



Bellissimo Foods - Market Update

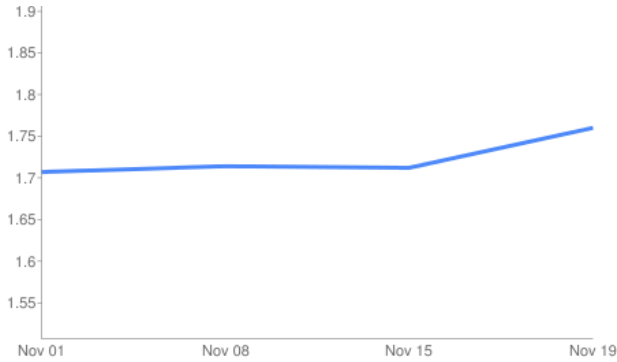
Week Ended November 30, 2018 Summary

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



BEEF - Last week's cattle slaughter was 2.6% larger than last year, but lighter carcass weights continue to temper year-over-year beef output gains which were up only 1.9% vs. 2017. The lighter cattle have done little to derail phenomenal carcass grading, with both USDA prime and USDA choice both reaching record highs during early November. Following the Thanksgiving holiday, retail beef features are expected to increase especially for roasts which are an attractive item for winter holiday parties. Most of the sales on those items have already been made, but further buying is anticipated to support the USDA wholesale boxed beef cutouts into early December before easing into year's end.

Ground Beef

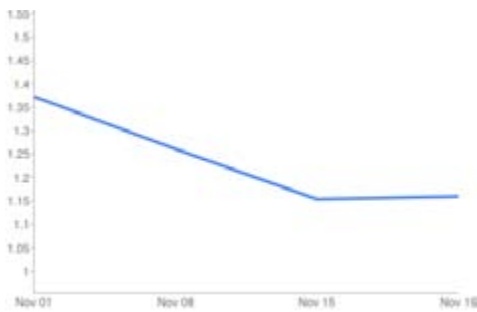


BEEF	Price	LstWk	Diff	Price 17
Ground Beef 81/19	\$1.712	\$1.714	(\$0.0020)	\$1.728
Ground Chuck	\$1.772	\$1.800	(\$0.0280)	\$1.850
116 Chuck (choice)	\$2.945	\$3.031	(\$0.0860)	\$2.962
168 Inside Round (ch.)	\$1.953	\$2.199	(\$0.2460)	\$2.250
184 Top Butt, bnls (prime)	\$3.129	\$3.040	\$0.0890	\$2.889
193 Flank Steak (choice)	\$4.425	\$4.669	(\$0.2440)	\$4.282
50% Trimmings	\$0.738	\$0.692	\$0.0460	\$0.680
75% Trimmings	\$1.385	\$1.385	-	\$1.596
90% Trimmings	\$1.917	\$1.915	\$0.0020	\$2.124



PORK - Last week pork production increased modestly from the previous week but was 3% larger than the same week last year. If current import tariffs from various countries remain in place for U.S. pork, domestic production could become burdensome for the marketplace into early 2019. Despite increased activity for holiday deliveries, the ham markets remain depressed. Yet, foreign buyers of U.S. hams are noticing the lower prices, with four-week running ham export sales up considerably versus a year ago. Pork belly prices are seasonally declining.

Belly (bacon)

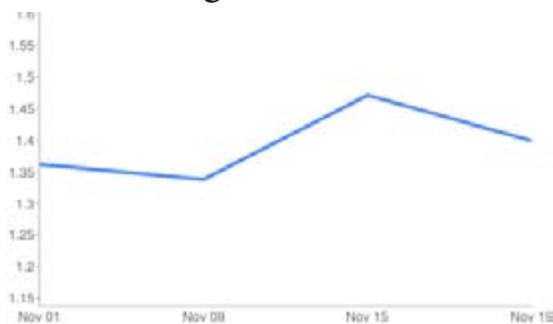


PORK	Price	LstWk	Diff	Price 17
Live Hogs	\$0.396	\$0.425	(\$0.0290)	\$0.439
Belly (bacon)	\$1.154	\$1.261	(\$0.1070)	\$1.286
Ham (23-27 lb.)	\$0.497	\$0.514	(\$0.0170)	\$0.682
Loin (bone-in)	\$0.673	\$0.720	(\$0.0470)	\$0.720
Tenderloin (1.25 lb.)	\$1.542	\$1.457	\$0.0850	\$2.151
Picnic, untrmd.	\$0.532	\$0.490	\$0.0420	\$0.645
42% Trimmings	\$0.199	\$0.242	(\$0.0430)	\$0.267
72% Trimmings	\$0.468	\$0.454	\$0.0140	\$0.617



POULTRY - Chicken production for the week ending November 3rd rose .3% from the prior week and was .3% larger than the same week last year. The six-week moving average for chicken output ending November 3rd stands at 1.6% more than 2017. More disposable dollars for the U.S. consumer due to the healthy economy is likely displacing chicken demand for beef. The chicken breast markets are pricing at their lowest level in at least 18 years. The bone-in chicken wing markets are the cheapest for this time of year since 2014. And recent history suggests that chicken breast and wing prices can still drop through year end. However, these low prices for breast meat and wings should boost demand. So, any remaining price declines from here should be minimal.

Wings Jumbo Cut



POULTRY	Price	LstWk	Diff	Price 17
Wings (jumbo, cut)	\$1.471	\$1.338	\$0.1330	\$1.769
Wing Index- (ARA)	\$1.491	\$1.405	\$0.0860	\$1.867
Breast, Bnless Index (ARA)	\$0.872	\$0.874	(\$0.0020)	\$1.013
Tenderloin Index- (ARA)	\$1.383	\$1.428	(\$0.0450)	\$1.412
Legs (whole)	\$0.462	\$0.428	\$0.0340	\$0.491
Leg Qtr Index (ARA)	\$0.260	\$0.260	-	\$0.381
Thighs, bone in	\$0.472	\$0.475	(\$0.0030)	\$0.530



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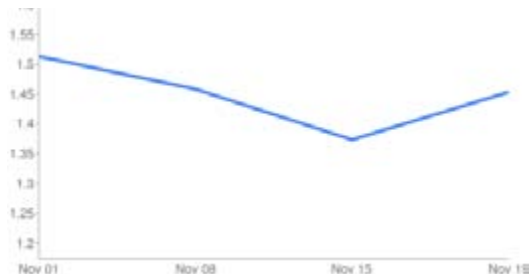
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DAIRY - Domestic milk production growth may be showing some early signs of slowing. During September, milk output in the U.S. rose 1.3% from the previous year despite a .3% reduction of the milk cow herd (yoy). The milk-per-cow yield was 1.6% better than a year ago. But, the milk cow herd during the month declined by 12,000 head. Plus, the USDA revised lower its July and August herd estimates. This data suggests that forecasted year-over-year milk output gains may be tempered which could limit the seasonal price weakness for cheese and butter which occurs during the late fall.

Cheese Blocks



DAIRY	Price	Last Week	Difference
Barrels	\$1.2710	\$1.2625	\$0.0085
40 lb. blocks	\$1.3570	\$1.3650	(\$0.0080)
Butter	\$2.2220	\$2.3042	(\$0.0822)
NFDM	\$0.9065	\$0.8900	\$0.0165



OIL & GRAINS - Wheat futures prices are lower than we last reported three weeks ago. Basis premium prices are higher. When futures prices are not high enough to incent producers to sell, basis premiums are left to make up that difference. Wheat movement to market has been light for many weeks, but may increase in late December or early January. The USDA issued its final weekly Crop Progress report of the season Monday. U.S. winter wheat crop was 95% planted by 11/25. It is thought the remaining acres may not be planted as cold, wet forecasts continue. Much of Nebraska, Kansas and other wheat-growing states have good snow cover. Markets continue to watch for signs of increased U.S. wheat exports that may signal higher prices are coming. While there have been some small indicators that U.S. wheat has become more competitive in world markets, the strong U.S. dollar makes it more difficult to compete.

GRAINS + OILS	Price	LstWk	Diff	Price 17
Soybeans, bushel	\$8.416	\$8.349	\$0.0670	\$9.27
Crude Soybean Oil, lb.	\$0.274	\$0.277	(\$0.0030)	\$0.33
Corn, bushel	\$3.542	\$3.562	(\$0.0200)	\$3.07
Crude Corn Oil, lb.	\$0.265	\$0.258	\$0.0070	\$0.35
Distillers Grain, Dry	\$137.542	\$136.729	\$0.8130	\$123.25
HRW Wheat, bushel	\$4.965	\$5.180	(\$0.2150)	\$3.86
DNS Wheat 14%, bushel	\$5.933	\$5.935	(\$0.0020)	\$6.39
Durum Wheat, bushel	\$4.600	\$4.609	(\$0.0090)	\$6.27



KITCHEN SINK - Orange juice futures have fallen near two-month lows. The USDA is forecasting the Florida orange crop to be 71% bigger than the previous crop. Further, the value of the U.S.

dollar remains firm. These factors could temper the upside risk in the orange juice markets through the winter.

Kitchen	Price	LstWk	Diff	Price 17
Whole Peeled, Stand (6/10)	\$12.708	\$12.708	-	\$12.32
Tomato Paste- Industrial (lb.)	\$0.457	\$0.457	-	\$0.46
Coffee, lb., ICE	\$1.092	\$1.133	(\$0.0410)	\$1.27
Sugar, lb., ICE	\$0.250	\$0.251	(\$0.0010)	\$0.27



EURO vs. US Dollar

Current: \$1.1322
 Lowest Last 30 Days: \$1.1217
 Highest Last 30 Days: \$1.1489



Energy Commodities

ENERGY	Price	LstWk	Diff	Price 17
Crude Oil, barrel- ny-mex	\$55.740	\$62.220	(\$6.4800)	\$55.14
Natural Gas, mbtu- ny-mex	\$4.487	\$3.515	\$0.9720	\$3.11
Diesel Fuel, gal- nymex	\$2.107	\$2.218	(\$0.1110)	\$1.90
Electricity, mwht- ny-mex	\$49.000	\$45.000	\$4.0000	\$36.08
Gasoline, gal- nymex	\$1.545	\$1.683	(\$0.1380)	\$1.74
Diesel Fuel, gal- eia	\$3.317	\$3.338	(\$0.0210)	\$2.92
Ethanol, gal- usda	\$1.257	\$1.246	\$0.0110	\$1.38