

Flex Ltd. (FLEX)

Powering the Next AI Wave



Tradingview

Technical Outlook

Downtrend reversal and consolidation breakout. FLEX has staged a clear reversal from its recent downtrend, rebounding off support at USD104.02 before breaking above its consolidation zone. Momentum indicators are supportive, with RSI rising into bullish territory while MACDV remains positive. Meanwhile, the share price has crossed above the converging 20-, 60- and 120-day EMAs, while remaining comfortably above the 200-day EMA, reinforcing the improving medium- to long-term trend.

Trading Catalysts

- **AI-led earnings acceleration.** FLEX's Q1FY27 revenue rose 21% YoY to USD7.9bn, while adjusted EPS reached a record USD1.00. Management also raised FY27 adjusted EPS guidance to USD4.42–4.74, implying 39% YoY growth at the midpoint, supported by continued strength in AI infrastructure demand.
- **EPC Power acquisition.** The USD4.4bn acquisition, expected to close in 4QCY26, strengthens FLEX's power-conversion capabilities and exposure to next-generation 800V data-centre power architecture. Management expects the acquisition to enhance the growth and EBITDA margin profile of its Cloud and Power Infrastructure business.
- **Axiom spin-off catalyst.** A USD2.0bn convertible preferred investment led by General Catalyst, Koch Equity Development and co-investors values Axiom at an initial enterprise value of USD37.5bn. With the spin-off targeted for 1QCY27, the 10 November Innovation Day could provide further clarity on Axiom's standalone strategy, financial profile and potential value.

Peer Comparison

Company Name	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
FLEX LTD	FLEX	121.4	44.8	39.1	23.3	18.4	3.2	Positive bias	Up
JABIL INC	JBL	309.2	32.4	27.9	17.5	66.7	2.9	Positive bias	Down
SANMINA CORP	SANM	228.1	12.2	31.0	18.2	12.7	3.0	Positive bias	Up
PLEXUS CORP	PLXS	272.6	7.3	40.2	27.2	12.6	4.3	Positive bias	Up
Avg ex-FLEX LTD			22.3	29.5	17.8	39.7	3.0		

Source: Bloomberg, M+Global Research

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Flex Ltd.

Company profile

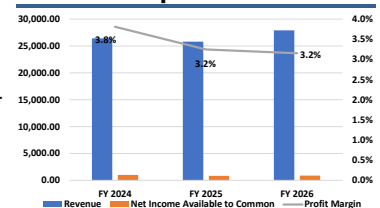
Flex Ltd. operates as an electronics manufacturing services company. The Company designs and develops original design manufacturing (ODM) products for aerospace and defence, cloud, digital health, lighting, housing, energy, industrial, and communication industries. Flex serves customers worldwide.

Technical Data

Price	121.38
R1	142.55
R2	166.35
S1	114.85
S2	104.02

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg



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(a) nil.

