Weekly Market Updates

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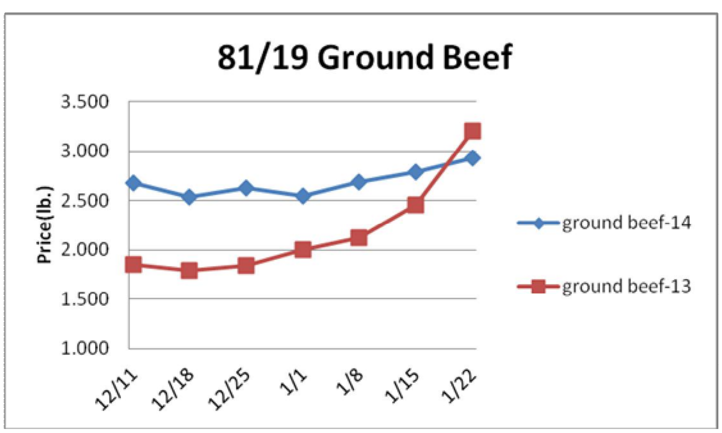
Beef- Beef output last week rose 1.6% but was 6% less than the same week a year ago. Beef production is escalating this week as packer margins have improved. However, beef output is anticipated to track below 2014 levels for most of the winter due to the limited cattle supply. The better beef production 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.

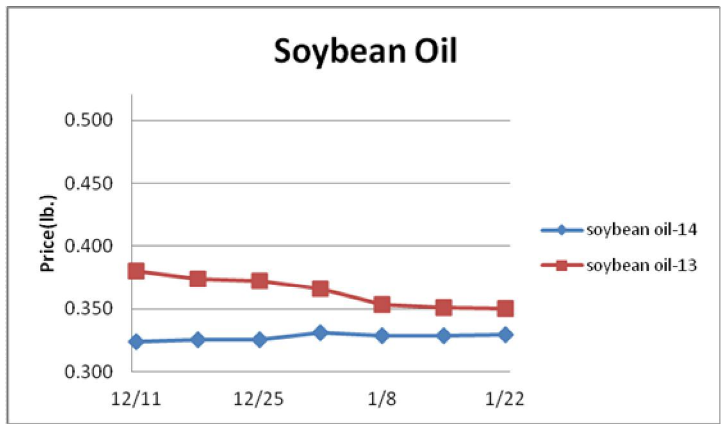
	Price	Last Week	Difference	Price 12
Live Cattle	1.641	1.676	-.035	1.437
Feeder Cattle Index (CME)	2.219	2.327	-.108	1.705
Ground Beef 81/19	2.931	2.793	+.138	3.200
Ground Chuck	3.073	3.143	-.070	3.116
109e Export Rib (choice)	5.945	6.187	-.242	5.377
109e Export Rib (prime)	8.547	9.022	-.475	9.641
112a Ribeye (choice)	6.462	6.474	-.012	5.850
112a Ribeye (prime)	9.210	9.096	+.114	10.383
116 Chuck (select)	3.175	3.399	-.224	3.747
116 Chuck (choice)	3.269	3.409	-.140	3.748
116b Chuck Tdnr (choice)	3.319	3.330	-.011	2.971
120 Brisket (choice)	3.572	3.620	-.048	2.335
121c Outside Skirt (ch/sel)	5.956	5.577	+.379	4.655
121d Inside Skirt (ch/sel)	4.692	4.614	+.078	3.606
167a Knckle, Trm. (ch.)	3.377	3.426	-.049	3.385
168 Inside Round (ch.)	2.753	2.998	-.245	2.667
174 Short Loin (ch. 0x1)	5.672	5.640	+.032	4.652
174 Short Loin (prime)	6.631	6.146	+.485	8.153
180 1x1 Strp (choice)	5.791	5.799	-.008	4.387
180 1x1 Strp (prime)	7.594	7.367	+.227	8.041
180 0x1 Strp (choice)	6.268	6.265	+.003	4.961
184 Top Butt, bnls (ch.)	3.610	3.595	+.015	2.823
184 Top Butt, bnls (prime)	3.994	3.891	+.103	3.032
185a Sirloin Flap (choice)	4.936	4.901	+.035	4.366
185c Loin, Tri-Tip (choice)	3.921	3.706	+.215	3.241
189a Tender (select)	9.851	10.007	-.156	9.963
189a Tender (choice)	9.793	10.257	-.464	10.088
189a Tender (prime)	14.550	14.763	-.213	14.160
193 Flank Steak (choice)	5.632	5.459	+.173	4.036
50% Trimmings	1.446	1.394	+.052	1.143
65% Trimmings	1.739	1.784	-.045	1.307
75% Trimmings	2.290	2.279	+.011	1.731
85% Trimmings	2.823	2.823	-	2.037
90% Trimmings	3.032	3.026	+.006	2.219
90% Imported Beef (frz.)	2.563	2.558	+.005	2.068
95% Imported Beef (frz.)	2.720	2.758	-.038	2.153
Veal Rack (Hotel 7 rib)	9.950	9.950	-	8.600
Veal Top Rnd. (cp. off)	16.975	16.600	+.375	15.065



Oil, Grains, Misc- 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.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	9.655	9.874	-.219	12.738
Crude Soybean Oil, lb.	.330	.329	+.001	.350
Soybean Meal, ton	358.000	380.100	-22.100	474.500
Corn, bushel	3.700	3.637	+.063	4.198
Crude Corn Oil, lb.	.355	.343	+.012	.388
High Fructose Corn Syrup	.144	.142	+.002	.141
Distillers Grain, Dry	178.318	175.125	+3.193	167.500
Crude Palm Oil, lb. BMD	.293	.298	-.005	.351
HRW Wheat, bushel	5.770	5.810	-.040	6.190
DNS Wheat 14%, bushel	6.040	6.030	+.010	6.830
Durum Wheat, bushel	9.469	9.556	-.087	6.900
Pinto Beans, lb.	.243	.241	+.002	.353
Black Beans, lb.	.305	.308	-.003	.390
Rice, Long Grain, lb.	.251	.251	-	.286

3.281 +.034



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

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.450	1.443	+.007	2.243
Cheese Blocks (CME)	1.475	1.470	+.005	2.270
American Cheese	1.615	1.650	-.035	2.275
Cheddar Cheese (40 lb.)	1.600	1.657	-.057	2.290
Mozzarella Cheese	1.740	1.797	-.057	2.430
Provolone Cheese	2.098	2.155	-.057	2.787
Parmesan Cheese	3.445	3.502	-.057	4.135
Butter (CME)	1.550	1.543	+.007	1.940
Nonfat Dry Milk	1.106	1.185	-.079	2.102
Whey, Dry	.551	.531	+.020	.602
Class 1 Base	18.580	18.580	-	21.480
Class II Cream, heavy	1.846	1.732	+.114	2.156
Class III Milk (CME)	14.590	14.340	+.250	22.180
Class IV Milk (CME)	13.450	13.630	-.180	23.340

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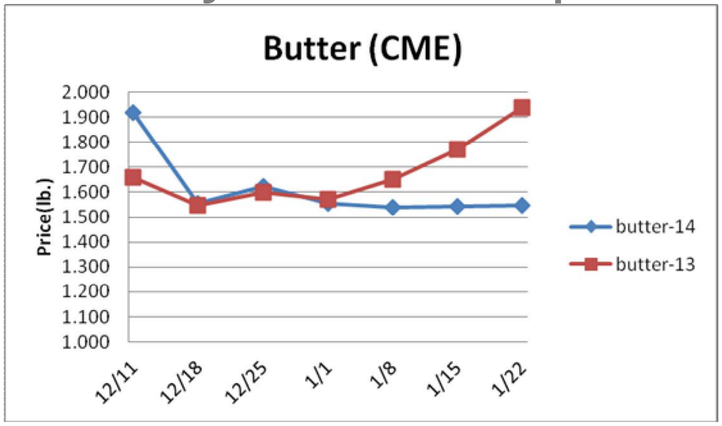

Pork- Pork production last week rose 6.6% and was 1.2% larger than the same week last year. Hog supplies are generally ample but the backlog is expected to be cleaned up in the near term. This suggests that a seasonal bottom in the hog and pork markets is relatively close. Past pricing moves suggests 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.

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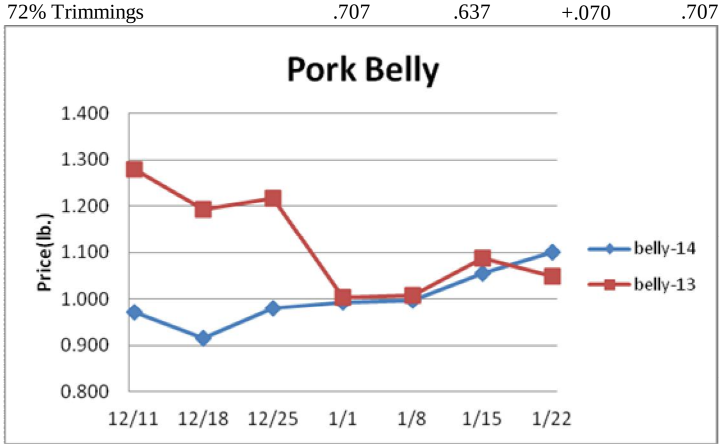
	Price	Last Week	Difference	Price 12
Live Hogs	.512	.528	-.016	.574
Belly (bacon)	1.101	1.055	+.046	1.105
Sparerib (4.25 lb. & down)	1.673	1.642	+.031	1.540
Ham (20-23 lb.)	.801	.726	+.075	.772
Ham (23-27 lb.)	.772	.701	+.071	.757
Loin (bone-in)	.931	.910	+.021	.958
Bbybck Rib (1.75 lb. & up)	2.359	2.360	-.001	2.121
Tenderloin (1.25 lb.)	2.713	2.689	+.024	2.357
Boston Butt, untrmd. (4-8lb.)	.968	1.006	-.038	.946
Picnic, untrmd.	.510	.561	-.051	.657
SS Picnic, smoker trm. bx.	.648	.782	-.134	.834
42% Trimmings	.395	.378	+.017	.352
72% Trimmings	.707	.637	+.070	.707



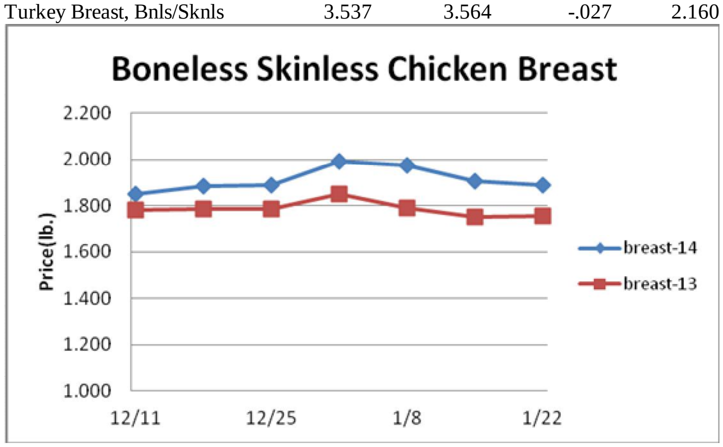
The Kitchen Sink (Various Markets)- The canned tomato markets remain relatively firm. 2014 U.S. tomato for canning harvest was a record, 16% larger than the previous year. However, elevated raw product contracting costs for canners may continue to support canned tomato prices this winter. Price bases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

	Price	Last Week	Difference	Price 13
Whole Peeled, Stand (6/10)	12.697	12.697	-	12.505
Tomato Paste- Industrial (lb.)	.470	.470	-	.463
Coffee, lb., ICE	1.827	1.750	+.077	1.172
Sugar, lb., ICE	.252	.250	+.002	.205
Cocoa, mt., ICE	2992.000	2913.000	+79.000	2787.000
Orange Juice, lb., ICE	1.439	1.422	+.017	1.247

Honey (Clover), lb.	2.061	2.061	-	2.012

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.

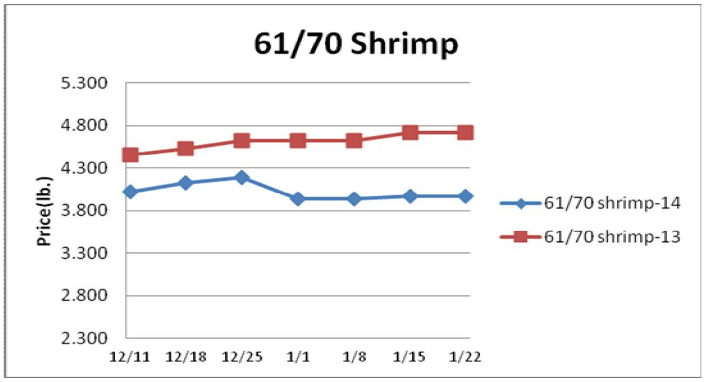
Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.143	1.143	-	1.043
Wings (whole)	1.715	1.665	+.050	1.300
Wings (jumbo, cut)	1.760	1.734	+.026	1.197
Breast, Bone In	1.255	1.270	-.015	1.030
Breast, Bnless Skinless	1.890	1.905	-.015	1.755
Tenderloin (random)	1.680	1.580	+.100	1.430
Tenderloin (sized)	1.940	1.840	+.100	1.730
Legs (whole)	.578	.493	+.085	.646
Leg Quarters	.510	.515	-.005	.500
Thighs, bone in	.737	.748	-.011	.656
Thighs, boneless	1.106	1.163	-.057	1.289
Eggs and Others				
Large (dozen)	1.123	1.087	+.036	1.133
Medium (dozen)	1.008	.965	+.043	1.025
Whole Eggs- Liquid	.502	.502	-	.621
Egg Whites- Liquid	1.023	1.023	-	.916
Egg Yolks- Liquid	.735	.735	-	.630
Whole Turkeys (8-16 lb.)	.980	.985	-005	.970
Turkey Breast, Bnls/Sknls	3.537	3.564	-.027	2.160



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

	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	7.463	7.463	-	8.427
Shrimp (61/70), Frz.	3.967	3.967	-	4.720
Shrimp, Tiger (26/30), Frz.	6.384	6.384	-	7.675
Snow Crab, Legs 5-8 oz, Frz	5.400	5.400	-	5.475
Snow Crab, Legs 8 oz/ up, Fz	5.600	5.625	-.025	6.250
Cod Tails, 3-7 oz., Frz.	3.062	3.062	-	3.088
Cod Loins, 3-12 oz., Frz	3.037	3.037	-.013	3.025
Salmon Portions, 4-8 oz, Frz	6.275	6.275	-	6.067

Pollock, Alaska, Deep Skin	1.750	1.750	-	1.775

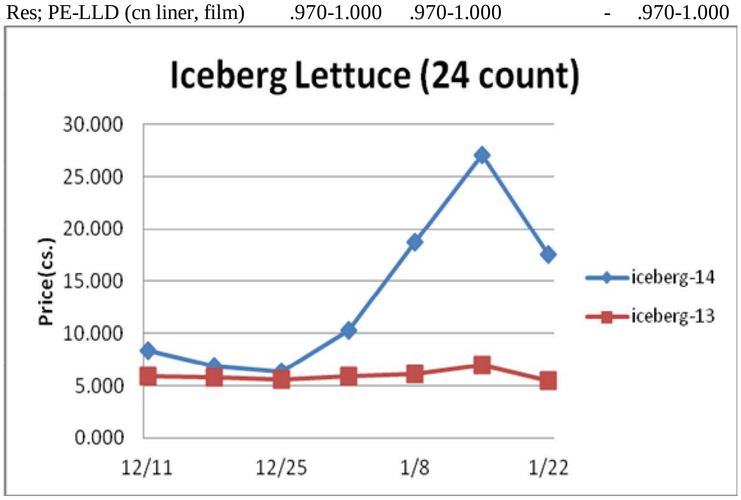


Energy & Currency- Crude oil prices continue to decline falling to their lowest level this week in over five years. Still, crude oil could find a bottom relatively soon. Currency US dollar is worth

	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	46.720	45.280	+1.440	94.990
Natural Gas, mbtu- nymex	2.985	3.043	-.058	4.431
Heating Oil, gal- nymex	1.602	1.604	-.002	3.015
Electricity, mwht- nymex	52.250	52.150	+.100	379.560
Gasoline, gal- nymex	1.353	1.253	+.100	2.621
Diesel Fuel, gal- eia	2.933	3.053	-.120	3.873
Ethanol, gal- usda	1.283	1.388	-.105	2.025
Canadian $	1.208	1.194	+.014	1.096
Japanese Yen	117.520	116.246	+1.274	104.325
Mexican Peso	14.629	14.593	+.036	13.300
Euro	.864	.844	+.020	.738
Brazilian Real	2.606	2.623	-.017	2.360
Chinese Yuan	6.211	6.197	+.014	6.051

Paper/Plastic-Provided by; resin- www.plasticsnews.com, pulp- www.paperage.com.

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 12
WP; NBSK (napkin, towel)	986.570	985.000	+1.570	995.601
WP; 42 lb. Linerboard (corr.)	682.204	682.204	-	669.836
Res; PS-CHH (cup, cont.)	1.260-1.300	1.260-1.300	-	1.250-1.290
Res; PP-HIGP (hvy utensil)	1.020-1.040	1.120-1.140	-.100	1.100-1.120
Res; PE-LLD (cn liner, film)	.970-1.000	.970-1.000	-	.970-1.000



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.

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	17.000	21.000	-4.000	16.000
Lemons (95 ct.)	21.850	23.850	-2.000	24.350
Lemons (200 ct.)	23.850	21.850	+2.000	23.350
Honeydew (6 ct.)	20.450	19.950	+.500	14.450
Cantaloupe (15 ct.)	8.500	8.500	-	5.450
Blueberries (12 count)	25.334	13.875	+11.459	29.000
Strawberries (12 pnts.)	16.560	19.000	-2.440	21.000
Avocados (Hass 48 ct.)	32.750	32.750	-	31.250
Bananas (40 lb.)- Term.	14.709	14.693	+.016	14.706
Pineapple (7 ct.)- Term.	15.782	14.771	+1.011	12.833
Idaho Potato (60 ct., 50 lb.)	14.563	14.750	-.187	9.250
Idaho Potato (70 ct., 50 lb.)	14.563	14.750	-.187	9.250
Idaho Potato (70 ct.)-Term.	18.709	18.750	-.041	15.520
Idaho Potato (90 ct., 50 lb.)	7.750	8.250	-.500	9.250
Idaho Pot. # 2 (6 oz., 100 lb.)	12.750	13.500	-.750	10.750
Processing Potato (cwt.)	9.250	9.250	-	7.900
Yellow Onions (50 lb.)	4.025	4.250	-.225	10.000
Yell Onions (50 lb.)-Term.	10.938	11.542	-.604	16.098
Red Onions (25 lb.)- Term.	9.959	10.084	-.125	12.687
White Onions (50 lb.)- Term.	14.493	20.417	-5.924	26.354
Tomatoes (large- case)	7.450	9.950	-2.500	12.783
Tomatoes (5x6-25 lb.)-Term	10.012	16.988	-6.976	13.854
Tomatoes (4x5 vine ripe)	7.670	11.950	-4.280	12.950
Roma Tomatoes (large- case)	8.957	12.515	-3.558	10.818
Roma Tomatoes (xlarge-cs)	9.038	13.393	-4.355	11.063
Green Peppers (large- case)	6.257	7.830	-1.573	18.083
Red Peppers (large 15lb. cs.)	14.950	13.950	+1.000	16.450
Iceberg Lettuce (24 count)	17.515	27.125	-9.610	5.478
Iceberg Lettuce (24)-Term.	37.250	38.667	-1.417	14.250
Leaf Lettuce (24 count)	28.025	25.963	+2.062	6.392
Romaine Lettuce (24 cnt.)	25.077	29.963	-4.886	6.858
Mesculin Mix (3 lb.)-Term.	7.188	6.657	+.531	6.843
Broccoli (14 ct.)	18.178	25.000	-6.822	7.308
Squash (1/2 bushel)	11.350	8.350	+3.000	17.350
Zucchini (1/2 bushel)	12.350	10.350	+2.000	15.350
Green Beans (bushel)	13.217	13.884	-.667	35.625
Spinach, Flat 24's	19.225	19.805	-.580	15.975
Mushrms (10 lb, lg.)-Term.	15.667	15.584	+.083	15.500
Cucumbers (bushel)	10.475	14.425	-3.950	21.570
Pickles (200-300 ct.)- Term.	35.313	31.688	+3.625	24.000
Asparagus (small)	23.125	24.500	-1.375	16.500
Freight (Truck; CA-Cty Av.)	5380.000	5211.111	-168.889	4900.000

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

	Dec-14	Nov-14	Oct-14	Sep-14
Beef and Veal	+.709	+.770	+.324	+1.973
Dairy	+.639	-.183	+.539	+.536
Pork	-1.721	-2.104	-.781	+.073
Chicken	-.262	+1.246	-.746	-.113
Fresh Fish and Seafood	-.700	-.350	-1.945	+1.072
Fresh Fruits and Veg.	+1.174	-.833	+.183	+1.088