

WM Morrison Supermarkets PLC

05:18 12 Nov 2019

Morrison's biggest loser as 'big four' market share continues to decline in November, but pumpkins showcase power of seasonal spending

WM Morrison Supermarkets PLC (LON:MRW) was the biggest loser among the 'big four' UK grocers as they continued to suffer market share declines ahead of the all-important Christmas season.

In the latest Kantar data for the 12 weeks to 4 November, Morrison's market share fell 1.7% to 10%, followed by Walmart Inc (NYSE:WMT) owned Asda, down 1.2% to 15%, Tesco PLC (LON:TSCO) which shrank 0.6% to 27%, and finally J Sainsbury PLC (LON:SBRY) which suffered a 0.2% decline to 15.6%.

READ: Sainsbury's teams up with Australia's Coles in wholesale deal

The decline of the big four is contrasted with the continuing ascendancy of the German discounters, with Aldi and Lidl seeing their share of the market grow 6.7% to 8% and 8.8% to 5.9% respectively.

However, in terms of growth, the stand out winner was online player Ocado Group PLC (LON:OCDO), which saw its market share jump 13.5% to 1.4% in the period.

Overall sales growth slows

Looking to the sector as a whole, supermarket sales in the 12 weeks reported year-on-year growth of 1%, although Kantar said this was "slightly slower" than the equivalent rate from last month.

Kantar referenced "a backdrop of political uncertainty and a persistently wet autumn" as possible reasons behind the slowdown in sales growth.

Looking ahead, the supermarkets were already gearing up for the critical festive period, with Kantar saying it was "no surprise" the brands were jostling for position early given the massive amount of money that consumers usually spend over the holiday season, including £11bn expected for December alone.

Kantar noted that a 62% increase in pumpkin sales over the past decade as punters became more engaged with Halloween was "a telling barometer of how retailers have found success by increasing focus on seasonal spend."

In mid-morning trading on Tuesday, Morrisons' shares were 0.4% lower at 197.4p while Tesco fell 2% to 232.9p and Ocado slipped 0.6% to 1,095.8p. Sainsbury's meanwhile, received a boost from its 'less bad' market share decline, with the shares up 1% at 206.4p.

Price: 173.55

Market Cap: £41.42 m

1 Year Share Price Graph



Share Information

Code: MRW

Listing: LSE

52 week High Low
210 157.55

Sector: Retail

Website: www.morrisons.co.uk

Company Synopsis:

Morrisons is one of the UK's largest supermarket chains, offering a range of goods including both branded and own label products.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.