



MASSIVE! FedEx Shares Plunge by 17% After Hours – Company Says It's Going to Get Worse (War Room Video)

Description

FedEx stock tanked after hours on Thursday after the company released a revised outlook for the year.

FedEx stock dropped 17% in the extended session Thursday.

The company says it is only going to get worse.

Steve Bannon called the news “massive” during his afternoon War Room show.

The company vowed to cut costs “aggressively” and said it was mulling over other ways to “enhance productivity.”

MarketWatch reported:

FedEx Corp. shares fell nearly 17% in the extended session Thursday after the logistics company pulled its outlook for the year, called for significantly lower quarterly profit and lower revenue, and said that fiscal 2023 is about to become worse.

FedEx said fiscal first quarter was hit by lower volumes globally, a trend that got worse toward the end of the quarter. It expects its business conditions “to further weaken” in the fiscal second quarter.

The company called for preliminary fiscal first-quarter adjusted earnings of \$3.44 a share on sales of \$23.3 billion.

Analysts polled by FactSet expect the company to report adjusted EPS of \$5.14 on sales of \$23.6 billion in the quarter when it reports a complete financial snapshot on Sept. 22. FedEx said it will offer an updated outlook and detail its cost-cutting plans then.

FedEx blamed “macroeconomic weakness” in Asia and “service challenges” in Europe for a \$500 million revenue shortfall in these regions. Moreover, revenue from FedEx Ground is about \$300 million below company forecasts, the company said.

FedEx vowed to cut costs “aggressively” and said it was mulling over other ways to “enhance productivity.”

By Jim Hoft

Category

1. Economy-Business-Fin/Invest
2. Main

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