Weekly Market Updates

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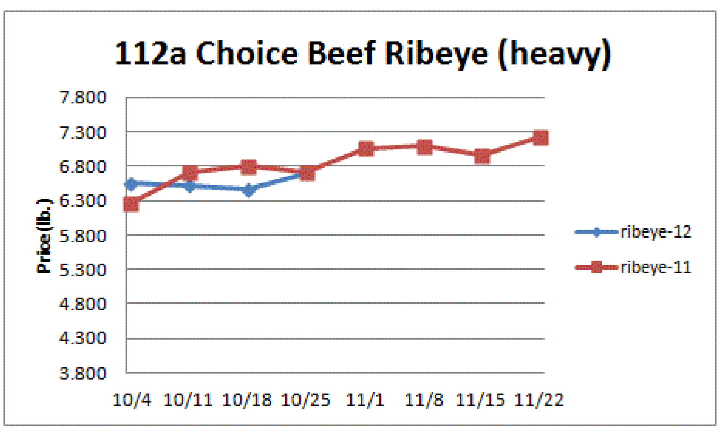
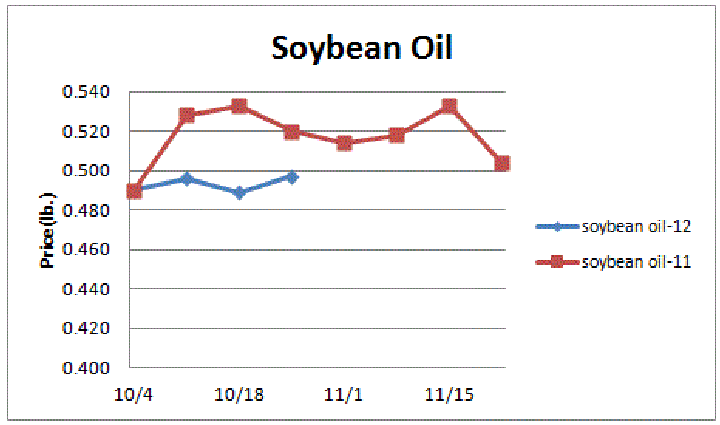
Beef- Beef output last week rose .7% from the prior week but was .7% less than last year. Tighter cattle supplies are projected in the coming months. The October 1st cattle on feed inventory was 2.6% less than a year ago. Cattle placements into feedlots during September fell 18.8% from 2011 and were the smallest for the month in the last 17 years. The USDA is projecting fourth quarter 2012 beef output to be 3.5% less than the previous year. The USDA choice boxed beef cutout, an index of choice beef prices, is nearing record high levels. The upside price risk in choice beef from here may only be modest. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.261	1.237	+.024	1.211
Feeder Cattle Index (CME)	1.451	1.442	+.009	1.397
Ground Beef 81/19	1.916	1.889	+.027	1.638
Ground Chuck	1.945	1.893	+.052	1.622
109e Export Rib (choice)	6.088	6.010	+.078	5.984
109e Export Rib (prime)	9.720	9.688	+.032	9.607
112a Ribeye (choice)	6.697	6.465	+.232	6.707
112a Ribeye (prime)	9.744	10.307	-.563	9.542
116 Chuck (select)	2.697	2.705	-.008	2.419
116 Chuck (choice)	3.165	3.227	-.062	2.531
116b Chuck Tdnr (choice)	2.237	2.341	-.104	2.251
120 Brisket (choice)	2.166	2.150	+.016	1.910
121c Outside Skirt (ch/sel)	5.060	5.313	-.253	3.694
121d Inside Skirt (ch/sel)	3.130	3.367	-.237	3.026
167a Knckle, Trm. (ch.)	2.476	2.447	+.029	2.430
168 Inside Round (ch.)	2.065	2.083	-.018	2.021
174 Short Loin (ch. 0x1)	5.264	4.820	+.444	4.517
174 Short Loin (prime)	9.268	9.229	+.039	9.060
180 1x1 Strp (choice)	4.452	4.600	-.148	4.157
180 1x1 Strp (prime)	9.192	9.517	-.325	9.832
180 0x1 Strp (choice)	5.093	4.956	+.137	4.708
184 Top Butt, bnls (ch.)	3.012	2.940	+.072	2.640
184 Top Butt, bnls (prime)	3.749	3.790	-.041	3.449
185a Sirloin Flap (choice)	3.577	3.477	+.100	2.987
185c Loin, Tri-Tip (choice)	2.490	2.528	-.038	2.886
189a Tender (select)	9.107	9.521	-.414	7.866
189a Tender (choice)	10.449	9.989	+.460	9.634
189a Tender (prime)	14.241	14.320	-.079	13.128
193 Flank Steak (choice)	4.213	4.772	-.559	3.737
50% Trimmings	.661	.560	+.101	1.067
65% Trimmings	1.111	1.093	+.018	1.225
75% Trimmings	1.422	1.422	-	1.425
85% Trimmings	1.887	1.895	-.008	1.639
90% Trimmings	2.048	2.029	+.019	1.831
90% Imported Beef (frz.)	2.055	2.020	+.035	1.900
95% Imported Beef (frz.)	2.210	2.160	+.050	2.010
Veal Rack (Hotel 7 rib)	8.020	8.020	-	6.450
Veal Top Rnd. (cp. off)	14.525	14.370	+.155	13.375



Oil, Grains, Misc.- U.S. winter wheat planting is progressing but a large area of the country continues to be hampered by drought. The wheat markets may rise unless better weather occurs. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	15.442	14.888	+.554	12.063
Crude Soybean Oil, lb.	.497	.489	+.008	.520
Soybean Meal, ton	496.200	471.800	+24.400	310.200
Corn, bushel	7.508	7.342	+.166	6.377
Crude Corn Oil, lb.	.545	.545	-	.537
High Fructose Corn Syrup	.207	.203	+.004	.182
Distillers Grain, Dry	268.750	273.500	-4.750	203.250
Crude Palm Oil, lb. BMD	.382	.358	+.024	.428
HRW Wheat, bushel	8.780	8.530	+.250	7.140
DNS Wheat 14%, bushel	9.550	9.340	+.210	9.050
Durum Wheat, bushel	8.213	8.063	+.150	12.063
Pinto Beans, lb.	.345	.347	-.002	.445
Black Beans, lb.	.300	.310	-.010	.470
Rice, Long Grain, lb.	.271	.271	-	.291
Coffee, lb. NYBOT	1.604	1.608	-.004	2.354
Sugar, lb. NYBOT	.227	.238	-.011	.392
Honey (Clover), lb.	1.813	1.813	-	1.675



Dairy- Milk production has been curtailed in recent months. U.S. milk output during September was .5% less than last year due to a .1% smaller milk cow herd and a .4% decline in milk per cow yields. Milk farmers reduced the milk cow herd by a net 27 thousand head during September marking the largest one month decline in 3 years. Milk output is likely to stabilize soon. The CME cheese markets are on the rise. History suggests that the CME cheese markets should remain firm during the next few weeks. Holiday demand may support butter prices in early November. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	2.025	1.928	+.097	1.740
Cheese Blocks (CME)	2.055	2.010	+.045	1.720
American Cheese	2.148	2.250	-.102	2.065
Cheddar Cheese (40 lb.)	2.415	2.490	-.075	2.228
Mozzarella Cheese	2.260	2.335	-.075	2.063
Provolone Cheese	2.610	2.685	-.075	2.218
Parmesan Cheese	3.958	4.033	-.075	3.298
Butter (CME)	1.890	1.875	+.015	1.870
Nonfat Dry Milk	1.552	1.571	-.019	1.528
Whey, Dry	.621	.616	+.005	.617
Class 1 Base	20.700	18.880	+1.820	18.450
Class II Cream, heavy	2.360	2.433	-.073	2.490
Class III Milk (CME)	20.580	20.120	+.460	17.880
Class IV Milk (CME)	18.750	19.000	-.250	18.200

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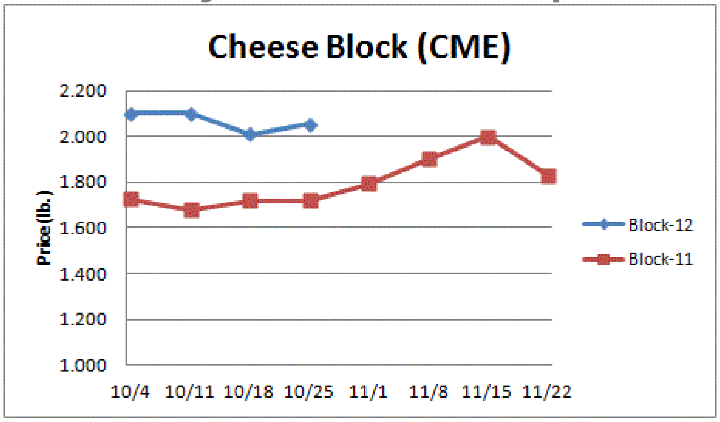
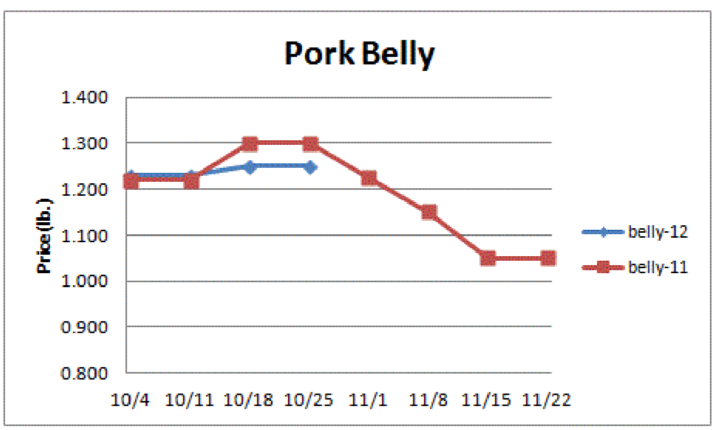


Pork- Pork production last week declined .2% but was 1.5% larger than the same week a year ago. Hog weight gains have been lighter than usual during the last few months which is tempering overall pork output. Pork production expansion during the next two months could be less than 1% more than 2011. Pork demand has been solid in recent weeks due to strong retail feature activity. However, retailers are beginning to turn their focus away from many pork items. Modest declines in various pork markets are anticipated in early November. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.612	.603	+.009	.659
Belly (bacon)	1.250	1.250	-	1.300
Sparerib (4.25 lb. & down)	1.401	1.373	+.028	1.552
Ham (20-23 lb.)	.800	.820	-.020	.950
Ham (23-27 lb.)	.810	.800	+.010	.910
Loin (bone-in)	.941	.968	-.027	1.048
Bbybck Rib (1.75 lb. & up)	2.075	2.038	+.037	2.763
Tenderloin (1.25 lb.)	2.125	2.069	+.056	2.617
Boston Butt, untrmd. (4-8lb.)	.881	.890	-.009	1.002
Picnic, untrmd.	.612	.569	+.043	.769
SS Picnic, smoker trm. bx.	.870	.870	-	1.050
42% Trimmings	.520	.550	-.030	.520
72% Trimmings	.650	.680	-.030	.880



Tomato Products, Canned- The tomato markets are relatively steady. Higher raw product costs for canners this year could support canned tomato prices this winter. Prices per case (6/10) FOB, unless noted from ARA.

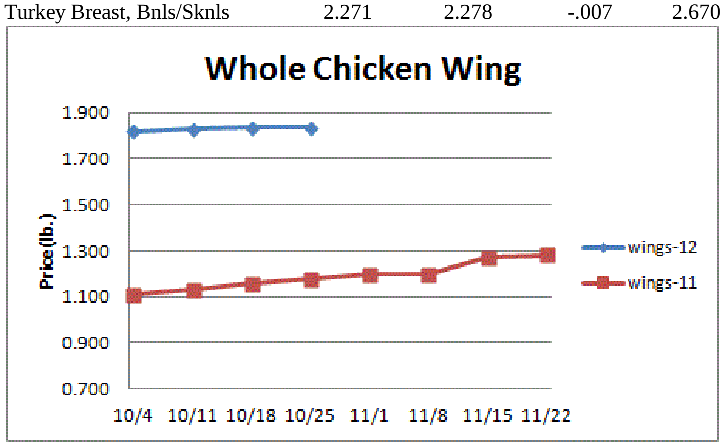
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	0.398

Processed Vegetables- September 30th frozen green bean stocks were 22% more than a year ago. The processed vegetable markets are 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- Chicken production has been trending modestly above year ago levels as of late despite poor chicken producer margins. There remains little evidence that chicken producers will slow output further anytime soon. The broiler type chick hatch (.3%) and pullet placements into the broiler hatchery flock (.2%) were both higher in September versus the prior year. Chicken output during the fall is projected by the USDA to be 1.3% larger than last year. The chicken wing markets are relatively flat. Usually the chicken wing markets start to firm again towards the end of November but any additional market gains this year could be tempered by larger chicken production. Further modest chicken breast market declines may be forthcoming. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.960	.958	+.002	.890
Whole Birds (LA)	1.050	1.050	-	.980
Wings (whole)	1.835	1.835	-	1.175
Wings (jumbo, cut)	1.860	1.860	-	1.164
Breast, Bone In	1.000	1.005	-.005	.780
Breast, Bnless Skinless	1.595	1.605	-.010	1.435
Tenderloin (random)	1.240	1.240	-	1.180
Tenderloin (sized)	1.870	1.870	-	1.780
Legs (whole)	.686	.694	-.008	.777
Leg Quarters	.535	.535	-	.535
Thighs, bone in	.782	.764	+.018	.751
Thighs, boneless	1.302	1.322	-.020	1.333
Eggs and Others				
Large (dozen)	1.163	1.138	+.025	1.187
Medium (dozen)	.884	.955	-.071	1.048
Whole Eggs- Liquid	.770	.762	+.008	.667
Egg Whites- Liquid	.515	.510	+.005	.580
Egg Yolks- Liquid	1.310	1.310	-	.823
Whole Turkeys (8-16 lb.)	1.120	1.105	+.015	1.125
Turkey Breast, Bnls/Sknls	2.271	2.278	-.007	2.670



Seafood- Salmon supplies have been historically ample. A higher valued U.S. dollar is contributing to strong salmon imports. Salmon filet-steak imports during August for the U.S. were 18% larger than the previous year. 2012 U.S. salmon filet-steak imports through August were 9.7% more than last year. The U.S. dollar has depreciated during the last 6 weeks which could be fairly supportive of the salmon markets this fall. 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	-	2.750
Catfish Filets	4.500	4.500	-	5.250
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500

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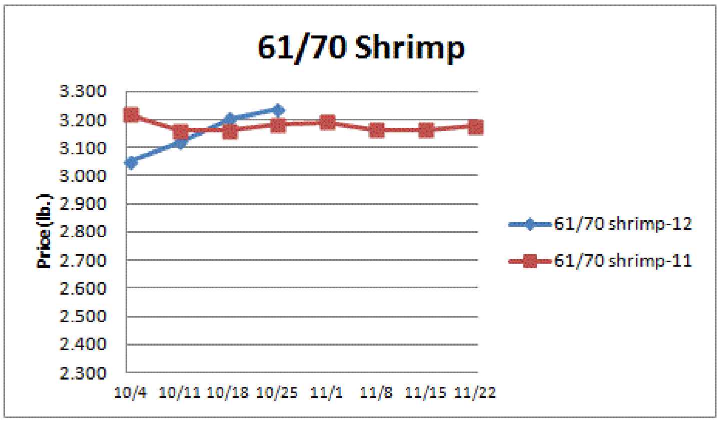
Shrimp (16/20), Frz	5.038	4.925	+.113	6.316
Shrimp (61/70), Frz.	3.237	3.200	+.037	3.180
Shrimp, Tiger (26/30), Frz.	4.400	4.450	-.050	4.933
Snow Crab, Legs 5-8 oz, Frz	5.025	5.025	-	5.775
Snow Crab, Legs 8 oz/ up, Fz	5.800	5.800	-	6.250
Cod Tails, 3-7 oz., Frz.	3.525	3.525	-	3.280
Cod Loins, 3-12 oz., Frz	3.463	3.463	-	3.680
Salmon Portions, 4-8 oz, Frz	5.083	5.083	-	6.396
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	86.670	92.090	-5.420	93.170
Natural Gas, mbtu- nymex	3.535	3.437	+.098	3.658
Heating Oil, gal- nymex	3.043	3.199	-.156	3.050
Electricity, mwht- nymex	42.330	39.790	+2.540	41.910
Gasoline, gal- nymex	2.605	2.845	-.240	2.700
Diesel Fuel, gal- eia	4.116	4.150	-.034	3.825
Ethanol, gal- usda	2.330	2.345	-.015	2.705
Canadian $	.992	.984	+.008	1.001
Japanese Yen	79.798	78.675	+1.123	76.146
Mexican Peso	12.992	12.823	+.169	13.340
Euro	.773	.762	+.011	.718
Brazilian Real	2.027	2.033	-.006	1.742
Chinese Yuan	6.252	6.255	-.003	6.361

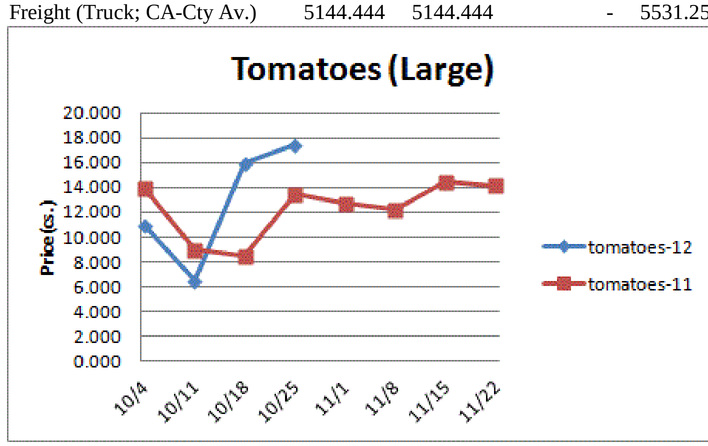
Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 11
WP; NBSK (napkin, towel)	846.830	848.290	-1.460	950.470
WP; 42 lb. Linerboard (corr.)	747.788	753.261	-5.473	784.571
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.160-1.200
Res; PP-HIGP (hvy utensil)	.900-.920	.900-.920	-	1.160-1.180
Res; PE-LLD (cn liner, film)	.850-.880	.850-.880	-	.880-.910

Produce- The tomato markets are moving higher due to supply disruptions. The chief tomato harvest areas are shifting south in both the west and the east. U.S. tomato shipments last week fell 30% from the previous week and were 24% less than a year ago. The Florida tomato harvest may not produce adequate volumes until mid November. Thus, fairly inflated tomato prices could persist. The lettuce markets are higher as well with total shipments last week declining 5%. The chief lettuce harvest area will be transitioning south again as November gets underway.

Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	6.000	6.000	-	6.500
Lemons (95 ct.)	18.240	18.240	-	19.190
Lemons (200 ct.)	14.740	15.740	-1.000	13.690
Honeydew (6 ct.)	7.250	8.675	-1.425	7.375
Cantaloupe (15 ct.)	7.250	7.250	-	10.850
Blueberries (12 count)	23.000	25.000	-2.000	24.667
Strawberries (12 pnts.)	13.000	12.000	+1.000	10.500
Avocados (Hass 48 ct.)	19.750	24.250	-4.500	26.750
Bananas (40 lb.)- Term.	13.343	14.866	-1.523	15.884
Pineapple (7 ct.)- Term.	10.140	12.031	-1.891	13.292
Idaho Potato (60 ct., 50 lb.)	4.812	4.750	+.062	9.000
Idaho Potato (70 ct., 50 lb.)	4.875	4.750	+.125	8.875
Idaho Potato (70 ct.)-Term.	11.572	14.906	-3.334	15.138
Idaho Potato (90 ct., 50 lb.)	5.562	5.250	+.312	8.000
Idaho Pot. # 2 (6 oz., 100 lb.)	7.500	7.250	+.250	13.250
Processing Potato (cwt.)	7.000	7.500	-.500	5.750
Yellow Onions (50 lb.)	5.250	5.250	-	7.000
Yell Onions (50 lb.)-Term.	13.020	11.145	+1.875	11.261
Red Onions (25 lb.)- Term.	16.112	11.265	+4.874	11.417
White Onions (50 lb.)- Term.	18.458	17.987	+.471	19.917
Tomatoes (large- case)	17.450	15.950	+1.500	13.450
Tomatoes (5x6-25 lb.)-Term	14.400	12.750	+1.650	12.980
Tomatoes (4x5 vine ripe)	11.975	10.950	+1.025	9.450
Roma Tomatoes (large- case)	10.960	11.633	-.673	7.450
Roma Tomatoes (xlarge-cs)	11.212	12.450	-1.238	7.950
Green Peppers (large- case)	12.141	11.862	+.279	14.950
Red Peppers (large 15lb. cs.)	15.950	14.417	+1.533	14.950
Iceberg Lettuce (24 count)	10.413	8.532	+1.881	11.285
Iceberg Lettuce (24)-Term.	15.833	15.333	+.500	13.834
Leaf Lettuce (24 count)	7.158	6.698	+.460	6.594
Romaine Lettuce (24 cnt.)	7.468	6.783	+.685	9.450
Mesculin Mix (3 lb.)-Term.	6.812	6.791	+.021	7.021
Broccoli (14 ct.)	6.912	6.695	+.217	7.213
Squash (1/2 bushel)	8.600	11.600	-3.000	14.350
Zucchini (1/2 bushel)	7.137	8.137	-1.000	8.675
Green Beans (bushel)	19.025	13.550	+5.475	16.675
Spinach, Flat 24’s	11.520	11.475	+.045	13.750
Mushrms (10 lb, lg.)-Term.	15.500	15.145	+.355	11.084
Cucumbers (bushel)	14.375	13.987	+.388	17.800
Pickles (200-300 ct.)- Term.	25.208	24.666	+.542	28.751
Asparagus (small)	19.625	15.375	+4.250	15.500
Freight (Truck; CA-Cty Av.)	5144.444	5144.444	-	5531.250



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

	Sep-12	Aug-12	Jul-12	Jun-12
Beef and Veal	-.309	-.402	+.590	+.607
Dairy	+.355	+.054	-.487	-.283

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Pork	-1.108	+1.563	+.403	-.091	-.288	-.176	-1.030	-.176	-1.030	-.906
Chicken	-.393	+.481	+1.310	+1.736	+.190	+.148	+.897	+.148	+.897	-.038
Fresh Fish and Seafood	+.289	-.206	-.010	-.168	-1.454	+.639	+.449	+.639	+.449	+.356
Fresh Fruits and Veg.	+.769	+.042	-1.303	+.126	-2.367	+.555	+.252	+.555	+.252	-.399