Weekly Market Updates

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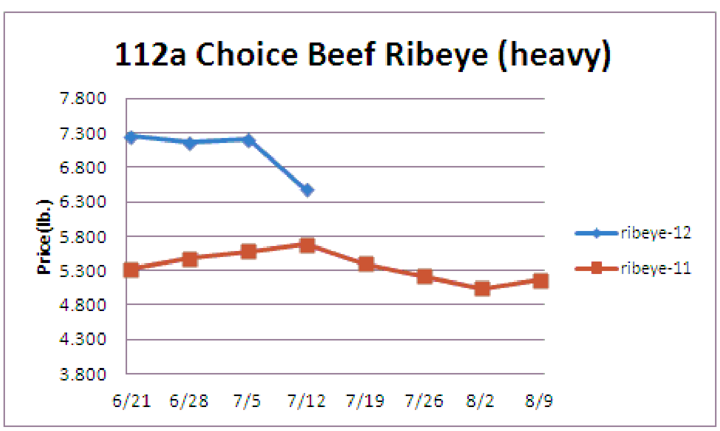
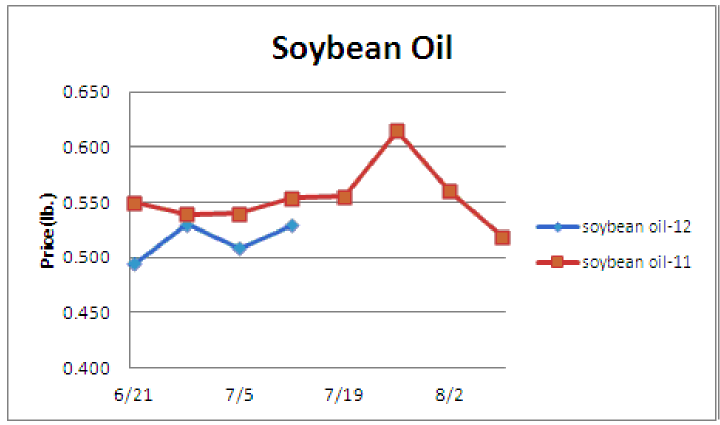
Beef- Beef production last week was 1.6% less than the previous year. The choice boxed beef cutout has declined 3.8% from its high on June 15th due in part to seasonally weakening beef demand. Beef packers are now discounting steak cut products to encourage sales. Further beef middle meat price depreciation is anticipated during the next few weeks. Last week 50% of top 10 cattle producing states' pastures were rated in poor to very poor condition. More cattle could be sent to slaughter earlier than planned. This could temper the expected beef production shortfall this summer and fall. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.177	1.175	+.002	1.160
Feeder Cattle Index (CME)	1.444	1.471	-.027	1.340
Ground Beef 81/19	1.757	1.665	+.092	1.694
Ground Chuck	1.747	1.930	-.183	1.745
109e Export Rib (choice)	5.892	6.142	-.250	5.133
109e Export Rib (prime)	9.243	8.891	+.352	9.015
112a Ribeye (choice)	6.480	7.202	-.722	5.675
112a Ribeye (prime)	9.468	9.412	+.056	9.360
116 Chuck (select)	2.028	2.060	-.032	2.092
116 Chuck (choice)	2.043	2.054	-.011	2.099
116b Chuck Tdnr (choice)	2.128	2.134	-.006	2.144
120 Brisket (choice)	2.143	2.168	-.025	1.808
121c Outside Skirt (ch/sel)	5.346	5.632	-.286	4.114
121d Inside Skirt (ch/sel)	3.645	3.575	+.070	3.233
167a Knckle, Trm. (ch.)	2.132	2.133	-.001	2.158
168 Inside Round (ch.)	1.967	1.959	+.008	1.974
174 Short Loin (ch. 0x1)	6.298	6.731	-.433	5.342
174 Short Loin (prime)	8.403	8.222	+.181	8.420
180 1x1 Strp (choice)	6.309	6.955	-.646	5.108
180 1x1 Strp (prime)	9.742	9.784	-.042	9.005
180 0x1 Strp (choice)	6.991	7.618	-.627	5.880
184 Top Butt, bnls (ch.)	3.421	3.505	-.084	2.926
184 Top Butt, bnls (prime)	3.893	3.840	+.053	3.360
185a Sirloin Flap (choice)	4.651	4.718	-.067	4.212
185c Loin, Tri-Tip (choice)	3.706	3.673	+.033	2.885
189a Tender (select)	8.465	8.883	-.418	8.067
189a Tender (choice)	9.121	9.611	-.490	8.859
189a Tender (prime)	14.191	13.934	+.257	11.960
193 Flank Steak (choice)	4.813	4.793	+.020	4.691
50% Trimmings	.501	.512	-.011	.837
65% Trimmings	1.004	1.012	-.008	1.161
75% Trimmings	1.568	1.624	-.056	1.471
85% Trimmings	2.026	2.012	+.014	1.734
90% Trimmings	2.200	2.211	-.011	1.856
90% Imported Beef (frz.)	1.985	2.110	-.125	1.860
95% Imported Beef (frz.)	2.118	2.128	-.010	1.980
Veal Rack (Hotel 7 rib)	7.800	7.800	-	5.650
Veal Top Rnd. (cp. off)	13.925	13.925	-	12.400



Oil, Grains, Misc.- The USDA recently reported that 30% of the US corn crop was rated in poor to very poor condition. Corn prices are likely to remain elevated unless the weather improves soon. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	16.141	15.203	+.938	13.589
Crude Soybean Oil, lb.	.529	.508	+.021	.554
Soybean Meal, ton	475.300	445.000	+30.300	349.400
Corn, bushel	7.439	6.903	+.536	6.869
Crude Corn Oil, lb.	.535	.530	+.005	.625
High Fructose Corn Syrup	.204	.193	+.011	.191
Distillers Grain, Dry	259.000	230.750	+28.250	186.050
Crude Palm Oil, lb. BMD	.427	.429	-.002	.461
HRW Wheat, bushel	7.935	7.620	+.315	7.230
DNS Wheat 14%, bushel	9.580	9.120	+.460	8.930
Durum Wheat, bushel	7.825	7.225	+.600	14.180
Pinto Beans, lb.	.491	.491	-	.259
Black Beans, lb.	.420	.420	-	.335
Rice, Long Grain, lb.	.254	.254	-	.253
Coffee, lb. NYBOT	1.876	1.807	+.069	2.579
Sugar, lb. NYBOT	.285	.289	-.004	.366
Honey (Clover), lb.	1.800	1.800	-	1.650



Dairy- US cheese exports were up 43% in May versus '11. Still, the absence of a US cheese major price discount from the global cheese markets could hurt export demand this summer. History points to block prices moving modestly higher in July but peaking during the 1st week of August. May US butter exports were 1.4% higher than '11. The butter market is firm. During the last 8 weeks dairy cow slaughter was up 8% against last year and 14% above the corresponding 5 year average. Lighter milk production could be supportive of dairy prices in the coming months. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.640	1.675	-.035	2.103
Cheese Blocks (CME)	1.645	1.640	+.005	2.055
American Cheese	1.865	1.795	+.070	2.430
Cheddar Cheese (40 lb.)	2.028	2.008	+.020	2.470
Mozzarella Cheese	1.873	1.853	+.020	2.473
Provolone Cheese	2.223	2.203	+.020	2.630
Parmesan Cheese	3.303	3.283	+.020	3.710
Butter (CME)	1.540	1.523	+.017	2.040
Nonfat Dry Milk	1.247	1.236	+.011	1.698
Whey, Dry	.494	.498	-.004	.548
Class 1 Base	15.510	15.510	-	21.030
Class II Cream, heavy	2.069	2.173	-.104	2.878
Class III Milk (CME)	17.560	17.260	+.300	19.220
Class IV Milk (CME)	15.220	14.710	+.510	19.850

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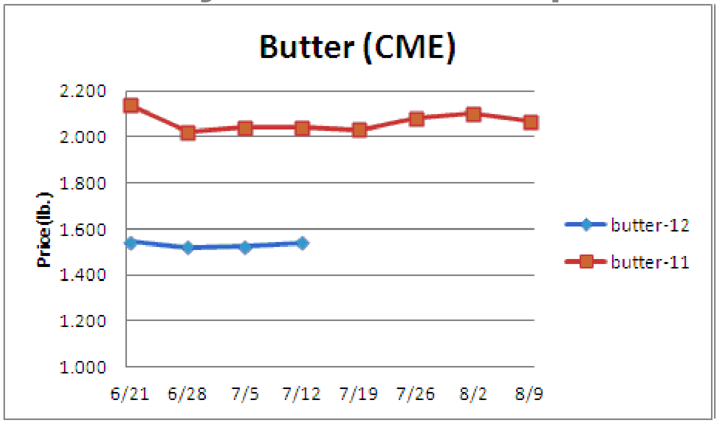
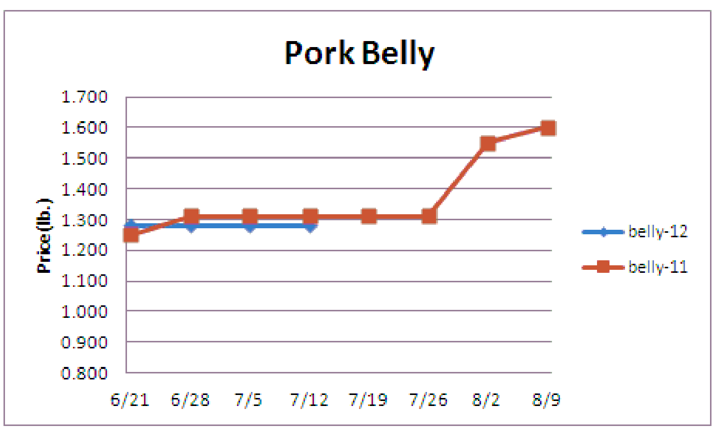


Pork- Pork output last week was 2.7% more than '11 helping pressure the pork markets downward. Pork demand has recently softened also negatively influencing pork prices. History points to higher ham and belly prices as July progresses but any gains this year may only be modest. US corn and soybean crop conditions continue to deteriorate. This is elevating feed costs which, if longstanding, will result in poorer margins for hog producers. Expected pork production gains this fall may be tempered at a minimum. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.673	.719	-.046	.677
Belly (bacon)	1.280	1.280	-	1.310
Sparerib (4.25 lb. & down)	1.416	1.446	-.030	1.581
Ham (20-23 lb.)	.770	.770	-	.800
Ham (23-27 lb.)	.760	.760	-	.815
Loin (bone-in)	.982	1.093	-.111	1.119
Bbybck Rib (1.75 lb. & up)	2.450	2.462	-.012	3.000
Tenderloin (1.25 lb.)	3.050	3.092	-.042	3.250
Boston Butt, untrmd. (4-8 lb.)	.989	1.061	-.072	1.068
Picnic, untrmd.	.631	.630	+.001	.737
SS Picnic, smoker trm. bx.	.790	.790	-	.930
42% Trimmings	.550	.540	+.010	.700
72% Trimmings	.800	.820	-.020	.913



Tomato Products, Canned- Modest raw product price increases are hitting tomato canners this year. The canned tomato markets are steady to firm. Prices per case (6/10) FOB, unless noted from ARA.

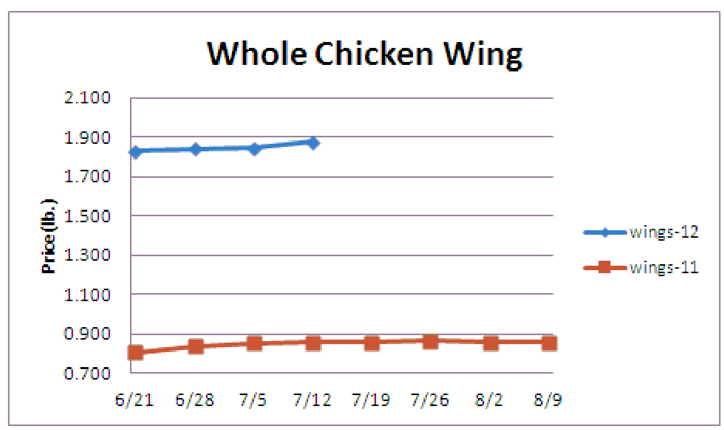
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- The Midwest vegetable for processing crops have been stressed by the recent heat wave. Elevated processed vegetable prices could persist 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	-	18.406
Green Beans Fcy- can 6/10	19.250	19.250	-	18.000
Green Peas, Fcy- can 6/10	20.750	20.750	-	18.750
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- The US corn and soybean crops continue to worsen. The broiler feed cost ratio last week was at its lowest level since December due to another weekly record high for feed prices. Chicken producer margins are being stressed which is anticipated to lead to further chicken production cutbacks in the coming months. Typical chicken breast market declines this fall could be mitigated. The 5 year average price move for chicken wings from now until mid February is 24.6% higher. Assuming chicken producers do cut production further, chicken wing supplies are likely to be extremely tight this fall and winter. Models are suggesting that record high chicken wing prices will be achieved 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)	.948	.948	-	.873
Whole Birds (LA)	1.040	1.040	-	.960
Wings (whole)	1.875	1.845	+.030	.855
Wings (jumbo, cut)	1.815	1.767	+.048	.950
Breast, Bone In	1.010	1.005	+.005	.835
Breast, Bnless Skinless	1.595	1.605	-.010	1.420
Tenderloin (random)	1.290	1.290	-	1.150
Tenderloin (sized)	1.920	1.920	-	2.010
Legs (whole)	.606	.628	-.022	.608
Leg Quarters	.510	.525	-.015	.475
Thighs, bone in	.767	.783	-.016	.720
Thighs, boneless	1.274	1.272	+.002	1.327
Eggs and Others				
Large (dozen)	.993	.993	-	1.003
Medium (dozen)	.715	.715	-	.752
Whole Eggs- Liquid	.549	.450	+.099	.508
Egg Whites- Liquid	.448	.407	+.041	.457
Egg Yolks- Liquid	.660	.614	+.046	.656
Whole Turkeys (8-16 lb.)	1.065	1.065	-	1.055
Turkey Breast, Bnls/Sknls	1.765	1.775	-.010	2.500



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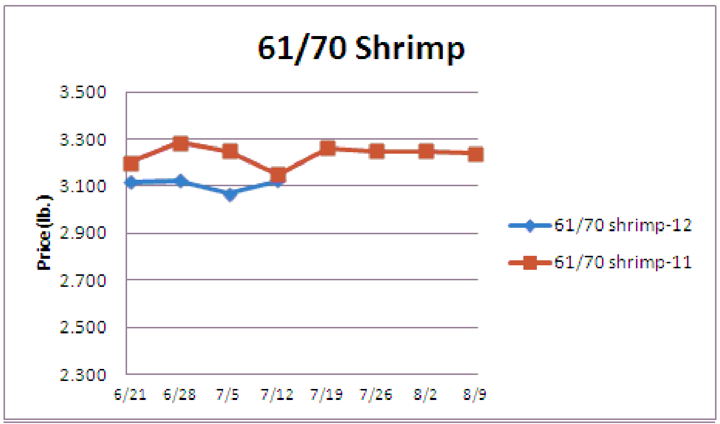
Seafood- May US shrimp imports were 1.5% larger than the prior year motivated by a strengthening US dollar during the month. Shell on shrimp imports during May were 6.4% more than last year. With the better US dollar valuation, US shrimp imports could remain above year ago levels through the summer which may sustain shrimp prices below '11. May salmon fillet/steak imports were 8.2% above the previous year. 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		4.000
Catfish Filets	4.500	4.500	-	4.900
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.495	5.605	-.110	6.982
Shrimp (61/70), Frz.	3.125	3.067	+.058	3.150
Shrimp, Tiger (26/30), Frz.	4.800	4.800	-	4.800
Snow Crab, Legs 5-8 oz, Frz	4.900	4.900	-	5.925
Snow Crab, Legs 8 oz/ up, Fz	5.025	5.025	-	6.475
Cod Tails, 3-7 oz., Frz.	3.500	3.500	-	3.200
Cod Loins, 3-12 oz., Frz	3.588	3.588	-	3.831
Salmon Portions, 4-8 oz, Frz	5.100	5.977	-.877	6.804
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.850



Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	83.910	83.750	+.160	97.430
Natural Gas, mbtu- nymex	2.737	2.824	-.087	4.333
Heating Oil, gal- nymex	2.720	2.676	+.044	3.088
Electricity, mwht- nymex	51.130	56.170	-5.040	67.310
Gasoline, gal- nymex	2.747	2.624	+.123	3.098
Diesel Fuel, gal- eia	3.683	3.648	+.035	3.899
Ethanol, gal- usda	2.235	2.115	+.120	2.630
Canadian $	1.018	1.017	+.001	0.972
Japanese Yen	79.479	79.814	-.335	79.678
Mexican Peso	13.312	13.330	-.018	11.821
Euro	.814	.794	+.020	.716
Brazilian Real	2.032	2.013	+.019	1.582
Chinese Yuan	6.367	6.349	+.018	6.462

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)	883.430	897.620	-14.190	1034.360
WP; 42 lb. Linerboard (corr.)	664.384	679.367	-14.983	835.825
Res; PS-CHH (cup, cont.)	1.160-1.200	1.160-1.200	-	1.120-1.160
Res; PP-HIGP (hvy utensil)	.910-.930	.910-.930	-	1.200-1.220
Res; PE-LLD (cn liner, film)	.800-.830	.800-.830	-	.910-.940

Produce- This year's fall potato acreage is projected to be 5% bigger than last year and the largest since '07. Last week 67% of the fall Idaho potato crop was rated in good to excellent condition the lowest percentage rating for the week in 5 years. The 5 year average move for the 70 count Idaho potato market is 6.3% higher during the next 6 weeks. The tomato harvests are shifting north. Tomato growth rates in the east are ahead of schedule this year. This may equal adequate tomato supplies and attractive tomato prices in the east this summer unless weather challenges occur. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	7.000	7.500	-.500	15.000
Lemons (95 ct.)	17.740	17.740	-	19.640
Lemons (200 ct.)	20.740	20.740	-	19.640
Honeydew (6 ct.)	6.613	7.125	-.512	6.884
Cantaloupe (15 ct.)	5.250	6.500	-1.250	7.700
Blueberries (12 count)	19.608	18.725	+.883	19.625
Strawberries (12 pnts.)	10.500	10.500	-	10.500
Avocados (Hass 48 ct.)	28.750	30.000	-1.250	53.250
Bananas (40 lb.)- Term.	15.547	15.481	+.066	15.783
Pineapple (7 ct.)- Term.	13.333	12.224	+1.109	11.031
Idaho Potato (60 ct., 50 lb.)	8.000	8.250	-.250	26.000
Idaho Potato (70 ct., 50 lb.)	7.750	7.750	-	24.000
Idaho Potato (70 ct.)-Term.	12.444	15.271	-2.827	24.443
Idaho Potato (90 ct., 50 lb.)	6.000	6.250	-.250	17.500
Idaho Pot. # 2 (6 oz., 100 lb.)	10.000	10.000	-	24.000
Processing Potato (cwt.)	4.500	8.250	-3.750	13.000
Yellow Onions (50 lb.)	8.750	8.417	+.333	9.000
Yell Onions (50 lb.)-Term.	14.938	9.781	+5.157	14.563
Red Onions (25 lb.)- Term.	14.500	15.594	-1.094	9.438
White Onions (50 lb.)- Term.	19.167	16.031	+3.136	17.917
Tomatoes (large- case)	9.950	11.950	-2.000	8.125
Tomatoes (5x6-25 lb.)-Term	12.444	14.806	-2.362	13.016
Tomatoes (4x5 vine ripe)	10.450	7.950	+2.500	12.950
Roma Tomatoes (large- case)	10.450	9.080	+1.370	8.125
Roma Tomatoes (xlarge-cs)	10.450	9.830	+.620	8.617
Green Peppers (large- case)	8.838	8.475	+.363	10.600
Red Peppers (large 15lb. cs.)	10.950	18.950	-8.000	15.450
Iceberg Lettuce (24 count)	9.838	6.780	+3.058	9.243
Iceberg Lettuce (24)-Term.	16.000	15.500	+.500	15.750
Leaf Lettuce (24 count)	12.500	8.888	+3.612	6.500
Romaine Lettuce (24 cnt.)	15.188	9.408	+5.780	8.188
Mesculin Mix (3 lb.)-Term.	6.813	6.844	-.031	6.938
Broccoli (14 ct.)	7.160	7.585	-.425	6.005
Squash (1/2 bushel)	7.950	7.175	+.775	6.850
Zucchini (1/2 bushel)	8.088	7.358	+.730	10.132
Green Beans (bushel)	14.000	14.000	-	16.500
Spinach, Flat 24's	7.995	8.750	-.755	8.220
Mushrms (10 lb, lg.)-Term.	15.146	15.300	-.154	8.313
Cucumbers (bushel)	16.405	10.279	+6.126	16.688
Pickles (200-300 ct.)- Term.	29.875	24.306	+5.569	25.646
Asparagus (small)	14.500	15.500	-1.000	9.500
Freight (Truck; CA-Cty Av.)	6087.500	6688.889	-601.389	6300.000

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

	May-12	Apr-12	Mar-12	Feb-12
Beef and Veal	+.621	+.300	+.812	+.211
Dairy	-.378	+1.000	-.112	-.506
Pork	-.794	-.600	+.713	-.288
Chicken	-2.050	+.800	+1.315	+.190
Fresh Fish and Seafood	-.379	+1.400	+.936	-1.454
Fresh Fruits and Veg.	+.532	+1.100	-.746	-2.367