


Stocks / United States / Retail / NasdaqGS:AMZN

Amazon.com

MARKET CAP  
US\$1.2t

LAST UPDATED  
2020/05/21 00:25 UTC

DATA SOURCES  
Company Financials +45 Analysts



## 1 | Executive Summary

Amazon.com, Inc. engages in the retail sale of consumer products and subscriptions in North America and internationally.

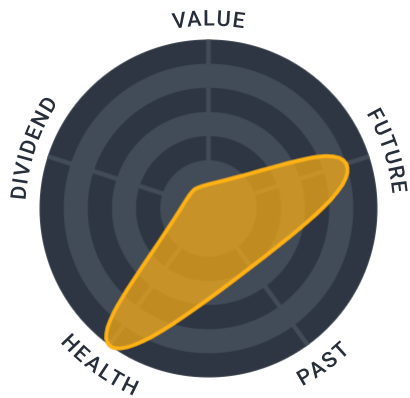
### REWARDS

★ Earnings are forecast to grow 37.94% per year ▶

### RISK ANALYSIS

⚠ Highly volatile share price over past 3 months ▶


### SNOWFLAKE ANALYSIS



Flawless balance sheet with high growth potential.

SIMILAR COMPANIES

- 

Alibaba Group Holding  
NYSE:BABA
- 

JD.com  
NASDAQS:JD
- 

MercadoLibre  
NASDAQS:MELI

## 2 | Share Price & News

How has Amazon.com's share price performed over time and what events caused price changes?

### 2.1 | Latest Share Price and Events

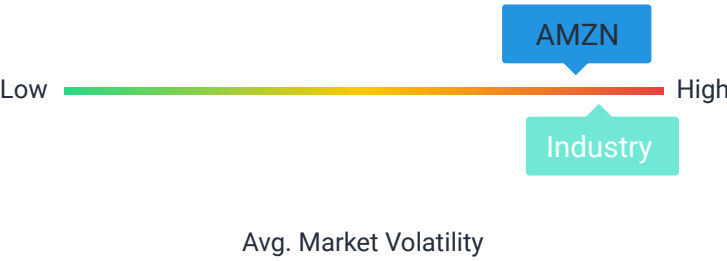


Shareholder returns

	AMZN	Industry	Market
7 Day	4.6%	5.8%	4.3%
30 Day	7.3%	7.6%	7.4%
90 Day	19.2%	10.5%	-12.2%
1 Year	37.6%	34.5%	3.1%
3 Year	151.5%	93.8%	20.0%
5 Year	485.6%	205.1%	34.6%
<div><div></div> Include Dividend Returns</div>			

Price Volatility Vs. Market

How volatile is Amazon.com's share price compared to the market and industry in the last 5 years?



2.3 | Simply Wall St News

6 days ago | Simply Wall St

Calculating The Fair Value Of Amazon.com, Inc. (NASDAQ:AMZN)

2 weeks ago | Simply Wall St

Earnings Miss: Amazon.com, Inc. Missed EPS By 18% And Analysts Are Revising Their Forecasts

4 weeks ago | Simply Wall St

Is Amazon.com, Inc. (NASDAQ:AMZN) Potentially Undervalued?

3 | Valuation

Is Amazon.com undervalued compared to its fair value and its price relative to the market?

Analysis Checks 0/6

✖

✖

✖

✖

✖

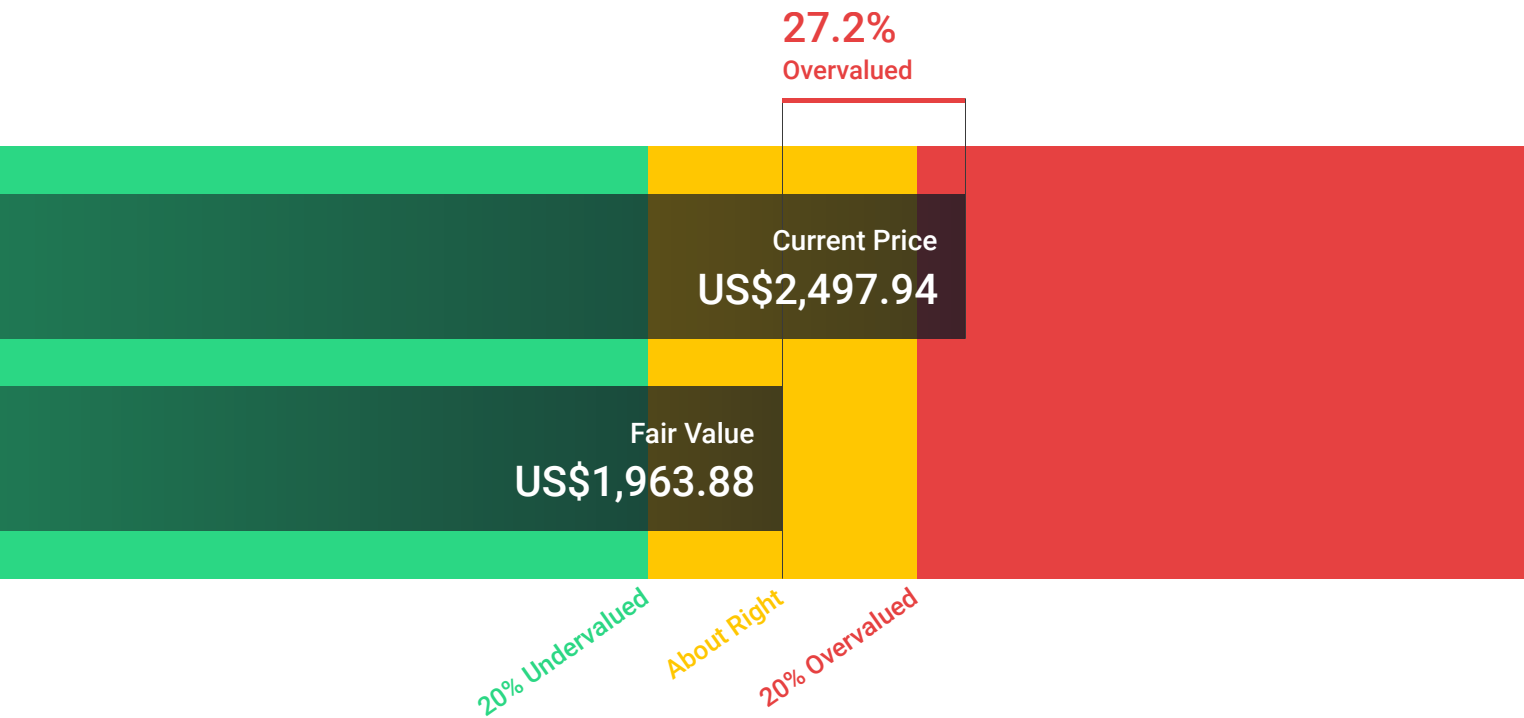
✖

117.25x

Price to Earnings (PE) ratio

3.1

Share Price vs. Fair Value



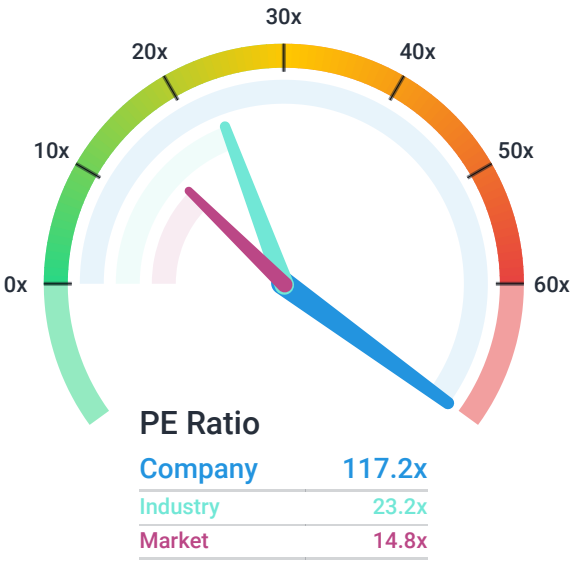
- ✖

Below Fair Value: AMZN (\$2497.94) is trading above our estimate of fair value (\$1963.88)
- ✖

Significantly Below Fair Value: AMZN is trading above our estimate of fair value.

3.2

Price To Earnings Ratio



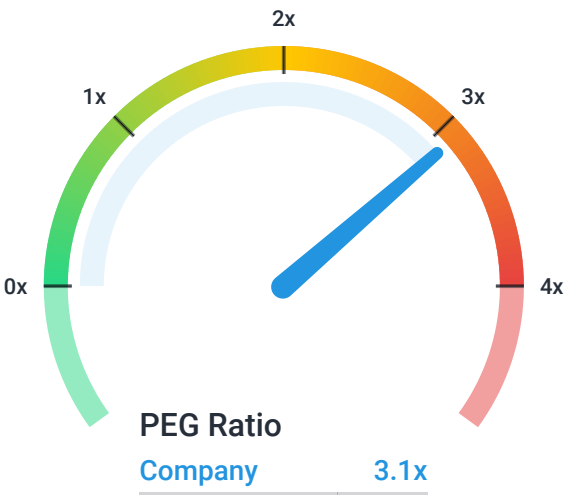
- ✖

PE vs Industry: AMZN is poor value based on its PE Ratio (117.2x) compared to the Online Retail industry average (23.2x).
- ✖

PE vs Market: AMZN is poor value based on its PE Ratio (117.2x) compared to the US market (14.8x).

3.3

Price to Earnings Growth Ratio

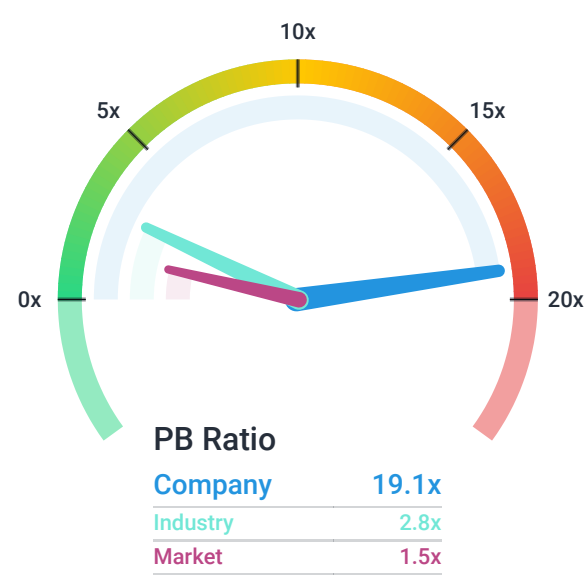


- ✖

PEG Ratio: AMZN is poor value based on its PEG Ratio (3.1x)

3.4

Price to Book Ratio



✗

**PB vs Industry:** AMZN is overvalued based on its **PB Ratio** (19.1x) compared to the US Online Retail industry average (2.8x).

3.5

Next Steps

[Explore potentially undervalued companies in the Retail industry.](#)

4

Future Growth

How is Amazon.com forecast to perform in the next 1 to 3 years based on estimates from 45 analysts?

Analysis Checks 5/6

✓

✓

✓

✓

✗

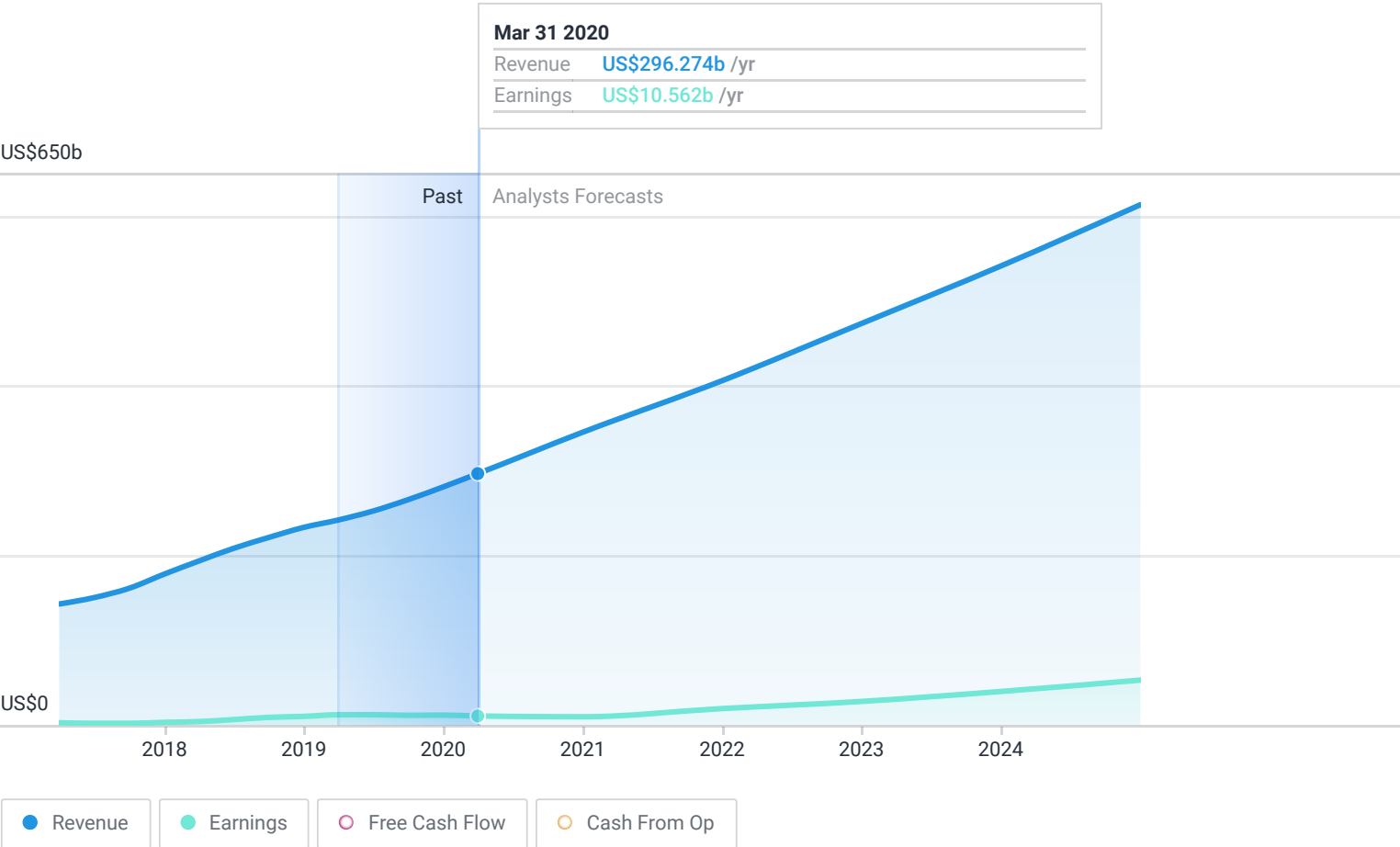
✓

37.9%

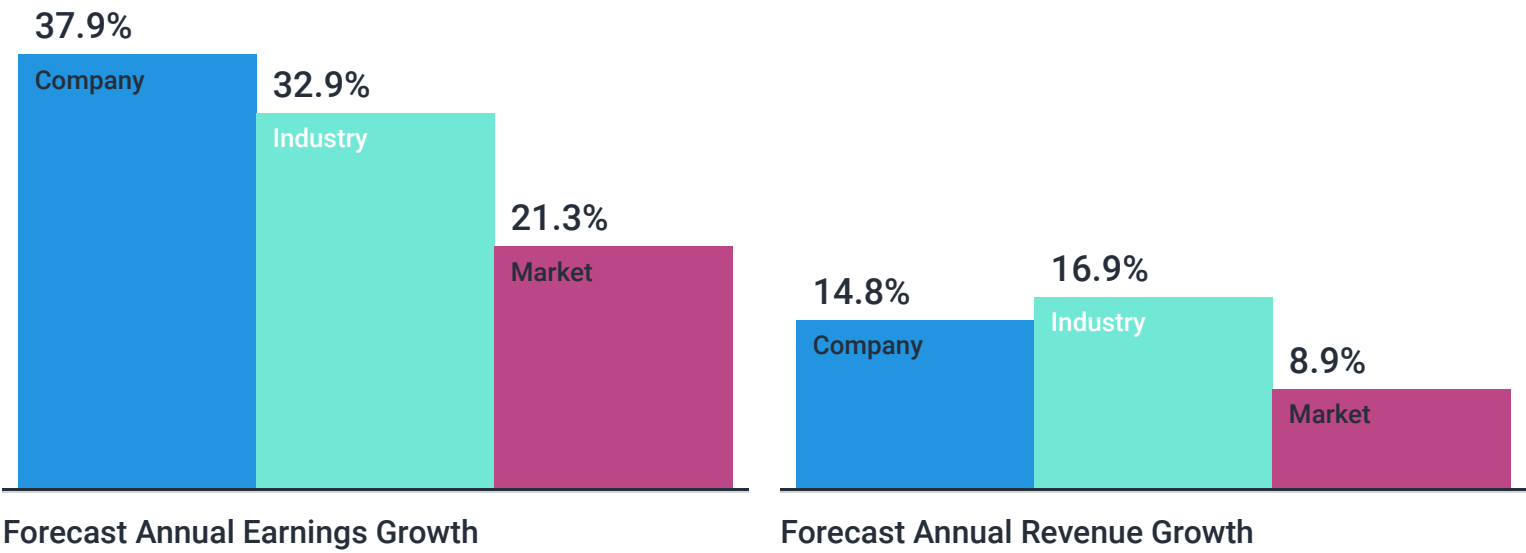
Forecasted annual earnings growth

4.1

Earnings and Revenue Growth Forecasts

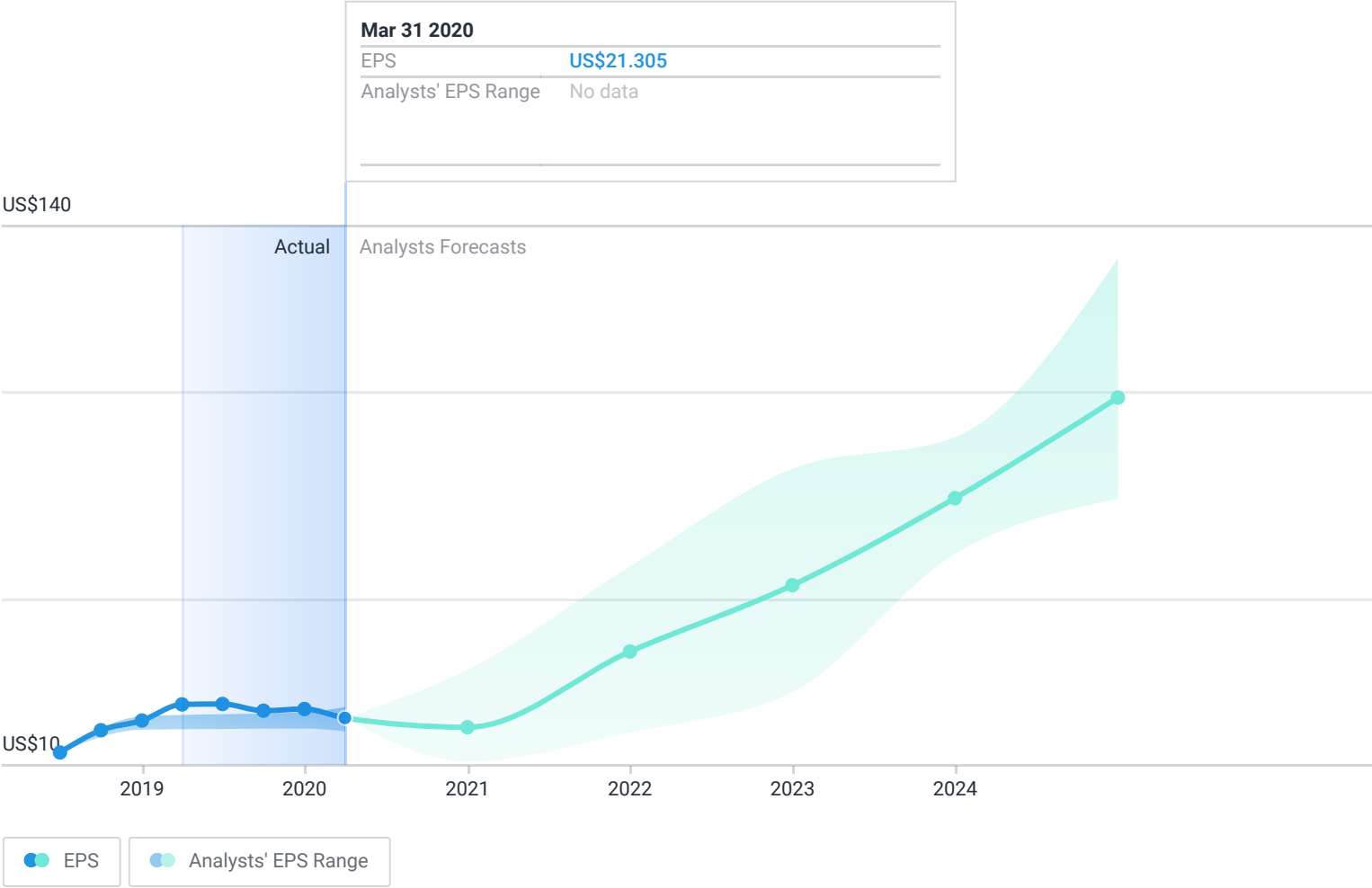


## 4.2 | Analyst Future Growth Forecasts



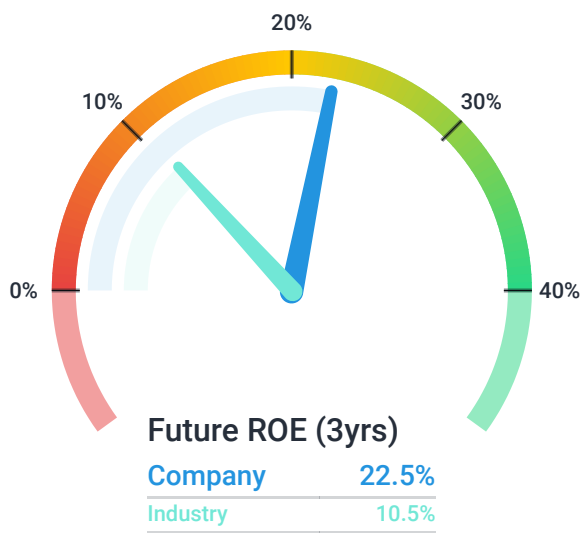
- ✔ **Earnings vs Savings Rate:** AMZN's forecast earnings growth (37.9% per year) is above the [savings rate](#) (2.2%).
- ✔ **Earnings vs Market:** AMZN's earnings (37.9% per year) are forecast to grow faster than the US market (21.3% per year).
- ✔ **High Growth Earnings:** earnings are expected to grow [significantly](#) over the next 3 years.
- ✔ **Revenue vs Market:** AMZN's revenue (14.8% per year) is forecast to grow faster than the US market (8.9% per year).
- ✘ **High Growth Revenue:** AMZN's revenue (14.8% per year) is forecast to grow slower than 20% per year.

## 4.3 | Earnings per Share Growth Forecasts



4.4

Future Return on Equity



✔ **Future ROE:** AMZN's Return on Equity is forecast to be high in 3 years time (22.5%)

4.5

Next Steps

[Explore growth companies in the Retail industry.](#)

5

Past Performance

How has Amazon.com performed over the past 5 years?

Analysis Checks 2/6

✔

✖

✔

✖

✖

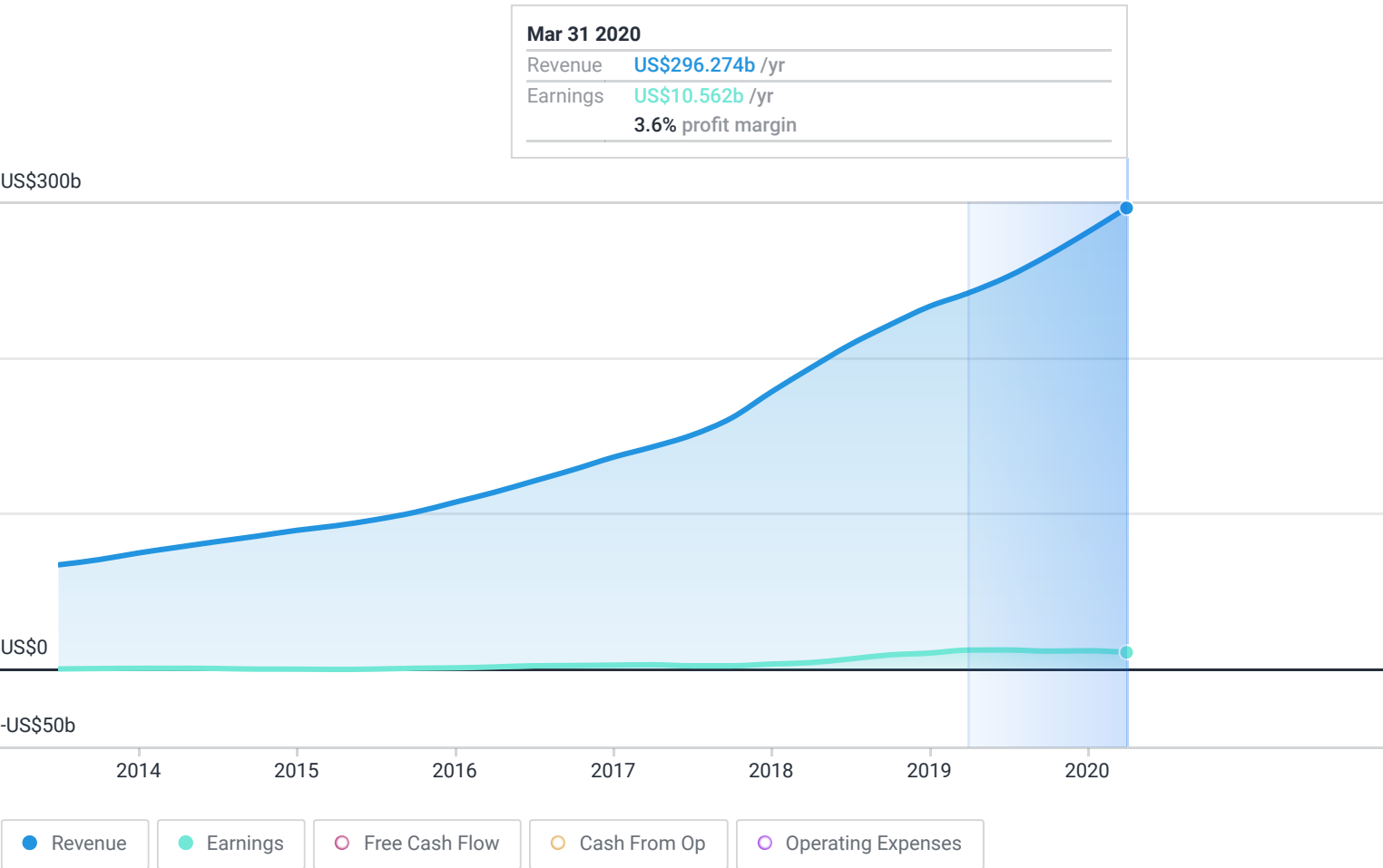
✖

55.2%

Historical annual earnings growth

5.1

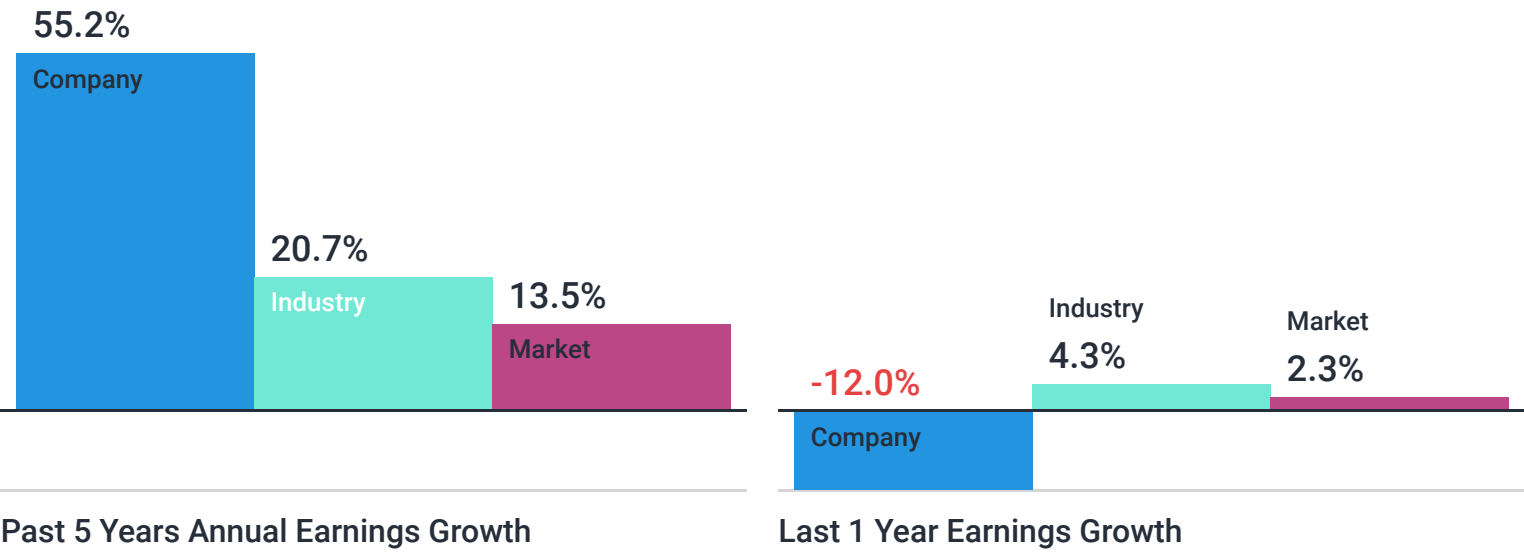
Earnings and Revenue History



- ✔ **Quality Earnings:** AMZN has high quality earnings.
- ✖ **Growing Profit Margin:** AMZN's current net profit margins (3.6%) are lower than last year (5%).

5.2

Past Earnings Growth Analysis



- ✓

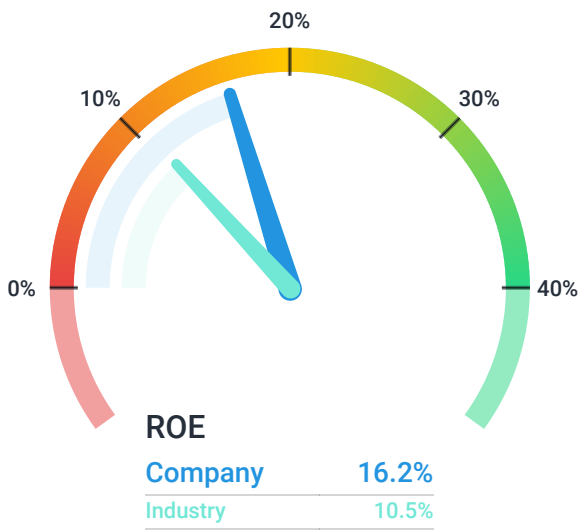
Earnings Trend: AMZN has become profitable over the past 5 years, growing earnings by 55.2% per year.
- ✗

Accelerating Growth: AMZN's has had negative earnings growth over the past year, so it can't be compared to its 5-year average.
- ✗

Earnings vs Industry: AMZN had negative earnings growth (-12%) over the past year, making it difficult to compare to the Online Retail industry average (4.3%).

5.3

Return on Equity



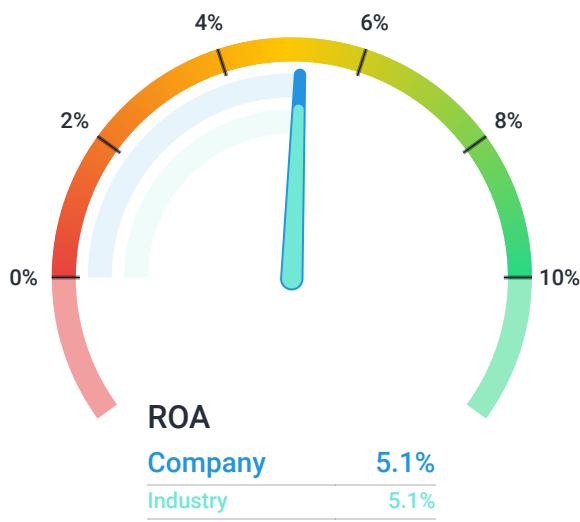
- ✗

High ROE: AMZN's Return on Equity (16.2%) is considered low.



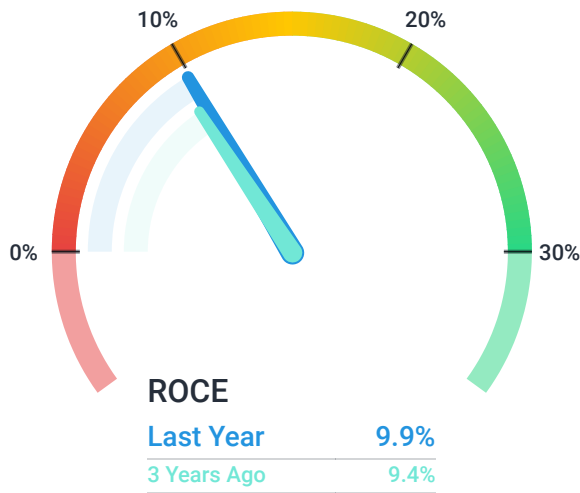
5.4

Return on Assets



5.5

Return on Capital Employed



5.6

Next Steps

[Explore strong, past performing companies in the Retail industry.](#)

6

Financial Health

How is Amazon.com's financial position?

Analysis Checks 6/6

✓

✓

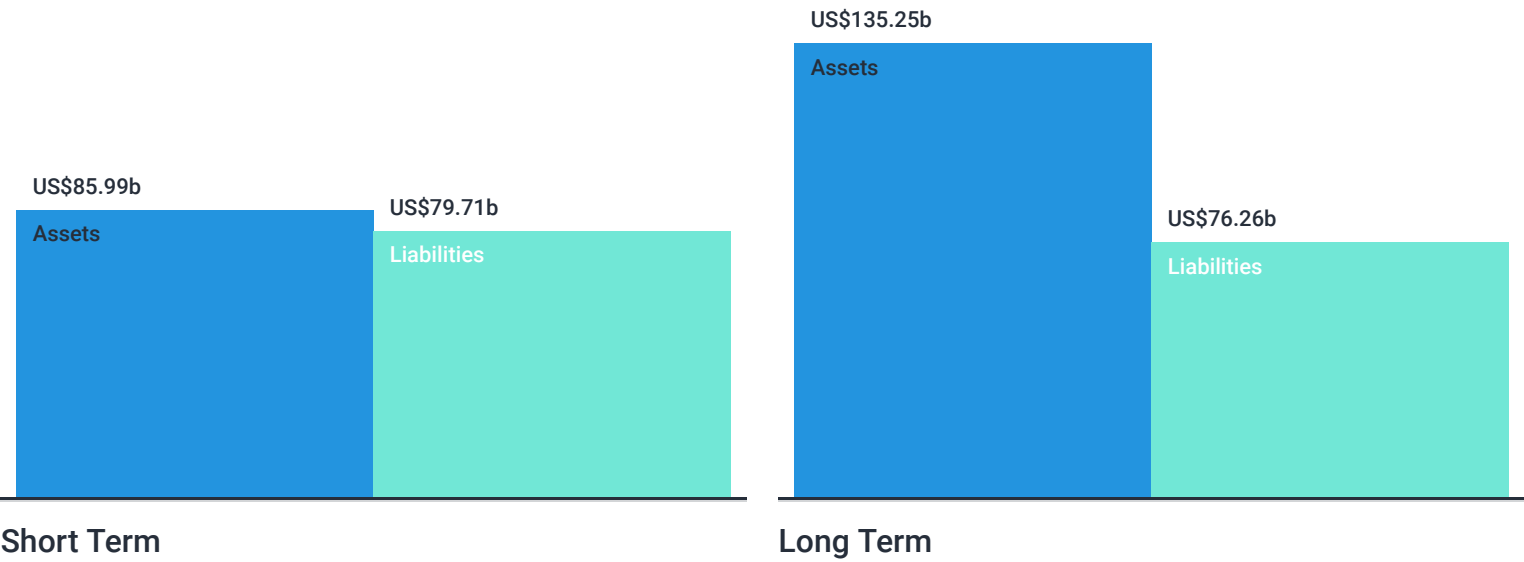
✓

✓

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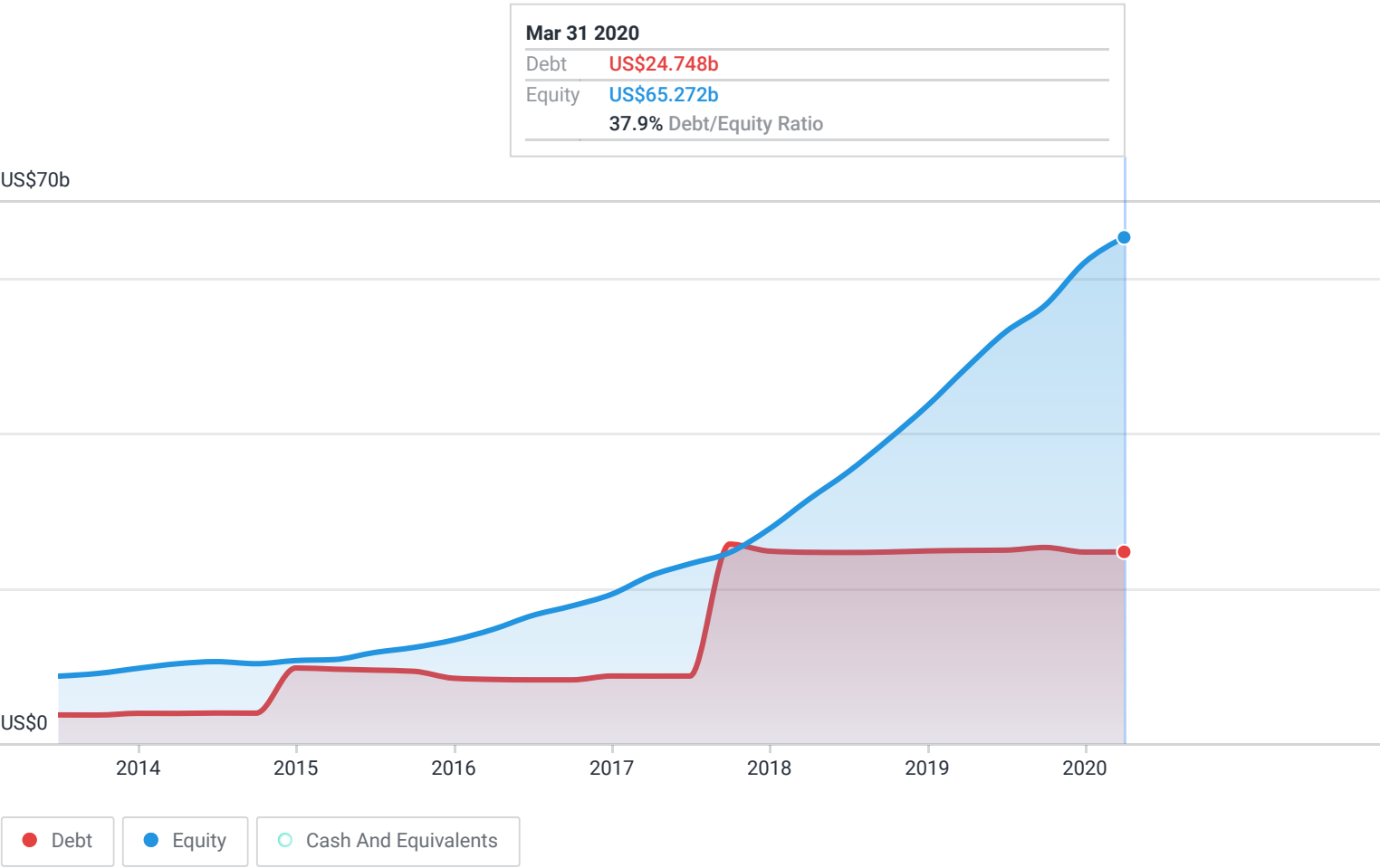
✓

6.1 | Financial Position Analysis



- ✔ Short Term Liabilities: AMZN's short term assets (\$86.0B) exceed its short term liabilities (\$79.7B).
- ✔ Long Term Liabilities: AMZN's short term assets (\$86.0B) exceed its long term liabilities (\$76.3B).

6.2 | Debt to Equity History and Analysis



- ✔ Debt Level: AMZN's debt to equity ratio (37.9%) is considered satisfactory.
- ✔ Reducing Debt: AMZN's debt to equity ratio has reduced from 88.4% to 37.9% over the past 5 years.
- ✔ Debt Coverage: AMZN's debt is well covered by operating cash flow (160.5%).
- ✔ Interest Coverage: AMZN's interest payments on its debt are well covered by EBIT (17.8x coverage).

6.3

Balance Sheet

Assets



Liabilities + Equity



6.4

Next Steps

[Explore more healthy companies in the Retail industry.](#)

7

Dividend

What is Amazon.com's current dividend yield, its reliability and sustainability?

Analysis Checks 0/6

✖

✖

✖

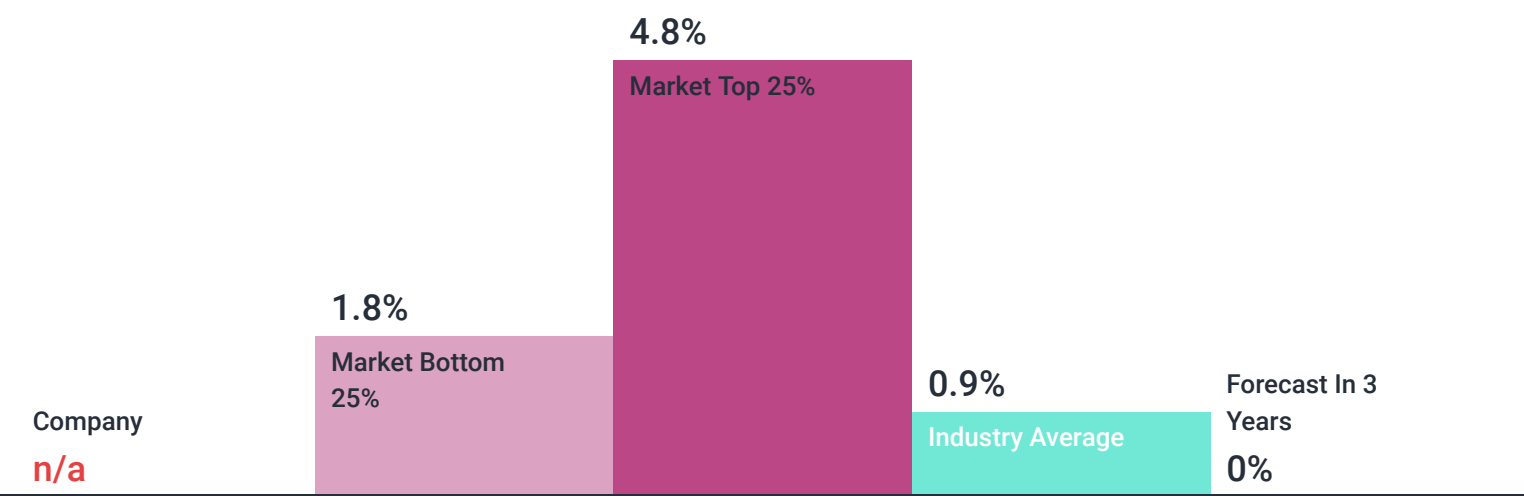
✖

✖

✖

7.1

Dividend Yield vs Market



Current Dividend Yield Vs Market & Industry

- ⊗

**Notable Dividend:** Unable to evaluate AMZN's dividend yield against the bottom 25% of dividend payers, as the company has not reported any payouts.
- ⊗

**High Dividend:** Unable to evaluate AMZN's dividend yield against the top 25% of dividend payers, as the company has not reported any payouts.

7.2

Stability and Growth of Payments



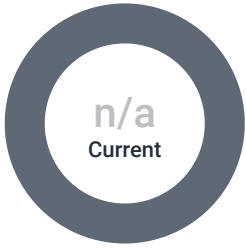
- ⚠

**Stable Dividend:** Insufficient data to determine if AMZN's dividends per share have been stable in the past.
- ⚠


**Growing Dividend:** Insufficient data to determine if AMZN's dividend payments have been increasing.

7.3

Current Payout to Shareholders

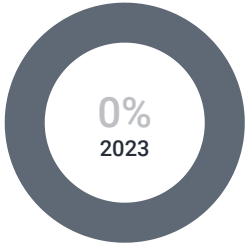


No data


 **Dividend Coverage:** Insufficient data to calculate payout ratio to determine if its dividend payments are covered by earnings.

7.4

Future Payout to Shareholders



Does not pay a dividend

 **Future Dividend Coverage:** No need to calculate the sustainability of AMZN's dividend in 3 years as they are not forecast to pay a notable one for the US market.

7.5

Next Steps

[Explore strong dividend paying companies in the Retail industry.](#)

8

Management

How experienced are the management team and are they aligned to shareholders interests?

10.4yrs

Average management tenure

8.1

CEO

Jeff Bezos (55yo)

24yrs

Tenure

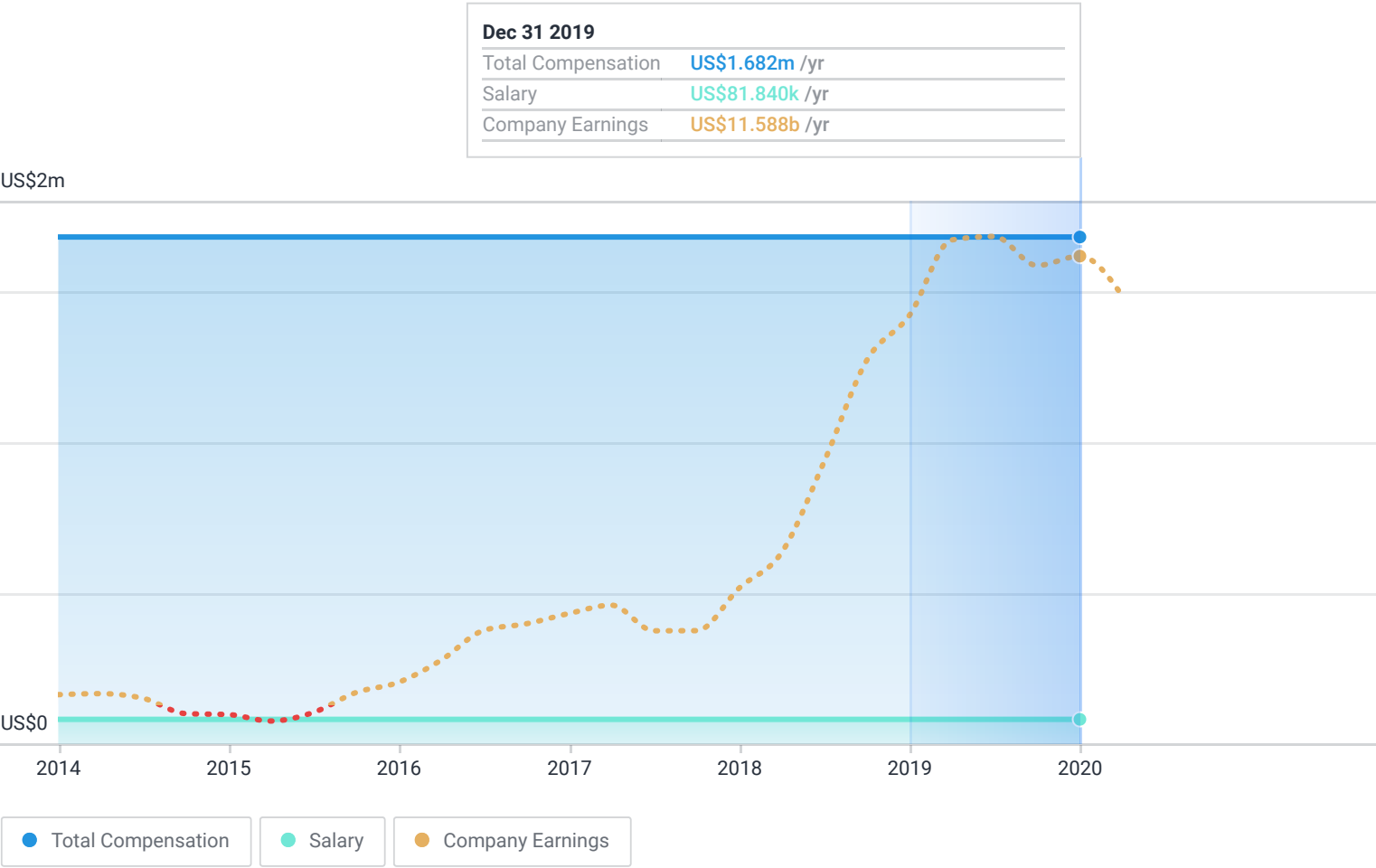
US\$1,681,840

Compensation

Mr. Jeffrey P. Bezos, also known as Jeff, founded Amazon.com, Inc. in 1994 and has been its Chief Executive Officer since May 1996. Mr. Bezos has been Chairman of Amazon.com Inc. since 1994 and has been its President since October 2000. Mr. Bezos is the Founder of Bezos Expeditions, LLC. He is a Principal Advisor at A9.com, Inc. He served as the President at Amazon.com, Inc. from 1994 to June 1999. He served as the President and Chief Executive Officer at Padcom, Inc. He worked at the intersection of computer science and finance, helping build one of the most technically sophisticated quantitative hedge funds on Wall Street for D. E. Shaw & Co. He has been a Director of Amazon.com, Inc., since July 1994. He served as a Director of Drugstore.com Inc., from August 1998 to June 10, 2004. He has always been interested in anything that can be revolutionized by computers. Intrigued by the amazing growth in use of the Internet, he created a business model that leveraged the Internet’s unique ability to deliver huge amounts of information rapidly and efficiently. Mr. Bezos graduated summa cum laude and B.S. in Electrical Engineering and Computer Science from Princeton University in 1986. [Show less](#)

8.2

CEO Compensation Analysis













- ✓

Compensation vs Market: Jeff's total compensation (\$USD1.68M) is below average for companies of similar size in the US market (\$USD11.62M).
- ✓

Compensation vs Earnings: Jeff's compensation has been consistent with company performance over the past year.

8.3

Leadership Team

Name	Position	Tenure	Compensation	Ownership
 Jeffrey Bezos	Founder	24yrs	US\$1.68m	11.13% \$138.6b
 Brian Olsavsky	Senior VP & CFO	4.92yrs	US\$163.20k	0.00031% \$3.9m
 Jeffrey Wilke	Chief Executive Officer of Worldwide Consumer	13.33yrs	US\$210.73k	0.011% \$139.2m
 Andrew Jassy	Chief Executive Officer of Amazon Web Services Inc.	4.08yrs	US\$348.81k	0.019% \$233.9m
 Shelley Reynolds	VP, Worldwide Controller & Principal Accounting Officer	13.08yrs	US\$613.43k	0.0012% \$15.3m
 Werner Vogels	Chief Technology Officer	no data	no data	no data
 David Zapolsky	Senior VP	7.67yrs	no data	0.00080% \$10.0m
 Ragia Samir	Head of Marketing	2.33yrs	no data	no data
 Steven Kessel	Senior Vice President	14.08yrs	no data	no data
 Douglas Gurr	UK Country Manager	no data	no data	no data


Show less

10.4yrs

Average Tenure











54yo

Average Age

 **Experienced Management:** AMZN's management team is seasoned and experienced (10.4 years average tenure).

8.4

Board Members

Name	Position	Tenure	Compensation	Ownership
 Jeffrey Bezos	Founder	24yrs	US\$1.68m	11.13% \$138.6b
 Jonathan Rubinstein	Lead Independent Director	3.33yrs	US\$951.49k	0.0015% \$18.8m
 Wendell Weeks	Independent Director	4.25yrs	US\$929.99k	0.00031% \$3.9m
 Indra Nooyi	Independent Director	1.25yrs	US\$901.73k	0.000090% \$1.1m
 Jamie Gorelick	Independent Director	8.25yrs	no data	0.0013% \$15.9m
 Thomas Ryder	Independent Director	17.5yrs	US\$951.49k	0.0019% \$23.3m
 Patricia Stonesifer	Independent Director	23.25yrs	US\$951.49k	0.00082% \$10.2m
 Judith McGrath	Independent Director	5.83yrs	no data	0.00047% \$5.9m
 Daniel Huttenlocher	Independent Director	3.67yrs	US\$951.49k	0.00019% \$2.4m
 Rosalind Brewer	Independent Director	1.25yrs	US\$929.99k	0.000040% \$498.4k

Show less

5.0yrs

Average Tenure

62yo

Average Age

 **Experienced Board:** AMZN's board of directors are considered experienced (5 years average tenure).

9

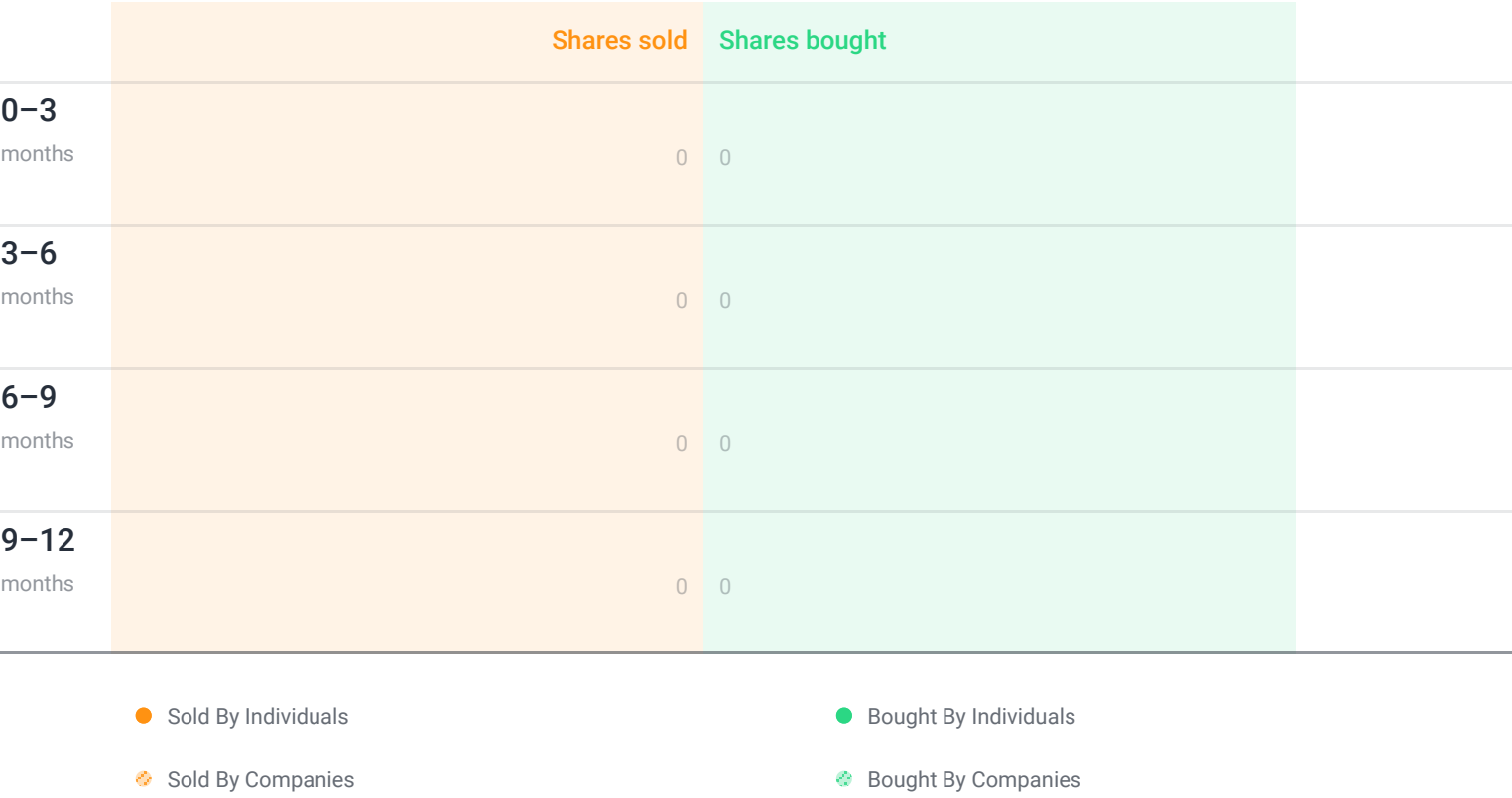
Ownership

Who are the major shareholders and have insiders been buying or selling?



9.1

Insider Trading Volume

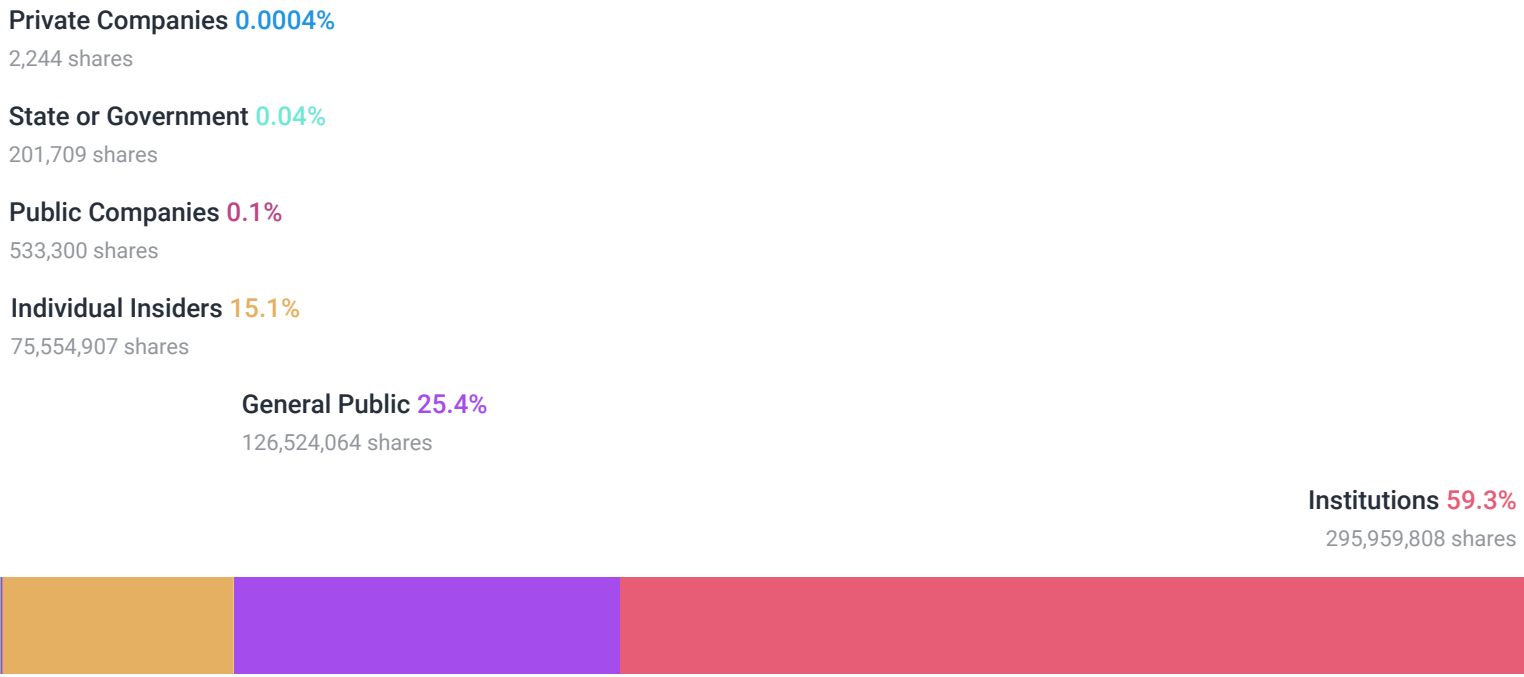


Insider Buying:

Insufficient data to determine if insiders have bought more shares than they have sold in the past 3 months.

9.2

Ownership Breakdown






Dilution of Shares:

Shareholders have not been meaningfully diluted in the past year.

9.3 | Top Shareholders

Top 25 shareholders own 50.34% of the company

Ownership	Name	Shares	Current Value	Change %	Portfolio %	
11.13%	Jeffrey Bezos	55,491,719	\$138.6b	-0.1%	no data	
6.61%	The Vanguard Group, Inc.	32,975,915	\$82.4b	2.84%	2.4%	
5.42%	BlackRock, Inc.	27,023,092	\$67.5b	1.18%	2.06%	
3.97%	MacKenzie Bezos	19,786,241	\$49.4b	0%	no data	
3.26%	State Street Global Advisors, Inc.	16,267,474	\$40.6b	-3.78%	2.78%	
3.13%	T. Rowe Price Group, Inc.	15,605,864	\$39.0b	4.04%	4.56%	
3.1%	FMR LLC	15,466,695	\$38.6b	1%	3.91%	
2.65%	Capital Research and Management Company	13,227,022	\$33.0b	9.72%	2.42%	
1.21%	Geode Capital Management, LLC	6,048,684	\$15.1b	2.5%	2.94%	
0.97%	Northern Trust Global Investments	4,847,522	\$12.1b	0.11%	2.74%	
0.88%	Norges Bank Investment Management	4,367,787	\$10.9b	0%	1.51%	
0.86%	Baillie Gifford & Co.	4,299,219	\$10.7b	-4.32%	5.08%	
0.76%	Teachers Insurance and Annuity Association of America - College Retirement Equities Fund	3,796,267	\$9.5b	7.06%	3.31%	
0.76%	UBS Asset Management	3,784,309	\$9.5b	5.19%	1.95%	
0.76%	BNY Mellon Asset Management	3,782,239	\$9.4b	2.09%	2.52%	
0.66%	Morgan Stanley, Investment Banking and Brokerage Investments	3,306,379	\$8.3b	0.8%	2.28%	
0.63%	J.P. Morgan Asset Management, Inc.	3,134,075	\$7.8b	0.16%	1.76%	
0.55%	Jennison Associates LLC	2,740,074	\$6.8b	4.96%	6.23%	
0.55%	Wellington Management Group LLP	2,721,098	\$6.8b	26.15%	1.34%	
0.49%	Legal & General Investment Management Limited	2,436,385	\$6.1b	3.18%	2.34%	
0.45%	Janus Henderson Group plc	2,244,027	\$5.6b	13.76%	2.61%	
0.43%	Columbia Management Investment Advisers, LLC	2,126,072	\$5.3b	5.23%	1.97%	
0.38%	Sumitomo Mitsui Trust Asset Management Co., Ltd.	1,896,337	\$4.7b	7.67%	1.88%	
0.38%	Charles Schwab Investment Management, Inc.	1,885,941	\$4.7b	2.04%	1.76%	
0.36%	Invesco Ltd.	1,810,728	\$4.5b	14.71%	1.35%	

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10 | Company Information

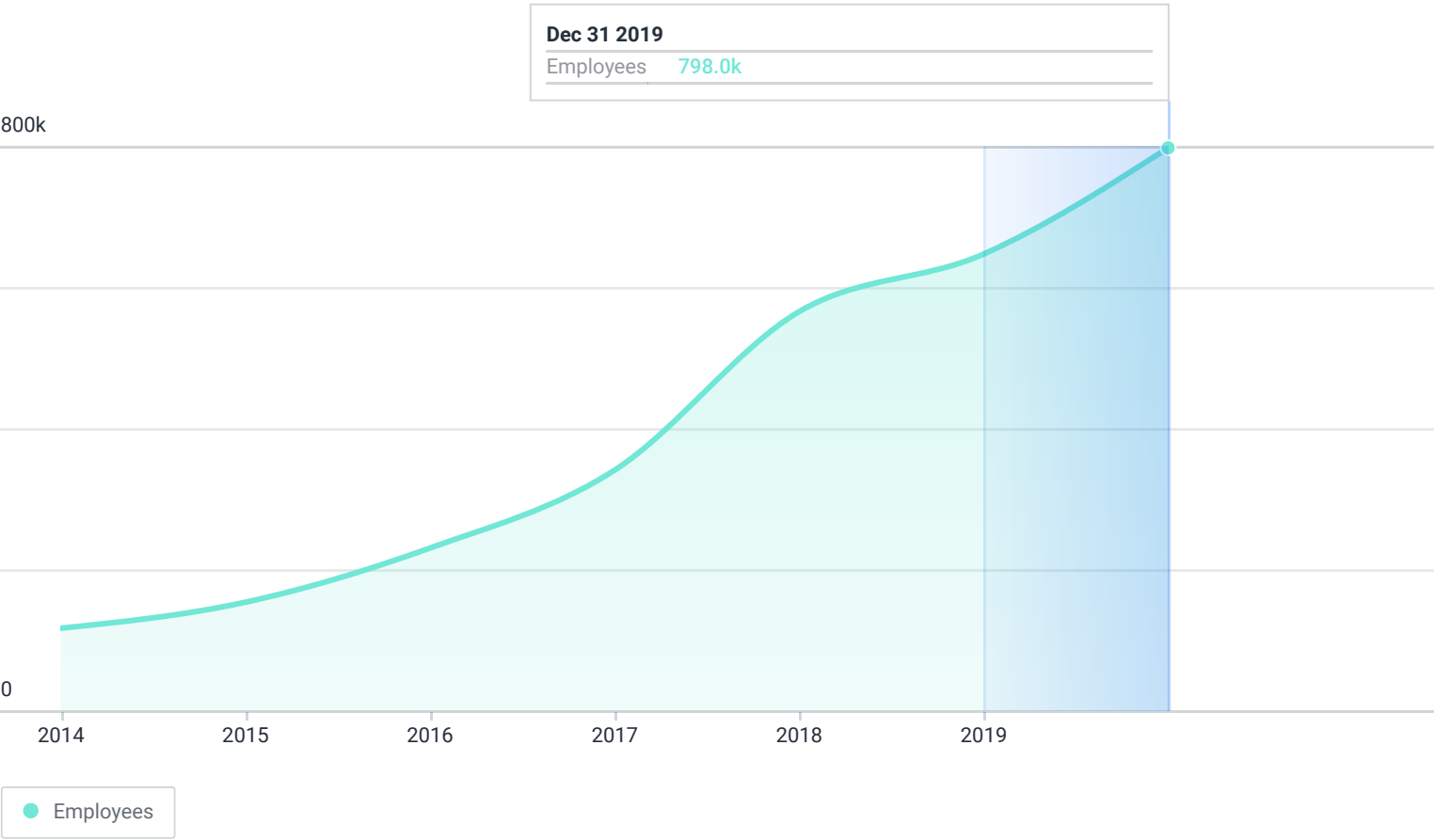
Amazon.com, Inc.'s company bio, employee growth, exchange listings and data sources

10.1 | Key Information



Name: **Amazon.com, Inc.**  
Ticker: **AMZN**  
Exchange: **NasdaqGS**  
Founded: **1994**  
Industry: **Internet and Direct Marketing Retail**  
Sector: **Retail**  
Market Cap: **US\$1.246t**  
Shares outstanding: **498.78m**  
Website: <https://www.amazon.com>

10.2 | Number of Employees



10.3 | Location



Amazon.com, Inc.  
410 Terry Avenue North  
Seattle  
Washington  
98109-5210  
United States



10.4 | Listings

Ticker	Exchange	Primary Security	Security Type	Country	Currency	Listed on
AMZN	NasdaqGS (Nasdaq Global Select)	Yes	Common Stock	US	USD	May 1997
AMZN	BVL (Bolsa de Valores de Lima)	Yes	Common Stock	PE	USD	May 1997
AMZN *	BMV (Bolsa Mexicana de Valores)	Yes	Common Stock	MX	MXN	May 1997
AMZ	DB (Deutsche Boerse AG)	Yes	Common Stock	DE	EUR	May 1997
AMZN	BVC (Bolsa de Valores de Colombia)	Yes	Common Stock	CO	COP	May 1997
AMZN	SNSE (Santiago Stock Exchange)	Yes	Common Stock	CL	USD	May 1997
AMZ	XTRA (XETRA Trading Platform)	Yes	Common Stock	DE	EUR	May 1997
AMZN	SWX (SIX Swiss Exchange)	Yes	Common Stock	CH	CHF	May 1997
AMZN	BIT (Borsa Italiana)	Yes	Common Stock	IT	EUR	May 1997
AMZN	WBAG (Wiener Boerse AG)	Yes	Common Stock	AT	EUR	May 1997
AMZO34	BOVESPA (Bolsa de Valores de Sao Paulo)		BDR EACH REPR 1/2 COM USD0.01	BR	BRL	Feb 2012
AMZN	BASE (Buenos Aires Stock Exchange)		CEDEAR EACH 72 REPR 1 COM USD0.01	AR	ARS	Apr 2019

10.5

Biography

Amazon.com, Inc. engages in the retail sale of consumer products and subscriptions in North America and internationally. The company operates through three segments: North America, International, and Amazon Web Services (AWS). It sells merchandise and content purchased for resale from third-party sellers through physical and online stores. The company also manufactures and sells electronic devices, including Kindle, Fire tablets, Fire TVs, Rings, and Echo and other devices; provides Kindle Direct Publishing, an online service that allows independent authors and publishers to make their books available in the Kindle Store; and develops and produces media content. In addition, it offers programs that enable sellers to sell their products on its Websites, as well as its stores; and programs that allow authors, musicians, filmmakers, skill and app developers, and others to publish and sell content. Further, the company provides compute, storage, database, and other AWS services, as well as fulfillment, advertising, publishing, and digital content subscriptions. Additionally, it offers Amazon Prime, a membership program, which provides free shipping of various items; access to streaming of movies and TV episodes; and other services. It serves consumers, sellers, developers, enterprises, and content creators. The company was founded in 1994 and is headquartered in Seattle, Washington. [Show less](#)

10.6

Company Analysis and Financial Data Status

Data	Last Updated (UTC time)
Company Analysis	2020/05/21 00:25
End of Day Share Price	2020/05/20 00:00
Earnings	2020/03/31
Annual Earnings	2019/12/31

All financial data provided by Standard & Poor's Capital IQ.

Unless specified all financial data is based on a yearly period but updated quarterly. This is known as Trailing Twelve Month (TTM) or Last Twelve Month (LTM) Data. Learn more [here](#).