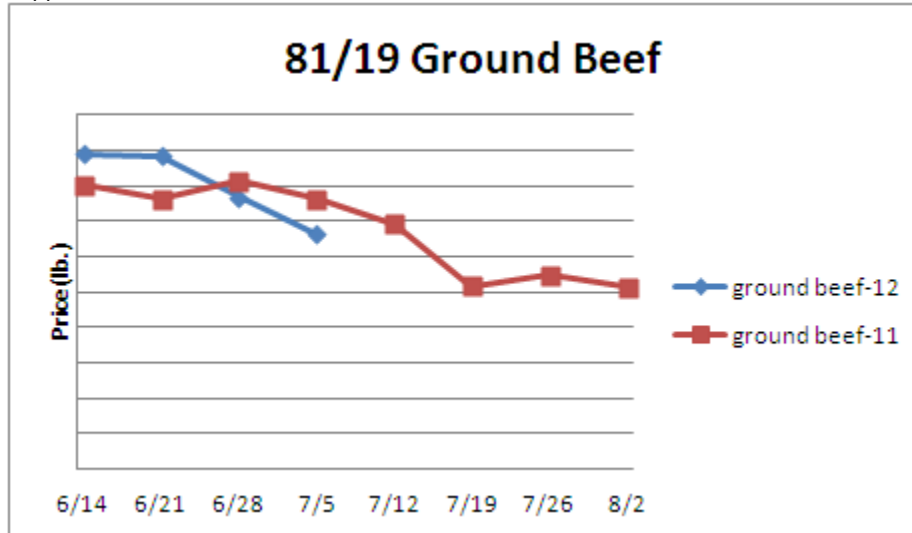


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week increased 1% but was .7% less than the prior year. Holiday shortened beef production this week could sustain beef prices in the near term. Beef production may be better than originally anticipated in the coming months due to deteriorating pasture conditions. The beef markets are now showing signs of seasonal weakness. Beef packers are discounting middle meat steak cut prices to encourage demand. The Australian dollar value has risen 5.3% during the last 4 weeks. If the Australian dollar continues to appreciate it could tighten US lean boneless beef supplies.

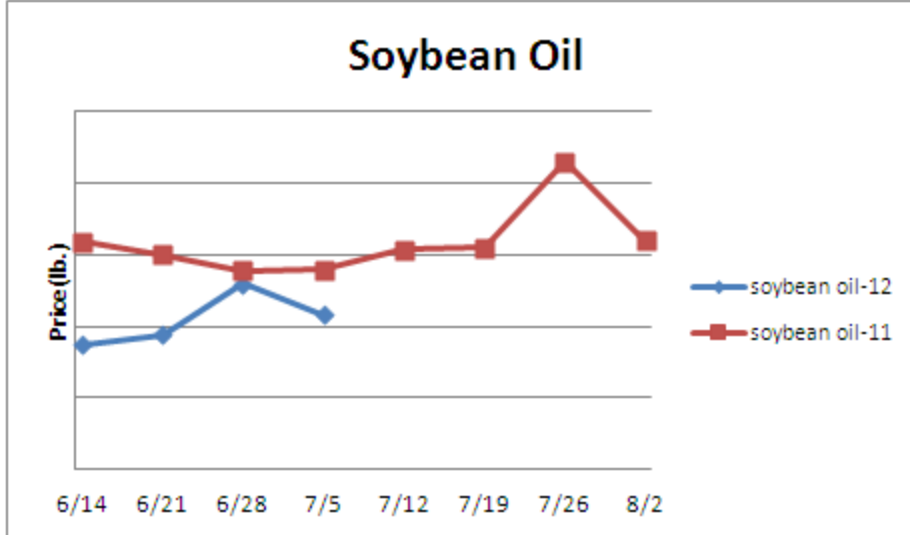


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Steady	Good	Higher
Ground Beef 81/19	Decreasing	Good	Lower
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Lower
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Decreasing	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)	Decreasing	Good	Lower
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Decreasing	Good	Lower
65% Trimmings	Decreasing	Good	Lower
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Increasing	Good	Higher

90% Imported Beef (frozen)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

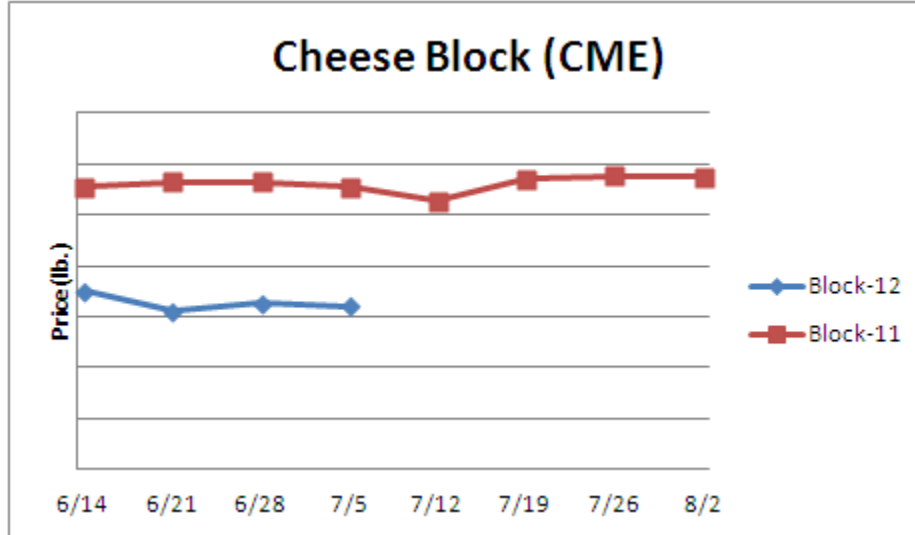
Oil & Grains- The corn and soybean crops continue to experience stress due to weather challenges. Corn and soybean prices are rising and may remain elevated unless crop conditions improve.



	<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	Higher
Corn	Increasing	Good	Higher
Crude Corn Oil	Steady	Good	Lower
Distillers Grain, Dry	Increasing	Good	Higher
Crude Palm Oil	Increasing	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

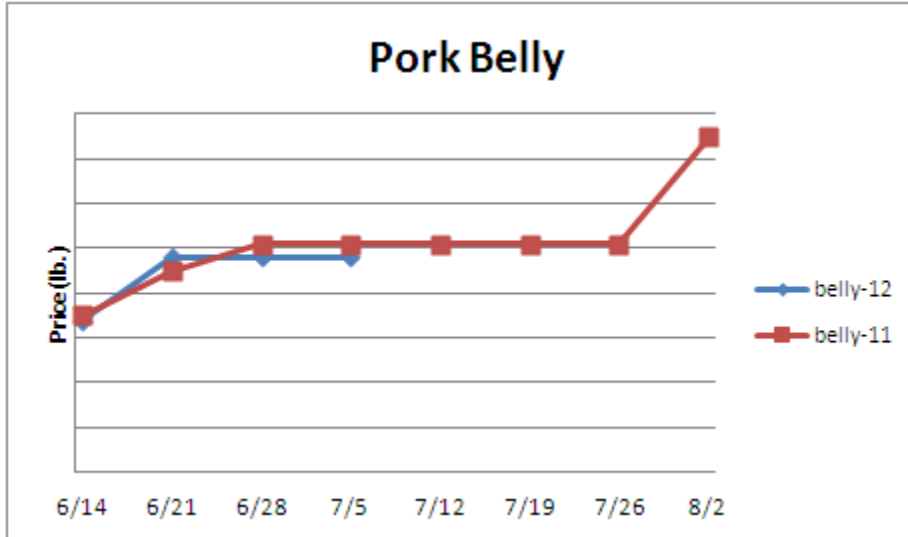
Dairy- The dairy markets have been supported recently due in a large part to curbed milk production caused by the extreme heat in the US. This could impact cheese supplies in the coming months. The international cheese market has been steady in recent weeks and is only carrying a small premium to US cheese. This could discourage US cheese exports going forward and temper any summer price rally for cheese. The butter market is steady. Healthy US butter supplies suggest that the upside price risk from current levels for butter is only modest at best..



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

Pork Report

Pork- Pork production last week increased 2% and was 3.9% more than the prior year. The June 1st US hog and pig (1%) and swine breeding (1%) herds were both larger than a year ago which suggests some modest pork production expansion in the coming months. Poor feed crops and elevated feed prices, if they persist, could force hog farmers to reduce the herd later this year. The pork markets have been elevated in recent weeks. Slower retail demand hints that various wholesale pork markets could soften as July progresses.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Higher
Belly (bacon)	Steady	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)	Steady	Good	Lower
Boston Butt, untrimmed 4-8 lb.	Decreasing	Good	Higher
Picnic, untrimmed	Decreasing	Good	Lower
SS Picnic, smoker trim boxed	Decreasing	Good	Lower
42% Trimmings	Steady	Good	Lower
72% Trimmings	Steady	Good	Lower

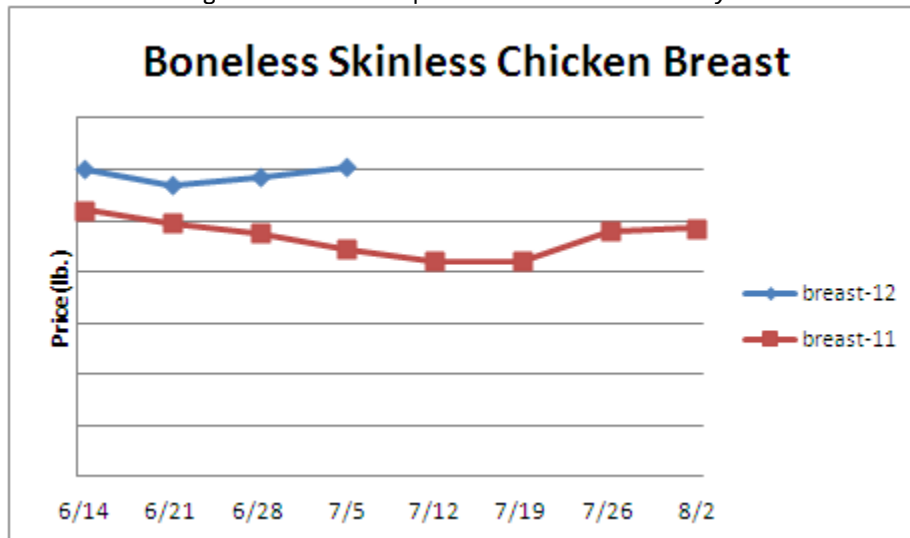
Canned Tomato Report

Tomato Products, Canned- The tomato for canning harvest will expand greatly this month with higher raw product costs for canners. The markets are firm.

	<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

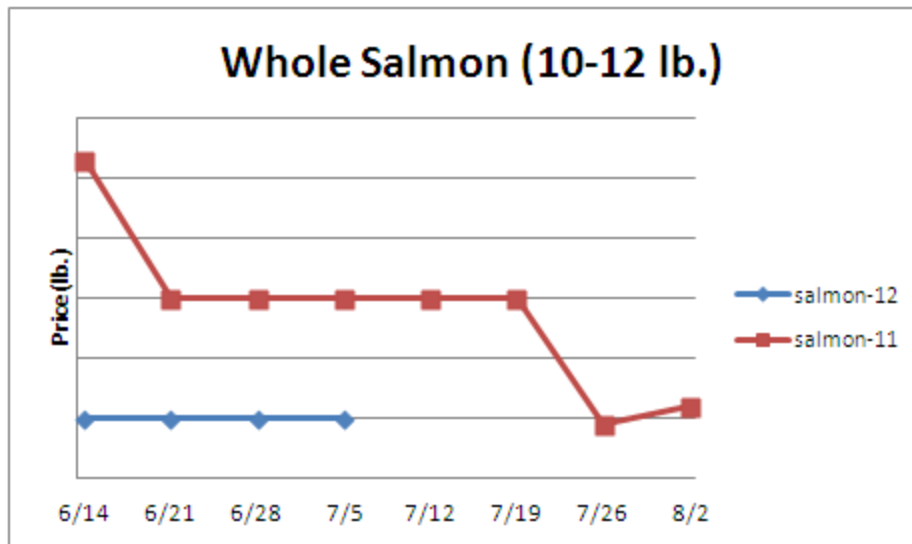
Poultry- Recently, broiler chick placements were down just .4% versus the same week in '11 marking the smallest decline for weekly chick placements in over a year. Chicken production is projected to be much closer to 2011 levels this summer. Spot feed costs for chicken producers last week were a record high due to deteriorating crop conditions. If the corn and soybean crops don't significantly improve, chicken producers may be propelled to slow chicken output further. The chicken breast markets have begun to fade which tends to occur once 4th of July holiday supplies are procured. Boneless skinless chicken breast prices usually decline 9% during the next 3 weeks. The chicken wing markets are expected to bottom in July.



	<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	Decreasing	Good	Higher
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Sknless	Increasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Lower
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Lower
Large Eggs	Steady	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)	Decreasing	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

Seafood Report

Seafood- US salmon imports from Chile during the first 4 months of the year were 89% above the same time period a year ago. This is further confirmation that Chile's farmed salmon industry has rebounded well after suffering from their ISA disease problems. Salmon imports are likely to remain strong due in part to the higher valuation of the US dollar. Whole and portioned salmon prices could remain below '11 this 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)	Decreasing	Good	Lower
Shrimp (61-70 count)	Decreasing	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)	Steady	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	Higher
Coffee Beans	Increasing	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	Decreasing	Good	Lower
42 lb. Linerboard-corrugated box	Increasing	Good	Lower
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Decreasing	Good	Lower
PE-LLD-can liners, film, bags	Decreasing	Good	Lower

Retail Price Change from Prior Month

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

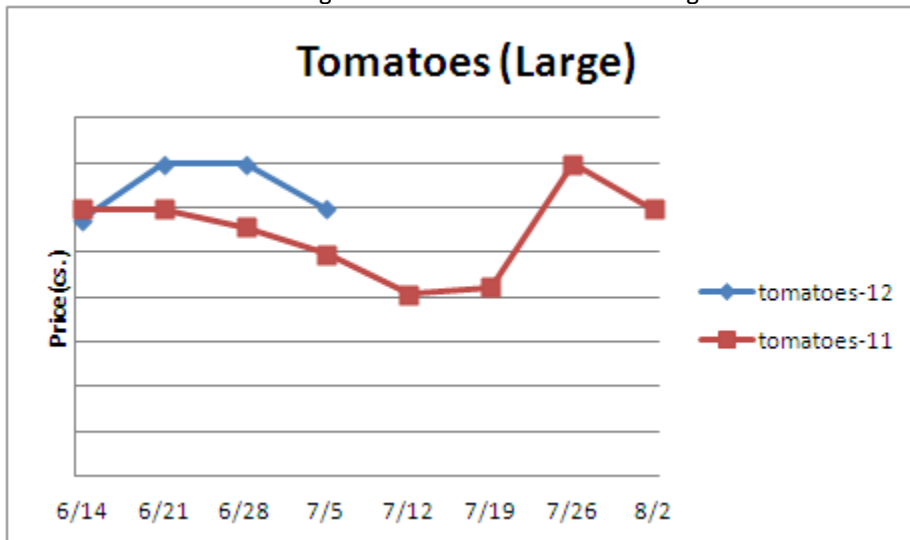
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- May 31st frozen regular green bean (26%) and French style green bean (10%) stocks were more than the previous year. The frozen vegetable markets remain 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- Current potato stocks remain adequate for this time of year and the Idaho potato markets continue to be priced well below year ago levels. Potato prices usually increase during the next several weeks peaking around the 3rd week of August. The CA tomato harvest is seasonally increasing which could lead to better overall US tomato supplies. The tomato markets are moving lower. The Hass avocado market is relatively deflated but higher avocado prices could be forthcoming. The 5 year average market trend for avocados during the next 8 weeks is 15% higher.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Lower
Lemons (95 count)	Decreasing	Good	Higher
Lemons (200 count)	Decreasing	Good	Higher
Honeydew (6 ct.)	Increasing	Good	Lower
Cantaloupe (15 count)	Increasing	Good	Lower
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Increasing	Good	Lower
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Increasing	Good	Higher
Idaho Potato (60 count)	Steady	Good	Lower
Idaho Potato (70 count)	Steady	Good	Lower
Idaho Potato (70 count)-Term.	Decreasing	Good	Lower
Idaho Potato (90 count)	Steady	Good	Lower
Idaho Potato #2 (6 oz. min.)	Steady	Good	Lower
Processing Potato (100 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)	Increasing	Good	Lower
Yellow Onions (50 lb)-Term.	Decreasing	Good	Lower

Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	Good	Lower
Tomatoes, (large- case)	Decreasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Lower
Roma Tomatoes (xlarge- case)	Decreasing	Good	Lower
Green Peppers (large- case)	Decreasing	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	Higher

Produce Report (continued)

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