Weekly Market Updates

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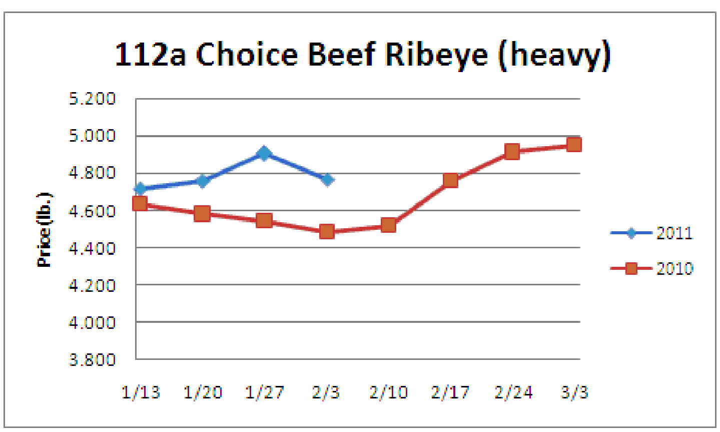
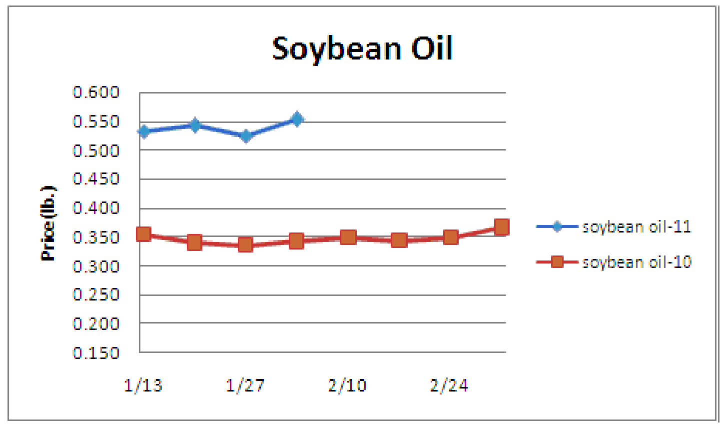
Beef, Veal & Lamb- Beef output last week rose 3% and was 4.8% more than the prior year. Recent USDA cattle herd data suggests that cattle supplies could be limited for most of this year and into 2012. The January 1st cattle (1.4%), heifer (1%), beef cow (1.6%) and calf (.7%) herd sizes were all less than the prior year and historically small. The beef markets are mixed. Solid export demand continues to support beef prices but domestic demand is slowing. The upside risk in many beef markets may be small. The USDA choice boxed beef cutout price index has never traded appreciably above the existing level. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.052	1.053	-.001	.851
Feeder Cattle Index (CME)	1.256	1.276	-.020	.973
Ground Beef 81/19	2.078	2.015	+.063	1.447
Ground Chuck	2.073	2.075	-.002	1.470
109e Export Rib (choice)	4.386	4.476	-.090	4.162
109e Export Rib (prime)	8.433	8.330	+.103	5.992
112a Ribeye (choice)	4.768	4.904	-.136	4.484
112a Ribeye (prime)	9.121	9.065	+.056	6.883
116 Chuck (select)	2.225	2.251	-.026	1.778
116 Chuck (choice)	2.265	2.287	-.022	1.771
116b Chuck Tdnr (choice)	2.203	2.287	-.084	1.878
120 Brisket (choice)	1.912	1.954	-.042	1.594
121c Outside Skirt (ch/sel)	3.775	3.699	+.076	2.636
121d Inside Skirt (ch/sel)	2.847	2.916	-.069	2.457
121e Cap & Wedge	2.450	2.415	+.035	1.663
167a Knckle, Trm. (ch.)	2.200	2.243	-.043	1.696
168 Inside Round (ch.)	1.973	2.041	-.068	1.517
174 Short Loin (ch. 0x1)	3.936	4.044	-.108	3.669
174 Short Loin (prime)	7.542	7.830	-.288	5.083
180 1x1 Strp (choice)	3.738	3.705	+.033	3.421
180 1x1 Strp (prime)	7.685	8.744	-1.059	5.055
180 0x1 Strp (choice)	4.221	4.228	-.007	3.754
184 Top Butt, bnls (ch.)	2.538	2.361	+.177	2.175
184 Top Butt, bnls (prime)	2.547	2.564	-.017	2.115
185a Sirloin Flap (choice)	3.256	3.199	+.057	2.572
185c Loin, Tri-Tip (choice)	2.524	2.503	+.021	2.376
189a Tender (select)	7.742	7.428	+.314	6.445
189a Tender (choice)	7.561	7.607	-.046	6.887
189a Tender (prime)	11.271	11.180	+.091	9.173
193 Flank Steak (choice)	3.809	3.569	+.240	2.684
50% Trimmings	.799	.790	+.009	.667
65% Trimmings	1.027	1.120	-.093	.879
75% Trimmings	1.352	1.324	+.028	1.083
85% Trimmings	1.838	1.823	+.015	1.364
90% Trimmings	1.926	1.925	+.001	1.472
90% Imported Beef (frz.)	2.020	2.035	-.015	1.505
95% Imported Beef (frz.)	2.425	2.138	+.287	1.598
Veal Rack (Hotel 7 rib)	5.125	5.125	-	4.075
Veal Top Rnd. (cp. Off)	12.525	12.525	-	8.950



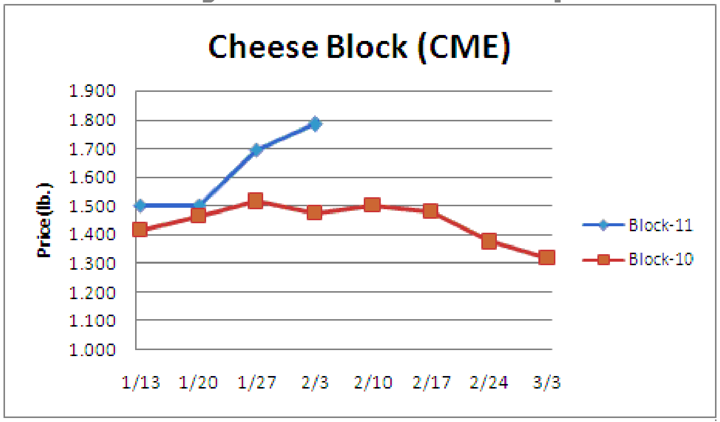
Oil, Grains, Misc.-Coffee supply concerns with the upcoming crop continue to influence the coffee market higher. Elevated coffee prices are anticipated to endure. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	14.055	13.465	+.590	9.141
Crude Soybean Oil, lb.	.553	.524	+.029	.342
Soybean Meal, ton	374.500	360.100	+14.400	294.600
Corn, bushel	6.448	6.193	+.255	3.417
Crude Corn Oil, lb.	.590	.580	+.010	.385
Distillers Grain, Dry	183.250	180.250	+3.000	103.750
Crude Palm Oil, lb. BMD	.569	.561	+.008	.329
HRW Wheat, bushel	8.515	8.430	+.085	4.390
DNS Wheat 14%, bushel	10.110	9.860	+.250	5.520
Canola, lb.	.261	.247	+.014	.155
Canola Oil, SD, (Tor.), lb.	.644	.637	+.007	.427
Pinto Beans, lb.	.239	.220	+.019	.295
Black Beans, lb.	.284	.271	+.013	.342
Rice, Long Grain, lb.	.286	.286	-	.260
Coffee, lb. NYBOT	2.448	2.373	+.075	1.326



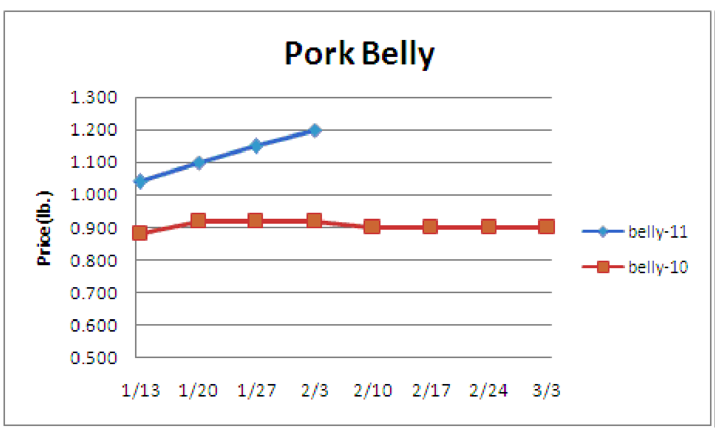
Dairy-The CME cheese markets have risen over 25% during the last 4 weeks alone due to concerns over pending cheese supplies and firming international dairy prices. Sellers have resisted selling product during this time period anticipating higher prices. Still, charts suggest that a top in the cheese markets could occur soon. The last two times the CME cheese markets have climbed to these price levels they have declined. CME cheese prices have not traded notably above the existing price levels in over 2 years. The butter market could remain historically inflated this winter. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.725	1.643	+.082	1.498
Cheese Blocks (CME)	1.783	1.693	+.090	1.473
American Cheese	1.920	1.845	+.075	1.868
Cheddar Cheese (40 lb.)	1.900	1.900	-	1.980
Mozzarella Cheese	1.980	1.855	+.125	1.858
Provolone Cheese	2.173	2.013	+.160	2.023
Parmesan Cheese	3.470	3.310	+.160	3.388
Butter (CME)	2.100	2.100	-	1.345
Nonfat Dry Milk	1.415	1.387	+.028	1.324
Whey, Dry	.406	.405	+.001	.388
Class 1 Base	15.890	15.890	-	14.840
Class II Cream, heavy	2.651	2.520	+.131	1.758
Class III Milk (CME)	17.970	16.490	+1.480	13.960
Class IV Milk (CME)	19.600	18.200	+1.400	12.900



Pork-Pork output last week rose 1% and was 4.8% larger than the previous year. The January hog feed price ratio was historically low suggesting poor margins for hog farmers. Still, hog futures have jumped higher as of late due in part to the anticipated expansion in pork export trade. Hog prices during February are likely to average significantly above January which should help farmer margins. The ham markets are firming as export demand picks up. Additional ham market increases may be impending. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.596	.555	+.041	.464
Belly (bacon)	1.200	1.150	+.050	.920
Sparerib (4.25 lb. & down)	1.590	1.567	+.023	1.309
Ham (20-23 lb.)	.750	.720	+.030	.670
Ham (23-27 lb.)	.780	.720	+.060	.662
Loin (bone-in)	.970	.980	-.010	.796
Bbybck Rib (1.75 lb. & up)	2.494	2.434	+.060	2.377
Tenderloin (1.25 lb.)	2.453	2.383	+.070	2.256
Boston Butt, untrmd. (4-8 lb.)	1.015	.938	+.077	.662
Picnic, untrmd.	.696	.669	+.027	.476
SS Picnic, smoker trm. bx.	.860	.750	+.110	.610
42% Trimmings	.450	.520	-.070	.410
72% Trimmings	.850	.850	-	.609



Tomato Products, Canned-2011 California tomato for processing acreage is projected to be the smallest since 2005. The markets are steady to firm. Prices per case (6/10) FOB, unless noted from ARA.

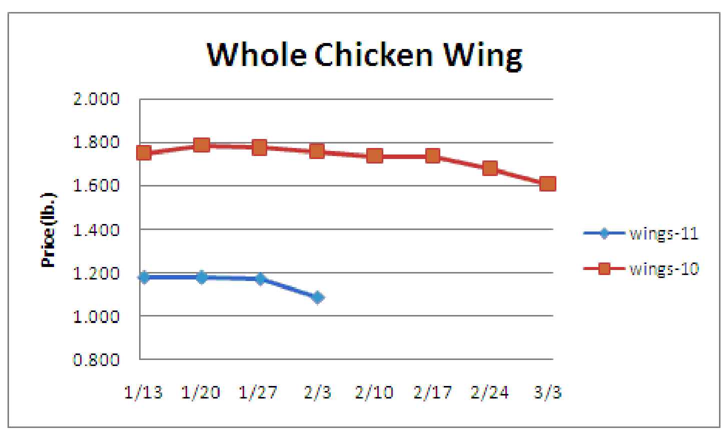
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.750
Diced, Fancy	12.250	12.250	-	13.250
Ketchup, 33%	13.000	13.000	-	14.125
Tomato Paste- Industrial (lb.)	.370	.370	-	.400

Processed Vegetables-Processors are negotiating acreage and raw product costs for the 2011 harvest season. Higher processed vegetable prices are likely next fall. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 10
Corn, Fcy whl kern- can 6/10	16.906	16.906	-	17.406
Green Beans Fcy- can 6/10	16.563	16.563	-	17.056
Green Peas, Fcy- can 6/10	17.750	17.750	-	18.250
Corn, Cob- froz 96 ct.	14.000	14.000	-	14.500
Corn, Kernel- froz 12/2.5#	14.250	14.250	-	18.750
Green Beans Cut- froz 12/2#	12.900	12.900	-	18.000
Green Peas- froz 12/2.5#	20.250	20.250	-	17.513
Potatoes, FF Fncy- froz 6/5#	13.000	13.000	-	18.875

Poultry-The January chicken feed price ratio was the smallest since June 2008 indicating very poor margins for chicken producers. Feed costs remain inflated and the chicken markets have yet to gain any seasonal appreciation traction which could cause further challenges for chicken producers' profits in the coming weeks. We expect that chicken output growth will be slowed sometime before the summer. Chicken prices, as a whole, are at a tremendous value compared to beef and pork which should encourage retail and food service chicken feature activity this spring. Thus we believe that higher chicken breast prices should be forthcoming. The chicken wing markets are weak. Chicken wing prices usually move lower in March. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.850	.850	-	.833
Whole Birds (LA)	.940	.940	-	.920
Wings (whole)	1.085	1.175	-.090	1.755
Wings (jumbo, cut)	1.250	1.250	-	1.773
Breast, Bone In	.780	.785	-.005	.835
Breast, Bnless Skinless	1.380	1.430	-.050	1.545
Tenderloin (random)	1.000	1.000	-	1.290
Tenderloin (sized)	1.850	1.850	-	1.980
Legs (whole)	.499	.482	+.017	.524
Leg Quarters	.385	.395	-.010	.380
Thighs, bone in	.529	.521	+.008	.527
Thighs, boneless	.999	.956	+.043	.963
Eggs and Others				
Large (dozen)	1.017	.967	+.050	1.313
Medium (dozen)	.888	.837	+.051	1.000
Whole Eggs- Liquid	.379	.333	+.046	.473
Egg Whites- Liquid	.394	.327	+.067	.454
Egg Yolks- Liquid	.641	.641	-	.664
Whole Turkeys (8-16 lb.)	.900	.900	-	.778
Turkey Breast, Bnls/Sknls	2.279	2.370	-.091	1.450



Seafood-The US International Trade Commission held a hearing this week to determine whether shrimp import tariffs in the US against several major shrimp exporting countries were still needed. The tariffs have been in place for the last several years. It is likely that the commission will rule to continue the tariffs but if not it could notably bearish for shrimp prices. Roughly 90% of the shrimp consumed in the US is from abroad. Prices for

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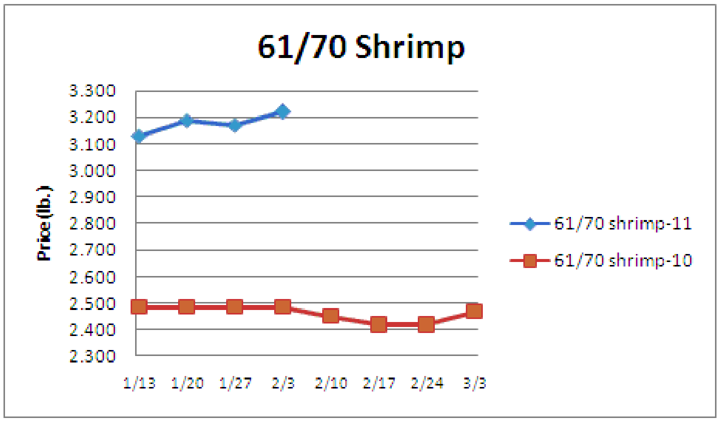
fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	3.550	3.550	-	3.250
Catfish Filets	3.500	3.500	-	3.500
Trout (drn. 8-14 oz.)	3.100	3.100	-	3.000
Shrimp (16/20), Frz	7.307	7.455	-.148	4.554
Shrimp (61/70), Frz.	3.220	3.170	+.050	2.484
Shrimp, Tiger (26/30), Frz.	4.563	4.950	-.387	4.100
Snow Crab, Legs 5-8 oz, Frz	5.800	5.800	-	3.550
Snow Crab, Legs 8 oz/ up, Fz	5.875	5.875	-	4.050
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	2.983
Cod Loins, 3-12 oz., Frz	3.794	3.794	-	3.525
Salmon Portions, 4-8 oz, Frz	6.113	6.113	-	5.378
Pollock, Alaska, Deep Skin	2.075	2.075	-	2.075



Energy & Currency-Currency US dollar is worth.

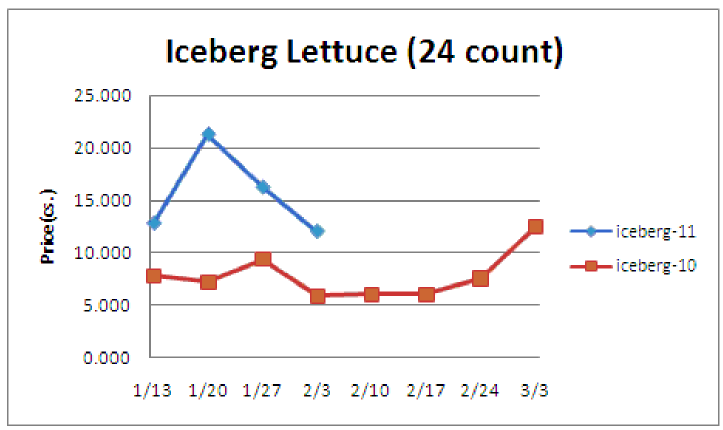
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	90.770	86.190	+4.580	77.230
Natural Gas, mbtu- nymex	4.347	4.473	-.126	5.454
Heating Oil, gal- nymex	2.757	2.593	+.164	2.032
Electricity, mwht- nymex	48.140	58.880	-10.740	54.150
Gasoline, gal- nymex	2.519	2.343	+.176	2.018
Diesel Fuel, gal- eia	3.438	3.430	+.008	2.781
Ethanol, gal- usda	2.205	2.250	-.045	1.730
Canadian $	.992	.999	-.007	1.060
Japanese Yen	81.461	82.325	-.864	90.550
Mexican Peso	12.008	12.085	-.077	12.883
Euro	.725	.733	-.008	.718
Brazilian Real	1.662	1.671	-.009	1.844
Chinese Yuan	6.597	6.583	+.014	6.827

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)	959.510	960.370	-.860	842.090
WP; 42 lb. Linerboard (corr.)	832.254	823.253	+9.001	559.520
Res; PS-CHH (cup, cont.)	.950-.990	.950-.990	-	.840-.880
Res; PP-HIGP (hvy utensil)	1.150-1.170	1.150-1.170	-	.930-.950
Res; PE-LLD (cn liner, film)	.830-.860	.830-.860	-	.740-.770

Produce-The lettuce markets are declining as the harvest has improved in recent weeks while demand has been lackluster. Cold weather in the principal lettuce harvest area this week could delay output some but the winter storms hitting a good portion of the US is anticipated to slow demand. We expect that the lettuce markets could find a bottom soon. The California avocado harvest is likely to be late and well below average levels this year. This may influence avocado prices higher later this winter. Still, history tells us that the avocado market may decline during the next few weeks. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	55.000	52.000	+3.000	19.000
Lemons (95 ct.)	11.640	13.640	-2.000	17.040
Lemons (200 ct.)	12.140	12.140	-	22.280
Honeydew (6 ct.)	9.069	9.319	-.250	9.250
Cantaloupe (15 ct.)	10.283	10.213	+.070	11.125
Blueberries (12 count)	14.000	14.000	-	21.000
Strwbrries (12 pnts.)	21.000	21.000	-	27.000
Avocds (Hass 48 ct.)	33.750	32.250	+1.500	24.000
Bananas (40 lb.)- Term.	19.396	18.662	+.734	15.813
Pineapple (7 ct.)- Term.	12.750	12.063	+.687	14.084
Idaho Potato (60 ct., 50 lb.)	18.000	17.125	+.875	5.000
Idaho Potato (70 ct., 50 lb.)	16.500	15.875	+.625	5.000
Idaho Potato (70 ct.)-Term.	20.208	19.825	+.383	11.339
Idaho Potato (90 ct., 50 lb.)	10.625	10.000	+.625	5.000
Idaho Pot. # 2 (6 oz., 100 lb.)	14.750	14.250	+.500	6.500
Processing Potato (cwt.)	7.750	7.750	-	4.500
Yellow Onions (50 lb.)	9.458	10.417	-.959	8.188
Yell Onions (50 lb.)-Term.	14.938	12.688	+2.250	11.875
Red Onions (25 lb.)- Term.	10.146	10.333	-.187	9.042
White Onions (50 lb.)- Term.	17.656	17.667	-.011	27.438
Tomatoes (large- case)	12.450	13.200	-.750	13.950
Tomatoes (5x6-25 lb.)-Term	16.467	17.417	-.950	14.153
Tomatoes (4x5 vine ripe)	7.450	8.950	-1.500	8.475
Roma Tomatoes (large- case)	7.625	9.894	-2.269	7.777
Roma Tomatoes (xlarge-cs)	7.792	9.894	-2.102	8.110
Green Peppers (large- case)	8.775	9.150	-.375	17.900
Red Peppers (large 15lb. cs.)	13.950	14.950	-1.000	10.950
Iceberg Lettuce (24 count)	12.020	16.243	-4.223	5.940
Iceberg Lettuce (24)-Term.	20.167	22.167	-2.000	14.167
Leaf Lettuce (24 count)	8.052	8.942	-.890	5.853
Romaine Lettuce (24 cnt.)	18.053	20.725	-2.672	5.855
Mesculin Mix (3 lb.)-Term.	6.854	6.854	-	6.281
Broccoli (14 ct.)	8.956	11.650	-2.694	5.494
Squash (1/2 bushel)	16.600	12.100	+4.500	27.600
Zucchini (1/2 bushel)	8.850	8.600	+.250	8.425
Green Beans (bushel)	27.150	39.650	-12.500	32.950
Spinach, Flat 24’s	16.600	18.200	-1.600	8.950
Mushrms (10 lb, lg.)-Term.	13.313	13.313	-	11.443
Cucumbers (bushel)	5.694	7.319	-1.625	11.370
Pickles (200-300 ct.)- Term.	21.125	19.813	+1.312	23.396
Asparagus (small)	14.500	13.000	+1.500	14.000
Freight (Truck; CA-Cty Av.)	4300.000	4300.000	-	3845.000



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

	Dec-10	Nov-10	Oct-10	Sep-10
Beef and Veal	-.595	+.168	+.955	+.331
Dairy	+.372	-.006	+1.130	+.166
Pork	-2.092	-1.875	+1.111	+1.503
Chicken	-.773	+.357	+1.111	+.870
Fresh Fish and Seafood	+.251	+2.026	+1.203	-.061
Fresh Fruits and Veg.	+3.090	+.698	+1.030	+1.530