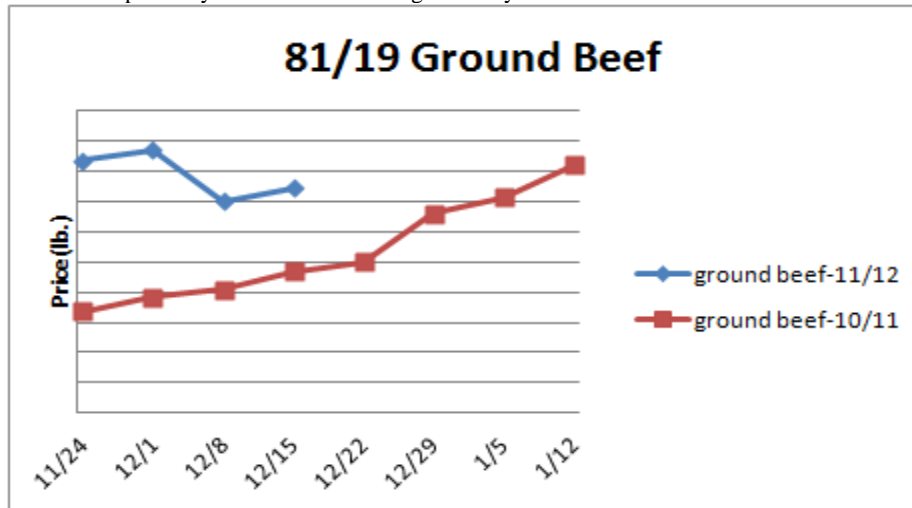


Beef, Veal and Lamb Report

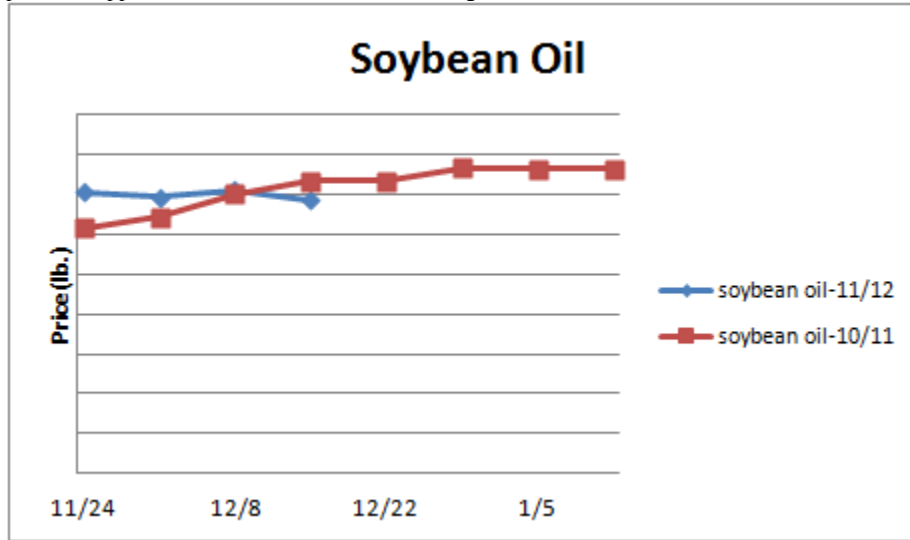
Beef, Veal & Lamb- Beef production last week fell 2.1% and was 4.2% smaller than the same week a year ago. Cattle supplies could be tight in '12 which should support beef prices. In Oct, US beef exports were up 11% while US beef imports were down 6% versus last year. If the US dollar appreciates, especially versus the Australian dollar, it would likely temper any lean boneless beef price appreciation. Demand for beef end cuts, such as beef briskets and the outside rounds, usually rises during the winter. Since '08, beef brisket and round prices have risen an average of 9% and 16% respectively from mid-Dec through January.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	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)	Decreasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	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)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Decreasing	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)	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)	Steady	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher

Oil and Grains Report

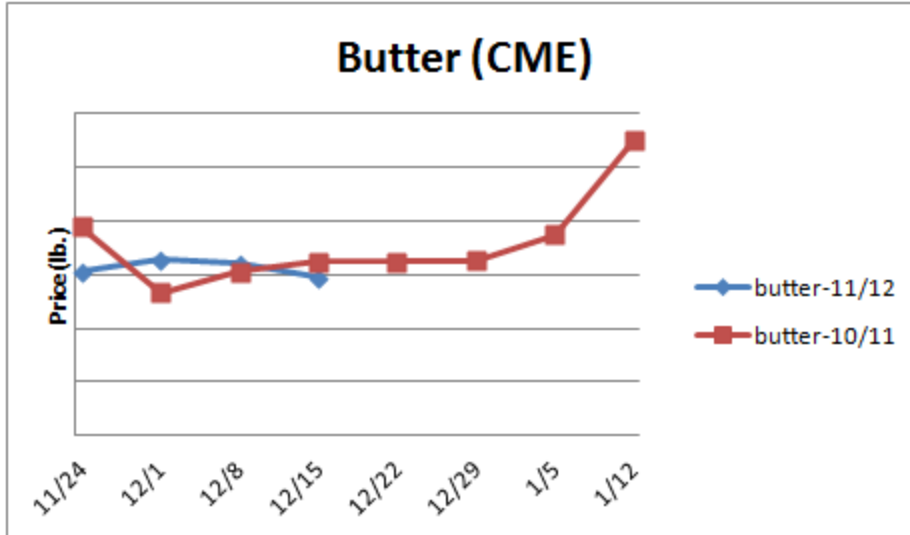
Oil & Grains- The latest monthly USDA grain reports still show global corn supplies historically tight. This could provide support to the corn market in the coming weeks.



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

Dairy Report

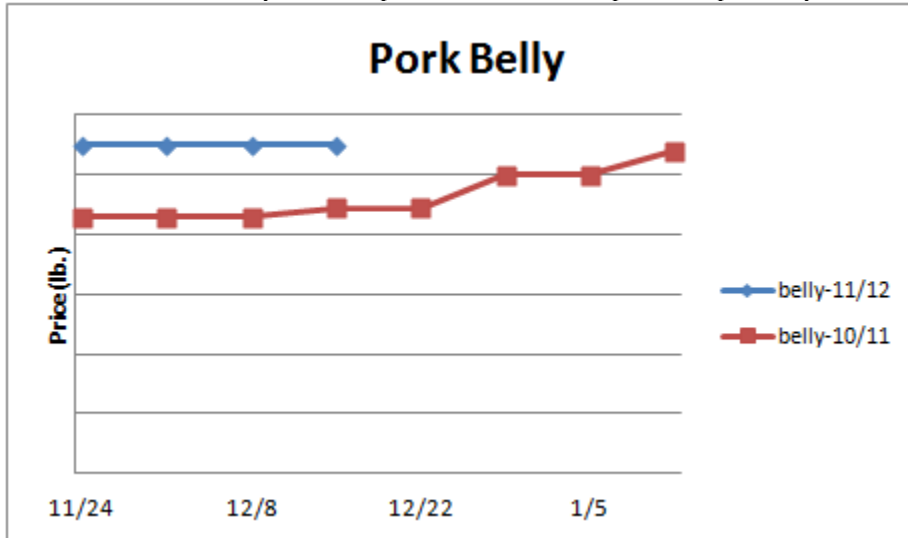
Dairy- The CME cheese markets continue to fade following a seasonal trend. In Oct US cheese exports were up 22% compared to last year and were the highest since June due in part to a lower US dollar valuation. International cheese prices may have recently bottomed. This may eventually support the US domestic cheese markets. CME butter prices are soft. Butter exports in Oct were down 36% versus '10 and were the 2nd smallest since Feb '10. If the US dollar moves up, especially versus the New Zealand dollar, the downside risk for cheese and butter may be more.



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

Pork Report

Pork- Pork output last week fell 1.2% but was 4% larger than '10. Pork exports in Oct were up 51% versus last year and were the 2nd highest on record. China was responsible for buying 23% of Oct US pork exports. Pork exports have since slowed due in part to a rising US dollar and slower demand from China. Ham exports to Mexico in Oct were the smallest since May '09 due in part to a weak Mexican peso. The pork belly market is likely forming a bottom.



	<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)	Decreasing	Good	Higher
Ham (23-27 lb)	Increasing	Good	Higher
Loin (bone-in)	Increasing	Good	Higher
Baby Back Rib (1.75 & up)	Increasing	Good	Higher
Tenderloin (1.25 lb)	Decreasing	Good	Higher
Boston Butt, untrimmed 4-8 lb.	Increasing	Good	Higher
Picnic, untrimmed	Decreasing	Good	Higher
SS Picnic, smoker trim boxed	Increasing	Good	Higher
42% Trimmings	Decreasing	Good	Higher
72% Trimmings	Decreasing	Good	Higher

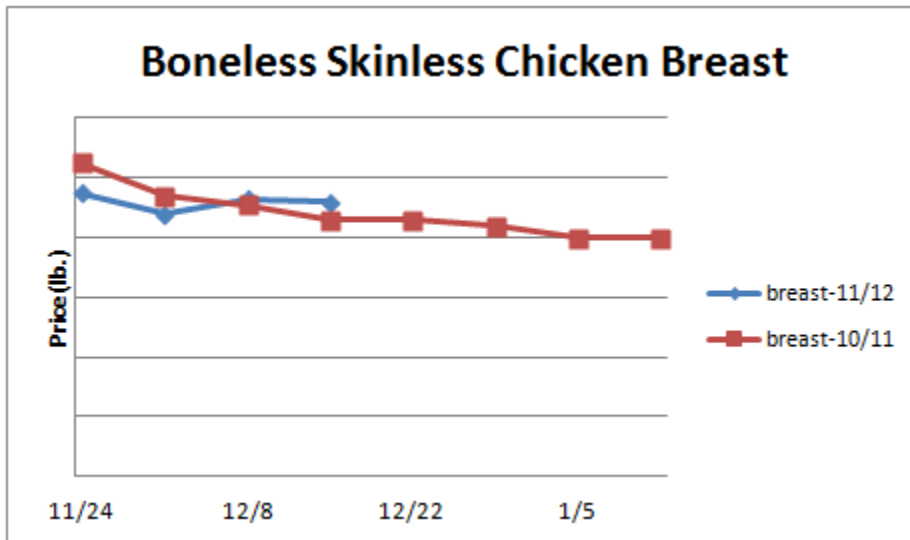
Canned Tomato Report

Tomato Products, Canned- The canned tomato markets are steady. Existing canned tomato supplies are adequate but will be less available as the summer approaches.

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

Poultry Report

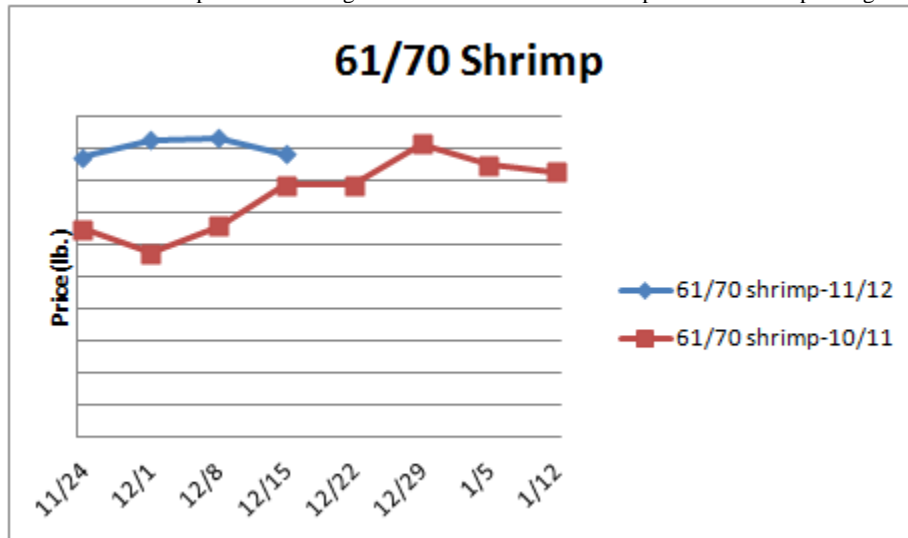
Poultry- US chicken exports during Oct were 2.5% more than the previous year and a record due mostly to a lower US dollar. There is indication that demand for chicken leg quarters is solid despite chicken leg quarter prices 34% higher than '10. Chicken leg quarters remain a value in comparison to other proteins especially for consumers in struggling economies. Inflated chicken leg quarter prices may persist. Broiler-type egg sets typically increase in the fall. This fall egg sets have risen above average which suggests chicken production cutbacks for this winter may not be as strong as originally anticipated. The chicken breast markets are firm. Chicken breast price appreciation is anticipated this 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	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Skinless	Decreasing	Good	Higher
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Steady	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Increasing	Good	Lower
Medium Eggs	Increasing	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	Increasing	Good	Lower

Seafood Report

Seafood- US total shrimp imports during Oct were .4% larger than last year. However, shell on shrimp imports in Oct were 2.1% less than '10. Year to date US shrimp imports are estimated to be flat versus '10. If the US dollar remains relatively inflated in '12, shrimp imports could increase which would be bearish for US shrimp prices. Year to date salmon filet imports are 9% higher than '10. Chilean salmon production is improving.



	<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)	Decreasing	Good	Lower
Shrimp (61-70 count)	Decreasing	Good	Higher
Shrimp, Tiger (26-30 count)	Decreasing	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Lower
Snow Crab Legs (8 oz up)	Steady	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.	Steady	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	Lower
Coffee Beans	Decreasing	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	Decreasing	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	Same

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

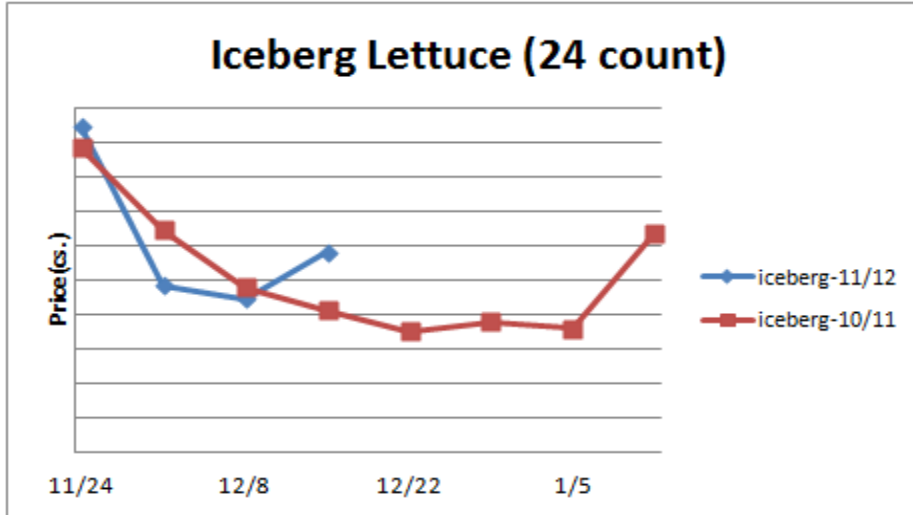
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Vegetable processors will begin to look at contracted acreage plans for next year soon. The vegetable markets remain firm.

<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- Icing was reported on lettuce plants throughout the Southwest this week with some damage noted. Lettuce supplies are currently tight with lettuce demand solid. Appreciation in lettuce prices is occurring which could persist if further weather challenges arrive. Florida tomato shipments have expanded last week but remain well below a year ago. Florida and west coast tomato supplies could improve in the coming weeks. Moderate tomato price depreciation may be impending. The avocado market has fallen 57% since its high last summer but a price bottom is likely near.



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

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

Produce Report (continued)

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