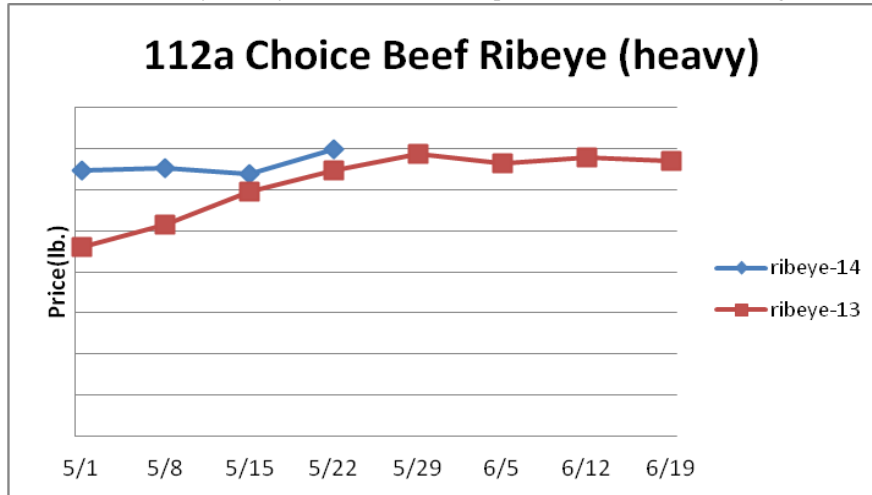


Beef, Veal and Lamb Report

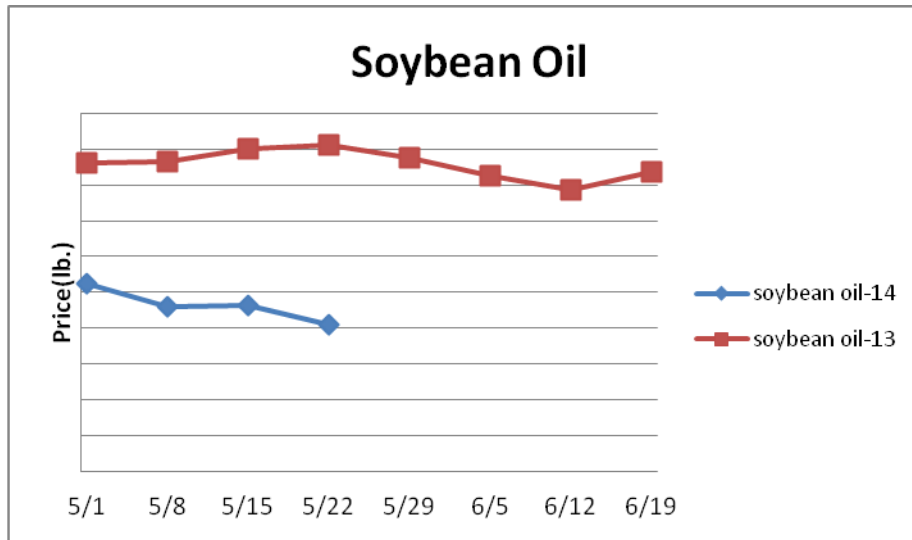
Beef, Veal & Lamb- Beef production last week declined 1.8% and was an incredible 8.5% smaller than the same week a year ago. Relatively limited cattle supplies could limit beef output in the coming months. The May 1 cattle on feed inventory was 1% less than last year. Cattle placements into feedlots during April were 4.9% lower than 2013. The USDA is projecting beef output this summer to decline to a 21 year low which should be supportive of the beef markets. However, lethargic beef demand may limit the upside in beef prices. Further, many beef markets start a seasonal decline shortly. Last year the choice beef top butt markets fell 10% during June. Price USDA, FOB per pound.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	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)	Increasing	Good	Higher
112a Ribeye (choice)	Increasing	Good	Higher
112a Ribeye (prime)	Decreasing	Good	Higher
116 Chuck (choice)	Increasing	Good	Higher
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Increasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Increasing	Good	Lower
174 Short Loin (prime 2x3)	Increasing	Good	Higher
180 1x1 Strip (choice)	Decreasing	Good	Lower
180 1x1 Strip (prime)	Increasing	Good	Higher
180 0x1 Strip (choice)	Increasing	Good	Lower
184 Top Butt, boneless (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Increasing	Good	Lower
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	Higher
50% Trimmings	Increasing	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)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

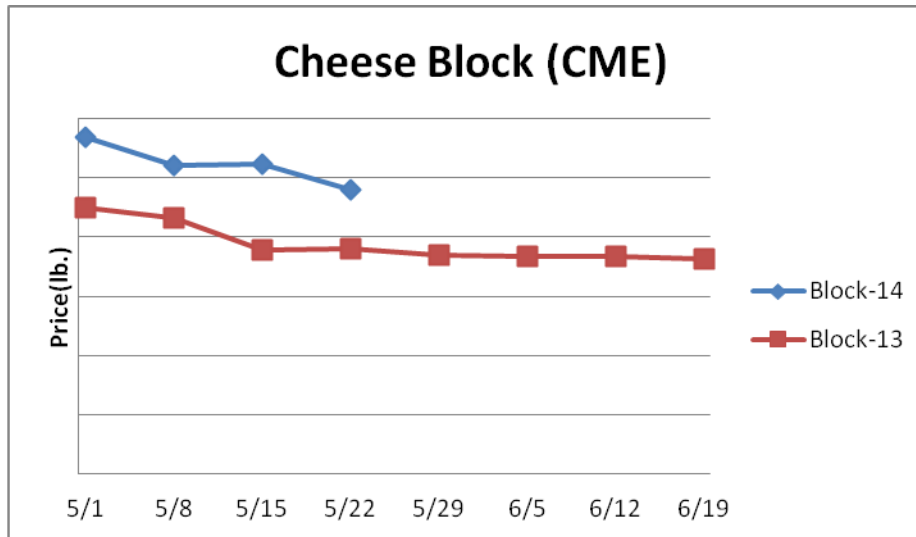
Oil & Grains & Misc - 2014-15 corn crop planting will wind down in the coming weeks generally on schedule. Lower corn prices could be forthcoming in the near term. Prices USDA, FOB.



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

Dairy Report

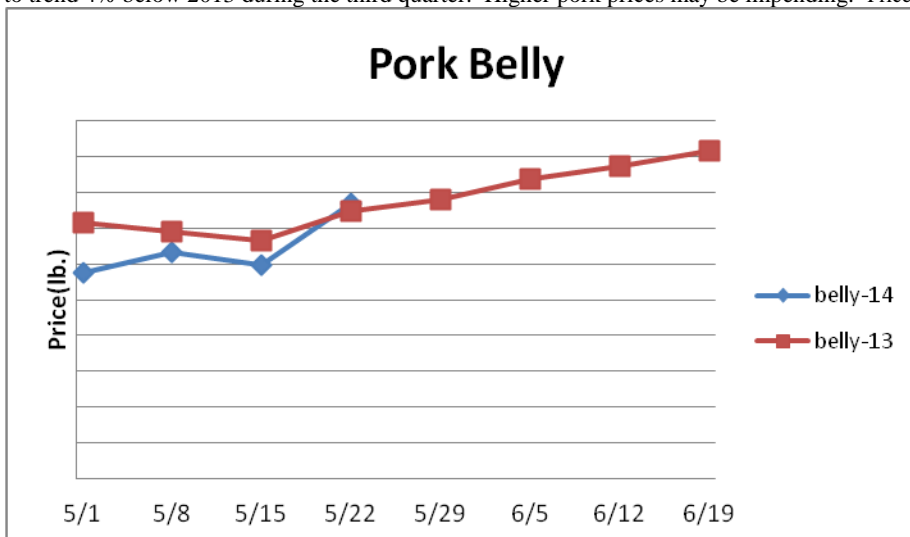
Dairy-U.S. milk production during April was 1% more than last year due to a 1% gain in milk per cow yields and a flat milk cow herd versus 2013. Record profit margins for milk farmers during April did encourage expansion, however, as the herd expanded from the prior month by the largest amount since 2012. Seasonally building milk production could put downward pressure on the dairy markets in the coming weeks. Any declines in cheese prices may only be modest. Butter prices remain inflated due to limited stocks. Still, lower butter prices are likely next month. 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	Decreasing	Good	Higher
Cheese 40 lb Blocks- CME	Decreasing	Good	Higher
American Cheese	Decreasing	Good	Higher
Cheddar Cheese	Decreasing	Good	Lower
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Decreasing	Good	Higher
Parmesan Cheese	Decreasing	Good	Higher
Butter- One lb Solids	Decreasing	Good	Higher
Nonfat Dry Milk	Decreasing	Good	Higher
Whey, Dry	Decreasing	Good	Higher
Class I Milk Base	Steady	Good	Higher
Class II Cream (Heavy Cream)	Increasing	Good	Higher
Class III Milk- CME	Decreasing	Good	Higher
Class IV Milk- CME	Steady	Good	Higher

Pork Report

Pork - Pork output last week declined .6% but was 3% larger than the same week a year ago. Heavy hog weights continue to boost pork output. Hog weights last week were a whopping 5.3% heavier than the prior year and a record high. This trend could temper the impact of PEDv on the hog supply. Still, the USDA is forecasting pork production to trend 4% below 2013 during the third quarter. Higher pork prices may be impending. 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	Lower
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)	Decreasing	Good	Higher
Tenderloin (1.25 lb)	Increasing	Good	Higher
Boston Butt, untrimmed 4-8 lb.	Increasing	Good	Higher
Picnic, untrimmed	Increasing	Good	Higher
SS Picnic, smoker trim boxed	Decreasing	Good	Higher
42% Trimmings	Decreasing	Good	Higher
72% Trimmings	Decreasing	Good	Higher

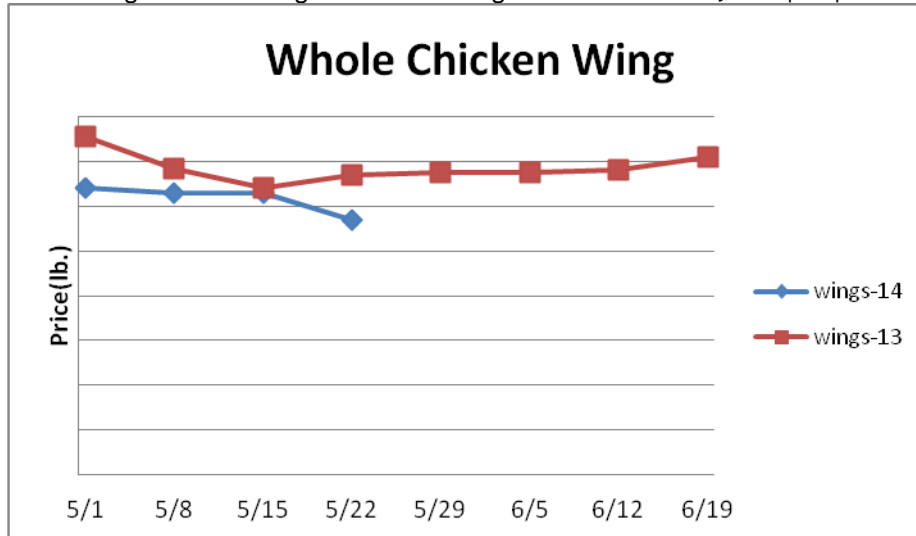
Canned Tomato Report

Tomato Products, Canned- The tomato for canning harvest in California will get underway in roughly six weeks. The canned tomato markets are expected to remain relatively firm into the summer. 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

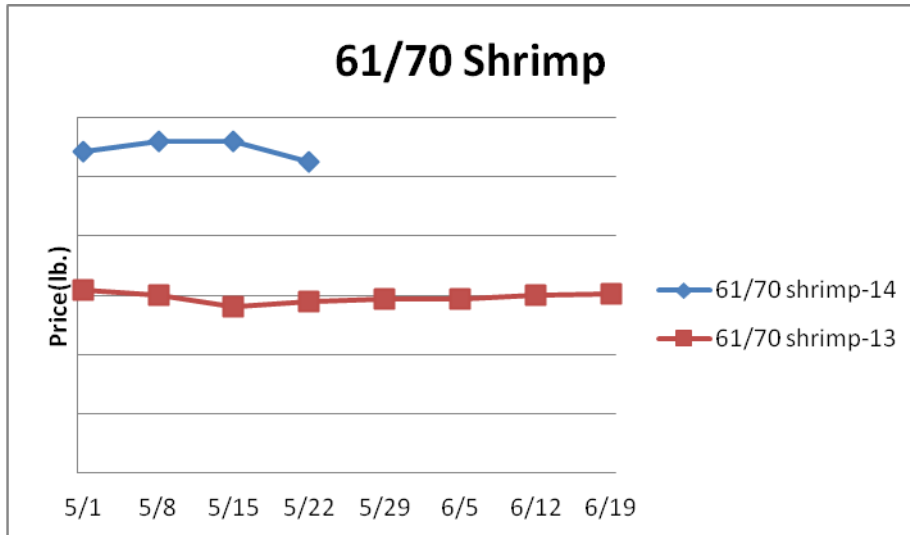
Poultry- Chicken production for the week ending May 10th rose 1.5% from the previous week but was .2% less than the same week a year ago. Chicken demand remains seasonally strong which is lifting the chicken breast and leg quarter markets. Retail chicken prices as of late have been historically undervalued compared to pork and beef which is encouraging sales. This trend may temper any seasonal prices declines in chicken in the coming months. The chicken wing markets have been edging lower as of late declining 6% during the last five weeks. Usually the wing markets will bottom relatively soon before beginning an upward trek that carries into the fall. Still, any near term wing price gains may only be modest. The five year average move for the ARA Chicken Wing Index during June is 4% higher. 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)	Increasing	Good	Higher
Chicken Wings, Whole	Decreasing	Good	Lower
Chicken Wings, Jumbo Cut	Decreasing	Good	Lower
Chicken Breast, Bone-In	Increasing	Good	Lower
Chicken Breast, Bnless Sknless	Increasing	Good	Lower
Chicken Tender (random)	Increasing	Good	Lower
Chicken Tender (sized)	Increasing	Good	Higher
Chicken Legs (whole)	Decreasing	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	Higher
Medium Eggs	Increasing	Good	Higher
Whole Eggs- Liq	Increasing	Good	Higher
Egg Whites- Liq	Increasing	Good	Higher
Egg Yolks- Liq	Increasing	Good	Higher
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Increasing	Good	Higher

Seafood Report

Seafood - Despite the inflated shrimp prices, U.S. Gulf of Mexico shrimp landings have been light. Output during April was 15% below a year ago with 2014 landings to date the smallest in the last five years. Limited world shrimp supplies are expected to be supportive of the shrimp markets this summer. Shrimp prices may remain above the prior year. 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)	Decreasing	Good	Higher
Shrimp (61-70 count)	Decreasing	Good	Higher
Shrimp, Tiger (26-30 count)	Decreasing	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	Higher
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	Decreasing	Good	Lower
Black Beans	Steady	Good	Higher
Rice, Long Grain	Increasing	Good	Lower
Coffee Beans	Decreasing	Good	Higher
Sugar	Increasing	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	n/a	Good	n/a
42 lb. Linerboard-corrugated box	n/a	Good	n/a
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Same
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

	<u>Apr-14</u>	<u>Mar-14</u>	<u>Feb-14</u>
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Increasing	Increasing	Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Decreasing	Increasing	Decreasing
Fresh Fish and Seafood	Increasing	Decreasing	Increasing
Fresh Fruits and Vegetables	Increasing	Increasing	Increasing

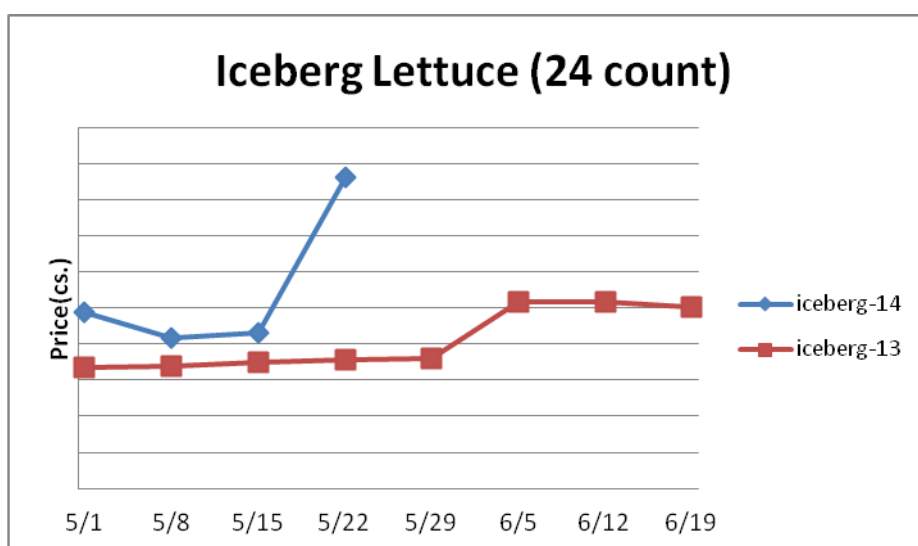
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- Vegetable for processing planting is escalating. The processed vegetable markets remain firm. 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>
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- The lettuce markets are firming. Hot temperatures in the chief growing areas has hurt lettuce yields and tightened supplies. Iceberg lettuce shipments last week fell 13%. Overall lettuce shipments could remain erratic during the next few weeks which would be supportive of the lettuce markets. Tomato supplies have tightened this week as well. The chief harvest areas for tomatoes will shift north in both the east and west in the coming weeks which could be accompanied with more price volatility. Lime supplies are slowly becoming more available influencing the market lower. Prices USDA FOB shipping point unless noted (terminal).



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Decreasing	Good	Higher
Lemons (95 count)	Steady	Good	Higher
Lemons (200 count)	Steady	Good	Higher
Honeydew (6 ct.)	Increasing	Good	Higher
Cantaloupe (15 count)	Decreasing	Good	Lower
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Steady	Good	Higher
Avocados, Hass (48 count)	Increasing	Good	Higher
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Increasing	Good	Lower
Idaho Potato (60 count)	Increasing	Good	Higher
Idaho Potato (70 count)	Increasing	Good	Higher
Idaho Potato (70 count)-Term.	Increasing	Good	Higher
Idaho Potato (90 count)	Increasing	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.	Decreasing	Good	Lower
White Onions (50 lb)-Term.	Increasing	Good	Lower
Tomatoes, (large- case)	Increasing	Good	Lower

Tomatoes, (5x6, 25 lb.)-Term.	Increasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Steady	Good	Lower
Roma Tomatoes (large- case)	Increasing	Good	Lower
Roma Tomatoes (xlarge- case)	Increasing	Good	Lower
Green Peppers (large- case)	Increasing	Good	Higher
Red Peppers (large- 15 lb. cs.)	Decreasing	Good	Lower
Iceberg Lettuce (24 count)	Increasing	Good	Higher
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Higher

Produce Report (continued)

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