

Mastercard Incorporated (MA) - ANALYST REPORT

Executive Summary with Comprehensive Analysis

\$495.48 **-\$5.46 (-1.09%)** AS OF 2026-05-08

Strategy: Conservative Stop Loss (Fixed ATR-based)

■ QUICK DECISION

Action: HOLD | Confidence: LOW | Signal Strength: 0/7

EXECUTIVE SUMMARY - Essential Metrics

TECHNICAL METRICS	VALUE	FUNDAMENTAL METRICS	VALUE
Current Price	\$495.48	Market Cap	\$437.8B
Past Win Rate (Backtest)	57.1%	Forward P/E	21.8x
Past Total Return	+18.8%	Analyst Target	\$648.61
RSI / Trend Strength	45 / 14	Upside to Target	+30.9%
MACD Signal	Bearish	Revenue Growth	+15.8%
Profit Factor	1.27	Institutional Own.	93.4%
Position Entry	2026-02-23 @ \$495.18	Analyst Ratings	33 Buy / 5 Hold / 0 Sell
Open Position Past P&L	+0.1%		

■ TECHNICAL ANALYSIS SUMMARY

Indicator	Value	Signal
EMA 20	\$503.54	Bearish
EMA 50	\$508.89	Bearish
RSI (14)	45.0	Neutral range
Trend Strength (ADX)	14.3	Weak/No trend (<20)

■ CONSENSUS & INVESTMENT RATIONALE

RATING	BUY
Target Price	\$648.61
Upside/Downside	+30.9%
Risk/Reward	2.06:1
Time Horizon	6-12 months

Investment Rationale: Our BUY rating is based on: (1) Technical backtest showing 57.1% win rate with +18.8% total return over backtest period, (2) +30.9% upside to analyst consensus target of \$648.61, (3) Strong fundamental growth profile with +15.8% revenue growth, and (4) 93.4% institutional ownership indicating high conviction from professional investors.

Action: Maintain position with +0.1% unrealized gain. Watch for confluence signal to add.

Technical Signal: Confluence 0/7 (threshold: 5) | **Risk/Reward:** Neutral

■ KEY INSIGHT

The fixed stop strategy has proven effective (Win Rate: 57.1%, Avg Return: +2.7%), but patience is critical. Only enter on confirmed signals with proper risk management. Current technical confluence of 0 does not meet entry threshold of 5 - remain on sidelines. Fundamental backdrop shows 21% earnings growth with 93% institutional ownership, indicating strong conviction from professional investors.

■ INTELLIGENT STOP LOSS STRATEGY

METRIC	VALUE	DETAILS
Current Price	\$495.48	Latest market price
Buy Stop Loss	\$470.70	Conservative 2.0x ATR (5.0% distance)
Position Stop Loss	\$470.70	Hybrid 2.00x ATR (5.0% distance)
ATR (14-day)	\$12.39	Volatility: 2.5% of price
ADX Strength	14.3	Weak/No Trend

Status: Position up +0% - Adaptive strategy adjusts for momentum

ADX: 20-25 = Emerging trend | 25-50 = Strong trend | 50+ = Very strong

■ Strategy Comparison: Conservative vs Hybrid

METRIC	CONSERVATIVE (2.0x ATR)	HYBRID (Adaptive)
Past Win Rate	57%	57%
Past Total Return	+18.8%	+18.8%
Max Drawdown	-19.9%	-19.9%
Total Trades	14	14
Position	OPEN	OPEN

Both strategies analyzed independently. Conservative uses fixed 2.0x ATR stops. Hybrid adapts stops based on position profit.

For the latest stock analysis, support, resistance and interactive charts, visit [Ultra Stock Analysis Pro](#)

■ ANALYST RATING CHANGES - COMPLETE HISTORY

All recent upgrades, downgrades, and price target changes (last 90 days)

Firm	Action	From → To	Date
BMO Capital	INITIATED	Outperform → Outperform	Apr 22, 2026
Loop Capital	INITIATED	Buy	Mar 31, 2026
Freedom Broker	UPGRADE	Hold → Buy	Feb 13, 2026

Analyst Price Targets

Average Target: \$648.61 (+30.9% from current)

High Target: \$735.00 (+48.3%)

Low Target: \$550.00 (+11.0%)

Current Price: \$495.48

DETAILED ANALYSIS: BUY-SIDE PERSPECTIVE

In-Depth Portfolio Management Analysis

Expected Returns & Position Sizing

Based on backtest performance (Win Rate: 57.1%, Avg Return: +2.7%) and analyst consensus (Target: \$648.61, +30.9% upside), an **OVERWEIGHT** exposure may be considered. Risk/Reward ratio of 2.06:1 suggests favorable risk-adjusted returns. Current open position shows +0.1% unrealized gain, supporting hold decision.

Catalyst Calendar & Timing

Next Major Catalyst: Jul 30, 2026 earnings report

Seasonality: Historical analysis shows positive momentum in backtest period

Technical Setup: Neutral - waiting for confluence signal

Institutional Activity: 93.4% institutional ownership (Largest: Vanguard Group Inc)

Short Interest: 0.7% of float - Moderate short interest

Liquidity Profile

Average Volume: 3.6M shares/day - Lower liquidity

Market Cap: \$437.8B - Large cap

Beta: 0.76 - Lower than market volatility

Execution Risk: Moderate for institutional-sized positions

SELL-SIDE PERSPECTIVE - Investment Research Analysis

Investment Thesis

Mastercard Incorporated operates in the Financial Services sector (Credit Services). Current valuation of 21.8x forward P/E reflects reasonable multiples relative to growth prospects. Operating margin of 60.8% shows strong profitability. **Fundamental Outlook:** Strong Growth - Positive operating leverage with revenue and earnings acceleration

Valuation Analysis

Forward P/E: 21.8x

Trailing P/E: 28.7x

Price/Sales: 12.90x - Premium valuation

Price/Book: 65.40x

Enterprise Value: \$448.5B

EV/Revenue: 13.22x (vs industry avg)

Competitive Positioning & Market Share

Key Competitors: Various industry players

U.S. Market Share: 0% - Competitive player

Global Market Share: 0%

Competitive Advantages: Market position, Technology, Brand

Key Products: Core products and services

Institutional Sentiment & Ownership

Institutional Ownership: 93.4% - Very high institutional confidence

Largest Holder: Vanguard Group Inc (79.9M shares)

Analyst Coverage: 38 analysts

Consensus: 33 Buy, 5 Hold, 0 Sell - Bullish sentiment

■ 7-DAY NEWS SENTIMENT ANALYSIS

Market Sentiment from Recent Financial News

METRIC	VALUE	ANALYSIS
Overall Score	+1.3 / 10	Slightly Bullish
Articles Analyzed	10	Last 7 days (top 5 shown per category)
Bullish Articles	3 (30%)	Positive sentiment
Bearish Articles	1 (10%)	Negative sentiment
Neutral Articles	6 (60%)	Mixed/Neutral tone

■ TOP BULLISH HEADLINES

1. Affirm Q3 Earnings Beat on Strong GMV Growth & Higher Transactions (Zacks, May 08)

AFRM beats Q3 estimates as GMV jumps 35% and transactions climb 45%, prompting higher fiscal 2026 guidance....

Source: <https://finance.yahoo.com/markets/stocks/articles/affirm-q3-earnings-beat-strong>

2. Mastercard Incorporated (MA) Is a Trending Stock: Facts to Know Before Betting on It (Zacks, May 08)

Recently, Zacks.com users have been paying close attention to MasterCard (MA). This makes it worthwhile to examine what the stock has in store....

Source: <https://finance.yahoo.com/markets/stocks/articles/mastercard-incorporated-ma-tre>

3. Corpay Earnings Demonstrate Shift to Long-Term Compounder (Exec Edge, May 08)

By Jarrett Banks Corpay, Inc. (NYSE: CPAY) delivered the kind of quarter that shifts the narrative from a solid payments company to a potential long-t...

Source: <https://finance.yahoo.com/markets/stocks/articles/corpay-earnings-demonstrate-sh>

■ TOP BEARISH HEADLINES

1. Are Wall Street Analysts Bullish on Mastercard Stock? (Barchart, May 08)

Mastercard has lagged behind the broader market over the past year, yet analysts remain highly optimistic about the stock's prospects....

Source: <https://www.barchart.com/story/news/1803545/are-wall-street-analysts-bullish-on->

■ SENTIMENT INTERPRETATION

The news sentiment is **moderately bullish**, showing generally positive coverage with some caution. Market perception appears favorable but not overwhelmingly positive. This neutral-to-positive sentiment suggests steady conditions without extreme optimism.

DEEP DIVE: COMPREHENSIVE RISK ASSESSMENT

Detailed Risk Factors and Mitigation Strategies

Key Risks & Mitigants

Company-Specific Risks:

- Competition
- Market conditions
- Regulatory changes

Technical Risk Factors:

- Win Rate: 57.1% (8 wins, 6 losses)
- Profit Factor: 1.27x (Avg Win 11.6% vs Avg Loss -9.1%)
- Current Confluence: 0 (Last: 4 on Mar 27) - No setup - awaiting signal
- Volatility (ATR 14): \$12.39 (2.5% of price) - Stop loss typically 2-3x ATR

Market Risk:

- Beta: 0.76 - Below-average market sensitivity
- Short Interest: 0.7% - Normal short activity

REFERENCE: APPENDIX A - Complete Technical Indicators

Comprehensive Technical Data for Quantitative Analysis

Indicator	Value	Interpretation
EMA 20	\$503.54	Short-term trend
EMA 50	\$508.89	Medium-term trend
EMA 200	\$530.92	Long-term trend
Relative Strength	45.0	Neutral range
MACD	-2.52	Bearish
MACD Signal	-0.98	Signal line
MACD Histogram	-1.55	Bearish
Volatility (ATR 14)	\$12.39	2.5% of price
Trend Strength (ADX)	14.3	Weak/No trend (<20)
+DI	18.4	Positive directional movement
-DI	24.4	Negative directional movement
Stochastic %K	14.3	Oversold
Stochastic %D	14.6	Oversold
Bollinger Upper	\$526.46	Resistance zone
Bollinger Middle	\$507.70	Moving average
Bollinger Lower	\$488.94	Support zone
VWAP	\$495.87	Volume-weighted average

REFERENCE: APPENDIX B - Complete Fundamental Metrics

Comprehensive Fundamental Data for Financial Analysis

Category	Metric	Value	Interpretation
Valuation	Market Cap	\$437.8B	Total market value
Valuation	Enterprise Value	\$448.5B	Total company value
Valuation	Forward P/E	21.8x	Price to forward earnings
Valuation	Trailing P/E	28.7x	Price to trailing earnings
Valuation	PEG Ratio	1.58	P/E relative to growth
Valuation	Price/Sales	12.90x	Market cap to revenue
Valuation	Price/Book	65.40x	Price to book value
Valuation	EV/Revenue	13.22x	Enterprise value to revenue
Valuation	EV/EBITDA	21.0x	Enterprise value to EBITDA
Performance	Revenue (TTM)	\$33.9B	Trailing 12-month revenue
Performance	Revenue Growth	+15.8%	Year-over-year growth
Performance	Earnings Growth	+21.2%	Earnings growth rate
Performance	EPS Growth (Next Yr)	+31.8%	Forward EPS growth estimate
Performance	Gross Profit	\$33.9B	Revenue minus COGS
Performance	Operating Income	\$18.3B	EBIT
Performance	Net Income	\$15.6B	Bottom line profit
Performance	Free Cash Flow	\$16.1B	Cash after capex
Performance	Operating Cash Flow	\$18.3B	Cash from operations
Profitability	Gross Margin	N/A	Gross profit margin
Profitability	Operating Margin	60.8%	Operating efficiency
Profitability	Profit Margin	45.9%	Net margin
Profitability	ROE	232.1%	Return on equity
Profitability	ROA	25.0%	Return on assets
Profitability	ROIC	N/A	Return on invested capital
Balance Sheet	Total Assets	\$0.0B	Total assets
Balance Sheet	Total Liabilities	\$0.0B	Total liabilities
Balance Sheet	Total Debt	\$19.0B	Total debt outstanding
Balance Sheet	Cash & Equivalents	\$8.2B	Liquid assets
Balance Sheet	Book Value/Share	\$7.58	Net worth per share
Balance Sheet	Current Ratio	0.98	Current assets/liabilities
Balance Sheet	Quick Ratio	0.56	Liquid assets/liabilities
Balance Sheet	Debt/Equity	2.82	Leverage ratio
Market	Beta	0.76	Market correlation
Market	52-Week High	\$601.77	Annual high
Market	52-Week Low	\$480.50	Annual low

Market	Avg Volume	3.6M	Average daily volume
Market	Shares Outstanding	0.9B	Total shares
Market	Float	0.9B	Tradeable shares
Market	Short Interest	0.7%	Shares sold short
Market	Institutional Own.	93.4%	Institution held
Analysts	Coverage Count	36	Number of analysts
Analysts	Average Rating	1.3	1=Strong Buy, 5=Sell
Analysts	Buy/Hold/Sell	33/5/0	Rating distribution
Analysts	Target Price	\$648.61	Average price target
Analysts	Target High	\$735.00	Highest target
Analysts	Target Low	\$550.00	Lowest target
Other	Next Earnings	Jul 30, 2026	Earnings report date
Other	Dividend Yield	0.70%	Annual dividend rate
Other	Ex-Dividend Date	1775692800	Next ex-div date

REFERENCE: APPENDIX C - Complete Trade History

Detailed Backtesting Results and Trade Log

Entry	Exit	Type	Entry \$	Exit \$	Past P&L %	Past P&L \$
2019-11-26	2020-03-05	CONFLUENCE	\$278.89	\$280.57	+0.6%	+\$35
2020-08-05	2020-10-28	CONFLUENCE	\$317.45	\$282.34	-11.1%	-\$456
2020-11-24	2020-12-07	GOLDEN_CROSS	\$331.76	\$330.38	-0.4%	-\$12
2021-02-23	2021-08-13	CONFLUENCE	\$339.97	\$352.77	+3.8%	+\$128
2022-01-28	2022-03-04	CONFLUENCE	\$372.94	\$322.49	-13.5%	-\$303
2022-04-28	2022-05-10	CONFLUENCE	\$369.87	\$317.63	-14.1%	-\$366
2022-09-28	2023-09-14	CONFLUENCE	\$283.75	\$406.71	+43.3%	+\$1353
2023-10-10	2023-10-25	CONFLUENCE	\$394.52	\$380.67	-3.5%	-\$222
2023-11-21	2024-02-28	GOLDEN_CROSS	\$402.98	\$472.60	+17.3%	+\$1114
2024-07-10	2024-10-31	CONFLUENCE	\$429.21	\$495.14	+15.4%	+\$1055
2025-01-30	2025-03-03	CONFLUENCE	\$561.80	\$570.64	+1.6%	+\$115
2025-03-11	2025-03-18	CONFLUENCE	\$521.88	\$526.24	+0.8%	+\$39
2025-03-27	2025-04-04	GOLDEN_CROSS	\$553.42	\$486.12	-12.2%	-\$808
2025-04-07	2026-01-20	CONFLUENCE	\$481.90	\$530.83	+10.2%	+\$342
2026-02-23	OPEN	CONFLUENCE	\$495.18	OPEN	+0.1%	+\$2

IMPORTANT DISCLAIMER

Disclaimer: This report is for informational purposes only and does not constitute investment advice. Past performance is not indicative of future results. Technical analysis based on historical data through 2026-05-08. Fundamental data auto-fetched from Yahoo Finance. Please conduct your own due diligence before making investment decisions.

Next Earnings: Jul 30, 2026

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