

\$254.91 **\$1.44 (0.57%)** as of Friday's close

Cap (\$M USD)
\$187,541

P/E
31.4

EPS (1Y)
-11.6%

Dividend
\$5.52

Last Filing
06/30/22

52-wk Range

\$217.68  \$271.15

Sales (\$M)
23,594

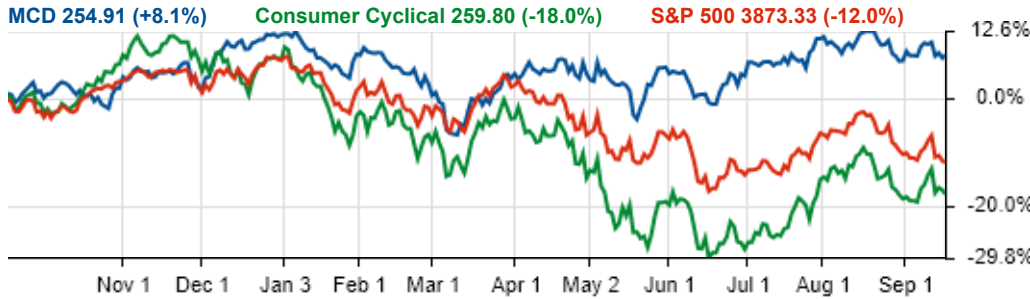
Forward P/E
24.1

Sales (1Y)
8.5%

Div. Yield
2.2%

Next Earnings
10/26/22

Dividend Adjusted Return Sep 16, 2021 - Sep 16, 2022



MCD has outperformed the S&P 500 by 20.1% in the past year.

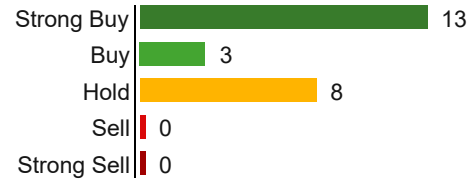
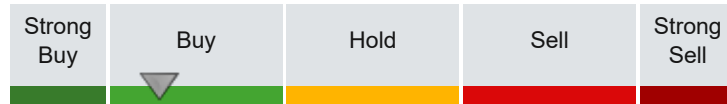
MCD has outperformed its sector by 26.1% in the past year.

The Consumer Cyclical sector has underperformed the market by -6.0% in the past year.

ANALYST CONSENSUS

Buy

The consensus rating has worsened a little since last month when it was also Buy.



QUANTITATIVE SCORES

Fair Value \$255.30

Margin of Safety 0%

The Margin of Safety is the difference between a company's Fair Value and the current price. See more on page 8.

5 warnings
Details on Page 8

Value Score

66

Value Score: Our value score looks at EV/EBITDA, P/E, P/S, P/TB (Price/Tangible Book) and EPS Predictability. P/S and P/TB are compared within a sector. Other metrics are compared across all stocks

Quality Score

84

Quality Score: Our quality score compares profitability and balance sheet metrics to find high quality companies using ROIC, Net Margin, Gross Margin, Interest Coverage, and Debt / Equity metrics.

Growth Score

80

Growth Score: Our growth score looks at the 5 year history and the forward estimates for EBITDA, Sales, and EPS growth, ranking the best companies across all stocks.

Sentiment Score

41

Sentiment Score: Our sentiment score finds stocks in favor by analyzing Short Interest, returns in key periods over the last year, Price vs. 52-wk High, Days Since 52-wk High and MACD signals.

BUSINESS SUMMARY

McDonald's is the largest restaurant owner-operator in the world, with 2021 system sales of \$112 billion across more than 40,000 stores and 119 countries. McDonald's pioneered the franchise model, building its impressive footprint through partnerships with independent restaurant franchisees around the world. The firm earns more than 60% of its revenue from franchise royalty fees and lease payments, with the remainder coming from company-operated stores across its three core segments: the United States, internationally operated markets, and international developmental/licensed markets. McDonald's owned 55% of the real estate and 80% of the buildings in its franchise system as of the end of 2021, offering it substantial leverage in maintaining quality standards and consistency.

Employees 200,000

Homepage www.investor.mcdonalds.com

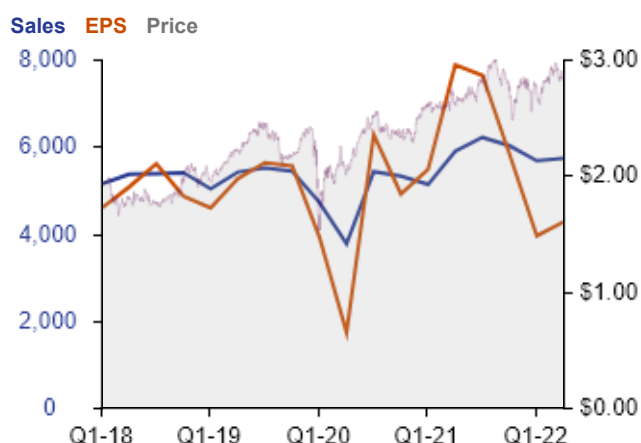
Headquarters Chicago, IL

VALUATION SUMMARY

	MCD	Industry	S&P 500
Value Score	66	57	75
Price / Earnings	31.4	29.5	20.4
Price / Sales	8.1	2.8	2.3
Price / Free Cash Flow	31.8	28.8	20.7
Price / Book	-	29.4	4.1
Price / Tangible Book	-	-	100+
EV / EBITDA	21.6	20.5	17.2
EPS Predict. Pctl.	94	54	70
Piotroski F Score	6	6	8
5-Year P/E Range	18.0		37.5
5-Year P/B Range	-		-
5-Year P/S Range	5.1		9.5

GROWTH SUMMARY

	MCD	Industry	S&P 500
Growth Score	80	65	78
Sales Growth			
Sales Growth Next Year	3.4%	9.2%	7.6%
Sales 1-Year Chg (%)	8.5%	94.6%	15.2%
Sales 3-Year Avg (%)	4.2%	4.7%	16.9%
Sales 5-Year Avg (%)	-0.5%	2.4%	14.3%
EPS Growth			
Next Yr. Growth Est.	7.3%	19.5%	10.1%
EPS 1-Year Chg (%)	-11.6%	83.5%	16.6%
EPS 3-Year Avg (%)	2.2%	15.4%	13.1%
EPS 5-Year Avg (%)	5.9%	15.1%	13.4%



PEERS ANALYSIS SUMMARY

Ticker	Company	Cap (\$M USD)	P/E	Div. Yield	1M Return	1Y Return	Margin of Safety	Value Score	Growth Score	Quality Score
MCD	McDonald's	\$187,541	31.4	2.2%	-3.7%	7.1%	0%	66	80	84
SBUX	Starbucks	\$104,769	25.7	2.2%	2.1%	-18.6%	-21%	66	83	80
CMG	Chipotle Mexican ...	\$47,021	63.3	-	-1.2%	-11.7%	-17%	60	98	56
CM...	Compass Gr	\$38,960	46.5	1.4%	-9.0%	10.7%	4%	46	81	65
YUM	Yum Brands	\$32,927	23.2	2.0%	-2.3%	-7.9%	-4%	66	84	86
YUMC	Yum China Holdings	\$20,888	28.3	1.0%	4.0%	-9.7%	6%	74	85	54
QSP...	Restaurant Brands...	\$20,343	22.4	3.6%	1.6%	-2.1%	-7%	69	82	75
QS...	Restaurant Brands...	\$18,148	22.8	3.5%	0.7%	1.3%	-19%	68	83	71
DRI	Darden Restaurants	\$15,896	17.5	3.7%	-3.5%	-10.8%	-1%	74	90	78
HDA...	Haidilao Intl Holding	\$12,935	-	-	3.6%	-44.4%	-	32	57	35
DPZ	Domino's Pizza	\$12,307	26.8	1.3%	-16.3%	-32.2%	7%	69	89	80
TXRH	Texas Roadhouse	\$6,082	24.8	2.0%	-4.3%	1.0%	6%	76	97	83

PROFITABILITY SUMMARY

	MCD	Industry	S&P 500
Quality Score	84	56	77
Gross Margin	55.3%	29.4%	30.2%
Operating Margin	43.1%	14.0%	14.8%
Net Margin	25.8%	8.3%	11.8%
Return on Assets	12.4%	11.6%	8.7%
Return on Equity	-95.5%	-109.1%	35.2%
ROIC	17.6%	19.0%	20.1%

RETURNS SUMMARY

	MCD	Industry	S&P 500
Sentiment Score	41	56	54
5-Day Return	-1.8%	-0.3%	-4.4%
1-Month Return	-3.7%	-3.3%	-9.7%
YTD Return	-3.3%	-10.4%	-17.8%
1-Year Return	7.1%	-32.6%	-11.8%
3-Year Return	31.8%	-10.9%	36.2%
5-Year Return	82.9%	20.5%	68.9%
Beta 1-Year	0.54	0.56	0.99

Dividend Adjusted Return Sep 16, 2021 - Sep 16, 2022

MCD 255.82 (+8.4%)

EMA 50 257.45 (+9.1%) EMA 150 252.06 (+6.8%)



DIVIDEND

	MCD	Industry
Dividend Yield	2.2%	1.9%
Payout Ratio	66.4%	59.7%
TTM Yield	2.2%	-
Dividend Per Share	\$5.52	\$2.64
Div. 1Y Chg (%)	7.0%	65.0%
Div. 3Y Avg (%)	6.0%	-2.8%
Div. 5Y Avg (%)	8.0%	3.1%
Cons. Growth Years	10+	1
Div. Coverage Ratio	1.5	1.7

DEBT & EQUITY

Current Ratio	1.4
Quick Ratio	1.4
Price	\$254.91
Net Cash Per Share	-\$61.53
Equity Per Share	-\$8.66
Solvency Ratio	16%
Interest Coverage	7.6
Short % of Float	0.8%
Altman Z-Score	4.9

ANALYST REVISIONS

Current Quarter EPS		Next Quarter EPS	
# Up Last 30 days	1.00	# Up Last 30 days	1.00
# Down Last 30 days	0.00	# Down Last 30 days	0.00
Mean Estimate	2.42	Mean Estimate	2.60
% Change (30 Days)	0.41%	% Change (30 Days)	0.39%

MEAN ESTIMATE TREND

	Cur Qtr	Next Qtr	Cur Year	Next Year
Latest	\$2.60	\$2.42	\$9.87	\$10.59
30 Days Ago	\$2.59	\$2.41	\$9.87	\$10.59
90 Days Ago	\$2.67	\$2.44	\$9.87	\$10.75
% Change (90 Days)	-2.6%	-0.8%	0.0%	-1.5%

EARNINGS SURPRISES

Earnings surprise is the difference between a company's announced earnings and the average analyst estimated value. Surprises typically causes the stock price to jump and are often followed by more of the same surprise type.

Surprise Detail (Last 6 Quarters)

Surprise Summary (Last 12 Quarters)

Surprise Type	Amount	Percent
Positive Quarters (> 2%)	6	50.0%
Negative Quarters (< 2%)	5	41.7%
In-Line Quarters (within 2%)	1	8.3%

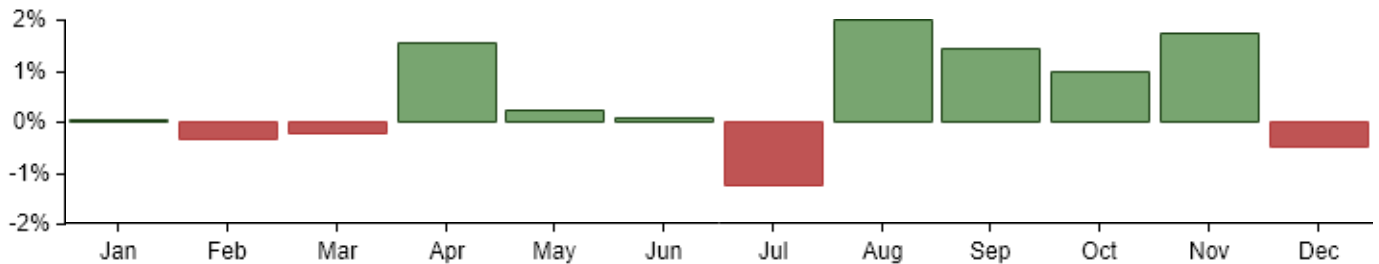
Surprise Type	Announce Date	Period End Date	Actual EPS	Est. EPS	Surprise (%)
Positive	07/26/22	06/30/22	\$2.55	\$2.46	3.8%
Positive	04/28/22	03/31/22	\$2.28	\$2.18	4.6%
Negative	01/27/22	12/31/21	\$2.23	\$2.31	-3.5%
Positive	10/27/21	09/30/21	\$2.76	\$2.46	12.2%
Positive	07/28/21	06/30/21	\$2.37	\$2.12	11.8%
Positive	04/29/21	03/31/21	\$1.92	\$1.81	6.1%

RISK

	MCD	Industry	S&P 500
Best Monthly Return (5Y)	18.6%	41.2%	17.9%
Worst Monthly Return (5Y)	-18.4%	-23.0%	-16.4%
Beta 1-Year	0.54	0.56	0.99
Volatility 1-Year	0.18	0.32	0.21
Volatility 1Y Pctl.	17	-	-
Max Drawdown 1-Year	-17.7%	-30.1%	-23.5%
Max Drawdown 3-Year	-37.0%	-48.3%	-33.9%
Max Drawdown 5-Year	-38.0%	-46.5%	-33.9%

SEASONALITY

Ten-Year Seasonal Performance vs the S&P 500



5-YEAR RELATIVE PERFORMANCE VS S&P 500

Relative to the S&P 500 baseline, MCD has outperformed the S&P 500 by 12.8% in the past 5 Years.

MCD has underperformed its sector by -11.0% in the past 5 Years.

The Consumer Cyclical sector has outperformed the market by 23.7% in the past 5 Years.

Dividend Adjusted Return Sep 15, 2017 - Sep 16, 2022



Overall Rating vs. Peers

44

Ratings scores are relative to industry groups. They compare key metrics to rank stocks vs. their competitors. For example, higher growth than peers will score high even when the absolute growth is below the market average.

Growth vs Peers

Ticker	Company	Growth Rating vs. Peer	Sales QoQ Chg.	Eps QoQ Chg.	Sales Growth Next Y.	Sales 1Y Chg (%)	Sales 3Y Avg (%)	Sales 5Y Avg (%)
CMG	Chipotle Mexican Grill	91	17.0%	40.2%	13.7%	19.0%	16.2%	13.6%
DRI	Darden Restaurants	70	14.2%	-19.7%	5.6%	20.8%	3.9%	5.4%
SBUX	Starbucks	54	8.7%	-18.6%	11.1%	17.9%	7.1%	7.4%
YUM	Yum Brands	48	2.1%	-40.3%	7.7%	6.4%	6.6%	1.2%
MCD	McDonald's	28	-2.9%	-45.8%	3.4%	8.5%	4.2%	-0.5%

Valuation vs Peers

Ticker	Company	Valuation Rating vs. Peer	P/E	Forward P/E	PEG Trailing	P/S	P/B	5Y P/E Range
DRI	Darden Restaurants	70	17.5	15.1	1.3	1.7	7.2	6.6 -
SBUX	Starbucks	34	25.7	27.4	2.1	3.3	-	15.8 - 100+
YUM	Yum Brands	23	23.2	21.4	1.7	5.1	-	15.3 - 41.4
CMG	Chipotle Mexican Grill	21	63.3	39.9	1.5	5.9	21.8	42.4 - 100+
MCD	McDonald's	9	31.4	24.1	5.3	8.1	-	18.0 - 37.5

Efficiency vs Peers

Ticker	Company	Efficiency Rating vs. Peer	Gross Margin	Operating Margin	Net Margin	5Y ROE Range	5Y ROA Range
YUM	Yum Brands	99	47.9%	31.0%	22.2%	-23.0% - -11.5%	15.4% - 37.3%
DRI	Darden Restaurants	95	20.7%	12.1%	9.9%	-8.5% - 45.5%	-2.2% - 12.1%
MCD	McDonald's	93	55.3%	43.1%	25.8%	-253.9% - -50.4%	9.0% - 18.1%
SBUX	Starbucks	87	26.9%	14.7%	13.0%	-105.0% - 114.1%	2.2% - 26.5%
CMG	Chipotle Mexican ...	83	22.5%	11.6%	9.3%	9.4% - 35.1%	4.2% - 11.6%

Financial Strength vs Peers

Ticker	Company	Financial Strength Rating vs. Peers	Debt / Equity	Interest Coverage	Quick Ratio	Intangibles %	Solvency Ratio	Short % of Float
CMG	Chipotle Mexican Grill	97	1.7	-	1.2	0.3%	24%	4.1%
DRI	Darden Restaurants	74	2.2	16.5	0.5	18.9%	20%	5.8%
MCD	McDonald's	32	-	7.6	1.4	5.5%	16%	0.8%
YUM	Yum Brands	26	-	4.2	1.2	17.4%	13%	1.1%
SBUX	Starbucks	19	-	12.2	0.6	13.0%	19%	1.1%

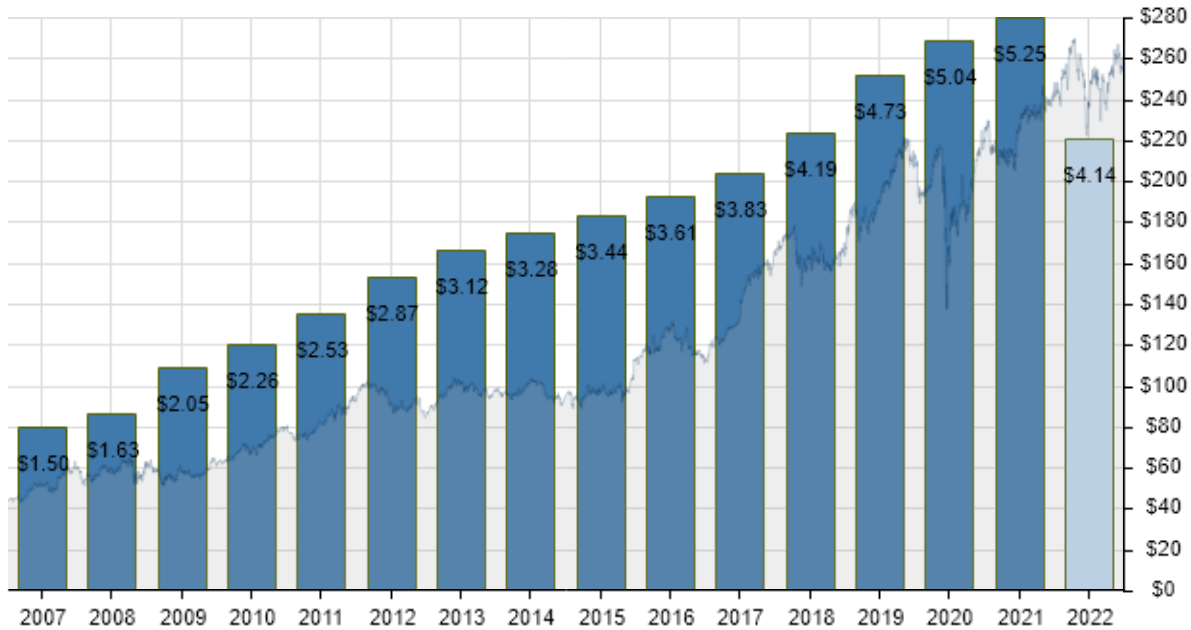
Dividends vs Peers

Ticker	Company	Dividends Rating vs. Peer	Div. Yield	TTM Yield	Price	Div. Per Share	Consecutive Div. Growth Years	Payout Ratio
DRI	Darden Restaurants	86	3.7%	3.5%	\$129.68	\$4.84	1	59.0%
SBUX	Starbucks	64	2.2%	2.2%	\$91.31	\$1.96	10+	53.6%
MCD	McDonald's	30	2.2%	2.2%	\$254.91	\$5.52	10+	66.4%
YUM	Yum Brands	14	2.0%	1.9%	\$115.72	\$2.28	4	42.2%
CMG	Chipotle Mexican Grill	-	-	-	\$1,693.57	-	0	-

Momentum vs Peers

Ticker	Company	Momentum Rating vs. Peer	1M Return	3M Return	6M Return	YTD Return	1Y Return	Beta 1Y	Volatility 1Y	Price vs 52-wk High (%)
CMG	Chipotle Mexican Grill	96	-1.2%	39.4%	8.9%	-3.1%	-11.7%	1.27	0.38	86.5%
MCD	McDonald's	94	-3.7%	9.0%	8.2%	-3.3%	7.1%	0.54	0.18	94.0%
SBUX	Starbucks	94	2.1%	29.4%	5.8%	-20.5%	-18.6%	1.12	0.33	77.5%
DRI	Darden Restaurants	93	-3.5%	17.2%	1.9%	-11.6%	-10.8%	1.10	0.35	78.9%
YUM	Yum Brands	87	-2.3%	6.5%	-2.2%	-15.4%	-7.9%	0.75	0.22	82.8%

DIVIDEND DETAIL



CALENDAR YEAR DIVIDEND HISTORY

Year	Date	Pay Date	Text	Amount
2022 Dividends				
	08/31/22	09/16/22	Regular	\$1.38
	06/03/22	06/20/22	Regular	\$1.38
	02/28/22	03/15/22	Regular	\$1.38
2021 Dividends				
	11/30/21	12/15/21	Regular	\$1.38
	08/31/21	09/15/21	Regular	\$1.29
	05/28/21	06/15/21	Regular	\$1.29
	02/26/21	03/15/21	Regular	\$1.29
2020 Dividends				
	11/30/20	12/15/20	Regular	\$1.29
	08/31/20	09/15/20	Regular	\$1.25
	05/29/20	06/15/20	Regular	\$1.25
	02/28/20	03/16/20	Regular	\$1.25
2019 Dividends				
	11/29/19	12/16/19	Regular	\$1.25
	08/30/19	09/17/19	Regular	\$1.16
	05/31/19	06/17/19	Regular	\$1.16
	02/28/19	03/15/19	Regular	\$1.16
2018 Dividends				
	11/30/18	12/17/18	Regular	\$1.16
	08/31/18	09/18/18	Regular	\$1.01
	06/01/18	06/18/18	Regular	\$1.01
	02/28/18	03/15/18	Regular	\$1.01

UPCOMING DIVIDEND

Ex-Dividend Date	08/31/22
Payment Date	09/16/22
Amount	\$1.38
Type	Regular

DIVIDEND RATE

Regular Dividend	\$1.38
Annual Dividend Rate	\$5.52
Annual Dividend Yield	2.2%
Trailing 12 Months Dividends	\$5.52
Trailing 12 Months Yield	2.2%

STATISTICS

Payout Ratio	66.4%
Dividend Coverage Ratio	150.6%
Consecutive Growth Years	10+
3 Year Growth Rate	6.0%
5 Year Growth Rate	8.0%
10 Year Growth Rate	7.0%

FINANCIAL STATEMENT SUMMARY

USD in Millions	Chart	2017	2018	2019	2020	2021	TTM	CAGR
Income Statement								
Revenue		22,820	21,258	21,364	19,208	23,223	23,594	0.7%
Operating Income		8,390	8,632	8,950	7,207	9,873	10,178	4.2%
Net income		5,192	5,924	6,025	4,731	7,545	6,081	3.4%
Earnings per share diluted		\$6.37	\$7.54	\$7.88	\$6.31	\$10.04	\$8.12	5.3%
Average shares diluted		816	786	765	750	752	748	-1.8%
P/E Ratio		24.9	26.9	25.9	32.8	27.6	31.4	5.0%
Balance Sheet								
Cash		2,464	866	899	3,449	4,709	1,873	-5.7%
Current assets		5,327	4,053	3,558	6,243	7,148	4,919	-1.7%
Net Property, Plant and Equipm...		22,448	22,843	37,421	38,786	38,273	36,129	10.6%
Working Capital		2,437	1,080	-63	62	3,129	1,439	-10.6%
Net Debt		27,073	30,209	46,658	48,014	44,640	45,713	11.8%
Stockholders' Equity		-3,268	-6,258	-8,210	-7,825	-4,601	-6,370	15.2%
Cash Flow								
Operating Cash Flow		5,551	6,967	8,122	6,265	9,142	8,036	8.2%
Cap Ex		-1,854	-2,742	-2,394	-1,641	-2,040	-2,028	1.9%
Free Cash Flow		3,698	4,225	5,728	4,624	7,102	6,008	10.9%
Free Cash Flow per share		\$4.53	\$5.38	\$7.49	\$6.17	\$9.45	\$8.03	12.9%
Profitability								
Operating Margin		36.8%	40.6%	41.9%	37.5%	42.5%	43.1%	3.5%
Return on Assets		15.4%	18.1%	12.7%	9.0%	14.0%	12.3%	-4.5%
Return on Equity		-158.9%	-94.7%	-73.4%	-60.5%	-164.0%	-95.5%	-10.3%
Return on Invested Capital		23.3%	27.8%	18.2%	13.6%	19.5%	17.6%	-5.8%
Dividends								
Dividends Per Share		\$3.83	\$4.19	\$4.73	\$5.04	\$5.25	\$5.52	8.1%
Dividend Yield		2.4%	2.6%	2.5%	2.4%	2.1%	2.2%	-1.7%
Dividend Growth		-	9.4%	12.9%	6.6%	4.2%	7.8%	-4.9%
Dividend Coverage		1.7x	1.8x	1.7x	1.3x	1.9x	1.5x	-2.3%

VALUATION & PROFITABILITY HISTORY

Date →	Chart	TTM	1 Yr Ago	2 Yrs. Ago	3 Yrs. Ago	4 Yrs. Ago
Price / Earnings		31.4	35.3	29.4	27.3	24.3
Price / Cash Flow		23.8	26.7	22.3	21.9	23.0
Price / Book		-	-	-	-	-
Price / Tangible B...		-	-	-	-	-
Price / Sales		8.1	9.3	8.2	7.7	5.8
EV / EBITDA		21.6	20.0	23.5	19.4	13.9
Dividend Yield		2.2%	2.1%	2.2%	2.2%	2.5%
Shareholder Yield		4.0%	2.1%	4.5%	4.8%	7.4%
Gross Margin		55.3%	53.2%	51.2%	52.3%	49.8%
Net Margin		25.8%	31.7%	25.0%	28.3%	25.3%
Return on Assets		12.4%	13.3%	9.6%	12.8%	16.7%
Return on Equity		-95.5%	-118.0%	-50.4%	-86.6%	-93.2%
ROIC		17.6%	18.7%	14.0%	18.1%	25.5%

WARNINGS

Name	Severity	Details
GAAP Earnings vs. Pro Forma	Medium	Official EPS: \$1.60; Announced EPS: \$2.55
<p>The GAAP compliant earnings that the company filed with the SEC are less than the pro-forma earnings they announced to the press. Pro-forma earnings can exclude special one-time charges but some distressed companies post these "one-time" charges quarter after quarter.</p>		
Negative Sales Growth Years	Medium	Number of Years: 7; Sales 1Y Chg (%): 8.5%
<p>In the last decade this company has had several years with negative revenue growth. If the top-line sales are shrinking this company could be a value trap that looks inexpensive on some measures but never outperforms the market.</p>		
MACD Crossover	Low	MACD Crossover Days: 4; MACD Divergence: -0.36
<p>The MACD indicator has turned negative in the past week. This is a bearish signal among technical traders.</p>		
Declining EPS Growth	Low	EPS 1Y Chg (%): -11.6%; EPS 3Y Avg (%): 2.2%; EPS 5Y Avg (%): 5.9%
<p>EPS growth has declined. Comparing EPS growth rates, the 1-year is less than the 3-year which is less than the 5-year. Be sure to understand the reasons as declining earnings growth puts pressure on the stock price.</p>		
Number of Earnings Misses	Low	Number of Quarters: 4; EPS Surprise: 3.83%
<p>Over the past 10 quarters there have been several earnings misses. Historically, meeting or beating estimates is twice as common as missing. Frequent misses are a warning sign to investigate.</p>		

REPORT TIPS

Metric Definitions

Metric descriptions are available at stockrover.com/help/metrics/metric-overview

Quantitative Scores

Our scores analytics is to offer our concise analysis of a stock in powerful, but easy to digest format. Each of the composite score metrics are designed to use the best available accounting practices as well as source data from SEC filings. The scores are computed for a company vs. the market as a whole.

Fair Value

Fair value performs a forecasted discounted cash flow analysis of a company to determine the company's intrinsic value based on the expected future cash flows the company will produce. It basically determines what a company is worth based on how much cash flow it is expected to generate for you in the future, taking into account the time value of money and the predictability of those forecasted cash flows.

Peers

Peer ratings are computed from raking companies in the same

DISCLAIMER

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