Visa Inc. (V) is a global payments technology company headquartered in San Francisco, California. Through its vast payments network, Visa facilitates commerce through the transfer of value among consumers, businesses, financial institutions and governments. It also operates VisaNet, a processing network that enables authorization, clearing and settlement of payment transactions, and offers fraud protection services for account holders and merchants. Operating under an open loop payments network, Visa does not assume any direct credit risk. Visa is currently ranked as the #1 credit and debit network worldwide, processing payments in more than 160 currencies.

The credit services industry, and the financial sector overall, is seeing a global shift towards digital commerce, with global non-cash transactions projected to grow at an CAGR of almost 11% over the next few years. Visa is well positioned to take full advantage of this shift via their extensive VisaNet electronic payments network.

Visa has seen significant growth in recent years, in both their payments volume and transactions volume - increasing their revenues across all segments. Visa also has much higher operating income margins and EBITDA margins relative to competitors, but the market is not yet pricing this in. We believe that in addition to Visa’s healthier financials and an attractive industry outlook, their leading developments in verification technology, as well as the expansion of their real time payments system in newly acquired Visa Europe, the market will begin to capture the company’s full value.

### Rationale
- #1 credit & debit network worldwide
- Global shift toward digital commerce
- Open loop network = no credit risk
- Visa Europe integration
- Leader in verification technologies
- Strong branding
- Solid financials
- Potential chinese market expansion

### Risks
- Fraud & cybersecurity hacks
- Litigation risks
- Highly competitive space

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**Visa Inc. (V) Stock Summary**

**Date**: 11/07/2017

**Current Price**: $111.92

**Sector/Industry**: Financials

**Market Cap**: $256 billion

**Beta**: 1.13

**P/E (forward)**: 21.74

**Div. Yield**: 0.73%

**Target Price**: $143.02

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