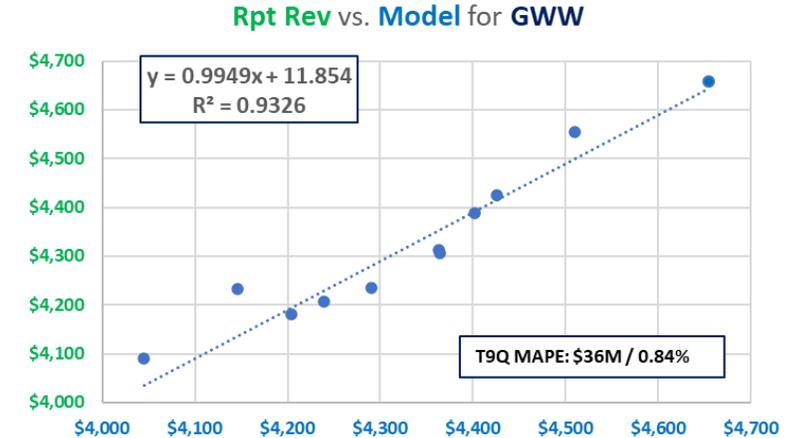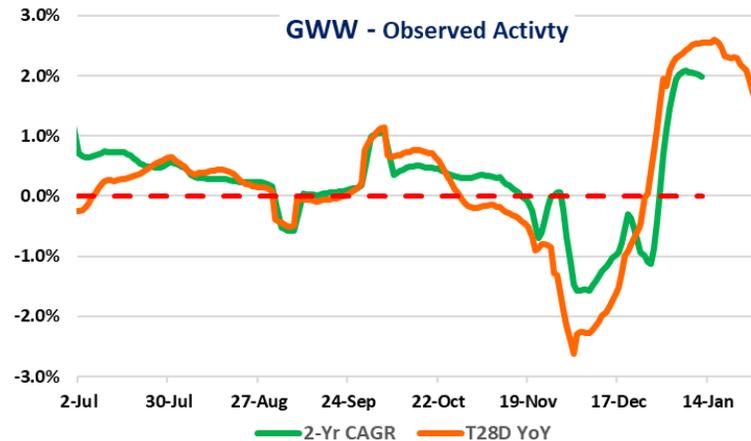# GWW -- <u>Beat</u> Delivered as <u>Expected</u>

MRO and building materials distribution is a commercial-billed businesses and volume is based upon a lot of facility activity; as such, geolocation data provides a better model than other AltData types

Accelerated growth expected for 2026 on more tariff pass-through (price) and increased sales investment to drive market share gains; per management, the macro to be the same – "difficult" and no visible manufacturing renaissance in the US

Revenue $-millions	Q4'25	M&A	FX	Price	Org %
			QoQ Ch		
MC+Advan Model raw	$4,426	?	?	?	4.6%
Adj MC+Advan Model	$4,390 - $4,462				
Consensus (FactSet)	$4,400				3.9%
Reported	$4,425				4.5%
Daily Organic Sales					**4.5%**
QoQ Ch					**-110bps**

GWW - Observed Activty

Chart: 2-Yr CAGR (green), T28D YoY (orange); x-axis 2-Jul, 30-Jul, 27-Aug, 24-Sep, 22-Oct, 19-Nov, 17-Dec, 14-Jan; y-axis -3.0% to 3.0%

GWW Observed Activity

	HTS US	
	YoY Ch	Vol
Q3	0.3%	2.3%
Q4	-0.1%	0.8%
QoQ	-0.4%	-1.5%

	YoY Ch	ttl co sales
Oct	0.0%	0.9%
Nov	-1.7%	1.3%
Dec	1.2%	12.3%
Jan	1.6%	>10%

Rpt Rev vs. **Model** for **GWW**

Chart: scatter plot with trendline; y = 0.9949x + 11.854, R² = 0.9326; axes $4,000–$4,700. T9Q MAPE: $36M / 0.84%

- On a days-adjusted basis volume slowed -110bps QoQ, whereas observed activity slowed -40bps QoQ
- The reported monthly cadence also matched activity.
- Price added +2.8% to HTS sales (+160bps QoQ), volume slowed as did the faster growing Endless Assortment segment. Given these larger changes, the model's accuracy is impressive.
- The CFO said, "Sales were healthy in the period despite softness during the start of the quarter from the government shutdown and the lapping of a prior year hurricane-related sales benefit." – Commentary that matches the observed activity figures.
- For 2026, management pointed to a 230bps acceleration in organic growth to +6.5% - 9.0%, and daily constant currency sales growth between +5.0% - 7.5% in HTS.

- WW Grainger (GWW) is a leading MRO distributor and Advan measured activity at its warehouses (34) and branches (245) aligns with its High-Touch Solutions NA segment, which serves mid- to large-size businesses. Observed activity and the model's data comes from 252 POIs High Touch Solutions (HTS) is 80% of company revenue and the US is 93% of revenue.
- We used Maiden Century (and Exabel) to map our data to revenue. The figures in the table and charts are from that model.

Sector deck

ADVAN

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Thomas has been Head of Market Insights since January 2025. Previously, he served as Director of Research and Business Development at Placer.ai. His background also includes two decades as a buyside analyst and portfolio manager AllianceBernstein, Cornerstone, and others. Prior to that tenure, he worked as an economist. Thomas also currently serves as the Co-Chair of the National Association for Business Economics Retail / Consumer Roundtable.

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