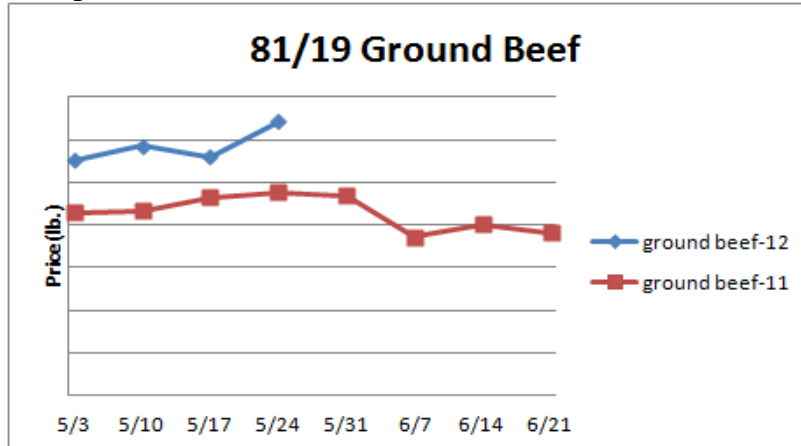


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week increased .2% but was .8% less than '11. The May 1st US cattle on feed inventory was .6% smaller than a year ago. Cattle placements into feedlots during April were 14.8% less than last year and were the smallest for any month since July '09. These statistics suggest that cattle numbers and beef output will be notably below '11 levels this fall. Retail beef demand has improved over the last 2 weeks and beef prices are moving higher. Still, the upside price risk for beef from current levels should be modest. The USDA boxed beef cutout usually declines 5% during the next 3 weeks.



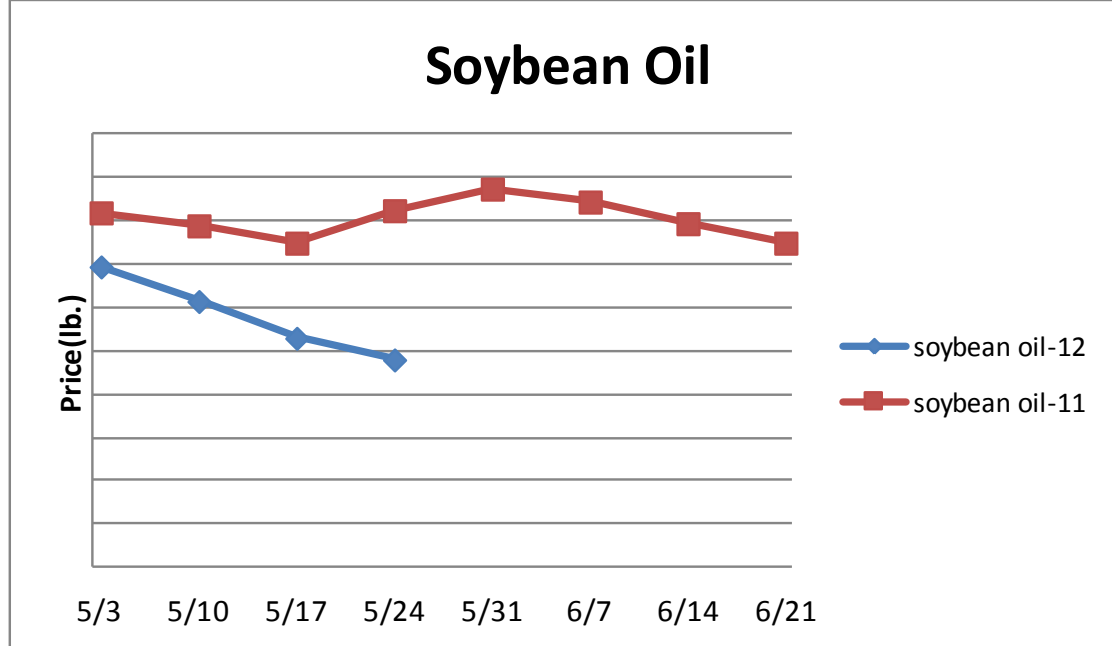
	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Decreasing	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	Higher
174 Short Loin (choice 0x1)	Decreasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	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	Steady	Good	Lower
75% Trimmings	Increasing	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)	Increasing	Good	Higher

Market Report provided by American Restaurant Association-

www.AmericanRestaurantAssociation.com- 888-423-4411

Oil and Grains Report

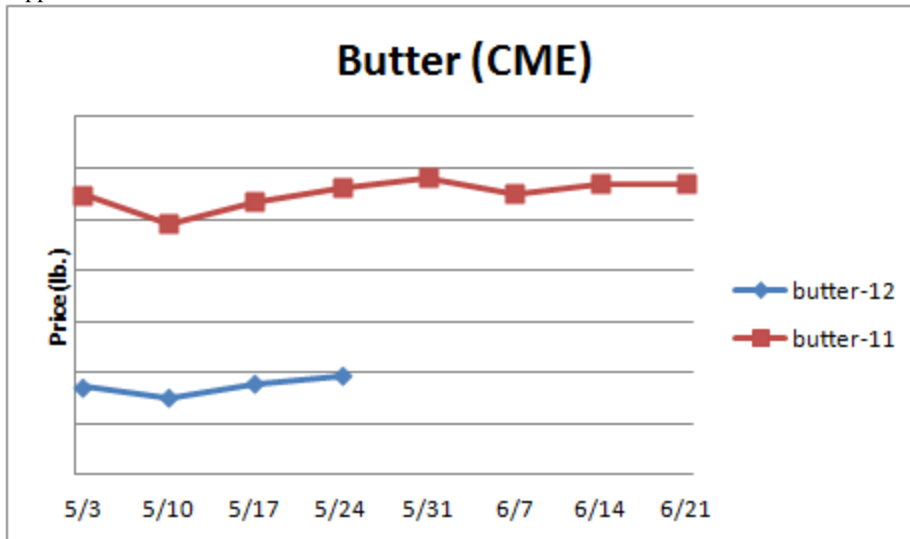
Oil & Grains- US corn and soybean plantings are well ahead of schedule and crops are reported to be in good shape by the USDA. Lower corn prices are possible this fall.



	<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	Increasing	Good	Lower
Dark Northern Spring Wheat	Increasing	Good	Lower
High Fructose Corn Syrup	Increasing	Good	Lower
Durum Wheat	Increasing	Good	Lower

Dairy Report

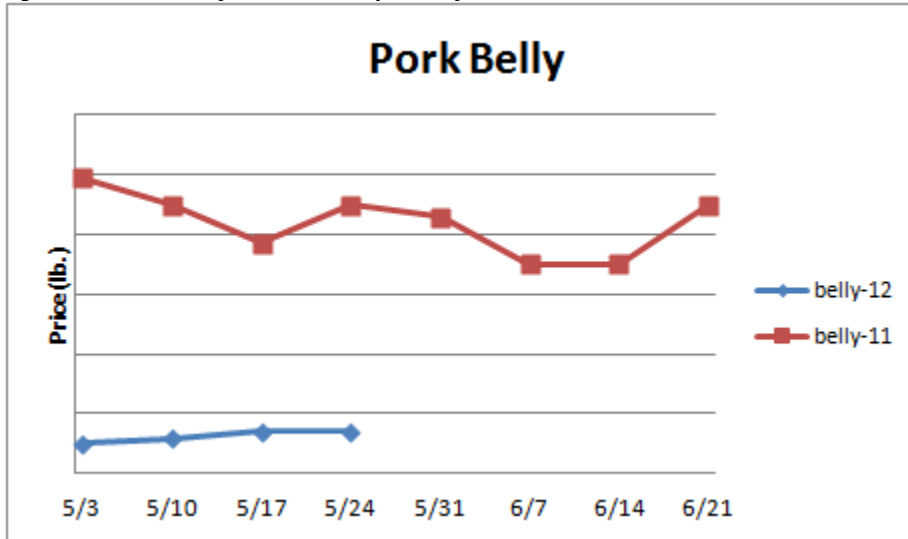
Dairy- April US milk output was 3.2% more than '11 due to a 1% larger milk cow herd and a 2.2% gain in milk per cow yields. The gain in milk cow yields was due in part to favorable spring weather. Farmers added a net 5k head to the dairy cow herd during April which made it the largest since May '09. Still, milk cow herd growth may slow soon if milk farmer profitability remains poor. The butter markets have firmed. The cheese markets are steady. History points to higher butter and cheese prices this summer but any price increases this year may be tempered by ample supplies.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Increasing	Good	Lower
Cheese 40 lb Blocks- CME	Steady	Good	Lower
American Cheese	Increasing	Good	Lower
Cheddar Cheese	Decreasing	Good	Lower
Mozzarella Cheese	Decreasing	Good	Lower
Provolone Cheese	Decreasing	Good	Lower
Parmesan Cheese	Decreasing	Good	Lower
Butter- One lb Solids	Increasing	Good	Lower
Nonfat Dry Milk	Decreasing	Good	Lower
Whey, Dry	Increasing	Good	Lower
Class I Milk Base	Decreasing	Good	Lower
Class II Cream (Heavy Cream)	Increasing	Good	Lower
Class III Milk- CME	Increasing	Good	Lower
Class IV Milk- CME	Increasing	Good	Lower

Pork Report

Pork- Pork production last week increased 1.2% and was 5.4% above the same week a year ago. Pork output continues to run well above year ago levels due to an expanding US hog herd. Summer US pork production is projected by the USDA to rise 2.4% from the previous year. This is likely to dull any pending seasonal pork market price increases. Pork exports from the US have been solid. If strong US pork exports aren't sustained it could place significant downward pressure on many of the pork markets.



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

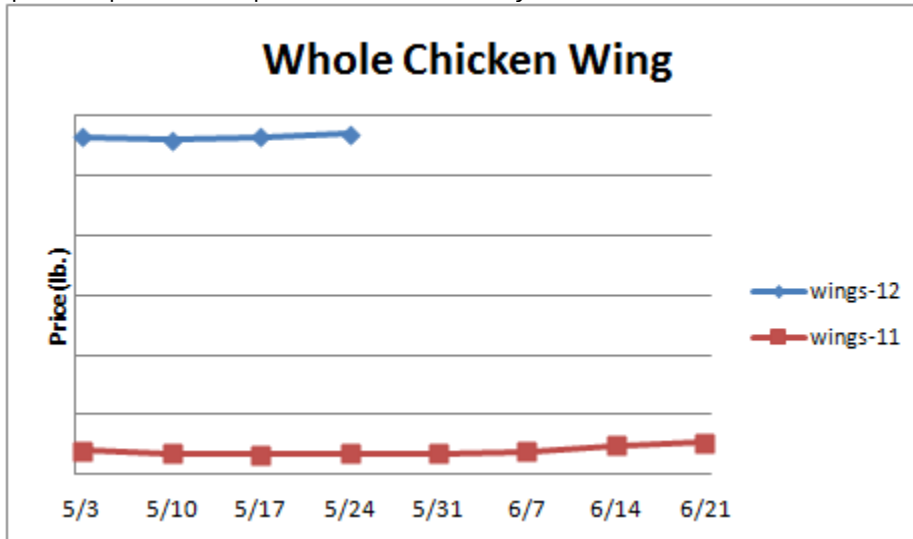
Canned Tomato Report

Tomato Products, Canned- Existing canned tomato supplies are adequate. The canned tomato markets could firm with the new harvest this summer.

	<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

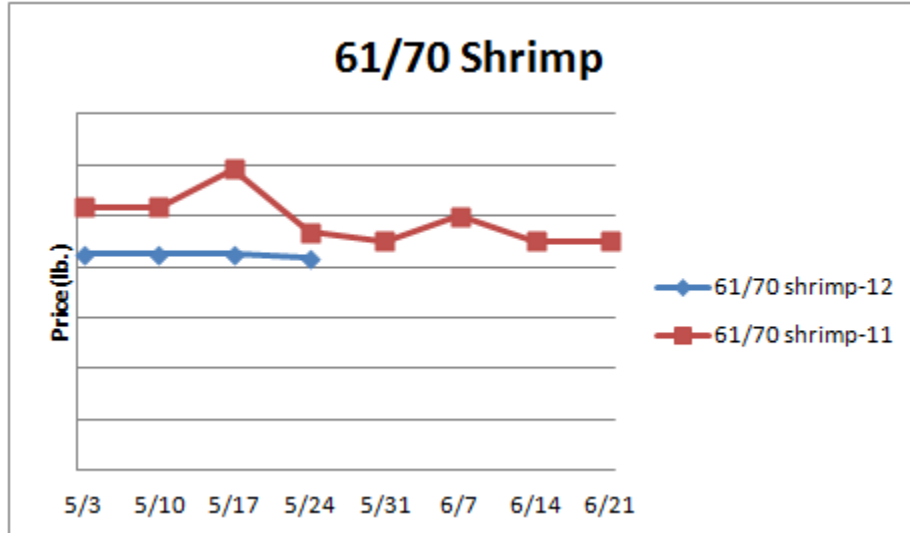
Poultry- The April broiler type chick hatch was 4% smaller than last year which has been the norm for several months. Pullet placements into the broiler hatchery flock during April were 7% lower than a year ago. The broiler hatchery flock is projected to trend 4% below the prior year through the fall. This should support chicken prices in the coming months. Still, history points to modest price relief for chicken breasts during June. Chicken wing prices have recently found support but remain roughly 8% below record high levels set in February. Chicken leg quarter prices have been steady. If chicken producer profitability doesn't continue to improve, record high chicken 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	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	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)	Increasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Lower
Medium Eggs	Steady	Good	Lower
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Decreasing	Good	Lower
Egg Yolks- Liq	Increasing	Good	Higher
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

Seafood Report

Seafood- Gulf of Mexico shrimp landings in April were 8% higher than the prior year and were the best for the month in 5 years. 2011 through April shrimp landings were 13% above last year. Shrimp prices mostly remain below year ago levels. A rising US dollar and solid seafood imports may continue to cause shrimp prices to track under 2011. US retail fresh fish and seafood prices in April were 2% above last year.



	<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)	Increasing	Good	Lower
Shrimp (61-70 count)	Decreasing	Good	Lower
Shrimp, Tiger (26-30 count)	Steady	Good	Lower
Snow Crab Legs (5-8 oz)	Increasing	Good	Lower
Snow Crab Legs (8 oz up)	Decreasing	Good	Lower
Cod Tails, 3-7 oz. Frz.	Steady	Good	Higher
Cod Loins, 3-12 oz. Frz.	Increasing	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	Increasing	Good	Higher
Rice, Long Grain	Steady	Good	Same
Coffee Beans	Decreasing	Good	Lower
Sugar	Steady	Good	Lower
Honey	Increasing	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	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

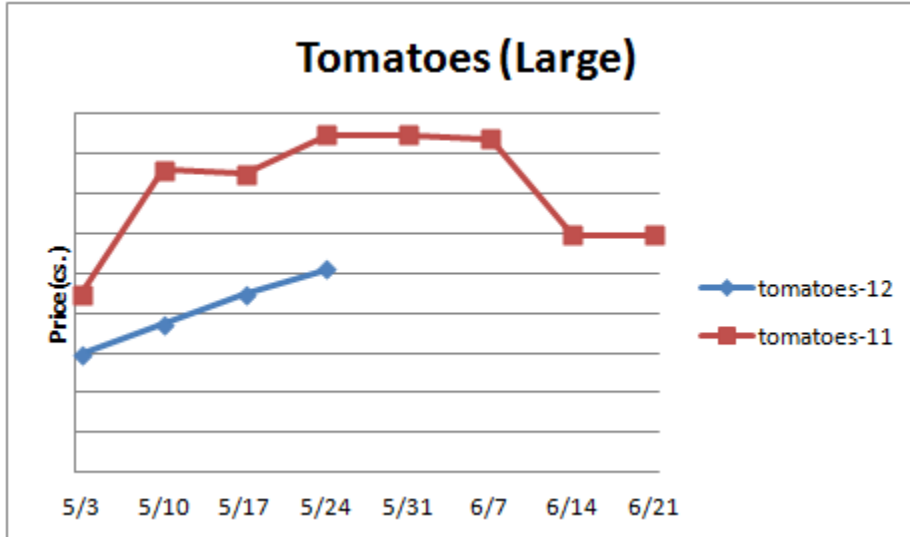
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- April 30th frozen cut corn (12%), corn cob (13%), regular cut green bean (16%) and green pea (17%) stocks were all less than '11. The markets are firm.

<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 tomato supplies remain adequate with a solid ongoing Florida tomato harvest. Tomato prices have edged higher in May due partly to improving demand. Still, mature green tomato prices are currently 5% lower than the 3 year price average. Lettuce supplies are expected to improve from California in the coming weeks. The lettuce crops experienced weather challenges earlier this month. Iceberg lettuce prices are moderately lower this week. Potato stocks are seasonally declining but fall US potato acreage this year could be the largest since '07. Idaho potato prices tend to move higher during the next several months.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Steady	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	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Steady	Good	Lower
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Decreasing	Good	Higher
Idaho Potato (60 count)	Steady	Good	Lower
Idaho Potato (70 count)	Steady	Good	Lower
Idaho Potato (70 count)-Term.	Increasing	Good	Lower
Idaho Potato (90 count)	Steady	Good	Lower
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Lower
Processing Potato (100 lb)	Steady	Good	Higher
Yellow Onions (50 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)-Term.	Increasing	Good	Higher
Red Onions (25 lb)-Term.	Increasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	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)	Increasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Steady	Good	Lower

Red Peppers (large- 15 lb. cs.)	Increasing	Good	Higher
Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Lower

Produce Report (continued)

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