



LAKE SHORE

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



Weekly Update

Monday, October 30th, 2023

U.S. Indices Slide Following Big Tech Earnings Reports. Last week, the U.S. stock market saw significant declines, with the tech-heavy NASDAQ leading the way, falling 2.6% on the week. The S&P 500 saw weekly losses of 2.5%, down over 10% from its most recent high in July. The Dow Jones also dipped 2.1% on the week. These declines were primarily attributed to disappointing earnings reports from Big Tech companies, causing concerns about high valuations in the sector. However, recent GDP data showed promising growth of 4.9% in Q3, up from 2.1% in Q2.

The **Dow Jones Industrial Average** decreased 2.1%, finishing at 32,418.

The **S&P 500** was down 2.5% on the week, finishing at 4,117.

The **NASDAQ Composite** fell 2.6% this week, finishing at 12,643.

Yield on the **10-year Treasury** decreased nine basis points during the week, ending at 4.84%.

Crude oil was down 2.9% on the week, ending at \$85.54 per barrel.

Corn fell 3.0% on the week, ending at \$4.81 per bushel.

NASDAQ Highs: Sprouts Farmers Market, Inc. **Lows:** Balchem Corporation, Beyond Meat, Inc., El Pollo Loco Holdings, Inc., Gladstone Land Corporation, Jack in the Box Inc., Noodles & Company, Rocky Mountain Chocolate Factory, Inc., S&W Seed Company, Titan Machinery Inc., Willamette Valley Vineyards, Inc.

NYSE Highs: None. **Lows:** American Vanguard Corporation, Archer-Daniels-Midland Company, CNH Industrial N.V., Darling Ingredients Inc., FMC Corporation, Fresh Del Monte Produce Inc., The Hershey Company, The Scotts Miracle-Gro Company, Tootsie Roll Industries, Inc., Tyson Foods, Inc

Featured Stocks of the Week:

Sprouts Farmers Market, Inc. (NASDAQ: SFM) 5-Year History



The Hershey Company (NYSE: HSY) 10-Year History



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The Lakeshore Food Chain

Company Name	Price 10/27/23	Price Compared to 10/20/23	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	32,418	(2.1%)	35,631	31,819	(2.2%)	(10.8%)	NA			
S&P 500	4,117	(2.5%)	4,589	3,720	7.2%	(13.6%)	17.8			
NASDAQ Composite Index	12,643	(2.6%)	14,358	10,213	20.8%	(19.2%)	NA			
Russell 3000 Index	2,351	(2.6%)	2,644	2,158	6.1%	(15.7%)	NA			
Sector Average:					8.0%	(14.8%)				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$10.41	0.9%	\$14.27	\$9.44	(16.5%)	(12.9%)	74.4x	17.76x	32.0x	13.1x
Gladstone Land Corporation	13.57	(2.2%)	22.13	13.43	(26.0%)	(59.8%)	NM	11.86x	15.1	9.1
Limoneira Company	14.08	1.0%	17.90	11.37	15.3%	(6.1%)	73.8	1.75x	NM	NM
Sector Average:					(9.1%)	(26.3%)	74.1	10.46x	23.5	11.1
INPUTS										
American Vanguard Corporation	\$9.32	(7.6%)	\$24.13	\$8.78	(57.1%)	(43.1%)	8.0x	0.78x	8.2x	3.4x
* BASF SE	41.46	1.1%	54.04	40.25	(10.6%)	(32.9%)	10.6x	0.75x	12.4x	2.6x
* Bayer Aktiengesellschaft	40.51	(2.3%)	65.66	40.25	(16.2%)	(13.8%)	6.2x	1.62x	7.0x	4.0x
CF Industries Holdings, Inc.	79.88	(3.7%)	112.44	60.08	(6.2%)	12.9%	12.5x	2.08x	3.9x	0.7x
Corteva, Inc.	47.82	(4.9%)	68.43	47.21	(18.6%)	1.1%	16.3x	2.10x	10.6x	1.5x
FMC Corporation	56.88	(15.0%)	134.38	49.70	(54.4%)	(48.2%)	13.6x	2.05x	8.6x	3.8x
Intrepid Potash, Inc.	20.50	(2.1%)	46.88	17.23	(29.0%)	(52.0%)	81.4x	0.89x	2.8x	0.0x
The Mosaic Company	33.09	(6.6%)	57.46	31.44	(24.6%)	(15.8%)	9.6x	0.85x	3.4x	1.0x
* Nutrien Ltd.	76.96	(5.5%)	117.38	70.69	(22.1%)	(19.1%)	11.3x	1.28x	4.9x	1.7x
S&W Seed Company	0.65	(13.0%)	2.14	0.65	(56.4%)	(76.2%)	NM	1.18x	NM	NM
Zoetis Inc.	156.03	(6.6%)	194.99	124.15	6.5%	(36.1%)	27.7x	9.35x	22.2x	2.0x
Sector Average:					(26.3%)	(29.4%)	19.7x	1.36x	8.4x	2.1x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$48.00	(1.8%)	\$63.40	\$33.07	10.7%	51.5%	8.6x	1.18x	8.9x	4.7x
AGCO Corporation	110.64	(2.3%)	145.53	109.81	(20.2%)	(4.6%)	7.4x	0.72x	4.9x	1.2x
Art's-Way Manufacturing Co., Inc.	2.01	0.5%	3.11	1.82	4.1%	(43.2%)	NA	0.56x	8.1x	3.7x
* Buhler Industries Inc.	2.31	2.2%	2.79	1.51	19.7%	(22.0%)	NA	0.48x	19.8x	11.7x
CNH Industrial N.V.	10.86	(3.1%)	17.98	10.82	(32.4%)	(44.1%)	5.9x	1.49x	10.2x	7.2x
Deere & Company	361.15	(3.7%)	450.00	345.55	(15.8%)	5.3%	11.2x	2.64x	11.0x	4.3x
Lindsay Corporation	125.63	8.7%	183.08	106.46	(22.9%)	(17.3%)	19.6x	2.01x	10.7x	1.1x
Titan Machinery Inc.	23.64	(4.7%)	47.87	23.04	(40.5%)	(29.8%)	5.0x	0.50x	6.0x	3.6x
Sector Average:					(12.1%)	(13.0%)	9.6x	1.20x	8.5x	3.7x
AGRIBUSINESS										
The Andersons, Inc.	\$49.31	0.1%	\$53.45	\$33.20	40.9%	27.4%	15.8x	0.15x	6.4x	1.9x
Archer-Daniels-Midland Company	70.04	(3.9%)	98.28	69.31	(24.6%)	3.6%	10.6x	0.47x	7.3x	1.7x
Bunge Limited	105.42	3.8%	116.59	87.87	5.7%	12.9%	8.8x	0.32x	3.8x	1.1x
Ingredion Incorporated	92.67	2.5%	113.46	87.40	(5.4%)	(4.1%)	10.3x	1.02x	7.1x	2.1x
MGP Ingredients, Inc.	93.82	(4.0%)	125.74	90.69	(11.8%)	10.4%	16.9x	2.97x	13.8x	1.9x
* Olam Group Limited	0.92	(6.6%)	1.71	0.80	(37.3%)	(47.7%)	NA	0.33x	8.6x	8.5x
Sector Average:					(5.4%)	0.4%	12.5x	0.88x	7.8x	2.9x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$8.61	1.7%	\$16.68	\$7.20	(22.8%)	(72.0%)	9.0x	1.36x	8.8x	7.0x
Campbell Soup Company	40.44	1.8%	57.78	37.94	(28.7%)	(6.9%)	13.2x	1.80x	7.8x	2.3x
Conagra Brands, Inc.	27.19	0.7%	41.30	25.16	(29.7%)	(20.4%)	10.2x	1.81x	8.5x	3.8x
General Mills, Inc.	65.30	3.3%	90.89	60.33	(22.1%)	(3.1%)	14.4x	2.47x	11.9x	3.0x
The Hain Celestial Group, Inc.	10.90	2.3%	22.14	9.36	(32.6%)	(74.4%)	26.3x	1.03x	11.7x	5.8x
The J. M. Smucker Company	112.75	0.0%	163.07	110.49	(28.8%)	(17.0%)	11.5x	1.81x	8.4x	2.5x
Kellanova	50.40	0.6%	77.17	47.63	(29.3%)	(21.8%)	14.0x	1.55x	11.6x	3.5x
The Kraft Heinz Company	31.44	0.4%	42.80	30.68	(22.8%)	(12.4%)	11.0x	2.14x	7.7x	2.7x
Lancaster Colony Corporation	167.05	0.7%	220.65	158.88	(15.3%)	0.9%	27.0x	2.49x	19.6x	0.1x
Mondelez International, Inc.	65.01	1.4%	78.59	60.42	(2.5%)	(2.0%)	19.5x	3.16x	13.8x	2.9x
* Nestlé S.A.	97.46	(1.0%)	116.84	97.09	(9.0%)	(23.5%)	18.9x	3.31x	15.6x	3.1x
* Nomad Foods Limited	13.60	(3.7%)	19.76	13.56	(21.1%)	(46.4%)	8.0x	1.33x	7.8x	4.4x
Post Holdings, Inc.	80.64	(1.2%)	98.84	78.85	(10.7%)	(28.5%)	16.3x	1.65x	11.0x	6.1x
The Simply Good Foods Company	36.33	10.9%	40.16	31.06	(4.5%)	(12.6%)	20.1x	3.10x	16.0x	1.4x
Sovos Brands, Inc.	21.72	(3.3%)	22.73	12.74	51.1%	44.3%	30.2x	2.68x	14.2x	2.8x
SunOpta Inc.	5.72	10.0%	15.90	3.82	(49.7%)	(34.8%)	NA	1.06x	11.5x	5.4x
TreeHouse Foods, Inc.	41.47	1.9%	55.30	38.18	(16.0%)	2.3%	16.1x	1.13x	9.9x	4.3x
Unilever PLC	43.85	(4.3%)	50.93	43.84	(6.4%)	(6.8%)	NA	2.27x	11.7x	2.7x
Utz Brands, Inc.	12.27	5.5%	19.15	11.17	(22.6%)	(23.1%)	20.6x	1.89x	22.2x	8.6x
Sector Average:					(17.0%)	(18.8%)	16.8x	2.00x	12.1x	3.8x

Company Name	Price 10/27/23	Price Compared to 10/20/23	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.	\$3.86	1.0%	\$4.58	\$1.20	34.0%	(19.8%)	16.4x	0.29x	NM	NM
Green Plains Inc.	27.54	1.3%	37.49	25.78	(9.7%)	(20.8%)	41.9x	0.65x	NM	NM
REX American Resources Corporation	36.87	(1.4%)	41.63	27.42	15.7%	15.2%	14.3x	0.52x	7.5x	0.3x
Sector Average:					13.3%	(8.4%)	24.2x	0.49x	7.5x	0.3x
FRUIT & VEGETABLE										
Calavo Growers, Inc.	\$25.63	0.7%	\$38.97	\$22.64	(12.8%)	(39.6%)	16.5x	0.57x	13.5x	2.4x
Dole plc	11.29	6.4%	14.01	8.17	17.0%	(15.2%)	10.5x	0.27x	5.8x	3.6x
Fresh Del Monte Produce Inc.	25.01	(1.6%)	32.49	24.53	(4.5%)	(9.4%)	10.6x	0.41x	5.0x	1.7x
Lamb Weston Holdings, Inc.	88.88	1.6%	117.38	79.39	(0.5%)	40.2%	15.3x	2.75x	10.0x	2.6x
Mission Produce, Inc.	9.31	(0.4%)	16.96	8.55	(19.9%)	(40.7%)	17.2x	0.99x	21.0x	6.8x
Seneca Foods Corporation	54.97	2.4%	68.74	32.50	(9.8%)	14.6%	NA	0.57x	7.8x	4.2x
Sector Average:					(5.1%)	(8.3%)	14.0x	0.93x	10.5x	3.6x
PROTEIN										
Beyond Meat, Inc.	\$5.97	(12.7%)	\$22.87	\$5.58	(51.5%)	(90.8%)	NM	3.90x	NM	NM
Cal-Maine Foods, Inc.	45.56	(0.7%)	65.32	42.25	(16.3%)	23.2%	20.6x	0.55x	1.9x	NA
Darling Ingredients Inc.	42.79	2.6%	82.69	38.97	(31.6%)	(38.2%)	10.2x	1.63x	6.8x	4.0x
Hormel Foods Corporation	31.39	(0.1%)	49.73	30.70	(31.1%)	(35.7%)	18.8x	1.62x	10.2x	1.7x
* JBS S.A.	19.88	3.5%	28.00	15.12	(9.6%)	(47.6%)	12.2x	0.38x	6.7x	5.0x
Nathan's Famous, Inc.	65.00	3.2%	83.00	61.35	(3.3%)	11.3%	NA	2.40x	8.3x	2.2x
Pilgrim's Pride Corporation	24.54	0.8%	26.57	19.96	3.4%	(13.0%)	10.1x	0.52x	9.3x	4.2x
Seaboard Corporation	3525.00	1.1%	4090.63	3402.38	(6.6%)	(10.4%)	NA	0.36x	4.2x	2.1x
Tyson Foods, Inc.	45.62	(1.4%)	69.07	44.94	(26.7%)	(47.7%)	19.6x	0.47x	7.2x	2.7x
Vital Farms, Inc.	10.73	1.5%	18.18	10.00	(28.1%)	(40.6%)	30.7x	0.84x	2.0x	0.1x
Sector Average:					(20.1%)	(29.0%)	15.2x	0.97x	6.3x	2.8x
BAKING & INGREDIENTS										
Balchem Corporation	\$115.08	(6.0%)	\$143.88	\$110.74	(5.8%)	(31.7%)	28.6x	4.33x	19.5x	1.8x
Flowers Foods, Inc.	21.66	3.8%	30.16	20.24	(24.6%)	(21.2%)	17.5x	1.19x	10.0x	2.3x
* Gruma, S.A.B. de C.V.	317.90	10.4%	322.90	219.37	21.9%	21.1%	14.0x	1.29x	8.6x	2.0x
* Grupo Bimbo, S.A.B. de C.V.	72.27	(1.2%)	103.41	71.52	(12.3%)	14.8%	16.7x	1.10x	8.9x	2.7x
J&J Snack Foods Corp.	152.35	0.3%	177.71	133.27	1.8%	(3.6%)	29.0x	2.01x	17.8x	1.0x
* Kerry Group plc	72.18	1.5%	100.00	71.08	(14.3%)	(36.3%)	15.8x	1.65x	12.3x	2.1x
Krispy Kreme, Inc.	12.86	3.0%	16.22	10.21	24.6%	(32.0%)	37.7x	2.22x	12.9x	4.8x
McCormick & Company, Incorporated	62.98	5.4%	94.39	59.13	(24.0%)	(34.8%)	22.7x	3.28x	16.9x	3.9x
* Tate & Lyle plc	6.15	(0.8%)	8.38	6.00	(13.6%)	(20.4%)	11.2x	1.53x	9.5x	2.3x
Sector Average:					(5.1%)	(16.0%)	21.4x	2.07x	12.9x	2.6x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$10.36	(4.9%)	\$14.51	\$10.03	(13.1%)	(14.5%)	NA	0.35x	6.7x	0.6x
The Hershey Company	184.11	(3.6%)	276.88	183.96	(20.5%)	(4.8%)	18.5x	3.80x	13.9x	1.7x
John B. Sanfilippo & Son, Inc.	101.69	4.4%	127.26	76.49	25.0%	12.8%	NA	1.19x	10.8x	0.1x
Laird Superfood, Inc.	0.79	(9.4%)	2.18	0.65	(6.0%)	(93.9%)	NM	NM	NM	NM
Rocky Mountain Chocolate Factory, Inc.	4.00	(1.0%)	6.98	3.99	(29.8%)	(49.0%)	NA	0.78x	NM	NM
Tootsie Roll Industries, Inc.	30.30	1.3%	46.11	29.07	(26.7%)	(11.3%)	NA	2.78x	16.7x	0.1x
Sector Average:					(11.8%)	(26.8%)	18.5x	1.78x	12.0x	0.6x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$42.46	(3.8%)	\$48.48	\$35.60	13.4%	(19.3%)	14.9x	0.97x	7.8x	3.4x
Freshpet, Inc.	57.87	4.7%	84.70	45.13	9.7%	(39.3%)	NM	4.23x	NM	NM
Sector Average:					11.5%	(29.3%)	14.9x	2.60x	7.8x	3.4x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$319.64	(13.5%)	\$420.84	\$296.27	(3.0%)	(36.7%)	30.3x	1.74x	15.7x	0.2x
Brown-Forman Corporation	55.04	(0.5%)	74.76	52.59	(16.2%)	(24.5%)	26.5x	6.86x	22.0x	2.3x
The Coca-Cola Company	55.24	1.2%	64.99	51.55	(13.2%)	(6.7%)	20.0x	5.92x	16.4x	2.9x
Constellation Brands, Inc.	229.62	(0.3%)	273.65	208.12	(0.9%)	(8.5%)	18.1x	5.53x	17.2x	3.1x
Crimson Wine Group, Ltd.	5.50	(6.8%)	6.96	5.11	(2.0%)	(33.4%)	NA	1.42x	23.9x	4.4x
* Diageo plc	30.25	(2.2%)	38.82	29.97	(17.1%)	(25.0%)	18.2x	4.96x	13.9x	3.0x
Monster Beverage Corporation	49.90	(0.2%)	60.47	45.06	(1.7%)	3.9%	30.1x	7.33x	25.8x	0.0x
National Beverage Corp.	45.22	2.5%	55.12	42.09	(2.8%)	(0.2%)	24.0x	3.42x	17.0x	0.2x
PepsiCo, Inc.	159.62	(0.2%)	196.88	155.83	(11.6%)	(8.1%)	20.0x	2.80x	14.8x	2.6x
Starbucks Corporation	92.02	(2.3%)	115.48	82.97	(7.2%)	(21.3%)	23.5x	3.60x	13.2x	2.6x
Willamette Valley Vineyards, Inc.	5.24	(4.7%)	6.59	5.00	(12.1%)	(39.5%)	NA	2.27x	35.9x	8.5x
Sector Average:					(8.0%)	(18.2%)	23.4x	4.17x	19.6x	2.7x

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			High	Low	2022	2021		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$55.17	2.0%	\$61.88	\$48.04	12.1%	1.1%	15.6x	1.64x	10.2x	3.7x
Lifeway Foods, Inc.	11.67	3.4%	12.96	5.26	110.3%	153.7%	17.0x	1.12x	13.6x	0.5x
* Saputo Inc.	27.17	1.0%	37.50	26.74	(18.9%)	(4.7%)	14.2x	0.86x	10.0x	2.7x
Sector Average:					34.5%	50.0%	15.6x	1.21x	11.3x	2.3x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$17.95	(6.4%)	\$39.54	\$17.56	(46.1%)	(46.1%)	12.8x	0.51x	8.5x	5.0x
Performance Food Group Company	55.02	(1.1%)	64.34	49.73	(5.8%)	19.9%	12.6x	0.25x	9.0x	3.2x
SpartanNash Company	22.61	(1.7%)	37.75	20.57	(25.2%)	(12.2%)	9.8x	0.16x	6.5x	3.4x
Sysco Corporation	64.49	(1.4%)	87.41	62.24	(15.6%)	(17.9%)	15.0x	0.56x	11.6x	3.0x
United Natural Foods, Inc.	14.14	(7.6%)	47.88	12.88	(63.5%)	(71.2%)	NM	0.13x	4.9x	4.0x
US Foods Holding Corp.	36.93	(0.4%)	44.52	28.02	8.6%	6.0%	12.9x	0.39x	9.6x	3.5x
Sector Average:					(24.6%)	(20.2%)	12.6x	0.34x	8.3x	3.7x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$69.21	(0.1%)	\$80.41	\$60.33	4.6%	3.3%	16.9x	0.64x	9.1x	2.3x
Costco Wholesale Corporation	543.03	(1.8%)	577.30	447.90	19.0%	(4.3%)	34.6x	0.97x	21.3x	1.0x
Dollar General Corporation	119.32	3.6%	261.59	101.09	(51.5%)	(49.4%)	16.8x	1.13x	7.5x	3.1x
Dollar Tree, Inc.	108.24	(2.1%)	170.36	102.77	(23.5%)	(23.0%)	16.5x	1.15x	7.2x	2.2x
Grocery Outlet Holding Corp.	27.05	(1.9%)	36.54	25.71	(7.3%)	(4.3%)	24.4x	1.03x	12.0x	4.2x
Walmart Inc.	161.17	1.5%	165.85	136.09	13.7%	11.4%	23.9x	0.78x	12.2x	1.7x
Sector Average:					(7.5%)	(11.1%)	22.2x	0.95x	11.5x	2.4x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$21.73	(2.4%)	\$23.88	\$19.14	4.8%	(28.0%)	8.3x	0.34x	5.4x	3.0x
* Ahold Delhaize	28.09	3.2%	32.51	26.63	4.7%	(6.8%)	10.9x	0.47x	6.1x	2.7x
Amazon.com, Inc.	127.74	2.1%	145.86	81.43	52.1%	(23.4%)	39.9x	2.57x	16.5x	1.9x
Ingles Markets, Incorporated	80.11	(0.4%)	102.99	73.38	(17.0%)	(7.2%)	NA	0.32x	4.2x	1.3x
The Kroger Co.	44.43	0.7%	50.41	42.62	(0.3%)	(1.8%)	9.8x	0.33x	5.7x	2.3x
Natural Grocers by Vitamin Cottage, Inc.	12.35	(4.7%)	13.80	8.00	35.1%	(13.3%)	15.1x	0.58x	5.4x	3.1x
Sprouts Farmers Market, Inc.	43.46	2.5%	44.43	28.25	34.3%	46.4%	15.8x	0.88x	7.3x	2.0x
* Tesco PLC	2.72	(0.1%)	3.07	2.11	21.5%	(6.0%)	11.2x	0.45x	7.0x	3.6x
Village Super Market, Inc.	24.04	(0.7%)	24.86	20.25	3.2%	2.8%	NA	0.28x	3.9x	2.5x
Weis Markets, Inc.	65.70	0.7%	95.57	58.75	(20.2%)	(0.3%)	NA	0.33x	5.1x	0.6x
Sector Average:					11.8%	(3.8%)	15.9x	0.66x	6.7x	2.3x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$32.73	(0.8%)	\$42.12	\$27.77	2.6%	(10.5%)	9.8x	0.87x	6.2x	3.7x
The Cheesecake Factory Incorporated	29.93	(2.9%)	41.28	28.58	(5.6%)	(23.6%)	10.4x	0.96x	7.6x	4.2x
Cracker Barrel Old Country Store, Inc.	64.62	(4.9%)	121.17	62.69	(31.8%)	(49.8%)	12.1x	0.75x	7.2x	3.3x
Darden Restaurants, Inc.	142.49	1.3%	173.06	131.90	3.0%	(5.4%)	15.9x	2.22x	11.8x	3.4x
Dine Brands Global, Inc.	48.85	(4.2%)	82.43	45.37	(24.4%)	(35.6%)	8.0x	2.60x	10.6x	7.5x
Jack in the Box Inc.	62.75	(1.9%)	99.56	60.43	(8.0%)	(28.3%)	9.8x	2.47x	7.0x	5.2x
McDonald's Corporation	255.76	(0.9%)	299.35	245.73	(2.9%)	(4.6%)	21.8x	9.64x	15.9x	3.3x
Papa John's International, Inc.	65.20	0.2%	97.78	61.79	(20.8%)	(51.2%)	22.5x	1.50x	12.7x	4.1x
Texas Roadhouse, Inc.	97.71	1.6%	118.16	90.38	7.4%	9.4%	19.4x	1.61x	12.7x	1.3x
The Wendy's Company	19.03	(0.6%)	23.90	18.19	(15.9%)	(20.2%)	18.2x	3.50x	14.8x	8.4x
Yum! Brands, Inc.	119.44	(0.4%)	143.25	114.10	(6.7%)	(14.0%)	22.0x	6.48x	18.4x	5.0x
Sector Average:					(9.4%)	(21.2%)	15.4x	2.96x	11.4x	4.5x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$1,887.59	3.1%	\$2,175.01	\$1,344.05	36.0%	8.0%	37.5x	5.70x	23.0x	1.7x
El Pollo Loco Holdings, Inc.	8.21	(0.5%)	13.00	8.15	(17.6%)	(42.1%)	10.2x	1.08x	6.9x	3.4x
Noodles & Company	2.17	(4.8%)	6.55	2.09	(60.5%)	(76.1%)	NM	0.74x	5.7x	4.2x
Potbelly Corporation	8.30	(0.6%)	11.14	4.74	49.0%	48.7%	92.2x	0.85x	5.4x	2.6x
Shake Shack Inc.	54.99	0.1%	80.58	40.83	32.4%	(23.8%)	157.7x	2.67x	17.0x	4.8x
Wingstop Inc.	178.06	(0.7%)	223.77	129.46	29.4%	3.0%	75.5x	14.21x	48.2x	6.0x
Sector Average:					11.5%	(13.7%)	74.6x	4.21x	17.7x	3.8x
CANNABIS & CBD										
Canopy Growth Corporation	\$0.70	0.0%	\$6.44	\$0.46	(77.7%)	(93.7%)	NM	2.82x	NM	NM
Cronos Group Inc.	2.36	0.9%	4.88	2.15	(31.4%)	(52.6%)	NM	NM	NM	NM
Jones Soda Co.	0.17	(8.2%)	0.48	0.16	(37.7%)	(77.4%)	NA	0.68x	NM	NA
The Scotts Miracle-Gro Company	45.00	(3.1%)	88.61	43.67	(7.4%)	(72.0%)	27.9x	1.60x	10.2x	5.8x
Tilray Brands, Inc.	1.71	(7.1%)	5.12	1.50	(36.4%)	(75.7%)	NM	2.10x	NM	NM
Village Farms International, Inc.	0.69	(5.6%)	2.42	0.55	(48.5%)	(89.3%)	NM	0.48x	NM	NM
Sector Average:					(39.8%)	(76.8%)	27.9x	1.53x	10.2x	5.8x

Notes:

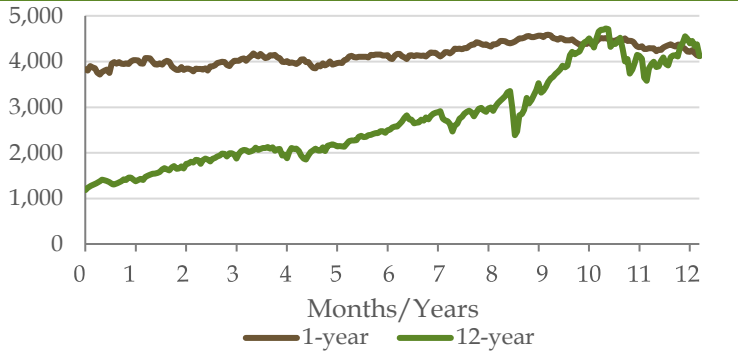
* Denotes local currency.

Source: Capital IQ.

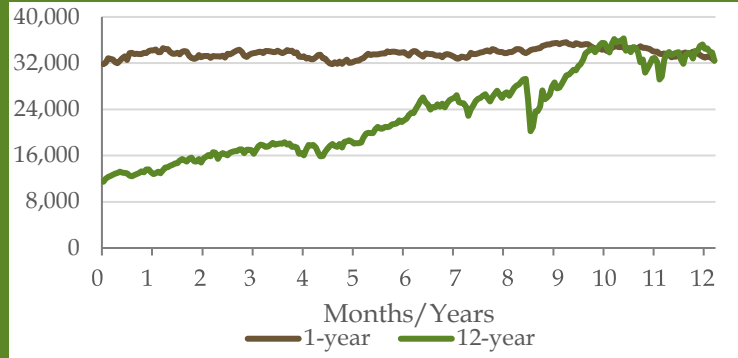
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

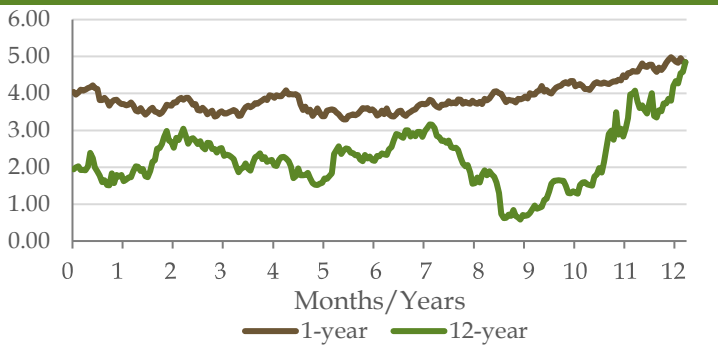
S&P 500



Dow Jones Industrial Average



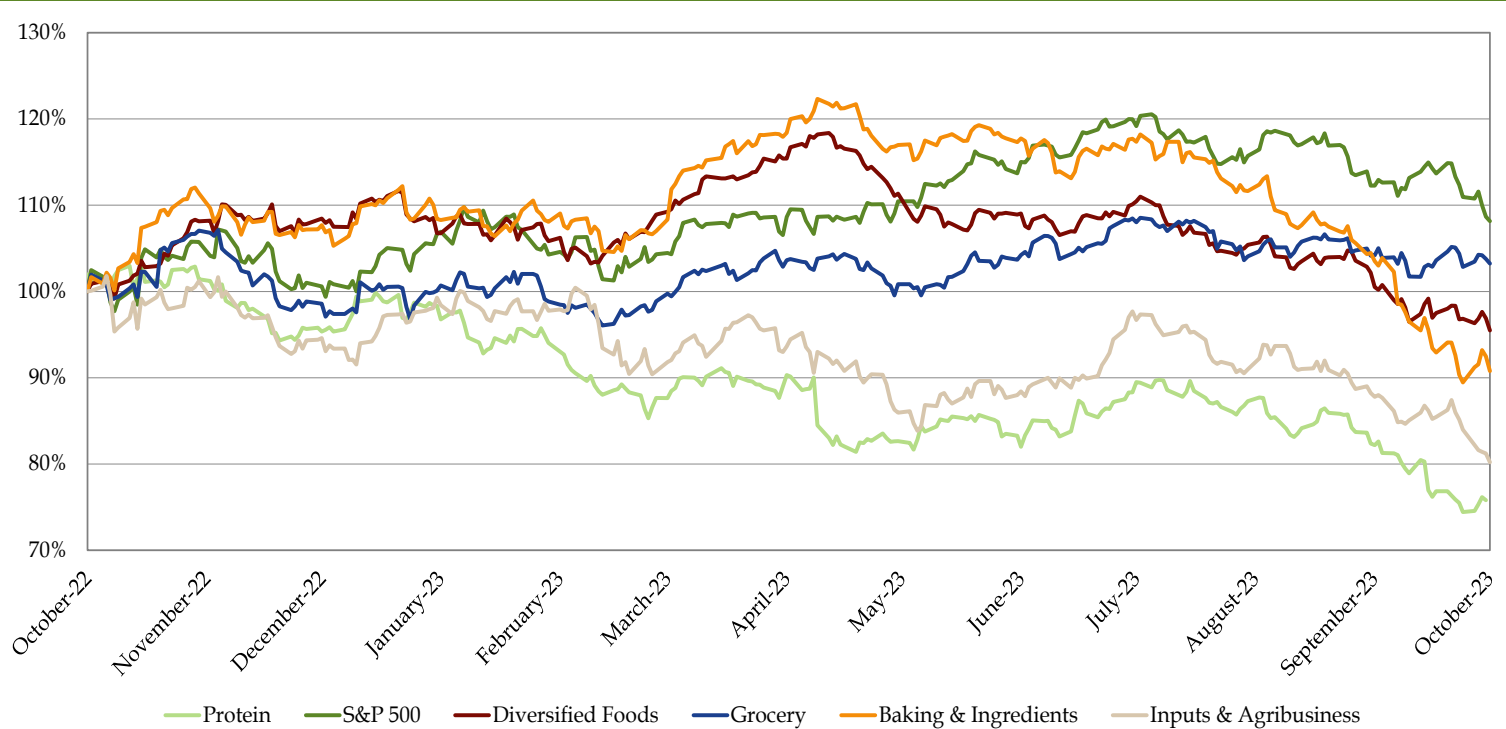
10-year Treasury



CBOE Market Volatility Index - VIX



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



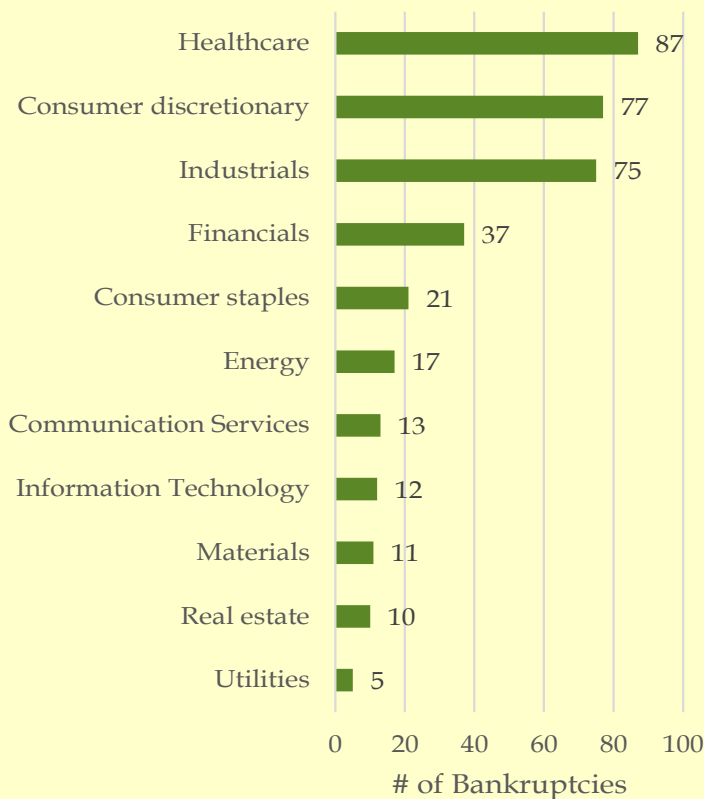
Food For Thought...

Partner Column

Written by Mary Burke

By the end of September, 516 companies had declared bankruptcy according to S&P Global, twice the 263 insolvencies in the first nine months of 2022 and just shy of the 518 in the first nine months of 2020 when Covid-19 lockdowns forced many businesses to shutter. Besides 2020, this year's bankruptcy toll has been the worst since 2010.

Bankruptcies by Primary Sector (January 2023 - September 2023)



Companies are getting squeezed by inflation and rising interest rates. Consumer discretionary companies, including Rite-Aid have led the insolvency parade, squeezed by e-commerce and shoppers tightening their belts. As of Sept 30, seventy-seven in the sector had filed.

A number of food companies have come out with earnings and as has been seen—consumers are saying they want more for their money.

Dominoes- more customers are picking up to save money on delivery. Last quarter their pick up business increased while delivery decreased.

Conagra- said shoppers have turned to more hands-on food prep from convenience-oriented items and from meals for one to meals for many, even if everyone is not eating at the same time.

McCormick said value-minded consumers are purchasing larger containers of spices and flavorings at a time.

Lamb Weston, said there is higher traffic at quick-service restaurants compared to full-service restaurants, since the latter are usually more expensive. Although the company recently raised their prices, America's "fry attachment rate"- the measure at which consumers add fries to their orders-remains above pre-pandemic levels.

PepsiCo reported consumers shifting to cheaper items and smaller packs.

On another note- economists spent 2021 expecting inflation to prove "transitory". Then they spent much of 2022 underestimating its staying power. Now they have spent the early 2023 predicting that the Federal Reserve's rate increases would plunge the economy into a recession. As we know, none of this has occurred. The US consumer continues to spend and keep the economy going...but there are some signs of some caution as noted above.

300,000 acres dedicated to growing oranges in Florida - a little more than half of that in 2000. Don't worry they say there is more than enough orange juice for everyone!

Have a good week!

Food for Thought...

Beverage Giants Report Earnings. Global beverage powerhouses Coca-Cola and Keurig Dr Pepper (KDP) both released third-quarter earnings this past week.

For Coca-Cola, third-quarter sales rose 8% and beat analysts' expectations at \$12 billion. Subsequently, Coke has lifted annual organic revenue growth expectations to 11% from previous estimates of 7%. Coke has also bumped profit expectations to 8% from an earlier estimate of 5%. The company's success can be attributed to higher prices and an increase in sales volume.

As a result of the release, Coke's shares, which had been down 15% this year alone, jumped 3% in early trading- making Tuesday Coke's biggest market gain this year. The news comes at an important time for Coca-Cola, which has underperformed the S&P 500 and consumer staples sub-index this year.

Rival Keurig Dr Pepper also posted better-than-expected third-quarter earnings that increased shareholder value. Q3 revenue, which jumped 5.2% when compared to a year ago, beat expectations by roughly \$40 million and totaled \$3.81 billion. A strong brand portfolio, coupled with in-market execution and elastic categories are what helped Dr Pepper make up some ground on what has also been an adverse year for the drink manufacturer; KDP shares are down 13.8% in the past three months in comparison to the industry's 9.2% increase. CEO and Chairman Bob Gamgort was pleased with the company's third-quarter performance and believes it will lead to a strong fourth quarter by "helping to fund reinvestment in our brands and capabilities."

The two industry giants saw their first glimpses of positivity in what has otherwise been a dismal year. These earnings could very well mark a turning point for both Coke and KDP as they seek to close out 2023. If inflationary pressures continue to ease, both companies could build on their recent success with more predictable and manageable production costs and benefit from higher consumer confidence and purchasing power.

Agribusiness Conglomerates Report Mixed Earnings. On the agribusiness front, Archer Daniels Midland (ADM) and Bunge also reported third-quarter earnings this past week.

Chicago-headquartered ADM underperformed revenue estimates for the first time in the last four quarters, with revenue dropping 12.1% year over year to \$21.7 billion. The company's lackluster performance can be mainly attributed to falling crop prices. The majority of ADM's profits come from their Ag Services and Oilseeds business; however, as crop prices have fallen, there have been fewer crop price dislocations and, thus, less favorable grain merchandising conditions. While fewer

crop price dislocations may seem advantageous in terms of stability and predictability, it can create its own set of challenges for grain merchandisers. Fewer price dislocations lead to reduced profit margins, limited trading opportunities, increased competition, potential complacency, and challenges in risk management strategies.

Third-quarter profits for ADM's ag services and oilseeds dropped 21.1% when compared to the same period in 2022. Nutrition's profit also dropped 22% year over year due to muted demand and weak Animal Nutrition performance. On the bright side, ADM's Carbohydrate Solutions segment saw a profit increase of nearly 50% to \$460 million due to solid demand, higher margins, and robust volumes.

St. Louis-based Bunge's earnings release pleasantly surprised investors as the company topped Wall Street expectations and lifted its 2023 outlook. Like ADM, Bunge's largest division, Agribusiness, suffered from lower merchandising due to dropping crop prices. However, Bunge was still able to beat expectations due to the strong performance of their export and crushing systems in Brazil. Quarterly net sales came in at \$14.23 billion, while net income amounted to \$373 million, both falling from a year ago but still exceeding 2023 expectations. Bunge's share price was also driven up by its pending strategic merger with Viterra, the leading marketer of grains, oilseeds, pulses, and cotton in Canada. Upon completion, the combination is expected to make the company's operations less susceptible to adverse market conditions. Management is expecting significant strides and growth as the company seeks to enhance its footprint with additional acquisitions and initiatives.

The response to these earnings shows just how critical the buzz surrounding a company can be in influencing interpretations of a company's performance. In all reality, if you strip away previous expectations, the two agribusiness giants did not perform that differently; both experienced year-over-year declines and suffered from similar issues, such as shrinking crop prices. However, the hype surrounding Bunge's growth initiatives and their future merger with Viterra is enough to garner a positive response to the company's earnings report, while ADM's earnings were negative.

Halloween Expected to Set Records Tuesday. According to Acosta Group's Halloween 2023 Trends and Insights, more than three quarters of consumers plan to hand out candy on October 31st, up five percent from last year. This is even though nearly the same number of respondents thought the price of candy was higher this year. A product of the price hikes: customers are predicted to spend a record \$12.2 billion on Halloween this year, a \$1.6 billion increase from last year's record.

Heard on the Street...

Keurig Dr Pepper Investing \$100m in South Carolina Coffee Facility. Keurig Dr Pepper (KDP) has announced it will continue to renovate its manufacturing facility in Spartanburg County, South Carolina, with an additional investment of roughly \$100 million. The project is expected to be completed in 2027 and will add another 250 jobs to the facility.

The South Carolina production, warehousing, and distributing facility currently employs 155 people and has already been the recipient of \$380 million of capital in the first phase of its build in 2019. The lengthy next phase of the project shows KDP's commitment to meeting consumer demand in the ever-growing coffee consumer market; the National Coffee Association now reports that coffee consumption is at a two-decade high with Americans consuming roughly half a billion cups every day. Additionally, young adult coffee intake is up 11% since 2021.

This announcement comes in the midst of a plethora of food and beverage companies' expansion projects. PepsiCo, J.M. Smucker, Ferrero, Coca-Cola, Mondelez International, Kraft Heinz, and Nestle have all announced and or embarked on facility expansion projects in the pursuit of meeting future demand.

Ferrara to Purchase Jelly Belly. Just in time for Halloween, Ferrara, the maker of Laffy Taffy, Red Hots, and Brach's, among other candy brands, is indulging its sweet tooth through the purchase of Jelly Belly. The nationally cherished Jelly Belly brand brings in roughly \$190 million in revenue annually and is known for its colorful and flavorful jellybeans. In addition to expanding Ferrara's portfolio, the acquisition will provide the company with additional proprietary flavors and technologies unique to Jelly Belly.

Ferrara was purchased by the maker of Nutella, Ferrero Group, in 2017 and has since expanded greatly through a series of U.S. company acquisitions, including brands such as Butterfinger, Keebler, Mother's, and Famous Amos, amongst others. As Ferrero continues to expand, the company is proving to be a strong opponent to competitors such as Hershey, Mars Wrigley, and Mondelez International. The addition of Jelly Belly will now add to the already stacked roster. Ferrara plans to utilize its extensive hard candy knowledge to add to the brand.

Jelly Belly was started almost 50 years ago when Herman Goelitz first infused flavor into the center of a jelly bean. The company then went on to become the sweets powerhouse that is now responsible for pumping out nearly 15 billion jelly beans each year in a wide variety of unique flavors spanning from cherry to toothpaste and nearly everywhere in between.

The addition of the Jelly Belly team could very well benefit Ferrara's other sweets brands, as the storied bean maker possesses unique flavors and technologies. Ferrara CEO Marco Capurso believes the addition will be extremely complementary as their brands align "perfectly with the Jelly Belly track record and passion for quality, reliability and customer service."

The transaction is expected to close before 2024 for an undisclosed amount.

Chinese Importers Sign Multi-Billion Dollar Agreements to Purchase American Agricultural Goods. During a ceremony in Iowa last Monday, Chinese importers signed non-binding letters of intent to purchase billions of dollars worth of agricultural goods at a later date. This is the first such bulk signing since 2017. The agreement is believed to be primarily for soybeans. However, details of the signing from the U.S. Soybean Export Council (USSEC) were unusually thin. Usually, the USSEC specifies volumes and commodities, but neither of these were specified following Monday's signing.

Because the agreements are nonbinding letters of intent to purchase later, it can be challenging to determine the immediate impact of these agreements. The last signing in 2017 took place at the beginning of November but did not impact daily U.S. soybean sales until the end of the month. Conversely, the daily record for U.S. soybean sales came the day after a similar signing ceremony in February 2012.

Regardless of the timing, soybean producers and consumers should be prepared for a decrease in supply moving forward, with China swallowing millions of tons of crops. For the 2023-24 marketing year, which for American beans begins at the start of September, China had purchased less than ten million tons of American soybeans as of October 12th. Ten million tons is the lowest volume at this time of year since 2008, excluding the trade war years of 2018 and 2019.

Brazil has surpassed America for the lead in soybean exports with a monster crop this year, and comparatively flat Chinese demand has not helped American exports. China accounted for just 47% of all U.S. soybean exports for 2023-24 as of October 12th, well below the three-year average of 53%, a 1.2 million-ton difference based on current sales levels.

This recent signing should help bring Chinese purchases up closer to, if not exceed, historical sales levels. However, we will have to wait and see just how significant these agreements really are.

In the third quarter of 2023, the U.S. economy experienced a 4.9% growth in gross domestic product (GDP) after adjusting for inflation, the fastest growth pace in nearly two years reported by the Commerce Department's Bureau of Economic Analysis. This unexpected surge was primarily driven by resilient consumer spending, with personal consumption witnessing a 4.0% increase and contributing 2.7 percent to the overall GDP expansion.

Contributions to Percent Change in Real Gross Domestic Product

Seasonally adjusted percent change at annual rate:	Q3-2023
Gross domestic product	4.90%
Personal consumption expenditures	2.69%
Goods	1.08%
Services	1.62%
Gross private domestic investment	1.47%
Fixed investment	0.15%
Change in private inventories	1.32%
Net exports of goods and services	-0.08%
Exports	0.68%
Imports	-0.75%
Government consumption expenditures and gross investment	0.79%
Federal	0.39%
State and local	0.40%

Source: U.S. Bureau of Economic Analysis

Despite initial skepticism stemming from the Federal Reserve's unprecedented increase in short-term interest rates in spring 2022, the American consumer's strong financial position, buoyed by healthy job growth and positive stock market performance earlier in the year, has defied expectations.

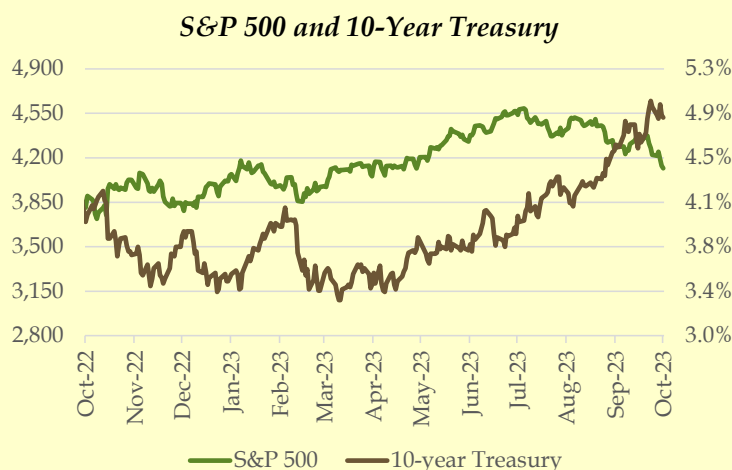
However, cautionary indicators have emerged, prompting a closer examination of the sustainability of this economic momentum. The personal saving rate—personal saving as a percentage of disposable personal income—was 3.8% in the third quarter, compared with 5.2% in the second quarter. The decline in the savings rate raises concerns about the future spending capacity of consumers, especially when coupled with an increase in auto-loan defaults. According to a report from Fitch Ratings, the percentage of individuals who were at least 60 days late on their auto loan payments surged to 6.1% in September. This figure marks the highest level of defaults observed in almost three decades, signaling a significant rise from the previous record of 5.9% recorded in January.

Furthermore, the setback in business investment during the third quarter in equipment presents challenges for maintaining continuous economic growth. This decline is underscored by the

diminishing impact of factory construction — initially fueled by President Joe Biden's administration to encourage more semiconductor manufacturing within the United States.

While total private investment contributed 1.5 percent to the overall growth in GDP, the increase in private investments was primarily fueled by inventory building—the viability of such being contingent on future sales. Adding complexity to the economic landscape is the recent surge in long-term interest rates, with the 10-year Treasury yield hovering around 5.0%. Despite historical standards suggesting these rates are not exceptionally high, they pose a potential impediment to future investments as businesses adjust to the new rate reality.

Simultaneously, the stock market has recently experienced a correction, with the S&P 500 entering a correction phase and enduring its most significant two-week decline of the year.

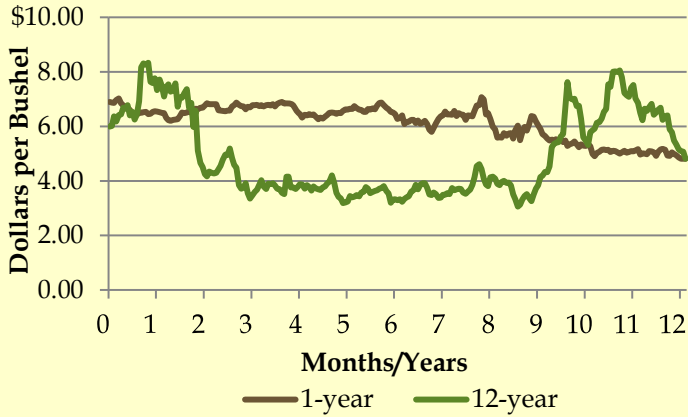


Increased bond yields have been instrumental in this correction. The S&P 500 and Dow Jones are on track to finish October with three consecutive months of losses, marking the worst such stretch since the three months ending March 2020.

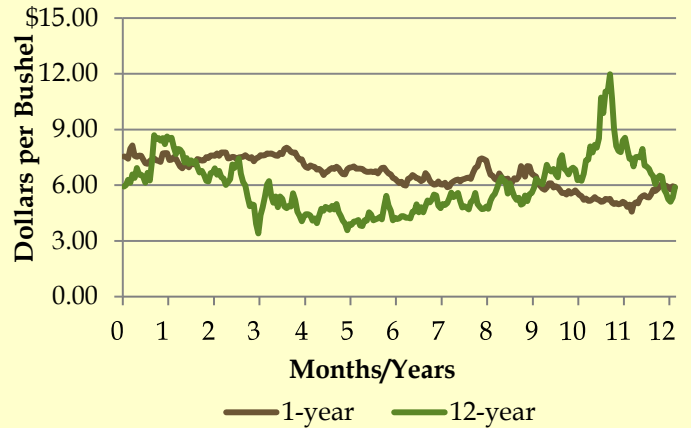
Analysts anticipate a modest 2.7% growth in S&P 500 earnings for the quarter, a positive but insufficient development to uplift the stock market amidst prevailing uncertainties. Investors remain attuned to economic data and the Federal Reserve's next meeting, recognizing potential downside risks in the short term. As the Federal Reserve grapples with lifting the benchmark federal funds rate to address high inflation, the challenge lies in maintaining economic momentum without stifling growth. The hope for a soft landing, where inflation subsides without triggering a recession, remains contingent on the adept navigation of these complexities.

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

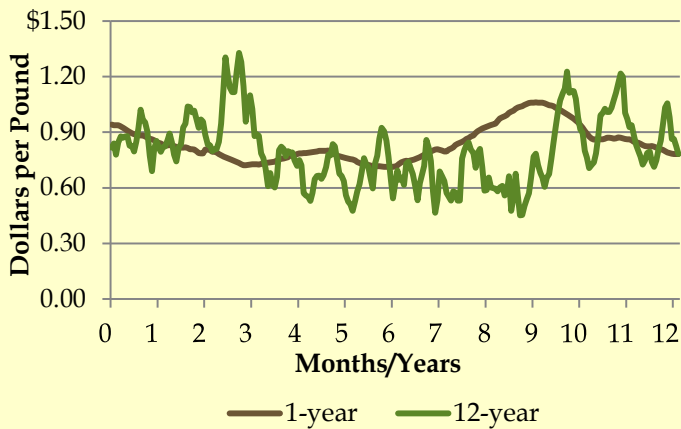
Corn



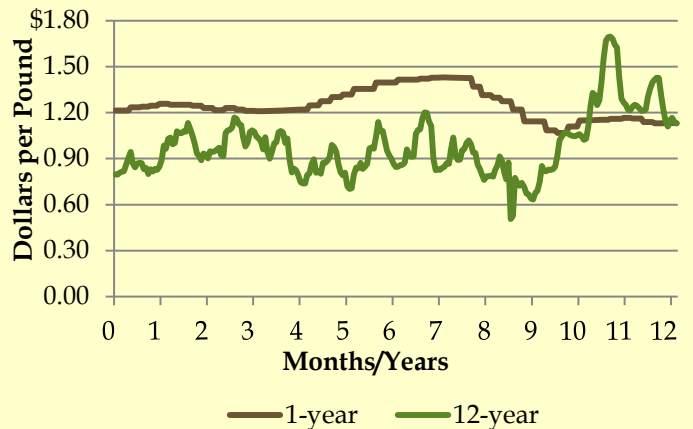
Wheat



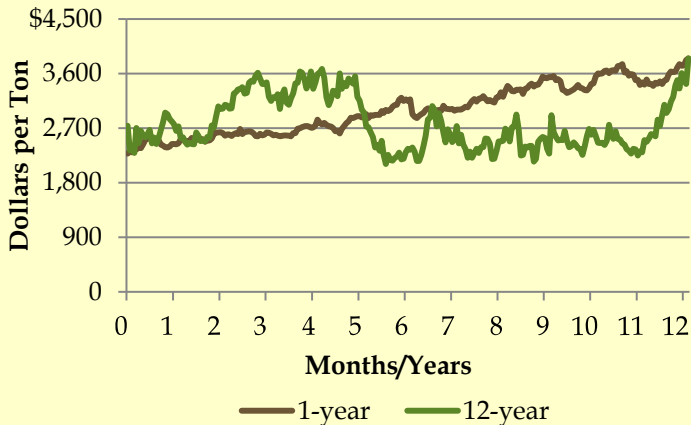
Hogs



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.

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