



FEATURED OPTIONS RADAR REPORT



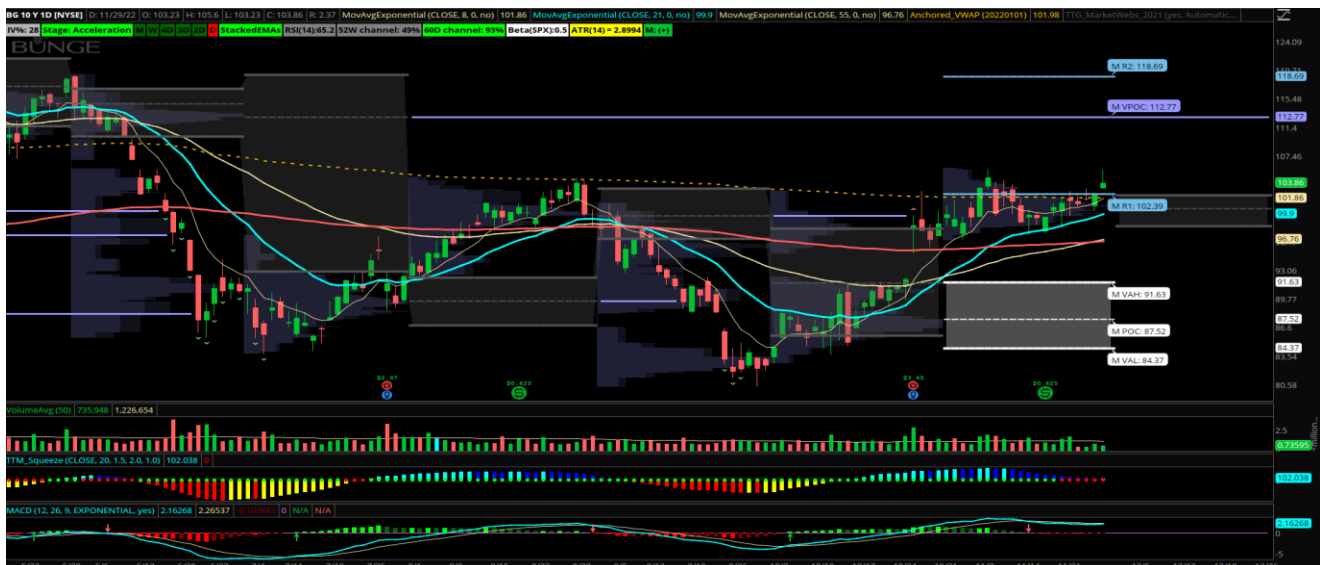
Agribusiness Food Producer Sees Put Sales Look for Floor

Ticker/Price: BG (\$103.85)

Analysis:

Bunge (BG) on 11/28 saw a large opening put sale for 1300 April \$90 puts sold at \$3.62 for nearly \$500K total showing confidence in current levels. This follows an 11/1 put sale for 1000 January \$95 puts at \$3.76 while a smaller buy of January 2024 \$125 calls at \$7 still partially in open interest. BG also still has 350 January \$92.50 calls in OI from buyers at \$7.10. Shares have been forming a tight coiling squeeze pattern at the YTD VWAP this month and a breakout above 105 can see a move to the 112.75 untested VPOC overhead as a target. BG formed a double bottom low this year at 85 roughly and has since climbed back above the 200-day EMA and weekly MACD crossed bullish last month while the 8/21 weekly EMA's back in bull trend as well. BG has strong support at 88-90 on any move lower back to 2021 value area. The \$15.6B company trades at 8.4x earnings, 0.3x sales, with dividend yield at 2.4% while revenue is expected to grow +17% FY22 and flat growth estimated in FY23. Bunge is an agricultural business and food company. The Company operates through four segments: Agribusiness, Refined and Specialty Oils, Milling, and Sugar and Bioenergy. Last week BG announced they will acquire 49% of BZ Group while the Beuzelin family remains the majority shareholder with 51% ownership. The BZ Group originates products from a large network of independent farmers and also sources grains, oilseeds and pulses from suppliers in the northwest of France. Average analyst target is \$130. BAML lowered its target last month to \$130 from \$138 but keeps a Buy rating and cited the Ag cycle outlook remains quite strong amid the very tight crop supply/demand balance in the U.S. and internationally and sees this tightness as positive for Archer and Bunge. Wolfe initiated coverage in August and set a \$127 target with Outperform rating while Monness Crespi & Hardt has a Buy rating and \$130 target saying this summer that BG will benefit from the continued buildout of renewable diesel refining capacity in the US, thereby keeping demand high for soybean oil and thus keeping soybean crush margins well above recent historical averages. Although BG is likely overearning right now, this period of very strong earnings has the potential to last for a number of years with the resulting cash generation very valuable to BG's valuation and to shareholders. Short interest is at 1.7%. Hedge fund ownership rose 3.5% last quarter.

Hawk Vision:



Hawk's Perspective: BG is a great trend and any pullbacks to the 21 EMA are buyable for a move to 112+

Confidence Ranking: \$\$