

Company: Amazon	Ticker: AMZN	Price: \$222.17	Industry: Technology	
Target Price: \$275.98 Stop Loss: \$110 52 Week H/L: \$242.52/\$161.38	TTM P/E: 33.92x Forward P/E: 32.12x EPS (LTM): \$6.55	Beta (5Y): 1.31 Credit Rating: AA (S&P)	Market Cap: 2.369T Avg. Volume: 42.3M Div. Yield: N/A	

Company Background:

Amazon.com, Inc. engages in the retail sale of consumer products, advertising, and subscriptions service through online and physical stores in North America and internationally. The company operates through three segments: North America, International, and Amazon Web Services (AWS). It also manufactures and sells electronic devices, including Kindle, fire tablets, fire TVs, echo, ring, blink, and eero; and develops and produces media content. In addition, the company offers programs that enable sellers to sell their products in its stores; and programs that allow authors, independent publishers, musicians, filmmakers, Twitch streamers, skill and app developers, and others to publish and sell content. Further, it provides compute, storage, database, analytics, machine learning, and other services, as well as advertising services through programs, such as sponsored ads, display, and video advertising. Additionally, the company offers Amazon Prime, a membership program. The company’s products offered through its stores include merchandise and content purchased for resale and products offered by third-party sellers. It serves consumers, sellers, developers, enterprises, content creators, advertisers, and employees. Amazon.com, Inc. was incorporated in 1994 and is headquartered in Seattle, Washington.

Industry Outlook:

Amazon’s industry outlook remains favorable, supported by the continuing growth in its underlying industries, including e-commerce, cloud computing, and digital advertising. Retail is expected to grow modestly, AWS is expected to have larger growth rate due to the expansion into AI and the evolving demand for cloud computing, and Prime is expected to expand their offering with recent updates being expansion into sports and live-streaming.

Competitive Analysis:

Amazon’s profitability trails software and tech peers due to a significant amount of revenue coming from retail, but improving margins from AWS and advertising are key long-term drivers. Its valuation is moderate relative to growth prospects, returns on capital are solid but not leading due to reinvestment in logistics and infrastructure, and Amazon maintains low leverage and stable liquidity, giving it resilience and capacity to continue investing aggressively.

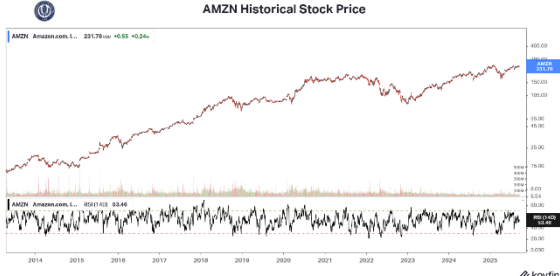
Investment Thesis:

We believe the company is well-positioned for continued growth, given the trends in the underlying industries it serves, the continuing shift to e-commerce, increasing adoption of cloud computing via AWS, expansion of digital advertising, and investments in artificial intelligence and logistics automation. The growth of their high margin services businesses will drive the bottom line and further increase the attractiveness of the prime ecosystem

Investment Risks:

- Monopoly Risk:** Amazon’s dominant market position across e-commerce and cloud computing invites ongoing antitrust scrutiny, which could lead to fines, regulation, or forced divestitures.
- AWS Competition:** Intensifying competition from Microsoft Azure and Google Cloud may pressure AWS’s margins and slow growth in its most profitable segment.
- Tariffs:** Rising import tariffs or trade tensions could increase Amazon’s supply chain costs and reduce pricing flexibility across its global retail operations.

Stock Performance – 10yr:



ESG:

ESG Risk Rating

18.37

Updated 26-Sep-2025

Low Risk

Valuation:				Blended implied share price					
				Perpetuity growth rate					
					3.0%	3.5%	4.0%	4.5%	5.0%
WACC	11.3%	\$243.63	\$247.59	\$252.10	\$257.26	\$263.25			
	10.8%	\$253.42	\$258.04	\$263.35	\$269.50	\$276.71			
	10.3%	\$264.20	\$269.66	\$275.98	\$283.38	\$292.19			
	9.8%	\$276.18	\$282.68	\$290.29	\$299.34	\$310.27			
	9.3%	\$289.62	\$297.44	\$306.74	\$317.98	\$331.83			