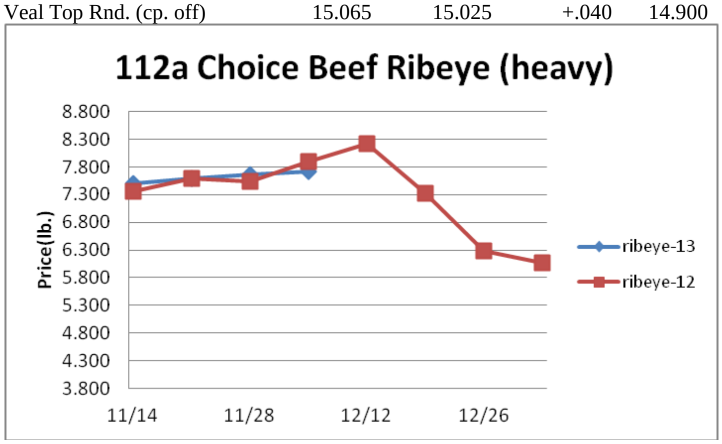
Weekly Market Updates

Volume No. 18 Issue No. 49 Date: December 5, 2013

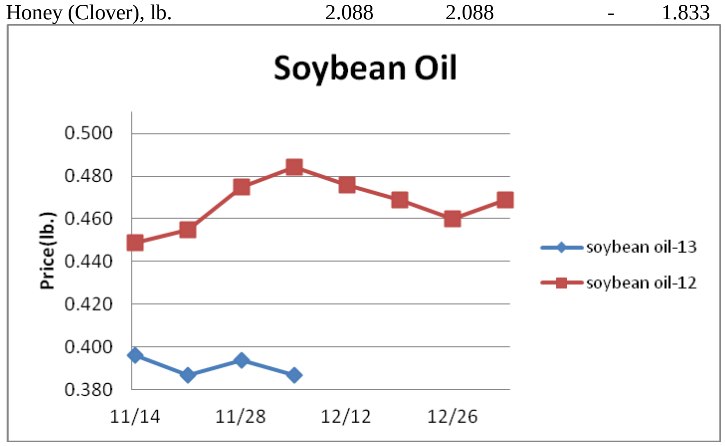
Beef- - Beef production last week was slow due to the Thanksgiving holiday. Year to date weekly beef output is estimated to be 1.2% smaller than a year ago. Cattle supplies are projected to be tight this winter which should limit production. The USDA is forecasting Q1 2014 beef output to be 4.9% smaller than 2013. The beef markets, in general, are relatively firm due to better demand for the upcoming holidays. However, usual holiday cut markets including tenderloins, should peak soon. Typically, the choice heavy tenderloin market declines 9.3% during January. Higher lean beef trim prices may be pending. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.331	1.310	+.021	1.256
Feeder Cattle Index (CME)	1.665	1.645	+.020	1.458
Ground Beef 81/19	1.783	1.786	-.003	1.812
Ground Chuck	1.901	1.902	-.001	1.800
109e Export Rib (choice)	7.310	6.762	+.548	7.090
109e Export Rib (prime)	10.534	10.304	+.230	9.427
112a Ribeye (choice)	7.727	7.673	+.054	7.905
112a Ribeye (prime)	10.856	11.089	-.233	9.853
116 Chuck (select)	2.550	2.566	-.016	2.252
116 Chuck (choice)	2.662	2.676	-.014	2.306
116b Chuck Tdnr (choice)	2.231	2.244	-.013	2.229
120 Brisket (choice)	1.970	2.011	-.041	2.075
121c Outside Skirt (ch/sel)	3.780	4.082	-.302	4.546
121d Inside Skirt (ch/sel)	3.206	3.299	-.093	3.268
167a Knckle, Trm. (ch.)	2.312	2.270	+.042	2.060
168 Inside Round (ch.)	2.181	2.146	+.035	2.101
174 Short Loin (ch. 0x1)	4.484	4.158	+.326	5.081
174 Short Loin (prime)	8.829	8.959	-.130	8.526
180 1x1 Strp (choice)	4.165	4.110	+.055	4.564
180 1x1 Strp (prime)	9.151	9.095	+.056	9.163
180 0x1 Strp (choice)	4.598	4.816	-.218	4.994
184 Top Butt, bnls (ch.)	2.600	2.524	+.076	3.027
184 Top Butt, bnls (prime)	3.005	3.254	-.249	3.456
185a Sirloin Flap (choice)	3.651	3.725	-.074	3.668
185c Loin, Tri-Tip (choice)	2.911	3.148	-.237	2.612
189a Tender (select)	9.994	9.717	+.277	8.463
189a Tender (choice)	12.936	12.743	+.193	12.389
189a Tender (prime)	14.612	14.499	+.113	13.864
193 Flank Steak (choice)	3.590	3.656	-.066	3.655
50% Trimmings	.958	1.070	-.112	.771
65% Trimmings	1.270	1.257	+.013	1.189
75% Trimmings	1.642	1.678	-.036	1.471
85% Trimmings	1.811	1.850	-.039	1.872
90% Trimmings	1.932	1.921	+.011	2.090
90% Imported Beef (frz.)	2.065	2.045	+.020	2.158
95% Imported Beef (frz.)	2.160	2.153	+.007	2.340
Veal Rack (Hotel 7 rib)	8.400	8.375	+.025	8.120
Veal Top Rnd. (cp. off)	15.065	15.025	+.040	14.900



Oil, Grains, Misc.- The South American corn and soybean crops are progressing under nearly ideal conditions. Lower soybean and soybean meal prices could occur this winter. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	13.079	13.366	-.287	14.866
Crude Soybean Oil, lb.	.387	.394	-.007	.484
Soybean Meal, ton	484.600	475.700	+8.900	464.300
Corn, bushel	4.195	4.180	+.015	7.708
Crude Corn Oil, lb.	.385	.385	-	.515
High Fructose Corn Syrup	.140	.139	+.001	.211
Distillers Grain, Dry	212.750	210.250	+2.500	258.750
Crude Palm Oil, lb. BMD	.371	.365	+.011	.329
HRW Wheat, bushel	7.100	7.075	+.025	8.645
DNS Wheat 14%, bushel	7.590	7.550	+.040	9.420
Durum Wheat, bushel	6.633	6.967	-.334	8.200
Pinto Beans, lb.	.378	.380	-.002	.345
Black Beans, lb.	.415	.410	+.005	.330
Rice, Long Grain, lb.	.286	.283	+.003	.273
Coffee, lb. NYBOT	1.090	1.085	+.005	1.505
Sugar, lb. NYBOT	.201	.204	-.003	.225
Honey (Clover), lb.	2.088	2.088	-	1.833



Dairy- Most buyers have secured their butter stocks for the holiday season which usually is a signal that lower butter prices are forthcoming. Last year the CME spot butter market declined 5.6% during the next three weeks. Still, international butter prices remain inflated which could temper any pending seasonal weakness in the domestic butter market. The CME cheese markets remain relatively expensive but lower cheese prices are expected as well later this month. The five year average move for the CME spot cheese block market during December is down 11.3%. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.885	1.770	+.115	1.680
Cheese Blocks (CME)	1.948	1.865	+.083	1.760
American Cheese	1.868	1.857	+.011	1.940
Cheddar Cheese (40 lb.)	1.942	1.900	+.042	2.023
Mozzarella Cheese	2.082	2.040	+.042	2.048
Provolone Cheese	2.440	2.398	+.042	2.398
Parmesan Cheese	3.788	3.745	+.043	3.745
Butter (CME)	1.640	1.665	-.025	1.585
Nonfat Dry Milk	1.982	1.965	+.017	1.572
Whey, Dry	.562	.565	-.003	.650
Class 1 Base	20.370	20.370	-	21.390
Class II Cream, heavy	2.349	2.174	+.175	1.883
Class III Milk (CME)	18.720	18.430	+.290	18.170
Class IV Milk (CME)	21.500	21.000	+.500	18.410

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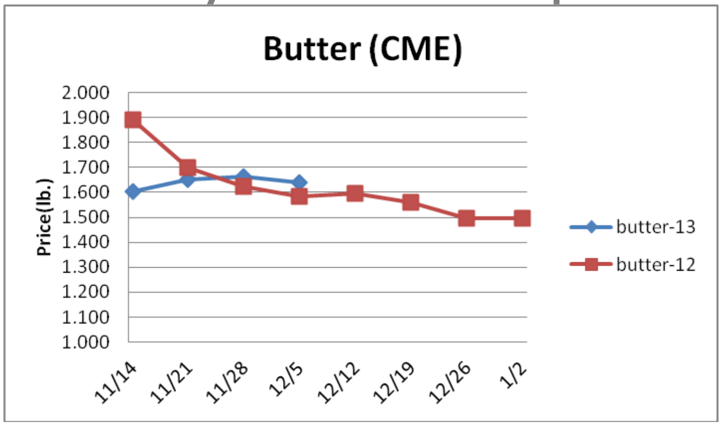
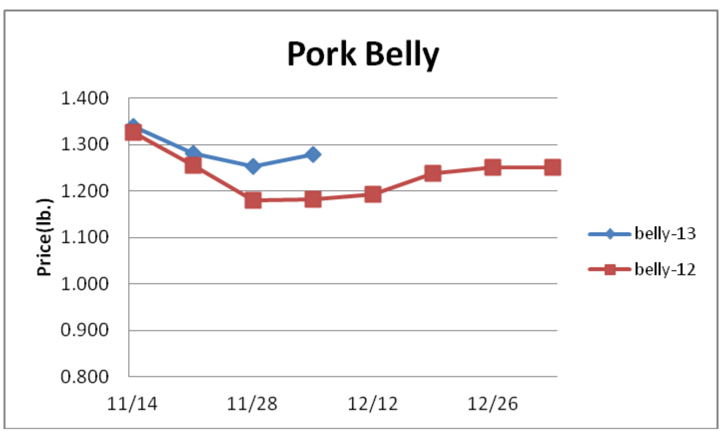
PERFORMANCE FOODSERVICE ROMA



Pork- Pork production last week was light due to the holiday. 2013 weekly pork output through November is estimated to be 1% less than a year ago. PEDv is expected to impact the available hog supply in the coming weeks but the level of disruption is not likely to be as drastic as what could occur next spring. The ham markets are finding support due to processor demand for the holiday season. Lower ham prices are anticipated in late December. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.589	.572	+.017	.630
Belly (bacon)	1.279	1.253	+.026	1.194
Sparerib (4.25 lb. & down)	1.433	1.452	-.019	1.316
Ham (20-23 lb.)	.908	.900	+.008	.850
Ham (23-27 lb.)	.850	.810	+.040	.838
Loin (bone-in)	.880	.882	-.002	.870
Bbybck Rib (1.75 lb. & up)	2.063	2.124	-.061	1.966
Tenderloin (1.25 lb.)	2.409	2.268	+.141	2.000
Boston Butt, untrmd. (4-8lb.)	.919	.902	+.017	.858
Picnic, untrmd.	.721	.727	-.006	.739
SS Picnic, smoker trm. bx.	1.042	.994	+.048	.996
42% Trimmings	.323	.330	-.007	.470
72% Trimmings	.654	.677	-.023	.574



Tomato Products, Canned- Tomato growers are negotiating with processors their '14 raw product costs which will likely be slightly higher than a year ago. The markets are steady. Prices per case (6/10) FOB, unless noted from ARA.

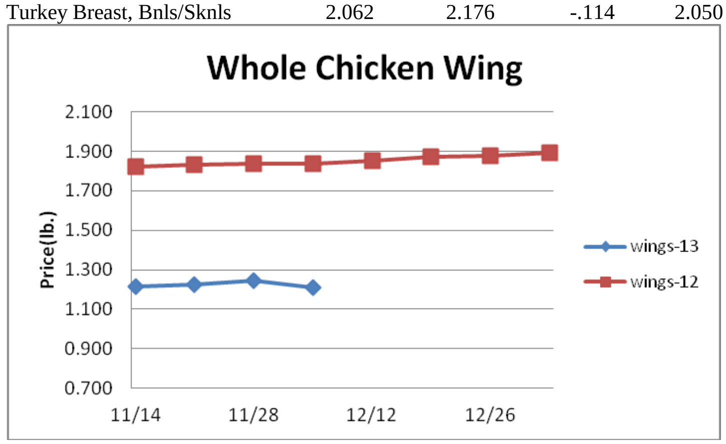
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables October 31st green pea (3%), cut corn (15%) and cob corn (3%) frozen inventories were all larger than the previous year. The processed vegetable markets are relatively steady. Prices per case (6/10) FOB, unless noted 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- Chicken production for the week ending November 23rd declined 2.9% from the previous week but was still historically large. Year to date weekly chicken output is estimated to be 3.6% bigger than 2012. Chicken prices have seasonally weakened as of late with the ARA chicken cutout index falling to near two year lows last week. At the same time, spot feed costs climbed to their highest level since September. The outlook for chicken producers in 2014 remains very promising with low feed prices projected and various alternative protein markets, including beef, expected to remain inflated. This should keep chicken production expansion strong this winter. The chicken wing markets are expected to modestly firm in the coming weeks but any gains could be tempered by ample supplies. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.043	1.045	-.002	.975
Wings (whole)	1.210	1.245	-.035	1.835
Wings (jumbo, cut)	1.167	1.165	+.002	1.907
Breast, Bone In	1.020	1.040	-.020	.975
Breast, Bnless Skinless	1.775	1.780	-.005	1.575
Tenderloin (random)	1.550	1.550	-	1.240
Tenderloin (sized)	1.770	1.770	-	1.870
Legs (whole)	.578	.602	-.024	.656
Leg Quarters	.495	.505	-.010	.535
Thighs, bone in	.760	.814	-.054	.789
Thighs, boneless	1.270	1.283	-.013	1.297
Eggs and Others				
Large (dozen)	1.603	1.603	-	1.353
Medium (dozen)	1.142	1.142	-	1.065
Whole Eggs- Liquid	.771	.820	-.049	.809
Egg Whites- Liquid	.951	.951	-	.540
Egg Yolks- Liquid	.643	.643	-	1.209
Whole Turkeys (8-16 lb.)	1.060	1.052	+.008	1.040
Turkey Breast, Bnls/Sknls	2.062	2.176	-.114	2.050



Seafood- U.S. Gulf of Mexico shrimp landings during October were 8.9% smaller than a year ago. Shrimp prices are expected to remain expensive due to the continued challenges with production in the world's largest exporter Thailand. However, smaller retail shrimp feature activity this holiday season may temper any typical shrimp price appreciation. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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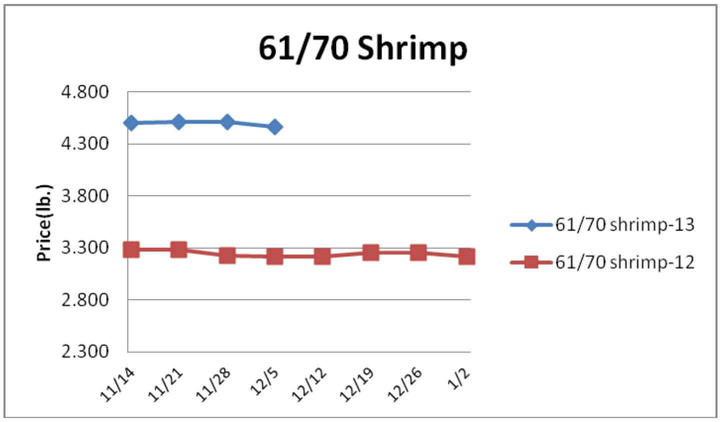
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	n/a	n/a	-	n/a
Catfish Filets	n/a	n/a	-	n/a
Trout (drn. 8-14 oz.)	n/a	n/a	-	n/a
Shrimp (16/20), Frz	8.683	8.655	+.028	5.259
Shrimp (61/70), Frz.	4.462	4.512	-.050	3.216
Shrimp, Tiger (26/30), Frz.	7.700	7.700	-	4.375
Snow Crab, Legs 5-8 oz, Frz	5.300	5.300	-	5.025
Snow Crab, Legs 8 oz/ up, Fz	6.250	6.250	-	5.800
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	3.175
Cod Loins, 3-12 oz., Frz	3.025	3.025	-	3.325
Salmon Portions, 4-8 oz, Frz	5.958	5.958	-	5.125
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

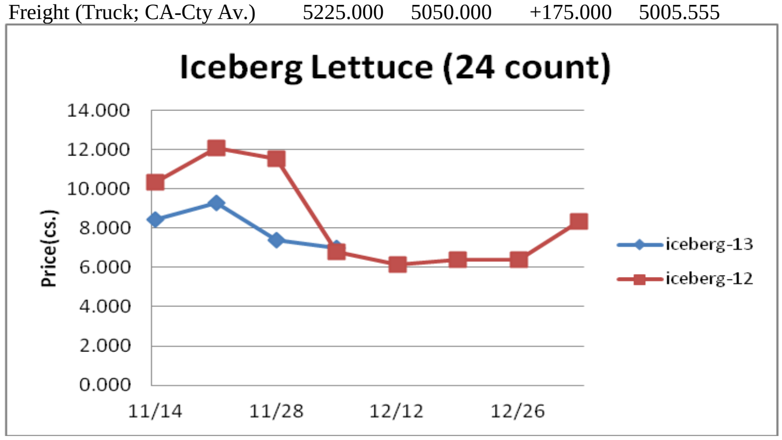
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	96.040	94.090	+1.950	88.500
Natural Gas, mbtu- nymex	3.976	3.789	+.187	3.539
Heating Oil, gal- nymex	3.065	3.032	+.033	3.004
Electricity, mwht- nymex	41.360	41.520	-.160	41.050
Gasoline, gal- nymex	2.724	2.681	+.043	2.689
Diesel Fuel, gal- eia	3.883	3.844	+.039	4.027
Ethanol, gal- usda	2.385	2.350	+.035	2.340
Canadian $	1.066	1.054	+.012	.993
Japanese Yen	102.541	101.409	+1.132	82.070
Mexican Peso	13.116	13.075	+.041	12.940
Euro	.738	.738	-	.765
Brazilian Real	2.377	2.284	+.093	2.105
Chinese Yuan	6.093	6.096	-.003	6.226

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)	983.230	982.260	+.970	867.320
WP; 42 lb. Linerboard (corr.)	789.618	787.910	+1.708	764.728
Res; PS-CHH (cup, cont.)	1.210-1.250	1.210-1.250	-	1.180-1.220
Res; PP-HIGP (hvy utensil)	1.060-1.080	1.070-1.090	-.010	.960-.980
Res; PE-LLD (cn liner, film)	.970-1.000	.970-1.000	-	.850-.880

Produce- Lettuce supplies are adequate. The Yuma-Imperial Valley region harvest has been very good. Heavier head weights suggest that the crop has caught up to demand which typically is a bearish signal for the lettuce markets. However, cooler temperatures could slow the crop next week. The tomato markets remain relatively inflated. East coast tomato supplies should improve later this month which could bring some relief to the tomato markets. The avocado market is fairly steady with sufficient supplies. History suggests that attractive avocado prices could persist into next month. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	11.000	11.000	-	9.000
Lemons (95 ct.)	26.350	26.350	-	14.025
Lemons (200 ct.)	19.350	19.850	-.500	13.775
Honeydew (6 ct.)	6.600	8.500	-1.900	6.500
Cantaloupe (15 ct.)	5.450	5.450	-	12.950
Blueberries (12 count)	23.687	24.400	-.713	22.333
Strawberries (12 pnts.)	23.000	23.000	-	24.000
Avocados (Hass 48 ct.)	26.750	25.750	+1.000	18.250
Bananas (40 lb.)- Term.	14.560	14.781	-.221	16.302
Pineapple (7 ct.)- Term.	9.906	9.687	+.219	8.656
Idaho Potato (60 ct., 50 lb.)	8.500	8.375	+.125	5.000
Idaho Potato (70 ct., 50 lb.)	8.500	8.375	+.125	5.000
Idaho Potato (70 ct.)-Term.	15.932	15.691	+.241	10.718
Idaho Potato (90 ct., 50 lb.)	8.500	8.500	-	6.750
Idaho Pot. # 2 (6 oz., 100 lb.)	10.500	10.500	-	6.500
Processing Potato (cwt.)	6.000	6.000	-	6.000
Yellow Onions (50 lb.)	7.500	8.750	-1.250	8.500
Yell Onions (50 lb.)-Term.	14.036	14.468	-.432	14.192
Red Onions (25 lb.)- Term.	10.490	10.479	+.011	12.499
White Onions (50 lb.)- Term.	26.739	29.750	-3.011	20.125
Tomatoes (large- case)	15.200	15.450	-.250	13.200
Tomatoes (5x6-25 lb.)-Term	16.468	18.075	-1.607	22.218
Tomatoes (4x5 vine ripe)	14.950	12.950	+2.000	13.975
Roma Tomatoes (large- case)	14.950	12.791	+2.159	11.290
Roma Tomatoes (xlarge-cs)	15.450	13.541	+1.909	11.956
Green Peppers (large- case)	8.616	14.833	-6.217	6.931
Red Peppers (large 15lb. cs.)	17.950	18.950	-1.000	15.450
Iceberg Lettuce (24 count)	6.980	7.395	-.415	6.815
Iceberg Lettuce (24)-Term.	15.750	16.500	-.750	17.000
Leaf Lettuce (24 count)	6.976	6.721	+.255	6.684
Romaine Lettuce (24 cnt.)	7.906	7.801	+.105	9.308
Mesculin Mix (3 lb.)-Term.	6.593	6.687	-.094	6.614
Broccoli (14 ct.)	7.700	11.620	-3.920	7.222
Squash (1/2 bushel)	8.000	13.450	-5.450	6.425
Zucchini (1/2 bushel)	8.000	8.000	-	5.425
Green Beans (bushel)	18.791	20.275	-1.484	15.605
Spinach, Flat 24's	10.325	13.450	-3.125	8.250
Mushrms (10 lb, lg.)-Term.	16.270	15.145	+1.125	15.625
Cucumbers (bushel)	9.370	9.681	-.311	9.925
Pickles (200-300 ct.)- Term.	26.126	25.000	+1.126	20.531
Asparagus (small)	15.000	14.500	+.500	16.500
Freight (Truck; CA-Cty Av.)	5225.000	5050.000	+175.000	5005.555



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

	Oct-13	Sep-13	Aug-13	Jul-13
Beef and Veal	+.292	-.295	-.111	+.504
Dairy	-.189	+.099	+.403	-.066
Pork	+.637	+.378	+1.372	+1.713
Chicken	+1.036	+.181	+1.567	-.939
Fresh Fish and Seafood	+.376	+2.064	+.919	+.072
Fresh Fruits and Veg.	+1.000	+.001	+1.472	+.460