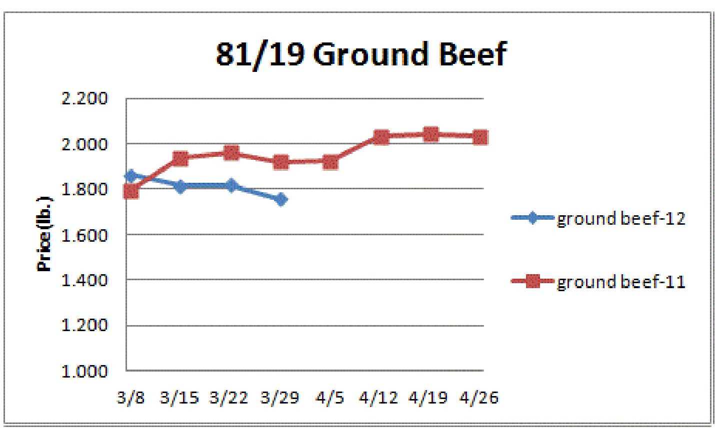
Weekly Market Updates

Volume No. 5 Issue No. 13 Date: March 29, 2012

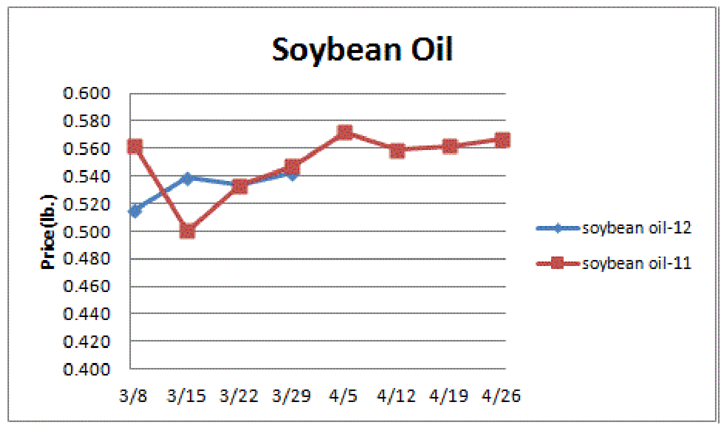
Beef- The March 1st cattle on feed inventory was 2.6% larger than '11. Cattle placements into feedlots during Feb were 2.8% more than last year. The Apr 1st near slaughter ready cattle inventory is estimated to be up 6% versus the April 3 year average. Beef production is projected by the USDA to trend 2% below '11 this spring. Still, heavier cattle weights may temper any beef output deficit. Wholesale beef prices continue to move lower due in part to sluggish beef demand. LFTB use is being slowed drastically which could be supportive of the domestic and international lean boneless beef markets. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.245	1.277	-.032	1.191
Feeder Cattle Index (CME)	1.540	1.543	-.003	1.313
Ground Beef 81/19	1.757	1.817	-.060	1.920
Ground Chuck	1.849	1.803	+.046	1.948
109e Export Rib (choice)	5.537	5.746	-.209	5.016
109e Export Rib (prime)	11.896	12.272	-.376	7.646
112a Ribeye (choice)	5.993	6.168	-.175	5.385
112a Ribeye (prime)	12.419	11.810	+.609	8.162
116 Chuck (select)	2.058	2.127	-.069	2.313
116 Chuck (choice)	2.059	2.105	-.046	2.260
116b Chuck Tdnr (choice)	2.229	2.337	-.108	2.143
120 Brisket (choice)	1.937	1.978	-.041	1.711
121c Outside Skirt (ch/sel)	5.141	4.966	+.175	4.643
121d Inside Skirt (ch/sel)	3.545	3.533	+.012	3.394
167a Knckle, Trm. (ch.)	2.317	2.397	-.080	2.295
168 Inside Round (ch.)	1.939	1.975	-.036	2.210
174 Short Loin (ch. 0x1)	5.155	5.270	-.115	5.244
174 Short Loin (prime)	10.476	10.155	+.321	7.255
180 1x1 Strp (choice)	4.648	4.943	-.295	4.634
180 1x1 Strp (prime)	11.377	11.200	+.177	8.167
180 0x1 Strp (choice)	5.136	5.510	-.374	5.324
184 Top Butt, bnls (ch.)	3.125	3.122	+.003	2.717
184 Top Butt, bnls (prime)	3.772	3.847	-.075	2.780
185a Sirloin Flap (choice)	4.056	4.227	-.171	4.028
185c Loin, Tri-Tip (choice)	3.189	3.290	-.101	2.939
189a Tender (select)	9.265	9.403	-.138	8.152
189a Tender (choice)	9.499	9.895	-.396	8.592
189a Tender (prime)	15.383	15.411	-.028	11.289
193 Flank Steak (choice)	4.311	4.547	-.236	4.204
50% Trimmings	.868	.893	-.028	1.110
65% Trimmings	1.394	1.345	+.049	1.348
75% Trimmings	1.691	1.682	+.009	1.550
85% Trimmings	2.087	2.094	-.007	1.918
90% Trimmings	2.196	2.236	-.040	2.005
90% Imported Beef (frz.)	2.145	2.158	-.013	2.053
95% Imported Beef (frz.)	2.275	2.288	-.013	2.165
Veal Rack (Hotel 7 rib)	7.650	7.650	-	5.300
Veal Top Rnd. (cp. off)	14.100	14.100	-	12.625



Oil, Grains, Misc.- This Friday the USDA is releasing 2 key crop reports including '12 acreage and stocks. 2012 corn acreage could be the largest since 1944. Grain prices may remain elevated. Prices USDA, FOB.

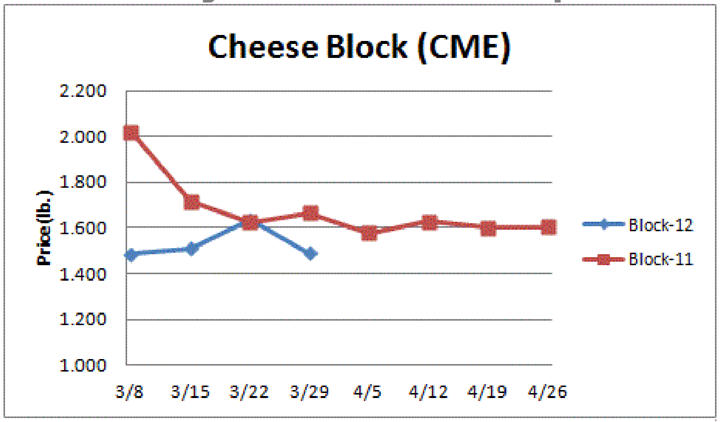
	Price	Last Week	Difference	Price 11
Soybeans, bushel	13.625	13.362	+.263	13.273
Crude Soybean Oil, lb.	.542	.533	+.009	.547
Soybean Meal, ton	370.000	362.600	+7.400	337.600
Corn, bushel	6.289	6.458	+.169	6.399
Crude Corn Oil, lb.	.600	.600	-	.693
High Fructose Corn Syrup	.179	.183	-.004	.181
Distillers Grain, Dry	206.000	206.750	-.750	195.500
Crude Palm Oil, lb. BMD	.519	.497	+.022	.501
HRW Wheat, bushel	6.520	6.530	-.010	7.695
DNS Wheat 14%, bushel	8.710	8.640	+.070	9.300
Durum Wheat, bushel	8.325	8.325	-	7.940
Pinto Beans, lb.	.494	.494	-	.276
Black Beans, lb.	.410	.450	-.040	.325
Rice, Long Grain, lb.	.260	.260	-	.261
Coffee, lb. NYBOT	1.866	1.840	+.026	2.640
Sugar, lb. NYBOT	.349	.351	-.002	.398
Honey (Clover), lb.	1.750	1.750	-	1.625



Dairy- The CME cheese block and barrel markets declined 9% and 10% respectively during the last week. American cheese stocks were down 4.6% in Feb versus '11 and declined from the previous month for only the 2nd time in 10 years. The international cheese markets have come under pressure recently. This could limit US cheese export demand and any pending cheese price increases this spring. Butter stocks in Feb were up 48% versus '11 and were the 3rd largest for the month since '95. The CME butter markets could modestly weaken during the next few weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

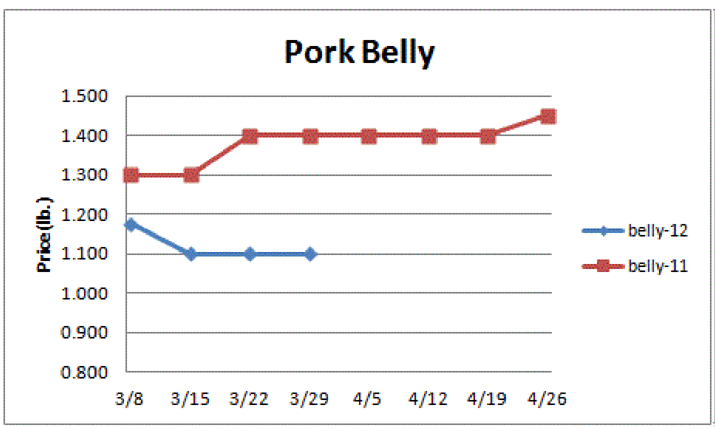
	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.460	1.625	-.165	1.625
Cheese Blocks (CME)	1.490	1.635	-.145	1.665
American Cheese	1.775	1.748	+.027	2.140
Cheddar Cheese (40 lb.)	1.980	1.925	+.055	2.150
Mozzarella Cheese	1.825	1.770	+.055	2.103
Provolone Cheese	2.175	2.120	+.055	2.260
Parmesan Cheese	3.255	3.200	+.055	3.335
Butter (CME)	1.505	1.523	-.018	2.080
Nonfat Dry Milk	1.334	1.350	-.016	1.664
Whey, Dry	.589	.519	+.070	.525
Class 1 Base	15.660	16.300	-.640	19.430
Class II Cream, heavy	1.903	1.913	-.010	2.710
Class III Milk (CME)	15.700	16.260	-.560	17.100
Class IV Milk (CME)	14.990	14.990	-	20.210

Weekly Market Updates



Pork- Pork output last week fell 1.9% but was 1.1% larger than '11. Pork production is anticipated to seasonally wane during the spring. Yet, a building US hog herd could mitigate the impact on pork prices of the typical spring pork output decline. Feb 29th pork cold storage stocks were higher than last year for pork bellies (21%), ribs (3%) and pork trimmings (22%). Total frozen pork supplies were up by 9%. The LFTB beef situation could have repercussions for the pork trimmings markets. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.588	.619	-.031	.622
Belly (bacon)	1.100	1.100	-	1.400
Sparerib (4.25 lb. & down)	1.560	1.523	+.037	1.537
Ham (20-23 lb.)	.630	.700	-.070	.860
Ham (23-27 lb.)	.629	.689	-.060	.834
Loin (bone-in)	.977	.991	-.014	.991
Bbybck Rib (1.75 lb. & up)	2.939	2.951	-.012	2.591
Tenderloin (1.25 lb.)	2.670	2.678	-.008	2.610
Boston Butt, untrmd. (4-8 lb.)	.929	.935	-.006	.987
Picnic, untrmd.	.513	.485	+.028	.684
SS Picnic, smoker trm. bx.	.737	.730	+.007	.920
42% Trimmings	.350	.383	-.033	.550
72% Trimmings	.592	.587	+.005	.858



Tomato Products, Canned- Existing canned tomato supplies are adequate for this time of the year. The canned tomato markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

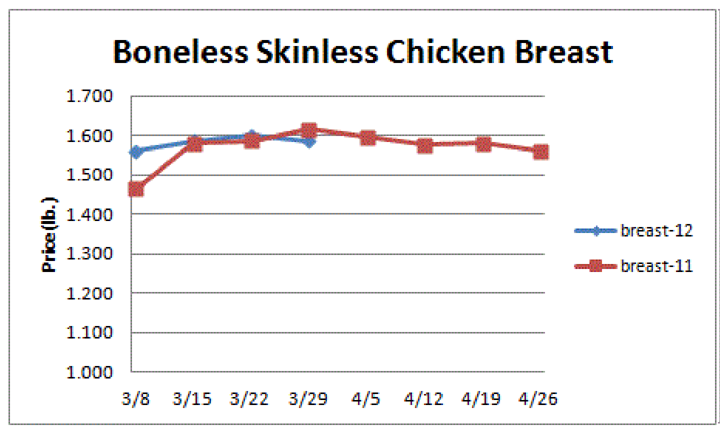
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- February 29th frozen cut corn (3%), cob corn (7%) and green peas (18%) inventories were all less than '11. The processed vegetable prices 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	-	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- The Feb broiler type chick hatch was 4% smaller than last year suggesting that chicken production should continue to trend below '11 levels next month. Pullet placements for the broiler hatchery flock during Feb were 1.2% less than a year ago. This summer the broiler hatchery flock is forecasted to be 4% below last year which is bearish for chicken production. Chicken breast prices are up roughly 7% this year. The breast markets are projected to increase further this spring following a seasonal trend. However, improving breast meat yields may temper any forthcoming chicken breast market increases. The chicken leg quarter and thigh markets are expected to set new record high price levels in the coming months. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.933	.933	-	.863
Whole Birds (LA)	1.025	1.020	+.005	.950
Wings (whole)	1.900	1.875	+.025	.960
Wings (jumbo, cut)	1.808	1.812	-.004	1.136
Breast, Bone In	1.010	.995	+.015	.900
Breast, Bnless Skinless	1.585	1.600	-.015	1.615
Tenderloin (random)	1.540	1.540	-	1.390
Tenderloin (sized)	2.270	2.270	-	2.250
Legs (whole)	.773	.712	+.061	.674
Leg Quarters	.540	.545	-.005	.465
Thighs, bone in	.793	.787	+.006	.692
Thighs, boneless	1.329	1.328	+.001	1.203
Eggs and Others				
Large (dozen)	1.243	.960	+.283	.877
Medium (dozen)	.973	.708	+.265	.792
Whole Eggs- Liquid	.577	.574	+.003	.510
Egg Whites- Liquid	.489	.484	+.005	.511
Egg Yolks- Liquid	.730	.722	+.008	.688
Whole Turkeys (8-16 lb.)	1.050	1.040	+.010	.930
Turkey Breast, Bnls/Sknls	2.033	2.075	-.042	2.280



Seafood- Gulf of Mexico shrimp landings in Feb were 1.4% below '11. This is due in part to rising fuel costs that have challenged fishermen margins. Still, year to date Gulf of Mexico shrimp landings are up roughly 8% versus the 3 year average. The valuation of the US dollar and shrimp import trade will influence pending shrimp prices more so. Roughly 90% of domestic shrimp consumption in the US is from abroad. 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

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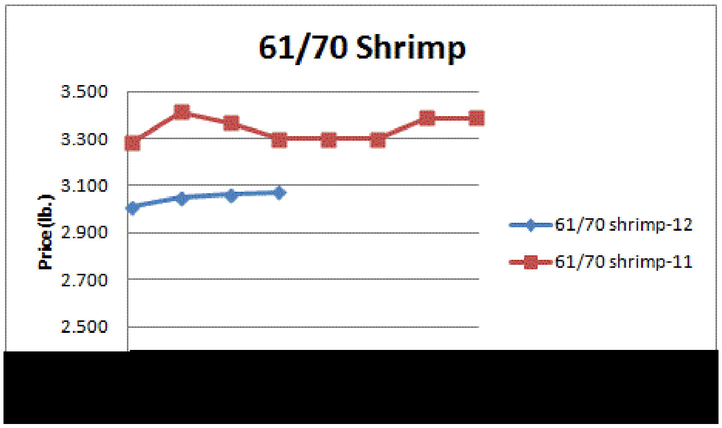
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz	5.899	5.812	+.087	7.497
Shrimp (61/70), Frz.	3.070	3.060	+.010	3.300
Shrimp, Tiger (26/30), Frz.	4.867	4.850	+.017	4.600
Snow Crab, Legs 5-8 oz, Frz	5.750	5.750	-	5.800
Snow Crab, Legs 8 oz/ up, Fz	5.913	5.913	-	6.050
Cod Tails, 3-7 oz., Frz.	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.

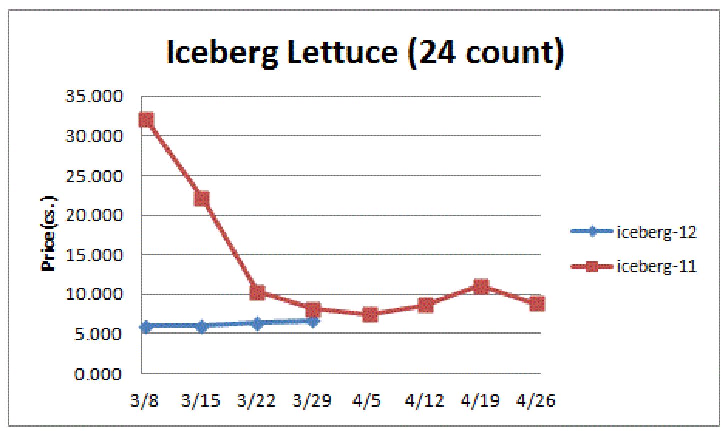
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	107.330	105.610	+1.720	103.980
Natural Gas, mbtu- nymex	2.208	2.335	-.127	4.374
Heating Oil, gal- nymex	3.219	3.237	-.018	3.025
Electricity, mwht- nymex	31.060	34.780	-3.720	48.080
Gasoline, gal- nymex	3.406	3.363	+.043	3.027
Diesel Fuel, gal- eia	4.147	4.142	+.005	3.932
Ethanol, gal- usda	2.210	2.205	+.005	2.440
Canadian $	.993	.992	+.001	.979
Japanese Yen	82.930	83.710	-.780	81.663
Mexican Peso	12.659	12.709	-.050	11.993
Euro	.750	.758	-.008	.713
Brazilian Real	1.820	1.827	-.007	1.659
Chinese Yuan	6.298	6.319	-.021	6.563

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.)	686.009	680.769	+5.240	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- The chief lettuce harvest area has begun to transition to Huron CA. Lettuce shipments last week from this region were more than double versus the same week a year ago. If favorable weather persists in CA it may smooth the next lettuce crop transition to Salinas next month. Still, the downside price risk for lettuce from here may be nominal. The tomato markets continue to trade at relatively low levels. History points to lower tomato prices in Apr. Avocado prices in '11 rose 7% during the 2nd quarter. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	17.000	20.000	-3.000	46.000
Lemons (95 ct.)	17.730	18.240	-.510	12.640
Lemons (200 ct.)	14.740	14.740	-	15.640
Honeydew (6 ct.)	9.725	10.970	-1.245	13.250
Cantaloupe (15 ct.)	14.450	13.950	+.500	12.117
Blueberries (12 count)	26.000	21.250	+4.750	19.000
Strawberries (12 pnts.)	14.500	14.000	+.500	13.500
Avocados (Hass 48 ct.)	31.500	31.500	-	48.750
Bananas (40 lb.)- Term.	17.928	13.845	+4.083	18.401
Pineapple (7 ct.)- Term.	11.855	10.334	+1.521	12.229
Idaho Potato (60 ct., 50 lb.)	13.000	13.000	-	24.000
Idaho Potato (70 ct., 50 lb.)	13.000	13.000	-	23.000
Idaho Potato (70 ct.)-Term.	18.000	17.797	+.203	27.638
Idaho Potato (90 ct., 50 lb.)	12.750	12.500	+.250	13.750
Idaho Pot. # 2 (6 oz., 100 lb.)	15.500	15.000	+.500	16.500
Processing Potato (cwt.)	12.500	12.500	-	9.000
Yellow Onions (50 lb.)	5.625	7.063	-1.438	6.350
Yell Onions (50 lb.)-Term.	9.375	9.225	+.150	9.656
Red Onions (25 lb.)- Term.	13.063	9.146	+3.917	6.469
White Onions (50 lb.)- Term.	24.792	27.334	-2.542	12.479
Tomatoes (large- case)	6.450	9.200	-2.750	26.117
Tomatoes (5x6-25 lb.)-Term	12.500	15.875	-3.375	30.417
Tomatoes (4x5 vine ripe)	6.260	7.284	-1.024	24.963
Roma Tomatoes (large- case)	6.878	9.124	-2.246	26.633
Roma Tomatoes (xlarge-cs)	6.878	9.169	-2.291	26.633
Green Peppers (large- case)	10.400	13.070	-2.670	14.900
Red Peppers (large 15lb. cs.)	9.950	9.950	-	18.950
Iceberg Lettuce (24 count)	6.737	6.390	+.347	8.127
Iceberg Lettuce (24)-Term.	12.334	12.250	+.084	12.667
Leaf Lettuce (24 count)	6.329	6.102	+.227	6.971
Romaine Lettuce (24 cnt.)	8.300	6.219	+2.081	7.279
Mesculin Mix (3 lb.)-Term.	6.907	6.813	+.094	7.115
Broccoli (14 ct.)	6.992	10.039	-3.398	10.475
Squash (1/2 bushel)	10.350	11.650	-1.300	5.350
Zucchini (1/2 bushel)	8.650	12.650	-4.000	5.350
Green Beans (bushel)	13.425	13.217	+.208	12.350
Spinach, Flat 24's	15.175	13.430	+1.745	11.560
Mushrms (10 lb, lg.)-Term.	15.146	15.146	-	13.313
Cucumbers (bushel)	11.389	9.438	+1.951	34.522
Pickles (200-300 ct.)- Term.	21.563	22.125	-.562	50.667
Asparagus (small)	27.250	25.250	+2.000	13.000
Freight (Truck; CA-Cty Av.)	5277.777	4866.666	+411.111	4243.750



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