Weekly Market Updates

PERFORMANCE FOODSERVICE

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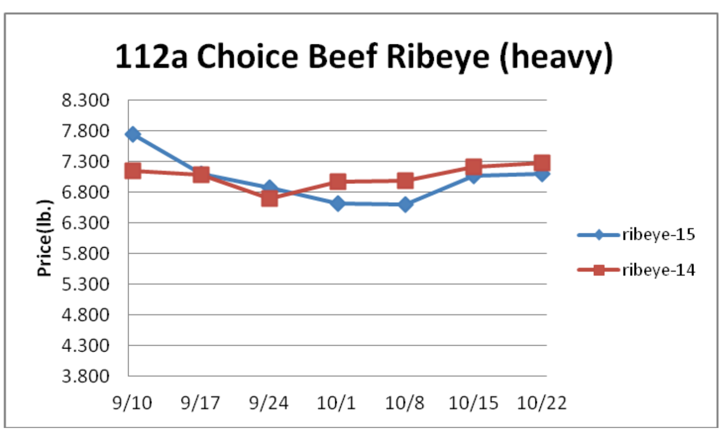
Beef- Beef output last week rose 3.5% and was 5.2% more than the same week last year. Beef production is expected to continue to trend above the prior year levels into 2016. The USDA is forecasting winter beef output to be 4.9% bigger than the previous year. Beef production could remain relatively solid in the near term as well. However, beef demand is seasonally improving. Further, beef retail feature activity is expanding due to the recent decline in prices. Thus, modest beef price increases could be forthcoming. Last year the USDA choice boxed beef cutout index rose 2.9% during the next five weeks. But then, choice beef prices fell 5% during December. Price USDA, FOB per pound.

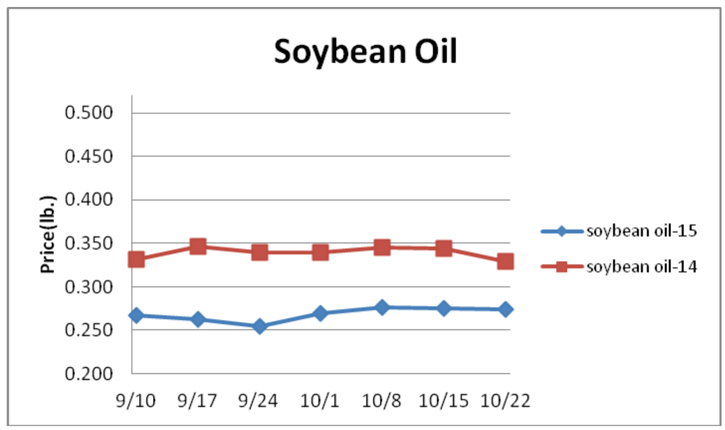
	Price	Last Week	Difference	Price 14
Live Cattle	1.326	1.255	+.071	1.641
Feeder Cattle Index (CME)	1.906	1.855	+.051	2.408
Ground Beef 81/19	1.950	1.936	+.014	2.673
Ground Chuck	2.091	1.993	+.098	2.688
109e Export Rib (choice)	6.910	6.063	+.847	6.623
109e Export Rib (prime)	8.123	8.332	-.209	7.158
112a Ribeye (choice)	7.106	7.062	+.044	7.280
112a Ribeye (prime)	8.657	8.512	+.145	9.868
116 Chuck (select)	3.136	2.971	+.165	3.215
116 Chuck (choice)	3.139	3.091	+.048	3.464
116b Chuck Tdnr (choice)	2.658	2.670	-.012	3.053
120 Brisket (choice)	2.218	2.166	+.052	3.066
121c Outside Skirt (ch/sel)	6.263	6.676	-.413	5.245
121d Inside Skirt (ch/sel)	4.102	3.920	+.182	3.656
167a Knckle, Trm. (ch.)	2.670	2.585	+.085	3.105
168 Inside Round (ch.)	2.297	2.145	+.152	2.768
174 Short Loin (ch. 0x1)	5.625	5.186	+.439	5.402
174 Short Loin (prime)	8.104	10.240	-2.136	8.639
180 1x1 Strp (choice)	5.100	5.042	+.058	4.784
180 1x1 Strp (prime)	9.387	9.387	-	8.916
180 0x1 Strp (choice)	5.531	5.383	+.148	5.336
184 Top Butt, bnls (ch.)	3.390	3.396	-.006	3.303
184 Top Butt, bnls (prime)	3.857	3.986	-.129	3.439
185a Sirloin Flap (choice)	4.386	4.378	+.008	4.343
185c Loin, Tri-Tip (choice)	3.169	2.551	+.618	3.403
189a Tender (select)	10.881	10.777	+.104	11.260
189a Tender (choice)	11.120	11.355	-.235	12.526
189a Tender (prime)	15.641	15.710	-.069	15.154
193 Flank Steak (choice)	4.366	4.221	+.145	4.317
50% Trimmings	.606	.469	+.137	1.200
65% Trimmings	1.035	1.019	+.016	1.762
75% Trimmings	2.020	2.020	-	2.351
85% Trimmings	1.874	1.914	-.040	2.773
90% Trimmings	2.276	2.354	-.078	2.962
90% Imported Beef (frz.)	2.198	2.275	-.077	2.913
95% Imported Beef (frz.)	2.393	2.495	-.102	3.110
Veal Rack (Hotel 7 rib)	9.875	9.875	-	9.850
Veal Top Rnd. (cp. off)	17.850	17.850	-	16.225



Oil, Grains, Misc- The corn and soybean harvests are entering the final stages. Modestly higher corn prices may be impending. Since 2004, the corn market has been below $4 a bushel six times including this year. The five prior occurrences the spot corn market finished the year flat to higher from its mid-October price. Prices USDA, FOB

	Price	Last Week	Difference	Price 14
Soybeans, bushel	8.770	9.043	-.273	9.422
Crude Soybean Oil, lb.	.274	.275	-.001	.329
Soybean Meal, ton	329.000	338.700	-9.700	383.900
Corn, bushel	3.478	3.525	-.047	3.092
Crude Corn Oil, lb.	.365	.368	-.003	.345
High Fructose Corn Syrup	.128	.129	-.001	.118
Distillers Grain, Dry	117.021	116.875	+.146	99.083
Crude Palm Oil, lb. BMD	.247	.252	-.005	.297
HRW Wheat, bushel	4.310	4.660	-.350	5.820
DNS Wheat 14%, bushel	5.190	5.460	-.270	5.990
Durum Wheat, bushel	6.296	6.319	-.023	10.932
Pinto Beans, lb.	.204	.204	-	.249
Black Beans, lb.	.223	.233	-	.298
Rice, Long Grain, lb.	.238	.238	-	.260

3.281 +.034



Dairy- U.S. milk production growth continues to lag due to challenged margins for western farmers. During September, milk production in the U.S. rose just .4% from the previous year due to a .4% larger milk cow herd and no gain in milk per cow yields. The milk cow herd during the month declined by 5,000 head. Lackluster milk output expansion is anticipated to persist over the next few months which could be supportive of the dairy markets. Still, butter prices usually decline during the late fall. Butter futures suggest CME butter could be in the $1.90's by the end of the year. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 14
Cheese Barrels (CME)	1.603	1.640	-.037	2.070
Cheese Blocks (CME)	1.613	1.690	-.077	2.370
American Cheese	1.745	1.740	+.005	2.205
Cheddar Cheese (40 lb.)	1.790	1.830	-.040	2.317
Mozzarella Cheese	1.863	1.903	-.040	2.457
Provolone Cheese	2.300	2.340	-.040	2.815
Parmesan Cheese	3.648	3.688	-.040	4.162
Butter (CME)	2.420	2.350	+.070	1.990
Nonfat Dry Milk	1.153	1.034	+.119	1.481
Whey, Dry	.240	.232	+.008	.617
Class 1 Base	16.480	15.840	+.640	24.190
Class II Cream, heavy	3.154	3.157	-.003	2.555
Class III Milk (CME)	15.660	15.700	-.040	21.730
Class IV Milk (CME)	15.100	15.740	-.640	18.590

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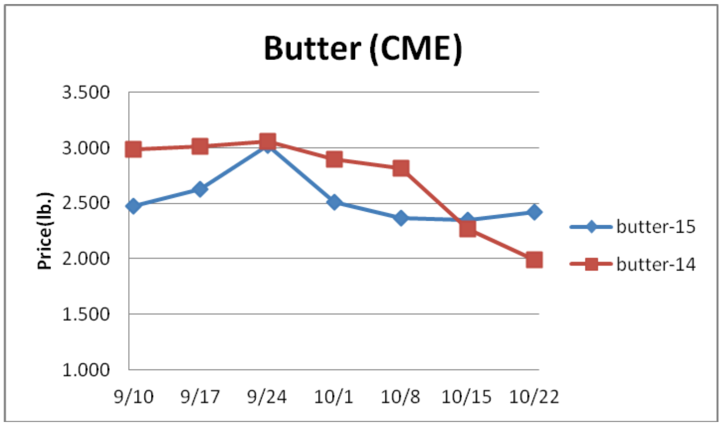
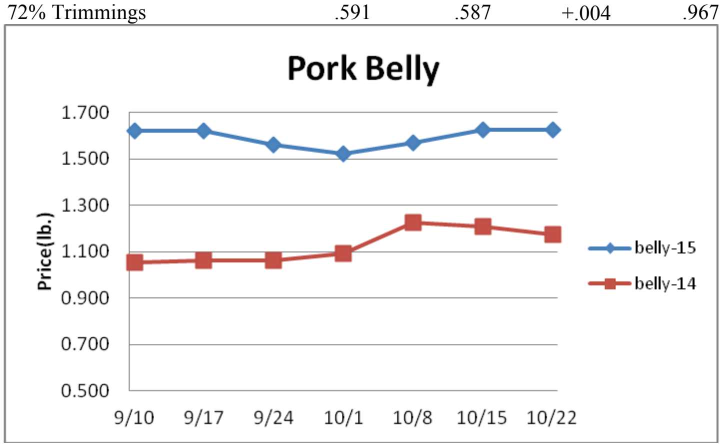


Pork- Pork production last week rose 1.3% and was 4.2% bigger than the same week last year. Hog slaughter was the largest for any week since December 2013. The available hog supply is expected to remain ample during the next several weeks which should encourage pork output. The USDA is forecasting fourth quarter pork production to track 6.8% above last year. The belly markets remain inflated due to strong demand and limited stocks. However, the greater price risk in the belly markets from here remains to the downside. Prices USDA, FOB per pound

	Price	Last Week	Difference	Price 14
Live Hogs	.521	.524	-.003	.705
Belly (bacon)	1.627	1.627	-	1.050
Sparerib (4.25 lb. & down)	1.558	1.495	+.063	1.677
Ham (20-23 lb.)	.802	.749	+.053	1.034
Ham (23-27 lb.)	.724	.712	+.012	.953
Loin (bone-in)	.861	.881	-.020	1.145
Bbybck Rib (1.75 lb. & up)	2.258	2.198	+.060	2.214
Tenderloin (1.25 lb.)	2.076	2.095	-.019	2.887
Boston Butt, untrmd. (4-8lb.)	.761	.799	-.038	1.238
Picnic, untrmd.	.514	.517	-.003	.852
SS Picnic, smoker trm. bx.	.701	.726	-.025	1.144
42% Trimmings	.280	.260	+.020	.467
72% Trimmings	.591	.587	+.004	.967

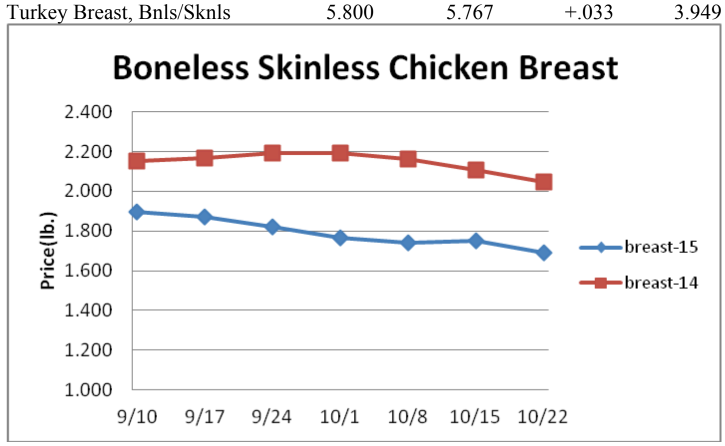


The Kitchen Sink (Various Markets) - Arabica coffee prices have appreciated to a two month high due in part to dry weather in Brazil and recent appreciation in the Brazilian currency. Coffee is due for a short term downward correction. Price bases noted below

	Price	Last Week	Difference	Price 14
Whole Peeled, Stand (6/10)	11.937	11.937	-	12.689
Tomato Paste- Industrial (lb.)	.442	.442	-	.468
Coffee, lb., ICE	1.216	1.365	-.149	1.960
Sugar, lb., ICE	.251	.249	+.002	.268
Cocoa, mt., ICE	3160.000	3109.000	+51.000	3127.000
Orange Juice, lb., ICE	1.269	1.079	+.190	1.364
Honey (Clover), lb.	1.974	1.974	-	2.086

Poultry- Chicken output for the week ending October 10th declined 3.7% from the previous week but was 1.3% more than the same week last year. The year over year increase was entirely due to heavier bird weights as bird slaughter during the week was .5% less than a year ago. Limited broiler bird slaughter may persist over the next several weeks as indicated by recent chick placement data. This should be especially supportive of the chicken wing markets as the football bowl season gets underway around the holidays. The chicken breast markets are trading at some of their lowest levels in five years. Usually chicken breast prices soften from now through the end of the year. But any further declines this fall may be tempered by moderated chicken output. Prices USDA, FOB per pound except when noted

Chicken	Price	Last Week	Difference	Price 14
Whole Birds (2.5-3 lb.-GA)	1.140	1.143	-.003	1.140
Wings (whole)	1.570	1.550	+.020	1.650
Wings (jumbo, cut)	1.716	1.721	-.005	1.784
Breast, Bone In	1.140	1.195	-.055	1.245
Breast, Bnless Skinless	1.690	1.750	-.060	2.045
Tenderloin (random)	1.300	1.300	-	1.780
Tenderloin (sized)	1.700	1.700	-	2.040
Legs (whole)	.310	.338	-.028	.529
Leg Quarters	.435	.450	-.015	.520
Thighs, bone in	.480	.517	-.037	.752
Thighs, boneless	.843	.875	-.032	1.254
Eggs and Others				
Large (dozen)	1.507	1.977	-.470	1.253
Medium (dozen)	1.367	1.540	-.173	1.072
Whole Eggs- Liquid	1.410	1.590	-.180	.770
Egg Whites- Liquid	1.325	1.400	-.075	1.162
Egg Yolks- Liquid	2.990	3.125	-.135	.662
Whole Turkeys (8-16 lb.)	1.360	1.360	-	1.165
Turkey Breast, Bnls/Sknls	5.800	5.767	+.033	3.949



Seafood- The 2015-16 Alaskan Bering Sea snow crab fishing season commenced on October 15th with the quota set at 40.611 million pounds. The quota is down 34% from the prior season and the smallest in nine years. The majority of the snow crab consumed in the U.S. is imported but the smaller Alaskan harvest signals the downside is limited in snow crab prices. 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	6.025	5.915	+.110	8.292
Shrimp (61/70), Frz.	3.090	3.050	+.040	4.363
Shrimp, Tiger (26/30), Frz.	4.800	4.838	-.038	6.575
Snow Crab, Legs 5-8 oz, Frz	5.050	5.050	-	5.400
Snow Crab, Legs 8 oz/ up, Fz	5.700	5.700	-	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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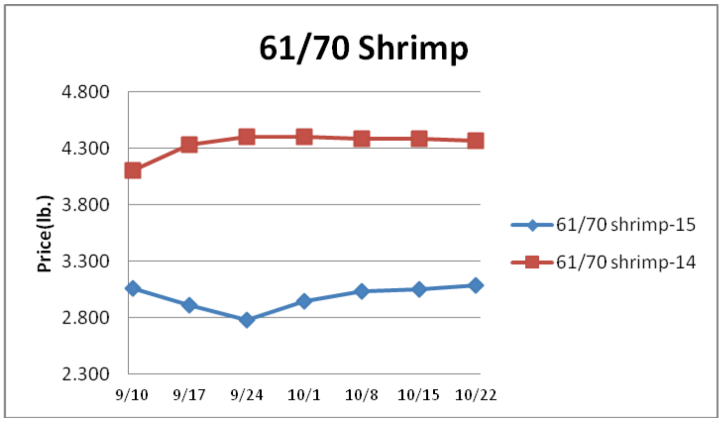
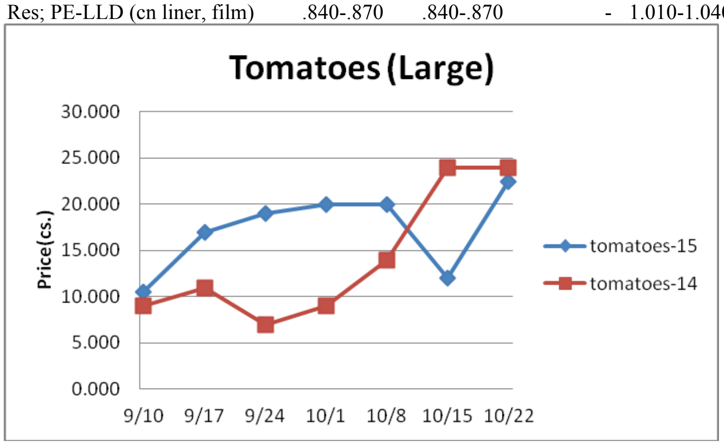


Energy & Currency- Domestic crude oil production has declined to 11 month lows due to poor margins for producers. The crude oil market may remain range-bound in the near term. Currency US dollar is worth

	Price	Last Week	Difference	Price 14
Crude Oil, barrel- nymex	45.670	46.010	-.340	82.710
Natural Gas, mbtu- nymex	2.640	2.507	+.133	3.875
Heating Oil, gal- nymex	1.472	1.472	-	2.507
Electricity, mwht- nymex	38.550	38.350	+.200	42.150
Gasoline, gal- nymex	1.276	1.301	-.025	2.171
Diesel Fuel, gal- eia	2.531	2.556	-.025	3.656
Ethanol, gal- usda	1.446	1.503	-.057	1.553
Canadian $	1.301	1.300	+.001	1.124
Japanese Yen	119.999	119.261	+.738	106.990
Mexican Peso	16.636	16.591	+.045	13.544
Euro	.881	.874	+.007	.788
Brazilian Real	3.904	3.839	+.065	2.482
Chinese Yuan	6.351	6.347	+.004	6.118

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)	966.252	966.252	-	989.204
WP; 42 lb. Linerboard (corr.)	679.071	679.071	-	671.950
Res; PS-CHH (cup, cont.)	1.13-1.17	1.13-1.17	-	1.370.1.390
Res; PP-HIGP (hvy utensil)	.840-.860	.840-.860	-	1.080-1.110
Res; PE-LLD (cn liner, film)	.840-.870	.840-.870	-	1.010-1.040



Produce- The lettuce markets have found support as of late due pending supply concerns. Iceberg lettuce shipments last week were 5% better than the previous year but this trend is not expected to continue. Adverse weather in the Imperial Valley region could cause modest supply gaps in the coming weeks as the chief lettuce harvest transitions there. Thus, the lettuce markets could be especially erratic during the next month or two. The Idaho fall potato harvest is near completion achieving 87% as of October 18th. Potato supplies should remain adequate through the fall which could cause engaging potato prices to persist. Price bases noted below.

	Price	Last Week	Difference	Price 14
Limes (150 ct.)	9.000	10.500	-1.50	7.500
Lemons (95 ct.)	36.350	35.850	+.500	39.850
Lemons (200 ct.)	23.850	21.850	+2.000	24.350
Honeydew (6 ct.)	8.358	8.225	+.133	9.113
Cantaloupe (15 ct.)	7.250	7.250	-	9.975
Blueberries (12 count)	36.250	36.167	+.083	24.500
Strawberries (12 pnts.)	14.667	14.000	+.667	19.000
Avocados (Hass 48 ct.)	17.750	18.750	-1.000	32.750
Bananas (40 lb.)- Term.	15.716	15.332	+.384	14.737
Pineapple (7 ct.)- Term.	17.438	20.375	-2.937	13.084
Idaho Potato (60 ct., 50 lb.)	9.375	7.625	+1.750	9.250
Idaho Potato (70 ct., 50 lb.)	9.875	8.875	+1.000	9.250
Idaho Potato (70 ct.)-Term.	14.704	17.375	-2.671	14.263
Idaho Potato (90 ct., 50 lb.)	10.000	8.875	+1.125	6.875
Idaho Pot. # 2 (6 oz., 100 lb.)	12.500	12.250	+.250	11.750
Processing Potato (cwt.)	9.000	8.750	+.250	7.250
Yellow Onions (50 lb.)	6.125	5.834	+.291	4.500
Yell Onions (50 lb.)-Term.	14.224	13.891	+.333	13.313
Red Onions (25 lb.)- Term.	16.678	16.240	+.438	11.542
White Onions (50 lb.)- Term.	20.125	19.573	+.552	14.289
Tomatoes (large- case)	22.450	19.950	+2.500	23.950
Tomatoes (5x6-25 lb.)-Term	22.188	20.917	+1.271	29.501
Tomatoes (4x5 vine ripe)	16.950	16.975	-.025	24.950
Roma Tomatoes (large- case)	15.825	17.455	-1.630	19.700
Roma Tomatoes (xlarge-cs)	15.450	17.700	-2.250	19.950
Green Peppers (large- case)	16.167	15.400	+.767	15.450
Red Peppers (large 15lb. cs.)	16.975	19.950	-2.975	13.950
Iceberg Lettuce (24 count)	17.688	11.988	+5.700	14.975
Iceberg Lettuce (24)-Term.	25.959	23.063	+2.896	21.375
Leaf Lettuce (24 count)	9.667	8.375	+1.292	8.067
Romaine Lettuce (24 cnt.)	18.295	15.334	+2.961	15.324
Mesculin Mix (3 lb.)-Term.	6.563	6.407	+.156	6.782
Broccoli (14 ct.)	15.725	14.500	+1.225	8.563
Squash (1/2 bushel)	8.350	10.350	-2.000	7.600
Zucchini (1/2 bushel)	8.310	10.350	-2.040	7.475
Green Beans (bushel)	14.184	20.350	-6.166	23.684
Spinach, Flat 24's	15.500	18.725	-3.225	12.250
Mushrms (10 lb, lg.)-Term.	15.917	15.684	+.233	15.146
Cucumbers (bushel)	14.175	14.169	+.006	9.313
Pickles (200-300 ct.)- Term.	31.323	30.146	+1.177	32.813
Asparagus (small)	14.500	15.500	-1.000	16.500
Freight (Truck; CA-Cty Av.)	5950.000	5871.429	+78.571	5628.125

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

	Sep-15	Aug-15	Jul-15	Jun-15
Beef and Veal	-.638	-.581	-.385	+.888
Dairy	+.722	-.328	+.795	-.608
Pork	+.619	+.874	+1.107	+.262
Chicken	-.898	-.409	-.665	+1.716
Fresh Fish and Seafood	-.115	+2.226	-1.644	-1.170
Fresh Fruits and Veg.	+1.886	+1.655	-.678	-1.745