Weekly Market Updates

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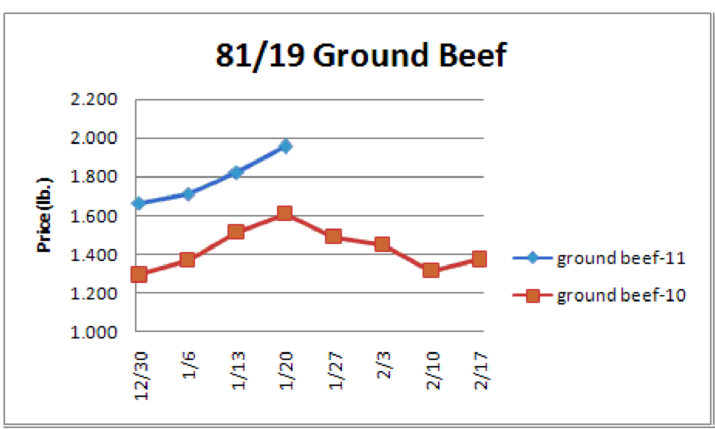
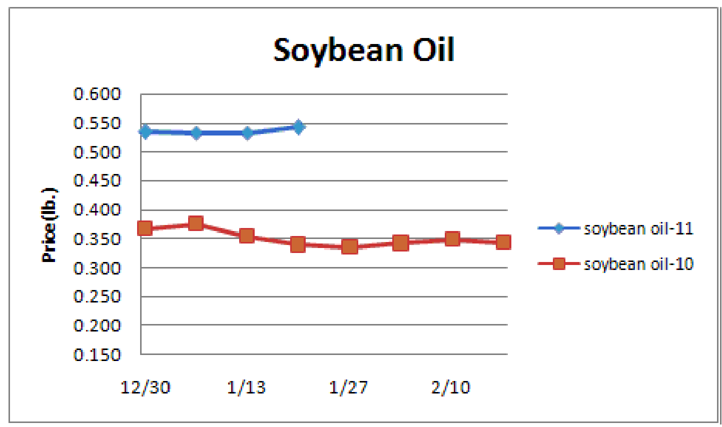
Beef, Veal & Lamb- Beef production last week declined .9% and was 2.9% smaller than a year ago. Beef output could edge lower in the coming weeks. November US beef exports were the 2nd largest for any month in nearly 7 years. Strong beef exports are anticipated to endure this winter which could support many end cut beef markets. November US beef imports were 23% less than the previous year and the smallest for any month since 1993. Beef imports could remain light into the spring. Relatively inflated lean beef trimming prices are expected to persevere over the next several months. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.086	1.052	+.034	.862
Feeder Cattle Index (CME)	1.253	1.239	+.014	.968
Ground Beef 81/19	1.955	1.822	+.133	1.608
Ground Chuck	2.045	1.806	+.239	1.673
109e Export Rib (choice)	4.508	4.283	+.225	4.092
109e Export Rib (prime)	8.022	8.260	-.238	5.862
112a Ribeye (choice)	4.756	4.718	+.038	4.579
112a Ribeye (prime)	8.973	8.614	+.359	6.631
116 Chuck (select)	2.225	2.129	+.096	1.864
116 Chuck (choice)	2.267	2.160	+.107	1.846
116b Chuck Tdnr (choice)	2.169	2.091	+.078	1.874
120 Brisket (choice)	1.942	1.942	-	1.600
121c Outside Skirt (ch/sel)	3.738	3.386	+.352	2.287
121d Inside Skirt (ch/sel)	2.908	2.835	+.073	2.296
121e Cap & Wedge	2.487	2.482	+.005	1.677
167a Knckle, Trm. (ch.)	2.183	2.100	+.083	1.801
168 Inside Round (ch.)	2.160	2.058	+.102	1.608
174 Short Loin (ch. 0x1)	3.980	3.905	+.075	3.765
174 Short Loin (prime)	7.698	7.512	+.186	5.024
180 1x1 Strp (choice)	3.680	3.684	-.004	3.470
180 1x1 Strp (prime)	8.060	7.927	+.133	5.656
180 0x1 Strp (choice)	4.019	4.007	+.012	3.882
184 Top Butt, bnls (ch.)	2.466	2.490	-.024	2.041
184 Top Butt, bnls (prime)	2.529	2.519	+.010	2.104
185a Sirloin Flap (choice)	3.197	3.099	+.098	2.591
185c Loin, Tri-Tip (choice)	2.478	2.417	+.061	2.279
189a Tender (select)	7.290	7.075	+.215	6.503
189a Tender (choice)	7.298	7.857	-.559	7.821
189a Tender (prime)	10.848	10.969	-.121	9.092
193 Flank Steak (choice)	3.704	3.225	+.479	2.631
50% Trimmings	.832	.849	-.017	.770
65% Trimmings	1.107	1.097	+.010	.873
75% Trimmings	1.257	1.267	-.010	1.140
85% Trimmings	1.691	1.682	+.009	1.427
90% Trimmings	1.833	1.787	+.046	1.513
90% Imported Beef (frz.)	1.990	1.935	+.055	1.480
95% Imported Beef (frz.)	2.080	2.013	+.067	1.545
Veal Rack (Hotel 7 rib)	5.125	5.125	-	4.000
Veal Top Rnd. (cp. Off)	12.525	12.525	-	8.875



Oil, Grains, Misc.-World and US corn and soybean supplies are historically limited. Fairly elevated grain prices are anticipated to persist through the winter. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.810	13.297	+.513	9.530
Crude Soybean Oil, lb.	.542	.532	+.010	.339
Soybean Meal, ton	375.400	358.900	+16.500	311.400
Corn, bushel	6.352	5.850	+.502	3.317
Crude Corn Oil, lb.	.580	.575	+.005	.405
Distillers Grain, Dry	180.500	171.500	+9.000	100.000
Crude Palm Oil, lb. BMD	.553	.549	+.004	.337
HRW Wheat, bushel	8.020	7.630	+.390	4.375
DNS Wheat 14%, bushel	9.360	8.950	+.410	5.430
Canola, lb.	.254	.251	+.003	.155
Canola Oil, SD, (Tor.), lb.	.641	.632	+.009	.437
Pinto Beans, lb.	.215	.204	+.011	.299
Black Beans, lb.	.269	.268	+.001	.300
Rice, Long Grain, lb.	.295	.297	-.002	.261
Coffee, lb. NYBOT	2.354	2.313	+.041	1.409
Sugar, lb. NYBOT	.387	.385	+.002	.408



Dairy-November US cheese exports were 38% more than the prior year. The CME block and barrel cheese markets continue to trade at notable discounts to the international markets which should encourage exports this winter. Still, existing cheese supplies are reported to be improving as Super Bowl orders have mostly been met and the industry enters a typical lethargic demand period. We would not be surprised to see additional modest cheese and milk market weakness during the next week. November US butter exports were historically large. The butter market is firm. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.470	1.448	+.022	1.490
Cheese Blocks (CME)	1.500	1.503	-.003	1.465
American Cheese	1.793	1.700	+.093	1.795
Cheddar Cheese (40 lb.)	1.900	1.878	+.022	1.955
Mozzarella Cheese	1.813	1.693	+.120	1.770
Provolone Cheese	1.970	1.850	+.120	1.923
Parmesan Cheese	3.268	3.148	+.120	3.288
Butter (CME)	2.100	2.100	-	1.490
Nonfat Dry Milk	1.330	1.295	+.035	1.381
Whey, Dry	.400	.388	+.012	.388
Class 1 Base	15.200	15.200	-	15.030
Class II Cream, heavy	2.520	2.178	+.342	1.731
Class III Milk (CME)	14.880	14.870	+.010	14.250
Class IV Milk (CME)	17.200	17.000	+.200	14.720

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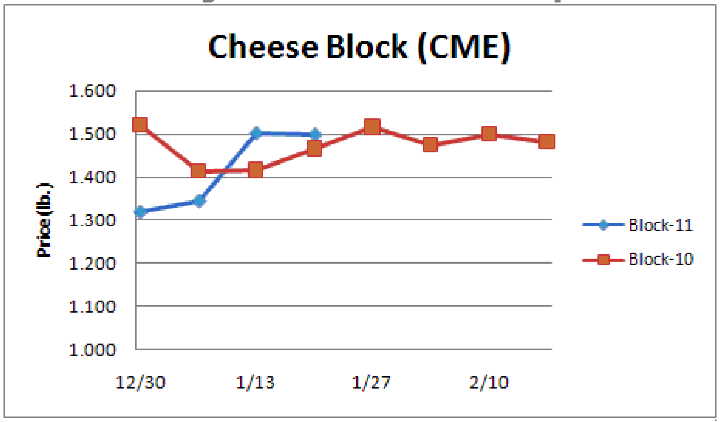
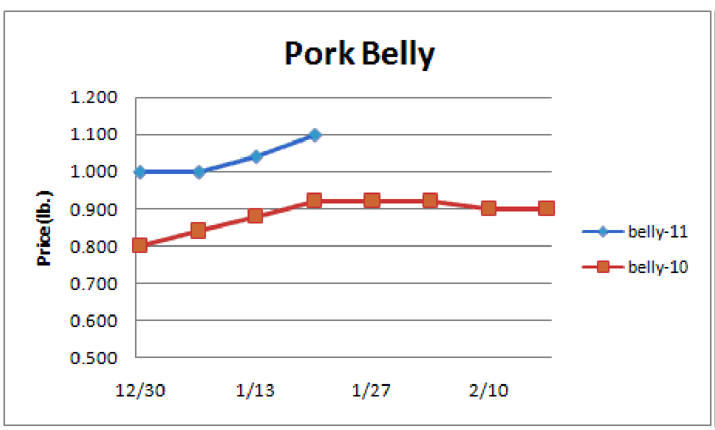


Pork-Pork production last week declined 2.5% and was .1% less than a year ago. Pork output should seasonally track lower from now into the spring. November US pork exports were 5% more than the previous year and the largest for any month since October 2008. November US ham exports were 15% bigger than 2009 and a record high. Fairly strong pork exports are anticipated to persist this year which should help support pork prices. The pork belly market is trending upward with additional increases likely in the pending months. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.542	.524	+.018	.495
Belly (bacon)	1.100	1.040	+.060	.920
Sparerib (4.25 lb. & down)	1.530	1.453	+.077	1.271
Ham (20-23 lb.)	.700	.700	-	.740
Ham (23-27 lb.)	.680	.680	-	.740
Loin (bone-in)	.999	.951	+.048	.942
Bbybck Rib (1.75 lb. & up)	2.457	2.446	+.011	2.330
Tenderloin (1.25 lb.)	2.327	2.141	+.186	2.176
Boston Butt, untrmd. (4-8 lb.)	.943	.924	+.019	.695
Picnic, untrmd.	.645	.624	+.021	.564
SS Picnic, smoker trm. bx.	.780	.780	-	.785
42% Trimmings	.490	.400	+.090	.450
72% Trimmings	.800	.734	+.066	.820



Tomato Products, Canned-Existing canned tomato supplies are at least adequate. Still, modestly higher canned tomato prices may occur this summer. Prices per case (6/10) FOB, unless noted from ARA.

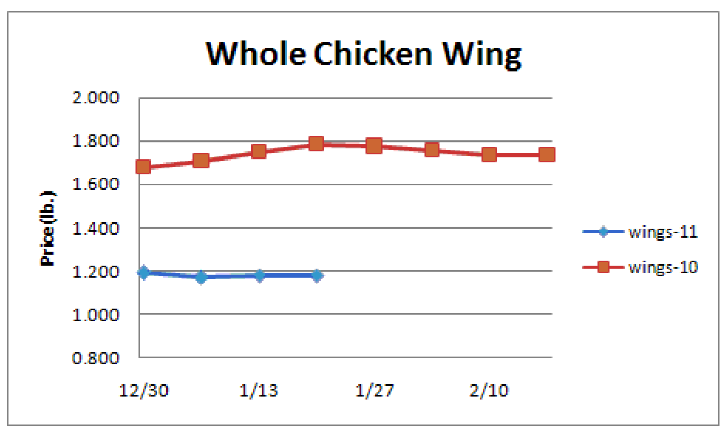
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.750
Diced, Fancy	12.250	12.250	-	13.250
Ketchup, 33%	13.000	13.000	-	14.125
Tomato Paste- Industrial (lb.)	.370	.370	-	.400

Processed Vegetables-The canned vegetable markets remain steady to firm. Higher canned vegetable prices are anticipated with the upcoming harvest this fall. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 10
Corn, Fcy whl kern- can 6/10	16.906	16.906	-	17.406
Green Beans Fcy- can 6/10	16.563	16.563	-	17.056
Green Peas, Fcy- can 6/10	17.750	17.750	-	18.250
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-November US chicken exports were 26% larger than the same month in 2009 and the 2nd biggest for any month in the last 5 years. This is partly due to fairly depressed prices in the US and a devalued US dollar. But the November export gain was mostly due to a surge in trade with Russia after the trade restrictions were lifted last summer. November US chicken exports to Russia were 66% more than the prior year. Reduced import quotas in Russia and various other trade challenges are likely to temper any chicken export growth in the coming months. The chicken wing markets remain unseasonably steady despite being in the midst of the NFL playoffs. We believe higher wing prices may occur later this year. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.850	.850	-	.833
Whole Birds (LA)	.940	.940	-	.920
Wings (whole)	1.180	1.180	-	1.785
Wings (jumbo, cut)	1.264	1.282	-.018	1.811
Breast, Bone In	.790	.775	+.015	.830
Breast, Bnless Skinless	1.415	1.400	+.015	1.500
Tenderloin (random)	1.500	1.500	-	1.290
Tenderloin (sized)	1.700	1.700	-	1.980
Legs (whole)	.471	.584	-.113	.497
Leg Quarters	.385	.390	-.005	.385
Thighs, bone in	.527	.547	-.020	.525
Thighs, boneless	1.015	1.006	+.009	.956
Eggs and Others				
Large (dozen)	.998	1.357	-.359	1.107
Medium (dozen)	.837	.875	-.038	.798
Whole Eggs- Liquid	.305	.313	-.008	.434
Egg Whites- Liquid	.327	.352	-.025	.410
Egg Yolks- Liquid	.603	.597	+.006	.655
Whole Turkeys (8-16 lb.)	.900	.870	+.030	.778
Turkey Breast, Bnls/Sknls	2.466	2.449	+.017	1.506



Seafood-November US total (9%) and shell on (13%) shrimp imports were both notable larger than the previous year. Elevated shrimp prices in the US could continue to encourage shrimp imports here. However, a persistent devalued US dollar is likely to limit the downside in the shrimp markets. Roughly 90% of the shrimp consumed in the US is imported.

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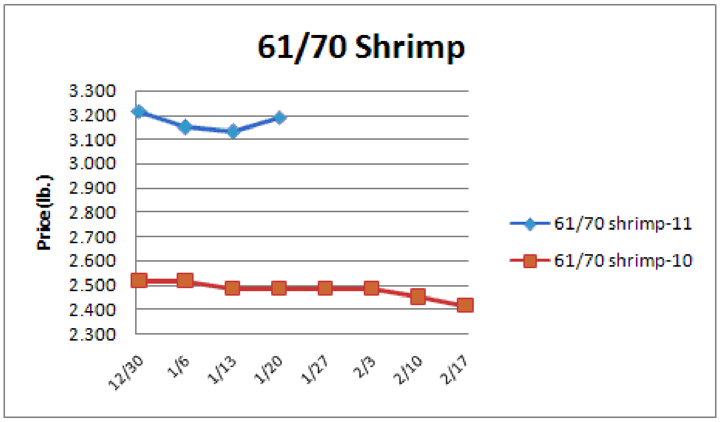
November salmon filet/steak imports were 9% less than the prior year. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	3.550	3.550	-	3.250
Catfish Filets	3.500	3.500	-	3.500
Trout (drn. 8-14 oz.)	3.100	3.100	-	3.000
Shrimp (16/20), Frz	7.414	7.470	-.056	4.544
Shrimp (61/70), Frz.	3.190	3.130	+.060	2.484
Shrimp, Tiger (26/30), Frz.	4.533	4.550	-.017	4.100
Snow Crab, Legs 5-8 oz, Frz	5.600	5.600	-	3.550
Snow Crab, Legs 8 oz/ up, Fz	5.725	5.725	-	4.000
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.192
Cod Loins, 3-12 oz., Frz	3.769	3.769	-	3.542
Salmon Portions, 4-8 oz, Frz	6.113	6.113	-	5.378
Pollock, Alaska, Deep Skin	2.075	2.075	-	N/A



Energy & Currency-Currency US dollar is worth.

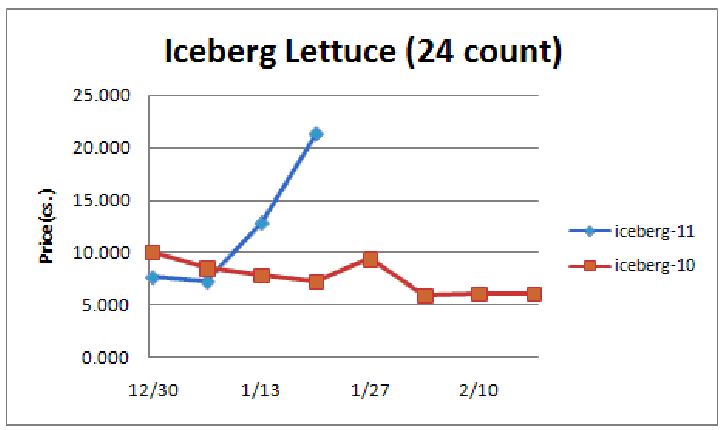
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	91.380	91.110	+.270	79.020
Natural Gas, mbtu- nymex	4.425	4.481	-.056	5.557
Heating Oil, gal- nymex	2.646	2.609	+.037	2.045
Electricity, mwht- nymex	61.470	64.820	-3.350	50.220
Gasoline, gal- nymex	2.479	2.478	+.001	2.059
Diesel Fuel, gal- eia	3.407	3.333	+.074	2.870
Ethanol, gal- usda	2.300	2.280	+.020	1.800
Canadian $	.991	.990	+.001	1.031
Japanese Yen	82.661	83.359	-.698	90.896
Mexican Peso	12.047	12.179	-.132	12.718
Euro	.746	.771	-.025	.700
Brazilian Real	1.672	1.690	-.018	1.748
Chinese Yuan	6.581	6.620	-.039	6.827

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

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 10
WP; NBSK (napkin, towel)	961.330	962.050	-.720	842.090
WP; 42 lb. Linerboard (corr.)	809.456	783.126	+26.330	604.221
Res; PS-CHH (cup, cont.)	.950-.990	.950-.990	-	.840-.880
Res; PP-HIGP (hvy utensil)	.980-1.000	.950-.970	+.030	.900-.920
Res; PE-LLD (cn liner, film)	.830-.860	.830-.860	-	.700-.730

Produce-Lettuce prices are moving higher due to harvest challenges brought upon by the cold weather a few weeks ago. Iceberg lettuce shipments last week declined about 3% from the previous week and were 8% less than the same week a year ago. Improving weather should help lettuce supplies recover in the coming weeks although lettuce prices may remain somewhat inflated for the near term. The January US potato holdings inventory was 13% less than last year and the smallest for the date in the last 10 years. Potato prices are expected to trend higher into the summer. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	53.000	50.000	+3.000	15.000
Lemons (95 ct.)	14.640	14.640	-	16.540
Lemons (200 ct.)	12.640	12.640	-	21.540
Honeydew (6 ct.)	10.550	11.433	-.883	7.750
Cantaloupe (15 ct.)	14.088	14.950	-.862	13.000
Blueberries (12 count)	13.167	13.333	-.166	16.000
Strwbrries (12 pnts.)	25.900	25.900	-	27.000
Avocds (Hass 48 ct.)	33.250	32.750	+.500	25.750
Bananas (40 lb.)- Term.	17.441	16.703	+.738	12.188
Pineapple (7 ct.)- Term.	11.125	11.167	-.042	13.209
Idaho Potato (60 ct., 50 lb.)	16.375	15.750	+.625	5.250
Idaho Potato (70 ct., 50 lb.)	15.250	14.750	+.500	5.250
Idaho Potato (70 ct.)-Term.	18.413	18.417	-.004	10.250
Idaho Potato (90 ct., 50 lb.)	9.875	9.750	+.125	5.125
Idaho Pot. # 2 (6 oz., 100 lb.)	15.500	15.500	-	7.000
Processing Potato (cwt.)	7.750	7.750	-	4.500
Yellow Onions (50 lb.)	10.521	10.625	-.104	8.542
Yell Onions (50 lb.)-Term.	13.063	12.958	+.105	16.427
Red Onions (25 lb.)- Term.	10.063	10.250	-.187	9.017
White Onions (50 lb.)- Term.	17.646	13.058	+4.588	31.292
Tomatoes (large- case)	12.950	12.700	+.250	17.950
Tomatoes (5x6-25 lb.)-Term	17.056	10.167	+6.889	22.875
Tomatoes (4x5 vine ripe)	10.950	11.963	-1.013	11.975
Roma Tomatoes (large- case)	10.292	13.575	-3.283	6.545
Roma Tomatoes (xlarge-cs)	10.292	14.363	-4.071	6.795
Green Peppers (large- case)	11.150	13.650	-2.500	15.275
Red Peppers (large 15lb. cs.)	17.450	11.950	+5.500	6.950
Iceberg Lettuce (24 count)	21.328	12.788	+8.540	7.240
Iceberg Lettuce (24)-Term.	24.333	17.633	+6.700	13.313
Leaf Lettuce (24 count)	9.968	8.360	+1.608	6.502
Romaine Lettuce (24 cnt.)	20.650	14.253	+6.397	6.800
Mesculin Mix (3 lb.)-Term.	7.031	6.688	+.343	8.641
Broccoli (14 ct.)	19.817	16.978	+2.839	5.642
Squash (1/2 bushel)	10.850	13.350	-2.500	22.950
Zucchini (1/2 bushel)	8.350	7.850	+.500	10.950
Green Beans (bushel)	36.950	29.950	+7.000	31.950
Spinach, Flat 24's	18.610	13.600	+5.010	12.910
Mushrms (10 lb, lg.)-Term.	13.141	13.306	-.165	15.771
Cucumbers (bushel)	10.950	13.425	-2.475	16.770
Pickles (200-300 ct.)- Term.	21.500	21.688	-.188	28.281
Asparagus (small)	14.500	15.000	-.500	12.500
Freight (Truck; CA-Cty Av.)	4618.750	4937.500	-318.750	3895.000



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

	Dec-10	Nov-10	Oct-10	Sep-10
Beef and Veal	-.595	+.168	+.955	+.331
Dairy	+.372	-.006	+1.130	+.166
Pork	-2.092	-1.875	+1.111	+1.503
Chicken	-.773	+.357	+1.111	+.870
Fresh Fish and Seafood	+.251	+2.026	+1.203	-.061
Fresh Fruits and Veg.	+3.090	+.698	+1.030	+1.530