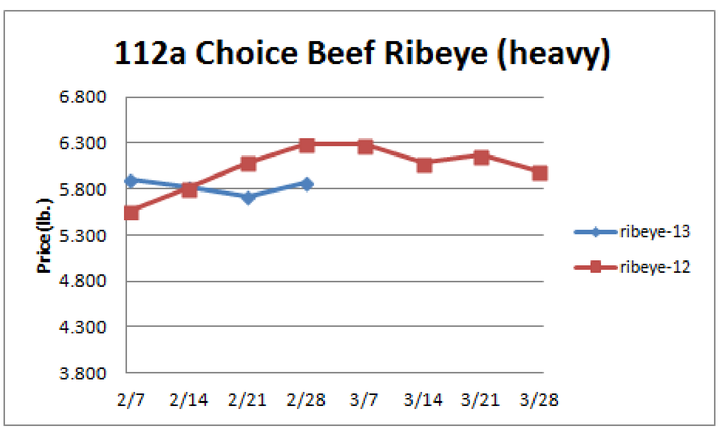
Weekly Market Updates

Volume No. 18 Issue No. 9 Date: February 28, 2013

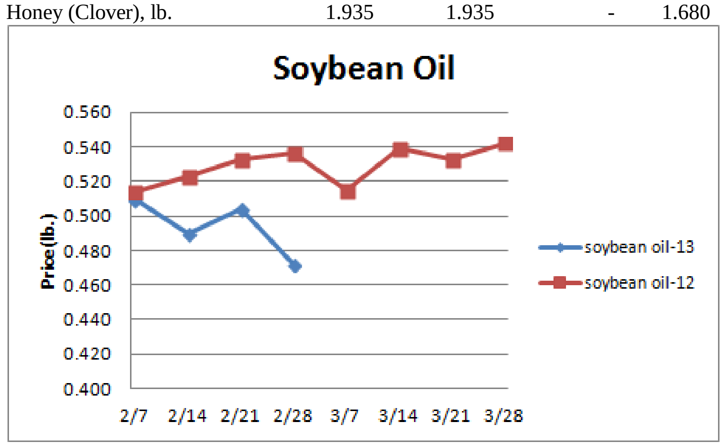
Beef- Beef production last week was 1.7% less than '12. Cattle slaughter this week is expected to be below 600k head for the fourth consecutive week due to the winter storm. Not since Feb '06, has cattle slaughter over a four week period, been so small. Interestingly in '06, the choice boxed beef cutout moved counter seasonally lower during Mar and Apr. The Feb 1 cattle on feed inventory was 6.2% smaller than last year. Cattle placements into feedlots during Jan were 1.6% more than '12. Tight cattle supplies and reduced beef output versus a year ago are anticipated to keep beef prices firm this spring. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.234	1.258	-.024	1.278
Feeder Cattle Index (CME)	1.383	1.410	-.027	1.565
Ground Beef 81/19	1.982	1.909	+.073	1.899
Ground Chuck	2.056	2.023	+.033	1.923
109e Export Rib (choice)	5.210	5.196	+.014	5.583
109e Export Rib (prime)	8.731	8.596	+.135	11.963
112a Ribeye (choice)	5.866	5.717	+.149	6.289
112a Ribeye (prime)	8.925	9.065	-.140	12.255
116 Chuck (select)	2.397	2.331	+.066	2.323
116 Chuck (choice)	2.401	2.348	+.053	2.341
116b Chuck Tdnr (choice)	2.384	2.264	+.120	2.438
120 Brisket (choice)	1.951	1.864	+.087	2.159
121c Outside Skirt (ch/sel)	4.525	4.591	-.066	4.985
121d Inside Skirt (ch/sel)	3.571	3.569	+.002	3.561
167a Knckle, Trm. (ch.)	2.202	2.143	+.059	2.553
168 Inside Round (ch.)	1.909	1.837	+.072	2.163
174 Short Loin (ch. 0x1)	4.700	4.550	+.150	5.469
174 Short Loin (prime)	7.210	6.537	+.673	9.891
180 1x1 Strp (choice)	4.054	4.142	-.088	5.123
180 1x1 Strp (prime)	8.071	8.071	-	10.870
180 0x1 Strp (choice)	4.583	4.597	-.014	5.787
184 Top Butt, bnls (ch.)	3.072	3.139	-.067	3.219
184 Top Butt, bnls (prime)	3.489	3.481	+.008	3.561
185a Sirloin Flap (choice)	3.691	3.665	+.026	4.323
185c Loin, Tri-Tip (choice)	2.944	2.897	+.047	3.303
189a Tender (select)	8.580	8.872	-.292	9.078
189a Tender (choice)	9.130	8.900	+.230	9.496
189a Tender (prime)	12.097	12.107	-.010	15.054
193 Flank Steak (choice)	4.138	4.223	-.085	4.467
50% Trimmings	.745	.660	+.085	1.003
65% Trimmings	1.187	1.192	-.005	1.350
75% Trimmings	1.555	1.555	-	1.622
85% Trimmings	1.957	1.942	+.015	2.059
90% Trimmings	2.150	2.136	+.014	2.187
90% Imported Beef (frz.)	2.120	2.145	-.025	2.130
95% Imported Beef (frz.)	2.288	2.315	-.027	2.255
Veal Rack (Hotel 7 rib)	8.275	8.275	-	7.450
Veal Top Rnd. (cp. off)	14.925	14.925	-	13.820



Oil, Grains, Misc.- Precipitation over the U.S. winter wheat region has helped the wheat crop. Still, wheat prices could firm soon as dry weather is forecasted for early-Mar. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	14.711	14.941	-.230	13.062
Crude Soybean Oil, lb.	.472	.504	-.032	.536
Soybean Meal, ton	440.200	440.800	-.600	346.000
Corn, bushel	7.206	7.325	-.119	6.617
Crude Corn Oil, lb.	.495	.525	-.030	.575
High Fructose Corn Syrup	.201	.203	-.002	.186
Distillers Grain, Dry	262.750	261.500	+1.250	197.000
Crude Palm Oil, lb. BMD	.349	.367	-.018	.488
HRW Wheat, bushel	7.020	7.360	-.340	6.617
DNS Wheat 14%, bushel	8.190	8.400	-.210	8.580
Durum Wheat, bushel	7.800	7.888	-.088	8.275
Pinto Beans, lb.	.329	.331	-.002	.494
Black Beans, lb.	.390	.320	-.070	.450
Rice, Long Grain, lb.	.282	.280	+.002	.261
Coffee, lb. NYBOT	1.425	1.395	+.030	2.024
Sugar, lb. NYBOT	.205	.207	-.002	.336
Honey (Clover), lb.	1.935	1.935	-	1.680



Dairy- The CME butter market is soft due largely to existing ample supplies. Butter stocks on Jan 31 were up 21% versus '12 and were the largest for the month since 1994. Since '08, the average price move over the next three weeks for CME butter is 6.8% higher but any gains this year may be tempered due to heavy stock levels. The cheese markets are trending lower. Total U.S. cheese stocks on Jan 31 were 5% larger than the previous year and second largest for the month since 1984. Cheese supplies are plentiful which could keep cheese prices at bay in the near term. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.580	1.630	-.050	1.500
Cheese Blocks (CME)	1.605	1.645	-.040	1.488
American Cheese	1.823	1.800	+.023	1.833
Cheddar Cheese (40 lb.)	2.030	2.055	-.025	1.980
Mozzarella Cheese	1.875	1.900	-.025	1.825
Provolone Cheese	2.225	2.250	-.025	2.060
Parmesan Cheese	3.573	3.598	-.025	3.140
Butter (CME)	1.550	1.605	-.055	1.398
Nonfat Dry Milk	1.592	1.588	+.004	1.412
Whey, Dry	.603	.612	-.009	.655
Class 1 Base	17.800	18.210	-.410	16.300
Class II Cream, heavy	1.760	1.739	+.021	1.755
Class III Milk (CME)	17.060	17.050	+.010	15.550
Class IV Milk (CME)	17.700	17.750	-.050	15.430

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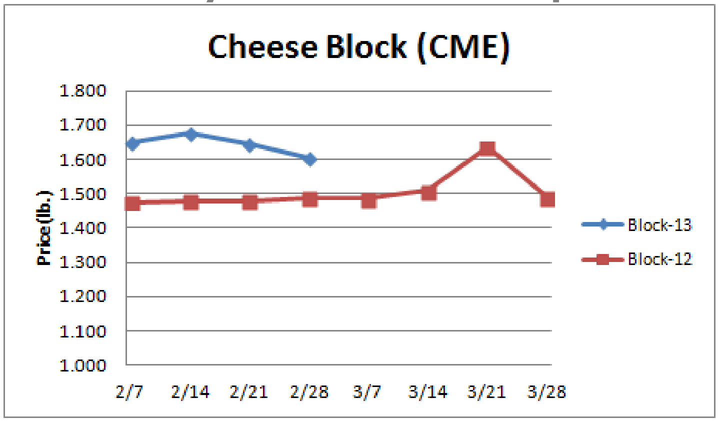
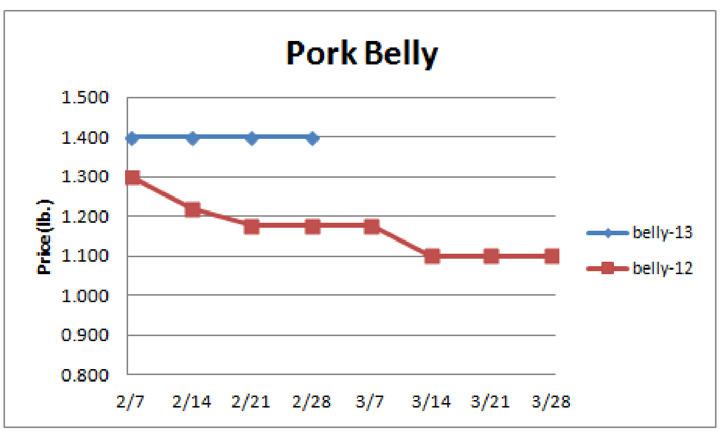


Pork- Pork output last week rose .2% but was .8% less than the same week a year ago. Curbed output this week due in part to the President's Day Holiday could bring support to the pork markets. Sow slaughter has been modest as of late which suggests that production should expand later in '13. China may join Russia in placing further restrictions on imports of U.S. pork beginning May 1 which could temper any seasonal pork market increases this spring. U.S. pork exports to China and Russia accounted for 18% of U.S. pork exports during '12. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.588	.619	-.031	.621
Belly (bacon)	1.400	1.400	-	1.175
Sparerib (4.25 lb. & down)	1.400	1.349	+.051	1.599
Ham (20-23 lb.)	.760	.746	+.014	.760
Ham (23-27 lb.)	.747	.747	-	.720
Loin (bone-in)	.913	.904	+.009	.981
Bbybck Rib (1.75 lb. & up)	2.005	2.002	+.003	2.845
Tenderloin (1.25 lb.)	2.625	2.563	+.062	2.612
Boston Butt, untrmd. (4-8lb.)	.775	.779	-.004	.964
Picnic, untrmd.	.465	.481	-.016	.558
SS Picnic, smoker trm. bx.	.780	.720	+.060	750
42% Trimmings	.440	.376	+.064	.420
72% Trimmings	.583	.583	-	.730



Tomato Products, Canned- Elevated raw product costs for canners are expected to persist in the coming months. The canned tomato markets are steady to firm. Prices per case (6/10) FOB, unless noted from ARA.

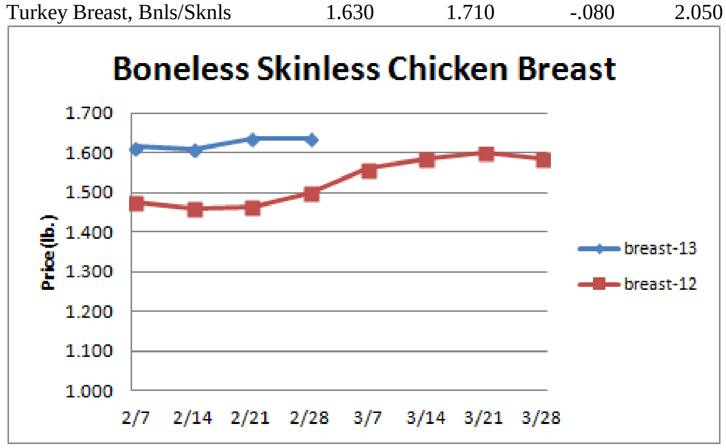
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Jan 31st frozen cob corn (3%) and green pea (5%) inventories were less than the previous year. Processed vegetable prices are likely to remain firm this spring. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 12
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- Last week the six-week moving average for broiler egg-sets was 1.6% above last year and was the largest year-over-year increase for any week since Dec '10. This signals that chicken producers are planning to keep chicken output rates above '12 levels in the coming months. The Southeast chicken wing market has fallen 23.7% from its record high in late-Jan and is currently at levels not seen since Dec '11. Further chicken wing declines are likely. The ARA daily chicken breast index has risen 7% in '13. Chicken breast prices typically increase 6.9% over the next four weeks but any price appreciation this year may be tempered due to larger production. Retail chicken prices in Jan were up 6% versus a year ago and were a record high. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.008	1.005	+.003	.918
Wings (whole)	1.810	1.835	-.025	1.805
Wings (jumbo, cut)	1.619	1.659	-.040	1.794
Breast, Bone In	1.095	1.085	+.010	.930
Breast, Bnless Skinless	1.635	1.635	-	1.500
Tenderloin (random)	1.360	1.360	-	1.310
Tenderloin (sized)	1.500	1.500	-	1.910
Legs (whole)	.695	.690	+.005	.726
Leg Quarters	.540	.540	-	.535
Thighs, bone in	.820	.752	+.068	.761
Thighs, boneless	1.318	1.313	+.005	1.257
Eggs and Others				
Large (dozen)	1.039	1.203	-.164	.960
Medium (dozen)	.831	.872	-.041	.712
Whole Eggs- Liquid	.960	.526	+.434	.424
Egg Whites- Liquid	.524	.517	+.007	.426
Egg Yolks- Liquid	.776	.885	-.109	.679
Whole Turkeys (8-16 lb.)	.960	.960	-	1.025
Turkey Breast, Bnls/Sknls	1.630	1.710	-.080	2.050



Seafood- U.S. Gulf of Mexico shrimp landings during Jan were 20% less than last year and 5.2% below the three-year average for the month. Inflated fuel costs have kept shrimp fishing schedules limited. Still, the recently firming U.S. dollar should encourage U.S. shrimp imports and could mitigate any seasonal price increases this spring. Retail fresh fish and seafood prices during Jan were down .6% from the previous year. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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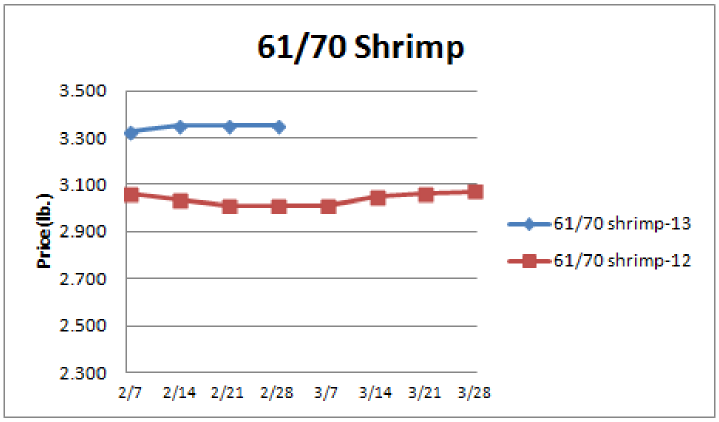
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.000
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	5.988	5.978	+.010	5.982
Shrimp (61/70), Frz.	3.350	3.350	-	3.010
Shrimp, Tiger (26/30), Frz.	4.925	4.700	+.225	4.913
Snow Crab, Legs 5-8 oz, Frz	5.650	5.650	-	5.750
Snow Crab, Legs 8 oz/ up, Fz	5.800	5.800	-	5.913
Cod Tails, 3-7 oz., Frz.	3.175	3.175	-	3.488
Cod Loins, 3-12 oz., Frz	3.350	3.350	-	3.600
Salmon Portions, 4-8 oz, Frz	4.854	4.854	-	6.067
Pollock, Alaska, Deep Skin	1.925	1.925	-	1.775



Energy & Currency-Currency US dollar is worth.

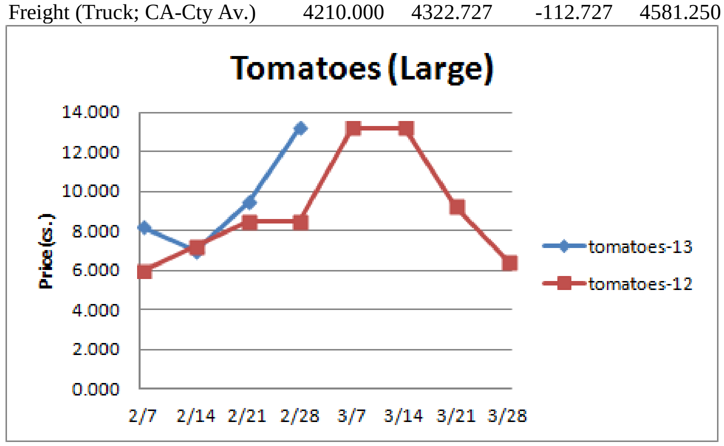
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	92.630	96.660	-4.030	106.550
Natural Gas, mbtu- nymex	3.427	3.272	+.155	2.519
Heating Oil, gal- nymex	3.032	3.181	-.149	3.224
Electricity, mwht- nymex	39.630	40.570	-.940	35.310
Gasoline, gal- nymex	2.982	3.121	-.139	3.040
Diesel Fuel, gal- eia	4.159	4.157	+.002	4.051
Ethanol, gal- usda	2.295	2.295	-	2.070
Canadian $	1.026	1.014	+.012	.997
Japanese Yen	91.640	93.547	-1.907	80.563
Mexican Peso	12.824	12.657	+.167	12.835
Euro	.764	.747	+.017	.743
Brazilian Real	1.985	1.956	+.029	1.700

Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 12
WP; NBSK (napkin, towel)	894.440	894.440	-	870.000
WP; 42 lb. Linerboard (corr.)	760.898	775.230	-14.332	690.593
Res; PS-CHH (cup, cont.)	1.210-1.250	1.210-1.250	-	1.100-1.140
Res; PP-HIGP (hvy utensil)	1.120-1.140	1.120-1.140	-	1.110-1.130
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.880-.910

Produce- The tomato markets are firm. The tomato harvest in FL is experiencing a transition gap which normally occurs during Feb. Still, FL tomato production tends to pick up in Mar. Mature green tomato prices usually rise 6.2% over the next two weeks. The iceberg lettuce markets are firm due in part to weather challenges in the Yuma- Imperial Valley growing region. But, warmer temperatures are expected later this week which should encourage lettuce output and bring relief to iceberg lettuce prices. The Hass avocado market typically increases 12% during the next three weeks. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	27.000	22.000	+5.000	15.000
Lemons (95 ct.)	11.775	11.775	-	17.740
Lemons (200 ct.)	16.025	16.025	-	16.740
Honeydew (6 ct.)	11.268	7.285	+3.983	15.950
Cantaloupe (15 ct.)	14.950	12.462	+2.488	14.450
Blueberries (12 count)	20.000	12.000	+8.000	17.000
Strawberries (12 pnts.)	17.000	17.000	-	16.000
Avocados (Hass 48 ct.)	20.250	18.750	+1.500	30.250
Bananas (40 lb.)- Term.	15.599	15.452	+.147	20.688
Pineapple (7 ct.)- Term.	14.764	13.937	+.827	10.376
Idaho Potato (60 ct., 50 lb.)	4.437	4.625	-.188	9.875
Idaho Potato (70 ct., 50 lb.)	4.625	4.625	-	9.875
Idaho Potato (70 ct.)-Term.	11.860	12.150	-.290	14.375
Idaho Potato (90 ct., 50 lb.)	5.625	5.625	-	9.750
Idaho Pot. # 2 (6 oz., 100 lb.)	6.000	6.000	-	13.750
Processing Potato (cwt.)	6.500	6.500	-	10.250
Yellow Onions (50 lb.)	12.000	13.500	-1.500	4.563
Yell Onions (50 lb.)-Term.	20.687	20.575	+.112	8.219
Red Onions (25 lb.)- Term.	20.375	23.500	-3.125	7.816
White Onions (50 lb.)- Term.	28.333	30.104	-1.771	18.082
Tomatoes (large- case)	13.200	9.450	+3.750	8.450
Tomatoes (5x6-25 lb.)-Term	13.333	10.266	+3.067	11.834
Tomatoes (4x5 vine ripe)	10.475	8.475	+2.000	5.185
Roma Tomatoes (large- case)	11.591	8.956	+2.635	6.812
Roma Tomatoes (xlarge-cs)	11.841	9.206	+2.635	7.012
Green Peppers (large- case)	7.300	12.000	-4.700	9.250
Red Peppers (large 15lb. cs.)	14.950	11.950	+3.000	12.950
Iceberg Lettuce (24 count)	19.872	12.530	+7.342	6.140
Iceberg Lettuce (24)-Term.	20.833	16.250	+4.583	11.750
Leaf Lettuce (24 count)	9.248	9.063	+.185	6.015
Romaine Lettuce (24 cnt.)	27.291	22.660	+4.631	6.084
Mesculin Mix (3 lb.)-Term.	6.750	7.125	-.375	6.584
Broccoli (14 ct.)	12.591	11.005	+1.586	5.609
Squash (1/2 bushel)	18.350	13.000	+5.350	4.350
Zucchini (1/2 bushel)	20.350	18.000	+2.350	3.850
Green Beans (bushel)	22.258	18.737	+3.521	14.025
Spinach, Flat 24's	9.150	8.000	+1.150	8.950
Mushrms (10 lb, lg.)-Term.	15.145	15.145	-	15.146
Cucumbers (bushel)	23.875	17.175	+6.700	8.270
Pickles (200-300 ct.)- Term.	23.145	22.562	+.583	28.563
Asparagus (small)	16.500	16.500	-	16.800
Freight (Truck; CA-Cty Av.)	4210.000	4322.727	-112.727	4581.250



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

	Jan-13	Dec-12	Nov-12	Oct-12
Beef and Veal	-.165	+.344	+.071	+.541
Dairy	+.399	+.238	+.847	+.823
Pork	+.626	-1.469	-.129	+.184
Chicken	+.273	+.643	+.374	+1.920
Fresh Fish and Seafood	+1.560	-.990	-.491	-.322
Fresh Fruits and Veg.	+1.676	+2.114	+.429	+1.012