Nike Inc B NKE ★★

Nike is the largest athletic footwear and apparel brand in the world. It designs, develops, and markets athletic apparel, footwear, equipment, and accessories in six major categories: running, basketball, soccer, training, sportswear, and Jordan. Footwear generates about two thirds of its sales. Nike's brands include Nike, Jordan, and Converse (casual footwear). Nike sells products worldwide and outsources its production to more than 400 factories in more than 40 countries. Nike was founded in 1964 and is based in Beaverton, Oregon.

	Fair Value	Uncertainty	Economic Moat	Sector	Style	Market Cap (Mil)	Sales (Mil)	Last Close
	$113.00	Medium	Wide	Consumer Cycl	Large Growth	223,247	38,254	141.61

High	24.56	28.70	40.13	49.88	68.20	65.44	65.19	86.04	101.79	147.95	147.10
Low	17.36	21.28	25.70	34.93	45.35	49.01	50.35	62.09	71.21	60.00	138.32

10 Yr Range (High/Low)
147.95-17.36

52 Wk Range (High/Low)
147.95-60.00

Price Volatility
- | Monthly High/Low
- — | Rel Strength to S&P 500
- ▼ | Split

Trading Volume (Million)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Stock Performance
	14.3	8.6	54.1	23.5	31.2	-17.6	24.5	19.8	37.9	40.6	0.1	Total Return %
	12.2	-7.4	21.7	9.8	29.8	-29.6	2.7	24.2	6.4	22.2	-2.6	+/- Market
	3.4	0.3	2.2	2.3	6.9	-3.8	3.0	3.2	2.0	4.2	-1.1	+/- Industry
	1.3	1.5	1.1	1.0	0.9	1.3	1.2	1.1	0.9	0.7	0.7	Dividend Yield %
	44226	46219	69832	83074	106688	84174	101581	116919	157942	223026	223247	Market Cap $Mil

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TTM	Financials (USD)
22657	—	26286	29759	31339	33517	34733	38095	40781	38254	38254	Revenue $Mil
45.7	43.5	43.6	44.8	46.0	46.2	44.6	43.8	44.7	43.4	42.9	Gross Margin %
2972	—	3605	4001	4404	4480	4428	4726	5238	3698	3698	Oper Income $Mil
14.1	13.2	12.8	13.2	13.6	13.9	13.8	12.2	12.2	8.3	9.7	Operating Margin %
2231	—	2851	2997	3620	3887	3866	2155	4572	2826	2826	Net Income $Mil
1.10	1.18	1.35	1.49	1.85	2.16	2.51	1.17	2.49	1.60	1.77	Earnings Per Share $
0.30	0.35	0.41	0.47	0.54	0.62	0.70	0.78	0.86	0.96	1.01	Dividends $
1943	1879	1833	1812	1769	1743	1692	1659	1618	1592	1595	Shares Mil
5.36	5.59	6.39	6.77	7.85	7.44	7.24	5.54	6.00	6.75	6.75	Book Value Per Share $
1762	2547	2711	3290	4169	3744	3768	5882	4384	4534	4534	Oper Cash Flow $Mil
-500	-588	-814	-918	-1091	-1040	-1091	-1160	-1011	-908	-908	Cap Spending $Mil
1262	1959	1897	2372	3078	2704	2677	4722	3373	3626	3626	Free Cash Flow $Mil

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TTM	Profitability
14.5	14.5	15.0	14.9	16.3	17.5	19.0	8.4	17.4	9.2	9.2	Return on Assets %
21.8	21.9	23.0	24.6	27.8	30.1	34.4	17.4	42.7	29.7	28.3	Return on Equity %
1.37	1.53	1.53	1.54	1.52	1.51	1.54	1.59	1.69	1.36	1.25	Asset Turnover
10.6	9.5	9.8	9.7	10.7	11.6	12.3	5.3	10.3	6.8	7.4	Net Margin %
1.5	1.5	1.6	1.7	1.7	1.7	1.9	2.3	2.6	3.9	3.3	Financial Leverage

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	11-20	Financial Health (USD)
276	228	1210	1199	1079	1993	3471	3468	3464	9406	9410	Long-Term Debt $Mil
9843	10381	11081	10824	12707	12258	12407	9812	9040	8055	10640	Total Equity $Mil
0.03	0.02	0.11	0.11	0.08	0.16	0.28	0.35	0.38	1.53	1.16	Debt/Equity
7339	7963	9668	8669	9255	9667	10587	9094	8659	12272	14736	Working Capital $Mil

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TTM	Valuation
20.6	21.9	26.7	28.7	30.3	22.4	27.1	55.9	35.5	80.0	80.0	Price/Earnings
—	0.0	0.0	0.0	0.0	—	—	0.0	0.0	0.0	2.8	P/E vs. Market
2.0	1.9	2.7	2.9	3.5	2.6	3.0	3.2	4.0	5.9	5.9	Price/Sales
4.5	4.6	6.2	7.1	8.0	6.8	8.6	13.4	16.9	21.0	21.0	Price/Book
26.1	18.8	23.3	28.9	24.5	26.2	30.6	21.4	32.5	75.8	49.8	Price/Cash Flow

Growth Rates (Compound Annual)

Grade: C	1 Yr	3 Yr	5 Yr	10 Yr
Revenue %	-4.4	2.9	4.1	7.0
Operating Income %	-34.7	-13.1	-5.7	2.3
Earnings/Share %	-35.7	-13.9	-2.9	5.2
Dividends %	11.1	10.9	12.1	13.7
Book Value/Share %	-10.3	-11.9	-7.0	0.3
Stock Total Return	36.4	29.0	19.2	21.8
+/- Industry	1.9	2.2	0.4	1.1
+/- Market	18.2	15.8	1.3	7.9

Profitability Analysis

Grade: A	Current	5 Yr Avg	Ind	Mkt
Return on Equity %	28.3	30.9	17.8	27.3
Return on Assets %	9.2	14.3	6.3	8.7
Revenue/Employee $K	507.3	484.7	—	836.8
Fixed Asset Turns	4.9	8.4	3.8	5.8
Inventory Turns	3.6	3.8*	3.2	12.5
Gross Margin %	42.9	44.6	41.8	43.1
Operating Margin %	9.7	12.1	7.3	18.7
Net Margin %	7.4	9.3	5.5	15.6
Free Cash Flow/Rev %	9.5	8.3	6.5	19.6
R&D/Rev %	—	—	—	—

Financial Position (USD)

Grade: A	05-20 $Mil	11-20 $Mil
Cash	8348	8635
Inventories	7367	6090
Receivables	2749	3713
Current Assets	20556	23607
Fixed Assets	7963	8045
Intangibles	497	493
Total Assets	31342	34836
Payables	2990	2342
Short-Term Debt	251	41
Current Liabilities	8284	8871
Long-Term Debt	9406	9410
Total Liabilities	23287	24196
Total Equity	8055	10640

Valuation Analysis

	Current	5 Yr Avg	Ind	Mkt
Price/Earnings	80.0	39.8	75.2	28.3
Forward P/E	50.8	—	—	32.3
Price/Cash Flow	49.8	31.6	36.4	16.5
Price/Free Cash Flow	62.3	44.9	46.3	45.1
Dividend Yield %	0.7	1.0	0.7	1.6
Price/Book	21.0	12.1	13.4	4.0
Price/Sales	5.9	3.4	4.2	6.9
PEG Ratio	1.9	—	—	3.4

*3Yr Avg data is displayed in place of 5 Yr Avg

Quarterly Results (USD)

Revenue $	Feb	May	Aug	Nov
Most Recent	10104.0	6313.0	10594.0	11243.0
Previous	9611.0	10184.0	10660.0	10326.0

Rev Growth %	Feb	May	Aug	Nov
Most Recent	5.1	-38.0	-0.6	8.9
Previous	7.0	4.0	7.2	10.2

Earnings Per Share $	Feb	May	Aug	Nov
Most Recent	0.53	-0.51	0.95	0.78
Previous	0.68	0.62	0.86	0.70

Close Competitors

	Mkt Cap $Mil	Rev $Mil	P/E	ROE%
ANTA Sports Products Ltd	366233	33786	65.4	23.8
adidas AG	55565	20135	118.3	6.6

Major Fund Holders

	% of shares
Vanguard US Total Market Shares ETF	2.25
AllianceBernstein US L/C Growth Eqty MF	0.15
MiraeAsset G2 Innovator Master Eq	0.01

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Stock Detail Report
Disclosure Statement

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Last Close $
The stock price shown represents the market price of the stock as of the close of trading on the release date noted at the top of the investment detail page.

Market Capitalization $ mil
The value of a company as determined by the market price of its outstanding common stock. It is calculated by multiplying the market price as of the close of trading as of the last day of the most recent month-end by the number of shares outstanding as of the most recently completed fiscal quarter. It may be used as an indicator of how investors value a company's future prospects.

Morningstar Rating
The Morningstar Rating for stocks is calculated by comparing Morningstar's assessment of a stock's fair value with the stock's current market price. The rating is assigned a five star rating if fair value is 30% or more above the current market price, four star rating if it is 10% to 30% above the current market price, three star rating if fair value is 10% above or below the current market price, two star rating if fair value is 10% to 30% below the current market price, and a one star rating for a fair value of 30% or more below the current market price.

Fair Value Uncertainty
The Uncertainty Rating represents the analysts' ability to bound the estimated value of the shares in a company around the Fair Value Estimate, based on the characteristics of the business underlying the stock, including operating and financial leverage, sales sensitivity to the overall economy, product concentration, pricing power, exposure to material ESG risks, and other company-specific factors. Based on these factors, analysts classify the stock into one of several uncertainty levels: Low, Medium, High, Very High, or Extreme. Our recommended margin of safety—the discount to fair value demanded before we'd recommend buying or selling the stock—widens as our uncertainty of the estimated value of the equity increases.

Fair Value
Each stock's fair value is estimated by utilizing a proprietary discounted cash flow model (DCF). This model assumes that the stock's value is equal to the total of the free cash flows of the company is expected to generate in the future, discounted back to the present at the rate commensurate with the riskiness of the cash flows. As with any DCF model, the ending value is highly sensitive to Morningstar's projections of future growth.

Economic Moat
Economic Moat measures the strength and sustainability of a firm's competitive advantage. Many factors are considered when assigning this rating, including the firm's historical and forecast performance, the source of the company's excess economic profits, ability to produce products at lower costs than competitors, governmental protection via patents/copyrights, high customer switching costs, network effects, efficient scale, and other various considerations as determined by our analyst staff. The rating value assigned will be either none, narrow, or wide.

Style
The Morningstar Style consists of nine categories that provide an overview of the investment strategy. The style is comprised of a combination of market capitalization of the security and the investment style (value, blend, or growth).

Stock Grades
The grading system is a letter-based system from A through F, with A being the highest. The Growth Grade shows how well the company's growth compares with the Morningstar universe. Growth is measured by revenue per share. The Profitability Grade shows how well a company's profitability, as measured by return on equity, compares with the Morningstar universe. The Financial Health Grade compares a company's enterprise value with the book value of its liabilities, rewarding those firms that have a low probability of enterprise value falling below the value of liabilities.

Stock Performance
Total Return represents shareholders' gains from a stock over a given period of time (YTD, one month, three month, one-, three-, and five year). Total return includes both capital gains and losses and dividend payments. It is calculated by taking the change in the stock's price as of the close of trading of the respective period, assuming dividends are not reinvested, then dividing by the initial stock price, and expressing the result as a percentage. Returns for periods longer than one year are annualized. Returns do not include brokerage commission or the effects of taxation.

Financials
Earnings per share $ (EPS), diluted EPS, is calculated by dividing net income net of preferred dividends by a weighted average of total shares outstanding plus additional common shares that would have been outstanding if the dilutive common share would have been issued for the trailing 12 months (TTM).

Dividend per share $ is the dollar amount of dividends paid out by the company in a particular period to its common shareholders, as reported by the company.

Profitability
Return on Assets (ROA) is the percentage a company earns on its assets in a given year (year 1, 2, etc.). The calculation is net income divided by end-of-year total assets, then multiplied by 100.

Return on Equity (ROE) is the percentage a company earns on its total equity in a given year (Year 1, 2, etc.). The calculation is net income divided by end-of-year net worth, multiplied by 100.

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Asset Turnover represents how many dollars in revenue a company has generated per each dollar of assets. It is calculated by dividing total revenues for the period by total assets for the same period.

Financial leverage is calculated by dividing total assets by total shareholders' equity.

Valuation
Price/Earnings (PE) is the current price divided by the company's trailing 12-month earnings per share.

Price/Book (PB) is the most recent stock price divided by the most recent book value per share.

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Price/Sales (PS) is the current price divided by the company's sales per share over the trailing 12 months.

Price/Cash Flow (PC) is the most recent price divided by the cash flow per share of the latest fiscal year.

Growth Rates
All the figures in the Growth section represent the compounded or annualized growth rate. These figures are collected for revenue, net income, EPS, equity per share, and dividends.

Profitability Analysis
The below referenced items are reported as both a current value and a 5-year average figure.

Return on Equity % is the percentage a company earns on its total equity in a given year. The calculation is net income divided by end-of-year net worth.

Return on Assets % is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets.

Revenue/Employee $K looks at a company's sales in relation to the number of employees it has. This ratio is most useful when compared against other companies in the same industry. Ideally, a company wants the highest revenue per employee possible, as it denotes higher productivity.

Operating Margin % is used to measure pricing strategy and operating efficiency. It is calculated by dividing operating income by net sales.   Also known as operating profit margin or net profit margin.

Net Margin % is equal to annual net income divided by revenues.

Free Cash Flow/Rev % is free cash flow divided by sales for the same time period. Free cash flow is calculated by subtracting capital spending from cash flow from operations for the same time period. It is the money left over after investment, and it can be used to pay dividends, buy back stock, or pay down debt.

Valuation Analysis
The below referenced items are reported as both a current value and a 5-year average figure.

Price/Earnings is the stock's price divided by the company's earnings per share.

Forward P/E ratio is the most-recent stock price divided by the mean EPS estimate for the current fiscal year. This number gives some indication of how cheap or expensive a stock is compared with consensus earnings estimates. The lower the forward P/E, the cheaper the stock. Reuters Estimates data is used in the denominator of this calculation.

Price/Cash Flow is the stock's price divided by the cash-flow per share of the latest fiscal year.

Price/Free Cash Flow is the free cash flow divided by its "enterprise value", or market capitalization plus net debt. This number tells you what cash return you would get if you bought the entire company, including its debt.

Dividend Yield % is a percentage calculated by dividing total dividends by the current market price and multiplying by 100.

Price/Book is the stock price divided by the book value per share.

Price/Sales is the stock's price divided by the company's sales per share.

PEG Ratio is Forward P/E ratio divided by the company's EPS Growth % Five-Year Mean Estimate. The Forward P/E ratio used in the numerator of this ratio is calculated by taking the current share price and dividing by the mean EPS estimate for the current fiscal year. The denominator is the average estimate of long-term EPS growth, derived from all polled analysts' estimates from Reuters Estimates.

Market
Standard & Poor's 500: A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

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