

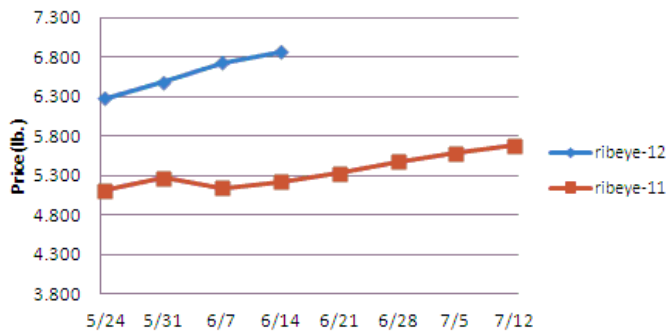
Weekly Market Updates

Volume No. 5 Issue No. 24 Date: June 14, 2012

Beef- Beef output last week was 2.6% less than '11. The beef markets are historically elevated but history suggests that seasonal price weakness may occur soon. In April, US beef imports were up 12.8% versus the prior year and were the 2nd highest since July '10. US beef exports in April were down 5.6% compared to last year. The US was a net beef importer in 3 of the first 4 months of '12. This was due in part to a rising US dollar making the US an attractive destination for global beef. If this trend continues it may temper the expected beef production deficit for Q3/Q4 of this year. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.234	1.212	+.022	1.066
Feeder Cattle Index (CME)	1.546	1.538	+.008	1.243
Ground Beef 81/19	1.890	1.950	-.060	1.804
Ground Chuck	1.938	2.034	-.096	1.729
109e Export Rib (choice)	6.171	6.124	+.047	4.738
109e Export Rib (prime)	10.083	9.823	+.260	7.629
112a Ribeye (choice)	6.861	6.726	+.135	5.220
112a Ribeye (prime)	9.780	9.805	-.025	7.709
116 Chuck (select)	2.187	2.194	-.007	1.943
116 Chuck (choice)	2.190	2.189	+.001	1.942
116b Chuck Tdnr (choice)	2.122	2.176	-.054	2.060
120 Brisket (choice)	2.112	2.082	+.030	1.689
121c Outside Skirt (ch/sel)	5.285	5.275	+.010	3.386
121d Inside Skirt (ch/sel)	3.568	3.534	+.034	2.944
167a Knuckle, Trm. (ch.)	2.183	2.308	-.125	2.189
168 Inside Round (ch.)	1.993	2.045	-.052	1.868
174 Short Loin (ch. 0x1)	6.682	6.547	+.135	5.154
174 Short Loin (prime)	8.844	8.778	+.066	7.515
180 1x1 Strp (choice)	6.684	6.426	+.258	4.690
180 1x1 Strp (prime)	9.887	8.371	1.516	8.090
180 0x1 Strp (choice)	7.603	7.628	-.025	5.000
184 Top Butt, bnls (ch.)	3.387	3.347	+.040	2.239
184 Top Butt, bnls (prime)	3.735	3.692	+.043	2.910
185a Sirloin Flap (choice)	4.606	4.544	+.062	3.806
185c Loin, Tri-Tip (choice)	3.658	3.552	+.106	2.681
189a Tender (select)	8.911	9.124	-.213	7.447
189a Tender (choice)	9.899	9.724	+.175	7.949
189a Tender (prime)	14.175	13.943	+.232	10.281
193 Flank Steak (choice)	4.594	4.513	+.081	4.286
50% Trimmings	.503	.528	-.025	.942
65% Trimmings	1.106	1.025	+.081	1.247
75% Trimmings	1.632	1.632	-	1.550
85% Trimmings	2.108	2.144	-.036	1.814
90% Trimmings	2.257	2.317	-.060	1.873
90% Imported Beef (frz.)	2.073	2.078	-.005	1.880
95% Imported Beef (frz.)	2.198	2.195	+.003	1.985
Veal Rack (Hotel 7 rib)	7.800	7.800	-	5.450
Veal Top Rnd. (cp. off)	13.775	13.775	-	12.400

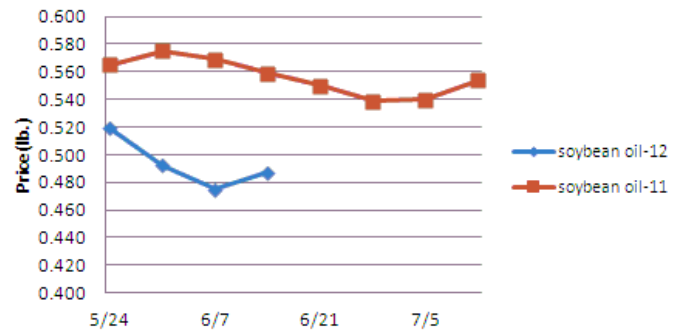
112a Choice Beef Ribeye (heavy)



Oil, Grains, Misc.- The USDA reduced their near term US soybean supply forecast which makes this year's soybean crops critically important. Soybean prices may remain elevated. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	14.444	13.546	+.894	13.662
Crude Soybean Oil, lb.	.487	.475	+.012	.559
Soybean Meal, ton	435.000	401.500	+33.500	352.200
Corn, bushel	6.186	5.940	+.246	7.403
Crude Corn Oil, lb.	.530	.535	-.005	.670
High Fructose Corn Syrup	.179	.174	+.005	.202
Distillers Grain, Dry	214.000	210.500	+3.500	200.250
Crude Palm Oil, lb. BMD	.424	.421	+.003	.489
HRW Wheat, bushel	6.220	6.105	+.115	8.000
DNS Wheat 14%, bushel	8.210	7.930	+.280	10.180
Durum Wheat, bushel	6.900	6.813	+.087	13.830
Pinto Beans, lb.	.491	.491	-	.292
Black Beans, lb.	.420	.435	-.015	.325
Rice, Long Grain, lb.	.252	.252	-	.252
Coffee, lb. NYBOT	1.535	1.561	-.026	2.675
Sugar, lb. NYBOT	.289	.285	+.004	.356
Honey (Clover), lb.	1.813	1.813	-	1.600

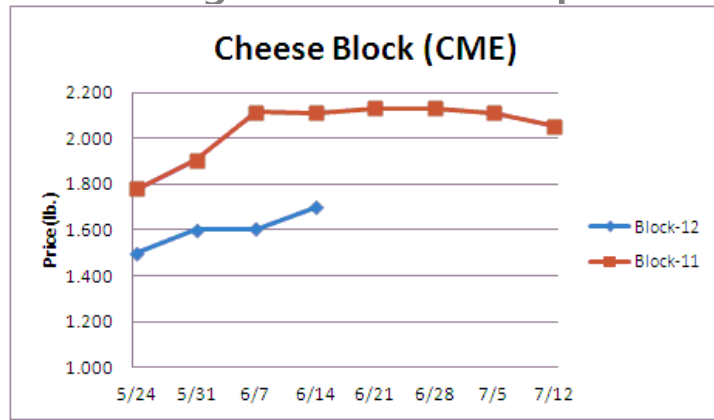
Soybean Oil



Dairy- The CME cheese markets continue to move modestly higher following a seasonal trend. In April, US cheese exports were 31% more than '11 and the 2nd highest on record due in part to a healthy price discount to international cheese. US cheese prices have since firmed against global cheese which may eventually slow US cheese export demand and temper any pending price increase for cheese. CME butter prices are firm. Butter exports in April were down 28% versus '11. History points to the butter market moving slightly higher in the coming weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

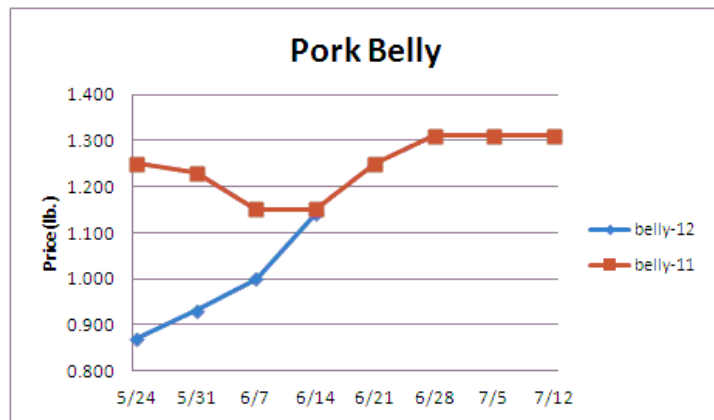
	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.565	1.523	+.042	2.075
Cheese Blocks (CME)	1.700	1.603	+.097	2.110
American Cheese	1.715	1.715	-	2.240
Cheddar Cheese (40 lb.)	1.995	1.998	-.003	2.170
Mozzarella Cheese	1.840	1.843	-.003	2.240
Provolone Cheese	2.190	2.193	-.003	2.610
Parmesan Cheese	3.270	3.273	-.003	3.685
Butter (CME)	1.450	1.405	+.045	2.140
Nonfat Dry Milk	1.194	1.180	+.014	1.701
Whey, Dry	.500	.523	-.023	.519
Class I Base	15.240	15.240	-	20.320
Class II Cream, heavy	1.993	1.908	+.085	2.859
Class III Milk (CME)	16.555	16.080	+.475	19.800
Class IV Milk (CME)	14.000	13.900	+.100	20.650

Weekly Market Updates



Pork- Pork output last week was 2.1% more than last year. Pork production remains healthy but it could be slowed in the coming weeks due to poor packer margins. April US pork exports were 11.1% more than last year but the least since September '11. The appreciating US dollar value in recent months has dampened US pork export demand from the record pace set last winter. Still, exports are historically strong. The pork markets have seasonally risen as of late. Ham prices usually increase 18% during the next 8 weeks. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.664	.636	+.028	.660
Belly (bacon)	1.140	1.000	+.140	1.150
Sparerib (4.25 lb. & down)	1.597	1.430	+.167	1.694
Ham (20-23 lb.)	.640	.640	-	.760
Ham (23-27 lb.)	.700	.640	+.060	.770
Loin (bone-in)	1.119	1.050	+.069	1.088
Bbybck Rib (1.75 lb. & up)	2.789	2.761	+.028	3.027
Tenderloin (1.25 lb.)	2.983	2.990	-.007	3.075
Boston Butt, untrmd. (4-8 lb.)	.968	.935	+.033	1.036
Picnic, untrmd.	.596	.582	+.014	.668
SS Picnic, smoker trm. bx.	.770	.770	-	.949
42% Trimmings	.540	.540	-	.562
72% Trimmings	.781	.772	+.009	.888



Tomato Products, Canned- Tomato canners are faced with a modest raw tomato price increase this year. The canned tomato markets are steady to firm. Prices per case (6/10) FOB, unless noted from ARA.

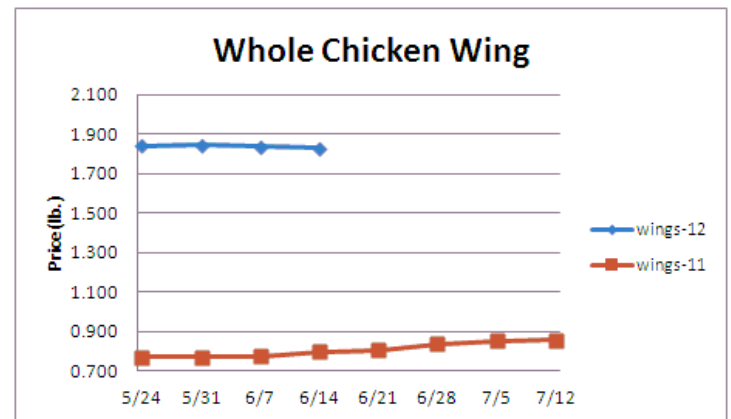
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- If weather challenges in the Midwest persist it could impact the vegetable crops in this region. Processed vegetable prices could remain firm this summer. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 11
Corn, Fcy whl kern- can 6/10	19.656	19.656	-	17.406
Green Beans Fcy- can 6/10	19.250	19.250	-	17.000
Green Peas, Fcy- can 6/10	20.750	20.750	-	17.750
Corn, Cob- froz 96 ct.	14.750	14.750	-	14.000
Corn, Kernel- froz 12/2.5#	19.500	19.500	-	14.250
Green Beans Cut- froz 12/2#	15.300	15.300	-	12.900
Green Peas- froz 12/2.5#	26.250	26.250	-	20.250
Potatoes, FF Fncy- froz 6/5#	14.000	14.000	-	13.000

Poultry- US chicken exports during April were 20.4% more than the prior year and were a record for the month. International demand for chicken leg quarters and dark meat remains healthy despite a rising US dollar which typically discourages exports. Chicken leg quarter prices remain historically inflated and usually increase 3% over the next 12 weeks. Broiler type egg sets numbers are seasonally climbing but the 6 week moving average is still 3.5% below the prior year level which should support the chicken markets this summer. Chicken breast prices have been soft as of late but any pending downside risk may only be modest. History points to chicken wing prices trending 16% higher from now until year end. Prices USDA, FOB per pound except when noted.

<u>Chicken</u>	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.945	.945	-	.870
Whole Birds (LA)	1.040	1.040	-	.960
Wings (whole)	1.830	1.835	-.005	.795
Wings (jumbo, cut)	1.800	1.786	+.014	.974
Breast, Bone In	1.025	1.050	-.025	.885
Breast, Bnless Skinless	1.600	1.655	-.055	1.520
Tenderloin (random)	1.490	1.490	-	1.150
Tenderloin (sized)	2.220	2.220	-	2.010
Legs (whole)	.651	.679	-.028	.706
Leg Quarters	.545	.555	-.010	.490
Thighs, bone in	.808	.821	-.013	.775
Thighs, boneless	1.308	1.331	-.023	1.365
<u>Eggs and Others</u>				
Large (dozen)	.990	.990	-	.900
Medium (dozen)	.695	.695	-	.805
Whole Eggs- Liquid	.459	.447	+.012	.467
Egg Whites- Liquid	.433	.412	+.021	.448
Egg Yolks- Liquid	.645	.542	+.103	.610
Whole Turkeys (8-16 lb.)	1.060	1.060	-	1.055
Turkey Breast, Bnls/Sknl	1.867	1.882	-.015	2.506

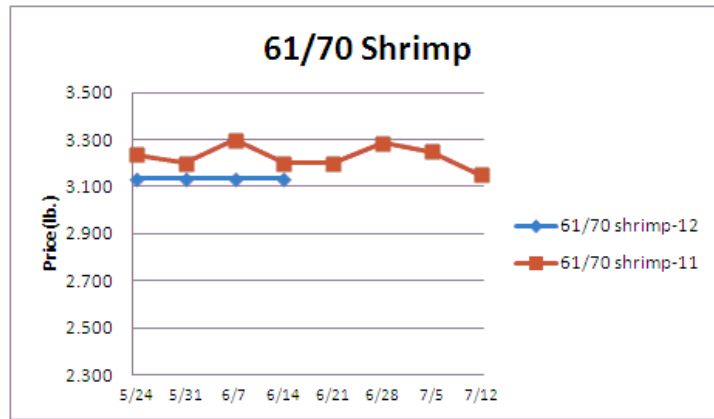


Seafood- In April US total shrimp imports and shell-on shrimp imports were up 7% and 2% compared to the previous year. 2012 through April US shrimp imports were 6% larger than the prior year. If the US dollar remains firm versus '11, US shrimp imports may increase further which would likely keep shrimp prices below '11 levels through the summer. US salmon fillet steak imports in April were up 17% versus a year ago.

Weekly Market Updates

Prices for fresh product, unless noted, per pound from Fisheries Market News.

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000		5.150
Catfish Filets	5.000	5.000	-	4.900
Trout (dm. 8-14 oz.)	3.700	3.700	-	3.300
Shrimp (16/20), Frz	5.644	5.641	+0.003	7.259
Shrimp (61/70), Frz.	3.133	3.133	-	3.200
Shrimp, Tiger (26/30), Frz.	4.725	4.725	-	4.950
Snow Crab, Legs 5-8 oz, Frz	4.900	4.900	-	5.875
Snow Crab, Legs 8 oz/ up, Fz	5.163	5.163	-	6.475
Cod Tails, 3-7 oz., Frz.	3.500	3.500	-	3.188
Cod Loins, 3-12 oz., Frz	3.588	3.588	-	3.831
Salmon Portions, 4-8 oz, Frz	5.717	5.717	-	6.626
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
Crude Oil, barrel- nymex	82.700	84.290	-1.590	99.370
Natural Gas, mbtu- nymex	2.218	2.446	-.228	4.581
Heating Oil, gal- nymex	2.636	2.634	+0.002	3.125
Electricity, mwht- nymex	40.220	48.540	-8.320	66.360
Gasoline, gal- nymex	2.657	2.685	-.028	3.065
Diesel Fuel, gal- eia	3.781	3.846	-.065	3.954
Ethanol, gal- usda	1.970	2.020	-.050	2.595
Canadian \$	1.029	1.040	-.011	.974
Japanese Yen	79.571	78.244	+1.327	80.226
Mexican Peso	14.066	14.221	-.155	11.837
Euro	.801	.805	-.004	.692
Brazilian Real	2.054	2.052	+0.002	1.583
Chinese Yuan	6.372	6.368	+0.004	6.479

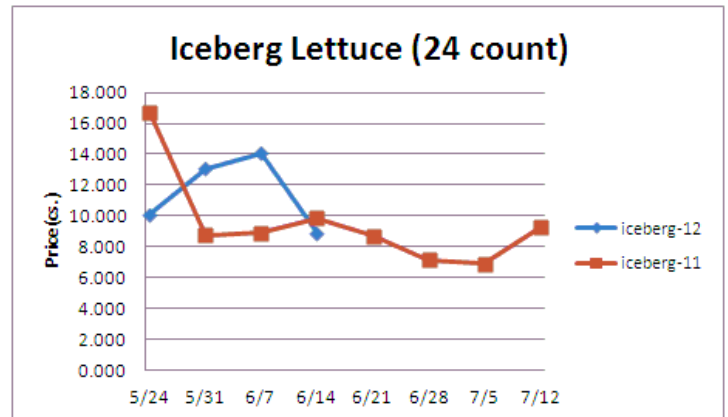
Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

<u>Wood Pulp/ Plastic Resin</u>	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
WP; NBSK (napkin, towel)	900.000	900.000	-	1032.380
WP; 42 lb. Linerboard (corr.)	669.541	668.022	+1.519	842.675
Res; PS-CHH (cup, cont.)	1.160-1.200	1.150-1.190	+0.010	1.050-1.090
Res; PP-HIGP (hvy utensil)	1.060-1.080	1.060-1.080	-	1.350-1.370
Res; PE-LLD (cn liner, film)	.870-.900	.870-.900	-	.940-.970

Produce- Favorable weather forecasts in CA may be good news for the upcoming central CA tomato harvest that is expected to build next week. The central FL tomato season has ended and the chief east coast tomato crops have shifted north. Tomato prices have trended lower in the recent week which is typical in June. Iceberg lettuce prices fell sharply from last week due in a large part to improving lettuce supplies from Salinas CA. Iceberg lettuce prices are 9.5% below prior year levels. Potato stocks are seasonally adequate. The potato markets usually rise 7% over the next 10 weeks. Prices USDA FOB shipping point unless noted (terminal).

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 11</u>
Limes (150 ct.)	7.500	7.500	-	12.000
Lemons (95 ct.)	18.740	19.740	-1.000	15.640
Lemons (200 ct.)	20.740	19.240	+1.500	17.640

Honeydew (6 ct.)	4.750	6.187	-1.437	5.237
Cantaloupe (15 ct.)	11.950	7.950	+4.000	5.250
Blueberries (12 count)	13.200	18.400	-5.200	17.843
Strawberries (12 pnts.)	10.500	10.500	-	10.500
Avocados (Hass 48 ct.)	34.750	34.750	-	52.000
Bananas (40 lb.)- Term.	15.016	14.765	+.251	16.691
Pineapple (7 ct.)- Term.	12.078	12.093	-.015	10.479
Idaho Potato (60 ct., 50 lb.)	8.750	9.000	-.250	17.500
Idaho Potato (70 ct., 50 lb.)	8.750	9.000	-.250	16.500
Idaho Potato (70 ct.)-Term.	15.740	16.505	-.765	22.438
Idaho Potato (90 ct., 50 lb.)	7.750	8.250	-.500	12.750
Idaho Pot. # 2 (6 oz., 100 lb.)	13.000	14.000	-1.000	17.500
Processing Potato (cwt.)	10.000	10.000	-	12.000
Yellow Onions (50 lb.)	5.667	6.000	-.333	9.000
Yell Onions (50 lb.)-Term.	11.802	14.873	-3.071	14.661
Red Onions (25 lb.)- Term.	15.750	17.333	-1.583	8.109
White Onions (50 lb.)- Term.	18.875	17.875	+1.000	15.750
Tomatoes (large- case)	11.450	11.825	-.375	11.950
Tomatoes (5x6-25 lb.)-Term	15.583	16.208	-.625	17.285
Tomatoes (4x5 vine ripe)	9.950	10.450	-.500	8.450
Roma Tomatoes (large- case)	13.458	10.450	+3.008	8.616
Roma Tomatoes (xlarge-cs)	12.472	10.633	+1.839	9.208
Green Peppers (large- case)	13.275	13.775	-.500	13.775
Red Peppers (large 15lb. cs.)	15.950	15.950	-	10.950
Iceberg Lettuce (24 count)	8.910	14.080	-5.170	9.850
Iceberg Lettuce (24)-Term.	21.167	25.375	-4.208	17.500
Leaf Lettuce (24 count)	6.732	7.131	-.399	6.425
Romaine Lettuce (24 cnt.)	8.910	7.775	+1.135	6.487
Mesculin Mix (3 lb.)-Term.	6.938	7.406	-.468	9.472
Broccoli (14 ct.)	12.288	13.575	-1.287	16.662
Squash (1/2 bushel)	7.600	8.887	-1.287	9.800
Zucchini (1/2 bushel)	8.800	8.700	+0.100	8.758
Green Beans (bushel)	10.800	12.050	-1.250	14.800
Spinach, Flat 24's	14.810	15.070	-.260	8.100
Mushrms (10 lb, lg.)-Term.	11.802	15.145	-3.343	7.104
Cucumbers (bushel)	9.650	12.538	-2.888	11.953
Pickles (200-300 ct.)- Term.	28.313	26.500	+1.813	26.375
Asparagus (small)	17.250	22.250	-5.000	14.000
Freight (Truck; CA-Cty Av.)	6725.000	6693.750	+31.250	6077.778



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

	<u>Apr-12</u>	<u>Mar-12</u>	<u>Feb-12</u>	<u>Jan-12</u>
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