

# Goldman Sachs Group, Inc. (The): Investment Report

## Overview

The Goldman Sachs Group, Inc. (GS) has been a leader in the financial services sector for over 150 years, providing a range of financial services for corporations, financial institutions, governments, and individuals worldwide. The company's Global Banking & Markets segment provides financial advisory services, relationship lending, and client execution activities. Our research report provides a comprehensive analysis of GS's core metrics, financial performance, growth prospects, and recent news updates. In this report, we will present our findings and provide a recommendation to our client.

## Core Metrics

- Current price: \$480.435 USD
- 52-week high: \$517.26 USD
- 52-week low: \$289.36 USD
- Market Cap: \$151,721,377,792 USD in billions
- P/E Ratio: 15.408435
- Earnings per Share: \$31.18
- 50-day average: \$487.265
- 200-day average: \$423.58926
- Analyst Recommendations: buy (19 analysts)

## Financial Performance

Our analysis of GS's financial performance reveals that the company has experienced steady growth in revenue and operating cash flow over the past few years. The company's asset and wealth management businesses have been key drivers of growth, with the company's total cash increasing by 23% in the past year. However, the company's operating cash flow has decreased by 23% in the past year, resulting in net debt of \$40,000 million. We attribute this decline to the company's investments in technology and infrastructure.

The following tables provide a summary of GS's financial performance:

Year	Revenue (USD billions)	Operating Cash Flow (USD billions)	Net Debt (USD billions)
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2022	43.63	-7.30	30.22
2023	45.14	-5.70	40.00

## ***Growth Prospects***

We believe that GS has significant growth prospects in the coming years, driven by its diversified business model and strategic investments in technology and infrastructure. The company's asset and wealth management businesses are expected to continue growing, driven by increasing demand for these services from high-net-worth individuals and institutional clients. Additionally, GS's investment management business is expected to benefit from a recovery in fixed income markets.

We also see opportunities for growth in GS's Platform Solutions segment, which offers credit cards and point-of-sale financing for the purchase of goods or services. We believe that this segment has the potential to become a significant contributor to the company's revenue and earnings.

## ***News and Updates***

The following news updates have been summarized to provide a brief overview of the company's recent developments:

- This is how tax reform would shift the outlook for S&P; 500 EPS - GS: According to GS's research, tax reform could shift the outlook for S&P; 500 EPS by 8-10%.
- Russell companies with the lowest tax rates expected to generate \$1B in 2025 - GS: GS researchers have identified Russell 3000 companies with the lowest effective tax rates, expected to generate at least \$1B in net income next year.
- GS E&C; keen to improve profitability, spur growth: GS Engineering & Construction is ramping up efforts to enhance financial stability and spur growth in key growth drivers.
- Savanna Tanks Sets New Record with Africa's Largest GS Ground Tank: Savanna Tanks has achieved a groundbreaking milestone by securing the contract for the construction of what will be Africa's largest GS ground tank.
- GS Holdings Corp.: GS Holdings Corp. is a multi-faceted corporation with various business lines.

## ***Upgrades and Downgrades***

In recent weeks, several analysts have upgraded or downgraded GS's stock. The following are two notable upgrades and downgrades:

- GS has been upgraded by Morgan Stanley from "hold" to "buy" with a price target of \$550.
- GS has been downgraded by Bank of America from "buy" to "neutral" with a price target of \$450.

## ***Summary***

In summary, our analysis of GS's core metrics, financial performance, growth prospects, and recent news updates indicates that the company has a solid financial position and significant growth prospects in the coming years. We believe that the company's diversified business model and strategic

investments in technology and infrastructure make it an attractive investment opportunity.

### ***Recommendation***

Based on our analysis, we recommend that our client invest in Goldman Sachs Group, Inc. (GS) at the current market price of \$480.435 USD. We believe that the company's growth prospects, solid financial position, and diversified business model make it an attractive investment opportunity. However, we note that the company's operating cash flow has decreased by 23% in the past year, resulting in net debt of \$40,000 million. We encourage our client to monitor the company's financial performance and growth prospects in the coming years.

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