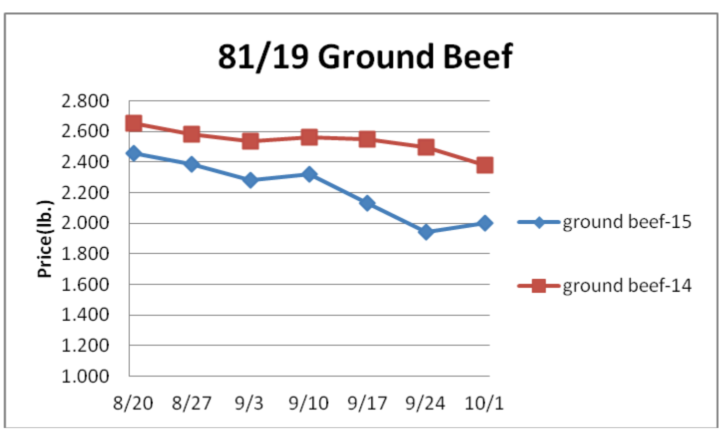
Weekly Market Updates

PERFORMANCE FOODSERVICE

Volume No. 20 Issue No. 39 Date: September 30, 2015

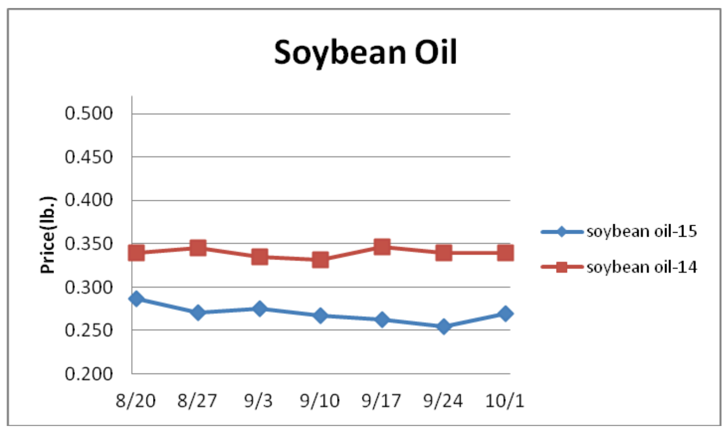
Beef- Beef production continues to trend above 2014 levels with output last week 2.6% above the prior year. Consequently, beef prices have been declining with the USDA choice boxed beef cutout recently falling to a 21 month low. Beef demand is starting to escalate, however, with total beef shipments last week near the biggest levels since last fall. Thus, the downside in most of the beef markets from here may be limited. The five year average move for the choice boxed beef cutout during the next eight weeks is an increase of 5.5%. August 31st boneless beef stocks were 40% bigger than the prior year and the largest for the date in at least 15 years. This may weigh on beef trim prices this fall. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 14
Live Cattle	1.289	1.335	-.046	1.569
Feeder Cattle Index (CME)	1.905	1.969	-.064	2.336
Ground Beef 81/19	1.999	1.941	+.058	2.379
Ground Chuck	2.042	2.035	+.007	2.483
109e Export Rib (choice)	6.149	5.829	+.320	6.320
109e Export Rib (prime)	8.552	8.668	-.116	6.401
112a Ribeye (choice)	6.612	6.870	-.258	6.973
112a Ribeye (prime)	9.657	10.012	-.355	9.718
116 Chuck (select)	2.857	3.020	-.163	3.097
116 Chuck (choice)	2.658	3.089	-.431	3.241
116b Chuck Tdnr (choice)	2.658	2.676	-.018	3.090
120 Brisket (choice)	2.371	2.459	-.088	3.013
121c Outside Skirt (ch/sel)	6.509	6.619	-.110	5.663
121d Inside Skirt (ch/sel)	3.848	3.960	-.112	3.492
167a Knckle, Trm. (ch.)	2.832	2.793	+.039	2.982
168 Inside Round (ch.)	2.353	2.500	-.147	2.652
174 Short Loin (ch. 0x1)	5.001	5.272	-.271	4.905
174 Short Loin (prime)	9.361	9.315	+.046	9.518
180 1x1 Strp (choice)	4.773	4.773	-	4.466
180 1x1 Strp (prime)	9.665	10.598	-.933	9.818
180 0x1 Strp (choice)	5.303	5.308	-.005	4.814
184 Top Butt, bnls (ch.)	3.906	4.300	-.394	3.074
184 Top Butt, bnls (prime)	4.218	4.556	-.338	4.021
185a Sirloin Flap (choice)	4.355	4.609	-.254	4.231
185c Loin, Tri-Tip (choice)	2.421	2.644	-.223	3.472
189a Tender (select)	11.369	11.643	-.274	10.855
189a Tender (choice)	11.439	11.719	-.280	12.001
189a Tender (prime)	16.112	16.065	+.047	15.232
193 Flank Steak (choice)	4.218	5.468	-1.250	4.293
50% Trimmings	.389	.474	-.085	1.027
65% Trimmings	1.059	1.190	-.131	1.780
75% Trimmings	2.006	2.027	-.021	2.370
85% Trimmings	2.088	2.260	-.172	2.716
90% Trimmings	2.715	2.645	+.070	2.970
90% Imported Beef (frz.)	2.355	2.403	-.048	3.018
95% Imported Beef (frz.)	2.615	2.655	-.040	3.253
Veal Rack (Hotel 7 rib)	9.875	9.875	-	9.725
Veal Top Rnd. (cp. off)	17.850	17.850	-	16.050



Oil, Grains, Misc- Soybean oil prices continue to track near historically deflated levels. Recently, the spot soybean oil market declined to its lowest level since the early fall of 2006. However, dry weather in Malaysia and Indonesia could curb world food oil supplies which may bring support to domestic soybean oil prices. Prices USDA, FOB

	Price	Last Week	Difference	Price 14
Soybeans, bushel	8.690	8.498	+.192	8.815
Crude Soybean Oil, lb.	.270	.255	+.015	.340
Soybean Meal, ton	329.200	328.400	+.800	367.600
Corn, bushel	3.543	3.452	+.091	2.652
Crude Corn Oil, lb.	.360	.375	-.015	.345
High Fructose Corn Syrup	.130	.128	+.002	.109
Distillers Grain, Dry	135.833	132.500	+3.333	111.313
Crude Palm Oil, lb. BMD	.249	.231	+.018	.307
HRW Wheat, bushel	4.540	4.480	+.060	5.405
DNS Wheat 14%, bushel	5.300	5.270	+.030	5.630
Durum Wheat, bushel	6.139	6.134	+.005	10.924
Pinto Beans, lb.	.204	.204	-	.260
Black Beans, lb. 3.281 +.034	.233	.238	-.005	.295
Rice, Long Grain, lb.	.234	.234	-	.263



Dairy- The butter market reached a record high last Friday but has fallen sharply lower since. Butter demand usually fades in the coming weeks as buyers have likely procured supplies for the pending holiday season. This should weigh on butter prices soon. Last year butter prices fell 44% from this week through the end of the year. But the better consumer health perception around butter may temper any pending price declines this year. The cheese markets remain range-bound. Cheese prices may find an early bottom this fall as more milk is sent to butter production. Prices per pound, except Class I Cream (hundred weight), from USDA

	Price	Last Week	Difference	Price 14
Cheese Barrels (CME)	1.563	1.460	+.103	2.140
Cheese Blocks (CME)	1.670	1.590	+.080	2.183
American Cheese	1.618	1.653	-.035	2.553
Cheddar Cheese (40 lb.)	1.705	1.773	-.068	2.423
Mozzarella Cheese	1.778	1.845	-.067	2.563
Provolone Cheese	2.215	2.283	-.068	2.920
Parmesan Cheese	3.563	3.630	-.067	4.267
Butter (CME)	2.510	3.025	-.515	2.895
Nonfat Dry Milk	.959	.912	+.047	1.444
Whey, Dry	.231	.237	-.006	.637
Class 1 Base	15.840	16.340	-.500	24.190
Class II Cream, heavy	3.994	3.573	+.421	3.823
Class III Milk (CME)	15.560	15.390	+.170	21.260
Class IV Milk (CME)	16.350	17.250	-.900	21.530

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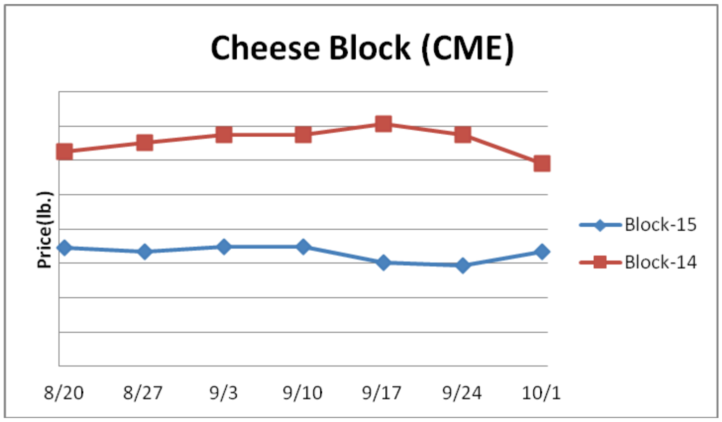
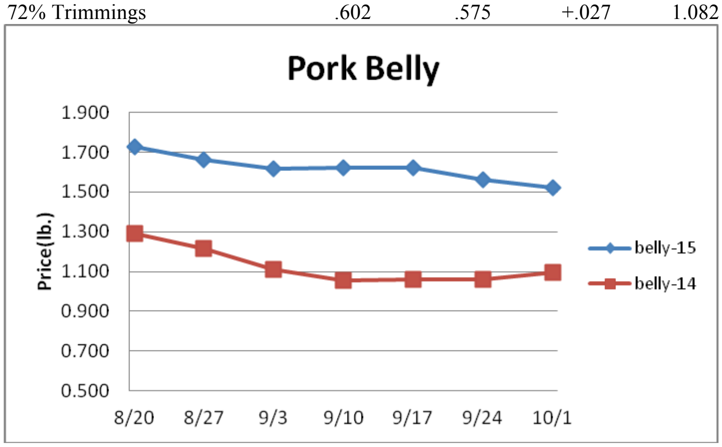


Pork- Pork output last week rose .1% and was 6.9% bigger than the previous year. The USDA quarterly hog and pigs data released last week suggests that solid pork production growth will continue at least through the fall. The total hog and pig inventory was 3.5% larger than the prior year while the swine breeding herd was up by 1.1%. As a matter of fact, the swine breeding herd expanded during the June through August period by the second largest amount since 1997 which signals good pork production growth potential for 2016. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 14
Live Hogs	.508	.497	+.011	.790
Belly (bacon)	1.522	1.562	-.040	1.227
Sparerib (4.25 lb. & down)	1.425	1.477	-.052	1.581
Ham (20-23 lb.)	.680	.628	+.052	1.288
Ham (23-27 lb.)	.637	.589	+.048	1.324
Loin (bone-in)	.841	.882	-.041	1.363
Bbybck Rib (1.75 lb. & up)	2.221	2.232	-.011	2.342
Tenderloin (1.25 lb.)	1.981	2.136	-.155	2.864
Boston Butt, untrmd. (4-8lb.)	.869	.882	-.013	1.394
Picnic, untrmd.	.481	.469	+.012	.924
SS Picnic, smoker trm. bx.	.691	.717	-.026	1.155
42% Trimmings	.333	.350	-.017	.600
72% Trimmings	.602	.575	+.027	1.082

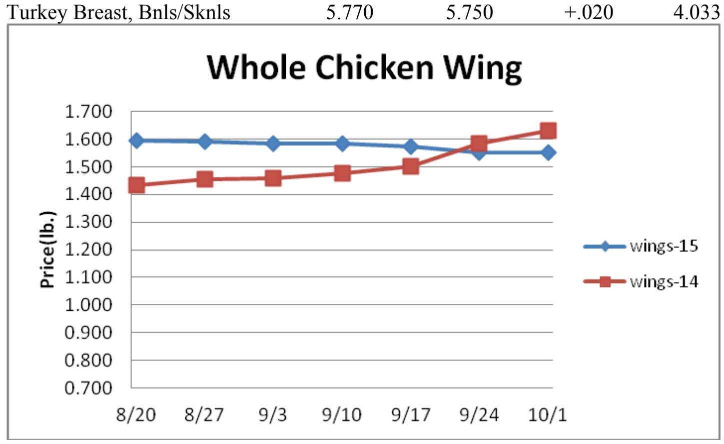


The Kitchen Sink (Various Markets) -Coffee and sugar prices are relatively depressed due in a large part to a weak Brazilian real valuation. As Brazil is a big exporter of both, it will be hard for these markets to move notably higher unless the real does so. Price bases noted below

	Price	Last Week	Difference	Price 14
Whole Peeled, Stand (6/10)	12.737	12.737	-	12.545
Tomato Paste- Industrial (lb.)	.472	.472	-	.467
Coffee, lb., ICE	1.211	1.168	+.043	1.997
Sugar, lb., ICE	.242	.240	+.002	0.262
Cocoa, mt., ICE	3141.000	3308.000	-167.000	3127.000
Orange Juice, lb., ICE	1.071	1.107	-.036	12.625
Honey (Clover), lb.	1.974	1.974	-	2.074

Poultry- Chicken production for the week ending September 19th was 8.5% bigger than a year ago. Yet, recent data is indicating that chicken output growth will slow this fall. The six week moving average for chick placements is just .6% above 2014. Further, the USDA recently reduced their Q4 chicken production forecast to be just 2.4% above the prior year. This could support chicken wing prices soon. Chicken breast prices in the Southeast have fallen to their least expensive level since February 2011. Engaging chicken breast prices are likely to persist into the winter. The September 1st table egg laying flock was 11.1% less than last year the smallest for the date since at least 2008. High egg prices are likely to endure throughout the fall. Prices USDA, FOB per pound except when noted

Chicken	Price	Last Week	Difference	Price 14
Whole Birds (2.5-3 lb.-GA)	1.148	1.150	-.002	1.137
Wings (whole)	1.550	1.550	-	1.630
Wings (jumbo, cut)	1.702	1.679	+.023	1.672
Breast, Bone In	1.185	1.225	-.040	1.270
Breast, Bnless Skinless	1.765	1.820	-.055	2.195
Tenderloin (random)	1.400	1.500	-.100	1.880
Tenderloin (sized)	1.800	1.900	-.100	2.140
Legs (whole)	.400	.436	-.036	0.529
Leg Quarters	.450	.450	-	0.520
Thighs, bone in	.512	.558	-.046	0.754
Thighs, boneless	.928	.927	-.001	1.278
Eggs and Others				
Large (dozen)	2.073	2.100	-.027	1.153
Medium (dozen)	1.617	1.627	-.010	0.925
Whole Eggs- Liquid	1.660	1.745	-.085	0.749
Egg Whites- Liquid	1.540	1.625	-.085	1.217
Egg Yolks- Liquid	3.265	3.245	+.020	0.661
Whole Turkeys (8-16 lb.)	1.360	1.330	+.030	1.140
Turkey Breast, Bnls/Sknls	5.770	5.750	+.020	4.033



Seafood- U.S. Gulf of Mexico shrimp landings during August were 5.5% bigger than last year and the largest for the month since at least 2011. Deflated U.S. shrimp prices could curb shrimp fishing over the next few months. The downside risk in the shrimp markets may be only modest. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 14
Salmon (wh. Atl., 10-12 lb.)	n/a	n/a	-	n/a
Catfish Filets	n/a	n/a	-	n/a
Trout (drn. 8-14 oz.)	n/a	n/a	-	n/a
Shrimp (16/20), Frz	6.209	6.091	+.110	8.167
Shrimp (61/70), Frz.	2.950	2.780	+.170	4.400
Shrimp, Tiger (26/30), Frz.	4.830	4.830	-	6.520
Snow Crab, Legs 5-8 oz, Frz	4.925	4.925	-	5.400
Snow Crab, Legs 8 oz/ up, Fz	5.600	5.600	-	5.625
Cod Tails, 3-7 oz., Frz.	2.825	2.825	-	3.013
Cod Loins, 3-12 oz., Frz	3.088	3.088	-	3.050
Salmon Portions, 4-8 oz, Frz	5.900	5.900	-	6.242
Pollock, Alaska, Deep Skin	1.800	1.800	-	1.750

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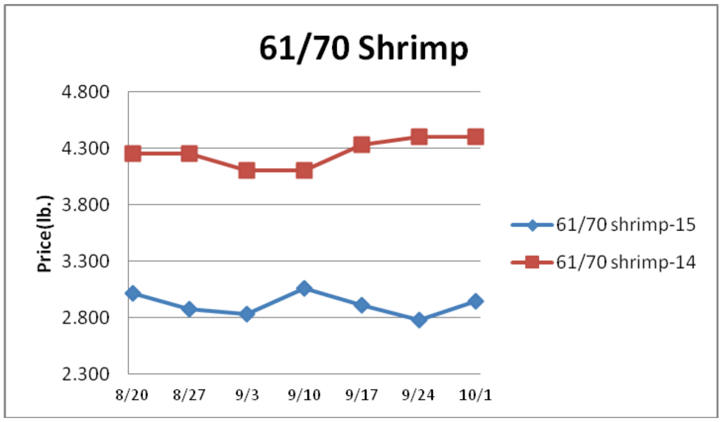
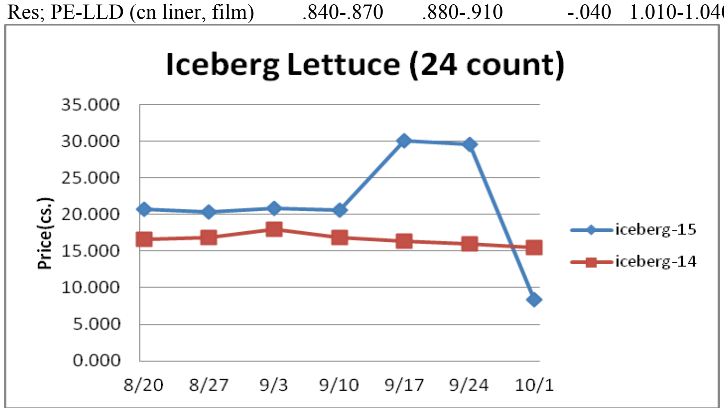


Energy & Currency- Diesel fuel prices have declined to their lowest levels in over six years. Fairly attractive diesel and gasoline prices should endure this fall. Currency US dollar is worth

	Price	Last Week	Difference	Price 14
Crude Oil, barrel- nymex	45.050	46.700	-1.650	91.600
Natural Gas, mbtu- nymex	2.609	2.657	-.048	4.138
Heating Oil, gal- nymex	1.523	1.571	-.048	2.662
Electricity, mwht- nymex	39.050	38.100	+.950	44.250
Gasoline, gal- nymex	1.342	1.402	-.060	2.448
Diesel Fuel, gal- eia	2.476	2.493	-.017	3.755
Ethanol, gal- usda	1.471	1.443	+.028	1.520
Canadian $	1.340	1.329	+.011	1.121
Japanese Yen	120.327	120.177	+.150	109.852
Mexican Peso	16.911	16.899	+.012	13.439
Euro	.892	.897	-.005	.794
Brazilian Real	4.056	4.036	+.020	2.439
Chinese Yuan	6.355	6.356	-.001	6.140

Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 14
WP; NBSK (napkin, towel)	968.133	968.133	-	995.601
WP; 42 lb. Linerboard (corr.)	678.786	678.786	-	672.235
Res; PS-CHH (cup, cont.)	1.22-1.26	1.22-1.26	-	1.370.1.390
Res; PP-HIGP (hvy utensil)	.840-.860	.850-.870	-.010	1.080-1.110
Res; PE-LLD (cn liner, film)	.840-.870	.880-.910	-.040	1.010-1.040



Produce- The lettuce markets remain relatively inflated as the California harvest continues to disappoint due to earlier adverse weather. Iceberg lettuce shipments last week were 7.9% less than the previous year. However, lettuce demand is starting to fade. Further, the chief lettuce harvest area will begin to transition to Huron in the coming weeks which could bring some supply relief. Thus, the upside risk in the lettuce markets from here may be nominal. The principal tomato harvest regions will begin to transition south soon as well. This could bring a more consistent supply to the tomato markets. Price bases noted below.

	Price	Last Week	Difference	Price 14
Limes (150 ct.)	15.500	16.000	-.500	6.500
Lemons (95 ct.)	35.850	35.850	-	39.850
Lemons (200 ct.)	21.850	21.850	-	28.900
Honeydew (6 ct.)	8.375	6.750	+1.625	7.875
Cantaloupe (15 ct.)	7.500	7.750	-.250	6.250
Blueberries (12 count)	31.500	25.650	+5.850	26.000
Strawberries (12 pnts.)	11.667	9.000	+2.667	19.000
Avocados (Hass 48 ct.)	23.750	23.750	-	29.250
Bananas (40 lb.)- Term.	15.454	15.436	+.018	14.928
Pineapple (7 ct.)- Term.	21.438	21.813	-.375	13.125
Idaho Potato (60 ct., 50 lb.)	5.750	6.000	-.250	8.375
Idaho Potato (70 ct., 50 lb.)	6.375	6.500	-.125	8.375
Idaho Potato (70 ct.)-Term.	15.172	16.047	-.875	13.563
Idaho Potato (90 ct., 50 lb.)	7.125	7.000	+.125	6.875
Idaho Pot. # 2 (6 oz., 100 lb.)	11.250	11.000	+.250	13.000
Processing Potato (cwt.)	8.750	8.750	-	7.125
Yellow Onions (50 lb.)	6.250	7.000	-.750	6.750
Yell Onions (50 lb.)-Term.	13.594	14.136	-.542	13.300
Red Onions (25 lb.)- Term.	13.688	13.235	+.453	12.584
White Onions (50 lb.)- Term.	21.500	20.938	+.562	19.271
Tomatoes (large- case)	19.950	18.950	+1.000	8.950
Tomatoes (5x6-25 lb.)-Term	25.167	16.855	+8.312	12.542
Tomatoes (4x5 vine ripe)	13.950	15.950	-2.000	9.475
Roma Tomatoes (large- case)	13.910	13.260	+.650	13.625
Roma Tomatoes (xlarge-cs)	14.340	13.550	+.790	14.264
Green Peppers (large- case)	13.200	13.388	-.188	9.592
Red Peppers (large 15lb. cs.)	17.950	20.950	-3.000	12.950
Iceberg Lettuce (24 count)	8.317	29.640	-21.323	15.478
Iceberg Lettuce (24)-Term.	34.438	39.563	-5.125	24.750
Leaf Lettuce (24 count)	8.259	9.817	-1.558	8.542
Romaine Lettuce (24 cnt.)	13.927	15.969	-2.042	13.392
Mesculin Mix (3 lb.)-Term.	7.000	6.813	+.187	6.813
Broccoli (14 ct.)	14.078	14.690	-.612	11.700
Squash (1/2 bushel)	4.238	5.250	-1.012	18.350
Zucchini (1/2 bushel)	5.825	6.230	-.405	16.817
Green Beans (bushel)	14.009	19.088	-5.079	18.350
Spinach, Flat 24's	21.500	23.500	-2.000	13.945
Mushrms (10 lb, lg.)-Term.	15.667	15.667	-	14.917
Cucumbers (bushel)	14.200	16.043	-1.843	16.697
Pickles (200-300 ct.)- Term.	30.438	25.750	+4.688	36.490
Asparagus (small)	12.500	14.500	-2.000	16.500
Freight (Truck; CA-Cty Av.)	5170.000	5272.500	-102.500	5640.625

Retail Prices-CPI, % compared to prior month from BLS.

	Aug-15	Jul-15	Jun-15	May-15
Beef and Veal	-.581	-.385	+.888	-.075
Dairy	-.328	+.795	-.608	-.742
Pork	+.874	+1.107	+.262	-.096
Chicken	-.409	-.665	+1.716	-2.391
Fresh Fish and Seafood	+2.226	-1.644	-1.170	-.848
Fresh Fruits and Veg.	+1.655	-.678	-1.745	+.828