

PayPal Holdings, Inc. (PYPL)

\$58.51 (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$63.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 09/30/24)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: A

Growth: D

Momentum: B

Summary

PayPal is benefiting from solid growth in total payment volume and transaction margin dollars. Strengthening customer engagement on its platform is a major positive. Strategic partnerships expand its global presence, while Venmo and BNPL fuel growth in mobile payments and checkout volume. Innovations like agentic commerce, PayPal World, Tap to Pay, PYUSD stablecoin and "Pay with Crypto" position the company for future commerce trends. However, shares of PayPal have underperformed the industry it belongs to over the past three months. Risks include intense competition from tech giants and financial players, exposure to FX fluctuations from international markets, and macroeconomic uncertainties like inflation, tariffs and conflicts. Interest rate risks tied to PayPal's investment portfolio also present financial risks.

Price, Consensus & Surprise⁽¹⁾

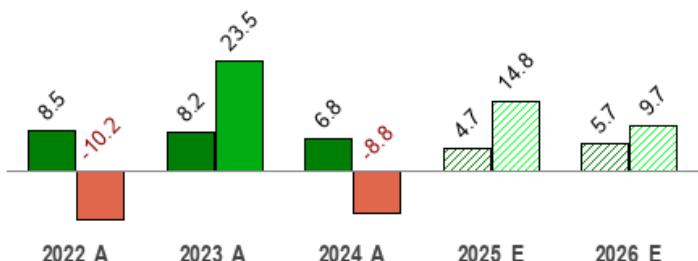


Data Overview

52 Week High-Low	\$93.25 - \$55.85
20 Day Average Volume (sh)	13,839,566
Market Cap	\$56.0 B
YTD Price Change	2.5%
Beta	1.42
Dividend / Div Yld	\$0.56 / 0.9%
Industry	Financial Transaction Services
Zacks Industry Rank	Bottom 30% (171 out of 244)

Sales and EPS Growth Rates (Y/Y %)⁽¹⁾

Sales  EPS 



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	8,360 E	8,717 E	8,856 E	9,281 E	35,170 E
2025	7,791 A	8,288 A	8,417 A	8,810 E	33,287 E
2024	7,699 A	7,885 A	7,847 A	8,366 A	31,797 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.42 E	1.48 E	1.47 E	1.49 E	5.86 E
2025	1.33 A	1.40 A	1.34 A	1.29 E	5.34 E
2024	1.40 A	1.19 A	1.20 A	1.19 A	4.65 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 01/07/2026.

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

Overview

PayPal Holding, Inc., a San Jose, CA-based company, has emerged as one of the largest online payment solutions providers on the back of its strong product portfolio and two-sided platform that enables it to offer a smooth and secure transaction facility to both customers and merchants.

The company's peer-to-peer payment service, Venmo, is the key catalyst behind the solid growth in its total payment volume (TPV). TPV is a key metric reflecting the volume and scale of payments processed on PayPal's platform. Its growth indicates increasing consumer engagement, merchant adoption, and PayPal's expanding footprint in digital and offline commerce. Venmo is driving the active accounts base of the company with the strong monetization efforts and robust features. As of Sept. 30, 2025, PayPal had 438 million active accounts.

PayPal poses a serious challenge to Block's growing presence in the online payment space due to the growing adoption of Venmo. The company offers domestic and international person-to-person payment facilities with the help of PayPal and Xoom products.

One Touch, which has emerged as the key growth driver behind PayPal's accelerating mobile volumes, owing to its robust mobile checkout services, is contributing to the merchant and customer base further.

Further, the company supports withdrawal of funds from bank accounts in 56 currencies and holding balances in PayPal accounts in 25 currencies. Additionally, transfer of funds supports more than 100 currencies globally.

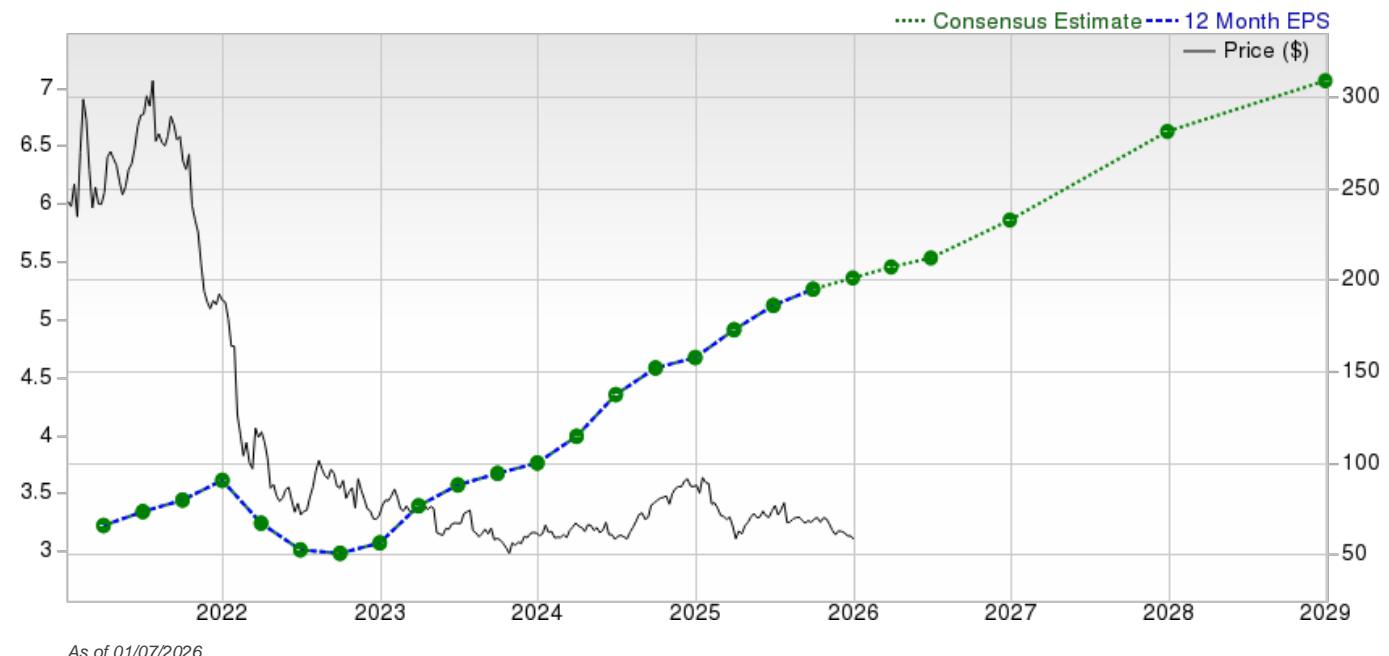
The company is gaining from strategic acquisitions, including Hyperwallet, Braintree and iZettle, which are helping it in delivering a better payment experience.

PayPal's growing banking initiatives remain noteworthy. Instant Transfer to bank allows U.S. customers to transfer money to their bank accounts seamlessly within 30 minutes on the back of the company's partnership with JPMorgan Chase.

In the third quarter of 2025, PayPal generated net revenues of \$8.42 billion. It earns revenues from transactions and other value-added services that accounted for 89.4% and 10.6%, respectively, of third-quarter 2025 revenues.



As of 01/07/2026



As of 01/07/2026

Reasons To Buy:

- ▲ PayPal's two-sided platform enables it to develop and maintain direct financial relationships with both customers and merchants, connecting them to create unique end-to-end product experiences. Merchants can keep track of customer behaviour and engagement using PayPal's data. The platform enables PayPal to maintain a deep and trusted relationship with its growing merchants and consumer base. Moreover, PayPal is recognized for its safety and simplicity in transactions and is noted as both a brand and a technology pioneer. The company offers simple and affordable financial services and digital payment facilities, enabling customers and merchants to access and transfer their money anywhere, anytime and through any connected device. The company's risk management and tokenization ensure transaction legitimacy and protect against illegal or fraudulent transactions. PayPal's onboarding process offers customers more options when opening a PayPal account.
- ▲ PayPal continues to forge strategic partnerships. The company has an ongoing partnership with Visa in the United States, Europe and Asia-Pacific, which enhances consumer choice, point of sale acceptance, instant money withdrawal facility and data quality. The partnership provides certain economic incentives to the company, such as Visa incentives for increased volume and greater long-term Visa fee certainty. This partnership has been expanded to Europe and the Asia-Pacific. PayPal and Mastercard have maintained a partnership for over a decade. They currently run a co-branded consumer credit card program, PayPal Extras Mastercard. MasterCard is a "clear and equal" payment choice in PayPal's wallet. This partnership now covers Europe, Latin America, Canada, Africa, the Caribbean and the Middle East. PayPal's partnerships with Google, Facebook, Pinterest, Alibaba and Intuit are also delivering positive results. Over the past year, the company has put itself in a favorable place for partnerships across multiple original equipment manufacturers (OEMs), technology companies, mobile carriers, retailers and financial institutions. Partnerships with CaixaBank, Bankia, HSBC and Barclays Bank are helping the company to expand its customer base. In collaboration with JP Morgan and Bank of America, PayPal has launched new services and offers for debit and credit card users, attracting more customers.
- ▲ Venmo is positioned as the preferred money movement platform for the young, affluent and digitally native consumers. This application enables the transfer of money between family and friends via mobile devices. Venmo's user base is large and growing, with nearly 100 million total active accounts increasing at a mid-single-digit rate. The company is constantly adding new features to this app. Moreover, the company's ongoing partnership with MasterCard will continue to aid the adoption rate of Venmo. In the third quarter of 2025, Venmo grew revenues by more than 20%, marking its highest revenue growth rate since 2023. Venmo is on track to generate \$1.7 billion in revenues in 2025, excluding interest income. This reflects more than 20% upside and a 10-point acceleration compared to two years ago.
- ▲ PayPal's Buy Now Pay Later (BNPL) feature is a major growth engine. When consumers choose BNPL, their average order value is more than 80% higher than a standard branded checkout transaction. PayPal's BNPL solution is available almost everywhere PayPal is used in its largest markets. This makes it the most widely available BNPL solution among competitors. Currently, PayPal offers BNPL in eight global markets, including the United States, the United Kingdom, Germany, France, Italy, Spain and Australia. In November 2025, PayPal expanded its BNPL solution into Canada by launching PayPal "Pay in 4," a no-fee BNPL solution. In the third quarter of 2025, BNPL volume continued to grow more than 20% year over year. This puts the company on track to process close to \$40 billion in BNPL TPV in 2025. Moreover, PayPal's strategy emphasizes driving more transactions through upgraded and branded checkout experiences globally. Branded experiences TPV, includes online checkout, PayPal and Venmo debit cards, and tap-to-pay, while online branded checkout TPV, includes PayPal, BNPL and Pay with Venmo. Growth in BNPL and Pay with Venmo is a significant contributor to TPV expansion.
- ▲ PayPal is shaping the future of e-commerce with innovation. It is investing in AI-driven online shopping, referred to as "agentic commerce," where advanced AI agents act on behalf of consumers to discover, compare and purchase products. PayPal's agentic commerce ecosystem involves collaborations with leading AI and e-commerce companies like Perplexity, OpenAI, Google Cloud, Wix, Cymbio, Commerce and Shopware, to provide scalable, secure, and user-friendly AI e-commerce experiences for merchants and consumers worldwide.
- ▲ Through innovations, PayPal is extending its relevance far beyond traditional payments and establishing itself as a foundational player in next-generation digital commerce. In October 2025, PayPal launched PayPal Ads Manager, a new platform for small businesses that allows them to leverage their website traffic and generate new revenue streams. In September 2025, PayPal introduced PayPal links, a new way to send and receive money through a personalized, one-time link that can be shared in any conversation. In July 2025, the company announced the launch of PayPal World, a platform that connects the world's largest payment systems and digital wallets. This platform allows customers to make international payments and shop globally using domestic payment systems or their wallet of choice and local currency. PayPal's "Tap to Pay" feature uses NFC technology to turn any smartphone into a contactless payment terminal, eliminating the need for extra hardware. PayPal is also simplifying global money movement with PYUSD stablecoin. PYUSD stablecoin is a US dollar-backed digital asset designed to maintain a 1:1 value with the dollar. It enables fast and fee-free transfers within the PayPal ecosystem, with blockchain support like Ethereum and Solana. Additionally, U.S. PayPal customers can use the "Pay with Crypto" option, which allows them to select "Checkout with Crypto" at online checkout. This option converts cryptocurrency holdings to fiat currency instantly with no transaction fees at checkout.
- ▲ PayPal has sufficient liquidity and a decent balance sheet position. The company exited the third quarter of 2025 with cash, cash equivalents and investments of \$14.4 billion, ahead of \$11.4 billion of debt. As of Sept. 30, 2025, the company continues to be rated investment grade by Standard and Poor's Financial Services, LLC, Fitch Ratings and Moody's Investors Services, facilitating access to debt markets on attractive terms. PayPal also remains committed to driving long-term shareholder value. The company returned \$1.5 billion to shareholders by repurchasing approximately 21 million shares of common stock in the third quarter of 2025. Management continues to target about 70% to 80% of its free cash flow for capital return, with the vast majority going to buybacks.

PayPal is expected to gain from its two-sided platform, strategic partnerships and Venmo expansion. Its BNPL initiative, PYUSD stablecoin crypto payments and agentic commerce bode well for growth.

Reasons To Sell:

- ▼ PayPal operates in the highly competitive global payments industry with participants such as Block, Google, Amazon, Apple, as well as traditional financial services companies such as MasterCard and Visa. PayPal, being an intermediary, is vulnerable to competitive moves from these companies in the digital wallets space.
- ▼ The nature of business makes PayPal vulnerable to foreign exchange fluctuations. A significant part of the company's operations is international and thus, appreciation or depreciation of the U.S. dollar versus foreign currencies, such as the British Pound, Euro, Canadian Dollar and Australian Dollar, could impact the company's financial results. PayPal generated 43% of its net revenues from international customers in the first nine months of 2025. Despite having an active hedging program, volatility in foreign currencies is detrimental to the company's transaction revenues.
- ▼ Macroeconomic uncertainty could negatively impact PayPal's operations. Specifically, factors such as tariffs, rising inflation rates and international conflicts can affect consumer spending and result in higher chances of merchant bankruptcies, increased credit losses, and other interruptions in business activities. These challenges collectively elevate the risk to the business's financial health and operational stability.
- ▼ The company is exposed to interest rate risk from its interest rate-sensitive assets and investment portfolio. The assets underlying PayPal's customer balances, that are held in its balance sheet as customer accounts, are maintained in interest-bearing and non-interest-bearing bank deposits, corporate debt securities, time deposits, and U.S. and foreign government and agency securities. Changes in interest rates can impact the fair value and yield of these assets, thereby affecting PayPal's financial performance and earnings.

PayPal operates in a highly competitive global payments industry that is exposed to foreign exchange and interest rate risks on a continuous basis. Macroeconomic uncertainty remains a concern.

Last Earnings Report

PayPal's Q3 Earnings Beat Estimates, 2025 EPS Guidance Raised

PayPal Holdings reported third-quarter 2025 non-GAAP earnings per share (EPS) of \$1.34, which surpassed the Zacks Consensus Estimate of \$1.19 and jumped 11.7% year over year.

Results reflected better-than-expected growth in revenues. PayPal witnessed an uptick in both TPV and revenues year over year, along with another quarter of high single-digit growth in transaction margin dollars. With such results, the company raised its full-year guidance for non-GAAP EPS and transaction margin dollars. However, its total number of payment transactions declined in the reported quarter.

Net revenues of \$8.42 billion increased 7.3% year over year on a reported basis and 6% on a forex-neutral basis. The figure topped the Zacks Consensus Estimate of \$8.26 billion.

Revenue Details

TPV was \$458.09 billion for the third quarter, up 8.4% year over year on a reported basis and 7% on a forex-neutral basis.

The transaction margin in dollar terms was \$3.87 billion, which grew 5.9% on a reported basis. Excluding interest on customer balances, transaction margin dollars increased 7.1% to \$3.55 billion.

Transaction revenues were \$7.52 billion (89.4% of net revenues), up 6.4% year over year. Value Added Services revenues were \$895 million (10.6% of net revenues), which rose 14.7% year over year.

Net revenues from the United States totaled \$4.75 billion (56.5% of net revenues), up 5.2% on a year-over-year basis. International net revenues were \$3.66 billion (43.5% of net revenues), up 10.1% year over year on a reported basis and 7% on a forex-neutral basis.

PayPal witnessed year-over-year growth of 1.4% in total active accounts to 438 million in the reported quarter. The total number of payment transactions was 6.33 billion, down 4.5% on a year-over-year basis. PayPal's payment transactions per active account were 57.6, which dropped 6.2% year over year.

Operating Details

PayPal's operating expenses were \$6.90 billion in the third quarter, up 6.8% year over year. However, the operating margin expanded 33 basis points year over year to 18.1%.

The transaction expense rate was 0.89% in the third quarter compared with 0.91% reported in the year-ago quarter.

The transaction margin shrank 60 basis points to 46%.

Balance Sheet Remains Strong

As of Sept. 30, 2025, cash, cash equivalents and investments were \$14.4 billion. The long-term debt balance was \$11.4 billion.

PayPal generated \$2 billion in cash from operations, while adjusted free cash flow was \$2.3 billion in the third quarter of 2025.

The company returned \$1.5 billion to shareholders through share repurchases in the quarter.

PayPal Raises 2025 Guidance

For 2025, PayPal anticipates non-GAAP EPS between \$5.35-\$5.39 per share, calling for 15-16% growth year over year. This is up from the prior guided range of \$5.15-\$5.30.

The transaction margin dollar is expected between \$15.45 billion and \$15.55 billion, suggesting growth in the 5-6% range. This is ahead of the prior projection of \$15.35 billion-\$15.5 billion.

Non-GAAP non-transaction operating expenses are expected to grow approximately 3%.

Free cash flow is expected to be between \$6 billion and \$7 billion. Share repurchase is expected to be roughly \$6 billion.

Q4 2025 Guidance

For the fourth quarter of 2025, PayPal expects non-GAAP EPS between \$1.27 and \$1.31.

Transaction margin dollars are expected between \$4.02 billion and \$4.12 billion, suggesting growth in the 2-5% range for the current quarter.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Oct 28, 2025
Sales Surprise	1.95%
EPS Surprise	12.61%
Quarterly EPS	1.34
Annual EPS (TTM)	5.26

Recent News

On Dec. 15, 2025, PayPal announced that it has filed applications to the Utah Department of Financial Institutions and the Federal Deposit Insurance Corporation to establish PayPal Bank, a proposed Utah-chartered industrial loan company.

On Nov. 17, 2025, PayPal and KKR signed a new agreement for an up to €6 billion replenishing loan commitment under which credit funds and accounts managed by KKR will purchase up to €65 billion of BNPL loan receivables originated by PayPal in France, Germany, Italy, Spain and the United Kingdom.

On Nov. 10, 2025, PayPal's Venmo launched Venmo Stash, an innovative rewards program designed for its customers to get rewarded for every transaction they do with Venmo. Venmo Stash allows customers to engage across Venmo's expanding suite of products and services.

On Nov. 10, 2025, PayPal launched PayPal "Pay in 4," a no-fee, BNPL solution for Canadians. It lets shoppers split purchases from \$30 to \$1,500 into four equal, interest-free payments over six weeks.

On Oct. 28, 2025, PayPal launched agentic commerce services, a suite of solutions that enable merchants to attract customers for AI-driven shopping. Built upon PayPal's trusted payments infrastructure, identity verification, and buyer protection, its agentic commerce services are designed to enable the first wave of commerce capabilities.

On Oct. 28, 2025, PayPal announced that it will adopt the Agentic Commerce Protocol to broaden payments and commerce in ChatGPT. Millions of ChatGPT users will be able to purchase instantly using PayPal, and PayPal will support payments processing for merchants using OpenAI Instant Checkout. In addition, PayPal will connect its global merchant network to OpenAI, creating a platform where tens of millions of small businesses and major brands can sell directly within ChatGPT.

On Oct. 27, 2025, PayPal's Venmo announced a partnership with Bilt to expand how people use Venmo for everyday payments. From early 2026, Bilt members will have a more rewarding way to pay rent, mortgage, and shop at Bilt neighbourhood merchants. Venmo's in-app commerce strategy will be added to Bilt's existing payment options of ACH, debit, and any linked credit card.

On Oct. 7, 2025, PayPal announced the launch of PayPal Ads Manager, a new platform designed specifically for small businesses that allows them to leverage their website traffic and generate new revenue streams. The platform is set to be available in early 2026, beginning in the United States and subsequently expanding to the United Kingdom and Germany.

Valuation

PayPal shares have decreased 30.4% over the trailing 12-month period. Stocks in the Zacks sub-industry and in the Zacks Business Services sector have decreased 6.8% and 7%, respectively, over the past year.

The S&P 500 index has increased 20.2% over the trailing 12-month period.

The stock is currently trading at 1.58X forward 12-month sales compared with 5.57X for the Zacks sub-industry, 3.49X for the Zacks sector and 5.31X for the S&P 500 index.

Over the past five years, the stock has traded as high as 13.62X and as low as 1.56X, with a five-year median of 2.63X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$63.00 price target reflects 1.67X forward 12-month sales.

The table below shows summary valuation data for PayPal.

Valuation Multiples - PYPL					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	1.58	5.57	3.49	5.31
	5-Year High	13.62	11.58	5.86	5.49
	5-Year Low	1.56	5.03	2.79	3.82
	5-Year Median	2.63	6.22	3.76	5.04
EV/Sales TTM	Current	1.71	6.33	4.34	5.81
	5-Year High	16.45	14.23	7.10	5.81
	5-Year Low	1.67	5.79	3.94	3.76
	5-Year Median	2.75	7.12	4.63	5.10

As of 12/29/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 30% (171 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Zoom Communications,...(ZM)	Outperform	1
Constellation Softwa...(CNSWF)	Neutral	3
Compass, Inc. (COMP)	Neutral	2
Fortinet, Inc. (FTNT)	Neutral	3
Palo Alto Networks, ...(PANW)	Neutral	3
Snap Inc. (SNAP)	Neutral	2
Workday, Inc. (WDAY)	Neutral	3
Sea Limited Sponsore...(SE)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Financial Transaction Services

	PYPL	X Industry	S&P 500	CNSWF	SE	WDAY
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Underperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	5	3
VGM Score	B	-	-	A	C	C
Market Cap	55.96 B	1.87 B	40.27 B	0.00 M	84.18 B	55.31 B
# of Analysts	14	3	22	2	2	14
Dividend Yield	0.94%	0.00%	1.35%	0.17%	0.00%	0.00%
Value Score	A	-	-	C	F	D
Cash/Price	0.20	0.20	0.04	NA	0.15	0.13
EV/EBITDA	9.37	7.37	14.84	NA	65.83	42.35
PEG Ratio	0.90	0.93	2.06	NA	NA	1.07
Price/Book (P/B)	2.77	3.16	3.44	NA	8.17	6.23
Price/Cash Flow (P/CF)	10.69	8.51	15.60	NA	115.29	54.22
P/E (F1)	11.02	12.80	18.94	19.64	25.33	23.19
Price/Sales (P/S)	1.70	2.09	3.12	NA	4.00	5.99
Earnings Yield	9.80%	7.65%	5.28%	5.09%	3.95%	4.31%
Debt/Equity	0.56	0.30	0.57	1.01	0.03	0.34
Cash Flow (\$/share)	5.59	1.34	8.98	NA	1.24	3.88
Growth Score	D	-	-	A	A	B
Hist. EPS Growth (3-5 yrs)	12.43%	17.07%	8.24%	29.30%	NA	95.80%
Proj. EPS Growth (F1/F0)	14.84%	15.20%	9.18%	19.91%	110.71%	24.25%
Curr. Cash Flow Growth	13.22%	6.67%	7.00%	21.36%	33.43%	83.81%
Hist. Cash Flow Growth (3-5 yrs)	7.67%	13.13%	7.49%	25.64%	23.51%	58.18%
Current Ratio	1.34	1.17	1.19	1.02	1.44	1.83
Debt/Capital	35.83%	30.91%	38.14%	50.36%	2.78%	25.17%
Net Margin	14.96%	5.90%	12.77%	5.97%	6.80%	6.95%
Return on Equity	25.64%	14.73%	17.03%	51.25%	15.19%	10.50%
Sales/Assets	0.41	0.42	0.53	0.78	0.85	0.52
Proj. Sales Growth (F1/F0)	4.70%	8.71%	5.29%	15.90%	36.50%	13.00%
Momentum Score	B	-	-	B	F	A
Daily Price Chg	0.88%	0.03%	0.62%	1.38%	2.22%	0.67%
1 Week Price Chg	-3.05%	-2.83%	0.70%	-3.54%	2.85%	-6.76%
4 Week Price Chg	-1.60%	0.26%	1.52%	-2.26%	11.06%	-5.38%
12 Week Price Chg	-13.51%	-3.99%	4.52%	-17.02%	-20.92%	-11.33%
52 Week Price Chg	-32.01%	-14.83%	17.53%	-18.68%	34.27%	-15.77%
20 Day Average Volume	13,839,566	526,825	2,426,458	4,791	4,042,305	2,594,310
(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%	-4.33%	0.43%
(F1) EPS Est 12 week change	1.24%	0.00%	0.44%	4.97%	-7.83%	8.51%
(Q1) EPS Est Mthly Chg	0.06%	0.00%	0.00%	NA	-11.32%	-0.08%

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	A
Growth Score	D
Momentum Score	B
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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