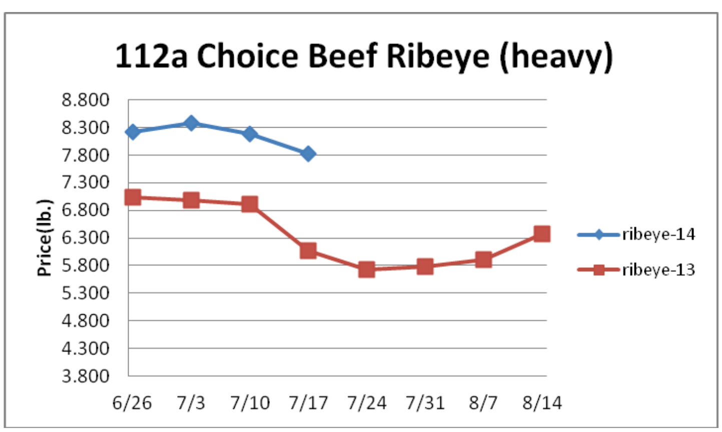
Weekly Market Updates

PERFORMANCE FOODSERVICE

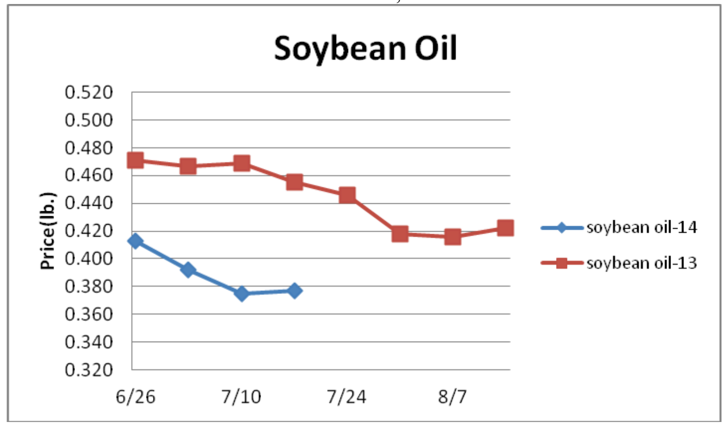
Volume No. 19 Issue No. 28 Date: July 16, 2014

Beef- Beef output last week was 9.5% less than the same week a year ago. This contributed to the new record highs set in the USDA choice and select boxed beef cutouts. Beef demand was decent with total beef shipments climbing to a five week high. Usually good demand with rising prices is a sign of further market strength. However, history suggests that less expensive beef prices may be forthcoming. The five year average move for the choice boxed beef cutout during the next three weeks is 4% lower. U.S. beef imports during May were up 20% compared to 2013 and the largest for the month in seven years. Still, inflated lean beef trim prices could persist. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 13
Live Cattle	1.552	1.585	-.003	1.207
Feeder Cattle Index (CME)	2.168	2.148	+.020	1.453
Ground Beef 81/19	2.574	2.531	+.043	1.758
Ground Chuck	2.616	2.585	+.031	1.779
109e Export Rib (choice)	6.738	7.471	-.733	5.492
109e Export Rib (prime)	10.880	10.791	+.089	9.096
112a Ribeye (choice)	7.832	8.193	-.361	6.062
112a Ribeye (prime)	11.248	11.098	+.150	8.851
116 Chuck (select)	2.881	2.918	-.037	2.194
116 Chuck (choice)	3.007	3.045	-.038	2.311
116b Chuck Tdnr (choice)	2.814	2.750	+.064	2.093
120 Brisket (choice)	3.209	3.337	-.128	2.030
121c Outside Skirt (ch/sel)	5.907	5.931	-.024	4.177
121d Inside Skirt (ch/sel)	4.576	4.588	-.012	3.859
167a Knckle, Trm. (ch.)	3.048	2.945	+.103	2.114
168 Inside Round (ch.)	2.658	2.580	+.078	2.003
174 Short Loin (ch. 0x1)	6.349	6.224	+.125	4.776
174 Short Loin (prime)	9.833	9.561	+.272	8.133
180 1x1 Strp (choice)	6.307	6.385	-.078	4.550
180 1x1 Strp (prime)	10.460	10.046	+.414	9.493
180 0x1 Strp (choice)	6.742	6.822	-.080	5.068
184 Top Butt, bnls (ch.)	4.179	3.989	+.190	3.075
184 Top Butt, bnls (prime)	4.690	4.810	-.120	3.774
185a Sirloin Flap (choice)	4.968	5.194	-.226	3.939
185c Loin, Tri-Tip (choice)	4.056	3.956	+.100	3.491
189a Tender (select)	9.778	10.097	-.319	8.616
189a Tender (choice)	9.940	10.511	-.571	9.306
189a Tender (prime)	14.663	14.771	-.108	12.307
193 Flank Steak (choice)	6.165	6.219	-.054	4.905
50% Trimmings	1.354	1.241	+.113	1.105
65% Trimmings	1.784	1.783	+.001	1.326
75% Trimmings	1.991	1.961	+.030	1.618
85% Trimmings	2.684	2.588	+.096	1.934
90% Trimmings	2.958	2.914	+.044	2.027
90% Imported Beef (frz.)	2.400	2.355	+.045	1.875
95% Imported Beef (frz.)	2.530	2.468	+.062	1.990
Veal Rack (Hotel 7 rib)	9.050	9.050	-	8.350
Veal Top Rnd. (cp. off)	15.200	15.200	-	15.150



Oil, Grains, Misc.- Oil, Grains, Misc- Corn and soybean prices are declining due to favorable growing conditions and expectations for better supplies this fall. These markets could find temporary support soon. Prices USDA, FOB

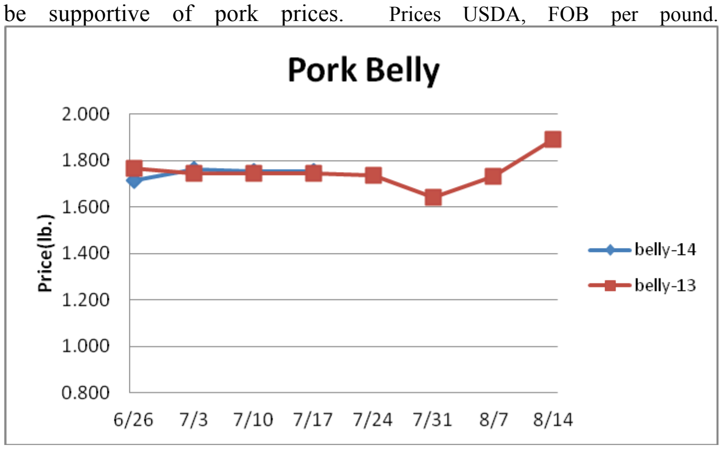


	Price	Last Week	Difference	Price 13
Soybeans, bushel	12.531	13.218	-.687	15.658
Crude Soybean Oil, lb.	.377	.375	+.002	.455
Soybean Meal, ton	432.100	472.500	-40.400	568.300
Corn, bushel	3.584	3.891	-.307	6.856
Crude Corn Oil, lb.	.400	.400	-	.390
High Fructose Corn Syrup	.127	.134	-.007	.194
Distillers Grain, Dry	132.775	142.333	-9.558	232.500
Crude Palm Oil, lb. BMD	.326	.341	-.015	.323
HRW Wheat, bushel	6.460	6.590	-.130	7.045
DNS Wheat 14%, bushel	6.850	7.020	-.170	7.990
Durum Wheat, bushel	8.454	8.329	+.125	7.783
Pinto Beans, lb.	.311	.316	-.005	.395
Black Beans, lb.	.390	.390	-	.395
Rice, Long Grain, lb.	.286	.287	-.001	.294
Coffee, lb. NYBOT	1.634	1.633	+.001	1.280
Sugar, lb. NYBOT	.246	.250	-.004	.188
Honey (Clover), lb.	2.475	2.165	+.310	1.953

Dairy-CME butter continues to trade at historically inflated levels due to limited supplies. Ice cream manufacturing continues to pull cream away from butter production. This factor and seasonally declining milk output are helping support butter prices. Butter export demand is declining however. U.S. butter exports during May were down 7.5% from 2013 and were the smallest for the month in five years. The upside price risk in butter from here is likely limited. The cheese markets continue to trade near the $2 level. Lower cheese prices are anticipated later this year. Prices per pound, except Class I Cream (hundred weight), from USDA

	Price	Last Week	Difference	Price 13
Cheese Barrels (CME)	2.040	1.960	+.080	1.680
Cheese Blocks (CME)	2.003	1.950	+.053	1.693
American Cheese	2.065	2.090	-.025	1.860
Cheddar Cheese (40 lb.)	2.033	2.060	-.027	2.058
Mozzarella Cheese	2.173	2.200	-.027	1.900
Provolone Cheese	2.530	2.558	-.028	2.255
Parmesan Cheese	3.878	3.905	-.027	3.603
Butter (CME)	2.390	2.385	+.005	1.483
Nonfat Dry Milk	1.895	1.894	+.001	1.778
Whey, Dry	.673	.675	-.002	.573
Class 1 Base	23.020	23.020	-	18.910
Class II Cream, heavy	3.446	3.373	+.073	2.029
Class III Milk (CME)	21.300	20.650	+.650	18.000
Class IV Milk (CME)	22.950	22.290	+.660	19.400

Pork- Pork production last week was 4.2% less than the same week a year ago. Hog slaughter for the week was down 9% from the prior year and was the smallest for any non-holiday week since July 2006. PEDv should cause hog slaughter and pork production to remain light during the next several months. The USDA is forecasting pork output during the last six months of this year to trend 3.6% below 2013. This, generally, should be supportive of pork prices. Prices USDA, FOB per pound.



	Price	Last Week	Difference	Price 13
Live Hogs	.971	.968	+.003	.704
Belly (bacon)	1.752	1.753	-.001	1.736
Sparerib (4.25 lb. & down)	1.920	1.926	-.006	1.526
Ham (20-23 lb.)	1.447	1.407	+.040	.891
Ham (23-27 lb.)	1.420	1.373	+.047	.883
Loin (bone-in)	1.330	1.337	-.007	1.020
Bbybck Rib (1.75 lb. & up)	2.646	2.741	-.095	2.358
Tenderloin (1.25 lb.)	2.885	2.904	-.019	2.669
Boston Butt, untrmd. (4-8lb.)	1.515	1.515	-	.954
Picnic, untrmd.	1.092	1.061	+.031	.744
SS Picnic, smoker trm. bx.	1.293	1.270	+.023	.948
42% Trimmings	.641	.615	+.026	.650
72% Trimmings	1.451	1.390	+.061	.923

Tomato Products,Canned– The tomato for canning harvest in California is off to its best start since 2009. Still, relatively inflated canned tomato prices are anticipated to endure during the next few months. Prices per case (6/10) FOB, unless noted from ARA

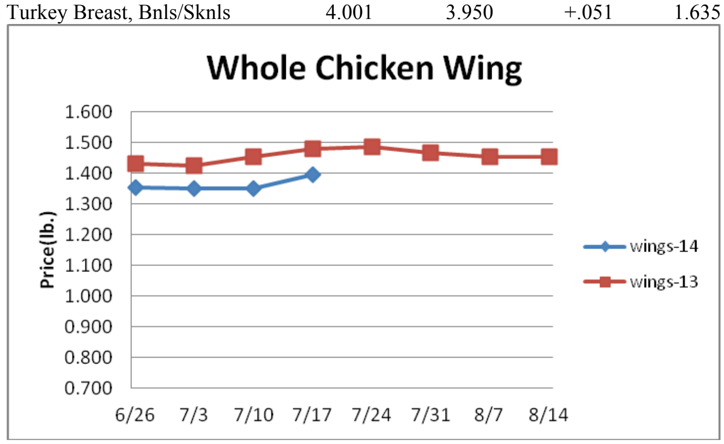
	Price	Last Week	Difference	Price 13
Whole Peeled, Standard	n/a	12.250	-	12.250
Diced, Fancy	n/a	12.750	-	12.750
Ketchup, 33%	n/a	13.438	-	13.438
Tomato Paste- Industrial (lb.)	n/a	.398	-	.398

Processed Vegetables- The vegetable crops are progressing due to favorable weather and conducive growing conditions. The processed vegetable markets are steady. Prices FOB per case ARA.

	Price	Last Week	Difference	Price 13
Corn, Fcy whl kern- can 6/10	n/a	19.656	-	12.250
Green Beans Fcy- can 6/10	n/a	19.250	-	12.750
Green Peas, Fcy- can 6/10	n/a	20.750	-	13.438
Corn, Cob- froz 96 ct.	n/a	14.750	-	.398
Corn, Kernel- froz 12/2.5#	n/a	19.500	-	19.656
Green Beans Cut- froz 12/2#	n/a	15.300	-	19.250
Green Peas- froz 12/2.5#	n/a	26.250	-	19.500
Potatoes, FF Fncy- froz 6/5#	n/a	14.000	-	15.300

Poultry-Chicken output for the week ending July 5th was 4% less than the same week a year ago. Chicken production is projected to be near 2013 levels during the next several months. The USDA is forecasting chicken output during the next five months to track just .8% above the previous year. History suggests that relatively sizeable chicken wing market gains could be pending later this summer and fall due to the lackluster chicken production expansion. In 2011 when chicken output declined versus the previous year, the ARA chicken wing index rose 73% from now through the end of the year. U.S. chicken exports during May were the second largest for the month on record. If solid exports continue, it could be supportive of the dark meat chicken markets including leg quarters. Prices USDA, FOB per pound except when noted

Chicken	Price	Last Week	Difference	Price 13
Whole Birds (2.5-3 lb.-GA)	1.128	1.125	+.003	1.065
Wings (whole)	1.395	1.350	+.045	1.480
Wings (jumbo, cut)	1.309	1.271	+.038	1.586
Breast, Bone In	1.290	1.295	-.005	1.280
Breast, Bnless Skinless	2.245	2.245	-	2.105
Tenderloin (random)	1.880	1.880	-	1.800
Tenderloin (sized)	2.140	2.140	-	2.100
Legs (whole)	.646	.688	-.042	.721
Leg Quarters	.555	.555	-	.535
Thighs, bone in	.835	.882	-.047	.868
Thighs, boneless	1.415	1.420	-.005	1.502
Eggs and Others				
Large (dozen)	1.298	1.183	+.115	1.133
Medium (dozen)	.948	.982	-.034	.859
Whole Eggs- Liquid	.776	.780	-.004	.648
Egg Whites- Liquid	1.264	1.271	-.007	.745
Egg Yolks- Liquid	.600	.603	-.003	.750
Whole Turkeys (8-16 lb.)	1.080	1.080	-	.965
Turkey Breast, Bnls/Sknls	4.001	3.950	+.051	1.635



Seafood - Shrimp supplies are limited due to sluggish imports. U.S. shrimp imports during May were 7.2% less than the prior year. Thailand, historically the world's largest exporter, had shrimp exports to the U.S. during the month down 32% from 2013 and the smallest for the month in 11 years. Shrimp prices should remain above 2013 levels this summer. 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	7.834	7.911	-.077	7.025
Shrimp (61/70), Frz.	4.300	4.525	-.225	3.967
Shrimp, Tiger (26/30), Frz.	6.500	6.767	-.267	5.800
Snow Crab, Legs 5-8 oz, Frz	5.325	5.325	-	5.050
Snow Crab, Legs 8 oz/ up, Fz	5.625	5.625	-	6.025
Cod Tails, 3-7 oz., Frz.	3.063	3.063	-	3.088
Cod Loins, 3-12 oz., Frz	3.025	3.025	-	3.000
Salmon Portions, 4-8 oz, Frz	6.230	6.230	-	5.458
Pollock, Alaska, Deep Skin	1.750	1.750	-	1.775

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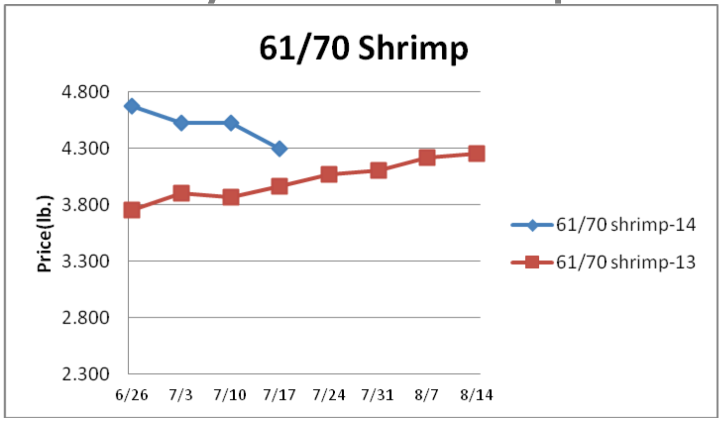


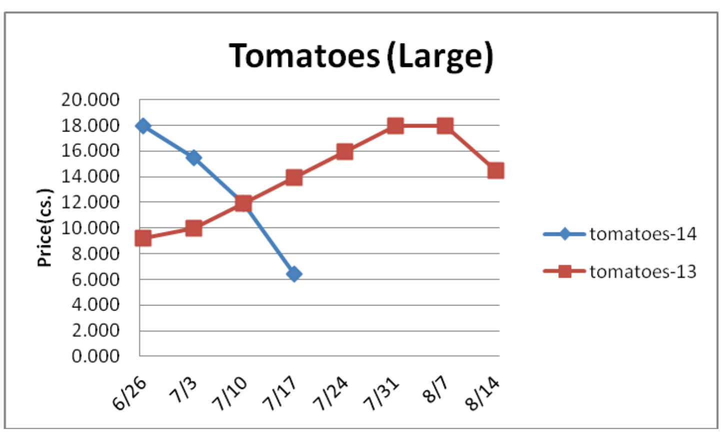
Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 13
Crude Oil, barrel- nymex	100.800	102.290	-1.490	106.000
Natural Gas, mbtu- nymex	4.110	4.170	-.060	3.677
Heating Oil, gal- nymex	2.864	2.874	-.010	3.047
Electricity, mwht- nymex	52.800	53.050	-.250	76.130
Gasoline, gal- nymex	2.916	2.973	-.057	3.134
Diesel Fuel, gal- eia	3.894	3.913	-.019	3.867
Ethanol, gal- usda	2.120	2.127	-.007	2.450
Canadian $	1.076	1.066	+.010	1.038
Japanese Yen	101.784	101.726	+.058	99.533
Mexican Peso	12.952	12.998	-.046	12.590
Euro	.739	.735	+.004	.760
Brazilian Real	2.223	2.213	+.010	2.248
Chinese Yuan	6.204	6.200	+.004	6.137

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)	n/a	n/a	-	947.320
WP; 42 lb. Linerboard (corr.)	n/a	n/a	-	780.141
Res; PS-CHH (cup, cont.)	1.300-1.340	1.300-1.340	-	1.180-1.220
Res; PP-HIGP (hvy utensil)	1.080-1.100	1.080-1.100	-	1.120-1.140
Res; PE-LLD (cn liner, film)	1.010-1.040	1.010-1.040	-	.920-.950

Produce- - The lettuce markets have weakened modestly during the last few weeks but still remain historically inflated. Iceberg lettuce shipments have been subpar but could modestly improve as the summer progresses. Some further lettuce price relief is expected during the next several weeks. The Idaho potato markets continue to trade well below their highs made this past spring due to historically adequate stocks for this time of the year. As potato supplies tighten before the chief harvest begins in September, the potato markets could edge upward. Tomato supplies have improved. Prices USDA FOB shipping point unless noted (terminal).



	Price	Last Week	Difference	Price 13
Limes (150 ct.)	10.000	7.500	+2.500	10.500
Lemons (95 ct.)	37.850	36.350	+1.500	23.025
Lemons (200 ct.)	28.900	28.900	-	17.525
Honeydew (6 ct.)	9.725	10.735	-1.010	5.000
Cantaloupe (15 ct.)	6.250	7.250	-1.000	5.250
Blueberries (12 count)	13.555	14.833	-1.278	13.833
Strawberries (12 pnts.)	13.000	13.000	-	10.500
Avocados (Hass 48 ct.)	38.750	31.750	+7.000	36.750
Bananas (40 lb.)- Term.	15.367	14.849	+.518	14.656
Pineapple (7 ct.)- Term.	10.083	11.333	-1.250	15.556
Idaho Potato (60 ct., 50 lb.)	7.250	7.500	-.250	17.500
Idaho Potato (70 ct., 50 lb.)	7.250	7.500	-.250	17.500
Idaho Potato (70 ct.)-Term.	16.740	17.006	-.266	20.447
Idaho Potato (90 ct., 50 lb.)	6.250	6.500	-.250	17.500
Idaho Pot. # 2 (6 oz., 100 lb.)	10.500	11.000	-.500	13.000
Processing Potato (cwt.)	10.000	10.000	-	6.500
Yellow Onions (50 lb.)	9.250	7.625	+1.625	7.250
Yell Onions (50 lb.)-Term.	13.750	12.917	+.833	12.708
Red Onions (25 lb.)- Term.	9.688	11.114	-1.426	9.791
White Onions (50 lb.)- Term.	18.875	17.938	+.937	16.479
Tomatoes (large- case)	6.450	11.950	-5.500	13.950
Tomatoes (5x6-25 lb.)-Term	13.375	14.427	-1.052	14.681
Tomatoes (4x5 vine ripe)	14.950	16.950	-2.000	15.950
Roma Tomatoes (large- case)	10.140	10.950	-.810	14.725
Roma Tomatoes (xlarge-cs)	11.290	11.292	-.002	15.200
Green Peppers (large- case)	19.950	15.963	+3.987	16.382
Red Peppers (large 15lb. cs.)	24.950	19.300	+5.650	20.950
Iceberg Lettuce (24 count)	13.285	18.300	-5.015	14.745
Iceberg Lettuce (24)-Term.	27.167	30.167	-3.000	22.750
Leaf Lettuce (24 count)	7.178	7.428	-.250	15.972
Romaine Lettuce (24 cnt.)	15.503	18.275	-2.772	10.960
Mesculin Mix (3 lb.)-Term.	6.594	6.656	-.062	7.250
Broccoli (14 ct.)	7.000	7.635	-.635	8.562
Squash (1/2 bushel)	7.350	7.300	+.050	16.425
Zucchini (1/2 bushel)	5.617	6.092	-.475	11.850
Green Beans (bushel)	17.175	17.088	+.087	21.000
Spinach, Flat 24's	6.850	7.575	-.725	16.350
Mushrms (10 lb, lg.)-Term.	15.344	15.126	+.218	15.666
Cucumbers (bushel)	16.742	19.182	-2.440	17.910
Pickles (200-300 ct.)- Term.	27.198	23.063	+4.135	38.333
Asparagus (small)	20.235	17.750	+2.485	24.000
Freight (Truck; CA-Cty Av.)	6431.250	6431.250	-	6292.857

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

	May-14	Apr-14	Mar-14	Feb-14
Beef and Veal	+.072	+2.970	+1.924	+4.000
Dairy	+.589	+.497	+.997	+.683
Pork	+3.186	+3.097	+1.901	+.324
Chicken	+1.125	-.813	+.887	-.557
Fresh Fish and Seafood	+2.151	+1.028	-.744	+1.194
Fresh Fruits and Veg.	+1.368	+1.119	+.156	+.073