



(GS US)



**Goldman Sachs (GS US)** is a global financial institution that specializes in investment banking, investment management and securities services. The company operates across 35 countries with 61% of revenue generated in the Americas, 27% in EMEA and 12% in Asia. The company’s main segments are Global Banking and Markets followed by Asset & Wealth Management then Platform Solutions.

Goldman Sachs testing AI code

Narci Argenti, Goldman Sach’s information officer said on March 21<sup>st</sup> that software engineers at some part of the firm were using AI to help generate and test code. Argenti said that the aim is to ‘understand the potential’ this could have on financial services and that it is not considered as a replacement for software developers, instead it is a tool to aid them.

Visual Structuring

On April 17<sup>th</sup>, Goldman Sachs announced the expansion for “Visual Structuring” into equities, crypto and precious metal. The FX version is estimated to be launched in September 2022. The Visual Structuring tool is in order for options discovery and trade idea generation. Some of the new features include further integration of machine learnings technology, group sharing and faster pricing. This tool is available on the web, Android and iOS and has enhanced sharing functionality across platforms which Goldman Sachs says that “transforms the workflows of our clients in a revolutionary way that both saves them time and helps them make better decisions”.

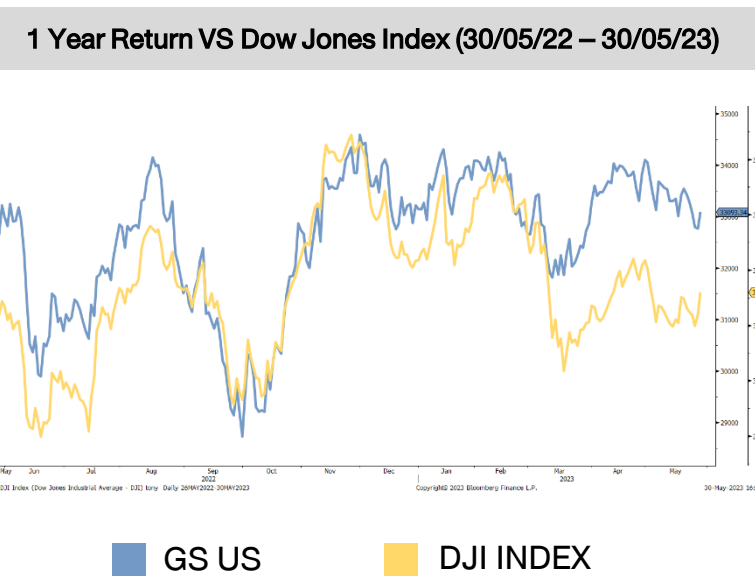
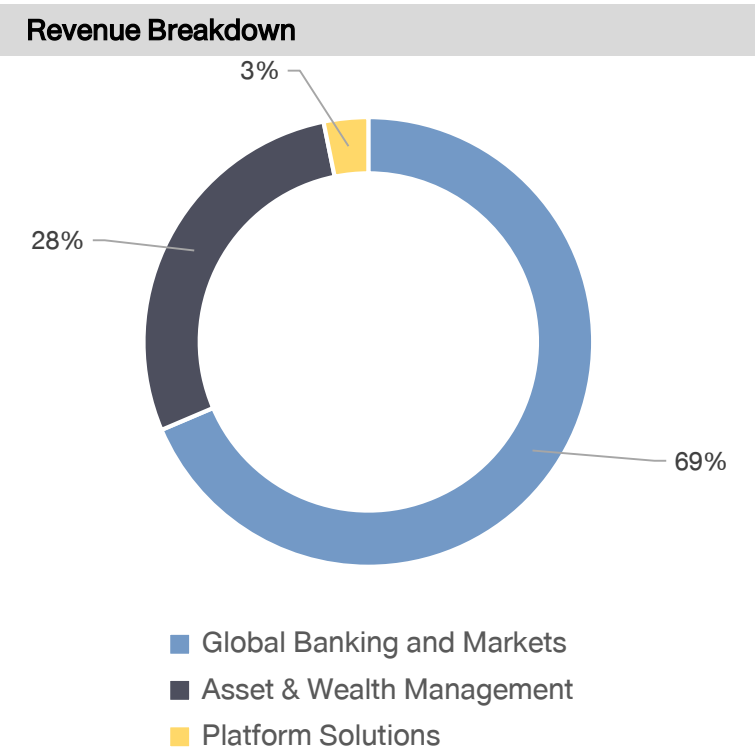
Competitors

GS’s PE ratio (11.35) is above the industry value (10.19) and between its closest competitors (9.95 JPMorgan and 13.79 Morgan Stanley). PBV value is slightly above 1 at 1.03 and is much lower compared to competitors at 1.45 and 1.52 (JP Morgan and Morgan Stanley respectively). PEG ratio is between that of it’s competitors at 0.87 compared to 0.79 and 1.32. **Goldman Sachs is relatively fair/undervalued in comparison to the industry and its direct competitors.**

Industry	Payments and Processes
Last Price	USD 332.01
Bloomberg TP	USD 389.31
Upside/Downside	+17.3%

Financial (USD)	22A	23E	24E
Revenue (bn)	47.36	48.33	51.75
Net Profit (bn)	11.21	11.22	12.72
Profit Margin	23.7%	23.2%	24.6%
Operating Income Margin	29.7%	31.0%	33.6%
Earning Per Share	31.33	32.32	38.15

Valuation	22A	23E	24E
P/E (x)	10.96	10.27	8.70
P/B (x)	1.08	1.03	0.96



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