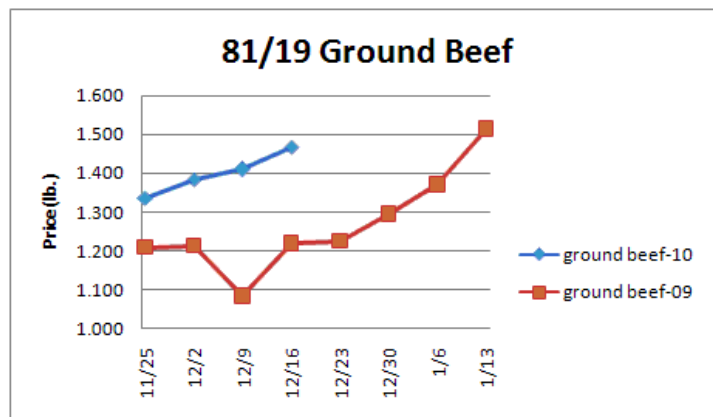


Weekly Market Updates

Volume No. 3 Issue No. 50 Date: December 16, 2010

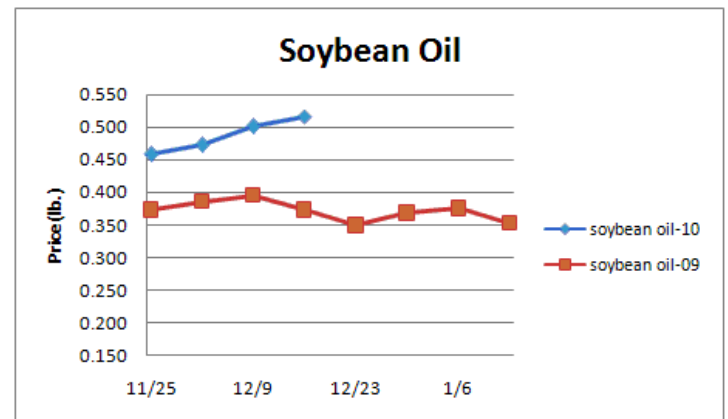
Beef, Veal & Lamb- Beef output last week declined .5% but was 9.1% larger than the same week in 2009. Limited cattle supplies and lighter weights, due to elevated feed costs, could cause beef production to trend below 2010 levels throughout most of next year. October US beef exports were 20% more than a year ago and the biggest for any month in 2 years. Solid beef exports could be supportive of beef prices in the coming months. October US beef imports were 15% less than 2009 and the 2nd smallest for any month in the last 10 years. Higher lean beef trimming prices may be forthcoming. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 09
Live Cattle	1.013	1.035	-.022	0.803
Feeder Cattle Index (CME)	1.187	1.176	+.011	0.924
Ground Beef 81/19	1.469	1.410	+.059	1.219
Ground Chuck	1.500	1.369	+.131	1.256
109e Export Rib (choice)	5.376	5.630	-.254	4.609
109e Export Rib (prime)	8.528	8.527	+.001	6.170
112a Ribeye (choice)	5.692	6.148	-.456	5.054
112a Ribeye (prime)	9.433	8.930	+.503	7.053
116 Chuck (select)	1.983	1.900	+.083	1.786
116 Chuck (choice)	2.095	2.149	-.054	1.795
116b Chuck Tdnr (choice)	1.898	1.870	+.028	1.461
120 Brisket (choice)	1.747	1.747	-	1.374
121c Outside Skirt (ch/sel)	3.013	2.837	+.176	2.080
121d Inside Skirt (ch/sel)	2.567	2.666	-.099	2.138
121e Cap & Wedge	2.408	2.329	+.079	1.630
167a Knuckle, Trm. (ch.)	1.905	1.970	-.065	1.718
168 Inside Round (ch.)	1.829	1.779	+.050	1.360
174 Short Loin (ch. 0x1)	3.924	4.043	-.119	3.752
174 Short Loin (prime)	7.754	7.689	+.065	4.745
180 1x1 Strp (choice)	3.662	3.610	+.052	3.424
180 1x1 Strp (prime)	8.909	8.941	-.032	5.505
180 0x1 Strp (choice)	3.983	3.922	+.061	3.937
184 Top Butt, bnls (ch.)	2.408	2.528	-.120	1.885
184 Top Butt, bnls (prime)	2.355	2.419	-.064	1.787
185a Sirloin Flap (choice)	2.617	2.584	+.033	2.479
185c Loin, Tri-Tip (choice)	2.262	2.177	+.085	1.825
189a Tender (select)	8.103	8.449	-.346	6.898
189a Tender (choice)	9.669	9.995	-.326	8.718
189a Tender (prime)	11.614	11.702	-.088	9.477
193 Flank Steak (choice)	3.065	3.077	-.012	2.615
50% Trimmings	.797	.751	+.046	.772
65% Trimmings	1.131	1.077	+.054	.840
75% Trimmings	1.250	1.229	+.021	1.070
85% Trimmings	1.481	1.432	+.049	1.216
90% Trimmings	1.597	1.572	+.025	1.338
90% Imported Beef (frz.)	1.850	1.739	+.111	1.385
95% Imported Beef (frz.)	1.924	1.850	+.074	1.471
Veal Rack (Hotel 7 rib)	5.100	5.075	+.025	3.875
Veal Top Rnd. (cp. Off)	12.575	12.525	+.050	8.875



Oil, Grains, Misc.- The \$.45 tax credit for ethanol blenders is set to expire at the end of the year but could be renewed soon. The corn market remains elevated. Prices USDA, FOB.

	Price	Last Week	Difference	Price 09
Soybeans, bushel	12.802	12.713	+.089	10.425
Crude Soybean Oil, lb.	.517	.501	+.016	.373
Soybean Meal, ton	343.200	345.300	-2.100	340.300
Corn, bushel	5.685	5.387	+.298	3.584
Crude Corn Oil, lb.	.545	.535	+.010	.405
Distillers Grain, Dry	160.000	156.000	+4.000	111.250
Crude Palm Oil, lb. BMD	.527	.523	+.004	.331
HRW Wheat, bushel	7.275	7.455	-.180	4.525
DNS Wheat 14%, bushel	8.380	8.500	-.120	5.520
Canola, lb.	.241	.239	+.002	.168
Canola Oil, SD, (Tor.), lb.	.620	.600	+.020	.461
Pinto Beans, lb.	.198	.198	-	.303
Black Beans, lb.	.260	.260	-	.337
Rice, Long Grain, lb.	.300	.300	-	.253
Coffee, lb. NYBOT	2.172	2.087	+.085	1.459
Sugar, lb. NYBOT	.377	.382	-.005	.340

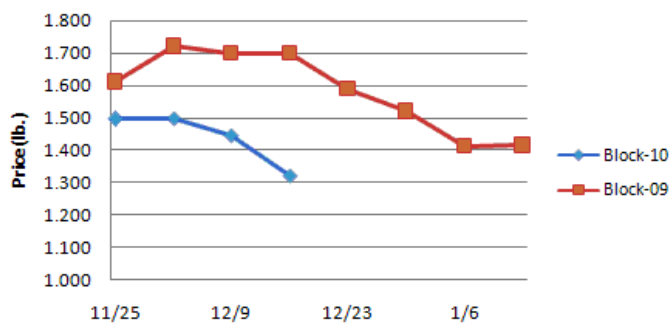


Dairy- The cheese markets continue to move lower. However, buyers have been securing product at a rapid pace in recent days which suggests that a cheese market floor is near. Milk futures are anticipating spot CME cheese prices to be in the high \$1.30's next month. October US cheese exports were 50% more than last year. The existing low cheese prices should further encourage chicken export demand which could help pressure prices upward. October US butter exports were 10% more than 2009. The butter market may be fairly steady during the next few weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 09
Cheese Barrels (CME)	1.350	1.403	-.053	1.460
Cheese Blocks (CME)	1.323	1.445	-.122	1.700
American Cheese	1.748	1.825	-.077	1.833
Cheddar Cheese (40 lb.)	1.978	2.025	-.047	1.860
Mozzarella Cheese	1.793	1.840	-.047	1.910
Provolone Cheese	1.953	2.000	-.047	2.160
Parmesan Cheese	3.250	3.298	-.048	3.525
Butter (CME)	1.650	1.610	+.040	1.430
Nonfat Dry Milk	1.280	1.273	+.007	1.340
Whey, Dry	.379	.380	-.001	.370
Class I Base	16.960	16.960	-	13.990
Class II Cream, heavy	2.025	2.025	-	1.899
Class III Milk (CME)	13.220	13.220	-	14.660
Class IV Milk (CME)	15.250	14.750	+.500	15.590

Weekly Market Updates

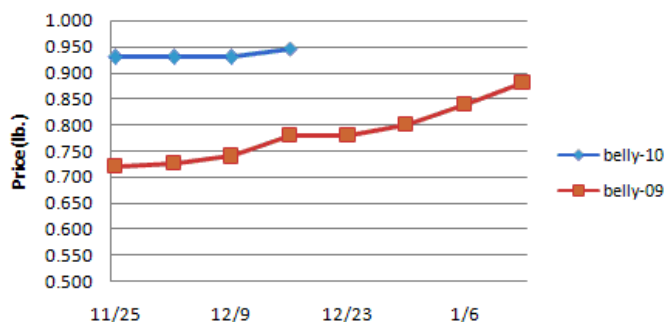
Cheese Block (CME)



Pork-Pork production last week declined 3.1% but was 3.5% larger than the same week a year ago. Pork output will be shortened by the holidays during the next two weeks. Still, the USDA pork cutout usually moves lower from now through the end of the month. October US pork exports were 12% less than last year but the 3rd largest for the month on record. US ham exports during October were 13% better than last year. The ham markets are seasonally declining but could find a bottom soon. Higher ham prices are expected in January. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 09
Live Hogs	.482	.476	+.006	.464
Belly (bacon)	.945	.930	+.015	.780
Sparerib (4.25 lb. & down)	1.350	1.368	-.018	1.160
Ham (20-23 lb.)	.743	.900	-.157	.725
Ham (23-27 lb.)	.700	.800	-.100	.700
Loin (bone-in)	.908	.828	+.080	.898
Bbybck Rib (1.75 lb. & up)	2.399	2.456	-.057	2.246
Tenderloin (1.25 lb.)	2.080	2.117	-.037	2.062
Boston Butt, untrmd. (4-8 lb.)	.872	.842	+.030	.698
Picnic, untrmd.	.665	.632	+.033	.545
SS Picnic, smoker trm. bx.	.930	.940	-.010	.787
42% Trimmings	.250	.300	-.050	.300
72% Trimmings	.700	.690	+.010	.486

Pork Belly



Tomato Products, Canned-The markets are steady to weak. Fairly balanced canned tomato markets are anticipated during the next several months. Prices per case (6/10) FOB, unless noted from ARA.

	Price	Last Week	Difference	Price 09
Whole Peeled, Standard	11.750	11.750	-	13.625
Diced, Fancy	12.250	12.250	-	14.125
Ketchup, 33%	13.000	13.000	-	14.500
Tomato Paste- Industrial (lb.)	.370	.370	-	.405

Processed Vegetables-The markets are fairly stable. Still, tighter and more expensive raw product supplies could be inflationary for processed vegetable products next fall. FOB per case from ARA.

	Price	Last Week	Difference	Price 09
Corn, Fcy whl kern- can 6/10	16.906	16.906	-	17.500
Green Beans Fcy- can 6/10	16.563	16.563	-	17.156
Green Peas, Fcy- can 6/10	17.750	17.750	-	18.375
Corn, Cob- froz 96 ct.	14.000	14.000	-	14.500
Corn, Kernel- froz 12/2.5#	14.250	14.250	-	18.750
Green Beans Cut- froz 12/2#	12.900	12.900	-	18.000
Green Peas- froz 12/2.5#	20.250	20.250	-	17.513
Potatoes, FF Fncy- froz 6/5#	13.000	13.000	-	18.875

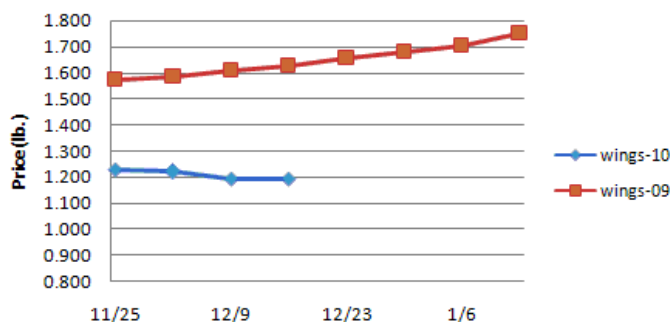
Poultry-US chicken exports during October were 10% more than the previous year and a record due mostly to a surge in trade with Russia. Chicken exports to Russia during the month were the biggest in 3 years and accounted for roughly a third of entire chicken trade. Chicken trade with Russia is anticipated to be challenged in 2011 due to a decline in the US quota and Russian restrictions. The chicken leg quarter market may remain relatively deflated into the winter. The chicken breast markets have yet to show signs of seasonal strength like they typically do in mid December. The chicken breast markets are expected to find a bottom soon. The chicken wing markets continue to weaken which is unusual for this time of the year. Prices USDA, FOB per pound except when noted.

<u>Chicken</u>	Price	Last Week	Difference	Price 09
Whole Birds (2.5-3 lb.-GA)	.853	.855	-.002	.823
Whole Birds (LA)	.950	.950	-	.910
Wings (whole)	1.195	1.195	-	1.625
Wings (jumbo, cut)	1.369	1.395	-.026	1.684
Breast, Bone In	.770	.765	+.005	.770
Breast, Boneless Skinless	1.430	1.455	-.025	1.365
Tenderloin (random)	1.500	1.500	-	1.130
Tenderloin (sized)	1.700	1.700	-	1.880
Legs (whole)	.528	.505	+.023	.543
Leg Quarters	.400	.395	+.005	.375
Thighs, bone in	.515	.544	-.029	.512
Thighs, boneless	1.001	1.000	+.001	.956

Eggs and Others

Large (dozen)	1.327	1.355	-.028	1.233
Medium (dozen)	.913	.958	-.045	.968
Whole Eggs- Liquid	.363	.443	-.080	.547
Egg Whites- Liquid	.436	.470	-.034	.460
Egg Yolks- Liquid	.743	.743	-	.700
Whole Turkeys (8-16 lb.)	.965	1.000	-.035	.865
Turkey Breast, Bnls/Sknl	2.743	2.761	-.018	1.700

Whole Chicken Wing

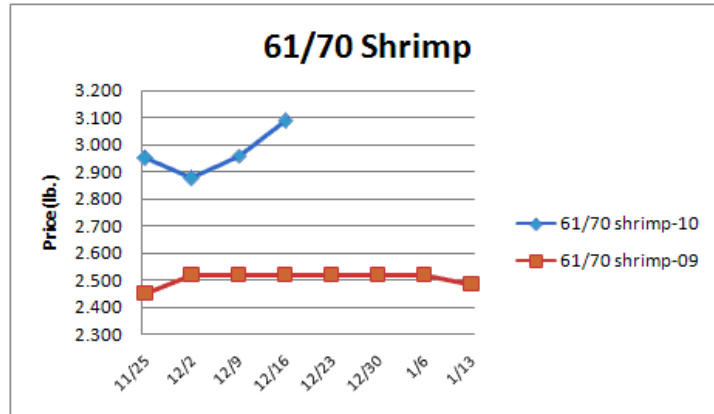


Seafood-US total shrimp imports during October were 1.5% larger than a year ago although shell on shrimp imports were modestly less (1.3%) than 2009. 2010 US shrimp imports are projected to be fairly flat with the prior year. If the US dollar remains relatively deflated in 2011, shrimp imports may be curbed which would be supportive of shrimp prices. Year to date US salmon filet imports are estimated to be 8% less

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than 2009. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 09
Salmon (wh. Atl., 10-12 lb.)	3.550	3.550	-	3.100
Catfish Filets	3.500	3.500	-	3.500
Trout (dm. 8-14 oz.)	3.100	3.100	-	3.000
Shrimp (16/20), Frz	7.575	7.603	-.028	4.340
Shrimp (61/70), Frz.	3.088	2.960	+.128	2.517
Shrimp, Tiger (26/30), Frz.	4.600	4.567	+.033	4.175
Snow Crab, Legs 5-8 oz, Frz	5.600	5.725	-.125	3.375
Snow Crab, Legs 8 oz/ up, Fz	5.725	5.925	-.200	3.900
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.192
Cod Loins, 3-12 oz., Frz	3.794	3.794	-	3.542
Salmon Portions, 4-8 oz, Frz	6.092	6.092	-	5.347
Pollock, Alaska, Deep Skin	2.075	2.075	-	N/A



Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 09
Crude Oil, barrel- nymex	88.280	88.690	-.410	72.620
Natural Gas, mbtu- nymex	4.255	4.393	-.138	5.114
Heating Oil, gal- nymex	2.468	2.470	-.002	1.991
Electricity, mwhwt- nymex	69.490	49.94	+19.550	51.120
Gasoline, gal- nymex	2.296	2.323	-.027	1.925
Diesel Fuel, gal- eia	3.231	3.197	+.034	2.772
Ethanol, gal- usda	1.990	2.095	-.105	2.060
Canadian \$	1.010	1.002	+.008	1.556
Japanese Yen	83.089	82.639	+.450	88.493
Mexican Peso	12.394	12.329	+.065	12.757
Euro	.744	.748	-.004	.677
Brazilian Real	1.697	1.672	+.025	1.746
Chinese Yuan	6.655	6.645	+.010	6.827

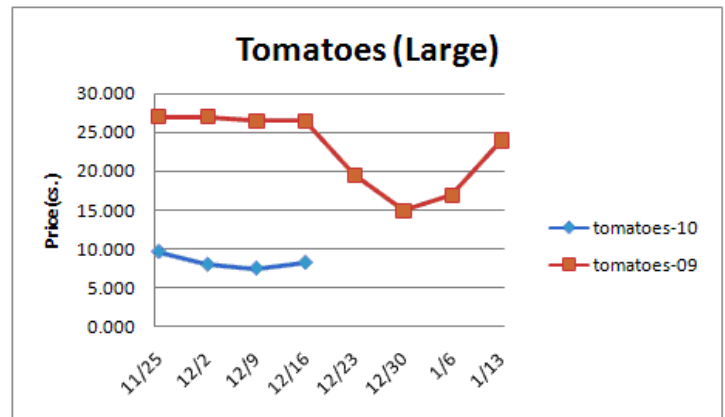
Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 09
WP; NBSK (napkin, towel)	969.520	967.350	+2.170	826.190
WP; 42 lb. Linerboard (corr.)	811.048	803.312	+7.736	608.570
Res; PS-CHH (cup, cont.)	.950-.990	.950-.990	-	.820-.860
Res; PP-HIGP (hvy utensil)	.950-.970	.950-.970	-	.860-.880
Res; PE-LLD (cn liner, film)	.830-.860	.830-.860	-	.700-.730

Produce-Once again cold weather has descended on Florida for two consecutive nights this week. In the citrus region, temperatures were below the magic 28 degree level for at least a few hours which likely caused some damage. The extent of any freeze damage on Florida crops will be assessed in the coming weeks. Tomato prices are moving higher and may continue to do so through the end of the month. Still, it is not anticipated that a major tomato supply shortage will occur. Temperatures in Florida are forecasted to remain mostly below average throughout next week. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 09
Limes (150 ct.)	39.000	17.000	+22.00	12.000
Lemons (95 ct.)	14.140	15.640	-1.500	17.040

Lemons (200 ct.)	11.640	11.640	-	17.540
Honeydew (6 ct.)	8.225	11.475	-3.250	9.750
Cantaloupe (15 ct.)	12.450	13.475	-1.025	9.750
Blueberries (12 count)	19.500	19.500	-	19.500
Strwbriies (12 pnts.)	25.900	25.900	-	21.000
Avocds (Hass 48 ct.)	26.250	25.750	+.500	26.750
Bananas (40 lb.)- Term.	16.668	15.683	+.985	14.843
Pineapple (7 ct.)- Term.	11.625	11.313	+.312	10.511
Idaho Potato (60 ct., 50 lb.)	14.375	14.500	-.125	5.250
Idaho Potato (70 ct., 50 lb.)	13.500	13.375	+.125	5.250
Idaho Potato (70 ct.)-Term.	18.288	18.600	-.312	10.719
Idaho Potato (90 ct., 50 lb.)	9.250	9.125	+.125	5.125
Idaho Pot. # 2 (6 oz., 100 lb.)	15.750	15.500	+.250	8.000
Processing Potato (cwt.)	7.750	7.750	-	4.500
Yellow Onions (50 lb.)	9.600	9.375	+.225	6.000
Yell Onions (50 lb.)-Term.	12.208	11.833	+.375	9.584
Red Onions (25 lb.)- Term.	10.089	9.703	+.386	8.214
White Onions (50 lb.)- Term.	17.104	16.594	+.510	13.063
Tomatoes (large- case)	8.200	7.450	+.750	26.450
Tomatoes (5x6-25 lb.)-Term	11.188	10.625	+.563	33.000
Tomatoes (4x5 vine ripe)	16.950	11.975	+.4975	24.950
Roma Tomatoes (large- case)	15.458	11.617	+.3841	13.950
Roma Tomatoes (xlarge-cs)	15.467	11.950	+.3517	16.450
Green Peppers (large- case)	12.400	5.900	+.6500	7.100
Red Peppers (large 15lb. cs.)	18.950	18.950	-	16.950
Iceberg Lettuce (24 count)	8.280	9.625	-1.345	23.225
Iceberg Lettuce (24)-Term.	16.333	17.500	-1.167	31.875
Leaf Lettuce (24 count)	11.792	12.275	-.483	15.575
Romaine Lettuce (24 cnt.)	11.625	12.858	-1.233	23.359
Mesculin Mix (3 lb.)-Term.	7.156	6.766	+.390	6.688
Broccoli (14 ct.)	22.592	19.270	+.3322	11.038
Squash (1/2 bushel)	18.850	14.600	+.4250	6.100
Zucchini (1/2 bushel)	14.850	10.850	+.4000	5.100
Green Beans (bushel)	32.400	21.900	+10.500	14.284
Spinach, Flat 24's	15.975	15.050	+.925	11.550
Mushrms (10 lb, lg.)-Term.	12.147	13.422	-1.275	15.235
Cucumbers (bushel)	22.510	13.710	+.8800	8.100
Pickles (200-300 ct.)- Term.	21.001	19.917	+.1084	18.750
Asparagus (small)	31.000	19.500	+11.500	14.500
Freight (Truck; CA-Cty Av.)	4400.000	4830.000	-430.000	3965.000



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

	Oct-10	Sep-10	Aug-10	Jul-10
Beef and Veal	+.955	+.331	-.599	-.183
Dairy	+1.130	+.166	-.140	+.527
Pork	+1.111	+1.503	+.462	+1.599
Chicken	+1.111	+.870	-.913	+.592
Fresh Fish and Seafood	+1.203	-.061	-.781	+.244
Fresh Fruits and Veg.	+1.030	+1.530	-.176	-2.711