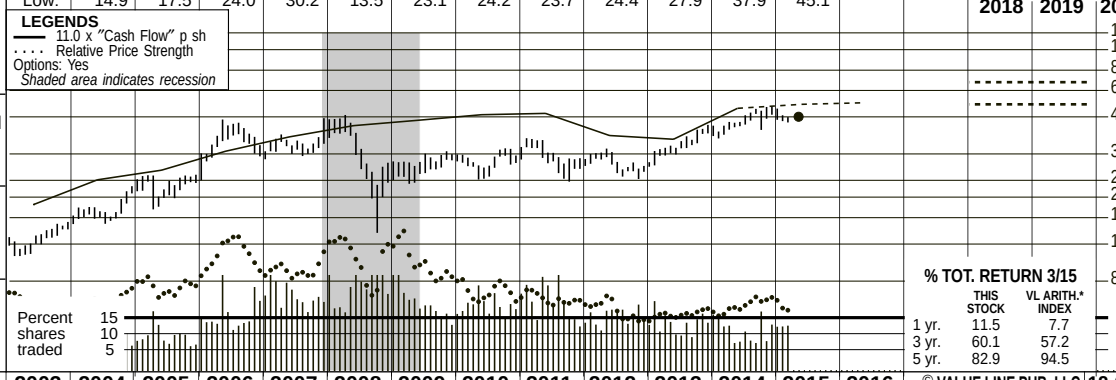
ARCHER DANIELS NYSE-ADM

RECENT PRICE **48.01** | P/E RATIO **12.7** (Trailing: 14.0 / Median: 14.0) | RELATIVE P/E RATIO **0.65** | DIV'D YLD **2.3%** | VALUE LINE

TIMELINESS 1 Raised 4/3/15
SAFETY 2 Raised 7/30/10
TECHNICAL 3 Raised 4/24/15
BETA 1.05 (1.00 = Market)

High:	22.5	25.5	46.7	47.3	48.9	33.0	34.0	38.0	34.0	44.0	53.9	52.6
Low:	14.9	17.5	24.0	30.2	13.5	23.1	24.2	23.7	24.4	27.9	37.9	45.1

Target Price Range
2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+45%)	12%
Low	55	(+15%)	6%

Insider Decisions

	M	J	J	A	S	O	N	D	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	3	1	0	0	0	0
to Sell	0	0	1	2	1	0	0	0	0

Institutional Decisions

	2Q2014	3Q2014	4Q2014
to Buy	304	274	354
to Sell	285	331	293
Hld's(000)	479229	480776	481987

% TOT. RETURN 3/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	11.5	7.7
3 yr.	60.1	57.2
5 yr.	82.9	94.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
21.14	19.40	30.27	36.08	47.62	55.55	55.25	55.81	68.40	108.37	107.80	96.08	125.66	135.11	136.27	123.97	*130.70*	*133.85*	Sales per sh A	*150.00*
1.28	1.36	1.44	1.58	1.68	2.20	2.44	3.00	3.51	3.97	4.21	4.47	4.54	3.56	3.42	4.80	*5.00*	*5.10*	"Cash Flow" per sh	*6.00*
.41	.45	.58	.70	.68	1.16	1.40	2.00	2.38	2.84	3.06	3.06	3.13	2.26	2.02	3.43	*3.50*	*3.65*	Earnings per sh B	*4.50*
.17	.18	.19	.20	.24	.27	.32	.37	.43	.49	.54	.58	.62	.69	.76	.96	*1.12*	*1.20*	Div'ds Decl'd per sh C	*1.26*
.99	.65	.41	.54	.65	.78	.96	1.16	1.86	2.76	2.96	2.50	1.94	2.24	1.39	1.36	*1.40*	*1.45*	Cap'l Spending per sh	*1.55*
9.24	9.20	9.56	10.39	10.96	11.83	12.96	14.96	17.48	20.94	21.03	22.79	29.34	27.27	30.59	29.97	*31.85*	*34.30*	Book Value per sh E	*41.95*
675.61	663.91	662.38	649.99	644.86	650.75	650.53	655.69	643.59	644.27	642.00	642.00	642.00	659.00	659.00	655.00	*635.00*	*635.00*	Common Shs Outst'g D	*620.00*
33.9	24.1	19.7	19.6	17.8	13.1	14.3	14.6	15.3	13.7	8.5	9.5	10.3	13.1	17.6	13.5	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
1.93	1.57	1.01	1.07	1.01	.69	.76	.79	.81	.82	.57	.60	.65	.83	.99	.71	*Value Line*		Relative P/E Ratio	*.90*
1.2%	1.7%	1.7%	1.5%	2.0%	1.8%	1.6%	1.3%	1.2%	1.3%	2.1%	2.0%	1.9%	2.3%	2.8%	2.1%	*estimates*		Avg Ann'l Div'd Yield	*2.0%*

CAPITAL STRUCTURE as of 12/31/14
Total Debt $5,690 mill. **Due in 5 Yrs** $2,258 mill.
LT Debt $5,558 mill. **LT Interest** $312 mill.
(Total interest coverage: 6.7x)
(22% of Cap'l)

Leases, Uncapitalized Annual rentals $226 mill.
Pension Assets - 12/14 $2.2 bill. **Oblig.** $3.3 bill.

Pfd Stock None
Common Stock 634,287,854 shs.
as of 1/30/15

MARKET CAP: $30.5 billion (Large Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
35944	36596	44018	69816	69207	61682	80676	89038	89804	81201	*83000*	*85000*	Sales ($mill) A	*93000*
5.6%	6.6%	6.2%	4.6%	5.3%	5.5%	4.4%	3.2%	3.4%	4.6%	*4.5%*	*4.5%*	Operating Margin	*4.6%*
664.7	656.7	701.0	721.0	730.0	912.0	877.0	848.0	909.0	894.0	*910*	*915*	Depreciation ($mill)	*930*
921.7	1312.1	1561.0	1834.0	1970.0	1959.0	2036.0	1496.0	1342.0	2248.0	*2265*	*2320*	Net Profit ($mill)	*2790*
32.1%	29.3%	31.0%	31.5%	30.0%	25.4%	33.1%	31.2%	33.1%	28.0%	*31.0%*	*31.0%*	Income Tax Rate	*31.0%*
2.6%	3.6%	3.5%	2.6%	2.8%	3.2%	2.5%	1.7%	1.5%	2.8%	*2.7%*	*2.7%*	Net Profit Margin	*3.0%*
4343.8	5661.5	7254.0	10834	10523	9561.0	14286	12328	12872	10426	*11620*	*11900*	Working Cap'l ($mill)	*13000*
3530.1	4050.3	4752.0	7690.0	7800.0	6830.0	8266.0	6535.0	5347.0	5558.0	*5400*	*5400*	Long-Term Debt ($mill)	*5500*
8433.5	9806.9	11253	13490	13499	14631	18838	17969	20156	19630	*20225*	*21785*	Shr. Equity ($mill)	*26000*
8.8%	10.5%	11.1%	9.4%	10.2%	10.0%	8.2%	6.9%	5.9%	9.5%	*9.5%*	*9.0%*	Return on Total Cap'l	*9.5%*
10.9%	13.4%	13.9%	13.6%	14.6%	13.4%	10.8%	8.3%	6.7%	11.5%	*11.0%*	*10.5%*	Return on Shr. Equity	*10.5%*
8.4%	10.9%	11.4%	11.3%	12.0%	10.8%	8.7%	5.8%	4.2%	8.3%	*7.5%*	*7.0%*	Retained to Com Eq	*7.5%*
23%	18%	18%	17%	18%	19%	19%	30%	37%	28%	*31%*	*33%*	All Div'ds to Net Prof	*28%*

CURRENT POSITION ($MILL.)	2012	2013	12/31/14
Cash Assets	1467	7515	6491
Receivables	3439	3224	2704
Inventory (LIFO)	12192	11441	9374
Other	9856	6350	7459
Current Assets	26954	28530	26028
Accts Payable	2474	4513	4326
Debt Due	3785	1523	132
Other	8367	9622	11144
Current Liab.	14626	15658	15602

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Sales	11.0%	7.0%	*2.0%*
"Cash Flow"	8.0%	- -	*7.5%*
Earnings	11.5%	-1.5%	*10.0%*
Dividends	14.0%	12.5%	*6.0%*
Book Value	10.0%	8.0%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.)A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	21902	23306	21155	22675	89038
2013	21727	22541	21393	24143	89804
2014	20696	21494	18117	20894	81201
2015	*21000*	*22000*	*19000*	*21000*	*83000*
2016	*21500*	*22500*	*19500*	*21500*	*85000*

Cal-endar	EARNINGS PER SHARE A B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.69	.45	.68	.43	2.26
2013	.41	.34	.72	.56	2.02
2014	.40	.81	1.14	1.08	3.43
2015	*.85*	*.85*	*1.00*	*.80*	*3.50*
2016	*.89*	*.89*	*1.05*	*.82*	*3.65*

Cal-endar	QUARTERLY DIVIDENDS PAID C Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.16	.16	.16	.175	.66
2012	.175	.175	.175	.175	.70
2013	.19	.19	.19	.19	.76
2014	.24	.24	.24	.24	.96
2015	.28				

BUSINESS: Archer Daniels Midland Co. is one of the world's largest processors of oilseeds, corn, wheat, cocoa, and other agricultural commodities and is a leading manufacturer of protein meal, vegetable oil, corn sweeteners, flour, biodiesel, ethanol, and other value-added food and feed ingredients. Sales mix 2014: oilseeds processing, 39%; corn processing, 14%; agricultural services, 46%; other, approximately 1%. 2014 foreign sales: 51% of total. Employs 33,900. Officers and directors own 2.8% of common stock outstnding; State Farm, 8.9%; Vanguard, 6.0%; Two others combined, 11.0% (3/15 proxy). Chief Executive Officer: Juan R. Luciano. Inc.: Delaware. Address: 4666 Faries Parkway, Box 1470, Decatur, IL 62525. Telephone: 217-424-5200. Internet: www.adm.com.

Archer Daniels Midland's top and bottom lines ought to advance slightly this year. Its Agricultural Services unit should capitalize on firmer demand fundamentals, while international merchandising operations continue to recover. In addition, we anticipate strong growth for oilseeds in North America and Europe, as the company reaps the benefits of solid margins and greater export opportunities. Too, oilseeds in South America appear primed for a larger harvest, which ought to offset weaker results here. Thus, we believe ADM remains on track to post share net of $3.50 for 2015.

Profitability may experience a squeeze in the coming quarters. Although U.S. ethanol demand has been stout, boosted by the domestic response to lower gasoline prices, elevated industry production has built excess inventories. Therefore, margins within the sector will probably stay challenged until supplies are better aligned with demand. That said, we envision a combination of share repurchases, stable corn operations, tighter cost controls, and a revamped product mix should bolster earnings ahead. All told, we estimate earnings per share will reach $3.65 during 2016.

The company recently raised its quarterly cash dividend. Indeed, it hiked the payout by $0.04, or approximately 17%, to $0.28 a share. This action is a positive, in our view, since it highlights a healthy balance sheet, brighter prospects, and management's willingness to increase shareholder value. Investors ought to note we look for future hikes to the payout down the road.

These shares have jumped a couple of notches in Timeliness over the past few months. They now hold our Highest rank (1) for Timeliness. It seems investors may want to take a closer look at this selection. The issue holds modest appreciation potential three to five years hence. The latest dividend boost places ADM's yield above the *Value Line* median, which is a plus. Risk-adjusted total-return potential is decent. Archer Daniels Midland's previously acquired WILD segment and a foray into new protein meal & corn sweetener goods could pave the way for meaningful earnings gains.

Kenneth J. DeFranco, Jr. *April 24, 2015*

(A) Fiscal year ended June 30th prior to 2013. 6-mo. stub period: Sales, $46.7 billion; Egs., $1.10 per share (excl. 5¢ loss). (B) Dil. egs. Excl. n/r gain/(loss): '99, 10¢; '02, 8¢; '03, 2¢; '04, (40¢); '05, 19¢; '07, 92¢; '08, (5¢); '09, (41¢), '10, (6¢); '12, (41¢). Qrtly may not sum due to changes in share count. Next egs. report due early May. (C) Div'd historically paid in early Mar., June, Sep., Dec. (D) In millions. (E) Incl. intangibles. In 2014: $3.283 billion, $5.01/sh.

Company's Financial Strength	A+
Stock's Price Stability	75
Price Growth Persistence	45
Earnings Predictability	60

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