Weekly Market Updates

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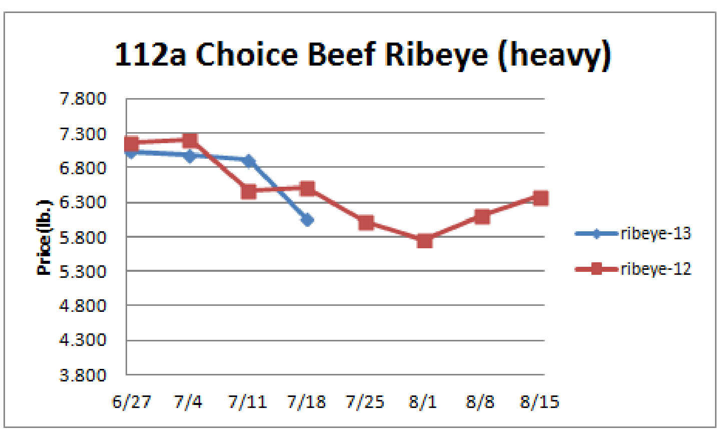
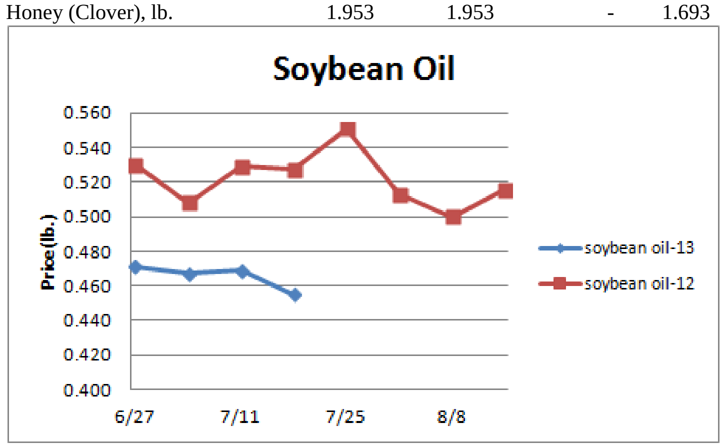
Beef- Beef production last week was .3% less than the same week a year ago. The USDA is projecting summer beef output to trend 1.6% below 2012. Many of the beef middle meat steak cut markets continue to depreciate due to weak demand. This is due in a large part to inflated retail prices. In June, retail beef prices were 1.4% higher than last year and a record. Last year the 180 choice 0x1 beef strip market did not make its summer bottom until the last week of July. The 50% beef trim market is firm due to tight supplies. Fairly inflated 50% beef trim prices could persist into August. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.207	1.221	-.014	1.144
Feeder Cattle Index (CME)	1.453	1.425	+.028	1.397
Ground Beef 81/19	1.758	1.797	-.039	1.646
Ground Chuck	1.779	1.854	-.075	1.673
109e Export Rib (choice)	5.492	6.100	-.608	5.577
109e Export Rib (prime)	9.096	8.574	+.522	9.487
112a Ribeye (choice)	6.062	6.912	-.850	6.514
112a Ribeye (prime)	8.851	8.955	-.104	9.527
116 Chuck (select)	2.194	2.191	+.003	2.136
116 Chuck (choice)	2.311	2.309	+.002	2.139
116b Chuck Tdnr (choice)	2.093	2.073	+.020	2.125
120 Brisket (choice)	2.030	2.056	-.026	2.066
121c Outside Skirt (ch/sel)	4.177	4.789	-.612	5.372
121d Inside Skirt (ch/sel)	3.859	3.853	+.006	3.641
167a Knckle, Trm. (ch.)	2.114	2.100	+.014	2.183
168 Inside Round (ch.)	2.003	1.969	+.034	1.965
174 Short Loin (ch. 0x1)	4.776	5.023	-.247	5.439
174 Short Loin (prime)	8.133	8.208	-.075	8.688
180 1x1 Strp (choice)	4.550	4.897	-.347	6.011
180 1x1 Strp (prime)	9.493	9.115	+.378	9.839
180 0x1 Strp (choice)	5.068	5.354	-.286	6.065
184 Top Butt, bnls (ch.)	3.075	3.058	+.017	3.275
184 Top Butt, bnls (prime)	3.774	3.854	-.080	3.865
185a Sirloin Flap (choice)	3.939	4.398	-.459	4.739
185c Loin, Tri-Tip (choice)	3.491	3.460	+.031	3.693
189a Tender (select)	8.616	8.626	-.010	8.436
189a Tender (choice)	9.306	9.456	-.150	9.071
189a Tender (prime)	12.307	12.033	+.274	13.599
193 Flank Steak (choice)	4.905	4.858	+.047	4.799
50% Trimmings	1.105	1.057	+.048	.483
65% Trimmings	1.326	1.365	-.039	1.021
75% Trimmings	1.618	1.610	+.008	1.513
85% Trimmings	1.934	1.909	+.025	1.931
90% Trimmings	2.027	1.997	+.030	2.172
90% Imported Beef (frz.)	1.875	1.858	+.017	1.970
95% Imported Beef (frz.)	1.990	1.980	+.010	2.115
Veal Rack (Hotel 7 rib)	8.350	8.350	-	7.800
Veal Top Rnd. (cp. off)	15.150	15.150	-	13.925



Oil, Grains, Misc.- Soybean oil prices are trending near three year lows due in part to ample world food oil supplies. The near term downside soybean oil price risk may only be modest. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	15.658	16.175	-.517	16.623
Crude Soybean Oil, lb.	.455	.469	-.014	.527
Soybean Meal, ton	568.300	562.300	+6.000	510.500
Corn, bushel	6.856	6.946	-.090	7.851
Crude Corn Oil, lb.	.390	.390	-	.555
High Fructose Corn Syrup	.194	.196	-.002	.213
Distillers Grain, Dry	232.500	233.750	-1.250	262.500
Crude Palm Oil, lb. BMD	.323	.340	-.017	.426
HRW Wheat, bushel	7.045	7.045	-	8.645
DNS Wheat 14%, bushel	7.990	8.130	-.140	10.050
Durum Wheat, bushel	7.783	7.650	+.133	8.088
Pinto Beans, lb.	.395	.378	+.017	.491
Black Beans, lb.	.395	.305	+.090	.420
Rice, Long Grain, lb.	.294	.293	+.001	.255
Coffee, lb. NYBOT	1.280	1.227	+.053	1.807
Sugar, lb. NYBOT	.188	.190	-.002	.289
Honey (Clover), lb.	1.953	1.953	-	1.693



Dairy- CME butter prices have softened during the last week due in a large part to the existing burdensome stocks. May U.S. butter holdings were 23.5% more than last year the largest for the month since 1993. Still, international butter prices remain inflated. Further, domestic milk production is seasonally declining. These factors could influence the butter market modestly higher in the coming weeks. The CME cheese markets remain range bound due in part to adequate inventories. History suggests that moderate cheese market increases may be forthcoming. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.680	1.685	-.005	1.698
Cheese Blocks (CME)	1.693	1.673	+.020	1.720
American Cheese	1.860	1.845	+.015	1.848
Cheddar Cheese (40 lb.)	2.058	2.043	+.015	2.043
Mozzarella Cheese	1.900	1.885	+.015	1.888
Provolone Cheese	2.255	2.240	+.015	2.238
Parmesan Cheese	3.603	3.588	+.015	3.318
Butter (CME)	1.483	1.513	-.030	1.580
Nonfat Dry Milk	1.778	1.771	+.007	1.243
Whey, Dry	.573	.574	-.001	.497
Class 1 Base	18.910	18.910	-	15.510
Class II Cream, heavy	2.029	2.049	-.020	2.191
Class III Milk (CME)	18.000	18.050	-.050	17.830
Class IV Milk (CME)	19.400	19.430	-.030	15.750

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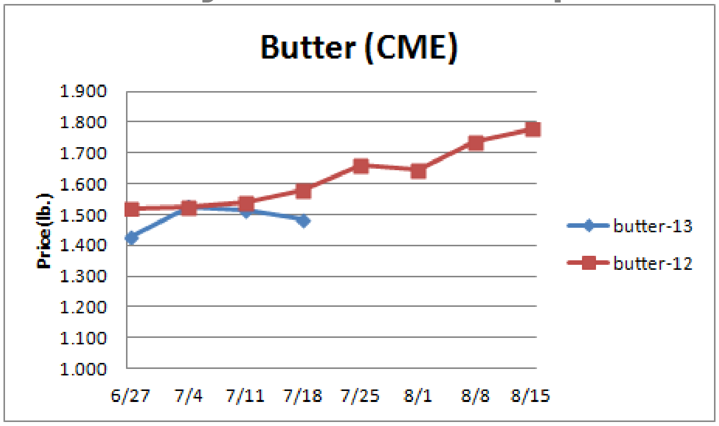
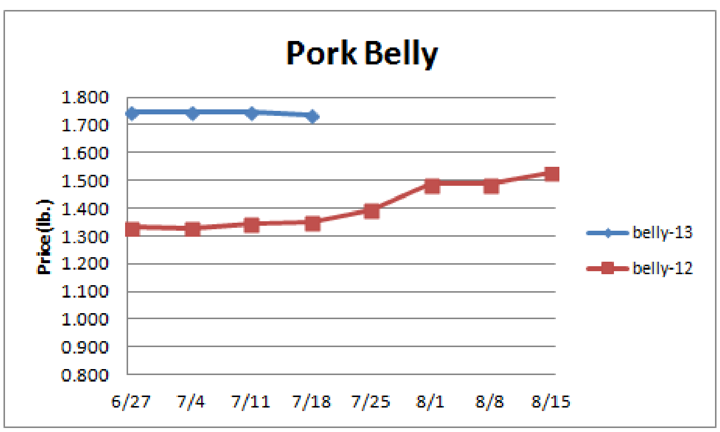


Pork- Pork production last week was 5.3% larger than the same week last year. Hog weights are starting to trend above 2012 levels which signals that hog supplies are becoming more available. Pork output is anticipated to trend modestly above previous year levels in the coming months. Most of the pork markets are weakening as retailers have pulled feature activity for pork this month. Still, relatively inflated wholesale pork prices could persist into August. Notable pork belly price relief may not occur until the fall. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.704	.733	-.029	.649
Belly (bacon)	1.736	1.745	-.009	1.395
Sparerib (4.25 lb. & down)	1.526	1.643	-.117	1.387
Ham (20-23 lb.)	.891	.894	-.003	.780
Ham (23-27 lb.)	.883	.901	-.018	.780
Loin (bone-in)	1.020	1.108	-.088	1.004
Bbybck Rib (1.75 lb. & up)	2.358	2.420	-.062	2.365
Tenderloin (1.25 lb.)	2.669	2.758	-.089	3.092
Boston Butt, untrmd. (4-8lb.)	.954	1.032	-.078	.910
Picnic, untrmd.	.744	.757	-.013	.638
SS Picnic, smoker trm. bx.	.948	.937	+.011	.823
42% Trimmings	.650	.497	+.153	.624
72% Trimmings	.923	.958	-.035	.738



Tomato Products, Canned- The California tomato for canning harvest is tracking 50% ahead of last year. The canned tomato markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

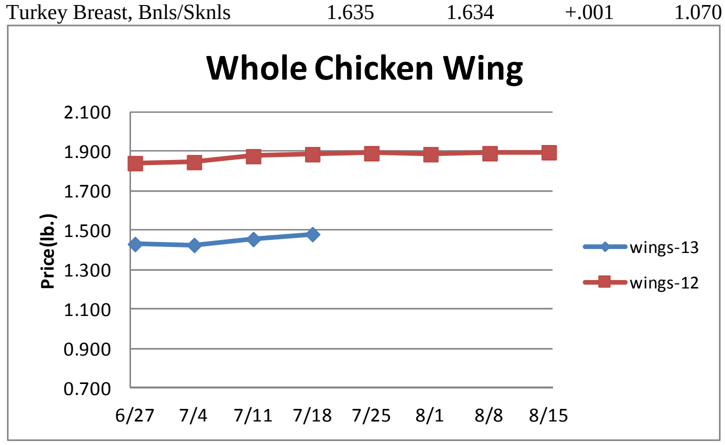
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- The Midwest and Eastern vegetable crops remain behind but are progressing well. The processed vegetable markets 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	-	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 July 6th was 1.3% less than last year. Still, year to date chicken production is tracking 3.1% above 2012. Further, chicken producers appear to be expanding output with broiler egg sets trending at their biggest level above the prior year since 2010. The USDA is projecting third quarter chicken output to be 2.7% larger than last year and their forecast may be too low. The chicken breast markets have been relatively steady as of late and at the highest price levels for mid-July in 9 years. History suggests that these inflated chicken breast prices could propel food service and retail to feature other proteins down the road. The upside price risk for chicken breasts from here is likely nominal. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.065	1.065	-	.948
Wings (whole)	1.480	1.455	+.025	1.040
Wings (jumbo, cut)	1.586	1.552	+.034	1.885
Breast, Bone In	1.280	1.280	-	1.822
Breast, Bnless Skinless	2.105	2.105	-	1.010
Tenderloin (random)	1.800	1.550	+.250	1.595
Tenderloin (sized)	2.100	1.960	+.140	1.290
Legs (whole)	.721	.688	+.033	1.920
Leg Quarters	.535	.540	-.005	.648
Thighs, bone in	.868	.834	+.034	.510
Thighs, boneless	1.502	1.490	+.012	.795
Eggs and Others				
Large (dozen)	1.133	1.133	-	1.230
Medium (dozen)	.859	.858	+.001	.993
Whole Eggs- Liquid	.648	.637	+.011	.715
Egg Whites- Liquid	.745	.703	+.042	.542
Egg Yolks- Liquid	.750	.750	-	.456
Whole Turkeys (8-16 lb.)	.965	.965	-	.663
Turkey Breast, Bnls/Sknls	1.635	1.634	+.001	1.070



Seafood- Chilean salmon supplies continue to improve. U.S. salmon filet-steak imports during May were 11% bigger than the same month a year ago. Salmon imports from Chile during May were the largest since March 2005. Favorable currency valuations could cause U.S. salmon imports to remain solid in the coming months which may weigh on salmon prices. May U.S. snow crab imports were 28% more than 2012. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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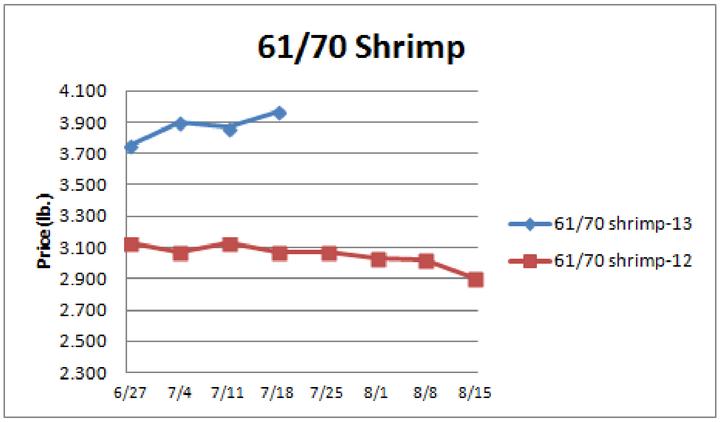
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	n/a	n/a	-	n/a
Catfish Filets	n/a	n/a	-	n/a
Trout (drn. 8-14 oz.)	n/a	n/a	-	n/a
Shrimp (16/20), Frz	7.025	6.925	+.100	5.577
Shrimp (61/70), Frz.	3.967	3.867	+.100	3.067
Shrimp, Tiger (26/30), Frz.	5.800	5.800	-	4.725
Snow Crab, Legs 5-8 oz, Frz	5.050	5.025	+.025	4.800
Snow Crab, Legs 8 oz/ up, Fz	6.025	5.675	+.350	5.025
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.500
Cod Loins, 3-12 oz., Frz	3.000	3.000	-	3.588
Salmon Portions, 4-8 oz, Frz	5.458	5.458	-	5.100
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.775



Energy & Currency-Currency US dollar is worth.

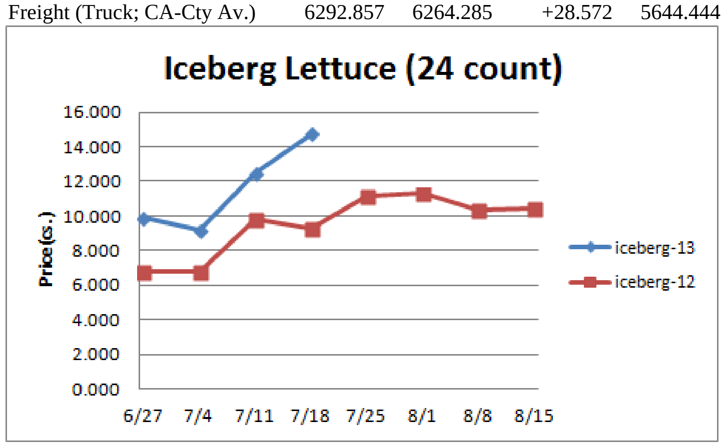
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	106.000	103.530	+2.470	89.220
Natural Gas, mbtu- nymex	3.677	3.657	+.020	2.796
Heating Oil, gal- nymex	3.047	2.986	+.061	2.842
Electricity, mwht- nymex	76.130	54.880	+21.250	59.080
Gasoline, gal- nymex	3.134	2.926	+.208	2.845
Diesel Fuel, gal- eia	3.867	3.828	+.039	3.695
Ethanol, gal- usda	2.450	2.410	+.004	2.430
Canadian $	1.038	1.052	-.014	1.014
Japanese Yen	99.533	100.248	-.715	79.098
Mexican Peso	12.590	12.899	-.309	13.180
Euro	.760	.780	-.020	.814
Brazilian Real	2.248	2.263	-.015	2.033
Chinese Yuan	6.137	6.138	-.001	6.374

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)	947.320	946.790	+.530	880.000
WP; 42 lb. Linerboard (corr.)	780.141	764.716	+15.425	664.745
Res; PS-CHH (cup, cont.)	1.180-1.220	1.180-1.220	-	1.160-1.201
Res; PP-HIGP (hvy utensil)	1.040-1.060	1.040-1.060	-	.910-.930
Res; PE-LLD (cn liner, film)	.920-.950	.920-.950	-	.800-.830

Produce- Lettuce supplies remain limited. Lettuce harvest yields have been negatively impacted by the heat in recent weeks. Expectations are for lettuce shipments to remain below par into next week. Longer term, the National Weather Service is predicting warm and dry weather for California during the next few months which may bring further periodic challenges to the lettuce crops. The chief tomato harvest region in the East continues to shift north. Some modest tomato supply gaps could occur this month. The Idaho potato markets are nearing two year highs. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	10.500	8.500	+2.000	9.000
Lemons (95 ct.)	23.025	22.775	+.250	17.740
Lemons (200 ct.)	17.525	16.275	+1.250	20.740
Honeydew (6 ct.)	5.000	5.250	-.250	10.600
Cantaloupe (15 ct.)	5.250	7.610	-2.360	4.000
Blueberries (12 count)	13.833	15.233	-1.400	19.750
Strawberries (12 pnts.)	10.500	11.500	-1.000	10.000
Avocados (Hass 48 ct.)	36.750	36.750	-	28.063
Bananas (40 lb.)- Term.	14.656	14.635	+.021	15.444
Pineapple (7 ct.)- Term.	15.556	14.426	+1.130	14.151
Idaho Potato (60 ct., 50 lb.)	17.500	14.000	+3.500	8.000
Idaho Potato (70 ct., 50 lb.)	17.500	14.000	+3.500	7.750
Idaho Potato (70 ct.)-Term.	20.447	18.718	+1.729	14.915
Idaho Potato (90 ct., 50 lb.)	17.500	14.000	+3.500	6.000
Idaho Pot. # 2 (6 oz., 100 lb.)	13.000	9.750	+3.250	10.000
Processing Potato (cwt.)	6.500	6.500	-	7.500
Yellow Onions (50 lb.)	7.250	7.000	+.250	9.500
Yell Onions (50 lb.)-Term.	12.708	7.328	+5.380	13.849
Red Onions (25 lb.)- Term.	9.791	9.937	-.146	15.250
White Onions (50 lb.)- Term.	16.479	18.741	-2.262	17.292
Tomatoes (large- case)	13.950	11.950	+2.000	11.950
Tomatoes (5x6-25 lb.)-Term	14.681	10.928	+3.753	13.675
Tomatoes (4x5 vine ripe)	15.950	11.950	+4.000	11.950
Roma Tomatoes (large- case)	14.725	10.290	+4.435	12.650
Roma Tomatoes (xlarge-cs)	15.200	10.700	+4.500	12.325
Green Peppers (large- case)	16.382	9.612	+6.770	9.495
Red Peppers (large 15lb. cs.)	20.950	20.950	-	14.950
Iceberg Lettuce (24 count)	14.745	12.470	+2.275	9.245
Iceberg Lettuce (24)-Term.	22.750	18.000	+4.750	18.500
Leaf Lettuce (24 count)	15.972	14.250	+1.722	9.925
Romaine Lettuce (24 cnt.)	10.960	9.907	+1.053	12.548
Mesculin Mix (3 lb.)-Term.	7.250	6.812	+.438	6.813
Broccoli (14 ct.)	8.562	9.082	-.520	6.650
Squash (1/2 bushel)	16.425	14.425	+2.000	7.975
Zucchini (1/2 bushel)	11.850	10.925	+.925	8.000
Green Beans (bushel)	21.000	29.000	-8.000	24.500
Spinach, Flat 24's	16.350	13.425	+2.925	7.995
Mushrms (10 lb, lg.)-Term.	15.666	15.031	+.635	14.667
Cucumbers (bushel)	17.910	19.310	-1.400	11.229
Pickles (200-300 ct.)- Term.	38.333	35.501	+2.832	34.125
Asparagus (small)	24.000	17.500	+6.500	12.500
Freight (Truck; CA-Cty Av.)	6292.857	6264.285	+28.572	5644.444



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

	Jun-13	May-13	Apr-13	Mar-13
Beef and Veal	+.358	+.459	-.005	+.067
Dairy	-1.230	-.532	+.008	-.639
Pork	+.722	+.578	-.630	+.646
Chicken	+1.900	-.063	+1.030	+.548
Fresh Fish and Seafood	+.626	-1.414	+2.623	+1.680
Fresh Fruits and Veg.	-1.265	+.314	-1.594	-.835