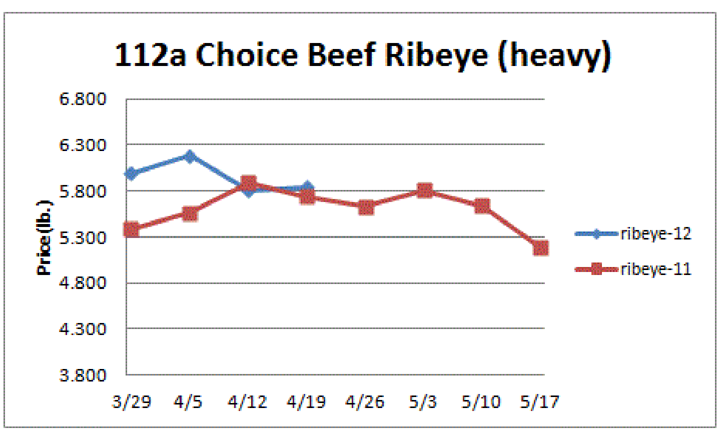
Weekly Market Updates

Volume No. 5 Issue No. 16 Date: April 19, 2012

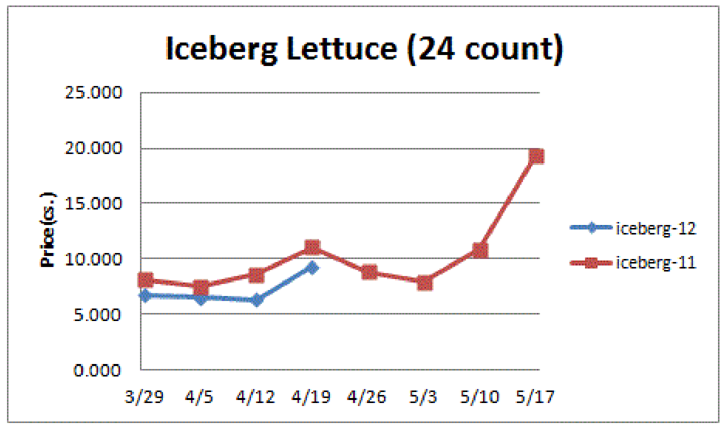
Beef- Beef output last week declined 6.8% and was 2.3% less than the same week a year ago. Beef demand is likely to seasonally improve soon. This could bring support to pending beef prices. Delay delivery beef sales last week were the strongest for any week since Jul '11. In Feb, US beef exports were down 8% versus last year and were the lightest since Apr '10. Beef imports in Feb were up 21% from last year due in part to a firmer US dollar compared to Feb '11. If the US dollar is fairly strong this spring US beef supplies may improve and temper any seasonal beef price increases. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.283	1.219	+.064	1.192
Feeder Cattle Index (CME)	1.504	1.498	+.006	1.334
Ground Beef 81/19	1.941	1.775	+.166	2.043
Ground Chuck	1.984	1.777	+.207	2.043
109e Export Rib (choice)	5.348	5.568	-.220	5.324
109e Export Rib (prime)	11.383	10.997	+.386	7.477
112a Ribeye (choice)	5.843	5.803	+.040	5.736
112a Ribeye (prime)	11.100	12.199	-1.099	8.128
116 Chuck (select)	2.116	1.956	+.160	2.058
116 Chuck (choice)	2.116	1.942	+.174	2.069
116b Chuck Tdnr (choice)	2.116	1.989	+.127	2.041
120 Brisket (choice)	1.893	1.788	+.105	1.705
121c Outside Skirt (ch/sel)	4.965	5.156	-.191	4.178
121d Inside Skirt (ch/sel)	3.443	3.466	-.023	3.497
167a Knckle, Trm. (ch.)	2.187	2.120	+.067	2.177
168 Inside Round (ch.)	2.002	1.936	+.066	2.076
174 Short Loin (ch. 0x1)	5.357	5.215	+.142	5.851
174 Short Loin (prime)	9.574	9.657	-.083	7.486
180 1x1 Strp (choice)	4.690	4.635	+.055	5.605
180 1x1 Strp (prime)	11.108	11.174	-.066	8.043
180 0x1 Strp (choice)	5.289	5.262	+.027	5.883
184 Top Butt, bnls (ch.)	3.013	3.029	-.016	2.860
184 Top Butt, bnls (prime)	3.455	3.584	-.129	2.818
185a Sirloin Flap (choice)	3.959	3.725	+.234	3.062
185c Loin, Tri-Tip (choice)	3.109	3.171	-.062	2.756
189a Tender (select)	9.199	9.263	-.064	8.264
189a Tender (choice)	9.268	9.087	+.181	8.540
189a Tender (prime)	14.614	14.282	+.332	10.731
193 Flank Steak (choice)	4.084	4.224	-.140	3.964
50% Trimmings	.642	.572	+.070	1.040
65% Trimmings	1.017	.997	+.020	1.264
75% Trimmings	1.725	1.725	-	1.527
85% Trimmings	2.081	2.071	+.010	1.913
90% Trimmings	2.225	2.209	+.016	2.044
90% Imported Beef (frz.)	2.153	2.120	+.033	2.080
95% Imported Beef (frz.)	2.325	2.260	+.065	2.163
Veal Rack (Hotel 7 rib)	7.700	7.700	-	5.450
Veal Top Rnd. (cp. off)	14.100	14.100	-	12.400



Oil, Grains, Misc.- The US corn crop is progressing ahead of schedule with good conditions being reported. Corn prices have fallen in response. Still, the corn market could find support soon. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	14.205	14.207	-.002	13.315
Crude Soybean Oil, lb.	.548	.560	-.012	.562
Soybean Meal, ton	387.300	383.800	+3.500	329.900
Corn, bushel	6.202	6.370	-.168	7.253
Crude Corn Oil, lb.	.605	.605	-	.685
High Fructose Corn Syrup	.177	.180	-.003	.199
Distillers Grain, Dry	211.625	208.000	+3.625	210.300
Crude Palm Oil, lb. BMD	.518	.538	-.020	.497
HRW Wheat, bushel	6.050	6.140	-.090	8.485
DNS Wheat 14%, bushel	8.780	9.030	-.250	10.030
Durum Wheat, bushel	8.225	8.263	-.038	8.490
Pinto Beans, lb.	.489	.494	-.005	.283
Black Beans, lb.	.410	.410	-	.325
Rice, Long Grain, lb.	.248	.248	-	.252
Coffee, lb. NYBOT	1.726	1.803	-.077	2.845
Sugar, lb. NYBOT	.304	.330	-.026	.379
Honey (Clover), lb.	1.800	1.750	-.050	1.625



Dairy- US cheese exports in Feb were up 3.6% versus last year and were the 2nd highest for any month on record. This was due in a large part to international cheese prices being at a healthy premium which encouraged US exports. Yet, the US versus global cheese price spread has since weakened which may limit US cheese exports this spring. The cheese markets are trying to form a bottom. Butter exports in Feb were down 42% compared to last year but were the 2nd best since Aug. The butter market remains near its 2 year low. Butter prices usually track upward in April. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.460	1.460	-	1.585
Cheese Blocks (CME)	1.500	1.488	+.012	1.600
American Cheese	1.643	1.655	-.012	1.958
Cheddar Cheese (40 lb.)	1.878	1.880	-.002	2.133
Mozzarella Cheese	1.723	1.725	-.002	1.965
Provolone Cheese	2.073	2.075	-.002	2.123
Parmesan Cheese	3.153	3.155	-.002	3.198
Butter (CME)	1.413	1.425	-.012	2.000
Nonfat Dry Milk	1.298	1.305	-.007	1.655
Whey, Dry	.505	.521	-.016	.496
Class 1 Base	15.660	15.660	-	19.430
Class II Cream, heavy	1.725	1.680	+.045	2.537
Class III Milk (CME)	14.720	14.850	-.130	16.360
Class IV Milk (CME)	14.710	14.800	-.090	20.000

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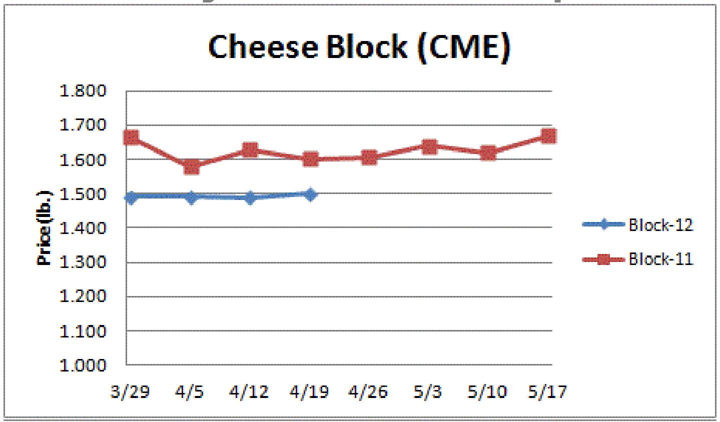
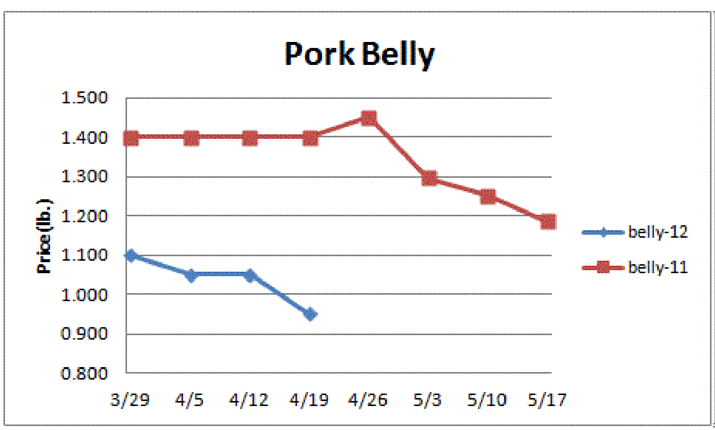


Pork- Pork output last week declined 3.8% but was 1.4% larger than '11. Per the USDA pork output in Q2 is projected to increase 2.2% from last year. This could limit any seasonal price increases for pork this spring. US pork exports in Feb were 21.5% higher than a year ago but fell for the 3rd consecutive month. Pork exports to Mexico more than doubled in Feb from '11. Ham prices have moved 16% lower in the past 5 weeks. Some shifting in the export product mix is helping ham prices trend below year ago levels. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.592	.585	+.007	.674
Belly (bacon)	.950	1.050	-.100	1.400
Sparerib (4.25 lb. & down)	1.506	1.537	-.031	1.590
Ham (20-23 lb.)	.630	.620	+.010	.780
Ham (23-27 lb.)	.620	.615	+.005	.780
Loin (bone-in)	.954	.939	+.015	1.070
Bbybck Rib (1.75 lb. & up)	2.979	2.952	+.027	2.850
Tenderloin (1.25 lb.)	2.815	2.723	+.092	2.706
Boston Butt, untrmd. (4-8 lb.)	.917	.933	-.016	1.031
Picnic, untrmd.	.517	.468	+.049	.706
SS Picnic, smoker trm. bx.	.800	.750	+.050	.910
42% Trimmings	.364	.364	-	.500
72% Trimmings	.470	.477	-.007	.860



Tomato Products, Canned- The most recent world crop estimate for tomatoes for processing is down 5% compared to '11. The canned tomato markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

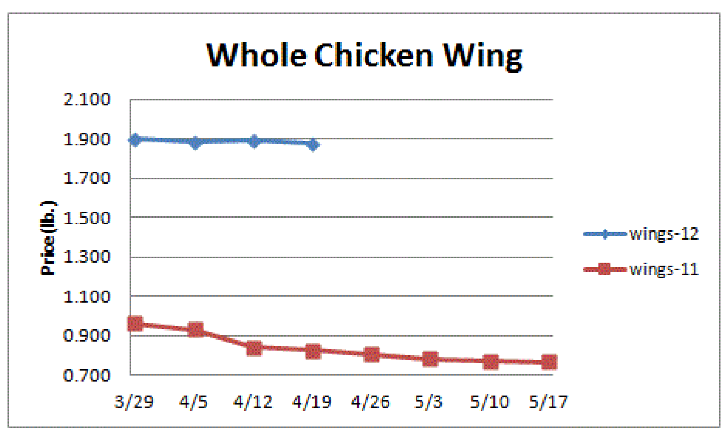
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- The growing season for vegetables is off to a good start this year due to favorable weather conditions. The vegetable 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- After the leap day adjustment, Feb US chicken production was .5% larger than the prior year. Per the USDA, chicken production is projected to be down 4.3% in Q2 versus '11. However, realized Q2 chicken output is likely to be stronger than the USDA estimate due in part to heavier bird weights. This factor and better breast meat yields may mitigate any pending seasonal chicken breast price increases. The ARA chicken wing price index has fallen 8.9% from its record high set in early Feb. The downside price risk for chicken wings from here may only be modest. US chicken exports in Feb were a record for the month and 24% larger than the prior year. The chicken leg quarter markets are elevated. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.933	.933	-	.865
Whole Birds (LA)	1.020	1.020	-	.960
Wings (whole)	1.875	1.890	-.015	.825
Wings (jumbo, cut)	1.748	1.792	-.044	1.136
Breast, Bone In	1.020	1.005	+.015	.925
Breast, Bnless Skinless	1.580	1.585	-.005	1.580
Tenderloin (random)	1.540	1.540	-	1.400
Tenderloin (sized)	2.270	2.270	-	2.290
Legs (whole)	.740	.715	+.025	.653
Leg Quarters	.540	.540	-	.465
Thighs, bone in	.818	.750	+.068	.705
Thighs, boneless	1.352	1.371	-.019	1.295
Eggs and Others				
Large (dozen)	1.117	1.117	-	1.160
Medium (dozen)	.838	.838	-	.978
Whole Eggs- Liquid	.463	.516	-.053	.562
Egg Whites- Liquid	.454	.508	-.054	.500
Egg Yolks- Liquid	.676	.704	-.028	.697
Whole Turkeys (8-16 lb.)	1.066	1.080	-.014	.990
Turkey Breast, Bnls/Sknls	1.981	2.003	-.022	2.501



Seafood- In Feb, total US shrimp imports and shell-on shrimp imports were up 4% and 23% respectively versus the previous year. The US dollar value in Feb was roughly 2% stronger than it was in Feb '11 which motivated shrimp export sales to the US. Roughly 90% of the shrimp consumed in the US is imported. In Feb, US salmon fillet steak imports were 37% higher compared to '11. The wholesale salmon market is soft.

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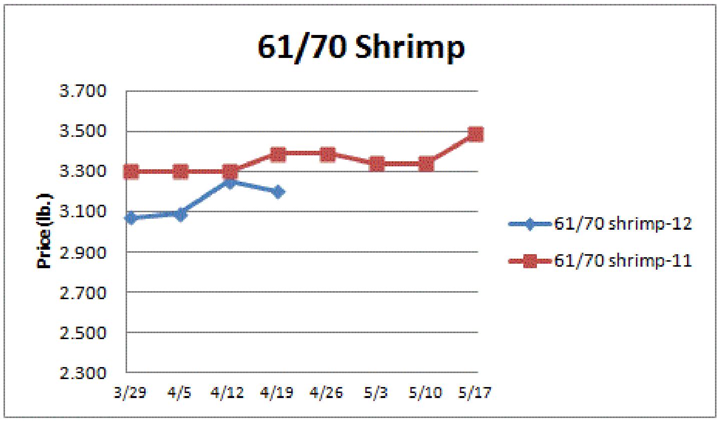
Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	4.700
Catfish Filets	5.000	5.400	-.400	4.750
Trout (drn. 8-14 oz.)	3.700	3.500	+.200	3.300
Shrimp (16/20), Frz	5.704	5.773	-.069	7.350
Shrimp (61/70), Frz.	3.200	3.250	-.050	3.388
Shrimp, Tiger (26/30), Frz.	4.788	4.817	-.029	4.700
Snow Crab, Legs 5-8 oz, Frz	5.375	5.375	-	6.375
Snow Crab, Legs 8 oz/ up, Fz	5.763	5.763	-	6.575
Cod Tails, 3-7 oz., Frz.	3.488	3.488	-	3.163
Cod Loins, 3-12 oz., Frz	3.600	3.600	-	3.831
Salmon Portions, 4-8 oz, Frz	5.767	5.767	-	6.675
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

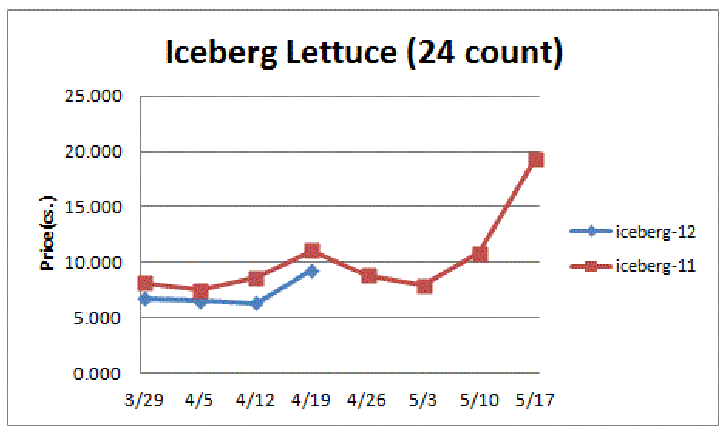
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	104.200	101.020	+3.180	108.150
Natural Gas, mbtu- nymex	1.951	2.031	-.080	4.262
Heating Oil, gal- nymex	3.127	3.096	+.031	3.159
Electricity, mwht- nymex	33.830	35.940	-2.110	51.560
Gasoline, gal- nymex	3.234	3.250	-.016	3.233
Diesel Fuel, gal- eia	4.127	4.148	-.021	4.105
Ethanol, gal- usda	2.145	2.185	-.040	2.605
Canadian $	.996	.995	+.001	.957
Japanese Yen	80.688	81.196	-.508	82.667
Mexican Peso	13.157	13.015	+.142	11.705
Euro	.761	.763	-.002	.699
Brazilian Real	1.845	1.818	+.027	1.583
Chinese Yuan	6.302	6.311	-.009	6.530

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)	895.120	895.120	-	1013.640
WP; 42 lb. Linerboard (corr.)	688.560	678.924	+9.636	851.146
Res; PS-CHH (cup, cont.)	1.150-1.190	1.150-1.190	-	1.0301.070
Res; PP-HIGP (hvy utensil)	1.160-1.180	1.160-1.180	-	1.1001.120
Res; PE-LLD (cn liner, film)	.940-.970	.940-.970	-	.880-.810

Produce- US potato stocks in Apr were up 4% versus the prior year. Potato prices are now priced 46% below year ago levels. Last year potato prices fell 27% during the next 4 weeks but history points to more steady potato prices into mid May. Iceberg lettuce prices moved notably higher from last week. This was due in part to weather challenges occurring in the lettuce growing areas. Lettuce shipments last week were down 6% from the prior week. The Huron CA lettuce crop is culminating with the next chief lettuce area being Salinas CA. Tomato prices are mostly steady. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	15.000	15.000	-	17.000
Lemons (95 ct.)	19.740	18.740	+1.000	13.640
Lemons (200 ct.)	16.740	16.240	+.500	17.140
Honeydew (6 ct.)	11.225	9.850	+1.375	9.300
Cantaloupe (15 ct.)	17.450	14.963	+2.487	9.450
Blueberries (12 count)	18.000	19.375	-1.375	21.425
Strawberries (12 pnts.)	13.000	15.000	-2.000	14.500
Avocados (Hass 48 ct.)	34.750	33.500	+1.250	47.750
Bananas (40 lb.)- Term.	16.266	17.284	-1.018	18.125
Pineapple (7 ct.)- Term.	17.063	14.480	+2.583	12.389
Idaho Potato (60 ct., 50 lb.)	12.000	12.500	-.500	23.500
Idaho Potato (70 ct., 50 lb.)	12.000	12.500	-.500	22.500
Idaho Potato (70 ct.)-Term.	17.360	17.941	-.581	24.306
Idaho Potato (90 ct., 50 lb.)	12.000	12.375	-.375	14.000
Idaho Pot. # 2 (6 oz., 100 lb.)	11.938	15.000	-3.062	17.000
Processing Potato (cwt.)	7.250	9.000	-1.750	9.000
Yellow Onions (50 lb.)	5.750	7.000	-1.250	6.417
Yell Onions (50 lb.)-Term.	12.256	11.750	+.506	9.567
Red Onions (25 lb.)- Term.	18.063	17.147	+.916	7.255
White Onions (50 lb.)- Term.	23.271	21.969	+1.302	12.219
Tomatoes (large- case)	7.450	6.450	+1.000	16.950
Tomatoes (5x6-25 lb.)-Term	10.042	9.250	+.792	21.313
Tomatoes (4x5 vine ripe)	5.585	5.940	-.355	22.950
Roma Tomatoes (large- case)	6.740	6.742	-.002	33.633
Roma Tomatoes (xlarge-cs)	6.942	6.842	+.100	33.973
Green Peppers (large- case)	15.707	15.950	-.243	17.400
Red Peppers (large 15lb. cs.)	9.950	9.950	-	18.950
Iceberg Lettuce (24 count)	9.304	6.302	+3.002	11.055
Iceberg Lettuce (24)-Term.	13.750	6.938	+6.812	17.000
Leaf Lettuce (24 count)	10.317	7.077	+3.240	17.260
Romaine Lettuce (24 cnt.)	9.682	6.949	+2.733	17.076
Mesculin Mix (3 lb.)-Term.	9.250	6.938	+2.312	6.917
Broccoli (14 ct.)	5.975	5.142	+.833	6.500
Squash (1/2 bushel)	8.600	8.350	+.250	8.850
Zucchini (1/2 bushel)	5.350	4.350	+1.000	6.850
Green Beans (bushel)	13.350	20.225	-6.875	18.600
Spinach, Flat 24's	11.030	10.950	+.080	19.400
Mushrms (10 lb, lg.)-Term.	13.000	14.292	-1.292	13.250
Cucumbers (bushel)	11.715	8.740	+2.975	9.065
Pickles (200-300 ct.)- Term.	22.875	23.063	-.188	17.917
Asparagus (small)	27.250	27.250	-	19.000
Freight (Truck; CA-Cty Av.)	5127.777	5572.222	-444.445	4533.330



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