

# Apple shares slide after disappointing holiday outlook

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Apple shares took a hit from weaker-than-expected iPhone sales and a disappointing outlook for the holiday season

Apple shares tumbled Friday a day after quarterly results showing strong profits but weaker-than-anticipated iPhone sales and a disappointing

outlook for the key holiday period.

In early Wall Street trade, Apple skidded 5.1 percent to \$210.76, bringing the [market](#) value of the tech giant back near the level of \$1 trillion it topped in August.

The firm said net profit climbed 32 percent to \$14.13 billion on revenue that was up 20 percent to \$62.9 billion with help from growing sales of digital content and services to users and other Apple gadgetry.

However, the market was disappointed that Apple fell short of expectations with sales of 46.9 million iPhones and a forecast for the key holiday season that was not as robust as anticipated.

"Apple will have trouble maintaining its recent valuation bump if the market clearly sees declines in shipments," said analyst Richard Windsor on his Radio Free Mobile blog.

Other analysts said the outlook remains positive for Apple as it diversifies its revenue base with more services such as streaming music and Apple Pay, and moves toward the launch of a video [service](#) that could compete with Netflix.

"Services [revenue](#) continues to increase at pace," said Neil Saunders of the research firm GlobalData.

"We believe this represents a massive forward opportunity for Apple and, as such, welcome the news that the company is looking into streaming video services."

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