

# Budweiser APAC: Optimism on potential sales impact of World Cup

DIGITAL ENGAGEMENT TEAM

09 NOVEMBER 2022

## TRADING MATTERS SERIES: STOCK HIGHLIGHT

Features a single stock and zooms in on its performance in the market

KEY METRICS	
Current Price	18.68
Latest Dividend	0.03
Dividend Ex-Date	16/5/2022
Indicated Dividend Yield	1.27%
14 Day RSI	48.41
Analysts 12M Target Price	25.72

REFINITIV STOCKREPORTS+ AVERAGE SCORE
<b>6/10</b> As of 09 Nov 2022

Refer to page 3 for indicator components

## Budweiser APAC (1876 HK) Price Chart



Any red lines drawn on the price charts are trendlines, which are visual representations of support & resistance levels. They are drawn by connecting a series of prices together to help indicate the data's best fit or the presence of any trend over a time frame, and are for illustration purposes only.

As of 09 Nov 2022 closing

## KEY MARKET EVENTS

- 15 Nov** US PPI Releases (Oct)
- 16 Nov** US Retail Sales (Oct)
- 23 Nov** SG CPI Release (Oct)
- 24 Nov** US Thanksgiving Holiday
- 30 Nov** China PMI Release (Nov)

## Hang Seng Index Price Chart



As of 09 Nov 2022 closing

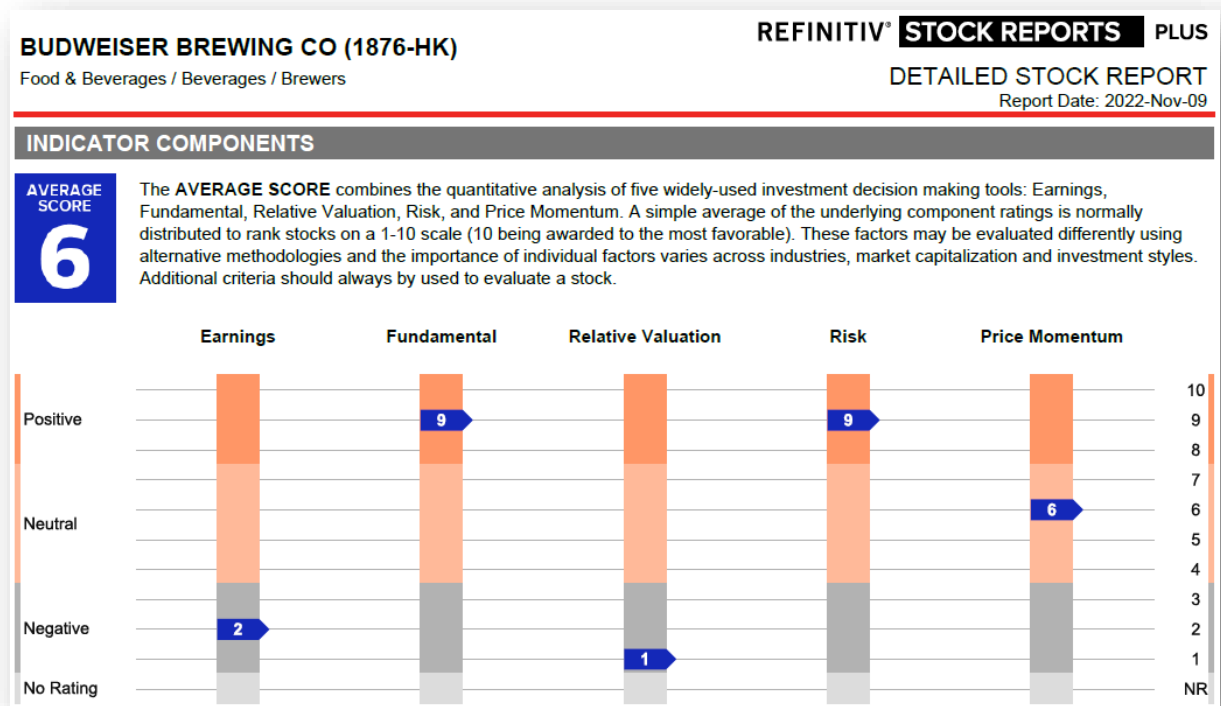
## Headline News & Information

- Budweiser Brewing Company APAC Limited is a company principally engaged in the brewing and distribution of beer. The Company produces, imports, markets, distributes over 50 brands including Budweiser, Stella Artois, Corona, Hoegaarden, Cass, and Harbin. The principal markets include China, South Korea, India and Vietnam (Bloomberg)
- Beer is defying the economic slowdown, AB-InBev CEO says (31 Oct 2022, Yahoo! Finance)
  - Economic slowdowns around the world hasn't yet led to beer sales going flat for mega-brewer AB-InBev
  - AB-InBev CEO Michel Doukeris says not only haven't beer sales waned this year, consumers don't appear to be trading down to cheaper alternatives
  - Doukeris also echoed optimism on the potential sales impact of the World Cup set to kick off in Qatar in late November
  - "Numbers from FIFA say that like 2.5, 3 billion people watch the games globally," Doukeris said. "There are celebrations in each and every country. We will be activating in 70 countries with the local brands and local passion points"
  - Budweiser is the official sponsor of FIFA World Cup Qatar
- Budweiser APAC Will Continue to Invest in China, CEO Says (28 Oct 2022, Yicai Global)
  - China's economy is very resilient and the business outlook is very promising, the chief executive officer of Budweiser Brewing Group APAC, the largest beer company in the Asia-Pacific region said
  - Budweiser APAC will continue to invest in China, and stick to its premium market-oriented, commercial expansion and digitization strategies

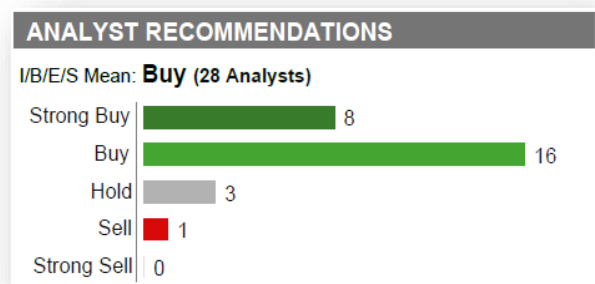
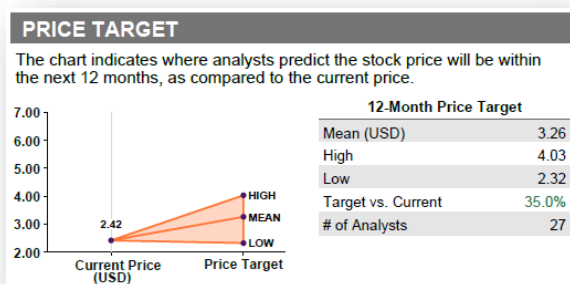
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> <li>• Shares rose 2.3% in the past 5 days and are down 14% in the past 30 days</li> </ul>	<ul style="list-style-type: none"> <li>• 20.23 (50 Day MA)</li> <li>• 21.30 (200 Day MA)</li> <li>• 24.00 (Jul 2022)</li> </ul>	<ul style="list-style-type: none"> <li>• 18.00 (Apr 2020)</li> <li>• 16.00 (Oct 2022)</li> </ul>

# Fundamental Viewpoint

## An Extract from STOCKREPORTS+



## Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 09 Nov 2022

## HK Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in HKD	
Average Score	Ticker	PRICE MOMENTUM				VALUATION			FUNDAMENTAL		ANALYSTS			
		Price (2022-11-08)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts	
6	1876	18.96	-12.6%	-17.6%	-9.1%	252.4B	33.6	31.8	1.2%	15.2%	10.1%	Buy	27	
9	9633	42.20	-12.3%	-9.2%	3.3%	208.9B	61.0	55.0	1.3%	24.9%	--	Buy	25	
7	291	46.00	-21.6%	-15.5%	-26.3%	146.3B	30.2	32.6	1.4%	11.8%	22.7%	Buy	38	
8	19	56.00	-4.7%	23.8%	13.4%	48.7B	16.9	13.8	4.6%	6.9%	--	Buy	8	
9	168	66.30	-14.9%	-13.3%	1.4%	43.3B	26.4	25.4	2.0%	12.7%	13.6%	Buy	26	
7	220	6.24	-0.64%	-15.4%	-5.9%	27.1B	16.6	19.2	8.3%	4.8%	22.8%	Buy	19	
4	345	13.58	38.6%	24.6%	-25.4%	14.9B	--	92.4	--	-2.4%	--	Hold	4	
9	506	2.26	-3.4%	-10.7%	-22.6%	5.8B	10.2	9.0	5.5%	3.2%	--	Buy	4	
2	1115	0.40	-14.0%	-20.0%	-35.5%	1.3B	17.7	--	--	2.5%	--	--	--	
6	828	0.32	6.7%	-5.9%	-17.9%	399M	12.2	--	--	10.6%	--	--	--	
7	236	0.72	-7.7%	-19.1%	-31.4%	276M	13.9	--	--	3.5%	--	--	--	
6.7	Average	23.00	-4.2%	-7.1%	-14.2%	68.1B	23.9	34.9	3.5%	8.5%	17.3%	Buy	18.9	

PEER COMPANIES			
1115	Tibet Water Resources	291	China Resources Beer Holdings
168	Tsingtao Brewery Co	345	Vitasoy International
19	Swire Pacific	506	China Foods
220	Uni-President China Holdings	828	Dynasty Fine Wines Group
236	San Miguel Brewery Hong Kong	9633	Nongfu Spring Co

Source: REFINITIV STOCKREPORTS+, extracted 09 Nov 2022

## Global Peer Analysis (Bloomberg)

Ticker	Name	Mkt Cap (USD) (Millions)	Last Px	P/E	P/E 5Yr Avg	P/B	P/B 5Yr Avg	Indicated Yield (%)
<b>Average</b>		<b>15,442</b>	<b>343.93</b>	<b>38.24</b>	<b>45.96</b>	<b>8.00</b>	<b>9.67</b>	<b>2.22</b>
1876 HK	BUDWEISER BREWING CO APAC	31,482	18.66	29.31	57.19	3.00	3.80	1.27
291 HK	CHINA RESOURCES BEER HOLDING	18,743	45.35	33.20	59.54	4.96	7.09	1.37
HEIO NA	HEINEKEN HOLDING NV	19,792	68.25	N/A		N/A		2.14
CARLB DC	CARLSBERG AS-B	18,786	918.80	17.44	22.74	3.90	3.73	2.60
HEIA NA	HEINEKEN NV	48,284	83.26	13.48		2.50	3.47	1.75
TAP US	MOLSON COORS BEVERAGE CO - B	11,339	51.29	11.32	11.42	0.84	0.81	2.96
600132 CH	CHONGQING BREWERY CO-A	7,082	106.06	39.37	52.79	26.05	35.95	1.89
UBBL IN	UNITED BREWERIES	5,453	1,678.00	121.42	116.72	11.27	9.39	0.63
SAM US	BOSTON BEER COMPANY INC-A	4,348	353.64	84.38		4.05	5.02	N/A
RBREW DC	ROYAL UNIBREW	2,955	435.00	13.85	22.98	4.44	8.62	3.33
HEIM MK	HEINEKEN MALAYSIA	1,596	24.90	18.62	24.31	19.00	18.87	4.26

Source: Bloomberg, extracted 09 Nov 2022 closing

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