Weekly Market Updates

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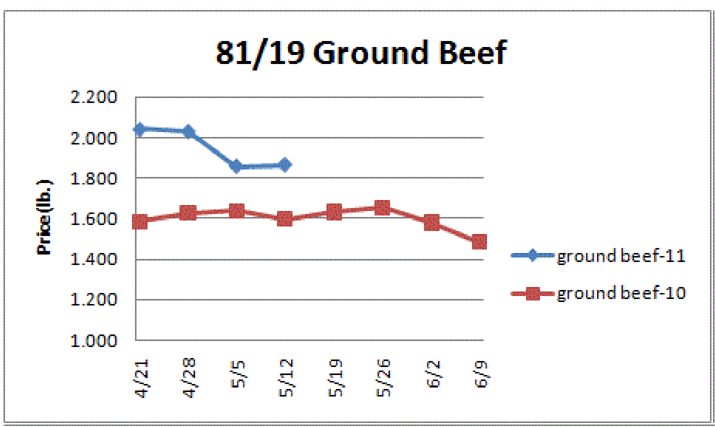
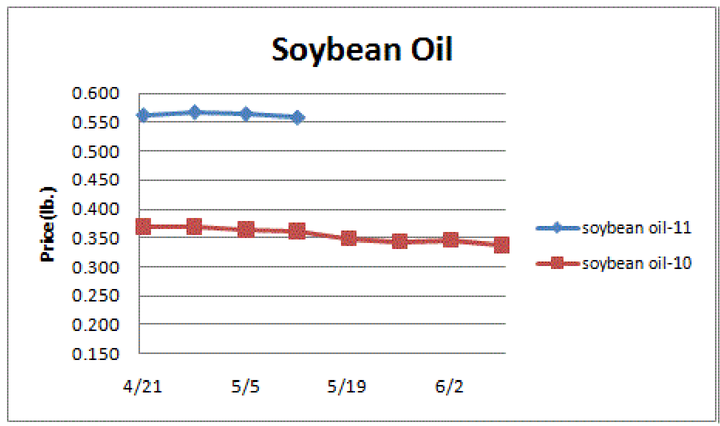
Beef - Beef output last week rose 6.4% but was 2.1% less the same week a year ago. Beef production could trend above 2010 levels in the coming months due to a better supply of slaughter ready cattle. US beef exports during March were 49% more than last year and the most for any month since June 2003. The recent uptick in the dollar could temper beef exports some but overall solid beef exports are likely to persist into the summer. March US beef imports were 20% less than last year and the smallest for the month in 20 years. Lethargic beef imports are bullish for lean beef trimming prices. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.147	1.159	-.012	1.004
Feeder Cattle Index (CME)	1.294	1.318	-.024	1.130
Ground Beef 81/19	1.865	1.857	+.008	1.598
Ground Chuck	1.896	1.844	+.052	1.675
109e Export Rib (choice)	5.208	5.322	-.114	4.711
109e Export Rib (prime)	7.228	7.647	-.419	6.427
112a Ribeye (choice)	5.637	5.808	-.171	5.441
112a Ribeye (prime)	7.505	7.169	+.336	7.426
116 Chuck (select)	1.882	1.918	-.036	1.926
116 Chuck (choice)	1.902	1.948	-.046	1.938
116b Chuck Tdnr (choice)	1.976	2.022	-.046	1.772
120 Brisket (choice)	1.657	1.695	-.038	1.515
121c Outside Skirt (ch/sel)	3.376	3.806	-.430	3.582
121d Inside Skirt (ch/sel)	3.150	3.31	-.160	2.653
167a Knckle, Trm. (ch.)	2.151	2.191	-.040	2.037
168 Inside Round (ch.)	1.940	1.975	-.035	1.963
174 Short Loin (ch. 0x1)	5.529	5.734	-.205	5.574
174 Short Loin (prime)	7.476	7.247	+.229	6.808
180 1x1 Strp (choice)	4.876	5.213	-.337	5.353
180 1x1 Strp (prime)	6.855	7.135	-.280	7.598
180 0x1 Strp (choice)	5.487	5.769	-.282	5.720
184 Top Butt, bnls (ch.)	2.646	2.646	-	2.897
184 Top Butt, bnls (prime)	2.845	2.804	+.041	3.056
185a Sirloin Flap (choice)	3.397	3.515	-.118	3.207
185c Loin, Tri-Tip (choice)	2.721	2.836	-.115	2.538
189a Tender (select)	7.354	7.835	-.481	8.185
189a Tender (choice)	7.749	8.083	-.334	9.075
189a Tender (prime)	10.268	10.322	-.054	10.122
193 Flank Steak (choice)	3.940	3.952	-.012	4.138
50% Trimmings	.998	.990	+.008	1.152
65% Trimmings	1.257	1.264	-.007	1.282
75% Trimmings	1.541	1.560	-.019	1.343
85% Trimmings	1.886	1.952	-.066	1.628
90% Trimmings	2.008	2.025	-.017	1.718
90% Imported Beef (frz.)	2.045	2.055	-.010	1.750
95% Imported Beef (frz.)	2.123	2.145	-.022	1.870
Veal Rack (Hotel 7 rib)	5.450	5.450	-	4.350
Veal Top Rnd. (cp. off)	12.450	12.400	+.050	9.650



Oil, Grains, Misc.-The US winter wheat crop continues to be challenged by dry weather in the southern plains. Wheat prices could remain inflated. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.292	13.507	-.215	9.392
Crude Soybean Oil, lb.	.558	.564	-.006	.361
Soybean Meal, ton	338.300	340.400	-2.100	287.700
Corn, bushel	6.847	6.987	-.140	3.527
Crude Corn Oil, lb.	.685	.685	-	.364
Distillers Grain, Dry	201.000	196.000	+5.000	117.000
Crude Palm Oil, lb. BMD	.531	.519	+.012	.361
HRW Wheat, bushel	8.565	8.255	+.310	4.390
DNS Wheat 14%, bushel	10.140	9.870	+.270	5.530
Canola, lb.	.269	.270	-.001	.165
Canola Oil, SD, (Tor.), lb.	.628	.651	-.023	.449
Pinto Beans, lb.	.288	.288	-	.275
Black Beans, lb.	.325	.325	-	.346
Rice, Long Grain, lb.	.252	.252	-	.243
Coffee, lb. NYBOT	2.874	3.051	-.177	1.342
Sugar, lb. NYBOT	.351	.365	-.014	.289
Honey (Clover), lb.	1.625	1.625	-	1.558



Dairy-US butter exports during March were 102% more than last year and the most for the month on record. The butter market is weakening some due in part to slower post Easter holiday demand. Given that major butter exporter, New Zealand, probably won't ramp up milk production until the late summer at the earliest, we suspect that the downside risk in the butter market from here may only be modest in the near term. March US cheese exports were 67% more than 2010 and a record for any month. The CME cheese markets are weakening as well but could find support soon. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.653	1.640	+.013	1.380
Cheese Blocks (CME)	1.620	1.640	-.020	1.388
American Cheese	1.998	1.953	+.045	1.728
Cheddar Cheese (40 lb.)	2.150	2.115	+.035	1.800
Mozzarella Cheese	1.983	1.948	+.035	1.728
Provolone Cheese	2.140	2.105	+.035	1.893
Parmesan Cheese	3.215	3.180	+.035	3.258
Butter (CME)	1.983	2.095	-.112	1.605
Nonfat Dry Milk	1.661	1.663	-.002	1.310
Whey, Dry	.512	.494	+.018	.368
Class 1 Base	19.750	19.750	-	13.800
Class II Cream, heavy	2.675	2.587	+.088	2.107
Class III Milk (CME)	16.730	17.290	-.560	13.700
Class IV Milk (CME)	20.330	20.600	-.270	15.690

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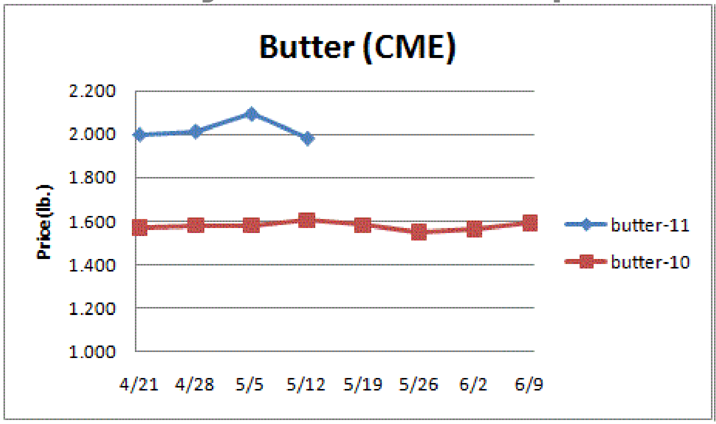
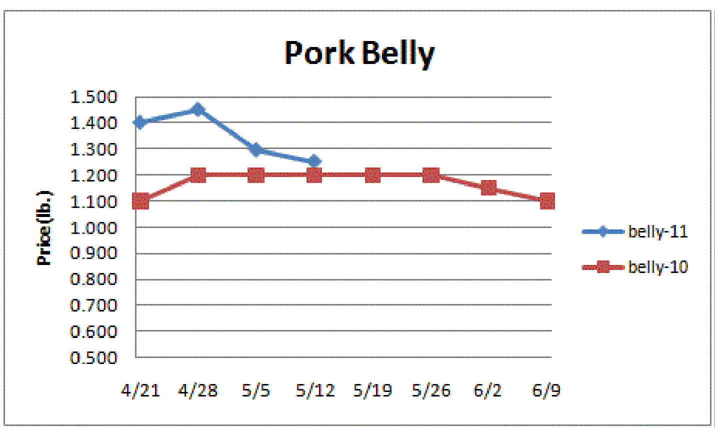


Pork-Pork production last week rose 2% and was 1.8% better than a year ago. Lighter pork output during the next few weeks could support pork prices. Steady to modestly higher pork prices may occur through the end of the month. March US pork exports were 35% more than a year ago and a record. Ham exports during March were 23% better than 2010 and the 2nd most on record. We are starting to hear that pork export trade is waning some. We do anticipated fairly solid pork exports to endure through the summer. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.650	.652	-.002	.624
Belly (bacon)	1.250	1.295	-.045	1.200
Sparerib (4.25 lb. & down)	1.544	1.533	+.011	1.528
Ham (20-23 lb.)	.790	.790	-	.780
Ham (23-27 lb.)	.800	.790	+.010	.780
Loin (bone-in)	1.050	1.036	+.014	1.076
Bbybck Rib (1.75 lb. & up)	2.850	2.850	-	2.800
Tenderloin (1.25 lb.)	2.900	2.850	+.050	2.400
Boston Butt, untrmd. (4-8 lb.)	.982	.973	+.009	.926
Picnic, untrmd.	.699	.691	+.008	.690
SS Picnic, smoker trm. bx.	.900	.900	-	.880
42% Trimmings	.600	.560	+.040	.460
72% Trimmings	.850	.793	+.057	.786



Tomato Products, Canned-The California tomato for processing harvest will get underway in about 8 weeks. The canned tomato markets are firm. Prices per case (6/10) FOB, unless noted from ARA.

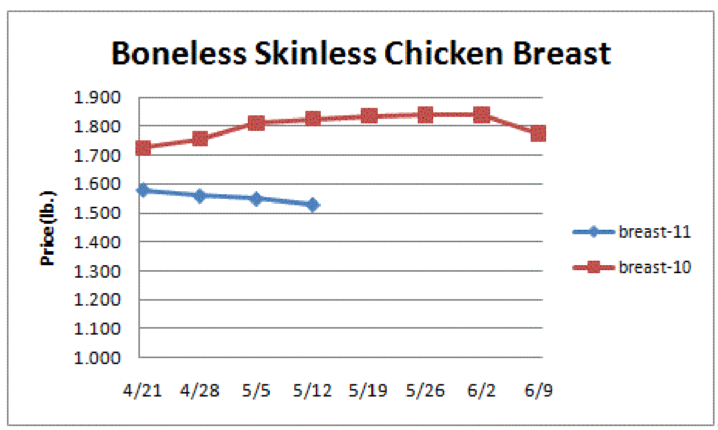
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.250
Diced, Fancy	12.250	12.250	-	12.750
Ketchup, 33%	13.000	13.000	-	13.500
Tomato Paste- Industrial (lb.)	.390	.390	-	.380

Processed Vegetables-Vegetable for processing planting remains behind in the eastern growing areas. Higher processed vegetable prices are likely this fall. 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-US chicken exports have remained historically solid. March US chicken exports were 2.5% less than last year but were still a big number especially given the waning trade with Russia. Strong chicken exports are projected to persist in the coming months which should support chicken leg quarter prices. Conversely, the chicken breast and tenderloin markets are fairly weak. Production growth this year has outpaced demand causing white meat chicken prices to trend well below 2010 levels. It may take some time, but we expect chicken demand to pick up, especially as we progress into 2012 due to inflated pork and beef prices. Thus, we believe the upside risk outweighs the downside in chicken breast products right now. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.865	.865	-	.860
Whole Birds (LA)	.960	.960	-	.950
Wings (whole)	.770	.780	-.010	1.265
Wings (jumbo, cut)	.924	.924	-	1.183
Breast, Bone In	.920	.920	-	1.015
Breast, Bnless Skinless	1.530	1.550	-.020	1.825
Tenderloin (random)	1.330	1.400	-.070	1.570
Tenderloin (sized)	2.050	2.150	-.100	2.060
Legs (whole)	.663	.659	+.004	.505
Leg Quarters	.490	.470	+.020	.410
Thighs, bone in	.730	.717	+.013	.486
Thighs, boneless	1.353	1.307	+.046	.956
Eggs and Others				
Large (dozen)	1.077	1.107	-.030	.660
Medium (dozen)	.860	.913	-.053	.603
Whole Eggs- Liquid	.477	.479	-.002	.367
Egg Whites- Liquid	.501	.495	+.006	.412
Egg Yolks- Liquid	.697	.697	-	.598
Whole Turkeys (8-16 lb.)	1.005	1.005	-	.825
Turkey Breast, Bnls/Sknls	2.500	2.500	-	1.844



Seafood-US salmon supplies remain limited. March US total salmon imports were 3.3% less than last year and the smallest for any 31 day month in nearly 6 years. Relatively inflated salmon prices are anticipated to persevere into the summer. March US shrimp imports were 6.5% more than the previous year. Shrimp prices should trend above 2010 for the next several months. The snow crab leg markets are historically elevated.

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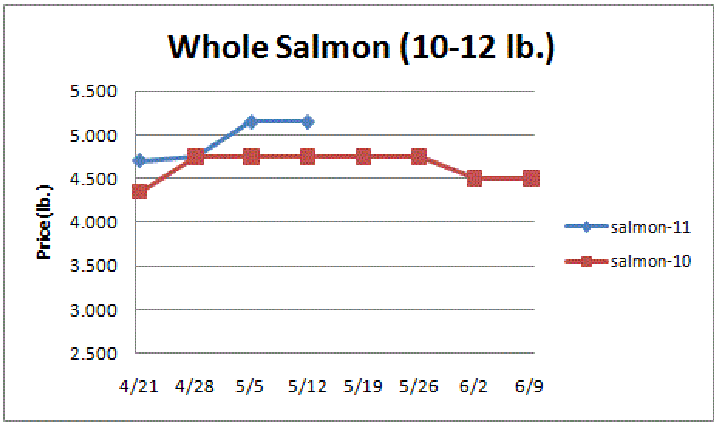
Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	5.150	5.150	-	4.750
Catfish Filets	4.900	4.900	-	3.500
Trout (drn. 8-14 oz.)	3.300	3.300	-	3.000
Shrimp (16/20), Frz	7.109	7.246	-.137	5.742
Shrimp (61/70), Frz.	3.337	3.337	-	2.775
Shrimp, Tiger (26/30), Frz.	4.875	4.750	+.125	4.500
Snow Crab, Legs 5-8 oz, Frz	6.100	6.100	-	4.075
Snow Crab, Legs 8 oz/ up, Fz	6.450	6.450	-	4.325
Cod Tails, 3-7 oz., Frz.	3.163	3.163	-	2.992
Cod Loins, 3-12 oz., Frz	3.831	3.831	-	3.517
Salmon Portions, 4-8 oz, Frz	6.713	6.713	-	5.425
Pollock, Alaska, Deep Skin	1.925	1.925	-	2.075



Energy & Currency-Currency US dollar is worth.

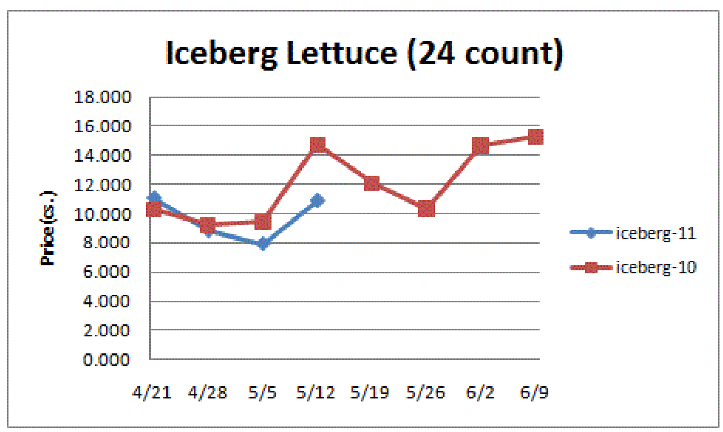
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	103.880	111.050	-7.170	76.800
Natural Gas, mbtu- nymex	4.246	4.670	-.424	4.170
Heating Oil, gal- nymex	3.001	3.191	-.190	2.120
Electricity, mwht- nymex	48.380	48.990	-.610	42.420
Gasoline, gal- nymex	3.380	3.329	+.051	2.173
Diesel Fuel, gal- eia	4.104	4.124	-.020	3.127
Ethanol, gal- usda	2.590	2.590	-	1.510
Canadian $	.960	.954	+.006	1.022
Japanese Yen	80.596	80.758	-.162	93.276
Mexican Peso	11.599	11.576	+.023	12.498
Euro	.696	.677	+.019	.771
Brazilian Real	1.612	1.592	+.020	1.782
Chinese Yuan	6.492	6.497	-.005	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)	1019.140	1016.210	+2.930	975.580
WP; 42 lb. Linerboard (corr.)	849.075	878.328	-29.253	614.577
Res; PS-CHH (cup, cont.)	1.050-1.090	1.030-1.070	+.020	.940-.980
Res; PP-HIGP (hvy utensil)	1.250-1.270	1.250-1.270	-	1.1201.140
Res; PE-LLD (cn liner, film)	.940-.970	.940-.970	-	.880-.910

Produce-The potato markets continue to counter seasonally decline which has been surprising. US potato stocks are the tightest in the last 10 years and should become even more restricted as the summer nears. Thus, the downside risk in the potato markets from here is believed to be nominal. Potato coverage is encouraged at these levels until the harvest progresses later this summer. Lettuce supplies are tightening some this week. This may only be temporary assuming favorable weather occurs in the coming weeks. Avocado supplies are expected to remain limited into the summer. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	13.000	15.000	-2.000	43.000
Lemons (95 ct.)	13.640	13.640	-	20.040
Lemons (200 ct.)	17.140	17.140	-	22.040
Honeydew (6 ct.)	5.875	7.343	-1.468	10.250
Cantaloupe (15 ct.)	6.112	8.212	-2.100	13.488
Blueberries (12 count)	14.625	20.425	-5.800	21.225
Strwbrries (12 pnts.)	11.666	11.000	+.666	11.834
Avocds (Hass 48 ct.)	45.750	46.750	-1.000	29.188
Bananas (40 lb.)- Term.	18.301	18.440	-.139	15.594
Pineapple (7 ct.)- Term.	11.614	11.333	+.281	10.594
Idaho Potato (60 ct., 50 lb.)	19.000	21.000	-2.000	10.750
Idaho Potato (70 ct., 50 lb.)	18.000	19.500	-1.500	10.750
Idaho Potato (70 ct.)-Term.	26.828	27.438	-.610	13.188
Idaho Potato (90 ct., 50 lb.)	13.000	13.250	-.250	5.250
Idaho Pot. # 2 (6 oz., 100 lb.)	16.500	16.500	-	5.750
Processing Potato (cwt.)	9.000	9.000	-	7.800
Yellow Onions (50 lb.)	6.437	6.333	+.104	20.000
Yell Onions (50 lb.)-Term.	10.470	10.335	+.135	27.709
Red Onions (25 lb.)- Term.	7.375	7.521	-.146	26.000
White Onions (50 lb.)- Term.	12.989	13.333	-.344	25.709
Tomatoes (large- case)	15.200	8.950	+6.250	21.950
Tomatoes (5x6-25 lb.)-Term	14.333	13.400	+.933	25.917
Tomatoes (4x5 vine ripe)	10.950	10.950	-	20.950
Roma Tomatoes (large- case)	12.715	9.875	+2.840	12.199
Roma Tomatoes (xlarge-cs)	13.781	10.131	+3.650	12.950
Green Peppers (large- case)	11.916	12.250	-.334	9.775
Red Peppers (large 15lb. cs.)	18.950	18.950	-	15.950
Iceberg Lettuce (24 count)	10.872	7.912	+2.960	14.750
Iceberg Lettuce (24)-Term.	14.000	15.167	-1.167	19.167
Leaf Lettuce (24 count)	12.070	13.066	-.996	14.467
Romaine Lettuce (24 cnt.)	9.666	9.691	-.025	7.584
Mesculin Mix (3 lb.)-Term.	6.823	7.042	-.219	6.594
Broccoli (14 ct.)	8.962	6.458	+2.504	6.700
Squash (1/2 bushel)	7.925	6.925	+1.000	6.725
Zucchini (1/2 bushel)	8.175	4.175	+4.000	7.525
Green Beans (bushel)	18.850	13.900	+4.950	15.434
Spinach, Flat 24's	8.100	7.600	+.500	10.050
Mushrms (10 lb, lg.)-Term.	11.083	13.287	-2.204	11.360
Cucumbers (bushel)	9.270	6.992	+2.278	7.060
Pickles (200-300 ct.)- Term.	19.525	17.750	+1.775	23.667
Asparagus (small)	14.250	16.500	-2.250	24.300
Freight (Truck; CA-Cty Av.)	5533.333	5527.778	+5.555	4930.000



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

	Mar-11	Feb-11	Jan-11	Dec-10
Beef and Veal	+2.330	+1.910	+2.259	-.595
Dairy	+1.303	+.574	+.145	+.372
Pork	+2.280	+.959	+1.538	-2.092
Chicken	-.114	+.460	-.981	-.773
Fresh Fish and Seafood	+2.012	+.420	+1.516	+.251
Fresh Fruits and Veg.	+1.498	+.486	+3.253	+3.090