



LAKE SHORE

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



Weekly Update

Monday, May 20th, 2024

U.S. Stocks Set Record Highs as Inflation Comes in Below Expectations.

Last week, the NASDAQ, S&P 500, and Dow Jones all set record highs on the back of lower-than-expected inflation data. Last Wednesday's inflation report showed that consumer prices had risen 0.3% over the previous month and 3.4% over the same month the prior year. Government bond yields fell sharply on the report as it lifted investor sentiment around potential rate cuts.

The **Dow Jones Industrial Average** was up 1.2% this week, finishing at 40,004.

The **S&P 500** increased 1.5% on the week, finishing at 5,303.

The **NASDAQ Composite** grew 2.1% this week, finishing at 16,686.

Yield on the **10-year Treasury** declined eight basis points during the week, ending at 4.42%.

Crude oil rose 2.2% during the week, ending at \$79.58 per barrel.

Corn decreased 3.7% on the week, ending at \$4.53 per bushel.

NASDAQ Highs: The Cheesecake Factory Incorporated, The Chefs' Warehouse, Inc., Costco Wholesale Corporation, Freshpet, Inc., Pilgrim's Pride Corporation, Seneca Foods Corporation, Sprouts Farmers Market, Inc., Village Super Market, Inc. **Lows:** Green Plains Inc., Jack in the Box Inc., Rocky Mountain Chocolate Factory, Inc., S&W Seed Company

NYSE Highs: Brinker International, Inc., The Coca-Cola Company, Ingredion Incorporated, Natural Grocers by Vitamin Cottage, Inc., US Foods Holding Corp., Walmart Inc **Lows:** None

Featured Stocks of the Week:

Archer-Daniels-Midland (NYSE: ADM) 10-Year History



Walmart Inc. (NYSE: WMT) 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 5/17/24	Price Compared to 5/10/24	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM EBITDA
			High	Low	2023	2022		Revenue	EBITDA	
Dow Jones Industrial Average	40,004	1.2%	40,004	32,418	6.1%	20.7%	NA			
S&P 500	5,303	1.5%	5,308	4,115	11.2%	38.1%	21.4			
NASDAQ Composite Index	16,686	2.1%	16,742	12,484	11.2%	59.4%	NA			
Russell 3000 Index	3,032	1.5%	3,037	2,351	10.3%	36.8%	NA			
Sector Average:					9.7%	38.7%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$11.37	1.6%	\$13.27	\$9.96	(8.9%)	(8.7%)	NM	18.10x	32.5x	12.0x
Gladstone Land Corporation	13.43	0.3%	17.48	12.31	(7.1%)	(26.8%)	NM	11.57x	14.5	8.6
Limoneira Company	21.54	1.5%	22.00	13.88	4.4%	76.4%	144.3	2.56x	NM	NM
Sector Average:					(3.8%)	13.6%	144.3	10.74x	23.5	10.3
INPUTS										
American Vanguard Corporation	\$9.10	(0.4%)	\$18.38	\$8.41	(17.0%)	(58.1%)	16.3x	0.77x	7.9x	3.7x
* BASF SE	48.88	0.1%	54.93	40.25	0.2%	5.4%	11.8x	0.98x	9.8x	3.5x
* Bayer Aktiengesellschaft	28.58	(1.3%)	54.95	24.96	(15.0%)	(40.9%)	5.4x	1.48x	6.0x	3.9x
CF Industries Holdings, Inc.	76.22	3.1%	87.90	60.08	(4.1%)	(10.5%)	13.2x	2.94x	6.4x	1.1x
Corteva, Inc.	56.45	(1.8%)	58.81	43.22	17.8%	(4.0%)	19.0x	2.52x	13.2x	1.4x
FMC Corporation	63.98	(5.3%)	111.95	49.49	1.5%	(48.7%)	14.5x	2.97x	17.0x	6.3x
Intrepid Potash, Inc.	24.88	0.8%	28.30	17.23	4.1%	(13.8%)	NM	1.22x	6.9x	0.1x
The Mosaic Company	30.61	4.0%	42.81	27.83	(14.3%)	(30.2%)	10.9x	1.13x	6.0x	2.0x
* Nutrien Ltd.	78.58	(1.1%)	92.48	64.89	5.3%	(20.5%)	14.7x	1.53x	7.7x	2.6x
S&W Seed Company	0.38	(6.5%)	1.33	0.36	(45.7%)	(74.5%)	NM	1.10x	NM	NM
Zoetis Inc.	174.06	3.0%	201.92	144.80	(11.8%)	18.8%	29.7x	9.65x	23.0x	1.9x
Sector Average:					(7.2%)	(25.2%)	15.0x	1.66x	10.4x	2.7x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$47.09	(0.9%)	\$64.51	\$46.86	(6.8%)	8.6%	7.2x	1.17x	7.6x	4.1x
AGCO Corporation	110.02	(5.2%)	140.46	105.77	(9.4%)	(20.7%)	9.1x	0.69x	4.7x	2.0x
Art's-Way Manufacturing Co., Inc.	1.89	(2.1%)	2.90	1.83	(8.7%)	(2.1%)	NA	0.63x	12.6x	6.0x
* Buhler Industries Inc.	2.17	0.0%	2.79	2.00	(11.1%)	12.4%	NA	0.47x	NM	NM
CNH Industrial N.V.	11.45	(0.6%)	15.74	9.77	(6.0%)	(28.7%)	7.7x	1.66x	11.2x	8.6x
Deere & Company	397.02	(2.7%)	450.00	345.55	(0.7%)	(7.4%)	16.6x	2.94x	11.0x	4.2x
Lindsay Corporation	117.05	(2.2%)	137.31	106.46	(9.4%)	(28.1%)	22.5x	1.98x	10.9x	1.2x
Titan Machinery Inc.	23.83	(0.0%)	35.88	21.44	(17.5%)	(40.0%)	7.4x	0.57x	7.4x	5.1x
Sector Average:					(8.7%)	(13.2%)	11.7x	1.26x	9.3x	4.4x
AGRIBUSINESS										
The Andersons, Inc.	\$51.47	(3.6%)	\$61.46	\$38.16	(10.5%)	47.1%	17.8x	0.17x	5.9x	1.6x
Archer-Daniels-Midland Company	61.62	(2.2%)	87.30	50.72	(14.7%)	(33.6%)	11.2x	0.45x	7.3x	2.2x
Bunge Global SA	103.09	(2.8%)	116.59	86.10	2.1%	3.3%	11.4x	0.32x	4.0x	1.3x
Ingredion Incorporated	119.63	(0.5%)	122.18	89.54	10.2%	22.2%	11.8x	1.18x	7.8x	1.6x
MGP Ingredients, Inc.	79.65	(4.1%)	124.96	75.78	(19.2%)	(25.1%)	12.5x	2.53x	10.4x	1.6x
* Olam Group Limited	9300.00	5.7%	17800.00	7800.00	(12.3%)	13.4%	NA	1.01x	18.0x	12.1x
Sector Average:					(7.4%)	4.5%	12.9x	0.94x	8.9x	3.4x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$9.40	17.4%	\$15.15	\$7.20	(10.5%)	(15.7%)	10.9x	1.38x	8.7x	6.5x
Campbell Soup Company	46.46	1.1%	53.10	37.94	7.5%	(18.1%)	14.9x	2.00x	8.8x	2.3x
Conagra Brands, Inc.	30.73	(1.3%)	36.09	25.16	7.2%	(20.6%)	11.5x	1.93x	9.6x	3.9x
General Mills, Inc.	71.24	0.8%	88.56	60.33	9.4%	(15.0%)	15.5x	2.60x	11.5x	2.8x
The Hain Celestial Group, Inc.	7.38	5.0%	13.79	5.69	(32.6%)	(54.4%)	18.0x	0.84x	9.5x	5.5x
The J. M. Smucker Company	115.21	(0.1%)	156.03	107.33	(8.8%)	(27.3%)	11.6x	2.55x	10.9x	4.6x
Kellanova	61.56	(0.5%)	69.61	47.63	10.1%	(13.6%)	16.8x	2.13x	13.9x	3.4x
The Kraft Heinz Company	36.00	(0.7%)	39.34	30.68	(2.7%)	(11.6%)	11.8x	2.36x	8.6x	2.8x
Lancaster Colony Corporation	191.51	(3.1%)	215.31	158.88	15.1%	(2.9%)	28.0x	2.73x	18.3x	0.0x
Mondelez International, Inc.	71.23	0.0%	77.57	60.75	(1.7%)	6.9%	19.9x	3.15x	11.9x	2.1x
* Nestlé S.A.	96.62	1.5%	114.24	89.52	(0.9%)	(9.8%)	18.8x	3.25x	15.2x	2.9x
* Nomad Foods Limited	18.15	(4.9%)	20.05	13.56	7.1%	5.3%	9.0x	1.47x	9.3x	4.4x
Post Holdings, Inc.	106.22	(0.6%)	108.17	78.85	20.6%	17.7%	18.3x	1.61x	9.6x	4.9x
The Simply Good Foods Company	37.53	(0.5%)	43.00	30.00	(5.2%)	(1.3%)	19.9x	3.08x	15.8x	1.1x
SunOpta Inc.	7.54	(5.5%)	10.43	3.82	4.3%	(33.7%)	NA	1.60x	12.6x	4.7x
TreeHouse Foods, Inc.	35.35	2.0%	54.52	33.28	(14.7%)	(28.4%)	13.8x	0.94x	9.0x	4.4x
Unilever PLC	50.42	1.2%	50.48	42.97	15.0%	7.6%	NA	2.63x	13.4x	2.6x
Utz Brands, Inc.	18.06	(1.4%)	20.04	11.17	11.2%	13.9%	24.5x	2.08x	20.2x	5.7x
WK Kellogg Co	20.95	(3.8%)	24.63	9.66	59.4%	NA	13.3x	0.81x	6.3x	1.4x
Sector Average:					1.7%	(11.2%)	16.4x	2.13x	12.1x	3.6x

Company Name	Price 5/17/24	Price Compared to 5/10/24	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM EBITDA
			High	Low	2023	2022		Revenue	EBITDA	
ETHANOL										
Alto Ingredients, Inc.	\$1.74	3.0%	\$4.98	\$1.67	(34.6%)	(39.6%)	NM	0.18x	15.7x	7.9x
Green Plains Inc.	19.16	(4.1%)	36.02	18.42	(24.0%)	(37.2%)	28.4x	0.56x	24.5x	9.9x
REX American Resources Corporation	56.60	(4.3%)	60.79	29.91	19.7%	77.7%	32.0x	0.84x	6.5x	0.1x
Sector Average:					(13.0%)	0.3%	30.2x	0.53x	15.6x	6.0x
FRUIT & VEGETABLE										
Calavo Growers, Inc.	\$27.45	(4.3%)	\$38.97	\$21.42	(6.7%)	(6.6%)	20.5x	0.57x	16.7x	2.1x
Dole plc	12.83	4.2%	14.01	10.55	4.4%	33.0%	10.6x	0.29x	5.4x	3.1x
Fresh Del Monte Produce Inc.	24.31	(0.7%)	28.55	21.41	(7.4%)	(7.2%)	11.7x	0.40x	5.5x	1.9x
Lamb Weston Holdings, Inc.	86.77	1.9%	117.38	77.41	(19.7%)	(2.9%)	14.2x	2.50x	8.8x	2.7x
Mission Produce, Inc.	12.87	5.5%	13.99	8.19	27.6%	10.8%	53.6x	1.16x	12.1x	2.8x
Seneca Foods Corporation	62.29	4.1%	63.37	32.50	18.8%	2.2%	NA	0.75x	9.1x	5.5x
Sector Average:					2.8%	4.9%	22.1x	0.94x	9.6x	3.0x
PROTEIN										
Beyond Meat, Inc.	\$7.19	0.5%	\$19.25	\$5.58	(19.2%)	(41.6%)	NM	4.69x	NM	NM
Cal-Maine Foods, Inc.	58.18	1.6%	64.76	42.25	1.4%	6.9%	14.9x	0.91x	5.4x	NA
Darling Ingredients Inc.	43.43	(6.3%)	71.60	38.97	(12.9%)	(30.6%)	12.5x	1.80x	8.1x	4.4x
Hormel Foods Corporation	36.31	1.9%	41.73	28.51	13.1%	(20.3%)	22.7x	1.83x	11.7x	1.8x
* JBS S.A.	29.19	18.6%	29.28	16.03	17.2%	32.7%	11.3x	0.44x	7.9x	5.3x
Nathan's Famous, Inc.	69.81	4.2%	83.00	61.35	(10.5%)	3.9%	NA	2.44x	9.2x	1.8x
Pilgrim's Pride Corporation	37.36	0.6%	39.00	19.96	35.1%	57.4%	10.8x	0.66x	8.0x	2.5x
Seaboard Corporation	3371.21	5.2%	3942.64	3048.01	(5.6%)	(10.7%)	NA	0.43x	7.3x	4.1x
Tyson Foods, Inc.	60.25	1.0%	62.04	44.94	12.1%	(3.2%)	19.4x	0.57x	10.4x	3.8x
Vital Farms, Inc.	37.64	3.4%	39.25	10.00	139.9%	152.3%	45.6x	2.94x	5.9x	0.1x
Sector Average:					17.1%	14.7%	15.3x	1.34x	8.2x	3.0x
BAKING & INGREDIENTS										
Balchem Corporation	\$155.83	(0.4%)	\$159.52	\$110.74	4.8%	27.6%	35.7x	5.72x	23.8x	1.4x
Flowers Foods, Inc.	24.45	(3.8%)	26.91	19.64	8.6%	(14.9%)	19.7x	1.27x	10.8x	2.2x
* Gruma, S.A.B. de C.V.	325.45	(1.5%)	348.73	257.25	4.6%	24.8%	13.5x	1.29x	8.1x	1.8x
* Grupo Bimbo, S.A.B. de C.V.	71.28	1.9%	95.90	65.78	(17.1%)	(13.5%)	19.7x	1.15x	7.9x	2.7x
J&J Snack Foods Corp.	164.15	0.5%	177.71	133.23	(1.8%)	9.6%	29.9x	2.10x	15.9x	0.9x
* Kerry Group plc	78.80	(1.5%)	96.16	71.08	0.2%	(6.5%)	17.2x	1.90x	13.5x	2.3x
Krispy Kreme, Inc.	12.04	(7.5%)	17.84	11.52	(20.2%)	16.7%	41.2x	2.07x	12.4x	5.1x
McCormick & Company, Incorporated	74.01	(2.8%)	94.39	59.13	8.2%	(10.7%)	25.3x	3.59x	17.7x	3.5x
* Tate & Lyle plc	6.73	(0.2%)	8.17	5.87	2.1%	(5.4%)	12.2x	1.66x	8.8x	2.1x
Sector Average:					(1.2%)	3.1%	23.8x	2.31x	13.2x	2.4x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$10.35	(1.0%)	\$12.78	\$10.02	(5.9%)	(13.2%)	NA	0.36x	6.4x	0.5x
The Hershey Company	207.04	1.1%	267.25	178.82	11.0%	(10.6%)	21.7x	4.12x	14.3x	1.7x
John B. Sanfilippo & Son, Inc.	102.25	0.2%	127.26	90.02	(0.8%)	25.7%	NA	1.20x	10.9x	0.4x
Laird Superfood, Inc.	2.58	(4.1%)	3.48	0.65	183.5%	207.1%	NM	0.49x	NM	NM
Rocky Mountain Chocolate Factory, Inc.	3.19	(8.9%)	5.99	3.08	(30.7%)	(44.0%)	NA	0.73x	NM	NM
Tootsie Roll Industries, Inc.	29.60	(0.9%)	38.12	28.22	(8.3%)	(26.2%)	NA	2.61x	15.0x	0.1x
Sector Average:					24.8%	23.1%	21.7x	1.58x	11.6x	0.7x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$46.03	(1.4%)	\$51.71	\$35.72	(8.1%)	22.9%	20.2x	1.16x	8.8x	3.2x
Freshpet, Inc.	126.65	5.5%	129.19	54.60	46.0%	140.0%	182.9x	7.65x	103.0x	6.8x
Sector Average:					18.9%	81.5%	101.5x	4.41x	8.8x	5.0x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$280.33	(3.7%)	\$395.52	\$264.63	(18.9%)	(14.9%)	26.7x	1.55x	12.6x	0.2x
Brown-Forman Corporation	48.47	(1.3%)	71.27	46.86	(15.1%)	(26.2%)	25.1x	6.07x	19.5x	2.6x
The Coca-Cola Company	63.03	(0.4%)	63.76	51.55	7.0%	(0.9%)	22.1x	6.51x	17.8x	2.9x
Constellation Brands, Inc.	255.43	(2.5%)	274.87	227.50	5.7%	10.2%	18.7x	5.97x	17.5x	3.2x
Crimson Wine Group, Ltd.	5.89	(0.3%)	6.96	5.38	(0.1%)	5.0%	NA	1.57x	22.7x	3.4x
* Diageo plc	28.01	(1.7%)	35.70	26.76	(1.9%)	(23.3%)	18.6x	4.71x	13.4x	3.2x
Monster Beverage Corporation	54.11	(2.4%)	61.23	47.13	(6.1%)	6.6%	29.3x	7.20x	24.4x	0.0x
National Beverage Corp.	46.88	(2.6%)	55.12	43.14	(5.7%)	0.8%	23.7x	3.52x	16.7x	0.2x
PepsiCo, Inc.	182.19	1.3%	192.86	155.83	7.3%	0.8%	21.9x	3.14x	16.2x	2.6x
Starbucks Corporation	77.85	2.3%	107.66	71.80	(18.9%)	(21.5%)	20.7x	3.02x	10.6x	2.5x
Willamette Valley Vineyards, Inc.	4.21	1.4%	6.59	4.00	(21.4%)	(29.4%)	NA	2.30x	23.5x	6.8x
Sector Average:					(6.2%)	(8.4%)	23.0x	4.14x	17.7x	2.5x

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			High	Low	2023	2022		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$59.94	0.7%	\$63.80	\$50.59	2.1%	21.8%	16.6x	1.77x	10.6x	3.6x
Lifeway Foods, Inc.	18.43	(31.5%)	28.61	5.75	37.4%	232.1%	20.7x	1.57x	11.7x	0.1x
* Saputo Inc.	27.76	1.9%	36.38	25.28	3.5%	(17.2%)	15.6x	0.89x	10.5x	2.7x
Sector Average:					14.3%	78.9%	17.6x	1.41x	10.9x	2.1x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$38.92	1.1%	\$39.66	\$17.29	32.2%	16.9%	27.6x	0.68x	10.4x	4.0x
Performance Food Group Company	74.00	4.3%	78.54	52.92	7.0%	26.7%	15.5x	0.30x	10.4x	3.1x
SpartanNash Company	20.91	2.8%	24.51	18.57	(8.9%)	(30.9%)	10.4x	0.16x	5.5x	3.1x
Sysco Corporation	75.91	(0.3%)	82.89	62.24	3.8%	(0.7%)	16.7x	0.65x	12.3x	3.2x
United Natural Foods, Inc.	11.21	11.2%	28.37	8.58	(30.9%)	(71.0%)	43.5x	0.14x	6.0x	5.1x
US Foods Holding Corp.	55.16	0.6%	55.98	35.66	21.5%	62.1%	16.9x	0.51x	12.1x	3.3x
Sector Average:					4.1%	0.5%	21.8x	0.41x	9.5x	3.6x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$79.76	2.2%	\$80.52	\$60.33	19.7%	20.6%	20.3x	0.68x	9.7x	2.1x
Costco Wholesale Corporation	795.81	1.1%	804.56	476.75	20.6%	74.3%	47.8x	1.41x	30.5x	0.8x
Dollar General Corporation	142.13	0.8%	218.11	101.09	4.5%	(42.3%)	19.6x	1.26x	9.0x	3.3x
Dollar Tree, Inc.	117.31	(3.1%)	161.10	102.77	(17.4%)	(17.1%)	17.0x	1.15x	7.3x	2.2x
Grocery Outlet Holding Corp.	22.47	7.6%	36.54	19.73	(16.7%)	(23.0%)	21.9x	0.88x	9.9x	3.9x
Walmart Inc.	64.65	6.9%	64.88	48.34	23.0%	36.8%	26.3x	0.89x	13.5x	1.5x
Sector Average:					5.6%	8.2%	25.5x	1.05x	13.3x	2.3x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$20.62	(0.6%)	\$23.88	\$19.85	(10.3%)	(0.6%)	8.2x	0.33x	5.1x	2.8x
* Ahold Delhaize	29.30	(1.3%)	31.88	25.40	12.6%	9.2%	11.3x	0.47x	6.5x	3.3x
Amazon.com, Inc.	184.70	(1.5%)	191.70	113.78	21.6%	119.9%	38.8x	3.38x	18.2x	1.5x
Ingles Markets, Incorporated	75.92	4.5%	89.59	69.62	(12.1%)	(21.3%)	NA	0.29x	4.8x	1.6x
The Kroger Co.	54.20	(3.0%)	58.34	42.10	18.6%	21.6%	12.2x	0.38x	6.3x	2.1x
Natural Grocers by Vitamin Cottage, Inc.	21.32	9.2%	21.56	10.39	33.3%	133.3%	NA	0.71x	6.3x	2.8x
Sprouts Farmers Market, Inc.	78.57	3.8%	78.81	32.12	63.3%	142.7%	24.7x	1.33x	11.0x	2.0x
* Tesco PLC	3.11	(0.3%)	3.15	2.18	7.0%	38.7%	12.0x	0.46x	7.0x	3.3x
Village Super Market, Inc.	30.63	3.0%	31.00	20.34	16.8%	31.5%	NA	0.32x	4.4x	2.4x
Weis Markets, Inc.	68.53	5.3%	71.42	58.75	7.1%	(16.7%)	NA	0.34x	5.4x	0.6x
Sector Average:					15.8%	45.8%	17.9x	0.80x	7.5x	2.2x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$62.56	6.4%	\$63.80	\$28.23	44.9%	96.1%	14.3x	1.12x	7.3x	3.1x
The Cheesecake Factory Incorporated	38.44	2.1%	41.25	28.58	9.8%	21.2%	11.8x	1.09x	7.7x	3.8x
Cracker Barrel Old Country Store, Inc.	48.98	(13.0%)	116.05	48.18	(36.5%)	(48.3%)	11.9x	0.66x	6.7x	3.5x
Darden Restaurants, Inc.	154.00	3.9%	176.84	133.36	(6.3%)	11.3%	16.5x	2.23x	11.7x	3.2x
Dine Brands Global, Inc.	43.56	(0.5%)	69.05	41.76	(12.3%)	(32.6%)	6.9x	2.57x	9.7x	7.3x
Jack in the Box Inc.	52.85	0.1%	99.56	52.01	(35.3%)	(22.5%)	7.8x	2.58x	7.7x	5.8x
McDonald's Corporation	272.38	(1.0%)	302.39	245.73	(8.1%)	3.4%	22.0x	9.56x	15.9x	3.3x
Papa John's International, Inc.	51.10	(4.2%)	86.38	50.77	(33.0%)	(37.9%)	20.6x	1.24x	9.6x	3.5x
Texas Roadhouse, Inc.	169.64	1.4%	170.76	91.06	38.8%	86.5%	27.5x	2.50x	19.0x	1.3x
The Wendy's Company	18.39	(3.2%)	23.89	17.64	(5.6%)	(18.7%)	18.4x	3.38x	12.2x	6.9x
Yum! Brands, Inc.	141.66	2.9%	143.20	115.53	8.4%	10.6%	24.2x	7.28x	19.3x	4.5x
Sector Average:					(3.2%)	6.3%	16.5x	3.11x	11.5x	4.2x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$3,213.43	(0.8%)	\$3,260.00	\$1,768.64	40.5%	131.6%	55.6x	8.92x	35.7x	1.6x
El Pollo Loco Holdings, Inc.	11.03	5.1%	11.99	8.11	25.1%	10.7%	15.0x	1.29x	7.8x	3.5x
Noodles & Company	2.09	1.0%	3.98	1.11	(33.7%)	(61.9%)	NM	0.78x	5.8x	4.4x
Potbelly Corporation	8.73	(0.9%)	14.36	7.12	(16.2%)	56.7%	32.0x	0.85x	5.1x	2.0x
Shake Shack Inc.	99.16	(4.0%)	111.29	52.79	33.8%	138.8%	127.3x	3.96x	22.2x	3.9x
Wingstop Inc.	386.28	(1.0%)	400.99	150.08	50.5%	180.7%	105.1x	24.07x	79.7x	4.9x
Sector Average:					16.7%	76.1%	67.0x	6.64x	26.0x	3.4x
CANNABIS & CBD										
Canopy Growth Corporation	\$14.81	19.8%	\$26.00	\$3.74	119.1%	(52.8%)	NM	4.84x	NM	NM
Cronos Group Inc.	3.99	5.0%	4.28	2.15	44.0%	16.0%	193.7x	2.89x	NM	NM
Jones Soda Co.	0.39	53.1%	0.44	0.12	167.8%	46.8%	NA	2.08x	NM	NA
The Scotts Miracle-Gro Company	68.19	(0.7%)	77.95	43.67	7.0%	40.3%	20.6x	2.02x	19.7x	6.7x
Tilray Brands, Inc.	1.98	2.6%	3.40	1.50	(13.9%)	(26.4%)	NM	2.47x	132.3x	34.7x
Village Farms International, Inc.	1.26	0.0%	1.62	0.55	65.6%	(6.0%)	NM	0.64x	19.8x	6.5x
Sector Average:					64.9%	3.0%	107.2x	2.49x	57.3x	16.0x

Notes:

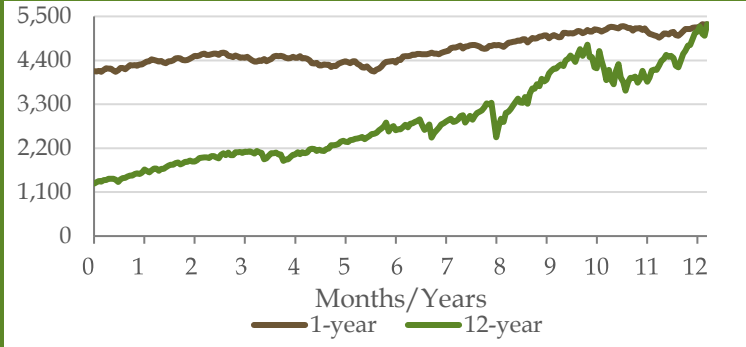
* Denotes local currency.

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



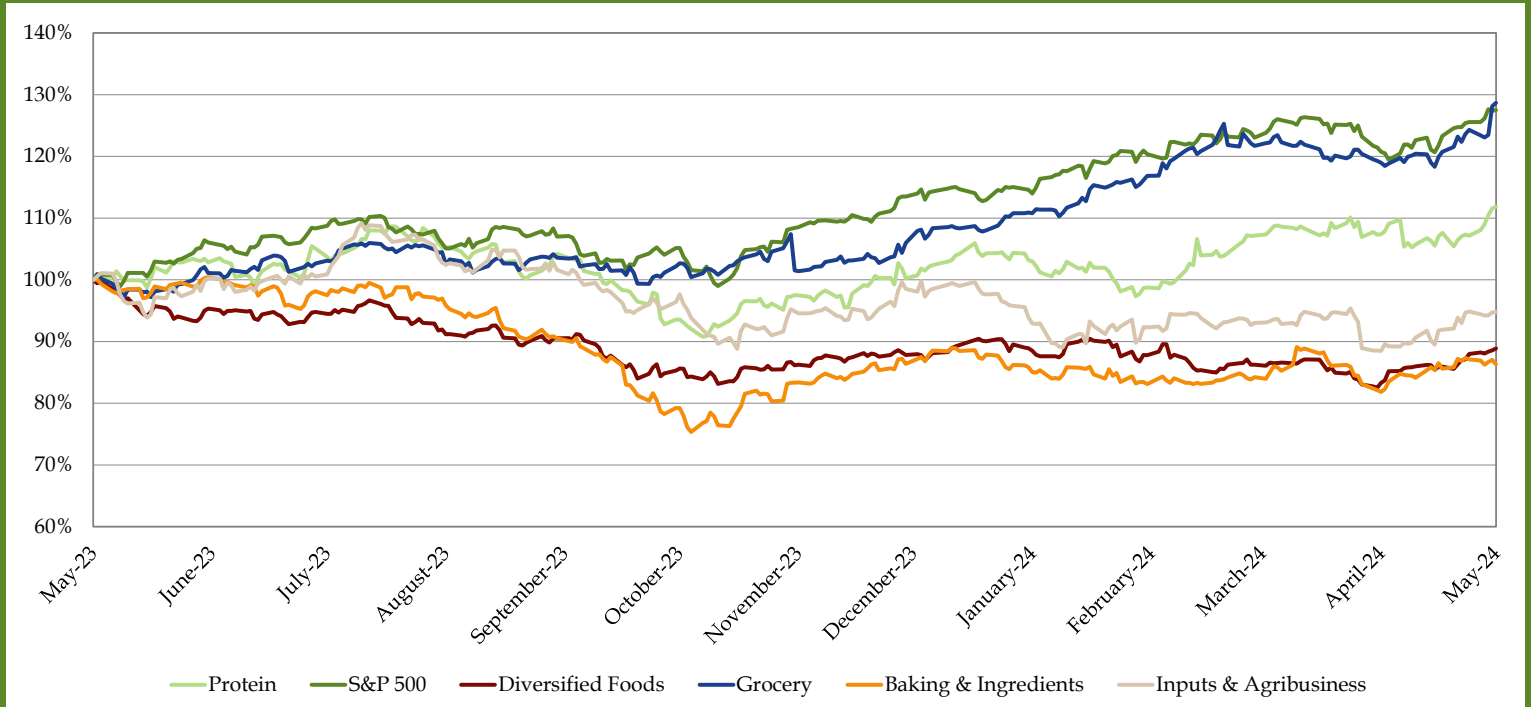
10-year Treasury



CBOE Market Volatility Index - VIX



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



Food For Thought...

Partner Column

Written by Mary Burke

Having enough employees has been a continuous struggle for many in our sectors since Covid, some would even argue prior to Covid. According to former US Federal Reserve Chair Ben Bernanke and former International Monetary Fund Chief Economist Olivier Blanchard, who undertook a research project for the Peterson Institute for International Economics in a joint project with ten central banks, when it comes to landing the plane, employment is the problem. Central bankers in the backstretch of their race to cool inflation still need labor markets to cool. "In most countries, traversing the last mile back to central bank inflation targets will likely require bringing labor markets into better balance by reducing vacancy-unemployment ratios," they wrote.

If their thinking is correct, the sharp rise in U.S. immigration over the past year is likely pushing down wage growth, leveling the continued imbalance between supply and demand in the domestic labor force. Immigration will add a net 3.3 million people to the U.S. in 2024, matching the increase in 2023, according to Congressional Budget Office projections. The two years combined will account for a larger population gain from immigration than in 2015–2021.

To help our economy and businesses that need employees, the question is, how do we put all these people to work. The work needs to be done and current employment aged people do not want to do the work. This is a fixable problem.

China sold a record amount of Treasury and U.S. agency bonds in the first quarter of 2024, potentially highlighting the Asian nation's desire to diversify away from American assets. Beijing offloaded a total of \$53.3 billion of both bonds in the first quarter. Belgium, often seen as a custodian of China's holdings, disposed of \$22.0 billion of Treasuries during the period. China's investments in the U.S. are garnering renewed investor attention given that, no matter who wins the election in November, things are not looking up for U.S.-China relations. President Joe Biden just unveiled sweeping tariff hikes on a range of Chinese imports while Donald Trump, who launched a trade war against China when he was in office, threatened to impose a levy of more than 60% on Chinese goods if he is returned to the White House. Some writers are commenting that a new cold war has begun – this time between the U.S. and China.

Some food for thought.

Have a Good Week!

Organic Foods See Their Best Year on Record. The U.S. certified organic market had a record amount of revenue of \$69.7 billion in 2023, according to the Organic Trade Association (OTA). Pricing actions led to a year-over-year sales increase of 3.4%, with many product prices increasing at a slower rate than their non-organic counterparts.

Tom Chapman, Co-CEO of the OTA, noted how encouraging it was to see that organic food sales grew at the same rate as the total market. Since organic foods are considered a premium good, it would not have been unlikely for the sector to have a worse year than the general market given the high inflationary conditions that were seen in 2023. This demonstrates how the organic sector is a maturing sector and consumers are demonstrating loyalty to organic foods.

The backbone of the certified organic market continues to be produce. In 2023, organic produce sales were \$20.5 billion, which represents an increase of 2.6% from the previous year. This number represents 15% of the total fruit and vegetable sales in the U.S. The grocery segment of organic foods also saw a substantial increase of 4.1% to \$15.4 billion. Grocery is the most wide-ranging category of organic foods, and includes products such as breads, frozen goods, and condiments. The third largest category was beverages. Within beverages, functional beverages stood out. These are products that involve formulations focused on enhanced hydration and sharpened mental focus.

Walmart's Spot as Top Retailer Under Pressure. With 2023 revenue adding up to \$648 billion, Walmart has claimed the spot of America's top retailer for over a decade now. It faces serious pressure from Amazon, who has sales growth that is double that of Walmart. The company is looking for new ways to propel growth and cut back on expenses.

Walmart is undergoing a corporate restructuring to help improve efficiency and profitability. The company recently announced that they would be cutting hundreds of corporate jobs as well as relocating many workers. Walmart is asking employees from cities such as Atlanta and Toronto to move to larger, more central hubs such as their Bentonville, Arkansas corporate headquarters or Northern California. The company's Chief People Officer said being in person improves company culture and promotes employee development. Walmart also announced that they will be shutting down all their health clinics in another cost-saving effort.

In order to grow, Walmart is trying to really focus on their customer growth. They have been growing the product

offerings on their website and ramping up eCommerce, a space dominated by Amazon. They are introducing a more premium product line in an attempt to attract high-income consumers. Walmart's research has shown them that the convenience aspect of their stores really stands out to consumers, so they have been constantly improving their online delivery and pickup.

Walmart has begun to see the fruition of some of the actions, seeing sales growth and strong market share capture. Their stock is up 1% in 2024.

Quarterly Earnings Reports. In the past week Walmart, Dole plc, S&W Seed Company, and Lifeway Foods, amongst others, released quarterly earnings, allowing us to get a peek into the current dynamics of the food and agribusiness industry.

Walmart had a robust consolidated revenue of \$161.5 billion. This year-over-year increase of 6% can be attributed, in part, to the company's 21% growth in eCommerce sales and significant gains in its global advertising business. Additionally, operating income rose by 9.6% to \$6.8 billion, aided by improvements in gross margins and growth in membership income. Walmart continues to invest in digital in an effort to compete with Amazon's growing market share.

Dole showed revenue up 2.7% from last year to €1.9 billion. The company achieved a gross profit of €193 million, a slight decline from the period before. The company continued to report its Fresh Vegetables division as a discontinued business despite canceling its sale to Fresh Express.

Lifeway Food reported a strong first quarter in FY2024 with record net sales of \$44.6 million, a 17.8% increase from the previous year. Driven by its flagship product, Lifeway Kefir, the company posted its 18th consecutive quarter of year-over-year growth. These results tell an encouraging story as consumers continue to purchase increasing amounts of better-for-you beverages and lactose-free alternatives.

Finally, the publicly traded multi-crop agriculture firm, S&W Seed Company, experienced modest revenue growth of 3.7% year-over-year in Q3 FY2024. Improvement was further boosted by a notable increase in profit margin, now sitting at 27.4%. However, it's not all blue skies. In contrast to the previous year's net income as well as its recognized high value gain, the business faced a net loss of \$5.5 million over the period. S&W's continued growth demonstrates the demand for improved seed genetics across all crop types.

Heard on the Street...

Kraft-Heinz Exploring Sale of Oscar Mayer. Kraft Heinz, the owner of prominent brands such as Capri-Sun, Grey Poupon, Kool-Aid, Lunchables, Miracle Whip, and Heinz Ketchup, is looking into the possibility of selling Oscar Mayer. Sources familiar believe the famed maker of hot dogs, cold cuts, and bacon could be sold to another food-industry party or private equity firm for between three and five billion dollars.

Recently appointed Chief Executive Officer of Kraft Heinz, Carlos Abrams-Rivera, seems to be working to make good on the company's anticipated heightened focus on health and nutrition as well as a return to "historical activity" of sales volume levels by the back-half of 2024. This forecast was announced prior to reporting first-quarter net income down 3.4% year-on-year and operating income up 1.7%.

It's still certainly possible that Oscar Mayer's owner will choose not to make a sale. Even since news of the potential sale hit the press, Kraft Heinz stock has remained at about the same price point as it had been for the past two weeks. The disappointment of the market in the business' most recent quarterly earnings report is both apparent and stuck in the minds of investors.

Circumstances suggest that it might take more than cutting the levels of sodium and sugar in its product to rebound. However, certain historical value cuts of the company's assets (of which those to Oscar Mayer's product lines were significant) suggest that the transaction may be a step in the right direction toward boosting the company's relatively static stock.

Cargill Sells California Beef Plant to State's Largest Processor. Cargill, a Minnesota-based global food processor, has sold off a beef processing plant in Fresno, California to Central Valley Meat for an undisclosed amount.

Central Valley Meat is a full line beef harvesting operation and the largest player in California's beef industry, having solidified that position after the 2019 acquisition of Harris Farms. The company's facilities, which include the state's largest feedlot and over 1,500 head per day of processing capacity, are in the Fresno area.

This sale is not even a month after Cargill sold off eight Midwest Grain facilities. While none of the pursuant "Worker Adjustment and Retraining Notification" filings have been made, recent statements made by the company suggest that mass layoffs are soon to come.

The transaction has the potential to both enhance Central Valley Meat's processing capabilities and stabilize beef supply prices

in the region. Such shifts are likely to be closely monitored by investors and stakeholders who are aware of the impact these consolidations can have on pricing strategies and market dynamics. Furthermore, this sale highlights a trend where large agribusinesses are divesting from assets that are either underperforming or misaligned with their strategic objectives. For Cargill and firms like it, the reevaluation of asset portfolios is indicative of a company's capability to execute the adaptive strategy necessary to be successful in the sector.

Tech Food Startup Raises \$52 Million. Voyage Foods, a promising contender in the burgeoning food tech industry, has successfully raised \$52 million in their most recent funding round. The startup, renowned for its innovative approach to replicating the taste and nutritional value of popular foods using alternative, sustainable ingredients, continues to disrupt the food industry with its forward-thinking solutions. The company's technology focuses on creating healthier equivalents of staple products like peanut butter and chocolate, which are nearly indistinguishable in taste and more accessible to those with allergies.

This raise marks a significant milestone for Voyage Foods as it aims to scale its operations with the help of its exclusive supplier to commercial/B2B customers, Cargill. As Voyage Food progresses, it is poised to play a crucial role in shaping the future of food consumption globally by offering products that are both kind to the planet and accommodating to the dietary needs of the world's population.

Fast Food Giant Buys Back \$1 Billion Worth of Restaurants. Restaurants Brands International (RBI), the parent company of Burger King, has completed its acquisition of Carrols Restaurant Group for \$1.0 billion in an all-cash transaction. This represents a 23.1% share price premium.

Before the acquisition, Carrols was the largest franchisee of Burger Kings. RBI bought Carrols as a part of their new "Reclaim the Flame" campaign. They think this transaction will help them accelerate revenue growth and increase franchisee profitability. Now, RBI will invest over half a billion dollars into remodeling many of the newly purchased Burger Kings. After modernizing much of Carrol's portfolio, RBI plans to rebrand many of the restaurants to smaller or new franchisees.

On May 16th, RBI entered into an agreement to increase their existing \$5.2 billion term loan to nearly \$6 billion to help finance this purchase.

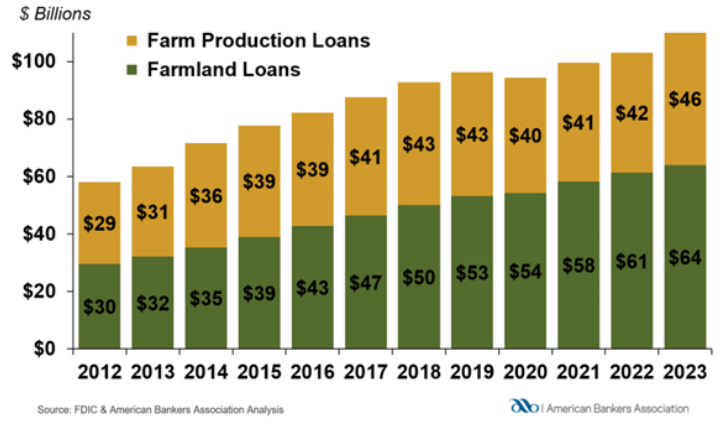
Loans

Agricultural lending by U.S. farm banks increased 6.7% in 2023 to \$110 billion according to the American Bankers Association. Despite the higher cost of borrowing, demand for agricultural loans grew due to elevated production costs, commodity price volatility, and a return to pre-pandemic levels of direct government assistance.

The loans are largely concentrated in the corn belt, \$52.6 billion, and the plains region, \$41.1 billion. Over one-third of the total loans would classify as small or micro loans for farms and ranches, under \$500,000 in initial principal.

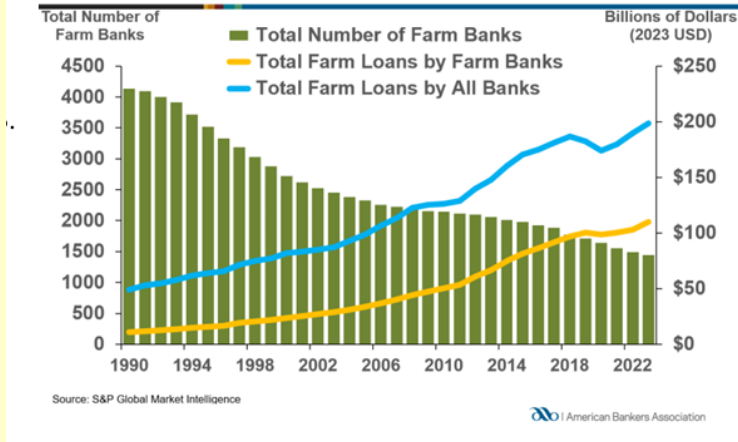
2023 represented a year of adjustments from the headwinds of 2022 which included pandemic related supply chain disruptions, shocks to global supply and demand, and geopolitical uncertainty. Farmers responded by planting more crops in 2023.

Farm Banks Exhibit Solid Farm Loan Growth



As shown in the above, agricultural production loans experienced declined demand in 2021. This was largely a result of pandemic related government assistance that enabled producers to pay down existing debt. The reduction of the assistance helped increase loan demand for producers in 2023.

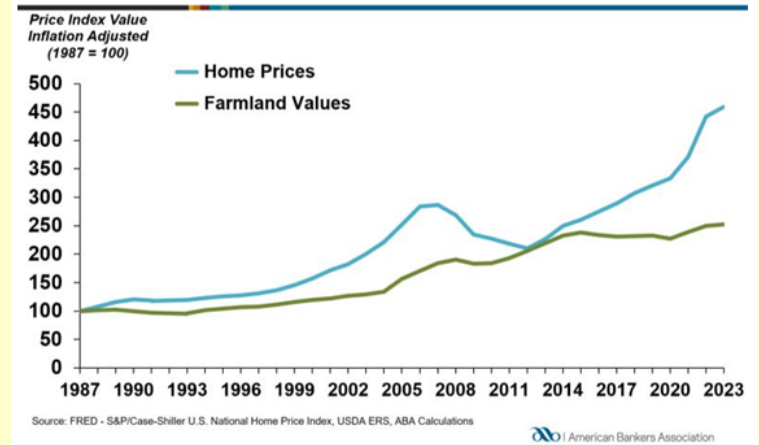
Outstanding Farm Loans Grow Despite Fewer Farm Banks



Despite increases in the total amount of farm loans, the number of U.S. farm banks has been steadily declining (as demonstrated in the above chart). As of year end 2023, there were 1,442 banks that specialized in agricultural lending. Many of these are relatively small with the median size of these banks being \$189 million in assets. Only 86 of the total banks had over \$1 billion in assets.

As mentioned above total agricultural lending by farms banks grew from \$103.1 billion in 2022 to \$110.0 billion in 2023. There was a 4.5% increase in loans that were collateralized by farmland, from \$61.3 billion in 2022 to \$64.1 billion in 2023. Agricultural production loans increased 10.0% to \$45.9 billion in 2023.

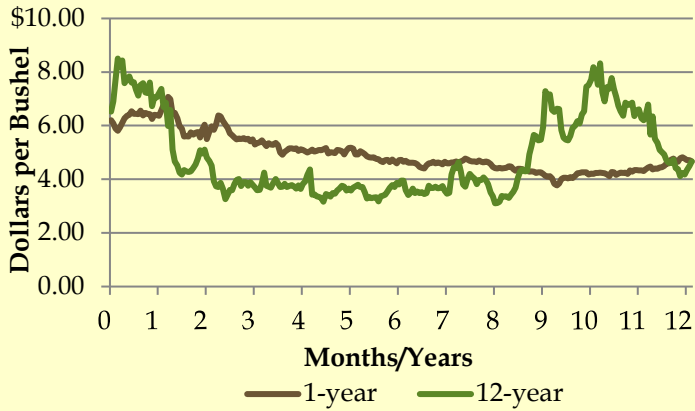
Farmland Values Return to Growth



Despite falling behind home price inflation, farmland values started to see steady signs of growth in 2020 despite years of stagnation. The average value of farmland in the United States was \$4,080 per acre in 2023, up 7.4% from 2022. Gains in land value were most prominent in the Northern Plains, Southern Plains, Lake States, Appalachia, and the Corn Belt. The increase in farmland values has improved farmers' ability to borrow against their assets. Currently approximately 84% of total U.S. farm assets are real estate.

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

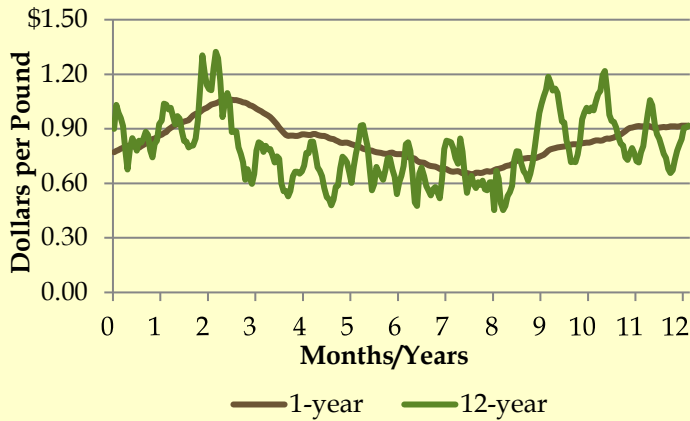
Corn



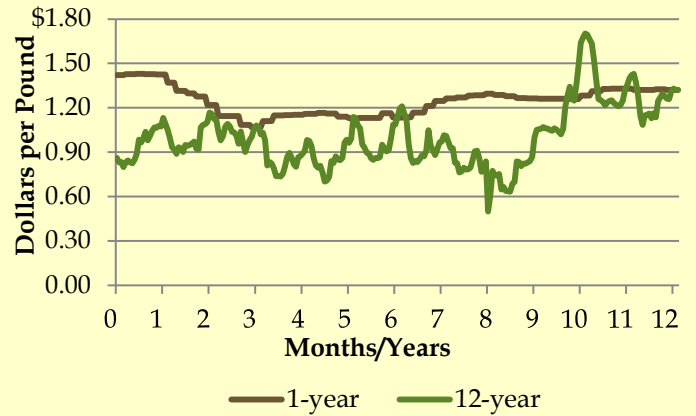
Wheat



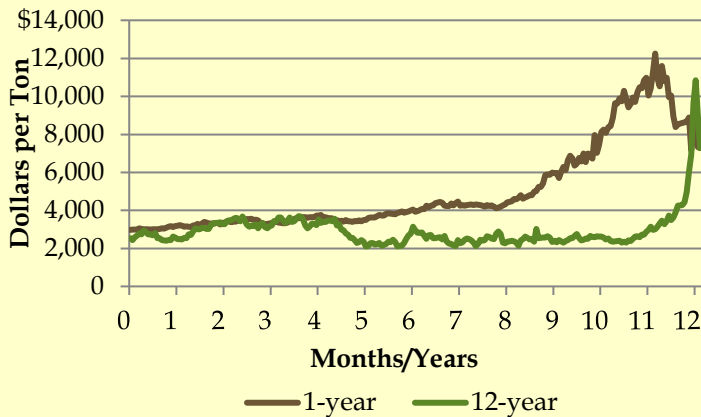
Hogs



Broilers



Cocoa



Gold



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

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

Please send your feedback and comments to Mary Burke at 312.348.7080 or lakeshorefoodadvisors@lakeshorefoodadvisors.com.