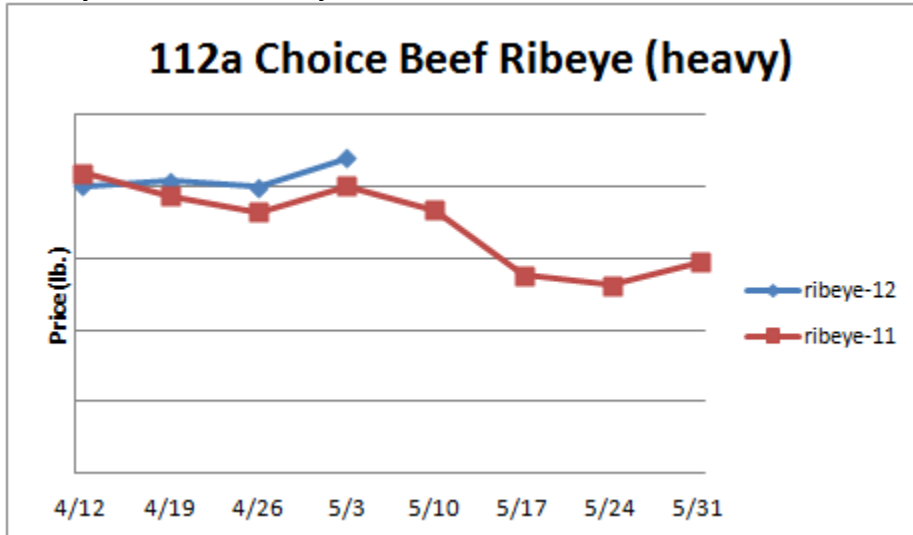


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week rose 1.8% and was 1.6% more than '11. The USDA is forecasting Q2 beef production to be down 1.8% versus '11. Yet, cattle supplies are backing up in feedlots and better beef imports are now forecasted for the US. This could temper this year's expected beef output losses. Future beef sales have been strong for ground beef but soft for steaks. This suggests that the US consumer, who has faced months of record high retail beef prices, is searching for value. Beef prices have trended higher recently but a top may be near. Choice boxed beef prices usually decline 4% in May/June.

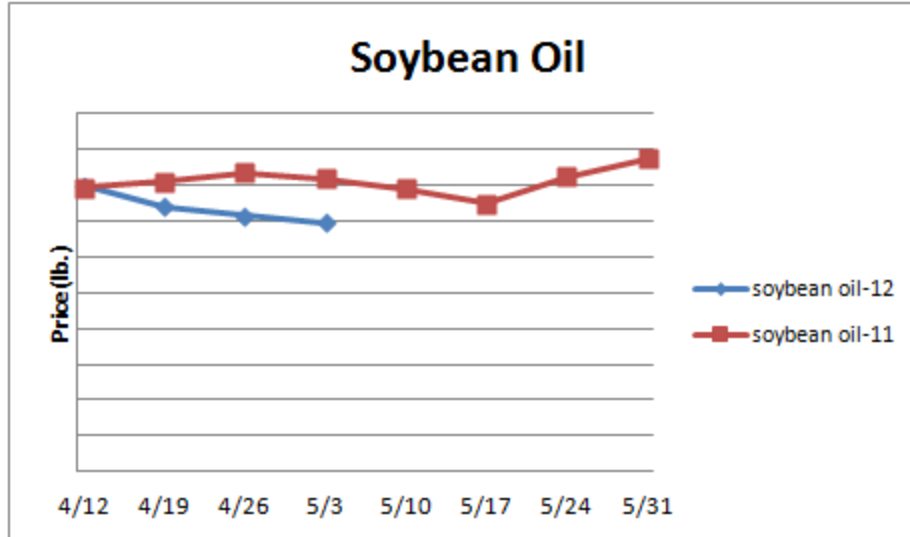


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing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

90% Imported Beef (frozen)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

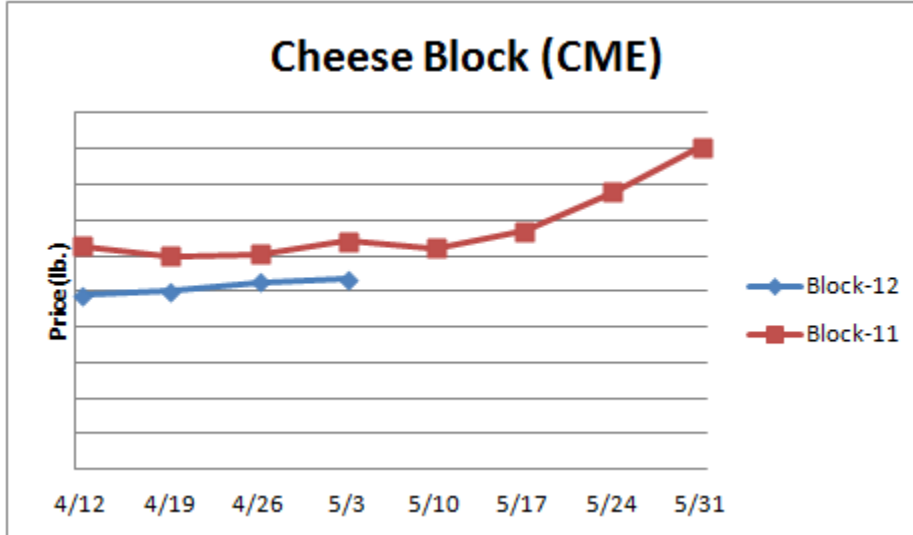
Oil & Grains- Solid export demand for corn and soybeans is bringing support to the grains markets. Tight supplies may keep these markets firm in the near term.



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

Dairy Report

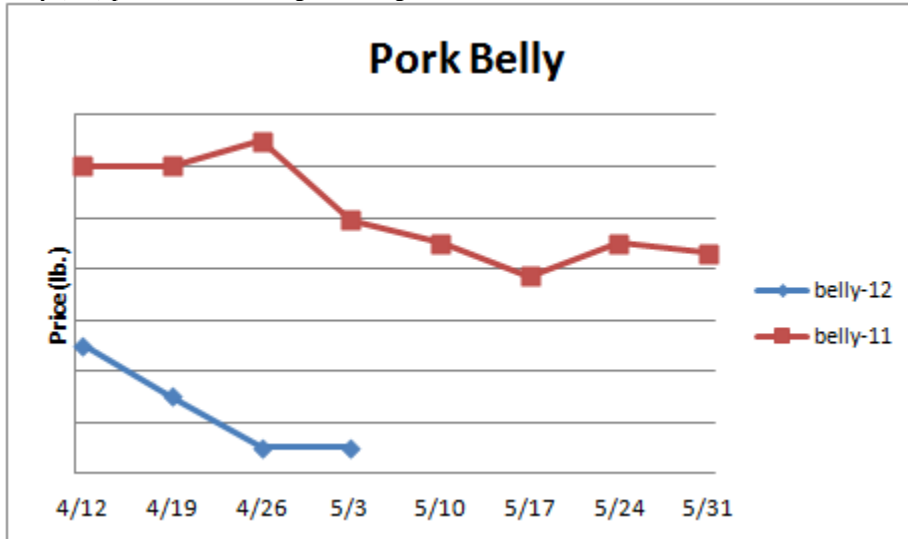
Dairy- The cheese markets have firmed during the past week and history points to further cheese price increases. The 3 year average price move for CME blocks is 15% higher over the next 14 weeks. Still, ample milk supplies and solid cheese production suggests that the upside cheese price risk from here may only be modest. The butter market remains deflated due in part to strong inventory levels. International butter prices are trading 37% below '11 discouraging US butter exports. Still, butter prices tend to rise in the spring. In '11, the butter market rose 3.2% over the next 4 weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Increasing	Good	Lower
Cheese 40 lb Blocks- CME	Increasing	Good	Lower
American Cheese	Decreasing	Good	Lower
Cheddar Cheese	Increasing	Good	Lower
Mozzarella Cheese	Increasing	Good	Lower
Provolone Cheese	Increasing	Good	Higher
Parmesan Cheese	Increasing	Good	Higher
Butter- One lb Solids	Decreasing	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)	Decreasing	Good	Lower
Class III Milk- CME	Decreasing	Good	Lower
Class IV Milk- CME	Decreasing	Good	Lower

Pork Report

Pork- Pork production last week increased .4% and was 7.6% larger than the same week in '11. Pork belly (bacon) prices fell sharply (20%) in April due in a large part to weakening demand. This is believed to have occurred for bacon partly because of the LFTB situation in beef. The various pork markets have yet to move seasonally higher this year. That is expected to change soon especially if pork output slows. Since '09, ham (17%), 42% pork trim (24%) and pork belly (7%) prices all moved higher during the next 12 weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Lower
Belly (bacon)	Steady	Good	Lower
Spare Rib (4.25 & down)	Decreasing	Good	Lower
Ham (23-27 lb)	Increasing	Good	Lower
Loin (bone-in)	Decreasing	Good	Lower
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	Steady	Good	Lower
42% Trimmings	Increasing	Good	Lower
72% Trimmings	Increasing	Good	Lower

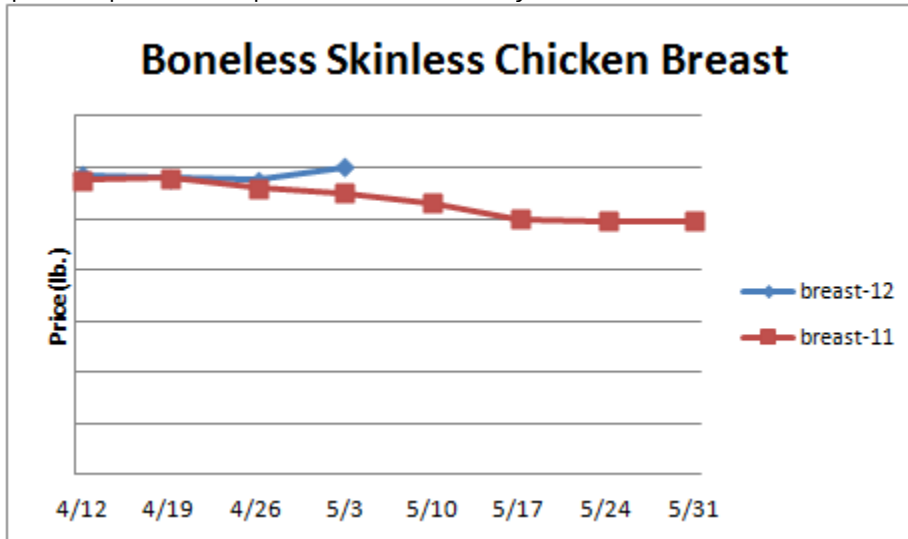
Canned Tomato Report

Tomato Products, Canned- The start of the main tomato for canning harvest season is 2 months away. Canned tomato supplies are adequate. The markets are steady.

	<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

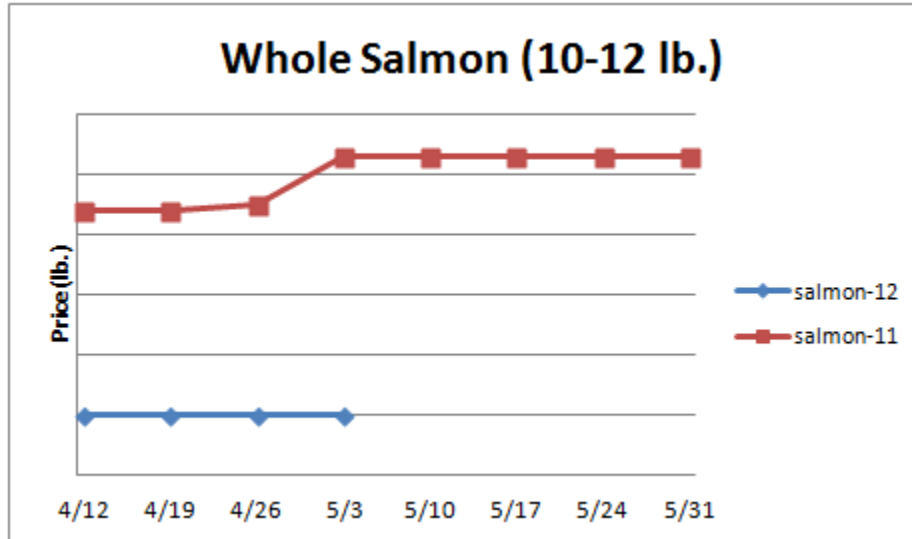
Poultry - Elevated feed costs continue to challenge chicken producer margins. Feed costs for producers last week were the highest since September '11. Chicken production rates are expected to remain low. Seasonal chicken breast price increases this year have been less intense than the previous year. This is due in part to strong breast meat output yields. History points to higher breast prices over the next few months with the market seasonally peaking in July. The ARA chicken wing index has fallen 12% from record levels in January. Wing prices usually bottom in early June. Chicken leg quarter prices are currently 28% above their 3 year price average. Record high leg quarter prices are possible later 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	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Decreasing	Good	Higher
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Sknless	Increasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Increasing	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Increasing	Good	Higher
Large Eggs	Decreasing	Good	Lower
Medium Eggs	Decreasing	Good	Lower
Whole Eggs- Liq	Increasing	Good	Lower
Egg Whites- Liq	Increasing	Good	Lower
Egg Yolks- Liq	Steady	Good	Lower
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Increasing	Good	Lower

Seafood Report

Seafood- This year's Newfoundland/St. Lawrence joint snow crab quota is 11% larger than '11. So far this season 23% of the 52.5 million metric ton Newfoundland snow crab quota has been landed. For St. Lawrence, fishermen have caught 36% or 10.5 million metric tons of their snow crab quota. This has improved snow crab supplies even with this year's Bering Sea snow crab quota still unmet. Snow crab prices are trending lower.



	<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	Lower
Trout, Drn. (8-14 oz)	Steady	Good	Higher
Shrimp (16-20 count)	Decreasing	Good	Higher
Shrimp (61-70 count)	Decreasing	Good	Lower
Shrimp, Tiger (26-30 count)	Decreasing	Good	Lower
Snow Crab Legs (5-8 oz)	Steady	Good	Lower
Snow Crab Legs (8 oz up)	Decreasing	Good	Lower
Cod Tails, 3-7 oz. Frz.	Increasing	Good	Lower
Cod Loins, 3-12 oz. Frz.	Decreasing	Good	Lower
Salmon Portions, 4-8 oz. Frz.	Steady	Good	Higher

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Increasing	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Increasing	Good	Lower
Coffee Beans	Increasing	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	Lower
42 lb. Linerboard-corrugated box	Increasing	Good	Lower
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Higher
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

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

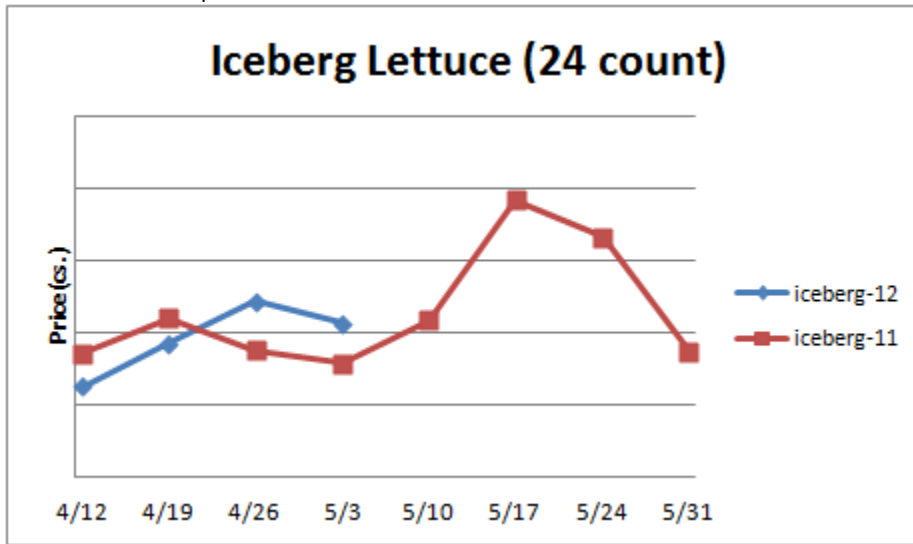
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- March 31st frozen regular cut green bean (20%) and French style green bean (9%) stocks were more than '11. Frozen green bean prices remain 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 US weather conditions have been conducive for produce crop growth in recent months. This has caused the majority of the produce markets to be depressed versus previous years. Tomatoes and yellow onions are offering the greatest price discounts while potato prices are modestly lower as well. The lettuce market is 17% higher versus its 3 year price average but the crop transition to Salinas and Santa Maria CA is running fine due in part to temperate weather conditions. Lower lettuce prices may be realized in the coming days. The tomato markets may become volatile during May as the Florida crop transitions northward.



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

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

Produce Report (continued)

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