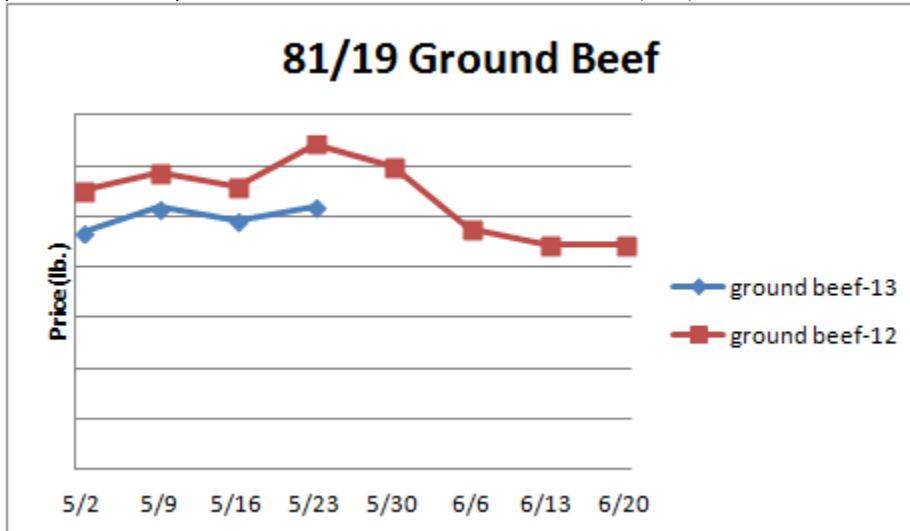


# Beef, Veal and Lamb Report

**Beef, Veal & Lamb-** Beef output last week rose 2.9% and was 1% larger than the same week a year ago due to better beef packer margins. Cattle slaughter last week was the largest in nearly a year. The May 1 cattle on feed inventory was 3.3% less than the previous year while cattle placements into feedlots were 15% larger than 2012. Beef production longer term is anticipated to remain below year ago levels although output declines later this year may not be as steep as originally anticipated. The 50% beef trim market is moving downward with the larger cattle slaughter. Lower beef trim prices are expected this summer. Price USDA, FOB per pound.

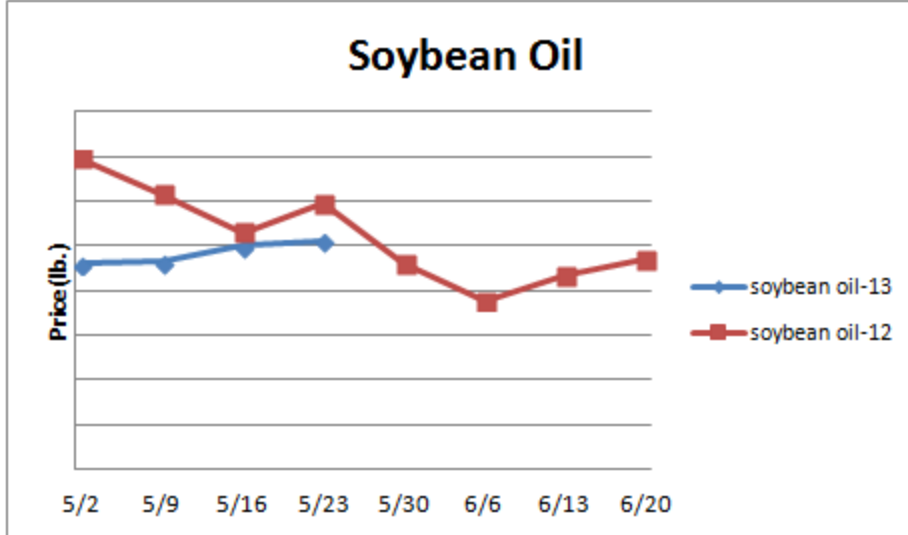


|                                 | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|---------------------------------|---------------------|-----------------|----------------------------|
| Live Cattle (Steer)             | Decreasing          | Good            | Higher                     |
| Ground Beef 81/19               | Increasing          | Good            | Lower                      |
| Ground Chuck                    | Increasing          | Good            | Lower                      |
| 109 Export Rib (choice)         | Increasing          | Good            | Higher                     |
| 109 Export Rib (prime)          | Increasing          | Good            | Lower                      |
| 112a Ribeye (choice)            | Increasing          | Good            | Higher                     |
| 112a Ribeye (prime)             | Increasing          | Good            | Lower                      |
| 116 Chuck (choice)              | Increasing          | Good            | Higher                     |
| 120 Brisket (choice)            | Increasing          | Good            | Lower                      |
| 121c Outside Skirt (ch/sel.)    | Increasing          | Good            | Lower                      |
| 167a Knuckle, Trimmed (choice)  | Increasing          | Good            | Lower                      |
| 168 Inside Round (choice)       | Increasing          | Good            | Higher                     |
| 174 Short Loin (choice 0x1)     | Increasing          | Good            | Higher                     |
| 174 Short Loin (prime 2x3)      | Increasing          | Good            | Lower                      |
| 180 1x1 Strip (choice)          | Increasing          | Good            | Higher                     |
| 180 1x1 Strip (prime)           | Increasing          | Good            | Lower                      |
| 180 0x1 Strip (choice)          | Increasing          | Good            | Higher                     |
| 184 Top Butt, boneless (choice) | Increasing          | Good            | Lower                      |
| 184 Top Butt, boneless (prime)  | Decreasing          | Good            | Higher                     |
| 185a Sirloin Flap (choice)      | Increasing          | Good            | Higher                     |
| 185c Loin, Tri-Tip (choice)     | Increasing          | Good            | Higher                     |
| 189a Tender (select, 5 lb & up) | Decreasing          | Good            | Lower                      |
| 189a Tender (choice, 5 lb & up) | Increasing          | Good            | Higher                     |
| 189a Tender (prime, heavy)      | Increasing          | Good            | Lower                      |
| 193 Flank Steak (choice)        | Increasing          | Good            | Higher                     |
| 50% Trimmings                   | Decreasing          | Good            | Higher                     |
| 65% Trimmings                   | Decreasing          | Good            | Higher                     |
| 75% Trimmings                   | Decreasing          | Good            | Lower                      |
| 85% Trimmings                   | Decreasing          | Good            | Lower                      |
| 90% Trimmings                   | Decreasing          | Good            | Lower                      |

|                                   |                   |             |               |
|-----------------------------------|-------------------|-------------|---------------|
| <b>90% Imported Beef (frozen)</b> | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Veal Rack (Hotel 7 rib)</b>    | <b>Steady</b>     | <b>Good</b> | <b>Higher</b> |
| <b>Veal Top Round (cap off)</b>   | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |

## Oil and Grains Report

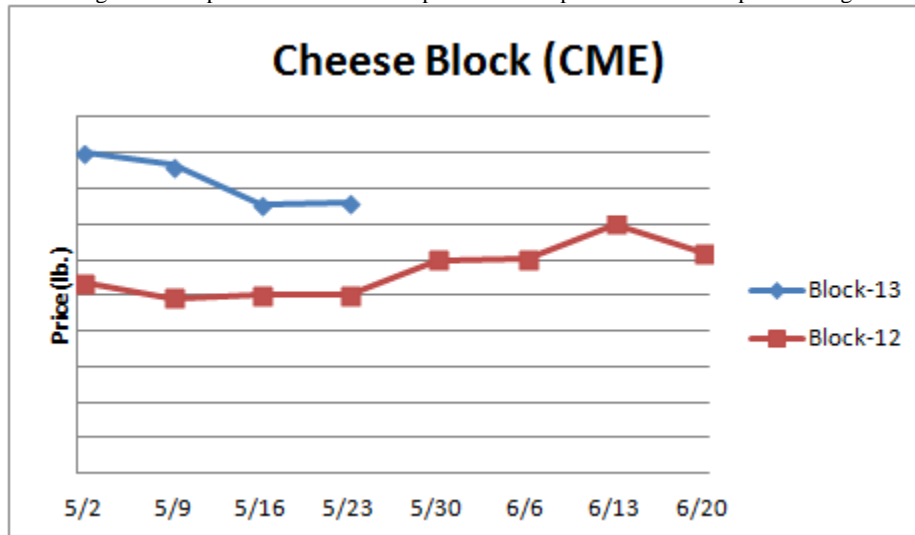
**Oil & Grains-** Farmers planted the most corn acreage last week on record. Still, existing tight supplies should remain supportive of corn prices during the next several weeks.



|                                   | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|-----------------------------------|---------------------|-----------------|----------------------------|
| <b>Soybeans</b>                   | <b>Increasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Crude Soybean Oil</b>          | <b>Increasing</b>   | <b>Good</b>     | <b>Lower</b>               |
| <b>Soymeal</b>                    | <b>Increasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Corn</b>                       | <b>Decreasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Crude Corn Oil</b>             | <b>Steady</b>       | <b>Good</b>     | <b>Lower</b>               |
| <b>Distillers Grain, Dry</b>      | <b>Increasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Crude Palm Oil</b>             | <b>Increasing</b>   | <b>Good</b>     | <b>Lower</b>               |
| <b>Hard Red Winter Wheat</b>      | <b>Decreasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Dark Northern Spring Wheat</b> | <b>Increasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>High Fructose Corn Syrup</b>   | <b>Decreasing</b>   | <b>Good</b>     | <b>Higher</b>              |
| <b>Durum Wheat</b>                | <b>Increasing</b>   | <b>Good</b>     | <b>Higher</b>              |

# Dairy Report

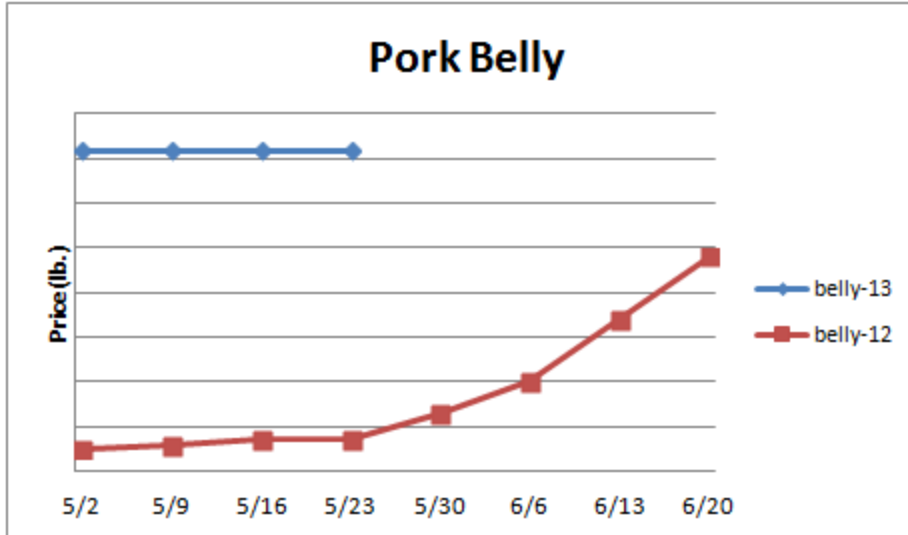
**Dairy-** The CME cheese markets appear to be finding a comfort zone in the last week. Existing cheese stocks remain historically sufficient and milk production is seasonally rising. However, the large discount in U.S. cheese prices to their international counterparts suggests that the upside market risk in cheese is greater than the downside. Butter prices also appear to be finding a short term comfort zone. However, solid export demand and declining supplies could lead to higher butter prices this summer. April U.S. milk production was .3 percent larger than last year.



|                                     | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|-------------------------------------|---------------------|-----------------|----------------------------|
| <b>Cheese Barrels- CME</b>          | Steady              | Good            | Higher                     |
| <b>Cheese 40 lb Blocks- CME</b>     | Increasing          | Good            | Higher                     |
| <b>American Cheese</b>              | Increasing          | Good            | Higher                     |
| <b>Cheddar Cheese</b>               | Decreasing          | Good            | Higher                     |
| <b>Mozzarella Cheese</b>            | Decreasing          | Good            | Higher                     |
| <b>Provolone Cheese</b>             | Decreasing          | Good            | Higher                     |
| <b>Parmesan Cheese</b>              | Decreasing          | Good            | Higher                     |
| <b>Butter- One lb Solids</b>        | Decreasing          | Good            | Higher                     |
| <b>Nonfat Dry Milk</b>              | Decreasing          | Good            | Higher                     |
| <b>Whey, Dry</b>                    | Increasing          | Good            | Higher                     |
| <b>Class I Milk Base</b>            | Steady              | Good            | Higher                     |
| <b>Class II Cream (Heavy Cream)</b> | Decreasing          | Good            | Higher                     |
| <b>Class III Milk- CME</b>          | Increasing          | Good            | Higher                     |
| <b>Class IV Milk- CME</b>           | Steady              | Good            | Higher                     |

# Pork Report

**Pork**- Pork production last week fell 2.2% and was 4.2% below last year. Poor pork packer margins have caused the brakes to be tapped on in regards to pork output this week which could be supportive of the markets. However, recent data, including weekly sow slaughter, suggests that the hog herd is expanding modestly which could bode well for pork production later this year. The pork sparerib and baby back rib markets have firmed during the last month due to spring grill demand. Modestly lower rib prices are likely during May.



|                                       | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|---------------------------------------|---------------------|-----------------|----------------------------|
| <b>Live Hogs</b>                      | Increasing          | Good            | Higher                     |
| <b>Belly (bacon)</b>                  | Steady              | Good            | Higher                     |
| <b>Spare Rib (4.25 &amp; down)</b>    | Decreasing          | Good            | Lower                      |
| <b>Ham (23-27 lb)</b>                 | Decreasing          | Good            | Higher                     |
| <b>Loin (bone-in)</b>                 | Increasing          | Good            | Higher                     |
| <b>Baby Back Rib (1.75 &amp; up)</b>  | Increasing          | Good            | Lower                      |
| <b>Tenderloin (1.25 lb)</b>           | Increasing          | Good            | Lower                      |
| <b>Boston Butt, untrimmed 4-8 lb.</b> | Increasing          | Good            | Higher                     |
| <b>Picnic, untrimmed</b>              | Increasing          | Good            | Higher                     |
| <b>SS Picnic, smoker trim boxed</b>   | Increasing          | Good            | Higher                     |
| <b>42% Trimmings</b>                  | Increasing          | Good            | Higher                     |
| <b>72% Trimmings</b>                  | Increasing          | Good            | Higher                     |

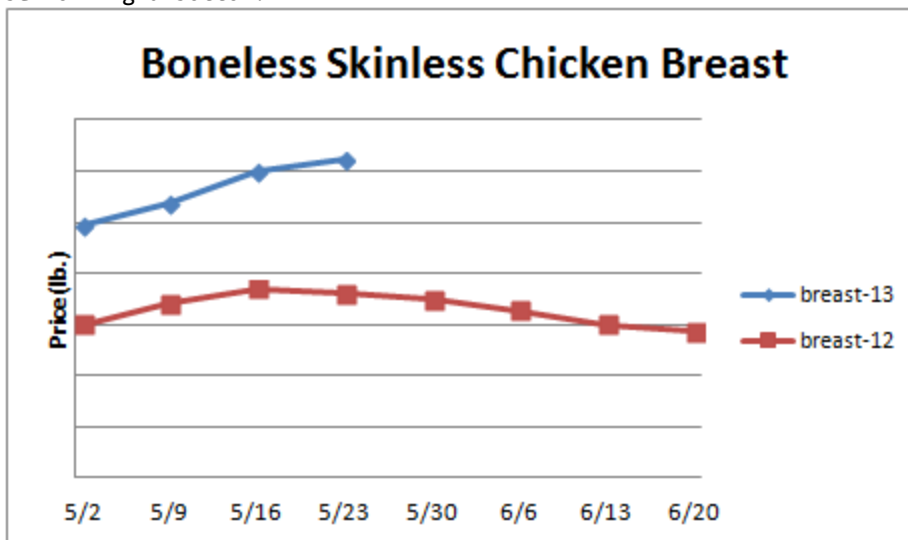
# Canned Tomato Report

**Tomato Products, Canned-** Tomato canners have agreed to a 1.6% increase in contracted raw product costs with the 2013 harvest. The markets are steady.

|                              | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|------------------------------|---------------------|-----------------|----------------------------|
| <b>Whole Peeled Standard</b> | Steady              | Good            | Same                       |
| <b>Diced, Fancy</b>          | Steady              | Good            | Same                       |
| <b>Ketchup, 33%</b>          | Steady              | Good            | Same                       |
| <b>Tomato Paste- Ind.</b>    | Steady              | Good            | Same                       |

# Poultry Report

**Poultry-** The chicken markets remain relatively firm due to strong seasonal demand and only modest gains in chicken production. Last week, the ARA chicken cutout index, an index of chicken prices, achieved an all time record high. History tells us that the overall chicken complex upward price risk from here may be limited. The main driver behind the record high ARA chicken cutout index is the surge in the chicken breast markets. Boneless skinless chicken breast prices have risen 32% since the beginning of April to the highest levels in nearly nine years. Fairly elevated chicken breast prices are anticipated to persevere deep into the summer. The chicken wing markets may be forming a bottom.

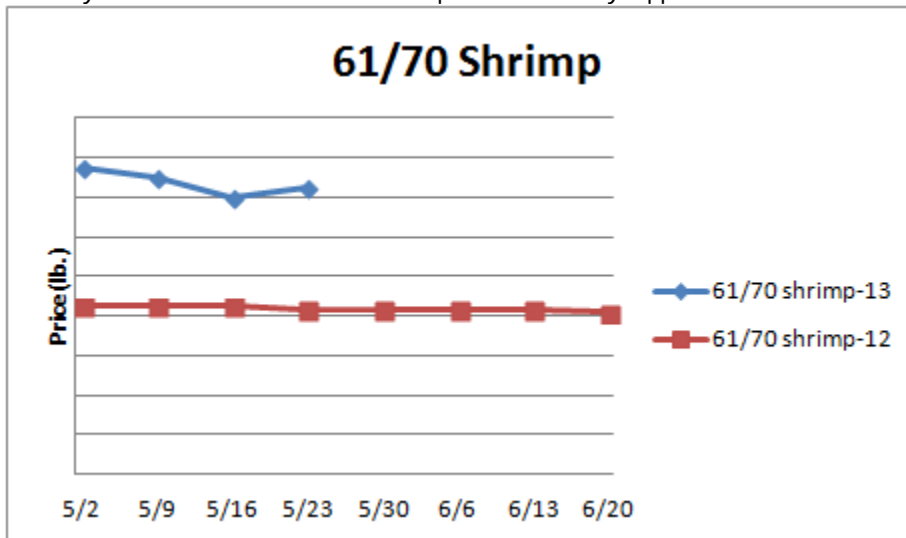


|  | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|--|---------------------|-----------------|----------------------------|
| <b>Whole Chicken (2.5-3 lb-GA)</b>     | Increasing          | Good            | Higher                     |
| <b>Chicken Wings, Whole</b>            | Increasing          | Good            | Lower                      |
| <b>Chicken Wings, Jumbo Cut</b>        | Increasing          | Good            | Lower                      |
| <b>Chicken Breast, Bone-In</b>         | Increasing          | Good            | Higher                     |
| <b>Chicken Breast, Bnless Skinless</b> | Increasing          | Good            | Higher                     |
| <b>Chicken Tender (random)</b>         | Increasing          | Good            | Higher                     |
| <b>Chicken Tender (sized)</b>          | Steady              | Good            | Lower                      |
| <b>Chicken Legs (whole)</b>            | Increasing          | Good            | Higher                     |
| <b>Chicken Leg Quarters</b>            | Increasing          | Good            | Higher                     |
| <b>Chicken Thighs, bone in</b>         | Increasing          | Good            | Higher                     |

|                                 |                   |             |               |
|---------------------------------|-------------------|-------------|---------------|
| <b>Chicken Thighs, boneless</b> | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Large Eggs</b>               | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Medium Eggs</b>              | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Whole Eggs- Liq</b>          | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Egg Whites- Liq</b>          | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Egg Yolks- Liq</b>           | <b>Steady</b>     | <b>Good</b> | <b>Higher</b> |
| <b>Whole Turkey (8-16 lb)</b>   | <b>Steady</b>     | <b>Good</b> | <b>Lower</b>  |
| <b>Turkey Breast- Bnls/Sknl</b> | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |

## Seafood Report

**Seafood-** The salmon markets have firmed since last fall as Chile has directed product to other countries with a more favorable currency valuation. However, the U.S. dollar has risen sharply during the last few months which is starting to encourage salmon imports here from Chile. U.S. shrimp imports from Chile during March were the largest for any month on record. Salmon prices usually appreciate into the early summer.



|                                      | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|--------------------------------------|---------------------|-----------------|----------------------------|
| <b>Salmon, Whole (10-12 lb)</b>      | N/A                 | Good            | N/A                        |
| <b>Catfish, Filets</b>               | N/A                 | Good            | N/A                        |
| <b>Trout, Drn. (8-14 oz)</b>         | N/A                 | Good            | N/A                        |
| <b>Shrimp (16-20 count)</b>          | Steady              | Good            | Higher                     |
| <b>Shrimp (61-70 count)</b>          | Increasing          | Good            | Higher                     |
| <b>Shrimp, Tiger (26-30 count)</b>   | Increasing          | Good            | Higher                     |
| <b>Snow Crab Legs (5-8 oz)</b>       | Steady              | Good            | Lower                      |
| <b>Snow Crab Legs (8 oz up)</b>      | Increasing          | Good            | Higher                     |
| <b>Cod Tails, 3-7 oz. Frz.</b>       | Steady              | Good            | Lower                      |
| <b>Cod Loins, 3-12 oz. Frz.</b>      | Decreasing          | Good            | Lower                      |
| <b>Salmon Portions, 4-8 oz. Frz.</b> | Increasing          | Good            | Lower                      |

## Bean, Rice, Coffee and Sugar Report

|                         | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|-------------------------|---------------------|-----------------|----------------------------|
| <b>Pinto Beans</b>      | Steady              | Good            | Lower                      |
| <b>Black Beans</b>      | Steady              | Good            | Lower                      |
| <b>Rice, Long Grain</b> | Steady              | Good            | Higher                     |
| <b>Coffee Beans</b>     | Decreasing          | Good            | Lower                      |
| <b>Sugar</b>            | Decreasing          | Good            | Lower                      |
| <b>Honey</b>            | Steady              | Good            | Higher                     |

## Paper Product Report

|   | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|---|---------------------|-----------------|----------------------------|
| Wood Pulp (paper)                         |                     |                 |                            |
| <b>NBSK- Paper napkin</b>                 | Increasing          | Good            | Higher                     |
| <b>42 lb. Linerboard-corrugated box</b>   | Increasing          | Good            | Higher                     |
| Plastic Resins (plastic, foam)            |                     |                 |                            |
| <b>PS-CHH-utensils, cups, to-go cont.</b> | Steady              | Good            | Higher                     |
| <b>PP-HIGP-heavy grade utensils</b>       | Steady              | Good            | Lower                      |
| <b>PE-LLD-can liners, film, bags</b>      | Steady              | Good            | Lower                      |

## Retail Price Change from Prior Month

|                                    | <u>Apr-11</u> | <u>Mar-11</u> | <u>Feb-11</u> |
|------------------------------------|---------------|---------------|---------------|
| <b>Beef and Veal</b>               | Increasing    | Increasing    | Increasing    |
| <b>Dairy</b>                       | Increasing    | Increasing    | Increasing    |
| <b>Pork</b>                        | Decreasing    | Increasing    | Increasing    |
| <b>Chicken</b>                     | Increasing    | Decreasing    | Increasing    |
| <b>Fresh Fish and Seafood</b>      | Increasing    | Increasing    | Increasing    |
| <b>Fresh Fruits and Vegetables</b> | Decreasing    | Increasing    | Increasing    |

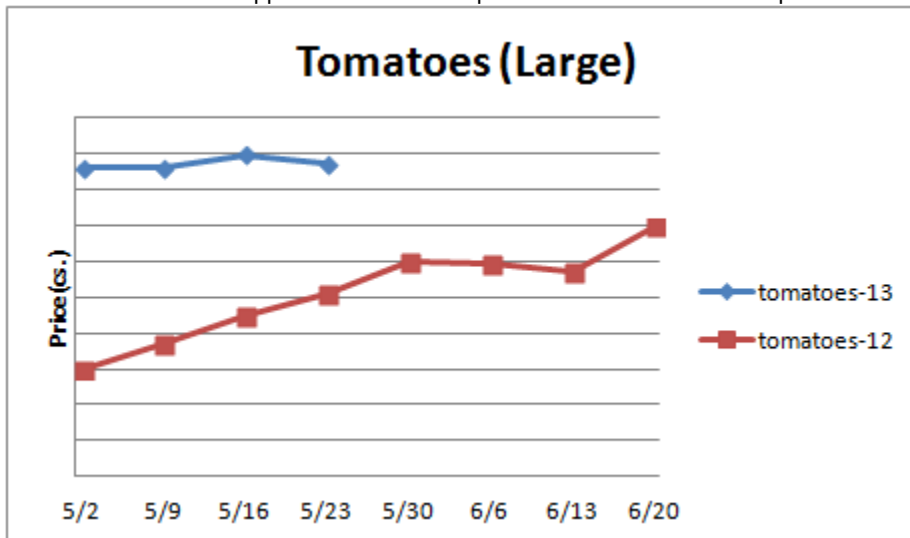
## Processed Fruits and Vegetables Report

**Processed Fruits and Vegetables-** Vegetable for processing planting is picking up with the better weather. The processed vegetable markets could remain firm this summer.

| <u>Canned 6/10</u>                  | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|-------------------------------------|---------------------|-----------------|----------------------------|
| <b>Corn, Fancy Whole Kernel</b>     | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Green Beans, Fancy 4 sv</b>      | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Green Peas, Fancy 4 sv/blend</b> | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <u><b>Frozen</b></u>                |                     |                 |                            |
| <b>Corn, Cob 96 count</b>           | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Corn, Kernel 12/2.5 lb.</b>      | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Green Beans, Cut 12/2 lb.</b>    | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Green Peas, 12/2.5 lb.</b>       | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |
| <b>Potatoes, FF Fancy, 6/5 lb.</b>  | <b>Steady</b>       | <b>Good</b>     | <b>Higher</b>              |

## Produce Report

**Produce-** Favorable weather continues to fuel the lettuce crops in California causing ample supplies and relatively inexpensive lettuce prices. Iceberg lettuce shipments last week were 5.1% more than the same week a year ago. Any further weakness in lettuce prices could discourage production. Still, seasonal charts indicate that fairly attractive iceberg lettuce markets could endure during June. The Florida tomato harvest is expanding with the transition to the Palmetto area but imports remain limited. Tomato supplies are anticipated to continue to improve in the coming months.



|                          | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|--------------------------|---------------------|-----------------|----------------------------|
| <b>Limes (150 count)</b> | <b>Decreasing</b>   | <b>Good</b>     | <b>Higher</b>              |



|  |                   |             |               |
|--|-------------------|-------------|---------------|
| <b>Lemons (95 count)</b>               | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Lemons (200 count)</b>              | <b>Steady</b>     | <b>Good</b> | <b>Lower</b>  |
| <b>Honeydew (6 ct.)</b>                | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Cantaloupe (15 count)</b>           | <b>Steady</b>     | <b>Good</b> | <b>Lower</b>  |
| <b>Blueberries (12 count)</b>          | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Strawberries (12 pints)</b>         | <b>Steady</b>     | <b>Good</b> | <b>Higher</b> |
| <b>Avocados, Hass (48 count)</b>       | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Bananas (40 lb)-Term.</b>           | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Pineapple (7 ct.)- Term.</b>        | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Idaho Potato (60 count)</b>         | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Idaho Potato (70 count)</b>         | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Idaho Potato (70 count)-Term.</b>   | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Idaho Potato (90 count)</b>         | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Idaho Potato #2 (6 oz. min.)</b>    | <b>Steady</b>     | <b>Good</b> | <b>Lower</b>  |
| <b>Processing Potato (100 lb)</b>      | <b>Steady</b>     | <b>Good</b> | <b>Lower</b>  |
| <b>Yellow Onions (50 lb)</b>           | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Yellow Onions (50 lb)-Term.</b>     | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Red Onions (25 lb)-Term.</b>        | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>White Onions (50 lb)-Term.</b>      | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Tomatoes, (large- case)</b>         | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Tomatoes, (5x6, 25 lb.)-Term.</b>   | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Tomatoes, Vine Ripe, (4x5)</b>      | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Roma Tomatoes (large- case)</b>     | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Roma Tomatoes (xlarge- case)</b>    | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Green Peppers (large- case)</b>     | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Red Peppers (large- 15 lb. cs.)</b> | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Iceberg Lettuce (24 count)</b>      | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Iceberg Lettuce (24 cnt)-Term.</b>  | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |

## Produce Report (continued)

|                                    |                   |             |               |
|------------------------------------|-------------------|-------------|---------------|
| <b>Leaf Lettuce (24 count)</b>     | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Romaine Lettuce (24 count)</b>  | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Mesculin Mix (3 lb)-Term.</b>   | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Broccoli (14 cnt.)</b>          | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Squash (case)</b>               | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Zucchini (case)</b>             | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Green Beans (bushel)</b>        | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Spinach, Flat 24's</b>          | <b>Decreasing</b> | <b>Good</b> | <b>Higher</b> |
| <b>Mushrooms (large), Term.</b>    | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Cucumbers, Bushel</b>           | <b>Increasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Pickles (200-300 ct.)-Term.</b> | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Asparagus (small)</b>           | <b>Decreasing</b> | <b>Good</b> | <b>Lower</b>  |
| <b>Freight (CA to City Avg.)</b>   | <b>Increasing</b> | <b>Good</b> | <b>Higher</b> |