



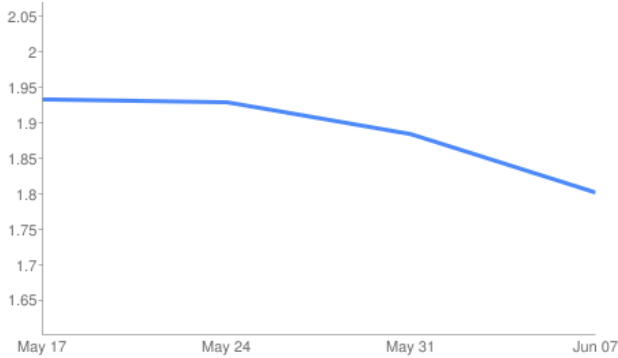
Bellissimo Foods - Market Update Week Ended June 8, 2018 Summary

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



BEEF - Beef output last week fell 10.1% from the prior holiday shortened week but was 3.5% larger than the same week a year ago. Recent cattle on feed data hints that strong year-over-year gains in beef output should last into the summer. Per the USDA, the May 1st U.S. cattle on feed inventory was 5.1% larger than last year, but cattle placements into feedlots during April were down 8.3%, the second consecutive month of lower placements. This could result in a cattle supply gap this fall. Beef demand is strong. For the four-week period ending last Friday, forward beef sales were a whopping 34.5% better than the previous year. Still, history suggests that many beef items can soften now through July.

Ground Beef

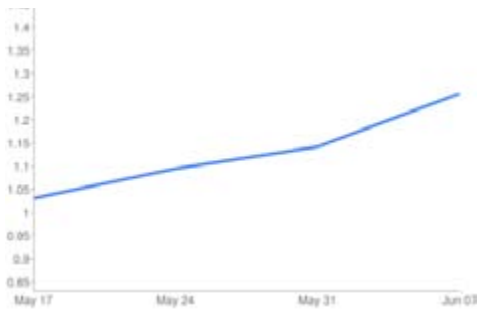


BEEF	Price	LstWk	Diff	Price 17
Ground Beef 81/19	\$1.802	\$1.884	(\$0.0820)	\$2.213
Ground Chuck	\$1.772	\$1.879	(\$0.1070)	\$2.286
116 Chuck (select)	\$2.552	\$2.545	\$0.0070	\$2.536
168 Inside Round (ch.)	\$2.024	\$2.234	(\$0.2100)	\$2.450
184 Top Butt, bnls (ch.)	\$3.491	\$3.498	(\$0.0070)	\$3.389
193 Flank Steak (choice)	\$5.549	\$5.450	\$0.0990	\$5.063
50% Trimmings	\$0.768	\$0.836	(\$0.0680)	\$1.499
75% Trimmings	\$1.625	\$1.606	\$0.0190	\$1.791
90% Trimmings	\$2.222	\$2.252	(\$0.0300)	\$2.312



PORK - Pork production last week was 11.7% smaller than the prior holiday shortened week but was up 4% from the same week in 2017. Pork output is likely to seasonally wane in the near term but remain above year ago levels. In Q3, production is forecasted by the USDA to rise from Q2 by 140 million pounds. This should temper any notable upward price pressure on pork this summer. Mexico said it is implementing a 20% tariff on U.S. hams. Since 2013, the average move for the ham (23-27 lb.) market over the next five weeks was up 20.4%.

Belly (bacon)

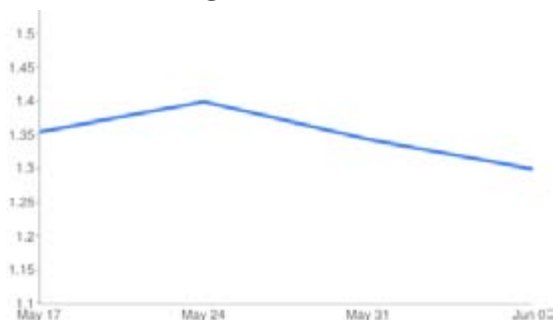


PORK	Price	LstWk	Diff	Price 17
Live Hogs	\$0.512	\$0.482	\$0.0300	\$0.551
Belly (bacon)	\$1.257	\$1.142	\$0.1150	\$1.496
Ham (23-27 lb.)	\$0.640	\$0.605	\$0.0350	\$0.600
Loin (bone-in)	\$0.750	\$0.753	(\$0.0030)	\$0.889
Tenderloin (1.25 lb.)	\$2.099	\$2.122	(\$0.0230)	\$2.179
Picnic, untrmd.	\$0.495	\$0.474	\$0.0210	\$0.620
42% Trimmings	\$0.369	\$0.301	\$0.0680	\$0.468
72% Trimmings	\$0.654	\$0.577	\$0.0770	\$0.930



POULTRY - For the week ending May 26th, chicken output fell .6% from the previous week and was .9% smaller than the same week a year ago. For the six weeks ending May 26th, chicken production was tracking just .5% above 2017. Chicken producers have seen feed costs rise this year while chicken prices have faded. If this trend persists, then only modest year over year output gains may occur due to smaller margins. This could support the chicken markets this summer. April 30th chicken stocks were 9% more than last year but breasts were down 3%, and leg quarters were smaller by 3%. This week Mexico failed to announce any tariffs on U.S. chicken, but it is a big buyer of boneless skinless thigh meat. Chicken thigh meat prices are usually choppy in June.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 17
Wings (jumbo, cut)	\$1.299	\$1.343	(\$0.0440)	\$2.066
Wing Index- (ARA)	\$1.361	\$1.412	(\$0.0510)	\$2.075
Breast, Bnless Index (ARA)	\$1.137	\$1.202	(\$0.0650)	\$1.642
Tenderloin Index- (ARA)	\$1.736	\$1.736	-	\$1.838
Legs (whole)	\$0.580	\$0.442	\$0.1380	\$0.507
Leg Qtr Index (ARA)	\$0.365	\$0.373	(\$0.0080)	\$0.377
Thighs, bone in	\$0.597	\$0.601	(\$0.0040)	\$0.743



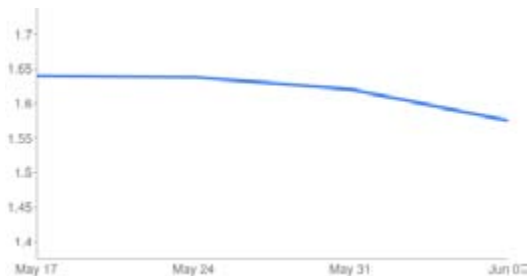
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DAIRY - During April, U.S. cheese output was just .9% better than the prior year. This is due in part to a bigger share of milk output going to California during the month. U.S. milk production in the largest cheese producing state, Wisconsin, during April was down .6% from 2017. Mexico this week announced import tariffs that will rise during the next month on cheese imports from the U.S. The country in 2017 accounted for 28.3% of our cheese exports. This could weigh heavy on the cheese markets in the near term. U.S. butter output in April was 8.3% bigger than the prior year.

Cheese Blocks



DAIRY	Price	Last Week	Difference
Barrels	\$1.5225	\$1.5444	(\$0.0219)
40 lb. blocks	\$1.5965	\$1.6081	(\$0.0116)
Butter	\$2.3800	\$2.4025	(\$0.0225)
NFDM	\$2.4025	\$0.8338	\$1.5688



OIL & GRAINS - Wheat futures prices are lower since our last report but have turned higher in the last two trading sessions. Basis premium values fell for some spring wheat grades. A good supply of wheat was coming to market that slowed once prices began to fall. Dryness in Russia is a key factor supporting prices. The thought that exports of corn to Mexico and soybeans to China could be disrupted in response to new trade tariffs has contributed to weakness in the soybean and corn markets. Weather in the U.S. and Russia, news of quantity and quality from the ongoing U.S. winter wheat harvest, and news concerning trade will determine the market's direction near term. Wheat supplies are ample, though, keeping price moves due to a jittery market somewhat controlled.

GRAINS + OILS	Price	LstWk	Diff	Price 17
Soybeans, bushel	\$9.708	\$10.031	(\$0.3230)	\$9.05
Crude Soybean Oil, lb.	\$0.291	\$0.296	(\$0.0050)	\$0.30
Corn, bushel	\$3.556	\$3.749	(\$0.1930)	\$3.48
Crude Corn Oil, lb.	\$0.301	\$0.301	-	\$0.38
Distillers Grain, Dry	\$168.208	\$171.958	(\$3.7500)	\$101.75
HRW Wheat, bushel	\$5.240	\$5.465	(\$0.2250)	\$4.03
DNS Wheat 14%, bushel	\$6.320	\$6.580	(\$0.2600)	\$6.08
Durum Wheat, bushel	\$5.743	\$5.772	(\$0.0290)	\$5.45



KITCHEN SINK - Cocoa prices have moved lower as of late with the nearby futures market this week falling to its least expensive level since March. Cocoa landings in West Africa are tracking below last year, but the weather outlook has improved. Cocoa prices may see more downside potential in the near term.

Kitchen	Price	LstWk	Diff	Price 17
Whole Peeled, Stand (6/10)	\$12.658	\$12.658	-	\$12.15
Tomato Paste- Industrial (lb.)	\$0.455	\$0.455	-	\$0.45
Coffee, lb., ICE	\$1.195	\$1.203	(\$0.0080)	\$1.26
Sugar, lb., ICE	\$0.252	\$0.245	\$0.0070	\$0.28



EURO vs. US Dollar

Current: \$1.177
Lowest Last 30 Days: \$1.1537
Highest Last 30 Days: \$1.1967



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 17
Crude Oil, barrel- ny-nymex	\$64.760	\$67.040	(\$2.2800)	\$47.65
Natural Gas, mbtu- ny-nymex	\$2.897	\$2.895	\$0.0020	\$3.06
Diesel Fuel, gal- nymex	\$2.124	\$2.198	(\$0.0740)	\$1.46
Electricity, mwht- ny-nymex	\$39.900	\$34.350	\$5.5500	\$42.89
Gasoline, gal- nymex	\$2.066	\$2.154	(\$0.0880)	\$1.53
Diesel Fuel, gal- eia	\$3.285	\$3.288	(\$0.0030)	\$2.56
Ethanol, gal- usda	\$1.433	\$1.433	-	\$1.48