Weekly Market Updates

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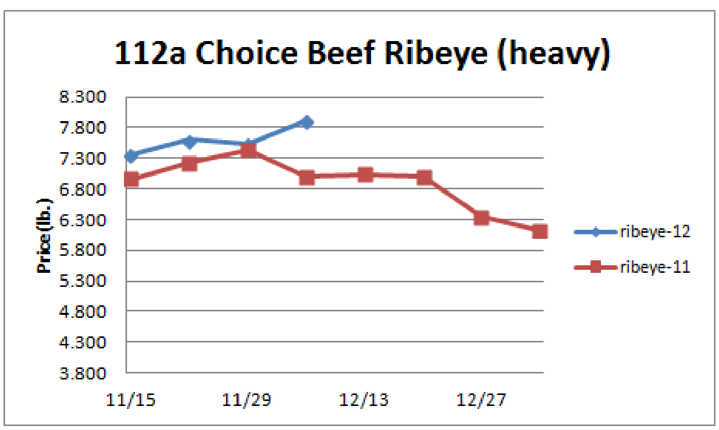
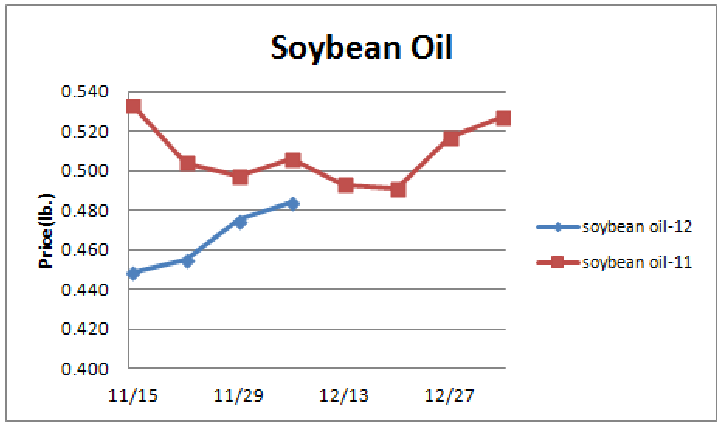
Beef- Beef production last week was 2.3% smaller than the prior year. Beef output is likely to be below year ago levels during the next several months. However, heavier fed cattle weights may temper beef output losses. Forward beef sales for Jan and beyond have been light in recent weeks as buyers remain 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.256	1.275	-.019	1.261
Feeder Cattle Index (CME)	1.458	1.457	+.001	1.444
Ground Beef 81/19	1.812	1.837	-.025	1.702
Ground Chuck	1.800	1.792	+.008	1.738
109e Export Rib (choice)	7.090	6.932	+.158	6.833
109e Export Rib (prime)	9.427	9.229	+.198	10.226
112a Ribeye (choice)	7.905	7.539	+.366	6.998
112a Ribeye (prime)	9.853	9.776	+.077	11.372
116 Chuck (select)	2.252	2.271	-.019	2.218
116 Chuck (choice)	2.306	2.301	+.005	2.187
116b Chuck Tdnr (choice)	2.229	2.242	-.013	2.186
120 Brisket (choice)	2.075	2.081	-.006	2.126
121c Outside Skirt (ch/sel)	4.546	4.560	-.014	4.012
121d Inside Skirt (ch/sel)	3.268	3.204	+.064	3.106
167a Knckle, Trm. (ch.)	2.060	2.147	-.087	2.118
168 Inside Round (ch.)	2.101	2.110	-.009	2.067
174 Short Loin (ch. 0x1)	5.081	5.005	+.076	4.438
174 Short Loin (prime)	8.526	8.416	+.110	9.134
180 1x1 Strp (choice)	4.564	4.493	+.071	4.326
180 1x1 Strp (prime)	9.163	8.915	+.248	9.533
180 0x1 Strp (choice)	4.994	5.005	-.011	4.858
184 Top Butt, bnls (ch.)	3.027	2.998	+.029	2.857
184 Top Butt, bnls (prime)	3.456	3.214	+.242	2.976
185a Sirloin Flap (choice)	3.668	3.594	+.074	2.936
185c Loin, Tri-Tip (choice)	2.612	2.764	-.152	2.698
189a Tender (select)	8.463	8.285	+.178	8.142
189a Tender (choice)	12.389	12.007	+.382	10.452
189a Tender (prime)	13.864	13.833	+.031	13.790
193 Flank Steak (choice)	3.655	3.488	+.167	3.323
50% Trimmings	.771	.761	+.010	1.044
65% Trimmings	1.189	1.179	+.010	1.457
75% Trimmings	1.471	1.476	-.005	1.496
85% Trimmings	1.872	1.840	+.032	1.789
90% Trimmings	2.090	2.084	+.006	1.870
90% Imported Beef (frz.)	2.158	2.110	+.048	2.040
95% Imported Beef (frz.)	2.340	2.295	+.045	2.145
Veal Rack (Hotel 7 rib)	8.120	8.120	-	6.675
Veal Top Rnd. (cp. off)	14.900	14.900	-	13.575



Oil, Grains, Misc.- 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. Prices USDA, FOB.

	Price	Last Week	Difference	Price 11
Soybeans, bushel	14.866	14.561	+.305	11.298
Crude Soybean Oil, lb.	.484	.475	+.009	.506
Soybean Meal, ton	464.300	459.300	+5.000	272.600
Corn, bushel	7.708	7.635	+.073	5.993
Crude Corn Oil, lb.	.515	.515	-	.540
High Fructose Corn Syrup	.211	.210	+.001	.183
Distillers Grain, Dry	258.750	255.000	+3.750	198.250
Crude Palm Oil, lb. BMD	.329	.321	+.008	.446
HRW Wheat, bushel	8.645	8.860	-.215	6.510
DNS Wheat 14%, bushel	9.420	9.510	-.090	8.870
Durum Wheat, bushel	8.200	8.225	-.025	9.837
Pinto Beans, lb.	.345	.345	-	.443
Black Beans, lb.	.330	.305	+.025	.470
Rice, Long Grain, lb.	.273	.273	-	.290
Coffee, lb. NYBOT	1.505	1.408	+.097	2.304
Sugar, lb. NYBOT	.225	.226	-.001	.370
Honey (Clover), lb.	1.833	1.833	-	1.675



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. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.680	1.755	-.075	1.600
Cheese Blocks (CME)	1.760	1.825	-.065	1.685
American Cheese	1.940	1.920	+.020	2.115
Cheddar Cheese (40 lb.)	2.023	2.215	-.192	2.270
Mozzarella Cheese	2.048	2.060	-.012	2.133
Provolone Cheese	2.398	2.410	-.012	2.278
Parmesan Cheese	3.745	3.758	-.013	3.358
Butter (CME)	1.585	1.625	-.040	1.640
Nonfat Dry Milk	1.572	1.567	+.005	1.494
Whey, Dry	.650	.645	+.005	.641
Class 1 Base	21.390	21.390	-	18.470
Class II Cream, heavy	1.883	2.087	-.204	2.155
Class III Milk (CME)	18.170	19.150	-.980	17.250
Class IV Milk (CME)	18.410	18.500	-.090	16.880

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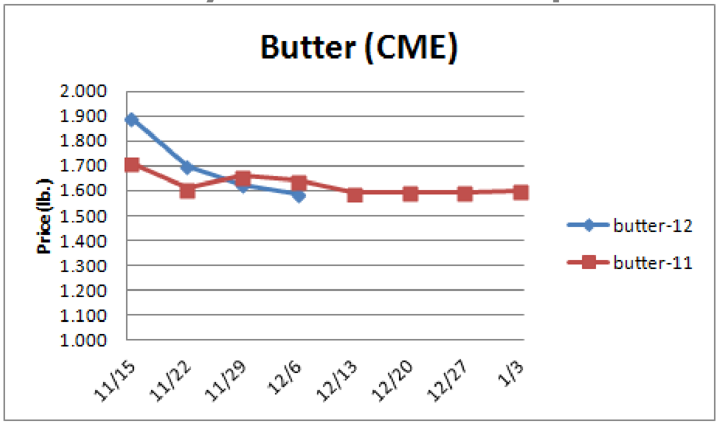
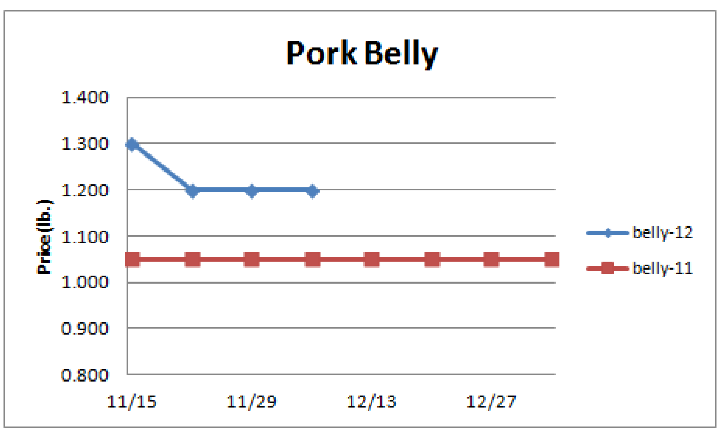


Pork- Pork output last week was .5% smaller than the same week last year. Holiday season demand is encouraging pork production. However, hog weights have fallen below year ago levels which signals tighter hog supplies and tempered pork output in the coming weeks. The USDA pork cutout has gained 5% during 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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.630	.572	+.058	.615
Belly (bacon)	1.200	1.200	-	1.050
Sparerib (4.25 lb. & down)	1.316	1.365	-.049	1.548
Ham (20-23 lb.)	.850	.750	+.100	.880
Ham (23-27 lb.)	.838	.750	+.088	.820
Loin (bone-in)	.870	.867	+.003	.962
Bbybck Rib (1.75 lb. & up)	1.966	2.000	-.034	2.580
Tenderloin (1.25 lb.)	2.000	2.098	-.098	2.476
Boston Butt, untrmd. (4-8lb.)	.858	.885	-.027	.995
Picnic, untrmd.	.739	.732	+.007	.772
SS Picnic, smoker trm. bx.	.996	1.047	-.051	1.020
42% Trimmings	.470	.400	+.070	.490
72% Trimmings	.574	.574	-	.835



Tomato Products, Canned- Tomato growers are negotiating with processors their '13 raw product price which should remain inflated. The markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

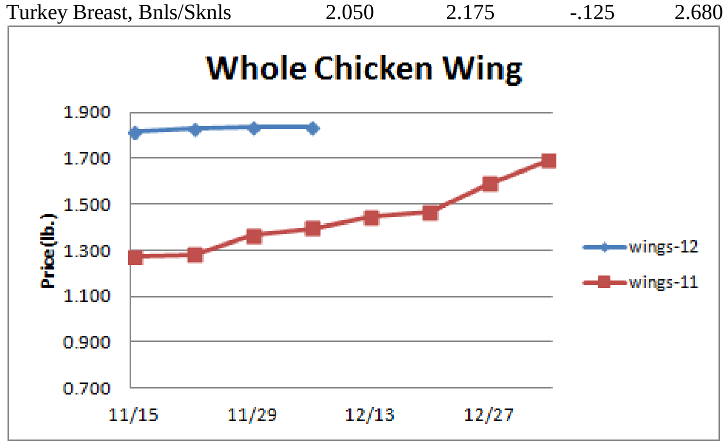
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- 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. 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 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. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.975	.973	+.002	.898
Whole Birds (LA)	1.060	1.060	-	.990
Wings (whole)	1.835	1.835	-	1.395
Wings (jumbo, cut)	1.907	1.890	+.017	1.413
Breast, Bone In	.975	1.005	-.030	.830
Breast, Bnless Skinless	1.575	1.565	+.010	1.465
Tenderloin (random)	1.240	1.240	-	1.280
Tenderloin (sized)	1.870	1.870	-	1.880
Legs (whole)	.656	.689	-.033	.624
Leg Quarters	.535	.540	-.005	.530
Thighs, bone in	.789	.771	+.018	.768
Thighs, boneless	1.297	1.298	-.001	1.272
Eggs and Others				
Large (dozen)	1.353	1.353	-	1.200
Medium (dozen)	1.065	1.065	-	.988
Whole Eggs- Liquid	.809	.790	+.019	.580
Egg Whites- Liquid	.540	.508	+.032	.550
Egg Yolks- Liquid	1.209	1.273	-.064	.732
Whole Turkeys (8-16 lb.)	1.040	1.090	-.050	1.120
Turkey Breast, Bnls/Sknls	2.050	2.175	-.125	2.680



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

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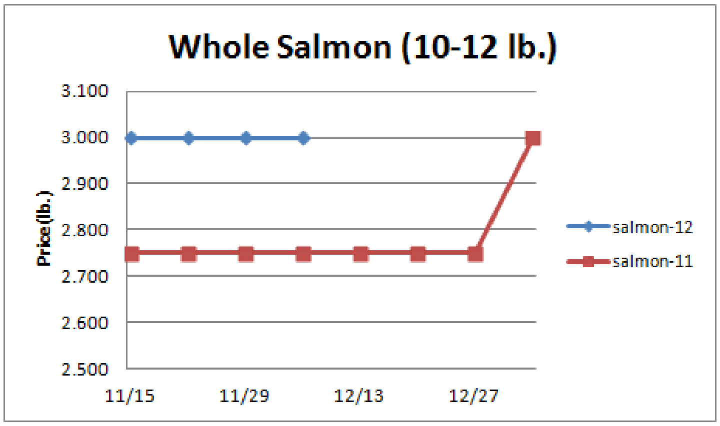
	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	2.750
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.259	5.032	+.227	6.475
Shrimp (61/70), Frz.	3.216	3.225	-.009	3.237
Shrimp, Tiger (26/30), Frz.	4.375	4.450	-.075	4.970
Snow Crab, Legs 5-8 oz, Frz	5.025	5.025	-	5.350
Snow Crab, Legs 8 oz/ up, Fz	5.800	5.800	-	6.100
Cod Tails, 3-7 oz., Frz.	3.175	3.500	-.325	3.280
Cod Loins, 3-12 oz., Frz	3.325	3.463	-.138	3.680
Salmon Portions, 4-8 oz, Frz	5.125	5.083	+.042	6.354
Pollock, Alaska, Deep Skin	1.925	1.910	+.015	1.800



Energy & Currency-Currency US dollar is worth.

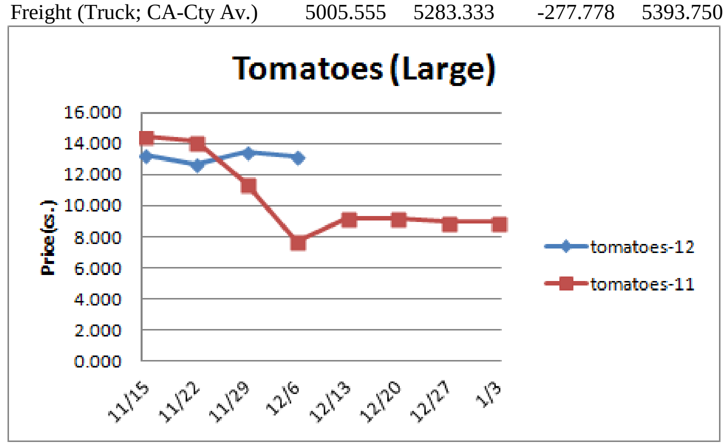
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	88.500	87.180	+1.320	101.280
Natural Gas, mbtu- nymex	3.539	3.769	-.230	3.487
Heating Oil, gal- nymex	3.004	3.009	-.005	3.022
Electricity, mwht- nymex	41.050	47.280	-6.230	42.640
Gasoline, gal- nymex	2.689	2.732	-.043	2.645
Diesel Fuel, gal- eia	4.027	4.034	-.007	3.931
Ethanol, gal- usda	2.340	2.310	+.030	2.695
Canadian $	.993	.995	-.002	1.018
Japanese Yen	82.070	81.786	+.284	77.759
Mexican Peso	12.940	13.076	-.136	13.517
Euro	.765	.776	-.011	.747
Brazilian Real	2.105	2.092	+.013	1.791

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)	867.320	866.290	+1.030	920.000
WP; 42 lb. Linerboard (corr.)	764.728	753.068	+11.660	738.464
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.100-1.140
Res; PP-HIGP (hvy utensil)	.960-.980	.920-.940	+.040	.960-.980
Res; PE-LLD (cn liner, film)	.850-.880	.850-.880	-	.830-.860

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. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	9.000	12.000	-3.000	6.000
Lemons (95 ct.)	14.025	15.275	-1.250	15.740
Lemons (200 ct.)	13.775	13.275	+.500	16.740
Honeydew (6 ct.)	6.500	6.725	-.225	7.875
Cantaloupe (15 ct.)	12.950	12.950	-	11.450
Blueberries (12 count)	22.333	17.500	+4.833	21.000
Strawberries (12 pnts.)	24.000	21.500	+2.500	24.000
Avocados (Hass 48 ct.)	18.250	18.750	-.500	24.250
Bananas (40 lb.)- Term.	16.302	14.583	+1.719	14.442
Pineapple (7 ct.)- Term.	8.656	9.062	-.406	9.525
Idaho Potato (60 ct., 50 lb.)	5.000	5.750	-.750	9.000
Idaho Potato (70 ct., 50 lb.)	5.000	5.750	-.750	8.875
Idaho Potato (70 ct.)-Term.	10.718	10.375	+.343	10.524
Idaho Potato (90 ct., 50 lb.)	6.750	7.000	-.250	8.625
Idaho Pot. # 2 (6 oz., 100 lb.)	6.500	7.500	-1.000	14.000
Processing Potato (cwt.)	6.000	7.000	-1.000	7.500
Yellow Onions (50 lb.)	8.500	7.875	+.625	6.666
Yell Onions (50 lb.)-Term.	14.192	14.062	+.130	11.000
Red Onions (25 lb.)- Term.	12.499	10.937	+1.562	9.140
White Onions (50 lb.)- Term.	20.125	22.541	-2.416	18.500
Tomatoes (large- case)	13.200	13.450	-.250	7.700
Tomatoes (5x6-25 lb.)-Term	22.218	17.458	+4.760	10.833
Tomatoes (4x5 vine ripe)	13.975	13.975	-	10.000
Roma Tomatoes (large- case)	11.290	11.123	+.167	7.960
Roma Tomatoes (xlarge-cs)	11.956	11.450	+.506	8.750
Green Peppers (large- case)	6.931	9.756	-2.825	8.675
Red Peppers (large 15lb. cs.)	15.450	18.950	-3.500	16.950
Iceberg Lettuce (24 count)	6.815	11.550	-4.735	8.952
Iceberg Lettuce (24)-Term.	17.000	19.166	-2.166	15.000
Leaf Lettuce (24 count)	6.684	8.316	-1.632	8.108
Romaine Lettuce (24 cnt.)	9.308	9.383	-.075	8.183
Mesculin Mix (3 lb.)-Term.	6.614	8.052	-1.438	7.000
Broccoli (14 ct.)	7.222	10.606	-3.384	12.475
Squash (1/2 bushel)	6.425	11.175	-4.750	6.425
Zucchini (1/2 bushel)	5.425	11.350	-5.925	5.850
Green Beans (bushel)	15.605	18.075	-2.470	18.356
Spinach, Flat 24's	8.250	8.800	-.550	11.200
Mushrms (10 lb, lg.)-Term.	15.625	16.375	-.750	15.111
Cucumbers (bushel)	9.925	11.410	-1.485	8.675
Pickles (200-300 ct.)- Term.	20.531	22.562	-2.031	19.406
Asparagus (small)	16.500	17.000	-.500	19.500
Freight (Truck; CA-Cty Av.)	5005.555	5283.333	-277.778	5393.750



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

	Oct-12	Sep-12	Aug-12	Jul-12
Beef and Veal	+.541	-.309	-.402	+.590
Dairy	+.823	+.355	+.054	-.487
Pork	+.184	-1.108	+1.563	+.403
Chicken	+1.920	-.393	+.481	+1.310
Fresh Fish and Seafood	-.322	+.289	-.206	-.010
Fresh Fruits and Veg.	+1.012	+.769	+.042	-1.303