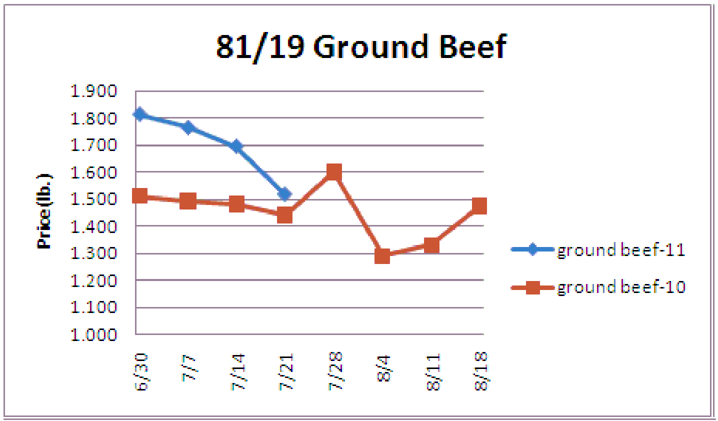
Weekly Market Updates

Volume No. 4 Issue No. 29 Date: July 21, 2011

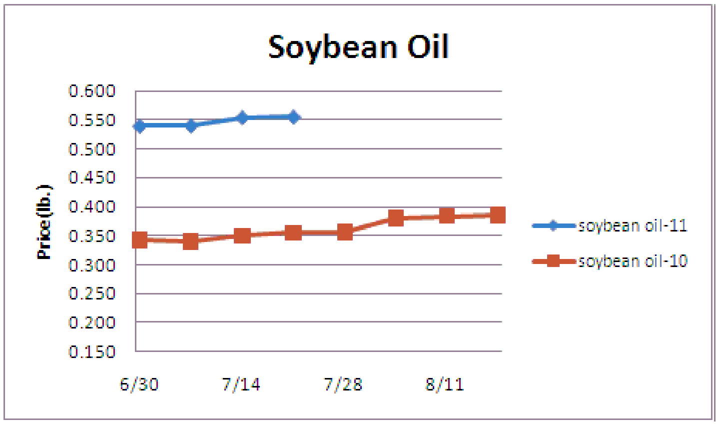
Beef - Beef production last week was .2% more than the same week in 2010. Beef output is anticipated to improve versus the previous year during the next several weeks. US beef imports during May were 14.6% less than the prior year but the best for any month since August. Beef imports from Australia have improved modestly but could remain historically light in the coming months due to a relatively deflated US dollar. If true, this would be supportive of lean beef trimming prices. May US beef exports were the 2nd largest in the last 5 years. June retail beef prices were the 2nd highest on record. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Cattle	1.082	1.160	-.078	.937
Feeder Cattle Index (CME)	1.394	1.340	+.054	1.122
Ground Beef 81/19	1.517	1.694	-.177	1.441
Ground Chuck	1.647	1.745	-.098	1.476
109e Export Rib (choice)	5.036	5.133	-.097	4.852
109e Export Rib (prime)	9.020	9.015	+.005	7.088
112a Ribeye (choice)	5.399	5.675	-.276	5.514
112a Ribeye (prime)	9.370	9.360	+.010	8.037
116 Chuck (select)	2.036	2.092	-.056	1.841
116 Chuck (choice)	2.057	2.099	-.042	1.812
116b Chuck Tdnr (choice)	2.143	2.144	-.001	1.631
120 Brisket (choice)	1.834	1.808	+.026	1.512
121c Outside Skirt (ch/sel)	4.027	4.114	-.087	3.573
121d Inside Skirt (ch/sel)	3.196	3.233	-.037	2.312
167a Knckle, Trm. (ch.)	2.126	2.158	-.032	1.807
168 Inside Round (ch.)	1.952	1.974	-.022	1.552
174 Short Loin (ch. 0x1)	5.414	5.342	+.072	4.729
174 Short Loin (prime)	8.620	8.420	+.200	7.165
180 1x1 Strp (choice)	5.325	5.108	+.217	4.300
180 1x1 Strp (prime)	9.950	9.005	+.945	8.474
180 0x1 Strp (choice)	5.790	5.880	-.090	4.955
184 Top Butt, bnls (ch.)	3.036	2.926	+.110	2.171
184 Top Butt, bnls (prime)	3.550	3.360	+.190	2.777
185a Sirloin Flap (choice)	4.289	4.212	+.077	3.255
185c Loin, Tri-Tip (choice)	2.636	2.885	-.249	2.459
189a Tender (select)	7.959	8.067	-.108	6.635
189a Tender (choice)	8.890	8.859	+.031	7.746
189a Tender (prime)	12.620	11.960	+.660	9.013
193 Flank Steak (choice)	4.719	4.691	+.028	4.344
50% Trimmings	.805	.837	-.032	.783
65% Trimmings	1.132	1.161	-.029	.982
75% Trimmings	1.469	1.471	-.002	1.290
85% Trimmings	1.734	1.734	-	1.560
90% Trimmings	1.849	1.856	-.007	1.663
90% Imported Beef (frz.)	1.888	1.860	-.002	1.563
95% Imported Beef (frz.)	1.988	1.980	+.008	1.680
Veal Rack (Hotel 7 rib)	5.650	5.650	-	8.000
Veal Top Rnd. (cp. off)	12.400	12.400	-	11.025



Oil, Grains, Misc.- Concerns are building regarding the pending US durum and hard spring wheat crops. Volatile wheat prices could persevere. Prices USDA, FOB.

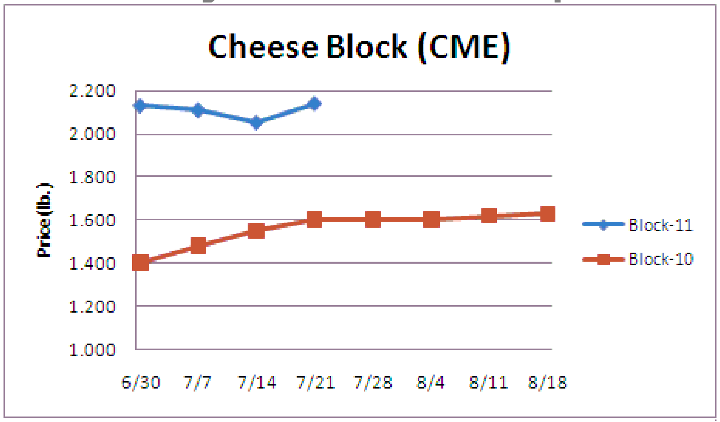
	Price	Last Week	Difference	Price 10
Soybeans, bushel	13.924	13.589	+.335	10.177
Crude Soybean Oil, lb.	.555	.554	+.001	.355
Soybean Meal, ton	350.800	349.400	+1.400	326.500
Corn, bushel	7.222	6.869	+.353	3.375
Crude Corn Oil, lb.	.615	.625	-.010	.395
Distillers Grain, Dry	195.750	186.050	+9.700	104.000
Crude Palm Oil, lb. BMD	.470	.461	+.009	.353
HRW Wheat, bushel	7.410	7.230	+.187	5.100
DNS Wheat 14%, bushel	8.820	8.930	-.110	5.810
Canola, lb.	.270	.269	+.001	.188
Canola Oil, SD, (Tor.), lb.	.634	.629	+.005	.445
Pinto Beans, lb.	.322	.259	+.063	.214
Black Beans, lb.	.335	.335	-	.300
Rice, Long Grain, lb.	.253	.253	-	.220
Coffee, lb. NYBOT	2.482	2.579	-.097	1.620
Sugar, lb. NYBOT	.368	.366	+.002	.311
Honey (Clover), lb.	1.650	1.650	-	1.605



Dairy- The CME cheese markets continue to trade at inflated levels surprising the industry. Hot weather in the Midwest is reported to be slowing milk production some. Still, the US cheese markets are trading at a premium to the international market which should cause cheese exports to slow. Further, cheese prices at these levels usually temper domestic demand. We still believe the downside risk in cheese prices is much greater than the upside risk. May US butter exports were 12% more than last year but the smallest since February. The butter market remains firm. Prices per pound, except Class I Cream (hundred weight), from USDA.

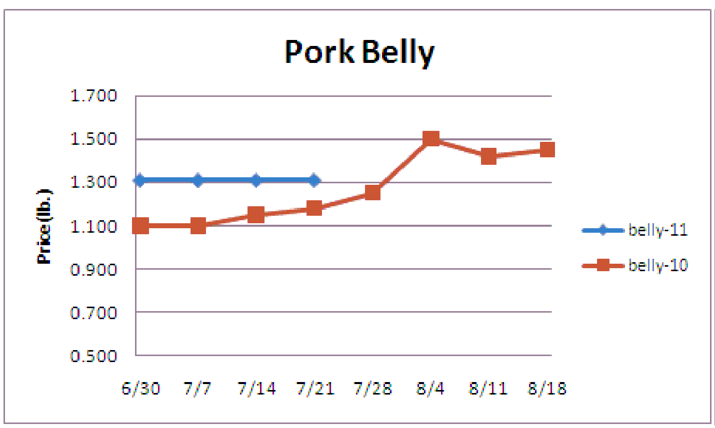
	Price	Last Week	Difference	Price 10
Cheese Barrels (CME)	2.115	2.103	+.012	1.560
Cheese Blocks (CME)	2.140	2.055	+.085	1.603
American Cheese	2.463	2.430	+.033	1.840
Cheddar Cheese (40 lb.)	2.470	2.470	-	1.850
Mozzarella Cheese	2.458	2.473	-.015	1.880
Provolone Cheese	2.615	2.630	-.015	2.053
Parmesan Cheese	3.695	3.710	-.015	3.418
Butter (CME)	2.030	2.040	-.010	1.790
Nonfat Dry Milk	1.699	1.698	+.001	1.288
Whey, Dry	.557	.548	+.009	.360
Class 1 Base	21.030	21.030	-	15.660
Class II Cream, heavy	2.790	2.878	-.088	2.881
Class III Milk (CME)	20.560	19.220	+1.340	14.970
Class IV Milk (CME)	19.800	19.850	-.050	15.450

Weekly Market Updates



Pork- Pork output last week was 1.6% more than the same week a year ago. Pork production should begin to trend upward in the coming weeks which can put some downward pressure on many pork markets. The pork belly market typically peaks in August. US pork exports during May were 9.1% more than last year with ham exports up a whopping 46%. If China does import more pork in the coming months as speculated it could be bullish for pork prices. June retail pork prices were 8.5% more than the prior year and a record high. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 10
Live Hogs	.677	.677	-	.554
Belly (bacon)	1.310	1.310	-	1.180
Sparerib (4.25 lb. & down)	1.640	1.581	+.059	1.259
Ham (20-23 lb.)	.830	.800	+.030	.800
Ham (23-27 lb.)	.830	.815	+.015	.800
Loin (bone-in)	1.199	1.119	+.080	.927
Bbybck Rib (1.75 lb. & up)	3.150	3.000	+.150	2.550
Tenderloin (1.25 lb.)	3.400	3.250	+.150	2.550
Boston Butt, untrmd. (4-8 lb.)	1.070	1.068	+.002	.779
Picnic, untrmd.	.766	.737	+.029	.599
SS Picnic, smoker trm. bx.	.960	.930	+.030	.860
42% Trimmings	.800	.700	+.100	.600
72% Trimmings	1.000	.913	+.087	.805



Tomato Products, Canned- 2011 US tomato for canning output is projected to be virtually even with the prior year. The canned tomato markets are firm. Prices per case (6/10) FOB, unless noted from ARA.

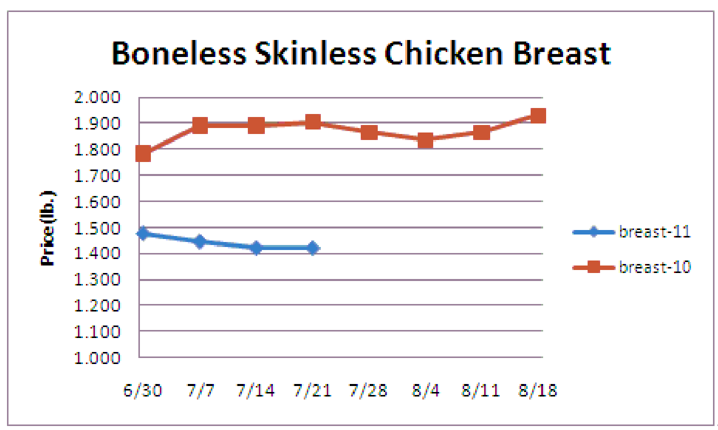
	Price	Last Week	Difference	Price 10
Whole Peeled, Standard	11.750	11.750	-	12.250
Diced, Fancy	12.250	12.250	-	12.750
Ketchup, 33%	13.000	13.000	-	13.500
Tomato Paste- Industrial (lb.)	.390	.390	-	.380

Processed Vegetables- 2011 for canning green bean (25%), corn (10%) and green pea (.8%) acreage are all estimated to be less than last year. The markets are firm. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 10
Corn, Fcy whl kern- can 6/10	18.406	18.406	-	16.906
Green Beans Fcy- can 6/10	18.000	18.000	-	16.563
Green Peas, Fcy- can 6/10	18.750	18.750	-	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- Chicken slaughter numbers in recent weeks have been trending closer to 2010 levels however higher chicken weights have caused chicken output to remain above a year ago. Chicken production is projected to trend below the prior year in the coming months. The 6 week moving average for broiler egg sets currently is trending 4.1% below a year ago which should translate to smaller chicken output soon. Thus, we expect that many chicken markets could firm in the coming weeks including chicken breast and wings. May US chicken exports were 5.8% more than last year and the largest for any month since December. Retail chicken prices during June were 2.2% more than 2010 and the 2nd highest on record. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 10
Whole Birds (2.5-3 lb.-GA)	.873	.873	-	.878
Whole Birds (LA)	.960	.960	-	.970
Wings (whole)	.855	.855	-	1.220
Wings (jumbo, cut)	.950	.890	+.060	1.219
Breast, Bone In	.835	.835	-	1.070
Breast, Bnless Skinless	1.420	1.420	-	1.905
Tenderloin (random)	1.050	1.150	-.100	1.620
Tenderloin (sized)	1.810	2.010	-.200	2.070
Legs (whole)	.612	.608	+.004	.519
Leg Quarters	.460	.475	-.015	.395
Thighs, bone in	.759	.720	+.039	.479
Thighs, boneless	1.208	1.327	-.119	.962
Eggs and Others				
Large (dozen)	.970	1.003	-.033	.803
Medium (dozen)	.705	.752	-.047	.577
Whole Eggs- Liquid	.512	.508	+.004	.427
Egg Whites- Liquid	.459	.457	+.002	.365
Egg Yolks- Liquid	.669	.656	+.013	.656
Whole Turkeys (8-16 lb.)	1.055	1.055	-	.945
Turkey Breast, Bnls/Sknls	2.500	2.500	-	2.448

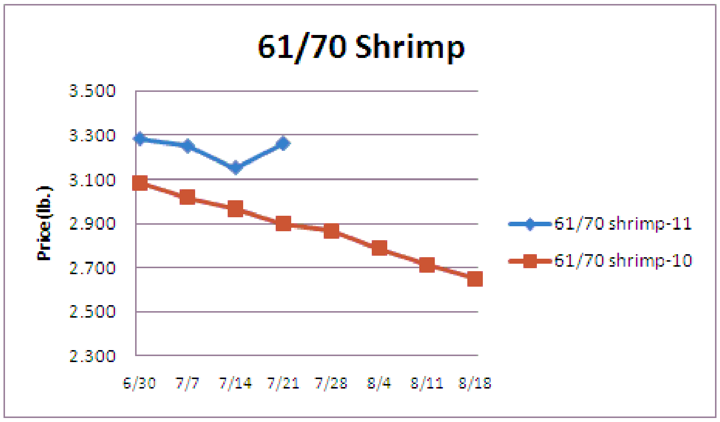


Seafood- US shrimp imports have improved due in a large part to inflated price levels in the US. US shrimp imports during May were 7.4% more than last year. Shrimp imports in the coming months could be mitigated by a decline in output from the largest shrimp exporting country in the world, Thailand. Shrimp prices usually move lower during the late summer. May US salmon filet/steak imports were 12% more than 2010.

Weekly Market Updates

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

	Price	Last Week	Difference	Price 10
Salmon (wh. Atl., 10-12 lb.)	4.000	4.000	-	4.250
Catfish Filets	4.900	4.900	-	3.500
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.000
Shrimp (16/20), Frz	7.107	6.982	+.125	6.488
Shrimp (61/70), Frz.	3.263	3.150	+.113	2.900
Shrimp, Tiger (26/30), Frz.	4.950	4.800	+.150	4.750
Snow Crab, Legs 5-8 oz, Frz	5.850	5.925	-.075	4.625
Snow Crab, Legs 8 oz/ up, Fz	6.475	6.475	-	5.025
Cod Tails, 3-7 oz., Frz.	3.200	3.200	-	3.088
Cod Loins, 3-12 oz., Frz	3.825	3.831	-.006	3.663
Salmon Portions, 4-8 oz, Frz	6.471	6.804	-.333	5.379
Pollock, Alaska, Deep Skin	1.850	1.850	-	2.075



Energy & Currency-Currency US dollar is worth.

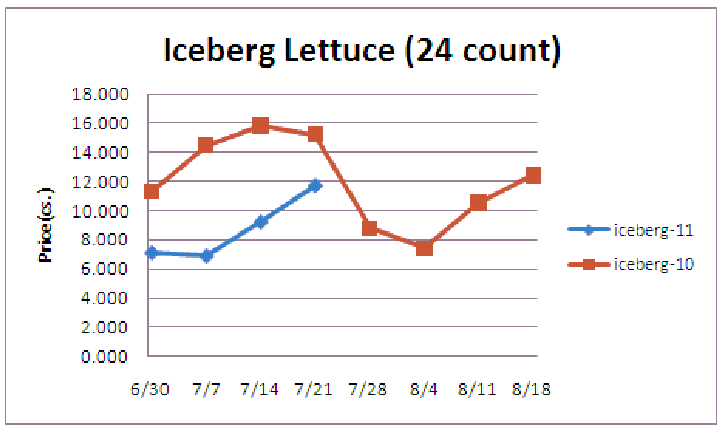
	Price	Last Week	Difference	Price 10
Crude Oil, barrel- nymex	95.930	97.430	-1.500	77.440
Natural Gas, mbtu- nymex	4.524	4.333	+.191	4.590
Heating Oil, gal- nymex	3.077	3.088	-.011	2.025
Electricity, mwht- nymex	93.220	67.310	+25.910	75.250
Gasoline, gal- nymex	3.097	3.098	-.001	2.079
Diesel Fuel, gal- eia	3.923	3.899	+.024	2.899
Ethanol, gal- usda	2.765	2.630	+.135	1.525
Canadian $	.959	.972	-.013	1.058
Japanese Yen	79.103	79.678	-.575	86.811
Mexican Peso	11.780	11.821	-.041	12.951
Euro	.712	.716	-.004	.779
Brazilian Real	1.581	1.582	-.001	1.800
Chinese Yuan	6.469	6.462	+.007	6.778

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)	1023.790	1034.360	-10.570	1020.000
WP; 42 lb. Linerboard (corr.)	822.437	835.825	-13.388	677.491
Res; PS-CHH (cup, cont.)	1.120-1.160	1.120-1.160	-	.900-.940
Res; PP-HIGP (hvy utensil)	1.200-1.220	1.200-1.220	-	.920-.940
Res; PE-LLD (cn liner, film)	.910-.940	.910-.940	-	.820-.850

Produce- The Idaho potato markets continue to trade at historically inflated levels due to the tightest mid-summer supplies in at least the last 10 years. The potato markets are anticipated to remain at elevated levels deep into August but some price relief is expected this fall. The lettuce markets are modestly firming and may continue to do so into next week. Avocado supplies are projected to remain limited from now until the end of next month which should help support avocado prices. Summer and spring total onion acreage is estimated to be 3.2% larger than last year. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 10
Limes (150 ct.)	14.000	15.000	-1.000	6.000
Lemons (95 ct.)	19.640	19.640	-	21.040
Lemons (200 ct.)	19.640	19.640	-	22.540
Honeydew (6 ct.)	8.975	6.884	+2.091	6.500
Cantaloupe (15 ct.)	7.700	7.700	-	8.500
Blueberries (12 count)	17.500	19.625	-2.125	14.000
Strwbrries (12 pnts.)	10.500	10.500	-	10.000
Avocds (Hass 48 ct.)	51.250	53.250	-2.000	29.750
Bananas (40 lb.)- Term.	16.308	15.783	+.525	17.338
Pineapple (7 ct.)- Term.	16.584	11.031	+5.553	13.813
Idaho Potato (60 ct., 50 lb.)	26.000	26.000	-	12.500
Idaho Potato (70 ct., 50 lb.)	24.000	24.000	-	12.500
Idaho Potato (70 ct.)-Term.	30.245	24.443	+5.802	16.594
Idaho Potato (90 ct., 50 lb.)	17.500	17.500	-	8.500
Idaho Pot. # 2 (6 oz., 100 lb.)	24.000	24.000	-	12.000
Processing Potato (cwt.)	13.000	13.000	-	8.200
Yellow Onions (50 lb.)	9.000	9.000	-	15.500
Yell Onions (50 lb.)-Term.	13.907	14.563	-.656	21.467
Red Onions (25 lb.)- Term.	9.490	9.438	+.052	17.375
White Onions (50 lb.)- Term.	12.960	17.917	-4.957	19.913
Tomatoes (large- case)	8.459	8.125	+.334	13.450
Tomatoes (5x6-25 lb.)-Term	16.391	13.016	+3.375	13.678
Tomatoes (4x5 vine ripe)	12.950	12.950	-	10.950
Roma Tomatoes (large- case)	8.459	8.125	+.334	11.559
Roma Tomatoes (xlarge-cs)	9.832	8.617	+1.215	13.407
Green Peppers (large- case)	10.500	10.600	-.100	14.950
Red Peppers (large 15lb. cs.)	15.450	15.450	-	16.950
Iceberg Lettuce (24 count)	11.743	9.243	+2.500	15.248
Iceberg Lettuce (24)-Term.	18.750	15.750	+3.000	19.250
Leaf Lettuce (24 count)	6.525	6.500	+.025	7.513
Romaine Lettuce (24 cnt.)	7.700	8.188	-.488	7.650
Mesculin Mix (3 lb.)-Term.	6.938	6.938	-	6.625
Broccoli (14 ct.)	6.093	6.005	+.088	5.628
Squash (1/2 bushel)	6.713	6.850	-.137	6.425
Zucchini (1/2 bushel)	8.213	10.132	-1.919	7.125
Green Beans (bushel)	14.750	16.500	-1.750	13.750
Spinach, Flat 24's	8.125	8.220	-.095	6.675
Mushrms (10 lb, lg.)-Term.	11.049	8.313	+2.736	13.501
Cucumbers (bushel)	15.388	16.688	-1.300	16.789
Pickles (200-300 ct.)- Term.	36.459	25.646	+10.813	18.125
Asparagus (small)	9.500	9.500	-	22.000
Freight (Truck; CA-Cty Av.)	6031.125	6300.000	-268.875	5775.000



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

	Jun-11	May-11	Apr-11	Mar-11
Beef and Veal	-.007	+1.020	+1.164	+2.330
Dairy	+.005	+.773	+1.720	+1.303
Pork	+.006	+2.569	-.285	+2.280
Chicken	+.001	+.625	+.848	-.114
Fresh Fish and Seafood	-.001	+1.832	+.753	+2.012
Fresh Fruits and Veg.	-.017	-1.503	-1.517	+1.498