

Analyst Cuts Rating For Kellogg to "Underperform"

NEW YORK (AP) — A Credit Suisse analyst on Wednesday downgraded Kellogg Co., saying that the recent run up in the food company's stock price isn't warranted.

THE OPINION: Robert Moskow cut his rating for the stock to "Underperform" from "Neutral," noting that Kellogg's stock price has jumped 10 percent since it reported its third-quarter results on Nov. 1.

Moskow backed his \$55 price target for the stock and said the shares have risen past their fair value. He pointed to management's "tepid" outlook for 2013, ongoing business challenges in Europe and Mexico and the likelihood of a strong response from rival General Mills this year to its recent market share losses in U.S. cereal.

"Eventually, we believe Kellogg will find its way back to the high quality company it once was," Moskow wrote in a note to investors. He added that Wall Street appears "overly optimistic about how soon it will get there."

THE SHARES: Down 12 cents at \$57. Over the past 52 weeks, the company's shares have traded between \$46.33 and \$57.55.

Over the past year, the shares have gained about 12 percent.

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