

Taiwan Semiconductor Manufacturing

81.74 Usd
+2.13%

ISIN: US8740391003
Ticker: TSM

Sector: Semiconductors
Stock exchange: NYSE

Market capitalization: 425 billion

Key Metrics:

Performance YTD: 37.736%
Estimated 2020 P/E: 25.68

Earning per share: 2.15
Price to book: 8.5

Net Debt: -10.6 M
Return on Equity: 0.27

Fundamental analysis summary

At a P/E of 27 and an Enterprise Value/EBITDA of 13x, the company has a reasonable fundamental price. TSM reported earnings on July 15 and is posting 81% YoY growth in Net Income. Through better cost control and increased revenues, they were able to increase their gross margin by 10 percent over Q2 2019. They have very little debt and a large cash position (which allowed them to distribute a dividend in Q2 2020 of 1.6%). However, there is a risk that TSM's order book will be disrupted by the US sanctions against Taiwan. US customers represent 58% of TSM's total revenue.

Technical analysis summary

The share price has been growing steadily since 2014. Recording a 100% gain in 3 years, it has exploded since the COVID-19 dip. Gaining 100% in only 4 months, it has reached a plateau since July 27, 2020. With a market cap of 400 billion, it is the leader in the microconductor sector. At the current price of USD 80, its ATH is USD 84 and could mean a breakout.

Chart - Year To Date

