



Target Corporation Media Analysis

The report will provide an overview of Target Corporation's fourth quarter (Q4) FY 2023 financial performance. It will also analyze media perceptions, including both positive and negative sentiments, along with financial analyst quotes to gain insights.

Company Overview

Target Corporation (NYSE: TGT) is a mass-market retail company with a strong presence in nearly 2000 stores and at Target.com. Headquartered in Minneapolis, Minnesota. Target Corporation has gained high brand recognition and reputation in the industry and has given 5% of its profit to communities. As of March 23, its market capitalization stands at approximately \$77.85 billion, with its most recent stock price closing at \$168.63 on March 22.

Financial Overview Q4 FY 2023

According to Target Corporation (NYSE: TGT)'s Q4 and full-year 2023 results announced on March 5th, there was growth in its net income compared to the previous quarter, increasing by \$0.41 billion. One of the financial highlights is its same-day services (including in-store pickup, Drive Up, and Shipt), which represent more than 10% of its total sales, increased by 13.6% in the quarter. Compared to the year-ago quarter (Q4 2022), its net income increased to \$1.38 billion, or \$2.98 per share, from \$0.875 billion, or \$1.89 per share.

(millions, except per share data)	Q4 2023	Q3 2023	Q4 2022
Revenue	\$31,919	\$25,398	\$31,395
Net Income	\$1,382	\$971	\$876
Diluted earnings per share	2.98	2.10	1.89

Media Analysis

Positive

Forbes

- Sales dropped; profits soared. Outdid its competitors.
- The article provided an overview of Target's Q4 FY 2023 financial performance and noted that "top-line pressure does not impact profits," highlighting the company's ability to increase revenue.
- Despite referencing data insights from Placer.ai, which show Target's decrease in foot traffic from 12.9% in Q1 to 1.6% by Q4, the article noted that this performance was better than Walmart's. Additionally, it highlighted that Target's visitors surged nearly 40% in December compared to its competitors.

WWD

- Target is looking to grow in both old ways and in new ways.
- Article titled "Target Looks to Add \$50 Billion in Sales Over the Next Decade." Highlighted that Target's share "shot up 12% on Tuesday," as well as its long-term vision to help build momentum.

Investor's Business Daily

- Stock rallied to its highest level; stock leapt 12% Tuesday.
- Beat FactSet analysts' expectations of an earnings increase to \$2.42 per share vs. the actual \$2.98 per share. It provided specific numbers in growth, such as its gross operating margin rate improving from 22.7% to 25.6%, along with its full-year earnings outlook.
- Similar to other articles, it touched on Target's upcoming business strategies. However, it also utilized "investors' language," showcasing the MarketSurge chart and suggesting that its stock is "working up the right side of a 57-week cup base with a 181.70 buy point," hinting at a positive trend.

Negative

Wall Street Journal (WSJ)

- "...First sales decline since 2016," rocky, struggled, battling, weakness, missteps, demand dropped.
- The article outlined Target's upcoming business and operational plans, with the aim of potentially increasing profits and shares. However, it also highlighted the company's annual revenue decline and its weaknesses and missteps.
- After hinting at the increased performance of competitors in the retail industry, such as Walmart and Amazon, the article concludes on a mixed note for Target. Despite suggesting that "Target's stock was the S&P 500's best performer Tuesday," it points out that "comparable sales fell 4.4% in the latest quarter," and "the number of visitors to stores and digital channels fell 1.7%."

CNBC

- "Topped Wall Street's expectations, but the company said it expects another year of weak sales." Sales dropped, recovering, suffered, stressed, and took a hit.
- The article titled "Target shares pop more than 12% as retailer boosts profits, despite lackluster sales forecast," provided a balanced view of Target's performance with actual numbers but emphasized on sales falling short.

[Morningstar](#)

- [Believed the stock is overvalued.](#)
 - The article expressed concern regarding the "continued softness in Target's top-line results" and noted that "the firm lacks a defensible edge in an intensely competitive retail landscape."
 - It also advises investors to approach the stock with caution due to its top-line pressures and the drop in comparable sales. And assigned Target a Medium Uncertainty Rating.
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Financial Analyst Quotes

According to the article published on [Business Insider](#) prior to the release of Target's Q4 earnings report, **BofA Securities** analyst Robert F. Ohmes reiterated a Buy rating on Target with a price target of \$160. And it maintained a Buy to Buy on March 6 as shown on Yahoo Finance.

Analyst Kate McShane added Target to **Goldman Sachs' Conviction List**, with a Buy rating and a \$176 target for the share price, based on the article released on [Barron's](#).

TGT wasn't one of the 10 best stocks for investor to buy now according to The **Motley Fool Stock Advisor** analyst team.

Both **Morgan Stanley** and **Wells Fargo** increased the price target on Target from \$165 to \$190. Morgan Stanley analyst Simeon Gutman and Wells Fargo analyst George Kelly both maintained an Overweight rating (Benzinga, 2024).

HSBC raised the price target from \$140 to \$195. HSBC analyst Daniela Bretthauer upgraded the stock from Hold to Buy.

Key Insights

Mixed signals in overall media sentiment: The market sentiment reflected across the media presents a mixed signal. Despite Target's Q4 FY 2023 performance beating Wall Street's expectations, the decrease in sales raises uncertainty among the audience, especially considering the company's lack of differentiation in the competitive retail industry.

Upcoming business strategy to boost revenue: Target Corporation has announced its business plan for the next decade, which includes expanding the number of large format stores and potentially launching a paid membership program, [Target Circle 360](#). This initiative aims to attract more traffic and lead to increased sales.

Analysts targeting high while approaching with caution: Analysts from BofA Securities, Goldman Sachs, Morgan Stanley, Wells Fargo, and HSBC are targeting higher prices after the release of Target's earnings report. However, according to Yahoo Finance, the overall recommendation rating on the stock is 2.3 (Buy to Hold), and analysts are suggesting fewer strong buy and buy recommendations, with an increase in underperform and sell recommendation trends compared to February.

Please review Target Corporation's (NYSE: TGT) Q4 FY 2023 earnings report [here](#), its Q3 FY 2023 earnings report [here](#), its Q4 FY 2022 earnings report [here](#).

For references, please see it in the separate tab for the corporate media analysis report section.