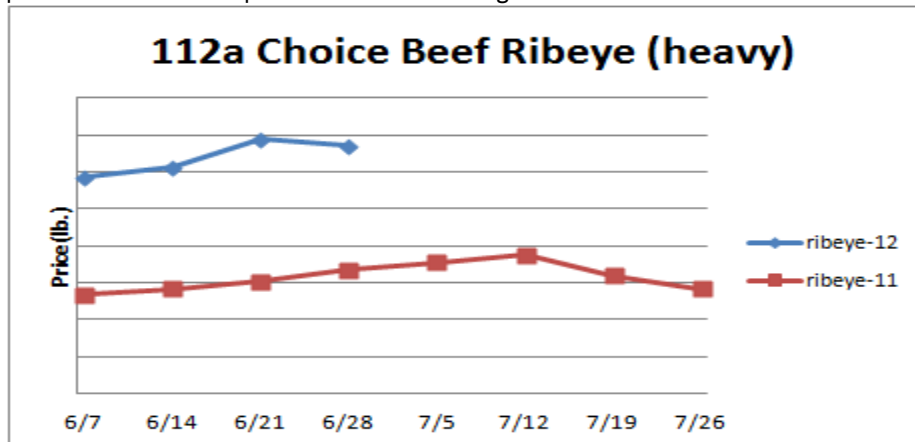


Beef, Veal and Lamb Report

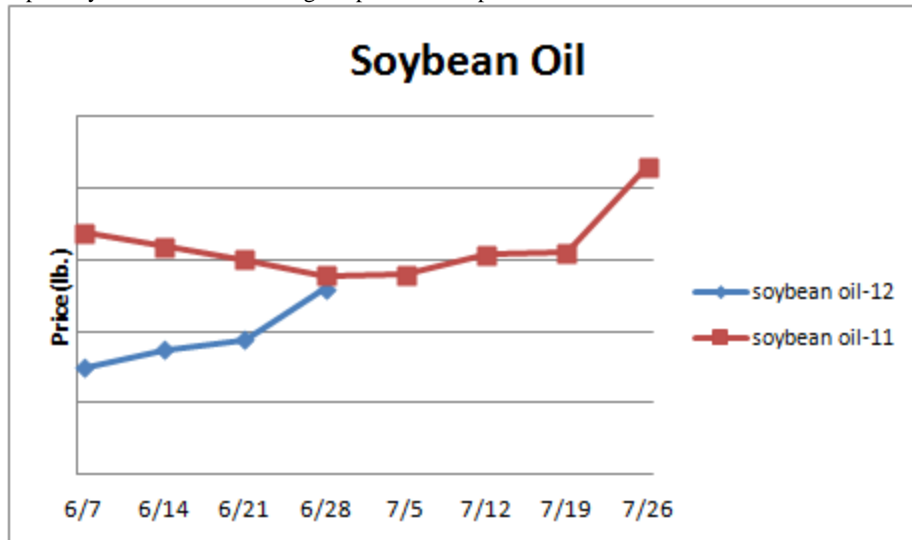
Beef, Veal & Lamb- Beef output last week declined .5% and was 4.3% less than the same week a year ago. The June 1 cattle on feed inventory was 1.7% larger than the prior year. Cattle placements into feedlots during May were 15.3% more than 2011. The July 1 near slaughter ready cattle inventory is estimated to be modestly bigger than the 3 year average for the date. This factor and better dairy and beef cow slaughter could limit the expected beef production declines next month. Beef steak cut prices remain historically elevated. Lower steak cut prices are anticipated in the coming weeks as demand fades.



	<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	Lower
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	Good	Lower
168 Inside Round (choice)	Decreasing	Good	Lower
174 Short Loin (choice 0x1)	Decreasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	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)	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)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Decreasing	Good	Higher
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher
90% Imported Beef (frozen)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Decreasing	Good	Higher

Oil and Grains Report

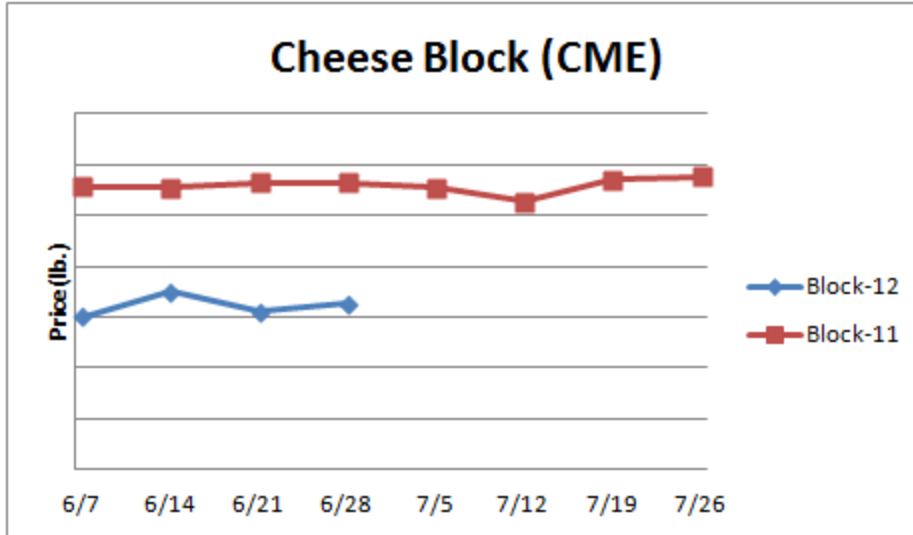
Oil & Grains- Weather challenges continue to influence the grain markets higher. Corn and soybean supplies are especially vulnerable. Volatile grain prices could persist.



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

Dairy Report

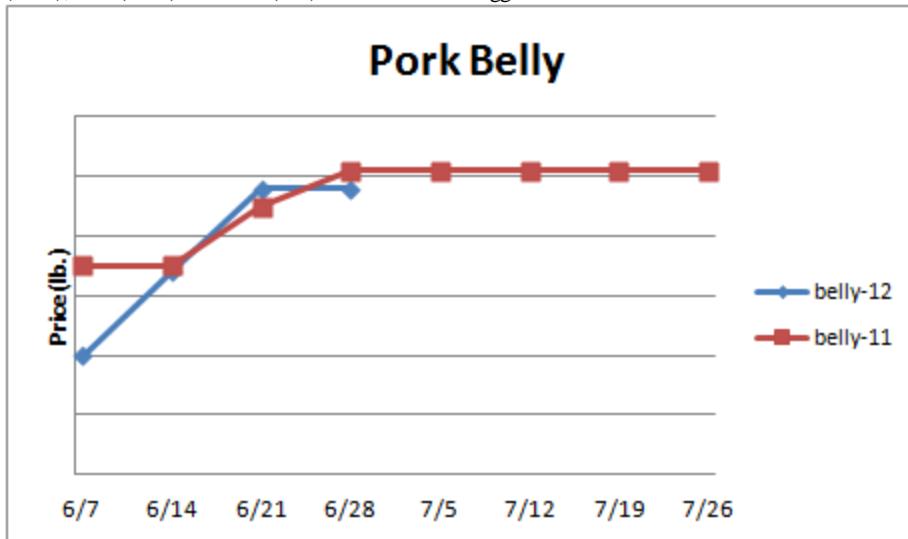
Dairy- The CME cheese markets are firming. Warm temperatures in the Midwest have negatively impacted milk production. Milk and cheese supplies have tightened. Modest cheese market increases could be forthcoming. Still, history suggests that the upside risk in the cheese markets from here may only be modest. US cheese stocks in May declined for the 1st time since 1995. The butter market appears to be steady. The May 31st butter inventory was 55% more than the prior year. US weekly dairy cow slaughter is trending 10% above last year.



	<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	Decreasing	Good	Lower
Mozzarella Cheese	Decreasing	Good	Lower
Provolone Cheese	Decreasing	Good	Lower
Parmesan Cheese	Decreasing	Good	Lower
Butter- One lb Solids	Decreasing	Good	Lower
Nonfat Dry Milk	Increasing	Good	Lower
Whey, Dry	Decreasing	Good	Lower
Class I Milk Base	Increasing	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 declined .4% but was 1.6% more than a year ago. Pork output is anticipated to continue to track above 2011 levels this summer. Pork prices have risen 24% since June 1 due to better demand. Pork retail feature activity is expected to decline during July which could be a signal that a top is near in wholesale pork prices. May 31st total pork holdings were 16% larger than the previous year. May ham (26%), belly (14%), rib (16%), loin (30%) and trim (4%) stocks were all bigger than 2011.



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

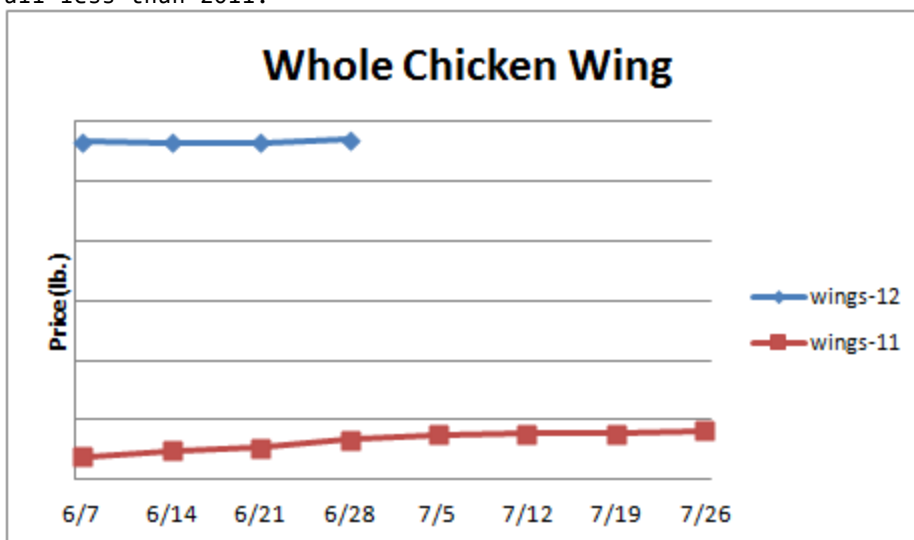
Canned Tomato Report

Tomato Products, Canned- The June 1 US processed tomato inventory was 11% smaller than last year but still historically adequate. 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

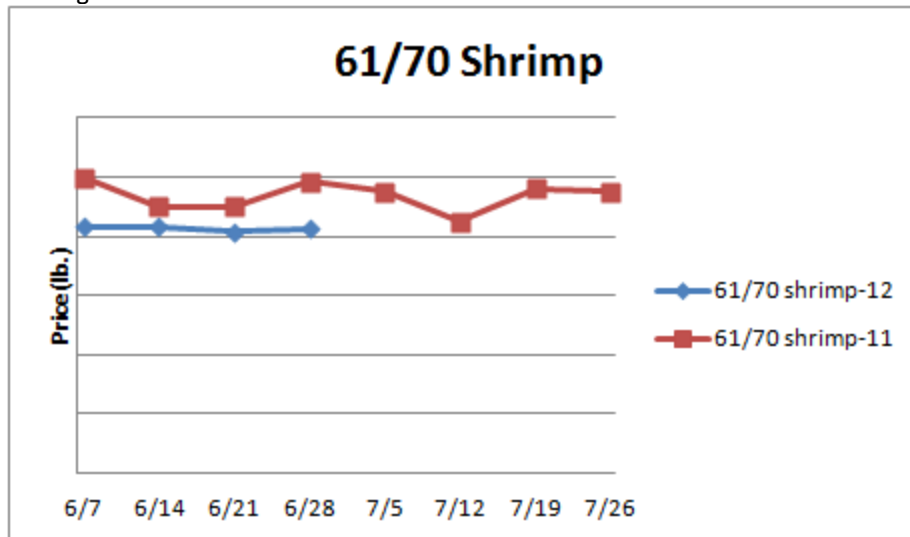
Poultry- Slowed chicken production could persist. May broiler type egg sets were 3% smaller than the previous year. Pullet placements into the broiler hatchery flock during May were 3.2% less than the prior year. A smaller hatchery flock is forecasted to endure through December which should limit chicken output. Chicken feed costs have climbed to record high levels this week due to the challenging crop conditions. If the corn and soybean crop conditions don't improve chicken production could be cut further. The chicken wing markets are fairly steady. Usually chicken wing prices trend 16% higher from July through the end of the year. May 31st chicken breast (28%), wing (36%) and leg quarter (17%) stocks were all less than 2011.



	<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)	Steady	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Sknless	Increasing	Good	Higher
Chicken Tender (random)	Decreasing	Good	Higher
Chicken Tender (sized)	Decreasing	Good	Lower
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Increasing	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Lower
Chicken Thighs, boneless	Increasing	Good	Lower
Large Eggs	Increasing	Good	Higher
Medium Eggs	Increasing	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- The snow crab fishing seasons in Alaska and Newfoundland have been fruitful. The Alaska snow crab season was extended to June 15th and 100% of the quota was met. Newfoundland snow crab fishing is persisting with 88% of the quota achieved to date. Snow crab leg supplies are considerably better than a year ago. Snow crab leg prices are anticipated to continue to trend below 2011 levels throughout the summer.



	<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	Lower
Trout, Drn. (8-14 oz)	Steady	Good	Higher
Shrimp (16-20 count)	Increasing	Good	Lower
Shrimp (61-70 count)	Increasing	Good	Lower
Shrimp, Tiger (26-30 count)	Increasing	Good	Lower
Snow Crab Legs (5-8 oz)	Steady	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.	Steady	Good	Lower
Salmon Portions, 4-8 oz. Frz.	Increasing	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	Higher
Coffee Beans	Increasing	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	Decreasing	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	Lower
PE-LLD-can liners, film, bags	Steady	Good	Lower

Retail Price Change from Prior Month

	<u>May-11</u>	<u>Apr-11</u>	<u>Mar-11</u>
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Decreasing	Increasing	Increasing
Pork	Decreasing	Decreasing	Increasing
Chicken	Decreasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Increasing	Increasing
Fresh Fruits and Vegetables	Increasing	Decreasing	Increasing

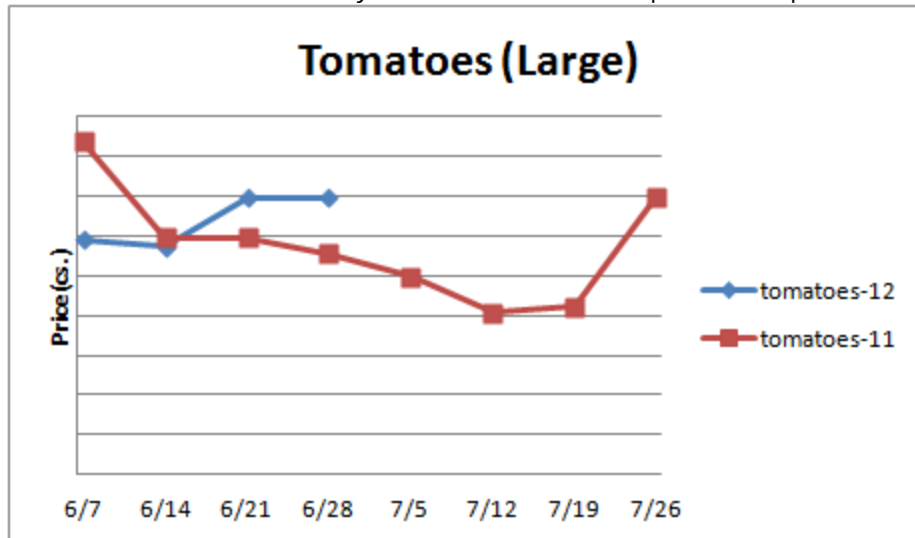
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- May 31st frozen green pea (22%), cut corn (14%) and cob corn (9%) stocks were all less than the prior year. The frozen 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	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	Higher
Green Peas, 12/2.5 lb.	Steady	Good	Higher
Potatoes, FF Fancy, 6/5 lb.	Steady	Good	Higher

Produce Report

Produce- Tropical Storm Debby brought notable rain and high winds to northern Florida tomato farms this week. Fortunately, the northern Florida tomato crop was winding down with tomato harvests picking up in the Southeast and California. There could be some modest tomato supply gaps during the next few weeks which may be supportive of tomato prices. Lettuce supplies are adequate and the lettuce markets continue to trade at relatively engaging levels for buyers. Favorable weather could cause fairly attractive lettuce prices to persist into next week.



	<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)	Increasing	Good	Higher
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Steady	Good	Lower
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Decreasing	Good	Lower
Bananas (40 lb)-Term.	Increasing	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.	Increasing	Good	Lower
Idaho Potato (90 count)	Decreasing	Good	Lower
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Lower

Processing Potato (100 lb)	Steady	Good	Lower
Yellow Onions (50 lb)	Increasing	Good	Higher
Yellow Onions (50 lb)-Term.	Increasing	Good	Lower
Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	Good	Lower
Tomatoes, (large- case)	Steady	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Increasing	Good	Higher
Roma Tomatoes (large- case)	Decreasing	Good	Higher
Roma Tomatoes (xlarge- case)	Decreasing	Good	Higher
Green Peppers (large- case)	Decreasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Steady	Good	Lower
Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Lower

Produce Report (continued)

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