

BREAKING NEWS

THIS IS
**NEXT-LEVEL
PERFORMANCE**
WITH T-MOBILE FOR BUSINESS.



RETAIL

Dollar General sees upbeat 2024 sales as cheaper groceries in demand

PUBLISHED THU, MAR 14 2024•7:30 AM EDT UPDATED THU, MAR 14 2024•11:46 AM EDT



[WATCH LIVE](#)

Follow your favorite stocks [CREATE FREE ACCOUNT](#)

In this article

DG +1.95 (+1.25%)





A sign inside a Dollar General store in Chicago.

Jim Young | Reuters

[Dollar General](#) forecast annual sales above Wall Street estimates on Thursday, banking on higher demand from inflation-hit customers buying groceries and essentials from the discount retailer's stores.

Shares of the company rose about 6% in early trading, after falling nearly 45% in 2023 on rising costs and stiff competition from bigger retailers.

But higher prices and borrowing costs have prompted budget-conscious consumers to cook more meals at home, helping Dollar General record stronger footfall at its outlets as shoppers hunt for lower-margin, needs-based goods, over pricier general merchandise.

"With customer traffic growth and market share gains during the quarter, we believe our actions are resonating with customers," CEO Todd Vasos said in a statement.

Vasos's strategy - to focus on the basics, like more employee presence at stores, greater customer engagement and expanding private-label brands - has helped stabilize Dollar General's business.

Over the last few quarters, Dollar General and rival [Dollar Tree](#) have struggled with rising



and Chinese ecommerce platform Temu.

Dollar Tree's shares fell more than 15% on Wednesday, after it forecast weak sales and profit for 2024 and laid out plans to shutter 970 of its Family Dollar stores.

"Dollar General has a much rosier outlook than Dollar Tree... Dollar Tree's challenges with Family Dollar were years in the making, while Dollar General has embarked on an aggressive effort to add more frozen, refrigerated and fresh produce," eMarketer senior analyst Zak Stambor said.

Dollar General forecast 2024 sales to grow between 6.0% and 6.7%, above analysts' estimate of 4.4% growth to \$40.33 billion, according to LSEG data. It still sees annual per-share profit between \$6.80 and \$7.55, compared with estimates of \$7.55.

Its fourth-quarter net sales of \$9.86 billion surpassed estimates of \$9.78 billion. It also reported an estimate-beating profit of \$1.83 per share.

Follow your favorite stocks [CREATE FREE ACCOUNT](#)

In this article

DG +1.95 (+1.25%)

