

January 2014

AMERICAN ROLAND FOOD CORP.

Upcoming Trade Shows & Events

JANUARY 2014

Winter Fancy Food Show

**January 19 – 21
San Francisco, CA
Booth # 4219**

NEW PRODUCT



Sriracha Peas
#83716
12/4.4 oz.

Feng Shui Sriracha Peas are coated with authentic Roland® Sriracha Chili Sauce. Crunchy, slightly sweet and with that famous Sriracha kick, they are the perfect snack!

Our Sriracha Peas are also gluten free and Kosher. This flavor-packed, delicious snack, can be enjoyed right from the bag, or tossed into a salad for added texture and spice.

Request your sample today.



Hot Off the Press!

ANCHOVIES

The shortage of anchovies in Morocco worsened considerably near the end of 2013. Moroccan packers have been trying to buy raw material from other regions in the world, but cannot obtain the quantities and quality that they require for their normal production. This will undoubtedly translate to severe shortages and cost increases until well after the spring of 2014 when the new catch begins.

BALSAMIC VINEGAR

The price for grape must which is used in the production of balsamic vinegar has declined from last year's high prices. Although the market is still settling down and pricing will not be finalized until early 2014, we expect a reduction in pricing in the near future.

BASMATI RICE

Even though farmers in India increased the cultivated acreage of Basmati Rice in 2013, higher demand has kept prices on the rise. Prices are expected to keep increasing for the new crop as well. In Pakistan, the situation is no different. Due to losses in the fields after severe flooding a few months ago, there is less raw material available, so prices have increased for product out of Pakistan as well.

COCONUT MILK

The Coconut Milk supply remains tight as Thailand struggles to source raw material, forcing many factories to import coconuts from Indonesia. Throughout South Asia (India, Sri Lanka), Southeast Asia (Thailand, Indonesia, Vietnam, Malaysia), and the Philippines, there has been a severe shortage of raw material for Coconut Milk. Packers are asking for prices much higher than they were last year. This crop shortage preceded the typhoon that ripped through the Philippines. While the typhoon disrupted logistics in the region and has compounded delayed shipments, the already-short coconut plantations were not hampered further.

HEARTS OF PALM – CULTIVATED

Prices of Cultivated Hearts of Palm from Ecuador are on the rise. Farmers are switching to other crops, such as Palm Oil and Cocoa, which is causing reduction on Hearts of Palm raw material availability. There is a very similar situation in Bolivia, where the costs of raw material have increased more than 5 % during 2013, and packers are being forced to increase prices for 2014 contracts.

JASMINE RICE

The supply of Jasmine Rice in Southeast Asia is stable at present. Much of this stability comes from inaction on the part of Thailand's government. In the past Thailand's government would purchase large swathes of Jasmine Rice from farmers at artificially high prices to boost the farmers' income and encourage them to vote for the incumbent government at election time. The Thai government has not indicated any further measures to purchase Jasmine Rice from farmers, so market prices have stabilized and drifted slightly downwards.

KALAMATA OLIVES – GREECE

Greek Kalamata Olive prices continue to rise. Spot market prices now range 15-20% higher than what they were in August. Due to the shortage of green and, especially, black olives, some customers are substituting with Kalamata Olives. Hence, the Kalamata farmers are taking advantage of this surge in demand by refusing to sell raw material to packers in order to artificially inflate spot-market prices further. Market price may subside since the new crop began to be harvested in late-December, but there are concerns that the price increase will eventually hit 30% total.

What's Hot?

Sriracha Sauce was one of the hottest flavors in 2013 and is going to continue through 2014.

Despite the shortage elsewhere, we have plenty of stock on hand for your immediate needs.



#87190
12/17 oz.



#87178
12/28 oz.



#87186
6/2 liter

Hot Off the Press! continued....

LINGONBERRIES

This season's Lingonberry crop in Sweden has been better than initially anticipated. Due to plentiful raw material we can now expect favorable pricing.

MANDARIN ORANGES

Chinese Mandarin Oranges have increased in price recently. The spot-market price has increased about 8-10% higher than last year's price, while a month ago it was only 3-5 % higher than the previous year. The reason for the new increase is that domestic demand has increased alongside growing demand from Japan (due to Japan's improved economy and resurgence in consumption), farmers are demanding a premium for raw material. Since raw material is limited and expensive, many packers decided not to bother packing Mandarin Oranges this year since they lost a lot of money the past 2 years. Instead, these farmers are packing other products.

OLIVE OIL

The new Olive Oil crop is finished, and as expected, it seems to be fair. In Italy, the numbers were expected to be similar to last year. There is, however, some concern in the Puglia region, where there have been thousands of trees infected with a rapidly spreading disease (bacterium *Xylella fastidiosa*), and scientists have recommended to uproot the trees.

In Spain, the estimates are confirmed at an overall production increase of about 45 — 50% compared to the terrible crop of last year.

In Greece, instead, the forecast was not so good. This year they expect a decrease of about 35% compared to last year's production.

In Tunisia the forecast is only 50% of last year's production. Prices from this region this year are not expected to be as competitive as last season.

Lower quantities will also be produced in Turkey, compared to last year's volumes; a 10% decrease.

The production in Syria and Morocco should be similar to the previous year.

The rest of the world, mainly Portugal, Argentina, Egypt, and Australia, should will be lower than the volumes obtained last year by about 15%.

SESAME SEEDS

The Indian crop of sesame seed is much lower this year, with the harvest expected to be about 225,000 metric tons, compared to previous years (290,000 – 325,000 MT). The African crop should be similar to last year, with most of this raw material heading to China to offset the reduced sesame crop in China, which has reduced planting acreage by about 10%. Hurricanes and storms in Mexico are expected to reduce yields there by about 15%. There is no carryover of sesame seeds from last year's harvest and expectations are for the sesame seed and sesame oil market to continue firm with possible price increases in the next several months.

SNAILS (ESCARGOT) — INDONESIAN

By February, Escargot harvest in Indonesia should stabilize and return to normal levels. Adequate rainfall has been conducive for the increase in supply.

TAHINI

The sesame seed market continues to spike, affecting the cost of tahini, which is simply sesame paste. We can expect the price of tahini to increase by around 15% for 2014.

WATER CHESTNUTS — CHINA

The aggregate yield of Water Chestnuts in China for the new crop is supposed to be similar to last year. However, two large factors are driving new crop prices to almost 15% higher than last year, transportation and labor.

Other News

Roland Foods has announced that Jim Wagner, an experienced specialty foods industry executive, has joined our company as CEO. Charlie Scheidt remains with Roland Foods as our chairman.

Jim has a terrific track record as a senior executive, with exceptional accomplishments in sales, marketing, purchasing, and new product development in the specialty foods industry.

Prior to joining Roland Foods, he held various executive positions at The Chefs' Warehouse for seven years, where he served most recently as chief operating officer. He also helped launch TrueChocolate, a chocolate-processing company. Jim brings valuable new insights and experience to Roland Foods.

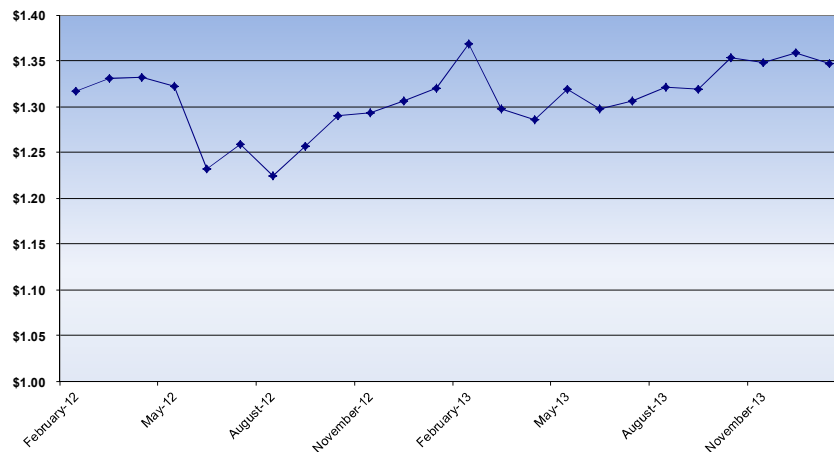
Our transition to new ownership has been seamless, as we predicted. We anticipate a smooth CEO transition as well, with "business as usual." Roland Foods continues to move forward. We have a strong team here, made even stronger by the addition of Jim as our new CEO.

Currency

On January 15, 2014 the U.S. dollar closed at 1.3603 against the Euro.

US Dollars Needed to Purchase 1 Euro
(Data Source: X-Rates.com)

PAST 24 MONTHS



This digest is intended solely for the general information of our readers and contains material compiled from sources we do not control and which material, unless otherwise indicated, has not been verified. We are not engaged in rendering marketing, accounting, or other business services. In furnishing this material, we in no way assume any part of the user's business risk, do not guarantee the accuracy, completeness, or timeliness of the material provided, and shall not be liable for any loss or injury whatsoever resulting from the use of the material contained herein. These materials are confidential and intended for the exclusive use by our customers.



AMERICAN ROLAND
FOOD CORP.

71 West 23rd Street
New York, NY 10010

Kristin Vaill
Regional Sales Manager,
National Accounts

Western US Region
Phone: (732) 392-4443
Cell: (480) 543-0726
E-mail: Kristin.Vaill@rolandfood.com

We are on the web:
www.rolandfood.com



All Roland® frozen
products are available
to your distributor
through Dot Foods.