

# FedEx Corporation (NYSE: FDX)

Sector: Air Freight & Logistics

Industry: Courier



Target Price	Current Price	52 Week High	52 Week Low	P/E	Market Cap	Dividend Yield	Beta
177.38	145.16	243.55	142.49	88.21	37.87B	1.79%	1.76

## Business Description:

FedEx provides a portfolio of transportation, e-commerce and business services through companies competing collectively, operating independently and managed collaboratively, under the FedEx brand. The Company's segments include FedEx Express, TNT Express, FedEx Ground, FedEx Freight and FedEx Services. The FedEx Express segment offers a range of the United States domestic and international shipping services for delivery of packages and freight. TNT Express segment collects, transports and delivers documents, parcels and freight on a day-definite or time-definite basis. The FedEx Ground segment provides business and residential money-back guaranteed ground package delivery services. The FedEx Freight segment offers less-than-truckload (LTL) freight services. The FedEx Services segment provides its other companies with sales, marketing, information technology, communications, customer service and other back-office support.

## Industry Trends:

The significance of B2C trade will continue to grow. Probably up to an extent where it will surpass B2B revenue. FedEx is ending its relationship with USPS to offer last-mile delivery themselves. Better. Additionally, the improvement of technology and AI will shape the industry as self-driving cars and automatic package sorting systems are becoming increasingly popular. Lastly, companies are making a strong push to offer same day delivery as technology makes it possible to ship packages quickly and efficiently.

## Risks:

FedEx revenues depend on the buying power of the consumers and businesses. Therefore, they are heavily subjected to market risk

Overseas trade regulations (namely the trade war) can pose a problem to FedEx international

shipping, driving costs up and revenues down. With 31.7% of FedEx's revenues coming from international sales, this can be a serious issue if tariffs continue to rise.

## 5 Year Stock Performance:



## Competitive Analysis:

FedEx remains a top delivery, courier, and shipping service by going above and beyond the competition. In 2020, FedEx plans to expand operations to seven days a week, unlike the five days a week pertaining to the rest of the industry. Additionally, FedEx reinvests a large portion of their cash & cash equivalents back into the company using a permanent reinvestment strategy. They plan to purchase 24 planes totaling \$6.6 billion in capital expenditures in 2020. Their global footprint is constantly growing with three overseas acquisitions since 2017, while remaining a top domestic competitor.

## Management:

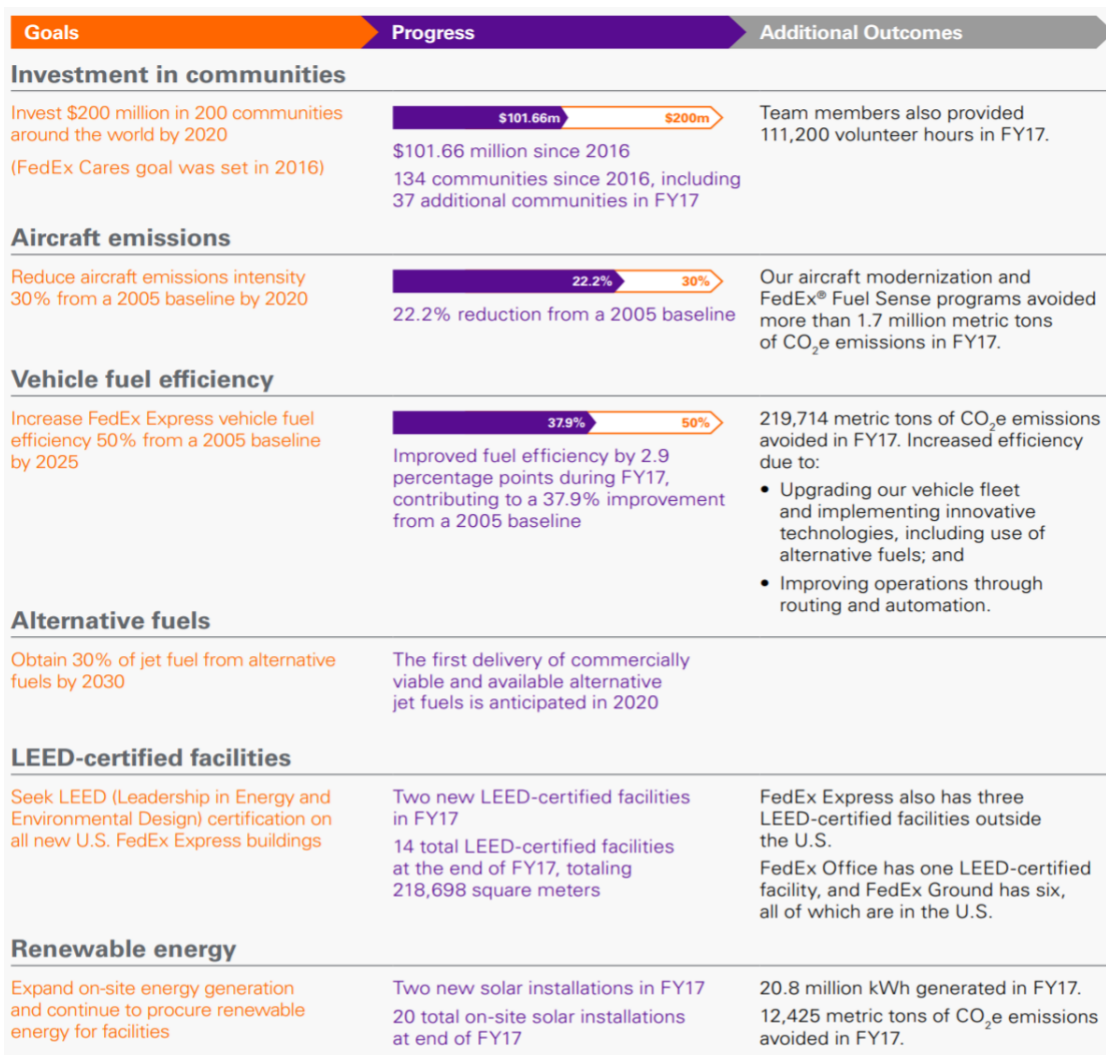
### Frederick W. Smith, Chairman & CEO

- Founded the company in 1971 after having intuition about overnight package delivery
- Owns 7.47% of shares

### Alan B. Graf Jr., Executive VP & CFO

- Graf Jr. has been with the company since 1980
- Started as a senior financial analyst and worked his way up

	FedEx	Industry
Independent Directors % (higher is better)	91.7%	55.6%
% of Board Members that Are Women (higher is better)	33.3%	18.3%
Lost Time Incident Rate (lower is better)	3.34	4.3
Director Meeting Attd % (higher is better)	96%	86%



### Environment, Social and Governance (ESG) Ratings <sup>©</sup>

Total ESG score	Environment	Social	Governance
<b>69</b>   93rd percentile Outperformer	<b>71</b>   96th percentile	<b>63</b>   82nd percentile	<b>73</b>   88th percentile