

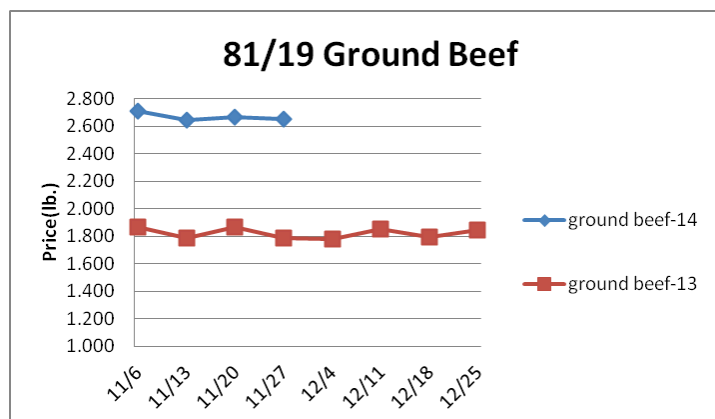
# Weekly Market Updates



Volume No. 19 Issue No. 48 Date: November 27, 2014

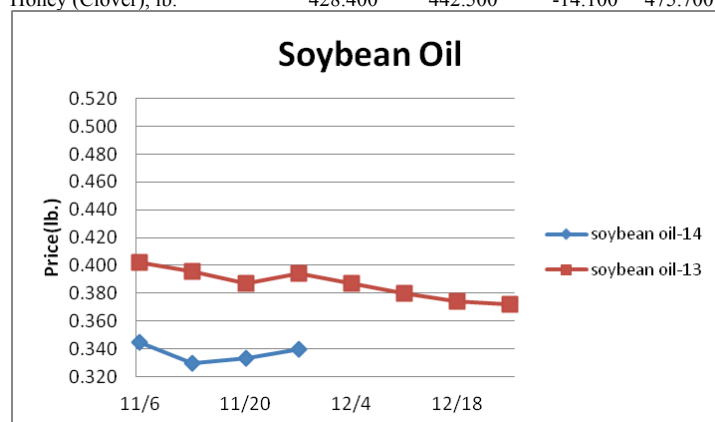
**Beef-** Beef production last week rose 1.4% but was 6.3% less than the same week a year ago. Cattle supplies are expected to remain limited this winter. The November 1 cattle on feed inventory was .1% larger than 2013 while cattle placements into feedlots during October were down .9%. The December 1 near slaughter ready cattle herd is projected to be 3.3% less than the three year average for the date. Despite better interest for holiday beef items, overall beef demand has been tempered by record retail prices. Total beef shipments last week were the smallest for any non-holiday week since April. Elevated retail beef prices may temper any wholesale beef market inflation this winter. Price USDA, FOB per pound.

|                             | Price  | Last Week | Difference | Price 12 |
|-----------------------------|--------|-----------|------------|----------|
| Live Cattle                 | 1.710  | 1.694     | +.016      | 1.310    |
| Feeder Cattle Index (CME)   | 2.412  | 2.409     | +.003      | 1.645    |
| Ground Beef 81/19           | 2.654  | 2.667     | -.013      | 1.786    |
| Ground Chuck                | 2.889  | 2.891     | -.002      | 1.902    |
| 109e Export Rib (choice)    | 7.894  | 7.538     | +.356      | 6.762    |
| 109e Export Rib (prime)     | 8.727  | 8.383     | +.344      | 10.304   |
| 112a Ribeye (choice)        | 8.193  | 7.960     | +.233      | 7.673    |
| 112a Ribeye (prime)         | 9.829  | 9.568     | +.261      | 11.089   |
| 116 Chuck (select)          | 3.315  | 3.281     | +.034      | 2.566    |
| 116 Chuck (choice)          | 3.360  | 3.312     | +.048      | 2.676    |
| 116b Chuck Tdnr (choice)    | 3.216  | 3.244     | -.028      | 2.244    |
| 120 Brisket (choice)        | 3.200  | 3.172     | +.028      | 2.011    |
| 121c Outside Skirt (ch/sel) | 5.678  | 5.713     | -.035      | 4.082    |
| 121d Inside Skirt (ch/sel)  | 4.299  | 4.236     | +.063      | 3.299    |
| 167a Knuckle, Trm. (ch.)    | 3.322  | 3.297     | +.025      | 2.270    |
| 168 Inside Round (ch.)      | 3.024  | 2.931     | +.093      | 2.146    |
| 174 Short Loin (ch. 0x1)    | 5.386  | 5.451     | -.065      | 4.158    |
| 174 Short Loin (prime)      | 7.786  | 8.243     | -.457      | 8.959    |
| 180 1x1 Strp (choice)       | 4.807  | 4.807     | -          | 4.110    |
| 180 1x1 Strp (prime)        | 7.866  | 9.085     | -1.219     | 9.095    |
| 180 0x1 Strp (choice)       | 5.369  | 5.249     | +.120      | 4.816    |
| 184 Top Butt, bnl (ch.)     | 3.356  | 3.503     | -.147      | 2.524    |
| 184 Top Butt, bnl (prime)   | 4.229  | 3.901     | +.328      | 3.254    |
| 185a Sirloin Flap (choice)  | 4.278  | 4.186     | +.092      | 3.725    |
| 185c Loin, Tri-Tip (choice) | 3.349  | 3.407     | -.058      | 3.148    |
| 189a Tender (select)        | 11.167 | 10.893    | +.274      | 9.717    |
| 189a Tender (choice)        | 11.656 | 11.759    | -.103      | 12.743   |
| 189a Tender (prime)         | 15.102 | 15.065    | +.037      | 14.499   |
| 193 Flank Steak (choice)    | 4.594  | 4.516     | +.078      | 3.656    |
| 50% Trimmings               | 1.151  | 1.141     | +.010      | 1.070    |
| 65% Trimmings               | 1.759  | 1.754     | +.005      | 1.257    |
| 75% Trimmings               | 2.312  | 2.342     | -.030      | 1.678    |
| 85% Trimmings               | 2.751  | 2.731     | +.020      | 1.850    |
| 90% Trimmings               | 2.959  | 2.943     | +.016      | 1.921    |
| 90% Imported Beef (frz.)    | 2.850  | 2.875     | -.025      | 2.045    |
| 95% Imported Beef (frz.)    | 3.048  | 3.060     | -.012      | 2.153    |
| Veal Rack (Hotel 7 rib)     | 9.950  | 9.950     | -          | 8.375    |
| Veal Top Rnd. (cp. off)     | 16.450 | 16.450    | -          | 15.025   |



**Oil, Grains, Misc.-** Soybean oil continues to trade below year ago levels due mostly to ample world food oil supplies. Assuming a relatively favorable South American soybean crop, U.S. soybean oil may continue to trade below the previous year levels this winter. Prices USDA, FOB

|                          | Price   | Last Week | Difference | Price 12 |
|--------------------------|---------|-----------|------------|----------|
| Soybeans, bushel         | 10.103  | 9.956     | +.147      | 13.366   |
| Crude Soybean Oil, lb.   | .340    | .333      | +.007      | .394     |
| Soybean Meal, ton        | 428.400 | 442.500   | -14.100    | 475.700  |
| Corn, bushel             | 3.394   | 3.355     | +.039      | 4.180    |
| Crude Corn Oil, lb.      | .335    | .338      | -.003      | .385     |
| High Fructose Corn Syrup | .128    | .126      | +.002      | .139     |
| Distillers Grain, Dry    | 112.542 | 112.958   | -.416      | 210.250  |
| Crude Palm Oil, lb. BMD  | .299    | .305      | -.006      | .365     |
| HRW Wheat, bushel        | 5.960   | 5.850     | +.110      | 7.075    |
| DNS Wheat 14%, bushel    | 6.090   | 6.030     | +.060      | 7.550    |
| Durum Wheat, bushel      | 11.450  | 11.497    | -.047      | 6.967    |
| Pinto Beans, lb.         | .248    | .248      | -          | .380     |
| Black Beans, lb.         | .297    | .298      | -.001      | .410     |
| Rice, Long Grain, lb.    | .257    | .257      | -          | .283     |
| Coffee, lb. NYBOT        | 10.103  | 9.956     | +.147      | 13.366   |
| Sugar, lb. NYBOT         | .340    | .333      | +.007      | .394     |
| Honey (Clover), lb.      | 428.400 | 442.500   | -14.100    | 475.700  |



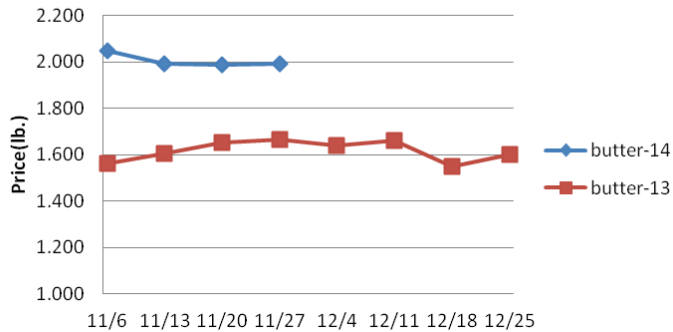
**Dairy-** U.S. milk production during October was 3.8% more than the prior year due to a .8% larger milk cow herd and a 2.9% gain in milk per cow yields. Milk farmers added a net 4,000 head to the herd during the month with the total inventory the largest since April 2009. Favorable margins for milk farmers is expected to cause solid milk output growth versus 2014 this winter which could weigh on dairy prices. The cheese markets have fallen sharply as of late. The butter market has remained resilient but lower butter prices are anticipated in the coming weeks. Prices per pound, except Class I Cream (hundred weight), from USDA.

|                         | Price  | Last Week | Difference | Price 12 |
|-------------------------|--------|-----------|------------|----------|
| Cheese Barrels (CME)    | 1.705  | 1.915     | -.210      | 1.770    |
| Cheese Blocks (CME)     | 1.730  | 1.800     | -.070      | 1.865    |
| American Cheese         | 2.067  | 2.067     | -          | 1.857    |
| Cheddar Cheese (40 lb.) | 2.090  | 2.090     | -          | 1.900    |
| Mozzarella Cheese       | 2.230  | 2.230     | -          | 2.040    |
| Provolone Cheese        | 2.587  | 2.587     | -          | 2.388    |
| Parmesan Cheese         | 3.935  | 3.935     | -          | 3.735    |
| Butter (CME)            | 1.990  | 1.987     | +.003      | 1.665    |
| Nonfat Dry Milk         | 1.391  | 1.440     | -.049      | 1.965    |
| Whey, Dry               | .589   | .590      | -.001      | .565     |
| Class I Base            | 22.530 | 24.060    | -1.530     | 20.370   |
| Class II Cream, heavy   | 2.531  | 2.531     | -          | 2.174    |
| Class III Milk (CME)    | 18.480 | 18.500    | -.020      | 18.430   |
| Class IV Milk (CME)     | 17.140 | 16.900    | +.240      | 21.000   |

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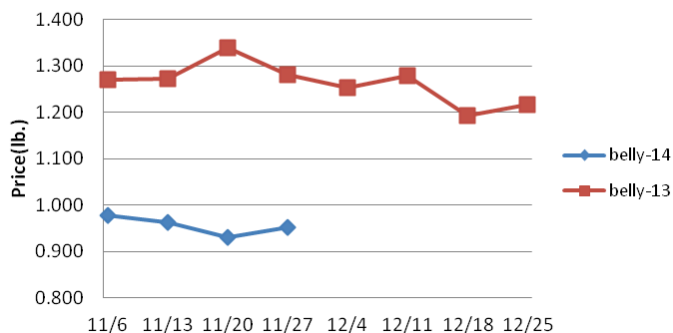
## Butter (CME)



**Pork-** Pork output last week rose .7% but was 3.7% less than the same week last year. PEDv cases in the hog herd are anticipated to escalate in the coming months due to colder temperatures. But farmers have more tools and information to combat the disease this year which should temper the impact on pork supplies. The USDA anticipates pork production to start trending above year ago levels on a regular basis this winter. Pork bellies have continued to trade at attractive levels for buyers but the belly markets could find support soon. Prices USDA, FOB per pound.

|                               | Price | Last Week | Difference | Price 12 |
|-------------------------------|-------|-----------|------------|----------|
| Live Hogs                     | .635  | .634      | +.001      | .572     |
| Belly (bacon)                 | .952  | .931      | +.021      | 1.253    |
| Sparerib (4.25 lb. & down)    | 1.703 | 1.671     | +.032      | 1.452    |
| Ham (20-23 lb.)               | 1.026 | 1.033     | -.007      | .900     |
| Ham (23-27 lb.)               | .873  | .920      | -.047      | .810     |
| Loin (bone-in)                | .952  | .963      | -.011      | .882     |
| Bbybck Rib (1.75 lb. & up)    | 2.279 | 2.261     | +.018      | 2.124    |
| Tenderloin (1.25 lb.)         | 2.625 | 2.639     | -.014      | 2.268    |
| Boston Butt, untrmd. (4-8lb.) | 1.109 | 1.113     | -.004      | .902     |
| Picnic, untrmd.               | .832  | .843      | -.011      | .727     |
| SS Picnic, smoker trm. bx.    | 1.147 | 1.139     | +.008      | .994     |
| 42% Trimmings                 | .264  | .283      | -.019      | .330     |
| 72% Trimmings                 | .673  | .751      | -.078      | .677     |

## Pork Belly



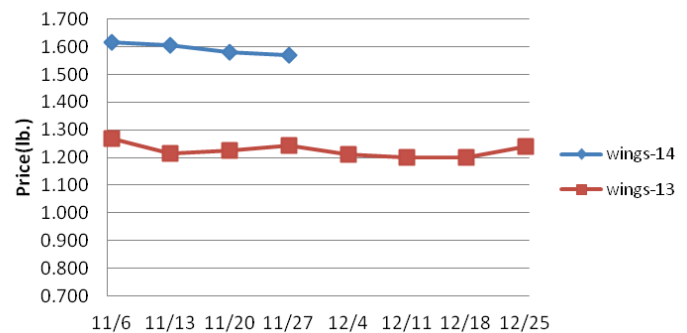
**The Kitchen Sink (Various Markets)-** The coffee markets remain erratic due to the world supply concerns and the challenged Brazilian crop. Coffee producers continue to forward sell at historically large levels. This kind of action by producers typically indicates that the upside price risk is limited. Price bases noted below.

|                                | Price    | Last Week | Difference | Price 13 |
|--------------------------------|----------|-----------|------------|----------|
| Whole Peeled, Stand (6/10)     | 12.633   | 12.633    | -          | 12.529   |
| Tomato Paste- Industrial (lb.) | .468     | .468      | -          | .464     |
| Coffee, lb., ICE               | 1.912    | 1.973     | -.061      | 1.061    |
| Sugar, lb., ICE                | .243     | .244      | -.001      | .208     |
| Cocoa, mt., ICE                | 2907.000 | 2871.000  | +36.000    | 2647.000 |
| Orange Juice, lb., ICE         | 1.473    | 1.383     | +.090      | 1.247    |
| Honey (Clover), lb.            | 2.057    | 2.086     | -.029      | 2.088    |

**Poultry-** Chicken production for the week ending November 15th fell 1.3% from the prior week but was 6.4% larger than the same week a year ago. Better chicken supplies and heavy bird weights are expected to cause chicken output to track above the prior year levels in the coming months. The USDA is forecasting winter chicken production to track 2.9% above 2014. The chicken wing markets have remained weak as of late. The ARA Boneless Skinless Chicken Breast Index recently declined to an eight month low. Typically the chicken breast markets are fairly flat from now through the end of the year but there may be more downside risk to prices this fall. Prices USDA, FOB per pound except when noted

| Chicken                    | Price | Last Week | Difference | Price 12 |
|----------------------------|-------|-----------|------------|----------|
| Whole Birds (2.5-3 lb.-GA) | 1.140 | 1.140     | -          | 1.045    |
| Wings (whole)              | 1.570 | 1.580     | -.010      | 1.245    |
| Wings (jumbo, cut)         | 1.746 | 1.767     | -.021      | 1.165    |
| Breast, Bone In            | 1.190 | 1.185     | +.005      | 1.040    |
| Breast, Bnless Skinless    | 1.905 | 1.925     | -.020      | 1.780    |
| Tenderloin (random)        | 1.580 | 1.580     | -          | 1.550    |
| Tenderloin (sized)         | 1.840 | 1.840     | -          | 1.770    |
| Legs (whole)               | .582  | .542      | +.040      | .602     |
| Leg Quarters               | .515  | .520      | -.005      | .505     |
| Thighs, bone in            | .706  | .725      | -.019      | .814     |
| Thighs, boneless           | 1.236 | 1.285     | -.049      | 1.283    |
| <b>Eggs and Others</b>     |       |           |            |          |
| Large (dozen)              | 2.023 | 1.300     | +.723      | 1.603    |
| Medium (dozen)             | 1.365 | 1.072     | +.293      | 1.142    |
| Whole Eggs- Liquid         | .771  | .771      | -          | .820     |
| Egg Whites- Liquid         | 1.005 | 1.162     | -.157      | .951     |
| Egg Yolks- Liquid          | .669  | .669      | -          | .643     |
| Whole Turkeys (8-16 lb.)   | 1.125 | 1.175     | -.050      | 1.052    |
| Turkey Breast, Bnls/Sknls  | 3.915 | 3.904     | +.011      | 2.176    |

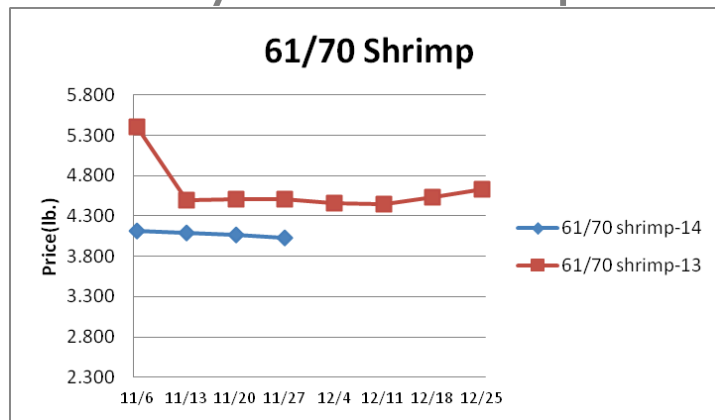
## Whole Chicken Wing



**Seafood-** Domestic shrimp output was better during October with U.S. Gulf of Mexico shrimp landings up 26% compared to the prior year. However, year to date Gulf of Mexico shrimp landings are the smallest since 2010. A favorable currency valuation is anticipated to encourage U.S. shrimp imports this winter which may weigh on shrimp prices. Prices for fresh product, unless noted, per pound from Fisheries Market News

|                              | Price | Last Week | Difference | Price 12 |
|------------------------------|-------|-----------|------------|----------|
| 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          | 7.850 | 7.912     | -.062      | 8.840    |
| Shrimp (61/70), Frz.         | 4.022 | 4.065     | -.043      | 4.512    |
| Shrimp, Tiger (26/30), Frz.  | 6.613 | 6.613     | -          | 7.700    |
| Snow Crab, Legs 5-8 oz, Frz  | 5.400 | 5.400     | -          | 5.300    |
| Snow Crab, Legs 8 oz/ up, Fz | 5.625 | 5.625     | -          | 6.250    |
| Cod Tails, 3-7 oz., Frz.     | 3.062 | 3.062     | -          | 3.088    |
| Cod Loins, 3-12 oz., Frz     | 3.050 | 3.050     | -          | 3.025    |
| Salmon Portions, 4-8 oz, Frz | 6.242 | 6.242     | -          | 5.958    |
| Pollock, Alaska, Deep Skin   | 1.750 | 1.750     | -          | 1.775    |

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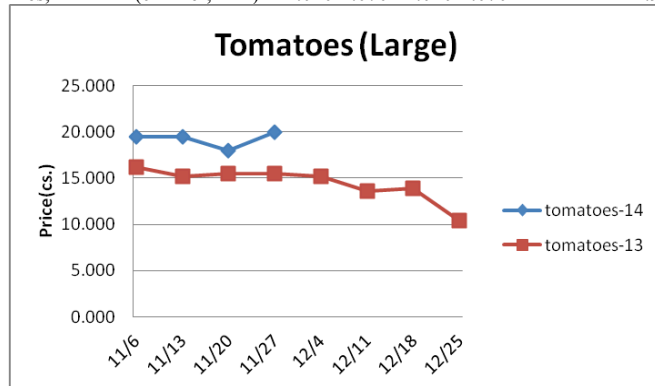


**Energy & Currency-** Recent bouts of cold weather throughout most of the U.S. has been supportive of natural gas prices. Typically natural gas prices move higher in the coming weeks. Currency US dollar is worth

|                          | Price   | Last Week | Difference | Price 12 |
|--------------------------|---------|-----------|------------|----------|
| Crude Oil, barrel- nymex | 75.670  | 74.820    | +0.850     | 94.090   |
| Natural Gas, mbtu- nymex | 4.286   | 4.541     | -0.255     | 3.789    |
| Heating Oil, gal- nymex  | 2.362   | 2.383     | -0.021     | 3.032    |
| Electricity, mwht- nymex | 49.400  | 54.250    | -4.850     | 41.520   |
| Gasoline, gal- nymex     | 2.017   | 2.047     | -0.030     | 2.681    |
| Diesel Fuel, gal- eia    | 3.628   | 3.661     | -0.033     | 3.844    |
| Ethanol, gal- usda       | 2.323   | 2.133     | +0.190     | 2.350    |
| Canadian \$              | 1.129   | 1.134     | -0.005     | 1.054    |
| Japanese Yen             | 118.019 | 117.605   | +0.414     | 101.409  |
| Mexican Peso             | 13.661  | 13.591    | +0.070     | 13.075   |
| Euro                     | .804    | .796      | +0.008     | .738     |
| Brazilian Real           | 2.547   | 2.585     | -0.038     | 2.284    |
| Chinese Yuan             | 6.142   | 6.121     | +0.021     | 6.096    |

**Paper/Plastic-** Provided by: resin- [www.plasticsnews.com](http://www.plasticsnews.com), pulp- [www.paperage.com](http://www.paperage.com).

| Wood Pulp/ Plastic Resin      | Price       | Last Week   | Difference | Price 12    |
|-------------------------------|-------------|-------------|------------|-------------|
| WP; NBSK (napkin, towel)      | 988.075     | 988.075     | -          | 995.224     |
| WP; 42 lb. Linerboard (corr.) | 671.950     | 671.950     | -          | 669.386     |
| Res; PS-CHH (cup, cont.)      | 1.310-1.350 | 1.310-1.350 | -          | 1.170-1.210 |
| Res; PP-HIGP (hvy utensil)    | 1.170-1.190 | 1.170-1.190 | -          | 1.090-1.110 |
| Res; PE-LLD (cn liner, film)  | 1.040-1.070 | 1.040-1.070 | -          | .970-1.000  |



**Produce-** Lettuce supplies are improving with the production shift to the Yuma-Imperial Valley region. Total iceberg lettuce shipments last week rose 19% and were 8% more than the same week a year ago. Relatively favorable weather is forecasted for the lettuce crops during the next few weeks which should aid the harvest. Modestly lower lettuce prices may be forthcoming. Avocado prices have weakened during this month but history suggests that the downside risk in the avocado markets from here is likely nominal. Prices USDA FOB shipping point unless noted (terminal).

|                 | Price  | Last Week | Difference | Price 12 |
|-----------------|--------|-----------|------------|----------|
| Limes (150 ct.) | 17.000 | 17.000    | -          | 11.000   |

|                                 |          |          |         |          |
|---------------------------------|----------|----------|---------|----------|
| Lemons (95 ct.)                 | 29.350   | 31.350   | -2.000  | 26.350   |
| Lemons (200 ct.)                | 19.850   | 15.850   | +4.000  | 19.850   |
| Honeydew (6 ct.)                | 7.500    | 7.250    | +0.250  | 8.500    |
| Cantaloupe (15 ct.)             | 8.500    | 8.950    | -0.450  | 5.450    |
| Blueberries (12 count)          | 26.000   | 26.000   | -       | 24.400   |
| Strawberries (12 pnts.)         | 19.000   | 19.000   | -       | 23.000   |
| Avocados (Hass 48 ct.)          | 28.750   | 28.750   | -       | 25.750   |
| Bananas (40 lb.)- Term.         | 15.371   | 14.829   | +0.542  | 14.781   |
| Pineapple (7 ct.)- Term.        | 12.771   | 13.563   | -0.792  | 9.687    |
| Idaho Potato (60 ct., 50 lb.)   | 13.125   | 12.625   | +0.500  | 8.375    |
| Idaho Potato (70 ct., 50 lb.)   | 13.125   | 12.625   | +0.500  | 8.375    |
| Idaho Potato (70 ct.)-Term.     | 16.980   | 15.367   | +1.613  | 15.691   |
| Idaho Potato (90 ct., 50 lb.)   | 8.750    | 8.750    | -       | 8.500    |
| Idaho Pot. # 2 (6 oz., 100 lb.) | 12.750   | 12.750   | -       | 10.500   |
| Processing Potato (cwt.)        | 8.250    | 8.250    | -       | 6.000    |
| Yellow Onions (50 lb.)          | 3.750    | 5.000    | -1.250  | 8.750    |
| Yell Onions (50 lb.)-Term.      | 11.396   | 11.834   | -0.438  | 14.468   |
| Red Onions (25 lb.)- Term.      | 9.683    | 11.313   | -1.630  | 10.479   |
| White Onions (50 lb.)- Term.    | 18.938   | 20.438   | -1.500  | 29.750   |
| Tomatoes (large- case)          | 19.950   | 17.950   | +2.000  | 15.450   |
| Tomatoes (5x6-25 lb.)-Term      | 26.188   | 22.584   | +3.604  | 18.075   |
| Tomatoes (4x5 vine ripe)        | 30.000   | 20.950   | +9.050  | 12.950   |
| Roma Tomatoes (large- case)     | 30.459   | 27.767   | +2.692  | 12.791   |
| Roma Tomatoes (xlarge-cs)       | 30.959   | 28.117   | +2.842  | 13.541   |
| Green Peppers (large- case)     | 9.410    | 12.450   | -3.040  | 14.833   |
| Red Peppers (large 15lb. cs.)   | 21.950   | 21.950   | -       | 18.950   |
| Iceberg Lettuce (24 count)      | 11.555   | 16.500   | -4.945  | 7.395    |
| Iceberg Lettuce (24)-Term.      | 20.750   | 33.667   | -12.917 | 16.500   |
| Leaf Lettuce (24 count)         | 12.325   | 13.967   | -1.642  | 6.721    |
| Romaine Lettuce (24 cnt.)       | 14.419   | 22.684   | -8.265  | 7.801    |
| Mesculin Mix (3 lb.)-Term.      | 6.782    | 6.844    | -0.062  | 6.687    |
| Broccoli (14 ct.)               | 9.912    | 12.394   | -2.482  | 11.620   |
| Squash (1/2 bushel)             | 16.850   | 16.850   | -       | 13.450   |
| Zucchini (1/2 bushel)           | 18.850   | 18.850   | -       | 8.000    |
| Green Beans (bushel)            | 30.934   | 26.900   | +4.034  | 20.275   |
| Spinach, Flat 24's              | 14.475   | 12.750   | +1.725  | 13.450   |
| Mushrms (10 lb, lg.)-Term.      | 16.334   | 16.925   | -0.591  | 15.145   |
| Cucumbers (bushel)              | 12.859   | 13.290   | -0.431  | 9.681    |
| Pickles (200-300 ct.)- Term.    | 22.119   | 25.738   | -3.619  | 25.000   |
| Asparagus (small)               | 14.500   | 10.500   | +4.000  | 14.500   |
| Freight (Truck; CA-Cty Av.)     | 5356.250 | 5356.250 | -       | 5050.000 |

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

|                        | Oct-14 | Sep-14 | Aug-14 | Jul-14 |
|------------------------|--------|--------|--------|--------|
| Beef and Veal          | +0.324 | +1.973 | +4.217 | +0.435 |
| Dairy                  | +0.539 | +0.536 | +0.555 | +0.275 |
| Pork                   | -0.781 | +0.073 | +2.147 | +0.715 |
| Chicken                | -0.746 | -0.113 | +0.658 | +0.527 |
| Fresh Fish and Seafood | -1.945 | +1.072 | +0.570 | -0.233 |
| Fresh Fruits and Veg.  | +0.183 | +1.088 | -0.339 | -0.730 |