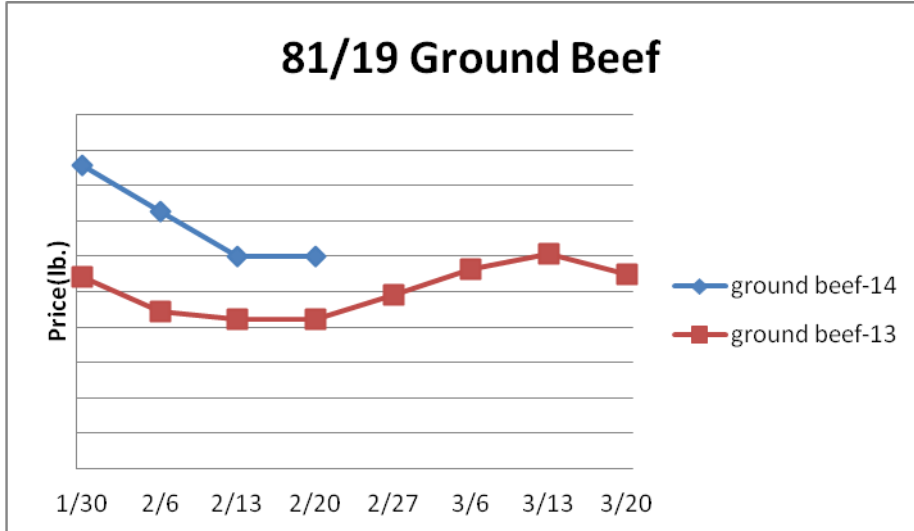


Beef, Veal and Lamb Report

Beef, Veal & Lamb Beef output last week declined 3.7% and was a whopping 9.4% less than a year ago. Cattle slaughter last week was the smallest for any non-holiday week in the last ten years. This is due in part to beef packers curbing production as margins have been poor. Beef output is expected to be tempered during the next few weeks which with improving demand should bring support to many of the beef markets. Total beef shipments last week rose to the second best level since September. Forward beef sales for grinds and trim have been brisk as of late signaling heavy retail features of ground beef products in the coming weeks. This could be especially supportive of the beef trim markets. Price USDA, FOB per pound.

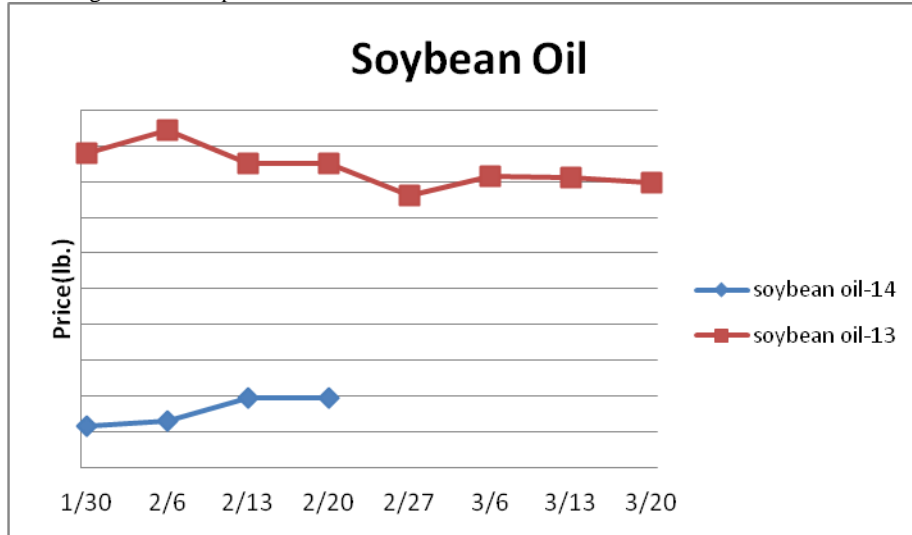


	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Increasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Lower
109 Export Rib (prime)	Decreasing	Good	Higher
112a Ribeye (choice)	Decreasing	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)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Lower
180 0x1 Strip (choice)	Increasing	Good	Higher
184 Top Butt, boneless (choice)	Decreasing	Good	Lower
184 Top Butt, boneless (prime)	Decreasing	Good	Lower
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Decreasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	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)	Decreasing	Good	Lower
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

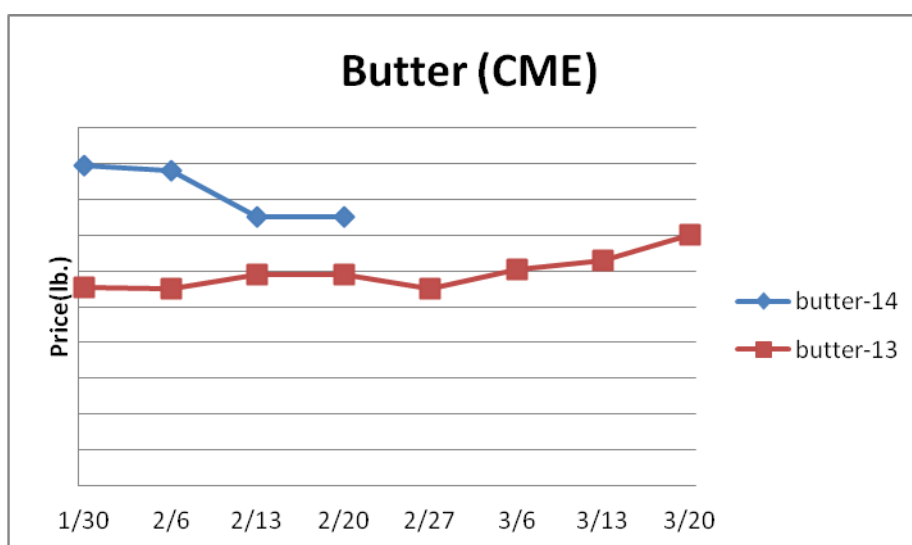
Oil & Grains- Oil, Grains, Misc.- Coffee prices are jumping due to adverse weather in the principal Brazilian coffee region. Coffee prices could be erratic in the near term. Prices USDA, FOB.



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

Dairy Report

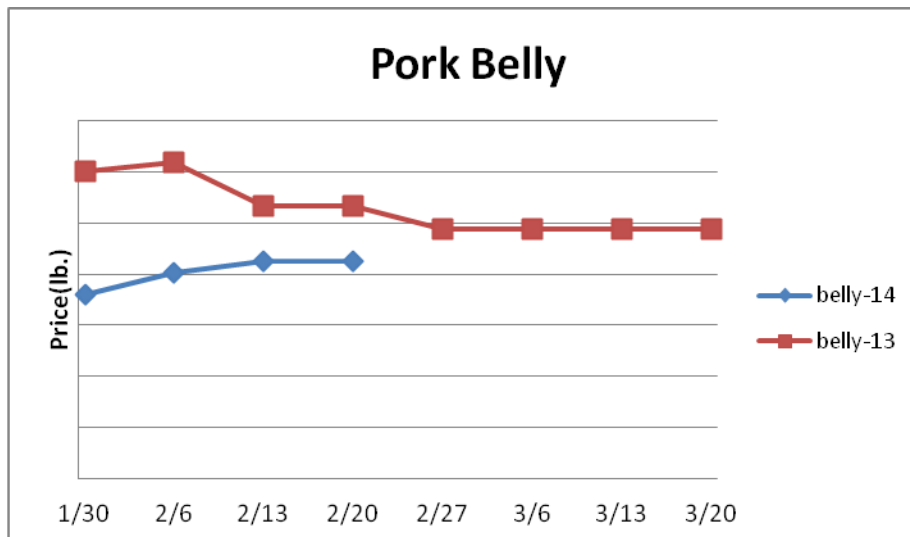
Dairy - The butter market has been relatively steady during the last week. Butter export demand remains solid as international butter prices remain elevated. This could temper any seasonal declines in the butter markets during the next few months. Cheese prices have been fairly stable as well since the big declines early last week. Cheese prices could find support in the near term due to pent up demand but look for further weakness in the cheese markets to develop thereafter. Recent dairy cow slaughter data suggests that dairy farmers are getting more aggressive expanding milk output. 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	Increasing	Good	Higher
American Cheese	Decreasing	Good	Higher
Cheddar Cheese	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Decreasing	Good	Higher
Parmesan Cheese	Decreasing	Good	Higher
Butter- One lb Solids	Increasing	Good	Higher
Nonfat Dry Milk	Increasing	Good	Higher
Whey, Dry	Increasing	Good	Higher
Class I Milk Base	Steady	Good	Higher
Class II Cream (Heavy Cream)	Decreasing	Good	Higher
Class III Milk- CME	Increasing	Good	Higher
Class IV Milk- CME	Increasing	Good	Higher

Pork Report

Pork- Pork production last week declined 2.8% but was 1.6% larger than the same week a year ago. Pork output should seasonally decline in the coming months. Further, PEDv is expected to limit the hog supply. This could enhance the seasonal appreciation in the pork markets this spring. Spring grilling demand could be especially solid for ribs in the coming weeks as buyers look for alternative protein sources with the record high retail beef prices. Prices USDA, FOB per pound.



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

Canned Tomato Report

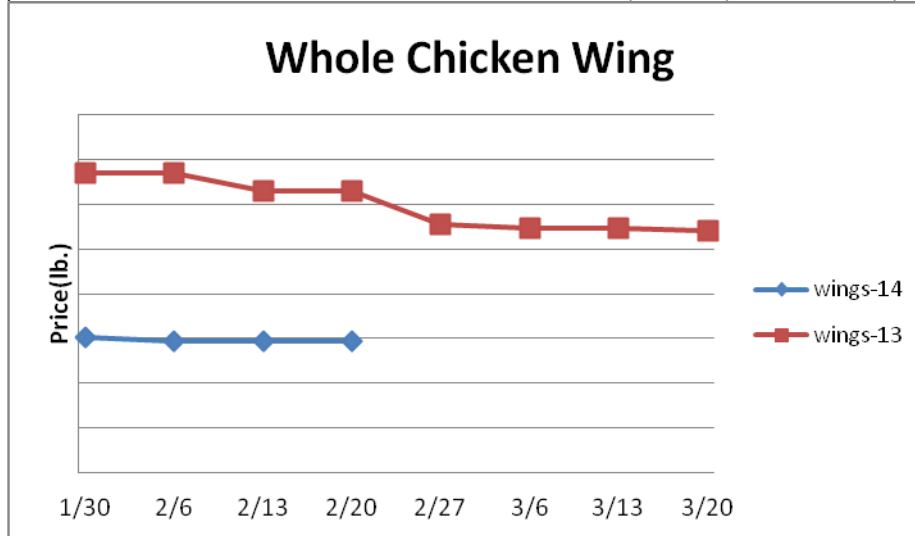
Tomato Products, Canned- Tomato for canning contracting intentions in California are estimated by the USDA at 13.5 million metric tons, 3.8% more than last year. The canned tomato markets are firm. Prices per case (6/10) FOB, unless noted from ARA.

	<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 production for the week ending February 8th was 3.1% larger than the same week a year ago. Broiler egg set data suggests that chicken output gains near 3% versus 2013 could persist throughout March. The chicken wing markets have begun to seasonally decline during the last week with the ARA daily chicken wing index recently falling to a one month low. The five year average move for wing prices during the next eleven weeks is 18.6% lower which suggests that the ARA daily wing index could trade below \$1 a pound this spring. The chicken breast markets remain fairly stable. Cyclical charts indicate that higher chicken breast prices should be forthcoming but any market gains this year may be muted by strong year over year expansion in chicken production.

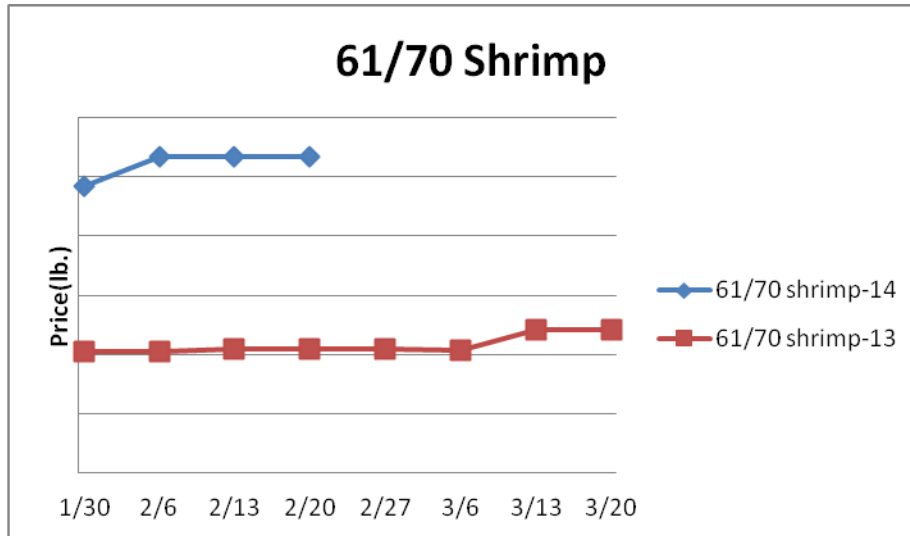
Prices USDA, FOB per pound except when noted.



	<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	Decreasing	Good	Lower
Chicken Wings, Jumbo Cut	Decreasing	Good	Lower
Chicken Breast, Bone-In	Steady	Good	Lower
Chicken Breast, Bnless Skinless	Steady	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Steady	Good	Higher
Chicken Legs (whole)	Decreasing	Good	Lower
Chicken Leg Quarters	Steady	Good	Lower
Chicken Thighs, bone in	Increasing	Good	Lower
Chicken Thighs, boneless	Increasing	Good	Lower
Large Eggs	Steady	Good	Higher
Medium Eggs	Decreasing	Good	Higher
Whole Eggs- Liq	Steady	Good	Higher
Egg Whites- Liq	Steady	Good	Higher
Egg Yolks- Liq	Steady	Good	Lower
Whole Turkey (8-16 lb)	Decreasing	Good	Higher
Turkey Breast- Bnls/Sknls	Increasing	Good	Higher

Seafood Report

Seafood - US salmon imports during December were 1.5% less than the previous year. However, total 2013 US salmon imports were 6% larger than 2012 and a record high. This is due in a large part to a 16% surge in salmon imports from Chile which have returned to pre ISA disease shortened trade with the country. The frozen salmon market is steady. 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)	Increasing	Good	Higher
Shrimp (61-70 count)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Decreasing	Good	Higher
Snow Crab Legs (5-8 oz)	Increasing	Good	Lower
Snow Crab Legs (8 oz up)	Decreasing	Good	Higher
Cod Tails, 3-7 oz. Frz.	Decreasing	Good	Lower
Cod Loins, 3-12 oz. Frz.	Increasing	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	Steady	Good	Higher
Black Beans	Steady	Good	Higher
Rice, Long Grain	Steady	Good	Higher
Coffee Beans	Increasing	Good	Higher
Sugar	Steady	Good	Higher
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	Steady	Good	Higher
42 lb. Linerboard-corrugated box	Increasing	Good	Lower
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Higher
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

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

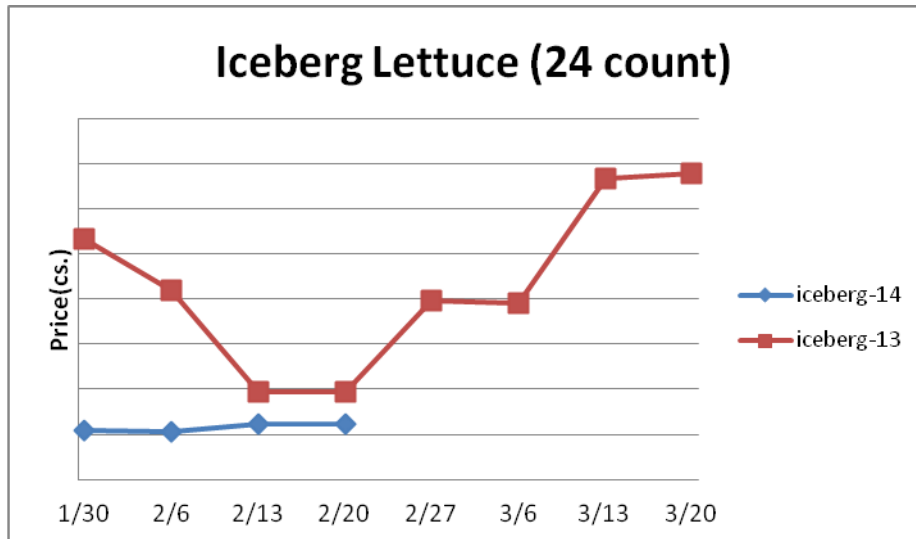
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables - Vegetable crop acres are projected to be relatively small due in part to competing grain crops. The processed vegetable markets are steady to firm. 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- Tomato shipments have remained subpar this winter. However, cold weather throughout the better part of the country has continued to dampen produce demand. This factor and modestly better tomato supplies could weigh on the tomato markets in the near term. The lettuce markets remain relatively depressed due to solid harvests and poor demand. The average iceberg lettuce case prices since the beginning of 2005 is \$10.32. The iceberg lettuce case market has not traded above that level in nearly four months. Engaging lettuce prices should persist next week. 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)	Steady	Good	Higher
Honeydew (6 ct.)	Decreasing	Good	Higher
Cantaloupe (15 count)	Steady	Good	Lower
Blueberries (12 count)	Steady	Good	Higher
Strawberries (12 pints)	Decreasing	Good	Lower
Avocados, Hass (48 count)	Increasing	Good	Higher
Bananas (40 lb)-Term.	Increasing	Good	Higher
Pineapple (7 ct.)- Term.	Decreasing	Good	Lower
Idaho Potato (60 count)	Steady	Good	Higher
Idaho Potato (70 count)	Steady	Good	Higher
Idaho Potato (70 count)-Term.	Increasing	Good	Higher
Idaho Potato (90 count)	Steady	Good	Higher
Idaho Potato #2 (6 oz. min.)	Increasing	Good	Higher
Processing Potato (100 lb)	Steady	Good	Higher
Yellow Onions (50 lb)	Increasing	Good	Lower
Yellow Onions (50 lb)-Term.	Decreasing	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.	Increasing	Good	Higher
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Lower
Roma Tomatoes (large- case)	Decreasing	Good	Higher
Roma Tomatoes (xlarge- case)	Decreasing	Good	Higher
Green Peppers (large- case)	Decreasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Higher

Iceberg Lettuce (24 count)	Decreasing	Good	Lower
Iceberg Lettuce (24 cnt)-Term.	Decreasing	Good	Lower

Produce Report (continued)

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