

General Mills Downgraded on Slowing U.S. Business

(AP) — Morgan Stanley analyst Matthew Granger downgraded his rating on General Mills Inc. on Tuesday to "Underweight" from "Overweight" on concerns about slowing business in the U.S.

THE OPINION: The analyst said in a research note that while the maker of foods such as Cheerios cereal and Yoplait yogurt has historically been a more stable company and delivered more consistent earnings gains than many of its peers, he has grown increasingly concerned about changing trends in the U.S. over the past year.

Granger said that the company's exposure to slower growth categories, such as non-Greek yogurt and frozen foods, could weigh on its performance. He also noted that cereal sales are slowing. He said General Mills has relied on new products and other innovation for some time but he has grown more doubtful that this will fix the problem.

The analyst has a \$48 price target on the stock.

THE STOCK: Shares slipped 1 cent to \$48.80 amid broader market gains. Its stock price has risen roughly 19 percent in the past 12 months.

Source URL (retrieved on 01/29/2015 - 8:16am):

<http://www.foodmanufacturing.com/news/2014/01/general-mills-downgraded-slowing-us-business>