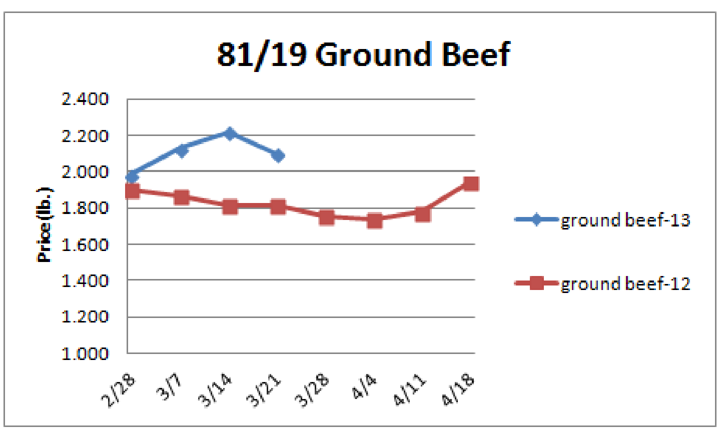
Weekly Market Updates

Volume No. 18 Issue No. 12 Date: March 21, 2013

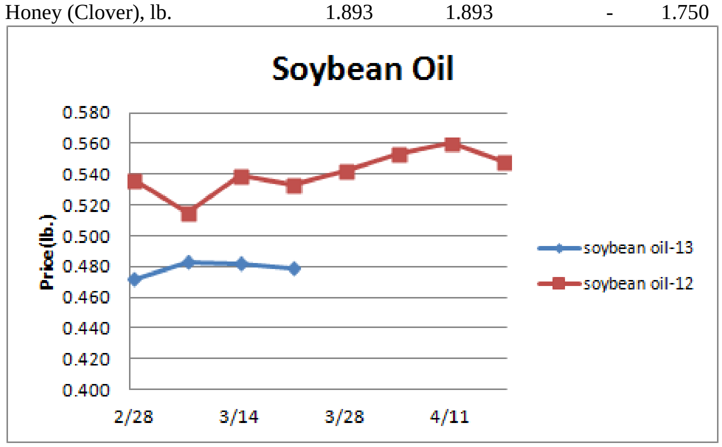
Beef- Beef production last week increased 1.6% but was 1.2% smaller than the same week in '12. Beef output is expected to run below year ago levels this spring due to tight cattle supplies. This should shore up beef prices. Retail beef prices during Feb were 3.4% higher than last year and a record. Wholesale beef prices are historically inflated as well. These factors are curbing beef demand which could temper any seasonal market increases this spring. Retailers are planning to feature less costly grill items like ground beef in the coming months which could be supportive of the beef trim markets. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.270	1.278	-.008	1.277
Feeder Cattle Index (CME)	1.366	1.374	-.008	1.543
Ground Beef 81/19	2.096	2.216	-.120	1.817
Ground Chuck	2.176	2.249	-.073	1.803
109e Export Rib (choice)	5.615	5.596	+.019	5.746
109e Export Rib (prime)	8.904	8.557	+.347	12.272
112a Ribeye (choice)	6.203	6.128	+.075	6.168
112a Ribeye (prime)	8.581	8.937	-.356	11.810
116 Chuck (select)	2.411	2.586	-.175	2.127
116 Chuck (choice)	2.435	2.653	-.218	2.105
116b Chuck Tdnr (choice)	2.351	2.461	-.110	2.337
120 Brisket (choice)	1.948	2.098	-.150	1.978
121c Outside Skirt (ch/sel)	4.422	4.687	-.265	4.966
121d Inside Skirt (ch/sel)	3.606	3.627	-.021	3.533
167a Knckle, Trm. (ch.)	2.621	2.653	-.032	2.462
168 Inside Round (ch.)	2.290	2.394	-.104	2.397
174 Short Loin (ch. 0x1)	2.036	2.083	-.047	1.975
174 Short Loin (prime)	4.794	4.818	-.024	5.270
180 1x1 Strp (choice)	6.937	6.428	+.509	10.155
180 1x1 Strp (prime)	4.655	4.474	+.181	4.943
180 0x1 Strp (choice)	7.782	7.646	+.136	11.200
184 Top Butt, bnls (ch.)	5.041	4.968	+.073	5.510
184 Top Butt, bnls (prime)	3.082	3.090	-.008	3.122
185a Sirloin Flap (choice)	3.543	3.572	-.029	3.847
185c Loin, Tri-Tip (choice)	4.086	4.000	+.086	4.227
189a Tender (select)	2.618	2.825	-.207	3.290
189a Tender (choice)	8.653	8.807	-.154	9.403
189a Tender (prime)	8.653	9.298	-.645	9.895
193 Flank Steak (choice)	12.130	11.666	+.464	15.411
50% Trimmings	4.362	4.372	-.010	4.547
65% Trimmings	.885	.876	+.009	.893
75% Trimmings	1.305	1.242	+.063	1.345
85% Trimmings	1.570	1.625	-.055	1.682
90% Trimmings	1.971	1.954	+.017	2.094
90% Imported Beef (frz.)	2.188	2.180	+.008	2.236
95% Imported Beef (frz.)	2.078	2.070	+.008	2.158
Veal Rack (Hotel 7 rib)	2.280	2.263	+.017	2.288
Veal Top Rnd. (cp. off)	8.275	8.275	-	7.650



Oil, Grains, Misc.- The grain trade community is awaiting historically large crop acreage to be reported by the USDA on Mar 28th. Still, fairly inflated grain prices should persist this spring. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	14.303	14.982	-.679	13.362
Crude Soybean Oil, lb.	.479	.482	-.003	.533
Soybean Meal, ton	423.600	448.200	-24.600	362.600
Corn, bushel	7.526	7.412	+.114	6.458
Crude Corn Oil, lb.	.475	.490	-.015	.600
High Fructose Corn Syrup	.208	.205	+.003	.183
Distillers Grain, Dry	262.750	261.666	+1.084	206.750
Crude Palm Oil, lb. BMD	.353	.349	+.004	.497
HRW Wheat, bushel	7.245	7.025	+.220	6.530
DNS Wheat 14%, bushel	8.380	8.310	+.070	8.640
Durum Wheat, bushel	7.788	7.788	-	8.325
Pinto Beans, lb.	.328	.328	-	.494
Black Beans, lb.	.390	.390	-	.450
Rice, Long Grain, lb.	.285	.285	+.002	.260
Coffee, lb. NYBOT	1.328	1.427	-.099	1.840
Sugar, lb. NYBOT	.209	.210	-.001	.351
Honey (Clover), lb.	1.893	1.893	-	1.750



Dairy- Average daily milk output during Feb was flat versus last year due to a .3% gain in the milk per cow yield and a .3% smaller herd. Dairy farmers added a net 2k head to the herd during the month. Milk production may be tempered this spring due to challenged margins. The CME cheese block market is firm but tends to be erratic over the next few weeks. The CME butter market is strong but usually moves 1.7% lower during the next three weeks. Still, U.S. cheese and butter exports are expected to remain solid which may add upward pressure to the dairy markets. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.620	1.588	+.032	1.625
Cheese Blocks (CME)	1.640	1.600	+.040	1.635
American Cheese	1.780	1.753	+.027	1.748
Cheddar Cheese (40 lb.)	1.990	1.960	+.030	1.925
Mozzarella Cheese	1.833	1.803	+.030	1.770
Provolone Cheese	2.185	2.155	+.030	2.120
Parmesan Cheese	3.533	3.503	+.030	3.200
Butter (CME)	1.700	1.630	+.070	1.523
Nonfat Dry Milk	1.567	1.578	-.011	1.350
Whey, Dry	.585	.589	-.004	.519
Class 1 Base	17.800	17.800	-	16.300
Class II Cream, heavy	2.005	1.905	+.100	1.913
Class III Milk (CME)	17.600	17.000	+.600	16.260
Class IV Milk (CME)	18.650	17.700	+.950	14.990

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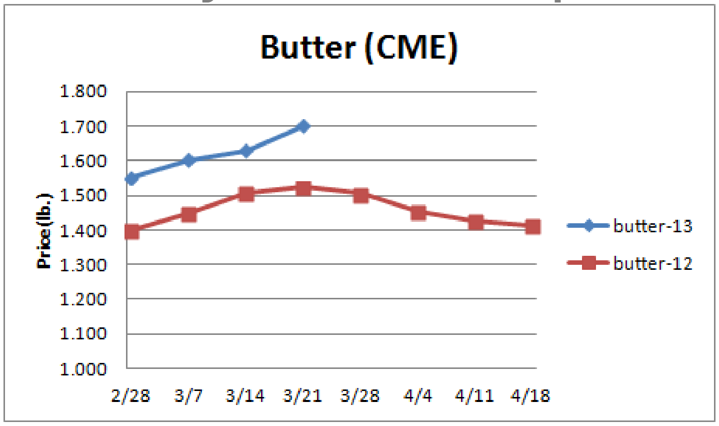
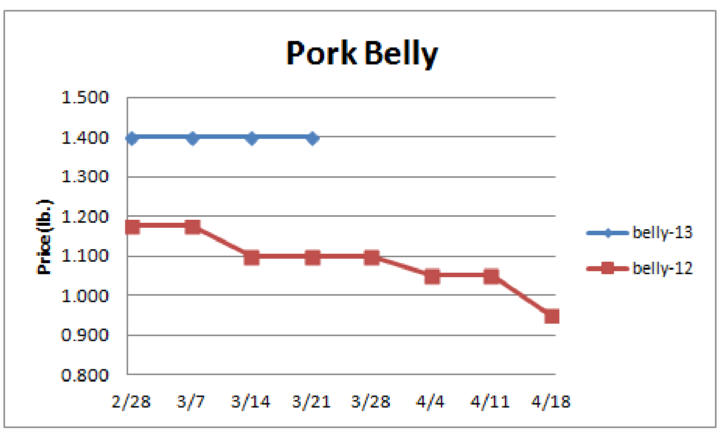


Pork- Pork production last week increased .3% and was .3% larger than the prior year. Still, seasonally slowed output and stronger pork demand is expected next month which could influence pork prices higher. Still, import restrictions on U.S. pork from China and Russia should limit the upside price risk for pork this spring. U.S. retail pork prices during Feb were down 1.5% compared to '12 but the highest since Nov. Retail store feature activity for pork may be high this spring due to record high beef prices. Ham prices usually bottom this week. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.672	.550	+.122	.619
Belly (bacon)	1.400	1.400	-	1.100
Sparerib (4.25 lb. & down)	1.425	1.414	+.011	1.523
Ham (20-23 lb.)	.570	.660	-.090	.700
Ham (23-27 lb.)	.570	.664	-.094	.689
Loin (bone-in)	.868	.877	-.009	.991
Bbybck Rib (1.75 lb. & up)	2.022	2.016	+.006	2.951
Tenderloin (1.25 lb.)	2.630	2.650	-.020	2.678
Boston Butt, untrmd. (4-8lb.)	.768	.738	+.030	.935
Picnic, untrmd.	.451	.460	-.009	.485
SS Picnic, smoker trm. bx.	.750	.760	-.010	.730
42% Trimmings	.530	.391	+.139	.383
72% Trimmings	.600	.530	+.070	.587



Tomato Products, Canned- Raw product costs in '13 for U.S. tomato canners should be near year ago levels. The canned tomato markets are likely to remain firm. Prices per case (6/10) FOB, unless noted from ARA.

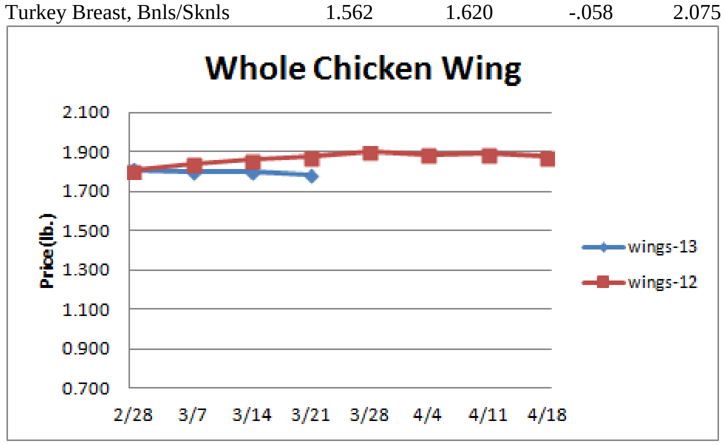
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Due to aggressive crop planting plans in place for corn and soybeans, acres for U.S. vegetables may be tight this year. Processed vegetable prices are firm. 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- Chicken producers continue to plan for expanded chicken output this spring. The six-week moving average for broiler-type egg sets is trending 1.8% above last year. Last week the ARA chicken cutout index closed at its highest level since Jul '04. This index is being supported by inflated chicken breast prices which is typical during Mar. The chicken breast markets normally increase into the summer. However, the aforementioned chicken production expansion may limit the seasonal price gains for chicken breasts. The jumbo cut chicken wing market usually fades 11.5% over next seven weeks but this year's decline may be more intense. U.S. retail chicken prices during Feb were up 4.9% versus '12 and a record. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.018	1.015	+.003	.933
Wings (whole)	1.780	1.795	-.015	1.875
Wings (jumbo, cut)	1.673	1.673	-	1.812
Breast, Bone In	1.110	1.100	+.010	.995
Breast, Bnless Skinless	1.685	1.645	+.040	1.600
Tenderloin (random)	1.460	1.360	+.100	1.540
Tenderloin (sized)	1.600	1.500	+.100	2.270
Legs (whole)	.659	.663	-.004	.712
Leg Quarters	.550	.545	+.005	.545
Thighs, bone in	.815	.831	-.016	.787
Thighs, boneless	1.331	1.315	+.016	1.328
Eggs and Others				
Large (dozen)	1.293	1.050	+.243	.960
Medium (dozen)	1.072	.842	+.230	.708
Whole Eggs- Liquid	.719	.668	+.051	.574
Egg Whites- Liquid	.718	.647	+.071	.484
Egg Yolks- Liquid	.804	.788	+.016	.722
Whole Turkeys (8-16 lb.)	.965	.965	-	1.040
Turkey Breast, Bnls/Sknls	1.562	1.620	-.058	2.075



Seafood- The Alaskan Bering Sea snow crab quota for the '12/13 season is 82% complete which is 21% ahead of the prior year. But, this season's allowable snow crab volumes are 25% less than '11/12. The Canadian snow crab season is expected to begin in the coming months which can improve supplies. Snow crab prices tend to remain steady in April. U.S. retail fresh fish and seafood price during Feb were up 1.4% versus '12. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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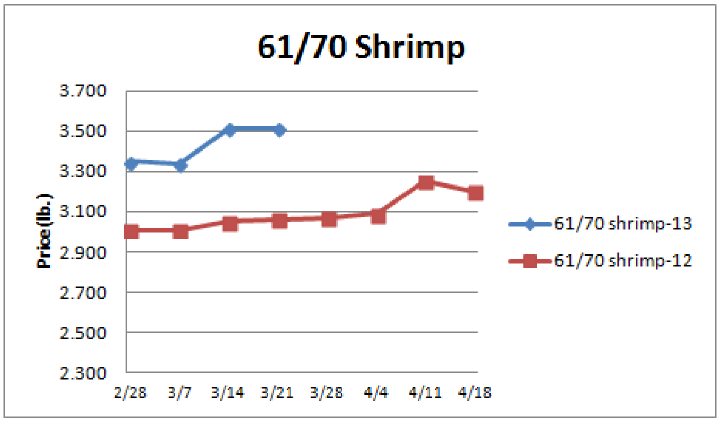
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.000
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	6.160	6.150	+.010	5.812
Shrimp (61/70), Frz.	3.512	3.512	-	3.060
Shrimp, Tiger (26/30), Frz.	4.800	4.800	-	4.850
Snow Crab, 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	-	5.808
Pollock, Alaska, Deep Skin	1.925	1.925	-	1.775



Energy & Currency-Currency US dollar is worth.

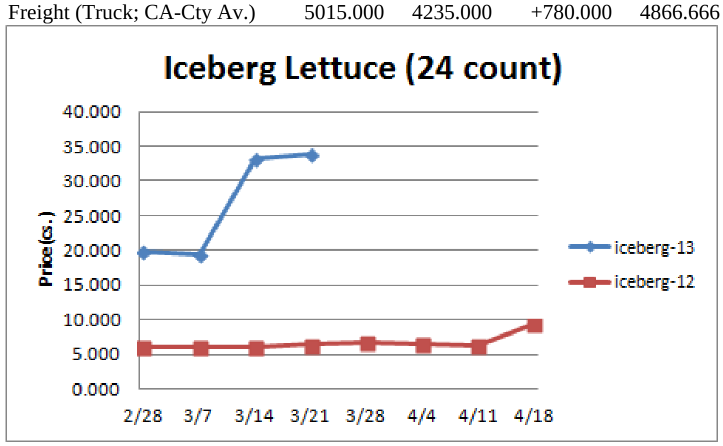
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	92.160	92.540	-.380	105.610
Natural Gas, mbtu- nymex	3.969	3.645	+.324	2.335
Heating Oil, gal- nymex	2.864	2.949	-.085	3.237
Electricity, mwht- nymex	53.610	43.440	+10.17	34.780
Gasoline, gal- nymex	3.045	3.181	-.136	3.363
Diesel Fuel, gal- eia	4.047	4.088	-.041	4.142
Ethanol, gal- usda	2.600	2.370	+.230	2.205
Canadian $	1.025	1.026	-.001	.992
Japanese Yen	95.433	95.797	-.364	83.710
Mexican Peso	12.391	12.427	-.036	12.709
Euro	.774	.767	+.007	.758
Brazilian Real	1.986	1.965	+.021	1.827

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)	900.730	899.490	+1.240	870.000
WP; 42 lb. Linerboard (corr.)	750.649	750.386	+.263	680.769
Res; PS-CHH (cup, cont.)	1.190-1.230	1.210-1.250	-.020	1.150-1.190
Res; PP-HIGP (hvy utensil)	1.180-1.200	1.180-1.200	-	1.110-1.130
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.910-.940

Produce- Iceberg lettuce supplies remain tight due in part to challenged crops and strong demand. Thus, iceberg lettuce prices are historically inflated. Yet, overall lettuce supplies could improve soon with the Huron CA harvest expected to begin this week. The iceberg lettuce market usually moves lower during next week. Hass avocado imports from Mexico are seasonally fading. Still, CA avocados are anticipated to help supply shortfalls by the end of the month. History points to Hass avocado prices moving up 8% during Apr. The mature green tomato markets are trending lower. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	33.000	33.000	-	20.000
Lemons (95 ct.)	14.775	12.775	+2.000	18.240
Lemons (200 ct.)	14.275	14.525	-.250	14.740
Honeydew (6 ct.)	15.350	15.350	-	10.970
Cantaloupe (15 ct.)	15.450	14.950	+.500	13.950
Blueberries (12 count)	24.000	24.000	-	21.250
Strawberries (12 pnts.)	19.000	19.000	-	14.000
Avocados (Hass 48 ct.)	30.750	29.750	+1.000	31.500
Bananas (40 lb.)- Term.	15.999	15.444	+.555	13.845
Pineapple (7 ct.)- Term.	13.708	14.033	-.325	10.334
Idaho Potato (60 ct., 50 lb.)	4.375	4.375	-	13.000
Idaho Potato (70 ct., 50 lb.)	4.625	4.625	-	13.000
Idaho Potato (70 ct.)-Term.	13.503	10.456	+3.047	17.797
Idaho Potato (90 ct., 50 lb.)	5.625	5.625	-	12.500
Idaho Pot. # 2 (6 oz., 100 lb.)	6.000	5.500	+.500	15.000
Processing Potato (cwt.)	6.500	6.500	-	12.500
Yellow Onions (50 lb.)	9.666	9.750	-.084	7.063
Yell Onions (50 lb.)-Term.	16.333	16.875	-.542	9.225
Red Onions (25 lb.)- Term.	22.437	21.575	+.862	9.146
White Onions (50 lb.)- Term.	24.875	21.916	+2.959	27.334
Tomatoes (large- case)	12.950	13.200	-.250	9.200
Tomatoes (5x6-25 lb.)-Term	16.696	18.027	-1.331	15.875
Tomatoes (4x5 vine ripe)	8.950	11.975	-3.025	7.284
Roma Tomatoes (large- case)	10.293	12.441	-2.148	9.124
Roma Tomatoes (xlarge-cs)	10.793	12.941	-2.148	9.169
Green Peppers (large- case)	10.698	10.491	+.207	13.070
Red Peppers (large 15lb. cs.)	19.950	27.450	-7.500	9.950
Iceberg Lettuce (24 count)	33.890	33.300	+.590	6.390
Iceberg Lettuce (24)-Term.	45.500	27.166	+18.334	12.250
Leaf Lettuce (24 count)	9.098	10.653	-1.555	6.102
Romaine Lettuce (24 cnt.)	29.076	35.341	-6.265	6.219
Mesculin Mix (3 lb.)-Term.	6.781	6.375	+.406	6.813
Broccoli (14 ct.)	6.423	7.668	-1.245	10.039
Squash (1/2 bushel)	28.425	28.425	-	11.650
Zucchini (1/2 bushel)	13.000	28.175	-15.175	12.650
Green Beans (bushel)	36.283	34.961	+1.322	13.217
Spinach, Flat 24’s	15.050	13.880	+1.170	13.430
Mushrms (10 lb, lg.)-Term.	15.500	15.500	-	15.146
Cucumbers (bushel)	24.457	27.925	-3.468	9.438
Pickles (200-300 ct.)- Term.	30.968	28.625	+2.343	22.125
Asparagus (small)	29.250	16.500	+12.750	25.250
Freight (Truck; CA-Cty Av.)	5015.000	4235.000	+780.000	4866.666



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

	Feb-13	Jan-13	Dec-12	Nov-12
Beef and Veal	+.398	-.165	+.344	+.071
Dairy	-.359	+.399	+.238	+.847
Pork	+.807	+.626	-1.469	-.129
Chicken	-.852	+.273	+.643	+.374
Fresh Fish and Seafood	-.770	+1.560	-.990	-.491
Fresh Fruits and Veg.	-.025	+1.676	+2.114	+.429