Weekly Market Updates

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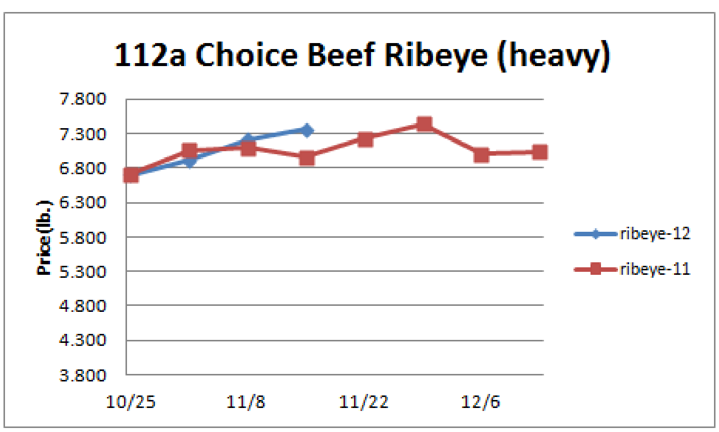
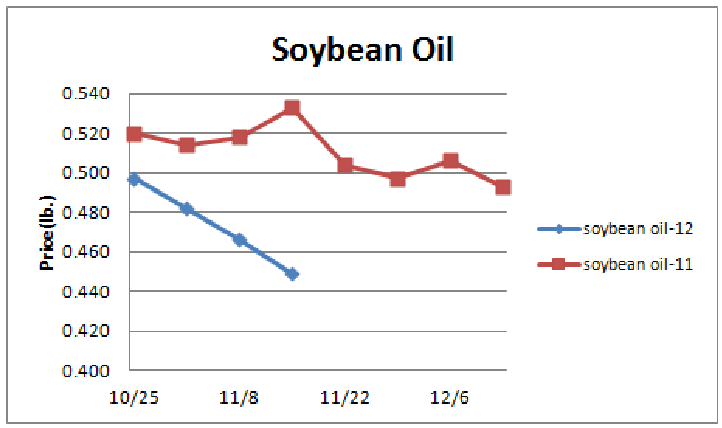
Beef- Beef output last week fell 2.6% but was 3.7% more than the same week in '11. Cattle slaughter last week was the smallest in the prior five weeks due partly to poor packer margins. Holiday slowed beef output this week and next could support beef prices. September U.S. beef imports were 12.4% less than last year and the smallest for the month since 1989. U.S. beef exports were down 16.4% versus '11. Beef exports during September outpaced imports by the most since December. If this U.S. beef trade deficit trend persists, it should support end cut prices. The 90% trim market usually rises 7.6% in December. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.245	1.250	-.005	1.260
Feeder Cattle Index (CME)	1.436	1.441	-.005	1.431
Ground Beef 81/19	1.970	1.891	+.079	1.811
Ground Chuck	1.883	1.888	-.005	1.850
109e Export Rib (choice)	6.605	6.432	+.173	6.545
109e Export Rib (prime)	9.670	9.258	+4.12	10.549
112a Ribeye (choice)	7.357	7.219	+.138	6.960
112a Ribeye (prime)	9.768	9.857	-.089	10.221
116 Chuck (select)	2.328	2.401	-.073	2.292
116 Chuck (choice)	2.370	2.434	-.064	2.370
116b Chuck Tdnr (choice)	2.142	2.059	+.083	2.360
120 Brisket (choice)	2.082	2.076	+.006	2.016
121c Outside Skirt (ch/sel)	4.705	4.942	-.237	3.692
121d Inside Skirt (ch/sel)	3.074	3.062	+.012	2.981
167a Knckle, Trm. (ch.)	2.243	2.244	-.001	2.259
168 Inside Round (ch.)	2.014	2.115	-.101	2.096
174 Short Loin (ch. 0x1)	4.992	4.936	+.056	4.544
174 Short Loin (prime)	8.779	9.402	-.623	9.026
180 1x1 Strp (choice)	4.592	4.592	-	4.322
180 1x1 Strp (prime)	9.476	9.476	-	10.363
180 0x1 Strp (choice)	4.947	5.130	-.183	4.873
184 Top Butt, bnls (ch.)	3.075	3.172	-.097	2.691
184 Top Butt, bnls (prime)	3.335	3.642	-.307	3.254
185a Sirloin Flap (choice)	3.463	3.579	-.116	3.090
185c Loin, Tri-Tip (choice)	2.509	2.554	-.045	2.855
189a Tender (select)	8.330	8.989	-.659	7.918
189a Tender (choice)	11.297	11.129	+.168	10.044
189a Tender (prime)	14.179	13.677	+.502	13.608
193 Flank Steak (choice)	3.235	3.421	-.186	3.360
50% Trimmings	.780	.730	+.050	1.275
65% Trimmings	1.169	1.123	+.046	1.449
75% Trimmings	1.448	1.475	-.027	1.482
85% Trimmings	1.859	1.851	+.008	1.711
90% Trimmings	2.067	2.052	+.015	1.829
90% Imported Beef (frz.)	2.080	2.215	-.135	1.985
95% Imported Beef (frz.)	2.248	2.070	+.178	2.138
Veal Rack (Hotel 7 rib)	8.120	8.020	+.100	6.575
Veal Top Rnd. (cp. off)	14.900	14.700	+.200	13.375



Oil, Grains, Misc.- The latest USDA crop report increased the soybean harvest more than expected which is pressuring soybean prices lower. The soybean markets are expected to bottom soon. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	11.845	15.060	-3.215	11.845
Crude Soybean Oil, lb.	.449	.466	-.017	.533
Soybean Meal, ton	453.110	493.200	-29.200	292.400
Corn, bushel	7.278	7.370	-.092	6.467
Crude Corn Oil, lb.	.515	.540	-.025	.540
High Fructose Corn Syrup	.203	.205	-.002	.183
Distillers Grain, Dry	262.750	267.000	-4.250	216.750
Crude Palm Oil, lb. BMD	.355	.342	+.013	.466
HRW Wheat, bushel	8.560	8.875	-.315	6.825
DNS Wheat 14%, bushel	9.320	9.580	-.260	9.570
Durum Wheat, bushel	8.188	8.263	-.075	11.625
Pinto Beans, lb.	.346	.346	-	.438
Black Beans, lb.	.320	.325	-.005	.470
Rice, Long Grain, lb.	.273	.271	+.002	.291
Coffee, lb. NYBOT	1.478	1.526	-.048	2.369
Sugar, lb. NYBOT	.223	.220	+.003	.383
Honey (Clover), lb.	1.813	1.813	-	1.675



Dairy- The CME cheese markets have likely established a seasonal top. Curbed retail demand in response to inflated prices is pressuring the wholesale cheese markets lower. September cheese exports were up 17% versus a year ago but the smallest since October. CME cheese prices could find near term support but the historical trend is downward during December. The CME butter market is currently priced above the CME block market despite a better inventory scenario. This factor could lead to lower butter prices soon. September butter exports were 31% less than last year. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.835	1.910	-.075	2.048
Cheese Blocks (CME)	1.910	1.990	-.080	2.000
American Cheese	2.150	2.220	-.070	2.300
Cheddar Cheese (40 lb.)	2.415	2.500	-.085	2.270
Mozzarella Cheese	2.260	2.345	-.085	2.248
Provolone Cheese	2.610	2.695	-.085	2.403
Parmesan Cheese	3.958	4.043	-.085	3.483
Butter (CME)	1.890	1.870	+.020	1.710
Nonfat Dry Milk	1.558	1.543	+.015	1.505
Whey, Dry	.634	.628	+.006	.594
Class 1 Base	20.700	20.700	-	18.450
Class II Cream, heavy	2.480	2.411	+.069	2.391
Class III Milk (CME)	19.700	19.930	-.230	18.970
Class IV Milk (CME)	18.600	18.600	-	17.500

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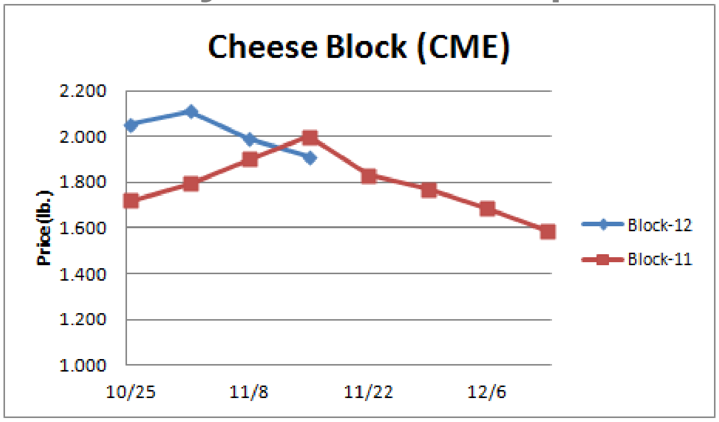
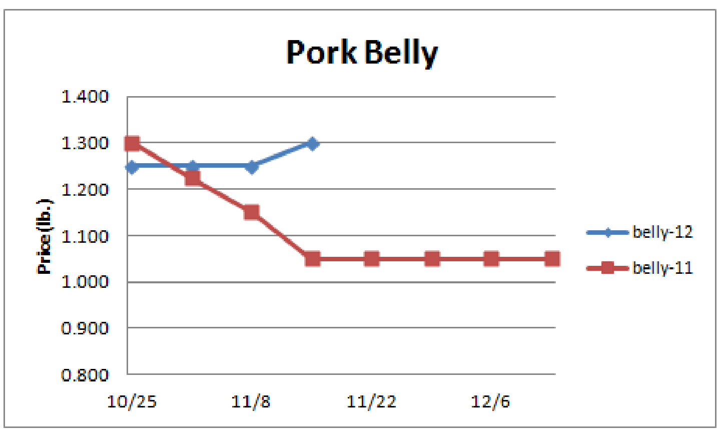


Pork- Pork production last week rose .3% and was 2.6% larger than the last year. Hog supplies are abundant and slaughter rates normally escalate into December. This is supportive of pending pork output and should keep pork prices at bay in the coming weeks. U.S. pork exports were .7% greater than last year and the largest since May. Exports are likely to remain solid next year as inflated feed prices worldwide mitigate overall pork production. The ham market usually trends 3.2% lower from now through next week. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.563	.585	-.022	.600
Belly (bacon)	1.300	1.250	+.050	1.050
Sparerib (4.25 lb. & down)	1.383	1.396	-.013	1.560
Ham (20-23 lb.)	.760	.800	-.040	.880
Ham (23-27 lb.)	.772	.772	-	.820
Loin (bone-in)	.851	.868	-.017	.956
Bbybck Rib (1.75 lb. & up)	2.024	2.053	-.029	2.590
Tenderloin (1.25 lb.)	2.250	2.150	+.100	2.495
Boston Butt, untrmd. (4-8lb.)	.874	.866	+.008	.949
Picnic, untrmd.	.725	.598	+.127	.778
SS Picnic, smoker trm. bx.	.992	.866	+.126	1.143
42% Trimmings	.375	.383	-.008	.500
72% Trimmings	.641	.690	-.049	.830



Tomato Products, Canned- Canners could be facing a modest increase in raw product costs for the '13 harvest. The canned tomato markets remain steady. Prices per case (6/10) FOB, unless noted from ARA.

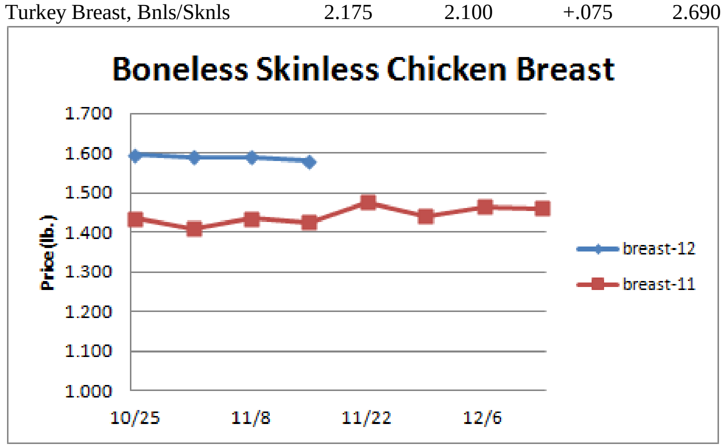
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Although potato prices remain historically low, processors are looking at high raw product costs for '13. This could keep French fry prices above year ago levels. 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- September U.S. chicken exports were 3.3% more than last year. Mexico, the U.S. largest chicken customer, witnessed their September chicken imports from the U.S. rise by 21% versus '11. Solid chicken exports are likely to persist due to inflated feed prices worldwide which would be supportive of the U.S. chicken leg quarter markets. Broiler-type egg sets have shown signs of slowing recently versus last year. If chicken output wanes moving forward, it could support chicken prices this winter. History suggests that the downside price risk for the chicken breast markets from current levels is nominal. Since '07, the average move for the jumbo cut chicken wing market from Thanksgiving week into early February is 9.6% higher. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.965	.963	+.002	.893
Whole Birds (LA)	1.050	1.050	-	.980
Wings (whole)	1.820	1.815	+.005	1.270
Wings (jumbo, cut)	1.880	1.860	+.020	1.293
Breast, Bone In	1.005	1.010	-.005	.800
Breast, Bnless Skinless	1.580	1.590	-.010	1.425
Tenderloin (random)	1.240	1.240	-	1.180
Tenderloin (sized)	1.870	1.870	-	1.780
Legs (whole)	.683	.773	-.009	.639
Leg Quarters	.535	.535	-	.535
Thighs, bone in	.793	.799	-.006	.756
Thighs, boneless	1.234	1.263	-.029	1.273
Eggs and Others				
Large (dozen)	1.273	1.250	+.023	1.200
Medium (dozen)	1.110	1.090	+.020	1.048
Whole Eggs- Liquid	.801	.807	-.006	.607
Egg Whites- Liquid	.541	.526	+.015	.574
Egg Yolks- Liquid	1.336	1.336	-	.831
Whole Turkeys (8-16 lb.)	1.115	1.140	-.025	1.145
Turkey Breast, Bnls/Sknls	2.175	2.100	+.075	2.690



Seafood- September total U.S. shrimp imports were down 21% versus last year while shell-on shrimp imports were 13% lower. A weakening U.S. dollar valuation during September was a catalyst for the waning shrimp imports. The U.S. dollar has appreciated in value since then which in the past has been supportive of U.S. shrimp imports. Still, going forward the U.S. dollar valuation will be key for pending shrimp prices. Prices for fresh product, unless noted, per pound from Fisheries Market News.

Price	Last Week	Difference	Price 11

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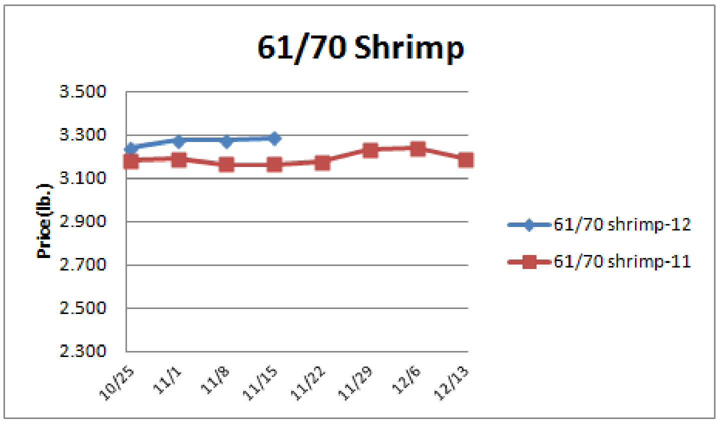
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	2.750
Catfish Filets	4.500	4.500	-	5.250
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.052	5.018	+.034	6.433
Shrimp (61/70), Frz.	3.283	3.275	+.008	3.163
Shrimp, Tiger (26/30), Frz.	4.400	4.400	-	4.988
Snow Crab, Legs 5-8 oz, Frz	5.025	4.975	+.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	-	3.280
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.

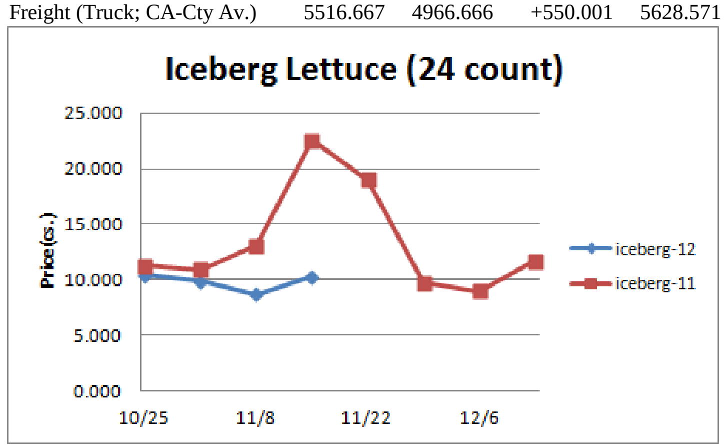
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	85.380	88.710	-3.330	99.370
Natural Gas, mbtu- nymex	3.739	3.617	+.122	3.404
Heating Oil, gal- nymex	2.961	3.053	-.092	3.171
Electricity, mwht- nymex	45.770	43.910	+1.860	39.910
Gasoline, gal- nymex	2.654	2.699	-.045	2.586
Diesel Fuel, gal- eia	3.980	4.010	-.030	3.987
Ethanol, gal- usda	2.285	2.320	-.035	2.795
Canadian $	1.001	.994	+.007	1.025
Japanese Yen	80.140	79.909	+.231	79.973
Mexican Peso	13.195	13.026	+.169	13.580
Euro	.785	.784	+.001	.740
Brazilian Real	2.061	2.034	+.027	1.767

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)	865.000	855.050	+9.950	920.000
WP; 42 lb. Linerboard (corr.)	743.181	741.393	+1.788	751.026
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.100-1.140
Res; PP-HIGP (hvy utensil)	.920-.940	.900-.920	+.020	1.020-1.040
Res; PE-LLD (cn liner, film)	.850-.880	.850-.880	-	.830-.860

Produce- The main lettuce harvest area is beginning to transition to the Yuma-Imperial Valley region. Quality issues have limited some iceberg lettuce supplies and have supported prices over the past week. The iceberg lettuce market typically peaks in late November. The CA tomato harvest is seasonally fading. The Florida tomato harvest is progressing with good quality. Florida tomato shipments last week were 34% above a year ago. The mature green tomato market frequently tops next week. The Hass avocado market usually trends 3% lower during the next three weeks. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	10.000	7.000	+3.000	7.500
Lemons (95 ct.)	15.775	16.275	-.500	17.740
Lemons (200 ct.)	13.275	13.275	-	13.740
Honeydew (6 ct.)	4.500	4.500	-	5.875
Cantaloupe (15 ct.)	8.950	9.950	-1.000	6.838
Blueberries (12 count)	17.500	20.500	-3.000	19.500
Strawberries (12 pnts.)	19.000	18.000	+1.000	19.000
Avocados (Hass 48 ct.)	18.750	19.750	-1.000	25.750
Bananas (40 lb.)- Term.	14.645	14.645	-	14.884
Pineapple (7 ct.)- Term.	9.520	9.666	-.146	11.834
Idaho Potato (60 ct., 50 lb.)	4.875	5.000	-.125	9.000
Idaho Potato (70 ct., 50 lb.)	5.000	5.000	-	8.875
Idaho Potato (70 ct.)-Term.	10.531	10.893	-.362	14.594
Idaho Potato (90 ct., 50 lb.)	6.250	6.062	+.188	8.500
Idaho Pot. # 2 (6 oz., 100 lb.)	7.000	7.500	-.500	14.000
Processing Potato (cwt.)	7.000	7.000	-	7.000
Yellow Onions (50 lb.)	6.250	6.562	-.312	6.300
Yell Onions (50 lb.)-Term.	12.979	12.978	+.001	11.032
Red Onions (25 lb.)- Term.	11.062	11.010	+.052	9.032
White Onions (50 lb.)- Term.	18.812	18.468	+.344	17.251
Tomatoes (large- case)	13.283	12.950	+.333	14.450
Tomatoes (5x6-25 lb.)-Term	15.343	15.760	-.417	14.134
Tomatoes (4x5 vine ripe)	12.950	12.970	-.020	14.950
Roma Tomatoes (large- case)	11.783	11.791	-.008	11.959
Roma Tomatoes (xlarge-cs)	12.625	12.456	+.169	12.450
Green Peppers (large- case)	13.187	9.937	+3.250	10.050
Red Peppers (large 15lb. cs.)	19.950	15.950	+4.000	13.950
Iceberg Lettuce (24 count)	10.315	8.692	+1.623	22.572
Iceberg Lettuce (24)-Term.	16.250	15.833	+.417	25.750
Leaf Lettuce (24 count)	7.831	7.515	+.316	15.374
Romaine Lettuce (24 cnt.)	9.675	9.531	+.144	19.574
Mesculin Mix (3 lb.)-Term.	6.833	6.770	+.063	7.084
Broccoli (14 ct.)	9.691	8.207	+1.484	18.413
Squash (1/2 bushel)	11.375	9.512	+1.863	6.000
Zucchini (1/2 bushel)	13.350	8.400	+4.950	6.175
Green Beans (bushel)	21.125	16.893	+4.232	19.850
Spinach, Flat 24's	12.270	12.245	+.025	12.900
Mushrms (10 lb, lg.)-Term.	15.145	15.145	-	11.077
Cucumbers (bushel)	15.132	14.010	+1.122	15.625
Pickles (200-300 ct.)- Term.	25.208	25.687	-.479	17.693
Asparagus (small)	20.000	16.500	+3.500	14.500
Freight (Truck; CA-Cty Av.)	5516.667	4966.666	+550.001	5628.571



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