

A Special HedgeyeTV Investing Webcast

QUAD4: THE WORST IS YET TO COME

Monday, November 26th



Restaurants & Consumer
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LEGAL

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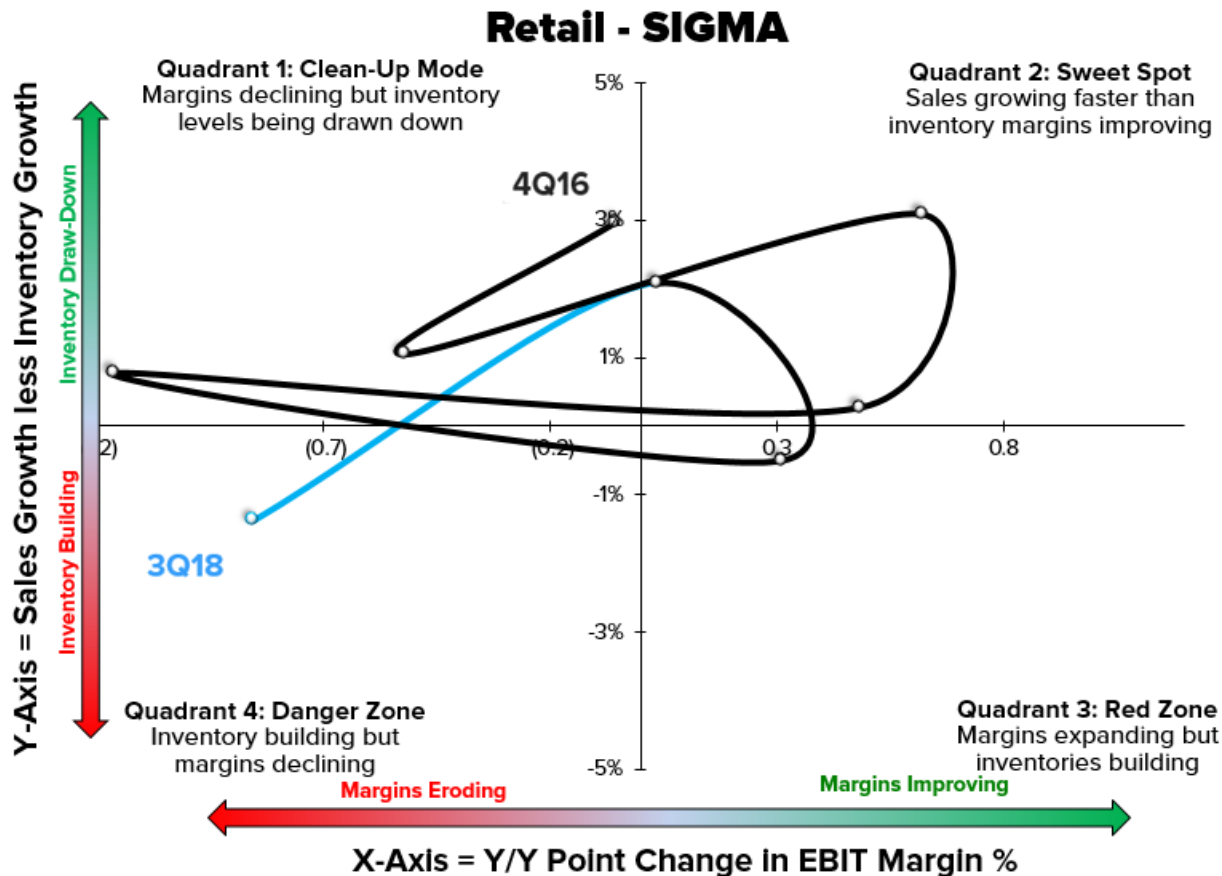
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Retail Analyst
Brian McGough



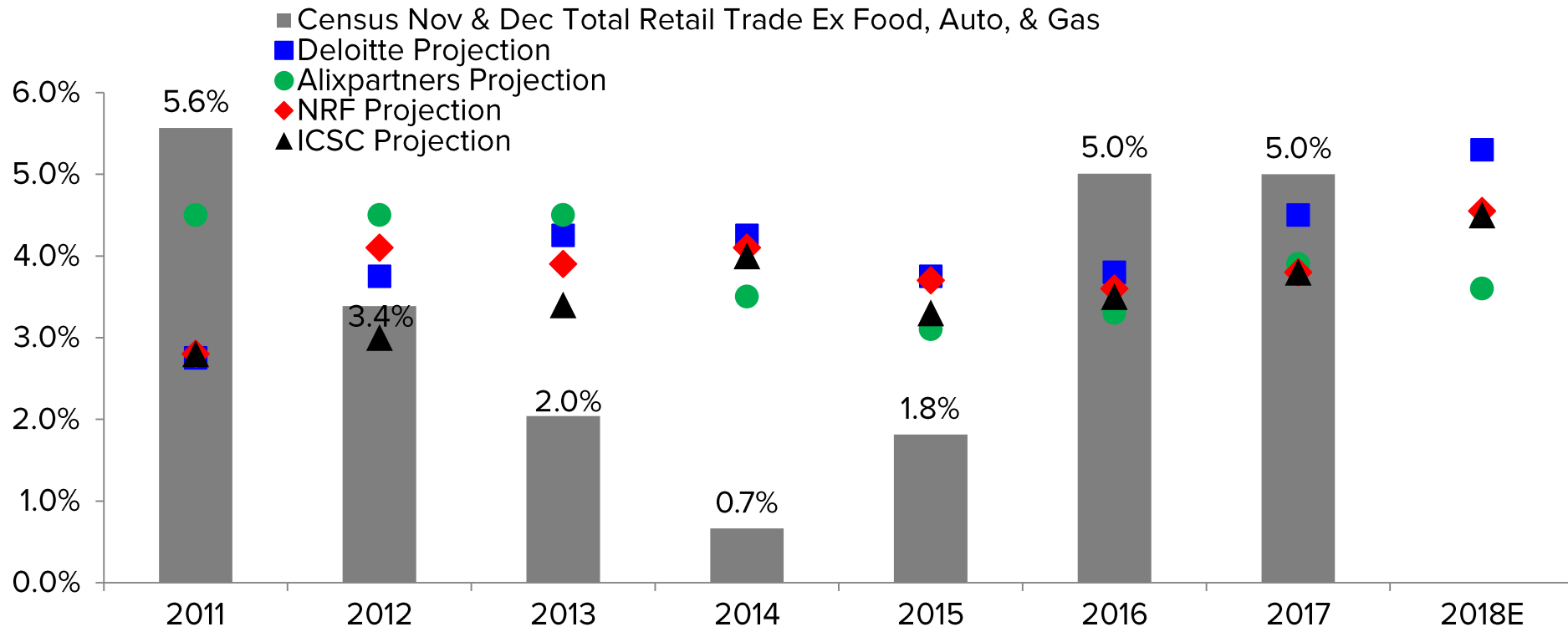
Retail sigma is margin bearish



Retail sigma using a basket of 45 companies that have reported Q3 earnings.

Retail is positioned for Q4 margin contraction.

Bloated inventories likely to drive holiday comp



HOLIDAY SALES PROJECTIONS & ACTUAL

Worth noting that the hi-low spread is the greatest this year since 2011, and the mean is 4.3%.

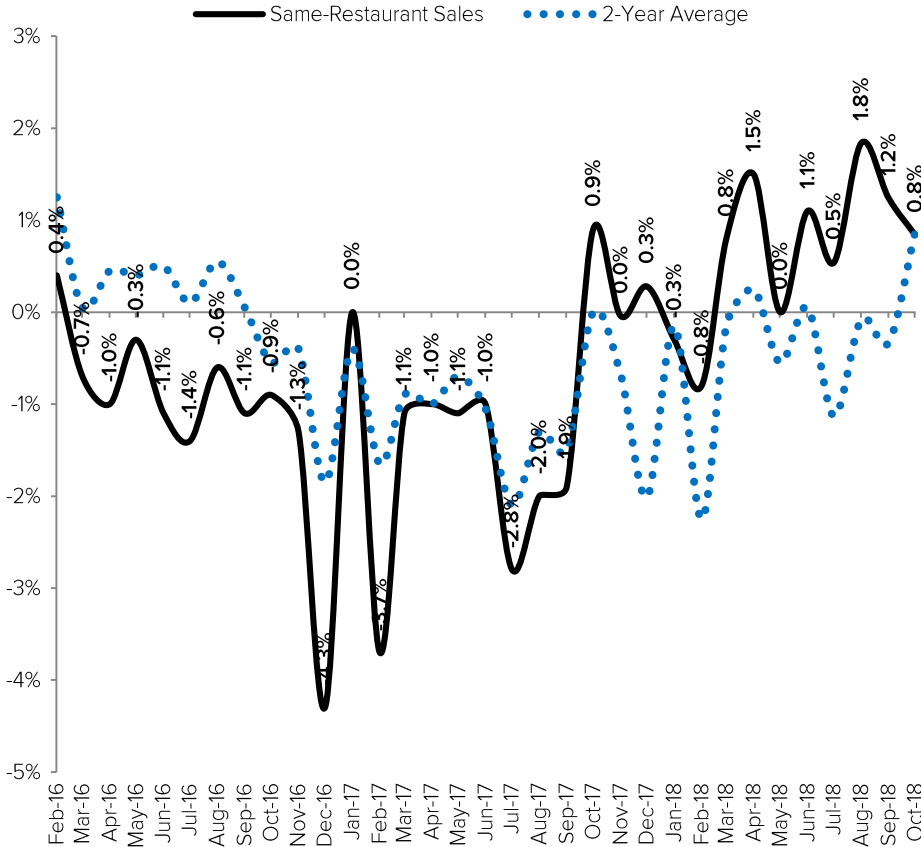


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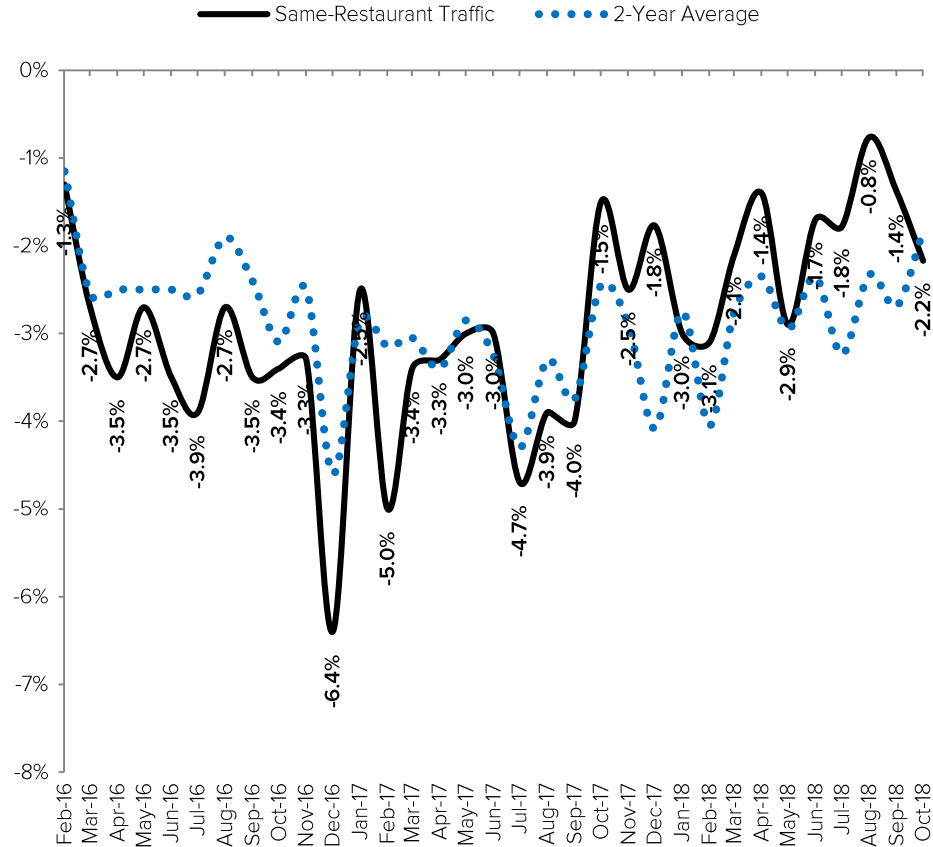


BLACK BOX COMPARABLE SALES AND TRAFFIC

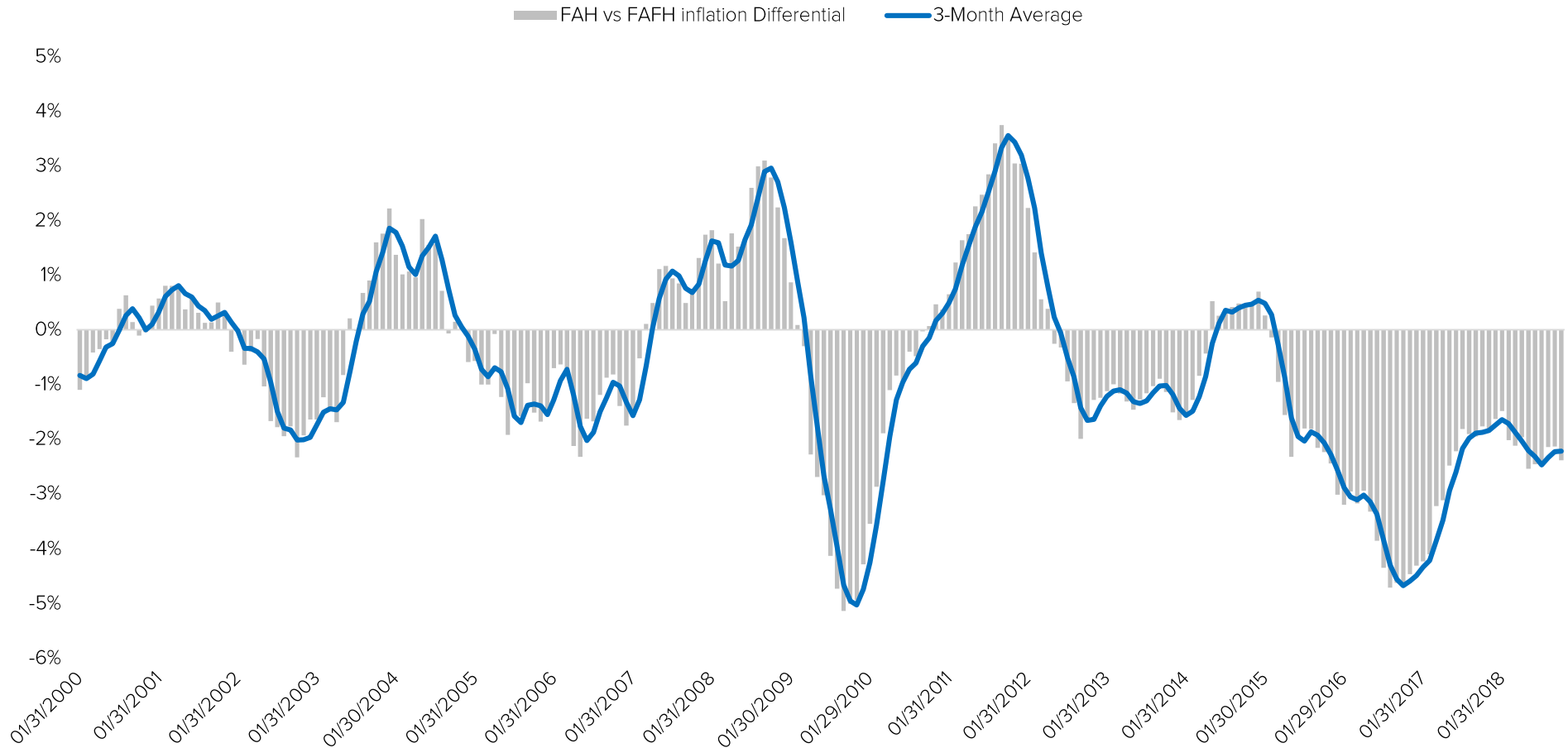
Black Box Same-Store Sales



Black Box Same-Store Traffic

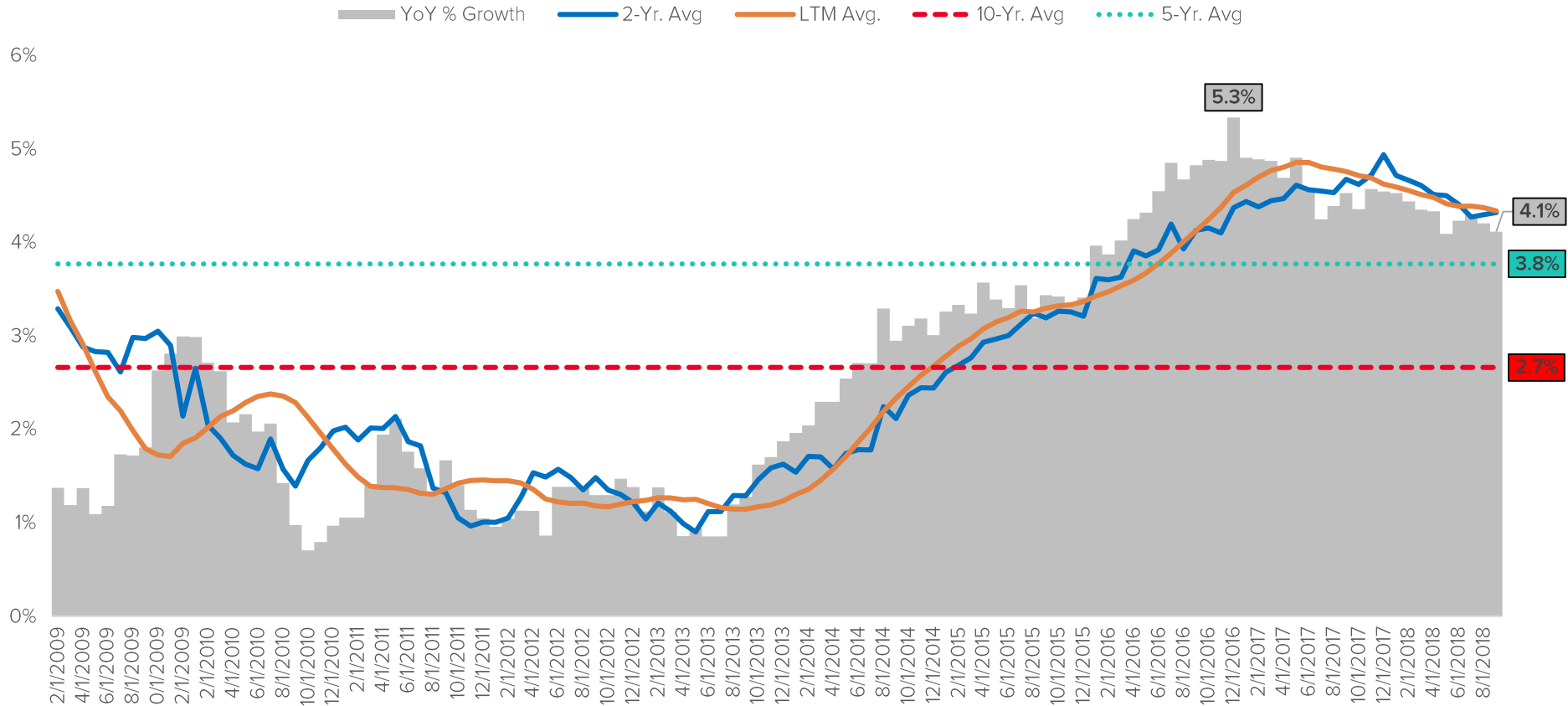


FAH VS. FAFH INFLATION DIFFERENTIAL



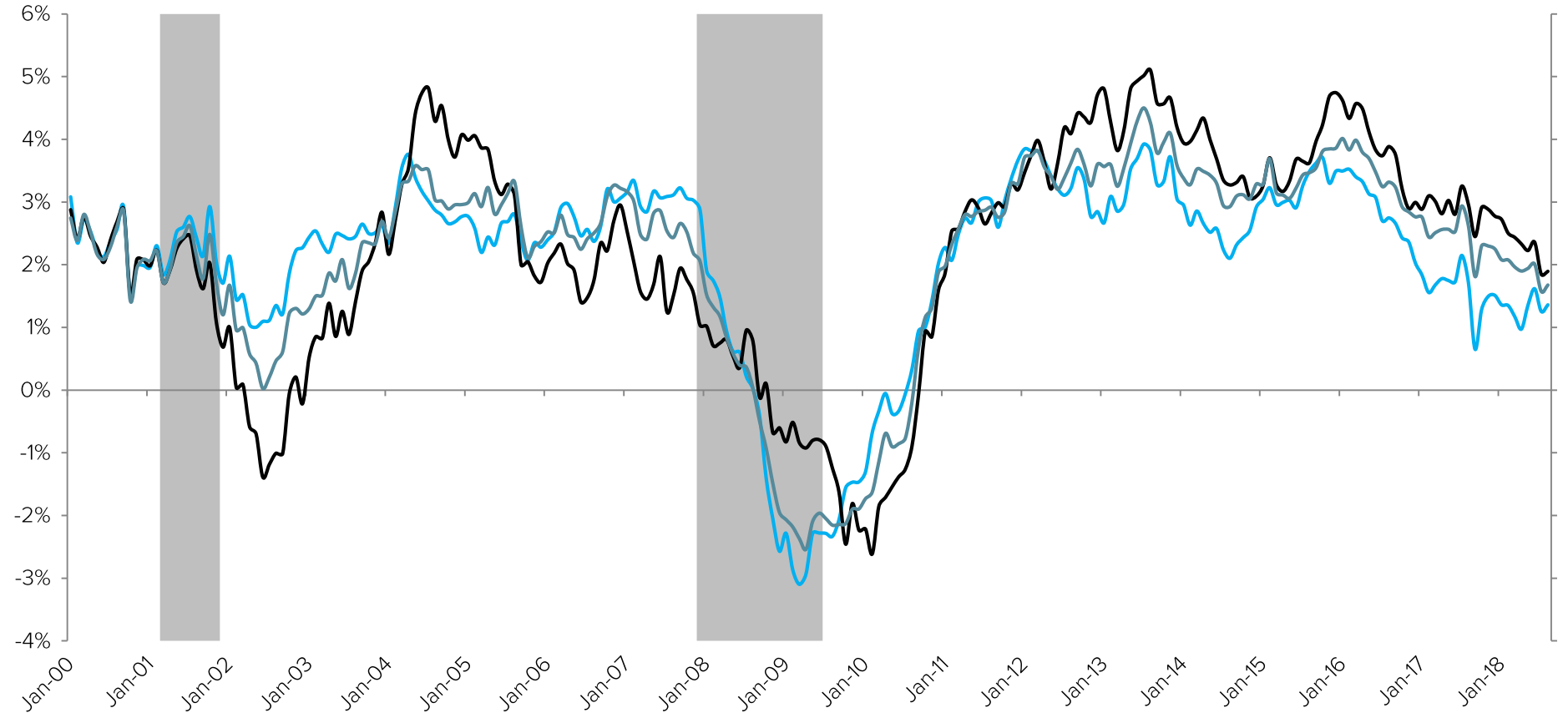
LABOR COSTS ARE AN INDUSTRY WIDE PROBLEM

Average Hourly Earnings Growth: Restaurants & Other Eating Places



RESTAURANT EMPLOYMENT GROWTH

■ U.S. Recession — Full Service - YoY Change — Limited Service - YoY Change — Food Services and Drinking Places



HEDGEYE RESTAURANTS POSITION MONITOR

BEST IDEAS - LONG

Active Longs		Mkt. Cap (M)	Trend	Tail
CMG	Chipotle Mexican Grill	\$13,099	✓	✓
GRUB	GrubHub, Inc.	\$7,164	✓	✓
JE-GB	Just Eat	\$4,100	✓	✓
YUM	Yum! Brands	\$27,230	✓	✓
TKWY-NL	Takeaway.com	\$2,031	✓	✓

Long Bias	
LCA	Landcadia Holdings
NDLS	Noodles & Co.
DHER-DE	Delivery Hero

BEST IDEAS - SHORT

Active Shorts		Mkt. Cap (M)	Trend	Tail
PLAY	Dave & Buster's	\$2,315	✗	✗
TXRH	Texas Roadhouse	\$4,614	✗	✗
EAT	Brinker International	\$1,912	✗	✗
SBUX	Starbucks	\$81,507	✗	✗
DPZ	Domino's	\$10,919	✗	✗
DRI	Darden Restaurants	\$13,847	✗	✗
BJRI	BJ's Restaurants	\$1,225	✗	✗
DOM-GB	Domino's Pizza Group Plc	\$1,252	✗	✗
DMP-AU	Domino's Pizza Enterprises	\$3,915	✗	✗
SHAK	Shake Shack	\$1,508	✗	✗
CHUY	Chuy's Holdings	\$372	✗	✗

Short Bias			
MCD	McDonald's	BLMN	Bloomin' Brands
CAKE	Cheesecake Factory	HABT	Habit Restaurants
DIN	Dine Brands Global		
QSR	Restaurant Brands Intl.		

HEDGEYE CONSUMER STAPLES POSITION MONITOR

BEST IDEAS - LONG

Active Longs		Mkt Cap	Trend	Tail
CAG	ConAgra Brands	\$16,117	✓	✓
CASY	Casey's General Stores	\$4,650	✓	✓
SJM	J.M. Smuckers	\$12,592	✓	✓

Long Bias			
KO	The Coca-Cola Co.	NOMD	Nomad Foods
PEP	Pepsico	DANOY	Danone
TAP	Molson Coors Brewing	UN	Unilever
HRL	Hormel Foods		

BEST IDEAS - SHORT

Active Shorts		Mkt Cap	Trend	Tail
COST	Costco Wholesale	\$96,432	X	--
CHEF	Chef's Warehouse	\$1,084	X	X
BJ	BJ's Wholesale Club	\$2,964	X	X

Short Bias			
STZ	Constellation Brands	SYN	Sysco
PFGC	Performance Food Group	USFD	US Foods
UNFI	United Natural Foods	LW	Lamb Weston
HAIN	Hain Celestial		

FOR MORE INFORMATION CONTACT:

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