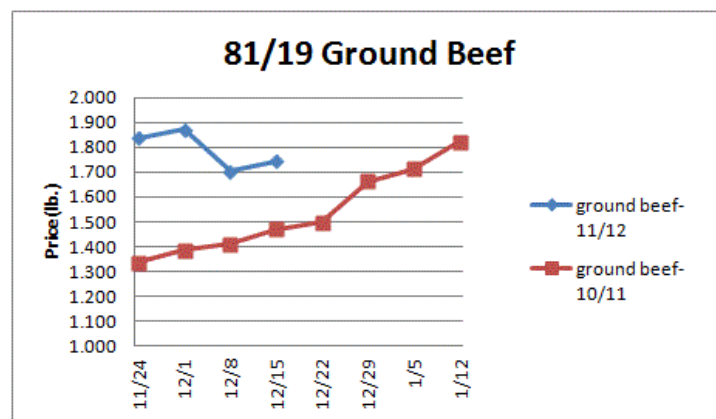


# Weekly Market Updates

Volume No. 4 Issue No. 50 Date: December 15, 2011

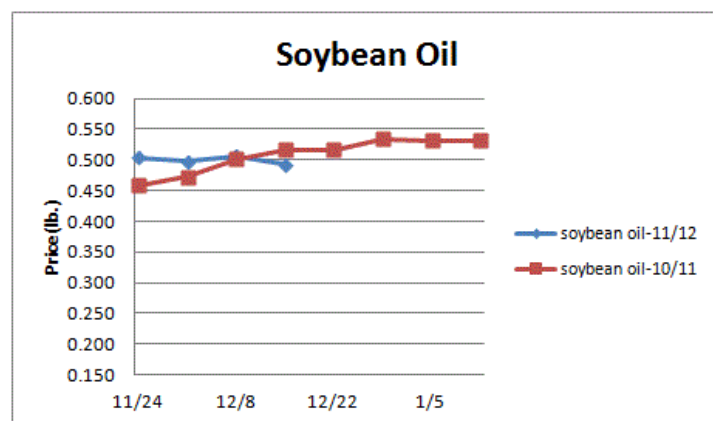
**Beef** - Beef production last week fell 2.1% and was 4.2% smaller than the same week a year ago. Cattle supplies could be tight in '12 which should support beef prices. In Oct, US beef exports were up 11% while US beef imports were down 6% versus last year. If the US dollar appreciates, especially 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.209	1.261	-.052	1.013
Feeder Cattle Index (CME)	1.452	1.444	+.008	1.187
Ground Beef 81/19	1.745	1.702	+.043	1.469
Ground Chuck	1.728	1.738	-.010	1.500
109e Export Rib (choice)	6.945	6.833	+.112	5.376
109e Export Rib (prime)	9.956	10.226	-.270	8.528
112a Ribeye (choice)	7.037	6.998	+.039	5.692
112a Ribeye (prime)	11.475	11.372	+.103	9.433
116 Chuck (select)	2.220	2.218	+.002	1.983
116 Chuck (choice)	2.205	2.187	+.018	2.095
116b Chuck Tdnr (choice)	2.142	2.186	-.044	1.898
120 Brisket (choice)	2.159	2.126	+.033	1.747
121c Outside Skirt (ch/sel)	3.880	4.012	-.132	3.013
121d Inside Skirt (ch/sel)	3.128	3.089	+.039	2.567
167a Knuckle, Trm. (ch.)	2.146	2.118	+.028	1.905
168 Inside Round (ch.)	2.081	2.067	+.014	1.829
174 Short Loin (ch. 0x1)	4.531	4.438	+.093	3.924
174 Short Loin (prime)	9.116	9.134	-.018	7.754
180 1x1 Strp (choice)	4.295	4.326	-.031	3.662
180 1x1 Strp (prime)	10.377	9.533	+.844	8.909
180 0x1 Strp (choice)	4.796	4.858	-.062	3.983
184 Top Butt, bnls (ch.)	2.832	2.857	-.025	2.408
184 Top Butt, bnls (prime)	3.221	2.976	+.245	2.355
185a Sirloin Flap (choice)	3.064	2.936	+.128	2.262
185c Loin, Tri-Tip (choice)	2.795	2.698	+.097	2.262
189a Tender (select)	7.847	8.142	-.295	8.103
189a Tender (choice)	9.889	10.452	-.563	9.669
189a Tender (prime)	14.269	13.790	+.479	11.614
193 Flank Steak (choice)	3.325	3.323	+.002	3.065
50% Trimmings	1.004	1.044	-.040	.797
65% Trimmings	1.440	1.457	-.017	1.131
75% Trimmings	1.552	1.496	+.056	1.250
85% Trimmings	1.798	1.789	+.009	1.481
90% Trimmings	1.905	1.870	+.035	1.597
90% Imported Beef (frz.)	2.040	2.040	-	1.850
95% Imported Beef (frz.)	2.135	2.145	-.010	1.924
Veal Rack (Hotel 7 rib)	6.675	6.675	-	5.100
Veal Top Rnd. (cp. off)	13.450	13.575	-.125	12.575



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

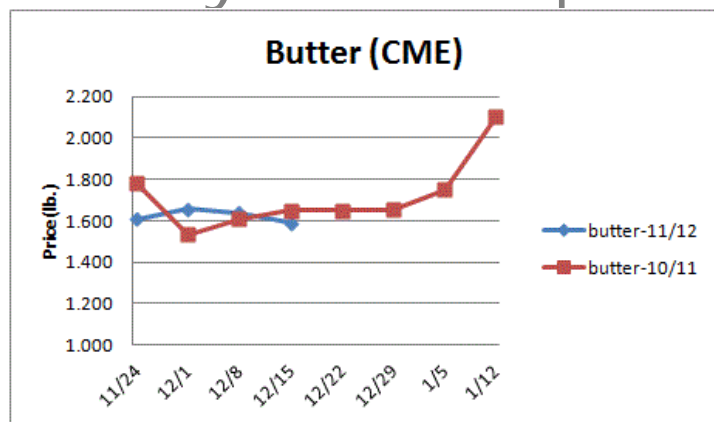
	Price	Last Week	Difference	Price 10
Soybeans, bushel	11.380	11.298	+.082	12.802
Crude Soybean Oil, lb.	.493	.506	-.013	.517
Soybean Meal, ton	272.400	272.600	-.200	343.200
Corn, bushel	5.940	5.993	-.053	5.685
Crude Corn Oil, lb.	.530	.540	-.010	.545
High Fructose Corn Syrup	.183	.183	-	.167
Distillers Grain, Dry	192.666	198.250	-5.584	160.000
Crude Palm Oil, lb. BMD	.433	.446	-.013	.527
HRW Wheat, bushel	6.310	6.510	-.200	7.275
DNS Wheat 14%, bushel	8.850	8.870	-.020	8.380
Durum Wheat, bushel	9.275	9.837	-.562	7.210
Pinto Beans, lb.	.443	.443	-	.198
Black Beans, lb.	.470	.470	-	.260
Rice, Long Grain, lb.	.288	.290	-.002	.300
Coffee, lb. NYBOT	2.156	2.304	-.148	2.172
Sugar, lb. NYBOT	.355	.370	-.015	0.377



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

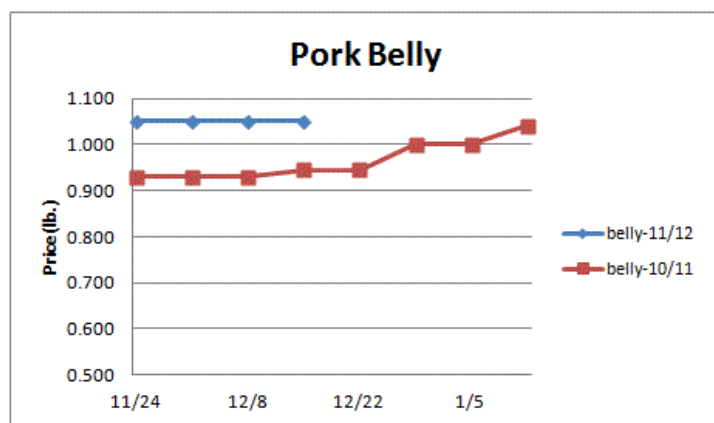
	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.540	1.600	-.060	1.350
Cheese Blocks (CME)	1.588	1.685	-.097	1.323
American Cheese	1.973	2.115	-.142	1.748
Cheddar Cheese (40 lb.)	2.193	2.270	-.077	1.978
Mozzarella Cheese	2.038	2.133	-.095	1.793
Provolone Cheese	2.183	2.278	-.095	1.953
Parmesan Cheese	3.263	3.358	-.095	3.250
Butter (CME)	1.590	1.640	-.050	1.650
Nonfat Dry Milk	1.483	1.494	-.011	1.280
Whey, Dry	.653	.641	+.012	.379
Class I Base	18.470	18.470	-	16.960
Class II Cream, heavy	2.138	2.155	-.017	2.025
Class III Milk (CME)	16.640	17.250	-.610	13.220
Class IV Milk (CME)	16.900	16.880	+.002	15.250

# Weekly Market Updates



**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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.608	.615	-.007	.482
Belly (bacon)	1.050	1.050	-	.945
Sparerib (4.25 lb. & down)	1.528	1.548	-.020	1.350
Ham (20-23 lb.)	.863	.880	-.017	.743
Ham (23-27 lb.)	.840	.820	+.020	.700
Loin (bone-in)	.982	.962	+.020	.908
Babyback Rib (1.75 lb. & up)	2.587	2.580	+.007	2.399
Tenderloin (1.25 lb.)	2.436	2.476	-.040	2.080
Boston Butt, untrmd. (4-8 lb.)	1.007	.995	+.012	.872
Picnic, untrmd.	.707	.772	-.065	.665
SS Picnic, smoker trm. bx.	1.040	1.020	+.020	.930
42% Trimmings	.470	.490	-.020	.250
72% Trimmings	.750	.835	-.085	.700



**Tomato Products, Canned-** The canned tomato markets are steady. Existing canned tomato supplies are adequate but will be less available as the summer approaches. Prices per case (6/10) FOB, unless noted from ARA.

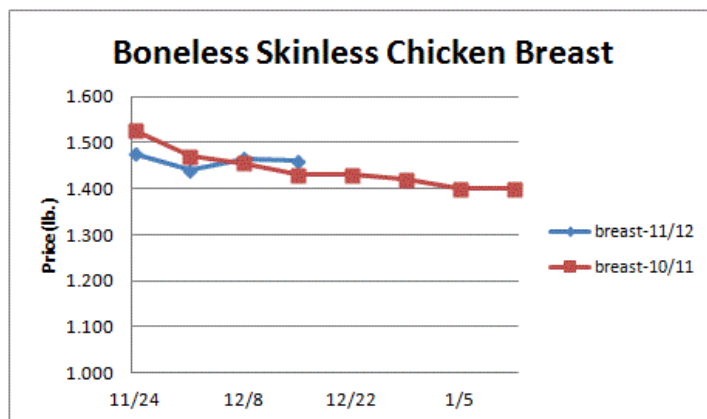
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.370

**Processed Vegetables-** Vegetable processors will begin to look at contracted acreage plans for next year soon. The vegetable markets remain firm. 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-** 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. Prices USDA, FOB per pound except when noted.

	Price	Last Week	Difference	Price 10
<b>Chicken</b>				
Whole Birds (2.5-3 lb.-GA)	.898	.898	-	.853
Whole Birds (LA)	.990	.990	-	.950
Wings (whole)	1.445	1.395	+.050	1.195
Wings (jumbo, cut)	1.434	1.413	+.021	1.369
Breast, Bone In	.830	.830	-	.770
Breast, Bnless Skinless	1.460	1.465	-.005	1.430
Tenderloin (random)	1.280	1.280	-	1.500
Tenderloin (sized)	1.880	1.880	-	1.700
Legs (whole)	.677	.624	+.053	.528
Leg Quarters	.530	.530	-	.400
Thighs, bone in	.726	.768	-.042	.515
Thighs, boneless	1.267	1.272	-.005	1.001
<b>Eggs and Others</b>				
Large (dozen)	1.257	1.200	+.057	1.327
Medium (dozen)	1.028	.988	+.040	.913
Whole Eggs- Liquid	.580	.580	-	.363
Egg Whites- Liquid	.550	.550	-	.436
Egg Yolks- Liquid	.732	.732	-	.743
Whole Turkeys (8-16 lb.)	1.085	1.120	-.035	.965
Turkey Breast, Bnls/Sknls	2.690	2.680	+.010	2.743

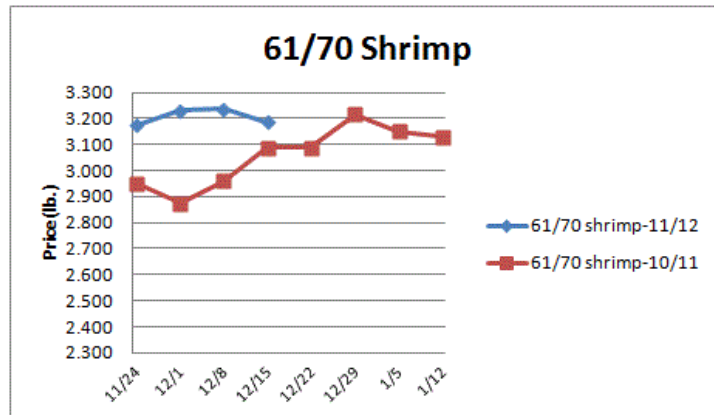


**Seafood-** US total shrimp imports during Oct were .4% larger than last year. However, shell on shrimp imports in Oct were 2.1% less than '10. Year to date US shrimp imports are estimated to be flat versus '10. If the US dollar remains relatively inflated in '12, shrimp imports could increase which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

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Catfish Filets	5.400	5.400	-	3.500
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz	6.225	6.475	-.250	7.575
Shrimp (61/70), Frz.	3.187	3.237	-.050	3.088
Shrimp, Tiger (26/30), Frz.	4.880	4.970	-.090	4.600
Snow Crab, Legs 5-8 oz, Frz	5.350	5.350	-	5.600
Snow Crab, Legs 8 oz/ up, Frz	6.100	6.100	-	5.725
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	-	6.092
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	94.960	101.280	-6.320	88.280
Natural Gas, mbtu- nymex	3.279	3.487	-.208	4.255
Heating Oil, gal- nymex	2.929	3.022	-.093	2.468
Electricity, mwht- nymex	36.320	42.640	-6.320	69.490
Gasoline, gal- nymex	2.625	2.645	-.020	2.296
Diesel Fuel, gal- eia	3.894	3.931	-.037	3.231
Ethanol, gal- usda	2.225	2.695	-.470	1.990
Canadian \$	1.026	1.018	+.008	1.010
Japanese Yen	77.840	77.759	+.081	83.089
Mexican Peso	13.781	13.517	+.264	12.394
Euro	.759	.747	+.012	.744
Brazilian Real	1.843	1.791	+.052	1.697
Chinese Yuan	6.363	6.335	+.028	6.655

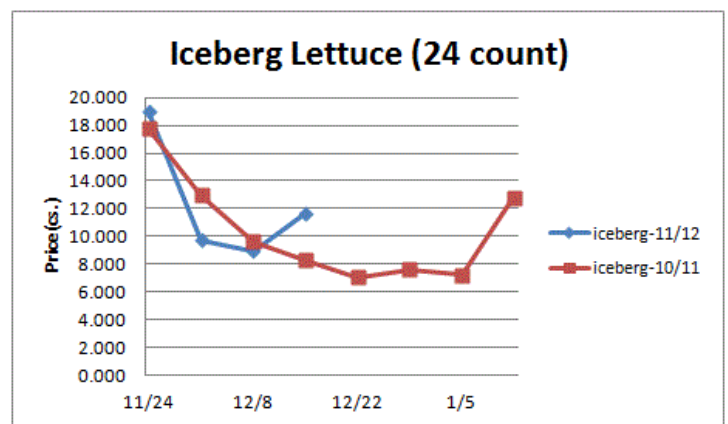
## Paper/Plastic-Provided by; resin- [www.plasticsnews.com](http://www.plasticsnews.com), pulp- [www.paperepage.com](http://www.paperepage.com).

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 10
WP; NBSK (napkin, towel)	890.000	920.000	-30.000	967.350
WP; 42 lb. Linerboard (corr.)	715.095	738.464	-23.369	803.312
Res; PS-CHH (cup, cont.)	1.100-1.140	1.100-1.140	-	.950-.990
Res; PP-HIGP (hvy utensil)	.960-.980	.960-.980	-	.950-.970
Res; PE-LLD (cn liner, film)	.830-.860	.830-.860	-	.830-.860

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

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	8.000	6.000	+2.000	39.000
Lemons (95 ct.)	15.740	15.740	-	14.140
Lemons (200 ct.)	18.240	16.740	+1.500	11.640
Honeydew (6 ct.)	10.050	7.875	+2.175	8.225
Cantaloupe (15 ct.)	11.200	11.450	-.250	12.450

Blueberries (12 count)	18.000	21.000	-3.000	19.500
Strawberries (12 pnts.)	23.000	24.000	-1.000	25.900
Avocados (Hass 48 ct.)	24.250	24.250	-	26.250
Bananas (40 lb.)- Term.	14.598	14.442	+.156	16.668
Pineapple (7 ct.)- Term.	9.791	9.525	+.266	11.625
Idaho Potato (60 ct., 50 lb.)	8.750	9.000	-.250	14.375
Idaho Potato (70 ct., 50 lb.)	8.625	8.875	-.250	13.500
Idaho Potato (70 ct.)-Term.	15.037	10.524	+4.513	18.288
Idaho Potato (90 ct., 50 lb.)	8.625	8.625	-	9.250
Idaho Pot. # 2 (6 oz., 100 lb.)	14.250	14.000	+.250	15.750
Processing Potato (cwt.)	7.500	7.500	-	7.750
Yellow Onions (50 lb.)	6.250	6.666	-.416	9.600
Yell Onions (50 lb.)-Term.	10.787	11.000	-.213	12.208
Red Onions (25 lb.)- Term.	8.671	9.140	-.469	10.089
White Onions (50 lb.)- Term.	17.508	18.500	-.992	17.104
Tomatoes (large- case)	9.200	7.700	+1.500	8.200
Tomatoes (5x6-25 lb.)-Term	10.968	10.833	+.135	11.188
Tomatoes (4x5 vine ripe)	10.000	10.000	-	16.950
Roma Tomatoes (large- case)	11.950	7.960	+3.990	15.458
Roma Tomatoes (xlarge-cs)	12.325	8.750	+3.575	15.467
Green Peppers (large- case)	8.166	8.675	-.509	12.400
Red Peppers (large 15lb. cs.)	18.950	16.950	+2.000	18.950
Iceberg Lettuce (24 count)	11.690	8.952	+2.738	8.280
Iceberg Lettuce (24)-Term.	15.166	15.000	+.166	16.333
Leaf Lettuce (24 count)	10.933	8.108	+2.825	11.792
Romaine Lettuce (24 cnt.)	10.008	8.183	+1.825	11.625
Mesculin Mix (3 lb.)-Term.	6.968	7.000	-.032	7.156
Broccoli (14 ct.)	19.646	12.475	+7.171	22.592
Squash (1/2 bushel)	5.350	6.425	-1.075	18.850
Zucchini (1/2 bushel)	8.175	5.850	+2.325	14.850
Green Beans (bushel)	14.550	18.356	-3.806	32.400
Spinach, Flat 24's	12.550	11.200	+1.350	15.975
Mushrms (10 lb, lg.)-Term.	15.145	15.111	+.034	12.147
Cucumbers (bushel)	10.946	8.675	+2.271	22.510
Pickles (200-300 ct.)- Term.	22.906	19.406	+3.500	21.001
Asparagus (small)	19.500	19.500	-	31.000
Freight (Truck; CA-Cty Av.)	5325.000	5393.750	-68.750	4400.000



## 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