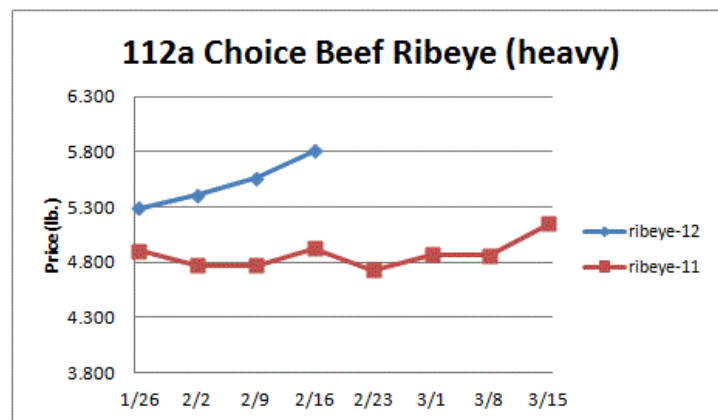


Weekly Market Updates

Volume No. 5 Issue No. 7 Date: February 16, 2012

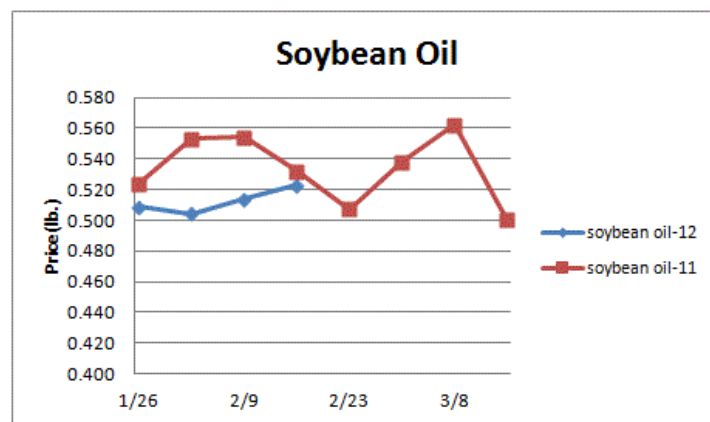
Beef- Beef output last week rose 1.9% but was 5.3% less than last year. Many of the beef markets are moving higher due to lower production rates in recent weeks. US beef exports in Dec were up 5.1% compared to last year. In '11, the US became a net annual beef exporter for the first time in recent history. The US should be a net exporter this year as well. This should help support the US beef markets going forward especially in combination with tight cattle supplies. Dec US beef imports were 8.8% more than '10. The current 90% beef trimming price is 32% above the 5 year average for the date. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.237	1.239	-.002	1.069
Feeder Cattle Index (CME)	1.550	1.536	+.014	1.271
Ground Beef 81/19	1.824	1.830	-.006	1.985
Ground Chuck	1.824	1.840	-.016	2.018
109e Export Rib (choice)	5.032	4.907	+.125	4.227
109e Export Rib (prime)	11.386	11.228	+.158	7.961
112a Ribeye (choice)	5.811	5.566	+.245	4.924
112a Ribeye (prime)	11.739	11.555	+.184	8.691
116 Chuck (select)	2.267	2.291	-.024	2.256
116 Chuck (choice)	2.265	2.335	-.070	2.274
116b Chuck Tdnr (choice)	2.220	2.184	+.036	2.122
120 Brisket (choice)	2.094	2.090	+.004	1.723
121c Outside Skirt (ch/sel)	4.630	4.534	+.096	3.902
121d Inside Skirt (ch/sel)	3.425	3.365	+.060	2.838
167a Knuckle, Trm. (ch.)	2.357	2.321	+.036	2.187
168 Inside Round (ch.)	2.089	2.079	+.010	1.796
174 Short Loin (ch. 0x1)	4.989	4.601	+.388	3.973
174 Short Loin (prime)	9.439	9.344	+.095	6.901
180 1x1 Strp (choice)	4.781	4.658	+.123	3.681
180 1x1 Strp (prime)	10.250	9.338	+.912	7.449
180 0x1 Strp (choice)	5.423	5.094	+.329	4.140
184 Top Butt, bnls (ch.)	2.896	2.818	+.078	2.602
184 Top Butt, bnls (prime)	3.314	3.317	-.003	2.496
185a Sirloin Flap (choice)	3.942	3.703	+.239	3.149
185c Loin, Tri-Tip (choice)	3.076	3.026	+.050	2.545
189a Tender (select)	8.575	8.396	+.179	7.042
189a Tender (choice)	8.761	8.537	+.224	7.366
189a Tender (prime)	14.585	14.483	+.102	11.250
193 Flank Steak (choice)	4.104	4.038	+.066	3.704
50% Trimmings	1.003	.998	+.005	.747
65% Trimmings	1.372	1.357	+.015	1.094
75% Trimmings	1.595	1.566	+.029	1.433
85% Trimmings	2.002	1.953	+.049	1.882
90% Trimmings	2.111	2.072	+.039	1.999
90% Imported Beef (frz.)	2.120	2.113	+.007	1.970
95% Imported Beef (frz.)	2.223	2.200	+.023	2.075
Veal Rack (Hotel 7 rib)	7.425	7.425	-	5.125
Veal Top Rnd. (cp. off)	13.575	13.575	-	12.525



Oil, Grains, Misc.- US corn planted acreage this year could be the largest in 68 years. This is anticipated to lead to lower US corn prices during the latter half of '12. Prices USDA, FOB.

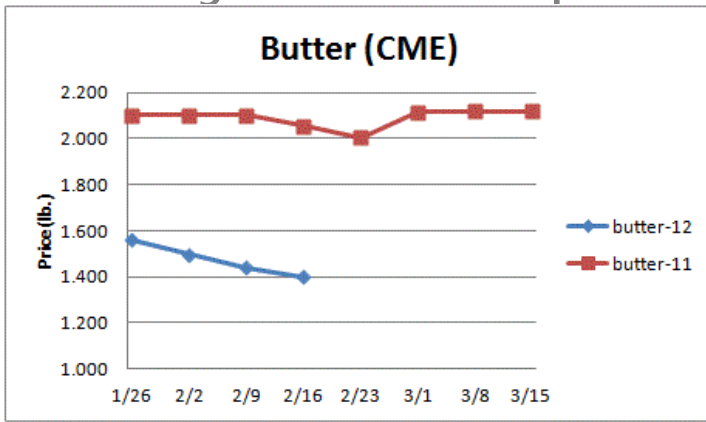
	Price	Last Week	Difference	Price 11
Soybeans, bushel	12.547	12.329	+.218	13.475
Crude Soybean Oil, lb.	.523	.514	+.009	.532
Soybean Meal, ton	330.100	325.400	+4.700	353.600
Corn, bushel	6.399	6.480	-.081	6.692
Crude Corn Oil, lb.	.560	.550	+.010	.635
High Fructose Corn Syrup	.182	.184	-.002	.188
Distillers Grain, Dry	195.000	188.750	+6.250	193.750
Crude Palm Oil, lb. BMD	.471	.469	+.002	.590
HRW Wheat, bushel	6.520	6.870	-.350	8.740
DNS Wheat 14%, bushel	8.620	9.030	-.410	10.150
Durum Wheat, bushel	8.100	7.913	+.187	10.680
Pinto Beans, lb.	.494	.492	+.002	.265
Black Beans, lb.	.450	.450	-	.285
Rice, Long Grain, lb.	.262	.263	-.001	.285
Coffee, lb. NYBOT	1.997	2.209	-.212	2.587
Sugar, lb. NYBOT	.335	.335	-	.398
Honey (Clover), lb.	1.680	1.675	+.005	1.550



Dairy- US butter exports in Dec were down 30% versus '10. The CME spot butter market has weakened during the past week and is hovering above its recently established 2 year low. Although butter export demand has been soft, global butter prices are at a healthy premium to US butter. This should encourage US butter exports, and in time provide support to the US butter market. The CME spot cheese markets as of late have been soft but a bottom may likely be forming. The cheese markets may firm in the coming weeks. US cheese exports in Dec were up 2.3% versus '10. Prices per pound, except Class I Cream (hundred weight), from USDA.

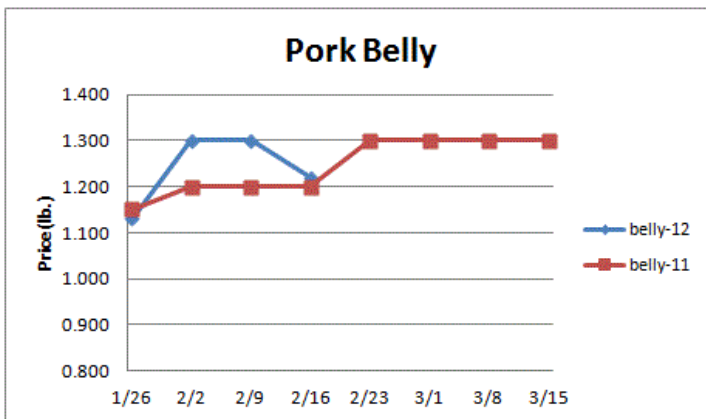
	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.480	1.475	+.005	1.903
Cheese Blocks (CME)	1.480	1.475	+.005	1.940
American Cheese	1.848	1.853	-.005	1.920
Cheddar Cheese (40 lb.)	1.983	2.003	-.020	1.900
Mozzarella Cheese	1.823	1.848	-.025	1.980
Provolone Cheese	2.063	2.083	-.020	2.385
Parmesan Cheese	3.143	3.163	-.020	3.683
Butter (CME)	1.398	1.440	-.042	2.055
Nonfat Dry Milk	1.429	1.428	+.001	1.546
Whey, Dry	.696	.701	-.004	.426
Class I Base	17.030	17.030	-	15.890
Class II Cream, heavy	1.695	1.700	-.005	2.465
Class III Milk (CME)	15.770	15.490	+.280	18.920
Class IV Milk (CME)	15.750	15.840	-.090	19.800

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Pork- Pork production last week fell .6% and was .8% lower than '11. Pork packer margins have been poor and have discouraged pork output. This is bringing support to the pork markets. US pork exports in Dec were up 30% compared to last year and were a record high for that month. Export volumes to China rose significantly last year. In fact, China consumed 2% of US pork output. China buying may highly influence the future price direction of US pork. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.604	.625	-.021	.597
Belly (bacon)	1.220	1.300	-.080	1.200
Sparerib (4.25 lb. & down)	1.595	1.597	-.002	1.541
Ham (20-23 lb.)	.760	.760	-	.750
Ham (23-27 lb.)	.740	.720	+.020	.780
Loin (bone-in)	.964	.941	+.023	.960
Babyback Rib (1.75 lb. & up)	2.775	2.703	+.072	2.533
Tenderloin (1.25 lb.)	2.598	2.613	-.015	2.582
Boston Butt, untrmd. (4-8 lb.)	.968	.938	+.030	1.067
Picnic, untrmd.	.590	.589	+.001	.781
SS Picnic, smoker trm. bx.	.750	.770	-.020	1.100
42% Trimmings	.420	.395	+.025	.450
72% Trimmings	.720	.645	+.075	.840



Tomato Products, Canned- The canned tomato markets remain relatively steady to firm. Supplies are adequate but higher prices could take hold this summer. Prices per case (6/10) FOB, unless noted from ARA.

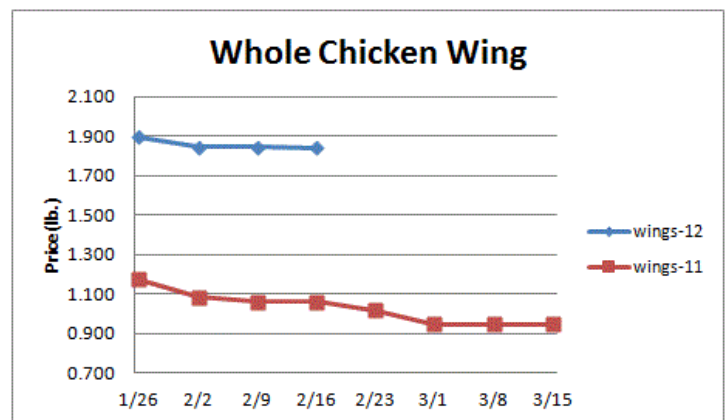
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.370

Processed Vegetables- Potato supplies are adequate. 2012 raw product contract prices for processors are being negotiated. The French fry markets are firm. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 11
Corn, Fcy whl kern- can 6/10	18.651	18.651	-	16.906
Green Beans Fcy- can 6/10	18.250	18.250	-	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	-	14.250
Green Beans Cut- froz 12/2#	12.900	12.900	-	12.900
Green Peas- froz 12/2.5#	20.250	20.250	-	20.250
Potatoes, FF Fncy- froz 6/5#	14.000	14.000	-	13.000

Poultry- Chicken exports in '11 were up 16.7% compared to '10 and were a new yearly record. This was primarily due to a sharp increase in trade with Mexico (25%), S. Korea (54%), Vietnam (35%) and China (22%). Yet, chicken export sales to Russia were down (21%) versus the previous year. Fairly strong US chicken exports could persist this year which may lead to higher dark meat chicken markets. The ARA chicken wing index has fallen 4.3% from its record high set earlier this month. Lower wing prices usually occur in the coming months but any pending price declines may be tempered this year. The ARA chicken breast index has declined roughly 4% in '12. Still, higher chicken breast prices are likely to occur this Spring. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.913	.910	+.003	.853
Whole Birds (LA)	1.000	1.000	-	.940
Wings (whole)	1.840	1.845	-.005	1.060
Wings (jumbo, cut)	1.870	1.960	-.090	1.008
Breast, Bone In	.915	.910	+.005	.790
Breast, Bnless Skinless	1.460	1.475	-.015	1.430
Tenderloin (random)	1.320	1.320	-	1.000
Tenderloin (sized)	1.780	1.780	-	1.850
Legs (whole)	.785	.726	+.059	.565
Leg Quarters	.535	.535	-	.400
Thighs, bone in	.814	.805	+.009	.532
Thighs, boneless	1.253	1.264	-.011	1.030
Eggs and Others				
Large (dozen)	.977	.977	-	1.060
Medium (dozen)	.812	.812	-	.938
Whole Eggs- Liquid	.402	.403	-.001	.393
Egg Whites- Liquid	.417	.440	-.023	.471
Egg Yolks- Liquid	.844	.652	+.192	.671
Whole Turkeys (8-16 lb.)	1.000	.995	+.005	.895
Turkey Breast, Bnls/Sknl	2.090	2.093	-.003	2.243

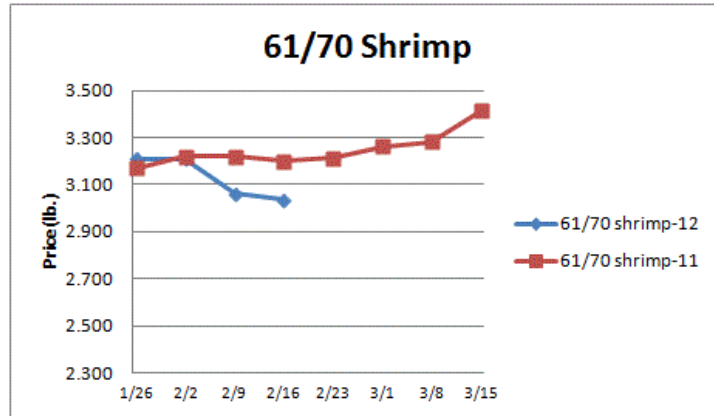


Seafood- In Dec, US total shrimp imports were up 1.6% but shell-on shrimp imports were down .4% versus '10. Shrimp prices are currently lower than last year but remain reasonably high which should encourage US shrimp imports in the coming months. This could keep shrimp prices below '11 levels. US salmon fillet/steak imports in Dec were 24% greater than '10. Salmon prices are 14% below the 5 year average for the date. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.550

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Catfish Filets	5.400	5.400	-	3.500
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz.	6.165	6.075	+.090	7.446
Shrimp (61/70), Frz.	3.034	3.060	-.026	3.200
Shrimp, Tiger (26/30), Frz.	4.963	4.975	-.012	4.538
Snow Crab, Legs 5-8 oz, Frz	5.225	5.225	-	5.800
Snow Crab, Legs 8 oz/ up, Fz	5.850	5.850	-	6.050
Cod Tails, 3-7 oz., Frz.	3.488	3.475	+.013	3.013
Cod Loins, 3-12 oz., Frz	3.600	3.600	-	3.725
Salmon Portions, 4-8 oz, Frz	6.067	6.067	-	6.113
Pollock, Alaska, Deep Skin	1.775	1.800	-.025	1.925



Energy & Currency-Currency US dollar is worth.

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
Crude Oil, barrel- nymex	100.740	98.410	+2.330	84.320
Natural Gas, mbtu- nymex	2.532	2.472	+.060	3.976
Heating Oil, gal- nymex	3.165	3.191	-.026	2.729
Electricity, mwht- nymex	32.140	36.070	-3.930	41.970
Gasoline, gal- nymex	2.983	2.928	+.055	2.489
Diesel Fuel, gal- eia	3.943	3.856	+.087	3.534
Ethanol, gal- usda	2.085	2.065	+.020	2.305
Canadian \$.999	.998	+.001	.986
Japanese Yen	78.100	76.771	+1.329	83.797
Mexican Peso	12.740	12.705	+.035	12.037
Euro	.759	.763	-.004	.740
Brazilian Real	1.719	1.726	-.007	1.667
Chinese Yuan	6.295	6.312	-.017	6.589

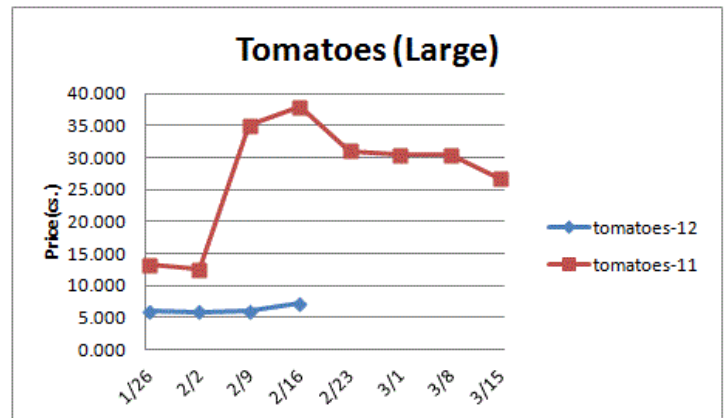
Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

<u>Wood Pulp/ Plastic Resin</u>	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
WP; NBSK (napkin, towel)	869.940	870.000	-.060	960.000
WP; 42 lb. Linerboard (corr.)	673.544	683.452	-9.908	814.597
Res; PS-CHH (cup, cont.)	1.100-1.140	1.100-1.140	-	1.0301.070
Res; PP-HIGP (hvy utensil)	.940-.960	.940-.960	-	1.1501.170
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.830-.860

Produce- Last week tomato shipments in the US were up 9% and tomato prices moved modestly higher as well. The Mexican tomato harvest is in good shape due to excellent growing weather conditions and supplies are projected to remain healthy from this region. Yet, tomato supplies from Florida have decreased in the recent week due to some tomato growers reducing their harvest. It's unlikely that the existing deflated tomato prices can persist much longer. The lettuce markets are likely to firm this week due in part to challenging weather conditions in the major growing areas. Prices USDA FOB shipping point unless noted (terminal).

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
Limes (150 ct.)	16.000	16.000	-	58.000
Lemons (95 ct.)	17.740	17.740	-	12.140
Lemons (200 ct.)	16.740	16.740	-	12.140
Honeydew (6 ct.)	19.950	19.450	+.500	11.956
Cantaloupe (15 ct.)	16.450	14.963	+1.487	10.042
Blueberries (12 count)	24.000	13.000	+11.000	15.000

Strawberries (12 pnts.)	16.000	16.000	-	20.000
Avocados (Hass 48 ct.)	27.250	29.745	-2.495	35.250
Bananas (40 lb.)- Term.	17.653	16.845	+.808	19.453
Pineapple (7 ct.)- Term.	11.282	13.145	-1.863	10.219
Idaho Potato (60 ct., 50 lb.)	8.625	8.625	-	20.500
Idaho Potato (70 ct., 50 lb.)	8.625	8.687	-.062	19.125
Idaho Potato (70 ct.)-Term.	10.850	10.852	-.002	21.208
Idaho Potato (90 ct., 50 lb.)	8.688	8.688	-	11.625
Idaho Pot. # 2 (6 oz., 100 lb.)	12.500	13.000	-.500	12.000
Processing Potato (cwt.)	8.500	8.500	-	7.750
Yellow Onions (50 lb.)	4.625	4.250	+.375	9.100
Yell Onions (50 lb.)-Term.	9.613	9.475	+.138	12.031
Red Onions (25 lb.)- Term.	7.625	7.708	-.083	9.375
White Onions (50 lb.)- Term.	17.719	17.750	-.031	17.052
Tomatoes (large- case)	7.200	5.950	+1.250	37.950
Tomatoes (5x6-25 lb.)-Term	9.895	9.194	+.701	33.750
Tomatoes (4x5 vine ripe)	5.180	5.350	-.170	21.950
Roma Tomatoes (large- case)	6.582	6.212	+.370	24.370
Roma Tomatoes (xlarge-cs)	6.722	6.424	+.298	24.570
Green Peppers (large- case)	7.917	6.417	+1.500	33.400
Red Peppers (large 15lb. cs.)	13.950	14.450	-.500	19.950
Iceberg Lettuce (24 count)	6.700	6.078	+.622	33.285
Iceberg Lettuce (24)-Term.	13.334	16.500	-3.166	46.500
Leaf Lettuce (24 count)	6.532	7.635	-1.103	19.275
Romaine Lettuce (24 cnt.)	6.325	6.834	-.509	30.627
Mesculin Mix (3 lb.)-Term.	7.000	7.050	-.050	7.604
Broccoli (14 ct.)	5.767	5.684	+.083	13.187
Squash (1/2 bushel)	10.600	8.600	+2.000	19.100
Zucchini (1/2 bushel)	10.350	6.850	+3.500	24.100
Green Beans (bushel)	25.134	25.300	-.166	21.350
Spinach, Flat 24's	9.460	10.460	-1.000	17.475
Mushrms (10 lb, lg.)-Term.	16.375	14.958	+1.417	13.485
Cucumbers (bushel)	10.250	9.384	+.866	19.342
Pickles (200-300 ct.)- Term.	27.563	26.375	+1.188	43.500
Asparagus (small)	12.500	11.000	+1.500	16.500
Freight (Truck; CA-Cty Av.)	4500.000	4618.750	-118.750	4293.750



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

	<u>Dec-11</u>	<u>Nov-11</u>	<u>Oct-11</u>	<u>Sep-11</u>
Beef and Veal	+.885	+.353	+.514	+.025
Dairy	-.141	-.331	+.051	+1.228
Pork	-1.030	-.906	-.421	+1.478
Chicken	+.897	-.038	+.994	+.341
Fresh Fish and Seafood	+.449	+.356	-1.107	+.512
Fresh Fruits and Veg.	+.252	-.399	-1.473	+1.592