



FEATURED OPTIONS RADAR REPORT



Mondelez Bulls Anticipate Momentum Continuing in 2021

Ticker/Price: MDLZ \$58

Analysis:

Mondelez (MDLZ) buyer 1600 January 2022 \$55 calls \$6.65 to \$6.75 and follows buyers of the Jan. 2023 \$55 calls on Monday and sellers in the March \$55 puts yesterday. MDLZ has seen buyers in the June \$47.50 calls, June \$57.50 calls, and March \$57.50 calls since mid-September that remain in OI. Shares are consolidating above the 55-MA and in a nice multi-week range under \$59 with upside to \$65 on a breakout to new highs. The \$82.25B company trades 20.5X earnings, 3.2X sales, and 29.8X cash with a 2.2% yield and high-single digit growth. MDLZ is a top player in the snacking space, an area of growth within CPG, with a strong International footprint and expanding margins. They were in the news this week after buying paleo Chocolate maker Hu, a nice tuck-in deal which gives them shelf space in an emerging health-and-wellness category. MDLZ is coming out of the pandemic with momentum as many of their core brands gained share in 2020 and they expanded their e-commerce capabilities to give them a more diverse channel set to work through in 2021. They've been actively reducing SKU counts throughout the year and positioned well to continue investing in the high-margin areas. Analysts have an average target for shares of \$63 with a Street High \$68 from Citi. The firm is positive they can become a global leader in snacking with nine diverse brands. JP Morgan positive as MDLZ remains one of the few companies in the space capable of sustainable 3% organic sales growth. Short interest is minimal. Hedge fund ownership fell 4.5% in Q3. Point72 a notable buyer while Triun Fund and Diamond Hill top holders with over 7M shares each. Insiders active buying stock this year as well with a director adding 2,000 shares on 12/9 at \$58.42 and another buying near \$200,000 in stock at \$55.20 in August. MDLZ reports next in late January and higher three of the last four.

Hawk Vision:



Hawk's Perspective: MDLZ has a great portfolio of brands with a strong balance sheet and positioned well internationally to take advantage of big trends in snacking, the recent lows give a nice risk/reward to position for a run higher

Confidence Ranking: \$\$