



LAKE SHORE

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



Weekly Update

Monday, May 15th, 2023

U.S. Equities Offer Mixed Returns Among Rate Hikes and a Better-Than-Expected Jobs Report. Last week the April jobs report was released and despite expectations for a slowdown, the report showed payroll gains, a decrease in unemployment, and an uptick in wage growth. Additionally, the Federal Reserve raised rates two weeks ago for what many expect to be the last time of this cycle to a range of 5.00-5.25%. There are multiple other factors impacting investor sentiment including regional bank failures, looming recession, and continued layoffs despite strong job data.

The **Dow Jones Industrial Average** declined 1.1% on the week, finishing at 33,301.

The **S&P 500** was down 0.3% on the week, finishing at 4,124.

The **NASDAQ Composite** climbed 0.4% on the week, finishing at 12,285.

Yield on the **10-year Treasury** fell two basis points on the week, ending at 3.46%.

Crude oil declined 1.9% on the week, ending at \$70.02 per barrel.

Corn decreased 1.7% last week, ending at \$5.86 per bushel.

NASDAQ Highs: Freshpet, Inc., Jack in the Box Inc., PepsiCo, Inc., The Wendy's Company **Lows:** Beyond Meat, Inc., Gladstone Land Corporation, The Hain Celestial Group, Inc., Noodles & Company, SpartanNash Company.

NYSE Highs: General Mills, Inc., Lamb Weston Holdings, Inc., McDonald's Corporation, Shake Shack, Inc., TreeHouse Foods, Inc., **Lows:** American Vanguard Company, CF Industries Holdings, Inc., Intrepid Potash, Inc., The Mosaic Company, Nutrien Ltd., Tyson Foods, Inc., Weis Markets Inc.

Featured Stocks of the Week:

McDonald's Corporation (NYSE: MCD) 10-Year History



CF Industries Holdings, Inc. (NYSE: CF) 10-Year History



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The Lakeshore Food Chain

Company Name	Price	Price	52-Week Range		Price as Compared to		Forward	Enterprise Value to		Total Debt
	5/12/23	Compared to 5/5/23	High	Low	YE:			LTM:	EBITDA	to LTM EBITDA
					2022	2021	P/E	Revenue		
Dow Jones Industrial Average	33,301	(1.1%)	34,590	28,726	0.5%	(8.4%)	NA			
S&P 500	4,124	(0.3%)	4,305	3,577	7.4%	(13.5%)	18.6			
NASDAQ Composite Index	12,285	0.4%	13,128	10,213	17.4%	(21.5%)	NA			
Russell 3000 Index	2,363	(0.3%)	2,499	2,076	6.6%	(15.2%)	NA			
Sector Average:					8.0%	(14.6%)				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$10.68	1.0%	\$15.78	\$9.44	(14.3%)	(10.6%)	91.5x	18.32x	33.5x	13.5x
Gladstone Land Corporation	15.57	(1.8%)	27.97	14.95	(15.1%)	(53.9%)	NM	13.00	16.5	9.2
Limoneira Company	16.50	(2.1%)	17.90	10.76	35.1%	10.0%	39.8	1.92	152.7	63.2
Sector Average:					1.9%	(18.2%)	65.6x	11.08x	67.5x	28.6x
INPUTS										
American Vanguard Corporation	\$16.62	(11.5%)	\$25.99	\$15.01	(23.4%)	1.4%	13.4x	1.01x	9.7x	2.0x
* BASF SE	47.10	(0.9%)	54.04	37.90	1.5%	(23.8%)	11.5	0.73	9.8	2.1
* Bayer Aktiengesellschaft	53.73	(8.5%)	67.49	46.70	11.2%	14.3%	7.4	1.75	7.4	3.6
CF Industries Holdings, Inc.	66.53	(4.5%)	119.60	63.81	(21.9%)	(6.0%)	8.4	1.55	2.7	0.6
Corteva, Inc.	57.02	(2.1%)	68.43	50.03	(3.0%)	20.6%	19.2	2.48	12.2	1.4
FMC Corporation	109.58	(3.4%)	134.38	98.24	(12.2%)	(0.3%)	13.7	3.04	12.1	3.0
Intrepid Potash, Inc.	18.83	(10.0%)	74.66	18.26	(34.8%)	(55.9%)	15.2	0.81	2.1	0.1
The Mosaic Company	35.35	(9.6%)	66.60	34.70	(19.4%)	(10.0%)	6.9	0.84	2.8	0.8
* Nutrien Ltd.	81.13	(6.8%)	134.19	79.15	(17.9%)	(14.7%)	8.6	1.23	3.9	1.4
S&W Seed Company	1.30	(4.4%)	2.14	0.63	(12.8%)	(52.4%)	NM	1.55	NM	NM
Zoetis Inc.	183.62	(1.4%)	187.82	124.15	25.3%	(24.8%)	33.2	11.06	26.7	2.0
Sector Average:					(9.8%)	(13.8%)	13.7x	1.50x	9.0x	1.7x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$51.20	(14.5%)	\$63.40	\$28.80	18.1%	61.6%	11.7x	1.22x	9.0x	4.6x
AGCO Corporation	122.51	(3.6%)	145.53	88.55	(11.7%)	5.6%	8.4	0.81	5.8	1.2
Art's-Way Manufacturing Co., Inc.	2.55	(3.0%)	3.16	1.80	32.1%	(28.0%)	NA	0.64	8.8	3.1
* Buhler Industries Inc.	2.15	4.9%	2.58	1.51	11.4%	(27.4%)	NA	0.50	17.7	10.3
CNH Industrial N.V.	14.07	(0.9%)	17.98	10.60	(12.4%)	(27.6%)	8.0	1.64	11.4	7.0
Deere & Company	373.98	(1.9%)	448.40	283.81	(12.8%)	9.1%	12.3	2.93	12.9	4.4
Lindsay Corporation	119.97	(1.8%)	183.08	116.77	(26.3%)	(21.1%)	17.4	1.81	9.6	1.0
Titan Machinery Inc.	33.23	5.3%	47.87	21.50	(16.4%)	(1.4%)	6.7	0.51	6.3	2.3
Sector Average:					(2.2%)	(3.6%)	10.8x	1.26x	9.1x	3.4x
AGRIBUSINESS										
The Andersons, Inc.	\$37.62	0.4%	\$46.48	\$29.35	7.5%	(2.8%)	11.3x	0.15x	6.5x	3.1x
Archer-Daniels-Midland Company	75.38	(0.8%)	98.28	70.02	(18.8%)	11.5%	11.4	0.51	7.8	2.0
Bunge Limited	90.30	(0.3%)	118.99	80.41	(9.5%)	(3.3%)	7.9	0.27	3.8	1.4
Ingredion Incorporated	109.58	1.1%	112.30	78.81	11.9%	13.4%	12.1	1.19	8.4	2.3
MGP Ingredients, Inc.	101.43	0.1%	125.74	89.01	(4.7%)	19.3%	19.7	3.10	14.9	1.4
* Olam Group Limited	1.52	(1.3%)	1.71	1.17	4.1%	(13.1%)	NA	0.31	8.2	8.1
Sector Average:					(1.6%)	4.2%	12.5x	0.92x	8.3x	3.1x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$13.26	(14.4%)	\$26.13	\$10.91	18.9%	(56.8%)	12.5x	1.53x	10.4x	7.5x
Campbell Soup Company	54.33	(0.7%)	57.78	44.37	(4.3%)	25.0%	17.7	2.28	10.9	2.5
Conagra Brands, Inc.	36.75	(2.8%)	41.30	31.02	(5.0%)	7.6%	13.0	2.21	10.9	4.1
General Mills, Inc.	90.61	0.9%	90.65	64.94	8.1%	34.5%	20.5	3.23	15.9	2.9
The Hain Celestial Group, Inc.	14.13	(19.8%)	28.13	14.00	(12.7%)	(66.8%)	21.0	1.20	14.1	6.0
The J. M. Smucker Company	158.15	(0.0%)	163.07	119.82	(0.2%)	16.4%	16.7	2.54	12.7	2.6
Kellogg Company	70.81	0.7%	77.17	63.74	(0.6%)	9.9%	17.1	2.03	15.2	3.6
The Kraft Heinz Company	40.66	(1.6%)	44.53	32.73	(0.1%)	13.3%	13.9	2.58	9.4	2.7
Lancaster Colony Corporation	211.63	(3.3%)	220.65	116.85	7.3%	27.8%	32.1	3.16	24.1	0.1
Mondelez International, Inc.	77.88	0.4%	78.59	54.72	16.8%	17.4%	23.9	3.80	17.4	3.3
* Nestlé S.A.	114.98	(1.3%)	124.10	103.42	7.3%	(9.8%)	22.7	3.75	17.7	2.9
* Nomad Foods Limited	18.24	(6.4%)	21.45	12.50	5.8%	(28.2%)	10.7	1.61	9.4	4.4
Post Holdings, Inc.	88.57	(1.7%)	98.84	74.09	(1.9%)	(21.4%)	21.0	1.80	11.8	5.9
The Simply Good Foods Company	39.54	4.5%	41.91	29.21	4.0%	(4.9%)	23.3	3.60	18.9	1.8
Sovos Brands, Inc.	18.45	2.6%	20.58	12.50	28.4%	22.6%	28.0	2.40	13.4	3.0
SunOpta Inc.	10.34	(4.2%)	15.90	8.37	(9.1%)	17.9%	NA	1.42	16.4	5.2
TreeHouse Foods, Inc.	52.06	(4.1%)	55.30	35.82	5.4%	28.4%	20.5	1.26	14.2	5.0
Unilever PLC	49.95	(1.0%)	50.93	40.27	6.6%	6.2%	NA	2.50	12.9	2.6
Utz Brands, Inc.	16.96	(6.4%)	19.98	12.18	6.9%	6.3%	30.4	2.12	24.8	7.9
Sector Average:					4.3%	2.4%	20.3x	2.37x	14.8x	3.9x

Company Name	Price 5/12/23	Price Compared to 5/5/23	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM EBITDA
			High	Low	2022	2021		Revenue	EBITDA	
ETHANOL										
Alto Ingredients, Inc.	\$2.04	45.7%	\$5.30	\$1.20	(29.2%)	(57.6%)	NM	0.18x	NM	NM
Green Plains Inc.	31.59	(0.8%)	41.25	26.33	3.6%	(9.1%)	78.8	0.67	154.4	53.0
REX American Resources Corporation	28.88	2.0%	36.31	26.05	(9.4%)	(9.8%)	15.1	0.35	5.0	0.3
Sector Average:					(11.6%)	(25.5%)	46.9x	0.40x	79.7x	26.6x
FRUIT & VEGETABLE										
AppHarvest, Inc.	\$0.47	(3.0%)	\$4.84	\$0.42	(17.4%)	(88.0%)	NM	9.28x	NM	NM
Calavo Growers, Inc.	30.29	(3.1%)	45.50	22.64	3.0%	(28.6%)	24.0	0.54	16.7	2.2
Dole plc	11.90	(1.7%)	12.97	7.20	23.3%	(10.7%)	13.1	0.29	6.6	4.1
Fresh Del Monte Produce Inc.	26.99	(0.0%)	32.49	22.63	3.1%	(2.2%)	13.1	0.45	6.3	2.1
Lamb Weston Holdings, Inc.	114.28	2.0%	114.48	61.44	27.9%	80.3%	23.5	4.00	18.7	3.1
Mission Produce, Inc.	11.73	(0.6%)	16.96	9.81	0.9%	(25.3%)	21.9	1.01	18.6	4.7
Seneca Foods Corporation	48.59	2.3%	68.74	46.04	(20.3%)	1.3%	NA	0.54	6.3	3.5
Sector Average:					2.9%	(10.4%)	19.1x	1.14x	12.2x	3.3x
PROTEIN										
Beyond Meat, Inc.	\$10.47	(18.9%)	\$44.59	\$9.82	(14.9%)	(83.9%)	NM	3.97x	NM	NM
Cal-Maine Foods, Inc.	47.05	(6.7%)	65.32	43.96	(13.6%)	27.2%	7.2	0.54	1.6	NA
Darling Ingredients Inc.	62.40	8.2%	87.59	51.77	(0.3%)	(9.9%)	10.6	2.13	9.1	4.0
Hormel Foods Corporation	40.24	(2.3%)	53.46	37.78	(11.7%)	(17.6%)	22.8	1.99	12.1	1.6
* JBS S.A.	16.14	(11.7%)	37.40	15.12	(26.6%)	(57.5%)	5.2	0.37	5.0	3.9
Nathan's Famous, Inc.	71.11	(3.7%)	81.75	46.01	5.8%	21.8%	NA	2.74	9.2	3.0
Pilgrim's Pride Corporation	22.64	(0.5%)	34.66	20.59	(4.6%)	(19.7%)	12.6	0.50	6.0	2.4
Seaboard Corporation	3795.00	(0.6%)	4296.77	3295.00	0.5%	(3.6%)	NA	0.43	4.4	1.8
Tyson Foods, Inc.	48.87	(19.5%)	92.34	47.11	(21.5%)	(43.9%)	20.0	0.48	6.1	2.1
Vital Farms, Inc.	14.54	(5.7%)	18.18	7.89	(2.5%)	(19.5%)	44.3	1.29	3.0	0.1
Sector Average:					(8.9%)	(20.7%)	13.1x	1.16x	6.3x	2.4x
BAKING & INGREDIENTS										
Balchem Corporation	\$125.53	(2.3%)	\$143.88	\$110.15	2.8%	(25.5%)	29.3x	4.69x	22.1x	2.2x
Flowers Foods, Inc.	28.66	0.8%	30.16	24.15	(0.3%)	4.3%	22.9	1.47	11.9	2.0
* Gruma, S.A.B. de C.V.	278.18	(2.4%)	287.06	190.82	6.7%	6.0%	16.1	1.26	8.7	2.3
* Grupo Bimbo, S.A.B. de C.V.	96.68	(2.3%)	103.41	55.80	17.4%	53.5%	22.8	1.34	9.6	2.2
J&J Snack Foods Corp.	159.45	(2.1%)	165.90	117.45	6.5%	0.9%	34.3	2.16	22.5	1.1
* Kerry Group plc	94.30	(1.3%)	107.90	84.10	11.9%	(16.7%)	21.4	2.16	16.0	2.7
Krispy Kreme, Inc.	15.09	0.8%	16.06	10.21	46.2%	(20.2%)	42.1	2.47	15.5	5.1
McCormick & Company, Incorporated	90.28	1.5%	101.40	70.60	8.9%	(6.6%)	33.5	4.55	24.3	4.5
* Tate & Lyle plc	8.19	(1.6%)	8.38	6.48	15.1%	6.1%	15.9	2.26	14.3	2.8
Sector Average:					12.8%	0.2%	26.5x	2.48x	16.1x	2.8x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$12.43	(4.2%)	\$15.50	\$10.71	4.2%	2.6%	NA	0.41x	7.1x	0.6x
The Hershey Company	274.58	(0.3%)	276.88	201.42	18.6%	41.9%	28.1	5.65	22.0	1.8
John B. Sanfilippo & Son, Inc.	111.79	(3.9%)	119.33	67.02	37.5%	24.0%	NA	1.30	11.9	0.4
Laird Superfood, Inc.	0.81	(7.1%)	3.52	0.77	(3.8%)	(93.8%)	NM	NM	NM	NM
Rocky Mountain Chocolate Factory, Inc.	5.47	0.9%	8.25	4.77	(4.0%)	(30.3%)	NA	1.01	12.0	0.9
Tootsie Roll Industries, Inc.	38.10	(1.7%)	46.11	30.14	(7.8%)	11.6%	NA	3.78	25.2	0.1
Sector Average:					7.4%	(7.3%)	28.1x	2.43x	15.6x	0.8x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$36.78	(5.2%)	\$46.78	\$35.60	(1.8%)	(30.1%)	14.6x	1.00x	8.8x	3.8x
Freshpet, Inc.	69.10	(0.6%)	73.48	36.02	30.9%	(27.5%)	NM	5.29	NM	NM
Sector Average:					14.6%	(28.8%)	14.6x	3.14x	8.8x	3.8x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$308.14	(0.7%)	\$422.75	\$287.00	(6.5%)	(39.0%)	37.7x	1.78x	18.0x	0.3x
Brown-Forman Corporation	64.27	(0.6%)	78.15	60.23	(2.1%)	(11.8%)	32.3	8.02	28.3	2.6
The Coca-Cola Company	64.11	0.1%	66.38	54.02	0.8%	8.3%	24.1	7.09	20.1	3.2
Constellation Brands, Inc.	227.75	1.9%	261.32	208.12	(1.7%)	(9.3%)	19.4	5.81	35.6	3.6
Crimson Wine Group, Ltd.	6.55	4.1%	7.80	5.11	16.8%	(20.6%)	NA	1.77	30.0	4.4
* Diageo plc	35.35	(3.7%)	39.60	33.63	(3.2%)	(12.4%)	20.5	5.73	15.6	3.2
Monster Beverage Corporation	59.54	(0.3%)	60.47	41.95	17.3%	24.0%	37.7	9.14	33.9	0.0
National Beverage Corp.	52.01	(0.3%)	57.65	38.40	11.8%	14.7%	29.5	4.08	21.9	0.2
PepsiCo, Inc.	196.12	1.0%	196.22	154.86	8.6%	12.9%	26.4	3.49	19.1	2.6
Starbucks Corporation	106.12	(1.0%)	115.48	70.33	7.0%	(9.3%)	27.9	4.20	15.5	2.7
Willamette Valley Vineyards, Inc.	5.94	(1.2%)	7.47	5.80	(0.5%)	(31.4%)	NA	2.49	41.6	9.4
Sector Average:					4.4%	(6.7%)	28.4x	4.87x	25.4x	2.9x

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			High	Low	2022	2021		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$59.09	(2.2%)	\$61.88	\$46.75	20.0%	8.2%	16.8x	1.74x	10.8x	3.3x
Lifeway Foods, Inc.	6.08	1.2%	8.10	4.55	9.5%	32.1%	16.0	0.64	16.4	1.2
* Saputo Inc.	36.09	5.9%	37.50	24.61	7.7%	26.6%	18.0	1.10	14.0	3.0
Sector Average:					12.4%	22.3%	16.9x	1.16x	13.7x	2.5x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$33.89	(2.5%)	\$42.16	\$28.70	1.8%	1.8%	21.1x	0.75x	10.9x	4.5x
Performance Food Group Company	60.27	(2.8%)	63.22	38.23	3.2%	31.3%	14.9	0.26	10.4	3.5
SpartanNash Company	23.47	(2.2%)	37.75	23.18	(22.4%)	(8.9%)	10.4	0.16	7.0	3.5
Sysco Corporation	74.64	(2.8%)	88.84	70.61	(2.4%)	(5.0%)	17.1	0.65	13.1	3.2
United Natural Foods, Inc.	26.80	(0.9%)	49.56	22.07	(30.8%)	(45.4%)	8.5	0.16	5.3	3.6
US Foods Holding Corp.	40.81	5.8%	41.28	25.49	20.0%	17.2%	15.3	0.42	12.4	4.3
Sector Average:					(5.1%)	(1.5%)	14.6x	0.40x	9.8x	3.7x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$70.80	(5.5%)	\$80.41	\$51.45	7.0%	5.7%	17.9x	0.65x	9.6x	2.4x
Costco Wholesale Corporation	504.07	1.0%	564.75	406.51	10.4%	(11.2%)	33.6	0.93	21.2	0.9
Dollar General Corporation	218.51	(0.2%)	261.59	183.25	(11.3%)	(7.3%)	19.4	1.72	10.9	3.0
Dollar Tree, Inc.	158.72	2.1%	175.68	124.76	12.2%	13.0%	23.9	1.57	8.7	2.0
Grocery Outlet Holding Corp.	30.43	2.6%	46.37	25.71	4.2%	7.6%	29.6	1.15	13.4	4.3
Walmart Inc.	153.07	0.9%	154.64	117.27	8.0%	5.8%	25.0	0.77	12.2	1.6
Sector Average:					5.1%	2.3%	24.9x	1.14x	12.7x	2.3x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$20.20	(2.9%)	\$31.29	\$19.14	(2.6%)	(33.1%)	7.2x	0.34x	5.1x	2.9x
* Ahold Delhaize	31.03	(0.9%)	32.51	24.03	15.6%	3.0%	12.1	0.35	4.4	0.6
Amazon.com, Inc.	110.26	4.4%	146.57	81.43	31.3%	(33.9%)	65.2	2.37	18.2	2.6
Ingles Markets, Incorporated	81.31	(0.6%)	102.99	78.32	(15.7%)	(5.8%)	NA	0.33	4.0	1.3
The Kroger Co.	49.18	(0.1%)	54.70	41.82	10.3%	8.7%	10.9	0.37	6.5	2.4
Natural Grocers by Vitamin Cottage, Inc.	10.99	(6.2%)	19.34	8.00	20.2%	(22.9%)	NA	0.55	5.2	3.2
Sprouts Farmers Market, Inc.	37.35	2.6%	39.99	22.56	15.4%	25.8%	14.0	0.80	6.7	2.1
* Tesco PLC	2.76	(2.6%)	3.07	1.94	23.0%	(4.9%)	12.9	0.47	7.0	3.4
Village Super Market, Inc.	21.14	(2.2%)	24.43	19.09	(9.2%)	(9.6%)	NA	0.28	4.3	2.9
Weis Markets, Inc.	69.69	(11.6%)	95.57	67.09	(15.3%)	5.8%	NA	0.36	5.5	0.6
Sector Average:					7.3%	(6.7%)	20.4x	0.62x	6.7x	2.2x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$36.99	(2.8%)	\$42.12	\$21.47	15.9%	1.1%	10.1x	0.93x	6.7x	3.8x
The Cheesecake Factory Incorporated	31.18	(4.9%)	41.28	26.05	(1.7%)	(20.4%)	10.7	0.98	8.2	4.5
Cracker Barrel Old Country Store, Inc.	101.07	(2.5%)	121.17	81.87	6.7%	(21.4%)	15.3	1.00	9.9	3.5
Darden Restaurants, Inc.	148.55	(3.0%)	155.90	110.96	7.4%	(1.4%)	17.2	2.29	12.4	3.1
Dine Brands Global, Inc.	64.50	(0.5%)	82.43	61.03	(0.2%)	(14.9%)	10.4	2.81	11.7	7.8
Jack in the Box Inc.	95.12	2.5%	96.09	54.80	39.4%	8.7%	15.8	3.01	8.6	5.5
McDonald's Corporation	296.14	(0.2%)	298.86	228.34	12.4%	10.5%	26.4	11.21	18.6	3.6
Papa John's International, Inc.	76.67	(1.2%)	97.78	66.74	(6.9%)	(42.6%)	26.7	1.67	13.3	3.9
Texas Roadhouse, Inc.	105.54	(2.6%)	113.56	68.58	16.0%	18.2%	21.8	1.82	13.9	1.3
The Wendy's Company	23.44	3.6%	23.90	16.06	3.6%	(1.7%)	23.1	3.98	19.2	9.8
Yum! Brands, Inc.	138.51	0.7%	143.25	103.97	8.1%	(0.3%)	25.9	7.23	21.5	5.0
Sector Average:					9.2%	(5.8%)	18.5x	3.36x	13.1x	4.7x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$2,045.63	0.9%	\$2,077.29	\$1,196.28	47.4%	17.0%	44.8x	6.58x	27.4x	1.7x
El Pollo Loco Holdings, Inc.	9.42	0.8%	13.00	8.15	(5.4%)	(33.6%)	12.5	1.23	8.1	3.5
Noodles & Company	3.90	(17.0%)	6.78	3.81	(29.0%)	(57.0%)	17.5	0.44	3.4	0.8
Potbelly Corporation	8.62	(4.5%)	11.14	4.31	54.8%	54.5%	38.7	0.91	5.9	2.8
Shake Shack Inc.	65.21	(0.5%)	67.50	37.72	57.0%	(9.6%)	NM	3.20	22.1	5.4
Wingstop Inc.	207.41	(1.3%)	223.77	67.67	50.7%	20.0%	98.7	17.30	57.5	6.2
Sector Average:					29.3%	(1.5%)	42.5x	4.95x	20.7x	3.4x
CANNABIS & CBD										
Canopy Growth Corporation	\$1.42	(20.7%)	\$8.00	\$1.39	(54.8%)	(87.1%)	NM	2.91x	NM	NM
Cronos Group Inc.	2.32	(14.4%)	4.88	2.30	(32.6%)	(53.4%)	NM	NM	NM	NM
Jones Soda Co.	0.21	(1.9%)	0.48	0.18	(22.3%)	(71.8%)	NA	0.78	NM	NA
The Scotts Miracle-Gro Company	65.99	(0.7%)	102.25	39.06	35.8%	(59.0%)	21.0	1.94	15.4	7.3
Tilray Brands, Inc.	2.41	(13.0%)	5.17	2.17	(10.4%)	(65.7%)	NM	2.83	NM	NM
Village Farms International, Inc.	0.74	(4.0%)	3.53	0.66	(44.8%)	(88.5%)	NM	0.46	NM	NM
Sector Average:					(21.5%)	(70.9%)	21.0x	1.78x	15.4x	7.3x

Notes:

* Denotes local currency.

Source: Capital IQ.

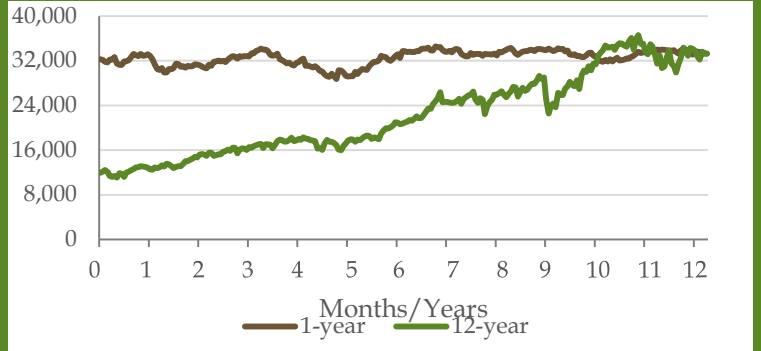
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

S&P 500



Dow Jones Industrial Average



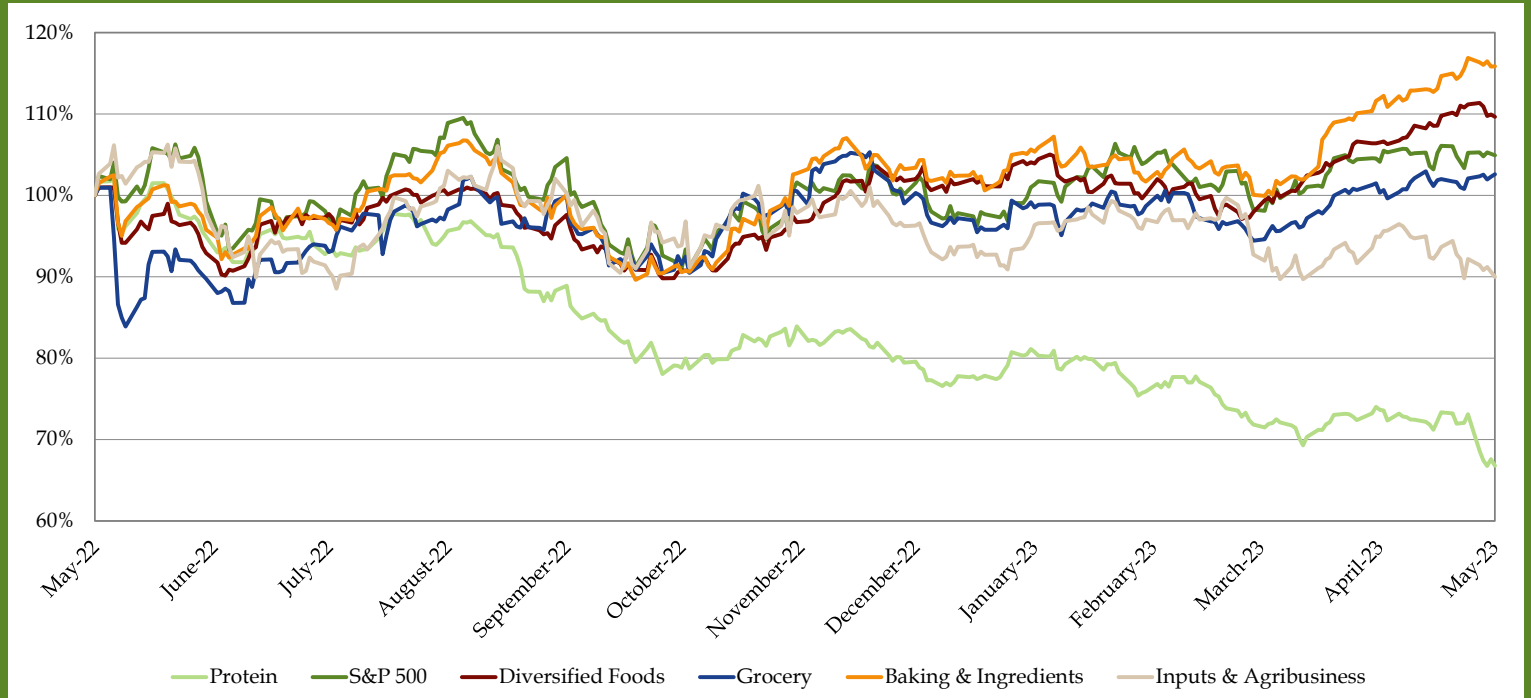
10-year Treasury



CBOE Market Volatility Index - VIX



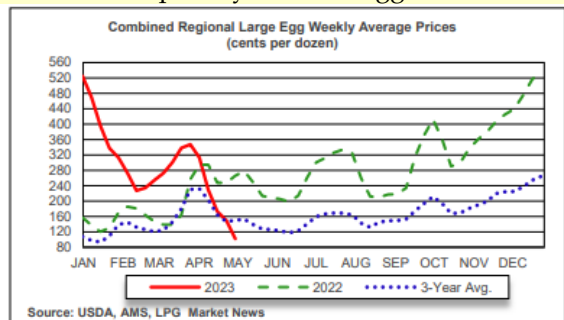
Lakeshore Sector Indices vs. S&P 500 (1-year Only)



Partner Column...

Partner Column
Written by Mary Burke

Finally egg prices have declined from their record levels. The prices have fallen 80% since the beginning of the year. As we have seen, it was reported on social media that some people were coloring potatoes for Easter, instead of eggs, pricing has continued to fall. The flock has repopulated and is growing again. Average price is now just over one dollar a dozen, back in line with historic pricing. As was seen in the April inflation report, the food at home index fell 0.2% over the month, with the index for meats, poultry, fish and eggs down 0.3%.



In that same report, overall food prices are still up from last year. On a twelve-month basis, food prices were up 7.7% in April, the slowest pace since January 2022. Prices for groceries fell 0.2% on the month, the second consecutive one-month decline. Prices for dining out increased 0.4% in April from March, the weakest rate of increase this year. For the month prices were falling for meat, dairy, eggs, fruit, and vegetables.

McDonald's and Chipotle both reported impressive same store sales increases in the first quarter-McD's up 12.6% and Chipotle up 10.9%. This contributed real top and bottom-line gains. Both chains reported stress from negative mix impacts, but this was offset by positive traffic trends and average check size. Both noted declines in units per transaction and some trade down.

Chipotle has shown impressive same store sales growth over 2019, which deserves some mention. While all fast-food chains have struggled with maintaining labor and execution in the stores, Chipotle's strength in the suburban areas has really helped them.

Change	1Q21	2Q21	3Q21	4Q21
SSS	17.20%	31.20%	15.10%	15.20%
vs 2019	21.10%	18.30%	24.70%	21.80%
	1Q2022	2Q2022	3Q2022	4Q2022
SSS	9.00%	10.10%	7.60%	5.60%
vs 2019	32.00%	30.30%	34.10%	28.60%
	1Q 2023			
SSS	10.90%			
vs 2019	46.30%			

Source: Company Reports

For 2022, 12.6% of the gain was from price increases and in 2021 the price increases were 8.0%. This compares to no price increase greater than 4.0% from 2018-2020.

As reports have shown, consumers are pushing back on price increases, however reluctantly they know they are here to stay. Trading down, purchasing less items and shopping sales, have all entered the lexicon more regularly now. It is expected that pricing competition this summer will reduce the impact of some of this on CPG products.

Automation, investment in operations, and all ways to reduce the need for employees in the manufacturing process is getting close attention. Equipment manufacturers have supply in better shape so new processes and equipment is getting rolled out.

It was not a surprise that the largest grocery union announced they are opposed to the Kroger-Albertsons deal. The United Food and Commercial Workers International Union (UFCW) said it opposes the \$20 billion deal because, they "are not getting any definite assurances right now." They are concerned about the required store divestitures and viability of the stores that will be sold and whether buyers will have heavy debt loads. UFCW says it will discuss its concerns with legislators and the Federal Trade Commission, which is reviewing the deal. The union represents 350,000 Kroger and Albertsons employees. Historically over 80% of stores spun-off to allow a sale fail within five years. The union is concerned that their employees will lose their jobs as this occurs. Kroger and Albertsons have agreed to sell up to 650 stores to secure regulatory approval according to securities filings. It is right to be concerned about it, but I am not sure there is anything they can do about it.

As was written about recently, planting season is here and in full swing. Ground water drought is a real concern in many areas as is access to water to irrigate. The USDA recently overlaid maps showing by crop where the most concerns are. All of this will affect pricing for the next year.

Percent of Production Area Experiencing Drought by Crop			
Barley	6%	Soybeans	20%
Corn	27%	Sunflower	22%
Cotton	38%	Durum Wheat	21%
Peanuts	13%	Spring Wheat	13%
Rice	0%	Winter Wheat	49%
Sorghum	77%		

Have a good week!

Food For Thought...

USDA Releases May WASDE Report. On Friday, The U.S. Department of Agriculture released its May World Agricultural Supply and Demand Estimates. Below is the USDA's updated 2023/2024 outlook for wheat, corn, rice, oilseeds, and poultry & livestock.

Wheat: Domestic usage is projected to increase by 1% to 1,112 million bushels in 2023/24, mostly due to higher feed and residual use. Exports are anticipated to total 725 million bushels, down 50 million from the previous year. The forecast for ending stockpiles is the lowest in 16 years, down 11% from the previous year. The projected season-average farm price for 2023/24 is \$8.00 per bushel, which is \$0.85 lower than the previous high.

Corn: Supported by increased domestic consumption and exports, the overall U.S. corn use for 2023/24 is anticipated to increase by nearly 5% over the previous year. Food, seed, and industrial use is projected to rise 55 million bushels to 6.7 billion. Corn used for ethanol is projected to increase 1%, based on expectations of modest growth in motor gasoline consumption and ethanol's inclusion rate into gasoline.

Rice: The outlook for U.S. rice in 2023/24 calls for increased supplies, exports, domestic consumption, and ending stocks. Total supplies for 2023/24 are anticipated to reach 259.3 million cwt, an increase of 8% over 2022/23 as stronger production has more than made up for lower beginning stocks and marginally lower imports. On the basis of a larger harvested area and higher anticipated yields, production is predicted to reach 192.7 million cwt, a 20% rise over the previous year.

Oilseeds: Higher supply, crush, and ending stocks are anticipated for U.S. soybeans in 2023/24 compared to the prior year; however, exports are expected to be lower. The soybean crop is projected at 4.51 billion bushels, an increase of 5% over last year's crop primarily due to greater yields. Estimated soybean supplies will be 4.75 billion bushels, up 4% from 2022/23. Canola, peanuts, and cottonseed production predictions are also optimistic.

Poultry & Livestock: As a result of decreased production of beef and slightly lower production of pork, the total red meat and poultry production in the United States is predicted to be 1% lower in 2024 than in the prior year. With anticipated decreases in the supply of both fed and non-fed cattle supplies, beef production is expected to be lower. A small decline in pork production is also anticipated. Rising broiler production is a result of decreasing feed prices and limited supply of other meat proteins. Turkey production is expected to increase as the industry recovers from Highly Pathogenic Avian Influenza.

California's Prop 12 Upheld. On Thursday, the U.S. Supreme Court ruled to uphold California's Proposition 12, keeping in place a statewide ban on the sale of eggs, raw pork or veal sourced from animals in cages or crowded group pens that prevent them from turning around freely. The 5-4 decision ruled against the National Pork Producers Council (NPPC) and the American Farm Bureau Federation in its challenge of the law.

Originally approved by California voters in 2018, Prop 12 requires producers to house veal calves and sows in at least 43 sq-ft and 24 sq-ft of usable space, respectively. It also requires all laying hens to be cage-free.

While being hailed by animal activists, the NPPC has made clear its intentions of continuing to challenge the ruling. "We are still evaluating the court's full opinion to understand all the implications. NPPC will continue to fight for our nation's pork farmers and American families against misguided regulations." said Scott Hays, president of the NPPC.

California consumes 13% of U.S. pork, the largest market in the country, but produces just 1%, according to the U.S. Department of Agriculture. As such, the implications of Prop 12 are heavily weighted on producers outside of California. Currently, a majority of pork is produced in non-compliant facilities.

Tyson Reports Q2 Earnings. On Monday, Tyson Foods reported a loss of \$97 million in the three months ended April 1, compared to net income of \$829 million in the same quarter last year. This marks Tyson's first quarterly loss since 2009 as high costs have driven away consumer demand. Additionally, Tyson has lowered its sales outlook for fiscal year 2023 to \$53 billion to \$54 billion, down from February's estimate of \$55 billion to \$57 billion.

The largest meat supplier in the U.S. is coping with low consumer demand for pork, a shortage of cattle, and falling chicken prices. Tyson has also been paying more for animal feed and plant worker wages over the past year, cutting into profits. Tyson announced last month that it would eliminate 15% of its senior leadership jobs and 10% of its corporate responsibilities in an effort to reduce expenses across the company.

"This quarter was definitely a tough one," said Chief Executive Donnie King on a call with analysts. "I've never seen this highly unusual situation where beef, pork, and chicken were all experiencing challenges at the same time." Tyson's stock dropped more than 16% on Monday, reaching its lowest point since the pandemic began in 2020. The value of the company's stock has decreased by around 44% in the last year.

Heard on the Street...

Mondelez to Close Facility. Mondelez International, owner of Oreo and Chips Ahoy, has announced that it will be shutting down one of its baking plants located in Jeffersonville, IN. The snack manufacturer formally informed the state of Indiana that it would be closing the facility, which processes products under the Enjoy Life Foods brand. The first phase of the closure will occur on July 3, 2023, and is expected to affect 105 employees. In total, 166 jobs are expected to be cut and the plant will permanently close on or before April 1, 2024.

Founded in 2001, Enjoy Life makes allergy-friendly and gluten-free snacks and snack bars. Enjoy Life was acquired by Mondelez in 2015 for an undisclosed amount. The snack group invested \$39 million into the Jeffersonville facility in 2016. The 200,000 sq-ft plant has three production lines that can create 780,000 feet of snack bars per month, 7.1 million cookies per month, and 1,500 tons of baking chocolate annually.

The May 2 filing made with Indiana's Department of Workforce Development did not include an explanation for the closure, however, in a later statement, Enjoy Life said that it will "transition operations to external manufacturing", as the company aims to "narrow and refocus" its portfolio following an increase in allergy-free and other "free-from" offerings from competitors.

Post Holdings Reports a 12% Increase in Foodservice. Results for Post Holdings, Inc.'s foodservice division during the second quarter ended March 31 showed promising signs that the food industry is returning to pre-pandemic conditions. When compared to the comparable period of the prior year, foodservice's net sales climbed by 40% to \$633 million. Volume rose 12%, driven primarily by away-from-home demand for eggs and potatoes.

"Revenue growth continued to outpace volume growth as revenue reflects the effect of commodity cost, pass-through pricing model and other pricing actions to offset higher product costs," said Matthew J. Mainer, Chief Financial Officer of the foodservice segment in a May 5 earnings call. "Segment adjusted EBITDA increased 100% from prior year, benefiting from improved average net pricing and volume growth, which mitigated the impact of higher cost to produce. As a reminder, prior-year Q2 was still being significantly impacted by the COVID omicron variant making for an abnormally low comp."

The St. Louis-based Post reported net earnings of \$54.1 million for the period, or \$0.98 per share, down from \$526 million, or

\$8.51 per share, in the second quarter of the previous year. A \$448 million loss on an investment in BellRing was included in earnings for the second quarter of the current year. At \$276 million, adjusted EBITDA increased by 20% over the second quarter of the prior year's \$230 million. Net sales increased by 15% from \$1.41 billion to \$1.62 billion.

The forecast for adjusted EBITDA in the fiscal year was raised to \$1.09 - 1.13 billion from \$1.03 - 1.07 billion.

IFF Suffers \$9 Million Loss. International Flavors & Fragrances (IFF) reported a \$9 million loss when compared to a net income of \$244 million in the first quarter of the prior year. The first quarter saw net sales of \$3.03 billion, a 6% decrease from \$3.23 billion in the prior year's first quarter. On May 9, the price of IFF's shares on the New York Stock Exchange fell by 7% to close at \$90.31 per share, down from a close of \$97.14 on May 8. However, once IFF's inventory reduction initiative is finished, company executives anticipate an increase in volume. Financial results for the first quarter ended March 31 were significantly affected by the volume reduction.

"Adjusted operating EBITDA finished at \$503 million in the first quarter of 2023 and largely was impacted by the lower volumes as well as our proactive effort to rebalance inventories to drive cash flow generation," said Franklin K. Clyburn, Chief Executive Officer, in a May 9 earnings call. "As we shared earlier this year, we are executing our inventory reduction program, making strong progress in the first quarter. As expected, while it was cash flow positive, it did lead to a significant headwind in terms of profitability as our fixed costs were absorbed over reduced manufacturing volumes, which represented approximately a 15-percentage point year-over-year impact."

Sales of \$1.65 billion in the Nourish segment were 5% lower than \$1.73 billion in the first quarter of the previous year. Adjusted operating EBITDA fell 27% as decreased volumes and adverse manufacturing absorption led by the inventory reduction program outweighed price hikes and productivity gains.

Sales in the Health & Biosciences division fell 22% in the first quarter, from \$661 million to \$513 million. Sales fell 3% as weakness in health, grain processing, and animal nutrition more than offset growth in culture & food enzymes and home & personal care.

Companywide, full-year sales guidance dropped to \$12.3 billion from previous guidance of \$12.5 billion.

Capital

The U.S. dollar has undergone significant fluctuations against other major currencies in recent years. In mid-2022, the dollar reached parity with the euro for the first time in two decades, while also gaining against other currencies such as the yen, pound, and Canadian dollar. The dollar peaked in late September 2022, around the same time as the S&P 500 reached its low, and the two markets have been operating with a negative correlation ever since.

One of the driving factors for the dollar's strength has been the interest rate environment in the U.S. and abroad. For most of 2022, the Federal Reserve was more aggressive than the European Central Bank (ECB) in raising short-term interest rates. Consequently, U.S. fixed-income investments paid more attractive yields than European markets, increasing demand for the dollar. Additionally, for much of 2022, recession risks in Europe appeared to be greater than those in the U.S., contributing to the dollar's strength.

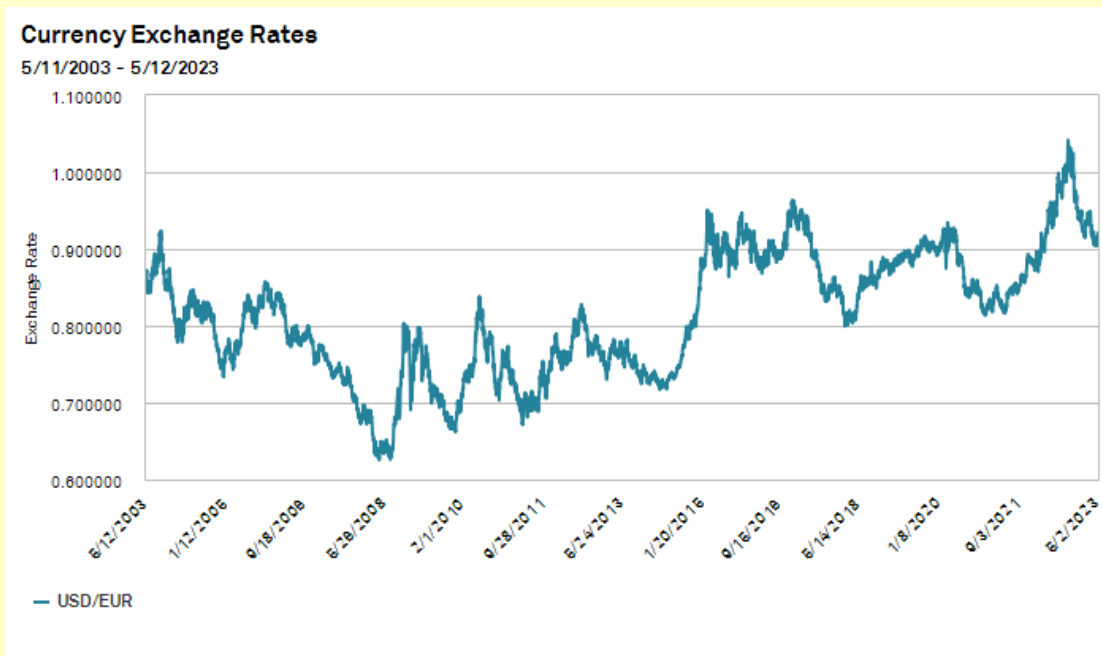
However, the dollar has weakened compared to most major currencies since late 2022 and continuing into 2023. The Federal Reserve has slowed the pace of interest rate increases, while the ECB has implemented more dramatic rate hikes, driving trade flows toward Europe and away from the U.S. As a result, the euro and other currencies have become relatively cheap, attracting capital flows. As of mid-April 2023, the dollar stood at around \$1.10 to the euro, slightly weaker than its starting point at the beginning of the year. While the Federal Reserve is close to reaching the peak in this interest rate cycle, the ECB still

has work to do, and the Bank of Japan has yet to begin raising interest rates, indicating potential weakness for the dollar in the future.

Currency trends are primarily driven by relative inflation considerations between the U.S. and the locale of another currency, as well as comparative central bank policies. Although the euro has bounced back against the dollar in recent months, the recession risk in Europe is still greater than that of the U.S. A significant question will be how Europe manages its energy demands, given the ongoing Russia-Ukraine war and the resulting supply interruptions. If energy prices rise over the year, this could heighten the recession risk for Europe.

Furthermore, the falling dollar index could be a supportive factor for commodity prices, as most raw materials are priced using the dollar as a benchmark pricing mechanism. As the dollar falls, commodity prices become less costly in other currency terms, supporting dollar-based prices due to the elasticity of demand. Given that agricultural products feed and fuel the world, the falling dollar index is a supportive factor.

Although the euro has bounced back against the dollar in recent months, the recession risk in Europe remains greater than that of the U.S. If Europe manages its energy demands effectively, this could reduce the recession risk, while a failure to do so could increase it. Additionally, the falling dollar index could support commodity prices, benefiting the agricultural industry, which feeds and fuels the world.



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

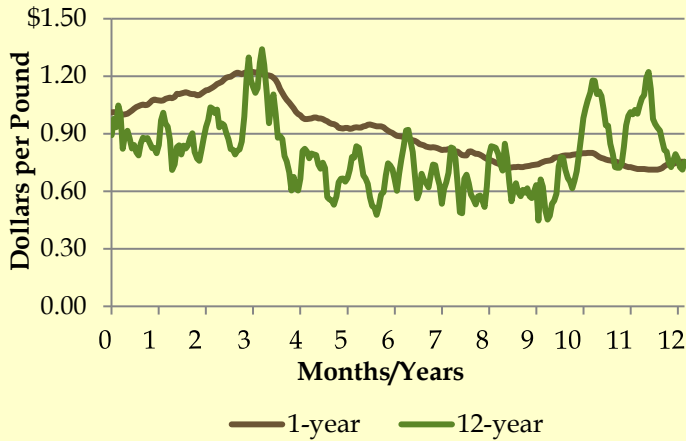
Corn



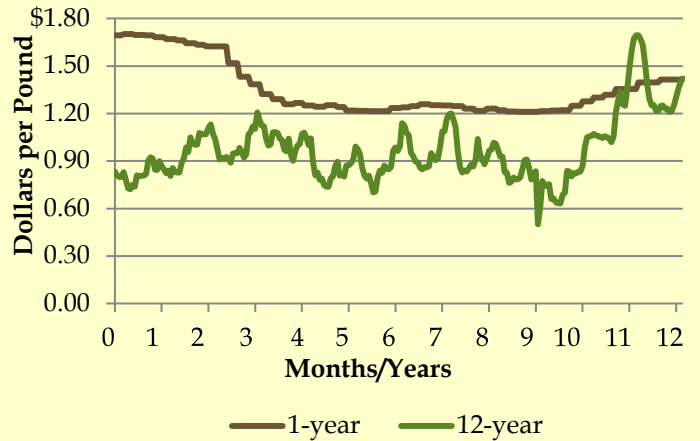
Wheat



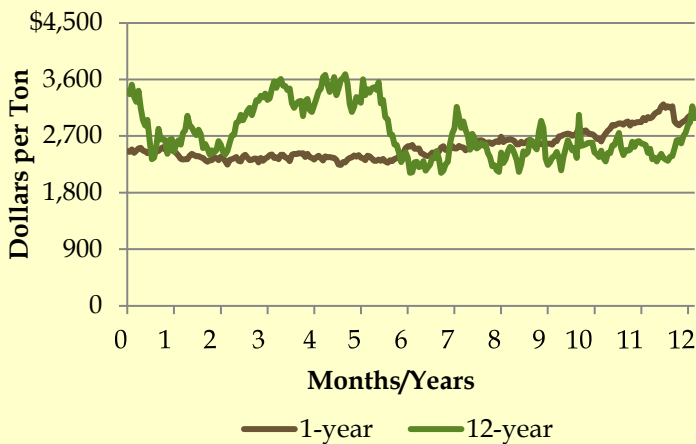
Hogs



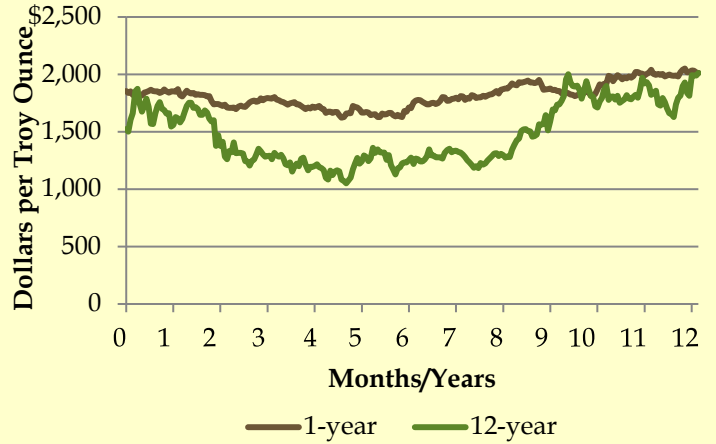
Broilers



Cocoa



Gold



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

Sources: Thompson 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 Mary Burke at lakeshorefoodadvisors@lakeshorefoodadvisors.com.