Fundamental Analysis: FactSet Research Systems

The Bull Girls

Lillian Sharp, Riley Onega, Logan Bogesvang, Hayllen Meneses

09-21-2026

Business Description

Company Overview

Company Name	FacSet Research Systems Inc.
Ticker	NYSE/Nasdaq: FDS
Current Price	$277.09
Current Date	9/15/2026
Target Price	TBD After Valuation
Target Date	Sept 2026
Industry	Financial Exchanges & Data
Sector	Financials
Shares Outstanding	36.2 Mill.
Market Cap	10 Bill.
Monthly Trading Volume	17 Mill.
Beta	0.71

FactSet provides financial data, analytics, research, and workflow software to investment professionals. Its subscription platform serves asset managers, wealth managers, investment banks, private-equity firms, and corporations. The company generates predictable recurring revenue and has reported annual subscription value retention above 95%.

Investment Thesis

Sell WILC & BUY $15,000 of FDS

PROS

- Durable Subscription Model
- Attractive Valuation
- AI Adoption
- Strong Cash Generation

CONS

- Margin Pressure
- Competitive Market
- Moderate Growth

DCF - WACC

WACC Calculations	
Capital Structure	
Total Debt	$1,390
Total Equity	$9,874
Debt-to-Total Capitalization	12.3%
Equity-to-Total Capitalization	87.7%

Cost of Debt	
Cost of Debt	*4.3%*
Tax Rate	*17.2%*
After-Tax Cost of Debt	3.5%

Cost of Equity	
Risk-free Rate	*5.0%*
Market Risk Premium	4.1%
Levered Beta	*0.71*
Cost of Equity	7.9%

WACC	7.4%

Assumptions

- **Capital Structure:** $1.39B of interest-bearing debt and $9.87B of market equity.
- **Cost of Debt:** Estimated at 4.3% using interest expense divided by interest-bearing debt. FactSet's 17.2% effective tax rate reduces the after-tax cost to 3.5%.
- **Cost of equity:** CAPM uses a 5.0% risk-free rate, Damodaran's 4.14% U.S. implied equity risk premium, and 0.71 levered beta, resulting in a 7.9% cost of equity.
- **Risk-free rate:** Uses the 5.0% 10-year U.S. Treasury yield on September 15, 2026, matching the valuation date and the DCF's long-term horizon.
- **WACC:** The resulting 7.4% WACC discounts projected unlevered free cash flow.

DCF – Assumptions Base

	2022	2023	2024	2025	Projected Annual Forecast 2026	2027	2028	2029	2030
Period					1	2	3	4	5
Revenue (M)	$1,844	$2,086	$2,203	$2,322	$2,509.8	$2,670.4	$2,846.7	$3,046.0	$3,250.0
Growth Rate (%)		*13.1%*	*5.6%*	*5.4%*	*8.1%*	*6.4%*	*6.6%*	*7.0%*	*6.7%*
Segments									
Americas	$1,174	$1,335	$1,420	$1,506	*1637.40*	*1752.62*	*1880.13*	*2024.46*	*2172.84*
Growth Rate (%)		*13.8%*	*6.3%*	*6.1%*	*8.7%*	*7.0%*	*7.3%*	*7.7%*	*7.3%*
EMEA	$484	$540	$563	$580	*616.71*	*644.75*	*674.56*	*709.29*	*743.14*
Growth Rate (%)		*11.5%*	*4.3%*	*3.0%*	*6.3%*	*4.5%*	*4.6%*	*5.1%*	*4.8%*
Asia Pacific	$186	$210	$220	$235	254.85	271.79	291.63	313.24	335.54
Growth Rate (%)		*13.2%*	*4.7%*	*7.0%*	*8.3%*	*6.6%*	*7.3%*	*7.4%*	*7.1%*
Growth Rate (%) Weighted at Revenue % per Region					*8.1%*	*6.4%*	*6.6%*	*7.0%*	*6.7%*
EBITDA	$566	$756	$842	$935	$878.4	$934.7	$996.3	$1,066.1	$1,137.5
EBITDA Margin (%)	*30.7%*	*36.2%*	*38.2%*	*40.3%*	*35.0%*	*35.0%*	*35.0%*	*35.0%*	*35.0%*
EBIT	$475	$629	$701	$748	$752.9	$801.1	$854.0	$913.8	$975.0
EBIT Margin (%)	*25.8%*	*30.2%*	*31.8%*	*32.2%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*
Depreciation & Amortization	$87	$105	$125	$158	$125.5	$133.5	$142.3	$152.3	$162.5
D&A as a % of revenue	*4.7%*	*5.1%*	*5.7%*	*6.8%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*

Accounts Receivable Growth (%)	*8.1%*	*6.4%*	*6.6%*	*7.0%*	*6.7%*
Inventories Growth (%)					
Prepaid Expenses Growth (%)	*18%*	*18%*	*18%*	*18%*	*18%*
Accounts Payable and Accured Expenses Growth (%)	*11%*	*11%*	*11%*	*11%*	*11%*
Capital Expenditures Growth (%)	*29%*	*29%*	*29%*	*29%*	*29%*

DCF - Calculations

Sum of present values of FCFs	$2,333.2

Terminal Value

Growth in perpetuity method:

Long term growth rate	4.11%
WACC	7.4%
Free cash flow (t+1)	$565.1
Terminal Value	$17,340.0
Present Value of Terminal Value	$12,152.1

FactSet's long-term growth rate was built from the long-term nominal GDP growth rate of each region FactSet operates in, Americas, EMEA, and Asia Pacific, weighted by each segment's share of ASV.

Enterprise Value to Equity Value

Enterprise Value	$14,485.4
Less: Net debt	1,030.6
Equity Value	**$13,454.8**
Diluted Shares Outstanding	35.6
Equity Value Per Share	**$377.58**

DCF — **Implied Share Price**

Approach	Base	Downside	Upside
Perpetuity	$377.58	$258.70	$429.58

Comparables

Market and Financial Data						
Company Name	Price	Market Cap (B)	Enterprise Value (M)	LTM Sales (M)	LTM EBITDA (M)	Earnings (M)
Target						
FactSet	277.09	9.854856	10,956.44	2,438.46	897.081	565.97
Comparable companies						
Morningstar	201.73	7.567613	8,791.41	2,566.50	771.4	421.6
MSCI	544.6	39.59242	45,620.12	3,333.76	2,048.65	1,358.01
Moody's	467.16	80.912112	86,532.11	8,160.00	4,150.00	2,795.00
Intercontinental Exchange	156.9	88.082795	106,962.80	10,558.00	7,016.00	4,038.00
Nasdaq	89.23	49.877551	58,123.55	5,614.00	3,235.00	1,967.00

	Valuation			Peer Group Relevance	
Company Name	EV / Sales	EV / EBITDA	P/E	Industry	Largest Revenue Segment
Target					
FactSet	4.5x	12.2x	17.41	Financial Data & Stock Exchanges	Americas, a geographic segment
Comparable companies					
Morningstar	3.4x	11.4x	17.95	Financial Data & Stock Exchanges	Morningstar Direct Platform
MSCI	13.7x	22.3x	29.15	Financial Data & Stock Exchanges	Index
Moody's	10.6x	20.9x	28.95	Financial Data & Stock Exchanges	Moody's Investors Service
Intercontinental Exchange	10.1x	15.2x	21.81	Financial Data & Stock Exchanges	Exchanges, using net revenue
Nasdaq	10.4x	18.0x	25.36	Financial Data & Stock Exchanges	Capital Access Platforms, using net revenue

	EV / Sales	EV / EBITDA	P/E
Mean	9.6x	17.5x	24.64
Median	10.4x	18.0x	25.4x
25 Percentile	10.1x	15.2x	21.81
75 Percentile	10.6x	20.9x	28.95
Standard deviation	3.764	4.373	4.801

Comparable Company Multiples

Key Assumptions - FDS	
Current Price	$ 277.09
Diluted Shares (M)	35.634543
Debt (M)	1,368
Cash (M)	338
Revenue (M)	2,438
EBITDA (M)	897
Earnings	566

Football Field Data	
25 Percentile	350.67
75 Percentile	477.89
Mean	402.10

SUMMARY

Metrics	Comps	Implied EV (M)	Net Debt (M)	Equity Value (M)	Diluted Shares (M)	Share Price ($)
EV/Sales						
25 Percentile	10.1x	24,704	1,031	23,673	36	664.34
75 Percentile	10.6x	25,858	1,031	24,828	36	696.74
Mean	9.6x	23,506	1,031	22,475	36	630.72
EV/EBITDA						
25 Percentile	15.2x	13,676	1,031	12,646	36	354.88
75 Percentile	20.9x	18,705	1,031	17,675	36	495.99
Mean	17.5x	15,740	1,031	14,709	36	412.78
P/E						
25 Percentile	21.8x	12,346	0	12,346	36	346.46
75 Percentile	28.9x	16,384	0	16,384	36	459.78
Mean	24.6x	13,948	0	13,948	36	391.42

Football field averages EV/EBITDA and P/E only; revenue multiples do not adjust for FactSet's lower EBITDA margin.

Precedent Transactions

Precendent Transactions

Date	Target	Buyer	Target Business Descrption	Transcation Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA
10/15/2025	With Intelligence	S&P Global	Provides private markets data, benchmarks, research, and workflow analytics	$1,800	$130	—	13.85x	-
1/13/2025	Enfusion	Clearwater Analytics	Provides cloud-based portfolio management, trading, and analytics software	$1,500	$201.60	$42.70	7.44x	35.12x
6/30/2024	Preqin	BlackRock	Provides private markets data, fund performance benchmarks, and investor analytics	$3,200	$240	—	13.33x	-
6/12/2023	Adenza	Nasdaq	Provides risk management, regulatory reporting, and capital markets trading software	$10,500	$590	$342.20	17.80x	30.68x
4/4/2022	LCD	Morningstar	Provides leveraged loan and private credit news, pricing, and market data	$650	$56	—	11.61x	-
8/1/2019	Refinitiv	LSEG	Provides financial market data, trading infrastructure, and risk analytics	$27,000	$6,204	$2,054	4.35x	13.15x

Mean	11.40x	26.32x
Median	12.47x	30.68x
25 Percentile	8.48x	21.92x
75 Percentile	13.72x	32.90x
Standard deviation	4.819	11.617

Precedent Transactions

SUMMARY						
Metrics	Comps	Implied EV	Net Debt	Equity Value	Shares	Share Price
EV/Sales						
25 Percentile	8.5x	20,684	1,031	19,654	36	551.53
75 Percentile	13.7x	33,456	1,031	32,425	36	909.93
Mean	11.4x	27,790	1,031	26,760	36	750.95
EV/EBITDA						
25 Percentile	21.9x	19,660	1,031	18,629	36	522.78
75 Percentile	32.9x	29,514	1,031	28,483	36	799.32
Mean	26.3x	23,608	1,031	22,578	36	633.59

Key Assumptions - FDS	
Current Price	$277.09
Shares Outstan	36
Debt (M)	1,368
Cash (M)	338
Revenue (M)	2,438
EBITDA (M)	897
Earnings	566

Implied Stock Price	
25 Percentile	537.15
75 Percentile	854.63
Mean	692.27

Weighted Valuation

- **DCF:** The heaviest weight reflects FactSets subscription-based ASV model provides high revenue visibility, making multi-year cash flows more reliable than a typical company.
- **Comps:** Our weight in Comparables reflects strong peer companies and current market conditions, but remains lower than DCF, as peers are not perfect reflections.
- **Precedent Transactions:** Precedent transactions received the lowest weight, as there are few comparable deals.

Football Field Data

	Low bar	Difference	High Bar
Comps	391.42	239.30	630.72
Precedents	633.59	117.36	750.95
DCF	270.97	158.61	$429.58
52 wk high/low	185.00	153.53	338.53

Implied Stock Price	
Total DCF	$377.58
Comparables	$402.10
Precedent Transactions	$692.27

Weights	
DCF	50%
Comparables	35%
Precedent Transactions	15%

Target Price	**433.36**

Current price	**277.09**

Risk Management

Reasons to NOT Invest

1) Slowing Growth and Margin Pressure

Revenue growth slowed to approximately 5% in FY2024-2025, while 9M FY2026 operating margin declined to 29.5%.

Rebuttal: Organic ASV growth accelerated to 7.1% in Q3 FY2026, retention remained above 95%, and management expects continued revenue growth.

2) Competition and AI Disruption

Bloomberg, S&P Global, Morningstar, and AI-native platforms could pressure pricing and reduce demand for traditional financial-data products.

Rebuttal: FactSet's products are deeply embedded in client workflows, and over 90% of its Top 50 clients already use four or more FactSet AI products.

3) CUSIP Legal and Regulatory Risk

Ongoing antitrust litigation could require changes to CUSIP licensing practices, potentially reducing fees or creating legal costs.

Rebuttal: FactSet has disclosed no material revenue impact, and management does not expect current legal matters to materially affect its financial results.

How Will We Finance This?

Willi-Food International (WILC)

POSITION SUMMARY

Average Cost	$16.19
Shares Held	729
Last Reported Price	$30.35
Last Reported Value in Milner	$22,125.15
Unrealized Gain	$10,326.28 (87.52%)
Dividends Received	$232.48 net, September 2025
Beta	1.01
Industry	Consumer Staples
Fund it's invested in	Milner Fund
Our Recommendation	**SELL**

SELL REASONING

The Fund's Constitution permits only US-exchange-listed securities and expressly prohibits over-the-counter and pink-sheet stocks. Following the delisting the security is no longer eligible to be held, regardless of performance. The position is reported as **DELISTED** rather than as a discretionary sell.

Aug 4, 2026 — Delisting announced · **Aug 17, 2026** — Form 25 filed · **Aug 26, 2026** — Final Nasdaq trading day · **Aug 28, 2026** — Form 15F filed to deregister

Source: G. Willi-Food International SEC filings (Form 25, Form 6-K); company press release August 4, 2026; USIF holdings tracker, snapshot January 31, 2026; USIF transaction record; team analysis.

Conclusion

Valuation

Current Price	$277.09
Current Date	9/15/2026
Weighted Target	$433.58
Target Date	15 September 2027
Implied Upside	56.40%
Investment	$14,962.86

Investment Conclusion

FactSet's recurring subscription revenue, retention above 95%, and growing adoption of AI-enabled products support continued cash-flow growth. Our valuation indicates that the market is pricing in more downside than our base-case assumptions justify.

Recommendation

SELL WILC - BUY $15,000 of FDS

WHY WE ARE BUYING

- Durable Subscription Model and Client Retention
- AI Adoption & Workflow Expansion: Growth
- DCF and comparable-company analyses indicate meaningful upside

WHAT WE WILL MONITOR

- Competitive Pressure
- Margin Compression
- Development in the CUSIP Litigation

Appendix

Bear DCF

Sum of present values of FCFs	**$2,001.7**

Terminal Value

Growth in perpetuity method:	
Long term growth rate	4.11%
WACC	7.5%
Free cash flow (t+1)	400.0
Terminal Value	11,835
Present Value of Terminal Value	**$8,248**

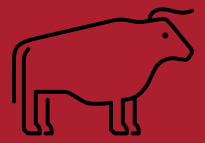
DCF — **Implied Share Price**

Approach	Base	Downside	Upside
Perpetuity	$377.58	$258.70	$429.58

Enterprise Value to Equity Value

Enterprise Value	$10,249
Less: Net debt	1,030.6
Equity Value	**$9,219**
Diluted Shares Outstanding	35.6
Equity Value Per Share	**$258.70**

Bull DCF



Sum of present values of FCFs	**$2,523.7**

Terminal Value

Growth in perpetuity method:	
Long term growth rate	4.11%
WACC	7.5%
Free cash flow (t+1)	670.1
Terminal Value	19,824
Present Value of Terminal Value	**$13,815**

DCF **Implied Share Price**

Approach	Base	Downside	Upside
Perpetuity	$377.58	$258.70	$429.58

Enterprise Value to Equity Value

Enterprise Value	$16,339
Less: Net debt	1,030.6
Equity Value	**$15,308**
Diluted Shares Outstanding	35.6
Equity Value Per Share	**$429.58**

Business Model

FactSet sells mission critical financial data through recurring subscriptions

- FactSet provides financial data, research and analytics through workstations, data feeds, APIs and cloud-based tools.
- Customers use FactSet throughout the investment process, including research, portfolio construction, trading, risk management and reporting.
- The company primarily earns recurring subscription revenue from institutional investors, investment banks, wealth managers and other financial firms.
- Subscription prices depend on the products, data sets, number of users and level of integration purchased by each client.
- FactSet uses a consultative sales process because large financial institutions require customized products and technology integrations.
- Clients buy FactSet because it combines information from many sources with analytical tools and dedicated customer support.
- Integration with clients' workflows, employee training and historical data create meaningful switching costs.
- Growth comes primarily from selling additional services to existing clients, followed by new clients and price increases.
- FactSet sits between financial-data providers and investment professionals, turning raw data into information clients can use to make decisions.

Historical Financial Performance

Historical Financials

Metric	2023	2024	2025	1H 2026
Revenue (B)	$2,085.5	$2,203.1	$2,321.7	$1,841.6
Revenue Growth	13.1%	5.6%	5.4%	6.8%
Operating Income	$629.2	$701.3	$748.3	$543.3
Operating Margin	30.2%	31.8%	32.2%	29.5%
Net Income	$468.2	$537.1	$597.0	$412.4
Operating Cash Flow	$645.6	$700.3	$726.3	$617.5
Capex + Leases	$60.8	$85.7	$108.8	$87.3
Free Cash Flow	$584.8	$614.7	$617.5	$530.2

Source: FDS 2026 Form 10-Q; FDS Q3 2026 earnings release.

What the Historical Tell Us

1) Recurring revenue growth is accelerating

Revenue increased from $2.09B in FY2023 to $2.32B in FY2025. Nine-month FY2026 revenue grew 6.8%, supported by 7.1% organic ASV growth.

2) Profitability and cash generation remain strong

Operating margin exceeded 30% in each fiscal year, while free cash flow increased from $584.8M in FY2023 to $617.5M in FY2025.

3) Near margin pressure requires monitoring

Nine-month FY2026 operating margin declined to 29.5%, reflecting higher compensation, technology investment, and nonrecurring leadership-transition costs.

.

Industry Overview and Competitive Positioning

The financial data services industry acts as the foundational infrastructure layer for global capital markets, delivering critical real-time market feeds, analytics, and regulatory reporting systems to institutional investors. Today, the industry sits at a pivotal juncture as major players aggressively deploy agentic AI workflows to optimize client operations and counter rising competition from low-cost, AI-native platforms.

Major Events In the Industry

- **The Bloomberg Terminal Launch (1982):** Created the category, first unified real-time data and analytics terminal.
- **The LSEG–Refinitiv Merger (2021):** $27B all-share deal Consolidated two of FactSet's largest rivals into one competitor, LSEG Data & Analytic.
- **The AI/Agent Capital Pivot (2023-Present):** FactSet's MCP servers now used by 450 clients under contract or trial, with API call volumes up 13x quarter-over-quarter.

Current Industry Trends/Outlook

- **AI-Native Disruption Risk:** AI-driven startups are building automated broker and terminal layers, fueling growth of lower-cost alternatives like TradingView and YCharts.
- **Consolidation May Continue:** S&P Global is reportedly weighing a Capital IQ spinoff, the first major structural shift since LSEG-Refinitiv.
- **Industry Still Expanding:** Financial data service industry is expected to grow 8.6% CAGR through 2035.

Industry Analysis

Strong retention supports recurring revenue; share gains are unproven

Annual evidence	Value	Measurement date
Financial market-data industry revenue	$49,200m	Calendar 2025
Industry revenue growth	6.5% YoY	Calendar 2025
FactSet organic annual subscription value	$2,485.6m	May 31, 2026
Organic ASV growth / annual retention	7.1% / above 95%	May 31, 2026

Largest rivals named in FactSet's 10-K.

Bloomberg S&P Global Market Intelligence LSEG Data & Analytics.

Forecast test: defend 6.0–6.5% revenue growth through retention, pricing and new sales.

ASV is an annual subscription run rate. Its growth cannot establish revenue market-share gains.

Sources: Burton-Taylor, March 26, 2026; FactSet FY2025 10-K and July 1, 2026 Q3 release. USD millions.
No vendor-share percentages are claimed. Industry revenue and ASV use different definitions.

Industry Analysis

Porter's five forces model: FactSet

Ratings are analyst judgments, not forecast inputs. Evidence cutoff: Sep. 15, 2026.

Competitive Rivalry: HIGH

Bloomberg, LSEG Data & Analytics and S&P Global Market Intelligence compete with FactSet. Pricing and product costs can pressure margins. [1]

Buyer Power: MEDIUM

Annual ASV retention exceeded 95% at May 2026. Clients can still cut spending. ASV retention is not net retention. [2]

Supplier Power: MEDIUM, rising

Two content suppliers each exceeded 10% of total content costs in FY2025, against one supplier at 11% in FY2019. Some content providers are competitors who may make renewals difficult or expensive. One cloud provider supplies the majority of FactSet's compute. [1]

Threat of New Entrants: MEDIUM

Licensed content and workflow integration create barriers. Smaller providers can compete in individual functions, limiting that protection. [1]

Threat of Substitutes: MEDIUM-HIGH

FactSet's 10-K carries a standalone risk factor stating that free or inexpensive information may reduce demand, "especially with the deployment of AI tools." The continued shift from active to passive management is a separate named demand risk. [1]

[1] FactSet FY2025 10-K: competition, data suppliers and risk factors

[2] May 2026 10-Q [3] FactSet Portfolio Analytics MCP, June 26, 2026

Estimated 2025 share of global financial market data spending

Share of an estimated $49.2bn spending base. FactSet is the red wedge. Three firms hold roughly 60% between them; the balance is fragmented.



- Bloomberg and LSEG Data & Analytics, combined **~50%**
- FactSet **~4.7%** *derived, see below*
- S&P Global Market Intelligence *Double digit, not disclosed. Wedge drawn at the 10% floor; the true share is higher.*
- All other providers *Balance to 100%. Unlabeled because it moves with whatever S&P exceeds 10%.*

Derivation. FactSet FY2025 revenue of $2,321.7M divided by Burton-Taylor's 2025 global market data spending of $49.2B equals 4.7%.

Approximate. FactSet's fiscal year ends 31 August; Burton-Taylor measures calendar years. Scope definitions differ and Burton-Taylor restates its base between publications: 2024 spending of $44.3B to 2025 spending of $49.2B is 11.1% growth against a reported 6.5%. Bloomberg is private and publishes no audited revenue; LSEG Data & Analytics and S&P Global Market Intelligence are divisions, not separately reporting companies. Shares are estimates, not measured figures.

Management and Employees

- Sanoke Viswanathan became CEO in September 2025 after spending 15 years at JPMorgan Chase, where he most recently led International Consumer and Wealth.
- His experience in wealth management, digital banking and technology supports FactSet's focus on AI, international expansion and digital financial products.
- The external CEO appointment creates some execution risk because Phil Snow had worked at FactSet for 30 years and served as CEO for ten years.
- Nine of the ten directors nominated in the 2025 proxy were independent, and independent director Malcolm Frank became Board Chair in September 2025.
- FactSet has strengthened its governance by separating the Chair and CEO roles, declassifying the board and removing supermajority voting requirements.
- Executive bonuses depend primarily on annual subscription value growth and adjusted operating margin, while long-term awards depend on revenue, earnings and stock-price performance.
- FactSet describes its culture as collaborative, innovative and focused on client service, and it disclosed no material labor disputes in its FY2025 10-K.
- FactSet faces a class-action lawsuit involving its CUSIP Global Services business and alleged anticompetitive conduct in the security-identifier market.
- Management does not currently expect its unresolved legal matters to materially affect FactSet's financial position, but the CUSIP lawsuit remains a risk to monitor.

SWOT Analysis

Strengths

- FactSet has grown its adjusted earnings per share every year for 29 years straight, a very rare streak that shows steady, reliable execution.
- 82% of FactSet's subscription revenue comes from buy-side clients like asset managers and hedge funds; this makes revenue more predictable.
- Growth has been speeding up for five quarters in a row, and it's happening across every region and client type.

Weaknesses

- Profit margins have been shrinking, they dropped from 33.6% to 31.6% in one year, mainly because of higher spending on employees, technology, and costs from past acquisitions.
- The cost from past acquisitions isn't going away soon. Management has pointed to it as a drag on profits in two straight reporting periods, meaning it's an ongoing expense.

Opportunities

- FactSet's AI tools are catching on quickly, 450 clients are already using its new AI features, and the frequency clients are using them jumped 13x in just one quarter.
- The wealth management side of the business is growing the fastest 10% growth, compared to 6-9% elsewhere; advisors increasingly rely on digital tools.
- The overall industry is growing about 15% a year.
- Bloomberg's list price runs $27,660/seat/year, giving FDS room to win price-sensitive clients as a lower-cost alternative.

Threats

- FactSet competes against much bigger, well-funded companies, Bloomberg, S&P Global, LSEG, BlackRock, MSCI, and Morningstar all fight for the same customers.
- Bloomberg alone controls roughly a third of the entire financial data market, meaning pricing power and negotiating leverage with data suppliers sit disproportionately with one rival.

Summary & Recommendation

- **Investment Thesis:** BUY up to $5,000 of FactSet (FDS), supported by recurring subscription revenue, >95% retention, strong cash generation, and attractive relative valuation.
- **Business Quality:** Mission-critical financial data and embedded workflows create meaningful switching costs and recurring revenue visibility.
- **Growth:** Organic ASV growth, AI-enabled products, and workflow expansion support continued revenue and cash-flow growth.
- **Key Risks:** Margin compression, AI-driven competition, client spending weakness, and CUSIP litigation.
- **Valuation:** Weighted valuation implies a **$447.85 target price**, representing **61.86% upside** from the $277.09 reference price.
- **Recommendation: SELL WILC and BUY up to $5,000 of FDS**, approximately **18 shares** at $277.09 per share.

Sources

- CBO. *The Budget and Economic Outlook: 2023 to 2033.* Congressional Budget Office, Feb. 2023, www.cbo.gov/publication/58957.
- ---. *The Long-Term Budget Outlook: 2025 to 2055.* Congressional Budget Office, Mar. 2025, www.cbo.gov/publication/61270.
- CEIC Data. "European Union Nominal GDP Growth." *CEIC*, www.ceicdata.com/en/indicator/european-union/nominal-gdp-growth.
- FactSet Developer Portal. FactSet Research Systems Inc., developer.factset.com.
- FactSet Research Systems Inc. *2022 Annual Report.* FactSet, 2022, investor.factset.com/static-files/fd0a8f84-8956-4068-9091-20860385e6f3.
- ---. *2023 Annual Report (Form 10-K, Fiscal Year Ended August 31, 2023).* FactSet, 2023, investor.factset.com/static-files/8e01579e-24e9-45aa-a01b-815e488ac81a.
- ---. *2024 Annual Report (Form 10-K, Fiscal Year Ended August 31, 2024).* FactSet, 2024, investor.factset.com/static-files/b720f889-0204-480d-a240-27bd6514a758.
- ---. *2025 Annual Report (Form 10-K, Fiscal Year Ended August 31, 2025).* FactSet, 2025, investor.factset.com/static-files/d5fbbf6e-9589-46bd-bb07-ae32279cdea5.
- ---. *Form 10-K for the Fiscal Year Ended August 31, 2025.* U.S. Securities and Exchange Commission, 2025, www.sec.gov/Archives/edgar/data/1013237/000162828025045769/fds-20250831.html.
- ---. *FY2025 Annual Report to Shareholders.* U.S. Securities and Exchange Commission, 2025, www.sec.gov/Archives/edgar/data/1013237/000114036125039476/ef20057776_ars.pdf.
- ---. Quarterly Earnings Release. FactSet, investor.factset.com/static-files/bd511f53-6633-4dbc-bbc1-e7ac83856cd8.
- "FactSet Research Systems Stock Performance." *Yahoo Finance*, finance.yahoo.com/markets/stocks/articles/factset-research-systems-stock-performance-082803094.html.
- International Monetary Fund**.** "Asia and Pacific: Real GDP Growth." *IMF DataMapper*, www.imf.org/external/datamapper/profile/APQ.
- Macrotrends. "FactSet Research Systems Long-Term Debt 2010-2026 | FDS." *Macrotrends*, www.macrotrends.net/stocks/charts/FDS/factset-research-systems/long-term-debt.
- Weinberger, Hadley. "Real-Time Analytics Drive Record Growth Across the Financial Market Data Landscape." *Mondo Visione*, Burton-Taylor / TP ICAP, 2026, mondovisione.com/media-and-resources/news/realtime-analytics-drive-record-growth-across-the-financial-market-data-landsca-2026326/.