

Coca-Cola sales fall on strong dollar, weak Europe demand

By [Yashaswini Swamynathan](#)

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BENGALURU - Coca-Cola's sales fell for the fourth straight quarter as demand for its fizzy drinks declined in Europe and a strong dollar eroded the value of sales in markets outside the US, including Latin America.



Image credit: [Reuters/Jacky Naegelen](#)

Shares of the maker of Sprite soda and Minute Maid juices fell about 1% to \$46 in premarket trading on Wednesday.

Coke and rival PepsiCo have been hurt as consumers increasingly turn health-conscious, cutting back on fizzy drinks and turning to teas, fruit juices and smoothies.

The rise in the dollar has also hit the companies, which have a sizeable presence in markets outside the US, including China, Europe and Brazil.

The average value of the dollar rose 2.6% in the first quarter from a year earlier. The US currency rose 18% in the first three months of 2015.

Coke's sales in Europe declined 1% to \$1.20bn in the quarter ended 1 April, accounting for nearly 12% of total revenue.

The net income attributable to Coke's shareholders fell 4.5% to \$1.48bn, or 34c per share.

Excluding items, Coke earned 45c per share, beating the average analyst estimate of 44c, according to Thomson Reuters.

Net operating revenue fell 4% to \$10.28bn.

Excluding the impact of acquisitions, divestitures and currency movements, total revenue rose 2%.

Reuters

Source: Business Day

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