



Bellissimo Foods - Market Update

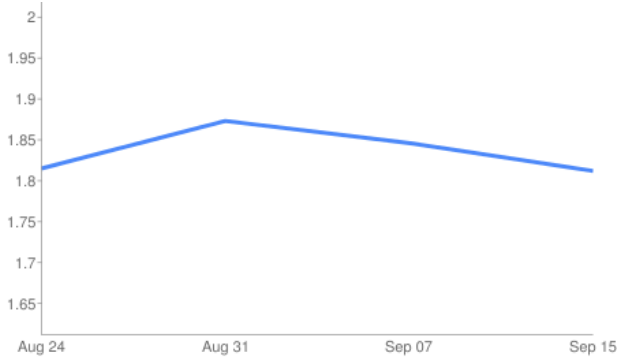
Week Ended September 15, 2017 Summary

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



BEEF - Beef output last week fell 10.6% due to the Labor Day holiday, but was still 2.7% larger than last year. Despite the shortened production the last two weeks, beef prices have continued to soften. The USDA choice cutout has fallen to its least expensive level since February due in part to a six-month low in the ribs. The inexpensive rib prices are likely to propel retailers to feature more ribs for the pending holiday season. Typically, the 112a choice heavy rib market rises near 26% from mid-October until it seasonally tops in December. Thus, higher rib prices are likely in the coming months. Beef 50's have averaged lower in December from September in each of the last four years.

Ground Beef

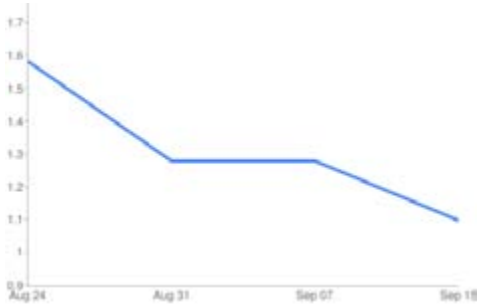


BEEF	Price	LstWk	Diff	Price 16
Ground Beef 81/19	\$1.812	\$1.846	(\$0.0340)	\$1.645
Ground Chuck	\$1.884	\$2.132	(\$0.2480)	\$1.644
116 Chuck (choice)	\$2.897	\$2.721	\$0.1760	\$2.434
168 Inside Round (ch.)	\$1.901	\$1.993	(\$0.0920)	\$1.869
184 Top Butt, bnls (ch.)	\$2.850	\$2.558	\$0.2920	\$3.295
193 Flank Steak (choice)	\$4.158	\$4.223	(\$0.0650)	\$3.819
50% Trimmings	\$0.433	\$0.494	(\$0.0610)	\$0.424
75% Trimmings	\$1.811	\$1.939	(\$0.1280)	\$1.590
90% Trimmings	\$2.251	\$2.302	(\$0.0510)	\$2.087



PORK - Pork production last week declined 6.1% due to the holiday, but was 3.1% larger than the same week last year. Pork output this week will be historically large due to an ample supply of hogs. And this trend may continue. The USDA is forecasting fall pork production to be 5.7% larger than 2016 and gain by volume from the summer by the biggest amount on record. This could keep downward pressure on the pork markets. Belly prices have nearly halved since peaking in July and more downside potential is likely.

Belly (bacon)

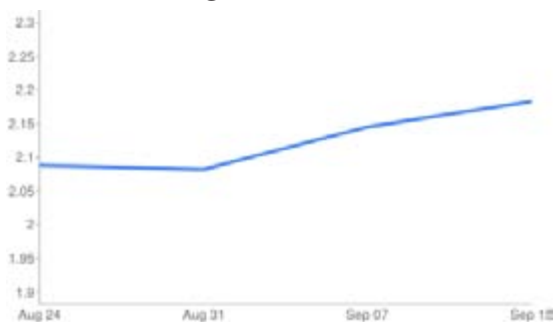


PORK	Price	LstWk	Diff	Price 16
Live Hogs	\$0.432	\$0.462	(\$0.0300)	\$0.427
Belly (bacon)	\$1.097	\$1.279	(\$0.1820)	\$0.911
Ham (23-27 lb.)	\$0.717	\$0.723	(\$0.0060)	\$0.749
Loin (bone-in)	\$0.806	\$0.823	(\$0.0170)	\$0.876
Tenderloin (1.25 lb.)	\$2.258	\$2.412	(\$0.1540)	\$2.165
Picnic, untrmd.	\$0.564	\$0.570	(\$0.0060)	\$0.523
42% Trimmings	\$0.350	\$0.365	(\$0.0150)	\$0.379



POULTRY - Chicken output for the week ending September 2nd rose 2.5% from the previous week, but was 1% smaller from the same week a year ago. The six-week running total of chicken production is just .4% larger than 2016. The USDA is estimating Q3 output to be up just .1% from the previous year. That said, chicken producer margins are some of their best for the late summer in a decade. This should encourage better year-over-year chicken production gains in the coming months. The USDA is forecasting fall chicken output to be 2.3% larger than the prior year. Wing prices have continued to firm due in part to the recent slowed production, and demand remains solid. It appears that chicken wing prices could set a record high this fall.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 16
Wings (jumbo, cut)	\$2.183	\$2.145	\$0.0380	\$1.753
Wing Index- (ARA)	\$2.181	\$2.138	\$0.0430	\$1.755
Breast, Bnless Index (ARA)	\$1.350	\$1.395	(\$0.0450)	\$1.368
Tenderloin Index- (ARA)	\$1.831	\$1.898	(\$0.0670)	\$2.115
Legs (whole)	\$0.564	\$0.519	\$0.0450	\$0.473
Leg Qtr Index (ARA)	\$0.393	\$0.396	(\$0.0030)	\$0.309
Thighs, bone in	\$0.755	\$0.789	(\$0.0340)	\$0.473



Bellissimo Foods - Market Update

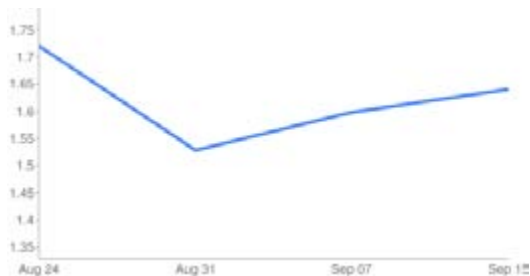
Week Ended September 15, 2017 Summary

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



DAIRY - The cheese markets have remained fairly range-bound during the last week with blocks gaining on barrels once again. This occurred despite solid U.S. cheese exports. During July, cheese exports were 14.2% larger than 2016 and the biggest for the month in four years. History suggests that the upside in cheese prices may remain somewhat limited during October. U.S. butter exports during July were 81.5% larger than last year. But, due to continued strong imports, the U.S. remained a net importer of butter for the month. Butter prices can rise sharply in the next two weeks.

Cheese Blocks



Dairy	Price	Last Week	Difference
Barrels	\$1.5120	\$1.5569	(\$0.0449)
40 lb. blocks	\$1.6240	\$1.6300	(\$0.0060)
Butter	\$2.4240	\$2.4575	(\$0.0335)
NFDM-Grade A	\$0.8245	\$0.8438	(\$0.0193)



OIL & GRAINS - Minneapolis spring wheat futures are lower since our last report two weeks ago. Winter wheat futures have continued to climb. Basis premium prices haven't changed a great deal for most grades, but winter wheat basis also seems firmer than

spring. The spring wheat harvest is very close to complete. Statistics Canada is forecasting a 50% reduction in the size of this year's durum crop. While the trade seems skeptical of that number, we expect prices will be high through next year's harvest as the quality of the U.S. crop was extremely poor. Russia's huge record wheat crop seems to just get bigger, and is keeping wheat prices in countries around the world from rallying. Spring wheat is moving to make room for the new wheat harvest and upcoming row crop harvest. This keeps cash wheat and flour prices on an even keel at least in the near term.

GRAINS + OILS	Price	LstWk	Diff	Price 16
Soybeans, bushel	\$9.213	\$9.434	(\$0.2210)	\$9.51
Crude Soybean Oil, lb.	\$0.342	\$0.344	(\$0.0020)	\$0.31
Corn, bushel	\$3.138	\$3.193	(\$0.0550)	\$2.93
Crude Corn Oil, lb.	\$0.368	\$0.368	-	\$0.39
Distillers Grain, Dry	\$110.021	\$109.167	\$0.8540	\$119.92
HRW Wheat, bushel	\$3.738	\$3.645	\$0.0930	\$3.33
DNS Wheat 14%, bushel	\$6.418	\$6.290	\$0.1280	\$4.98
Durum Wheat, bushel	\$6.500	\$6.498	\$0.0020	\$5.00



KITCHEN SINK - Hurricane Irma brought high winds and flooding to the entire Florida orange crop region earlier this week. Although damage is still being assessed, orange juice prices

are on the rise. The orange juice market could be especially erratic during the next few weeks.

Kitchen	Price	LstWk	Diff	Price 16
Whole Peeled, Stand (6/10)	\$12.139	\$12.133	\$0.0060	\$11.95
Tomato Paste- Industrial (lb.)	\$0.451	\$0.449	\$0.0020	\$0.44
Coffee, lb., ICE	\$1.338	\$1.265	\$0.0730	\$1.47
Sugar, lb., ICE	\$0.272	\$0.262	\$0.0100	\$0.28



EURO vs. US Dollar

Current: \$0.8377

Lowest Last 30 Days: \$0.8276

Highest Last 30 Days: \$0.8554



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 16
Crude Oil, barrel- ny-mex	\$48.680	\$49.380	(\$0.7000)	\$44.57
Natural Gas, mbtu- ny-mex	\$3.057	\$3.010	\$0.0470	\$2.94
Diesel Fuel, gal- nymex	\$1.749	\$1.756	(\$0.0070)	\$1.40
Electricity, mwht- ny-mex	\$31.670	\$31.660	\$0.0100	\$34.31
Gasoline, gal- nymex	\$1.661	\$1.660	\$0.0010	\$1.37
Diesel Fuel, gal- eia	\$2.802	\$2.758	\$0.0440	\$2.40
Ethanol, gal- usda	\$1.508	\$1.498	\$0.0100	\$1.41