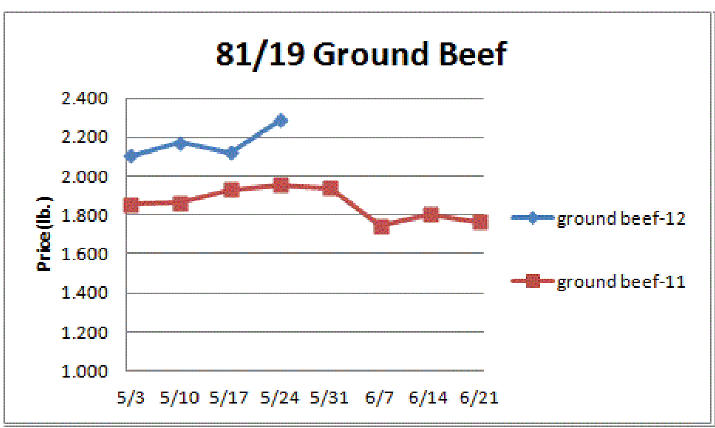
Weekly Market Updates

Volume No. 5 Issue No. 21 Date: May 24, 2012

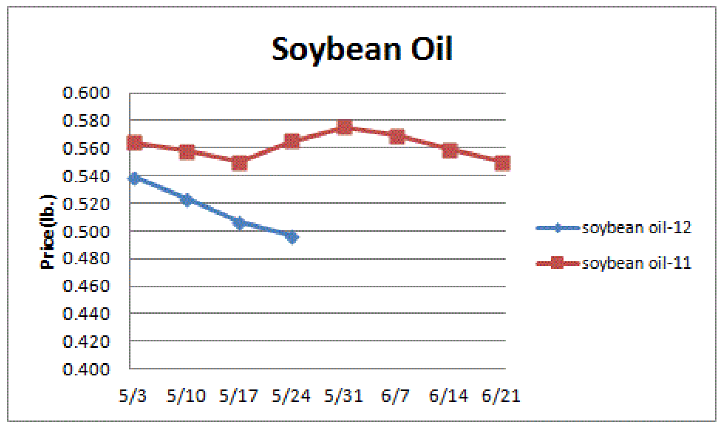
Beef- Beef output last week increased .2% but was .8% less than '11. The May 1st US cattle on feed inventory was .6% smaller than a year ago. Cattle placements into feedlots during April were 14.8% less than last year and were the smallest for any month since July '09. These statistics suggest that cattle 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.234	1.209	+.025	1.047
Feeder Cattle Index (CME)	1.523	1.475	+.048	1.260
Ground Beef 81/19	2.288	2.120	+.168	1.953
Ground Chuck	2.260	2.243	+.017	1.931
109e Export Rib (choice)	5.428	5.455	-.027	4.895
109e Export Rib (prime)	10.428	10.665	-.237	6.960
112a Ribeye (choice)	6.275	6.028	+.247	5.112
112a Ribeye (prime)	9.489	10.671	-1.182	7.440
116 Chuck (select)	2.254	2.198	+.056	2.076
116 Chuck (choice)	2.285	2.248	+.037	2.092
116b Chuck Tdnr (choice)	2.199	2.140	+.059	2.081
120 Brisket (choice)	2.009	1.949	+.060	1.698
121c Outside Skirt (ch/sel)	5.216	5.117	+.009	3.226
121d Inside Skirt (ch/sel)	3.494	3.495	-.001	3.173
167a Knckle, Trm. (ch.)	2.346	2.335	+.011	2.267
168 Inside Round (ch.)	2.070	2.071	-.001	1.982
174 Short Loin (ch. 0x1)	5.868	5.906	-.038	5.244
174 Short Loin (prime)	9.324	9.900	-.576	6.965
180 1x1 Strp (choice)	5.409	5.266	+.143	4.427
180 1x1 Strp (prime)	10.396	10.623	-.227	7.913
180 0x1 Strp (choice)	6.368	6.049	+.319	4.690
184 Top Butt, bnls (ch.)	3.426	3.192	+.234	2.177
184 Top Butt, bnls (prime)	3.479	3.593	-.114	2.757
185a Sirloin Flap (choice)	4.364	4.335	+.029	3.805
185c Loin, Tri-Tip (choice)	3.267	3.116	+.151	2.711
189a Tender (select)	9.002	9.391	-.389	7.099
189a Tender (choice)	9.466	9.028	+.438	7.679
189a Tender (prime)	13.644	13.958	-.314	10.173
193 Flank Steak (choice)	4.262	4.100	+.162	4.083
50% Trimmings	.555	.706	-.151	1.178
65% Trimmings	1.196	1.196	-	1.296
75% Trimmings	1.687	1.656	+.031	1.533
85% Trimmings	2.146	2.133	+.013	1.850
90% Trimmings	2.291	2.285	+.006	1.985
90% Imported Beef (frz.)	2.040	2.058	-.018	1.950
95% Imported Beef (frz.)	2.225	2.250	-.025	2.063
Veal Rack (Hotel 7 rib)	7.700	7.700	-	5.450
Veal Top Rnd. (cp. off)	14.175	14.100	+.075	12.400



Oil, Grains, Misc.- 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. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	13.795	14.069	-.274	13.730
Crude Soybean Oil, lb.	.496	.506	-.010	.565
Soybean Meal, ton	406.000	414.700	-8.700	349.200
Corn, bushel	6.225	6.184	+.041	7.166
Crude Corn Oil, lb.	.570	.585	-.015	.680
High Fructose Corn Syrup	.179	.178	+.001	.197
Distillers Grain, Dry	219.500	217.500	+2.000	198.000
Crude Palm Oil, lb. BMD	.438	.457	-.019	.515
HRW Wheat, bushel	6.655	5.915	+.740	8.465
DNS Wheat 14%, bushel	8.450	8.150	+.300	10.430
Durum Wheat, bushel	6.963	6.813	+.150	10.560
Pinto Beans, lb.	.491	.491	-	.294
Black Beans, lb.	.435	.420	+.015	.310
Rice, Long Grain, lb.	.252	.252	-	.252
Coffee, lb. NYBOT	1.658	1.776	-.118	2.612
Sugar, lb. NYBOT	.303	.303	-	.350
Honey (Clover), lb.	1.813	1.800	+.013	1.600



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. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.470	1.460	+.010	1.750
Cheese Blocks (CME)	1.500	1.500	-	1.780
American Cheese	1.648	1.645	+.003	2.033
Cheddar Cheese (40 lb.)	1.888	1.890	-.002	2.170
Mozzarella Cheese	1.733	1.735	-.002	2.013
Provolone Cheese	2.083	2.085	-.002	2.170
Parmesan Cheese	3.163	3.165	-.002	3.245
Butter (CME)	1.385	1.355	+.030	2.123
Nonfat Dry Milk	1.199	1.217	-.018	1.678
Whey, Dry	.490	.429	+.061	.509
Class 1 Base	15.240	15.850	-.610	20.320
Class II Cream, heavy	1.655	1.568	+.087	2.633
Class III Milk (CME)	15.580	15.300	+.280	18.400
Class IV Milk (CME)	13.700	13.600	+.100	20.750

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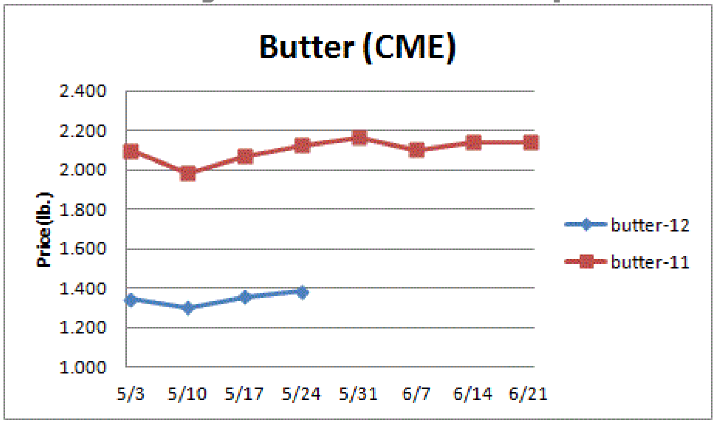
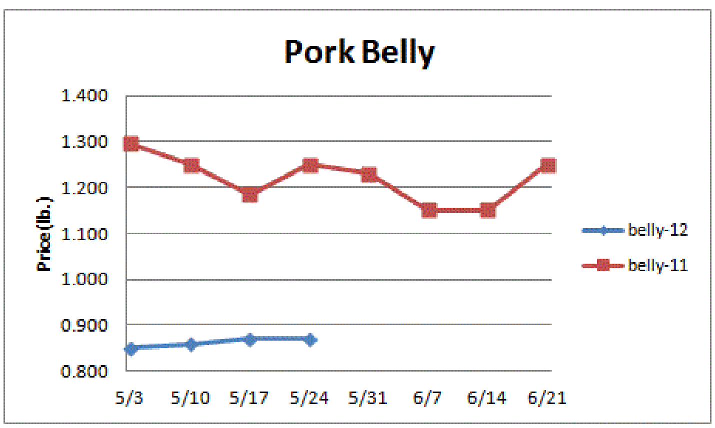


Pork- Pork production last week increased 1.2% and was 5.4% above the same week a year ago. Pork output continues to run well above year ago levels due to an expanding US hog herd. Summer US pork production is projected by the USDA to rise 2.4% from the previous year. This is likely to dull any pending 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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.615	.584	+.031	.661
Belly (bacon)	.870	.870	-	1.250
Sparerib (4.25 lb. & down)	1.599	1.543	+.056	1.563
Ham (20-23 lb.)	.660	.700	-.040	.750
Ham (23-27 lb.)	.655	.690	-.035	.755
Loin (bone-in)	1.011	1.039	-.028	1.096
Bbybck Rib (1.75 lb. & up)	2.893	2.974	-.081	2.909
Tenderloin (1.25 lb.)	2.943	2.900	+.043	2.926
Boston Butt, untrmd. (4-8 lb.)	.945	.975	-.030	.968
Picnic, untrmd.	.538	.534	+.004	.683
SS Picnic, smoker trm. bx.	.700	.760	-.060	.970
42% Trimmings	.340	.470	-.130	.500
72% Trimmings	.585	.660	-.075	.840



Tomato Products, Canned- Existing canned tomato supplies are adequate. The canned tomato markets could firm with the new harvest this summer. Prices per case (6/10) FOB, unless noted from ARA.

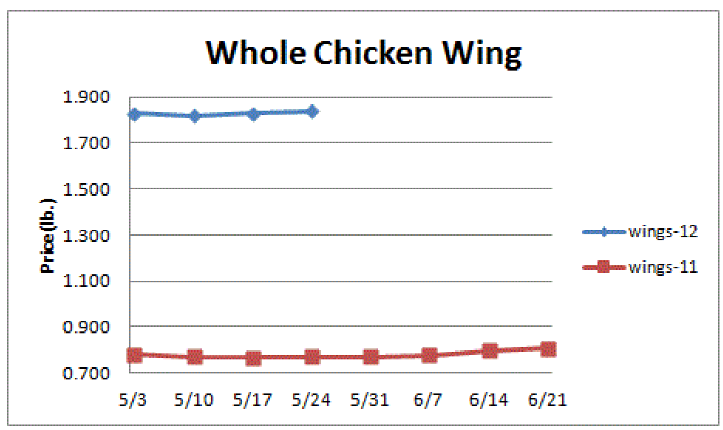
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- 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. 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 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. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.945	.943	+.002	.868
Whole Birds (LA)	1.030	1.030	-	.960
Wings (whole)	1.840	1.830	+.010	.770
Wings (jumbo, cut)	1.801	1.797	+.004	.900
Breast, Bone In	1.085	1.075	+.010	.880
Breast, Bnless Skinless	1.720	1.740	+.020	1.495
Tenderloin (random)	1.540	1.540	-	1.070
Tenderloin (sized)	2.270	2.270	-	1.890
Legs (whole)	.703	.695	+.008	.664
Leg Quarters	.550	.555	-.005	.490
Thighs, bone in	.844	.790	+.054	.713
Thighs, boneless	1.373	1.387	-.014	1.360
Eggs and Others				
Large (dozen)	.760	.760	-	.878
Medium (dozen)	.695	.695	-	.842
Whole Eggs- Liquid	.467	.424	+.043	.462
Egg Whites- Liquid	.408	.431	-.023	.459
Egg Yolks- Liquid	.656	.650	+.006	.633
Whole Turkeys (8-16 lb.)	1.100	1.090	+.010	1.040
Turkey Breast, Bnls/Sknls	1.927	1.933	-.006	2.500



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.

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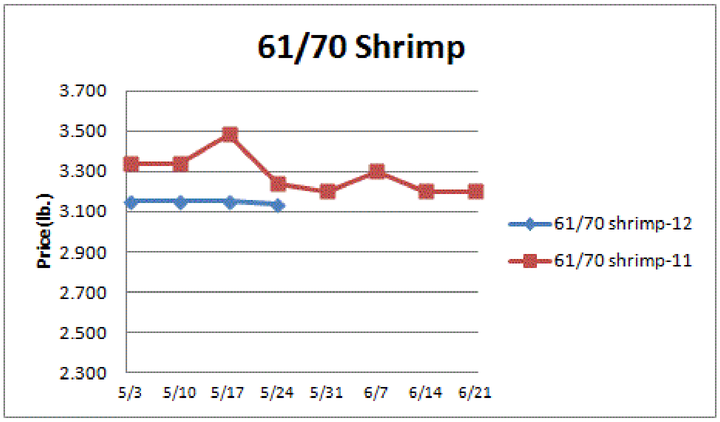
PERFORMANCE FOODSERVICE ROMA

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		5.150
Catfish Filets	5.000	5.000	-	4.900
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.300
Shrimp (16/20), Frz	5.708	5.675	+.033	7.175
Shrimp (61/70), Frz.	3.134	3.150	-.016	3.237
Shrimp, Tiger (26/30), Frz.	4.750	4.750	-	4.800
Snow Crab, Legs 5-8 oz, Frz	4.900	4.800	+.100	6.100
Snow Crab, Legs 8 oz/ up, Fz	5.025	5.075	-.050	6.450
Cod Tails, 3-7 oz., Frz.	3.500	3.500	-	3.163
Cod Loins, 3-12 oz., Frz	3.588	3.500	+.088	3.831
Salmon Portions, 4-8 oz, Frz	5.717	5.717	-	6.713
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

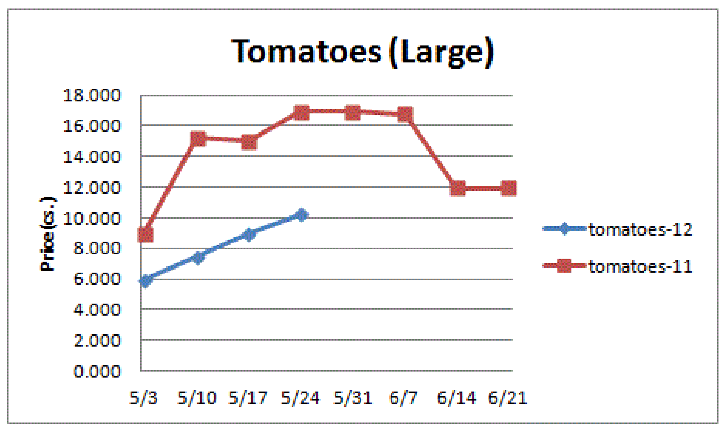
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	91.660	93.980	-2.320	99.590
Natural Gas, mbtu- nymex	2.707	2.500	+.207	4.345
Heating Oil, gal- nymex	2.861	2.933	-.072	2.910
Electricity, mwht- nymex	48.480	38.180	+10.300	61.190
Gasoline, gal- nymex	2.937	2.944	-.007	2.993
Diesel Fuel, gal- eia	3.956	4.004	-.048	3.997
Ethanol, gal- usda	2.055	2.090	-.035	2.525
Canadian $	1.016	1.000	+.016	.978
Japanese Yen	79.879	79.927	-.048	81.943
Mexican Peso	13.679	13.676	+.003	11.714
Euro	.783	.779	+.004	.710
Brazilian Real	2.041	1.989	+.052	1.627
Chinese Yuan	6.316	6.319	-.003	6.497

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)	900.000	899.290	+.710	1019.790
WP; 42 lb. Linerboard (corr.)	677.201	679.266	-2.065	825.960
Res; PS-CHH (cup, cont.)	1.150-1.190	1.150-1.190	-	1.0501.090
Res; PP-HIGP (hvy utensil)	1.160-1.180	1.160-1.180	-	1.350-1.37
Res; PE-LLD (cn liner, film)	.940-.970	.940-.970	-	.940-.970

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. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	10.000	10.000	-	13.000
Lemons (95 ct.)	19.740	19.740	-	13.640
Lemons (200 ct.)	18.740	18.740	-	17.140
Honeydew (6 ct.)	6.375	8.975	-2.600	6.250
Cantaloupe (15 ct.)	10.225	19.700	-9.475	7.150
Blueberries (12 count)	23.984	18.600	+5.384	14.212
Strawberries (12 pnts.)	11.500	11.500	-	11.166
Avocados (Hass 48 ct.)	32.750	32.750	-	46.250
Bananas (40 lb.)- Term.	15.672	16.275	-.603	16.894
Pineapple (7 ct.)- Term.	12.240	12.459	-.219	11.097
Idaho Potato (60 ct., 50 lb.)	10.250	10.250	-	17.500
Idaho Potato (70 ct., 50 lb.)	10.250	10.250	-	16.500
Idaho Potato (70 ct.)-Term.	17.605	16.703	+.902	24.406
Idaho Potato (90 ct., 50 lb.)	10.250	10.250	-	12.500
Idaho Pot. # 2 (6 oz., 100 lb.)	14.750	15.500	-.750	15.500
Processing Potato (cwt.)	10.000	10.000	-	9.000
Yellow Onions (50 lb.)	6.084	8.417	-2.333	8.500
Yell Onions (50 lb.)-Term.	11.688	11.105	+.583	11.593
Red Onions (25 lb.)- Term.	18.938	13.021	+5.917	7.239
White Onions (50 lb.)- Term.	18.396	19.438	-1.042	13.333
Tomatoes (large- case)	10.200	8.950	+1.250	16.950
Tomatoes (5x6-25 lb.)-Term	12.969	12.417	+.552	17.762
Tomatoes (4x5 vine ripe)	9.475	8.450	+1.025	10.450
Roma Tomatoes (large- case)	8.884	8.713	+.171	6.820
Roma Tomatoes (xlarge-cs)	9.384	9.205	+.179	7.445
Green Peppers (large- case)	12.650	12.650	-	13.300
Red Peppers (large 15lb. cs.)	17.450	11.950	+5.500	15.950
Iceberg Lettuce (24 count)	10.098	10.718	-.620	16.705
Iceberg Lettuce (24)-Term.	18.750	15.500	+3.250	27.500
Leaf Lettuce (24 count)	7.260	7.765	-.505	7.208
Romaine Lettuce (24 cnt.)	7.917	7.892	+.025	7.100
Mesculin Mix (3 lb.)-Term.	6.875	6.844	+.031	6.822
Broccoli (14 ct.)	7.350	6.728	+.622	8.837
Squash (1/2 bushel)	9.000	6.310	+2.690	8.600
Zucchini (1/2 bushel)	7.500	6.850	+.650	6.550
Green Beans (bushel)	11.600	11.475	+.125	20.600
Spinach, Flat 24's	10.100	9.500	+.600	8.200
Mushrms (10 lb, lg.)-Term.	15.344	15.135	+.209	9.250
Cucumbers (bushel)	15.493	13.297	+2.196	7.400
Pickles (200-300 ct.)- Term.	25.375	28.875	-3.500	22.000
Asparagus (small)	27.250	27.250	-	11.000
Freight (Truck; CA-Cty Av.)	5711.111	5622.222	+88.889	5512.500



Retail Prices-CPI, Percent compared to prior month from BLS.

	Apr-12	Mar-12	Feb-12	Jan-12
Beef and Veal	+.300	+.812	+.211	+1.136
Dairy	+1.000	-.112	-.506	+.931
Pork	-.600	+.713	-.288	-.176
Chicken	+.800	+1.315	+.190	+.148
Fresh Fish and Seafood	+1.400	+.936	-1.454	+.639
Fresh Fruits and Veg.	+1.100	-.746	-2.367	+.555