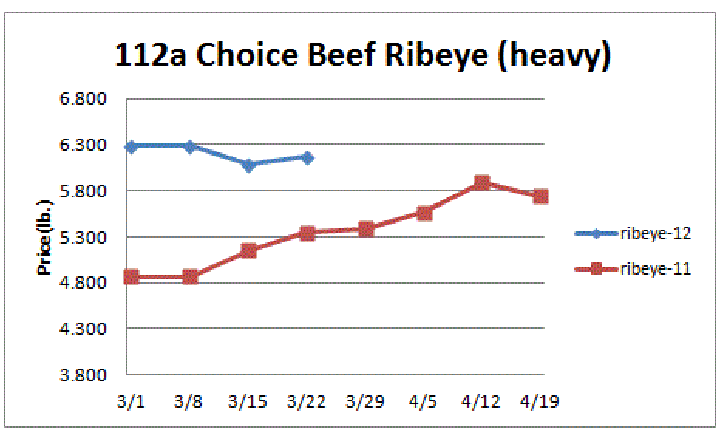
Weekly Market Updates

Volume No. 5 Issue No. 12 Date: March 22, 2012

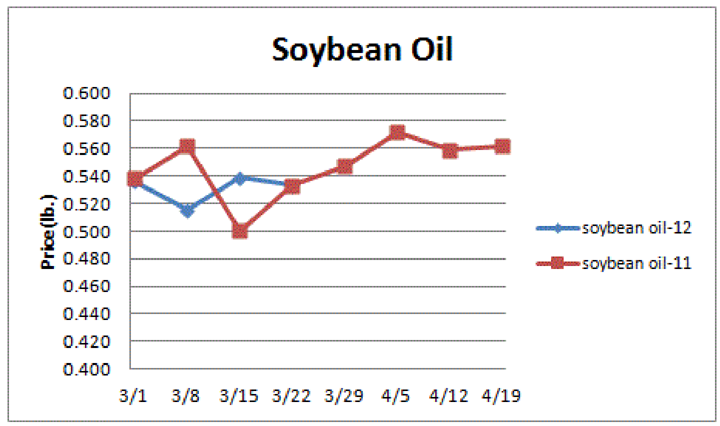
Beef- Beef production last week declined 1.8% but was 2.4% larger than the prior year. Beef output has run below expectations this year due in a large part to poor beef packer profitability. This has supported the beef markets. However, wholesale beef prices have softened as of late. Japan and Australia have had their respective currencies devalue versus the US dollar in recent weeks. If this continues it should encourage US beef imports, temper US beef exports and may bring weakness to many beef markets that are trade sensitive. Feb retail beef prices were 8.4% higher than last year and a record. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.277	1.266	+.011	1.136
Feeder Cattle Index (CME)	1.543	1.555	-.012	1.294
Ground Beef 81/19	1.817	1.815	+.002	1.962
Ground Chuck	1.803	1.806	-.003	1.942
109e Export Rib (choice)	5.746	5.786	-.040	4.961
109e Export Rib (prime)	12.272	12.227	+.045	8.145
112a Ribeye (choice)	6.168	6.081	+.087	5.345
112a Ribeye (prime)	11.810	12.620	-.810	7.615
116 Chuck (select)	2.127	2.074	+.053	2.500
116 Chuck (choice)	2.105	2.088	+.017	2.548
116b Chuck Tdnr (choice)	2.337	2.394	-.057	2.262
120 Brisket (choice)	1.978	2.029	-.051	1.737
121c Outside Skirt (ch/sel)	4.966	5.380	-.414	4.382
121d Inside Skirt (ch/sel)	3.533	3.554	-.021	3.347
167a Knckle, Trm. (ch.)	2.397	2.386	+.011	2.328
168 Inside Round (ch.)	1.975	1.932	+.043	2.167
174 Short Loin (ch. 0x1)	5.270	5.262	+.008	5.091
174 Short Loin (prime)	10.155	10.200	-.045	7.523
180 1x1 Strp (choice)	4.943	5.275	-.332	4.670
180 1x1 Strp (prime)	11.200	11.430	-.230	8.775
180 0x1 Strp (choice)	5.510	5.677	-.167	5.344
184 Top Butt, bnls (ch.)	3.122	3.196	-.074	2.753
184 Top Butt, bnls (prime)	3.847	3.754	+.093	2.711
185a Sirloin Flap (choice)	4.227	4.261	-.034	3.990
185c Loin, Tri-Tip (choice)	3.290	3.306	-.016	2.928
189a Tender (select)	9.403	9.430	-.027	8.235
189a Tender (choice)	9.895	9.472	+.423	8.788
189a Tender (prime)	15.411	15.381	+.030	11.316
193 Flank Steak (choice)	4.547	4.608	-.061	4.055
50% Trimmings	.893	.907	-.014	1.100
65% Trimmings	1.345	1.302	+.043	1.336
75% Trimmings	1.682	1.676	+.006	1.449
85% Trimmings	2.094	2.100	-.006	1.873
90% Trimmings	2.236	2.211	+.025	1.994
90% Imported Beef (frz.)	2.158	2.160	-.002	2.010
95% Imported Beef (frz.)	2.288	2.288	-	2.133
Veal Rack (Hotel 7 rib)	7.650	7.500	+.150	5.300
Veal Top Rnd. (cp. off)	14.100	14.045	+.055	12.625



Oil, Grains, Misc.- Farmers and users are awaiting the March 30th USDA 2012/13 corn, soybean and wheat acreage estimates. The grain markets may be less volatile until then. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	13.362	13.417	-.055	13.398
Crude Soybean Oil, lb.	.533	.539	-.006	.533
Soybean Meal, ton	362.600	364.100	-1.500	351.400
Corn, bushel	6.458	6.659	-.201	6.597
Crude Corn Oil, lb.	.600	.588	+.012	.680
High Fructose Corn Syrup	.183	-.004	+.002	.186
Distillers Grain, Dry	206.750	202.250	+4.500	181.250
Crude Palm Oil, lb. BMD	.497	.503	-.006	.503
HRW Wheat, bushel	6.530	6.600	-.070	7.665
DNS Wheat 14%, bushel	8.640	8.760	-.120	9.210
Durum Wheat, bushel	8.325	8.338	-.013	7.630
Pinto Beans, lb.	.494	.494	-	.276
Black Beans, lb.	.450	.450	-	.325
Rice, Long Grain, lb.	.260	.260	-	.266
Coffee, lb. NYBOT	1.840	1.834	+.006	2.770
Sugar, lb. NYBOT	.351	.352	-.001	.394
Honey (Clover), lb.	1.750	1.680	+.070	1.625



Dairy- US milk output during Feb was 4.3% more than last year due to a 3.3% gain in milk per cow yields and a 1% larger milk cow herd. Unseasonably warm temperatures in Feb enabled dairy farmers to turn out the best average daily milk output on record. The CME cheese and CME butter markets are attempting to form a seasonal bottom. The 5 year average move during the spring is 17% higher for CME butter and 8% higher for CME cheese blocks. Still, the sharp decline in international cheese prices this week suggests lower US cheese prices may be pending. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.625	1.553	+.072	1.685
Cheese Blocks (CME)	1.635	1.508	+.127	1.625
American Cheese	1.748	1.830	-.082	2.140
Cheddar Cheese (40 lb.)	1.925	1.983	-.058	2.150
Mozzarella Cheese	1.770	1.823	-.053	2.103
Provolone Cheese	2.120	2.063	+.057	2.260
Parmesan Cheese	3.200	3.143	+.057	3.335
Butter (CME)	1.523	1.508	+.015	2.060
Nonfat Dry Milk	1.350	1.370	-.020	1.636
Whey, Dry	.519	.527	-.008	.462
Class 1 Base	16.300	16.300	-	19.430
Class II Cream, heavy	1.913	1.813	+.100	2.710
Class III Milk (CME)	16.260	15.730	+.530	16.330
Class IV Milk (CME)	14.990	14.980	+.010	20.050

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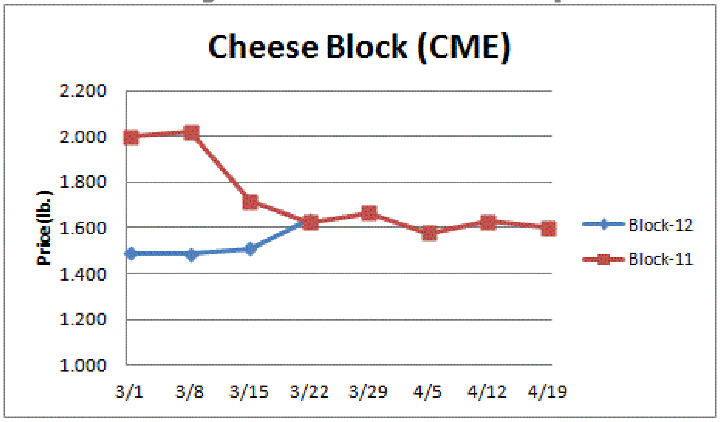
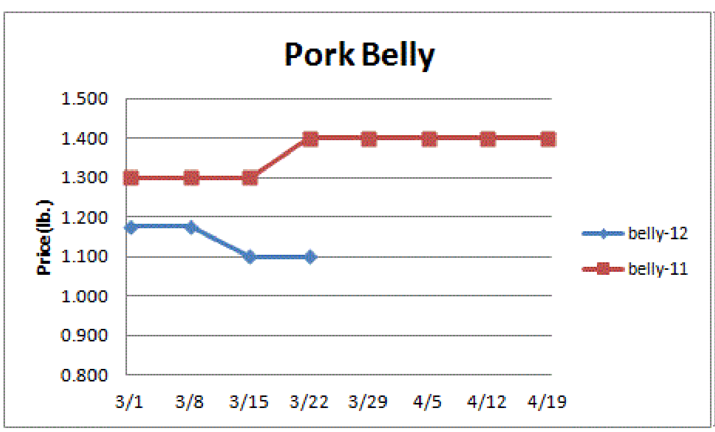


Pork- Pork production last week increased 2% and was 1.7% larger than the previous year. Pork producer margins have narrowed which could cause pork output to be slowed. The wholesale pork markets have been soft. Hog prices have been weak as well. Still, the pork markets tend to rise this time of year. Since '07, the average price move during the next 14 weeks is 11% higher for baby back ribs and 27% higher for tenderloins. Retail pork prices in Feb were 5% higher than the prior year but the lowest since May '11. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.619	.629	-.010	.600
Belly (bacon)	1.100	1.100	-	1.400
Sparerib (4.25 lb. & down)	1.523	1.554	-.031	1.528
Ham (20-23 lb.)	.700	.760	-.060	.820
Ham (23-27 lb.)	.689	.730	-.041	.800
Loin (bone-in)	.991	.993	-.002	.998
Bbybck Rib (1.75 lb. & up)	2.951	2.923	+.028	2.585
Tenderloin (1.25 lb.)	2.678	2.743	-.065	2.620
Boston Butt, untrmd. (4-8 lb.)	.935	.944	-.009	1.000
Picnic, untrmd.	.485	.555	-.070	.701
SS Picnic, smoker trm. bx.	.730	.755	-.025	.920
42% Trimmings	.383	.420	-.037	.500
72% Trimmings	.587	.633	-.046	.900



Tomato Products, Canned- Raw product costs in '12 for US tomato canners should be in line with last year. The canned tomato markets are mostly steady. Prices per case (6/10) FOB, unless noted from ARA.

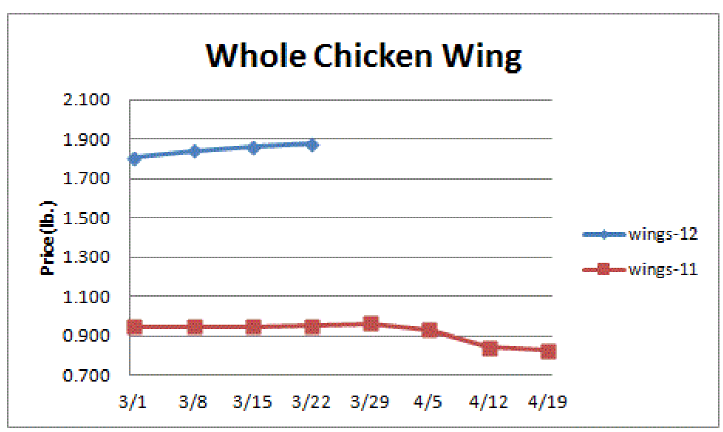
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- With aggressive crop planting plans in place for corn and soybeans, acres for US vegetables may be historically small. 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- Profit margins remain thin for chicken producers and production cutbacks are likely to persist this spring. The 6 week moving average for broiler-type egg sets is trending 5.4% lower than '11. Chicken wing prices tend to seasonally decline during this time of year however the wing markets have firmed as of late. The aforementioned chicken production cutbacks may mitigate any spring seasonal declines in chicken wing prices. Since '07, the average price move during the spring for chicken breasts (3%) and leg quarters (18%) are higher. Any pending chicken breast market increases this spring may be more intense. US retail chicken prices in Feb were 3.8% higher versus the prior year and were a record. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.933	.930	+.003	.863
Whole Birds (LA)	1.020	1.020	-	.950
Wings (whole)	1.875	1.860	+.015	.950
Wings (jumbo, cut)	1.812	1.784	+.028	1.136
Breast, Bone In	.995	.990	+.005	.900
Breast, Bnless Skinless	1.600	1.585	+.015	1.585
Tenderloin (random)	1.540	1.540	-	1.450
Tenderloin (sized)	2.270	2.270	-	2.300
Legs (whole)	.712	.703	+.009	.653
Leg Quarters	.545	.540	+.005	.460
Thighs, bone in	.787	.786	+.001	.655
Thighs, boneless	1.328	1.325	+.003	1.190
Eggs and Others				
Large (dozen)	.960	.960	-	.877
Medium (dozen)	.708	.712	-.004	.778
Whole Eggs- Liquid	.574	.497	+.077	.484
Egg Whites- Liquid	.484	.430	+.054	.473
Egg Yolks- Liquid	.722	.722	-	.673
Whole Turkeys (8-16 lb.)	1.040	1.035	+.005	.925
Turkey Breast, Bnls/Sknls	2.075	2.083	-.008	2.252



Seafood- The Bering Sea snow crab quota for the '11/12 season is only 61% percent complete. This is due to the ice challenges that snow crab fisherman faced this winter which slowed crabbing operations. Still, total pounds caught of crab meat this season is .4% above the total pounds caught during the entire prior season. This season's quota is 89 million pounds, 64% above last year's quota. The snow crab markets are steady.

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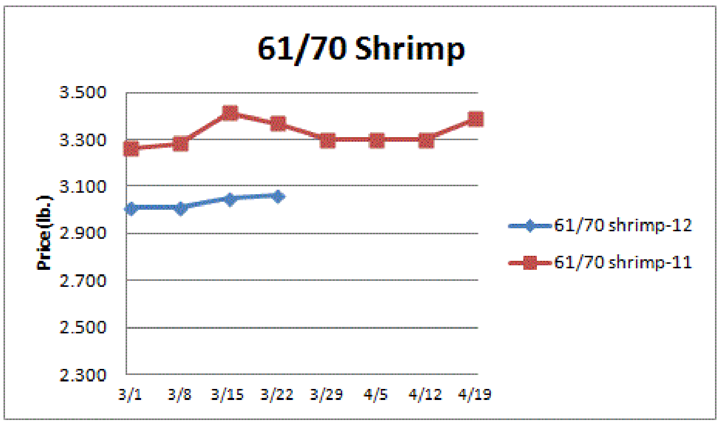
Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	4.700
Catfish Filets	5.400	5.400	-	4.700
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz	5.812	5.991	-.179	7.408
Shrimp (61/70), Frz.	3.060	3.050	+.010	3.367
Shrimp, Tiger (26/30), Frz.	4.850	4.863	-.013	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	-	3.125
Cod Loins, 3-12 oz., Frz	3.600	3.600	-	3.819
Salmon Portions, 4-8 oz, Frz	5.808	5.808	-	6.283
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

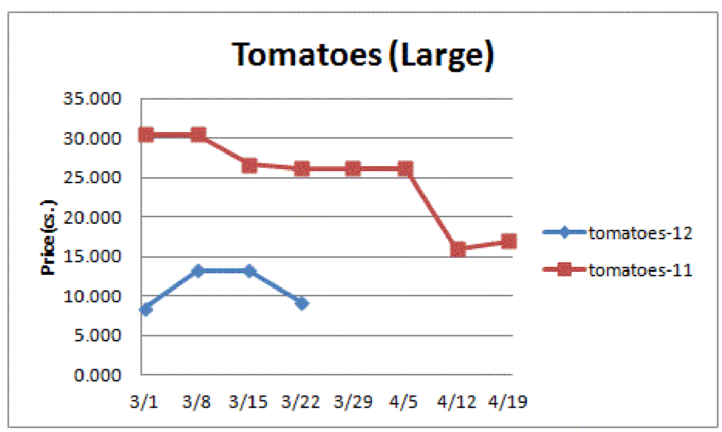
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	105.610	106.710	-1.100	104.000
Natural Gas, mbtu- nymex	2.335	2.300	+.035	4.254
Heating Oil, gal- nymex	3.237	3.271	-.034	3.076
Electricity, mwht- nymex	34.780	33.570	+1.210	50.050
Gasoline, gal- nymex	3.363	3.350	+.013	3.005
Diesel Fuel, gal- eia	4.142	4.123	+.019	3.907
Ethanol, gal- usda	2.205	2.200	+.005	2.355
Canadian $	.992	.992	-	.979
Japanese Yen	83.710	82.737	+.973	81.029
Mexican Peso	12.709	12.680	+.029	11.977
Euro	.758	.766	-.008	.704
Brazilian Real	1.827	1.821	+.006	1.665
Chinese Yuan	6.319	6.331	-.012	6.547

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	-	984.360
WP; 42 lb. Linerboard (corr.)	680.769	669.910	+10.859	849.963
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- In March the produce markets have trended higher for potatoes, yellow onions, lettuce and tomatoes. This isn't a surprise considering how depressed the produce markets have been in recent months. History suggests that yellow onion, lettuce and potato prices may move higher over the next 4 weeks. Yet, the tomato markets typically decline during this same time period. Tomato shipments from Mexico were down 15% last week but were 61% of the total US tomato supply. The Florida tomato harvest is due to increase soon which may temper tomato prices. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	20.000	23.000	-3.000	46.000
Lemons (95 ct.)	18.240	18.240	-	12.640
Lemons (200 ct.)	14.740	13.740	+1.000	15.640
Honeydew (6 ct.)	10.970	12.250	-1.280	12.750
Cantaloupe (15 ct.)	13.950	13.450	+.500	13.450
Blueberries (12 count)	21.250	19.250	+2.000	16.000
Strawberries (12 pnts.)	14.000	15.000	-1.000	13.500
Avocados (Hass 48 ct.)	31.500	30.250	+1.250	47.750
Bananas (40 lb.)- Term.	13.845	20.136	-6.291	16.450
Pineapple (7 ct.)- Term.	10.334	10.459	-.125	12.042
Idaho Potato (60 ct., 50 lb.)	13.000	12.750	+.250	23.750
Idaho Potato (70 ct., 50 lb.)	13.000	12.750	+.250	22.750
Idaho Potato (70 ct.)-Term.	17.797	15.594	+2.203	27.354
Idaho Potato (90 ct., 50 lb.)	12.500	11.750	+.750	13.750
Idaho Pot. # 2 (6 oz., 100 lb.)	15.000	15.000	-	16.500
Processing Potato (cwt.)	12.500	10.250	+2.250	9.000
Yellow Onions (50 lb.)	7.063	5.313	+1.750	7.625
Yell Onions (50 lb.)-Term.	9.225	8.594	+.631	10.813
Red Onions (25 lb.)- Term.	9.146	9.360	-.214	8.063
White Onions (50 lb.)- Term.	27.334	34.813	-7.479	9.938
Tomatoes (large- case)	9.200	13.200	-4.000	26.117
Tomatoes (5x6-25 lb.)-Term	15.875	17.417	-1.542	29.063
Tomatoes (4x5 vine ripe)	7.284	6.950	+.334	23.963
Roma Tomatoes (large- case)	9.124	10.065	-.941	26.625
Roma Tomatoes (xlarge-cs)	9.169	10.065	-.896	26.625
Green Peppers (large- case)	13.070	15.084	-2.014	22.400
Red Peppers (large 15lb. cs.)	9.950	11.950	-2.000	23.950
Iceberg Lettuce (24 count)	6.390	5.988	+.402	10.270
Iceberg Lettuce (24)-Term.	12.250	11.834	+.416	18.000
Leaf Lettuce (24 count)	6.102	5.985	+.117	7.442
Romaine Lettuce (24 cnt.)	6.219	5.957	+.262	9.118
Mesculin Mix (3 lb.)-Term.	6.813	7.094	-.281	7.426
Broccoli (14 ct.)	10.039	12.808	-2.769	8.454
Squash (1/2 bushel)	11.650	10.350	+1.300	9.850
Zucchini (1/2 bushel)	12.650	10.350	+2.300	11.850
Green Beans (bushel)	13.217	12.384	+.833	13.100
Spinach, Flat 24's	13.430	11.305	+2.125	11.100
Mushrms (10 lb, lg.)-Term.	15.146	15.146	-	13.313
Cucumbers (bushel)	9.438	10.112	-.674	37.475
Pickles (200-300 ct.)- Term.	22.125	25.782	-3.657	55.750
Asparagus (small)	25.250	20.750	+4.500	13.000
Freight (Truck; CA-Cty Av.)	4866.666	4522.222	+344.444	4356.250



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

	Feb-12	Jan-12	Dec-11	Nov-11
Beef and Veal	+.211	+1.136	+.885	+.353
Dairy	-.506	+.931	-.141	-.331
Pork	-.288	-.176	-1.030	-.906
Chicken	+.190	+.148	+.897	-.038
Fresh Fish and Seafood	-1.454	+.639	+.449	+.356
Fresh Fruits and Veg.	-2.367	+.555	+.252	-.399