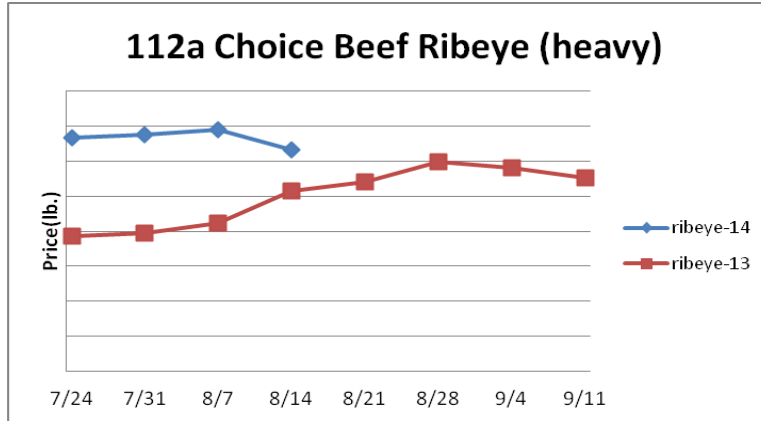


Beef, Veal and Lamb Report

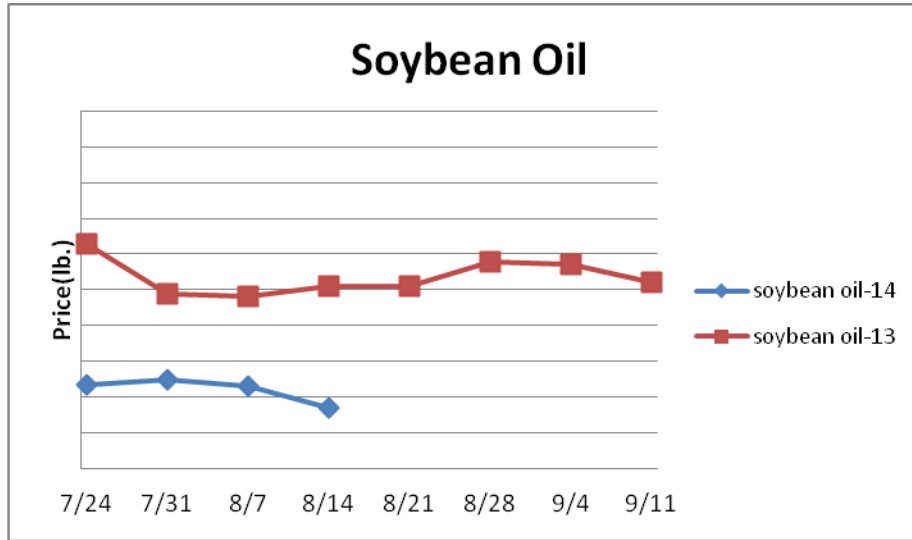
Beef, Veal & Lamb- Beef output last week rose .1% but was 8.4% less than the same week a year ago. Rising cattle weights suggest that slaughter ready cattle numbers may be closer to 2013 levels in the coming month. Even if this occurs, beef production is still expected to remain well below year ago levels this fall. Beef demand is starting to wane with the recent record high wholesale and retail beef prices. Forward beef sales last week were the smallest for any week in seven years indicating retailers are lightening plans for pending beef feature activity. U.S. beef imports during June were 31% larger than last year. If this trend continues it could limit the upside price risk in lean beef trim. 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	Increasing	Good	Higher
109 Export Rib (choice)	Decreasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Higher
167a Knuckle, Trimmed (choice)	Decreasing	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Decreasing	Good	Higher
174 Short Loin (prime 2x3)	Decreasing	Good	Higher
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (prime)	Decreasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	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)	Decreasing	Good	Higher
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Increasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Good	Higher
90% Trimmings	Increasing	Good	Higher
90% Imported Beef (frozen)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

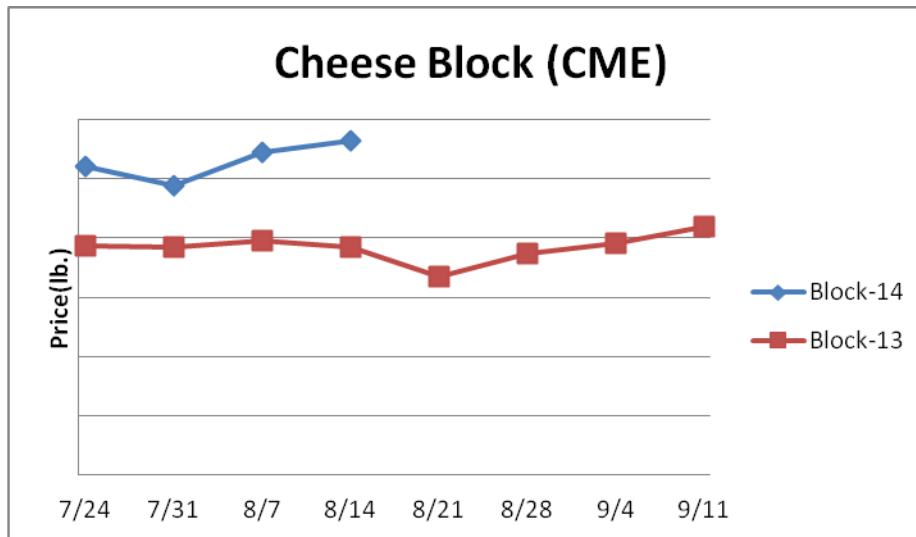
Oil & Grains & Misc - The USDA ratings for the domestic corn crop last week were the best for the date in 10 years. Lower feed prices this fall should encourage protein and dairy output expansion. Prices USDA, FOB.



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

Dairy Report

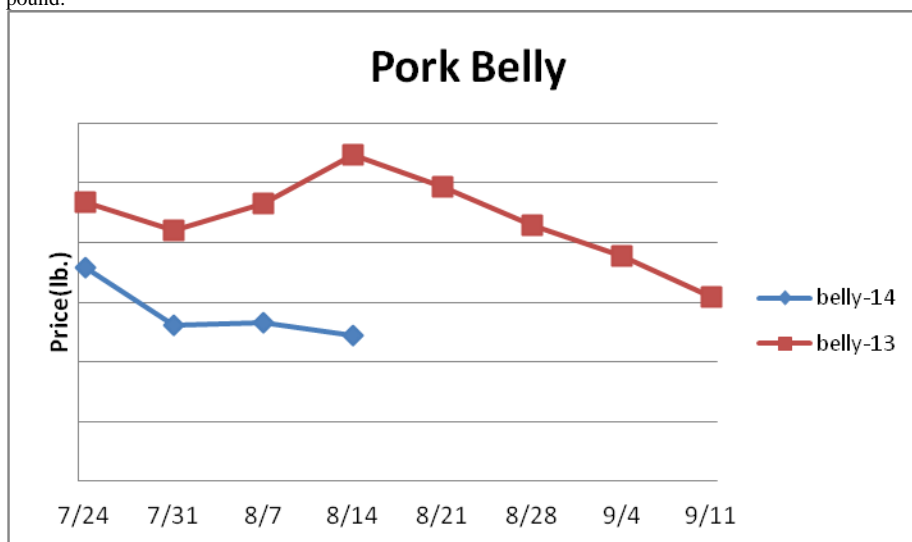
Dairy- U.S. cheese exports during June were 32.6% more than the prior year and the second largest for any month on record. However, the U.S. cheese markets are currently trading at some of their largest premiums to the international cheese markets in the last five years which is limiting new export demand. This should weigh on the cheese markets in the coming months. Butter exports during June were down 21% from last year and were the second smallest in the last 14 months. Lethargic export demand is expected to be a contributor to lower butter prices this fall. 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	Increasing	Good	Higher
American Cheese	Increasing	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	Increasing	Good	Higher
Nonfat Dry Milk	Decreasing	Good	Lower
Whey, Dry	Steady	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 rose 2.8% but was .4% less than the same week a year ago. Pork output is projected to seasonally increase during the next few months, although remain below 2013 levels, which should put downward pressure on many of the pork markets. Pork exports during June were 7.1% larger than the previous year. However, a Russian embargo on U.S. and Canadian pork should help North American pork supplies this fall. Prices USDA, FOB per pound.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Higher
Belly (bacon)	Decreasing	Good	Lower
Spare Rib (4.25 & down)	Decreasing	Good	Higher
Ham (23-27 lb)	Decreasing	Good	Higher
Loin (bone-in)	Decreasing	Good	Higher
Baby Back Rib (1.75 & up)	Increasing	Good	Higher
Tenderloin (1.25 lb)	Decreasing	Good	Higher
Boston Butt, untrimmed 4-8 lb.	Decreasing	Good	Higher
Picnic, untrimmed	Increasing	Good	Higher
SS Picnic, smoker trim boxed	Decreasing	Good	Higher
42% Trimmings	Decreasing	Good	Lower
72% Trimmings	Decreasing	Good	Higher

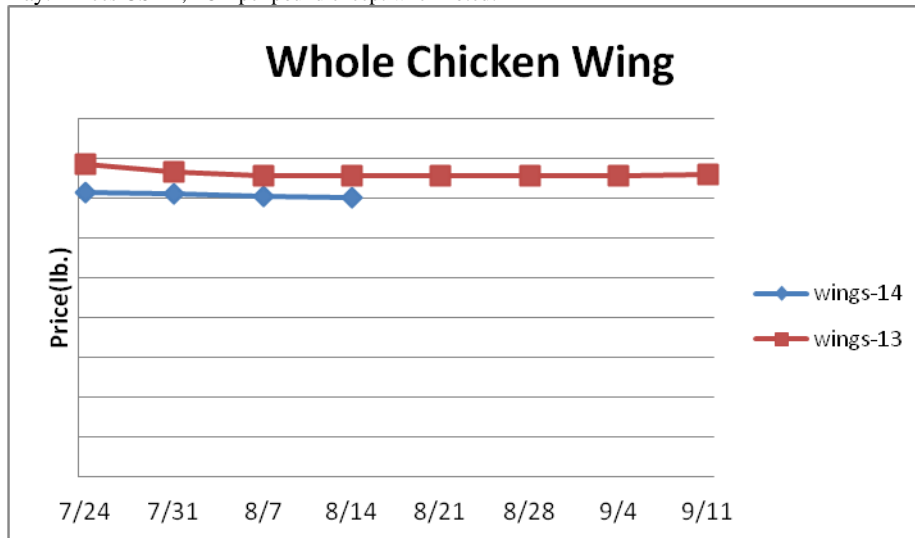
Canned Tomato Report

Tomato Products, Canned - The California tomato for processing harvest is making progress at a better pace than a year ago. The markets are steady. 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

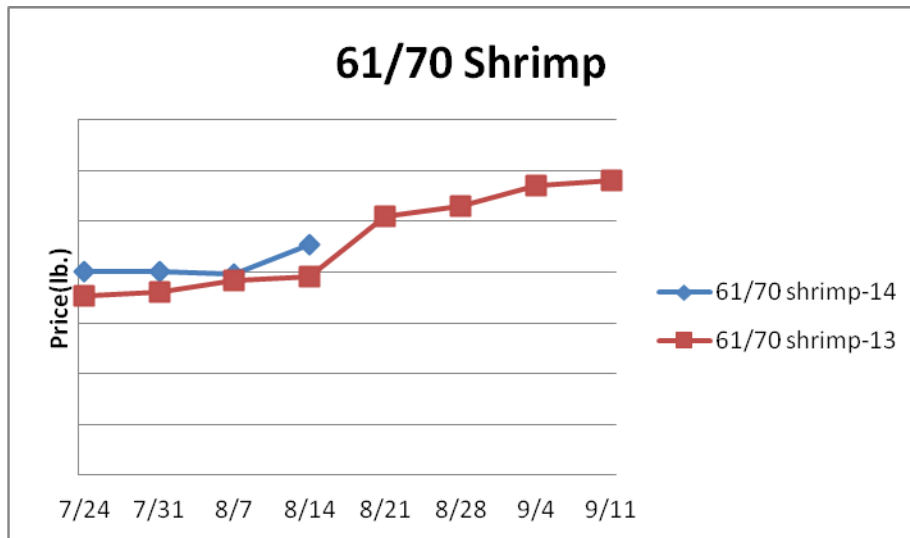
Poultry- Chicken output for the week ending August 2nd declined 3.4% from the previous week and was 1.4% less than the same week a year ago. If chicken production does not improve versus 2013 levels during the fall as the USDA projects, seasonal chicken wing price increases could be especially intense. Typically the chicken wing markets rise 5% between now and the end of the year. U.S. chicken exports during June were 3.2% less than the previous year but the second largest for the month on record. Russia, last week, announced a ban on imports of U.S. chicken. In 2014, Russia has accounted for 7% of the U.S. chicken trade. This action could cause the chicken leg quarter and dark meat markets to make a summer peak early this year. Usually the leg quarter market does not seasonally top until Labor Day. 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)	Steady	Good	Higher
Chicken Wings, Whole	Decreasing	Good	Lower
Chicken Wings, Jumbo Cut	Decreasing	Good	Lower
Chicken Breast, Bone-In	Decreasing	Good	Higher
Chicken Breast, Bnless Sknless	Decreasing	Good	Higher
Chicken Tender (random)	Steady	Good	Lower
Chicken Tender (sized)	Steady	Good	Lower
Chicken Legs (whole)	Decreasing	Good	Lower
Chicken Leg Quarters	Steady	Good	Higher
Chicken Thighs, bone in	Decreasing	Good	Lower
Chicken Thighs, boneless	Decreasing	Good	Lower
Large Eggs	Decreasing	Good	Higher
Medium Eggs	Steady	Good	Higher
Whole Eggs- Liq	Decreasing	Good	Lower
Egg Whites- Liq	Increasing	Good	Higher
Egg Yolks- Liq	Steady	Good	Lower
Whole Turkey (8-16 lb)	Steady	Good	Higher
Turkey Breast- Bnls/Sknls	Decreasing	Good	Higher

Seafood Report

Seafood - Elevated price levels are fueling strong shrimp exports to the U.S. In June, the U.S. imported 23.5% more shrimp than last year marking the most for the month since 2011. Thailand shrimp output remains low accounting for just 9.6% of U.S. imports compared to 34% in June 2011. The shrimp markets may remain above 2013 levels this fall. 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)	Increasing	Good	Higher
Shrimp (61-70 count)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Steady	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Higher
Snow Crab Legs (8 oz up)	Steady	Good	Lower
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	Lower
Rice, Long Grain	Steady	Good	Lower
Coffee Beans	Decreasing	Good	Higher
Sugar	Increasing	Good	Higher
Honey	Steady	Good	Lower

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.	Increasing	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Lower
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

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

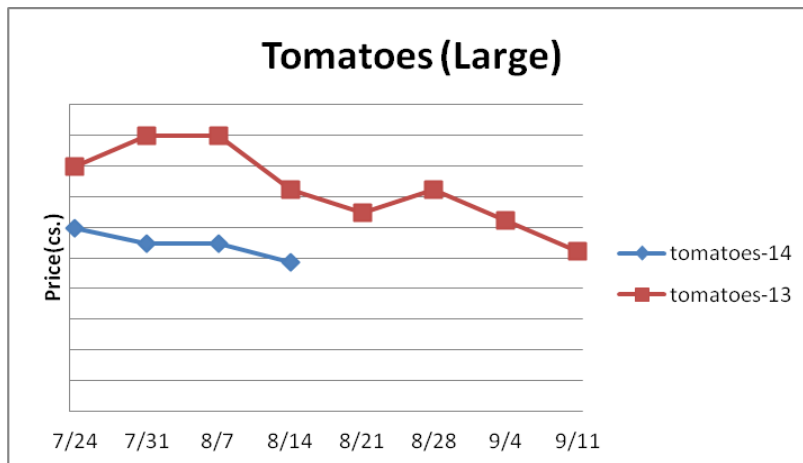
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables - The 2014 vegetable for processing harvest is underway with relatively favorable conditions. Still, inflated raw product costs for processors could support the markets this fall. 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 shipments improved last week rising 7% from the week prior. However, lettuce demand is seasonally improving and the harvest could remain below year ago levels for the near term. These factors could support lettuce prices through the end of the month. The tomato markets continue to trade below 2013 levels. However, the abnormally cool summer is slowing the maturation of tomatoes in the Midwest and East. This may cause some supply gaps to occur with tomato shipments later this summer. Consequently, higher tomato prices may be impending. Prices USDA FOB shipping point unless noted (terminal). .



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Higher
Lemons (95 count)	Increasing	Good	Higher
Lemons (200 count)	Decreasing	Good	Higher
Honeydew (6 ct.)	Decreasing	Good	Higher
Cantaloupe (15 count)	Increasing	Good	Lower
Blueberries (12 count)	Increasing	Good	Higher
Strawberries (12 pints)	Increasing	Good	Lower
Avocados, Hass (48 count)	Steady	Good	Lower
Bananas (40 lb)-Term.	Steady	Good	Higher
Pineapple (7 ct.)- Term.	Decreasing	Good	Lower
Idaho Potato (60 count)	Increasing	Good	Lower
Idaho Potato (70 count)	Increasing	Good	Lower
Idaho Potato (70 count)-Term.	Decreasing	Good	Lower
Idaho Potato (90 count)	Increasing	Good	Lower
Idaho Potato #2 (6 oz. min.)	Increasing	Good	Lower
Processing Potato (100 lb)	Steady	Good	Same
Yellow Onions (50 lb)	Decreasing	Good	Higher
Yellow Onions (50 lb)-Term.	Decreasing	Good	Higher
Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Increasing	Good	Higher
Tomatoes, (large- case)	Decreasing	Good	Lower

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

Produce Report (continued)

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