

U.S. Retail

2Q25 Preview & Promo Tracker: Positive TPR, ULTA, URBN, VSCO; Cautious GAP, LULU

Our 2Q25 Proprietary Promo Tracker shows sectorwide "Flat" promos y/y. While 2H25 inventory risk grows, 2Q25 results show little to no evidence of tariff-driven demand or margin erosion. Incremental tariff pressure will limit upwards revisions, but brands with pricing power are best positioned.

Please join our webcast Wednesday, August 6, 2025 at 11:00am ET further detailing this report. Click [here](#) to register.

Expect solid reports across U.S. Retail for 2Q25; consumer is healthy with potential pricing impacts from tariffs looming on the horizon. Sectorwide price increase actions began in early July and are building into the back-to-school season. We expect broad price increases to be fully rolled out entering August for BTS season. 2Q25 results are unlikely to see much, if any, tariff-related margin pressure. However, as higher-cost inventory flows through, margin pressure should appear in 3Q25/4Q25 and into 1H26.

Incremental tariff headwind impact pushed to 1H26. The new, and incremental, tariff regime, initially expected to go into effect August 1st has been delayed until August 7th. Furthermore, there is a grace period for goods shipped before August 7th and entering the United States before October 5th, 2025. These goods will not be subject to the new, higher tariff rates, but rather the pre-existing rates and will avoid the new duties. As such, for the majority of US retailers with a year-end December or January, there is unlikely to be much impact to CY25 with the incremental pressure beginning 1H26.

2Q25 Promo Score 53/100 remains "Flat;" Stick with names with either brand heat or strong value proposition (Off-Price). The 2Q25 Promo Score is 53 out of 100, similar to the 52 out of 100 in 1Q25. We are seeing a clear bifurcation of in-demand, desirable brands with pricing power versus those relying on promos to drive traffic. As such, we continue to recommend names with brand heat and sales momentum even if relative valuations are more expensive (e.g., DKS, RL, ONON, TPR) or a strong value proposition such as Off-Price (e.g., BURL, TJX, ROST).

Sales before margins. We almost always say that companies see margin impact before sales impact in both positive and negative inflections in the retail cycle. There are three main types of shock events to a retail P&L: 1) demand/sales shock, 2) supply/inventory shock, and the lesser-

U.S. Specialty Retail, Apparel & Footwear

NEUTRAL

Unchanged

U.S. Specialty Retail, Apparel & Footwear

Adrienne Yih

+1 212 526 5257

adrienne.yih@barclays.com

BCI, US

Paul Kearney

+1 212 526 1964

paul.kearney@barclays.com

BCI, US

Michael Vu

+1 212 526 9568

michael.vu@barclays.com

BCI, US

Angus Kelleher

+1 212 526 0081

angus.kelleherferguson@barclays.com

BCI, US

Barclays Capital Inc. and/or one of its affiliates does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Please see analyst certifications and important disclosures beginning on page 53.

Completed: 05-Aug-25, 22:04 GMT Released: 06-Aug-25, 04:05 GMT Restricted - External

seen 3) material input cost shock. Both sales and inventory shocks typically result in a "margins before sales" recovery, where cleaning up inventory is Phase 1 and returning to positive comps is Phase 2. **However, in an input cost shock, we see sales before margins.** We expect to see positive sales growth in 2H25 as companies increase prices (giving potentially false hope to investors), but expect margins to be the X-factor where companies will miss consensus expectations, with particular risk to 4Q25.

Focus on inventory dollars, not units. The US Retail sector sales-to-inventory spread was worsening before tariffs entering FY25. So it is no surprise we see material margin and EPS risk in 2H25, only worsened by tariff costs. We expect sales-to-inventory spreads to materially worsen as we focus on dollar inventory growth not units.

Positive on TPR, ULTA, URBN, VSCO. TPR ([Figure 46](#)) promos remained "Better" as all of their respective brands. ULTA ([Figure 53](#)) improved from "Flat-to-Deeper" to "Flat-to-Better," as the beauty category shows signs of stabilization. URBN posted "Better" promos for its namesake UO brand for the second consecutive quarter ([Figure 58](#)), indicating that the UO turnaround is sustained. VSCO maintained its "Better" score of 68/100 ([Figure 64](#)), with Pink apparel improving and new VS bra launches beginning to hit for fall.

Cautious on LULU, GAP. In 2Q25, at LULU ([Figure 42](#)) we noted an inflection from "Flat to "Deeper" score for the "We Made Too Much" section of LULU's website, with 2Q25 running deeper for the entirety of the quarter. Average WMTM units increased 44% y/y in 2Q25 from +3% in 1Q25. LULU has already guided for GM pressure and our checks show it drove sales and conversion. GAP ([Figure 34 - Figure 38](#)) saw its consolidated score negatively impacted by Gap brand inflecting from "Flat" to "Deeper" and Athleta worsening and still "Deeper".

Increasing ULTA and URBN estimates and PT. We raise our earnings, PT, and multiples driven by our fundamental promotional checks. In 2Q25, both ULTA and URBN have shown sequential improvement in its use of promotions, with ULTA shifting from "Flat-to-Deeper" to "Flat-to-Better" and URBN though remaining "Flat" is seeing sustained "Better" reduced promos at Urban Outfitters brand.

Lowering GAP and LULU estimates and PT. We lower our company earnings, PT, and multiples driven by our fundamental promotional checks. In our view, both GAP and LULU saw an increase in the use of promos, implying traffic challenges. In 2Q25 oth Gap brand and lululemon posted "Deeper" promos (we note that LULU's guidance embeds deeper markdowns already).

2Q25 Promo Rating: "Flat" vs. 1Q25 Promo Rating of "Flat." The 2Q25 Promo Score is 53 out of 100, compared to the 52 out of 100 in 1Q25.

2Q25 results from promo tracker (from best to worst):

"Better" (Significantly Less Promotional YoY): TPR, VSCO

"Flat/Better" (Similar-to-Slightly Less Promotional YoY): ANF, DKS, ULTA

"Flat" (Similarly Promotional YoY): URBN, BBWI

"Flat/Deeper" (Similar-to-Slightly More Promotional YoY): GAP

"Deeper" (Significantly More Promotional YoY): AEO, LULU

This Promo Tracker should be read in conjunction with our inventory report, 1Q25 Inventory Monitor: Yellow Flag Warning; U.S. Retail IM Spread Inflects Negatively, 06/23/25.

For description and methodology for our proprietary Promo Tracker, please see section titled Proprietary Promo Tracker Description and Methodology.

CONTENTS

Company Callouts - Positive on TPR, ULTA, URBN; Cautious on LULU, GAP.....	6
YTD Sector Performance & Valuation.....	7
ABERCROMBIE & FITCH CO.....	15
AMERICAN EAGLE OUTFITTERS, INC.....	18
BATH AND BODY WORKS, INC.....	21
DICK'S SPORTING GOODS, INC.....	23
THE GAP, INC.....	25
LULULEMON ATHLETICA INC.....	29
TAPESTRY, INC.....	31
ULTA BEAUTY, INC.....	35
URBAN OUTFITTERS, INC.....	37
VICTORIA'S SECRET & CO.....	41
Valuation and PT Changes.....	44
Proprietary Promo Tracker Description and Methodology.....	45

Summary of our Ratings, Price Targets and Earnings Changes in this Report (all changes are shown in bold)

Company	Rating		Price 5- Aug-25	Price Target			EPS FY1 (E)			EPS FY2 (E)		
	Old	New		Old	New	%Chg	Old	New	%Chg	Old	New	%Chg
U.S. Specialty Retail, Apparel & Footwear	Neu	Neu										
lululemon athletica inc. (LULU)	EW	EW	195.07	270.00	209.00	-23	14.73	14.56	-1	15.90	14.91	-6
The Gap, Inc. (GAP)	OW	OW	19.49	32.00	24.00	-25	2.13	2.13	-	2.45	2.37	-3
Ulta Beauty, Inc. (ULTA)	EW	EW	510.17	485.00	518.00	7	23.21	23.55	1	25.52	25.89	1
Urban Outfitters, Inc. (URBN)	OW	OW	77.81	80.00	89.00	11	5.01	5.08	1	5.31	5.54	4

Source: Barclays Research. Share prices and target prices are shown in the primary listing currency and EPS estimates are shown in the reporting currency. FY1(E): Current fiscal year estimates by Barclays Research. FY2(E): Next fiscal year estimates by Barclays Research. Stock Rating: OW: Overweight; EW: Equal Weight; UW: Underweight; RS: Rating Suspended Industry View: Pos: Positive; Neu: Neutral; Neg: Negative.

Company Callouts - Positive on TPR, ULTA, URBN; Cautious on LULU, GAP

Positive Callouts:

TPR: OW (Better, Promo Score 91/100): In FY4Q25, TPR achieved a consolidated Promo Score of 91/100 ("Better"). Within the Coach Full-Line concept, promo activity was exceptionally clean with a nearly perfect score of 96/100, earning a "Better" rating. Notably, Coach Outlet received a "Better" rating for the third consecutive time, with a perfect Promo Score of 100/100. Kate Spade's promo activity improved, coming in at "Flat-to-Better," with a Promo Score of 65/100 and approaching an inflection to positive.

ULTA: EW (Flat-to-Better, Promo Score 62/100): In FY2Q25, ULTA posted a score of "Flat-to-Better" with a 62/100 marking its highest score since FY3Q20. Promotional activity was notably cleaner early in the quarter with strong promotional restraint in the earlier part of the quarter. The overall lower activity reflects a meaningful shift toward more disciplined promotional execution. After many quarters of softness in the beauty category, we believe the beauty segment is stabilizing.

URBN: OW (Flat, Promo Score 55/100): URBN posted a FY2Q25 consolidated Promo Score of 55/100 for the second consecutive quarter, maintaining its "Flat" rating. Consolidated performance continues to be led by the Urban Outfitters brand, which posted a "Better" score of 77/100. It was UO's second consecutive quarter with a "Better" score, a clear sign that the turnaround is being sustained. Free People also improved, posting another "Flat" score at 50/100 from 39/100 last quarter. After last year's very clean quarter, Anthropologie recorded a "Flat-to-Deeper" score of 35/100, down from 43/100 in 1Q25. All three brands are trend- and target-right and we believe set up well for BTS/holiday.

VSCO: OW (Better, Promo Score 68/100). VSCO posted a 2Q25 consolidated Promo Score of 68/100 with both brands with much cleaner clearance carryover and Pink posting 73/100 similar to last quarter and VS 65/100 also similar to last quarter. We note Pink's apparel business in recovery, VS new bra launches, and collaborations with such brands as Love Shack Fancy all driving improved brand resonance with customers.

Cautious Callouts:

GAP: OW (Flat-to-Deeper, Promo Score 37/100): GAP posted a consolidated Promo Score of 37/100 in FY2Q25, down from 47/100 last quarter. The decline was driven by a pullback at the Gap brand, which fell to 27/100 from 58/100, reversing prior progress. Old Navy also softened slightly to 42/100 from 50/100. Banana Republic was the lone bright spot, improving to 69/100 from 46/100, suggesting traction in its premium repositioning. Athleta remains deeply promotional, recording a score of 4/100, down from 8/100, and marking the brand's fifth consecutive quarter running "Deeper" promotions.

LULU: EW (Deeper, Promo Score 0/100): LULU recorded a Promo Score of 0/100 in FY2Q25, down sharply from 46/100 last quarter, marking its most promotional quarter in recent history. Recall, we measure the promo levels in the "We Made Too Much" (WMTM) clearance section, and note that during FY2Q25 this section saw a notable increase in depth and frequency of for the duration of the quarter. Average WMTM units increased 44% y/y in 2Q25 from +3% in 1Q25. LULU has already guided for GM pressure and our checks show it drove sales and conversion. The sharp inflection in WMTM activity raises questions about inventory management and full-price sell-through, particularly as the brand navigates challenges in its U.S. stores amidst a more competitive and value-sensitive consumer environment.

YTD Sector Performance & Valuation

All pricing in this note is as of market close on 8/4/25.

Sector Performance

YTD through 8/4/25, the S&P 500 is +8% and the XRT is approximately flat. In 2024, the S&P 500 was +23% and the XRT was +10%.

Valuation

The Specialty Softlines subgroup is currently trading at an NTM P/E multiple of 13.8x versus its three- and five-year median forward P/E multiples of 12.6x and 13.1x, respectively. Currently, on NTM consensus estimates, this subgroup is trading at a 41% discount to the S&P 500 NTM P/E multiple of 23.2x.

The Off-Price subgroup is currently trading at an NTM P/E multiple of 25.4x versus its three- and five-year median forward P/E multiples of 24.8x and 25.3x, respectively. Currently, on NTM consensus estimates, this subgroup is trading at a 10% premium to the S&P 500 NTM P/E multiple of 23.2x.

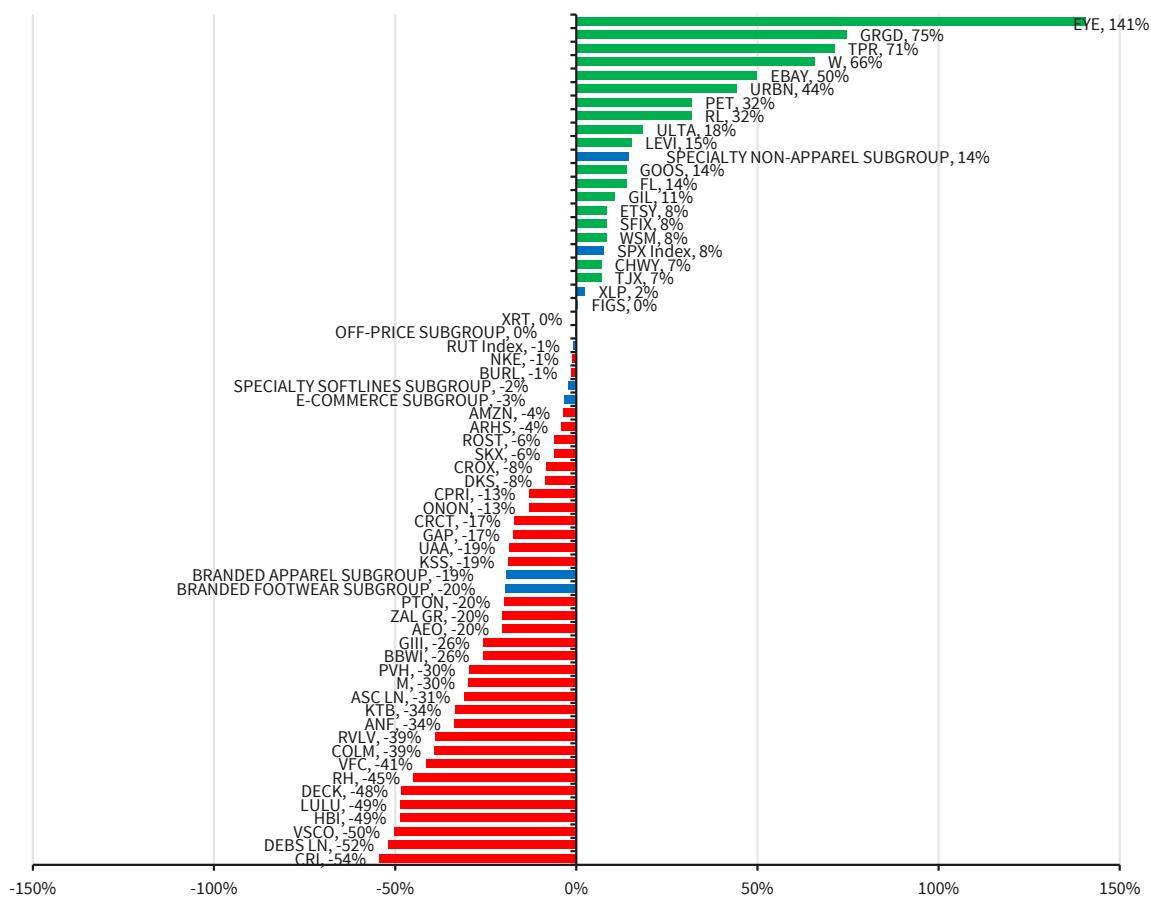
The Apparel Vendors subgroup is currently trading at an NTM P/E multiple of 12.0x versus its three- and five-year median forward P/E multiples of 11.6x and 12.3x, respectively. Currently, on NTM consensus estimates, this subgroup is trading at a 48% discount to the S&P 500 NTM P/E multiple of 23.2x.

The Footwear & Athletic subgroup is currently trading at an NTM P/E multiple of 21.1x versus its three- and five-year median forward P/E multiples of 22.2x and 24.3x, respectively. Currently, on NTM consensus estimates, this subgroup is trading at a 9% discount to the S&P 500 NTM P/E multiple of 23.2x.

YTD Performance

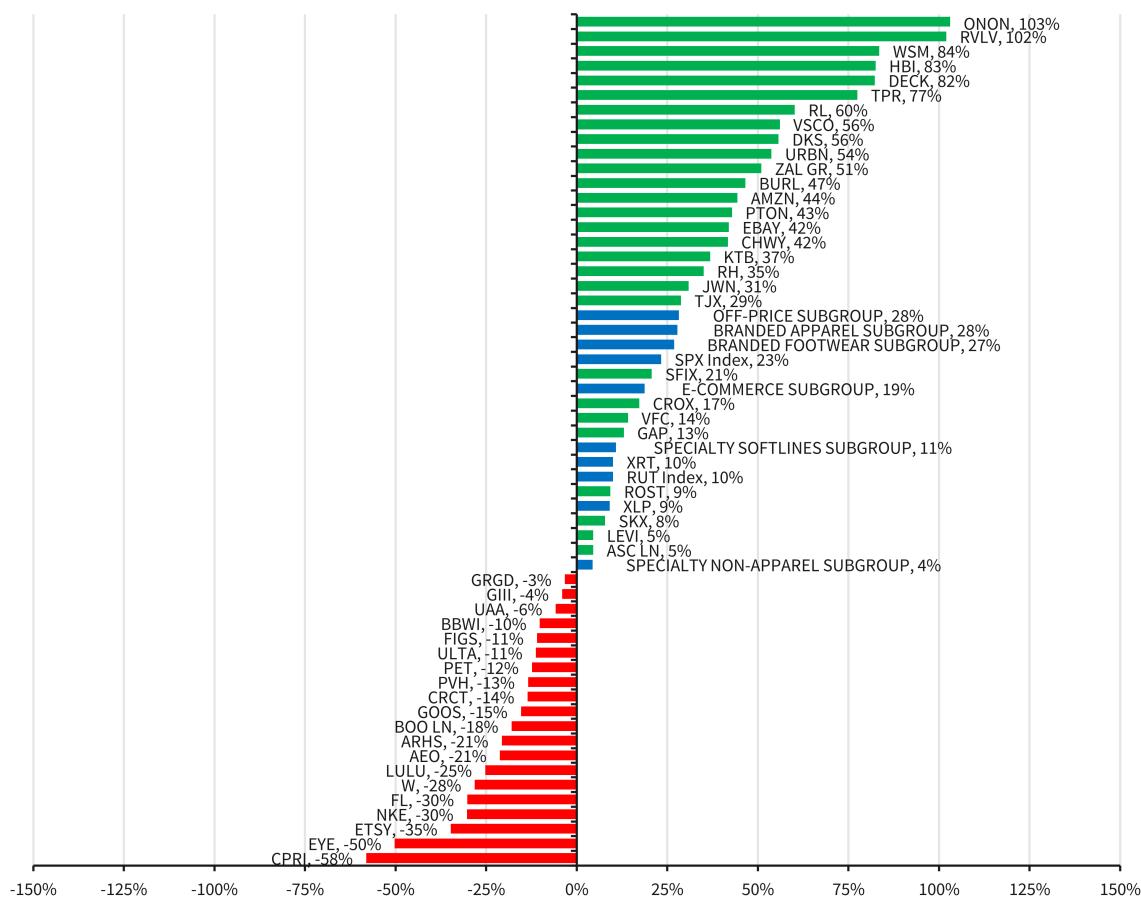
[Figure 1](#) below shows the YTD performance of the stocks in our coverage universe, as well as the broader traditional retail and e-commerce industry. We include the S&P 500 market index as well as the XRT as our sector benchmark. We also show the relative performance of the retail subgroups.

FIGURE 1. YTD 2025 Consumer Discretionary Universe* Performance

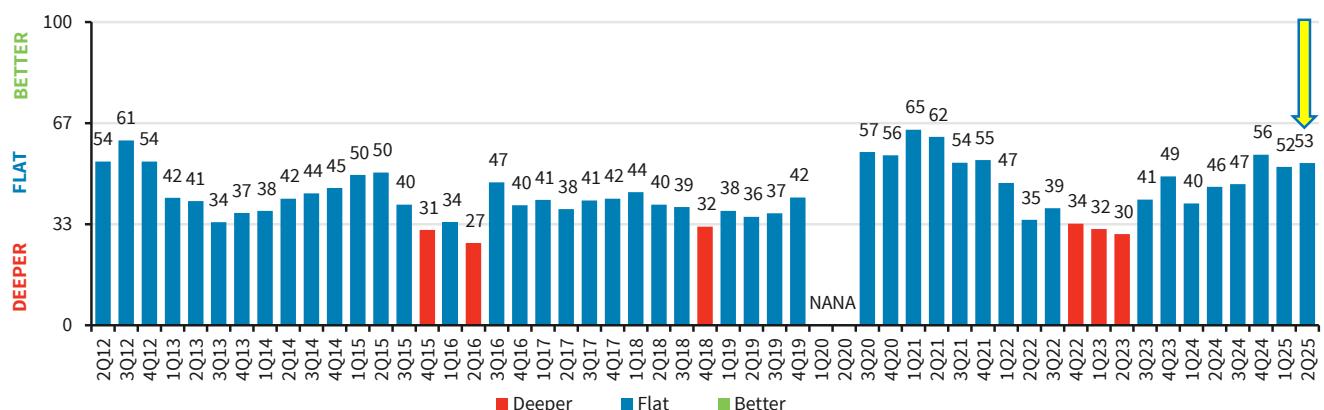


Pricing as of 8/4/25. *E-commerce subgroup includes W (covered by Seth Sigman), along with AMZN, CHWY, EBAY (all covered by Ross Sandler), ASOS.L, BOOH.L, and ZALG.DE (all covered by Emily Johnson), ETSY, RVLV (covered by Trevor Young) and non-covered FTCH, JOAN, PTON, SFIX. Specialty Hardlines & Other Subgroup includes coverage names DKS, EYE, PET, and ULTA, along with ARHS, RH, and WSM (all covered by Seth Sigman). SPX is S&P 500 Index; RUT is Russell 2000 Index. Green represents positive performance, Red represents negative performance, and Blue represents a Subgroup or Stock Index. For subgroup constituents, see [Subgroup Constituents](#). Source: Bloomberg, Barclays Research

FIGURE 2. 2024 Consumer Discretionary Universe* Performance



Pricing as of 12/31/24. *E-commerce subgroup includes W (covered by Seth Sigman), along with AMZN, CHWY, EBAY (all covered by Ross Sandler), ASOS.L, BOOH.L, and ZALG.DE (all covered by Emily Johnson), ETSY, RVLV (covered by Trevor Young) and non-covered FTCH, JOAN, PTON, SFIX. Specialty Hardlines & Other Subgroup includes coverage names DKS, EYE, PET.TO, and ULTA, along with ARHS, RH, and WSM (all covered by Seth Sigman). SPX is S&P 500 Index; RUT is Russell 2000 Index. Green represents positive performance, Red represents negative performance, and Blue represents a Subgroup or Stock Index. For subgroup constituents, see [Subgroup Constituents](#).
Source: Bloomberg, Barclays Research

FIGURE 3. Specialty Sector Historical Promo Scores, FY2Q12A through FY2Q25A

Source: Company websites and emails, Barclays Research

FIGURE 4. Specialty Sector 2Q25 Promotional Analysis Weekly Rating Totals

2Q25	Better	Flat	Deeper
05/12/25	6	6	8
05/19/25	6	5	9
05/26/25	12	4	4
06/02/25	10	5	5
06/09/25	10	7	3
06/16/25	6	8	6
06/23/25	5	4	11
06/30/25	12	1	7
07/07/25	8	2	10
07/14/25	9	6	5
07/21/25	8	8	4
07/28/25	7	8	5
08/04/25	5	6	9

Note: this chart shows our quarterly assessment of year-over-year promotions for the sector.

Source: Company websites and emails, Barclays Research

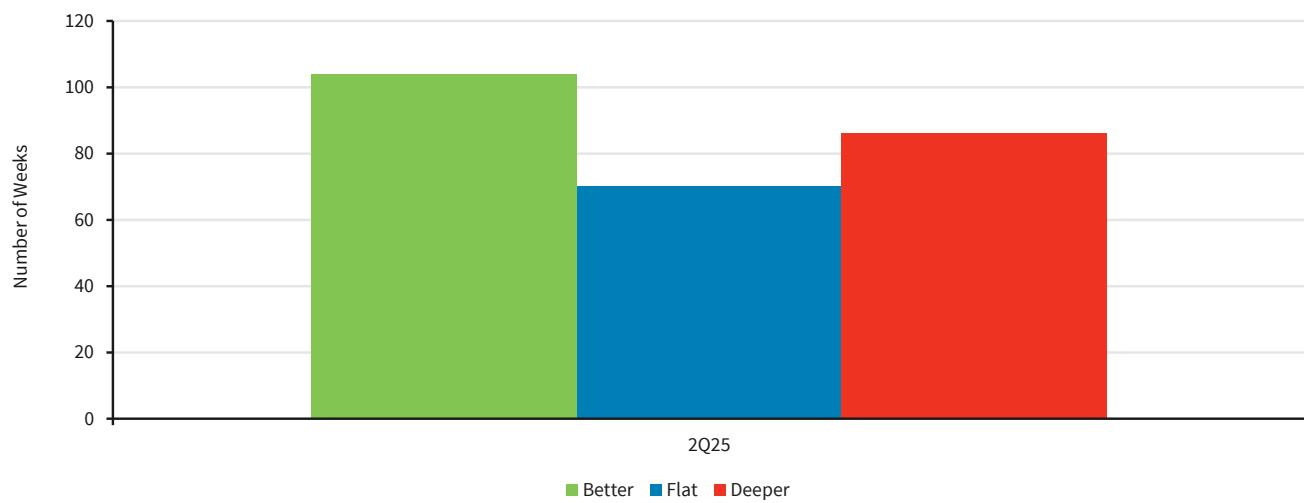
FIGURE 5. Totals & 2Q25 Rating

Ratings	Totals & 2Q25 Rating	
	2Q25 (weeks)	
Better	104	
Flat	70	
Deeper	86	
2Q25 Rating:	Flat	

Note: this chart shows our quarterly assessment of year-over-year promotions for the sector.

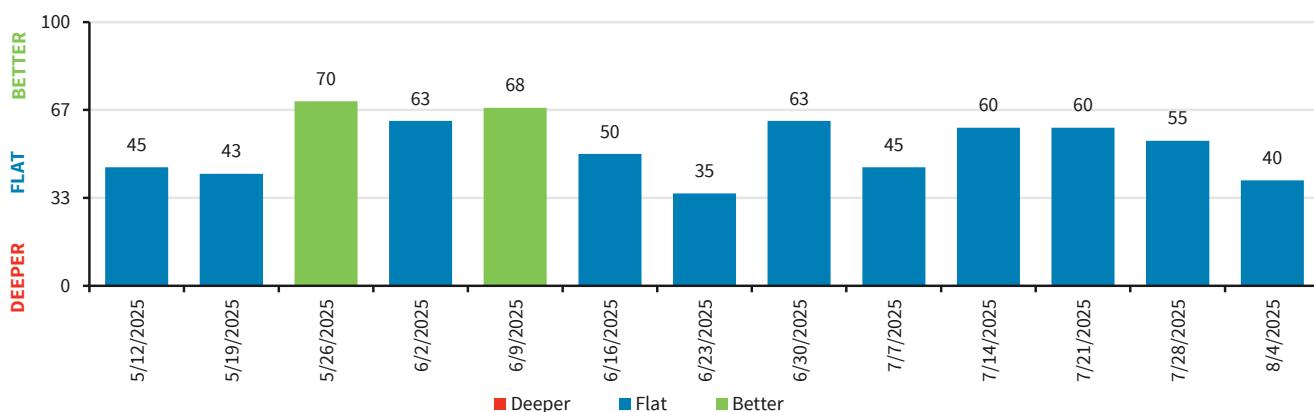
Source: Company websites and emails, Barclays Research

FIGURE 6. Specialty Sector 2Q25 Promotional Analysis Weekly Rating Totals Graph



Note: this chart shows our quarterly assessment of year-over-year promotions for the sector.

Source: Company websites and emails, Barclays Research

FIGURE 7. Specialty Sector Promotional Cadence: Absolute Promo Score, Weekly FY2Q25

Source: Company websites and emails, Barclays Research

We use a simple scoring system in order to compare and rank the overall promotional cadence of each company throughout the quarter. This allows us to quantify the magnitude of each company's own year-over-year promotional depth, while also providing us with a way to measure the company's performance relative to peers. The scoring system is as follows:

For each week:

A rating of "**Better**" = +1.0

A rating of "**Flat**" = 0.0

A rating of "**Deeper**" = -1.0

For each division:

The values for each week are then summed in order to give an overall promotional score for the quarter. Given that the retail calendar quarters consist of 13 full weeks, the range of possible scores is from -13 to +13. (*Note, the first and last weekly data points are half a weekend each.*)

For companies with multiple divisions:

The weighted average of the corresponding divisions is taken in order to calculate an overall company score. The last reported percentage of total sales for each division is utilized as a baseline in order to weight the individual division's scores.

Rating legend for each company:

"**Better**" (~ top third) $\geq +4.34$

"**Flat/B**" $\geq +2.0$ and $< +4.33$

"**Flat**" > -2.0 and $< +2.0$

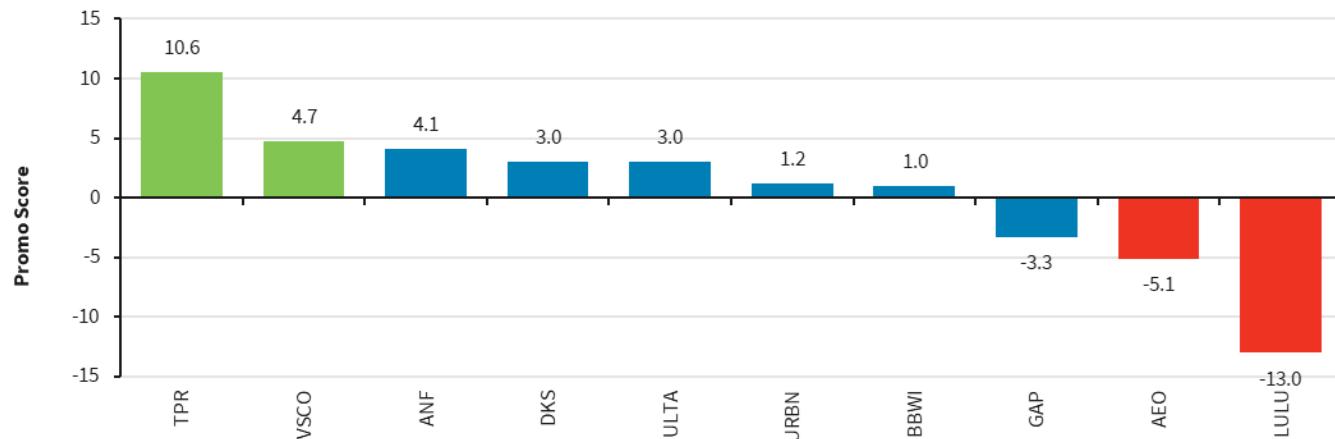
"**Flat/D**" > -4.33 and ≤ -2.0

"**Deeper**" (~ bottom third) ≤ -4.34

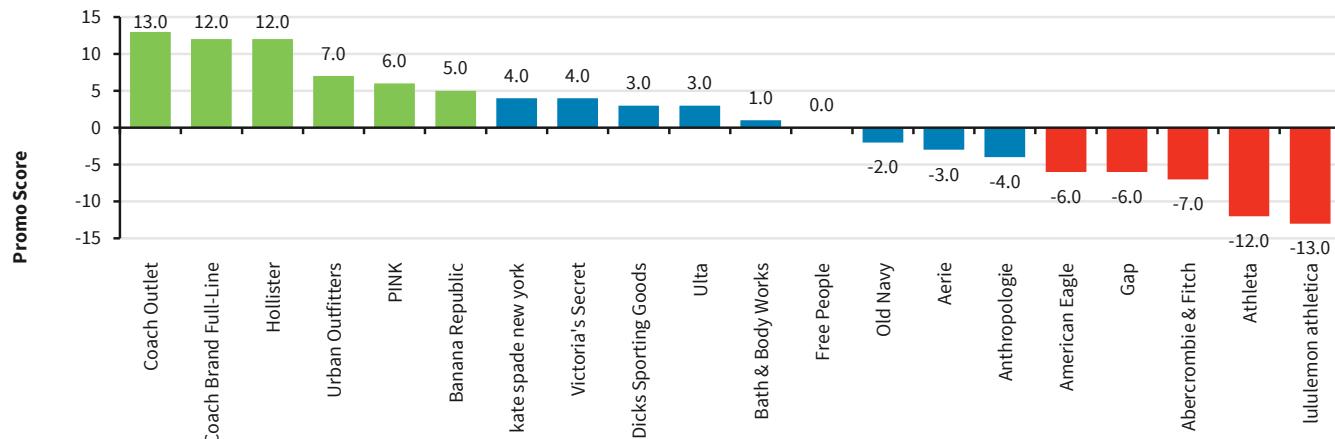
FIGURE 8. FY2Q25 Promotional Analysis Company Scorecard

Company	2Q25 Score	2Q25 Rating
AEO	(5.1)	Deeper
Aerie	(3.0)	Flat/D
American Eagle	(6.0)	Deeper
ANF	4.1	Flat/B
Abercrombie & Fitch	(7.0)	Deeper
Hollister	12.0	Better
BBWI	1.0	Flat
DKS	3.0	Flat/B
GAP	(3.3)	Flat/D
Athleta	(12.0)	Deeper
Banana Republic	5.0	Better
Gap	(6.0)	Deeper
Old Navy	(2.0)	Flat/D
LULU	(13.0)	Deeper
TPR	10.6	Better
Coach Brand Full-Line	12.0	Better
Coach Outlet	13.0	Better
kate spade new york	4.0	Flat/B
ULTA	3.0	Flat/B
URBN	1.2	Flat
Anthropologie	(4.0)	Flat/D
Free People	0.0	Flat
Urban Outfitters	7.0	Better
VSCO	4.7	Better
PINK	6.0	Better
Victoria's Secret	4.0	Flat/B

Note: Please see rating legend on previous pages for explanation on numerical score and rating.
Source: Company websites and emails, Barclays Research

FIGURE 9. Specialty Sector FY2Q25A Promotional Analysis – Ranked Best to Worst Promotional Score

Note: see below [Figure 10](#) for brand weightings. Promo checks were conducted through the 4-5-4 retail calendar quarter ended 8/4/25.
Source: Company websites and emails, Barclays Research

FIGURE 10. Specialty Sector FY2Q25A Promotional Analysis – Ranked Best to Worst Promotional Score, by Store Brand

Note: Promo checks were conducted through the 4-5-4 retail calendar quarter ended 8/4/25.
Source: Company websites and emails, Barclays Research

ABERCROMBIE & FITCH CO.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 11. ANF Promotional Analysis

2Q25	Abercrombie & Fitch	Hollister
5/12/2025	Deeper	Better
5/19/2025	Better	Better
5/26/2025	Better	Better
6/2/2025	Deeper	Better
6/9/2025	Flat	Flat
6/16/2025	Flat	Better
6/23/2025	Deeper	Better
6/30/2025	Deeper	Better
7/7/2025	Deeper	Better
7/14/2025	Deeper	Better
7/21/2025	Deeper	Better
7/28/2025	Deeper	Better
8/4/2025	Deeper	Better

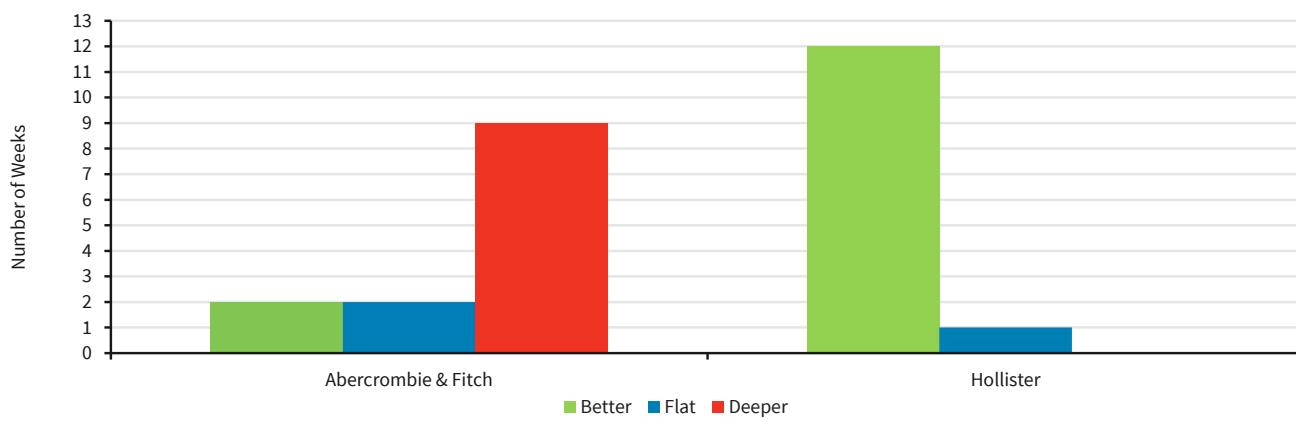
Fiscal Year End January
Source: Barclays Research

FIGURE 12. ANF Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating	
	Abercrombie & Fitch (weeks)	Hollister (weeks)
Better	2	12
Flat	2	1
Deeper	9	0
2Q25 Rating:	Deeper	Better

Fiscal Year End January
Source: Barclays Research

FIGURE 13. ANF Promotional Cadence Charts

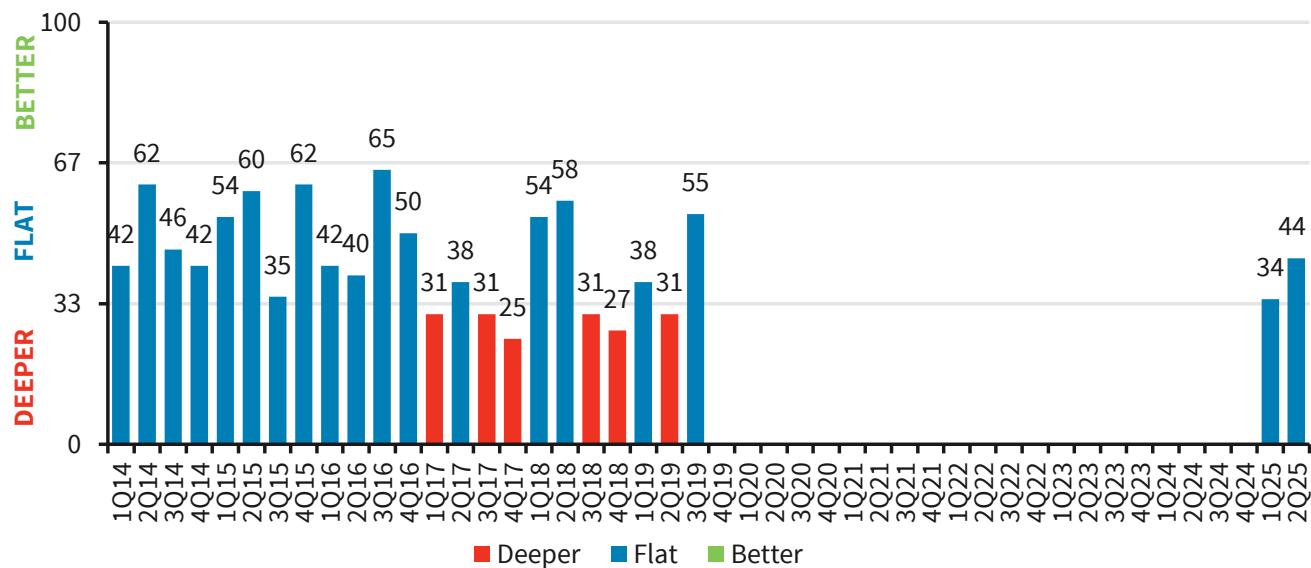


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

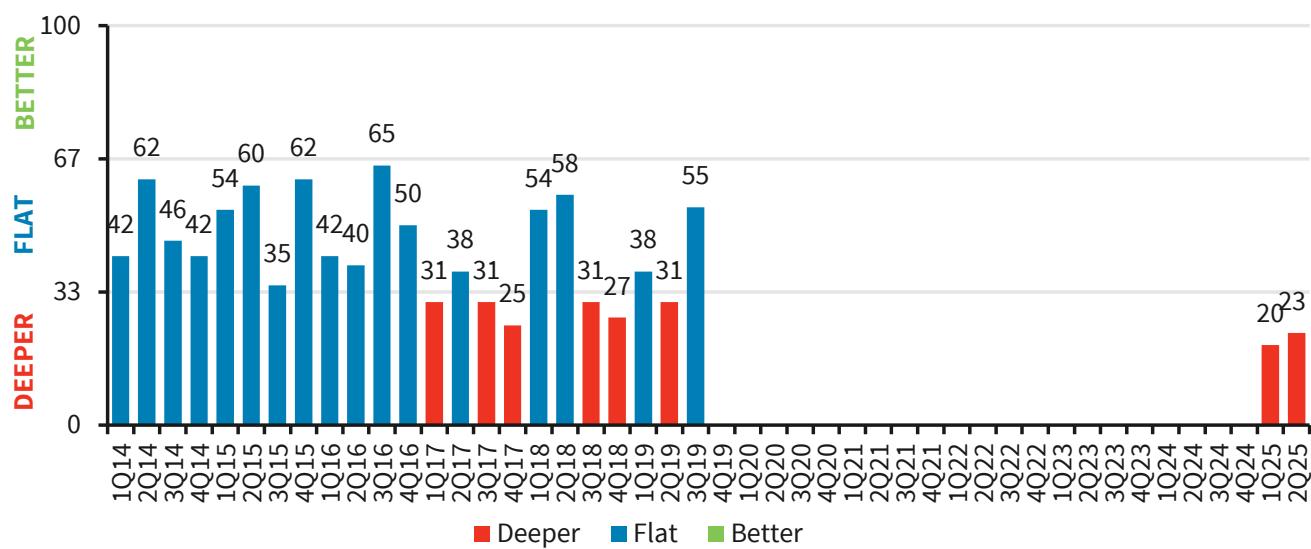
Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 67 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 14. ANF Consolidated Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



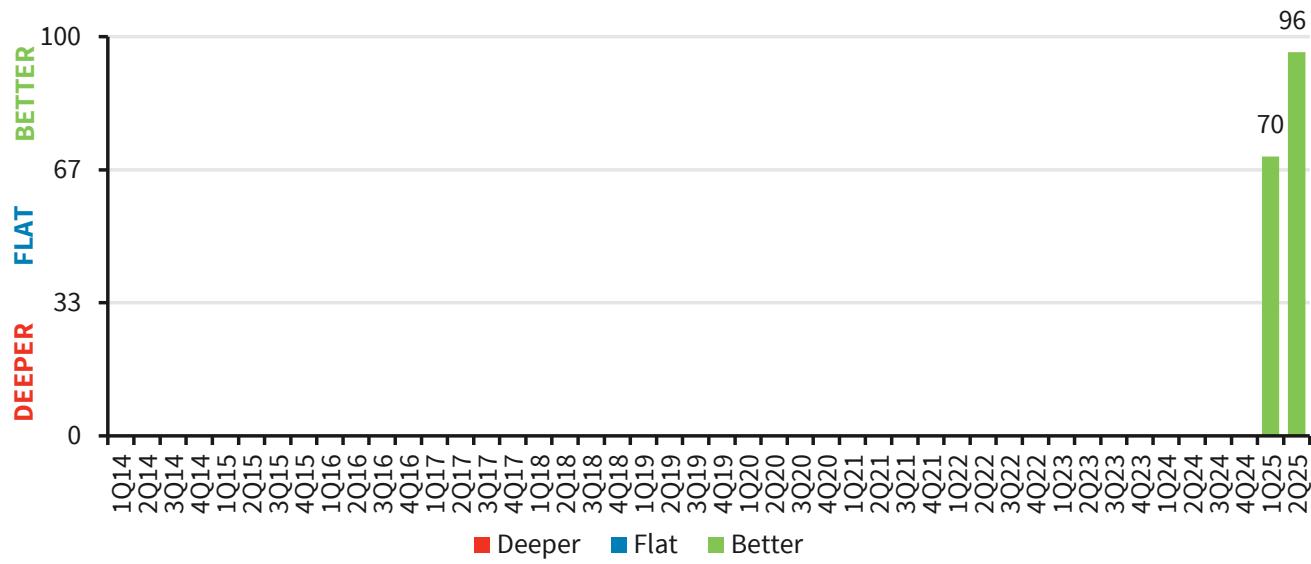
Note: Due to a break in coverage, data for 4Q19 and 4Q24 data is unavailable for these periods. 1Q14-3Q19 includes only Abercrombie & Fitch. 1Q25 to present consolidates Abercrombie & Fitch and Hollister brands. Fiscal Year End January
Source: Company website and emails; Barclays Research

FIGURE 15. Abercrombie & Fitch Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 4Q19 and 4Q24 data is unavailable for these periods. Fiscal Year End January
Source: Company websites and emails; Barclays Research

FIGURE 16. Hollister Brand Absolute Promo Tracker Score 1Q25 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 4Q19 and 4Q24 data is unavailable for these periods. Fiscal Year End January
Source: Company websites and emails; Barclays Research

AMERICAN EAGLE OUTFITTERS, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 17. AEO Promotional Analysis

2Q25	American Eagle	Aerie
5/12/2025	Deeper	Deeper
5/19/2025	Deeper	Deeper
5/26/2025	Flat	Deeper
6/2/2025	Deeper	Better
6/9/2025	Deeper	Better
6/16/2025	Deeper	Deeper
6/23/2025	Flat	Deeper
6/30/2025	Better	Better
7/7/2025	Deeper	Flat
7/14/2025	Flat	Better
7/21/2025	Flat	Deeper
7/28/2025	Flat	Flat
8/4/2025	Deeper	Deeper

Fiscal Year End January

Source: Barclays Research

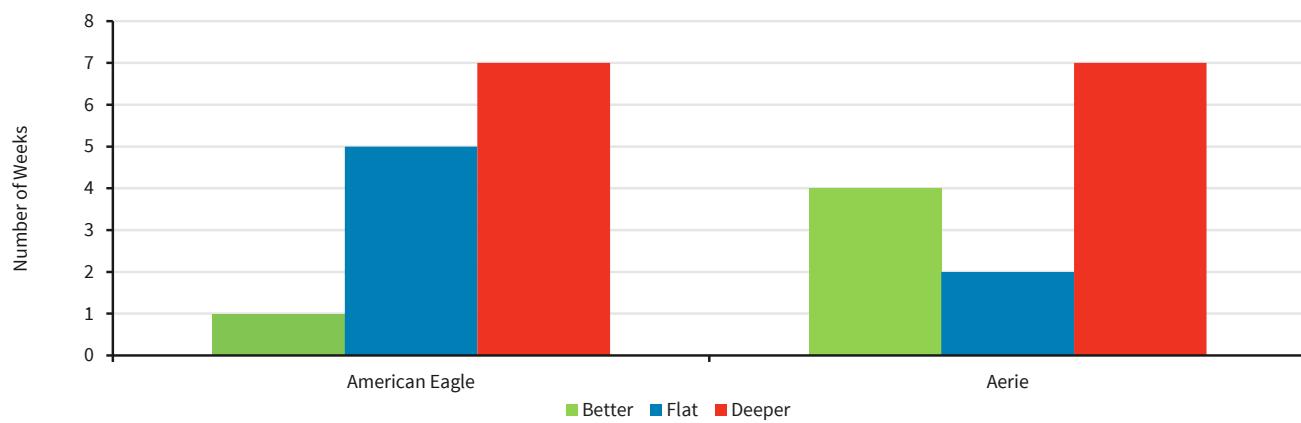
FIGURE 18. AEO Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating	
	American Eagle (weeks)	Aerie (weeks)
Better	1	4
Flat	5	2
Deeper	7	7
2Q25 Rating:	Deeper	Flat/D

Fiscal Year End January

Source: Barclays Research

FIGURE 19. AEO Promotional Cadence Charts



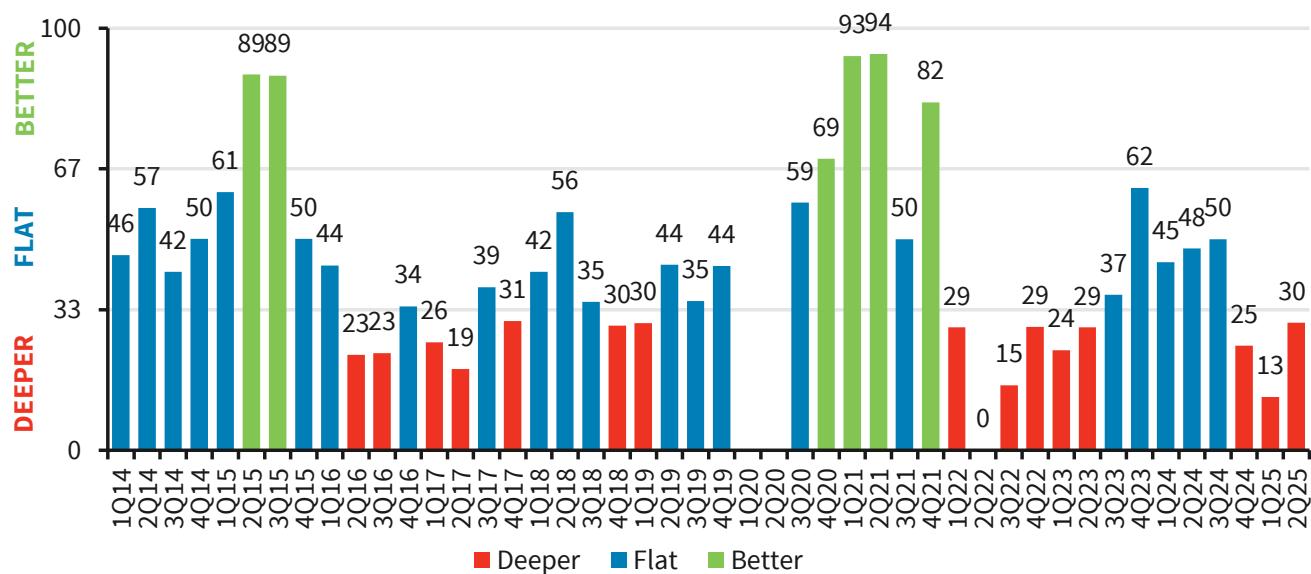
Fiscal Year End January

Source: Barclays Research

Historical Promo Tracker Scores

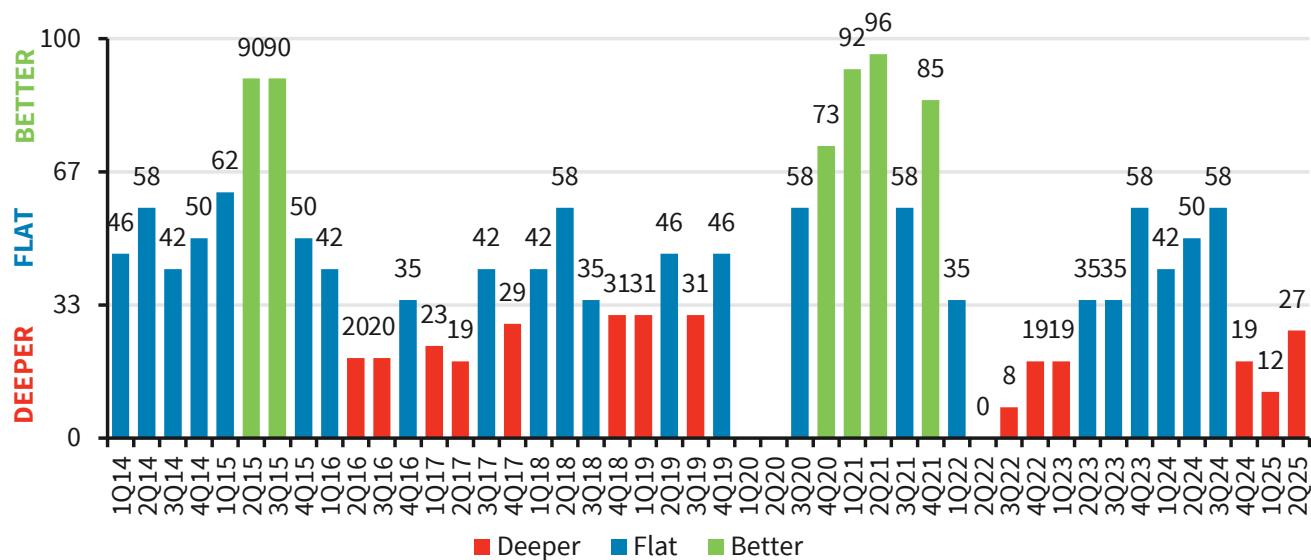
Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 67 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 20. AEO Consolidated Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



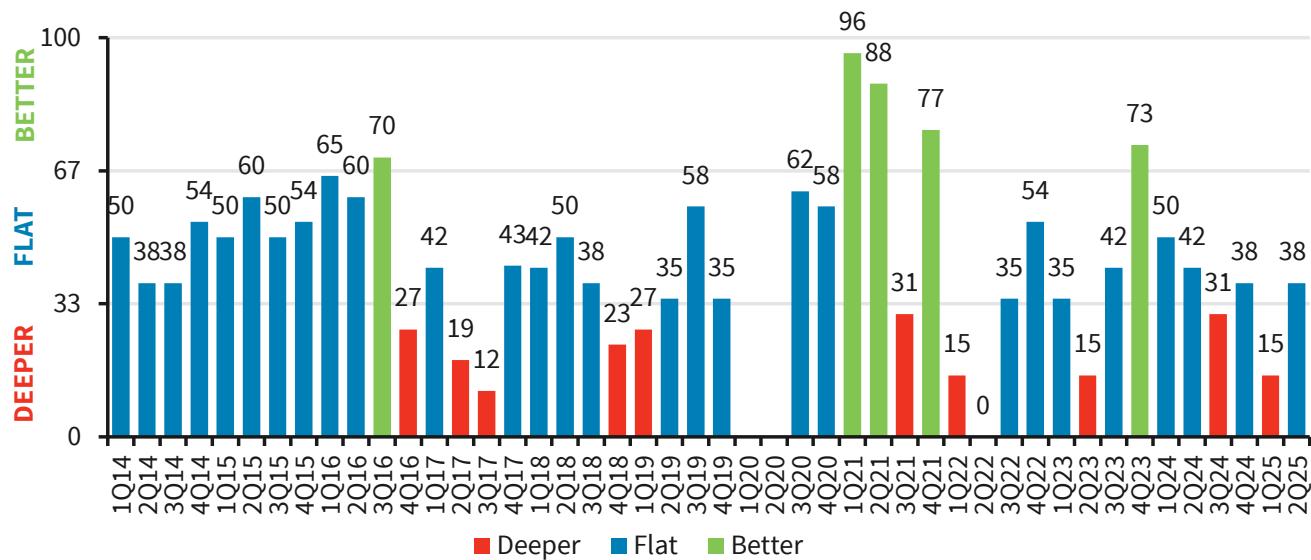
Fiscal Year End January

Source: Company website and emails; Barclays Research

FIGURE 21. American Eagle Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company website and emails; Barclays Research

FIGURE 22. Aerie Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

BATH AND BODY WORKS, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 23. BBWI Promotional Analysis

2Q25	Bath & Body Works
5/12/2025	Flat
5/19/2025	Deeper
5/26/2025	Better
6/2/2025	Better
6/9/2025	Better
6/16/2025	Better
6/23/2025	Deeper
6/30/2025	Deeper
7/7/2025	Deeper
7/14/2025	Better
7/21/2025	Flat
7/28/2025	Better
8/4/2025	Deeper

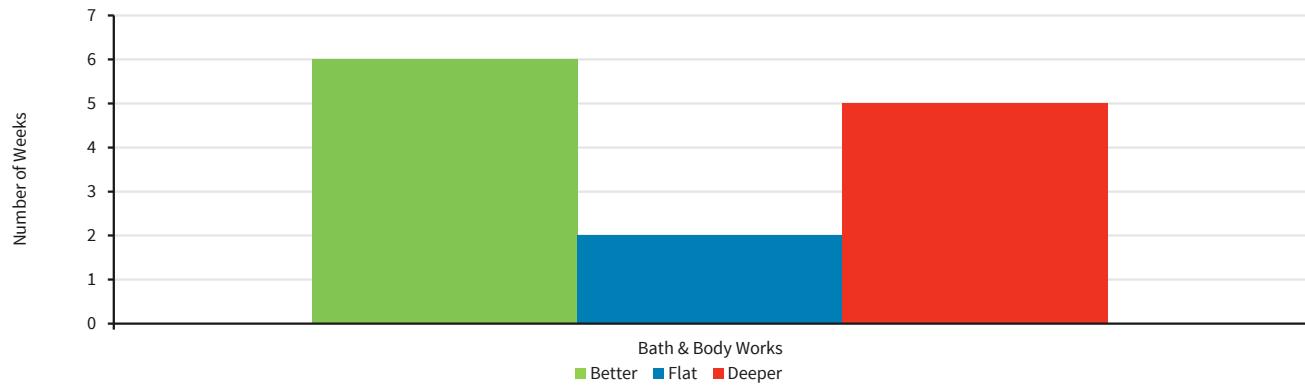
Fiscal Year End January
Source: Barclays Research

FIGURE 24. BBWI Totals & Quarter Rating

Totals & 2Q25 Rating	
Ratings	Bath & Body Works (weeks)
Better	6
Flat	2
Deeper	5
2Q25 Rating:	Flat

Fiscal Year End January
Source: Barclays Research

FIGURE 25. BBWI Promotional Cadence Charts

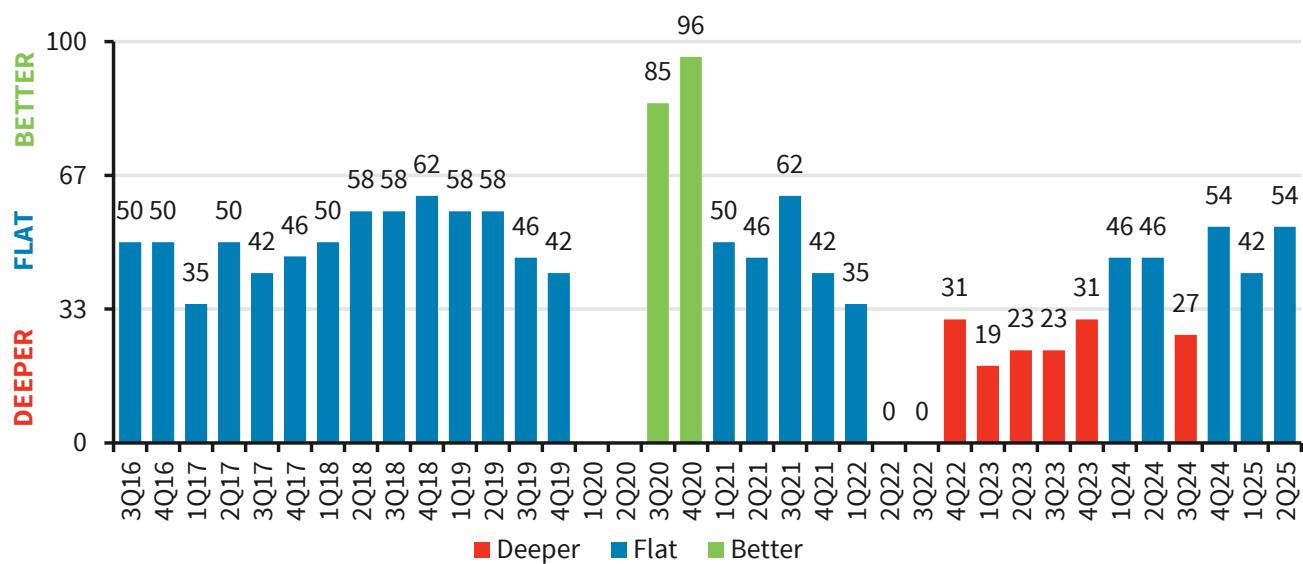


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 68 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 26. Bath & Body Works Absolute Promo Tracker Score 3Q16 – Present (0 Worst to +100 Best)



Note: 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company websites and emails; Barclays Research

DICK'S SPORTING GOODS, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 27. DKS Promotional Analysis

2Q25	Dicks Sporting Goods
5/12/2025	Better
5/19/2025	Better
5/26/2025	Better
6/2/2025	Better
6/9/2025	Flat
6/16/2025	Flat
6/23/2025	Flat
6/30/2025	Flat
7/7/2025	Deeper
7/14/2025	Flat
7/21/2025	Flat
7/28/2025	Flat
8/4/2025	Flat

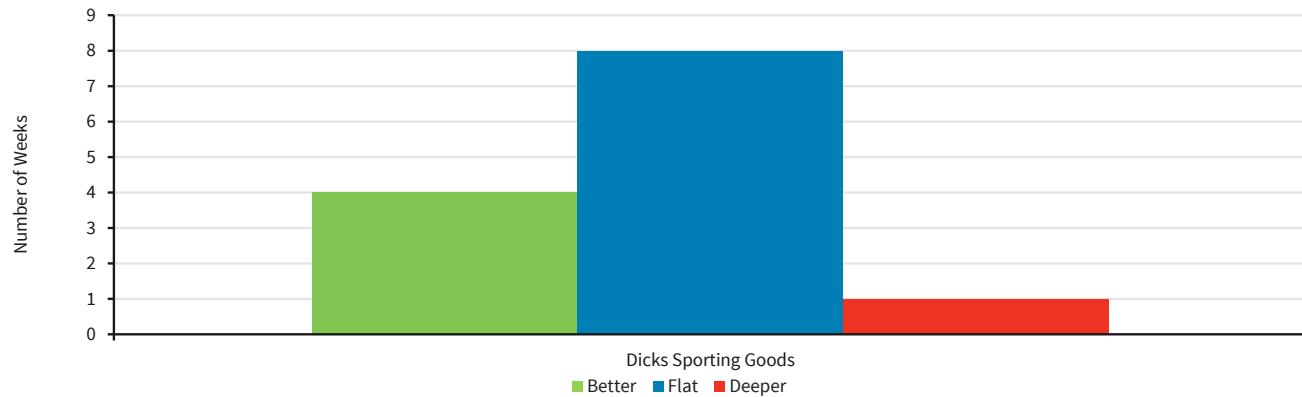
Fiscal Year End January
Source: Barclays Research

FIGURE 28. DKS Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating
	Dicks Sporting Goods (weeks)
Better	4
Flat	8
Deeper	1
2Q25 Rating:	Flat/B

Fiscal Year End January
Source: Barclays Research

FIGURE 29. DKS Promotional Cadence Charts

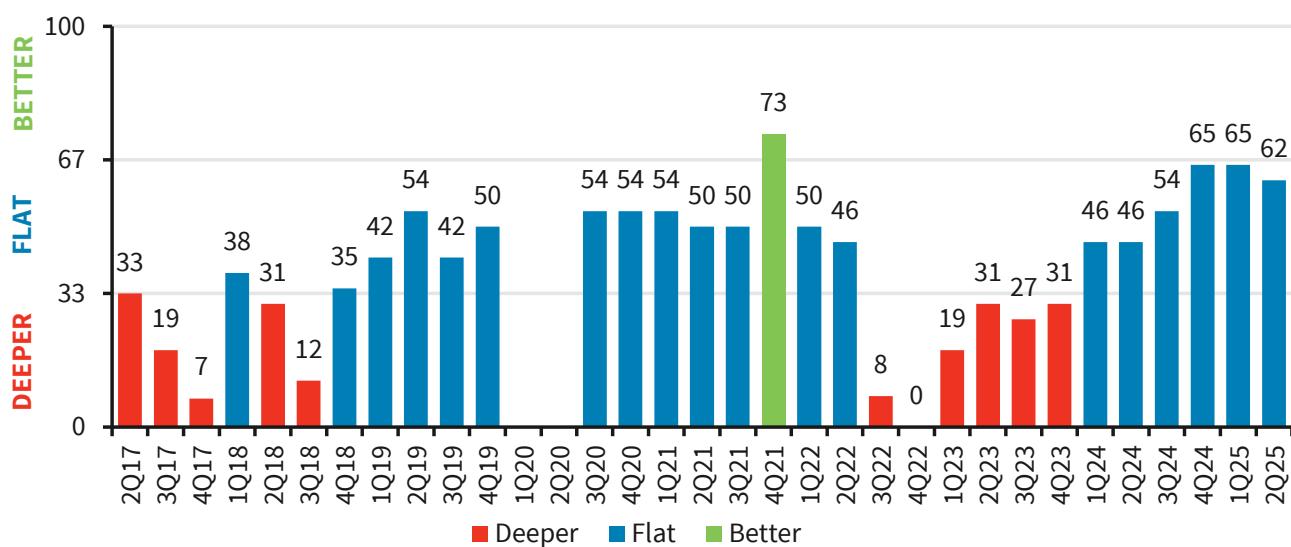


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 67 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 30. DKS Consolidated Absolute Promo Tracker Score 2Q17 – Present (0 Worst to +100 Best)



Note: Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company websites and emails; Barclays Research

THE GAP, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 31. GAP Promotional Analysis

2Q25	Old Navy	Gap	Banana Republic	Athleta
5/12/2025	Deeper	Deeper	Flat	Deeper
5/19/2025	Flat	Deeper	Flat	Deeper
5/26/2025	Better	Flat	Deeper	Deeper
6/2/2025	Better	Better	Deeper	Deeper
6/9/2025	Better	Better	Better	Deeper
6/16/2025	Deeper	Flat	Deeper	Deeper
6/23/2025	Deeper	Deeper	Better	Deeper
6/30/2025	Deeper	Deeper	Better	Deeper
7/7/2025	Deeper	Deeper	Better	Deeper
7/14/2025	Flat	Deeper	Better	Deeper
7/21/2025	Better	Flat	Better	Deeper
7/28/2025	Flat	Deeper	Better	Deeper
8/4/2025	Deeper	Deeper	Better	Flat

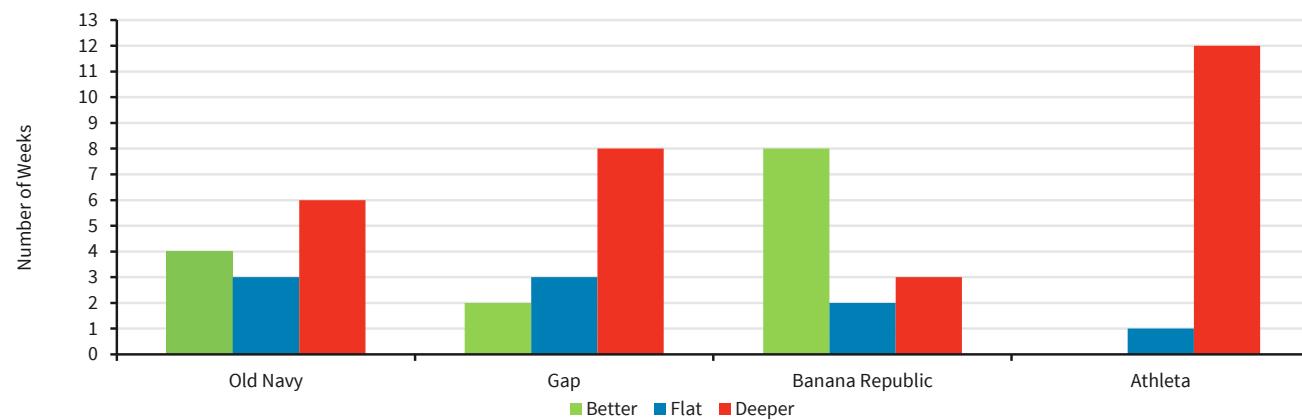
Fiscal Year End January
Source: Barclays Research

FIGURE 32. GAP Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating			
	Old Navy (weeks)	Gap (weeks)	Banana Republic (weeks)	Athleta (weeks)
Better	4	2	8	0
Flat	3	3	2	1
Deeper	6	8	3	12
2Q25 Rating:	Flat/D	Deeper	Better	Deeper

Fiscal Year End January
Source: Barclays Research

FIGURE 33. GAP Promotional Cadence Charts

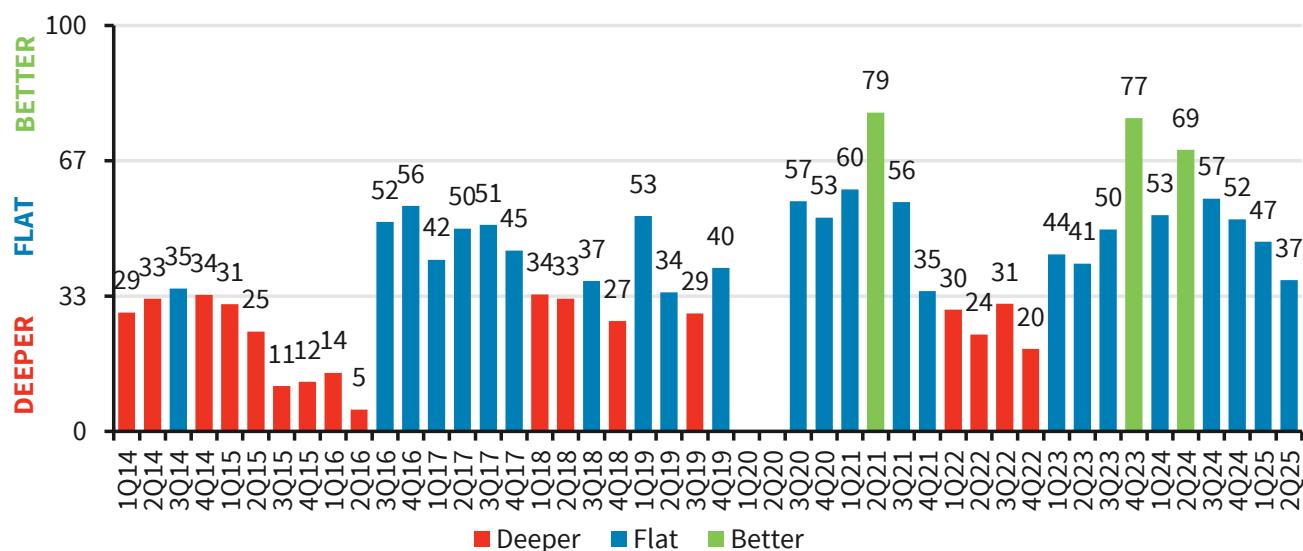


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

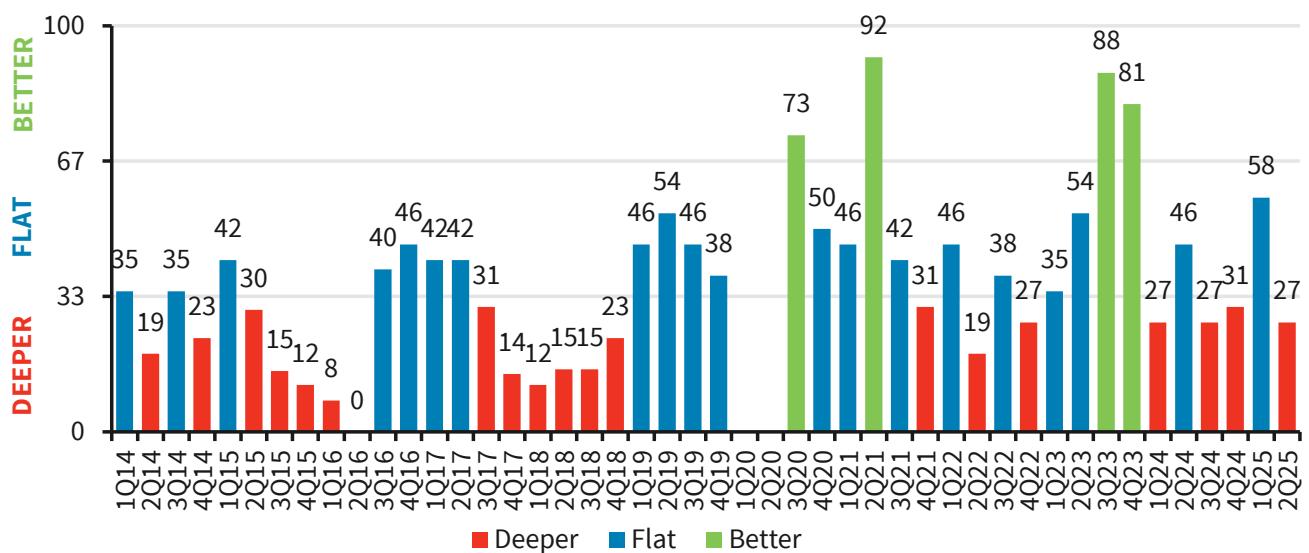
Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 67 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 34. GAP Consolidated Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



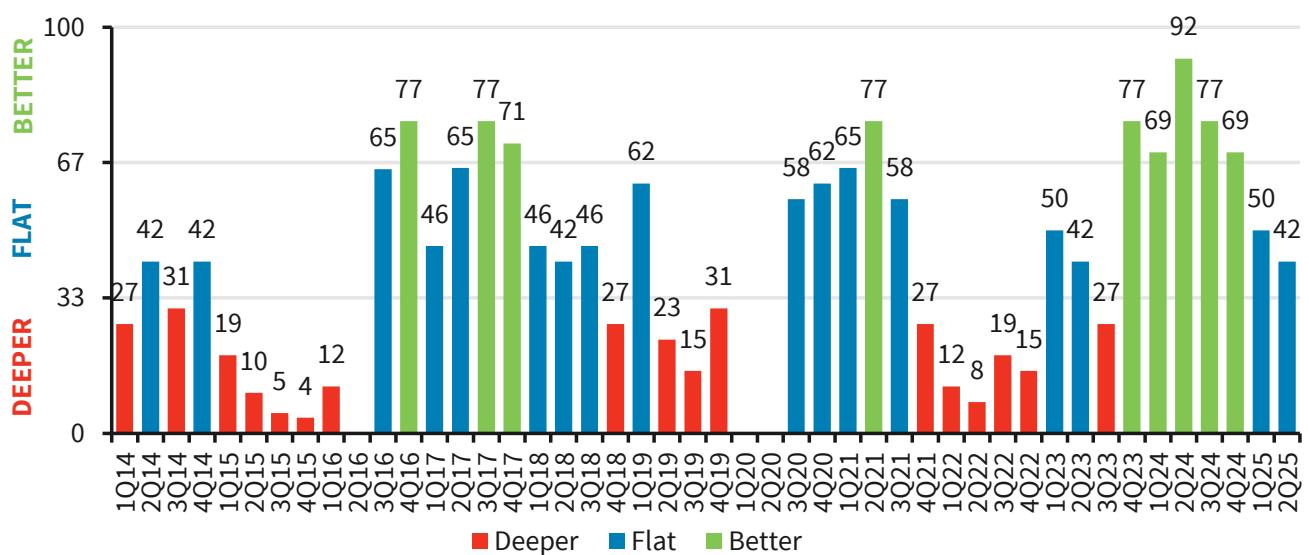
Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company website and emails; Barclays Research

FIGURE 35. Gap Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

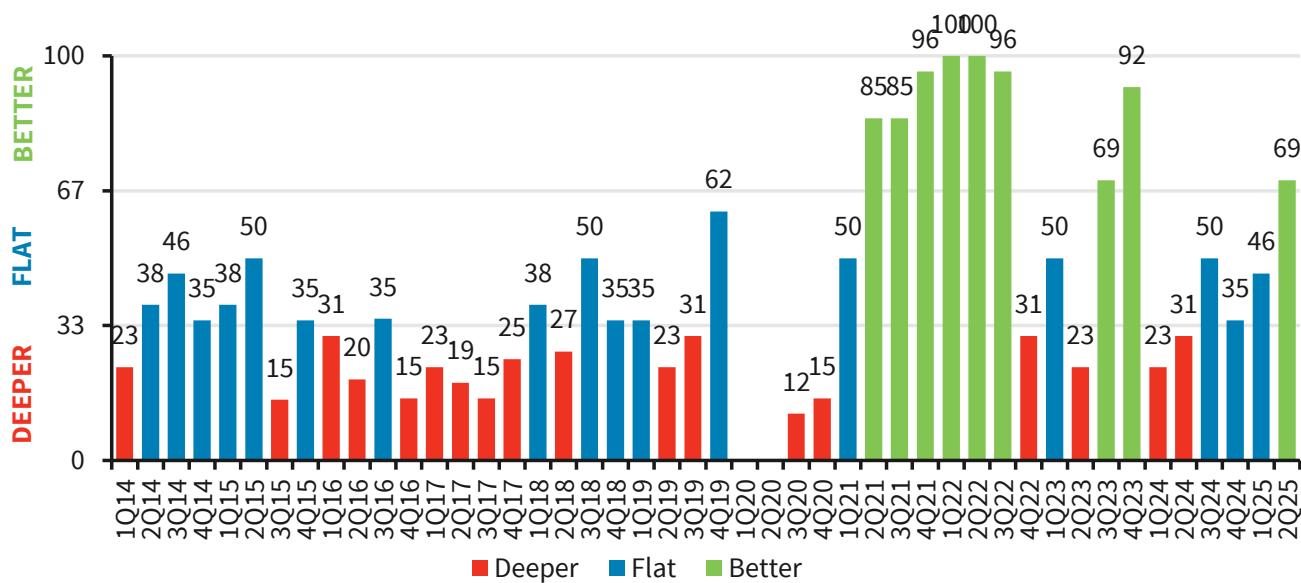


Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company websites and emails; Barclays Research

FIGURE 36. Old Navy Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

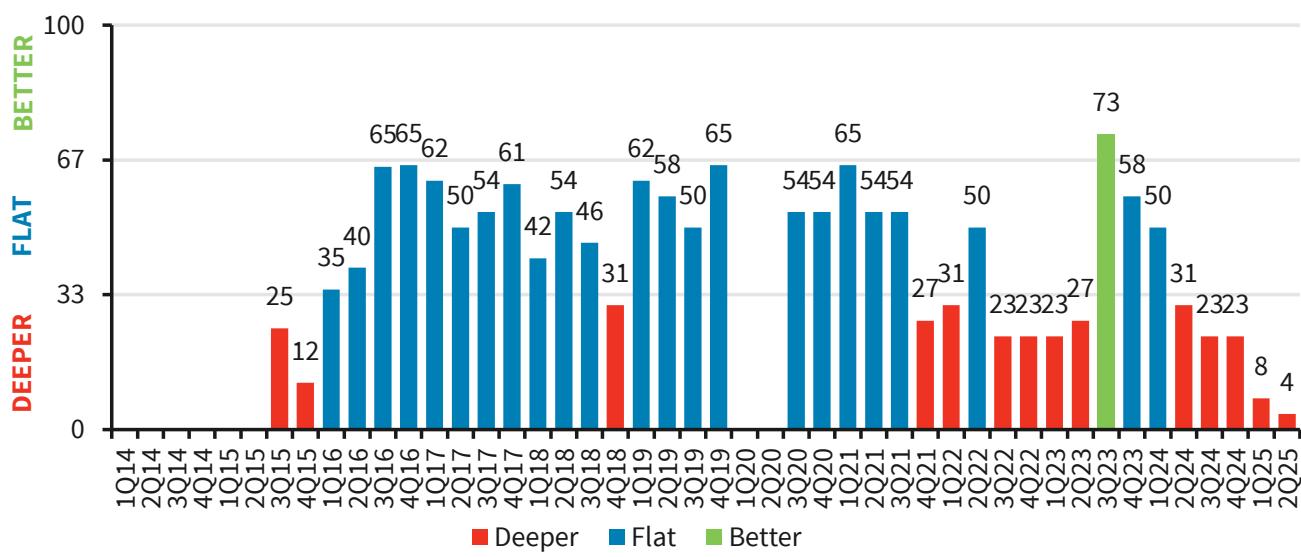


Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company websites and emails; Barclays Research

FIGURE 37. Banana Republic Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

FIGURE 38. Athleta Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)

Note: Due to a break in coverage, data for 3Q15 does not cover the full quarter and data is incomplete for this period. 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

LULULEMON ATHLETICA INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 39. LULU Promotional Analysis

2Q25	lululemon athletica
5/12/2025	Deeper
5/19/2025	Deeper
5/26/2025	Deeper
6/2/2025	Deeper
6/9/2025	Deeper
6/16/2025	Deeper
6/23/2025	Deeper
6/30/2025	Deeper
7/7/2025	Deeper
7/14/2025	Deeper
7/21/2025	Deeper
7/28/2025	Deeper
8/4/2025	Deeper

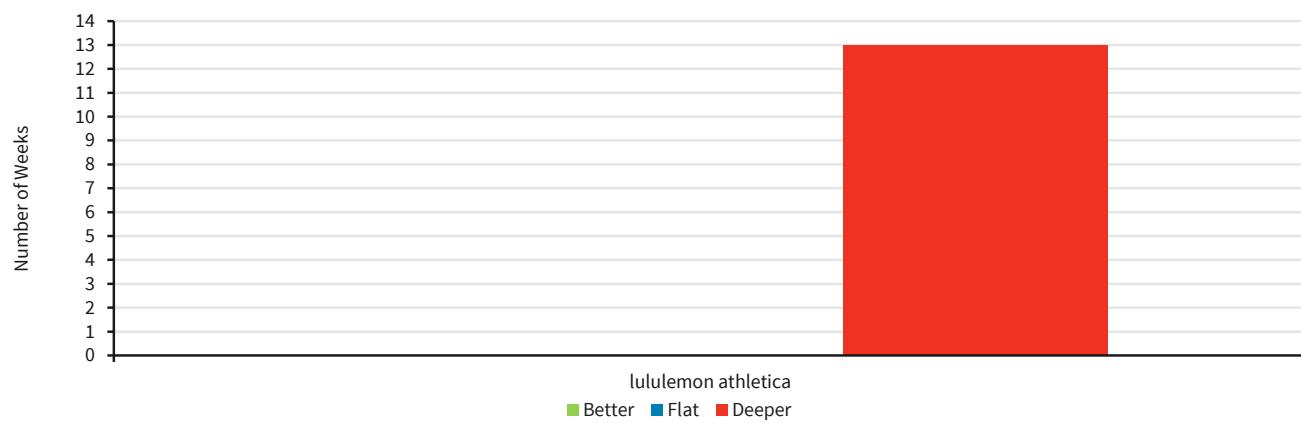
Fiscal Year End January
Source: Barclays Research

FIGURE 40. LULU Totals & Quarter Rating

Totals & 2Q25 Rating	
Ratings	lululemon athletica (weeks)
Better	0
Flat	0
Deeper	13
2Q25 Rating:	Deeper

Fiscal Year End January
Source: Barclays Research

FIGURE 41. LULU Promotional Cadence Charts

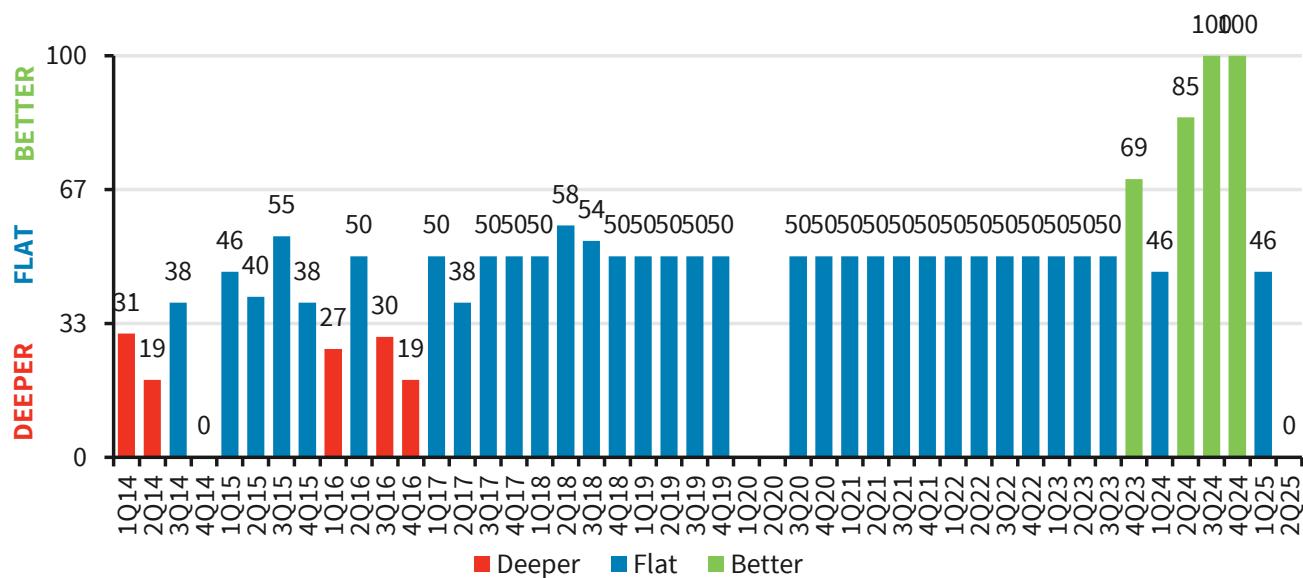


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 68 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 42. LULU Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company websites and emails; Barclays Research

TAPESTRY, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 43. TPR Promotional Analysis

4Q25	Coach Brand Full-Line	Coach Outlet	Kate Spade New York
4/7/2025	Better	Better	Flat
4/14/2025	Better	Better	Flat
4/21/2025	Better	Better	Flat
4/28/2025	Better	Better	Flat
5/5/2025	Better	Better	Flat
5/12/2025	Better	Better	Flat
5/19/2025	Flat	Better	Flat
5/26/2025	Better	Better	Flat
6/2/2025	Better	Better	Flat
6/9/2025	Better	Better	Better
6/16/2025	Better	Better	Better
6/23/2025	Better	Better	Better
6/30/2025	Better	Better	Better

Fiscal Year End June

Source: Barclays Research

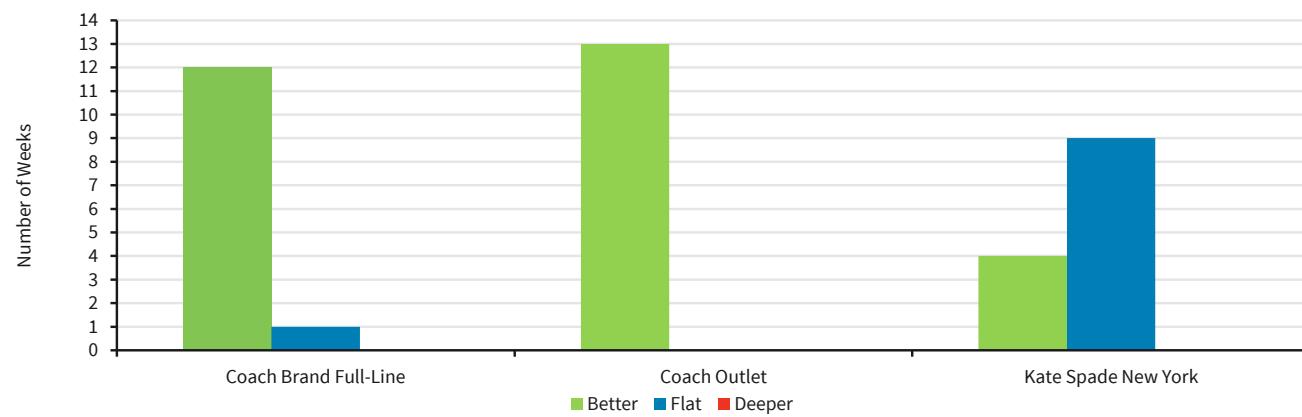
FIGURE 44. TPR Totals & Quarter Rating

Ratings	Totals & 4Q25 Rating		
	Coach Brand Full-Line	Coach Outlet	Kate Spade New York
(weeks)	(weeks)	(weeks)	
Better	12	13	4
Flat	1	0	9
Deeper	0	0	0
4Q25 Rating:	Better	Better	Flat/B

Fiscal Year End June

Source: Barclays Research

FIGURE 45. TPR Promotional Cadence Charts



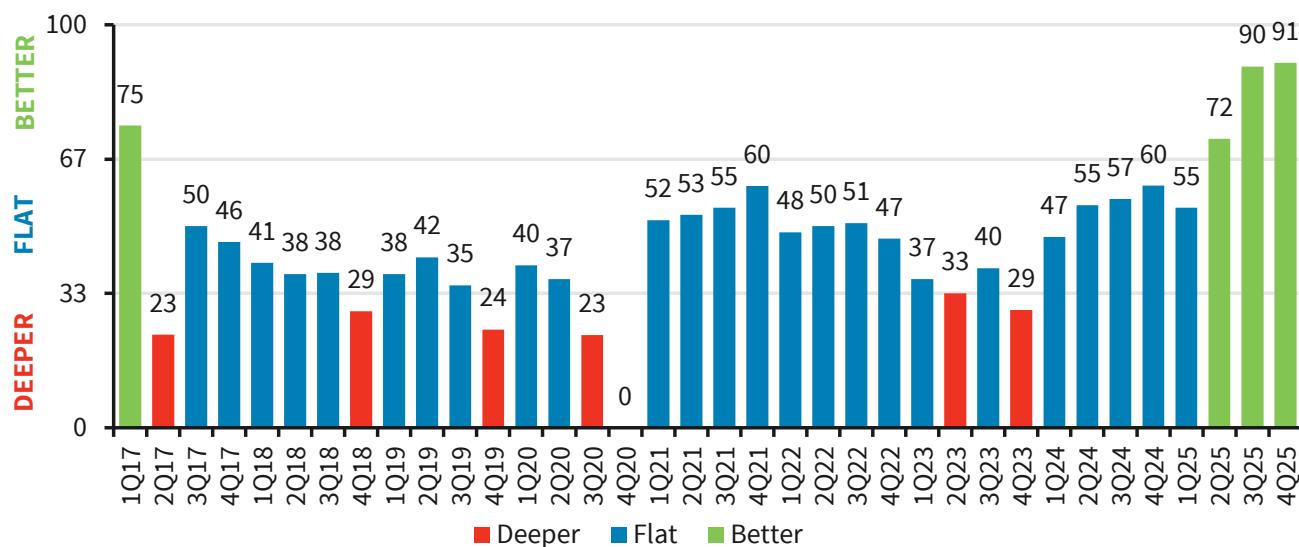
Fiscal Year End June

Source: Barclays Research

Historical Promo Tracker Scores

Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 68 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

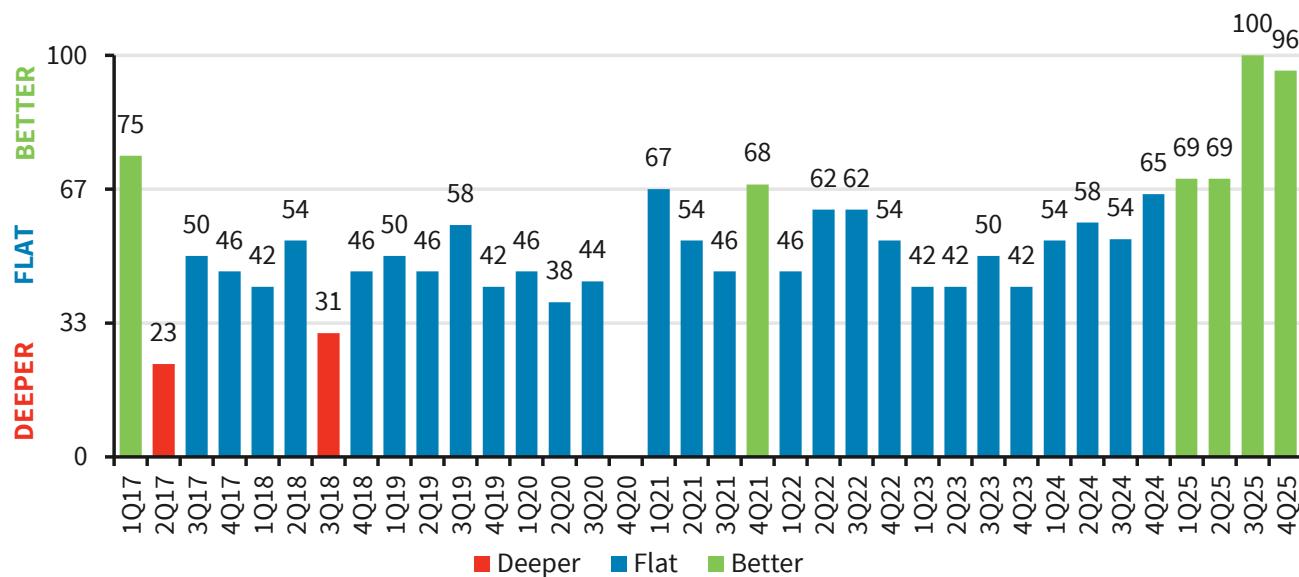
FIGURE 46. TPR Consolidated Absolute Promo Tracker Score 1Q17 – Present (0 Worst to +100 Best)



Fiscal Year End June

Source: Company website and emails; Barclays Research

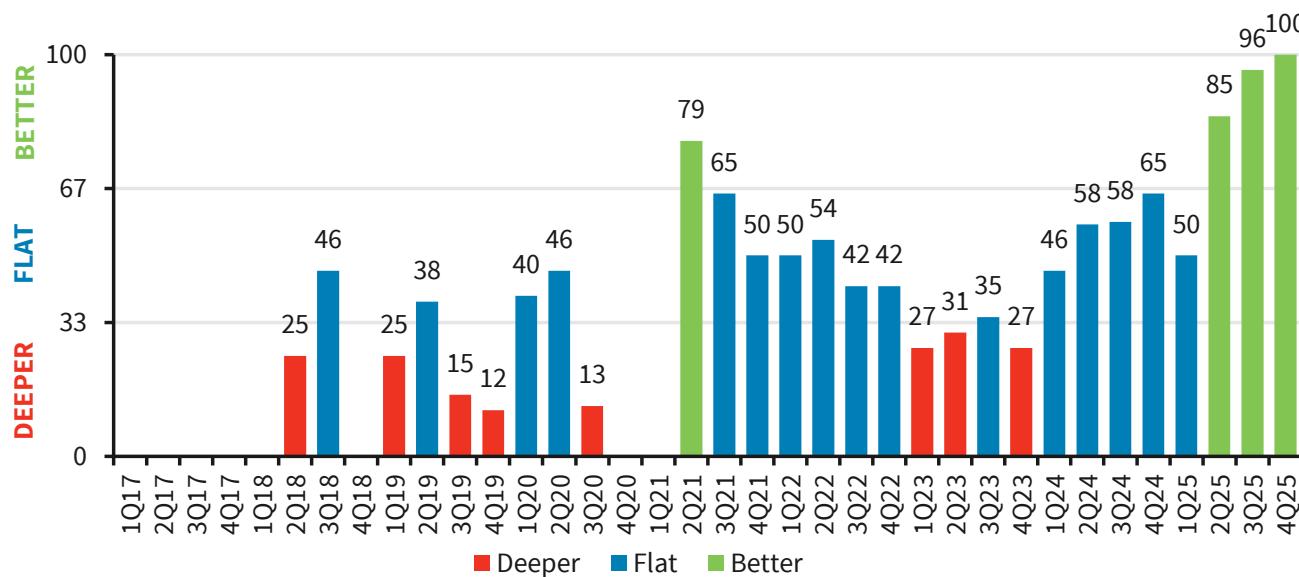
FIGURE 47. Coach Retail Brand Absolute Promo Tracker Score 1Q17 – Present (0 Worst to +100 Best)



Fiscal Year End June

Source: Company website and emails; Barclays Research

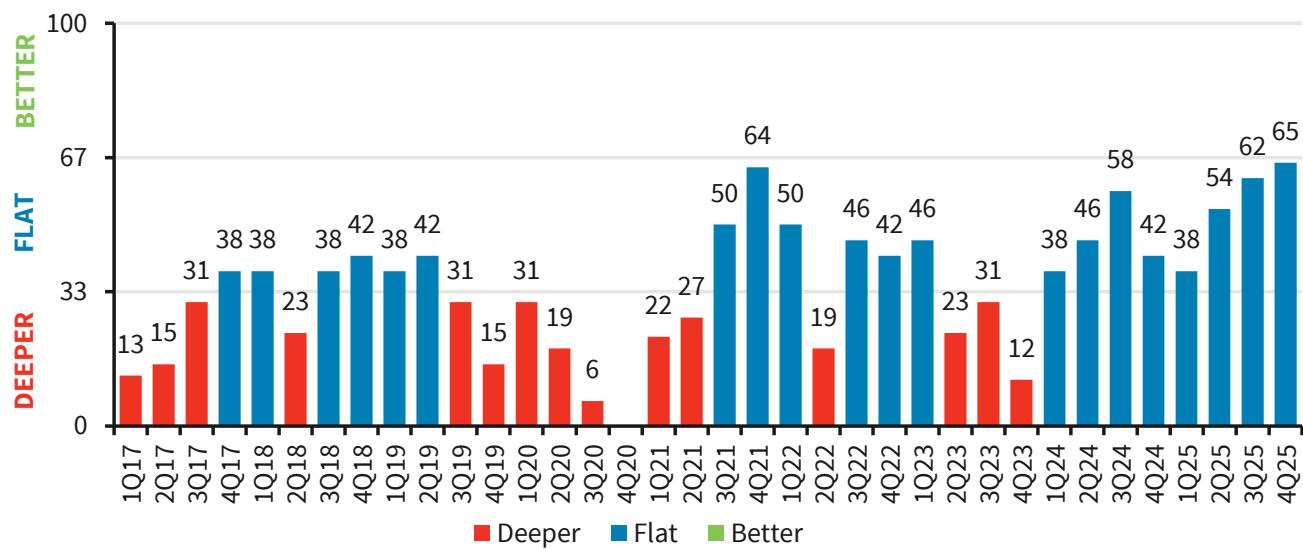
FIGURE 48. Coach Outlet Brand Absolute Promo Tracker Score 1Q17 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q20 does not cover the full quarter and data is incomplete for this period. 2Q20 Stub covers 9/30/19 – 11/4/19. Fiscal Year End June

Source: Company website and emails; Barclays Research

FIGURE 49. Kate Spade Brand Absolute Promo Tracker Score 1Q17 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q20 does not cover the full quarter and data is incomplete for this period. 2Q20 Stub covers 9/30/19 – 11/4/19. Fiscal Year End June

Source: Company website and emails; Barclays Research

ULTA BEAUTY, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 50. ULTA Promotional Analysis

2Q25	ulta
5/12/2025	Flat
5/19/2025	Better
5/26/2025	Better
6/2/2025	Flat
6/9/2025	Better
6/16/2025	Flat
6/23/2025	Flat
6/30/2025	Better
7/7/2025	Flat
7/14/2025	Flat
7/21/2025	Flat
7/28/2025	Flat
8/4/2025	Deeper

Fiscal Year End January

Source: Barclays Research

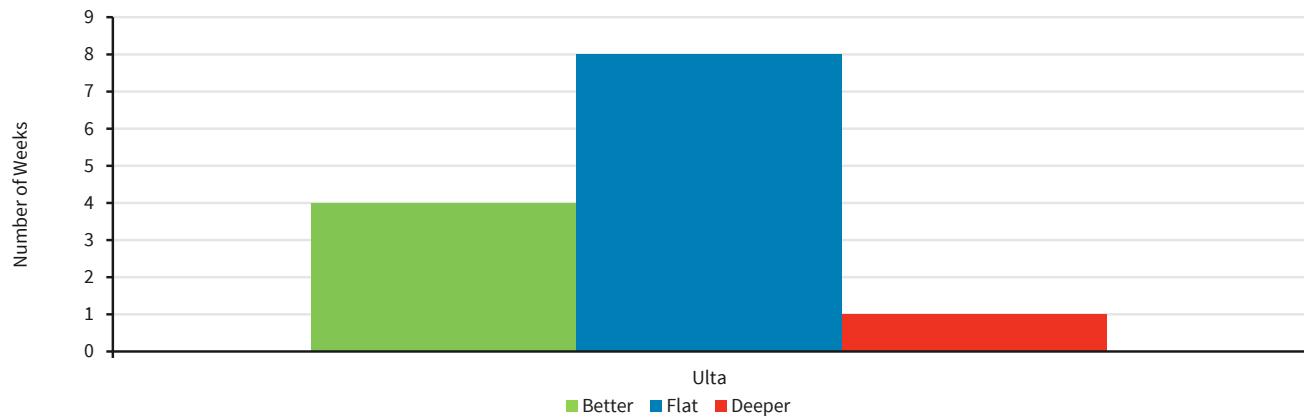
FIGURE 51. ULTA Totals & Quarter Rating

Totals & 2Q25 Rating	
Ratings	ulta (weeks)
Better	4
Flat	8
Deeper	1
2Q25 Rating:	Flat/B

Fiscal Year End January

Source: Barclays Research

FIGURE 52. ULTA Promotional Cadence Charts



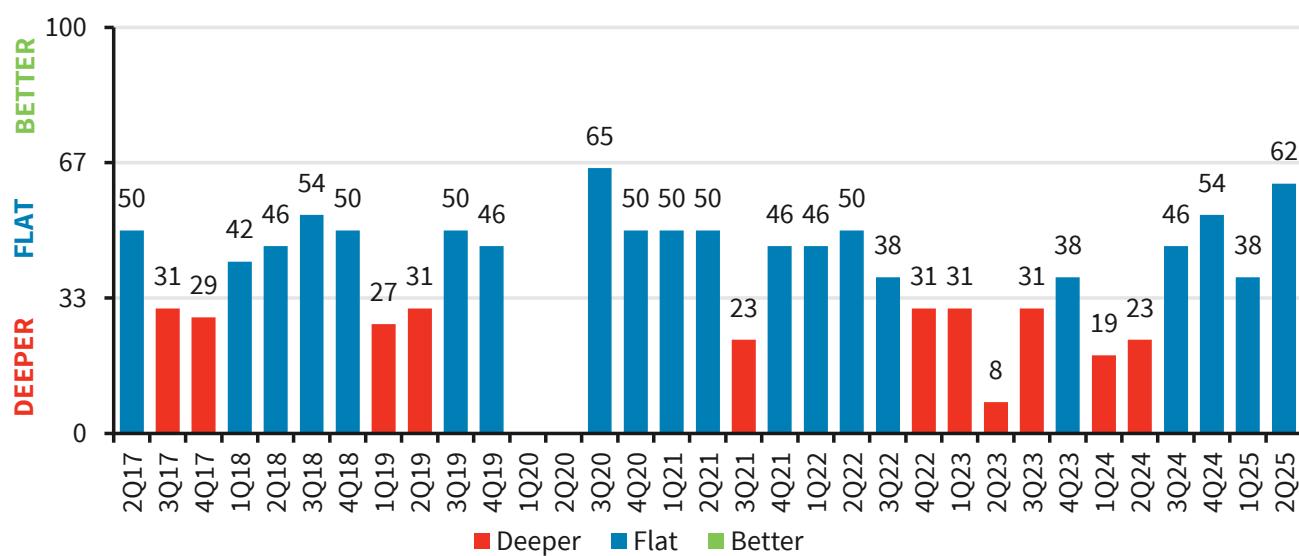
Fiscal Year End January

Source: Barclays Research

Historical Promo Tracker Scores

Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 68 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 53. ULTA Absolute Promo Tracker Score 2Q17 – Present (0 Worst to +100 Best)



Note: Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company website and emails; Barclays Research

URBAN OUTFITTERS, INC.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 54. URBN Promotional Analysis

2Q25	Urban Outfitters	Anthropologie	Free People
5/12/2025	Better	Flat	Flat
5/19/2025	Better	Deeper	Flat
5/26/2025	Better	Flat	Better
6/2/2025	Flat	Flat	Flat
6/9/2025	Better	Flat	Flat
6/16/2025	Better	Flat	Flat
6/23/2025	Deeper	Deeper	Flat
6/30/2025	Better	Better	Deeper
7/7/2025	Better	Deeper	Deeper
7/14/2025	Better	Deeper	Flat
7/21/2025	Better	Flat	Better
7/28/2025	Flat	Deeper	Flat
8/4/2025	Deeper	Flat	Flat

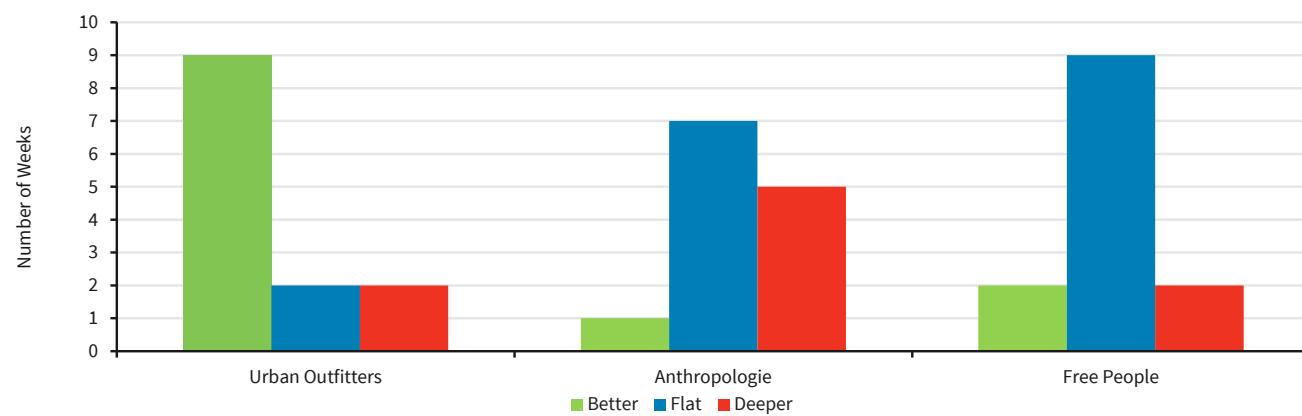
Fiscal Year End January
Source: Barclays Research

FIGURE 55. URBN Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating		
	Urban Outfitters (weeks)	Anthropologie (weeks)	Free People (weeks)
Better	9	1	2
Flat	2	7	9
Deeper	2	5	2
2Q25 Rating:	Better	Flat/D	Flat

Fiscal Year End January
Source: Barclays Research

FIGURE 56. URBN Promotional Cadence Charts

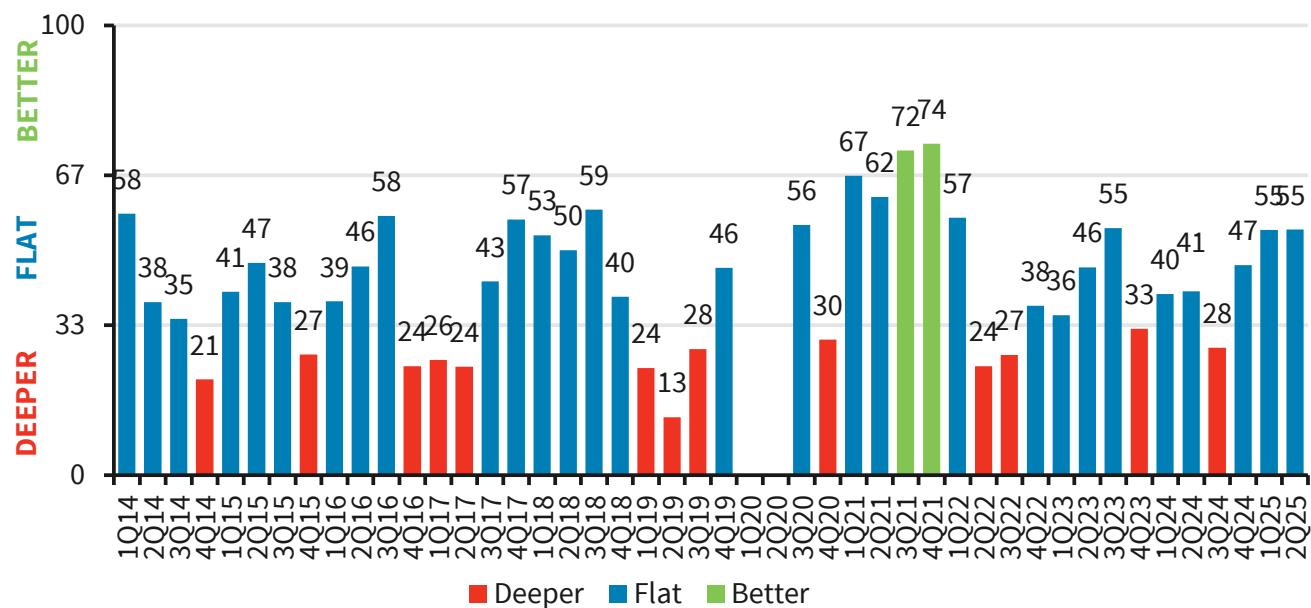


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

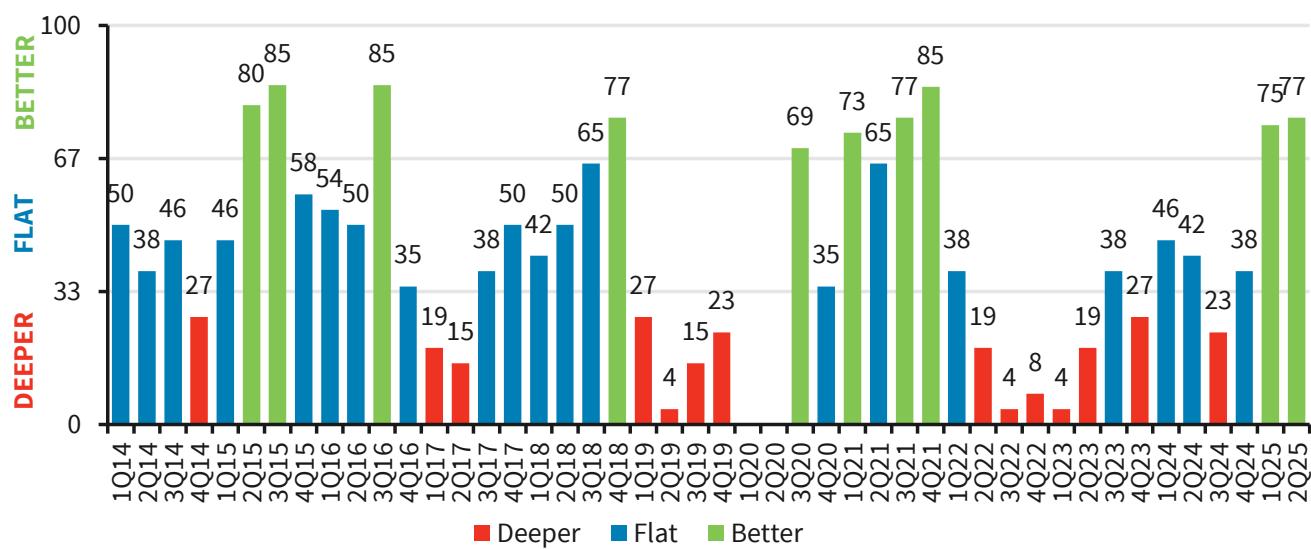
Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 68 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 57. URBN Consolidated Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January
Source: Company website and emails; Barclays Research

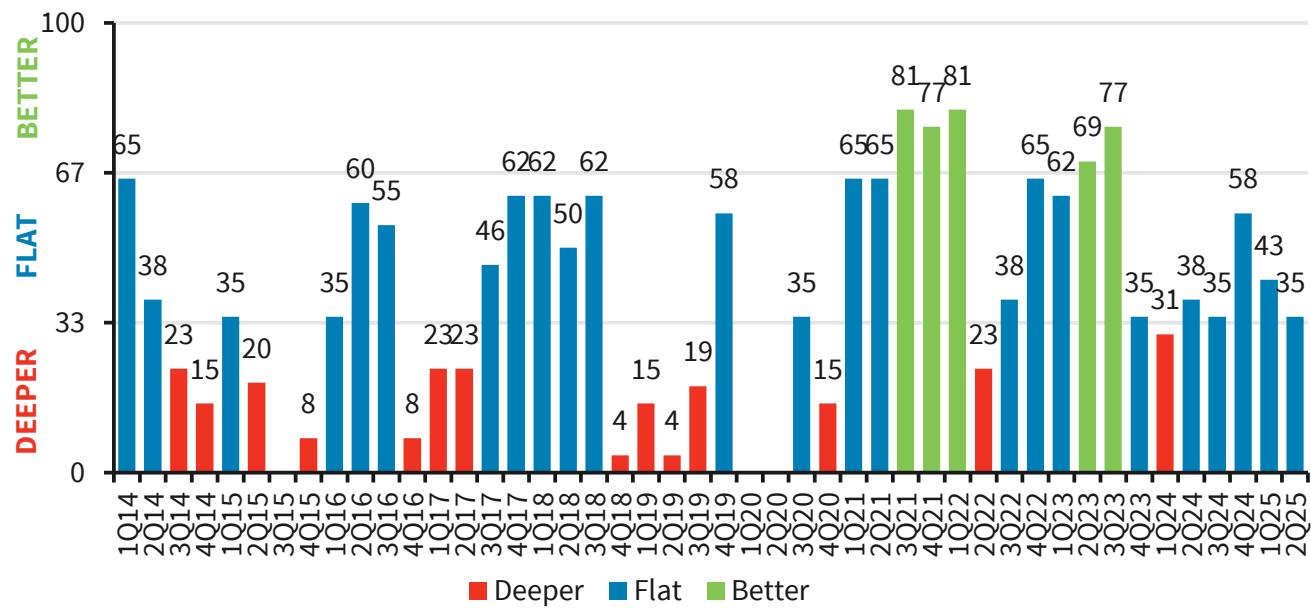
FIGURE 58. Urban Outfitters Brand Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company website and emails; Barclays Research

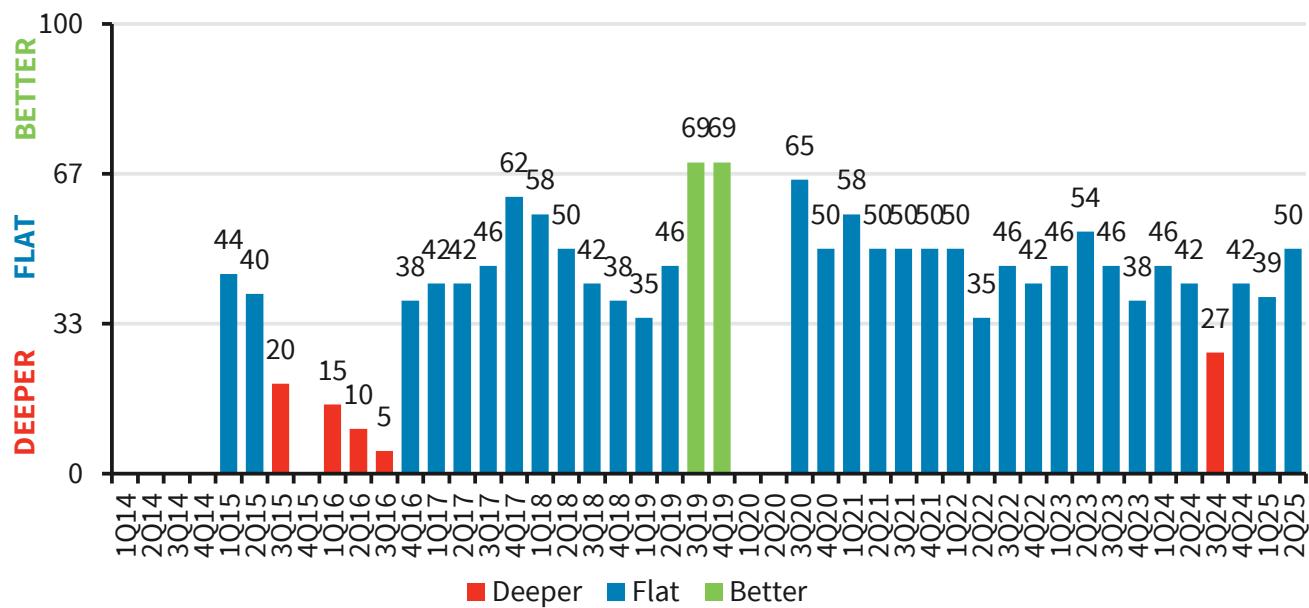
FIGURE 59. Anthropologie Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

FIGURE 60. Free People Absolute Promo Tracker Score 1Q14 – Present (0 Worst to +100 Best)



Note: Due to a break in coverage, data for 2Q15 and 3Q15 do not cover the full quarters and data is incomplete for these periods. 2Q15 QTD Stub covers the weeks of 5/4/15 – 6/8/15; 3Q15 Stub covers 8/31/15 – 11/1/15. 2Q16 stub covers 5/2/2016 – 6/6/2016. 3Q16 Stub covers the weeks of 8/29/2016 – 10/31/2016. Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

VICTORIA'S SECRET & CO.

Proprietary Promotional Analysis

Promotion Levels Compared to Last Year

The table below is our assessment of promotions throughout the quarter based on our checks. There are many other factors, including markdown inventory levels, that are difficult to gauge from our store checks in one region. However, our general takeaways on promotional cadence are below:

FIGURE 61. VSCO Promotional Analysis

2Q25	Victoria's Secret	PINK
5/12/2025	Deeper	Better
5/19/2025	Deeper	Deeper
5/26/2025	Better	Better
6/2/2025	Better	Better
6/9/2025	Flat	Flat
6/16/2025	Flat	Flat
6/23/2025	Deeper	Deeper
6/30/2025	Better	Better
7/7/2025	Better	Better
7/14/2025	Better	Better
7/21/2025	Flat	Flat
7/28/2025	Better	Better
8/4/2025	Better	Better

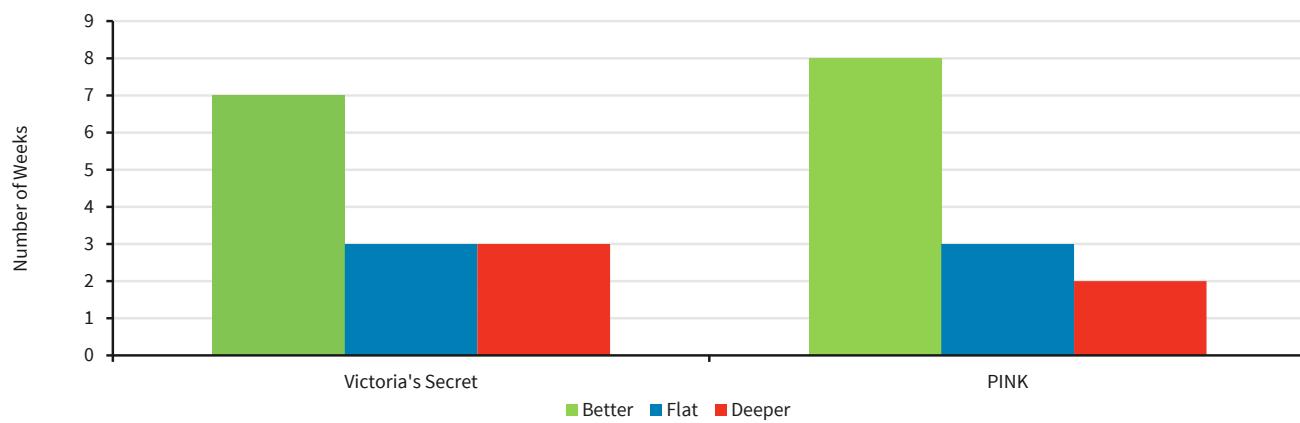
Fiscal Year End January
Source: Barclays Research

FIGURE 62. VSCO Totals & Quarter Rating

Ratings	Totals & 2Q25 Rating	
	Victoria's Secret (weeks)	PINK (weeks)
Better	7	8
Flat	3	3
Deeper	3	2
2Q25 Rating:	Flat/B	Better

Fiscal Year End January
Source: Barclays Research

FIGURE 63. VSCO Promotional Cadence Charts

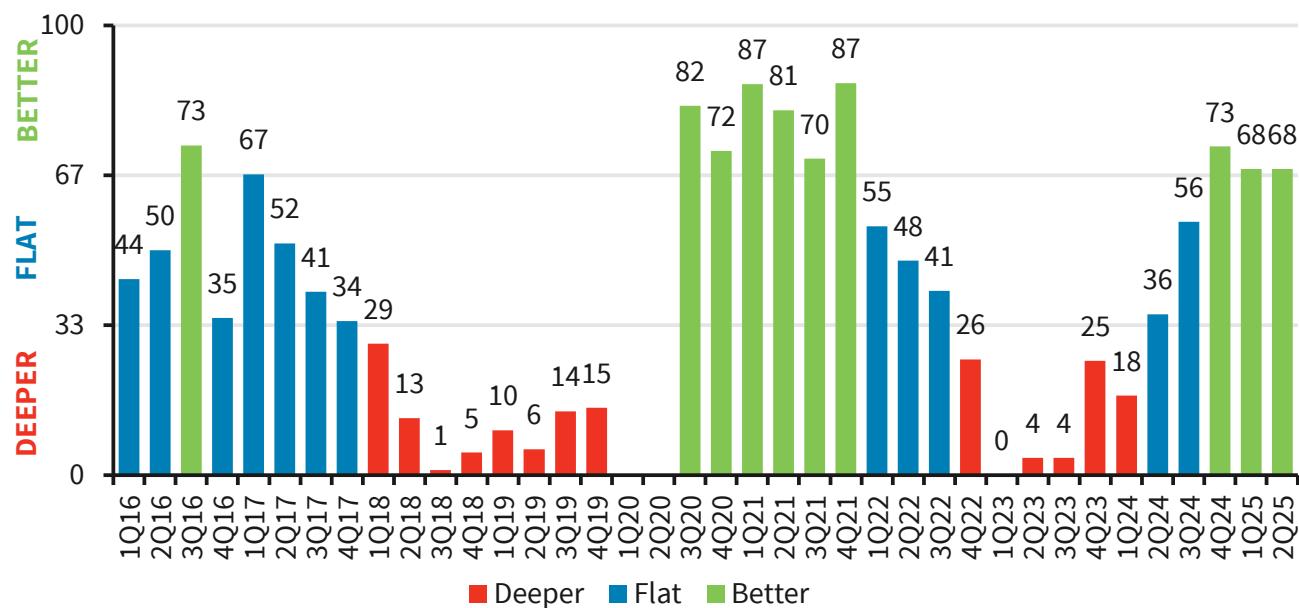


Fiscal Year End January
Source: Barclays Research

Historical Promo Tracker Scores

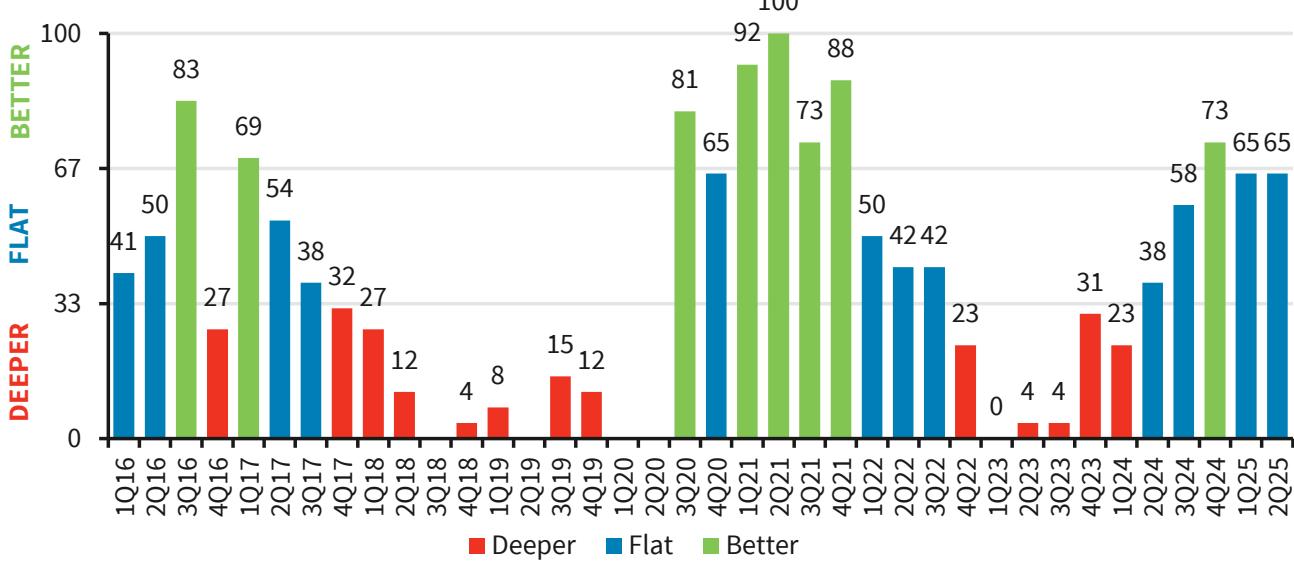
Below we show our historical proprietary promo scores going back to 2012. The Promo Scores range from 0 (worst) to 100 (best). One should think of the score as the percent of the time that the company was in line with or better (less promotional) than the prior year. For example, a score of 85 suggests that the company was as-or-less-promotional versus last year for 85% of the quarter, whereas a score of 15 suggests that the company was as-or-less-promotional versus last year for only 15% of the quarter. As a reminder, scores of 0 to 33 are considered “Deeper”; 34 to 67 are considered “Flat”; and 67 to 100 are considered “Better” YoY. We use this analysis as a proxy for the direction of merchandise margin.

FIGURE 64. VSCO Consolidated Absolute Promo Tracker Score 1Q16 – Present (0 Worst to +100 Best)



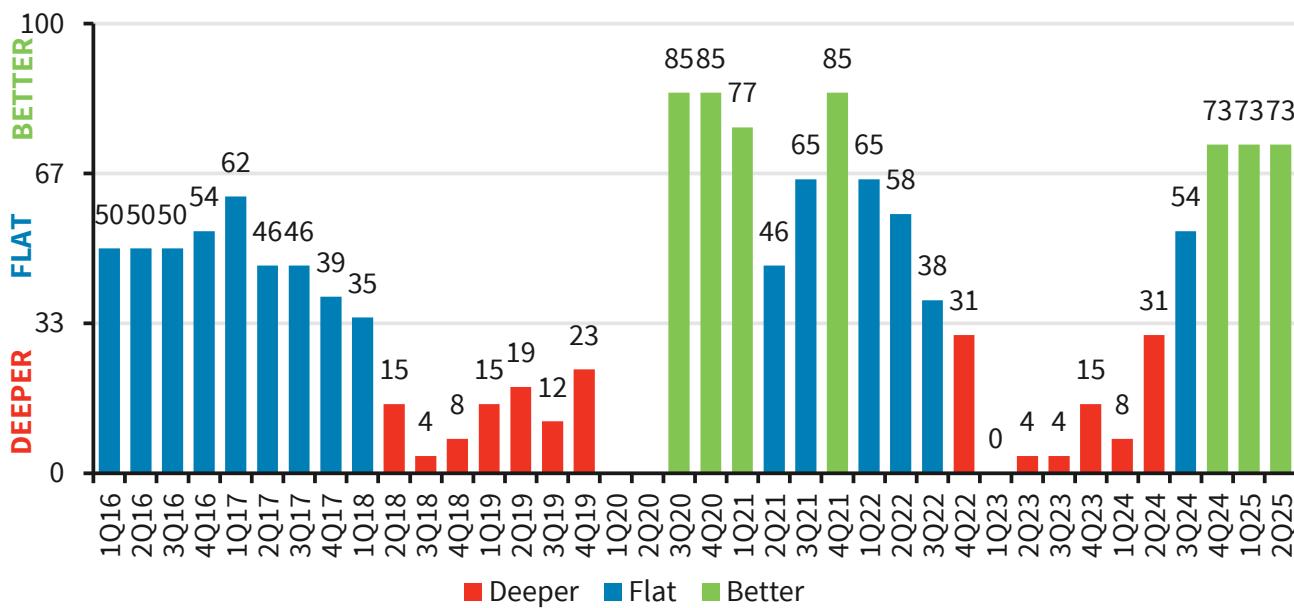
Fiscal Year End January

Source: Company website and emails; Barclays Research

FIGURE 65. Victoria's Secret Absolute Promo Tracker Score 1Q16 – Present (0 Worst to +100 Best)

Note: Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company website and emails; Barclays Research

FIGURE 66. PINK Absolute Promo Tracker Score 1Q16 – Present (0 Worst to +100 Best)

Note: Due to COVID no data was gathered for 1Q20 and 2Q20. Fiscal Year End January

Source: Company websites and emails; Barclays Research

Valuation and PT Changes

GAP. Our FY25, FY26, and FY27 adj. EPS estimates are \$2.13, \$2.37, and \$2.58 (from \$2.13, \$2.45, and \$2.72), respectively. We lower our PT to \$24 (from \$32), which is based on an NTM P/E multiple of 10x (from 13x) applied to our CY26 Adj. EPS of \$2.37 (from \$2.45).

LULU. Our FY25, FY26, and FY27 adj. EPS estimates are \$14.56, \$14.91, and \$15.74 (from \$14.73, \$15.90, and \$17.00), respectively. Our new PT of \$209 (from \$270) is based on an NTM P/E multiple of 14x (from 17x) applied to our CY26E adj. EPS of \$14.91 (from \$15.90).

ULTA. Our adj. EPS estimates for FY25, FY26, and FY27 are \$23.55, \$25.89, and \$28.92 (from \$23.21, \$25.52, and \$28.51) respectively. Our new PT of \$518 (was \$485) is based on an NTM P/E multiple of 20x (from 19x) applied to our CY26 adj. EPS estimate of \$25.89 (from \$25.52).

URBN. Our FY25, FY26, and FY27 EPS estimates are \$5.08, \$5.54, and \$5.94 (from 5.01, \$5.31, and \$5.48), respectively. Our PT is \$89 (from \$80), based on an NTM P/E multiple of 16x (from 15x) applied to our CY26 adj. EPS estimate of \$5.54 (from \$5.31).

Proprietary Promo Tracker Description and Methodology

Proprietary Promo Tracker

If inventory is the input...promotions are the output. Our proprietary promotion tracker is intended to provide a quarterly snapshot of the promotional environment seen throughout the quarter across our sector, as well as for individual companies. We analyze the “headline,” or main promotions – including online, email, and in-store – each weekend, giving us a national-to-regional-to-local snapshot of promotional activity. We recognize that this process does not fully incorporate the amount or level of markdown/clearance inventory chain-wide, but we believe that material changes in year-over-year “headline” promotions can be used as an indicator of a company’s performance versus last year (and potential merchandise margin impact). For each company, we evaluate the weekly promotion compare between “This Year” and “Last Year” and determine whether it is “Better,” “Flat,” or “Deeper” versus last year. Based on our consolidated weekly assessments, each company under coverage is then given an overall rating for the quarter of “Better,” “Flat,” or “Deeper.”

We publish a quarterly report that is best used to identify upside outliers, as opposed to downside outliers; we believe retailers who are less promotional may be running ahead of plan, but deeper promotions could already be incorporated in a company’s plan or used to proactively prevent clearance from building. We use the results of the Promo Tracker Report to identify companies that are less promotional, or “Better,” year-over-year, suggesting that the business may be running above plan. However, “Deeper” promotions could have already been accounted for in guidance or a retailer could be moving product at full-price/first markdown, rather than waiting to clear it as margin-eroding markdowns. As such, a “Deeper” cadence is not necessarily indicative of a “missed” quarter, but we do believe lightening up on promotions could be a signal of upside to the quarter.

Promo Scorecard

Promo Tracker. We are publishing the most recent installment of our proprietary promotional analysis, *The Promo Tracker*. This is a quarterly analysis of YoY “headline” (or front-of-store promos) that we use as: 1) an indication that “clean” inventory levels are resulting in fewer promos (and therefore higher average unit retail), and 2) a proxy for merchandise margin direction (i.e., fewer promos = positive merchandise margin impact; more promos = negative merchandise margin impact). A historical bar chart of each quarter depicts the percent of the quarter a company spent running Better, Flat, or Deeper promos. If a retailer has greater than 50% of the quarter either Better or Deeper YoY, we deem that to be a statistical outlier and material callout.

Promo Tracker Score out of 100. We quantify our weekly ratings as follows: 100 points for “Better;” 50 points for “Flat;” and 0 points for “Deeper.” We then use a weighted average based on the frequency of occurrences during each of the quarters since we began analyzing YoY headline promotions across the sector. As a result, promo scores <34 points are “Deeper,” promo scores between 34 and 67 points are “Flat,” and promo scores >67 points are “Better.”

Merchandise margin proxy. As a reminder, this report is a directional indicator of merchandise margin based on our proprietary checks. We point out that other factors may dictate stock reaction to the quarter results, most notably comp upside/downside. Thus, a retailer running more promos may successfully “buy” the comp, yet a retailer pulling back on promos may see comp deceleration.

We use the following metrics to assess a retailer's promotional activity:

Historical Cadence Chart: Percent of Quarter Deeper, Flat, or Better on Promos YoY. We analyze headline promotions weekly and use this metric as proxy for the direction of merchandise margin performance.

Absolute Promo Score. This is our final score on a scale from 0 to 100 (worst to best). We look at a company's historical promotional score to see if their promo activity is improving or deteriorating on an absolute basis. Scores below 33 are "Deeper;" scores between 34 and 67 are "Flat," and scores above 67 are "Better."

Subgroup Constituents

Specialty Softlines

This subgroup consists of the following eleven stocks: AEO, ANF, CPRI, GAP, GOOS, GRGD, KSS, LULU, M, TPR, URBN, VSCO.

Specialty Hardlines & Other

This subgroup consists of eight stocks: BBWI, DKS, EYE, PET, and ULTA. It also comprises ARHS, RH, and WSM (all covered by Seth Sigman).

Off-Price Retail

This subgroup consists of the following three stocks: BURL, ROST, TJX.

Apparel Vendors

This subgroup consists of six stocks: COLM, CRI, GIL, GIII, HBI, KTB, LEVI, PVH, RL.

Footwear & Athletic

This subgroup consists of eight stocks: CROX, DECK, FL, NKE, ONON, SKX, UAA, VFC.

E-Commerce

In this subgroup, we include our covered names W (covered by Seth Sigman), CRCT, FIGS, along with AMZN, EBAY, RVLV (all covered by Ross Sandler), ASOS.L, BOOH.L, and ZALG.DE (all covered by Andrew Ross), CHWY (covered by Trevor Young), and non-covered stocks ETSY, FTCH, SFIX, and PTON.

Subsector Components Footnotes

U.S. All Retail & Wholesale Coverage (companies covered by Barclays). Includes covered Mass Merchants, Softlines, Hardlines, Department Stores, Branded Apparel, and Off Pricers: AEO, ANF, ARHS, BBWI, BURL, COLM, COST, CPRI, CRCT, CRI, CROX, DECK, DKS, EYE, FIGS, FL, GAP, GIII, GIL, GOOS, GRGD, HBI, HD, KSS, KTB, LEVI, LOW, LULU, M, NKE, ONON, PET, PVH, RH, RL, ROST, SKX, TGT, TJX, TPR, UAA, ULTA, URBN, VFC, VSCO, WMT, and WSM.

U.S. Specialty Retail, Apparel & Footwear						NEUTRAL
The Gap, Inc. (GAP)						OVERWEIGHT
Income statement (\$mn)	2024A	2025E	2026E	2027E	CAGR	Price (05-Aug-2025) USD 19.49
Revenue	15,086	15,389	15,784	16,223	2.5%	Price Target USD 24.00
EBITDA (adj)	1,612	1,627	1,768	1,891	5.5%	Why OVERWEIGHT?
EBIT (adj)	1,112	1,089	1,216	1,323	6.0%	Our Overweight rating on GAP is based on: 1) continued fixed-cost leverage margin recapture; 2) benefits from the foundational work GAP has undertaken over the past several years; 3) reclaiming brand leadership across the portfolio; and 4) visibility on a pathway for a multi-year return to profitable growth.
Pre-tax income (adj)	1,137	1,103	1,226	1,331	5.4%	
Net income (adj)	844	815	907	985	5.3%	
EPS (adj) (\$)	2.20	2.13	2.37	2.58	5.5%	
Diluted shares (mn)	384	382	382	382	-0.2%	
DPS (\$)	0.60	0.60	0.60	0.60	0.0%	
Margin and return data	2024A	2025E	2026E	2027E	Average	Upside case USD 31.00
EBITDA (adj) margin (%)	10.7	10.6	11.2	11.7	11.0	
EBIT (adj) margin (%)	7.4	7.1	7.7	8.2	7.6	
Pre-tax (adj) margin (%)	7.5	7.2	7.8	8.2	7.7	
Net (adj) margin (%)	5.6	5.3	5.7	6.1	5.7	
ROIC (%)	12.7	12.9	14.3	15.3	13.8	
ROA (%)	7.7	7.1	7.4	7.6	7.5	
ROE (%)	35.5	27.1	25.5	23.5	27.9	
Balance sheet and cash flow (\$mn)	2024A	2025E	2026E	2027E	CAGR	Downside case USD 13.00
Tangible fixed assets	5,736	5,838	5,917	5,998	1.5%	
Cash and equivalents	2,588	3,010	3,591	4,242	17.9%	
Total assets	11,885	12,577	13,315	14,148	6.0%	
Short and long-term debt	5,475	5,486	5,486	5,486	0.1%	
Other long-term liabilities	522	537	537	537	0.9%	
Total liabilities	8,621	8,803	8,859	8,933	1.2%	
Net debt/(funds)	2,887	2,476	1,895	1,244	-24.5%	
Shareholders' equity	3,264	3,774	4,456	5,216	16.9%	
Change in working capital	648	400	578	651	0.2%	
Cash flow from operations	1,486	1,337	1,438	1,524	0.9%	
Capital expenditure	-447	-602	-631	-649	N/A	
Free cash flow	1,039	735	807	875	-5.5%	
Valuation and leverage metrics	2024A	2025E	2026E	2027E	Average	Upside/Downside scenarios
P/E (adj) (x)	8.9	9.1	8.2	7.6	8.4	Price History Prior 12 months High 29.29 Current 19.49 Low 16.99
EV/sales (x)	0.7	0.6	0.6	0.5	0.6	Price Target Next 12 months Upside 31.00 Target 24.00 Downside 13.00
EV/EBITDA (adj) (x)	6.4	6.1	5.3	4.6	5.6	
FCF yield (%)	10.1	7.4	8.6	10.1	9.0	
P/BV (x)	2.3	2.0	1.7	1.4	1.8	
Dividend yield (%)	3.1	3.1	3.1	3.1	3.1	
Total debt/capital (%)	46.1	43.6	41.2	38.8	42.4	
Selected operating metrics	2024A	2025E	2026E	2027E	Average	
Sales growth (%)	1.3	2.0	2.6	2.8	2.2	
Same store sales growth (%)	3.0	2.3	2.4	2.6	2.6	
Number of stores	2,506	2,470	2,434	2,398	2,452	
Square footage growth (%)	-2.7	-1.7	-1.7	-1.8	-2.0	
Inventory growth (%)	3.6	5.7	1.7	2.6	3.4	

Note: FY End Jan

Source: Company data, Bloomberg, Barclays Research

U.S. Specialty Retail, Apparel & Footwear						NEUTRAL	
Lululemon Athletica Inc. (LULU)						EQUAL WEIGHT	
Income statement (\$mn)	2024A	2025E	2026E	2027E	CAGR	Price (05-Aug-2025)	USD 195.07
Revenue	10,588	11,155	11,844	12,521	5.7%	Price Target	USD 209.00
EBITDA (adj)	2,952	2,933	3,011	3,175	2.5%	Why EQUAL WEIGHT?	
EBIT (adj)	2,506	2,468	2,528	2,671	2.2%	Our rating is based on: 1) positive comps in both brick-and-mortar and E-commerce channels, 2) controlled inventory levels, 3) strong brand equity, and 4) growth drivers in men's, E-commerce, and international offset by 1) slowing comps in both channels, 2) competitive pressures increasing, and 3) limited margin expansion opportunities.	
Pre-tax income (adj)	2,576	2,515	2,574	2,717	1.8%		
Net income (adj)	1,815	1,760	1,802	1,902	1.6%		
EPS (adj) (\$)	14.64	14.56	14.91	15.74	2.4%		
Diluted shares (mn)	124	121	121	121	-0.8%		
DPS (\$)	0.00	0.00	0.00	0.00	N/A		
Margin and return data	2024A	2025E	2026E	2027E	Average		
EBITDA (adj) margin (%)	27.9	26.3	25.4	25.4	26.2		
EBIT (adj) margin (%)	23.7	22.1	21.3	21.3	22.1		
Pre-tax (adj) margin (%)	24.3	22.5	21.7	21.7	22.6		
Net (adj) margin (%)	17.1	15.8	15.2	15.2	15.8		
ROIC (%)	47.0	37.2	34.2	32.7	37.8	Upside case	
ROA (%)	25.7	23.6	20.9	18.0	22.0	Our upside case of \$295 is based on an NTM P/E multiple of 18x applied to our CY26 earnings power of \$16.40 and assumes better-than-expected revenue growth and margin expansion.	
ROE (%)	43.8	41.3	33.4	26.3	36.2		
Balance sheet and cash flow (\$mn)	2024A	2025E	2026E	2027E	CAGR		
Tangible fixed assets	3,197	3,748	4,212	4,710	13.8%		
Intangible fixed assets	171	178	178	178	1.3%		
Cash and equivalents	1,984	1,361	2,629	3,984	26.2%		
Total assets	7,603	7,619	9,479	11,428	14.5%		
Short and long-term debt	1,576	1,707	1,707	1,707	2.7%		
Other long-term liabilities	139	144	144	144	1.1%		
Total liabilities	3,279	3,187	3,246	3,294	0.1%		
Net debt/(funds)	-409	346	-922	-2,277	N/A		
Shareholders' equity	4,324	4,431	6,233	8,135	23.4%		
Change in working capital	-289	-341	1,338	1,404	N/A		
Cash flow from operations	2,273	1,923	2,215	2,357	1.2%		
Capital expenditure	-689	-855	-948	-1,002	N/A		
Free cash flow	1,583	1,068	1,267	1,355	-5.1%		
Valuation and leverage metrics	2024A	2025E	2026E	2027E	Average		
P/E (adj) (x)	13.3	13.4	13.1	12.4	13.1		
EV/sales (x)	2.2	2.1	1.9	1.7	2.0		
EV/EBITDA (adj) (x)	7.8	8.1	7.5	6.7	7.5		
FCF yield (%)	6.8	4.5	5.6	6.4	5.8		
P/BV (x)	5.6	5.3	3.8	2.9	4.4		
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0		
Total debt/capital (%)	20.7	22.4	18.0	14.9	19.0		
Selected operating metrics	2024A	2025E	2026E	2027E	Average		
Sales growth (%)	10.1	5.4	6.2	5.7	6.8		
Same store sales growth (%)	4.0	1.8	2.2	2.5	2.6		
Number of stores	767	809	859	901	834		
Square footage growth (%)	14.4	11.6	8.8	7.6	10.6		
Inventory growth (%)	9.0	2.0	8.2	5.6	6.2		
Ending square footage - Gross (k)	3	4	4	4	4		

Note: FY End Jan

Source: Company data, Bloomberg, Barclays Research



U.S. Specialty Retail, Apparel & Footwear						NEUTRAL
Ulta Beauty, Inc. (ULTA)						EQUAL WEIGHT
Income statement (\$mn)	2024A	2025E	2026E	2027E	CAGR	Price (05-Aug-2025) USD 510.17
Revenue	11,296	11,707	12,217	12,753	4.1%	Price Target USD 518.00
EBITDA (adj)	1,832	1,708	1,778	1,882	0.9%	Why EQUAL WEIGHT?
EBIT (adj)	1,565	1,408	1,473	1,563	0.0%	Our rating is based on 1) shift to off-mall shopping with easy curbside and pick-up in store options; 2) strategic investments in the business; and 3) value proposition with the combination of both mass and prestige brands offset by 1) increasing competition within the beauty segment, 2) decelerating of comps, and 3) near-term margin pressure.
Pre-tax income (adj)	1,580	1,414	1,487	1,577	-0.1%	
Net income (adj)	1,201	1,065	1,123	1,191	-0.3%	
EPS (adj) (\$)	25.34	23.55	25.89	28.92	4.5%	
Diluted shares (mn)	47	45	43	41	-4.6%	
DPS (\$)	0.00	0.00	0.00	0.00	N/A	
Margin and return data	2024A	2025E	2026E	2027E	Average	
EBITDA (adj) margin (%)	16.2	14.6	14.6	14.8	15.0	
EBIT (adj) margin (%)	13.9	12.0	12.1	12.3	12.5	
Pre-tax (adj) margin (%)	14.0	12.1	12.2	12.4	12.7	
Net (adj) margin (%)	10.6	9.1	9.2	9.3	9.6	
ROIC (%)	32.3	27.1	26.2	25.7	27.8	
ROA (%)	20.6	17.4	17.1	17.1	18.0	
ROE (%)	50.8	40.7	36.7	34.4	40.6	
Balance sheet and cash flow (\$mn)	2024A	2025E	2026E	2027E	CAGR	
Tangible fixed assets	2,849	3,037	3,281	3,536	7.5%	
Intangible fixed assets	11	11	11	11	-0.6%	
Cash and equivalents	703	714	816	878	7.7%	
Total assets	6,002	6,278	6,727	7,143	6.0%	
Short and long-term debt	1,923	1,975	1,975	1,975	0.9%	
Other long-term liabilities	99	103	103	103	1.4%	
Total liabilities	3,513	3,468	3,494	3,519	0.1%	
Net debt/(funds)	1,220	1,261	1,159	1,097	-3.5%	
Shareholders' equity	2,488	2,810	3,233	3,623	13.3%	
Change in working capital	71	180	178	136	24.1%	
Cash flow from operations	1,339	1,364	1,552	1,636	6.9%	
Capital expenditure	-374	-433	-550	-574	N/A	
Free cash flow	964	930	1,002	1,062	3.3%	
Valuation and leverage metrics	2024A	2025E	2026E	2027E	Average	
P/E (adj) (x)	20.1	21.7	19.7	17.6	19.8	
EV/sales (x)	2.2	2.1	2.0	1.9	2.0	
EV/EBITDA (adj) (x)	13.3	14.3	13.7	12.9	13.6	
FCF yield (%)	3.9	3.8	4.1	4.4	4.1	
P/BV (x)	9.7	8.2	6.8	5.8	7.6	
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	
Total debt/capital (%)	32.0	31.5	29.4	27.7	30.1	
Selected operating metrics	2024A	2025E	2026E	2027E	Average	
Sales growth (%)	0.8	3.6	4.4	4.4	3.3	
Same store sales growth (%)	0.7	1.5	2.6	3.0	1.9	
Number of stores	1,445	1,505	1,557	1,600	1,527	
Square footage growth (%)	3.2	4.7	4.4	3.1	3.8	
Inventory growth (%)	13.0	2.8	4.5	4.2	6.1	
Ending square footage - Gross (k)	15,110	15,730	16,270	16,720	15,958	

Note: FY End Jan

Source: Company data, Bloomberg, Barclays Research



U.S. Specialty Retail, Apparel & Footwear						NEUTRAL	
Urban Outfitters, Inc. (URBN)						OVERWEIGHT	
Income statement (\$mn)	2024A	2025E	2026E	2027E	CAGR	Price (05-Aug-2025)	USD 77.81
Revenue	5,551	5,970	6,400	6,835	7.2%	Price Target	USD 89.00
EBITDA (adj)	594	807	907	859	13.1%	Why OVERWEIGHT?	
EBIT (adj)	478	592	651	722	14.7%	1) positive sales-to-inventory inflection, 2) accelerating sales growth, 3) increased visibility on supply chain recapture and freight benefiting average unit cost and initial markup, and 4) positive-to-accelerating trends in regular price selling, both in the digital and store channels.	
Pre-tax income (adj)	505	621	681	722	12.7%		
Net income (adj)	384	475	514	545	12.4%		
EPS (adj) (\$)	4.06	5.08	5.54	5.94	13.5%		
Diluted shares (mn)	94	93	93	92	-0.9%		
DPS (\$)	0.00	0.00	0.00	0.00	N/A		
Margin and return data	2024A	2025E	2026E	2027E	Average		
EBITDA (adj) margin (%)	10.7	13.5	14.2	12.6	12.7		
EBIT (adj) margin (%)	8.6	9.9	10.2	10.6	9.8		
Pre-tax (adj) margin (%)	9.1	10.4	10.6	10.6	10.2		
Net (adj) margin (%)	6.9	8.0	8.0	8.0	7.7		
ROIC (%)	11.8	14.3	16.6	19.5	15.6		
ROA (%)	8.8	10.2	9.9	9.6	9.6		
ROE (%)	16.6	18.1	16.6	15.1	16.6		
Balance sheet and cash flow (\$mn)	2024A	2025E	2026E	2027E	CAGR		
Tangible fixed assets	2,684	2,518	2,274	2,114	-7.7%		
Cash and equivalents	1,021	1,412	2,122	2,783	39.7%		
Total assets	4,519	4,832	5,345	5,895	9.3%		
Short and long-term debt	1,098	1,141	1,141	1,141	1.3%		
Other long-term liabilities	101	87	87	87	-4.9%		
Total liabilities	2,048	2,034	2,053	2,074	0.4%		
Net debt/(funds)	78	-271	-981	-1,643	N/A		
Shareholders' equity	2,472	2,799	3,292	3,821	15.6%		
Change in working capital	129	528	737	690	74.9%		
Cash flow from operations	503	792	971	882	20.6%		
Capital expenditure	-183	-235	-240	-205	N/A		
Free cash flow	320	558	731	677	28.4%		
Valuation and leverage metrics	2024A	2025E	2026E	2027E	Average		
P/E (adj) (x)	19.1	15.3	14.0	13.1	15.4		
EV/sales (x)	1.3	1.2	1.0	0.8	1.1		
EV/EBITDA (adj) (x)	12.4	8.7	6.9	6.6	8.6		
FCF yield (%)	4.4	8.0	11.6	12.0	9.0		
P/BV (x)	3.0	2.6	2.2	1.9	2.4		
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0		
Total debt/capital (%)	24.3	23.6	21.3	19.3	22.1		
Selected operating metrics	2024A	2025E	2026E	2027E	Average		
Sales growth (%)	7.5	7.6	7.2	6.8	7.3		
Same store sales growth (%)	3.4	3.9	4.0	4.0	3.8		
Number of stores	733	780	827	874	804		
Square footage growth (%)	-0.5	2.5	5.5	4.6	3.0		
Inventory growth (%)	12.9	5.0	6.4	6.2	7.6		

Note: FY End Jan

Source: Company data, Bloomberg, Barclays Research



Valuation Methodology and Risks

U.S. Specialty Retail, Apparel & Footwear

The Gap, Inc. (GAP / GAP)

Valuation Methodology: Our price target of \$24 is based on an NTM P/E multiple of 10x applied to our CY26 EPS estimate of \$2.37.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Downside risks to our rating include: 1) continued consumer weakening; 2) cost pressures remain; and 3) prolonged promotional environment.

Ulta Beauty, Inc. (ULTA / ULTA)

Valuation Methodology: Our price target of \$518 is based on an NTM P/E multiple of 20x applied to our CY26 EPS estimate of \$25.89.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Upside risks include 1) prestige cosmetics business recovers, 2) comps accelerate, and 3) strategic investments are completed sooner and are margin accretive. Downside risks include 1) material loss in market share, 2) multiple contraction, 3) comps turning negative, 4) margin contraction, and 5) a deceleration of makeup market given increased work-from-home and a reduction in social outings.

Urban Outfitters, Inc. (URBN / URBN)

Valuation Methodology: Our price target of \$89 is based on an NTM P/E multiple of 16x applied to our CY26 EPS estimate of \$5.54.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Risks to our Overweight rating include: 1) consumer spend continues to soften, 2) highly competitive and promotional environment in the Teen sector worsens, 3) SG&A deleverage on accelerating OpEx spend.

lululemon athletica inc. (LULU / LULU)

Valuation Methodology: Our price target of \$209 is based on an NTM P/E multiple of 14x applied to our CY26 EPS estimate of \$14.91.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Upside risks include: 1) revenue growth within all regions and channels, 2) margin expansion, 3) ability to deliver earnings upside, and 4) valuation multiple expands. Downside risks include: 1) brick-and-mortar comps turn negative, 2) high valuation and multiple contraction, 3) threat of new competitive entrants, 4) challenges in both the U.S. and Chinese market could result in sales and margin plan misses, and 5) consumer spending declines.

Source: Barclays Research

Analyst(s) Certification(s):

We, Adrienne Yih and Paul Kearney, hereby certify (1) that the views expressed in this research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this research report and (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Important Disclosures:

Barclays Research is produced by the Investment Bank of Barclays Bank PLC and its affiliates (collectively and each individually, "Barclays"). All authors contributing to this research report are Research Analysts unless otherwise indicated. The publication date at the top of the report reflects the local time where the report was produced and may differ from the release date provided in GMT.

Availability of Disclosures:

Where any companies are the subject of this research report, for current important disclosures regarding those companies please refer to <https://publicresearch.barclays.com> or alternatively send a written request to: Barclays Research Compliance, 745 Seventh Avenue, 13th Floor, New York, NY 10019 or call +1-212-526-1072.

The analysts responsible for preparing this research report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by investment banking activities, the profitability and revenues of the Markets business and the potential interest of the firm's investing clients in research with respect to the asset class covered by the analyst.

Research analysts employed outside the US by affiliates of Barclays Capital Inc. are not registered/qualified as research analysts with FINRA. Such non-US research analysts may not be associated persons of Barclays Capital Inc., which is a FINRA member, and therefore may not be subject to FINRA Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst's account.

Analysts regularly conduct site visits to view the material operations of covered companies, but Barclays policy prohibits them from accepting payment or reimbursement by any covered company of their travel expenses for such visits.

Barclays Research Department produces various types of research including, but not limited to, fundamental analysis, equity-linked analysis, quantitative analysis, and trade ideas. Recommendations contained in one type of Barclays Research may differ from those contained in other types of Barclays Research, whether as a result of differing time horizons, methodologies, or otherwise.

In order to access Barclays Statement regarding Research Dissemination Policies and Procedures, please refer to <https://publicresearch.barclays.com/S/RD.htm>. In order to access Barclays Research Conflict Management Policy Statement, please refer to: <https://publicresearch.barclays.com/S/CM.htm>.

Primary Stocks (Ticker, Date, Price)

The Gap, Inc. (GAP, 05-Aug-2025, USD 19.49), Overweight/Neutral, CD/CE/J/K/N

Ulta Beauty, Inc. (ULTA, 05-Aug-2025, USD 510.17), Equal Weight/Neutral, CE/J

Urban Outfitters, Inc. (URBN, 05-Aug-2025, USD 77.81), Overweight/Neutral, CE/J/K/N

lululemon athletica inc. (LULU, 05-Aug-2025, USD 195.07), Equal Weight/Neutral, CE/J

Materially Mentioned Stocks (Ticker, Date, Price)

Abercrombie & Fitch Co. (ANF, 05-Aug-2025, USD 99.38), Equal Weight/Neutral, CE/FB/J/K/N

American Eagle Outfitters, Inc. (AEO, 05-Aug-2025, USD 12.02), Underweight/Neutral, CE/FA/FC/J

Bath & Body Works Inc. (BBWI, 05-Aug-2025, USD 28.93), Equal Weight/Neutral, CD/CE/D/E/FA/FC/J/K/L/M

Burlington Stores, Inc. (BURL, 05-Aug-2025, USD 279.66), Overweight/Neutral, CE/FC/J

Canada Goose Holdings, Inc. (GOOS, 05-Aug-2025, USD 11.34), Equal Weight/Neutral, CE/D/E/J/K/L/M/U

Carter's Inc. (CRI, 05-Aug-2025, USD 25.29), Underweight/Neutral, CE/J

Columbia Sportswear (COLM, 05-Aug-2025, USD 52.29), Equal Weight/Neutral, CE/J

Cricut, Inc. (CRCT, 05-Aug-2025, USD 4.85), Underweight/Neutral, CE/E/J/L

Crocs, Inc. (CROX, 05-Aug-2025, USD 102.00), Overweight/Neutral, CD/CE/J

DICK'S Sporting Goods, Inc. (DKS, 05-Aug-2025, USD 212.22), Overweight/Neutral, CD/CE/E/FC/J/L

Deckers Outdoor Corp (DECK, 05-Aug-2025, USD 105.91), Overweight/Neutral, CE/J

FIGS, Inc. (FIGS, 05-Aug-2025, USD 6.17), Equal Weight/Neutral, CE/J

Foot Locker, Inc. (FL, 05-Aug-2025, USD 24.86), Equal Weight/Neutral, CD/CE/FA/J/K/N

G-III Apparel Group, LTD. (GIII, 05-Aug-2025, USD 24.39), Underweight/Neutral, CE/J/K/M

Gildan Activewear Inc. (GIL, 05-Aug-2025, USD 52.57), Overweight/Neutral, CE/FA/J

Groupe Dynamite Inc. (GRGD.TO, 01-Aug-2025, CAD 33.96), Overweight/Neutral, A/D/E/J/L/R

Hanesbrands Inc. (HBI, 05-Aug-2025, USD 4.21), Equal Weight/Neutral, CD/CE/D/E/FA/J/K/L/M/N

Kohl's Corp. (KSS, 05-Aug-2025, USD 11.50), Underweight/Neutral, CD/CE/FA/FB/J

Kontoor Brands, Inc. (KTB, 05-Aug-2025, USD 57.13), Overweight/Neutral, CD/CE/D/E/J/K/L/M

Levi Strauss & Co. (LEVI, 05-Aug-2025, USD 19.99), Overweight/Neutral, CD/CE/FA/J

Macy's Inc. (M, 05-Aug-2025, USD 12.00), Equal Weight/Neutral, A/CE/D/E/J/K/L/M

National Vision Holdings, Inc. (EYE, 05-Aug-2025, USD 24.81), Overweight/Neutral, CE/D/E/J/K/L/M/N

Nike, Inc. (NKE, 05-Aug-2025, USD 74.38), Equal Weight/Neutral, CD/CE/D/E/J/K/L/M/N

On Holding AG (ONON, 05-Aug-2025, USD 47.15), Overweight/Neutral, J

PVH Corp. (PVH, 05-Aug-2025, USD 74.40), Overweight/Neutral, A/CD/CE/D/E/FC/J/K/L/M/N

Pet Valu Holdings Ltd. (PET.TO, 01-Aug-2025, CAD 33.28), Overweight/Neutral, A/D/E/J/L/R

Ralph Lauren Corporation (RL, 05-Aug-2025, USD 299.24), Overweight/Neutral, CD/CE/FA/J

Ross Stores, Inc. (ROST, 05-Aug-2025, USD 141.79), Overweight/Neutral, CD/CE/J

Skechers U.S.A, Inc. (SKX, 05-Aug-2025, USD 63.05), Equal Weight/Neutral, A/CE/E/FA/J/K/L/N

Tapestry, Inc. (TPR, 05-Aug-2025, USD 111.49), Overweight/Neutral, CD/CE/FA/FC/J

The TJX Companies, Inc. (TJX, 05-Aug-2025, USD 128.77), Overweight/Neutral, CD/CE/E/J/K/L/M/N

Under Armour, Inc. (UAA, 05-Aug-2025, USD 6.71), Equal Weight/Neutral, B/CD/CE/FA/FB/J

V.F. Corporation (VFC, 05-Aug-2025, USD 12.05), Overweight/Neutral, CD/CE/E/J/K/L/M/N

Victoria's Secret & Co. (VSCO, 05-Aug-2025, USD 19.71), Overweight/Neutral, CD/D/J/K/L/M

Unless otherwise indicated, prices are sourced from Bloomberg and reflect the closing price in the relevant trading market, which may not be the last available closing price at the time of publication.

Disclosure Legend:

A: Barclays Bank PLC and/or an affiliate has been lead manager or co-lead manager of a publicly disclosed offer of securities of the issuer in the previous 12 months.

B: An employee or non-executive director of Barclays PLC is a director of this issuer.

CD: Barclays Bank PLC and/or an affiliate is a market-maker in debt securities issued by this issuer.

CE: Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by this issuer.

CH: Barclays Bank PLC and/or its group companies makes, or will make, a market in the securities (as defined under paragraph 16.2 (k) of the HK SFC Code of Conduct) in respect of this issuer.

D: Barclays Bank PLC and/or an affiliate has received compensation for investment banking services from this issuer in the past 12 months.

E: Barclays Bank PLC and/or an affiliate expects to receive or intends to seek compensation for investment banking services from this issuer within the next 3 months.

FA: Barclays Bank PLC and/or an affiliate beneficially owns 1% or more of a class of equity securities of this issuer, as calculated in accordance with US regulations.

FB: Barclays Bank PLC and/or an affiliate beneficially owns a long position of more than 0.5% of a class of equity securities of this issuer, as calculated in accordance with EU regulations.

FC: Barclays Bank PLC and/or an affiliate beneficially owns a short position of more than 0.5% of a class of equity securities of this issuer, as calculated in accordance with EU regulations.

FD: Barclays Bank PLC and/or an affiliate beneficially owns 1% or more of a class of equity securities of this issuer, as calculated in accordance with South Korean regulations.

FE: Barclays Bank PLC and/or its group companies has financial interests in relation to this issuer and such interests aggregate to an amount equal to or more than 1% of this issuer's market capitalization, as calculated in accordance with HK regulations.

GD: One of the Research Analysts on the fundamental credit coverage team (and/or a member of his or her household) has a long position in the common equity securities of this issuer.

GE: One of the Research Analysts on the fundamental equity coverage team (and/or a member of his or her household) has a long position in the common equity securities of this issuer.

H: This issuer beneficially owns more than 5% of any class of common equity securities of Barclays PLC.

I: Barclays Bank PLC and/or an affiliate is party to an agreement with this issuer for the provision of financial services to Barclays Bank PLC and/or an affiliate.

J: Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities of this issuer and/or in any related derivatives.

K: Barclays Bank PLC and/or an affiliate has received non-investment banking related compensation (including compensation for brokerage services, if applicable) from this issuer within the past 12 months.

L: This issuer is, or during the past 12 months has been, an investment banking client of Barclays Bank PLC and/or an affiliate.

M: This issuer is, or during the past 12 months has been, a non-investment banking client (securities related services) of Barclays Bank PLC and/or an affiliate.

N: This issuer is, or during the past 12 months has been, a non-investment banking client (non-securities related services) of Barclays Bank PLC and/or an affiliate.

O: Not in use.

P: A partner, director or officer of Barclays Capital Canada Inc. has, during the preceding 12 months, provided services to the subject company for remuneration, other than normal course investment advisory or trade execution services.

Q: Barclays Bank PLC and/or an affiliate is a Corporate Broker to this issuer.

R: Barclays Capital Canada Inc. has received compensation for investment banking services from this issuer in the past 12 months.

S: This issuer is a Corporate Broker to Barclays PLC.

T: Barclays Bank PLC and/or an affiliate is providing investor engagement services to this issuer.

U: The equity securities of this Canadian issuer include subordinate voting restricted shares.

V: The equity securities of this Canadian issuer include non-voting restricted shares.

Risk Disclosure(s)

Master limited partnerships (MLPs) are pass-through entities structured as publicly listed partnerships. For tax purposes, distributions to MLP unit holders may be treated as a return of principal. Investors should consult their own tax advisors before investing in MLP units.

Disclosure(s) regarding Information Sources

Bloomberg® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg") and the Bloomberg Indices are trademarks of Bloomberg. Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material, or guarantee the accuracy or completeness of any information herein, or make any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, Bloomberg shall have no liability or responsibility for injury or damages arising in connection therewith.

Guide to the Barclays Fundamental Equity Research Rating System:

Our coverage analysts use a relative rating system in which they rate stocks as Overweight, Equal Weight or Underweight (see definitions below) relative to other companies covered by the analyst or a team of analysts that are deemed to be in the same industry (the "industry coverage universe").

In addition to the stock rating, we provide industry views which rate the outlook for the industry coverage universe as Positive, Neutral or Negative (see definitions below). A rating system using terms such as buy, hold and sell is not the equivalent of our rating system. Investors should carefully read the entire research report including the definitions of all ratings and not infer its contents from ratings alone.

Stock Rating

Overweight - The stock is expected to outperform the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

Equal Weight - The stock is expected to perform in line with the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

Underweight - The stock is expected to underperform the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

Rating Suspended - The rating and target price have been suspended temporarily due to market events that made coverage impracticable or to comply with applicable regulations and/or firm policies in certain circumstances including where the Investment Bank of Barclays Bank PLC is acting in an advisory capacity in a merger or strategic transaction involving the company.

Industry View

Positive - industry coverage universe fundamentals/valuations are improving.

Neutral - industry coverage universe fundamentals/valuations are steady, neither improving nor deteriorating.

Negative - industry coverage universe fundamentals/valuations are deteriorating.

Below is the list of companies that constitute the "industry coverage universe":

U.S. Specialty Retail, Apparel & Footwear

Abercrombie & Fitch Co. (ANF)	American Eagle Outfitters, Inc. (AEO)	Bath & Body Works Inc. (BBWI)
Burlington Stores, Inc. (BURL)	Canada Goose Holdings, Inc. (GOOS)	Capri Holdings Limited (CPRI)
Carter's Inc. (CRI)	Columbia Sportswear (COLM)	Cricut, Inc. (CRCT)
Crocs, Inc. (CROX)	Deckers Outdoor Corp (DECK)	DICK'S Sporting Goods, Inc. (DKS)
FIGS, Inc. (FIGS)	Foot Locker, Inc. (FL)	G-III Apparel Group, LTD. (GIII)
Gildan Activewear Inc. (GIL)	Groupe Dynamite Inc. (GRGD.TO)	Hanesbrands Inc. (HBI)
Kohl's Corp. (KSS)	Kontoor Brands, Inc. (KTB)	Levi Strauss & Co. (LEVI)
Iululemon athletica inc. (LULU)	Macy's Inc. (M)	National Vision Holdings, Inc. (EYE)
Nike, Inc. (NKE)	On Holding AG (ONON)	Pet Valu Holdings Ltd. (PET.TO)
PVH Corp. (PVH)	Ralph Lauren Corporation (RL)	Ross Stores, Inc. (ROST)
Skechers U.S.A, Inc. (SKX)	Tapestry, Inc. (TPR)	The Gap, Inc. (GAP)
The TJX Companies, Inc. (TJX)	Ulta Beauty, Inc. (ULTA)	Under Armour, Inc. (UAA)
Urban Outfitters, Inc. (URBN)	V.F. Corporation (VFC)	Victoria's Secret & Co. (VSCO)

Distribution of Ratings:

Barclays Equity Research has 1815 companies under coverage.

48% have been assigned an Overweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Buy rating; 55% of companies with this rating are investment banking clients of the Firm; 71% of the issuers with this rating have received financial services from the Firm.

36% have been assigned an Equal Weight rating which, for purposes of mandatory regulatory disclosures, is classified as a Hold rating; 48% of companies with this rating are investment banking clients of the Firm; 65% of the issuers with this rating have received financial services from the Firm.

14% have been assigned an Underweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Sell rating; 33% of companies with this rating are investment banking clients of the Firm; 56% of the issuers with this rating have received financial services from the Firm.

Guide to the Barclays Research Price Target:

Each analyst has a single price target on the stocks that they cover. The price target represents that analyst's expectation of where the stock will trade in the next 12 months. Upside/downside scenarios, where provided, represent potential upside/potential downside to each analyst's price target over the same 12-month period.

Types of investment recommendations produced by Barclays Equity Research:

In addition to any ratings assigned under Barclays' formal rating systems, this publication may contain investment recommendations in the form of trade ideas, thematic screens, scorecards or portfolio recommendations that have been produced by analysts within Equity Research. Any such investment recommendations shall remain open until they are subsequently amended, rebalanced or closed in a future research report.

Barclays may also re-distribute equity research reports produced by third-party research providers that contain recommendations that differ from and/or conflict with those published by Barclays' Equity Research Department.

Disclosure of other investment recommendations produced by Barclays Equity Research:

Barclays Equity Research may have published other investment recommendations in respect of the same securities/instruments recommended in this research report during the preceding 12 months. To view all investment recommendations published by Barclays Equity Research in the preceding 12 months please refer to <https://live.barcap.com/go/research/Recommendations>.

Legal entities involved in producing Barclays Research:

Barclays Bank PLC (Barclays, UK)

Barclays Capital Inc. (BCI, US)

Barclays Bank Ireland PLC, Frankfurt Branch (BBI, Frankfurt)

Barclays Bank Ireland PLC, Paris Branch (BBI, Paris)

Barclays Bank Ireland PLC, Milan Branch (BBI, Milan)

Barclays Securities Japan Limited (BSJL, Japan)

Barclays Bank PLC, Hong Kong Branch (Barclays Bank, Hong Kong)

Barclays Bank Mexico, S.A. (BBMX, Mexico)

Barclays Capital Casa de Bolsa, S.A. de C.V. (BCCB, Mexico)

Barclays Securities (India) Private Limited (BSIPL, India)

Barclays Bank PLC, Singapore Branch (Barclays Bank, Singapore)

Barclays Bank PLC, DIFC Branch (Barclays Bank, DIFC)

lululemon athletica inc. (LULU / LULU)

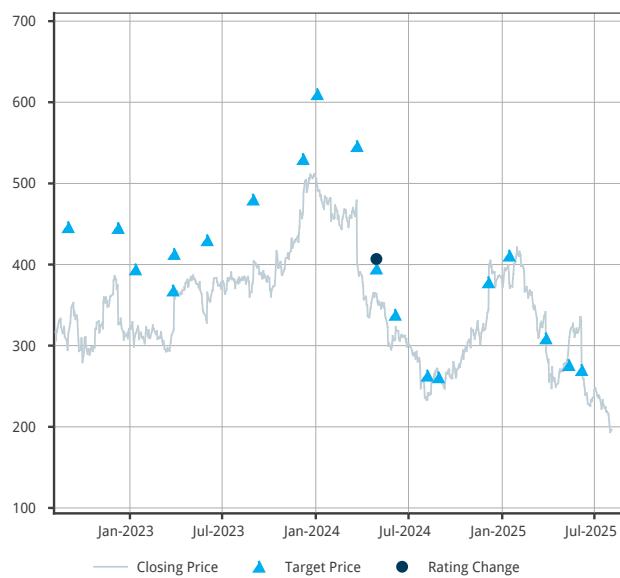
Stock Rating: **EQUAL WEIGHT**

Industry View: **NEUTRAL**

Closing Price: **USD 195.07** (05-Aug-2025)

Rating and Price Target Chart - USD (as of 05-Aug-2025)

Currency=USD



Source: IDC, Barclays Research

[Link to Barclays Live for interactive charting](#)

Publication Date	Closing Price*	Rating	Adjusted Price Target
06-Jun-2025	330.78		270.00
12-May-2025	282.43		276.00
28-Mar-2025	341.53		309.00
15-Jan-2025	388.74		411.00
05-Dec-2024	344.81		378.00
29-Aug-2024	259.01		261.00
07-Aug-2024	236.90		263.00
05-Jun-2024	308.27		338.00
29-Apr-2024	364.70	Equal Weight	395.00
22-Mar-2024	478.84		546.00
04-Jan-2024	498.02		610.00
07-Dec-2023	464.67		530.00
31-Aug-2023	381.26		480.00
02-Jun-2023	328.35		430.00
29-Mar-2023	320.31		413.00
27-Mar-2023	313.45		368.00
12-Jan-2023	311.96		394.00
09-Dec-2022	374.51		445.00
02-Sep-2022	294.45		446.00

On 05-Aug-2022, prior to any intra-day change that may have been published, the rating for this security was Overweight, and the adjusted price target was 435.00.

Source: Bloomberg, Barclays Research

*This is the closing price referenced in the publication, which may not be the last available closing price at the time of publication.

Historical stock prices and price targets may have been adjusted for stock splits and dividends.

CE: Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by lululemon athletica inc..

J: Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities by lululemon athletica inc. and/or in any related derivatives.

Valuation Methodology: Our price target of \$209 is based on an NTM P/E multiple of 14x applied to our CY26 EPS estimate of \$14.91.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Upside risks include: 1) revenue growth within all regions and channels, 2) margin expansion, 3) ability to deliver earnings upside, and 4) valuation multiple expands. Downside risks include: 1) brick-and-mortar comps turn negative, 2) high valuation and multiple contraction, 3) threat of new competitive entrants, 4) challenges in both the U.S. and Chinese market could result in sales and margin plan misses, and 5) consumer spending declines.

The Gap, Inc. (GAP / GAP)

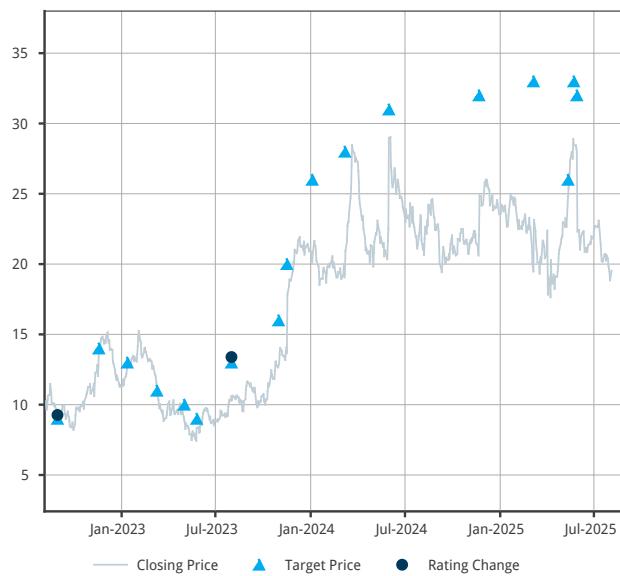
Stock Rating: **OVERWEIGHT**

Industry View: **NEUTRAL**

Closing Price: **USD 19.49** (05-Aug-2025)

Rating and Price Target Chart - USD (as of 05-Aug-2025)

Currency=USD



Source: IDC, Barclays Research

[Link to Barclays Live for interactive charting](#)

Publication Date	Closing Price*	Rating	Adjusted Price Target
29-May-2025	27.95		32.00
23-May-2025	28.89		33.00
12-May-2025	23.02		26.00
06-Mar-2025	19.48		33.00
21-Nov-2024	22.04		32.00
31-May-2024	22.52		31.00
07-Mar-2024	19.33		28.00
04-Jan-2024	20.25		26.00
16-Nov-2023	13.67		20.00
31-Oct-2023	12.77		16.00
01-Aug-2023	10.30	Overweight	13.00
26-May-2023	7.42		9.00
02-May-2023	9.60		10.00
10-Mar-2023	11.58		11.00
12-Jan-2023	12.50		13.00
18-Nov-2022	12.71		14.00
30-Aug-2022	9.48	Equal Weight	9.00

On 05-Aug-2022, prior to any intra-day change that may have been published, the rating for this security was Underweight, and the adjusted price target was 6.00.

Source: Bloomberg, Barclays Research

*This is the closing price referenced in the publication, which may not be the last available closing price at the time of publication.

Historical stock prices and price targets may have been adjusted for stock splits and dividends.

CD: Barclays Bank PLC and/or an affiliate is a market-maker in debt securities issued by The Gap, Inc..

CE: Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by The Gap, Inc..

J: Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities by The Gap, Inc. and/or in any related derivatives.

K: Barclays Bank PLC and/or an affiliate has received non-investment banking related compensation (including compensation for brokerage services, if applicable) from The Gap, Inc. within the past 12 months.

N: The Gap, Inc. is, or during the past 12 months has been, a non-investment banking client (non-securities related services) of Barclays Bank PLC and/or an affiliate.

Valuation Methodology: Our price target of \$24 is based on an NTM P/E multiple of 10x applied to our CY26 EPS estimate of \$2.37.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Downside risks to our rating include: 1) continued consumer weakening; 2) cost pressures remain; and 3) prolonged promotional environment.

Ulta Beauty, Inc. (ULTA / ULTA)

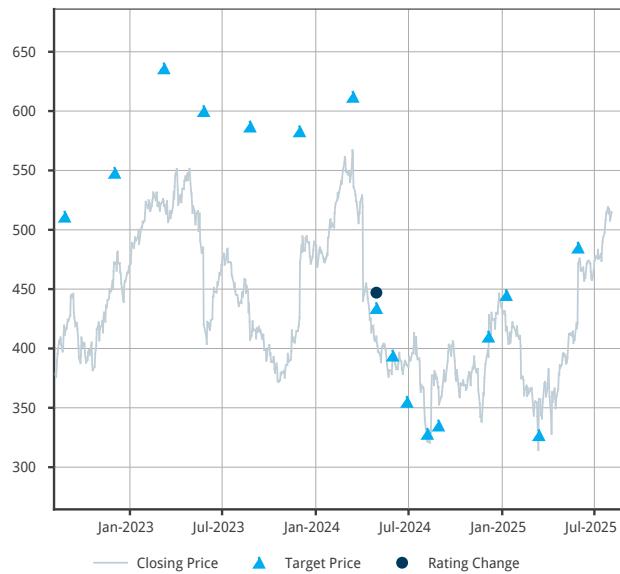
Stock Rating: **EQUAL WEIGHT**

Industry View: **NEUTRAL**

Closing Price: **USD 510.17** (05-Aug-2025)

Rating and Price Target Chart - USD (as of 05-Aug-2025)

Currency=USD



Source: IDC, Barclays Research

[Link to Barclays Live for interactive charting](#)

Publication Date	Closing Price*	Rating	Adjusted Price Target
30-May-2025	421.79		485.00
14-Mar-2025	314.47		327.00
09-Jan-2025	415.14		445.00
05-Dec-2024	392.87		410.00
29-Aug-2024	367.58		335.00
07-Aug-2024	326.42		328.00
28-Jun-2024	385.95		355.00
31-May-2024	385.58		394.00
29-Apr-2024	406.39	Equal Weight	434.00
14-Mar-2024	565.44		612.00
30-Nov-2023	425.99		583.00
25-Aug-2023	422.74		587.00
26-May-2023	485.12		600.00
09-Mar-2023	519.93		636.00
02-Dec-2022	472.53		548.00
26-Aug-2022	419.25		511.00

On 05-Aug-2022, prior to any intra-day change that may have been published, the rating for this security was Overweight, and the adjusted price target was 491.00.

Source: Bloomberg, Barclays Research

*This is the closing price referenced in the publication, which may not be the last available closing price at the time of publication.

Historical stock prices and price targets may have been adjusted for stock splits and dividends.

CE: Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by Ulta Beauty, Inc..

J: Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities by Ulta Beauty, Inc. and/or in any related derivatives.

Valuation Methodology: Our price target of \$518 is based on an NTM P/E multiple of 20x applied to our CY26 EPS estimate of \$25.89.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Upside risks include 1) prestige cosmetics business recovers, 2) comps accelerate, and 3) strategic investments are completed sooner and are margin accretive. Downside risks include 1) material loss in market share, 2) multiple contraction, 3) comps turning negative, 4) margin contraction, and 5) a deceleration of makeup market given increased work-from-home and a reduction in social outings.

Urban Outfitters, Inc. (URBN / URBN)

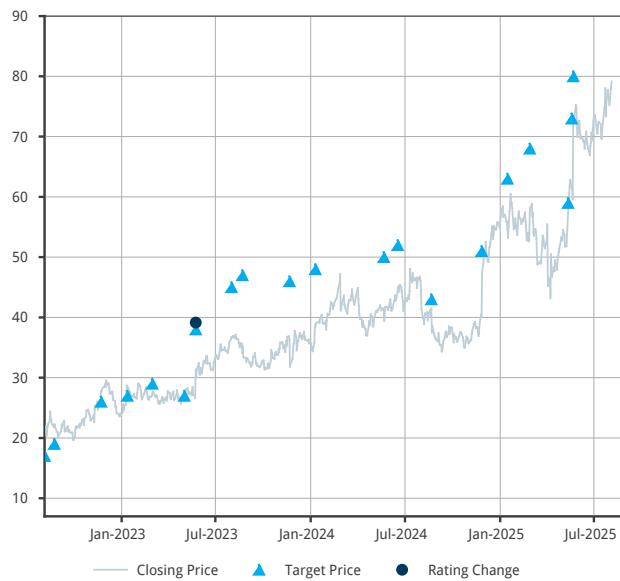
Stock Rating: **OVERWEIGHT**

Industry View: **NEUTRAL**

Closing Price: **USD 77.81** (05-Aug-2025)

Rating and Price Target Chart - USD (as of 05-Aug-2025)

Currency=USD



Source: IDC, Barclays Research

[Link to Barclays Live for interactive charting](#)

Publication Date	Closing Price*	Rating	Adjusted Price Target
22-May-2025	59.60		80.00
19-May-2025	62.81		73.00
12-May-2025	51.80		59.00
27-Feb-2025	52.92		68.00
15-Jan-2025	55.87		63.00
26-Nov-2024	40.14		51.00
21-Aug-2024	41.48		43.00
17-Jun-2024	42.85		52.00
21-May-2024	41.32		50.00
10-Jan-2024	38.40		48.00
21-Nov-2023	36.31		46.00
22-Aug-2023	34.09		47.00
01-Aug-2023	36.37		45.00
24-May-2023	26.66	Overweight	38.00
02-May-2023	27.06		27.00
01-Mar-2023	26.95		29.00
12-Jan-2023	28.71		27.00
22-Nov-2022	25.53		26.00
24-Aug-2022	21.84		19.00

On 05-Aug-2022, prior to any intra-day change that may have been published, the rating for this security was Equal Weight, and the adjusted price target was 17.00.

Source: Bloomberg, Barclays Research

*This is the closing price referenced in the publication, which may not be the last available closing price at the time of publication.

Historical stock prices and price targets may have been adjusted for stock splits and dividends.

CE: Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by Urban Outfitters, Inc..

J: Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities by Urban Outfitters, Inc. and/or in any related derivatives.

K: Barclays Bank PLC and/or an affiliate has received non-investment banking related compensation (including compensation for brokerage services, if applicable) from Urban Outfitters, Inc. within the past 12 months.

N: Urban Outfitters, Inc. is, or during the past 12 months has been, a non-investment banking client (non-securities related services) of Barclays Bank PLC and/or an affiliate.

Valuation Methodology: Our price target of \$89 is based on an NTM P/E multiple of 16x applied to our CY26 EPS estimate of \$5.54.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Risks to our Overweight rating include: 1) consumer spend continues to soften, 2) highly competitive and promotional environment in the Teen sector worsens, 3) SG&A deleverage on accelerating OpEx spend.

Disclaimer:

This publication has been produced by Barclays Research Department in the Investment Bank of Barclays Bank PLC and/or one or more of its affiliates (collectively and each individually, "Barclays").

It has been prepared for institutional investors and not for retail investors. It has been distributed by one or more Barclays affiliated legal entities listed below or by an independent and non-affiliated third-party entity (as may be communicated to you by such third-party entity in its communications with you). It is provided for information purposes only, and Barclays makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any data included in this publication. To the extent that this publication states on the front page that it is intended for institutional investors and is not subject to all of the independence and disclosure standards applicable to debt research reports prepared for retail investors under U.S. FINRA Rule 2242, it is an "institutional debt research report" and distribution to retail investors is strictly prohibited. Barclays also distributes such institutional debt research reports to various issuers, media, regulatory and academic organisations for their own internal informational news gathering, regulatory or academic purposes and not for the purpose of making investment decisions regarding any debt securities. Media organisations are prohibited from re-publishing any opinion or recommendation concerning a debt issuer or debt security contained in any Barclays institutional debt research report. Any such recipients that do not want to continue receiving Barclays institutional debt research reports should contact debtresearch@barclays.com. Unless clients have agreed to receive "institutional debt research reports" as required by US FINRA Rule 2242, they will not receive any such reports that may be co-authored by non-debt research analysts. Eligible clients may get access to such cross asset reports by contacting debtresearch@barclays.com. Barclays will not treat unauthorized recipients of this report as its clients and accepts no liability for use by them of the contents which may not be suitable for their personal use. Prices shown are indicative and Barclays is not offering to buy or sell or soliciting offers to buy or sell any financial instrument.

Without limiting any of the foregoing and to the extent permitted by law, in no event shall Barclays, nor any affiliate, nor any of their respective officers, directors, partners, or employees have any liability for (a) any special, punitive, indirect, or consequential damages; or (b) any lost profits, lost revenue, loss of anticipated savings or loss of opportunity or other financial loss, even if notified of the possibility of such damages, arising from any use of this publication or its contents.

Other than disclosures relating to Barclays, the information contained in this publication has been obtained from sources that Barclays Research believes to be reliable, but Barclays does not represent or warrant that it is accurate or complete. Appearances by Third-Party Speakers: Any views or opinions expressed by third-party speakers during this event are solely those of the speaker and do not represent the views or opinions of Barclays. Barclays is not responsible for, and makes no warranties whatsoever as to, the information or opinions contained in any written, electronic, audio or video presentations by any third-party speakers at the event ("Third-Party Content"). Any such Third-Party Content has not been adopted or endorsed by Barclays and does not represent the views or opinions of Barclays. Third-Party Content is provided for information purposes only and has not been independently verified by Barclays for its accuracy or completeness.

The views in this publication are solely and exclusively those of the authoring analyst(s) and are subject to change, and Barclays Research has no obligation to update its opinions or the information in this publication. Unless otherwise disclosed herein, the analysts who authored this report have not received any compensation from the subject companies in the past 12 months. If this publication contains recommendations, they are general recommendations that were prepared independently of any other interests, including those of Barclays and/or its affiliates, and/or the subject companies. This publication does not contain personal investment recommendations or investment advice or take into account the individual financial circumstances or investment objectives of the clients who receive it. Barclays is not a fiduciary to any recipient of this publication. The securities and other investments discussed herein may not be suitable for all investors and may not be available for purchase in all jurisdictions. The United States imposed sanctions on certain Chinese companies (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/chinese-military-companies-sanctions>), which may restrict U.S. persons from purchasing securities issued by those companies. Investors must independently evaluate the merits and risks of the investments discussed herein, including any sanctions restrictions that may apply, consult any independent advisors they believe necessary, and exercise independent judgment with regard to any investment decision. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including changes in market liquidity). The information herein is not intended to predict actual results, which may differ substantially from those reflected. Past performance is not necessarily indicative of future results. The information provided does not constitute a financial benchmark and should not be used as a submission or contribution of input data for the purposes of determining a financial benchmark.

This publication is not investment company sales literature as defined by Section 270.24(b) of the US Investment Company Act of 1940, nor is it intended to constitute an offer, promotion or recommendation of, and should not be viewed as marketing (including, without limitation, for the purposes of the UK Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) or AIFMD (Directive 2011/61)) or pre-marketing (including, without limitation, for the purposes of Directive (EU) 2019/1160) of the securities, products or issuers that are the subject of this report.

Third Party Distribution: Any views expressed in this communication are solely those of Barclays and have not been adopted or endorsed by any third party distributor.

United Kingdom: This document is being distributed (1) only by or with the approval of an authorised person (Barclays Bank PLC) or (2) to, and is directed at (a) persons in the United Kingdom having professional experience in matters relating to investments and who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (b) high net worth companies, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (c) other persons to whom it may otherwise lawfully be communicated (all such persons being "Relevant Persons"). Any investment or investment activity to which this communication relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive this communication should not rely on or act upon it. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is a member of the London Stock Exchange.

European Economic Area ("EEA"): This material is being distributed to any "Authorised User" located in a Restricted EEA Country by Barclays Bank Ireland PLC. The Restricted EEA Countries are Austria, Bulgaria, Estonia, Finland, Hungary, Iceland, Liechtenstein, Lithuania, Luxembourg, Malta, Portugal, Romania, Slovakia and Slovenia. For any other "Authorised User" located in a country of the European Economic Area, this material is being distributed by Barclays Bank PLC. Barclays Bank Ireland PLC is a bank authorised by the Central Bank of Ireland whose registered office is at 1 Molesworth Street, Dublin 2, Ireland. Barclays Bank PLC is not registered in France with the Autorité des marchés financiers or the Autorité de contrôle prudentiel. Authorised User means each individual associated with the Client who is notified by the Client to Barclays and authorised to use the Research Services. The Restricted EEA Countries will be amended if required.

Finland: Notwithstanding Finland's status as a Restricted EEA Country, Research Services may also be provided by Barclays Bank PLC where permitted by the terms of its cross-border license.

Americas: The Investment Bank of Barclays Bank PLC undertakes U.S. securities business in the name of its wholly owned subsidiary Barclays Capital Inc., a FINRA and SIPC member. Barclays Capital Inc., a U.S. registered broker/dealer, is distributing this material in the United States and, in connection therewith accepts responsibility for its contents. Any U.S. person wishing to effect a transaction in any security discussed herein should do so only by contacting a representative of Barclays Capital Inc. in the U.S. at 745 Seventh Avenue, New York, New York 10019.

Non-U.S. persons should contact and execute transactions through a Barclays Bank PLC branch or affiliate in their home jurisdiction unless local regulations permit otherwise.

This material is distributed in Canada by Barclays Capital Canada Inc., a registered investment dealer, a Dealer Member of Canadian Investment Regulatory Organization (www.ciro.ca), and a Member of the Canadian Investor Protection Fund (CIPF).

This material is distributed in Mexico by Barclays Bank Mexico, S.A. and/or Barclays Capital Casa de Bolsa, S.A. de C.V. This material is distributed in the Cayman Islands and in the Bahamas by Barclays Capital Inc., which it is not licensed or registered to conduct and does not conduct business in, from or within those jurisdictions and has not filed this material with any regulatory body in those jurisdictions.

Japan: This material is being distributed to institutional investors in Japan by Barclays Securities Japan Limited. Barclays Securities Japan Limited is a joint-stock company incorporated in Japan with registered office of 6-10-1 Roppongi, Minato-ku, Tokyo 106-6131, Japan. It is a subsidiary of Barclays

Bank PLC and a registered financial instruments firm regulated by the Financial Services Agency of Japan. Registered Number: Kanto Zaimukyokucho (kinsho) No. 143.

Asia Pacific (excluding Japan): Barclays Bank PLC, Hong Kong Branch is distributing this material in Hong Kong as an authorised institution regulated by the Hong Kong Monetary Authority. Registered Office: 41/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

All Indian securities-related research and other equity research produced by Barclays' Investment Bank are distributed in India by Barclays Securities (India) Private Limited (BSIPL). BSIPL is a company incorporated under the Companies Act, 1956 having CIN U67120MH2006PTC161063. BSIPL is registered and regulated by the Securities and Exchange Board of India (SEBI) as a Research Analyst: INH000001519; Portfolio Manager INP000002585; Stock Broker INZ000269539 (member of NSE and BSE); Depository Participant with the National Securities & Depositories Limited (NSDL): DP ID: IN-DP-NSDL-478-2020; Investment Adviser: INA000000391. BSIPL is also registered as a Mutual Fund Advisor having AMFI ARN No. 53308. The registered office of BSIPL is at Nirlon Knowledge Park, 9th floor, Block B-6, Off. Western Express Highway, Goregaon (East), Mumbai – 400063, India. Telephone No: +91 22 61754000 Fax number: +91 22 61754099. Any other reports produced by Barclays' Investment Bank are distributed in India by Barclays Bank PLC, India Branch, an associate of BSIPL in India that is registered with Reserve Bank of India (RBI) as a Banking Company under the provisions of The Banking Regulation Act, 1949 (Regn No BOM43) and registered with SEBI as Merchant Banker (Regn No INM000002129) and also as Banker to the Issue (Regn No INB100000950). Barclays Investments and Loans (India) Limited, registered with RBI as Non Banking Financial Company (Regn No RBI CoR-07-00258), and Barclays Wealth Trustees (India) Private Limited, registered with Registrar of Companies (CIN U93000MH2008PTC188438), are associates of BSIPL in India that are not authorised to distribute any reports produced by Barclays' Investment Bank.

This material is distributed in Singapore by the Singapore Branch of Barclays Bank PLC, a bank licensed in Singapore by the Monetary Authority of Singapore. For matters in connection with this material, recipients in Singapore may contact the Singapore branch of Barclays Bank PLC, whose registered address is 10 Marina Boulevard, #23-01 Marina Bay Financial Centre Tower 2, Singapore 018983.

This material, where distributed to persons in Australia, is produced or provided by Barclays Bank PLC.

This communication is directed at persons who are a "Wholesale Client" as defined by the Australian Corporations Act 2001.

Please note that the Australian Securities and Investments Commission (ASIC) has provided certain exemptions to Barclays Bank PLC (BBPLC) under paragraph 911A(2)(l) of the Corporations Act 2001 from the requirement to hold an Australian financial services licence (AFSL) in respect of financial services provided to Australian Wholesale Clients, on the basis that BBPLC is authorised by the Prudential Regulation Authority of the United Kingdom (PRA) and regulated by the Financial Conduct Authority (FCA) of the United Kingdom and the PRA under United Kingdom laws. The United Kingdom has laws which differ from Australian laws. To the extent that this communication involves the provision of financial services by BBPLC to Australian Wholesale Clients, BBPLC relies on the relevant exemption from the requirement to hold an AFSL. Accordingly, BBPLC does not hold an AFSL.

This communication may be distributed to you by either: (i) Barclays Bank PLC directly, (ii) Barrenjoey Markets Pty Limited (ACN 636 976 059, "Barrenjoey"), the holder of Australian Financial Services Licence (AFSL) 521800, a non-affiliated third party distributor, where clearly identified to you by Barrenjoey. Barrenjoey is not an agent of Barclays Bank PLC or (iii) such other non-affiliated third-party distributor(s) as may be clearly identified to you. Such non-affiliated third-party distributor(s) are not agents of Barclays Bank PLC.

This material, where distributed in New Zealand, is produced or provided by Barclays Bank PLC. Barclays Bank PLC is not registered, filed with or approved by any New Zealand regulatory authority. This material is not provided under or in accordance with the Financial Markets Conduct Act of 2013 ("FMCA"), and is not a disclosure document or "financial advice" under the FMCA. This material is distributed to you by either: (i) Barclays Bank PLC directly or (ii) Barrenjoey Markets Pty Limited ("Barrenjoey"), a non-affiliated third party distributor, where clearly identified to you by Barrenjoey. Barrenjoey is not an agent of Barclays Bank PLC. This material may only be distributed to "wholesale investors" that meet the "investment business", "investment activity", "large", or "government agency" criteria specified in Schedule 1 of the FMCA.

Middle East: Nothing herein should be considered investment advice as defined in the Israeli Regulation of Investment Advisory, Investment Marketing and Portfolio Management Law, 1995 ("Advisory Law"). This document is being made to eligible clients (as defined under the Advisory Law) only. Barclays Israeli branch previously held an investment marketing license with the Israel Securities Authority but it cancelled such license on 30/11/2014 as it solely provides its services to eligible clients pursuant to available exemptions under the Advisory Law, therefore a license with the Israel Securities Authority is not required. Accordingly, Barclays does not maintain an insurance coverage pursuant to the Advisory Law.

This material is distributed in the United Arab Emirates (including the Dubai International Financial Centre) and Qatar by Barclays Bank PLC. Barclays Bank PLC in the Dubai International Financial Centre (Registered No. 0060) is regulated by the Dubai Financial Services Authority (DFSA). Principal place of business in the Dubai International Financial Centre: The Gate Village, Building 4, Level 4, PO Box 506504, Dubai, United Arab Emirates. Barclays Bank PLC-DIFC Branch, may only undertake the financial services activities that fall within the scope of its existing DFSA licence. Related financial products or services are only available to Professional Clients, as defined by the Dubai Financial Services Authority. Barclays Bank PLC in the UAE is regulated by the Central Bank of the UAE and is licensed to conduct business activities as a branch of a commercial bank incorporated outside the UAE in Dubai (Licence No.: 13/1844/2008, Registered Office: Building No. 6, Burj Dubai Business Hub, Sheikh Zayed Road, Dubai City) and Abu Dhabi (Licence No.: 13/952/2008, Registered Office: Al Jazira Towers, Hamdan Street, PO Box 2734, Abu Dhabi). This material does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase, any securities or investment products in the UAE (including the Dubai International Financial Centre) and accordingly should not be construed as such. Furthermore, this information is being made available on the basis that the recipient acknowledges and understands that the entities and securities to which it may relate have not been approved, licensed by or registered with the UAE Central Bank, the Dubai Financial Services Authority or any other relevant licensing authority or governmental agency in the UAE. The content of this report has not been approved by or filed with the UAE Central Bank or Dubai Financial Services Authority. Barclays Bank PLC in the Qatar Financial Centre (Registered No. 00018) is authorised by the Qatar Financial Centre Regulatory Authority (QFCRA). Barclays Bank PLC-QFC Branch may only undertake the regulated activities that fall within the scope of its existing QFCRA licence. Principal place of business in Qatar: Qatar Financial Centre, Office 1002, 10th Floor, QFC Tower, Diplomatic Area, West Bay, PO Box 15891, Doha, Qatar. Related financial products or services are only available to Business Customers as defined by the Qatar Financial Centre Regulatory Authority.

Russia: This material is not intended for investors who are not Qualified Investors according to the laws of the Russian Federation as it might contain information about or description of the features of financial instruments not admitted for public offering and/or circulation in the Russian Federation and thus not eligible for non-Qualified Investors. If you are not a Qualified Investor according to the laws of the Russian Federation, please dispose of any copy of this material in your possession.

Sustainable Investing Related Research: There is currently no globally accepted framework or definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes a ‘sustainable’, ‘ESG’, ‘green’, ‘climate-friendly’ or an equivalent company, investment, strategy or consideration or what precise attributes are required to be eligible to be categorised by such terms. This means there are different ways to evaluate a company or an investment and so different values may be placed on certain sustainability credentials as well as adverse ESG-related impacts of companies and ESG controversies. The evolving nature of sustainable investing considerations, models and methodologies means it can be challenging to definitively and universally classify a company or investment under a sustainable investing label and there may be areas where such companies and investments could improve or where adverse ESG-related impacts or ESG controversies exist. The evolving nature of sustainable finance related regulations and the development of jurisdiction-specific regulatory criteria also means that there is likely to be a degree of divergence as to the interpretation of such terms in the market. We expect industry guidance, market practice, and regulations in this field to continue to evolve.

Any information, data, image, or other content including from a third party source contained, referred to herein or used for whatsoever purpose by Barclays or a third party (“Information”), in relation to any actual or potential ‘ESG’, ‘sustainable’ or equivalent objective, issue, factor or consideration is not intended to be relied upon for ESG or sustainability classification, regulatory regime or industry initiative purposes (“ESG Regimes”), unless otherwise stated. Nothing in these materials, including any images included therein, is intended to convey, suggest or indicate that Barclays considers or represents any product, service, person or body mentioned in these materials as meeting or qualifying for any ESG or sustainability classification, label or similar standards that may exist under ESG Regimes. Barclays has not conducted any assessment of compliance with ESG Regimes. Parties are reminded to make their own assessments for these purposes.

IRS Circular 230 Prepared Materials Disclaimer: Barclays does not provide tax advice and nothing contained herein should be construed to be tax advice. Please be advised that any discussion of U.S. tax matters contained herein (including any attachments) (i) is not intended or written to be used, and cannot be used, by you for the purpose of avoiding U.S. tax-related penalties; and (ii) was written to support the promotion or marketing of the transactions or other matters addressed herein. Accordingly, you should seek advice based on your particular circumstances from an independent tax advisor.

© Copyright Barclays Bank PLC (2025). All rights reserved. No part of this publication may be reproduced or redistributed in any manner without the prior written permission of Barclays. Barclays Bank PLC is registered in England No. 1026167. Registered office 1 Churchill Place, London, E14 5HP. Additional information regarding this publication will be furnished upon request.