



Bellissimo Foods - Market Update

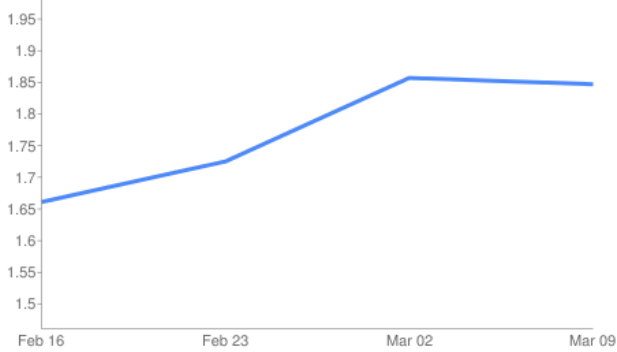
Week Ended March 10, 2017 Summary

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



BEEF - Beef output last week rose 1.1% and was 6% larger than the same week last year. Cattle slaughter was the biggest in a month. Strong year over year gains in beef production are anticipated during the spring. The recent appreciation in beef prices is causing buyers to back away. Spot beef shipments last week were the smallest for any week since May making the four-week total 9.6% less than 2016. Further, forward beef sales for delivery 22-90 days out have fallen to an eight-week low. The near term upside price risk in beef markets is likely limited. The five-year average move for the USDA choice boxed beef cutout during the next five weeks is a decline of 3.1%. Price USDA, FOB per pound

Ground Beef



BEEF	Price	LstWk	Diff	Price 16
Ground Beef 81/19	\$1.847	\$1.857	(\$0.0100)	\$1.580
Ground Chuck	\$1.910	\$1.868	\$0.0420	\$1.892
116 Chuck (choice)	\$2.279	\$2.473	(\$0.1940)	\$2.656
168 Inside Round (ch.)	\$2.466	\$2.404	\$0.0620	\$2.246
184 Top Butt, bnls (ch.)	\$3.211	\$3.007	\$0.2040	\$3.001
193 Flank Steak (choice)	\$5.272	\$5.166	\$0.1060	\$5.992
50% Trimmings	\$0.906	\$0.820	\$0.0860	\$0.851
75% Trimmings	\$1.429	\$1.419	\$0.0100	\$1.369
90% Trimmings	\$2.128	\$2.111	\$0.0170	\$2.184



PORK - Pork production last week rose 1.8% and was 3.7% larger than the same week last year. Like beef, strong year over year pork output expansion is anticipated during the spring. This should temper any seasonal pork price increases despite the likelihood of solid export sales. January 31st pork holdings were 16% lower than last year with ham (14%), picnic (16%), belly (77%), loin (15%), rib (8%) and trim (19%) all smaller than 2016. Pork belly disappearance during January was strong but has since eased. Prices USDA, FOB per pound

Belly (bacon)

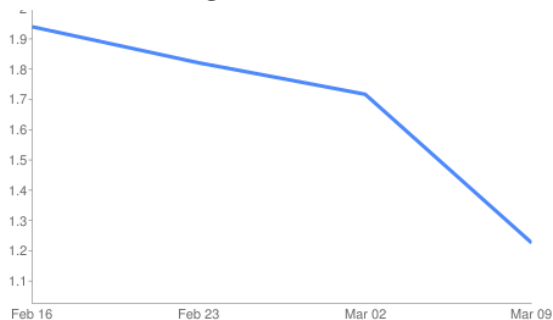


PORK	Price	LstWk	Diff	Price 16
Live Hogs	\$0.499	\$0.517	(\$0.0180)	\$0.459
Belly (bacon)	\$1.374	\$1.554	(\$0.1800)	\$1.296
Ham (23-27 lb.)	\$0.612	\$0.552	\$0.0600	\$0.565
Loin (bone-in)	\$0.817	\$0.783	\$0.0340	\$0.776
Tenderloin (1.25 lb.)	\$2.131	\$2.170	(\$0.0390)	\$2.108
Picnic, untrmd.	\$0.529	\$0.492	\$0.0370	\$0.408
42% Trimmings	\$0.317	\$0.293	\$0.0240	\$0.243
72% Trimmings	\$0.671	\$0.641	\$0.0300	\$0.544



POULTRY - For the week ending February 25th, chicken output rose 1.1% from the previous week and was 2.3% larger than the same week a year ago. The six-week moving average for chicken production is tracking 1.5% above 2016. The USDA is forecasting Q2 chicken output to trend near 2% above last year. A new H7 case of avian flu was discovered in South Central Tennessee broiler breeding flock. The number of birds euthanized amounts to just .1% of the February 1st broiler breeding flock but the concern is the proximity of the outbreak to major broiler chicken producing state including Arkansas and Georgia. If there are further outbreaks, which is not anticipated, there may be pending downward pressure on chicken leg quarter prices. Prices USDA, FOB per pound except when noted.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 16
Wings (jumbo, cut)	\$1.733	\$1.717	\$0.0160	\$1.715
Wing Index- (ARA)	\$1.783	\$1.779	\$0.0040	\$1.715
Breast, Bnless Index (ARA)	\$1.215	\$1.190	\$0.0250	\$1.390
Tenderloin Index- (ARA)	\$1.708	\$1.708	-	\$0.987
Legs (whole)	\$0.437	\$0.436	\$0.0010	\$0.365
Leg Qtr Index (ARA)	\$0.334	\$0.323	\$0.0110	\$0.268
Thighs, bone in	\$0.616	\$0.598	\$0.0180	\$0.483



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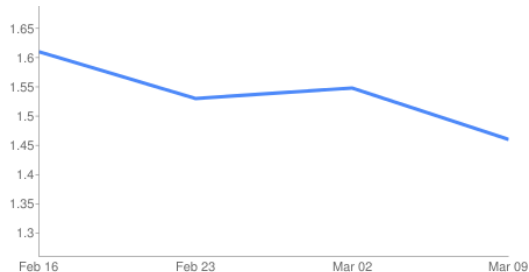
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DAIRY - The CME butter market remains range-bound. January 31st butter holdings were 16% bigger than the previous year and the largest for the month since 1994. Butter stocks grew during the month by the largest amount in five years. Still, butter prices may have a hard time moving notably lower from here this spring due to tempered domestic butter output. The CME cheese markets have continued to soften during the last week. The January 31st cheese inventory was 5% larger than 2016 and a record for the month. The cheese markets may remain depressed in the near term. Prices per pound, except Class I Cream (hundred weight), from USDA

Cheese Blocks



Dairy	Price	Last Week	Difference
Barrels	\$1.4235	\$1.4760	(\$0.0525)
40 lb. blocks	\$1.4325	\$1.5065	(\$0.0740)
Butter	\$2.1675	\$2.1795	(\$0.0120)
NFDM-Grade A	\$0.8070	\$0.8075	(\$0.0005)



OIL & GRAINS - Wheat futures prices fell this week as did basis premium prices for winter wheat grades. It has been estimated that nearly one fourth of the U.S. winter wheat crop could be in drought affected states like Kansas, Oklahoma and Nebraska.

Spring wheat planted acres are likely to fall this year, as low wheat prices could mean planting other crops would be more profitable. Problems with rail logistics continue, limiting the amount of wheat that is shipping. This week's lower prices could turn higher quickly as the markets weigh competing factors to find price discovery.

GRAINS + OILS	Price	LstWk	Diff	Price 16
Soybeans, bushel	\$9.859	\$9.958	(\$0.0990)	\$8.54
Crude Soybean Oil, lb.	\$0.317	\$0.318	(\$0.0010)	\$0.30
Corn, bushel	\$3.479	\$3.448	\$0.0310	\$3.42
Crude Corn Oil, lb.	\$0.381	\$0.381	-	\$0.41
Distillers Grain, Dry	\$101.042	\$102.688	(\$1.6460)	\$132.02
HRW Wheat, bushel	\$4.200	\$4.070	\$0.1300	\$4.44
DNS Wheat 14%, bushel	\$5.490	\$5.600	(\$0.1100)	\$5.13
Durum Wheat, bushel	\$5.760	\$5.739	\$0.0210	\$5.49



KITCHEN SINK - The total 2016-17 domestic tomato for processing supply is estimated to be just .3% larger than the previous year but a record high. Contracted tomato tonnage for the

2017-18 crop in California is expected to fall to an 11-year low. Firmer canned tomato prices are likely this summer. Price bases noted below

Kitchen	Price	LstWk	Diff	Price 16
Whole Peeled, Stand (6/10)	\$12.161	\$12.161	-	\$12.11
Tomato Paste- Industrial (lb.)	\$0.450	\$0.450	-	\$0.45
Coffee, lb., ICE	\$1.407	\$1.504	(\$0.0970)	\$1.15
Sugar, lb., ICE	\$0.308	\$0.306	\$0.0020	\$0.26



EURO vs. US Dollar

Current: \$0.9372

Lowest Last 30 Days: \$0.935

Highest Last 30 Days: \$0.9524



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 16
Crude Oil, barrel- nymex	\$52.390	\$54.280	(\$1.8900)	\$37.19
Natural Gas, mbtu- nymex	\$2.919	\$2.773	\$0.1460	\$1.73
Diesel Fuel, gal- nymex	\$1.610	\$1.657	(\$0.0470)	\$1.22
Electricity, mwht- nymex	\$33.390	\$33.050	\$0.3400	\$30.00
Gasoline, gal- nymex	\$1.688	\$1.718	(\$0.0300)	\$1.42
Diesel Fuel, gal- eia	\$2.579	\$2.577	\$0.0020	\$2.02
Ethanol, gal- usda	\$1.430	\$1.445	(\$0.0150)	\$1.25