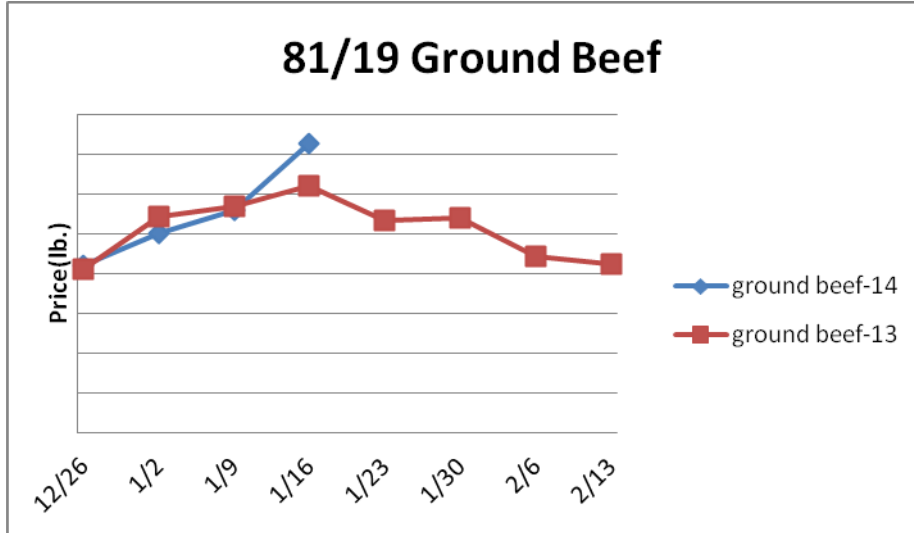


Beef, Veal and Lamb Report

Beef, Veal & Lamb Beef production last week was 8.3% less than the same week a year ago but the reduction was due in a large part to inclement weather. Beef output is anticipated to remain below 2013 levels in the coming months. The USDA is forecasting winter beef production to be down 5.5% versus last year. This should be relatively supportive of the beef markets. Beef demand is expected to be spotty due to less expensive pork and chicken. Thus, notable volatility is likely for the beef markets. The beef end cut markets have soared to record highs but a short term top may be near. Last year the 116 choice chuck market declined 6% during the next three weeks. Price USDA, FOB per pound.

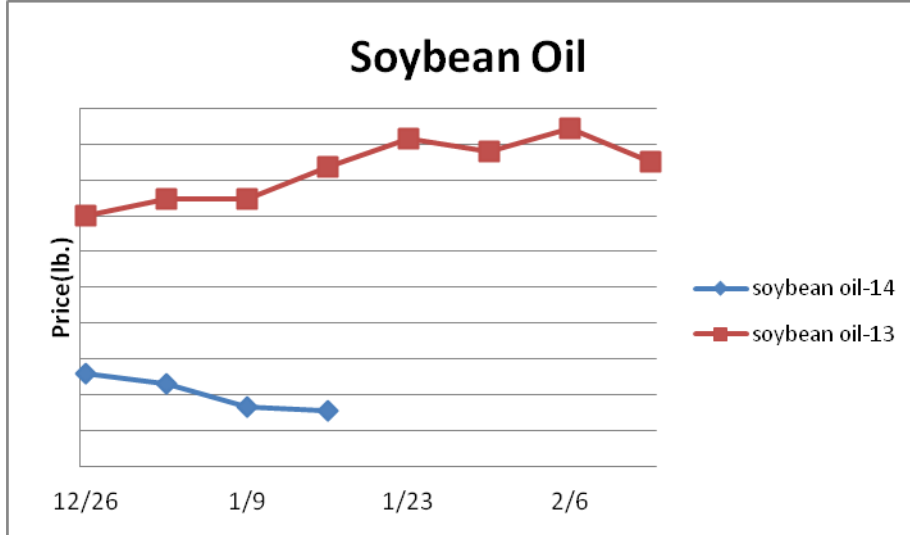


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Decreasing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

90% Imported Beef (frozen)	Increasing	Good	Lower
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

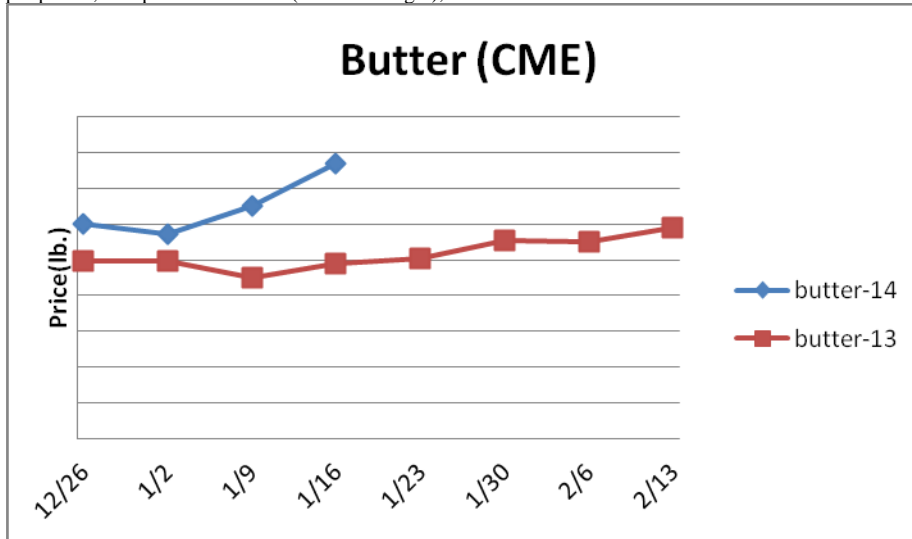
Oil & Grains- Oil, Grains, Misc.- Record corn use has occurred in recent months. Corn demand could lessen once the new South American crops are on hand. Corn prices may be range-bound this winter. Prices USDA, FOB.



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

Dairy Report

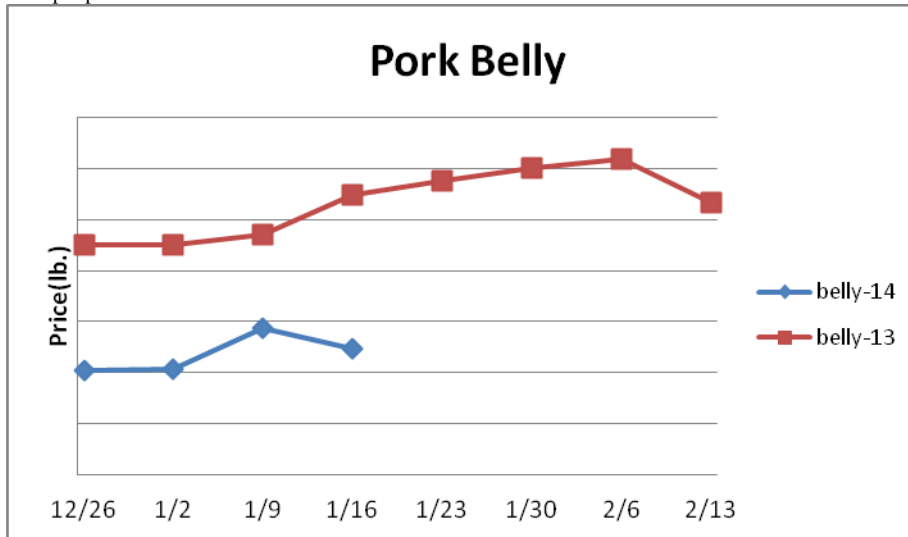
Dairy U.S. cheese exports during November were 54% bigger than the prior year and a record. 2013 U.S. cheese exports through the month accounted for 6.2% of domestic cheese production which is also a record high. However, recent cheese price increases have caused the premium in the international cheese markets to decline to levels which should discourage trade. Thus, the upside in the domestic cheese markets from here in the near term may be minimal. November butter exports were up 214% versus 2012. The butter market may remain firm into the next month. Prices per pound, except Class I Cream (hundred weight), from USDA.



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

Pork Report

Pork- Pork output last week was 5.2% less than the same week a year ago due mostly to challenging weather. Hog supplies are adequate with weights well above year ago levels which points to solid pork production during the next few weeks. The USDA is forecasting Q1 pork output to be 1.9% larger than the previous year. Many of the pork markets could achieve seasonal bottoms soon. Last year ham prices rose 10% during the next two weeks. Prices USDA, FOB per pound.



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

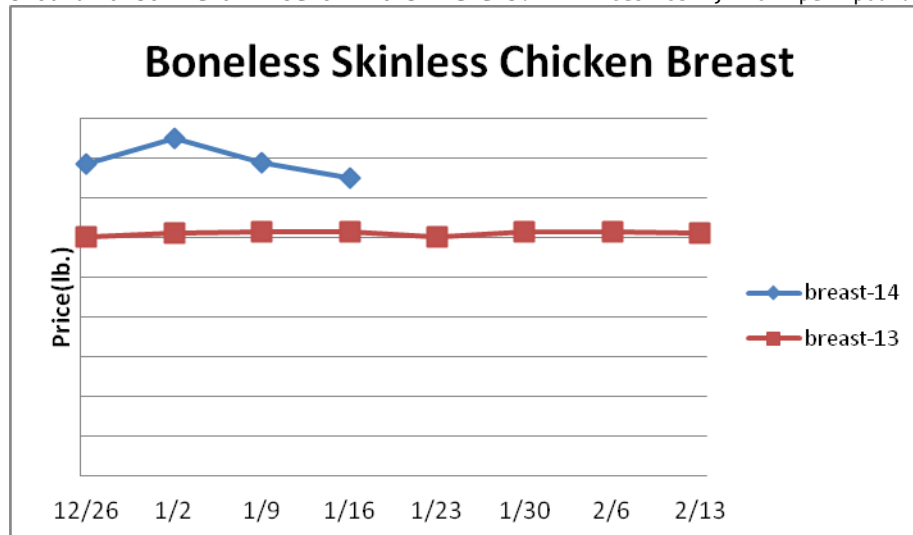
Canned Tomato Report

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.

	<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- Chicken output for the week ending January 4th was 2.3% less than the prior year however this is not an indication of the longer trend. Chicken production for the last several months has been tracking 3% plus above the previous year levels. Solid chicken output gains are projected to persist. The USDA's latest forecast has winter chicken production 3.1% higher than 2013. Chicken exports during November were 1.6% bigger than the previous year. Although chicken export demand should remain solid, chicken leg quarter prices are anticipated to remain below year ago levels this winter due better domestic production. The wing markets are seasonally firming. Typically the chicken wing markets peak for the year in the next few weeks. Chicken wing prices should also remain below 2013 levels. Prices USDA, FOB per pound except when noted.

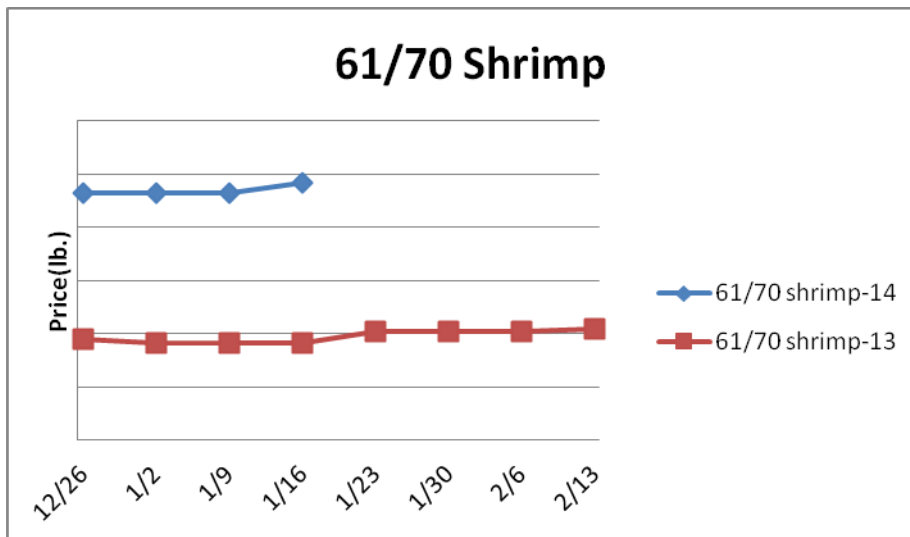


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Increasing	Good	Higher
Chicken Wings, Whole	Increasing	Good	Lower
Chicken Wings, Jumbo Cut	Increasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Lower
Chicken Breast, Bnless Sknless	Decreasing	Good	Higher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

Whole Turkey (8-16 lb)	Decreasing	Good	Higher
Turkey Breast- Bnls/Sknl	Decreasing	Good	Higher

Seafood Report

Seafood U.S. shrimp imports in November were 13.4% smaller than the previous year due in part to continued challenges with Thailand's shrimp production. U.S. shrimp imports from the country during the month were down 33% versus the prior year but were the second best for any month since January 2012. The shrimp markets may remain inflated this winter. Prices for fresh product, unless noted, per pound from Fisheries Market News. .



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	n/a	Good	n/a
Catfish, Filets	n/a	Good	n/a
Trout, Drn. (8-14 oz)	n/a	Good	n/a
Shrimp (16-20 count)	Decreasing	Good	Higher
Shrimp (61-70 count)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Increasing	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Higher
Snow Crab Legs (8 oz up)	Steady	Good	Higher
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	Higher

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Decreasing	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Steady	Good	Higher
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	Increasing	Good	Higher
42 lb. Linerboard-corrugated box	Increasing	Good	Higher
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Increasing	Good	Higher
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

	<u>Nov-13</u>	<u>Oct-13</u>	<u>Sep-13</u>
Beef and Veal	Increasing	Increasing	Decreasing
Dairy	Increasing	Decreasing	Increasing
Pork	Decreasing	Increasing	Increasing
Chicken	Decreasing	Increasing	Increasing
Fresh Fish and Seafood	Increasing	Increasing	Increasing
Fresh Fruits and Vegetables	Decreasing	Increasing	Increasing

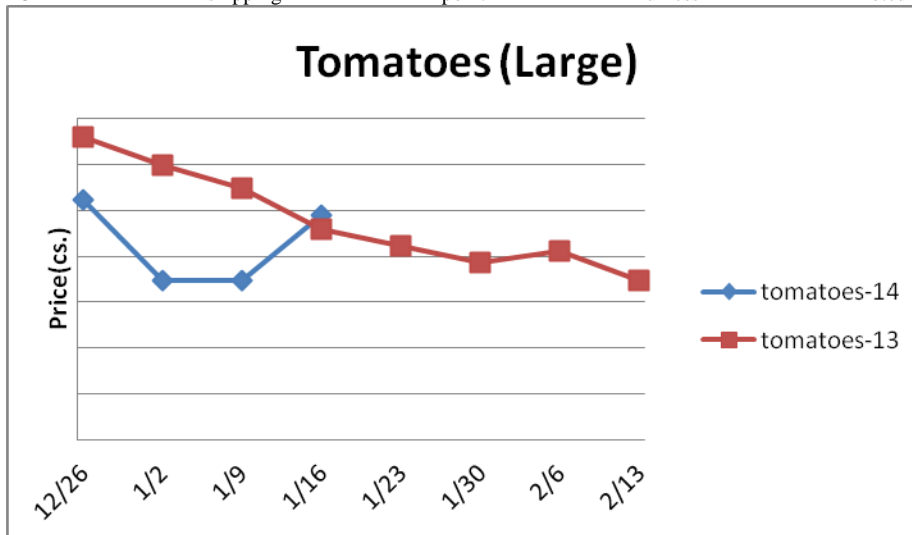
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables - Although competing grain prices have fallen in recent months acreage for processed vegetables may still be limited in 2014. Processed vegetable remain steady. Prices FOB per case from ARA

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

Produce Report

Produce- The potato markets continue to trend well above the prior year levels due to the 3.9% smaller harvest this past fall. Modestly higher potato prices are anticipated in the coming months. The five year average move for the 70 count Idaho potato market is up 24.8% during the next eight weeks. The lettuce markets remain relatively depressed due to ample supplies. Iceberg lettuce shipments last week rose 5% from the previous week and were 4.3% more than the same week a year ago. Still, the downside price risk in the lettuce markets from here is likely nominal. Prices USDA FOB shipping point unless noted (terminal).



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Higher
Lemons (95 count)	Steady	Good	Higher
Lemons (200 count)	Increasing	Good	Higher
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Steady	Good	Lower
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Increasing	Good	Higher
Bananas (40 lb)-Term.	Increasing	Good	Higher
Pineapple (7 ct.)- Term.	Increasing	Good	Higher
Idaho Potato (60 count)	Increasing	Good	Higher
Idaho Potato (70 count)	Increasing	Good	Higher
Idaho Potato (70 count)-Term.	Increasing	Good	Higher
Idaho Potato (90 count)	Increasing	Good	Higher
Idaho Potato #2 (6 oz. min.)	Decreasing	Good	Higher
Processing Potato (100 lb)	Steady	Good	Higher
Yellow Onions (50 lb)	Increasing	Good	Lower
Yellow Onions (50 lb)-Term.	Increasing	Good	Lower

Red Onions (25 lb)-Term.	Increasing	Good	Lower
White Onions (50 lb)-Term.	Increasing	Good	Lower
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Increasing	Good	Higher
Roma Tomatoes (large- case)	Increasing	Good	Lower
Roma Tomatoes (xlarge- case)	Increasing	Good	Higher
Green Peppers (large- case)	Increasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Increasing	Good	Higher
Iceberg Lettuce (24 count)	Increasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Lower

Produce Report (continued)

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