**Instructions:**

1. After deriving the intrinsic share price based on our model, the next step is to focus on putting together a report with an investment recommendation.
2. You are required to fill in the report template below using the sample report attached and your readings on the company’s guidance in terms of key segments and products.
   1. Identify two to three key products that are vital for the company’s growth and you can discuss about the trends and expectations. But remember to keep them all short cause and effect sentences.
3. You can take up to two days for this task and feel free to reach out to me if you have any questions.

Headline revenue is expected to grow an average of 8% for the next 5 years with the strongest growth coming from the Asia Pacific & Latin America segment. Apparel has done better in this segment compared to Footwear with double digit growth in the last 5 years.

Based on the financial analysis, NIKE presents a compelling investment opportunity. The company has demonstrated consistent revenue growth, improving profitability, and efficient cost management over the past five years. NIKE's strong cash position and solid free cash flow generation provide financial flexibility and indicate effective capital management. However, investors should be aware of potential risks, including margin volatility, intense competition in the athletic apparel industry, and exposure to global economic factors. Despite these challenges, NIKE's overall financial performance, brand strength, and ability to adapt to market conditions make it an attractive investment option for those seeking exposure to the consumer goods sector.

**Investment thesis:**

After a few years of volatility, the stock price is expected to grow on an average of 9% CAGR for the next few years.

FCF is expected to grow at an average of 9.5% CAGR over the next 5 years alongside the revenue growth. Capex and EPS are equally expected to grow with continued spend in infrastructure specifically focused around digital capabilities, technology and improvement across the supply chain. Nike recently announced a $2 billion cost-savings plan over the next three years. Including simplifying the product portfolio, increasing automation in operations, streamlining organizational structure, improving supply chain and procurement efficiencies

Company Name: NIKE, INC.

Ticker NKE

Current Share Price 89.44 USD

Upside/Downside to current share price: ((Forecasted Price – Current Price)/Current Price) 97%