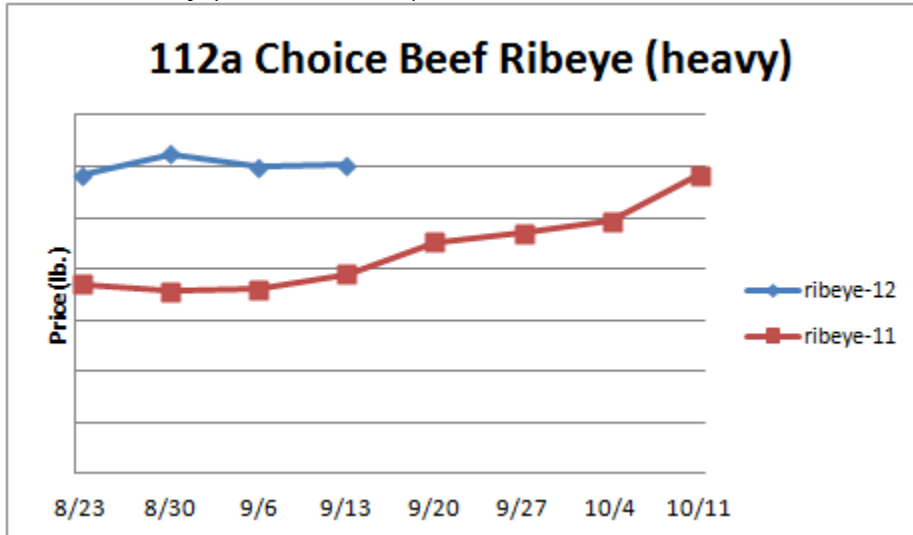


# Beef, Veal and Lamb Report

**Beef, Veal & Lamb-** Beef production last week was 2.6% lower than last year. Cattle supplies are forecasted to be tight this fall. The USDA is estimating beef output during the 4th quarter to be 4.4% below '11. The beef markets are likely to be supported in the coming months. July US beef exports were down 16% versus last year. This was due to inflated beef prices and a firm US dollar. Japan is expected to ease import restrictions on US beef early next year. If this comes to fruition it would support beef trade as Japan is the largest importer of US beef. The chuck and brisket markets usually peak in mid- September.

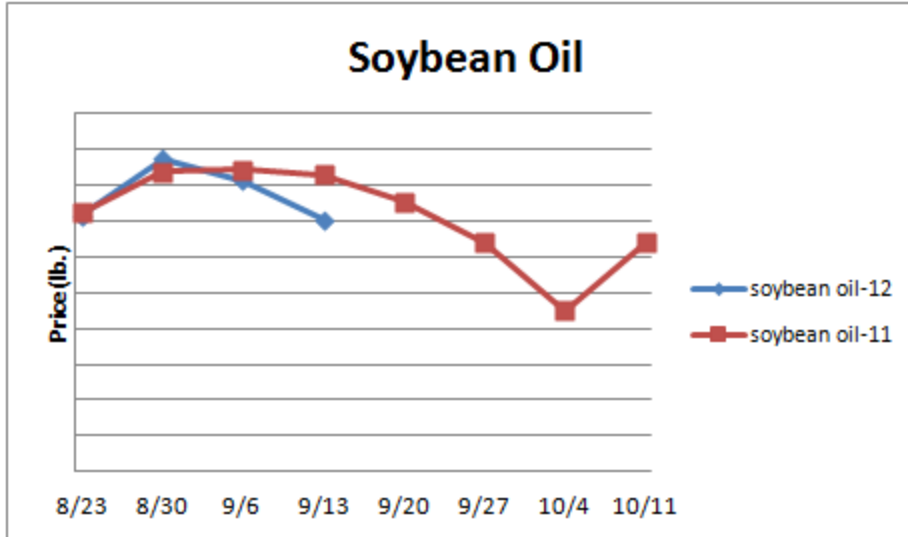


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Lower
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)	Increasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Lower
184 Top Butt, boneless (prime)	Increasing	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)	Increasing	Good	Higher
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Decreasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher

<b>90% Imported Beef (frozen)</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Veal Rack (Hotel 7 rib)</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Veal Top Round (cap off)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>

## Oil and Grains Report

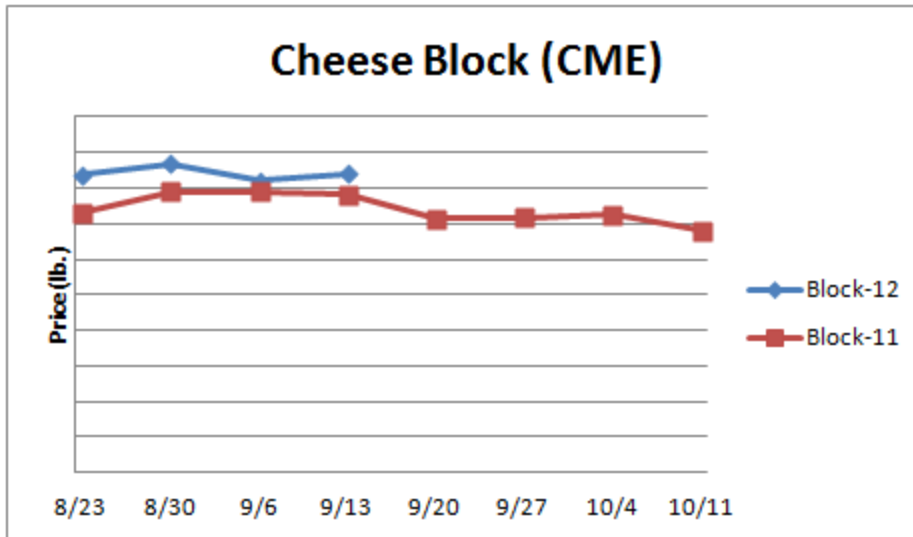
**Oil & Grains-** The USDA lowered their 12/13 corn and soybean harvest estimates. Corn and soybean supplies remain historically tight. Elevated grain prices could persist into the fall.



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

# Dairy Report

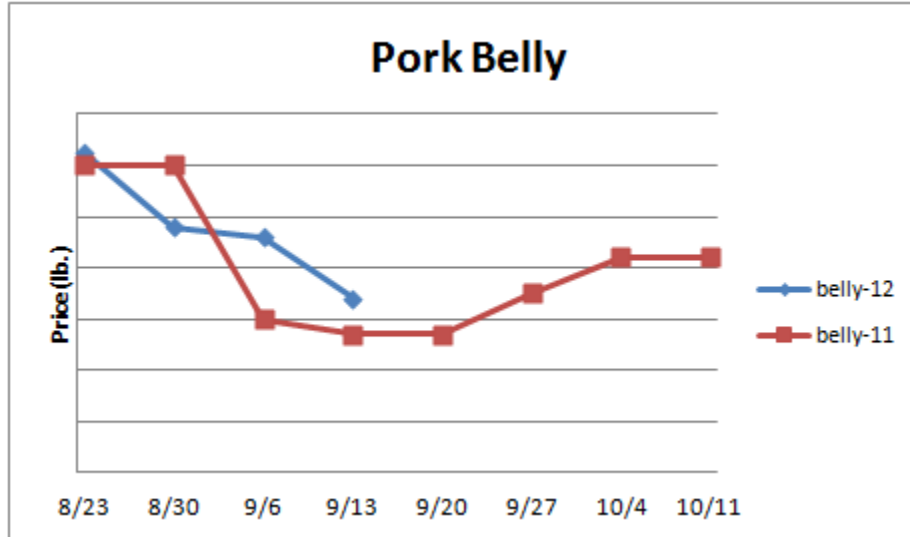
**Dairy-** The cheese markets may have peaked. Still, history suggests that any notable cheese market declines may not take place until December. July cheese exports were up 35% from last July's low level but were the smallest since February. The CME butter market has risen 42% from its May low but is finally showing signs that a seasonal top has been made. History suggests that the upside price risk for butter from here is nominal. Butter exports were down 27% versus '11. If the US dollar depreciates it could support dairy exports and temper any fall cheese and butter price declines.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Cheese Barrels- CME</b>	Increasing	Good	Higher
<b>Cheese 40 lb Blocks- CME</b>	Increasing	Good	Higher
<b>American Cheese</b>	Decreasing	Good	Lower
<b>Cheddar Cheese</b>	Decreasing	Good	Lower
<b>Mozzarella Cheese</b>	Decreasing	Good	Lower
<b>Provolone Cheese</b>	Decreasing	Good	Higher
<b>Parmesan Cheese</b>	Decreasing	Good	Higher
<b>Butter- One lb Solids</b>	Decreasing	Good	Lower
<b>Nonfat Dry Milk</b>	Increasing	Good	Higher
<b>Whey, Dry</b>	Increasing	Good	Lower
<b>Class I Milk Base</b>	Steady	Good	Lower
<b>Class II Cream (Heavy Cream)</b>	Increasing	Good	Higher
<b>Class III Milk- CME</b>	Decreasing	Good	Higher
<b>Class IV Milk- CME</b>	Decreasing	Good	Higher

# Pork Report

**Pork-** Pork output last week was 2.7% more than '11. Hog supplies have been excessive but the glut may lessen in the coming weeks. Seasonal pork market weakness has been prevalent. This trend may temporarily pause soon. History points to the USDA daily pork cutout declining 10.8% during the next 8 weeks. Pork exports in July were up 6.8% compared to last year but the lowest since July '11. With fairly engaging ham prices in place it might encourage exports especially if the US dollar valuation further depreciates.



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

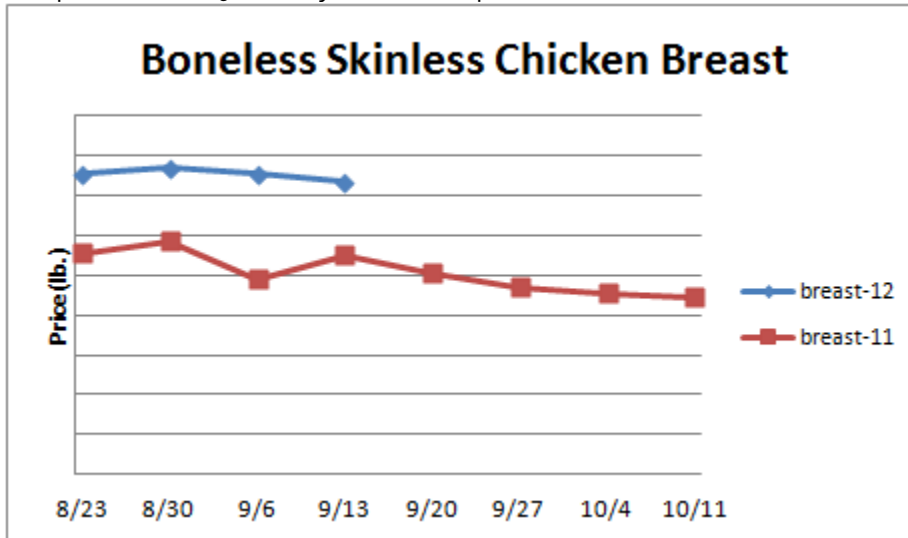
# Canned Tomato Report

**Tomato Products, Canned-** US contracted tomato production this year is forecasted by the USDA to be 9% bigger than '11. The canned tomato markets are firm.

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Whole Peeled Standard</b>	Steady	Good	Higher
<b>Diced, Fancy</b>	Steady	Good	Higher
<b>Ketchup, 33%</b>	Steady	Good	Higher
<b>Tomato Paste- Ind.</b>	Steady	Good	Higher

# Poultry Report

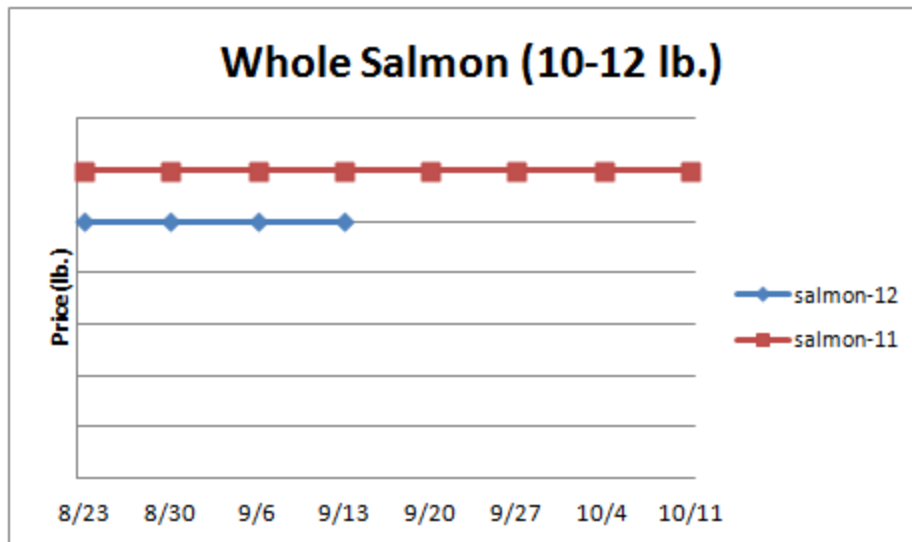
**Poultry**- Chicken producer profitability continues to wane due largely to expensive feed costs. Spot profit margins last week were the lowest in the prior 4 weeks. This tough business environment for chicken producers is likely to persist. In response, chicken production rates are anticipated to run below '11 levels in the coming months. The daily ARA boneless skinless chicken breast index has probably peaked falling 5.6% since August 30th. History points to lower breast prices this fall but this year's seasonal price decline may be tempered due to the expected curbed broiler output. Chicken wing demand is up due to football season kicking off. Record high wings prices are possible in Q4. July chicken exports were down 6.9% versus '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	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Steady	Good	Higher
Chicken Breast, Bone-In	Increasing	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	Lower
Chicken Thighs, bone in	Decreasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Lower
Large Eggs	Increasing	Good	Lower
Medium Eggs	Increasing	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)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Increasing	Good	Lower

# Seafood Report

**Seafood-** July salmon fillet/steak imports were 23% larger than '11. 2012 salmon fillet/steak imports through July were 7.7% above a year ago. A rising US dollar valuation along with solid global salmon output have contributed to healthy US salmon supplies. The whole fresh salmon market is currently 17% below its 3 year price average. But, if the US dollar devalues salmon imports may wane and salmon prices could rise.



	<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)	Steady	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	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>
<b>Pinto Beans</b>	Decreasing	Good	Lower
<b>Black Beans</b>	Decreasing	Good	Lower
<b>Rice, Long Grain</b>	Increasing	Good	Lower
<b>Coffee Beans</b>	Increasing	Good	Lower
<b>Sugar</b>	Decreasing	Good	Lower
<b>Honey</b>	Steady	Good	Higher

## Paper Product Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Wood Pulp (paper)			
<b>NBSK- Paper napkin</b>	Decreasing	Good	Lower
<b>42 lb. Linerboard-corrugated box</b>	Increasing	Good	Lower
Plastic Resins (plastic, foam)			
<b>PS-CHH-utensils, cups, to-go cont.</b>	Steady	Good	Lower
<b>PP-HIGP-heavy grade utensils</b>	Steady	Good	Lower
<b>PE-LLD-can liners, film, bags</b>	Steady	Good	Lower

## Retail Price Change from Prior Month

	<u>Apr-11</u>	<u>Mar-11</u>	<u>Feb-11</u>
<b>Beef and Veal</b>	Increasing	Increasing	Increasing
<b>Dairy</b>	Increasing	Increasing	Increasing
<b>Pork</b>	Decreasing	Increasing	Increasing
<b>Chicken</b>	Increasing	Decreasing	Increasing
<b>Fresh Fish and Seafood</b>	Increasing	Increasing	Increasing
<b>Fresh Fruits and Vegetables</b>	Decreasing	Increasing	Increasing



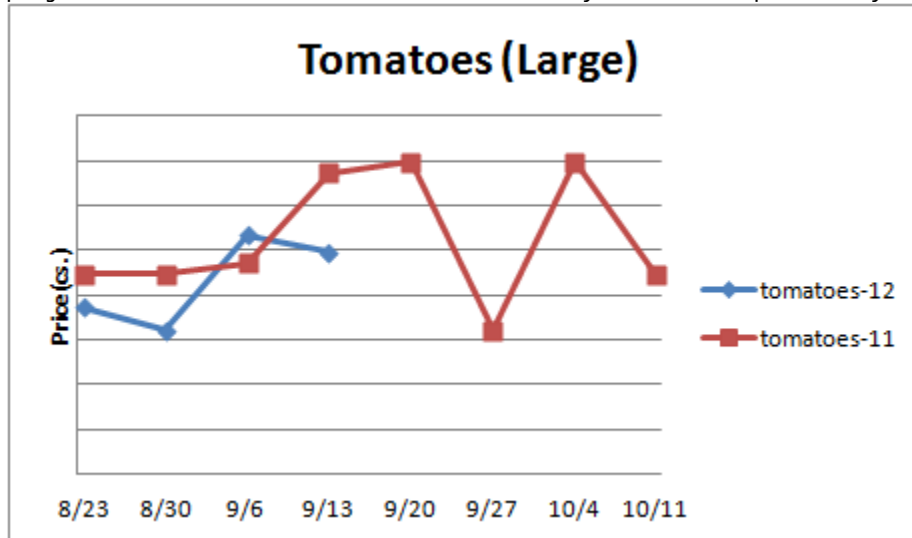
## Processed Fruits and Vegetables Report

**Processed Fruits and Vegetables-** Per the USDA, the '12 corn for processing harvest is projected to be up 3% versus '11 and the largest since '09. The processed vegetable markets remain firm.

<u>Canned 6/10</u>	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Corn, Fancy Whole Kernel</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Beans, Fancy 4 sv</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Peas, Fancy 4 sv/blend</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<u><b>Frozen</b></u>			
<b>Corn, Cob 96 count</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Corn, Kernel 12/2.5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Beans, Cut 12/2 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Green Peas, 12/2.5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Potatoes, FF Fancy, 6/5 lb.</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>

## Produce Report

**Produce-** The tomato markets are firm. California tomato supplies have tightened and various eastern tomato growing areas should finish soon. The tomato markets could get some price relief as the eastern crop transitions to Florida next month. Idaho potato prices remain historically depressed. The downside risk in the potato markets from here is likely nominal. The 70 ct. Idaho potato market has priced below \$5 only 4 different weeks in the last 7 years. The total spring and summer onion harvest is projected to be 6% smaller than '11. Lower yellow onion prices may be impending.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Lower
Lemons (95 count)	Increasing	Good	Lower
Lemons (200 count)	Decreasing	Good	Higher
Honeydew (6 ct.)	Decreasing	Good	Higher
Cantaloupe (15 count)	Increasing	Good	Higher
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Increasing	Good	Same
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	Lower
Yellow Onions (50 lb)-Term.	Decreasing	Good	Higher

<b>Red Onions (25 lb)-Term.</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>White Onions (50 lb)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Tomatoes, (large- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Tomatoes, (5x6, 25 lb.)-Term.</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Tomatoes, Vine Ripe, (4x5)</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Roma Tomatoes (large- case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Roma Tomatoes (xlarge- case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Green Peppers (large- case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Red Peppers (large- 15 lb. cs.)</b>	<b>Steady</b>	<b>Good</b>	<b>Lower</b>
<b>Iceberg Lettuce (24 count)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Iceberg Lettuce (24 cnt)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>

## Produce Report (continued)

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