



Alphabet Joins Dow Jones Industrial Average, Replacing Verizon

Description

Alphabet will replace Verizon in the Dow Jones Industrial Average, as announced by S&P Global on Tuesday. This change highlights the increasing influence of major technology companies within the prominent blue-chip index.

The transition means Alphabet's A shares, which trade under the ticker GOOGL, will officially join the 30-stock index before trading begins on Monday. Following the announcement, Alphabet's share price rose approximately 1% in after-hours trading.

Joining fellow tech giants such as Nvidia, Amazon, Apple, and Microsoft, Alphabet's inclusion reinforces the Dow's alignment with contemporary sectors like artificial intelligence, cloud computing, and digital advertising. The company has invested significantly in AI development, accumulating \$141 billion in debt and equity since October, as it seeks to demonstrate the profitability of its integrated AI technologies.

Recent market performance has raised concerns among investors. Alphabet experienced its most challenging trading day in over a year on Monday, underperforming in both the Nasdaq index and against other major technology firms. Prior to this dip, the company's stock had rebounded from earlier lows, with a notable rise in cloud revenue contributing to its strongest month on Wall Street since 2004.

Verizon, which held a minimal presence in the index representing about half a percentage point due to its lower share price, is now replaced by Alphabet. The Dow is a price-weighted index, meaning that stocks with higher share prices hold greater influence over the index's movement.

Following recent structural changes, Honeywell International will continue to be part of the Dow, albeit under its new name, Honeywell Technologies. The recently spun-off Honeywell Aerospace company will not be included in the index.

Vocabulary List:

1. **reinforces** //ri:ɪn'fɔ:rsɪz// (verb): makes something stronger or more certain
2. **alignment** //ə'laɪnmənt// (noun): agreement or correct position with others
3. **inclusion** //ɪn'kluzən// (noun): being included or made part of something
4. **accumulating** //ə'kju:mjə,leɪtɪŋ// (verb): collecting or getting more over time
5. **profitability** //,prɒfə'bɪlɪti// (noun): making more money than it costs
6. **underperforming** //,ʌndərpə'r'fɔ:rmɪŋ// (verb): doing worse than expected or other groups



Comprehension Questions

Multiple Choice

1. What company will replace Verizon in the Dow Jones Industrial Average?
Option: Alphabet
Option: Microsoft
Option: Apple
Option: Amazon
2. What ticker symbol does Alphabet's A shares trade under?
Option: AAPL
Option: GOOGL
Option: MSFT
Option: NVDA
3. When will Alphabet officially join the Dow Jones Industrial Average?
Option: Before trading begins on Monday
Option: After trading ends on Friday
Option: On the first of next month
Option: On New Year's Day
4. How much debt and equity has Alphabet accumulated since October?
Option: \$100 billion
Option: \$120 billion
Option: \$141 billion
Option: \$200 billion
5. Which of the following sectors does Alphabet's inclusion in the Dow align with?
Option: Traditional retail
Option: Artificial intelligence
Option: Agriculture
Option: Manufacturing
6. What was the market performance of Alphabet on its most challenging trading day in over a year?
Option: Outperformed the Nasdaq



- Option: Underperformed in both the Nasdaq index and against major technology firms
- Option: Had the strongest month since 2004
- Option: Maintained stable stock prices

True-False

- 7. Alphabet's inclusion in the Dow reflects a growing influence of technology companies in financial indices.
- 8. The Dow is a volume-weighted index.
- 9. Honeywell Aerospace will be included in the Dow index after its spin-off.
- 10. Alphabet's share price rose by approximately 1% in after-hours trading following the announcement.
- 11. Verizon had a significant influence on the Dow Jones Industrial Average.
- 12. Alphabet has invested significantly in AI development.

Gap-Fill

- 13. Alphabet's A shares will officially join the Dow Jones Industrial Average before trading begins on _____.
- 14. Verizon represented about half a percentage point in the Dow due to its _____ share price.
- 15. The Dow is a _____-weighted index.
- 16. Honeywell International will continue to be part of the Dow under its new name, Honeywell _____.
- 17. Alphabet's inclusion reinforces the Dow's alignment with contemporary sectors like artificial intelligence and _____ advertising.
- 18. Since October, Alphabet has accumulated \$141 billion in debt and _____ to show



profitability in AI technologies.

Answer

Multiple Choice: 1. Alphabet 2. GOOGL 3. Before trading begins on Monday 4. \$141 billion 5. Artificial intelligence 6. Underperformed in both the Nasdaq index and against major technology firms

True-False: 7. True 8. False 9. False 10. True 11. False 12. True

Gap-Fill: 13. Monday 14. lower 15. price 16. Technologies 17. digital 18. equity

CATEGORY

1. Business - LEVEL6

POST TAG

1. alphabet
2. Dow Jones
3. ESL learning
4. esl news
5. Level 6
6. Verizon

Tags

1. alphabet
2. Dow Jones
3. ESL learning
4. esl news
5. Level 6
6. Verizon

Date Created

2026/06/24

Author

aimeeyoung99

ESL-NEWS.COM