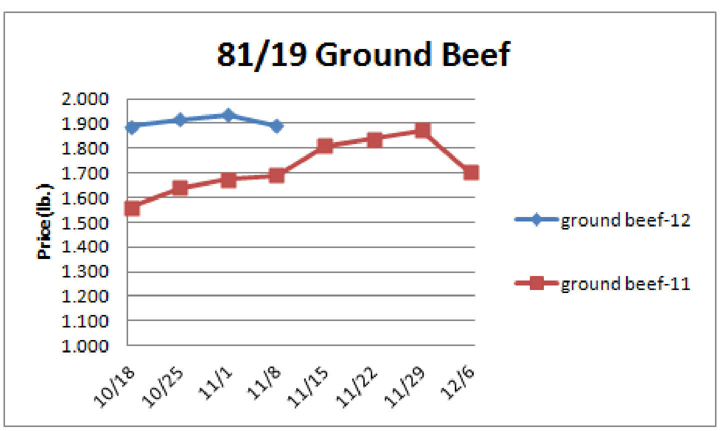
Weekly Market Updates

Volume No. 17 Issue No. 44 Date: November 8, 2012

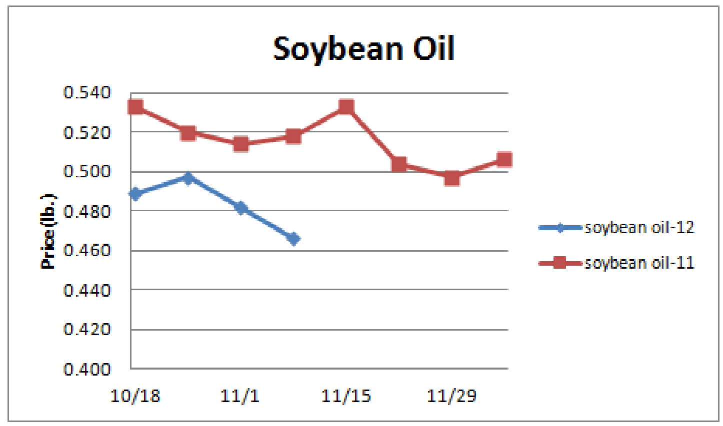
Beef- Beef production last week increased .4% and was 2% more than the same week a year ago. Cattle slaughter may slow this week due to poor beef packer margins and weakening beef demand. The beef markets could find modest support in the near term. Lower beef end cut markets may still be impending. Various middle meat markets are strong due to holiday season demand. History indicates that the choice tenderloin and ribeye markets may increase 12.6% and 13.2% respectively during the next four weeks. However, an early top in these markets this fall would not be surprising. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.250	1.253	-.003	1.243
Feeder Cattle Index (CME)	1.441	1.452	-.011	1.420
Ground Beef 81/19	1.891	1.935	-.044	1.689
Ground Chuck	1.888	1.929	-.041	1.700
109e Export Rib (choice)	6.432	6.389	+.043	6.272
109e Export Rib (prime)	9.258	9.382	-.124	10.168
112a Ribeye (choice)	7.219	6.910	+.309	7.088
112a Ribeye (prime)	9.857	9.896	-.039	9.964
116 Chuck (select)	2.401	2.441	-.040	2.240
116 Chuck (choice)	2.434	2.886	-.452	2.411
116b Chuck Tdnr (choice)	2.059	2.126	-.067	2.360
120 Brisket (choice)	2.076	2.122	-.046	1.966
121c Outside Skirt (ch/sel)	4.942	5.237	-.295	3.686
121d Inside Skirt (ch/sel)	3.062	3.124	-.062	2.981
167a Knckle, Trm. (ch.)	2.244	2.434	-.190	2.305
168 Inside Round (ch.)	2.115	2.176	-.061	1.995
174 Short Loin (ch. 0x1)	4.936	5.277	-.341	4.479
174 Short Loin (prime)	9.402	9.075	+.327	9.034
180 1x1 Strp (choice)	4.592	4.481	+.111	4.214
180 1x1 Strp (prime)	9.476	9.289	+.187	9.901
180 0x1 Strp (choice)	5.130	5.098	+.032	4.818
184 Top Butt, bnls (ch.)	3.172	2.969	+.203	2.660
184 Top Butt, bnls (prime)	3.642	3.529	+.113	3.324
185a Sirloin Flap (choice)	3.579	3.571	+.008	3.145
185c Loin, Tri-Tip (choice)	2.554	2.533	+.021	2.890
189a Tender (select)	8.989	9.081	-.092	7.836
189a Tender (choice)	11.129	10.933	+.196	10.176
189a Tender (prime)	13.677	13.732	-.055	13.463
193 Flank Steak (choice)	3.421	3.815	-.394	3.616
50% Trimmings	.730	.634	+.096	1.198
65% Trimmings	1.123	1.119	+.004	1.361
75% Trimmings	1.475	1.475	-	1.474
85% Trimmings	1.851	1.863	-.012	1.866
90% Trimmings	2.052	2.048	+.004	1.791
90% Imported Beef (frz.)	2.215	2.060	+.155	2.003
95% Imported Beef (frz.)	2.070	2.205	-.135	2.108
Veal Rack (Hotel 7 rib)	8.020	8.020	-	6.450
Veal Top Rnd. (cp. off)	14.700	14.700	+.175	13.375



Oil, Grains, Misc.- The U.S. winter wheat crop remains challenged due to the drought blanketing the better part of the U.S. plains. Wheat prices could be supported in '13 if weather doesn't improve. Prices USDA, FOB.

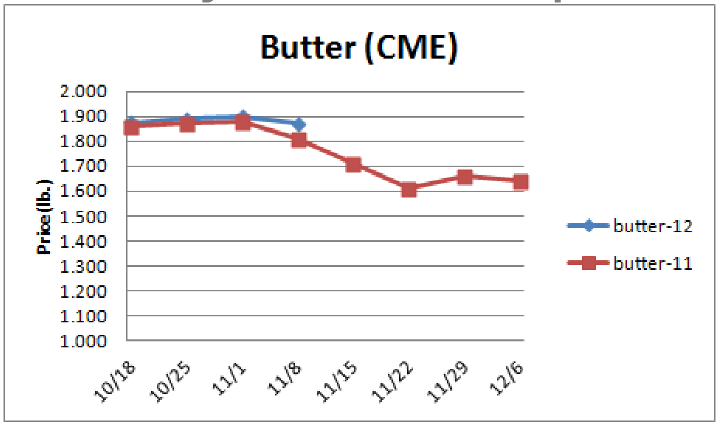
	Price	Last Week	Difference	Price 11
Soybeans, bushel	15.060	15.255	-.195	11.783
Crude Soybean Oil, lb.	.466	.482	-.016	.518
Soybean Meal, ton	493.200	497.000	-3.800	300.800
Corn, bushel	7.370	7.400	-.030	6.457
Crude Corn Oil, lb.	.540	.545	-.005	.540
High Fructose Corn Syrup	.205	.205	-	.184
Distillers Grain, Dry	267.000	269.250	-2.250	216.580
Crude Palm Oil, lb. BMD	.342	.356	-.014	.443
HRW Wheat, bushel	8.875	8.695	+.180	7.025
DNS Wheat 14%, bushel	9.580	9.440	+.140	9.380
Durum Wheat, bushel	8.263	8.275	-.012	11.875
Pinto Beans, lb.	.346	.345	+.001	.445
Black Beans, lb.	.325	.320	+.005	.470
Rice, Long Grain, lb.	.271	.271	-	.291
Coffee, lb. NYBOT	1.526	1.551	-.025	2.341
Sugar, lb. NYBOT	.220	.225	-.005	.387
Honey (Clover), lb.	1.813	1.813	-	1.675



Dairy- The CME cheese markets have fallen sharply this week. The CME cheese block market is trading at a historically large premium to the international market. This U.S. premium spread to global cheese is likely to limit exports. The CME cheese markets typically firm over the next two weeks but that is unlikely this year. The CME butter market is softening and may have peaked. Since '07, the average move for the CME butter market during the next seven weeks is 17% lower. Still, slowed milk output may temper any pending decreases in butter prices. Prices per pound, except Class I Cream (hundred weight), from USDA.

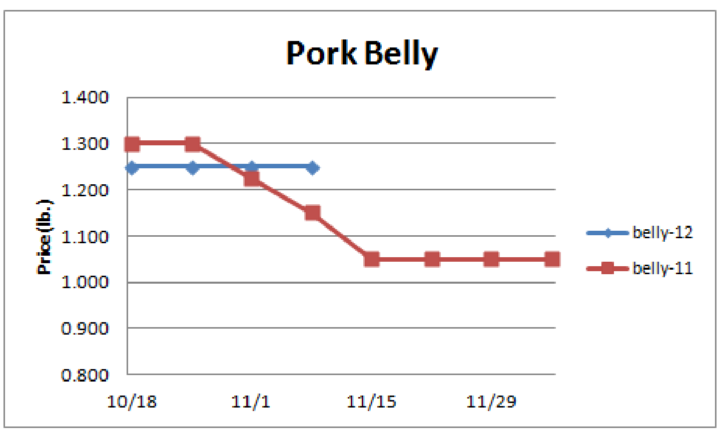
	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.910	2.000	-.090	1.930
Cheese Blocks (CME)	1.990	2.110	-.120	1.900
American Cheese	2.220	2.218	+.002	2.100
Cheddar Cheese (40 lb.)	2.500	2.455	+.045	2.235
Mozzarella Cheese	2.345	2.300	+.045	2.070
Provolone Cheese	2.695	2.650	+.045	2.225
Parmesan Cheese	4.043	3.998	+.045	3.305
Butter (CME)	1.870	1.898	-.028	1.808
Nonfat Dry Milk	1.543	1.550	-.007	1.498
Whey, Dry	.628	.623	+.005	0.615
Class 1 Base	20.700	20.700	-	18.450
Class II Cream, heavy	2.411	2.366	+.045	2.406
Class III Milk (CME)	19.930	20.160	-.230	18.410
Class IV Milk (CME)	18.600	18.650	-.050	17.300

Weekly Market Updates



Pork- Pork output last week fell .6% and was 1.4% smaller than the prior year with hog slaughter declining to its lowest level in five weeks. This is bringing support to the pork markets. History points to pending weakness in various pork markets. The ham market usually declines 5.4% over the next two weeks. The pork belly market is currently priced 30% above its three year average for the week. Belly prices typically fade 4.3% from here through the end of the month. The downside risk in the baby back rib market may be nominal from here. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.585	.593	-.008	.631
Belly (bacon)	1.250	1.250	-	1.150
Sparerib (4.25 lb. & down)	1.396	1.399	-.003	1.550
Ham (20-23 lb.)	.800	.800	-	.880
Ham (23-27 lb.)	.772	.810	-	.820
Loin (bone-in)	.868	.886	-.018	.990
Bbybck Rib (1.75 lb. & up)	2.053	2.050	+.003	2.620
Tenderloin (1.25 lb.)	2.150	2.086	+.064	2.570
Boston Butt, untrmd. (4-8lb.)	.866	.856	+.010	.965
Picnic, untrmd.	.598	.614	-.016	.844
SS Picnic, smoker trm. bx.	.866	.875	-.009	1.143
42% Trimmings	.383	.355	+.028	.550
72% Trimmings	.690	.650	+.040	.833



Tomato Products, Canned- The canned tomato markets are rather stable as the tomato harvest has culminated. Steady canned tomato prices could persist this fall. Prices per case (6/10) FOB, unless noted from ARA.

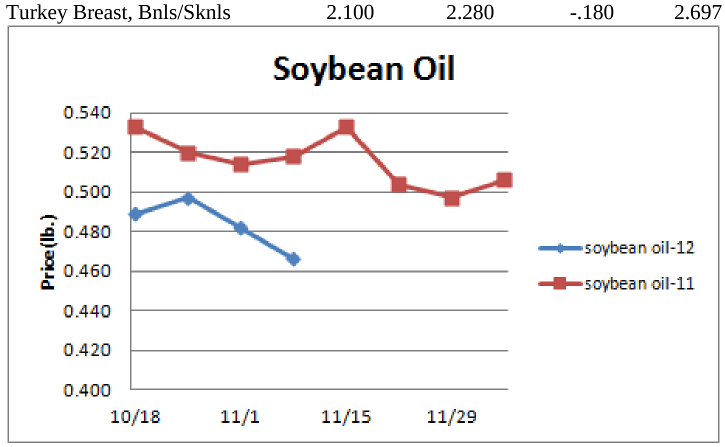
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	11.750
Diced, Fancy	12.750	12.750	-	12.250
Ketchup, 33%	13.438	13.438	-	13.000
Tomato Paste- Industrial (lb.)	.398	.398	-	.390

Processed Vegetables- The harvest season for vegetables has ended. The majority of the processed vegetable markets are firm but could modestly appreciate as we move into '13. 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- The weekly ARA chicken cutout index last week fell to its lowest level since March. Profitability remains a challenge for chicken producers but output rates are above year ago levels. The USDA is calling for total fall chicken output to be up 1.3% versus '11. The chicken wing markets usually trade sideways during November but then rise 10% through mid-February. Any price increases for wings in the coming months may be tempered if production rates continue to trend above prior year levels. The chicken breast markets frequently bottom in early November and continue to trade at engaging price levels for the balance of the year. The egg markets usually trend upward in the coming weeks due to holiday demand. Prices USDA, FOB per pound except when noted.

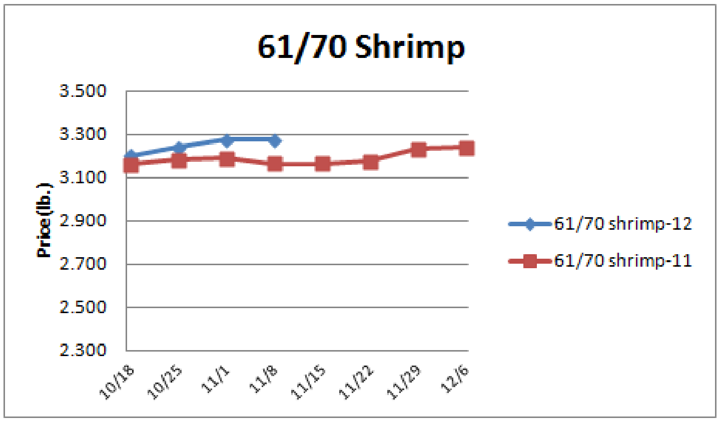
Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.963	.963	-	.890
Whole Birds (LA)	1.050	1.050	-	.980
Wings (whole)	1.815	1.820	-.005	1.196
Wings (jumbo, cut)	1.860	1.880	-.020	1.294
Breast, Bone In	1.010	1.005	+.005	.795
Breast, Bnless Skinless	1.590	1.590	-	1.435
Tenderloin (random)	1.240	1.240	-	1.180
Tenderloin (sized)	1.870	1.870	-	1.780
Legs (whole)	.773	.686	+.087	.689
Leg Quarters	.535	.535	-	.530
Thighs, bone in	.799	.782	+.017	.802
Thighs, boneless	1.263	1.302	-.039	1.301
Eggs and Others				
Large (dozen)	1.250	1.238	+.012	1.200
Medium (dozen)	1.090	1.090	-	1.048
Whole Eggs- Liquid	.807	.777	+.030	.638
Egg Whites- Liquid	.526	.495	+.031	.574
Egg Yolks- Liquid	1.336	1.358	-.022	.831
Whole Turkeys (8-16 lb.)	1.140	1.140	-	1.150
Turkey Breast, Bnls/Sknls	2.100	2.280	-.180	2.697



Seafood- The shrimp markets remain fairly steady. U.S. Gulf of Mexico shrimp landings during September were 6.8% more than last year and the best for the month since '09. Yet, current year U.S. Gulf of Mexico shrimp landings through September were 7.7% below a year ago. The U.S. imports the majority of its shrimp consumption needs. A firm U.S. dollar valuation could keep shrimp prices at bay in the coming months. Prices for fresh product, unless noted, per pound from Fisheries Market News.

Weekly Market Updates

	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
Shrimp (16/20), Frz	5.018	5.011	+.007	6.433
Shrimp (61/70), Frz.	3.275	3.275	-	3.163
Shrimp, Tiger (26/30), Frz.	4.400	4.400	-	4.988
Snow Crab, Legs 5-8 oz, Frz	4.975	5.025	-.050	5.513
Snow Crab, Legs 8 oz/ up, Fz	5.800	5.800	-	6.275
Cod Tails, 3-7 oz., Frz.	3.500	3.500	-	3.220
Cod Loins, 3-12 oz., Frz	3.463	3.463	-	3.680
Salmon Portions, 4-8 oz, Frz	5.083	5.083	-	6.354
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.800



Energy & Currency-Currency US dollar is worth.

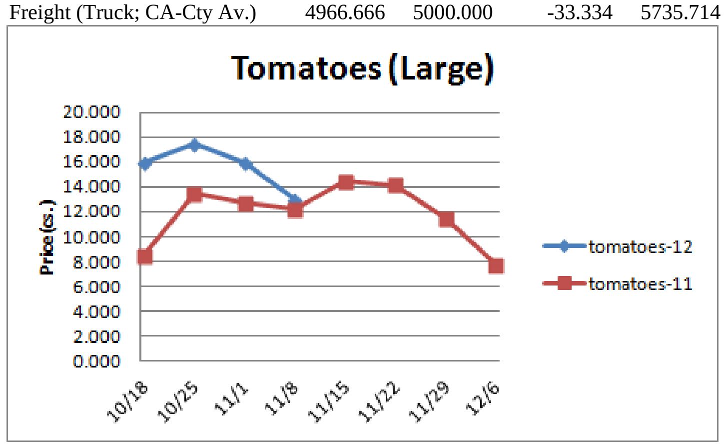
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	88.710	85.680	+3.030	95.520
Natural Gas, mbtu- nymex	3.617	3.691	-.074	3.696
Heating Oil, gal- nymex	3.053	3.087	-.034	3.120
Electricity, mwht- nymex	43.910	50.710	-6.800	42.230
Gasoline, gal- nymex	2.699	2.729	-.030	2.728
Diesel Fuel, gal- eia	4.010	4.030	-.020	3.887
Ethanol, gal- usda	2.320	2.340	-.020	2.800
Canadian $	.994	1.001	-.007	1.017
Japanese Yen	79.909	79.867	+.042	78.082
Mexican Peso	13.026	13.061	-.035	13.500
Euro	.784	.770	+.014	.728
Brazilian Real	2.034	2.032	+.002	1.748

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)	855.050	846.830	+8.220	920.000
WP; 42 lb. Linerboard (corr.)	741.393	753.882	-12.489	768.782
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.100-1.140
Res; PP-HIGP (hvy utensil)	.900-.920	.900-.920	-	1.020-1.040
Res; PE-LLD (cn liner, film)	.850-.880	.850-.880	-	.830-.860

Produce- The Florida tomato harvest is off to a slow start which has kept mature green tomato prices elevated. This is despite Northeast storm related demand weakness. Better tomato supplies are projected in the coming weeks. The iceberg lettuce market is steady with the chief lettuce supply area currently around Huron, CA. Lettuce prices could become erratic as the crop transitions to the Yuma-Imperial valley. However, no major lettuce supply gaps are anticipated at this time. The yellow onion market has firmed which isn't unusual as the holiday season nears. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	7.000	6.000	+1.000	6.000
Lemons (95 ct.)	16.275	16.275	-	17.740
Lemons (200 ct.)	13.275	13.275	-	13.190
Honeydew (6 ct.)	4.500	6.750	-2.250	5.000
Cantaloupe (15 ct.)	9.950	12.950	-3.000	6.725
Blueberries (12 count)	20.500	23.500	-3.000	16.000
Strawberries (12 pnts.)	18.000	17.000	+1.000	10.500
Avocados (Hass 48 ct.)	19.750	31.970	-12.220	26.250
Bananas (40 lb.)- Term.	14.645	14.388	+.257	14.730
Pineapple (7 ct.)- Term.	9.666	9.886	-.220	11.500
Idaho Potato (60 ct., 50 lb.)	5.000	5.000	-	9.000
Idaho Potato (70 ct., 50 lb.)	5.000	5.000	-	8.875
Idaho Potato (70 ct.)-Term.	10.893	10.818	+.075	14.725
Idaho Potato (90 ct., 50 lb.)	6.062	6.062	-	8.375
Idaho Pot. # 2 (6 oz., 100 lb.)	7.500	7.500	-	13.750
Processing Potato (cwt.)	7.000	7.000	-	6.500
Yellow Onions (50 lb.)	6.562	6.416	+.146	6.750
Yell Onions (50 lb.)-Term.	12.978	11.416	+1.562	10.730
Red Onions (25 lb.)- Term.	11.010	10.845	+.165	9.032
White Onions (50 lb.)- Term.	18.468	17.895	+.573	16.730
Tomatoes (large- case)	12.950	15.950	-3.000	12.200
Tomatoes (5x6-25 lb.)-Term	15.760	15.041	+.719	13.313
Tomatoes (4x5 vine ripe)	12.970	10.950	+2.020	10.950
Roma Tomatoes (large- case)	11.791	10.291	+1.500	8.700
Roma Tomatoes (xlarge-cs)	12.456	11.100	+1.356	9.200
Green Peppers (large- case)	9.937	10.725	-.788	11.434
Red Peppers (large 15lb. cs.)	15.950	15.950	-	14.950
Iceberg Lettuce (24 count)	8.692	9.856	-1.164	13.079
Iceberg Lettuce (24)-Term.	15.833	15.500	+.333	16.000
Leaf Lettuce (24 count)	7.515	7.543	-.028	8.350
Romaine Lettuce (24 cnt.)	9.531	9.141	+.390	13.650
Mesculin Mix (3 lb.)-Term.	6.770	6.687	+.083	5.615
Broccoli (14 ct.)	8.207	7.375	+.832	8.618
Squash (1/2 bushel)	9.512	6.515	+2.997	6.888
Zucchini (1/2 bushel)	8.400	5.983	+2.417	4.888
Green Beans (bushel)	16.893	17.393	-.500	12.668
Spinach, Flat 24’s	12.245	12.245	-	11.475
Mushrms (10 lb, lg.)-Term.	15.145	16.375	-1.230	11.084
Cucumbers (bushel)	14.010	12.360	+1.650	11.187
Pickles (200-300 ct.)- Term.	25.687	25.312	+.375	29.792
Asparagus (small)	16.500	20.500	-4.000	13.500
Freight (Truck; CA-Cty Av.)	4966.666	5000.000	-33.334	5735.714



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
Pork	-1.108	+1.563	+.403	-.091
Chicken	-.393	+.481	+1.310	+1.736
Fresh Fish and Seafood	+.289	-.206	-.010	-.168
Fresh Fruits and Veg.	+.769	+.042	-1.303	+.126