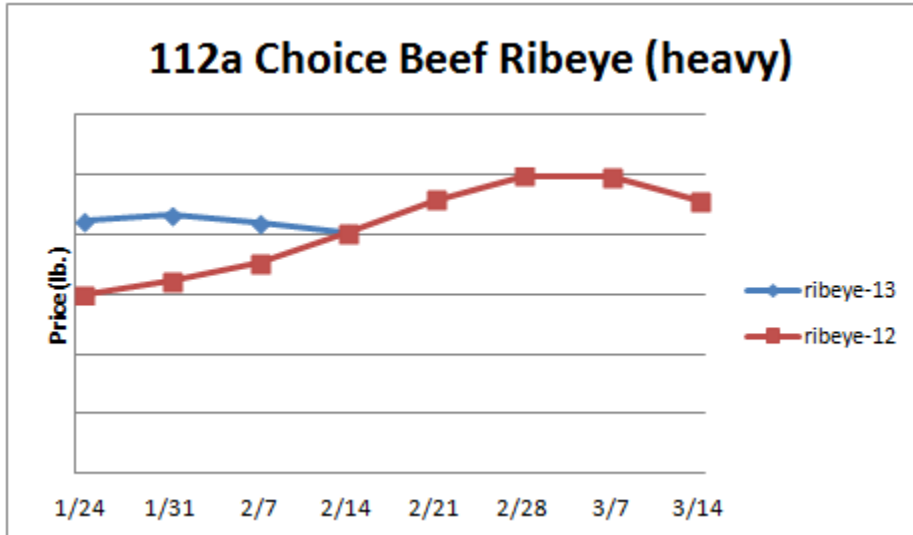


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef output last week fell 4.6% but was .4% more than '12. The beef markets have declined despite cattle slaughter last week being the smallest for any non-holiday week since Apr. Beef demand is weak. Beef prices may soon bottom due to the continued slowdown in cattle slaughter this week. U.S. beef exports in Dec were 15.6% less than '11 while beef imports were 4.7% more than the prior year. The Australian dollar has depreciated against the U.S. dollar which should encourage beef trim exports to the U.S. The 90% beef trim market usually trends 2.3% higher during the next two weeks.

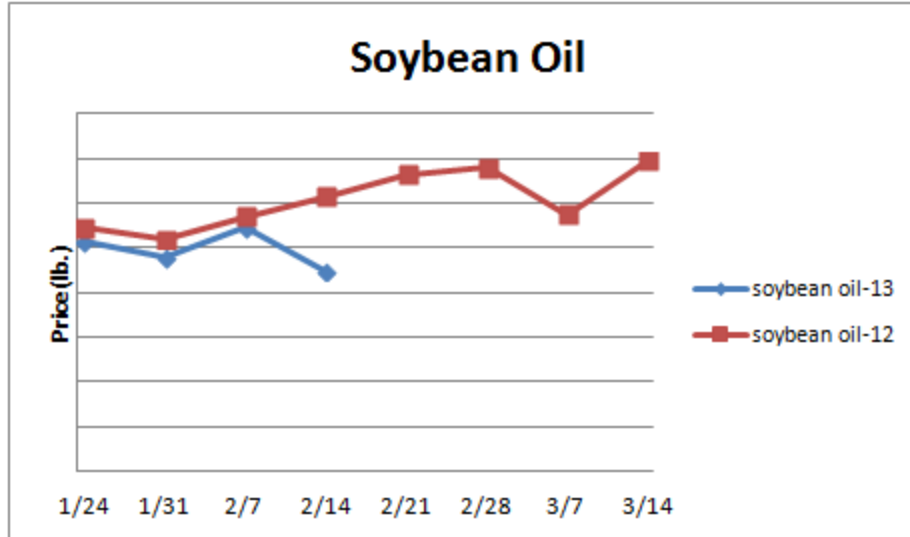


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Lower
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Lower
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Lower
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Lower
168 Inside Round (choice)	Decreasing	Good	Lower
174 Short Loin (choice 0x1)	Decreasing	Good	Lower
174 Short Loin (prime 2x3)	Increasing	Good	Lower
180 1x1 Strip (choice)	Decreasing	Good	Lower
180 1x1 Strip (prime)	Decreasing	Good	Lower
180 0x1 Strip (choice)	Decreasing	Good	Lower
184 Top Butt, boneless (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Lower
185c Loin, Tri-Tip (choice)	Decreasing	Good	Lower
189a Tender (select, 5 lb & up)	Increasing	Good	Higher
189a Tender (choice, 5 lb & up)	Decreasing	Good	Lower
189a Tender (prime, heavy)	Increasing	Good	Lower
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Decreasing	Good	Lower
65% Trimmings	Decreasing	Good	Lower
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Good	Lower
90% Trimmings	Increasing	Good	Higher

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

Oil and Grains Report

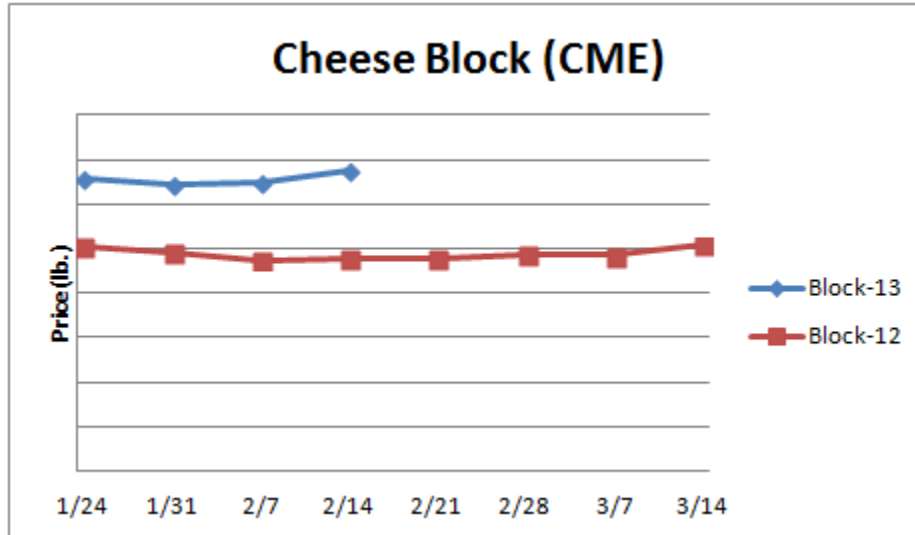
Oil & Grains- Brazilian and Argentina soybean output this year is projected to be 25% larger than the prior crop. Still, tight global grain supplies could support grain prices this fall.



	<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	Lower
Corn	Decreasing	Good	Higher
Crude Corn Oil	Steady	Good	Lower
Distillers Grain, Dry	Increasing	Good	Higher
Crude Palm Oil	Decreasing	Good	Lower
Hard Red Winter Wheat	Decreasing	Good	Higher
Dark Northern Spring Wheat	Decreasing	Good	Lower
High Fructose Corn Syrup	Decreasing	Good	Higher
Durum Wheat	Decreasing	Good	Lower

Dairy Report

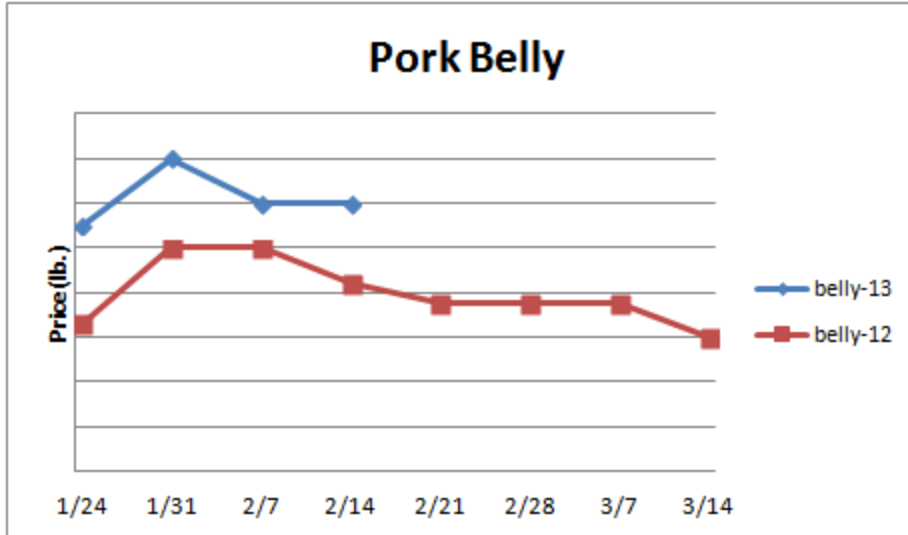
Dairy- The CME spot butter market is firm. U.S. butter exports in Dec were 6.2% more than the prior year. The average price discount for U.S. butter versus international butter is \$.25 which should support U.S. butter exports in the coming weeks. The downside risk for the CME butter market from here is likely nominal. The CME cheese markets are firm. U.S. cheese exports in Dec were 2.3% more than '11 and a record for the month. Discounted U.S. cheese prices versus global cheese suggest that exports should remain solid. Cheese block prices tend to rise 3.2% next week.



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

Pork Report

Pork- Pork production last week fell 1.8% but was .8% more than '12. Pork output is being curbed due in part to poor packer margins and only modest demand for pork. This could bring support to the pork markets. U.S. pork exports in Dec were 15.2% less than the previous year and the smallest since Aug. Pork exports to Japan during Dec were down 23.6% versus '11 and were the lowest since Jun. A weak Japanese Yen versus the U.S. dollar will likely temper pork exports to Japan. Baby-back rib prices usually firm in the coming week.



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

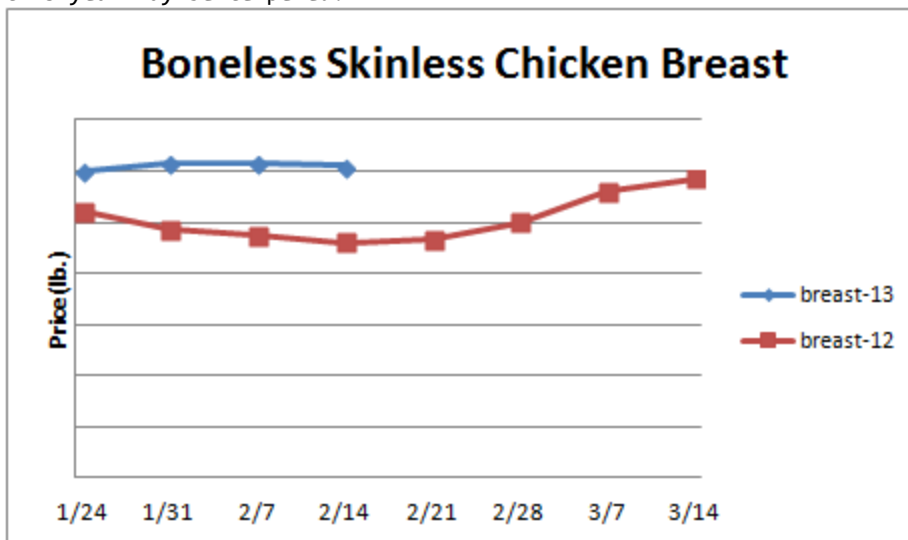
Canned Tomato Report

Tomato Products, Canned- The USDA is projecting the '13 CA tomato crop to yield 49.8 tons per acre which would be a record. Canned tomato prices are firm.

	<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- U.S chicken exports in Dec were up 4.2% versus the previous year but were the smallest since Jul. Chicken exports to Russia in Dec were down 68% versus the prior year and were the smallest for any month since Jun '11. Unlike in beef, pork and turkey, Russia hasn't placed restrictions on U.S. chicken imports. Chicken leg quarter prices usually firm during the next several months. The ARA chicken wing index has fallen 6.2% from its record high set in late-Jan. Lower wing prices normally occur in the coming months. The ARA chicken breast index has risen 5.3% in '13 and the seasonal tendency is still higher into the summer. Yet, pending chicken breast price increases this year may be tempered.

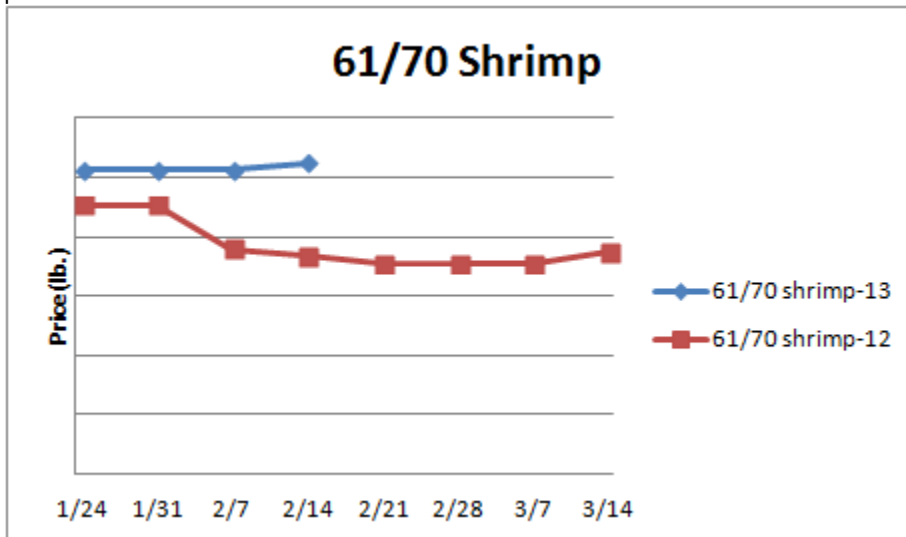


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Higher
Chicken Wings, Whole	Decreasing	Good	Higher
Chicken Wings, Jumbo Cut	Decreasing	Good	Lower
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast, Bnless Skinless	Decreasing	Good	Higher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

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

Seafood Report

Seafood- U.S. shrimp imports during Dec were 3.5% less than the prior year with shell-on imports 8.5% smaller than '11. However, domestic shrimp prices have recently firmed which should encourage U.S. shrimp imports. Still, the shrimp markets are generally steady during Mar. U.S. salmon filet/steak imports in Dec were 25% more than '11 due in part to solid global salmon supplies. Engaging salmon prices could persevere.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Steady	Good	Same
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)	Increasing	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.	Steady	Good	Lower

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Decreasing	Good	Lower
Black Beans	Steady	Good	Lower
Rice, Long Grain	Steady	Good	Higher
Coffee Beans	Decreasing	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	Higher
42 lb. Linerboard-corrugated box	Decreasing	Good	Higher
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Higher
PE-LLD-can liners, film, bags	Steady	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

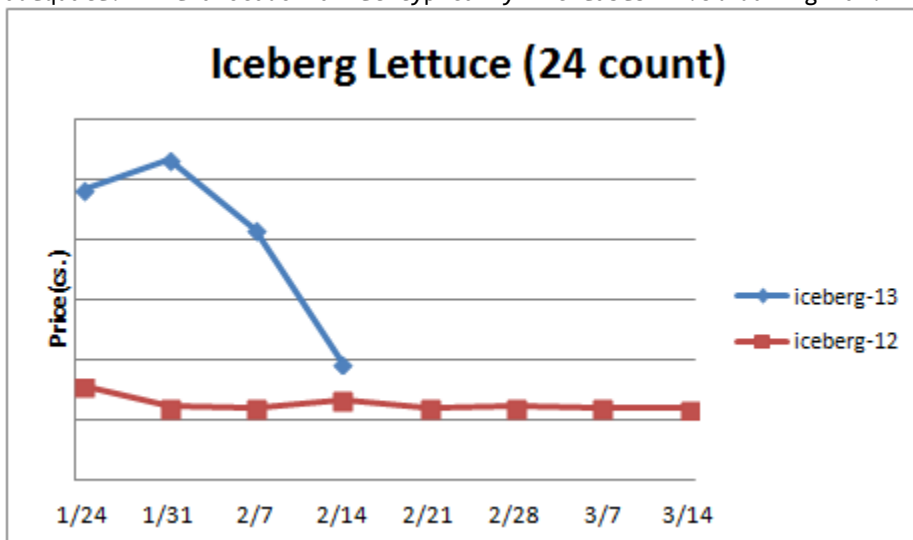
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Inflated raw product costs are expected to persist this year for canners and freezers. This should keep processed vegetable prices relatively 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- Iceberg lettuce prices have fallen sharply since last week due to better weather in the Yuma-Imperial Valley region which has aided the crops. Lettuce weights and quality have improved. Still, the iceberg lettuce markets normally firm in the coming weeks following a seasonal trend. Solid tomato production in FL and growing tomato supplies from Mexico are keeping tomato prices at bay. However, the seasonal price tendency for tomatoes is higher over the next two weeks. Avocado supplies remain adequate. The avocado market typically increases 11.8% during Mar.



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

Produce Report (continued)

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