



LAKE SHORE

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



Weekly Update

Monday, July 17th, 2023

Equities Climb Higher Thanks to Improved June CPI Report. June's headline inflation of three percent was slower than anticipated and significantly lower than the four percent reading from May. Since inflation peaked in June of last year at 9.1%, this is the slowest rate in more than two years. Core CPI, which excludes food and energy, experienced its slowest rise year-over-year since October of 2021 at 4.8% but remains significantly above the Fed's two percent target. Additional interest rate hikes in 2023 remain likely.

The **Dow Jones Industrial Average** increased 2.3%, finishing at 34,509.

The **S&P 500** grew 2.4% on the week, finishing at 4,505.

The **NASDAQ Composite** gained 3.3% this week, finishing at 14,114.

Yield on the **10-year Treasury** fell 23 basis points on the week, ending at 3.83%.

Crude oil increased 4.4% on the week, ending at \$73.77 per barrel.

Corn rose 3.9% on the week, ending at \$5.14 per bushel.

Mary Burke
Partner
(312) 348-7081

Lakeshore Food Advisors
20 N Wacker Drive
Suite 2800
Chicago, IL 60606

NASDAQ Highs: Jack in the Box Inc. **Lows:** Cal-Maine Foods, Inc., Noodles & Company, SunOpta Inc.

NYSE Highs: Darden Restaurants, Inc., Shake Shack Inc., US Foods Holding Corp. **Lows:** The Boston Beer Company, Inc., Conagra Brands, Inc., Flowers Foods, Inc., FMC Corporation, United Natural Foods, Inc.

Featured Stocks of the Week:

US Foods Holding Corp. (NYSE: USFD) 6-Year History



Cal-Maine Foods, Inc. (NASDAQ: CALM) 10-Year History



The Lakeshore Food Chain

Company Name	Price 7/14/23	Price Compared to 7/7/23	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	
Dow Jones Industrial Average	34,509	2.3%	34,590	28,726	4.1%	(5.0%)	NA			
S&P 500	4,505	2.4%	4,510	3,577	17.3%	(5.5%)	20.4			
NASDAQ Composite Index	14,114	3.3%	14,139	10,213	34.8%	(9.8%)	NA			
Russell 3000 Index	2,592	2.6%	2,598	2,076	16.9%	(7.0%)	NA			
Sector Average:					18.3%	(6.8%)				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$12.42	0.8%	\$15.12	\$9.44	(0.3%)	3.9%	61.1x	19.81x	36.2x	13.5x
Gladstone Land Corporation	16.61	2.2%	27.45	14.95	(9.5%)	(50.8%)	NM	13.34x	16.9	9.2
Limoneira Company	15.18	(3.0%)	17.90	11.00	24.3%	1.2%	153.3	1.80x	182.2	91.4
Sector Average:					4.8%	(15.2%)	107.2	11.65x	26.6	38.0
INPUTS										
American Vanguard Corporation	\$17.77	(0.8%)	\$24.38	\$15.01	(18.1%)	8.4%	15.7x	1.07x	10.2x	2.0x
* BASF SE	45.36	0.2%	54.04	37.90	(2.2%)	(26.6%)	12.1x	0.71x	9.6x	2.1x
* Bayer Aktiengesellschaft	50.31	3.2%	65.66	46.70	4.1%	7.0%	7.0x	1.68x	7.3x	3.7x
CF Industries Holdings, Inc.	73.74	2.6%	119.60	60.08	(13.5%)	4.2%	10.7x	1.69x	3.0x	0.6x
Corteva, Inc.	54.25	(5.3%)	68.43	51.62	(7.7%)	14.7%	18.6x	2.37x	11.6x	1.4x
FMC Corporation	95.23	(8.7%)	134.38	88.77	(23.7%)	(13.3%)	14.5x	2.73x	10.9x	3.0x
Intrepid Potash, Inc.	24.10	(5.1%)	56.66	17.23	(16.5%)	(43.6%)	40.0x	1.04x	2.7x	0.1x
The Mosaic Company	35.74	(2.7%)	63.16	31.44	(18.5%)	(9.0%)	8.2x	0.85x	2.8x	0.8x
* Nutrien Ltd.	80.10	(0.9%)	132.75	70.69	(19.0%)	(15.8%)	10.3x	1.22x	3.9x	1.4x
S&W Seed Company	1.23	(4.7%)	2.14	0.63	(17.4%)	(54.9%)	NM	1.53x	NM	NM
Zoetis Inc.	172.19	3.0%	187.82	124.15	17.5%	(29.4%)	31.2x	10.41x	25.1x	2.0x
Sector Average:					(10.5%)	(14.4%)	16.8x	1.49x	8.7x	1.7x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$54.00	1.9%	\$63.40	\$29.81	24.6%	70.5%	11.3x	1.26x	9.5x	4.8x
AGCO Corporation	134.81	3.1%	145.53	89.36	(2.8%)	16.2%	9.3x	0.88x	6.3x	1.2x
Art's-Way Manufacturing Co., Inc.	2.61	11.5%	3.11	1.80	35.2%	(26.3%)	NA	0.67x	9.2x	3.7x
* Buhler Industries Inc.	2.18	3.8%	2.58	1.51	13.0%	(26.4%)	NA	0.48x	30.6x	18.6x
CNH Industrial N.V.	14.96	4.2%	17.98	10.81	(6.8%)	(23.0%)	NA	1.69x	11.5x	6.9x
Deere & Company	414.61	2.3%	448.40	293.19	(3.3%)	20.9%	13.2x	2.97x	12.9x	4.3x
Lindsay Corporation	124.60	3.9%	183.08	110.43	(23.5%)	(18.0%)	20.6x	1.96x	10.3x	1.0x
Titan Machinery Inc.	31.95	7.6%	47.87	23.51	(19.6%)	(5.2%)	6.9x	0.55x	6.6x	3.1x
Sector Average:					2.1%	1.1%	12.3x	1.31x	9.5x	3.6x
AGRIBUSINESS										
The Andersons, Inc.	\$46.65	(0.1%)	\$48.00	\$29.81	33.3%	20.5%	16.7x	0.17x	7.3x	3.1x
Archer-Daniels-Midland Company	78.20	0.2%	98.28	69.92	(15.8%)	15.7%	12.1x	0.53x	8.0x	2.0x
Bunge Limited	99.67	(1.3%)	106.99	80.41	(0.1%)	6.8%	8.8x	0.29x	4.1x	1.4x
Ingredion Incorporated	108.52	1.2%	113.46	78.81	10.8%	12.3%	12.0x	1.18x	8.4x	2.3x
MGP Ingredients, Inc.	110.99	4.5%	125.74	90.69	4.3%	30.6%	21.6x	3.36x	16.2x	1.4x
* Olam Group Limited	1.42	2.2%	1.71	1.17	(2.7%)	(18.9%)	NA	0.30x	8.0x	8.1x
Sector Average:					5.0%	11.2%	14.2x	0.97x	8.7x	3.1x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$13.27	(3.6%)	\$26.13	\$10.91	19.0%	(56.8%)	12.6x	1.53x	10.4x	7.5x
Campbell Soup Company	45.39	(0.3%)	57.78	44.76	(20.0%)	4.4%	14.8x	1.98x	9.4x	2.6x
Conagra Brands, Inc.	32.90	(1.0%)	41.30	32.18	(15.0%)	(3.7%)	12.0x	2.05x	10.2x	4.2x
General Mills, Inc.	75.01	(0.2%)	90.89	72.16	(10.5%)	11.3%	16.6x	2.76x	14.1x	3.1x
The Hain Celestial Group, Inc.	12.81	(0.5%)	25.48	11.73	(20.8%)	(69.9%)	21.6x	1.14x	12.7x	5.8x
The J. M. Smucker Company	148.05	0.2%	163.07	125.83	(6.6%)	9.0%	15.7x	2.16x	10.7x	2.6x
Kellogg Company	67.56	0.6%	77.17	63.74	(5.2%)	4.9%	16.4x	1.96x	14.7x	3.6x
The Kraft Heinz Company	35.85	1.1%	42.80	32.73	(11.9%)	(0.1%)	12.3x	2.36x	8.6x	2.7x
Lancaster Colony Corporation	187.26	(1.1%)	220.65	128.06	(5.1%)	13.1%	28.3x	2.80x	21.3x	0.1x
Mondelez International, Inc.	72.28	0.4%	78.59	54.72	8.4%	9.0%	22.2x	3.57x	16.3x	3.3x
* Nestlé S.A.	105.20	0.5%	118.70	103.42	(1.8%)	(17.5%)	20.8x	3.47x	16.4x	2.9x
* Nomad Foods Limited	17.82	4.0%	19.82	12.50	3.4%	(29.8%)	10.2x	1.58x	9.3x	4.4x
Post Holdings, Inc.	86.44	(0.2%)	98.84	80.39	(4.2%)	(23.3%)	20.1x	1.78x	12.4x	6.3x
The Simply Good Foods Company	36.79	0.7%	40.16	29.21	(3.3%)	(11.5%)	20.6x	3.31x	17.5x	1.6x
Sovos Brands, Inc.	18.61	(2.7%)	20.58	12.74	29.5%	23.7%	28.2x	2.42x	13.5x	3.0x
SunOpta Inc.	8.00	(5.1%)	15.90	7.90	(29.7%)	(8.8%)	NA	1.25x	13.3x	4.9x
TreeHouse Foods, Inc.	50.43	0.4%	55.30	40.56	2.1%	24.4%	19.3x	1.23x	12.2x	4.4x
Unilever PLC	46.59	(0.4%)	50.93	43.94	(0.6%)	(1.0%)	NA	2.33x	12.0x	2.6x
Utz Brands, Inc.	16.17	1.9%	19.98	13.85	2.0%	1.4%	29.0x	2.11x	24.3x	8.2x
Sector Average:					(3.7%)	(6.4%)	18.9x	2.20x	13.7x	3.9x

Company Name	Price 7/14/23	Price Compared to 7/7/23	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM
			High	Low	2022	2021		Revenue	EBITDA	
ETHANOL										
Alto Ingredients, Inc.	\$3.46	4.5%	\$5.30	\$1.20	20.1%	(28.1%)	76.9x	0.26x	NM	NM
Green Plains Inc.	32.37	(2.9%)	41.25	26.33	6.1%	(6.9%)	42.0x	0.68x	157.3x	53.0x
REX American Resources Corporation	35.01	(0.2%)	36.31	26.05	9.9%	9.4%	15.4x	0.48x	7.3x	0.3x
Sector Average:					12.1%	(8.5%)	44.8x	0.47x	82.3x	26.6x
FRUIT & VEGETABLE										
AppHarvest, Inc.	\$0.35	(17.7%)	\$4.40	\$0.32	(38.4%)	(91.0%)	NM	8.46x	NM	NM
Calavo Growers, Inc.	30.93	5.2%	45.50	22.64	5.2%	(27.1%)	23.6x	0.60x	20.0x	2.7x
Dole plc	12.56	(2.6%)	14.01	7.20	30.2%	(5.7%)	14.4x	0.29x	6.2x	3.8x
Fresh Del Monte Produce Inc.	25.75	1.1%	32.49	23.09	(1.7%)	(6.7%)	12.5x	0.44x	6.1x	2.1x
Lamb Weston Holdings, Inc.	112.71	0.1%	116.00	72.74	26.1%	77.8%	23.0x	3.95x	18.5x	3.1x
Mission Produce, Inc.	11.52	(2.7%)	16.96	9.81	(0.9%)	(26.6%)	21.3x	1.10x	19.9x	5.4x
Seneca Foods Corporation	36.39	3.7%	68.74	32.50	(40.3%)	(24.1%)	NA	0.50x	6.6x	4.3x
Sector Average:					(2.8%)	(14.8%)	19.0x	1.15x	12.9x	3.6x
PROTEIN										
Beyond Meat, Inc.	\$17.04	15.3%	\$44.59	\$9.82	38.4%	(73.8%)	NM	5.03x	NM	NM
Cal-Maine Foods, Inc.	43.73	(0.9%)	65.32	43.42	(19.7%)	18.2%	7.1x	0.49x	1.4x	NA
Darling Ingredients Inc.	63.75	1.4%	82.69	51.77	1.9%	(8.0%)	10.8x	2.16x	9.3x	4.0x
Hormel Foods Corporation	40.13	2.0%	51.69	37.78	(11.9%)	(17.8%)	21.8x	2.01x	12.3x	1.7x
* JBS S.A.	19.01	7.1%	33.45	15.12	(13.6%)	(49.9%)	12.0x	0.38x	5.4x	4.0x
Nathan's Famous, Inc.	77.55	(1.7%)	83.00	53.38	15.4%	32.8%	NA	2.85x	9.6x	2.2x
Pilgrim's Pride Corporation	24.84	13.7%	33.96	19.96	4.7%	(11.9%)	14.4x	0.53x	6.3x	2.4x
Seaboard Corporation	3585.98	(0.2%)	4242.95	3295.00	(5.0%)	(8.9%)	NA	0.41x	4.2x	1.8x
Tyson Foods, Inc.	52.33	1.1%	88.76	47.11	(15.9%)	(40.0%)	23.0x	0.50x	6.3x	2.1x
Vital Farms, Inc.	10.26	(9.6%)	18.18	8.70	(31.2%)	(43.2%)	34.0x	0.86x	2.0x	0.1x
Sector Average:					(3.7%)	(20.2%)	14.9x	1.13x	6.3x	2.3x
BAKING & INGREDIENTS										
Balchem Corporation	\$130.76	1.2%	\$143.88	\$116.68	7.1%	(22.4%)	30.6x	4.87x	23.0x	2.2x
Flowers Foods, Inc.	24.18	0.0%	30.16	23.94	(15.9%)	(12.0%)	20.1x	1.32x	11.1x	2.3x
* Gruma, S.A.B. de C.V.	291.17	4.3%	296.00	190.82	11.7%	10.9%	15.3x	1.30x	9.0x	2.3x
* Grupo Bimbo, S.A.B. de C.V.	89.63	1.1%	103.41	64.69	8.8%	42.3%	21.3x	1.27x	9.1x	2.2x
J&J Snack Foods Corp.	158.05	(0.4%)	165.90	127.80	5.6%	0.1%	34.8x	2.14x	22.4x	1.1x
* Kerry Group plc	89.12	0.6%	107.90	84.10	5.8%	(21.3%)	20.3x	2.05x	15.2x	2.7x
Krispy Kreme, Inc.	15.35	5.7%	16.06	10.21	48.7%	(18.9%)	43.8x	2.50x	15.8x	5.2x
McCormick & Company, Incorporated	85.77	1.3%	94.39	70.60	3.5%	(11.2%)	31.1x	4.27x	22.1x	4.0x
* Tate & Lyle plc	7.29	1.7%	8.38	6.48	2.5%	(5.5%)	13.1x	1.79x	11.2x	2.3x
Sector Average:					8.6%	(4.2%)	25.6x	2.39x	15.4x	2.7x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$11.57	3.0%	\$15.45	\$10.71	(2.9%)	(4.5%)	NA	0.38x	6.7x	0.6x
The Hershey Company	238.87	(1.7%)	276.88	211.49	3.2%	23.5%	24.5x	4.97x	19.4x	1.8x
John B. Sanfilippo & Son, Inc.	109.12	(1.7%)	127.26	69.58	34.2%	21.0%	NA	1.27x	11.6x	0.4x
Laird Superfood, Inc.	1.16	41.5%	2.92	0.65	38.1%	(91.1%)	NM	NM	NM	NM
Rocky Mountain Chocolate Factory, Inc.	5.11	(6.8%)	7.29	4.77	(10.4%)	(34.9%)	NA	0.98x	NM	NM
Tootsie Roll Industries, Inc.	34.17	1.8%	46.11	32.04	(17.3%)	0.1%	NA	3.22x	21.3x	0.1x
Sector Average:					7.5%	(14.3%)	24.5x	2.17x	14.7x	0.7x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$39.32	3.5%	\$45.89	\$35.60	5.0%	(25.3%)	15.6x	1.04x	9.1x	3.8x
Freshpet, Inc.	65.91	0.4%	73.48	36.02	24.9%	(30.8%)	NM	5.05x	NM	NM
Sector Average:					14.9%	(28.1%)	15.6x	3.04x	9.1x	3.8x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$302.19	(3.2%)	\$422.75	\$299.18	(8.3%)	(40.2%)	36.6x	1.74x	17.6x	0.3x
Brown-Forman Corporation	67.54	2.0%	78.15	60.90	2.8%	(7.3%)	32.7x	8.33x	26.1x	2.2x
The Coca-Cola Company	60.90	1.9%	65.47	54.02	(4.3%)	2.9%	23.0x	6.77x	19.2x	3.2x
Constellation Brands, Inc.	255.47	0.8%	261.32	208.12	10.2%	1.8%	21.2x	6.18x	46.1x	3.5x
Crimson Wine Group, Ltd.	6.64	2.9%	7.59	5.11	18.3%	(19.6%)	NA	1.79x	30.4x	4.4x
* Diageo plc	33.60	2.8%	39.60	32.46	(7.9%)	(16.7%)	19.9x	5.48x	14.9x	3.2x
Monster Beverage Corporation	57.31	2.6%	60.47	42.81	12.9%	19.3%	36.2x	8.78x	32.6x	0.0x
National Beverage Corp.	49.77	(0.4%)	57.65	38.40	7.0%	9.8%	27.2x	3.86x	20.5x	0.2x
PepsiCo, Inc.	188.21	2.8%	196.88	160.98	4.2%	8.3%	24.2x	3.29x	17.8x	2.6x
Starbucks Corporation	101.61	5.8%	115.48	78.62	2.4%	(13.1%)	26.9x	4.05x	14.9x	2.7x
Willamette Valley Vineyards, Inc.	5.68	0.5%	6.69	5.59	(4.8%)	(34.4%)	NA	2.45x	39.4x	9.1x
Sector Average:					3.0%	(8.1%)	27.5x	4.79x	25.4x	2.8x

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			High	Low	2022	2021		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$55.63	0.7%	\$61.88	\$46.75	13.0%	1.9%	16.0x	1.66x	10.3x	3.3x
Lifeway Foods, Inc.	6.31	(2.9%)	8.10	4.75	13.7%	37.2%	16.7x	0.64x	11.7x	0.8x
* Saputo Inc.	28.66	1.8%	37.50	27.72	(14.5%)	0.6%	15.9x	0.89x	10.6x	2.7x
Sector Average:					4.1%	13.2%	16.2x	1.06x	10.9x	2.3x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$36.45	0.4%	\$39.85	\$28.70	9.5%	9.5%	22.7x	0.78x	11.4x	4.5x
Performance Food Group Company	60.13	(0.4%)	63.22	42.77	3.0%	31.0%	14.8x	0.27x	10.3x	3.5x
SpartanNash Company	21.44	(5.0%)	37.75	20.61	(29.1%)	(16.8%)	9.2x	0.16x	7.0x	3.7x
Sysco Corporation	73.10	(1.7%)	88.84	69.22	(4.4%)	(6.9%)	16.8x	0.64x	11.9x	2.9x
United Natural Foods, Inc.	20.14	2.7%	48.26	19.36	(48.0%)	(59.0%)	17.8x	0.15x	4.8x	3.6x
US Foods Holding Corp.	43.93	0.1%	44.52	25.49	29.1%	26.1%	16.4x	0.46x	12.7x	4.0x
Sector Average:					(6.6%)	(2.7%)	16.3x	0.41x	9.7x	3.7x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$62.73	(1.6%)	\$80.41	\$60.33	(5.2%)	(6.3%)	15.5x	0.59x	8.5x	2.3x
Costco Wholesale Corporation	546.70	4.1%	564.75	447.90	19.8%	(3.7%)	35.5x	1.01x	22.3x	0.8x
Dollar General Corporation	163.16	(3.6%)	261.59	151.27	(33.7%)	(30.8%)	16.0x	1.39x	8.9x	3.0x
Dollar Tree, Inc.	147.91	3.0%	175.68	128.85	4.6%	5.3%	NA	1.46x	8.6x	2.1x
Grocery Outlet Holding Corp.	32.84	3.9%	46.37	25.71	12.5%	16.1%	31.7x	1.22x	14.2x	4.3x
Walmart Inc.	154.66	0.8%	159.12	120.06	9.1%	6.9%	24.4x	0.77x	12.0x	1.7x
Sector Average:					1.2%	(2.1%)	24.6x	1.07x	12.4x	2.4x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$21.93	0.2%	\$30.17	\$19.14	5.7%	(27.4%)	7.8x	0.35x	5.3x	2.9x
* Ahold Delhaize	30.69	(1.7%)	32.51	25.45	14.3%	1.8%	12.1x	0.43x	5.4x	2.6x
Amazon.com, Inc.	134.68	3.8%	146.57	81.43	60.3%	(19.2%)	77.8x	2.85x	21.9x	2.6x
Ingles Markets, Incorporated	82.61	(1.2%)	102.99	78.32	(14.4%)	(4.3%)	NA	0.33x	4.1x	1.3x
The Kroger Co.	46.44	(1.5%)	52.00	41.82	4.2%	2.6%	10.2x	0.34x	6.0x	2.4x
Natural Grocers by Vitamin Cottage, Inc.	12.35	(0.4%)	17.63	8.00	35.1%	(13.3%)	14.9x	0.58x	5.4x	3.2x
Sprouts Farmers Market, Inc.	37.63	1.6%	39.99	26.20	16.2%	26.8%	14.1x	0.80x	6.7x	2.1x
* Tesco PLC	2.50	1.5%	3.07	1.94	11.5%	(13.8%)	11.6x	0.44x	6.8x	3.6x
Village Super Market, Inc.	23.04	1.1%	24.28	19.09	(1.1%)	(1.5%)	NA	0.29x	3.9x	2.5x
Weis Markets, Inc.	63.55	(0.9%)	95.57	58.75	(22.8%)	(3.5%)	NA	0.33x	5.0x	0.6x
Sector Average:					10.9%	(5.2%)	21.2x	0.67x	7.1x	2.4x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$37.96	4.5%	\$42.12	\$22.17	19.0%	3.7%	11.2x	0.94x	6.7x	3.8x
The Cheesecake Factory Incorporated	35.83	4.4%	41.28	26.86	13.0%	(8.5%)	12.4x	1.05x	8.6x	4.4x
Cracker Barrel Old Country Store, Inc.	94.05	1.3%	121.17	88.72	(0.7%)	(26.9%)	15.4x	0.95x	9.4x	3.5x
Darden Restaurants, Inc.	167.44	2.4%	169.30	115.07	21.0%	11.2%	19.1x	2.46x	13.1x	3.0x
Dine Brands Global, Inc.	59.34	3.1%	82.43	56.00	(8.1%)	(21.7%)	9.6x	2.72x	11.3x	7.8x
Jack in the Box Inc.	97.72	3.2%	98.18	60.66	43.2%	11.7%	15.4x	2.92x	8.3x	5.2x
McDonald's Corporation	294.94	1.0%	299.10	230.58	11.9%	10.0%	26.3x	11.17x	18.5x	3.6x
Papa John's International, Inc.	75.99	0.0%	97.78	66.74	(7.7%)	(43.1%)	26.6x	1.66x	13.2x	3.9x
Texas Roadhouse, Inc.	114.01	3.0%	116.72	79.66	25.4%	27.7%	23.5x	1.96x	15.0x	1.3x
The Wendy's Company	21.36	0.2%	23.90	18.50	(5.6%)	(10.4%)	NA	3.77x	16.2x	8.7x
Yum! Brands, Inc.	135.56	1.6%	143.25	103.97	5.8%	(2.4%)	25.4x	7.22x	20.7x	5.2x
Sector Average:					10.7%	(4.4%)	18.5x	3.35x	12.8x	4.6x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$2,055.98	(1.0%)	\$2,147.52	\$1,277.00	48.2%	17.6%	44.7x	6.62x	27.5x	1.7x
El Pollo Loco Holdings, Inc.	9.96	7.1%	13.00	8.15	0.0%	(29.8%)	13.2x	1.27x	8.3x	3.5x
Noodles & Company	3.14	(0.6%)	6.55	3.00	(42.8%)	(65.4%)	15.0x	0.79x	6.0x	3.9x
Potbelly Corporation	8.99	2.2%	11.14	4.31	61.4%	61.1%	37.5x	0.94x	6.0x	2.8x
Shake Shack Inc.	78.75	3.3%	80.39	40.83	89.6%	9.1%	NM	3.76x	26.0x	5.4x
Wingstop Inc.	193.94	3.7%	223.77	92.96	40.9%	12.2%	89.5x	16.27x	54.1x	6.2x
Sector Average:					32.9%	0.8%	39.9x	4.94x	21.3x	3.9x
CANNABIS & CBD										
Canopy Growth Corporation	\$0.51	(17.7%)	\$6.44	\$0.51	(83.8%)	(95.4%)	NM	2.37x	NM	NM
Cronos Group Inc.	2.52	(6.0%)	4.88	2.15	(26.7%)	(49.4%)	NM	NM	NM	NM
Jones Soda Co.	0.20	(7.1%)	0.48	0.18	(25.0%)	(72.8%)	NA	0.74x	NM	NA
The Scotts Miracle-Gro Company	67.21	2.6%	90.01	39.06	38.3%	(58.3%)	22.2x	2.03x	12.5x	6.2x
Tilray Brands, Inc.	1.66	1.2%	5.12	1.50	(38.3%)	(76.4%)	NM	2.18x	NM	NM
Village Farms International, Inc.	0.62	(0.1%)	3.53	0.56	(54.1%)	(90.4%)	NM	0.42x	NM	NM
Sector Average:					(31.6%)	(73.8%)	22.2x	1.55x	12.5x	6.2x

Notes:

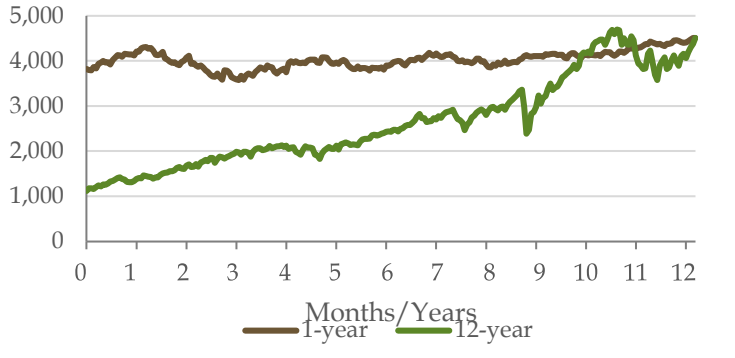
* Denotes local currency.

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



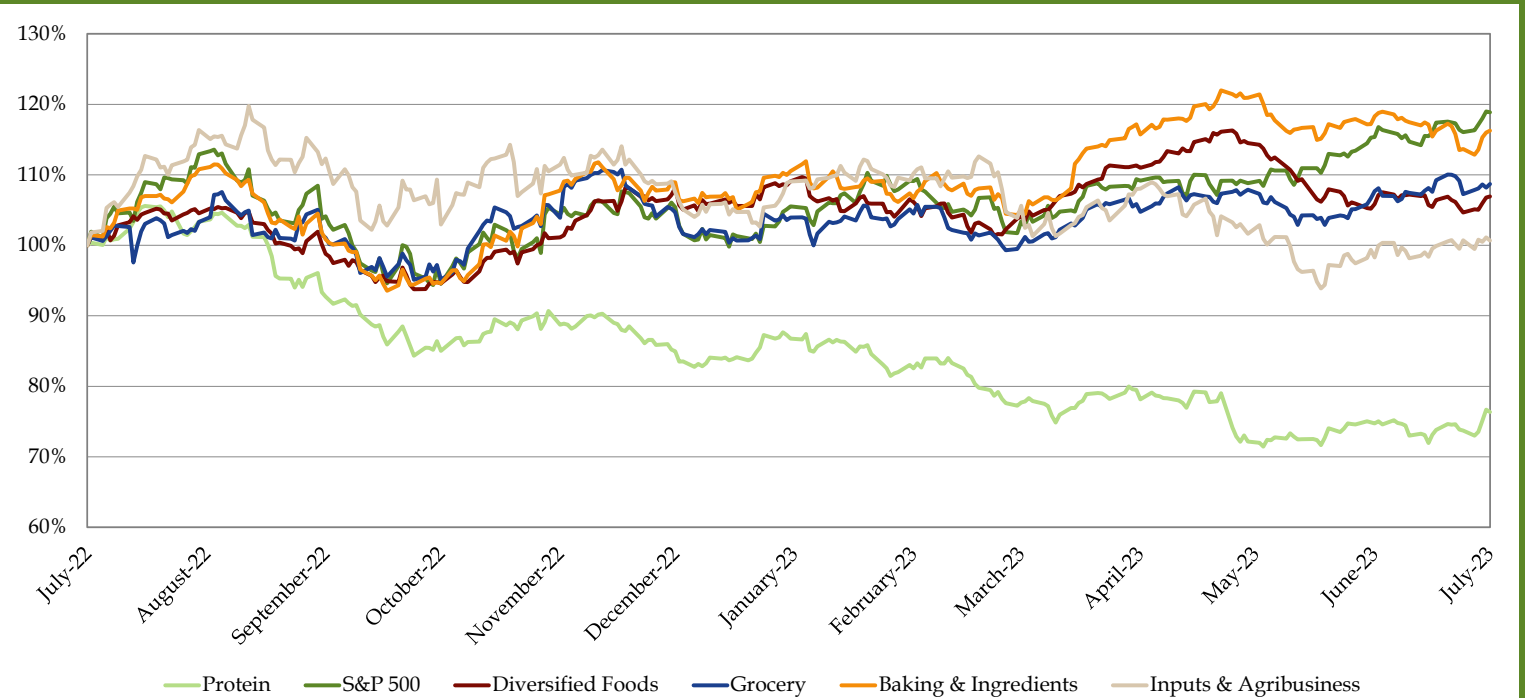
10-year Treasury



CBOE Market Volatility Index - VIX



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



Food For Thought...

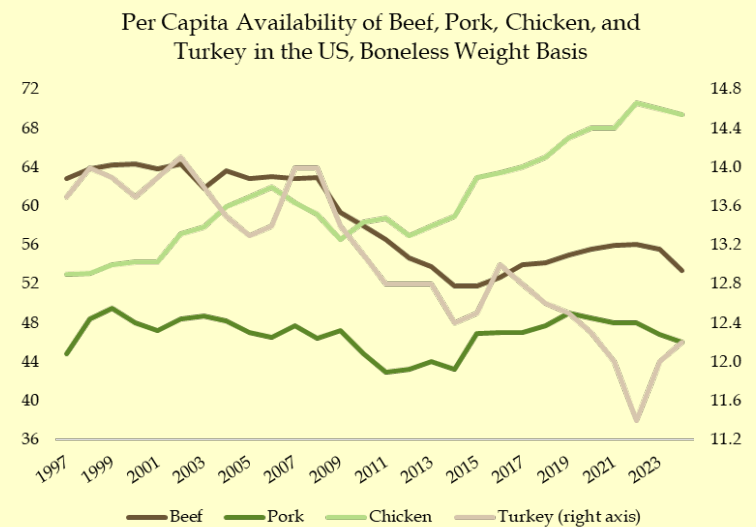
Partner Column
Written by Mary Burke

Florida's Agricultural and construction industries have taken a hit due to a law that went into effect July 1. Both industries are experiencing a labor shortage. The new law is encouraging migrant workers to leave the state. According to the WSJ, the law, signed in May by Governor DeSantis, seeks to further criminalize undocumented workers in the state. It makes it a third-degree felony for unauthorized people to use false identification knowingly. Additionally, businesses that knowingly employ unauthorized workers could have their licenses suspended and face daily fines.

Business owners and workers alike say the laborers' ranks in Florida are much smaller now, and the decrease started as soon as DeSantis signed the bill. As of May 31, the unemployment rate in Florida is 2.3%. All those workers who want to work, better get out there and get hired. Work in both industries has slowed down.

This week it was announced that Florida has the highest inflation of anywhere in the country. The state inflation rate is 4%, but in the Miami-Fort Lauderdale-West Palm Beach metro area, the inflation rate has reached 9% as of the end of June. The US national inflation rate is 2.97% as of June 30, compared to 4.05% in May. Wage inflation will not help this.

The four main animal proteins continue to go through their different cycles. The below chart shows their availability on a per capita basis.



LEAP Markets tracks this as well as much more on proteins. The draught will further impact the profitability of the producers and packers, with rising feed costs and inflationary fears showing consumers are cutting back on their purchases—a perfect storm.

In May, the pork industry exports for the first five months of this year of 2.87 billion pounds-9.5% above last year's same period. For beef, packers enjoyed positive returns in June, averaging over \$200/head. Cattle on feed are running 4.6% more than last year.

Speaking of storms—El Nino is impacting most crops and has just begun.

In the availability of water debate, we primarily hear about its supply for watering crops and feeding livestock—all fundamental issues. In their last earnings report, Anheuser Busch said their most significant financial risk is the increasing water costs. For example, if their water costs were to increase five times higher, they see this as a real possibility; their ebitda would decrease by four percent. Most other CPG companies face similar effects—be on the lookout.

With employees hard to find and labor costs increasing, many are looking for automation and spending big money to do it. Many manufacturers are becoming more automated in their new facilities. More retailers are utilizing the latest fulfillment technology to keep consumers returning. Publix, Walmart, and Kroger are among those deploying innovative solutions. The pandemic forced all of us to change our shopping patterns; how the consumer shops for food is no exception.

Speaking of changes, one more lasting change from Covid has been the establishment and now huge growth of store pick-up after ordering online. The last mile of e-commerce is expensive ... having pick-up reduces that significantly. The share of US e-commerce sales filled through pick-up was up 76% in June 2023 compared with January 2019. Target reported more than 5% growth in same-day services for the quarter ended April 29, with growth in the curbside pick-up "in the high single digits. Walmart announced they handled more than two hundred million curbside pick-ups in 2022. With a UPS strike on the table, more people may be picking up versus taking the delivery.

And for those sports fans ... there are more NBA players with \$30 million annual salaries than CEOs of S&P 500 companies who are guaranteed that much.

Have a good week!

Private Label Sales Rose 8.2% First Half of 2023. According to a report from the Private Label Manufacturers Association (PLMA), private label sales in the U.S. grocery retail sector increased by 8.2% to \$108 billion in the first half of 2023. Although private label unit sales saw a slight decline of 0.5%, they outperformed national brand unit sales, which fell by 3.4%.

"Having opted for a store brand over the national brand for the first time, there's a strong likelihood the shopper will stick with the store brand. In addition, we are also seeing retailers doubling down on product innovation in food and non-food to take advantage of the flow of new store brand customers," said Peggy Davies, president of PLMA.

PLMA's report reveals that beverages had the most prominent dollar sales increase over the past 52 weeks, rising by 19%. General food and refrigerated items followed closely, both experiencing a 16% increase in sales, mainly due to price hikes to combat rising input costs within the inflationary environment. Over the same period, unit sales only increased five percent in the same categories. Lastly, general merchandise saw an eight percent increase in net sales.

The increasing sales of private label products highlight the vulnerability of many branded products. Retailers such as Kroger and Albertsons are looking to capitalize on the strength of the private label by creating their own private label brands that attract new store customers and capture more margin. Kroger launched a private label brand called Smart Way, which focuses on affordable products such as canned vegetables, bread, juices, and other staples. Meanwhile, Albertsons is consolidating three private labels: Signature Farms, Signature Care, and Signature Café brands into a master brand called Signature Select, which will become the largest brand in the company's private label portfolio. Signature Select will offer over 8,000 products ranging from packaged salads, ice cream, and frozen pizza to coffee, paper goods, pasta, snacks, and various meats.

Beverage Manufacturers Capitalize on High Drink Demand.

The 2023 New Product Pacesetters report by Circana reveals that beverages, particularly energy drinks, sports beverages, and hard seltzers, have led product innovation and generated nearly \$700 million in sales amongst new product launches. Alani Nu's energy drink line topped the list, appealing to consumers with performance-boosting ingredients and various vitamins. Red Bull's Green Edition and Gatorade's Gatorlyte capitalized on the trend by offering functional options for multiple uses. Affordable hard seltzers like Truly Punch and Topo Chico's Hard Seltzer performed well, catering to at-home entertainment and "healthy socializing."

Beverages and convenient meal solutions dominated the innovative product landscape in 2023. According to Circana, "As the world opened back up after the height of the pandemic, consumers had already learned how to have new, fulfilling, and value-oriented experiences on their own, and many of those habits stuck. Many consumers still opt for at-home dining and have elevated expectations for product quality and taste. They want quick and easy, but with a level of excitement that appeals to many members of the household."

Conagra Reports Q2 2023 Results. Conagra Brands, the Chicago, IL-based consumer packaged goods holding company, reported results for Q2 of 2023. Conagra experienced an increase of 2.2% in net sales in the quarter, yet a decrease of their operating margin to 14.6%. Diluted EPS for the quarter decreased by 75.8% to \$0.08, and adjusted EPS decreased by 4.6% to \$0.62. Looking ahead to 2024, the company expects approximately 1% organic net sales growth compared to fiscal 2023. They anticipate an adjusted operating margin between 16% and 16.5% and adjusted EPS between \$2.70 and \$2.75. Reflecting Conagra's ongoing confidence in their business, the board has authorized a 6% increase in dividends. CEO Sean Connelly, said this about fiscal 2023, "We successfully delivered on our priorities to execute inflation-justified pricing, drive gross margin recovery, and reduce net leverage."

USDA Releases July WASDE Report. Last week, the USDA released its World Agricultural Supply and Demand Estimates (WASDE) with some of the largest month-to-month changes seen in a decade. These changes were highlighted by a 55 million bushels increase in 2023/24 corn production due to increased planted acres, partially offset by a four-bushel reduction in corn yield. Additional corn acres, in turn, reduced soybean acres planted estimates resulting in an estimated 185 million bushel decrease in new crop production.

Corn ending stocks were in line with expectations at 2.262 billion bushels. The average farm price for new crop corn remained at \$4.80 per bushel, while the average farm price for soybeans increased to \$12.40 per bushel. Following the release of the report, grain futures showed mixed results, with nearby corn prices declining and nearby soybean prices increasing.

The report gave a mostly supportive outlook for the cattle market. Beef production for 2023 was increased by 75 million pounds as fed, and non-fed cattle slaughter is more aggressive than originally anticipated. For 2024, beef production is projected to decline by 25 million pounds as more fed cattle marketings are expected to hit the market in late 2023 than in the first two quarters of 2024.

Heard on the Street...

Bayer May be Selling its Crop Science Division. Platow Brief, a German news provider, issued a recent report that indicated Bayer, the German pharmaceutical company, may spin off its Crop Science division in an attempt to raise its share price.

Bayer's Crop Science division, based in St. Louis, has long been riddled with lawsuits concerning Roundup: a glyphosate-based herbicide and household weedkiller. Roundup was recently linked to an increased risk of cancer. Lawsuits against Bayer began shortly after the company purchased Monsanto (maker of Roundup) in 2018 and have since cost the pharma giant billions.

By offloading the Crop Science division, Bayer could protect itself against potential future litigation costs and prevent interference with the drug research operations of their pharmaceutical business. The move by new CEO Bill Anderson would allow Bayer to bring its agricultural division to the stock market while initially retaining a significant stake in the business. Bayer has recently claimed that the report "is based purely on speculation."

E2P Acquires PE-Backed MBC Companies. Last week, San Francisco, California-based Encore Consumer Capital announced the sale of its portfolio company, MBC Companies, a frozen breakfast foods manufacturer and distributor, to Chicago, Illinois-based Entrepreneurial Equity Partners (E2P).

MBC Companies was formed by the merger of Murry's and Bake Crafters in 2022. Founded in 1948, Murry's manufactures private-label French toast sticks, primarily serving the grocery and mass retail markets. Bake Crafters was founded in 1989 as a bakery wholesaler and has grown to become a manufacturer and distributor of frozen breakfast items and other baked goods. Bake Crafters primarily serves food service and institutional customers.

Financial terms of the transaction have not been disclosed. Managing Director of Encore Consumer Capital, Kate Wallman, said, "This is the largest dollar return exit in Encore's 18-year history. We are so pleased that MBC's Chairman, Ira Mendelson, selected Encore as his strategic and financial partner in 2019 for his family business. Over the course of Encore's investment, Ira and the team at MBC drove tremendous growth." "Encore's strategic guidance and support allowed us to complete a transformational add-on acquisition that we would not have undertaken independently. Encore knows how to work with family-owned businesses as they transition under private equity ownership and helped us recruit CEO Jeff Ahlers from their deep network of food manufacturing executives," said Mendelson.

NCD Acquires Colonial Wholesale Distributing. National Convenience Distributors (NCD) has purchased Colonial Wholesale Distributing. The recent transaction will allow Colonial to join NCD as a newly formed division, allowing NCD to expand its operations from Maine to Florida. The merger aims to elevate NCD's capabilities and expand its product offerings.

NCD supplies candy, snacks, sandwiches, salads, cigarettes, cigars, coffee, and frozen foods to independent convenience stores. NCD serves roughly 23,800 customers in 13 states and has nearly \$3.5 billion in annual revenue. Besides convenience stores, NCD also serves a number of hospitals, universities, and correctional facilities along the east coast.

Colonial Wholesale, based in Tampa and founded in 1998, supplies nearly 5,000 products, including drinks, candy, cigarettes, cigars, and automotive. They currently serve over 5,000 convenience stores across Florida.

Yasin Saad, founder of Colonial Distributors, and Jeff Allen, CEO of NCD, both claim the companies' consolidation is a significant step forward in the fragmented wholesale distribution industry. For Saad, the merger seems to be an expedited path for the considerable growth he set out to achieve with Colonial's state-of-the-art facilities. For Allen, the transaction allows NCD to expand its geographical footprint and "strengthen our overall business relationships with our customers, vendors, and employees."

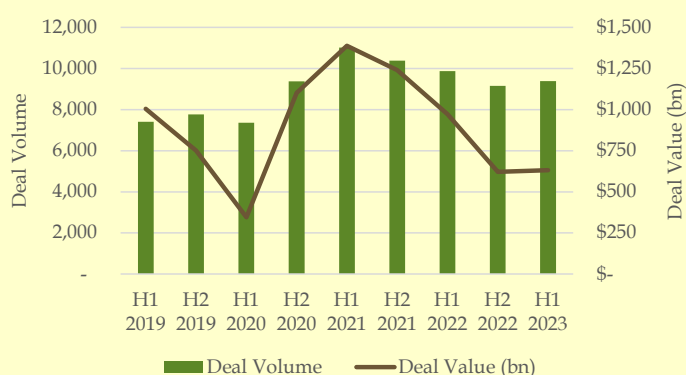
Bobbie Acquires Nature's One. Bobbie, an organic infant formula producer, recently acquired Nature's One, a pediatric nutrition company based out of Ohio. The acquisition will allow Bobbie to have complete control over the production process as the addition of Nature's One's formula production facility will give Bobbie oversight from raw material sourcing to the finished product.

Although specific terms of the deal have not been disclosed, the acquisition comes as part of Bobbie's \$100 million commitment to the White House that it would invest in improving the domestic infant formula supply chain and production. The company also utilized a \$70 million Series C round of funding to back the acquisition with \$35 million from the lead investor, PowerPlant Partners.

To date, Bobbie has venture-backed funding raised upwards of \$142 million. Over the past year alone, Bobbie has grown revenue by 394% to over \$100 million. This has made Bobbie the fastest-growing infant formula company in the U.S. infant formula market, which is expected to reach \$6.8 billion by 2030.

M&A market conditions have continued to evolve across the first half of 2023. Inflation is decelerating, interest rates may have hit their apex, regional banks have failed, and the U.S. debt ceiling issues have been resolved. The combination of these factors benefit M&A outlook.

While high interest rates may keep mega-deals on the sidelines, corporate executives and private equity decision makers have shifted their focus to the middle market. The average deal size across the first half of 2023 was \$67.3 million compared to the recent peak of \$126.0 million in the first half of 2021. This is the lowest average deal value throughout a half year since the first half of 2020, at \$47.0 million when buyers were more preoccupied with the onset of COVID-19. See below for historical domestic deal volumes and values.



Expect strength in middle market deals to continue. High costs of capital and the current regulatory environment have and will continue to challenge successful mega-deals. Large private equity shops and cash-rich corporations have increased their reliance on cash equity to fund deals successfully. In addition, traditional bank financing has become more challenging to obtain, thus increasing buyer reliance on the private markets. While private credit has stepped in as an alternative to conventional bank loans, their capital comes at a higher price.

Corporations still need growth, and those with excess capital are well-positioned to deploy it. Sellers can take advantage of this but must be adequately prepared to run a successful process. According to a recent outlook published by PwC, buyers are paying the most attention to the following:

- New strategic growth and value creation levers
- Business model transformation opportunities
- Technological capabilities and value add processes
- Deeper data analytics
- Robust operating models and durability
- Acquiring and retaining talent
- Roadmap to sustainable transformation

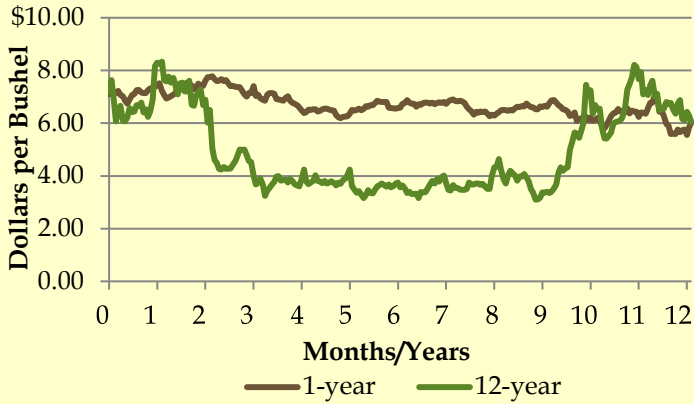
Select Recent U.S. Food & Agribusiness M&A Activity (\$ in millions)

Date	Target	Acquirer	Enterprise Value	EV/Revenue	EV/EBITDA	Target Description
07/13/2023	MBC Companies	Entrepreneurial Equity Partners, L.P.	-	-	-	MBC Companies is a McDonald, Tennessee producer and seller of frozen baked food products.
06/29/2023	Chef Inspirational Foods, Inc.	MamaMancini's Holdings, Inc. (NasdaqCM:MMMB)	\$ 3.95	-	-	Chef Inspirational Foods, Inc. is a Islandia, New York based distributor of prepared salads, entrees, and olives to retail.
06/28/2023	El Rancho Inc.	Heritage Grocers Group, LLC	-	-	-	El Rancho Inc. is a Texas based operator of Hispanic grocery stores.
06/26/2023	Stabilized Rice Bran Business of RiceBran Technologies	Stabil Nutrition LLC	1.80	-	-	U.S. based rice bran processing assets.
06/23/2023	Great River Milling	Columbia Grain International, Inc.	-	-	-	Great River Milling is a New Fountain, Wisconsin based producer and distributor of baking flour, grains, and breakfast products.
06/20/2023	New Carbon Company, LLC	Arbor Investments	-	-	-	New Carbon Company, LLC is a South Bend, Indiana based producer and supplier of pancake and waffle flour products.
06/13/2023	Anodyne Coffee Roasting Co.	FairWave Holdings, LLC	-	-	-	Anodyne Coffee Roasting Co. is a Milwaukee, WI based coffee roaster and distributor.
06/12/2023	Festive Foods, LLC	Bernatello's Pizza, Inc.	-	-	-	Festive Foods, LLC is a Waupaca, Wisconsin based manufacturer and supplier of frozen pizza.
06/05/2023	Tri-State Companies	Batory Foods, Inc.	-	-	-	Tri-State Companies is an Ohio based food ingredients broker, distributor, and logistics provider.
06/01/2023	Penelope Bourbon LLC	Luxco, Inc.	215.80	-	-	Penelope Bourbon LLC is a Rumson, New Jersey based producer and seller of whiskey.

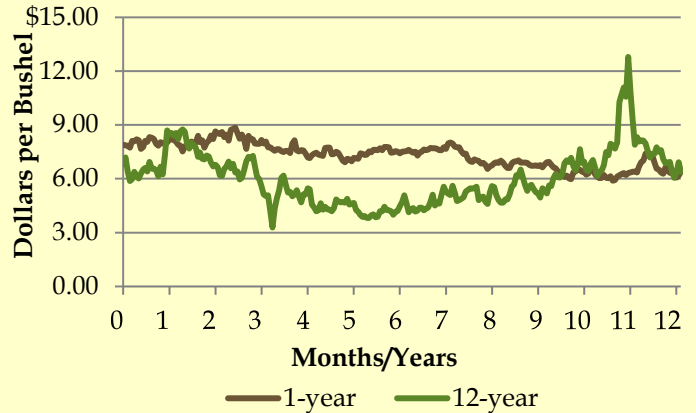
Source: Capital IQ, Produce Blue Book, The Food Institute

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

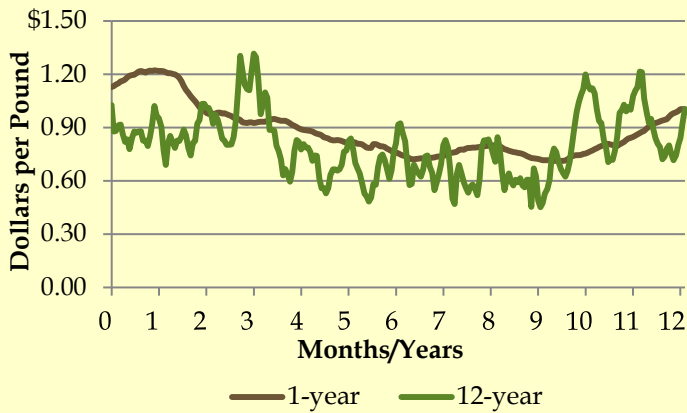
Corn



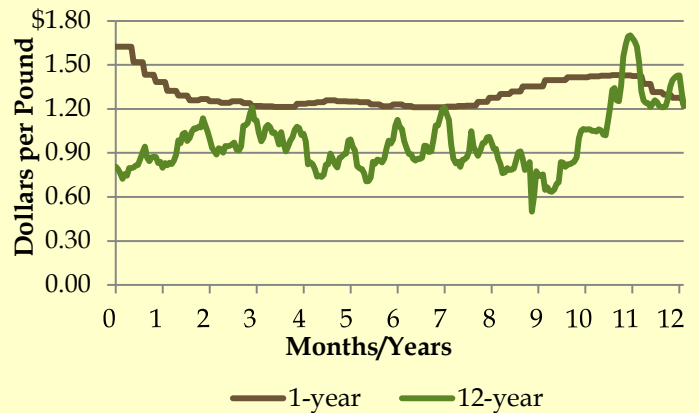
Wheat



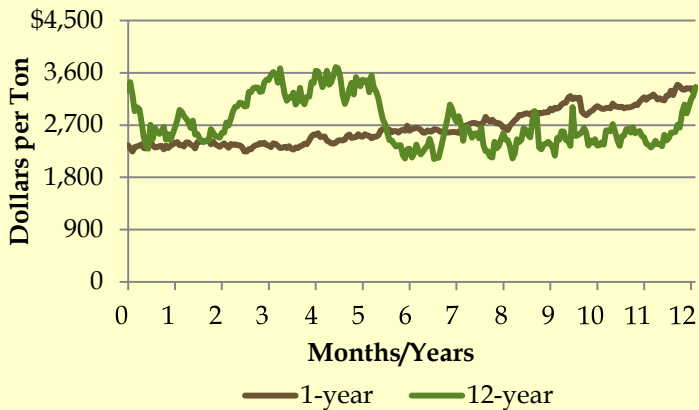
Hogs



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.