



United States / Transportation / NYSE:NSC

Insiders Made Right Decision To Sell As Norfolk Southern Dips 6.0%



Simply Wall St

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Insiders seem to have made the most of their holdings by selling US\$5.4m worth of **Norfolk Southern Corporation** ([NYSE:NSC](#)) stock at an average sell price of US\$246 during the past year. The company's market cap plunged by US\$3.8b after price dropped by 6.0% last week but insiders were able to limit their loss to an extent.

Although we don't think shareholders should simply follow insider transactions, logic dictates you should pay some attention to whether insiders are buying or selling shares.

[Check out our latest analysis for Norfolk Southern](#)

The Last 12 Months Of Insider Transactions At Norfolk Southern

Over the last year, we can see that the biggest insider sale was by the Director, James Squires, for US\$5.2m worth of shares, at about US\$246 per share. So we know that an insider sold shares at around the present share price of US\$243. We generally don't like to see insider selling, but the lower the sale price, the more it concerns us. We note that this sale took place at around the current price, so it isn't a major concern, though it's hardly a good sign.

Norfolk Southern insiders didn't buy any shares over the last year. You can see a visual depiction of insider transactions (by companies and individuals) over the last 12 months, below. By clicking on the graph below, you can see the precise details of each insider transaction!



NYSE:NSC Insider Trading Volume December 21st 2022

If you like to buy stocks that insiders are buying, rather than selling, then you might just love this [free list of companies](#). (Hint: insiders have been buying them).

Norfolk Southern Insiders Are Selling The Stock

The last three months saw significant insider selling at Norfolk Southern. Specifically, Director James Squires ditched US\$5.2m worth of shares in that time, and we didn't record any purchases whatsoever. Overall this makes us a bit cautious, but it's not the be all and end all.

Does Norfolk Southern Boast High Insider Ownership?

I like to look at how many shares insiders own in a company, to help inform my view of how aligned they are with insiders. We usually like to see fairly high levels of insider ownership. Norfolk Southern insiders own about US\$57m worth of shares. That equates to 0.1% of the company. While this is a strong but not outstanding level of insider ownership, it's enough to indicate some alignment between management and smaller shareholders.

So What Does This Data Suggest About Norfolk Southern Insiders?

An insider sold stock recently, but they haven't been buying. And there weren't any purchases to give us comfort, over the last year. But it is good to see that Norfolk Southern is growing earnings. While insiders do own shares, they don't own a heap, and they have been selling. We'd practice some caution before buying! While we like knowing what's going on with the insider's ownership and transactions, we make sure to also consider what risks are facing a stock before making any investment decision. Case in point: We've spotted [2 warning signs for Norfolk Southern](#) you should be aware of.

Of course, [you might find a fantastic investment by looking elsewhere](#). So take a peek at this [free list of interesting companies](#).

For the purposes of this article, insiders are those individuals who report their transactions to the relevant regulatory body. We currently account for open market transactions and private dispositions, but not derivative transactions.

Valuation is complex, but we're helping make it simple.

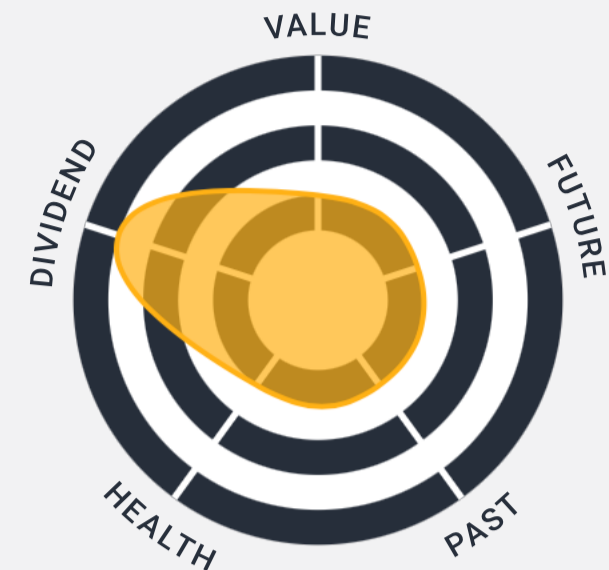
Find out whether Norfolk Southern is potentially over or undervalued by checking out our comprehensive analysis, which includes **fair value estimates, risks and warnings, dividends, insider transactions and financial health**.

[View the Free Analysis](#)

About NYSE:NSC

Norfolk Southern

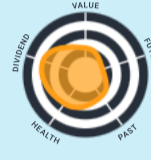
Norfolk Southern Corporation, together with its subsidiaries, engages in the rail transportation of raw materials, intermediate products, and finished goods in the United States.



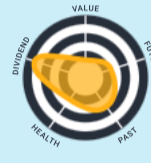
Established dividend payer and slightly overvalued.

[See The Free Research Report](#)

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