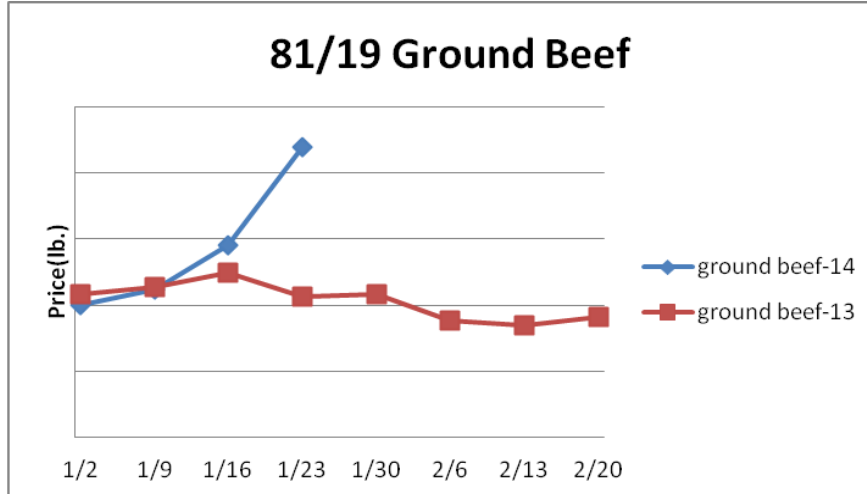


# Beef, Veal and Lamb Report

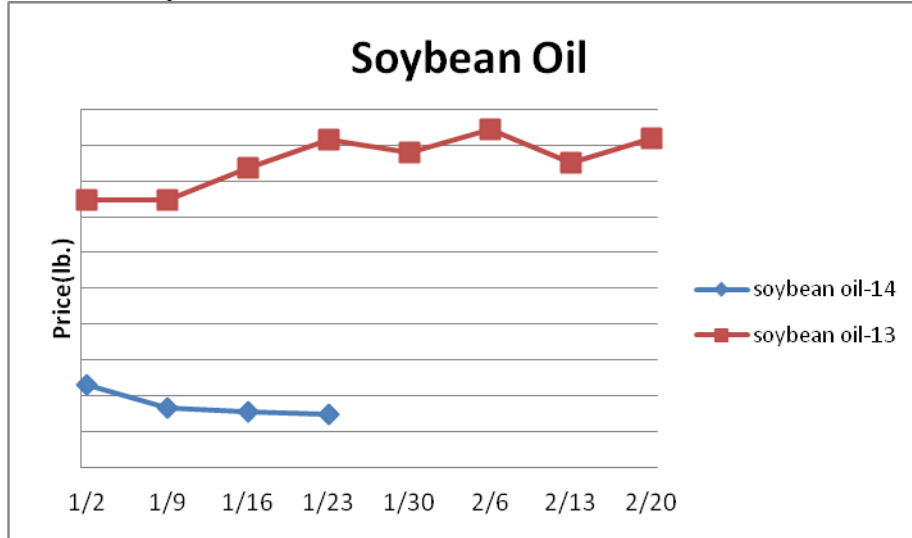
**Beef, Veal & Lamb** Beef output last week was 1.5% less than the same week a year ago. Beef production is expected to track 5.5% below 2013 this winter due to historically tight cattle supplies. The beef markets have soared during the last week with the USDA choice and select boxed beef cutouts setting new record highs. However, beef demand is waning which suggests a top may be near in the beef markets for the near term. Total beef shipments last week were the smallest for any non-holiday week in the last thirteen years. Expensive retail beef prices should cause relatively poor beef demand to persist. Retail beef prices during December were a record high. 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)	Increasing	Good	Lower
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
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)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Lower
180 0x1 Strip (choice)	Increasing	Good	Lower
184 Top Butt, boneless (choice)	Decreasing	Good	Lower
184 Top Butt, boneless (prime)	Increasing	Good	Lower
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)	Increasing	Good	Higher
189a Tender (prime, heavy)	Increasing	Good	Higher
193 Flank Steak (choice)	Increasing	Good	Lower
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Increasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher
90% Imported Beef (frozen)	Steady	Good	Lower
Veal Rack (Hotel 7 rib)	Steady	Good	Higher

# Oil and Grains Report

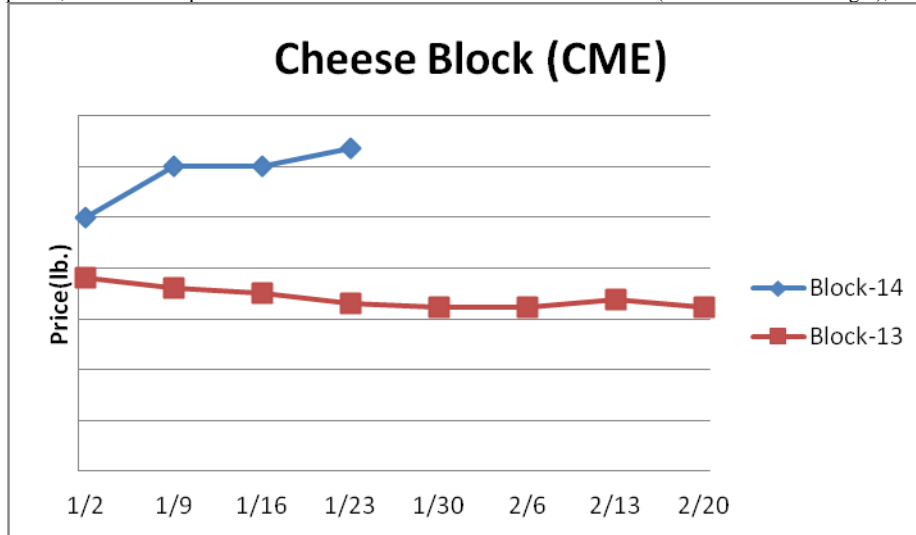
**Oil & Grains- Oil, Grains, Misc.-** Adequate snow cover is expected to limit any cold weather damage to the winter wheat crops this week. The wheat markets could find a short term bottom soon. Prices USDA, FOB..



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

# Dairy Report

**Dairy** The cheese markets continue to track near record high levels due in part to lethargic milk production growth and inflated international cheese prices. The counter seasonal price increases for cheese this month are being met with a lot of suspicion from buyers. Thus, buyers are limiting cheese purchases for immediate needs. The downside price risk in cheese from here is much greater than the upside. The butter market is on the rise. Lower butter prices may be impending. The five year average move for the butter market during the next five weeks is down 3.4%. Prices per pound, except Class I Cream (hundred weight), from USDA

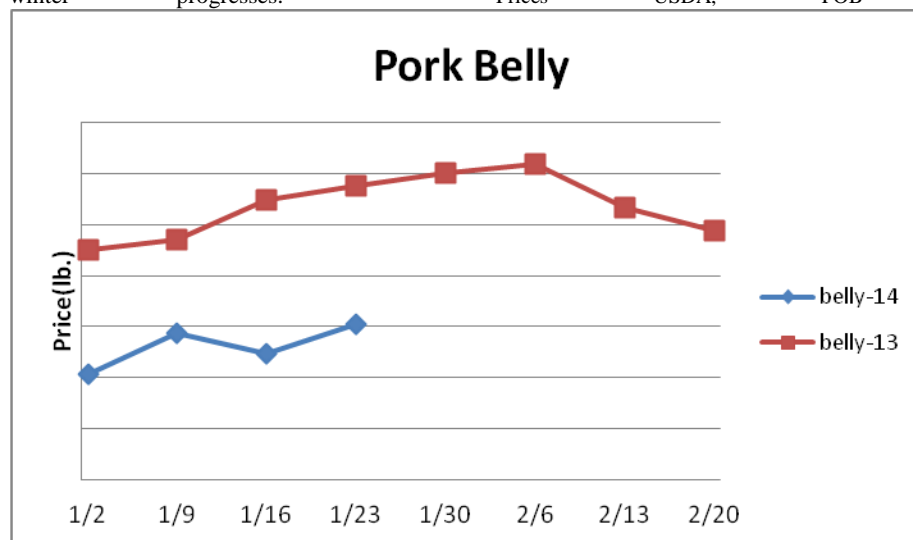


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Cheese Barrels- CME</b>	Increasing	Good	Higher
<b>Cheese 40 lb Blocks- CME</b>	Increasing	Good	Higher
<b>American Cheese</b>	Increasing	Good	Higher
<b>Cheddar Cheese</b>	Increasing	Good	Higher
<b>Mozzarella Cheese</b>	Increasing	Good	Higher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

# Pork Report

**Pork-** Pork production was 5% larger than the same week a year ago but the large expansion was due to a weather induced backlog of hogs. Pork output gains in the coming weeks versus 2013 should be closer to 1%. Porcine Epidemic Diarrhea virus challenges could limit pork production for the next several months as well. This may be accompanied with better pork demand due to inflated beef prices. Modestly higher pork prices are anticipated as the winter progresses.

Prices USDA, FOB per pound.



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

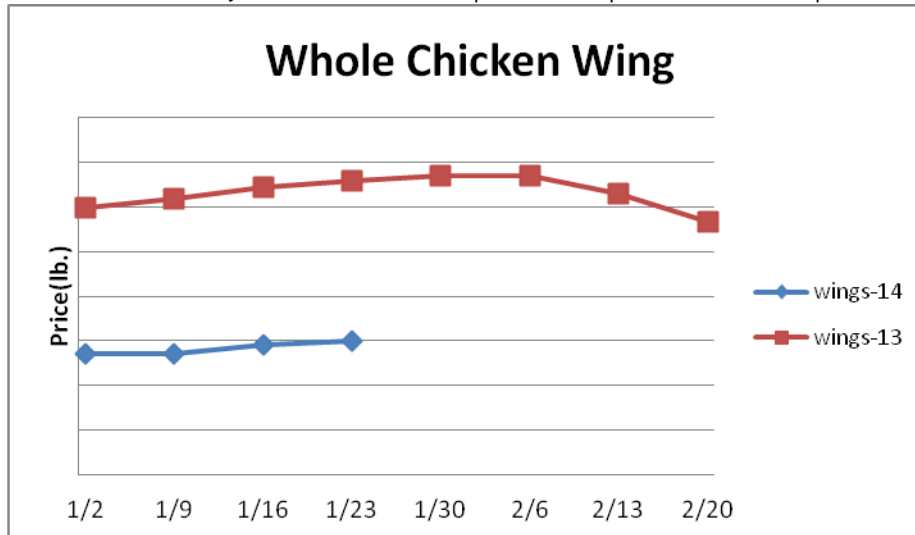
# Canned Tomato Report

**Tomato Products, Canned-** Existing canned tomato supplies are sufficient. The canned tomato markets are expected to remain relatively steady. Prices per case (6/10) FOB, unless noted from ARA.

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

## Poultry Report

**Poultry** - Chicken production for the week ending January 11 was .5% less than the same week a year ago. The six week moving average for broiler egg sets is tracking 2.7% above last year which points to at least a 3% gain in chicken output versus 2013 during the next month or so. The chicken wing markets have modestly firmed due to demand for the football playoff season. Usually the chicken wing markets peak this week and then move sharply downward. However, any winter wing price declines could be muted this year. Demand for chicken is anticipated to be strong in the coming months which should bring some support to the chicken markets. Still, chicken breast, wing and leg quarter market prices are expected to remain well below 2013 levels throughout the winter. Prices USDA, FOB per pound except when noted.

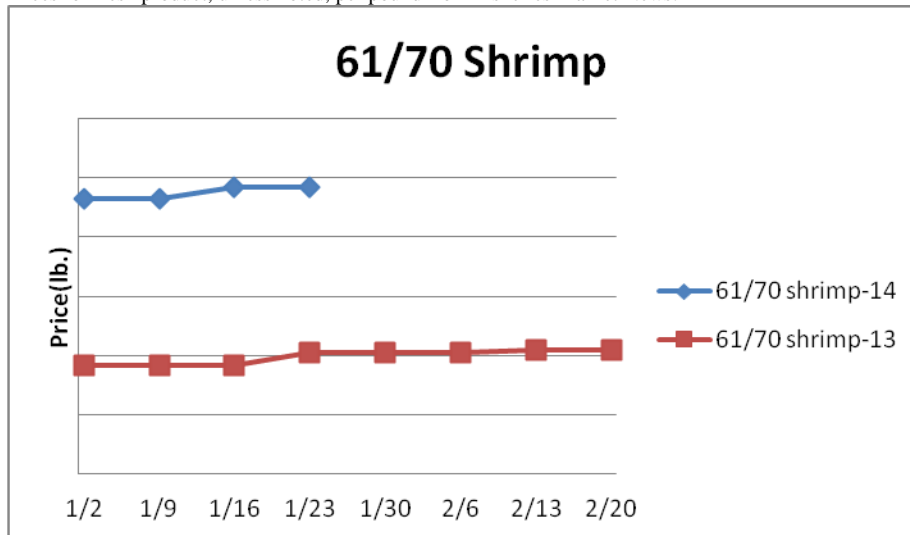


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Steady	Good	Higher
Chicken Wings, Whole	Increasing	Good	Lower
Chicken Wings, Jumbo Cut	Increasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Lower
Chicken Breast, Boneless Skinless	Increasing	Good	Higher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

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

## Seafood Report

**Seafood** November U.S. salmon filet and steak imports were 16.2% more than 2012. Solid salmon imports could endure this winter which may limit the upside salmon price risk. Salmon demand could be tempered this winter as well. The December U.S. retail seafood price index was up 5% versus the prior year and the third highest on record. 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)	Steady	Good	Higher
Shrimp (61-70 count)	Steady	Good	Higher
Shrimp, Tiger (26-30 count)	Steady	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>
<b>Pinto Beans</b>	Decreasing	Good	Higher
<b>Black Beans</b>	Decreasing	Good	Higher
<b>Rice, Long Grain</b>	Steady	Good	Higher
<b>Coffee Beans</b>	Decreasing	Good	Lower
<b>Sugar</b>	Decreasing	Good	Lower
<b>Honey</b>	Steady	Good	Higher

## Paper Product Report

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

## Retail Price Change from Prior Month

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



# Processed Fruits and Vegetables Report

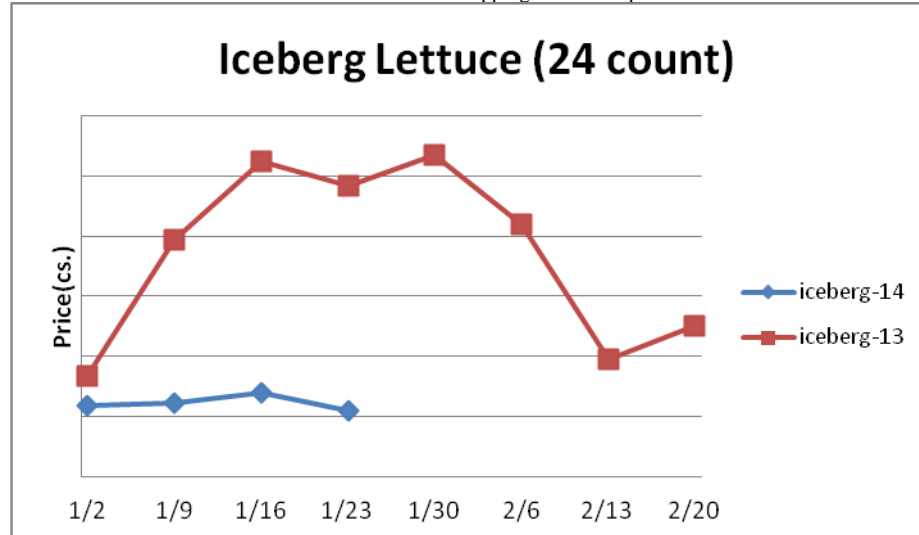
**Processed Fruits and Vegetables** - Processors are negotiating raw vegetable contracts with farmers for the 2014 production season. Fairly firm processed vegetable prices are expected to persist this winter. Prices per case (6/10) FOB, unless noted from ARA

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

# Produce Report

**Produce-** The lettuce markets continue to trend at relatively attractive levels for buyers. Lettuce demand has been lackluster with the cold weather impacting a better part of the U.S. Further, lettuce shipments have been solid rising 5.3% last week. Still, the upside price risk in the lettuce markets from here is likely much greater than the downside. Below average temperatures in Florida this week are expected to slow tomato yields and the harvest. The tomato markets could firm in the near term. Avocado prices may modestly depreciate once Super Bowl demand is satiated.

Prices USDA FOB shipping point unless noted (terminal).



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

<b>Idaho Potato #2 (6 oz. min.)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Processing Potato (100 lb)</b>	<b>Steady</b>	<b>Good</b>	<b>Higher</b>
<b>Yellow Onions (50 lb)</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Yellow Onions (50 lb)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Red Onions (25 lb)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>White Onions (50 lb)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>
<b>Tomatoes, (large- case)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Tomatoes, (5x6, 25 lb.)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Tomatoes, Vine Ripe, (4x5)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Roma Tomatoes (large- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Roma Tomatoes (xlarge- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Green Peppers (large- case)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Higher</b>
<b>Red Peppers (large- 15 lb. cs.)</b>	<b>Increasing</b>	<b>Good</b>	<b>Higher</b>
<b>Iceberg Lettuce (24 count)</b>	<b>Decreasing</b>	<b>Good</b>	<b>Lower</b>
<b>Iceberg Lettuce (24 cnt)-Term.</b>	<b>Increasing</b>	<b>Good</b>	<b>Lower</b>

## Produce Report (continued)

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