

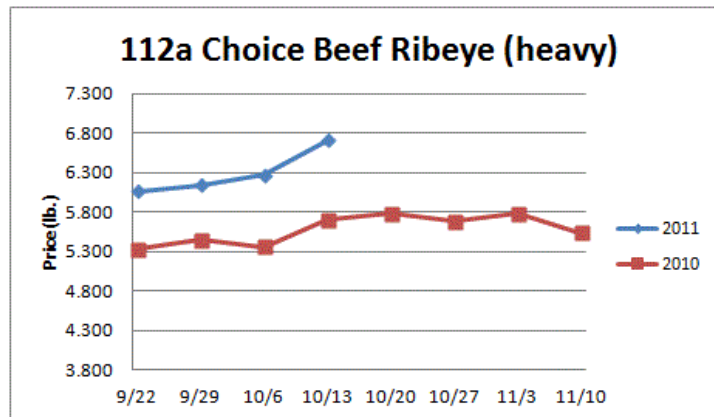
# Weekly Market Updates



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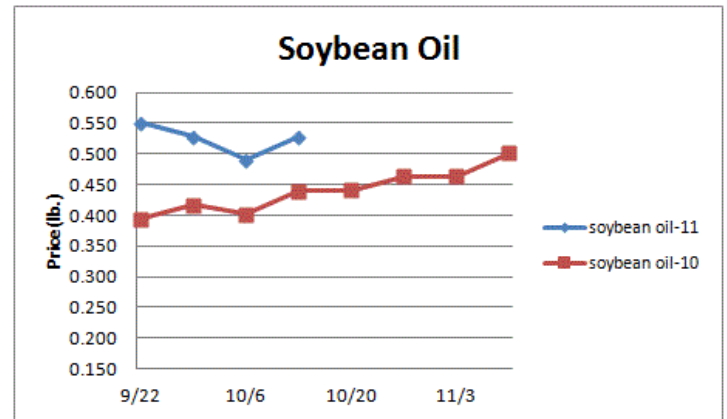
**Beef** - Beef output last week decreased 1.7% and was 1.6% smaller than the same week in 2010. Negative margins have been a problem for beef packers. Beef production may slow in the short term and could support beef markets if margins don't improve. Assuming beef output is curtailed spot cattle prices are anticipated to be influenced lower. The Southern Plains received well needed rainfall but pastures remain in very poor shape. Cattle supplies are anticipated to be tight next year in reaction. The USDA is forecasting beef output to be down 3.8% during the first half of '12. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.209	1.201	+.008	.948
Feeder Cattle Index (CME)	1.366	1.350	+.016	1.094
Ground Beef 81/19	1.616	1.610	+.006	1.309
Ground Chuck	1.647	1.671	-.024	1.292
109e Export Rib (choice)	5.833	5.689	+.144	4.793
109e Export Rib (prime)	9.515	9.500	+.015	7.867
112a Ribeye (choice)	6.712	6.267	+.445	5.698
112a Ribeye (prime)	9.570	9.586	-.016	8.644
116 Chuck (select)	2.451	2.512	-.061	1.872
116 Chuck (choice)	2.671	2.658	+.013	1.948
116b Chuck Tdnr (choice)	2.143	2.099	+.044	1.686
120 Brisket (choice)	1.932	1.948	-.016	1.539
121c Outside Skirt (ch/sel)	3.676	3.637	+.039	3.026
121d Inside Skirt (ch/sel)	3.160	3.356	-.196	2.687
167a Knuckle, Trm. (ch.)	2.480	2.463	+.017	1.909
168 Inside Round (ch.)	2.070	2.064	+.006	1.711
174 Short Loin (ch. 0x1)	4.447	4.541	-.094	4.293
174 Short Loin (prime)	9.066	9.184	-.118	7.683
180 1x1 Strp (choice)	3.954	4.009	-.055	3.597
180 1x1 Strp (prime)	9.952	10.178	-.226	9.104
180 0x1 Strp (choice)	4.372	4.361	+.011	4.007
184 Top Butt, bnls (ch.)	2.641	2.592	+.049	2.178
184 Top Butt, bnls (prime)	3.571	3.587	-.016	2.612
185a Sirloin Flap (choice)	2.997	3.152	-.155	2.726
185c Loin, Tri-Tip (choice)	2.944	2.749	+.195	2.267
189a Tender (select)	8.038	8.215	-.177	8.064
189a Tender (choice)	9.797	9.580	+.217	8.919
189a Tender (prime)	12.680	12.305	+.375	10.218
193 Flank Steak (choice)	4.509	4.518	-.009	3.329
50% Trimmings	.906	.889	+.017	.633
65% Trimmings	1.199	1.230	-.031	.888
75% Trimmings	1.421	1.427	-.006	1.161
85% Trimmings	1.554	1.557	-.003	1.360
90% Trimmings	1.675	1.676	-.001	1.452
90% Imported Beef (frz.)	1.818	1.818	-	1.590
95% Imported Beef (frz.)	1.945	1.950	-.005	1.753
Veal Rack (Hotel 7 rib)	6.450	6.175	+.275	5.000
Veal Top Rnd. (cp. off)	13.120	13.120	-	12.000



**Oil, Grains, Misc.-** US soybean supplies are projected by the USDA to be historically limited during the next 12 months. This could be supportive of soybean product prices. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	12.010	11.149	+.861	11.563
Crude Soybean Oil, lb.	.528	.490	+.038	.440
Soybean Meal, ton	302.100	283.600	+18.500	333.100
Corn, bushel	6.279	5.672	+.607	5.215
Crude Corn Oil, lb.	.545	.550	-.005	.465
High Fructose Corn Syrup	.180	.168	+.012	.139
Distillers Grain, Dry	189.000	194.000	-5.000	133.750
Crude Palm Oil, lb. BMD	.412	.402	+.010	.420
HRW Wheat, bushel	6.950	6.520	+.430	6.565
DNS Wheat 14%, bushel	9.210	8.760	+.450	7.190
Durum Wheat, bushel	12.063	12.187	-.124	6.000
Pinto Beans, lb.	.448	.448	-	.196
Black Beans, lb.	.483	.483	-	.195
Rice, Long Grain, lb.	.293	.297	-.004	.222
Coffee, lb. NYBOT	2.300	2.284	+.016	1.787
Sugar, lb. NYBOT	.375	.353	+.022	.373
Honey (Clover), lb.	1.700	1.700	-	1.545

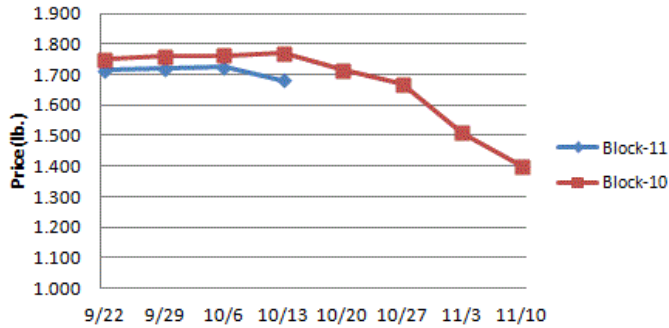


**Dairy-** CME cheese block and barrel markets have displayed healthy trade volumes since last week. This could be a sign that cheese buyers and sellers are establishing a new price area where supply and demand is in balance. This comes after near record high cheese prices experienced this summer. Still, global cheese markets are weakening which could be bearish for US cheese prices. History suggests that the butter market could be supported in the coming weeks by a rise in pre-holiday demand. However, the upside market risk in butter from here may only be modest. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.730	1.685	+.045	1.733
Cheese Blocks (CME)	1.680	1.725	-.045	1.770
American Cheese	2.060	2.018	+.042	1.970
Cheddar Cheese (40 lb.)	2.243	2.230	+.013	2.000
Mozzarella Cheese	2.078	2.065	+.013	2.080
Provolone Cheese	2.233	2.220	+.013	2.265
Parmesan Cheese	3.313	3.300	+.013	3.630
Butter (CME)	1.820	1.758	+.062	2.185
Nonfat Dry Milk	1.556	1.566	-.010	1.280
Whey, Dry	.607	.599	+.008	.367
Class I Base	19.560	19.560	-	16.580
Class II Cream, heavy	2.240	2.200	+.040	2.885
Class III Milk (CME)	17.010	17.070	-.060	16.150
Class IV Milk (CME)	18.010	17.350	+.660	15.770

# Weekly Market Updates

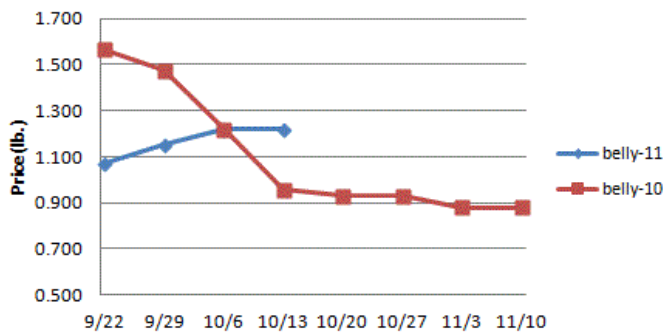
## Cheese Block (CME)



**Pork-** Pork output last week increased 4.6% and was 2.8% larger than the same week in 2010. Pork production seasonally rises in the fall and most pork markets tend to move lower. The pork cutout price is currently running 45% above the five year average and has been supported in recent weeks by strong export demand. If the US dollar continues strengthen it could temper pending export sales and influence many pork markets downward. Ham prices last year declined 14% from mid October through December. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.671	.667	+.004	.517
Belly (bacon)	1.220	1.220	-	.955
Sparerib (4.25 lb. & down)	1.494	1.411	+.083	1.328
Ham (20-23 lb.)	.960	.940	+.020	.930
Ham (23-27 lb.)	.900	.890	+.010	.827
Loin (bone-in)	1.112	1.127	-.015	.924
Bbybck Rib (1.75 lb. & up)	2.809	2.788	+.021	2.422
Tenderloin (1.25 lb.)	2.830	2.884	-.054	2.403
Boston Butt, untrmd. (4-8 lb.)	1.003	.993	+.010	.852
Picnic, untrmd.	.773	.844	-.071	.651
SS Picnic, smoker trm. bx.	.973	1.080	-.107	.860
42% Trimmings	.575	.825	-.250	.520
72% Trimmings	.850	1.060	-.210	.857

## Pork Belly



**Tomato Products, Canned-** The tomato for canning harvest is seasonally slowing. Steady to higher canned tomato prices are anticipated in the coming months. Prices per case (6/10) FOB, unless noted from ARA.

	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	12.000	12.000	-	12.250
Diced, Fancy	12.500	12.500	-	12.750
Ketchup, 33%	13.188	13.188	-	13.500
Tomato Paste- Industrial (lb.)	.395	.395	-	.380

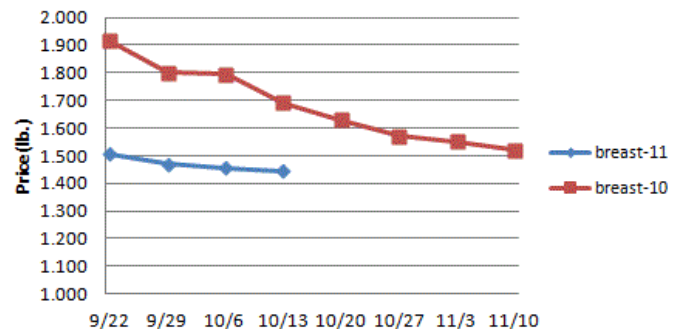
**Processed Vegetables-** This year's harvest of vegetables for processing is the smallest in the last 10 years. Processed green bean, cut corn and green pea prices could appreciate. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 10
Corn, Fcy whl kern- can 6/10	18.651	18.651	-	16.906
Green Beans Fcy- can 6/10	18.250	18.250	-	16.563
Green Peas, Fcy- can 6/10	18.750	18.750	-	17.750
Corn, Cob- froz 96 ct.	14.500	14.500	-	14.000
Corn, Kernel- froz 12/2.5#	14.250	14.250	-	17.625
Green Beans Cut- froz 12/2#	12.900	12.900	-	15.300
Green Peas- froz 12/2.5#	20.250	20.250	-	17.625
Potatoes, FF Fncy- froz 6/5#	13.000	13.000	-	12.750

**Poultry-** Spot feed costs last week for chicken producers were the lowest in a year but were still 29% higher than the 5 year average for that week. Feed supplies are still expected to be tight in '12 and may still challenge producer margins. Broiler-type egg set numbers continue to decline near the fastest pace in 9 years with the existing 6 week moving average 8% below 2010. Chicken production should trend below prior year levels into 2012. The chicken breast markets have steadied in recent days suggesting any pending downside price risk may be nominal. Chicken wing markets remain firm but may temporarily soften soon following a seasonal trend. Yet, higher chicken wing prices are anticipated later this fall as demand picks up for the holidays. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.890	.890	-	.868
Whole Birds (LA)	.980	.980	-	.960
Wings (whole)	1.130	1.110	+.020	1.315
Wings (jumbo, cut)	1.165	1.179	-.014	1.357
Breast, Bone In	.805	.795	+.010	.915
Breast, Bnless Skinless	1.445	1.455	-.010	1.690
Tenderloin (random)	1.180	1.180	-	1.800
Tenderloin (sized)	1.780	1.780	-	2.000
Legs (whole)	.689	.714	-.025	.543
Leg Quarters	.530	.535	-.005	.415
Thighs, bone in	.735	.779	-.044	.583
Thighs, boneless	1.341	1.363	-.022	1.006
<b>Eggs and Others</b>				
Large (dozen)	1.187	1.133	+.054	.660
Medium (dozen)	1.048	.962	+.086	.542
Whole Eggs- Liquid	.640	.672	-.032	.327
Egg Whites- Liquid	.550	.542	+.008	.389
Egg Yolks- Liquid	.807	.816	-.009	.639
Whole Turkeys (8-16 lb.)	1.105	1.105	-	1.050
Turkey Breast, Bnls/Sknl	2.670	2.672	-.002	2.687

## Boneless Skinless Chicken Breast

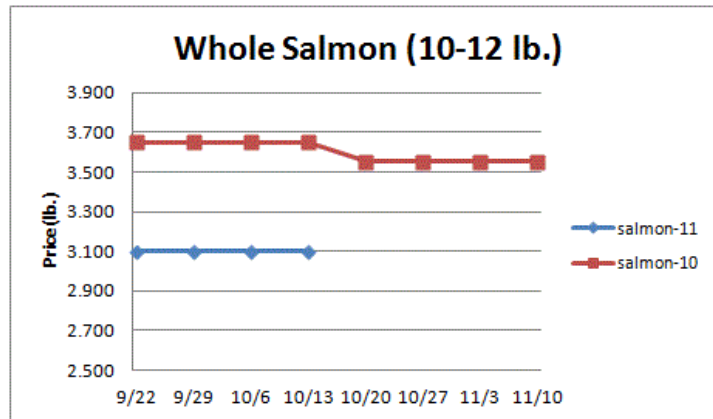


**Seafood-** Farm salmon supplies in Chile have been slowed by ISA disease in recent years. At one point Chilean salmon production was trending 60% less than the prior year. Chile is the second largest salmon exporter in the world. Chilean salmon output is slowly recovering. This factor and a rising US dollar could lead to lower salmon prices. Adverse weather in Thailand could be a challenge for global shrimp supplies.

# Weekly Market Updates

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

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	3.100	3.100	-	3.650
Catfish Filets	5.250	5.250	-	3.500
Trout (dm. 8-14 oz.)	3.500	3.500	-	3.000
Shrimp (16/20), Frz	6.300	6.113	+187	7.092
Shrimp (61/70), Frz.	3.160	3.217	-.057	2.930
Shrimp, Tiger (26/30), Frz.	4.925	4.925	-	4.600
Snow Crab, Legs 5-8 oz, Frz	5.825	5.825	-	5.325
Snow Crab, Legs 8 oz/ up, Fz	6.425	6.325	+100	5.750
Cod Tails, 3-7 oz., Frz.	3.280	3.280	-	3.088
Cod Loins, 3-12 oz., Frz	3.680	3.680	-	3.713
Salmon Portions, 4-8 oz, Frz	6.437	6.437	-	5.975
Pollock, Alaska, Deep Skin	1.800	1.800	-	2.075



## Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	85.810	75.670	+10.140	81.670
Natural Gas, mbtu- nymex	3.616	3.638	-.022	3.629
Heating Oil, gal- nymex	2.904	2.723	+181	2.263
Electricity, mwht- nymex	43.070	44.530	-1.460	39.230
Gasoline, gal- nymex	2.748	2.488	+260	2.124
Diesel Fuel, gal- eia	3.721	3.749	-.028	3.066
Ethanol, gal- usda	2.470	2.565	-.095	1.950
Canadian \$	1.028	1.056	-.028	1.014
Japanese Yen	76.622	76.686	-.064	81.942
Mexican Peso	13.336	14.024	-.688	12.460
Euro	.735	.759	-.024	.723
Brazilian Real	1.773	1.898	-.125	1.670
Chinese Yuan	6.376	6.362	+.014	6.673

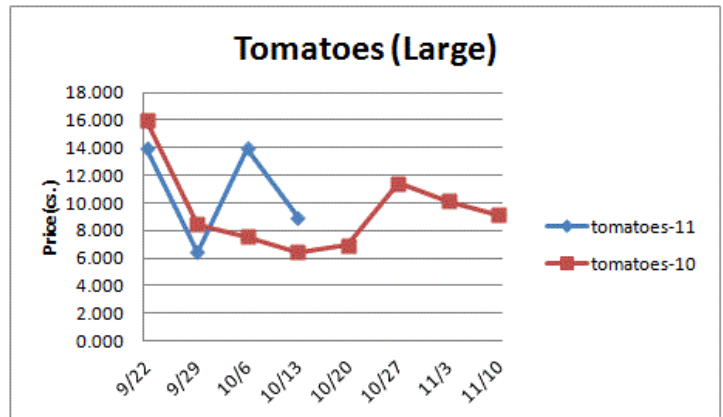
## Paper/Plastic-Provided by; resin- [www.plasticsnews.com](http://www.plasticsnews.com), pulp- [www.paperage.com](http://www.paperage.com).

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 10
WP; NBSK (napkin, towel)	954.190	969.770	-15.580	974.780
WP; 42 lb. Linerboard (corr.)	770.142	757.483	+12.659	800.125
Res; PS-CHH (cup, cont.)	1.160-1.200	1.160-1.200	-	.880-.92
Res; PP-HIGP (hvy utensil)	1.160-1.200	1.160-1.180	-	.970-.990
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.800-.840

**Produce-** Heavy rainfall in California impacted tomato crops last week. Despite an improvement in weather, there is concern that western tomato supplies may be reduced during the next few weeks. Tomato crops in the east are transitioning to Florida as the fall progresses. Expect central Florida supplies to be ready later this month which may help fill any supply gaps. Some Salinas lettuce crops were also affected by the poor weather but the chief harvest area will be transitioning to Huron soon. Potato supplies are seasonally abundant but the potato markets may find support shortly. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	9.000	11.000	-2.000	10.000
Lemons (95 ct.)	23.690	23.640	+.050	23.790
Lemons (200 ct.)	15.690	16.140	-.450	17.540

Honeydew (6 ct.)	6.659	5.875	+.784	6.500
Cantaloupe (15 ct.)	4.000	4.000	-	5.750
Blueberries (12 count)	30.667	23.750	+6.917	40.000
Strawberries (12 pnts.)	10.500	10.500	-	11.500
Avocados (Hass 48 ct.)	26.250	27.250	-1.000	29.250
Bananas (40 lb.)- Term.	14.802	14.815	-.013	14.713
Pineapple (7 ct.)- Term.	11.876	15.500	-3.624	13.302
Idaho Potato (60 ct., 50 lb.)	9.125	8.000	+1.125	14.500
Idaho Potato (70 ct., 50 lb.)	8.750	8.000	+.750	13.250
Idaho Potato (70 ct.)-Term.	15.213	18.000	-2.787	18.125
Idaho Potato (90 ct., 50 lb.)	7.750	6.500	+1.250	9.000
Idaho Pot. # 2 (6 oz., 100 lb.)	13.250	12.000	+1.250	16.000
Processing Potato (cwt.)	8.900	8.900	-	7.000
Yellow Onions (50 lb.)	5.688	5.938	-.250	7.875
Yell Onions (50 lb.)-Term.	11.146	15.105	-3.959	11.500
Red Onions (25 lb.)- Term.	9.644	9.396	+.248	9.250
White Onions (50 lb.)- Term.	16.885	16.542	+.343	12.781
Tomatoes (large- case)	8.950	13.950	-5.000	6.450
Tomatoes (5x6-25 lb.)-Term	11.907	13.875	-1.968	10.917
Tomatoes (4x5 vine ripe)	12.950	12.950	-	7.950
Roma Tomatoes (large- case)	9.617	11.292	-1.675	14.394
Roma Tomatoes (xlarge-cs)	10.117	11.625	-1.508	14.644
Green Peppers (large- case)	10.413	10.475	-.062	10.517
Red Peppers (large 15lb. cs.)	12.950	12.850	+.100	10.875
Iceberg Lettuce (24 count)	6.920	6.388	+.532	8.563
Iceberg Lettuce (24)-Term.	13.334	13.667	-.333	15.083
Leaf Lettuce (24 count)	7.823	7.400	+.423	6.867
Romaine Lettuce (24 cnt.)	11.313	10.663	+.650	8.559
Mesculin Mix (3 lb.)-Term.	7.021	6.980	+.041	6.438
Broccoli (14 ct.)	7.663	7.125	+.538	6.888
Squash (1/2 bushel)	16.350	18.350	-2.000	10.600
Zucchini (1/2 bushel)	10.675	15.675	-5.000	8.925
Green Beans (bushel)	25.425	24.475	+.950	23.225
Spinach, Flat 24's	12.100	12.860	-.760	8.800
Mushrms (10 lb, lg.)-Term.	11.021	10.994	+.027	12.578
Cucumbers (bushel)	12.072	14.310	-2.238	13.800
Pickles (200-300 ct.)- Term.	29.829	30.375	-.546	21.002
Asparagus (small)	13.500	14.250	-.750	10.500
Freight (Truck; CA-Cty Av.)	5750.000	5922.222	-172.222	5175.000



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

	Aug-11	Jul-11	Jun-11	May-11
Beef and Veal	+.405	+.900	-.700	+1.020
Dairy	+.903	+1.200	+.500	+.773
Pork	+.674	+.500	+.600	+2.569
Chicken	-.251	+.100	+.100	+.625
Fresh Fish and Seafood	-.072	+.300	-.100	+1.832
Fresh Fruits and Veg.	+.394	-.126	-.170	-1.503