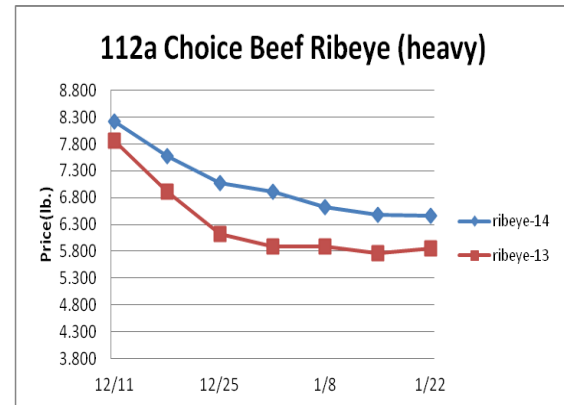
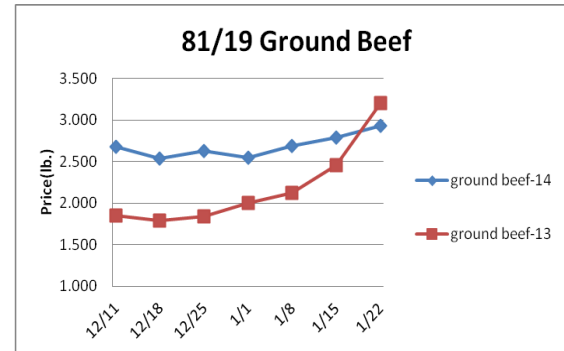


# Beef, Veal and Lamb Report

**Beef, Veal & Lamb** - Beef output last week rose 1.6% but was 6% less than the same week a year ago. Beef production is escalating this week as packer margins have improved. However, beef output is anticipated to track below 2014 levels for most of the winter due to the limited cattle supply. The better beef production this week is putting downward pressure on many of the beef markets. History suggests various beef market declines could still be forthcoming. Last year the USDA choice boxed beef cutout declined 10% during the next three weeks. Elevated retail beef prices could temper beef demand moving forward. Retail beef prices were a record high in December. Price USDA, FOB per pound

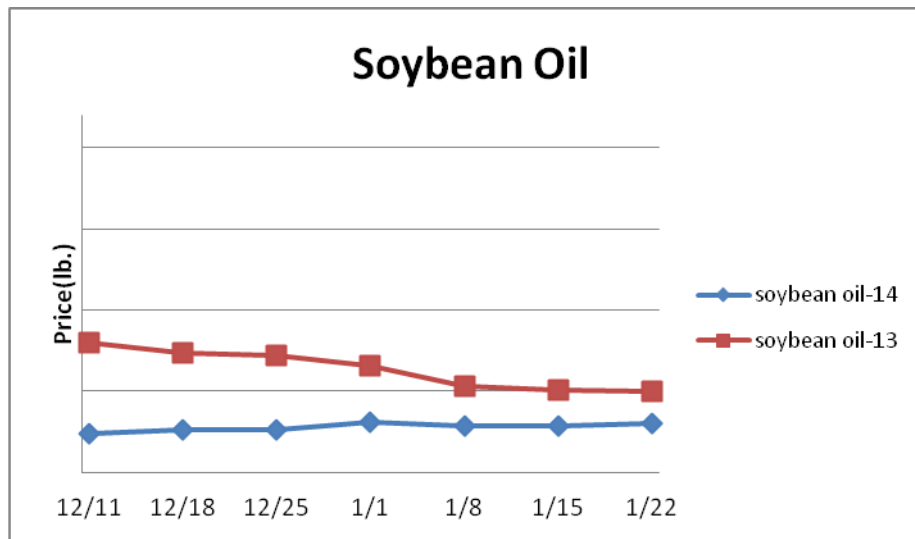
Description	Market Trend	Supplies	Price vs. Last Year
Live Cattle (Steer)	Decreasing	Good	Higher
Feeder Cattle Index (CME)	Decreasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Lower
Ground Chuck	Decreasing	Good	Lower
109 Export Rib (ch)	Decreasing	Good	Higher
109 Export Rib (pr)	Decreasing	Good	Lower
112a Ribeye (ch)	Decreasing	Good	Higher
112a Ribeye (pr)	Increasing	Good	Lower
114a Chuck , Shlder Cld(ch)	Decreasing	Good	Lower
116 Chuck (sel)	Decreasing	Good	Lower
116b Chuck Tender (ch)	Decreasing	Good	Lower
116 Chuck (ch)	Decreasing	Good	Higher
120 Brisket (ch)	Decreasing	Good	Higher
120a Brisket (ch)	Increasing	Good	Higher
121c Outside Skirt (ch/sel)	Increasing	Good	Higher
121d Inside Skirt (ch/sel)	Increasing	Good	Higher
121e Cap & Wedge	Decreasing	Good	Higher
167a Knuckle, Trimmed (ch)	Decreasing	Good	Lower
168 Inside Round (ch)	Decreasing	Good	Higher
169 Top Round (ch)	Decreasing	Good	Lower
171b Outside Round (ch)	Decreasing	Good	Lower
174 Short Loin (ch 0x1)	Increasing	Good	Higher
174 Short Loin (pr 2x3)	Increasing	Good	Lower
180 1x1 Strip (ch)	Decreasing	Good	Higher
180 1x1 Strip (pr)	Increasing	Good	Lower
180 0x1 Strip (ch)	Increasing	Good	Higher
184 Top Butt, boneless (ch)	Increasing	Good	Higher
184 Top Butt, boneless (pr)	Increasing	Good	Higher
185a Sirloin Flap (ch)	Increasing	Good	Higher
185c Loin, Tri-Tip (ch)	Increasing	Good	Higher
189a Tender (sel, 5 lb & up)	Decreasing	Good	Lower
189a Tender (ch, 5 lb & up)	Decreasing	Good	Lower
189a Tender (pr, heavy)	Decreasing	Good	Higher
193 Flank Steak (ch)	Increasing	Good	Higher
50% Trimmings	Increasing	Good	Higher
65% Trimmings	Decreasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Steady	Good	Higher
90% Trimmings	Increasing	Good	Higher
90% Imported Beef (frz)	Increasing	Good	Higher
95% Imported Beef (frz)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Higher
Veal Top Round (cap off)	Increasing	Good	Higher



# Grains

The weather in South America for the soybean and grain crops has improved as of late which is putting downward pressure on the soybean and soybean meal futures markets. Further modest soybean complex market declines may be impending. Prices USDA, FOB

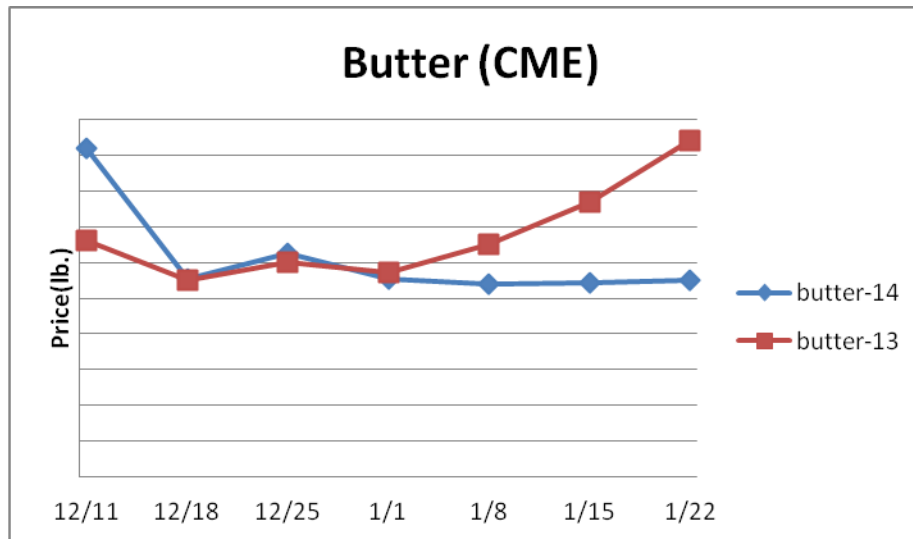
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Decreasing	Good	Lower
Crude Soybean Oil, lb	Increasing	Good	Lower
Soybean Meal, ton	Decreasing	Good	Lower
Corn, bushel	Increasing	Good	Lower
Crude Corn Oil, lb	Increasing	Good	Lower
High Fructose Corn Syrup	Increasing	Good	Higher
Distillers Grain, Dry	Increasing	Good	Higher
Crude Palm Oil, lb BMD	Decreasing	Good	Lower
HRW Wheat, bushel	Decreasing	Good	Lower
DNS Wheat 14%, bushel	Increasing	Good	Lower
Durum Wheat, bushel	Decreasing	Good	Higher
Pinto Beans, lb	Increasing	Good	Lower
Black Beans, lb	Decreasing	Good	Lower
Rice, Long Grain, lb	Steady	Good	Lower



# Dairy

The butter market has been fairly steady during the last week. Cream supplies are relatively adequate despite the seasonal decline in milk production which is fueling butter manufacturing. At the same time, export interest for U.S. butter is starting to improve. But, the greater price risk in butter in the near term is likely to the downside. Butter prices have been flat to lower in seven of the last eight Februarys. The cheese markets have been relatively stable as well as of late. Milk output expansion compared to 2014 could keep a lid on cheese prices next month. Prices per pound, except Class I Cream (hundred weight), from USDA

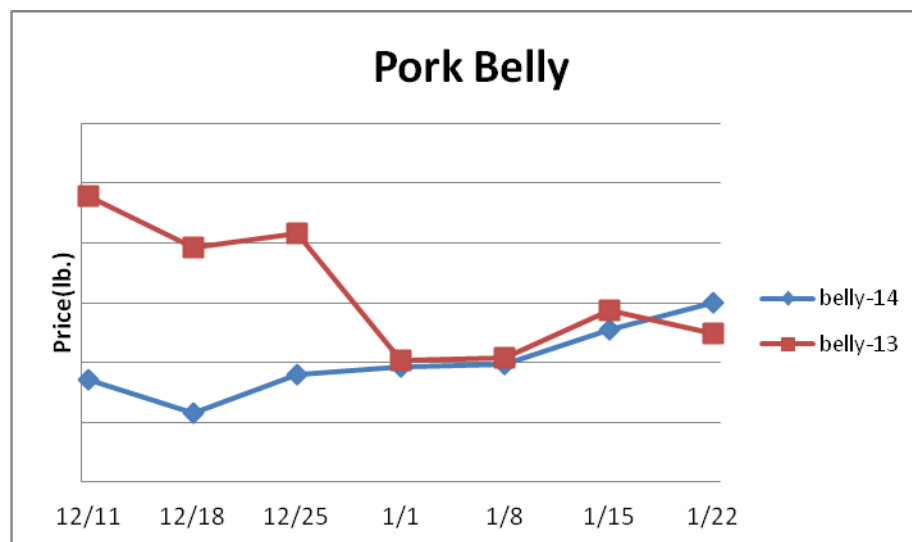
Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Lower
Cheese Blocks (CME)	Increasing	Good	Lower
American Cheese	Decreasing	Good	Lower
Cheddar Cheese (40 lb)	Decreasing	Good	Lower
Mozzarella Cheese	Decreasing	Good	Lower
Provolone Cheese	Decreasing	Good	Lower
Parmesan Cheese	Decreasing	Good	Lower
Butter (CME)	Increasing	Good	Lower
Nonfat Dry Milk	Decreasing	Good	Lower
Whey, Dry	Increasing	Good	Lower
Class 1 Base	Steady	Good	Lower
Class II Cream, heavy	Increasing	Good	Lower
Class III Milk (CME)	Increasing	Good	Lower
Class IV Milk (CME)	Decreasing	Good	Lower



# Pork

Pork production last week rose 6.6% and was 1.2% larger than the same week last year. Hog supplies are generally ample but the backlog is expected to be cleaned up in the near term. This suggests that a seasonal bottom in the hog and pork markets is relatively close. Past pricing moves suggests the same. The five year average move for the USDA pork cutout is higher by 13.6% during the next 11 weeks. Still, any pending pork price gains may be tempered by solid output expansion versus 2014. Prices USDA, FOB per pound.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Decreasing	Good	Lower
Sow	Decreasing	Good	Lower
Belly (bacon)	Increasing	Good	Lower
Sparerib(4.25 lb & down)	Increasing	Good	Higher
Ham (20-23 lb)	Increasing	Good	Higher
Ham (23-27 lb)	Increasing	Good	Higher
Loin (bone in)	Increasing	Good	Lower
Babyback Rib (1.75 lb & up)	Decreasing	Good	Higher
Tenderloin (1.25 lb)	Increasing	Good	Higher
Boston Butt, untrmd (4-8 lb)	Decreasing	Good	Higher
Picnic, untrmd	Decreasing	Good	Lower
SS Picnic, smoker trm box	Decreasing	Good	Lower
42% Trimmings	Increasing	Good	Higher
72% Trimmings	Increasing	Good	Same



# Poultry

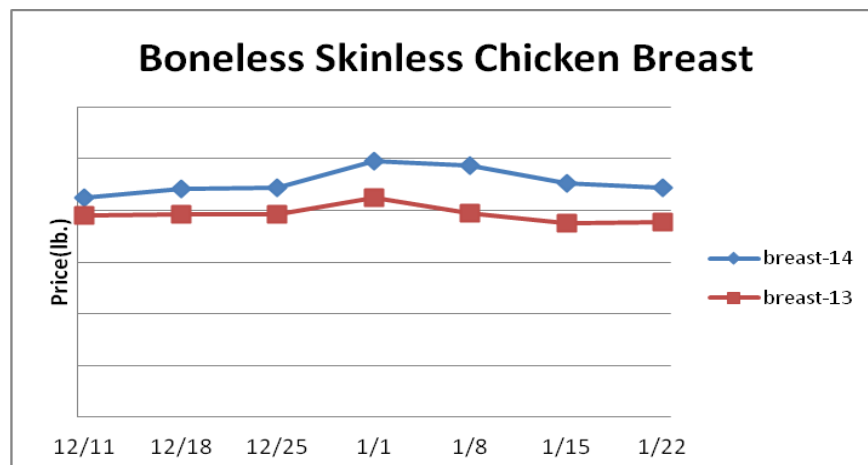
Chicken output for the week ending January 10th was 6.8% larger than the same week a year ago. Chicken bird weights during the week were 3.5% heavier than the prior year. Strong chicken production expansion is anticipated throughout the winter. The six week moving average for chick placements is currently 3.2% bigger than 2014. Chicken wing demand is escalating lifting the markets. However, the chicken wing markets typically peak shortly before beginning a downward trek lower. Usually the chicken wing markets move down 14% during the next six weeks. Conversely, the chicken breast markets could be firm next month. Prices USDA, FOB per pound except when noted

Description	Market Trend	Supplies	Price vs. Last Year
Whole Birds (2.5-3 GA)	Steady	Good	Higher
Wings (whole)	Increasing	Good	Higher
Wings (jumbo cut)	Increasing	Good	Higher
Wing Index (ARA)	Increasing	Good	Higher
Breast, Bone In	Decreasing	Good	Higher
Breast, Boneless Skinless	Decreasing	Good	Higher
Breast Boneless Index (ARA)	Increasing	Good	Higher
Tenderloin (random)	Increasing	Good	Higher
Tenderloin (sized)	Increasing	Good	Higher
Legs (whole)	Increasing	Good	Lower
Leg Quarters	Decreasing	Good	Higher
Leg Quarter Index (ARA)	Decreasing	Good	Lower
Thighs, Bone In	Decreasing	Good	Higher
Thighs, Boneless	Decreasing	Good	Lower

Description	Market Trend	Supplies	Price vs. Last Year
Whole Turkey (8-16 lb)	Decreasing	Good	Higher
Turkey Breast, Bnls/Sknls	Decreasing	Good	Higher

## Eggs

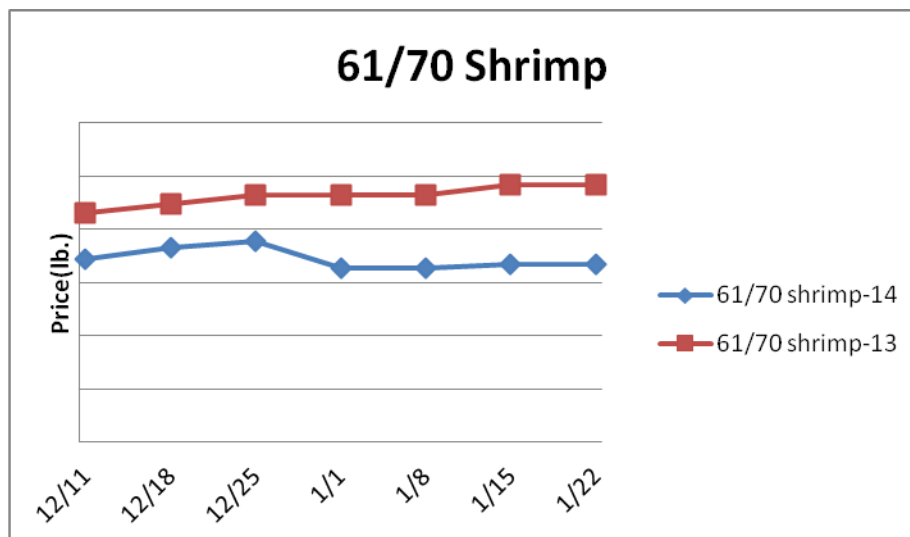
Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Increasing	Good	Lower
Medium Eggs (dozen)	Increasing	Good	Lower
Liquid Whole Eggs	Steady	Good	Lower
Liquid Egg Whites	Steady	Good	Higher
Liquid Egg Yolks	Steady	Good	Higher



# Seafood

Elevated salmon prices and a strong U.S. dollar valuation continue to encourage solid U.S. salmon imports. The U.S. imported 5.3% more salmon in November than the previous year. Relatively robust U.S. salmon imports are anticipated to persist during the next several months which could cause the salmon markets to track below 2014 levels. Prices for fresh product, unless noted, per pound from Fisheries Market News

Description	Market Trend	Supplies	Price vs. Last Year
Shrimp (16/20 frz)	Steady	Good	Lower
Shrimp (61/70 frz)	Steady	Good	Lower
Shrimp Tiger (26/30 frz)	Steady	Good	Lower
Snow Crab Legs (5-8 oz frz)	Steady	Good	Lower
Snow Crab Legs (8oz & up frz)	Decreasing	Good	Lower
Cod Tails (3-7 oz frz)	Steady	Good	Lower
Cod Loins (3-12 oz frz)	Decreasing	Good	Higher
Salmon Portions (4-8 oz frz)	Steady	Good	Higher
Pollock Alaska, Deep Skin	Steady	Good	Lower



## Beans and Rice

Description	Market Trend	Supplies	Price vs. Last Year
Pinto Beans	Increasing	Good	Lower
Black Beans	Decreasing	Good	Lower
Rice, Long Grain	Steady	Good	Lower

## Paper and Plastic Product Report

Description	Market Trend	Supplies	Price vs. Last Year
<b>Wood Pulp (paper)</b>			
NBSK- Paper napkin	Increasing	Good	Lower
42 lb. Linerboard-corrugated box	Steady	Good	Higher
<b>Plastic Resins (plastic, foam)</b>			
PS-CHH-utensils, cups, to-go cont.	Steady	Good	Higher
PP-HIGP-heavy grade utensils	Decreasing	Good	Higher
PE-LLD-can liners, film, bags	Decreasing	Good	Same

## Retail Price Change from Prior Month

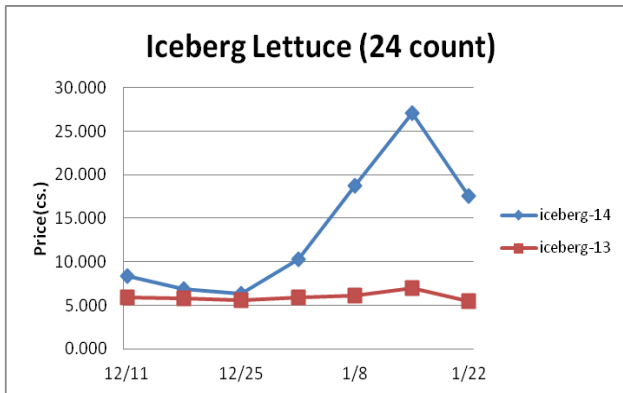
Description	Dec-14	Nov-14	Oct-14
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Increasing	Decreasing	Increasing
Pork	Decreasing	Decreasing	Decreasing
Chicken	Decreasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Decreasing	Decreasing
Fresh Fruits and Vegetables	Increasing	Decreasing	Increasing

## Various Markets

The canned tomato markets remain relatively firm. 2014 U.S. tomato for canning harvest was a record, 16% larger than the previous year. However, elevated raw product contracting costs for canners may continue to support canned tomato prices this winter. Price bases noted below.

Description	Market Trend	Supplies	Price vs. Last Year
<b>Whole Peeled, Stand (6/10)</b>	Increasing	Good	Higher
<b>Tomato Paste-Industrial (lb)</b>	Increasing	Good	Higher
<b>Coffee lb ICE</b>	Decreasing	Good	Higher
<b>Sugar lb ICE</b>	Increasing	Good	Higher
<b>Cocoa mt ICE</b>	Decreasing	Good	Higher
<b>Orange Juice lb ICE</b>	Increasing	Good	Higher
<b>Honey (clover) lb</b>	Steady	Good	Higher

# Produce



Lettuce supplies have modestly improved as of late which is bringing some respite to the lettuce markets. However, quality issues with the lettuce are likely to persist in the near term which may cause lettuce prices to remain relatively erratic. Assuming the weather cooperates, additional lettuce market relief is anticipated next month. Tomato supplies are generally adequate which is weighing on the tomato markets. Typically in February the tomato markets remain range-bound as the worst of the weather threats in Florida are behind us. Modest avocado prices declines are anticipated next month. Price bases noted below.

Description	Market Trend	Supplies	Price vs. Last Year
Limes (150 ct)	Decreasing	Good	Higher
Lemons (95 ct)	Decreasing	Good	Lower
Lemons (200 ct)	Increasing	Good	Higher
Honeydew (6 ct)	Increasing	Good	Higher
Cantaloupe (15 ct)	Steady	Good	Higher
Blueberries (12 ct)	Increasing	Good	Lower
Strawberries (12 pnt)	Decreasing	Good	Lower
Avocados (Hass 48 ct)	Steady	Good	Higher
Bananas (40 lb) Term	Increasing	Good	Higher
Pineapple (7 ct) Term	Increasing	Good	Higher
Idaho Potato (60 ct 50 lb)	Decreasing	Good	Higher
Idaho Potato (70 ct 50 lb)	Decreasing	Good	Higher
Idaho Potato (70 ct ) Term	Decreasing	Good	Higher
Idaho Potato (90 ct 50 lb)	Decreasing	Good	Lower
Idaho Potato #2 (6 oz 100 lb)	Decreasing	Good	Higher
Processing Potato (cwt)	Steady	Good	Higher
Yellow Onions (50 lb)	Decreasing	Good	Lower
Yellow Onions (50 lb) Term	Decreasing	Good	Lower
Red Onions (25 lb) Term	Decreasing	Good	Lower
White Onions (50 lb) Term	Decreasing	Good	Lower
Tomatoes (1g case)	Decreasing	Good	Lower
Tomatoes (5x6 lb) Term	Decreasing	Good	Lower
Tomatoes (4x5 vine ripe)	Decreasing	Good	Lower
Roma Tomatoes (1g case)	Decreasing	Good	Lower
Roma Tomatoes (exlg case)	Decreasing	Good	Lower
Green Peppers (1g case)	Decreasing	Good	Lower
Red Peppers (1g 15 lb case)	Increasing	Good	Lower
Iceberg Lettuce (24 ct)	Decreasing	Good	Higher
Iceberg Lettuce (24 ct) Term	Decreasing	Good	Higher
Leaf Lettuce (24 ct)	Increasing	Good	Higher
Romaine Lettuce (24 ct)	Decreasing	Good	Higher
Mesculin Mix (3 lb) Term	Increasing	Good	Higher
Broccoli (14 ct)	Decreasing	Good	Higher
Squash (1/2 bushel)	Increasing	Good	Lower
Zucchini (1/2 bushel)	Increasing	Good	Lower
Green Beans (bushel)	Decreasing	Good	Lower
Spinach (flat 24)	Decreasing	Good	Higher
Mushrooms (10 lb lg) Term	Increasing	Good	Higher
Cucumbers (bushel)	Decreasing	Good	Lower
Pickels (200-300 ct) Term	Increasing	Good	Higher
Asparagus (sm)	Decreasing	Good	Higher
Frieght (truck CA-Cty Av)	Decreasing	Good	Higher



