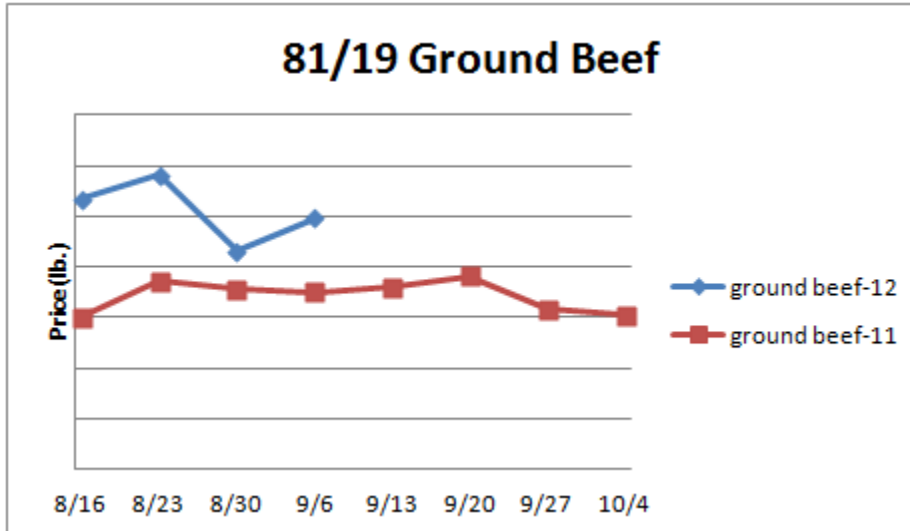


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef production last week decreased 1.8% and was .7% less than the same week the prior year. This shortened holiday week may limit beef output and support beef prices in the near term. Still, the USDA choice boxed beef cutout typically drops 2.7% over the next 5 weeks. Beef production is projected to seasonally decline this fall. When it does, it's likely that the USDA choice boxed beef cutout could challenge its record high set in March. The 90% beef trimming market normally trends 12.8% lower during the next 6 weeks. The 50% beef trimming market remains weak due to lack of LFTB demand.

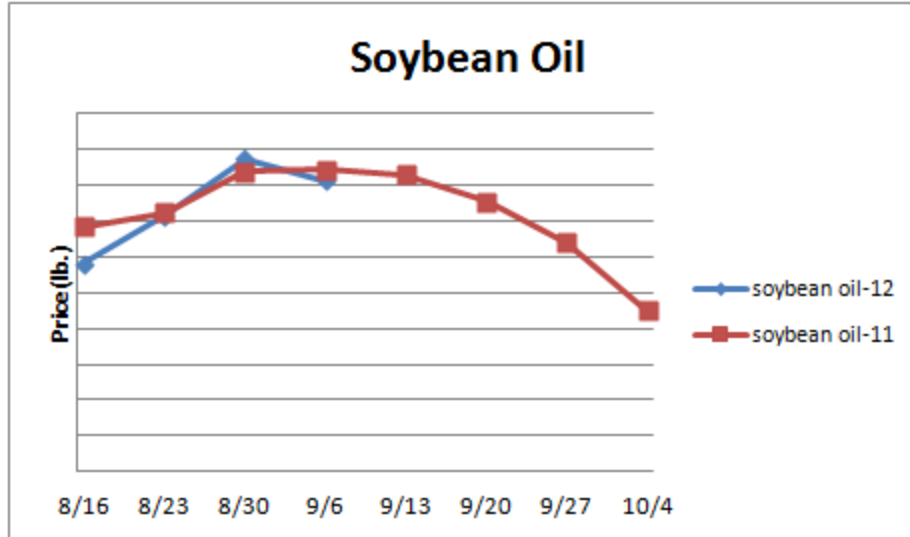


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Decreasing	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	Higher
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	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)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Increasing	Good	Higher

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

Oil and Grains Report

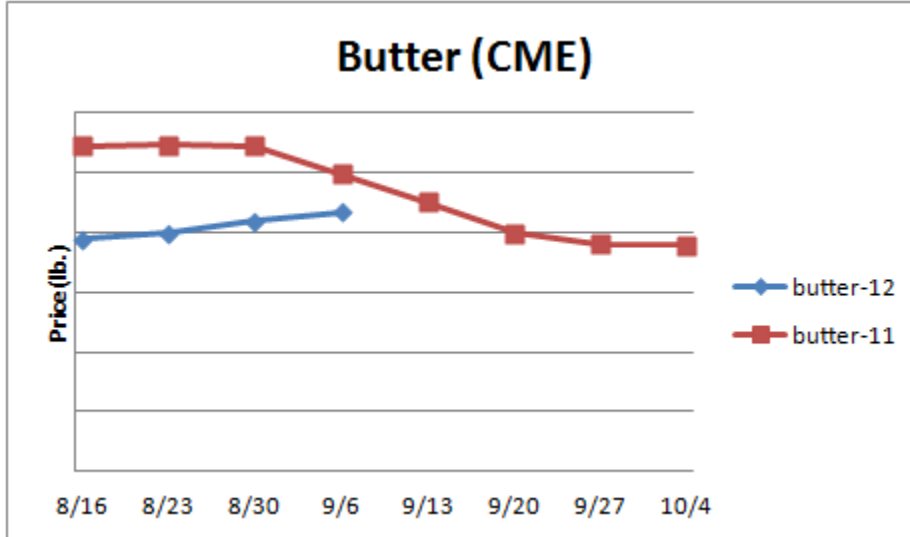
Oil & Grains- Winter wheat planting is getting underway this month but may be challenged by very dry soil conditions. Elevated winter wheat prices could persist.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Soybeans	Increasing	Good	Higher
Crude Soybean Oil	Increasing	Good	Lower
Soymeal	Decreasing	Good	Higher
Corn	Decreasing	Good	Higher
Crude Corn Oil	Increasing	Good	Lower
Distillers Grain, Dry	Decreasing	Good	Higher
Crude Palm Oil	Increasing	Good	Lower
Hard Red Winter Wheat	Increasing	Good	Higher
Dark Northern Spring Wheat	Decreasing	Good	Lower
High Fructose Corn Syrup	Steady	Good	Higher
Durum Wheat	Increasing	Good	Lower

Dairy Report

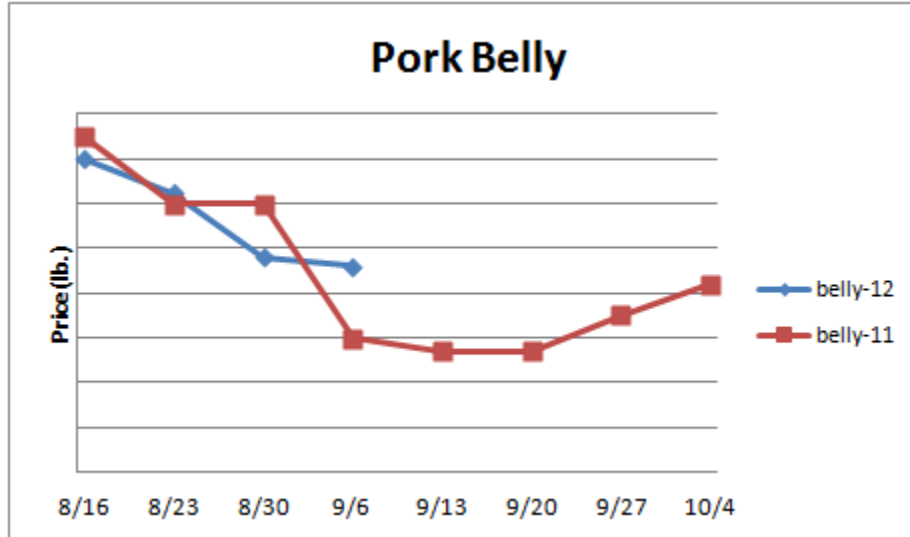
Dairy- The cheese markets have modestly softened during the last week. International cheese prices are firming as confirmed by Fonterra's global dairy trade auction this week. However, international cheese prices remain well below the US markets. This is tempering US cheese exports and could put further downward pressure on US cheese prices. The butter market remains resiliently firm. Though, the seasonal tendency for the butter market is to peak next week. Since '07, the average move for the butter market from its September high until the end of the year is 11% lower.



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

Pork Report

Pork- Pork output last week rose .9% and was 7.6% more than '11. Pork supplies are forecasted to seasonally build during this month but the extraordinarily large year over year output gains experienced in recent weeks should culminate soon. History points to the USDA pork cutout trending 11.7% lower over the next 10 weeks. Ham and pork belly prices usually decline in the fall before bottoming in November. But this year these markets are likely to bottom earlier than normal due to the tighter hog and pork supply scenario expected in '13.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Lower
Belly (bacon)	Decreasing	Good	Higher
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)	Decreasing	Good	Lower
Boston Butt, untrimmed 4-8 lb.	Decreasing	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

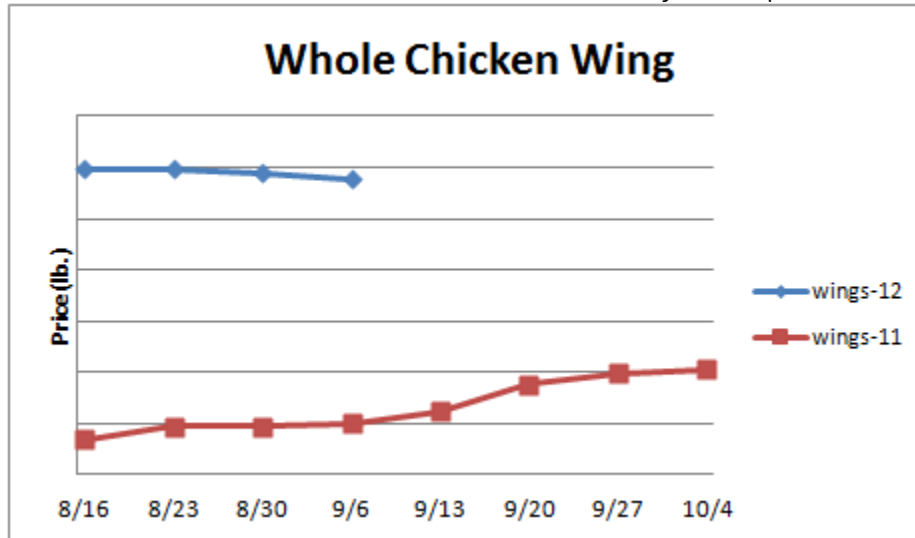
Canned Tomato Report

Tomato Products, Canned- The CA tomato harvest is progressing with 8.2 million tons expected to be landed by this Saturday. Canned tomato prices 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

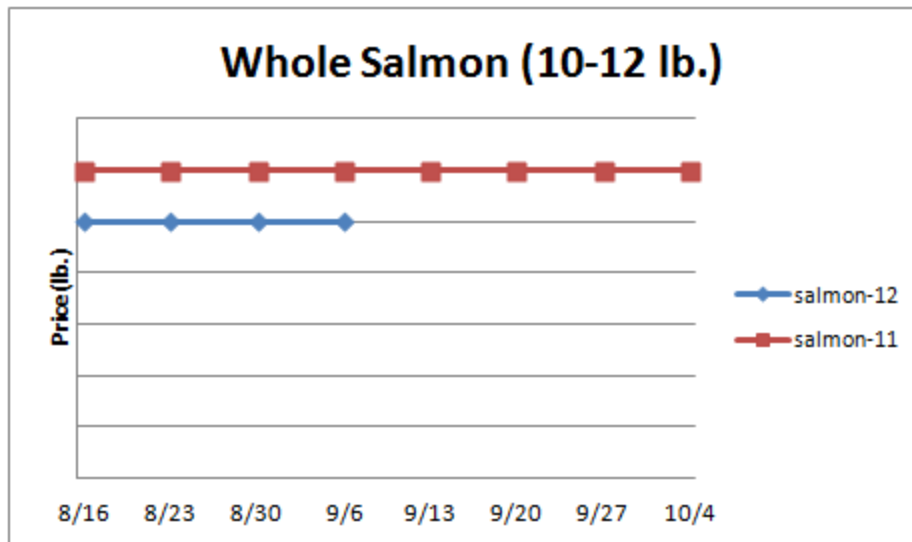
Poultry- The ARA chicken cutout index last week priced at its highest level since July '04 but may have seasonally peaked. The ARA chicken cutout usually declines 17% during the next 9 weeks. Broiler type egg sets from 2 weeks ago were 1% below last year. Chicken production is anticipated to trend below '11 this fall in response to poor producer margins. This might intensify the usual seasonal upward chicken wing market climb into the winter. Typically, chicken wing prices rise 6% over the next 10 weeks. The chicken breast markets appear to have formed a top. Chicken breast price depreciation is anticipated this fall. Yet, it's likely that this year's seasonal decline for the boneless skinless breast market may be tempered.



	<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)	Increasing	Good	Higher
Chicken Wings, Whole	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Decreasing	Good	Higher
Chicken Breast, Bone-In	Decreasing	Good	Higher
Chicken Breast, Bnless Sknless	Decreasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Increasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Lower
Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Increasing	Good	Higher
Large Eggs	Decreasing	Good	Lower
Medium Eggs	Decreasing	Good	Lower
Whole Eggs- Liq	Decreasing	Good	Higher
Egg Whites- Liq	Decreasing	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- The Newfoundland snow crab fishing season has culminated with 50,504 metric tons of snow crabs landed- 96% of the quota. That is 4.6% less than last year and 3.3% below the '10 season. The snow crab market is currently 14% below its 2 year price average. Snow crab prices could rise next year if the US dollar further depreciates. Global salmon output has been solid but available supplies may modestly tighten in '13.



	<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)	Increasing	Good	Lower
Shrimp, Tiger (26-30 count)	Steady	Good	Lower
Snow Crab Legs (5-8 oz)	Increasing	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	Higher
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	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	Lower
PP-HIGP-heavy grade utensils	Decreasing	Good	Lower
PE-LLD-can liners, film, bags	Increasing	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

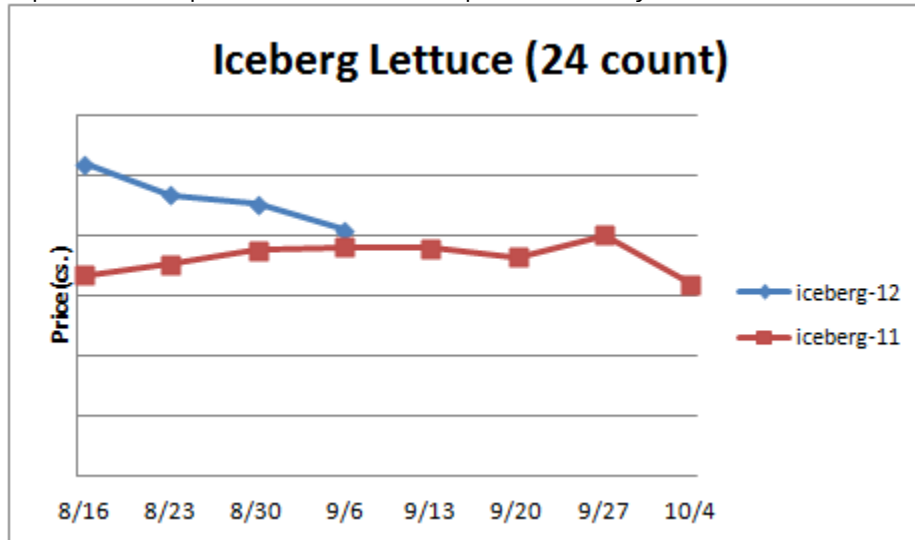
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- July 31st frozen cut corn (7%), green bean (59%) and French style green bean (41%) stocks were all more than '11. The processed vegetable markets are 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 Idaho potato harvest is underway and potato supplies are adequate. Potato prices this year are much lower versus prior years which may limit any further downside price movement. The CA lettuce harvest has improved and lettuce supplies are sufficient. Fairly engaging lettuce prices could preserve over the next several weeks. The tomato markets are firming and history suggests further price increases may be pending. Since '07, the average move for the mature green tomato market during September is up 43%. Hass avocado prices usually fade from now into the winter.



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

Red Onions (25 lb)-Term.	Steady	Good	Higher
White Onions (50 lb)-Term.	Steady	Good	Lower
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Lower
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)	Decreasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Lower
Iceberg Lettuce (24 count)	Decreasing	Good	Higher
Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Higher

Produce Report (continued)

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