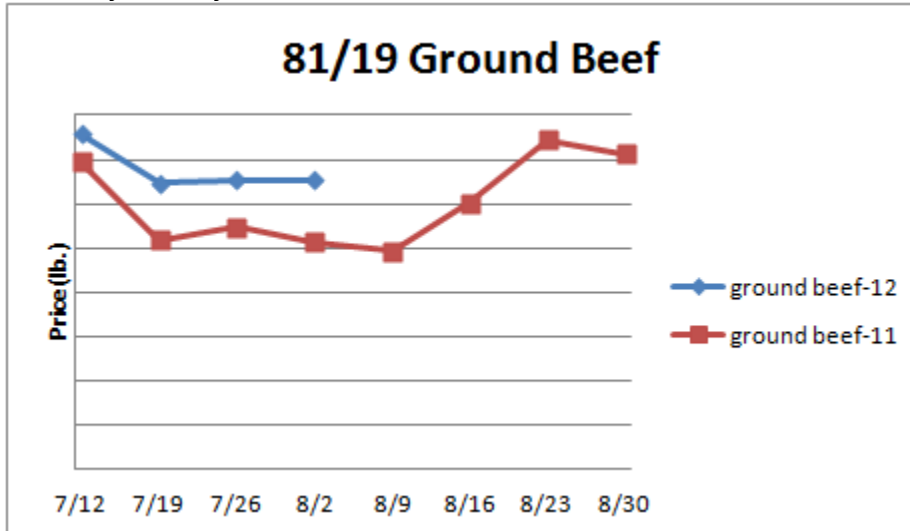


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week fell 2.6% and was 1.7% less than the same week in '11. Ninety percent of the pasture conditions in KS, MO and NE are rated in poor to very poor condition which is pushing cattle to feedlots early. The aforementioned states hold nearly one third of the US beef cow herd. This is projected to temper this fall's beef production shortfall but should produce tighter beef supplies in '13. The USDA is forecasting beef production in Q1 to trend 4.3% below '12. If realized this could be bullish for beef prices. The strip markets tend to rise in August due to Labor Day holiday weekend demand.

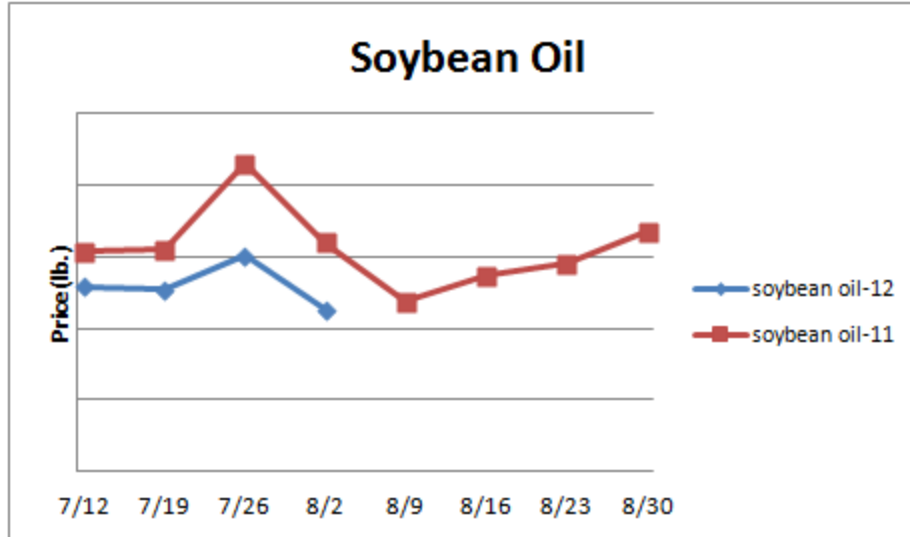


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
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	Lower
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Decreasing	Good	Lower
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Increasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	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	Decreasing	Good	Higher
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher

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

Oil and Grains Report

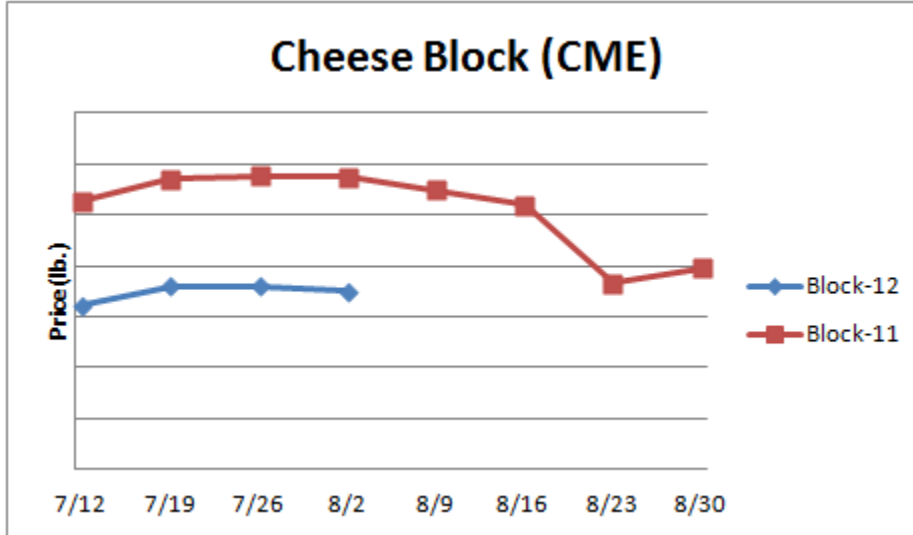
Oil & Grains- The spring wheat harvest is ahead of schedule and is projected to produce sufficient spring wheat supplies. Still, the inflated corn and soybean markets are supporting wheat prices.



	<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	Increasing	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	Decreasing	Good	Higher
High Fructose Corn Syrup	Increasing	Good	Higher
Durum Wheat	Decreasing	Good	Lower

Dairy Report

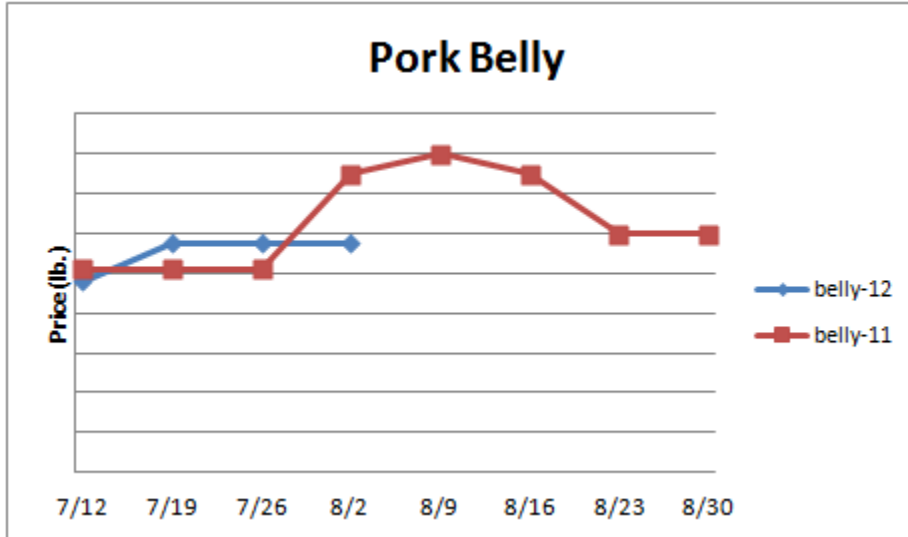
Dairy- Butter stocks in June fell 7% from May which was the biggest drop for the month since 1985. Still, US butter inventories are adequate. The butter market may be nearing a top following a seasonal trend. Since '07, the CME butter market fell an average of 18% from early September through the end of the year. June cheese stocks increased 2.4% from May. Global cheese and butter prices remain at discounts to their US counterparts. If this trend continues, US cheese and butter exports may wane. The CME cheese block market normally declines 4% in August.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Decreasing	Good	Lower
Cheese 40 lb Blocks- CME	Decreasing	Good	Lower
American Cheese	Decreasing	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	Decreasing	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)	Increasing	Good	Lower
Class III Milk- CME	Increasing	Good	Lower
Class IV Milk- CME	Increasing	Good	Lower

Pork Report

Pork- Pork output last week rose 1.7% and was 2.2% larger than the same week in '11. Sows prices have recently fallen to their lowest levels since November '10 which suggests that sows are being sent to slaughter in lieu of being retained to breed. This is the result of rising feed costs negatively impacting hog farmer margins which could support hog prices in '13. Still, confirming sow slaughter data versus '11 has yet to be received. The baby back rib market normally increases 3% in August due to escalating Labor Day holiday demand.



	<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	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

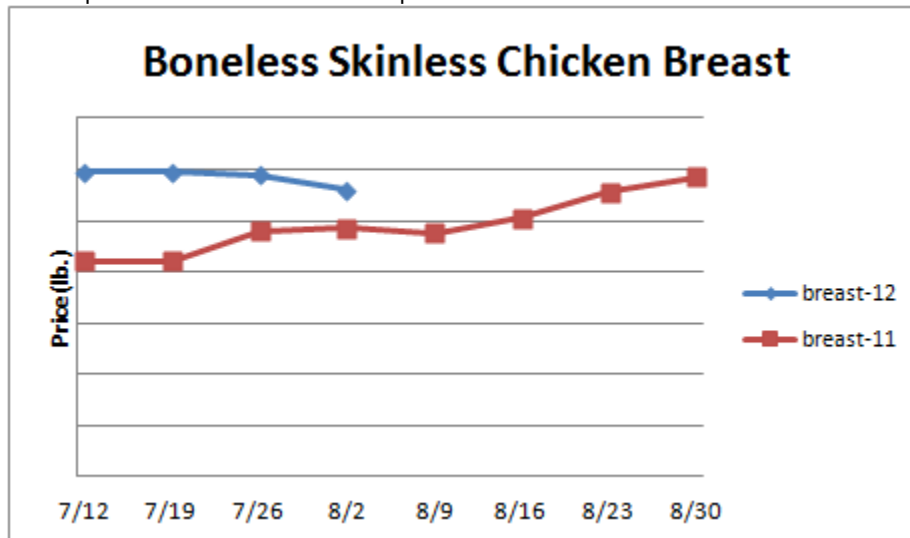
Canned Tomato Report

Tomato Products, Canned- The CA tomato harvest by the end of this week is estimated to be 48% ahead of last year. The canned tomato markets remain 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

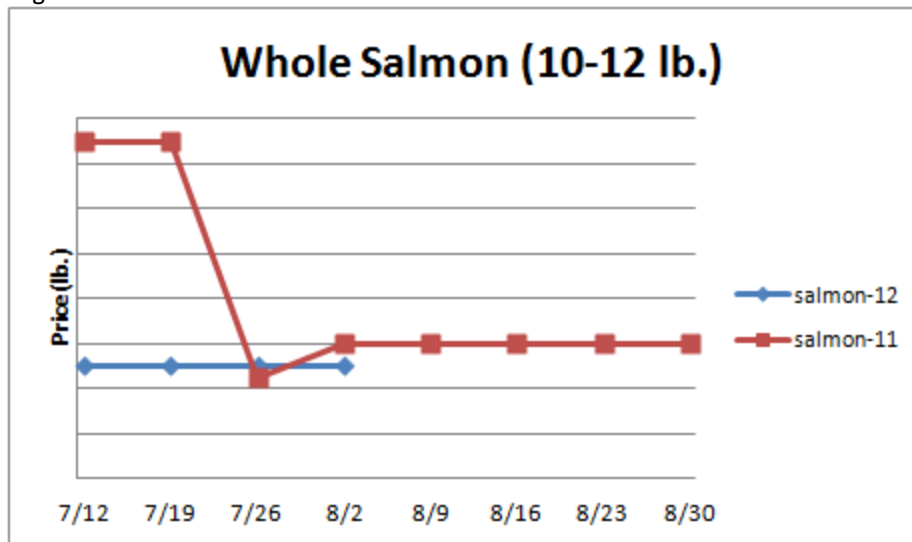
Poultry- Escalating feed costs continue to pinch producer margins. Feed costs have risen an average of 6% a week over the last 3 weeks. The broiler-type chick hatch in June was down 1% versus '11. Pullet placements, which measures new hens added to the breeding hatchery flock, were down 6% during June versus last year. This fall the US hatchery flock may be 3% lower than '11 enabling chicken producers to cut output rates even further. The chicken breast markets have fallen due partly to a better breast meat yield. After some modest seasonal price strength in August, history points to breast prices fading through the fall. Any chicken breast price declines this year may be tempered due to chicken output cutbacks.



	<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	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Steady	Good	Higher
Chicken Breast, Bnless Sknless	Decreasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Increasing	Good	Higher
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Higher
Medium Eggs	Steady	Good	Higher
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Increasing	Good	Higher
Egg Yolks- Liq	Increasing	Good	Higher
Whole Turkey (8-16 lb)	Decreasing	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Lower

Seafood Report

Seafood- The Newfoundland snow crab season is winding down. As of early this week roughly 95% of the Newfoundland snow crab quota had been landed. The US snow crab markets remain historically inflated. However, if the US dollar continues to appreciate, better US snow crab imports may be realized. This could keep snow crab prices below '11 levels this fall. Whole Atlantic salmon prices usually rise 6% in August.



	<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)	Steady	Good	Lower
Snow Crab Legs (5-8 oz)	Decreasing	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.	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	Increasing	Good	Lower
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	Increasing	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>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

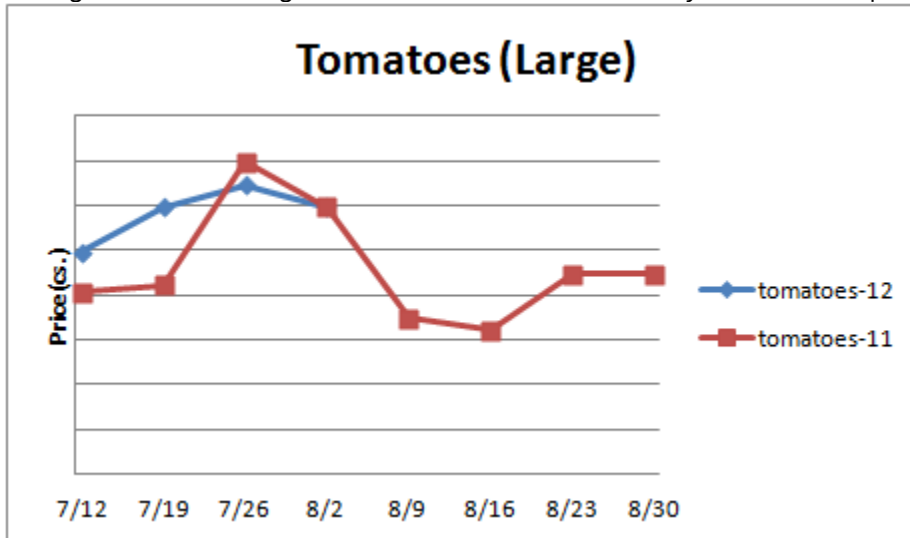
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- June 30th frozen regular cut green bean stocks were 52% larger than '11 due in part to the early start to the harvest. Processed green bean prices are steady.

<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- The Idaho potato markets have turned higher due to seasonally declining stock levels. The Idaho potato crop is progressing with 86% of the crop rated in good to excellent condition. The Idaho potato market (70 ct.) typically rises over the next 3 weeks before peaking for the year. The avocado market continues to price at engaging levels versus the prior 3 years due to strong supplies. So far this season, California avocado shipments are trending 19% above '11. History points to avocado prices rising in August but trending lower for the balance of the year. Tomato prices are lower.



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

Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	Good	Higher
Tomatoes, (large- case)	Decreasing	Good	Same
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Decreasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Steady	Good	Higher
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)	Increasing	Good	Higher
Mesculin Mix (3 lb)-Term.	Decreasing	Good	Lower
Broccoli (14 cnt.)	Increasing	Good	Lower
Squash (case)	Decreasing	Good	Lower
Zucchini (case)	Steady	Good	Lower
Green Beans (bushel)	Decreasing	Good	Higher
Spinach, Flat 24's	Increasing	Good	Lower
Mushrooms (large), Term.	Steady	Good	Higher
Cucumbers, Bushel	Increasing	Good	Lower
Pickles (200-300 ct.)-Term.	Decreasing	Good	Lower
Asparagus (small)	Steady	Good	Higher
Freight (CA to City Avg.)	Increasing	Good	Lower