

Chart of the Day



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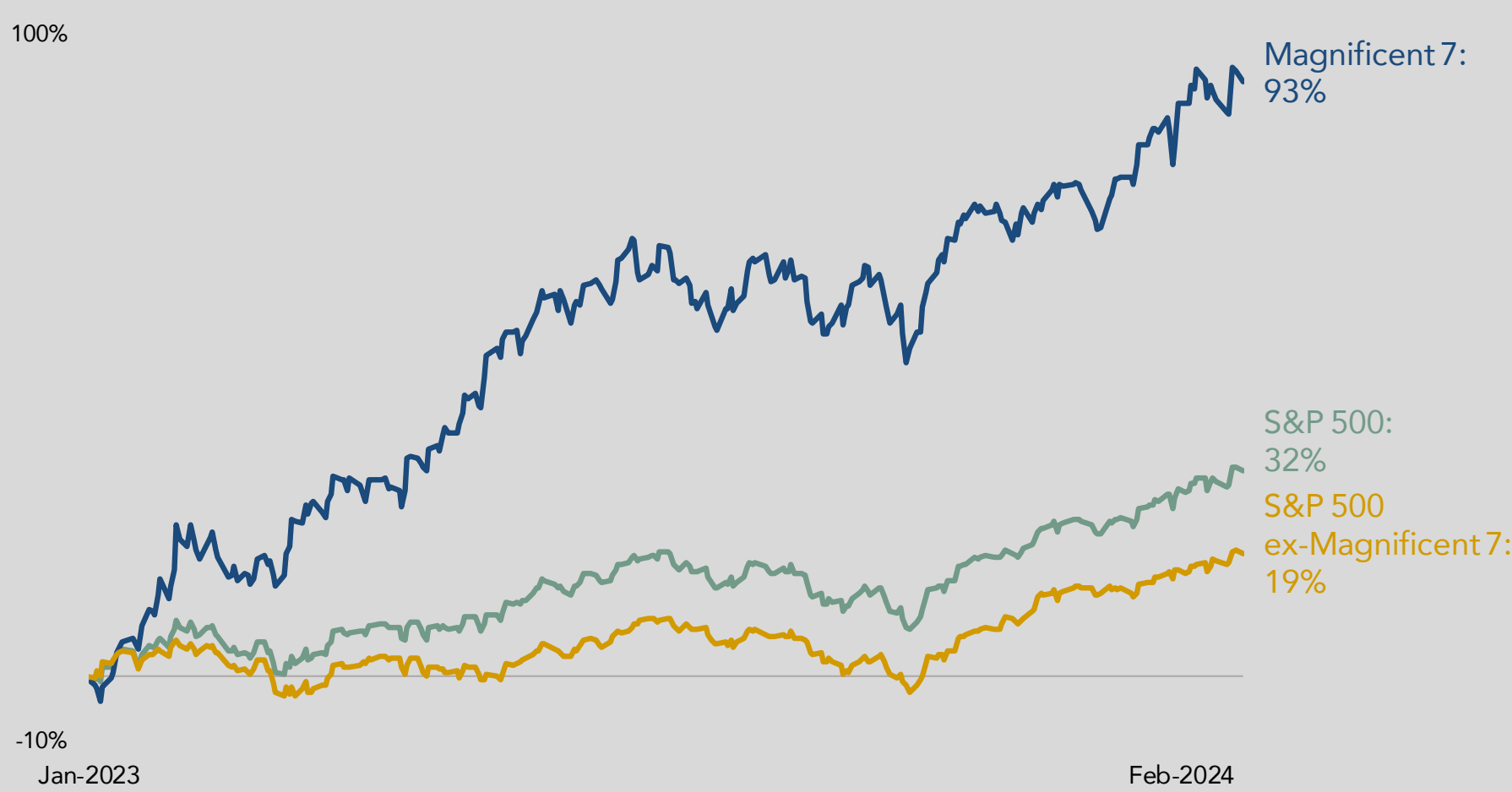
Nvidia, the leading designer of chips powering the AI revolution, took 24 years to reach the \$1 trillion valuation threshold, then just 8 months to reach \$2 trillion, as it did last Friday, Feb 23. Only Microsoft, Apple, and Saudi Aramco have higher valuations. Just one day prior, on Feb 22nd, Nvidia rose \$277 bn in a single day following its record Q4 earnings report, the largest single day stock price increase on record. The increase follows less than a month after Meta set the record in early February with a \$197 bn increase. Nvidia and Meta account for over 20% and 12% of the MSCI World Index performance this year, respectively.

Top 10 biggest single-day market cap gains, USD bn

Date	Firm	Largest single day market cap gains
Feb 22, 2024	Nvidia	\$277.0
Feb 2, 2024	Meta	\$196.8
Nov 10, 2022	Apple	\$190.9
Feb 4, 2022	Amazon	\$190.8
May 25, 2023	Nvidia	\$184.1
Jan 28, 2022	Apple	\$178.9
Jul 31, 2020	Apple	\$169.0
Oct 28, 2022	Apple	\$150.5
Mar 13, 2020	Microsoft	\$150.4
Apr 26, 2023	Microsoft	\$148.3

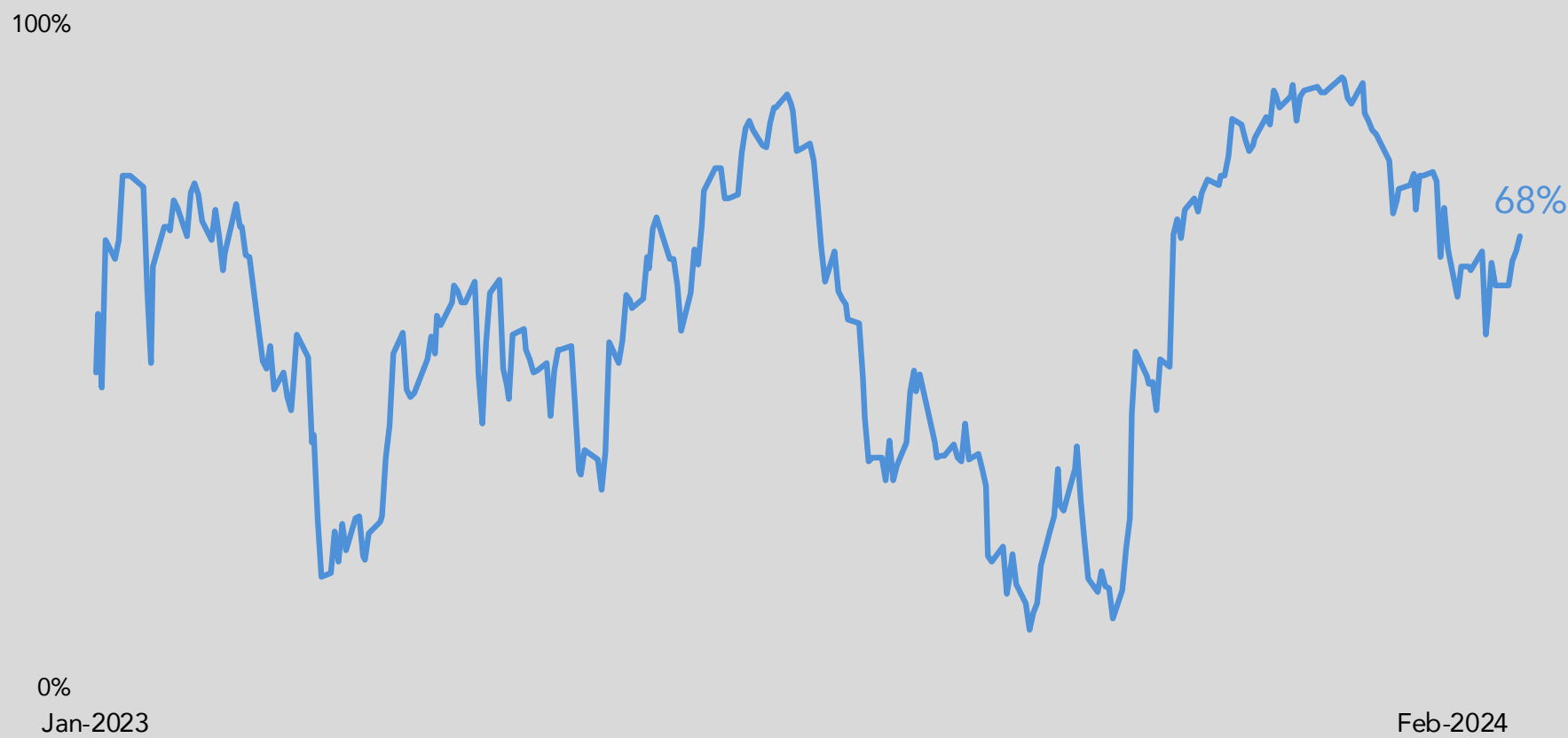
The “Magnificent 7” technology stocks accounted for 45% of S&P 500 performance in January and the top 10 constituents of the index make up 32% of total market capitalization today. This record concentration is six points higher than in the 1990s ahead of the tech bubble. While historical analysis shows us that heavy concentrations tend to mean revert, the current leading stocks have been supported by earnings outperformance.

S&P 500 & Magnificent 7 since January 2023



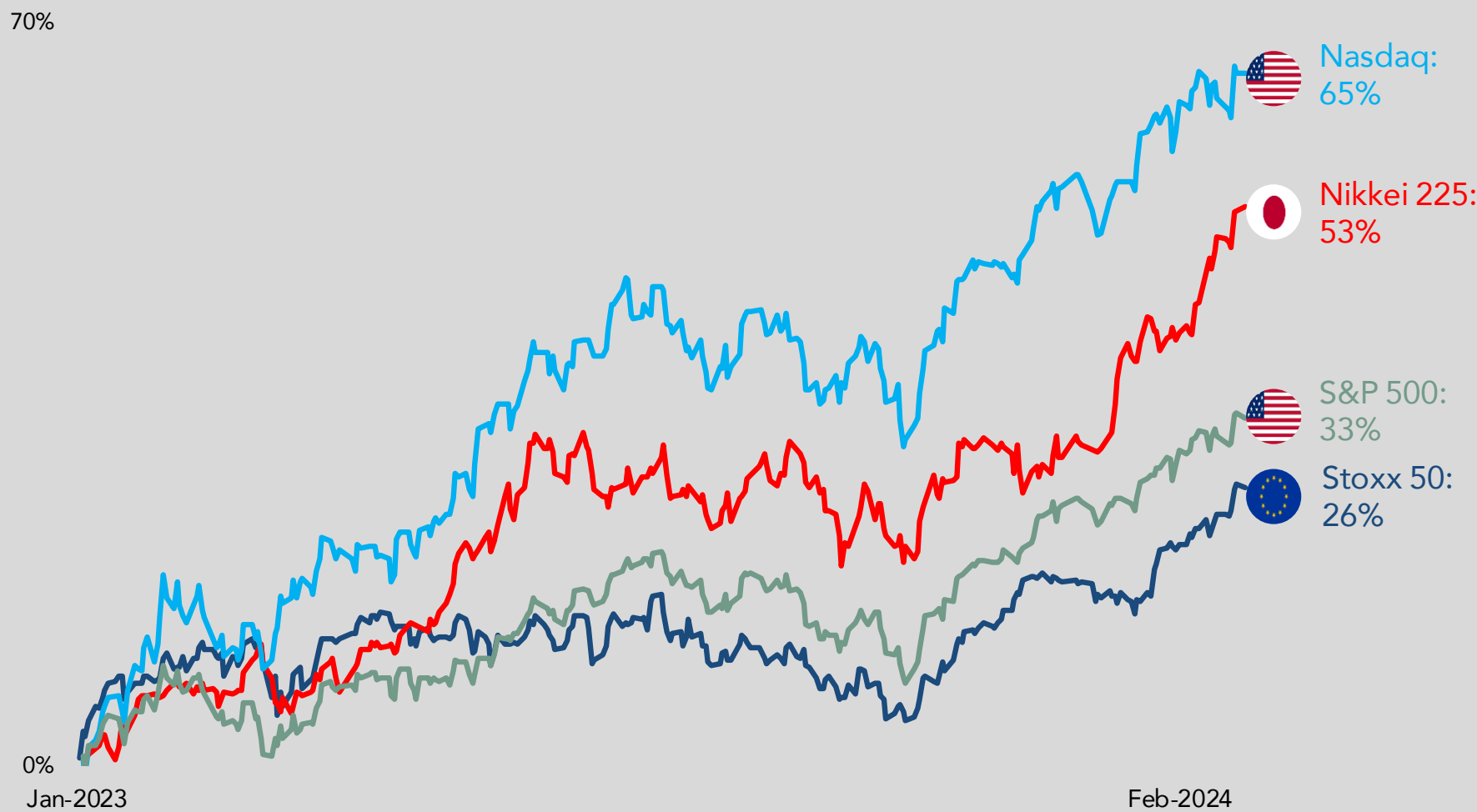
While tech stocks have driven S&P 500 gains since Jan 2023, the equity rally has broadened in 2024, with more than 2/3 of S&P 500 stocks currently trading above their 50 day moving average.

S&P 500 stocks above their 50-day moving average



Technology’s outperformance is driving markets to new highs outside the US as well. In Europe the Stoxx 600 hit a record high with the tech sector responsible for 32% of gains this year. In Japan, the Nikkei 225 has outperformed the S&P 500 since the start of 2023 (in local currency terms) with three of the top five performers semiconductor stocks.

Global equity indices since January 2023



Source: (1) Bloomberg, “Nvidia Tops Meta Record With \$277 Billion Surge in Value”. WSJ “Nvidia Hits \$2 Trillion Valuation on Insatiable AI Chip Demand”. (2-4) Bloomberg, “Europe’s Blue-Chip Index Hits 23-Year High as SAP and ASML Soar”, “Five Charts Show How Every Market is Hanging on AI Craze”. Data as of February 27, 2024. Financial Times, “Past performance suggest S&P 500 has further to go after record high.” Forbes. “The U.S. Equity Market’s Dominance is Tied to Tech and AI’s Evolution.”

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“Macro stability isn’t everything, but without it, you have nothing.”