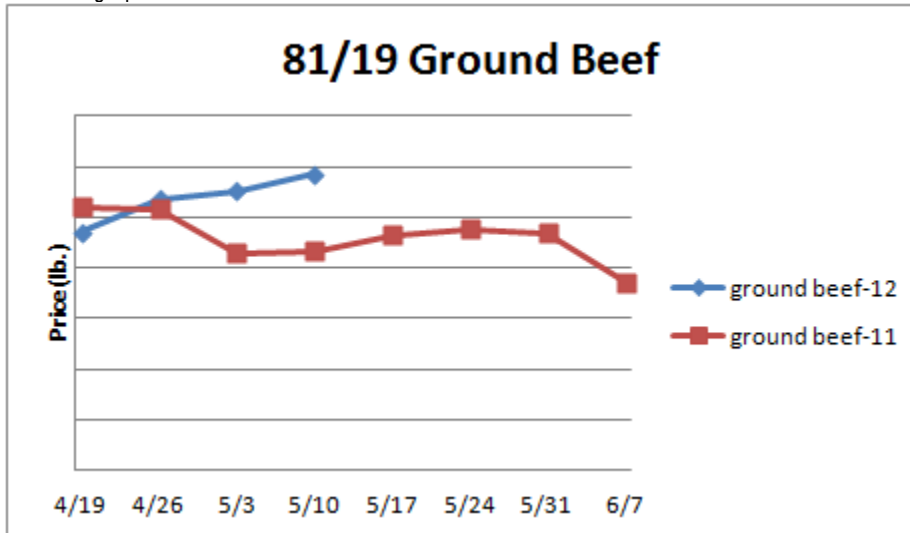


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week increased 1.9% but was 2.8% less than the same week in '11. US cattle prices are down sharply from record high levels set in March. Spring cattle supplies, although limited, are modestly better than expected plus weights are up versus '11. This has tempered this spring's beef rally and suggests that the '12 USDA boxed beef cutout price high has been established. Since '09, choice top butt, 0x1 strip and 50% beef trimming prices faded over the next 7 weeks. The Australian dollar continues to weaken versus the US dollar. This is a promising sign for 90% lean boneless beef trimming imports.



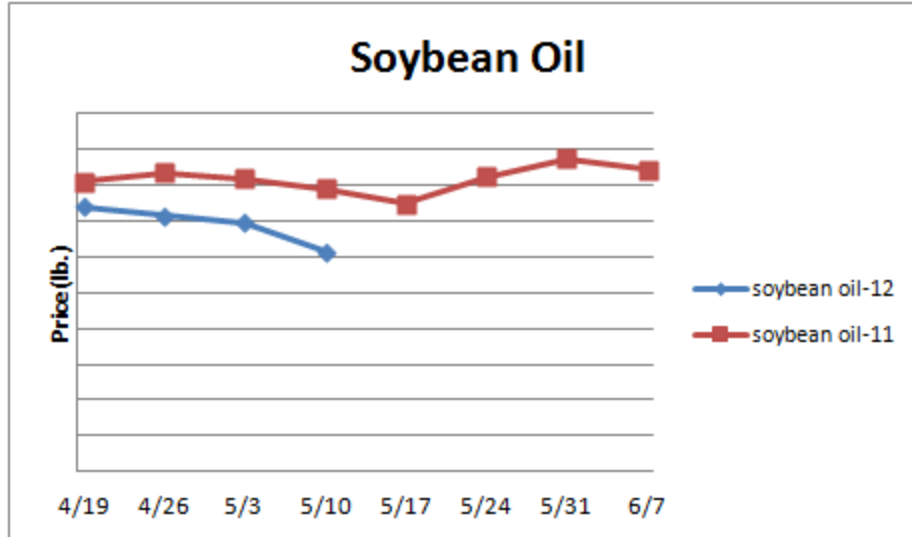
	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	Good	Higher
168 Inside Round (choice)	Increasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Decreasing	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)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Market Report provided by American Restaurant Association-

www.AmericanRestaurantAssociation.com 888-423-4411

Oil and Grains Report

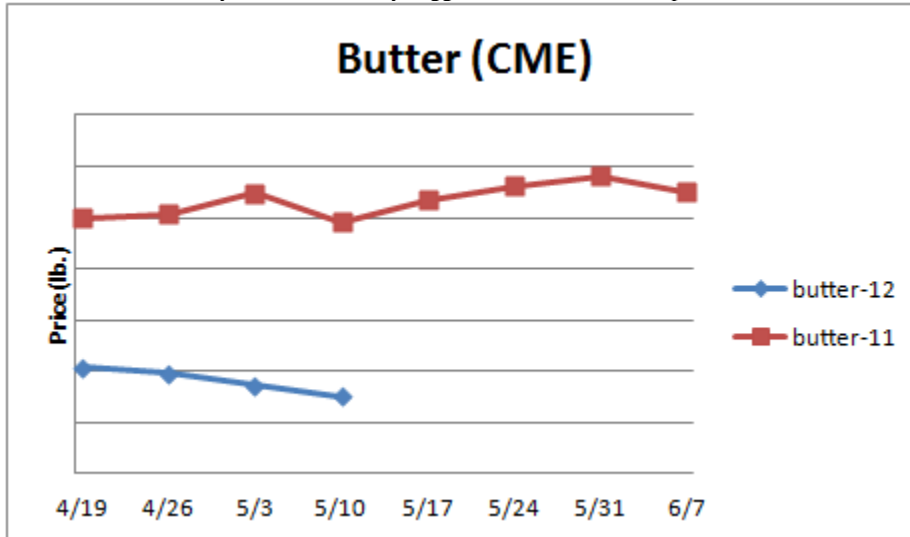
Oil & Grains- Tight corn stocks are keeping spot corn prices firm. Still, the upcoming US crop could bring corn supplies in better balance. Lower corn prices are possible this summer.



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

Dairy Report

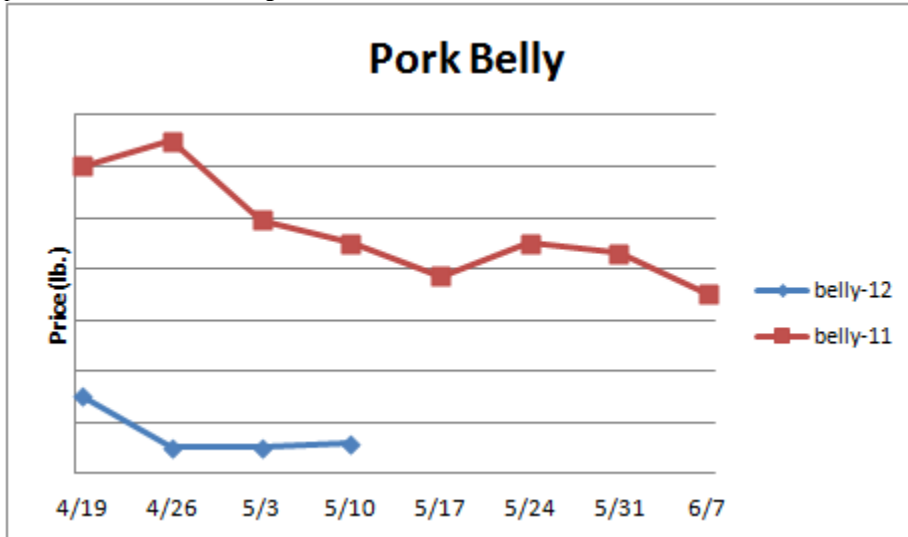
Dairy- Milk output has been running at record levels in recent months. This has kept milk prices depressed and has encouraged cheese and butter production. Look for milk output gains versus last year to recede this summer if dairy farmer margins remain poor. The CME cheese markets are moving lower which is counter seasonal. The cheese markets may find support soon. The butter market has yet to establish a seasonal bottom and is trading at price levels not seen since February '10. Still, history suggests that the downside price risk for butter from here is likely limited.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Decreasing	Good	Lower
Cheese 40 lb Blocks- CME	Decreasing	Good	Lower
American Cheese	Increasing	Good	Lower
Cheddar Cheese	Increasing	Good	Lower
Mozzarella Cheese	Increasing	Good	Lower
Provolone Cheese	Increasing	Good	Lower
Parmesan Cheese	Increasing	Good	Lower
Butter- One lb Solids	Decreasing	Good	Lower
Nonfat Dry Milk	Decreasing	Good	Lower
Whey, Dry	Decreasing	Good	Lower
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 decreased 1.1% but was 4.9% larger than the same week a year ago. US pork output rates this year have outpaced solid pork export sales. Domestic demand for pork has been disappointing. Most of the pork markets have weakened this spring but have shown recent signs of strengthening. Seasonal pressure and better retail feature activity are anticipated to bring support to the pork markets in the coming weeks. Last year pork spare rib prices increased 17% during the next 7 weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Lower
Belly (bacon)	Increasing	Good	Lower
Spare Rib (4.25 & down)	Decreasing	Good	Lower
Ham (23-27 lb)	Steady	Good	Lower
Loin (bone-in)	Increasing	Good	Lower
Baby Back Rib (1.75 & up)	Decreasing	Good	Higher
Tenderloin (1.25 lb)	Decreasing	Good	Lower
Boston Butt, untrimmed 4-8 lb.	Decreasing	Good	Lower
Picnic, untrimmed	Increasing	Good	Lower
SS Picnic, smoker trim boxed	Decreasing	Good	Lower
42% Trimmings	Steady	Good	Lower
72% Trimmings	Increasing	Good	Lower

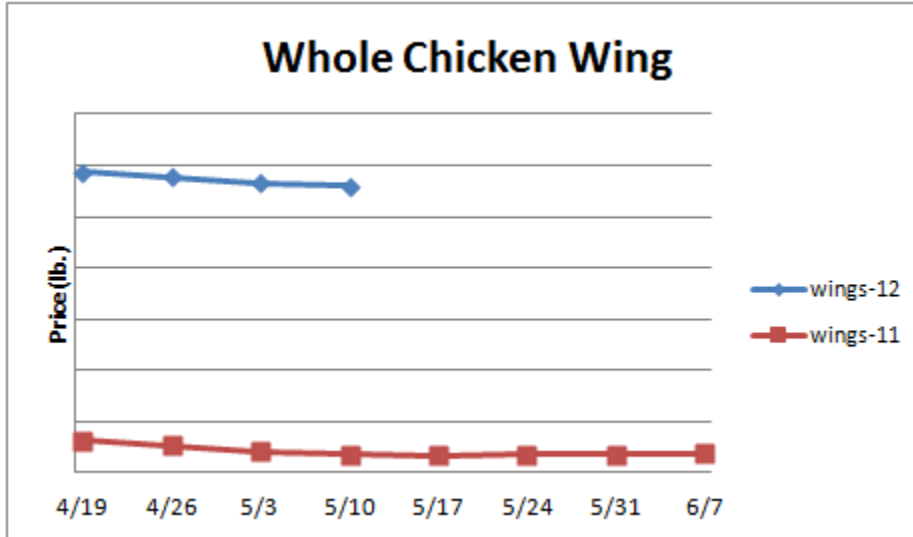
Canned Tomato Report

Tomato Products, Canned- Canned tomato supplies remain adequate. The California tomato for canning harvest should get underway in July. 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

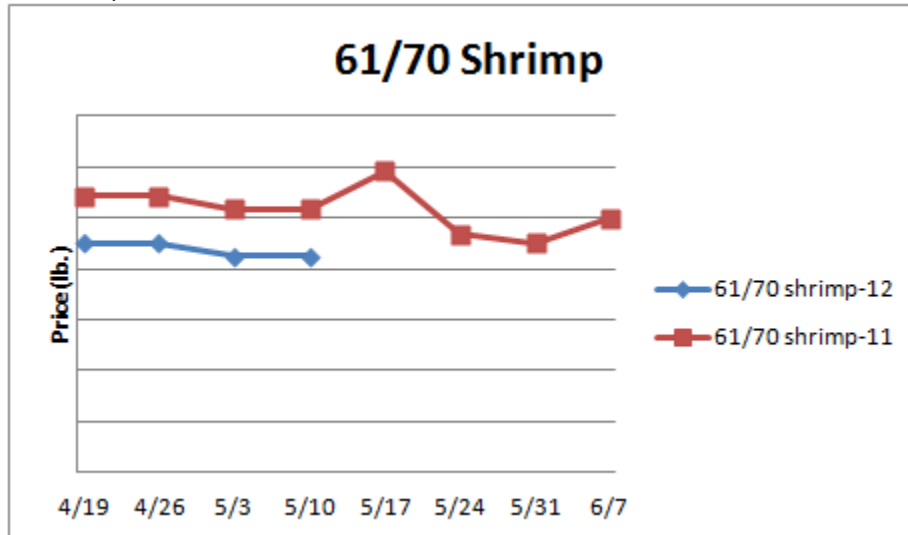
Poultry- Elevated feed costs remain a major factor behind chicken producer's poor margins. In response chicken output continues to be curbed which could further support the chicken markets going forward. The ARA chicken breast index recently priced at its highest level since October '10. In '09, a similar year to '12 with reduced production, chicken breast prices rose 8% from now into July. For chicken leg quarter prices it was 20% during that same time period. However, this year's average bird weight is heavier which is tempering the chicken supply short fall slightly. Chicken wing prices are trying to stabilize after declining from record high levels in February. Still, chicken wing prices are 42% above the 3 year price average.



	<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)	Increasing	Good	Higher
Chicken Wings, Whole	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Steady	Good	Higher
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast, Bnless Sknless	Increasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Steady	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Increasing	Good	Higher
Large Eggs	Increasing	Good	Lower
Medium Eggs	Decreasing	Good	Lower
Whole Eggs- Liq	Decreasing	Good	Lower
Egg Whites- Liq	Decreasing	Good	Lower
Egg Yolks- Liq	Decreasing	Good	Lower
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

Seafood Report

Seafood- Wholesale salmon (38%), shrimp (34%), cod loin (46%) and snow crab leg (25%) prices are all lower than this time last year. In contrast, the US dollar is up 6.7% from a year ago. The US imports a large percentage of its seafood. This means the value of the US dollar plays a major role in regards to US seafood prices. Expect US seafood prices to remain below '11 levels if the US dollar continues to appreciate.



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

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Steady	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Steady	Good	Lower
Coffee Beans	Decreasing	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	Increasing	Good	Lower
42 lb. Linerboard-corrugated box	Decreasing	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	Same

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

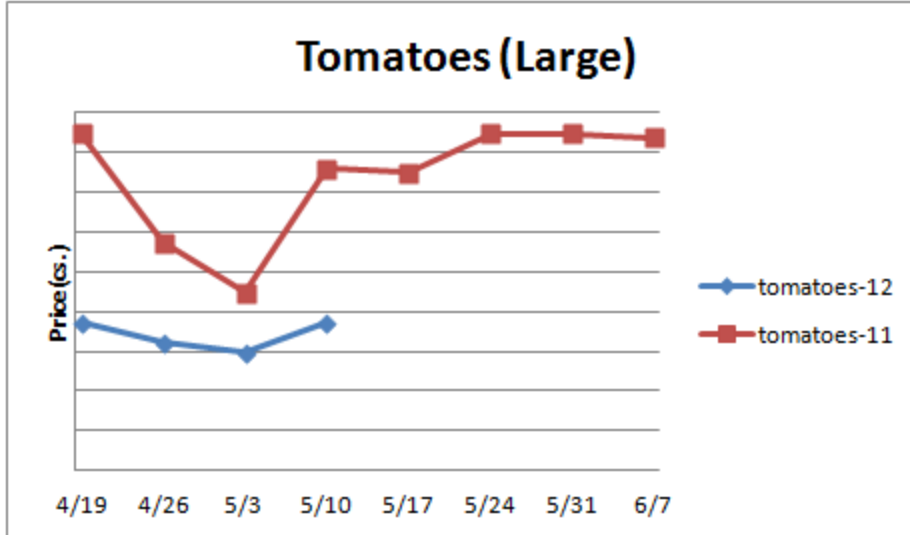
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- This year's green bean, corn and green pea for processing acreage may be tight due to other crop competition. The processed vegetable markets are 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 The potato markets continue to trade well below (40%) year ago levels. US potato stocks are adequate but potato prices usually increase in the coming months. The 3 year average price move for potatoes is 25% higher during the next 14 weeks. Still, expect potato supplies to improve when the fall harvest gets underway. The Florida tomato crops continue to provide good tomato supplies. However, tomato prices could become more volatile as the chief output areas transition north. Last year tomato prices increased 10% over the next 4 weeks.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Steady	Good	Lower
Lemons (95 count)	Increasing	Good	Higher
Lemons (200 count)	Steady	Good	Higher
Honeydew (6 ct.)	Steady	Good	Higher
Cantaloupe (15 count)	Steady	Good	Higher
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Increasing	Good	Higher
Avocados, Hass (48 count)	Decreasing	Good	Lower
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Decreasing	Good	Lower
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)	Steady	Good	Higher
Yellow Onions (50 lb)	Increasing	Good	Lower
Yellow Onions (50 lb)-Term.	Steady	Good	Higher
Red Onions (25 lb)-Term.	Steady	Good	Higher
White Onions (50 lb)-Term.	Steady	Good	Higher
Tomatoes, (large- case)	Increasing	Good	Lower
Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Increasing	Good	Lower
Roma Tomatoes (large- case)	Steady	Good	Lower
Roma Tomatoes (xlarge- case)	Steady	Good	Lower
Green Peppers (large- case)	Increasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Increasing	Good	Lower
Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Steady	Good	Higher

Produce Report (continued)

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