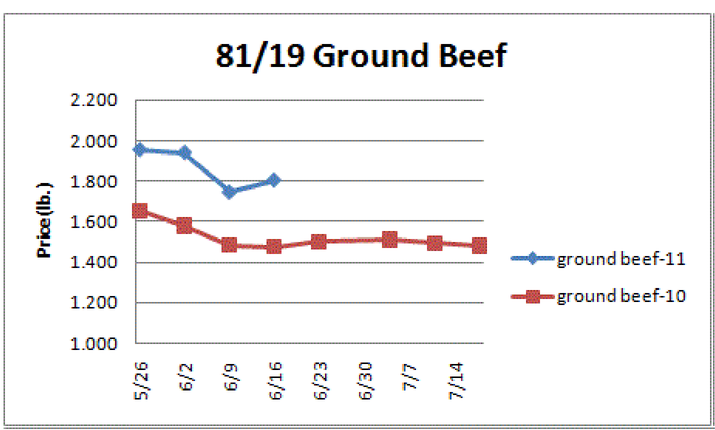
Weekly Market Updates

Volume No. 4 Issue No. 24 Date: June 16, 2011

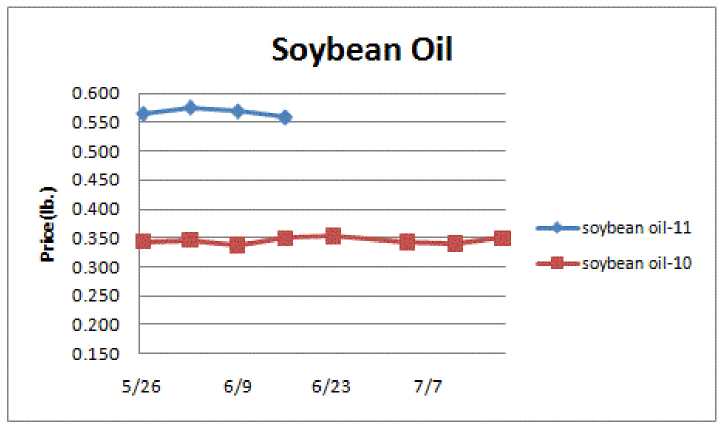
Beef - Beef production last week was 3.1% bigger than the same week a year ago. Beef output is forecasted to trend 2% higher or so than 2010 this summer due to better near slaughter ready cattle supplies. US beef exports during April were 25% more than the previous year. Beef exports are likely to remain relatively strong in the coming months which could keep many end cut beef markets including chucks and rounds above last year. April US beef imports were 9% less than 2010 but the best since August. If US beef imports continue to improve it may be bearish for lean beef trimming prices. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.066	1.069	-.003	.927
Feeder Cattle Index (CME)	1.243	1.243	-	1.082
Ground Beef 81/19	1.804	1.745	+.059	1.475
Ground Chuck	1.729	1.834	-.105	1.497
109e Export Rib (choice)	4.738	4.831	-.093	4.776
109e Export Rib (prime)	7.629	7.391	+.238	6.447
112a Ribeye (choice)	5.220	5.143	+.077	5.399
112a Ribeye (prime)	7.709	7.695	+.014	7.517
116 Chuck (select)	1.943	1.998	-.051	1.882
116 Chuck (choice)	1.942	2.023	-.081	1.850
116b Chuck Tdnr (choice)	2.060	2.047	+.013	1.467
120 Brisket (choice)	1.689	1.719	-.030	1.543
121c Outside Skirt (ch/sel)	3.386	3.552	-.166	3.246
121d Inside Skirt (ch/sel)	2.944	3.071	-.127	2.591
167a Knckle, Trm. (ch.)	2.189	2.271	-.082	1.707
168 Inside Round (ch.)	1.868	2.045	-.177	1.718
174 Short Loin (ch. 0x1)	5.154	5.132	+.022	4.761
174 Short Loin (prime)	7.515	7.705	-.190	6.874
180 1x1 Strp (choice)	4.690	4.448	+.242	4.118
180 1x1 Strp (prime)	8.090	8.524	-.434	8.145
180 0x1 Strp (choice)	5.000	4.820	+.180	4.447
184 Top Butt, bnls (ch.)	2.239	2.262	-.023	2.018
184 Top Butt, bnls (prime)	2.910	2.813	+.097	2.608
185a Sirloin Flap (choice)	3.806	3.768	+.038	3.080
185c Loin, Tri-Tip (choice)	2.681	2.542	+.139	2.476
189a Tender (select)	7.447	7.394	+.053	7.132
189a Tender (choice)	7.949	7.907	+.042	7.877
189a Tender (prime)	10.281	10.240	+.041	9.701
193 Flank Steak (choice)	4.286	4.265	+.021	4.364
50% Trimmings	.942	1.087	-.145	.775
65% Trimmings	1.247	1.239	+.008	1.026
75% Trimmings	1.550	1.538	+.012	1.262
85% Trimmings	1.814	1.833	-.019	1.474
90% Trimmings	1.873	1.936	-.063	1.597
90% Imported Beef (frz.)	1.880	1.925	-.045	1.608
95% Imported Beef (frz.)	1.985	2.005	-.020	1.745
Veal Rack (Hotel 7 rib)	5.450	5.450	-	4.550
Veal Top Rnd. (cp. off)	12.400	12.400	-	10.500



Oil, Grains, Misc.- Various ethanol plants are slowing output due to inflated corn costs. We would not be surprised to see more corn demand rationing occur this summer. The markets are volatile. Prices USDA, FOB.

	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.662	13.932	-.270	9.600
Crude Soybean Oil, lb.	.559	.569	-.010	.350
Soybean Meal, ton	352.200	358.000	-5.800	308.200
Corn, bushel	7.403	7.185	+.218	3.373
Crude Corn Oil, lb.	.670	.675	-.005	.390
Distillers Grain, Dry	200.250	192.000	+8.250	98.750
Crude Palm Oil, lb. BMD	.489	.509	-.020	.354
HRW Wheat, bushel	8.000	8.050	-.050	4.030
DNS Wheat 14%, bushel	10.180	10.500	-.320	5.530
Canola, lb.	.275	.274	+.001	.182
Canola Oil, SD, (Tor.), lb.	.633	.645	-.012	.439
Pinto Beans, lb.	.292	.291	+.001	.325
Black Beans, lb.	.325	.325	-	.350
Rice, Long Grain, lb.	.252	.252	-	.233
Coffee, lb. NYBOT	2.675	2.605	+.070	1.510
Sugar, lb. NYBOT	.356	.350	+.006	.324



Dairy-The CME butter market remains historically inflated due to limited US and world supplies. April US butter exports were 115% larger than the prior year despite an average butter price 30% higher this year than 2010. The butter market is anticipated to remain well supported deep into the summer at least until Oceania's milk production seasonally increases. The CME cheese markets remain relatively firm due in a large part to the voluntary cheese recall from a cheese producer. We would not be surprised to see the CME cheese markets break $.20 a pound soon. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	2.075	2.068	+.007	1.365
Cheese Blocks (CME)	2.110	2.113	-.003	1.400
American Cheese	2.240	2.240	-	1.698
Cheddar Cheese (40 lb.)	2.170	2.170	-	1.830
Mozzarella Cheese	2.240	2.240	-	1.720
Provolone Cheese	2.610	2.443	+.167	1.883
Parmesan Cheese	3.685	3.518	+.167	3.248
Butter (CME)	2.140	2.100	+.040	1.620
Nonfat Dry Milk	1.701	1.702	-.001	1.339
Whey, Dry	.519	.513	+.006	.366
Class 1 Base	20.320	20.320	-	15.280
Class II Cream, heavy	2.859	2.848	+.011	2.471
Class III Milk (CME)	19.800	19.830	-.030	13.580
Class IV Milk (CME)	20.650	20.690	-.004	15.350

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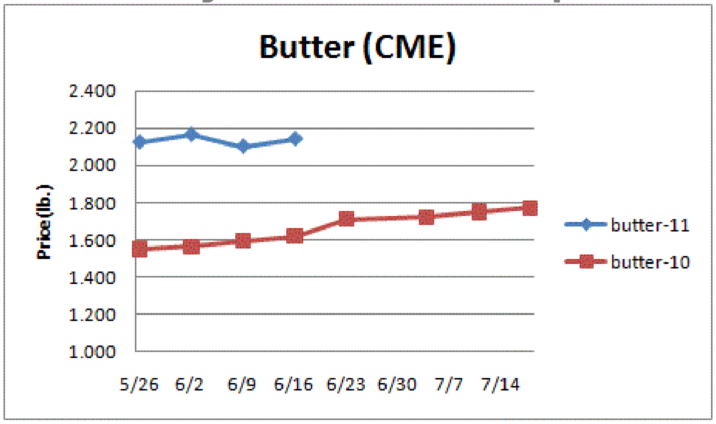
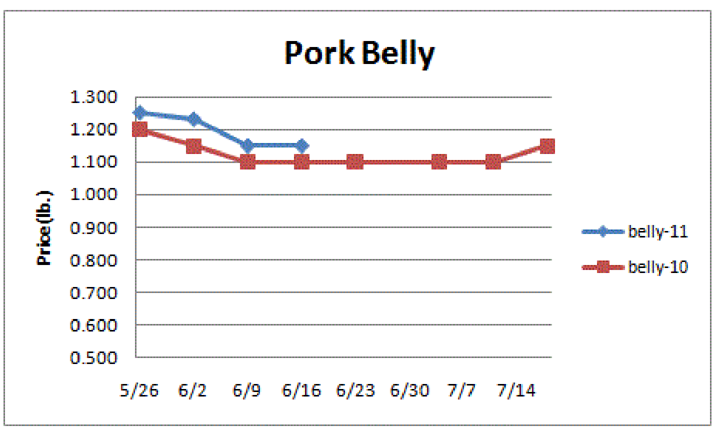


Pork- Pork output last week was .2% less than a year ago. Pork production this week is being slowed by packers due to poor margins which is helping support many of the pork markets. April US pork exports were 18% more than 2010 and the 2nd largest for any month since July 2008. Ham exports during April were 31% more than the prior year. Ham market increases are expected in the coming weeks. Higher pork belly prices may be forthcoming as well. Last year the belly market rose 30% in July. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.660	.638	+.022	.557
Belly (bacon)	1.150	1.150	-	1.100
Sparerib (4.25 lb. & down)	1.694	1.533	+.161	1.400
Ham (20-23 lb.)	.760	.740	+.020	.780
Ham (23-27 lb.)	.770	.740	+.030	.780
Loin (bone-in)	1.088	1.061	+.027	.919
Bbybck Rib (1.75 lb. & up)	3.027	3.010	+.017	2.891
Tenderloin (1.25 lb.)	3.075	3.050	+.025	2.806
Boston Butt, untrmd. (4-8 lb.)	1.036	.949	+.087	.809
Picnic, untrmd.	.668	.637	+.031	.634
SS Picnic, smoker trm. bx.	.949	.949	-	.815
42% Trimmings	.562	.490	+.072	.550
72% Trimmings	.888	.800	+.088	.930



Tomato Products, Canned- The markets are relatively steady. Modestly higher canned tomato prices are anticipated as the summer progresses. Prices per case (6/10) FOB, unless noted from ARA.

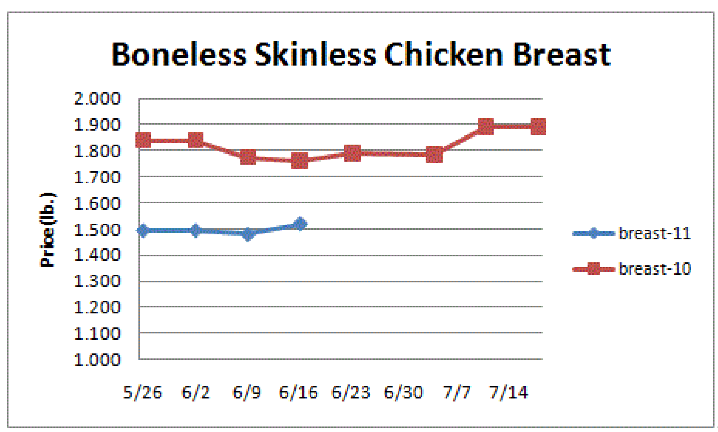
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.250
Diced, Fancy	12.250	12.250	-	12.750
Ketchup, 33%	13.000	13.000	-	13.500
Tomato Paste- Industrial (lb.)	.390	.390	-	.380

Processed Vegetables- French Fry processors continue to limit production due in part to tight potato supplies. French fry prices should remain inflated into the 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 during April were 8% less than last year and the smallest for the month since January. We anticipate chicken exports to trend close to 2010 levels in the coming months which may continue to support dark meat chicken prices. Chicken production is projected to fall below year ago levels sometime in the early summer. Chicken breast and wing prices appear to be starting to firm in response. Usually, the boneless skinless chicken breast market appreciates about $.10 a pound during the next 6 weeks before topping. We would not be surprised to see chicken breast price increases stronger this year during the early summer. Further chicken wing market increases may be impending as well. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.870	.870	-	.870
Whole Birds (LA)	.960	.960	-	.960
Wings (whole)	.795	.775	+.020	1.170
Wings (jumbo, cut)	.974	.894	+.080	1.171
Breast, Bone In	.885	.885	-	1.035
Breast, Bnless Skinless	1.520	1.480	+.040	1.760
Tenderloin (random)	1.150	1.070	+.080	1.440
Tenderloin (sized)	2.010	1.890	+.120	1.980
Legs (whole)	.706	.670	+.036	.487
Leg Quarters	.490	.500	-.010	.400
Thighs, bone in	.775	.745	+.030	.523
Thighs, boneless	1.365	1.347	+.018	.918
Eggs and Others				
Large (dozen)	.900	.900	-	.837
Medium (dozen)	.805	.805	-	.585
Whole Eggs- Liquid	.467	.465	+.002	.411
Egg Whites- Liquid	.448	.447	+.001	.380
Egg Yolks- Liquid	.610	.658	-.048	.663
Whole Turkeys (8-16 lb.)	1.055	1.090	-.035	.890
Turkey Breast, Bnls/Sknls	2.506	2.500	+.006	2.231



Seafood- US total shrimp imports during April were 3.4% less than last year. Shell on shrimp imports were 1.2% smaller than 2010 during the month. The Japanese Yen continues to trade at historically high levels versus the US dollar which may encourage seafood exporters to move more shrimp to Japan this summer. US shrimp prices may remain fairly elevated. April salmon filet/steak imports were 35% more than 2010.

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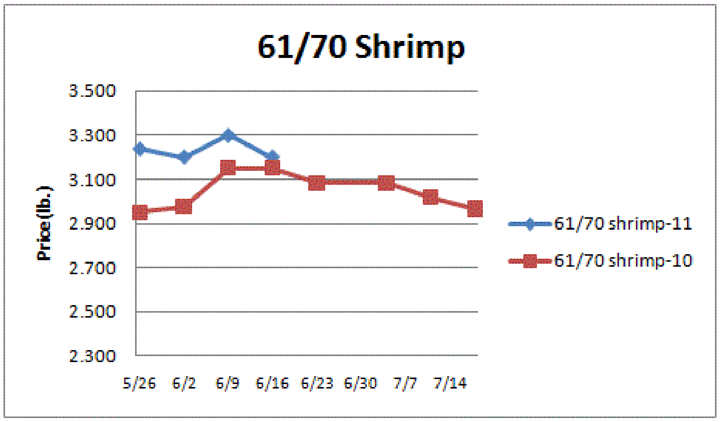
Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	5.150	5.150	-	4.500
Catfish Filets	4.900	4.900	-	3.500
Trout (drn. 8-14 oz.)	3.300	3.300	-	3.000
Shrimp (16/20), Frz	7.259	7.140	+.119	7.660
Shrimp (61/70), Frz.	3.200	3.300	-.100	3.150
Shrimp, Tiger (26/30), Frz.	4.950	4.800	+.150	4.817
Snow Crab, Legs 5-8 oz, Frz	5.875	5.875	-	4.025
Snow Crab, Legs 8 oz/ up, Fz	6.475	6.475	-	4.675
Cod Tails, 3-7 oz., Frz.	3.188	3.188	-	3.063
Cod Loins, 3-12 oz., Frz	3.831	3.831	-	3.663
Salmon Portions, 4-8 oz, Frz	6.626	6.626	-	5.379
Pollock, Alaska, Deep Skin	1.925	1.925	-	2.075



Energy & Currency-Currency US dollar is worth.

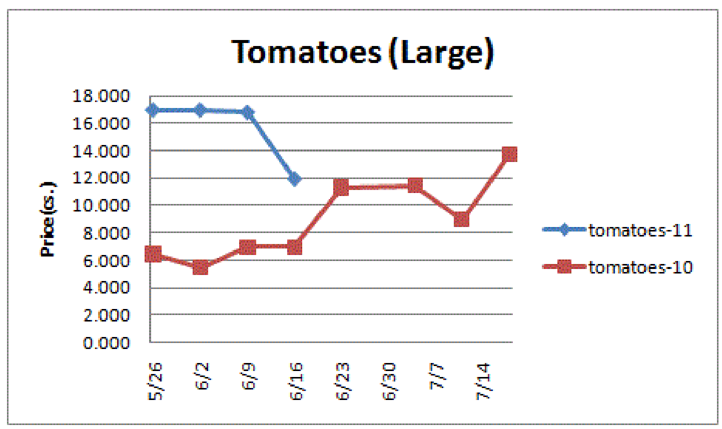
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	99.370	99.090	+.280	76.940
Natural Gas, mbtu- nymex	4.581	4.831	-.250	5.189
Heating Oil, gal- nymex	3.125	3.077	-.202	2.082
Electricity, mwht- nymex	66.360	61.000	+5.360	50.020
Gasoline, gal- nymex	3.065	2.992	+.073	2.121
Diesel Fuel, gal- eia	3.954	3.940	+.014	2.928
Ethanol, gal- usda	2.595	2.570	+.025	1.505
Canadian $	.974	.976	-.002	1.030
Japanese Yen	80.226	80.228	-.002	91.181
Mexican Peso	11.837	11.714	+.138	12.656
Euro	.692	.683	+.009	.816
Brazilian Real	1.583	1.578	+.005	1.806
Chinese Yuan	6.479	6.481	-.002	6.833

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)	1032.380	1028.290	+4.090	1012.090
WP; 42 lb. Linerboard (corr.)	842.675	858.053	-15.378	616.969
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	-	.820-.850

Produce- June 1st US potato stocks were 36% less than last year and the smallest for the month in at least the last 10 years. The potato markets are beginning to firm and even higher prices may be pending. Last year the 70 count Idaho potato market rose roughly 14% between now and mid September with the bulk of the increase occurring during the late summer. The tomato markets are depreciating as supplies modestly improve. Tomato shipments may be adequate during the next several weeks but once the main production area shifts to the mid- Atlantic supplies could tighten. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	12.000	13.000	-1.000	12.000
Lemons (95 ct.)	15.640	14.640	+1.000	20.040
Lemons (200 ct.)	17.640	17.140	+.500	22.040
Honeydew (6 ct.)	5.237	5.725	-.488	6.067
Cantaloupe (15 ct.)	5.250	7.225	-1.975	7.750
Blueberries (12 count)	17.843	19.000	-1.157	14.113
Strwbrries (12 pnts.)	10.500	10.500	-	8.500
Avocds (Hass 48 ct.)	52.000	48.500	+3.500	28.750
Bananas (40 lb.)- Term.	16.691	17.449	-.758	18.367
Pineapple (7 ct.)- Term.	10.479	10.979	-.500	10.391
Idaho Potato (60 ct., 50 lb.)	17.500	16.500	+1.000	11.250
Idaho Potato (70 ct., 50 lb.)	16.500	15.500	+1.000	11.250
Idaho Potato (70 ct.)-Term.	22.438	23.179	-.741	15.719
Idaho Potato (90 ct., 50 lb.)	12.750	12.500	+.250	5.250
Idaho Pot. # 2 (6 oz., 100 lb.)	17.500	16.000	+1.500	5.750
Processing Potato (cwt.)	12.000	9.000	+3.000	8.000
Yellow Onions (50 lb.)	9.000	10.000	-1.000	14.000
Yell Onions (50 lb.)-Term.	14.661	13.641	+1.020	19.850
Red Onions (25 lb.)- Term.	8.109	7.792	+.317	19.834
White Onions (50 lb.)- Term.	15.750	15.667	+.083	21.750
Tomatoes (large- case)	11.950	16.783	-4.833	6.950
Tomatoes (5x6-25 lb.)-Term	17.285	18.550	-.1.265	8.688
Tomatoes (4x5 vine ripe)	8.450	11.950	-3.500	6.950
Roma Tomatoes (large- case)	8.616	8.580	+.036	6.769
Roma Tomatoes (xlarge-cs)	9.208	9.080	+.128	6.803
Green Peppers (large- case)	13.775	14.775	-1.000	10.525
Red Peppers (large 15lb. cs.)	10.950	9.950	+1.000	8.450
Iceberg Lettuce (24 count)	9.850	8.902	+.948	14.303
Iceberg Lettuce (24)-Term.	17.500	12.125	+5.375	24.667
Leaf Lettuce (24 count)	6.425	6.187	+.238	8.450
Romaine Lettuce (24 cnt.)	6.487	6.566	-.079	9.800
Mesculin Mix (3 lb.)-Term.	9.472	6.792	+2.680	6.750
Broccoli (14 ct.)	16.662	17.747	-1.085	6.263
Squash (1/2 bushel)	9.800	8.300	+1.500	7.800
Zucchini (1/2 bushel)	8.758	7.306	1.452	6.200
Green Beans (bushel)	14.800	16.425	-1.625	14.638
Spinach, Flat 24's	8.100	8.070	+.030	9.075
Mushrms (10 lb, lg.)-Term.	7.104	8.310	-1.206	13.433
Cucumbers (bushel)	11.953	9.595	+2.358	12.855
Pickles (200-300 ct.)- Term.	26.375	24.844	+1.531	25.000
Asparagus (small)	14.000	14.500	-.500	9.000
Freight (Truck; CA-Cty Av.)	6077.778	5932.500	+145.278	5320.000



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

	May-11	Apr-11	Mar-11	Feb-11
Beef and Veal	+1.020	+1.164	+2.330	+1.910
Dairy	+.773	+1.720	+1.303	+.574
Pork	+2.569	-.285	+2.280	+.959
Chicken	+.625	+.848	-.114	+.460
Fresh Fish and Seafood	+1.832	+.753	+2.012	+.420
Fresh Fruits and Veg.	-1.503	-1.517	+1.498	+.486