

The Home Depot, Inc. (HD) - ANALYST REPORT

Executive Summary with Comprehensive Analysis

\$338.86 **-\$2.84 (-0.83%)** AS OF 2026-08-14

Strategy: Conservative Stop Loss (Fixed ATR-based)

■ QUICK DECISION

Action: HOLD | **Confidence:** LOW | **Signal Strength:** 0/7 (no confluence event in the last 30 days)

EXECUTIVE SUMMARY - Essential Metrics

TECHNICAL METRICS	VALUE	FUNDAMENTAL METRICS	VALUE
Current Price	\$338.86	Market Cap	\$337.9B
Past Win Rate (Backtest)	58.8%	Forward P/E	21.0x
Past Total Return	+35.8%	Analyst Target	\$374.06
RSI / Trend Strength	48 / 16	Upside to Target	+10.4%
MACD Signal	Bullish	Revenue Growth	+4.8%
Profit Factor	2.73	Institutional Own.	77.7%
Position Entry	2026-05-19 @ \$300.19	Analyst Ratings	22 Buy / 14 Hold / 0 Sell
Open Position Past P&L	+12.9%		

■ TECHNICAL ANALYSIS SUMMARY

Indicator	Value	Signal
EMA 20	\$343.00	Bearish
EMA 50	\$338.20	Bullish
RSI (14)	47.9	Neutral range
Trend Strength (ADX)	16.3	Weak/No trend (<20)

■ CONSENSUS HUD

HOLD +10.4% to \$374.06 on a 2.07:1 reward-to-risk, 6-12 month horizon

SIGNAL STRENGTH 0/7 no signal in 30d	WIN RATE 59% 17 backtested trades	STREET 22/36 analysts rate buy	UPSIDE +10.4% to analyst target	RISK / REWARD 2.07:1 vs. 2x ATR stop
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Technical Confluence	0/7 (no signal in 30d)	Backtest	58.8% win rate, +35.8% total return
Analyst Consensus	22 buy / 14 hold / 0 sell	Target Price	\$374.06 (+10.4%)
Market Volatility	Beta 0.96	Valuation	21.0x forward P/E
Revenue Growth	+4.8%	Institutional Own.	77.7%
Position	Already open — +12.9%	News Sentiment	Slightly Bullish (+1.9/10)

Action Plan: Maintain position with +12.9% unrealized gain. Watch for confluence signal to add.

■ KEY INSIGHT

The fixed stop strategy has proven effective (Win Rate: 58.8%, Avg Return: +7.1%), but patience is critical. Only enter on confirmed signals with proper risk management. Current technical confluence of 0 does not meet entry threshold of 5 - remain on sidelines. Fundamental backdrop shows -4% earnings growth with 78% institutional ownership, indicating strong conviction from professional investors.

■ INTELLIGENT STOP LOSS STRATEGY

METRIC	VALUE	DETAILS
Current Price	\$338.86	Latest market price
Buy Stop Loss	\$321.86	Conservative 2.0x ATR (5.0% distance)
Position Stop Loss	\$326.11	Adaptive 1.50x ATR (3.8% distance)
ATR (14-day)	\$8.50	Volatility: 2.5% of price
ADX Strength	16.3	Weak/No Trend

Status: Position up +13% - Adaptive strategy adjusts for momentum

ADX: 20-25 = Emerging trend | 25-50 = Strong trend | 50+ = Very strong

■ Strategy Comparison: Conservative vs Adaptive

METRIC	CONSERVATIVE (2.0x ATR)	ADAPTIVE (Dynamic)
Past Win Rate	59%	58%
Past Total Return	+35.8%	+36.0%
Max Drawdown	-11.1%	-11.1%
Total Trades	17	19
Position	OPEN	OPEN

Both strategies analyzed independently. Conservative uses fixed 2.0x ATR stops. Adaptive adjusts stops based on position profit.

For the latest stock analysis, support, resistance and interactive charts, visit [Ultra Stock Analysis Pro](#)

■ ANALYST RATING CHANGES - COMPLETE HISTORY

All recent upgrades, downgrades, and price target changes (last 90 days)

Firm	Action	From → To	Date
Guggenheim	REITERATED	Buy → Buy	Jul 20, 2026
Wolfe Research	DOWNGRADE	Outperform → Peer Perform	Jun 23, 2026
Guggenheim	REITERATED	Buy → Buy	May 20, 2026

Analyst Price Targets

Average Target: \$374.06 (+10.4% from current)

High Target: \$430.00 (+26.9%)

Low Target: \$310.00 (-8.5%)

Current Price: \$338.86

RISK HUD - Deep Dive Assessment

Five risk axes scored LOW / MODERATE / HIGH, then the mitigation that follows from them.

MODERATE RISK driven by earnings timing

MARKET LOW beta 0.96	VOLATILITY MODERATE ATR 2.5% of price	VALUATION LOW fwd P/E 21.0x	EVENT HIGH earnings in 4d	TECHNICAL LOW RSI 48
Mitigation - Stop	2-3x ATR = \$17.00 - \$25.50 below entry (5.0% at 2x)	Mitigation - Sizing	trim standard size until the flagged axis cools	
52-Week Range	\$289.10 - \$426.75, now \$338.86	Next Earnings	Aug 18, 2026 (4d away)	
Short Interest	1.4% of float - normal short activity	Sector Exposure	Consumer Cyclical - cycle and regulatory risk specific to the group	
Backtest Edge	58.8% win rate (10W / 7L), 2.73x profit factor	Win vs. Loss Size	avg win 16.2% vs. avg loss -5.9%	
Current Setup	0/7 (no signal in 30d) - no setup, awaiting signal	Company-Specific	Competition, Market conditions, Regulatory changes	

BUY-SIDE HUD - Portfolio Management

How much to own, what the historical edge is, and whether the position can be traded at size.

MARKET WEIGHT +10.4% to the \$374.06 analyst target against a 5.0% stop - favorable risk-adjusted return

UPSIDE +10.4% to analyst target	RISK / REWARD 2.07:1 vs. 2x ATR stop	WIN RATE 59% 17 backtested trades	PROFIT FACTOR 2.73x avg trade +7.1%	POSITION +12.9% open position
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Signal Strength	0/7 (no signal in 30d) - no setup, awaiting signal	RSI / ADX	48 / 16.3 - weak/no trend (<20)
Stop Zone (2-3x ATR)	\$17.00 - \$25.50 below entry	Next Catalyst	Aug 18, 2026 earnings
Avg Volume	4.6M/day - lower liquidity	Execution Risk	Moderate at institutional size
Market Cap	\$337.9B - large cap	Beta	0.96 - market-like volatility
Institutional Own.	77.7% - largest: Blackrock Inc.	Short Interest	1.4% of float - moderate

SELL-SIDE HUD - Investment Research

The Home Depot, Inc. - Consumer Cyclical / Home Improvement Retail. What the business is worth and where the Street stands.

NEUTRAL mixed signals - execution and margin recovery are the swing factors

FORWARD P/E 21.0x reasonable multiple	PEG 1.94 growth-adjusted P/E	REVENUE GROWTH +5% year over year	EPS GROWTH +14% next fiscal year	OPERATING MARGIN 12% profitability
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Analyst Consensus	Strong Buy - 22B / 14H / 0S across 36 analysts	Target Range	\$310.00 - \$430.00, avg \$374.06 (+10.4%)
Trailing P/E	24.0x	Price / Sales	2.03x - market multiple
Price / Book	24.35x	Enterprise Value	\$400.0B (2.40x revenue)
Revenue (TTM)	\$166.6B	Free Cash Flow	\$10.1B
Earnings Growth	-4.3%	Institutional Own.	77.7% - very high confidence
Key Competitors	Various industry players	Market Share	0% US / 0% global - competitive player
Moat	Market position, Technology, Brand	Key Products	Core products and services

■ 7-DAY NEWS SENTIMENT ANALYSIS

Market Sentiment from Recent Financial News

METRIC	VALUE	ANALYSIS
Overall Score	+1.9 / 10	Slightly Bullish
Articles Analyzed	7	Last 7 days (top 5 shown per category)
Bullish Articles	3 (43%)	Positive sentiment
Bearish Articles	1 (14%)	Negative sentiment
Neutral Articles	3 (43%)	Mixed/Neutral tone

■ TOP BULLISH HEADLINES

1. **Home Depot and Lowe's Have Both Raised Their Dividends for 17 Straight Years. Which Stock Is the Sma** (Motley Fool, Aug 15)

The rapid growth days of each company are probably over, but each stock remains an excellent choice for income investors....

Source: <https://www.fool.com/investing/2026/08/15/home-depot-lowes-raised-dividend-stock>

2. **Home Depot to Post Q2 Earnings: Is it Wise to Buy Before the Release?** (Zacks, Aug 14)

HD Q2 results are expected to reflect sales and EPS growth, fueled by Pro momentum and digital gains, while housing and margin pressures remain concer...

Source: <https://finance.yahoo.com/markets/stocks/articles/home-depot-post-q2-earnings-14>

3. **Bill Gates' Portfolio Just Added Home Depot (HD) Despite Risks. Time to Buy?** (Insider Monkey, Aug 15)

Latest filings show the Bill & Melinda Gates Foundation Trust opened a new position in Home Depot (NYSE:HD), worth about \$353 million, during the seco...

Source: <https://finance.yahoo.com/markets/stocks/articles/bill-gates-portfolio-just-adde>

■ TOP BEARISH HEADLINES

1. **Home Depot, Lowe's Quarterly Results Unlikely to Show Signs of Recovery Amid Macro Pressures, Oppenh** (MT Newswires, Aug 14)

Home improvement retailers Home Depot (HD) and Lowe's (LOW) second-quarter results are unlikely to s...

Source: <https://finance.yahoo.com/real-estate/articles/home-depot-lowes-apos-quarterly-15>

■ SENTIMENT INTERPRETATION

The news sentiment is **moderately bullish**, showing generally positive coverage with some caution. Market perception appears favorable but not overwhelmingly positive. This neutral-to-positive sentiment suggests steady conditions without extreme optimism.

REFERENCE: APPENDIX A - Complete Technical Indicators

Comprehensive Technical Data for Quantitative Analysis

Indicator	Value	Interpretation
Current Price	\$338.86	as of 2026-08-14
Volume	3.1M	avg 4.6M/day
EMA 20	\$343.00	Short-term trend
EMA 50	\$338.20	Medium-term trend
EMA 200	\$343.50	Long-term trend
Relative Strength	47.9	Neutral range
MACD	2.50	Bullish
MACD Signal	2.97	Signal line
MACD Histogram	-0.47	Bearish
Volatility (ATR 14)	\$8.50	2.5% of price
Trend Strength (ADX)	16.3	Weak/No trend (<20)
+DI	27.6	Positive directional movement
-DI	25.9	Negative directional movement
Stochastic %K	45.1	Neutral
Stochastic %D	61.5	Neutral
Bollinger Upper	\$358.63	Upper volatility band
Bollinger Middle	\$340.69	Moving average
Bollinger Lower	\$322.74	Lower volatility band
Band Position	44.9%	0% = lower band, 100% = upper
VWAP	\$338.56	Volume-weighted average

REFERENCE: APPENDIX B - Complete Fundamental Metrics

Comprehensive Fundamental Data for Financial Analysis

Category	Metric	Value	Interpretation
Valuation	Market Cap	\$337.9B	Total market value
Valuation	Enterprise Value	\$400.0B	Total company value
Valuation	Forward P/E	21.0x	Price to forward earnings
Valuation	Trailing P/E	24.0x	Price to trailing earnings
Valuation	PEG Ratio	1.94	P/E relative to growth
Valuation	Price/Sales	2.03x	Market cap to revenue
Valuation	Price/Book	24.35x	Price to book value
Valuation	EV/Revenue	2.40x	Enterprise value to revenue
Valuation	EV/EBITDA	16.0x	Enterprise value to EBITDA
Performance	Revenue (TTM)	\$166.6B	Trailing 12-month revenue
Performance	Revenue Growth	+4.8%	Year-over-year growth
Performance	Earnings Growth	-4.3%	Earnings growth rate
Performance	EPS Growth (Next Yr)	+14.2%	Forward EPS growth estimate
Performance	Gross Profit	\$55.2B	Revenue minus COGS
Performance	Operating Income	\$18.0B	EBIT
Performance	Net Income	\$14.0B	Bottom line profit
Performance	Free Cash Flow	\$10.1B	Cash after capex
Performance	Operating Cash Flow	\$18.0B	Cash from operations
Profitability	Gross Margin	33.1%	Gross profit margin
Profitability	Operating Margin	11.9%	Operating efficiency
Profitability	Profit Margin	8.4%	Net margin
Profitability	ROE	128.4%	Return on equity
Profitability	ROA	12.5%	Return on assets
Profitability	ROIC	N/A	Return on invested capital
Balance Sheet	Total Assets	\$0.0B	Total assets
Balance Sheet	Total Liabilities	\$0.0B	Total liabilities
Balance Sheet	Total Debt	\$63.7B	Total debt outstanding
Balance Sheet	Cash & Equivalents	\$1.6B	Liquid assets
Balance Sheet	Book Value/Share	\$13.92	Net worth per share
Balance Sheet	Current Ratio	1.04	Current assets/liabilities
Balance Sheet	Quick Ratio	0.23	Liquid assets/liabilities
Balance Sheet	Debt/Equity	4.59	Leverage ratio
Market	Beta	0.96	Market correlation
Market	52-Week High	\$426.75	Annual high
Market	52-Week Low	\$289.10	Annual low

Market	Avg Volume	4.6M	Average daily volume
Market	Shares Outstanding	1.0B	Total shares
Market	Float	1.0B	Tradeable shares
Market	Short Interest	1.4%	Shares sold short
Market	Institutional Own.	77.7%	Institution held
Analysts	Coverage Count	32	Number of analysts
Analysts	Average Rating	1.9	1=Strong Buy, 5=Sell
Analysts	Buy/Hold/Sell	22/14/0	Rating distribution
Analysts	Target Price	\$374.06	Average price target
Analysts	Target High	\$430.00	Highest target
Analysts	Target Low	\$310.00	Lowest target
Other	Next Earnings	Aug 18, 2026	Earnings report date
Other	Dividend Yield	2.75%	Annual dividend rate
Other	Ex-Dividend Date	1780531200	Next ex-div date

REFERENCE: APPENDIX C - Complete Trade History

Detailed Backtesting Results and Trade Log

Entry	Exit	Type	Entry \$	Exit \$	Past P&L %	Past P&L \$
2019-12-11	2020-03-11	CONFLUENCE	\$180.79	\$182.76	+1.1%	\$+67
2020-03-18	2020-06-10	CONFLUENCE	\$133.61	\$219.75	+64.5%	\$+603
2020-08-12	2020-11-19	CONFLUENCE	\$243.18	\$235.21	-3.3%	\$-199
2020-12-08	2021-05-10	CONFLUENCE	\$228.46	\$299.63	+31.1%	\$+1566
2021-06-24	2021-08-11	GOLDEN_CROSS	\$275.35	\$297.56	+8.1%	\$+600
2021-11-16	2021-12-06	CONFLUENCE	\$348.18	\$370.45	+6.4%	\$+468
2022-01-18	2022-01-20	CONFLUENCE	\$326.80	\$311.52	-4.7%	\$-244
2022-02-24	2022-05-23	CONFLUENCE	\$279.14	\$256.43	-8.1%	\$-295
2022-07-25	2022-09-13	GOLDEN_CROSS	\$276.20	\$252.38	-8.6%	\$-453
2023-01-06	2023-02-24	CONFLUENCE	\$290.08	\$271.02	-6.6%	\$-324
2023-05-16	2023-07-12	CONFLUENCE	\$259.79	\$294.28	+13.3%	\$+690
2023-11-14	2024-01-19	CONFLUENCE	\$283.20	\$340.30	+20.2%	\$+1256
2024-06-21	2024-06-28	CONFLUENCE	\$338.42	\$327.43	-3.2%	\$-297
2024-11-06	2024-12-30	CONFLUENCE	\$371.65	\$374.62	+0.8%	\$+51
2025-01-23	2025-02-21	CONFLUENCE	\$398.63	\$370.65	-7.0%	\$-504
2025-03-13	2025-10-13	CONFLUENCE	\$336.17	\$371.64	+10.6%	\$+461
2025-11-19	2026-03-09	CONFLUENCE	\$327.69	\$348.60	+6.4%	\$+335
2026-05-19	OPEN	CONFLUENCE	\$300.19	OPEN	+12.9%	\$+619

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Next Earnings: Aug 18, 2026

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