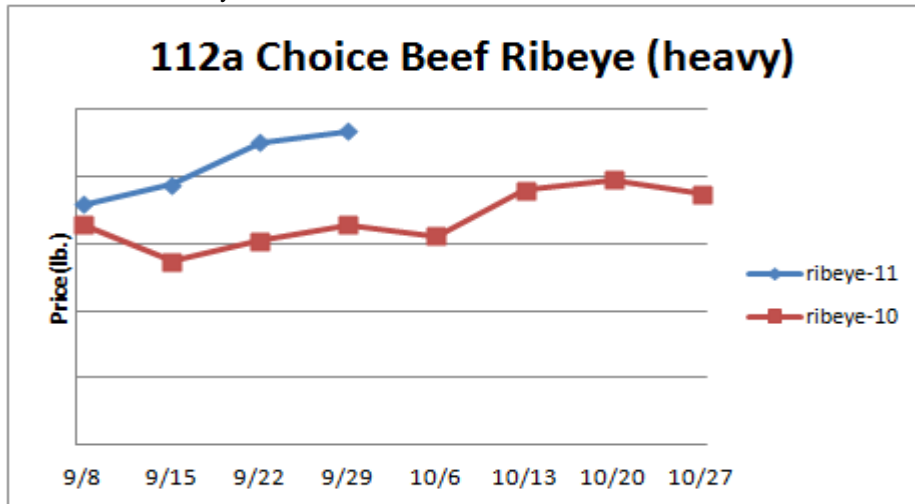


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week increased 1.6% but was 1.3% smaller than the same week a year ago. September 1st cattle on feed were up 5.3% compared to last year. Cattle placements into feedlots in August were down .8% versus 2010 at an average weight 3.3% lighter. The October 1st near slaughter ready cattle inventory is estimated to be 1.1% larger than the 3 year average for that date. Beef production could trend near 2010 levels next month. The severe drought in TX & OK remains a concern and will likely cause tighter beef supplies in 2012. Beef ribeyes and tenderloin markets may firm this fall.



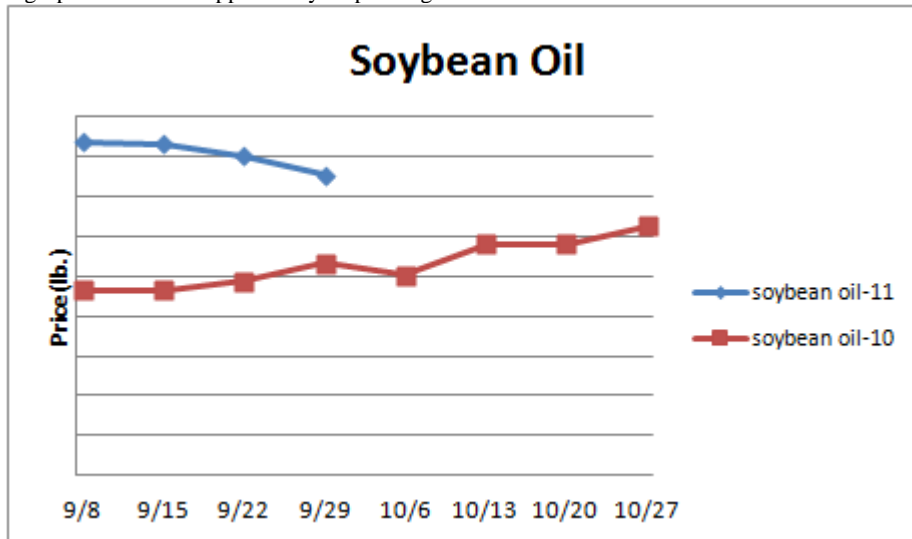
	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Higher
180 1x1 Strip (choice)	Decreasing	Good	Lower
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Lower
184 Top Butt, boneless (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Decreasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher
90% Imported Beef (frozen)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Increasing	Good	Higher

Market Report provided by American Restaurant Association-

www.AmericanRestaurantAssociation.com- 888-423-4411

Oil and Grains Report

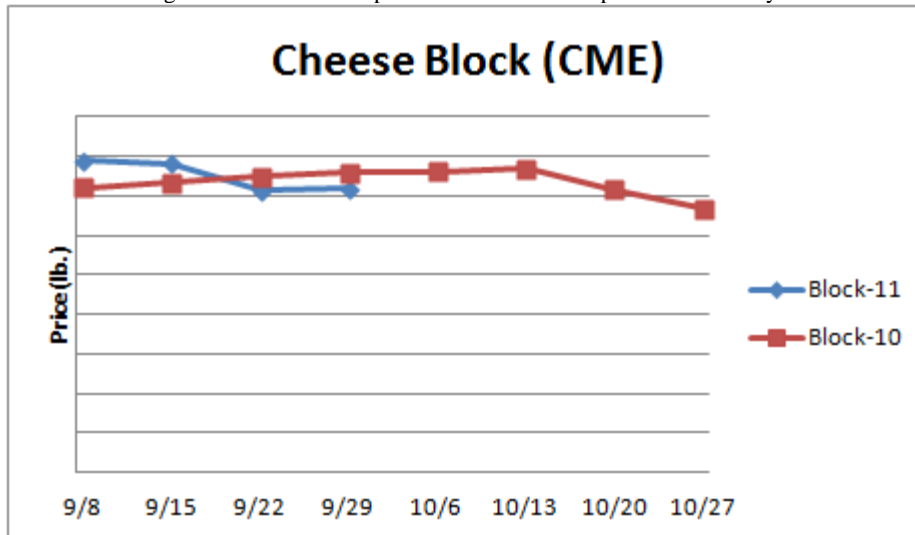
Oil & Grains- Winter wheat planting in the Southern plains is behind by a third due to dry soil conditions. Tight high-protein wheat supplies may be pending for 2012.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Soybeans	Decreasing	Good	Higher
Crude Soybean Oil	Decreasing	Good	Higher
Soymeal	Decreasing	Good	Higher
Corn	Decreasing	Good	Higher
Crude Corn Oil	Decreasing	Good	Higher
Distillers Grain, Dry	Decreasing	Good	Higher
Crude Palm Oil	Decreasing	Good	Higher
Hard Red Winter Wheat	Decreasing	Good	Higher
Dark Northern Spring Wheat	Increasing	Good	Higher
High Fructose Corn Syrup	Decreasing	Good	Higher
Durum Wheat	Increasing	Good	Higher

Dairy Report

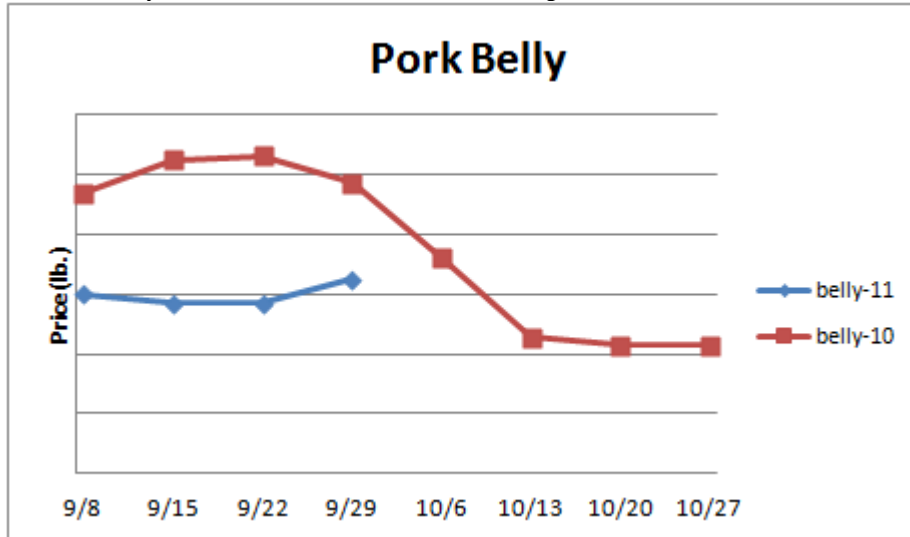
Dairy- Butter inventories were down 25% in August compared to the five year average but were 7% higher than last year. The butter markets have declined significantly in recent weeks due in part to a strong US dollar limiting butter exports. In August, cheese inventories declined 1% from July marking the smallest stock drawdown for any August since 1992. This is due in a large part to discounted international cheese markets this past summer. Cheese exports could be challenged this fall. Modest price weakness is anticipated for the dairy markets in the coming weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Decreasing	Good	Lower
Cheese 40 lb Blocks- CME	Increasing	Good	Lower
American Cheese	Decreasing	Good	Higher
Cheddar Cheese	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Lower
Provolone Cheese	Decreasing	Good	Lower
Parmesan Cheese	Decreasing	Good	Lower
Butter- One lb Solids	Decreasing	Good	Lower
Nonfat Dry Milk	Steady	Good	Higher
Whey, Dry	Increasing	Good	Higher
Class I Milk Base	Decreasing	Good	Higher
Class II Cream (Heavy Cream)	Decreasing	Good	Lower
Class III Milk- CME	Decreasing	Good	Higher
Class IV Milk- CME	Decreasing	Good	Higher

Pork Report

Pork- Pork output last week increased .5% and was 2.8% larger than the same week in 2010. Cold storage inventories on August 31st were larger than last year for hams (5%), bellies (11%), ribs (9.6%) and trimmings (19%). This may be signal that pork demand is being impacted by the record prices this summer. Feed costs are expected to remain inflated for 2012 and may mitigate future pork production, which if realized, could be supportive of the pork markets. Last year the ham markets declined 25% during October.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Steady	Good	Higher
Belly (bacon)	Increasing	Good	Lower
Spare Rib (4.25 & down)	Decreasing	Good	Higher
Ham (23-27 lb)	Increasing	Good	Higher
Loin (bone-in)	Decreasing	Good	Higher
Baby Back Rib (1.75 & up)	Decreasing	Good	Higher
Tenderloin (1.25 lb)	Decreasing	Good	Higher
Boston Butt, untrimmed 4-8 lb.	Decreasing	Good	Higher
Picnic, untrimmed	Increasing	Good	Higher
SS Picnic, smoker trim boxed	Steady	Good	Higher
42% Trimmings	Increasing	Good	Higher
72% Trimmings	Decreasing	Good	Higher

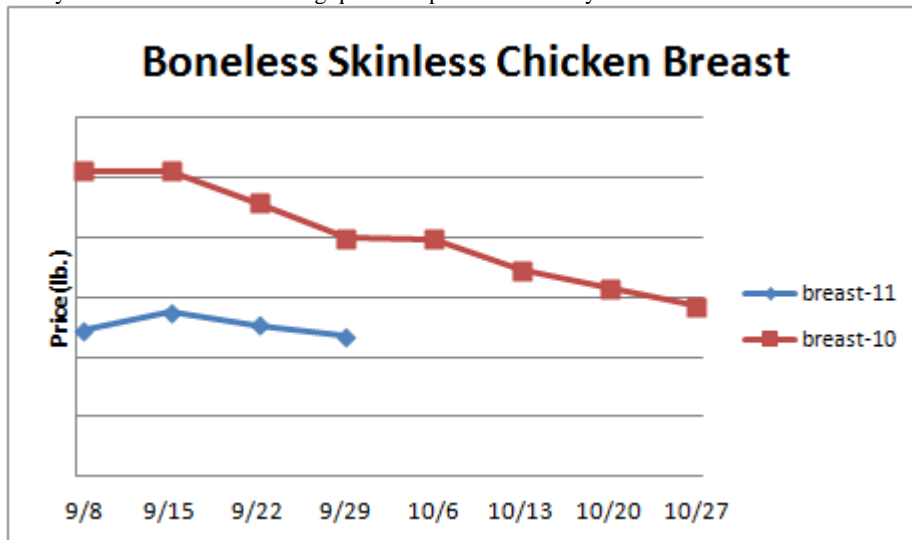
Canned Tomato Report

Tomato Products, Canned- The tomato harvest for canned tomatoes is progressing at its slowest pace since '06. Higher canned tomato prices may be pending.

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Peeled Standard	Steady	Good	Lower
Diced, Fancy	Steady	Good	Lower
Ketchup, 33%	Steady	Good	Lower
Tomato Paste- Ind.	Steady	Good	Higher

Poultry Report

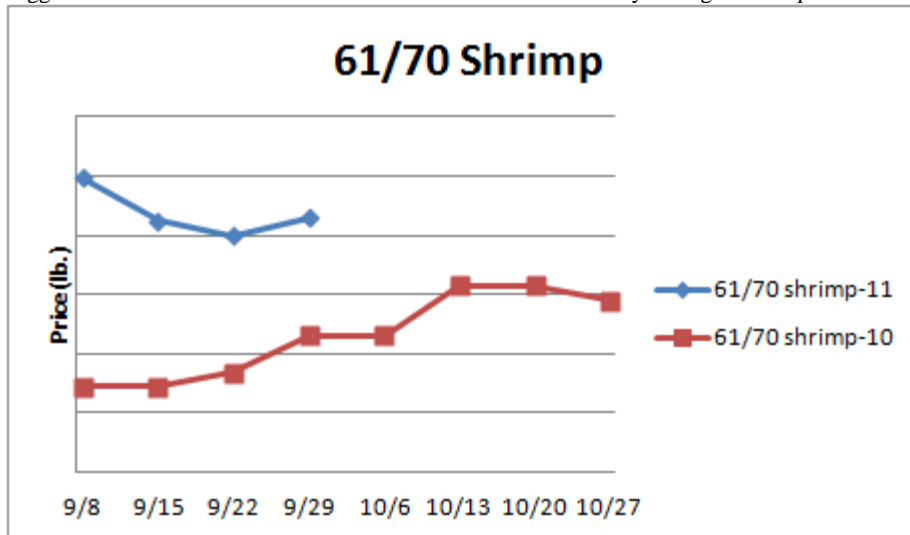
Poultry- Future chicken production continues to be curbed with signs of the slowdown becoming more systemic. Chicken pullet placements for the broiler hatchery flock in August were 3% lower than last year. Plus, broiler-type chicks hatched during August were down 5% versus the prior year. The daily ARA Chicken Wing Index has reached price levels not seen since December '10. Chicken wing prices may continue to firm in October. Chicken breast markets have declined in recent weeks following a seasonal trend. Usually, further chicken breast price declines follow, but any depreciation this fall may be tempered by reduced chicken output. Chicken leg quarter prices are steady. If the US dollar firms leg quarter export demand may slow.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Steady	Good	Higher
Whole Chicken (LA)	Steady	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Lower
Chicken Breast, Bnless Skinless	Decreasing	Good	Lower
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Lower
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Increasing	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Increasing	Good	Higher
Medium Eggs	Increasing	Good	Higher
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Increasing	Good	Higher
Egg Yolks- Liq	Increasing	Good	Higher
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Steady	Good	Higher

Seafood Report

Seafood- US shrimp inventories are reported to be historically low but demand for shrimp has been sluggish. Recently, economic concerns in the US and abroad have intensified due to various reasons including the EU debt situation. This could be bearish for seafood consumption and seafood prices during the next several weeks. History, suggests that the cod loin and cod tail markets could rise modestly during the 4th quarter.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Steady	Good	Lower
Catfish, Filets	Steady	Good	Higher
Trout, Drn. (8-14 oz)	Steady	Good	Higher
Shrimp (16-20 count)	Decreasing	Good	Lower
Shrimp (61-70 count)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Decreasing	Good	Higher
Snow Crab Legs (5-8 oz)	Increasing	Good	Higher
Snow Crab Legs (8 oz up)	Increasing	Good	Higher
Cod Tails, 3-7 oz. Frz.	Increasing	Good	Higher
Cod Loins, 3-12 oz. Frz.	Decreasing	Good	Lower
Salmon Portions, 4-8 oz. Frz.	Steady	Good	Higher

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Increasing	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Decreasing	Good	Higher
Coffee Beans	Decreasing	Good	Higher
Sugar	Decreasing	Good	Lower
Honey	Steady	Good	Higher

Paper Product Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Wood Pulp (paper)			
NBSK- Paper napkin	Decreasing	Good	Lower
42 lb. Linerboard-corrugated box	Decreasing	Good	Higher
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Higher
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

	<u>Aug-11</u>	<u>Jul-11</u>	<u>Jun-11</u>
Beef and Veal	Increasing	Increasing	Decreasing
Dairy	Increasing	Increasing	Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Decreasing	Increasing	Increasing
Fresh Fish and Seafood	Decreasing	Increasing	Decreasing
Fresh Fruits and Vegetables	Increasing	Decreasing	Decreasing

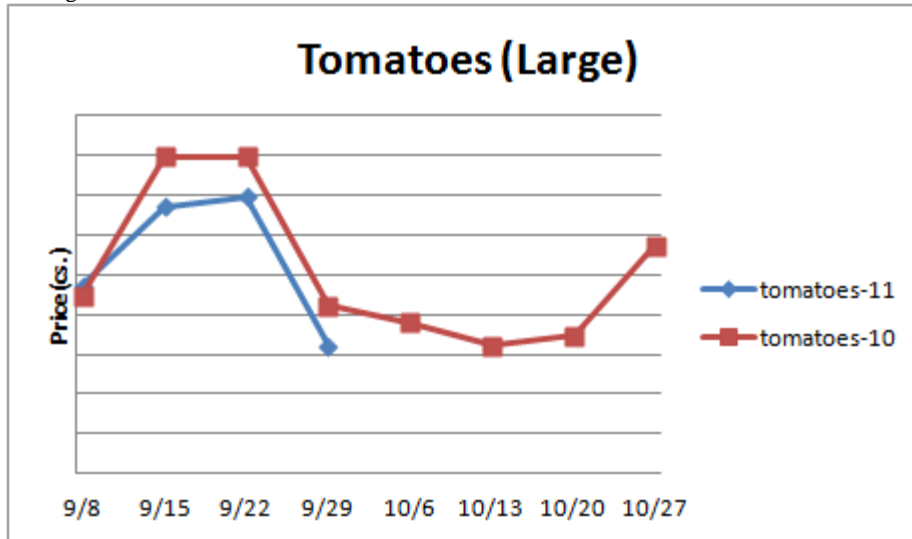
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- August 31st frozen green pea (8%), cut corn (38%) and cob corn (10%) stocks were all less than last year. Processed vegetable prices could rise.

<u>Canned 6/10</u>	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Corn, Fancy Whole Kernel	Steady	Good	Higher
Green Beans, Fancy 4 sv	Steady	Good	Higher
Green Peas, Fancy 4 sv/blend	Steady	Good	Higher
<u>Frozen</u>			
Corn, Cob 96 count	Steady	Good	Higher
Corn, Kernel 12/2.5 lb.	Steady	Good	Lower
Green Beans, Cut 12/2 lb.	Steady	Good	Lower
Green Peas, 12/2.5 lb.	Steady	Good	Higher
Potatoes, FF Fancy, 6/5 lb.	Steady	Good	Higher

Produce Report

Produce- The Hass avocado market is seasonally trending lower falling 46% during the last 6 weeks. Further avocado price weakness may be pending. The 3 year average avocado price decline over the next four weeks is 15.5%. Potato prices continue to slide at a rapid rate due in part to the building harvest. Potato prices currently are at levels not witnessed since April '10. The downside risk in potato prices from here may only be modest though. Tomato supplies are erratic in the East due to earlier storm disruptions. Expect Southeast tomato supplies to increase in the coming weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Lower
Lemons (95 count)	Steady	Good	Higher
Lemons (200 count)	Steady	Good	Lower
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Decreasing	Good	Higher
Blueberries (12 count)	Increasing	Good	Lower
Strawberries (12 pints)	Decreasing	Good	Higher
Avocados, Hass (48 count)	Decreasing	Good	Higher
Bananas (40 lb)-Term.	Increasing	Good	Higher
Pineapple (7 ct.)- Term.	Decreasing	Good	Lower
Idaho Potato (60 count)	Decreasing	Good	Lower
Idaho Potato (70 count)	Decreasing	Good	Lower
Idaho Potato (70 count)-Term.	Decreasing	Good	Higher
Idaho Potato (90 count)	Decreasing	Good	Lower
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Lower
Processing Potato (100 lb)	Decreasing	Good	Higher
Yellow Onions (50 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)-Term.	Increasing	Good	Lower
Red Onions (25 lb)-Term.	Increasing	Good	Lower
White Onions (50 lb)-Term.	Increasing	Good	Higher
Tomatoes, (large- case)	Decreasing	Good	Lower
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Lower

Roma Tomatoes (xlarge- case)	Increasing	Good	Lower
Green Peppers (large- case)	Decreasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Higher
Iceberg Lettuce (24 count)	Increasing	Good	Higher
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Higher

Produce Report (continued)

Leaf Lettuce (24 count)	Decreasing	Good	Lower
Romaine Lettuce (24 count)	Decreasing	Good	Higher
Mesculin Mix (3 lb)-Term.	Increasing	Good	Higher
Broccoli (14 cnt.)	Decreasing	Good	Higher
Squash (case)	Increasing	Good	Higher
Zucchini (case)	Steady	Good	Higher
Green Beans (bushel)	Increasing	Good	Higher
Spinach, Flat 24's	Increasing	Good	Higher
Mushrooms (large), Term.	Increasing	Good	Higher
Cucumbers, Bushel	Decreasing	Good	Higher
Pickles (200-300 ct.)-Term.	Increasing	Good	Higher
Asparagus (small)	Increasing	Good	Higher
Freight (CA to City Avg.)	Increasing	Good	Higher