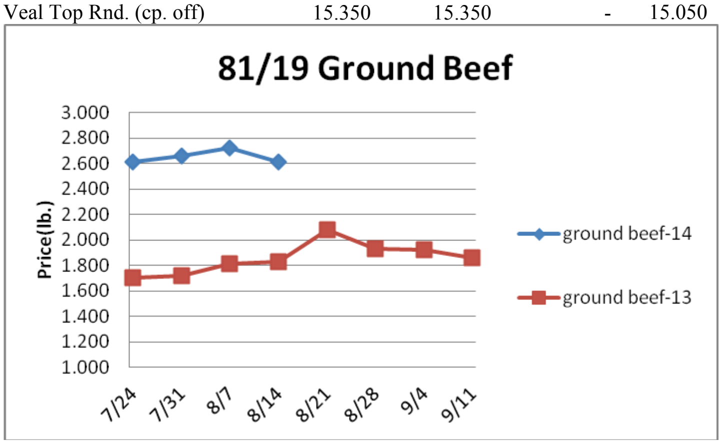
# Weekly Market Updates

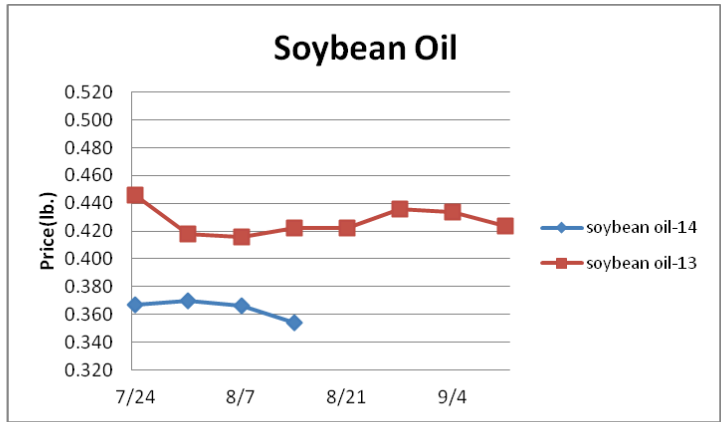
**Volume No. 19 Issue No. 31 Date: August 13, 2014**

**Beef-** 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.

| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Live Cattle | 1.636 | 1.626 | +.010 | 1.233 |
| Feeder Cattle Index (CME) | 2.226 | 2.252 | -.026 | 1.513 |
| Ground Beef 81/19 | 2.616 | 2.724 | -.108 | 1.833 |
| Ground Chuck | 2.833 | 2.823 | +.010 | 1.917 |
| 109e Export Rib (choice) | 6.210 | 6.298 | -.088 | 5.724 |
| 109e Export Rib (prime) | 10.528 | 10.187 | +.341 | 9.253 |
| 112a Ribeye (choice) | 6.960 | 7.248 | -.288 | 6.376 |
| 112a Ribeye (prime) | 11.370 | 11.248 | +.122 | 9.386 |
| 116 Chuck (select) | 3.271 | 3.349 | -.078 | 2.286 |
| 116 Chuck (choice) | 3.226 | 3.421 | -.195 | 2.342 |
| 116b Chuck Tdnr (choice) | 3.281 | 3.316 | -.035 | 2.146 |
| 120 Brisket (choice) | 3.014 | 3.033 | -.019 | 2.070 |
| 121c Outside Skirt (ch/sel) | 5.691 | 5.868 | -.177 | 3.842 |
| 121d Inside Skirt (ch/sel) | 4.549 | 4.468 | +.081 | 3.807 |
| 167a Knckle, Trm. (ch.) | 3.779 | 3.892 | -.113 | 2.258 |
| 168 Inside Round (ch.) | 3.503 | 3.699 | -.196 | 2.054 |
| 174 Short Loin (ch. 0x1) | 5.796 | 5.901 | -.105 | 4.617 |
| 174 Short Loin (prime) | 9.566 | 9.941 | -.375 | 8.217 |
| 180 1x1 Strp (choice) | 5.760 | 6.203 | -.443 | 4.389 |
| 180 1x1 Strp (prime) | 10.429 | 10.437 | -.008 | 9.561 |
| 180 0x1 Strp (choice) | 6.387 | 6.624 | -.237 | 4.984 |
| 184 Top Butt, bnls (ch.) | 3.350 | 3.871 | -.521 | 3.065 |
| 184 Top Butt, bnls (prime) | 4.189 | 4.697 | -.508 | 3.982 |
| 185a Sirloin Flap (choice) | 4.843 | 4.893 | -.050 | 3.386 |
| 185c Loin, Tri-Tip (choice) | 4.051 | 4.164 | -.113 | 2.485 |
| 189a Tender (select) | 10.221 | 9.872 | +.349 | 8.785 |
| 189a Tender (choice) | 10.239 | 10.165 | +.074 | 9.012 |
| 189a Tender (prime) | 14.949 | 14.858 | +.091 | 12.411 |
| 193 Flank Steak (choice) | 5.422 | 5.686 | -.264 | 4.684 |
| 50% Trimmings | 1.499 | 1.530 | -.031 | 1.093 |
| 65% Trimmings | 1.937 | 1.902 | +.035 | 1.389 |
| 75% Trimmings | 2.099 | 2.052 | +.047 | 1.606 |
| 85% Trimmings | 2.765 | 2.742 | +.023 | 1.906 |
| 90% Trimmings | 2.971 | 2.941 | +.030 | 2.002 |
| 90% Imported Beef (frz.) | 2.780 | 2.725 | +.055 | 1.890 |
| 95% Imported Beef (frz.) | 2.960 | 2.875 | +.085 | 2.005 |
| Veal Rack (Hotel 7 rib) | 9.300 | 9.300 | - | 8.350 |
| Veal Top Rnd. (cp. off) | 15.350 | 15.350 | - | 15.050 |




**Oil, Grains, Misc.- Oil, Grains, Misc-** The USDA is projecting both the 2014-15 corn and soybean harvests to be record large causing better feed supplies this fall. Lower feed prices should be forthcoming. Prices USDA, FOB per pound.




| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Soybeans, bushel | 11.838 | 12.204 | -.366 | 13.428 |
| Crude Soybean Oil, lb. | .354 | .366 | -.012 | .422 |
| Soybean Meal, ton | 430.700 | 429.200 | +1.500 | 445.800 |
| Corn, bushel | 3.514 | 3.493 | +.021 | 5.543 |
| Crude Corn Oil, lb. | .380 | .380 | - | .395 |
| High Fructose Corn Syrup | .127 | .126 | +.001 | .167 |
| Distillers Grain, Dry | 106.500 | 124.480 | -17.980 | 222.500 |
| Crude Palm Oil, lb. BMD | .310 | .320 | -.010 | .323 |
| HRW Wheat, bushel | 6.080 | 6.395 | -.315 | 6.985 |
| DNS Wheat 14%, bushel | 6.590 | 6.890 | -.300 | 7.720 |
| Durum Wheat, bushel | 8.391 | 8.396 | -.005 | 7.317 |
| Pinto Beans, lb. | .313 | .323 | -.010 | .412 |
| Black Beans, lb. | .390 | .390 | - | .403 |
| Rice, Long Grain, lb. | .286 | .286 | - | .293 |
| Coffee, lb. NYBOT | 1.879 | 1.888 | -.009 | 1.235 |
| Sugar, lb. NYBOT | .260 | .248 | +.012 | .204 |
| Honey (Clover), lb. | 2.096 | 2.096 | - | 2.127 |

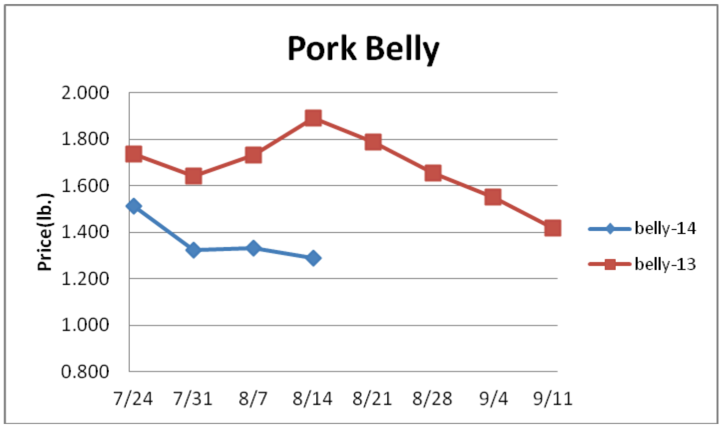
**Dairy -** U.S. cheese exports during June were 32.6% more than the prior year and the second largest for any month on record. However, the U.S. cheese markets are currently trading at some of their largest premiums to the international cheese markets in the last five years which is limiting new export 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.

| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Cheese Barrels (CME) | 2.160 | 2.108 | +.052 | 1.765 |
| Cheese Blocks (CME) | 2.130 | 2.090 | +.040 | 1.770 |
| American Cheese | 2.210 | 2.068 | +.142 | 1.988 |
| Cheddar Cheese (40 lb.) | 2.160 | 2.058 | +.102 | 2.173 |
| Mozzarella Cheese | 2.300 | 2.198 | +.102 | 2.015 |
| Provolone Cheese | 2.658 | 2.585 | +.073 | 2.370 |
| Parmesan Cheese | 4.005 | 3.903 | +.102 | 3.718 |
| Butter (CME) | 2.500 | 2.400 | +.100 | 1.380 |
| Nonfat Dry Milk | 1.788 | 1.838 | -.050 | 1.816 |
| Whey, Dry | .674 | .674 | - | .572 |
| Class 1 Base | 23.870 | 23.870 | - | 18.880 |
| Class II Cream, heavy | 3.192 | 3.411 | -.219 | 2.088 |
| Class III Milk (CME) | 22.010 | 21.550 | +.460 | 18.120 |
| Class IV Milk (CME) | 22.250 | 21.920 | +.330 | 19.250 |

# Weekly Market Updates

PERFORMANCE FOODSERVICE

**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.




| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Live Hogs | .815 | .857 | -.042 | .727 |
| Belly (bacon) | 1.289 | 1.330 | -.041 | 1.786 |
| Sparerib (4.25 lb. & down) | 1.783 | 1.796 | -.013 | 1.511 |
| Ham (20-23 lb.) | 1.562 | 1.554 | +.008 | .865 |
| Ham (23-27 lb.) | 1.151 | 1.425 | -.274 | .880 |
| Loin (bone-in) | 1.197 | 1.306 | -.109 | 1.082 |
| Bbybck Rib (1.75 lb. & up) | 2.613 | 2.526 | +.087 | 2.317 |
| Tenderloin (1.25 lb.) | 2.774 | 2.870 | -.096 | 2.635 |
| Boston Butt, untrmd. (4-8lb.) | 1.403 | 1.451 | -.048 | .971 |
| Picnic, untrmd. | 1.585 | 1.052 | +.533 | .696 |
| SS Picnic, smoker trm. bx. | 1.214 | 1.297 | -.083 | .904 |
| 42% Trimmings | .742 | .867 | -.125 | .771 |
| 72% Trimmings | 1.226 | 1.351 | -.125 | .844 |

**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.

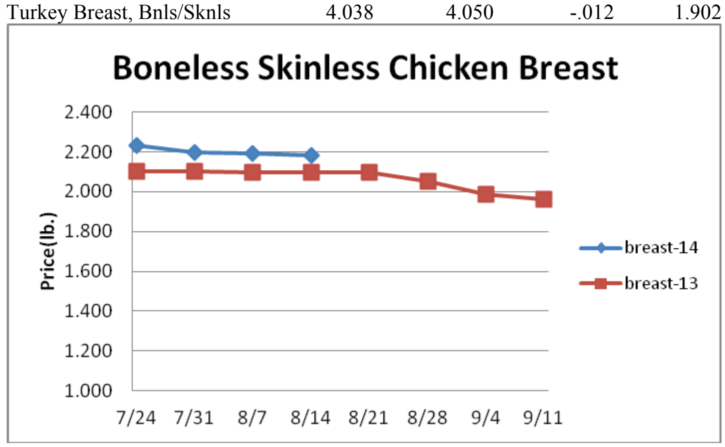
| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Whole Peeled, Standard | n/a | 12.250 | - | 12.250 |
| Diced, Fancy | n/a | 12.750 | - | 12.750 |
| Ketchup, 33% | n/a | 13.438 | - | 13.438 |
| Tomato Paste- Industrial (lb.) | n/a | .398 | - | .398 |

**Processed Vegetables-**The 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.

| | 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 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.

| Chicken | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Whole Birds (2.5-3 lb.-GA) | 1.128 | 1.128 | - | 1.065 |
| Wings (whole) | 1.400 | 1.405 | -.005 | 1.455 |
| Wings (jumbo, cut) | 1.381 | 1.391 | -.010 | 1.467 |
| Breast, Bone In | 1.280 | 1.290 | -.010 | 1.235 |
| Breast, Bnless Skinless | 2.180 | 2.190 | -.010 | 2.095 |
| Tenderloin (random) | 1.830 | 1.830 | - | 1.940 |
| Tenderloin (sized) | 2.090 | 2.090 | - | 2.120 |
| Legs (whole) | .595 | .627 | -.032 | .733 |
| Leg Quarters | .555 | .555 | - | .535 |
| Thighs, bone in | .839 | .877 | -.038 | .846 |
| Thighs, boneless | 1.345 | 1.373 | -.028 | 1.550 |
| **Eggs and Others** | | | | |
| Large (dozen) | 1.400 | 1.443 | -.043 | 1.110 |
| Medium (dozen) | .945 | .945 | - | .887 |
| Whole Eggs- Liquid | .764 | .818 | -.054 | .777 |
| Egg Whites- Liquid | 1.253 | 1.249 | +.004 | .791 |
| Egg Yolks- Liquid | .644 | .644 | - | .767 |
| Whole Turkeys (8-16 lb.) | 1.095 | 1.095 | - | 1.015 |
| Turkey Breast, Bnls/Sknls | 4.038 | 4.050 | -.012 | 1.902 |




**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.

| | 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 | 8.086 | 7.935 | +.151 | 7.420 |
| Shrimp (61/70), Frz. | 4.575 | 4.284 | +.291 | 4.250 |
| Shrimp, Tiger (26/30), Frz. | 6.717 | 6.717 | - | 6.100 |
| Snow Crab, Legs 5-8 oz, Frz | 5.375 | 5.375 | - | 5.200 |
| Snow Crab, Legs 8 oz/ up, Fz | 5.625 | 5.625 | - | 6.200 |
| 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 | - | 5.408 |
| Pollock, Alaska, Deep Skin | 1.750 | 1.750 | - | 1.775 |

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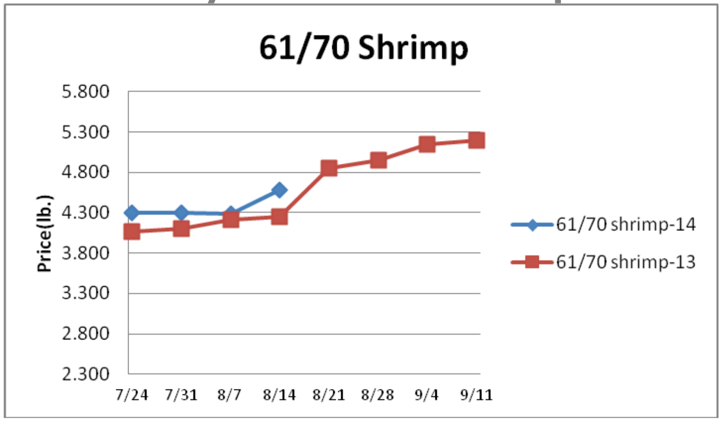
PERFORMANCE FOODSERVICE



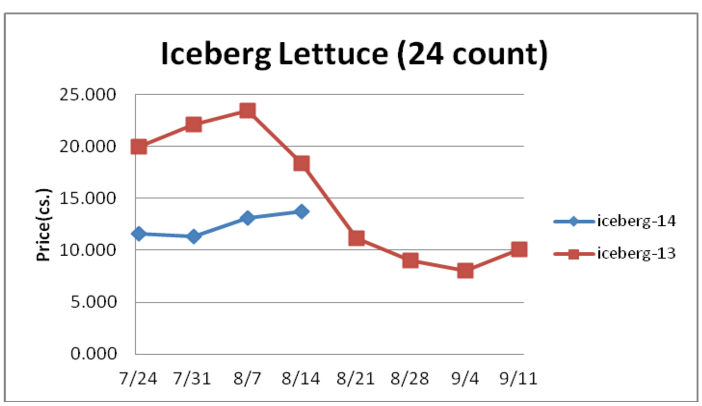

**Energy & Currency-**Currency US dollar is worth.

| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Crude Oil, barrel- nymex | 97.210 | 97.550 | -.340 | 106.830 |
| Natural Gas, mbtu- nymex | 3.971 | 3.899 | +.072 | 3.285 |
| Heating Oil, gal- nymex | 2.848 | 2.856 | -.008 | 3.047 |
| Electricity, mwht- nymex | 44.350 | 43.300 | +1.050 | 45.670 |
| Gasoline, gal- nymex | 2.728 | 2.735 | -.007 | 2.943 |
| Diesel Fuel, gal- eia | 3.843 | 3.853 | -.010 | 3.896 |
| Ethanol, gal- usda | 2.043 | 2.096 | -.053 | 2.250 |
| Canadian $ | 1.092 | 1.098 | -.006 | 1.035 |
| Japanese Yen | 102.250 | 102.344 | -.094 | 98.248 |
| Mexican Peso | 13.136 | 13.332 | -.196 | 12.767 |
| Euro | .748 | .750 | -.002 | .755 |
| Brazilian Real | 2.278 | 2.283 | -.005 | 2.314 |
| Chinese Yuan | 6.140 | 6.165 | -.025 | 6.121 |

**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 | - | 949.680 |
| WP; 42 lb. Linerboard (corr.) | n/a | n/a | - | 789.169 |
| Res; PS-CHH (cup, cont.) | 1.370-1.410 | 1.300-1.340 | +.070 | 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**- 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).




| | Price | Last Week | Difference | Price 13 |
|---|---|---|---|---|
| Limes (150 ct.) | 13.000 | 8.000 | +.5000 | 11.000 |
| Lemons (95 ct.) | 38.350 | 37.850 | +.500 | 28.275 |
| Lemons (200 ct.) | 28.900 | 30.650 | -1.750 | 18.775 |
| Honeydew (6 ct.) | 6.750 | 7.000 | -.250 | 6.000 |
| Cantaloupe (15 ct.) | 4.750 | 4.000 | +.750 | 8.000 |
| Blueberries (12 count) | 16.292 | 14.000 | +2.292 | 14.083 |
| Strawberries (12 pnts.) | 12.000 | 11.500 | +.500 | 13.500 |
| Avocados (Hass 48 ct.) | 33.750 | 33.750 | - | 36.750 |
| Bananas (40 lb.)- Term. | 15.209 | 15.209 | - | 14.707 |
| Pineapple (7 ct.)- Term. | 9.251 | 9.851 | -.600 | 14.541 |
| Idaho Potato (60 ct., 50 lb.) | 8.500 | 6.250 | +2.250 | 17.500 |
| Idaho Potato (70 ct., 50 lb.) | 8.500 | 6.250 | +2.250 | 17.500 |
| Idaho Potato (70 ct.)-Term. | 14.553 | 14.959 | -.406 | 25.125 |
| Idaho Potato (90 ct., 50 lb.) | 8.000 | 6.250 | +1.750 | 17.000 |
| Idaho Pot. # 2 (6 oz., 100 lb.) | 13.000 | 7.750 | +5.250 | 14.000 |
| Processing Potato (cwt.) | 7.000 | 7.000 | - | 7.000 |
| Yellow Onions (50 lb.) | 7.500 | 7.834 | -.334 | 6.833 |
| Yell Onions (50 lb.)-Term. | 17.282 | 17.865 | -.583 | 12.828 |
| Red Onions (25 lb.)- Term. | 14.375 | 14.959 | -.584 | 9.583 |
| White Onions (50 lb.)- Term. | 20.125 | 19.407 | +.718 | 18.812 |
| Tomatoes (large- case) | 9.700 | 10.950 | -1.250 | 14.450 |
| Tomatoes (5x6-25 lb.)-Term | 14.043 | 13.711 | +.332 | 18.486 |
| Tomatoes (4x5 vine ripe) | 7.950 | 9.950 | -2.000 | 14.450 |
| Roma Tomatoes (large- case) | 8.961 | 9.754 | -.793 | 13.805 |
| Roma Tomatoes (xlarge-cs) | 10.050 | 10.460 | -.410 | 14.567 |
| Green Peppers (large- case) | 9.350 | 9.925 | -.575 | 18.465 |
| Red Peppers (large 15lb. cs.) | 16.450 | 18.950 | -2.500 | 25.950 |
| Iceberg Lettuce (24 count) | 13.703 | 13.125 | +.578 | 18.357 |
| Iceberg Lettuce (24)-Term. | 21.834 | 20.834 | +1.000 | 30.750 |
| Leaf Lettuce (24 count) | 11.438 | 8.038 | +3.400 | 8.740 |
| Romaine Lettuce (24 cnt.) | 13.803 | 13.600 | +.203 | 8.927 |
| Mesculin Mix (3 lb.)-Term. | 6.938 | 6.750 | +.188 | 6.812 |
| Broccoli (14 ct.) | 9.975 | 8.688 | +1.287 | 16.835 |
| Squash (1/2 bushel) | 10.325 | 11.800 | -1.475 | 17.675 |
| Zucchini (1/2 bushel) | 8.950 | 9.384 | -.434 | 15.500 |
| Green Beans (bushel) | 13.175 | 12.175 | +1.000 | 37.000 |
| Spinach, Flat 24's | 11.175 | 10.700 | +.475 | 14.975 |
| Mushrms (10 lb, lg.)-Term. | 15.146 | 15.146 | - | 15.145 |
| Cucumbers (bushel) | 14.597 | 12.406 | +2.191 | 18.736 |
| Pickles (200-300 ct.)- Term. | 21.917 | 23.667 | -1.750 | 33.500 |
| Asparagus (small) | 11.625 | 8.625 | +3.000 | 11.625 |
| Freight (Truck; CA-Cty Av.) | 5950.000 | 6025.000 | -75.000 | 5710.000 |

**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 |