Zacks Report Date: November 29, 2025

Mondelez International (MDLZ)

$57.57 (Stock Price as of 11/28/2025)

Price Target (6-12 Months): **$48.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/10/25) Prior Recommendation: Neutral	**Underperform**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**4-Sell**
	Zacks Style Scores:	VGM: D
	Value: C | Growth: F	Momentum: D

Summary

Recent trends in the global snacking industry point to a tough operating environment, and Mondelez International is feeling the strain. The company continues to face persistent margin pressure as elevated input costs and an unfavorable mix weigh on profitability. Soft consumer demand, retailer destocking in North America and higher price elasticity in Europe signal weakening underlying momentum. At the same time, tough competition from both global and local players is limiting Mondelez's pricing power and share gains. While management anticipates cocoa costs to ease in 2026, uncertainty around the timing and scale of relief keeps near-term recovery in question. Overall, inflation and fragile demand trends continue to cloud Mondelez's earnings outlook. The company expects adjusted EPS to fall roughly 15% in 2025.

Price, Consensus & Surprise(1)

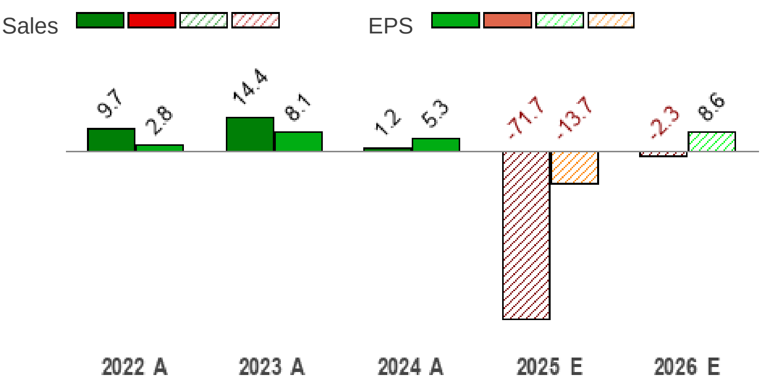
Data Overview

52 Week High-Low	**$71.15 - $53.95**
20 Day Average Volume (sh)	**9,126,187**
Market Cap	**$74.3 B**
YTD Price Change	**-3.6%**
Beta	**0.42**
Dividend / Div Yld	**$2.00 / 3.5%**
Industry	**Food - Miscellaneous**
Zacks Industry Rank	**Bottom 19% (195 out of 243)**

Last EPS Surprise	**1.4%**
Last Sales Surprise	**0.1%**
EPS F1 Est- 4 week change	**-1.3%**
Expected Report Date	**02/03/2026**
Earnings ESP	**0.8%**

P/E TTM	**20.2**
P/E F1	**19.9**
PEG F1	**-6.2**
P/S TTM	**2.0**

Sales and EPS Growth Rates (Y/Y %)(2)



Sales Estimates (millions of $)(2)

	Q1	Q2	Q3	Q4	Annual*
2026					10,078 E
2025	9,313 A	8,984 A	9,744 A		10,320 E
2024	9,290 A	8,343 A	9,204 A	9,604 A	36,441 A

EPS Estimates(2)

	Q1	Q2	Q3	Q4	Annual*
2026					3.15 E
2025	0.74 A	0.73 A	0.73 A		2.90 E
2024	0.95 A	0.86 A	0.99 A	0.65 A	3.36 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 11/28/2025.
(2) The report's text, the analyst-provided estimates, and the price target are as of 11/11/2025.

Overview

Mondelez International, Inc. is a prominent global leader in the snack food industry, encompassing an expansive portfolio of beloved brands such as Oreo, Cadbury, Toblerone, Ritz and Trident. Headquartered in Chicago, IL, the company operates across more than 150 countries, delivering a wide array of biscuits, chocolates, candies, gums and beverages to its diverse customer base.

Mondelez's operations center on producing and marketing snack products that resonate with evolving consumer preferences. Its biscuit and chocolate categories remain primary revenue drivers, while gum and candy are undergoing revitalization through innovation and expanded marketing efforts.

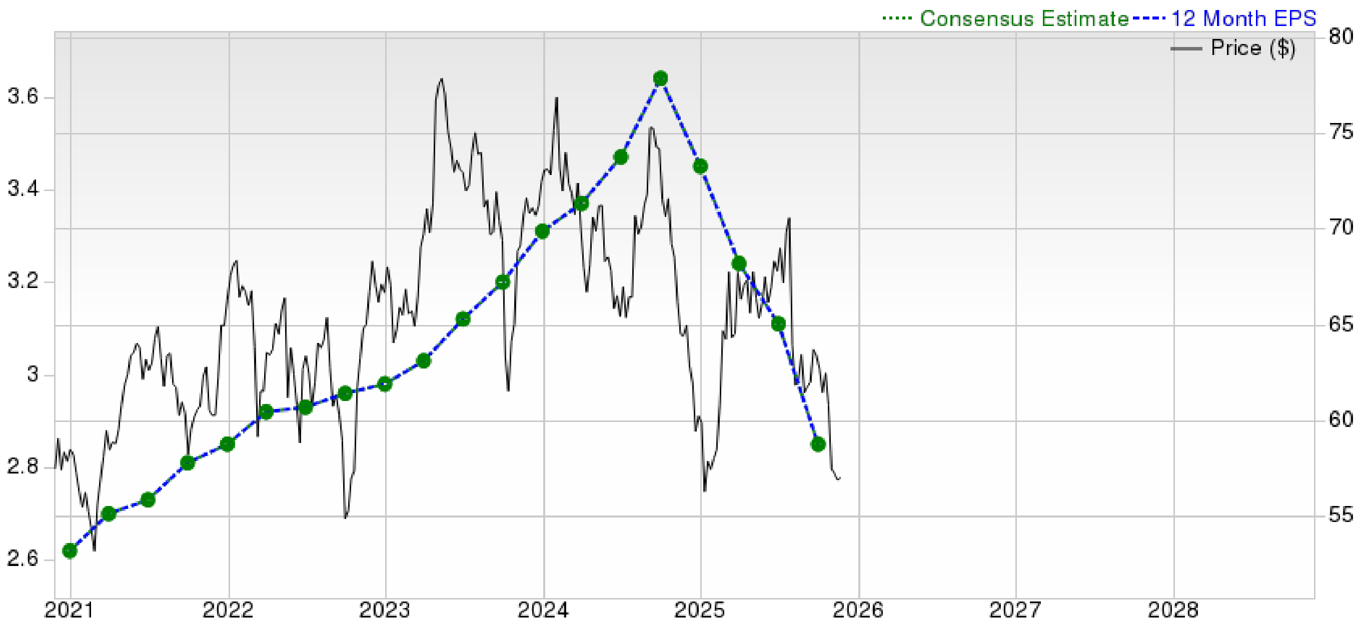
Mondelez segments its operations into four key geographic regions: North America, Europe, Asia, Middle East and Africa (AMEA) and Latin America, each contributing significantly to its revenues and growth strategies.

The company continues to refine its portfolio through strategic acquisitions and divestitures to align with market trends. In January 2022, Mondelez completed the acquisition of Chipita Global S.A., a leader in baked snacks and croissants, particularly in Central and Eastern Europe. In June 2022, Mondelez acquired Clif Bar & Company, which marked a significant step in the healthy snacking sector.

As of 11/11/2025

In 2021, Mondelez had already made several acquisitions, including Grenade, a UK-based performance nutrition company; Gourmet Food Holdings in Australia, focusing on premium biscuits and crackers; and Hu, a U.S.-based wellness-focused snacking company.

Mondelez has strategically divested certain businesses to streamline its portfolio and focus on high-growth, high-margin categories. In 2022, the company completed the sale of its developed-market gum business, including brands like Trident and Dentyne, as well as its Halls cough drop brand, to Perfetti Van Melle. This move aligns with the company's strategy to concentrate on core snack categories, such as chocolate and biscuits, while shedding non-core assets. Mondelez exited parts of its cheese business in 2021, selling brands like Philadelphia in certain European markets.



As of 11/28/2025

Reasons To Sell:

Mondelez's profitability came under acute pressure in the third quarter of 2025 as the company faced the full impact of input cost inflationled primarily by record-high cocoa prices.

- **Severe Margin Compression Driven by Input Cost Inflation:** Mondelez's profitability came under acute pressure in the third quarter of 2025 as the company faced the full impact of input cost inflation, led primarily by record-high cocoa prices, elevated dairy and packaging costs, and higher transportation expenses. The quarter marked what management described as the "peak" of cocoa cost inflation, yet the financial damage was significant. The reported gross profit declined 12.9% year over year to $2.61 billion, while the adjusted gross profit fell by nearly $800 million at constant currency. The adjusted gross margin plunged by more than 1,000 basis points to 30.4%, reflecting both inflated input costs and an unfavorable product mix.

  Operating leverage weakened further, with the adjusted operating income margin contracting about 690 basis points to 12%. Adjusted EPS dropped 24% year over year to 73 cents in the quarter, and management now expects full-year adjusted EPS to fall roughly 15% on a constant-currency basis. While Mondelez anticipates cocoa price moderation in 2026, the timing and magnitude of that relief remain uncertain, particularly as other commodities and logistics costs continue to exhibit volatility. Until input costs normalize meaningfully, margins are likely to remain under strain, limiting near-term earnings growth and valuation recovery.

- **Volume Weakness and U.S. Retail Destocking:** While pricing held firm, Mondelez's volume trajectory remains weak. A 4.6-point decline in volume/mix in the third quarter reflects soft consumer demand and retailer inventory destocking, particularly in the U.S. biscuit segment. Management cited retailers reducing working capital and a slowdown in the broader biscuit category as key reasons behind the volume decline. These factors indicate that consumption trends have yet to fully stabilize, and volume recovery may take multiple quarters. Without a meaningful rebound in underlying demand, Mondelez's reliance on pricing could reach its limits, threatening share retention and long-term earnings quality.

- **Pricing Elasticity in Europe Undermines Near-Term Recovery:** The company acknowledged that large cocoa-driven price hikes in Europe triggered higher-than-expected elasticity — around 0.7-0.8 compared to historical norms of 0.4-0.5. This elasticity spike suggests that some pricing decisions crossed critical consumer thresholds, leading to lost volume and intensified competition. Management plans to rebalance pack sizes, recalibrate promotional spending and re-activate seasonal campaigns, though these actions will likely take time and additional investment. Until elasticity moderates, Europe is likely to remain a drag on both revenue growth and profitability.

- **Intense Competitive Landscape:** Mondelez faces strong competition from both global peers and nimble local brands across its core snacking categories. Private labels and regional players are gaining traction, especially in price-sensitive markets, pressuring volumes and constraining pricing flexibility. In developed regions, large competitors are stepping up innovation and marketing, while discounters and e-commerce channels intensify shelf-space battles. This heightened competition challenges Mondelez's ability to fully sustain pricing power and regain volumes, potentially slowing margin recovery and market share growth in the near term.

Risks[2] (to the Underperform recommendation)

- **Pricing Power and Brand Strength Drive Top-Line Resilience:** Despite elevated input costs and a challenging macro backdrop, Mondelez demonstrated strong pricing execution in the third quarter of 2025. The company posted 5.9% year-over-year revenue growth, with pricing contributing roughly eight percentage points to organic gains. This pricing strength, achieved while maintaining solid consumer engagement, underscores the solid equity of its core brands in chocolate, biscuits and baked snacks. Mondelez's ability to implement pricing across diverse markets without significant erosion of brand loyalty reflects disciplined revenue growth management (RGM) and a resilient global portfolio that can withstand short-term consumption shifts. As Mondelez refines its pack sizes, price points and promotional plans, its strong pricing discipline is expected to remain a key driver of revenue growth even amid inflation and market volatility.

- **Emerging Markets Continue to Drive Growth:** Emerging markets remain a vital growth engine, delivering reported net revenue growth of 9.9% and organic growth of 7.1% in the third quarter. Brazil and India stood out with strong double- and mid-single-digit growth, respectively, fueled by robust local execution and favorable pricing dynamics. This outperformance offsets softer trends in developed markets and highlights Mondelez's geographic diversification advantage. With approximately 40% of total revenues coming from emerging economies, Mondelez's exposure to faster-growing regions provides structural resilience. The company's focus on affordable snacking and local flavor innovations further cements its competitive position in these markets, offering a multi-year runway for organic expansion.

- **Innovation and Channel Diversification Fuel Competitive Edge:** Mondelez continues to expand across multiple growth avenues, including e-commerce, club, value and convenience channels, which are growing faster than traditional retail. The company's portfolio of premium and better-for-you snacks — including Tate's, Give & Go, Hu, and the Clif Bar platform — allows it to address a broad spectrum of consumer needs, from indulgent treats to functional snacking. Mondelez is also leveraging its RGM capabilities to tailor offerings across price tiers and formats, ensuring accessibility and relevance. Enhanced promotional efficiency and stronger in-store activation campaigns are being prioritized to rebuild volumes in 2026, providing a clear strategy for restoring both market share and profitability.

- **Strong Cash Flow and Continued Shareholder Returns:** Even amid margin pressure, Mondelez continues to generate solid cash flows. Through the first nine months of 2025, the company produced $2.1 billion in operating cash flow and $1.2 billion in free cash flow. It also returned $3.7 billion to shareholders through dividends and share repurchases and reaffirmed full-year free cash flow guidance above $3 billion. This combination of steady cash generation and disciplined capital allocation underscores management's commitment to returning value to shareholders while maintaining balance sheet flexibility.

Last Earnings Report

Mondelez Q3 Earnings & Sales Beat Estimates

FY Quarter Ending	12/31/2024
Earnings Reporting Date	Oct 28, 2025
Sales Surprise	0.07%
EPS Surprise	1.39%
Quarterly EPS	0.73
Annual EPS (TTM)	2.85

Mondelez International posted third-quarter 2025 results, with the top line increasing year over year and surpassing the Zacks Consensus Estimate. However, the bottom line declined year over year but beat the consensus mark.

The company updated its 2025 outlook, reflecting a slightly more cautious stance than its previous guidance.MDLZ expects some market challenges to continue, but sees early signs of cocoa price easing and a better crop outlook. Management is focused on restoring volume growth, boosting brand investments, and improving cost efficiencies, positioning the company for steady progress in 2026 and beyond.

Net revenues increased 5.9% year over year to $9,744 million, beating the Zacks Consensus Estimate of $9,737 million. The year-over-year increase in the top line stemmed from an increase in organic net revenues, positive foreign currency impacts, and additional revenues from the acquisition of Evirth.

Adjusted earnings were 73 cents per share, which decreased 24.2% on a constant-currency (cc) basis. The metric beat the Zacks Consensus Estimate of 72 cents. The decline was mainly caused by operating declines, partially offset by lower taxes, fewer shares outstanding, higher equity method investment earnings, and the impacts of an acquisition.

Organic net revenues grew 3.4% year over year in the third quarter. This upside was primarily fueled by an increase of 8.0 percentage points (pp) in pricing, partially offset by an unfavorable volume/mix impact of 4.6 pp. Our model estimated organic net revenue growth of 4.6%.Revenues from emerging markets increased 9.9% to $3.88 billion, and rose 7.1% on an organic basis. Organic growth was backed by favorable pricing actions, which increased 11.8 pp and unfavorable volume/mix was down 4.7 pp.

Revenues from developed markets increased 3.3% to $5.86 billion, with an organic rise of 1.2%. This growth was primarily driven by strong pricing execution, which increased 5.7 pp, while the volume/mix effect declined 4.5 pp.

Region-wise, revenues in North America declined 0.4% year over year. The metric in Latin America; Asia, the Middle East and Africa; and Europe grew 2.8%, 9% and 10.6%, respectively. On an organic basis, revenues rose 4.7%, 5.3% and 5.1% in Latin America; Asia, the Middle East and Africa; and Europe, respectively. In contrast, organic revenues in North America fell 0.3%.

Adjusted gross profit decreased by $796 million at cc, and the adjusted gross margin declined by 1,010 basis points to 30.4%. The decrease was primarily caused by higher raw material and transportation costs and an unfavorable product mix, partially offset by increased pricing and lower manufacturing costs resulting from productivity improvements.

Mondelez’s adjusted operating income decreased by $582 million at cc, while the adjusted operating income margin declined by 690 basis points to 12%. The decrease was primarily driven by higher input cost inflation and an unfavorable product mix, partially offset by higher net pricing, lower advertising and consumer promotion costs, reduced manufacturing costs from productivity gains, and lower overhead expenses.

Mondelez’s Financial Health Snapshot

The company ended the quarter with cash and cash equivalents of $1.37 billion, long-term debt of $17.1 billion and total equity of $26.2 billion. MDLZ provided $2.12 billion in net cash from operating activities for the three months ended Sept. 30, 2025. The adjusted free cash flow was $1.24 billion for the same period. Management expects a free cash flow of more than $3 billion for 2025.

The company returned $3.7 billion to shareholders through cash dividends and share repurchases in the first nine months of 2025.

What to Expect From MDLZ in 2025

Mondelez’s updated 2025 outlook reflects a slightly more cautious stance compared to its previous guidance. The company expects organic net revenue growth of 4% or higher, down from the earlier mentioned 5%.

Adjusted EPS is anticipated to decline 15% year over year on a cc basis, a steeper drop than the prior stated 10%. Currency translation is estimated to increase 2025 net revenue growth 0.5% and raise adjusted EPS by 5 cents.

Valuation

Mondelez shares are up 5.8 in the year-to-date period and down 15.4% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 14.1% while the Zacks Consumer Staples sector declined 1.8% in the year-to-date period. Over the past year, the Zacks sub-industry went down 17.9% and the sector declined 4.5%.

The S&P 500 index is up 16.1% in the year-to-date period and 14.5% in the past year.

The stock is currently trading at 17.69X forward 12-month earnings, which compares to 14.56X for the Zacks sub-industry, 16.23X for the Zacks sector and 23.66X for the S&P 500 index.

Over the past five years, the stock has traded as high as 23.84X and as low as 16.66X, with a 5-year median of 20.47X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our $48 price target reflects 15.04X forward 12-month earnings.

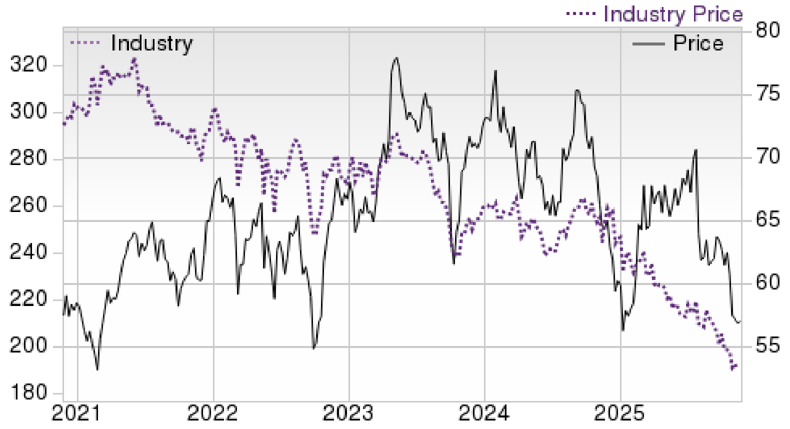
The table below shows summary valuation data for MDLZ

Valuation Multiples - MDLZ

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	17.69	14.56	16.23	23.66
	5-Year High	23.84	20.73	20.3	23.81
	5-Year Low	16.66	14.56	16.15	15.73
	5-Year Median	20.47	17.83	18.16	21.2
P/S F12M	Current	1.82	1.06	7.95	5.4
	5-Year High	3.27	1.99	10.8	5.52
	5-Year Low	1.81	1.06	6.5	3.84
	5-Year Median	2.67	1.53	8.68	5.06
EV/EBITDA F12M	Current	12.8	10.41	29.53	13.33
	5-Year High	18.88	14.65	39.22	18.62
	5-Year Low	12.26	10.28	24.94	11.47
	5-Year Median	15.73	12.45	33.97	14.64

As of 11/10/2025 *Source: Zacks Investment Research*

Industry Analysis[1] **Zacks Industry Rank:** Bottom 19% (195 out of 243)



Top Peers [1]

Company (Ticker)	Rec	Rank
United Natural Foods...**(UNFI)**	Outperform	1
Aramark **(ARMK)**	Neutral	3
The Campbell's Compa...**(CPB)**	Neutral	3
Danone **(DANOY)**	Neutral	2
General Mills, Inc. **(GIS)**	Neutral	3
US Foods Holding Cor...**(USFD)**	Neutral	3
Associated British F...**(ASBFY)**	Underperform	4
Kraft Heinz Company **(KHC)**	Underperform	4

Industry Comparison[1] Industry: Food - Miscellaneous

Industry Peers

	MDLZ	X Industry	S&P 500	DANOY	UNFI	USFD
Zacks Recommendation (Long Term)	Underperform	-	-	Neutral	Outperform	Neutral
Zacks Rank (Short Term)	4	-	-	2	1	3
VGM Score	D	-	-	B	A	A
Market Cap	74.29 B	1.64 B	37.79 B	60.88 B	2.27 B	17.54 B
# of Analysts	10	3	22	2	1	5
Dividend Yield	3.47%	0.00%	1.47%	1.93%	0.00%	0.00%
Value Score	C	-	-	B	A	B
Cash/Price	0.02	0.06	0.04	0.11	0.02	0.00
EV/EBITDA	11.63	9.99	14.43	NA	13.10	15.87
PEG Ratio	-6.24	1.91	2.21	4.72	NA	0.99
Price/Book (P/B)	2.83	2.26	3.33	3.37	1.45	3.92
Price/Cash Flow (P/CF)	13.03	9.41	14.90	15.96	6.19	15.70
P/E (F1)	19.85	15.15	20.17	20.31	19.64	20.06
Price/Sales (P/S)	1.97	0.93	3.03	NA	0.07	0.45
Earnings Yield	5.07%	5.96%	4.94%	4.92%	5.09%	4.98%
Debt/Equity	0.65	0.50	0.57	0.66	1.20	1.08
Cash Flow ($/share)	4.42	1.82	8.99	1.12	6.03	5.01
Growth Score	F	-	-	B	C	B
Hist. EPS Growth (3-5 yrs)	4.70%	7.15%	8.17%	NA	-45.03%	73.19%
Proj. EPS Growth (F1/F0)	-13.69%	3.94%	8.30%	11.39%	167.61%	24.44%
Curr. Cash Flow Growth	4.24%	3.62%	7.09%	NA	11.28%	13.79%
Hist. Cash Flow Growth (3-5 yrs)	4.62%	4.64%	7.32%	-2.75%	-15.61%	5.53%
Current Ratio	0.61	1.52	1.18	0.95	1.32	1.15
Debt/Capital	39.51%	34.93%	38.16%	39.91%	54.61%	51.94%
Net Margin	9.38%	2.70%	12.77%	NA	-0.37%	1.43%
Return on Equity	14.16%	9.71%	17.03%	NA	2.74%	17.71%
Sales/Assets	0.54	0.91	0.53	NA	4.11	2.85
Proj. Sales Growth (F1/F0)	-71.70%	0.00%	5.59%	8.20%	2.50%	4.50%
Momentum Score	D	-	-	B	D	B
Daily Price Chg	0.63%	0.31%	0.00%	-0.45%	-0.85%	-0.03%
1 Week Price Chg	0.25%	-0.08%	4.19%	-1.31%	-9.40%	-0.89%
4 Week Price Chg	-0.35%	0.00%	-0.14%	0.17%	-2.15%	7.40%
12 Week Price Chg	-5.47%	-5.11%	4.78%	1.71%	29.06%	0.86%
52 Week Price Chg	-11.51%	-13.25%	13.57%	30.92%	50.93%	12.63%
20 Day Average Volume	9,126,187	158,592	2,873,903	281,865	832,115	2,169,558
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-1.28%	-0.11%	0.18%	0.00%	0.00%	0.66%
(F1) EPS Est 12 week change	-4.18%	-1.57%	0.59%	1.93%	22.98%	1.21%
(Q1) EPS Est Mthly Chg	-8.93%	-0.10%	-0.03%	NA	0.00%	0.65%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	F
Momentum Score	D
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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