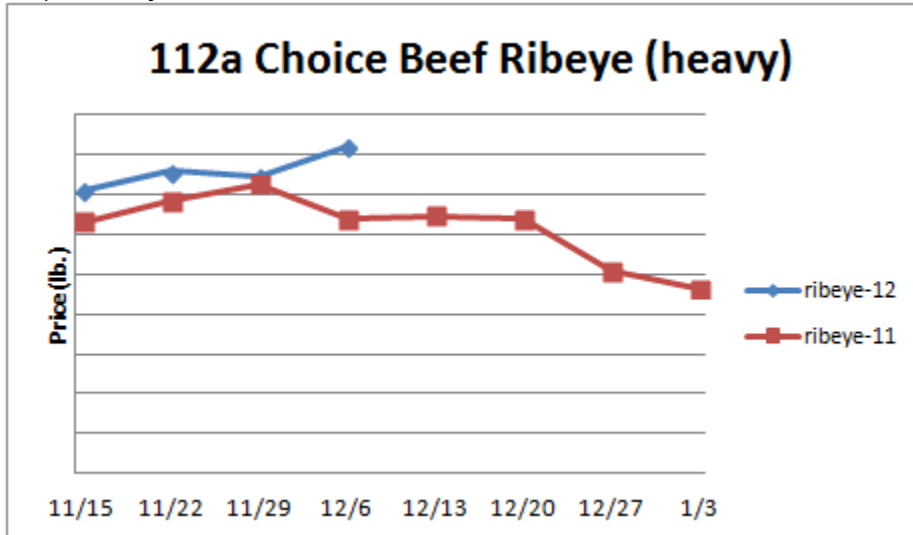


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef production last week was 2.3% smaller than the prior year. Beef output is likely to be below year ago levels during the next several months. However, heavier fed cattle weights may temper beef output losses. Forward beef sales for Jan and beyond have been light in recent weeks as buyers remain cautious with the existing inflated beef prices. Various beef end cut markets are expected to move higher this month due to seasonally shifting demand patterns. Not so for the middle meats. The beef tenderloin and ribeye markets typically decline 10% and 23% respectively over the next three weeks.

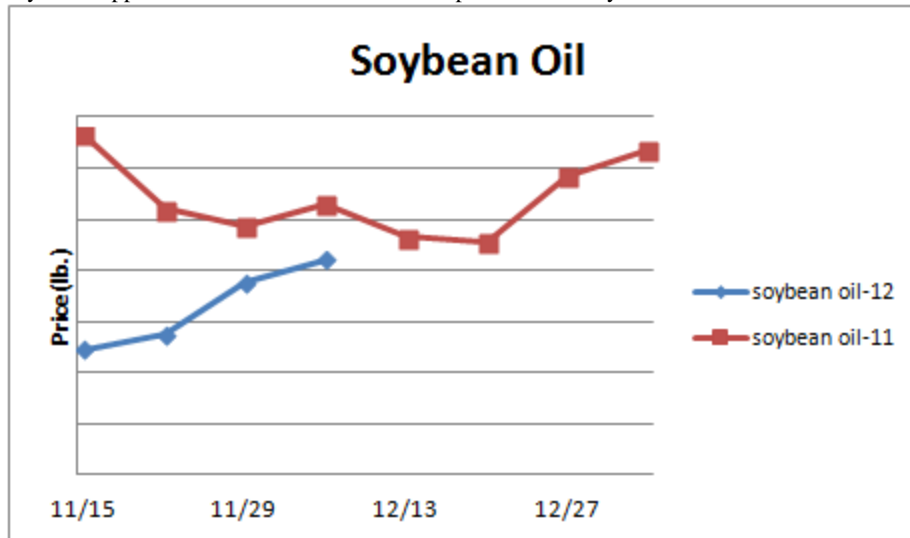


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Lower
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Lower
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Lower
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Lower
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Lower
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Lower
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Increasing	Good	Lower
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Lower
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)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Decreasing	Good	Lower
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Increasing	Good	Higher

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

Oil and Grains Report

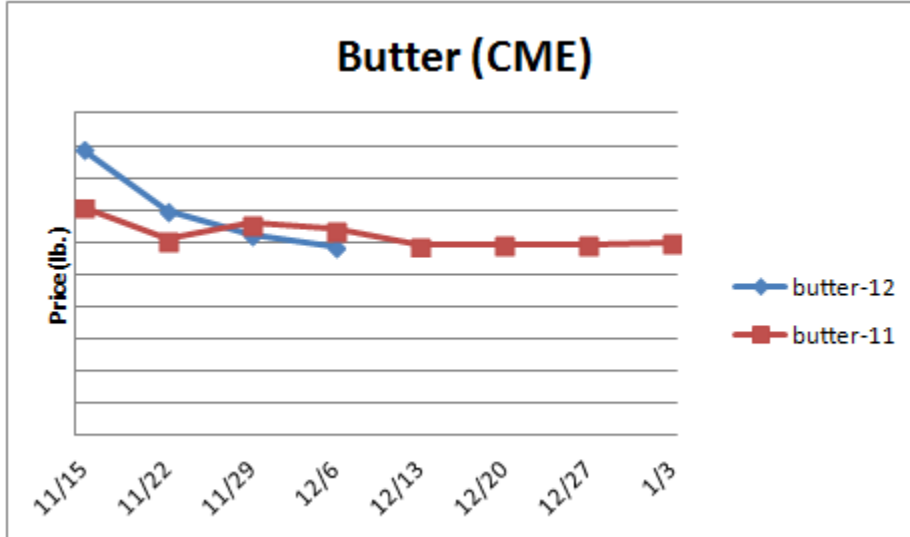
Oil & Grains- Soybean prices are nearly 18% lower from their record highs set three months ago. Tight global soybean supplies could limit further downside price risk for soybeans.



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

Dairy Report

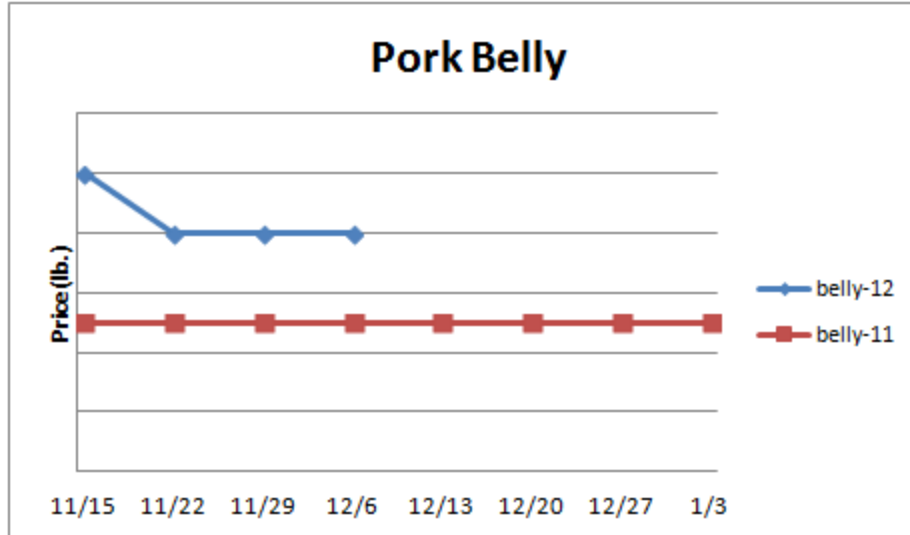
Dairy- The cheese markets are trending seasonally lower. U.S. cheese prices are becoming more attractive on the international market. If this trend persists, it should encourage U.S. cheese export activity. This factor and the continued slowdown in milk production should limit the near term downside price risk in cheese. The CME butter market settled below the \$1.60 level this week for the first time since July. The downturn in butter prices should encourage better export sales which could temper any seasonal downward pressure for the butter markets in the coming weeks.



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

Pork Report

Pork- Pork output last week was .5% smaller than the same week last year. Holiday season demand is encouraging pork production. However, hog weights have fallen below year ago levels which signals tighter hog supplies and tempered pork output in the coming weeks. The USDA pork cutout has gained 5% during the last two weeks due in part to rising ham prices. Still, history points to the 23-27 lb. ham market declining 15% during the next three weeks. Baby back rib prices remain near ten year lows.



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

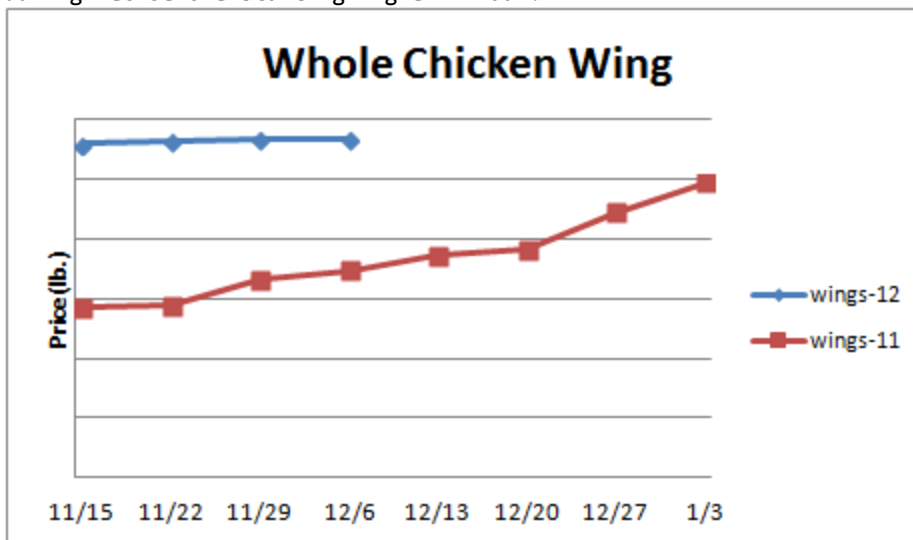
Canned Tomato Report

Tomato Products, Canned- Tomato growers are negotiating with processors their '13 raw product price which should remain inflated. The markets are steady.

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

Poultry Report

Poultry- Chicken producer margins remain challenged by elevated feed costs and only steady chicken prices in recent weeks. The six-week-moving-average for broiler egg sets is trending 1.2% below '11 levels which is a sign that producers are planning to curb winter chicken production. Yet, more broiler egg set data this month will be needed for confirmation. If chicken output does slow, heavier bird weights could temper any considerable chicken output short-falls. The weekly ARA chicken wing index last week priced at its second highest level since Feb. Modestly higher chicken wing prices are anticipated in the coming weeks. Chicken breast prices tend to remain flat during Dec before starting higher in Jan.

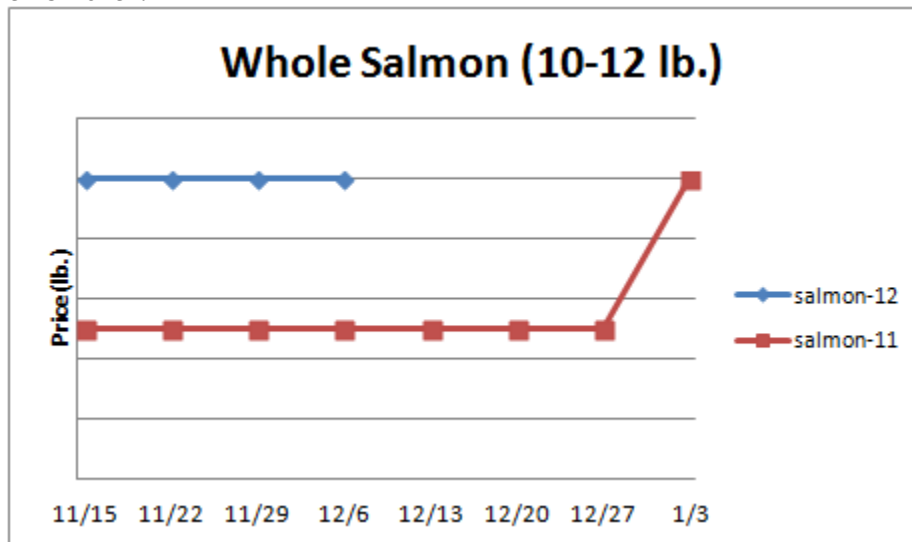


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Higher
Whole Chicken (LA)	Steady	Good	Higher
Chicken Wings, Whole	Steady	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Decreasing	Good	Higher
Chicken Breast, Bnless Sknless	Steady	Good	Higher
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Lower
Chicken Legs (whole)	Decreasing	Good	Higher
Chicken Leg Quarters	Decreasing	Good	Higher

Chicken Thighs, bone in	Increasing	Good	Higher
Chicken Thighs, boneless	Decreasing	Good	Higher
Large Eggs	Steady	Good	Higher
Medium Eggs	Steady	Good	Higher
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Increasing	Good	Lower
Egg Yolks- Liq	Decreasing	Good	Higher
Whole Turkey (8-16 lb)	Decreasing	Good	Lower
Turkey Breast- Bnls/Sknl	Decreasing	Good	Lower

Seafood Report

Seafood- The snow crab markets remain below year ago levels. The Alaskan Bering Sea snow crab fishing season is expected to pick up after the holidays. The '12/13 quota for Bering Sea snow crabs is 25% smaller than the last season but still the second largest since '07. Yet, the snow crab markets may look to Canada's season next Spring for price direction. Relatively fairly steady snow crab prices could persist during this month.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Steady	Good	Higher
Catfish, Filets	Steady	Good	Lower
Trout, Drn. (8-14 oz)	Steady	Good	Higher
Shrimp (16-20 count)	Increasing	Good	Lower
Shrimp (61-70 count)	Decreasing	Good	Lower
Shrimp, Tiger (26-30 count)	Decreasing	Good	Lower
Snow Crab Legs (5-8 oz)	Steady	Good	Lower
Snow Crab Legs (8 oz up)	Steady	Good	Lower
Cod Tails, 3-7 oz. Frz.	Decreasing	Good	Lower
Cod Loins, 3-12 oz. Frz.	Decreasing	Good	Lower
Salmon Portions, 4-8 oz. Frz.	Increasing	Good	Lower

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Steady	Good	Lower
Black Beans	Increasing	Good	Lower
Rice, Long Grain	Steady	Good	Lower
Coffee Beans	Increasing	Good	Lower
Sugar	Decreasing	Good	Lower
Honey	Steady	Good	Higher

Paper Product Report

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

Retail Price Change from Prior Month

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

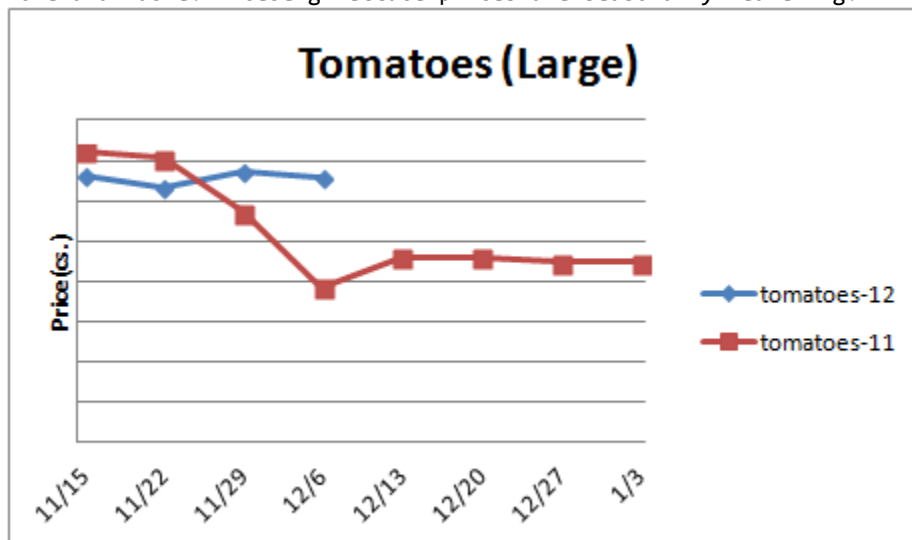
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- The Oct 31 frozen cob corn (2%), cut corn (1%) and green bean (48%) inventories were more than the prior year. The processed vegetable markets are steady.

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

Produce Report

Produce- The potato markets remain historically low. Total '12 U.S. fall potato production was up 7.9% versus last year while potato output from ID was 11.3% bigger than a year ago. The downside risk for the potato markets from here is likely nominal. Favorable weather in FL over the past week has supported the tomato harvests. Tomato shipments from FL last week were 35% better than the previous week. The mature green tomato markets usually fall in mid-Dec due in part to Mexican tomato supplies becoming more available. Iceberg lettuce prices are seasonally weakening.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Higher
Lemons (95 count)	Decreasing	Good	Lower
Lemons (200 count)	Increasing	Good	Lower
Honeydew (6 ct.)	Decreasing	Good	Lower
Cantaloupe (15 count)	Steady	Good	Higher
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Increasing	Good	Same
Avocados, Hass (48 count)	Decreasing	Good	Lower
Bananas (40 lb)-Term.	Increasing	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.	Increasing	Good	Higher
Idaho Potato (90 count)	Decreasing	Good	Lower
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Lower
Processing Potato (100 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb)	Increasing	Good	Higher
Yellow Onions (50 lb)-Term.	Increasing	Good	Higher
Red Onions (25 lb)-Term.	Increasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	Good	Higher
Tomatoes, (large- case)	Decreasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Steady	Good	Higher
Roma Tomatoes (large- case)	Increasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Decreasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Lower
Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Higher

Produce Report (continued)

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