



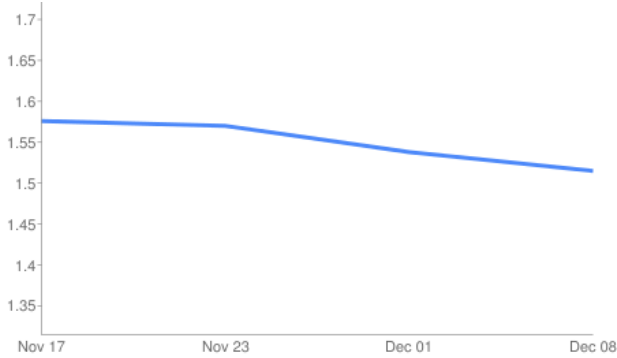
Bellissimo Foods - Market Update Week Ended December 9, 2016 Summary

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



BEEF - Beef output last week rose 11.9% from the prior holiday shortened week and was a whopping 10.6% larger than the same week last year. Despite this, the beef markets have held their own although well below 2015 levels. Cow sent for slaughter prices during October were the least expensive in five years signaling that ranchers could be slowing the cattle herd expansion. Further, weekly beef cow slaughter has been trending upward. Beef production growth in 2018 may be tempered but solid year over year gains in output should persist for the next several months. Holiday demand for beef will wane during the next few weeks which should influence ribeye prices lower.

Ground Beef

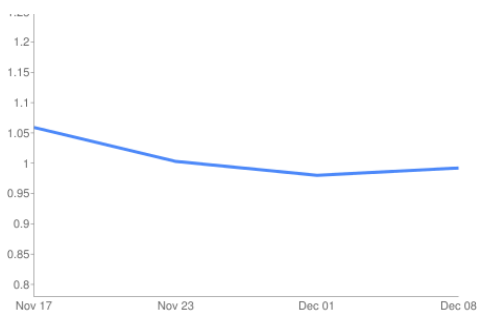


BEEF	Price	LstWk	Diff	Price 15
Ground Beef 81/19	\$1.515	\$1.538	(\$0.0230)	\$1.556
Ground Chuck	\$1.570	\$1.569	\$0.0010	\$1.717
116 Chuck (select)	\$2.413	\$2.514	(\$0.1010)	\$2.628
168 Inside Round (ch.)	\$1.842	\$1.817	\$0.0250	\$1.893
184 Top Butt, bnls (ch.)	\$2.119	\$2.044	\$0.0750	\$2.884
193 Flank Steak (choice)	\$3.655	\$3.746	(\$0.0910)	\$4.893
50% Trimmings	\$0.424	\$0.461	(\$0.0370)	\$0.374
75% Trimmings	\$1.333	\$1.361	(\$0.0280)	\$1.337
90% Trimmings	\$1.924	\$1.896	\$0.0280	\$2.051



PORK - Pork production last week rose 18.1% from the prior Thanksgiving holiday week and was 3.5% larger than the same week last year. It marked the biggest slaughter and output for any week on record. Still, the resiliency of pork prices has been impressive. Usually the USDA pork cutout average price will decline near 5% from early November into December. This year, the pork cutout has been flat. Still, solid output gains are anticipated to weigh on the pork markets during the next few weeks including pork bellies. Prices USDA, FOB per pound

Belly (bacon)

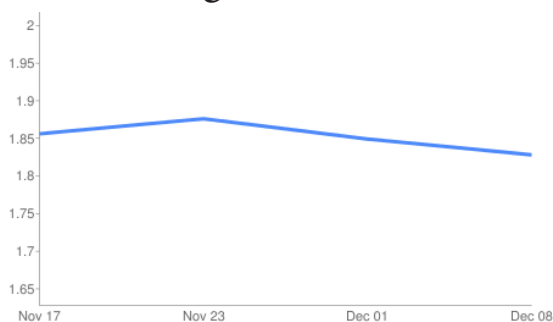


PORK	Price	LstWk	Diff	Price 15
Live Hogs	\$0.347	\$0.312	\$0.0350	\$0.383
Belly (bacon)	\$0.992	\$0.980	\$0.0120	\$1.018
Ham (23-27 lb.)	\$0.748	\$0.717	\$0.0310	\$0.713
Loin (bone-in)	\$0.673	\$0.670	\$0.0030	\$0.712
Tenderloin (1.25 lb.)	\$1.958	\$1.974	(\$0.0160)	\$1.783
Picnic, untrmd.	\$0.559	\$0.589	(\$0.0300)	\$0.457
42% Trimmings	\$0.308	\$0.233	\$0.0750	\$0.183
72% Trimmings	\$0.500	\$0.452	\$0.0480	\$0.414



POULTRY - For the Thanksgiving week ending November 26th, chicken output fell 23.4% from the previous week but was 1.1% bigger than the same week last year. The six-week moving average for chicken output expansion versus 2015 stands at 2.7%. Solid year over year chicken production gains are anticipated in the near term but output growth could be slowed in 2017. The ARA Weekly Chicken Wing Index is pricing at its second most expensive level for this week on record. Further, wings are pricing at near record highs compared to the boneless skinless chicken breast markets. This could intensify a seasonal downward move in chicken wing prices after the Super Bowl. Retail table egg prices in October were the lowest since 2007. Prices USDA, FOB per pound except when noted.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 15
Wings (whole)		\$1.545	-	\$1.500
Wings (jumbo, cut)	\$1.828	\$1.849	(\$0.0210)	\$1.613
Breast, Bone In			-	\$0.995
Breast, Bnless Skinless			-	\$1.530
Tenderloin Index-(ARA)	\$1.377	\$1.395	(\$0.0180)	\$1.053
Legs (whole)	\$0.424	\$0.376	\$0.0480	\$0.303
Leg Quarters			-	\$0.365



Bellissimo Foods - Market Update

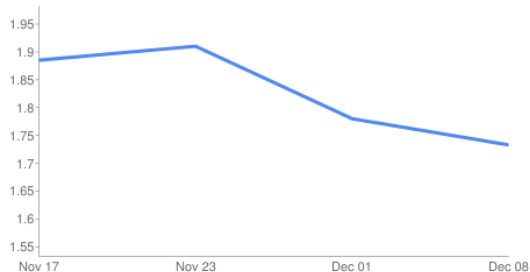
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DAIRY - Class IV milk prices have been averaging below class III consistently for the last several months due in a large part to historically inexpensive nonfat dry milk prices. Thus, domestic butter output has been tempered. During October, U.S. butter production was 3.6% less than the previous year and the smallest for the month since 2010. This factor may continue to underpin butter prices this winter unless nonfat dry milk prices are able to rally. November 1st nonfat dry milk stocks, however, were 25.2% more than 2015. U.S. cheese output in October was .5% larger than last year. Prices per pound, except Class I Cream (hundred weight), from USDA

Cheese Blocks



DAIRY	Price	Last Week	Difference
Barrels	\$1.5865	\$1.6400	(\$0.0535)
40 lb. blocks	\$1.7310	\$1.7950	(\$0.0640)
Butter	\$2.0925	\$2.1615	(\$0.0690)
NFDM-Grade A	\$0.9755	\$0.9590	\$0.0165



OIL & GRAINS - Wheat futures prices are slightly lower this week. Kansas City futures posted new lows. World markets were reminded how plentiful wheat remains Monday when Australia announced their record world wheat crop would far exceed current projections. The Canadian and

Argentinian crops could be larger than currently thought as well, all reminders that wheat lacks inputs that could lead prices to rally. High protein hard red spring wheat basis premium prices fell this week. Firm to sharply higher hard red winter wheat basis premiums reflected the miller's continual search this crop year for quality protein to mill higher protein winter wheat flours.

GRAINS + OILS	Price	LstWk	Diff	Price 15
Soybeans, bushel	\$10.086	\$10.123	(\$0.0370)	\$8.65
Crude Soybean Oil, lb.	\$0.371	\$0.355	\$0.0160	\$0.30
Corn, bushel	\$3.268	\$3.193	\$0.0750	\$3.58
Crude Corn Oil, lb.	\$0.383	\$0.375	\$0.0080	\$0.39
Distillers Grain, Dry	\$105.563	\$107.438	(\$1.8750)	\$126.56
HRW Wheat, bushel	\$4.420	\$3.330	\$1.0900	\$4.42
DNS Wheat 14%, bushel	\$5.250	\$5.330	(\$0.0800)	\$5.25
Durum Wheat, bushel	\$6.042	\$6.172	(\$0.1300)	\$6.33
Sugar, lb. NYBOT	\$0.249	\$0.268	(\$0.0190)	\$0.22



KITCHEN SINK - Favorable weather is fueling expectations for big West African cocoa crops in 2017. Cocoa prices have been on the decline as of late but history suggests that the downside may only be modest from here. 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	\$1.380	\$1.499	(\$0.1190)	\$1.26
Sugar, lb., ICE	\$0.292	\$0.287	\$0.0050	\$0.26



EURO vs. US Dollar

Current: \$0.9489

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	\$50.430	\$48.360	\$2.0700	\$38.71
Natural Gas, mbtu- ny-mex	\$3.725	\$3.353	\$0.3720	\$2.09
Diesel Fuel, gal- nymex	\$1.623	\$1.559	\$0.0640	\$1.27
Electricity, mwht- ny-mex	\$56.450	\$37.840	\$18.6100	\$39.05
Gasoline, gal- nymex	\$1.528	\$1.451	\$0.0770	\$1.24
Diesel Fuel, gal- eia	\$2.480	\$2.420	\$0.0600	\$2.38
Ethanol, gal- usda	\$1.592	\$1.578	\$0.0140	\$1.41