

Marriott International Inc

MAR
NASDAQ

B Outperform
Data as of 03/15/2024

SCHWAB EQUITY RATING

B Outperform
Percentile Ranking: 19
Data as of 03/15/2024

Last week's rating: **B** Outperform
Percentile Ranking: 15
Data as of 03/08/2024

A	1-10	Strongly Outperform	BUY
B	11-30	Outperform	BUY
C	31-70	Marketperform	HOLD
D	71-90	Underperform	SELL
F	91-100	Strongly Underperform	SELL

Schwab Equity Ratings is a quantitative measure of the equity's prospects for stock price appreciation over the next twelve months in relation to its market peers.

For more details about the quantitative model's design and intent, please review the Schwab Equity Ratings Foundations document.

For more information on important disclosures please visit page 4 within this report.

PRICE VOLATILITY OUTLOOK

NA Volatility score not available
Data as of 03/15/2024

Last week's rating: Medium
Data as of 03/08/2024

High	Above average price volatility
Medium	Average price volatility
Low	Below average price volatility
N/A	Volatility score not available

Price Volatility Outlook measures the degree of variance typically demonstrated by the equity in relation to its peers within the same A-F ratings group. The outlook's measurement is based on a six month forecast.

Investment suitability is partially dependent on your portfolio risk tolerance. Positive or negative connotations associated with the price volatility outlook score should mirror your personal risk appetite. For more information, please consult Managing a Portfolio Using Schwab Equity Ratings.

RATIONALE BEHIND OUR **B** RATING ON MAR

For details about inputs to Schwab Equity Rating, see "Schwab Equity Ratings Foundations" in the "Stocks" article library under Market Insight.

▲ IMPROVED VS. PREVIOUS WEEK
▼ DECLINED VS. PREVIOUS WEEK

	THIS WEEK	LAST WEEK	AVERAGE IMPORTANCE
A Growth Grade	Positive	Positive	Medium
C Quality Grade	Neutral	Neutral	Medium
A Sentiment Grade	Positive	Positive	High
C Stability Grade	Neutral	Neutral	Low
C Valuation Grade	Neutral	Neutral	Medium

PRICE & VOLUME HISTORY

MAR Daily Close Prices



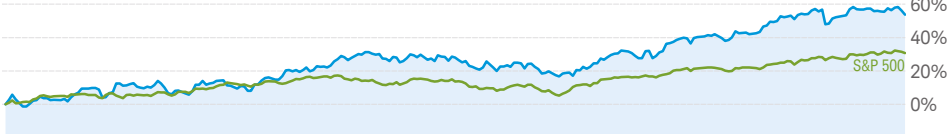
QUARTERLY POSITIVE/NEGATIVE
EARNINGS SURPRISE ANNOUNCEMENT

--- 200-DAY
MOVING AVERAGE

Data source: Refinitiv



Price Performance vs. the S&P 500



BUSINESS SUMMARY

Source: Reuters

Marriott International, Inc. is an operator, franchisor, and licensor of hotel, residential, timeshare, and other lodging properties under various brand names. The Company's segments include U.S. & Canada, Europe, Middle East, and Africa, Asia Pacific...

For more details, see page 2.

OVERVIEW

Source: Reuters

Price as of 3/15/24	\$244.07
Market Capitalization	\$70.7 Billion
Asset Class	Large Cap
Beta	1.63

SECTOR/INDUSTRY

Source: S&P Global

Sector	Consumer Discretionary
Industry	Hotels Restaurants & Leisure
Sub-Industry	Hotels, Resorts & Cruise Lines

METRICS

Source: Refinitiv

VALUE METRICS	MAR	S&P 500
P/E last 4Q	24.0	26.1
P/E forecast EPS	25.9	30.7
P/Free Cash Flow last 4Q	33.2	28.6
P/Sales last 4Q	2.98	2.84
Price/Book	--	14.4
Dividend Yield(%)	.9	1.6

GROWTH METRICS (%)

1 year sales growth	14.2	3.7
3 year sales growth	30.9	18.0
1 year EPS growth	40.5	-25.4
3 year EPS growth	--	32.1
1-year forecast EPS growth	-5.5	21.4
Long term growth rate 3-5 years	14.5	11.6
1 year dividend growth	180.0	6.2
3 year dividend growth	--	11.8

MOMENTUM METRICS (%)

4 week stock price change	1.0	2.2
26 week stock price change	20.1	15.0

FINANCIAL METRICS (%)

Gross margin	21.6	40.6
Net margin	13.0	11.3
Return on assets	12.2	5.2
Return on equity	--	20.0
Return on invested capital	17.4	18.7
Long-term debt/capital	1.06	.42

Marriott International Inc

MAR
NASDAQ

Schwab Equity Ratings® Report

Report generated on 03/17/2024, 03:43 AM

Powered by Schwab's QORE ANALYTICS®

B Outperform
Data as of 03/15/2024

ESG RATING

ESG data source: MSCI

Environmental, Social and Governance (ESG) Ratings Overview

ESG is a term used to describe various investing approaches that emphasize environmental, social and governance factors in addition to risk and return. ESG ratings try to measure a company's exposure to long-term, financially relevant ESG risks so that investors can implement the ESG investing approach they choose.

BBB

MSCI ESG Rating

Data as of 08/04/2023

Laggard	Average	Leader
CCC	B	BB
	BBB	A
		AA
		AAA

Weighted Average Key
Issues Score

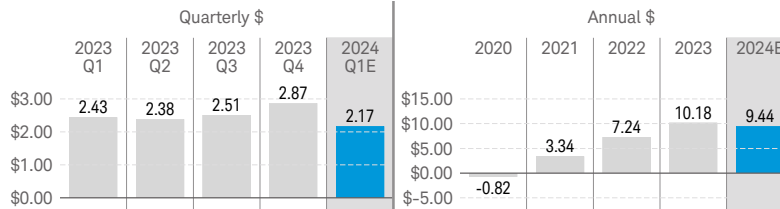
Average
4.6 out of 10

Environment Average	Social Average	Governance Average
6.3 out of 10	2.9 out of 10	4.6 out of 10

EARNINGS PER SHARE

Earnings data source: Refinitiv

Fiscal Year ending
in December



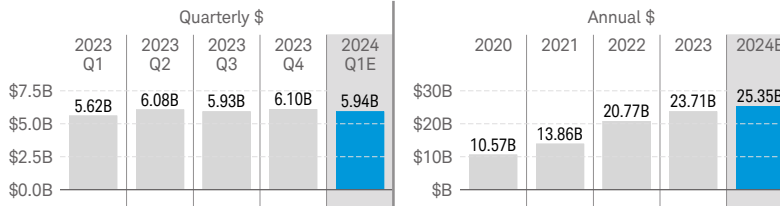
vs. prior year (%)	67.2	25.6	24.9	82.1	--	-121.6	507.2	116.9	40.6	--
Earnings Surprise(%)	▲13.3	--	--	▲68.2	--	--	▲9.9	--	▲16.4	--
# of analysts	18	17	18	19	19	23	20	19	20	23

Next earnings announcement is expected in the week of 4/30

REVENUE

Revenue data source: Refinitiv

Fiscal Year ending
in December



vs. 1 year ago (%)	33.7	13.8	11.6	2.9	--	-49.6	31.1	49.9	14.2	--
--------------------	------	------	------	-----	----	-------	------	------	------	----

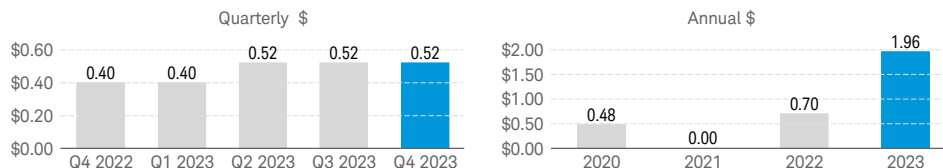
ANNUAL EARNINGS FORECAST

Source: Refinitiv

	MEAN FORECAST	CONSENSUS CHANGE IN LAST 30 DAYS	FORECAST RANGE	NUMBER OF FORECASTS
12/31/2024	\$9.44	\$0.01	\$9.17-\$9.72	23
12/31/2025	\$10.74	\$0.03	\$9.88-\$11.66	23
Next 5 Yr. Growth Rate	14.5%	0.0%	14.5%-14.5%	1

DIVIDENDS

Dividends data source: Refinitiv



Dividends are paid on a Quarterly basis.

OTHER OPINIONS

CFRA RANKING SINCE 11/03/2022
Recommendation

★ ★ ★ ★ ★

Morningstar Rating RATING SINCE 02/23/2024

★ ★ ★ ★ ★

Argus 12 Month Rating RATING SINCE 11/18/2020

SELL HOLD BUY

Market Edge Second Opinion® RATING SINCE 11/21/2023

AVOID NEUTRAL LONG

Reuter's Average Rating RATING SINCE 03/14/2024

NO OPINION SELL UNDER-PERFORM HOLD OUT-PERFORM BUY

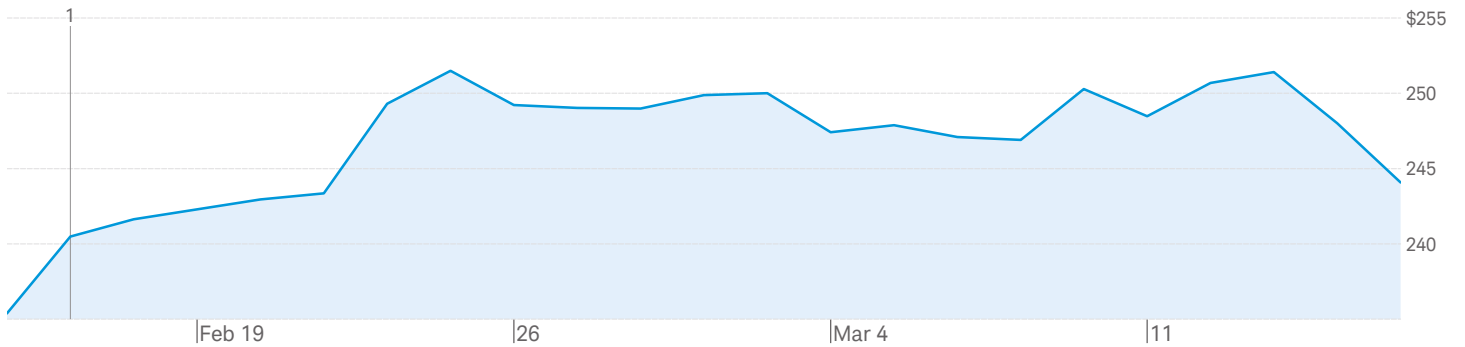
BUSINESS DESCRIPTION

Source: Reuters

Marriott International, Inc. is an operator, franchisor, and licensor of hotel, residential, timeshare, and other lodging properties under various brand names. The Company's segments include U.S. & Canada, Europe, Middle East, and Africa, Asia Pacific excluding China, and Greater China. Its Classic Luxury hotel brands include JW Marriott, The Ritz-Carlton, and St. Regis. Its Distinctive Luxury hotel brands include The Luxury Collection, W Hotels, EDITION, and Bvlgari. Its Classic Premium brands include Marriott Hotels, Sheraton, Delta Hotels by Marriott, Marriott Executive Apartments, and Marriott Vacation Club. Its Distinctive Premium brands include Westin, Autograph Collection Hotels, Renaissance Hotels, Le Meridien, Tribute Portfolio, Gaylord Hotels and Design Hotels. Classic Select hotel brands include Courtyard, Fairfield, Residence Inn, SpringHill Suites and Protea Hotels. Its Midscale brands include City Express by Marriott and Four Points Express by Sheraton.

Marriott International Inc

NEWS HEADLINES



1 02/15/24 2:43 pm ET... CFRA Keeps Hold Opinion on Shares of Marriott International, Inc. (MAR 239.74 ***): We lift our 12-month target to \$249 from \$195 on an EV/EBITDA of 16.6x, below MAR's five-year forward EV/EBITDA of 18.6x, reflecting weaker growth prospects. We cut our '24 EPS to \$9.34 from \$9.57 and set '25's at \$10.73. MAR posted Q4 adj-EPS of \$3.57, \$1.45 above consensus. Revenue of \$6,095M (+2.9% Y/Y) was \$108M below consensus. Adj-EBITDA was +19.5% Y/Y to \$1,197M vs. the \$1,145M consensus, with margin at 19.6%. Comparable RevPAR was +7.2%, the average daily rate was +3.0%, and Occupancy was +2.6%. MAR's results were mixed, with positive yet decelerating demand trends both Q/Q and Y/Y. Nonrecurring tax items (+\$1.59 impact on EPS) likely also contributed to MAR's '24 guidance missing consensus expectations. Yet, MAR still expects RevPAR growth to slow meaningfully to 4%, despite higher net rooms growth guidance of 5.8% Y/Y at the midpoint. While the reaction to MAR's results may be overblown, we think the risk/reward tradeoff remains unfavorable given MAR's growth outlook and tougher comparisons in '24.. /Siye Desta, CFA

Marriott International Inc

IMPORTANT DISCLOSURES FOR MAR

IB2 Schwab or its affiliates has received compensation for investment banking services from this company in the past 12 months.

Regulation Analyst Certification: The views expressed in this research report accurately reflect Schwab's quantitative research model, and no part of Schwab's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views disclosed in the research report.

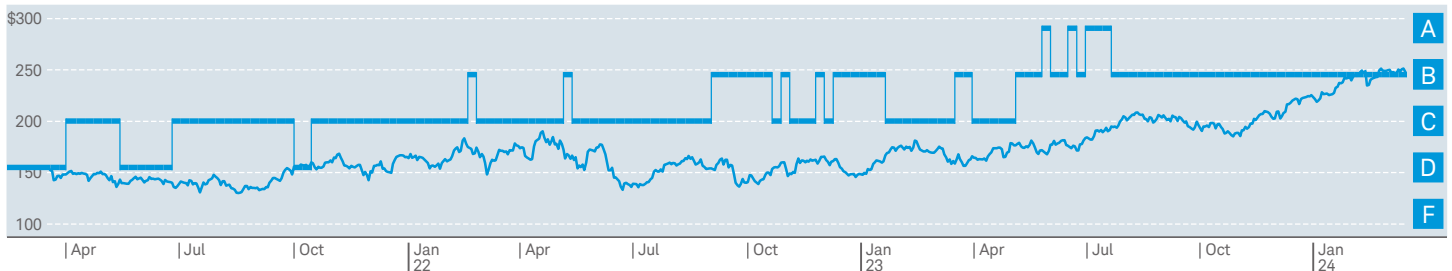
Note the Price Chart in the disclosures of this report which shows the rating and price history over applicable periods for this stock, including if and when coverage was terminated or suspended.

Within the previous 12 months, the percentage of companies that have a Schwab Equity Rating and for which Schwab has provided investment banking services are as follows:

- 2.68% in Buy Category (Schwab Equity Ratings and Schwab Equity Ratings International of A or B)
- 1.85% in Hold Category (Schwab Equity Ratings and Schwab Equity Ratings International of C)
- 0.93% in Sell Category (Schwab Equity Ratings and Schwab Equity Ratings International of D or F)

Price History for MAR

Schwab Equity Rating History for MAR



SCHWAB EQUITY RATINGS MEANING AND DISTRIBUTION

Schwab Equity Ratings are assigned to approximately 3000 U.S.-traded stocks. The Schwab Equity Ratings model universe is generally composed of the combined set of stocks in the Russell Investments' ("Russell") 3000 Index and the Standard & Poor's ("S&P") 500. Additional universe coverage may be incorporated from time to time. The explanation and table below are included to assist you in using Schwab Equity Ratings as one component of your own research to evaluate stocks and investment opportunities.

Schwab rates stocks using a scale of A/B/C/D/F. Schwab's outlook is that "A" rated stocks, on average, will strongly outperform and "F" rated stocks, on average, will strongly underperform the equities market over the next 12 months. Schwab Equity Ratings are based upon a disciplined, systematic approach that evaluates each stock on the basis of a wide variety of investment criteria from five broad categories: Growth, Quality, Sentiment, Stability and Valuation. This approach attempts to gauge investor expectations since stock prices tend to move in the same direction as changes in investor expectations. Stocks with low and potentially improving investor expectations tend to receive the best Schwab Equity Ratings ("A" or "B" ratings), while stocks with high and potentially falling investor expectations tend to receive the worst Schwab Equity Ratings ("D" or "F" ratings). Schwab may update the Schwab Equity Ratings methodology.

Schwab Equity Ratings Distribution

Schwab Equity Rating	Percentile Ranking Distribution	Distribution	12 Month Return Outlook	General Buy/Hold/Sell Guidance*
A	1 - 10	Top 10%	Strongly Outperform	Buy
B	11 - 30	Next 20%	Outperform	Buy
C	31 - 70	Next 40%	Marketperform	Hold
D	71 - 90	Next 20%	Underperform	Sell
F	91 - 100	Bottom 10%	Strongly Underperform	Sell

*The general buy/hold/sell guidance is relative to other rated equities only. Before considering whether to take any action, an investor should consider whether equities generally are performing well in comparison to other asset classes and whether other equities in the same sector or category with the same or better rating may be more appropriate.

Investment Rating Explanation

A (Strongly Outperform): If an investor is looking to add a stock to his or her portfolio, "A" rated stocks may be the best candidates for consideration.

B (Outperform): An investor looking to add a stock to his or her portfolio might also consider a "B" rated stock, though preference should be given to "A" rated stocks.

C (Marketperform): An investor would not usually consider a "C" rated stock for purchase. An investor holding a "C" rated stock in his or her portfolio should consider continuing to hold the stock, and might monitor the stock's ongoing performance and compare the potential benefits of owning a stock with higher ratings.

D (Underperform): An investor holding a "D" rated stock should consider whether it is appropriate to continue to hold that stock in his or her portfolio. An investor would not usually consider a "D" rated stock for purchase.

F (Strongly Underperform): An investor holding an "F" rated stock should consider whether it is appropriate to eliminate that stock from his or her portfolio. An investor would not usually consider an "F" rated stock for purchase.

Percentile Rankings Explanation: Each of the approximately 3,000 stocks rated in the Schwab Equity Ratings U.S. universe is given a composite score that is derived from the research factors used in the Schwab Equity Ratings model. Once the stock's composite score, which includes all research factor scores, is calculated, the universe of rated stocks is divided into percentiles ranging from 1 to 100. The lowest percentile rankings represent the best Schwab Equity Rating Model scores and correspond to the best letter grades. For example, in a universe of 1000 stocks, the top 10 stocks would receive a percentile ranking of 1 and the bottom 10 stocks would receive a percentile ranking of 100. Stocks ranked in percentile groups 1-10 are rated "A" and those in percentile groups 11-30 are rated "B", and so forth.

Model Risks

Schwab Equity Ratings uses quantitative analyses in its modeling method. Any limitations or inaccuracies in its analyses or models could affect model performance and the results investors may achieve. Models that appear to explain prior market data can fail to predict future market events. While the data used in the models has been taken from sources Schwab believes to be reliable; its accuracy, completeness or interpretation cannot be guaranteed. Schwab Equity Ratings may not capture subjective, qualitative influences on return and risk such as changes in management, business and political trends, or legal and regulatory developments. Thus, it is important to conduct additional research prior to making a trading decision.

Marriott International Inc

IMPORTANT DISCLOSURES FOR MAR

Descriptions for Non-Rated Stocks

Category	Definition	Description
NR	Not Rated	Schwab has decided not to publish a rating on this stock due to unusual or extraordinary business circumstances related to this company. Although Schwab generally does not monitor C, D, and F rated stocks for unusual or extraordinary business circumstances, from time to time, a rating of NR may appear on a particular stock.
NC	Not Covered	This stock is not currently in the Schwab Equity Ratings universe or is prohibited from coverage for regulatory or other reasons.

DISCLAIMER INFORMATION

VARYING VIEWPOINTS - The information contained in these materials reflects the Charles Schwab & Co., Inc. Schwab Equity Rating on a particular stock. Schwab, its affiliates and/or their employees may publish or otherwise express other viewpoints or trading strategies that may conflict with the Schwab Equity Rating included in this report. Please be aware that Schwab and/or its affiliates and the investment funds and managed accounts they manage may take positions, which may be contrary to the included Schwab Equity Rating.

GENERAL INFORMATION - This material is for informational purposes only and is not an offer to sell or the solicitation of an offer to buy. Additionally, Schwab Equity Ratings, Percentile Rankings, and the general guidance are not personal recommendations for any particular investor or client and do not take into account the financial, investment or other objectives or needs of, and may not be suitable for any particular investor or client. Investors and clients should consider Schwab Equity Ratings as only a single factor in making their investment decision while taking into account the current market environment. Schwab Equity Ratings utilize third-party data in computing a rating. While Schwab believes such third-party information is reliable, we do not guarantee its accuracy, timeliness or completeness. The Schwab Center for Financial Research may provide research consulting services, such as those related to Schwab Equity Ratings model design and performance, to Schwab investment advisory affiliates for their asset management purposes. Such services are not available to all other clients. Schwab Equity Ratings are generally updated weekly, so you should review and consider any recent market or company news before taking any action. Past history is no indication of future performance and you may lose money on your investment. For questions, please call 877-284-9817.

GICS - The industry classification information contained in these materials reflects The Global Industry Classification Standard (GICS) which was developed by and is the exclusive property of Morgan Stanley Capital International Inc. and Standard and Poor's. GICS is a service mark of MSCI and S&P and has been licensed for use by Schwab.

¹Markit on Demand used S&P Global's data in making its calculations.

ESG - Environmental, social and governance (ESG) ratings given to publicly traded companies are currently subject to inconsistent industry definitions and standards for the measurement and evaluation of ESG factors; therefore, such factors may differ significantly across each ESG ratings provider. As a result, it may be difficult to compare ESG ratings.

A stock's ESG rating may or may not significantly influence its performance. Because stocks are evaluated based on ESG factors rather than other investment criteria, the stock's performance may differ (either higher or lower) from its ESG rating(s), the overall market or comparable stocks that have different ESG ratings. Environmental ("E") factors can include climate change, pollution, waste, and how a company protects and/or conserves natural resources. Social ("S") factors can include how a company manages its relationships with individuals, such as its employees, shareholders, and customers as well as its community. Governance ("G") factors can include how a company operates, such as its leadership composition, pay and incentive structures, internal controls, and the rights of equity and debt holders. Carefully review the ESG rating provider's methodology and framework to learn more about how they incorporate ESG factors into their overall rating.

Copyright MSCI 2022. All Rights Reserved. Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used to create any financial instruments or products or any indices. The information is not intended to constitute investment advice or a recommendation to make (or refrain from making) any investment decision and may not be relied on as such, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. This information is provided on an "as is" basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any third party involved in or related to the computing or compiling of the data makes any express or implied warranties, representations or guarantees concerning the information, and in no event will MSCI or any third party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.