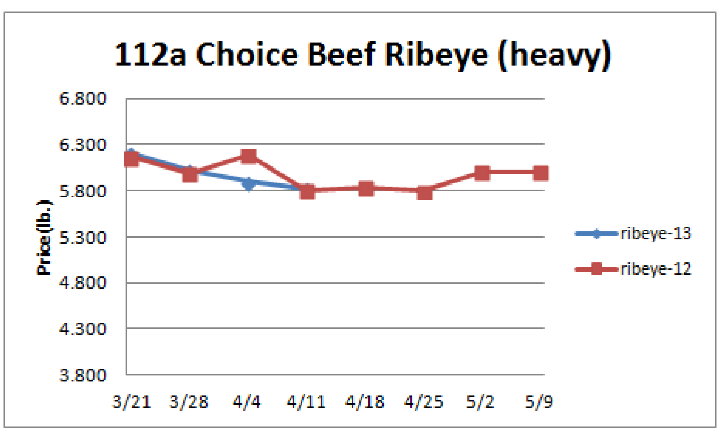
Weekly Market Updates

Volume No. 18 Issue No. 15 Date: April 11, 2013

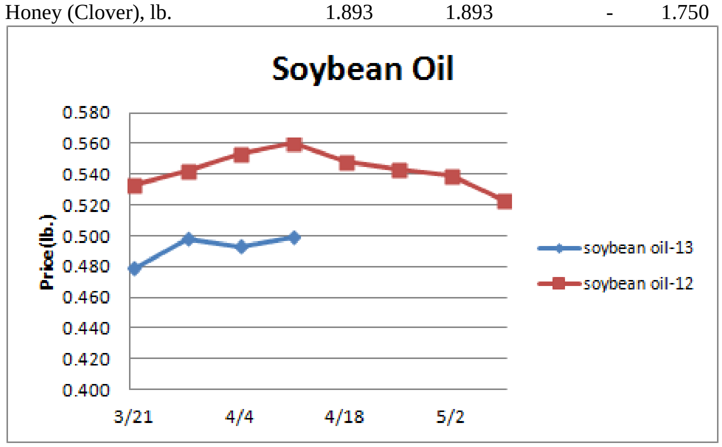
Beef- Beef output last week declined 1% and was 1.1% smaller than last year. Tight cattle supplies and poor packer margins could discourage beef production in the near term. The beef markets tend to rise during the spring. However, beef demand remains lackluster which could temper this year's expected price appreciation for beef. U.S. beef exports during Feb were 3.1% below last year and the smallest since Mar '10 while beef imports were 2.9% more than '12. The U.S. was a net beef importer during Feb for only the 2nd time in the last eight months which tempered the impact of smaller beef production. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.293	1.283	+.010	1.219
Feeder Cattle Index (CME)	1.401	1.387	+.014	1.498
Ground Beef 81/19	1.934	1.776	+.158	1.775
Ground Chuck	1.922	2.017	-.095	1.777
109e Export Rib (choice)	5.139	5.406	-.267	5.568
109e Export Rib (prime)	7.599	7.717	-.118	10.997
112a Ribeye (choice)	5.821	5.900	-.079	5.803
112a Ribeye (prime)	7.683	7.613	+.070	12.199
116 Chuck (select)	2.299	2.387	-.088	1.956
116 Chuck (choice)	2.302	2.353	-.051	1.942
116b Chuck Tdnr (choice)	2.116	2.187	-.071	1.989
120 Brisket (choice)	1.965	1.936	+.029	1.788
121c Outside Skirt (ch/sel)	4.564	4.362	+.202	5.156
121d Inside Skirt (ch/sel)	3.580	3.569	+.011	3.466
167a Knckle, Trm. (ch.)	2.279	2.281	-.002	2.120
168 Inside Round (ch.)	1.976	1.916	+.060	1.936
174 Short Loin (ch. 0x1)	5.232	5.356	-.124	5.215
174 Short Loin (prime)	6.587	6.667	-.080	9.657
180 1x1 Strp (choice)	5.211	4.788	+.423	4.635
180 1x1 Strp (prime)	7.324	7.314	+.010	11.174
180 0x1 Strp (choice)	5.422	5.417	+.005	5.262
184 Top Butt, bnls (ch.)	3.108	3.055	+.053	3.029
184 Top Butt, bnls (prime)	3.515	3.473	+.042	3.584
185a Sirloin Flap (choice)	4.120	4.129	-.009	3.725
185c Loin, Tri-Tip (choice)	2.690	2.675	+.015	3.171
189a Tender (select)	8.673	8.661	+.012	9.263
189a Tender (choice)	9.220	8.932	+.288	9.087
189a Tender (prime)	11.220	10.976	+.244	14.282
193 Flank Steak (choice)	4.262	4.182	+.080	4.224
50% Trimmings	.927	.927	-	.572
65% Trimmings	1.259	1.279	-.020	.997
75% Trimmings	1.570	1.570	-	1.725
85% Trimmings	1.989	2.007	-.018	2.071
90% Trimmings	2.181	2.196	-.015	2.209
90% Imported Beef (frz.)	2.088	2.095	-.007	2.120
95% Imported Beef (frz.)	2.268	2.273	-.005	2.260
Veal Rack (Hotel 7 rib)	8.275	8.275	-	7.700
Veal Top Rnd. (cp. off)	14.925	14.925	-	14.100



Oil, Grains, Misc.- A winter storm is providing precipitation to the Western Plains and Midwestern grain crops. Freeze damage is a concern for the winter wheat crops. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	14.306	14.227	+.079	14.207
Crude Soybean Oil, lb.	.499	.493	+.006	.560
Soybean Meal, ton	404.800	412.100	-7.300	383.800
Corn, bushel	6.633	6.608	+.025	6.370
Crude Corn Oil, lb.	.470	.470	-	.605
High Fructose Corn Syrup	.188	.188	-.019	.180
Distillers Grain, Dry	241.250	264.500	-23.250	208.000
Crude Palm Oil, lb. BMD	.354	.351	+.003	.538
HRW Wheat, bushel	7.195	6.895	+.300	6.140
DNS Wheat 14%, bushel	8.390	8.160	+.230	9.030
Durum Wheat, bushel	7.700	7.350	+.350	8.263
Pinto Beans, lb.	.328	.329	-.001	.494
Black Beans, lb.	.340	.340	-	.410
Rice, Long Grain, lb.	.288	.285	+.003	.248
Coffee, lb. NYBOT	1.364	1.384	-.020	1.803
Sugar, lb. NYBOT	.205	.204	+.001	.330
Honey (Clover), lb.	1.893	1.893	-	1.750



Dairy- New Zealand, the world's largest dairy exporter, is experiencing a drought which is negatively impacting their milk production. As a result, the international cheese and butter markets are firm and are encouraging U.S. cheese and butter exports. During Feb, U.S. cheese (4.9%) and butter (17.1%) exports were both larger than '12. Existing solid international demand for U.S. dairy products is causing the U.S. butter and cheese markets to appreciate. The downside price risk for cheese and butter may be limited until the global dairy product markets begin to ease. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.740	1.643	+.097	1.460
Cheese Blocks (CME)	1.805	1.693	+.112	1.488
American Cheese	1.838	1.800	+.038	1.655
Cheddar Cheese (40 lb.)	2.103	2.083	+.020	1.880
Mozzarella Cheese	1.945	1.925	+.020	1.725
Provolone Cheese	2.298	2.278	+.020	2.075
Parmesan Cheese	3.645	3.625	+.020	3.155
Butter (CME)	1.733	1.650	+.083	1.425
Nonfat Dry Milk	1.585	1.552	+.033	1.305
Whey, Dry	.565	.576	-.011	.521
Class 1 Base	17.660	17.660	-	15.660
Class II Cream, heavy	2.039	1.953	+.086	1.680
Class III Milk (CME)	18.280	18.630	-.350	14.850
Class IV Milk (CME)	19.050	18.900	-.150	14.800

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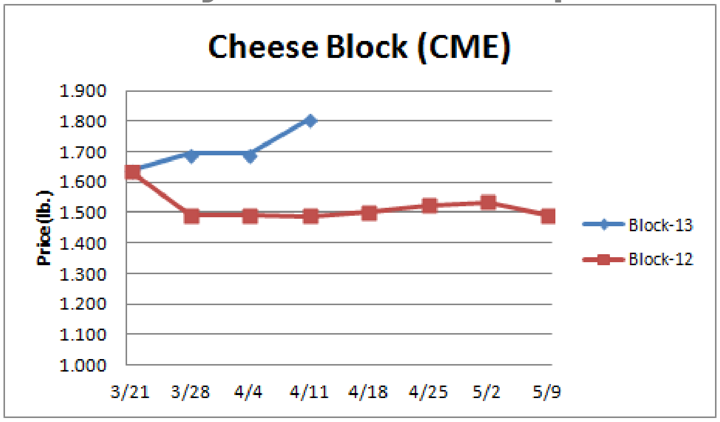
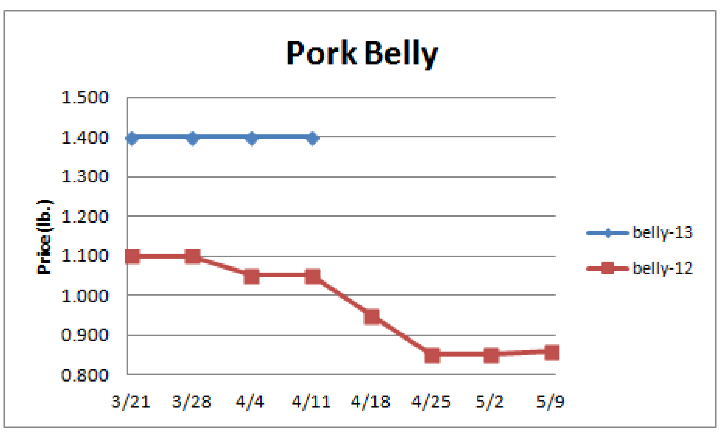


Pork- Pork output last week fell 4.5% and was 2.4% less than '12. Tight hog supplies and lower pork production are likely to support the pork markets in the near term. U.S. pork exports during Feb were down 16.7% versus '12 and the smallest since Jul '11. This was due in a large part to smaller trade with Japan and S. Korea. The deflated Japanese Yen and S. Korean Won along with various import trade restrictions for U.S. product should limit U.S. pork exports in the coming months. The upside price risk for pork from here could be limited. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.581	.551	+.030	.585
Belly (bacon)	1.400	1.400	-	1.050
Sparerib (4.25 lb. & down)	1.459	1.440	+.019	1.537
Ham (20-23 lb.)	.624	.601	+.023	.620
Ham (23-27 lb.)	.634	.616	+.018	.615
Loin (bone-in)	.862	.857	+.005	.939
Bbybck Rib (1.75 lb. & up)	2.379	2.052	+.327	2.952
Tenderloin (1.25 lb.)	2.667	2.603	+.064	2.723
Boston Butt, untrmd. (4-8lb.)	.735	.754	-.019	.933
Picnic, untrmd.	.507	.476	+.031	.468
SS Picnic, smoker trm. bx.	.730	.689	+.041	.750
42% Trimmings	.405	.398	+.007	.364
72% Trimmings	.507	.517	-.010	.477



Tomato Products, Canned- Various CA tomato canners have accepted a 1.6% higher raw product contracted price versus '12. Canned tomato prices are firm. Prices per case (6/10) FOB, unless noted from ARA.

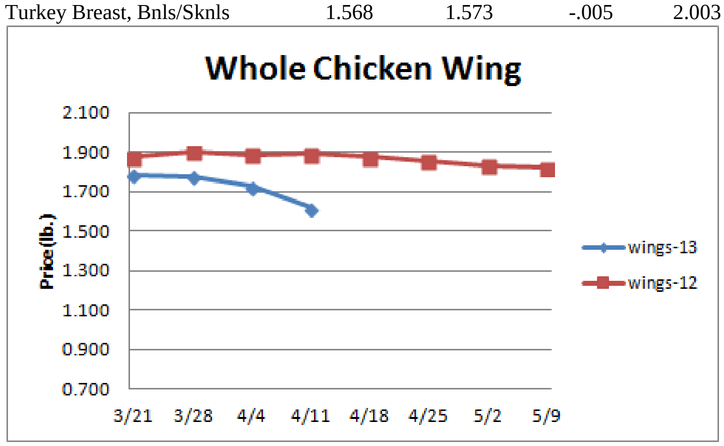
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- The processed vegetable markets are steady. Historically small acreage may cause elevated processed vegetable markets to persist. 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 producer profitability is encouraging chicken output which should continue to trend above year ago levels this spring. The six-week moving average for broiler type egg sets is trending 1.2% above '12. The ARA daily chicken wing price index has fallen 28% from its all-time high on Jan 30th and is at its lowest level since Dec '11. History suggests that chicken wing prices should bottom near Memorial Day. The chicken breast markets may be losing upside momentum. Typically, chicken breast prices peak near Memorial Day but this year's top may be here sooner. U.S. chicken exports during Feb were 7.5% less than a year ago. The chicken leg quarter market usually moves 11% higher over the next eight weeks. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.025	1.023	+.002	.933
Wings (whole)	1.615	1.725	-.110	1.890
Wings (jumbo, cut)	1.318	1.559	-.241	1.792
Breast, Bone In	1.110	1.115	-.005	1.005
Breast, Bnless Skinless	1.735	1.725	+.010	1.585
Tenderloin (random)	1.510	1.460	+.050	1.540
Tenderloin (sized)	1.550	1.600	-.050	2.270
Legs (whole)	.727	.679	+.048	.715
Leg Quarters	.560	.550	+.010	.540
Thighs, bone in	.832	.818	+.014	.750
Thighs, boneless	1.333	1.332	+.001	1.371
Eggs and Others				
Large (dozen)	1.403	1.403	-	1.117
Medium (dozen)	1.038	1.040	-.002	.838
Whole Eggs- Liquid	.635	.700	-.065	.516
Egg Whites- Liquid	.668	.717	-.049	.508
Egg Yolks- Liquid	.804	.804	-	.704
Whole Turkeys (8-16 lb.)	.955	.965	-.010	1.080
Turkey Breast, Bnls/Sknls	1.568	1.573	-.005	2.003



Seafood- U.S. total (7%) and shell-on (24%) shrimp imports during Feb were notably less than the previous year. Yet, shrimp prices are above '12 levels and the Japanese Yen remains soft, two factors that may improve shrimp imports soon. Feb U.S. salmon fillet steak imports were up 35% versus last year. Adequate global salmon supplies and a higher U.S. dollar valuation may cause solid U.S. salmon imports to persist. This may temper the upside price risk for salmon in the coming months. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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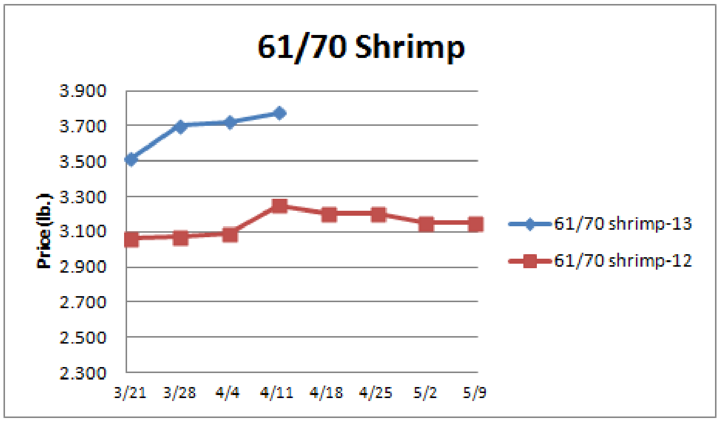
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.000
Catfish Filets	4.500	4.500	-	5.400
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.500
Shrimp (16/20), Frz	6.457	6.446	+.011	5.773
Shrimp (61/70), Frz.	3.775	3.725	+.050	3.250
Shrimp, Tiger (26/30), Frz.	5.075	4.925	+.150	4.817
Snow Crab, Legs 5-8 oz, Frz	5.250	5.250	-	5.375
Snow Crab, Legs 8 oz/ up, Fz	5.800	5.800	-	5.763
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	5.167	5.167	-	5.767
Pollock, Alaska, Deep Skin	1.925	1.925	-	1.775



Energy & Currency-Currency US dollar is worth.

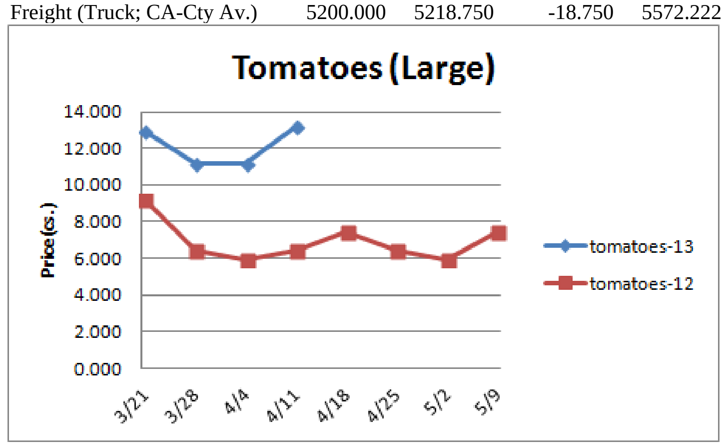
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	94.200	97.190	-2.990	101.020
Natural Gas, mbtu- nymex	4.017	3.969	+.048	2.031
Heating Oil, gal- nymex	2.961	3.087	-.126	3.096
Electricity, mwht- nymex	47.620	43.230	+4.390	35.940
Gasoline, gal- nymex	2.942	2.982	-.040	3.250
Diesel Fuel, gal- eia	3.977	3.993	-.016	4.148
Ethanol, gal- usda	2.425	2.530	-105	2.185
Canadian $	1.016	1.015	+.001	.995
Japanese Yen	99.001	93.599	+5.402	81.196
Mexican Peso	12.141	12.266	-.125	13.015
Euro	.764	.781	-.017	0.763
Brazilian Real	1.984	2.022	-.038	1.818

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)	915.430	900.730	+14.700	895.120
WP; 42 lb. Linerboard (corr.)	757.427	745.127	+12.300	678.924
Res; PS-CHH (cup, cont.)	1.190-1.230	1.190-1.230	-	1.150-1.190
Res; PP-HIGP (hvy utensil)	1.120-1.140	1.120-1.140	-	1.160-1.180
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	.940-.970

Produce- The tomato markets are trending above prior year levels but supplies are seasonally building. Conducive weather in CA, Mexico and FL should further aid tomato crop output this spring. History points to lower mature green tomato prices over the next four weeks. The iceberg lettuce markets are finally stabilizing after falling sharply over the last few weeks. The chief lettuce harvest is transitioning north which may bring modest volatility to the markets. The downside price risk for lettuce from here is likely nominal. Hass avocado prices usually remain firm into the summer months. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	34.000	33.000	+1.000	15.000
Lemons (95 ct.)	15.775	15.775	-	18.740
Lemons (200 ct.)	14.275	14.275	-	16.240
Honeydew (6 ct.)	10.441	12.108	-1.667	9.850
Cantaloupe (15 ct.)	11.475	12.475	-1.000	14.963
Blueberries (12 count)	19.000	28.000	-9.000	19.375
Strawberries (12 pnts.)	10.000	12.000	-2.000	15.000
Avocados (Hass 48 ct.)	32.000	32.250	-.250	33.500
Bananas (40 lb.)- Term.	14.189	15.250	-1.061	17.284
Pineapple (7 ct.)- Term.	10.883	11.604	-.721	14.480
Idaho Potato (60 ct., 50 lb.)	5.000	4.500	+.500	12.500
Idaho Potato (70 ct., 50 lb.)	5.125	4.625	+.500	12.500
Idaho Potato (70 ct.)-Term.	10.785	10.587	+.198	17.941
Idaho Potato (90 ct., 50 lb.)	6.000	5.625	+.375	12.375
Idaho Pot. # 2 (6 oz., 100 lb.)	5.500	5.500	-	15.000
Processing Potato (cwt.)	6.500	6.500	-	9.000
Yellow Onions (50 lb.)	10.875	11.625	-.750	7.000
Yell Onions (50 lb.)-Term.	16.750	15.562	+1.188	11.750
Red Onions (25 lb.)- Term.	23.645	21.582	+2.063	17.147
White Onions (50 lb.)- Term.	26.187	24.088	+2.099	21.969
Tomatoes (large- case)	13.200	11.200	+.2000	6.450
Tomatoes (5x6-25 lb.)-Term	15.395	14.600	+.795	9.250
Tomatoes (4x5 vine ripe)	12.960	9.135	+3.825	5.940
Roma Tomatoes (large- case)	10.956	10.108	+.848	6.742
Roma Tomatoes (xlarge-cs)	11.330	10.061	+1.269	6.842
Green Peppers (large- case)	16.083	17.083	-1.000	15.950
Red Peppers (large 15lb. cs.)	7.950	8.450	-.500	9.950
Iceberg Lettuce (24 count)	6.891	7.966	-1.075	6.302
Iceberg Lettuce (24)-Term.	14.000	21.777	-7.777	6.938
Leaf Lettuce (24 count)	6.471	6.793	-.322	7.077
Romaine Lettuce (24 cnt.)	6.806	7.484	-.678	6.949
Mesculin Mix (3 lb.)-Term.	6.437	6.656	-.219	6.938
Broccoli (14 ct.)	9.287	11.510	-2.223	5.142
Squash (1/2 bushel)	11.350	17.350	-6.000	8.350
Zucchini (1/2 bushel)	4.175	8.425	-4.250	4.350
Green Beans (bushel)	27.775	37.241	-9.466	20.225
Spinach, Flat 24's	9.050	8.862	+.188	10.950
Mushrms (10 lb, lg.)-Term.	15.145	15.500	-.355	14.292
Cucumbers (bushel)	11.640	14.410	-2.770	8.740
Pickles (200-300 ct.)- Term.	30.443	32.687	-2.244	23.063
Asparagus (small)	29.250	29.250	-	27.250
Freight (Truck; CA-Cty Av.)	5200.000	5218.750	-18.750	5572.222



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