



# CAPTRUST

February 17, 2023

Company	Ticker	Sector	Industry
Lowe's Companies, Inc.	LOW-US	Consumer Discretionary	Specialty Retail

## Business Description

Lowe's Cos., Inc. engages in the retail sale of home improvement products. The firm offers products for maintenance, repair, remodeling, home decorating and property maintenance. It also provides home improvement products in the following categories: appliances, bathroom, building supply, electrical, flooring, hardware, paint, kitchen, plumbing, lighting & fans, outdoor living, windows and doors. The company was founded in 1946 and is headquartered in Mooresville, NC.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>1</b>
<b>Date Purchased:</b>	<b>02/15/2023</b>
<b>Price:</b>	<b>\$214.01</b>
<b>52-Week Range:</b>	<b>\$171.61 - \$235.67</b>
<b>Dividend Yield:</b>	<b>1.85%</b>
<b>Market Cap (\$M):</b>	<b>\$129,412</b>
<b>Forward Price-to-Earnings:</b>	<b>15</b>

## Total Return

<b>Year-to-Date:</b>	<b>8.0%</b>
<b>1 Year:</b>	<b>-3.8%</b>
<b>3 Year:</b>	<b>79.5%</b>
<b>5 Year:</b>	<b>143.0%</b>

## Investment Case - Updated: November 6, 2022

Lowe's has been consistently growing same-store-sales since 2011. The company has benefitted from new and existing home sales activity which often leads to renovation activity. Due the pandemic, consumers accelerated spending on their homes. This was likely due to the extra savings from reduced travel and leisure budgets, and because of the extra time spent at home. Post-pandemic, sales for the company should benefit from rising home prices, which tends to be correlated with home improvement spending. Moreover, millennials have increased home ownership rates and are beginning to engage in renovations projects. Lowe's continues to improve its engagement with the Pro customer which is a key part of its plan to improve profitability. In recent periods, Lowe's has exhibited market share gains in the Pro segment compared to competitor, Home Depot. If success continues, the company's valuation discount to Home Depot could converge and result in outperformance.

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