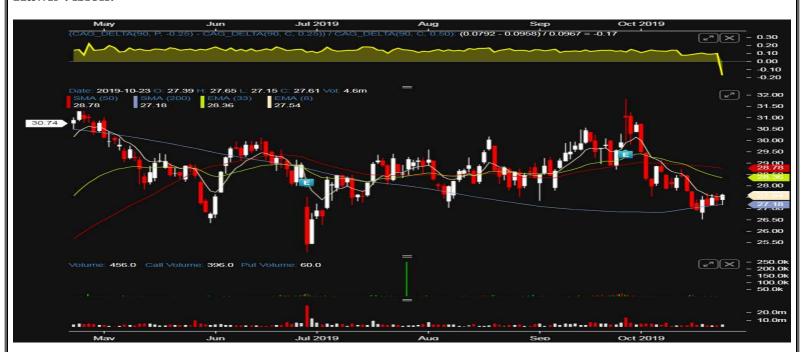
ConAgra Bullish Open Interest as Shares Hit Support

Ticker/Price: CAG (\$27.60)

Analysis:

ConAgra (CAG) strong setup back at the 200-day MA and low-end of the multi-month range with bull flow accumulating recently. The January \$27 calls were bought 1500X on Monday while the January \$26 calls, Jan. 2021 \$28 calls, and March \$29 calls also active since 9-24. In March, the January calls were bought aggressively across the \$27, \$28, and \$29 strikes. MACD is curling higher and near a bullish crossover while September VPOC is above at \$29.88 and longer-term the range breakout targets \$36+. The \$13.56B company trades 12X earnings, 1.34X sales, and 27.8X FCF with a 3% yield. The company is targeting double-digit EPS growth and flattish sales growth next year as they integrate the Pinnacle deal. The company has undergone a big portfolio shift as they divest brands and launch a number of new products into year-end, especially in frozen. Analysts have an average target for shares of \$34. CSFB positive on 10-7 after checks at NACS. They note that snacking growth continues to gain momentum since its official roll out a year ago and management has been upgraded noticeably as they scale the brand. CAG continues to have leadership in niche categories which allows it to not compete directly with peers like PEP or MDLZ. Short interest is 6%. Jana Partners remains a top holder with 14.9M shares, their largest position by weight at 30.17%. In October 2018, the CEO bought \$500k in stock at \$35.25 while in June 2019 a director bought \$668k in stock at \$26.73.

Hawk Vision:



Hawk's Perspective: CAG has been sideways most of the year and not my preferred name in the CPG space though offers a nice reward/risk trade versus recent lows.

Confidence Ranking: \$\$