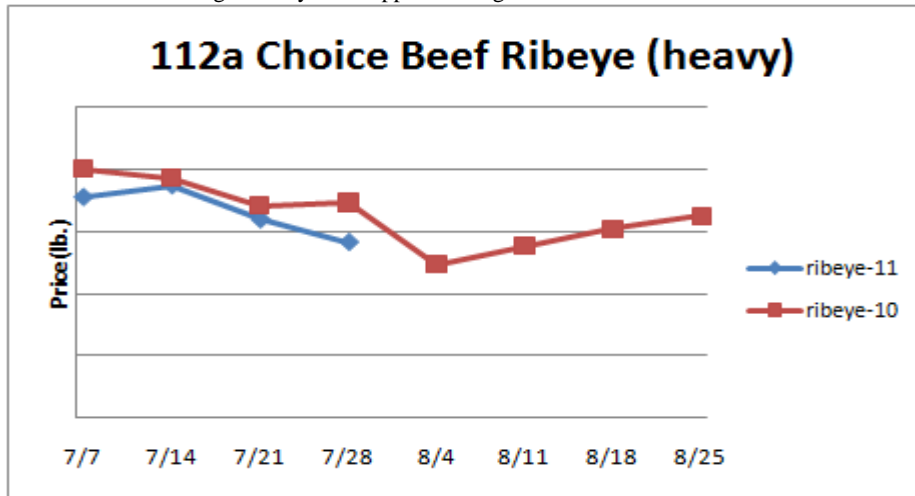


# Beef, Veal and Lamb Report

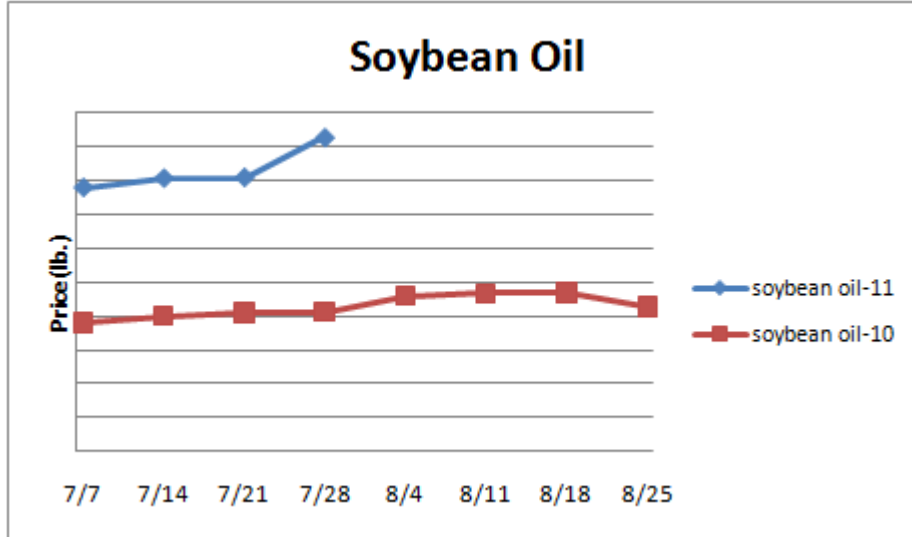
**Beef, Veal & Lamb-** Beef output last week declined 1.8% and was 2% less than the same week last year. Beef production is anticipated to trend modestly above 2010 during the next few months. The July 1st US cattle on feed inventory (3.8%) and June cattle placements into feedlots (4.2%) were both larger than a year ago. The August near slaughter ready cattle inventory is estimated to be 1.5% bigger than the 3 year average for the date. Poor US pasture conditions could push more cattle to slaughter this fall but could temper cattle supplies in 2012. Many steak cut markets are weakening but may find support in August.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Lower
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Higher
168 Inside Round (choice)	Increasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Decreasing	Good	Higher
75% Trimmings	Decreasing	Good	Higher
85% Trimmings	Steady	Good	Higher
90% Trimmings	Decreasing	Good	Higher
90% Imported Beef (frozen)	Steady	Good	Higher
Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

# Oil and Grains Report

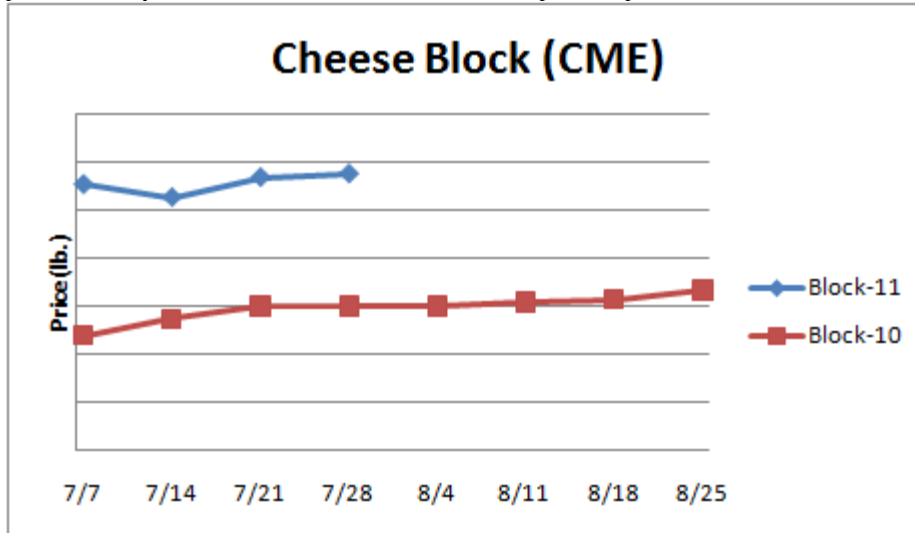
**Oil & Grains-** The grain crops have been stressed in recent weeks by high temperatures. There is still a lot of time left for these crops to recover some. Volatile prices may persist.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Soybeans</b>	Increasing	Good	Higher
<b>Crude Soybean Oil</b>	Increasing	Good	Higher
<b>Soymeal</b>	Decreasing	Good	Higher
<b>Corn</b>	Decreasing	Good	Higher
<b>Crude Corn Oil</b>	Increasing	Good	Higher
<b>Distillers Grain, Dry</b>	Decreasing	Good	Higher
<b>Crude Palm Oil</b>	Increasing	Good	Higher
<b>Hard Red Winter Wheat</b>	Increasing	Good	Higher
<b>Dark Northern Spring Wheat</b>	Decreasing	Good	Higher
<b>Durum Wheat, bushel</b>	Decreasing	Good	Higher
<b>Canola Oil</b>	Increasing	Good	Higher

# Dairy Report

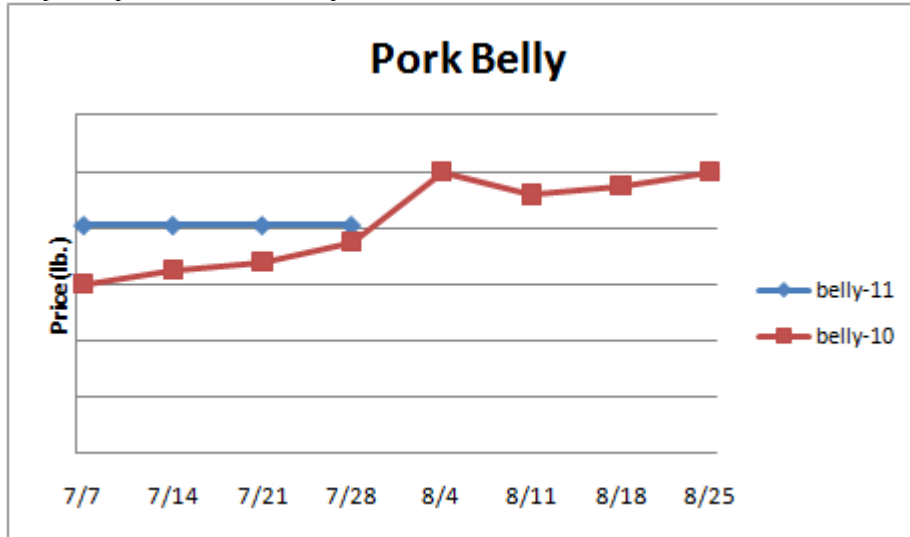
**Dairy-** June milk production was 1.1% more than last year due to a .2% rise in milk per cow yields and a .9% larger milk cow herd. Milk farmers added a net 10,000 head to the herd during June suggesting milk output expansion will persist. The CME cheese markets remain elevated with decent demand supporting prices. As the class III milk price is now carrying a premium to class IV this should encourage cheese production during the next few months. Still, cheese processors may not want to build inventories here with prices expected to decline. The butter market is firm.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Cheese Barrels- CME</b>	Increasing	Good	Higher
<b>Cheese 40 lb Blocks- CME</b>	Increasing	Good	Higher
<b>American Cheese</b>	Increasing	Good	Higher
<b>Cheddar Cheese</b>	Increasing	Good	Higher
<b>Mozzarella Cheese</b>	Increasing	Good	Higher
<b>Provolone Cheese</b>	Increasing	Good	Higher
<b>Parmesan Cheese</b>	Increasing	Good	Higher
<b>Butter- One lb Solids</b>	Increasing	Good	Higher
<b>Nonfat Dry Milk</b>	Increasing	Good	Higher
<b>Whey, Dry</b>	Steady	Good	Higher
<b>Class I Milk Base</b>	Increasing	Good	Higher
<b>Class II Cream (Heavy Cream)</b>	Increasing	Good	Lower
<b>Class III Milk- CME</b>	Increasing	Good	Higher
<b>Class IV Milk- CME</b>	Increasing	Good	Higher

# Pork Report

**Pork-** Pork production last week declined .5% but was 3.4% more than the same week a year ago. Pork output usually trends upward during the next few months which can put downward pressure on many of the pork markets. Last year, however, the USDA pork cutout rose roughly 4% during August due in part to solid export demand. There are reports that China may once again be dealing with disease issues with their swine herd which could be bullish for US pork exports. June 30th US pork stocks were 20% more than 2010.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Live Hogs</b>	Increasing	Good	Higher
<b>Belly (bacon)</b>	Steady	Good	Higher
<b>Spare Rib (4.25 &amp; down)</b>	Decreasing	Good	Higher
<b>Ham (23-27 lb)</b>	Increasing	Good	Higher
<b>Loin (bone-in)</b>	Increasing	Good	Higher
<b>Baby Back Rib (1.75 &amp; up)</b>	Increasing	Good	Higher
<b>Tenderloin (1.25 lb)</b>	Decreasing	Good	Higher
<b>Boston Butt, untrimmed 4-8 lb.</b>	Decreasing	Good	Higher
<b>Picnic, untrimmed</b>	Decreasing	Good	Higher
<b>SS Picnic, smoker trim boxed</b>	Steady	Good	Higher
<b>42% Trimmings</b>	Steady	Good	Higher
<b>72% Trimmings</b>	Decreasing	Good	Lower

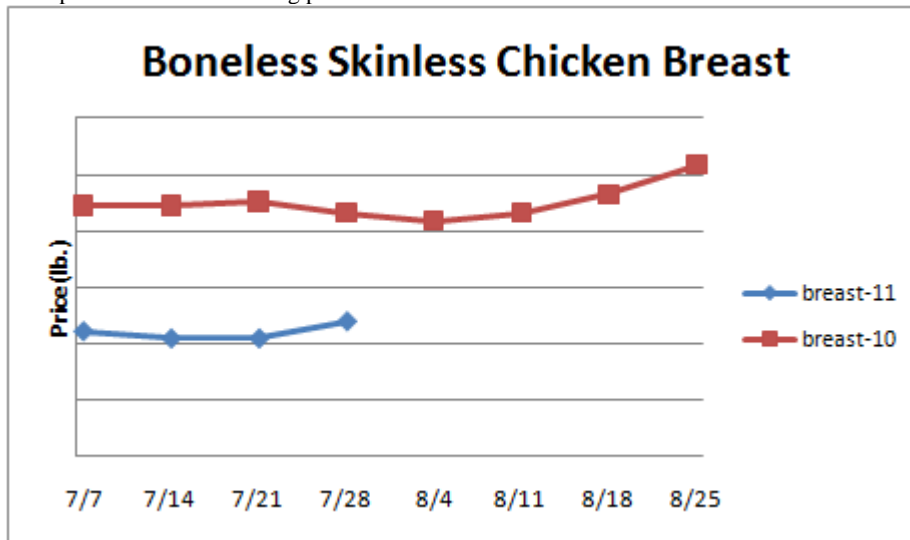
# Canned Tomato Report

**Tomato Products, Canned-** The California tomato harvest is underway but at its slowest pace in 10 years. Higher canned tomato prices may be pending.

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Whole Peeled Standard</b>	Steady	Good	Lower
<b>Diced, Fancy</b>	Steady	Good	Lower
<b>Ketchup, 33%</b>	Steady	Good	Lower
<b>Tomato Paste- Ind.</b>	Steady	Good	Higher

# Poultry Report

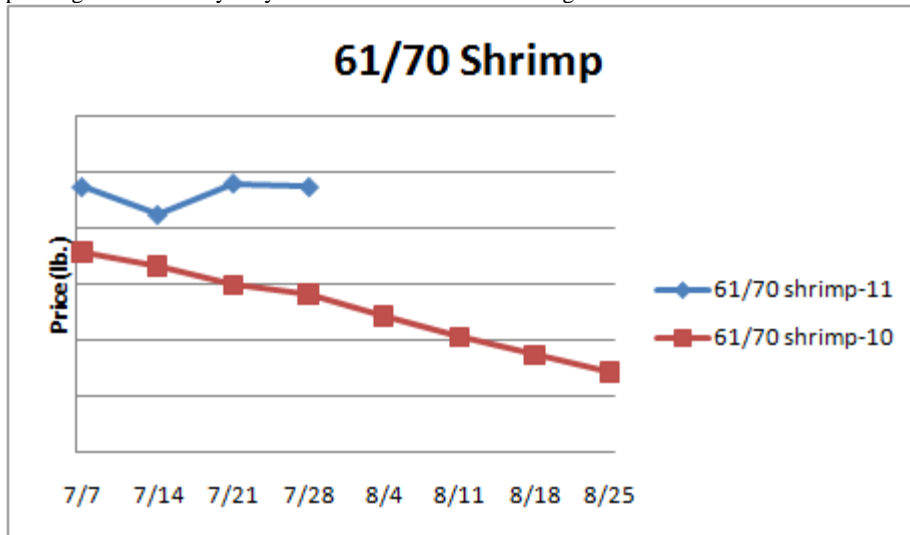
**Poultry** - Chicken slaughter levels appear to be trending downward but heavier bird weights are tempering the impact on the chicken meat supply. Additional chicken production cutbacks are anticipated in the coming weeks. The June broiler type chick hatch was 2% less than last year adding fuel to the curbed chicken production fire. Further, pullet placements into the broiler hatchery flock were down versus 2010 for the 2nd consecutive month in June suggesting a longer term chicken output slowdown program is developing. This does appear to be helping chicken breast and wing prices firm. The ARA daily chicken breast index has risen 6% in the last week alone. Further upward pressure is anticipated on breast and wing prices.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Same
Whole Chicken (LA)	Increasing	Good	Same
Chicken Wings, Whole	Increasing	Good	Lower
Chicken Wings, Jumbo Cut	Increasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Lower
Chicken Breast, Bnless Skinless	Increasing	Good	Lower
Chicken Tender (random)	Increasing	Good	Lower
Chicken Tender (sized)	Decreasing	Good	Lower
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Higher
Medium Eggs	Steady	Good	Higher
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Decreasing	Good	Higher
Egg Yolks- Liq	Increasing	Good	Lower
Whole Turkey (8-16 lb)	Steady	Good	Higher
Turkey Breast- Bnls/Sknls	Steady	Good	Higher

# Seafood Report

**Seafood**- June US Gulf of Mexico shrimp landings were 16% larger than last year and the 2nd most for the month in the last 5 years. The western US Gulf shrimp harvest this year is forecasted to rise substantially from a year ago but trend about 6% below the historical norm. The shrimp markets usually drift lower in the coming months but any pending weakness may only be modest. The snow crab leg markets are inflated.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Decreasing	Good	Lower
Catfish, Filets	Increasing	Good	Higher
Trout, Drn. (8-14 oz)	Decreasing	Good	Higher
Shrimp (16-20 count)	Decreasing	Good	Higher
Shrimp (61-70 count)	Decreasing	Good	Higher
Shrimp, Tiger (26-30 count)	Steady	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Higher
Snow Crab Legs (8 oz up)	Steady	Good	Higher
Cod Tails, 3-7 oz. Frz.	Steady	Good	Higher
Cod Loins, 3-12 oz. Frz.	Decreasing	Good	Higher
Salmon Portions, 4-8 oz. Frz.	Increasing	Good	Higher

## Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Pinto Beans</b>	Increasing	Good	Higher
<b>Black Beans</b>	Increasing	Good	Higher
<b>Rice, Long Grain</b>	Increasing	Good	Higher
<b>Coffee Beans</b>	Decreasing	Good	Higher
<b>Sugar</b>	Increasing	Good	Higher
<b>Honey</b>	Steady	Good	Higher

## Paper Product Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Wood Pulp (paper)			
<b>NBSK- Paper napkin</b>	Steady	Good	Higher
<b>42 lb. Linerboard-corrugated box</b>	Steady	Good	Higher
Plastic Resins (plastic, foam)			
<b>PS-CHH-utensils, cups, to-go cont.</b>	Steady	Good	Higher
<b>PP-HIGP-heavy grade utensils</b>	Steady	Good	Higher
<b>PE-LLD-can liners, film, bags</b>	Steady	Good	Higher

## Retail Price Change from Prior Month

	<u>Jun-11</u>	<u>May-11</u>	<u>Apr-11</u>
<b>Beef and Veal</b>	Decreasing	Increasing	Increasing
<b>Dairy</b>	Increasing	Increasing	Increasing
<b>Pork</b>	Increasing	Increasing	Decreasing
<b>Chicken</b>	Increasing	Increasing	Increasing
<b>Fresh Fish and Seafood</b>	Decreasing	Increasing	Increasing
<b>Fresh Fruits and Vegetables</b>	Decreasing	Decreasing	Decreasing



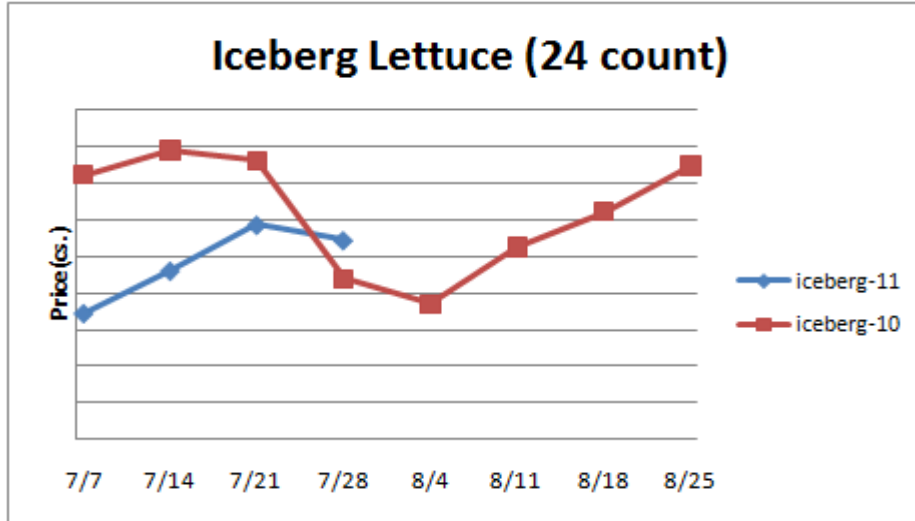
# Processed Fruits and Vegetables Report

**Processed Fruits and Vegetables-** June 30th frozen green bean (12%), cut corn (27%) and green pea (22%) stocks were all less than last year. The markets remain firm.

<u>Canned 6/10</u>	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Corn, Fancy Whole Kernel</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Beans, Fancy 4 sv</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Peas, Fancy 4 sv/blend</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<u>Frozen</u>			
<b>Corn, Cob 96 count</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Corn, Kernel 12/2.5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Lower</b>
<b>Green Beans, Cut 12/2 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Lower</b>
<b>Green Peas, 12/2.5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Potatoes, FF Fancy, 6/5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>

# Produce Report

**Produce-** The lettuce markets continue to trade at relatively engaging levels due in a large part to sufficient supplies. Fairly favorable weather is forecasted during the next 10 days for the Salinas area of California which could cause appealing lettuce prices to persevere. That being said, the downside potential in lettuce from here is likely nominal. The Idaho potato markets have turned lower despite the existing tight supplies. Some of the Idaho crop is progressing ahead of schedule which could put some downward harvest pressure on potato prices in the coming weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Higher
Lemons (95 count)	Increasing	Good	Higher
Lemons (200 count)	Increasing	Good	Lower
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Increasing	Good	Higher
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Increasing	Good	Higher
Avocados, Hass (48 count)	Decreasing	Good	Higher
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Increasing	Good	Higher
Idaho Potato (60 count)	Decreasing	Good	Higher
Idaho Potato (70 count)	Decreasing	Good	Higher
Idaho Potato (70 count)-Term.	Increasing	Good	Higher
Idaho Potato (90 count)	Steady	Good	Higher
Idaho Potato #2 (6 oz. min.)	Steady	Good	Higher
Processing Potato (100 lb)	Steady	Good	Higher
Yellow Onions (50 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)-Term.	Decreasing	Good	Lower
Red Onions (25 lb)-Term.	Increasing	Good	Lower
White Onions (50 lb)-Term.	Increasing	Good	Lower
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Steady	Good	Higher
Roma Tomatoes (large- case)	Increasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Lower
Green Peppers (large- case)	Decreasing	Good	Same

<b>Red Peppers (large- 15 lb. cs.)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Iceberg Lettuce (24 count)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Iceberg Lettuce (24 cnt)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>

## Produce Report (continued)

<b>Leaf Lettuce (24 count)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Romaine Lettuce (24 count)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Mesculin Mix (3 lb)-Term.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Broccoli (14 cnt.)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Squash (case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Zucchini (case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Green Beans (bushel)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Spinach, Flat 24's</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Mushrooms (large), Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Cucumbers, Bushel</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Pickles (200-300 ct.)-Term.</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Asparagus (small)</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Freight (CA to City Avg.)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>