

# Food Products Earnings Review

Nestlé - Daily



- ❑ Q1 earnings of Food Products producers (Nestlé, Pepsi, Coca-Cola, Unilever, Danone,...) have been very strong on the back of :
  - ✓ Continuous strong growth in Asia;
  - ✓ The recovery of the Brazilian market;
  - ✓ Strong Pricing power, especially in the US (two third of the improvement at Unilever came from price hikes);
  - ✓ Growth in snacks (as consumer habits are changing towards more “mini meals” rather than three meal a day);
  - ✓ Growth in pet foods and baby formula;

Pepsi - Daily



- ❑ Valuation is high but continues to be supported by earnings quality and low bond yields in the US and Europe;
- ❑ On the negative side :
  - ✓ European markets continues to see price deflation;
  - ✓ Soda sales continue to decline in North America;
- ❑ Stay long Global Leaders **Nestlé, Pepsi and Unilever**

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# Contacts

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