29-Oct-2024

PayPal Holdings, Inc. (PYPL)

Q3 2024 Earnings Call

Copyright © 2001-2024 FactSet CallStreet, LLC

CORPORATE PARTICIPANTS

Steven Winoker
Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

OTHER PARTICIPANTS

Darrin Peller
Analyst, Wolfe Research LLC

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Ramsey El-Assal
Analyst, Barclays Capital, Inc.

Jason Kupferberg
Analyst, Bank of America Merrill Lynch

Dan Dolev
Analyst, Mizuho Securities USA LLC

Timothy E. Chiodo
Analyst, UBS Securities LLC

James E. Faucette
Analyst, Morgan Stanley & Co. LLC

Harshita Rawat
Analyst, Bernstein Institutional Services LLC

Trevor Williams
Analyst, Jefferies LLC

Bryan C. Keane
Analyst, Deutsche Bank Securities, Inc.

Andrew G. Schmidt
Analyst, Citigroup Global Markets, Inc.

Copyright © 2001-2024 FactSet CallStreet, LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good morning, and welcome to PayPal's Third Quarter 2024 Earnings Conference Call. My name is Sarah, and I will be your conference operator today. As a reminder, this conference is being recorded.

I would now like to turn the program over to your host for today's conference, Steve Winoker, PayPal's Chief Investor Relations Officer. Please go ahead.

Steven Winoker

Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

Thanks, Sarah. Welcome to PayPal's third quarter 2024 earnings call. I'm joined by CEO, Alex Chriss; and CFO, Jamie Miller.

Our remarks today include forward-looking statements that involve risks and uncertainties. Actual results may differ materially from these statements. Our commentary is based on our best view of the world and our businesses as we see them today. As described in our earnings press release, SEC filings and on our website, those elements may change as the world changes.

Now over to you, Alex.

James Alexander Chriss

President, Chief Executive Officer & Director, PayPal Holdings, Inc.

Thanks, Steve, and thank you to everyone for joining us this morning. PayPal had a highly productive third quarter. We made good progress on our continued transformation, while delivering strong operating and financial results. We brought multiple innovations to market, coupled with a significant new marketing campaign and are seeing encouraging early adoption. And we continue to forge important partnerships with leaders in global commerce.

We're early in our transformation journey, and we have a lot of work ahead to get to where we want to be. However, I'm proud of what we've been able to achieve in the last year, and it gives me conviction that we're taking the necessary steps to unlock the full potential of PayPal and Venmo over time.

We've assembled a world-class leadership team, reignited innovation for our customers and are now moving with clear purpose and increased velocity. We're leaning into our competitive advantage, a two-sided network of hundreds of millions of consumers and tens of millions of merchants around the world to evolve from a set of disparate payment products and point solutions into a powerful commerce platform.

As we shift from a payments company to a commerce platform, more of the world's leading commerce players have partnered with us to add value for our mutual customers. In just over two months, we've announced partnerships with Fiserv, Adyen, Amazon, Global Payments and Shopify and we're actively discussing more collaborations across the industry. These new and expanded relationships are a clear demonstration that our brand, innovations and momentum are resonating.

Copyright © 2001-2024 FactSet CallStreet, LLC

Before we discuss this quarter's details, I'm excited to announce that we will host an Investor Day on February 25 in New York City. We look forward to seeing many of you in person in sharing our team's longer-term strategy, key opportunities, financial and operating targets and how we will get there.

Now turning to our Q3 results. Total payment volume grew 9% to $423 billion. We delivered $7.8 billion in revenue, growing 6% on a currency-neutral basis. Transaction margin dollars grew 8% to $3.7 billion and were up 6%, excluding the benefit of interest on customer balances.

Our non-GAAP earnings per share increased 22% year-over-year. Importantly, this translated into significant free cash flow. We're proud of these results and have a clear plan to drive continued profitable growth over the long-term.

After another strong quarter, we're raising our full year guidance for transaction margin dollars and non-GAAP earnings per share. At the same time, we're continuing to invest in areas that we believe will drive long-term profitable growth.

Let me update you on our customer business strategies and the promising early results we're seeing. When I joined, it was clear that we had significant work to do to improve branded checkout. PayPal had fallen behind on innovation, and we had work to do to be more competitive, particularly on mobile devices.

In January, we shared new mobile checkout experiences designed to significantly improve conversion. We've completed testing over the past few quarters and are now rolling out to customers' new experiences on both desktop and mobile. These new checkout experiences are second to none.

When implemented properly, the new product experiences are resulting on average in more than 100 basis points of conversion lift for vaulted checkout and up to 400 basis points of conversion uplift for one-time checkout.

We're also seeing a 15% to 20% increase in Buy Now, Pay Later use. These experiences are live on close to 5% of our US checkout traffic today, and we're pushing hard to get them into the hands of more of our merchants throughout the holiday shopping season and into next year. I'm proud of our team's innovation velocity as we reestablish ourselves as the best converting branded experience for consumers and merchants.

Continuing in large enterprise. We're making solid progress on our initiative to price our services in a way that reflects the current value we bring to our merchants. This is now the second consecutive quarter in more than two years that Braintree is meaningfully contributing to transaction margin dollar growth. We're having very constructive conversations with our merchants focused on ways we can enable strategic growth opportunities that drive long-term upside for both of us.

What is different today is that we now have a suite of value-added services, including payouts, risk as a service, orchestration, guest checkout and personalization capabilities that help attract new customers and convert them more effectively, in addition to world-class payment processing. We're excited about our progress here as it is key to long-term value creation.

Finally, we're pleased with the initial reaction to Fastlane, which targets the 60% of e-commerce purchases made without a branded mark. Since we launched in August, we have over 1,000 merchants using Fastlane to provide a seamless experience to their customers and drive increased conversion. We've also reached a new milestone in our ability to recognize and auto-fill information for first-time Fastlane users.

Copyright © 2001-2024 FactSet CallStreet, LLC

In the US, 170 million eligible customer profiles on the PayPal platform can now enjoy a seamless guest checkout, the very first time they try Fastlane. The scale of consumers, who are primed to spend with PayPal, puts us way ahead of other guest checkout solutions, and it is one of the reasons why so many platforms are choosing to partner with us. We can't wait to get Fastlane into the hands of more merchants, not only on Braintree and PPCP, but also through our partnerships with Fiserv, Adyen and Global Payments next year.

Moving to small and medium-sized businesses. Last month, we launched PayPal Complete Payments in new geographies, including China and Hong Kong with more markets on the horizon in 2025. In the markets where PPCP is live, we're steadily converting volume from our legacy products with nearly 40% of our SMB processing and checkout volume now on this platform.

What is important to remember is that many of these merchants are using PayPal for both branded and unbranded payments, an example of the benefits that come with integrated solutions.

PayPal Complete Payments also allows us to work with many small and medium-sized businesses through partner platforms, including Shopify. As we announced in the quarter, PayPal is now an additional processor for Shopify Payments in the US. Our branded checkout solutions are now integrated into Shopify Payments, creating a single, unified experience for time-constrained business owners to drive operational efficiency.

We also recently announced a partnership with Amazon to bring PayPal Checkout to SMBs offering Buy with Prime. Next year, we will expand our work together to give Prime members the option to link their Amazon and PayPal accounts so that consumers can receive Prime shipping benefits when they use PayPal while shopping with Buy with Prime. While it will take time to realize, there is significant opportunity here and more we can do to better serve the needs of small businesses.

For consumers, we're redefining our value proposition with last month's launch of PayPal Everywhere. This initiative builds on PayPal's established brand position as an online shopping powerhouse to position PayPal as the go-to solution for spending, sending and earning rewards, whether online or offline. We're doing this through cashback incentives on the PayPal debit card and a marketing campaign with the goal of reintroducing our capabilities to consumers who may never have thought about PayPal as more than an online payment option.

We're starting to shift perceptions of PayPal and beginning to drive adoption of our suite of complementary products, which all drive back to branded checkout. The broader awareness and perception shift we're aiming for is not going to happen overnight. This is an area where we plan to continue to invest over time. That said, we're seeing early signs that give us confidence our strategy is working.

Since we launched PayPal Everywhere, we've added more than 1 million first-time debit card users. As a reminder, we're allowing consumers to pick a cashback category of their choice each month, which is capped at $50 per month. The top three categories customers are choosing and earning rewards for us so far are groceries, gas and restaurants. What gets me so excited is that we're now seeing customers make daily in-person purchases with their PayPal debit card.

In addition, these debit card users are now choosing PayPal branded checkout more frequently when they shop online. Early data from our existing customers shows a 5x increase in total omni spend within the first two weeks of sign-up. We plan to expand the PayPal Everywhere value proposition to Europe next year, incorporating learnings from our US launch. We expect the availability of NFC capabilities will help drive further adoption and use of PayPal.

Copyright © 2001-2024 FactSet CallStreet, LLC

With Venmo, we're making progress in executing our strategy to shift from solely a P2P service to a central part of consumers' financial lives. Our new leadership team is taking a fresh look at Venmo, and we're completely transforming and upgrading the user experience. We know that we inherited one of the strongest P2P brands and see an opportunity to prioritize innovations that unlock Venmo's value. We believe that Venmo will eventually have multiple monetization levers.

In the short term, we see two meaningful contributors. Let me unpack each of them. First is the Venmo debit card, which allows customers to spend with their balance, both online and offline. We're in the early days of driving adoption, but we're seeing encouraging trends in engagement and monetization.

In the quarter, monthly active debit card accounts grew 30% yet again. This is exciting as the average revenue per account is four times that of all Venmo accounts. However, only 5% of Venmo active accounts are monthly active Venmo debit card users, demonstrating the opportunity ahead of us.

The second lever is Pay with Venmo, which provides a seamless way to pay online. The strategy with Pay with Venmo involves both consumer and merchant adoption. On the consumer side, 8% of Venmo active accounts are monthly active Pay with Venmo users, so we have room to grow. Monthly active Pay with Venmo users were up 20% in the quarter, and the average revenue per account is three times that of all Venmo accounts.

On the merchant side, we will bundle Pay with Venmo with PayPal Checkout in our go-to-market motions to accelerate distribution. With these product improvements in place, we're now leaning into marketing for Venmo for the first time in years. We will continue to build on this foundation and obsess over consumer needs and our product to fully unlock the brand's long-term potential as a multibillion-dollar franchise.

I want to thank the PayPal team for their continued commitment to transforming our company and making it even stronger. We've got the right team in place and we're playing to win.

With that, over to Jamie.

Jamie S. Miller

Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

Thanks, Alex. Moving to slide 7. PayPal delivered another strong quarter of results. The underlying stability and consistency of the business is encouraging, and we remain focused on advancing our transformation to drive durable, profitable growth. Change takes time, and we still have a lot of work ahead, but the team is making steady progress on top of an already solid foundation.

Looking at the high-level financial results in the quarter, revenue increased 6% on both a spot and currency-neutral basis. Transaction margin dollars accelerated slightly from the second quarter, in addition to a nearly 3 point benefit from interest on customer balances, branded checkout, Venmo, Braintree, and better transaction loss performance contributed to growth in the quarter.

Our focus on price to value is paying off with Braintree again contributing materially to transaction margin dollars even as volume and revenue growth deliberately slows. Non-GAAP earnings per share were $1.20, representing 22% year-over-year growth. Relative to our guidance, outperformance was driven by a number of factors, including continued optimization of transaction loss, Venmo and improvements in credit.

Turning to slide 8. Our operating metrics reflect another quarter of progress. Total active accounts increased by nearly 3 million from the second quarter to 432 million. Monthly active accounts continued to show steady

Copyright © 2001-2024 FactSet CallStreet, LLC

progress, up 2% year-over-year to 223 million with contributions from PayPal consumer accounts and Venmo. Transactions per active account, which is a trailing 12-month number, were 61.4 in the third quarter, up 9%. Excluding PSP processing, transactions per active grew 5%.

Moving to slide 9. Total payment volume grew 9% on a spot and currency-neutral basis to $423 billion. Looking at the breakdown by product, global branded checkout volumes grew 6% on a currency-neutral basis in the third quarter, consistent with the mid-single-digit growth we've seen for the last three years. Within branded checkout, we continue to see strength across large enterprise platforms, marketplaces and international merchants.

As Alex mentioned, our team is hard at work to drive wider coverage of our most modern best-in-class checkout experiences. We are particularly focused on small and medium businesses and mobile, both critically important areas for us to improve our positioning.

PSP processing volume grew 11% compared to 19% in the second quarter. As part of our price-to-value strategy, we are moving deliberately and making decisions that prioritize healthy, profitable growth rather than targeting a high proportion of processing volume at low or even negative margins.

What this looks like in practice with some of our largest enterprise customers is often a renegotiated agreement that reduces our total share of payment processing to a more balanced level. So for example, from 95% to 75%, but with better economics and with a greater breadth of products and services. This means we are driving Braintree transaction margin dollar improvements and more strategic partnerships, but with lower volume and revenue growth.

Moving to more financial detail on slide 10. Transaction revenue grew 6% on a spot basis to $7.1 billion, driven primarily by Braintree, branded checkout and Venmo. Other value-added services revenue in the quarter increased 2% to $780 million, and interest on customer balances continued to be a meaningful tailwind to OVAS and credit revenue was under less pressure compared to the past three quarters.

We have now fully lapped the actions taken last year to tighten credit underwriting and reduce on balance sheet risk. We're seeing better performance across the portfolio and have now started to modestly grow merchant originations. We'll continue to prudently manage the portfolio's exposure with the goal of sustaining our balance sheet light business model while providing our customers with more ways to manage their cash flow, spending and borrowing needs.

Transaction take rate declined by 4 basis points to 1.67% compared a 3 basis point decline last quarter. Improvements in Braintree and Venmo monetization benefited transaction take rate. These were offset by large enterprise and marketplace growth within branded checkout, foreign exchange, and faster payouts growth.

Turning to transaction margin dollar growth. As I said earlier, interest on customer balances, branded checkout, Venmo and Braintree were the largest contributors. Results in the quarter continue to benefit from efforts to optimize transaction loss performance with more advanced data analytics and some transaction expense favorability.

Non-transaction-related operating expenses increased 3%, as we continue to actively manage our cost structure while reinvesting in key growth initiatives, including marketing that was deferred from the first half of the year and the rollout of new products and initiatives like PayPal Everywhere.

Copyright © 2001-2024 FactSet CallStreet, LLC

Non-GAAP operating income grew 18% in the quarter to $1.5 billion. Non-GAAP operating margin expanded 194 basis points to 18.8%, benefiting from transaction margin expansion as well as expense leverage.

PayPal generated $1.4 billion of free cash flow in the third quarter. We completed $1.8 billion in share repurchases, bringing the total number of share repurchases over the past 12 months to approximately $5.4 billion. Finally, we ended the quarter with $16.2 billion in cash, cash equivalents and investments and $12.4 billion in debt.

Moving to guidance on slide 11 for the fourth quarter and the full year 2024. We continue to assume a relatively consistent macroeconomic and consumer spending environment for the remainder of the year. For the fourth quarter, we expect revenue to grow by a low single-digit percentage. This is directly related to Braintree merchant negotiations and ongoing efforts to drive quality, profitable growth.

As I mentioned earlier, this is a deliberate action and a continuation of the strategy we've articulated throughout the year, where we have accepted a lower near-term Braintree revenue profile in exchange for better margins as we have renegotiated agreements.

As a result of these efforts, we expect lower Braintree volume and revenue growth in the fourth quarter and through 2025 before reaccelerating from the reset baseline. This is a healthy profitable trade-off for the business that benefits transaction margin dollar growth and builds stronger, more strategic relationships.

We expect higher non-transaction OpEx growth in the fourth quarter as we have intentionally concentrated more of our discretionary investment spend, particularly in marketing during the back half of the year and in the holiday season. This is strategically timed to support key initiatives, including the go-to-market of new products and innovation, as well as ongoing marketing and brand campaigns for PayPal and Venmo.

Due to this timing, we expect fourth quarter non-GAAP EPS to decrease by a low to mid-single-digit percentage. 2024's full year non-transaction OpEx growth rate, which we now expect to increase in the low single-digit range is a reasonable way to think about the OpEx profile for the business next year. But like this year, we expect some unevenness in any given quarter.

Moving to the full year in more detail. We are raising our guidance for transaction margin dollars and non-GAAP earnings per share. This increase reflects outperformance in the third quarter as well as strategic reinvestments back into growth initiatives. We now expect 2024 non-GAAP EPS to grow in the high-teens and full year transaction margin dollars to increase by a mid-single-digit percentage.

We have seen steady profitable growth from our branded checkout business, and the teams are advancing our checkout initiatives. I'm encouraged by the rollout of innovation, the initial impact of our price-to-value strategy, ongoing product enhancements in areas like Venmo and P2P and the customer response to the launch of PayPal Everywhere.

As we move into the fourth quarter and beyond, we expect to continue making progress, but there are a few factors to keep in mind. Through the first three quarters of the year, growth in interest on customer balances and improvements to transaction loss were an approximately 4-point percentage benefit to transaction margin dollars.

Beginning in the fourth quarter, we expect minimal benefit from growth and interest on customer balances and then a headwind beginning in 2025 due to interest rate cuts. We're also planning for some normalization in transaction losses as we roll out new products. We now expect full year non-transaction operating expenses to

Copyright © 2001-2024 FactSet CallStreet, LLC

increase in the low single-digit range with ongoing cost efficiency helping to fund our strategic growth investments.

As we move into next year, our focus will be on striking the right balance between investment and productivity, seeking to largely fund long-term investments through savings generated from better deployment of tech and automation. We continue to expect 2024 free cash flow of approximately $6 billion and continue to plan for $6 billion of share buyback this year.

In closing, I'd like to thank the PayPal team for their ongoing dedication as we drive meaningful change to strengthen our foundation for profitable growth. We are continuing to execute and we're making good progress and we're excited to share more with you at our Investor Day in February.

With that, back to you, Alex.

James Alexander Chriss

President, Chief Executive Officer & Director, PayPal Holdings, Inc.

Today, I am more confident than ever about our future. We have a durable and differentiated market position and a strong brand that we continue to aggressively invest in. PayPal has a massive global opportunity. We have the right team in place to harness that opportunity and we are firing on all cylinders. It's an enviable position, and we're ready to make the most of it to drive value for our customers and shareholders as we head into the holiday season and 2025. Overall, this was a good quarter for PayPal. We are confident in our strategy and ability to execute going into the holiday season and 2025.

Steve, let's go to Q&A.

Steven Winoker

Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

[audio gap] (00:25:19) open the line, I'd ask everyone in the queue to consider your fellow analysts and ask just one question so we can get to as many people as possible. Sarah, please open the line.

Copyright © 2001-2024 FactSet CallStreet, LLC

QUESTION AND ANSWER SECTION

Operator: Thank you. [Operator Instructions] Your first question comes from the line of Darrin Peller with Wolfe Research. Your line is open.

Darrin Peller
Analyst, Wolfe Research LLC

Q

Hey, guys. Thanks. And nice results on gross profit in the quarter. Look, unbranded decelerated as expected. It looks like you've been able to successfully meet that with strong pricing for value. So maybe, Alex, if you could just start by touching on the customer response to the pricing changes and what you're bringing to the table.

And then just maybe perhaps touch on the deceleration, again, embedded in fourth quarter transaction margin growth along with how we should think about the exit rate into 2025. Jamie, that was helpful color, but any more just in terms of the dynamics and what gives you conviction in the sustainability to the underlying trends? Thanks, guys.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Why don't I start with the second part of your question, Darrin. Good morning. And then Alex can talk about merchant response. So when we look at transaction margin dollars, you know, as you mentioned, we're really excited about our momentum throughout 2024. And maybe I'll pause and just talk for a second about third quarter transaction margin and then talk about the comparative to fourth quarter.

And what's important here is we did have benefit from interest income in the third quarter. It was about three points. But more importantly, we have really good underlying growth drivers. Branded checkout TPV was up 6%, profitably growing transaction margin. It was our second quarter with Braintree contributing nicely to transaction margin dollars growth. So just continued progress there, which has been great. And then Venmo monetization and Alex mentioned a couple of the data points on the call, but that's really starting to move along. And it's early days, but we're starting to see that become very consistent as it rolls through transaction margin dollars. So all of that consistent trends into fourth quarter.

But what we see in fourth quarter that is a little bit different that, number one, interest income, it's been a benefit all year. That is going to be a meaningfully lower tailwind in fourth quarter. I'm planning on less than 1 point of contribution to transaction margin dollar growth in the fourth quarter. So, really relatively immaterial. And then we're also planning for transaction loss normalization as well. We're launching new products, and we also have some lower fraud recoveries just on a comparative basis.

So if I pull up for fourth quarter, we're really looking at low to mid-single-digit transaction margin dollar growth for the fourth quarter. Quarter's off to a good start. But the most important holiday weeks are ahead of us, but the consumer feels strong at this point.

And then if I pull to 2025, I think the thing to think about is when we look at 2025, ex-interest income, we expect transaction margin dollars to grow at least as fast as 2024 on that same basis.

Copyright © 2001-2024 FactSet CallStreet, LLC

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Great. Thanks, Jamie. And Darrin, just to hit on the merchant response. I've personally been involved in a number of these conversations, and I'd characterize them as very healthy and very strategic. As Jamie described in her remarks, a lot of this is, us really laying out our strategy to be focused on profitable revenue growth.

And sometimes that comes with a relook at our contracts and a relook at the partnership, but I'd say we're bringing more to the table now. And so, the conversations we're having with these merchants is we're innovating, we're bringing Fastlane, we're bringing Ads platform. We're bringing additional value-added services that allow us to have a healthier, stronger conversation about where we're going.

So, it's not that all the merchants were excited to have the conversations, but they understand where we're coming from and we're bringing more to the table. And again, I feel like, as we've talked about, we are really focused on building durable growth levers and making sure that we have these conversations with merchants, and getting back into a healthy place is big part of that conversation.

Operator: Your next question comes from the line of Tien-Tsin Huang with JPMorgan. Your line is open.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

Hey. Thanks so much. Appreciate all the data points here. Can you just give us a little bit more detail on the drivers of the more favorable view on transaction margin dollar growth here for the fourth quarter? And would love to hear what might improve and what you're most excited about going into 2025. And I recognize that it's hard to completely offset some of the interest income, but just curious what we should be looking here for acceleration in 2025? Thanks.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Tien-Tsin, good morning. I really think it gets back to the key themes that we've been seeing all year. We've really focused on durable, profitable growth as we've set teams up for this year. And part of that gets back to the product innovation and the deep investments we're making in our consumer experience and working with our merchants around branded checkout. The trends on branded have been very consistent throughout this year.

And second, and this dovetails with what Alex was just talking about, the focus of the teams around how to really have our Braintree platform be more holistic, really looking at the holistic margin profile and really getting that to a place where we've got a much deeper breadth of value-added services with our merchants. I mean all of those things are things that, again, have been growing this year, but the momentum we're seeing now and the visibility into how that continues is just we just have more confidence and we're more constructive on that today than we were three months ago.

And then Venmo and even P2P, the PayPal peer-to-peer money transfer, those two products are really turning nicely for us. P2P has had a nice turn this year, and we're continuing to see good momentum. And then when we look at Venmo, the actions of the team to really broaden how we bring this product to our consumers is really real and really rich. And you hear it in some of the data points Alex shared in his prepared remarks, but when you actually look at kind of the activity roll through, Venmo is just a very consistently sticky product for us. So, really excited about that. And that's what I see as fourth quarter just continuation and then moving into 2025 as well.

Copyright © 2001-2024 FactSet CallStreet, LLC

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. Tien-Tsin, just to reinforce what Jamie just talked about, what we've talked about with contracts on Braintree, I think that's pretty clear. Venmo, you heard in my remarks, the core drivers that we have, we've now implemented from an innovation perspective. Our Pay with Venmo, continued rollout. Our debit card is now embedded in the product. So, I feel very good about the durable growth there.

Maybe something we haven't connected the dots on well enough is all of the innovation that we're doing with Fastlane and with PayPal Everywhere and with what I talked about in my remarks on branded checkout, it all comes back to that durable branded checkout growth, right? PayPal Everywhere, we're starting to see real habituation of people not just getting access to the offline checkout, but also now bringing that back into online. So, all of this is driving back branded checkout growth.

Same with Fastlane, where we're now starting to get more and more users that are just used to seeing the PayPal experience, and we can now market to them to bring them back. So as we move into 2025, I feel like we are very focused on the core drivers that are important to the business, and we are innovating in the places that matter for our customers and will drive continued durable profitable transaction margin dollar growth into 2025 and beyond.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Yeah. And maybe, Tien-Tsin, I want to come back and just talk a little bit about interest rates, because you mentioned that in your question. And I think it's probably helpful to table set on that a little bit. So, we've talked about transaction margin dollar growth at 8%. When you look at transaction margin dollar growth ex-interest income, which is really a metric we look at just as much as we do the main metric because we think it really represents what we're doing operationally in the business, that measure has been 4% year-to-date this year compared to negative the last couple of years. So when we look at that, really very excited about what we're seeing there.

But when we level up and talk about rates, we've had that 3 point benefit this year. Fourth quarter, I expect that benefit to be relatively immaterial. The rate cuts that are assumed in the forward curve, let's just pause for a minute on that, our portfolio is about a four-month duration. So, it just takes time and it will take time for any particular rate cut to flow through. But the way to think about it when you're thinking about 2025 is a 25 basis point rate cut is equivalent to about $40 million of transaction margin. And it depends on timing and when that happens. But if you just said, okay, we're going to take rates down by 100 to 150 basis points next year, it's about a 1 to 2 point drag on transaction margin dollar growth.

So running the business ex-interest income is something we're going to be very, very focused on as we go forward.

Operator: Your next question comes from the line of Ramsey El-Assal with Barclays. Your line is open.

Ramsey El-Assal
Analyst, Barclays Capital, Inc.

Q

Hi. Thank you very much for taking my question this morning. Now that you have a larger sample size of Fastlane acceptance in the marketplace, can you update us on the monetization strategy? Help us think through how potentially additive Fastlane take rates might be versus average unbranded volume yields?

Copyright © 2001-2024 FactSet CallStreet, LLC

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. Let me take the rollout of Fastlane and then, Jamie, if you want to pile on with anything. We are seeing great uptake in Fastlane. I mentioned over 1,000 merchants. We also, as you've seen, are starting to bring on additional processors as part of that platform as well. And really, that is the focus of the innovation right now is improving the conversion rate in the 60% of non-consumption of a branded mark. So, the majority of checkout is still guest checkout. We now have the best converting guest checkout product in the market.

And so, our focus right now is adoption. Our focus is ensuring we get as many processors up and running. That's important, particularly as we start to bring large enterprises into Fastlane as well, because many of them are multiprocessor and will need potentially a Braintree and an Adyen, Fastlane experience as well. And so, right now, again, all of our focus on Fastlane is adoption. Pricing is built in to all of our contracts. We have relationships directly with the merchants. But our focus right now has been on adoption, and we'll continue to drive that up.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Yeah. And with respect to economics and how this will flow through, we are in the midst of a lot of conversations with merchants. And all of that includes the pricing element. And we've got good arrangements with our partners as well. Clearly, Fastlane will take time to ramp. And as we get through fourth quarter and through 2025, it will take time to ramp and see in the numbers.

Operator: Your next question comes from the line of Jason Kupferberg with Bank of America. Your line is open.

Jason Kupferberg
Analyst, Bank of America Merrill Lynch

Q

Thanks, guys. Good morning. Wanted to ask about branded TPV growth. I'm assuming you're expecting continued stability at around 6% in Q4. I'm just wondering if the broader rollout of the new checkout experience will accelerate the branded growth in 2025. And just as part of that, I know you gave the metric that 5% of US checkout traffic is on the new experience. Any sense of where that potentially goes over the next 12 months? Thanks.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. Thank you. Thank you, Jason. So, to the first part of your question, yes, we see consistent trends when it comes to branded checkout. Again, our focus, and I've been consistent with this really for a year now is the improvement in our branded checkout experience. I've been very transparent that we had fallen behind on innovation, particularly on mobile.

And as I sit here today, I am really proud and excited with the experiences we are now putting into market. And I shared some of the data on the improvement in one-time checkout with the 400 basis point improvement in conversion. Vaulted checkout, 100 basis point improvement in conversion.

So, we've also reduced latency in the overall experience by 45%. We've included additional mobile-specific innovations like an app switch, which is driving 10% lift in success for – versus just password, which is driving, it's over a 97% success rate on iOS now. So overall, we have rebuilt the entire pay sheet, the entire experience on mobile.

Copyright © 2001-2024 FactSet CallStreet, LLC

I expect us to continue to improve on branded checkout. This is a core focus for the business, not only these experiences but as I mentioned earlier, Fastlane, PayPal Everywhere, everything driving continued flywheel back into branded checkout. So all in all, we need to see this play out.

In terms of the ramp, I mentioned we're at 5% now. Look, the way I think about it is there are some integrations we have with merchants. Think about it as, roughly a-third or so of our integrations, we have some ability to continue to ramp up, we will do that throughout the holiday season and into early next year. And then some we need, as we've talked about before, many, many – hundreds of different integration patterns that we need merchants to do the work on.

And so the good news is they now have an incentive to do it. The conversion improvements are significant. And the conversations with merchants now are very healthy, and they're excited about getting these new experiences ramped up once they get past the holidays. So we're not standing still. I expect continued momentum on that 5% throughout the next quarter and into 2025.

Operator: Your next question comes from the line of Dan Dolev with Mizuho. Your line is open.

Dan Dolev
Analyst, Mizuho Securities USA LLC

Q

Hey, guys. Amazing results again. I wanted to ask, if it wasn't addressed already. Are you able to give us like a sneak preview of how you see 2025? Because from our conversations, this remains a big debate. So I appreciate it. Thank you.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Good morning, Dan. I think some of the comments that we've talked about already really help shape 2025 to a degree. You start with the revenue line. When we've looked at some of the very deliberate and intentional conversations we've had with Braintree merchants, I mentioned in my prepared remarks that we're seeing the impact of some of the revenue trades we're making begin to flow through the numbers in the third quarter. And that's also implicit in our fourth quarter guide as well. We expect that trend to continue through 2025 as we really shift from focusing on high portions of revenue to just more holistic, better-margin contracts.

Transaction margin, we've talked about a little bit that ex-interest income, really expect to see at least as favorable in 2024. One area we really haven't talked about is OpEx. And if I spend a minute on that, we do expect to see a higher proportion of OpEx in the fourth quarter than we've seen all year. And we're really reinvesting favorability back into the business.

And in addition to that, we had deferred marketing expenses very deliberately from the first half into the second half. So you see that pop up in the fourth quarter. We now expect the full year to be up low single digits from an OpEx perspective. And when you look at 2025, that's probably the right framing and way to think about it as well. But just more balanced throughout the year in terms of how it flows through.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Let me just – I'd love to just share and unpack, because you asked a little sneak peek, about how we think about it and how we talk about it in the business.

Copyright © 2001-2024 FactSet CallStreet, LLC

We are hyper-focused on what we are in control of, and we are focused on building durable growth levers. It's why the focus of the innovations that we've talked about, whether it's branded checkout, everything coming back to that, whether it's the conversations in getting healthier Braintree economics, rolling out new innovations like Fastlane and PayPal Everywhere. All of these are things we're in control of, it's innovation that is important to our customers and that we can monetize over the long term.

We also, from the metrics that we're focused on really are thinking about transaction margin dollar excluding interest income, because that's the metric we can really think about and be in control of. And again, as Jamie said, if you think about the last two years, that was a negative amount for us. We've now turned that positive in 2024. I believe we now have built a solid foundation and baseline for us to grow on and I expect 2025 to grow on top of that. So we, at least, as strong and grow from where we set the baseline in 2024. So the team is focused. Our innovations will continue to roll out into the market, and I think we're in a healthy place.

Steven Winoker
Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.
A

And that's part of the good thing, Dan, also about the Investor Day that we announced, that Alex announced today in late February, where we'll have the chance to also dive more deeply into all those elements.

Operator: Your next question comes from the line of Timothy Chiodo with UBS. Your line is open.

Timothy E. Chiodo
Analyst, UBS Securities LLC
Q

Great. Thank you for taking the question. I want to hit on Braintree, two aspects there: one around competitive positioning on pricing now with the new sort of rebased pricing strategy; and then also, the ability to bundle and get prominent positioning with the button.

So, first on the pricing piece, [ph] related to this (00:44:26), with this new strategy, would you still consider Braintree to be more of a price leader, meaning when the contract is reset, is Braintree still the lowest price of all the merchant acquirers working with these various large enterprise merchants?

And the second piece is, in the past, the button was often bundled as part of the contracts to receive prominent position on websites. Is that clause still able to be added into those contracts with this new pricing strategy?

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.
A

Yeah, it's a great question, Tim. Here's the way I think about it. We are changing the conversation with our merchants. It is not just about a processing what I would consider, in some cases, to be just a commodity conversation about pricing. When we talk about price to value, we're talking about the full strategic conversation and what we bring to the table, and so when I talk about the healthy conversations we're having, and again, I'm having many of these myself.

When I talk to the CEO of a merchant, yes, they want great processing pricing, but you know what they're really focused on, how do they grow customers? How do they get more customers to buy their products? And those are now value services that we're able to bring to them, not just best-in-class processing, not just FX as a service, risk as a service, the ability to sell all around the world. But now we're bringing to them an ads platform. Now we're

Copyright © 2001-2024 FactSet CallStreet, LLC

bringing to them the ability to start to target with payment APIs, the right customers at the right time. And these are really fun and really healthy conversations.

And so, to be honest, yes, we will bundle our branded because that's important to us. And it's important to them, because it's still the best converting branded checkout option in the world. Yes, we will still have significant pricing that we will price to value, and we will continue to price all our value-added services. But what's most important is these are now bigger, more strategic conversations with merchants that actually help them drive the growth of their business, not just processing their payments.

Operator: Your next question comes from the line of James Faucette with Morgan Stanley. Your line is open.

James E. Faucette
Analyst, Morgan Stanley & Co. LLC

Q

Thanks very much. Really appreciate, Alex, your comments there on changing the conversation and being able to bring incremental value, including ad platform and driving that.

I guess following-up on Tim's question there, as you think about that as you change that conversation, how should we be thinking about the potential then for pricing or value add and that kind of thing in the future? I know that you've -- I think you've done a really good job outlining that this is going to take time during the course of 2025, but thinking about the long-term trajectory of where you would ultimately like to get and what you think that value looks like. Thanks.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. I think, again, it's very similar to what I just shared, which is, for us having these more strategic, deeper relationships that we can monetize across all of our value-added services is what's most important. And so, again, whether it's processing, which, again, we should monetize, or all the value-added services or the ad platform, Fastlane, all of these different pieces, we're going to continue to lean in. And we're going to continue to work with our partners to drive branded checkout as well, right?

One of the things that's interesting as we have these strategic conversations is, how excited these merchants are about the demographics that we have as we start to reignite PayPal Everywhere, right? There's opportunities with merchants that are omni-channel merchants that are thinking about, hey, how can PayPal Everywhere now work in-store as well?

As we start to bring Pay with Venmo. Pay with Venmo is an incredible opportunity for merchants as they now think about the ability to get access to one of the most valuable demographics of young, affluent spenders in the United States. And so, again, all of these conversations just continue to build on themselves. And I think we feel good about the conversations as well. Jamie?

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Yeah. Maybe I'd just add, too, a little bit about where we are in the process. We have worked our way through some large renegotiations, which have been really good conversations. But we've got more progress as well in the next couple of years. The agreements are typically multiyear in nature. Some renewals happen earlier than others. But we expect that more visible impact on TPV and revenue over the next several quarters. But more

Copyright © 2001-2024 FactSet CallStreet, LLC

importantly, we expect margin accretion to emerge over the next few years as well. And part of that is these renegotiations.

But equally, importantly, and you mentioned value-added services, it puts us in a position where in those discussions and following those discussions, the build-out OVAS and how we can bring that to bear in terms of building a much more sticky holistic relationship, but one that really improves margin over time, that's the holistic piece of it that we're looking at. And we're already seeing that. We have already launched in the third quarter a really significant new value-added service that has been launched with a big merchant. And it's that kind of thing that we'll continue to grow.

Operator: Your next question comes from the line of Harshita Rawat with Bernstein. Your line is open.

Harshita Rawat
Analyst, Bernstein Institutional Services LLC

Q

Hi. Good morning. I want to follow up on Fastlane. Good momentum with partnerships here. Alex, you talked about 100 merchants using Fastlane. What are you hearing from some of the larger merchants ahead of the holiday season? I'm guessing they're doing the testing. And you mentioned using your existing [ph] vol (00:50:36) to kind of deliver Fastlane experience now. How should we kind of think about like the dynamics with branded checkout experiences here? Thank you.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Hi, Harshita, great question. So just to be clear, we're over 1,000 merchants now on Fastlane and continuing to ramp. A lot of those merchants are some of the smaller businesses, small and midsized businesses, that are part of platforms that we were able to turn on like BigCommerce as an example. A lot of the large enterprises, as you can imagine, are in the middle of their holiday season.

What we're hearing from them is very, very exciting feedback on ramping Fastlane as soon as they can. Oftentimes, that's going to start in Q1, to be transparent, for a couple of reasons. One, a lot of their – the code is shut down for the holiday season. Two, they want to make sure that Fastlane works across multiple processors. And many of the large enterprises are using multiple processors, which is why our multiprocessor strategy for Fastlane is so important.

And so, bringing on those partners, as you mentioned, processing partners is critical. But the conversations that I've had personally with a number of the large enterprises is, they're excited about Fastlane, they're ready to get on as soon as they can, and it's just about getting the work done.

In terms of bringing that back to branded, we are starting to test into that as well. For us, again, if you think about the experience, we're getting the largest population of any accounts right now. These are people that have bypassed the branded experience, or some of them have never been PayPal users, of which those folks that have never been PayPal users, 30% are opting in to Fastlane. So, we're now vaulting their instrument, we're creating a profile for them, and we're able to bring them back into the branded experience.

And so for us, that's going to be a big initiative as we go into 2025, building on those profiles, those users that continue to check out at high rates through the guest checkout experience, but sharing with them the value proposition that a PayPal branded experience has.

Copyright © 2001-2024 FactSet CallStreet, LLC

And again, that's why you've seen so much focus for us in 2024 around building a rewards platform and starting to – even in the marketing that you've seen us go out, really start to burn into the minds of our consumers that PayPal is the most rewarding experience and the most rewarding way to pay, because we want people to be habituated into that branded checkout experience. And we think we now have unique levers, whether it's through PayPal Everywhere or through Fastlane to be able to bring them into that branded checkout.

Operator: Your next question comes from the line of Trevor Williams with Jefferies. Your line is open.

Trevor Williams
Analyst, Jefferies LLC

Q

Great. Thanks a lot. I wanted to go back to the transaction take rate. I think the year-over-year decline there was a little bit bigger this quarter despite a better mix between branded and Braintree. If you could just unpack that, how you're thinking about the trajectory of the take rate from here? And then within branded, the faster relative growth of large enterprise and marketplaces versus SMBs, that's been a consistent callout from you guys. Anything more specific on how that spread looked relative to the last few quarters would be helpful. Thanks.

Jamie S. Miller
Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Hi. Good morning, Trevor. So take rate, as you know, there's a lot of factors that impact take rate, both our product mix, our geographic mix, customer mix, as well as pricing. And I would say, improvements in our Braintree margins are directly impacting take rate, and that's one of the things – as we have lower incentives, as we have improving margins, that's one of the more significant things you see impacting take rate, just in terms of the overall mix shift in the numbers.

And that is offset by, we've also had large enterprise growth at a faster rate as compared to small and medium businesses. And that mix shift as well with large enterprises just having lower take rates than small and medium businesses, that also impacts just the math on that. We've had some impact from FX in our payouts business as well. On the SMB?

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

I'd love to just pile on small business. This is, as you all know, a very strong passion for me. What I feel great about is the innovation that we're rolling out. PayPal Complete Payments is now really the best one-stop shop for merchants to be able to do money in and access to capital. Money out, we still have opportunities as we think about the opportunity to allow small businesses to be able to send payments to others.

But overall, FX, Global, Fastlane, Venmo, all these different things that we can now package together for small businesses is exactly the right product. And the feedback we're getting, especially as we lean into no-code, low-code solutions, easy onboarding, bringing in developer days, I feel really good about the innovation we have with small business.

Where I'm dissatisfied right now is it just takes time, right? This is a long tail of small businesses. You've got a touch, what is ultimately millions of merchants over a period of time. So it's just not as fast of a switch as being able to just have a handful of large enterprise conversations. But we are building the go-to-market motions. I'm very confident in what the team is bringing up, and I expect that to continue to grow and us really to make penetration into small business as we look into 2025 and beyond.

Copyright © 2001-2024 FactSet CallStreet, LLC

Steven Winoker
Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

A

Let's try to fit in two more questions.

Operator: Thank you. Your next question comes from the line of Bryan Keane with Deutsche Bank. Your line is open.

Bryan C. Keane
Analyst, Deutsche Bank Securities, Inc.

Q

Hi. Good morning, guys. I wanted to ask about branded checkout, the 6% growth rate. Alex, how do you think that compares to the e-commerce market and how you guys are doing versus just thinking about the share? And then with Fastlane and improvements in branded and the focus on SMB, where do you think you can get branded checkout growth rates? Do you think you can get it to high single digits or just some kind of goals that you guys have set for the company? Thanks.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. What I'd say is branded checkout has been very consistent. We are, again, the largest, best converting and most share of branded checkout anywhere in the world, and it has been consistent. At the same time, we know there are opportunities. And the innovations that I talked about in my remarks and earlier in the call gives me confidence that we have opportunity to continue improve that experience and grow. If you also then think about Fastlane, if you think about PayPal Everywhere, the habituation of people bringing back into the online branded experience, I think there's room for us to continue to take share there. So I'm excited about, first, you've got to have innovation. You've got to have a value proposition. I think we put those into market now and we've got the flywheel turning. So again, none of this is going to happen overnight, but I'm excited about where we go there.

Steven Winoker
Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

A

Let's hit the last question.

Operator: Thank you. Our last question comes from the line of Andrew Schmidt with Citi. Your line is open.

Andrew G. Schmidt
Analyst, Citigroup Global Markets, Inc.

Q

Hey, Alex. Thanks, Jamie. Thanks for having me on here. I wanted to switch to the consumer side for a moment. Maybe talk about just the trajectory you see in monthly actives, especially given the, what you're seeing with the Venmo and the PayPal Everywhere promotions? And then just broadly speaking, maybe you could talk about just the pipeline just for products on the consumer side. It's just an area where we get a lot of questions in terms of the consumer fit. Thanks a lot, guys.

James Alexander Chriss
President, Chief Executive Officer & Director, PayPal Holdings, Inc.

A

Yeah. Thanks, Andrew. First, what I'd say is innovation is the most durable competitive advantage we have. And what you've seen from us in the last few quarters is really starting to drive innovation, both on the consumer PayPal app, not just in branded checkout, but actually putting real innovation into the app with PayPal

Copyright © 2001-2024 FactSet CallStreet, LLC

Everywhere launch, giving consumers the opportunity to now have an offline experience, which is driving habituation back into online, an enhanced rewards platform.

And then on the Venmo side, leaning in with innovations that, to be honest, customers have been asking for, for years with scheduled payments and groups and adding direct deposit. And so, when I think about customer growth, customer growth is going to be essential for us as we continue to lean in and want to grow the business, but that comes through continuing to innovate and continuing to provide great products to our customers.

So what I'm really most satisfied about, when I look back over the last year is we have an innovation machine that's now starting to ramp up inside of the company. Our velocity is improving, while we're reducing tech debt, our ability for our engineers to put more releases out into our consumers' hands. And we have a very, very healthy roadmap of innovation that we'll be driving to our consumers. So, very excited about where we lean in over the next few quarters.

Jamie S. Miller

Chief Financial Officer & Executive Vice President, PayPal Holdings, Inc.

A

Yeah. And I would just say, we've seen really steady progress in our monthly actives, both sequentially and year-over-year. And that is both the PayPal consumer and our Venmo consumers as well, also internationally. But one of the things we really haven't talked about and I think Alex has teased in his remarks here, is really PayPal Everywhere as well. And we're really excited about the launch we've had the last couple of months. We're seeing really strong adoption, really strong usage. We had more than a million new users since that launch. And the economics are nicely attractive on that. And it really drives habituation inflection.

Just like Alex was talking about, both with that core product and just the engagement with the app, the engagement with the debit card, all of those things, but also with respect to the halo effect that we see across other forms of branded spend with our products. So that's, I think, a great example of one that we're really excited about, and we'll have more of.

Steven Winoker

Chief Investor Relations Officer & Senior Vice President, PayPal Holdings, Inc.

I know we've gone over a little bit, but Alex, any final thoughts?

James Alexander Chriss

President, Chief Executive Officer & Director, PayPal Holdings, Inc.

Yeah. So thanks to you all, and thanks, Steve. So look, we've set a solid foundation to build upon, and we're executing against our strategy. I'm very proud of our team and the momentum we've created for our consumers, merchants and partners. And I'm excited to deliver a solid holiday season for our customers and continue the trajectory into 2025.

So take care, everyone.

Operator: Thank you. This concludes today's conference. Thank you for participating.

You may now disconnect.

Copyright © 2001-2024 FactSet CallStreet, LLC

Disclaimer
The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2024 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.

Copyright © 2001-2024 FactSet CallStreet, LLC