Apple climbs after share sell-off called 'insane'

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(AP)—Shares of Apple jumped nearly 6 percent Monday, with one analyst calling a two-month sell-off in shares of the world's most valuable company "insanely insane."

After hitting an all-time high of $705.10 on the day the company launched the iPhone 5 in September, Apple's stock slumped into correction, and then into bear territory, down nearly 21 percent.

Topeka Capital Markets analyst Brian White, who sees insanity in the stock plunge, believes that the sell-off is overdone. He cites new "blockbuster" products for the holiday season—including the iPad Mini—as reasons for buying the stock. He thinks Apple could grow its earnings per share at a rate of 20 percent to 30 percent per year over the next five years. That's based on the company's low market share in mobile phones and PCs, "combined with growth opportunities in tablets and new potential areas such as Apple TV."

That said, the U.S.-based company warned late last month that the costs of making new gadgets would cut into profit in its holiday quarter. On the same day, the company fell short of Wall Street expectations for the second quarter in a row—something that hasn't happened in more than a decade.

Monday's increase was on track to become the biggest one-day gain since May 21, when the stock closed up 5.8 percent at $561.30.

Shares of Apple Inc. rose $30.45, or 5.8 percent, to $558.13 in early afternoon trading Monday.

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