



# Bellissimo Foods - Market Update

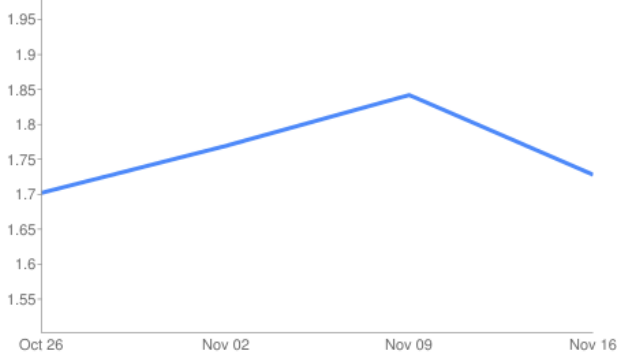
## Week Ended November 17, 2017 Summary

“Market Data from Foodservice.com (www.foodservice.com)”



**BEEF** - Beef production last week fell 2.8% and was .6% less than the same week last year. 2017 to date beef output stands at 3.9% better than the previous year. Cattle slaughter last week was the smallest for any non-holiday week since July. Year-over-year gains in beef production are expected to abate during the winter. Overall beef demand has softened with the recent price increases. Spot beef shipments last week were the smallest for any non-holiday week since May. Further, forward beef sales continue to trend below last year. Beef ribeye and tenderloin prices may still rise during the next few weeks, however, as solid demand continues for those cuts for the holidays.

### Ground Beef

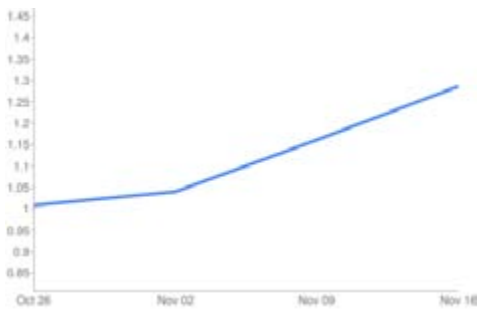


BEEF	Price	LstWk	Diff	Price 16
Ground Beef 81/19	\$1.728	\$1.842	(\$0.1140)	\$1.576
Ground Chuck	\$1.850	\$1.968	(\$0.1180)	\$1.584
116 Chuck (choice)	\$2.962	\$3.083	(\$0.1210)	\$2.686
168 Inside Round (ch.)	\$2.250	\$2.341	(\$0.0910)	\$1.658
184 Top Butt, bnls (ch.)	\$2.693	\$2.479	\$0.2140	\$1.943
193 Flank Steak (choice)	\$4.282	\$4.088	\$0.1940	\$3.666
50% Trimmings	\$0.680	\$0.719	(\$0.0390)	\$0.526
75% Trimmings	\$1.596	\$1.596	-	\$1.419
90% Trimmings	\$2.124	\$2.145	(\$0.0210)	\$1.947



**PORK** - Pork output last week rose 2.2% and was 1.1% larger than the same week a year ago. Year to date weekly pork production is up 2.4% from 2016. Strong year-over-year gains in pork output are anticipated this winter. The USDA is forecasting Q1 2018 pork production to be 4.7% bigger than this year. This could limit any seasonal upside in the pork markets. Pork belly prices have been on the rise as the earlier low markets incited additional demand. But, history suggests that the belly markets could move downward in the near term.

### Belly (bacon)

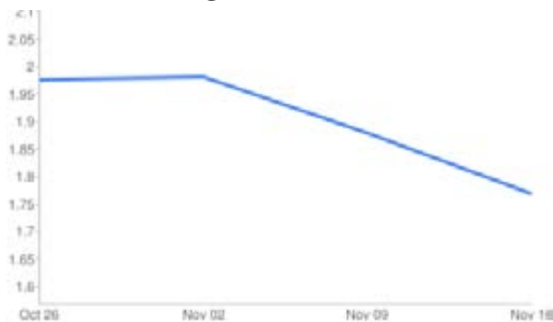


PORK	Price	LstWk	Diff	Price 16
Live Hogs	\$0.439	\$0.460	(\$0.0210)	\$0.305
Belly (bacon)	\$1.286	\$1.161	\$0.1250	\$1.059
Ham (23-27 lb.)	\$0.682	\$0.722	(\$0.0400)	\$0.670
Loin (bone-in)	\$0.720	\$0.756	(\$0.0360)	\$0.672
Tenderloin (1.25 lb.)	\$2.151	\$2.046	\$0.1050	\$2.023
Picnic, untrmd.	\$0.645	\$0.613	\$0.0320	\$0.537
42% Trimmings	\$0.267	\$0.265	\$0.0020	\$0.220



**POULTRY** - For the week ending November 4th, chicken production rose .4% from the prior week and was 4.6% larger than the same week last year. The six-week total for chicken output stands at 2.3% better than 2016. This is despite the average broiler weight tracking .6% lighter. The chicken wing markets have fallen during the last month. However, they are still trading at their most expensive levels for mid-November on record. Chicken wing demand should escalate in January. This could be accompanied with tempered annual chicken output gains. These factors should be supportive of the chicken wing markets during the early winter. A decline in the number of table egg laying hens may be especially supportive of egg prices this holiday season.

### Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 16
Wings (jumbo, cut)	\$1.769	\$1.879	(\$0.1100)	\$1.856
Wing Index- (ARA)	\$1.867	\$1.945	(\$0.0780)	\$1.846
Breast, Bnless Index (ARA)	\$1.013	\$1.056	(\$0.0430)	\$1.021
Tenderloin Index- (ARA)	\$1.412	\$1.401	\$0.0110	\$1.436
Legs (whole)	\$0.491	\$0.422	\$0.0690	\$0.398
Leg Qtr Index (ARA)	\$0.381	\$0.348	\$0.0330	\$0.296
Thighs, bone in	\$0.530	\$0.459	\$0.0710	\$0.568



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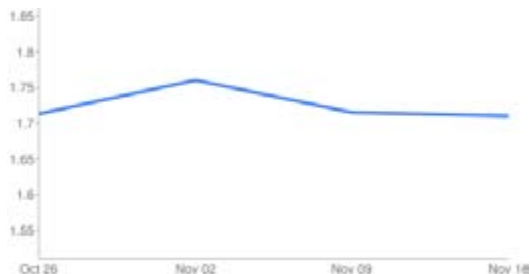
## Week Ended November 17, 2017 Summary

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**DAIRY** - The CME cheese markets have been supported by solid exports and good holiday demand. However, seasonal buying is starting to waver which should influence CME cheese prices lower. The upside may be limited during the next several months as well due to continued low nonfat dry milk prices. October 1st domestic nonfat dry milk holdings were 49% larger than the prior year and a record. Further, stocks expanded during September for only the second time since 2000. The butter market could move lower in the coming weeks, but the downside is likely only modest.

### Cheese Blocks



Dairy	Price	Last Week	Difference
Barrels	\$1.6770	\$1.7235	(\$0.0465)
40 lb. blocks	\$1.6875	\$1.6705	\$0.0170
Butter	\$2.2490	\$2.2185	\$0.0305
NFDM-Grade A	\$0.7385	\$0.7210	\$0.0175



**OIL & GRAINS** - Wheat futures prices tried to move high enough to break out of their narrow range last week but have fallen back and continue to trade lower this week. Basis Premiums are firm to sharply higher. It is thought that although the winter wheat basis may soften in the coming weeks, it will likely return to these levels of support, possibly through the crop year. The strength of the winter wheat basis continues to reflect the demand for quality and protein on the heels of back to back low protein harvests. USDA's November Supply and Demand reporting was viewed as neutral for wheat as was widely expected. Futures should remain in their range with ample world supplies of wheat and no major weather concerns for newly planted winter wheat crops at home or in European growing areas.

GRAINS + OILS	Price	LstWk	Diff	Price 16
Soybeans, bushel	\$9.265	\$9.547	(\$0.2820)	\$9.61
Crude Soybean Oil, lb.	\$0.331	\$0.341	(\$0.0100)	\$0.34
Corn, bushel	\$3.072	\$3.117	(\$0.0450)	\$3.16
Crude Corn Oil, lb.	\$0.349	\$0.345	\$0.0040	\$0.37
Distillers Grain, Dry	\$123.250	\$120.229	\$3.0210	\$108.96
HRW Wheat, bushel	\$3.855	\$3.690	\$0.1650	\$3.31
DNS Wheat 14%, bushel	\$6.390	\$6.448	(\$0.0580)	\$5.14
Durum Wheat, bushel	\$6.268	\$6.313	(\$0.0450)	\$6.31



**KITCHEN SINK** - The coffee market has been range-bound since late September mostly trading between \$1.25 and \$1.35 per/lb. Some improvement in coffee supplies is anticipated with the new harvests. Further, the Brazilian Real is likely to remain deflated. The upside may be limited in coffee prices this winter.

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Kitchen	Price	LstWk	Diff	Price 16
Whole Peeled, Stand (6/10)	\$12.321	\$12.065	\$0.2560	\$12.03
Tomato Paste- Industrial (lb.)	\$0.456	\$0.447	\$0.0090	\$0.45
Coffee, lb., ICE	\$1.271	\$1.240	\$0.0310	\$1.62
Sugar, lb., ICE	\$0.273	\$0.272	\$0.0010	\$0.29



### EURO vs. US Dollar

Current: \$0.8477  
 Lowest Last 30 Days: \$0.8413  
 Highest Last 30 Days: \$0.8646



### Energy Commodities

ENERGY	Price	LstWk	Diff	Price 16
Crude Oil, barrel- ny-mex	\$55.140	\$57.010	(\$1.8700)	\$45.41
Natural Gas, mbtu- ny-mex	\$3.111	\$3.144	(\$0.0330)	\$2.93
Diesel Fuel, gal- nymex	\$1.899	\$1.916	(\$0.0170)	\$1.43
Electricity, mwht- ny-mex	\$36.080	\$38.280	(\$2.2000)	\$35.39
Gasoline, gal- nymex	\$1.738	\$1.805	(\$0.0670)	\$1.33
Diesel Fuel, gal- eia	\$2.915	\$2.882	\$0.0330	\$2.44
Ethanol, gal- usda	\$1.383	\$1.380	\$0.0030	\$1.55