Zacks Report Date: December 21, 2025

AECOM (ACM)

$96.72 (Stock Price as of 12/19/2025)

Price Target (6-12 Months): **$111.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/15/23) Prior Recommendation: Underperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: B
	Value: B | Growth: B | Momentum: D	

Summary

AECOM's fourth quarter of fiscal 2025 earnings and revenues surpassed the Zacks Consensus Estimate by 1.5% and 1%, respectively, and also grew on a year-over-year basis. The company is benefiting from strength across its end-markets, given the robust public spending environment within and beyond the national borders. Increased government initiatives in the UK and Canada, alongside opportunity alignments in the Middle East, are backing up AECOM's revenue visibility. During fiscal 2025, NSR grew 6% year over year on an adjusted basis to $7.57 billion. As of Sept. 30, 2025, total backlog was up 4% year over year to $24.83 billion. However, ongoing macro risks, high costs and currency fluctuations are headwinds to AECOM's prospects. Shares of AECOM have underperformed the industry in the past six months.

Price, Consensus & Surprise[1]

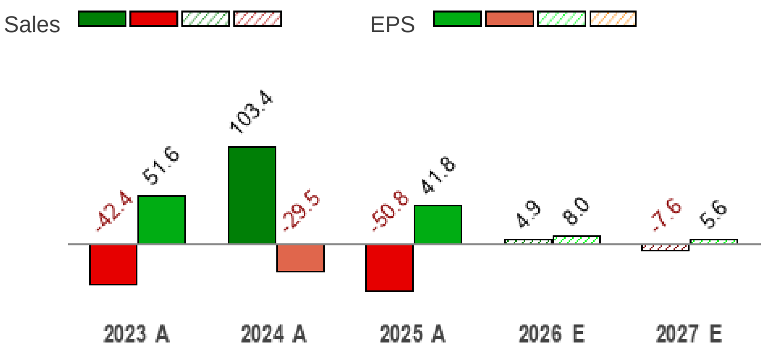
Data Overview

52 Week High-Low	**$135.52 - $85.00**
20 Day Average Volume (sh)	**1,673,768**
Market Cap	**$12.8 B**
YTD Price Change	**-9.5%**
Beta	**1.05**
Dividend / Div Yld	**$1.24 / 1.1%**
Industry	**Engineering - R and D Services**
Zacks Industry Rank	**Top 41% (99 out of 243)**

Last EPS Surprise	**1.5%**
Last Sales Surprise	**1.0%**
EPS F1 Est- 4 week change	**0.0%**
Expected Report Date	**02/02/2026**
Earnings ESP	**0.0%**

P/E TTM	**18.4**
P/E F1	**26.1**
PEG F1	**3.8**
P/S TTM	**0.8**

Sales and EPS Growth Rates (Y/Y %)[1]



Sales Estimates (millions of $)[1]

	Q1	Q2	Q3	Q4	Annual*
2027					7,343 E
2026					7,945 E
2025	1,801 A	1,867 A	1,938 A	1,967 A	7,573 A

EPS Estimates[1]

	Q1	Q2	Q3	Q4	Annual*
2027					6.00 E
2026					5.68 E
2025	1.31 A	1.25 A	1.34 A	1.36 A	5.26 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/19/2025.
(2) The report's text and the price target are as of 11/28/2025.

Overview

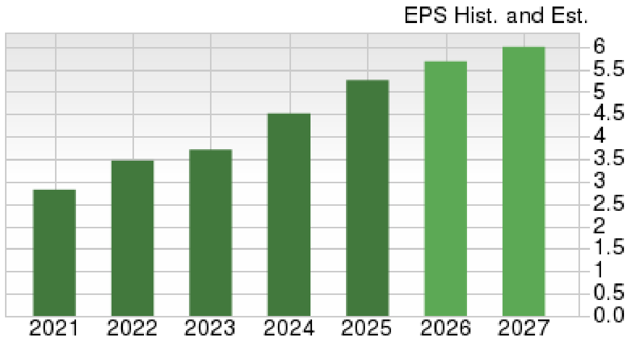
AECOM is a leading solutions provider for supporting professional, technical and management solutions for diverse industries across end markets like transportation, facilities, government, as well as those in environmental, energy and water businesses.

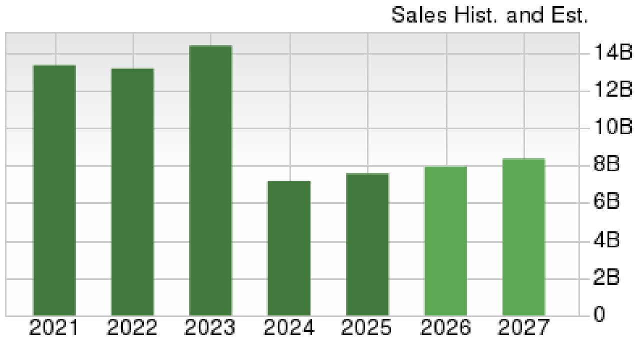
AECOM specializes in providing integrated services for planning, construction and maintenance of infrastructures that include consulting, architecture, engineering as well as managing the requirements for energy, water and environment to various private and public clients. The company primarily focuses on providing fee-based services and is driven by knowledge-based services.

AECOM reports through three operating segments — Americas (which accounted for 77.7% of fiscal 2025 revenues), International (22.4%) and AECOM Capital or ACAP.

Americas includes planning, consulting, architectural and engineering design, and construction and program management services to commercial and government clients in major end markets of the United States, Canada, and Latin America.

International unit involves planning, consulting, architectural and engineering design services, and program management to commercial and government clients in major markets of Europe, the Middle East, Africa, India and the Asia-Pacific regions.





As of 12/19/2025

ACAP includes investments primarily in real estate projects.

Per Engineering News-Record's (ENR's) 2023 Design Survey, AECOM is the second-largest general architectural and engineering design firm in the world, ranked by 2022 design revenue. Also, it is the global leader in transportation design, facilities design, environmental engineering, environmental consulting and environmental science.

As of 12/19/2025

Reasons To Buy:

> AECOM enjoys a dominant market share in the transit and water markets, which remains positive for 2025 and beyond. International prospects also look promising.

▲ **Domestic & International Public Spending Initiatives:** AECOM has been witnessing robust market trends due to the $1.2 trillion Infrastructure Investment and Jobs Act (IIJA) in the United States, with public infrastructure demand reaching new heights. Similar trends are now reflected in its international markets, including the United Kingdom, Canada, the UAE and Asia. The recent 10-year infrastructure strategy announcement by the U.K. government highlights investments of GBP 725 billion across key sectors, including transportation, water and energy, reflecting heightened opportunities for the company in the upcoming term. In the United Kingdom and Ireland, large transportation projects and AMP8 activity have faced short-term budget pressures. However, long-term visibility is supported by the United Kingdom's 10-Year Infrastructure Strategy and accelerating AMP8 and AMP9 planning. Moreover, in the Middle East, AECOM successfully managed to align its opportunities with the shifts in investment priorities for infrastructure development for the World Expo and World Cup in Saudi Arabia. In Australia, long-term demand is expected to rebound as transportation and AUKUS investments accelerate. With Canada's aim of prioritizing public infrastructure projects 60% quicker, alongside long-term demand drivers remaining firm across Australian and Asian markets, the company is positioned to capitalize on these tailwinds in the near and long term.

Coming to the domestic market, during the fourth quarter of fiscal 2025 earnings call, AECOM highlighted that since the launch, only about 41% of the IIJA funding has been spent across its target markets. This positioning reflects incremental long-term revenue visibility for the company. Among the favorable market fundamentals, AECOM is witnessing growth opportunities in key market segments, including AI (with data centers taking the major share), water, transportation, aviation, coastal protection and electricity. The company believes that by 2030, U.S. data center investments are likely to triple. Besides, the passing of the One Big Beautiful Bill Act has been acting as a catalyst for the ongoing market trends. The act highlights tax incentives like bonus depreciation across infrastructure investments, boosting opportunities in onshore manufacturing, data center capacity and energy infrastructure. Also, the bill allocates about $150 billion of mandatory defense spending, and the Department of Defense, being AECOM's crucial client, opens up new revenue opportunities for the company.

▲ **Strong Backlog:** AECOM is witnessing robust prospects in all its segments. The company's net service revenues (NSR) — defined as revenues excluding subcontractor and other direct costs — are benefiting from strength across core transportation, water, and environment markets. During fiscal 2025, NSR grew 6% on an adjusted basis to $7.573 billion, with NSR in the Americas and International segments growing year over year by 9% and 1%, respectively. As of fiscal 2025, the total backlog was $24.83 billion, up 4% from $23.86 billion reported in fiscal 2024. The current backlog level includes 1.4% contracted backlog growth. In the fourth quarter of fiscal 2025, the company recorded its 20th consecutive quarter with a book-to-burn ratio above 1x.

Besides the robust market trends backed by the government initiatives globally, AECOM's in-house capabilities are benefiting its backlog growth and revenue visibility. Firstly, the company's Advisory business aids its clients in planning their investments and minimizing associated challenges in the dynamic environment. Secondly, its Program Management business comes in handy across complex, large-scale projects. AECOM expects these two businesses to hold about 50% of its entire business in the long term. Lastly, its investment strategies to enhance leadership, technical development and AI capabilities offer its substantial competitive advantage amidst its market peers.

For the long term, AECOM still aims to achieve 5-8% organic NSR growth annually, projecting a margin run-rate exceeding 20% by fiscal 2028 and adjusted EPS growth of more than 15% annually between fiscal 2026 and 2029. It also targets double-digit annual growth in adjusted EPS and free cash flow per share for the same time frame. AECOM expects the annual dividend per share to increase in double digits over the long term. Additionally, it projects more than 100% conversion of adjusted net income to free cash flow.

▲ **Strategic Focus on High-Growth Markets:** AECOM prioritizes its core geographies—the U.S., Canada, UK, Ireland, and Australia—which collectively generate approximately 90% of its profits. This targeted approach allows the company to concentrate resources on the most stable and profitable markets. AECOM's leadership in key sectors, such as its top ranking in the water design market, supports its ambitious plan to double its water practice within five years.

During fiscal 2025, AECOM reported a 0.3% year-over-year increase in America revenues to $12.5 billion. The revenues gained on the back of an 11.7% increase in the Transportation end market, and 6% gain from its Water and Environment end market. The main international markets that benefited the performance of the International segment include the U.K. and the Middle East. Notably, AECOM is also optimistic about its prospects in the Hong Kong market, with the upcoming $30 billion Northern Metropolis investment program. As of fiscal 2025, backlog in the International segment grew year over year by 6.8% to $6.87 billion, with contracted backlog increasing 5.5% to $4.72 billion.

Going forward, AECOM remains optimistic about its prospects in the high-growth markets, driven by the robust demand trends for comprehensive design, program management and advisory services. By leveraging the market trends, the company will continue to make strategic investments in these key markets to foster its long-term growth.

▲ **Sustainability and Innovation as Differentiators:** AECOM's focus on sustainability and innovation resonates with client priorities and global trends. Its investments in digital water systems, predictive analytics, and energy-efficient infrastructure position the company as a forward-thinking leader. AECOM also reported rising demand for sustainability-focused advisory services, particularly from traditional water clients dealing with issues such as revenue leakage. These clients increasingly need expert support to plan and prioritize infrastructure investments. Management emphasized that combining AECOM's technical expertise with advanced AI tools helps clients navigate complex funding landscapes and assess major sustainability project business cases. AI is viewed as a value-enhancing capability that improves accuracy, accelerates delivery and strengthens decision-making across environmental, water, transportation and energy programs.

Over time, Program Management and Advisory Services are expected to contribute at least 50% of the business. Through a combination of strong market trends, strategic focus, and operational excellence, AECOM is poised to capitalize on long-term growth drivers while maintaining its leadership in the global infrastructure space. AECOM expects its profit margin to reach more than 20% margin run-rate by the end of fiscal 2028 and to advance AI capabilities to accelerate growth in the higher-margin Advisory business.

▲ **Sufficient Liquidity:** AECOM is doing an excellent job of maintaining a stable financial position during the ongoing uncertain market conditions. As of Sept. 30, 2025, the company had total cash and cash equivalents of $1.59 billion, up from $1.59 billion at fiscal 2024-end. Net cash provided by operating activities at the end of the fourth quarter of fiscal 2025 was $821.6 million compared with $827.5 million reported a year ago.

Long-term debt as of Sept. 30, 2025, was $2.68 billion compared with $2.5 billion reported at fiscal 2024-end. Nonetheless, the company's cash position remains sufficient to meet the current portion of long-term debt of $62.2 million.

Reasons To Sell:

Cyclical demand for AECOM’s services, risky economic conditions and dependence on government projects are causes of concern.

- **Risky Economic Conditions:** Client spending is adversely affected by economic downturns, which pose a major headwind for the company’s future. Moreover, as the company operates across multiple geographies, factors like changes in the United States’ and other national governments’ trade policies, regulatory practices, tariffs and taxes, further devaluations and other conversion restrictions and logistical & communication challenges might adversely impact the company’s financials.

- **Cyclical Nature of the Business:** Demand for AECOM’s services is cyclical in nature. Hence, it is largely vulnerable to a reduction in government and private industrial spending. The COVID-19 pandemic reduced demand for some of AECOM’s services and impacted client spending. Its clients may demand more favorable pricing or other terms, while their ability to pay invoices promptly may be adversely affected in economically weak countries. If economic conditions remain uncertain/weak and government spending is reduced, the company’s revenue and profitability could be adversely affected.

  It is to be noted that the fiscal first quarter (Oct 1-Dec 31) is typically AECOM’s weakest quarter every year. The extreme weather conditions impact its business in parts of North America and the holiday season schedule affects productivity.

- **Overdependence on Government Projects:** AECOM derives a considerable share of revenues from government projects. Therefore, the company is more prone to be impacted by the changes in the government’s rules and regulations. Moreover, these projects are mostly long-term contracts and any budgetary changes in the tenure can affect AECOM’s business.

  The company’s business will also be negatively impacted if the U.S. government reduces the percentage of outsourced projects. Moreover, the company’s inability to renew government contracts during regulated procurement processes can materially impact operations and reduce profits & revenues going forward. AECOM has been witnessing an increase in federal contracts based on a low-price, technically acceptable criteria that emphasizes price over qualitative factors. This implies that the company may face significant pricing pressure, which will ultimately reduce profit margins from future federal contracts. Further, governmental agencies may modify, curtail, or terminate contracts without prior notice, adding to AECOM’s woes.

  During fiscal 2025, 2024, and 2023, approximately 50%, 46%, and 43% of its total revenues were derived from contracts with government entities.

- **Dependence on Global Political Conditions:** AECOM’s business is affected by uncertain global political and economic conditions. In fiscal 2025, 27% of total revenues were attributable to the services provided to non-U.S. clients. The ongoing conflict between Russia and Ukraine, political and economic instability in the Middle East and Southeast Asia and currency fluctuations are major threats to AECOM.

Last Earnings Report

AECOM Q4 Earnings Surpass Estimates, Backlog Increases Y/Y

FY Quarter Ending	9/30/2025
Earnings Reporting Date	Nov 18, 2025
Sales Surprise	1.02%
EPS Surprise	1.49%
Quarterly EPS	1.36
Annual EPS (TTM)	5.26

AECOM reported better-than-expected results for the fourth quarter of fiscal 2025, where both earnings and revenues surpassed the Zacks Consensus Estimate and grew on a year-over-year basis. However, net service revenues (NSR) increased from the prior-year quarter.

AECOM delivered a strong fourth-quarter performance, surpassing its raised earnings guidance and achieving its highest-ever annual margin. The company ended the year with a record backlog and pipeline, marking the fifth consecutive quarter of sequential backlog growth. It now expects to reach a 20%+ margin run rate by fiscal 2028, supported by advancements in its proprietary AI capabilities and continued growth in its higher-margin Advisory business. AECOM also issued fiscal 2026 guidance that reflects sustained strength across all key financial metrics.

Delving Deeper Into AECOM's Q4 Results

The company reported adjusted earnings per share (EPS) of $1.36, which topped the consensus mark of $1.34 by 1.5% and increased 7.1% from the prior-year quarter.

Revenues of $4.11 billion grew 1.6% year over year to $4.18 billion. NSR of $1.97 billion surpassed the consensus mark of $1.95 billion and increased 8.5% year over year.

Total backlog at the fiscal fourth-quarter end was $24.83 billion, up 4% from the year-ago period. AECOM's design backlog rose 3% to a new record high and a solid 1.1x book-to-burn ratio in its U.S. design business. This marks the 20th consecutive quarter with a book-to-burn ratio above 1.0, reflecting sustained demand. Additionally, the company's pipeline of opportunities reached an all-time high, which increased by 13%. This growth is being driven by strong funding across the company's major markets, which is creating more project opportunities.

AECOM's Segment Details

Americas' revenues were $3.2 billion during the reported quarter, up 2% from the prior-year quarter's levels. And NSR of $1.2 billion moved up 13% year over year.

Adjusted operating income of $244 million was up 17% year over year. Adjusted operating margin (on an NSR basis) expanded 70 basis points (bps) year over year to a new high of 20.4%. This growth was driven by ongoing execution of initiatives to deliver expanding operating leverage, as well as strong execution and growth.

The total backlog at the end of the fiscal fourth quarter was $17.96 billion compared with $17.44 billion a year ago.

International revenues were down 1% year over year to $935 million. Nonetheless, NSR remained unchanged year over year at $769 million.

Adjusted operating income in the segment rose 2% year over year to $93 million. Adjusted operating margin (on an NSR basis) also moved down 50 bps year over year to 12.1%. This decline was caused by lower revenues in certain end markets.

The total backlog at the end of the fiscal fourth quarter was $6.87 billion, up from $6.43 billion a year ago.

AECOM Capital's quarterly revenues were $0.1 million.

Operating Highlights of AECOM

Adjusted segment operating profit amounted to $299 million, up 14% from the year-ago quarter. The segment's adjusted operating margin improved 40 bps to 17.1%.

Adjusted EBITDA rose 13% year over year to $329 million. Adjusted EBITDA margin of 17.5% also rose 80 bps year over year.

Liquidity & Cash Flow of AECOM

At the end of the fiscal fourth quarter, AECOM's cash and cash equivalents totaled $1.59 billion, up from $1.58 billion at fiscal 2024-end. The total debt (excluding unamortized debt issuance costs) as of Sept. 30, 2025, was $2.74 billion, up from $2.54 billion at fiscal 2024-end.

At the fiscal fourth-quarter end, operating cash flow decreased 34% year over year to $196 million. Adjusted free cash flow also declined 51% to $134 million year over year.

AECOM's FY26 Guidance

AECOM's fiscal 2026 guidance for adjusted EBITDA and EPS reaffirms its outlook for record net service revenues, robust profitability and margins, and sustained strong cash flow conversion throughout the year.

It is now expecting adjusted EPS in the range of $5.65-$5.85. This indicates a 9% improvement from fiscal 2024 levels on a constant-currency basis, considering the midpoint of the guidance.

AECOM expects adjusted EBITDA in the range of $1.265-$1.305. This indicates 7% year-over-year growth at the midpoint.

Free cash flow is expected to be approximately $400 million, which also includes planned investments related to the company's announced restructuring to support key AI initiatives and the efficiency improvements outlined at today's 2025 Investor Day.

AECOM's Guidance for FY26 Excluding the Construction Management Business

AECOM expects NSR in the range of $7.2-$7.4 billion. This indicates 5% year-over-year growth at the midpoint.

It expects adjusted EBITDA in the range of $1,180-$1,220 million, an adjusted operating margin of 16.6% and an adjusted EBITDA margin of 16.8%.

AECOM is now expecting adjusted EPS in the range of $5.15-$5.35. The company anticipates generating 6-8% organic NSR growth in fiscal 2026.

Valuation

AECOM's shares are down 3% in the past six months and 9.9% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 16.5% and the Zacks Construction sector is up 10.4% in the past six months. Over the past year, the Zacks sub-industry has been up 3.1%, but the sector is down 10.5%.

The S&P 500 index is up 18.2% in the past six months and 15.9% in the past year.

The stock is currently trading at 18.41X forward 12-month earnings, which compares to 24.78X for the Zacks sub-industry, 19.52X for the Zacks sector, and 23.48X for the S&P 500 index.

Over the past five years, the stock has traded as high as 24.89X and as low as 16.19X, with a 5-year median of 20.13X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $111 price target reflects 19.40X forward 12-month earnings.

The table below shows the summary valuation data for ACM.

Valuation Multiples - ACM

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	18.41	24.78	19.52	23.48
	5-Year High	24.89	25.74	19.57	23.81
	5-Year Low	16.19	16.33	8.99	15.73
	5-Year Median	20.13	20.21	15.39	21.21
P/B TTM	Current	5.18	3.99	4.81	8.47
	5-Year High	6.62	5.32	5.5	9.16
	5-Year Low	2.2	2.14	3	6.6
	5-Year Median	4.5	3.59	4.46	8.03
EV/EBITDA TTM	Current	12.66	12.3	18.57	18.54
	5-Year High	16.24	18.83	25.1	22.4
	5-Year Low	10.09	9.18	10.51	13.87
	5-Year Median	13.71	12.53	17.31	17.95

As of 11/26/2025 *Source: Zacks Investment Research*

Industry Analysis[1]   **Zacks Industry Rank:** Top 41% (99 out of 243)

Top Peers [1]

Company (Ticker)	Rec	Rank
Dycom Industries, In...**(DY)**	Outperform	1
Sterling Infrastruct...**(STRL)**	Outperform	1
Willdan Group, Inc. **(WLDN)**	Outperform	1
Fluor Corporation **(FLR)**	Neutral	3
Jacobs Solutions Inc...**(J)**	Neutral	3
KBR, Inc. **(KBR)**	Neutral	3
MasTec, Inc. **(MTZ)**	Neutral	3
Quanta Services, Inc...**(PWR)**	Neutral	3

Industry Comparison[1]   Industry: Engineering - R And D Services

Industry Peers

	ACM	X Industry	S&P 500	FLR	J	KBR
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	B	-	-	A	B	A
Market Cap	12.81 B	1.23 B	38.78 B	6.59 B	15.83 B	5.12 B
# of Analysts	2	2	22	3	4	6
Dividend Yield	1.08%	0.00%	1.39%	0.00%	0.95%	1.64%
Value Score	B	-	-	B	C	A
Cash/Price	0.12	0.10	0.04	0.43	0.08	0.11
EV/EBITDA	10.87	12.04	14.61	6.61	18.16	8.80
PEG Ratio	3.83	1.73	2.19	NA	1.46	1.09
Price/Book (P/B)	4.75	3.03	3.32	1.27	4.39	3.48
Price/Cash Flow (P/CF)	14.60	12.95	15.20	14.68	16.30	8.83
P/E (F1)	26.07	22.32	19.70	19.03	19.00	10.60
Price/Sales (P/S)	0.79	0.86	3.10	0.42	1.32	0.63
Earnings Yield	5.87%	4.22%	5.07%	5.26%	5.26%	9.43%
Debt/Equity	0.98	0.45	0.56	0.20	0.61	1.74
Cash Flow ($/share)	6.63	1.98	8.99	2.79	8.23	4.57
Growth Score	B	-	-	B	B	A
Hist. EPS Growth (3-5 yrs)	17.44%	20.67%	8.16%	44.94%	1.55%	14.97%
Proj. EPS Growth (F1/F0)	-29.47%	11.64%	8.50%	-7.33%	15.36%	13.77%
Curr. Cash Flow Growth	10.29%	12.04%	6.86%	-12.45%	0.96%	20.46%
Hist. Cash Flow Growth (3-5 yrs)	8.46%	8.70%	7.43%	-4.10%	1.58%	11.81%
Current Ratio	1.14	1.32	1.19	1.45	1.30	1.18
Debt/Capital	49.54%	31.88%	38.01%	16.99%	47.15%	63.52%
Net Margin	3.48%	3.61%	12.78%	21.71%	2.41%	4.71%
Return on Equity	27.35%	18.74%	17.00%	8.32%	19.14%	35.14%
Sales/Assets	1.34	1.21	0.53	1.53	1.06	1.20
Proj. Sales Growth (F1/F0)	103.40%	0.00%	5.81%	-4.60%	7.90%	0.90%
Momentum Score	D	-	-	B	C	A
Daily Price Chg	-0.61%	0.00%	0.88%	-0.94%	1.04%	-5.84%
1 Week Price Chg	-2.15%	-1.11%	0.10%	-6.17%	-1.22%	-7.31%
4 Week Price Chg	-6.57%	4.66%	3.51%	2.15%	4.12%	-0.05%
12 Week Price Chg	-25.17%	-0.54%	2.87%	-2.99%	-9.33%	-14.89%
52 Week Price Chg	-10.44%	1.05%	15.24%	-18.73%	-1.24%	-29.29%
20 Day Average Volume	1,673,768	236,895	3,013,825	2,663,800	1,245,247	1,432,042
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.00%	0.82%	0.07%
(F1) EPS Est 12 week change	-0.09%	1.06%	0.69%	5.74%	1.16%	1.06%
(Q1) EPS Est Mthly Chg	NA%	0.00%	0.00%	0.00%	-6.25%	-2.61%

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	B
Growth Score	B
Momentum Score	D
VGM Score	B

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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