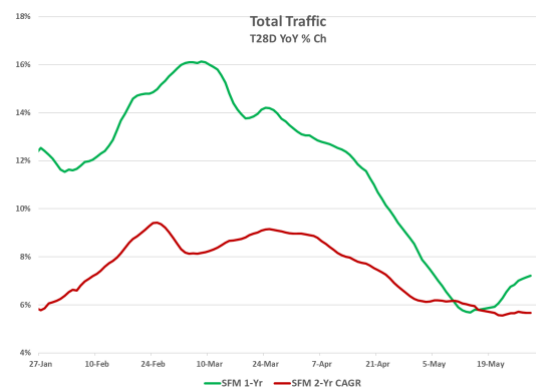


Ticker **Synopsis + latest update**
#1
SFM
[Demo Deck](#)

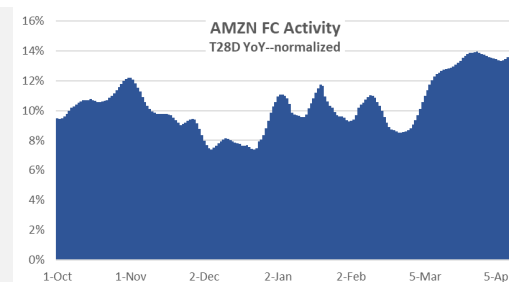
SFM continues to drive separation from the industry's woes. Moving into 2025, value-retailers like Aldi, Walmart, Costco, and others with strong private-label offerings are pulling ahead and gaining more share-of-stomach; by contrast, many traditional grocers are seeing fewer households shopping (i.e. visits and visitors down). Idiosyncratically, SFM has established itself as part of many households' routine because of a unique merchandise offering. Advan shows that visitors, frequency, and hours shopped all are outperforming the industry. SFM intends to build on that success by expanding its footprint by 10% per year. FL and CA are important markets for that expansion; there we show that both comp-stores and new stores are performing strongly.



June 2: Expectations for Q2's comp look too aggressive.

#2
AMZN
[Demo Deck](#)

Activity at AMZN's US FCs picked up appreciably during March, ahead of tariffs, accelerating by roughly +320 bps. That acceleration is likely the result of a pull-forward of demand, like what Costco, Apple, etc. have experienced. The increased activity could also be from pulling in more inventory ahead of the tariffs, especially from international 3P sellers.

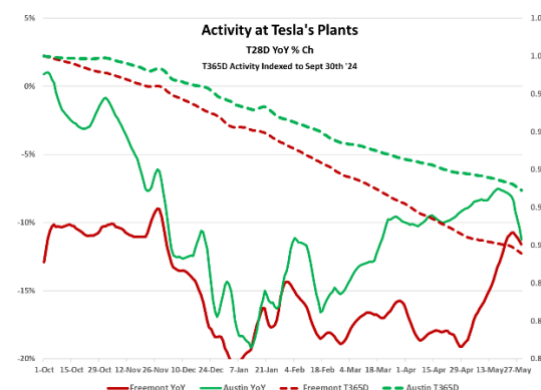


June 2: The NA retail business has yet to slow.

#3
TSLA
[Demo Deck](#)

Given TSLA's DTC model, it has a fast read on inflection points in demand and that gets immediately fed into the production pace to manage inventory levels; and so, the trend in shifts worked at Fremont and Austin have worked as a leading indicator for Tesla sales in the US (per 3P est).

April 11th: How is Tesla reacting to the decline in brand and sales this year? It hit the brakes hard in February and March, both in the US and EU. However, the "pressure on the brakes" didn't intensify in March which suggests that it is finding some new outlets / markets for its production. Moreover, it also implies that there was a "limit" to the negativity, allowing for a "second derivative inflection." See our last report [here](#).



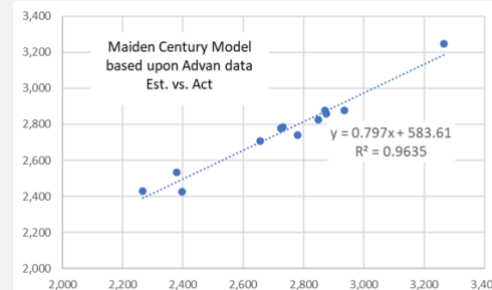
June 2: The cutbank on NA production has mellowed.

#4
CHWY
[Demo Deck](#)

CHWY is increasing its FC utilization. If it can sweat its assets more, SG&A rate (which houses FC costs) will continue to move lower and profit margins, higher. Additionally, the compounding benefits of last year's rapid adoption of auto-replenishment seems, plus more marketing, looks to be driving Q1 revenue ahead of plan.

June 2: Excluding Leap Day, FQ1 FC activity ran +900 bps faster than FQ4, suggesting that fiscal FQ1 is currently running well above the +5-6% revenue guidance level. Additionally, management reaffirmed the quarter on May 12th. The outperformance isn't a better macro; it's the result of taking more share from pet specialty retail; we estimate that CHWH took 6 pts of growth (consumables) from Petco / PetSmart in '24.

What changed over the past year is more households utilizing CHWY's Autoship which is now over 80% of sales.



The contribution from Autoship is increasing due to an “accumulation benefit” resulting from the accelerating adoption over the past year; Q1’24 saw +6.4% in Autoship customer growth and that accelerated to 13.3% in Q4. (The acceleration in FC activity that Advan shows also implies an acceleration in overall new customer counts and Autoship adoption.) Management also noted on the last call that advertising ROI was improving and churn was moderating. Based upon those, they significantly increased marketing spend (+14% adj. from +2-3% earlier), which will have also benefit FQ1’s sales growth.

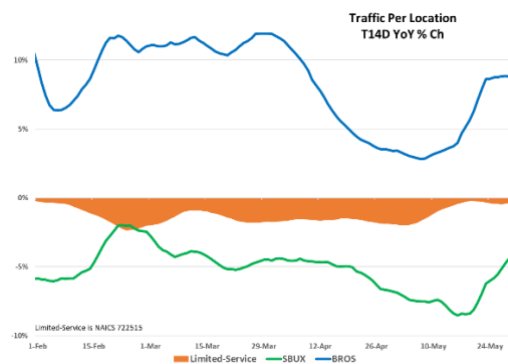
#5

SBUX

[Demo Deck](#)

SBUX’s dwell time has improved nicely so far when using Caribou as a benchmark, suggesting that progress is being made in reclaiming its role as that “third place” in consumers’ lives. Yes, SBUX’s in-store coffeehouse visits are down on a 1-year basis; however, on a 2-year basis, visits have trended around flat. That 1-year trend reflects the planned reduction in discounted transactions which CEO Niccol mentioned on the last earnings call. As such, based upon Advan’s signal, Niccol’s plan for the US looks to be working as intended. See our story [here](#).

June 2: Weather juiced the category during the 2H of May. Does June return to the decelerating pace?



#6

DVA

[Demo Deck](#)

DaVita’s daily dialysis treatments are closely correlated to clinic visits. Foot traffic revealed a slow start to Q1 and then the impact on throughput from the cyber-attack. Q2 is currently tracking lower than the already lowered expectations.

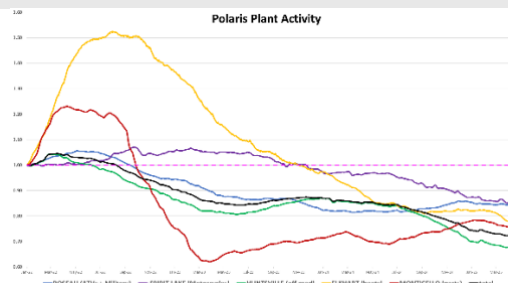


#7

PII

[Demo Deck](#)

Foot traffic to its dealerships and competitor dealerships shows no improvement in demand. The same can be seen in the activity level at its manufacturing plants. As such, the power sports industry has yet to find this cycle’s bottom.

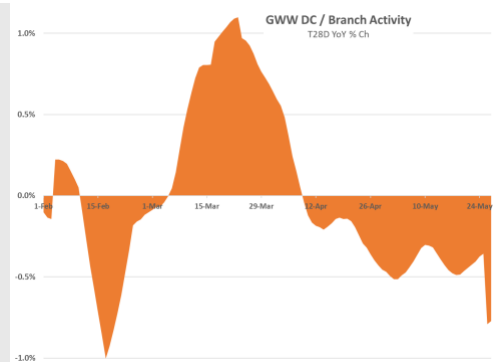


#8

GWW

[Demo Deck](#)

Foot traffic is well aligned to GWW’s HTS’ organic revenue growth, both on a monthly and quarterly basis. (Same for FAST). Q2 is tracking meaningfully below current VB consensus expectations.



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