

Key Statistics (USD)

Price	182.02
Market Cap	132.661B
Enterprise Value	N/A
PEG Ratio (5 yr. expected)	1.15
52 weeks high	189.51
52 weeks low	140.91
Beta (5Y-monthly)	1.22
Dividend yield %	1.32%
EPS (TTM)	10.68
1-Yr Stock performance	16,87%

Firm's Brief Description.

American Express Company is a globally integrated payments company. The Company provides its customers with access to products, insights, and experiences that builds business. It operates under four segments: U.S. Consumer Services (USCS), Commercial Services (CS), International Card Services (ICS), and Global Merchant and Network Services (GMNS). USCS offers travel and lifestyle services as well as banking and non-card financing products. CS offers payment and expense management, banking and non-card financing products. CS also issues corporate cards and provides services to select global corporate clients. ICS also provides services to international customers, including travel and lifestyle services, and manages certain international joint ventures and its loyalty coalition businesses. GMNS provides multi-channel marketing programs and capabilities, services and data analytics. It provides credit and charge cards to consumers, small businesses, mid-sized companies and corporations.

Sector Overview

- A U.S. judge on January 10 said debit card users in nearly a dozen states may pursue class-action claims accusing American Express (AXP.N) of driving up merchants' fees on transactions and causing consumers to pay hundreds of millions of dollars in overcharges.
- March 6 (Reuters) - American Express Co (AXP.N) said on Sunday it was suspending all operations in Russia and Belarus, joining a growing number of Western corporations to boycott business there over Moscow invasion of Ukraine.
- American Express India hub builds AI tech for global operations to solve everyday problems.

Fundamental Analysis

American Express (AXP) is currently trading at \$182.02, near its 52-week high of \$189.51. The stock has demonstrated a good 1-year performance, gaining 16.87%. With a beta of 1.22, American Express exhibits slightly higher volatility compared to the overall market. The PEG ratio of 1.15 show us that the stock may be slightly overvalued relative to its expected earnings growth over the next five years. American Express (AXP) exceeded its 3-year average in revenue growth, however, there were significant declines in earnings and free cash flow based on the 3 year average, warranting investigation into the factors behind these downward trends. American Express (AXP) exhibits a marginal decline in profitability, reflected in lower Gross Profit Margin (63.67% vs. 3-year avg of 66.55%), Operating Margin (18.60% vs. 3-year avg of 20.23%), and Net Profit Margin (14.70% vs. 3-year avg of 15.67%). This might suggests potential challenges in maintaining historical levels of operational efficiency and converting revenue into profit. Also the higher Financial Leverage, improved ROE, and slightly increased ROA tell us that American Express is employing financial leverage to enhance returns. Finally the lower valuation ratios compared to the 3-year averages may suggest that the market is pricing American Express more favorably at the moment.

Target Price (1 year forward): 191.82\$

Growth Rates	Company	3-Yr Avg
Revenues	19.11%	18.90%
Earnings	33.48%	127.20%
Free Cash Flow	-3.71%	154.55%

Margins	Company	3-Yr Avg
Gross Profit Margin	63.67%	66.55%
Operating Margin	18.60%	20.23%
Net Profit Margin	14.70%	15.67%

Key Ratios	Company	3-Yr Avg
Current Ratio	-	-
Total Ratio	112.24%	-
Financial Leverage	9.17	8.57
ROE	8.97%	7.97%
ROA	1.26%	1.20%
ROIC	-	-

Valuation Metrics	Company	3-Yr Avg
Price to Sales	1.73	2.56
Price to Earnings	14.00	18.25
Price to Free Cash Flow	3.03	5.79
Price to Book Value	36.86	38.21

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