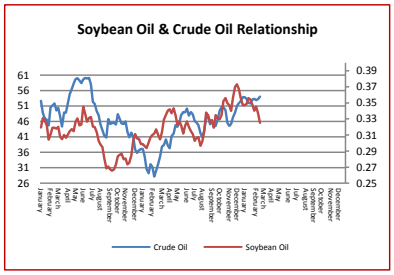
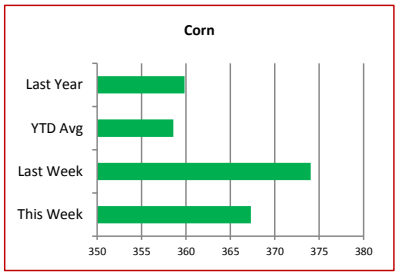
Key Commodity Report Weekly

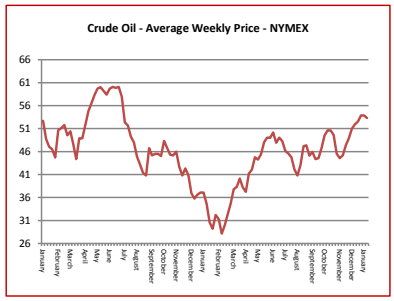
February 27, 2017

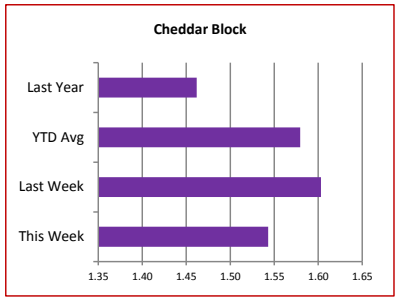
Commodity Activity - Weekly Average

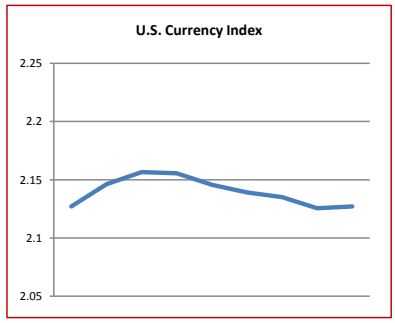
2/20/2017		This Week	Last Week	YTD Avg	Last Year	vs. Last Week	vs. Last Year
CME Group							
Corn	↓	367.31	374.05	358.57	359.85	-1.80%	2.07%
Soybean	↓	1018.5	1047.0	986.0	866.4	-2.72%	17.56%
Soy Meal	↓	333.63	342.24	317.31	261.64	-2.52%	27.51%
Soybean Oil	↓	0.3252	0.3373	0.3269	0.3097	-3.59%	5.00%
Rough Rice	↑	9.43	9.34	10.33	10.39	0.96%	-9.29%
Wheat	↑	463.63	449.05	436.66	447.55	3.25%	3.59%
Cheddar Barrel	↓	1.557	1.650	1.557	1.435	-5.64%	8.53%
Cheddar Block	↓	1.543	1.603	1.579	1.462	-3.74%	5.55%
Milk Class III	↓	16.86	16.88	14.88	13.81	-0.11%	22.14%
Butter AA	↓	2.129	2.137	2.081	2.026	-0.35%	5.10%
Source: CME Group							
USDA Weekly Prices							
Live Cattle	↑	1.210	1.196	1.210	1.340	1.15%	-9.72%
Course Ground Beef	↑	1.769	1.768	1.764	1.700	0.03%	4.07%
Live Hog	↓	0.5374	0.5540	0.4562	0.4776	-3.00%	12.52%
Pork Bellies	↑	2.3700	2.2454	1.4067	1.5992	5.55%	48.20%
Chicken Breast Jumbo MW	↑	1.2800	1.1800	1.2316	1.0820	8.47%	18.30%
Crude Peanut Oil	↔	68.00	68.00	67.02	63.20	0.00%	7.59%
Palm Oil	↓	39.19	40.25	36.07	33.50	-2.63%	16.99%
Eggs Large MW	↓	0.706	0.750	0.912	1.110	-5.87%	-36.40%
Source: USDA							
NYMEX Futures & Retail							
Crude Oil	↑	54.02	53.20	43.32	32.27	1.54%	67.41%
Heating Oil No.2 Spot	↑	155.70	153.60	127.08	98.90	1.37%	57.43%
On Highway Diesel	↑	257.20	256.50	230.22	198.30	0.27%	29.70%
On Highway Gasoline	↓	230.20	230.70	214.03	173.00	-0.22%	33.06%
Natural Gas	↓	2.600	2.892	2.549	1.777	-10.10%	46.31%
Source: New York Mercantile Exchange							
Federal Reserve							
*Euro	↓	1.0574	1.0608	1.1068	1.1000	-0.32%	-3.87%
*British Pound	↑	1.2477	1.2472	1.3568	1.3979	0.04%	-10.74%
*Australian Dollar	↑	0.7693	0.767	0.7438	0.7201	0.30%	6.83%
Canadian Dollar	↑	1.3125	1.3079	1.3265	1.3647	0.35%	-3.83%
Chinese Yuan	↑	6.872	6.866	6.639	6.530	0.09%	5.24%
Swiss Frank	↑	1.007	1.004	0.985	0.993	0.32%	1.37%
Source: Federal Reserve Bank of New York							
ICE Futures							
Sugar 16	↑	30.76	30.64	27.62	25.45	0.39%	20.86%
Orange Juice	↓	172.05	176.25	168.27	124.80	-2.38%	37.86%
Coffee	↓	1.4440	1.4780	1.3543	1.1300	-2.30%	27.79%
Source: Intercontinental Exchange							

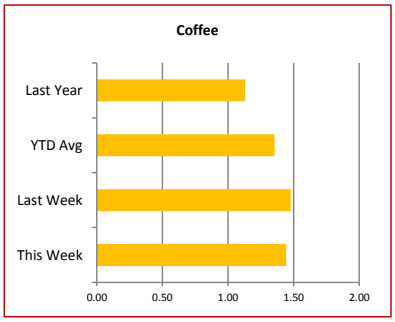








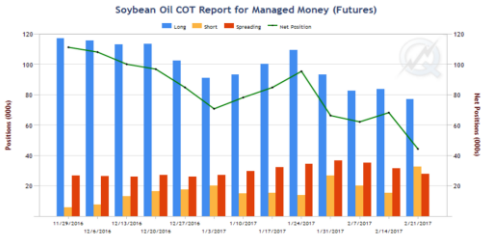




Market Commentary

Commentary: Pretty solid declines last week for corn, beans, meal, and soybean oil. Of course, I will focus more on the oil piece. There are still many unknown factors around biodiesel and the mandates from the EPA. While the Trump administration will likely keep the mandates, will they change the mandates? Biodiesel is 28% of all U.S. production for soybean oil. Changes in any direction will have major ramifications. Both pros and cons can be made for whatever happens, but one thing is for sure, it will move the market. Next, palm oil is playing a major role in soybean oil prices. The recent highs for palm have helped reduce demand for palm and have forced buyers to move to alternatives, mostly soy. This does add demand to soybean oil, but with other bearish factors in play, the result is lower palm and lower soybean oil. Palm producers are claiming they have made it through the year's tightest supply issues, so it is likely that palm demand should come right back alleviating pressure on soy. Also, I have noted recently that the large fund speculators have been in a selling (short) mood lately, but they have also reduced their overall trading volume in soybean oil, meaning less fund money in total. So they have taken out some demand for soybean oil which means lower prices. So the weight is on lower prices, but the market is clearly oversold and we will see a bounce soon.

Commitment of Traders Report

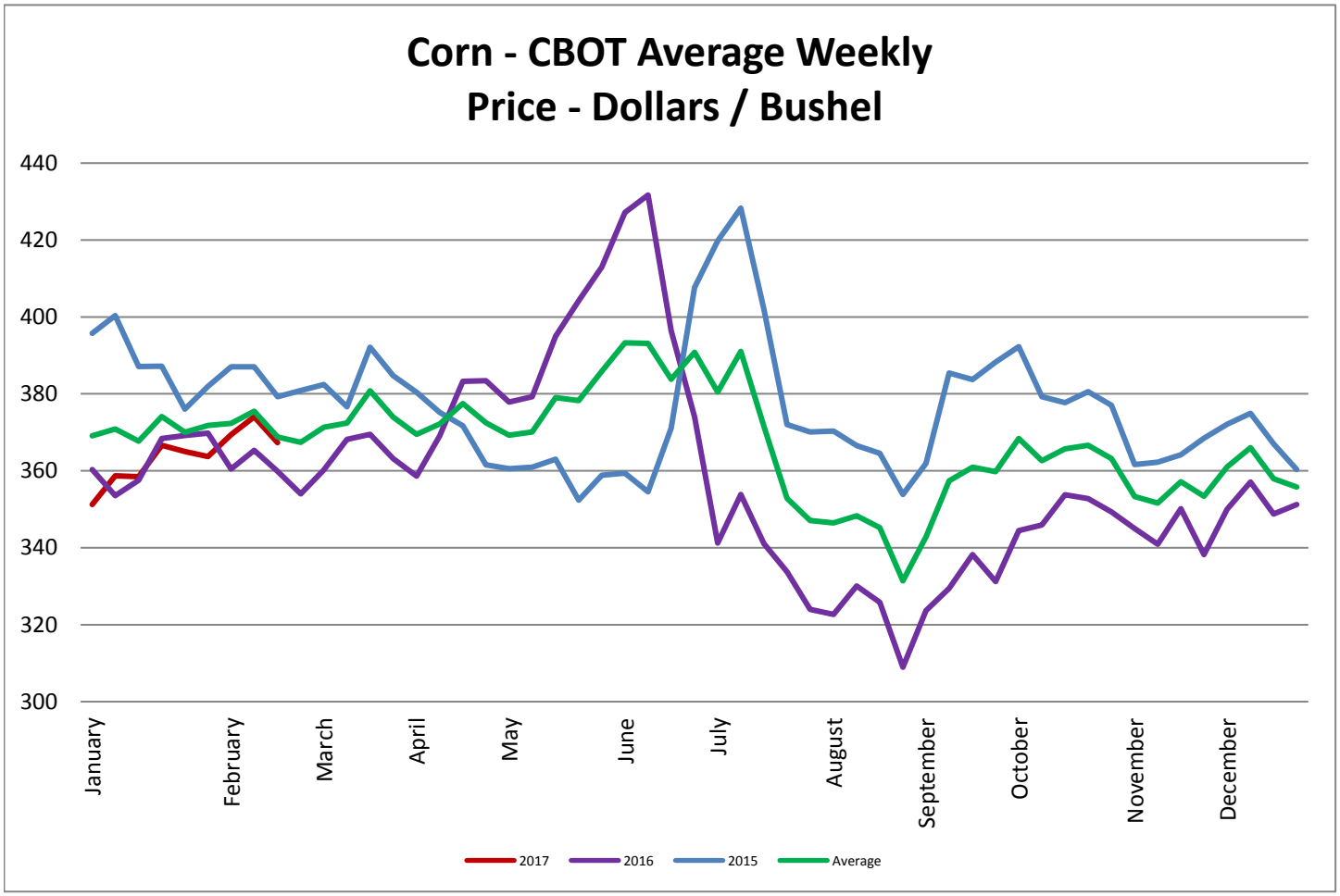


* Used as the indexing unit of measure for this exchange rate

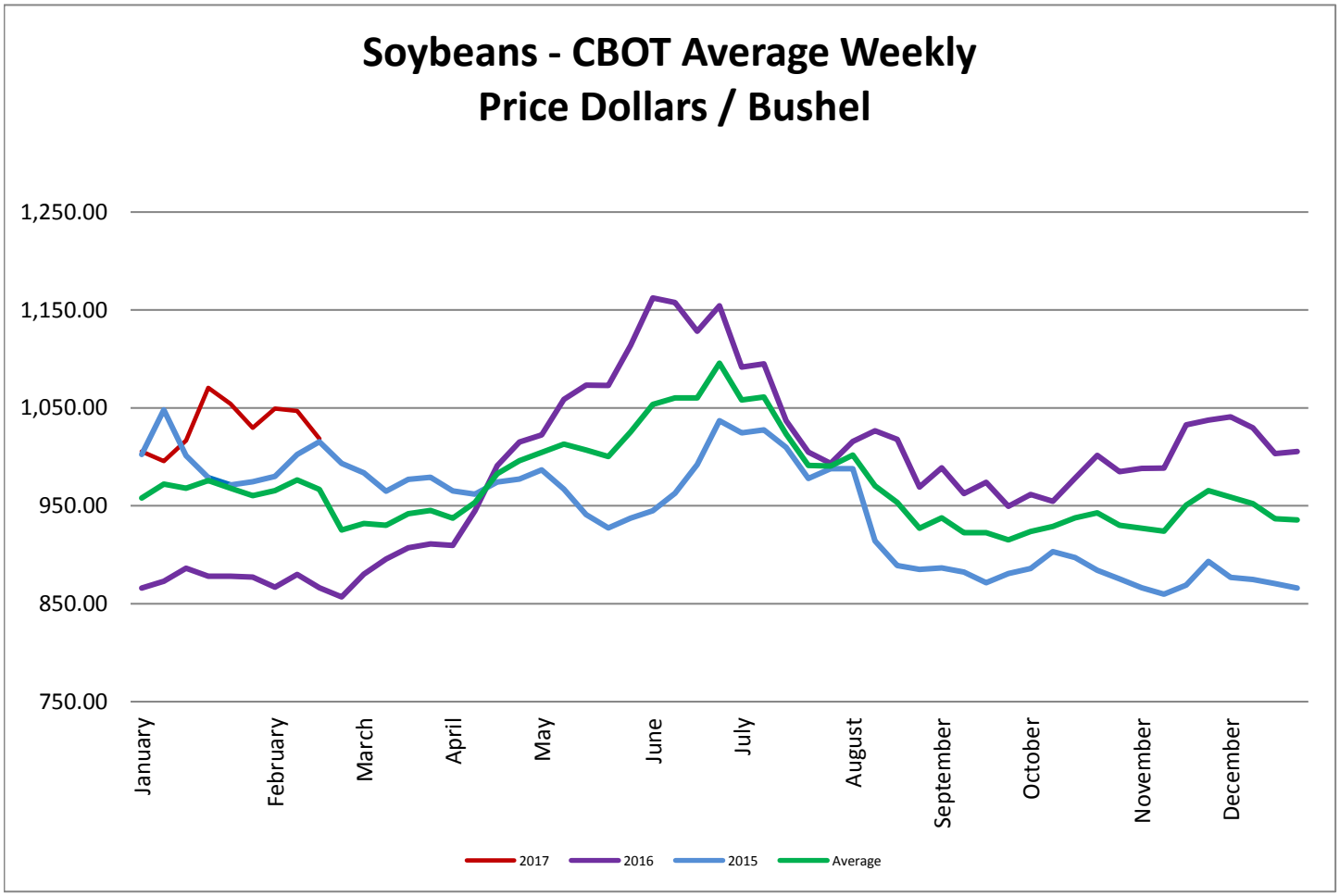
Commodity Information: Commodity information found in this report is publically available. It can be found from numerous sources, all of which are noted. This report is for general informational purposes only. You should not rely upon the material or information in this report as a basis to make any hedging or buying decisions. Sysco makes no representations or warranties of any kind, express or implied, about the completeness, reliability, suitability, accuracy, or availability of the information contained in this report for any purpose and any reliance placed upon this information is done strictly at your own risk. Please note that rounding can affect the percent of change values.* U.S. Currency Index compares the U.S. Dollar

Term	Definition
USDA	United States Department of Agriculture
Chicago Board of Trade (CBOT)	Trading platform where many commodities are bought & sold. Now known as the CME Group.
CME Group	Chicago Mercantile Exchange and CBOT mergedto create the CME Group. The largest trading platform globally.
Basis	A premium or discount to the futures market
Board	Current futures price.
Bull	A trader who thinks the market will trend higher
Bear	A trader who thinks the market will trend lower
Short	A term used to identify selling a commodity or derivative
Long	A term used to identify buyin a commodity or derivative
Front Month	Current futures trading month
Back months	Any trading month beyond the front month
Futures Contract	A legally binding agreement to buy or sell a commodity or financial instrument at a later date pursuant to the Rules of the Exchange
Forward Contract	A private, cash-market agreement between a buyer and seller for the future delivery of a commodity at an agreed price. In contrast to futures contracts, forward contracts are not standardized and not transferable.
Carryover	Last year's ending stocks of a storable commodity
Correction	When the market makes a full about face moving by 10% or greater
Retracement	When the market makes an about face, but not as strong as a correction
CWT	Centum Weight or 100 weight
Backwardation	A term used mostly in energy trading referring to inverted futures where prices currently are higher than in deffered months.
Long	Refers to buying
Short	Refers to selling
WASDE Report	Refers to the USDA World Agricutural Supply & Demand Estimates
Metric Tonne	2,204 pounds

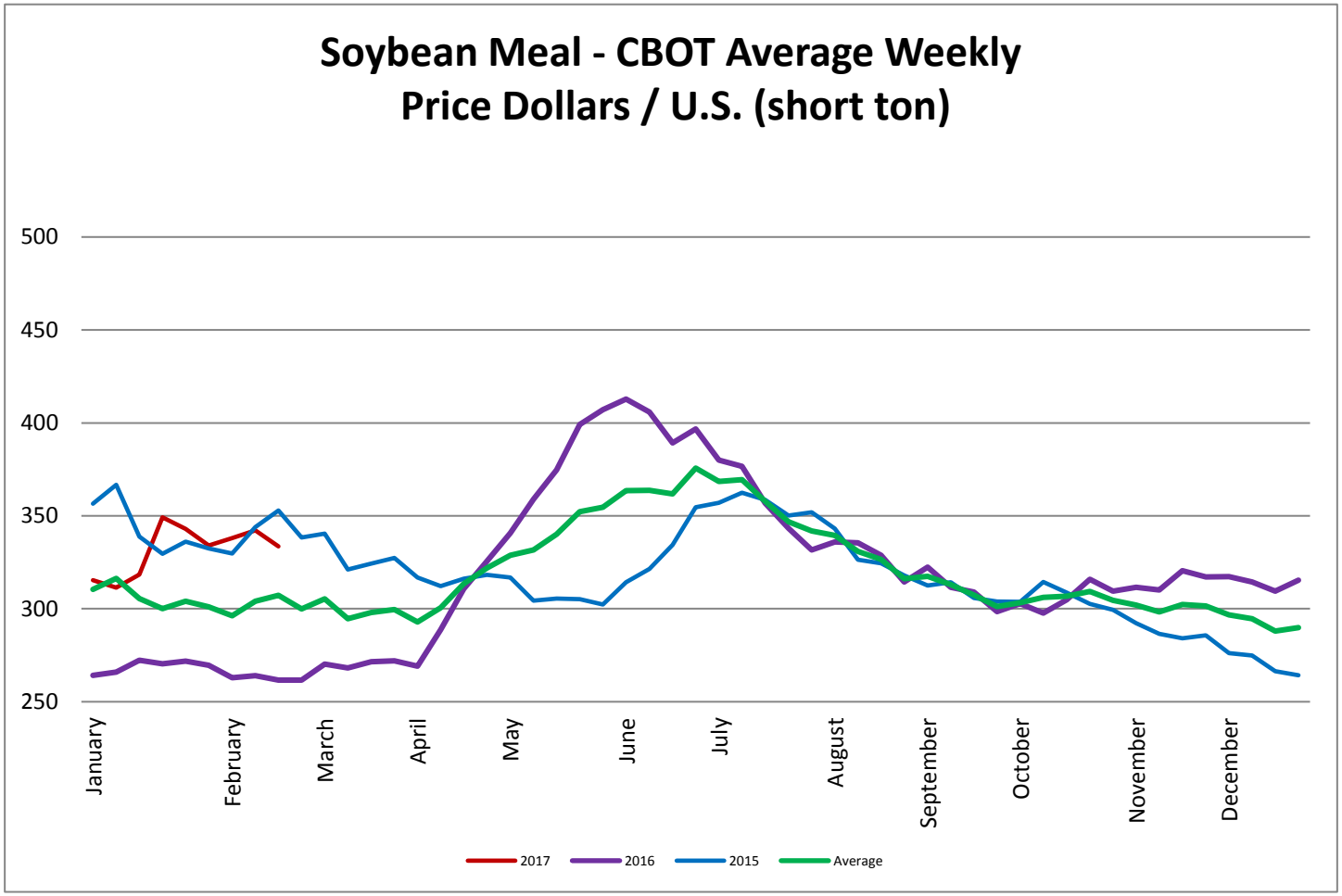
Corn - CBOT Weekly Futures Price



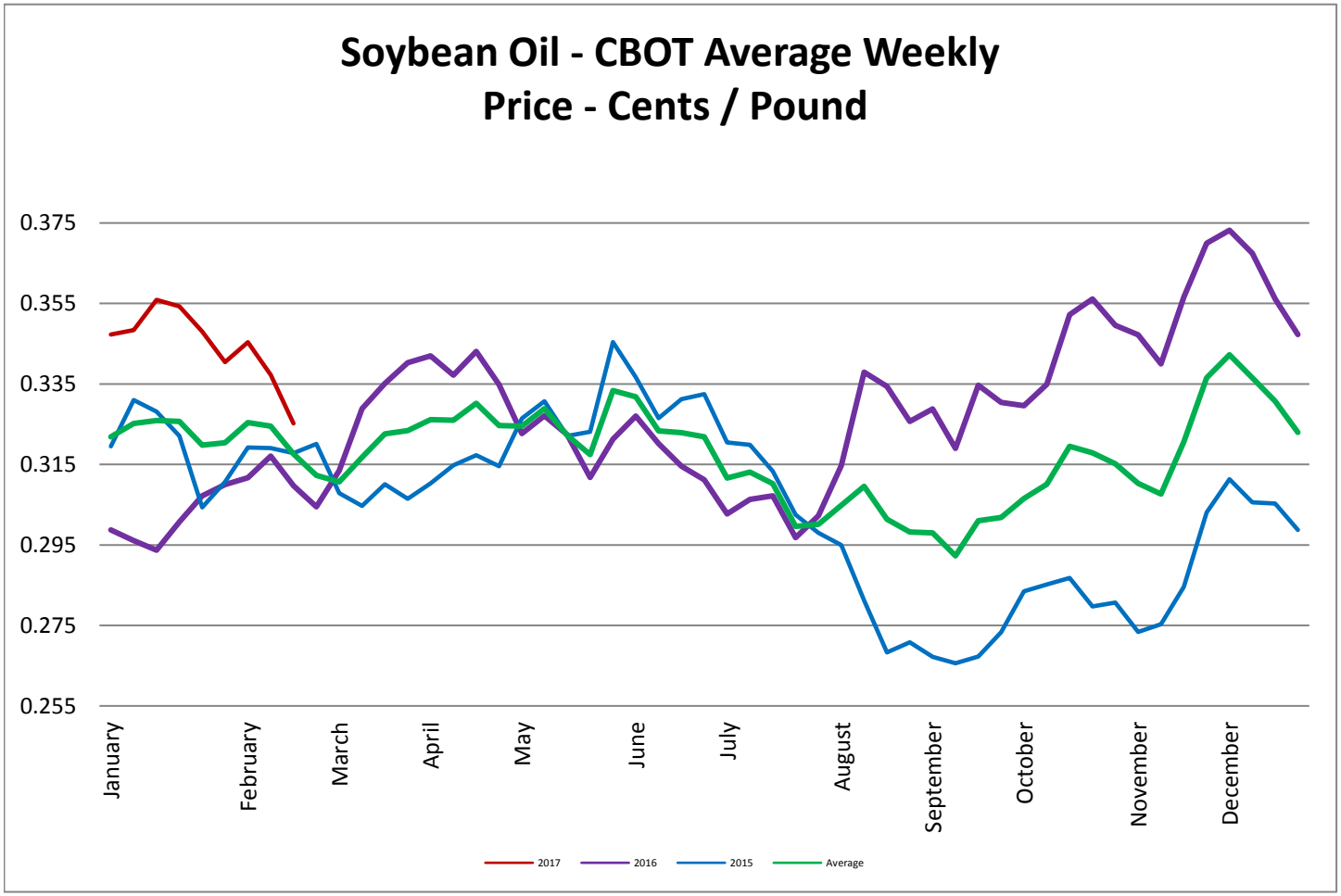
Soybeans - CBOT Weekly Average Price - Dollars / Bushel



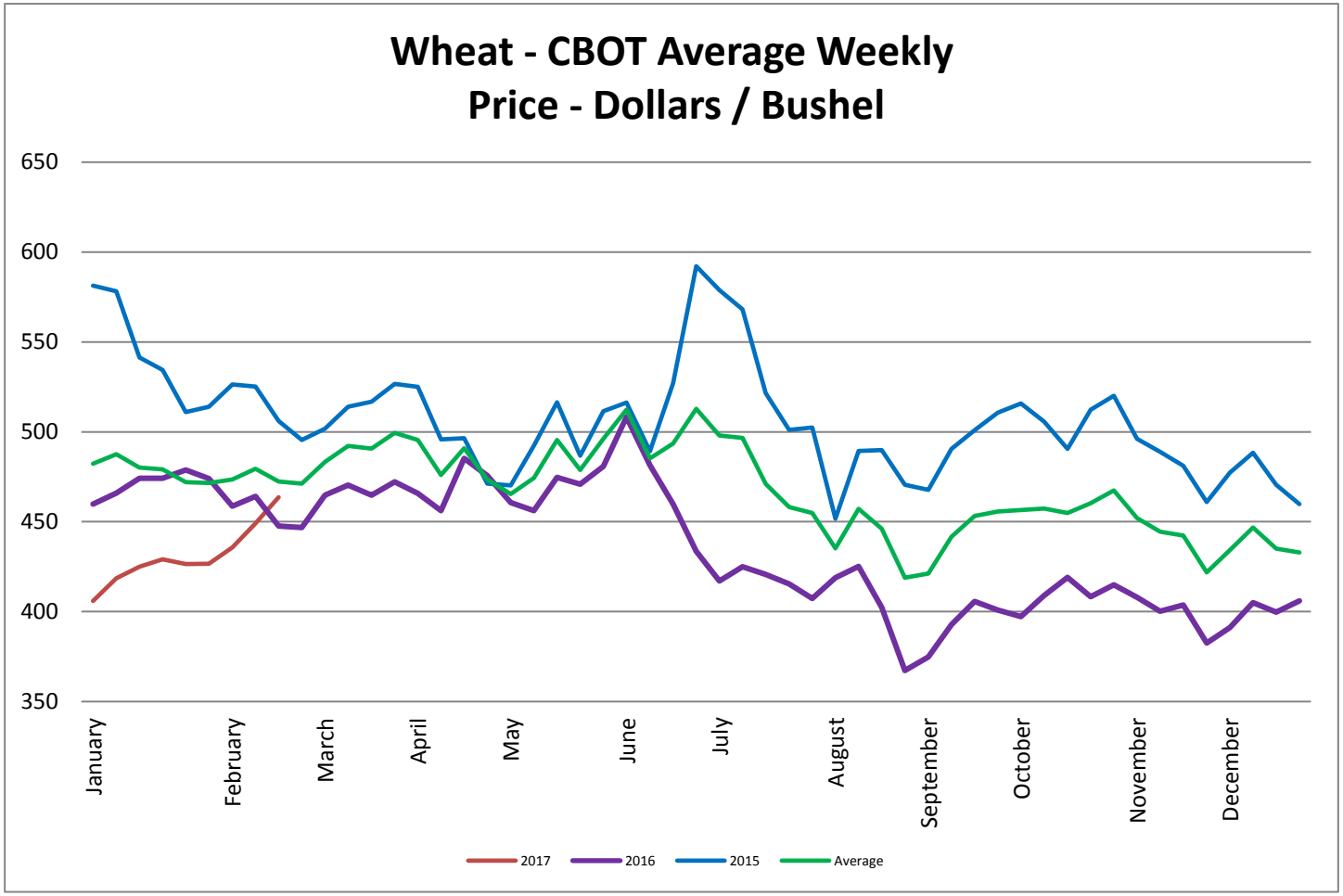
Soybean Meal - CBOT Weekly Average Price - Dollars / US Ton



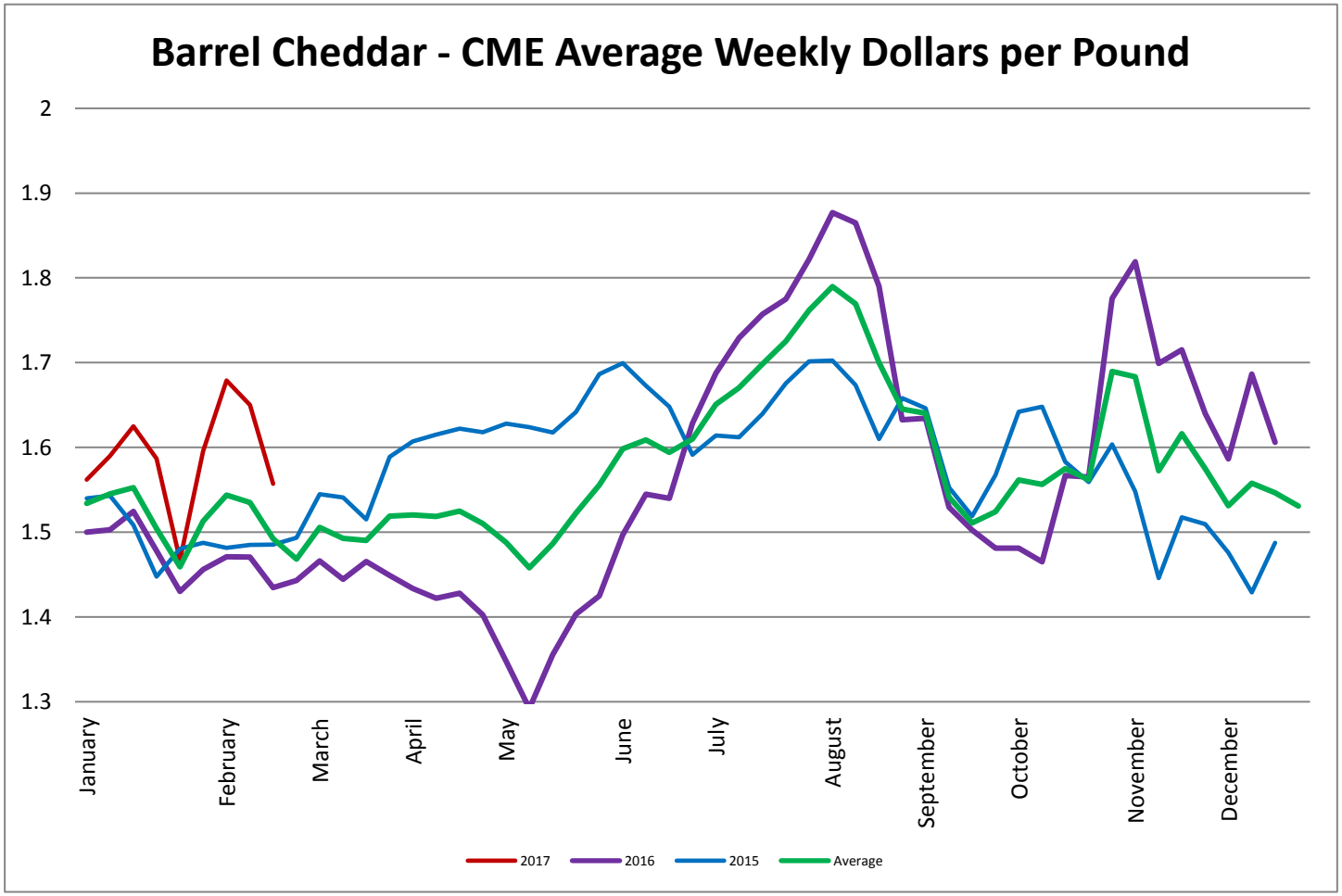
Soybean Oil - CBOT Weekly Average Price - Cents / Pound



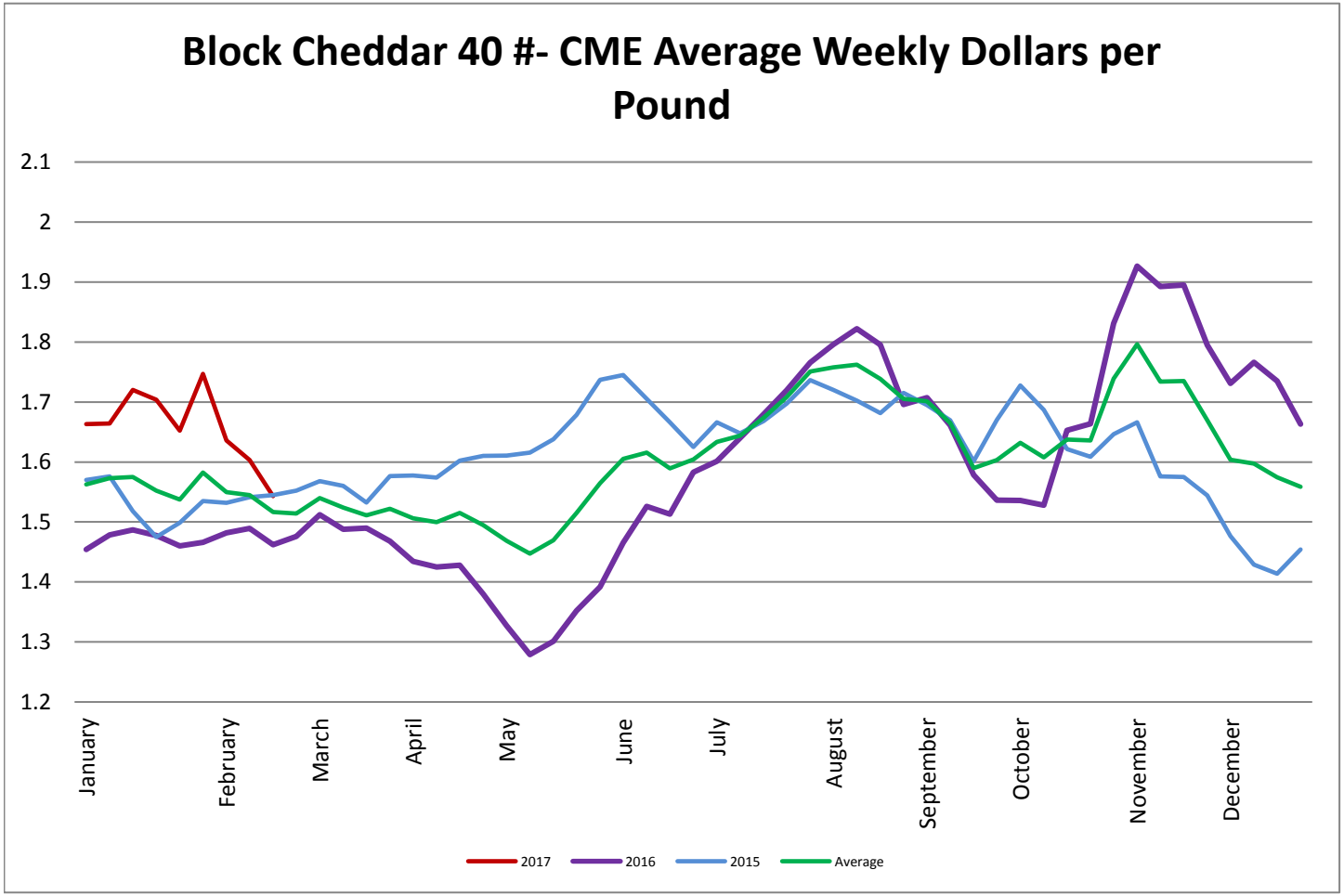
Wheat - CBOT Weekly Average Price - Dollars / Bushel



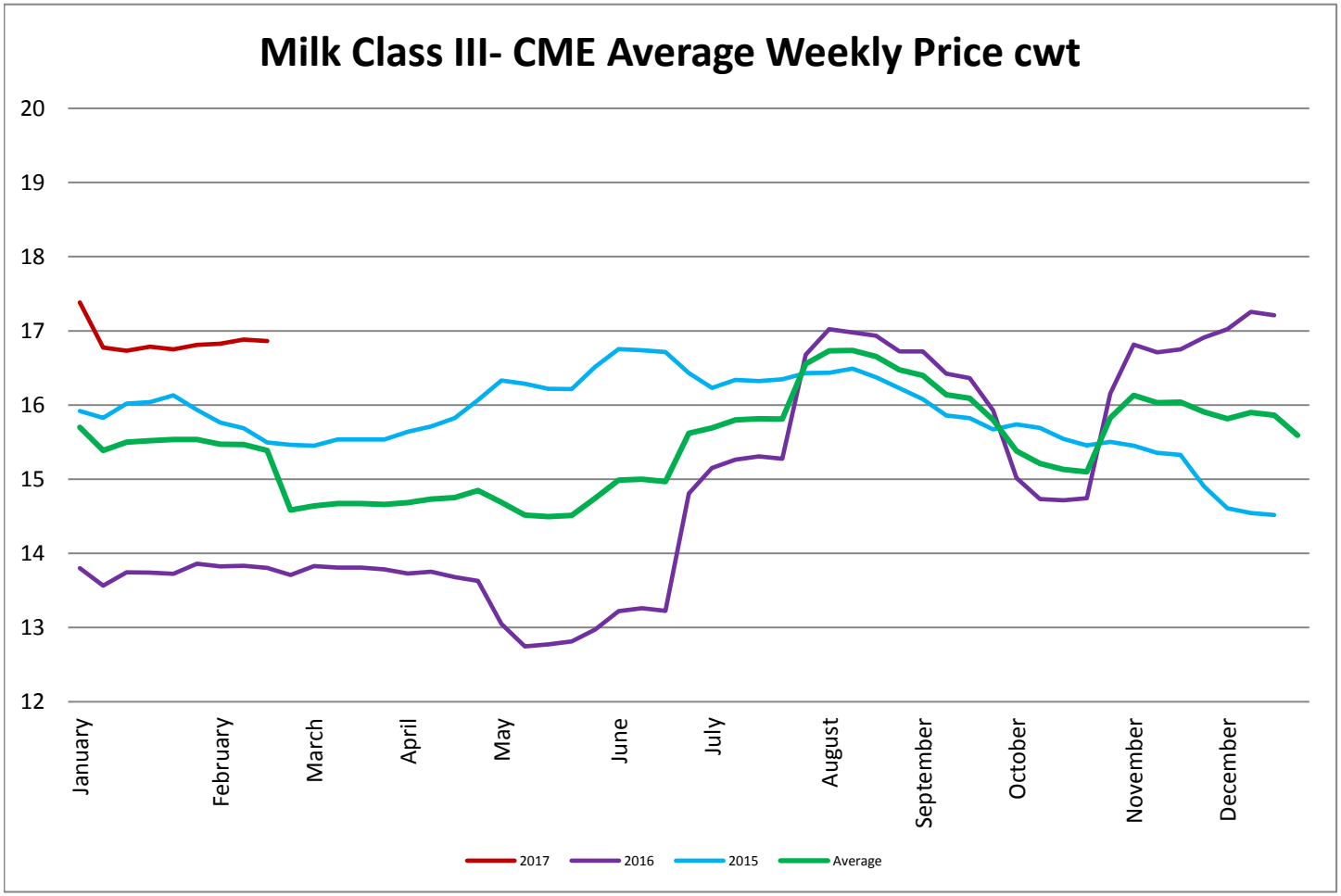
Barrel Cheddar - CME Average Weekly Price / Pound



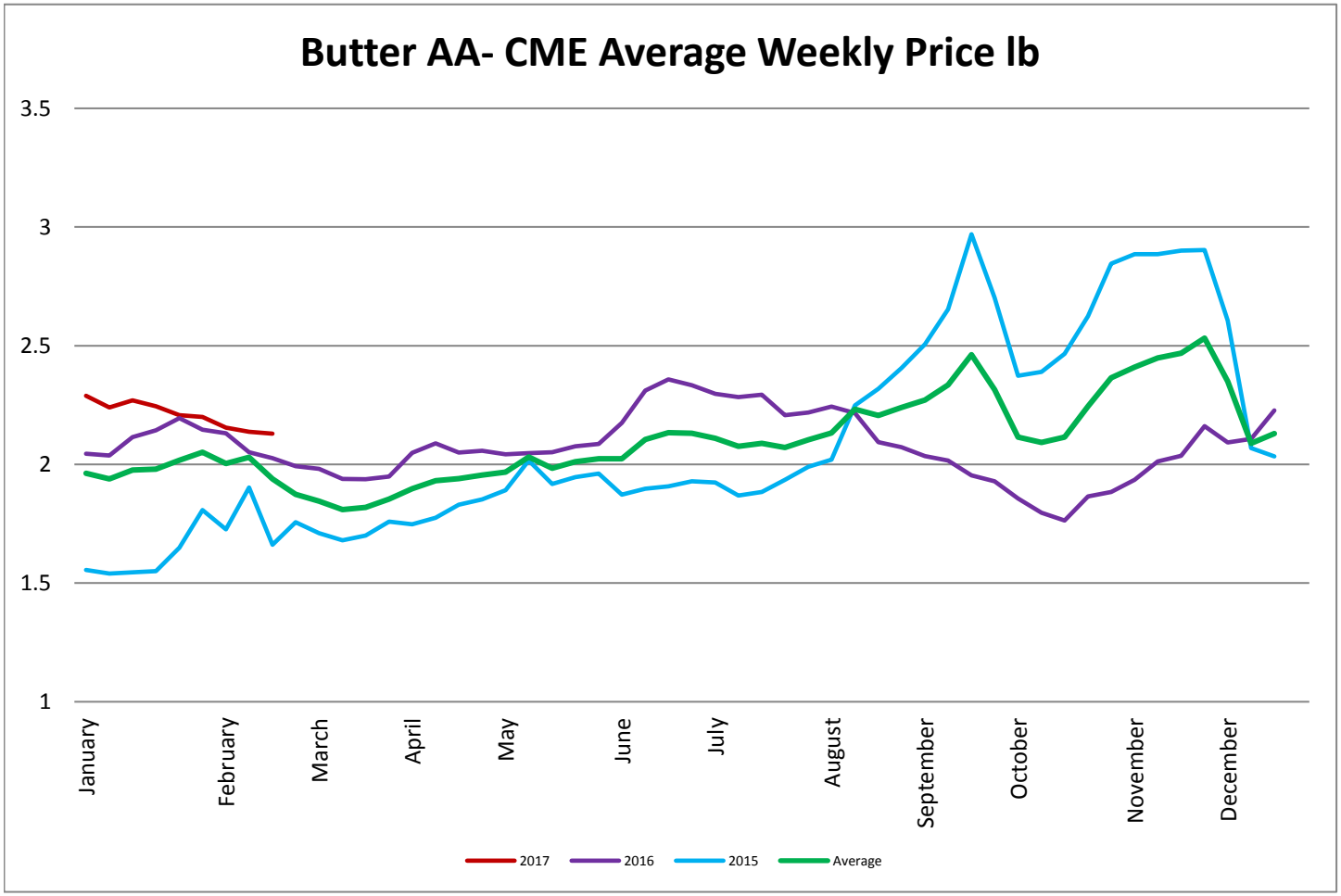
40 LB Block Cheddar - CME Average Weekly Price / Pound



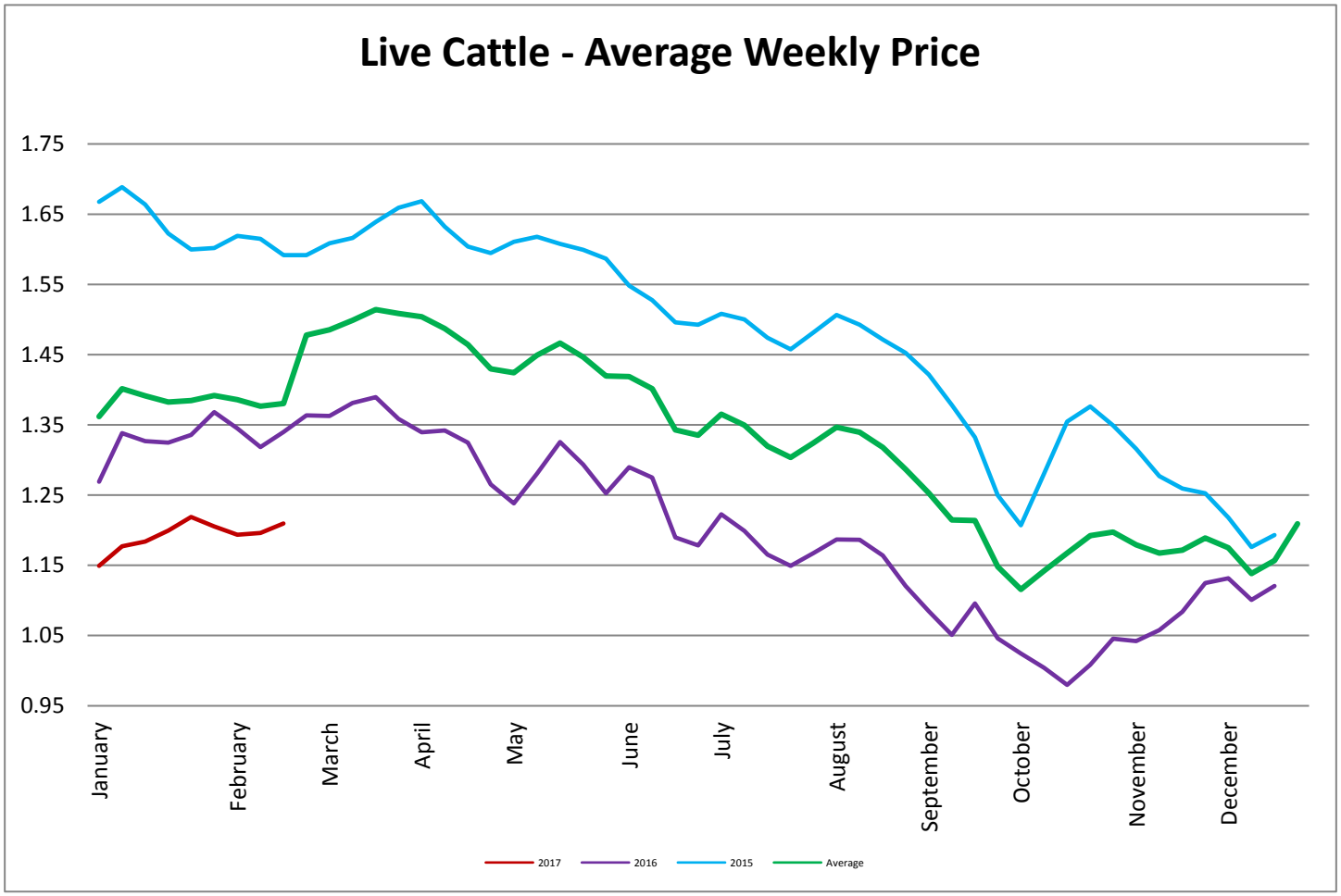
Milk Class III - CME Average Weekly Price CWT



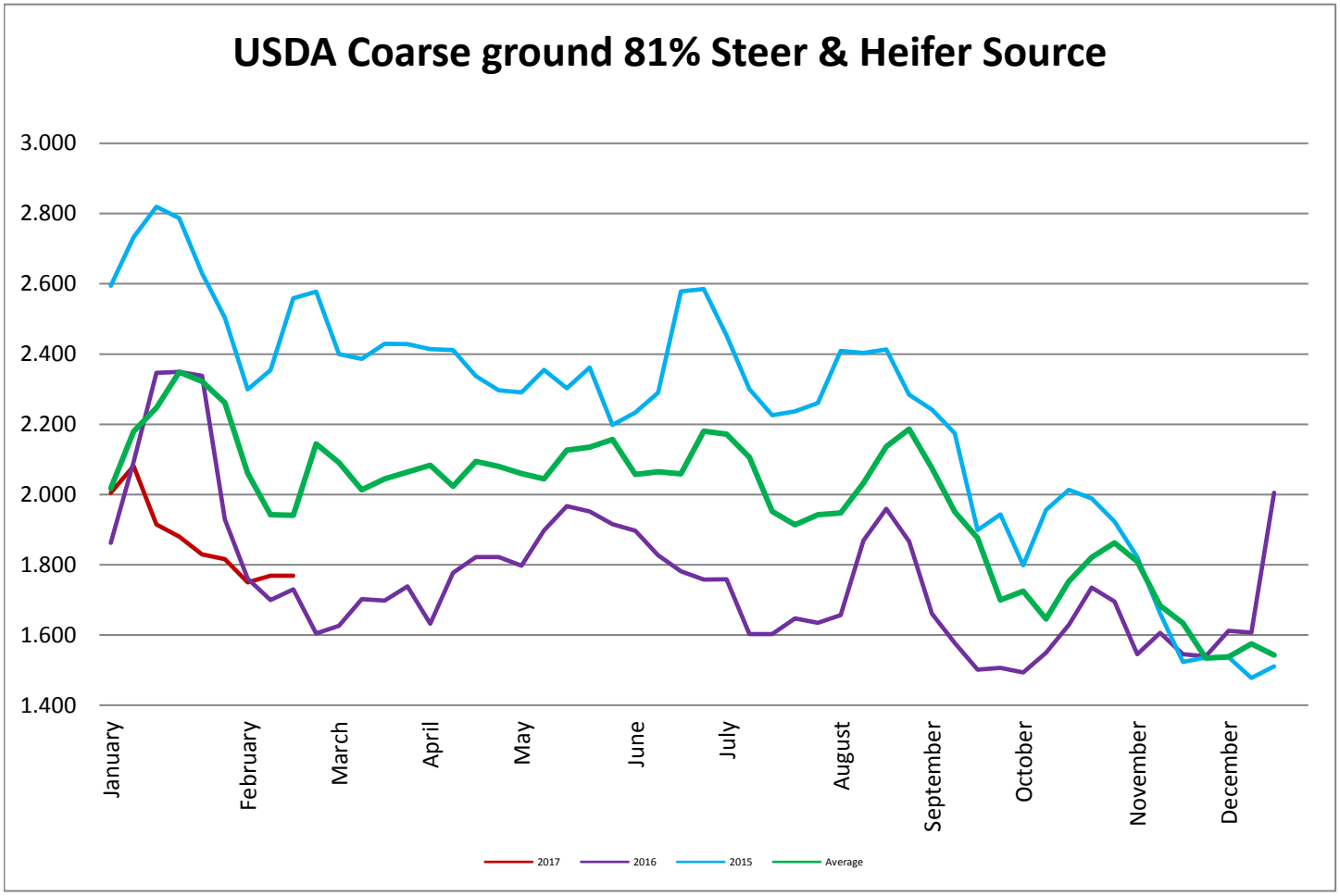
Butter AA - CME Average Weekly Price lb



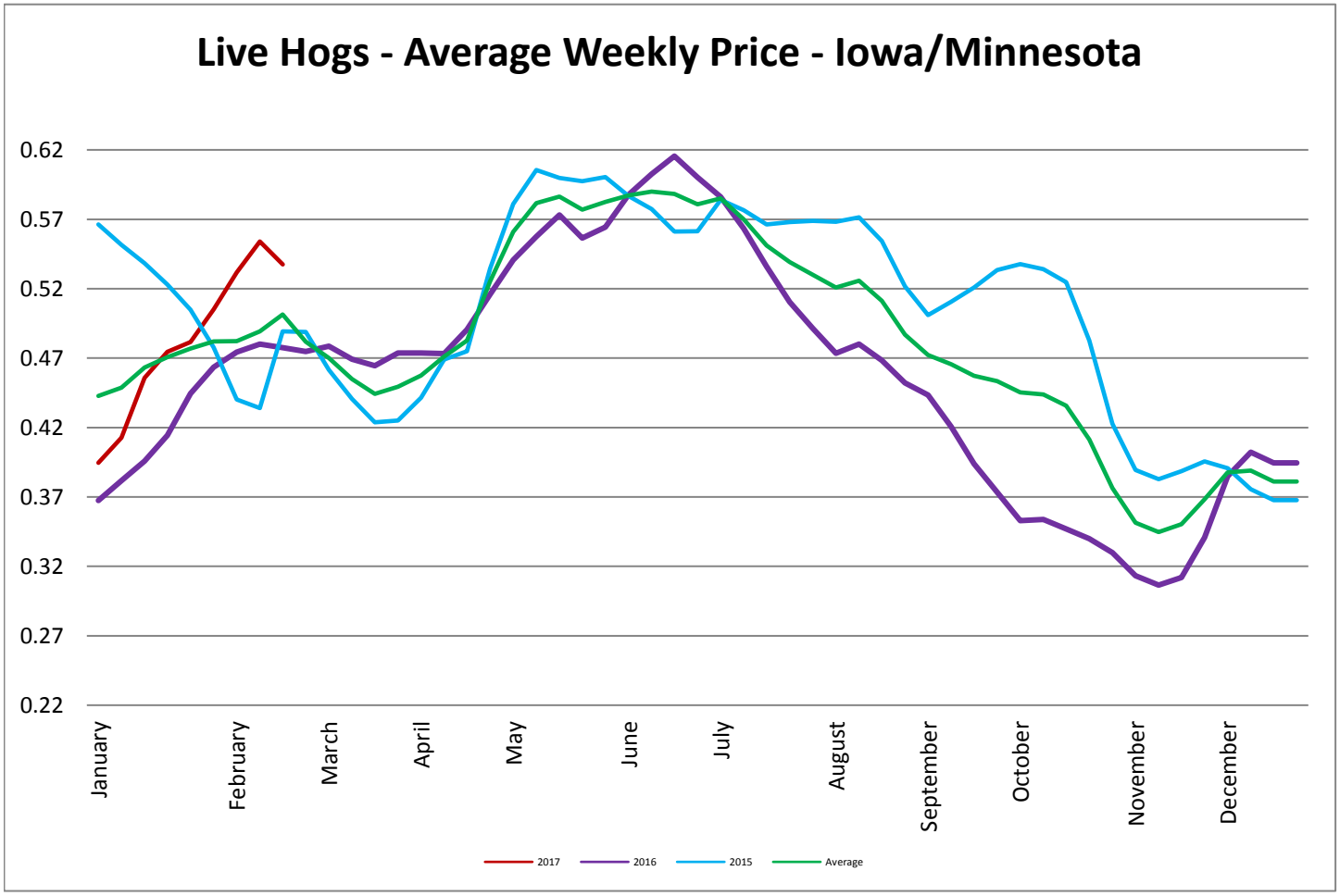
Live Cattle - Average Weekly Price USDA - 6 State Average



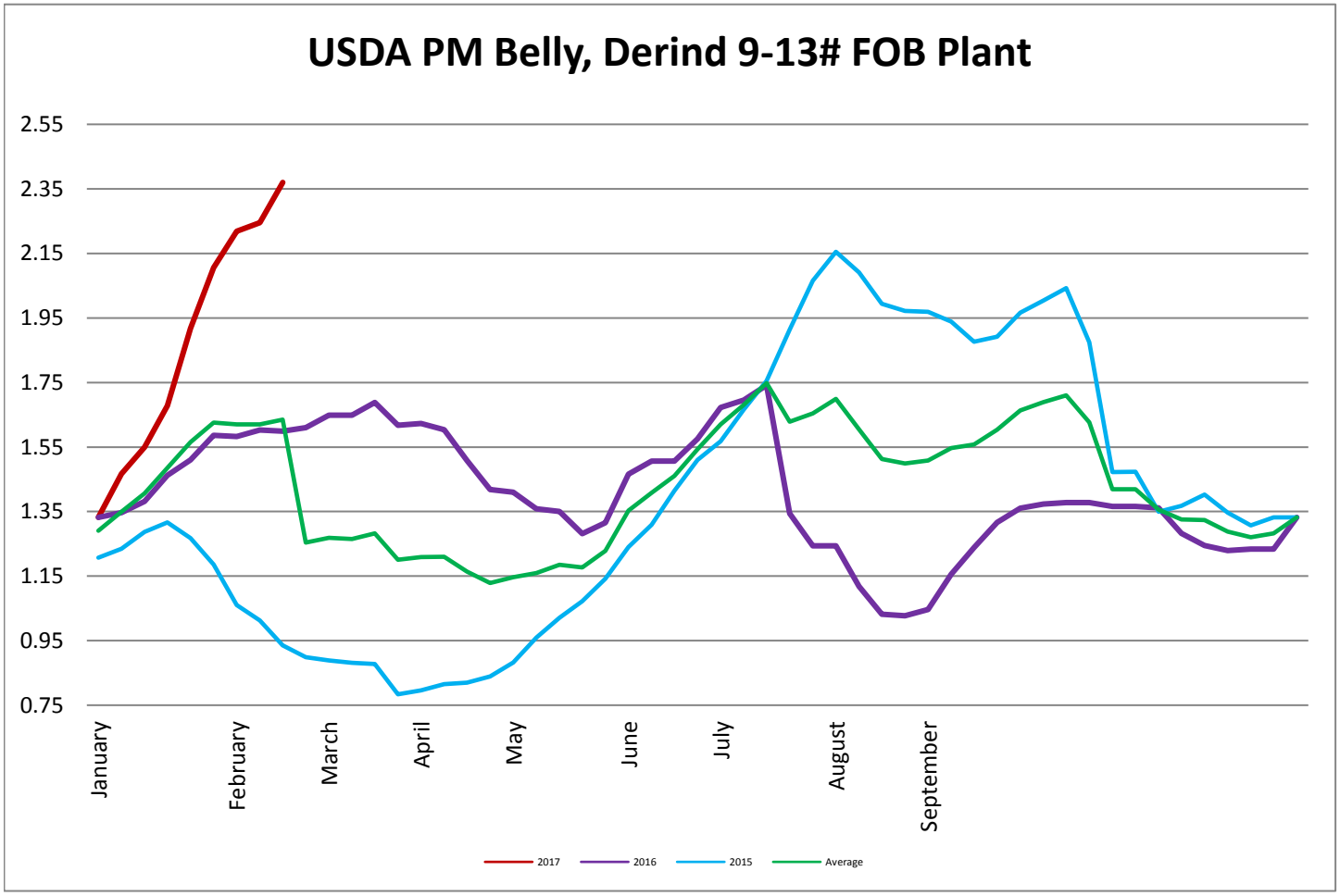
USDA Coarse ground 81% Steer & Heifer Source



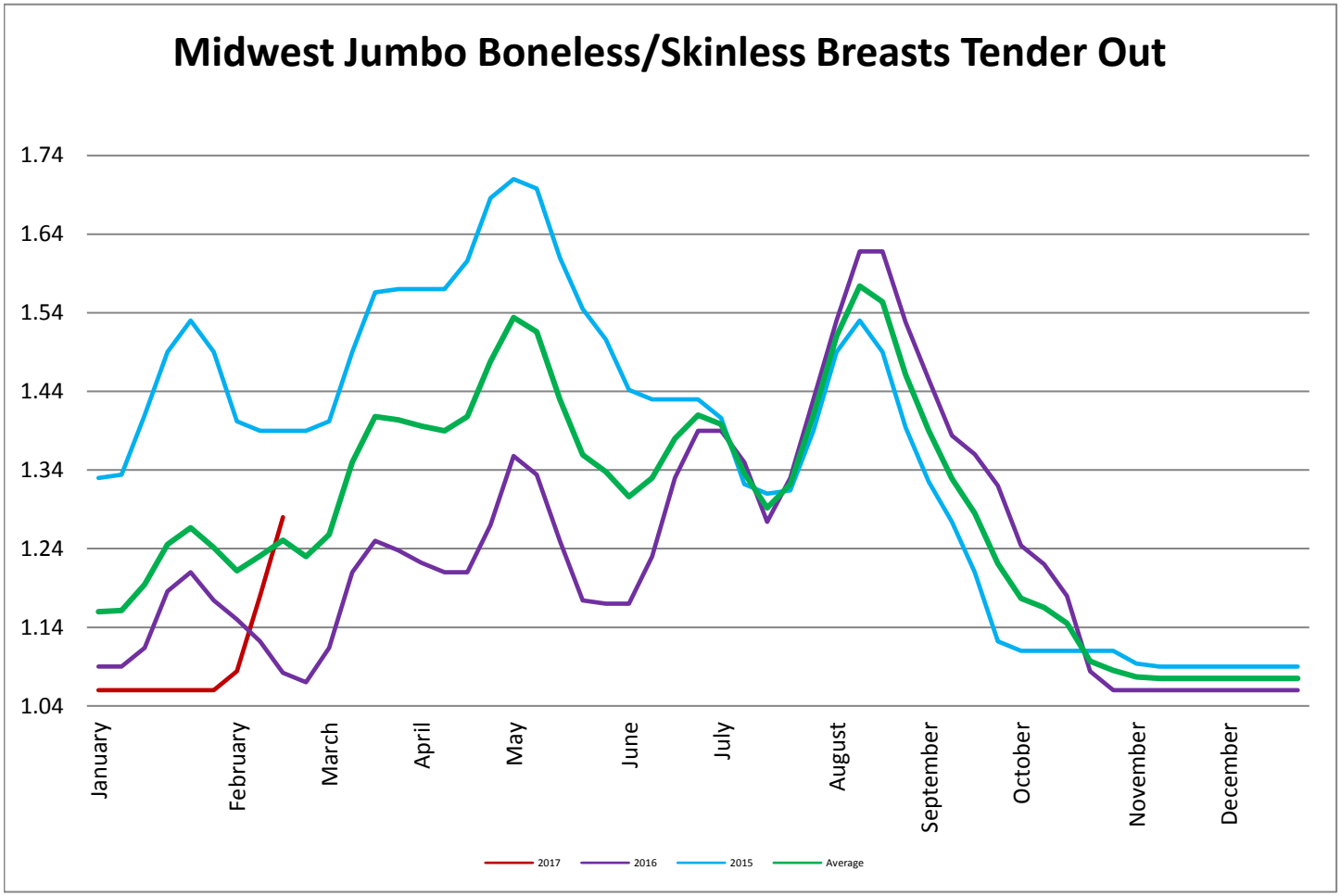
USDA Live Hogs - Average Weekly Price



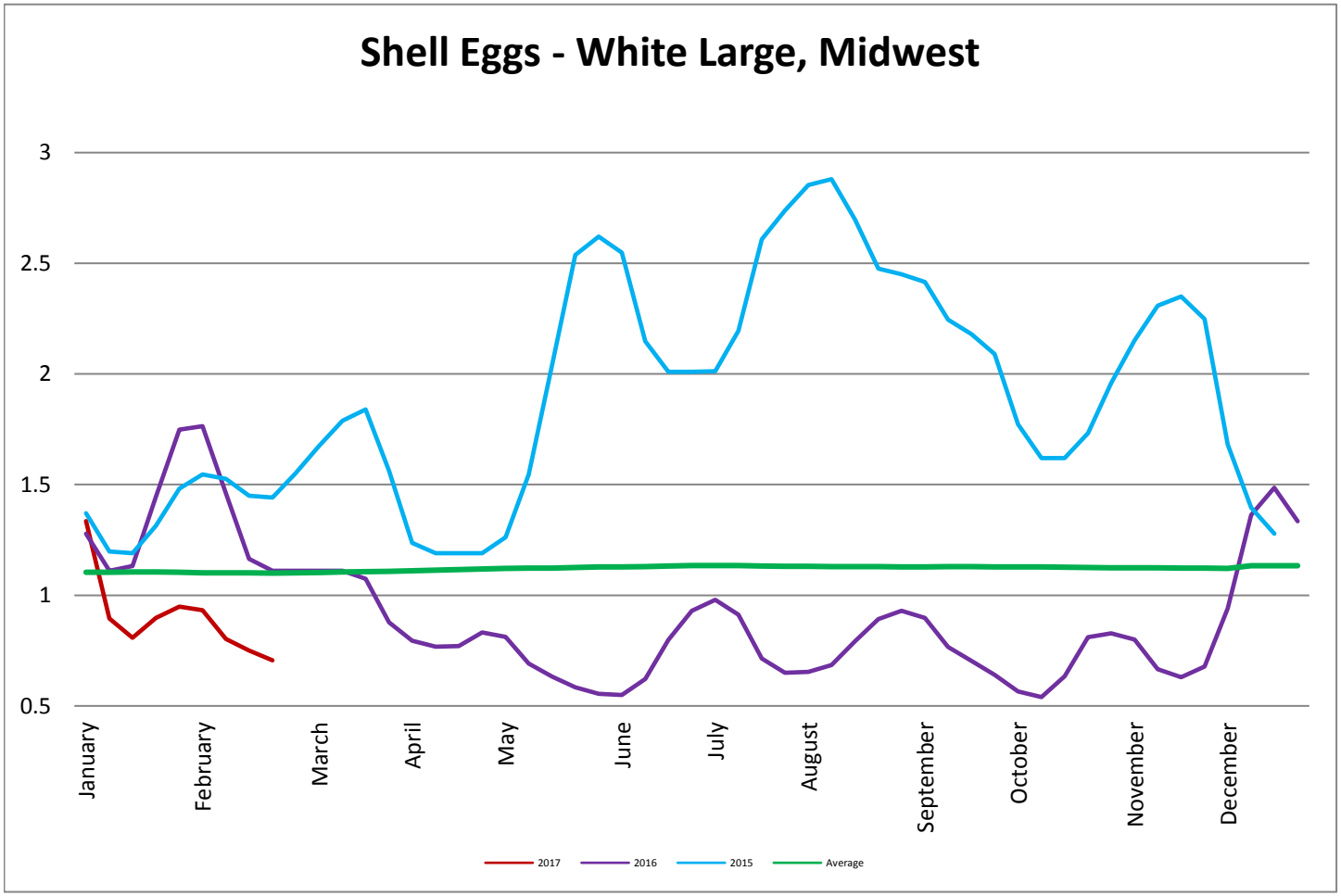
USDA PM Belly, Derind 9-13# FOB Plant



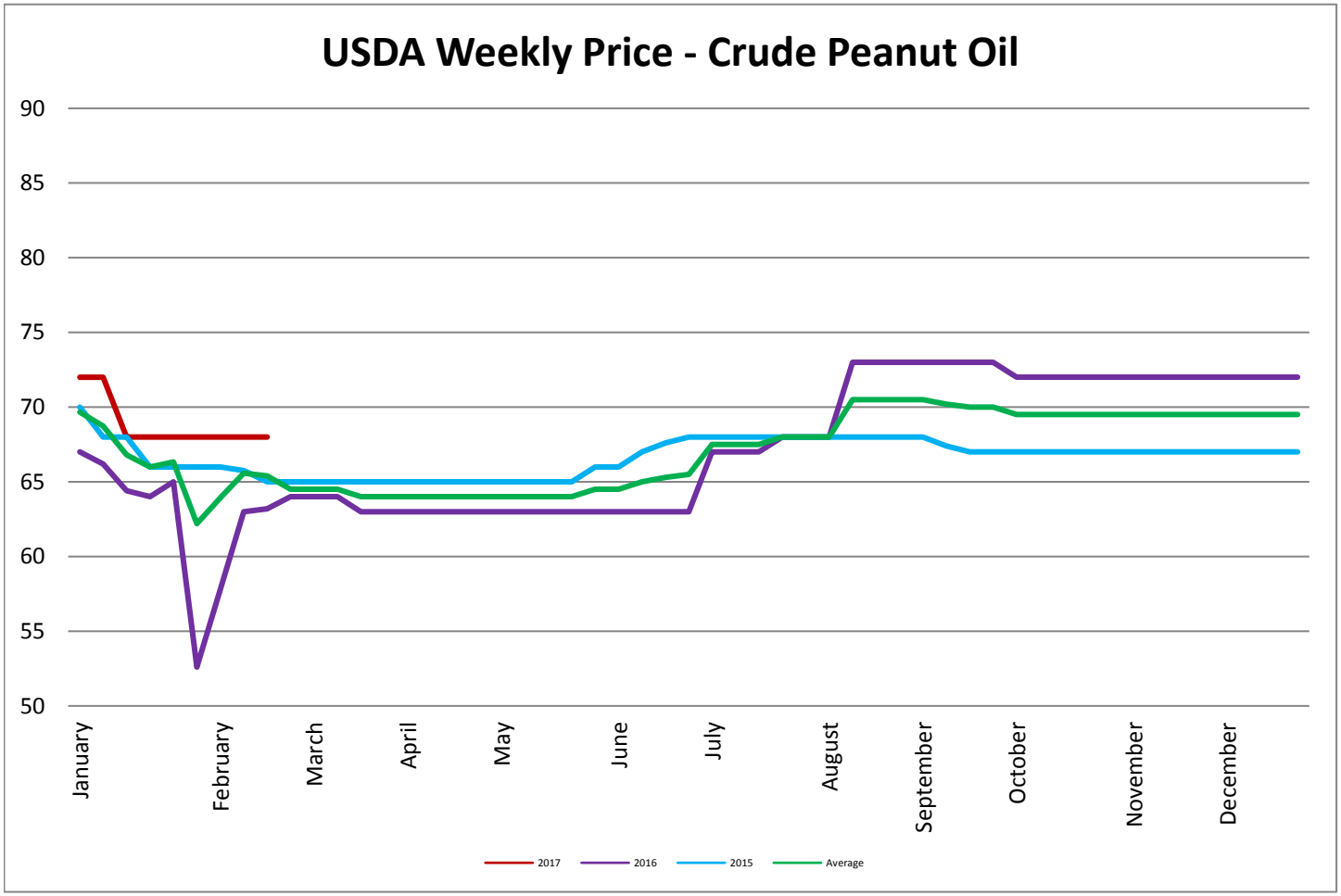
Chicken - Midwest Jumbo Boneless/Skinless Tender Out



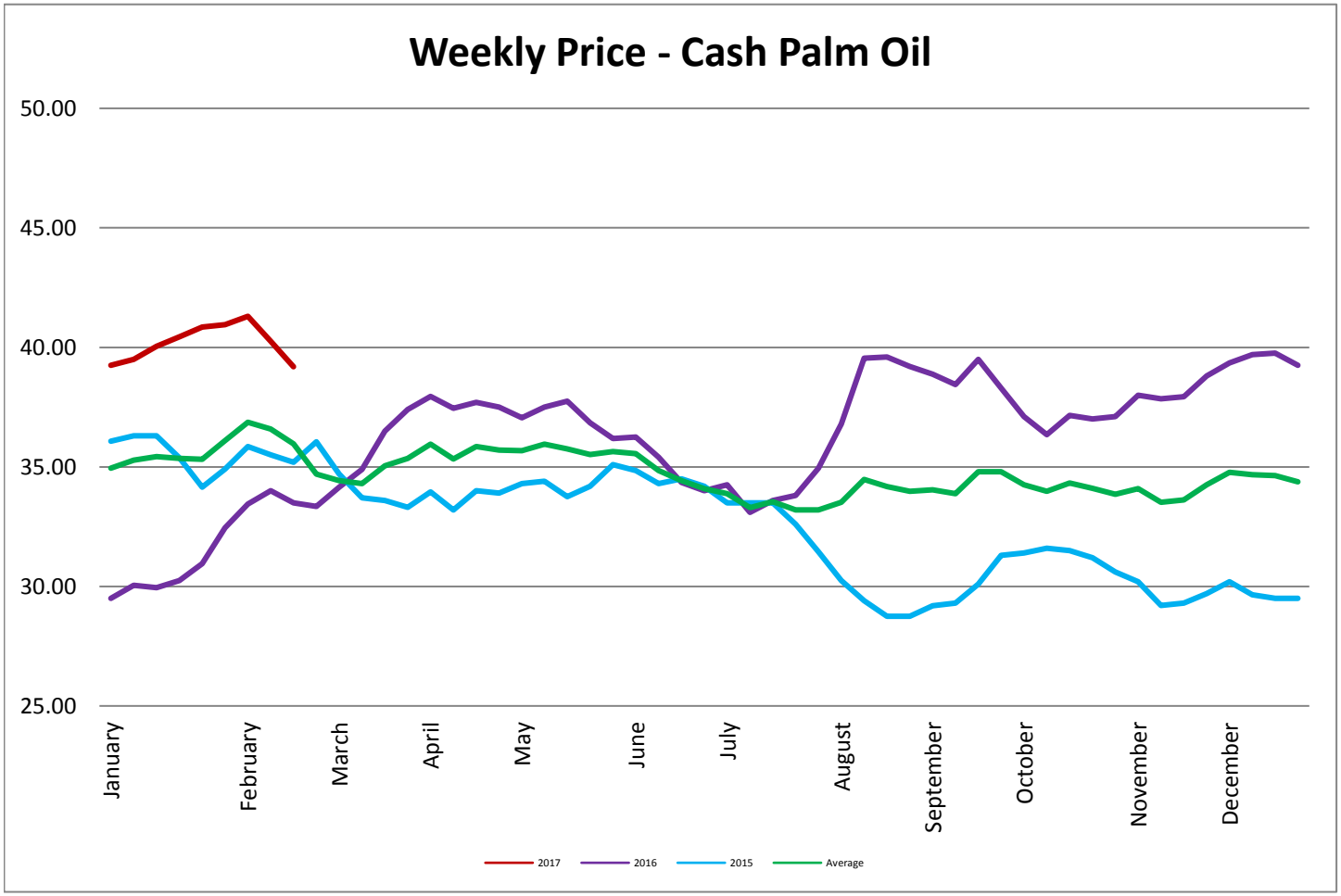
Shell Eggs - White Large, Midwest



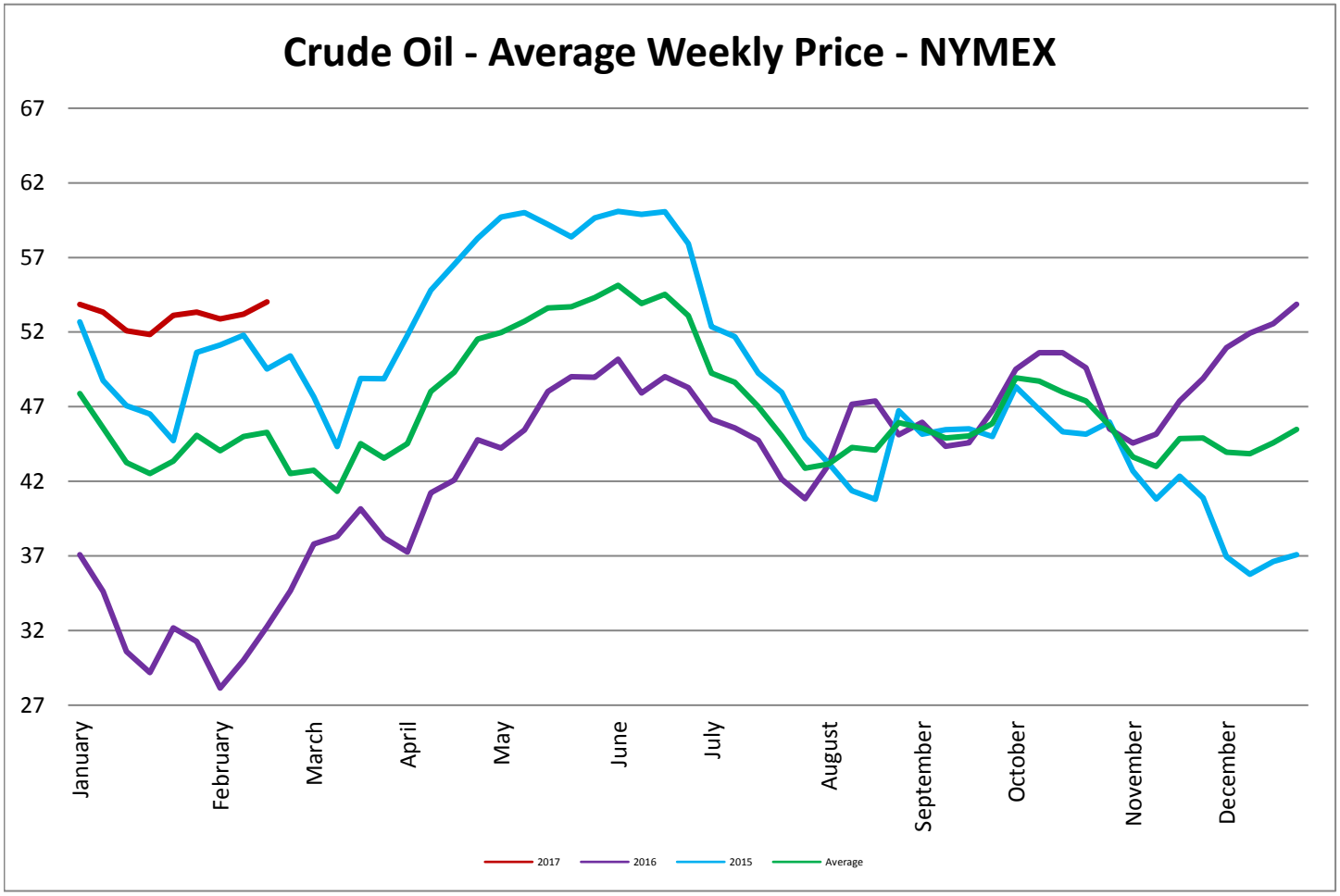
USDA Weekly Price - Crude Peanut Oil



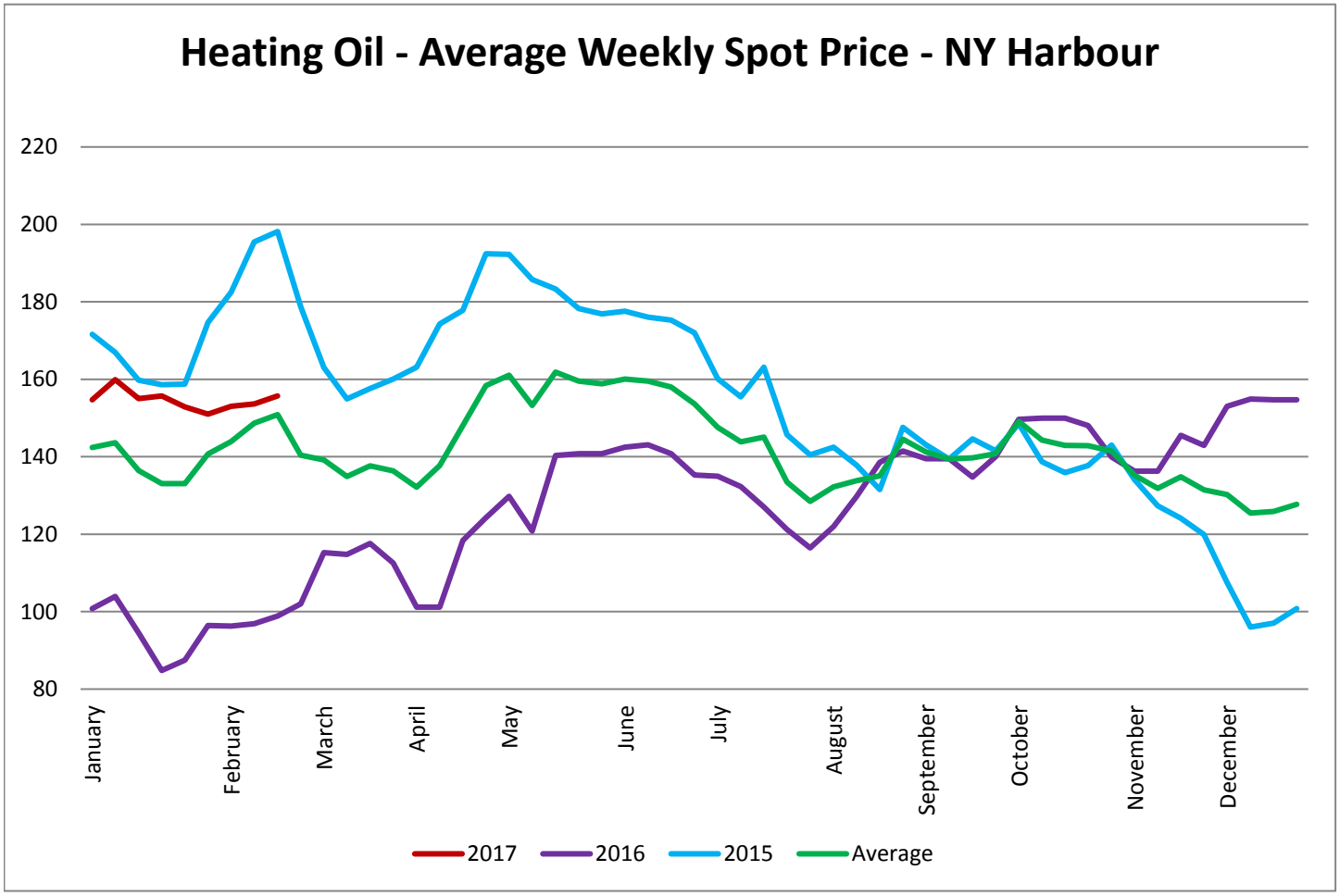
Weekly Price - Cash Palm Oil



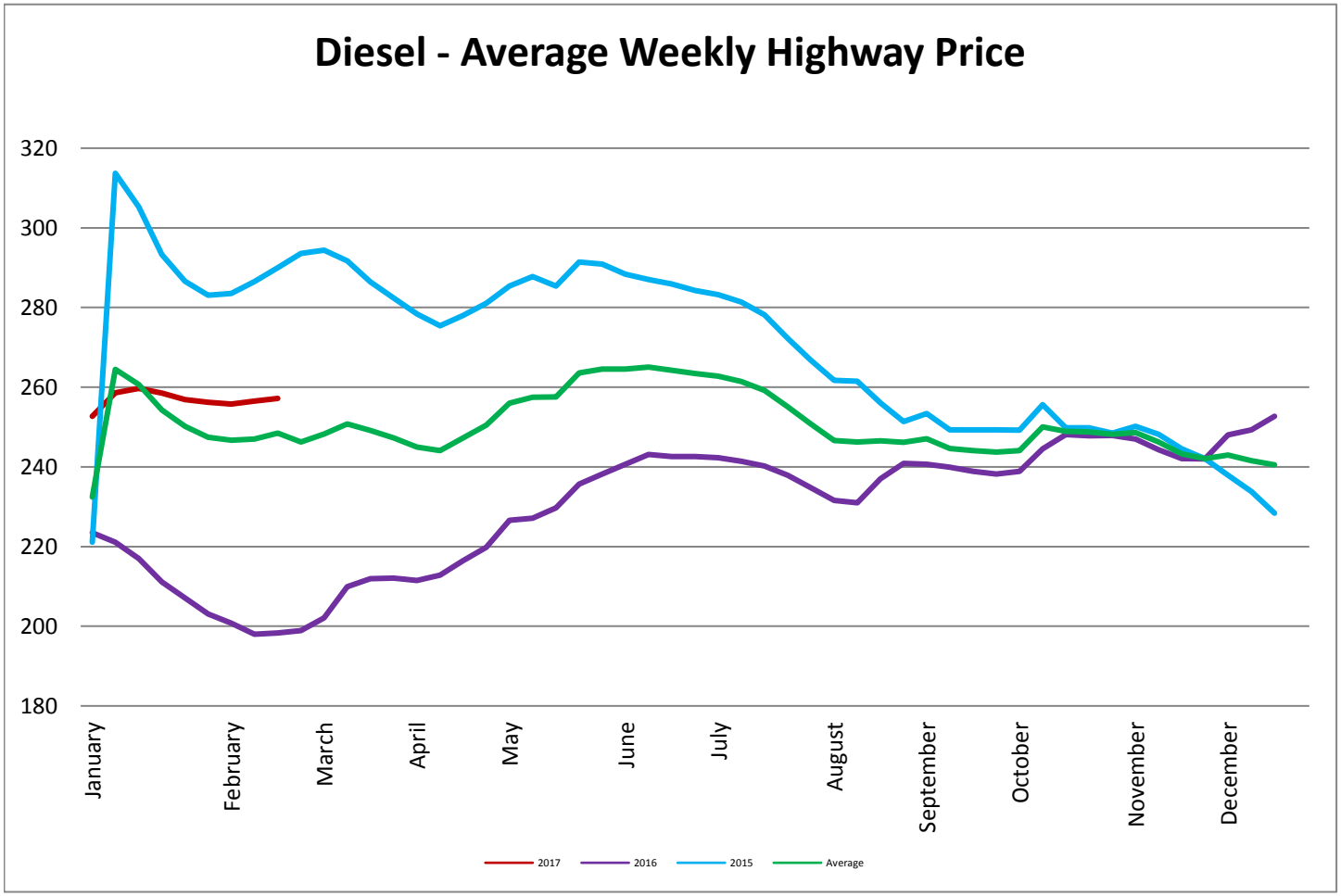
Crude Oil - Average Weekly Price - NYMEX



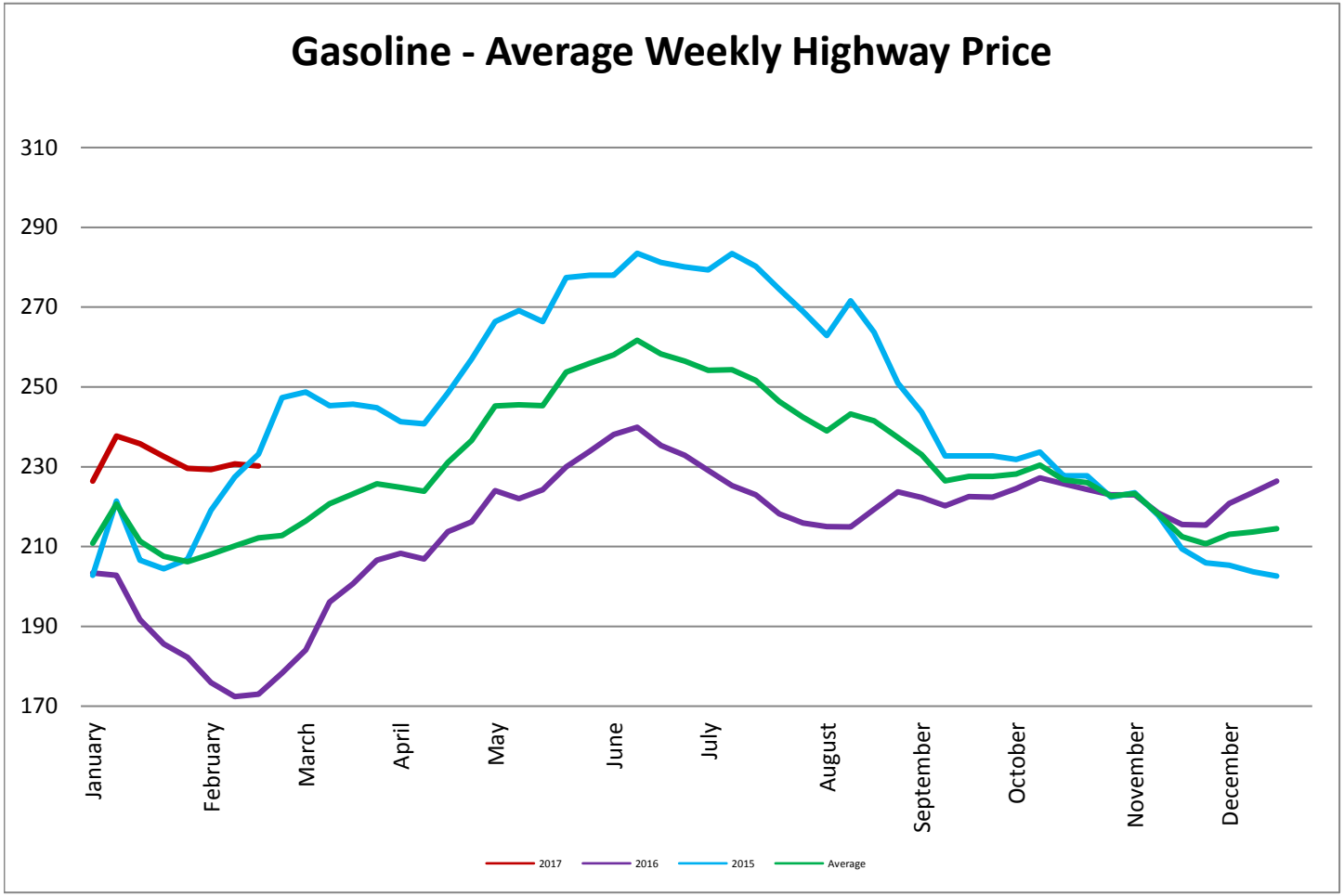
Heating Oil - Average Weekly Spot Price - NY Harbour



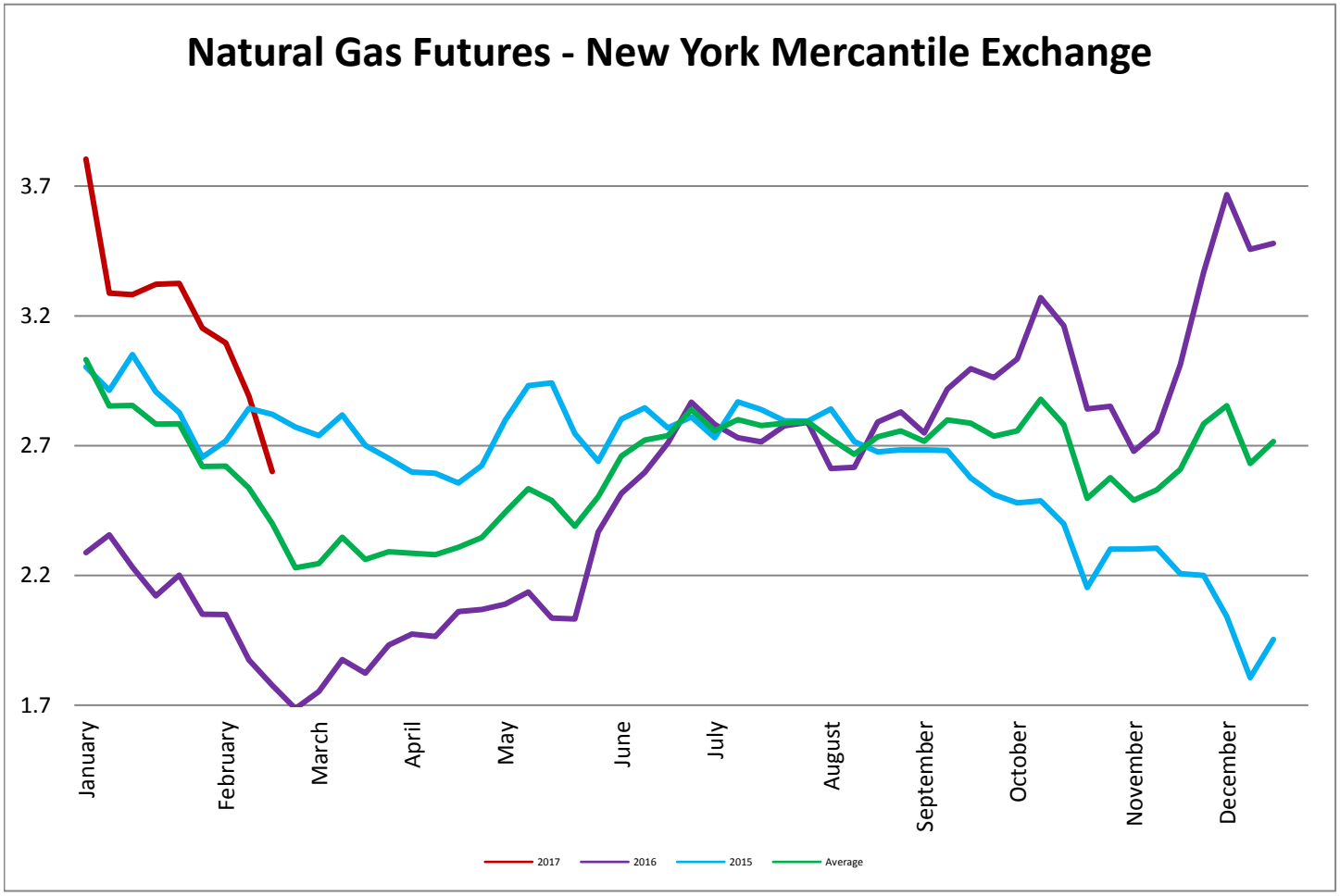
Diesel - Average Weekly Highway Price



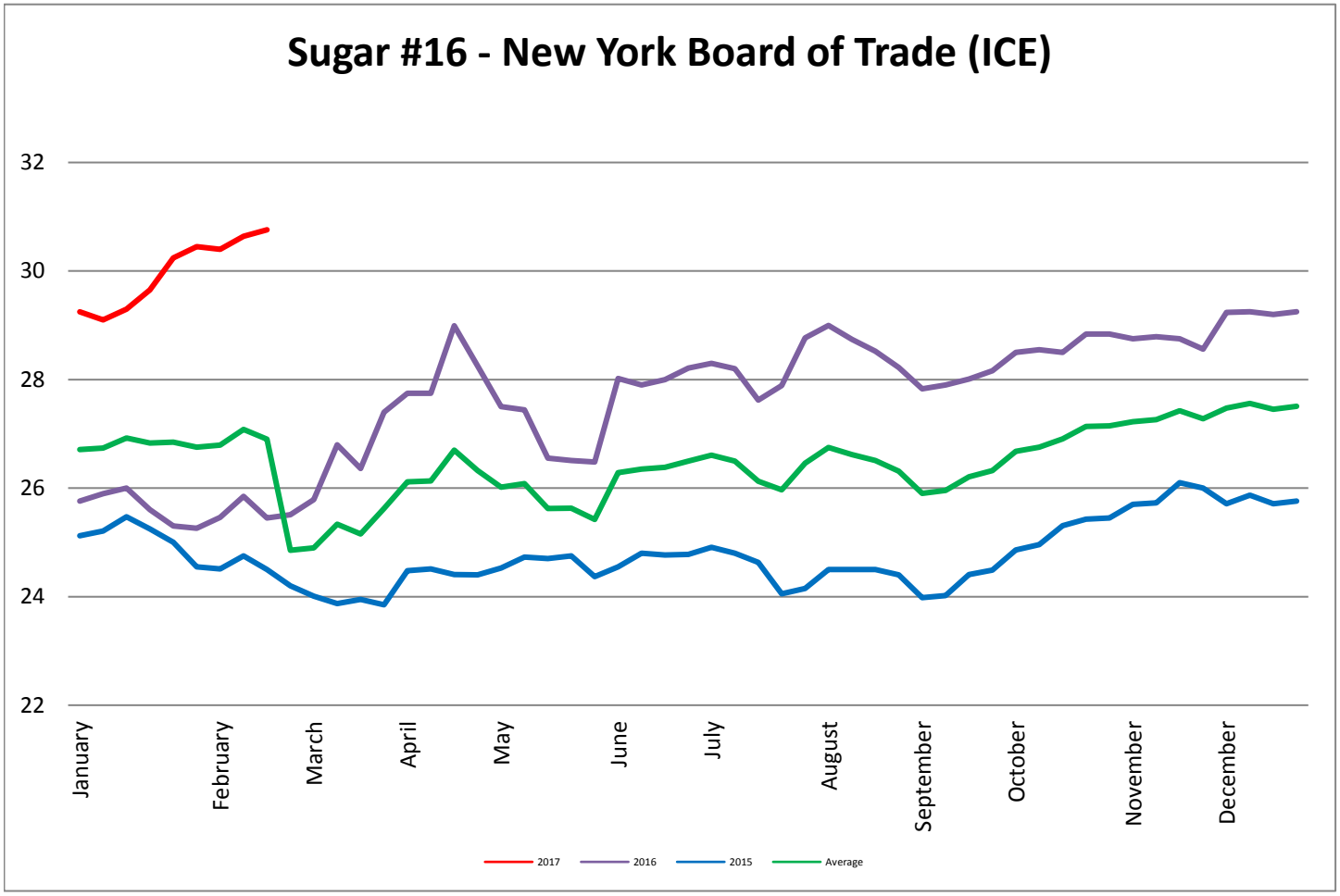
Gasoline Unleaded - Average Weekly Highway Price



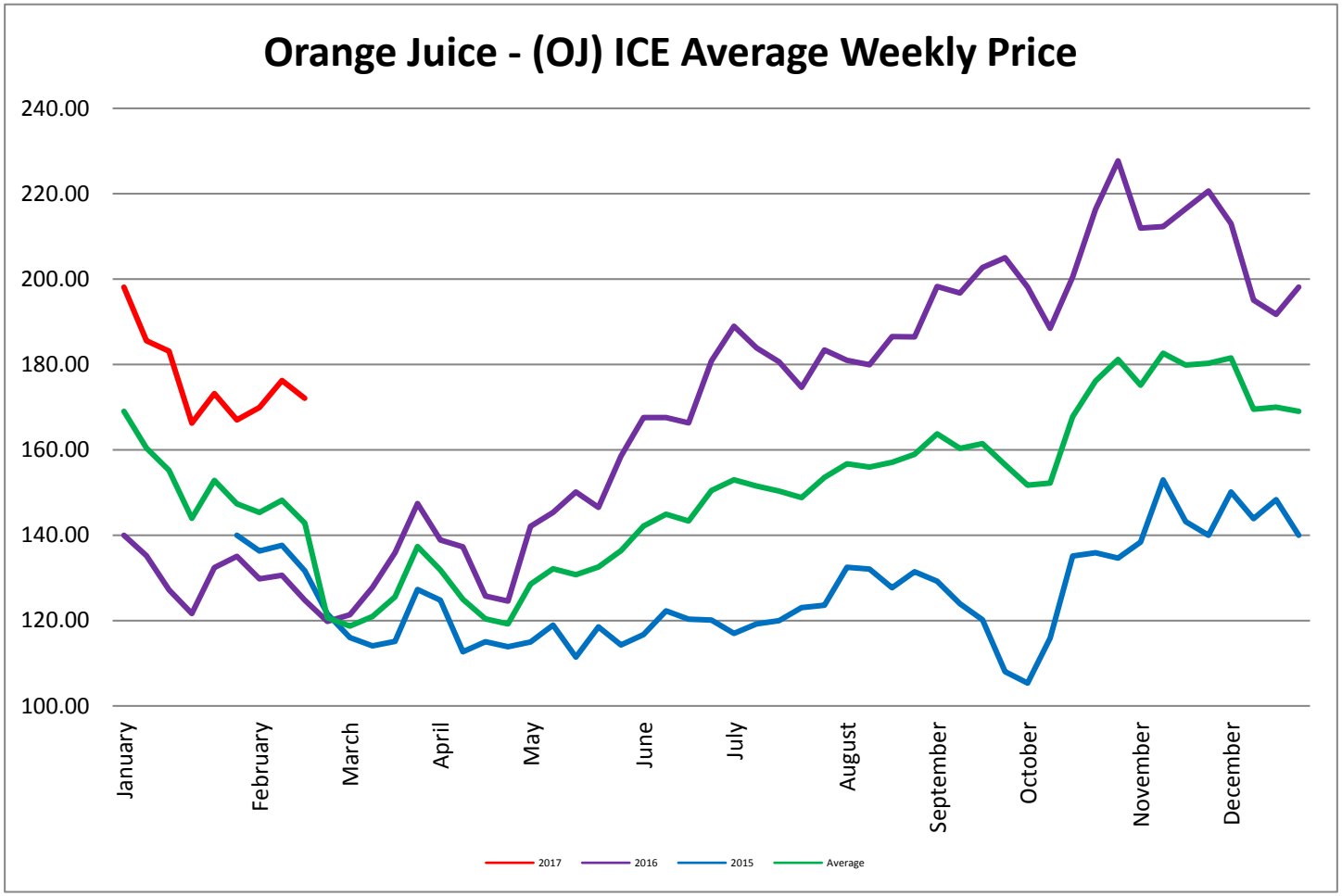
Natural Gas Futures - New York Mercantile Exchange



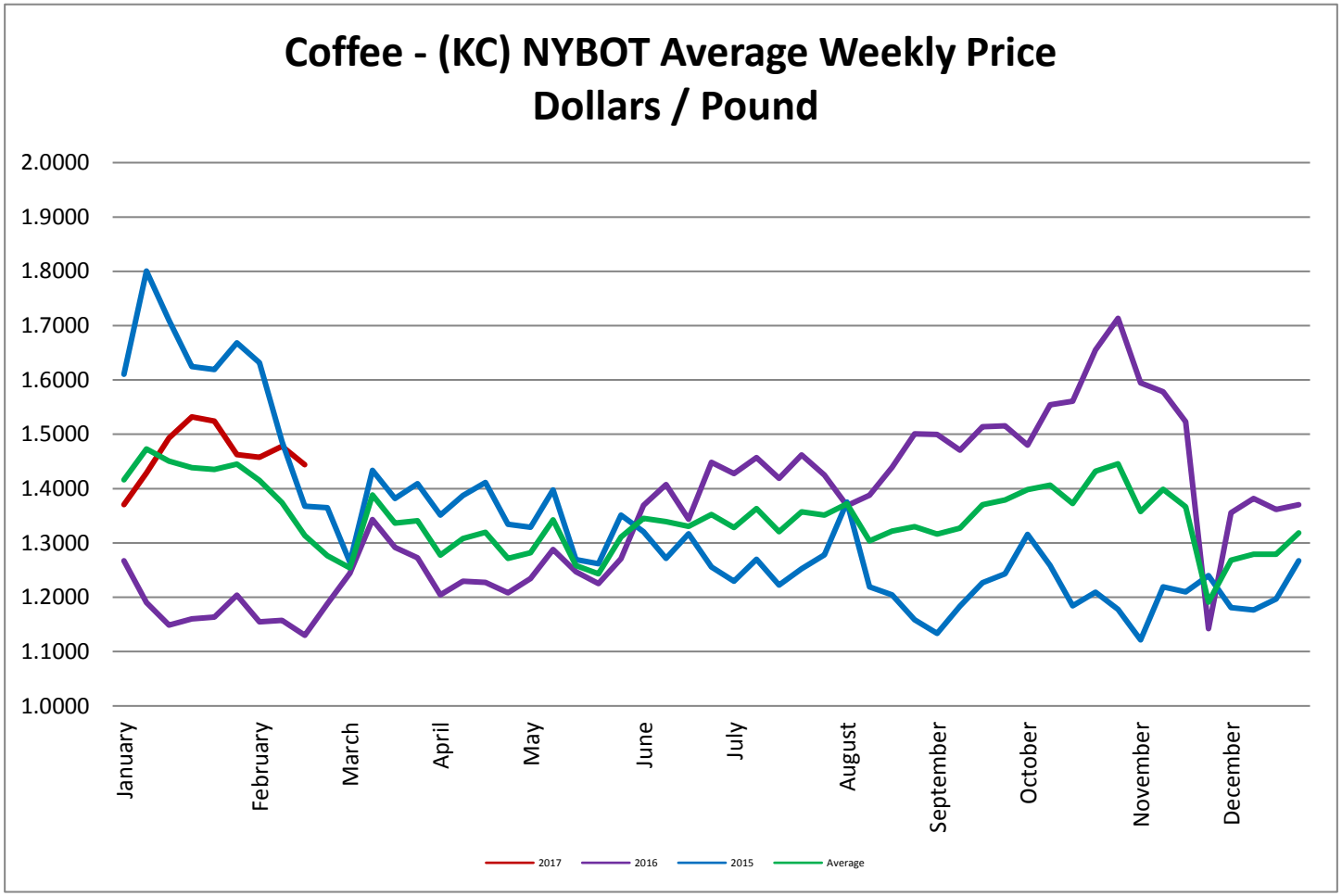
Sugar #16 - New York Board of Trade (ICE)



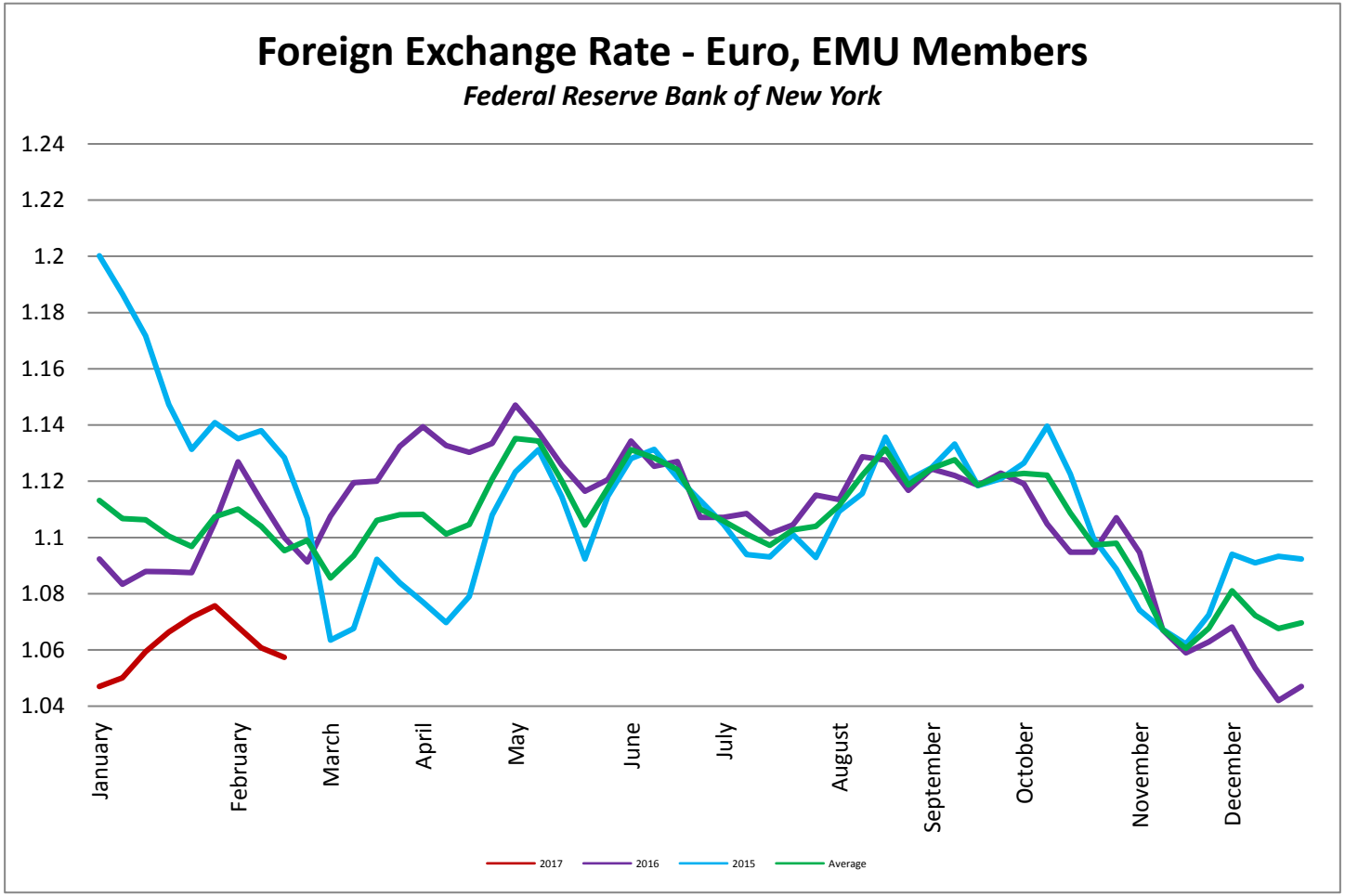
Orange Juice - (OJ) NYBOT ICE Weekly Price - Dollars per CWT



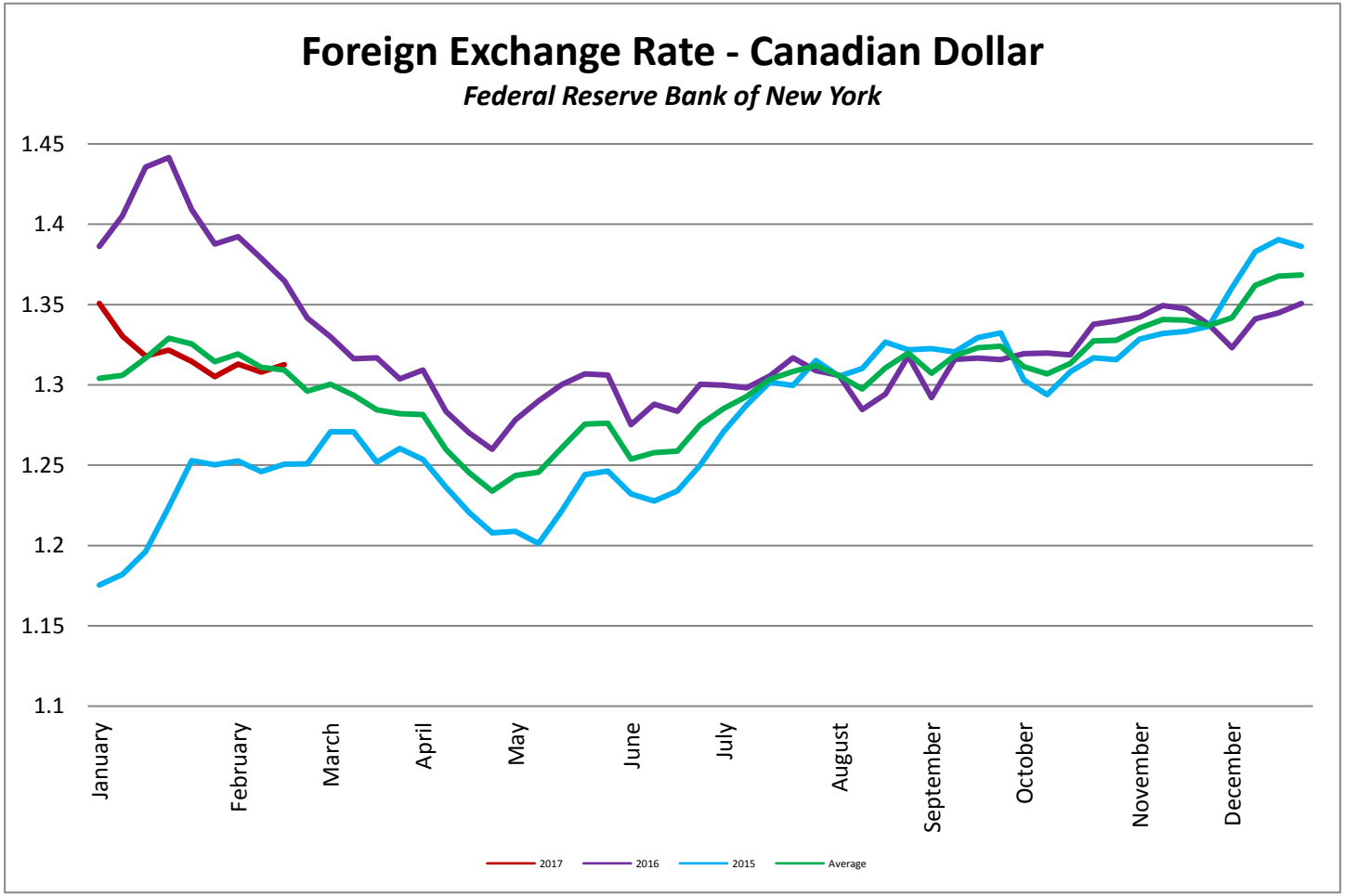
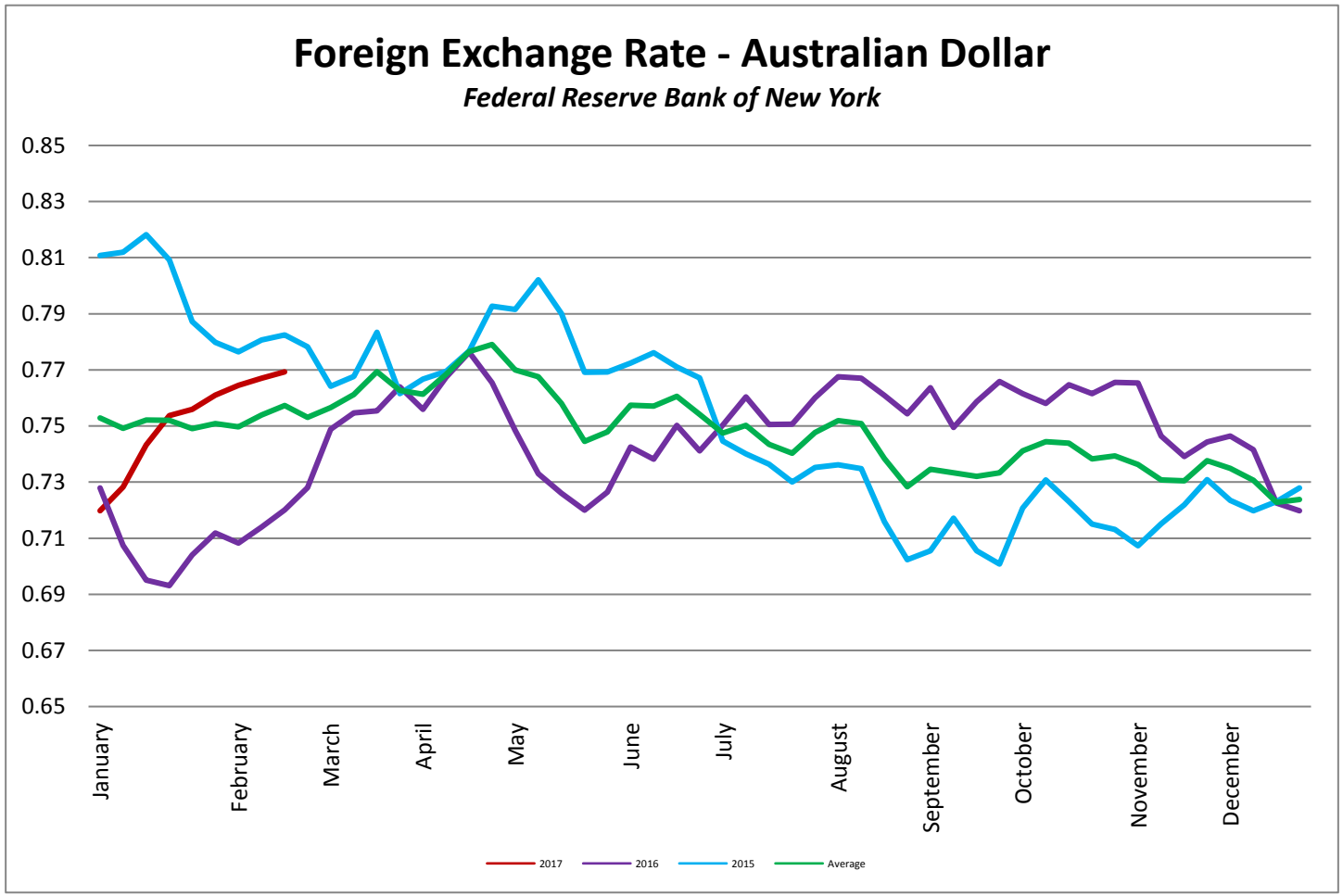
Coffee - (KC) NYBOT Average Weekly Price - Dollars per Pound



Foreign Exchange Rate - Euro, EMU Members



Foreign Exchange Rate - Canadian Dollar



Foreign Exchange Rate - Australian Dollar