Nasdaq, Inc. (NDAQ)

Updated July 26th, 2026, by Sure Dividend Analyst

Key Metrics

Current Price:	$92	**5 Year Annual Expected Total Return:**	10.9%	**Market Cap:**	$52 B
Fair Value Price:	$91	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date:**	09/11/26
% Fair Value:	101%	**5 Year Valuation Multiple Estimate:**	-0.2%	**Dividend Payment Date:**	09/25/26
Dividend Yield:	1.3%	**5 Year Price Target:**	$147	**Years Of Dividend Growth:**	14
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Nasdaq, Inc. operates as a technology company that serves capital markets and other industries worldwide. Nasdaq is primarily known for its equity exchange with 4,659 companies listed on The Nasdaq Stock Market, but in addition to its market-services business, the company sells and distributes market data as well as offers Nasdaq-branded indexes to asset managers and investors through its Capital Access Platforms division. Nasdaq's Data and Listing Services business offers listing services and related investor relations products to publicly traded companies. Solutions revenues accounted for 77% of net revenues. Nasdaq is a $52 billion company and has about 9,500 employees.

On July 23rd, 2026, Nasdaq reported its second quarter results for the period ending June 30th, 2026. The company reported net revenues of $1.5 billion, representing a 15% year-over-year increase on a reported and adjusted basis, driven by broad-based strength across its business segments. Growth was supported by Financial Technology revenue of $539 million (+16% YoY) and Index revenue of $271 million (+38% YoY). Solutions revenue increased 17% to $1.16 billion, reflecting strong performance in Financial Technology and Capital Access Platforms. Non-GAAP diluted EPS rose 25% year-over-year to $1.07 from $0.85, demonstrating operating leverage. Annualized Recurring Revenue (ARR) increased 11% year-over-year on a reported basis and 12% organically to approximately $3.3 billion, highlighting continued progress in Nasdaq’s transition toward a recurring and SaaS-based business model. Annualized SaaS revenue grew 12% on a reported basis and 15% organically and represented 38% of ARR. Market Services net revenue increased 11% to a record $340 million, supported by record trading volumes across U.S. cash equities and options markets. Nasdaq also maintained strong IPO momentum, welcoming seven of the ten largest operating-company IPOs in the quarter, including SpaceX, and achieving a 74% listings win rate. Non-GAAP operating expenses were $641 million (+10% YoY), driven by investments in technology and personnel, as well as higher marketing and advertising costs. The company reported record average Index ETP AUM of $1.014 trillion and period-end AUM of $1.114 trillion. Nasdaq returned $530 million to shareholders during the quarter, including $356 million in share repurchases and $174 million in dividends, while continuing to reduce leverage.

For 2026, Nasdaq updated its non-GAAP operating expense guidance to a range of $2.53 billion to $2.57 billion and maintained its non-GAAP tax rate guidance of 22.5% to 24.5%. Nasdaq also outlined a medium-term growth strategy targeting 9% to 12% annual growth in total Solutions revenue over the next three to five years. Within Financial Technology, Financial Crime Management Technology is expected to deliver growth in the mid-20% range, while Regulatory Technology and Capital Markets Technology are each expected to grow at a high-single-digit to low-double-digit rate. Capital Access Platforms is expected to grow 6% to 10% annually.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.23	$1.35	$1.61	$1.67	$2.06	$2.52	$2.66	$2.82	$2.82	$3.48	***$4.15***	***$6.68***
DPS	$0.40	$0.49	$0.57	$0.62	$0.65	$0.70	$0.78	$0.88	$0.96	$1.08	***$1.24***	***$1.74***
Shares[1]	500	502	496	495	495	500	498	508	579	579	***564***	***565***

[1] In millions.

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Nasdaq has grown earnings by 12.2% per year since 2016 and 10.5% over the past five years. We expect earnings to increase by 10% per year for the next five years. The company has been able to increase its yearly dividend payout for 14 consecutive years. Over the last five years, the average annual dividend growth rate is above 12%. This takes into account the 3-for-1 stock split that occurred on August 29th, 2022. In April 2026, the company increased its quarterly dividend by 14.8% from $0.27 to $0.31 per share. The company repurchased $356 million of common stock during the second quarter of 2026.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	17.8	17.8	18.0	19.0	19.2	23.2	21.1	20.0	27.1	25.5	***22.2***	***22.0***
Avg. Yld.	1.9%	2.0%	1.9%	1.9%	1.6%	1.2%	1.4%	1.4%	1.3%	1.3%	***1.3%***	***1.2%***

During the past decade shares of Nasdaq have traded with an average price-to-earnings ratio of 20.9 times earnings and today, it stands at 22.2. We are using 22 times earnings as a fair value baseline, implying the potential for a small valuation headwind. The company's dividend yield is currently 1.3%, which is below the average yield of 1.6% for the past decade.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	33%	36%	35%	37%	32%	28%	29%	31%	34%	31%	***30%***	***26%***

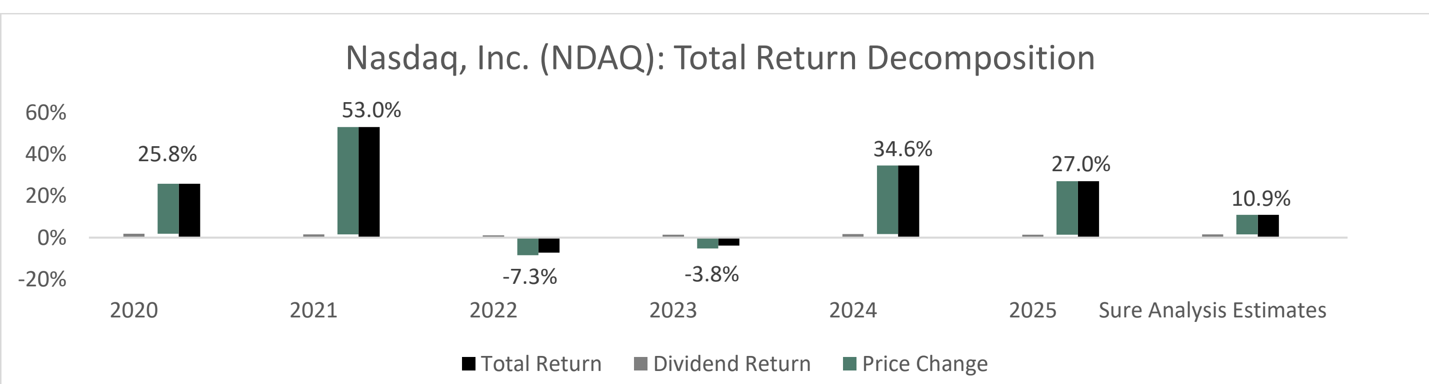
During the past five years, the company's dividend payout ratio has averaged around 31%. Nasdaq's dividend is comfortably covered by earnings. Given the expected earnings growth, there is room for the dividend to continue to grow at least at the same pace and keep the payout ratio around the same levels which we believe to be safe.

Nasdaq is a global technology company providing data, analytics, software, and services, including the popular Nasdaq Stock Market. To maintain its leading position, Nasdaq is executing on its 2026 strategic priorities — Integrate, Innovate, Accelerate — and continues to invest in AI-driven innovation and platform modernization across its businesses. These efforts are aimed at enhancing client engagement and expanding capabilities across regulatory, trading, and financial crime management technologies. The company and its management are demonstrating strong execution, backed by robust cash flows and a healthy balance sheet, providing ample flexibility to fund these strategic investments and drive sustainable, long-term growth.

Final Thoughts & Recommendation

Nasdaq is a technology stock in the financial services sector with a strong earnings-per-share track record and a modest dividend yield. We estimate total return potential of 10.9% per year for the next five years based on a 10% earnings-per-share growth, a 1.3% dividend yield, and a valuation headwind. The shares earn a hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	3,704	3,948	4,277	4,258	5,625	5,886	6,226	6,064	7,400	8,262
Gross Profit	1,611	1,741	1,814	1,828	2,117	2,482	2,579	2,546	2,989	4,617
Gross Margin	43.5%	44.1%	42.4%	42.9%	37.6%	42.2%	41.4%	42.0%	40.4%	55.9%
SG&A Exp.	488	518	555	552	600	645	627	417	427	-
D&A Exp.	170	188	210	190	202	278	258	323	613	632
Operating Profit	953	1,035	1,049	1,086	1,315	1,559	1,661	1,806	1,949	2,433
Op. Margin	25.7%	26.2%	24.5%	25.5%	23.4%	26.5%	26.7%	29.8%	26.3%	29.4%
Net Profit	106	729	458	774	933	1,187	1,125	1,059	1,117	1,787
Net Margin	2.9%	18.5%	10.7%	18.2%	16.6%	20.2%	18.1%	17.5%	15.1%	21.6%
Free Cash Flow	642	765	917	836	1,064	920	1,554	1,538	1,732	1,989
Income Tax	27	143	606	245	279	347	352	344	334	358

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	14,150	15,354	15,700	13,924	17,979	20,115	20,870	32,290	30,400	31,050
Cash & Equivalents	403	377	545	332	2,745	393	502	453	592	814
Acc. Receivable	429	356	384	422	566	588	677	929	1,022	-
Goodwill & Int.	8,121	9,054	8,663	8,615	9,105	11,246	10,680	21,560	20,860	20,880
Total Liabilities	8,720	9,474	10,251	8,285	11,543	13,710	14,700	21,470	19,200	18,820
Accounts Payable	175	177	198	148	175	185	185	332	269	-
Long-Term Debt	3,603	4,207	3,831	3,387	5,541	5,830	5,399	10,450	9,480	9,035
Total Equity	5,430	5,880	5,449	5,639	6,433	6,395	6,151	10,820	11,190	12,230
LTD/E Ratio	0.66	0.72	0.70	0.60	0.86	0.91	0.88	0.97	0.85	0.78

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.8%	4.9%	2.9%	5.2%	5.8%	6.2%	5.5%	4.0%	3.6%	5.8%
Return on Equity	1.9%	12.9%	8.1%	14.0%	15.5%	18.5%	17.9%	12.5%	10.1%	15.3%
ROIC	1.2%	7.6%	4.7%	8.5%	8.9%	9.8%	9.5%	6.5%	5.3%	8.3%
Shares Out.	167	167	165	165	165	167	498	508	579	579
Revenue/Share	21.94	23.28	25.51	25.50	33.70	34.96	12.51	11.93	12.78	14.28
FCF/Share	3.80	4.51	5.47	5.01	6.37	5.46	3.12	3.03	2.99	3.44

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.