

SIKULI CAPITAL

Conviction through contrarian research

Marriott International (MAR)

Valuation Snapshot — Fair Value Range

As of May 19, 2026 | Asset-light global lodging franchisor

CURRENT PRICE	PROBABILITY-WEIGHTED FAIR VALUE	FAIR VALUE RANGE
\$366.25	~\$355	\$305 - \$420
Close 5/18/26	Bull 25% / Base 50% / Bear 25%	Bear → Bull blend (EV/EBITDA + P/E)

Verdict: MAR is approximately fairly valued at current levels. The stock trades near the midpoint of our \$305–\$420 range, with the central case (~\$355) just below spot. Upside requires either multiple expansion (today's ~18.5x NTM EV/EBITDA sits below the 10-yr median of ~20x^[1] but is exposed to compression as the 10-yr UST yields 4.68%^[2]) or above-guidance EBITDA delivery on RevPAR and net-rooms growth. Downside protection comes from \$4.4B+ of 2026 capital returns^[3] and high-quality, asset-light fee earnings (~21% margin, +15% YoY in Q1)^[4].

CURRENT SNAPSHOT

Metric	Value	Notes / Source
Stock price	\$361	Close 5/18/26 (\$353 5/17) ^{[5][6]}
52-week range	\$253.56 - \$380.00	All-time high \$378.72 on 4/20/26 ^[6]
Market cap	\$93.1B	^[5]
Diluted shares (est.)	~258M	Implied from mkt cap/price; Q1 buyback of 2.1M shares for \$0.7B ^[4]
Total / Net debt	\$16.5B / \$16.0B	Includes \$1.45B new notes (4.5% '33, 5.1% '38) ^[7]
Enterprise value	~\$109B	Market cap + net debt
2026E Adj EBITDA	\$5.88B - \$5.97B	+9-11% YoY guide ^[3]
2026E Adj EPS	\$11.38 - \$11.63	Co. guidance ^[3]
2026E RevPAR / rooms	+2-3% / +4.5-5%	RevPAR raised from +1.5-2.5% on Q1 strength ^[4]
NTM EV/EBITDA	~18.4x	Current LTM 22.3x ^[1]
NTM P/E	~31x	Fwd P/E 29.8x per StockAnalysis ^[8]
Beta / WACC (range)	0.72 - 0.82 / 7.3% -	Median 9.69% (vs 10-yr median 9.90%) ^{[9][10]}

Metric	Value	Notes / Source
	9.7%	

MACRO CONTEXT — RATES & MARKET LEVELS

The 10-yr UST yields 4.68% (May 19) — a 16-month high — putting upward pressure on equity discount rates^[2]. The S&P 500 trades at ~21x forward earnings (well above the 5-yr 19.9x and 10-yr 18.9x averages), with an earnings yield of ~4.78%^[11] — barely 10 bps above the 10-yr Treasury versus a historical ~3-4 pt cushion. **Implication for MAR:** rich market multiples plus a high-rate backdrop argue against using a peak-cycle multiple, even though MAR's asset-light fee model traditionally commands a premium 18-22x EV/EBITDA band.

METHODOLOGY

We anchor the fair value on three lenses: **(1) NTM EV/EBITDA** applied to the midpoint of 2026E guidance (\$5.93B Adj EBITDA), **(2) NTM P/E** on 2026E Adj EPS (\$11.50 midpoint), and **(3) Forward (2027E) EV/EBITDA** assuming +9% growth (\$6.46B). Probability weights: Bull 25% / Base 50% / Bear 25%. Net debt held flat at \$16.0B; share count flat at 258M.

BULL / BASE / BEAR SCENARIOS

Scenario (weight)	EV/EBITDA on 2026E	P/E on 2026E EPS	EV/EBITDA on 2027E	Blended FV
Bull (25%) <i>RevPAR +4%, 21x mid-cycle multiple, buyback acceleration</i>	21x → \$421	32x → \$368	20x → \$439	~\$410
Base (50%) <i>Hit 2026 guide midpoint, multiple compresses modestly with rates</i>	18.5x → \$363	28x → \$322	17.5x → \$376	~\$355
Bear (25%) <i>US lodging softens, multiple compresses to LT median low end</i>	16x → \$306	24x → \$276	15x → \$314	~\$300
Probability-weighted	~\$363	~\$322	~\$376	~\$355

Blended fair value (~\$355) = simple average across the three method-level probability-weighted outputs (\$363 / \$322 / \$376). The wider \$305–\$420 range bookends bear and bull across all three lenses.

PEER COMPARISON

Company	Forward P/E	EV/EBITDA (recent)	Notes
Marriott (MAR)	~30x	~22x LTM / ~18x NTM	Largest scale, asset-light franchisor ^{[8][1]}
Hilton (HLT)	~33x	~29x	Pure asset-light, premium multiple ^{[12][13]}
IHG	~26x	~22x	Asset-light, EU/UK overweight ^[14]
Hyatt (H)	~32x	~12-15x	More owned hotels, lower multiple ^[15]
Choice (CHH)	~16x	~13-15x	Smaller scale, lower-tier brands ^[16]
Wyndham (WH)	~19x	~13-15x	Economy/midscale tilt ^[16]

MAR trades at a discount to Hilton on both P/E and EV/EBITDA — explained largely by HLT's lower leverage and pure asset-light mix — but at a premium to the smaller franchisors. The midpoint of asset-light comps (~18-22x EV/EBITDA) anchors our 16x bear / 18.5x base / 21x bull range.

Key Risks & Watch Points

- **Rate path:** Every 50bp rise in the 10-yr at constant ERP compresses an asset-light fee multiple by roughly 1-2 turns of EBITDA. With 10Y now 4.68% ^[2], multiples are skewed to downside.
- **RevPAR softening:** Q1 2026 RevPAR +4.2%; guide is only +2-3% for the year — implies deceleration. A US group/business-transient stall could push EBITDA toward the low end of guidance.
- **Pipeline conversion:** +4.5-5% net rooms growth depends on developer access to construction financing in a high-rate environment.
- **Capital returns:** \$4.4B+ of 2026 returns ^[3] is a floor — a credit downgrade or M&A tilt could redirect cash.
- **Geo/regional mix:** Greater China and EU exposure. Geopolitical or FX shocks can swing reported revenue.
- **Cyber/data:** Lingering reputational and regulatory tail from prior breaches; continued event risk for fee businesses.

What Would Change Our View

- **Upside:** Guide raise to >\$6.0B Adj EBITDA, RevPAR re-acceleration to +4-5%, or a Fed pivot that pushes the 10-yr below 4.25%.
- **Downside:** RevPAR turns negative for two consecutive quarters, 10-yr breaches 5%, or net rooms growth falls below 4%.

Sources

[1] <https://www.gurufocus.com/term/ev2ebitda/MAR/EV-to-EBITDA/Marriott%2BInternational%2BInc>

[2] <https://fred.stlouisfed.org/series/DGS10>

- [3] <https://www.rttnews.com/3619700/marriott-issues-2026-guidance.aspx>
- [4] <https://marriott.gcs-web.com/news-releases/news-release-details/marriott-international-reports-first-quarter-2026-results>
- [5] <https://finance.yahoo.com/quote/MAR/>
- [6] <https://www.macrotrends.net/stocks/charts/MAR/marriott/stock-price-history>
- [7] <https://www.stocktitan.net/sec-filings/MAR/10-q-marriott-international-inc-md-quarterly-earnings-report-7e5ddc0f4303.html>
- [8] <https://stockanalysis.com/stocks/mar/statistics/>
- [9] <https://www.gurufocus.com/term/wacc/MAR>
- [10] <https://www.alphaspread.com/security/nasdaq/mar/discount-rate>
- [11] <https://insight.factset.com/sp-500-earnings-season-update-may-8-2026>
- [12] <https://finance.yahoo.com/quote/HLT/key-statistics/>
- [13] <https://www.alphaspread.com/security/nyse/hlt/relative-valuation/ratio/enterprise-value-to-ebitda>
- [14] <https://finance.yahoo.com/quote/IHG/key-statistics/>
- [15] <https://finance.yahoo.com/quote/H/key-statistics/>
- [16] <https://companiesmarketcap.com/hilton-hotels/pe-ratio/>

Powered by Bigdata.com

<https://bigdata.com>

Disclaimer

This output is for informational and research-assistance purposes only. It does not constitute investment, legal, tax, accounting, or other professional advice, and it is not a recommendation to buy, sell, or hold any security or instrument or to pursue any strategy. Information may be incomplete, estimated, delayed, or inaccurate. Past performance does not guarantee future results. Verify material facts independently and consult qualified advisors before making decisions.