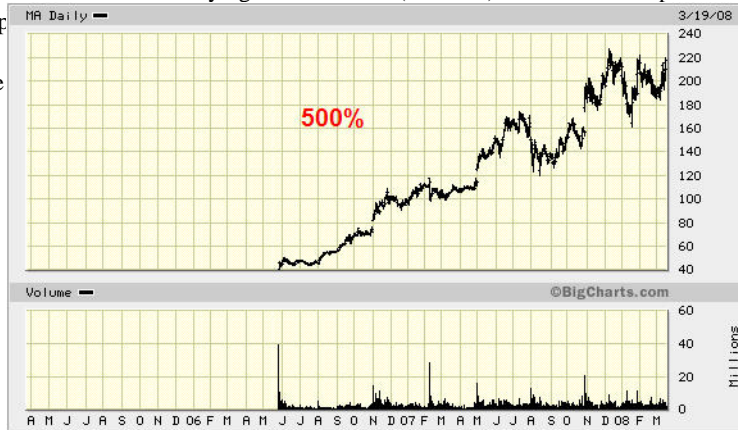


>: Should You Buy Shares of Visa?

Thursday, March 20, 2008 / Jason Jovine

I've recently been asked by friends what I think about buying shares in Visa (SYM: V). The credit card processor went public yesterday on the New York Stock Exchange at \$44 per share.

Let's look at what happened to one



erHound.com members.)

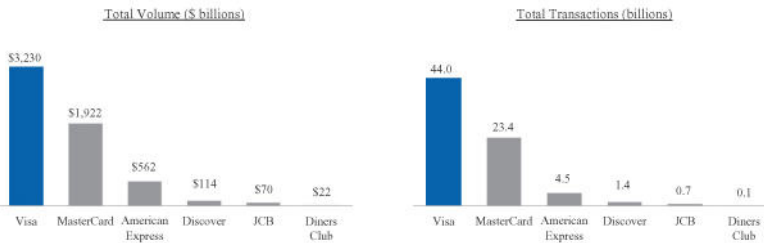
per share:

Since going public, MasterCard has been as high as almost \$228 per share, for a return of almost 500%!

Not too shabby, especially in this market.

More about VISA

Visa processed 44 billion transactions in 2006; nearly double MasterCard's 23.4 billion. Visa has more market share than MasterCard, American Express, and Discover combined.



As most of you know, people are using fiat currency less and less, and are turning to credit cards more and more. Take a look at the expected CAGR (Compound Annual Growth)



Visa is looking to raise money to take advantage of growth opportunities in the market place. Here a direct quote from Visa:

"We believe there is a significant opportunity to expand the usage of our products and services in high growth geographies in which we currently have a presence, such as the Asia Pacific, Latin America and Caribbean, and Central and Eastern Europe, Middle East and Africa regions."

administration has passed very favorable rules for the credit card companies, some of which include making it a lot harder for ?Average Joe? citizens to declare bankruptcy.

This, of course, was a gift to credit card companies, such as Visa, because now you have to pay them back. Of course, it stinks for Americans who fall on hard times. (Most bankruptcies are due to a catastrophic health crisis, but, as usual, the rich get richer and - you know the rest.)

(Only big Wall Street firms get bailed out when they fall on hard times, not average American citizens).

The bottom line: Visa is a solid company and it's a buy. The question is at what price. I will be watching it closely in this turbulent market, and so should you. I will keep you posted.

Until the next time...



Jason Jovine
Chief Investment Officer

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