McDonald's (MCD)

Consumer Cyclical / Restaurants

StockRover
Stock Report | April 26, 2025

$316.74 $0.52 (0.16%) as of Friday's close

52-wk Range
$243.53 $326.32

Cap ($M USD)	P/E	EPS (1Y)	Dividend	Last Filing
$226,491	**27.8**	**-3.2%**	**$7.08**	**12/31/24**
Sales ($M)	Fwd. P/E	Sales (1Y)	Fwd. Yield	Next Earnings
25,920	**23.7**	**0.6%**	**2.2%**	**05/01/25**

Dividend Adjusted Return *Apr 25, 2024 - Apr 25, 2025*

MCD 316.74 (+17.2%) **Consumer Cyclical 325.92 (+9.8%)** **S&P 500 5525.21 (+10.3%)**

MCD has outperformed the S&P 500 by 6.9% in the past year.

MCD has outperformed its sector by 7.5% in the past year.

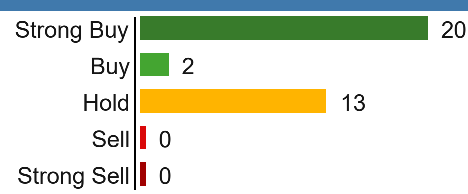
The Consumer Cyclical sector has performed nearly in line with the market over the past year.

ANALYST CONSENSUS

Buy

The consensus rating is unchanged from 1 month ago.

Strong Buy	Buy	Hold	Sell	Strong Sell



QUANTITATIVE SCORES

Fair Value $267.69

Margin of Safety -15%

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

4 warnings
Details on Page 8

Value Score 60 — **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 87 — **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 83 — **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 2024 system sales of $131 billion across more than 43,000 stores and 115 markets. McDonald's pioneered the franchise model, building its footprint through partnerships with independent restaurant franchisees and master franchise partners around the globe. The firm earns roughly 60% of its revenue from franchise royalty fees and lease payments, with most of the remainder coming from company-operated stores across its three core segments: the United States, internationally operated markets, and international developmental/licensed markets.

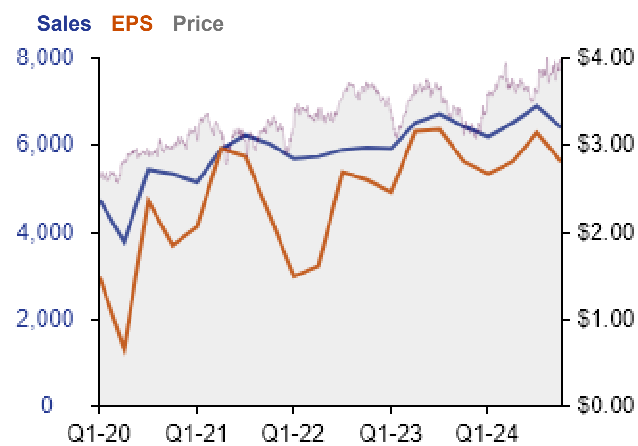
Employees 150,000 **Homepage** corporate.mcdonalds.com **Headquarters** Chicago, IL

VALUATION SUMMARY

	MCD	Industry	S&P 500
Value Score	60	57	70
Price / Earnings	27.8	29.8	26.4
Price / Sales	8.8	2.5	2.9
Price / Free Cash Flow	34.3	1.7	31.6
Price / Book	-	20.4	4.9
Price / Tangible Book	-	-	500+
EV / EBITDA	19.9	16.5	20.8
EPS Predict. Pctl.	95	58	70
Piotroski F Score	5	7	7
5-Year P/E Range	20.9		37.5
5-Year P/B Range	-		-
5-Year P/S Range	6.3		9.5

GROWTH SUMMARY

	MCD	Industry	S&P 500
Growth Score	80	64	77
Sales Growth			
Sales Growth Next Year	5.3%	10.9%	9.9%
Sales 1-Year Chg (%)	0.6%	3.9%	12.3%
Sales 3-Year Avg (%)	2.9%	5.4%	7.8%
Sales 5-Year Avg (%)	4.5%	4.8%	11.4%
EPS Growth			
Next Yr. Growth Est.	8.3%	10.5%	14.3%
EPS 1-Year Chg (%)	-3.2%	-0.1%	12.2%
EPS 3-Year Avg (%)	6.3%	5.1%	8.6%
EPS 5-Year Avg (%)	8.3%	7.5%	13.3%



PEERS ANALYSIS SUMMARY

Ticker	Company	Cap ($M USD	P/E	Fwd. Yield	1M Return	1Y Return	Margin of Safety	Value Score	Growth Score	Quality Score
MCD	McDonald's	$226,491	27.8	2.2%	3.2%	17.7%	-15%	60	80	87
SBUX	Starbucks	$95,202	27.0	2.9%	-12.6%	-2.2%	-8%	61	69	77
CMG	Chipotle Mexican …	$66,748	45.9	-	4.6%	-16.8%	-22%	57	95	61
YUM	Yum Brands	$41,025	28.3	1.9%	-5.5%	6.1%	-8%	61	88	86
DRI	Darden Restaurants	$23,299	22.4	2.8%	-3.2%	31.5%	4%	68	92	77
YUMC	Yum China Holdings	$17,349	19.6	2.1%	-11.1%	18.8%	11%	73	89	55
DPZ	Domino's Pizza	$16,722	29.2	1.4%	5.9%	-0.1%	-21%	62	84	83
TXRH	Texas Roadhouse	$10,737	25.0	1.7%	-8.9%	4.5%	-5%	68	98	61
CAVA	Cava Group	$10,495	82.6	-	0.6%	45.1%	-23%	52	99	61
BROS	Dutch Bros	$7,932	185.2	-	-9.3%	119.3%	-20%	40	80	57
EAT	Brinker International	$7,089	27.8	-	1.1%	230.7%	8%	67	95	72
CHA	CHA	$5,710	29.0	-	-	-	-77%	44	-	85

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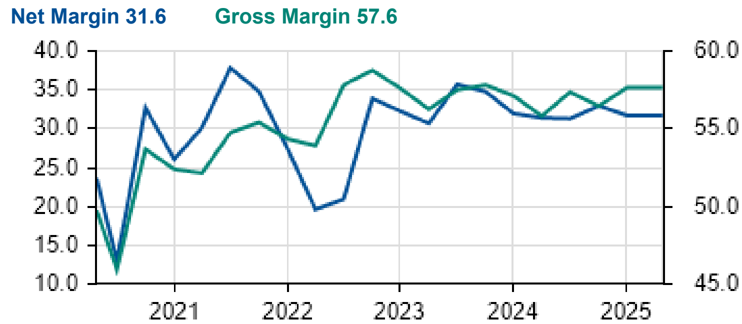
PROFITABILITY SUMMARY

	MCD	Industry	S&P 500
Quality Score	87	59	78
Gross Margin	56.8%	34.1%	31.5%
Operating Margin	45.7%	14.5%	15.1%
Net Margin	31.7%	8.7%	11.1%
Return on Assets	14.8%	12.7%	10.5%
Return on Equity	-216.6%	-340.4%	33.9%
ROIC	20.2%	19.6%	24.9%



RETURNS SUMMARY

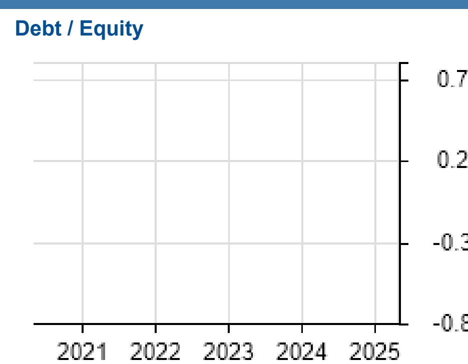
	MCD	Industry	S&P 500
Sentiment Score	83	50	67
5-Day Return	1.7%	1.6%	4.6%
1-Month Return	3.2%	-2.4%	-4.4%
YTD Return	9.9%	-1.1%	-5.8%
1-Year Return	17.7%	4.2%	10.8%
3-Year Return	34.2%	20.6%	34.4%
5-Year Return	93.2%	56.5%	109.5%
Beta 1-Year	0.26	0.47	1.00

DIVIDEND

	MCD	Industry
Forward Dividend Yield	2.2%	2.2%
Payout Ratio	59.2%	59.0%
TTM Yield	2.2%	-
Fwd. Div. Per Share	$7.08	$3.24
Div. 1Y Chg (%)	6.0%	0.0%
Div. 3Y Avg (%)	8.7%	7.9%
Div. 5Y Avg (%)	7.2%	6.7%
Cons. Growth Years	10+	4
Div. Coverage Ratio	1.6	1.6

DEBT & EQUITY

Current Ratio	1.2
Quick Ratio	1.2
Price	$316.74
Net Cash Per Share	-$70.82
Equity Per Share	-$5.31
Solvency Ratio	19%
Interest Coverage	7.9
Short % of Float	1.6%
Altman Z-Score	5.2



ANALYST REVISIONS

Current Quarter EPS	
# Up Last 30 days	1.00
# Down Last 30 days	4.00
Mean Estimate	2.70
% Change (30 Days)	-0.34%

Next Quarter EPS	
# Up Last 30 days	3.00
# Down Last 30 days	3.00
Mean Estimate	3.14
% Change (30 Days)	0.61%

MEAN ESTIMATE TREND

	Cur Qtr	Next Qtr	Cur Year	Next Year
Latest	$2.70	$3.14	$12.32	$13.34
30 Days Ago	$2.70	$3.12	$12.32	$13.33
90 Days Ago	$2.79	$3.18	$12.52	$13.51
% Change (90 Days)	-3.6%	-1.2%	-1.6%	-1.2%

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 Summary (Last 12 Quarters)

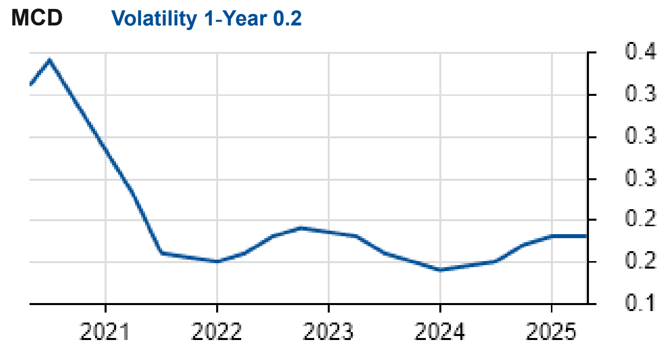
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	8	66.7%
Negative Quarters (< 2%)	1	8.3%
In-Line Quarters (within 2%)	3	25.0%

Surprise Detail (Last 6 Quarters)

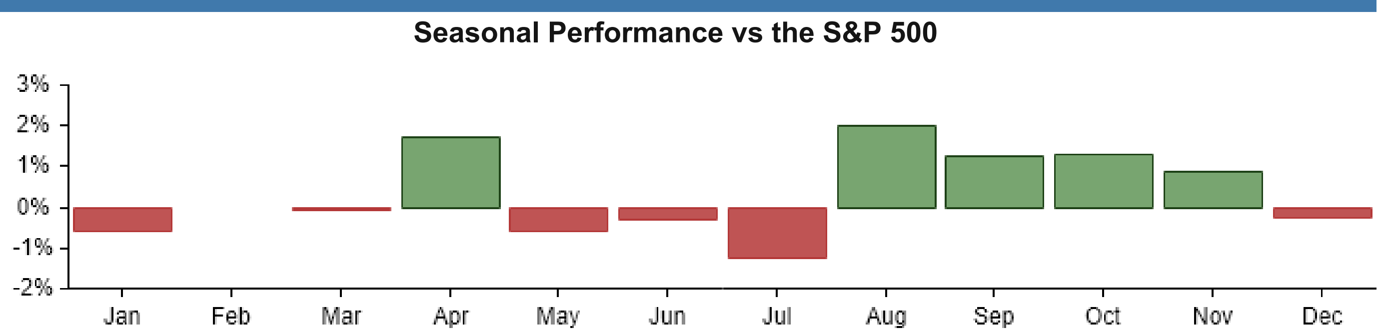
Surprise Type	Announce Date	Period End Date	Actual EPS	Est. EPS	Surprise (%)
In-Line	02/10/25	12/31/24	$2.83	$2.83	-0.2%
In-Line	10/29/24	09/30/24	$3.23	$3.20	0.9%
Negative	07/29/24	06/30/24	$2.97	$3.07	-3.3%
In-Line	04/30/24	-	$2.70	$2.72	-0.7%
Positive	02/05/24	-	$2.95	$2.82	4.6%
Positive	10/30/23	-	$3.19	$3.00	6.3%

RISK

	MCD	Industry	S&P 500
Best Monthly Return (5Y)	18.6%	20.7%	17.9%
Worst Monthly Return (5Y)	-10.0%	-7.5%	-9.6%
Beta 1-Year	0.26	0.47	1.00
Volatility 1-Year	0.20	0.16	0.19
Volatility 1Y Pctl.	17	-	-
Max Drawdown 1-Year	-11.1%	-21.0%	-18.7%
Max Drawdown 3-Year	-17.2%	-26.1%	-18.7%
Max Drawdown 5-Year	-17.2%	-30.2%	-24.6%



SEASONALITY

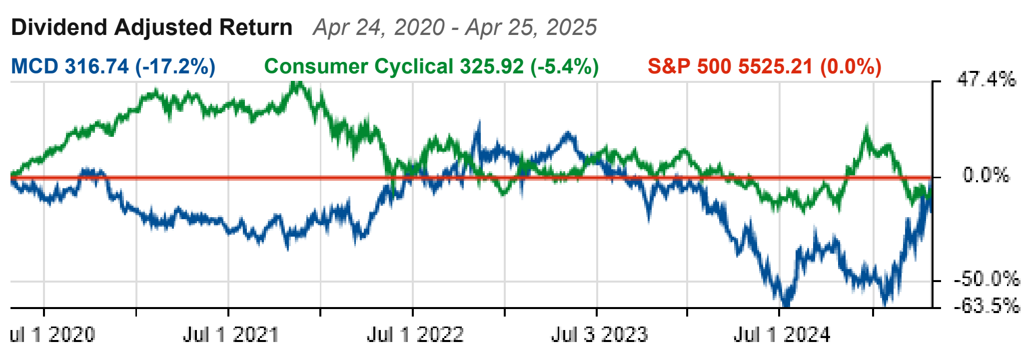


5-YEAR RELATIVE PERFORMANCE VS S&P 500

Relative to the S&P 500 baseline, MCD has underperformed the S&P 500 by -17.2% in the past 5 Years.

MCD has underperformed its sector by -11.8% in the past 5 Years.

The Consumer Cyclical sector has underperformed the market by -5.4% in the past 5 Years.



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Overall Rating vs. Peers **65**

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. Peers	Sales QoQ Chg.	Eps QoQ Chg.	Sales Growth Next Y.	Sales 1Y Chg (%)	Sales 3Y Avg (%)	Sales 5Y Avg (%)
CMG	Chipotle Mexican Grill	96	6.4%	7.7%	13.6%	12.6%	13.6%	15.1%
YUM	Yum Brands	80	16.0%	-8.0%	6.2%	7.4%	4.3%	6.1%
DRI	Darden Restaurants	68	6.2%	5.4%	8.9%	5.0%	8.1%	6.1%
MCD	McDonald's	47	-0.3%	0.0%	5.3%	0.6%	2.9%	4.5%
SBUX	Starbucks	15	-0.3%	-23.3%	6.7%	-1.0%	4.9%	6.3%

Valuation vs Peers

Ticker	Company	Valuation Rating vs. Peers	P/E	Fwd. P/E	PEG Trailing	P/S	P/B	5Y P/E Range Low	5Y P/E Range High
DRI	Darden Restaurants	64	22.4	18.6	1.9	2.0	10.6	12.8	-
SBUX	Starbucks	33	27.0	23.6	13.2	2.6	-	18.9	208.3
MCD	McDonald's	26	27.8	23.7	3.3	8.8	-	20.9	37.5
YUM	Yum Brands	24	28.3	22.0	3.6	5.6	-	19.4	41.4
CMG	Chipotle Mexican Grill	11	45.9	35.6	1.3	6.2	20.0	40.7	186.4

Efficiency vs Peers

Ticker	Company	Efficiency Rating vs. Peers	Gross Margin	Operating Margin	Net Margin	5Y ROE Range Low	5Y ROE Range High	5Y ROA Range Low	5Y ROA Range High
CMG	Chipotle Mexican ...	97	26.4%	17.6%	13.6%	13.1%	44.7%	4.6%	17.9%
DRI	Darden Restaurants	93	21.6%	11.7%	9.0%	-8.5%	50.4%	-2.2%	10.0%
MCD	McDonald's	91	56.8%	45.7%	31.7%	-216.6%	-50.4%	9.4%	16.4%
YUM	Yum Brands	89	47.5%	31.8%	19.7%	-20.8%	-11.5%	16.3%	28.0%
SBUX	Starbucks	64	26.1%	13.2%	9.7%	-78.9%	-8.4%	2.4%	14.9%

Financial Strength vs Peers

Ticker	Company	Financial Str. Rating vs. Peers	Debt / Equity	Interest Coverage	Quick Ratio	Intangibles %	Solvency Ratio	Short % of Float
CMG	Chipotle Mexican Grill	93	1.3	-	1.5	0.2%	35%	1.7%
DRI	Darden Restaurants	82	2.8	8.3	0.2	23.9%	19%	5.7%
YUM	Yum Brands	24	-	4.9	1.5	17.1%	12%	2.5%
SBUX	Starbucks	20	-	9.4	0.6	10.8%	16%	3.2%
MCD	McDonald's	16	-	7.9	1.2	5.7%	19%	1.6%

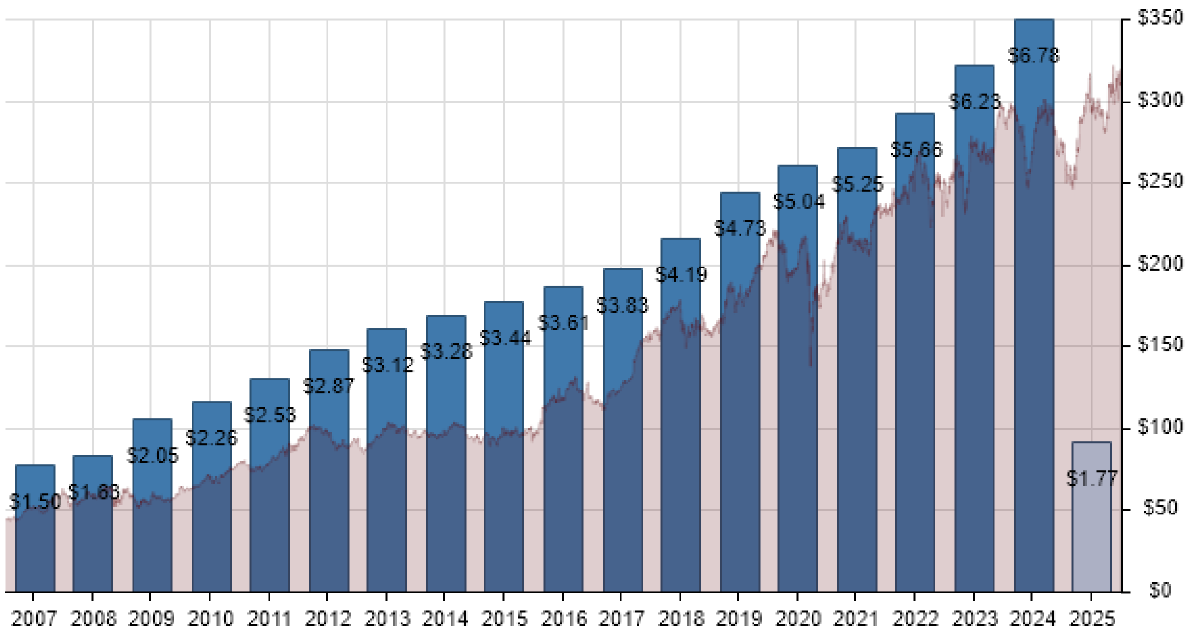
Dividends vs Peers

Ticker	Company	Dividends Rating vs. Peers	Fwd. Yield	TTM Yield	Price	Fwd. Div. Per Share	Consecutive Div. Growth Years	Payout Ratio
MCD	McDonald's	78	2.2%	2.2%	$316.74	$7.08	10+	59.2%
SBUX	Starbucks	66	2.9%	2.8%	$83.81	$2.44	10+	74.6%
DRI	Darden Restaurants	40	2.8%	2.8%	$199.10	$5.60	4	61.8%
YUM	Yum Brands	22	1.9%	1.9%	$147.30	$2.84	7	50.8%
CMG	Chipotle Mexican Grill	-	-	-	$51.78	-	0	-

Momentum vs Peers

Ticker	Company	Momentum Rating vs. Peers	1M Return	3M Return	6M Return	YTD Return	1Y Return	Beta 1Y	Volatility 1Y	Price vs 52-wk High (%)
MCD	McDonald's	89	3.2%	11.6%	9.5%	9.9%	17.7%	0.26	0.20	97.1%
DRI	Darden Restaurants	88	-3.2%	6.9%	26.4%	8.2%	31.5%	0.64	0.29	94.4%
YUM	Yum Brands	79	-5.5%	15.4%	11.8%	10.3%	6.1%	0.44	0.22	90.2%
CMG	Chipotle Mexican Grill	58	4.6%	-8.7%	-12.9%	-14.1%	-16.8%	0.92	0.33	74.8%
SBUX	Starbucks	36	-12.6%	-14.7%	-12.9%	-7.7%	-2.2%	1.00	0.42	71.4%

DIVIDEND DETAIL



CALENDAR YEAR DIVIDEND HISTORY

Year	Ex-Dividenc	Pay Date	Text	Amount
2025 Dividends				**$1.77**
	03/03/25	03/17/25	Regular	$1.77
2024 Dividends				**$6.78**
	12/02/24	12/16/24	Regular	$1.77
	09/03/24	09/17/24	Regular	$1.67
	06/03/24	06/17/24	Regular	$1.67
	02/29/24	03/15/24	Regular	$1.67
2023 Dividends				**$6.23**
	11/30/23	12/15/23	Regular	$1.67
	08/31/23	09/18/23	Regular	$1.52
	06/02/23	06/20/23	Regular	$1.52
	02/28/23	03/15/23	Regular	$1.52
2022 Dividends				**$5.66**
	11/30/22	12/15/22	Regular	$1.52
	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				**$5.25**
	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				**$5.04**
	11/30/20	12/15/20	Regular	$1.29

UPCOMING DIVIDEND

Ex-Dividend Date	03/03/25
Payment Date	03/17/25
Amount	$1.77
Type	Regular

DIVIDEND RATE

Regular Dividend	$1.77
Forward Dividend Rate	$7.08
Forward Dividend Yield	2.2%
Trailing 12 Months Dividends	$6.88
Trailing 12 Months Yield	2.2%

STATISTICS

Payout Ratio	59.2
Dividend Coverage Ratio	1.6
Consecutive Growth Years	10+
3 Year Growth Rate	8.7%
5 Year Growth Rate	7.2%
10 Year Growth Rate	7.6%

FINANCIAL STATEMENT SUMMARY

USD in Millions	Chart	2020	2021	2022	2023	2024	TTM	CAGR
Income Statement								
Revenue		19,208	23,223	23,182	25,495	25,920	25,920	7.2%
Operating Income		7,207	9,873	10,345	11,747	11,851	11,851	12.2%
Net income		4,731	7,545	6,177	8,469	8,223	8,223	13.7%
Earnings per share diluted		$6.31	$10.04	$8.33	$11.56	$11.39	$11.39	14.7%
Average shares diluted		750	752	741	732	722	722	-0.9%
P/E Ratio		32.8	27.6	33.2	26.2	25.4	27.8	-3.8%
Balance Sheet								
Cash		3,449	4,709	2,584	4,579	1,085	1,085	-23.5%
Current assets		6,243	7,148	5,424	7,986	4,599	4,599	-6.8%
Net Property, Plant and Equipm…		38,786	38,273	36,339	38,421	38,634	38,634	-0.1%
Working Capital		62	3,129	1,622	1,127	738	738	77.5%
Net Debt		48,014	44,640	46,115	48,512	50,863	50,863	1.3%
Stockholders' Equity		-7,825	-4,601	-6,003	-4,706	-3,796	-3,796	-15.4%
Cash Flow								
Operating Cash Flow		6,265	9,142	7,387	9,612	9,447	9,447	10.0%
Cap Ex		-1,641	-2,040	-1,899	-2,357	-2,775	-2,775	12.9%
Free Cash Flow		4,624	7,102	5,488	7,255	6,672	6,672	8.9%
Free Cash Flow per share		$6.17	$9.45	$7.40	$9.91	$9.24	$9.24	9.8%
Profitability								
Operating Margin		37.5%	42.5%	44.6%	46.1%	45.7%	45.7%	4.7%
Return on Assets		9.4%	14.2%	11.8%	15.9%	14.8%	14.8%	10.9%
Return on Equity		-60.5%	-164.0%	-102.9%	-180.0%	-216.6%	-216.6%	34.4%
Return on Invested Capital		13.6%	19.5%	17.3%	20.3%	20.2%	20.2%	9.5%
Dividends								
Dividends Per Share		$5.04	$5.25	$5.66	$6.23	$6.78	$7.08	8.2%
Dividend Yield		2.4%	2.1%	2.3%	2.3%	2.4%	2.2%	-1.6%
Dividend Growth		-	4.2%	7.8%	10.1%	8.8%	11.0%	33.9%
Dividend Coverage		1.3x	1.9x	1.5x	1.9x	1.7x	1.7x	7.0%

VALUATION & PROFITABILITY HISTORY

Date →		TTM	1 Yr Ago	2 Yrs. Ago	3 Yrs. Ago	4 Yrs. Ago
Price / Earnings		27.8	23.4	35.0	25.2	37.1
Price / Cash Flow		24.2	20.9	29.3	20.8	28.1
Price / Book		-	-	-	-	-
Price / Tangible B…		-	-	-	-	-
Price / Sales		8.8	7.8	9.3	8.2	9.2
EV / EBITDA		19.9	17.9	22.2	19.7	23.1
Forward Dividend…		2.2%	2.4%	2.1%	2.2%	2.2%
Shareholder Yield		3.5%	4.1%	3.5%	3.4%	2.2%
Gross Margin		56.8%	57.0%	57.5%	54.5%	51.4%
Net Margin		31.7%	33.4%	29.4%	29.9%	26.3%
Return on Assets		14.8%	16.4%	13.6%	13.6%	10.2%
Return on Equity		-216.…	-177.…	-119.…	-118.…	-71.3%
ROIC		20.2%	21.7%	18.4%	19.9%	15.1%

WARNINGS

Name	Severity	Details
Negative Sales Growth Years	Medium	Number of Years: 6; Sales 1Y Chg (%): 0.6%
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.		
Downward EPS Revisions	Low	Net EPS Rev. Cur. Qtr.: -3
Analyst estimates for the next quarter have been revised down. Check for recent news stories about why the future outlook is darker.		
Declining EPS Growth	Low	EPS 1Y Chg (%): -3.2%; EPS 3Y Avg (%): 6.3%; EPS 5Y Avg (%): 8.3%
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.		
Declining Sales Growth	Low	Sales 1Y Chg (%): 0.6%; Sales 3Y Avg (%): 2.9%; Sales 5Y Avg (%): 4.5%
Sales growth has declined. Comparing revenue 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 sales growth puts pressure on the stock price.		

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 ranking companies in the same

DISCLAIMER