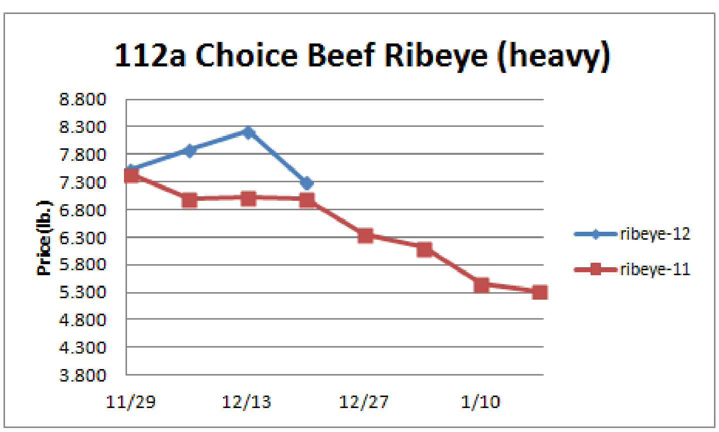
Weekly Market Updates

Volume No. 17 Issue No. 51 Date: December 20, 2012

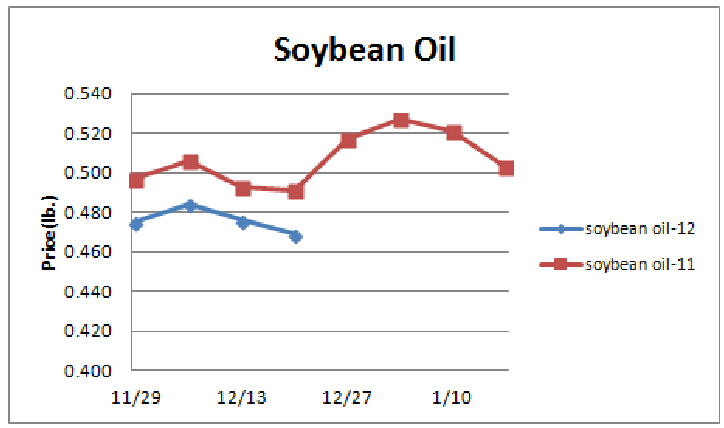
Beef- Beef production last week declined .8% but was 2.3% larger than last year. Slowed holiday beef output and poor packer margins could support beef prices in the coming weeks. The USDA is projecting beef production to be down 2.8% in Q1 of '13 versus the prior year. Estimated dressed cattle weights 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. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Cattle	1.252	1.256	-.004	1.209
Feeder Cattle Index (CME)	1.484	1.472	+.012	1.452
Ground Beef 81/19	1.823	1.773	+.050	1.745
Ground Chuck	1.897	1.866	+.031	1.728
109e Export Rib (choice)	6.610	7.159	-.549	6.945
109e Export Rib (prime)	9.522	9.458	+.064	9.956
112a Ribeye (choice)	7.318	8.228	-.910	7.037
112a Ribeye (prime)	10.183	9.799	+.384	11.475
116 Chuck (select)	2.266	2.240	+.026	2.220
116 Chuck (choice)	2.298	2.248	+.050	2.205
116b Chuck Tdnr (choice)	2.248	2.211	+.037	2.142
120 Brisket (choice)	2.046	2.108	-.062	2.159
121c Outside Skirt (ch/sel)	4.567	4.580	-.013	3.880
121d Inside Skirt (ch/sel)	3.358	3.321	+.037	3.462
167a Knckle, Trm. (ch.)	2.165	2.109	+.056	2.146
168 Inside Round (ch.)	2.095	2.098	-.003	2.081
174 Short Loin (ch. 0x1)	5.064	5.053	+.011	4.531
174 Short Loin (prime)	8.020	8.063	-.043	9.116
180 1x1 Strp (choice)	4.719	4.543	+.176	4.295
180 1x1 Strp (prime)	9.205	9.106	+.099	10.377
180 0x1 Strp (choice)	4.893	4.981	-.088	4.796
184 Top Butt, bnls (ch.)	3.078	3.020	+.058	2.832
184 Top Butt, bnls (prime)	3.289	3.306	-.017	3.221
185a Sirloin Flap (choice)	3.740	3.651	+.089	3.064
185c Loin, Tri-Tip (choice)	2.711	2.655	+.056	2.795
189a Tender (select)	8.700	8.012	+.688	7.847
189a Tender (choice)	11.847	12.232	-.385	9.889
189a Tender (prime)	13.897	13.924	-.027	14.269
193 Flank Steak (choice)	4.069	3.823	+.246	3.325
50% Trimmings	.769	.759	+.010	1.004
65% Trimmings	1.235	1.197	+.038	1.440
75% Trimmings	1.520	1.471	+.049	1.552
85% Trimmings	1.856	1.869	-.013	1.798
90% Trimmings	2.067	2.076	-.009	1.905
90% Imported Beef (frz.)	2.155	2.125	+.030	2.040
95% Imported Beef (frz.)	2.330	2.340	-.010	2.135
Veal Rack (Hotel 7 rib)	8.120	8.120	-	6.675
Veal Top Rnd. (cp. off)	14.900	14.900	-	13.450



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

	Price	Last Week	Difference	Price 11
Soybeans, bushel	14.816	14.845	-.029	11.380
Crude Soybean Oil, lb.	.469	.476	-.007	.493
Soybean Meal, ton	462.900	466.100	-3.200	272.400
Corn, bushel	7.270	7.347	-.077	5.940
Crude Corn Oil, lb.	.505	.515	-.010	.530
High Fructose Corn Syrup	.202	.204	-.002	.183
Distillers Grain, Dry	255.750	255.000	+.750	192.666
Crude Palm Oil, lb. BMD	.325	.318	+.007	.433
HRW Wheat, bushel	8.185	8.385	-.200	6.310
DNS Wheat 14%, bushel	9.160	9.260	-.100	8.850
Durum Wheat, bushel	8.138	8.188	-.050	9.275
Pinto Beans, lb.	.343	.342	+.001	.443
Black Beans, lb.	.330	.310	+.020	.470
Rice, Long Grain, lb.	.273	.273	-	.288
Coffee, lb. NYBOT	1.448	1.479	-.031	2.156
Sugar, lb. NYBOT	.223	.220	+.003	.355
Honey (Clover), lb.	1.809	1.809	-	1.675



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

	Price	Last Week	Difference	Price 11
Cheese Barrels (CME)	1.638	1.650	-.012	1.540
Cheese Blocks (CME)	1.720	1.760	-.040	1.588
American Cheese	1.833	1.870	-.037	1.973
Cheddar Cheese (40 lb.)	2.135	2.150	-.015	2.193
Mozzarella Cheese	1.980	1.995	-.015	2.038
Provolone Cheese	2.330	2.345	-.015	2.183
Parmesan Cheese	3.678	3.693	-.015	3.263
Butter (CME)	1.560	1.595	-.035	1.590
Nonfat Dry Milk	1.586	1.581	+.005	1.483
Whey, Dry	.647	.651	-.004	.653
Class 1 Base	21.390	21.390	-	18.470
Class II Cream, heavy	1.714	1.762	-.048	2.138
Class III Milk (CME)	17.930	18.150	-.220	16.640
Class IV Milk (CME)	18.250	18.250	-	16.900

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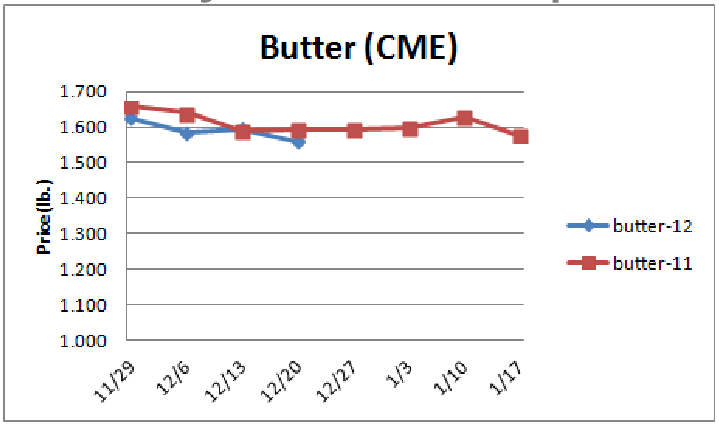
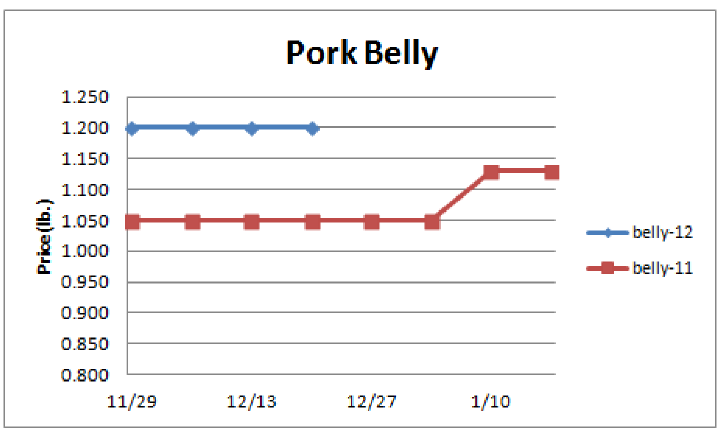


Pork- Pork production last week declined 2.3% and was 2.5% smaller than the same week last year. Pork output will be slowed over the next two weeks due to the holidays. This could provide support to many of the pork markets. The USDA pork cutout usually bottoms during the first week of Jan and then appreciates 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. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 11
Live Hogs	.585	.577	+.008	.608
Belly (bacon)	1.200	1.200	-	1.050
Sparerib (4.25 lb. & down)	1.351	1.327	+.024	1.528
Ham (20-23 lb.)	.700	.795	-.095	.863
Ham (23-27 lb.)	.700	.797	-.097	.840
Loin (bone-in)	.870	.861	+.009	.982
Bbybck Rib (1.75 lb. & up)	1.976	1.969	+.007	2.587
Tenderloin (1.25 lb.)	2.000	2.025	-.025	2.436
Boston Butt, untrmd. (4-8lb.)	.931	.844	+.087	1.007
Picnic, untrmd.	.697	.722	-.025	.707
SS Picnic, smoker trm. bx.	.931	.990	-.059	1.040
42% Trimmings	.341	.397	-.056	.470
72% Trimmings	.610	.610	-	.750



Tomato Products, Canned- This fall's tomato for canning harvest produced the second largest output on record. The canned tomato markets are balanced. Prices per case (6/10) FOB, unless noted from ARA.

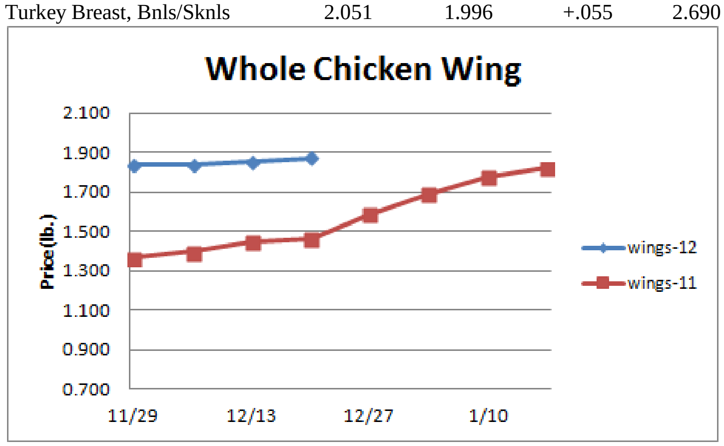
	Price	Last Week	Difference	Price 11
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Inflated grain prices are expected to keep raw product vegetable costs expensive in '13. The processed vegetable markets remain firm. 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 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. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 11
Whole Birds (2.5-3 lb.-GA)	.978	.975	+.003	.898
Whole Birds (LA)	1.070	1.070	-	.990
Wings (whole)	1.870	1.850	+.020	1.445
Wings (jumbo, cut)	1.938	1.922	+.016	1.434
Breast, Bone In	.985	.975	+.010	.830
Breast, Bnless Skinless	1.575	1.575	-	1.460
Tenderloin (random)	1.240	1.240	-	1.280
Tenderloin (sized)	1.870	1.870	-	1.880
Legs (whole)	.680	.648	+.032	.677
Leg Quarters	.535	.535	-	.530
Thighs, bone in	.788	.790	-.002	.726
Thighs, boneless	1.306	1.267	+.039	1.267
Eggs and Others				
Large (dozen)	1.353	1.353	-	1.257
Medium (dozen)	1.065	1.063	+.002	1.028
Whole Eggs- Liquid	.700	.809	-.109	.580
Egg Whites- Liquid	.465	.515	-.050	.550
Egg Yolks- Liquid	1.023	1.130	-.107	.732
Whole Turkeys (8-16 lb.)	1.005	1.005	-	1.085
Turkey Breast, Bnls/Sknls	2.051	1.996	+.055	2.690



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

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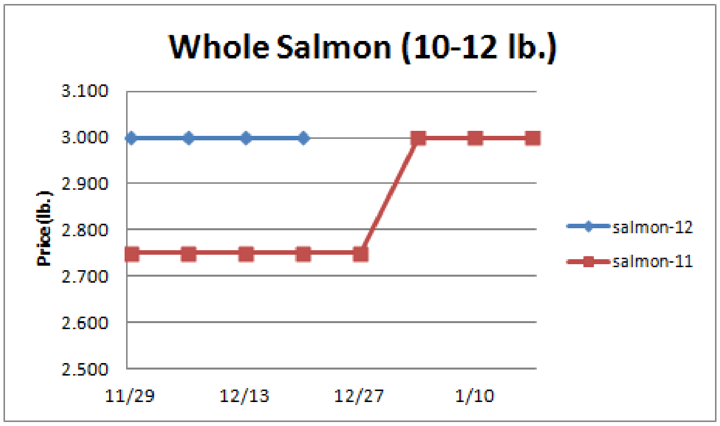
	Price	Last Week	Difference	Price 11
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	2.750
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.458	5.321	+.137	6.225
Shrimp (61/70), Frz.	3.250	3.216	+.034	3.187
Shrimp, Tiger (26/30), Frz.	4.500	4.375	+.125	4.880
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	3.175	-	3.280
Cod Loins, 3-12 oz., Frz	3.325	3.325	-	3.680
Salmon Portions, 4-8 oz, Frz	4.817	5.125	-.308	6.354
Pollock, Alaska, Deep Skin	1.925	1.925	-	1.800



Energy & Currency-Currency US dollar is worth.

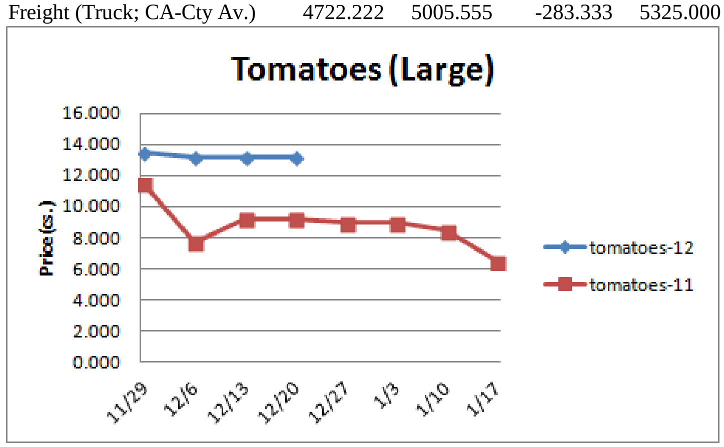
	Price	Last Week	Difference	Price 11
Crude Oil, barrel- nymex	87.930	85.790	+2.140	94.960
Natural Gas, mbtu- nymex	3.418	3.412	+.006	3.279
Heating Oil, gal- nymex	2.997	2.927	+.070	2.929
Electricity, mwht- nymex	35.700	39.970	-4.270	36.320
Gasoline, gal- nymex	2.691	2.611	+.080	2.625
Diesel Fuel, gal- eia	3.945	3.991	-.046	3.894
Ethanol, gal- usda	2.260	2.330	-.070	2.225
Canadian $	.986	.986	-	1.026
Japanese Yen	84.484	82.877	+1.607	77.840
Mexican Peso	12.704	12.760	-.056	13.781
Euro	.753	.767	-.014	.759
Brazilian Real	2.080	2.079	+.001	1.843

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)	870.000	870.000	-	890.000
WP; 42 lb. Linerboard (corr.)	773.971	763.108	+10.863	715.095
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.100-1.140
Res; PP-HIGP (hvy utensil)	.960-.980	.960-.980	-	.960-.980
Res; PE-LLD (cn liner, film)	.830-.860	.850-.880	-.020	.830-.860

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

	Price	Last Week	Difference	Price 11
Limes (150 ct.)	16.000	9.000	+7.000	8.000
Lemons (95 ct.)	13.275	13.275	-	15.740
Lemons (200 ct.)	15.275	15.275	-	18.240
Honeydew (6 ct.)	8.666	7.166	+1.500	10.050
Cantaloupe (15 ct.)	10.500	12.475	-1.975	11.200
Blueberries (12 count)	21.250	26.833	-5.583	18.000
Strawberries (12 pnts.)	24.000	24.000	-	23.000
Avocados (Hass 48 ct.)	17.750	18.250	-.500	24.250
Bananas (40 lb.)- Term.	15.024	14.520	+.504	14.598
Pineapple (7 ct.)- Term.	11.560	9.177	+2.383	9.791
Idaho Potato (60 ct., 50 lb.)	4.250	4.375	-.125	8.750
Idaho Potato (70 ct., 50 lb.)	4.250	4.375	-.125	8.625
Idaho Potato (70 ct.)-Term.	11.037	10.781	+.256	15.037
Idaho Potato (90 ct., 50 lb.)	5.500	5.625	-.125	8.625
Idaho Pot. # 2 (6 oz., 100 lb.)	5.625	6.000	-.375	14.250
Processing Potato (cwt.)	6.000	6.000	-	7.500
Yellow Onions (50 lb.)	8.625	8.166	+.459	6.250
Yell Onions (50 lb.)-Term.	15.000	15.066	-.066	10.787
Red Onions (25 lb.)- Term.	11.312	12.390	-1.078	8.671
White Onions (50 lb.)- Term.	21.562	20.400	+1.162	17.508
Tomatoes (large- case)	13.200	13.200	-	9.200
Tomatoes (5x6-25 lb.)-Term	20.125	18.200	+1.925	10.968
Tomatoes (4x5 vine ripe)	15.450	15.950	-.500	10.000
Roma Tomatoes (large- case)	15.200	14.159	+1.041	11.950
Roma Tomatoes (xlarge-cs)	15.450	14.460	+.990	12.325
Green Peppers (large- case)	8.941	7.090	+1.851	8.166
Red Peppers (large 15lb. cs.)	13.950	14.950	-1.000	18.950
Iceberg Lettuce (24 count)	6.382	6.170	+.212	11.690
Iceberg Lettuce (24)-Term.	13.000	14.250	-1.250	15.166
Leaf Lettuce (24 count)	7.073	6.580	+.493	10.933
Romaine Lettuce (24 cnt.)	7.161	6.576	+.585	10.008
Mesculin Mix (3 lb.)-Term.	6.687	6.687	-	6.968
Broccoli (14 ct.)	7.765	6.781	+.984	19.646
Squash (1/2 bushel)	10.475	11.350	-.875	5.350
Zucchini (1/2 bushel)	10.425	7.350	+3.075	8.175
Green Beans (bushel)	16.325	13.350	+2.975	14.550
Spinach, Flat 24's	9.100	8.100	+1.000	12.550
Mushrms (10 lb, lg.)-Term.	15.111	15.145	-.034	15.145
Cucumbers (bushel)	9.925	12.625	-2.700	10.946
Pickles (200-300 ct.)- Term.	22.937	19.875	+3.062	22.906
Asparagus (small)	16.500	17.500	-1.000	19.500
Freight (Truck; CA-Cty Av.)	4722.222	5005.555	-283.333	5325.000



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

	Nov-12	Oct-12	Sep-12	Aug-12
Beef and Veal	+.071	+.541	-.309	-.402
Dairy	+.847	+.823	+.355	+.054
Pork	-.129	+.184	-1.108	+1.563
Chicken	+.374	+1.920	-.393	+.481
Fresh Fish and Seafood	-.491	-.322	+.289	-.206
Fresh Fruits and Veg.	+.429	+1.012	+.769	+.042