



LAKE SHORE

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



Weekly Update

Monday, December 18th, 2023

Major Indices Record Seven Consecutive Positive Weeks. On Friday, the three major U.S. indices secured their seventh consecutive week of gains, while the 10-year Treasury yield made its largest decline since November 2022. This marks about a 15% rally since late October and the longest streak of weekly gains in six years. On Wednesday, the Fed voted to keep the target federal funds rate between 5.25% and 5.5%. Median staff forecasts were for rates to settle at 4.6% at the end of 2024.

The **Dow Jones Industrial Average** rose 2.9%, finishing at 37,305.

The **S&P 500** increased 2.5% on the week, finishing at 4,719.

The **NASDAQ Composite** increased 2.8% this week, finishing at 14,814.

Yield on the **10-year Treasury** dropped 32 basis points during the week, ending at 3.91%.

Crude oil increased 1.0% on the week, ending at \$71.91 per barrel.

Corn fell 1.3% on the week, ending at \$4.79 per bushel.

NASDAQ Highs: The Andersons, Inc., Balchem Corporation, Central Garden & Pet Company, Costco Wholesale Corporation, Freshpet, Inc., Freshworks Inc., Pilgrim's Pride Corporation, Sprouts Farmers Market, Inc., Wingstop Inc.
Lows: S&W Seed Company

NYSE Highs: Brinker International, Inc., Chipotle Mexican Grill, Inc., Performance Food Group Company, US Foods Holding Corp., Zoetis Inc. **Lows:** The Hershey Company

Featured Stocks of the Week:

Costco Wholesale Corporation (NASDAQ: COST) 10-Year History



The Hershey Company (NYSE: HSY) 10-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 12/15/23	Price Compared to 12/8/23	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	
Dow Jones Industrial Average	37,305	2.9%	37,305	31,819	12.5%	2.7%	NA			
S&P 500	4,719	2.5%	4,720	3,783	22.9%	(1.0%)	20.2			
NASDAQ Composite Index	14,814	2.8%	14,814	10,213	41.5%	(5.3%)	NA			
Russell 3000 Index	2,709	2.5%	2,719	2,182	22.2%	(2.8%)	NA			
Sector Average:					24.8%	(1.6%)				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$12.96	3.7%	\$13.66	\$9.44	4.0%	8.5%	NM	19.87x	36.2x	13.3x
Gladstone Land Corporation	14.55	2.4%	20.55	13.35	(20.7%)	(56.9%)	NM	12.47x	16.0	9.1
Limoneira Company	19.12	0.3%	19.49	12.01	56.6%	27.5%	127.0	2.26x	NM	NM
Sector Average:					13.3%	(7.0%)	127.0	11.53x	26.1	11.2
INPUTS										
American Vanguard Corporation	\$10.99	8.8%	\$23.67	\$8.41	(49.4%)	(32.9%)	19.2x	0.96x	11.9x	5.3x
* BASF SE	48.18	6.6%	54.04	40.25	3.8%	(22.0%)	12.4x	0.87x	20.4x	2.8x
* Bayer Aktiengesellschaft	32.11	0.7%	65.66	30.22	(33.6%)	(31.7%)	5.2x	1.46x	6.9x	4.6x
CF Industries Holdings, Inc.	76.24	(0.4%)	96.27	60.08	(10.5%)	7.7%	10.6x	2.23x	4.2x	0.8x
Corteva, Inc.	46.55	3.1%	65.21	43.22	(20.8%)	(1.5%)	16.9x	2.11x	10.7x	1.7x
FMC Corporation	59.51	6.5%	133.37	49.49	(52.3%)	(45.8%)	15.1x	2.29x	9.5x	3.6x
Intrepid Potash, Inc.	23.33	19.9%	34.51	17.23	(19.2%)	(45.4%)	NM	1.17x	5.0x	0.1x
The Mosaic Company	36.62	2.6%	57.46	31.44	(16.5%)	(6.8%)	10.4x	1.03x	4.9x	1.3x
* Nutrien Ltd.	73.53	(0.6%)	113.32	70.69	(25.6%)	(22.7%)	11.1x	1.38x	5.9x	2.2x
S&W Seed Company	0.49	(10.2%)	2.14	0.45	(66.9%)	(81.9%)	NM	1.14x	NM	NM
Zoetis Inc.	196.29	6.3%	201.92	140.76	33.9%	(19.6%)	34.0x	11.37x	26.8x	1.9x
Sector Average:					(23.4%)	(27.5%)	15.0x	1.47x	10.6x	2.4x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$50.50	(3.0%)	\$63.40	\$42.21	16.5%	59.4%	9.1x	1.21x	8.7x	4.6x
AGCO Corporation	119.25	2.7%	145.53	109.81	(14.0%)	2.8%	8.8x	0.72x	4.8x	1.0x
Art's-Way Manufacturing Co., Inc.	2.04	2.0%	3.11	1.82	5.7%	(42.4%)	NA	0.56x	8.2x	3.7x
* Buhler Industries Inc.	2.28	2.7%	2.79	1.75	18.1%	(23.0%)	NA	0.48x	47.3x	35.7x
CNH Industrial N.V.	11.48	3.3%	17.98	9.77	(28.5%)	(40.9%)	6.9x	1.53x	10.3x	7.3x
Deere & Company	386.07	6.2%	450.00	345.55	(10.0%)	12.6%	13.7x	2.76x	11.0x	4.1x
Lindsay Corporation	133.74	10.9%	170.00	106.46	(17.9%)	(12.0%)	20.9x	2.14x	11.5x	1.1x
Titan Machinery Inc.	27.89	7.2%	47.87	21.44	(29.8%)	(17.2%)	6.0x	0.57x	7.2x	4.3x
Sector Average:					(7.5%)	(7.6%)	10.9x	1.25x	8.8x	3.7x
AGRIBUSINESS										
The Andersons, Inc.	\$54.74	3.2%	\$55.24	\$33.20	56.4%	41.4%	14.2x	0.14x	6.1x	1.8x
Archer-Daniels-Midland Company	75.75	2.7%	96.16	69.31	(18.4%)	12.1%	11.4x	0.50x	7.8x	1.7x
Bunge Global SA	104.78	0.3%	116.59	87.87	5.0%	12.2%	8.8x	0.32x	3.7x	1.1x
Ingredion Incorporated	106.46	0.3%	113.46	89.54	8.7%	10.2%	11.4x	1.10x	7.4x	2.0x
MGP Ingredients, Inc.	97.39	10.6%	124.96	82.60	(8.5%)	14.6%	16.3x	3.01x	13.5x	1.8x
* Olam Group Limited	1.01	0.0%	1.71	0.80	(30.8%)	(42.3%)	NA	0.33x	8.8x	8.5x
Sector Average:					2.1%	8.0%	12.4x	0.90x	7.9x	2.8x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$10.84	6.1%	\$16.68	\$7.20	(2.8%)	(64.7%)	11.9x	1.45x	9.1x	7.6x
Campbell Soup Company	43.88	2.3%	57.78	37.94	(22.7%)	1.0%	14.1x	1.93x	8.6x	2.4x
Conagra Brands, Inc.	29.33	(0.6%)	41.30	25.16	(24.2%)	(14.1%)	11.0x	1.90x	8.8x	3.8x
General Mills, Inc.	65.22	(0.4%)	90.89	60.33	(22.2%)	(3.2%)	14.4x	2.46x	11.8x	3.0x
The Hain Celestial Group, Inc.	10.67	6.1%	22.14	9.36	(34.1%)	(75.0%)	22.6x	1.03x	12.3x	6.1x
The J. M. Smucker Company	123.59	3.6%	163.07	107.33	(22.0%)	(9.0%)	13.0x	2.08x	9.3x	4.3x
Kellanova	53.77	0.1%	73.06	47.63	(24.5%)	(16.5%)	15.1x	1.59x	11.3x	3.5x
The Kraft Heinz Company	36.59	1.0%	42.80	30.68	(10.1%)	1.9%	12.3x	2.35x	8.1x	2.5x
Lancaster Colony Corporation	166.22	(0.1%)	220.65	158.88	(15.8%)	0.4%	27.7x	2.43x	18.7x	0.1x
Mondelez International, Inc.	70.70	(0.5%)	78.59	60.75	6.1%	6.6%	20.8x	3.25x	14.2x	2.6x
* Nestlé S.A.	98.11	(1.3%)	116.84	96.89	(8.4%)	(23.0%)	19.1x	3.33x	15.7x	3.1x
* Nomad Foods Limited	16.30	(1.3%)	19.76	13.56	(5.5%)	(35.8%)	8.9x	1.47x	9.0x	4.4x
Post Holdings, Inc.	87.13	0.5%	98.84	78.85	(3.5%)	(22.7%)	17.5x	1.63x	10.1x	5.5x
The Simply Good Foods Company	39.49	(0.8%)	41.29	31.06	3.8%	(5.0%)	21.8x	3.36x	17.3x	1.4x
Sovos Brands, Inc.	21.95	(0.1%)	22.73	12.74	52.7%	45.8%	28.0x	2.54x	13.0x	2.6x
SunOpta Inc.	6.48	(1.7%)	13.03	3.82	(43.1%)	(26.1%)	NA	1.09x	10.7x	4.7x
TreeHouse Foods, Inc.	41.19	(1.2%)	55.30	36.11	(16.6%)	1.6%	17.3x	1.10x	9.0x	3.9x
Unilever PLC	43.76	(0.9%)	50.93	42.97	(6.6%)	(7.0%)	NA	2.24x	11.5x	2.7x
Utz Brands, Inc.	14.61	8.0%	19.11	11.17	(7.9%)	(8.4%)	22.9x	1.98x	21.5x	7.6x
WK Kellogg Co	12.38	4.6%	21.00	9.66	NA	NA	8.6x	0.60x	23.1x	9.2x
Sector Average:					(10.9%)	(13.3%)	17.6x	2.06x	12.1x	3.8x

Company Name	Price 12/15/23	Price Compared to 12/8/23	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.	\$2.82	7.2%	\$4.98	\$1.20	(2.1%)	(41.4%)	NM	0.23x	NM	NM	
Green Plains Inc.	26.10	12.0%	37.49	22.85	(14.4%)	(24.9%)	18.5x	0.60x	95.1x	34.3x	
REX American Resources Corporation	43.90	3.5%	51.19	27.42	37.8%	37.2%	17.6x	0.62x	5.8x	0.2x	
Sector Average:					7.1%	(9.7%)	18.0x	0.48x	50.5x	17.2x	
FRUIT & VEGETABLE											
Calavo Growers, Inc.	\$27.62	1.5%	\$38.97	\$21.59	(6.1%)	(34.9%)	18.2x	0.61x	14.3x	2.4x	
Dole plc	11.91	0.6%	14.01	9.32	23.4%	(10.6%)	9.4x	0.27x	5.3x	3.1x	
Fresh Del Monte Produce Inc.	24.97	4.7%	32.49	21.41	(4.7%)	(9.5%)	11.5x	0.40x	5.2x	1.8x	
Lamb Weston Holdings, Inc.	104.33	3.3%	117.38	81.26	16.8%	64.6%	17.9x	3.13x	11.4x	2.6x	
Mission Produce, Inc.	9.21	(1.5%)	16.15	8.19	(20.7%)	(41.3%)	19.2x	0.98x	20.8x	6.8x	
Seneca Foods Corporation	51.02	2.0%	65.65	32.50	(16.3%)	6.4%	NA	0.60x	7.1x	4.4x	
Sector Average:					(1.3%)	(4.2%)	15.2x	1.00x	10.7x	3.5x	
PROTEIN											
Beyond Meat, Inc.	\$9.99	9.9%	\$22.87	\$5.58	(18.8%)	(84.7%)	NM	4.70x	NM	NM	
Cal-Maine Foods, Inc.	55.44	7.2%	65.32	42.25	1.8%	49.9%	17.8x	0.71x	2.4x	NA	
Darling Ingredients Inc.	48.89	2.7%	71.60	38.97	(21.9%)	(29.4%)	11.6x	1.78x	7.6x	4.0x	
Hormel Foods Corporation	31.08	(1.0%)	47.03	30.12	(31.8%)	(36.3%)	20.1x	1.63x	10.4x	1.9x	
* JBS S.A.	23.72	(0.7%)	24.53	15.12	7.9%	(37.5%)	13.0x	0.42x	9.0x	7.3x	
Nathan's Famous, Inc.	72.44	2.0%	83.00	61.35	7.8%	24.1%	NA	2.57x	9.2x	2.3x	
Pilgrim's Pride Corporation	25.98	(1.1%)	27.38	19.96	9.5%	(7.9%)	10.7x	0.54x	9.7x	4.2x	
Seaboard Corporation	3575.60	(1.2%)	4080.11	3402.38	(5.3%)	(9.1%)	NA	0.35x	4.4x	1.9x	
Tyson Foods, Inc.	51.81	0.8%	66.79	44.94	(16.8%)	(40.6%)	27.1x	0.53x	10.7x	3.9x	
Vital Farms, Inc.	14.42	(5.2%)	18.18	10.00	(3.4%)	(20.2%)	29.4x	1.16x	2.3x	0.1x	
Sector Average:					(7.1%)	(19.2%)	16.7x	1.08x	7.3x	3.2x	
BAKING & INGREDIENTS											
Balchem Corporation	\$140.25	5.3%	\$144.70	\$110.74	14.9%	(16.8%)	35.6x	5.23x	22.6x	1.9x	
Flowers Foods, Inc.	21.86	0.7%	29.46	19.64	(23.9%)	(20.4%)	17.5x	1.17x	9.9x	2.2x	
* Gruma, S.A.B. de C.V.	309.04	(3.8%)	337.70	243.34	18.5%	17.7%	13.9x	1.26x	8.4x	2.0x	
* Grupo Bimbo, S.A.B. de C.V.	88.19	1.1%	103.41	69.39	7.1%	40.1%	20.2x	1.27x	9.3x	2.4x	
J&J Snack Foods Corp.	170.26	(0.0%)	177.71	133.27	13.7%	7.8%	30.3x	2.16x	17.6x	0.6x	
* Kerry Group plc	74.14	(0.2%)	100.00	71.08	(12.0%)	(34.5%)	16.3x	1.68x	12.5x	2.1x	
Krispy Kreme, Inc.	14.21	8.6%	16.22	10.21	37.7%	(24.9%)	41.1x	2.33x	14.8x	5.3x	
McCormick & Company, Incorporated	66.88	(0.3%)	94.39	59.13	(19.3%)	(30.8%)	24.1x	3.44x	17.7x	3.9x	
* Tate & Lyle plc	6.37	(1.1%)	8.38	6.00	(10.4%)	(17.4%)	11.3x	1.58x	8.4x	2.1x	
Sector Average:					2.9%	(8.8%)	23.3x	2.24x	13.5x	2.5x	
CANDY, NUTS, & SNACKS											
Bridgford Foods Corporation	\$10.74	0.6%	\$14.51	\$10.03	(9.9%)	(11.3%)	NA	0.37x	6.9x	0.6x	
The Hershey Company	181.71	(2.2%)	276.88	181.47	(21.5%)	(6.1%)	18.4x	3.76x	13.8x	1.7x	
John B. Sanfilippo & Son, Inc.	101.87	4.0%	127.26	76.49	25.3%	13.0%	NA	1.22x	10.6x	0.2x	
Laird Superfood, Inc.	1.12	6.7%	1.49	0.65	33.3%	(91.4%)	NM	0.10x	NM	NM	
Rocky Mountain Chocolate Factory, Inc.	4.41	6.5%	6.01	3.72	(22.6%)	(43.8%)	NA	0.86x	NM	NM	
Tootsie Roll Industries, Inc.	33.23	(2.6%)	46.11	29.07	(19.6%)	(2.7%)	NA	2.75x	15.9x	0.1x	
Sector Average:					(2.5%)	(23.7%)	18.4x	1.51x	11.8x	0.7x	
PET FOOD AND PRODUCTS											
Central Garden & Pet Company	\$48.14	7.2%	\$48.53	\$35.60	28.5%	(8.5%)	18.9x	0.98x	8.1x	3.4x	
Freshpet, Inc.	84.45	10.8%	86.48	45.13	60.0%	(11.4%)	NM	5.80x	NM	42.1x	
Sector Average:					44.3%	(9.9%)	18.9x	3.39x	8.1x	22.8x	
WINE & BEVERAGE											
The Boston Beer Company, Inc.	\$345.73	(0.1%)	\$420.50	\$296.27	4.9%	(31.6%)	33.0x	1.90x	17.1x	0.2x	
Brown-Forman Corporation	57.33	4.1%	71.27	52.59	(12.7%)	(21.3%)	27.2x	7.12x	22.3x	2.3x	
The Coca-Cola Company	58.60	(0.0%)	64.99	51.55	(7.9%)	(1.0%)	21.2x	6.25x	17.3x	2.9x	
Constellation Brands, Inc.	236.46	0.9%	273.65	208.12	2.0%	(5.8%)	18.6x	5.66x	17.6x	3.1x	
Crimson Wine Group, Ltd.	5.93	1.2%	6.96	5.11	5.7%	(28.1%)	NA	1.57x	22.9x	3.6x	
* Diageo plc	28.34	0.2%	37.90	27.19	(22.4%)	(29.8%)	18.2x	4.70x	13.1x	3.0x	
Monster Beverage Corporation	55.09	2.2%	60.47	47.13	8.5%	14.7%	31.3x	7.85x	27.0x	0.0x	
National Beverage Corp.	49.46	6.2%	55.12	42.09	6.3%	9.1%	25.7x	3.74x	18.0x	0.2x	
PepsiCo, Inc.	167.00	0.8%	196.88	155.83	(7.6%)	(3.9%)	20.9x	2.91x	15.4x	2.6x	
Starbucks Corporation	96.75	0.1%	115.48	89.21	(2.5%)	(17.3%)	23.4x	3.63x	12.9x	2.5x	
Willamette Valley Vineyards, Inc.	5.15	(1.4%)	6.59	5.00	(13.7%)	(40.5%)	NA	2.16x	24.5x	5.6x	
Sector Average:					(3.6%)	(14.1%)	24.4x	4.32x	18.9x	2.4x	

Company Name	Price 12/15/23	Price Compared to 12/8/23	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	
DAIRY										
* Danone S.A.	\$57.98	(2.1%)	\$61.88	\$48.04	17.8%	6.2%	16.4x	1.70x	10.6x	3.7x
Lifeway Foods, Inc.	12.64	(1.7%)	17.33	5.26	127.7%	174.8%	15.1x	1.16x	10.9x	0.4x
* Saputo Inc.	26.82	1.6%	37.50	25.75	(20.0%)	(5.9%)	14.5x	0.86x	9.8x	2.6x
Sector Average:					41.8%	58.4%	15.4x	1.24x	10.4x	2.2x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$28.52	1.8%	\$39.50	\$17.29	(14.3%)	(14.4%)	21.8x	0.61x	10.1x	4.5x
Performance Food Group Company	66.30	1.3%	67.69	52.32	13.5%	44.5%	14.6x	0.29x	10.1x	3.4x
SpartanNash Company	23.11	0.7%	32.36	20.51	(23.6%)	(10.3%)	9.9x	0.16x	6.3x	3.2x
Sysco Corporation	73.54	(0.4%)	82.38	62.24	(3.8%)	(6.4%)	16.6x	0.63x	12.6x	3.1x
United Natural Foods, Inc.	15.82	5.5%	43.95	12.88	(59.1%)	(67.8%)	51.2x	0.15x	6.1x	4.9x
US Foods Holding Corp.	43.57	(2.4%)	45.15	33.68	28.1%	25.1%	14.2x	0.43x	10.6x	3.4x
Sector Average:					(9.9%)	(4.9%)	21.4x	0.38x	9.3x	3.7x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$65.71	(0.3%)	\$78.88	\$60.33	(0.7%)	(1.9%)	16.3x	0.61x	8.7x	2.3x
Costco Wholesale Corporation	658.82	7.9%	661.88	447.90	44.3%	16.1%	41.4x	1.16x	25.0x	0.8x
Dollar General Corporation	129.98	2.2%	251.00	101.09	(47.2%)	(44.9%)	18.1x	1.18x	8.2x	3.2x
Dollar Tree, Inc.	130.81	5.1%	161.10	102.77	(7.5%)	(6.9%)	18.9x	1.31x	8.3x	2.3x
Grocery Outlet Holding Corp.	28.67	(2.0%)	36.54	25.71	(1.8%)	1.4%	27.1x	1.04x	11.8x	4.0x
Walmart Inc.	152.74	1.2%	169.94	136.09	7.7%	5.6%	22.3x	0.75x	11.7x	1.8x
Sector Average:					(0.9%)	(5.1%)	24.0x	1.01x	12.3x	2.4x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$22.66	2.1%	\$23.88	\$19.14	9.3%	(24.9%)	8.7x	0.35x	5.5x	3.0x
* Ahold Delhaize	26.19	(4.0%)	32.51	25.97	(2.4%)	(13.1%)	10.2x	0.45x	6.1x	3.0x
Amazon.com, Inc.	149.97	1.7%	150.57	81.43	78.5%	(10.0%)	45.1x	2.98x	19.2x	1.9x
Ingles Markets, Incorporated	83.69	(1.3%)	100.51	73.38	(13.2%)	(3.1%)	NA	0.32x	4.5x	1.4x
The Kroger Co.	44.11	(1.1%)	50.36	42.10	(1.1%)	(2.5%)	9.9x	0.34x	5.7x	2.3x
Natural Grocers by Vitamin Cottage, Inc.	16.31	(2.0%)	17.49	8.00	78.4%	14.5%	NA	0.63x	5.8x	3.0x
Sprouts Farmers Market, Inc.	48.28	4.9%	49.26	30.10	49.2%	62.7%	17.1x	0.94x	7.9x	2.1x
* Tesco PLC	2.83	(1.8%)	3.07	2.20	26.1%	(2.5%)	11.6x	0.46x	7.2x	3.6x
Village Super Market, Inc.	24.94	(0.5%)	26.66	20.25	7.1%	6.6%	NA	0.28x	4.0x	2.5x
Weis Markets, Inc.	64.11	2.4%	89.22	58.75	(22.1%)	(2.7%)	NA	0.34x	5.3x	0.6x
Sector Average:					21.0%	2.5%	17.1x	0.71x	7.1x	2.3x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$40.82	2.6%	\$42.52	\$28.23	27.9%	11.6%	11.2x	0.94x	6.3x	3.4x
The Cheesecake Factory Incorporated	34.08	2.4%	41.28	28.58	7.5%	(13.0%)	11.6x	1.02x	7.7x	4.1x
Cracker Barrel Old Country Store, Inc.	80.32	9.7%	121.17	62.69	(15.2%)	(37.6%)	16.0x	0.87x	8.7x	3.6x
Darden Restaurants, Inc.	162.49	2.2%	173.06	131.90	17.5%	7.9%	17.7x	2.26x	12.0x	2.7x
Dine Brands Global, Inc.	49.34	0.2%	82.43	42.00	(23.6%)	(34.9%)	8.1x	2.70x	10.6x	7.5x
Jack in the Box Inc.	82.50	3.8%	99.56	60.43	20.9%	(5.7%)	12.9x	2.74x	8.0x	5.5x
McDonald's Corporation	287.27	0.6%	299.35	245.73	9.0%	7.2%	23.5x	10.18x	16.8x	3.3x
Papa John's International, Inc.	73.74	5.1%	97.78	60.66	(10.4%)	(44.8%)	26.3x	1.62x	13.7x	4.0x
Texas Roadhouse, Inc.	116.01	2.2%	118.16	90.38	27.6%	29.9%	23.1x	1.89x	14.9x	1.3x
The Wendy's Company	19.93	4.2%	23.90	18.19	(11.9%)	(16.4%)	18.5x	3.54x	14.1x	7.8x
Yum! Brands, Inc.	128.64	3.5%	143.25	115.53	0.4%	(7.4%)	23.1x	6.75x	18.5x	4.8x
Sector Average:					4.5%	(9.4%)	17.4x	3.14x	11.9x	4.4x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$2,271.47	1.3%	\$2,346.35	\$1,344.05	63.7%	29.9%	45.2x	6.81x	27.5x	1.7x
El Pollo Loco Holdings, Inc.	8.89	1.9%	13.00	8.11	(10.7%)	(37.4%)	12.8x	1.16x	7.1x	3.5x
Noodles & Company	3.18	(4.5%)	6.55	1.96	(42.1%)	(64.9%)	NM	0.83x	6.2x	4.2x
Potbelly Corporation	9.39	1.3%	11.14	5.20	68.6%	68.3%	54.4x	0.91x	5.6x	2.5x
Shake Shack Inc.	72.33	18.6%	80.58	40.83	74.2%	0.2%	168.6x	3.23x	15.5x	3.5x
Wingstop Inc.	245.68	(0.6%)	253.75	129.46	78.5%	42.2%	91.7x	17.99x	58.8x	5.4x
Sector Average:					38.7%	6.4%	74.6x	5.15x	20.1x	3.5x
CANNABIS & CBD										
Canopy Growth Corporation	\$0.69	(35.5%)	\$4.28	\$0.46	(78.0%)	(93.8%)	NM	2.89x	NM	NM
Cronos Group Inc.	2.61	(8.7%)	3.93	2.15	(24.1%)	(47.6%)	NM	NM	NM	NM
Jones Soda Co.	0.14	3.7%	0.36	0.12	(47.2%)	(80.8%)	NA	0.53x	NM	NA
The Scotts Miracle-Gro Company	60.83	0.4%	88.61	43.67	25.2%	(62.2%)	22.3x	1.78x	15.1x	5.6x
Tilray Brands, Inc.	2.06	7.0%	3.59	1.50	(23.6%)	(70.8%)	NM	2.49x	NM	NM
Village Farms International, Inc.	0.77	(2.2%)	1.71	0.55	(42.3%)	(88.0%)	NM	0.47x	NM	NM
Sector Average:					(31.7%)	(73.9%)	22.3x	1.63x	15.1x	5.6x

Notes:

*Denotes local currency.

Source: Capital IQ.

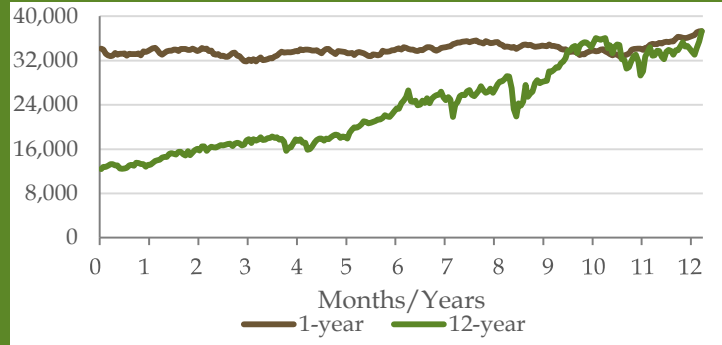
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

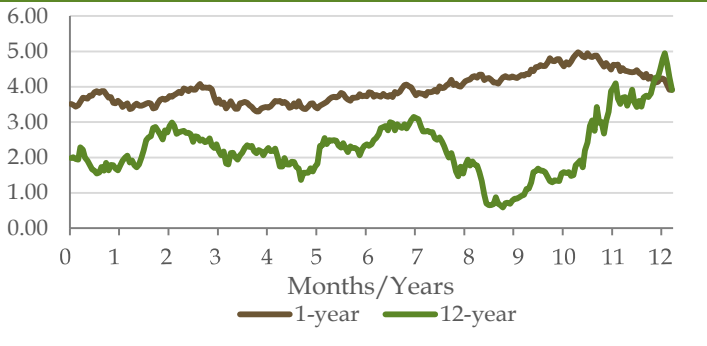
S&P 500



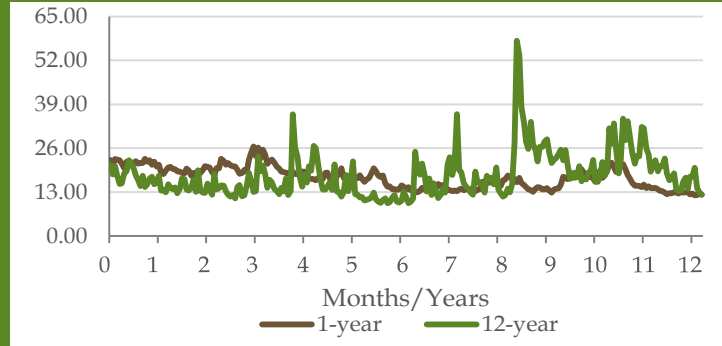
Dow Jones Industrial Average



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

This is the last Partner column of the year – wow, 2023 has gone quickly and so much has happened.

In the beginning of the year COVID was still an active component of our daily lives and impacting our business.

The economy looks as if a soft landing is in process.

The retail sector is going through a consolidation with the Kroger/Albertson merger and spinoff to C&S.

Farm profitability has been good, but application rates are expected to slow in the spring, which will have economic reverberations throughout the sector.

Frozen food consumption continues to increase.

Things could be much worse and much better...but we are where we are, so we need to keep moving forward. Flexibility, nimbleness, and leadership are what moves companies and people forward.

Wishing you and those you love flexibility, nimbleness and peace in 2024.

Thank you for reading the Weekly Update

Food For Thought...

Costco Reports Earnings. Costco Wholesale reported its fiscal first quarter earnings this past week. The company's total revenue reached \$57.8 billion, aligning with projections from Wall Street. Same-store sales increased by 3.8%, matching the growth seen in the previous quarter.

Costco finished the quarter with a profit of \$1.59 billion, up nearly \$250 million from the same period a year ago. Additionally, Costco announced a special dividend of \$15 per share, totaling \$6.7 billion distributed to shareholders.

The company benefitted from over 72 million new family subscriptions in the quarter. Analysts are also expecting a positive financial impact from a nearing membership fee hike indicated by Costco management.

Costco is expected to continue growing in the new quarter based on strong renewal rates, new sign-ups, customer loyalty, and an influx in consumer holiday spending.

H5N1 Spreading Rapidly. Highly pathogenic avian influenza (H5N1) is on the rise in several states. In Stanislaus County, California, two broiler operations—one housing 239,900 birds and the other with 254,400 birds—have identified confirmed cases. A third broiler operation in the same county was listed on the USDA's website on Friday, although the exact number of affected birds had not yet been reported. Additionally, in Sonoma County, a commercial egg-laying operation with 270,000 birds is currently undergoing depopulation due to the presence of the virus.

Several other states have also reported the presence of the virus in their commercial operations. Egg producer Cal-Maine Foods announced on Tuesday that it had ceased production at a Kansas facility after detecting an outbreak of bird flu. This incident impacted around 684,000 laying hens, constituting about 1.6% of the company's total flock. Concurrently, CPG company Post Holdings, reported last week that its flocks tested positive for the virus at third-party facilities in Iowa and Ohio, which are utilized by food service products provider Michael Foods. Approximately 4.2 million egg-laying hens, or roughly 10% of Post's controlled supply of owned and contracted birds, were affected by this outbreak.

The impacts of the virus have been felt far and wide; according to the latest figures from the USDA's Animal and Plant Health Inspection Service, the total number of affected birds in the ongoing 2022-2023 U.S. outbreak has now surged to 69.5 million.

Grubhub Reveals 2023 Food Trends. The 2023 Delivered Report from Grubhub, unveiled on Tuesday, offers insight into the eating and drinking preferences of Americans based on their orders through the platform.

Grubhub's data highlights a substantial increase in customer demand for spicy options, with popular choices like Sriracha added to orders over 91,000 times, and a significant 53 million items ordered with added spice. The rising popularity of condiments such as chipotle sauce and jalapeno cream sauce is evident in customer preferences.

Consumers are shifting their caffeination habits, opting for caffeinated beverages later in the day. Grubhub's data reveals that over 10 million coffee orders were made after 5 p.m. this year, with top preferences including iced coffee, caramel frappe, mocha frappe, cappuccino, and regular hot coffee. Diet Coke emerged as the most ordered workplace refreshment, experiencing a 17% increase in in-office orders during the year.

Pickle orders surged to over 6.9 million, marking an 89% increase from 2022—the most substantial growth for any individual item. Customers incorporated pickles into various dishes, including sandwiches, burgers, and even deep-fried as standalone items.

China Overtakes The U.S. as Branded Coffee Shop Capital. The global surge in branded coffee chains originates from the inception of a single Starbucks in Seattle's Pike Place market in 1971. However, China, more commonly known for its tea, now exceeds the U.S. in number of branded coffee shops. According to research by World Coffee Portal, China witnessed a 58% increase in branded coffee shops over the past 12 months, reaching a record 49,691 outlets—surpassing the 40,062 in the U.S. by over 9,000. This represents a significant shift, considering the U.S. had held the title of the world's largest coffee shop market for the entire two-decade history of the research.

This shift can be attributed in part to the rapid expansion of local chains, particularly Luckin Coffee and Cotti Coffee, which added 5,059 and 6,004 stores, respectively, in the past year. Luckin Coffee, a relatively young company established just six years ago, now operates 13,273 stores in China, making it the largest operator in the country. In comparison, Starbucks, which entered the Chinese market in 1999, opened 785 stores in 2023, bringing its total in the country to 6,806.

Heard on the Street...

Performance Food Group Expanding Massachusetts Facility.

Performance Food Group is set to invest \$31 million in expanding its facility in Springfield, Massachusetts. The project will add 117,000 square feet to the existing facility and aims to create 350 full-time jobs, supplementing its current workforce of 560.

The \$31 million project is still in the permitting stage. Company owners have applied for a tax incentive, which was endorsed by the City Council's Committee on Planning and Economic Development. The Tax Increment Financing (TIF), which will save the company about 53% of its tax bill over the duration of the deal, will only be for the new addition. The company will continue paying the same taxes on its existing building and property. Mayor Sarno expressed gratitude to various officials for their efforts in facilitating the project and emphasized the contribution to economic growth, job creation, and the overall positive impact on the city's development landscape.

Performance Food Group (PFG) is a prominent food and food-related products distributor headquartered in Richmond, Virginia. The company operates with over 35,000 associates nationwide and plays a crucial role in meeting the needs of its expanding customer base, particularly local restaurants, colleges, and universities in the Northeast.

Campbell Soup Sees Decline in Soup Sales. Campbell Soup recently reported results for Q1 2024, showing sales of the Goldfish cracker brand increased by 5%, and the Lance cracker brand experienced substantial growth of 15%. However, despite these positive outcomes, Campbell Soup Co. faced an overall 2% decline in sales, primarily attributable to a 5% decrease in soup sales.

The Snacks segment of Campbell reported net sales of \$1.11 billion, a 1% decrease from \$1.12 billion in the same quarter last year. However, when accounting for the divestiture of the Emerald nuts business, organic net sales were up 1%. The growth in sales was driven by heightened demand for crackers, particularly Lance sandwich crackers and Goldfish crackers. Despite these positive aspects, there were partial offsets due to declines in sales of third-party partner brands. Additionally, a 5% increase in net price realization was counteracted by a 4% decline in volume/mix.

Net sales of soup declined from \$893 million to \$860 million, primarily driven by reductions in condensed soups and ready-to-serve soups. However, this decrease was partially offset by an uptick in broth sales.

The company anticipates finalizing the acquisition of Sovos Brands, Inc. in the calendar year 2024, despite the Federal Trade Commission's second request for information on the proposed transaction in October.

Amazon Test Grocery Subscription. Amazon is currently conducting a trial of a grocery subscription service designed for Prime members in three select cities. For a monthly fee of \$9.99, Prime members will receive unlimited grocery delivery for orders exceeding \$35 from both Amazon Fresh and Whole Foods Market. Additionally, they will have access to limitless 30-minute store pickup. The initiative is currently undergoing trials in Columbus, Ohio; Sacramento, California; and Denver, Colorado. Amazon has not provided information regarding the potential expansion of the program to additional markets or a specific timeline for such expansion.

The trial initiative is part of several adjustments Amazon has implemented in its grocery delivery services this past year. Last month, the company extended its grocery delivery and complimentary pickup service to all customers, regardless of Prime membership. Initially launched as a pilot project in 12 cities earlier this year, the program is now accessible nationwide; making it probable that their new grocery subscription service will expand as well. Additionally, in August, Amazon broadened the availability of nationwide delivery for Whole Foods 365 private-label products.

ADM Invests in Brazil. Archer Daniels Midland (ADM), has recently embarked on a series of investments in Brazil, which are projected to increase the company's crush capacity at three oilseed processing facilities by a combined 400,000 tonnes.

Luciano Botelho, the president of ADM's South American oilseeds business, highlighted the increasing demand in export markets in Brazil. He emphasized that the facilities are strategically located and well-positioned to meet this demand and will keep ADM at the forefront of crushing in Brazil.

ADM has also recently acquired a controlling stake in Buckminster Química, a refined glycerin producer based in Macatuba, São Paulo as a part of the company's commitment to offering sustainably-sourced products. Buckminster Química operates a single manufacturing facility primarily focused on producing distilled vegetable glycerin. Bio-based refined glycerin has numerous applications in industrial and consumer products making the acquisition beneficial for meeting increased demand across various sectors.

Dashboard

Sector	Outlook		Sector	Outlook	
	6-month	3-year		6-month	3-year
INPUTS			Holidays		
w/ Producers expect weaker demand for 2024 season as crop prices have fallen s/ Syngenta targeting 2024 IPO, looking to fund organic growth while paying down debt s/ U.S. drought coverage shrinks from 31.4% to 30.3%, easing grower concerns over water availability w/ Seven new ammonia plants are in construction in the gulf region, looking to capitalize on global export markets Prediction: Expect increased spending in seed genetics as population continues to grow, yet arable land is fixed	↓	↔	The average American sees a 100% increase in their alcohol consumption between Thanksgiving and New Years According to the National Christmas Tree Association, 25 to 30 million real Christmas trees are sold every year in the U.S. New Years Eve is the biggest day of the year for liquor sales Holiday spending has increased from \$876 per person in 2022 to \$975 in 2023 Prediction: Clark Griswold gets his bonus		
AG EQUIPMENT			CANDY & NUT		
w/ Channel inventory remains elevated with 30% of dealers saying they can fill over 81-100% of orders with inventory on hand w/ In response to right-to-repair legislation and litigation, John Deere announced enhanced self-repair software w/ Farm capital investment sentiment ticked up 7 points to 42 in November as producers saw lower equipment pricing from dealers s/w/ Despite an earnings beat, John Deere shares traded lower due to muted FY24 expectations Prediction: Demand for ag equipment falls as interest rates remain elevated	↓	↑	s/ Sugar futures plummeted in Q4, decreasing input prices for candy s/ Study shows tree nuts increase metabolic health in young adults s/ Brazil posts better than expected sugarcane outlook, increasing supply expectations for 2024 s/ Texas peanut production rises despite extensive drought Prediction: Sugar futures continue to fall back towards historical averages	↑	↑
AGRIBUSINESS			DAIRY		
s/ North Dakota's first soybean processing plant opened last month showing crop shifts and high demand for renewable diesel s/ With harvest complete, USDA estimates 2023 corn yield to be 174.9 bushels per acre and soybean yield of 49.9 bushels per acre s/w/ Ongoing drought in northern Brazil led some farmers to replant soybeans multiple times; some areas running out of seed w/ U.S. farm exports estimated down 5% in 2024 to \$169.5B while imports rise to \$200B creating a record ag trade deficit Prediction: Strong El Niño causes warm/dry conditions in key Midwest growing regions; drought regions expand in winter/spring	↔	↑	s/ A new bill could allow public schools to serve 2% and whole milk, which were banned in 2012 during the Michelle Obama-era s/ Processors report that cheese demand is steady, and both production and inventory are strong w/ FrieslandCampina announced they will be cutting upwards of 1,800 jobs worldwide citing weak financial results in 2023 s/w/ CME spot butter has come down to \$2.67/lb. after breaking all time highs at \$3.40+/lb. in September Prediction: Dairy cow stock will recover and with an extra milking day thanks to the leap year, overall dairy output will increase	↑	↔
DIVERSIFIED FOODS			WHOLESALE, FOOD SERVICE & DISTRIBUTION		
s/ Sales of frozen foods (led by frozen meals) outpaced overall grocery as shoppers focus on convenience, variety, and value s/ Mintel identified 'company transparency', 'healthy aging', and 'convenience' as its top food and drink trends for 2024 s/ Kraft Heinz launches first plant-based version of its famous KRAFT Mac & Cheese w/ Study found consumers on new weight loss drugs slowed spending in bakery, snacks, and prepared foods by 10-20% Prediction: Center of the store categories see volume increases as economy slows and new flavors attract consumers	↑	↔	s/w/ Pricing of moving goods is falling as volume falls. Truck and ocean freighters are all at pre-Covid levels s/ McDonalds now generates more delivery sales than Domino's w/ Restaurants seeing less alcohol consumption this fall in a belt-tightening move s/ Innovation is reducing the needed number of employees - Sweetgreen opens all automated kitchen in California s/ Reduction in gas pricing has helped all distribution costs	↓	↔
ALTERNATIVE FUELS			TRADITIONAL RETAIL		
s/ Wind & Solar power is projected to eclipse coal-fired electricity in 2024, according to U.S. Energy Information Admin. s/ United Nations Climate Change Conference representatives commit to achieving net zero emissions by 2050 s/ The Biden administration has committed to producing 3 billion gallons of sustainable aviation fuel annually by 2030 w/ U.S. Appeals court rejects Biden's refusal of hardship waivers for small refiner Prediction: Renewed interest in nuclear energy sparks discussion on new reactors in U.S.	↑	↑↑	s/w/ FTC to provide ruling on Kroger/Albertsons merger by January 17th w/ Price sensitive consumers increase food purchases at mass merchandisers over retail grocers s/ Retailers have begun building inventory levels to support the holiday season w/ Thanksgiving sales data underwhelms with total dollars spent and volume down year over year Prediction: Expect multiple grocery acquisitions following Kroger/Albertsons decision	↑	↑
FRUIT & VEGETABLE			NON-TRADITIONAL RETAIL		
s/w/ Florida crop season takes center stage s/ USDA predicts record turnaround in Florida citrus production following discovery of solution to citrus greening w/ Cantaloupe products recalled following confirmation of 359 cantaloupe-related salmonella cases including 8 deaths w/ Christmas & New Years holidays not known for driving fruit or vegetable consumption Prediction: Texas football wins national championship on January 8th	↑	↑	s/ Casey's has announced that its plan to add 350 stores to its network by 2026 is ahead of plan by about 40 stores w/ Executives continue to reference shrink as a margin headwind despite data suggesting it is actually down YoY, outside of NYC s/ Target stock increased nearly 20% upon a very strong earnings and revenue beat s/ Elon Musk has jumped into the C-store fray with the opening of Boring Bodega in Austin, TX Prediction: Non-traditional retail continues to gain share from traditional	↑	↑↑
PROTEIN			BIG PICTURE INDUSTRY DRIVERS		
w/ Over 8 million birds were lost to HPAI in November - the worst month since April 2022. December is on pace to be even worse w/ Smithfield foods, the largest U.S. pork processor, said it will end contracts with 26 hog farmers citing oversupply w/ Rabobank anticipates a 4.5% contraction in beef production and a 3% decrease in U.S. beef consumption in 2024 w/ Retail beef prices have remained above \$8.00/lb. Cattle supply is at its lowest in decades s/ Tyson recently opened a \$300 million facility in Virginia with expected production of four million pounds of fully cooked poultry Prediction: Protein prices remain elevated with short supply and weak demand. Subsiding inflation on food prices could bring relief	↓	↔	End of year holidays driving food and beverage consumption Deflation Potential rate cuts Full employment How long does El Niño last Immigration policy addressing employment issues 2024 election cycle Change in consumer palate (See Pg. 7) Consumer sentiment on economy HPAI impact		

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

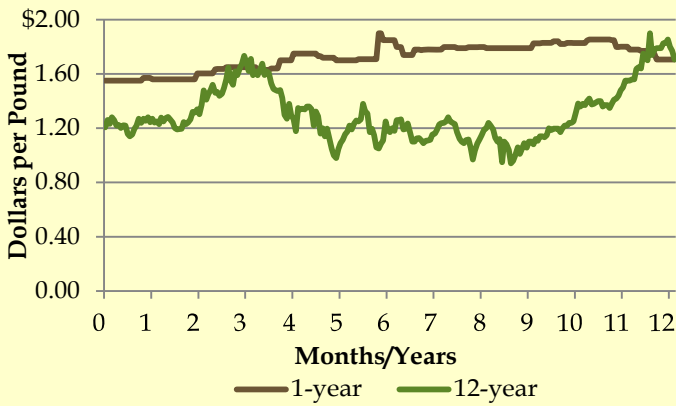
Soybeans



Sugar



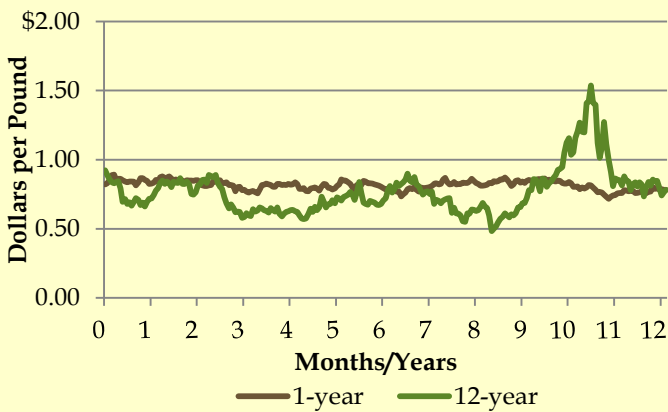
Cattle



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.