



LAKESHORE

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



Weekly Update

Monday, November 6th, 2023

Equities Improve as Inflation Cools. Last week, the Fed's remarks and economic statistics sent interest rates lower, which in turn caused stocks to rise substantially. As anticipated, the Fed kept its benchmark rate unchanged at its meeting last week but was more cautious in assessing the future path of rates. Labor-market conditions cooled enough to allow inflation to continue downward while staying sufficiently healthy to support the consumer and prevent a more severe recession. The most recent jobs data also added to the optimism that the Fed can step back from raising rates and is hopefully done for the year.

The **Dow Jones Industrial Average** rose 5.1%, finishing at 34,061.

The **S&P 500** increased 5.9% on the week, finishing at 4,358.

The **NASDAQ Composite** increased 6.6% this week, finishing at 13,478.

Yield on the **10-year Treasury** dropped 27 basis points during the week, ending at 4.57%.

Crude oil decreased 5.9% on the week, ending at \$80.51 per barrel.

Corn fell 0.7% on the week, ending at \$4.77 per bushel.

NASDAQ Highs: None. **Lows:** The Chefs' Warehouse, Inc., El Pollo Loco Holdings, Inc., Gladstone Land Corporation, Noodles & Company, Rocky Mountain Chocolate Factory, Inc.

NYSE Highs: Walmart Inc. **Lows:** CNH Industrial N.V., Dine Brands Global, Inc., Fresh Del Monte Produce Inc., The Hershey Company.

Featured Stocks of the Week:

Walmart Inc (NYSE: WMT) 10-Year History



CNH Industrial N.V. (NYSE: CNHI) 9-Year History



Mary Burke
Partner
312.348.7081
mburke@lakeshorefoodadvisors.com

Lakeshore Food Advisors, LLC
20 North Wacker
Suite 2800
Chicago, IL 60606

The Lakeshore Food Chain

Company Name	Price 11/3/23	Price Compared to 10/27/23	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	34,061	5.1%	35,631	31,819	2.8%	(6.3%)	NA			
S&P 500	4,358	5.9%	4,589	3,749	13.5%	(8.6%)	18.7			
NASDAQ Composite Index	13,478	6.6%	14,358	10,213	28.8%	(13.8%)	NA			
Russell 3000 Index	2,493	6.0%	2,644	2,168	12.5%	(10.6%)	NA			
Sector Average:					14.4%	(9.8%)				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$11.19	7.5%	\$14.26	\$9.44	(10.2%)	(6.4%)	79.9x	18.40x	33.6x	13.3x
Gladstone Land Corporation	14.96	10.2%	22.13	13.35	(18.5%)	(55.7%)	NM	12.41x	15.8	9.1
Limoneira Company	14.27	1.3%	17.90	12.01	16.9%	(4.9%)	74.8	1.77x	NM	NM
Sector Average:					(3.9%)	(22.3%)	77.4	10.86x	24.7	11.2
INPUTS										
American Vanguard Corporation	\$9.84	5.6%	\$24.13	\$8.78	(54.7%)	(40.0%)	8.4x	0.81x	8.5x	3.4x
* BASF SE	43.87	5.8%	54.04	40.25	(5.4%)	(29.0%)	16.3x	0.82x	19.1x	2.8x
* Bayer Aktiengesellschaft	42.06	3.8%	65.66	40.07	(13.0%)	(10.5%)	6.5x	1.65x	7.1x	4.0x
CF Industries Holdings, Inc.	81.55	2.1%	112.44	60.08	(4.3%)	15.2%	12.4x	2.37x	4.5x	0.8x
Corteva, Inc.	50.23	5.0%	68.10	47.21	(14.5%)	6.2%	17.4x	2.20x	11.1x	1.5x
FMC Corporation	55.39	(2.6%)	134.38	49.70	(55.6%)	(49.6%)	13.4x	2.16x	9.2x	3.5x
Intrepid Potash, Inc.	21.00	2.4%	38.63	17.23	(27.3%)	(50.9%)	83.4x	0.91x	2.9x	0.0x
The Mosaic Company	33.36	0.8%	57.46	31.44	(24.0%)	(15.1%)	9.6x	0.86x	3.4x	1.0x
* Nutrien Ltd.	76.87	(0.1%)	113.32	70.69	(22.2%)	(19.2%)	11.1x	1.42x	6.1x	2.2x
S&W Seed Company	0.69	6.6%	2.14	0.65	(53.5%)	(74.6%)	NM	1.20x	NM	NM
Zoetis Inc.	162.23	4.0%	194.99	127.86	10.7%	(33.5%)	28.1x	9.50x	22.4x	1.9x
Sector Average:					(24.0%)	(27.3%)	20.7x	1.44x	9.4x	2.1x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$51.54	7.4%	\$63.40	\$33.92	18.9%	62.7%	9.2x	1.22x	9.3x	4.7x
AGCO Corporation	119.81	8.3%	145.53	109.81	(13.6%)	3.3%	8.1x	0.72x	4.7x	1.0x
Art's-Way Manufacturing Co., Inc.	2.04	1.5%	3.11	1.82	5.7%	(42.4%)	NA	0.56x	8.2x	3.7x
* Buhler Industries Inc.	2.26	(2.2%)	2.79	1.51	17.1%	(23.6%)	NA	0.47x	19.6x	11.7x
CNH Industrial N.V.	11.58	6.6%	17.98	10.78	(27.9%)	(40.4%)	6.3x	1.52x	10.4x	7.2x
Deere & Company	382.20	5.8%	450.00	345.55	(10.9%)	11.5%	11.8x	2.74x	11.4x	4.3x
Lindsay Corporation	128.17	2.0%	183.08	106.46	(21.3%)	(15.7%)	20.0x	2.05x	11.0x	1.1x
Titan Machinery Inc.	26.08	10.3%	47.87	23.04	(34.4%)	(22.6%)	5.5x	0.52x	6.3x	3.6x
Sector Average:					(8.3%)	(8.4%)	10.2x	1.23x	8.7x	3.7x
AGRIBUSINESS										
The Andersons, Inc.	\$52.77	7.0%	\$53.45	\$33.20	50.8%	36.3%	16.9x	0.16x	6.7x	1.9x
Archer-Daniels-Midland Company	72.91	4.1%	98.28	69.31	(21.5%)	7.9%	11.0x	0.49x	7.6x	1.7x
Bunge Global SA	106.06	0.6%	116.59	87.87	6.3%	13.6%	8.9x	0.33x	3.8x	1.1x
Ingredion Incorporated	95.89	3.5%	113.46	89.54	(2.1%)	(0.8%)	10.9x	1.05x	7.2x	2.1x
MGP Ingredients, Inc.	96.14	2.5%	125.74	90.69	(9.6%)	13.1%	16.0x	2.97x	13.3x	1.8x
* Olam Group Limited	1.05	14.8%	1.71	0.80	(28.1%)	(40.0%)	NA	0.34x	8.9x	8.5x
Sector Average:					(0.7%)	5.0%	12.8x	0.89x	7.9x	2.9x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$9.01	4.6%	\$16.68	\$7.20	(19.2%)	(70.7%)	9.4x	1.37x	8.8x	7.0x
Campbell Soup Company	40.99	1.4%	57.78	37.94	(27.8%)	(5.7%)	13.4x	1.81x	7.9x	2.3x
Conagra Brands, Inc.	27.81	2.3%	41.30	25.16	(28.1%)	(18.6%)	10.4x	1.84x	8.6x	3.8x
General Mills, Inc.	65.74	0.7%	90.89	60.33	(21.6%)	(2.4%)	14.5x	2.48x	11.9x	3.0x
The Hain Celestial Group, Inc.	11.61	6.5%	22.14	9.36	(28.2%)	(72.8%)	28.0x	1.06x	12.1x	5.8x
The J. M. Smucker Company	113.47	0.6%	163.07	110.49	(28.4%)	(16.5%)	11.6x	1.82x	8.4x	2.5x
Kellanova	52.06	3.3%	74.72	47.63	(26.9%)	(19.2%)	14.5x	1.59x	11.9x	3.5x
The Kraft Heinz Company	33.27	5.8%	42.80	30.68	(18.3%)	(7.3%)	11.2x	2.20x	7.6x	2.5x
Lancaster Colony Corporation	171.00	2.4%	220.65	158.88	(13.3%)	3.3%	27.6x	2.50x	19.2x	0.1x
Mondelez International, Inc.	68.82	5.9%	78.59	60.75	3.3%	3.8%	20.2x	3.18x	13.9x	2.6x
* Nestlé S.A.	99.75	2.3%	116.84	97.09	(6.9%)	(21.7%)	19.4x	3.37x	15.9x	3.1x
* Nomad Foods Limited	14.46	6.3%	19.76	13.56	(16.1%)	(43.0%)	8.3x	1.37x	8.1x	4.4x
Post Holdings, Inc.	84.17	4.4%	98.84	78.85	(6.7%)	(25.3%)	17.0x	1.68x	11.2x	6.1x
The Simply Good Foods Company	37.54	3.3%	40.16	31.06	(1.3%)	(9.7%)	20.8x	3.20x	16.5x	1.4x
Sovos Brands, Inc.	21.62	(0.5%)	22.73	12.74	50.5%	43.7%	30.0x	2.67x	14.2x	2.8x
SunOpta Inc.	5.40	(5.6%)	15.02	3.82	(52.5%)	(38.4%)	NA	1.04x	11.3x	5.4x
TreeHouse Foods, Inc.	42.50	2.5%	55.30	38.18	(13.9%)	4.9%	16.5x	1.15x	10.1x	3.6x
Unilever PLC	44.44	1.3%	50.93	43.84	(5.2%)	(5.6%)	NA	2.29x	11.8x	2.7x
Utz Brands, Inc.	12.38	0.9%	19.15	11.17	(21.9%)	(22.4%)	20.8x	1.90x	22.2x	8.6x
WK Kellogg Co	10.47	0.8%	21.00	9.66	NA	NA	7.5x	0.32x	15.3x	0.1x
Sector Average:					(14.9%)	(17.0%)	17.3x	2.03x	12.2x	3.7x

Company Name	Price 11/3/23	Price Compared to 10/27/23	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		EBITDA
ETHANOL											
Alto Ingredients, Inc.	\$4.62	19.7%	\$4.69	\$1.20	60.4%	(4.0%)	19.7x	0.34x	NM	NM	
Green Plains Inc.	28.20	2.4%	37.49	25.78	(7.5%)	(18.9%)	19.9x	0.64x	100.7x	34.3x	
REX American Resources Corporation	38.22	3.7%	41.63	27.42	20.0%	19.4%	14.9x	0.55x	8.0x	0.3x	
Sector Average:					24.3%	(1.1%)	18.1x	0.51x	54.3x	17.3x	
FRUIT & VEGETABLE											
Calavo Growers, Inc.	\$25.09	(2.1%)	\$38.97	\$22.64	(14.7%)	(40.8%)	16.2x	0.56x	13.2x	2.4x	
Dole plc	11.52	2.0%	14.01	8.49	19.4%	(13.5%)	10.7x	0.28x	5.8x	3.6x	
Fresh Del Monte Produce Inc.	23.00	(8.0%)	32.49	21.41	(12.2%)	(16.7%)	10.6x	0.38x	4.9x	1.8x	
Lamb Weston Holdings, Inc.	94.09	5.9%	117.38	79.39	5.3%	48.5%	16.2x	2.88x	10.5x	2.6x	
Mission Produce, Inc.	9.45	1.5%	16.80	8.55	(18.7%)	(39.8%)	17.4x	1.00x	21.2x	6.8x	
Seneca Foods Corporation	55.00	0.1%	68.74	32.50	(9.8%)	14.7%	NA	0.57x	7.8x	4.2x	
Sector Average:					(5.1%)	(7.9%)	14.2x	0.94x	10.6x	3.6x	
PROTEIN											
Beyond Meat, Inc.	\$6.99	17.1%	\$22.87	\$5.58	(43.2%)	(89.3%)	NM	4.08x	NM	NM	
Cal-Maine Foods, Inc.	49.54	8.7%	65.32	42.25	(9.0%)	33.9%	22.4x	0.62x	2.1x	NA	
Darling Ingredients Inc.	45.22	5.7%	82.69	38.97	(27.8%)	(34.7%)	10.9x	1.69x	7.0x	4.0x	
Hormel Foods Corporation	32.87	4.7%	49.73	30.70	(27.8%)	(32.7%)	19.7x	1.69x	10.6x	1.7x	
* JBS S.A.	20.85	4.9%	28.00	15.12	(5.2%)	(45.1%)	13.0x	0.39x	6.8x	5.0x	
Nathan's Famous, Inc.	65.90	1.4%	83.00	61.35	(1.9%)	12.9%	NA	2.37x	8.5x	2.3x	
Pilgrim's Pride Corporation	26.17	6.6%	26.57	19.96	10.3%	(7.2%)	10.7x	0.55x	9.8x	4.2x	
Seaboard Corporation	3599.99	2.1%	4090.63	3402.38	(4.6%)	(8.5%)	NA	0.36x	4.5x	1.9x	
Tyson Foods, Inc.	47.06	3.2%	68.76	44.94	(24.4%)	(46.0%)	20.2x	0.48x	7.3x	2.7x	
Vital Farms, Inc.	11.65	8.6%	18.18	10.00	(21.9%)	(35.5%)	22.8x	0.91x	1.8x	0.1x	
Sector Average:					(15.6%)	(25.2%)	16.2x	1.00x	6.5x	2.8x	
BAKING & INGREDIENTS											
Balchem Corporation	\$121.02	5.2%	\$143.88	\$110.74	(0.9%)	(28.2%)	30.6x	4.56x	19.7x	1.9x	
Flowers Foods, Inc.	22.26	2.8%	30.16	20.24	(22.5%)	(19.0%)	17.9x	1.21x	10.2x	2.3x	
* Gruma, S.A.B. de C.V.	314.63	(1.0%)	329.78	219.37	20.7%	19.8%	13.4x	1.28x	8.5x	2.0x	
* Grupo Bimbo, S.A.B. de C.V.	78.41	8.5%	103.41	69.39	(4.8%)	24.5%	18.0x	1.17x	8.6x	2.4x	
J&J Snack Foods Corp.	159.54	4.7%	177.71	133.27	6.6%	1.0%	29.2x	2.10x	18.6x	1.0x	
* Kerry Group plc	75.18	4.2%	100.00	71.08	(10.8%)	(33.6%)	16.5x	1.71x	12.7x	2.1x	
Krispy Kreme, Inc.	13.30	3.4%	16.22	10.21	28.9%	(29.7%)	37.9x	2.26x	13.2x	4.8x	
McCormick & Company, Incorporated	64.96	3.1%	94.39	59.13	(21.6%)	(32.8%)	23.4x	3.35x	17.3x	3.9x	
* Tate & Lyle plc	6.40	4.1%	8.38	6.00	(10.0%)	(17.1%)	11.6x	1.59x	9.9x	2.3x	
Sector Average:					(1.6%)	(12.8%)	22.1x	2.14x	13.2x	2.5x	
CANDY, NUTS, & SNACKS											
Bridgford Foods Corporation	\$10.50	1.4%	\$14.51	\$10.03	(11.9%)	(13.3%)	NA	0.36x	6.8x	0.6x	
The Hershey Company	187.99	2.1%	276.88	183.74	(18.8%)	(2.8%)	18.9x	3.87x	14.2x	1.7x	
John B. Sanfilippo & Son, Inc.	93.38	(8.2%)	127.26	76.49	14.8%	3.6%	NA	1.12x	9.8x	0.2x	
Laird Superfood, Inc.	0.81	2.9%	1.78	0.65	(3.2%)	(93.8%)	NM	NM	NM	NM	
Rocky Mountain Chocolate Factory, Inc.	4.10	2.5%	6.98	3.72	(28.1%)	(47.8%)	NA	0.80x	NM	NM	
Tootsie Roll Industries, Inc.	30.68	1.3%	46.11	29.07	(25.8%)	(10.2%)	NA	2.80x	16.9x	0.1x	
Sector Average:					(12.2%)	(27.4%)	18.9x	1.79x	11.9x	0.7x	
PET FOOD AND PRODUCTS											
Central Garden & Pet Company	\$44.85	5.6%	\$48.48	\$35.60	19.8%	(14.8%)	15.7x	1.00x	8.1x	3.4x	
Freshpet, Inc.	58.25	0.7%	84.70	45.13	10.4%	(38.9%)	NM	4.26x	NM	41.3x	
Sector Average:					15.1%	(26.8%)	15.7x	2.63x	8.1x	22.3x	
WINE & BEVERAGE											
The Boston Beer Company, Inc.	\$338.13	5.8%	\$420.84	\$296.27	2.6%	(33.1%)	32.0x	1.85x	16.7x	0.2x	
Brown-Forman Corporation	59.55	8.2%	74.76	52.59	(9.3%)	(18.3%)	28.6x	7.39x	23.7x	2.3x	
The Coca-Cola Company	56.74	2.7%	64.99	51.55	(10.8%)	(4.2%)	20.6x	6.07x	16.8x	2.9x	
Constellation Brands, Inc.	241.68	5.3%	273.65	208.12	4.3%	(3.7%)	19.0x	5.76x	17.9x	3.1x	
Crimson Wine Group, Ltd.	5.78	5.1%	6.96	5.11	3.0%	(29.9%)	NA	1.50x	25.3x	4.4x	
* Diageo plc	31.93	5.6%	38.82	29.97	(12.5%)	(20.9%)	19.2x	5.18x	14.5x	3.0x	
Monster Beverage Corporation	55.56	11.3%	60.47	47.13	9.4%	15.7%	31.8x	7.92x	27.7x	NA	
National Beverage Corp.	49.04	8.4%	55.12	42.09	5.4%	8.2%	26.0x	3.73x	18.5x	0.2x	
PepsiCo, Inc.	166.79	4.5%	196.88	155.83	(7.7%)	(4.0%)	20.9x	2.91x	15.4x	2.6x	
Starbucks Corporation	102.65	11.6%	115.48	89.21	3.5%	(12.2%)	24.8x	3.83x	13.7x	2.5x	
Willamette Valley Vineyards, Inc.	5.42	3.4%	6.59	5.00	(9.2%)	(37.4%)	NA	2.29x	36.3x	8.5x	
Sector Average:					(1.9%)	(12.7%)	24.8x	4.40x	20.6x	3.0x	

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			High	Low	2022	2021		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$57.05	3.4%	\$61.88	\$48.04	15.9%	4.5%	16.1x	1.68x	10.5x	3.7x
Lifeway Foods, Inc.	10.64	(8.8%)	12.96	5.26	91.7%	131.3%	15.5x	1.02x	12.4x	0.5x
* Saputo Inc.	28.86	6.2%	37.50	26.74	(13.9%)	1.3%	15.1x	0.90x	10.5x	2.7x
Sector Average:					31.2%	45.7%	15.6x	1.20x	11.1x	2.3x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$23.84	32.8%	\$39.54	\$17.29	(28.4%)	(28.4%)	17.9x	0.55x	9.1x	4.5x
Performance Food Group Company	60.65	10.2%	64.34	50.94	3.9%	32.2%	13.9x	0.27x	9.6x	3.2x
SpartanNash Company	23.48	3.8%	37.75	20.57	(22.4%)	(8.9%)	NA	0.17x	6.6x	3.4x
Sysco Corporation	67.02	3.9%	87.21	62.24	(12.3%)	(14.7%)	15.1x	0.59x	11.8x	3.1x
United Natural Foods, Inc.	15.71	11.1%	47.88	12.88	(59.4%)	(68.0%)	NM	0.14x	5.0x	4.0x
US Foods Holding Corp.	41.13	11.4%	44.52	28.58	20.9%	18.1%	14.4x	0.42x	10.3x	3.5x
Sector Average:					(16.3%)	(11.6%)	15.3x	0.35x	8.7x	3.6x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$68.76	(0.7%)	\$80.41	\$60.33	3.9%	2.7%	16.8x	0.63x	9.1x	2.3x
Costco Wholesale Corporation	560.90	3.3%	577.30	447.90	22.9%	(1.2%)	35.9x	1.01x	22.0x	1.0x
Dollar General Corporation	119.24	(0.1%)	260.07	101.09	(51.6%)	(49.4%)	16.8x	1.13x	7.5x	3.1x
Dollar Tree, Inc.	116.35	7.5%	170.36	102.77	(17.7%)	(17.2%)	17.8x	1.21x	7.6x	2.2x
Grocery Outlet Holding Corp.	28.36	4.8%	36.54	25.71	(2.8%)	0.3%	25.6x	1.07x	12.4x	4.2x
Walmart Inc.	164.66	2.2%	166.30	136.09	16.1%	13.8%	24.5x	0.80x	12.4x	1.7x
Sector Average:					(4.9%)	(8.5%)	22.9x	0.97x	11.8x	2.4x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$21.95	1.0%	\$23.88	\$19.14	5.8%	(27.3%)	8.4x	0.34x	5.5x	3.0x
* Ahold Delhaize	28.33	0.8%	32.51	26.63	5.5%	(6.0%)	11.0x	0.47x	6.1x	2.7x
Amazon.com, Inc.	138.60	8.5%	145.86	81.43	65.0%	(16.9%)	43.0x	2.77x	17.8x	1.9x
Ingles Markets, Incorporated	82.60	3.1%	102.99	73.38	(14.4%)	(4.3%)	NA	0.33x	4.3x	1.3x
The Kroger Co.	45.37	2.1%	50.41	42.62	1.8%	0.2%	10.0x	0.34x	5.8x	2.3x
Natural Grocers by Vitamin Cottage, Inc.	13.15	6.5%	13.80	8.00	43.9%	(7.7%)	16.0x	0.60x	5.5x	3.1x
Sprouts Farmers Market, Inc.	41.64	(4.2%)	44.43	28.25	28.6%	40.3%	14.9x	0.84x	7.1x	2.1x
* Tesco PLC	2.76	1.2%	3.07	2.20	23.0%	(4.9%)	11.4x	0.45x	7.1x	3.6x
Village Super Market, Inc.	24.48	1.8%	24.86	20.25	5.1%	4.7%	NA	0.28x	3.9x	2.5x
Weis Markets, Inc.	67.23	2.3%	90.41	58.75	(18.3%)	2.0%	NA	0.34x	5.2x	0.6x
Sector Average:					14.6%	(2.0%)	16.4x	0.68x	6.8x	2.3x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$35.28	7.8%	\$42.12	\$27.77	10.6%	(3.6%)	9.6x	0.88x	5.9x	3.4x
The Cheesecake Factory Incorporated	31.09	3.9%	41.28	28.58	(2.0%)	(20.6%)	10.5x	0.97x	14.8x	8.1x
Cracker Barrel Old Country Store, Inc.	68.69	6.3%	121.17	62.69	(27.5%)	(46.6%)	12.8x	0.77x	7.5x	3.3x
Darden Restaurants, Inc.	150.71	5.8%	173.06	131.90	8.9%	0.0%	16.8x	2.31x	12.3x	3.4x
Dine Brands Global, Inc.	45.52	(6.8%)	82.43	43.39	(29.5%)	(40.0%)	7.4x	2.63x	10.4x	7.5x
Jack in the Box Inc.	66.75	6.4%	99.56	60.43	(2.2%)	(23.7%)	10.4x	2.51x	7.2x	5.2x
McDonald's Corporation	267.87	4.7%	299.35	245.73	1.6%	(0.1%)	22.0x	9.62x	15.9x	3.3x
Papa John's International, Inc.	68.00	4.3%	97.78	60.66	(17.4%)	(49.1%)	23.8x	1.53x	12.9x	4.0x
Texas Roadhouse, Inc.	104.28	6.7%	118.16	90.38	14.7%	16.8%	20.8x	1.71x	13.5x	1.3x
The Wendy's Company	19.25	1.2%	23.90	18.19	(14.9%)	(19.3%)	17.9x	3.47x	13.7x	7.7x
Yum! Brands, Inc.	126.34	5.8%	143.25	115.53	(1.4%)	(9.0%)	22.7x	6.76x	19.2x	5.0x
Sector Average:					(5.4%)	(17.7%)	15.9x	3.02x	12.1x	4.8x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$2,040.53	8.1%	\$2,175.01	\$1,344.05	47.1%	16.7%	40.6x	6.14x	24.8x	1.7x
El Pollo Loco Holdings, Inc.	8.78	6.9%	13.00	8.11	(11.8%)	(38.1%)	12.5x	1.15x	7.1x	3.5x
Noodles & Company	2.22	2.3%	6.55	1.96	(59.6%)	(75.5%)	NM	0.74x	5.7x	4.2x
Potbelly Corporation	10.35	24.7%	11.14	4.99	85.8%	85.5%	60.0x	0.96x	5.9x	2.5x
Shake Shack Inc.	59.51	8.2%	80.58	40.83	43.3%	(17.5%)	152.7x	2.74x	13.2x	3.5x
Wingstop Inc.	206.84	16.2%	223.77	129.46	50.3%	19.7%	79.2x	15.38x	50.3x	5.4x
Sector Average:					25.8%	(1.5%)	69.0x	4.52x	17.8x	3.5x
CANNABIS & CBD										
Canopy Growth Corporation	\$0.86	22.9%	\$6.44	\$0.46	(72.6%)	(92.2%)	NM	3.15x	NM	NM
Cronos Group Inc.	2.54	7.6%	4.88	2.15	(26.2%)	(49.0%)	NM	NM	NM	NM
Jones Soda Co.	0.18	5.9%	0.42	0.16	(34.0%)	(76.0%)	NA	0.73x	NM	NA
The Scotts Miracle-Gro Company	54.29	20.6%	88.61	43.67	11.7%	(66.3%)	19.8x	1.58x	19.9x	6.8x
Tilray Brands, Inc.	1.92	12.3%	5.12	1.50	(28.6%)	(72.7%)	NM	2.34x	NM	NM
Village Farms International, Inc.	0.75	8.7%	2.42	0.55	(44.0%)	(88.3%)	NM	0.50x	NM	NM
Sector Average:					(32.3%)	(74.1%)	19.8x	1.66x	19.9x	6.8x

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)



Food For Thought...

Partner Column

Written by Mary Burke

Due to travel, there will be no partner column this week.

Food For Thought...

Orange Juice Futures Reaching All-Time Highs. Orange Juice futures have taken the commodity market by storm. The traditionally stable frozen concentrate orange juice futures reached a record high of \$4.17 per pound, nearly double its previous all-time high of \$2.27 in 2016. As of last Friday, prices had retracted to \$3.83 per pound.

Orange crops are highly susceptible to poor weather conditions, and Florida, responsible for 70% of the citrus fruits in the U.S., has gone through several adverse years riddled with hurricanes and frosts. Unfortunately for farmers, poor weather conditions over the past couple of years are expected to take its toll on future years, as many groves that are used to grow the fruit will take years to repair and replace. Farmers are also experiencing issues with diseases and pests. Diseases like citrus greening and pests such as aphids wreak havoc on orange patches.

Altogether, weather, disease and pests, and shrinking farmlands are expected to put Florida's total 2023 production down 94% from the year 2000. Such a drastic shortage will likely affect everyday consumers; you may need to find a substitute for your morning cup of OJ.

Turkey Prices Down Ahead of Thanksgiving. Just in time for the Thanksgiving season, turkey prices are tracking at their lowest point since 2018, representing a 29% decrease from this time last year.

In the complex world of price fluctuations, this price drop is explained simply by the basic economic principle of supply and demand. Farmers took the liberty of adding birds in July in preparation for the holiday season. Additionally, farmers benefited from lower production costs, such as cheaper freight and storage expenses; refrigerated trucks are down 50 cents per mile from last year's average due to the greater availability of trucks.

All of this comes in the wake of a HPAI (highly pathogenic avian influenza) crisis plaguing turkey farms across the globe. The combined count of commercially raised turkeys depopulated in October has now reached over 1 million, making it the most severe month for HPAI since last December. The overall losses in October are projected to surpass the count from the same month in 2022. Nevertheless, the production of young turkeys ready for cooking (RTC) during this fourth quarter (October-December) is still forecasted to show a 1.8% rise compared to the corresponding period of the previous year, which has allowed for the low prices we are currently experiencing.

Retailers typically discount turkeys in November and sometimes even take losses on them to increase in-store consumer traffic; think Costco's five-dollar rotisserie chickens conveniently placed at the back of the store. That said, for consumers looking for affordable protein, now would be a great time to eat some turkey.

McDonald's Reports Earnings. McDonald's reported its Q3 earnings, surpassing analysts' expectations, largely due to price increases offsetting a decline in U.S. restaurant traffic. Despite higher menu prices, the company maintains a competitive edge in value and affordability perception compared to rivals in most major markets. Revenue reached \$6.69 billion, beating the expected \$6.58 billion. The global same-store sales grew by 8.8% during the quarter, with the U.S. same-store sales increasing by 8.1%, primarily driven by strategic price hikes.

Although McDonald's U.S. traffic declined, attributed to consumers with incomes under \$45,000 visiting less frequently, the company gained market share among middle- and high-income consumers—McDonald's plans to address the value proposition for lower-income consumers while maintaining competitive pricing. Furthermore, McDonald's menu prices in California are expected to rise as the minimum wage for fast-food workers increases to \$20 an hour. Just under 10% of U.S. McDonald's are located in California and currently pay an average wage of roughly \$17 in the state.

Sysco Reports Earnings. Sysco Corporation announced its financial results for the first quarter of fiscal year 2024, which showed a 2.6% increase in sales compared to the same period last year. The company reported a 4.6% growth in gross profit, reaching \$3.6 billion, and a 35 basis point increase in gross margin to 18.6%. The operating income rose 9.1% to \$803.6 million, with adjusted operating income increasing by 10.6% to \$854.3 million.

Sysco recently announced plans to acquire kitchen equipment and supplies distributor Edward Don & Company. The acquisition will expand its product assortment and capabilities. The company continues to solidify its position as a global leader in foodservice distribution, emphasizing profitability, scale advantages, and a robust balance sheet, positioning itself for sustainable growth in the remainder of fiscal year 2024 and beyond. The company expects to achieve mid-single-digit sales growth in fiscal year 2024.

Heard on the Street...

Tyson Invests in Insect Protein. Tyson Foods has announced its strategic investment in insect protein startup Protix. Tyson will acquire minority ownership in the company and aims to boost the presence of insect ingredients within the U.S. food system. Tyson plans to construct a new ingredient facility with Protix that will “upcycle food manufacturing byproducts into high-quality insect proteins and lipids.” These proteins will mainly be used in pet foods, aquaculture, and livestock feed.

A massive player such as Tyson Foods investing in insect protein could very well be a sign of the future expansion of insect proteins in the Western world. Insect protein is a staple of the East and has traditionally been a negligible factor in the U.S. market. However, insect protein has gained stateside traction in the past few years. Production of the protein uses much less water and land than livestock; cricket ingredient brand EXO claims that crickets are 20 times more efficient to grow than traditional cattle such as beef and pork. With sustainability becoming a growing concern, some companies and consumers have started investing in insect-based snacks. The global insect protein market is projected to grow at a CAGR of nearly 30% through 2028.

Walmart and Aldi Renovating and Expanding. Walmart has announced a significant investment of over \$9 billion to modernize and upgrade its U.S. stores over a two-year period. The upgrades will encompass improved store layouts, expanded product selections, and the integration of new technology. On October 30, Walmart is set to relaunch 117 stores across 30 states to showcase these enhancements, with an investment of over \$500 million. In total, more than 1,400 out of Walmart's 4,717 stores in the U.S. will undergo modernization. This move aims to transform Walmart from being solely known as a steep discounter to a destination where customers can find fashionable home goods and clothing, diversifying its offerings beyond low-cost groceries.

Concurrently, Aldi, the fast-growing grocer, is expanding its presence by opening 120 new stores across the United States in 2023. The chain has experienced substantial growth, gaining 5.3 million new customers this year amidst inflation-driven demand for quality affordable groceries. Aldi's strategy revolves around providing customers with an attractive shopping experience and value for their money, which has led to its success and customer retention. The company plans to continue expanding coast-to-coast, with a particular focus on the Southeast region, where it has recently opened a regional headquarters and distribution center in Loxley, Alabama. Aldi stores, both new and existing,

will also incorporate eco-friendly features like solar panels and the elimination of plastic bags to support sustainability.

Louis Dreyfus Company to Construct Ohio Facility. Louis Dreyfus Company (LDC) is set to construct a soybean processing plant in Upper Sandusky, Ohio, with comprehensive capabilities encompassing soybean crushing, vegetable oil refining, and lecithin production and packaging. This strategic development aims to enhance LDC's core merchandising capabilities by increasing its capacity to source and process U.S. soybeans into value-added products, such as edible oils and lecithin. The facility will also position LDC to engage in renewable energy feedstock markets and contribute to the growing demand for biofuels.

Construction of the plant is scheduled to commence in early 2024, and it is expected to employ more than 100 people. The facility will have an annual soy crushing capacity of 1,500,000 metric tons and an annual edible soybean oil production capacity of 320,000 metric tons, strengthening LDC's presence and capabilities in the food and feed solutions business.

Benson Hill to Sell Seymour Crush Facility. Food ingredient manufacturer Benson Hill has announced the sale of its soybean crush facility near Seymour, Indiana, to White River Soy Processing, LLC, for \$36 million in gross proceeds. Benson Hill is planning to use the proceeds to improve its liquidity position by paying off debts and reducing operating capital costs. The facility was originally purchased from egg producer Rose Acre Farms in 2021 and is located roughly seven miles west of Seymour, Indiana in Jackson County.

Based in Omaha, Nebraska, White River Soy Processing, LLC plans to keep 30 of Benson Hill's employees and will fulfill Benson Hill's 2023 and 2024 contracts with its farmer partners. Additionally, the companies are finalizing a licensing agreement to continue the processing of Benson Hill's proprietary soybeans at the facility.

The sale is a true win-win. For Nebraska-based White River Soy Processing, the company can expand its soy processing into a new geographical area with the addition of a tried-and-true facility and new farmer partnerships. For Benson Hill, the company can continue along the lines of its three-part Liquidity Improvement Plan while still reaping the benefits of a licensing agreement cash flows and fulfilling its contracts with its farmer partners.

Dashboard

Sector	Outlook	
	6-month	3-year
INPUTS		
w/ Nitrogen fertilizer producer price down from \$775 2022 peak to \$375, global shortages in countries who rely on imports		
s/ Over seven new ammonia plants in construction/consideration in the U.S. Gulf due to existing export infrastructure and demand	↔	↑
w/ Droughts have worsened in the south and southeast as we near the end of the GA produce season		
s/w/ Arkansas becomes first state to enforce a state law banning foreign entities from owning farm land, Syngenta made to divest		
w/ EPA evaluating wider regulation on pesticide use citing endangered animals and human safety		
AG EQUIPMENT		
w/ OEMs covering +70% of industry have signed the Farm Bureau's right-to-repair MOU, more states introduced similar legislation		
w/ Dealers are pessimistic about 2024 NEW equipment sales, with only 31% expecting growth	↓	↑
s/ 37% of dealers expect USED equipment sales to grow YoY, with only 27% of dealers expecting to see a decline		
s/ John Deere reached a tentative 6-year agreement with the UAW to avert a strike that could have affected +10k workers		
AGRIBUSINESS		
s/ Louis Dreyfus announced plans to build a 1.5-million-ton soybean crushing facility in Ohio; construction starts in early 2024		
s/ Harvest progress proceeds faster than recent years; minimizing risk of additional precipitation or freeze concerns		
s/w/ Strong processing results offset lower grain volumes and prices for both ADM and Bunge	↔	↑
w/ For the second consecutive year, low water levels along the Mississippi have disrupted crop and nutrient movement		
DIVERSIFIED FOODS		
s/ Mondelez results showed strong unit and price growth in core categories of chocolate, biscuits, and baked snacks		
s/ General Mills collaborating with Walmart and Sam's club to adopt regenerative agriculture on 600,000 acres by 2030		
w/ FMI survey reports 61% of shoppers buying more private label this year; 26% say they are buying more branded products	↓	↔
w/ FTC asks for more information on proposed Campbell's Soup acquisition of Sovos Brands, showing increased FTC scrutiny		
ALTERNATIVE FUELS		
s/ U.S. ethanol stocks are at a two-year low as strong demand outpaces increased production		
s/w/ U.S. renewable diesel and biofuel capacity as of Aug was 3.7 billion gallons per year, a 149% increase from the prior year	↑	↑↑
s/ Vanguard Renewables announces plans to operate at least 70 anaerobic digesters in the U.S. by 2026		
s/ Honeywell and GranBio announce partnership to produce carbon-neutral aviation fuel from biomass at GranBio's U.S. plant		
s/ U.S. announces \$7 billion in funding to accelerate the domestic market for low-cost, clean hydrogen		
FRUIT & VEGETABLE		
s/ Consumers continue to purchase more organic produce despite inflation		
s/ The USDA awarded more than \$32 million in grants to increase availability of locally grown fruits and vegetables		
s/ Florida's 2023-24 citrus crop is expected to be significantly more robust than last year's, per the USDA	↑	↑↑
s/w/ Illinois and parts of the Midwest experienced an excellent pumpkin harvest, while Texas pumpkin growers fared worse		
w/ Prima Wawona, the nation's largest stone fruit producer, filed for Chapter 11 bankruptcy on October 13th		
PROTEIN		
s/ Tyson recently announced investment in Dutch insect protein company, Protix, and plans to construct U.S. facility		
w/ After dying down in late April, HPAI is making a resurgence, affecting 1.3mm birds (mostly turkeys) in October		
w/ Retail beef prices have reached an all-time high at over \$8.25/lb. Cattle supply is at its lowest in decades	↓	↔
s/ The Iowa Attorney General is leading a 13-state coalition opposing a Massachusetts law on pork sales and shipments		
s/w/ Turkey shelf prices are down 29% from a year ago due to a boost in supply and falling input costs		

Sector	Outlook	
	6-month	3-year
El Niño		
s/w/ El Niño conditions in the central Pacific are expected to persist throughout the Northern Hemisphere winter		
w/ In the U.S., strong El Niño patterns typically lead to dry conditions in the summer followed by a wet winter	↓	↔
w/ El Niño winters typically bring warmer temps to the northern U.S. and western Canada		
s/ Altered precipitation patterns can affect snowpack and water availability for irrigation in the western U.S.		
w/ El Niño often brings milder winter conditions in the northern U.S., affecting crops that require a period of dormancy		
CANDY & NUT		
s/ Halloween 2023 is expected to set records for candy consumption, consumers expected to spend \$500 million more than last year		
s/ Sugar & Cocoa futures fall from record highs as rains relieve drought stricken South America, dollar index hits four-week high	↑	↔
s/w/ Sales of candy corn have steadily fallen since 2018, while all other candy segments have eroded its market share		
w/ U.S. Candy inflation hit double digits for the second Halloween in a row		
w/ California tree nuts under threat from new beetle species in the region: <i>Carpophilus truncatus</i>		
DAIRY		
s/ CME spot butter has come down to \$3.12/lb. after breaking all time highs at \$3.40+/lb. in September		
s/ Walmart announced a new \$350 million milk processing facility in Georgia, expanding its dairy supply control	↑	↔
s/w/ U.S. milk production declined 0.4% from August to September, but was up slightly from last year		
w/ Average replacement dairy cow prices reached \$1850/ head in October, up 7% year-over-year and the highest since 2014		
WHOLESALE, FOOD SERVICE & DISTRIBUTION		
s/w/ Pricing of moving goods is falling as volume falls. Truck and ocean freighters are all at pre Covid levels		
w/ The teamsters recently negotiated autoworkers salary increases will give momentum to unions in this space		
w/ Same store visitors for McDonalds and Starbucks is down for the quarter, revenue up all on price increases	↓	↔
s/ Innovation is reducing the needed number of employees-using robots and AI primarily		
w/ Weather related disruptions causing outages and among virlities especially in the perishable sector		
TRADITIONAL RETAIL		
w/ FTC head states that decision on Albertson/Kroger deal will not happen this year		
s/ Private label continues to rise in popularity having grown from 18.7% of grocery sales pre COVID to 20.6% now	↑	↑
w/ According to PYMNTS data, one in five grocery shoppers say they are now paying in installments		
s/w/ Online grocery sales shrink 3% in September driven by a lower frequency of orders per customer (down 8%)		
s/ Publix and Albertsons both report gains in same store sales as retailers benefit from y-o-y price increases, volumes flat/down		
NON-TRADITIONAL RETAIL		
s/ Nearly 50% of new retail store openings this year came from Dollar Tree, Dollar General, and Family Dollar		
s/ Target joined Aldi, Dollar General, and Walmart in announcing an affordable, bundled, 4-course Thanksgiving Dinner for \$25	↑	↑↑
s/w/ WaWa, Buc-ees, and Parker's are on a collision course in the Southeast as all have announced significant expansion plans		
s/ Dollar General's stock increased nearly 6% in after-hours trading after they announced the return of previous CEO Todd Vasos		
BIG PICTURE INDUSTRY DRIVERS		
Global unrest		
Immigration for agriculture		
Interest rates high for an extended period of time		
Will consumer spending hold up		
Changes to the ways employers interact with employees - if they can get them		
El Niño changing weather and temperature		
Inflation		
Thanksgiving		

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

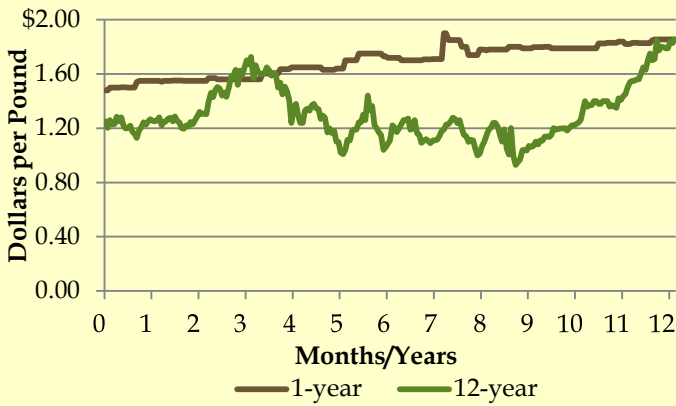
Soybeans



Sugar



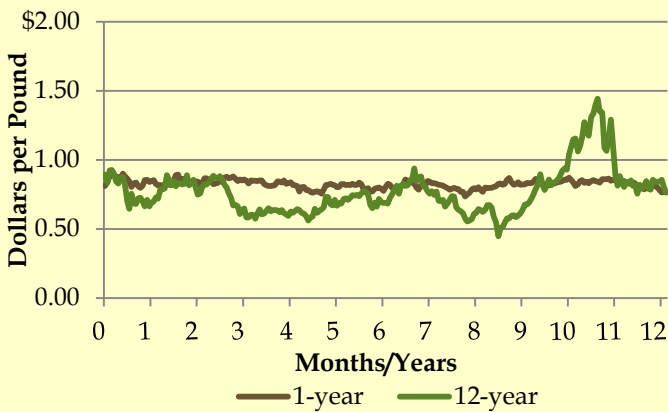
Cattle



Milk



Cotton



Oil



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

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

Please send your feedback and comments to Mary Burke at 312.348.7081 or lakeshorefoodadvisors@lakeshorefoodadvisors.com.