

**NIKE, Inc. (NKE)**
**\$101.38** (As of 02/04/20)

Price Target (6-12 Months): **\$106.00**

Long Term: 6-12 Months

**Zacks Recommendation:**
**Neutral**

(Since: 01/02/20)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**2-Buy**

Zacks Style Scores:

VGM:C

Value: D

Growth: A

Momentum: D

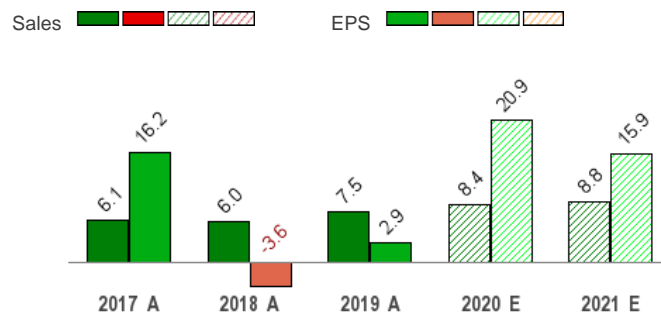
**Summary**

NIKE has risen and surpassed the industry in the past three months, on continued momentum after reporting strong second-quarter fiscal 2020 results. The company's results benefited from the execution of Consumer Direct Offense, and strength in Wholesale and NIKE Direct businesses. NIKE digital also grew 38%, backed by superior digital services and expansion of the digital ecosystem. It expects results for fiscal 2020 to be driven by brand recognition, robust innovation and positive response from Nike Direct and wholesale partners. However, concerns related to higher operating costs, tariffs and foreign currency may hurt performance in the near term. It expects SG&A expenses to rise high-single digits in fiscal 2020. It expects flat gross margin for the fiscal third quarter on tariffs in North America and investments in supply chain.

**Price, Consensus & Surprise**

**Data Overview**

52 Week High-Low	<b>\$105.62 - \$77.07</b>
20 Day Average Volume (sh)	<b>5,846,326</b>
Market Cap	<b>\$157.9 B</b>
YTD Price Change	<b>0.1%</b>
Beta	<b>0.83</b>
Dividend / Div Yld	<b>\$0.98 / 1.0%</b>
Industry	<b><a href="#">Shoes and Retail Apparel</a></b>
Zacks Industry Rank	<b>Top 27% (69 out of 255)</b>

**Sales and EPS Growth Rates (Y/Y %)**


Last EPS Surprise	<b>20.7%</b>
Last Sales Surprise	<b>2.2%</b>
EPS F1 Est- 4 week change	<b>0.0%</b>
Expected Report Date	<b>03/19/2020</b>
Earnings ESP	<b>0.0%</b>
P/E TTM	<b>35.5</b>
P/E F1	<b>33.7</b>
PEG F1	<b>2.6</b>
P/S TTM	<b>3.9</b>

**Sales Estimates (millions of \$)**

	Q1	Q2	Q3	Q4	Annual*
2021	11,475 E	11,212 E	11,243 E	12,031 E	46,101 E
2020	10,660 A	10,326 A	10,335 E	11,070 E	42,388 E
2019	9,948 A	9,374 A	9,611 A	10,184 A	39,117 A

**EPS Estimates**

	Q1	Q2	Q3	Q4	Annual*
2021	\$0.92 E	\$0.76 E	\$0.84 E	\$0.94 E	\$3.49 E
2020	\$0.86 A	\$0.70 A	\$0.69 E	\$0.78 E	\$3.01 E
2019	\$0.67 A	\$0.52 A	\$0.68 A	\$0.62 A	\$2.49 A

\*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 02/04/2020. The reports text is as of 02/05/2020.

## Overview

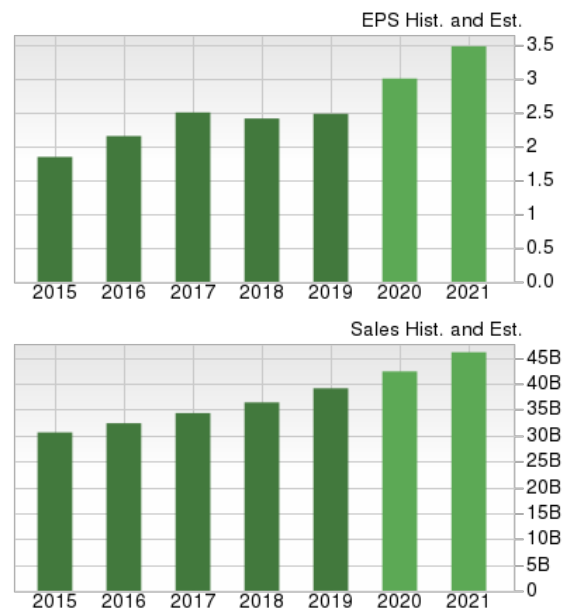
Headquartered in Beaverton, OR, NIKE Inc. was incorporated in 1967. The company is engaged in the business of designing, developing and marketing of athletic footwear, apparel, equipment and accessories, and services for men, women and children worldwide. With the help of a strong brand portfolio, including Nike Pro, Nike Golf, Nike+ and Air Jordan, it offers premium, well-designed and high-quality products, in line with the latest customer trends. NIKE is the global leader in athletic footwear, apparel, equipment and sports-related accessories, with operations in over 160 countries.

Nike's "swoosh" logo and "just do it" tagline are widely recognized across the world, while its association with celebrity sportspersons, such as Michael Jordan and Roger Federer as well as top professional and college teams ensures a strong brand recall in the key U.S., U.K., Japanese and Chinese markets.

The company's products include six key categories: running, NIKE basketball, the Jordan brand, football, training and sportswear (sports-inspired lifestyle products). It also offers products designed for kids, as well as for other athletic and recreational uses such as American football, baseball, cricket, lacrosse, skateboarding, tennis, volleyball, wrestling, walking and outdoor activities.

The company sells its products to footwear stores; sporting goods stores; athletic specialty stores; department stores; skate, tennis, and golf shops; and other retail accounts through NIKE owned retail stores, digital platforms (known as "NIKE Direct"), independent distributors, licensees, and sales representatives. With the help of its retail stores in the U.S. and abroad, Nike sells its products to more than 23,000 retail accounts in the U.S. and over 24,000 retail accounts outside the U.S. to reach a wide array of customers.

Nike currently reports its operating results under 2 segments, namely NIKE Brand segment and Converse. NIKE Brand is now divided into four divisions, primarily on a geographical basis: North America, Europe, Middle East and Africa (EMEA), Greater China, and Asia Pacific and Latin America (APLA).



## Reasons To Buy:

▲ **Robust Q2 Results Aid Stock:** NIKE has fared better than the industry in the past three months. The stock has advanced 13.3% compared with the industry's growth of 11.5%. This momentum is attributed to the company's robust top and bottom line surprise trends, which continued in second-quarter fiscal 2020. NIKE reported strong second-quarter fiscal 2020 results, wherein earnings and sales outpaced the Zacks Consensus Estimate and improved year over year. Earnings mainly benefited from robust top-line growth coupled with enhanced gross margin, decline in selling and administrative expenses and lower average share count. The company's top-line was primarily aided by the solid execution of the Consumer Direct Offense strategy globally, which fueled balanced growth across all geographies led by strength in Greater China and digital. Further, the smooth progress of its Consumer Direct Offense strategy, backed by product innovation and unmatched digital experiences aided growth.

Despite a volatile macroeconomic and geopolitical environment, NIKE expects to continue investing in key capabilities to aid digital transformation and deliver robust growth in fiscal 2020 and beyond.

- ▲ **Strong Outlook:** Despite the volatile macroeconomic and geopolitical environment, NIKE expects to continue investing in key capabilities to aid digital transformation and deliver robust growth in fiscal 2020 and beyond. It expects results for fiscal 2020 to be driven by brand recognition, robust innovation pipeline, and positive response from Nike Direct and wholesale partners. Consequently, the company retained most of its initial guidance for fiscal 2020. It continues to expect high-single-digit revenue growth on a reported basis, slightly up from the increase witnessed in fiscal 2019. Gross margin for the fiscal year is expected to expand 50-75 basis points. For third-quarter fiscal 2020, the company expects revenue growth to be in high-single digits, even though at the very low-end of the range. On a currency-neutral basis, it expects strong revenues despite foreign currency headwinds.
- ▲ **China Business Drives Growth:** Despite the tariff-related concerns, NIKE continues to deliver strong results in Greater China, one of its key markets, with continued strength in the digital business. The company delivered its 22nd straight quarter of double-digit growth in Greater China in the fiscal second quarter. Revenues rose 20% year over year (up 23% on a currency-neutral basis). Results were aided by growth in almost all key categories, and every marketing channel. Further, in the reported quarter, the company continued to witness unmatched digital growth in the region, with 44% growth in NIKE digital. This growth was aided by partnerships with Tmall and WeChat. Further, the results benefited from the recent launch of the NIKE app in Greater China.
- ▲ **North America Business Sustains Growth:** NIKE's North America business has been witnessing robust momentum since fourth-quarter fiscal 2018. In second-quarter fiscal 2020, NIKE reported 5% revenue growth in North America, both on reported and currency-neutral basis. Continued growth in NIKE digital, partly driven by solid Black Friday sale mainly boosted the segment's performance. The company is gaining from efforts to transform the North America marketplace, with about 32% growth in NIKE Direct and across key differentiated wholesale partners.
- ▲ **Consumer Direct Offense & Triple Double Strategy on Track:** NIKE remains on track with its Triple Double and Consumer Direct Offense strategies, which position it to capture the strong global demand for athletic footwear and apparel. The company is building momentum across its operating regions by making the right product available at the right time and establishing a direct connection with consumers. In doing this, it is focused on the key aspects of its triple-double strategy – 2x innovation, 2x direct and 2x speed. Powered by this strategy, the company is progressing on its Consumer Direct Offense by doubling innovation as it creates and scales new product platforms. It is prioritizing investment in platforms like React and Air, which have greater potential to scale across both performance and sportswear categories. Through 2x direct, it is building a close relationship with its customers by creating differentiated retail concepts, leading to mobile apps, dotcom and digital partners. As part of its efforts to establish direct connection with customers, NIKE continues to enhance and expand the NIKE digital ecosystem. Lastly, with 2x speed, it is focused on meeting consumer demand faster and delivering more relevant personalized products. Smooth execution of the offense strategy over the past two years has helped the company deliver strong currency-neutral growth. The company expects this momentum to continue through the rest of fiscal 2020.
- ▲ **Digital Growth:** NIKE remains focused on accelerating digital advantage to capitalize on its 2X Direct strategy. In second-quarter fiscal 2020, NIKE digital improved 38% on a currency-neutral basis. This upside was backed by superior digital services and expansion of the digital ecosystem internationally. As part of digital growth, NIKE continues to leverage on its mobile apps, including the NIKE app and SNKRS app, which are now live in more than 20 countries. In the reported quarter, the company opened two Nike Live outlets in Long Beach, California and Shibuya, Tokyo. This efficiently served customers with a moderate sized and physical retail format, thus contributing to digital growth. Management expects to launch these apps in several countries through the rest of fiscal 2020. Further, the company is investing to leverage its retail stores with the NIKE app. The NIKE app at Retail has the ability to scale with its wholesale partners. Going forward, it expects to integrate NIKE app at Retail in more Foot Locker stores in North America along with bringing new experiences to Zolando in Europe and top sports stores in China in fiscal 2020.
- ▲ **Financials Look Strong:** Nike boasts a strong balance sheet, which offers it the financial flexibility to drive future growth. Further, the company has time and again testified its commitment to enhancing its shareholder value, aided by its strong financial position. Over the past 14 years, the company has distributed regular dividends and made share repurchases to improve shareholder returns. In the fiscal second quarter, back 10.1 million shares for \$922 million under its four-year share repurchase program of \$15 billion approved in June 2018. As of Nov 30, 2019, the company repurchased 33.6 million shares for \$2.9 billion under this program.

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## Reasons To Sell:

- ▼ **Stock Appears Overvalued:** Considering price-to-earnings (P/E) ratio, NIKE looks overvalued compared with the industry and the S&P 500. The stock has a trailing 12-month P/E ratio of 35.45x, which is above the median level of 33.68x and lower than the high level of 36.57x, scaled in the past year. On the contrary, the trailing 12-month P/E ratio for the industry is 32.77x and for the S&P 500 is 20.62x. Given these factors, we believe that the stock is quite stretched from the P/E aspect.
- ▼ **Higher SG&A Expenses a Drag:** While NIKE reported gross margin expansion in second-quarter fiscal 2020, higher SG&A expenses continued to hurt operating results. SG&A expenses rose 6% mainly driven by continued investments in digital transformation. However, demand-creation expenses declined 3% year over year to \$881 million due to the shift in timing of certain investment campaigns. Nevertheless, operating overheads were up 9%, reflecting continued investments in transformational initiatives, particularly in NIKE Direct and global operations. In third-quarter fiscal 2020, the company expects SG&A expenses to increase in the low-double-digit to low-teens range, backed by its decision to shift demand creation to the second half of fiscal 2020 to strengthen the focus on NBA All-Star Weekend, European Championships, Tokyo Olympics and launch of innovative products. For the current fiscal year, management expects SG&A expenses to increase in high-single digits, including a slight impact from the recent Select buyout.
- ▼ **Tariffs to Hurt Gross Margin:** NIKE expects to steer clear of the tariff environment, driven by the popularity of its brands and continued innovation. However, the company's guidance for fiscal 2020 and the third quarter suggest pronounced impacts from the increased tariffs on gross margin. Gross margin growth for fiscal 2020 is likely to be partly offset by the negative impacts of the recently-imposed tariffs. Further, the company expects gross margin to remain flat in the fiscal third quarter, mainly owing to tariffs in North America and investments in supply chain.
- ▼ **FX Headwinds:** Despite strong sales growth, adverse impacts of FX headwinds continued to mar top-line growth in second-quarter fiscal 2019. Notably, the currency environment has turned unfavorable over the past year due to geopolitical dynamics, fueled by uncertainty around Brexit and U.S.-China trade. This led to the strengthening of the U.S. dollar. Over the past four years, the company recorded currency headwinds of roughly \$3 billion on reported revenues along with more than \$1.5 billion impact on EBIT. For fiscal 2020, the company expects foreign currency to hurt reported revenue growth by 2-3 percentagepoints. In third-quarter fiscal 2020, the company expects adverse currency rates to hurt currency-neutral revenues by 2 percentage points.
- ▼ **Competitive Risks:** The sporting goods market (shoes and garments) is very competitive. The footwear market contributes to the lion's share of NIKE's revenues. An erosion of market share due to competitors developing alternative brands remains a threat. Consequently, NIKE has been stringently focused on innovation to stay ahead of market trends and competitors. While NIKE has been unbeatable in the U.S. footwear segment for long due to the popularity of its namesake and Jordan brands, it is at risk of losing market share to Adidas and Under Armour, given their schedule of new product launches and efforts to redefine brands.

Higher SG&A expenses hurt operating results in second-quarter fiscal 2020 on investments in digital transformation. In fiscal 2020, SG&A expense is likely to grow in high-single digits.

## Last Earnings Report

### NIKE Beats Q2 Earnings & Sales Estimates

NIKE reported strong second-quarter fiscal 2020 results, wherein earnings and sales topped estimates and improved year over year. Results were driven by strength across categories and geographies. Further, the smooth progress of its Consumer Direct Offense strategy, backed by product innovation and unmatched digital experiences aided growth.

#### Earnings & Revenues

In the reported quarter, NIKE's earnings of 70 cents per share improved nearly 35% from the prior-year quarter and surpassed the Zacks Consensus Estimate of 58 cents. Earnings mainly benefited from robust top-line growth coupled with enhanced gross margin, decline in selling and administrative (SG&A) expenses, and lower average share count.

Revenues increased 10% to \$10,326 million and surpassed the Zacks Consensus Estimate of \$10,101 million. This outperformance was primarily driven by the solid execution of the Consumer Direct Offense strategy globally, which fueled balanced growth across all geographies led by strength in Greater China and digital. On a currency-neutral basis, revenues grew 13%, driven by growth across all geographies.

#### Operating Segments

Revenues for the NIKE Brand increased 10% to \$9,844 million, while constant-dollar revenues for the brand were up 12%. Results gained from continued growth in NIKE Direct and its wholesale business. Moreover, strength in major categories like sportswear, the Jordan brand and Running as well as improvements in footwear and apparel fueled top-line growth.

Within the NIKE Brand, revenues in **North America** improved 5% on reported and currency-neutral basis, owing to continued growth in NIKE digital, partly driven by solid Black Friday sale. The company is gaining from efforts to transform the North America marketplace, with growth in NIKE Direct and across key differentiated wholesale partners.

In EMEA, the company's revenues increased 10% (up 14% on a currency-neutral basis), backed by double-digit growth in most key categories, including Sportswear and Jordan. Further, NIKE digital grew 27% in EMEA. Per the company, the NIKE Brand's growing popularity in all key cities across EMEA also drove growth in the region. Notably, EMEA includes five of NIKE's 12 key cities.

In Greater China, the company delivered the 22nd straight quarter of double-digit growth. Revenues rose 20% year over year, up 23% on a currency-neutral basis. Results were aided by double-digit growth in almost all key categories and every marketing channel. Further, in the reported quarter, the company continued to witness unmatched digital growth in the region, with 44% growth in NIKE digital.

In APLA, NIKE witnessed a 13% revenue decline (up 18% on a currency-neutral basis). Currency-neutral growth in the region was fueled by strength in Korea and Japan as well as a 67% increase in NIKE digital. The company is expanding its digital business in the region by partnering with digital platforms such as ZOZOTOWN and Flipkart.

Revenues at the **Converse** brand rose 13% to \$480 million. On a currency-neutral basis, revenues of the segment were up 15%, owing to double-digit growth in Asia and Europe as well as strength in the global digital business.

#### Costs & Margins

Gross profit rose 11% to \$4,544 million, while gross margin expanded 20 basis points (bps) to 44%. The expansion was mainly driven by an increase in average selling prices, and margin expansion in NIKE Direct and Converse, partly negated by tariffs implemented in September in North America, adverse currency rates and supply-chain investments.

Selling and administrative expenses increased 6% to \$3,324 million. As a percentage of sales, SG&A expenses leveraged 130 bps to 32.2%. SG&A gains resulted from productivity gains under operating overheads, efficiencies in demand-creation spending and the company's decision to postpone some demand-creation expenses to the second half for events like the Air Max Day, the NBA All-Star Weekend, European Championships and the Tokyo Olympics. However, investment in digital capabilities partly offset aforementioned gains.

Notably, demand-creation expenses declined 3% year over year to \$881 million due to the shift in timing of certain investment campaigns as stated above. Operating overheads were up 9% to \$2,443 million, reflecting continued investments in transformational initiatives, particularly in NIKE Direct and global operations.

#### Balance Sheet & Shareholder-Friendly Moves

NIKE ended fiscal 2019 with cash and short-term investments of \$3,502 million, long-term debt (excluding current maturities) of \$3,462 million, and shareholders' equity of \$9,351 million. As of Nov 30, 2019, inventories increased 15% to \$6,199 million, backed by strong consumer demand globally, robust growth in NIKE Direct and increased rate of on-time deliveries from factories.

In the fiscal second quarter, NIKE bought back 10.1 million shares for \$922 million under its four-year share repurchase program of \$15 billion approved in June 2018. As of Nov 30, it repurchased 33.6 million shares for \$2.9 billion under this program.

#### Outlook

Despite the volatile macroeconomic and geopolitical environment, NIKE expects to continue investing in key capabilities to aid digital transformation, and deliver robust growth in fiscal 2020 and beyond. Consequently, the company retained most of its initial guidance for fiscal 2020. It continues to expect high-single-digit revenue growth on a reported basis, suggesting slight growth from the increase reported in fiscal 2019. It expects foreign currency to hurt reported revenue growth by 2-3 points in the fiscal year. On a currency-neutral basis, the company now

Quarter Ending **11/2019**

Report Date	Dec 19, 2019
Sales Surprise	2.23%
EPS Surprise	20.69%
Quarterly EPS	0.70
Annual EPS (TTM)	2.86

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expects revenues to be low-double digits.

Gross margin for the fiscal year is expected to expand 50-70 bps. The company expects SG&A expenses to increase in high-single digits in fiscal 2020, including a slight impact from the recent Celect buyout. Other income, net of interest expenses, is now anticipated to be \$100-\$150 million. Effective tax rate is now expected to be in the low to mid-teens range.

For third-quarter fiscal 2020, the company expects revenue growth on a reported basis to be in high-single digits, even though at the very low-end of the range. On a currency-neutral basis, it expects strong revenues despite a negative impact of 2 points from foreign currency translations.

Gross margin for the fiscal third quarter is estimated to be flat year over year, reflecting strong underlying product margin expansion on robust product pipeline, offset by tariffs in North America and investments in supply chain.

Further, the company expects SG&A expenses to increase in the low-double-digit to low-teens range, backed by its decision to shift demand creation to the second half of fiscal 2020 to strengthen the focus on NBA All-Star Weekend, European Championships, Tokyo Olympics and launch of innovative products. Other income, net of interest expenses, is expected to be \$50-\$75 million. Effective tax rate is expected to be in the low to mid-teens range.

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## Recent News

### NIKE to Witness Near-Term Softness on Store Closures in China – Feb 4, 2020

NIKE is among the companies that are anticipating the current situation in China to have a material impact on its results. It announced that it has temporarily closed nearly half of company-owned stores in Greater China in response to the coronavirus outbreak.

Further, it noted that the stores that are open are operating with reduced hours and witnessing lower-than-expected footfall. Given the epidemic outbreak in the country, NIKE is prioritizing on health and safety of employees and its partners. Consequently, it expects China operations to witness softness in the near term, which should have a pronounced impact on overall results.

The company stated that the current situation was not accounted for in its fiscal 2020 guidance, which was provided during the announcement of second-quarter fiscal 2020 results. During the third-quarter earnings call, it expects to provide an update on financial and operational impacts from the coronavirus outbreak on its results.

However, for the long term, the company remains confident about the sustainability of its brands and business momentum in Greater China and the neighboring regions affected by coronavirus. It continues to see China as a key long-term opportunity, as consumers remain connected with innovative and inspiring offerings. This connection is well demonstrated by continued strength of the NIKE digital business in the region.

## Valuation

NIKE shares are up 0.1% in the year-to-date period and 22.6% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 0.5% and the Zacks Discretionary sector is up 0.3% in the year-to-date period. Over the past year, the Zacks sub-industry and the sector are up 22% and 15%, respectively.

The S&P 500 index is up 2.3% in the year-to-date period and 19.7% in the past year.

The stock is currently trading at 30.37X forward 12-month earnings, which compares to 25.78X for the Zacks sub-industry, 20.2X for the Zacks sector and 18.89X for the S&P 500 index.

Over the past five years, the stock has traded as high as 32.43X and as low as 19.92X, with a 5-year median of 25.97X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$106 price target reflects 31.75X forward 12-month earnings.

The table below shows summary valuation data for NKE

Valuation Multiples - NKE					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	30.37	25.78	20.2	18.89
	5-Year High	32.43	26.48	23.35	19.34
	5-Year Low	19.92	18.63	16.16	15.18
	5-Year Median	25.97	23.23	20.09	17.46
P/S F12M	Current	3.52	3.03	2.32	3.5
	5-Year High	3.64	3.03	3.19	3.5
	5-Year Low	2.27	1.99	1.81	2.54
	5-Year Median	2.85	2.58	2.54	3
EV/EBITDA TTM	Current	25.71	23.2	12.4	11.95
	5-Year High	26.86	24.5	17.76	12.85
	5-Year Low	14.56	13.14	9.29	8.49
	5-Year Median	17.72	15.97	12.4	10.66

As of 02/04/2020



## Industry Analysis Zacks Industry Rank: Top 27% (69 out of 255)



## Top Peers

Deckers Outdoor Corporation (DECK)	Outperform
Adidas AG (ADDYY)	Neutral
Columbia Sportswear Company (COLM)	Neutral
lululemon athletica inc. (LULU)	Neutral
Steven Madden, Ltd. (SHOO)	Neutral
Skechers U.S.A., Inc. (SKX)	Neutral
Under Armour, Inc. (UAA)	Neutral
V.F. Corporation (VFC)	Neutral

Industry Comparison Industry: Shoes And Retail Apparel				Industry Peers		
	NKE Neutral	X Industry	S&P 500	ADDYY Neutral	SKX Neutral	UAA Neutral
<b>VGM Score</b>	<b>C</b>	-	-	<b>B</b>	<b>A</b>	<b>D</b>
Market Cap	157.89 B	1.86 B	23.66 B	64.24 B	5.98 B	9.39 B
# of Analysts	13	5	13	7	5	15
Dividend Yield	0.97%	0.97%	1.82%	0.83%	0.00%	0.00%
<b>Value Score</b>	<b>D</b>	-	-	<b>D</b>	<b>B</b>	<b>D</b>
Cash/Price	0.02	0.06	0.04	0.04	0.16	0.05
EV/EBITDA	28.83	11.84	13.87	18.42	11.09	68.69
PEG Ratio	2.58	2.02	1.97	2.05	1.01	1.63
Price/Book (P/B)	16.90	2.16	3.24	8.13	2.50	4.36
Price/Cash Flow (P/CF)	33.55	10.23	13.40	24.95	14.27	30.71
P/E (F1)	33.68	15.56	18.48	26.45	15.20	44.42
Price/Sales (P/S)	3.87	0.96	2.60	2.46	1.20	1.80
Earnings Yield	2.97%	6.43%	5.40%	3.78%	6.58%	2.26%
Debt/Equity	0.66	0.55	0.72	0.23	0.43	0.55
Cash Flow (\$/share)	3.02	2.68	6.92	6.46	2.68	0.68
<b>Growth Score</b>	<b>A</b>	-	-	<b>B</b>	<b>A</b>	<b>D</b>
Hist. EPS Growth (3-5 yrs)	8.00%	8.95%	10.80%	28.59%	11.33%	-18.37%
Proj. EPS Growth (F1/F0)	20.98%	11.27%	7.46%	11.87%	11.33%	37.11%
Curr. Cash Flow Growth	0.27%	7.54%	10.59%	19.27%	9.34%	16.31%
Hist. Cash Flow Growth (3-5 yrs)	7.69%	6.27%	8.55%	10.81%	32.84%	7.37%
Current Ratio	1.98	1.68	1.21	1.37	2.37	2.05
Debt/Capital	39.81%	39.81%	42.91%	18.38%	30.27%	35.41%
Net Margin	11.21%	6.90%	11.76%	8.27%	6.73%	2.14%
Return on Equity	50.03%	14.85%	17.24%	26.81%	14.85%	7.24%
Sales/Assets	1.64	1.25	0.55	1.24	1.22	1.16
Proj. Sales Growth (F1/F0)	8.36%	6.55%	4.22%	7.51%	9.98%	4.37%
<b>Momentum Score</b>	<b>D</b>	-	-	<b>A</b>	<b>B</b>	<b>C</b>
Daily Price Chg	2.13%	0.69%	0.67%	2.27%	0.69%	2.51%
1 Week Price Chg	-5.62%	-5.41%	-2.60%	-7.63%	-5.32%	-3.86%
4 Week Price Chg	-0.39%	-1.96%	-0.76%	-1.96%	-11.89%	0.43%
12 Week Price Chg	13.27%	-5.26%	2.84%	8.84%	-3.27%	20.24%
52 Week Price Chg	22.35%	0.83%	13.93%	39.44%	38.40%	-0.53%
20 Day Average Volume	5,846,326	68,150	1,915,782	42,952	1,613,321	4,353,479
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.02%	0.20%	-0.28%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.00%	0.67%	-2.50%
(F1) EPS Est 12 week change	1.32%	0.00%	-0.13%	-0.24%	-0.72%	-2.50%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	-2.94%	4.02%



## Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	D
Growth Score	A
Momentum Score	D
VGM Score	C

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

## Disclosures

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