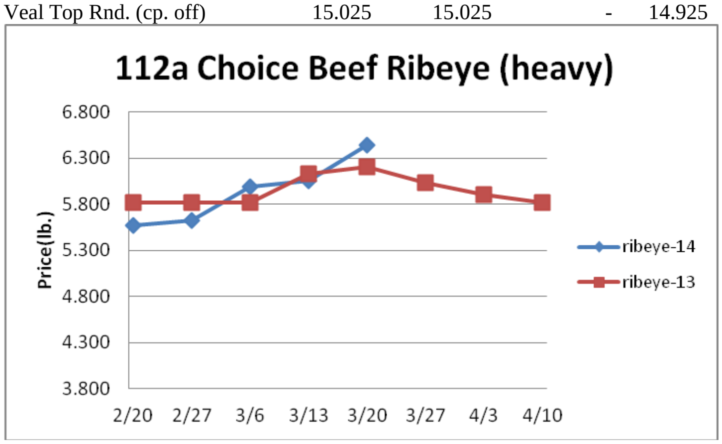
Weekly Market Updates

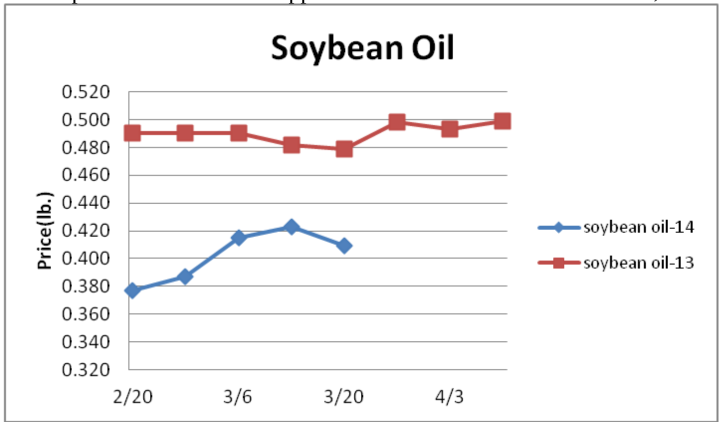
Volume No. 19 Issue No. 12 Date: March 19, 2014

Beef- Beef output last week increased 2.6% but was still 6.4% less than the same week a year ago. Cattle supplies remain historically tight which is anticipated to keep beef production levels well below 2013 for the next several months. The USDA is forecasting spring beef output to track 3.6% below the previous year. The persisting cold weather is likely creating some pent-up grilling demand for beef middle meat cuts. Forward beef sales last week were solid indicating retailers are planning for such a surge in demand. This could underpin the beef steak cut markets for the next several weeks. Usually the beef strip markets trade at inflated levels into July. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 13
Live Cattle	1.516	1.484	+.032	1.270
Feeder Cattle Index (CME)	1.736	1.736	-	1.366
Ground Beef 81/19	2.585	2.589	-.004	2.096
Ground Chuck	2.617	2.844	-.227	2.176
109e Export Rib (choice)	5.896	5.669	+.227	5.615
109e Export Rib (prime)	9.758	9.473	+.285	8.904
112a Ribeye (choice)	6.443	6.049	+.394	6.203
112a Ribeye (prime)	9.974	9.858	+.116	8.581
116 Chuck (select)	2.663	2.841	-.178	2.411
116 Chuck (choice)	2.674	2.852	-.178	2.435
116b Chuck Tdnr (choice)	3.321	3.284	+.037	2.351
120 Brisket (choice)	2.826	2.519	+.307	1.948
121c Outside Skirt (ch/sel)	5.063	4.935	+.128	4.422
121d Inside Skirt (ch/sel)	3.678	3.653	+.025	3.606
167a Knckle, Trm. (ch.)	3.107	3.019	+.088	2.290
168 Inside Round (ch.)	3.083	3.019	+.064	2.036
174 Short Loin (ch. 0x1)	6.413	5.948	+.465	4.794
174 Short Loin (prime)	8.283	8.310	-.027	6.937
180 1x1 Strp (choice)	5.850	5.591	+.259	4.655
180 1x1 Strp (prime)	8.267	8.074	+.193	7.782
180 0x1 Strp (choice)	7.135	6.809	+.326	5.041
184 Top Butt, bnls (ch.)	3.532	3.218	+.314	3.082
184 Top Butt, bnls (prime)	3.675	3.700	-.025	3.543
185a Sirloin Flap (choice)	4.804	4.702	+.102	4.086
185c Loin, Tri-Tip (choice)	3.780	3.645	+.135	2.618
189a Tender (select)	10.535	10.362	+.173	8.653
189a Tender (choice)	11.092	10.844	+.248	8.653
189a Tender (prime)	14.044	13.858	+.186	12.130
193 Flank Steak (choice)	4.980	4.763	+.217	4.362
50% Trimmings	1.600	1.550	+.050	.885
65% Trimmings	1.531	1.402	+.129	1.305
75% Trimmings	1.832	1.803	+.029	1.577
85% Trimmings	2.387	2.343	+.044	1.971
90% Trimmings	2.654	2.574	+.080	2.188
90% Imported Beef (frz.)	2.235	2.195	+.040	2.078
95% Imported Beef (frz.)	2.338	2.315	+.023	2.280
Veal Rack (Hotel 7 rib)	8.675	8.650	+.025	8.275
Veal Top Rnd. (cp. off)	15.025	15.025	-	14.925



Oil, Grains, Misc.- Oil, Grains, Misc.- Dry cold weather in the southern plains is causing the U.S. winter wheat crop to deteriorate. Wheat prices could remain supported in the near term. Prices USDA, FOB



	Price	Last Week	Difference	Price 13
Soybeans, bushel	14.086	14.050	+.036	14.303
Crude Soybean Oil, lb.	.409	.423	-.014	.479
Soybean Meal, ton	491.800	482.200	+9.600	423.600
Corn, bushel	4.650	4.632	+.018	7.526
Crude Corn Oil, lb.	.435	.435	-	.475
High Fructose Corn Syrup	.149	.148	+.001	.207
Distillers Grain, Dry	237.500	232.500	+5.000	262.750
Crude Palm Oil, lb. BMD	.380	.398	-.018	.353
HRW Wheat, bushel	7.630	7.280	+.350	7.245
DNS Wheat 14%, bushel	7.910	7.770	+.140	8.380
Durum Wheat, bushel	7.050	7.050	-	7.788
Pinto Beans, lb.	.330	.330	-	.328
Black Beans, lb.	.390	.390	-	.390
Rice, Long Grain, lb.	.283	.287	-.004	.285
Coffee, lb. NYBOT	1.854	2.073	-.219	1.328
Sugar, lb. NYBOT	.219	.221	-.002	.209
Honey (Clover), lb.	2.132	2.046	+.086	1.893

Dairy-The CME spot cheese block market set a new record high this week. This is despite U.S. milk production starting to seasonally expand. Cheese demand remains solid. Plus, persistent below average temperatures are moderating the seasonal gains in milk output in the Midwest. Cheese prices could continue upward in the short term but lower cheese prices are anticipated as the spring progresses. CME butter prices remain firm as a large portion of production is being delivered to the export market. Lower butter prices are expected later this spring as well. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 13
Cheese Barrels (CME)	2.305	2.285	+.020	1.620
Cheese Blocks (CME)	2.420	2.325	+.095	1.640
American Cheese	2.375	2.305	+.070	1.780
Cheddar Cheese (40 lb.)	2.410	2.333	+.077	1.990
Mozzarella Cheese	2.550	2.473	+.077	1.833
Provolone Cheese	2.908	2.830	+.078	2.185
Parmesan Cheese	4.255	4.178	+.077	3.533
Butter (CME)	1.905	1.885	+.020	1.700
Nonfat Dry Milk	2.134	2.137	-.003	1.567
Whey, Dry	.652	.644	+.008	.585
Class 1 Base	23.640	23.640	-	17.800
Class II Cream, heavy	2.406	2.256	+.150	2.005
Class III Milk (CME)	22.940	21.380	+1.560	17.600
Class IV Milk (CME)	23.330	23.120	+.210	18.650

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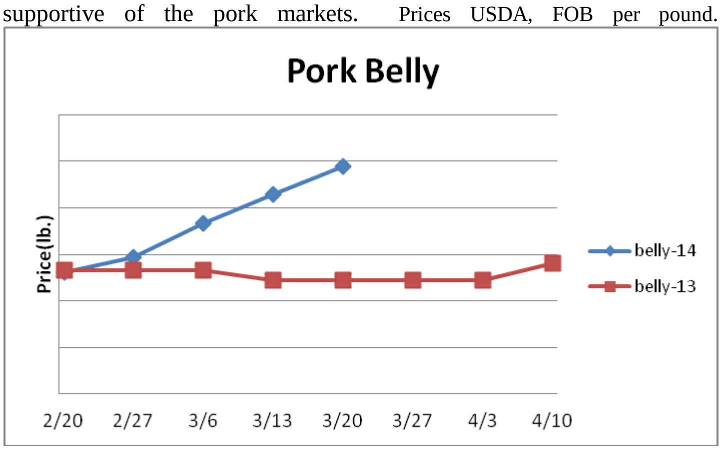
Pork - Pork output last week declined 2% and was 5.4% less than the same week a year ago. Hog slaughter last week was the smallest for any non-holiday week in nine months. This is due largely to Porcine Epidemic Diarrhea virus (PEDv) tightening the available hog supply. Given the increase in PEDv cases during the last few months, pork output could be curbed further this spring and summer which should be supportive of the pork markets. Prices USDA, FOB per pound.



	Price	Last Week	Difference	Price 13
Live Hogs	.869	.799	+.070	.672
Belly (bacon)	1.780	1.660	+.120	1.287
Sparerib (4.25 lb. & down)	1.872	1.768	+.104	1.425
Ham (20-23 lb.)	1.153	1.083	+.070	.570
Ham (23-27 lb.)	1.047	.921	+.126	.570
Loin (bone-in)	1.456	1.304	+.152	.868
Bbybck Rib (1.75 lb. & up)	2.761	2.700	+.061	2.022
Tenderloin (1.25 lb.)	2.806	2.647	+.159	2.630
Boston Butt, untrmd. (4-8lb.)	1.494	1.299	+.195	.768
Picnic, untrmd.	.957	.848	+.109	.451
SS Picnic, smoker trm. bx.	1.160	1.032	+.128	.750
42% Trimmings	.691	.685	+.006	.530
72% Trimmings	1.236	1.154	+.082	.600

Tomato Products, Canned- Raw product costs in 2014 for U.S. tomato canners are projected to be above previous year levels. The canned tomato markets are likely to remain firm. Prices per case (6/10) FOB, unless noted from ARA.

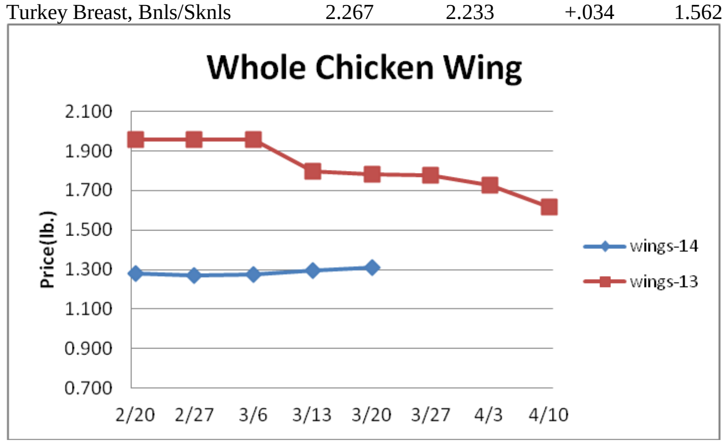
	Price	Last Week	Difference	Price 13
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables - Midwest vegetable for processing planting will likely be behind this year due to the enduring cold weather. The processed vegetable markets could remain firm this spring. 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 production for the week ending March 8th was 5.3% less than the previous year. Chicken producers are expected to continue to tap the brakes on output for the next several weeks. However, margins are improving considerably for producers with the recent appreciation in chicken breast prices. This should lead to better chicken output expansion as the spring progresses. The USDA is forecasting Q2 chicken production to be 3.3% larger than 2013 but their projection is likely overstated. The chicken breast markets are jumping due to better demand and the aforementioned slowed output. Typically the boneless skinless chicken breast markets will rise roughly 7% during the next six weeks. The chicken wing markets may resume their seasonal downward trek later this spring. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 13
Whole Birds (2.5-3 lb.-GA)	1.055	1.050	+.005	1.018
Wings (whole)	1.310	1.295	+.015	1.780
Wings (jumbo, cut)	1.234	1.175	+.059	1.673
Breast, Bone In	1.020	1.000	+.020	1.110
Breast, Bnless Skinless	1.900	1.850	+.050	1.685
Tenderloin (random)	1.530	1.530	-	1.360
Tenderloin (sized)	1.720	1.720	-	1.500
Legs (whole)	.608	.603	+.005	.659
Leg Quarters	.500	.500	-	.550
Thighs, bone in	.788	.764	+.024	.815
Thighs, boneless	1.255	1.206	+.049	1.331
Eggs and Others				
Large (dozen)	1.345	1.346	-.001	1.293
Medium (dozen)	1.147	1.147	-	1.072
Whole Eggs- Liquid	.780	.769	+.011	.719
Egg Whites- Liquid	1.039	.982	+.057	.718
Egg Yolks- Liquid	.583	.583	-	.804
Whole Turkeys (8-16 lb.)	1.025	1.020	+.005	.965
Turkey Breast, Bnls/Sknls	2.267	2.233	+.034	1.562



Seafood- - - Inflated price levels continue to encourage strong U.S. salmon imports. During January, U.S. salmon imports were 1.1% larger than the previous year and the biggest for any month since December 2012. Solid U.S. salmon imports are expected to persevere this spring. Still, improving demand may sustain salmon prices above year ago levels. 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	8.732	8.732	-	6.160
Shrimp (61/70), Frz.	5.200	5.200	-	3.512
Shrimp, Tiger (26/30), Frz.	7.475	7.475	-	4.800
Snow Crab, Legs 5-8 oz, Frz	5.600	5.600	-	5.650
Snow Crab, Legs 8 oz/ up, Fz	5.875	5.875	-	5.800
Cod Tails, 3-7 oz., Frz.	3.063	3.063	-	3.175
Cod Loins, 3-12 oz., Frz	3.025	3.025	-	3.350
Salmon Portions, 4-8 oz, Frz	6.150	6.150	-	4.854
Pollock, Alaska, Deep Skin	1.750	1.750	-	1.925

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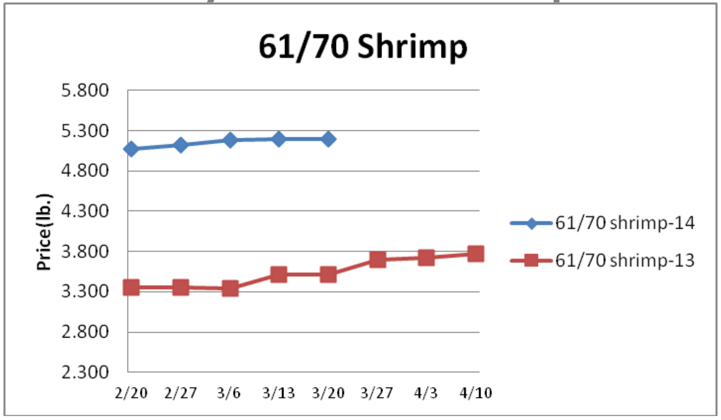


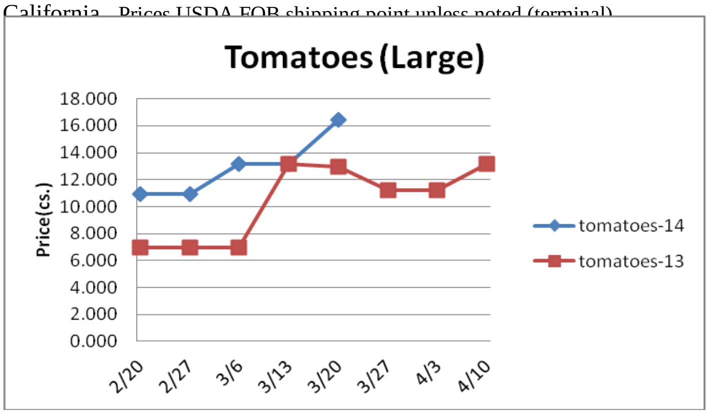
Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 13
Crude Oil, barrel- nymex	99.700	100.030	-.330	92.160
Natural Gas, mbtu- nymex	4.456	4.605	-.149	3.969
Heating Oil, gal- nymex	2.416	2.961	-.545	2.864
Electricity, mwht- nymex	73.320	83.000	-9.680	53.610
Gasoline, gal- nymex	2.903	2.967	-.064	3.045
Diesel Fuel, gal- eia	4.003	4.021	-.018	4.047
Ethanol, gal- usda	2.350	2.275	+.075	2.600
Canadian $	1.117	1.112	+.005	1.025
Japanese Yen	101.578	102.721	-1.143	95.433
Mexican Peso	13.155	13.292	-.137	12.391
Euro	.718	.721	-.003	.774
Brazilian Real	2.334	2.363	-.029	1.986
Chinese Yuan	6.196	6.145	+.051	6.215

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)	1017.060	1013.570	+3.490	900.730
WP; 42 lb. Linerboard (corr.)	771.988	773.781	-1.793	750.649
Res; PS-CHH (cup, cont.)	1.360-1.400	1.360-1.400	-	1.190-1.230
Res; PP-HIGP (hvy utensil)	1.140-1.160	1.140-1.160	-	1.180-1.200
Res; PE-LLD (cn liner, film)	1.010-1.040	1.010-1.040	-	.880-.900

Produce-The lettuce markets continue trend at relatively deflated levels due to ample supplies. Improving demand could be supportive for lettuce prices in the coming weeks. The chief lettuce harvest will be transitioning to the Huron California area in the near term. No major lettuce supply gaps are anticipated. The tomato markets have been supported in part to earlier adverse weather. As demand for produce improves this spring, it could pressure tomato prices upward. The avocado markets are likely to remain firm this spring due to the smaller harvest anticipated this year in California. Prices USDA FOB shipping point unless noted (terminal).



	Price	Last Week	Difference	Price 13
Limes (150 ct.)	73.000	72.000	+1.000	33.000
Lemons (95 ct.)	23.850	23.850	-	14.775
Lemons (200 ct.)	22.350	22.350	-	14.275
Honeydew (6 ct.)	9.837	11.050	-1.213	15.350
Cantaloupe (15 ct.)	11.975	11.975	-	15.450
Blueberries (12 count)	35.333	27.000	+8.333	24.000
Strawberries (12 pnts.)	12.000	12.000	-	19.000
Avocados (Hass 48 ct.)	37.000	36.750	+.250	30.750
Bananas (40 lb.)- Term.	15.520	15.568	-.048	15.999
Pineapple (7 ct.)- Term.	12.750	11.979	+.771	13.708
Idaho Potato (60 ct., 50 lb.)	9.500	8.750	+.750	4.375
Idaho Potato (70 ct., 50 lb.)	9.500	8.750	+.750	4.625
Idaho Potato (70 ct.)-Term.	15.256	14.828	+.428	13.503
Idaho Potato (90 ct., 50 lb.)	9.500	8.750	+.750	5.625
Idaho Pot. # 2 (6 oz., 100 lb.)	8.750	8.500	+.250	6.000
Processing Potato (cwt.)	7.900	7.900	-	6.500
Yellow Onions (50 lb.)	19.000	18.750	+.250	9.666
Yell Onions (50 lb.)-Term.	28.000	25.468	+2.532	16.333
Red Onions (25 lb.)- Term.	16.812	15.176	+1.636	22.437
White Onions (50 lb.)- Term.	34.500	31.916	+2.584	24.875
Tomatoes (large- case)	16.440	13.200	+3.240	12.950
Tomatoes (5x6-25 lb.)-Term	15.343	15.821	-.478	16.696
Tomatoes (4x5 vine ripe)	9.475	8.450	+1.025	8.950
Roma Tomatoes (large- case)	9.337	8.837	+.500	10.293
Roma Tomatoes (xlarge-cs)	12.950	9.087	+3.863	10.793
Green Peppers (large- case)	21.416	14.750	+6.666	10.698
Red Peppers (large 15lb. cs.)	14.950	13.450	+1.500	19.950
Iceberg Lettuce (24 count)	6.950	6.537	+.413	33.890
Iceberg Lettuce (24)-Term.	13.166	13.833	-.667	45.500
Leaf Lettuce (24 count)	6.330	6.575	-.245	9.098
Romaine Lettuce (24 cnt.)	8.440	8.741	-.301	29.076
Mesculin Mix (3 lb.)-Term.	6.750	6.687	+.063	6.781
Broccoli (14 ct.)	11.490	10.051	+1.439	6.423
Squash (1/2 bushel)	14.350	9.350	+5.000	28.425
Zucchini (1/2 bushel)	10.350	8.350	+2.000	13.000
Green Beans (bushel)	17.600	18.083	-.483	36.283
Spinach, Flat 24's	12.675	11.000	+1.675	15.050
Mushrms (10 lb, lg.)-Term.	14.916	15.145	-.229	15.500
Cucumbers (bushel)	13.922	14.185	-.263	24.457
Pickles (200-300 ct.)- Term.	26.583	24.437	+2.146	30.968
Asparagus (small)	8.250	8.250	-	29.250
Freight (Truck; CA-Cty Av.)	5241.667	5225.000	+16.667	5015.000

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

	Feb-14	Jan-14	Dec-13	Nov-13
Beef and Veal	+4.000	-.132	+.202	+.533
Dairy	+.683	+.452	+.419	+.400
Pork	+.324	+.596	-.173	-2.161
Chicken	-.557	-.311	+.520	-1.656
Fresh Fish and Seafood	+1.194	+2.816	-1.391	+.280
Fresh Fruits and Veg.	+.073	-1.233	-.679	-.741