

## eBay Inc. (EBAY)

**\$91.51** (Stock Price as of 01/06/2026)

Price Target (6-12 Months): **\$92.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

Neutral

(Since: 08/29/24)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

3-Hold

Zacks Style Scores:

VGM: C

Value: C

Growth: C

Momentum: B

## Summary

eBay is well positioned to benefit from e-commerce growth, connecting millions of buyers and sellers in more than 190 markets. AI-powered listing tools and authentication services enhance user experience, while mobile commerce expansion drives engagement. Strategic focus on collectables delivers strong momentum, with triple-digit Pokemon growth and assets like TCGplayer deepening category strength. International expansion through eBay International Shipping and SpeedPAK strengthens cross-border capabilities. However, eBay faces intense competition from Amazon, Alibaba, Etsy and Facebook. Heavy reliance on Google for traffic creates vulnerabilities as Google evolves into a marketplace competitor. Regulatory headwinds from the removal of de minimis exemption and tariff uncertainty constrain cross-border trade in the near term.

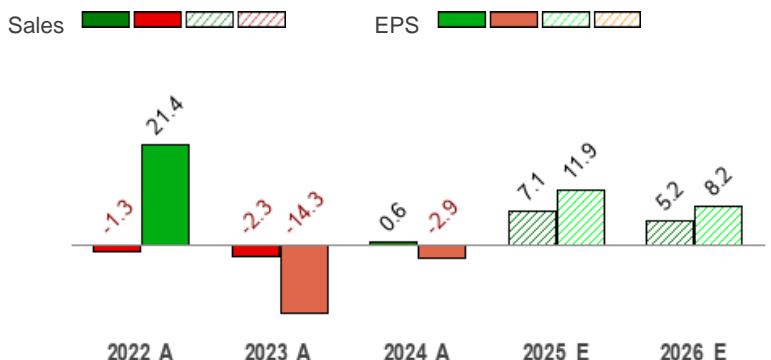
## Price, Consensus & Surprise<sup>(1)</sup>



## Data Overview

52 Week High-Low	<b>\$101.15 - \$58.71</b>
20 Day Average Volume (sh)	<b>4,054,863</b>
Market Cap	<b>\$41.4 B</b>
YTD Price Change	<b>5.1%</b>
Beta	<b>1.35</b>
Dividend / Div Yld	<b>\$1.16 / 1.3%</b>
Industry	<b>Internet - Commerce</b>
Zacks Industry Rank	<b>Bottom 35% (158 out of 244)</b>

## Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>



Last EPS Surprise	<b>2.3%</b>
Last Sales Surprise	<b>2.9%</b>
EPS F1 Est- 4 week change	<b>0.4%</b>
Expected Report Date	<b>02/25/2026</b>
Earnings ESP	<b>4.0%</b>

## Sales Estimates (millions of \$)<sup>(1)</sup>

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Annual*</b>
2026					<b>11,581 E</b>
2025	2,585 A	2,730 A	2,820 A		<b>11,012 E</b>
2024	2,556 A	2,572 A	2,576 A	2,579 A	<b>10,283 A</b>

## EPS Estimates<sup>(1)</sup>

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Annual*</b>
2026					<b>6.14 E</b>
2025	1.38 A	1.37 A	1.36 A		<b>5.52 E</b>
2024	1.25 A	1.18 A	1.19 A	1.25 A	<b>4.88 A</b>

\*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 01/06/2026.

(2) The report's text and the price target are as of 12/30/2025.

## Overview

eBay operates an online shopping platform which provides sellers the tools to build online store formats, making it easier for customers to browse by brands.

Over the years, the company has evolved from a relatively small community user-based auction site to a worldwide commercial behemoth store.

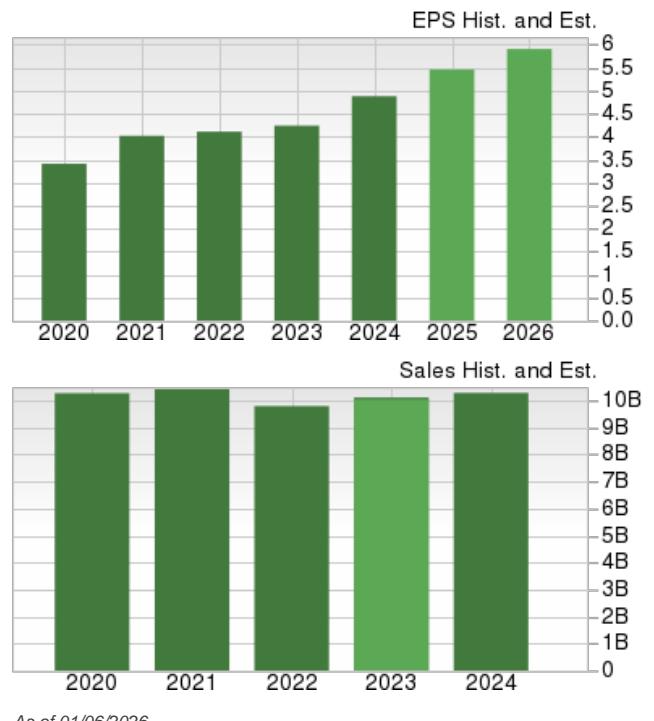
The company is well positioned in the online marketplace space. Since the separation from PayPal in 2015, its marketplace business continues to be the key growth driver for eBay.

eBay's structured data initiatives to better understand, organize and leverage inventory on its site for delivering more personalized user experiences continues to drive gross merchandise volume (GMV) growth.

In addition to the marketplace business, the company's advertising business has been doing well. Its focus on growing promoted listing fees (as part of the first-party advertising business) should continue to expand the company's growth.

Total net revenues were \$10.2 billion in 2024. The company's operating region comprises the United States and international regions, which include the U.K., China, Germany and Rest of the World.

In 2024, the company generated \$5.2 billion in revenues from the United States (51% of net revenues), which were up 3.2% from 2023. International regions generated \$5.04 billion in revenues in 2024 (49% of net revenues). More precisely, eBay generated \$1.5 billion, \$1.16 billion, \$972 million and \$1.39 billion of revenues from the U.K., China, Germany and Rest of the World, respectively.



As of 01/06/2026



As of 01/06/2026

## Reasons To Buy:

- ▲ eBay is very well positioned to capitalize on the solid growth prospects present in the online retail market. Per a Mordor Intelligence report, the global e-commerce market is expected to hit \$31.22 trillion in 2025 and reach \$73.47 trillion by 2030, witnessing a CAGR of 18.67% between 2025 and 2030. The company offers an online marketplace where any given day, there are millions of items across thousands of categories for sale. Moreover, its marketplace platform connects millions of buyers and sellers in more than 190 markets across the world. Additionally, the company's strategy to deliver enhanced marketplace experience by infusing advanced AI technologies into its platform, is expected to boost its Gross Merchandise Volume (GMV) in the long term.
- ▲ eBay's push into mobile paves the way for continued growth in the future. Mobile commerce volumes have been growing rapidly in recent times helped by a number of mobile apps already available and several others (for specific shopping verticals) along the way. The mobile platform also pushes up auction rates, since mobile alerts are particularly helpful in this regard and help a buyer to stay in contention for a longer period of time. eBay also united the mobile experience across platforms enabling a consistent user interface that is already resulting in faster product iteration.
- ▲ eBay's expanding international and cross-border initiatives present an attractive growth opportunity for investors. The company is accelerating its global shipping roadmap to strengthen trade efficiency and reduce conflicts among sellers amid changing import regulations. Recent launches include eBay International Shipping to Canada — now eBay's third largest corridor in the United States — and the expansion of SpeedPAK to German sellers, increasing delivery reliability and customs transparency. These innovations automate customs and duty management while improving the buyer experience and seller competitiveness. International markets are contributing meaningfully to GMV growth (8% forex-neutral), with eBay's advanced logistics infrastructure positioning it to meet growing cross-border e-commerce demand, which is likely to exceed \$7.9 trillion by 2030.
- ▲ eBay's intensified focus on high-growth "focus categories" such as collectibles, refurbished goods, fashion and circular economy products continues to drive meaningful marketplace expansion. Collectibles remain the standout growth engine, with accelerating year-over-year GMV across trading card segments, including triple-digit Pokémon GMV growth for three consecutive quarters. Complementary off-platform assets like TCGplayer and Goldin further enhance category depth and engagement. Supported by AI-powered listing tools, authentication services and PSA data integration, eBay has strengthened trust and liquidity within the hobbyist ecosystem. With the global collectibles market projected to reach \$902 billion by 2035 at a 7.2% CAGR, this category represents a durable long-term growth catalyst for investors.

eBay's strong e-commerce positioning, AI-driven marketplace innovation, mobile momentum, cross-border expansion and booming collectibles segment underpin its long-term growth prospects.

## Reasons To Sell:

- ▼ E-commerce, with a large user base worldwide, has turned out to be a sweet spot with more and more companies jumping into the area and further intensifying the competitive scenario. eBay's core business faces tough competition from Amazon, Alibaba, Etsy and Facebook, which in turn is hurting its market position.
- ▼ eBay dependence on Google for driving traffic is a cause for worry in more ways than one. First, Google makes changes to its algorithms that at times affect traffic to its site. Second, Google is becoming more of a marketplace itself through its product listing ads and Buy buttons. And while eBay can compete for those, it could have the effect of increasing its costs, since the slots are limited and competition high. Moreover, Facebook has store fronts within its app, making it easier for consumers to purchase rather than through a separate eBay app, thus making deeper penetration much more difficult. eBay could have its own store there too, but this could ultimately raise costs again and impact its brand value.
- ▼ Regulatory and trade-related challenges are expected to weigh on eBay's near-term performance. The company will face a full-quarter impact from the removal of the global de minimis exemption in the fourth quarter, compared with only a partial effect in the prior quarter. This policy change increases import costs and compliance burdens for international sellers, potentially dampening cross-border trade activity on the platform. Combined with ongoing tariff uncertainty and shifting customs regulations, these factors are likely to constrain transaction volumes and exert pressure on gross merchandise value (GMV) growth.

Intensifying competition, reliance on Google traffic, and rising regulatory and trade headwinds are expected to pressure eBay's market position, transaction volumes and GMV growth ahead.

## Last Earnings Report

### eBay Q3 Earnings & Revenues Surpass Estimates, Both Increase Y/Y

**eBay Inc.** reported third-quarter 2025 non-GAAP earnings of \$1.36 per share, which beat the Zacks Consensus Estimate by 2.26%. The bottom line increased 14.3% year over year.

Net revenues of \$2.82 billion beat the Zacks Consensus Estimate by 2.9%. The figure increased 9.5% from the year-ago quarter on a reported basis and 8% on an FX-neutral basis.

eBay's first-party advertising products generated revenues of \$496 million in the reported quarter, up 25% on an as-reported basis and 23% on an FX-neutral basis.

Total advertising offerings yielded \$525 million in revenues, representing 2.6% of gross merchandise volume (GMV).

EBAY's active buyer base, which was pinned at 134 million at the end of the third quarter, increased 1% year over year, missing the consensus mark by 0.4%.

### GMV Details for EBAY

EBAY's total GMV of \$20.11 billion in the reported quarter exhibited year-over-year growth of 10% on a reported basis and 8% on an FX-neutral basis. The reported GMV surpassed the Zacks Consensus Estimate of \$19.42 billion.

The total GMV is categorized into two parts. U.S. GMV totaled \$9.87 billion, accounting for 49.1% of the total GMV. The figure rose 13% year over year. International GMV was \$10.23 billion, accounting for 50.9% of the total GMV. The figure increased 7% year over year.

### EBAY's Q3 Operating Details

Operating expenses of \$1.42 billion grew 13.5% year over year. As a percentage of net revenues, the figure expanded 180 basis points (bps) from the year-ago quarter to 48.7%.

The non-GAAP operating margin was 27.1% in the third quarter, contracting 10 bps year over year.

### EBAY's Balance Sheet & Cash Flow

As of Sept. 30, 2025, cash equivalents and short-term investments were \$3.38 billion, down from \$3.75 billion as of June 30, 2025.

Long-term debt remained unchanged at \$5 billion at the end of the third quarter of 2025, compared with the prior quarter.

Cash flow from operating activities was \$934 million in the third quarter, a sharp turnaround from negative \$307 million in the previous quarter.

eBay reported free cash flow from continuing operations of \$803 million in the third quarter.

The company repurchased \$625 million worth of shares and paid out cash dividends of \$132 million in the reported quarter. eBay had approximately \$1.4 billion remaining under its buyback authorization as of Sept. 30, 2025.

### EBAY's Q4 & FY25 Guidance

For the fourth quarter of 2025, eBay expects revenues in the range of \$2.83 billion to \$2.89 billion. On an FX-neutral basis, revenue growth is anticipated to be 8-10%.

The non-GAAP operating margin for the fourth quarter of 2025 is expected to be between 25.8% and 26.3%.

GMV for the fourth quarter is likely to be in the range of \$20.5-\$20.9 billion.

Non-GAAP earnings per share are anticipated to be between \$1.31 and \$1.36.

For 2025, the company expects revenues between \$10.97 billion and \$11.03 billion. On an FX-neutral basis, revenue growth is anticipated to be 6-6%.

Non-GAAP operating margin is expected to be between 27.7% and 27.8%.

GMV for the full year is likely to be in the range of \$78.9-\$79.3 billion.

Non-GAAP earnings per share are projected to be between \$5.42 and \$5.47.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Oct 29, 2025
Sales Surprise	2.90%
EPS Surprise	2.26%
Quarterly EPS	1.36
Annual EPS (TTM)	5.36

## Recent News

On Dec. 12, eBay unveiled its 2025 Collected trend report, revealing top global collectible searches that defined collector demand this year.

On Dec. 9, eBay announced a new series called *Built to Spec*, teaming up with Pete Davidson to design a custom minivan tailored for performance, comfort and everyday family use using vehicles, parts and accessories sourced from eBay.

On Nov. 11, eBay unveiled its biggest holiday live-shopping lineup ever, featuring a month of interactive events across YouTube, TikTok, and eBay Live with exclusive deals, celebrity hosts and themed shopping days designed to help customers find unique gifts and savings.

On Nov. 3, 2025, eBay announced the pricing of a \$1 billion senior unsecured notes offering — \$600 million of 4.250% notes due 2029 and \$400 million of 5.125% notes due 2035 — expected to close Nov. 6, 2025.

On Oct. 27, 2025, eBay and Condé Nast announced a multi-year partnership, naming eBay the official pre-loved partner across Vogue, GQ, Vanity Fair and more in the United States, the U.K. and Germany to promote circular, second-hand fashion.

On Oct. 1, 2025, eBay unveiled its global brand campaign “eBay Stories,” spotlighting personal stories behind purchases and connecting with buyers via TV, digital, radio, and social in the U.S., U.K., and Germany.

## Valuation

eBay shares have increased 15.3% in the past six-month period and 41.6% over the trailing 12-month period. Stocks in the Zacks sub-industry and Zacks Retail-Wholesale sector have returned 4.2% and 3.2% in the past six-month period, respectively. Over the past year, the Zacks sub-industry and the sector have risen 10% and 7.4%, respectively.

The S&P 500 index has appreciated 14.7% in the past six-month period and 20.1% in the past year.

The stock is currently trading at 14.43X forward 12-month earnings, which compares to 24.44X for the Zacks industry, 24.8X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 21.92X and as low as 10.65X, with a five-year median of 14.78X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$92 price target reflects 25.66X forward 12-month earnings.

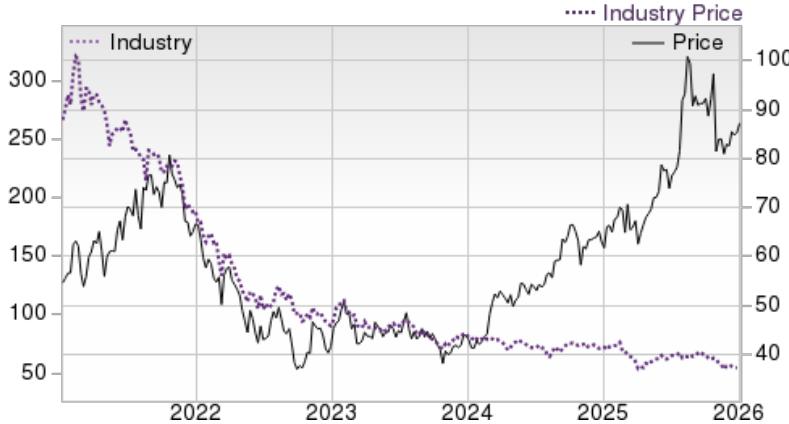
The table below shows the summary valuation data for EBAY.

Valuation Multiples - EBAY					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	14.43	24.44	24.80	23.44
	5-Year High	21.92	54.15	34.42	23.80
	5-Year Low	10.65	21.37	21.48	15.74
	5-Year Median	14.78	32.52	24.78	21.23
P/S F12M	Current	3.33	2.14	1.64	5.31
	5-Year High	4.78	3.75	2.05	5.49
	5-Year Low	1.94	1.34	1.20	3.82
	5-Year Median	2.85	2.02	1.54	5.04
EV/Sales TTM	Current	3.75	2.37	1.82	5.81
	5-Year High	5.43	4.75	2.38	5.81
	5-Year Low	1.84	1.38	1.3	3.76
	5-Year Median	3.03	2.22	1.69	5.10

As of 12/29/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 35% (158 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Expedia Group, Inc. (EXPE)	Outperform	2
Amazon.com, Inc. (AMZN)	Neutral	2
Booking Holdings Inc... (BKNG)	Neutral	2
Carvana Co. (CVNA)	Neutral	3
Wayfair Inc. (W)	Neutral	3
Zalando (ZLNDY)	Neutral	3
Alibaba Group Holdin... (BABA)	Underperform	5
JD.com, Inc. (JD)	Underperform	5

## Industry Comparison<sup>(1)</sup> Industry: Internet - Commerce

	EBAY	X Industry	S&P 500	AMZN	BKNG	ZLNDY
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Neutral	Neutral
<b>Zacks Rank (Short Term)</b>	3	-	-	2	2	3
<b>VGM Score</b>	C	-	-	B	B	C
Market Cap	41.36 B	694.54 M	40.27 B	2,575.59 B	172.40 B	7.53 B
# of Analysts	9	3	22	15	12	1
Dividend Yield	1.27%	0.00%	1.35%	0.00%	0.72%	0.00%
<b>Value Score</b>	C	-	-	C	C	B
Cash/Price	0.09	0.22	0.04	0.04	0.10	0.22
EV/EBITDA	15.03	3.45	14.84	20.45	18.73	7.30
PEG Ratio	1.80	1.15	2.06	1.51	1.16	NA
Price/Book (P/B)	8.77	2.92	3.44	6.97	NA	2.25
Price/Cash Flow (P/CF)	19.11	18.90	15.60	22.79	25.42	11.57
P/E (F1)	21.89	18.27	18.94	30.69	20.30	20.67
Price/Sales (P/S)	3.86	1.39	3.12	3.73	6.62	0.59
Earnings Yield	6.46%	4.66%	5.28%	3.26%	4.93%	4.84%
Debt/Equity	1.06	0.08	0.57	0.14	-3.38	0.17
Cash Flow (\$/share)	4.79	0.05	8.98	10.57	210.44	1.23
<b>Growth Score</b>	C	-	-	B	A	F
Hist. EPS Growth (3-5 yrs)	4.90%	20.47%	8.24%	26.63%	101.07%	3.59%
Proj. EPS Growth (F1/F0)	-14.34%	29.17%	9.18%	29.66%	21.28%	3.85%
Curr. Cash Flow Growth	10.47%	4.90%	7.00%	42.81%	14.84%	44.11%
Hist. Cash Flow Growth (3-5 yrs)	-2.31%	12.84%	7.49%	27.41%	6.90%	31.85%
Current Ratio	0.92	1.33	1.19	1.01	1.33	1.12
Debt/Capital	51.46%	17.01%	38.14%	12.07%	NA	14.29%
Net Margin	NA%	1.41%	12.77%	NA	NA	NA
Return on Equity	41.94%	6.38%	17.03%	23.62%	-134.86%	8.67%
Sales/Assets	0.58	1.03	0.53	1.03	0.91	1.39
Proj. Sales Growth (F1/F0)	-2.30%	6.21%	5.29%	12.00%	12.30%	25.50%
<b>Momentum Score</b>	B	-	-	B	B	A
Daily Price Chg	1.15%	0.13%	0.62%	3.38%	-0.35%	-0.83%
1 Week Price Chg	2.17%	-0.40%	0.70%	-2.59%	-2.15%	-1.74%
4 Week Price Chg	9.08%	0.00%	1.52%	5.71%	2.94%	5.32%
12 Week Price Chg	0.49%	-6.12%	4.52%	11.34%	1.29%	-9.06%
52 Week Price Chg	44.86%	-14.43%	17.53%	8.47%	11.52%	-12.57%
20 Day Average Volume	0	392,706	2,426,458	0	0	0
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.45%	0.00%	0.00%	0.11%	0.16%	0.00%
(F1) EPS Est 12 week change	-3.48%	1.01%	0.44%	2.48%	2.31%	7.81%
(Q1) EPS Est Mthly Chg	0.52%	0.00%	0.00%	0.25%	3.17%	NA

## 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	C
Growth Score	C
Momentum Score	B
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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