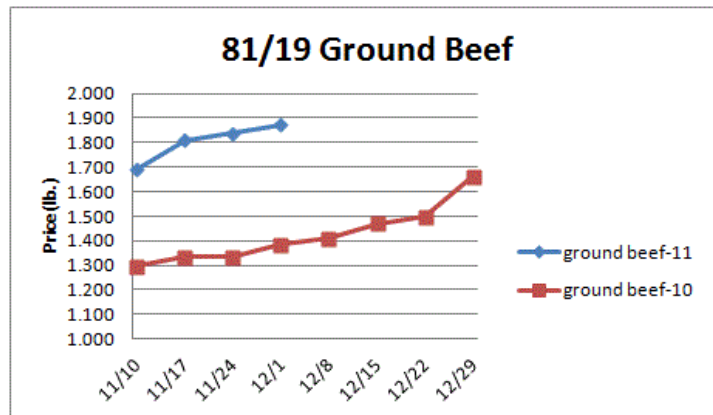


Weekly Market Updates

Volume No. 4 Issue No. 48 Date: December 1, 2011

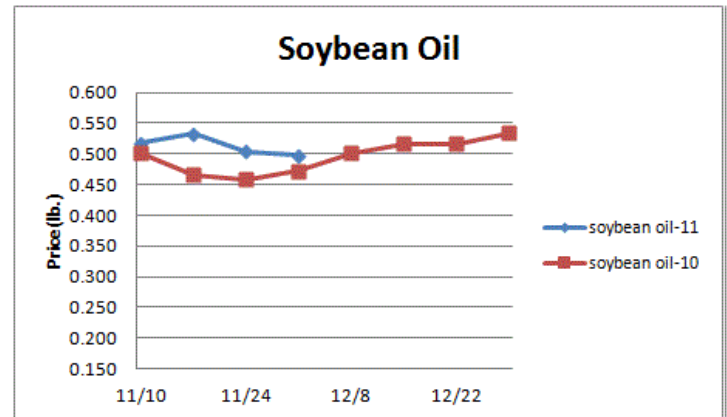
Beef - Beef output last week was 3.8% less than the same week a year ago. Poor beef packer margins have caused beef production to slow. Beef output so far in Nov is down 4.1% compared to Nov '10. This along with increased holiday demand for beef is shoring up the beef markets. The USDA boxed beef cutout 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.257	1.236	+.021	1.011
Feeder Cattle Index (CME)	1.439	1.427	+.012	1.164
Ground Beef 81/19	1.872	1.837	+.035	1.385
Ground Chuck	1.870	1.890	-.020	1.424
109e Export Rib (choice)	6.853	6.725	+.128	5.561
109e Export Rib (prime)	10.886	10.517	+.369	8.381
112a Ribeye (choice)	7.434	7.223	+.211	5.946
112a Ribeye (prime)	11.357	10.311	+1.046	9.310
116 Chuck (select)	2.206	2.239	-.033	2.036
116 Chuck (choice)	2.265	2.293	-.028	2.107
116b Chuck Tdnr (choice)	2.353	2.377	-.024	1.846
120 Brisket (choice)	2.113	2.104	+.009	1.705
121c Outside Skirt (ch/sel)	3.651	3.792	-.141	2.634
121d Inside Skirt (ch/sel)	3.084	3.005	+.079	2.706
167a Knuckle, Trm. (ch.)	2.146	2.264	-.118	1.945
168 Inside Round (ch.)	2.054	2.088	+.034	1.749
174 Short Loin (ch. 0x1)	4.389	4.637	-.248	4.033
174 Short Loin (prime)	9.185	8.934	+.251	7.962
180 1x1 Strp (choice)	4.411	4.320	+.091	3.665
180 1x1 Strp (prime)	9.366	10.064	-.698	8.787
180 0x1 Strp (choice)	4.800	4.927	-.127	4.131
184 Top Butt, bnls (ch.)	2.911	2.691	+.220	2.357
184 Top Butt, bnls (prime)	3.351	3.370	-.019	2.355
185a Sirloin Flap (choice)	3.047	3.111	-.064	2.649
185c Loin, Tri-Tip (choice)	2.828	2.883	-.055	2.110
189a Tender (select)	7.748	8.138	-.390	8.399
189a Tender (choice)	10.333	10.257	+.076	10.063
189a Tender (prime)	14.322	13.743	+.579	11.691
193 Flank Steak (choice)	3.595	3.478	+.117	2.921
50% Trimmings	1.160	1.231	-.071	.717
65% Trimmings	1.433	1.439	-.006	1.018
75% Trimmings	1.539	1.483	+.056	1.227
85% Trimmings	1.750	1.713	+.037	1.380
90% Trimmings	1.850	1.826	+.024	1.480
90% Imported Beef (frz.)	2.050	2.038	+.012	1.700
95% Imported Beef (frz.)	2.155	2.173	-.018	1.835
Veal Rack (Hotel 7 rib)	6.675	6.575	+.100	5.075
Veal Top Rnd. (cp. off)	13.575	13.375	+.200	12.525



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

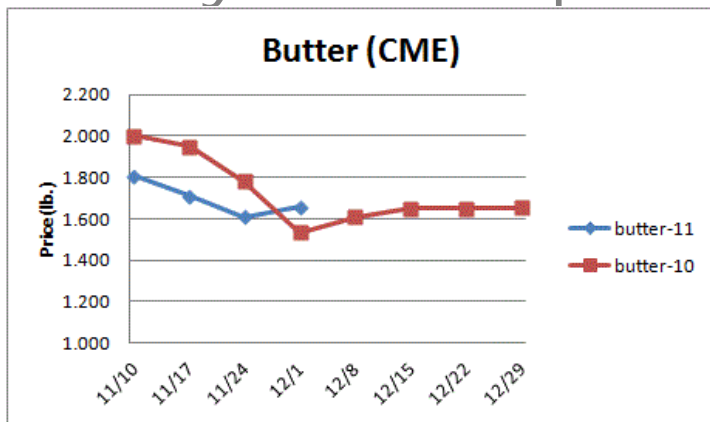
	Price	Last Week	Difference	Price 10
Soybeans, bushel	11.295	11.359	-.064	12.310
Crude Soybean Oil, lb.	.497	.504	-.007	.472
Soybean Meal, ton	278.100	280.600	-2.500	339.600
Corn, bushel	6.093	6.000	+.093	5.152
Crude Corn Oil, lb.	.540	.540	-	.510
High Fructose Corn Syrup	.183	.183	-	.157
Distillers Grain, Dry	211.250	217.500	-6.000	153.250
Crude Palm Oil, lb. BMD	.425	.457	-.032	.502
HRW Wheat, bushel	6.340	6.450	-.110	6.575
DNS Wheat 14%, bushel	8.800	9.270	-.470	7.500
Durum Wheat, bushel	9.900	10.950	-1.050	6.810
Pinto Beans, lb.	.442	.438	+.004	.197
Black Beans, lb.	.470	.470	-	.260
Rice, Long Grain, lb.	.290	.290	-	.300
Coffee, lb. NYBOT	2.320	2.328	-.008	2.024
Sugar, lb. NYBOT	.379	.363	-.016	.380
Honey (Clover), lb.	1.675	1.675	-	1.528



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

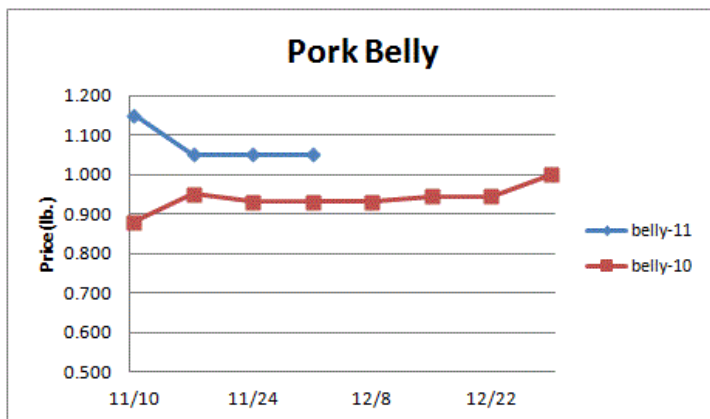
	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.720	1.850	-.130	1.475
Cheese Blocks (CME)	1.770	1.830	-.060	1.498
American Cheese	2.200	2.300	-.100	1.800
Cheddar Cheese (40 lb.)	2.270	2.270	-	2.003
Mozzarella Cheese	2.168	2.248	-.080	1.818
Provolone Cheese	2.313	2.403	-.090	1.978
Parmesan Cheese	3.393	3.483	-.090	3.275
Butter (CME)	1.658	1.610	+.048	1.533
Nonfat Dry Milk	1.494	1.490	+.004	1.269
Whey, Dry	.636	.632	+.004	.379
Class I Base	18.470	18.450	+.020	16.960
Class II Cream, heavy	2.183	2.391	-.208	2.266
Class III Milk (CME)	18.480	18.400	+.080	13.770
Class IV Milk (CME)	17.100	17.650	-.550	14.800

Weekly Market Updates



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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.615	.593	+.022	.494
Belly (bacon)	1.050	1.050	-	.930
Sparerib (4.25 lb. & down)	1.604	1.580	+.024	1.400
Ham (20-23 lb.)	.880	.880	-	.880
Ham (23-27 lb.)	.820	.830	-.010	.799
Loin (bone-in)	.970	.968	+.002	.845
Bbybck Rib (1.75 lb. & up)	2.600	2.570	+.030	2.450
Tenderloin (1.25 lb.)	2.480	2.450	+.030	2.137
Boston Butt, untrmd. (4-8 lb.)	.979	.964	+.015	.826
Picnic, untrmd.	.771	.757	+.014	.610
SS Picnic, smoker trm. bx.	1.043	1.040	+.003	.940
42% Trimmings	.420	.500	-.080	.300
72% Trimmings	.830	.830	-	.710



Tomato Products, Canned- Tomatoes for canning stocks are historically adequate. Steady to higher canned tomato prices are anticipated next year. Prices per case (6/10) FOB, unless noted from ARA.

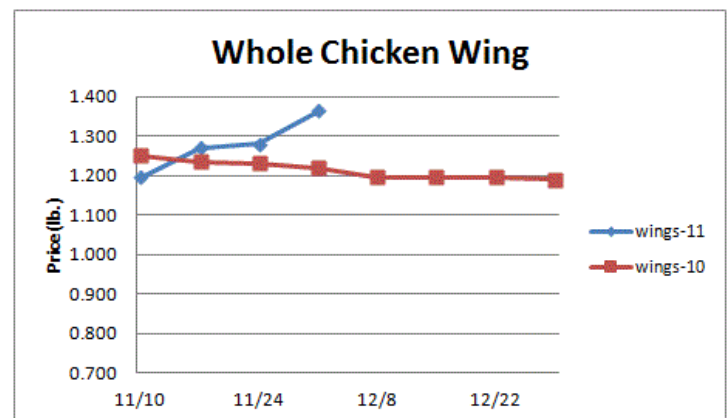
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.500
Tomato Paste- Industrial (lb.)	.398	.398	-	.380

Processed Vegetables- Oct 31 frozen green pea (9%), cut corn (20%) and cob corn (7%) stocks were less than '10. Modestly higher processed vegetable prices could be forthcoming. 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	-	14.250
Green Beans Cut- froz 12/2#	12.900	12.900	-	12.900
Green Peas- froz 12/2.5#	20.250	20.250	-	20.250
Potatoes, FF Fncy- froz 6/5#	14.000	14.000	-	13.000

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. Prices USDA, FOB per pound except when noted.

<u>Chicken</u>	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.898	.893	+.005	.855
Whole Birds (LA)	.990	.980	+.010	.950
Wings (whole)	1.365	1.280	+.085	1.220
Wings (jumbo, cut)	1.333	1.333	-	1.353
Breast, Bone In	.825	.825	-	.770
Breast, Bnless Skinless	1.440	1.475	-.035	1.470
Tenderloin (random)	1.180	1.180	-	1.500
Tenderloin (sized)	1.780	1.780	-	1.700
Legs (whole)	.651	.662	-.011	.504
Leg Quarters	.530	.535	-.005	.400
Thighs, bone in	.761	.763	-.002	.479
Thighs, boneless	1.272	1.286	-.014	1.000
<u>Eggs and Others</u>				
Large (dozen)	1.200	1.200	-	1.355
Medium (dozen)	.988	1.048	-.060	.958
Whole Eggs- Liquid	.580	.580	-	.431
Egg Whites- Liquid	.564	.564	-	.460
Egg Yolks- Liquid	.696	.696	-	.752
Whole Turkeys (8-16 lb.)	1.120	1.125	-.005	1.035
Turkey Breast, Bnls/Sknl	2.680	2.681	-.001	2.759



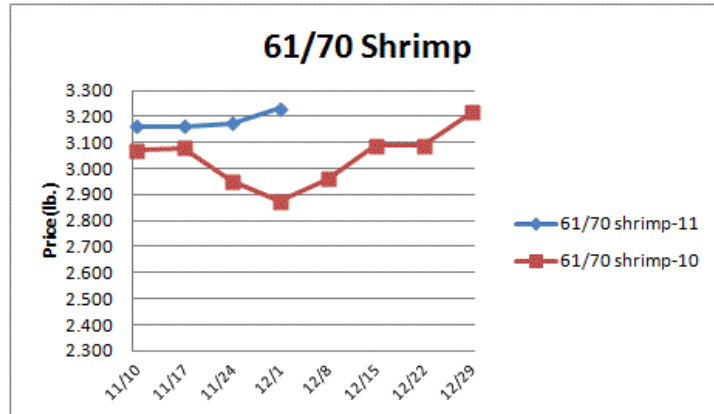
Seafood-October US Gulf of Mexico shrimp landings were 4.8% less than last year. Year to date US shrimp landings increased from '10 in response to the recovery from the BP oil spill, but still lag 11% versus '09. The US dollar has been volatile due to economic concerns in the EU and global monetary policies.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

Weekly Market Updates



prices. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	2.750	2.750	-	3.550
Catfish Filets	5.400	5.250	+150	3.500
Trout (dm. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz	6.409	6.400	+009	7.629
Shrimp (61/70), Frz.	3.230	3.175	+055	2.875
Shrimp, Tiger (26/30), Frz.	4.950	5.010	-060	4.567
Snow Crab, Legs 5-8 oz, Frz	5.462	5.462	-	5.625
Snow Crab, Legs 8 oz/ up, Fz	6.275	6.275	-	5.850
Cod Tails, 3-7 oz., Frz.	3.280	3.280	-	3.088
Cod Loins, 3-12 oz., Frz	3.680	3.680	-	3.794
Salmon Portions, 4-8 oz, Frz	6.354	6.354	-	6.008
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	99.790	96.920	+2.870	84.110
Natural Gas, mbtu- nymex	3.633	3.399	+234	4.180
Heating Oil, gal- nymex	3.021	2.994	+027	2.317
Electricity, mwht- nymex	40.840	38.140	+2.700	38.500
Gasoline, gal- nymex	2.539	2.489	+050	2.265
Diesel Fuel, gal- eia	3.964	4.010	-046	3.162
Ethanol, gal- usda	2.935	2.845	+090	2.145
Canadian \$	1.029	1.036	-007	1.024
Japanese Yen	77.849	76.861	+988	83.860
Mexican Peso	13.958	13.915	+043	12.555
Euro	.750	.743	+007	.769
Brazilian Real	1.846	1.802	+044	1.721
Chinese Yuan	6.357	6.362	-005	6.667

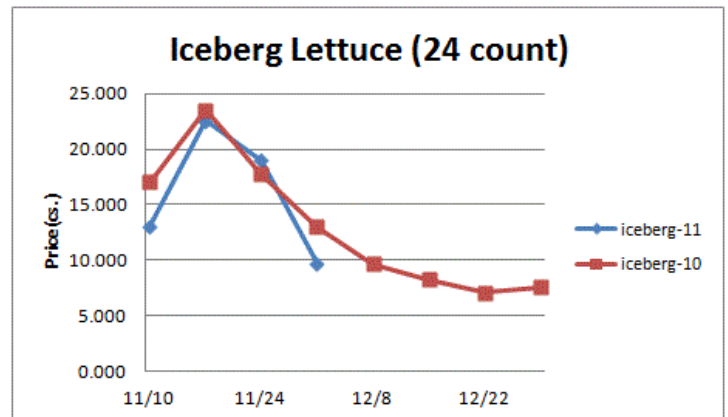
Paper/Plastic-Provided by: resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 10
WP; NBSK (napkin, towel)	920.00	920.000	-	968.160
WP; 42 lb. Linerboard (corr.)	735.267	742.397	-7.130	781.684
Res; PS-CHH (cup, cont.)	1.100-1.140	1.100-1.140	-	.880-.92
Res; PP-HIGP (hvy utensil)	1.020-1.040	1.020-1.040	-	.900-.940
Res; PE-LLD (cn liner, film)	.830-.860	.830-.860	-	.800-.840

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

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	7.500	6.000	+1.500	7.500
Lemons (95 ct.)	16.240	16.240	-	20.640

Lemons (200 ct.)	15.740	15.740	-	13.650
Honeydew (6 ct.)	7.852	8.375	-.523	7.000
Cantaloupe (15 ct.)	11.650	6.213	+5.437	15.850
Blueberries (12 count)	21.000	21.000	-	19.400
Strawberries (12 pnts.)	24.000	22.000	+2.000	25.900
Avocados (Hass 48 ct.)	24.750	25.750	-1.000	24.750
Bananas (40 lb.)- Term.	15.520	14.651	+869	15.563
Pineapple (7 ct.)- Term.	12.906	11.313	+1.593	11.558
Idaho Potato (60 ct., 50 lb.)	9.000	9.000	-	14.375
Idaho Potato (70 ct., 50 lb.)	8.875	8.875	-	13.375
Idaho Potato (70 ct.)-Term.	14.675	14.738	-.063	17.552
Idaho Potato (90 ct., 50 lb.)	8.500	8.500	-	9.125
Idaho Pot. # 2 (6 oz., 100 lb.)	14.000	14.000	-	15.500
Processing Potato (cwt.)	7.000	7.000	-	5.000
Yellow Onions (50 lb.)	6.200	6.875	-.675	9.208
Yell Onions (50 lb.)-Term.	11.268	10.688	+.580	9.761
Red Onions (25 lb.)- Term.	9.125	9.116	+.009	9.313
White Onions (50 lb.)- Term.	16.937	17.417	-.480	17.292
Tomatoes (large- case)	11.450	14.117	-2.667	7.950
Tomatoes (5x6-25 lb.)-Term	15.833	16.650	-.817	12.500
Tomatoes (4x5 vine ripe)	10.225	14.700	-4.475	11.950
Roma Tomatoes (large- case)	7.850	10.117	-2.267	12.700
Roma Tomatoes (xlarge-cs)	8.750	10.784	-2.034	12.969
Green Peppers (large- case)	4.500	8.632	-4.132	6.213
Red Peppers (large 15lb. cs.)	16.950	13.950	+3.000	16.950
Iceberg Lettuce (24 count)	9.725	18.985	-9.260	12.975
Iceberg Lettuce (24)-Term.	19.166	28.500	-9.334	20.694
Leaf Lettuce (24 count)	9.770	13.675	-3.905	13.842
Romaine Lettuce (24 cnt.)	10.162	16.100	-5.938	14.842
Mesculin Mix (3 lb.)-Term.	7.812	7.146	+.666	6.563
Broccoli (14 ct.)	9.466	15.584	-6.118	15.364
Squash (1/2 bushel)	6.425	7.100	-.675	4.850
Zucchini (1/2 bushel)	5.350	7.850	-2.500	3.850
Green Beans (bushel)	22.518	27.650	-5.132	11.883
Spinach, Flat 24's	11.355	12.700	-1.345	13.125
Mushrms (10 lb, lg.)-Term.	15.145	9.411	+5.734	12.453
Cucumbers (bushel)	8.250	11.940	-3.690	8.710
Pickles (200-300 ct.)- Term.	20.239	22.792	-2.553	21.916
Asparagus (small)	12.750	14.000	-1.250	13.500
Freight (Truck; CA-Cty Av.)	5900.000	5900.000	-	5194.444



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

	Oct-11	Sep-11	Aug-11	Jul-11
Beef and Veal	+.514	+.025	+.405	+.900
Dairy	+.051	+1.228	+.903	+1.200
Pork	-.421	+1.478	+.674	+.500
Chicken	+.994	+.341	-.251	+.100
Fresh Fish and Seafood	-1.107	+.512	-.072	+.300
Fresh Fruits and Veg.	-1.473	+1.592	+.394	-.126