

Who could join Apple in Wall Street's \$1 trillion stock club?

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Apple is the reigning king of Wall Street, the newest and only member

of Wall Street's "\$1 Trillion Stock Club."

Who's next?

That's the "\$1,000,000,000,000 Question" stock traders and 401(k) investors are pondering after the iPhone maker on Thursday became the first U.S. publicly traded stock to surpass a market value of \$1 trillion.

Finding companies with the clout, the sales, the killer product and the dominance to grow into a stock with a thirteen-digit market capitalization is all about focusing on the giants, the biggest companies that populate the large-company Standard & Poor's 500 stock index.

Gaining entrance to this club isn't about who you know. It's all about corporate wealth—or how much a company is worth measured in stock value.

Here are three American-born tech giants that could soon be hanging out with Apple in \$1 trillion stock club.

Amazon

(Market value: \$889 billion; 12.5 percent shy of \$1 trillion)

The Jeff Bezos-led juggernaut is not only the king of the retail e-commerce space, with roughly 50% of the total market, according to eMarketer, it is also a lead player in the public cloud computing business via its Amazon Web Services unit. Additionally, Amazon makes lots of money—and is expected to keep growing earnings at a fast clip. In the quarter that ended in June, Amazon reported sales of \$52.9 billion and a profit of \$2.5 billion, the first time its quarterly net income has topped \$2 billion. The company told Wall Street that it expects third-quarter net sales between \$54.0 billion and \$57.5 billion, which equates to year over

year growth of 23 percent to 31 percent. After Amazon's strong second-quarter results, Michael Graham, an analyst at Canaccord Genuity, raised his price target from \$2,000 a share to \$2,100. Achieving that would hurdle Amazon past the \$1 trillion [market value](#) barrier. The bull case of Morgan Stanley analyst Brian Nowak is \$2,800, which would propel Amazon's market capitalization to nearly \$1.4 trillion. Amazon shares closed at \$1,823.29 on Friday.

Alphabet

(Market value: \$851 billion; 17.5 percent shy of \$1 trillion)

Google is the place many people go to conduct internet searches. The world's leading search engine has leveraged that into a massive advertising business that helps Google parent Alphabet ring up huge profits. The company reported sales of \$32.7 billion and a profit of \$3.2 billion in this year's second quarter, and that was after accounting for a \$5.1 billion fine imposed by the European Commission. Alphabet is also sitting on lots of cash— \$102.3 billion as of June 30. The money enables it to buy back its own shares, which makes the company's earnings look even better, as well as invest in itself. The company spent \$5.1 billion in research and development in the second quarter, money that's being put to work in investments such as Waymo, its self-driving car project, artificial intelligence projects and its YouTube video streaming service.

KeyBanc Capital Markets analyst Andy Hargreaves continued to recommend the company's shares in a July 23 note to clients, writing that "Alphabet continues to invest heavily in front of large growth opportunities, while its core ad business continues to churn out impressive growth." Alphabet shares closed at \$1,238.16 on Friday.

Microsoft

(Market value: \$830 billion; 20.5 percent shy of \$1 trillion)

Under CEO Satya Nadella, Microsoft has transformed itself from a so-called "old tech" company to one on the cutting edge of one of the tech industry's fastest-growing businesses: cloud computing. A 23 percent jump in revenue to \$9.6 billion in the quarter ended in June helped drive a 17 percent overall increase in sales to \$30.1 billion. "Our early investments in the intelligent cloud ... are paying off," Nadella said in the company's most recent earnings report. Wall Street analysts remain bullish on the [stock](#), with Oppenheimer's Timothy Horan recently upping his price target to \$120. That would put the shares within striking distance of a \$1 trillion [market](#) cap. "We expect a very strong next few quarters," Horan told clients in a research note. Microsoft shares closed at \$108.04 Friday.

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