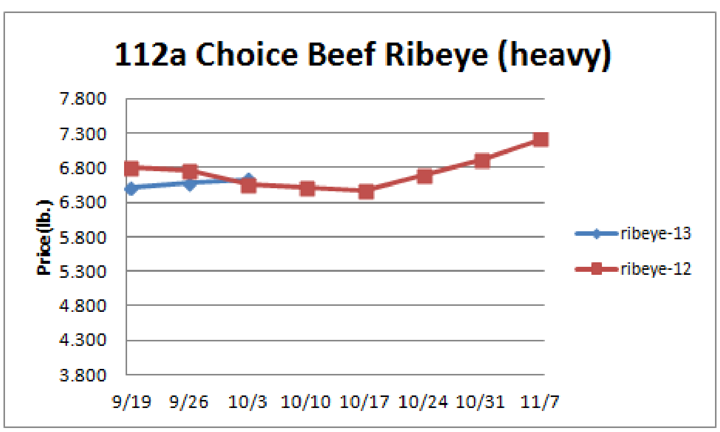
Weekly Market Updates

Volume No. 18 Issue No. 41 Date: October 10, 2013

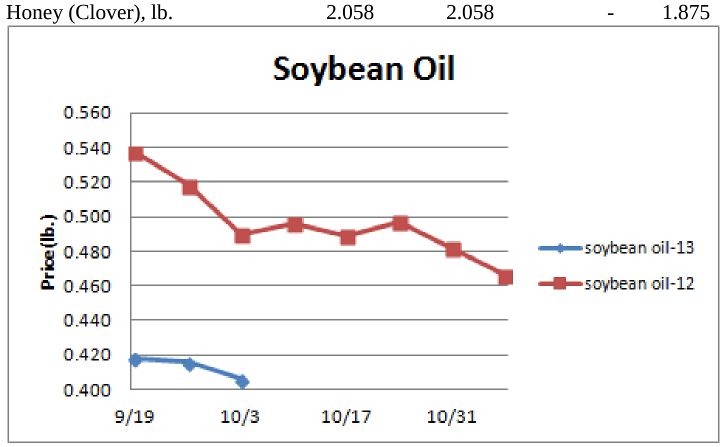
Beef- Beef production data was not reported from the USDA for last week due to the government shutdown. Poor beef packer margins are causing output to be slowed this week. This factor and better beef end cut demand are bringing support to various beef markets. Beef production is forecasted to trend notably below 2012 through the holidays which should help buoy the beef markets including the beef tenderloin and ribeye. However, general beef demand may be spotty at times due to lower chicken and pork prices which should limit the upside price risk for many beef markets this fall. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	n/a	1.262	-	1.215
Feeder Cattle Index (CME)	1.599	1.599	-	1.434
Ground Beef 81/19	n/a	1.741	-	1.826
Ground Chuck	n/a	1.812	-	1.869
109e Export Rib (choice)	n/a	5.908	-	5.968
109e Export Rib (prime)	n/a	10.189	-	9.563
112a Ribeye (choice)	n/a	6.627	-	6.519
112a Ribeye (prime)	n/a	10.168	-	9.760
116 Chuck (select)	n/a	2.518	-	2.556
116 Chuck (choice)	n/a	2.666	-	3.026
116b Chuck Tdnr (choice)	n/a	2.329	-	2.407
120 Brisket (choice)	n/a	1.926	-	2.124
121c Outside Skirt (ch/sel)	n/a	4.423	-	5.222
121d Inside Skirt (ch/sel)	n/a	3.295	-	3.475
167a Knckle, Trm. (ch.)	n/a	2.401	-	2.403
168 Inside Round (ch.)	n/a	2.064	-	2.023
174 Short Loin (ch. 0x1)	n/a	4.979	-	4.847
174 Short Loin (prime)	n/a	8.810	-	9.085
180 1x1 Strp (choice)	n/a	4.209	-	4.552
180 1x1 Strp (prime)	n/a	9.579	-	8.334
180 0x1 Strp (choice)	n/a	4.961	-	4.996
184 Top Butt, bnls (ch.)	n/a	2.902	-	2.905
184 Top Butt, bnls (prime)	n/a	4.197	-	3.875
185a Sirloin Flap (choice)	n/a	3.782	-	3.296
185c Loin, Tri-Tip (choice)	n/a	2.271	-	2.511
189a Tender (select)	n/a	8.288	-	8.719
189a Tender (choice)	n/a	10.201	-	9.654
189a Tender (prime)	n/a	13.582	-	14.000
193 Flank Steak (choice)	n/a	4.381	-	4.759
50% Trimmings	n/a	.899	-	.538
65% Trimmings	n/a	1.275	-	1.073
75% Trimmings	n/a	1.660	-	1.431
85% Trimmings	n/a	1.811	-	1.868
90% Trimmings	n/a	1.975	-	2.008
90% Imported Beef (frz.)	n/a	1.970	-	2.010
95% Imported Beef (frz.)	n/a	2.055	-	2.160
Veal Rack (Hotel 7 rib)	n/a	8.350	-	8.020
Veal Top Rnd. (cp. off)	n/a	14.963	-	14.370



Oil, Grains, Misc.- Relatively warm weather is enabling the corn and soybean crops to mature later this year helping yields. Still, corn prices may be near a short term bottom. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	n/a	12.670	-	15.396
Crude Soybean Oil, lb.	n/a	.406	-	.496
Soybean Meal, ton	n/a	432.400	-	489.000
Corn, bushel	n/a	4.301	-	7.335
Crude Corn Oil, lb.	n/a	.373	-	.545
High Fructose Corn Syrup	n/a	.142	-	.203
Distillers Grain, Dry	n/a	209.750	-	270.000
Crude Palm Oil, lb. BMD	.336	.331	+.005	.352
HRW Wheat, bushel	n/a	7.390	-	8.590
DNS Wheat 14%, bushel	n/a	7.780	-	9.380
Durum Wheat, bushel	n/a	6.917	-	8.000
Pinto Beans, lb.	n/a	.400	-	.348
Black Beans, lb.	n/a	.423	-	.315
Rice, Long Grain, lb.	n/a	.290	-	.271
Coffee, lb. NYBOT	1.153	1.141	+.012	1.634
Sugar, lb. NYBOT	.214	.220	-.006	.256
Honey (Clover), lb.	2.058	2.058	-	1.875



Dairy- The cheese markets at the CME have been relatively range bound during the last week with the block market pricing near its five year average for early October. History suggests that the cheese markets could peak soon and then move downward. Last year the CME cheese block market declined 13.5% during November. The CME butter market is beginning to depreciate. Butter stocks remain ample due in part to solid milk production gains as of late. The greater price risk in butter from here is downward despite the tendency for the market to appreciate slightly in October. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.740	1.708	+.032	2.060
Cheese Blocks (CME)	1.773	1.765	+.008	2.100
American Cheese	n/a	n/a	-	2.238
Cheddar Cheese (40 lb.)	n/a	n/a	-	2.485
Mozzarella Cheese	n/a	n/a	-	2.330
Provolone Cheese	n/a	n/a	-	2.680
Parmesan Cheese	n/a	n/a	-	4.028
Butter (CME)	1.530	1.610	-.080	1.930
Nonfat Dry Milk	n/a	1.867	-	1.576
Whey, Dry	n/a	.568	-	.609
Class 1 Base	19.200	19.200	-	18.880
Class II Cream, heavy	n/a	n/a	-	2.513
Class III Milk (CME)	17.980	17.890	+.090	20.690
Class IV Milk (CME)	20.200	20.250	-.050	19.150

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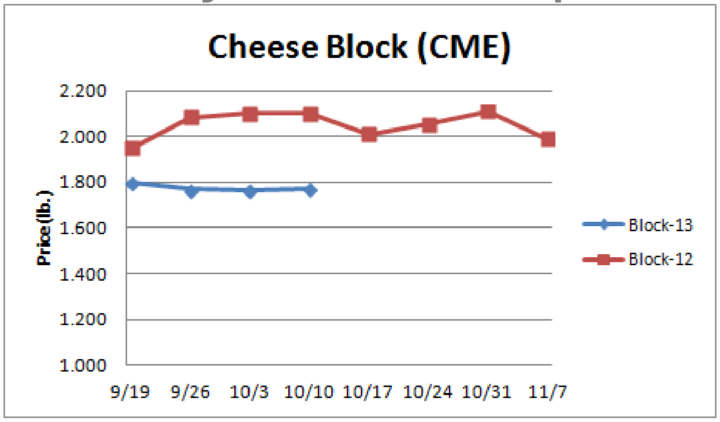
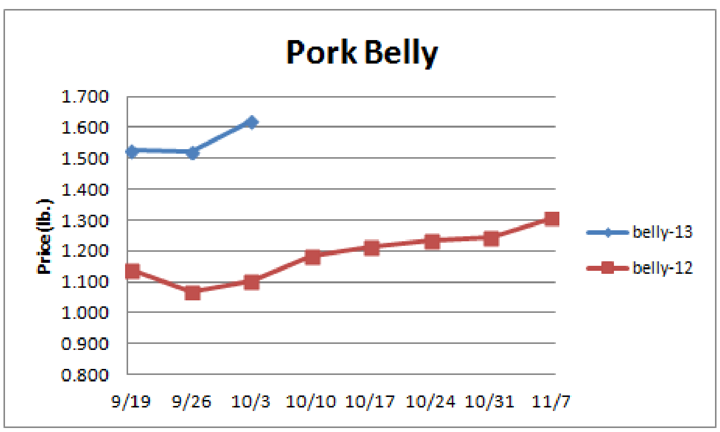


Pork- Pork output data was not published by the USDA due to the government shutdown. Hog supplies are slowly improving causing pork output to seasonally expand. Further pork production gains are anticipated in the coming weeks which should put downward pressure on many of the pork markets. Thus, lower pork belly prices are anticipated later this fall although history indicates they could remain well supported in the near term. Sharply lower ham prices are forecasted for the month of November. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	n/a	.662	-	.592
Belly (bacon)	n/a	1.621	-	1.212
Sparerib (4.25 lb. & down)	n/a	1.500	-	1.317
Ham (20-23 lb.)	n/a	.911	-	.800
Ham (23-27 lb.)	n/a	.882	-	.800
Loin (bone-in)	n/a	1.046	-	.950
Bbybck Rib (1.75 lb. & up)	n/a	2.066	-	2.006
Tenderloin (1.25 lb.)	n/a	2.359	-	2.114
Boston Butt, untrmd. (4-8lb.)	n/a	1.032	-	.882
Picnic, untrmd.	n/a	.638	-	.582
SS Picnic, smoker trm. bx.	n/a	.780	-	.850
42% Trimmings	n/a	.571	-	.450
72% Trimmings	n/a	.755	-	.640



Tomato Products, Canned- Despite crop challenges, canned tomato supplies should be adequate throughout the fall. The markets are relatively steady. Prices per case (6/10) FOB, unless noted from ARA.

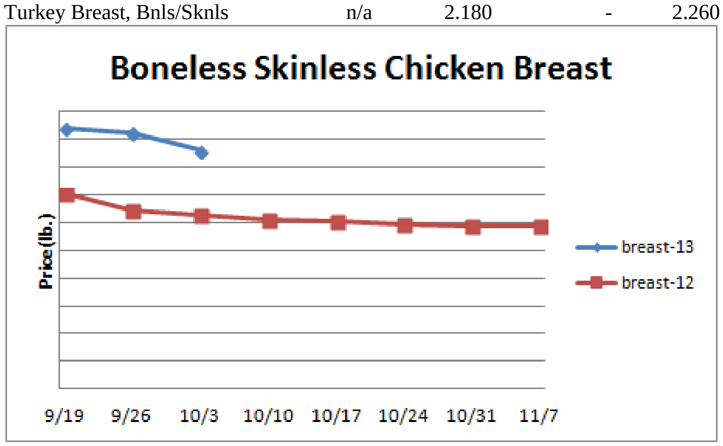
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- The 2013 vegetable for processing harvest season is winding down. Fairly firm processed vegetable prices could persist through the holidays. Prices FOB per case from ARA.

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

Poultry- USDA chicken production data was not published due to the government shutdown. Feed costs continue to decline for chicken producers which is aiding their profitability. Good producer margins are expected to encourage strong chicken output gains versus 2012 through the fall. The USDA is forecasting fourth quarter chicken production to be 3.8% bigger than last year. The chicken breast markets remain soft which is typical for this time of the year as demand seasonally fades. Further chicken breast declines are anticipated. Last year the boneless skinless chicken breast market depreciated 5.8% during the next five weeks. The chicken wing markets are firm and could remain well supported into December. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	n/a	1.060	-	.958
Wings (whole)	n/a	1.445	-	1.830
Wings (jumbo, cut)	n/a	1.561	-	1.860
Breast, Bone In	n/a	1.150	-	1.000
Breast, Bnless Skinless	n/a	1.860	-	1.610
Tenderloin (random)	n/a	1.700	-	1.240
Tenderloin (sized)	n/a	1.920	-	1.870
Legs (whole)	n/a	.757	-	.693
Leg Quarters	n/a	.535	-	.535
Thighs, bone in	n/a	.849	-	.778
Thighs, boneless	n/a	1.560	-	1.307
Eggs and Others				
Large (dozen)	n/a	1.163	-	1.367
Medium (dozen)	n/a	.938	-	1.062
Whole Eggs- Liquid	n/a	.772	-	.761
Egg Whites- Liquid	n/a	.874	-	.496
Egg Yolks- Liquid	n/a	.763	-	1.284
Whole Turkeys (8-16 lb.)	n/a	1.045	-	1.105
Turkey Breast, Bnls/Sknls	n/a	2.180	-	2.260



Seafood- The snow crab markets have mostly traded above 2012 levels as of late despite larger Newfoundland and Gulf of St. Lawrence catches this year. This is due, in part, to the smaller Alaskan harvest earlier this year and better demand. With the Alaskan Bearing Sea snow crab season not expected to get underway in a meaningful manner until after the holidays, snow crab prices are expected to remain above 2012 this fall. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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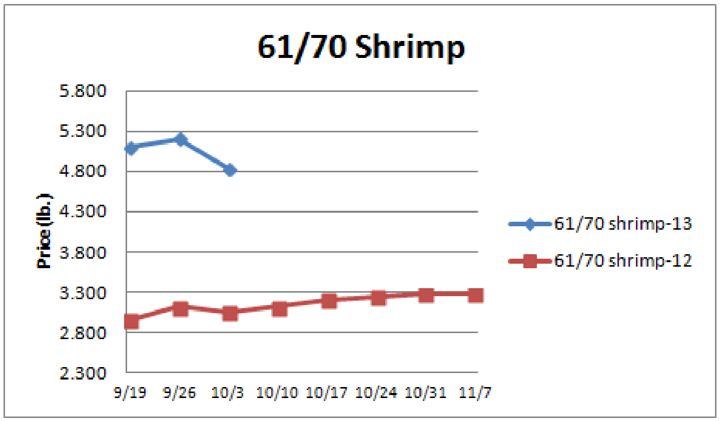
PERFORMANCE FOODSERVICE ROMA

	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	n/a	8.241	-	4.923
Shrimp (61/70), Frz.	n/a	4.833	-	3.117
Shrimp, Tiger (26/30), Frz.	n/a	6.100	-	4.400
Snow Crab, Legs 5-8 oz, Frz	n/a	5.300	-	4.975
Snow Crab, Legs 8 oz/ up, Fz	n/a	6.250	-	5.800
Cod Tails, 3-7 oz., Frz.	n/a	3.088	-	3.500
Cod Loins, 3-12 oz., Frz	n/a	3.088	-	3.563
Salmon Portions, 4-8 oz, Frz	n/a	5.592	-	5.083
Pollock, Alaska, Deep Skin	n/a	1.775	-	1.775



Energy & Currency-Currency US dollar is worth.

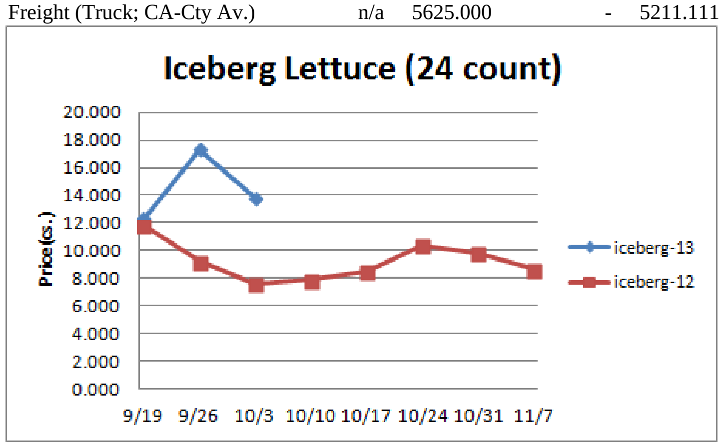
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	103.490	102.040	+1.450	92.390
Natural Gas, mbtu- nymex	3.716	3.609	+.107	3.467
Heating Oil, gal- nymex	3.033	2.955	+.078	3.203
Electricity, mwht- nymex	39.570	39.820	-.250	39.370
Gasoline, gal- nymex	2.631	2.611	+.020	2.959
Diesel Fuel, gal- eia	3.897	3.919	-.022	4.094
Ethanol, gal- usda	n/a	2.150	-	2.300
Canadian $	1.038	1.034	+.004	0.978
Japanese Yen	97.301	97.462	-.161	78.305
Mexican Peso	13.188	13.201	-.013	12.882
Euro	.740	.740	-	.778
Brazilian Real	2.208	2.221	-.013	2.036
Chinese Yuan	6.120	6.122	-.002	6.297

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)	948.380	948.380	-	842.440
WP; 42 lb. Linerboard (corr.)	794.722	802.823	-8.603	739.037
Res; PS-CHH (cup, cont.)	1.170-1.210	1.170-1.210	-	1.180-1.220
Res; PP-HIGP (hvy utensil)	1.090-1.110	1.090-1.110	-	.890-.910
Res; PE-LLD (cn liner, film)	.970-1.000	.970-1.000	-	.850-.880

Produce- The lettuce markets have firmed as of late due in part to better demand and crop challenges. Growers are reported to be picking lettuce prematurely to keep up with demand which suggests that supplies could remain limited for the next few weeks. Relatively elevated lettuce prices could persist into late October. Avocado demand remains solid but typically the avocado market moves lower in the coming weeks as more supplies become available from Mexico. The greater market risk in avocados from here may be to the downside during the next month or so. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	n/a	8.500	-	6.500
Lemons (95 ct.)	n/a	29.775	-	18.240
Lemons (200 ct.)	n/a	20.775	-	16.240
Honeydew (6 ct.)	n/a	7.250	-	8.175
Cantaloupe (15 ct.)	n/a	8.450	-	7.250
Blueberries (12 count)	n/a	30.500	-	27.250
Strawberries (12 pnts.)	n/a	14.000	-	11.500
Avocados (Hass 48 ct.)	n/a	44.750	-	25.250
Bananas (40 lb.)- Term.	n/a	15.027	-	14.152
Pineapple (7 ct.)- Term.	n/a	12.652	-	10.940
Idaho Potato (60 ct., 50 lb.)	n/a	12.000	-	5.250
Idaho Potato (70 ct., 50 lb.)	n/a	12.000	-	5.250
Idaho Potato (70 ct.)-Term.	n/a	18.046	-	11.813
Idaho Potato (90 ct., 50 lb.)	n/a	10.000	-	5.750
Idaho Pot. # 2 (6 oz., 100 lb.)	n/a	17.000	-	8.000
Processing Potato (cwt.)	n/a	4.000	-	7.500
Yellow Onions (50 lb.)	n/a	8.166	-	6.417
Yell Onions (50 lb.)-Term.	n/a	12.927	-	11.781
Red Onions (25 lb.)- Term.	n/a	10.514	-	11.979
White Onions (50 lb.)- Term.	n/a	14.945	-	16.200
Tomatoes (large- case)	n/a	13.950	-	6.450
Tomatoes (5x6-25 lb.)-Term	n/a	14.625	-	11.219
Tomatoes (4x5 vine ripe)	n/a	12.950	-	8.950
Roma Tomatoes (large- case)	n/a	17.581	-	14.623
Roma Tomatoes (xlarge-cs)	n/a	18.291	-	14.957
Green Peppers (large- case)	n/a	11.450	-	10.258
Red Peppers (large 15lb. cs.)	n/a	14.950	-	11.850
Iceberg Lettuce (24 count)	n/a	13.792	-	7.898
Iceberg Lettuce (24)-Term.	n/a	22.393	-	15.500
Leaf Lettuce (24 count)	n/a	8.218	-	6.783
Romaine Lettuce (24 cnt.)	n/a	10.885	-	7.408
Mesculin Mix (3 lb.)-Term.	n/a	6.875	-	7.125
Broccoli (14 ct.)	n/a	17.990	-	6.875
Squash (1/2 bushel)	n/a	5.533	-	5.800
Zucchini (1/2 bushel)	n/a	6.800	-	9.208
Green Beans (bushel)	n/a	19.000	-	10.817
Spinach, Flat 24's	n/a	19.425	-	9.585
Mushrms (10 lb, lg.)-Term.	n/a	15.145	-	15.146
Cucumbers (bushel)	n/a	14.150	-	13.383
Pickles (200-300 ct.)- Term.	n/a	28.833	-	26.875
Asparagus (small)	n/a	12.000	-	15.500
Freight (Truck; CA-Cty Av.)	n/a	5625.000	-	5211.111



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

	Aug-13	Jul-13	Jun-13	May-13
Beef and Veal	-.111	+.504	+.358	+.459
Dairy	+.403	-.066	-1.230	-.532
Pork	+1.372	+1.713	+.722	+.578
Chicken	+1.567	-.939	+1.900	-.063
Fresh Fish and Seafood	+.919	+.072	+.626	-1.414
Fresh Fruits and Veg.	+1.472	+.460	-1.265	+.314