

Buy Anheuser-Busch For Steady, Reliable Growth

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Disclosure: The author has no positions in any stocks mentioned, and no plans to initiate any positions within the next 72 hours. **(More...)**The author wrote this article themselves, and it expresses their own opinions. The author is not receiving compensation for it (other than from Seeking Alpha). The author has no business relationship with any company whose stock is mentioned in this article.

Summary

- Anheuser-Busch, the world's leading producer of beer, has a strong, diversified portfolio of products that makes it very dependable.
- The company is focused on organic growth and returning value to its shareholders, making it perfect for long term investors.
- I Know First is bullish on the company in the three-month and one-year time horizons.

Anheuser-Busch InBev SA/NV (NYSE: [BUD](#)) is the world's leading beer brewer and has a portfolio of over 200 beer brands. One of the top five consumer products companies on the planet, Anheuser-Busch has six of the top ten most valuable beer brands and 16 brands each generating over \$1 billion in retail sales per year. As one of the world's strongest consumer product companies with three global beer brands, three international beer brands, and a plethora of successful local beers, the company has seen its stock price grow very steadily since 2009. This stock is a great long-term investment for investors, as the stock price will continue to steadily incline and the company is focused on returning cash to investors.

Recent News

The most recent earnings report for Anheuser-Busch was released on February 26th, where revenue was up 2.6% year over year, and the results were overall positive. Budweiser, the company's signature brand, continued to struggle to attract younger drinkers to the beer, as craft beers have become much more popular. Chief Financial Officer Felipe Dutra acknowledged that this will not be an easy challenge for the company to overcome, and likely won't stabilize in the short term.

But the company still saw net profit for the quarter of \$2.53 billion, up from \$2.52 billion a year earlier. Even as Budweiser sales continue to struggle, sales volume overall increased 0.2% in the quarter compared with a year earlier, reversing a trend of falling volumes. Organic growth in revenues stood at 5.9% for 2014, even as sales growth lagged behind. The company is committed to its premium brand of beers and is introducing new products such as ciders and its rita line to address the shifting preference of drinkers.

The recovery of the US economy and falling oil prices have also helped the company's financial health. Lower oil prices and unemployment falling mean that consumers have more money to spend on beer in the US, and these trends are likely to continue. This should help the industry as a whole going forward, helping to soften the impact of a stronger dollar as the company increasingly becomes a non-American brand. More than 60% of Budweiser sales volume now occurs outside of the US, as efforts in the Brazilian and Chinese markets successful even through the beverage sells for a premium in foreign markets.