

### Challenger (CGF: \$A7.07)

Challenger falls 2.2% from 14-day high Monday May 05, 2025  
16:00 AEST

Challenger Limited's (ASX: CGF \$A7.07) stock price dropped 10.0c (1.4%) from its previous close of \$A7.17 on Friday

Compared with the All Ordinaries Index which fell 82.2 points (1%) in the day, the relative price change was -0.4%.

It hit a 14-day high of \$A7.23 during the day but fell 2.2% before settling at \$A7.07 on Monday. Its Williams % R is -13.2 which suggests it is overbought, a bearish signal. Its Relative Strength Index [RSI] is 79.2. An RSI reading of between 70 and 100 suggests the stock is close to its 14-day high, which is also a bearish signal.

There were 1,300,000 shares worth \$A9.2 million traded today; the volume was 0.6 times the average daily trading volume of 2.1 million shares.

#### Figure 1: Stock Identifiers

<b>ISIN</b>	AU000000CGF5
<b>PermID</b>	4295858283

#### Fig 2: Stock Summary

<b>52-Week Range</b>	\$A5.21-\$A7.23
<b>Market Cap</b>	\$A4.9 billion
<b>Shares Outstanding</b>	691,395,691
<b>Relative Strength (3 mo)</b>	82

#### Fig 3: Technical Indicators

Name	Value	Comment
RSI	79.2	Sell
MFI	61.7	Neutral

#### Fig 4: Moving Averages

Name	Value	Comment
P/MAP10	0.95	Price/MAP10 below 1 and falling

#### Fig 5: Financials Summary

Year ended Jun 30	FY2024	FY2023	FY2022
Sales (\$ M)	19.1	42.7	779.8
Pretax (\$ M)	121.9	155.7	239.5
Net (\$ M)	83.5	110.2	163.1
EPS (AUD)	0.19	0.25	0.38

EPS down 24% to 19.0c in FY2024 [ y.e. 30 Jun 2024]  
Net profit was down 24.2% from \$110.2 million in FY2023 to \$83.5 million in FY2024. Earnings Per Share (EPS) was down 24% from 25.0c in FY2023 to 19.0c in FY2024.

### Bearish Signals

#### Downtrend

Today's Volatility:

- Challenger (CGF: \$A7.07) drops 1.4% on increasing volatility: Since the start of trading its volatility (highest price minus lowest price/lowest price) of 2.6% was 1.1 times the average daily volatility of 2.4%, up from 1.3% on Friday and 2.0% on Thursday.

Past Week:

- Challenger is placed 856/1328 in BuySellSignals' ranking of Australian performers in the past week, a percentile ranking of 36.  
- In the past week, volume was 0.8 times average and the shares were down 0.8%. Monday's close price is at a 0.8% discount to its 5-day Volume Weighted Average Price (VWAP) of \$A7.13.

Overbought/Bearish Signals:

- The Relative Strength Index (RSI) of 79.2 has penetrated the overbought line of 70, suggesting the price gain of 79.2% in the last 14 days is unusually high.  
- The stock is overbought according to the Williams % R indicator of -13.2, suggesting the price is close to its 14-day high of \$A7.23.  
- The Stochastic indicator of 93.4 has broken through the overbought line of 80; this indicates the price is close to its 14-day high and is likely to revert to a downtrend.

Short Selling:

- In the Australian Short Selling market of 1254 stocks, short selling (on ASX and CHI-X) as a % of issued shares ranked 163rd and within the top quartile of stocks, a bearish indicator.  
- The current short volume is 1.4 times its own historical average of 0.03%. It been up 14.7% from the previous day, been up 662.9% from a week ago and been up 350.0% from a month ago, a significant bearish indicator.

#### Overvaluation [compared with sector average]

Earnings Yield:

- Earnings yield of 2.7% is below the 10-year bond yield of 4.32%.

Overvaluation Indicator and rank of Challenger in the Australian market:

Description	Value	Rank In Market
Price/Earnings	37.2	In Bottom 14%

#### Fig 6: Short-Term Technical Ranking: 2 out of 5 [5 is best]



Stocks are scored on a set of technical parameters reflecting price performance and trading volumes. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.