

Apple shares top \$300 a share for first time

October 13 2010, By BARBARA ORTUTAY , AP Technology Writer

(AP) -- Apple's shares topped \$300 for the first time Wednesday as stellar iPad sales and a planned expansion into China continued to give investors high hopes for the iPhone maker's already healthy prospects.

Shares of [Apple](#) Inc. climbed rose \$2.71 to \$301.25 in midday trading after rising to a record \$301.96 earlier in the session. This gives Apple a [market capitalization](#) of about \$273 billion. On this basis, Apple's shares have long surpassed tech heavyweights such as Microsoft Corp., [Google](#) Inc. and IBM, which also hit an all-time high on Wednesday.

In fact, Apple's market cap is now in third place behind Exxon Mobil Corp. and No. 1 Telecom Brasil SA among every company traded on U.S. stock exchanges. Big-name corporations such as Wal-Mart Stores Inc. and [General Electric](#) Co. don't even come close.

Apple, which reports fiscal fourth-quarter earnings on Monday, has been on a tear lately, with sales of the iPad tablet surpassing expectations. Investors also have high hopes for Apple's push into China, where the iPhone maker is looking to open 25 retail stores next year.

Mounting speculation about a Verizon iPhone as soon as 2011 is also adding to Apple's appeal. Currently, the iPhone is only available from AT&T Inc. in the U.S.

Morgan Keegan analyst Tavis McCourt said the recent \$400 million acquisition of app developer ngmoco by Japan's DeNA Co. is also a huge plus for Apple. Ngmoco is known for the games it makes for the iPhone,

though it also plans to release apps for Android devices soon. Even so, McCourt said the pricey acquisition means even more app developers will flock to Apple's devices, where they have the best chance to make the most money.

Apple's shares have little reason to slow down. Sterne Agee analyst Vijay Rakesh, who has a target price of \$320 on Apple, estimates that shipments of the [iPhone](#) 4 jumped 60 percent to 70 percent from August to September, well ahead of expectations. This would mean 12 million to 15 million of the gadgets shipped, Rakesh said, up from 8.4 million in Apple's fiscal third quarter.

IPad sales are also strong. Apple sold 3.3 million of the popular tablets between April and June, their first quarter in stores. Pacific Crest analyst Andy Hargreaves, who has a \$330 target price on Apple, estimated in a recent research note that Apple sold nearly 4.9 million iPads in the fourth quarter. This should help the company report what Hargreaves called "incredibly good (quarterly) results by any normal standard" on Monday.

Even so, he thinks supply - and not demand - constraints early in the quarter will prevent Apple from beating expectations by as much as it has in many quarters over the past few years.

Elsewhere in tech, shares of [Microsoft](#) climbed 36 cents to \$25.19 and shares of International Business Machines Corp. rose \$1.07 to \$140.92 after topping out at a record high of \$141.48.

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