Weekly Market Updates

PERFORMANCE FOODSERVICE ROMA

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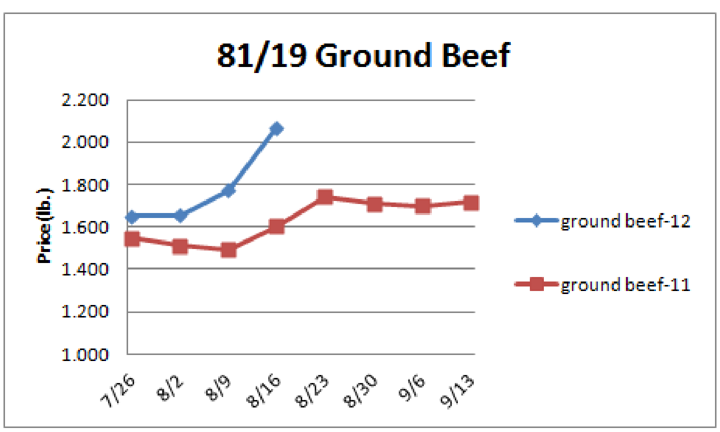
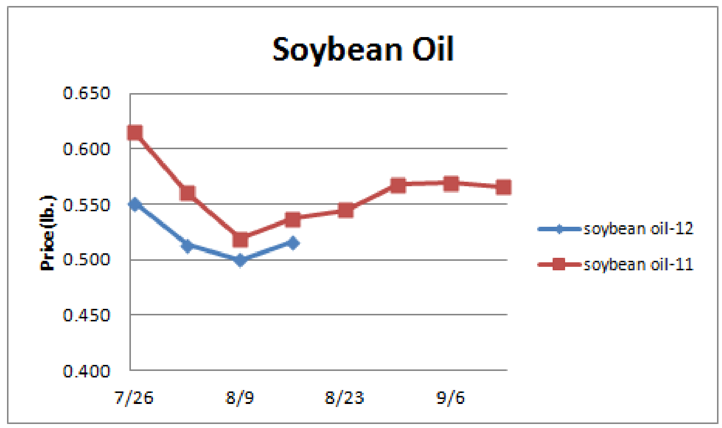
Beef- Beef output last week fell 1.5% and was 1.8% less than last year. 67% of the pasture conditions in the top 10 beef cow states are in poor to very poor shape. This could limit cattle supplies in '13. Labor Day holiday demand is pressuring beef prices. However the USDA choice boxed beef cutout normally 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.196	1.179	+.017	1.169
Feeder Cattle Index (CME)	1.381	1.374	+.007	1.337
Ground Beef 81/19	2.070	1.774	+.296	1.602
Ground Chuck	2.075	1.803	+.272	1.658
109e Export Rib (choice)	5.721	5.392	+.329	4.786
109e Export Rib (prime)	8.900	8.944	-.044	8.357
112a Ribeye (choice)	6.394	6.114	+.280	5.286
112a Ribeye (prime)	9.188	9.098	+.090	8.588
116 Chuck (select)	2.294	2.192	+.102	2.277
116 Chuck (choice)	2.290	2.184	+.106	2.265
116b Chuck Tdnr (choice)	2.273	2.137	+.136	2.110
120 Brisket (choice)	2.074	2.025	+.049	1.938
121c Outside Skirt (ch/sel)	5.461	5.421	+.040	3.864
121d Inside Skirt (ch/sel)	3.515	3.486	+.029	3.380
167a Knckle, Trm. (ch.)	2.321	2.257	+.064	2.300
168 Inside Round (ch.)	2.096	2.007	+.089	2.253
174 Short Loin (ch. 0x1)	5.404	5.123	+.281	4.750
174 Short Loin (prime)	8.455	8.302	+.153	8.452
180 1x1 Strp (choice)	4.884	4.671	+.231	4.414
180 1x1 Strp (prime)	8.971	9.546	-.575	9.801
180 0x1 Strp (choice)	5.549	5.189	+.360	4.825
184 Top Butt, bnls (ch.)	3.138	3.077	+.061	3.215
184 Top Butt, bnls (prime)	3.765	3.791	-.026	3.546
185a Sirloin Flap (choice)	4.365	4.253	+.112	4.045
185c Loin, Tri-Tip (choice)	3.236	3.124	+.112	2.660
189a Tender (select)	8.983	8.730	+.253	8.107
189a Tender (choice)	9.784	9.157	+.627	8.501
189a Tender (prime)	13.342	13.181	+.161	11.511
193 Flank Steak (choice)	5.046	4.883	+.163	4.836
50% Trimmings	.468	.425	+.043	1.007
65% Trimmings	1.005	1.029	-.024	1.252
75% Trimmings	1.527	1.527	-	1.436
85% Trimmings	1.956	1.901	+.055	1.683
90% Trimmings	2.102	2.075	+.027	1.789
90% Imported Beef (frz.)	2.040	2.035	+.005	1.900
95% Imported Beef (frz.)	2.160	2.155	+.005	2.055
Veal Rack (Hotel 7 rib)	7.725	7.725	-	1.169
Veal Top Rnd. (cp. off)	13.950	13.950	-	1.337



Oil, Grains, Misc.- 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. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	16.636	16.096	+.540	13.437
Crude Soybean Oil, lb.	.516	.500	+.016	.537
Soybean Meal, ton	550.100	545.300	+4.800	344.000
Corn, bushel	7.745	7.910	-.165	7.109
Crude Corn Oil, lb.	.575	.563	+.012	.595
High Fructose Corn Syrup	.211	.215	-.004	.197
Distillers Grain, Dry	305.000	295.625	+9.375	191.000
Crude Palm Oil, lb. BMD	.408	.412	-.004	.476
HRW Wheat, bushel	8.245	8.685	-.440	7.810
DNS Wheat 14%, bushel	9.020	9.310	-.290	8.970
Durum Wheat, bushel	7.588	7.725	-.137	10.675
Pinto Beans, lb.	.463	.460	+.003	.381
Black Beans, lb.	.420	.420	-	.380
Rice, Long Grain, lb.	.265	.259	+.006	.268
Coffee, lb. NYBOT	1.597	1.715	-.118	2.464
Sugar, lb. NYBOT	.293	.295	-.002	.392
Honey (Clover), lb.	1.693	1.693	-	1.700



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. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.813	1.825	-.012	2.093
Cheese Blocks (CME)	1.853	1.850	+.003	2.040
American Cheese	1.980	1.870	+.110	2.490
Cheddar Cheese (40 lb.)	2.210	2.095	+.115	2.590
Mozzarella Cheese	2.055	1.940	+.115	2.488
Provolone Cheese	2.405	2.290	+.115	2.645
Parmesan Cheese	3.485	3.370	+.115	3.825
Butter (CME)	1.778	1.735	+.043	2.090
Nonfat Dry Milk	1.359	1.313	+.046	1.619
Whey, Dry	.534	.522	+.012	.570
Class 1 Base	16.550	16.550	-	21.430
Class II Cream, heavy	2.685	2.592	+.093	3.132
Class III Milk (CME)	19.140	19.200	-.006	19.610
Class IV Milk (CME)	17.680	16.800	+.880	19.100

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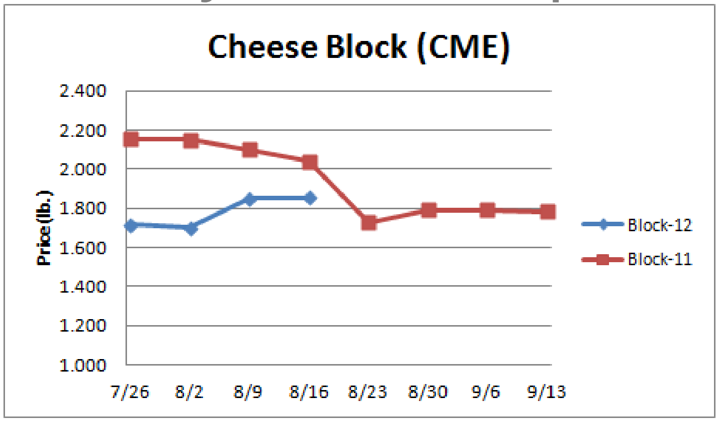
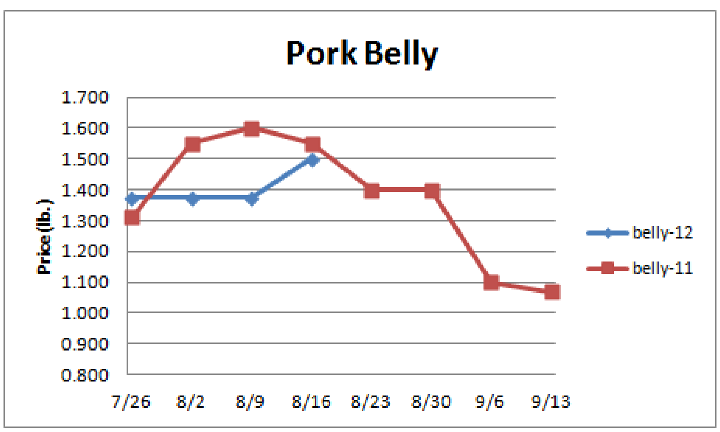


Pork- Pork production last week increased .3% and was 1% more than the same week in '11. Pork output this winter is projected to be less than originally anticipated due to rising feed costs. Some pork markets have begun to seasonally fade. The Obama administration recently announced a plan to buy $100 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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.641	.655	-.014	.766
Belly (bacon)	1.500	1.375	+.125	1.550
Sparerib (4.25 lb. & down)	1.288	1.323	-.035	1.723
Ham (20-23 lb.)	.800	.830	-.030	.910
Ham (23-27 lb.)	.790	.830	-.040	.920
Loin (bone-in)	1.018	.988	+.030	1.305
Bbybck Rib (1.75 lb. & up)	2.100	2.149	-.049	3.320
Tenderloin (1.25 lb.)	2.538	2.560	-.022	3.450
Boston Butt, untrmd. (4-8 lb.)	.890	.839	+.051	1.032
Picnic, untrmd.	.656	.676	-.020	.785
SS Picnic, smoker trm. bx.	.823	.823	-	1.040
42% Trimmings	.630	.618	+.012	.880
72% Trimmings	.710	.720	-.010	.960



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. Prices per case (6/10) FOB, unless noted from ARA.

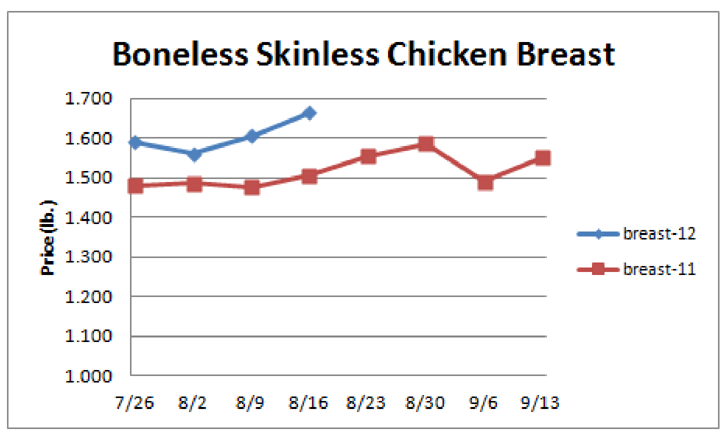
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- The green bean harvest is expected to progress during the next several weeks. The processed green bean markets remain steady to firm. 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- 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. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.950	.948	+.002	.880
Whole Birds (LA)	1.040	1.040	-	.970
Wings (whole)	1.895	1.890	+.005	.835
Wings (jumbo, cut)	1.840	1.838	+.002	1.060
Breast, Bone In	1.035	1.030	+.005	.835
Breast, Bnless Skinless	1.665	1.605	+.060	1.505
Tenderloin (random)	1.290	1.290	-	1.180
Tenderloin (sized)	1.920	1.920	-	1.780
Legs (whole)	.672	.638	+.034	.668
Leg Quarters	.510	.510	-	.480
Thighs, bone in	.784	.793	-.009	.714
Thighs, boneless	1.282	1.289	-.007	1.302
Eggs and Others				
Large (dozen)	1.570	1.503	+.067	1.093
Medium (dozen)	1.038	1.068	-.030	.715
Whole Eggs- Liquid	.691	.714	-.023	.642
Egg Whites- Liquid	.509	.507	+.002	.468
Egg Yolks- Liquid	1.004	.956	+.048	.789
Whole Turkeys (8-16 lb.)	1.080	1.075	+.005	1.070
Turkey Breast, Bnls/Sknls	1.874	1.862	+.012	2.520



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. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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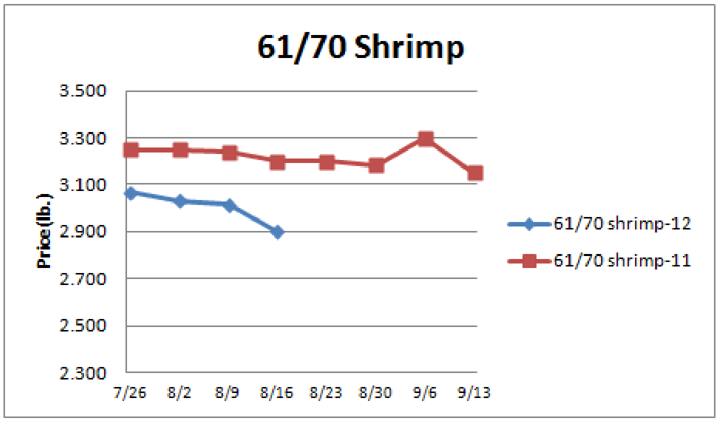
	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.100
Catfish Filets	4.500	4.500	-	5.250
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.313	5.465	-.152	6.780
Shrimp (61/70), Frz.	2.900	3.017	-.117	3.200
Shrimp, Tiger (26/30), Frz.	4.700	4.725	-.025	4.950
Snow Crab, Legs 5-8 oz, Frz	4.725	4.725	-	5.850
Snow Crab, Legs 8 oz/ up, Fz	5.000	5.000	-	6.475
Cod Tails, 3-7 oz., Frz.	3.475	3.475	-	3.200
Cod Loins, 3-12 oz., Frz	3.425	3.425	-	3.684
Salmon Portions, 4-8 oz, Frz	5.083	5.083	-	6.471
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.800



Energy & Currency-Currency US dollar is worth.

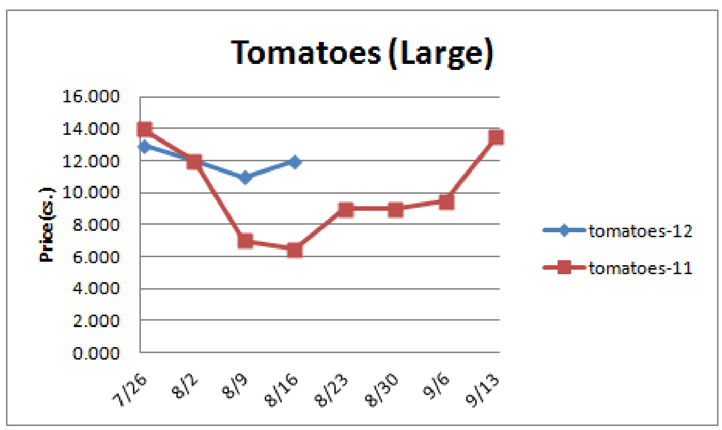
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	93.430	93.670	-.240	87.880
Natural Gas, mbtu- nymex	2.834	2.964	-.130	4.024
Heating Oil, gal- nymex	3.035	2.998	+.037	2.944
Electricity, mwht- nymex	39.640	46.020	-6.380	49.940
Gasoline, gal- nymex	3.001	2.991	+.010	2.875
Diesel Fuel, gal- eia	3.965	3.850	+.115	3.835
Ethanol, gal- usda	2.510	2.740	-.230	2.940
Canadian $	.991	.997	-.006	.986
Japanese Yen	78.795	78.456	+.336	76.784
Mexican Peso	13.166	13.240	-.074	12.256
Euro	.814	.810	+.004	.699
Brazilian Real	2.024	2.030	-.006	1.606

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)	851.430	861.390	-9.960	992.750
WP; 42 lb. Linerboard (corr.)	666.260	671.197	-4.937	828.850
Res; PS-CHH (cup, cont.)	1.130-1.170	1.130-1.170	-	1.120-1.160
Res; PP-HIGP (hvy utensil)	.910-.930	.910-.930	-	1.160-1.180
Res; PE-LLD (cn liner, film)	.800-.830	.800-.830	-	.880-.910

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. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	9.500	10.000	-.500	13.000
Lemons (95 ct.)	18.240	18.240	-	24.640
Lemons (200 ct.)	20.740	20.740	-	21.140
Honeydew (6 ct.)	6.000	6.500	-.500	8.500
Cantaloupe (15 ct.)	3.750	4.000	-.250	4.925
Blueberries (12 count)	18.333	19.333	-1.000	19.250
Strawberries (12 pnts.)	11.500	10.500	+1.000	10.500
Avocados (Hass 48 ct.)	24.750	26.750	-2.000	52.750
Bananas (40 lb.)- Term.	15.384	15.527	-.143	15.240
Pineapple (7 ct.)- Term.	15.472	14.214	+1.258	25.188
Idaho Potato (60 ct., 50 lb.)	11.250	8.500	+2.750	20.000
Idaho Potato (70 ct., 50 lb.)	11.000	8.500	+2.500	20.000
Idaho Potato (70 ct.)-Term.	15.625	14.725	+.900	29.167
Idaho Potato (90 ct., 50 lb.)	9.500	6.250	+3.250	16.000
Idaho Pot. # 2 (6 oz., 100 lb.)	17.000	10.000	+7.000	24.000
Processing Potato (cwt.)	7.500	7.500	-	13.000
Yellow Onions (50 lb.)	10.167	10.500	-.333	8.625
Yell Onions (50 lb.)-Term.	16.094	16.021	+.073	12.928
Red Onions (25 lb.)- Term.	15.250	14.656	+.594	9.490
White Onions (50 lb.)- Term.	18.000	18.250	-.250	16.000
Tomatoes (large- case)	10.950	11.950	-1.000	6.963
Tomatoes (5x6-25 lb.)-Term	13.583	14.528	-.945	12.626
Tomatoes (4x5 vine ripe)	8.450	8.950	-.500	12.950
Roma Tomatoes (large- case)	11.163	9.208	+1.955	7.332
Roma Tomatoes (xlarge-cs)	10.960	9.208	+1.752	9.844
Green Peppers (large- case)	7.690	8.032	-.342	11.184
Red Peppers (large 15lb. cs.)	15.950	13.950	+2.000	8.450
Iceberg Lettuce (24 count)	10.328	11.285	-.957	6.398
Iceberg Lettuce (24)-Term.	17.333	19.500	-2.167	15.000
Leaf Lettuce (24 count)	9.763	8.525	+1.238	6.738
Romaine Lettuce (24 cnt.)	11.335	12.375	-1.040	6.663
Mesculin Mix (3 lb.)-Term.	6.875	6.726	+.149	6.938
Broccoli (14 ct.)	6.835	7.088	-.253	7.750
Squash (1/2 bushel)	7.925	6.575	+1.350	12.425
Zucchini (1/2 bushel)	8.425	6.488	+1.937	12.800
Green Beans (bushel)	22.700	25.550	+.150	23.759
Spinach, Flat 24's	11.045	9.740	+1.305	12.050
Mushrms (10 lb, lg.)-Term.	15.000	15.146	-.146	11.077
Cucumbers (bushel)	9.932	13.044	-3.112	15.072
Pickles (200-300 ct.)- Term.	23.188	23.708	-.520	23.438
Asparagus (small)	16.750	12.500	+4.250	11.750
Freight (Truck; CA-Cty Av.)	5680.000	5622.222	+57.778	5968.750



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

	Jul-12	Jun-12	May-12	Apr-12
Beef and Veal	+.590	+.607	+.621	+.300
Dairy	-.487	-.283	-.378	+1.000
Pork	+.403	-.091	-.794	-.600
Chicken	+1.310	+1.736	-2.050	+.800
Fresh Fish and Seafood	-.010	-.168	-.379	+1.400
Fresh Fruits and Veg.	-1.303	+.126	+.532	+1.100