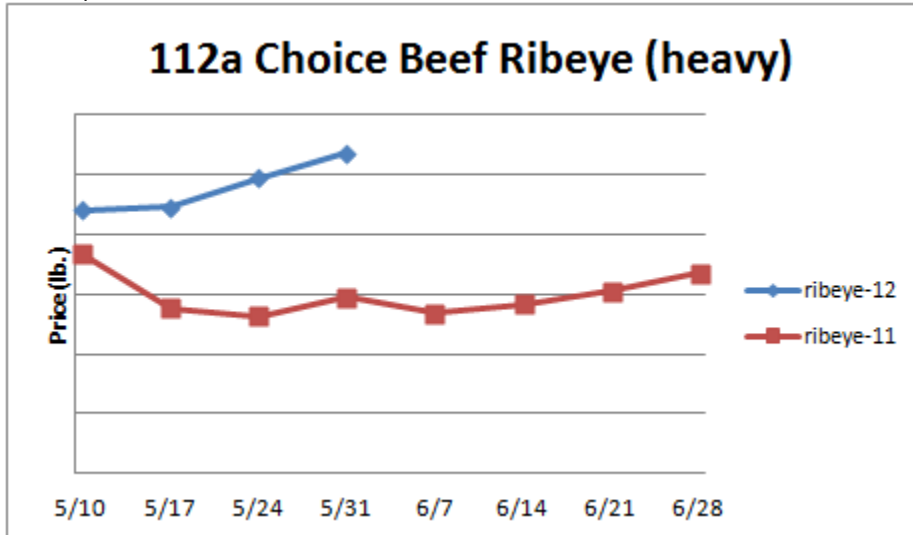


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week decreased .8% and was 3.8% less than last year. Beef production is forecasted by the USDA to track 4% below the prior year this summer. However, feedlots have been holding cattle longer than typical this year and cattle weights are higher versus '11. This could temper the expected beef supply shortfall in the coming months. The US dollar has risen recently which encourages US beef imports and discourages US beef export sales. History points to many beef markets trending lower soon. In June, the 5 year average price decline for the 0x1 strip and the top butt is 8% and 13%.

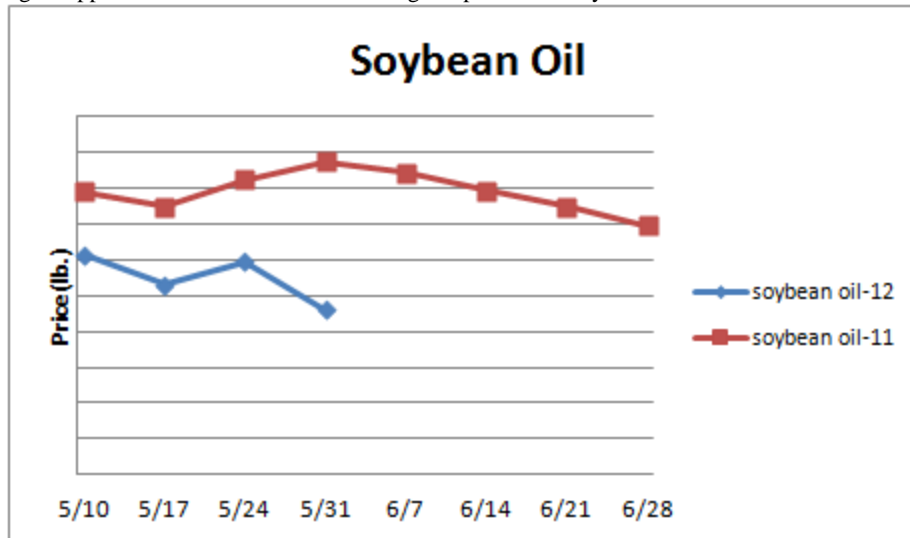


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing	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.)	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)	Increasing	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)	Decreasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Higher
189a Tender (select, 5 lb & up)	Increasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Decreasing	Good	Lower
75% Trimmings	Decreasing	Good	Higher
85% Trimmings	Decreasing	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

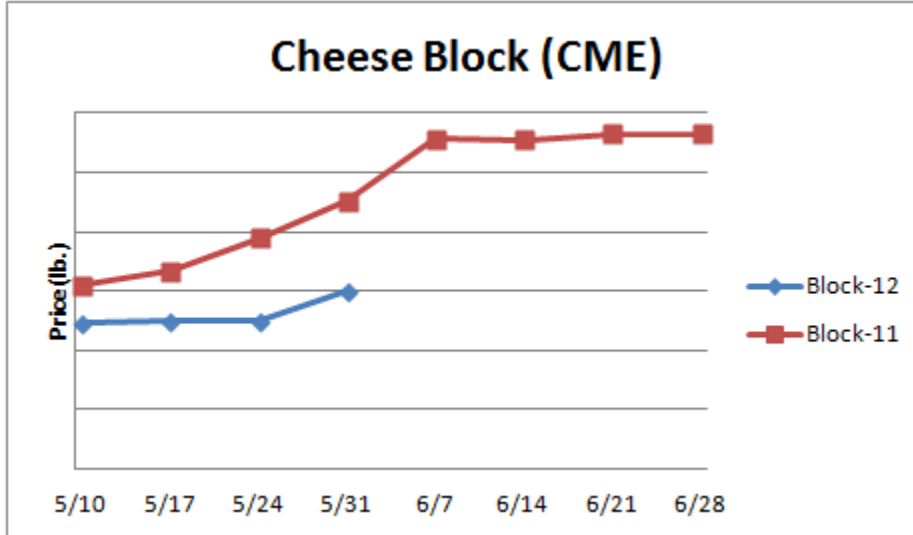
Oil & Grains- This year's grain crops are off to a good start but there isn't much room for error due to the existing tight supplies. Weather events could add grain price volatility this summer.



	<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	Lower
Corn	Decreasing	Good	Lower
Crude Corn Oil	Decreasing	Good	Lower
Distillers Grain, Dry	Decreasing	Good	Higher
Crude Palm Oil	Increasing	Good	Lower
Hard Red Winter Wheat	Decreasing	Good	Lower
Dark Northern Spring Wheat	Decreasing	Good	Lower
High Fructose Corn Syrup	Decreasing	Good	Lower
Durum Wheat	Steady	Good	Lower

Dairy Report

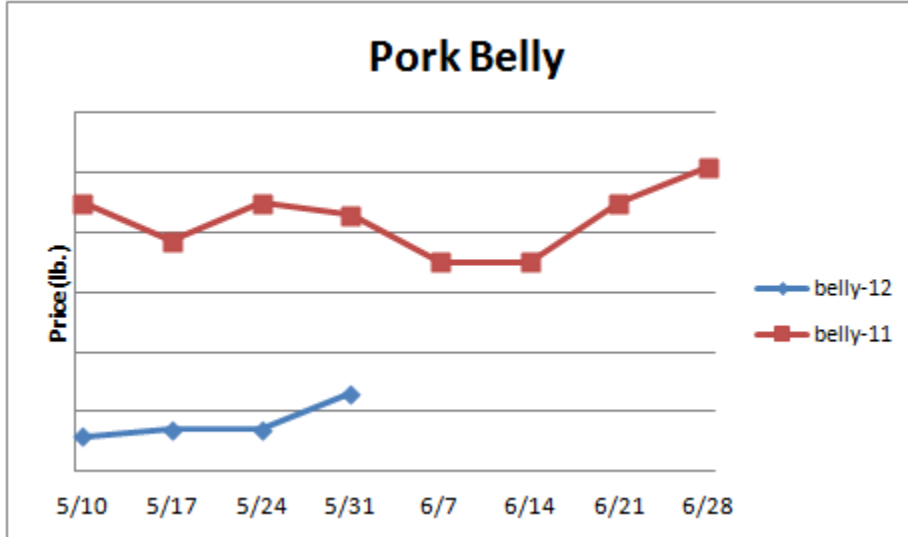
Dairy- The dramatic milk production gains the past several months may be ending. Weather isn't forecasted to be as favorable for milk production this summer. Further, dairy farmers are likely to cut back dairy cow herd expansion plans later this year. A slowdown in milk output gains versus '11 could bring support to the dairy markets. April butter stocks were the highest for the month in 9 years. CME spot butter prices are firming. US cheese stock levels on April 30th were 1% lower than last year. Since '09, CME cheese block prices moved an average of 9% higher in June/July.



	<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	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	Increasing	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)	Increasing	Good	Lower
Class III Milk- CME	Increasing	Good	Lower
Class IV Milk- CME	Increasing	Good	Lower

Pork Report

Pork- Pork production last week fell 2.2% but was 2.8% above the same week in '11. The April 30th US total pork cold storage stock level was up 20% from the prior year and was the 2nd highest on record. This suggests that US pork output continues to outpace demand. Wholesale pork prices have trended mostly lower this year and the USDA pork cutout has been on par with its 5 year price averages. Ham and pork trimming prices typically rise 31% and 17% in June and July. Still, any price increases for pork this summer will likely be tempered.



	<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)	Decreasing	Good	Lower
Loin (bone-in)	Decreasing	Good	Lower
Baby Back Rib (1.75 & up)	Decreasing	Good	Lower
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	Steady	Good	Lower
42% Trimmings	Steady	Good	Lower
72% Trimmings	Decreasing	Good	Lower

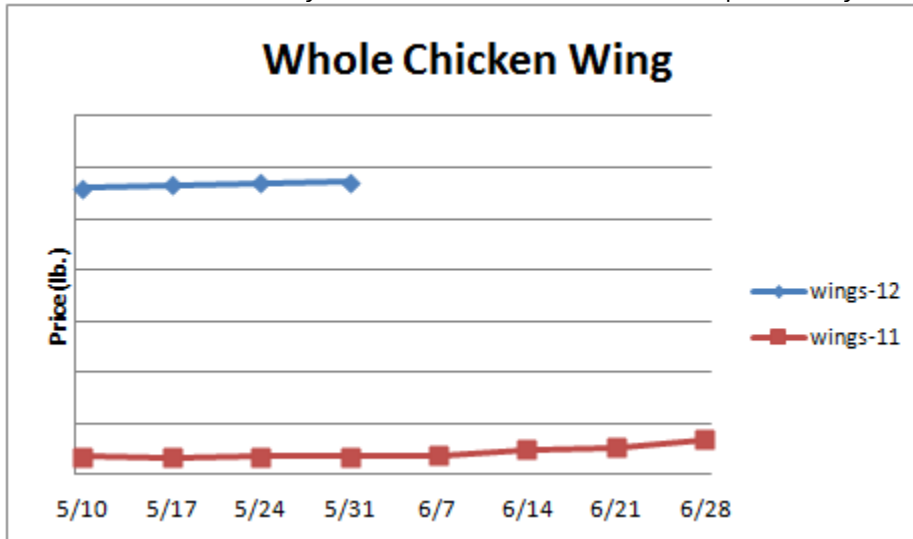
Canned Tomato Report

Tomato Products, Canned- Tomato canners are estimated to be contracting 8.4% more CA tomatoes versus '11.
Canned tomato prices 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

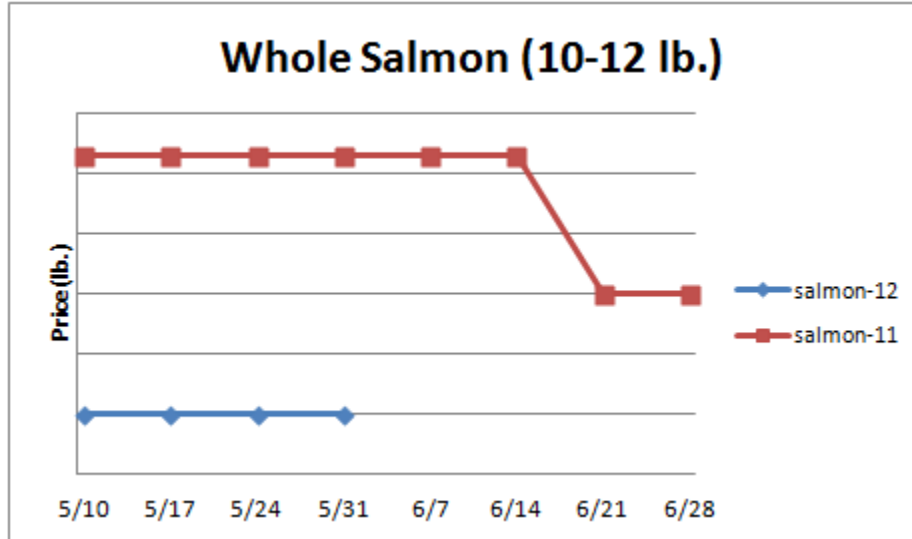
Poultry- Broiler type egg sets for the week ending May 19th were down 3% versus '11. Still, it was the largest broiler type egg sets for any week in nearly a year. Chicken production is forecasted to trend below '11 this summer which should be generally supportive of the chicken markets. The Chicken wing markets continue to trade at historically elevated levels for this time of the year. History points to chicken wing prices seasonally bottoming in early June and then trending 7% higher over the next 3 months. The chicken wing markets could test record high levels this fall. Chicken leg quarter prices usually move up 3% from now through August. April 30th frozen chicken inventory levels were 18% less than the previous year.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Steady	Good	Higher
Whole Chicken (LA)	Increasing	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Decreasing	Good	Higher
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast, Bnless Sknless	Decreasing	Good	Higher
Chicken Tender (random)	Decreasing	Good	Higher
Chicken Tender (sized)	Decreasing	Good	Higher
Chicken Legs (whole)	Decreasing	Good	Lower
Chicken Leg Quarters	Steady	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Lower
Large Eggs	Increasing	Good	Lower
Medium Eggs	Steady	Good	Lower
Whole Eggs- Liq	Decreasing	Good	Lower
Egg Whites- Liq	Increasing	Good	Lower
Egg Yolks- Liq	Decreasing	Good	Lower
Whole Turkey (8-16 lb)	Steady	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

Seafood Report

Seafood- The Newfoundland snow crab season continues to progress with 62% of the quota landed to date. The US dollar has been firming which could improve US snow crab imports. There has been a 2 week extension given to the Bering Sea snow crab season due to earlier weather challenges. A good percentage of the Bering Sea snow crab quota hasn't been harvested. Some modest snow crab price relief may be impending.



	<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)	Steady	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)	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	Same
Coffee Beans	Decreasing	Good	Lower
Sugar	Decreasing	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	Decreasing	Good	Lower
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Decreasing	Good	Higher
PE-LLD-can liners, film, bags	Decreasing	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

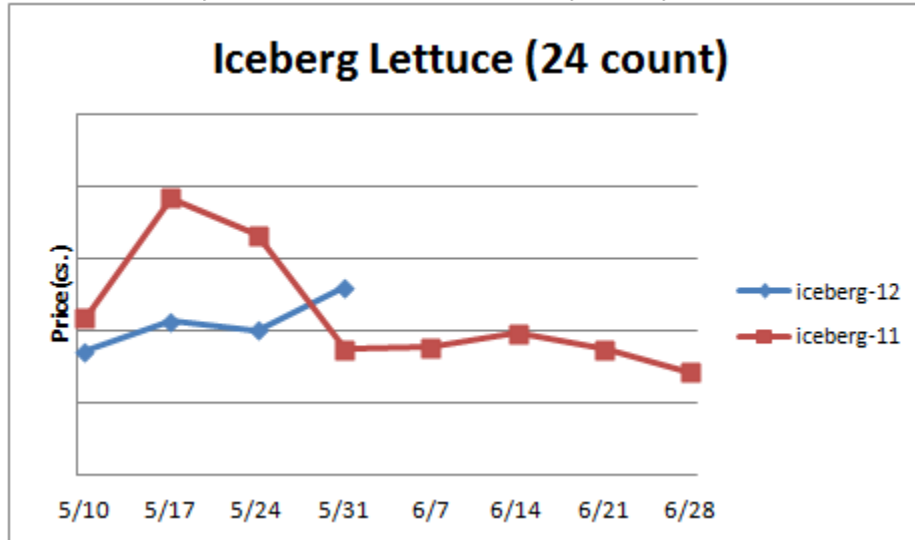
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- April 30th frozen regular cut green bean (21%) and French style green bean (9%) stocks were both more than '11. The processed vegetable 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	Increasing	Good	Higher
Green Beans, Fancy 4 sv	Increasing	Good	Higher
Green Peas, Fancy 4 sv/blend	Increasing	Good	Higher
<u>Frozen</u>			
Corn, Cob 96 count	Steady	Good	Higher
Corn, Kernel 12/2.5 lb.	Increasing	Good	Higher
Green Beans, Cut 12/2 lb.	Increasing	Good	Higher
Green Peas, 12/2.5 lb.	Increasing	Good	Higher
Potatoes, FF Fancy, 6/5 lb.	Steady	Good	Higher

Produce Report

Produce US potato supplies remain at sufficient levels. The Idaho potato markets continue to price below their 3 year price averages. However, potato prices typically increase during the summer months due in part to seasonally declining stocks. Still, look for inventories to rebuild when the fall potato harvest gets underway. Lettuce prices have risen during the last week due in part to better demand. Iceberg lettuce prices are 14% below their 3 year price average but the upside price risk from current levels is likely limited. Avocado prices typically increase 15% during June.



	<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)	Increasing	Good	Higher
Honeydew (6 ct.)	Decreasing	Good	Higher
Cantaloupe (15 count)	Decreasing	Good	Higher
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Decreasing	Good	Higher
Avocados, Hass (48 count)	Increasing	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.	Decreasing	Good	Lower
Idaho Potato (90 count)	Decreasing	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.	Decreasing	Good	Lower
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)	Steady	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Higher
Roma Tomatoes (xlarge- case)	Decreasing	Good	Higher
Green Peppers (large- case)	Increasing	Good	Same
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Higher

Market Report provided by American Restaurant Association-

www.AmericanRestaurantAssociation.com 888-423-4411

Iceberg Lettuce (24 count)	Increasing	Good	Higher
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Higher

Produce Report (continued)

Leaf Lettuce (24 count)	Decreasing	Good	Higher
Romaine Lettuce (24 count)	Decreasing	Good	Higher
Mesculin Mix (3 lb)-Term.	Steady	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	Steady	Good	Higher
Mushrooms (large), Term.	Decreasing	Good	Higher
Cucumbers, Bushel	Increasing	Good	Higher
Pickles (200-300 ct.)-Term.	Increasing	Good	Lower
Asparagus (small)	Decreasing	Good	Higher
Freight (CA to City Avg.)	Increasing	Good	Lower