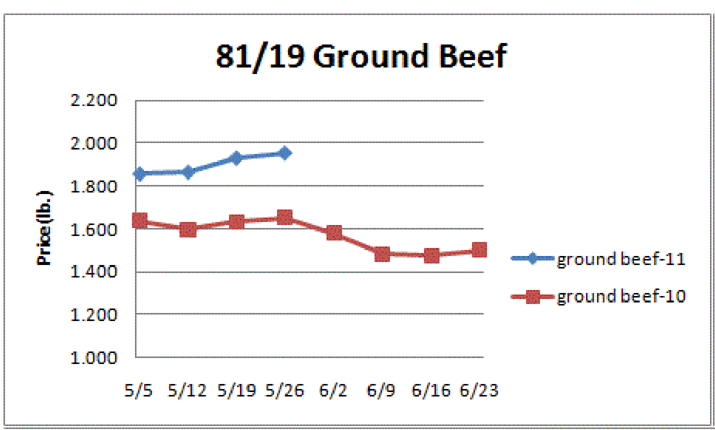
# Weekly Market Updates

**Volume No. 4 Issue No. 21 Date: May 26, 2011**

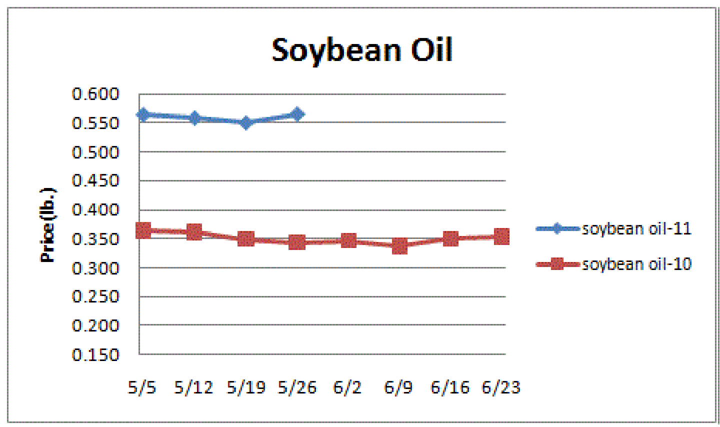
**Beef** - Beef output last week rose .2% but was 4% less than 2010. The May 1st US cattle on feed inventory was 7.4% bigger than last year. Cattle placements into feedlots during April were 9.9% more than the previous year but at a lighter average weight. The June 1st near slaughter ready cattle herd is projected to be 7% larger than the June 3 year average. Beef output is likely to trend 1 to 3% above the prior year this summer. Buyers are starting to procure more beef after the notable declines in recent weeks. History suggests that the USDA boxed beef cutout should decline 3% during the next 5 weeks. Price USDA, FOB per pound.

| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Live Cattle | 1.047 | 1.131 | -.084 | .961 |
| Feeder Cattle Index (CME) | 1.260 | 1.294 | -.034 | 1.100 |
| Ground Beef 81/19 | 1.953 | 1.930 | +.023 | 1.652 |
| Ground Chuck | 1.931 | 1.939 | -.008 | 1.648 |
| 109e Export Rib (choice) | 4.895 | 5.032 | -.137 | 4.653 |
| 109e Export Rib (prime) | 6.960 | 6.417 | +.543 | 6.254 |
| 112a Ribeye (choice) | 5.112 | 5.185 | -.073 | 5.445 |
| 112a Ribeye (prime) | 7.440 | 7.328 | +.112 | 7.201 |
| 116 Chuck (select) | 2.076 | 1.963 | +.113 | 2.012 |
| 116 Chuck (choice) | 2.092 | 1.989 | +.103 | 2.019 |
| 116b Chuck Tdnr (choice) | 2.081 | 2.020 | +.061 | 1.786 |
| 120 Brisket (choice) | 1.759 | 1.698 | +.061 | 1.548 |
| 121c Outside Skirt (ch/sel) | 3.226 | 3.358 | -.132 | 3.608 |
| 121d Inside Skirt (ch/sel) | 3.173 | 3.070 | +.103 | 2.524 |
| 167a Knckle, Trm. (ch.) | 2.267 | 2.223 | +.044 | 1.954 |
| 168 Inside Round (ch.) | 1.982 | 2.080 | -.098 | 1.951 |
| 174 Short Loin (ch. 0x1) | 5.244 | 5.367 | -.123 | 5.188 |
| 174 Short Loin (prime) | 6.965 | 6.926 | +.039 | 6.791 |
| 180 1x1 Strp (choice) | 4.427 | 4.567 | -.140 | 4.886 |
| 180 1x1 Strp (prime) | 7.913 | 7.649 | +.264 | 7.914 |
| 180 0x1 Strp (choice) | 4.690 | 4.921 | -.231 | 5.003 |
| 184 Top Butt, bnls (ch.) | 2.177 | 2.344 | -.167 | 2.667 |
| 184 Top Butt, bnls (prime) | 2.757 | 2.810 | -.053 | 2.931 |
| 185a Sirloin Flap (choice) | 3.805 | 3.623 | +.179 | 3.029 |
| 185c Loin, Tri-Tip (choice) | 2.711 | 2.694 | +.017 | 2.493 |
| 189a Tender (select) | 7.099 | 7.359 | -.260 | 7.683 |
| 189a Tender (choice) | 7.679 | 7.584 | +.095 | 8.720 |
| 189a Tender (prime) | 10.173 | 10.007 | +.166 | 10.074 |
| 193 Flank Steak (choice) | 4.083 | 3.972 | +.111 | 4.227 |
| 50% Trimmings | 1.178 | 1.099 | +.079 | .920 |
| 65% Trimmings | 1.296 | 1.296 | - | 1.253 |
| 75% Trimmings | 1.533 | 1.565 | -.032 | 1.334 |
| 85% Trimmings | 1.850 | 1.850 | - | 1.610 |
| 90% Trimmings | 1.985 | 1.973 | +.012 | 1.670 |
| 90% Imported Beef (frz.) | 1.950 | 2.020 | -.070 | 1.650 |
| 95% Imported Beef (frz.) | 2.063 | 2.100 | -.037 | 1.765 |
| Veal Rack (Hotel 7 rib) | 5.450 | 5.450 | - | 4.450 |
| Veal Top Rnd. (cp. off) | 12.400 | 12.400 | - | 10.350 |




**Oil, Grains, Misc.**-Corn, soybean and spring wheat planting are progressing but remain behind. Better weather is needed in the coming months. The grain markets are erratic. Prices USDA, FOB.

| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Soybeans, bushel | 13.730 | 13.395 | +.335 | 9.203 |
| Crude Soybean Oil, lb. | .565 | .550 | +.015 | .344 |
| Soybean Meal, ton | 349.200 | 338.400 | +10.800 | 283.600 |
| Corn, bushel | 7.166 | 7.016 | +.150 | 3.460 |
| Crude Corn Oil, lb. | .680 | .685 | -.005 | .385 |
| Distillers Grain, Dry | 198.000 | 190.000 | +8.000 | 109.750 |
| Crude Palm Oil, lb. BMD | .515 | .504 | +.011 | .342 |
| HRW Wheat, bushel | 8.465 | 8.250 | +.215 | 4.150 |
| DNS Wheat 14%, bushel | 10.430 | 9.910 | +.520 | 5.330 |
| Canola, lb. | .269 | .262 | +.007 | .155 |
| Canola Oil, SD, (Tor.), lb. | .639 | .625 | +.014 | .440 |
| Pinto Beans, lb. | .294 | .288 | +.006 | .275 |
| Black Beans, lb. | .310 | .320 | -.010 | .348 |
| Rice, Long Grain, lb. | .252 | .252 | - | .238 |
| Coffee, lb. NYBOT | 2.612 | 2.651 | -.039 | 1.326 |
| Sugar, lb. NYBOT | .350 | .359 | -.009 | .303 |




**Dairy**-The CME cheese markets continue to firm despite milk production in its annual peak production season. Cheese sellers have been holding product with confidence anticipating higher prices. Cheese and milk futures are suggesting that further spot cheese market appreciation may be forthcoming. Still, it seems unlikely that CME spot cheese can hold above $1.80 a pound for long unless the international cheese market moves higher. April US butter stocks were 31% less than last year and the smallest for the date in 10 years. The CME butter market remains firm. Prices per pound, except Class I Cream (hundred weight), from USDA.

| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Cheese Barrels (CME) | 1.750 | 1.663 | +.087 | 1.460 |
| Cheese Blocks (CME) | 1.780 | 1.668 | +.112 | 1.495 |
| American Cheese | 2.033 | 1.998 | +.035 | 1.800 |
| Cheddar Cheese (40 lb.) | 2.170 | 2.150 | +.020 | 1.830 |
| Mozzarella Cheese | 2.013 | 1.983 | +.030 | 1.825 |
| Provolone Cheese | 2.170 | 2.133 | +.037 | 1.990 |
| Parmesan Cheese | 3.245 | 3.208 | +.037 | 3.355 |
| Butter (CME) | 2.123 | 2.070 | +.053 | 1.550 |
| Nonfat Dry Milk | 1.678 | 1.672 | +.006 | 1.350 |
| Whey, Dry | .509 | .506 | +.003 | .367 |
| Class 1 Base | 20.320 | 19.750 | +.570 | 15.280 |
| Class II Cream, heavy | 2.633 | 2.567 | +.066 | 2.185 |
| Class III Milk (CME) | 18.400 | 17.400 | +1.000 | 13.700 |
| Class IV Milk (CME) | 20.750 | 20.190 | +.560 | 15.450 |

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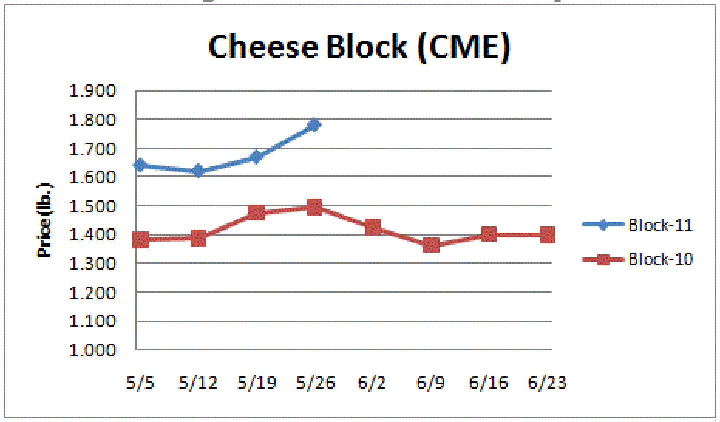
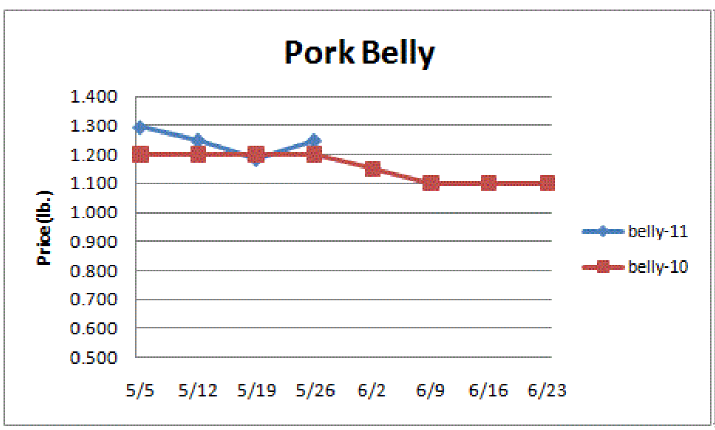



**Pork**-Pork production last week rose 2.1% and was 2.3% above the same week a year ago. Pork output could wane some in the coming weeks due to a lighter supply of hogs and lackluster pork demand. Many of the pork markets are weakening this week which is typical for the last week of May. Some additional softness may occur into next week but we anticipate most pork markets to be well supported beyond that. April 30th picnic (14%), ham (7%), belly (7%), rib (20%), butt (40%) and trimming (41%) stocks were all bigger than 2010. Prices USDA, FOB per pound.

| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Live Hogs | .661 | .674 | -.013 | .583 |
| Belly (bacon) | 1.250 | 1.185 | +.065 | 1.200 |
| Sparerib (4.25 lb. & down) | 1.563 | 1.709 | -.146 | 1.297 |
| Ham (20-23 lb.) | .750 | .840 | -.090 | .790 |
| Ham (23-27 lb.) | .755 | .820 | -.065 | .800 |
| Loin (bone-in) | 1.096 | 1.166 | -.070 | 1.024 |
| Bbybck Rib (1.75 lb. & up) | 2.909 | 2.880 | +.029 | 2.894 |
| Tenderloin (1.25 lb.) | 2.926 | 2.944 | -.018 | 2.663 |
| Boston Butt, untrmd. (4-8 lb.) | .968 | 1.077 | -.109 | .877 |
| Picnic, untrmd. | .683 | .739 | -.056 | .641 |
| SS Picnic, smoker trm. bx. | .970 | .970 | - | .820 |
| 42% Trimmings | .500 | .630 | -.130 | .600 |
| 72% Trimmings | .840 | .880 | -.040 | .800 |




**Tomato Products, Canned**-Existing canned tomato supplies are adequate. The canned tomato market could firm some with the new harvest this summer. Prices per case (6/10) FOB, unless noted from ARA.

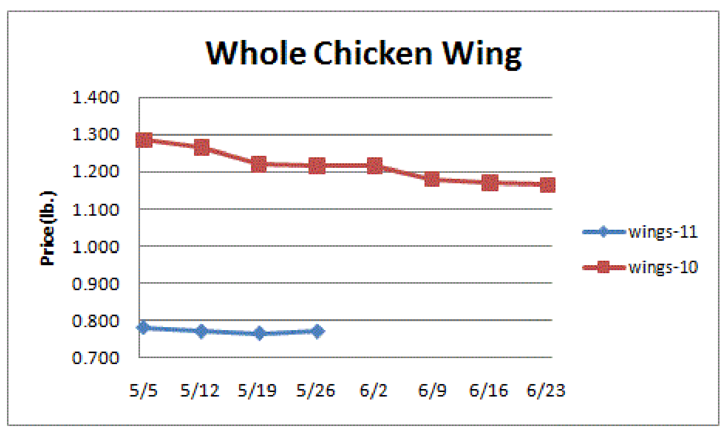
| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Whole Peeled, Standard | 11.750 | 11.750 | - | 12.250 |
| Diced, Fancy | 12.250 | 12.250 | - | 12.750 |
| Ketchup, 33% | 13.000 | 13.000 | - | 13.500 |
| Tomato Paste- Industrial (lb.) | .390 | .390 | - | .380 |

**Processed Vegetables**-The markets are firm. April frozen cut corn (15%), cob corn (5%), green bean (7%) and green pea (14%) stocks were all less than the previous year. 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**-The April broiler type chick hatch was 2% larger than last year suggesting better chicken output than 2010 in the coming weeks. Pullet placements into the broiler hatchery flock during April were 1% more than a year ago. The broiler hatchery flock is projected to trend nearly 4% above the prior year through November which is bullish for chicken output. Still, recent broiler egg set data suggests that chicken production may be curbed in the near term. If output is slowed then higher chicken breast and wing prices may be forthcoming. April 30th chicken breast (32%), leg quarter (28%) and wing (109%) stocks were all more than last year. Egg layer numbers suggest shell and liquid egg supplies could tighten this summer. Prices USDA, FOB per pound except when noted.

| Chicken | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Whole Birds (2.5-3 lb.-GA) | .868 | .865 | +.003 | .870 |
| Whole Birds (LA) | .960 | .960 | - | .960 |
| Wings (whole) | .770 | .765 | +.005 | 1.215 |
| Wings (jumbo, cut) | .900 | .930 | -.030 | 1.253 |
| Breast, Bone In | .880 | .905 | -.025 | 1.035 |
| Breast, Bnless Skinless | 1.495 | 1.500 | -.005 | 1.840 |
| Tenderloin (random) | 1.070 | 1.400 | -.330 | 1.550 |
| Tenderloin (sized) | 1.890 | 2.150 | -.260 | 2.060 |
| Legs (whole) | .664 | .669 | -.005 | .493 |
| Leg Quarters | .490 | .490 | - | .410 |
| Thighs, bone in | .713 | .726 | -.013 | .479 |
| Thighs, boneless | 1.360 | 1.341 | +.019 | .952 |
| **Eggs and Others** | | | | |
| Large (dozen) | .878 | .956 | -.078 | .657 |
| Medium (dozen) | .842 | .848 | -.006 | .603 |
| Whole Eggs- Liquid | .462 | .474 | -.012 | .410 |
| Egg Whites- Liquid | .459 | .482 | -.023 | .405 |
| Egg Yolks- Liquid | .633 | .650 | -.017 | .576 |
| Whole Turkeys (8-16 lb.) | 1.040 | 1.030 | +.010 | .820 |
| Turkey Breast, Bnls/Sknls | 2.500 | 2.500 | - | 2.075 |




**Seafood**-Shrimp output in the US Gulf of Mexico has improved. Gulf of Mexico shrimp landings during April were 31% better than the prior year and the best for the month in the last 5 years. 2011 US shrimp landings through April were the 2nd best since 2006. History suggests that the shrimp markets could be fairly steady during the next few months. We still anticipate shrimp prices to trend above 2010 levels this summer.

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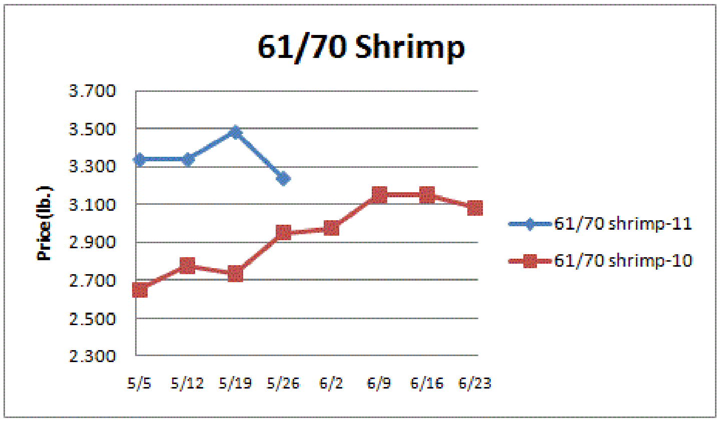
Prices for fresh product, unless noted, per pound from Fisheries Market News.

| | 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 | 7.175 | 7.365 | -.190 | 5.810 |
| Shrimp (61/70), Frz. | 3.237 | 3.483 | -.246 | 2.950 |
| Shrimp, Tiger (26/30), Frz. | 4.800 | 4.800 | - | 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 | - | 4.425 |
| Cod Tails, 3-7 oz., Frz. | 3.163 | 3.163 | - | 3.017 |
| Cod Loins, 3-12 oz., Frz | 3.831 | 3.831 | - | 3.517 |
| Salmon Portions, 4-8 oz, Frz | 6.713 | 6.713 | - | 5.379 |
| Pollock, Alaska, Deep Skin | 1.925 | 1.925 | - | 2.075 |




**Energy & Currency**-Currency US dollar is worth.

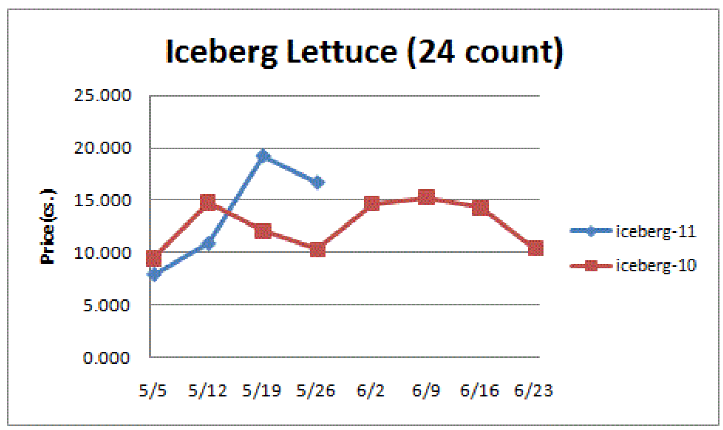
| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Crude Oil, barrel- nymex | 99.590 | 96.910 | +2.680 | 68.750 |
| Natural Gas, mbtu- nymex | 4.345 | 4.182 | +.163 | 4.051 |
| Heating Oil, gal- nymex | 2.910 | 2.845 | +.065 | 1.872 |
| Electricity, mwht- nymex | 61.190 | 52.360 | +8.830 | 59.880 |
| Gasoline, gal- nymex | 2.993 | 2.919 | +.074 | 1.931 |
| Diesel Fuel, gal- eia | 3.997 | 4.061 | -.064 | 3.021 |
| Ethanol, gal- usda | 2.525 | 2.480 | +.045 | 1.525 |
| Canadian $ | .978 | .975 | +.003 | 1.080 |
| Japanese Yen | 81.943 | 81.639 | +.304 | 89.610 |
| Mexican Peso | 11.714 | 11.753 | -.039 | 13.278 |
| Euro | .710 | .706 | +.004 | .818 |
| Brazilian Real | 1.627 | 1.632 | -.005 | 1.901 |
| Chinese Yuan | 6.497 | 6.506 | -.009 | 6.831 |

**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) | 1019.790 | 1019.790 | - | 984.190 |
| WP; 42 lb. Linerboard (corr.) | 825.960 | 837.139 | -11.179 | 592.528 |
| Res; PS-CHH (cup, cont.) | 1.050-1.090 | 1.050-1.090 | - | .940-.980 |
| Res; PP-HIGP (hvy utensil) | 1.350-1.370 | 1.250-1.270 | +.100 | 1.1201.140 |
| Res; PE-LLD (cn liner, film) | .940-.970 | .940-.970 | - | .880-.910 |

**Produce**-Lettuce supplies are improving. Iceberg lettuce shipments last week rose 16% from the previous week but were still below a year ago. Modestly lower lettuce prices may be impending. Weather in the growing region is forecasted to be fairly cool which could limit the downside risk in lettuce into next week. Tomato supplies remain relatively limited on both the west and east coasts. Tomato shipments are anticipated to improve as June progresses. The potato markets appear to be finding a bottom. Usually the Idaho potato markets move sharply higher in the early summer. Prices USDA FOB shipping point unless noted (terminal).

| | Price | Last Week | Difference | Price 10 |
|---|---|---|---|---|
| Limes (150 ct.) | 13.000 | 12.000 | +1.000 | 43.000 |
| Lemons (95 ct.) | 13.640 | 13.640 | - | 20.040 |
| Lemons (200 ct.) | 17.140 | 17.140 | - | 22.040 |
| Honeydew (6 ct.) | 6.250 | 6.118 | +.132 | 7.250 |
| Cantaloupe (15 ct.) | 7.150 | 7.566 | -.416 | 12.250 |
| Blueberries (12 count) | 14.212 | 15.312 | -1.100 | 23.900 |
| Strwbrries (12 pnts.) | 11.166 | 11.666 | - | 11.750 |
| Avocds (Hass 48 ct.) | 46.250 | 44.750 | +1.500 | 29.000 |
| Bananas (40 lb.)- Term. | 16.894 | 16.672 | +.222 | 15.313 |
| Pineapple (7 ct.)- Term. | 11.097 | 11.229 | -.132 | 13.094 |
| Idaho Potato (60 ct., 50 lb.) | 17.500 | 17.000 | +.500 | 11.250 |
| Idaho Potato (70 ct., 50 lb.) | 16.500 | 16.500 | - | 11.250 |
| Idaho Potato (70 ct.)-Term. | 24.406 | 24.621 | -.215 | 14.594 |
| Idaho Potato (90 ct., 50 lb.) | 12.500 | 13.000 | -.500 | 5.250 |
| Idaho Pot. # 2 (6 oz., 100 lb.) | 15.500 | 15.500 | - | 5.750 |
| Processing Potato (cwt.) | 9.000 | 9.000 | - | 7.800 |
| Yellow Onions (50 lb.) | 8.500 | 7.625 | +.875 | 19.000 |
| Yell Onions (50 lb.)-Term. | 11.593 | 11.844 | -.251 | 25.906 |
| Red Onions (25 lb.)- Term. | 7.239 | 7.290 | -.051 | 27.604 |
| White Onions (50 lb.)- Term. | 13.333 | 12.104 | +1.229 | 21.450 |
| Tomatoes (large- case) | 6.820 | 15.000 | -8.180 | 6.450 |
| Tomatoes (5x6-25 lb.)-Term | 17.762 | 17.075 | +.687 | 8.681 |
| Tomatoes (4x5 vine ripe) | 10.450 | 13.962 | -3.512 | 6.080 |
| Roma Tomatoes (large- case) | 6.820 | 10.205 | -3.385 | 9.870 |
| Roma Tomatoes (xlarge-cs) | 7.445 | 10.830 | -3.385 | 8.008 |
| Green Peppers (large- case) | 13.300 | 14.400 | -1.100 | 11.775 |
| Red Peppers (large 15lb. cs.) | 15.950 | 18.950 | -3.000 | 16.950 |
| Iceberg Lettuce (24 count) | 16.705 | 19.250 | -2.545 | 10.300 |
| Iceberg Lettuce (24)-Term. | 27.500 | 20.833 | +6.667 | 18.778 |
| Leaf Lettuce (24 count) | 7.208 | 11.612 | -4.404 | 9.325 |
| Romaine Lettuce (24 cnt.) | 7.100 | 9.441 | -2.341 | 6.485 |
| Mesculin Mix (3 lb.)-Term. | 6.822 | 6.823 | -.001 | 6.542 |
| Broccoli (14 ct.) | 8.837 | 11.225 | -2.388 | 13.575 |
| Squash (1/2 bushel) | 8.600 | 8.475 | +.125 | 4.100 |
| Zucchini (1/2 bushel) | 6.550 | 9.662 | -3.112 | 4.850 |
| Green Beans (bushel) | 20.600 | 16.950 | +3.650 | 9.350 |
| Spinach, Flat 24's | 8.200 | 9.100 | -.900 | 7.750 |
| Mushrms (10 lb, lg.)-Term. | 9.250 | 11.083 | -1.833 | 11.422 |
| Cucumbers (bushel) | 7.400 | 8.310 | -.910 | 9.972 |
| Pickles (200-300 ct.)- Term. | 22.000 | 24.438 | -2.438 | 22.875 |
| Asparagus (small) | 11.000 | 10.500 | +.500 | 41.488 |
| Freight (Truck; CA-Cty Av.) | 5512.500 | 5588.889 | -76.389 | 4920.000 |




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

| | Apr-11 | Mar-11 | Feb-11 | Jan-11 |
|---|---|---|---|---|
| Beef and Veal | +1.164 | +2.330 | +1.910 | +2.259 |
| Dairy | +1.720 | +1.303 | +.574 | +.145 |
| Pork | -.285 | +2.280 | +.959 | +1.538 |
| Chicken | +.848 | -.114 | +.460 | -.981 |
| Fresh Fish and Seafood | +.753 | +2.012 | +.420 | +1.516 |
| Fresh Fruits and Veg. | -1.517 | +1.498 | +.486 | +3.253 |