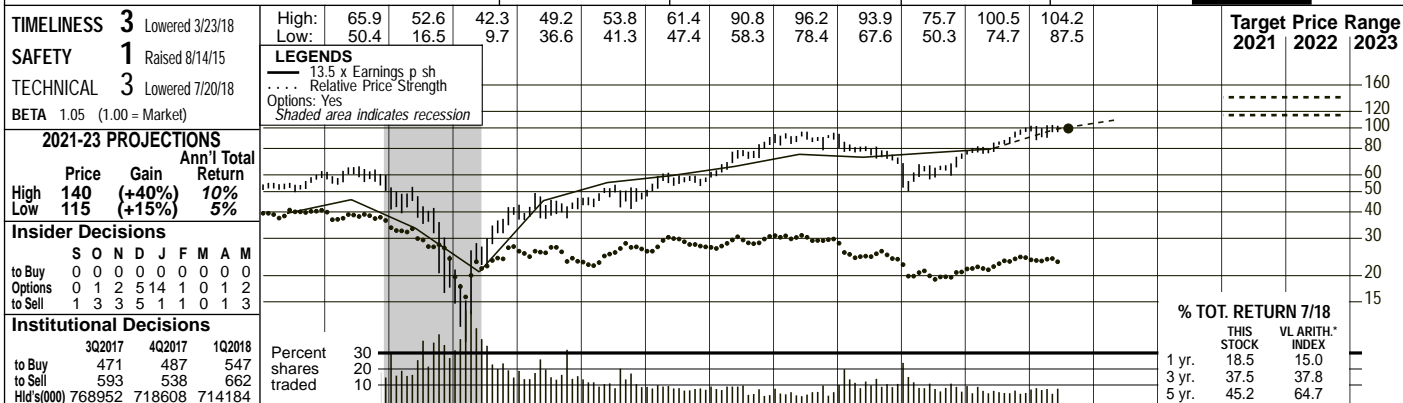


AMER. EXPRESS NYSE-AXP

RECENT PRICE **99.52** P/E RATIO **13.6** (Trailing: 14.7; Median: 14.0) RELATIVE P/E RATIO **0.73** DIV'D YLD **1.6%** VALUE LINE



2021-23 PROJECTIONS	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	21-23																																			
Price	140	115	140	115	140	115	140	115	140	115	140	115	140																																			
Gain	+40%	+15%	+40%	+15%	+40%	+15%	+40%	+15%	+40%	+15%	+40%	+15%	+40%																																			
Ann'l Total Return	10%	5%	10%	5%	10%	5%	10%	5%	10%	5%	10%	5%	10%																																			
Insider Decisions	<table border="1"> <thead> <tr> <th>S</th><th>O</th><th>N</th><th>D</th><th>J</th><th>F</th><th>M</th><th>A</th><th>M</th> </tr> </thead> <tbody> <tr> <td>to Buy</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td> </tr> <tr> <td>Options</td><td>0</td><td>1</td><td>2</td><td>5</td><td>14</td><td>1</td><td>0</td><td>1</td> </tr> <tr> <td>to Sell</td><td>1</td><td>3</td><td>3</td><td>5</td><td>1</td><td>1</td><td>0</td><td>1</td> </tr> </tbody> </table>												S	O	N	D	J	F	M	A	M	to Buy	0	0	0	0	0	0	0	0	Options	0	1	2	5	14	1	0	1	to Sell	1	3	3	5	1	1	0	1
S	O	N	D	J	F	M	A	M																																								
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2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	21-23
2.48	1.54	3.35	4.09	4.40	4.88	5.56	5.39	5.65	5.89	7.30	8.15	9.50
.72	.72	.72	.72	.78	.86	.98	1.10	1.22	1.31	1.48	1.65	2.10
10.21	12.09	13.56	16.15	17.09	18.32	20.21	21.33	22.68	21.22	25.90	27.55	33.30
1160.0	1192.0	1197.0	1164.0	1105.0	1064.0	1023.0	969.00	904.00	859.00	850.00	835.00	800.00
15.3	17.5	12.4	11.6	12.7	15.0	16.2	14.5	11.3	14.4	17.5	19.5	23.5
.92	1.17	.79	.73	.81	.84	.85	.73	.59	.71	.71	.71	.75
1.9%	2.7%	1.7%	1.5%	1.4%	1.2%	1.1%	1.4%	1.9%	1.5%	1.5%	1.5%	1.6%
126074	124088	147042	153337	153140	153375	159103	161184	158893	181159	197000	205000	230000
40659	30010	57616	61166	64309	66585	70104	58799	65461	74300	82000	86000	95000
3646.0	3124.0	4869.0	4641.0	4628.0	5047.0	5472.0	5922.0	5771.0	6441.0	7500	8500	10750
5798.0	5313.0	2207.0	1112.0	1990.0	2110.0	2044.0	1988.0	2026.0	2759.0	3675	4100	5000
24719	21399	22950	25321	26954	27927	28820	26896	26348	27030	28040	29165	32000
18986	16369	19648	21894	22246	22976	23257	22473	21997	23298	23775	25000	28000
2871.0	2137.0	4057.0	4899.0	5076.0	5359.0	5885.0	5498.0	5408.0	5336.0	6350	6725	7650
19.8%	24.8%	32.0%	29.6%	30.9%	32.1%	34.5%	34.2%	33.2%	28.0%	21.5%	21.5%	21.5%
2.28%	1.72%	2.76%	3.20%	3.31%	3.49%	3.70%	3.41%	3.40%	2.95%	3.20%	3.30%	3.35%
60041	52338	66416	59570	58973	55330	57955	48061	46990	55804	55000	56000	58000
11841	14406	16230	18794	18886	19496	20673	20673	20501	18227	22000	23000	26625
9.4%	11.6%	11.0%	12.3%	12.3%	12.7%	13.0%	12.8%	12.9%	10.1%	11.0%	11.0%	11.5%
32.3%	24.2%	39.2%	39.9%	42.0%	43.4%	44.1%	36.5%	41.2%	41.0%	41.5%	42.0%	41.5%
24.2%	14.8%	25.0%	26.1%	26.9%	27.5%	28.5%	26.6%	26.4%	29.3%	29.0%	29.0%	28.5%
17.2%	8.4%	19.7%	21.5%	22.1%	22.7%	23.4%	20.9%	20.5%	22.4%	22.5%	23.5%	22.0%
29%	43%	21%	18%	18%	18%	18%	21%	22%	23%	20%	20%	22%

CAPITAL STRUCTURE as of 6/30/18
 ST Debt \$1972 mill. Due in 5 Yrs \$50000 mill.
 LT Debt \$55883 mill. LT Interest \$1500 mill.
 (Total interest coverage '17: 6.6x) (73% of Cap'l)

No Defined Benefit Pension Plan

Leases, Uncapitalized Annuals rentals \$151 mill.

Pfd Stock Series B & C: \$1.7 bill. Div'd \$41 mill.

Common Stock 861,054,250 shs. as of 7/18/18

MARKET CAP: \$85.7 billion (Large Cap)

FINANCIAL POSITION 2016 2017 6/30/18 (\$MILL.)

	2016	2017	6/30/18
Cash Assets	25208	32927	29743
Invest. Sec's	3157	3159	4753
Receivables	50073	56689	57665
Other	80455	88384	92700
Total Assets	158893	181159	184861
Deposits	53042	64452	67391
Accounts Payable	11190	14657	13800
Other	74160	83823	82778
Total Liab.	138392	162932	163969

BUSINESS: American Express Company is a leading global payments, network, and travel firm established in 1850 and incorporated in 1965. Its business segments are: Global Consumer Group and Global Business-to-Business Group. Divested AMEX Life, 10/95; American Express Bank, 2/08. Spun off Lehman Brothers to shareholders, 5/94; American Express Financial Advisors, 9/05. Had approximately 55,000 employees at 12/31/17. Officers and directors own less than 1.0% of the company's common stock; Berkshire Hathaway, 17.6%; The Vanguard Group, 5.6%; BlackRock, 5.0% (3/18 Proxy). Chrmn. & CEO: Stephen J. Squeri. Inc.: New York. Addr.: 200 Vesey Street, New York, New York 10285. Phone: 212-640-2000. Web: www.americanexpress.com.

American Express continues to reward shareholders. After registering a 2017 total return of 36%, AXP stock has advanced 5%, year to date, which is nicely higher than the return of the Dow Jones Industrial Average. Solid recent financial results, as well as a healthy business outlook, have contributed to AXP's good showing. What's more, the board of directors recently raised the quarterly dividend by 11%, to \$0.39 a share, and announced a new stock-repurchase plan.

The company reported June-period results that were better than expected. For the quarter, revenues were \$10 billion, up 20% from the prior-year period. The healthy increase stemmed from higher cardmember spending, loan volumes, and fee income. Share profits were \$1.84, which were above our estimate and represented a year-over-year gain of 25%.

We remain bullish in regard to Amex's operations. As the June quarter indicated, management has done a fine job of replacing the lost business from its separation from Costco Wholesale. It has aggressively implemented marketing endeavors and technology improvements, which should continue to bear fruit. Just as important, the benefits from tax reform will persist. Over the past several years, Amex's tax rate has hovered in the low-to-mid-30s but, in the second quarter, it was just 22%. All told, for 2018, we are reiterating our share-net estimate of \$7.30, which is at the high end of management's guidance (\$6.90-\$7.30). For 2019, our bottom-line call now stands at \$8.15 a share, \$0.15 higher than our previous estimate. Lastly, we have increased our three- to five-year projections, and now expect share earnings to reach \$9.50.

Our outlook for the equity is mixed. Although the June quarter represented another fine showing for American Express, and our outlook for the credit card behemoth is favorable, these factors appear to be already reflected in the stock price. Thus, in our view, the issue's long-term investment appeal has been reduced. That said, AXP does offer decent, risk-adjusted return potential to the 2021-2023 time frame, and we recommend that subscribers consider buying this stock if/when a pullback in price occurs.

Ian Gendler August 10, 2018

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	7950	8284	8193	8391	32818
2016	8088	8235	7774	8022	32119
2017	7889	8307	8436	8839	33471
2018	9718	10002	10100	10680	40500
2019	10300	10700	10750	11250	43000

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	1.48	1.42	1.24	1.23	5.39
2016	1.45	2.10	1.20	.88	5.65
2017	1.34	1.47	1.50	1.58	5.89
2018	1.86	1.84	1.78	1.82	7.30
2019	2.05	1.97	2.08	2.05	8.15

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.23	.23	.26	.26	.98
2015	.26	.26	.29	.29	1.10
2016	.29	.29	.32	.32	1.22
2017	.32	.32	.32	.35	1.31
2018	.35	.35	.39		

(A) Fully diluted earnings. May not sum to total due to rounding. Excludes nonrecurring charges: '15 \$0.34; '17, \$2.99. Next earnings report due late July.
 (B) Div'd's historically paid around the 10th of February, May, August, and November. Div'd reinv. plan available.
 (C) In millions.
 (D) Revenues are net of interest expense.