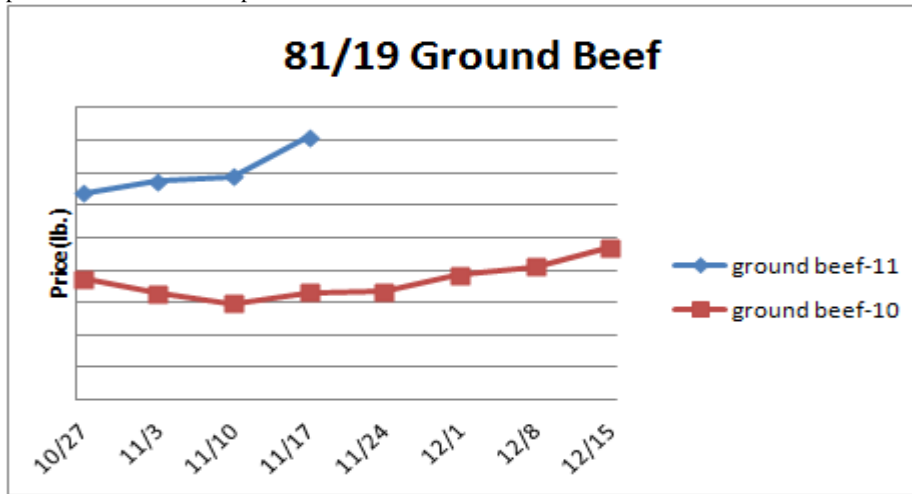


Beef, Veal and Lamb Report

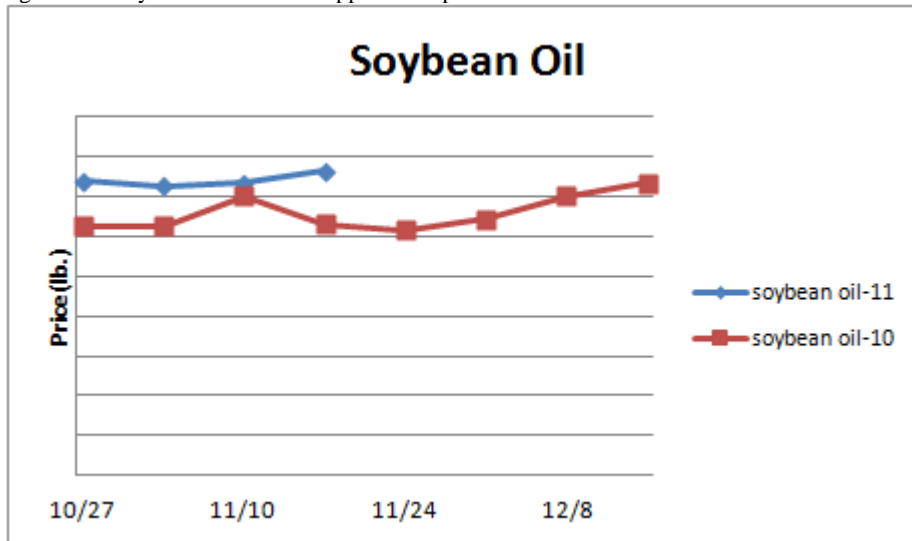
Beef, Veal & Lamb- Beef output last week fell 3.6% and was 5.4% smaller than last year. Beef production may have slowed in response to poor beef packer margins. September US beef exports were 27% greater than last year but were the smallest for any month since February. September US beef imports were up 3% compared to last year. Total US beef supplies are estimated to be down 2% this year compared to '10. If the US dollar continues upward especially versus the Euro and the Australian dollar, any beef price inflation in 2012 brought on by the expected smaller production could be tempered.



	<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)	Increasing	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)	Increasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Increasing	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)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

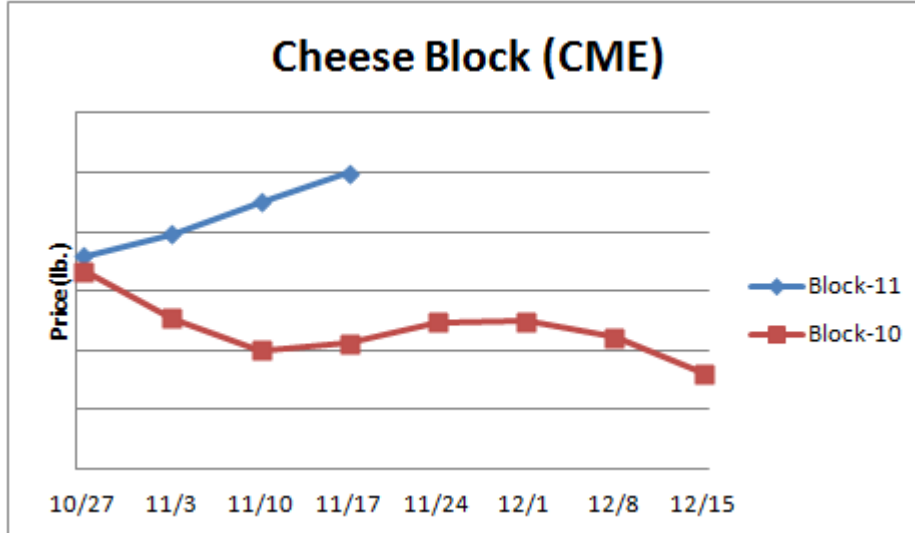
Oil & Grains- According to the latest USDA reports, the US 2011/12 corn supply is still projected to be the tightest in 15 years. This could support corn prices into 2012.



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

Dairy Report

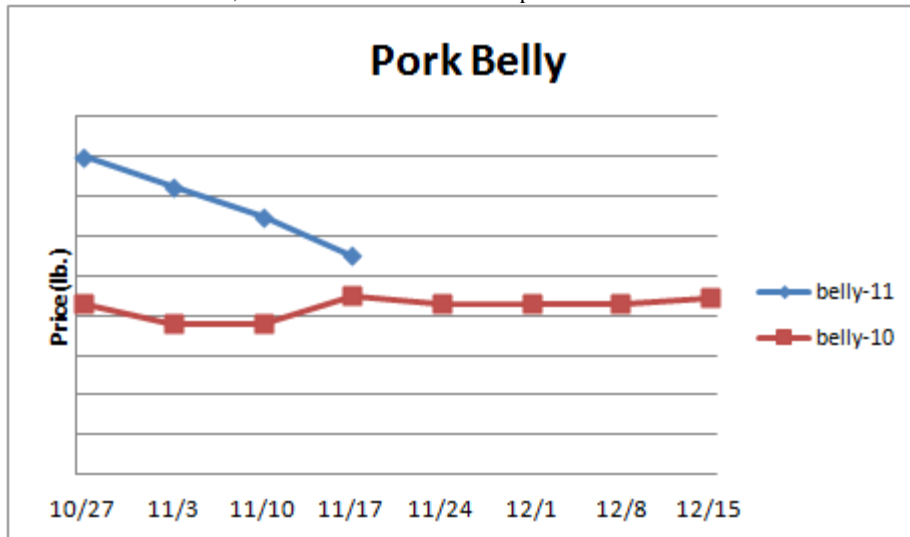
Dairy- The CME cheese markets continue to trade at inflated levels due to healthy seasonal holiday demand for cheese. Cheese exports in Sept were up 22% versus a year ago but were the 2nd smallest since Nov. US cheese markets are currently priced at their largest premium to US butter since Dec '09 which should encourage cheese production. CME cheese block prices have fallen in each of the last 5 Decembers with the average decline being 11%. Sept butter exports were down 38% from last year and the smallest for any month since February. The butter market is weak.



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

Pork Report

Pork- Pork production last week decreased 2% and was 1.8% smaller than 2010. September US pork exports were 43% greater than last year due in large part to China importing the most US pork since June '08. Reports are that US pork exports to China have declined in November. Ham exports in September were the smallest for any month since June '09 due in part to a depreciating Mexican Peso. In 2010 Mexico accounted for 67% of US ham exports. If the US dollar continues to firm, the ham markets could face pressure.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Higher
Belly (bacon)	Decreasing	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	Decreasing	Good	Higher
SS Picnic, smoker trim boxed	Steady	Good	Higher
42% Trimmings	Decreasing	Good	Higher
72% Trimmings	Decreasing	Good	Higher

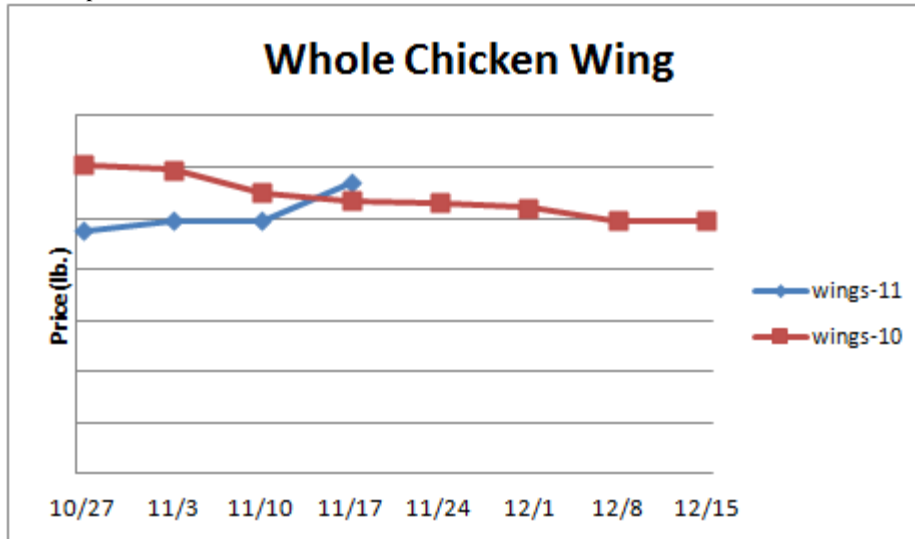
Canned Tomato Report

Tomato Products, Canned- Tomatoes for canning supplies are adequate with the harvest culminating. Steady to higher canned tomato prices are anticipated.

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

Poultry Report

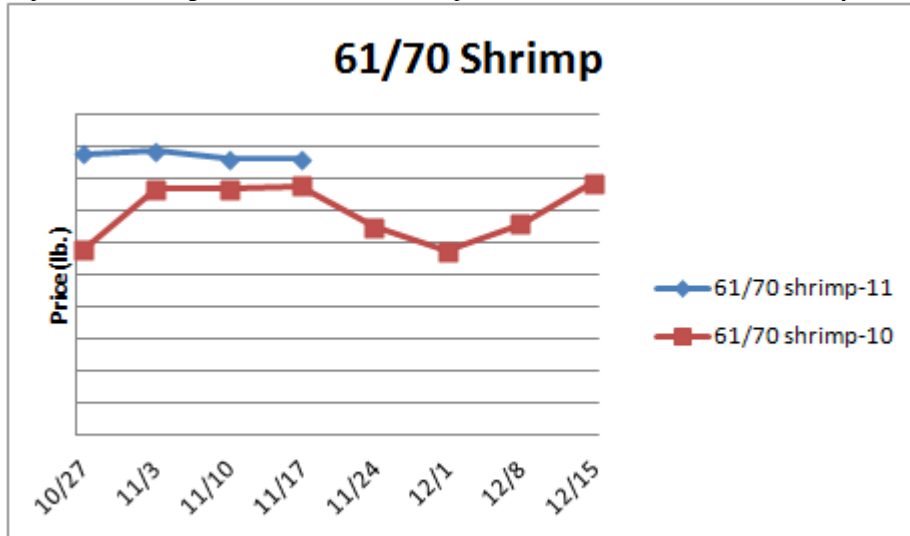
Poultry- US chicken exports during Sept were 4% more than last year. Chicken exports to Russia in Sept were the largest since Dec '10 but still more than 50% below their all time peak level. Solid exports may continue to support chicken leg quarter prices. Broiler-type egg sets continue to be curbed with the existing 6 week moving average 7.2% below '10. Chicken production should remain below year ago levels this winter. The chicken breast markets have strengthened in recent days and are anticipated to remain supported through the winter. The chicken wing markets usually remain inflated deep into Jan. Any seasonal wing price declines thereafter may be mitigated by reduced chicken production.



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

Seafood Report

Seafood- September total US shrimp imports were 11% more than last year while shell-on shrimp imports were 15% larger than '10. Favorable currency valuations could help shrimp imports in the coming months. Still, Thailand's ability to recover shrimp output from challenging weather this year will be key to monitor. US salmon fillet steak imports were 22% greater than 2010. Salmon prices could trend below '11 levels next 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	Higher
Shrimp (16-20 count)	Steady	Good	Lower
Shrimp (61-70 count)	Steady	Good	Higher
Shrimp, Tiger (26-30 count)	Steady	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Higher
Snow Crab Legs (8 oz up)	Steady	Good	Higher
Cod Tails, 3-7 oz. Frz.	Increasing	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>
Pinto Beans	Decreasing	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Steady	Good	Higher
Coffee Beans	Increasing	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	Steady	Good	Lower
42 lb. Linerboard-corrugated box	Decreasing	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>Oct-11</u>	<u>Sep-11</u>	<u>Aug-11</u>
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Increasing	Increasing	Increasing
Pork	Decreasing	Increasing	Increasing
Chicken	Increasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Increasing	Decreasing
Fresh Fruits and Vegetables	Decreasing	Increasing	Increasing

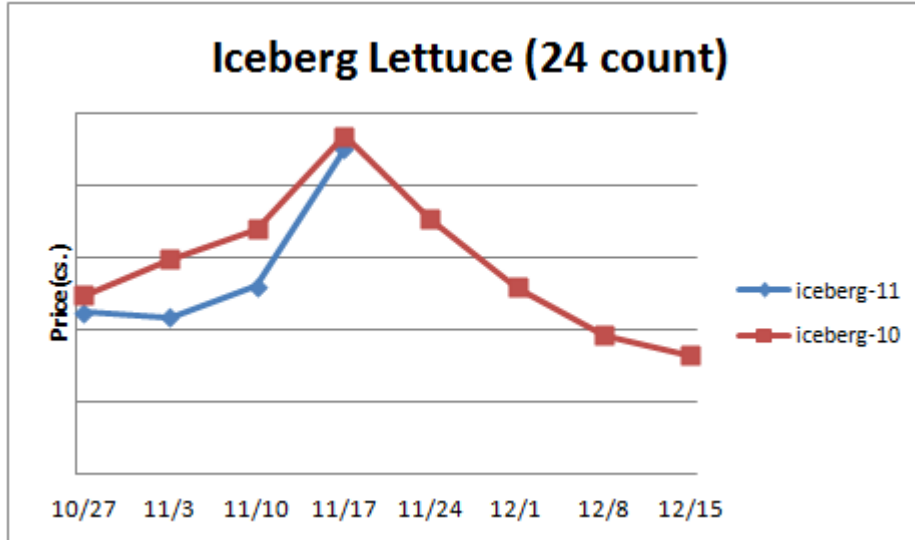
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Higher raw product costs for potato processors this year are influencing French fry potato prices higher. Elevated French fry prices may persist.

<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	Same
Green Beans, Cut 12/2 lb.	Steady	Good	Same
Green Peas, 12/2.5 lb.	Steady	Good	Same
Potatoes, FF Fancy, 6/5 lb.	Steady	Good	Higher

Produce Report

Produce- The main lettuce harvest region is transitioning to the Yuma/Imperial Valley. Challenged quality and lighter weights have limited the lettuce supply as of late. Iceberg lettuce shipments fell 7% last week. Lettuce prices could remain elevated over the next few weeks. The tomato harvest in California is seasonally declining. The Florida tomato harvest is progressing with good supplies and quality. Still, tomato prices have firmed due to tighter supplies in the west. Avocado supplies are adequate. Last year the avocado market rose 12% during Dec.



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

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

Produce Report (continued)

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