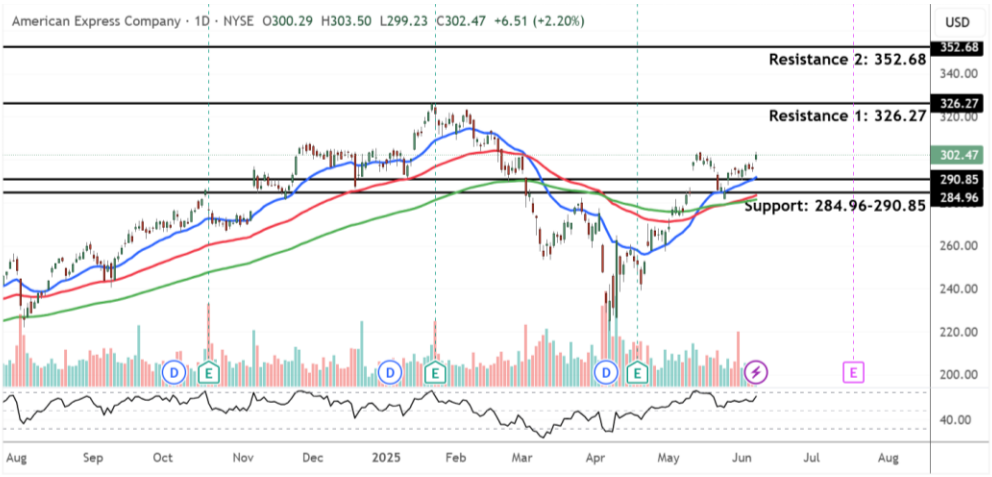
American Express Company (AXP)

Capitalizing on Youth Demand & Solid Margins

Kieran Lim Shen Jie
kieranlim@msec.com.my
(603) 2201 2100



Tradingview

American Express Company

Company profile

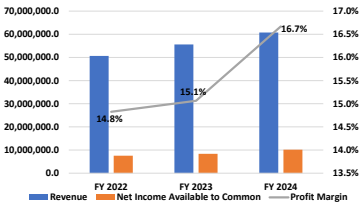
American Express Co. is a leading global financial services company, operates an integrated payments platform serving both card members and merchants, with a particular focus on premium services and affluent consumers across international markets.

Technical Data

Price	302.47
R1	326.27
R2	352.68
S1	290.85
S2	284.96

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg

Technical Outlook

Price rebounded off the EMA lines after the recent retracement from its recent high, indicating a healthy uptrend. Price is expected test the immediate resistance at USD326.27 (Fibonacci extension 0.618), followed by USD352.68 (Fibonacci extension 0.786). Support is located at USD284.96-290.85, with a cut-loss level set at USD280.00.

Trading Catalysts

- **Consistent double-digit profit margins.** AXP reported a resilient GP margin of 63.9% (5-year average: 63.8%) and NP margin 16.3% (5-year average: 15.0%) in 1Q25. Meanwhile, the ROE stood at 29.6%, highlighting the company's sustained profitability.

- **Strong growth among younger cardholders.** AXP successfully attracted younger demographics, with Gen Z and millennials accounting for over 60% of new consumer accounts globally. The group introduced perks such as credits toward streaming services, which resonated well with younger cardholders.

- **Q1 earnings beat expectations.** AXP's 1Q25 EPS reported at USD3.64, exceeding analysts' consensus estimate of USD3.48. This follows AXP's addition of 3.4m new cards, with card member spending up by 6%. Management reaffirmed its FY25 revenue growth guidance of 8%-10% in FY25, despite ongoing macroeconomic uncertainties.

Peer Comparison

Company	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
American Express Company	**AXP**	**302.5**	**211.9**	**21.1**	**19.4**	**33.8**	**16.7**	**Positive bias**	**Up**
Visa Inc	V	370.2	733.8	36.9	30.9	52.3	55.0	Positive bias	Up
Mastercard Inc	MA	590.1	535.9	39.3	35.9	188.9	45.7	Positive bias	Up
Paypal Holdings Inc	PYPL	73.4	71.4	15.0	14.3	22.2	13.0	Positive bias	Up
Avg ex-American Express Company			**447.0**	**30.4**	**27.0**	**87.8**	**37.9**		

Source: Bloomberg, M+ Research

JOIN OUR OFFICIAL TELEGRAM
TO GET THE LATEST MARKET UPDATES

M+Online Equipping Traders For The Win
M+Global Winning The World

Disclaimer

Research analyst(s) of MSSB whom produced this report hereby certifies that the views expressed in this report accurately reflect his/her personal opinions about all of the subject corporation(s) and securities in this report. He/She does not carry out, whether for himself/herself or on behalf of MSSB or any other persons did not receive and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. As of the report date, the analyst whom prepared this report does not have any interest in the following securities covered in this report, unless otherwise stated.

As of **Monday, 09 Jun, 2025**, the analyst(s), Kieran Lim Shen Jie, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.