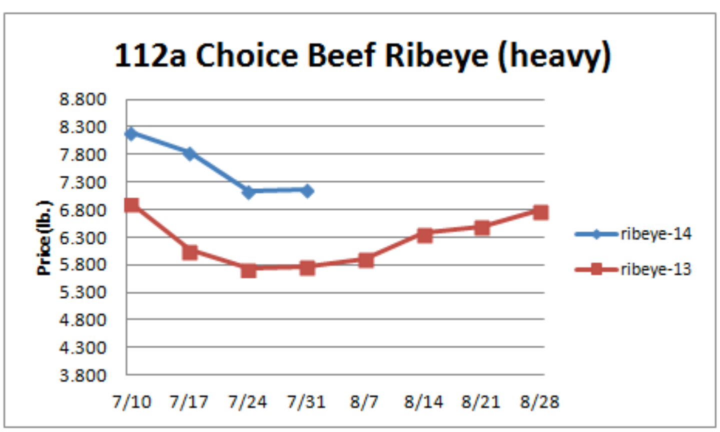
Weekly Market Updates

PERFORMANCE FOODSERVICE

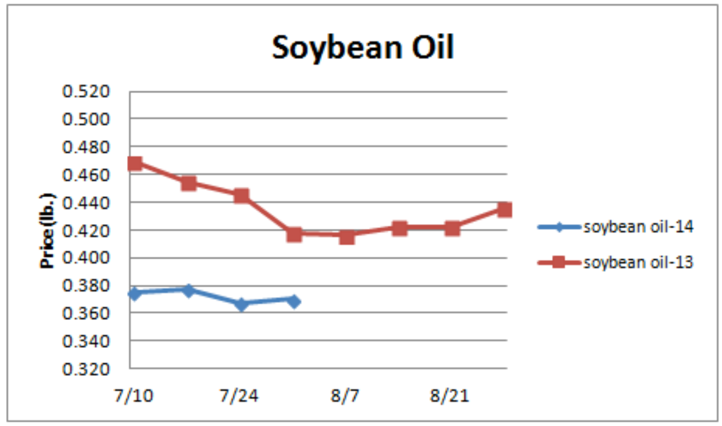
Volume No. 19 Issue No. 30 Date: July 30, 2014

Beef- Beef output last week declined .9% and was 10% less than the same week a year ago. Tight cattle supplies are persisting with the four week moving average for cattle slaughter at its lowest level since March. The USDA is indicating that the limited cattle supply will persist. The July 1 cattle on feed inventory was 2.4% less than last year while placements into feedlots during June were down 6.2% versus 2013. Generally inflated cattle and beef prices are expected to persist. Usually demand for beef steaks and grinds picks up as August progresses for the pending Labor Day holiday. Last year the choice 0x1 beef strip market increased 7% during the next five weeks. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 13
Live Cattle	1.647	1.568	+.079	1.211
Feeder Cattle Index (CME)	2.242	2.105	+.137	1.483
Ground Beef 81/19	2.659	2.611	+.048	1.718
Ground Chuck	2.925	2.809	+.116	1.856
109e Export Rib (choice)	6.462	6.506	-.044	5.236
109e Export Rib (prime)	10.325	9.700	+.625	9.280
112a Ribeye (choice)	7.173	7.139	+.034	5.774
112a Ribeye (prime)	11.397	11.267	+.130	9.176
116 Chuck (select)	3.378	3.094	+.284	2.202
116 Chuck (choice)	3.433	3.071	+.362	2.247
116b Chuck Tdnr (choice)	3.254	2.908	+.346	2.100
120 Brisket (choice)	3.094	3.031	+.063	1.987
121c Outside Skirt (ch/sel)	5.744	5.999	-.255	4.054
121d Inside Skirt (ch/sel)	4.453	4.583	-.130	3.835
167a Knckle, Trm. (ch.)	3.566	3.333	+.233	2.150
168 Inside Round (ch.)	3.146	2.829	+.317	1.937
174 Short Loin (ch. 0x1)	5.727	5.902	-.175	4.407
174 Short Loin (prime)	9.709	9.958	-.249	7.814
180 1x1 Strp (choice)	6.005	6.005	-	4.461
180 1x1 Strp (prime)	10.499	10.701	-.202	9.566
180 0x1 Strp (choice)	6.597	6.617	-.020	4.811
184 Top Butt, bnls (ch.)	3.944	3.989	-.045	2.919
184 Top Butt, bnls (prime)	4.611	4.769	-.158	3.891
185a Sirloin Flap (choice)	4.909	4.599	+.310	3.556
185c Loin, Tri-Tip (choice)	4.021	3.986	+.035	2.415
189a Tender (select)	10.240	9.654	+.586	9.032
189a Tender (choice)	10.263	9.898	+.365	9.032
189a Tender (prime)	14.863	15.007	-.144	12.532
193 Flank Steak (choice)	5.675	6.149	-.474	4.733
50% Trimmings	1.505	1.439	+.066	1.103
65% Trimmings	1.859	1.843	+.016	1.430
75% Trimmings	2.031	2.086	-.055	1.605
85% Trimmings	2.688	2.700	-.012	1.956
90% Trimmings	2.921	2.916	+.005	1.990
90% Imported Beef (frz.)	2.625	2.560	+.065	1.885
95% Imported Beef (frz.)	2.795	2.700	+.095	2.010
Veal Rack (Hotel 7 rib)	9.250	9.250	-	8.350
Veal Top Rnd. (cp. off)	15.325	15.325	-	15.150



Oil, Grains, Misc.- Oil, Grains, Misc- August is the most important month for soybean development. Any adverse weather in the coming weeks could bring some volatility to the soybean complex. Prices USDA, FOB

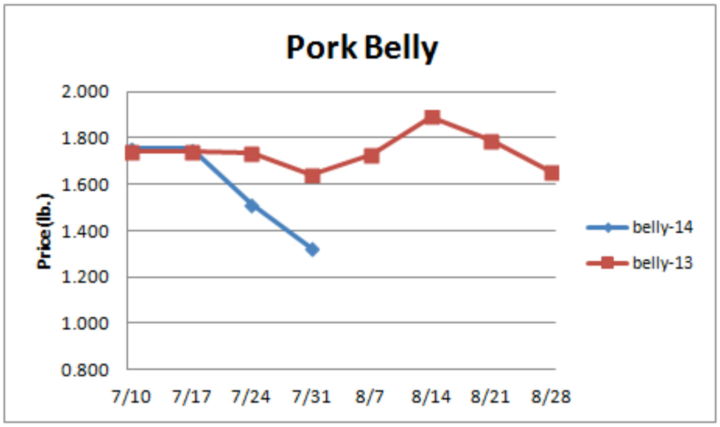


	Price	Last Week	Difference	Price 13
Soybeans, bushel	12.793	12.536	+.257	13.151
Crude Soybean Oil, lb.	.370	.367	+.003	.418
Soybean Meal, ton	443.900	431.300	+12.600	475.200
Corn, bushel	3.514	3.535	-.021	5.796
Crude Corn Oil, lb.	.380	.379	+.001	.380
High Fructose Corn Syrup	.126	.127	-.001	.173
Distillers Grain, Dry	123.000	129.375	-6.375	231.000
Crude Palm Oil, lb. BMD	.323	.326	-.003	.310
HRW Wheat, bushel	6.180	6.280	-.100	7.020
DNS Wheat 14%, bushel	6.800	6.880	-.080	7.770
Durum Wheat, bushel	8.400	8.531	-.131	7.813
Pinto Beans, lb.	.316	.391	-.075	.401
Black Beans, lb.	.390	.390	-	.395
Rice, Long Grain, lb.	.378	.286	+.092	.293
Coffee, lb. NYBOT	1.811	1.690	+.121	1.178
Sugar, lb. NYBOT	.247	.248	-.001	.201
Honey (Clover), lb.	2.096	2.096	-	2.127

Dairy-The cheese markets have softened during the last week despite historically limited cheese supplies. June 30th cheese holdings were 7.6% less than the prior year and the smallest since 2009. Cheese stocks in June declined by the largest amount in seven years. The cheese markets may continue to trade near $2 for most of August. Butter inventories are restricted as well, June 30th butter stocks were the smallest for the date since 2005. The greater risk in the butter market remains to the downside with futures indicating sub $2 butter prices by the end of the year. Prices per pound, except Class I Cream (hundred weight), from USDA

	Price	Last Week	Difference	Price 13
Cheese Barrels (CME)	1.948	2.033	-.085	1.760
Cheese Blocks (CME)	1.975	2.040	-.065	1.770
American Cheese	2.125	2.065	+.060	1.928
Cheddar Cheese (40 lb.)	2.088	2.033	+.055	2.140
Mozzarella Cheese	2.228	2.173	+.055	1.983
Provolone Cheese	2.585	2.530	+.055	2.338
Parmesan Cheese	3.933	3.878	+.055	3.685
Butter (CME)	2.470	2.620	-.150	1.430
Nonfat Dry Milk	1.860	1.895	-.035	1.801
Whey, Dry	.675	.673	+.002	.577
Class 1 Base	23.870	23.020	+.850	18.880
Class II Cream, heavy	3.540	3.446	+.094	2.188
Class III Milk (CME)	21.390	21.820	-.430	18.710
Class IV Milk (CME)	23.420	23.550	-.130	19.820

PorkPork production last week rose 1.4% but was 1.6% less than the same week a year ago. The pork markets remain historically inflated but there are signals that demand is starting to wane. June 30th total pork stocks were 6.6% less than the previous year but the monthly drawdown in supplies was the smallest for June since 2010. The monthly reduction in the June belly inventory was one of the least in 31 years. The upside risk for many of the pork items may be small. Prices USDA, FOB per pound.



	Price	Last Week	Difference	Price 13
Live Hogs	.912	.932	-.020	.697
Belly (bacon)	1.323	1.514	-.191	1.731
Sparerib (4.25 lb. & down)	1.816	1.850	-.034	1.441
Ham (20-23 lb.)	1.475	1.383	+.092	.830
Ham (23-27 lb.)	1.447	1.426	+.021	.820
Loin (bone-in)	1.356	1.347	+.009	1.045
Bbybck Rib (1.75 lb. & up)	2.602	2.629	-.027	2.281
Tenderloin (1.25 lb.)	2.873	2.895	-.022	2.642
Boston Butt, untrmd. (4-8lb.)	1.496	1.526	-.030	.895
Picnic, untrmd.	1.099	1.142	-.043	.699
SS Picnic, smoker trm. bx.	1.099	1.282	-.183	.897
42% Trimmings	.842	.641	+.201	.777
72% Trimmings	1.477	1.482	-.005	.984

Tomato Products,Canned- The tomato for canning harvest is underway and projected yields seem adequate. The canned tomato markets are steady. **Prices per case (6/10) FOB, unless noted from ARA.**

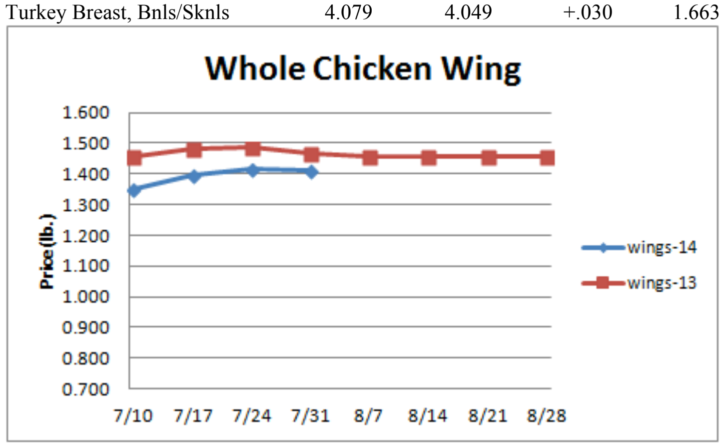
	Price	Last Week	Difference	Price 13
Whole Peeled, Standard	n/a	12.250	-	12.250
Diced, Fancy	n/a	12.750	-	12.750
Ketchup, 33%	n/a	13.438	-	13.438
Tomato Paste- Industrial (lb.)	n/a	.398	-	.398

Processed Vegetables- June 30th frozen green bean holdings were 33% less than the prior year while cut corn stocks were essentially flat with 2013. The processed vegetable markets could remain firm. **Prices per case (6/10) FOB, unless noted from 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 19th rose 2% and was 2.4% more than the same week a year ago. Still, chicken production gains versus 2013 are expected to remain tempered through the end of the year due to challenges with the breeding flock. The chicken breast markets have weakened as of late with the weekly ARA Boneless Skinless Chicken Breast Index falling to a two month low. Still, better demand in August for the forthcoming Labor Day holiday could bring some support back to chicken breast prices soon. Last year this same chicken breast index rose 2.1% during the next three weeks. Russia is threatening an embargo on chicken imports from the U.S. which could put some modest downward pressure on the chicken leg quarter markets. Prices USDA, FOB per pound except when noted..

Chicken	Price	Last Week	Difference	Price 13
Whole Birds (2.5-3 lb.-GA)	1.128	1.128	-	1.065
Wings (whole)	1.410	1.415	-.005	1.465
Wings (jumbo, cut)	1.389	1.360	+.029	1.592
Breast, Bone In	1.290	1.295	-.005	1.255
Breast, Bnless Skinless	2.200	2.235	-.035	2.100
Tenderloin (random)	1.880	1.880	-	1.730
Tenderloin (sized)	2.140	2.140	-	2.050
Legs (whole)	.593	.650	-.057	.803
Leg Quarters	.555	.555	-	.540
Thighs, bone in	.814	.814	-	.868
Thighs, boneless	1.416	1.411	+.005	1.537
Eggs and Others				
Large (dozen)	1.413	1.300	+.113	1.123
Medium (dozen)	.945	.948	-.003	.780
Whole Eggs- Liquid	.772	.777	-.005	.732
Egg Whites- Liquid	1.269	1.264	+.005	.758
Egg Yolks- Liquid	.644	.600	+.044	.756
Whole Turkeys (8-16 lb.)	1.090	1.090	-	.980
Turkey Breast, Bnls/Sknls	4.079	4.049	+.030	1.663

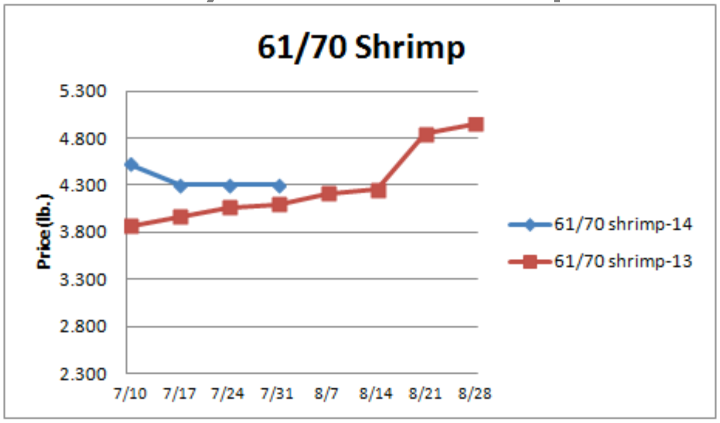


Seafood- U.S. shrimp production remains limited despite the existing inflated price levels. June U.S. Gulf of Mexico shrimp landings were 5.2% less than the previous year. 2014 U.S. shrimp landings through June were 23.4% smaller than last year and the least for the time period since 2010. Shrimp prices are expected to remain relatively elevated. 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	7.825	8.079	-.254	7.285
Shrimp (61/70), Frz.	4.300	4.300	-	4.100
Shrimp, Tiger (26/30), Frz.	6.734	6.700	+.034	5.900
Snow Crab, Legs 5-8 oz, Frz	5.375	5.325	+.050	5.100
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	6.225	6.225	-	5.458
Pollock, Alaska, Deep Skin	1.750	1.750	-	1.775

Weekly Market Updates

PERFORMANCE FOODSERVICE



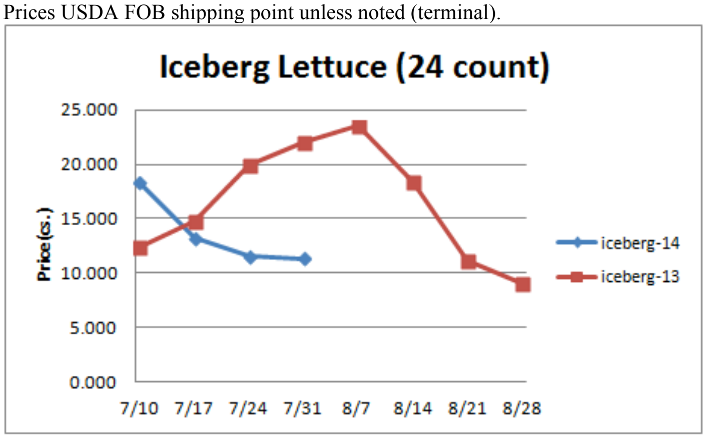
Energy & Currency-Currency US dollar is worth.

	Price	Last Week	Difference	Price 13
Crude Oil, barrel- nymex	100.950	102.460	-1.510	103.080
Natural Gas, mbtu- nymex	3.808	3.804	+.004	3.432
Heating Oil, gal- nymex	2.906	2.872	+.034	3.007
Electricity, mwht- nymex	45.100	47.650	-2.550	36.050
Gasoline, gal- nymex	2.841	2.850	-.009	3.019
Diesel Fuel, gal- eia	3.858	3.869	-.011	3.915
Ethanol, gal- usda	2.091	2.110	-.019	2.305
Canadian $	1.085	1.072	+.013	1.029
Japanese Yen	102.132	101.400	+.732	97.697
Mexican Peso	13.066	12.933	+.133	12.797
Euro	.746	.743	+.003	.754
Brazilian Real	2.228	2.216	+.012	2.280
Chinese Yuan	6.181	6.200	-.019	6.131

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	-	947.100
WP; 42 lb. Linerboard (corr.)	n/a	n/a	-	788.119
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 continue to trade well off their highs from just a few weeks ago. The lettuce harvest has improved with iceberg shipments last week 15% larger than the previous year. Lettuce prices could experience further weakness in the coming weeks assuming the weather cooperates. The Idaho potato markets remain depressed. The 70 count Idaho potato market is trading at its lowest price level for this week in the last 10 years. The Idaho potato harvest will get underway next week which should cause relatively attractive potato prices to persevere.
Prices USDA FOB shipping point unless noted (terminal).



	Price	Last Week	Difference	Price 13
Limes (150 ct.)	8.000	10.000	-2.000	8.000
Lemons (95 ct.)	37.850	37.850	-	25.275
Lemons (200 ct.)	28.900	28.900	-	17.515
Honeydew (6 ct.)	8.750	8.971	-.221	5.250
Cantaloupe (15 ct.)	4.625	5.250	-.625	4.000
Blueberries (12 count)	13.125	12.583	+.542	11.966
Strawberries (12 pnts.)	12.000	12.000	-	10.500
Avocados (Hass 48 ct.)	37.250	36.750	+.500	35.750
Bananas (40 lb.)- Term.	15.316	15.354	-.038	12.625
Pineapple (7 ct.)- Term.	10.063	10.198	-.135	15.770
Idaho Potato (60 ct., 50 lb.)	6.000	7.000	-1.000	18.500
Idaho Potato (70 ct., 50 lb.)	6.000	7.000	-1.000	18.500
Idaho Potato (70 ct.)-Term.	15.025	15.781	-.756	24.912
Idaho Potato (90 ct., 50 lb.)	5.500	6.250	-.750	18.500
Idaho Pot. # 2 (6 oz., 100 lb.)	7.500	9.000	-1.500	14.000
Processing Potato (cwt.)	7.000	9.500	-2.500	7.000
Yellow Onions (50 lb.)	9.000	10.250	-1.250	7.750
Yell Onions (50 lb.)-Term.	18.542	12.297	-6.245	12.687
Red Onions (25 lb.)- Term.	10.714	11.313	-.599	9.255
White Onions (50 lb.)- Term.	19.250	19.125	+.125	17.546
Tomatoes (large- case)	10.950	11.950	-1.000	17.950
Tomatoes (5x6-25 lb.)-Term	12.234	11.783	+.451	18.312
Tomatoes (4x5 vine ripe)	9.950	9.950	-	14.950
Roma Tomatoes (large- case)	9.950	9.330	+.620	12.830
Roma Tomatoes (xlarge-cs)	10.950	10.075	+.875	12.458
Green Peppers (large- case)	12.325	17.313	-4.988	15.437
Red Peppers (large 15lb. cs.)	19.950	19.950	-	20.950
Iceberg Lettuce (24 count)	11.350	11.585	-.235	22.077
Iceberg Lettuce (24)-Term.	20.750	21.833	-1.083	32.250
Leaf Lettuce (24 count)	7.148	7.128	+.020	14.000
Romaine Lettuce (24 cnt.)	13.465	13.525	-.060	13.090
Mesculin Mix (3 lb.)-Term.	8.844	6.958	+1.886	6.812
Broccoli (14 ct.)	6.888	6.775	+.113	13.525
Squash (1/2 bushel)	12.825	8.050	+4.775	18.425
Zucchini (1/2 bushel)	8.050	7.750	+.300	14.462
Green Beans (bushel)	16.250	16.250	-	19.000
Spinach, Flat 24's	9.900	9.150	+.750	19.305
Mushrms (10 lb, lg.)-Term.	15.146	15.146	-	15.145
Cucumbers (bushel)	9.325	12.540	-3.215	13.517
Pickles (200-300 ct.)- Term.	25.636	23.521	+2.115	32.000
Asparagus (small)	18.750	20.625	-1.875	18.500
Freight (Truck; CA-Cty Av.)	5993.750	6387.500	-393.750	6307.143

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

	Jun-14	May-14	Apr-14	Mar-14
Beef and Veal	+.104	+.072	+2.970	+1.924
Dairy	-.430	+.589	+.497	+.997
Pork	+.536	+3.186	+3.097	+1.901
Chicken	+.507	+1.125	-.813	+.887
Fresh Fish and Seafood	+.367	+2.151	+1.028	-.744
Fresh Fruits and Veg.	-1.498	+1.368	+1.119	+.156