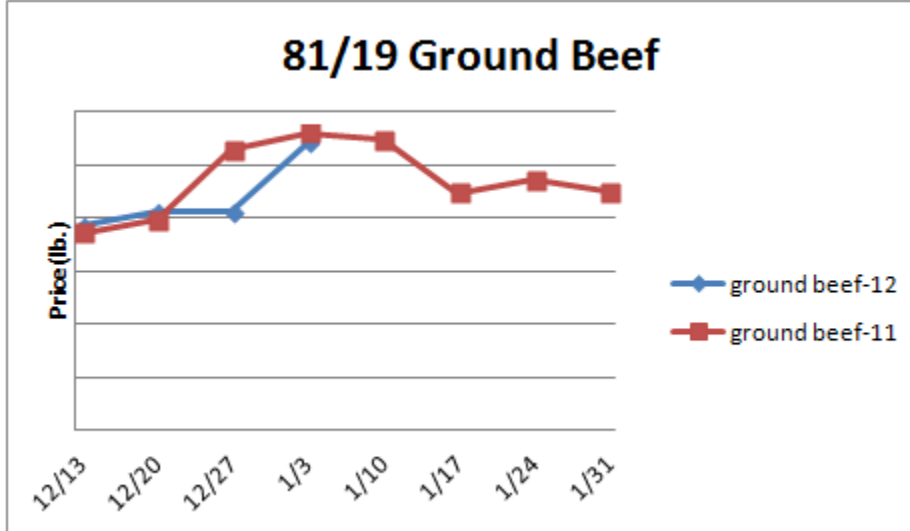


Beef, Veal and Lamb Report

Beef, Veal & Lamb- The Dec 1st U.S. cattle on feed inventory was 6.1% smaller than last year. Placements into feed lots during Nov were 5.6% less than a year ago. This data points to tight cattle supplies this winter but beef output shortfalls could be tempered by heavier cattle weights. Beef production continued to trend below year ago levels last week. The USDA is estimating Q1 beef production to be down 2.8% versus '11. Winter beef cut markets such as chucks (4.2%), briskets (3.9%) and rounds (1.8%) typically increase during the next two weeks but then peak shortly thereafter.

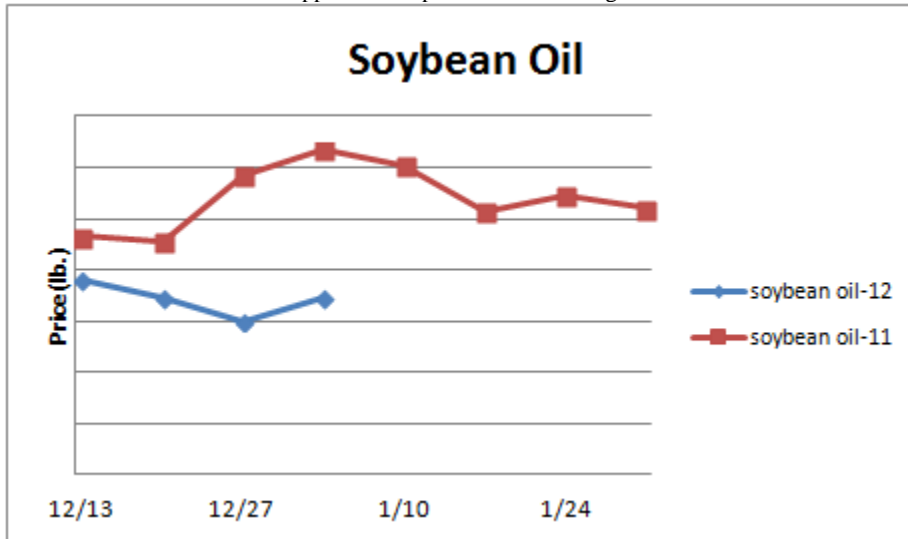


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Lower
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Lower
112a Ribeye (choice)	Decreasing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

Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

Oil & Grains- The grain markets have declined in recent weeks. Still, the drought in hard winter wheat country remains in tack which could support wheat prices in the coming months.

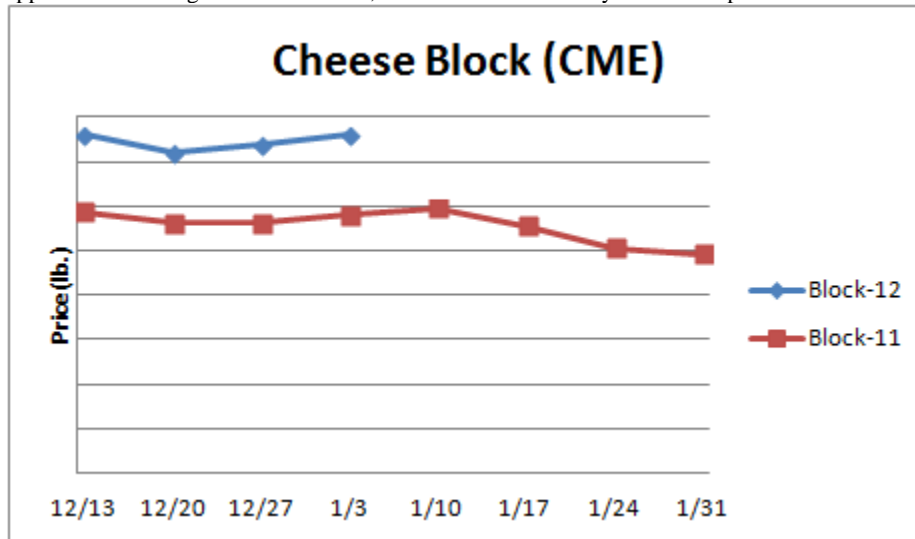


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Soybeans	Increasing	Good	Higher
Crude Soybean Oil	Increasing	Good	Lower
Soymeal	Decreasing	Good	Higher
Corn	Increasing	Good	Higher
Crude Corn Oil	Decreasing	Good	Lower
Distillers Grain, Dry	Decreasing	Good	Higher
Crude Palm Oil	Increasing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

Dairy Report

Market Report provided by American Restaurant Association-
www.AmericanRestaurantAssociation.com 888-423-4411

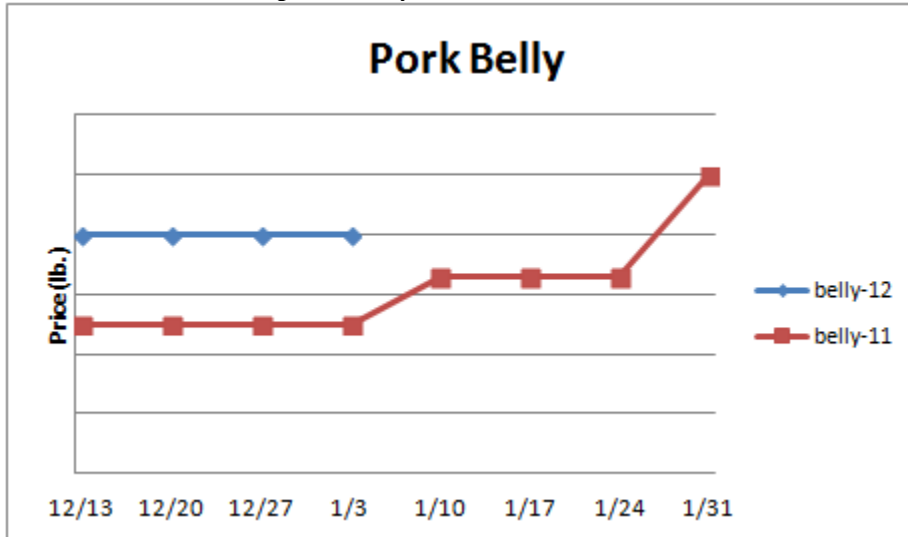
Dairy- U.S. milk output during Nov was 1% more than last year due to a 1.2% rise in milk per cow yields and a .2% smaller milk cow herd. Milk farmers increased the herd in Nov by a net 7k head versus Oct. Still, milk prices have fallen since then which could temper any further herd growth this month and next. The CME butter market is trading at its lowest level since June but the winter low for this market is typically made this week. The CME cheese markets appear to be finding a base. However, in six of the last seven years cheese prices have moved downward during Jan.



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

Pork Report

Pork- Pork output last week trended below year ago levels. The Dec 1st hog and pig inventory was flat compared to last year. The U.S. swine breeding herd in Dec was .2% larger than a year ago. The USDA is calling for Q1 pork production to be 2.5% below '12. Still, this forecasted output decline could be overstated due to a larger swine breeding herd. The pork belly market usually increases 14.5% during the next five weeks. U.S. total pork inventories on Nov 30th were 12.7% larger than last year.



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

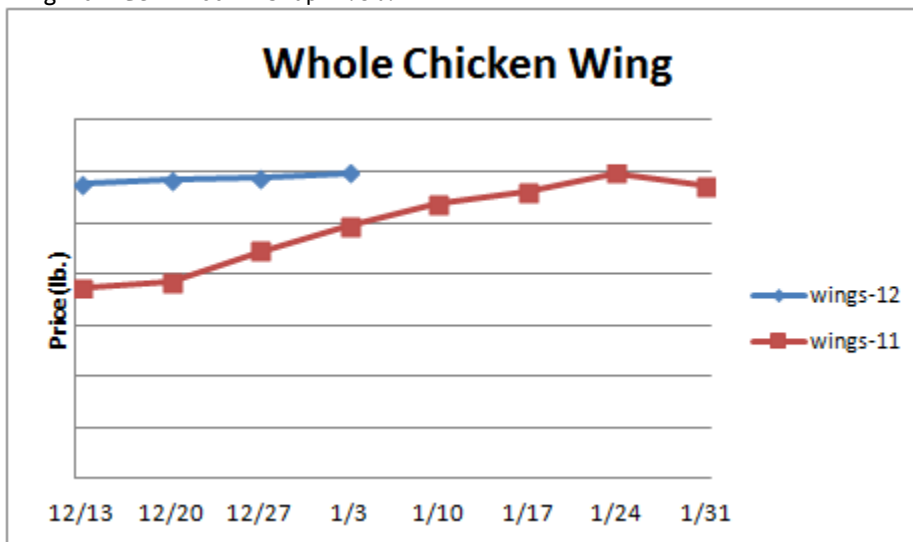
Canned Tomato Report

Tomato Products, Canned- High raw product costs will likely keep canned tomato prices firm. Still, notably high canned tomato prices aren't anticipated from here.

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

Poultry Report

Poultry- The broiler type chick hatch during Nov was 1% smaller than the previous year. Pullet placements, which measures new hens entering into the broiler hatchery flock, were down 2% in Nov versus '11. The hen hatchery flock during the first six months of this year is expected to be 3.8% smaller than '12 which suggests that chicken output may be curbed for the first half of '13. However, recent mixed weekly broiler egg set data and heavier bird weights are raising skepticism that chicken production will actually trend below '12. Northeast chicken wing prices have achieved new record highs in recent days. During the last five years, the average move for the jumbo cut chicken wing market in Jan is up 7.8%.

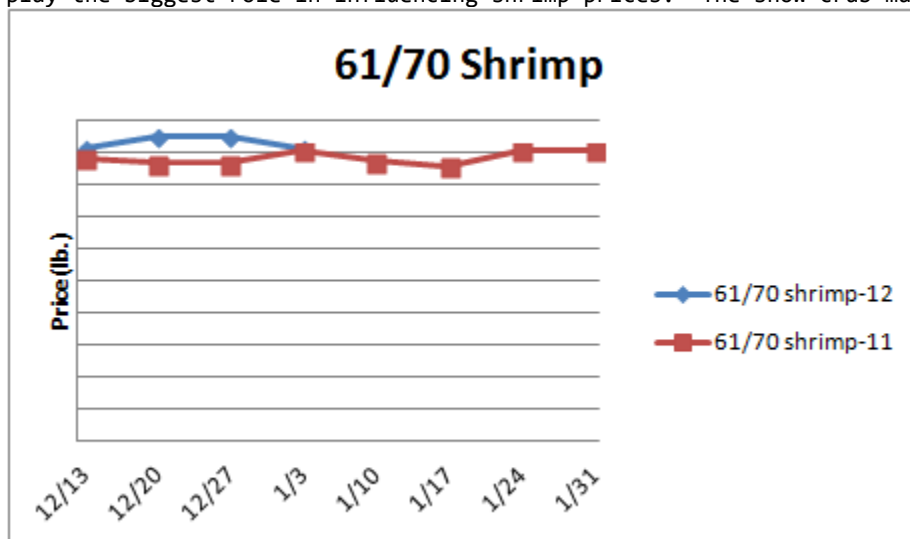


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Higher
Whole Chicken (LA)	Steady	Good	Higher
Chicken Wings, Whole	Increasing	Good	Higher
Chicken Wings, Jumbo Cut	Increasing	Good	Higher
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast,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

Large Eggs	Decreasing	Good	Lower
Medium Eggs	Decreasing	Good	Lower
Whole Eggs- Liq	Steady	Good	Higher
Egg Whites- Liq	Decreasing	Good	Lower
Egg Yolks- Liq	Steady	Good	Higher
Whole Turkey (8-16 lb)	Decreasing	Good	Lower
Turkey Breast- Bnls/Sknls	Steady	Good	Lower

Seafood Report

Seafood- U.S. Gulf of Mexico shrimp landings during Nov were 31% more than '11 and the second best for the month since '08. But, total '12 shrimp landings through Nov were .9% below the prior year. Fuel costs have risen as of late. If this persists, it could curb pending fishing schedules. Still, the value of the U.S. dollar will likely play the biggest role in influencing shrimp prices. The snow crab markets are steady.



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

Bean, Rice, Coffee and Sugar Report

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

Paper Product Report

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

Retail Price Change from Prior Month

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

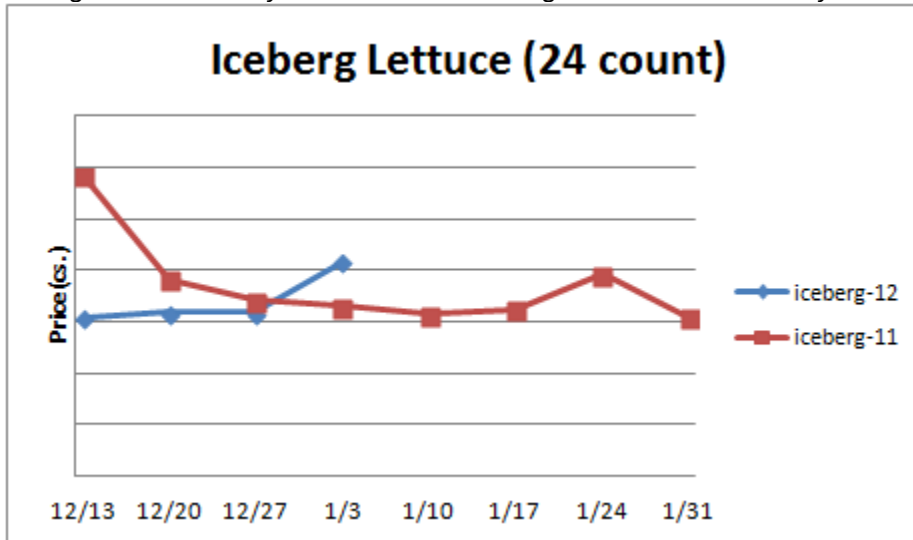
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- The Nov 30 frozen green pea (12%), cob corn (4%) and cut corn (3%) inventories were less than the prior year. The processed vegetable markets are firm.

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

Produce Report

Produce- Weather challenges out west have slowed lettuce crop growth rates. This factor along with improved lettuce demand is supporting the iceberg lettuce markets. History points to higher iceberg lettuce prices in Jan. Florida tomato production is solid. Plus, more available tomato supplies are coming from Mexico which is keeping U.S. tomato prices at bay. Last winter the U.S. experienced above normal temperatures which boded well for the produce crops. But, it's possible to have cold weather events during this time of year which could bring increased volatility to the produce markets.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Higher
Lemons (95 count)	Steady	Good	Lower
Lemons (200 count)	Increasing	Good	Lower

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

Produce Report (continued)

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