

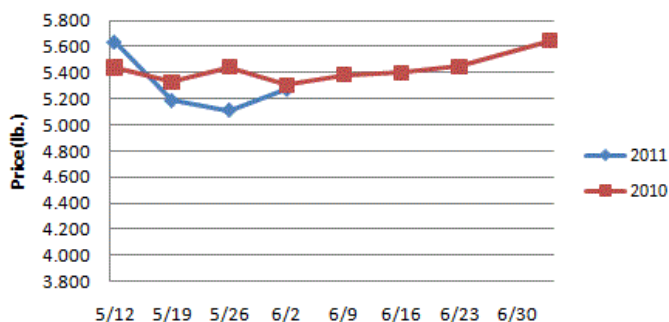
Weekly Market Updates

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Beef - Beef production last week rose 2.9% and was even with the same week a year ago. Beef output is forecasted to track 2% or so above 2010 levels this summer. Retail beef clearance during the Memorial Day holiday weekend is being described as good. However, this may be more due to better weather over the weekend in the Midwest and East and pent up demand. Middle meat beef demand is picking up for the upcoming Father's Day holiday but this likely won't be longstanding. We expect better cattle supplies and beef production to weigh on many beef markets this summer. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.114	1.047	+.067	.949
Feeder Cattle Index (CME)	1.227	1.260	-.033	1.084
Ground Beef 81/19	1.939	1.953	-.014	1.579
Ground Chuck	1.844	1.931	-.087	1.662
109e Export Rib (choice)	4.814	4.895	-.081	4.624
109e Export Rib (prime)	6.954	6.960	-.006	6.430
112a Ribeye (choice)	5.272	5.112	+.160	5.304
112a Ribeye (prime)	7.736	7.440	+.296	7.251
116 Chuck (select)	2.071	2.076	-.005	1.991
116 Chuck (choice)	2.098	2.092	+.006	2.042
116b Chuck Tdnr (choice)	2.069	2.081	-.012	1.749
120 Brisket (choice)	1.720	1.759	-.039	1.576
121c Outside Skirt (ch/sel)	3.339	3.226	+.113	3.345
121d Inside Skirt (ch/sel)	3.065	3.173	-.108	2.412
167a Knuckle, Trm. (ch.)	2.279	2.267	+.012	1.975
168 Inside Round (ch.)	1.939	1.982	-.043	1.997
174 Short Loin (ch. 0x1)	5.050	5.244	-.194	4.993
174 Short Loin (prime)	7.152	6.965	+.187	6.877
180 1x1 Strp (choice)	4.314	4.427	-.113	4.747
180 1x1 Strp (prime)	7.213	7.913	-.700	8.105
180 0x1 Strp (choice)	4.862	4.690	+.172	4.869
184 Top Butt, bnls (ch.)	2.280	2.177	+.103	2.397
184 Top Butt, bnls (prime)	2.870	2.757	+.113	2.867
185a Sirloin Flap (choice)	3.776	3.805	-.029	2.976
185c Loin, Tri-Tip (choice)	2.623	2.711	-.088	2.425
189a Tender (select)	7.365	7.099	+.266	7.376
189a Tender (choice)	7.724	7.679	+.045	8.494
189a Tender (prime)	10.229	10.173	+.056	10.084
193 Flank Steak (choice)	4.117	4.083	+.034	4.265
50% Trimings	1.161	1.178	-.017	.903
65% Trimings	1.317	1.296	+.021	1.253
75% Trimings	1.546	1.533	+.013	1.360
85% Trimings	1.858	1.850	+.008	1.629
90% Trimings	1.971	1.985	-.014	1.690
90% Imported Beef (frz.)	1.940	1.950	-.010	1.665
95% Imported Beef (frz.)	2.038	2.063	-.025	1.775
Veal Rack (Hotel 7 rib)	5.450	5.450	-	4.465
Veal Top Rnd. (cp. off)	12.400	12.400	-	10.350

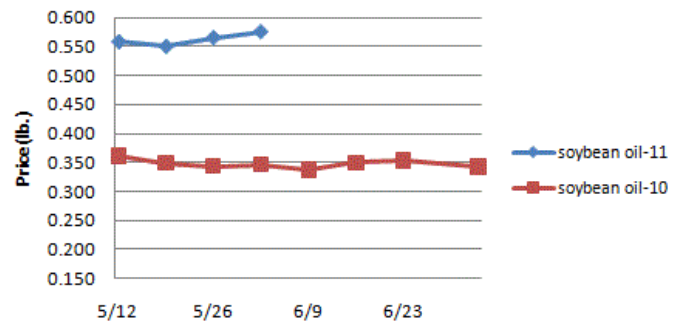
112a Choice Beef Ribeye (heavy)



Oil, Grains, Misc.- Russia recently announced that they will lift their wheat export ban July 1. Still, the US wheat crops are challenged which may limit the downside in wheat. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.756	13.730	+.026	9.378
Crude Soybean Oil, lb.	.575	.565	+.010	.346
Soybean Meal, ton	345.300	349.200	-3.900	283.400
Corn, bushel	7.332	7.166	+.166	3.360
Crude Corn Oil, lb.	.675	.680	-.005	.385
Distillers Grain, Dry	197.750	198.000	-.250	108.000
Crude Palm Oil, lb. BMD	.517	.515	+.002	.352
HRW Wheat, bushel	8.405	8.465	-.060	4.080
DNS Wheat 14%, bushel	10.670	10.430	+.240	5.310
Canola, lb.	.276	.269	+.007	.158
Canola Oil, SD, (Tor.), lb.	.650	.639	+.011	.440
Pinto Beans, lb.	.290	.294	-.004	.275
Black Beans, lb.	.325	.310	+.015	.348
Rice, Long Grain, lb.	.252	.252	-	.235
Coffee, lb. NYBOT	2.646	2.612	+.034	1.366
Sugar, lb. NYBOT	.350	.350	-	.335
Honey (Clover), lb.	1.600	1.600	-	1.600

Soybean Oil

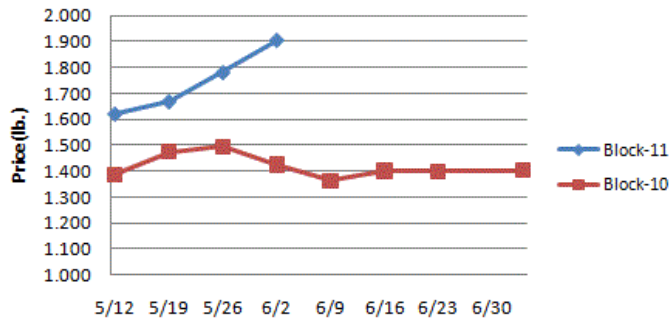


Dairy- CME spot cheese prices continue to firm as buyers aggressively source product and sellers are hesitant to relinquish inventories. This is a bullish sign for cheese prices. However, given the decreasing premium that the international cheese market is carrying, rising milk production in the US, and the fact that cheese feature activity usually slows with prices at these levels, we anticipate that CME cheese markets north of \$1.80 a pound may be short lived. The butter market remains firm due to historically light stocks. Elevated butter prices could persist into the summer. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	1.873	1.750	+.123	1.383
Cheese Blocks (CME)	1.905	1.780	+.125	1.425
American Cheese	2.123	2.033	+.090	1.800
Cheddar Cheese (40 lb.)	2.170	2.170	-	1.830
Mozzarella Cheese	2.108	2.013	+.095	1.835
Provolone Cheese	2.265	2.170	+.095	2.000
Parmesan Cheese	3.340	3.245	+.095	3.365
Butter (CME)	2.163	2.123	+.040	1.563
Nonfat Dry Milk	1.690	1.678	+.012	1.339
Whey, Dry	.513	.509	+.004	.367
Class 1 Base	20.320	20.320	-	15.280
Class II Cream, heavy	2.787	2.633	+.154	2.143
Class III Milk (CME)	20.000	18.400	+1.600	13.360
Class IV Milk (CME)	20.560	20.750	-.190	15.490

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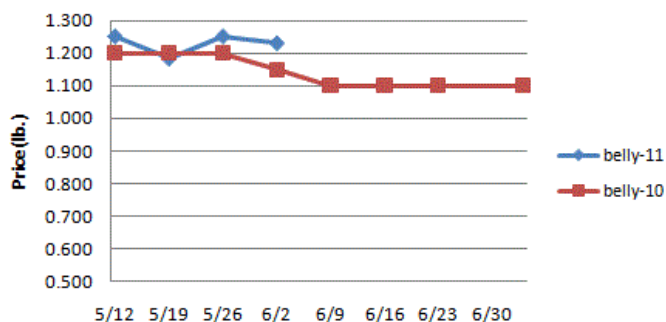
Cheese Block (CME)



Pork- Pork output last week rose .3% and was 7% larger than the same week a year ago. Holiday shortened slaughter this week could help support pork prices. The hog feed price ratio for May was historically low suggesting challenged margins for hog producers. There have been signs of herd building in the last few months but we believe any expansion is likely to be tame as long as the inflated feed costs persist. History indicates that the pork belly market may depreciate some during the next week and then turn higher. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.649	.661	-.012	.555
Belly (bacon)	1.230	1.250	-.020	1.150
Sparerib (4.25 lb. & down)	1.493	1.563	-.070	1.258
Ham (20-23 lb.)	.750	.750	-	.760
Ham (23-27 lb.)	.744	.755	-.011	.780
Loin (bone-in)	1.060	1.096	-.036	1.001
Bbybck Rib (1.75 lb. & up)	2.850	2.909	-.059	2.900
Tenderloin (1.25 lb.)	2.926	2.926	-	2.847
Boston Butt, untrmd. (4-8 lb.)	.973	.968	+.005	.905
Picnic, untrmd.	.651	.683	-.032	.644
SS Picnic, smoker trm. bx.	.970	.970	-	.820
42% Trimmings	.500	.500	-	.640
72% Trimmings	.840	.840	-	.890

Pork Belly



Tomato Products, Canned- The canned tomato markets remain firm. A modest rise in raw product costs for canners may lead to higher canned tomato prices this fall. 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 vegetable for processing crops in the Midwest and East are progressing but remain behind. Higher processed vegetable markets are likely this summer. 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

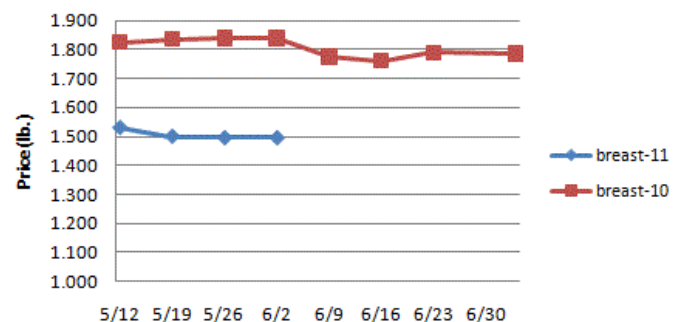
Poultry- The broiler feed cost ratio in May was the lowest for the month in the last 10 years indicating poor margins for chicken producers. Recent quarterly reports from some major chicken producers confirm the challenged margin situation. Chicken producers may be slowing pending chicken production in response to their poor profitability. During the last few weeks, broiler egg set numbers have trended 2% below year ago levels suggesting that chicken output should track below 2010 in the coming weeks. If chicken production is slowed we will look for the chicken breast, wing and other chicken markets to move upward. Table egg producer margins are poor as well which could lead to higher egg prices later this year. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.868	.868	-	.873
Whole Birds (LA)	.960	.960	-	.960
Wings (whole)	.770	.770	-	1.215
Wings (jumbo, cut)	.838	.900	-.062	1.234
Breast, Bone In	.885	.880	+.005	1.035
Breast, Bnless Skinless	1.495	1.495	-	1.840
Tenderloin (random)	1.070	1.070	-	1.570
Tenderloin (sized)	1.890	1.890	-	2.040
Legs (whole)	.692	.664	+.028	.567
Leg Quarters	.495	.490	+.005	.410
Thighs, bone in	.760	.713	+.047	.526
Thighs, boneless	1.374	1.360	+.014	.946

Eggs and Others

Large (dozen)	.873	.878	-.005	.770
Medium (dozen)	.842	.842	-	.605
Whole Eggs- Liquid	.470	.462	+.008	.420
Egg Whites- Liquid	.446	.459	-.013	.404
Egg Yolks- Liquid	.656	.633	+.023	.646
Whole Turkeys (8-16 lb.)	1.040	1.040	-	.875
Turkey Breast, Bnls/Sknl	2.503	2.500	+.003	2.117

Boneless Skinless Chicken Breast

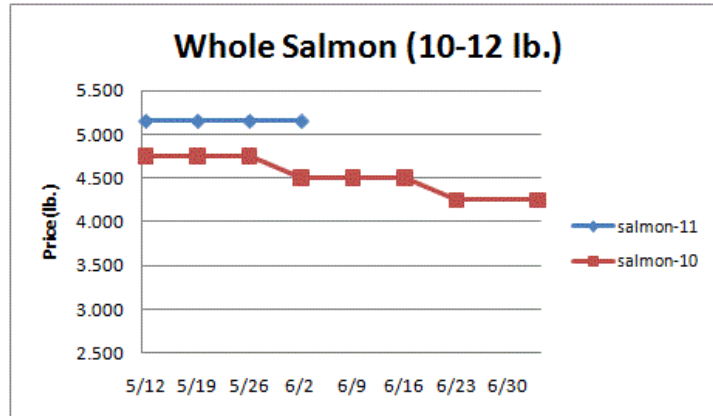


Seafood- The snow crab fishing season continues to progress in Newfoundland with 68% of the quota landed to date. Some modest snow crab leg price relief may be impending. However, the deflated US dollar could limit crab imports into the US which could mitigate any pending downward move in snow crab prices. Snow crab leg prices may remain

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above 2010 levels through the summer. The salmon markets are elevated. 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	-	4.500
Catfish Filets	4.900	4.900	-	3.500
Trout (dm. 8-14 oz.)	3.300	3.300	-	3.000
Shrimp (16/20), Frz	7.331	7.175	+156	5.925
Shrimp (61/70), Frz.	3.200	3.237	-.037	2.975
Shrimp, Tiger (26/30), Frz.	4.950	4.800	+150	4.500
Snow Crab, Legs 5-8 oz, Frz	5.950	6.100	-150	4.000
Snow Crab, Legs 8 oz/ up, Fz	6.475	6.450	+.025	4.550
Cod Tails, 3-7 oz., Frz.	3.188	3.163	+.025	3.063
Cod Loins, 3-12 oz., Frz	3.831	3.831	-	3.600
Salmon Portions, 4-8 oz, Frz	6.584	6.713	-.129	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	102.700	99.590	+3.110	72.580
Natural Gas, mbtu- nymex	4.666	4.345	+.321	4.248
Heating Oil, gal- nymex	3.056	2.910	+.146	1.970
Electricity, mwht- nymex	87.750	61.190	+26.560	47.320
Gasoline, gal- nymex	3.150	2.993	+3.307	1.983
Diesel Fuel, gal- eia	3.948	3.997	-.049	2.980
Ethanol, gal- usda	2.565	2.525	+.040	1.520
Canadian \$.972	.978	-.006	1.050
Japanese Yen	81.488	81.943	-.455	91.033
Mexican Peso	11.576	11.714	-.138	12.990
Euro	.695	.710	-.015	.823
Brazilian Real	1.582	1.627	-.045	1.832
Chinese Yuan	6.479	6.497	-.018	6.830

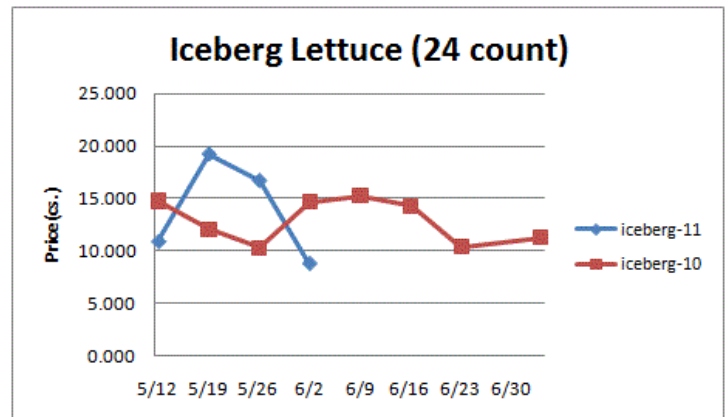
Paper/Plastic-Provided by: resin- www.plasticsnews.com, pulp- www.paperage.com.

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.)	845.367	825.960	+19.407	597.128
Res; PS-CHH (cup, cont.)	1.050-1.090	1.050-1.090	-	.940-.980
Res; PP-HIGP (hvy utensil)	1.350-1.370	1.350-1.370	-	1.0001.020
Res; PE-LLD (cn liner, film)	.940-.970	.940-.970	-	.880-.910

Produce- The tomato markets remain relatively inflated. Tomato shipments out of central Florida are winding down and buyers are beginning to look to north Florida for product. Although no major supply gaps are anticipated overall supplies could remain light. Lettuce supplies have improved considerably during the last week influencing the iceberg lettuce market downward. Lettuce prices could settle soon. The Idaho potato markets continue to move counter seasonally lower. With potato stocks at 10 year lows we anticipate that the potato markets could settle soon as well. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	13.000	13.000	-	43.000
Lemons (95 ct.)	13.640	13.640	-	20.040

Lemons (200 ct.)	17.140	17.140	-	22.040
Honeydew (6 ct.)	6.125	6.250	-.125	6.850
Cantaloupe (15 ct.)	7.225	7.150	+.075	11.450
Blueberries (12 count)	12.715	14.212	-1.497	12.950
Strwbriies (12 pnts.)	10.000	11.166	-1.166	11.500
Avocds (Hass 48 ct.)	46.000	46.250	-.250	29.250
Bananas (40 lb.)- Term.	16.023	16.894	-.871	14.948
Pineapple (7 ct.)- Term.	11.027	11.097	-.070	11.073
Idaho Potato (60 ct., 50 lb.)	16.500	17.500	-1.000	10.625
Idaho Potato (70 ct., 50 lb.)	15.500	16.500	-1.000	10.625
Idaho Potato (70 ct.)-Term.	24.000	24.406	-.406	14.781
Idaho Potato (90 ct., 50 lb.)	12.500	12.500	-	5.750
Idaho Pot. # 2 (6 oz., 100 lb.)	15.500	15.500	-	6.875
Processing Potato (cwt.)	9.000	9.000	-	8.000
Yellow Onions (50 lb.)	8.333	8.500	-.167	19.000
Yell Onions (50 lb.)-Term.	13.625	11.593	+2.032	25.010
Red Onions (25 lb.)- Term.	7.854	7.239	+.615	24.896
White Onions (50 lb.)- Term.	14.395	13.333	+1.062	24.542
Tomatoes (large- case)	16.950	16.950	-	5.450
Tomatoes (5x6-25 lb.)-Term	16.250	17.762	-1.512	8.771
Tomatoes (4x5 vine ripe)	8.950	10.450	-1.500	7.450
Roma Tomatoes (large- case)	7.125	6.820	+.305	6.942
Roma Tomatoes (xlarge-cs)	7.318	7.445	-.127	7.257
Green Peppers (large- case)	13.275	13.300	-.025	9.217
Red Peppers (large 15lb. cs.)	11.950	15.950	-4.000	12.950
Iceberg Lettuce (24 count)	8.777	16.705	-7.928	14.675
Iceberg Lettuce (24)-Term.	13.875	27.500	-13.625	15.833
Leaf Lettuce (24 count)	6.441	7.208	-.767	11.592
Romaine Lettuce (24 cnt.)	6.725	7.100	-.375	7.750
Mesculin Mix (3 lb.)-Term.	6.792	6.822	-.030	6.625
Broccoli (14 ct.)	11.512	8.837	+2.675	12.325
Squash (1/2 bushel)	7.650	8.600	-.950	6.100
Zucchini (1/2 bushel)	7.162	6.550	+.612	7.625
Green Beans (bushel)	26.350	20.600	+5.750	10.850
Spinach, Flat 24's	7.475	8.200	-.725	7.350
Mushrms (10 lb, lg.)-Term.	8.433	9.250	-.817	12.417
Cucumbers (bushel)	8.175	7.400	+.775	14.799
Pickles (200-300 ct.)- Term.	27.875	22.000	+5.875	23.625
Asparagus (small)	13.500	11.000	+2.500	12.500
Freight (Truck; CA-Cty Av.)	5932.500	5512.500	+420.000	5435.000



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