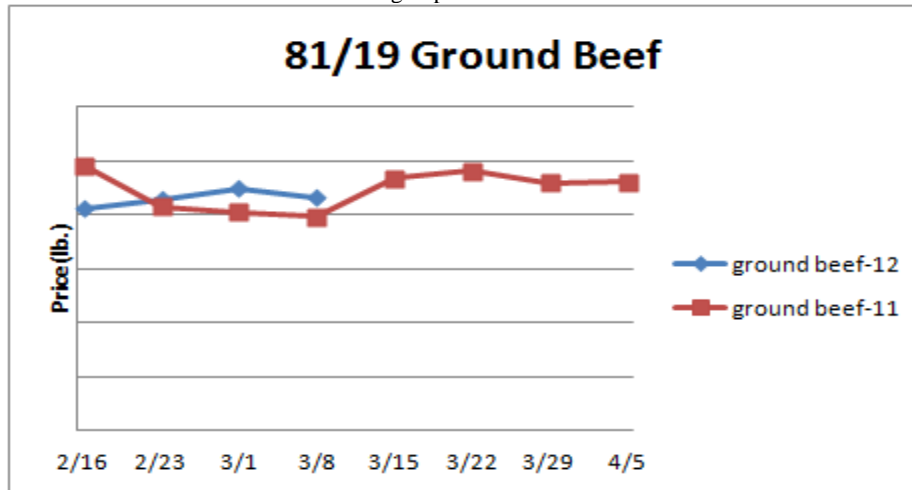


Beef, Veal and Lamb Report

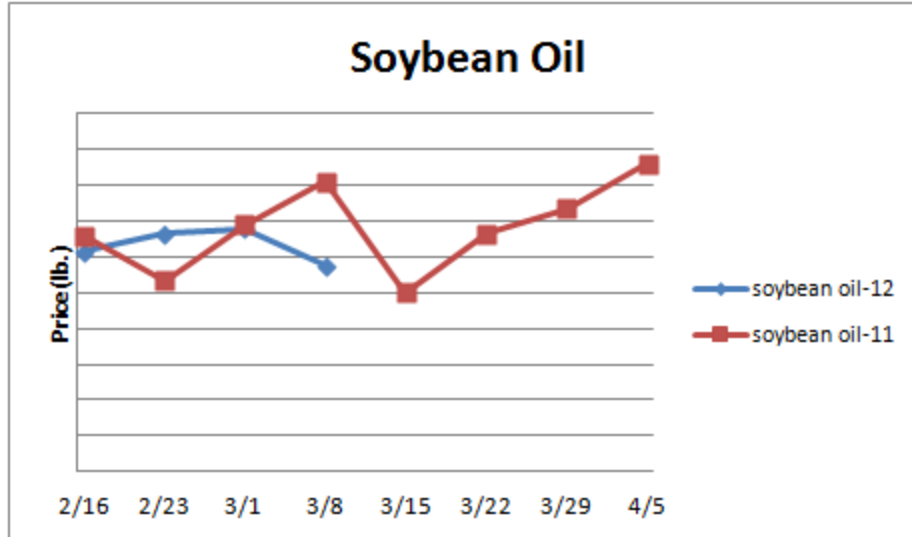
Beef, Veal & Lamb- Beef output last week was 1.4% less than last year. Many of the beef markets are showing some weakness. The choice boxed beef index usually rises 7% during the next 7 weeks but it's possible beef prices may peak earlier than normal this year. Heavier cattle weights have tempered expected beef production declines and may continue to do so into the spring. US lean beef trim prices are at record highs. The Australian dollar value has declined nearly 2% during the first 3 days of this week. If the Australian dollar continues to depreciate, it could motivate US lean boneless beef trimming imports.



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

Oil and Grains Report

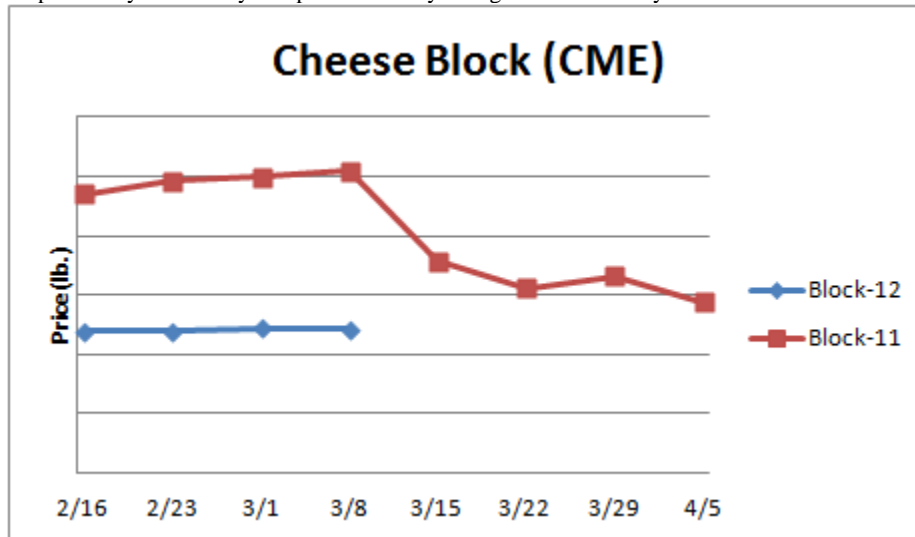
Oil & Grains- The South American soybean crop estimates continue to be reduced. This could bring further support to the US soybean and soybean product markets this spring.



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

Dairy Report

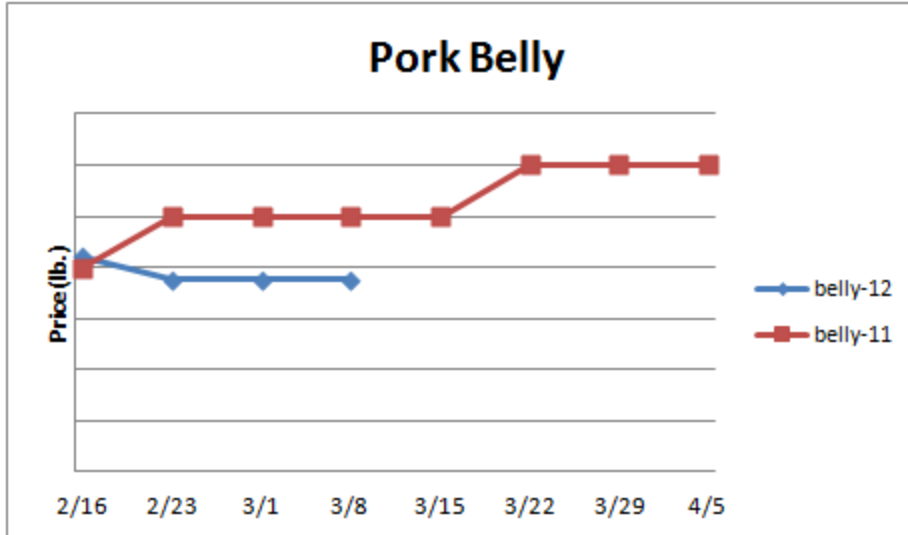
Dairy- The dairy markets have been volatile during the past week due in a large part to healthy US milk supplies. The international cheese market has trended lower in recent weeks but is still carrying a notable premium to US cheese. This could help US cheese exports to increase going forward which would influence the US cheese markets higher. The downside risk in the US cheese markets from here may be nominal. The butter market moved higher this week despite a very weak dairy complex. This may be sign that butter may have established a seasonal bottom.



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

Pork Report

Pork- Pork production last week was .5% larger than the prior year. US pork output tends to fade in Q2 and history shows that pork prices move higher in Apr. This year the USDA pork cutout value has been steady but unlike beef, is priced below (7%) year ago levels. The pork markets have become highly sensitive to export demand, especially from China. If China doesn't pull strong pork volumes from the US this spring, the seasonal rally higher for pork may be tempered. Usually the USDA pork cutout value rises 14% during the spring.



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

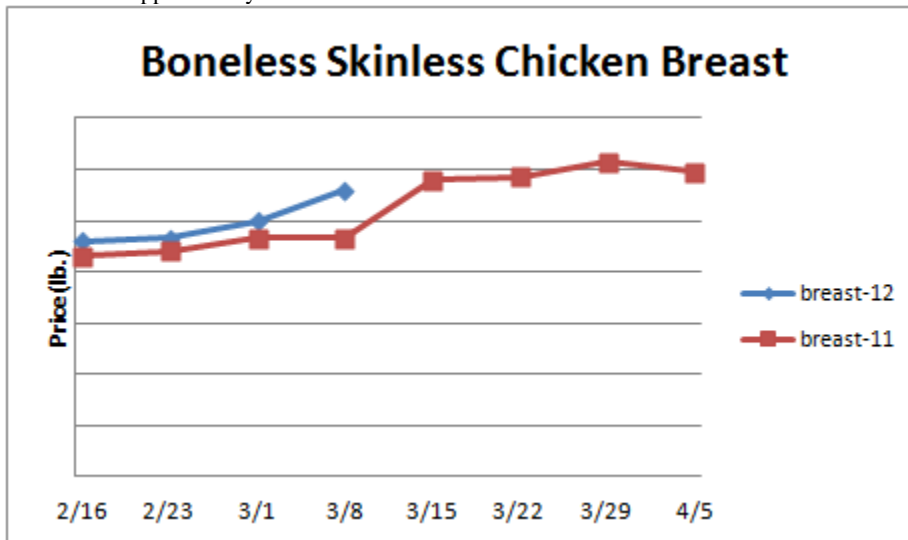
Canned Tomato Report

Tomato Products, Canned- The markets are fairly steady. Relatively sufficient canned tomato supplies could persist assuming a normal harvest this fall.

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

Poultry Report

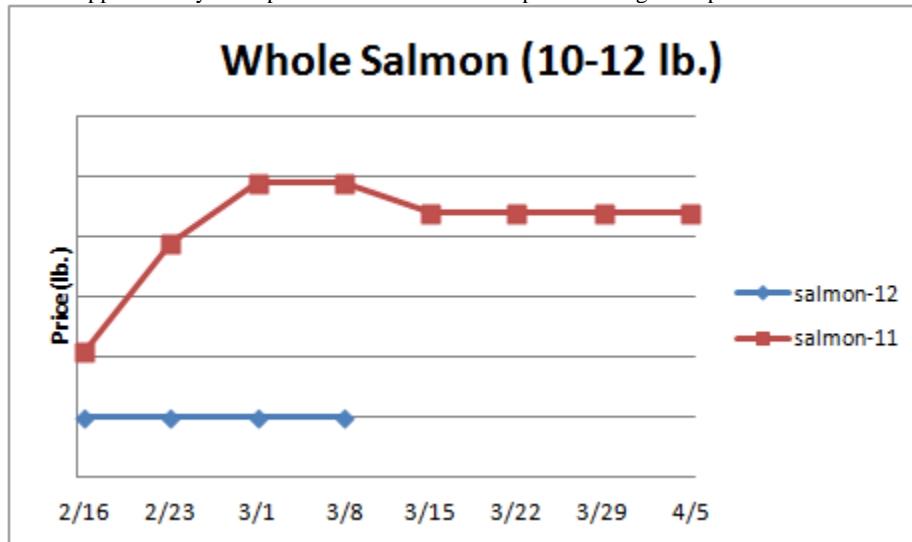
Poultry- The Jan broiler type chick hatch was 4% smaller than the prior year. Pullet placements into the broiler breeding flock were 4% less than '11. The breeding flock may fall 5% below year ago levels by this summer. These statistics point toward weaker chicken output compared to '11 in the coming months. This should provide support to the chicken markets. The 5 year average price move from Mar 10th through Jun for chicken breasts is 7% higher. This year's seasonal run higher for chicken breast prices is anticipated by most to be strong in light of expected chicken production cutbacks. However, improving breast meat yields from the birds may mitigate the expected decline of breast meat supplies this year.



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

Seafood Report

Seafood- The US dollar is down .9% since Dec 31st but is 4.2% higher than the same date a year ago. A strengthening US dollar going forward should support seafood imports to the US. This is important because the US imports the majority of its seafood including shrimp, snow crabs and salmon. The salmon market is expected to be better supplied this year in part to Chilean salmon output returning to its pre-ISA disease levels.



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

Bean, Rice, Coffee and Sugar Report

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

Paper Product Report

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

Retail Price Change from Prior Month

	<u>Jan-12</u>	<u>Dec-11</u>	<u>Nov-11</u>
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Increasing	Decreasing	Decreasing
Pork	Decreasing	Decreasing	Decreasing
Chicken	Increasing	Increasing	Decreasing
Fresh Fish and Seafood	Increasing	Increasing	Increasing
Fresh Fruits and Vegetables	Increasing	Increasing	Decreasing

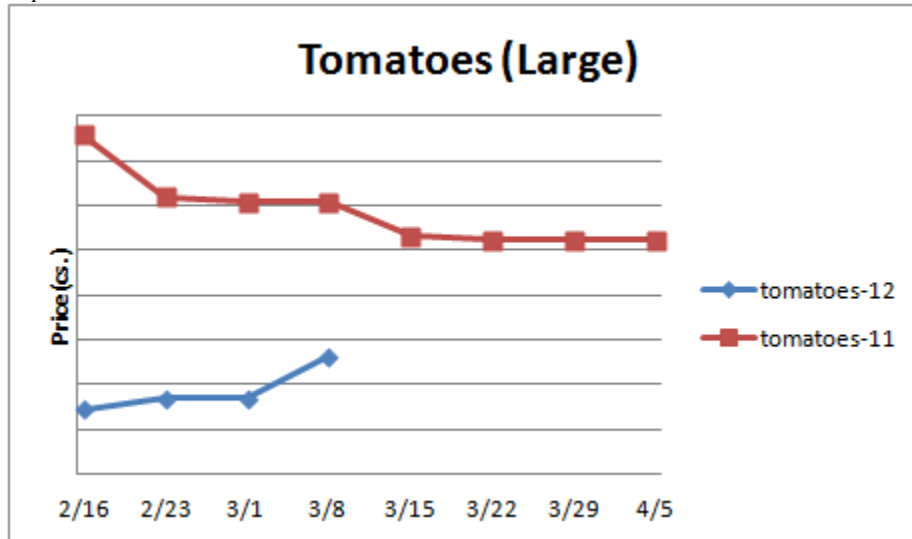
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Jan 31st frozen regular cut green bean (23%) and French style green bean (12%) stocks were more than '11. Processed green bean prices are likely to be steady.

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

Produce Report

Produce- Idaho potato prices have risen notably over the prior 3 weeks. Potato processor demand has picked up recently and may continue to support some potato markets. Further, the seasonal trend is higher for potato prices during the spring. The 5 year average price move through Jun for potatoes is 40% higher. The tomato markets have climbed over the past 4 weeks. Florida tomato supplies have decreased which usually occurs in late winter. As a result, Mexican tomato supplies have taken a bigger share of the US market place, but Florida tomato supplies should improve soon.



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

Roma Tomatoes (xlarge- case)	Increasing	Good	Lower
Green Peppers (large- case)	Increasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Lower
Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Lower

Produce Report (continued)

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