

McDonald's

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McDonald's shares dip as hamburger chain fails to keep pace with rivals in 3Q

McDonald's Corp (NYSE:MCD), the popular hamburger chain, missed the mark on quarterly sales estimates put out by Wall Street analysts in its third-quarter as it failed to fend off competition from Burger King, KFC and other rivals.

In the three months ended September 30, the ubiquitous fast-food chain, earned \$2.11 per share on revenue of \$5.4 billion, falling short of the \$2.21 in earnings per share on sales of \$5.5 billion, which had been expected by Wall Street.

In response to the lackluster showing, investors punished McDonald's shares slightly, pushing them down 2.9% to \$203.36 as markets opened on Tuesday.

READ: Beyond Meat shares jump as McDonald's reveals plans to test plant-based burger using its patties in Canada

A bright spot was the US fast-food chain's improvement in comparable sales growth, which came in at 5.9%, thanks to its success in France and the UK.

McDonald's has lost ground to Burger King recently following its arch-rival's introduction of the Impossible Whopper, a plant-derived alternative to hamburgers. To fight back, McDonald's just last month revealed that it would begin testing its own plant-based burger in Canada, according to media reports.

McDonald's is also buckling under pressure from the fried-chicken specialist KFC, which has been quick to roll out a plant-based burger as well.

Adding to its misery, the once-dominant fast-food chain's growth in same-store sales also missed estimates in the quarter, hitting just 4.8% and missing the Street's estimate of 5.2%.

Price: 224.27

Market Cap: \$166.88 billion

1 Year Share Price Graph



Share Information

Code: MCD

Listing: NYSE

52 week **High** **Low**
 231.88 124.23

Sector: Food & drink

Website: www.mcdonalds.com

Company Synopsis:

McDonald's Corporation franchises and operates McDonald's restaurants in the food service industry in over 100 countries.

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