Market Cap

Calculating the Market Capitalization (Market Cap) of a company.

Coca-Cola has 4,280,000,000 outstanding shares of stock.

The current stock price (at the time I typed this up) was $53.75.

Outstanding shares x current stock price = Market Cap

4,280,000,000 x 53.75 = 230,050,000,000.

Coca-Cola has a Market cap of 230 Billion making it a Large Cap Company

Small Cap

Refers to a company with a stock market capitalization of **less than 1 billion.**

Examples:

Callaway Golf (ELY)	Chart Ind. (GTLS)
SkyWest (SKYW)	Tivity Health (TVTY)
Itron (ITRI)	LivePerson (LPSN)
Addus HomeCare (ADUS)	PDC Energy (PDCE)

Shares of relatively small publicly traded corporations, typically with a total market capitalization of less than $1 billion. **Small-cap stocks tend to grow faster than larger cap companies, but they also tend to be more volatile.**

Mid Cap

Refers to a company with a stock market capitalization of **$1 to $5 billion.**

Examples	
Yeti Holdings (YETI)	Five Below (FIVE)
Freshpet (FRPT)	Scotts Miracle-Gro (SMG)
Aaron's (AAN)	Gray Television (GTN)

Mid-caps are established companies that haven't quite become household names yet. **They make excellent diversifiers, having both the growth characteristics of small-cap and the stability of large-cap companies**. One of the most watched mid-cap indexes is the S&P MidCap 400, which has an average market cap of $2.30 billion

Large Cap

Refers to a company with a stock market cap of **$5 to $100 billion (and beyond)**

To find a list of Large Cap Stocks go to one of the following indexes.

- The Dow
- S&P 500
- Nasdaq 100

These companies play an especially significant role in driving the economy. Because of their sheer size, **large-cap companies tend to grow more slowly than small-cap stocks, but they also tend to be much more stable.**

***As a general rule, smaller companies have more risk and are also more likely to grow. Bigger companies are typically much more stable but underperform their riskier, smaller peers. This guiding principle helps many investors decide how to divvy up their portfolio to align with their risk preferences.**