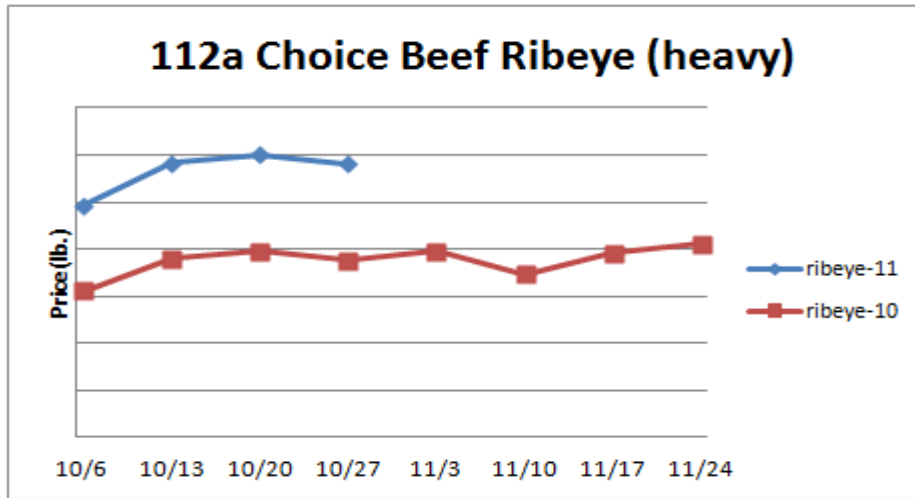


Beef, Veal and Lamb Report

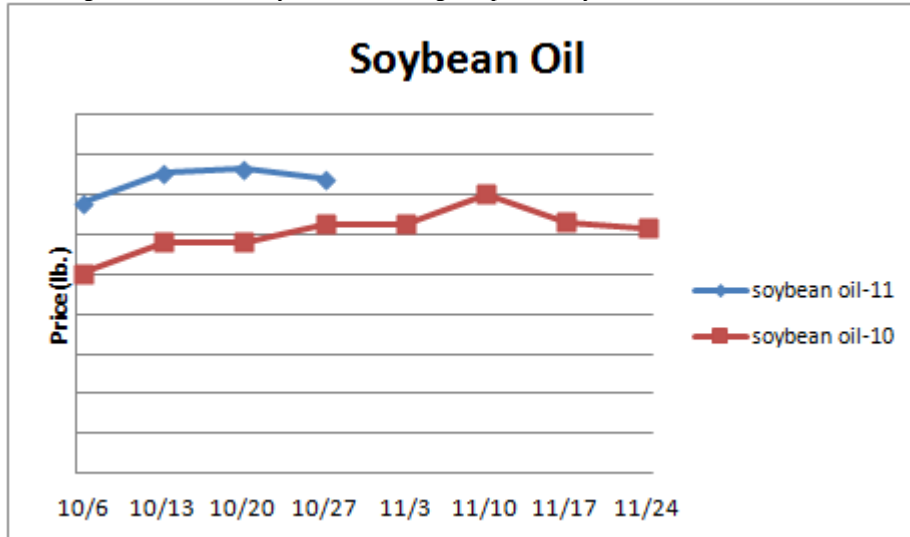
Beef, Veal & Lamb- Beef output last week rose .5% but was 3.9% less than last year. The Oct 1st cattle on feed inventory (4.9%) and Sep cattle placements into feedlots (.2%) were both larger than a year ago. The Nov 1st near slaughter ready cattle herd is estimated to be 5.2% above the 3 year average for the date. Beef output may trend modestly above 2010 at times this fall but lower production is forecasted for 2012. September retail beef prices were 10.1% above last year. Persistent elevated retail prices could mitigate domestic beef demand. Tenderloin prices have risen in 5 of the last 6 Novembers.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Increasing	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)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Lower
189a Tender (choice, 5 lb & up)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Increasing	Good	Higher
65% Trimmings	Increasing	Good	Higher
75% Trimmings	Increasing	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)	Increasing	Good	Higher

Oil and Grains Report

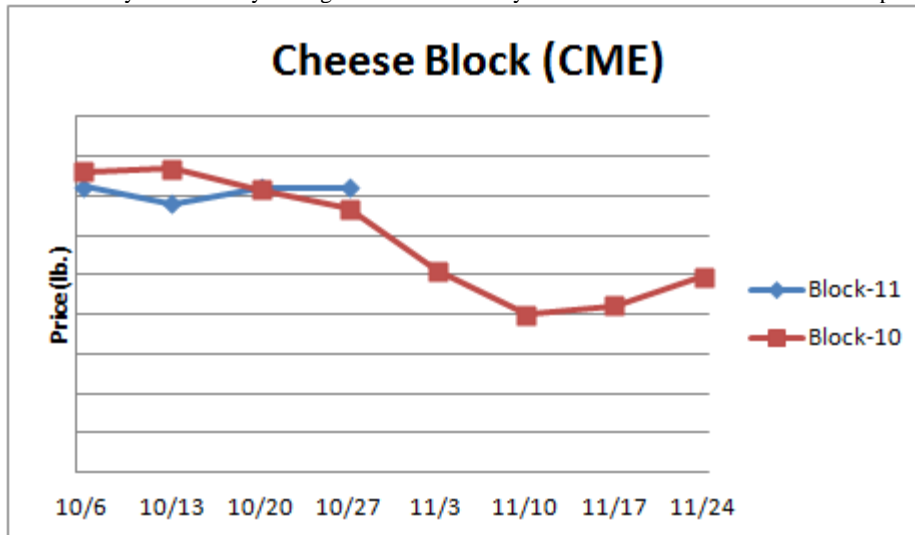
Oil & Grains- The corn and soybean harvests are progressing on schedule. Still, feed grain supplies in '12 should be the tightest in the last 10 years. Elevated grain prices may endure.



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

Dairy Report

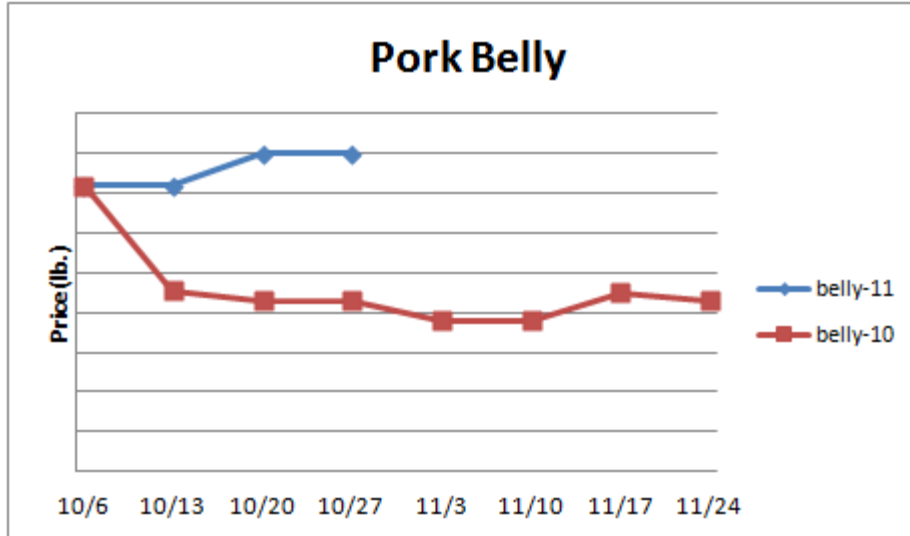
Dairy- September milk production was 1.7% more than 2010 due to a .7% climb in milk per cow yields and a 1% larger milk cow herd. The monthly net change in the milk cow herd during September was zero suggesting milk output expansion may be slowing. The CME cheese markets remain erratic due in part to weakening global cheese prices. The butter inventory withdrawal rate in Sept was the smallest for that month in 10 years. Still, butter stocks remain below the 5 year inventory average. Seasonal holiday orders for butter have been firm but prices usually peak in Nov.



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

Pork Report

Pork- Pork production last week increased .5% but was 2.3% more than the same week a year ago. Cold storage inventories on September 30th were larger than last year for hams (1%), bellies (92%), ribs (9%) and trimmings (30%). This could be a sign that record high retail prices in the US are curbing domestic pork demand. Pork export demand remains solid which is helping to support pork prices. Seasonal prices weakness for pork is still anticipated this fall.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Higher
Belly (bacon)	Steady	Good	Higher
Spare Rib (4.25 & down)	Increasing	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	Increasing	Good	Higher
42% Trimmings	Decreasing	Good	Higher
72% Trimmings	Increasing	Good	Higher

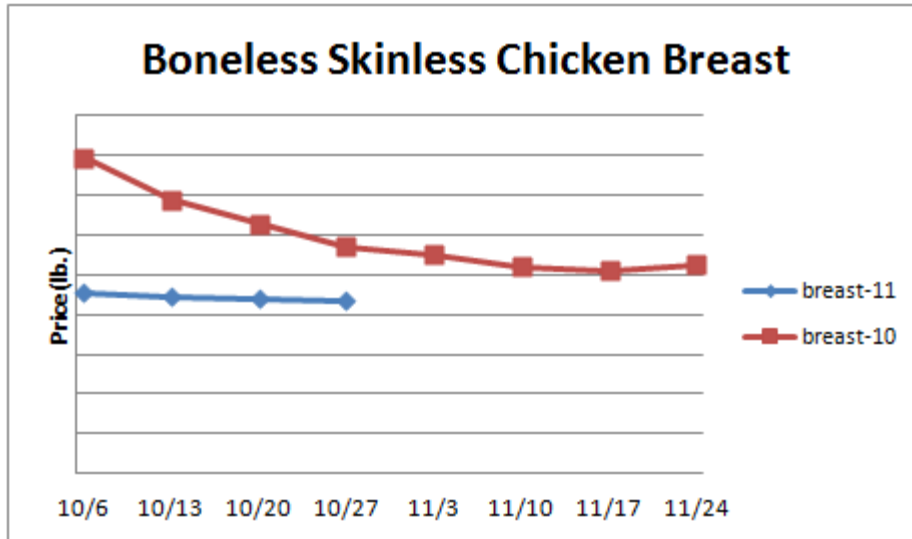
Canned Tomato Report

Tomato Products, Canned- The California tomato harvest is almost complete. Higher canned tomato prices may be forthcoming in 2012.

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

Poultry Report

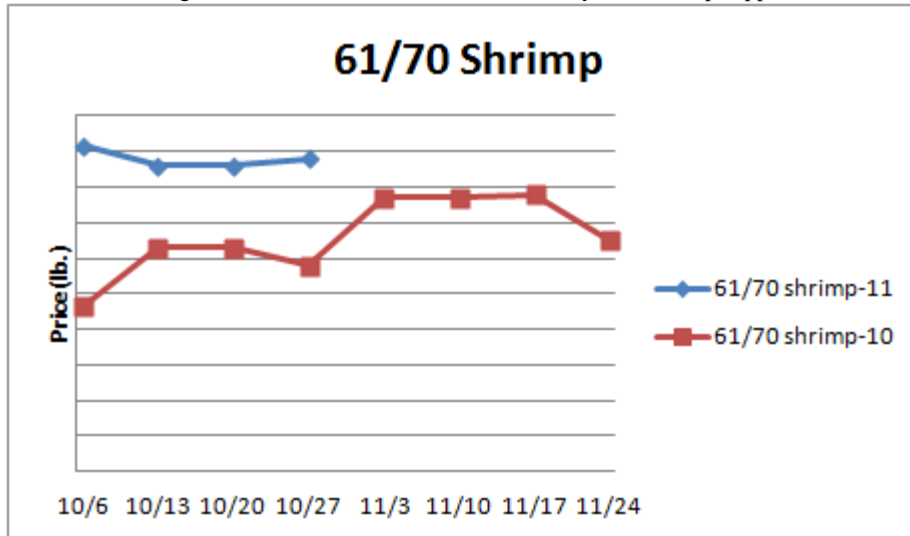
Poultry - The September broiler type chick hatch was 5% less than last year showing that curbed chicken production should continue to materialize. Further, pullet placements into the broiler hatchery flock were down 7% compared to last year suggesting a more systemic supply cutback may be in the works. Chicken production is expected to decline in 2012 which would be only the 2nd time since 1975 that a year over year output increase wasn't achieved. This should be supportive for chicken prices in the coming months. The ARA daily chicken breast index has fallen in recent weeks but history suggests further depreciation is probably limited. Chicken wing markets are anticipated to remain firm into the winter.



	<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	Decreasing	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	Increasing	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	Higher
Turkey Breast- Bnls/Sknls	Steady	Good	Lower

Seafood Report

Seafood- US Gulf of Mexico shrimp landings during September were .9% less than last year. 2011 US Gulf of Mexico shrimp landings through September were 53% above '10 due to the repercussions from the BP oil spill, but were still 9% behind '09. Shrimp output problems such as flooding and disease exists in major shrimp exporting countries including Thailand, China and Vietnam which may limit shrimp supplies in 2012.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Decreasing	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)	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.	Decreasing	Good	Higher

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Steady	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Decreasing	Good	Higher
Coffee Beans	Decreasing	Good	Higher
Sugar	Increasing	Good	Same
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	Increasing	Good	Lower
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>Sep-11</u>	<u>Aug-11</u>	<u>Jul-11</u>
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Increasing	Increasing	Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Increasing	Decreasing	Increasing
Fresh Fish and Seafood	Increasing	Decreasing	Increasing
Fresh Fruits and Vegetables	Increasing	Increasing	Decreasing

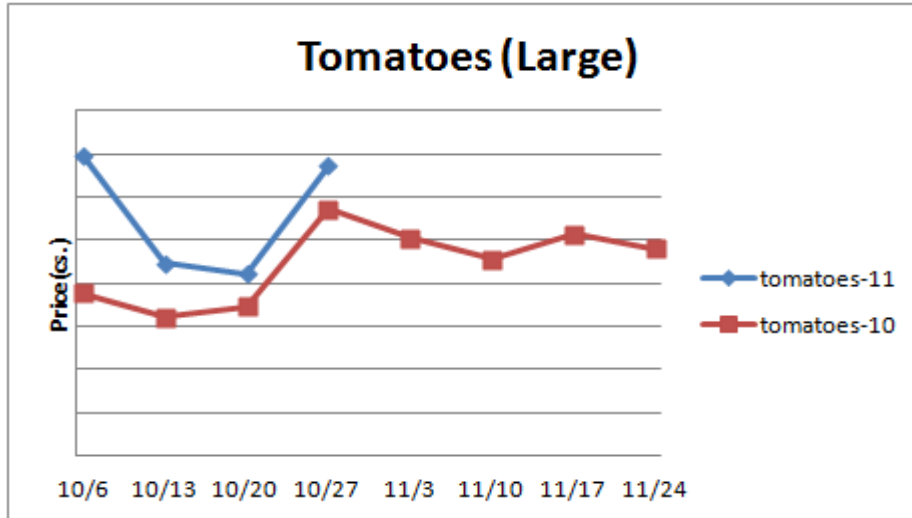
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- September 30th frozen green pea (10.4%), cut corn (19.3%) and green bean (.2%) stocks were all less than '10. Higher processed vegetables prices are likely.

<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 lettuce markets are mixed as the chief lettuce supply area has transitioned to Huron, CA. Lettuce weights from Huron have been unusually light. Lettuce prices could firm as the lettuce crops move again next month to the Yuma-Imperial Valley region. In Idaho, 95% of the potato harvest is now complete. Potato supplies are seasonally adequate and downside price risk may be nominal. Central California continues to supply the US with tomatoes. As November progresses the Florida tomato harvest should improve and could influence tomato prices lower.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Higher
Lemons (95 count)	Decreasing	Good	Lower
Lemons (200 count)	Steady	Good	Lower
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Increasing	Good	Higher
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Lower
Avocados, Hass (48 count)	Steady	Good	Higher
Bananas (40 lb)-Term.	Increasing	Good	Higher
Pineapple (7 ct.)- Term.	Increasing	Good	Higher
Idaho Potato (60 count)	Decreasing	Good	Lower
Idaho Potato (70 count)	Steady	Good	Lower
Idaho Potato (70 count)-Term.	Increasing	Good	Lower
Idaho Potato (90 count)	Steady	Good	Lower
Idaho Potato #2 (6 oz. min.)	Steady	Good	Lower
Processing Potato (100 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)	Increasing	Good	Lower
Yellow Onions (50 lb)-Term.	Decreasing	Good	Lower
Red Onions (25 lb)-Term.	Increasing	Good	Higher
White Onions (50 lb)-Term.	Increasing	Good	Higher
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Lower
Roma Tomatoes (xlarge- case)	Decreasing	Good	Lower
Green Peppers (large- case)	Increasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Increasing	Good	Higher
Iceberg Lettuce (24 count)	Increasing	Good	Lower

Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Lower
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Produce Report (continued)

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