



Forget the Stock Split: 5 Reasons to Buy Alphabet Stock Now and Never Sell

Description

Alphabet's 20-for-1 stock split is old news. That said, its impact isn't. With the market being bearish for an extended period, people are looking for places to park some cash. Accordingly, **Alphabet** ([NASDAQ:GOOG](#)) continues to be one such safe haven that [growth](#) investors are watching.

Here are five reasons why investors may want to buy Alphabet stock and never sell.

A stock split has made this stock more affordable

Stock splits don't affect the underlying fundamentals of a company. That said, for retail investors, this February stock split does make Alphabet stock a more attractive option. Investors can buy more shares, thereby feeling like they own a larger piece of the company (even if they don't). This can lead to broader shareholder ownership, which indirectly benefits the company during more volatile periods (such as now).

Alphabet stock is a long-term, blue-chip option

Alphabet is an ultra-high-value blue-chip stock. This translates to security, for most investors. Indeed, no matter how much the market plunges, investors can benefit from blue-chip companies like Alphabet with solid balance sheets and the ability to weather the storm. This defensive posture is one of the key reasons many pick Alphabet as a way to hedge against uncertainty. This means over the near, medium and long term, Alphabet stock could outperform.

Projections are favourable

Analysts have a generally bullish consensus on Alphabet stock right now. The company's core Google search business remains rock solid, as are the company's long-term growth prospects. Accordingly, this is a stock that's now trading at a [discount of around 43%](#) to the average analyst's 12-month outlook. That's cheap, no matter which company you're looking at.

Cloud is the future

Google Cloud is the fastest-growing, cloud-related business in this highly competitive space. With other mega-cap, blue-chip stocks competing for market share, Cloud will continue to be an important piece of Alphabet's long-term growth puzzle. Given the company's ability to take market share away from leaders, I think this is a stock that could show tremendous upside over the long term.

Of course, Alphabet will need to execute its growth strategy. Thus far, the company has been doing a decent job in this regard. Accordingly, while anything could happen, I think Alphabet is a strong bet right now for the company's strength in its cloud division.

It's time to be greedy when others are fearful

Simply put, this bear market is a difficult one for growth investors to traverse. When stocks are all headed higher, it can be easy to buy high-growth stocks. However, the money is really made buying such companies at attractive valuations — such is the case right now, in my view.

When everyone else is selling, it can be difficult to pull the trigger on any company. That said, given Alphabet's blue-chip status, rock-solid balance sheet, and strong growth prospects, I think this company is a no-brainer right now.

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Author

chrismacdonald

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