



US Stock Report

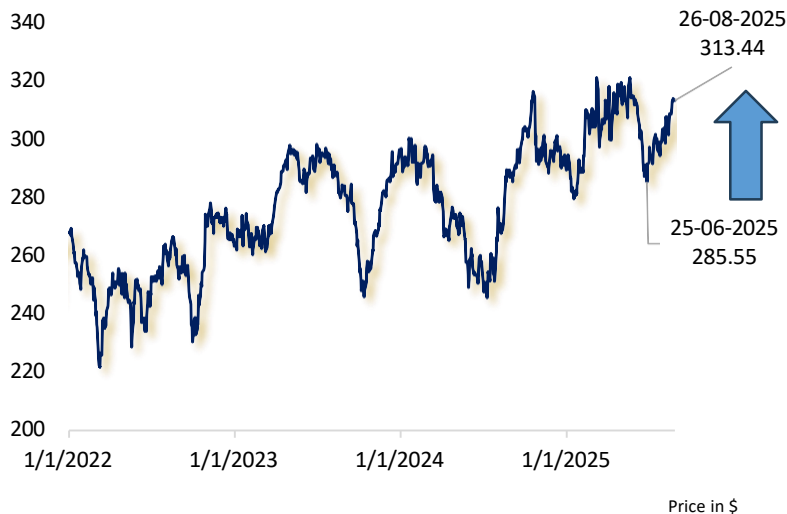
McDonald's



ANANDRATHI
INTERNATIONAL VENTURES (IFSC)
Global Investments Simplified

McDonald's: Price Trend since 2020 till date

AUGUST 26, 2025



McDonald's US Equity	
CMP (\$)	313.44
YTD Returns (%)	8%
1 month Return (%)	5%
52 week high (\$)	326.32
52 week low (\$)	276.53
Mkt cap (\$)	223.67B

Source: Bloomberg (CMP as on 26-08-2025)

COMPANY OVERVIEW | NASDAQ: McDonald's (MCD)

CATEGORY	DETAILS
Origins	1940, founded as a restaurant by Richard & Maurice McDonald; Ray Kroc opened first franchise in 1955, later acquiring the company
Headquarters	Chicago, Illinois, USA
Global Reach	Operates in over 100 countries with ~41,800 restaurants (as of 2025)
Major Brands	McDonald's (core brand), McCafé, McDelivery, Happy Meal
Innovations	Digital ordering kiosks, McDelivery partnerships (Uber Eats, DoorDash), AI-driven drive-thru ordering, sustainability initiatives
Future Growth Areas	Expansion in emerging markets, menu localization, plant-based/alternative proteins, digital loyalty programs, automation in restaurants
Sustainability Goals	Net zero emissions by 2050, sourcing 100% sustainable coffee, fish, and palm oil, reduction in plastic packaging, energy-efficient restaurants

McDonald's Stock Trades Near Fair Value Amid Innovation Push

McDonald's has delivered strong returns — 11.4% over 1 year, 31.6% over 3 years, and 63.9% over 5 years — but recent volatility reflects changing consumer preferences and pricing strategies. While initiatives like combo meal discounts and AI-driven innovations show promise, investor sentiment remains mixed. A Discounted Cash Flow (DCF) analysis places McDonald's intrinsic value at \$328.47 per share, compared to its latest close of \$313.44. This implies the stock is trading at roughly a 4.4% discount, suggesting it is fairly valued at present levels.

McDonald's appears fairly valued today, with steady cash flow growth likely driving moderate but sustainable long-term gains.



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Revenue by Segment

McDonald's revenue from Franchised restaurants shows steady growth, contrasting with fluctuating performance in company-owned outlets. The other segment has surged recently possibly reflecting strategic initiatives like the MC value platform. Despite a challenging macro environment with declining global competition sales, McDonald maintains a positive guest count gap and market share gains in France.

Revenue by Segment

Breaks down revenue by different business segments, highlighting which areas are driving growth and profitability. This reveals strategic focus and potential vulnerabilities in the business model.



McDonald's Slashes Prices to Regain Affordability and Boost Traffic

McDonald's is cutting combo-meal prices in the U.S. to restore affordability after consumer pushback against rising menu costs, which in some places had climbed close to \$18. Following negotiations with franchisees, the chain will price popular combo meals about 15% below individual item totals, supported by company subsidies to offset operator losses. Discounted offers will roll out starting September, branded once again as "Extra Value Meals." The move comes amid inflation-driven traffic declines across U.S. restaurants, with McDonald's reporting growth in same-store sales but continued weakness in customer counts. Executives highlighted that combo meals, whose prices have risen 27% since 2019, are a key factor in consumer perceptions of value. *By lowering prices, McDonald's hopes to attract budget-conscious diners and reinforce its image as an affordable dining option, even as franchisees navigate higher costs.*

Global Sponsorship Deal with Formula 1

McDonald's and DoorDash Launch Direct Online Ordering Channel McDonald's USA (NYSE: MCD) and DoorDash (NASDAQ: DASH) have launched a new direct ordering channel through McDonalds.com, allowing customers to place McDelivery orders without app downloads or logins. Powered by DoorDash Online Ordering, the platform offers faster checkout, flexible payments, and delivery fulfilled by Dashers. With millions of monthly visitors to McDonalds.com, this initiative expands reach, enhances convenience, and strengthens McDonald's control over its digital ecosystem. For investors, the move reinforces the company's digital growth strategy, with the potential to boost order frequency, improve margins through direct channels, and support long-term sales momentum. While unlikely to trigger an immediate surge in share price, the integration adds to the bullish long-term case for McDonald's stock, currently trading around \$314.

Future Outlook

CATEGORY	DETAILS
Global Expansion	41,800+ outlets in 100+ countries (2025)
AI & Tech	AI-driven ordering, restaurant automation
Digital & Loyalty	Digital kiosks, loyalty app programs
Delivery	McDelivery with Uber Eats, DoorDash
Menu Innovation	Localization, plant-based proteins, sustainability

The update and data points are compiled from Bloomberg, along with other media reports

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