**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.

**Point 1:** Grouped Revenue is expected to increase by 9.5% in 2023. This is highlighted through the forecasted 30.4% increase in EDIT in 2023 to a value of $6,824M.

Nike’s revenue is expected to grow at xx% yoy in FY23 to USD xx mn. Revenue growth is mainly driven from Footwear growth across North America and Asian region. Nike Air Max and the Nike Air Jordan are expected to contribute to the footwear segment further supported by the growth in apparel.

The Middle East and African market is a thriving segment of revenue, forecasting a 17% increase in revenue in 2023. Through upcoming sports events becoming a driving factor in the increase in revenue from the sale of sportswear and equipment.

**Point 2:** Group EDITDA is forecasted to increase 31.5% in 2023 with D&A forecasted to increase 39.5% and EBIT to increase 30.4%. Contributing to forecasted decrease in NET Income to $5,438M.

**EBITDA margin is expected to expand by xx in FY23 to USD xx mn. XX segments are expected to contribute towards the margin as a result of volume growth and efficient cost control by the company.**

**Point 3:**  EPS is set to rise to 5.85 from 3.75 by 2027.

Driven by strong revenue growth and EBIT margin expansion of xx bps (from xx% in FY22 to xx % in FY23 & xx in FY 24), the EPS is expected to grow by xx% in FY23 to USD xx

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Supported by a strong product line and market expansion through e-commerce sales, Nike’s stocks are expected grow by xx%

Capex forecasted to see a 15.7% increase in 2023.

FCFF is forecasted to have a present value of $41,580M

A key potential factor in future investment in NIKE is the success of the value-driven drug development that compliments the values at NKE. This thriving sector reflects NKE as an exciting investment prospect.

**Investment thesis:**

**Nike has a strong xx % upside to its current share price, as a result of strong revenue and margin growth driven by its footwear segment.**

Nike (NKE) is a global sportswear / equipment company with an impressive 9.5% increase in revenue forecasted for 2023.

This, alongside the forecasted terminal value of 158.272M ensures the capture of long term growth and creates an exciting investment opportunity.

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Nike

NKE

115.73

Upside/Downside to current share price: ((Forecasted Price – Current Price)/Current Price) Calculate Upside here