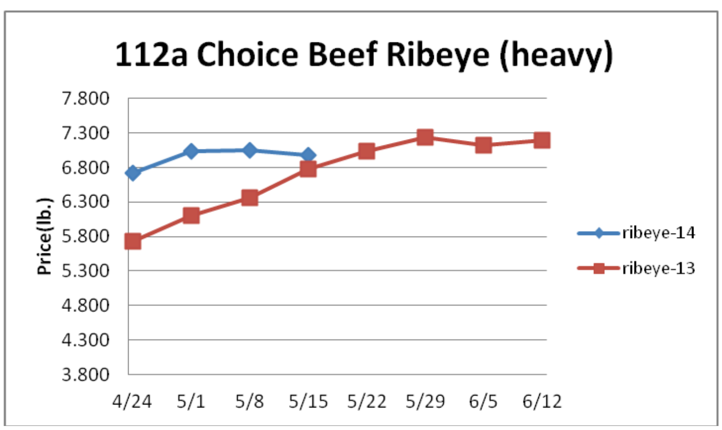
Weekly Market Updates

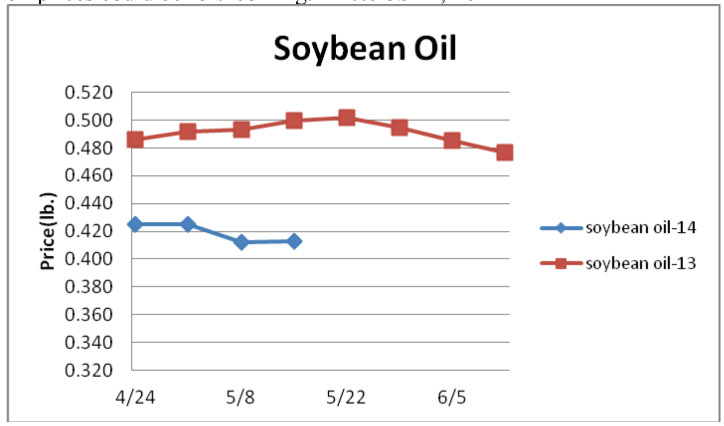
Volume No. 19 Issue No. 20 Date: May 14, 2014

Beef output last week declined 1.9% from the previous week and was 3.7% less than the same week a year ago. Limited cattle supplies will continue to temper beef production in the coming months which generally should be supportive of the beef markets. However, beef demand this spring has been disappointing due to the inflated price levels and less than ideal weather for the grilling season. Beef demand typically becomes spottier once Memorial Day weekend supplies are secured by retailers. Thus, modestly lower beef prices could be forthcoming soon. Last year the USDA choice boxed beef cutout declined 11% from mid May through the month of July. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 13
Live Cattle	1.501	1.492	+.009	1.273
Feeder Cattle Index (CME)	1.827	1.811	+.016	1.343
Ground Beef 81/19	1.772	1.954	-.182	1.983
Ground Chuck	2.149	2.255	-.106	1.986
109e Export Rib (choice)	6.368	6.489	-.121	6.202
109e Export Rib (prime)	9.540	9.540	-	7.613
112a Ribeye (choice)	6.983	7.055	-.072	6.774
112a Ribeye (prime)	10.522	10.522	-	7.731
116 Chuck (select)	2.391	2.448	-.057	2.262
116 Chuck (choice)	2.487	2.548	-.061	2.333
116b Chuck Tdnr (choice)	2.202	2.294	-.092	2.105
120 Brisket (choice)	2.828	2.891	-.063	1.992
121c Outside Skirt (ch/sel)	6.014	5.471	+.543	4.739
121d Inside Skirt (ch/sel)	4.001	4.099	-.098	3.704
167a Knckle, Trm. (ch.)	2.371	2.367	+.004	2.274
168 Inside Round (ch.)	2.316	2.498	-.182	2.085
174 Short Loin (ch. 0x1)	5.677	6.436	-.759	6.988
174 Short Loin (prime)	8.962	8.962	-	6.318
180 1x1 Strp (choice)	5.808	5.892	-.084	5.095
180 1x1 Strp (prime)	9.492	9.492	-	7.324
180 0x1 Strp (choice)	5.612	6.047	-.435	7.676
184 Top Butt, bnls (ch.)	3.586	3.670	-.084	3.307
184 Top Butt, bnls (prime)	3.918	3.918	-	3.694
185a Sirloin Flap (choice)	5.069	5.410	-.341	5.194
185c Loin, Tri-Tip (choice)	3.675	3.755	-.080	3.320
189a Tender (select)	9.931	9.875	+.056	9.054
189a Tender (choice)	10.851	10.664	+.187	9.764
189a Tender (prime)	14.342	14.342	-	11.249
193 Flank Steak (choice)	5.621	5.634	-.013	4.444
50% Trimmings	1.253	1.261	-.008	.946
65% Trimmings	1.592	1.577	+.015	1.293
75% Trimmings	1.875	1.910	-.035	1.651
85% Trimmings	2.093	2.067	+.026	1.918
90% Trimmings	2.450	2.467	-.017	2.018
90% Imported Beef (frz.)	2.135	2.145	-.010	1.965
95% Imported Beef (frz.)	2.275	2.295	-.020	2.198
Veal Rack (Hotel 7 rib)	8.875	8.875	-	8.275
Veal Top Rnd. (cp. off)	15.125	15.125	-	14.925



Oil, Grains, Misc.- Oil, Grains, Misc Dry conditions could temper world palm oil production this year. Modestly higher palm and soybean oil prices could be forthcoming. Prices USDA, FOB

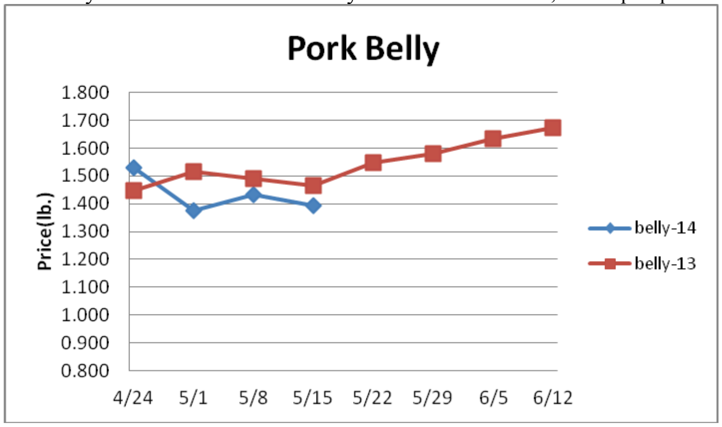


	Price	Last Week	Difference	Price 13
Soybeans, bushel	15.016	14.728	+.288	15.057
Crude Soybean Oil, lb.	.413	.412	+.001	.500
Soybean Meal, ton	519.300	510.000	+9.300	464.300
Corn, bushel	4.949	5.053	-.104	6.983
Crude Corn Oil, lb.	.413	.415	-.002	.450
High Fructose Corn Syrup	.155	.153	+.002	.195
Distillers Grain, Dry	215.000	223.750	-8.750	219.500
Crude Palm Oil, lb. BMD	.362	.357	+.005	.346
HRW Wheat, bushel	8.240	8.410	-.170	7.605
DNS Wheat 14%, bushel	8.300	8.390	-.090	8.460
Durum Wheat, bushel	6.804	6.777	+.027	8.000
Pinto Beans, lb.	.321	.321	-	.328
Black Beans, lb.	.380	.380	-	.348
Rice, Long Grain, lb.	.278	.278	-	.290
Coffee, lb. NYBOT	1.865	2.007	-.142	1.444
Sugar, lb. NYBOT	.246	.244	+.002	.196
Honey (Clover), lb.	2.072	2.072	-	1.953

Dairy- The CME cheese markets have found some support as of late as buyers have been stepping into the markets in greater numbers. This is not atypical for mid-May. Further, history suggests that cheese prices could modestly firm soon. The five year average move for CME cheese blocks during the next four weeks is up 7%. Still, dairy cow herd and milk output expansion could temper any seasonal upward moves in dairy. The butter market remains historically inflated. Assuming milk supplies improve in the near term lower butter prices may be forthcoming. Prices per pound, except Class I Cream (hundred weight), from USDA..

	Price	Last Week	Difference	Price 13
Cheese Barrels (CME)	2.020	2.038	-.018	1.730
Cheese Blocks (CME)	2.045	2.043	+.002	1.755
American Cheese	2.225	2.225	-	1.925
Cheddar Cheese (40 lb.)	2.215	2.215	-	2.255
Mozzarella Cheese	2.355	2.355	-	2.098
Provolone Cheese	2.713	2.713	-	2.450
Parmesan Cheese	4.060	4.060	-	3.798
Butter (CME)	2.168	2.150	+.018	1.595
Nonfat Dry Milk	2.007	2.019	-.012	1.727
Whey, Dry	.698	.686	+.012	.572
Class 1 Base	24.470	24.470	-	17.760
Class II Cream, heavy	2.639	2.639	-	1.986
Class III Milk (CME)	21.050	21.460	-.410	18.090
Class IV Milk (CME)	22.050	22.060	-.010	19.250

Pork - Pork production last week rose .1% and was 1.1% larger than the same week a year ago. Better hog supplies than initially anticipated and record hog weights should encourage solid pork production levels in the near term. However, hog supplies are projected to become especially erratic this summer. The pork belly market remains well off the highs made earlier this spring. Pork belly prices have finished July higher than mid May each of the last three years. Prices USDA, FOB per pound.



	Price	Last Week	Difference	Price 13
Live Hogs	.795	.837	-.042	.664
Belly (bacon)	1.395	1.432	-.037	1.547
Sparerib (4.25 lb. & down)	1.623	1.688	-.065	1.554
Ham (20-23 lb.)	1.118	1.081	+.037	.687
Ham (23-27 lb.)	1.032	1.019	+.013	.700
Loin (bone-in)	1.138	1.129	+.009	.964
Bbybck Rib (1.75 lb. & up)	2.775	2.631	+.144	2.463
Tenderloin (1.25 lb.)	2.726	2.777	-.051	2.666
Boston Butt, untrmd. (4-8lb.)	1.332	1.404	-.072	.937
Picnic, untrmd.	.955	1.009	-.054	.560
SS Picnic, smoker trm. bx.	1.207	1.231	-.024	.745
42% Trimmings	.672	.650	+.022	.437
72% Trimmings	1.145	1.163	-.018	.550

Tomato Products,Canned–Historically high raw product tomato costs for canners will likely endure this year. Canned tomato prices are mostly firm. Prices per case (6/10) FOB, unless noted from ARA.

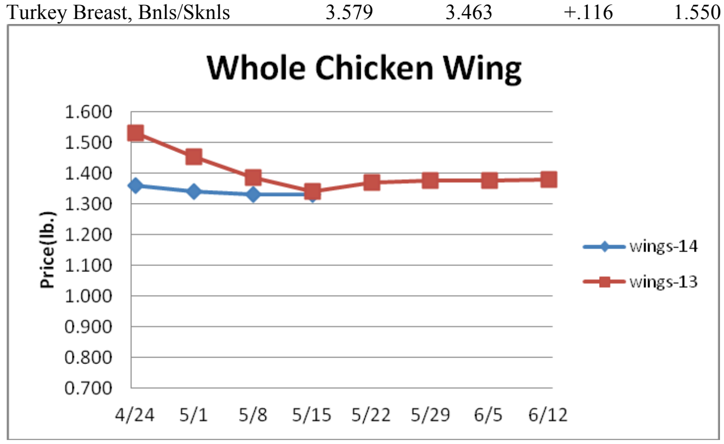
	Price	Last Week	Difference	Price 13
Whole Peeled, Standard	12.250	12.250	-	12.250
Diced, Fancy	12.750	12.750	-	12.750
Ketchup, 33%	13.438	13.438	-	13.438
Tomato Paste- Industrial (lb.)	.398	.398	-	.398

Processed Vegetables- Vegetable for processing planting is progressing but remains behind due to the relatively cool spring. The processed vegetable markets are expected to remain firm into the summer. 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- 2014 chicken output to date is tracking .6% below last year. However, recent data indicates chicken production could expand versus 2013 in the coming months. The six week moving average for broiler egg sets is tracking 1.7% above last year. Thus, with heavier bird weights, chicken output is expected to track near 2% above previous year levels in the coming months. The chicken breast markets remain firm due to the shortened output so far this year and good demand brought on by inflated beef and pork prices. Usually the chicken breast markets peak relatively soon. The five year average move for the ARA Boneless Skinless Chicken Breast Index during the next four weeks is down 8.3%. However, persisting good demand could temper the downside in chicken breast prices this year. Prices USDA, FOB per pound except when noted

Chicken	Price	Last Week	Difference	Price 13
Whole Birds (2.5-3 lb.-GA)	1.085	1.085	-	1.038
Wings (whole)	1.330	1.330	-	1.340
Wings (jumbo, cut)	1.177	1.207	-.030	1.316
Breast, Bone In	1.215	1.170	+.045	1.310
Breast, Bnless Skinless	2.105	2.065	+.040	2.200
Tenderloin (random)	1.680	1.680	-	1.630
Tenderloin (sized)	1.940	1.940	-	1.820
Legs (whole)	.701	.666	+.035	.723
Leg Quarters	.550	.545	+.005	.550
Thighs, bone in	.809	.743	+.066	.868
Thighs, boneless	1.321	1.336	-.015	1.439
Eggs and Others				
Large (dozen)	1.205	1.170	+.035	.990
Medium (dozen)	1.075	1.058	+.017	.888
Whole Eggs- Liquid	.971	.945	+.026	.538
Egg Whites- Liquid	1.235	1.197	+.038	.706
Egg Yolks- Liquid	.663	.690	-.027	.658
Whole Turkeys (8-16 lb.)	1.055	1.071	-.016	.965
Turkey Breast, Bnls/Sknls	3.579	3.463	+.116	1.550



Seafood - Historically expensive salmon prices continue to encourage strong U.S. salmon imports. The U.S. imported 4.1% more salmon during March than the previous year. Chilean salmon exports to the U.S. during the month were a record large. Still, the salmon markets are expected to remain traditionally inflated at least through the next several weeks. 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	8.502	8.361	+.141	6.617
Shrimp (61/70), Frz.	5.100	5.100	-	3.700
Shrimp, Tiger (26/30), Frz.	7.250	7.263	-.013	5.250
Snow Crab, Legs 5-8 oz, Frz	5.175	5.175	-	4.700
Snow Crab, Legs 8 oz/ up, Fz	5.475	5.475	-	5.350
Cod Tails, 3-7 oz., Frz.	3.063	3.063	-	3.088
Cod Loins, 3-12 oz., Frz	3.025	3.025	-	3.100
Salmon Portions, 4-8 oz, Frz	6.167	6.167	-	5.375
Pollock, Alaska, Deep Skin	1.750	1.750	-	1.775

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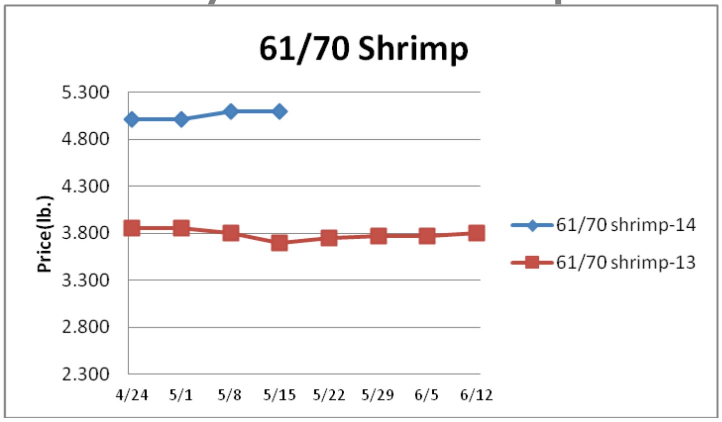


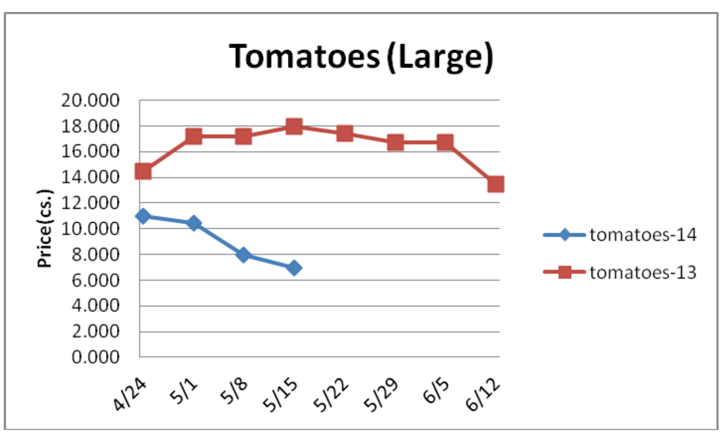
Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 13
Crude Oil, barrel- nymex	99.990	99.500	+.490	94.210
Natural Gas, mbtu- nymex	4.531	4.799	-.268	4.024
Heating Oil, gal- nymex	2.923	2.888	+.035	2.873
Electricity, mwht- nymex	54.010	51.000	+3.010	45.800
Gasoline, gal- nymex	2.896	2.886	+.010	2.838
Diesel Fuel, gal- eia	3.964	3.964	-	3.866
Ethanol, gal- usda	2.150	2.225	-.075	2.595
Canadian $	1.090	1.089	+.001	1.019
Japanese Yen	101.974	101.781	+.193	102.205
Mexican Peso	12.949	13.024	-.075	12.181
Euro	.727	.717	+.010	.774
Brazilian Real	2.213	2.232	-.019	2.018
Chinese Yuan	6.238	6.236	+.002	6.147

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)	1030.000	1030.000	-	927.500
WP; 42 lb. Linerboard (corr.)	764.838	764.838	-	756.835
Res; PS-CHH (cup, cont.)	1.330-1.370	1.360-1.400	-.030	1.160-1.200
Res; PP-HIGP (hvy utensil)	1.120-1.140	1.120-1.140	-	1.120-1.140
Res; PE-LLD (cn liner, film)	1.010-1.040	1.010-1.040	-	.920-.950

Produce- Potato storage inventories are seasonally declining. This has put upward pressure on the potato markets as of late with Idaho 70 count potato prices rising 26% since the beginning of April. Modestly higher potato prices could be impending during the next few months with the market finding a top sometime in August. However, it's not unlikely that potato prices could soften in the near term. The Idaho 70 count potato market has declined during the next few weeks before starting higher again in four of the last five years. Further lime market declines may be forthcoming. Prices USDA FOB shipping point unless noted (terminal).



	Price	Last Week	Difference	Price 13
Limes (150 ct.)	50.000	60.000	-10.000	29.000
Lemons (95 ct.)	26.350	25.850	+.500	19.775
Lemons (200 ct.)	26.350	25.850	+.500	15.775
Honeydew (6 ct.)	9.850	8.475	+1.375	7.737
Cantaloupe (15 ct.)	6.470	5.835	+.635	8.475
Blueberries (12 count)	25.000	28.000	-3.000	21.250
Strawberries (12 pnts.)	14.000	14.000	-	12.250
Avocados (Hass 48 ct.)	38.000	38.250	-.250	34.000
Bananas (40 lb.)- Term.	14.844	14.844	-	15.145
Pineapple (7 ct.)- Term.	13.750	13.531	+.219	14.125
Idaho Potato (60 ct., 50 lb.)	12.750	12.250	+.500	9.000
Idaho Potato (70 ct., 50 lb.)	12.750	12.250	+.500	9.000
Idaho Potato (70 ct.)-Term.	16.738	16.094	+.644	12.197
Idaho Potato (90 ct., 50 lb.)	10.750	10.750	-	9.000
Idaho Pot. # 2 (6 oz., 100 lb.)	7.500	7.500	-	6.500
Processing Potato (cwt.)	10.000	8.500	+1.500	6.500
Yellow Onions (50 lb.)	6.667	7.500	-.833	11.333
Yell Onions (50 lb.)-Term.	14.719	16.281	-1.562	13.708
Red Onions (25 lb.)- Term.	16.813	18.083	-1.270	18.031
White Onions (50 lb.)- Term.	16.063	16.813	-.750	16.750
Tomatoes (large- case)	6.950	7.950	-1.000	17.950
Tomatoes (5x6-25 lb.)-Term	11.500	12.936	-1.436	25.500
Tomatoes (4x5 vine ripe)	7.390	8.950	-1.560	17.975
Roma Tomatoes (large- case)	8.088	8.088	-	10.431
Roma Tomatoes (xlarge-cs)	8.338	8.388	-.050	9.993
Green Peppers (large- case)	16.650	14.650	+2.000	13.675
Red Peppers (large 15lb. cs.)	19.950	19.950	-	14.950
Iceberg Lettuce (24 count)	8.615	8.350	+.265	6.962
Iceberg Lettuce (24)-Term.	16.583	17.500	-.917	20.083
Leaf Lettuce (24 count)	10.005	8.503	+1.502	6.793
Romaine Lettuce (24 cnt.)	11.550	8.717	+2.833	6.491
Mesculin Mix (3 lb.)-Term.	7.000	7.000	-	6.468
Broccoli (14 ct.)	11.685	10.688	+.997	8.687
Squash (1/2 bushel)	17.350	14.650	+2.700	10.175
Zucchini (1/2 bushel)	17.350	12.650	+4.700	10.175
Green Beans (bushel)	26.850	18.600	+8.250	20.600
Spinach, Flat 24's	12.475	9.850	+2.625	11.695
Mushrms (10 lb, lg.)-Term.	15.146	15.150	-.004	15.145
Cucumbers (bushel)	15.800	9.710	+6.090	9.921
Pickles (200-300 ct.)- Term.	29.125	26.896	+2.229	28.062
Asparagus (small)	8.250	8.250	-	16.500
Freight (Truck; CA-Cty Av.)	5981.250	5981.250	-	5694.444

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

	Mar-14	Feb-14	Jan-14	Dec-13
Beef and Veal	+1.924	+4.000	-.132	+.202
Dairy	+.997	+.683	+.452	+.419
Pork	+1.901	+.324	+.596	-.173
Chicken	+.887	-.557	-.311	+.520
Fresh Fish and Seafood	-.744	+1.194	+2.816	-1.391
Fresh Fruits and Veg.	+.156	+.073	-1.233	-.679