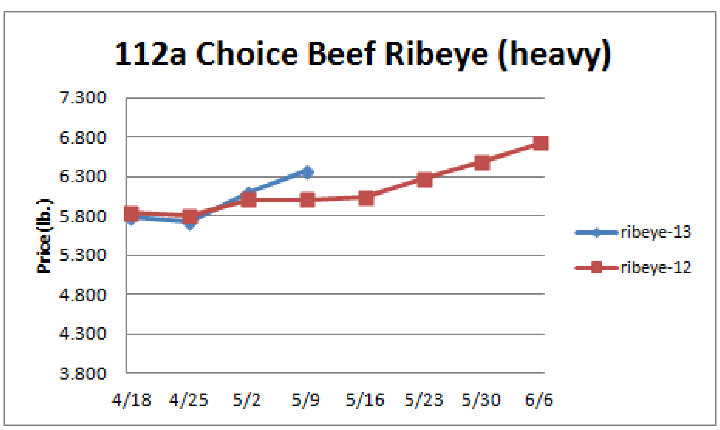
Weekly Market Updates

Volume No. 18 Issue No. 19 Date: May 9, 2013

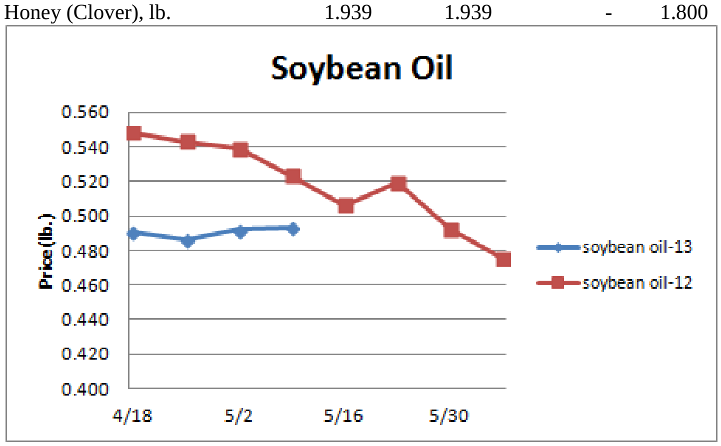
Beef- Beef output last week fell .5% but was .7% larger than a year ago. The USDA is projecting spring output to be down 2.6% from '12. Most beef markets are trending higher with better weather and demand but the upside price risk from here for many beef cuts is likely limited. Beef exports struggled in Mar falling 4.6% from the previous year while beef imports were solid during the month. Consequently, the US was a net importer of beef in Mar adding 1.5% of production to the total supply. Favorable currency valuations could cause this trend to persist which would likely weigh on lean beef trim prices. Price USDA, FOB per pound. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.307	1.286	+.021	1.214
Feeder Cattle Index (CME)	1.358	1.358	-	1.485
Ground Beef 81/19	2.036	1.939	+.097	2.171
Ground Chuck	1.956	2.036	-.080	2.197
109e Export Rib (choice)	5.974	5.655	+.319	5.407
109e Export Rib (prime)	8.021	7.336	+.685	10.646
112a Ribeye (choice)	6.368	6.105	+.263	6.003
112a Ribeye (prime)	7.645	7.641	+.004	11.131
116 Chuck (select)	2.329	2.267	+.062	2.193
116 Chuck (choice)	2.313	2.290	+.023	2.218
116b Chuck Tdnr (choice)	2.121	2.089	+.032	2.149
120 Brisket (choice)	1.969	1.950	+.019	1.949
121c Outside Skirt (ch/sel)	4.663	4.670	-.007	4.944
121d Inside Skirt (ch/sel)	3.559	3.549	+.010	3.504
167a Knckle, Trm. (ch.)	2.274	2.270	+.004	2.323
168 Inside Round (ch.)	2.079	2.000	+.079	2.006
174 Short Loin (ch. 0x1)	6.958	6.298	+.660	5.771
174 Short Loin (prime)	6.466	6.284	+.182	9.930
180 1x1 Strp (choice)	5.095	5.095	-	5.170
180 1x1 Strp (prime)	6.829	6.589	+.240	10.597
180 0x1 Strp (choice)	7.228	6.873	+.355	5.943
184 Top Butt, bnls (ch.)	3.247	3.152	+.095	3.318
184 Top Butt, bnls (prime)	3.545	3.412	+.133	3.490
185a Sirloin Flap (choice)	4.911	4.446	+.465	4.237
185c Loin, Tri-Tip (choice)	3.240	2.992	+.248	3.010
189a Tender (select)	8.634	8.864	-.230	9.181
189a Tender (choice)	9.485	9.298	+.187	9.358
189a Tender (prime)	11.084	11.176	-.092	13.296
193 Flank Steak (choice)	4.293	4.124	+.169	3.979
50% Trimmings	.971	.979	-.008	0.790
65% Trimmings	1.269	1.285	-.016	1.206
75% Trimmings	1.570	1.570	-	1.656
85% Trimmings	1.908	1.943	-.035	2.147
90% Trimmings	2.012	2.029	-.017	2.277
90% Imported Beef (frz.)	2.000	2.038	-.038	2.119
95% Imported Beef (frz.)	2.210	2.234	-.024	2.290
Veal Rack (Hotel 7 rib)	8.275	8.275	-	7.700
Veal Top Rnd. (cp. off)	14.840	14.840	-	14.100



Oil, Grains, Misc.- Better weather in the coming weeks should encourage corn, soybean and spring wheat plantings. Still, fairly inflated grain prices may persist into the summer. Prices USDA, FOB.

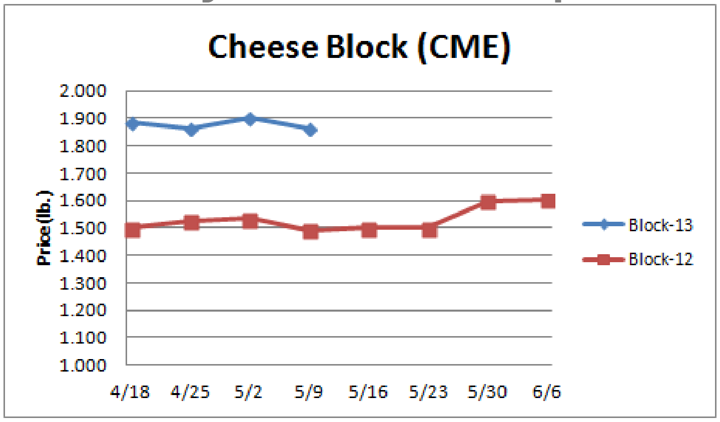
	Price	Last Week	Difference	Price 12
Soybeans, bushel	14.712	14.845	-.133	14.297
Crude Soybean Oil, lb.	.493	.492	+.001	.523
Soybean Meal, ton	445.800	453.800	-8.000	413.300
Corn, bushel	6.841	6.910	-.069	6.523
Crude Corn Oil, lb.	.463	.468	-.005	.600
High Fructose Corn Syrup	.193	.194	-.001	.185
Distillers Grain, Dry	226.250	222.500	+3.750	209.500
Crude Palm Oil, lb. BMD	.349	.340	+.009	.500
HRW Wheat, bushel	7.500	7.780	-.280	5.995
DNS Wheat 14%, bushel	8.440	8.670	-.230	7.970
Durum Wheat, bushel	7.931	7.750	+.181	7.138
Pinto Beans, lb.	.328	.328	-	.491
Black Beans, lb.	.345	.345	-	.420
Rice, Long Grain, lb.	.290	.290	-	.251
Coffee, lb. NYBOT	1.435	1.343	+.092	1.738
Sugar, lb. NYBOT	.198	.192	+.006	.310
Honey (Clover), lb.	1.939	1.939	-	1.800



Dairy- The CME cheese block market remains historically inflated. The premium in CME cheese blocks versus barrels has been unusually large. History shows that this pricing relationship is unsustainable typically resulting in lower cheese block prices. Mar U.S. cheese exports were 5.3% more than a year ago and the second largest on record. The CME butter market remains soft. U.S. butter exports during Mar were up 5% compared to last year and the largest since May '12. Seasonal price trends suggest that modestly higher butter prices may be pending in the coming weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

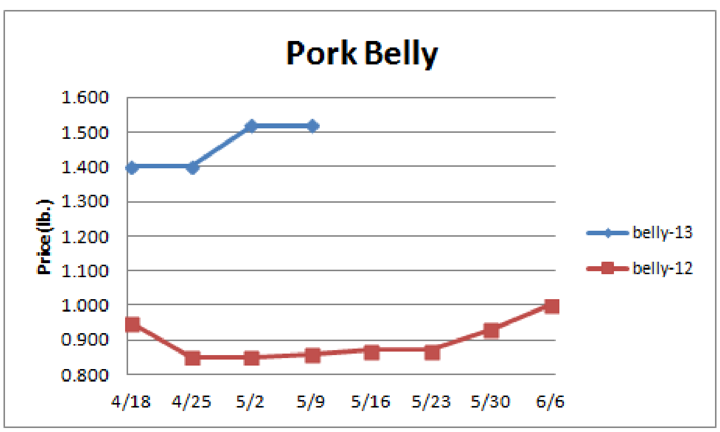
	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.735	1.670	+.065	1.453
Cheese Blocks (CME)	1.865	1.900	-.035	1.493
American Cheese	1.880	1.920	-.040	1.658
Cheddar Cheese (40 lb.)	2.280	2.253	+.027	1.923
Mozzarella Cheese	2.123	2.095	+.028	1.768
Provolone Cheese	2.475	2.448	+.027	2.118
Parmesan Cheese	3.823	3.795	+.028	3.198
Butter (CME)	1.630	1.690	-.060	1.300
Nonfat Dry Milk	1.713	1.702	+.011	1.245
Whey, Dry	.572	.571	+.001	.500
Class 1 Base	17.760	17.760	-	15.850
Class II Cream, heavy	2.042	2.127	-.085	1.610
Class III Milk (CME)	18.320	19.440	-1.120	14.330
Class IV Milk (CME)	19.700	19.700	-	13.450

Weekly Market Updates



Pork- Pork output last week fell 2.3% but was .6% more than a year ago. Lighter pork production this week could support the pork markets in the near term. Mar U.S. pork exports were 22.5% less than a year ago and the smallest since Jul '11. Pork exports to China and Russia in Mar were down 68.2% versus '12 as import trade restrictions from these countries were still in effect. Last year, China and Russia accounted for 17% of total U.S. pork exports. Seasonal pork price increases this spring could be tempered due to export challenges. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.653	.620	+.033	.556
Belly (bacon)	1.518	1.518	-	.858
Sparerib (4.25 lb. & down)	1.452	1.425	+.027	1.428
Ham (20-23 lb.)	.713	.767	-.054	.692
Ham (23-27 lb.)	.760	.782	-.022	.700
Loin (bone-in)	.909	.848	+.061	.977
Bbybck Rib (1.75 lb. & up)	2.350	2.195	+.155	2.987
Tenderloin (1.25 lb.)	2.516	2.249	+.267	2.870
Boston Butt, untrmd. (4-8lb.)	.861	.806	+.055	.905
Picnic, untrmd.	.558	.544	+.014	.532
SS Picnic, smoker trm. bx.	.719	.742	-.023	.760
42% Trimmings	.422	.404	+.018	.470
72% Trimmings	.511	.500	+.011	.660



Tomato Products, Canned- The CA tomato for processing harvest will get underway in two months. Canned tomato prices are projected to remain steady. Prices per case (6/10) FOB, unless noted from ARA.

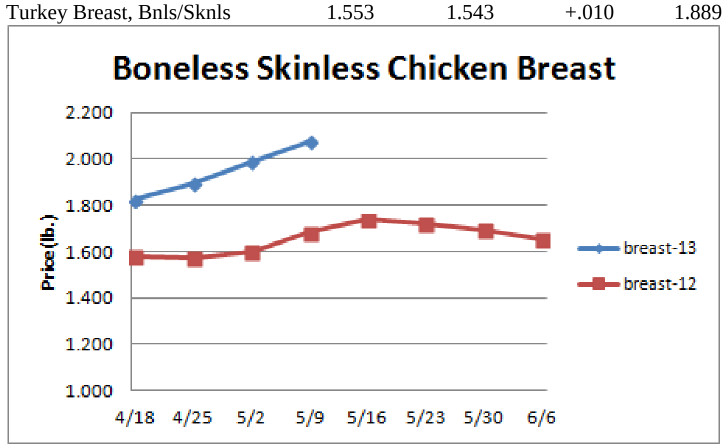
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Due to weather challenges vegetable for processing planting remains behind schedule. The processed vegetable markets are likely to remain steady to 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 production has been tracking flat to 1% above year ago levels in recent weeks. Tempered broiler egg set numbers suggest that this trend could persist during May. The USDA is estimating spring U.S. chicken production to be 1.8% bigger than '12. Better margins for chicken producers are anticipated to lead to larger chicken output gains later this year. The chicken breast markets remain firm with the ARA weekly boneless skinless chicken breast index reaching its highest level last week since Aug '04. History suggests that relatively inflated chicken breast prices should persist deep into the summer. Still, any further gains in chicken breast prices may be only modest at best. The chicken wing markets are moving lower. Prices USDA, FOB per pound except when noted.

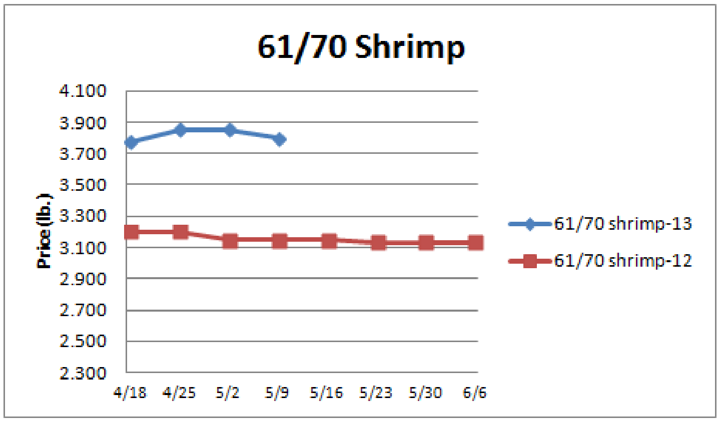
Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.038	1.033	+.005	.940
Wings (whole)	1.385	1.455	-.070	1.820
Wings (jumbo, cut)	1.488	1.488	-	1.716
Breast, Bone In	1.230	1.180	+.050	1.055
Breast, Bnless Skinless	2.075	1.990	+.085	1.685
Tenderloin (random)	1.630	1.770	-.140	1.540
Tenderloin (sized)	1.820	1.850	-.030	2.270
Legs (whole)	.696	.694	+.002	.706
Leg Quarters	.555	.555	-	.545
Thighs, bone in	.857	.862	-.005	.870
Thighs, boneless	1.412	1.387	+.025	1.387
Eggs and Others				
Large (dozen)	.890	.890	-	.788
Medium (dozen)	.858	.858	-	.730
Whole Eggs- Liquid	.538	.530	+.008	.429
Egg Whites- Liquid	.706	.687	+.019	.426
Egg Yolks- Liquid	.658	.770	-.112	.665
Whole Turkeys (8-16 lb.)	.965	.965	-	1.140
Turkey Breast, Bnls/Sknls	1.553	1.543	+.010	1.889



Seafood- U.S. salmon supplies remain solid. Mar U.S. salmon imports were 26.8% more than the prior year. Year-to-date through Mar salmon imports were 63% lager versus '12. Since '08, the average move for the salmon portions market over the next five weeks is 2.7% lower. Mar U.S. total shrimp imports were 5.5% less than last year while shell-on imports were down 7.7%. Shrimp prices usually move modestly higher towards the end of the month. The snow crab markets have fallen in recent weeks. Prices for fresh product, unless noted, per pound from Fisheries Market News.

Weekly Market Updates

	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	3.000	3.000	-	3.000
Catfish Filets	4.500	4.500	-	5.000
Trout (drn. 8-14 oz.)	3.700	3.700	-	3.700
Shrimp (16/20), Frz	6.370	6.462	-.092	5.347
Shrimp (61/70), Frz.	3.800	3.850	-.050	3.150
Shrimp, Tiger (26/30), Frz.	5.183	5.175	+.008	4.734
Snow Crab, Legs 5-8 oz, Frz	4.700	4.700	-	4.825
Snow Crab, Legs 8 oz/ up, Fz	5.600	5.600	-	5.138
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.500
Cod Loins, 3-12 oz., Frz	3.100	3.100	-	3.588
Salmon Portions, 4-8 oz, Frz	5.375	5.375	-	5.717
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.775



Energy & Currency-Currency US dollar is worth.

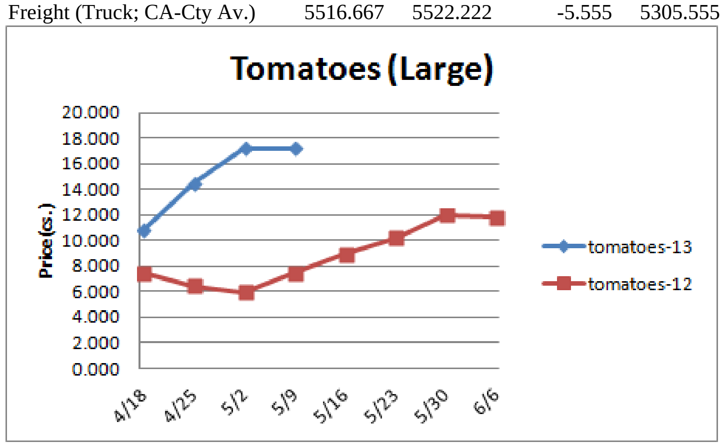
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	95.620	93.460	+2.160	97.010
Natural Gas, mbtu- nymex	3.920	4.343	-.423	2.393
Heating Oil, gal- nymex	2.928	2.874	+.054	2.990
Electricity, mwht- nymex	45.870	37.500	+8.370	35.070
Gasoline, gal- nymex	2.841	2.801	+.040	2.994
Diesel Fuel, gal- eia	3.845	3.851	-.006	4.057
Ethanol, gal- usda	2.505	2.460	+.045	2.125
Canadian $	1.004	1.008	-.004	.996
Japanese Yen	98.788	97.237	+1.551	79.854
Mexican Peso	12.044	12.193	-.149	13.196
Euro	.761	.757	+.004	.768
Brazilian Real	2.005	2.004	+.001	1.926

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)	922.260	918.870	+3.390	900.000
WP; 42 lb. Linerboard (corr.)	772.431	773.435	-1.004	687.930
Res; PS-CHH (cup, cont.)	1.190-1.230	1.190-1.230	-	1.150-1.190
Res; PP-HIGP (hvy utensil)	1.020-1.040	1.120-1.140	-.100	1.160-1.180
Res; PE-LLD (cn liner, film)	.920-.950	.920-.950	-	.940-.970

Produce- Tomato prices are firm. U.S. tomato supplies have tightened due in part weather challenges impacting FL crops. FL tomato shipments last week were down 5.8% from the prior week. Still, tomato supplies should improve later this month when new FL tomato harvests get underway. The potato markets are moving higher. U.S. potato stocks tend to fall as the summer nears. History points to nominal downside price risk for potatoes from current levels. Iceberg lettuce supplies are solid and prices are below '12 levels. Iceberg lettuce prices are usually steady during May. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	30.000	30.000	-	11.000
Lemons (95 ct.)	19.025	18.275	+.750	20.740
Lemons (200 ct.)	15.775	15.775	-	17.740
Honeydew (6 ct.)	10.500	10.983	-.483	10.292
Cantaloupe (15 ct.)	8.500	11.125	-2.625	13.950
Blueberries (12 count)	23.375	23.250	+.125	23.700
Strawberries (12 pnts.)	11.500	10.000	+1.500	12.500
Avocados (Hass 48 ct.)	32.500	32.750	-.250	33.250
Bananas (40 lb.)- Term.	14.423	15.291	-.868	12.313
Pineapple (7 ct.)- Term.	14.027	12.947	+1.080	9.669
Idaho Potato (60 ct., 50 lb.)	7.250	7.250	-	10.750
Idaho Potato (70 ct., 50 lb.)	7.500	7.500	-	10.750
Idaho Potato (70 ct.)-Term.	11.610	10.796	+.814	19.688
Idaho Potato (90 ct., 50 lb.)	7.750	7.750	-	10.750
Idaho Pot. # 2 (6 oz., 100 lb.)	6.000	6.500	-.500	16.000
Processing Potato (cwt.)	6.500	6.500	-	12.000
Yellow Onions (50 lb.)	10.000	8.625	+1.375	5.500
Yell Onions (50 lb.)-Term.	15.277	14.197	+1.080	10.959
Red Onions (25 lb.)- Term.	18.833	20.250	-1.417	17.375
White Onions (50 lb.)- Term.	18.625	16.375	+2.250	22.251
Tomatoes (large- case)	17.200	17.200	-	7.450
Tomatoes (5x6-25 lb.)-Term	21.500	18.487	+3.013	10.500
Tomatoes (4x5 vine ripe)	12.950	10.950	+2.000	5.905
Roma Tomatoes (large- case)	9.205	9.575	-.370	6.742
Roma Tomatoes (xlarge-cs)	10.425	10.193	+.232	7.585
Green Peppers (large- case)	11.050	11.050	-	11.350
Red Peppers (large 15lb. cs.)	19.950	14.950	+5.000	14.950
Iceberg Lettuce (24 count)	6.812	6.685	+.127	8.575
Iceberg Lettuce (24)-Term.	13.750	16.000	-2.250	16.750
Leaf Lettuce (24 count)	7.015	6.891	+.124	7.529
Romaine Lettuce (24 cnt.)	6.501	6.983	-.482	9.925
Mesculin Mix (3 lb.)-Term.	8.500	6.718	+1.782	9.344
Broccoli (14 ct.)	6.650	7.270	-.620	6.728
Squash (1/2 bushel)	11.350	11.350	-	6.310
Zucchini (1/2 bushel)	7.350	6.350	+1.000	6.850
Green Beans (bushel)	24.091	24.091	-	13.350
Spinach, Flat 24's	10.850	11.100	-.250	9.150
Mushrms (10 lb, lg.)-Term.	15.145	15.916	-.771	15.146
Cucumbers (bushel)	8.329	7.145	+1.184	7.018
Pickles (200-300 ct.)- Term.	28.187	28.881	-.694	27.375
Asparagus (small)	29.250	29.250	-	27.250
Freight (Truck; CA-Cty Av.)	5516.667	5522.222	-5.555	5305.555



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

	Mar-13	Feb-13	Jan-13	Dec-12
Beef and Veal	+.067	+.398	-.165	+.344
Dairy	-.639	-.359	+.399	+.238
Pork	+.646	+.807	+.626	-1.469
Chicken	+.548	-.852	+.273	+.643
Fresh Fish and Seafood	+1.680	-.770	+1.560	-.990
Fresh Fruits and Veg.	-.835	-.025	+1.676	+2.114