



FEATURED OPTIONS RADAR REPORT



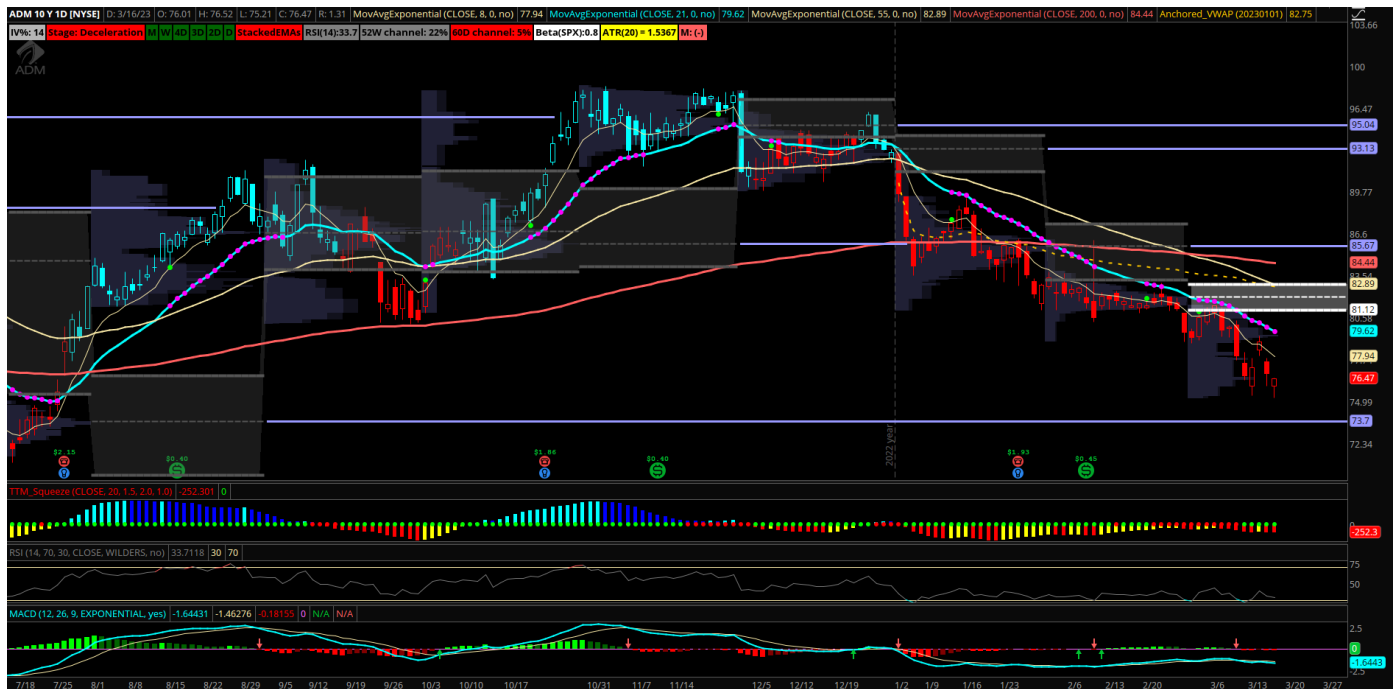
Ag Services and Animal Nutrition Name Sees Puts Position for Lower

Ticker/Price: ADM (\$76.47)

Analysis:

Archer Daniels (ADM) on 3/10 saw a large buy of 10,000 April 28th \$75 puts at \$1.90 and likely capturing the earnings date which is 4/25 that week. ADM has seen mixed slow but the largest option trade in many month as the stock breaks down further below the 200 day. ADM also has January \$87.50 puts in open interest bought back on 11/10 at \$8.25 still holding and also June \$72.50 short puts in OI so potential support at that level lower. Shares have been weak in a solid downtrend as the Ag sector struggles to find its footing this year after a strong prior year in 2022. ADM has support lower at 73.70 at a previous VPOC and the July lows much stronger floor at the 70 level could be where prices are going. Resistance above is at 81 monthly value and the 21 EMA is at 79.50 currently. The \$41.6B company trades at 11.2x earnings, 0.5x sales, FCF yield of 5.2% while revenue is expected to fall -% in FY23 and +1% growth estimated in FY24. The Company is an agricultural supply chain manager and processor. It operates through three business segments: Ag Services and Oilseeds, Carbohydrate Solutions, and Nutrition. Average analyst target is \$103. ADM hasn't had many analyst notes lately so could begin to see price targets lowered into this downtrend. Stifel raised to \$116 in January and kept a Buy saying expects Ag Services to exit the year in line, though exports and logistics issues could present some downside. The analyst added that Crushing remains robust, allowing him to nudge Crush and RPO estimates. BAML lowered their target to \$100 and keeps a Neutral rating while UBS started at a Buy and \$115 target recently. Morgan Stanley has one of the lower price targets at \$69 with a Neutral. Short interest is 1.3%. Hedge fund ownership fell 6.3% last quarter.

Hawk Vision:



Hawk's Perspective: ADM is a bearish chart in a still somewhat bearish market and likely a good short setup on a bounce back to 8 EMA being shortable for move down to that VPOC to 73.70 at least.

Confidence Ranking: \$\$