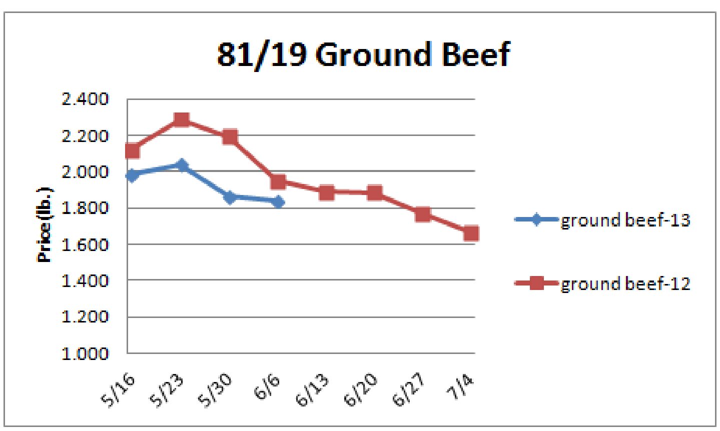
Weekly Market Updates

Volume No. 18 Issue No. 23 Date: June 6, 2013

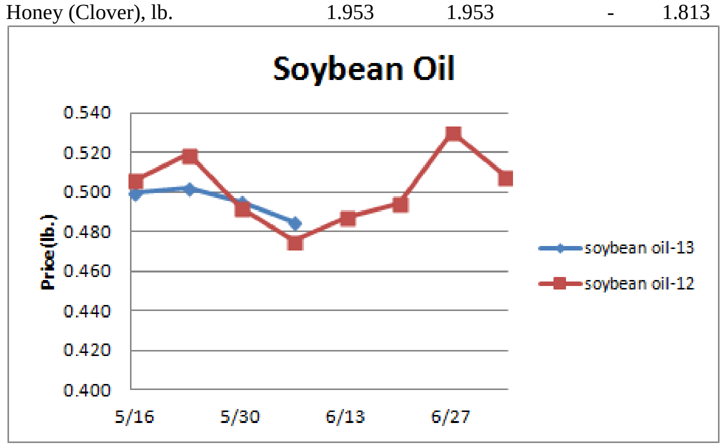
Beef- Beef output last week was shortened due to the holiday and was 1.7% less than a year ago. Year to date beef production is estimated to be 1.1% smaller than 2012. Tight cattle supplies are expected to cause beef output to continue to trend below the prior year levels this summer which should be supportive of beef prices. Still, history tells us that the USDA choice boxed beef index may have peaked for the summer. U.S. beef imports in April were 9% larger than last year and the biggest for any month since July 2010. Strong beef imports may continue to weigh on lean beef trim prices in the coming months. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.253	1.251	+.002	1.212
Feeder Cattle Index (CME)	1.328	1.321	+.007	1.538
Ground Beef 81/19	1.839	1.866	-.027	1.950
Ground Chuck	1.829	1.976	-.147	2.034
109e Export Rib (choice)	6.459	6.394	+.065	6.124
109e Export Rib (prime)	8.916	8.662	+.254	9.823
112a Ribeye (choice)	7.114	7.232	-.118	6.726
112a Ribeye (prime)	8.610	8.805	-.195	9.805
116 Chuck (select)	2.106	2.203	-.097	2.194
116 Chuck (choice)	2.156	2.333	-.177	2.189
116b Chuck Tdnr (choice)	2.072	2.136	-.064	2.176
120 Brisket (choice)	1.987	1.992	-.005	2.082
121c Outside Skirt (ch/sel)	4.655	4.491	+.164	5.275
121d Inside Skirt (ch/sel)	3.861	3.774	+.087	3.534
167a Knckle, Trm. (ch.)	2.147	2.289	-.142	2.308
168 Inside Round (ch.)	1.956	2.057	-.101	2.045
174 Short Loin (ch. 0x1)	7.132	7.055	+.077	6.547
174 Short Loin (prime)	7.631	7.419	+.212	8.778
180 1x1 Strp (choice)	7.273	7.385	-.112	6.426
180 1x1 Strp (prime)	7.831	8.059	-.228	8.371
180 0x1 Strp (choice)	8.171	8.029	+.142	7.628
184 Top Butt, bnls (ch.)	3.410	3.325	+.085	3.347
184 Top Butt, bnls (prime)	3.740	3.761	-.021	3.692
185a Sirloin Flap (choice)	5.340	5.344	-.004	4.544
185c Loin, Tri-Tip (choice)	3.607	3.607	-	3.552
189a Tender (select)	8.628	9.071	-.443	9.124
189a Tender (choice)	10.146	10.206	-.060	9.724
189a Tender (prime)	11.711	11.632	+.079	13.943
193 Flank Steak (choice)	4.770	4.656	+.114	4.513
50% Trimmings	.882	.884	-.002	.528
65% Trimmings	1.270	1.281	-.011	1.025
75% Trimmings	1.608	1.649	-.041	1.632
85% Trimmings	1.865	1.888	-.023	2.144
90% Trimmings	1.975	1.989	-.014	2.317
90% Imported Beef (frz.)	1.890	1.948	-.058	2.078
95% Imported Beef (frz.)	2.095	2.158	-.063	2.195
Veal Rack (Hotel 7 rib)	8.350	8.275	+.075	7.800
Veal Top Rnd. (cp. off)	15.150	14.925	+.225	13.775



Oil, Grains, Misc.- Soybean planting remains behind due to wet weather. Relatively inflated grain prices are anticipated to endure deep into the summer. Prices USDA, FOB.

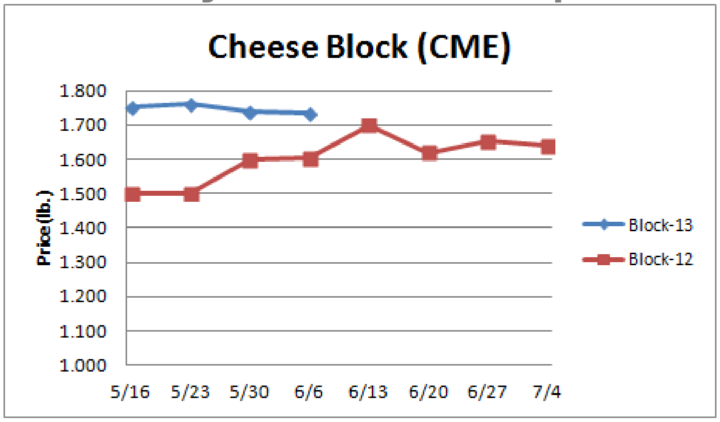
	Price	Last Week	Difference	Price 12
Soybeans, bushel	15.461	15.328	+.133	13.546
Crude Soybean Oil, lb.	.485	.495	-.010	.475
Soybean Meal, ton	493.00	485.800	+7.200	401.500
Corn, bushel	7.037	7.205	-.168	5.940
Crude Corn Oil, lb.	.435	.440	-.005	.535
High Fructose Corn Syrup	.197	.200	-.003	.174
Distillers Grain, Dry	224.500	222.500	+2.000	210.500
Crude Palm Oil, lb. BMD	.352	.347	+.005	.421
HRW Wheat, bushel	7.525	7.440	+.085	6.105
DNS Wheat 14%, bushel	8.560	8.410	+.150	7.930
Durum Wheat, bushel	7.813	8.038	-.225	6.813
Pinto Beans, lb.	.327	.328	-.001	.491
Black Beans, lb.	.348	.348	-	.435
Rice, Long Grain, lb.	.293	.290	+.003	.252
Coffee, lb. NYBOT	1.265	1.275	-.010	1.561
Sugar, lb. NYBOT	.192	.195	-.003	.285
Honey (Clover), lb.	1.953	1.953	-	1.813



Dairy- The CME cheese markets have moved lower during the last week pressured by seasonally strong milk production and ample U.S. cheese supplies. Cheese prices are anticipated to find a bottom soon as the domestic markets continue to trend well below international cheese prices. Solid exports could help bring upward pressure to cheese prices this summer. April U.S. cheese exports were 5.7% more than the previous year and the second largest for any month on record. The CME butter market is fairly stable but higher butter prices are anticipated next month. Prices per pound, except Class I Cream (hundred weight), from USDA.

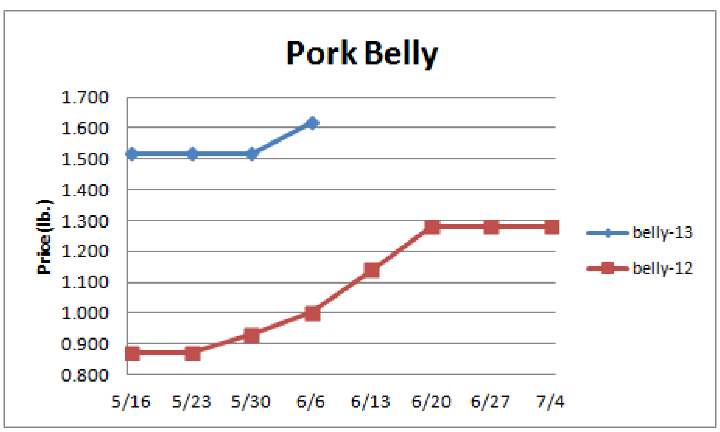
	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.730	1.708	+.022	1.523
Cheese Blocks (CME)	1.735	1.740	-.005	1.603
American Cheese	1.905	1.928	-.023	1.715
Cheddar Cheese (40 lb.)	2.130	2.145	-.015	1.998
Mozzarella Cheese	1.973	1.988	-.015	1.843
Provolone Cheese	2.325	2.340	-.015	2.193
Parmesan Cheese	3.673	3.688	-.015	3.273
Butter (CME)	1.540	1.540	-	1.405
Nonfat Dry Milk	1.708	1.716	-.008	1.180
Whey, Dry	.569	.572	-.003	.523
Class 1 Base	18.930	18.930	-	15.240
Class II Cream, heavy	1.996	1.972	+.024	1.908
Class III Milk (CME)	18.520	17.910	+.610	16.080
Class IV Milk (CME)	19.280	19.080	+.200	13.900

Weekly Market Updates



Pork- Pork production last week was 2.3% bigger than a year ago although year to date output is .9% less than 2012. Pork production this summer is forecasted by the USDA to track 1% above the prior year. U.S. pork exports during April were 13.1% smaller than last year due mostly to pork import restrictions by China and Russia. These trade limitations could temper the seasonal upside price risk for pork in June. Typically pork prices rise roughly 5% this month. April 30th total pork stocks were 6% more than the prior year. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.683	.673	+.010	.636
Belly (bacon)	1.618	1.518	+.100	1.000
Sparerib (4.25 lb. & down)	1.472	1.477	-.005	1.430
Ham (20-23 lb.)	.635	.664	-.029	.640
Ham (23-27 lb.)	.641	.658	-.017	.640
Loin (bone-in)	1.047	1.007	+.040	1.050
Bbybck Rib (1.75 lb. & up)	2.417	2.444	-.027	2.761
Tenderloin (1.25 lb.)	2.780	2.738	+.042	2.990
Boston Butt, untrmd. (4-8lb.)	1.019	1.001	+.018	.935
Picnic, untrmd.	.652	.614	+.038	.582
SS Picnic, smoker trm. bx.	.870	.813	+.057	.770
42% Trimmings	.484	.463	+.021	.540
72% Trimmings	.699	.606	+.093	.772



Tomato Products, Canned- The USDA is projecting the 2013 California tomato for canning harvest to be 4.5% bigger than last year. The markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

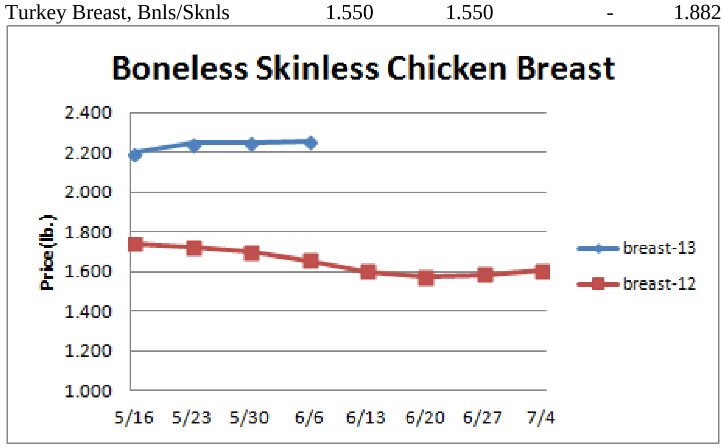
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Frozen green pea stocks at the end of April were 8% less than the previous year. The processed vegetable markets remain firm. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 12
Corn, Fcy whl kern- can 6/10	19.656	19.656	-	14.750
Green Beans Fcy- can 6/10	19.250	19.250	-	19.500
Green Peas, Fcy- can 6/10	20.750	20.750	-	15.300
Corn, Cob- froz 96 ct.	14.750	14.750	-	26.250
Corn, Kernel- froz 12/2.5#	19.500	19.500	-	14.000
Green Beans Cut- froz 12/2#	15.300	15.300	-	14.750
Green Peas- froz 12/2.5#	26.250	26.250	-	19.500
Potatoes, FF Fncy- froz 6/5#	14.000	14.000	-	15.300

Poultry- Chicken output for the week ending May 25th was 2% larger than last year. Year to date chicken production is trending 3.5% above the prior year. The USDA is forecasting chicken output for July through August to track 2.4% above 2012. U.S. chicken exports during April were 2.5% more than the previous year and the largest for the month in the last five years. Fairly solid exports could be supportive of the chicken leg quarter market during the summer. The five year average move for chicken leg quarter prices during the next two months is 3.7% lower. Chicken breast prices usually edge downward during this same time period. The chicken wing markets appear to have formed a long term bottom. Prices USDA, FOB per pound except when noted.

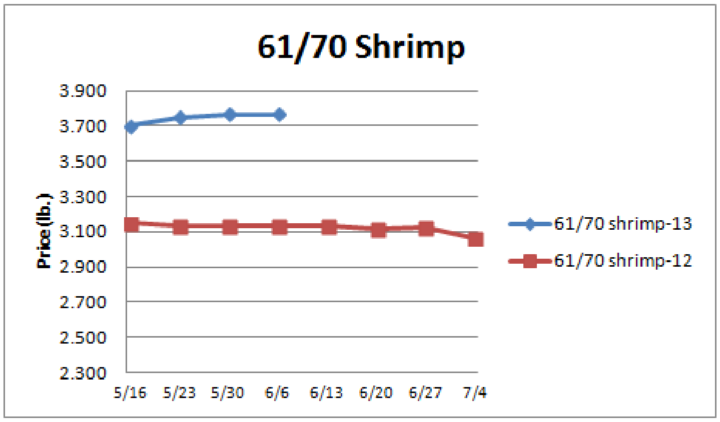
Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.053	1.050	+.003	.945
Wings (whole)	1.375	1.375	-	1.835
Wings (jumbo, cut)	1.450	1.402	+.048	1.786
Breast, Bone In	1.345	1.345	-	1.050
Breast, Bnless Skinless	2.255	2.250	+.005	1.655
Tenderloin (random)	1.850	1.790	+.060	1.490
Tenderloin (sized)	2.260	1.820	+.440	2.220
Legs (whole)	.751	.819	-.068	.679
Leg Quarters	.550	.550	-	.555
Thighs, bone in	.843	.844	-.001	.821
Thighs, boneless	1.440	1.457	-.017	1.331
Eggs and Others				
Large (dozen)	1.287	1.287	-	.990
Medium (dozen)	1.062	1.058	+.004	.695
Whole Eggs- Liquid	.672	.648	+.024	.447
Egg Whites- Liquid	.696	.713	-.017	.412
Egg Yolks- Liquid	.658	.658	-	.542
Whole Turkeys (8-16 lb.)	.965	.965	-	1.060
Turkey Breast, Bnls/Sknls	1.550	1.550	-	1.882



Seafood- Disease challenges during the last few months with Chilean salmon as led to reductions in forecasts for the 2013 total salmon supply. Still, U.S. salmon filet and steak imports this spring have been relatively solid. April U.S. salmon filet and steak imports were 2.7% more than the prior year. A rising U.S. dollar could encourage salmon imports this summer which may limit any upside price risk for the salmon markets. 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.)	n/a	n/a	-	n/a
Catfish Filets	n/a	n/a	-	n/a
Trout (drn. 8-14 oz.)	n/a	n/a	-	n/a
Shrimp (16/20), Frz	6.520	6.617	-.097	5.716
Shrimp (61/70), Frz.	3.766	3.750	+.016	3.134
Shrimp, Tiger (26/30), Frz.	5.233	5.266	-.033	4.725
Snow Crab, Legs 5-8 oz, Frz	4.700	4.700	-	4.900
Snow Crab, Legs 8 oz/ up, Fz	5.375	5.375	-	5.163
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.500
Cod Loins, 3-12 oz., Frz	3.013	3.013	-	3.588
Salmon Portions, 4-8 oz, Frz	5.458	5.458	-	5.717
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.775



Energy & Currency-Currency US dollar is worth.

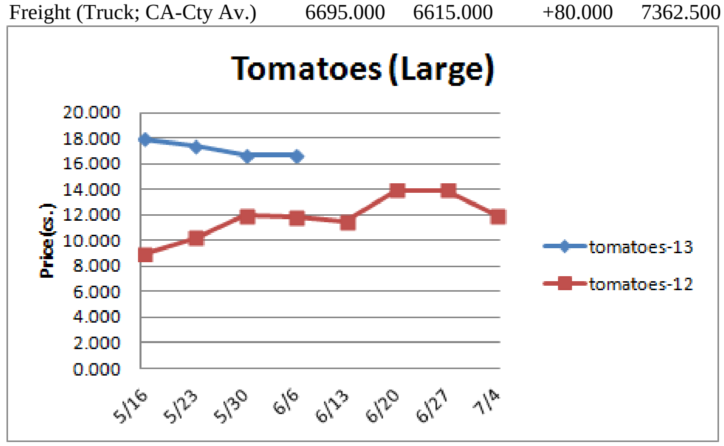
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	95.010	96.160	-1.150	90.760
Natural Gas, mbtu- nymex	4.174	4.192	-.018	2.429
Heating Oil, gal- nymex	2.907	2.929	-.022	2.809
Electricity, mwht- nymex	80.830	59.460	+21.370	43.880
Gasoline, gal- nymex	2.853	2.846	+.007	2.907
Diesel Fuel, gal- eia	3.880	3.890	-.010	3.897
Ethanol, gal- usda	2.570	2.570	-	2.100
Canadian $	1.037	1.030	+.007	1.025
Japanese Yen	101.162	102.937	-1.775	79.566
Mexican Peso	12.647	12.333	+.314	13.930
Euro	.772	.773	-.001	.799
Brazilian Real	2.077	2.036	+.041	1.984

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)	930.000	929.120	+.880	900.000
WP; 42 lb. Linerboard (corr.)	763.756	757.354	+6.402	664.375
Res; PS-CHH (cup, cont.)	1.160-1.200	1.160-1.200	-	1.150-1.190
Res; PP-HIGP (hvy utensil)	1.020-1.040	1.020-1.040	-	1.060-1.080
Res; PE-LLD (cn liner, film)	.920-.950	.920-.950	-	.870-.900

Produce- The iceberg lettuce market has firmed during the last week due in part to quality challenges. Lettuce shipments last week declined 3% from the previous week. Better weather could aid the lettuce crops during the next ten days. Tomato supplies remain limited due in part to the relatively cool spring experienced in the southeast this year. Tomato shipments are expected to improve later this month which could put some modest downward pressure on tomato prices. The avocado markets are firm. History suggests that higher avocado prices may be forthcoming next month. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	12.000	17.000	-5.000	7.500
Lemons (95 ct.)	21.525	21.025	+.500	19.740
Lemons (200 ct.)	15.775	15.775	-	19.240
Honeydew (6 ct.)	4.610	5.975	-1.365	6.187
Cantaloupe (15 ct.)	7.450	7.450	-	7.950
Blueberries (12 count)	19.166	24.083	-4.917	18.400
Strawberries (12 pnts.)	11.000	11.750	-.750	10.500
Avocados (Hass 48 ct.)	36.750	35.750	+1.000	34.750
Bananas (40 lb.)- Term.	15.213	15.338	-.125	14.765
Pineapple (7 ct.)- Term.	17.430	14.000	+3.430	12.093
Idaho Potato (60 ct., 50 lb.)	10.250	10.000	+.250	9.000
Idaho Potato (70 ct., 50 lb.)	10.250	10.000	+.250	9.000
Idaho Potato (70 ct.)-Term.	14.958	13.854	+1.104	16.505
Idaho Potato (90 ct., 50 lb.)	10.250	9.750	+.500	8.250
Idaho Pot. # 2 (6 oz., 100 lb.)	7.000	7.000	-	14.000
Processing Potato (cwt.)	6.500	6.500	-	10.000
Yellow Onions (50 lb.)	8.583	10.500	-1.917	6.000
Yell Onions (50 lb.)-Term.	14.312	14.612	-.300	14.873
Red Onions (25 lb.)- Term.	19.125	15.250	+3.875	17.333
White Onions (50 lb.)- Term.	17.750	18.166	-.416	17.875
Tomatoes (large- case)	16.700	16.700	-	11.825
Tomatoes (5x6-25 lb.)-Term	21.375	20.076	+1.299	16.208
Tomatoes (4x5 vine ripe)	9.475	11.950	-2.475	10.450
Roma Tomatoes (large- case)	10.600	12.287	-1.687	10.450
Roma Tomatoes (xlarge-cs)	11.073	12.956	-1.883	10.633
Green Peppers (large- case)	14.275	15.150	-.875	13.775
Red Peppers (large 15lb. cs.)	15.950	11.950	+4.000	15.950
Iceberg Lettuce (24 count)	10.362	7.217	+3.145	14.080
Iceberg Lettuce (24)-Term.	16.683	14.500	+2.183	25.375
Leaf Lettuce (24 count)	6.262	6.325	-.063	7.131
Romaine Lettuce (24 cnt.)	6.800	6.425	+.375	7.775
Mesculin Mix (3 lb.)-Term.	6.500	6.468	+.032	7.406
Broccoli (14 ct.)	12.427	12.322	+.105	13.575
Squash (1/2 bushel)	3.500	5.600	-2.100	8.887
Zucchini (1/2 bushel)	7.250	5.600	+1.650	8.700
Green Beans (bushel)	9.600	14.100	-4.500	12.050
Spinach, Flat 24's	9.990	9.945	+.045	15.070
Mushrms (10 lb, lg.)-Term.	15.145	15.145	-	15.145
Cucumbers (bushel)	12.210	12.100	+.110	12.538
Pickles (200-300 ct.)- Term.	25.364	24.156	+1.208	26.500
Asparagus (small)	11.000	14.500	-3.500	22.250
Freight (Truck; CA-Cty Av.)	6695.000	6615.000	+80.000	7362.500



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

	Apr-13	Mar-13	Feb-13	Jan-13
Beef and Veal	-.005	+.067	+.398	-.165
Dairy	+.008	-.639	-.359	+.399
Pork	-.630	+.646	+.807	+.626
Chicken	+1.030	+.548	-.852	+.273
Fresh Fish and Seafood	+2.623	+1.680	-.770	+1.560
Fresh Fruits and Veg.	-1.594	-.835	-.025	+1.676