

American Express Co

S&P Capital IQ Recommendation

BUY H H H H H

S&P Capital IQ Equity Analyst Erik Oja

Price
\$87.64 (as of Sep 12, 2014 4:00 PM ET)

12-Mo. Target Price
\$100.00

Report Currency
USD

Investment Style
Large-Cap Growth

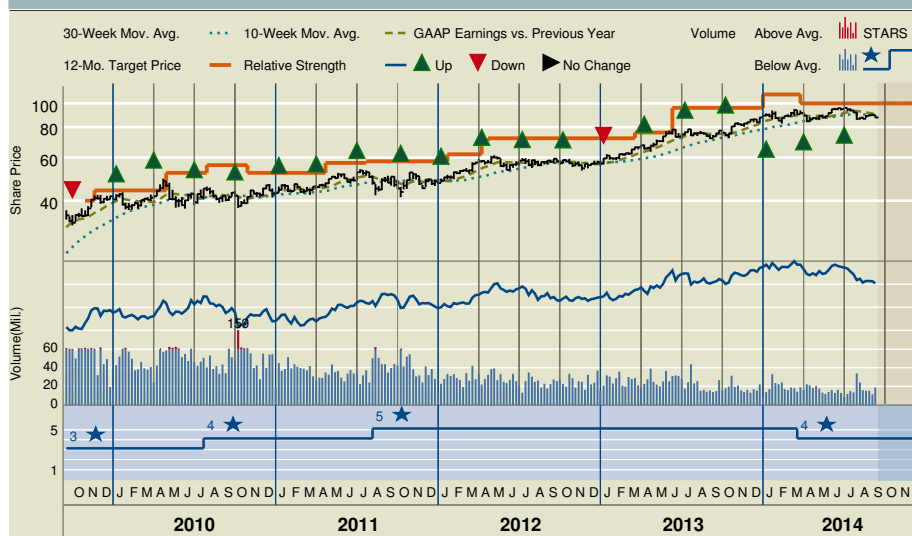
GICS Sector Financials
Sub-Industry Consumer Finance

Summary American Express is a leading global payments and travel & expense services company.

Key Stock Statistics (Source S&P Capital IQ, Vickers, company reports)

52-Wk Range	\$96.24–72.08	S&P Oper. EPS 2014E	5.44	Market Capitalization(B)	\$92.197	Beta	1.18
Trailing 12-Month EPS	\$5.23	S&P Oper. EPS 2015E	6.00	Yield (%)	1.19	S&P 3-Yr. Proj. EPS CAGR(%)	14
Trailing 12-Month P/E	16.8	P/E on S&P Oper. EPS 2014E	16.1	Dividend Rate/Share	\$1.04	S&P Quality Ranking	B+
\$10K Invested 5 Yrs Ago	\$27,594	Common Shares Outstg. (M)	1,052.0	Institutional Ownership (%)	83		

Price Performance



Past performance is not an indication of future performance and should not be relied upon as such.

Analysis prepared by Equity Analyst **Erik Oja** on Aug 04, 2014 09:39 AM, when the stock traded at **\$86.47**.

Highlights

- % We expect revenues (net of interest expense) to grow by 7% in 2014, driven by strategic marketing aimed at spending rather than loan growth. Adjusted for currency translation, billed business spending growth was strong, at 9%, in the 2014 second quarter (adjusted for currency exchange), a pace we consider high amid global economic weakness. We think new initiatives will help offset international economic softness in 2014.
- % AXP improved its efficiency in 2013 and we see that continuing in 2014. We expect revenues to grow at a faster pace than operating expenses over the next two years. The net write-off rate for lending was quite low, at around 2%, in the 2014 second quarter. We view credit quality as unsustainably strong, as AXP's delinquency ratio is near historical lows; therefore, we expect loan provisions and charge-off rates to be higher in 2014.
- % We forecast EPS of \$5.44 in 2014 and \$6.00 in 2015.

Investment Rationale/Risk

- % We have a buy opinion on the shares, as we see AXP benefiting as consumers and businesses increase their spending in a more stable economy. With over 50% of revenues from card spending, AXP is positioned well, in our view. Management wisely invested windfalls in new technologies over 2009-2011, in our view, and AXP is now free from credit concerns to innovate. We expect digital, mobile payments and prepaid accounts to continue to be a major strategic focus over the next few years and to change the way people around the world pay.
- % Risks to our recommendation and target price include a significant slowdown in consumer and business spending, an increase in loss provisions, a weakening global macroeconomic environment, and a decline in credit quality.
- % Our 12-month target price of \$100 represents a multiple of 17.6X our forward four quarters EPS estimate of \$5.68, a discount to network operator peers with no lending risk but a premium to lenders. We expect the multiple to reflect continuing revenue growth, card spending and a potential recovery in corporate travel spending.

Analyst's Risk Assessment

LOW **MEDIUM** **HIGH**

Our risk assessment reflects what we see as stable business fundamentals and a strong customer base, offset by a high level of competition and the risk of new entrants as the industry shifts to mobile payments. AXP is also exposed to economic swings, as its revenue is derived primarily via spending on its card network.

Revenue/Earnings Data

Revenue (Million U.S. \$)

	1Q	2Q	3Q	4Q	Year
2014	8,638	9,100	--	--	--
2013	7,881	8,245	8,301	8,547	34,932
2012	8,188	8,515	8,420	8,685	33,808
2011	7,031	7,618	7,571	7,742	32,282
2010	7,204	7,468	7,033	7,322	30,242
2009	6,481	6,639	6,559	7,051	26,730

Earnings Per Share (U.S. \$)

	1Q	2Q	3Q	4Q	Year
2014	1.33	1.43	E1.37	E1.44	E5.44
2013	1.15	1.27	1.25	1.21	4.88
2012	1.07	1.15	1.09	0.57	3.89
2011	0.97	1.07	1.03	1.01	4.09
2010	0.73	0.84	0.90	0.88	3.35
2009	0.32	0.09	0.54	0.59	1.54

Fiscal year ended Dec. 31. Next earnings report expected: Mid October. EPS Estimates based on S&P Capital IQ Operating Earnings; historical GAAP earnings are as reported in Company reports.

Dividend Data

Amount (\$)	Date Decl.	Ex-Div. Date	Stk. of Record	Payment Date
0.230	Nov 19	Jan 8	Jan 10	Feb 10 '14
0.230	Mar 24	Apr 2	Apr 4	May 9 '14
0.260	May 13	Jul 9	Jul 11	Aug 8 '14
0.260	Jul 22	Oct 1	Oct 3	Nov 10 '14

Dividends have been paid since 1870. Source: Company reports.

Past performance is not an indication of future performance and should not be relied upon as such.

Please read the Required Disclosures and Analyst Certification on the last page of this report.

Redistribution or reproduction is prohibited without written permission. This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek independent financial advice regarding the suitability and/or appropriateness of making an investment or implementing the investment strategies discussed in this document and should understand that statements regarding future prospects may not be realized. Investors should note that income from such investments, if any, may fluctuate and that the value of such investments may rise or fall. Accordingly, investors may receive back less than they originally invested. Investors should seek advice concerning any impact this investment may have on their personal tax position from their own tax advisor. Please note the publication date of this document. It may contain specific information that is no longer current and should not be used to make an investment decision. Unless otherwise indicated, there is no intention to update this document.

American Express Co



Business Summary August 04, 2014

CORPORATE OVERVIEW. American Express is a leading global payments and travel and expense services company. Its businesses are organized into two customer-focused groups -- global consumer and global business-to-business. Accordingly, U.S. card services and international card services are aligned within the global consumer group and global commercial services and global network & merchant services are within the global business-to-business group. The company has four primary business lines.

U.S. Card Services (about 51% of fourth-quarter 2013 revenues, net of interest expense) includes the U.S. proprietary consumer card business, OPEN from American Express, the global Travelers Cheques and Pre-paid Services business, and the American Express U.S. Consumer Travel Network.

International Card Services (16%) issues proprietary consumer and small business cards outside the U.S.

Global Network & Merchant Services (17%) consists of the global network services and merchant services businesses. Global Network Services develops and manages relationships with third parties that issue American Express branded cards. Network functions include operations, service delivery, authorization, clearing, settlement, brand advertising, new product development and marketing. In some emerging markets, Global Network Services also issues certain proprietary cards. Global Merchant Services develops and manages relationships with merchants that accept American Express branded cards; authorizes and records transactions, pays merchants and provides a variety of point of sale and back office services. It also works with merchant and bank partners to develop and market products.

Global Commercial Services (15%) offers global corporate payment and travel-related products and services to large and mid-size companies. It offers five primary products and services: Corporate Card, issued to individuals through a corporate account established by their employer and designed primarily for travel and entertainment spending; Corporate Purchasing Solutions, an account established by corporations to pay for everyday business expenses such as office and computer supplies; Buyer Initiated Payment, an electronic solution for companies looking to streamline their payment processes; ePayment technology, which provides fast and efficient payment for large ticket purchases and permits the processing of large transactions with effective fraud; and American Express Business Travel, which helps businesses manage and optimize their travel expenses through a variety of travel-related products, services and solutions

CORPORATE STRATEGY. AXP's proprietary card business offers a broad set of card products to attract its target customer base. Core elements of its strategy are: focusing on acquiring and retaining high-spending, creditworthy cardmembers across multiple groups; designing card products with features that appeal to specific customer segments; the use of strong incentives to drive spending on its various card products, including AXP's Membership Rewards program and other rewards features; the use of loyalty programs such as Delta SkyMiles, sponsored by its co-brand and other partners to drive spending; the development and nurturing of wide-ranging relationships with co-brand and other partners; a multi-card strategy (having multiple card products in customers' wallets); and high-quality customer service.

IMPACT OF MAJOR DEVELOPMENTS. In March 2014, American Express agreed to sell a 50% share in its business-travel division for \$900 million. AmEx will create a joint venture with an investor group formed by Certares International Bank LLC that includes Qatar Holding LLC and funds managed by BlackRock Inc. and Macquarie Capital. The business will use the American Express brand.

In October 2012, American Express and Wal-mart kicked off the general purpose reloadable prepaid "Bluebird" card venture. The card offers consumers access to the American Express network with minimal fees and no credit check. Deposits can be taken by Wal-mart cashiers and via direct deposit. Fourth-quarter 2012 results included a significant charge (\$895 million) to slim down on old era staff, primarily in the travel business, with the savings reinvested in new digital and online efforts. Tweet to pay on Twitter was introduced in February 2013, allowing merchants to offer consumers discounts on products and services. Cardholders can pay by tweeting and verifying, and products are automatically shipped to the billing address. In October 2013, the company sold its publishing business to Time, Inc. In September 2013, the company announced plans to sell half of its Global Business Travel division to Certares, a travel-focused firm, with the companies entering into a joint venture; the transaction is expected to close by June 2014. In December 2013, American Express agreed with merchants to permit surcharging on cards; however, any surcharges must be in line with those for competing networks.

FINANCIAL TRENDS. From 2004 to 2007, EPS increased at a compound annual growth rate (CAGR) of 7%, slightly below the company's goal of 8% EPS growth over the cycle. But from 2007 to 2009, EPS declined at a compound annual rate of 33%, which we attribute to the credit crisis. Credit quality was the major factor that affected profitability -- it deteriorated in the second half of 2007 through 2008 (along with the industry). Beginning in 2009, credit started to recover as the economy stabilized and as the company tightened credit standards during the downturn. Loan losses have fallen to historical lows, but we think the low level of losses is unsustainable given goals for revenue growth. In 2011, EPS increased 23% as the economy and credit quality improved significantly and operating earnings growth has remained positive since. Operating EPS grew at the company's goal of 8% in 2012 and slightly below that goal in 2013.

Corporate Information

Investor Contact

R. Patrino (212-640-5574)

Office

200 Vesey Street, New York, NY 10285.

Telephone

212-640-2000.

Fax

212-640-0404.

Website

<http://www.americanexpress.com>

Officers

Chrmn & CEO

K.I. Chenault

EVP & General Counsel

L.E. Seeger

Pres

E.P. Gilligan

EVP & CIO

M.D. Gordon

EVP & CFO

J.C. Campbell

Board Members

C. Barshefsky
K. I. Chenault
A. Lauvergeon
R. C. Levin
S. J. Palmisano
D. L. Vasella
R. A. Williams

U. M. Burns
P. F. Chernin
T. J. Leonsis
R. A. McGinn
S. S. Reinemund
R. D. Walter

Domicile

New York

Founded

1868

Employees

62,800

Stockholders

22,238

American Express Co

Quantitative Evaluations

S&P Capital IQ Fair Value Rank	4+	1	2	3	4	5
		LOWEST				HIGHEST
		Based on S&P Capital IQ's proprietary quantitative model, stocks are ranked from most overvalued (1) to most undervalued (5).				

Fair Value Calculation **\$98.90** Analysis of the stock's current worth, based on S&P Capital IQ's proprietary quantitative model suggests that AXP is slightly undervalued by \$11.26 or 12.8%.

Investability Quotient Percentile		92
	LOWEST = 1	HIGHEST = 100
	AXP scored higher than 92% of all companies for which an S&P Capital IQ Report is available.	

Volatility	LOW	AVERAGE	HIGH
-------------------	-----	---------	------

Technical Evaluation **NEUTRAL** Since August, 2014, the technical indicators for AXP have been NEUTRAL.

Insider Activity	UNFAVORABLE	NEUTRAL	FAVORABLE
-------------------------	-------------	---------	-----------

For further clarification on the terms used in this report, please visit www.standardandpoors.com/stockreportguide

Expanded Ratio Analysis

	2013	2012	2011	2010
Price/Sales	2.83	1.94	1.73	1.70
Price/Pretax Income	12.53	10.17	8.03	8.60
P/E Ratio	18.44	14.63	11.40	12.64
% LT Debt to Capitalization	NA	NA	3.16	4.14
Avg. Diluted Shares Outstg (M)	1,089.0	1,141.0	1,184.0	1,195.0

Figures based on calendar year-end price

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Years	5 Years	9 Years
Net Income	19.57	7.75	17.12	4.45

Ratio Analysis (Annual Avg.)

	2013	2012	2011	2010
Net Interest Margin (%)	5.60	5.33	5.14	NA
Return on Assets (%)	3.50	3.23	2.88	2.72
Return on Equity (%)	27.90	26.50	24.55	27.14

Company Financials Fiscal Year Ended Dec. 31

Per Share Data (U.S. \$)	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Tangible Book Value	14.60	17.09	12.43	10.54	9.53	7.61	8.22	7.52	8.50	12.83
Earnings	4.88	3.89	4.09	3.35	1.54	2.48	3.39	3.01	2.56	2.74
S&P Capital IQ Core Earnings	4.91	3.99	3.79	2.88	0.93	2.08	2.87	2.85	2.49	2.53
Dividends	0.86	0.78	0.72	0.72	0.72	0.72	0.60	0.54	0.48	0.32
Payout Ratio	18%	20%	18%	22%	47%	29%	18%	18%	19%	12%
Prices:High	90.79	61.42	53.80	49.19	42.25	52.63	65.89	62.50	59.50	57.05
Prices:Low	58.31	47.40	41.30	36.60	9.71	16.55	50.37	49.73	46.59	47.32
P/E Ratio:High	19	16	13	15	27	21	19	21	23	21
P/E Ratio:Low	12	12	10	11	6	7	15	17	18	17

Income Statement Analysis (Million U.S. \$)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Cards in Force	107	102	97.4	91.0	87.9	92.4	86.4	78.0	71.0	65.4
Card Charge Volume	NA	NA	NA	NA	NA	NA	NA	NA	484,400	416,100
Premium Income	NA	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,525
Commissions	4,327	4,257	4,240	3,810	3,372	4,317	4,343	4,333	4,236	4,079
Interest & Dividends	7,005	6,854	6,961	7,292	5,331	7,201	6,145	4,535	3,635	3,118
Total Revenue	34,932	33,808	32,282	30,242	26,730	31,920	31,557	27,136	24,267	29,115
Net Before Taxes	7,888	6,451	6,956	5,964	2,841	3,473	5,566	5,328	4,248	4,951
Net Income	5,359	4,482	4,899	4,057	2,137	2,871	4,048	3,729	3,221	3,516
S&P Capital IQ Core Earnings	5,350	4,564	4,478	3,457	1,101	2,412	3,426	3,531	3,144	3,244

Balance Sheet & Other Financial Data (Million U.S. \$)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Assets	153,375	153,140	153,337	147,000	124,000	126,000	149,830	127,853	113,960	192,638
Cash Items	19,486	22,250	24,893	17,000	16,000	21,000	14,036	11,270	7,126	9,907
Investment Assets:Bonds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Investment Assets:Stocks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Investment Assets:Loans	66,585	64,309	61,166	57,616	30,010	40,659	53,436	50,248	40,801	35,942
Investment Assets:Total	71,601	69,923	68,313	71,626	54,347	53,185	67,472	61,518	62,135	60,809
Accounts Receivable	47,185	45,914	44,109	40,434	38,204	36,571	95,441	89,099	35,497	34,650
Customer Deposits	41,763	39,803	37,898	29,727	26,289	15,486	15,397	24,656	24,579	21,091
Travel Cheques Outstanding	4,240	4,601	5,123	5,526	5,975	6,433	7,197	7,215	7,175	7,287
Debt	55,330	58,973	59,570	66,416	52,338	69,034	73,047	57,909	30,781	33,061
Common Equity	19,496	18,886	18,794	16,000	14,000	12,000	11,029	10,511	10,549	16,020
% Return on Assets	3.5	2.9	3.3	3.0	1.7	2.0	2.9	3.1	2.1	1.9
% Return on Equity	27.9	23.8	27.8	26.7	16.5	24.3	37.6	35.4	24.2	22.4

Data as originally reported in Company reports.; bef. results of disc opers/spec. items. Per share data adj. for stk. divs.; EPS diluted. E-Estimated. NA-Not Available. NM-Not Meaningful. NR-Not Ranked. UR-Under Review.

Redistribution or reproduction is prohibited without written permission.

American Express Co

Sub-Industry Outlook

Our fundamental outlook for the consumer finance sub-industry is positive, as we believe companies are positioned well to capture rewards of an improving economic environment. A dramatic improvement in credit quality that began in 2011 continued through 2014 due to tight underwriting standards employed through the downturn. We believe overall credit quality trends will be stable in 2014 and 2015, and we expect card spending to grow at a faster rate than consumer loans. While the industry is now under a higher level of regulatory scrutiny, we believe companies will act prudently. And with credit at historically strong levels, we see management's time as focused on strategic growth initiatives.

Of the types of consumer loans offered by companies within this sub-industry, the biggest emphasis is on credit cards as auto finance and private student loan portfolios are relatively smaller markets. The U.S. credit card industry is relatively mature, but its players are experienced with competition, and balancing account growth, margin and expenses. These companies are sophisticated information-rich marketers and we expect them to develop innovative new products. The most significant area of development is in mobile payments, which brings new industry competitors.

We forecast a slight gain in receivables and loans for 2014, and that companies will continue to modestly loosen credit standards over the next couple of years. Industry receivables growth and discount revenues for the card networks will likely continue to be moderate due to cautious attitudes toward debt and lackluster spending. We think receivables growth and spending should pick up as consumer confidence and employment levels improve. For the longer term, we think pricing pressure and competition will remain intense and

we expect the larger consumer finance companies to continue to look to develop new niches.

We believe the consumer finance sub-industry will outperform the Financials sector in the next twelve months, due to relatively less capital markets exposure, relatively more transparent business models and dynamic and compelling growth strategies that should blossom as the economy improves.

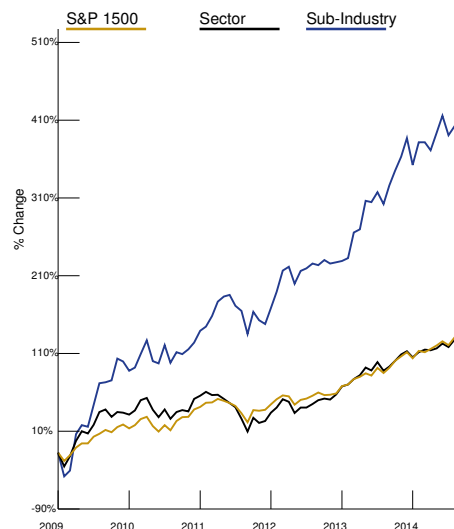
In 2014, year to date through September 5, the S&P Consumer Finance Index was up just 3.5% versus an 8.2% rise in the S&P 1500 Index. However, in 2013, the S&P Consumer Finance Index was up 46% versus a 30% rise in the S&P 1500 Index, and in 2012, the sub-industry index increased 30%, versus a 14% advance for the S&P 1500.

--Erik Oja

Industry Performance

GICS Sector: Financials
Sub-Industry: Consumer Finance

Based on S&P 1500 Indexes
Five-Year market price performance through Sep 13, 2014



NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Past performance is not an indication of future performance and should not be relied upon as such.

Sub-Industry : Consumer Finance Peer Group*: Consumer Finance - Credit Cards

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. \$)	Recent Stock Price(\$)	52 Week High/Low(\$)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.(\$)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
Amer Express	AXP	92,197	87.64	96.24/72.08	1.18	1.2	17	98.90	B+	92	NA	12.5
Capital One Financial	COF	45,933	80.94	85.39/67.36	1.21	1.5	11	84.70	B+	92	18.2	12.6
Discover Financial Svcs	DFS	28,837	62.43	64.44/48.40	1.10	1.5	12	70.80	NR	87	NA	15.2

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

S&P Capital IQ Analyst Research Notes and other Company News**July 30, 2014**

10:59 am ET ... S&P CAPITAL IQ KEEPS BUY RECOMMENDATION ON SHARES OF AMERICAN EXPRESS CO. (AXP 90.74****): We keep our \$100 target price, an above-peer 17.6X our forward four quarters EPS estimate of \$5.68. AXP reports Q2 EPS of \$1.43 (GAAP) vs. \$1.27, and operating EPS of \$1.38, beating our operating EPS estimate of \$1.34, while matching the Capital IQ consensus view. GAAP results were boosted by the previously-announced corporate travel JV. Underlying core results were slightly better than we expected, with billed-business volume, a key indicator, up a robust 9%. Credit card balances were up by 5%. EPS was boosted by share repurchases. We expect AXP to gain consumer market share. /Erik Oja

July 2, 2014

American Express Global Business Travel announced new members of its executive team. In addition to the previous appointments of Greg O'Hara as Chairman of the board and Bill Glenn as President and Chief Executive Officer, the company has named Pat Bourke as Chief Administrative Officer, Norma Corio as Chief Financial Officer, and JoAnne Kruse as Chief Human Resources Officer. Mr. O'Hara is currently a member of the board of directors of Travel Leaders Group, and has previously served on the boards of Carlson Wagonlit Travel, Travelport, Worldspan Technologies, and various other companies. Bill Glenn, President and Chief Executive Officer, previously served as President of Global Commercial Services at American Express Company, where he had responsibility for its Global Corporate Payments and Global Business Travel business units. Pat Bourke, Chief Administrative Officer, is focused on centralizing key organizational operations and ensuring a seamless exit from the Transitional Services Agreements (TSA) that are currently in place between GBT and American Express. He served most recently as a partner in Blackstone's private equity group with responsibility for technology strategy and sourcing for the portfolio companies as well as carve-out activities for newly acquired companies. Norma Corio, Chief Financial Officer, is responsible for overall financial management of the company, its financial reporting and transparency, and for multiple corporate functions including Controller, Treasury, Tax and long-range planning. Most recently, Ms. Corio served as Co-President and a Managing Director of Miller Buckfire. JoAnne Kruse, Chief Human Resources Officer, is responsible for all human resource functions and for developing and engaging the company's global employee base in order to drive business growth. Most recently, Ms. Kruse was the founder and partner in a HR consulting firm, Human Capital Partners, which provided services to companies in the areas of talent development, rewards, and organizational and system redesign in support of acquisition and integration projects.

June 24, 2014

American Express Company announced the appointment of Lauren E. Seeger as executive vice president and general counsel. Seeger joins American Express from McKesson Corporation, where she led the law, public affairs, compliance and corporate secretary functions while guiding the company through complex legal and regulatory environments and contributing to its financial growth. Seeger has served as executive vice president, general counsel and chief compliance officer of McKesson since 2006. She joined McKesson in 2000 as general counsel of the corporation's technology division. In this role, she provided leadership through complex M&A transactions and product evolutions, while building the law department and enhancing client service. She will report to Chenault and be a member of the company's operating committee. Seeger is a board member of the California Chamber of Commerce and the Umpqua Holdings Corporation. She is former board chair of the Bay Area American Heart Association. Seeger will succeed Louise M. Parent, who retired last year after a distinguished 37-year career with American Express. Tim Heine, who has been serving as acting general counsel, will resume his prior responsibilities as managing counsel and continue to be involved in key companywide initiatives.

June 16, 2014

06:38 am ET ... AMERICAN EXPRESS COMPANY (AXP 94.85) UNCHANGED, PACIFIC CREST INITIATES COVERAGE ON AMERICAN EXPRESS COMPANY AT SECTOR PERFORM... Pacific Crest initiates coverage on American Express Company (NYSE: AXP) with a Sector Perform rating. 2014 Benzinga.com. Benzinga does not provide investment advice. All rights reserved. Acquire Media

June 16, 2014

05:13 pm ET ... AMERICAN EXPRESS COMPANY (AXP 94.37) DOWN 0.48, UPDATE: PACIFIC CREST INITIATES COVERAGE ON AMERICAN EXPRESS COMPANY AT

SECTOR P... In a research report released Sunday, Pacific Crest analyst Josh Beck highlighted American Express Company's (NYSE: AXP) appealing valuation, but concerns are drawn on the company's revenue growth. The analyst initiated coverage on the stock with a Sector Perform rating. American Express has reported relatively flat revenue growth in recent quarters, Beck said, causing him to lean toward seeking signs of momentum due to the companies' recent innovations. The Pacific Crest analyst noted AmEx historically reports solid EPS growth, with 11 percent EPS growth in... Acquire Media

May 27, 2014

08:53 am ET ... AMERICAN EXPRESS COMPANY (AXP 88.78) UNCHANGED, MORGAN STANLEY SEES AMERICAN EXPRESS COMPANY AS HIGHEST-PROBABILITY BULL CASE... In a report published Tuesday, Morgan Stanley analyst Betsy L. Graseck reiterated an Overweight rating and \$100.00 price target on American Express Company (NYSE: AXP). In the report, Morgan Stanley noted, "Amex's US spend is poised to accelerate in 2Q14 after 1Q14's brutal weather drove airlines to cancel the most flights ever in one quarter. Better weather and some pent up demand are driving retail sales up 4% y/y in March/April vs. up 1.7% in Jan/Feb. Expect AXP's US spend growth up from +6.1% y/y in 1Q14 to +9.6% in 2Q, rev growth up from +4.0% y/y to +6... Acquire Media

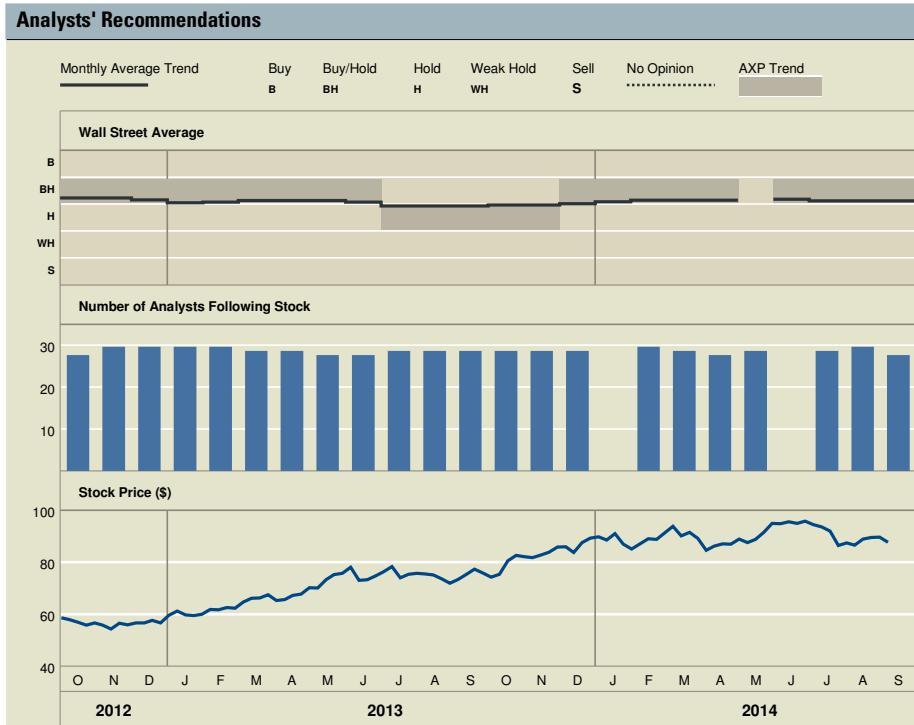
April 17, 2014

04:48 pm ET ... S&P CAPITAL IQ KEEPS BUY RECOMMENDATION ON SHARES OF AMERICAN EXPRESS CO. (AXP 86.22****): We keep our 12-month target price of \$100, 17.9X our 12-month forward EPS estimate of \$5.57 and 5.3X tangible book value per share, multiples slightly above AXP's historical and peer multiples. AXP posts Q1 EPS of \$1.33 vs. \$1.15, beating our estimate by \$0.04 and Capital IQ consensus forecast by \$0.03, on good expense controls. We keep our '14 EPS estimate of \$5.44. We expect quarterly revenue growth to accelerate from Q1's 4.0% growth rate, to over 5.0% for full year '14, driven by strategic marketing aimed at spending rather than loan growth. /Erik Oja

April 17, 2014

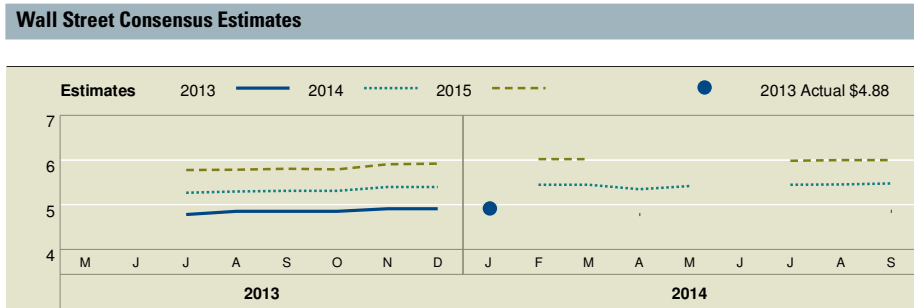
UP 0.00 to 87.40... AXP posts \$1.33 vs. \$1.15 Q1 EPS on 4% revenue rise (net of interest expense). But Q1 '14 revenue of \$8.20B below Capital IQ consensus forecast of \$8.36B.

American Express Co



Of the total 27 companies following AXP, 27 analysts currently publish recommendations.

	No. of Recommendations	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	0	0	10	0
Buy/Hold	3	11	4	0
Hold	11	41	10	0
Weak Hold	5	19	4	0
Sell	8	30	1	0
No Opinion	0	0	0	0
Total	27	100	29	0



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2015	6.02	6.35	5.45	22	14.6
2014	5.49	5.59	5.16	22	16.0
2015 vs. 2014	▲ 10%	▲ 14%	▲ 6%	0%	▼ -9%
Q3'15	NA	NA	NA	0	NM
Q3'14	1.35	1.40	1.28	17	64.9
Q3'15 vs. Q3'14	NA	NA	NA	▼ -100%	▼ -100%

A company's earnings outlook plays a major part in any investment decision. S&P Capital IQ organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years, as well as how those earnings estimates have changed over time. Note that the information provided in relation to consensus estimates is not intended to predict actual results and should not be taken as a reliable indicator of future performance.

Wall Street Consensus Opinion

WEAK HOLD

Companies Offering Coverage

- Argus Research Company
- Barclays
- BofA Merrill Lynch
- Buckingham Research Group Inc.
- Citigroup Inc
- Credit Suisse
- Daiwa Securities Co. Ltd.
- Drexel Hamilton
- Evercore Partners Inc.
- FBR Capital Markets & Co.
- Goldman Sachs
- Guggenheim Securities, LLC
- JP Morgan
- Janney Montgomery Scott LLC
- Keefe, Bruyette, & Woods, Inc.
- Macquarie Research
- Morgan Stanley
- Morningstar Inc.
- Nomura Securities Co. Ltd.
- Oppenheimer & Co. Inc.
- Pacific Crest Securities
- Piper Jaffray Companies
- RBC Capital Markets
- Sanford C. Bernstein & Co., Inc.
- Susquehanna Financial Group, LLP
- UBS Investment Bank
- William Blair & Company L.L.C.

Wall Street Consensus vs. Performance

For fiscal year 2014, analysts estimate that AXP will earn US\$ 5.49. For the 2nd quarter of fiscal year 2014, AXP announced earnings per share of US\$ 1.43, representing 26% of the total annual estimate. For fiscal year 2015, analysts estimate that AXP's earnings per share will grow by 10% to US\$ 6.02.

American Express Co

Glossary

S&P Capital IQ STARS

Since January 1, 1987, S&P Capital IQ Equity Research has ranked a universe of U.S. common stocks, ADRs (American Depositary Receipts), and ADSs (American Depositary Shares) based on a given equity's potential for future performance. Similarly, S&P Capital IQ Equity Research has ranked Asian and European equities since June 30, 2002. Under proprietary STARS (STock Appreciation Ranking System), S&P Capital IQ equity analysts rank equities according to their individual forecast of an equity's future total return potential versus the expected total return of a relevant benchmark (e.g., a regional index (S&P Asia 50 Index, S&P Europe 350® Index or S&P 500® Index)), based on a 12-month time horizon. STARS was designed to meet the needs of investors looking to put their investment decisions in perspective. Data used to assist in determining the STARS ranking may be the result of the analyst's own models as well as internal proprietary models resulting from dynamic data inputs.

S&P Capital IQ Quality Ranking

(also known as **S&P Capital IQ Earnings & Dividend Rankings**) - Growth and stability of earnings and dividends are deemed key elements in establishing S&P Capital IQ's earnings and dividend rankings for common stocks, which are designed to encapsulate the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+ Highest	B Below Average
A High	B- Lower
A- Above Average	C Lowest
B+ Average	D In Reorganization
NR Not Ranked	

S&P Capital IQ EPS Estimates

S&P Capital IQ earnings per share (EPS) estimates reflect analyst projections of future EPS from continuing operations, and generally exclude various items that are viewed as special, non-recurring, or extraordinary. Also, S&P Capital IQ EPS estimates reflect either forecasts of S&P Capital IQ equity analysts; or, the consensus (average) EPS estimate, which are independently compiled by Capital IQ, a data provider to S&P Capital IQ Equity Research. Among the items typically excluded from EPS estimates are asset sale gains; impairment, restructuring or merger-related charges; legal and insurance settlements; in process research and development expenses; gains or losses on the extinguishment of debt; the cumulative effect of accounting changes; and earnings related to operations that have been classified by the company as discontinued. The inclusion of some items, such as stock option expense and recurring types of other charges, may vary, and depend on such factors as industry practice, analyst judgment, and the extent to which some types of data is disclosed by companies.

S&P Capital IQ Core Earnings

S&P Capital IQ Core Earnings is a uniform methodology for adjusting operating earnings by focusing on a company's after-tax earnings generated from its principal businesses. Included in the S&P Capital IQ definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, write-downs of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded from the definition are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

S&P Capital IQ 12-Month Target Price

The S&P Capital IQ equity analyst's projection of the market price a given security will command 12 months hence, based on a combination of intrinsic, relative, and private market valuation metrics, including S&P Capital IQ Fair Value.

S&P Capital IQ Equity Research

S&P Capital IQ Equity Research U.S. includes Standard & Poor's Investment Advisory Services LLC; Standard & Poor's Equity Research Services Europe includes McGraw-Hill Financial Research Europe Limited trading as S&P Capital IQ; Standard & Poor's Equity Research Services Asia includes: McGraw-Hill Financial Singapore Pte. Limited, Standard & Poor's Investment Advisory Services (HK) Limited, Standard & Poor's Malaysia Sdn Bhd, and Standard & Poor's Information Services (Australia) Pty Ltd.

Abbreviations Used in S&P Capital IQ Equity Research Reports

CAGR - Compound Annual Growth Rate
CAPEX - Capital Expenditures
CY - Calendar Year
DCF - Discounted Cash Flow
DDM - Dividend Discount Model

EBIT - Earnings Before Interest and Taxes
EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization
EPS - Earnings Per Share
EV - Enterprise Value
FCF - Free Cash Flow
FFO - Funds From Operations
FY - Fiscal Year
P/E - Price/Earnings
P/NAV - Price to Net Asset Value
PEG Ratio - P/E-to-Growth Ratio
PV - Present Value
R&D - Research & Development
ROCE - Return on Capital Employed
ROE - Return on Equity
ROI - Return on Investment
ROIC - Return on Invested Capital
ROA - Return on Assets
SG&A - Selling, General & Administrative Expenses
SOTP - Sum-of-The-Parts
WACC - Weighted Average Cost of Capital

Dividends on American Depositary Receipts (ADRs) and American Depositary Shares (ADSs) are net of taxes (paid in the country of origin).

S&P Capital IQ Qualitative Risk Assessment

Reflects an S&P Capital IQ equity analyst's view of a given company's operational risk, or the risk of a firm's ability to continue as an ongoing concern. The S&P Capital IQ Qualitative Risk Assessment is a relative ranking to the S&P U.S. STARS universe, and should be reflective of risk factors related to a company's operations, as opposed to risk and volatility measures associated with share prices. For an ETF this reflects on a capitalization-weighted basis, the average qualitative risk assessment assigned to holdings of the fund.

STARS Ranking system and definition:

H 5-STARS (Strong Buy):

Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

H H 4-STARS (Buy):

Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

H H H 3-STARS (Hold):

Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

H H H 2-STARS (Sell):

Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

H H H 1-STAR (Strong Sell):

Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks:

In North America, the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are the S&P Europe 350 Index and the S&P Asia 50 Index, respectively.

Required Disclosures

S&P Capital IQ ranks stocks in accordance with the following ranking methodologies:

STARS Stock Reports:

S&P Capital IQ's qualitative STARS recommendations are determined and assigned by S&P Capital IQ equity analysts. For reports containing STARS recommendations refer to the Glossary section of this report for detailed methodology and the definition of STARS rankings.

Quantitative Stock Reports:

S&P Capital IQ's quantitative evaluations are derived from S&P Capital IQ's proprietary Fair Value quantitative ranking model. The Fair Value Ranking methodology is a relative ranking methodology. As a quantitative model, Fair Value relies on history and consensus estimates and does not introduce an element of subjectivity. Some Quantitative Stock Reports contain Buy, Hold and Sell recommendations. Reports that do not contain a recommendation may or may not contain ranking information. For reports containing a recommendation or ranking information refer to the Glossary Section of this report for more information, including a detailed description of the methodology and definition of S&P Quality Ranking and S&P Fair Value Rank.

STARS Stock Reports and Quantitative Stock Reports:

The methodologies used in Stock Reports and Quantitative Stock Reports (collectively, the "Research Reports") reflect different criteria, assumptions and analytical methods and may have differing recommendations. S&P Capital IQ believes that the methodologies and data used to generate the different types of Research Reports are reasonable and appropriate. Generally, S&P Capital IQ does not generate reports with different ranking methodologies for the same issuer. However, in the event that different methodologies or data are used on the analysis of an issuer, the methodologies may lead to different views or recommendations on the issuer, which may at times result in contradicting assessments of an issuer. S&P Capital IQ reserves the right to alter, replace or vary models, methodologies or assumptions from time to time and without notice to clients.

STARS Stock Reports:

S&P Capital IQ Global STARS Distribution as of March 31, 2014

Ranking	North America	Europe	Asia	Global
Buy	35.4%	35.8%	41.9%	36.2%
Hold	52.3%	43.3%	54.3%	51.0%
Sell	12.3%	20.9%	3.8%	12.8%
Total	100%	100%	100%	100%

STARS Stock Reports are prepared by the equity research analysts of Standard & Poor's Investment Advisory Services LLC ("SPIAS"). All of the views expressed in STARS Stock Reports accurately reflect the research analyst's personal views regarding any and all of the subject securities or issuers. Analysts generally update stock reports at least four times each year.

Quantitative Stock Reports:

The Fair Value ranking distribution is a fixed distribution based on relative weightings as described in the Glossary section of this report under S&P Capital IQ Fair Value Rank. Certain reports with Fair Value Rank do not have a Buy/Hold/Sell recommendation, for ranking definition please refer to the Glossary section of the respective report. The Fair Value Ranking distribution includes all the stocks that have S&P Fair Value Ranking. Quantitative Stock Reports are prepared by the equity research group of SPIAS. All of the views expressed in these reports reflect S&P Capital IQ's research models output regarding any and all of the subject securities or issuers. Quantitative Stock Reports are updated daily. Quantitative Stock Reports rely on the availability of data and therefore SPIAS do not provide a report when sufficient data is not available.

STARS Stock Reports and Quantitative Stock Reports:

No part of analyst compensation and SPIAS' compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in Stock Reports and/or Quantitative Stock Reports, as applicable.

About S&P Capital IQ's Distributors

S&P Capital IQ's Research Reports have been prepared and issued by S&P Capital IQ and/or one of its affiliates. In the United States, Research Reports are prepared by SPIAS and issued by Standard & Poor's Financial Services LLC ("S&P"). SPIAS is authorized and regulated by the U.S. Securities and Exchange Commission. McGraw-Hill Financial Research Europe Limited ("MHFRE"), which is authorized and regulated by the Financial Conduct Authority and trades as S&P Capital IQ, includes within its territorial scope under the Markets in Financial Instruments Directive (MiFID) in relation to the distribution of investment research reports, the following European Union member states and the three (3) European Economic Area European Free Trade Association (EFTA) States (Iceland, Liechtenstein and Norway): Austria; Belgium; Bulgaria; Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Gibraltar; Greece; Hungary; Iceland; Ireland; Italy; Latvia; Liechtenstein; Lithuania; Luxembourg; Malta; Netherlands; Norway; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; Sweden and the United Kingdom. In Hong Kong, Research Reports have been prepared and issued by Standard & Poor's Investment Advisory Services (HK) Limited, which is regulated by the Hong Kong Securities Futures Commission; in Singapore, by McGraw-Hill Financial Singapore Pte. Limited ("MHFSPL"), which is regulated by the Monetary Authority of Singapore; in Malaysia, by Standard & Poor's Malaysia Sdn Bhd, which is regulated by the Securities Commission of Malaysia; in Australia, by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS"), which is regulated by the Australian Securities & Investments Commission; and in Japan, by McGraw-Hill Financial Japan KK, which is registered by Kanto Financial Bureau.

S&P Capital IQ or an affiliate may license certain intellectual property or provide pricing or other services to, or otherwise have a financial interest in, certain issuers of securities, including exchange-traded investments whose investment objective is to substantially replicate the returns of a proprietary index of S&P Dow Jones Indices, such as the S&P 500. In cases where S&P Capital IQ or an affiliate is paid fees that are tied to the amount of assets that are invested in the fund or the volume of trading activity in the fund, investment in the fund will generally result in S&P Capital IQ or an affiliate receiving compensation in addition to the subscription fees or other compensation for services rendered by S&P Capital IQ. A reference to a particular investment or security by S&P Capital IQ and/or one of its affiliates is not a recommendation to buy, sell, or hold such investment or security, nor is it considered to be investment advice.

Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index.

S&P Capital IQ and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

For details on the S&P Capital IQ research objectivity and conflict-of-interest policies, please visit: www.spcapitaliq.com/Policies

For a list of companies mentioned in a Research Report for which McGraw Hill Financial, Inc. and/or one of its affiliates own 1% or more of common equity securities and for a list of companies mentioned in a Research Report that own more than 5% of the common equity securities of McGraw Hill Financial, Inc. and/or one of its affiliates, please visit: www.spcapitaliq.com/issuer-stock-ownership

S&P Capital IQ and/or one of its affiliates has performed services for and received compensation from this company during the past twelve months.

General Disclaimers

Notice to all jurisdictions: Where S&P Capital IQ's Research Reports are made available in a language other than English and in the case of inconsistencies between the English and translated versions of a Research Report, the English version will control and supersede any ambiguities associated with any part or section of a Research Report that has been issued in a foreign language. Neither S&P Capital IQ nor its affiliates guarantee the accuracy of the translation. Assumptions, opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice.

American Express Co

Past performance is not necessarily indicative of future results.

S&P Capital IQ, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, "S&P Parties") do not guarantee the accuracy, completeness or adequacy of this material, and S&P Parties shall have no liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of the information provided by the S&P Parties. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the information contained in this document even if advised of the possibility of such damages.

Ratings from Standard & Poor's Ratings Services are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update its opinions following publication in any form or format. S&P should not be relied on and are not substitutes for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions do not address the suitability of any security.

Standard & Poor's Ratings Services does not contribute to or participate in the development of Research Reports. Standard & Poor's Ratings Services may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P's publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

S&P Capital IQ and its affiliates do not act as a fiduciary. While SPIAS has obtained information from sources it believes to be reliable, SPIAS does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

Research Reports are not intended to be investment advice and do not constitute any form of invitation or inducement by S&P Capital IQ to engage in investment activity. This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors and this material is not intended for any specific investor and does not take into account an investor's particular investment objectives, financial situations or needs. Any opinions expressed herein are given in good faith, are subject to change without notice, and are only current as of the stated date of their issue. Prices, values, or income from any securities or investments mentioned in this report may fluctuate, and an investor may, upon selling an investment, lose a portion of, or all of the principal amount invested. Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate. Where an investment or security is denominated in a different currency to the investor's chosen currency, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. The information contained in Research Reports does not constitute advice on the tax consequences of making any particular investment decision. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

Additional information on a subject company may be available upon request.

Notice to all Non U.S. Residents:

S&P Capital IQ's Research Reports may be distributed in certain localities, countries and/or jurisdictions ("Territories") by independent third parties or independent intermediaries and/or distributors (the "Intermediaries" or "Distributors"). Intermediaries are not acting as agents or representatives of S&P Capital IQ. In Territories where an Intermediary distributes S&P Capital IQ's Research Reports, the Intermediary, and not

S&P Capital IQ, is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes and guidelines established by local and/or regional regulatory authorities, including laws in connection with the distribution of third-party Research Reports, licensing requirements, supervisory and record keeping obligations that the Intermediary may have under the applicable laws and regulations of the territories where it distributes the Research Reports.

Each Research Report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject S&P Capital IQ or its affiliates to any registration or licensing requirements in such jurisdiction.

Each Research Report is not directed to, or intended for distribution to or use by, any person or entity who is not in a class qualified to receive Research Reports (e.g., a qualified person and/or investor), as defined by the local laws or regulations in the country or jurisdiction where the person is domiciled, a citizen or resident of, or the entity is legally registered or domiciled.

S&P Capital IQ's Research Reports are not intended for distribution in or directed to entities, residents or investors in: Albania, Belarus, Bosnia, Burma, Cote d'Ivoire, Croatia, Cuba, Democratic Republic of the Congo, Former Yugoslav Republic of Macedonia, Herzegovina, Iran, Iraq, Kosovo, Kuwait, Lebanon, Libya, Montenegro and Serbia, North Korea, Somalia, Sudan, South Korea, Syria, Taiwan, Thailand, Turkey, Yemen, Zimbabwe.

For residents of Australia: Research Reports are issued and/or distributed in Australia by SPIS. Any express or implied opinion contained in a Research Report is limited to "General Advice" and based solely on consideration of the investment merits of the financial product(s) alone. The information in a Research Report has not been prepared for use by retail investors and has been prepared without taking account of any particular investor's financial or investment objectives, financial situation or needs. Before acting on any advice, any investor using the advice should consider its appropriateness having regard to their own or their clients' objectives, financial situation and needs. Investors should obtain a Product Disclosure Statement relating to the product and consider the statement before making any decision or recommendation about whether to acquire the product. Each opinion must be weighed solely as one factor in any investment decision made by or on behalf of any adviser and any such adviser must accordingly make their own assessment taking into account an individual's particular circumstances.

SPIS holds an Australian Financial Services License Number 258896. Please refer to the SPIS Financial Services Guide for more information at: www.spcapitaliq.com/FinancialServicesGuide

More information about the written criteria and methodologies for the generation of Research Reports and historical information for Research Reports for the past 12 months are available by contacting S&P Capital IQ Client Services Department at 61-1300-792-553 or via e-mail at spsupportcenter@standardandpoors.com.

For residents of Bahamas: The Intermediary, and not S&P Capital IQ, is solely responsible for complying with licensing requirements under the Securities Industry Act of 1999 and the Securities Industry Regulations of 2000 of The Bahamas, when distributing Research Reports to members of the public in The Bahamas. The Intermediary is also solely responsible for providing any required disclosures under applicable securities laws and regulations to its Bahamian clients, including but not limited to disclosing whether the Intermediary: (i) has a reasonable basis for specific investment recommendations, and the recommended security's price or price range at the time of the recommendation to the client; (ii) makes a market in the recommended security; (iii) its directors, officers or principal shareholders have a current or contingent financial interest in the recommended security, unless the interest is nominal; (iv) participated in a public offering of the recommended security in the last two (2) years; and (v) has disclosed any conflict of interest between it and the issuer of the recommended security.

For residents of Bermuda: The Bermuda Monetary Authority or the Registrar of Companies in Bermuda has not approved the Research Reports and any representation, explicit or implicit, is prohibited.

For residents of Brazil: Research reports are distributed by S&P Capital IQ and in compliance with Instruction 483 enacted by Comissao de Valores Mobiliarios (the Brazilian Securities Commission) dated as of July 6, 2010, the analyst (where applicable) who prepares a Research Report or a report extract affirms: (i) that all the views expressed herein and/or in a Research Report accurately reflect his or her personal views about the securities and issuers; (ii) that all recommendations issued by him or her were independently produced, including from the opinion of the entity in which he or she is an employee. S&P Capital IQ is of the opinion its Research Reports have been prepared in accordance with section 17, II of Instruction 483. The distributor of the Research Report is responsible for disclosing any circumstances that may impact the independence of S&P Capital IQ's Research Report, in accordance with

American Express Co

section 17, II of Instruction 483.

For residents of British Virgin Islands: All products and services offered by S&P Capital IQ and its affiliates are provided or performed, outside of the British Virgin Islands. The intended recipients of the Research Reports are (i) persons who are not members of the public for the purposes of the Securities and Investment Business Act, 2010 ("SIBA"); (ii) persons who are professional services providers to the British Virgin Islands business companies for the purposes of SIBA; and (iii) any other person who is given the Research Reports by a person licensed as an investment advisor in the British Virgin Islands. If you are in any doubt as to whether you are the intended recipient of this document, please consult your licensed investment advisor.

For residents of Canada: Canadian investors should be aware that any specific securities discussed in a Research Report can only be purchased in Canada through a Canadian registered dealer and, if such securities are not available in the secondary market, they can only be purchased by eligible private placement purchasers on a basis that is exempt from the prospectus requirements of Canadian securities law and will be subject to resale restrictions. Information in Research Reports may not be suitable or appropriate for Canadian investors. Only a registered distributor is eligible to distribute excerpts of any Research Reports, and distributor will be deemed to assume regulatory responsibility for the excerpted information, and undertakes to provide notice to clients that it will be assuming such responsibility.

For residents of Chile: S&P Capital IQ shall not be acting as an intermediary of any securities referred to in a Research Report. S&P Capital IQ (and its affiliates) is not registered with, and such securities may not be registered in the Securities Registry maintained by the Superintendencia de Valores y Seguros de Chile (Chilean Securities and Insurance Superintendencia or "SVS") pursuant to the Chilean Securities Market Law 18045. Accordingly, investment research presented in a Research Report is not intended to constitute a public or private offer of securities in Chile within the meaning of Article 4 of the Chilean Securities Market Law 18045, as amended and restated, and supplemental rules enacted thereunder.

For residents of China: S&P Capital IQ's Research Reports are not distributed in or directed to residents in The People's Republic of China. Neither S&P Capital IQ nor its affiliates target investors in China.

For residents of Colombia: This information and/or information contained in Research Reports is not intended or should not be construed as constituting information delivery to the Colombian Securities Market under Colombian Law.

For residents of Czech Republic: The Intermediary, and not S&P Capital IQ, is solely responsible for complying with licensing requirements under the Capital Markets Act (Act No. 256/2004 Coll., as amended), implementing Directive 2004/39/EC of the European Parliament and of the Council of 21 April, 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC and its implementing directives, and Directive 2003/125/EC implementing Directive 2003/6/EC as regards the fair presentation of investment recommendations and the disclosure of conflicts of interest; and the Civil Code (Act No. 40/1964 Coll., as amended) as regards the distance financial contract regulation protecting the consumers.

For residents of Dubai (DIFC): The information contained in Research Reports distributed by S&P Capital IQ is intended for investors who are "professional clients", as defined in Rule 2.3.2(2) of the Conduct of Business Module (COB) of the DFSA Rulebook.

For residents of the European Economic Area (EEA): Research Reports have been approved for distribution in the EEA listed here: Austria; Belgium; Bulgaria; Cyprus; Czech Republic (see further disclosure above); Denmark; Estonia; Finland; France (see further disclosure below); Germany; Gibraltar; Greece (see further disclosure below); Hungary (see further disclosure below); Iceland; Ireland (see further disclosure below); Italy; Latvia; Liechtenstein; Lithuania; Luxembourg; Malta (see further disclosure below); Netherlands; Norway; Poland; Portugal; Romania; Slovakia (see further disclosure below); Slovenia; Spain (see further disclosure below); Sweden and United Kingdom (see further disclosure below), as investment research by MHFRE, which is authorized and regulated by the Financial Conduct Authority in the UK. S&P Capital IQ's Stock Reports are to be read in conjunction with "Your Guide to S&P Capital IQ's Stock Reports" which can be found at: www.spcapitaliq.com/stockreportguide.

More information about the written criteria and methodologies for the generation of Research Reports and historical information for Research Reports for the past 12 months are available by contacting S&P Capital IQ Client Services Department at (212) 438-4510 or via e-mail at: spsupportcenter@standardandpoors.com.

For residents of Guernsey, Isle of Man and Jersey: The Research Reports provide by S&P Capital IQ serve to assist the Intermediary in determining the advice it provides to its clients, but are not intended as advice to any of the Intermediary's

Redistribution or reproduction is prohibited without written permission. Copyright © 2014 Standard & Poor's Financial Services LLC. STANDARD & POOR'S, S&P, S&P 500, S&P CAPITAL IQ, S&P EUROPE 350 and STARS are registered trademarks of Standard & Poor's Financial Services LLC.

clients and the intermediary, and not S&P Capital IQ, will be solely responsible for the provision of investment advice to the client. Independent investment advice should be sought by persons in their capacity as investors or potential investors and the Intermediary will be solely responsible for complying with any applicable regulatory obligations relating to the distribution of investment research.

For residents of France: The Intermediary, and not S&P Capital IQ, is solely responsible for complying with the rules related to the distribution of investment recommendations as specified in the Financial Code and the Autorité des Marchés Financiers rule book.

For residents of Greece: S&P Capital IQ Research Reports should only be used for the purposes of investment research, and should not be interpreted as or be used to provide investment advice or as part of any offer to the public of any specific security or financial instrument.

For residents of Hong Kong: Information in the Research Reports shall not be construed to imply any relationship, advisory or otherwise, between S&P and the recipient user of the research report unless expressly agreed by S&P Capital IQ. S&P Capital IQ is not acting nor should it be deemed to be acting, as a "fiduciary" or as an "investment manager" or "investment advisor" to any recipient of this information unless expressly agreed by S&P Capital IQ. The Distributor of the Research Reports will be solely responsible for describing its role to its clients with respect to the distribution of S&P Capital IQ's Research Reports.

For residents of Hungary: The Intermediary, and not S&P Capital IQ, is solely responsible for complying with the rules related to data protection requirements as set out in Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of information; and with Act CLV. of 1997 on Consumer Protection and with Act CXXXVIII of 2007 on Investment services.

For residents of India: Residents of India should consult their financial and legal advisers regarding the suitability of any of S&P Capital IQ's services and products. S&P Capital IQ does not intend to utilize the Research Report service to invite or carry out any business activities with S&P Capital IQ. Research Reports provided by S&P Capital IQ serve to assist the Intermediary in determining the advice it provides to its clients, but are not intended as advice to the Intermediary and to any of the Intermediary's clients and the intermediary will be solely responsible for the provision of investment advice to the client.

For residents of Indonesia: Research Reports do not constitute an offering document and it should not be construed as an offer of securities in Indonesia, and any such securities will only be offered or sold through a financial institution.

For residents of Israel: Research reports are intended only for distribution to "Qualified Investors", as defined in the Schedule to Israel's Regulation of Investment Advice, Investment Marketing and Portfolio Management Law of 1995. All other persons who are not Qualified Investors under Israeli law should seek additional investment advice from their financial advisers. The relevant analyst declares that the views expressed in a particular Research Report faithfully reflect the analyst's personal views regarding the securities under review and the issuer of the securities.

For residents of Japan: Research Reports are intended only for distribution to "Asset Management Firms".

For residents of Kazakhstan: Research Reports are not intended for distribution to the public in Kazakhstan. Any distribution to specific persons is the sole responsibility of the distributor and the distributor, and not S&P Capital IQ, is responsible for complying with all local regulations, including but not limited to advertising requirements related to public solicitation.

For residents of Malta: The distributor of Research Reports in Malta, is solely responsible for ensuring that the investment research produced by S&P Capital IQ and proposed to be disseminated in or from within Malta is reviewed for compliance with the investment services rules issued by the Malta Financial Services Authority in terms of the Investment Services Act, Cap 370 of the laws of Malta.

For residents of Mexico: S&P Capital IQ is not regulated or supervised by the Mexican National Banking and Securities Commission ("CNBV"). S&P Capital IQ has a licensed rating agency affiliate in Mexico (Standard & Poor's, S.A. De C.V.), of which S&P maintains firewalls and seeks to avoid conflicts of interest, pursuant to approved policies. Research Reports on securities that are not registered with the National Securities Registry maintained by the Mexican National Securities Registry are intended only for distribution to qualified, institutional investors or to any other investors to whom distribution the S&P Research is permissible under Mexican law.

For residents of Monaco: The Intermediary, and not S&P Capital IQ, will be solely responsible for providing copies of S&P Capital IQ Research Reports to the appropriate Monegasque regulator prior to distributing to its clients.

American Express Co

For residents of Morocco: Research Reports are intended for distribution only to professional investors.

For residents of Peru: S&P Capital IQ's Research Reports shall not, under any circumstances, be considered an invitation to take deposits or funds from the public, under any mechanism, or to carry on any activities that may be prohibited by Peruvian law. The Intermediary also agrees that the use of S&P Capital IQ's Research Reports shall not be used by Intermediary to solicit an investment in the securities that are the subject of the Research Report in any way that may be prohibited by Peruvian law.

For residents of Qatar: The Distributor, and not S&P Capital IQ, is responsible for complying with all relevant licensing requirements as set forth by the Qatar Financial Markets Authority or the Qatar Central Bank, and with all relevant rules and regulations set out in the Qatar Financial Markets Authority's rule book, including third party branded investment research distribution of securities that are admitted for trading on a Qatari securities exchange (Admitted Securities).

For residents of Russia: Research Reports on financial instruments are intended for "qualified investors", as defined in the Securities market law of the Russian Federation dated 22 April 1996, as amended, only.

For residents of The Kingdom of Saudi Arabia: S&P Capital IQ and its affiliates do not distribute Research Reports in the Kingdom of Saudi Arabia. Residents of Saudi Arabia should be aware that the distributor of S&P Capital IQ's Research Reports may not be permitted to distribute investment research either: (i) from a permanent place of business in or otherwise within the territory of the Kingdom of Saudi Arabia; or (ii) to an investor in the Kingdom of Saudi Arabia unless that investor is a Capital Market Authority authorized investor or the Saudi Arabian Monetary Agency.

When a distributor disseminates S&P Capital IQ's Research Reports in the Kingdom of Saudi Arabia, the distributor, and not S&P Capital IQ, is solely responsible for approving the contents of Research Reports and complying with licensing requirements and authorizations of the Saudi Arabian Capital Market Authority's ("CMA"), including CMA's Authorized Persons Regulations concerning securities advertisements.

S&P does not conduct a securities business in the Kingdom of Saudi Arabia and the distributor, and not S&P Capital IQ, assumes all responsibilities and liabilities for distributing Research Reports in the Kingdom of Saudi Arabia. **Research Reports are not intended to be investment advice and do not constitute any form of invitation or inducement by S&P Capital IQ to engage in an investment activity in the Kingdom of Saudi Arabia.** S&P Capital IQ does not communicate directly with a distributor's customers and a distributor's customers should not contact S&P Capital IQ directly regarding any information or data provided in Research Reports.

For residents of Singapore: Research reports that contain extracts from S&P Capital IQ's Research Reports are not prepared, issued or reviewed by MHFSP and MHFSP assumes no responsibility for the Research Reports, and nothing referenced by MHFSP should be considered to be a solicitation or recommendation to buy or sell any security, nor should it be considered to be investment advice.

For residents of Slovak Republic: The Intermediary, and not S&P Capital IQ, is solely responsible for complying with the rules related to the Slovak Securities Act (Act No. 566/2001 Coll., as amended), implementing Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC and its implementing directives, and Directive 2003/125/EC implementing Directive 2003/6/EC as regards the fair presentation of investment recommendations and the disclosure of conflicts of interest; and with the Slovak Act on Consumer Protection in Distance Financial Services Contracts (Act No. 266/2005 Coll., as amended).

For residents of Spain: Certain of S&P Capital IQ's equity Research Reports may be considered to be marketing communications for purposes of Spanish law.

For residents of Switzerland: Research reports are only directed at and should only be relied on by investors outside of the EEA or investors who are inside the EEA and who have professional experience in matters relating to investments or who are high net worth investors, as defined in Article 19(5) or Article 49(2) (a) to (d) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, respectively. S&P Capital IQ's Stock Reports are to be read in conjunction with "Your Guide to S&P Capital IQ's Stock Reports" which can be found at www.standardandpoors.com/stockreportguide. For some clients, Research reports have been prepared by S&P Capital IQ and/or one of its affiliates, and redistributed by the client.

For residents of the United Arab Emirates (UAE): S&P Capital IQ and its affiliates neither undertake banking, financial, or investment consultations business in or into

the UAE within the meaning of the Central Bank Board of Directors' Resolution No. 164/8/94 regarding the regulations for investment companies nor provides financial analysis or consultation services in or into the UAE within the meaning of UAE SECURITIES AND COMMODITIES AUTHORITY DECISION NO. 48/R OF 2008 concerning financial consultation and financial analysis.

Investment research distributed by S&P Capital IQ and its affiliates is not intended to amount to an offer of securities within the meaning of DIFC Law NO. 12 OF 2004 (the DIFC Markets Law) or the equivalent laws, rules and regulations made by the Central Bank of the UAE and their Emirates Securities and Commodities Authority. Neither the Dubai Financial Services Authority, the UAE Securities nor Commodities Authority of the Central Bank of the UAE has reviewed or verified any of the information provided in a Research Report or through any service provided by S&P Capital IQ or its affiliates, or has any responsibility for it.

If a recipient of Research Report does not understand any of the contents of the Research Report, the recipient should contact a financial advisor. Users of extracts of investment Research Reports should be aware that if they are distributed in the UAE by an intermediary, the intermediary is solely responsible for the distribution and contents of the investment research in the UAE.

For residents of the United Kingdom: In the United Kingdom Research Reports are approved and/or communicated by MHFRE which is authorized and regulated by the Financial Conduct Authority for the conduct of investment business in the UK. Research Reports are only directed at and should only be relied on by investors outside of the UK or investors who are inside the UK and who are professional clients in matters relating to investments or who are high net worth investors, as defined by the FCA and in Article 19(5) or Article 49(2) (a) to (d) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, respectively. MHFRE may not distribute Research Reports to retail clients, as defined by the FCA. S&P Capital IQ's Stock Reports are to be read in conjunction with "Your Guide to S&P Capital IQ's Stock Reports" which can be found at www.spcapitaliq.com/stockreportguide.

For residents of Uruguay: S&P Capital IQ or its affiliates are not, individually a risk assessment entity registered with the Central Bank of Uruguay, and S&P Capital IQ's Research Reports do not constitute a risk assessment. Investment research presented in a Research Report is not intended to constitute a public or private offer of securities in Uruguay. S&P Capital IQ's Research Reports are not intended for worldwide distribution, as such, and are not published to Uruguayan clients in Spanish.

For residents of Venezuela: Research Reports can only be distributed in Venezuela by an investment advisor, duly licensed under Venezuelan law. The distributor of the Research Reports, and not S&P Capital IQ, is solely responsible for complying with licensing requirements.

Copyright © 2014 Standard & Poor's Financial Services LLC. All rights reserved. STANDARD & POOR'S, S&P, S&P 500, S&P EUROPE 350 and STARS are registered trademarks of Standard & Poor's Financial Services LLC. S&P CAPITAL IQ is a trademark of Standard & Poor's Financial Services LLC.