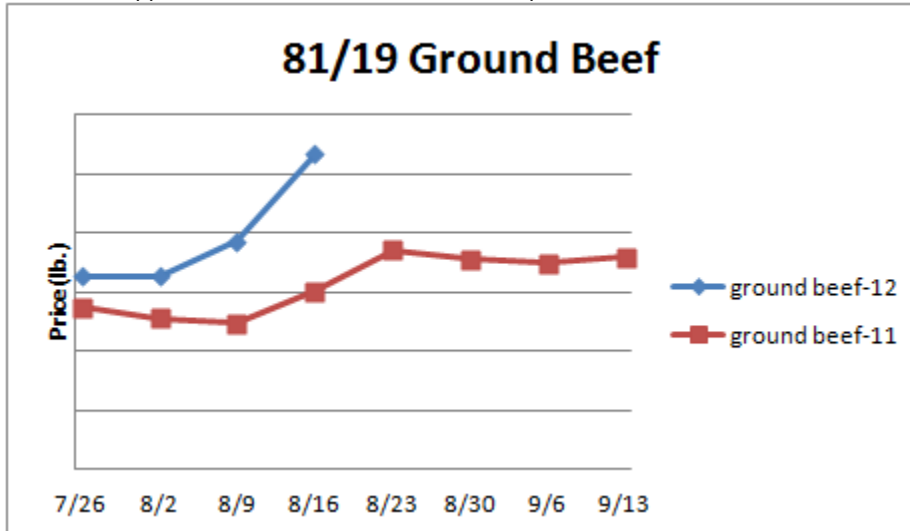


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week fell 1.5% and was 1.8% less than last year. 67% of the pasture conditions in the top 10 beef cow states are in poor to very poor shape. This could limit cattle supplies in '13. Labor Day holiday demand is pressuring beef prices. However the USDA choice boxed beef cutout normally peaks shortly. In June, US beef imports rose 3.2% versus '11 while US beef exports fell 14.4% making the US a net beef importer for the 4th straight month. The Aussie dollar has risen 5% versus the US dollar since June. If the elevated Aussie dollar endures it will be supportive of US lean beef trim prices.

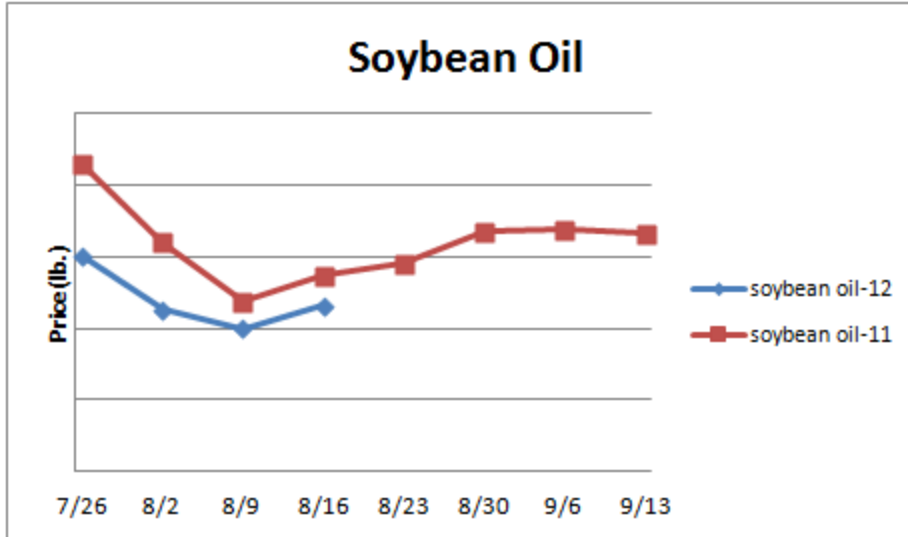


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	Good	Higher
168 Inside Round (choice)	Increasing	Good	Lower
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Lower
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Lower
184 Top Butt, boneless (prime)	Decreasing	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)	Increasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Decreasing	Good	Lower
75% Trimmings	Steady	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

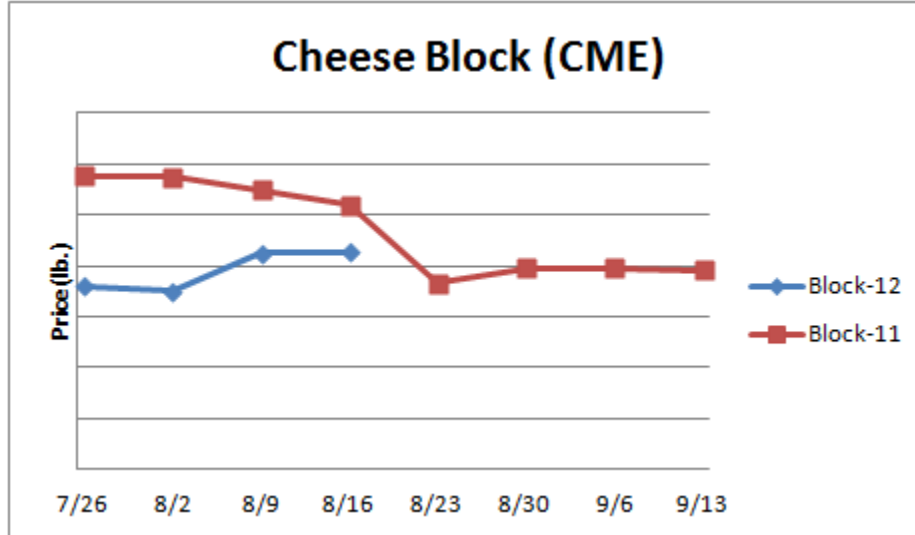
Oil & Grains- Last week's USDA crop report showed the estimated US corn yield to be the lowest in 17 years. The corn market remains volatile and elevated corn prices could persist.



	<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	Decreasing	Good	Higher
Crude Corn Oil	Increasing	Good	Lower
Distillers Grain, Dry	Increasing	Good	Higher
Crude Palm Oil	Decreasing	Good	Lower
Hard Red Winter Wheat	Decreasing	Good	Higher
Dark Northern Spring Wheat	Decreasing	Good	Higher
High Fructose Corn Syrup	Decreasing	Good	Higher
Durum Wheat	Decreasing	Good	Lower

Dairy Report

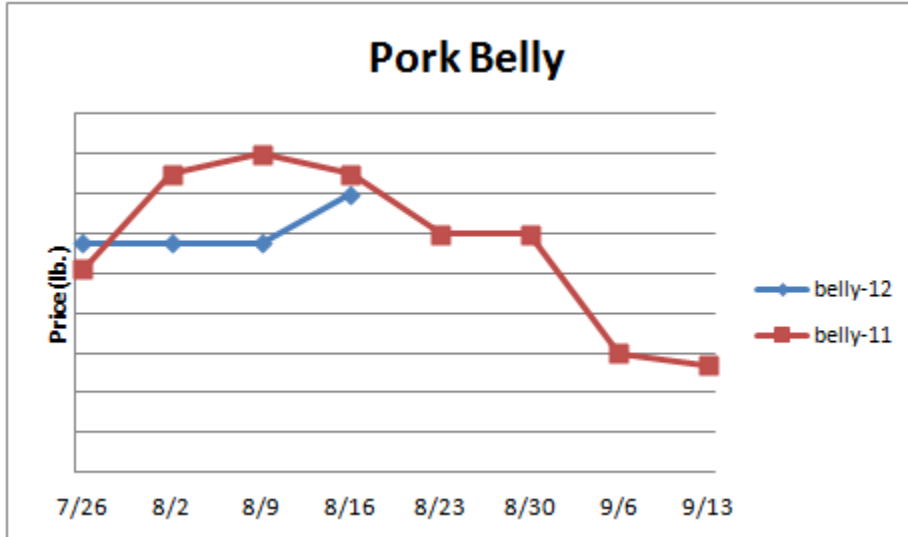
Dairy- Cheese exports during June were 17% larger than last year. US cheese exports are currently encountering a notable headwind with US cheese prices carrying a \$.20 cent premium to global cheese. The upside risk for cheese prices may be modest at best. June US butter exports were 34% less than the prior year and the lowest since February. Butter export demand in the coming months could ease further with Oceania milk production seasonally rising. Butter prices are expected to peak by mid-September. Curbed milk output may temper any fall dairy price declines.



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

Pork Report

Pork- Pork production last week increased .3% and was 1% more than the same week in '11. Pork output this winter is projected to be less than originally anticipated due to rising feed costs. Some pork markets have begun to seasonally fade. The Obama administration recently announced a plan to buy \$100 million of US pork representing less than .2% of annual output. This should have a minimal impact on the pork markets. June US pork exports were 14% more than last year but the smallest since July '11.



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

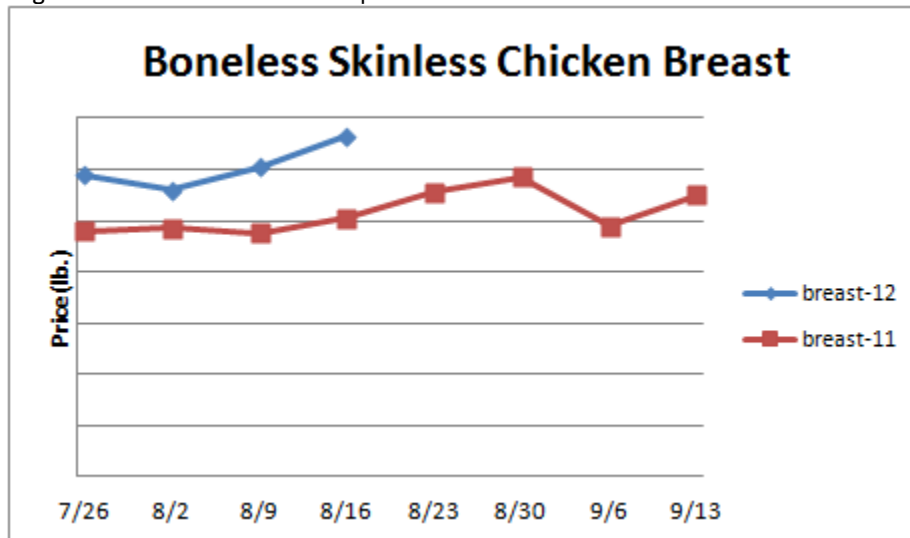
Canned Tomato Report

Tomato Products, Canned- The CA tomato harvest by the end of this week is forecasted to be 23% bigger than the previous year. The canned tomato 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

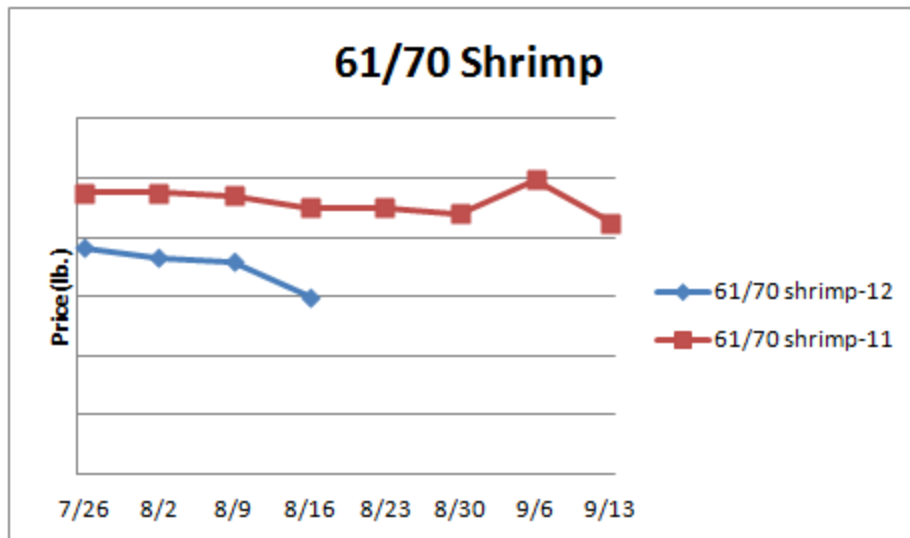
Poultry- Rising feed costs continue to challenge chicken producer margins. The US government is reported to be revisiting their ethanol policies due to historically high corn prices. Even if the ethanol mandate is relaxed, chicken output should remain curbed. President Obama recently announced a plan to buy \$50 million of US chicken. This would represent less than .1% of annual chicken output and should not greatly impact chicken prices. Demand for chicken is seasonally increasing. Chicken breast prices are expected to fade in September but even higher wing prices are anticipated this fall. Since '07, the average move for wings from now through January is 20% higher. June US chicken exports were 12.3% more '11.



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

Seafood Report

Seafood- In June, total US shrimp imports were 4.7% lower than a year ago but shell-on shrimp imports were 6% more than the prior year. Since June, the US dollar valuation has appreciated modestly. If this trend continues it could sustain healthy US shrimp imports. 2012 through June US snow crab imports were 1.7% above the past year. The snow crab leg markets are anticipated to remain below year ago levels deep into the fall.



	<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)	Decreasing	Good	Lower
Snow Crab Legs (5-8 oz)	Steady	Good	Lower
Snow Crab Legs (8 oz up)	Steady	Good	Higher
Cod Tails, 3-7 oz. Frz.	Steady	Good	Lower
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	Increasing	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	Lower

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>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

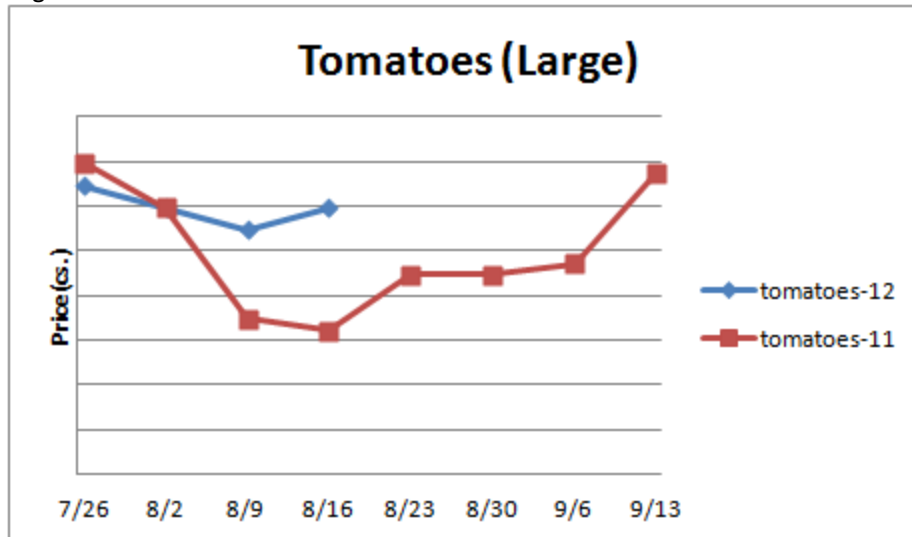
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- The green bean harvest is expected to progress during the next several weeks. The processed green bean markets remain steady to 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- The fall US potato crop is progressing and the harvest will build in the coming weeks. As of last week, 95% of the Idaho potato crop was rated in good to excellent condition. Potato prices have begun to fade and may have peaked for the year. Iceberg lettuce supplies have been tight over the past few weeks due in part to quality problems. The iceberg lettuce market is currently 13% above its 3 year average. Lower iceberg lettuce prices may materialize soon with favorable weather forecasted for the Salinas CA region. The avocado market frequently tops in late August.



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

Yellow Onions (50 lb)-Term.	Decreasing	Good	Higher
Red Onions (25 lb)-Term.	Increasing	Good	Higher
White Onions (50 lb)-Term.	Increasing	Good	Higher
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Increasing	Good	Same
Roma Tomatoes (large- case)	Increasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Increasing	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)	Increasing	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)	Increasing	Good	Lower
Zucchini (case)	Increasing	Good	Lower
Green Beans (bushel)	Decreasing	Good	Lower
Spinach, Flat 24's	Increasing	Good	Lower
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.)	Steady	Good	Lower