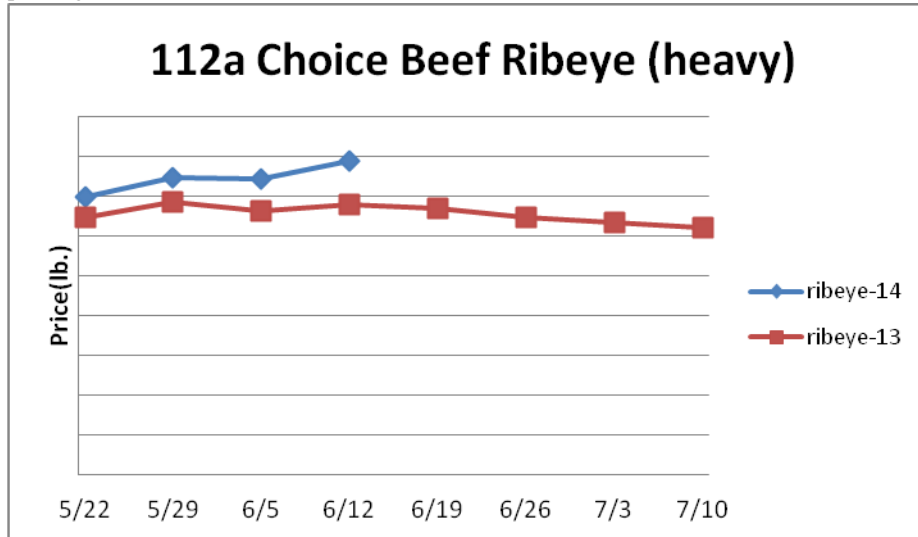


Beef, Veal and Lamb Report

Beef, Veal & Lamb-Beef output last week was 5.2% less than the same week a year ago. Historically limited cattle supplies are expected to cause beef production to continue to track well below 2013 levels for the next several months. U.S. beef imports during April were 17% larger than the prior year and the biggest for any month since July 2007. Further, beef imports during the month outpaced domestic beef exports by the most in nearly five years. Typically, this would be a good sign for lower lean beef trim prices. However, reduced domestic cow slaughter could limit any seasonal declines in 90% beef trim prices this summer. Modestly lower 50% beef trim prices may be impending. Price USDA, FOB per pound

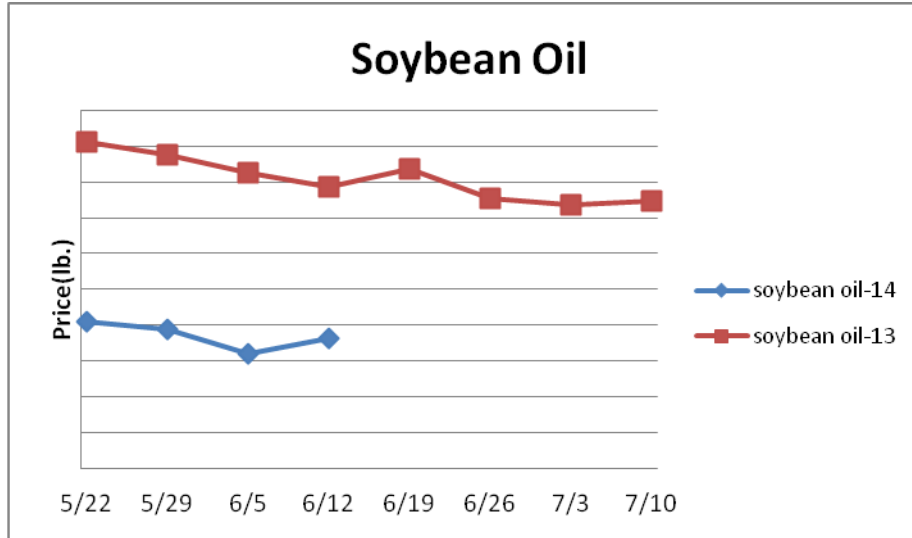


| | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|--|---------------------|-----------------|----------------------------|
| Live Cattle (Steer) | Increasing | Good | Higher |
| Ground Beef 81/19 | Decreasing | Good | Higher |
| Ground Chuck | Decreasing | Good | Higher |
| 109 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.) | Increasing | Good | Higher |
| 167a Knuckle, Trimmed (choice) | Decreasing | Good | Higher |
| 168 Inside Round (choice) | Decreasing | Good | Higher |
| 174 Short Loin (choice 0x1) | Decreasing | 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) | Decreasing | Good | Lower |
| 184 Top Butt, boneless (choice) | Decreasing | Good | Higher |
| 184 Top Butt, boneless (prime) | Increasing | Good | Higher |
| 185a Sirloin Flap (choice) | Decreasing | Good | Lower |
| 185c Loin, Tri-Tip (choice) | Increasing | Good | Lower |
| 189a Tender (select, 5 lb & up) | Decreasing | Good | Higher |
| 189a Tender (choice, 5 lb & up) | Decreasing | Good | Higher |
| 189a Tender (prime, heavy) | Decreasing | Good | Higher |
| 193 Flank Steak (choice) | Increasing | Good | Higher |
| 50% Trimmings | Increasing | Good | Higher |
| 65% Trimmings | Increasing | Good | Higher |
| 75% Trimmings | Decreasing | Good | Higher |
| 85% Trimmings | Decreasing | Good | Higher |
| 90% Trimmings | Same | Good | Higher |
| 90% Imported Beef (frozen) | Increasing | Good | Higher |

| | | | |
|---------------------------------|-------------------|-------------|---------------|
| Veal Rack (Hotel 7 rib) | Increasing | Good | Higher |
| Veal Top Round (cap off) | Increasing | Good | Same |

Oil and Grains Report

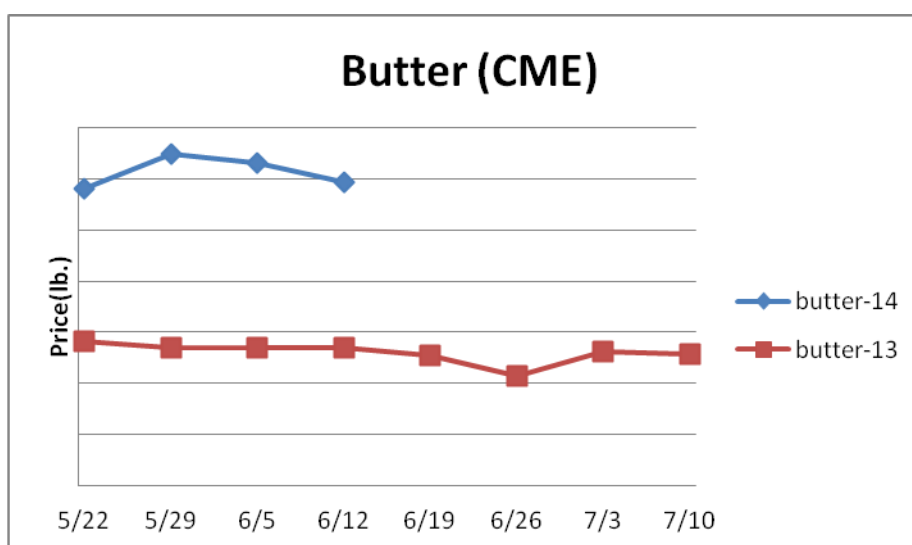
Oil & Grains & Misc - The U.S. soybean crop is off to its second best start on record. Assuming normal weather continues, lower feed prices are likely pending this fall. Prices USDA, FOB.



| | <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 | Decreasing | Good | Lower |
| Distillers Grain, Dry | Decreasing | Good | Lower |
| Crude Palm Oil | Decreasing | Good | Lower |
| Hard Red Winter Wheat | Increasing | Good | Lower |
| Dark Northern Spring Wheat | Increasing | Good | Lower |
| High Fructose Corn Syrup | Decreasing | Good | Lower |
| Durum Wheat | Increasing | Good | Lower |

Dairy Report

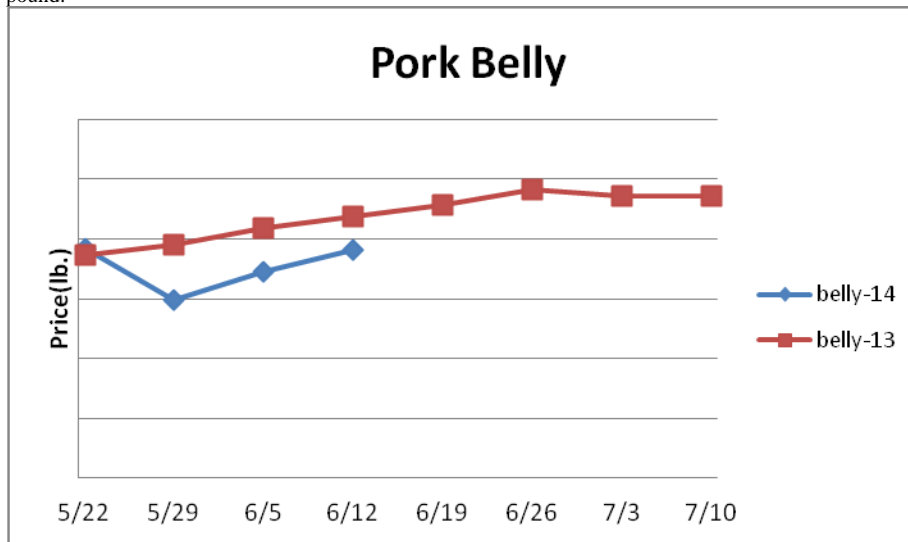
Dairy-The CME butter market has softened during the last week but still remains inflated. Although the greater price risk in butter from here is to the downside, attempts by producers to build inventories in front of this year's holiday season may limit any butter price depreciation in the near term. During April, U.S. butter exports were historically large but the smallest for any month since June 2013. The CME cheese markets are seasonally firming. Yet, milk production in the Midwest has been strong as of late which should limit any further cheese price inflation in the near term. 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 | Steady | Good | Higher |
| American Cheese | Decreasing | Good | Higher |
| Cheddar Cheese | Increasing | Good | Lower |
| Mozzarella Cheese | Increasing | Good | Higher |
| Provolone Cheese | Increasing | Good | Higher |
| Parmesan Cheese | Increasing | 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) | Decreasing | Good | Higher |
| Class III Milk- CME | Increasing | Good | Higher |
| Class IV Milk- CME | Increasing | Good | Higher |

Pork Report

Pork - Pork production last week was 1.1% larger than a year ago despite hog slaughter falling to its lowest level for any non-holiday week since June 2006. Hog supplies are expected to tighten considerably during the next several weeks due to PEDv which should generally be supportive of the pork markets. The pork belly market has climbed to a six week high this week. Further pork belly market increases are anticipated into the summer. 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) | Increasing | Good | Higher |
| Tenderloin (1.25 lb) | Decreasing | Good | Higher |
| Boston Butt, untrimmed 4-8 lb. | Increasing | Good | Higher |
| Picnic, untrimmed | Increasing | Good | Higher |
| SS Picnic, smoker trim boxed | Increasing | Good | Higher |
| 42% Trimmings | Steady | Good | Higher |
| 72% Trimmings | Increasing | Good | Higher |

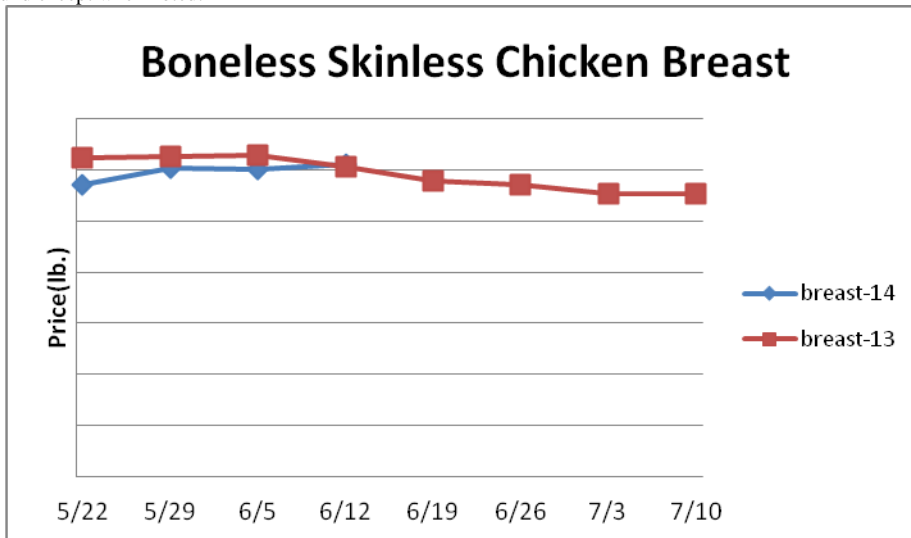
Canned Tomato Report

Tomato Products, Canned – The California tomato harvest will commence in the next few weeks. The canned tomato markets remain 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

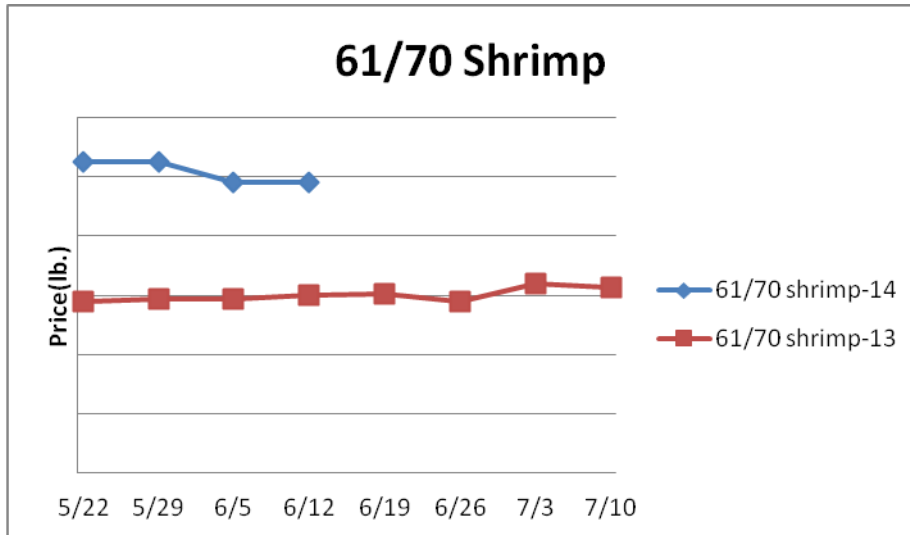
Poultry- Chicken production for the week ending May 24th rose 2.3% and was .4% larger than the same week a year ago. Year to date chicken output is tracking .6% below 2013. Chicken producer margins have improved considerably this spring due to rising chicken prices and lower feed markets. Eventually this should lead to chicken production expansion versus the previous year. The USDA is forecasting third quarter chicken output to be 1.5% better than last year. This, and seasonally waning demand, could put downward pressure on the chicken breast markets. Still, any chicken breast market depreciation may be tempered by solid demand brought on by inflated beef and pork prices. The chicken wing markets usually appreciate during the next several months. 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 | Increasing | Good | Lower |
| Chicken Wings, Jumbo Cut | Increasing | Good | Lower |
| Chicken Breast, Bone-In | Increasing | Good | Lower |
| Chicken Breast, Bnless Sknless | Increasing | Good | Higher |
| Chicken Tender (random) | Increasing | Good | Lower |
| Chicken Tender (sized) | Increasing | Good | Lower |
| Chicken Legs (whole) | Decreasing | Good | Lower |
| Chicken Leg Quarters | Steady | Good | Higher |
| Chicken Thighs, bone in | Increasing | Good | Lower |
| Chicken Thighs, boneless | Increasing | Good | Lower |
| Large Eggs | Steady | Good | Higher |
| Medium Eggs | Steady | Good | Higher |
| Whole Eggs- Liq | Decreasing | Good | Higher |
| Egg Whites- Liq | Steady | Good | Higher |
| Egg Yolks- Liq | Increasing | Good | Lower |
| Whole Turkey (8-16 lb) | Increasing | Good | Higher |
| Turkey Breast- Bnls/Sknls | Increasing | Good | Higher |

Seafood Report

Seafood - Shrimp supplies remain restricted. U.S. shrimp imports during April were 11.5% more than the previous year but the second smallest for any month since June 2013. Shrimp shipments from the world's largest exporter, Thailand, were the smallest for the month in the last 15 years. Relatively inflated shrimp prices are anticipated to persevere this summer. 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) | Steady | Good | Higher |
| Shrimp, Tiger (26-30 count) | Decreasing | Good | Higher |
| Snow Crab Legs (5-8 oz) | Decreasing | 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. | Increasing | 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 | Lower |
| Black Beans | Steady | Good | Higher |
| Rice, Long Grain | Decreasing | Good | Lower |
| 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 | 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. | Decreasing | Good | Higher |
| PP-HIGP-heavy grade utensils | Decreasing | Good | Lower |
| 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 |

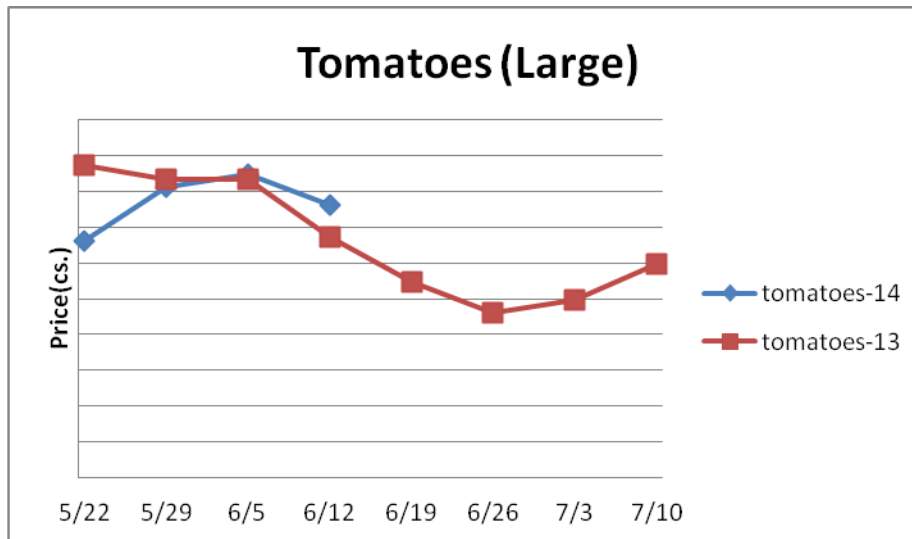
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- The vegetable for processing crops in the Midwest are progressing under nearly ideal growing conditions. The processed vegetable markets are expected to remain firm this summer. 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 - Lettuce supplies remain limited due to earlier weather challenges. Iceberg lettuce shipments last week declined slightly from the prior week and were 11.6% less than the same week a year ago. Some modest price relief in the lettuce markets could occur later this month. Tomato prices have been well supported as of late as well. The chief eastern tomato harvest area will transition north a few times this summer which could bring some temporary supply gaps. Tomato prices may be erratic as a result. The avocado market may modestly firm in the coming weeks. 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) | Increasing | Good | Higher |
| Lemons (200 count) | Steady | Good | Higher |
| Honeydew (6 ct.) | Decreasing | Good | Higher |
| Cantaloupe (15 count) | Steady | Good | Higher |
| Blueberries (12 count) | Decreasing | Good | Lower |
| Strawberries (12 pints) | Steady | Good | Higher |
| Avocados, Hass (48 count) | Decreasing | Good | Lower |
| Bananas (40 lb)-Term. | Increasing | Good | Lower |
| Pineapple (7 ct.)- Term. | Decreasing | Good | Lower |
| Idaho Potato (60 count) | Decreasing | Good | Higher |
| Idaho Potato (70 count) | Decreasing | Good | Higher |
| Idaho Potato (70 count)-Term. | Decreasing | Good | Higher |
| Idaho Potato (90 count) | Decreasing | Good | Higher |
| Idaho Potato #2 (6 oz. min.) | Increasing | Good | Higher |
| Processing Potato (100 lb) | Increasing | Good | Higher |
| Yellow Onions (50 lb) | Increasing | Good | Lower |
| Yellow Onions (50 lb)-Term. | Increasing | Good | Higher |
| Red Onions (25 lb)-Term. | Decreasing | Good | Lower |
| White Onions (50 lb)-Term. | Increasing | Good | Lower |

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

Produce Report (continued)

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