



LAKE SHORE

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



Weekly Update

Monday, June 5th, 2023

U.S. Equity Markets Finish on a Mixed Note in May. The Dow closed out the month of May 3.5% lower, while the S&P 500 saw a moderate gain of 0.2%, and the NASDAQ finished 5.8% higher. The first two trading days in June saw modest gains from the major indices, closing on average 2.5% higher, supported by the end of the debt ceiling standoff and a stronger-than-expected jobs report. Nonfarm payrolls increased by 339,000 in May, significantly above the 190,000 projected by economists and relieving some of the recessionary fears.

The **Dow Jones Industrial Average** increased 2.0%, finishing at 33,762.

The **S&P 500** was up 1.8% on the week, finishing at 4,282.

The **NASDAQ Composite** rose 2.0% this week, finishing at 13,241.

Yield on the **10-year Treasury** fell 11 basis points during the week, ending at 3.69%.

Crude oil decreased 1.3% on the week, ending at \$71.74 per barrel.

Corn rose 0.8% on the week, ending at \$6.09 per bushel.

NASDAQ Highs: None. **Lows:** The Hain Celestial Group, Inc., Seneca Foods Corporation, SpartanNash Company, SunOpta Inc.

NYSE Highs: Darden Restaurants, Inc. **Lows:** Archer-Daniels-Midland Company, Brown-Forman Corporation, CF Industries Holdings, Inc., Dine Brands Global, Inc., Dollar General Corporation, Intrepid Potash, Inc., Laird Superfood, Inc., The Mosaic Company, Nutrien Ltd., Sysco Corporation, Weis Markets, Inc.

Featured Stocks of the Week:

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



Dollar General Corporation (NYSE: DG) 10-Year History



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The Lakeshore Food Chain

Company Name	Price 6/2/23	Price Compared to 5/26/23	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			
											Sector Average:	
Dow Jones Industrial Average	33,763	2.0%	34,590	28,726	1.9%	(7.1%)	0.0x					
S&P 500	4,282	1.8%	4,305	3,577	11.5%	(10.2%)	19.2					
NASDAQ Composite Index	13,241	2.0%	13,241	10,213	26.5%	(15.4%)	0.0					
Russell 3000 Index	2,458	2.0%	2,499	2,076	10.9%	(11.8%)	0.0					
					Sector Average:		12.7%	(11.1%)				
AGRICULTURAL LAND HOLDINGS												
Farmland Partners Inc.	\$11.76	5.2%	\$15.20	\$9.44	(5.6%)	(1.6%)	57.8x	19.25x	35.2x	13.5x		
Gladstone Land Corporation	16.49	7.1%	27.45	14.95	(10.1%)	(51.2%)	NM	13.29x	16.8	9.2		
Limoneira Company	16.36	(0.1%)	17.90	10.76	34.0%	9.1%	74.6	1.91x	151.6	63.2		
					Sector Average:		6.1%	(14.6%)	66.2	11.48x	67.9	28.6
INPUTS												
American Vanguard Corporation	\$17.87	3.4%	\$25.99	\$15.01	(17.7%)	9.0%	15.8x	1.07x	10.2x	2.0x		
* BASF SE	46.79	(0.3%)	54.04	37.90	0.9%	(24.3%)	10.3x	0.72x	9.8x	2.1x		
* Bayer Aktiengesellschaft	52.61	(3.3%)	67.24	46.70	8.9%	11.9%	7.2x	1.73x	7.5x	3.7x		
CF Industries Holdings, Inc.	62.91	0.1%	119.60	60.08	(26.2%)	(11.1%)	8.0x	1.48x	2.6x	0.6x		
Corteva, Inc.	55.92	1.4%	68.43	50.03	(4.9%)	18.3%	18.7x	2.44x	12.0x	1.4x		
FMC Corporation	107.07	3.4%	134.38	98.24	(14.2%)	(2.6%)	13.4x	2.98x	11.9x	3.0x		
Intrepid Potash, Inc.	19.22	1.5%	65.95	17.23	(33.4%)	(55.0%)	23.3x	0.82x	2.1x	0.1x		
The Mosaic Company	33.08	(2.4%)	63.16	31.44	(24.6%)	(15.8%)	6.6x	0.80x	2.7x	0.8x		
* Nutrien Ltd.	73.60	(3.3%)	132.75	70.69	(25.5%)	(22.6%)	8.3x	1.15x	3.7x	1.4x		
S&W Seed Company	1.12	(7.4%)	2.14	0.63	(24.8%)	(59.0%)	NM	1.46x	NM	NM		
Zoetis Inc.	171.88	4.3%	187.82	124.15	17.3%	(29.6%)	31.1x	10.39x	25.1x	2.0x		
					Sector Average:		(13.1%)	(16.4%)	14.3x	1.47x	8.8x	1.7x
AGRICULTURAL EQUIPMENT												
* Ag Growth International Inc.	\$51.82	(0.0%)	\$63.40	\$28.80	19.5%	63.6%	10.8x	1.23x	9.3x	4.8x		
AGCO Corporation	119.40	4.4%	145.53	88.55	(13.9%)	2.9%	8.2x	0.79x	5.7x	1.2x		
Art's-Way Manufacturing Co., Inc.	2.48	3.3%	3.16	1.80	28.5%	(29.9%)	0.0x	0.63x	8.7x	3.1x		
* Buhler Industries Inc.	2.22	1.8%	2.58	1.51	15.0%	(25.0%)	0.0x	0.48x	30.8x	18.6x		
CNH Industrial N.V.	13.63	1.6%	17.98	10.60	(15.1%)	(29.9%)	7.7x	1.62x	11.1x	6.9x		
Deere & Company	371.07	3.9%	448.40	283.81	(13.5%)	8.2%	11.8x	2.76x	12.0x	4.3x		
Lindsay Corporation	124.74	4.3%	183.08	116.16	(23.4%)	(17.9%)	18.1x	0.04x	0.2x	1.0x		
Titan Machinery Inc.	27.87	2.1%	47.87	21.50	(29.9%)	(17.3%)	6.0x	0.51x	6.2x	3.1x		
					Sector Average:		(4.1%)	(5.7%)	7.8x	1.01x	7.6x	3.5x
AGRIBUSINESS												
The Andersons, Inc.	\$41.33	0.6%	\$46.48	\$29.35	18.1%	6.8%	14.7x	0.16x	6.8x	3.1x		
Archer-Daniels-Midland Company	71.97	(1.0%)	98.28	69.92	(22.5%)	6.5%	11.1x	0.49x	7.5x	2.0x		
Bunge Limited	92.28	(2.1%)	114.81	80.41	(7.5%)	(1.2%)	8.0x	0.27x	3.9x	1.4x		
Ingredion Incorporated	107.51	(0.0%)	113.46	78.81	9.8%	11.2%	11.9x	1.17x	8.3x	2.3x		
MGP Ingredients, Inc.	100.73	6.6%	125.74	89.01	(5.3%)	18.5%	19.6x	3.08x	14.8x	1.4x		
* Olam Group Limited	1.40	(4.1%)	1.71	1.17	(4.1%)	(20.0%)	0.0x	0.30x	8.0x	8.1x		
					Sector Average:		(1.9%)	3.6%	10.9x	0.91x	8.2x	3.1x
DIVERSIFIED FOODS												
B&G Foods, Inc.	\$13.54	4.1%	\$26.13	\$10.91	21.4%	(55.9%)	12.7x	1.54x	10.4x	7.5x		
Campbell Soup Company	51.47	(0.1%)	57.78	44.37	(9.3%)	18.4%	16.8x	2.19x	10.4x	2.5x		
Conagra Brands, Inc.	35.13	0.8%	41.30	31.07	(9.2%)	2.9%	12.5x	2.15x	10.6x	4.1x		
General Mills, Inc.	84.59	0.5%	90.89	64.94	0.9%	25.5%	19.1x	3.05x	15.0x	2.9x		
The Hain Celestial Group, Inc.	12.12	(6.3%)	26.78	11.78	(25.1%)	(71.6%)	18.7x	1.10x	12.3x	5.8x		
The J. M. Smucker Company	148.98	1.7%	163.07	120.52	(6.0%)	9.7%	15.8x	2.42x	12.1x	2.6x		
Kellogg Company	67.39	(0.4%)	77.17	63.74	(5.4%)	4.6%	16.2x	1.95x	14.7x	3.6x		
The Kraft Heinz Company	38.51	0.4%	42.80	32.73	(5.4%)	7.3%	13.2x	2.48x	9.0x	2.7x		
Lancaster Colony Corporation	203.58	0.0%	220.65	116.85	3.2%	22.9%	30.9x	NM	NM	0.1x		
Mondelez International, Inc.	74.27	(1.1%)	78.59	54.72	11.4%	12.0%	22.7x	3.66x	16.7x	3.3x		
* Nestlé S.A.	109.60	(2.2%)	118.70	103.42	2.3%	(14.0%)	21.7x	3.60x	17.0x	2.9x		
* Nomad Foods Limited	17.88	2.8%	21.15	12.50	3.7%	(29.6%)	10.6x	1.59x	9.3x	4.4x		
Post Holdings, Inc.	86.41	1.1%	98.84	74.09	(4.3%)	(23.3%)	20.5x	1.78x	12.4x	6.3x		
The Simply Good Foods Company	36.81	1.5%	41.91	29.21	(3.2%)	(11.5%)	21.7x	3.38x	17.7x	1.8x		
Sovos Brands, Inc.	19.11	3.7%	20.58	12.50	33.0%	27.0%	29.1x	2.47x	13.8x	3.0x		
SunOpta Inc.	9.26	(4.0%)	15.90	8.58	(18.6%)	5.6%	0.0x	1.34x	14.2x	4.9x		
TreeHouse Foods, Inc.	48.81	0.4%	55.30	37.50	(1.2%)	20.4%	19.2x	0.44x	4.4x	4.4x		
Unilever PLC	47.20	(1.7%)	50.93	41.24	0.7%	0.3%	0.0x	2.36x	12.1x	2.6x		
Utz Brands, Inc.	16.55	0.6%	19.98	12.18	4.4%	3.8%	29.7x	2.14x	24.6x	8.2x		
					Sector Average:		(0.4%)	(2.4%)	17.4x	2.20x	13.2x	3.9x

Company Name	Price 6/2/23	Price Compared to 5/26/23	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.	\$2.11	1.9%	\$5.30	\$1.20	(26.7%)	(56.1%)	46.9x	0.18x	NM	NM
Green Plains Inc.	31.50	3.6%	41.25	26.33	3.3%	(9.4%)	37.6x	0.66x	154.0x	53.0x
REX American Resources Corporation	34.33	(1.8%)	36.31	26.05	7.8%	7.3%	15.1x	0.47x	7.1x	0.3x
Sector Average:					(5.2%)	(19.4%)	33.2x	0.44x	80.6x	26.6x
FRUIT & VEGETABLE										
AppHarvest, Inc.	\$0.44	(1.4%)	\$4.84	\$0.42	(22.1%)	(88.6%)	NM	9.09x	NM	NM
Calavo Growers, Inc.	33.48	1.2%	45.50	22.64	13.9%	(21.0%)	27.9x	0.07x	2.2x	2.2x
Dole plc	13.64	1.3%	13.84	7.20	41.3%	2.4%	15.6x	0.30x	6.5x	3.8x
Fresh Del Monte Produce Inc.	26.85	1.2%	32.49	22.63	2.5%	(2.7%)	13.0x	0.16x	2.2x	2.1x
Lamb Weston Holdings, Inc.	113.27	3.5%	115.31	62.62	26.8%	78.7%	23.3x	3.97x	18.5x	3.1x
Mission Produce, Inc.	12.82	2.5%	16.96	9.81	10.3%	(18.3%)	24.0x	1.08x	20.0x	4.7x
Seneca Foods Corporation	47.76	(3.8%)	68.74	45.50	(21.6%)	(0.4%)	0.0x	0.53x	6.2x	3.5x
Sector Average:					7.3%	(7.1%)	17.3x	1.02x	9.3x	3.2x
PROTEIN										
Beyond Meat, Inc.	\$10.63	2.7%	\$44.59	\$9.82	(13.6%)	(83.7%)	NM	4.00x	NM	NM
Cal-Maine Foods, Inc.	47.56	(2.2%)	65.32	43.96	(12.7%)	28.6%	7.6x	0.55x	1.6x	0.0x
Darling Ingredients Inc.	64.06	0.8%	87.59	51.77	2.3%	(7.5%)	10.8x	2.16x	9.3x	4.0x
Hormel Foods Corporation	40.77	6.0%	51.69	37.78	(10.5%)	(16.5%)	22.1x	2.04x	12.4x	1.7x
* JBS S.A.	16.77	2.3%	35.66	15.12	(23.7%)	(55.8%)	13.4x	0.37x	5.2x	4.0x
Nathan's Famous, Inc.	76.79	8.4%	81.75	50.51	14.3%	31.5%	0.0x	0.47x	1.6x	3.0x
Pilgrim's Pride Corporation	22.72	0.3%	34.66	20.59	(4.3%)	(19.4%)	12.9x	0.50x	6.0x	2.4x
Seaboard Corporation	3771.25	(0.2%)	4248.37	3295.00	(0.1%)	(4.2%)	0.0x	0.03x	0.3x	1.8x
Tyson Foods, Inc.	51.34	(1.3%)	92.32	47.11	(17.5%)	(41.1%)	21.9x	0.50x	6.2x	2.1x
Vital Farms, Inc.	14.71	(1.8%)	18.18	7.89	(1.4%)	(18.5%)	44.9x	1.31x	3.1x	0.1x
Sector Average:					(6.7%)	(18.7%)	11.1x	0.88x	5.1x	2.1x
BAKING & INGREDIENTS										
Balchem Corporation	\$132.82	8.4%	\$143.88	\$110.15	8.8%	(21.2%)	31.0x	0.42x	2.0x	2.2x
Flowers Foods, Inc.	25.42	(1.5%)	30.16	24.15	(11.6%)	(7.5%)	21.0x	0.27x	2.4x	2.4x
* Gruma, S.A.B. de C.V.	267.30	(3.2%)	287.06	190.82	2.5%	1.8%	13.1x	1.22x	8.4x	2.3x
* Grupo Bimbo, S.A.B. de C.V.	92.49	(1.8%)	103.41	60.00	12.3%	46.9%	21.7x	1.30x	9.3x	2.2x
J&J Snack Foods Corp.	158.53	1.3%	165.90	121.70	5.9%	0.4%	34.0x	0.07x	0.7x	1.1x
* Kerry Group plc	92.46	(0.9%)	107.90	84.10	9.8%	(18.4%)	21.0x	2.12x	15.7x	2.7x
Krispy Kreme, Inc.	15.45	4.3%	16.06	10.21	49.7%	(18.3%)	43.1x	2.51x	15.9x	5.2x
McCormick & Company, Incorporated	88.46	1.8%	93.00	70.60	6.7%	(8.4%)	32.9x	4.47x	23.9x	4.5x
* Tate & Lyle plc	7.92	(0.9%)	8.38	6.48	11.4%	2.6%	14.5x	1.94x	11.5x	2.2x
Sector Average:					10.6%	(2.5%)	25.8x	1.59x	10.0x	2.8x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$11.65	(6.8%)	\$15.50	\$10.71	(2.3%)	(3.8%)	0.0x	NM	NM	0.6x
The Hershey Company	260.91	1.2%	276.88	201.63	12.7%	34.9%	26.7x	5.39x	21.0x	1.8x
John B. Sanfilippo & Son, Inc.	118.50	1.5%	119.33	67.02	45.7%	31.4%	0.0x	1.38x	12.6x	0.4x
Laird Superfood, Inc.	0.72	(4.0%)	3.05	0.65	(14.3%)	(94.5%)	NM	NM	NM	NM
Rocky Mountain Chocolate Factory, Inc.	5.08	(2.5%)	8.25	4.77	(10.9%)	(35.3%)	0.0x	0.09x	NM	NM
Tootsie Roll Industries, Inc.	38.44	(0.7%)	46.11	30.91	(7.0%)	12.6%	0.0x	3.73x	24.6x	0.1x
Sector Average:					4.0%	(9.1%)	5.3x	2.65x	19.4x	0.7x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$37.98	3.5%	\$45.89	\$35.60	1.4%	(27.8%)	15.1x	1.01x	8.9x	3.8x
Freshpet, Inc.	61.67	(1.8%)	73.48	36.02	16.9%	(35.3%)	NM	4.72x	NM	NM
Sector Average:					9.1%	(31.6%)	15.1x	2.87x	8.9x	3.8x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$342.66	7.8%	\$422.75	\$287.00	4.0%	(32.2%)	41.5x	1.98x	20.1x	0.3x
Brown-Forman Corporation	64.05	4.0%	78.15	60.90	(2.5%)	(12.1%)	32.0x	8.01x	28.2x	2.6x
The Coca-Cola Company	61.16	1.5%	65.47	54.02	(3.9%)	3.3%	23.0x	6.80x	19.3x	3.2x
Constellation Brands, Inc.	245.42	5.4%	261.32	208.12	5.9%	(2.2%)	20.9x	6.15x	37.7x	3.6x
Crimson Wine Group, Ltd.	6.73	3.1%	7.80	5.11	20.0%	(18.4%)	0.0x	1.82x	30.9x	4.4x
* Diageo plc	33.73	(3.6%)	39.60	33.27	(7.6%)	(16.4%)	19.7x	5.50x	15.0x	3.2x
Monster Beverage Corporation	59.48	3.2%	60.47	41.95	17.2%	23.9%	37.7x	9.13x	33.9x	0.0x
National Beverage Corp.	49.40	(1.2%)	57.65	38.40	6.2%	9.0%	28.0x	3.87x	20.8x	0.2x
PepsiCo, Inc.	184.06	0.3%	196.88	154.86	1.9%	6.0%	24.8x	3.30x	18.1x	2.6x
Starbucks Corporation	99.50	1.0%	115.48	70.35	0.3%	(14.9%)	26.4x	3.98x	14.6x	2.7x
Willamette Valley Vineyards, Inc.	5.93	(1.2%)	6.69	5.81	(0.7%)	(31.6%)	0.0x	1.67x	26.8x	9.1x
Sector Average:					3.7%	(7.8%)	23.1x	4.75x	24.1x	2.9x

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			High	Low	2022	2021		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$56.06	(1.9%)	\$61.88	\$46.75	13.9%	2.7%	16.0x	1.67x	10.4x	3.3x
Lifeway Foods, Inc.	6.04	(1.0%)	8.10	4.55	8.8%	31.3%	16.0x	0.01x	0.1x	0.8x
* Saputo Inc.	35.20	(0.4%)	37.50	25.36	5.0%	23.5%	17.8x	1.08x	13.7x	3.0x
Sector Average:					9.2%	19.2%	16.6x	0.92x	8.1x	2.4x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$31.99	2.3%	\$42.16	\$28.70	(3.9%)	(3.9%)	19.9x	0.72x	10.5x	4.5x
Performance Food Group Company	57.15	0.8%	63.22	38.52	(2.1%)	24.5%	14.1x	0.26x	10.0x	3.5x
SpartanNash Company	22.45	(5.1%)	37.75	20.61	(25.8%)	(12.8%)	9.5x	0.16x	6.8x	3.5x
Sysco Corporation	72.64	2.7%	88.84	69.22	(5.0%)	(7.5%)	16.7x	0.63x	12.9x	3.2x
United Natural Foods, Inc.	27.44	(0.5%)	49.56	22.07	(29.1%)	(44.1%)	8.6x	0.17x	5.3x	3.6x
US Foods Holding Corp.	41.36	3.5%	41.76	25.49	21.6%	18.7%	15.5x	0.44x	12.2x	4.0x
Sector Average:					(7.4%)	(4.2%)	14.0x	0.40x	9.6x	3.7x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
Bj's Wholesale Club	\$62.05	1.0%	\$80.41	\$57.09	(6.2%)	(7.3%)	15.3x	0.58x	8.4x	2.3x
Costco Wholesale Corporation	512.59	1.1%	564.75	443.20	12.3%	(9.7%)	34.0x	0.00x	0.0x	0.0x
Dollar General Corporation	166.12	(19.0%)	261.59	159.12	(32.5%)	(29.6%)	16.0x	1.42x	9.0x	3.0x
Dollar Tree, Inc.	133.61	(6.2%)	175.68	129.26	(5.5%)	(4.9%)	21.0x	1.35x	7.9x	2.1x
Grocery Outlet Holding Corp.	28.86	(1.1%)	46.37	25.71	(1.1%)	2.1%	27.9x	1.11x	12.9x	4.3x
Walmart Inc.	148.82	1.6%	154.64	117.90	5.0%	2.9%	23.5x	0.74x	11.6x	1.6x
Sector Average:					(4.7%)	(7.8%)	23.0x	0.87x	8.3x	2.2x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$20.50	2.1%	\$31.29	\$19.14	(1.2%)	(32.1%)	7.3x	0.34x	5.2x	2.9x
* Ahold Delhaize	29.36	(3.5%)	32.51	24.03	9.4%	(2.6%)	11.5x	0.49x	6.1x	2.6x
Amazon.com, Inc.	124.25	3.4%	146.57	81.43	47.9%	(25.5%)	73.5x	2.65x	20.3x	2.6x
Ingles Markets, Incorporated	83.34	2.0%	102.99	78.32	(13.6%)	(3.5%)	0.0x	0.33x	4.1x	1.3x
The Kroger Co.	45.92	(2.9%)	53.38	41.82	3.0%	1.5%	10.2x	0.35x	6.2x	2.4x
Natural Grocers by Vitamin Cottage, Inc.	10.58	(8.4%)	18.10	8.00	15.8%	(25.8%)	12.7x	0.54x	5.1x	3.2x
Sprouts Farmers Market, Inc.	33.06	(8.0%)	39.99	24.67	2.1%	11.4%	12.4x	0.73x	6.1x	2.1x
* Tesco PLC	2.62	(0.5%)	3.07	1.94	17.0%	(9.5%)	12.3x	0.45x	7.0x	3.6x
Village Super Market, Inc.	21.23	0.9%	24.43	19.09	(8.8%)	(9.2%)	0.0x	0.28x	4.3x	2.9x
Weis Markets, Inc.	62.93	3.5%	95.57	58.75	(23.5%)	(4.5%)	0.0x	NM	NM	0.6x
Sector Average:					4.8%	(10.0%)	14.0x	0.68x	7.2x	2.4x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$39.92	2.6%	\$42.12	\$21.47	25.1%	9.1%	10.9x	0.96x	6.9x	3.8x
The Cheesecake Factory Incorporated	33.00	1.2%	41.28	26.05	4.1%	(15.7%)	11.3x	1.01x	8.3x	4.4x
Cracker Barrel Old Country Store, Inc.	102.30	(0.0%)	121.17	81.87	8.0%	(20.5%)	15.8x	1.01x	10.0x	3.5x
Darden Restaurants, Inc.	164.04	1.7%	164.43	110.96	18.6%	8.9%	19.0x	2.47x	13.4x	3.1x
Dine Brands Global, Inc.	63.49	1.1%	82.43	59.31	(1.7%)	(16.3%)	10.2x	2.79x	11.6x	7.8x
Jack in the Box Inc.	89.66	(0.7%)	97.99	54.80	31.4%	2.5%	14.2x	2.82x	8.1x	5.2x
McDonald's Corporation	289.91	1.4%	298.86	230.58	10.0%	8.1%	25.8x	11.02x	18.3x	3.6x
Papa John's International, Inc.	71.82	1.2%	97.78	66.74	(12.8%)	(46.2%)	25.0x	1.60x	12.7x	3.9x
Texas Roadhouse, Inc.	111.55	0.8%	116.72	68.94	22.6%	24.9%	23.0x	1.92x	14.7x	1.3x
The Wendy's Company	22.75	2.5%	23.90	17.03	0.5%	(4.6%)	22.4x	3.91x	16.8x	8.7x
Yum! Brands, Inc.	134.53	3.6%	143.25	103.97	5.0%	(3.1%)	25.2x	7.18x	20.6x	5.2x
Sector Average:					10.1%	(4.8%)	18.4x	3.33x	12.8x	4.6x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$2,062.23	(0.4%)	\$2,139.88	\$1,196.28	48.6%	18.0%	45.2x	6.64x	27.6x	1.7x
El Pollo Loco Holdings, Inc.	9.41	0.2%	13.00	8.15	(5.5%)	(33.7%)	12.4x	1.23x	8.1x	3.5x
Noodles & Company	3.46	5.8%	6.78	3.12	(37.0%)	(61.9%)	15.6x	0.82x	6.3x	3.9x
Potbelly Corporation	8.32	8.2%	11.14	4.31	49.4%	49.1%	37.4x	0.90x	5.7x	2.8x
Shake Shack Inc.	68.59	4.9%	71.94	37.72	65.2%	(4.9%)	NM	3.34x	23.1x	5.4x
Wingstop Inc.	197.77	(1.5%)	223.77	71.21	43.7%	14.5%	92.5x	16.56x	55.0x	6.2x
Sector Average:					27.4%	(3.2%)	40.6x	4.91x	21.0x	3.9x
CANNABIS & CBD										
Canopy Growth Corporation	\$1.14	(5.0%)	\$6.44	\$1.08	(63.7%)	(89.7%)	NM	2.60x	NM	NM
Cronos Group Inc.	2.37	(0.4%)	4.88	2.26	(31.1%)	(52.4%)	NM	NM	NM	NM
Jones Soda Co.	0.21	7.1%	0.48	0.18	(20.8%)	(71.2%)	0.0x	0.80x	NM	0.0x
The Scotts Miracle-Gro Company	66.74	2.2%	102.25	39.06	37.4%	(58.5%)	20.4x	1.02x	6.3x	6.2x
Tilray Brands, Inc.	1.72	(7.5%)	5.12	1.63	(36.1%)	(75.5%)	NM	2.23x	NM	NM
Village Farms International, Inc.	0.59	(18.0%)	3.53	0.56	(56.3%)	(90.9%)	NM	0.41x	NM	NM
Sector Average:					(28.4%)	(73.0%)	10.2x	1.41x	6.3x	3.1x

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



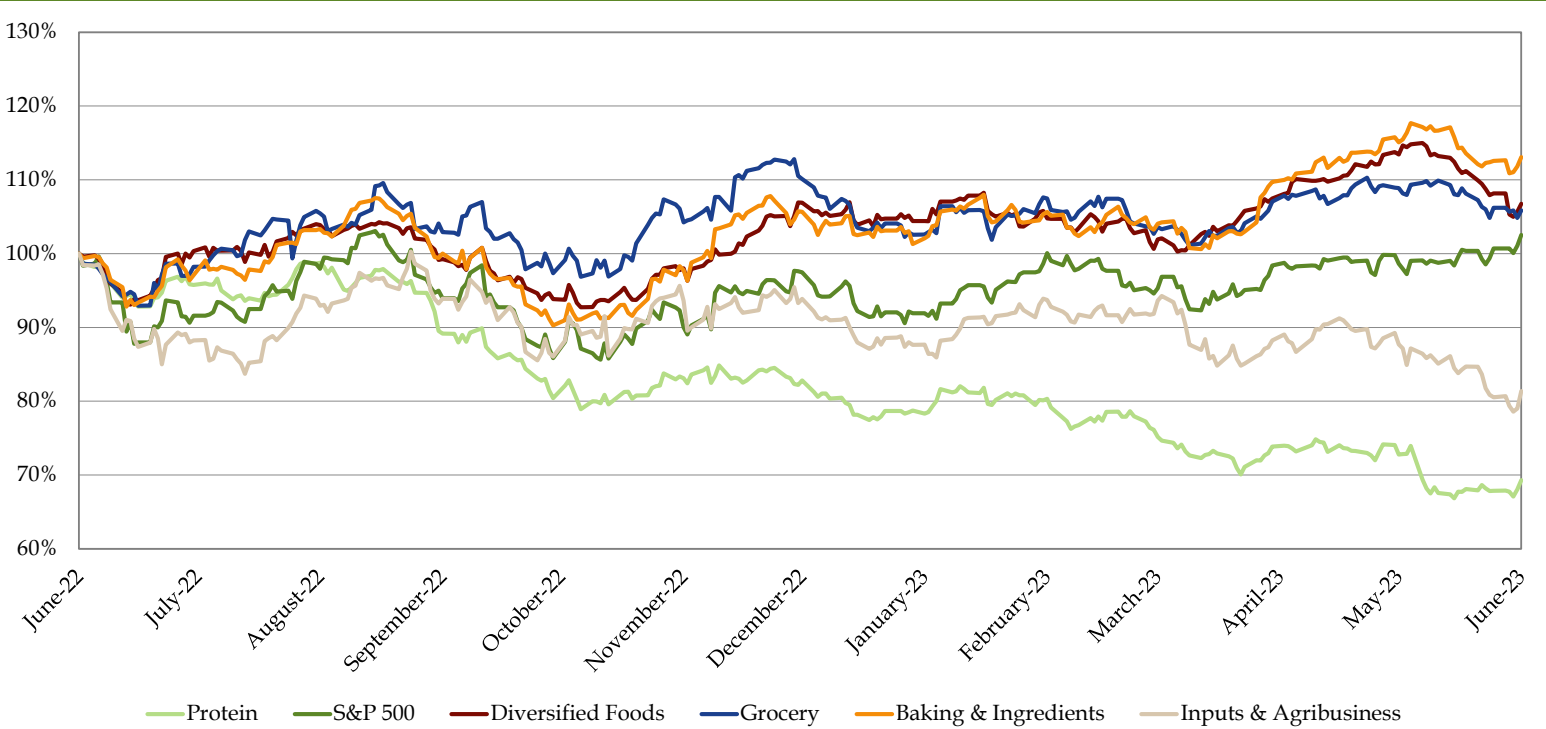
10-year Treasury



CBOE Market Volatility Index - VIX



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



Food For Thought...

Partner Column

Written by Mary Burke

Now we are in June – usually a time for vacations and short work attention spans as there is so much to do. So here are the topics/areas I am thinking about these days

- the work slowdown lead by the ILWU affected many west coast ports. Closing some and slowing others. The union said negotiations had fallen apart. While much container traffic has moved to the east coast in anticipation of the contract coming to an end...this will affect shipments into and out if the US.
- the union negotiations between UPS and the Teamsters affecting over 330,000 of employees could cause disruption to transportation if not resolved.
- a long dry summer is expected in the Midwest. Already, we are seeing spotty draught conditions in some areas.
- El Nino is this his year? Versus the kinder and more predictable sister, la Nina that we have had the past couple of years? If so, expect more weather inflicted problems.
- Of the S&P 500's 20 worst YTD performers three are food/agribusiness stocks. They are as follows:
 - 19th Worst: CF Industries (26.16%) - Fertilizer
 - 9th Worst: DG (32.54%) - Discount Retail
 - 8th Worst: Newel Brands (32.87%) - Packaging/appliances

- Target, Costco, and Nordstroms all reported lower sales, indicating the economic slowdown is affecting the middleclass shopper.
- the Kroger/Albertson proposed merger will take more than 650 store divestitures if approved. The definition of where you can purchase food is very broad and will assist the deal efforts in approval.
- price increases are receiving pushback in the mainstream press.....some manufacturers are responding with more deals and price rollbacks.
- oil prices are going up as OPEC tries to control the world price and not allow Russia to benefit at their expense. Will cause the economy to slow more.
- the protein sector has more time to go to see profitability. Even the bbq season, usually a time for increased demand and higher pricing, helps the industry, don't expect it this summer. That being said, we cant forget that per capita consumption of the "big 4" proteins was 184.9 pounds in 2022 setting an all-time record.

So when I pull these all together---similar to other themes, we have discussed –employees, weather, and economy...it will continue to be bumpy for the next couple of months.

Have a good week!

Food for Thought...

Deere Reports Q2 2023 Results. On May 19, Deere & Company, the Moline, IL-based manufacturer of agricultural machinery and heavy equipment, reported results for the second quarter of 2023. The company experienced an increase in global net sales and revenues of 30% driven by “favorable market conditions and an improving operating environment,” per CEO John C. May.

Supply-chain constraints still loom, but Deere has seen recent improvement and looks to mitigate future risks with a sound execution of their internal business plan.

Deere & Company \$ in millions, except EPS	Q2		
	2022	2023	% Change
Net Sales & Revenues	\$ 13,370	\$ 17,387	30%
Net Income	\$ 2,098	\$ 2,860	36%
Fully Diluted EPS	\$ 6.81	\$ 9.65	

Within the various product segments of Deere, the Production & Precision Agriculture division experienced a 53% increase in sales due to higher shipment volumes and price realization. Small Agriculture & Turf saw sales increase by 16% due to higher shipment volumes; however, the growth was slightly offset by unfavorable foreign currency translation. Construction & Forestry had a 23% increase in sales for similar reasons as the aforementioned. Seeing the most significant change was an 87% decrease in the Financial Service segment of the company, largely due to less-favorable financing spreads and a higher provision for credit losses. A \$135 million after-tax correction also affected the timing of expense recognition.

\$54 Billion US Pork Industry Facing Challenges. Demand and regulation issues following years of rapid expansion have caused rising costs and a surplus of pork as farmers struggle to handle these unforeseen shifts in the industry. Demand for pork remains low despite record high prices for beef. As a result, popular pork meatpacking companies such as Smithfield Foods, Tyson Foods, and JBS have all recorded decreased pork profits, leading many of them to slow down operations. Shane Smith, CEO of Smithfield, said, “The entire industry is under a tremendous amount of pressure.”

While large firms such as Smithfield have suffered under these conditions, smaller firms have also been pummeled over this period. Adding to the poor start, China still faces issues related to COVID-19, eroding pork demand even further. US hog farmers have seen the worst four month start of a year in over two decades. Pork wholesale values fell beneath \$1.50 per pound in April, with retail values still sitting at around five dollars per

pound, too high to attract more customers. Retail prices should start falling once wholesale values decrease and beef prices continue their rise.

The recent Supreme Court decision to uphold California’s “Proposition 12” is an added stress on the industry already facing pressure from several directions. Prop 12 requires that each pig sold in California have 24 square feet of space to grow, ten feet more than the industry average. Dwight Mogler, an Iowa hog farmer, said he incurred a cost of nine million dollars to convert his facilities in South Dakota to be compliant with Californian law. This law, combined with a challenging market, will disproportionately hurt smaller farmers who cannot afford the capital expenditures to continue selling to the California market. Local farmers will have to decide the importance of selling in California.

Fed Still Planning to Hold Interest Rates Before Further Hikes. Federal Reserve officials have signaled a pause on interest rate increases during their upcoming June session. They hope to allow time for the economy to digest recent hikes and for officials to study the effects of the Fed’s ten consecutive rate hikes. The strategy should benefit the committee by providing additional time for analysis. It will give them more data before making future decisions regarding interest rates and policy implementation tactics to control rates.

Despite the May jobs report showing the creation of 339,000 jobs in May, falling wage growth and an elevated unemployment rate support the decision to pause rate hikes until later in the summer. The unemployment rate ticked up to 3.7%, while wage growth fell to 4.3% year-over-year. The jobs report led more traders to bet the Fed will raise interest rates in June and July, with markets pricing in a 31% chance of a June hike, compared to 24% a day prior. Investors will closely monitor Powell’s logic and decision over the next month as he hopes to soften any public outcry.

Why Burgers and Steaks are at Record Prices. Years of drought, pandemic disruptions, and general cost increases have shrunk the cattle supply while making them more expensive to raise at the same time. The amount of cattle in the US is at its lowest point in nearly a decade. Grocery bills will stay elevated, with ground beef prices up over 20% from 2020 at an average retail price of \$5.33 a pound. Even with the attention to the climate impact of raising cattle and the increase in plant-based consumption, the demand for beef has continued to grow. The combination of an increased appetite for beef and a shrinking supply is causing prices to skyrocket and farmers to debate which types of livestock to keep.

Heard on the Street...

Potential Bunge-Viterra Merger Would Create a \$25 Billion Agricultural Powerhouse. Last week, Viterra and Bunge, both prominent players in the agricultural industry, were reported to be engaged in merger discussions. Viterra, the crop trading business spun out of Glencore at the end of 2020, is a diversified commodity company based in Rotterdam, Netherlands that operates in the agricultural storage, processing, and transportation industries across 37 countries. Bunge, based in St. Louis, MO, is a global leader in oilseed and grain processing and supplying, operates and trades in over 40 countries.

Two of the largest Canadian pension funds are aspiring to create a competitor to Cargill and ADM. The Canada Pension Plan Investment Board, and the British Columbia Investment Management Corp., are willing to back the deal and swap their combined stake in Viterra for investments in the merged entity. With a 49.9% combined stake, these two funds see synergies in a merger and are eager to swap their stakes for Bunge.

Glencore previously attempted a takeover of Bunge in 2017. A year later, ADM attempted a takeover bid which also failed. Following the attempts, Bunge hired Gregory Heckman as their new CEO, who returned the company to profitability, increasing its valuation from \$11 billion in 2017 to \$14 billion today. Bunge's stock price increased more than six percent on the announcement of the merger talks.

In line with Bunge's recent success, Viterra saw its most productive output yet, with a record EBITDA of over \$2.6 billion in 2022. Viterra's acquisition of Gavilion, a grain company based in Omaha, Nebraska, helped to boost the firm's income. Viterra closed on Gavilion in October last year for \$1.125 billion.

Syngenta Going Public Again. The seed and pesticide producer, Syngenta, has been trying to raise money through an IPO since being acquired by ChemChina, a Chinese state-owned chemical company, for \$43 billion in 2017. In March, the company had an IPO plan to list on the Shanghai Stock Exchange's Science and Technology Innovation Board (STAR) when the exchange abruptly canceled the IPO one day before it was set to list. So after officially scrapping the idea of going public on the STAR, Syngenta is applying to list on Shanghai's primary exchange.

ChemChina plans to sell 20% of its equity capital (roughly nine billion dollars) on the public markets, placing the total valuation of Syngenta at around \$46 billion. Syngenta's CEO Erik Frywald hopes the influx of capital will allow the company to expand sales by ten percent while keeping EBITDA margins stable, leading some analysts to value the company at upwards of \$63 billion. The disparity between valuations could lead to increases in the IPO price before the listing is made public.

Flagstone Foods Acquires Emerald Nuts. Flagstone Foods, one of North America's largest manufacturers and distributors of private-label snacks and trail mixes, has acquired Emerald Nuts from Campbell Soup Co., an American food processing company. Emerald Nuts offers an assortment of almonds, pecans, walnuts, cashews, peanuts, and mixed nuts in various flavors.

The addition of Emerald Nuts to Flagstone's portfolio allows Flagstone to service its customers with more innovative snack products. Campbell Soup reported that the Emerald business generated \$46 million in revenue during the nine months ended April 30, 2023. The transaction is expected to be marginally dilutive, decreasing Campbell's EPS by one cent in 2024. The Emerald sale is part of Campbell Soup's strategic process to drive accelerated growth across its snacks division. Financial terms of the transaction were not disclosed.

Arable Capital Partners Invests in Organicgirl. Arable Capital Partners, a sustainable food and agribusiness investor, announced its strategic investment in Organicgirl last week. Organicgirl is an organic packaged salad and greens company with a national presence, bringing diversification to Arable's investment portfolio. Arable announced Organicgirl's management team will continue to lead the company.

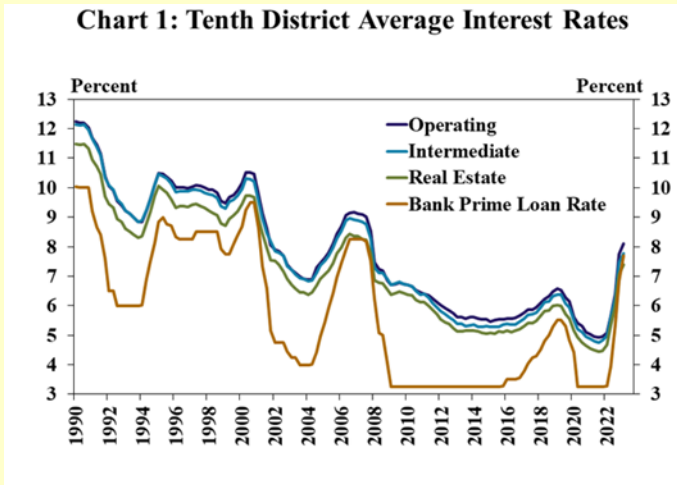
Arable believes Organicgirl will help expand its consumer, customer, and product base. "This is exactly the sort of company we want to partner with. Organicgirl has already delivered on a big vision for packaged organic salads, and we look forward to supporting expansion with its consumer, customer, and product base," Derek Yurosek, Managing Director of Arable Capital Partners, said.

Neat Burger Secures \$18 million in Series B Funding. Backed by Lewis Hamilton and Leonardo DiCaprio, Neat Burger is a European plant-based food group looking to expand its reach into the US. Despite varying macroeconomic factors, Neat Burger proved its progress as a leading plant-based food group with a successful capital raise that attracted interest from new investors such as LionTree and Real Madrid goalkeeper Thibaut Courtois.

B-Flexion, a private firm focusing on sustainability-based investments, led the funding round. With their most successful restaurant being the only one located in the US, Neat Burger's new Sustainability Advisor, Chiara Bertarelli, sees promise for their innovative approach to see continued success across other states. Their restaurant in New York is the best-performing store in the entire group, and Neat Burger plans to use its funding to expand in the US and internationally.

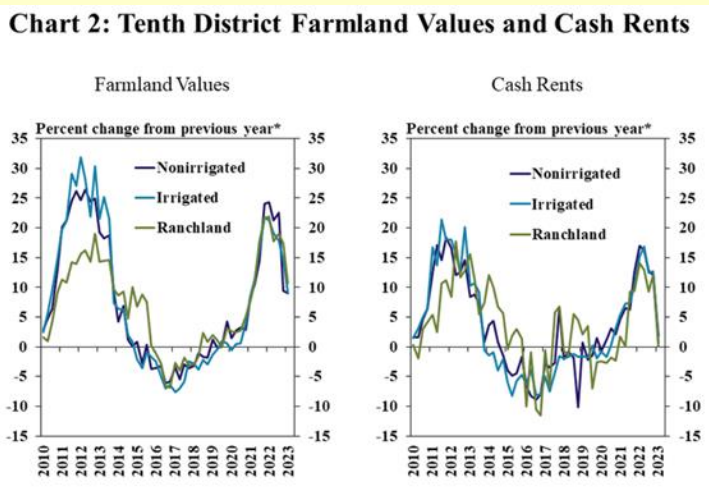
Loans

Along with continued increases in benchmark rates, interest rates on farm loans have increased significantly in the first quarter of 2023. The average rate on agricultural loans was around 30 basis points higher from the preceding quarter and 300 basis points higher from a year ago (Chart 1). Farm loan interest rates soared alongside increases in the federal funds rate and pushed credit expenses up considerably.



Sources: Federal Reserve Board and Haver Analytics

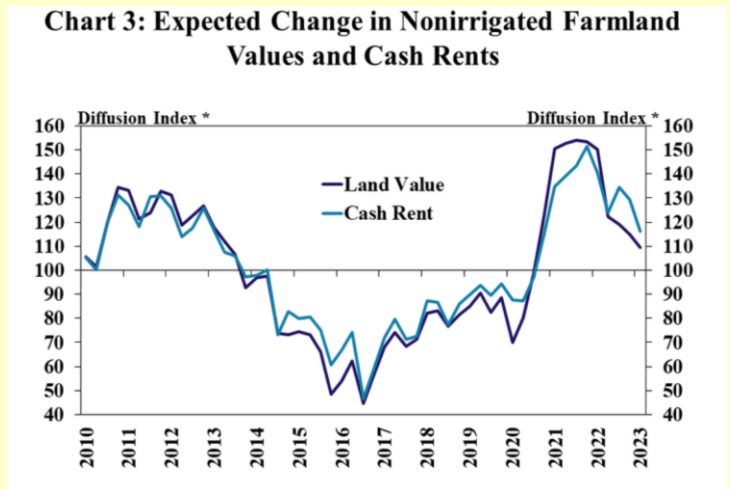
Although loan rates have increased and the growth in farm real estate markets has slowed, land prices still increased in the first quarter. The pace slowed from the rapidly accelerating growth in early 2022, yet the value of agricultural land still rose by roughly 10% from the previous year (Chart 2, left panel). Cash agricultural rentals have risen in tandem with land value growth, but they swiftly stabilized in the first quarter (Chart 2, right panel).



Sources: Survey of Terms of Lending to Farmers; Federal Reserve Bank of Kansas City

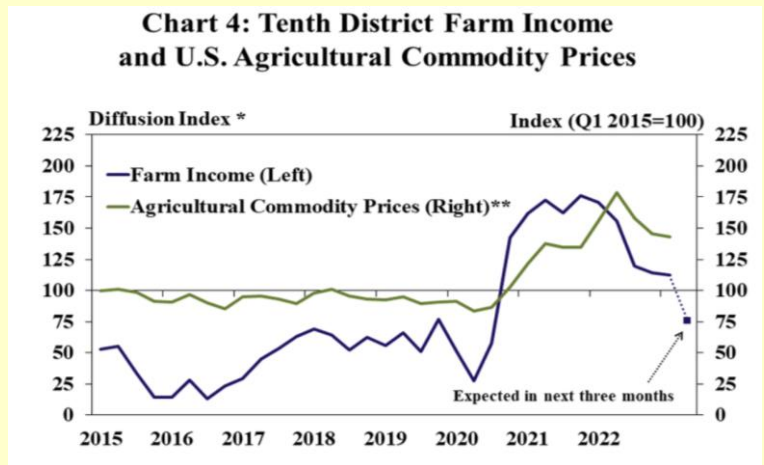
Over the past year, there has been a significant shift in the outlook for land values and cash rents. Only about 20% of

respondents predicted that the value of non-irrigated farmland would rise in the upcoming months, down from 50% who anticipated growth in values this same time a year ago (Chart 3). For cash rental rates, a similar trajectory was anticipated, with 20% of institutions expecting a rise in the upcoming quarter.



Sources: Survey of Terms of Lending to Farmers; Federal Reserve Bank of Kansas City

The acceleration in farm real estate values also slowed alongside a moderation in farm income. Just over 40% of respondents reported that income was higher than it was a year earlier, while 25% said it was lower (Chart 4). While production costs have remained high and the prices of some important commodities have fallen from historically high levels in recent months, this has weighed on profit margins and dimmed hopes for liquidity and farm income.

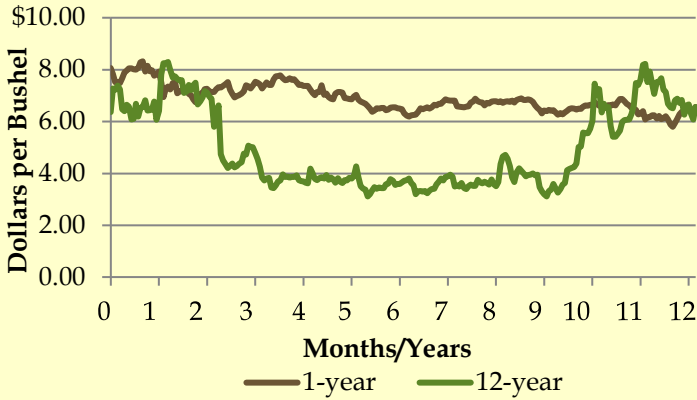


Sources: Survey of Terms of Lending to Farmers; Federal Reserve Bank of Kansas City

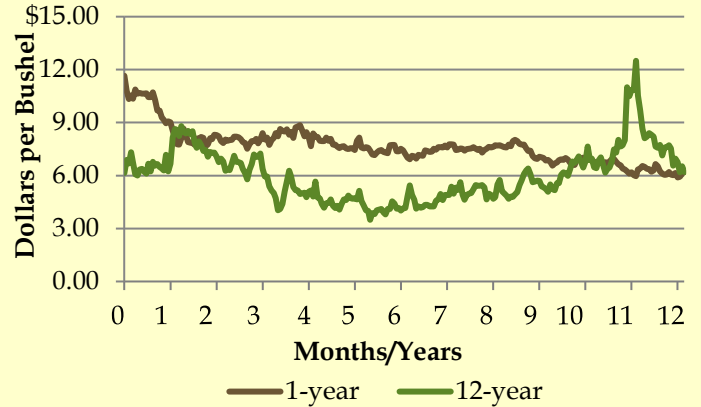
These charts continue to tell the story of the impact interest rate hikes have on the farm lending industry. All things considered, credit conditions continue to hold strong despite the current climate.

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

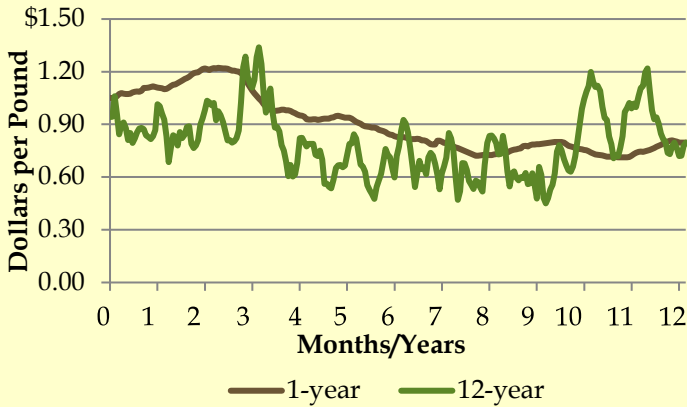
Corn



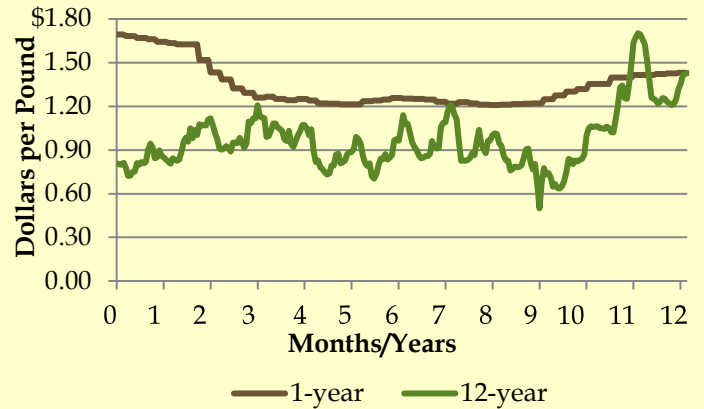
Wheat



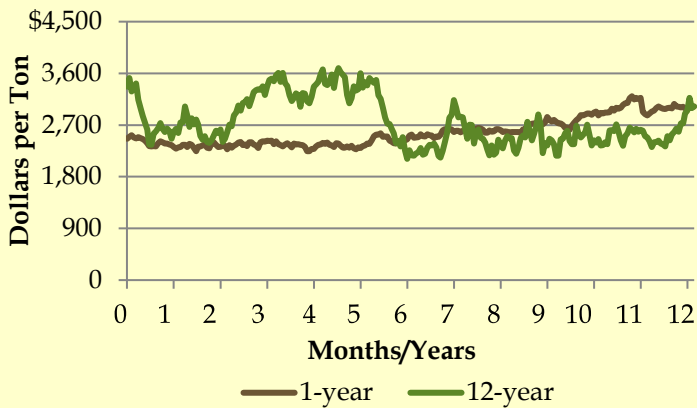
Hogs



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: 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 Mary Burke at 312.348.7080 or lakeshorefoodadvisors@lakeshorefoodadvisors.com.