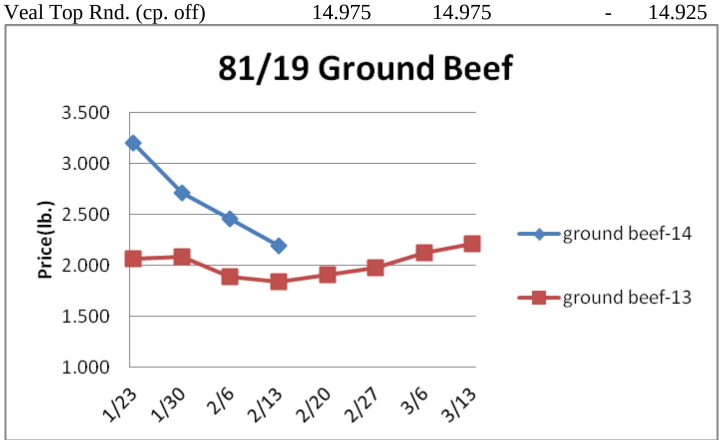
Weekly Market Updates

Volume No. 19 Issue No. 7 Date: February 12, 2014

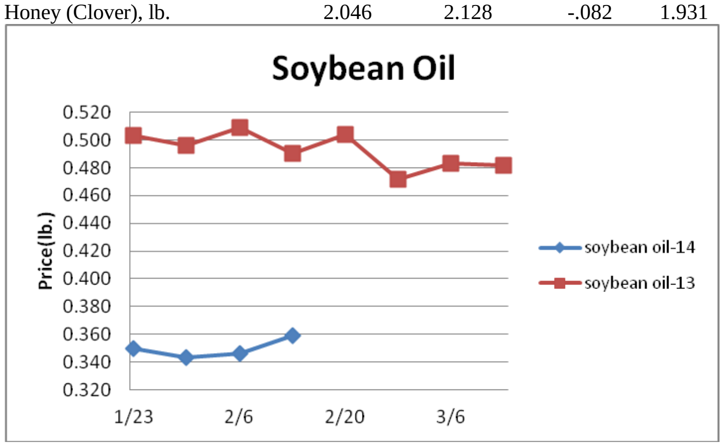
Beef- Beef production last week declined 1% and was 5% less than 2013. Cattle slaughter was the smallest for any non-holiday week since February 2006. The USDA is forecasting beef output to trend 5.6% below the prior year this winter. Despite all this, the beef markets have tracked downward during the last week. However, most of the beef end cut markets are likely to find a bottom shortly. U.S. beef exports in December were 17% larger than the previous year while beef imports were only up 1.5%. If beef exports continue to outpace imports it should be supportive of the lean beef trim markets. Last year the 90% beef trim market rose 3% during the next seven weeks. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 13
Live Cattle	1.421	1.457	-.036	1.258
Feeder Cattle Index (CME)	1.693	1.709	-.016	1.439
Ground Beef 81/19	2.198	2.455	-.257	1.845
Ground Chuck	2.448	2.486	-.038	1.883
109e Export Rib (choice)	5.223	5.525	-.302	5.366
109e Export Rib (prime)	9.895	9.551	+.344	8.904
112a Ribeye (choice)	5.685	5.735	-.050	5.822
112a Ribeye (prime)	10.408	10.056	+.352	9.276
116 Chuck (select)	2.673	3.007	-.334	2.299
116 Chuck (choice)	2.664	3.021	-.357	2.411
116b Chuck Tdnr (choice)	2.690	3.020	-.330	2.243
120 Brisket (choice)	2.223	2.315	-.092	1.872
121c Outside Skirt (ch/sel)	3.909	4.411	-.502	4.695
121d Inside Skirt (ch/sel)	3.426	3.542	-.116	3.482
167a Knckle, Trm. (ch.)	2.789	3.101	-.312	2.125
168 Inside Round (ch.)	2.306	2.435	-.129	1.843
174 Short Loin (ch. 0x1)	4.458	4.603	-.145	4.674
174 Short Loin (prime)	7.858	7.746	+.112	7.703
180 1x1 Strp (choice)	4.338	4.537	-.199	4.240
180 1x1 Strp (prime)	7.828	8.103	-.275	8.114
180 0x1 Strp (choice)	4.738	4.967	-.229	4.682
184 Top Butt, bnls (ch.)	2.874	2.880	-.006	3.038
184 Top Butt, bnls (prime)	3.099	3.095	+.004	3.447
185a Sirloin Flap (choice)	3.956	4.345	-.389	3.610
185c Loin, Tri-Tip (choice)	3.171	3.149	+.022	2.821
189a Tender (select)	9.927	9.718	+.209	8.898
189a Tender (choice)	9.674	9.679	-.005	8.760
189a Tender (prime)	13.831	13.697	+.134	12.420
193 Flank Steak (choice)	3.905	4.035	-.130	4.239
50% Trimmings	.996	.958	+.038	.658
65% Trimmings	1.247	1.207	+.040	1.183
75% Trimmings	1.771	1.734	+.037	1.563
85% Trimmings	2.093	2.076	+.017	1.921
90% Trimmings	2.289	2.235	+.054	2.134
90% Imported Beef (frz.)	2.055	2.058	-.003	2.138
95% Imported Beef (frz.)	2.155	2.155	-	2.285
Veal Rack (Hotel 7 rib)	8.600	8.600	-	8.275
Veal Top Rnd. (cp. off)	14.975	14.975	-	14.925



Oil, Grains, Misc.- Oil, Grains, Misc.- The South American soybean harvest is progressing. Modestly lower soybean and soybean meal prices could be forthcoming. Prices USDA, FOB.

	Price	Last Week	Difference	Price 13
Soybeans, bushel	13.262	13.076	+.186	14.431
Crude Soybean Oil, lb.	.359	.346	+.013	.490
Soybean Meal, ton	506.200	505.000	+1.200	425.800
Corn, bushel	4.323	4.346	-.023	7.098
Crude Corn Oil, lb.	.405	.393	+.012	.530
High Fructose Corn Syrup	.143	.144	-.001	.198
Distillers Grain, Dry	194.250	182.000	+12.250	268.000
Crude Palm Oil, lb. BMD	.354	.343	+.011	.365
HRW Wheat, bushel	6.550	6.450	+.100	7.405
DNS Wheat 14%, bushel	7.230	6.980	+.250	8.360
Durum Wheat, bushel	6.900	6.900	-	7.963
Pinto Beans, lb.	.353	.351	+.002	.337
Black Beans, lb.	.390	.390	-	.320
Rice, Long Grain, lb.	.287	.287	-	.278
Coffee, lb. NYBOT	1.402	1.407	-.005	1.406
Sugar, lb. NYBOT	.216	.207	-.009	.205
Honey (Clover), lb.	2.046	2.128	-.082	1.931



Dairy - The cheese markets have declined sharply during the last week as the inflated levels during the last few months have slowed demand. History suggests that even lower cheese prices could be impending during the next few months. Buyers are reported to be purchasing cheese only as needed, anticipating further cheese market depreciation. The butter market is moving lower as well falling to its lowest level in three weeks. Butter exports during December were 182% bigger than 2012 and the third highest on record. Solid exports may bring support to butter prices soon. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 13
Cheese Barrels (CME)	2.063	2.320	-.257	1.630
Cheese Blocks (CME)	2.105	2.325	-.220	1.675
American Cheese	2.393	2.397	-.004	1.740
Cheddar Cheese (40 lb.)	2.400	2.415	-.015	2.035
Mozzarella Cheese	2.540	2.555	-.015	1.880
Provolone Cheese	2.898	2.912	-.014	2.230
Parmesan Cheese	4.245	4.260	-.015	3.578
Butter (CME)	1.750	1.880	-.130	1.588
Nonfat Dry Milk	2.095	2.099	-.004	1.595
Whey, Dry	.618	.612	+.006	.614
Class 1 Base	22.020	22.020	-	18.210
Class II Cream, heavy	2.258	2.121	+.137	1.749
Class III Milk (CME)	19.640	20.820	-1.180	17.450
Class IV Milk (CME)	21.960	22.410	-.450	17.870

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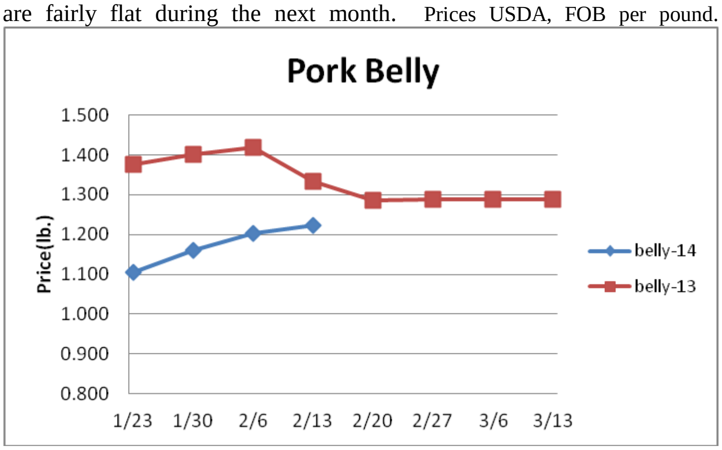
Pork - Pork output last week rose 1.7% and was 4.6% larger than the same week a year ago. Hog supplies are anticipated to seasonally peak soon. Further, the Porcine Epidemic Diarrhea virus is expected to limit the hog supply in the coming months. The USDA is forecasting pork output this spring to only be up .7% versus last year. Many of the pork markets are beginning to seasonally appreciate. Usually the pork markets are fairly flat during the next month. Prices USDA, FOB per pound.



	Price	Last Week	Difference	Price 13
Live Hogs	.611	.599	+.012	.619
Belly (bacon)	1.224	1.203	+.021	1.287
Sparerib (4.25 lb. & down)	1.614	1.555	+.059	1.349
Ham (20-23 lb.)	.836	.797	+.039	.746
Ham (23-27 lb.)	.814	.815	-.001	.747
Loin (bone-in)	.977	.981	-.004	.904
Bbybck Rib (1.75 lb. & up)	2.302	2.272	+.030	2.002
Tenderloin (1.25 lb.)	2.547	2.522	+.025	2.563
Boston Butt, untrmd. (4-8lb.)	1.014	.965	+.049	.779
Picnic, untrmd.	.662	.649	+.013	.481
SS Picnic, smoker trm. bx.	.845	.816	+.029	.720
42% Trimmings	.409	.339	+.070	.376
72% Trimmings	.853	.781	+.072	.583

Tomato Products, Canned- Tomatoes designated for the canned tomato processing industry are relatively adequate. The canned tomato markets remain steady to firm. Prices per case (6/10) FOB, unless noted from ARA

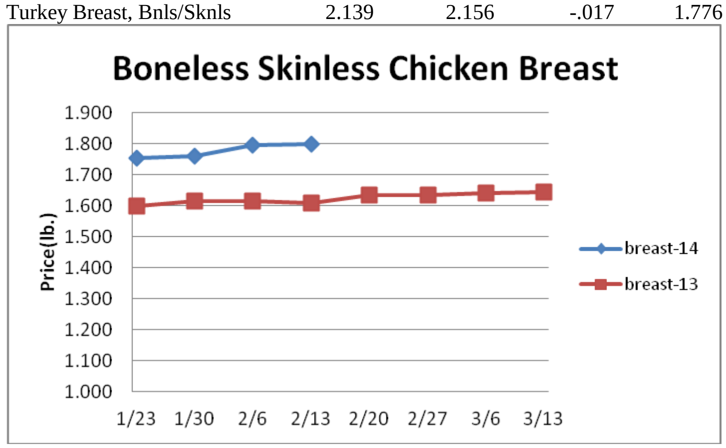
	Price	Last Week	Difference	Price 13
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables December 31st frozen green bean stocks were 28% smaller than the previous year. Relatively firm processed vegetable prices could persist throughout the winter. Prices per case (6/10) FOB, unless noted from ARA.

	Price	Last Week	Difference	Price 13
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 February 1 declined 6.8% from the previous week. 2014-to-date chicken production is estimated to be 2% less than the previous year. Better chicken output is anticipated in the coming weeks. The USDA is projecting Q1 chicken production to be 2.8% bigger than 2013. U.S. chicken exports in December were 8.1% less than the previous year. Bird flu outbreaks in Asia could temper demand for U.S. chicken exports in the near term. Thus, any seasonal gains in the chicken leg quarter market may only be moderate in the coming months. The chicken breast markets have been relatively steady in recent weeks. Better seasonal demand and good retail feature activity could lift the chicken breast markets moderately higher as the spring nears. Prices USDA, FOB per pound except when noted

Chicken	Price	Last Week	Difference	Price 13
Whole Birds (2.5-3 lb.-GA)	1.045	1.045	-	1.003
Wings (whole)	1.290	1.290	-	1.960
Wings (jumbo, cut)	1.221	1.219	+.002	1.820
Breast, Bone In	1.005	1.025	-.020	1.070
Breast, Bnless Skinless	1.800	1.795	+.005	1.610
Tenderloin (random)	1.430	1.430	-	1.360
Tenderloin (sized)	1.730	1.730	-	1.500
Legs (whole)	.653	.569	+.084	.665
Leg Quarters	.495	.495	-	.545
Thighs, bone in	.712	.734	-.022	.815
Thighs, boneless	1.227	1.259	-.032	1.293
Eggs and Others				
Large (dozen)	1.340	1.340	-	1.443
Medium (dozen)	1.175	1.175	-	1.098
Whole Eggs- Liquid	.620	.620	-	.573
Egg Whites- Liquid	.961	.929	+.032	.533
Egg Yolks- Liquid	.567	.567	-	.885
Whole Turkeys (8-16 lb.)	.990	.975	+.015	.950
Turkey Breast, Bnls/Sknls	2.139	2.156	-.017	1.776



Seafood- The shrimp markets remain historically inflated. U.S. shrimp imports during December were 9.9% less than the prior year and the smallest for the month since 2003. This is due chiefly to disease challenges with Thailand shrimp- the world's largest exporter. Relatively expensive shrimp prices are anticipated to persevere during the winter. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 13
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	8.669	8.315	+.354	5.818
Shrimp (61/70), Frz.	4.975	4.975	-	3.325
Shrimp, Tiger (26/30), Frz.	7.650	7.660	-.010	4.616
Snow Crab, Legs 5-8 oz, Frz	5.500	5.500	-	5.955
Snow Crab, Legs 8 oz/ up, Fz	6.250	6.250	-	3.350
Cod Tails, 3-7 oz., Frz.	3.088	3.088	-	4.683
Cod Loins, 3-12 oz., Frz	3.025	3.025	-	5.550
Salmon Portions, 4-8 oz, Frz	6.150	6.108	+.042	5.800
Pollock, Alaska, Deep Skin	1.775	1.775	-	3.175

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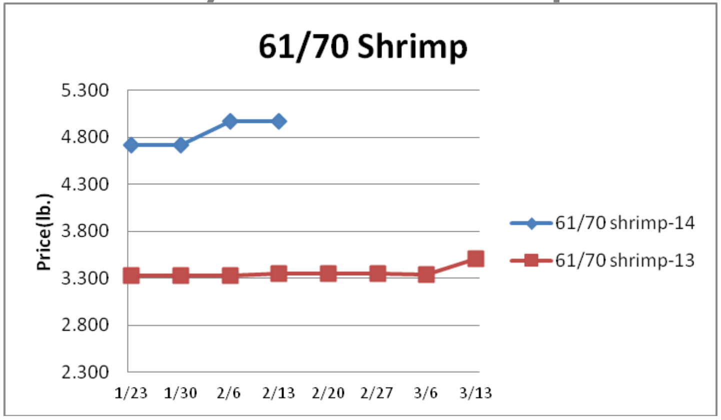


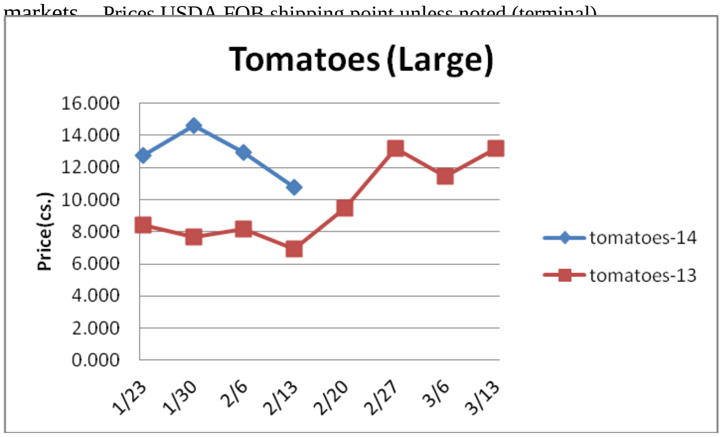
Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 13
Crude Oil, barrel- nymex	99.940	97.190	+2.750	97.510
Natural Gas, mbtu- nymex	4.824	5.375	-.551	3.230
Heating Oil, gal- nymex	3.028	2.983	+.045	3.236
Electricity, mwht- nymex	77.770	91.640	-13.870	38.660
Gasoline, gal- nymex	2.753	2.603	+.150	3.050
Diesel Fuel, gal- eia	3.977	3.951	+.026	4.104
Ethanol, gal- usda	1.920	1.925	-.005	2.365
Canadian $	1.100	1.106	-.006	1.004
Japanese Yen	102.289	101.107	+1.182	93.604
Mexican Peso	13.307	13.331	-.024	12.673
Euro	.737	.740	-.003	.742
Brazilian Real	2.409	2.415	-.006	1.970
Chinese Yuan	6.063	6.061	+.002	6.234

Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 13
WP; NBSK (napkin, towel)	1008.060	1005.880	+2.180	892.630
WP; 42 lb. Linerboard (corr.)	769.623	768.560	+1.063	784.559
Res; PS-CHH (cup, cont.)	1.310-1.350	1.250-1.290	+.060	1.210-1.250
Res; PP-HIGP (hvy utensil)	1.150-1.170	1.150-1.170	-	1.120-1.140
Res; PE-LLD (cn liner, film)	.970-1.000	.970-1.000	-	.880-.900

Produce- The lettuce markets continue to trend at relatively engaging levels for buyers. Lettuce demand has been lethargic this winter due to the adverse weather while the harvest has been steady. Lettuce demand could pick up as the weather turns warmer. The downside price risk in the lettuce markets from here is likely nominal. Poor demand has also weighed on the tomato markets as of late. Still, eastern tomato market supplies could be erratic during the next several weeks due to adverse weather in Florida. This could bring increased volatility to the tomato markets. Prices USDA FOB shipping point unless noted (terminal).



	Price	Last Week	Difference	Price 13
Limes (150 ct.)	33.000	21.000	+12.000	17.500
Lemons (95 ct.)	24.350	24.350	-	12.775
Lemons (200 ct.)	23.350	23.350	-	16.025
Honeydew (6 ct.)	16.450	16.450	-	10.918
Cantaloupe (15 ct.)	5.450	5.450	-	10.816
Blueberries (12 count)	26.000	27.500	-1.500	24.800
Strawberries (12 pnts.)	19.000	19.000	-	14.500
Avocados (Hass 48 ct.)	28.750	27.750	+1.000	17.250
Bananas (40 lb.)- Term.	15.175	15.050	+.125	15.431
Pineapple (7 ct.)- Term.	13.312	13.562	-.250	13.875
Idaho Potato (60 ct., 50 lb.)	8.375	8.625	-.250	4.625
Idaho Potato (70 ct., 50 lb.)	8.500	8.625	-.125	4.750
Idaho Potato (70 ct.)-Term.	15.431	15.525	-.094	14.262
Idaho Potato (90 ct., 50 lb.)	8.500	8.625	-.125	5.625
Idaho Pot. # 2 (6 oz., 100 lb.)	9.500	9.750	-.250	6.000
Processing Potato (cwt.)	7.900	7.900	-	6.500
Yellow Onions (50 lb.)	10.166	13.400	-3.234	13.500
Yell Onions (50 lb.)-Term.	19.020	16.281	+2.739	21.229
Red Onions (25 lb.)- Term.	13.431	13.375	+.056	23.166
White Onions (50 lb.)- Term.	24.354	26.991	-2.637	22.895
Tomatoes (large- case)	10.783	12.950	-2.167	6.950
Tomatoes (5x6-25 lb.)-Term	15.500	17.319	-1.819	10.611
Tomatoes (4x5 vine ripe)	8.450	8.450	-	5.585
Roma Tomatoes (large- case)	9.375	8.962	+.413	6.791
Roma Tomatoes (xlarge-cs)	9.875	9.212	+.663	7.041
Green Peppers (large- case)	15.350	10.250	+5.100	7.418
Red Peppers (large 15lb. cs.)	13.950	13.950	-	13.950
Iceberg Lettuce (24 count)	6.125	5.305	+.820	9.777
Iceberg Lettuce (24)-Term.	14.000	13.000	+1.000	18.500
Leaf Lettuce (24 count)	5.985	5.985	-	12.283
Romaine Lettuce (24 cnt.)	6.516	6.151	+.365	27.716
Mesculin Mix (3 lb.)-Term.	6.750	6.562	+.188	7.250
Broccoli (14 ct.)	6.058	6.293	-.235	6.925
Squash (1/2 bushel)	6.350	9.850	-3.500	14.175
Zucchini (1/2 bushel)	4.350	3.850	+.500	14.175
Green Beans (bushel)	20.350	24.100	-3.750	19.958
Spinach, Flat 24's	9.725	11.700	-1.975	9.650
Mushrms (10 lb, lg.)-Term.	15.500	16.312	-.812	15.145
Cucumbers (bushel)	9.743	10.546	-.803	8.570
Pickles (200-300 ct.)- Term.	29.583	23.437	+6.146	23.875
Asparagus (small)	10.250	10.750	-.500	16.500
Freight (Truck; CA-Cty Av.)	5050.000	5091.667	-41.667	4155.000

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

	Dec-13	Nov-13	Oct-13	Sep-13
Beef and Veal	+.202	+.533	+.292	-.295
Dairy	+.419	+.400	-.189	+.099
Pork	-.173	-2.161	+.637	+.378
Chicken	+.520	-1.656	+1.036	+.181
Fresh Fish and Seafood	-1.391	+.280	+.376	+2.064
Fresh Fruits and Veg.	-.679	-.741	+1.000	+.001