

NIKE, Inc. (NKE)

\$95.17 (As of 06/11/20)

Price Target (6-12 Months): **\$100.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 04/23/20)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM:C

Value: D

Growth: B

Momentum: D

Summary

Shares of NIKE have outpaced the industry in the past year, despite the recent impacts of the COVID-19 outbreak on the market. Notably, the company retained its positive earnings track record, with earnings and sales beat in third-quarter fiscal 2020. The NIKE Direct business displayed strength backed by more than 30% digital revenue growth across all geographies and Converse. Notably, the use of its digital ecosystem as a key playbook to combat the COVID-19 crisis, has been receiving applause. Nevertheless, the effects of store closures in China due to outbreak hurt Greater China's revenues in third-quarter fiscal 2020. This resulted in lower sales mix in Greater China, which is its high margin geography, causing gross margin decline in the quarter. Further, the company expects soft results in the fiscal fourth quarter due to store closures.

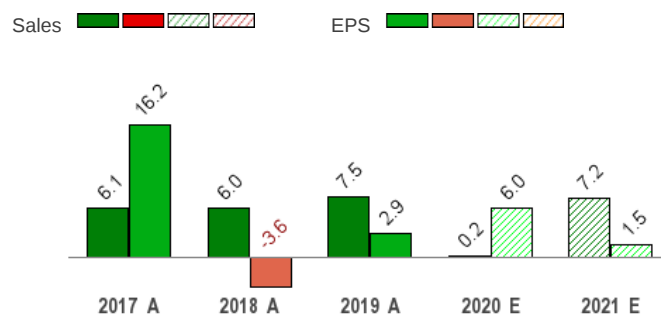
Price, Consensus & Surprise



Data Overview

52 Week High-Low	\$105.62 - \$60.00
20 Day Average Volume (sh)	7,031,175
Market Cap	\$148.0 B
YTD Price Change	-6.1%
Beta	0.79
Dividend / Div Yld	\$0.98 / 1.0%
Industry	Shoes and Retail Apparel
Zacks Industry Rank	Bottom 4% (241 out of 252)

Sales and EPS Growth Rates (Y/Y %)



Last EPS Surprise	44.4%
Last Sales Surprise	2.4%
EPS F1 Est- 4 week change	-2.1%
Expected Report Date	06/25/2020
Earnings ESP	6.1%
P/E TTM	32.2
P/E F1	35.5
PEG F1	2.7
P/S TTM	3.6

Sales Estimates (millions of \$)

	Q1	Q2	Q3	Q4	Annual*
2021	10,246 E	10,855 E	10,868 E	9,655 E	42,029 E
2020	10,660 A	10,326 A	10,104 A	8,350 E	39,205 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	\$0.68 E	\$0.68 E	\$0.74 E	\$0.47 E	\$2.68 E
2020	\$0.86 A	\$0.70 A	\$0.78 A	\$0.19 E	\$2.64 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 06/11/2020. The reports text is as of 06/12/2020.

Overview

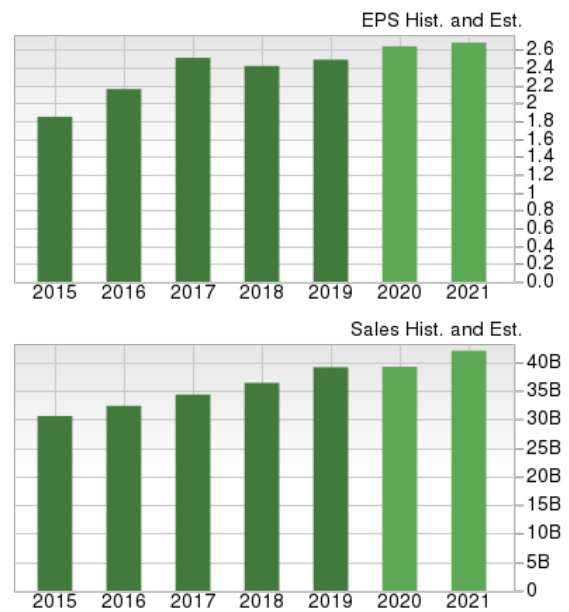
Headquartered in Beaverton, OR, NIKE Inc. was incorporated in 1967. The company is engaged in the business of designing, developing and marketing of athletic footwear, apparel, equipment and accessories, and services for men, women and children worldwide. With the help of a strong brand portfolio, including 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 Q3 Results:** NIKE has fared better than the industry in the past year, despite the recent impacts from the coronavirus outbreak on the market. The stock rallied 13.8% in the past year, while the industry's gained 10.6%. Despite the impacts of coronavirus (COVID-19) outbreak in China on its third-quarter fiscal 2020 results, both top and bottom line outpaced the Zacks Consensus Estimate. Moreover, earnings and sales improved year over year. Results benefited from balanced growth across all geographies – North America, EMEA, APLA and Greater China, before the impacts of coronavirus outbreak in China in late-January, along with strong digital growth.

Despite the effects of COVID-19 outbreak, NIKE reported top and bottom line beat in third-quarter fiscal 2020 driven by balanced growth across all geographies and strong digital growth.

▲ **NIKE on Store Re-Opening Spree:** NIKE has almost fully resumed store operations in Greater China and about 95% stores in South Korea are operational, with some working for limited hours, after a prolonged period of lockdown due to the coronavirus outbreak. The company noted that the retail traffic in these locations has been gradually gaining momentum, although in-store traffic trends continue to be softer than the prior-year period. Additionally, the company is gradually reopening stores in North America, EMEA and APLA as some states and countries are easing restrictions. So far, NIKE has reopened stores in more than 15 countries, including Germany, France, the Netherlands, Brazil and the United States. As of May 14, operations began in nearly 40% of stores in EMEA, 15% in APLA and 5% in North America. These included both NIKE-owned and wholesale partner stores. In the re-opened stores, the company is undertaking safety protocols, including social-distancing rules, restrictions on store traffic, sanitization of products, distribution centers and facilities, and providing masks to employees.

▲ **Digital Business Acts as Catalyst:** Despite slow traffic at re-opened stores, NIKE notes that higher conversion rates and robust demand in the digital space have been catalysts, throughout the coronavirus pandemic. Management remains optimistic about consumers' increasing preference for a healthy lifestyle, which will help it maintain the brand's solid momentum. The company is witnessing robust engagement in its digital ecosystem, evident from the accelerated new member acquisition and strong online demand globally. The company has particularly seen greater traffic and engagement in its mobile and activity apps amid the store closures. To meet the higher-than-expected demand, Nike has increased its digital fulfillment capacity. This is likely to offset the decline in in-store sales.

▲ **NIKE's Playbook to Fight COVID-19:** NIKE has used its digital foundation as a key playbook to emerge stronger from the COVID-19 crisis, when physical stores around the world are closed. During the tough situation in China due to the outbreak, NIKE efficiently leveraged its diverse sourcing base and digital capabilities to manage the business with flexibility, and shifted inventory to serve consumer digital demand. It used digital app ecosystem and NIKE expert trainer network to inspire and support consumers across China to stay active and connected while at home. Consequently, weekly active users for all of NIKE activity apps rose 80% by the end of fiscal third-quarter versus the beginning of the quarter. The increased engagement of consumers with activity apps also translated into strong engagement with NIKE's commercial app, leading to more than 30% growth in digital sales in Greater China. In addition to Greater China, the company has applied this playbook in Japan and South Korea over the past two months, which has resulted in early momentum in those markets as well. This provides the company with the right strategy to combat the effects of COVID-19 in other markets, particularly in Europe and the United States.

▲ **North America Business Sustains Growth:** NIKE's North America business has been witnessing robust momentum since fourth-quarter fiscal 2018. In third-quarter fiscal 2020, NIKE reported 4% revenue growth in North America, both on reported and currency-neutral basis. The growth was driven by more than 30% growth in NIKE digital and over 60% growth in NIKE app. Further, the company benefited efforts to deliver differentiated NIKE consumer experiences, with double-digits growth each in New York City and Los Angeles.

▲ **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.

▲ **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 third quarter, back 9.6 million shares for \$957 million under its four-year share repurchase program of \$15 billion approved in June 2018. As of Feb 29, 2020, the company repurchased 43.3 million shares for \$3.9 billion under this program. On May 8, the company declared cash dividend of 24.5 cents per share, payable on Jul 1.

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 32.15x, which is below the median level of 33.69x and 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 29.3x and for the S&P 500 is 20.53x. Given these factors, we believe that the stock is quite stretched from the P/E aspect.

▼ **NIKE Expects Soft Q4 Results:** Despite store operations now about fully resumed in China and South Korea as well as partial openings in more than 15 countries, the company notes that most of the NIKE-owned and wholesale partner stores remained closed since mid-March. This resulted in delayed shipments to wholesale customers, leading to lower wholesale revenues and higher inventory. This is likely to have affected the NIKE Direct and wholesale businesses in North America, EMEA and APLA in fourth-quarter fiscal 2020. It further notes that impacts and the duration of this situation remain uncertain. Consequently, it expects to provide further updates during the fourth-quarter fiscal 2020 earnings call. Earlier, in its fiscal third-quarter report, the company refrained from providing any guidance for the fourth quarter and fiscal 2020.

▼ **Coronavirus-Related Headwinds:** With a view to support the efforts of governments in respective countries to contain the coronavirus outbreak, NIKE has announced two rounds of temporary store closures which are likely to affect its performance. Earlier, the company temporarily closed stores in China, which hurt revenues for Greater China in third-quarter fiscal 2020. Notably, revenues in Greater China declined 5% year over year, after delivering 22 straight quarters of double-digit growth. Moreover, revenues dropped 4% on a currency-neutral basis. The full quarter results reflected impacts of the COVID-19 outbreak due to the closure of more than 5,000 brick-and-mortar stores across Greater China in late January, to protect the health and safety of employees and consumers.

Further, with the outbreak of the pandemic in other countries, particularly in Europe and the United States, the company recently closed of all its company-owned stores in multiple countries around the world, including those in the United States, Canada, Western Europe, Australia and New Zealand, from Mar 16 to play its part in containing the spread of coronavirus.

▼ **Soft Gross Margin:** NIKE's gross profit increased 3% in third-quarter fiscal 2020, while gross margin contracted 80 basis points (bps) to 44.3%. The decline was mainly attributed to the effects of COVID-19 on China business, higher rebates to wholesale partners and increased costs for factory cancellations to manage future inventory. The coronavirus outbreak in China resulted in lower sales mix in Greater China, which is the company's high margin geography. Additionally, gross margin were impacted by adverse currency rates and incremental tariffs in North America.

▼ **Higher SG&A Expenses:** NIKE has been witnessing higher SG&A expenses over the past few quarter driven by investments in digital transformation. In the fiscal third quarter, Selling and administrative (SG&A) expenses increased 6% to \$3,283 million. As a percentage of sales, SG&A expenses deleveraged 30 bps to 32.5%. SG&A deleverage resulted from continued investment in digital transformation, as well as tight operating overhead management and shift in demand creation. Notably, demand-creation expenses increased 1% year over year to \$870 million due to investments in key brands. Operating overhead expenses were up 8% to \$2,413 million, reflecting wage-related expenses related to investments in data and analytics and other transformational initiatives to accelerate end-to-end digital transformation.

▼ **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.

Revenues in Greater China declined 5% in third-quarter fiscal 2020, driven by store closures in China due to the COVID-19 outbreak. Stores closures across other countries should also affects results.

Last Earnings Report

NIKE Q3 Earnings Beat Despite Coronavirus Impact

NIKE reported better-than-expected top and bottom lines for third-quarter fiscal 2020. Moreover, the company did not provide guidance for fourth-quarter fiscal 2020 due to the uncertainty regarding the spread of COVID-19 across several countries. However, it expects fiscal 2021 performance to be in line with the long-term financial targets.

Earnings of 78 cents per share improved 14.7% from the prior-year quarter and surpassed the Zacks Consensus Estimate of 54 cents. Earnings mainly benefited from robust top-line growth across geographies, offset by the impacts of the virus outbreak on its business in Greater China.

Revenues increased 5.1% to \$10,104 million and beat the Zacks Consensus Estimate of \$9,871 million. On a currency-neutral basis, revenues grew 7%. The outperformance was driven by solid momentum across EMEA, APLA and North America, offset by the impact of the outbreak in Greater China. Further, the company's top line benefited from 13% currency-neutral growth in NIKE Direct, with digital growth of 36%.

Gross profit rose 3% to \$4,473 million, while gross margin contracted 80 basis points (bps) to 44.3%. The decline was mainly attributed to the impacts of COVID-19 on the company's China business, higher rebates to wholesale partners and increased costs for factory cancellations to manage future inventory. The coronavirus outbreak in China resulted in lower sales mix in Greater China, which is the company's high-margin geography. Additionally, gross margin was impacted by adverse currency rates and incremental tariffs in North America.

Selling and administrative expenses increased 6% to \$3,283 million. As a percentage of sales, SG&A expenses deleveraged 30 bps to 32.5%. SG&A deleverage resulted from continued investment in digital transformation as well as tight operating overhead management and shift in demand creation.

Notably, demand-creation expenses increased 1% year over year to \$870 million due to investments in key brands. Operating overhead expenses were up 8% to \$2,413 million, reflecting wage-related expenses related to investments in data and analytics, and other transformational initiatives to accelerate end-to-end digital transformation.

Operating Segments

Revenues for the **NIKE Brand** increased 5% to \$9,616 million, while constant-dollar revenues for the brand were up 6%. Results gained from continued double-digit growth in NIKE Direct and gains in the wholesale business. Moreover, strength in major categories like sportswear and the Jordan brand as well as improvements in footwear and apparel fueled top-line growth.

Within the NIKE Brand, revenues in **North America** improved 4% on reported and currency-neutral basis, owing to more than 30% growth in NIKE digital and more than 60% growth in the NIKE app. Further, the company benefited from the efforts to deliver differentiated NIKE consumer experiences, with double-digit growth each in New York City and Los Angeles.

In **EMEA**, the company's revenues increased 11% (up 13% on a currency-neutral basis), backed by double-digit growth in most key categories. Further, NIKE digital grew more than 40% in EMEA. Per the company, the NIKE Brand's growing popularity in all key cities across EMEA also drove market share for both footwear and apparel. Moreover, greater speed and agility aided growth in EMEA, reflecting more than 30% growth coming from EMEA revenues and nearly 80% of incremental growth flowing through Express Lane.

In **Greater China**, revenues declined 5% year over year after delivering the 22nd straight quarter of double-digit growth. Moreover, revenues dropped 4% on a currency-neutral basis. The quarterly results reflected impacts of the closure of more than 5,000 brick-and-mortar stores across Greater China in late January to protect the health and safety of teammates and consumers amid the virus outbreak. However, during the first two months of the fiscal third quarter, Greater China's revenues grew strong in double digits. Notably, the company witnessed extraordinary momentum in China through mid-January, fueled by the launch of NIKE Digital in China in the third quarter, where it now has 5 million NIKE app downloads. Notably, digital sales in Greater China increased more than 30%.

In **APLA**, NIKE witnessed an 8% revenue growth (up 13% on a currency-neutral basis). Currency-neutral growth in the region was fueled by strength in key cities and was balanced across key categories, nearly all of which were up in double digits. Further, NIKE Digital increased 51% and wholesale grew in double-digits, on a currency-neutral basis, backed by growth in differentiated strategic partners.

Revenues at the **Converse** brand rose 9% to \$506 million. On a currency-neutral basis, revenues of the segment were up 11%, owing to double-digit growth in Europe and strength in the global digital business.

Balance Sheet & Shareholder-Friendly Moves

NIKE ended third-quarter fiscal 2020 with cash and short-term investments of \$3,182 million, long-term debt (excluding current maturities) of \$3,463 million, and shareholders' equity of \$9,045 million. As of Feb 29, 2020, inventories increased 7% to \$5,807 million, backed by strong consumer demand across all geographies and higher inventories in Greater China due to the coronavirus outbreak. In the fiscal third quarter, NIKE bought back 9.6 million shares for \$957 million under its four-year share repurchase program of \$15 billion approved in June 2018. As of Feb 29, it repurchased 43.3 million shares for \$3.9 billion under the program.

Quarter Ending **02/2020**

Report Date	Mar 24, 2020
Sales Surprise	2.36%
EPS Surprise	44.44%
Quarterly EPS	0.78
Annual EPS (TTM)	2.96

Recent News

NIKE Expects Soft Q4 Results on Coronavirus Qualms – May 15, 2020

NIKE, Inc. has almost fully resumed store operations in Greater China and South Korea after a prolonged period of lockdown due to the coronavirus outbreak. Notably, all stores in China have now reopened, while more than 95% of stores in South Korea are operational, with some stores operating for reduced hours. The company noted that the retail traffic in these locations has been gradually gaining momentum, although in-store traffic trends continue to be softer than the prior-year period. However, higher conversion rates and robust demand in the digital space have been catalysts.

Encouragingly, management remains optimistic about consumers' increasing preference for a healthy lifestyle, which will help it maintain the brand's solid momentum. Alongside this, solid performance in the digital arena and strong financial stability are likely to keep the company afloat during these trying times.

The company is witnessing robust engagement in its digital ecosystem, evident from the accelerated new member acquisition and strong online demand globally. The company has particularly seen greater traffic and engagement in its mobile and activity apps amid the store closures. To meet the higher-than-expected demand, Nike has increased its digital fulfillment capacity. This is likely to offset the decline in in-store sales.

Additionally, the company is gradually reopening stores in North America, EMEA and APLA as some states and countries are easing restrictions. So far, NIKE has reopened stores in more than 15 countries, including Germany, France, the Netherlands, Brazil and the United States. As of May 14, operations began in nearly 40% of stores in EMEA, 15% in APLA and 5% in North America. These included both NIKE-owned and wholesale partner stores.

Further, the company remains committed to safeguarding the health of its employees and customers by following instructions issued by local health authorities and governments. It is undertaking safety protocols, including social-distancing rules, restrictions on store traffic, sanitization of products, distribution centers and facilities, and providing masks to employees.

However, most of the NIKE-owned and wholesale partner stores remained closed since mid-March to contain the spread of COVID-19. This resulted in delayed shipments to wholesale customers, leading to lower wholesale revenues and higher inventory. This is likely to have affected the NIKE Direct and wholesale businesses in North America, EMEA and APLA in fourth-quarter fiscal 2020.

NIKE notes that impacts and the duration of this situation remain uncertain. Consequently, it expects to provide further updates during the fourth-quarter fiscal 2020 earnings call. Earlier, in its fiscal third-quarter report, the company refrained from providing any guidance for the fourth quarter and fiscal 2020.

NIKE Declares Quarterly Dividend – May 8, 2020

NIKE declared quarterly dividend of 24.5 cents per share on its Class A and Class B shares, payable on Jul 1 to shareholders with record on Jun 1.

NIKE Steps Up Measures to Contain the Spread of Coronavirus – Mar 13, 2020

NIKE is among the companies to have announced the closure of all its company-owned stores in multiple countries around the world, including those in the United States, Canada, Western Europe, Australia and New Zealand, from Mar 16 to Mar 27 to play its part in containing the spread of coronavirus (COVID-19). The announcement came after President Donald Trump declared a national emergency on Mar 13 to help combat further spread of coronavirus.

Moreover, the company revealed that other Nike-managed facilities will offer the option to work from home and flexible work schedules. Further, it is taking steps to contain the spread of the deadly virus among its team members, which include social distancing, and other safety and cleaning measures. Nevertheless, the company stated that customers can still make purchases through its online shopping site — [nike.com](https://www.nike.com) — and the Nike app. Furthermore, the Nike-owned stores in South Korea, Japan, most of China and many other countries will remain open and continue to operate normally.

Valuation

NIKE shares are down 6% in the year-to-date period but up nearly 13.8% for the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Consumer Discretionary sector are down 8.4% and 9.1% in the year-to-date period, respectively. Over the past year, the Zacks sub-industry is up 10.7% but the sector is down 2.5%.

The S&P 500 index is down 1% in the year-to-date period but up 10.3% in the past year.

The stock is currently trading at 35.17X forward 12-month earnings, which compares to 30.05X for the Zacks sub-industry, 32.24X for the Zacks sector and 23.03X for the S&P 500 index.

Over the past five years, the stock has traded as high as 39.43X and as low as 19.92X, with a 5-year median of 26.24X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$100 price target reflects 36.95X 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	35.17	30.05	32.24	23.03
	5-Year High	39.43	30.85	32.24	23.03
	5-Year Low	19.92	18.63	16.21	15.23

P/S F12M	5-Year Median	26.24	23.39	19.92	17.49
	Current	3.51	2.7	2.27	3.58
	5-Year High	4.13	3.02	3.19	3.58
	5-Year Low	2.21	1.99	1.67	2.53
	5-Year Median	2.91	2.59	2.51	3.02
EV/EBITDA TTM	Current	22.75	19.23	10.34	11.82
	5-Year High	27.88	24.5	17.63	12.85
	5-Year Low	14.1	12.39	8.29	8.25
	5-Year Median	17.99	16.01	12.24	10.81

As of 06/11/2020

Industry Analysis Zacks Industry Rank: Bottom 4% (241 out of 252)



Top Peers

Company (Ticker)	Rec	Rank
Columbia Sportswear Company (COLM)	Neutral	3
lululemon athletica inc. (LULU)	Neutral	3
Skechers U.S.A., Inc. (SKX)	Neutral	3
Under Armour, Inc. (UAA)	Neutral	3
Adidas AG (ADDYY)	Underperform	5
Deckers Outdoor Corporation (DECK)	Underperform	3
Steven Madden, Ltd. (SHOO)	Underperform	5
V.F. Corporation (VFC)	Underperform	5

Industry Comparison Industry: Shoes And Retail Apparel				Industry Peers		
	NKE	X Industry	S&P 500	ADDYY	SKX	UAA
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	5	3	3
VGM Score	C	-	-	C	F	F
Market Cap	147.99 B	1.54 B	21.32 B	51.05 B	4.91 B	4.30 B
# of Analysts	8	5	14	8	4	16
Dividend Yield	1.03%	1.03%	1.99%	1.03%	0.00%	0.00%
Value Score	D	-	-	F	C	F
Cash/Price	0.02	0.22	0.06	0.05	0.23	0.19
EV/EBITDA	27.12	8.29	12.31	11.34	8.29	11.60
PEG Ratio	2.74	2.63	2.88	14.26	NA	NA
Price/Book (P/B)	16.36	1.68	2.92	6.46	1.85	2.77
Price/Cash Flow (P/CF)	31.50	9.68	11.24	14.56	10.43	12.49
P/E (F1)	35.74	27.91	20.84	77.13	87.05	NA
Price/Sales (P/S)	3.59	0.77	2.24	2.04	0.95	0.86
Earnings Yield	2.82%	3.40%	4.64%	1.30%	1.16%	-4.86%
Debt/Equity	0.69	0.64	0.76	0.23	0.64	0.97
Cash Flow (\$/share)	3.02	2.97	7.01	8.95	2.98	0.76
Growth Score	B	-	-	A	F	F
Hist. EPS Growth (3-5 yrs)	7.68%	7.23%	10.87%	18.63%	6.77%	-18.26%
Proj. EPS Growth (F1/F0)	1.57%	-47.37%	-10.81%	-68.90%	-84.11%	-236.40%
Curr. Cash Flow Growth	0.27%	0.43%	5.46%	36.19%	11.53%	12.74%
Hist. Cash Flow Growth (3-5 yrs)	7.69%	5.48%	8.55%	23.10%	18.98%	4.10%
Current Ratio	1.90	1.90	1.29	1.25	3.10	1.70
Debt/Capital	40.75%	39.81%	44.75%	18.43%	38.88%	49.29%
Net Margin	10.46%	4.91%	10.54%	6.11%	5.53%	-10.42%
Return on Equity	51.49%	14.63%	16.08%	18.83%	12.17%	-1.18%
Sales/Assets	1.61	1.12	0.55	1.12	1.08	1.05
Proj. Sales Growth (F1/F0)	7.20%	-1.28%	-2.60%	-18.21%	-10.07%	-23.56%
Momentum Score	D	-	-	D	D	F
Daily Price Chg	-6.81%	-7.63%	-6.44%	-7.63%	-9.30%	-9.90%
1 Week Price Chg	4.19%	7.76%	7.51%	12.01%	13.41%	26.86%
4 Week Price Chg	9.96%	17.67%	8.40%	22.37%	24.68%	22.83%
12 Week Price Chg	35.30%	31.54%	25.04%	37.96%	47.77%	4.53%
52 Week Price Chg	13.83%	-19.37%	-6.33%	-10.96%	3.60%	-64.40%
20 Day Average Volume	7,031,175	266,893	2,634,935	58,114	1,716,615	11,153,446
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-0.88%	0.00%	-0.13%
(F1) EPS Est 4 week change	-2.06%	-1.42%	0.00%	-0.22%	0.00%	-4.21%
(F1) EPS Est 12 week change	-21.24%	-51.05%	-15.86%	-63.22%	-76.26%	-511.61%
(Q1) EPS Est Mthly Chg	-5.76%	0.00%	0.00%	0.00%	0.00%	-0.88%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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	B
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.

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