Exxon Surpasses Apple as World's Most Valuable Co.

The Associated Press

NEW YORK (AP) — Exxon has once again surpassed Apple as the world's most valuable company after the iPhone and iPad maker saw its stock price falter.

Apple Inc.'s stock has been on the decline since the company's quarterly earnings report Wednesday suggested that its fast growth phase, rare for a company of its size, may be coming to an end.

Apple's stock dropped 2 percent to $441.30 in midday trading Friday for a market capitalization of $414.5 billion. That followed a 12 percent drop on Thursday, the biggest one-day percentage drop for the company since 2008.

Exxon Mobil Corp. gained 13 cents Friday to $91.48 for a market capitalization of $417 billion.

Apple first surpassed Exxon in the summer of 2011. The two companies traded places through that fall, until Apple surpassed Exxon for good in early 2012 — at least until Friday.

Apple's stock price peaked in September at $705.07 on the day the iPhone 5 was released. Exxon, in the meantime, has been trading steady. Its business — oil — seems less prone to stock market ups and downs than the Cupertino, Calif.-based tech darling.

This year, investors seem unforgiving with Apple, looking for perfection and punishing the stock for anything less. The company's stock price slipped below $500 for the first time last week, as investors saw signs that the iPhone 5 was falling behind competition from phones running Google's Android software, especially those from Samsung Electronics Co.

The latest quarterly report added to the concerns. Apple warned that its revenue growth, which had been running at a speed more reminiscent of promising startups than multi-national corporations, is slowing down considerably.

A big reason: It has been nearly three years since a new product has come from a company still seen as the embodiment of innovation. That last product, the iPad, came in 2010, when its CEO Steve Jobs was still alive. Some analysts question whether Apple can keep growing by just releasing new versions of its old products. The long-rumored Apple TV, is still just that, a rumor.

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