



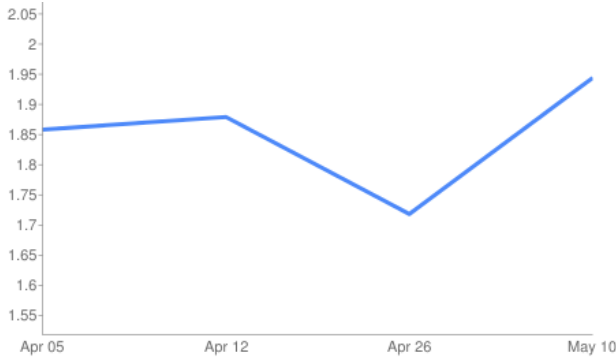
Bellissimo Foods - Market Update Week Ended May 11, 2018 Summary

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



BEEF - Beef production last week rose 3.3% and was 8.3% larger than a year ago. Beef output is forecasted to trend well above 2017 levels for the foreseeable future. Beef prices are increasing with buyers becoming more active. Spot beef shipments during the last four weeks were 14.1% more than last year. Forward beef sales 22-90 days out were 13.8% better than 2017. This suggests that further price gains for steak cuts and ground beef will likely occur. Since 2013, the average move for 81/19 ground beef market over the next three weeks was up 9.6%. Yet, forward ground beef prices are at a 7% discount to the spot market which hints that this year's seasonal appreciation may be tempered.

Ground Beef

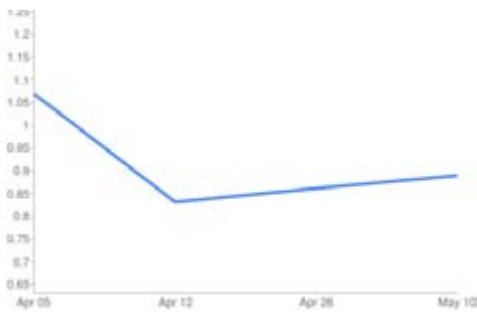


BEEF	Price	LstWk	Diff	Price 17
Ground Beef 81/19	\$1.944	\$1.849	\$0.0950	\$1.984
Ground Chuck	\$1.971	\$1.940	\$0.0310	\$1.952
116 Chuck (choice)	\$2.896	\$2.946	(\$0.0500)	\$2.867
168 Inside Round (ch.)	\$2.312	\$2.246	\$0.0660	\$2.367
184 Top Butt, bnls (ch.)	\$3.303	\$3.366	(\$0.0630)	\$3.659
193 Flank Steak (choice)	\$5.310	\$5.275	\$0.0350	\$5.413
50% Trimmings	\$0.925	\$0.959	(\$0.0340)	\$1.748
75% Trimmings	\$1.647	\$1.628	\$0.0190	\$1.560
90% Trimmings	\$2.200	\$2.179	\$0.0210	\$2.219



PORK - Pork output declined 1.2% last week but was 4.2% greater than the same week last year. The USDA is estimating pork production to be notably above year ago levels into the summer which should limit seasonal price appreciation. That said, the pork belly market may be susceptible to an upward correction due in part to wholesale prices being the lowest since September 2016. Further, big retail feature activity for bacon is anticipated. U.S. pork exports during March were 2.9% stronger than the previous year and a record high.

Belly (bacon)

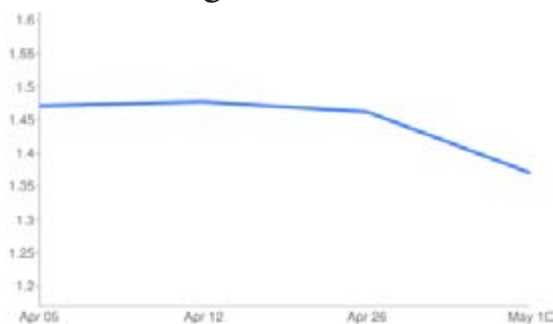


PORK	Price	LstWk	Diff	Price 17
Live Hogs	\$0.439	\$0.433	\$0.0060	\$0.475
Belly (bacon)	\$0.889	\$0.840	\$0.0490	\$1.184
Ham (23-27 lb.)	\$0.498	\$0.510	(\$0.0120)	\$0.679
Loin (bone-in)	\$0.750	\$0.726	\$0.0240	\$0.812
Tenderloin (1.25 lb.)	\$1.937	\$1.953	(\$0.0160)	\$2.093
Picnic, untrmd.	\$0.487	\$0.486	\$0.0010	\$0.567
42% Trimmings	\$0.268	\$0.323	(\$0.0550)	\$0.372
72% Trimmings	\$0.669	\$0.630	\$0.0390	\$0.795



POULTRY - For the week ending April 28th, chicken production fell .2% from the prior week and was down 1.7% from the previous year. The six-week total of chicken output was just .6% better than 2017. Spot feed costs last week for producers were the costliest for the week since June 2014. If this persists, it could hurt profit margins and temper expected year-over-year production gains this fall. U.S. chicken exports during March were .1% less than a year ago and the second smallest for the month since 2012. Higher leg quarter prices played a role in the lower export sales. The chicken wing markets are pricing at the lowest levels for this time of year since 2014. Since 2013, the ARA chicken wing index in May averaged 2.5% lower than it did in June.

Wings Jumbo Cut



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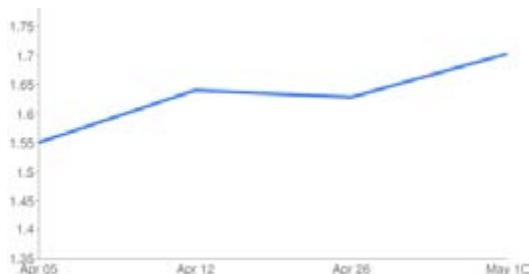
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DAIRY - Strong U.S. export demand continues to support butter prices. During March, the U.S. exported 148% more butter than the previous year while imports were down 18%. The export total was the biggest for any month since December 2014. This could support butter prices in the near term. However, improving milk production margins across the globe should encourage milk and dairy product production in the coming months which should limit the upside in butter prices. Cheese price appreciation may be limited as well. U.S. cheese exports in March were 9% more than 2017.

Cheese Blocks



DAIRY	Price	Last Week	Difference
Barrels	\$1.6445	\$1.5790	\$0.0655
40 lb. blocks	\$1.6790	\$1.6570	\$0.0220
Butter	\$2.3295	\$2.3565	(\$0.0270)
NFDM	\$0.8500	\$0.8360	\$0.0140



OIL & GRAINS - Wheat futures prices are lower this week, basis premium prices for most grades are firm. Last week's wheat quality council tour estimated the smallest winter wheat harvest for the Central states since 1989. Since the market has been trading the news of the challenges around this crop for some time, the reports did not lead the market higher. While the winter wheat crop projection was 90 million bushels smaller than last year, wheat stocks including the carryover should be more than adequate. Prices for U.S. wheat are already uncompetitive in world markets. Trading partners as close as Mexico are reportedly purchasing wheat at a better price from distant locations. Improving spring wheat planting progress was another calming factor this week, though we do expect continuing market price fluctuations as it is still early in the season for both crops.

GRAINS + OILS	Price	LstWk	Diff	Price 17
Soybeans, bushel	\$9.870	\$10.166	(\$0.2960)	\$9.51
Crude Soybean Oil, lb.	\$0.290	\$0.284	\$0.0060	\$0.31
Corn, bushel	\$3.772	\$3.773	(\$0.0010)	\$3.43
Crude Corn Oil, lb.	\$0.295	\$0.295	-	\$0.38
Distillers Grain, Dry	\$172.667	\$169.042	\$3.6250	\$100.75
Crude Palm Oil, lb. BMD	\$0.273	\$0.273	-	\$0.27
HRW Wheat, bushel	\$5.193	\$5.340	(\$0.1470)	\$3.95
DNS Wheat 14%, bushel	\$6.440	\$6.535	(\$0.0950)	\$5.51
Durum Wheat, bushel	\$5.739	\$5.792	(\$0.0530)	\$5.37



KITCHEN SINK - The cocoa market remains elevated. Cocoa grinding demand remains solid due to the improving world economy. Further, weather in Africa has caused concerns

around the crop yields. The cocoa market is likely to remain above 2017 levels into the summer.

Kitchen	Price	LstWk	Diff	Price 17
Whole Peeled, Stand (6/10)	\$12.658	\$12.419	\$0.2390	\$12.13
Tomato Paste- Industrial (lb.)	\$0.455	\$0.446	\$0.0090	\$0.45
Coffee, lb., ICE	\$1.166	\$1.226	(\$0.0600)	\$1.34
Sugar, lb., ICE	\$0.245	\$0.248	(\$0.0030)	\$0.29



**EURO vs.
US Dollar**

Current: \$0.8368

Lowest Last 30 Days: \$0.8063

Highest Last 30 Days: \$0.8447



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 17
Crude Oil, barrel- ny-mex	\$70.620	\$67.270	\$3.3500	\$47.15
Natural Gas, mbtu- ny-mex	\$2.734	\$2.759	(\$0.0250)	\$3.32
Diesel Fuel, gal- nymex	\$2.206	\$2.104	\$0.1020	\$1.47
Electricity, mwht- ny-mex	\$34.400	\$34.750	(\$0.3500)	\$36.20
Gasoline, gal- nymex	\$2.147	\$2.074	\$0.0730	\$1.53
Diesel Fuel, gal- eia	\$3.171	\$3.157	\$0.0140	\$2.57
Ethanol, gal- usda	\$1.400	\$1.433	(\$0.0330)	\$1.49