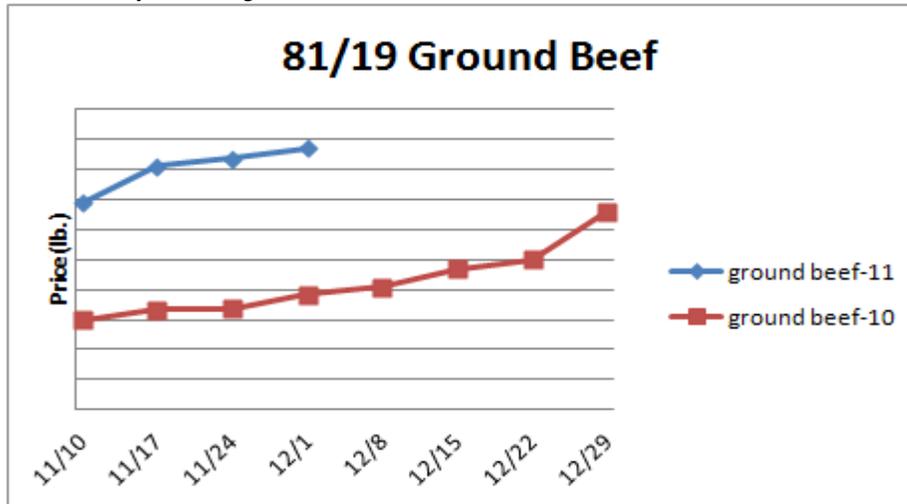


# Beef, Veal and Lamb Report

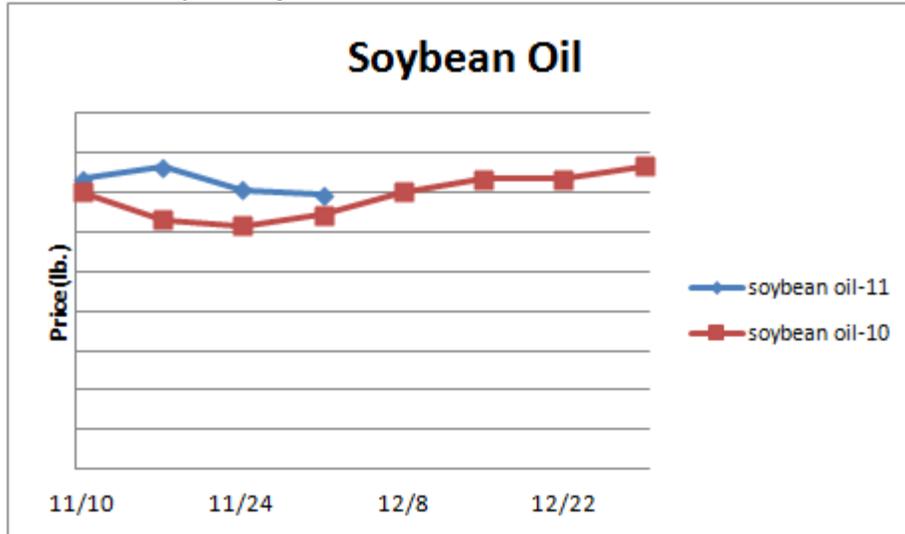
**Beef, Veal & Lamb-** Beef output last week was 3.8% less than the same week a year ago. Poor beef packer margins have caused beef production to slow. Beef output so far in Nov is down 4.1% compared to Nov '10. This along with increased holiday demand for beef is shoring up the beef markets. The USDA boxed beef cutout is up 30% versus its 5 year price average. It's likely that the boxed beef cutout will top soon. Lighter featuring activity by retailers may soon take place, which could modestly curb beef demand. The 90% beef trimmings market has risen in 8 of the last 11 years during Dec.



	<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	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing	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.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Higher
168 Inside Round (choice)	Increasing	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)	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)	Increasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Decreasing	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)	Increasing	Good	Higher

# Oil and Grains Report

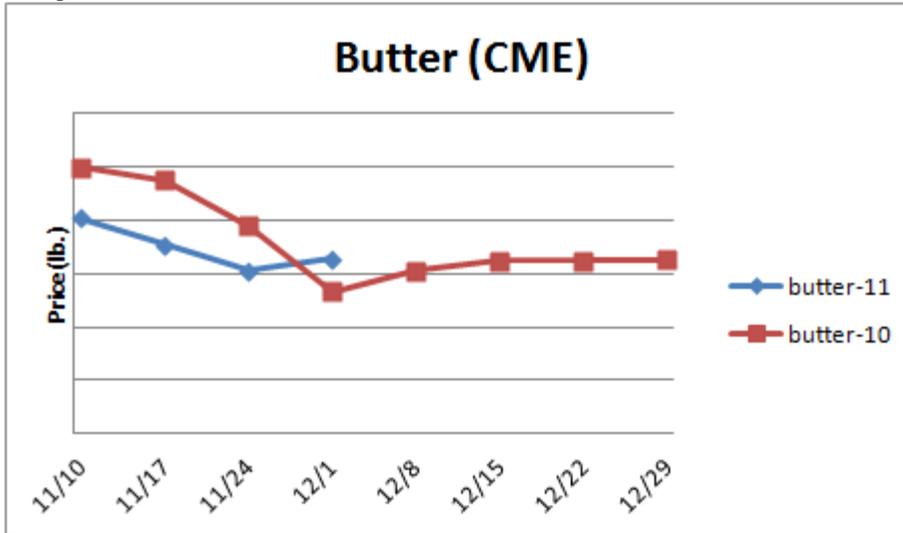
**Oil & Grains-** The soybean oil market recently achieved a new 2011 price low due in part to perceived softness in demand. Lower soybean oil prices from here should be modest at best.



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

# Dairy Report

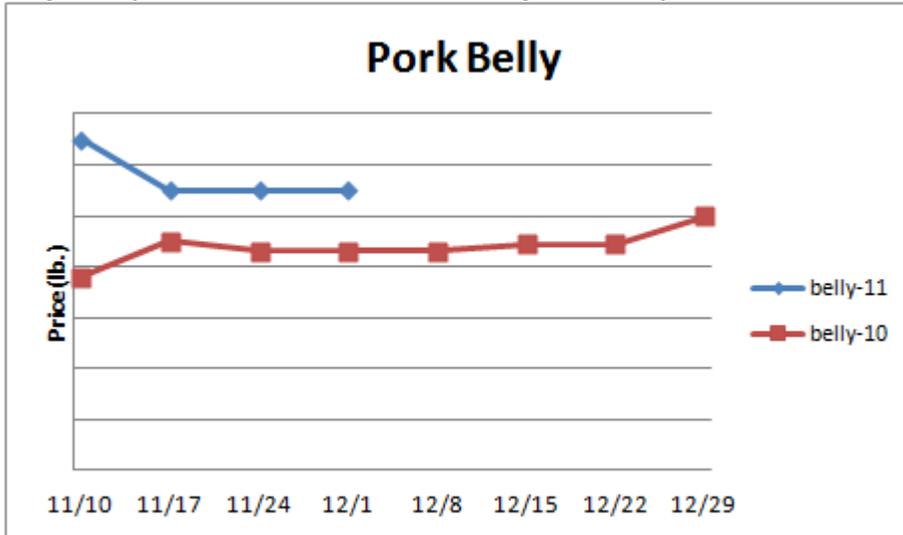
**Dairy-** Butter stocks in Oct were up 19% versus '10, but were the 2nd smallest for that month in 5 years. Butter prices have weakened in recent weeks. Further declines may be forthcoming. The butter market in Dec has dropped an average of 20 cents per pound over the prior 7 years. Any Dec butter declines this year may be less intense. American cheese stocks were down 4% in Oct versus last year but were the 2nd largest for that month since '96. The cheese market may have seasonally peaked. In the last 5 Decembers, the CME cheese block market has declined an average of 11%.



	<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>	Decreasing	Good	Higher
<b>American Cheese</b>	Decreasing	Good	Higher
<b>Cheddar Cheese</b>	Steady	Good	Higher
<b>Mozzarella Cheese</b>	Decreasing	Good	Higher
<b>Provolone Cheese</b>	Decreasing	Good	Higher
<b>Parmesan Cheese</b>	Decreasing	Good	Higher
<b>Butter- One lb Solids</b>	Increasing	Good	Higher
<b>Nonfat Dry Milk</b>	Increasing	Good	Higher
<b>Whey, Dry</b>	Increasing	Good	Higher
<b>Class I Milk Base</b>	Increasing	Good	Higher
<b>Class II Cream (Heavy Cream)</b>	Decreasing	Good	Lower
<b>Class III Milk- CME</b>	Increasing	Good	Higher
<b>Class IV Milk- CME</b>	Decreasing	Good	Higher

# Pork Report

**Pork**- Pork output last week was .4% more than the same week a year ago. Pork production in the 1st quarter of '12 is anticipated to be up 1% compared to same quarter in '11. This could put pressure on pending pork prices. But keep in mind, export demand for pork is estimated to remain solid next year so any downside price risk for pork will probably be nominal. Oct 31 pork cold storage inventories were lower than last year for hams (13%) and bellies (9%). The pork belly market is stable with further downside price risk likely limited.



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

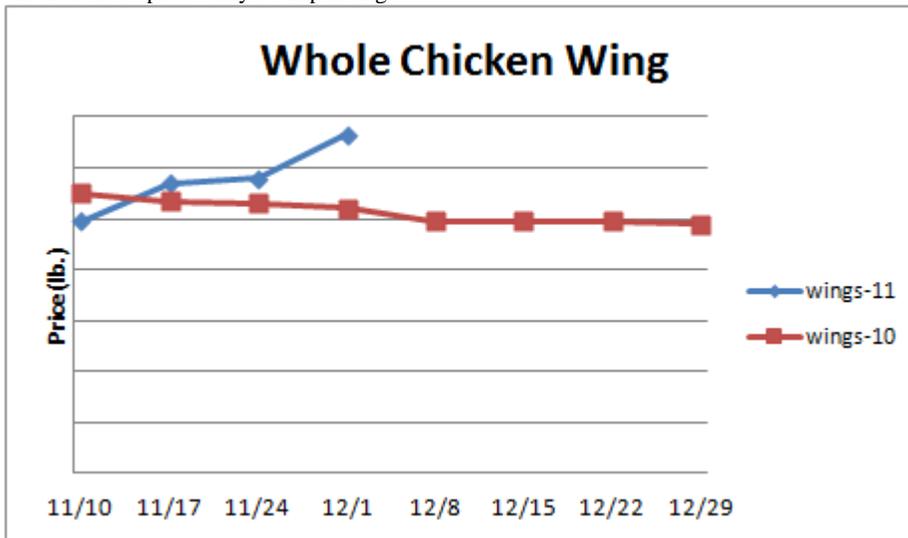
# Canned Tomato Report

**Tomato Products, Canned-** Tomatoes for canning stocks are historically adequate. Steady to higher canned tomato prices are anticipated next year.

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

# Poultry Report

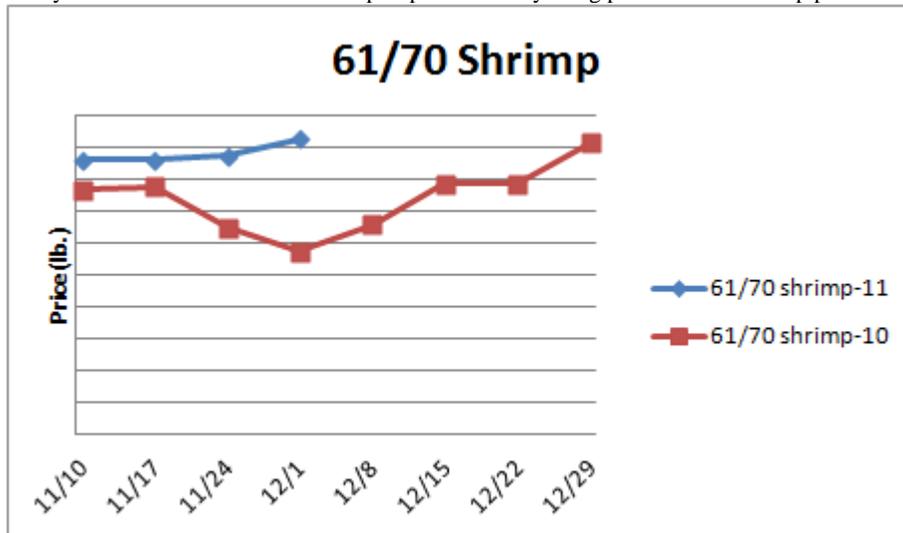
**Poultry**- Chicken production continues to be curtailed providing support to the ARA chicken cutout value. The 6 week moving average for broiler-type egg sets is trending 6.6% lower than last year. Plus, the US broiler hatchery flock on Nov 1st was at its lowest level since Dec '96. This is a sign that poultry cutbacks are more systemic in nature in comparison to prior years when chicken production rates were reduced. This is likely behind the USDA's forecast for a 1.7% decline in chicken output for next year. The chicken wing markets remain firm due to the reduction in output and seasonally improving demand. Chicken wing prices have risen in 7 of the last 10 Decembers. Higher chicken breast prices may be impending.



	<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)	Increasing	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Steady	Good	Lower
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Sknless	Decreasing	Good	Lower
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Lower
Medium Eggs	Decreasing	Good	Higher
Whole Eggs- Liq	Steady	Good	Higher
Egg Whites- Liq	Steady	Good	Higher
Egg Yolks- Liq	Steady	Good	Lower
Whole Turkey (8-16 lb)	Decreasing	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

# Seafood Report

**Seafood-** October US Gulf of Mexico shrimp landings were 4.8% less than last year. Year to date US shrimp landings increased from '10 in response to the recovery from the BP oil spill, but still lag 11% versus '09. The US dollar has been volatile due to economic concerns in the EU and global monetary policies. But if the dollar appreciates next year it could be bullish for shrimp imports and may bring price relief to shrimp prices.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Salmon, Whole (10-12 lb)</b>	Steady	Good	Lower
<b>Catfish, Filets</b>	Increasing	Good	Higher
<b>Trout, Drn. (8-14 oz)</b>	Steady	Good	Higher
<b>Shrimp (16-20 count)</b>	Increasing	Good	Lower
<b>Shrimp (61-70 count)</b>	Increasing	Good	Higher
<b>Shrimp, Tiger (26-30 count)</b>	Decreasing	Good	Higher
<b>Snow Crab Legs (5-8 oz)</b>	Steady	Good	Lower
<b>Snow Crab Legs (8 oz up)</b>	Steady	Good	Higher
<b>Cod Tails, 3-7 oz. Frz.</b>	Steady	Good	Higher
<b>Cod Loins, 3-12 oz. Frz.</b>	Steady	Good	Lower
<b>Salmon Portions, 4-8 oz. Frz.</b>	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>	Increasing	Good	Higher
<b>Black Beans</b>	Steady	Good	Higher
<b>Rice, Long Grain</b>	Steady	Good	Lower
<b>Coffee Beans</b>	Decreasing	Good	Higher
<b>Sugar</b>	Decreasing	Good	Lower
<b>Honey</b>	Steady	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>	Increasing	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>Oct-11</u>	<u>Sep-11</u>	<u>Aug-11</u>
<b>Beef and Veal</b>	Increasing	Increasing	Increasing
<b>Dairy</b>	Increasing	Increasing	Increasing
<b>Pork</b>	Decreasing	Increasing	Increasing
<b>Chicken</b>	Increasing	Increasing	Decreasing
<b>Fresh Fish and Seafood</b>	Decreasing	Increasing	Decreasing
<b>Fresh Fruits and Vegetables</b>	Decreasing	Increasing	Increasing

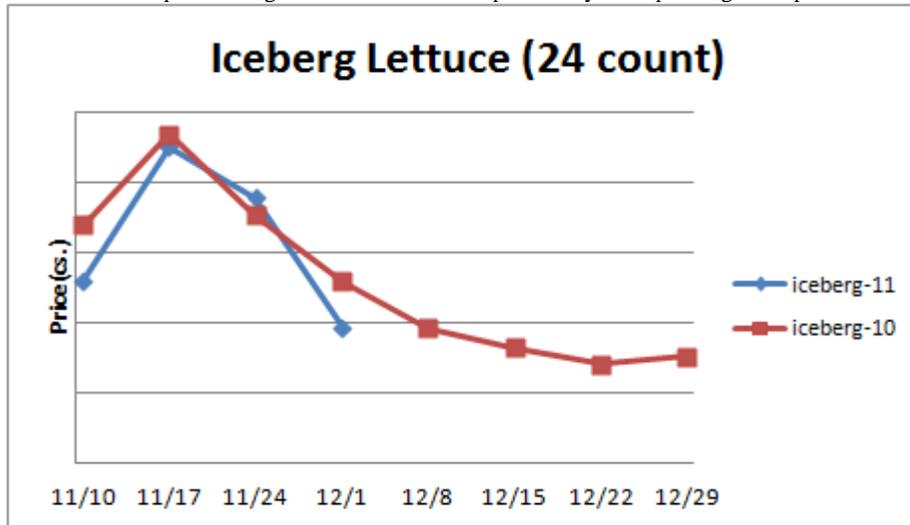
# Processed Fruits and Vegetables Report

**Processed Fruits and Vegetables-** The canned vegetable markets are relatively firm. Higher processed vegetables prices could occur next year as vegetable inventories are modestly tight.

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

# Produce Report

**Produce-** Lettuce shipments were up 6.3% last week as improving weather in California aided various lettuce crops. Lettuce output may continue to improve and lettuce prices could modestly decline over the next few weeks. Lettuce prices fell 45% in December '10. The Florida tomato harvest is behind last year's pace and tomato prices have been steady. However, additional tomato supplies from Southwest Florida are anticipated in the coming weeks. The west coast tomato crop is moving south. Lower tomato prices may be impending. The potato markets are steady.



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

<b>Tomatoes, (5x6, 25 lb.)-Term.</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Tomatoes, Vine Ripe, (4x5)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Roma Tomatoes (large- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Roma Tomatoes (xlarge- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Green Peppers (large- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Red Peppers (large- 15 lb. cs.)</b>	<b>Increasing</b>	<b>Good</b>	<b>Same</b>
<b>Iceberg Lettuce (24 count)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Iceberg Lettuce (24 cnt)-Term.</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>

## Produce Report (continued)

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