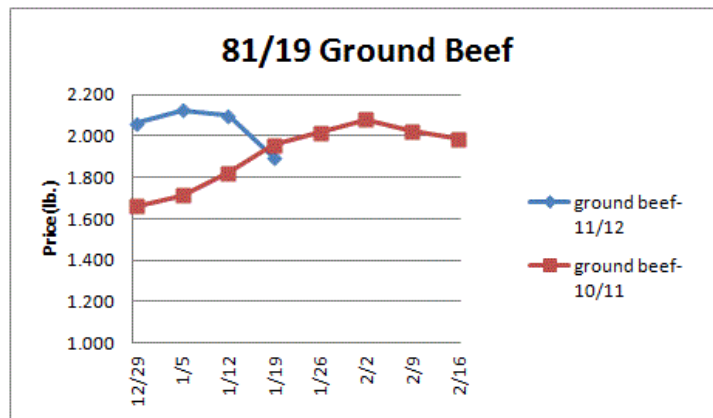


# Weekly Market Updates

Volume No. 5 Issue No. 3 Date: January 19, 2012

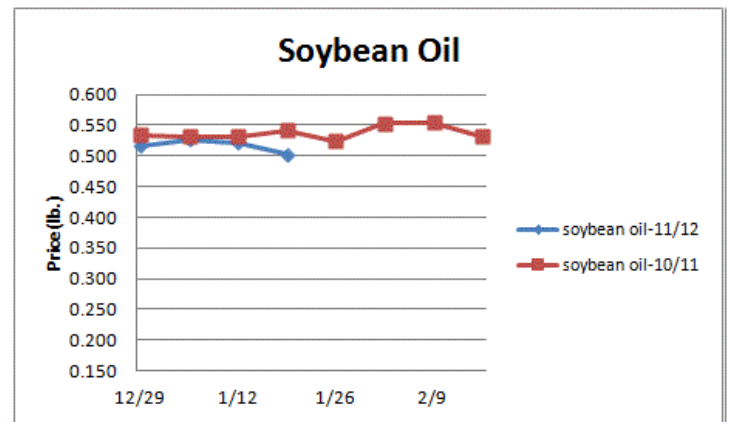
**Beef-** Beef production last week was 2.9% larger than '11. Beef output could be tempered in the near term due in part to poor packer margins. In Nov, US beef imports were up 8% versus the prior year but were the 2nd smallest for that month since '00. It is estimated that US beef imports from Australia in '11 were the smallest on record going back to '67. If the Australian dollar rises against the US dollar in the coming months, this may continue to ease US beef imports and support lean beef trim prices. Nov US beef exports were 3.4% greater than the same month the previous year. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.219	1.219	-	1.086
Feeder Cattle Index (CME)	1.502	1.485	+.017	1.253
Ground Beef 81/19	1.897	2.099	-.202	1.955
Ground Chuck	1.891	2.087	-.196	2.045
109e Export Rib (choice)	4.811	5.007	-.196	4.508
109e Export Rib (prime)	10.963	11.017	-.054	8.022
112a Ribeye (choice)	5.322	5.455	-.133	4.756
112a Ribeye (prime)	10.612	10.481	+.131	8.973
116 Chuck (select)	2.219	2.326	-.107	2.225
116 Chuck (choice)	2.256	2.363	-.107	2.267
116b Chuck Tdnr (choice)	2.132	2.173	-.041	2.169
120 Brisket (choice)	2.095	2.179	-.084	1.942
121c Outside Skirt (ch/sel)	4.307	4.244	+.063	3.738
121d Inside Skirt (ch/sel)	3.188	3.194	-.006	2.908
167a Knuckle, Trm. (ch.)	2.292	2.367	-.075	2.183
168 Inside Round (ch.)	2.129	2.373	-.244	2.160
174 Short Loin (ch. 0x1)	4.474	4.632	-.158	3.980
174 Short Loin (prime)	8.881	9.028	-.147	7.698
180 1x1 Strp (choice)	4.148	4.350	-.202	3.680
180 1x1 Strp (prime)	9.623	9.198	+.425	8.060
180 0x1 Strp (choice)	4.771	4.753	+.018	4.019
184 Top Butt, bnls (ch.)	2.808	2.853	-.045	2.466
184 Top Butt, bnls (prime)	3.155	3.238	-.083	2.529
185a Sirloin Flap (choice)	3.285	3.329	-.044	3.197
185c Loin, Tri-Tip (choice)	2.747	2.833	-.086	2.478
189a Tender (select)	7.932	7.837	+.095	7.290
189a Tender (choice)	8.180	8.823	-.643	7.298
189a Tender (prime)	13.766	13.845	-.079	10.848
193 Flank Steak (choice)	3.815	3.708	+.107	3.704
50% Trimmings	1.000	1.015	-.015	.832
65% Trimmings	1.405	1.397	+.008	1.107
75% Trimmings	1.550	1.542	+.008	1.257
85% Trimmings	1.948	1.912	+.036	1.691
90% Trimmings	2.057	2.042	+.015	1.833
90% Imported Beef (frz.)	2.065	2.048	+.017	1.990
95% Imported Beef (frz.)	2.173	2.160	+.013	2.080
Veal Rack (Hotel 7 rib)	6.675	6.675	-	5.125
Veal Top Rnd. (cp. off)	13.575	13.575	-	12.525



**Oil, Grains, Misc.-** The grain markets have depreciated in the last week. Grain prices may be less volatile in the coming weeks barring any major surprises. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	11.711	12.176	-.465	13.810
Crude Soybean Oil, lb.	.503	.521	-.018	.542
Soybean Meal, ton	304.000	315.500	-11.500	375.400
Corn, bushel	6.048	6.485	-.437	6.352
Crude Corn Oil, lb.	.535	.535	-	.580
High Fructose Corn Syrup	.176	.184	-.008	.181
Distillers Grain, Dry	180.750	188.000	-7.250	180.500
Crude Palm Oil, lb. BMD	.464	.465	-.001	.553
HRW Wheat, bushel	6.480	6.730	-.250	8.020
DNS Wheat 14%, bushel	8.580	8.470	+.110	9.360
Durum Wheat, bushel	7.788	8.063	-.275	8.250
Pinto Beans, lb.	.451	.449	+.002	.215
Black Beans, lb.	.450	.470	-.020	.269
Rice, Long Grain, lb.	.271	.280	-.009	.295
Coffee, lb. NYBOT	2.249	2.321	-.072	2.354
Sugar, lb. NYBOT	.340	.352	-.012	.387
Honey (Clover), lb.	1.675	1.675	-	1.600

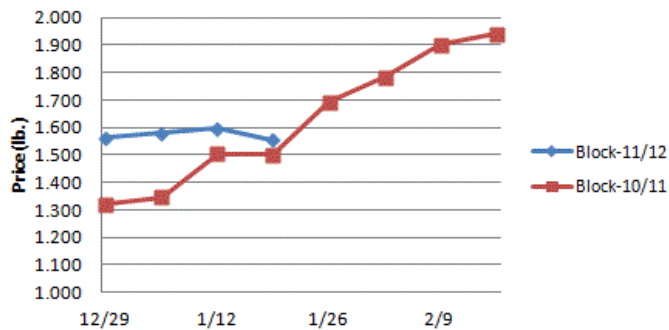


**Dairy-** US cheese exports in Nov were up 53% versus '10. The CME block and barrel cheese markets are trading at discounts to the global cheese markets which should encourage US exports this winter. The New Zealand dollar has risen against the US dollar as of late. If this price currency trend is reversed, it could put pressure on US cheese prices as New Zealand is a big dairy product exporter. Nov US butter exports were down 11% compared to '10 but were the highest since Aug '11. Butter prices are trending modestly lower but are expected to bottom soon. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.525	1.580	-.055	1.470
Cheese Blocks (CME)	1.555	1.595	-.040	1.500
American Cheese	1.935	1.943	-.008	1.793
Cheddar Cheese (40 lb.)	2.103	2.098	+.005	1.900
Mozzarella Cheese	1.948	1.943	+.005	1.813
Provolone Cheese	2.093	2.088	+.005	1.970
Parmesan Cheese	3.173	3.168	+.005	3.268
Butter (CME)	1.578	1.628	-.050	2.100
Nonfat Dry Milk	1.450	1.452	-.002	1.330
Whey, Dry	.715	.687	+.028	.400
Class I Base	18.800	18.800	-	15.200
Class II Cream, heavy	1.952	1.956	-.004	2.520
Class III Milk (CME)	16.480	17.460	-.980	14.880
Class IV Milk (CME)	16.780	16.820	-.040	17.200

# Weekly Market Updates

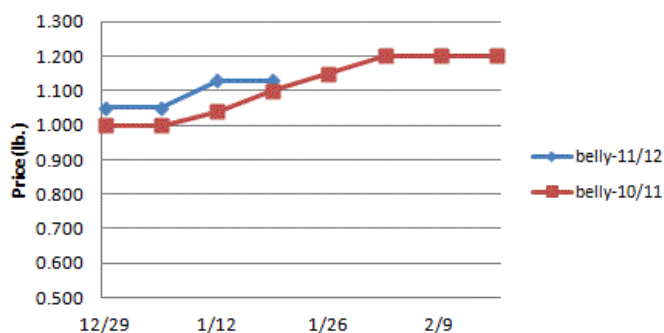
## Cheese Block (CME)



**Pork-** Pork output last week was 3.9% greater than a year ago. Pork packer margins remain positive and have encouraged pork production. Nov US pork exports were 31.4% more than the prior year and were a record high. This was mostly due to record pork exports to China. US ham exports in Nov were down 61.8% versus '10 due in part to a declining Mexican Peso versus the US dollar. Mexico is a large US ham importer. The pork belly markets are firm. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.610	.605	+.005	.542
Belly (bacon)	1.130	1.130	-	1.100
Sparerib (4.25 lb. & down)	1.576	1.577	-.001	1.530
Ham (20-23 lb.)	.700	.740	-.040	.700
Ham (23-27 lb.)	.750	.703	+.047	.680
Loin (bone-in)	.981	.912	+.069	.999
Bbybck Rib (1.75 lb. & up)	2.604	2.588	+.016	2.457
Tenderloin (1.25 lb.)	2.475	2.411	+.064	2.327
Boston Butt, untrmd. (4-8 lb.)	.949	.944	+.005	.943
Picnic, untrmd.	.602	.640	-.038	.645
SS Picnic, smoker trm. bx.	.860	.852	+.008	.780
42% Trimmings	.440	.480	-.040	.490
72% Trimmings	.673	.685	-.012	.800

## Pork Belly



**Tomato Products, Canned-** Existing canned tomato supplies are adequate. However, modestly higher canned tomato prices may be realized this summer. 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	-	.370

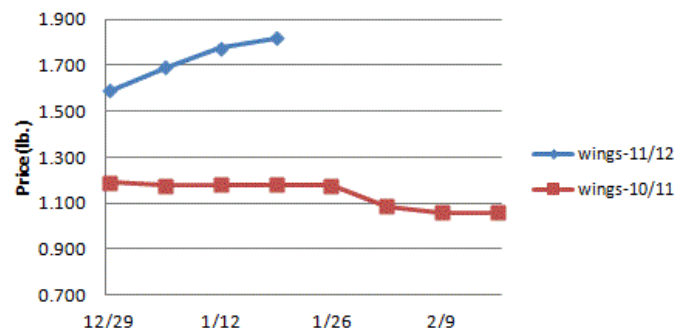
**Processed Vegetables-** Canned vegetable prices are steady. With elevated competing grain prices in place, acreage for processed vegetables may be limited in '12. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 11
Corn, Fcy whl kern- can 6/10	18.651	18.651	-	16.906
Green Beans Fcy- can 6/10	18.250	18.250	-	16.563
Green Peas, Fcy- can 6/10	18.750	18.750	-	17.750
Corn, Cob- froz 96 ct.	14.500	14.500	-	14.000
Corn, Kernel- froz 12/2.5#	14.250	14.250	-	14.250
Green Beans Cut- froz 12/2#	12.900	12.900	-	12.900
Green Peas- froz 12/2.5#	20.250	20.250	-	20.250
Potatoes, FF Fncy- froz 6/5#	14.000	14.000	-	13.000

**Poultry-** Nov US chicken exports were 8.7% smaller than the prior year. This was primarily due to a sharp drop off (68%) in trade with Russia. In fact, Russia has curbed their US poultry buying habits substantially (75%) since '08 due in a large part to rising Russian chicken output. Yet, chicken exports in Nov to China (140%), Japan (19%) and Canada (10%) increased from '10. This year, the ARA chicken breast, wing and leg quarter indexes have risen 4%, 16% and .5% respectively. Due to further poultry cutbacks expected through Q1, the chicken cutout value should remain firm. In fact, record high wing prices are likely to occur soon. The same may hold true for chicken leg quarter prices as well. Chicken breast prices remain firm. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.905	.903	+.002	.850
Whole Birds (LA)	.990	.990	-	.940
Wings (whole)	1.820	1.775	+.045	1.180
Wings (jumbo, cut)	1.815	1.760	+.055	1.264
Breast, Bone In	.880	.850	+.030	.790
Breast, Bnless Skinless	1.520	1.515	+.005	1.415
Tenderloin (random)	1.380	1.280	+.100	1.500
Tenderloin (sized)	1.980	1.880	+.100	1.700
Legs (whole)	.747	.734	+.013	.471
Leg Quarters	.535	.535	-	.385
Thighs, bone in	.798	.804	-.006	.527
Thighs, boneless	1.279	1.258	+.021	1.015
Eggs and Others				
Large (dozen)	1.127	1.487	-.360	.998
Medium (dozen)	.875	1.052	-.177	.837
Whole Eggs- Liquid	.358	.384	-.026	.305
Egg Whites- Liquid	.408	.430	-.022	.327
Egg Yolks- Liquid	.649	.732	-.083	.603
Whole Turkeys (8-16 lb.)	1.018	.985	+.033	.900
Turkey Breast, Bnls/Sknl	2.430	2.430	-	2.466

## Whole Chicken Wing

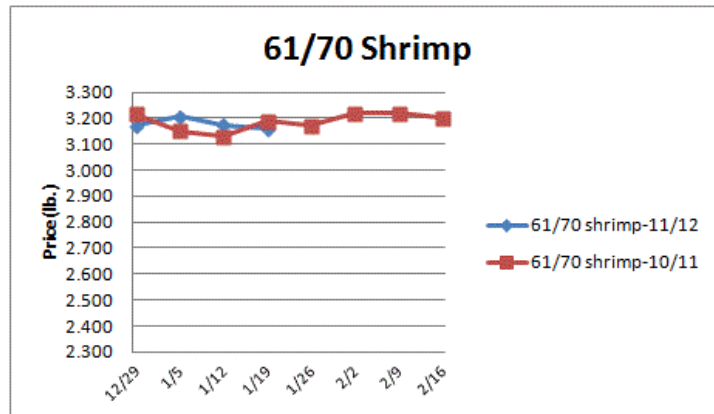


**Seafood-** In Nov, US total shrimp imports and shell-on shrimp imports were down 8.6% and 3.2% respectively compared to the previous year. If the US dollar is relatively inflated in '12, US shrimp imports could rise which would be bearish for shrimp prices. Nearly 90% of the shrimp consumed in the US is imported. US salmon fillet steak imports in Nov were 21% less than the previous year. The whole salmon market is stable.

# Weekly Market Updates

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

	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.550
Catfish Filets	5.400	5.400	-	3.500
Trout (drn. 8-14 oz.)	3.500	3.500	-	3.100
Shrimp (16/20), Frz.	6.400	6.318	+.082	7.414
Shrimp (61/70), Frz.	3.160	3.175	-.015	3.190
Shrimp, Tiger (26/30), Frz.	4.975	4.910	+.065	4.533
Snow Crab, Legs 5-8 oz, Frz	5.000	4.913	+.087	5.600
Snow Crab, Legs 8 oz/ up, Fz	5.725	5.787	-.062	5.725
Cod Tails, 3-7 oz., Frz.	3.340	3.280	+.060	3.088
Cod Loins, 3-12 oz., Frz	3.820	3.680	+.140	3.769
Salmon Portions, 4-8 oz, Frz	6.066	6.354	-.288	6.113
Pollock, Alaska, Deep Skin	1.800	1.800	-	2.075



## Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	100.710	102.240	-1.530	91.380
Natural Gas, mbtu- nymex	2.488	2.941	-.453	4.425
Heating Oil, gal- nymex	3.037	3.102	-.065	2.646
Electricity, mwht- nymex	37.360	47.030	-9.670	61.470
Gasoline, gal- nymex	2.771	2.773	-.002	2.479
Diesel Fuel, gal- eia	3.854	3.828	+.026	3.407
Ethanol, gal- usda	2.135	2.133	+.002	2.300
Canadian \$	1.012	1.016	-.004	.991
Japanese Yen	76.779	76.819	-.040	82.661
Mexican Peso	13.470	13.570	-.100	12.047
Euro	.782	.781	+.001	.746
Brazilian Real	1.772	1.798	-.026	1.672
Chinese Yuan	6.319	6.313	+.006	6.581

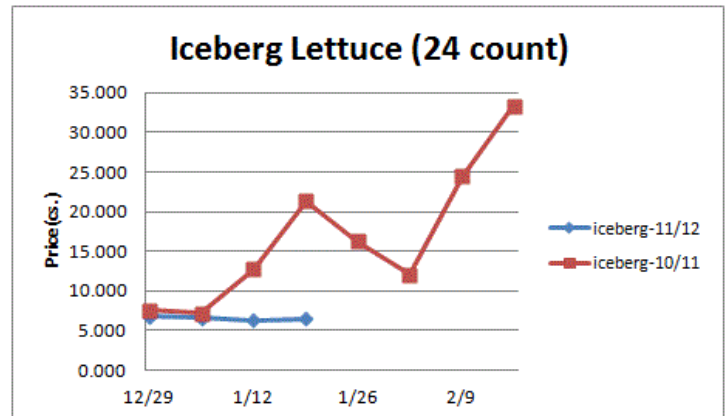
## Paper/Plastic-Provided by; resin- [www.plasticsnews.com](http://www.plasticsnews.com), pulp- [www.paperage.com](http://www.paperage.com).

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 11
WP; NBSK (napkin, towel)	876.900	887.860	-10.960	961.330
WP; 42 lb. Linerboard (corr.)	672.498	678.325	-5.827	809.456
Res; PS-CHH (cup, cont.)	1.070-1.110	1.070-1.110	-	.950-.990
Res; PP-HIGP (hvy utensil)	.960-.980	.960-.980	-	.980-1.000
Res; PE-LLD (cn liner, film)	.880-.910	.830-.860	+.050	.830-.860

**Produce-** Tomato supplies are entering the US market place in greater volume. Tomato shipments were 5.6% higher last week compared to the previous week. This is pressuring tomato prices lower. Potato stocks in Dec were reported to be historically adequate (up 4%) compared to last year. This should limit any seasonal price appreciation for potato prices this winter. Lettuce shipments fell marginally last week despite better weather conditions. This is bringing some support to the lettuce markets. The near term downside risk in lettuce prices from here may be nominal. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	16.000	15.000	+1.000	53.000
Lemons (95 ct.)	18.740	17.240	+1.500	14.640
Lemons (200 ct.)	19.240	19.240	-	12.640

Honeydew (6 ct.)	13.450	13.450	-	10.550
Cantaloupe (15 ct.)	14.250	13.450	+.800	14.088
Blueberries (12 count)	10.750	13.250	-2.500	13.167
Strawberries (12 pnts.)	18.000	18.000	-	25.900
Avocados (Hass 48 ct.)	27.750	27.250	+.500	33.250
Bananas (40 lb.)- Term.	14.983	14.850	+.133	17.441
Pineapple (7 ct.)- Term.	13.010	11.010	+2.000	11.125
Idaho Potato (60 ct., 50 lb.)	8.625	8.562	+.063	16.375
Idaho Potato (70 ct., 50 lb.)	8.625	8.562	+.063	15.250
Idaho Potato (70 ct.)-Term.	15.000	15.112	-.112	18.413
Idaho Potato (90 ct., 50 lb.)	8.812	8.500	+.312	9.875
Idaho Pot. # 2 (6 oz., 100 lb.)	13.250	13.375	-.125	15.500
Processing Potato (cwt.)	7.500	7.500	-	7.750
Yellow Onions (50 lb.)	5.500	6.571	-1.071	10.521
Yell Onions (50 lb.)-Term.	10.412	10.312	+.100	13.063
Red Onions (25 lb.)- Term.	8.500	8.093	+.407	10.063
White Onions (50 lb.)- Term.	18.437	17.583	+.854	17.646
Tomatoes (large- case)	6.450	8.450	-2.000	12.950
Tomatoes (5x6-25 lb.)-Term	13.416	12.362	+1.054	17.056
Tomatoes (4x5 vine ripe)	6.450	9.950	-3.500	10.950
Roma Tomatoes (large- case)	6.522	9.456	-2.934	10.292
Roma Tomatoes (xlarge-cs)	6.787	9.831	-3.044	10.292
Green Peppers (large- case)	15.916	15.166	+.750	11.150
Red Peppers (large 15lb. cs.)	16.450	13.950	+2.500	17.450
Iceberg Lettuce (24 count)	6.475	6.297	+.178	21.328
Iceberg Lettuce (24)-Term.	12.333	13.166	-.833	24.333
Leaf Lettuce (24 count)	14.516	10.676	+3.840	9.968
Romaine Lettuce (24 cnt.)	11.266	10.410	+.856	20.650
Mesculin Mix (3 lb.)-Term.	7.125	7.125	-	7.031
Broccoli (14 ct.)	7.093	7.587	-.494	19.817
Squash (1/2 bushel)	21.850	14.600	+7.250	10.850
Zucchini (1/2 bushel)	26.850	18.600	+8.250	8.350
Green Beans (bushel)	22.937	20.416	+2.521	36.950
Spinach, Flat 24's	11.220	11.100	+.120	18.610
Mushrms (10 lb, lg.)-Term.	15.145	15.145	-	13.141
Cucumbers (bushel)	14.870	17.020	-2.150	10.950
Pickles (200-300 ct.)- Term.	24.791	25.718	-.927	21.500
Asparagus (small)	22.375	22.375	-	14.500
Freight (Truck; CA-Cty Av.)	4918.750	5193.750	-275.000	4618.750



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

	Nov-11	Oct-11	Sep-11	Aug-11
Beef and Veal	+.353	+.514	+.025	+.405
Dairy	-.331	+.051	+1.228	+.903
Pork	-.906	-.421	+1.478	+.674
Chicken	-.038	+.994	+.341	-.251
Fresh Fish and Seafood	+.356	-1.107	+.512	-.072
Fresh Fruits and Veg.	-.399	-1.473	+1.592	+.394