



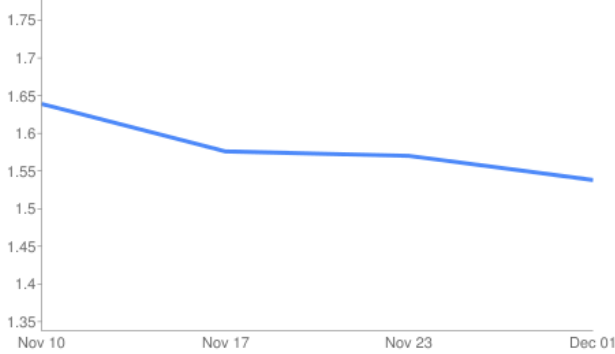
Bellissimo Foods - Market Update Week Ended December 2, 2016 Summary

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



BEEF - Beef production last week fell 12.3% due to the holiday but was still a whopping 18.9% larger than the same week last year. Impressive year over year gains in beef output are projected to persist this winter. After the leap year adjustment, the USDA is forecasting domestic beef output during the first quarter of 2017 to be 4.6% larger than this year. Domestic beef trim prices remain fairly engaging for buyers. October 31st boneless beef stocks were 4.9% more than the prior year and a record for the month. Further, beef cow slaughter has been strong trending at some of its highest levels since the fall of 2013. This could keep a lid on lean beef trim prices during the next few months. Price USDA, FOB per pound.

Ground Beef

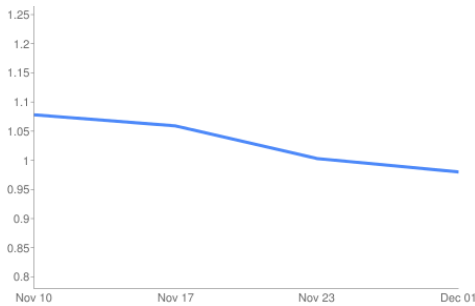


BEEF	Price	LstWk	Diff	Price 15
Ground Beef 81/19	\$1.538	\$1.570	(\$0.0320)	\$1.425
Ground Chuck	\$1.569	\$1.543	\$0.0230	\$1.671
116 Chuck (choice)	\$2.537	\$2.587	(\$0.0500)	\$2.894
168 Inside Round (ch.)	\$1.817	\$1.843	(\$0.0260)	\$1.966
184 Top Butt, bnls (ch.)	\$2.044	\$2.025	\$0.0190	\$2.922
193 Flank Steak (choice)	\$3.746	\$3.684	\$0.0620	\$5.039
50% Trimmings	\$0.461	\$0.487	(\$0.0260)	\$0.411
75% Trimmings	\$1.361	\$1.358	\$0.0030	\$1.330
90% Trimmings	\$1.896	\$1.939	(\$0.0430)	\$2.068



PORK - Pork output last week declined 14.9% due to the holiday but was 1.2% more than the same week a year ago. The USDA is forecasting winter pork production to be 4.5% bigger than 2016 after the leap year adjustment. This could weigh on the pork markets. October 31st domestic cold storage pork holdings were 1% less than last year with hams (3%), butts (3%), and trim (13%) stocks all down. The pork belly inventory was 16% larger than October 2016's depleted level. Pork belly prices could drift lower during the next few weeks. Prices USDA, FOB per pound

Belly (bacon)

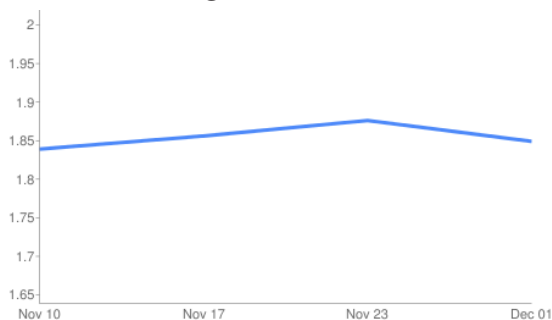


PORK	Price	LstWk	Diff	Price 15
Live Hogs	\$0.312	\$0.300	\$0.0120	\$0.382
Belly (bacon)	\$0.980	\$1.003	(\$0.0560)	\$1.120
Ham (23-27 lb.)	\$0.717	\$0.696	\$0.0210	\$0.646
Loin (bone-in)	\$0.670	\$0.671	(\$0.0010)	\$0.722
Tenderloin (1.25 lb.)	\$1.974	\$2.066	(\$0.0920)	\$1.820
Picnic, untrmd.	\$0.589	\$0.549	\$0.0400	\$0.462
42% Trimmings	\$0.233	\$0.218	\$0.0150	\$0.217
72% Trimmings	\$0.452	\$0.419	\$0.0330	\$0.390



POULTRY - Chicken production for the week ending November 19th declined 2.6% from the previous week but was 2.6% larger than the same week last year. The six-week moving average for chicken output is tracking 1.7% above 2015. Chicken producers may slow chicken production growth in 2017. During October, the broiler laying flock declined for the eighth consecutive month and now stands at 2.1% below the previous year, marking the biggest annual reduction since the fall of 2012. The chicken breast markets are pricing at some of their least expensive levels in 10 years. Conversely, chicken wings are pricing at record highs for late November. The seasonal upside may be limited for wing prices from now up to the Super Bowl. Prices USDA, FOB per pound except when noted.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 15
Wings (whole)		\$1.545	-	\$1.495
Wings (jumbo, cut)	\$1.849	\$1.876	(\$0.0270)	\$1.601
Breast, Bone In		\$0.915	-	\$0.995
Breast, Bnless Skinless		\$1.455	-	\$1.495
Tenderloin Index-(ARA)	\$1.395	\$1.393	\$0.0020	\$1.033
Legs (whole)	\$0.376	\$0.373	\$0.0030	\$0.282
Leg Quarters		\$0.300	-	\$0.365



Bellissimo Foods - Market Update

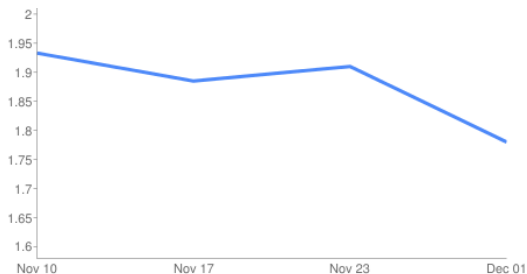
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DAIRY - The CME cheese markets are drifting lower due in part to historically large stocks and tempered exports. The October 31st domestic cheese inventory was 6.1% more than last year and the biggest since 1983. Additional cheese price declines are likely in the near term but could be tempered by firming international cheese markets. October butter holdings were big as well with stocks up 27.4% from 2015 and the largest in 23 years. Typically, the CME butter market declines during December. The five-year average move for CME butter during the month is a decline of 14.6%. Prices per pound, except Class I Cream (hundred weight), from USDA

Cheese Blocks



DAIRY	Price	Last Week	Difference
Barrels	\$1.6400	\$1.7150	(\$0.0750)
40 lb. blocks	\$1.7950	\$1.8950	(\$0.1000)
Butter	\$2.1615	\$2.0358	\$0.1257
NFDM-Grade A	\$0.9590	\$0.8025	\$0.1565



OIL & GRAINS - Prices for spring wheat futures are higher since our last communication a little more than two weeks ago. Spring wheat basis premium prices are also higher for most grades. Demand for hard red spring wheat is strong this crop year due to the low protein levels in

the U.S. hard red winter wheat crop that encourages blending to obtain needed protein. It is projected that hard red spring is the only major wheat class that will not grow in carryover at the end of 2017. Hard red winter basis premiums have fallen from extreme levels for most grades. Drought conditions are developing in western Kansas. While this situation is being closely monitored and is increasingly concerning, it so far has not had much of an effect on wheat futures. Although winter is late in arriving this year, mills are working to keep ahead of any delays of supply that may come eventually; therefore, demand is strong for what wheat becomes available. We expect some fluctuation, but prices should remain limited by plentiful wheat stocks here in the U.S. and worldwide.

GRAINS + OILS	Price	LstWk	Diff	Price 15
Soybeans, bushel	\$10.123	\$9.898	\$0.2250	\$8.82
Crude Soybean Oil, lb.	\$0.355	\$0.343	\$0.0120	\$0.28
Corn, bushel	\$3.193	\$3.285	(\$0.0920)	\$3.55
Crude Corn Oil, lb.	\$0.375	\$0.365	\$0.0100	\$0.38
Distillers Grain, Dry	\$107.438	\$108.750	(\$1.3120)	\$126.42
HRW Wheat, bushel	\$3.330	\$3.440	(\$0.1100)	\$4.21
DNS Wheat 14%, bushel	\$5.330	\$5.230	\$0.1000	\$5.27
Durum Wheat, bushel	\$6.172	\$6.257	(\$0.0850)	\$6.30



KITCHEN SINK - Coffee prices have tracked downward as of late as a declining value of the Brazilian real has weighed on the markets. There may be more downside potential for coffee prices in the near term. Price bases noted below.

Kitchen	Price	LstWk	Diff	Price 15
Whole Peeled, Stand (6/10)	\$12.025	\$12.025	-	\$12,281.00
Tomato Paste- Industrial (lb.)	\$0.445	\$0.445	-	\$0.46
Coffee, lb., ICE	\$1.499	\$1.587	(\$0.0880)	\$1.20
Sugar, lb., ICE	\$0.287	\$0.285	\$0.0020	\$0.26

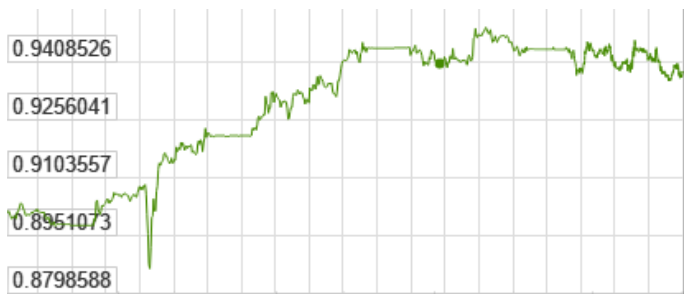


EURO vs. US Dollar

Current: \$0.9380

Lowest Last 30 Days: \$0.8952

Highest Last 30 Days: \$0.9497



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 15
Crude Oil, barrel- ny-mex	\$48.360	\$48.160	\$0.2000	\$40.56
Natural Gas, mbtu- ny-mex	\$3.353	\$3.100	\$0.2530	\$2.20
Diesel Fuel, gal- nymex	\$1.559	\$1.548	\$0.0110	\$1.36
Electricity, mwht- ny-mex	\$37.840	\$35.580	\$2.2600	\$39.75
Gasoline, gal- nymex	\$1.451	\$1.416	\$0.0350	\$1.35
Diesel Fuel, gal- eia	\$2.420	\$2.421	(\$0.0010)	\$2.42
Ethanol, gal- usda	\$1.578	\$1.534	\$0.0440	\$1.40