

SoFi Technologies, Inc. (SOFI)

Coverage review · NASDAQ: SOFI · 18 September 2026 · Price of record \$16.73 (close, 17 September 2026) · Previous note 29 August 2026 at \$18.06

RECOMMENDATION	INVESTMENT SCORE	WEIGHTED FAIR VALUE	HORIZON
WATCHLIST	68 / 100	\$19.25	Evidence-led

PRICE	PRICE / TANGIBLE BOOK	UPSIDE TO FV	UPGRADE BAND	POLICY RATE
\$16.73 -7.4% since 28 Aug	2.28x was 2.46x	+15.1% was +6.6%	\$15.50-16.50 1.4% below	3.75-4.00% raised 16 Sep

1. Do the published levels still hold?

They hold, and for the first time in this coverage the price has come close enough to one of them that the discipline of not moving it is doing real work. The 29 August report reaffirmed Watchlist at \$18.06 and named two conditions for an upgrade: a retreat into \$15.50 to \$16.50, or a third quarter converting the July revenue raise into a raised profit outlook. The shares closed at \$16.73 on 17 September, 7.4% lower. That is \$0.23, or 1.4%, above the top of the upgrade band, and the band is not being moved to meet it.

The temptation to move it is worth naming because it is stronger here than anywhere else in this coverage. Every multiple has improved, the implied upside to fair value has more than doubled, and a single ordinary session on a share with a 4.4% average true range would put the price inside the band. Marking the trigger up by twenty-three cents to capture that would convert a level derived from analysis into a level derived from the market, which is the specific criticism this coverage has levelled at others. The band was chosen because it is where the expected return becomes large enough to survive the volatility, and that arithmetic does not change because the price is nearly there. It either gets there or it does not.

Level	29 Aug note	Status at \$16.73	Read
Upgrade band	\$15.50 - \$16.50	1.4% away	Not moved. The closest the price has come in this coverage
Weighted fair value	\$19.25 (+6.6%)	\$19.25 (+15.1%)	Estimate unchanged; the whole widening is price
Upgrade on a Q3 profit-outlook raise	Not arisen	Not arisen	Third quarter reports 27 October
Toward Avoid on a reporting period that unwinds the fair-value assumptions	Live	Live	Same date. Unchanged
50-day average	\$17.83 then	\$17.75 now	Recomputed. Price fell through it rather than it falling to the price
Consensus target	\$20.02 (24 analysts)	\$20.02	Now 19.7% above the price, against 10.9% three weeks ago

Levels assessed against the confirmed close of \$16.73 on 17 September 2026. Moving averages are recomputed in code from a 300-session daily series and are not carried forward from the previous note.

2. What has actually moved

No financial disclosure, and one substantial macro event that cuts both ways. SoFi has reported nothing since the second quarter and will not until 27 October, so cross-buy at 51% of new products, credit improving while originations

grew 69%, the quantified deposit funding advantage, and the July decision to raise revenue guidance while explicitly holding adjusted EBITDA, net income and earnings per share guidance flat, all stand exactly as reported.

The event is the Federal Open Market Committee's decision on 16 September to raise its target range by 25 basis points to 3.75%-4.00%, a unanimous vote, the first increase in three years, with at least one more carried in the projections. For a deposit-funded consumer lender this is genuinely two-sided rather than conventionally bad, and separating the two sides is most of the analytical work in this review. On the asset side a higher policy rate widens net interest margin on a book funded by member deposits, which is the structural advantage this coverage has treated as the most durable thing about the business, and it does so immediately. On the liability and volume side it raises the cost of the deposits themselves, suppresses refinancing volume in both student and personal lending, and presses on consumer credit quality, which is the input carrying the bear case. Which side dominates depends on numbers the company will publish in five and a half weeks and on nothing available today.

The sell side has continued to disperse rather than converge, which has been the honest picture of this name all year. Scotiabank initiated on 2 September at Sector Outperform with a \$25 target. KBW maintained a Sell at \$16 on 3 September. Loop Capital initiated at Hold with a \$22 target on 9 September, explicitly flagging lending risks and preferring Affirm, and the shares fell on the note. William Blair maintained Buy on 10 September. A \$15 to \$30 spread on a \$17 stock is not a consensus with error bars, it is two incompatible readings of the same disclosures, and the consensus target of \$20.02 now sits 19.7% above the price rather than 10.9%.

One filing cluster deserves a careful rather than a dramatic description. Seven officers, including chief executive Anthony Noto, filed Form 4 statements of changes in beneficial ownership on 16 September, preceded by a Form 144 on 15 September. A same-day cluster across an entire executive team is the signature of a scheduled vesting event with shares withheld for tax rather than of discretionary open-market selling, and the filing headlines alone do not distinguish between the two. It is recorded here as an observation rather than scored as a sentiment input, because reading it as insider distribution without establishing the transaction codes would be an assumption dressed as evidence.

3. Valuation

This is the largest single-period improvement in the valuation case since this coverage began, and it is entirely the product of a falling price against unchanged guidance. At \$16.73 the market capitalisation is \$21.58bn on 1.29bn shares. Against full-year adjusted earnings guidance of approximately \$0.60 the shares trade at 27.9 times, down from 30.1. Against tangible book value per share of \$7.34 they trade at 2.28 times, down from 2.46. The implied upside to the probability-weighted fair value of \$19.25 widens from 6.6% to 15.1%.

The underlying tension is unchanged and should be restated without softening, because it is what has held the rating at Watchlist through four reports. A balance-sheet business earning a return on equity in the mid single digits does not conventionally support well over two times tangible book. Trailing twelve-month net income of \$636m on shareholders' equity of roughly \$11.1bn is approximately 5.7%, and the full-year adjusted net income guidance of \$825m implies roughly 7.5%. The multiple is an expression of expected future returns, and the reinvestment decision management defended in July, holding loans on the balance sheet for visible net interest income into 2027 rather than routing them through the capital-light Loan Platform Business, is precisely what defers those returns beyond the period being paid for. What the rate increase does is make that decision look better than it did, because the net interest income it was defended on behalf of is now earned at a higher rate.

Valuation measure	4 Aug	28 Aug	17 Sep	Note
Share price	\$18.70	\$18.06	\$16.73	-7.4% in the period
Market capitalisation	~\$24.4bn	\$23.3bn	\$21.58bn	1.29bn shares outstanding
Forward P/E on FY26 adj. EPS \$0.60	31.2x	30.1x	27.9x	Guidance unchanged since July

Valuation measure	4 Aug	28 Aug	17 Sep	Note
Price / tangible book (\$7.34)	2.55x	2.46x	2.28x	Against ~5.7% trailing ROE
Price / book (\$8.58)	2.18x	2.10x	1.95x	Below two times book for the first time
Price / FY26 adj. revenue (~\$4.8bn)	~5.1x	~4.86x	~4.50x	Reasonable for 32-35% growth in isolation
Trailing P/E	--	38.0x	35.6x	TTM EPS \$0.47
Upside to weighted fair value \$19.25	+2.9%	+6.6%	+15.1%	Estimate unchanged; price did all of it

Market capitalisation, share count, trailing figures and consensus derived from StockAnalysis.com data. Book and tangible book per share are the Q2 FY2026 reported figures and are not restated for the period since. Forward multiples and all percentages are this analysis's calculation, computed in code from \$16.73.

The macro variables that matter here. Two, and for this company they are the correct two rather than the default two. The first is the policy rate path, which is genuinely two-sided as set out above: the target range is now 3.75%-4.00% after the 16 September increase and the Committee's projections carry more, which widens the spread earned on a deposit-funded book while suppressing origination and refinancing volume. The second is consumer credit quality, and the data available today is reassuring rather than alarming. Initial jobless claims printed 196,000 for the week ending 12 September against a 209,000 forecast, with continuing claims falling to 1.73 million, and August retail sales rose 1.2% against a 0.8% forecast with sales excluding motor vehicles up 1.4%. A borrower base that is employed and spending is the condition under which the bear case does not fire. Set against that, average hourly earnings are up 3.1% over the year against a 3.4% headline inflation rate, so real pay is still falling, and existing home sales at a 3.98 million annual rate are the slowest since June 2025 with the mortgage rate the binding constraint, which reads directly onto SoFi's home loans segment.

4. Technical position

The chart has deteriorated further and is now the weakest element of the case. The previous report recorded the shares losing the twenty-day average on an outside-day reversal with relative strength falling from 59.1 to 49.6. They now sit below every computed average: 6.5% below the twenty-day at \$17.89, 5.7% below the fifty-day at \$17.75, 3.3% below the hundred-day at \$17.29 and 14.5% below the two-hundred-day at \$19.58. The MACD line has crossed below both zero and its signal, at -0.25 against -0.09. Relative strength at 41.4 is neutral rather than oversold, so there is no technical argument that the selling is exhausted.

Two observations temper the reading without redeeming it. Participation is falling away, with the twenty-day volume average 32.4% below the fifty-day, so this is a drift lower on thinning interest rather than distribution. And the previous note's expectation that the fifty-day average would descend toward the price was not what happened: the price fell through the average instead, which is the less constructive of the two routes to the same convergence. The hundred-session low of \$14.88 sits 11.1% below the market and is the level beneath the upgrade band. Average true range of \$0.74 is 4.4% of the price, so the 1.4% gap between the market and the top of that band is roughly a third of an ordinary session.

Indicator	28 Aug note	Now (17 Sep)	Read
Close	\$18.06	\$16.73	-7.4% over fourteen sessions
SMA20 / EMA20	--	\$17.89 / \$17.61	Price 6.5% below; lost in late August and not recovered
SMA50 / EMA50	\$17.83 / --	\$17.75 / \$17.70	Price 5.7% below. The price fell through the average
SMA100	--	\$17.29	Price 3.3% below
SMA200	not computed	\$19.58	Now computable on a 300-session series; price 14.5% below

Indicator	28 Aug note	Now (17 Sep)	Read
RSI(14)	49.6	41.4	Neutral, not oversold. No exhaustion signal
MACD / signal / histogram	--	-0.25 / -0.09 / -0.16	Below zero and below signal
ATR(14)	~4.9% of price	\$0.74 (4.4%)	A slightly narrower range; beta remains 2.20
Volume, 20d vs 50d	47.8m vs 71.1m	39.8m vs 58.8m	Participation 32.4% below the fifty-day; drift, not distribution
100-session / 52-week range	--	\$14.88 - \$19.74 / \$14.88 - \$32.73	Price in the lower third; roughly half the 52-week high

All averages are computed in code from one 300-session series so the distances between them are comparable, and the 200-day figure is derived here rather than quoted from a third party. Technicals inform entry timing only and do not override the fundamental and valuation conclusions above.

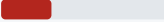
5. Risks

Risk	Probability	Severity	Comment
Consumer credit deteriorates	Medium	Severe	Carries the bear case at \$12, a 28.3% loss from here. Claims at 196,000 and retail sales up 1.2% argue against it today; a tightening cycle argues for it later
Origination and refinancing volume falls with rates	Elevated	Medium	The other half of the rate story. Student and personal loan refinancing is rate-sensitive, and existing home sales are already at their slowest since June 2025
Capital intensity and balance-sheet risk	Medium	High	Two houses now cite it independently. Holding loans on the balance sheet defers the returns the multiple is paying for
Fair-value marks unwind	Medium	High	A material part of reported income depends on modelled marks. A reporting period that reverses them would move the rating toward Avoid
Multiple compression	Medium	Medium	2.28x tangible book on ~5.7% trailing return on equity is not conventionally supported; the bear case de-rates toward 1.5x
Share price volatility	Occurring	Medium	Beta 2.20 and a 4.4% average true range. The entire distance to the upgrade band is a third of a session

6. Scorecard

Two scores move in opposite directions and the composite rises 1.3 points. Valuation rises from 4 to 5 on the largest single-period multiple improvement in this coverage: 27.9 times guided earnings from 30.1, 2.28 times tangible book from 2.46, and implied upside to fair value more than doubled. Technical Setup falls from 4 to 3 because the shares have lost every average rather than just the twenty-day. Risk is held at 5, and that is a decision rather than an omission: the rate increase widens the spread on a deposit-funded book and presses on origination volume and credit at the same time, and until the third quarter there is no basis for deciding which effect is larger.

Factor	Score	Weight	Basis
Business Quality		8/10 15%	Unchanged. Everything-app flywheel evidenced by cross-buy data, not asserted
Financial Strength		7/10 12%	Unchanged. 18.8% total capital ratio and deposit funding, offset by fair-value dependence
Competitive Advantage		7/10 12%	Unchanged. Funding cost and near-zero-CAC cross-sell are real; lending is commoditised

Factor	Score	Weight	Basis
Management		8/10 10%	Unchanged. Nineteen straight Rule-of-40 quarters; conservative guidance choice in July
Growth Potential		9/10 18%	Unchanged. 35% member and 42% product growth at \$4.8bn scale remains exceptional
Valuation		5/10 18%	Raised from 4. 27.9x guided EPS and 2.28x tangible book; upside to fair value widens to 15.1%
Risk (10 = lowest risk)		5/10 10%	Held at 5. The rate increase widens spread and presses volume and credit at once; beta 2.20
Technical Setup		3/10 5%	Cut from 4. Below all four averages; MACD below zero and signal; RSI 41.4 with no exhaustion
Investment Score	68 / 100	100%	Weighted sum of the factor scores above; was 67.2 on 29 August. The change is 67.2 to 68.5

Scored 1-10, where 10 is always best, including Risk. A long bar is always the favourable outcome. Weightings: growth 18, valuation 18, business quality 15, financial strength 12, competitive advantage 12, management 10, risk 10, technicals 5, unchanged from the previous report. That report's Risk score already ran in this direction, so no restatement was required. Computed in code; the printed figure matches its inputs.

7. Recommendation

Verdict: Watchlist, reaffirmed, and closer to changing than at any point in this coverage. The terms have improved materially for the second review running. Every multiple has come in, the implied upside to fair value has more than doubled to 15.1%, the price sits below two times book for the first time, and the single macro event of the period widens the spread on the funding advantage this analysis regards as the most durable thing about the business. None of that is enough, for a reason that is arithmetic rather than judgement.

A share with a 4.4% average true range and a beta of 2.20 covers 15% of ground in a fortnight in either direction. An expected return of 15.1% is not, on this distribution, an adequate reward for a bear case at \$12 carrying a quarter of the weight, and that is the whole of why \$15.50 to \$16.50 was chosen: it is the level at which the expected return becomes large enough to survive the volatility. The price is \$0.23 above it. Upgrading 1.4% early would be marking the analysis to the market, and the cost of not doing so is that a reader waits for either one ordinary down session or a quarter that is five and a half weeks away. That is a small price for a level that means what it says.

Item	Level	Basis
Verdict	Watchlist	Reaffirmed. No position. Fourth consecutive reaffirmation
Upgrade band	\$15.50 - \$16.50	Unchanged and deliberately not reset, though the price is 1.4% above it. The level at which the expected return survives a 4.4% daily range and a bear case at \$12
Where the shares sit now	\$16.73	15.1% below the \$19.25 weighted fair value, against 6.6% three weeks ago
First support below	\$14.88	The hundred-session low, beneath the upgrade band
Take-profit / cut-loss	Not stated	A Watchlist rating carries no position, so neither has anything to act on
Horizon	Evidence-led	The third quarter on 27 October, or the band, whichever arrives first

What would change the view

Development	Direction	Why it matters
A close inside \$15.50-16.50 with the thesis intact	Upgrade	The expected return becomes adequate for the distribution. On current volatility this is roughly one ordinary session away

Development	Direction	Why it matters
Q3 converting the July revenue raise into a raised profit outlook	Upgrade	The substantive route. Management held EBITDA, net income and EPS guidance flat in July while raising revenue; reversing that would answer the return-on-equity objection
Net interest margin widening visibly on the higher policy rate	Upgrade	Would show the deposit funding advantage converting the rate cycle into earnings rather than absorbing it
A reporting period that unwinds the fair-value assumptions	Toward Avoid	Unchanged. A material part of reported income depends on modelled marks
Charge-offs rising as the tightening cycle reaches the borrower	Downgrade	The other side of the rate story, and the input that carries the bear case at \$12

8. Scenario analysis

The scenario paths and probabilities are carried forward unchanged from the 5 August report. No financial disclosure has been made in the interval, and nothing in the period constitutes evidence about the FY2027 earnings path. The rate increase argues for a slightly better base case through net interest margin and a slightly worse one through origination volume, and quantifying either before the company does would be invention. The implied upside widens purely because the price fell.

Scenario	Prob.	Earnings path	Fair value	vs \$16.73	Conditions
Bull	25%	FY27 adj. EPS ~\$0.95	\$26.60	+59.0%	Reinvestment converts, cross-buy compounds, SoFi Plus reaches management's million-member ambition, Technology Platform stabilises; multiple holds near 28x
Base	50%	FY26 lands at guidance; FY27 adj. EPS ~\$0.80	\$19.20	+14.8%	Execution continues, profitability improves gradually rather than stepwise, multiple compresses toward 24x on the larger base
Bear	25%	Charge-offs rise, marks reverse	\$12.00	-28.3%	Consumer credit deteriorates, fair-value adjustments unwind, capital intensity forces a slower balance sheet; stock de-rates toward 1.5x tangible book

Probabilities sum to 100%. Probability-weighted fair value: $\$19.25 = 0.25 \times \$26.60 + 0.50 \times \$19.20 + 0.25 \times \$12.00$, which is 15.1% above the \$16.73 close, against 6.6% above at the previous note and 2.9% on 4 August. Fair values are this analysis's own estimates. Computed in code; the stated weighted value matches its inputs.

9. Final verdict

Three weeks have produced a materially cheaper share, a materially weaker chart, and a central bank that has started moving in a direction this business is unusually well placed to absorb. The rating does not change, and the gap between it and an upgrade is now twenty-three cents.

The business remains unexamined in the period, which is the correct thing for a report of this kind to say plainly rather than to dress up. Cross-buy, credit quality and the deposit funding advantage are exactly as reported in the second quarter, and nothing has tested the July thesis. What has changed is the price and the cost of money. At 2.28 times tangible book and 27.9 times guided earnings, SoFi is priced more reasonably than at any point in this coverage, and a deposit-funded lender entering a tightening cycle earns a wider spread on every dollar it has already lent. That is a real improvement and it is why the valuation score rose and the composite with it.

It is not an upgrade, because the same tightening cycle raises the cost of the deposits, suppresses the refinancing volume that drives origination growth, and eventually reaches the borrower. A consumer lender in the first quarter of a hiking cycle looks better on the spread and worse on the volume, and which effect dominates is a question the 27 October result answers and nothing before it does. Buying ahead of that, at a price 1.4% outside the band this analysis

published as the point where the reward justifies the distribution, would be a decision made by impatience rather than by the work.

The single biggest concern is unchanged: a business earning roughly 5.7% on equity, holding loans on its own balance sheet rather than routing them through the capital-light platform, is deferring the returns that two and a quarter times tangible book is paying for. What must change is the profit outlook, and management has the opportunity to change it in five and a half weeks. If instead the price gets to \$16.50 first, this rating changes on the level that has been published for two reports, and it changes without needing a new justification.

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