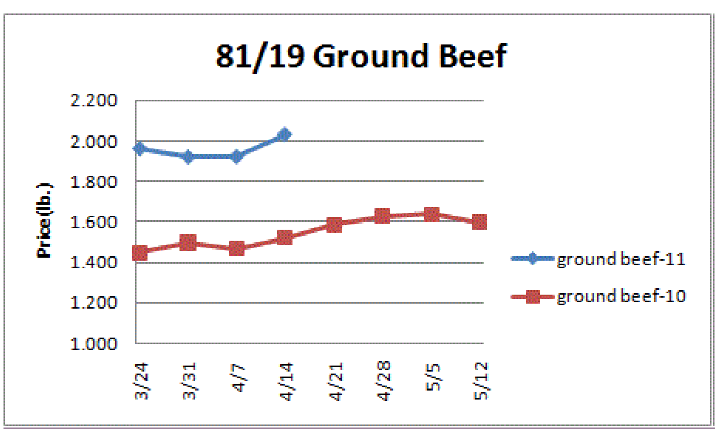
Weekly Market Updates

Volume No. 4 Issue No. 15 Date: April 14, 2011

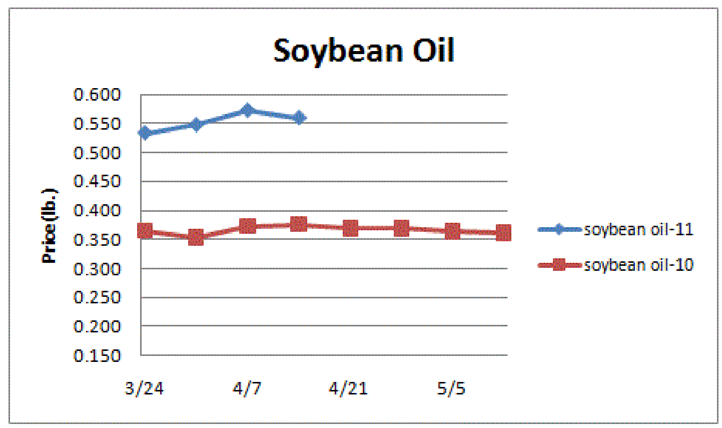
Beef - Beef output last week declined 1.5% but was 3.5% better than 2010. Spot cattle prices are declining and have likely put their top in for the year. This could encourage beef production during the next few weeks which may be bearish for beef prices. It's quite possible that the USDA indexes of beef prices for choice and select product have made their tops for 2011 as well. February US beef imports were 15% less than last year and the smallest for the month since 1985. The inflated Australian dollar versus the US dollar may continue to limit US beef imports which is bullish for lean beef trimming prices. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.185	1.249	-.064	1.002
Feeder Cattle Index (CME)	1.361	1.344	+.017	1.133
Ground Beef 81/19	2.032	1.922	+.110	1.520
Ground Chuck	1.981	1.885	+.096	1.568
109e Export Rib (choice)	5.404	5.341	+.063	4.886
109e Export Rib (prime)	7.116	7.436	-.320	6.712
112a Ribeye (choice)	5.894	5.564	+.330	5.495
112a Ribeye (prime)	8.357	7.659	+.698	7.448
116 Chuck (select)	2.099	2.269	-.170	1.839
116 Chuck (choice)	2.119	2.257	-.138	1.853
116b Chuck Tdnr (choice)	2.129	2.234	-.105	1.662
120 Brisket (choice)	1.721	1.707	+.014	1.697
121c Outside Skirt (ch/sel)	3.575	4.057	-.482	3.239
121d Inside Skirt (ch/sel)	3.527	3.547	-.020	2.823
167a Knckle, Trm. (ch.)	2.193	2.320	-.127	2.047
168 Inside Round (ch.)	2.175	2.215	-.040	1.954
174 Short Loin (ch. 0x1)	5.865	5.668	+.197	5.605
174 Short Loin (prime)	7.559	7.617	-.058	6.357
180 1x1 Strp (choice)	5.420	4.870	+.550	5.434
180 1x1 Strp (prime)	7.670	8.439	-.769	7.221
180 0x1 Strp (choice)	5.904	5.702	+.202	5.802
184 Top Butt, bnls (ch.)	2.863	2.724	+.139	2.775
184 Top Butt, bnls (prime)	2.862	2.271	+.591	2.945
185a Sirloin Flap (choice)	3.620	3.752	-.132	3.640
185c Loin, Tri-Tip (choice)	2.768	2.800	-.032	2.578
189a Tender (select)	8.210	8.308	-.098	7.927
189a Tender (choice)	8.559	8.586	-.027	8.789
189a Tender (prime)	10.853	10.936	-.083	10.177
193 Flank Steak (choice)	3.949	4.043	-.094	3.810
50% Trimmings	1.034	1.092	-.058	.889
65% Trimmings	1.228	1.266	-.038	1.112
75% Trimmings	1.528	1.485	+.043	1.233
85% Trimmings	1.932	1.944	-.012	1.565
90% Trimmings	2.031	2.018	+.013	1.660
90% Imported Beef (frz.)	2.080	2.085	-.005	1.765
95% Imported Beef (frz.)	2.190	2.190	-	1.844
Veal Rack (Hotel 7 rib)	5.450	5.300	+.150	4.300
Veal Top Rnd. (cp. Off)	12.500	12.625	-.125	9.500



Oil, Grains, Misc.-The US hard winter wheat crop remains significantly challenged by dry weather. This could support wheat prices in the coming weeks. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.134	13.583	-.449	9.560
Crude Soybean Oil, lb.	.559	.572	-.013	.376
Soybean Meal, ton	324.900	341.000	-16.100	287.200
Corn, bushel	7.298	7.335	-.037	3.408
Crude Corn Oil, lb.	.680	.703	-.023	.385
Distillers Grain, Dry	211.750	212.500	-.750	98.000
Crude Palm Oil, lb. BMD	.514	.513	+.001	.365
HRW Wheat, bushel	8.165	8.705	-.540	4.255
DNS Wheat 14%, bushel	9.710	10.210	-.500	5.520
Canola, lb.	.259	.270	-.011	.170
Canola Oil, SD, (Tor.), lb.	.653	.653	-	.461
Pinto Beans, lb.	.282	.278	+.004	.279
Black Beans, lb.	.325	.325	-	.346
Rice, Long Grain, lb.	.255	.261	-.006	.248
Coffee, lb. NYBOT	2.746	2.561	+.185	1.336
Sugar, lb. NYBOT	.385	.395	-.010	.315



Dairy-The CME cheese markets have turned higher despite seasonally building milk production. Strong exports are likely behind the cheese market strength. The CME cheese markets are currently trading at about a $.30 discount to the international market which should encourage exports. Still, the upside risk in cheese from here may only be moderate. February US cheese exports were 103% more than 2010 and a record. US butter exports during February were 164% more than last year. The butter market is firming due to tight supplies but the market could settle soon. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.598	1.523	+.075	1.385
Cheese Blocks (CME)	1.628	1.578	+.050	1.433
American Cheese	1.890	2.033	-.143	1.798
Cheddar Cheese (40 lb.)	2.090	2.148	-.058	1.800
Mozzarella Cheese	1.923	1.980	-.057	1.830
Provolone Cheese	2.080	2.138	-.058	1.998
Parmesan Cheese	3.155	3.213	-.058	3.363
Butter (CME)	2.000	1.970	+.030	1.555
Nonfat Dry Milk	1.644	1.645	-.001	1.209
Whey, Dry	.490	.514	-.024	.381
Class 1 Base	19.430	19.430	-	13.220
Class II Cream, heavy	2.494	2.654	-.160	1.976
Class III Milk (CME)	17.080	16.320	+.760	13.100
Class IV Milk (CME)	19.750	19.750	-	13.870

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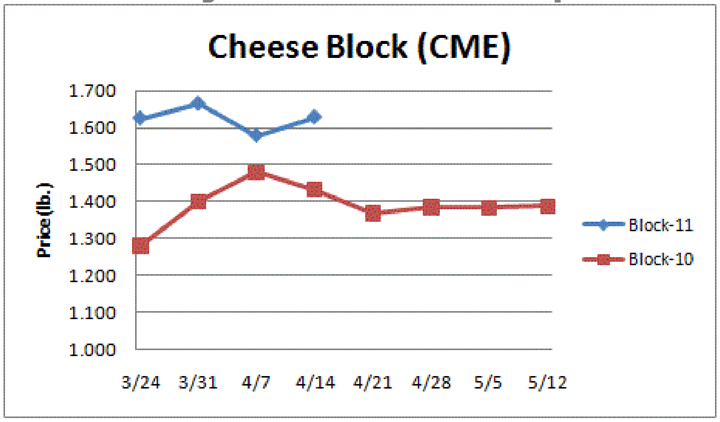
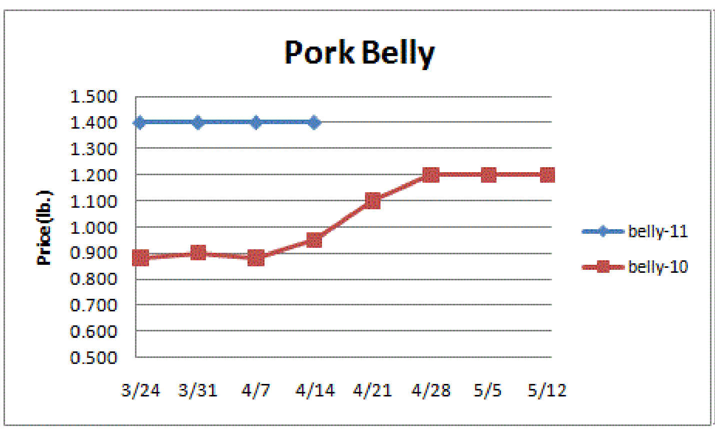


Pork-Pork output last week declined 2.8% but was 4.8% more than the same week a year ago. February US pork exports were 8% bigger than the previous year due in a large part to increased trade with South Korea. It is estimated that South Korea's swine herd has been reduced by a third due to disease which could cause solid US pork exports to persist to that country. If so it would support pork butt prices. February US ham exports were 25% more than last year. The ham markets are likely to turn higher soon. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.675	.657	+.018	.547
Belly (bacon)	1.400	1.400	-	.950
Sparerib (4.25 lb. & down)	1.620	1.550	+.070	1.418
Ham (20-23 lb.)	.745	.830	-.085	.740
Ham (23-27 lb.)	.736	.830	-.094	.740
Loin (bone-in)	1.037	.978	+.059	.953
Bbybck Rib (1.75 lb. & up)	2.850	2.591	+.259	2.583
Tenderloin (1.25 lb.)	2.690	2.570	+.120	2.217
Boston Butt, untrmd. (4-8 lb.)	1.057	1.014	+.043	.902
Picnic, untrmd.	.732	.679	+.053	.613
SS Picnic, smoker trm. bx.	.980	.920	+.060	.774
42% Trimmings	.600	.550	+.050	.600
72% Trimmings	.860	.810	+.050	.800



Tomato Products, Canned-Raw product prices for California tomato canners will rise just 5% this year. Still, modestly higher canned tomato prices may be impending. Prices per case (6/10) FOB, unless noted from ARA.

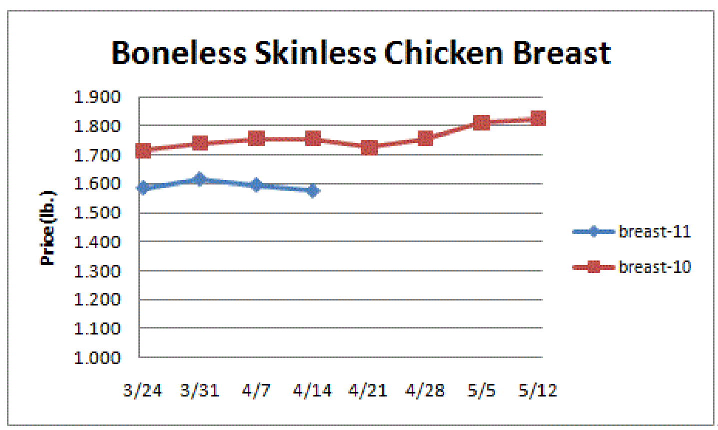
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.750
Diced, Fancy	12.250	12.250	-	13.250
Ketchup, 33%	13.000	13.000	-	13.875
Tomato Paste- Industrial (lb.)	.390	.390	-	.395

Processed Vegetables-The markets remain steady to firm. Processed vegetable supplies are expected to tighten considerably with the new crop this fall which is bullish. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 10
Corn, Fcy whl kern- can 6/10	17.406	17.406	-	16.906
Green Beans Fcy- can 6/10	17.000	17.000	-	16.563
Green Peas, Fcy- can 6/10	17.750	17.750	-	17.750
Corn, Cob- froz 96 ct.	14.500	14.500	-	14.000
Corn, Kernel- froz 12/2.5#	14.250	14.250	-	17.625
Green Beans Cut- froz 12/2#	12.900	12.900	-	15.300
Green Peas- froz 12/2.5#	20.250	20.250	-	17.625
Potatoes, FF Fncy- froz 6/5#	13.000	13.000	-	12.750

Poultry-Strong chicken exports are supporting the chicken leg quarter market. February US chicken exports were 12% better than last year despite historically light trade with Russia. Given the ongoing deflated US dollar and historically high pork and beef prices, strong US chicken exports are anticipated to persist into the summer which should lead to even higher leg quarter prices. This is good news for chicken breast buyers in the US as it should lessen the need for chicken producers to seek price from the breast portion of the chicken. The chicken breast markets are mixed. We anticipate that modestly higher chicken breast prices are pending. The chicken breast markets usually rise 10% during the next 6 weeks. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.865	.863	+.002	.853
Whole Birds (LA)	.950	.950	-	.940
Wings (whole)	.840	.930	-.090	1.460
Wings (jumbo, cut)	1.136	1.136	-	1.380
Breast, Bone In	.925	.905	+.020	.945
Breast, Bnless Skinless	1.575	1.595	-.020	1.755
Tenderloin (random)	1.480	1.440	+.040	1.420
Tenderloin (sized)	2.230	2.260	-.030	2.020
Legs (whole)	.703	.672	+.031	.487
Leg Quarters	.465	.470	-.005	.380
Thighs, bone in	.679	.678	+.001	.487
Thighs, boneless	1.270	1.258	+.012	.921
Eggs and Others				
Large (dozen)	1.130	1.042	+.088	1.063
Medium (dozen)	.988	.958	+.030	.830
Whole Eggs- Liquid	.570	.529	+.041	.522
Egg Whites- Liquid	.685	.538	+.147	.463
Egg Yolks- Liquid	.697	.690	+.007	.633
Whole Turkeys (8-16 lb.)	.990	.960	+.030	.800
Turkey Breast, Bnls/Sknls	2.502	2.461	+.041	1.692



Seafood-Elevated US shrimp prices continue to encourage US shrimp imports. The US did import 3.3% less shrimp in February than the previous year but the total was historically solid. Further, February shell on shrimp imports were 2% more than last year. Flooding in Thailand has damaged shrimp farms there which could mitigate pending US shrimp imports and be bullish for shrimp prices. Salmon prices remain inflated.

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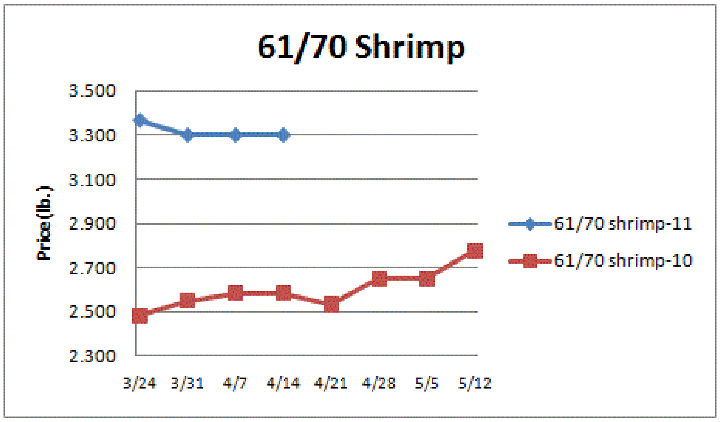
Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	4.700	4.700	-	3.850
Catfish Filets	4.750	4.700	+.050	3.500
Trout (drn. 8-14 oz.)	3.300	3.100	+.200	3.000
Shrimp (16/20), Frz	7.377	7.411	-.034	5.104
Shrimp (61/70), Frz.	3.300	3.300	-	2.584
Shrimp, Tiger (26/30), Frz.	4.567	4.567	-	4.250
Snow Crab, Legs 5-8 oz, Frz	5.800	5.800	-	3.825
Snow Crab, Legs 8 oz/ up, Fz	6.050	6.050	-	4.275
Cod Tails, 3-7 oz., Frz.	3.163	3.163	-	2.983
Cod Loins, 3-12 oz., Frz	3.831	3.831	-	3.525
Salmon Portions, 4-8 oz, Frz	7.388	7.388	-	5.458
Pollock, Alaska, Deep Skin	1.925	1.925	-	2.075



Energy & Currency-Currency US dollar is worth.

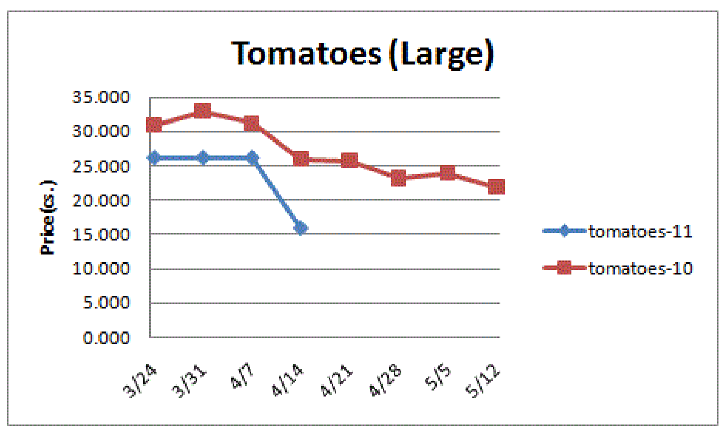
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	106.250	108.470	-2.220	84.050
Natural Gas, mbtu- nymex	4.098	4.289	-.191	4.160
Heating Oil, gal- nymex	3.173	3.171	+.002	2.214
Electricity, mwht- nymex	46.390	45.820	+.570	41.170
Gasoline, gal- nymex	3.164	3.169	-.005	2.309
Diesel Fuel, gal- eia	4.078	3.976	+.102	3.069
Ethanol, gal- usda	2.620	2.460	+.160	1.430
Canadian $	.958	.963	-.005	1.003
Japanese Yen	84.223	83.961	+.265	93.013
Mexican Peso	11.770	11.833	-.063	12.191
Euro	.691	.702	+.259	.736
Brazilian Real	1.580	1.615	-.035	1.755
Chinese Yuan	6.540	6.538	+.002	6.826

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)	1013.430	985.190	+28.240	940.230
WP; 42 lb. Linerboard (corr.)	861.711	848.589	+13.122	612.584
Res; PS-CHH (cup, cont.)	1.030-1.070	1.030-1.070	-	.940-.980
Res; PP-HIGP (hvy utensil)	1.100-1.120	1.100-1.120	-	1.0501.070
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.880-.910

Produce-Tomato supplies are beginning to improve. Tomato shipments out of Florida last week rose 38% from the prior week. Even better Florida tomato shipments may occur in the coming weeks. However, west coast tomato supplies could be subpar this month which may limit any pending tomato market decreases. The chief lettuce harvest area will be transitioning north during the next few weeks which could bring some modest supply gaps. Moderately higher lettuce prices may be forthcoming. The potato markets remain elevated due to historically tight supplies. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	17.000	19.000	-2.000	43.000
Lemons (95 ct.)	13.640	13.640	-	18.540
Lemons (200 ct.)	16.640	16.640	-	19.040
Honeydew (6 ct.)	10.138	11.356	-1.218	8.000
Cantaloupe (15 ct.)	10.283	10.450	-.167	10.988
Blueberries (12 count)	32.425	26.256	+6.169	21.800
Strwbrries (12 pnts.)	14.500	13.500	+1.000	10.000
Avocds (Hass 48 ct.)	47.750	47.750	-	26.500
Bananas (40 lb.)- Term.	18.400	17.778	+.622	15.719
Pineapple (7 ct.)- Term.	12.024	11.667	+.357	12.938
Idaho Potato (60 ct., 50 lb.)	24.000	24.000	-	7.500
Idaho Potato (70 ct., 50 lb.)	23.000	23.000	-	7.500
Idaho Potato (70 ct.)-Term.	26.650	28.025	-1.375	10.771
Idaho Potato (90 ct., 50 lb.)	14.000	14.000	-	4.500
Idaho Pot. # 2 (6 oz., 100 lb.)	16.500	16.500	-	5.750
Processing Potato (cwt.)	9.000	9.000	-	7.900
Yellow Onions (50 lb.)	5.950	5.094	+.856	27.000
Yell Onions (50 lb.)-Term.	9.931	9.396	+.535	29.803
Red Onions (25 lb.)- Term.	7.917	7.781	+.136	22.688
White Onions (50 lb.)- Term.	11.344	11.563	-.219	66.125
Tomatoes (large- case)	15.950	26.117	-10.167	25.950
Tomatoes (5x6-25 lb.)-Term	25.250	28.674	-3.424	29.775
Tomatoes (4x5 vine ripe)	25.950	27.950	-2.000	17.950
Roma Tomatoes (large- case)	35.117	30.275	+4.842	14.094
Roma Tomatoes (xlarge-cs)	35.117	30.433	+4.684	14.719
Green Peppers (large- case)	10.850	10.085	-	19.600
Red Peppers (large 15lb. cs.)	18.950	17.950	+1.000	19.950
Iceberg Lettuce (24 count)	8.640	7.502	+1.138	10.813
Iceberg Lettuce (24)-Term.	14.667	14.000	+.667	16.333
Leaf Lettuce (24 count)	9.981	7.156	+2.825	8.500
Romaine Lettuce (24 cnt.)	9.373	7.270	+2.103	8.094
Mesculin Mix (3 lb.)-Term.	6.979	7.042	-.063	6.625
Broccoli (14 ct.)	8.513	10.581	-2.068	8.738
Squash (1/2 bushel)	7.850	5.350	+2.500	13.425
Zucchini (1/2 bushel)	7.850	4.850	+3.000	8.425
Green Beans (bushel)	16.350	12.850	+3.500	17.934
Spinach, Flat 24's	18.575	15.600	+2.975	21.625
Mushrms (10 lb, lg.)-Term.	13.313	13.313	-	11.360
Cucumbers (bushel)	13.154	18.550	-5.396	10.410
Pickles (200-300 ct.)- Term.	27.806	40.167	-12.361	37.250
Asparagus (small)	17.000	13.500	+3.500	42.750
Freight (Truck; CA-Cty Av.)	4155.556	4136.111	+19.455	4656.250



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

	Feb-11	Jan-11	Dec-10	Nov-10
Beef and Veal	+1.910	+2.259	-.595	+.168
Dairy	+.574	+.145	+.372	-.006
Pork	+.959	+1.538	-2.092	-1.875
Chicken	+.460	-.981	-.773	+.357
Fresh Fish and Seafood	+.420	+1.516	+.251	+2.026
Fresh Fruits and Veg.	+.486	+3.253	+3.090	+.698