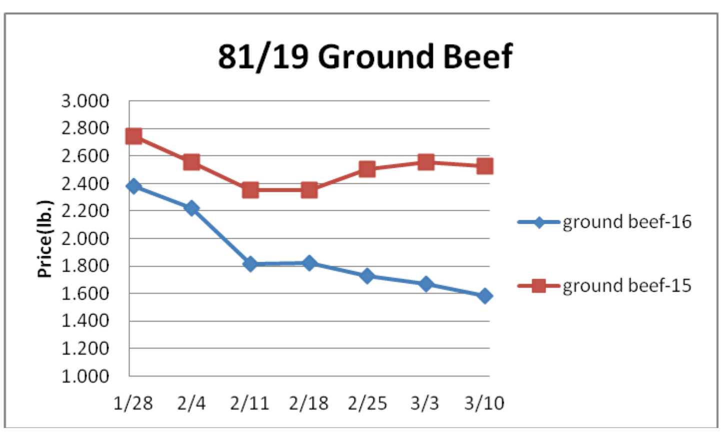
Weekly Market Updates

PERFORMANCE FOODSERVICE

Volume No. 21 Issue No. 10 Date: March 10, 2016

Beef - Beef output last week declined .5% but was .6% more than the same week last year. Fairly solid year over year expansion in beef output is expected to occur during the next several months which should generally weigh on the beef markets. Beef export demand is improving however. U.S. beef exports during January were 9.8% larger than last year while imports declined 6.9%. Still, the U.S. remained a net beef importer during the month adding 4% to the total supply. Ground beef demand is picking up with total shipments last week the biggest for any week in over 13 years. Typically the ground beef markets firm during the better part of March but prices should remain below 2015 levels. Price USDA, FOB per pound.

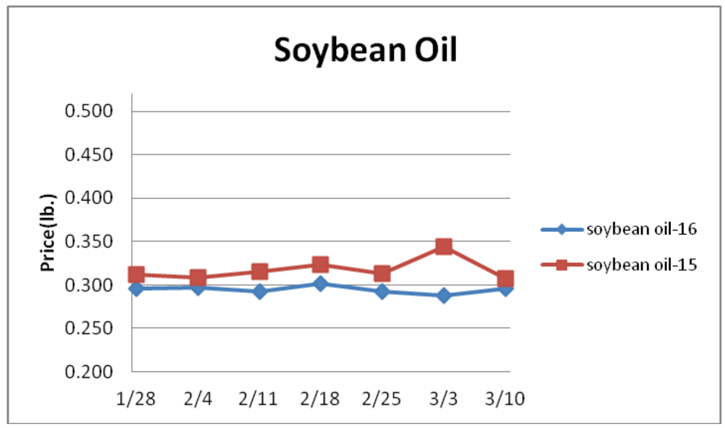
	Price	Last Week	Difference	Price 15
Live Cattle	1.357	1.359	-.002	1.621
Feeder Cattle Index (CME)	1.592	1.593	-.001	2.120
Ground Beef 81/19	1.580	1.667	-.087	2.526
Ground Chuck	1.892	1.947	-.055	2.670
109e Export Rib (choice)	7.641	7.366	+.275	6.922
109e Export Rib (prime)	8.593	8.136	+.457	8.173
112a Ribeye (choice)	8.324	8.048	+.276	7.929
112a Ribeye (prime)	9.182	8.338	+.844	8.994
116 Chuck (select)	2.731	2.850	-.119	3.112
116 Chuck (choice)	2.656	2.838	-.182	3.238
116b Chuck Tdnr (choice)	2.637	2.911	-.274	3.141
120 Brisket (choice)	2.466	2.422	+.044	3.147
121c Outside Skirt (ch/sel)	5.853	5.703	+.150	5.258
121d Inside Skirt (ch/sel)	4.489	4.147	+.342	4.472
167a Knckle, Trm. (ch.)	2.397	2.613	-.216	3.169
168 Inside Round (ch.)	2.246	2.327	-.081	2.724
174 Short Loin (ch. 0x1)	6.536	6.191	+.345	5.588
174 Short Loin (prime)	7.178	5.949	+1.229	7.112
180 1x1 Strp (choice)	6.132	5.124	+1.008	5.736
180 1x1 Strp (prime)	6.303	6.303	-	7.665
180 0x1 Strp (choice)	6.908	6.478	+.430	6.095
184 Top Butt, bnls (ch.)	3.001	3.617	-.616	4.111
184 Top Butt, bnls (prime)	3.626	3.626	-	4.558
185a Sirloin Flap (choice)	5.741	5.682	+.059	4.819
185c Loin, Tri-Tip (choice)	2.457	2.507	-.050	3.956
189a Tender (select)	10.857	10.456	+.401	10.198
189a Tender (choice)	10.643	10.967	-.324	10.557
189a Tender (prime)	14.170	13.885	+.285	15.011
193 Flank Steak (choice)	5.992	5.725	+.267	5.590
50% Trimmings	.851	.648	+.203	.890
65% Trimmings	1.033	.930	+.103	1.470
75% Trimmings	1.369	1.390	-.021	2.232
85% Trimmings	1.986	1.938	+.048	2.736
90% Trimmings	2.184	2.159	+.025	2.970
90% Imported Beef (frz.)	2.100	2.135	+.350	2.258
95% Imported Beef (frz.)	2.275	2.280	-.005	2.420
Veal Rack (Hotel 7 rib)	8.875	8.875	-	9.950
Veal Top Rnd. (cp. off)	16.125	16.275	-.150	17.600



Oil, Grains, Misc- The U.S. winter wheat crop is progressing with ratings generally better than prior year averages. Due to the recent warm weather, the crop is estimated to be three weeks ahead of schedule which could push more supplies to the market sooner rather than later assuming there is no major freeze event. Prices USDA, FOB

	Price	Last Week	Difference	Price 15
Soybeans, bushel	8.542	8.412	+.130	9.753
Crude Soybean Oil, lb.	.296	.288	+.088	.307
Soybean Meal, ton	279.300	268.000	+11.300	362.500
Corn, bushel	3.423	3.347	-.047	3.747
Crude Corn Oil, lb.	.408	.408	-	.370
High Fructose Corn Syrup	.126	.125	+.001	.133
Distillers Grain, Dry	132.021	132.709	-.688	180.708
Crude Palm Oil, lb. BMD	.264	.264	-	.275
HRW Wheat, bushel	4.435	4.240	+.195	5.410
DNS Wheat 14%, bushel	5.130	4.950	+.180	5.840
Durum Wheat, bushel	5.493	5.529	-.036	8.502
Pinto Beans, lb.	.226	.221	+.005	.239
Black Beans, lb.	.230	.230	-	.340
Rice, Long Grain, lb.	.235	.236	-.001	.243

3.281 +.034



Dairy- The cheese markets have firmed despite relatively ample inventories and lackluster exports. January U.S. cheese exports were 7.6% less than the prior year and the smallest in two years. The seasonal tendency is for cheese prices to weaken soon. The five year average move for the CME cheese block market between mid-March and the third week of May is a decline of 5.5%. The U.S. was a net importer of butter during January by 3.4 million pounds adding 1.9% to the total supply. CME butter prices have been higher in April than March in seven of the last nine years. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 15
Cheese Barrels (CME)	1.465	1.433	+.032	1.565
Cheese Blocks (CME)	1.510	1.460	+.050	1.570
American Cheese	1.540	1.532	+.008	1.600
Cheddar Cheese (40 lb.)	1.580	1.565	+.015	1.658
Mozzarella Cheese	1.653	1.665	-.012	1.775
Provolone Cheese	2.075	2.075	-	2.133
Parmesan Cheese	3.690	3.690	-	3.480
Butter (CME)	1.960	1.958	+.002	1.705
Nonfat Dry Milk	.880	.878	+.002	1.132
Whey, Dry	.255	.262	-.007	.478
Class 1 Base	13.780	13.780	-	15.560
Class II Cream, heavy	2.381	2.381	-	2.107
Class III Milk (CME)	13.510	13.380	+.130	15.460
Class IV Milk (CME)	13.380	13.320	+.060	14.240

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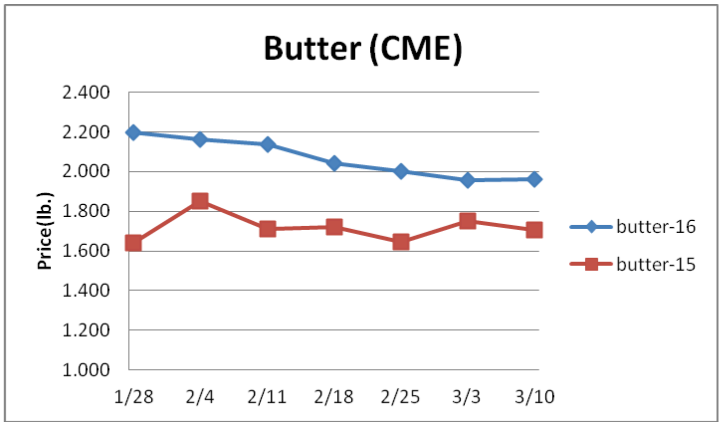
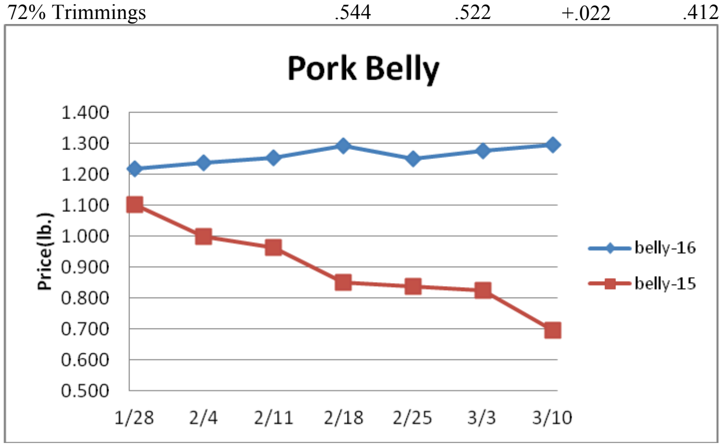


Pork- Pork production last week rose .6% but was .2% less than the same week last year. Pork output will cyclically wane during the spring. The five year average decline in pork production during the second quarter of the year compared to the previous quarter is 5% but this year could be the steepest since 2012. January U.S. pork exports were 10.9% more than the prior year. Solid export demand could persist into the spring which should bring further support to the seasonally rising pork markets including hams and loins. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 15
Live Hogs	.459	.465	-.006	.463
Belly (bacon)	1.296	1.275	+.021	.708
Sparerib (4.25 lb. & down)	1.623	1.628	-.005	1.623
Ham (20-23 lb.)	.551	.583	-.032	.586
Ham (23-27 lb.)	.565	.552	+.013	.529
Loin (bone-in)	.776	.752	+.024	.819
Bbybck Rib (1.75 lb. & up)	2.705	2.657	+.048	2.459
Tenderloin (1.25 lb.)	2.108	2.325	-.217	2.394
Boston Butt, untrmd. (4-8 lb.)	.792	.786	+.006	.827
Picnic, untrmd.	.408	.401	+.007	.480
SS Picnic, smoker trm. bx.	.624	.614	+.010	.698
42% Trimmings	.243	.203	+.040	.250
72% Trimmings	.544	.522	+.022	.412

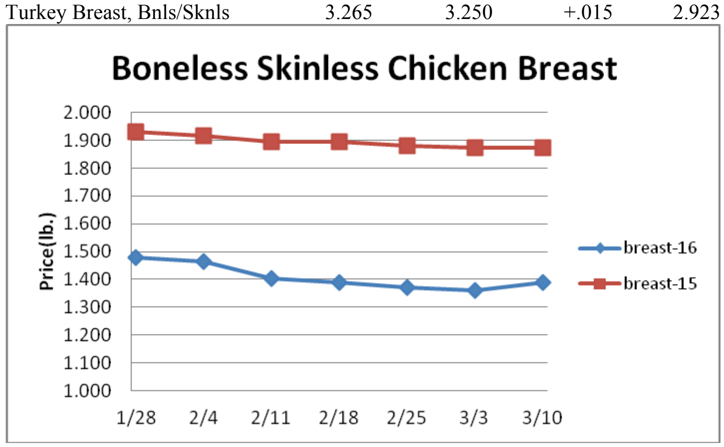


The Kitchen Sink (Various Markets) - The coffee markets continue to trend at relatively engaging levels for buyers. The USDA is signaling that world coffee supplies could remain borderline adequate this year which signals that the greater price risk is to the upside. Price bases noted below.

	Price	Last Week	Difference	Price 15
Whole Peeled, Stand (6/10)	11.993	11.993	-	12.761
Tomato Paste- Industrial (lb.)	.444	.444	-	.473
Coffee, lb., ICE	1.217	1.148	+.069	1.336
Sugar, lb., ICE	.253	.258	-.005	.240
Cocoa, mt., ICE	2970.000	2933.000	+37.000	3127.000
Orange Juice, lb., ICE	1.223	1.257	-.034	1.364
Honey (Clover), lb.	1.775	1.750	+.025	1.953

Poultry- Chicken production for the week ending February 27th declined .8% but was a whopping 8.2% larger than the same week last year. The recent strong year over year gains in weekly output are almost certainly unsustainable. Chicken producer margins remain subpar due to decade plus lows in the chicken breast markets. This should cause chicken output to track much closer to 2015 levels in the coming months. U.S. chicken exports during January were 6.2% less than the previous year but the biggest since October. Recent action in the chicken leg quarter market signals that export demand is improving. The ARA Chicken Leg Quarter Index has risen 32% since January 1st. Further chicken leg quarter price increases are likely. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 15
Whole Birds (2.5-3 lb.-GA)	1.138	1.140	-.002	1.143
Wings (whole)	1.715	1.645	+.070	1.740
Wings (jumbo, cut)	1.715	1.729	-.014	1.742
Breast, Bone In	.955	.925	+.030	1.230
Breast, Bnless Skinless	1.390	1.360	+.030	1.875
Tenderloin (random)	1.650	1.650	-	1.850
Tenderloin (sized)	1.850	1.850	-	2.150
Legs (whole)	.365	.398	-.033	.432
Leg Quarters	.330	.325	+.005	.500
Thighs, bone in	.483	.457	+.026	.718
Thighs, boneless	.746	.729	+.017	.969
Eggs and Others				
Large (dozen)	1.023	1.023	-	1.522
Medium (dozen)	.818	.818	-	1.240
Whole Eggs- Liquid	.675	.680	-.005	.764
Egg Whites- Liquid	.755	.755	-	.603
Egg Yolks- Liquid	.915	1.015	-.100	.751
Whole Turkeys (8-16 lb.)	1.240	1.240	+.005	1.000
Turkey Breast, Bnls/Sknls	3.265	3.250	+.015	2.923



Seafood - U.S. salmon imports remained strong in January tracking 7.4% above last year and setting a record for the month. However, Chilean salmon producers are struggling with an algae bloom with their farms which is expected to cause Chilean salmon output to decline rather sharply. Higher salmon prices are likely to occur during the next several months. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 15
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	6.836	6.817	+.019	7.420
Shrimp (61/70), Frz.	3.380	3.400	-.020	4.350
Shrimp, Tiger (26/30), Frz.	4.900	4.950	-.050	6.060
Snow Crab, Legs 5-8 oz, Frz	5.225	5.225	-	5.250
Snow Crab, Legs 8 oz/ up, Fz	6.050	6.050	-	5.450
Cod Tails, 3-7 oz., Frz.	2.800	2.800	-	3.063
Cod Loins, 3-12 oz., Frz	3.175	3.175	-	3.037
Salmon Portions, 4-8 oz, Frz	5.775	5.775	-	6.275
Pollock, Alaska, Deep Skin	1.800	1.800	-	1.750

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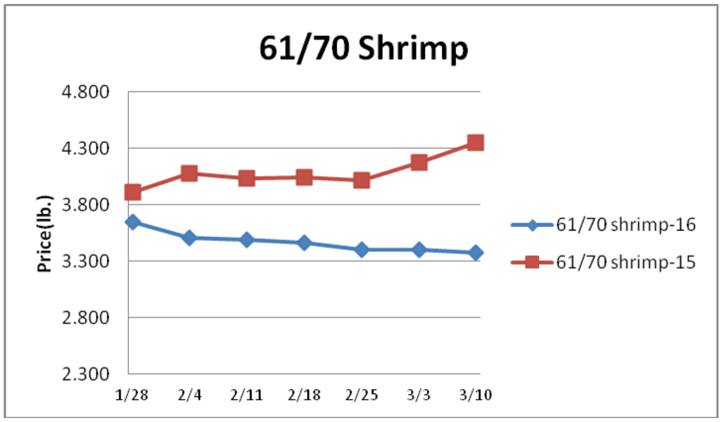
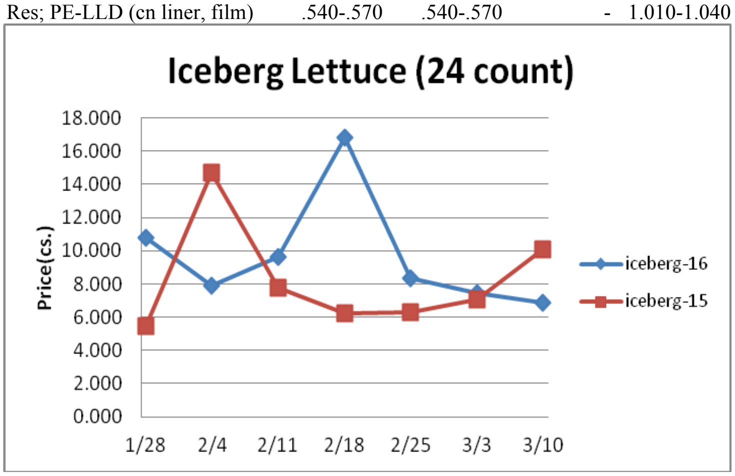


Energy & Currency- Crude oil prices have risen to six week high while weekly domestic production has declined to a 16 month low. Crude oil prices may remain supported in the near term. Currency US dollar is worth.

	Price	Last Week	Difference	Price 15
Crude Oil, barrel- nymex	37.190	33.970	+3.220	48.420
Natural Gas, mbtu- nymex	1.732	1.798	-.066	2.694
Heating Oil, gal- nymex	1.222	1.104	+.118	1.809
Electricity, mwht- nymex	30.000	31.75	-1.750	39.800
Gasoline, gal- nymex	1.419	1.315	+.104	1.805
Diesel Fuel, gal- eia	2.021	1.989	+.032	2.944
Ethanol, gal- usda	1.253	1.300	-.047	1.390
Canadian $	1.340	1.346	-.006	1.271
Japanese Yen	112.497	114.508	-2.011	121.574
Mexican Peso	17.836	17.896	-.060	15.667
Euro	.912	.922	-.010	.947
Brazilian Real	3.719	3.921	-.202	3.102
Chinese Yuan	6.513	6.553	-.040	6.263

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

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 15
WP; NBSK (napkin, towel)	963.241	963.241	-	986.570
WP; 42 lb. Linerboard (corr.)	677.647	677.647	-	683.343
Res; PS-CHH (cup, cont.)	.960-1.00	.960-1.00	-	1.370-1.390
Res; PP-HIGP (hvy utensil)	.690-.710	.690-.710	-	1.080-1.110
Res; PE-LLD (cn liner, film)	.540-.570	.540-.570	-	1.010-1.040



Produce- The lettuce markets remain at relatively engaging levels as demand is seasonally lethargic. Iceberg lettuce prices have declined to some of their least expensive levels in a year. History suggests that the lettuce markets could find support soon as iceberg prices don't typically trade below the existing levels for more than a few weeks. Further, iceberg lettuce shipments remain subpar last week tracking 13% below the previous year. Strong imports from Mexico continue to weigh on the avocado market. Mexican avocado shipments to the U.S. this season are trending 35% above the prior season. Price bases noted below.

	Price	Last Week	Difference	Price 15
Limes (150 ct.)	15.000	15.500	-.500	17.000
Lemons (95 ct.)	25.350	25.350	-	20.350
Lemons (200 ct.)	20.850	22.350	-1.500	23.850
Honeydew (6 ct.)	8.583	9.063	-.480	11.450
Cantaloupe (15 ct.)	10.450	12.450	-2.000	11.450
Blueberries (12 count)	18.000	21.000	-3.000	22.000
Strawberries (12 pnts.)	7.850	8.280	-.430	7.900
Avocados (Hass 48 ct.)	21.250	27.250	-6.000	38.250
Bananas (40 lb.)- Term.	16.141	16.407	-.266	17.646
Pineapple (7 ct.)- Term.	12.275	13.271	-.996	15.167
Idaho Potato (60 ct., 50 lb.)	9.250	9.000	+.250	13.750
Idaho Potato (70 ct., 50 lb.)	9.250	9.500	+.250	13.125
Idaho Potato (70 ct.)-Term.	16.176	20.480	-4.034	18.323
Idaho Potato (90 ct., 50 lb.)	9.625	9.500	+.125	6.250
Idaho Pot. # 2 (6 oz., 100 lb.)	11.750	11.500	+.250	8.250
Processing Potato (cwt.)	9.250	9.250	-	9.000
Yellow Onions (50 lb.)	8.334	8.917	-.583	5.063
Yell Onions (50 lb.)-Term.	14.782	16.376	-1.594	8.969
Red Onions (25 lb.)- Term.	16.957	18.304	-1.347	9.094
White Onions (50 lb.)- Term.	30.750	30.782	-.032	19.547
Tomatoes (large- case)	18.450	17.950	+.500	10.450
Tomatoes (5x6-25 lb.)-Term	19.417	19.195	+.222	22.723
Tomatoes (4x5 vine ripe)	11.950	8.950	+3.000	13.950
Roma Tomatoes (large- case)	13.200	9.550	+3.650	10.450
Roma Tomatoes (xlarge-cs)	13.825	9.788	+4.037	12.700
Green Peppers (large- case)	15.750	19.850	-4.100	7.600
Red Peppers (large 15lb. cs.)	17.750	21.950	-4.200	11.950
Iceberg Lettuce (24 count)	6.863	7.453	-.590	10.065
Iceberg Lettuce (24)-Term.	12.667	12.417	+.250	15.500
Leaf Lettuce (24 count)	6.409	6.919	-.510	7.475
Romaine Lettuce (24 cnt.)	6.942	7.044	-.102	15.094
Mesculin Mix (3 lb.)-Term.	6.000	6.250	-.250	6.563
Broccoli (14 ct.)	5.933	6.228	-.295	12.702
Squash (1/2 bushel)	15.350	10.650	+4.700	14.350
Zucchini (1/2 bushel)	7.350	4.650	+2.700	12.350
Green Beans (bushel)	34.500	36.384	-1.884	16.600
Spinach, Flat 24's	8.225	7.925	+.300	13.725
Mushrms (10 lb, lg.)-Term.	15.667	15.667	-	15.730
Cucumbers (bushel)	20.020	15.970	+4.050	8.617
Pickles (200-300 ct.)- Term.	26.834	31.563	-4.729	23.938
Asparagus (small)	11.750	11.750	-	17.000
Freight (Truck; CA-Cty Av.)	4520.000	4515.000	+5.000	5250.000

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

	Jan-16	Dec-15	Nov-15	Oct-15
Beef and Veal	+1.404	-2.370	-1.400	-1.017
Dairy	+.009	+.106	-.568	-.196
Pork	-.533	-2.320	-2.300	+.505
Chicken	-.702	-1.670	+.310	+.423
Fresh Fish and Seafood	+2.066	-1.184	-.1350	-1.720
Fresh Fruits and Veg.	+2.635	+.548	+.337	+1.634