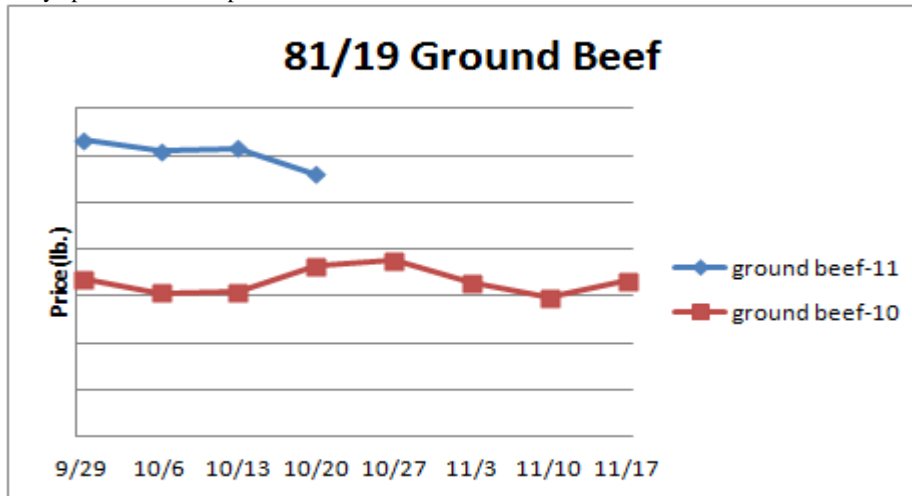


# Beef, Veal and Lamb Report

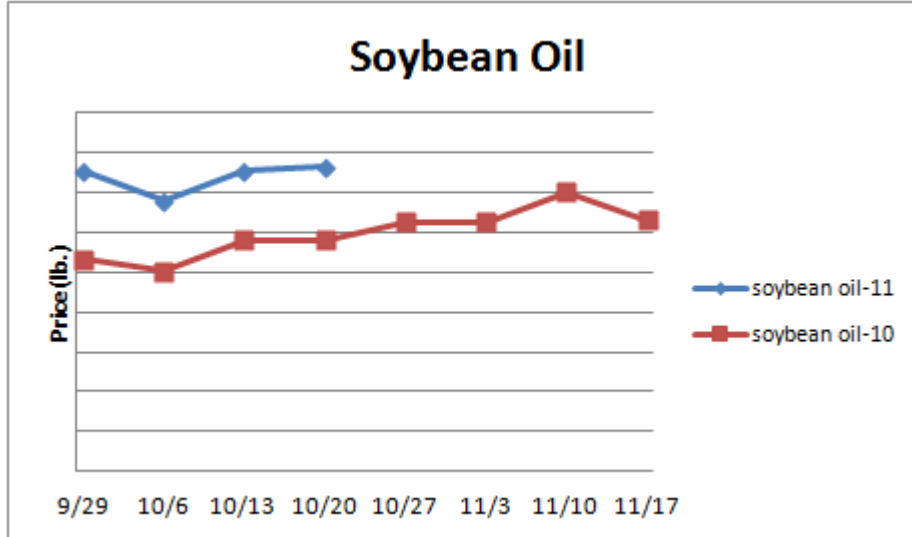
**Beef, Veal & Lamb-** Beef output last week fell 2.4% and was 3.7% less than last year. Beef output is anticipated to improve modestly versus the previous year in the coming weeks. US beef exports in August were 31% greater than the prior year. Beef exports have remained strong in recent weeks despite the rise in the US dollar. In contrast, beef imports in August were down 9.5% compared to August '10. The strong export, weak import trend for beef may persist unless the US dollar appreciates in the coming months. This would be supportive for lean beef trimming prices. Expect ribeye prices to trend up in the next 5 weeks.



	<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)	Decreasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Decreasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Higher
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)	Increasing	Good	Lower
189a Tender (choice, 5 lb & up)	Increasing	Good	Lower
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Increasing	Good	Higher
65% Trimmings	Decreasing	Good	Higher
75% Trimmings	Steady	Good	Higher
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Increasing	Good	Higher
90% Imported Beef (frozen)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

# Oil and Grains Report

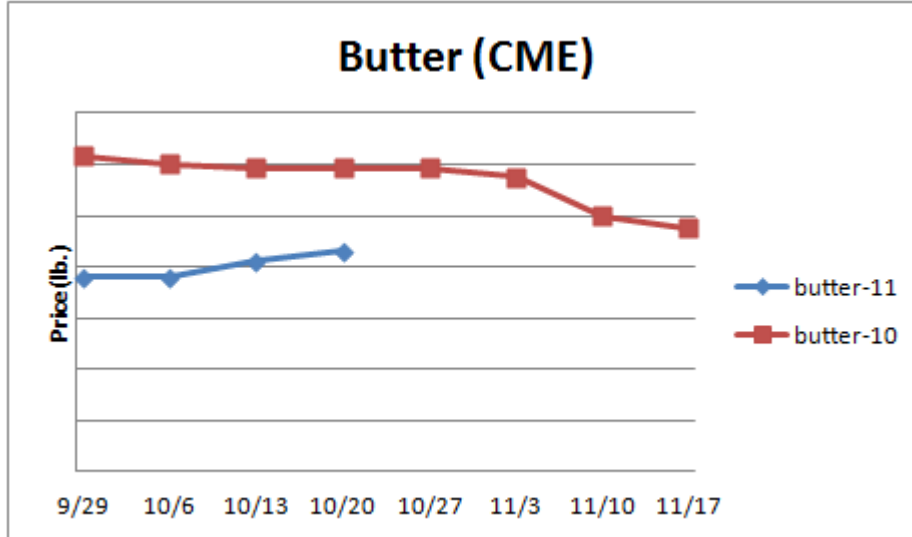
**Oil & Grains-** World palm oil prices are significantly discounted to US soybean oil prices. This could pressure the US soybean oil market lower in the coming weeks.



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

# Dairy Report

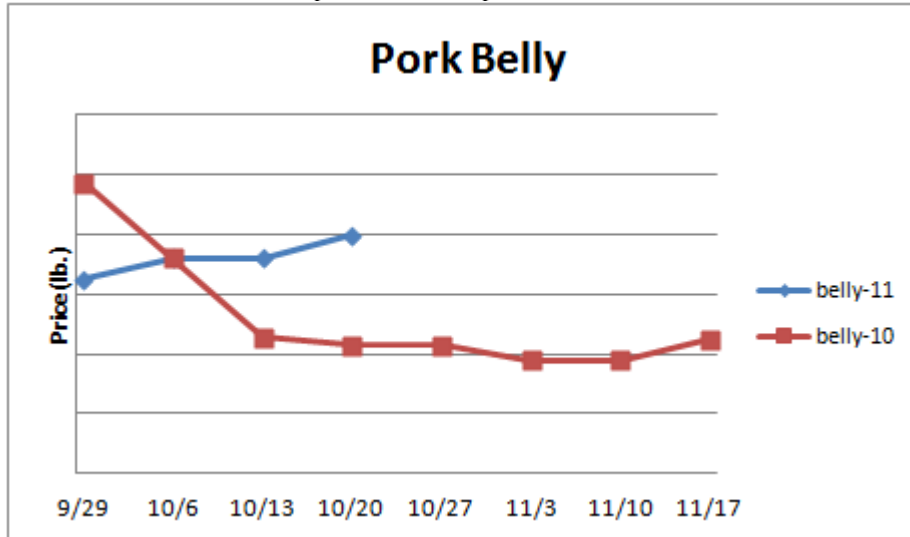
**Dairy-** Butter exports in August were 5.3% lower than last year but historically strong. Solid butter demand for the upcoming holiday season is anticipated in the coming weeks with butter prices likely to appreciate. This year's seasonal rise for butter could be limited due in part to healthy global dairy production and a rising US dollar. Cheese exports in August were down 10% compared to last year but were impressive considering international cheese prices were at a discount which usually discourages US exports. CME cheese prices have steadied but could move lower later this fall.



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

# Pork Report

**Pork**- Pork output last week declined .6% but was 1% more than 2010. Pork production is expected to trend above the prior year in the coming weeks. US pork exports during August were 43% greater than last year and were the 2nd highest of any month on record. A Free-Trade Agreement with S. Korea was recently passed by the US Congress. This is bullish for US pork exports in 2012 and could support US pork prices. The USDA is forecasting record pork exports in 2012. Seasonal weakness for pork is still anticipated later this fall.



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

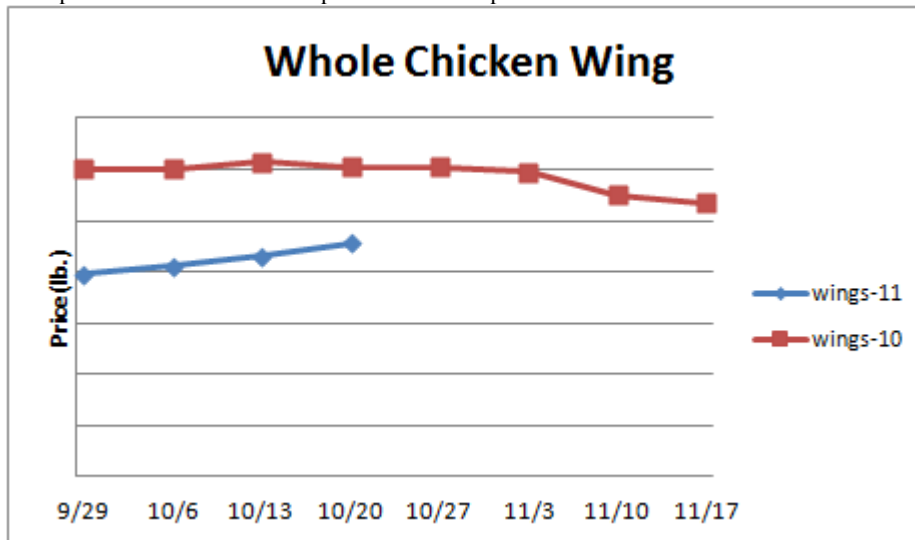
# Canned Tomato Report

**Tomato Products, Canned-** This year's tomato for canning harvest is expected to be 5% lower than '10. Prices could be steady to higher in the coming months.

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

# Poultry Report

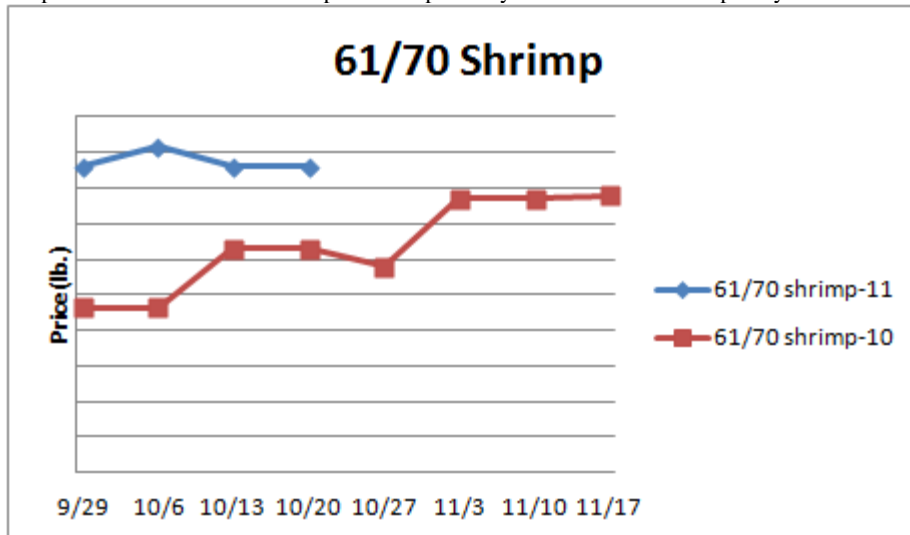
**Poultry** - Chicken slaughter levels appear to be trending downward but heavier bird weights are tempering the impact on the chicken meat supply to some degree. Still, chicken production in the first week of October was 5% lower than the same week in '10. With broiler-type egg sets declining sharply in recent months output should be limited into 2012. August chicken export sales were up 36% from last year due in a small part with strong trade with Russia. History tells us that Russia is not a dependable export buyer. Chicken exports could remain strong which would support chicken leg quarter prices. Chicken breast prices are attempting to steady. Higher chicken breast prices are anticipated in 2012 due to the expected decline in production.



	<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	Lower
Chicken Wings, Jumbo Cut	Increasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Lower
Chicken Breast, Bnless Sknless	Decreasing	Good	Lower
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Lower
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Steady	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Higher
Medium Eggs	Steady	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	Lower
Turkey Breast- Bnls/Sknls	Steady	Good	Lower

# Seafood Report

**Seafood-** US shrimp imports were 9.8% higher in August due in part to inflated price levels in the US. Shell-on shrimp imports during August were 2.6% more than 2010. Shrimp imports in the coming months could be mitigated by a decline in output from Thailand. Still, if the US dollar appreciates any shrimp shortage impact on prices may be tempered. Salmon fillet steak imports are up 3.5% year to date versus the prior year.



	<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	Same
Shrimp (16-20 count)	Increasing	Good	Lower
Shrimp (61-70 count)	Steady	Good	Higher
Shrimp, Tiger (26-30 count)	Increasing	Good	Higher
Snow Crab Legs (5-8 oz)	Decreasing	Good	Higher
Snow Crab Legs (8 oz up)	Decreasing	Good	Higher
Cod Tails, 3-7 oz. Frz.	Steady	Good	Higher
Cod Loins, 3-12 oz. Frz.	Steady	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>
<b>Pinto Beans</b>	Decreasing	Good	Higher
<b>Black Beans</b>	Decreasing	Good	Higher
<b>Rice, Long Grain</b>	Steady	Good	Higher
<b>Coffee Beans</b>	Increasing	Good	Higher
<b>Sugar</b>	Increasing	Good	Higher
<b>Honey</b>	Decreasing	Good	Higher

## Paper Product Report

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

## Retail Price Change from Prior Month

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

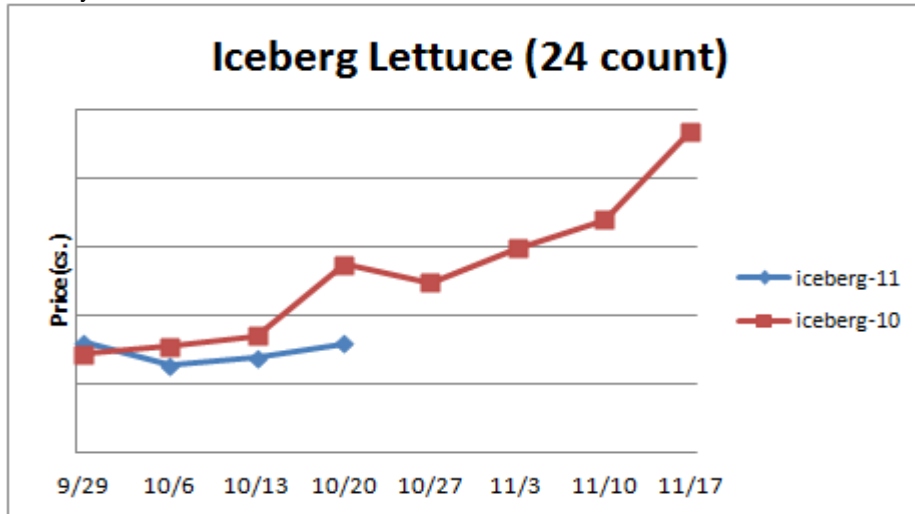
# Processed Fruits and Vegetables Report

**Processed Fruits and Vegetables-** Processed vegetable supplies are seasonally improving but inventories could be limited in 2012. Higher processed vegetables prices may be pending.

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

# Produce Report

**Produce-** Lettuce shipments are trending 2% better than last year. Huron is now the chief producing lettuce area but lighter lettuce weights have been reported so far. Next month the lettuce supply area will move to the Yuma-Imperial Valley region. Lettuce prices could move modestly higher in the coming weeks. Tomato shipments last week were down 43% from the same week a year ago. Tomato supplies in the east and the west have been impacted by weather and US tomato supplies may not return to normal levels until early November. Avocado prices usually fall this time of year.



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

<b>Green Peppers (large- case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Red Peppers (large- 15 lb. cs.)</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Iceberg Lettuce (24 count)</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Iceberg Lettuce (24 cnt)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>

## Produce Report (continued)

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