Weekly Market Updates

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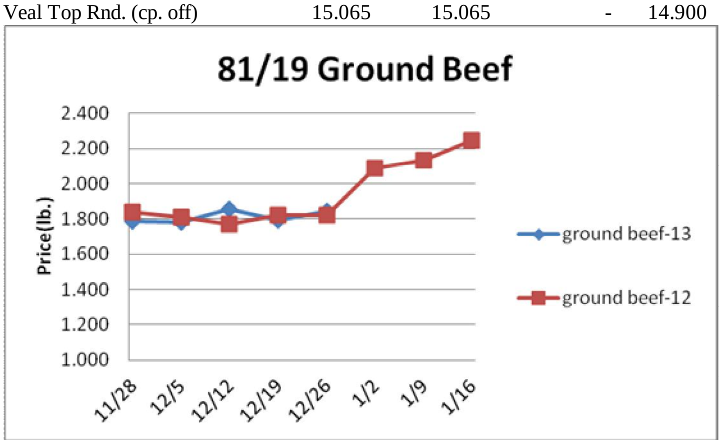
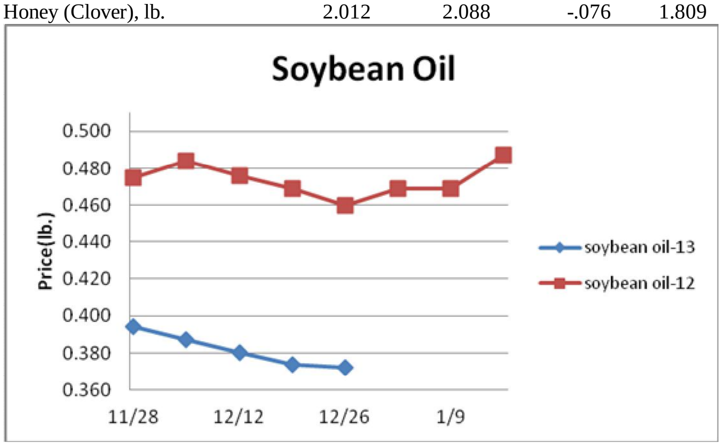
Beef- Beef production as of late has been trending modestly below year ago levels. Holiday reduced slaughter could bring some support to the beef markets during the next few weeks. The December 1 U.S. cattle on feed inventory was 5.5% less than the previous year. Cattle placements into feedlots during November were 3.1% less than 2012. Beef output is anticipated to trend well below the previous year levels in the coming months. Retailers will now turn their attention to more beef end cut products for the winter. Consequently, many of these markets could firm in the near term. Last year the choice beef chuck market rose 7.4% during the next three weeks. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Cattle	1.310	1.313	-.003	1.252
Feeder Cattle Index (CME)	1.665	1.676	-.011	1.484
Ground Beef 81/19	1.844	1.794	+.050	1.823
Ground Chuck	2.235	2.020	+.215	1.897
109e Export Rib (choice)	5.762	6.082	-.320	5.603
109e Export Rib (prime)	10.985	11.098	-.113	9.430
112a Ribeye (choice)	6.116	7.561	-1.445	6.284
112a Ribeye (prime)	11.293	11.293	-	9.907
116 Chuck (select)	2.533	2.454	+.079	2.266
116 Chuck (choice)	2.588	2.492	+.096	2.298
116b Chuck Tdnr (choice)	2.338	2.252	+.086	2.245
120 Brisket (choice)	2.034	2.013	+.021	2.046
121c Outside Skirt (ch/sel)	3.760	3.775	-.015	4.589
121d Inside Skirt (ch/sel)	3.334	3.250	+.084	3.513
167a Knckle, Trm. (ch.)	2.434	2.400	+.034	2.315
168 Inside Round (ch.)	2.363	2.193	+.170	2.203
174 Short Loin (ch. 0x1)	4.511	4.478	+.033	5.064
174 Short Loin (prime)	8.762	8.830	-.068	8.020
180 1x1 Strp (choice)	4.248	4.272	-.024	4.719
180 1x1 Strp (prime)	9.402	9.402	-	9.205
180 0x1 Strp (choice)	4.694	4.642	+.052	4.893
184 Top Butt, bnls (ch.)	2.485	2.496	-.011	3.078
184 Top Butt, bnls (prime)	2.828	2.984	-.156	3.289
185a Sirloin Flap (choice)	3.635	3.574	+.061	3.740
185c Loin, Tri-Tip (choice)	2.888	2.892	-.004	2.711
189a Tender (select)	9.475	10.062	-.587	8.700
189a Tender (choice)	10.646	12.966	-2.320	11.847
189a Tender (prime)	14.678	14.549	+.129	13.897
193 Flank Steak (choice)	3.527	3.675	-.148	4.069
50% Trimmings	.952	.918	+.034	.769
65% Trimmings	1.303	1.310	-.007	1.235
75% Trimmings	1.690	1.688	+.002	1.520
85% Trimmings	1.873	1.850	+.023	1.856
90% Trimmings	2.042	1.964	+.078	2.067
90% Imported Beef (frz.)	2.065	2.065	-	2.155
95% Imported Beef (frz.)	2.148	2.160	-.012	2.330
Veal Rack (Hotel 7 rib)	8.600	8.475	+.125	8.120
Veal Top Rnd. (cp. off)	15.065	15.065	-	14.900



Oil, Grains, Misc.- Oil, Grains, Misc.- The soybean oil market is trading near three year lows. The tightening spread between soybean oil and palm oil signals that a bottom is near for soybean oil prices. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	13.208	13.283	-.075	14.398
Crude Soybean Oil, lb.	.372	.374	-.002	.460
Soybean Meal, ton	516.600	509.000	+7.600	448.800
Corn, bushel	4.248	4.182	+.066	6.995
Crude Corn Oil, lb.	.380	.380	-	.505
High Fructose Corn Syrup	.141	.140	+.001	.197
Distillers Grain, Dry	212.500	215.000	-2.500	253.750
Crude Palm Oil, lb. BMD	.357	.348	+.009	.325
HRW Wheat, bushel	6.560	6.590	-.030	7.825
DNS Wheat 14%, bushel	7.100	7.100	-	8.840
Durum Wheat, bushel	6.917	6.933	-.016	8.138
Pinto Beans, lb.	.385	.385	-	.343
Black Beans, lb.	.415	.415	-	.330
Rice, Long Grain, lb.	.286	.289	-.003	.273
Coffee, lb. NYBOT	1.159	1.161	-.002	1.479
Sugar, lb. NYBOT	.194	.191	+.003	.223
Honey (Clover), lb.	2.012	2.088	-.076	1.809



Dairy- U.S. milk production during November was just .1% larger than the previous year due to a similar sized milk cow herd and a .1% rise in milk per cow yields. Milk farmers reduced the milk cow herd by a net 5,000 head during the month. Spot milk farmer margins are at some of their best levels in years which should encourage milk cow herd and milk production expansion in the coming months. The CME cheese markets remain stubbornly inflated due in part to the poor milk production during November. Modestly lower cheese prices are anticipated in the coming weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.960	1.890	+.070	1.655
Cheese Blocks (CME)	2.000	1.973	+.027	1.740
American Cheese	1.895	1.895	-	1.830
Cheddar Cheese (40 lb.)	1.972	1.972	-	2.118
Mozzarella Cheese	2.112	2.112	-	1.963
Provolone Cheese	2.470	2.470	-	2.313
Parmesan Cheese	3.817	3.817	-	3.660
Butter (CME)	1.600	1.550	+.050	1.498
Nonfat Dry Milk	2.059	2.024	+.035	1.586
Whey, Dry	.583	.583	-	.647
Class 1 Base	21.480	20.370	+1.110	21.390
Class II Cream, heavy	2.143	2.143	-	1.519
Class III Milk (CME)	19.690	19.260	+.430	18.080
Class IV Milk (CME)	21.910	21.790	+.120	18.000

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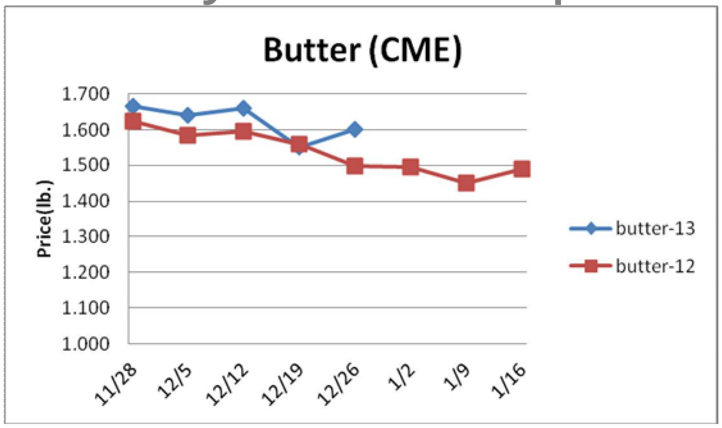
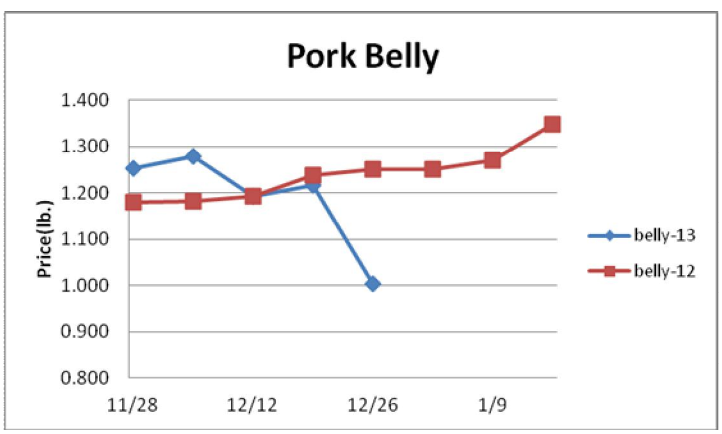


Pork- Pork output has been trending modestly above 2012 levels as of late. The porcine epidemic diarrhea virus (PEDv) remains a concern for the available pork supply in 2014. Further clarity regarding the hog supply and PEDv is likely in the December 27th USDA Hog and Pigs Report. The pork markets typically find a bottom in the coming weeks. Last year the pork belly cutout increased 11.9% during the month of January. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 12
Live Hogs	.567	.577	-.010	.589
Belly (bacon)	1.004	1.217	-.213	1.251
Sparerib (4.25 lb. & down)	1.421	1.445	-.024	1.320
Ham (20-23 lb.)	.857	.912	-.055	.700
Ham (23-27 lb.)	.891	.882	+.009	.700
Loin (bone-in)	.877	.893	-.016	.877
Bbybck Rib (1.75 lb. & up)	2.033	2.055	-.022	2.010
Tenderloin (1.25 lb.)	2.218	2.266	-.048	2.180
Boston Butt, untrmd. (4-8lb.)	.917	.920	-.003	.879
Picnic, untrmd.	.723	.762	-.039	.677
SS Picnic, smoker trm. bx.	.993	1.010	-.017	.950
42% Trimmings	.298	.325	-.027	.320
72% Trimmings	.630	.606	+.024	.610



Tomato Products, Canned- The 2013 world tomato for canning harvest is estimated to be down .8% from 2012 and be the smallest in the last seven years. The canned tomato markets could remain firm. Prices per case (6/10) FOB, unless noted from ARA.

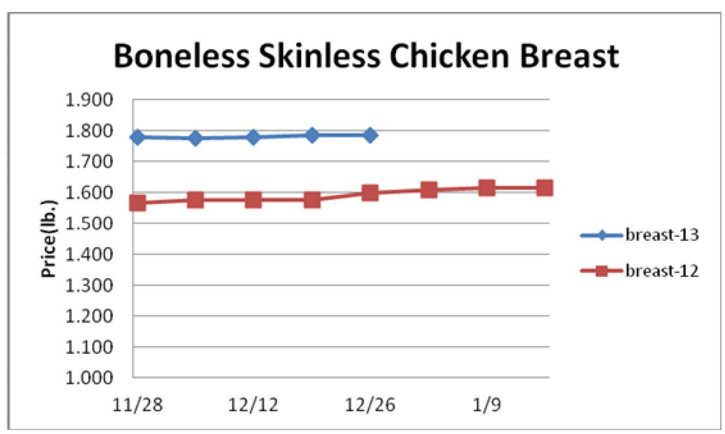
	Price	Last Week	Difference	Price 12
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables Deflated grain prices could provide lower 2014 raw product vegetable costs versus 2013. The processed vegetable markets remain 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 output for the week ending December 14 rose 4.9% and was 4.1% larger than the same week a year ago. The six week moving average for broiler egg sets is trending 2.1% above last year which suggests that chicken production should track near 3% above 2013 during January. The chicken markets remain relatively flat. So far, the chicken wing markets have yet to seasonally appreciate this December. Chicken wing prices have been flat to higher in each of the last twelve January's which suggests that the near term downside risk in the chicken wing markets from here is nominal. The boneless skinless chicken breast markets have been steady. Modestly higher chicken breast prices are expected this winter. Lower table egg prices are anticipated this winter as well. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.043	1.043	-	.980
Wings (whole)	1.240	1.200	+.040	1.875
Wings (jumbo, cut)	1.149	1.153	-.004	1.938
Breast, Bone In	1.025	1.025	-	.990
Breast, Bnless Skinless	1.785	1.785	-	1.600
Tenderloin (random)	1.410	1.410	-	1.240
Tenderloin (sized)	1.760	1.760	-	1.870
Legs (whole)	.599	.665	-.066	.651
Leg Quarters	.510	.495	+.015	.530
Thighs, bone in	.608	.695	-.087	.757
Thighs, boneless	1.272	1.288	-.016	1.306
Eggs and Others				
Large (dozen)	1.610	1.610	-	1.234
Medium (dozen)	1.168	1.162	+.006	1.353
Whole Eggs- Liquid	.696	.761	-.065	1.065
Egg Whites- Liquid	.862	.935	-.073	.700
Egg Yolks- Liquid	.630	.630	-	.465
Whole Turkeys (8-16 lb.)	.985	1.010	+.884	1.023
Turkey Breast, Bnls/Sknls	2.149	2.130	+.019	1.005



Seafood- The Alaskan Bering sea snow crab fishing season is progressing slowly with just 5% of the quota landed to date. This is typical for the late fall. Snow crab landings should escalate during the next few months considerably. This year's Bearing Sea snow crab quota is 18.6% less than the previous year. The snow crab leg markets are firm. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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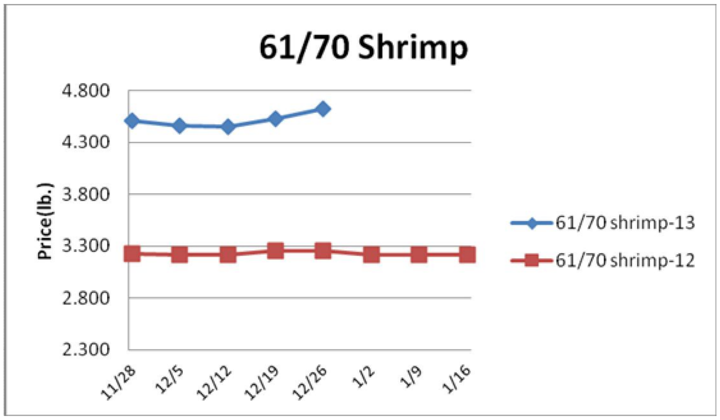
	Price	Last Week	Difference	Price 12
Salmon (wh. Atl., 10-12 lb.)	n/a	n/a	-	n/a
Catfish Filets	n/a	n/a	-	n/a
Trout (drn. 8-14 oz.)	n/a	n/a	-	n/a
Shrimp (16/20), Frz	8.360	8.361	-.001	5.458
Shrimp (61/70), Frz.	4.625	4.533	+.092	3.250
Shrimp, Tiger (26/30), Frz.	7.625	7.650	-.025	4.500
Snow Crab, Legs 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	-	4.817
Pollock, Alaska, Deep Skin	1.775	1.775	-	1.925



Energy & Currency-Currency US dollar is worth.

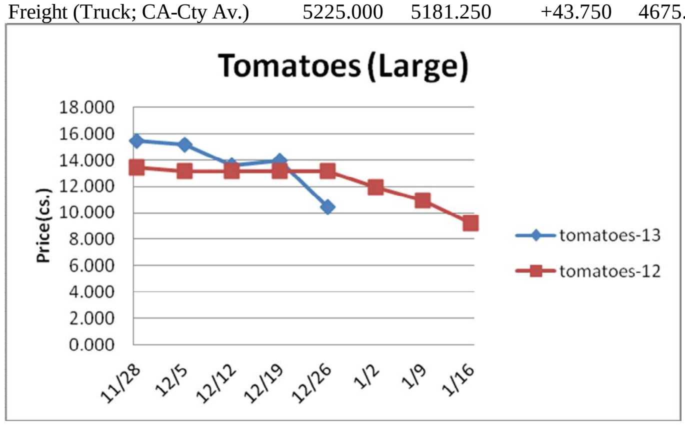
	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	99.320	97.220	+2.100	90.980
Natural Gas, mbtu- nymex	4.418	4.287	+.131	3.425
Heating Oil, gal- nymex	3.078	2.963	+.115	3.036
Electricity, mwht- nymex	39.290	44.070	-4.780	35.700
Gasoline, gal- nymex	2.783	2.647	+.136	2.789
Diesel Fuel, gal- eia	3.871	3.871	-	3.923
Ethanol, gal- usda	2.075	2.400	-.325	2.140
Canadian $	1.064	1.062	+.002	.986
Japanese Yen	104.065	102.945	+1.120	84.484
Mexican Peso	12.982	12.973	+.009	12.704
Euro	.731	.727	+.004	.753
Brazilian Real	2.388	2.321	+.067	2.080
Chinese Yuan	6.073	6.073	-	6.232

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)	990.000	990.000	-	870.000
WP; 42 lb. Linerboard (corr.)	789.539	794.877	-5.338	763.960
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	1.060-1.080	-	.960-.980
Res; PE-LLD (cn liner, film)	.970-1.000	.970-1.000	-	.850-.880

Produce- The lettuce markets have been relatively depressed during the last few weeks as favorable weather has encouraged the crops in the Yuma-Imperial Valley region. Still, the downside price risk in the lettuce markets from here is likely nominal. Any adverse weather or short picking by farmers could influence the lettuce markets upward in the coming weeks. The tomato markets, conversely, have been relatively inflated by short supplies both in the west and east. The harvests in both areas are expected to improve with the new year which should bring price relief to tomatoes. Prices USDA FOB shipping point unless noted (terminal).

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	14.000	13.000	+1.000	16.000
Lemons (95 ct.)	23.850	22.850	+1.000	13.275
Lemons (200 ct.)	20.850	20.350	+.500	15.275
Honeydew (6 ct.)	7.450	4.000	+3.450	8.666
Cantaloupe (15 ct.)	5.450	5.450	-	10.500
Blueberries (12 count)	20.000	23.000	-3.000	21.250
Strawberries (12 pnts.)	25.000	27.000	-2.000	24.000
Avocados (Hass 48 ct.)	26.750	26.750	-	17.750
Bananas (40 lb.)- Term.	14.795	14.795	-	15.024
Pineapple (7 ct.)- Term.	10.541	11.125	-.584	11.560
Idaho Potato (60 ct., 50 lb.)	9.000	8.250	+.750	4.250
Idaho Potato (70 ct., 50 lb.)	9.000	8.250	+.750	4.250
Idaho Potato (70 ct.)-Term.	14.845	15.250	-.405	11.037
Idaho Potato (90 ct., 50 lb.)	9.000	8.250	+.750	5.500
Idaho Pot. # 2 (6 oz., 100 lb.)	11.000	10.750	+.250	5.625
Processing Potato (cwt.)	6.000	6.000	-	6.000
Yellow Onions (50 lb.)	8.250	7.500	+.750	8.625
Yell Onions (50 lb.)-Term.	14.249	12.864	+1.385	15.000
Red Onions (25 lb.)- Term.	10.666	9.525	+1.141	11.312
White Onions (50 lb.)- Term.	25.020	25.125	-.105	21.562
Tomatoes (large- case)	10.450	13.950	-3.500	13.200
Tomatoes (5x6-25 lb.)-Term	14.718	16.572	-1.854	20.125
Tomatoes (4x5 vine ripe)	13.950	16.950	-3.000	15.450
Roma Tomatoes (large- case)	13.250	15.950	-2.700	15.200
Roma Tomatoes (xlarge-cs)	14.750	16.950	-2.200	15.450
Green Peppers (large- case)	9.583	10.950	-1.367	8.941
Red Peppers (large 15lb. cs.)	18.950	17.950	+1.000	13.950
Iceberg Lettuce (24 count)	5.625	5.750	-.125	6.382
Iceberg Lettuce (24)-Term.	15.333	13.916	+1.417	13.000
Leaf Lettuce (24 count)	7.077	7.341	-.264	7.073
Romaine Lettuce (24 cnt.)	7.481	7.000	+.481	7.161
Mesculin Mix (3 lb.)-Term.	6.625	6.656	-.031	6.687
Broccoli (14 ct.)	9.462	10.255	-.793	7.765
Squash (1/2 bushel)	10.350	8.950	+1.400	10.475
Zucchini (1/2 bushel)	10.350	7.450	+2.900	10.425
Green Beans (bushel)	16.325	16.133	+.192	16.325
Spinach, Flat 24's	10.725	10.350	+.375	9.100
Mushrms (10 lb, lg.)-Term.	15.111	15.250	-.139	15.111
Cucumbers (bushel)	12.710	10.350	+2.360	9.925
Pickles (200-300 ct.)- Term.	23.812	23.687	+.125	22.937
Asparagus (small)	18.500	15.000	+3.500	16.500
Freight (Truck; CA-Cty Av.)	5225.000	5181.250	+43.750	4675.000



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

	Nov-13	Oct-13	Sep-13	Aug-13
Beef and Veal	+.533	+.292	-.295	-.111
Dairy	+.400	-.189	+.099	+.403
Pork	-2.161	+.637	+.378	+1.372
Chicken	-1.656	+1.036	+.181	+1.567
Fresh Fish and Seafood	+.280	+.376	+2.064	+.919
Fresh Fruits and Veg.	-.741	+1.000	+.001	+1.472