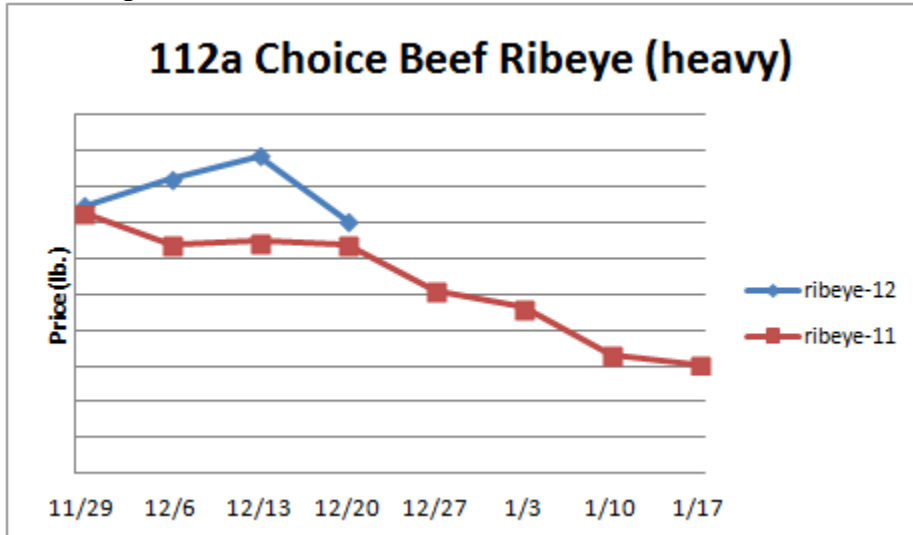


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef production last week declined .8% but was 2.3% larger than last year. Slowed holiday beef output and poor packer margins could support beef prices in the coming weeks. The USDA is projecting beef production to be down 2.8% in Q1 of '13 versus the prior year. Estimated dressed cattle weights last week were 3.1% above '11. If this trend persists, it could temper this winter's expected beef output shortfall. Buyers are beginning to focus on end cut beef products which is bringing support to those markets. Retail beef prices in Nov were up 5.1% versus last year and were a new record high.

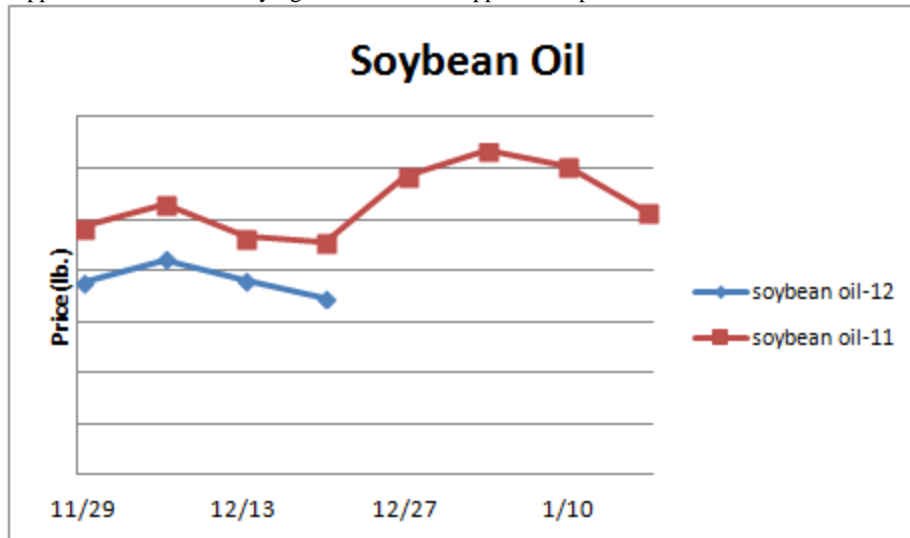


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Lower
109 Export Rib (prime)	Increasing	Good	Lower
112a Ribeye (choice)	Decreasing	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)	Increasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	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)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Lower
189a Tender (select, 5 lb & up)	Increasing	Good	Higher
189a Tender (choice, 5 lb & up)	Decreasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	Good	Lower
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Increasing	Good	Lower
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	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

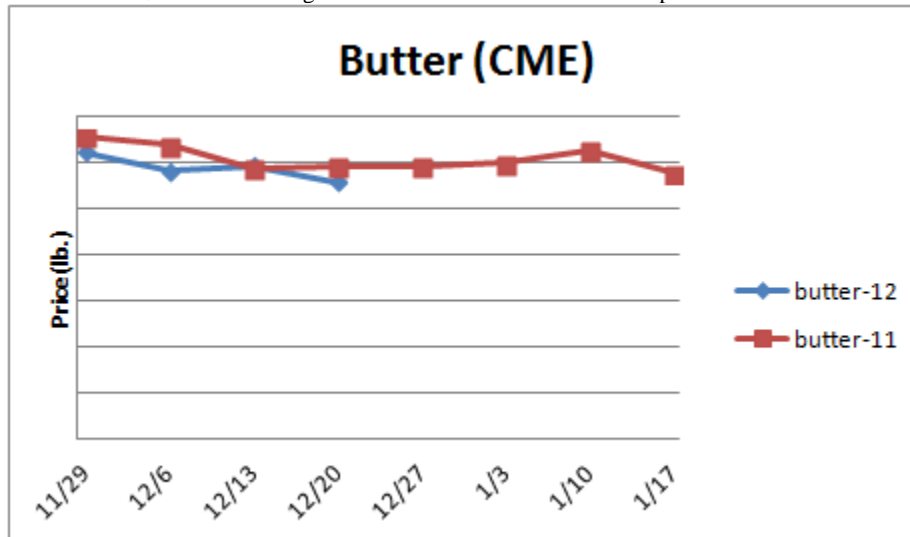
Oil & Grains- U.S. corn exports have been lackluster and the corn market has been under pressure. Still, corn supplies remain historically tight which could support corn prices this winter.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Soybeans	Decreasing	Good	Higher
Crude Soybean Oil	Decreasing	Good	Lower
Soymeal	Decreasing	Good	Higher
Corn	Decreasing	Good	Higher
Crude Corn Oil	Decreasing	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	Decreasing	Good	Higher
Durum Wheat	Decreasing	Good	Lower

Dairy Report

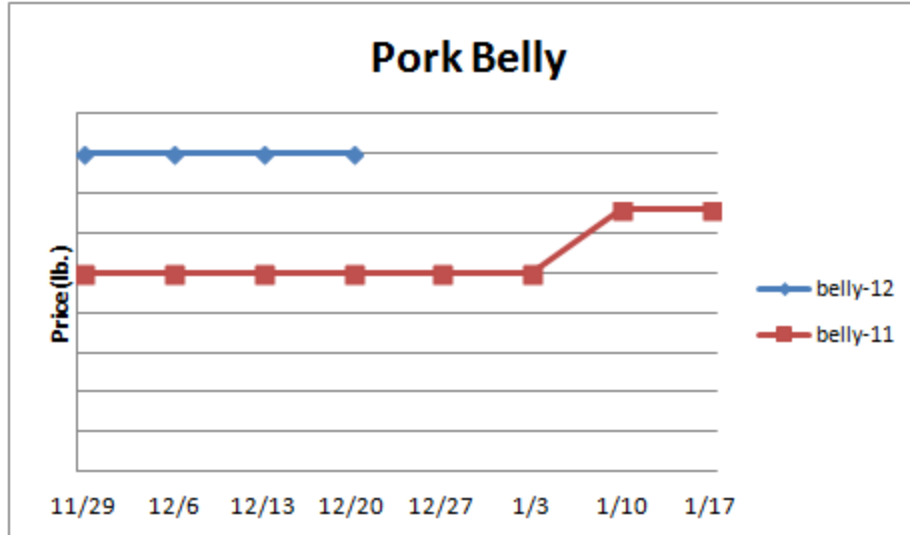
Dairy- The CME cheese markets continue to trend seasonally lower. Cheese supplies are adequate which could pressure CME cheese prices lower in the near term. Typically cheese blocks depreciate \$.12 during the last two weeks of Dec. But, this year's depreciation for blocks may be less intense due partly to firming global cheese prices and curbed milk output. The CME butter market recently closed at its lowest level since July. Usually the CME butter market trends \$.05 lower during this week and next. The downside price risk for CME butter is likely nominal.



	<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	Decreasing	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	Decreasing	Good	Lower
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	Steady	Good	Higher

Pork Report

Pork- Pork production last week declined 2.3% and was 2.5% smaller than the same week last year. Pork output will be slowed over the next two weeks due to the holidays. This could provide support to many of the pork markets. The USDA pork cutout usually bottoms during the first week of Jan and then appreciates 4.9% during the next four weeks. Retail beef prices in Nov were 2.9% less than last year and the lowest since Apr '11. Look for retail feature activity for pork to pick up this winter adding support to the domestic pork markets.



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

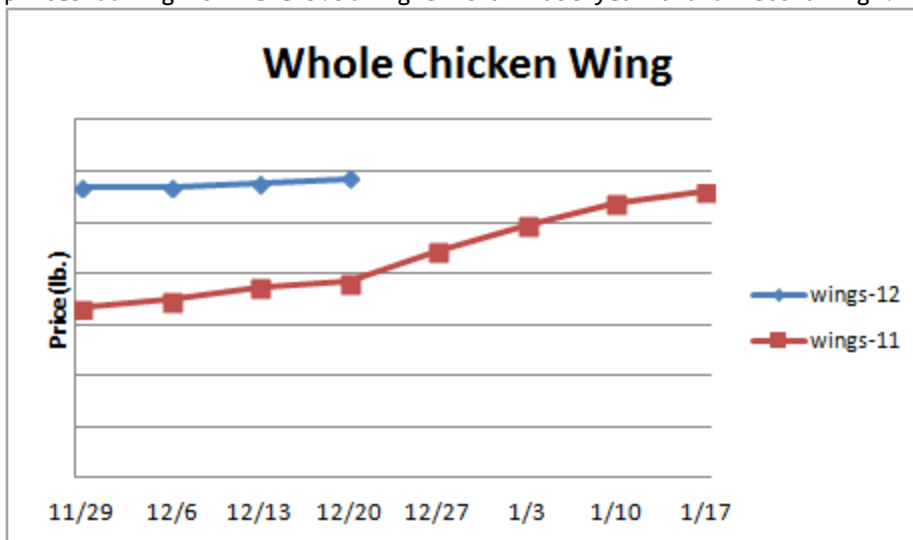
Canned Tomato Report

Tomato Products, Canned- This fall's tomato for canning harvest produced the second largest output on record. The canned tomato markets are balanced.

	<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 production will be curbed over the next ten days due to the holidays. This could bring support to the chicken markets. Broiler egg set data (a gauge on pending production plans by producers) has been erratic in recent weeks. Still, feed costs remain historically expensive which may keep chicken output expansion plans at bay. The boneless skinless chicken breast market normally rises 7.8% during Jan but prices could be tempered next month due to heavier bird weights. The chicken wing markets look poised to test their record highs in the coming weeks. The ARA weekly chicken wing index last week was the second highest on record. U.S. retail chicken prices during Nov were 5.8% higher than last year and a record high.

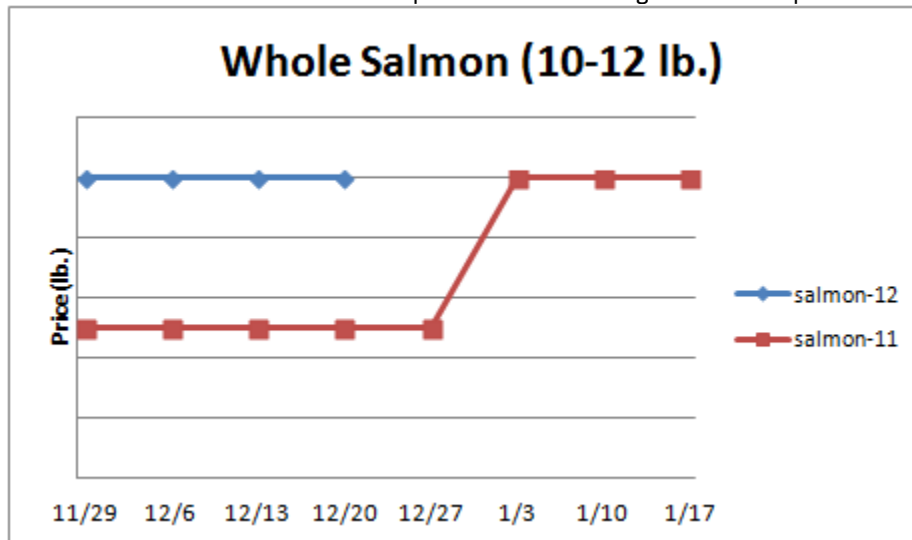


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Higher
Whole Chicken (LA)	Steady	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast,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

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

Seafood Report

Seafood- The salmon markets have remained mostly deflated. During Oct, U.S. salmon fillet steak imports were up 20% versus last year. Year-to-date U.S. salmon fillet steak imports through Oct were 10% more than '11. Ample global salmon supplies have driven international salmon prices lower. This is challenging salmon producer margins and could lead to lower salmon production and higher salmon prices next year.



	<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)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Increasing	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.	Steady	Good	Lower
Cod Loins, 3-12 oz. Frz.	Steady	Good	Lower
Salmon Portions, 4-8 oz. Frz.	Decreasing	Good	Lower

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Increasing	Good	Lower
Black Beans	Increasing	Good	Lower
Rice, Long Grain	Steady	Good	Lower
Coffee Beans	Decreasing	Good	Lower
Sugar	Increasing	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	Steady	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	Steady	Good	Same
PE-LLD-can liners, film, bags	Decreasing	Good	Same

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

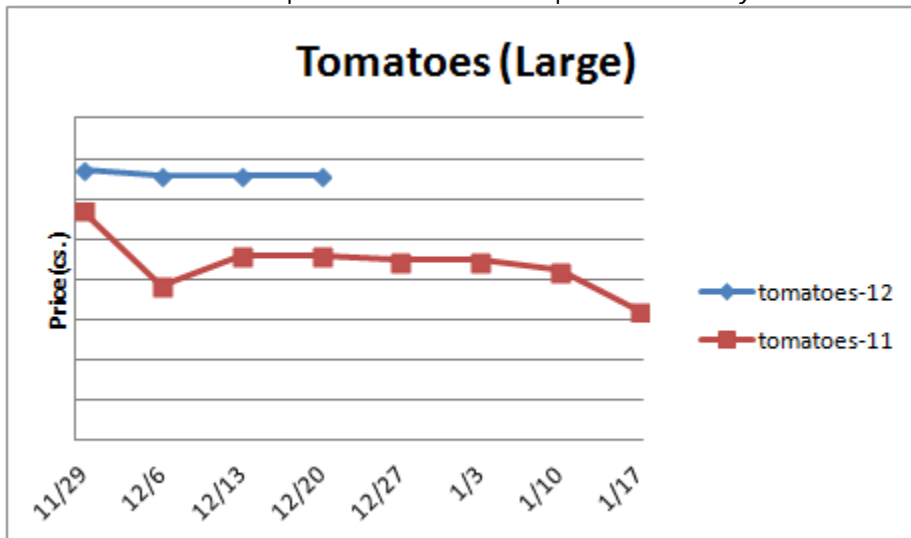
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Inflated grain prices are expected to keep raw product vegetable costs expensive in '13. The processed vegetable markets remain firm.

<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- Dec 1st U.S. potato holdings were 11% more than a year ago and the most for the date in the last ten years. This was due mostly to the fall potato harvest being 8.7% larger than last year. The downside risk for the ID potato markets from current levels is likely limited. Mexican tomato supplies are expected to increase next month which should translate to solid U.S. tomato imports. Last year, the mature green tomato markets declined 35% during Jan. Hass avocado supplies are coming mostly from Mexico and remain adequate. Hass avocado prices normally rise 19% in Jan.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Higher

Lemons (95 count)	Steady	Good	Lower
Lemons (200 count)	Steady	Good	Lower
Honeydew (6 ct.)	Increasing	Good	Lower
Cantaloupe (15 count)	Decreasing	Good	Lower
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Decreasing	Good	Lower
Bananas (40 lb)-Term.	Increasing	Good	Higher
Pineapple (7 ct.)- Term.	Increasing	Good	Higher
Idaho Potato (60 count)	Decreasing	Good	Lower
Idaho Potato (70 count)	Decreasing	Good	Lower
Idaho Potato (70 count)-Term.	Increasing	Good	Lower
Idaho Potato (90 count)	Decreasing	Good	Lower
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Lower
Processing Potato (100 lb)	Steady	Good	Lower
Yellow Onions (50 lb)	Increasing	Good	Higher
Yellow Onions (50 lb)-Term.	Decreasing	Good	Higher
Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Increasing	Good	Higher
Tomatoes, (large- case)	Steady	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Higher
Roma Tomatoes (large- case)	Increasing	Good	Higher
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Increasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Lower
Iceberg Lettuce (24 count)	Increasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Lower

Produce Report (continued)

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