links with AI-generated summaries.
- The new feature is available exclusively to Google One AI Premium subscribers (\$19.99/month).
- AI Mode is powered by a custom version of Gemini 2.0 model designed for complex queries.
- Google reported \$350 billion in revenue for 2024, primarily from search-related advertising.
- Google began adding advertisements to AI Overviews in May 2024, and currently offers AI summaries in over 100 countries.
- Chegg filed a lawsuit against Google in February 2025, claiming AI previews harm demand for original content.

Importance - 8/10 Neutral

[Google Lobbies Against Breakup, Cites National Security Concerns](#)

March 04, 2025

- Google met with President Trump's administration on 20250304 to discourage efforts to break up the company.
- The company argued that a potential breakup could raise national security concerns.
- U.S. regulators are currently scrutinizing Alphabet's ad tech products and ad-driven search business.
- Neither Google nor the U.S. Department of Justice provided immediate comments when contacted by Reuters.

Importance - 8/10 Neutral

[Google Appeals to Trump Administration Against Company Breakup](#)

March 04, 2025

- Google has appealed to the Trump administration's Justice Department to reconsider its push for breaking up the company, citing national security concerns.
- The appeal came through a meeting last week where Google representatives requested a less aggressive approach to addressing what a judge ruled as an illegal online search monopoly.
- In November, the Biden administration had proposed that Google divest its Chrome browser and end exclusive payment arrangements with companies like Apple.
- Final proposals from both Google and the Department of Justice are expected by the end of this week (March 2025).

Importance - 8/10 Neutral

[DeepSeek Accelerates R2 AI Model Launch Following R1's Market Impact](#)

February 25, 2025

- DeepSeek's R1 AI model triggered a \$1 trillion-plus selloff in global equities markets in January 2025 by offering competitive performance at much lower costs.
- The company is accelerating the launch of its R2 model from early May, with plans to improve coding capabilities and multilanguage reasoning.
- DeepSeek's pricing is estimated 2040 times cheaper than OpenAI's equivalent models according to Bernstein analysts.
- The company leverages approximately 10,000 Nvidia A100 chips acquired before the 2022 U.S. export ban to China.
- At least 13 Chinese city governments and 10 state-owned energy companies have deployed DeepSeek's models, while tech giants Lenovo, Baidu, and Tencent have integrated them into their products.
- The company's success is attributed to cost-effective AI architecture using Mixture of Experts (MoE) and multi-head latent attention (MLA) techniques.

Importance - 8/10 Neutral

[Anthropic Seeks \\$3.5B Funding at \\$61.5B Valuation, Launches New AI Model](#)

February 24, 2025

- AI startup Anthropic is finalizing a \$3.5 billion funding round that would value the company at \$61.5 billion, according to WSJ.
- Investors include Lightspeed Venture Partners, General Catalyst, Bessemer Venture Partners, with Abu Dhabi's MGX in talks.
- Google is reportedly making a fresh investment of over \$1 billion, adding to its existing \$2 billion commitment.
- Anthropic previously received \$4 billion from Amazon and was valued at \$18 billion in a Menlo Ventures-led fundraising.
- On 20250224, Anthropic launched Claude 3.7 Sonnet, an advanced AI model offering faster responses and step-by-step reasoning capabilities.

Importance - 8/10 Positive 📈

[Google Secures \\$2.5B Seven-Year Cloud Deal with Salesforce](#)

February 24, 2025

- Google has secured a \$2.5 billion cloud computing contract with Salesforce, spanning seven years.
- Salesforce, primarily an Amazon cloud services user, will allow its customers to run their customer management software, Agentforce AI assistants, and Data Cloud products on Google Cloud.
- The partnership aims to compete with Microsoft's productivity and AI offerings through combined resources.
- The deal represents a broader trend of tech companies forming alliances to expand AI product offerings.

Importance - 8/10 Positive 📈

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