

Company: Amazon	Ticker: AMZN Current Price: \$97.12	Industry: CONSUMER DISCRETIONARY INTERNET AND DIRECT MARKETING RETAIL	
Target Price: \$152.00 Stop Loss: \$85.00 52 Week High/Low: \$188.11 /\$89.02	TTM P/E: 82.67 Forward P/E: 40 EPS: 1.11	Beta: 1.32 Credit Rating: A1 Rating Outlook: A1	Market Cap: 923.5B Avg Vol: 63.48M Dividend Yield: 0
Company Background:			
Amazon engages in the retail sale of consumer products and subscriptions in North America and internationally. The company operates through three segments: North America, International, and Amazon Web Services (AWS). It sells merchandise and content purchased for resale from third-party sellers through physical and online stores.			
Industry Outlook:			
U.S. is expected to fall into a recession in 2023. Consumer spending had a small increment from last quarter. By 2025, eMarketer projects worldwide e-commerce sales topping \$7 billion, representing a three-year CAGR of 12%.			
Investment Thesis:			
As the Fed tries to reduce inflation and control the economy. Amazon's beta is 1.32 so when the economy gets back on track and the market is bullish, Amazon has a strong possibility of outperforming the SP500. Amazon stock has fallen 46.87% so far this year giving investors room for investment. We forecast revenue growth of 9% in 2022 and 8% in 2023, which follows 22% growth in 2021 and 38% growth in 2020. We continue to see stronger growth in Services (e.g., AWS, advertising, fulfillment services, subscriptions).			
Investment Risks:			
Risks to our opinion and target price include regulatory challenges, persistent supply chain and labor issues, cost inflation (products, wages, transportation, energy), rising competition in e-commerce and cloud services, and weakening e-commerce demand amid a potential recession.			
3-5 Takeaways from last quarter investor call transcripts			
For the AMZN Q3: <ul style="list-style-type: none"> • Net sales increased by 19% • New NFL brought 15m viewers with that advertising grew 30% YOY • AWS sales increased 28% • 1B in operations cost improvements • Announcement of acquiring One Medical for \$3.9B 			
Financial Performance		Discounted Cash Flow	
2023 Sales Growth: 10.70%		TV = 2,281,478 PV of TV = 1,332,029	
EPS: 1.68		EV = 1,560,158	
Price/Book: 8.79		+Cash = 96,089	
EV/Revenue: 1.99		-Debt = 48,744	
EV/EBITDA: 19.68		Equity Value = 1,607,503	
		Shares = 10,555	
		Share price = \$152.30	
Relative Valuation		Total Return %	

AMZN vs. The Competition

EXPORT

	Amazon.Com	Catalog & Mail Industry	Retail Sector	NASDAQ Exchange
Market Cap	\$1.22T	\$48.24B	\$15.17B	\$5.29B
Dividend Yield	N/A	1.25%	175.60%	4.14%
P/E Ratio	106.97	13.73	28.84	12.44
Price / Sales	2.59	1.02	17.26	92.85
Price / Cash	17.31	21.39	34.30	80.62
Price / Book	8.79	48.49	3.60	5.36
Net Income	\$33.36B	\$1.30B	\$764.73M	\$237.43M
7 Day Performance	11.62%	1.25%	2.49%	1.21%
1 Month Performance	1.71%	-7.03%	-0.53%	-2.88%
1 Year Performance	-28.46%	-42.67%	-32.69%	-35.36%

ROA: 2%

ROE: 8.78%

Profit Margin: 2.26%

Operating Margin: 2.58%