



LAKE SHORE

F O O D A D V I S O R S



Weekly Update

Monday, December 4, 2017

Senate Approves Tax Code Overhaul On Saturday.

The Dow and S&P 500 both experienced weekly gains this past week while the Nasdaq had its largest weekly decline since Sept. 8 as the U.S. Senate prepared to pass its version of a tax code, which was approved Saturday, Dec. 3, 2017. Monday's opening market prices indicated a positive reaction to the news.

The **Dow Jones Industrial Average** rose 2.9% on the week, finishing at 24,232.

The **S&P 500** climbed 1.5% on the week, finishing at 2,642.

The **NASDAQ Composite** fell 0.6% on the week, finishing at 6,848.

Yield on the **10-year Treasury** increased three basis points during the week, ending at 2.37%.

Crude oil declined 1.0% on the week, ending at \$58.36 per barrel.

Corn increased 1.1% on the week, ending at \$3.59 per bushel.

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NASDAQ Highs: Blue Buffalo Pet Products, Inc., Bob Evans Farms, Inc., Calavo Growers, Inc., Cal-Maine Foods, Inc., Costco Wholesale Corp., Craft Brew Alliance, Inc., Dollar Tree, Inc., Freshpet, Inc., J&J Snack Foods Corp., Monster Beverage Corp., Pilgrim's Pride Corp., Sanderson Farms, Inc., Titan Machinery Inc. **Lows:** Green Plains, Inc.

NYSE Highs: The Boston Beer Co., Inc., Brown-Forman Corp., Cotts Corp., Deere & Co., Diageo Plc. Dollar General Corp., Ingredion Inc., International Flavors & Fragrances Inc., Lamb Weston Holdings, Inc., Lindsay Corp., McDonald's Corp., Performance Food Group Company, Sysco Corporation, Shake Shack, Inc., Tyson Foods, Inc., Yum! Brands, Inc., Zoetis Inc **Lows:** None

Featured Stocks of the Week:

Deere & Company (NYSE: DE) 10-Year History



Green Plains, Inc. (NASDAQ: GPRE) 9-Year History



The Lakeshore Food Chain

Company Name	Price	Price	52-Week Range		Price as Compared to		Forward	Enterprise Value to		Total Debt to LTM
	12/1/17	Compared to 11/24/17	High	Low	YE:			LTM:		
					2016	2015	P/E	Revenue	EBITDA	EBITDA
Dow Jones Industrial Average	24,232	2.9%	24,272	19,170	22.6%	39.1%	23.0x			
S&P 500	2,642	1.5%	2,648	2,192	18.0%	29.3%	18.8			
NASDAQ Composite Index	6,848	(0.6%)	6,912	5,256	27.2%	36.7%	NA			
Sector Average:					22.6%	35.0%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$9.00	(2.6%)	\$11.76	\$8.06	(19.4%)	(18.0%)	NM	21.52x	33.5x	16.4x
Gladstone Land Corporation	13.50	0.7%	14.29	10.35	20.1%	56.1%	122.7	22.10	30.1	18.9
Limoneira Company	25.05	2.5%	26.06	16.39	16.5%	67.7%	40.8	3.77	21.3	4.6
Sector Average:					5.7%	35.3%	40.8x	15.80x	28.3x	13.3x
INPUTS										
* Agrium Inc.	\$139.51	0.8%	\$146.99	\$115.16	3.4%	12.8%	18.8x	1.56x	12.9x	3.9x
American Vanguard Corporation	19.90	(1.0%)	24.00	14.65	3.9%	42.0%	21.3	1.97	14.0	1.2
CF Industries Holdings, Inc.	37.59	4.6%	39.32	25.04	19.4%	(7.9%)	189.4	4.01	17.5	5.6
DowDuPont Inc.	71.01	(0.2%)	73.85	64.01	NA	NA	18.8	3.42	18.3	3.8
FMC Corporation	93.93	(0.7%)	95.25	55.79	66.1%	140.0%	20.4	4.27	19.0	2.3
Intrepid Potash, Inc.	3.74	(0.5%)	4.63	1.24	79.8%	26.8%	207.8	4.16	37.2	4.3
Monsanto Company	118.93	0.7%	122.80	103.08	13.0%	20.7%	20.9	4.01	14.2	1.9
The Mosaic Company	24.28	1.8%	34.36	19.23	(17.2%)	(12.0%)	23.9	1.64	9.9	3.3
* Potash Corporation of Saskatchewan Inc.	24.93	0.9%	26.62	20.68	2.6%	5.2%	33.6	5.32	14.7	3.5
S&W Seed Company	3.43	3.8%	5.20	2.90	(25.5%)	(18.8%)	NM	1.26	51.2	13.6
The Scotts Miracle-Gro Company	99.25	1.5%	102.50	81.48	3.9%	53.9%	23.1	2.65	14.9	2.8
* Syngenta AG	452.00	(0.1%)	471.20	392.20	12.3%	15.2%	NA	3.67	18.2	2.2
Terra Nitrogen Company, L.P.	83.05	2.5%	115.86	75.20	(19.1%)	(18.2%)	NA	3.93	8.2	0.0
Zoetis Inc.	72.30	1.4%	72.71	48.55	35.1%	50.9%	27.6	7.61	21.6	3.2
Sector Average:					2.9%	14.2%	23.1x	3.53x	17.0x	2.9x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$53.00	3.4%	\$60.26	\$47.08	0.9%	59.4%	17.3x	1.93x	13.2x	5.7x
AGCO Corporation	72.39	3.4%	75.59	56.31	25.1%	59.5%	20.1	0.96	11.0	3.2
Art's-Way Manufacturing Co., Inc.	2.73	(0.9%)	4.70	2.00	(19.8%)	(12.1%)	NA	0.88	NM	NM
* Buhler Industries Inc.	4.59	3.1%	4.95	4.14	3.4%	(15.6%)	NA	0.49	45.1	10.5
CNH Industrial N.V.	12.86	(2.0%)	13.37	8.40	48.0%	88.0%	21.4	1.58	14.9	10.1
Deere & Company	149.94	3.1%	150.75	100.05	45.5%	96.6%	18.5	2.73	17.0	8.5
Lindsay Corporation	93.10	1.1%	96.22	72.85	24.8%	28.6%	31.0	1.91	17.4	2.1
Titan Machinery Inc.	21.57	33.6%	21.67	11.68	48.0%	97.3%	NM	0.71	27.2	13.7
Sector Average:					20.4%	36.2%	21.7x	1.21x	14.7x	6.7x
AGRIBUSINESS										
AGT Food and Ingredients Inc.	\$20.05	0.3%	37.46	17.85	(45.3%)	(41.0%)	23.2x	0.58x	13.6x	4.8x
The Andersons, Inc.	31.45	2.8%	44.90	29.60	(29.6%)	(0.6%)	19.7	0.35	9.7	3.8
Archer-Daniels-Midland Company	40.83	4.3%	47.44	38.59	(10.6%)	11.3%	15.4	0.48	9.9	2.9
Bunge Limited	67.14	2.9%	83.75	63.87	(7.1%)	(1.7%)	13.8	0.33	12.2	4.7
Darling Ingredients Inc.	18.14	6.6%	18.65	11.51	40.5%	72.4%	39.8	1.31	9.8	4.0
* Gruma, S.A.B. de C.V.	236.32	(2.2%)	288.99	227.00	(10.2%)	(2.2%)	15.1	1.67	10.4	1.8
Ingredion Incorporated	139.71	3.1%	140.71	113.07	11.8%	45.8%	17.3	1.98	10.7	1.8
Landec Corporation	12.10	(5.5%)	15.50	11.20	(12.3%)	2.3%	24.7	0.74	14.9	2.3
* Olam International Limited	2.25	2.3%	2.47	1.86	14.2%	23.6%	17.4	0.70	13.9	9.8
Omega Protein Corporation	22.00	0.5%	26.99	14.50	(12.2%)	(0.9%)	22.2	1.39	7.9	0.0
Sector Average:					(1.7%)	4.1%	18.8x	0.95x	11.3x	3.3x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$38.90	7.3%	\$47.75	\$29.50	(11.2%)	11.1%	17.8x	2.75x	13.5x	5.7x
Campbell Soup Company	49.22	6.9%	64.23	45.00	(18.6%)	(6.3%)	16.6	2.30	9.2	1.8
Conagra Brands, Inc.	37.47	5.7%	41.68	32.16	(5.3%)	(11.1%)	19.6	2.38	12.7	2.4
General Mills, Inc.	56.46	5.2%	64.06	49.65	(8.6%)	(2.1%)	18.1	2.76	12.5	3.0
The Hain Celestial Group, Inc.	42.54	4.6%	45.61	31.01	9.0%	5.3%	25.0	1.75	18.3	2.8
The J. M. Smucker Company	115.61	3.8%	143.68	99.57	(9.7%)	(6.3%)	14.3	2.48	11.3	3.3
Kellogg Company	65.99	1.6%	76.69	58.76	(10.5%)	(8.7%)	15.8	2.40	13.4	3.6
The Kraft Heinz Company	81.21	1.8%	97.77	75.21	(7.0%)	11.6%	21.5	4.93	15.4	3.8
Lancaster Colony Corporation	134.03	6.1%	149.30	113.34	(5.2%)	16.1%	27.9	2.91	16.5	0.0
Mondelez International, Inc.	42.92	1.8%	47.23	39.19	(3.2%)	(4.3%)	18.6	3.21	16.6	4.1
* Nestlé S.A.	83.75	(1.7%)	86.40	67.00	14.6%	12.3%	22.3	3.13	15.5	1.5
Pinnacle Foods Inc.	57.46	3.1%	66.67	48.41	7.5%	35.3%	21.0	3.10	14.5	4.4
Post Holdings, Inc.	79.52	0.1%	89.04	74.99	(1.1%)	28.9%	20.9	2.13	11.8	7.8
SunOpta Inc.	10.11	4.8%	13.53	8.05	5.6%	6.9%	138.8	0.99	19.4	7.5
Treehouse Foods, Inc.	46.07	4.5%	90.42	40.26	(36.2%)	(41.3%)	17.31	0.8	8.1	4.2
Unilever N.V.	47.77	(1.4%)	52.31	36.48	22.1%	19.1%	20.1	2.68	14.8	2.0
Sector Average:					(1.4%)	7.2%	19.8x	2.39x	14.7x	3.3x

Company Name	Price 12/1/17	Price		Price as Compared to				Forward P/E	Enterprise Value to		Total Debt to LTM
		Compared to 11/24/17	52-Week Range		YE:		LTM:				
			High	Low	2016	2015	Revenue		EBITDA	EBITDA	
ETHANOL											
Green Plains Inc.	\$16.85	2.4%	\$29.85	\$15.60	(39.5%)	(26.4%)	132.2x	0.51x	9.3x	6.4x	
Pacific Ethanol, Inc.	4.50	(4.3%)	10.95	4.10	(52.6%)	(5.9%)	17.1	0.24	11.1	6.6	
Renewable Energy Group, Inc.	11.40	1.8%	13.55	8.25	17.5%	22.7%	10.0	0.30	9.1	4.4	
Sector Average:					(24.9%)	(3.2%)	13.6x	0.35x	9.8x	5.8x	
FRUIT & VEGETABLE											
Calavo Growers, Inc.	\$76.75	2.6%	\$77.15	\$48.75	25.0%	56.6%	29.4x	1.32x	20.3x	0.6x	
Fresh Del Monte Produce Inc.	48.52	5.9%	62.81	43.02	(20.0%)	24.8%	NA	0.66	11.2	1.2	
Lamb Weston Holdings, Inc.	54.86	0.8%	54.93	32.01	44.9%	NA	22.9	3.25	14.4	3.7	
Seneca Foods Corporation	33.80	5.8%	42.65	27.75	(15.6%)	16.6%	NA	0.59	16.7	9.8	
* Total Produce plc	2.54	0.4%	2.56	1.69	29.3%	72.8%	19.7	0.32	9.9	2.6	
Sector Average:					4.7%	42.7%	24.0x	0.72x	14.5x	2.0x	
PROTEIN											
Cal-Maine Foods, Inc.	\$49.55	5.1%	\$50.40	\$33.40	12.2%	6.9%	35.2x	2.09x	NM	NM	
Hormel Foods Corporation	36.77	6.9%	37.97	29.75	5.6%	(7.0%)	22.4	2.10	13.6	0.2	
Industrias Bachoco, S.A.B. de C.V.	57.48	(1.0%)	67.61	45.32	17.3%	16.8%	11.7	0.72	4.9	0.6	
* JBS S.A.	8.13	3.0%	12.57	5.25	(28.7%)	(34.2%)	6.9	0.43	5.8	5.0	
Nathan's Famous, Inc.	94.00	(2.2%)	100.90	52.90	44.8%	82.3%	NA	4.56	16.6	4.7	
Pilgrim's Pride Corporation	37.28	5.2%	37.38	17.45	96.3%	68.8%	12.7	1.36	9.4	2.1	
Sanderson Farms, Inc.	172.04	6.3%	172.66	80.75	82.6%	121.9%	14.6	1.09	6.7	0.0	
Seaboard Corporation	4,449.99	3.0%	4,690.00	3,247.00	12.6%	53.7%	NA	0.79	10.9	1.6	
Tyson Foods, Inc.	82.39	2.4%	82.84	56.40	33.6%	54.5%	14.2	1.07	10.3	2.6	
Sector Average:					13.9%	25.4%	13.7x	1.21x	8.8x	2.7x	
BAKING & INGREDIENTS											
* ARYZTA AG	\$33.55	8.2%	\$45.87	\$26.14	(25.2%)	(34.2%)	17.8x	1.15x	9.8x	5.6x	
Balchem Corporation	86.82	0.2%	89.50	71.95	3.5%	42.8%	34.0	5.17	21.6	1.7	
Flowers Foods, Inc.	20.07	3.5%	21.00	15.31	0.5%	(6.6%)	22.0	1.29	12.2	2.1	
* Grupo Bimbo, S.A.B. de C.V.	43.45	(1.9%)	49.50	41.96	(7.6%)	(5.4%)	25.4	1.05	9.0	2.5	
J&J Snack Foods Corp.	150.07	2.8%	152.21	119.81	12.5%	28.6%	33.0	2.45	16.6	0.0	
* Kerry Group plc	87.95	0.5%	89.13	63.13	29.5%	15.3%	24.7	2.67	19.7	2.1	
McCormick & Company, Incorporated	102.85	3.8%	106.50	88.79	10.2%	20.2%	22.8	4.09	22.4	6.7	
* Tate & Lyle plc	6.76	(1.1%)	7.97	6.22	(4.5%)	12.9%	13.6	1.23	7.4	1.3	
Sector Average:					2.4%	9.2%	24.2x	2.39x	13.8x	2.8x	
CANDY, NUTS, & SNACKS											
Amplify Snack Brands, Inc.	\$5.52	4.7%	\$11.35	\$4.78	(37.3%)	(52.1%)	22.1x	2.68x	12.1x	7.2x	
The Hershey Company	111.01	3.3%	116.49	96.20	7.3%	24.4%	22.0	3.49	14.9	1.8	
Inventure Foods, Inc.	4.00	0.3%	10.15	2.96	(59.4%)	(43.7%)	NA	0.51	65.0	28.6	
John B. Sanfilippo & Son, Inc.	61.62	3.9%	74.69	55.10	(12.5%)	14.0%	19.2	0.91	10.6	0.9	
Rocky Mountain Chocolate Factory, Inc.	11.77	(1.9%)	13.23	9.89	15.5%	9.5%	NA	1.76	9.7	0.5	
Snyder's-Lance, Inc.	38.49	5.2%	40.86	31.03	0.4%	12.2%	30.7	2.18	17.3	4.0	
Tootsie Roll Industries, Inc.	37.20	2.5%	40.44	34.30	(3.6%)	24.9%	NA	4.26	19.9	0.1	
Sector Average:					1.4%	17.0%	23.5x	2.48x	14.1x	2.4x	
PET FOOD AND PRODUCTS											
Blue Buffalo Pet Products, Inc.	\$30.21	0.7%	\$30.98	\$21.51	25.7%	61.5%	30.9x	4.86x	20.0x	1.3x	
Central Garden & Pet Company	39.61	5.9%	40.48	28.83	19.7%	193.0%	23.7	1.16	12.0	2.0	
Freshpet, Inc.	18.75	4.7%	19.10	8.90	84.7%	120.8%	130.8	4.39	79.2	0.7	
Sector Average:					22.7%	156.9%	61.8x	3.47x	37.1x	1.3x	
WINE & BEVERAGE											
The Boston Beer Company, Inc.	\$182.25	2.6%	\$183.50	\$128.70	7.3%	(9.7%)	30.7x	2.34x	11.0x	0.0x	
Brown-Forman Corporation	60.70	3.2%	60.80	43.72	35.1%	22.3%	31.5	8.30	23.5	2.1	
The Coca-Cola Company	45.97	0.2%	47.48	40.19	10.9%	7.0%	23.7	5.84	18.2	4.5	
Constellation Brands, Inc.	218.60	(1.5%)	227.20	144.00	42.6%	53.5%	24.9	6.92	18.9	3.3	
* Cott Corporation	22.27	1.4%	22.44	13.42	46.5%	46.1%	58.1	1.03	9.4	3.6	
Craft Brew Alliance, Inc.	19.60	0.8%	20.10	12.00	16.0%	134.2%	68.5	1.95	28.3	1.8	
Crimson Wine Group, Ltd.	10.89	11.7%	11.50	9.00	16.2%	23.8%	NA	4.18	26.3	2.5	
Dr Pepper Snapple Group, Inc.	90.26	4.3%	99.47	83.23	(0.5%)	(3.2%)	19.1	3.13	13.2	2.9	
Monster Beverage Corporation	62.92	1.9%	62.94	41.02	41.9%	26.7%	38.7	10.38	26.1	0.0	
Jones Soda Co.	0.38	(11.8%)	0.60	0.30	(15.6%)	(0.7%)	NA	1.13	NM	NM	
National Beverage Corp.	106.72	0.7%	129.82	45.40	108.9%	134.9%	35.2	5.51	25.3	0.0	
Pepsico, Inc.	116.78	0.8%	119.39	99.40	11.6%	16.9%	21.4	2.94	14.9	3.1	
Starbucks Corporation	57.32	0.9%	64.87	52.58	3.2%	(4.5%)	24.7	3.70	15.5	0.8	
Willamette Valley Vineyards, Inc.	8.48	(0.1%)	8.86	7.35	5.9%	19.8%	NA	2.52	9.4	1.6	
Sector Average:					20.1%	23.2%	35.7x	4.39x	18.4x	2.0x	

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	Price	Compared to	High	Low	YE:			LTM:			
	12/1/17	11/24/17			2016	2015		Revenue	EBITDA		EBITDA
DAIRY											
* Danone	\$69.79	(1.4%)	\$72.00	\$57.99	15.9%	12.1%	18.8x	2.69x	15.0x	5.4x	
Dean Foods Company	11.55	15.7%	22.31	9.01	(47.0%)	(32.7%)	13.8	0.25	5.7	2.8	
Lifeway Foods, Inc.	10.09	(0.8%)	12.12	7.20	(12.3%)	(9.1%)	63.1	1.31	23.3	0.9	
* Saputo Inc.	43.60	(1.2%)	48.98	39.74	(8.2%)	31.7%	20.8	1.59	13.9	1.2	
Sector Average:					(12.9%)	0.5%	31.9x	1.05x	14.5x	2.6x	
WHOLESALE, FOOD SERVICE, & DISTRIBUTION											
The Chefs' Warehouse, Inc.	\$20.68	5.8%	\$21.90	\$11.85	30.9%	24.0%	38.0x	0.67x	14.8x	5.5x	
Core-Mark Holding Company, Inc.	32.24	3.2%	44.12	26.08	(25.1%)	(21.3%)	24.7	0.16	15.7	4.3	
Performance Food Group Company	29.55	1.7%	30.33	19.95	23.1%	27.7%	23.6	0.25	12.0	3.8	
SpartanNash Company	25.36	12.5%	40.38	18.56	(35.9%)	17.2%	11.9	0.20	7.0	2.9	
SUPERVALU Inc.	18.47	12.7%	35.91	14.55	(43.5%)	(61.1%)	7.5	0.17	4.8	3.8	
Sysco Corporation	57.78	5.2%	58.67	48.85	4.4%	40.9%	20.6	0.68	12.6	3.0	
United Natural Foods, Inc.	47.80	13.0%	49.58	29.53	0.2%	21.4%	17.6	0.30	8.8	1.2	
Sector Average:					6.7%	18.3%	20.6x	0.35x	10.8x	3.5x	
MASS MERCHANDISE & CLUB STORES											
Costco Wholesale Corporation	\$185.13	7.9%	\$185.18	\$150.00	15.6%	14.6%	28.7x	0.64x	15.0x	1.3x	
Wal-Mart Stores, Inc.	97.35	0.8%	100.13	65.28	40.8%	58.8%	21.0	0.68	10.2	1.5	
Sector Average:					28.2%	36.7%	24.9x	0.66x	12.6x	1.4x	
DOLLAR STORES											
Dollar General Corporation	\$87.98	2.0%	\$89.80	\$65.97	18.8%	22.4%	18.5x	1.18x	11.0x	1.3x	
Dollar Tree, Inc.	103.01	4.7%	105.14	65.63	33.5%	33.4%	19.6	1.38	12.2	2.4	
Fred's, Inc.	5.09	4.5%	21.77	4.21	(72.6%)	(68.9%)	NM	0.16	NM	NM	
Sector Average:					(6.8%)	(4.4%)	19.0x	0.91x	11.6x	1.8x	
TRADITIONAL RETAIL											
* Ahold Delhaize	\$18.00	5.8%	\$20.88	\$14.72	(10.2%)	(13.0%)	13.0x	0.40x	6.0x	1.8x	
Ingles Markets, Incorporated	27.95	14.1%	52.40	20.75	(41.9%)	(36.6%)	11.9	0.37	6.3	3.8	
The Kroger Co.	25.67	11.7%	36.44	19.69	(25.6%)	(38.6%)	12.7	0.31	6.9	2.7	
Village Super Market, Inc.	24.55	(2.7%)	36.42	22.43	(20.6%)	(6.8%)	NA	0.19	4.7	0.7	
Weis Markets, Inc.	41.81	11.9%	68.88	31.26	(37.4%)	(5.6%)	NA	0.31	6.6	0.3	
Sector Average:					(24.4%)	(19.1%)	12.5x	0.32x	6.1x	1.9x	
SPECIALTY RETAIL											
Natural Grocers by Vitamin Cottage, Inc.	\$7.85	11.5%	\$13.79	\$4.79	(34.0%)	(61.5%)	31.3x	0.30x	5.3x	1.4x	
Sprouts Farmers Market, Inc.	23.66	8.7%	25.98	17.38	25.1%	(11.0%)	22.0	0.80	11.6	1.6	
Sector Average:					(4.5%)	(36.2%)	26.6x	0.55x	8.5x	1.5x	
TRADITIONAL RESTAURANTS											
Bob Evans Farms, Inc.	\$77.34	(0.4%)	\$78.24	\$45.24	45.3%	99.1%	34.0x	3.89x	25.1x	1.4x	
Brinker International, Inc.	36.03	9.2%	54.43	29.50	(27.3%)	(24.9%)	11.0	0.96	7.0	3.2	
The Cheesecake Factory Incorporated	48.03	7.1%	67.14	38.34	(19.8%)	4.2%	18.6	0.98	8.3	0.5	
Darden Restaurants, Inc.	85.04	6.0%	95.22	71.02	16.9%	33.6%	18.8	1.53	11.6	1.0	
DineEquity, Inc.	45.94	6.9%	87.84	36.71	(40.3%)	(45.7%)	11.9	3.48	9.5	6.3	
Jack in the Box Inc.	105.20	4.3%	113.30	90.89	(5.8%)	37.1%	23.3	2.72	12.6	3.4	
McDonald's Corporation	172.87	2.2%	173.17	117.71	42.0%	46.3%	25.4	6.97	16.8	3.0	
The Wendy's Company	14.82	6.9%	16.66	12.52	9.6%	37.6%	28.9	5.01	15.7	7.1	
Yum! Brands, Inc.	83.40	5.3%	84.06	62.32	31.7%	14.2%	27.8	5.97	18.0	4.8	
Sector Average:					29.1%	46.2%	22.2x	3.50x	12.4x	3.4x	
HIGH-GROWTH RESTAURANTS											
Bojangles', Inc.	\$13.48	9.6%	\$22.35	\$11.60	(27.7%)	(15.1%)	18.2x	1.21x	8.9x	2.3x	
Chipotle Mexican Grill, Inc.	307.59	10.1%	499.00	263.00	(18.5%)	(35.9%)	36.0	1.85	19.7	0.0	
El Pollo Loco Holdings, Inc.	10.35	2.5%	14.85	9.55	(15.9%)	(18.1%)	16.3	1.20	7.7	1.4	
The Habit Restaurants, Inc.	9.30	2.8%	19.75	8.85	(46.1%)	(59.7%)	87.8	0.58	6.5	0.4	
Noodles & Company	4.95	(6.6%)	6.00	3.16	20.7%	(48.9%)	203.7	0.56	16.9	4.1	
Papa Murphy's Holdings, Inc.	6.29	0.0%	6.80	3.50	49.1%	(44.1%)	25.9	1.67	12.4	6.1	
Potbelly Corporation	12.60	3.3%	14.55	10.50	(2.3%)	7.6%	39.5	0.70	7.5	0.0	
Shake Shack Inc.	40.79	9.5%	41.24	30.12	14.0%	3.0%	78.1	3.11	19.4	0.2	
Wingstop Inc.	38.74	(1.1%)	40.51	24.74	30.9%	69.8%	51.5	12.38	34.8	3.9	
Zoe's Kitchen, Inc.	15.59	16.6%	27.41	10.77	(35.0%)	(44.3%)	NM	1.12	14.9	1.8	
Sector Average:					(1.2%)	(13.2%)	61.9x	2.44x	14.9x	2.2x	

Notes:

* Denotes local currency.

Source: Capital IQ.

Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

Major Indices (1-year & 12-year History)

S&P 500



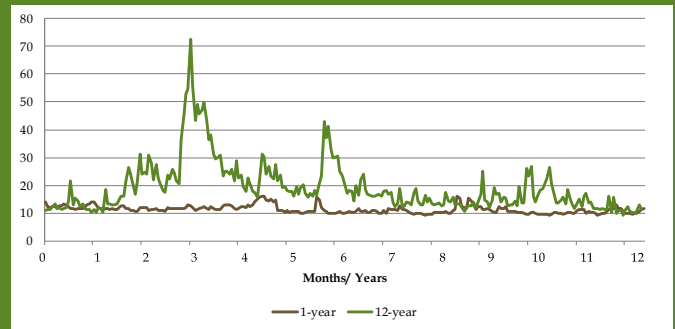
Dow Jones Industrial Average



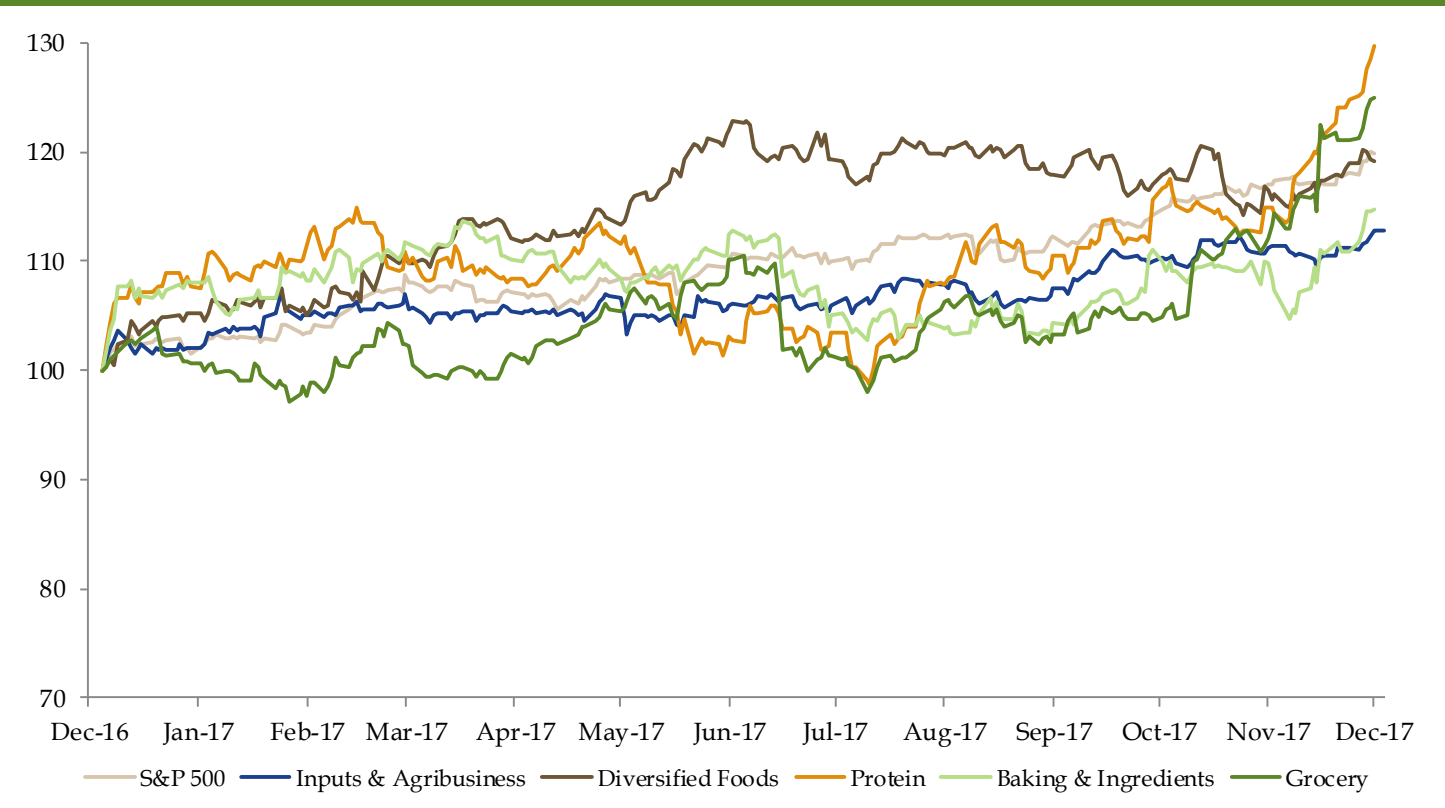
10-year Treasury



CBOE Market Volatility Index - VIX



Lakeshore Sector Indices vs. S&P 500 (1-year Only)



Food For Thought...

Partner Column

Written By Mary L. Burke

Employee Shortages. Good employees are very hard to find, but the bigger issue for many packing and processing plants is finding employees to work on the lines. In a recent study by Cattle Buyers Weekly, processors stated this as their largest concern. It has become such an issue that some plants are having to reduce their daily slaughter. Many of the respondents acknowledged they are raising their starting wages in efforts to attract employees. Retailers and warehouses are having the same problem. In 2016, the median hourly wage of the country's nearly nine million retail workers was \$10.37; it was \$9.50 for the more than seven million restaurant workers. Both figures put employees below the poverty threshold for a family of four – even those working 40 hours a week, which many employers do not allow. Salary alone will not get people to work for you in the long run. There are the three p's – pay, promotion and project. My prediction is that with fewer people for the low paying jobs, inflation will be ignited as salaries increase to obtain employees. Automation cannot happen that quickly.

The Growth Strategy Of Coca-Cola. Coca-Cola recently introduced the framework it will use to segment its growth opportunities: leader, challenger or emerging. Each of these segments have different needs from a capital, people, and knowledge perspective. Additionally, the Venturing and Emerging Brands unit is managed independently. This unit specializes in nurturing small brands while preserving their entrepreneurial spirit and building them in a focused manner. We have seen the mistakes that companies have made when they think one type of management fits all sizes. The Coke approach may not be perfect, but it is headed in the right direction.

Dashboard Spotlight. For over three years, once a month we have included a dashboard to provide you, the reader, a one page look at the issues and trends in each industry. Today it is on page 9. Below is a review of every six months where we thought each sector was in their cycle. In hindsight, some we missed but a vast majority we were correct on. Let us know your thoughts.

Dashboard Outlook History

Six Months Outlook

Sector	10/6/2014	3/30/2015	10/12/2015	3/7/2016	9/30/2016	3/27/2017	12/4/2017
Inputs	↓↓↓	↓↓↓	↓↓	↓↓	↓	↔	↔
AG Equipment	↓↓↓	↓↓↓	↓↓↓	↓↓↓	↓↓↓	↓↓↓	↔
Agribusiness	↑	↑	↑	↔	↔	↔	↔
Diversified Foods	↔	↓	↔	↔	↑	↓	↓
Alternative Fuels	↑ (Ethanol)	↓↓ (Ethanol)	↓↓ (Ethanol)	↔	↓	↓	↔
Fruit & Vegetable	↑↑↑	↑↑↑	↑↑↑	↑↑↑	↑↑↑	↑↑	↔
Protein	↑	↓	↓	↑	↓	↔	↔
Baking & Ingredients	↔	↔	↔	↔	↑	↔	↔
Candy & Nuts	↑	↑	↑	↔	↔	↑	↑
Dairy	↔	↔	↔	↔	↓	↓	↔
Wholesale, Food Service & Distribution	↑	↔	↔	↔	↔	↓	↓
Traditional Retail	↔	↓↓	↓↓	↓	↓↓	↓	↓
Non-Traditional Retail	↑	↑	↔	↔	↔	↑	↑↑

Three Year Outlook

Sector	10/6/2014	3/30/2015	10/12/2015	3/7/2016	9/30/2016	3/27/2017	12/4/2017
Inputs	↓↓↓	↔	↔	↔	↔	↔	↔
AG Equipment	↓↓↓	↔	↓	↓	↓	↔	↑
Agribusiness	↑	↑	↑	↑	↑	↑	↑
Diversified Foods	↔	↑	↑	↑	↑	↑	↔
Alternative Fuels	↑ (Ethanol)	↔ (Ethanol)	↔ (Ethanol)	↑↑	↑	↔	↑
Fruit & Vegetable	↑↑↑	↑↑	↑↑	↑↑↑	↑↑↑	↑↑↑	↑
Protein	↓	↑↑	↑	↑	↔	↔	↔
Baking & Ingredients	↔	↑	↔	↑	↑↑	↑	↔
Candy & Nuts	↑	↑↑	↑↑	↑↑	↑	↑	↔
Dairy	↔	↔	↔	↑	↔	↔	↔
Wholesale, Food Service & Distribution	↔	↔	↔	↑	↓	↔	↔
Traditional Retail	↓	↓	↓	↓	↓	↑	↔
Non-Traditional Retail	↑	↑↑	↑↑	↑↑	↑↑	↑↑	↑

Have a good week!

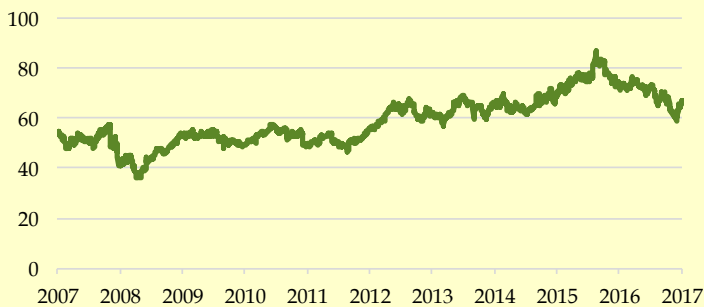
Food For Thought...

Kroger Rises As Results And Outlook Beat Expectations.

The Kroger Co. (NYSE: KR) reported last week that earnings in the third quarter increased 12% over last year to \$397 million. Same-store sales excluding fuel rose 1.1%, higher than analysts' expectations of a 0.9% gain. The better than expected sales came at a 22.4% gross margin, which was a 30-basis point improvement. The results surprised analysts in part because Wal-Mart and Whole Foods also posted better than expected growth in recent days, increasing speculation that some of those gains came at the expense of Kroger. However, Kroger's recently announced Restock Kroger initiative (which focuses on generating more value from leveraging data, investing in e-commerce, and focusing on high-impact items) is having a positive impact. The company announced that Kroger's ClickList digital service experienced a revenue increase of 109% in the third quarter.

The company also disclosed it was receiving a "high level of interest" by prospective buyers for Kroger's convenience store business as executives continue to evaluate whether to sell the 784 stores or not.

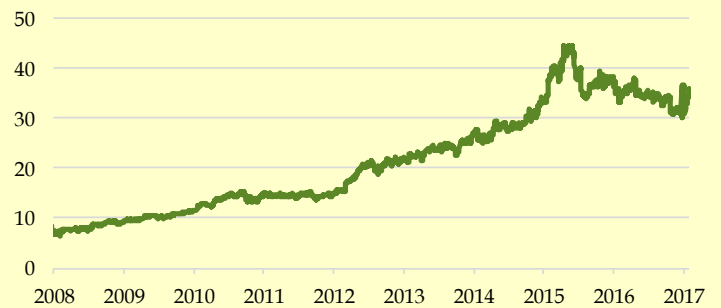
The Kroger Company (NYSE: KR) 10-Year History



Titan Machinery Announces Third Quarter Results. Titan Machinery, Inc. (NASDAQ: TITN) reported results last week for the quarter ended October 31. Total revenue declined slightly to \$330.3 million in the quarter, while equipment sales increased slightly and part sales declined modestly. Gross profit increased to \$61.5 million (up from \$58.4 million) as gross margin increased 100 basis points to 18.6%. The company noted they are pleased with performance, and Chairman and CEO David Meyer commented, "Based on more confident customer sentiment in our Agriculture segment and expected improvements in fourth quarter demand, we increased our new agriculture equipment inventory levels during the third quarter."

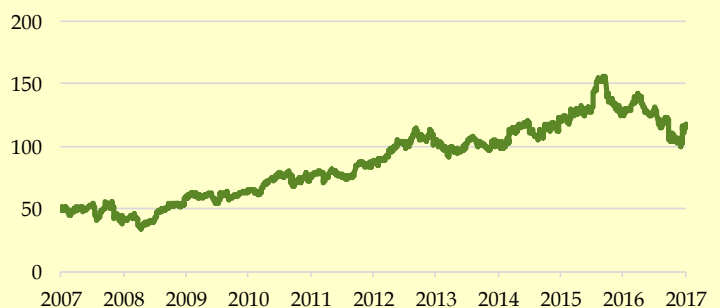
Hormel Declines As Turkey Results Lag. Hormel Foods Corp. (NYSE: HRL) announced that fourth quarter profit fell 24%, as net sales slipped 10% and volume was down 7%. The company blamed the sales and earnings slide on the continuing oversupply of turkeys, leading to lower prices. While Hormel's Grocery Product division, which includes Spam and Wholly Guacamole amongst other brands, has been growing, Hormel's recent acquisitions of Cidade do Sol, Fontanini Italian Meats, and Columbus Craft Meats show managements desire to further diversify the product base and geographic reach. Despite the weak fourth quarter, Hormel painted a bright outlook for 2018.

Hormel Foods (NYSE: HRL) 10-Year History



Sales Up But Earnings Fall At J.M. Smucker. The J.M. Smucker Company (NYSE: SJM) reported that sales increased 1% to \$1.92 billion in the second quarter, but net adjusted income dropped 4.2% to \$229.5 million. Higher pricing for Jif peanut butter and Smucker's jams and jellies drove revenue growth, while Folgers coffee and the baking segment (notably Crisco and Pillsbury) declined. In its report, the company reported that e-commerce sales doubled for retailers in the quarter, up to 2% of total sales. Similar to other diversified foods brands, Smuckers has been increasingly turning to acquisitions to sustain growth. The company expects its purchase of the Wesson oil brand from Conagra to close following regulatory approval.

The J.M. Smucker Company (NYSE: SJM) 10-Year History



Heard on the Street...

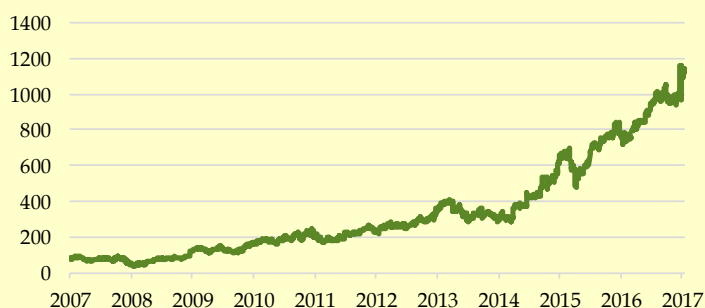
Orkla Acquires Czeck Frozen Vegetable Group Agrimex. Nordic branded food manufacturer Orkla has acquired Czech frozen vegetable producer Agrimex for an undisclosed sum. The deal will provide the regional food and ingredients giant with a “foothold” in the frozen vegetable sector and expand its foodservice business. A spokesperson for Orkla confirmed that the group is “quite active” on the M&A scene reshaping the portfolio of its food and ingredients business. The deal was inked through Orkla’s local subsidiary Hame, a branded food company that holds “strong positions” in the liver pate, ready meals, ketchup, jam, baby food and tinned vegetable categories, Orkla said.

Premium Brands Acquires Raybern’s Foods, LLC. Premium Brands Holdings Corp. has acquired Raybern Foods, LLC from TSG Consumer Partners. Financial terms were not disclosed. The Raybern’s transaction is one of the several recent deals announced by Premium Brands. Raybern Foods sells and distributes Raybern’s branded heat-and-serve deli-style sandwiches. Premium Brands Holdings owns numerous specialty food manufacturing and differentiated food distribution businesses with operations throughout North America. They have recently also acquired Buddy’s Kitchen Inc., a manufacturer of sandwiches and other prepared meal solutions, and Shaw Bakers, a manufacturer and distributor of fresh and frozen artisan bread and sweet and savory pastries. These three companies combined have annual sales of approximately \$115 million. The addition of these businesses diversifies and strengthens Premium Brand’s sandwich platform.

Speculations Of Possible Acquisition of Hain Celestial By Nestle. According to Bloomberg, Nestle seems to be the newest company in acquisition discussions with Hain Celestial, the focus of takeover speculation for more than a year. The report said that other U.S. based food manufacturers and buyout firms are considering a Hain purchase right now, but no decisions have been made – and the natural and organic manufacturer could still refuse any sale. The natural food and beverage company’s size and consistently strong revenue growth make it a ripe acquisition target, especially as competition heats up from retailers’ better-for-you private-label brands and other large food manufacturers acquire or launch their own natural and organic food brands. Hain Celestial owns brands such as Health Valley cereal, Terra chips, and Alba Botanica skin care.

AmazonFresh Partners With Allrecipes. AmazonFresh has partnered with Allrecipe to launch new shopping integration in order to let users add recipe ingredients to their online shopping carts. Allrecipes has 80 million users and records 1.5 billion site visits per year. Users will have to first select AmazonFresh as their preferred grocer and then will be able to add ingredients from eligible recipes to their carts for one- or two-hour delivery. Allrecipes curates the brands that appear in each eligible recipe, but shoppers will have the option of making a different section through the Fresh platform. Shoppable recipes have become a key marketing strategy for AmazonFresh. In addition to its Allrecipes partnerships, last month Amazon partnered with Fexy Media, owner of Serious Eats and other food culture and recipe sites, to add buying and delivery through Prime Now. Recently the recipe site EatLove, which develops weekly meal plans and recipes around consumer preferences and dietary restrictions, announced that it has inked a similar deal with AmazonFresh. These moves will allow Amazon to interact with high-value shoppers on sites where food inspiration often strikes. The e-tailer, which is currently developing its own meal kits, wants to do more to tap into the demand that’s fueling sales at Hello Fresh, Plated and other players.

Amazon.com (NASDAQ: AMZN) 10-Year History



Mars Takes Minority Stake In Snack Bar Maker, Kind, LLC. Mars, Inc. has purchased a minority stake in Kind LLC, the New York-based maker of nutrition bars. Financial terms were not disclosed. Kind offers a range of snacks made with simple ingredients, including whole nuts, seeds, whole grains and fruit. Mars said this partnership will help bring Kind into new geographic markets, including a potential international extension, and expand into additional product categories. “As we continue to expand our business and broaden our portfolio to address evolving consumer needs, we’re delighted to partner with a respected leader in the health and wellness space”, said Grant F. Reid, CEO and president of Mars.

Dashboard

12/4/2017 Sector	Outlook		Sector	Outlook	
	6-month	3-year		6-month	3-year
INPUTS			DECEMBER INDUSTRY TRENDS		
s/w/ 1.5 million tons of nitrogen production projected to come online late 2017 and 2018, increasing supply & competition s/w/ Farmers are expected to experience a \$19 per acre decrease in average farm income compared to 2016 s/w/ Large industry acquisitions creating a more consolidated market s/ International and national phosphate producers are reducing 2018 production to help reduce excess supply, trying to help pricing s/ 2017-18 planted bean acreage projected to be 90.2 million acres, the third consecutive year of increased soybean acreage			s/ There are reindeer found in six countries worldwide so if Dasher, Donner and friends get tired there are replacements readily available s/ Consumer confidence is up so we should exceed the 2017 average household spend of \$234.49 for their Christmas meal s/ Christians, Jews and Muslims all celebrate holidays in December s/ The town of North Pole, Alaska has 193 homes for sale at this time and the average home value is \$224,700. s/ Hanukkah gelt manufacturers respond to consumer trends with gourmet and free-trade options		
s/w/ 6-month: ↔ s/w/ 3-year: ↔			s/w/ 6-month: ↑ s/w/ 3-year: ↑		
AG EQUIPMENT			CANDY & NUTS		
s/ N. American and European demand expected to increase in two years while South American demand is currently strong s/w/ Used high horsepower equipment demand increases while new high HP tractor demand remains 25% below normalized levels s/ N. American ag industry sales are forecast to grow 5-10% in 2018 while the European Union ag sales are forecasted to grow 5% s/w/ N. American row crop equipment early orders for spring 2018 are up double digits compared to 2016 levels			s/w/ Cocoa prices are expected to be fairly flat until Q1 2018 as cocoa processing increases in Europe, Asia, and North America s/ Introduction of the Sugar Policy Modernization Act will end special-interest industry bailouts, aiding manufacturers and consumers s/w/ Industry consolidation increases as companies focus on attaining larger market shares s/w/ Healthy snacking alternatives increasing nut consumption s/w/ U.S. exports of nuts declined 27% in volume but increased 1% in dollar value in year-to-date comparison		
s/w/ 6-month: ↔ s/w/ 3-year: ↑			s/w/ 6-month: ↑ s/w/ 3-year: ↔		
AGRIBUSINESS			DAIRY		
s/ Glencore continues to pursue acquisitions in the grain sector s/w/ Despite expected record corn yields in 2017, USDA projects higher planted acreage in 2018 w/ Global over-supply of key crops slows large traders/merchandisers w/ U of I economists project average 2017 corn revenue of \$663/acre (down \$16) and soybean revenue of \$554/acre (down \$21)			w/s/ The primary drivers continue to be the global tightness of butter, and conversely, the ample supply of nonfat dry milk w/ U.S. consumption of dairy milk beverages dropped 22% between 2000 and 2016 due to growth of plant-based alternatives s/ The introduction of the School Milk Nutrition Act of 2017 is aimed to reverse the decline of milk consumption in U.S. schools w/ There is a resurgence in whole milk consumption, but the industry is witnessing big drop in fat-free and skim milk consumption s/ Dairy foods are holding ground through innovation efforts aimed at flavor adventure, authenticity, and natural nutrition		
s/w/ 6-month: ↔ s/w/ 3-year: ↑			s/w/ 6-month: ↔ s/w/ 3-year: ↔		
DIVERSIFIED FOODS			WHOLESALE, FOOD SERVICE & DISTRIBUTION		
s/ Kellogg's Cereal Café reopening in NYC demonstrates how branded food manufacturers are experimenting with new ideas s/w/ Never ending grocery shelf allows consumers to purchase products in many places, participants need to be nimble w/ The average cost of the Thanksgiving meal declined for the third year in a row w/ Gross margin of U.S. packaged foods decreased year over year by its greatest amount since 2Q 2012			w/ Wholesalers M&A activity at high level; activist investor pressures Supervalu to sell stores s/ Food away-from-home trend sees increase in an improving economic environment w/ Amazon plans to end its Fresh service in select areas around the country w/ Competition is keeping price flat		
s/w/ 6-month: ↓ s/w/ 3-year: ↔			s/w/ 6-month: ↓ s/w/ 3-year: ↔		
ALTERNATIVE FUELS			TRADITIONAL RETAIL		
s/ Long-term outlook for the industry remain positive with healthy gasoline demand and strong ethanol exports s/ Stable U.S. consumption combined with higher exports strengthens ethanol demand s/ Research efforts will diversify ethanol's solutions and current processing plants will invest in expanding capacity s/w/ RFS point of obligation will stay as is; refiners without capability to blend will continue to bear the cost RINS			s/ Kroger, Whole Foods, & Wal-Mart reported larger than expected increases in same-store-sales w/ Retail food inflation at two-year high, but faster growing wholesale prices pressure retail margins w/ Growth of limited assortment (Aldi and Lidl) and "endless aisle" (Amazon) options leave traditional retail searching for balance w/YTD thru November 1, real sales in grocery stores was up 1.02% - indicating no volume growth and continued pricing competition		
s/w/ 6-month: ↔ s/w/ 3-year: ↑			s/w/ 6-month: ↓ s/w/ 3-year: ↔		
FRUIT & VEGETABLE			NON-TRADITIONAL RETAIL		
s/w/ Global vertical farming market is estimated to be worth \$6 billion by 2022, growing 26% CAGR from 2016 to 2022 w/ Only 10% of U.S. adults meet federal fruit or vegetable consumption recommendations per day according to CDC study s/w/ Texas citrus growers help satisfy consumers demand as Florida's citrus crop suffers from Hurricane Irma and citrus greening w/ From '00-'01 to '16-'17, Florida's grapefruit acreage dropped 69% while orange acreage dropped 39% mostly due to citrus greening			s/ Sales from non-traditional retail is projected to grow to 44.9% of food-at-home spending in 5 years, up from 30.4% today s/ Drug, dollar, convenience stores, & online food sales have each grown over 900% since 2011, taking sales from conventional retail s/ Family Dollar Store 3Q gross margin expanded by 132 bp YoY; Sales increases exceeded 1% compared to previous year s/ Veterans shop at a higher percentage than all households at supercenters and warehouse clubs versus traditional grocery stores		
s/w/ 6-month: ↔ s/w/ 3-year: ↑			s/w/ 6-month: ↑↑ s/w/ 3-year: ↑		
PROTEIN			BIG PICTURE INDUSTRY DRIVERS		
s/ 2018 global beef production expected to rise for third year in a row; another year of expansion expected in global pork production s/ Aquaculture is driving supply growth with production volume growing 3-4% annually due to tech. advances and innovation s/w/ Demand for transparency is fueling growth in organic and grass-fed meats s/w/ Strong demand has resulted in higher beef cutout prices and lower packer gross margins s/w/ Alternative proteins continue to capture broader consumer interest in innovative food			- Labor shortage resulting in higher wages for employees - NAFTA uncertainty remains - Senate passed new tax bill that will decrease the corporate tax rate - Uncertainty surrounding North Korea leads to global concern - 2018 Winter Olympics to be held in South Korea		
s/w/ 6-month: ↔ s/w/ 3-year: ↔			s/w/ 6-month: ↔ s/w/ 3-year: ↔		
			LEGEND:		
			Strong Positive ↑↑↑		
			Positive ↑↑		
			Slight Positive ↑		
			Neutral ↔		
			Slight Negative ↓		
			Negative ↓↓		
			Strong Negative ↓↓↓		

Commodities Overview (1-year & 12-year History)

Soybeans



Sugar



Cattle



Milk



Cotton



Oil



Broiler price based off spot closing price. All other commodity prices are based off the closing price of their respective nearby futures contract.

Sources: Thomson Financial Data Securities, Capital IQ, Reuters, Edgar Online, Wall Street Journal, Barron's, New York Times, Bloomberg, Chicago Tribune, Denver Post, MarketWatch, USDA, The Economist, BusinessWeek, Food Institute, Food Business News, Supermarket News, LPC, Company Press Releases. The information contained in this publication is compiled using publicly available news/media sources and industry-specific sources that Lakeshore Food Advisors, LLC ("LFA") believes to be reliable, but the accuracy and completeness of which LFA cannot guarantee.

Please send your feedback and comments to Yajahira Cordova at 312.348.7075 or ycordova@lakeshorefoodadvisors.com.