Bunge Limited (BG)

Updated August 14th, 2025, by Yiannis Zourmpanos

Key Metrics

Current Price:	$82	**5 Year CAGR Estimate:**	6.9%	**Market Cap:**	$16.6 B
Fair Value Price:	$77	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	08/19/25
% Fair Value:	106%	**5 Year Valuation Multiple Estimate:**	-1.2%	**Dividend Payment Date:**	09/02/25
Dividend Yield:	3.4%	**5 Year Price Target**	$98	**Years Of Dividend Growth:**	6
Dividend Risk Score:	C	**Sector:**	Consumer Staples	**Rating:**	Hold

Overview & Current Events

Bunge Limited (BG) is one of the largest agribusiness and food companies globally, with integrated operations that stretch from farmer to consumer. The company buys, sells, stores, transports, and processes oilseeds and grains to make protein meals for animal feed and edible oil products for commercial customers. Bunge also produces sugar and ethanol from sugarcane, mills wheat, and corn, and sells fertilizers. BG currently has a market capitalization of $9.4 billion.

The company's strong balance sheet and liquidity position give it a competitive advantage in adverse market conditions. Even though the global supply chain bottlenecks persist, BG has profited from the rise in crop prices since a growing global population has raised the need for more food-grade oils and well-fed livestock.

On July 30th, 2025, the company announced Q2 results, reporting GAAP EPS of $1.31, which beats the markets' estimates by $0.18. Bunge reported revenues of $12.77 billion that were down 3.5% year-over-year.

Net income attributable to Bunge rose to $354 million from $70 million, driven by better-than-expected Agribusiness performance in the Processing segment, though results were down year over year. Refined and Specialty Oils saw lower margins amid policy-driven uncertainty in energy markets, and Milling results were mixed. Adjusted total EBIT was $293 million compared to $405 million in Q2 2024.

The quarter also marked a transformative milestone with the closing of Bunge's merger with Viterra, creating a leading global agribusiness platform. Integration is underway, with management pointing to significant commercial synergies ahead. Bunge also finalized the sale of its U.S. corn milling business, streamlining operations along core global value chains. CEO Greg Heckman highlighted the company's expanded crop and geographic diversity as a competitive advantage in connecting farmers to global markets. Maintaining its adjusted full-year EPS guidance of ~$7.72, Bunge expects stronger Agribusiness results than initially forecast, tempered by softer outlooks in Refined Oils and Milling, while continuing to focus on scale-driven growth and stakeholder returns.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$4.84	$5.07	$1.51	$1.57	$1.75	$7.71	$13.64	$10.51	$14.85	$7.99	***$7.72***	***$9.85***
DPS	$1.44	$1.60	$1.76	$1.92	$2.00	$2.00	$2.05	$2.30	$2.61	$2.70	***$2.80***	***$3.57***
Shares[1]	142.5	139.5	140.7	141.1	141.8	139.8	141.1	149.8	151.0	142.0	***142.0***	***142.1***

Bunge Limited has grown its EPS by a CAGR of 5.7% over the past since 2015, but essentially unchanged over the last five years. Even so, the company has experienced significant growth in EPS in the last few years, with EPS increasing materially from 2020 to 2023. However, as we move closer to the likely end of the cycle, the company may face earnings normalization with slower growth in the medium-term. Nevertheless, BG now has an increasing opportunity to expand its revenue. For instance, as the world advances toward sustainability, the growth in renewable diesel, produced from crop oils, is currently a modest portion of Bunge's business but may become enormous. Nevertheless, higher crop prices are only one factor driving Bunge's growth.

[1] Shares in millions.

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We match our EPS projection with analysts' estimates at $7.72 for 2025 and with a 5% CAGR, it leads to our estimated EPS of $9.85 by 2030. Additionally, we have assumed a 5.0% dividend growth, resulting in a dividend payment of $3.57 in 2030.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	17.2	16.5	49.1	43.3	38.6	8.9	5.4	6.9	4.0	12.1	***10.6***	***10.0***
Avg. Yld.	1.7%	1.9%	2.4%	2.8%	3.0%	2.9%	2.8%	3.2%	4.4%	2.8%	***3.4%***	***3.6%***

Bunge is trading at a 10.6 P/E multiple, well below its long-term average of 20.2. However, considering the growth prospects, we believe a P/E ratio of around 10.0 by 2030 is more representative of its fair value, implying a small valuation headwind. Finally, we expect the company to continue to raise its dividend, resulting in a dividend yield of 3.6% by 2030.

Safety, Quality, Competitive Advantage, & Recession Resiliency

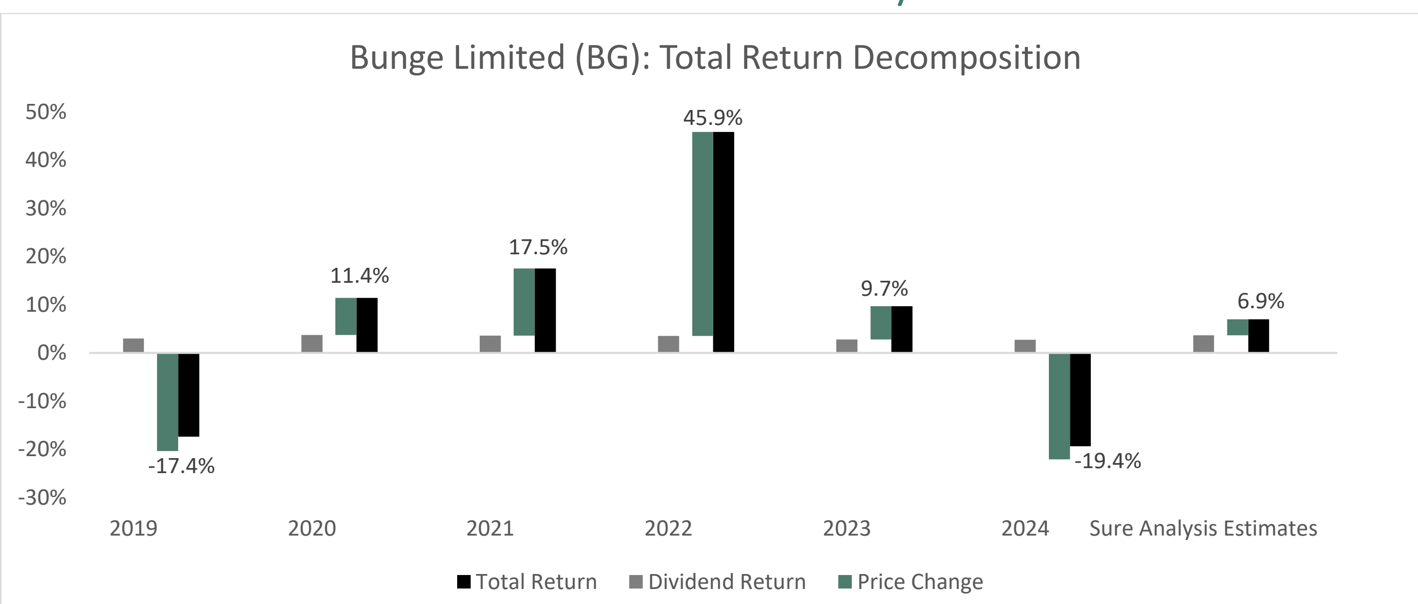
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	30%	32%	117%	122%	114%	26%	15%	22%	18%	34%	***36%***	***36%***

Bunge's CEO Gregory Heckman, who took over in 2019, has been instrumental in introducing structural changes to harness the global scale of its business, increasing the company's earnings power and reducing the level of debt on the balance sheet. The company has been disciplined at paying dividends and is a great capital allocator. The company faces risks due to the volatile nature of commodity prices. The market for the company's products is characterized by high competition and is subject to product substitution.

Final Thoughts & Recommendation

It is reasonable to expect the company to pass on the cost to its customers efficiently, offering Bunge inflation resistance in the current environment. Hence, we maintain our hold rating for BG, premised upon the 6.9% annualized total return expectation derived from the forecasted earnings-per-share growth of 5.0%, the 3.4% dividend yield, and a valuation headwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	43,455	42,679	45,794	45,743	41,140	41,404	59,152	67,230	59,540	53,110
Gross Profit	2,693	2,410	1,765	2,266	542	2,785	3,363	3,682	4,845	3,393
Gross Margin	6.2%	5.6%	3.9%	5.0%	1.3%	6.7%	5.7%	5.5%	8.1%	6.4%
SG&A Exp.	1,435	1,284	1,437	1,423	1,351	1,358	1,234	1,369	1,715	1,776
Operating Profit	1,258	1,126	328	843	-809-	1,427	2,129	2,313	3,130	1,617
Op. Margin	2.9%	2.6%	0.7%	1.8%	-2.0%	3.4%	3.6%	3.4%	5.3%	3.0%
Net Profit	791	745	160	267	-1,280	1,145	2,078	1,610	2,243	1,137
Net Margin	1.8%	1.7%	0.3%	0.6%	-3.1%	2.8%	3.5%	2.4%	3.8%	2.1%
Free Cash Flow	-39	-338	-2,637	-1,757	-1,332	-3,901	-3,293	-6,104	2,186	524
Income Tax	296	220	56	179	86	248	398	388	714	336

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	17,914	19,188	18,871	19,425	18,317	23,655	23,819	24,580	25,370	24,900
Cash & Equivalents	411	934	601	389	320	352	902	1,104	2,602	3,311
Acc. Receivable	1,607	1,676	1,501	1,637	1,705	1,717	2,112	2,829	2,592	2,148
Inventories	4,466	4,773	5,074	5,871	5,038	7,172	8,431	8,408	7,105	6,491
Goodwill & Int.	744	709	838	1,424	1,194	1,115	915	830	887	774
Total Liabilities	11,262	11,845	11,514	13,047	12,287	17,450	15,994	14,620	13,560	13,950
Accounts Payable	2,675	3,485	3,395	3,501	2,842	2,636	4,250	4,386	3,664	2,777
Long-Term Debt	4,768	4,792	4,794	5,372	4,994	7,288	5,964	4,651	4,882	6,238
Total Equity	5,751	6,454	6,458	5,483	5,223	5,379	6,979	9,224	10,850	9,913
LTD/E Ratio	0.74	0.67	0.67	0.87	0.84	1.20	0.78	0.50	0.45	0.63

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	4.0%	4.0%	0.8%	1.4%	-6.8%	5.5%	8.8%	6.7%	9.0%	4.5%
Return on Equity	11.7%	12.2%	2.5%	4.5%	-23.9%	21.6%	33.6%	19.9%	20.6%	10.0%
ROIC	6.3%	6.3%	1.3%	2.2%	-11.2%	9.3%	15.2%	11.2%	14.3%	6.7%
Shares Out.	142.5	139.5	140.7	141.1	141.8	139.8	141.1	153.1	150.8	142.2
Revenue/Share	285.44	287.93	324.17	322.81	290.76	276.60	388.22	439.04	394.86	373.41
FCF/Share	-0.26	-2.28	-18.67	-12.40	-9.41	-26.06	-21.61	-39.86	14.50	3.68

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.