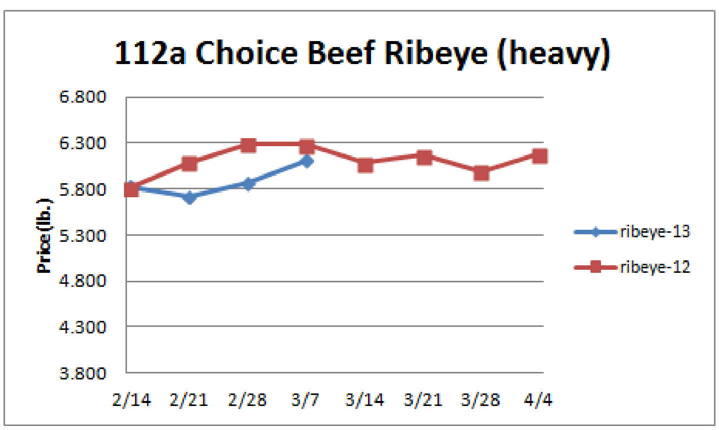
Weekly Market Updates

Volume No. 18 Issue No. 10 Date: March 7, 2013

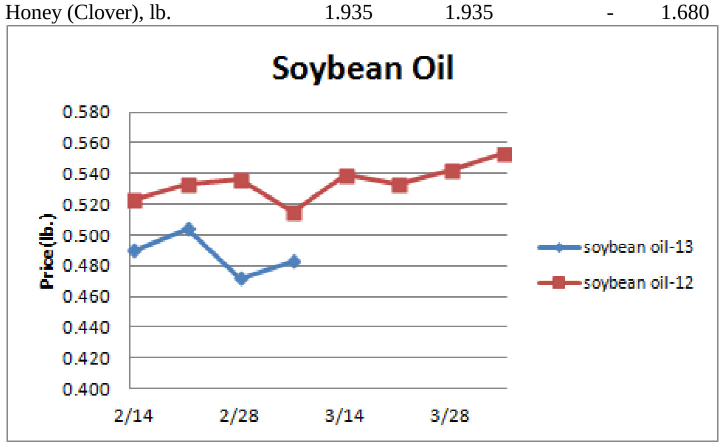
Beef- Beef production last week declined 1.8% and was 8.1% smaller than '12. Slow cattle slaughter is persisting providing support to the beef markets. Beef demand remains soft. Forward beef sales last week were 44% below the five-year average for the week. Seasonal demand for beef usually picks up in the coming weeks. Traditional beef for grilling item markets such as the strip, ribeye, short loin and top butts are anticipated to appreciate during the next few months. Yet, this spring's inflated retail beef prices will be faced by a challenged consumer which could mitigate seasonal wholesale beef market increases. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.282	1.234	+.048	1.300
Feeder Cattle Index (CME)	1.399	1.383	+.016	1.573
Ground Beef 81/19	2.128	1.982	+.146	1.864
Ground Chuck	2.141	2.056	+.085	1.849
109e Export Rib (choice)	5.483	5.210	+.273	5.850
109e Export Rib (prime)	8.409	8.731	-.322	12.137
112a Ribeye (choice)	6.105	5.866	+.239	6.288
112a Ribeye (prime)	9.034	8.925	+.109	12.421
116 Chuck (select)	2.581	2.397	+.184	2.193
116 Chuck (choice)	2.538	2.401	+.137	2.253
116b Chuck Tdnr (choice)	2.428	2.384	+.044	2.460
120 Brisket (choice)	2.051	1.951	+.100	2.075
121c Outside Skirt (ch/sel)	4.740	4.525	+.215	5.241
121d Inside Skirt (ch/sel)	3.581	3.571	+.010	3.593
167a Knckle, Trm. (ch.)	2.318	2.202	+.116	2.477
168 Inside Round (ch.)	2.050	1.909	+.141	2.043
174 Short Loin (ch. 0x1)	4.811	4.700	+.111	5.394
174 Short Loin (prime)	7.157	7.210	-.053	10.128
180 1x1 Strp (choice)	4.435	4.054	+.381	5.207
180 1x1 Strp (prime)	7.655	8.071	-.416	11.349
180 0x1 Strp (choice)	4.980	4.583	+.397	5.899
184 Top Butt, bnls (ch.)	3.073	3.072	+.001	3.223
184 Top Butt, bnls (prime)	3.554	3.489	+.065	3.662
185a Sirloin Flap (choice)	3.873	3.691	+.182	4.401
185c Loin, Tri-Tip (choice)	2.830	2.944	-.114	3.317
189a Tender (select)	8.773	8.580	+.193	9.335
189a Tender (choice)	9.172	9.130	+.042	9.660
189a Tender (prime)	11.541	12.097	-.556	15.245
193 Flank Steak (choice)	4.255	4.138	+.117	4.575
50% Trimmings	.813	.745	+.068	1.024
65% Trimmings	1.269	1.187	+.082	1.373
75% Trimmings	1.625	1.555	+.070	1.632
85% Trimmings	1.957	1.957	-	2.049
90% Trimmings	2.159	2.150	+.009	2.220
90% Imported Beef (frz.)	2.095	2.120	-.025	2.148
95% Imported Beef (frz.)	2.250	2.288	-.038	2.275
Veal Rack (Hotel 7 rib)	8.275	8.275	-	7.475
Veal Top Rnd. (cp. off)	14.925	14.925	-	14.045



Oil, Grains, Misc.- Logistical problems in Brazil's shipping ports are pushing global soybean buyers to the U.S. Elevated soybean markets could remain in place in the near term. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	14.912	14.711	+.201	13.255
Crude Soybean Oil, lb.	.483	.472	+.011	.515
Soybean Meal, ton	448.400	440.200	+8.200	364.400
Corn, bushel	7.448	7.206	+.242	6.535
Crude Corn Oil, lb.	.485	.495	-.010	.585
High Fructose Corn Syrup	.206	.201	+.005	.185
Distillers Grain, Dry	264.125	262.750	+1.375	201.500
Crude Palm Oil, lb. BMD	.349	.349	-	.488
HRW Wheat, bushel	7.090	7.020	+.070	6.700
DNS Wheat 14%, bushel	8.350	8.190	+.160	8.830
Durum Wheat, bushel	7.725	7.800	-.075	8.338
Pinto Beans, lb.	.328	.329	-.001	.494
Black Beans, lb.	.390	.390	-	.450
Rice, Long Grain, lb.	.283	.282	+.001	.261
Coffee, lb. NYBOT	1.415	1.425	-.010	1.884
Sugar, lb. NYBOT	.204	.205	-.001	.345
Honey (Clover), lb.	1.935	1.935	-	1.680



Dairy- The cheese markets appear to be steadying after the recent depreciation. The block market has fallen 27% from its Q4 high which is slightly more than the historic average. The downside risk from here for cheese prices is likely nominal. CME butter prices are firm. The CME butter market has fallen 24% from its Q4 high which is relatively typical. Cheese and butter prices are expected to rise in the coming months with the bottoms likely in for both markets. Front month milk futures are at their lowest price levels since Jul which may lead to a smaller milk cow herd. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.550	1.580	-.030	1.473
Cheese Blocks (CME)	1.570	1.605	-.035	1.485
American Cheese	1.770	1.823	-.053	1.843
Cheddar Cheese (40 lb.)	1.985	2.030	-.045	1.985
Mozzarella Cheese	1.828	1.875	-.047	1.830
Provolone Cheese	2.180	2.225	-.045	2.065
Parmesan Cheese	3.528	3.573	-.045	3.145
Butter (CME)	1.603	1.550	+.053	1.450
Nonfat Dry Milk	1.584	1.592	-.008	1.383
Whey, Dry	.593	.603	-.010	.573
Class 1 Base	17.800	17.800	-	16.300
Class II Cream, heavy	1.746	1.760	-.014	1.761
Class III Milk (CME)	17.380	17.060	+.320	15.190
Class IV Milk (CME)	17.840	17.700	+.140	14.950

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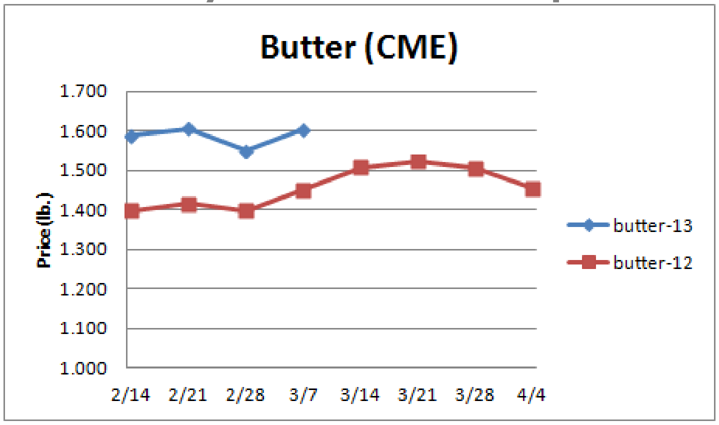
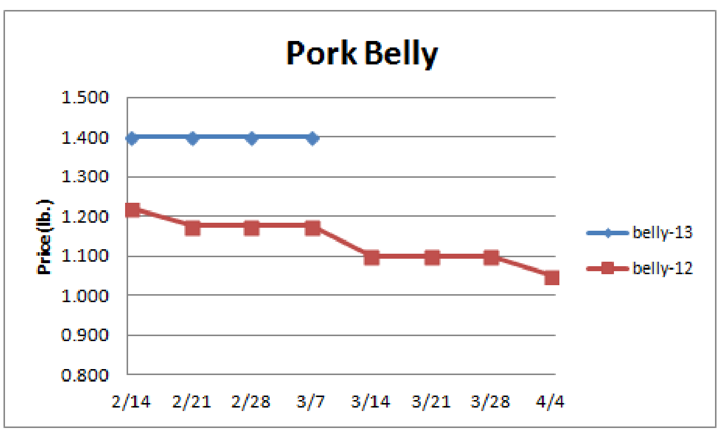


Pork- Pork production last week increased 4.9% but was .1% less than last year. Challenging weather in the Midwest has kept pork output rates erratic but pork prices have been mostly range bound. Pork production typically fades during the spring which usually influences pork prices upward. Since '08, the average price move during Apr for the pork cutout value is 5.8% higher. However, this year U.S. pork output during Q2 is projected by the USDA to be .9% more than '12. If realized, this could limit any seasonal price increases for pork. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.547	.547	-	.615
Belly (bacon)	1.400	1.400	-	1.175
Sparerib (4.25 lb. & down)	1.428	1.428	-	1.628
Ham (20-23 lb.)	.660	.710	-.050	.750
Ham (23-27 lb.)	.664	.690	-.026	.740
Loin (bone-in)	.891	.915	-.024	1.002
Bbybck Rib (1.75 lb. & up)	2.027	2.009	+.018	2.923
Tenderloin (1.25 lb.)	2.720	2.720	-	2.673
Boston Butt, untrmd. (4-8lb.)	.745	.780	-.035	.948
Picnic, untrmd.	.471	.482	-.011	.522
SS Picnic, smoker trm. bx.	.780	.770	+.010	.755
42% Trimmings	.391	.440	-.049	.420
72% Trimmings	.551	.583	-.032	.652



Tomato Products, Canned- Adequate canned tomato supplies are anticipated to persist assuming a normal harvest this fall. Canned tomato prices are steady. Prices per case (6/10) FOB, unless noted from ARA.

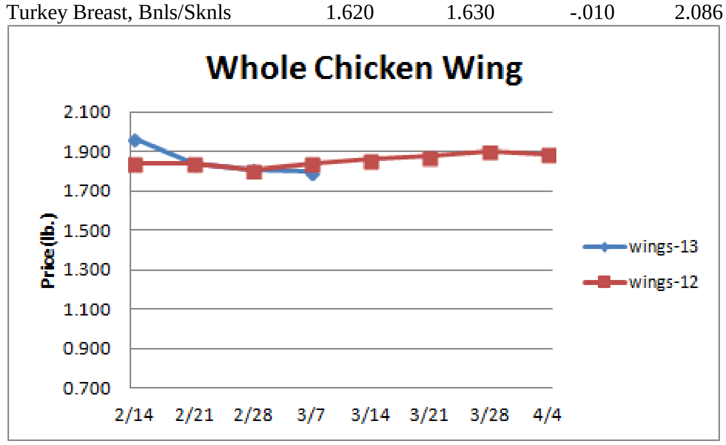
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Jan 31st frozen green bean (33%) and cut corn (2%) stocks were both more than the prior year. The processed vegetable markets could 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- The Jan broiler type chick hatch was 1.4% larger than the previous year. Pullet placements into the broiler breeding flock during Jan were 5.5% less than '12. The breeding flock is forecasted to trend below year ago levels into the summer which may limit chicken output expansion. Last week the ARA chicken cutout index priced at its highest level since Jul '04. However, in '04, a larger value of the bird came from the breast (white meat) in comparison to legs quarters and wings (dark meat). In '13, the boneless skinless chicken breast market was near $2.50 a pound. During the next ten weeks, the boneless skinless chicken breast market usually appreciates 9% while jumbo cut chicken wing prices decline 13%. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.013	1.008	+.005	.925
Wings (whole)	1.795	1.810	-.015	1.840
Wings (jumbo, cut)	1.587	1.619	-.032	1.775
Breast, Bone In	1.095	1.095	-	.955
Breast, Bnless Skinless	1.640	1.635	+.005	1.560
Tenderloin (random)	1.360	1.360	-	1.310
Tenderloin (sized)	1.500	1.500	-	1.910
Legs (whole)	.651	.695	-.044	.717
Leg Quarters	.545	.540	+.005	.545
Thighs, bone in	.716	.820	-.104	.799
Thighs, boneless	1.318	1.318	-	1.324
Eggs and Others				
Large (dozen)	1.004	1.039	-.035	.960
Medium (dozen)	.832	.831	+.001	.945
Whole Eggs- Liquid	.553	.525	+.028	.480
Egg Whites- Liquid	.593	.524	+.069	.426
Egg Yolks- Liquid	.800	.776	+.024	.678
Whole Turkeys (8-16 lb.)	.960	.960	-	1.013
Turkey Breast, Bnls/Sknls	1.620	1.630	-.010	2.086



Seafood- The Alaskan Bering Sea snow crab season is progressing. Snow crab landings through Mar 5th achieved 68% of this season's quota of 59,715,000 pounds. Snow crab prices tend to remain steady during Mar. The Canadian snow crab season begins this spring which should add to snow crab supplies. A fairly firm U.S. dollar may encourage U.S. snow crab imports and keep prices below the previous year levels. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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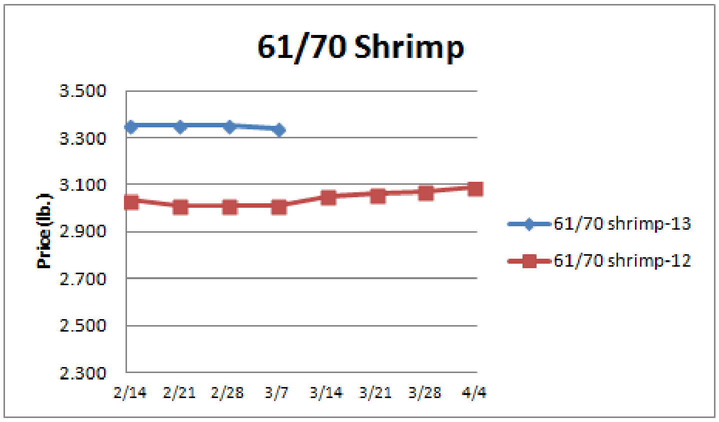
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.000
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	6.175	5.988	+.187	5.944
Shrimp (61/70), Frz.	3.337	3.350	-.013	3.010
Shrimp, Tiger (26/30), Frz.	4.716	4.925	-.209	4.888
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	-	5.842
Pollock, Alaska, Deep Skin	1.925	1.925	-	1.775



Energy & Currency-Currency US dollar is worth.

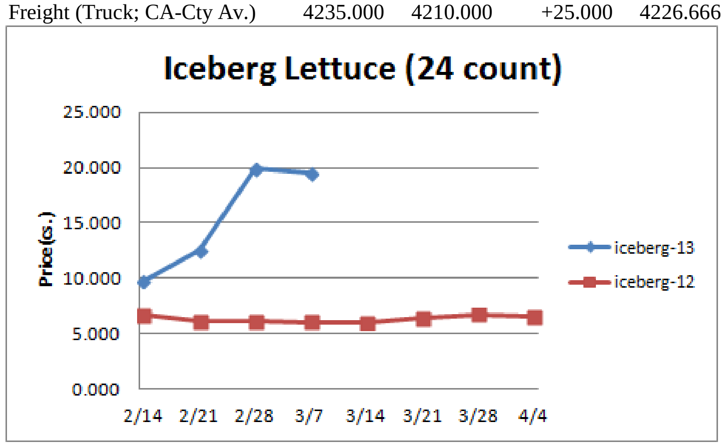
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	90.820	92.630	-1.810	104.700
Natural Gas, mbtu- nymex	3.529	3.427	+.102	2.356
Heating Oil, gal- nymex	2.973	3.032	-.059	3.188
Electricity, mwht- nymex	43.890	39.630	+4.260	33.020
Gasoline, gal- nymex	3.148	2.982	+.166	3.230
Diesel Fuel, gal- eia	4.130	4.159	-.029	4.094
Ethanol, gal- usda	2.335	2.295	+.040	2.100
Canadian $	1.028	1.026	+.002	.999
Japanese Yen	93.370	91.640	+1.730	81.092
Mexican Peso	12.687	12.824	-.137	12.908
Euro	.767	.764	+.003	.760
Brazilian Real	1.967	1.985	-.018	1.749

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)	898.610	894.440	+4.170	870.000
WP; 42 lb. Linerboard (corr.)	754.623	760.898	-6.275	674.263
Res; PS-CHH (cup, cont.)	1.210-1.250	1.210-1.250	-	1.150-1.190
Res; PP-HIGP (hvy utensil)	1.180-1.200	1.120-1.140	+.060	1.110-1.130
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.910-.940

Produce- Iceberg lettuce prices remain firm due in part to persistent light weights and quality problems. Still, iceberg lettuce shipments last week were 9% larger than the prior week. Colder temperatures are forecasted later this week in the desert southwest which could cause elevated iceberg prices to persevere. Tomato supplies in FL have tightened due in part to cold temperatures. Mexican tomato imports have been declining as well which could add modest upward pressure to the tomato markets. Potato prices are depressed. The ID potato market (70 ct.) usually rises 7% over the next four weeks. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	30.000	27.000	+3.000	17.000
Lemons (95 ct.)	11.775	11.775	-	18.240
Lemons (200 ct.)	14.275	16.025	-1.745	14.740
Honeydew (6 ct.)	11.850	11.268	+.582	13.963
Cantaloupe (15 ct.)	14.950	14.950	-	13.450
Blueberries (12 count)	20.000	20.000	-	27.250
Strawberries (12 pnts.)	17.000	17.000	-	16.000
Avocados (Hass 48 ct.)	25.250	20.250	+5.000	30.250
Bananas (40 lb.)- Term.	15.359	15.599	-.240	20.759
Pineapple (7 ct.)- Term.	15.052	14.764	+.288	10.178
Idaho Potato (60 ct., 50 lb.)	4.375	4.437	-.062	12.000
Idaho Potato (70 ct., 50 lb.)	4.625	4.625	-	12.000
Idaho Potato (70 ct.)-Term.	10.820	11.860	-1.040	15.735
Idaho Potato (90 ct., 50 lb.)	5.625	5.625	-	11.250
Idaho Pot. # 2 (6 oz., 100 lb.)	5.500	6.000	-.500	14.500
Processing Potato (cwt.)	6.500	6.500	-	10.250
Yellow Onions (50 lb.)	10.166	12.000	-1.834	5.438
Yell Onions (50 lb.)-Term.	18.387	20.687	-2.300	8.459
Red Onions (25 lb.)- Term.	22.250	20.375	+1.875	8.573
White Onions (50 lb.)- Term.	27.604	28.333	-.726	29.425
Tomatoes (large- case)	11.441	13.200	-1.759	13.200
Tomatoes (5x6-25 lb.)-Term	17.500	13.333	+4.167	14.434
Tomatoes (4x5 vine ripe)	10.950	10.475	+.475	10.960
Roma Tomatoes (large- case)	11.441	11.591	-.150	10.555
Roma Tomatoes (xlarge-cs)	12.131	11.841	+.290	11.050
Green Peppers (large- case)	7.200	7.300	-.100	11.917
Red Peppers (large 15lb. cs.)	14.950	14.950	-	11.950
Iceberg Lettuce (24 count)	19.510	19.872	-.362	6.050
Iceberg Lettuce (24)-Term.	23.166	20.833	+2.333	11.917
Leaf Lettuce (24 count)	8.785	9.248	-.463	5.909
Romaine Lettuce (24 cnt.)	27.671	27.291	+.380	5.925
Mesculin Mix (3 lb.)-Term.	6.812	6.750	+.062	6.969
Broccoli (14 ct.)	9.446	12.591	-3.145	6.192
Squash (1/2 bushel)	18.350	18.350	-	6.350
Zucchini (1/2 bushel)	20.350	20.350	-	6.350
Green Beans (bushel)	25.916	22.258	+3.658	12.525
Spinach, Flat 24's	10.225	9.150	+1.075	8.470
Mushrms (10 lb, lg.)-Term.	15.145	15.145	-	14.917
Cucumbers (bushel)	25.230	23.875	+1.355	8.675
Pickles (200-300 ct.)- Term.	27.895	23.145	+4.750	27.234
Asparagus (small)	16.500	16.500	-	15.750
Freight (Truck; CA-Cty Av.)	4235.000	4210.000	+25.000	4226.666



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