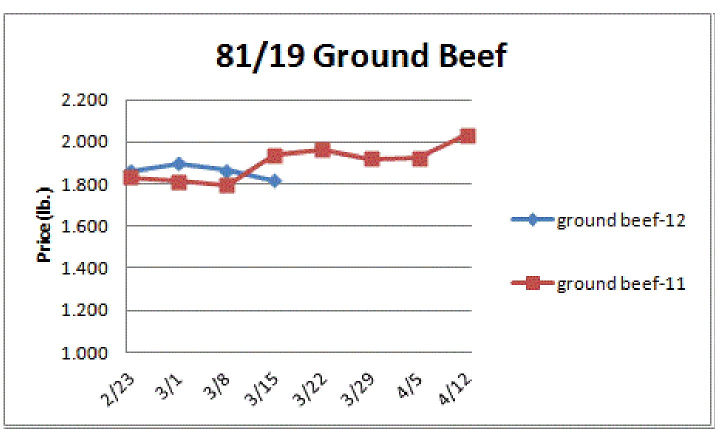
Weekly Market Updates

Volume No. 5 Issue No. 11 Date: March 15, 2012

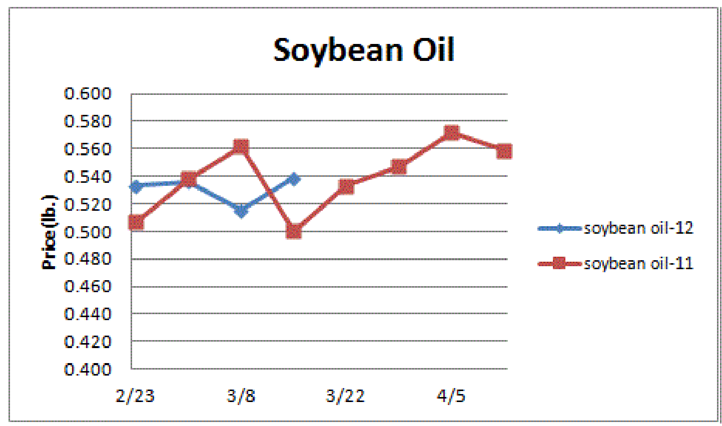
Beef- Beef production last week rose 1.7% and was 1.3% larger than '11. The beef markets remain historically high but have shown signs of weakness as of late. In Jan, US beef exports were down 4% versus the prior year but were the 2nd highest for the month in 9 years. US beef imports in Jan were 28% more than '11. Jan was the 1st month since Aug '10 that the US was a net beef importer. This was due in a large part to a rising US dollar making the US a more attractive destination of global beef. If the US dollar firms in the coming months this could temper inflated lean boneless beef trimming prices. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.266	1.300	-.034	1.157
Feeder Cattle Index (CME)	1.555	1.573	-.018	1.296
Ground Beef 81/19	1.815	1.864	-.049	1.938
Ground Chuck	1.806	1.849	-.043	1.935
109e Export Rib (choice)	5.786	5.850	-.064	4.851
109e Export Rib (prime)	12.227	12.137	+.090	8.139
112a Ribeye (choice)	6.081	6.288	-.207	5.148
112a Ribeye (prime)	12.620	12.421	+.199	8.448
116 Chuck (select)	2.074	2.193	-.119	2.552
116 Chuck (choice)	2.088	2.253	-.165	2.574
116b Chuck Tdnr (choice)	2.394	2.460	-.066	2.275
120 Brisket (choice)	2.029	2.075	-.046	1.716
121c Outside Skirt (ch/sel)	5.380	5.241	+.139	4.344
121d Inside Skirt (ch/sel)	3.554	3.591	-.037	2.900
167a Knckle, Trm. (ch.)	2.386	2.477	-.091	2.358
168 Inside Round (ch.)	1.932	2.043	-.111	2.152
174 Short Loin (ch. 0x1)	5.262	5.394	-.132	4.868
174 Short Loin (prime)	10.200	10.128	+.072	7.274
180 1x1 Strp (choice)	5.275	5.207	+.068	4.705
180 1x1 Strp (prime)	11.430	11.349	+.081	8.542
180 0x1 Strp (choice)	5.677	5.899	-.222	5.092
184 Top Butt, bnls (ch.)	3.196	3.223	-.027	2.730
184 Top Butt, bnls (prime)	3.754	3.662	+.092	2.662
185a Sirloin Flap (choice)	4.261	4.401	-.140	3.962
185c Loin, Tri-Tip (choice)	3.306	3.317	-.011	2.858
189a Tender (select)	9.430	9.335	+.095	8.177
189a Tender (choice)	9.472	9.660	-.188	8.676
189a Tender (prime)	15.381	15.245	+.136	11.058
193 Flank Steak (choice)	4.608	4.575	+.033	4.136
50% Trimmings	.907	1.024	-.117	1.030
65% Trimmings	1.302	1.373	-.071	1.261
75% Trimmings	1.676	1.632	+.044	1.449
85% Trimmings	2.100	2.049	+.051	1.862
90% Trimmings	2.211	2.220	-.009	1.990
90% Imported Beef (frz.)	2.160	2.148	+.012	1.990
95% Imported Beef (frz.)	2.288	2.275	+.013	2.123
Veal Rack (Hotel 7 rib)	7.500	7.475	+.025	5.300
Veal Top Rnd. (cp. off)	14.045	14.045	-	12.625



Oil, Grains, Misc.- The corn market has increased due to historically tight US corn supplies. Yet, if this year's expected US corn crop produces ample supplies, corn prices could decline this fall. Prices USDA, FOB.

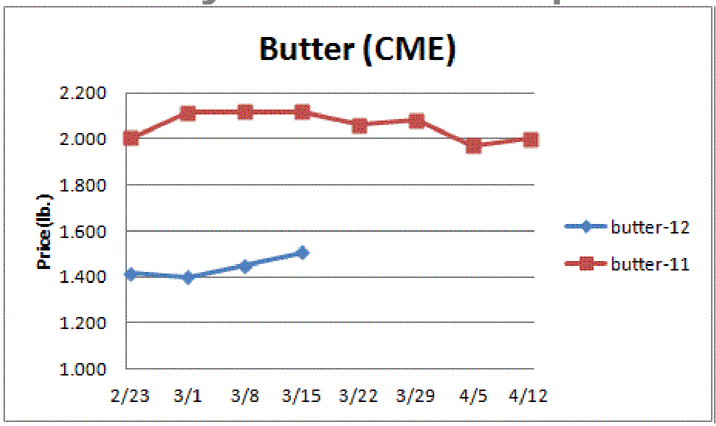
	Price	Last Week	Difference	Price 11
Soybeans, bushel	13.417	13.255	+.162	12.409
Crude Soybean Oil, lb.	.539	.515	+.024	.500
Soybean Meal, ton	364.100	364.400	-.300	329.300
Corn, bushel	6.659	6.535	+.124	6.000
Crude Corn Oil, lb.	.588	.585	+.003	.665
High Fructose Corn Syrup	.187	.185	+.002	.175
Distillers Grain, Dry	202.250	201.500	+.750	198.250
Crude Palm Oil, lb. BMD	.503	.488	+.015	.493
HRW Wheat, bushel	6.600	6.700	-.100	6.975
DNS Wheat 14%, bushel	8.760	8.830	-.070	8.620
Durum Wheat, bushel	8.338	8.338	-	8.250
Pinto Beans, lb.	.494	.494	-	.273
Black Beans, lb.	.450	.450	-	.310
Rice, Long Grain, lb.	.260	.261	-.001	.267
Coffee, lb. NYBOT	1.834	1.884	-.050	2.733
Sugar, lb. NYBOT	.352	.345	+.007	.401
Honey (Clover), lb.	1.680	1.680	-	1.550



Dairy- US cheese exports were up 3% in Jan versus last year. The cheese markets are trending higher. The global cheese markets continue to trade at a premium to US spot cheese. This should encourage US cheese exports this spring and perhaps support the US cheese markets. Butter exports in Jan were down 27% compared to '11 and were the smallest since Oct '11. The butter market is tracking higher and is expected to remain firm in the coming weeks. Feed costs have become more challenging for dairy farmers. US milk output could flatten later this year. Prices per pound, except Class I Cream (hundred weight), from USDA.

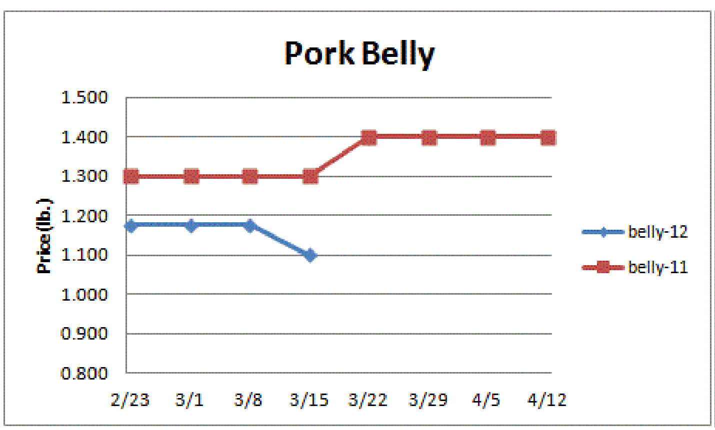
	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.553	1.473	+.080	1.740
Cheese Blocks (CME)	1.508	1.485	+.023	1.715
American Cheese	1.830	1.843	-.013	2.171
Cheddar Cheese (40 lb.)	1.983	1.985	-.002	2.150
Mozzarella Cheese	1.823	1.830	-.007	2.230
Provolone Cheese	2.063	2.065	-.002	2.515
Parmesan Cheese	3.143	3.145	-.002	3.590
Butter (CME)	1.508	1.450	+.058	2.118
Nonfat Dry Milk	1.370	1.383	-.013	1.630
Whey, Dry	.527	.573	-.046	.462
Class 1 Base	16.300	16.300	-	18.230
Class II Cream, heavy	1.813	1.761	+.052	2.788
Class III Milk (CME)	15.730	15.190	+.540	16.400
Class IV Milk (CME)	14.980	14.950	+.030	20.000

Weekly Market Updates



Pork- Pork output last week declined .8% and was .8% smaller than a year ago. Pork production is anticipated to seasonally trend lower in the coming months. Pork exports in Jan were 41% more than '11 due in a large part to solid trade with China. Pork export volumes to Mexico were strong as well. US pork export numbers will greatly influence pending pork price levels. The pork markets have been steady to weak but typically trend higher in the coming months. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.629	.615	+.014	.591
Belly (bacon)	1.100	1.175	-.075	1.300
Sparerib (4.25 lb. & down)	1.554	1.628	-.074	1.519
Ham (20-23 lb.)	.760	.750	+.010	.780
Ham (23-27 lb.)	.730	.740	-.010	.780
Loin (bone-in)	.993	1.002	-.009	.985
Bbybck Rib (1.75 lb. & up)	2.923	2.923	-	2.558
Tenderloin (1.25 lb.)	2.743	2.673	+.070	2.587
Boston Butt, untrmd. (4-8 lb.)	.944	.948	-.004	1.014
Picnic, untrmd.	.555	.522	+.033	.703
SS Picnic, smoker trm. bx.	.755	.755	-	.960
42% Trimmings	.420	.420	-	.500
72% Trimmings	.633	.652	-.019	.800



Tomato Products, Canned- Canned tomato supplies should remain adequate if the upcoming harvest this fall is normal. The markets are mostly steady. Prices per case (6/10) FOB, unless noted from ARA.

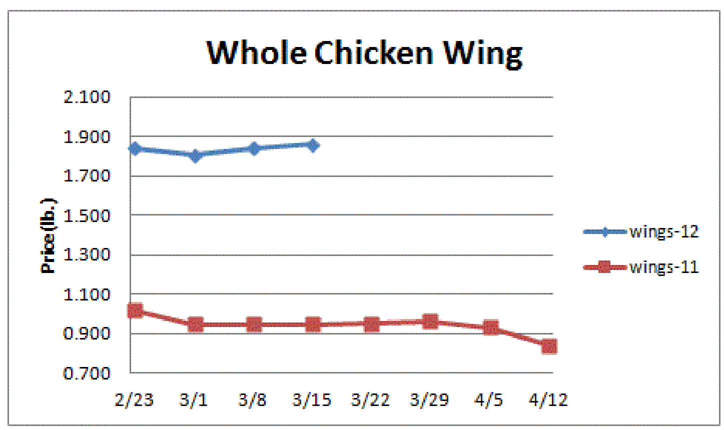
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- Planted acreage competition from the grain sector may mitigate US vegetable plantings for vegetable processors this year. The markets are steady to firm. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 11
Corn, Fcy whl kern- can 6/10	18.651	18.651	-	17.406
Green Beans Fcy- can 6/10	18.250	18.250	-	17.000
Green Peas, Fcy- can 6/10	18.750	18.750	-	17.750
Corn, Cob- froz 96 ct.	14.750	14.750	-	14.000
Corn, Kernel- froz 12/2.5#	16.500	16.500	-	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 Jan were up 9.3% compared to last year but were the smallest since May '11. Export trade with Russia rose in Jan versus the prior year but was still historically light. Healthy export demand accompanied with the chicken production slowdown are causing the chicken leg quarter markets to firm. Inflated dark meat chicken prices could persist this spring. The chicken breast markets have been strengthening this month. Usually, the boneless skinless chicken breast market rises about 9% during the next 10 weeks. The chicken wing markets are higher but usually move lower during the spring. Limited supplies may mitigate any pending seasonal chicken wing market declines. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.930	.925	+.005	.863
Whole Birds (LA)	1.020	1.010	+.010	.950
Wings (whole)	1.860	1.840	+.020	.945
Wings (jumbo, cut)	1.784	1.775	+.009	1.136
Breast, Bone In	.990	.955	+.035	.895
Breast, Bnless Skinless	1.585	1.560	.025	1.580
Tenderloin (random)	1.540	1.310	+.230	1.360
Tenderloin (sized)	2.270	1.910	+.360	2.250
Legs (whole)	.703	.717	-.014	.628
Leg Quarters	.540	.545	-.005	.450
Thighs, bone in	.786	.799	-.013	.656
Thighs, boneless	1.325	1.324	+.001	1.106
Eggs and Others				
Large (dozen)	.960	.960	-	.880
Medium (dozen)	.712	.945	-.233	.778
Whole Eggs- Liquid	.497	.480	+.017	.462
Egg Whites- Liquid	.430	.426	+.004	.453
Egg Yolks- Liquid	.722	.678	+.044	.664
Whole Turkeys (8-16 lb.)	1.035	1.013	+.022	.925
Turkey Breast, Bnls/Sknls	2.083	2.086	-.003	2.203

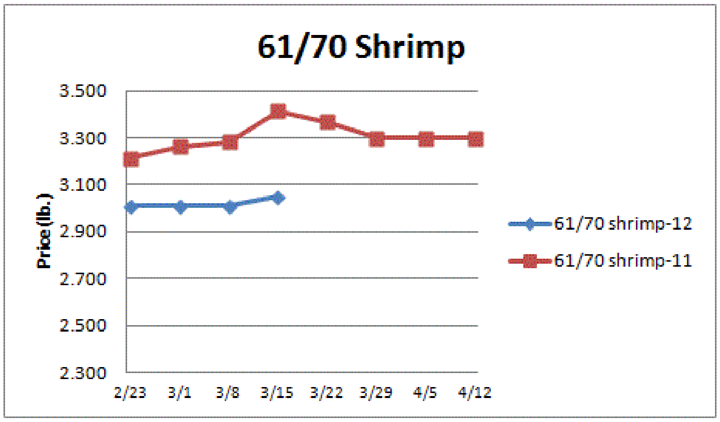


Seafood- In Jan, US total shrimp imports and shell-on shrimp imports were up 11% and 18% respectively compared to the prior year. If the US dollar is fairly inflated this year versus last year, US shrimp imports should remain solid which could sustain most shrimp markets below the prior year. US salmon fillet steak imports in Jan were 48% less than '11. Still, US salmon imports are anticipated to expand throughout this year. 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	-	4.700

Weekly Market Updates

Catfish Filets	5.400	5.400	-	4.700
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz	5.991	5.944	+.047	7.367
Shrimp (61/70), Frz.	3.050	3.010	+.040	3.413
Shrimp, Tiger (26/30), Frz.	4.863	4.888	-.025	4.600
Snow Crab, Legs 5-8 oz, Frz	5.750	5.750	-	5.800
Snow Crab, Legs 8 oz/ up, Fz	5.913	5.913	-	6.050
Cod Tails, 3-7 oz., Frz.	3.488	3.488	-	3.163
Cod Loins, 3-12 oz., Frz	3.600	3.600	-	3.819
Salmon Portions, 4-8 oz, Frz	5.808	5.842	-.034	6.283
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

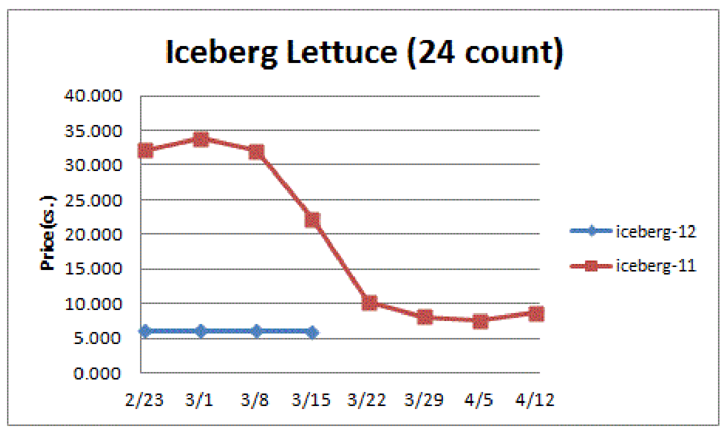
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	106.710	104.700	+2.010	97.180
Natural Gas, mbtu- nymex	2.300	2.356	-.056	3.941
Heating Oil, gal- nymex	3.271	3.188	+.083	2.954
Electricity, mwht- nymex	33.570	33.020	+.550	43.240
Gasoline, gal- nymex	3.350	3.230	+.150	2.803
Diesel Fuel, gal- eia	4.123	4.094	+.029	3.908
Ethanol, gal- usda	2.200	2.100	+.100	2.495
Canadian $	.992	.999	-.007	.992
Japanese Yen	82.737	81.092	+1.645	80.949
Mexican Peso	12.680	12.908	-.228	12.074
Euro	.766	.760	+.006	.720
Brazilian Real	1.821	1.749	+.072	1.675
Chinese Yuan	6.331	6.312	+.019	6.573

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

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 11
WP; NBSK (napkin, towel)	870.000	870.000	-	986.130
WP; 42 lb. Linerboard (corr.)	669.910	674.263	-4.353	833.952
Res; PS-CHH (cup, cont.)	1.150-1.190	1.150-1.190	-	1.0301.070
Res; PP-HIGP (hvy utensil)	1.110-1.130	1.110-1.130	-	1.1501.170
Res; PE-LLD (cn liner, film)	.910-.940	.910-.940	-	.860-.890

Produce- US lettuce supplies are adequate and lettuce prices remain low. The chief lettuce harvest area will be transitioning to Huron CA in the coming weeks. A major lettuce supply gap is not anticipated but the shift could bring more volatility to the lettuce markets. The tomato markets are mixed. Weather challenges in Mexico have slowed Mexican tomato production. Tomato deliveries to the US from Mexico were down 10% last week. The Florida spring tomato harvest is expected to pick up soon which could improve supplies. The avocado market is relatively steady. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	23.000	17.000	+6.000	49.000
Lemons (95 ct.)	18.240	18.240	-	11.640
Lemons (200 ct.)	13.740	14.740	-1.000	14.140
Honeydew (6 ct.)	12.250	13.963	-1.713	13.638
Cantaloupe (15 ct.)	13.450	13.450	-	12.088
Blueberries (12 count)	19.250	27.250	-8.000	14.000
Strawberries (12 pnts.)	15.000	16.000	-1.000	13.500
Avocados (Hass 48 ct.)	30.250	30.250	-	48.500
Bananas (40 lb.)- Term.	20.136	20.759	-.623	18.425
Pineapple (7 ct.)- Term.	10.459	10.178	+.281	11.667
Idaho Potato (60 ct., 50 lb.)	12.750	12.000	+.750	23.500
Idaho Potato (70 ct., 50 lb.)	12.750	12.000	+.750	22.500
Idaho Potato (70 ct.)-Term.	15.594	15.735	-.141	26.175
Idaho Potato (90 ct., 50 lb.)	11.750	11.250	+.500	13.500
Idaho Pot. # 2 (6 oz., 100 lb.)	15.000	14.500	+.500	15.500
Processing Potato (cwt.)	10.250	10.250	-	9.000
Yellow Onions (50 lb.)	5.313	5.438	-.125	8.375
Yell Onions (50 lb.)-Term.	8.594	8.459	+.135	10.396
Red Onions (25 lb.)- Term.	9.360	8.573	+.787	8.031
White Onions (50 lb.)- Term.	34.813	29.425	+5.388	10.729
Tomatoes (large- case)	13.200	13.200	-	26.617
Tomatoes (5x6-25 lb.)-Term	17.417	14.434	+2.983	26.417
Tomatoes (4x5 vine ripe)	6.950	10.960	-4.010	22.950
Roma Tomatoes (large- case)	10.065	10.555	-.490	23.792
Roma Tomatoes (xlarge-cs)	10.065	11.050	-.985	23.792
Green Peppers (large- case)	15.084	11.917	+3.167	29.400
Red Peppers (large 15lb. cs.)	11.950	11.950	-	24.950
Iceberg Lettuce (24 count)	5.988	6.050	-.062	22.243
Iceberg Lettuce (24)-Term.	11.834	11.917	-.083	34.917
Leaf Lettuce (24 count)	5.985	5.909	+.076	9.793
Romaine Lettuce (24 cnt.)	5.957	5.925	+.032	22.213
Mesculin Mix (3 lb.)-Term.	7.094	6.969	+.125	7.552
Broccoli (14 ct.)	12.808	6.192	+6.616	8.876
Squash (1/2 bushel)	10.350	6.350	+4.000	9.350
Zucchini (1/2 bushel)	10.350	6.350	+4.000	27.850
Green Beans (bushel)	12.384	12.525	-.141	12.350
Spinach, Flat 24’s	11.305	8.470	+2.835	11.600
Mushrms (10 lb, lg.)-Term.	15.146	14.917	+.229	13.313
Cucumbers (bushel)	10.112	8.675	+1.437	32.713
Pickles (200-300 ct.)- Term.	25.782	27.234	-1.452	54.667
Asparagus (small)	20.750	15.750	+5.000	14.500
Freight (Truck; CA-Cty Av.)	4522.222	4226.666	+295.556	4356.250



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

	Jan-12	Dec-11	Nov-11	Oct-11
Beef and Veal	+1.136	+.885	+.353	+.514
Dairy	+.931	-.141	-.331	+.051
Pork	-.176	-1.030	-.906	-.421
Chicken	+.148	+.897	-.038	+.994
Fresh Fish and Seafood	+.639	+.449	+.356	-1.107
Fresh Fruits and Veg.	+.555	+.252	-.399	-1.473