NIKE, Inc. (NKE)

$65.35 (Stock Price as of 01/06/2026)

Price Target (6-12 Months): **$70.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 08/26/25) Prior Recommendation: Underperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: F
	Value: D | Growth: F	Momentum: F

Summary

NIKE's first quarter of fiscal 2026 showed clear progress under its "Win Now" strategy, reflecting early signs of recovery and stronger execution. North America led growth with robust gains in running, training, and basketball, while EMEA and APLA posted steady improvements in performance categories and marketplace balance. The company's wholesale rebound and tighter retail partnerships further strengthened its multi-channel position. NIKE also demonstrated disciplined cost control with lower SG&A expenses and improved inventory management. However, NIKE's shares underperformed the industry year-to-date, reflecting persistent macro pressures, headwinds from tariffs, and uneven regional trends. Weakness in sportswear and China, and a slowing digital business continue to weigh on investor sentiment.

Price, Consensus & Surprise(1)

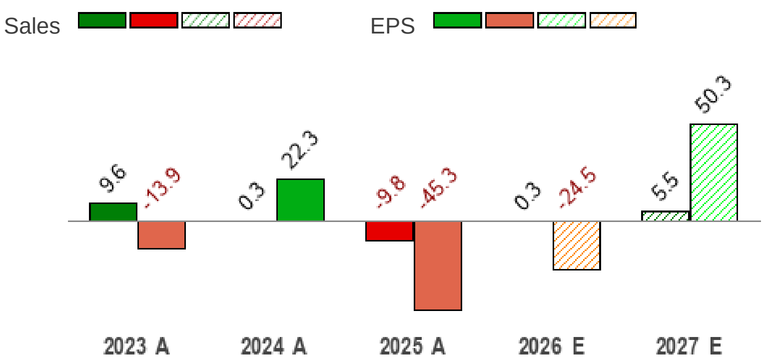
Data Overview

52 Week High-Low	**$82.44 - $52.28**
20 Day Average Volume (sh)	**24,145,044**
Market Cap	**$95.4 B**
YTD Price Change	**1.3%**
Beta	**1.28**
Dividend / Div Yld	**$1.64 / 2.5%**
Industry	**Shoes and Retail Apparel**
Zacks Industry Rank	**Bottom 17% (203 out of 244)**

Last EPS Surprise	**43.2%**
Last Sales Surprise	**2.4%**
EPS F1 Est- 4 week change	**-5.3%**
Expected Report Date	**03/19/2026**
Earnings ESP	**-12.6%**

P/E TTM	**38.0**
P/E F1	**40.1**
PEG F1	**6.2**
P/S TTM	**2.1**

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2027	12,034 E	12,785 E	12,087 E	12,093 E	48,999 E
2026	11,720 A	12,427 A	11,285 E	11,310 E	46,435 E
2025	11,589 A	12,354 A	11,269 A	11,097 A	46,309 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2027	0.70 E	0.67 E	0.67 E	0.41 E	2.45 E
2026	0.49 A	0.53 A	0.46 E	0.31 E	1.63 E
2025	0.70 A	0.78 A	0.54 A	0.14 A	2.16 A

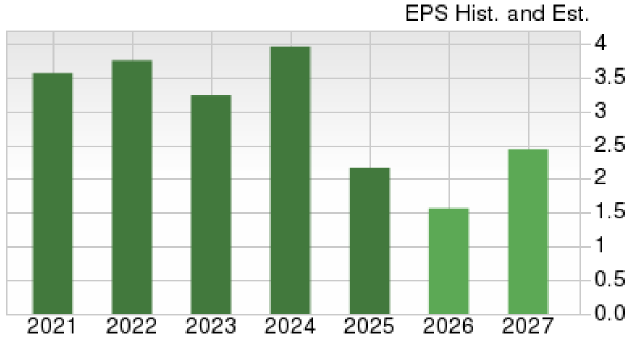
*Quarterly figures may not add up to annual.

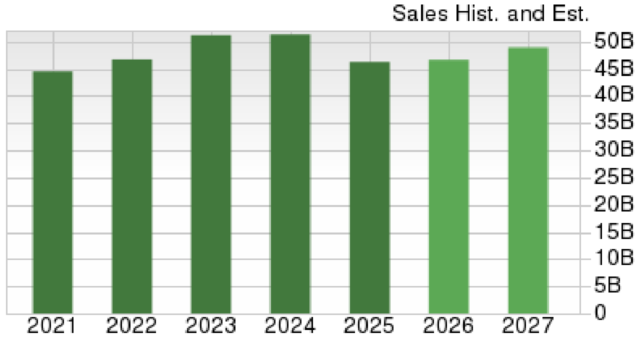
(1) The data in the charts and tables, except the estimates, is as of 01/06/2026.
(2) The report's text, the analyst-provided estimates, and the price target are as of 12/04/2025.

Overview

Headquartered in Beaverton, OR, NIKE Inc. was incorporated in 1967. The company is engaged in the business of designing, developing and marketing of athletic footwear, apparel, equipment and accessories, and services for men, women and children worldwide. With the help of a strong brand portfolio, including Nike Pro, Nike Golf, Nike+ and Air Jordan, it offers premium, well-designed and high-quality products, in line with the latest customer trends. NIKE is the global leader in athletic footwear, apparel, equipment and sports-related accessories, with operations in over 160 countries.

Nike's "swoosh" logo and "just do it" tagline are widely recognized across the world, while its association with celebrity sportspersons, such as Michael Jordon and Roger Federer as well as top professional and college teams ensures a strong brand recall in the key U.S., U.K., Japanese and Chinese markets. The company's products include six key categories: running, NIKE basketball, the Jordan brand, football, training and sportswear (sports-inspired lifestyle products). It also offers products designed for kids, as well as for other athletic and recreational uses such as American football, baseball, cricket, lacrosse, skateboarding, tennis, volleyball, wrestling, walking and outdoor activities.





As of 12/04/2025

The company sells its products to footwear stores; sporting goods stores; athletic specialty stores; department stores; skate, tennis, and golf shops; and other retail accounts through NIKE owned retail stores, digital platforms (known as "NIKE Direct"), independent distributors, licensees, and sales representatives. With the help of its retail stores in the U.S. and abroad, Nike sells its products to more than 23,000 retail accounts in the U.S. and over 24,000 retail accounts outside the U.S. to reach a wide array of customers.

Nike currently reports its operating results under 2 segments, namely NIKE Brand segment and Converse. NIKE Brand is now divided into four divisions, primarily on a geographical basis: North America, Europe, Middle East and Africa (EMEA), Greater China, and Asia Pacific and Latin America (APLA).

As of 01/06/2026

Reasons To Buy:

> NIKE's "Win Now" strategy is a fast-track operational reset designed to restore brand momentum and position the business for sustainable growth after a period of underperformance.

▲ **"Win Now" Strategy Driving Operational Reset:** NIKE's "Win Now" strategy marks a pivotal shift toward restoring growth and operational agility. The initiative prioritizes innovation, sharper execution, and consumer-centric alignment across its three brands — NIKE, Jordan, and Converse. Central to this plan is the new "Sport Offense" structure, which organizes teams by sport to enhance focus, accelerate decision-making, and strengthen storytelling. Early gains are visible in key categories such as running, training, and basketball, where product innovation and improved marketplace execution have driven renewed momentum. The strategy has also helped stabilize wholesale partnerships, improve inventory health, and reset promotional intensity in NIKE Digital. While challenges persist in Greater China and Sportswear, the "Win Now" framework has established a clear roadmap for recovery. By emphasizing product leadership, disciplined execution, and integrated marketplace management, NIKE aims to restore sustainable growth and profitability, reinforcing its long-term competitive position in the global athletic industry.

▲ **Wholesale Rebound and Strategic Channel Expansion:** NIKE's wholesale re-engagement is a key pillar of its "Win Now" strategy, designed to rebuild partner confidence and reignite profitable growth. Management has deepened collaboration with major accounts through direct engagement, focusing on curated assortments, enhanced in-store experiences, and sport-driven storytelling. The strategy delivered tangible results in the first quarter of fiscal 2026, as wholesale revenue increased 7% year over year on a reported basis and 5% on a currency-neutral basis to $6.8 billion, reflecting progress in rebuilding key retail partnerships and expanding consumer access. Growth was fueled by normalized shipment timing and broader distribution, contributing to renewed momentum in North America.

Partnerships with leading retailers such as DICK'S, Nordstrom, and Amazon have supported stronger sell-through and elevated brand visibility across both premium and value channels. This momentum underscores NIKE's success in balancing wholesale and direct operations to drive a healthier marketplace. With a stronger spring order book and improving partner sentiment, NIKE expects wholesale growth to continue through fiscal 2026, reinforcing its multi-channel recovery. As a result, the company expects its wholesale business to return to growth in fiscal 2026.

▲ **Signs of Recovery in North America:** North America remains NIKE's strongest performing region and a key driver of its early turnaround under the "Win Now" strategy. In the first quarter of fiscal 2026, the region delivered revenue growth, reflecting progress in resetting the marketplace, improving inventory health, and reigniting consumer demand across key sports categories. Running, training, and basketball each posted double-digit gains, while Sportswear showed early signs of stabilization. Wholesale growth in the region benefited from normalized shipment timing, expanded distribution, and improving sell-through rates across major partners.

NIKE's focused execution in North America, through sharper assortments, fewer promotions, and elevated retail presentations, has strengthened brand momentum and consumer engagement. The company also continues to enhance access to its products through partnerships with DICK'S, Nordstrom, and Amazon, as well as premium store refreshes. With improving order trends and a healthier product mix, North America is setting the pace for NIKE's broader global recovery. In fiscal 2026, the company expects North America to continue leading its global recovery. Our model predicts revenues for the North America business to be $20.1 billion for fiscal 2026, a 2.8% growth year-over-year.

▲ **Geographic Progress and Recovery Signals:** NIKE's EMEA and APLA businesses are showing encouraging progress, underscoring the benefits of the company's strategic reset, amid a mixed global environment. In EMEA, revenues grew 6% year over year on a reported basis and 1% on a currency-neutral basis, supported by healthy momentum in running, football, and training categories. The region has largely cleaned up marketplace inventory and is advancing toward a more full-price business model, even as promotional activity remains elevated across the industry. Wholesale partners in EMEA are regaining confidence, and the digital business is being repositioned to emphasize profitability and brand strength over short-term volume.

In APLA, revenues increased 2% year over year on a reported basis and 1% on a currency-neutral basis. Results were more uneven across markets, but the underlying performance remained encouraging. The region saw strong growth in performance footwear categories, offset by softness in Sportswear and elevated inventories in select countries. NIKE's proactive inventory management and tighter buying strategy are helping rebalance supply with demand. Together, these regions demonstrate improving operational discipline and the early benefits of NIKE's global reset. Our model predicts revenues for EMEA and APAC businesses to increase 4% and 0.3%, respectively, for fiscal 2026.

▲ **Decline in SG&A Expenses:** NIKE demonstrated disciplined cost management in the first quarter of fiscal 2026, achieving a reduction in selling, general, and administrative (SG&A) expenses. SG&A declined 1% year over year and 60 bps, as a percentage of sales, reflecting lower brand marketing spend compared with the prior year's heavy investment around major sporting events. This was partially offset by higher sports marketing costs and continued investment in the company's "Win Now" and "Sport Offense" initiatives. Operating overhead remained flat, underscoring NIKE's ongoing focus on efficiency and cost discipline amid a complex macro environment. Demand creation expenses declined 3% year over year to $1.2 billion. The moderation in SG&A highlights management's ability to balance near-term expense control with targeted investments that support innovation, brand storytelling, and marketplace elevation. As NIKE advances its strategic reset, maintaining this operational discipline will be key to protecting margins and supporting sustainable, profitable growth across regions and channels.

▲ **Robust Inventory Levels:** NIKE made solid progress in optimizing inventory in first-quarter fiscal 2026, reflecting improved supply chain management and a healthier marketplace. As of Aug. 31, inventories declined 2% year over year, signaling effective execution of its inventory normalization plan. In North America, inventory units were flat as dollar values remained stable due to tariff-related cost impacts, while Greater China achieved a meaningful reduction in both owned and partner inventory. EMEA also exited the quarter with normalized closeout levels and balanced assortments across channels.

This disciplined inventory management underscores NIKE’s commitment to maintaining product freshness, aligning supply with consumer demand, and supporting full-price sell-through. By tightening buys, clearing aged inventory, and refining channel mix, the company has strengthened the foundation for margin recovery and operational efficiency. With a cleaner marketplace entering the second half of fiscal 2026, NIKE is better positioned to drive profitable growth and meet evolving consumer demand.

▲ **Strong Financials & Sustained Shareholder Returns:** NIKE ended first-quarter fiscal 2026 with strong liquidity, which included cash and short-term investments of $8.6 billion. The company’s cash and short-term investments are sufficient to fund its short-term obligations of about $506 million as of Aug. 31, 2025. Its long-term debt of $7.99 billion was almost flat from the prior quarter. NIKE boasts a solid history of shareholder value creation, highlighted by 23 consecutive years of dividend increases. This consistent record underscores the company’s financial strength, disciplined capital allocation, and long-term commitment to rewarding investors. In first-quarter fiscal 2026, the company returned $714 million to shareholders, including $123 million in share repurchases and $591 million in dividends. As of Aug. 31, NIKE repurchased 124.4 million shares for $12.1 billion, as part of its four-year $18-billion share repurchase program approved in June 2022. NIKE has a dividend payout ratio of 82%, an annualized dividend yield of 2.61% and a free cash flow yield of 3.3%.

Reasons To Sell:

NIKE faces notable margin pressure due to new reciprocal tariffs and an unfavorable channel mix. For Q2 fiscal 2026, NKE projects gross margin to fall 300-375 bps, including 175 bps from tariffs.

- **Shares Underperform, Appear Overvalued:** Shares of NKE have lost 15.6% in the year-to-date period compared with the industry's decline of 12.4%. The stock performance is affected by NIKE's transitional phase, marked by a blend of structural realignment, macroeconomic pressures, and uneven regional performance. Despite a revenue beat in first-quarter fiscal 2026, underlying fundamentals reveal a business still recalibrating for sustainable growth. Considering the price-to-earnings (P/E) ratio, NIKE looks overvalued compared with the broader industry and the S&P 500 index. The stock has a trailing 12-month P/E ratio of 31.33X, which is below the median level of 32.39X and the high level of 43.71X, scaled in the past year. On the contrary, the trailing 12-month P/E ratio is 27.23X for the industry and 23.53X for the S&P 500. Given these factors, we believe that the stock is quite stretched from the P/E aspect.

- **Weakness in Sportswear and Legacy Franchises:** NIKE's sportswear segment, historically a key profit driver, is underperforming. The company continues to phase down aging classics such as the Air Force 1, Dunk, and Jordan 1, as part of its "Win Now" strategy to shift the portfolio toward performance-led and innovative products. This is leading to revenue softness. While necessary for long-term brand health, this reset creates a near-term drag on volumes and consumer engagement. The company's inability to quickly replace these icons with fresh, scalable innovations in lifestyle categories risks prolonged stagnation. Additionally, Converse is undergoing a leadership transition and brand repositioning, adding uncertainty to recovery timelines. Until NIKE successfully reinvigorates its sportswear portfolio with compelling new franchises, its broader brand heat and profitability could remain uneven across key demographics.

- **China Business in Jeopardy:** Greater China remains a critical yet challenging market for NIKE, marked by structural headwinds in both digital and physical channels. In first-quarter fiscal 2026, revenues in Greater China fell 9% year-over-year (10% currency-neutral), driven by aggressive inventory cleanups, elevated promotional activity, and sluggish consumer traffic. NIKE Direct and Digital channels posted sharp declines as the company prioritized long-term brand health over short-term volume, while wholesale performance also softened amid cautious retailer sentiment. The highly promotional digital environment continues to pressure margins and delay full-price recovery. Although NIKE's localized product strategy and athlete-led marketing efforts are directionally sound, they will take time to gain consistent traction. Management remains cautious, expecting China to continue dragging on sales and profitability through fiscal 2026. Given the market's long-standing contribution to NIKE's earnings, the ongoing weakness poses a risk to overall margin stability and growth momentum, underscoring the need for stronger consumer engagement and operational execution. Our model predicts revenues for the Greater China business to be $5.9 billion for fiscal 2026, a 10.7% decline year-over-year.

- **Pressure on Gross Margins From Tariffs and Channel Mix:** NIKE continues to face considerable margin pressure stemming from newly imposed reciprocal tariffs and an unfavorable channel mix. In first-quarter fiscal 2026, NIKE's gross profit declined 6% year over year, while the gross margin contracted 320 basis points (bps) to 42.2%. The gross margin weakened due to higher product costs, increased wholesale and factory store discounts, and elevated promotional activity across key regions such as EMEA and Asia-Pacific. The company's shift toward wholesale, while broadening distribution and improving partner engagement, has weighed on margins compared with the more profitable NIKE Direct business. Management estimates that the new tariff regime will remain a material headwind through fiscal 2026, limiting near-term margin recovery. For second-quarter fiscal 2026, the company expects gross margin to decline 300-375 bps, comprising a 175-bps negative impact from the new incremental tariffs. Our model predicts gross margin for the fiscal second-quarter to contract 300 bps year over year to 40.6%, with gross profit expected to decline 8.6% year over year.

- **Digital Slowdown and Consumer Engagement Challenges:** NIKE's digital ecosystem, once a pillar of growth, is experiencing sustained weakness. Organic traffic is down double digits, reflecting the company's deliberate pullback from heavy promotions and overreliance on sneaker launches. While this shift aims to restore brand health and profitability, it exposes gaps in consumer engagement and content strategy. Efforts to rebalance the mix toward full-price sales have yet to fully offset traffic declines. In the near term, NIKE Direct is not expected to return to growth, limiting total revenue acceleration. With competition intensifying from digitally native brands and retail partners' own e-commerce platforms, NIKE must rebuild digital stickiness through improved personalization, community engagement, and seamless omnichannel integration to regain digital momentum. Management remains clear that NIKE Direct is unlikely to return to growth in fiscal 2026, as the company prioritizes brand health and reduced promotional activity over near-term volume gains.

- **Tariffs Create Structural Cost Headwind:** In the fourth quarter of fiscal 2025, management highlighted that the newly issued tariffs posed a meaningful cost headwind for NIKE, as they layered on top of the mid-teens rate it was already paying on imports. At that time, the company also outlined the actions underway to balance this impact, protecting consumers and partners, advancing its Win Now priorities, and safeguarding the long-term strength of its brands. Since then, reciprocal tariff rates have been raised further in certain countries. With these new rates now in effect, the company estimates a gross incremental annualized cost of roughly $1.5 billion, up from the $1 billion it shared in the prior quarter. As a result, the company expects a 75-bp increase in net headwind to gross margin for fiscal 2026, which is expected to be 120 bps.

- **Bleak Q2 View:** NIKE outlined its guidance for the second-quarter fiscal 2026. It projects fiscal second-quarter revenues to decline low-single-digits. This includes a one-point gain from foreign exchange. Management forecasts SG&A dollars to be up by high single digits, driven by higher demand creation investments and a low-single-digit rise in operating overhead. The company predicts other expenses, net of interest income, to be $10-$20 million for the fiscal second quarter. Management expects the tax rate to be in the low 20% range for the second quarter and fiscal 2026, driven by anticipated changes in earnings mix.

Last Earnings Report

NIKE Q1 Earnings & Revenues Beat Estimates, Outlines Bleak Q2 Outlook

FY Quarter Ending	5/31/2025
Earnings Reporting Date	Dec 18, 2025
Sales Surprise	2.35%
EPS Surprise	43.24%
Quarterly EPS	0.53
Annual EPS (TTM)	1.70

NIKE reported first-quarter fiscal 2026 results, wherein the top and bottom lines beat the Zacks Consensus Estimate. While the revenues improved on a year-over-year basis, earnings per share (EPS) declined.

The company's EPS of 49 cents declined 30% from the year-ago level. However, the figure beat the Zacks Consensus Estimate of 27 cents.

Revenues improved 1% year over year to $11.72 billion and surpassed the Zacks Consensus Estimate of $11.02 billion. On a currency-neutral basis, revenues were down 1% year over year.

Revenues at NIKE Direct were down 4% on a reported basis and 5% on a currency-neutral basis to $4.5 billion. The decline resulted from a 12% drop in NIKE Brand Digital and a 1% decrease in NIKE-owned stores. Also, wholesale revenues rose 7% year over year on a reported basis and 5% on a currency-neutral basis to $6.8 billion.

NKE's Operating Segment Synopsis for Q1

NIKE Brand revenues of $11.4 billion increased 2% year over year on a reported basis and were flat on a currency-neutral basis. Results were affected by a decline in China, offset by a currency-neutral growth in North America. We estimated total NIKE Brand revenues to decrease 5.1% year over year to $10.5 billion in the fiscal first quarter due to a 3.5% decline in Direct-to-Consumer and a 6.2% fall in the Wholesale business.

Within the NIKE Brand, revenues in **North America** rose 4% year over year to $5.02 billion. Sales at NIKE Direct were down 3% in the region, including a 10% decrease at NIKE Digital and flat revenues at NIKE Stores. North America continues to build momentum, fueled by consistent brand activity across Sport and the strength of its premier sports marketing portfolio. Wholesale sales rose 11% year over year in North America. Wholesale returned to growth this quarter, aided in part by shipment timing compared with the prior year and increased liquidation volume to value channels.

In **EMEA**, the company's revenues improved 6% year over year on a reported basis and 1% on a currency-neutral basis to $3.3 billion. Wholesale business revenues rose 4% year over year. NIKE Direct revenues for the segment declined 6%, with a 13% decrease at NIKE Digital offset by 1% growth in NIKE Stores.

In **Greater China**, revenues dropped 9% year over year on a reported basis and 10% on a currency-neutral basis to $1.5 billion. NIKE Direct fell 12%. NIKE Digital revenues dropped 27% year over year, and NIKE stores decreased 4%. Wholesale revenues for the region declined 9% year over year.

In **APLA**, revenues increased 2% year over year on a reported basis and 1% on a currency-neutral basis to $1.5 billion. NIKE Direct dipped 6% due to an 8% decline in NIKE Digital and a 5% fall in NIKE stores. Wholesale revenues increased 6% in the region.

Revenues at the **Converse** brand fell 27% on a reported basis and 28% on a currency-neutral basis to $366 million. The decline was due to softness across all territories.

A Look At NIKE's Costs & Margins

NIKE's gross profit declined 6% year over year to $4.9 billion, while the gross margin contracted 320 basis points (bps) to 42.2%. The gross margin decline was caused by increased wholesale discounts and higher discounts in Nike factory stores. Additionally, elevated product costs, including new tariffs and channel mix headwinds hurt gross margins.

Selling and administrative expenses fell 1% to $4.02 billion. As a percentage of sales, SG&A expenses declined 60 bps year over year to 34.3%. The decline in SG&A expenses rate was led by reduced brand marketing spend, given the elevated investments made in key sports moments last year. This benefit was partly offset by increased sports marketing expenses in the current period.

Demand creation expenses declined 3% year over year to $1.2 billion. Operating overhead expenses were flat year over year at $2.8 billion.

NKE's Balance Sheet & Shareholder-Friendly Moves

NIKE ended first-quarter fiscal 2026 with cash and cash equivalents of $7.02 billion, down nearly 17% year over year. Short-term investments totaled $1.6 billion, down 14% year over year. As of Aug. 31, 2025, the company had a long-term debt (excluding current maturities) of $8 billion and shareholders' equity of $13.5 billion.

As of Aug. 31, inventories totaled $8.1 billion, down 2% year over year. In the fiscal first quarter, the company returned $714 million to shareholders, including $123 million in share repurchases and $591 million in dividends. As of Aug. 31, NIKE repurchased a total of 124.4 million shares for $12.1 billion, as part of its four-year $18-billion share repurchase program approved in June 2022.

NKE's Outlook

In the fourth quarter of fiscal 2025, management highlighted that the newly issued tariffs posed a meaningful cost headwind for NIKE, as they layered on top of the mid-teens rate it was already paying on imports. At that time, the company also outlined the actions underway to balance this impact, protecting consumers and partners, advancing its Win Now priorities, and safeguarding the long-term strength of its brands.

Since then, reciprocal tariff rates have been raised further in certain countries. With these new rates now in effect, the company estimates a gross incremental annualized cost of roughly $1.5 billion, up from the $1 billion it shared in the prior quarter. As a result, the company now expects a 75-bp increase in net headwind to gross margin for fiscal 2026, which is now expected to be approximately 120 bps.

The company also remains focused on executing the mitigation measures it outlined last quarter, while continuing to adapt as the conditions evolve. Even with these near-term pressures, management is confident that NIKE's scale, brand strength, and seasoned leadership will allow it to navigate this disruption and position the company for sustainable growth.

NIKE also outlined its guidance for the second-quarter fiscal 2026. It projects fiscal second-quarter revenues to decline low-single-digits. This includes a one-point gain from foreign exchange. The gross margin is expected to decline 300-375 bps, comprising a 175-bps negative impact from the new incremental tariffs.

Management forecasts SG&A dollars to be up by high single digits, driven by higher demand creation investments and a low-single-digit rise in operating overhead. The company predicts other expenses, net of interest income, to be $10-$20 million for the fiscal second quarter. Management expects the tax rate to be in the low 20% range for the second quarter and fiscal 2026, driven by anticipated changes in earnings mix.

Backed by the company's ongoing Win Now actions, it also outlined some insights that will shape its performance for the rest of fiscal 2026. The company sees momentum building up in its wholesale business, driven by an improved Spring order book, aided by growth in sports. As a result, the company expects its wholesale business to return to growth in fiscal 2026.

Additionally, the company is actively repositioning NIKE Digital as a full-price business. Organic traffic continues to decline at a double-digit rate, reflecting a prior-year base that was more heavily concentrated on classic footwear franchises, sneaker launches, and a higher mix of off-price sales. As a result, traffic comparisons are expected to remain under pressure. The company does not anticipate NIKE Direct to return to growth in fiscal 2026.

In fiscal 2026, the company expects North America to continue leading its global recovery, while Greater China is expected to take longer to rebound given the unique marketplace dynamics. Converse, now under new leadership, is in the middle of resetting its brand and marketplace, which is expected to weigh on both revenues and gross margin through fiscal 2026.

The company has made steady progress toward building a healthier marketplace by the first half of the year, though it anticipates modest revenue headwinds across both Wholesale and NIKE Direct, lapping last year's clearance activity. While foreign exchange has shifted to a tailwind for reported revenues, it will provide minimal gross margin benefit in fiscal 2026 due to its hedged positions. SG&A is expected to increase in low single digits for fiscal 2026, reflecting continued investment in its Win Now actions, particularly in reigniting demand creation and rebuilding both its sports and commercial offense.

Recent News

NIKE Announces Quarterly Dividend – Nov 20, 2025

NIKE declares a quarterly cash dividend of 41 cents a share on its outstanding Class A and Class B common stock, payable Jan. 2, 2026, to shareholders of record as on Dec. 1, 2025. This reflects a hike of almost 3% from the prior dividend payout.

Valuation

NIKE shares are down 15.9% in the six-month period and nearly 20% for the trailing 12-month period. Stocks in the Zacks sub-industry are down 19.2% but the Zacks Consumer Discretionary sector is up 1.1% in the six-month period. Over the past year, the Zacks sub-industry is down 19.9% but the sector is up 2.9%.

The S&P 500 index is up 17.2% in the past six months and 18.5% in the past year.

The stock is currently trading at 31.33X forward 12-month earnings, which compares to 27.53X for the Zacks sub-industry, 18.65X for the Zacks sector and 23.53X for the S&P 500 index.

Over the past five years, the stock has traded as high as 43.71X and as low as 19.08X, with a 5-year median of 30.52X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $70 price target reflects 32.51X forward 12-month earnings.

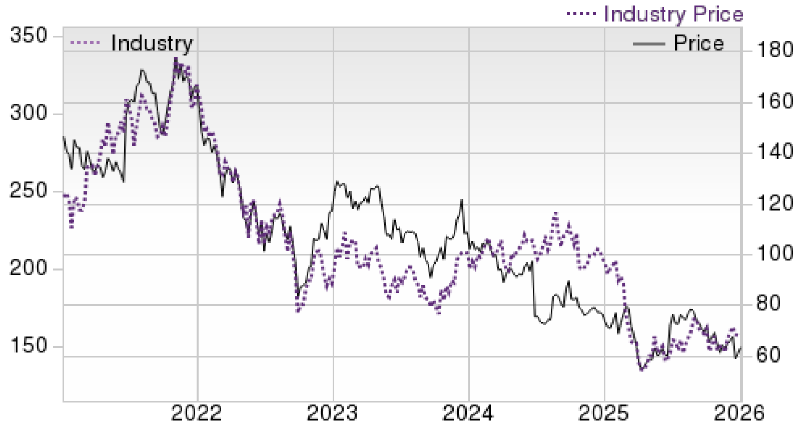
The table below shows summary valuation data for NKE

Valuation Multiples - NKE

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	31.33	27.53	18.65	23.53
	5-Year High	43.71	38.15	39.87	23.82
	5-Year Low	19.08	20.83	15.44	15.73
	5-Year Median	30.52	27.42	19.11	21.19
P/S F12M	Current	2.03	1.77	2.38	5.33
	5-Year High	5.63	4.5	3.48	5.5
	5-Year Low	1.74	1.66	1.68	3.83
	5-Year Median	3.05	2.67	2.3	5.04
EV/EBITDA TTM	Current	23.1	20.02	12.1	18.66
	5-Year High	45.31	43.84	18.47	22.41
	5-Year Low	13.66	12.21	8.81	13.87
	5-Year Median	23.76	20.71	11.52	17.96

As of 12/03/2025 *Source: Zacks Investment Research*

Industry Analysis[1] Zacks Industry Rank: Bottom 17% (203 out of 244)



Top Peers [1]

Company (Ticker)	Rec	Rank
Steven Madden, Ltd. **(SHOO)**	Outperform	2
Adidas AG **(ADDYY)**	Neutral	3
Birkenstock Holding ...**(BIRK)**	Neutral	3
Caleres, Inc. **(CAL)**	Neutral	4
Carter's, Inc. **(CRI)**	Neutral	5
Wolverine World Wide...**(WWW)**	Underperform	3
Anta Sports Products...**(ANPDF)**	NA	
Yue Yuen Industrial ...**(YUEIY)**	NA	

Industry Comparison[1] Industry: Shoes And Retail Apparel

Industry Peers

	NKE	X Industry	S&P 500	ADDYY	WWW
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Underperform
Zacks Rank (Short Term)	3	-	-	3	3
VGM Score	F	-	-	D	A
Market Cap	95.39 B	1.72 B	39.40 B	35.67 B	1.52 B
# of Analysts	12	3	22	4	4
Dividend Yield	2.54%	1.92%	1.39%	0.76%	2.16%
Value Score	D	-	-	B	B
Cash/Price	0.09	0.09	0.04	0.03	0.09
EV/EBITDA	20.51	11.90	14.79	12.82	14.79
PEG Ratio	6.09	0.77	2.04	0.41	NA
Price/Book (P/B)	6.77	2.07	3.38	5.02	3.88
Price/Cash Flow (P/CF)	23.65	9.58	15.41	16.78	14.75
P/E (F1)	39.59	17.52	18.79	16.52	13.64
Price/Sales (P/S)	2.05	0.82	3.12	1.30	0.82
Earnings Yield	2.42%	5.70%	5.32%	6.06%	7.35%
Debt/Equity	0.50	0.33	0.57	0.31	1.40
Cash Flow ($/share)	2.73	3.26	8.98	5.95	1.26
Growth Score	F	-	-	F	A
Hist. EPS Growth (3-5 yrs)	-7.53%	-7.17%	8.24%	-10.76%	-27.84%
Proj. EPS Growth (F1/F0)	-24.54%	1.50%	9.18%	88.70%	47.25%
Curr. Cash Flow Growth	-41.47%	14.07%	7.00%	79.66%	151.48%
Hist. Cash Flow Growth (3-5 yrs)	-0.14%	1.49%	7.49%	-9.53%	-15.31%
Current Ratio	2.06	2.06	1.19	1.31	1.34
Debt/Capital	33.25%	24.90%	38.14%	23.83%	58.29%
Net Margin	5.43%	4.87%	12.77%	5.00%	4.73%
Return on Equity	18.43%	14.28%	17.03%	20.72%	31.43%
Sales/Assets	1.24	1.17	0.53	1.23	1.08
Proj. Sales Growth (F1/F0)	0.30%	5.21%	5.29%	13.50%	6.60%
Momentum Score	F	-	-	C	D
Daily Price Chg	1.98%	0.95%	0.64%	1.74%	1.65%
1 Week Price Chg	3.86%	-0.98%	-0.05%	1.22%	1.51%
4 Week Price Chg	1.56%	-0.24%	0.81%	7.30%	6.14%
12 Week Price Chg	-4.23%	-1.94%	3.72%	-8.82%	-27.01%
52 Week Price Chg	-10.38%	-15.10%	15.51%	-19.60%	-17.18%
20 Day Average Volume	24,145,044	59,797	2,399,304	81,674	1,470,334
(F1) EPS Est 1 week change	-0.53%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-5.35%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 12 week change	-5.91%	-5.91%	0.44%	1.10%	-14.22%
(Q1) EPS Est Mthly Chg	-28.18%	0.00%	0.00%	0.00%	0.00%

Analyst Earnings Model(2)

NIKE, Inc. (NKE)

In $MM, except per share data

	2023A	2024A	2025A			2026E					2027E			2028E
	FY	FY	FY	1QA	2QE	3QE	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends May 31st	May-23	May-24	May-25	31-Aug-25	30-Nov-25	28-Feb-26	31-May-26	May-26	31-Aug-26	30-Nov-26	28-Feb-27	31-May-27	May-27	May-28
Income Statement														
Total Revenue	**$51,217.0**	**$51,362.0**	**$46,309.0**	**$11,720.0**	**$12,119.8**	**$11,285.3**	**$11,310.1**	**$46,435.3**	**$12,033.5**	**$12,785.2**	**$12,087.4**	**$12,093.0**	**$48,999.2**	**$51,633.4**
Constant Currency Growth	16.0%	1.0%	(9.0%)	(1.0%)	(0.4%)	1.4%	2.9%	0.9%	3.4%	5.6%	7.3%	6.9%	5.8%	5.4%
Digital Growth	24.0%	(3.0%)	0.0%	(1.0%)	(1.0%)	(1.0%)	(1.0%)	(1.0%)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
YoY % Chng	*9.6%*	*0.3%*	*(9.8%)*	*1.1%*	*(1.9%)*	*0.1%*	*1.9%*	*0.3%*	*2.7%*	*5.5%*	*7.1%*	*6.9%*	*5.5%*	*5.4%*
Cost of Sales	$28,925.0	$28,475.0	$26,519.0	$6,777.0	$7,193.7	$6,496.4	$6,505.3	$26,972.3	$6,698.9	$7,324.4	$6,840.1	$6,947.4	$27,810.9	$28,722.5
YoY % Chng	*14.6%*	*(1.6%)*	*(6.9%)*	*7.0%*	*3.3%*	*(1.5%)*	*(1.9%)*	*1.7%*	*(1.2%)*	*1.8%*	*5.3%*	*6.8%*	*3.1%*	*3.3%*
Gross Profit	**$22,292.0**	**$22,887.0**	**$19,790.0**	**$4,943.0**	**$4,926.2**	**$4,789.0**	**$4,804.8**	**$19,462.9**	**$5,334.6**	**$5,460.8**	**$5,247.3**	**$5,145.5**	**$21,188.3**	**$22,910.9**
YoY % Chng	*3.8%*	*2.7%*	*(13.5%)*	*(6.0%)*	*(8.6%)*	*2.4%*	*7.5%*	*(1.7%)*	*7.9%*	*10.9%*	*9.6%*	*7.1%*	*8.9%*	*8.1%*
Demand Creation Expense	$4,060.0	$4,285.0	$4,689.0	$1,188.0	$1,328.8	$1,104.2	$1,274.6	$4,895.5	$1,246.4	$1,319.9	$1,163.1	$1,350.5	$5,079.9	$5,290.9
YoY % Chng	*5.5%*	*5.5%*	*9.4%*	*(3.1%)*	*18.4%*	*1.5%*	*1.7%*	*4.4%*	*4.9%*	*(0.7%)*	*5.3%*	*6.0%*	*3.8%*	*4.2%*
Operating Overhead Expense	$12,317.0	$12,291.0	$11,399.0	$2,828.0	$2,925.9	$2,832.5	$2,946.6	$11,533.0	$2,858.6	$2,974.4	$2,927.5	$3,058.1	$11,818.6	$12,260.1
YoY % Chng	*12.4%*	*(0.2%)*	*(7.3%)*	*0.2%*	*1.5%*	*1.2%*	*1.8%*	*1.2%*	*1.1%*	*1.7%*	*3.4%*	*3.8%*	*2.5%*	*3.7%*
Total Selling & Administrative Expense	$16,377.0	$16,576.0	$16,088.0	$4,016.0	$4,254.7	$3,936.7	$4,221.2	$16,428.6	$4,105.0	$4,294.3	$4,090.6	$4,408.6	$16,898.5	$17,550.9
YoY % Chng	*10.6%*	*1.2%*	*(2.9%)*	*(0.8%)*	*6.2%*	*1.3%*	*1.8%*	*2.1%*	*2.2%*	*0.9%*	*3.9%*	*4.4%*	*2.9%*	*3.9%*
EBITDA	**$6,774.0**	**$7,155.0**	**$4,510.0**	**$1,125.0**	**$894.0**	**$1,118.6**	**$820.7**	**$3,958.3**	**$1,432.8**	**$1,392.4**	**$1,429.1**	**$983.1**	**$5,237.5**	**$6,373.1**
YoY % Chng	*(9.9%)*	*5.6%*	*(37.0%)*	*(19.2%)*	*(43.0%)*	*8.6%*	*58.4%*	*(12.2%)*	*27.4%*	*55.8%*	*27.8%*	*19.8%*	*32.3%*	*21.7%*
Depreciation	$703.0	$796.0	$775.0	$190.0	$203.9	$215.7	$216.9	$826.5	$195.1	$205.9	$221.7	$224.4	$847.1	$905.9
YoY % Chng	*(2.0%)*	*13.2%*	*(2.6%)*	*1.1%*	*7.3%*	*8.9%*	*9.0%*	*6.6%*	*2.7%*	*1.0%*	*2.8%*	*3.5%*	*2.5%*	*6.9%*
Amortization, Impairment and Other	$156.0	$48.0	$33.0	$8.0	$18.6	$50.6	$20.3	$97.5	$8.0	$20.0	$50.7	$21.8	$100.6	$107.3
YoY % Chng	*26.8%*	*(69.2%)*	*(31.3%)*	*300.0%*	*472.4%*	*15.1%*	*1,112.8%*	*195.5%*	*0.6%*	*7.5%*	*0.2%*	*7.8%*	*3.2%*	*6.6%*
Depreciation, Amortization, Impairment and Other	$859.0	$844.0	$808.0	$198.0	$222.5	$266.3	$237.1	$924.0	$203.2	$225.9	$272.4	$246.2	$947.7	$1,013.1
YoY % Chng	*2.3%*	*(1.7%)*	*(4.3%)*	*7.6%*	*20.3%*	*10.1%*	*20.4%*	*14.4%*	*2.6%*	*1.5%*	*2.3%*	*3.8%*	*2.6%*	*6.9%*
Operating Income	**$5,915.0**	**$6,311.0**	**$3,702.0**	**$927.0**	**$671.5**	**$852.3**	**$583.6**	**$3,034.4**	**$1,229.6**	**$1,166.6**	**$1,156.7**	**$736.9**	**$4,289.8**	**$5,360.0**
YoY % Chng	*(11.4%)*	*6.7%*	*(41.3%)*	*(23.3%)*	*(51.5%)*	*8.2%*	*81.8%*	*(18.0%)*	*32.6%*	*73.7%*	*35.7%*	*26.3%*	*41.4%*	*24.9%*
Other Expense (Income), Net	($280.0)	($228.0)	($76.0)	$23.0	$10.6	$30.1	$29.3	$93.0	($16.7)	($11.3)	($16.3)	$29.3	($15.1)	($11.6)
YoY % Chng	*(54.7%)*	*18.6%*	*66.7%*	*141.8%*	*232.6%*	*179.3%*	*17.1%*	*222.4%*	*(172.8%)*	*(206.8%)*	*(154.2%)*	*(0.0%)*	*(116.3%)*	*23.3%*
Interest Expense (Income), Net	($6.0)	($161.0)	($107.0)	($18.0)	($21.4)	($13.8)	($12.7)	($65.9)	($17.0)	($24.0)	($11.0)	($10.1)	($62.1)	($59.8)
YoY % Chng	*(102.9%)*	*(2,583.3%)*	*33.5%*	*58.1%*	*10.9%*	*23.5%*	*42.1%*	*38.4%*	*5.6%*	*(12.4%)*	*20.2%*	*21.0%*	*5.8%*	*3.7%*
Pre-Tax Income	**$6,201.0**	**$6,700.0**	**$3,885.0**	**$922.0**	**$682.2**	**$835.9**	**$567.0**	**$3,007.2**	**$1,263.3**	**$1,201.9**	**$1,184.1**	**$717.7**	**$4,367.0**	**$5,431.4**
YoY % Chng	*(6.8%)*	*8.0%*	*(42.0%)*	*(29.5%)*	*(51.8%)*	*(1.0%)*	*78.3%*	*(22.6%)*	*37.0%*	*76.2%*	*41.6%*	*26.6%*	*45.2%*	*24.4%*
Income Tax	$1,131.0	$1,000.0	$666.0	$195.0	$136.4	$167.2	$113.4	$612.0	$252.7	$240.4	$236.8	$143.5	$873.4	$1,086.3
YoY % Chng	*86.9%*	*(11.6%)*	*(33.4%)*	*(23.8%)*	*(46.1%)*	*234.4%*	*6.0%*	*(8.1%)*	*29.6%*	*76.2%*	*41.6%*	*26.6%*	*42.7%*	*24.4%*
Tax Rate	18.2%	14.9%	17.1%	21.1%	20.0%	20.0%	20.0%	20.4%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net Income	**$5,070.0**	**$5,700.0**	**$3,219.0**	**$727.0**	**$545.8**	**$668.8**	**$453.6**	**$2,395.2**	**$1,010.7**	**$961.5**	**$947.2**	**$574.2**	**$3,493.6**	**$4,345.1**
YoY % Chng	*(16.1%)*	*12.4%*	*(43.5%)*	*(30.8%)*	*(53.1%)*	*(15.8%)*	*115.0%*	*(25.6%)*	*39.0%*	*76.2%*	*41.6%*	*26.6%*	*45.9%*	*24.4%*
Basic Shares Outstanding	1,551.6	1,517.6	1,484.9	1,476.6	1,466.6	1,456.6	1,446.6	1,461.6	1,436.6	1,426.6	1,416.6	1,406.6	1,421.6	1,389.1
YoY % Chng	*(1.7%)*	*(2.2%)*	*(2.2%)*	*(1.4%)*	*(1.4%)*	*(1.5%)*	*(2.0%)*	*(1.6%)*	*(2.7%)*	*(2.7%)*	*(2.7%)*	*(2.8%)*	*(2.7%)*	*(2.3%)*
Diluted Shares Outstanding	1,569.8	1,529.7	1,487.6	1,479.0	1,469.0	1,459.0	1,449.0	1,464.0	1,439.0	1,429.0	1,419.0	1,409.0	1,424.0	1,391.5
YoY % Chng	*(2.5%)*	*(2.6%)*	*(2.8%)*	*(1.5%)*	*(1.4%)*	*(1.5%)*	*(1.9%)*	*(1.6%)*	*(2.7%)*	*(2.7%)*	*(2.7%)*	*(2.8%)*	*(2.7%)*	*(2.3%)*
Basic EPS	**$3.27**	**$3.76**	**$2.17**	**$0.49**	**$0.37**	**$0.46**	**$0.31**	**$1.63**	**$0.70**	**$0.67**	**$0.67**	**$0.41**	**$2.45**	**$3.13**
YoY % Chng	*(14.6%)*	*15.0%*	*(42.3%)*	*(30.0%)*	*(52.3%)*	*(15.0%)*	*124.0%*	*(24.7%)*	*43.6%*	*81.1%*	*45.6%*	*30.2%*	*50.1%*	*27.4%*
Diluted EPS, Non-GAAP		**$3.95**	**$2.16**	**$0.49**	**$0.37**	**$0.46**	**$0.31**	**$1.63**	**$0.70**	**$0.67**	**$0.67**	**$0.41**	**$2.45**	**$3.12**
YoY % Chng			*(45.3%)*	*(30.0%)*	*(52.4%)*	*(15.1%)*	*123.6%*	*(24.4%)*	*43.3%*	*81.1%*	*45.6%*	*30.2%*	*50.0%*	*27.4%*
Diluted EPS, GAAP	**$3.23**	**$3.73**	**$2.16**	**$0.49**	**$0.37**	**$0.46**	**$0.31**	**$1.63**	**$0.70**	**$0.67**	**$0.67**	**$0.41**	**$2.45**	**$3.12**
YoY % Chng	*(13.9%)*	*15.5%*	*(42.1%)*	*(30.0%)*	*(52.4%)*	*(15.1%)*	*123.6%*	*(24.4%)*	*43.3%*	*81.1%*	*45.6%*	*30.2%*	*50.0%*	*27.4%*
Dividend per Share	$1.33	$1.45	$1.57	$0.40	$0.43	$0.43	$0.43	$1.70	$0.43	$0.47	$0.47	$0.47	$1.83	$1.98
YoY % Chng	*11.3%*	*9.4%*	*8.3%*	*8.1%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*	*8.0%*

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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.

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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.

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Value Score	D
Growth Score	F
Momentum Score	F
VGM Score	F

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