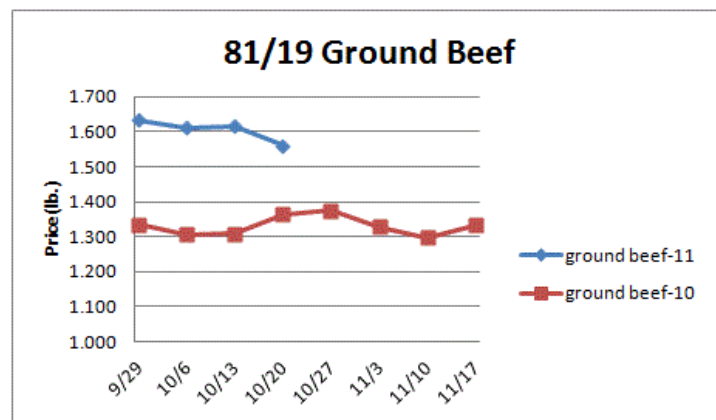


Weekly Market Updates

Volume No. 4 Issue No. 42 Date: October 20, 2011

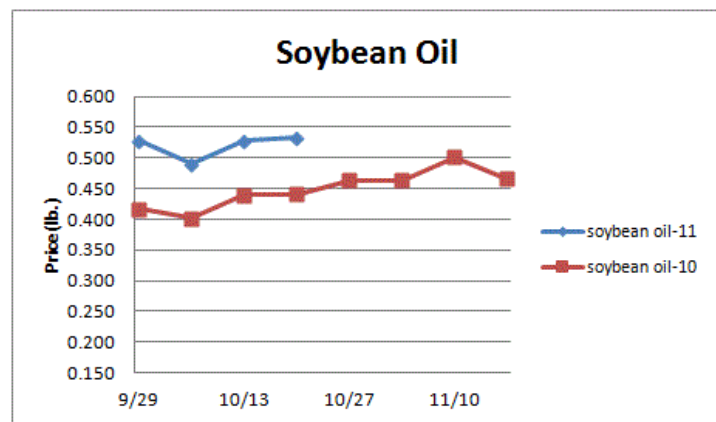
Beef - Beef output last week fell 2.4% and was 3.7% less than last year. Beef output is anticipated to improve modestly versus the previous year in the coming weeks. US beef exports in August were 31% greater than the prior year. Beef exports have remained strong in recent weeks despite the rise in the 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.192	1.209	-.017	.976
Feeder Cattle Index (CME)	1.376	1.366	.010	1.075
Ground Beef 81/19	1.561	1.616	-.055	1.364
Ground Chuck	1.525	1.647	-.122	1.360
109e Export Rib (choice)	5.941	5.833	+.108	5.217
109e Export Rib (prime)	9.494	9.515	-.021	7.593
112a Ribeye (choice)	6.801	6.712	+.089	5.780
112a Ribeye (prime)	9.433	9.570	-.137	8.711
116 Chuck (select)	2.415	2.451	-.036	2.123
116 Chuck (choice)	2.660	2.671	-.011	2.152
116b Chuck Tdnr (choice)	2.188	2.143	+.045	1.686
120 Brisket (choice)	1.886	1.932	-.046	1.569
121c Outside Skirt (ch/sel)	3.619	3.676	-.057	2.988
121d Inside Skirt (ch/sel)	3.000	3.160	-.160	2.687
167a Knuckle, Trm. (ch.)	2.468	2.480	-.012	1.985
168 Inside Round (ch.)	2.068	2.070	-.002	1.678
174 Short Loin (ch. 0x1)	4.416	4.447	-.031	4.250
174 Short Loin (prime)	9.160	9.066	+.094	7.565
180 1x1 Strp (choice)	4.044	3.954	+.090	3.643
180 1x1 Strp (prime)	10.459	9.952	+.507	8.932
180 0x1 Strp (choice)	4.558	4.372	+.186	4.149
184 Top Butt, bnls (ch.)	2.612	2.641	-.029	2.151
184 Top Butt, bnls (prime)	3.502	3.571	-.069	2.228
185a Sirloin Flap (choice)	2.895	2.997	-.102	2.775
185c Loin, Tri-Tip (choice)	3.862	2.944	+.918	2.203
189a Tender (select)	8.139	8.038	+.101	8.434
189a Tender (choice)	9.935	9.797	+.138	9.359
189a Tender (prime)	12.854	12.680	+.174	10.516
193 Flank Steak (choice)	4.059	4.509	-.450	3.240
50% Trimings	.953	.906	+.047	.760
65% Trimings	1.154	1.199	-.045	.944
75% Trimings	1.421	1.421	-	1.204
85% Trimings	1.603	1.554	+.049	1.353
90% Trimings	1.706	1.675	+.031	1.460
90% Imported Beef (frz.)	1.868	1.818	+.050	1.643
95% Imported Beef (frz.)	1.985	1.945	+.040	1.775
Veal Rack (Hotel 7 rib)	6.450	6.450	-	5.000
Veal Top Rnd. (cp. off)	13.120	13.120	-	12.000



Oil, Grains, Misc.- 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. Prices USDA, FOB.

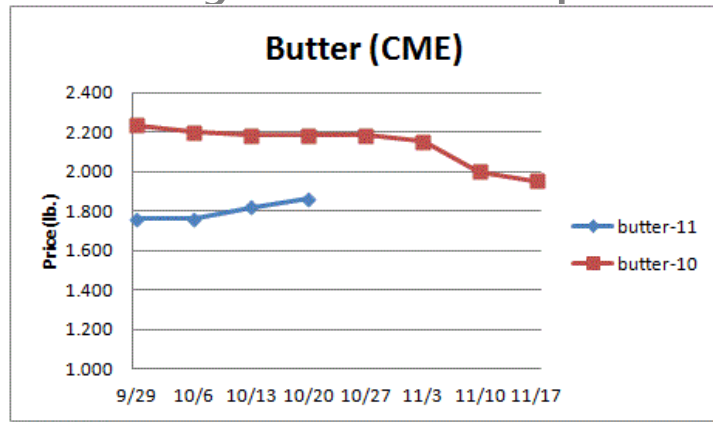
	Price	Last Week	Difference	Price 10
Soybeans, bushel	12.325	12.010	+.315	11.369
Crude Soybean Oil, lb.	.533	.528	+.005	.441
Soybean Meal, ton	308.300	302.100	+6.200	326.700
Corn, bushel	6.337	6.279	+.058	4.938
Crude Corn Oil, lb.	.538	.545	-.007	.485
High Fructose Corn Syrup	.181	.180	+.001	.154
Distillers Grain, Dry	200.25	189.000	+11.25	151.750
Crude Palm Oil, lb. BMD	.417	.412	+.005	.428
HRW Wheat, bushel	6.820	6.950	-.130	6.215
DNS Wheat 14%, bushel	8.980	9.210	-.230	6.940
Durum Wheat, bushel	12.063	12.063	-	5.830
Pinto Beans, lb.	.445	.448	-.003	.197
Black Beans, lb.	.470	.483	-.013	.210
Rice, Long Grain, lb.	.293	.293	-	.249
Coffee, lb. NYBOT	2.370	2.300	+.070	1.862
Sugar, lb. NYBOT	.390	.375	+.015	.374
Honey (Clover), lb.	1.675	1.700	-.025	1.518



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. Prices per pound, except Class I Cream (hundred weight), from USDA.

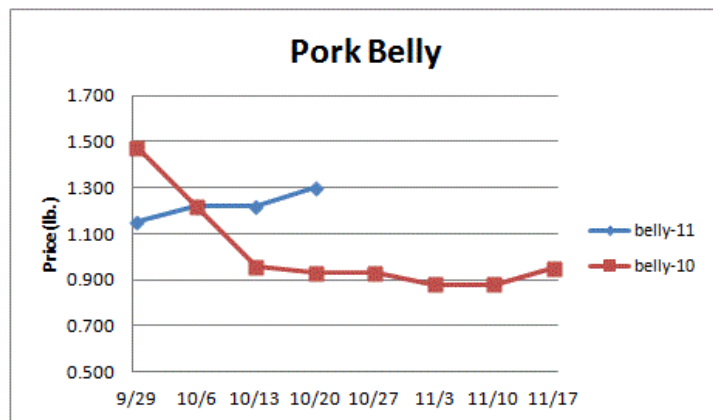
	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.720	1.730	-.010	1.700
Cheese Blocks (CME)	1.720	1.680	+.040	1.715
American Cheese	2.080	2.060	+.020	2.093
Cheddar Cheese (40 lb.)	2.213	2.243	-.030	2.180
Mozzarella Cheese	2.048	2.078	-.030	2.103
Provolone Cheese	2.203	2.233	-.030	2.263
Parmesan Cheese	3.283	3.313	-.030	3.628
Butter (CME)	1.860	1.820	+.040	2.185
Nonfat Dry Milk	1.545	1.556	-.011	1.284
Whey, Dry	.617	.607	+.010	.369
Class I Base	19.560	19.560	-	16.580
Class II Cream, heavy	2.347	2.240	+.107	2.873
Class III Milk (CME)	17.390	17.010	+.380	15.850
Class IV Milk (CME)	18.200	18.010	+.190	15.900

Weekly Market Updates



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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.674	.671	+.003	.465
Belly (bacon)	1.300	1.220	+.080	.930
Sparerib (4.25 lb. & down)	1.498	1.494	+.004	1.340
Ham (20-23 lb.)	1.000	.960	+.040	.833
Ham (23-27 lb.)	.900	.900	-	.777
Loin (bone-in)	1.102	1.112	-.010	.873
Bbybck Rib (1.75 lb. & up)	2.770	2.809	-.039	2.428
Tenderloin (1.25 lb.)	2.813	2.830	-.017	2.380
Boston Butt, untrmd. (4-8 lb.)	1.023	1.003	+.020	.845
Picnic, untrmd.	.765	.773	-.008	.578
SS Picnic, smoker trm. bx.	.973	.973	-	.750
42% Trimmings	.530	.575	-.045	.380
72% Trimmings	.814	.850	-.036	.740



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. 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

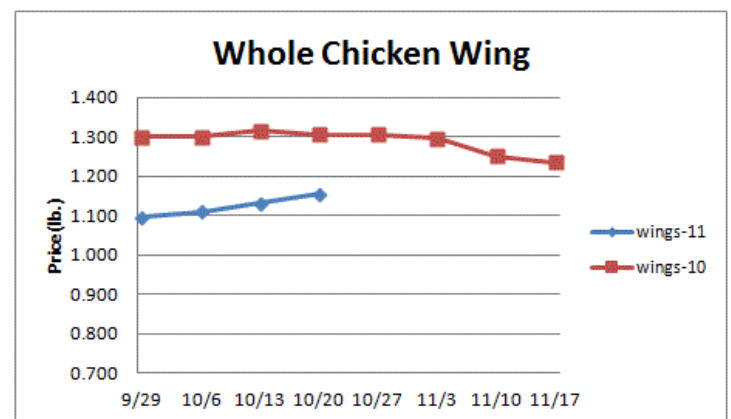
Processed Vegetables- Processed vegetable supplies are seasonally improving but inventories could be limited in 2012. Higher processed vegetables prices may be pending. Prices FOB per case from ARA.

	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- 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. Prices USDA, FOB per pound except when noted.

	Price	Last Week	Difference	Price 10
Chicken				
Whole Birds (2.5-3 lb.-GA)	.890	.890	-	.865
Whole Birds (LA)	.980	.980	-	.960
Wings (whole)	1.155	1.130	+.025	1.305
Wings (jumbo, cut)	1.182	1.165	+.017	1.427
Breast, Bone In	.795	.805	-.010	.845
Breast, Bnless Skinless	1.440	1.445	-.005	1.630
Tenderloin (random)	1.180	1.180	-	1.800
Tenderloin (sized)	1.780	1.780	-	2.000
Legs (whole)	.695	.689	+.006	.595
Leg Quarters	.530	.530	-	.410
Thighs, bone in	.752	.735	+.017	.585
Thighs, boneless	1.331	1.341	-.010	1.006

	Price	Last Week	Difference	Price 10
Eggs and Others				
Large (dozen)	1.187	1.187	-	.740
Medium (dozen)	1.048	1.048	-	.562
Whole Eggs- Liquid	.664	.640	+.024	.327
Egg Whites- Liquid	.564	.550	+.014	.396
Egg Yolks- Liquid	.808	.807	+.001	.639
Whole Turkeys (8-16 lb.)	1.115	1.105	+.010	1.500
Turkey Breast, Bnls/Sknl	2.670	2.670	-	2.705

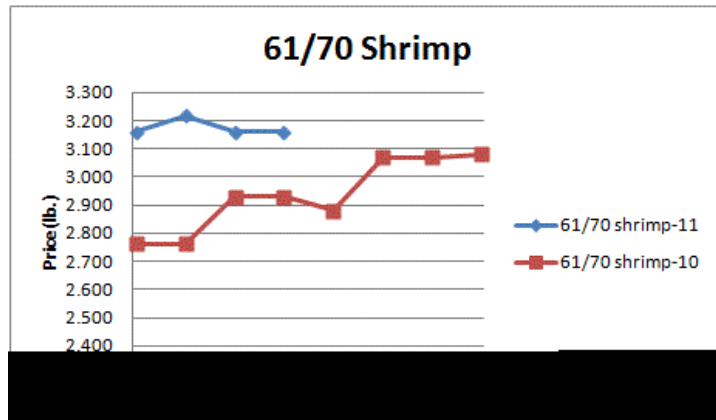


Seafood- US shrimp imports were 9.8% higher in August due in part to inflated price levels in the US. Shell-on shrimp imports during August were 2.6% more than 2010. Shrimp imports in the coming months could be mitigated by a decline in output from Thailand. Still, if the US dollar appreciates any shrimp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

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	-	3.550
Catfish Filets	5.250	5.250	-	3.100
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.500
Shrimp (16/20), Frz.	6.400	6.300	+100	7.092
Shrimp (61/70), Frz.	3.160	3.160	-	2.930
Shrimp, Tiger (26/30), Frz.	4.817	4.925	+108	4.600
Snow Crab, Legs 5-8 oz, Frz	5.775	5.825	-.050	5.225
Snow Crab, Legs 8 oz/ up, Fz	6.250	6.425	-.175	5.775
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	88.340	85.810	+2.530	79.490
Natural Gas, mbtu- nymex	3.553	3.616	-.063	3.513
Heating Oil, gal- nymex	3.028	2.904	+.124	2.189
Electricity, mwht- nymex	42.38	43.070	-.690	40.750
Gasoline, gal- nymex	2.747	2.748	-.001	2.034
Diesel Fuel, gal- eia	3.801	3.721	+.080	3.073
Ethanol, gal- usda	2.590	2.470	+.120	2.200
Canadian \$	1.025	1.028	-.003	1.021
Japanese Yen	76.755	76.622	+.133	81.318
Mexican Peso	13.541	13.336	+.205	12.501
Euro	.731	.735	-.004	.720
Brazilian Real	1.779	1.773	+.006	1.675
Chinese Yuan	6.381	6.376	+.005	6.644

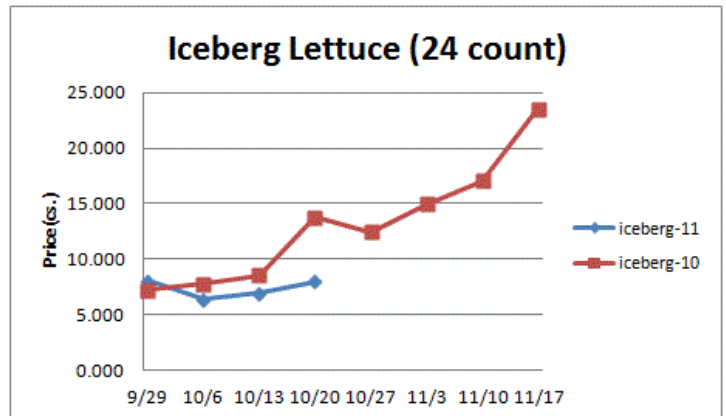
Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.papereage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 10
WP; NBSK (napkin, towel)	951.900	954.190	-2.290	984.780
WP; 42 lb. Linerboard (corr.)	771.870	770.142	+1.728	807.232
Res; PS-CHH (cup, cont.)	1.160-1.200	1.160-1.200	-	.880-.92
Res; PP-HIGP (hvy utensil)	1.160-1.180	1.160-1.180	-	.970-.990
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.800-.840

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. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	8.000	9.000	-1.000	8.000
Lemons (95 ct.)	19.690	23.690	-4.000	24.290
Lemons (200 ct.)	13.690	15.690	-2.000	18.040

Honeydew (6 ct.)	7.213	6.659	+.554	5.800
Cantaloupe (15 ct.)	8.000	4.000	+4.000	5.750
Blueberries (12 count)	33.000	30.667	+2.333	31.000
Strawberries (12 pnts.)	10.500	10.500	-	12.000
Avocados (Hass 48 ct.)	26.750	26.250	+.500	29.250
Bananas (40 lb.)- Term.	14.488	14.802	-.314	16.099
Pineapple (7 ct.)- Term.	12.250	11.876	+.374	12.000
Idaho Potato (60 ct., 50 lb.)	9.125	9.125	-	14.500
Idaho Potato (70 ct., 50 lb.)	8.875	8.750	+.125	13.000
Idaho Potato (70 ct.)-Term.	15.100	15.213	-.113	18.188
Idaho Potato (90 ct., 50 lb.)	8.000	7.750	+.250	8.750
Idaho Pot. # 2 (6 oz., 100 lb.)	13.250	13.250	-	15.750
Processing Potato (cwt.)	8.900	8.900	-	7.000
Yellow Onions (50 lb.)	5.813	5.688	+.125	7.063
Yell Onions (50 lb.)-Term.	11.798	11.146	+.652	12.206
Red Onions (25 lb.)- Term.	8.750	9.644	-.894	9.313
White Onions (50 lb.)- Term.	18.188	16.885	+1.303	14.750
Tomatoes (large- case)	8.450	8.950	-.500	6.950
Tomatoes (5x6-25 lb.)-Term	13.459	11.907	+1.552	10.875
Tomatoes (4x5 vine ripe)	10.950	12.950	-2.000	8.950
Roma Tomatoes (large- case)	8.450	9.617	-1.167	15.956
Roma Tomatoes (xlarge-cs)	9.284	10.117	-.833	16.831
Green Peppers (large- case)	13.900	10.413	+3.487	10.275
Red Peppers (large 15lb. cs.)	12.950	12.950	-	10.950
Iceberg Lettuce (24 count)	7.977	6.920	+1.057	13.788
Iceberg Lettuce (24)-Term.	14.500	13.334	+1.166	15.500
Leaf Lettuce (24 count)	7.575	7.823	-.248	7.283
Romaine Lettuce (24 cnt.)	10.144	11.313	-1.169	8.313
Mesculin Mix (3 lb.)-Term.	7.021	7.021	-	6.625
Broccoli (14 ct.)	7.800	7.663	+.137	6.743
Squash (1/2 bushel)	11.350	16.350	-5.000	7.600
Zucchini (1/2 bushel)	6.675	10.675	-4.000	7.050
Green Beans (bushel)	17.350	25.425	-8.075	19.915
Spinach, Flat 24's	13.500	12.100	+1.400	8.850
Mushrms (10 lb, lg.)-Term.	11.049	11.021	+.028	12.375
Cucumbers (bushel)	16.925	12.072	+4.853	19.129
Pickles (200-300 ct.)- Term.	28.542	29.829	-1.287	21.917
Asparagus (small)	13.500	13.500	-	12.000
Freight (Truck; CA-Cty Av.)	5500.000	5750.000	-250.000	5075.000



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

	Sep-11	Aug-11	Jul-11	Jun-11
Beef and Veal	+.025	+.405	+.900	-.700
Dairy	+1.228	+.903	+1.200	+.500
Pork	+1.478	+.674	+.500	+.600
Chicken	+.341	-.251	+.100	+.100
Fresh Fish and Seafood	+.512	-.072	+.300	-.100
Fresh Fruits and Veg.	+1.592	+.394	-.126	-.170