

Starbucks: Reopening its Shanghai stores in lockdown rebound

DIGITAL ENGAGEMENT TEAM

08 JUNE 2022

TRADING MATTERS SERIES: STOCK HIGHLIGHT

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

KEY METRICS	
Current Price	78.98
Latest Dividend	0.49
Dividend Ex-Date	12/5/2022
Indicated Dividend Yield	2.48%
14 Day RSI	56.13
Analysts 12M Target Price	91.03

REFINITIV STOCKREPORTS+ AVERAGE SCORE
5/10 As of 07 Jun 2022

Refer to page 3 for indicator components

Starbucks Corp (SBUX US) 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 06 Jun 2022 closing

KEY MARKET EVENTS

- 14 Jun China Industrial Production (May)
- 15 Jun FOMC Interest Rate Decision
- 17 Jun US Industrial Production (May)
- 23 Jun SG CPI Release (May)
- 28 Jun US Goods Trade Balance (May)

S&P500 Index Price Chart



As of 06 Jun 2022 closing

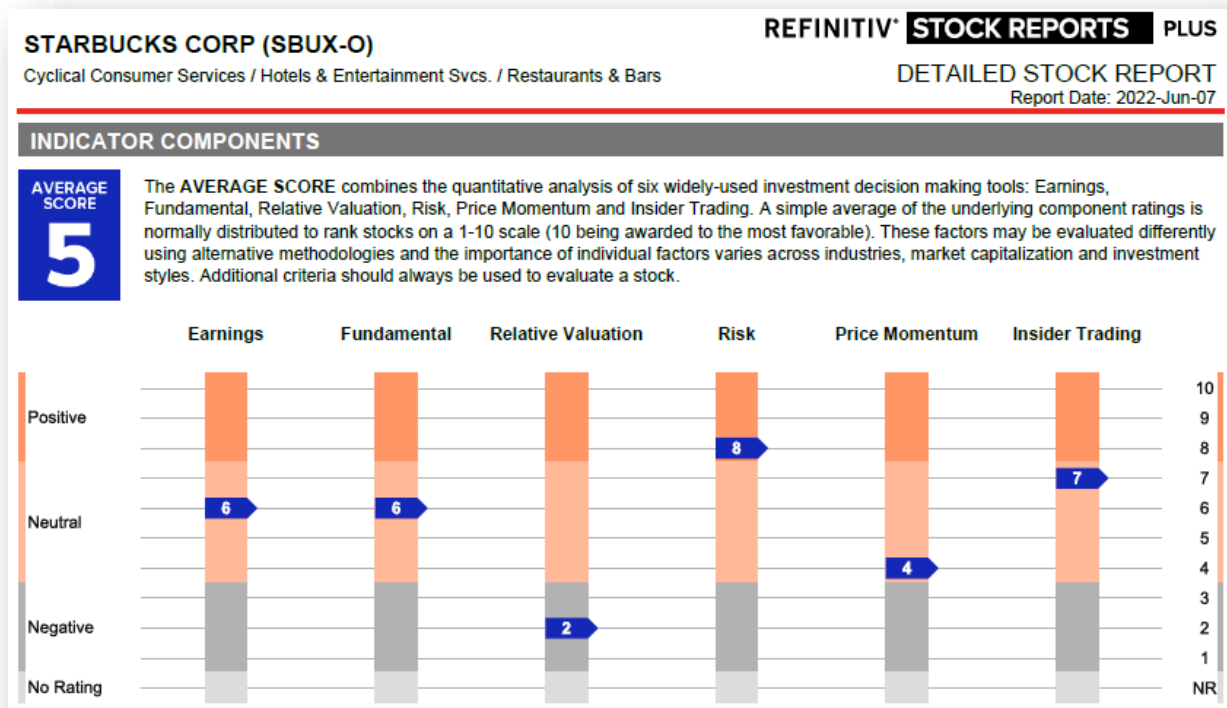
Headline News & Information

- Starbucks Corporation retails, roasts, and provides its own brand of specialty coffee. The company operates retail locations worldwide and sells whole bean coffees through its sales group, direct response business, supermarkets, and on the world wide web. Starbucks also produces and sells bottled coffee drinks and a line of ice creams (Bloomberg)
- Starbucks reopening its Shanghai stores in lockdown rebound (04 Jun 2022, Bloomberg)
 - Starbucks said it's reopening its stores in Shanghai after a wave of Covid-19 infections and government lockdowns hurt its business in the key Chinese market
 - The Seattle-based company has reopened 600 of its 940 stores in the city
 - Starbucks has called China one of its two key growth markets
- US coffee giant Starbucks faces more backlash in China over expired products (07 Jun 2022, South China Morning Post)
 - A Starbucks outlet in the eastern city of Hangzhou has been fined for stocking expired coffee powder
 - The penalty is the latest setback for the American company in China, its second largest market
 - Starbucks' net revenue in China declined 14% for the year ending 03 Apr 2022, according to results for the second quarter of the financial year 2022

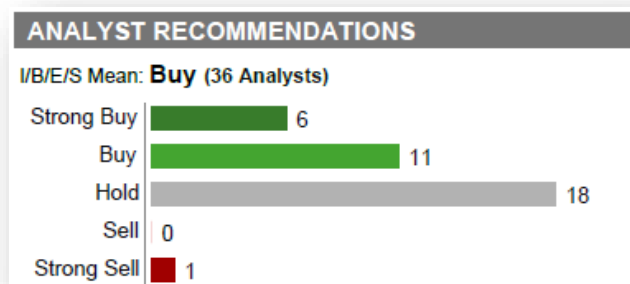
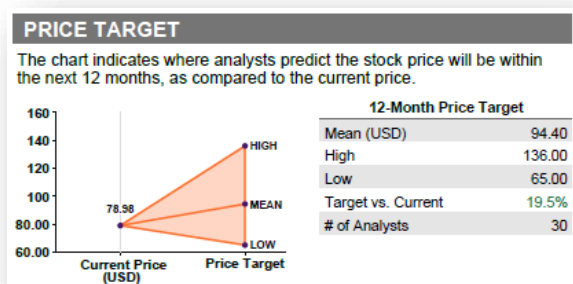
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> • Shares rose 3% in the past 5 days and are up 3.2% in the past 30 days 	<ul style="list-style-type: none"> • 85.37 (100 Day MA) • 92.00 (Mar 2022) • 99.00 (Feb 2022) 	<ul style="list-style-type: none"> • 71.50 (May 2022) • 68.50 (May 2022) • 62.00 (Apr 2020)

Fundamental Viewpoint

An Extract from STOCKREPORTS+



Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 07 Jun 2022

US Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS												Currency in USD	
Average Score	Ticker	PRICE MOMENTUM				VALUATION			FUNDAMENTAL		ANALYSTS		# of Analysts
		Price (2022-06-06)	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	
5	SBUX	78.98	3.2%	-12.3%	-29.5%	90.7B	21.2	25.8	2.5%	14.1%	7.9%	Buy	35
8	DRI	125.92	-3.2%	-4.6%	-6.1%	15.7B	15.9	15.6	3.5%	11.2%	29.2%	Buy	28
4	PZZA	89.17	2.1%	-12.9%	-5.9%	3.1B	743.1	25.7	1.6%	4.8%	9.6%	Buy	16
3	DNUT	14.28	8.8%	-2.1%	-	2.4B	--	32.9	1.0%	-1.2%	-	Buy	10
6	CBRL	101.89	-9.0%	-16.6%	-34.6%	2.3B	17.1	14.7	5.1%	4.5%	-	Hold	9
7	BLMN	20.69	-6.3%	-8.1%	-26.4%	1.9B	9.9	8.0	2.7%	5.2%	6.3%	Buy	13
6	PLAY	37.25	-16.9%	-9.0%	-9.9%	1.7B	16.9	11.5	--	8.3%	-	Buy	10
3	CNNE	20.80	-3.3%	-18.5%	-40.4%	1.7B	--	48.4	--	-40.9%	-	Strong Buy	4
7	DIN	75.14	1.2%	7.2%	-17.7%	1.2B	13.4	11.8	2.7%	10.3%	6.2%	Buy	9
5	DENN	10.29	-4.5%	-31.9%	-39.0%	631M	8.6	16.5	--	18.2%	9.0%	Buy	9
7	CHUY	22.55	-7.4%	-23.1%	-44.7%	419M	15.5	15.9	--	7.1%	-	Buy	7
5.5	Average	54.27	-3.2%	-12.0%	-25.4%	11.1B	95.7	20.6	2.7%	3.8%	11.4%	Buy	13.6

PEER COMPANIES			
BLMN	Bloomin' Brands Inc	DIN	Dine Brands Global Inc
CBRL	Cracker Barrel Old Country	DNUT	Krispy Kreme Inc
CHUY	Chuy's Holdings Inc	DRI	Darden Restaurants Inc
CNNE	Cannae Holdings Inc	PLAY	Dave & Buster's Entertainment
DENN	Denny's Corp	PZZA	Papa John's International Inc

Source: REFINITIV STOCKREPORTS+, extracted 07 Jun 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 (%)
Average		11,727.97	466.66	25.74	37.10	11.07	8.86	1.78
SBUX US	STARBUCKS CORP	90,582	78.98	23.56	44.82	N/A	N/A	2.48
LKNCY US	LUCKIN COFFEE ADR	3,181.06	12.00	N/A	N/A	46.20	N/A	N/A
2150 HK	NAYUKI HOLDINGS	1,418.71	6.49	N/A	N/A	1.54	N/A	N/A
	DOMINO'S PIZZA							
DMP AU	ENTERPRISES	4,034.88	64.89	31.60	47.18	13.68	19.11	2.67
MTY CN	MTY FOOD GROUP	1,031.54	53.23	14.89	15.22	2.04	N/A	1.58
DPZ US	DOMINO'S PIZZA	13,598	377.27	28.86	35.62	N/A	N/A	1.17
WEN US	WENDY'S CO/THE	4,025.70	18.79	25.41	31.45	8.90	9.81	2.66
7550 JP	ZENSHO HOLDINGS	3,559.13	3050.00	33.46	65.97	4.49	4.64	0.79
JFC PM	JOLLIBEE FOODS	4,266.11	203.00	28.10	N/A	3.40	3.82	1.05
	CREATE RESTAURANTS HOLDINGS							
3387 JP	HOLDINGS	1,505.78	939.00	29.09	N/A	8.30	6.94	0.64
	DOMINO'S PIZZA							
DOM LN	GROUP PLC	1,803.87	329.60	16.72	19.46	N/A	N/A	2.97

Source: Bloomberg, extracted 06 Jun 2022 closing

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