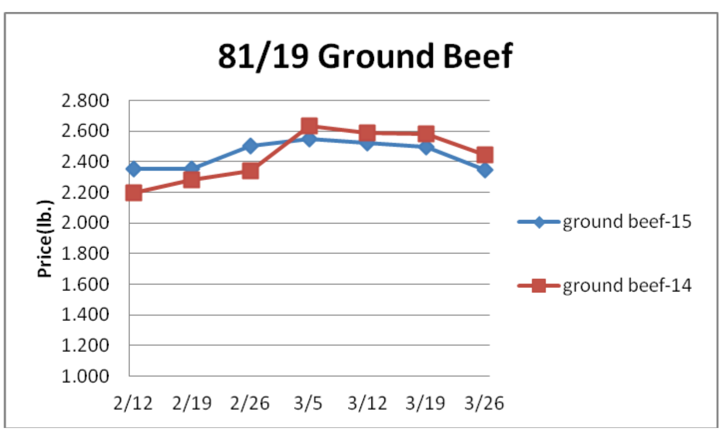
Weekly Market Updates

PERFORMANCE FOODSERVICE

Volume No. 20 Issue No. 12 Date: March 25, 2015

Beef- Beef production last week declined 1.1% and was 7.7% less than the same week a year ago. Cattle supplies are historically limited as shown by slaughter last week being the smallest for any non-holiday week since January 2008. The March 1 cattle on feed inventory was .5% less than the prior year and the smallest for the date since 2003. Cattle placements into feedlots were down 8.1% compared to 2014. Beef supplies are anticipated to remain historically limited. This factor and seasonally increasing demand could bring some modest support to many beef markets in the coming weeks. Last year, beef top butt prices rose 20% plus from early April into June. Price USDA, FOB per pound.

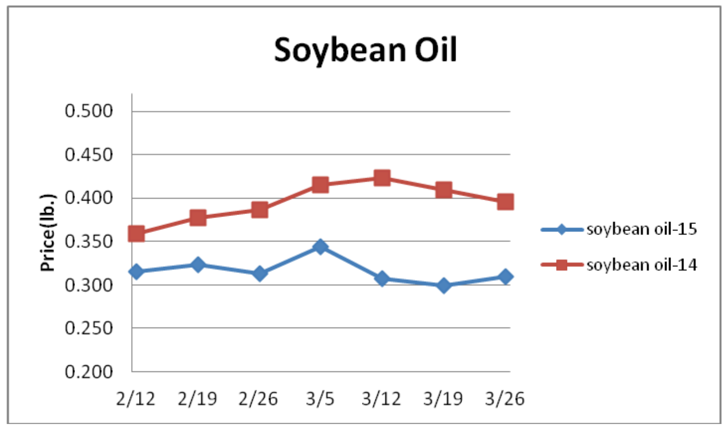
	Price	Last Week	Difference	Price 12
Live Cattle	1.642	1.620	+.022	1.523
Feeder Cattle Index (CME)	2.162	2.130	+.032	1.770
Ground Beef 81/19	2.346	2.497	-.151	2.445
Ground Chuck	2.469	2.554	-.085	2.418
109e Export Rib (choice)	6.814	6.890	-.076	6.268
109e Export Rib (prime)	8.570	8.325	+.245	9.770
112a Ribeye (choice)	8.132	7.786	+.346	6.893
112a Ribeye (prime)	9.195	8.986	+.209	10.411
116 Chuck (select)	3.105	3.078	+.027	2.530
116 Chuck (choice)	3.141	3.125	+.016	2.588
116b Chuck Tdnr (choice)	2.941	3.059	-.118	3.187
120 Brisket (choice)	3.078	3.021	+.057	2.809
121c Outside Skirt (ch/sel)	5.472	5.293	+.179	5.435
121d Inside Skirt (ch/sel)	4.627	4.573	+.054	3.753
167a Knckle, Trm. (ch.)	3.372	3.242	+.130	3.030
168 Inside Round (ch.)	2.739	2.831	-.092	3.061
174 Short Loin (ch. 0x1)	5.823	5.757	+.066	6.607
174 Short Loin (prime)	7.435	7.105	+.330	8.586
180 1x1 Strp (choice)	5.784	5.560	+.224	6.586
180 1x1 Strp (prime)	7.837	7.776	+.061	9.040
180 0x1 Strp (choice)	6.457	6.117	+.340	7.174
184 Top Butt, bnls (ch.)	4.372	3.845	+.527	3.376
184 Top Butt, bnls (prime)	4.700	4.923	-.223	3.748
185a Sirloin Flap (choice)	5.279	5.030	+.249	4.920
185c Loin, Tri-Tip (choice)	4.108	3.882	+.226	3.974
189a Tender (select)	10.489	10.408	+.081	10.532
189a Tender (choice)	10.915	10.500	+.415	11.296
189a Tender (prime)	15.061	14.996	+.065	13.972
193 Flank Steak (choice)	5.668	5.592	+.076	5.047
50% Trimmings	.852	.915	-.063	1.355
65% Trimmings	1.384	1.399	-.015	1.613
75% Trimmings	2.235	2.243	-.008	1.804
85% Trimmings	2.722	2.763	-.041	2.440
90% Trimmings	2.964	2.950	+.014	2.657
90% Imported Beef (frz.)	2.378	2.300	+.078	2.220
95% Imported Beef (frz.)	2.545	2.460	+.085	2.333
Veal Rack (Hotel 7 rib)	9.950	9.950	-	8.675
Veal Top Rnd. (cp. off)	17.600	17.600	-	15.025



Oil, Grains, Misc- 2015-16 corn crop planting is underway in the south but is behind. As of this week, just 4% of the corn crop was seeded in Texas which is substantially below the average for the date of 37%. Corn prices could become more volatile later this spring. Prices USDA, FOB.

	Price	Last Week	Difference	Price 12
Soybeans, bushel	9.820	9.524	+.296	14.347
Crude Soybean Oil, lb.	.310	.299	+.011	.396
Soybean Meal, ton	354.300	349.000	+5.300	499.700
Corn, bushel	3.853	3.606	+.247	4.697
Crude Corn Oil, lb.	.390	.370	+.020	.430
High Fructose Corn Syrup	.135	.130	+.005	.150
Distillers Grain, Dry	183.854	180.438	+3.416	245.000
Crude Palm Oil, lb. BMD	.266	.263	+.003	.373
HRW Wheat, bushel	5.700	5.470	+.230	7.910
DNS Wheat 14%, bushel	6.060	5.890	+.170	8.130
Durum Wheat, bushel	8.642	8.477	+.165	7.050
Pinto Beans, lb.	.239	.239	-	.324
Black Beans, lb.	.340	.340	-	.390
Rice, Long Grain, lb.	.243	.243	-	.288

3.281 +.034



Dairy- U.S. milk production during February was 1.7% more than the previous year due to a 1.1% larger milk cow herd and a .5% gain in milk per cow yields. Milk farmers added a net 2,000 head to the herd during the month which is now its biggest in over six years. Still, reduced margins for milk farmers could cause milk output growth to slow later this year. Milk output in California during February was 3.8% less than 2014. Still, U.S. milk production is beginning to seasonally expand which could put downward pressure on the dairy markets during the next several weeks. Prices per pound, except Class I Cream (hundred weight), from USDA

	Price	Last Week	Difference	Price 12
Cheese Barrels (CME)	1.510	1.560	-.050	2.330
Cheese Blocks (CME)	1.530	1.570	-.040	2.423
American Cheese	1.648	1.653	-.005	2.405
Cheddar Cheese (40 lb.)	1.665	1.673	-.008	2.493
Mozzarella Cheese	1.783	1.790	-.007	2.633
Provolone Cheese	2.140	2.148	-.008	2.990
Parmesan Cheese	3.488	3.495	-.007	4.338
Butter (CME)	1.685	1.680	+.005	1.970
Nonfat Dry Milk	1.106	1.133	-.027	2.143
Whey, Dry	.465	.474	-.009	0.658
Class 1 Base	15.500	15.560	-.060	23.650
Class II Cream, heavy	2.100	2.129	-.029	2.422
Class III Milk (CME)	15.550	15.550	-	23.520
Class IV Milk (CME)	13.850	13.900	-.050	23.340

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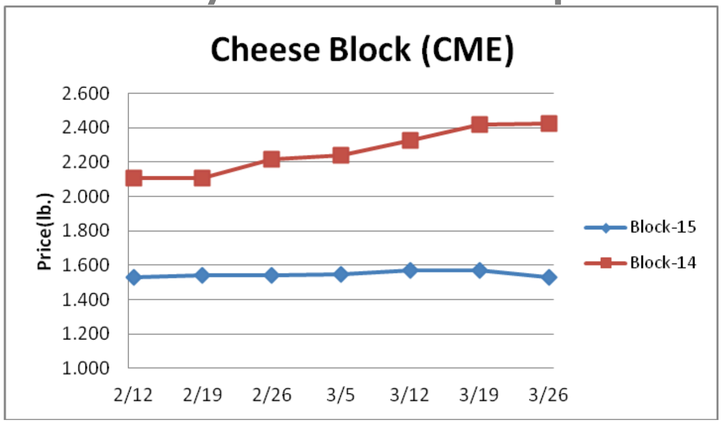

Pork-Pork output last week rose .4% and was 10% larger than the same week last year. The reduced impact of the Porcine Epidemic Diarrhea virus and a growing U.S. herd compared to the prior year are expected to cause pork production to track well above 2014 levels this spring. This could temper any seasonal pork prices increases. The February 28th pork inventory was 4.8% more than a year ago. Pork picnic (65%), ham (9%), loin (1%), and trim (37%) holdings were larger than last year while belly (23%) and rib (13%) stocks were smaller. Prices USDA, FOB per pound.

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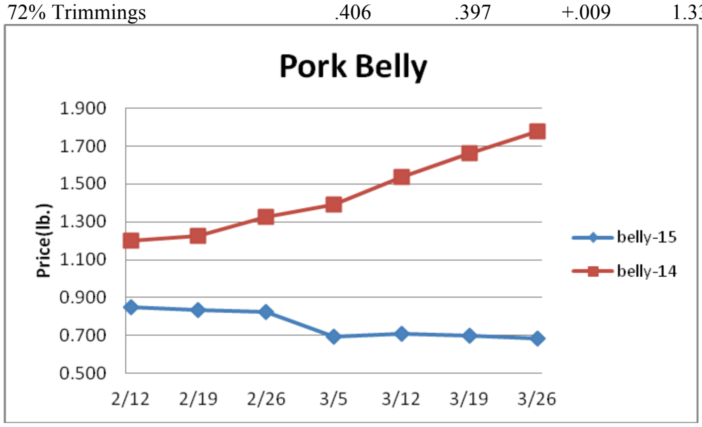
	Price	Last Week	Difference	Price 12
Live Hogs	.413	.432	-.019	.924
Belly (bacon)	.683	.698	-.015	1.883
Sparerib (4.25 lb. & down)	1.708	1.662	+.046	1.948
Ham (20-23 lb.)	.488	.542	-.054	1.207
Ham (23-27 lb.)	.449	.489	-.040	1.100
Loin (bone-in)	.849	.842	+.007	1.383
Bbybck Rib (1.75 lb. & up)	2.560	2.543	+.017	2.802
Tenderloin (1.25 lb.)	2.207	2.407	-.200	2.857
Boston Butt, untrmd. (4-8lb.)	.887	.856	+.031	1.521
Picnic, untrmd.	.433	.443	-.010	1.008
SS Picnic, smoker trm. bx.	.653	.656	-.003	1.189
42% Trimmings	.260	.246	+.014	.773
72% Trimmings	.406	.397	+.009	1.338

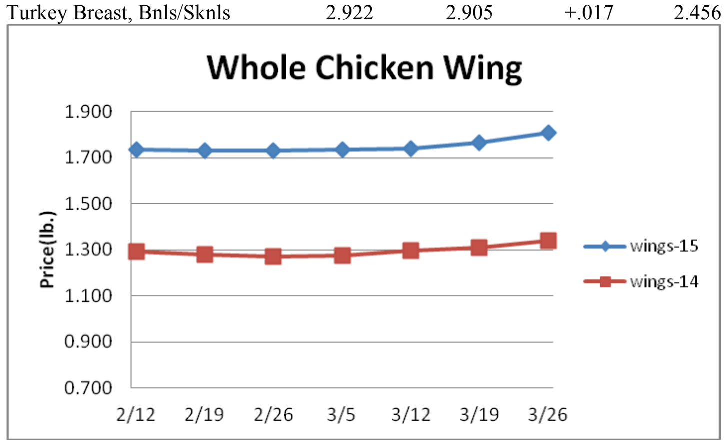


The Kitchen Sink (Various Markets)- The coffee markets have firmed as of late. The chief Brazilian coffee harvest is nearing and world supplies are limited. The coffee markets could be especially erratic during the next few months especially if the Brazilian real remains historically depressed. Price bases noted below.

	Price	Last Week	Difference	Price 13
Whole Peeled, Stand (6/10)	12.761	12.761	-	12.521
Tomato Paste- Industrial (lb.)	.473	.473	-	.465
Coffee, lb., ICE	1.394	1.343	+.051	1.745
Sugar, lb., ICE	.240	.241	-.001	.221
Cocoa, mt., ICE	2791.000	2734.000	+57.000	2787.000
Orange Juice, lb., ICE	1.279	1.118	+.161	1.247
Honey (Clover), lb.	2.065	1.953	+.112	2.132

Poultry- Chicken output for the week ending March 14th declined .2% from the previous week but was 6.8% more than the same week a year ago. Strong chicken output expansion compared to 2014 should persist. The six week moving average for chick placements is 3.6% larger than last year marking the largest increase since December 2010. The NCAA basketball tournament is fueling better demand for chicken wings supporting the appropriate markets. However, chicken wing demand should fade next month. Last year, chicken wing prices fell nearly 13% from early April into May. Steeper wing market depreciation is likely to occur this spring. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 12
Whole Birds (2.5-3 lb.-GA)	1.145	1.145	-	1.060
Wings (whole)	1.810	1.765	+.045	1.340
Wings (jumbo, cut)	1.788	1.757	+.031	1.270
Breast, Bone In	1.200	1.165	+.035	1.040
Breast, Bnless Skinless	1.945	1.905	+.040	1.915
Tenderloin (random)	1.900	1.900	-	1.530
Tenderloin (sized)	2.200	2.200	-	1.720
Legs (whole)	.429	.433	-.004	.625
Leg Quarters	.490	.495	-.005	.515
Thighs, bone in	.631	.711	-.008	.761
Thighs, boneless	1.044	.990	+.054	1.258
Eggs and Others				
Large (dozen)	1.750	1.633	+.117	1.350
Medium (dozen)	1.305	1.272	+.033	1.148
Whole Eggs- Liquid	.764	.764	-	.918
Egg Whites- Liquid	.603	.603	-	1.133
Egg Yolks- Liquid	.914	.751	+.163	.583
Whole Turkeys (8-16 lb.)	1.015	1.015	-	1.030
Turkey Breast, Bnls/Sknls	2.922	2.905	+.017	2.456



Seafood-Lower fuel prices are aiding domestic shrimp fishing. U.S. Gulf of Mexico shrimp landings during February were 20% more than last year and the largest for the month since at least 2011. Year to date U.S. shrimp landings are tracking 13% above 2014. Solid shrimp import volumes are expected to endure which should 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	7.145	7.420	-.275	8.433
Shrimp (61/70), Frz.	4.160	4.350	-.190	5.187
Shrimp, Tiger (26/30), Frz.	5.810	6.060	-.250	7.390
Snow Crab, Legs 5-8 oz, Frz	5.250	5.250	-	5.600
Snow Crab, Legs 8 oz/ up, Fz	5.450	5.450	-	5.875
Cod Tails, 3-7 oz., Frz.	3.063	3.063	-	3.063
Cod Loins, 3-12 oz., Frz	3.037	3.037	-	3.025
Salmon Portions, 4-8 oz, Frz	6.342	6.342	-	6.150
Pollock, Alaska, Deep Skin	1.750	1.750	-	1.750

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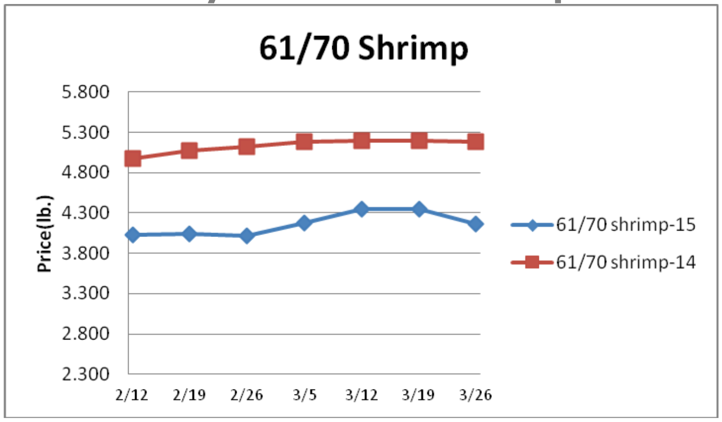
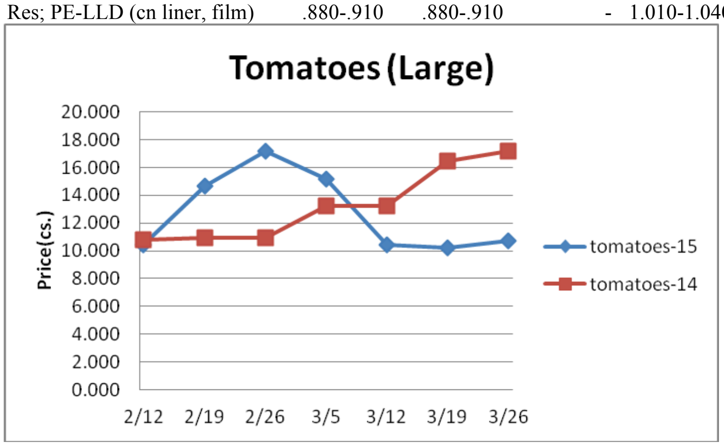


Energy & Currency- The U.S. dollar has softened during the last week but remains historically inflated. If the U.S. dollar continues to depreciate, it could bring a modest lift to commodity exports and prices. Currency US dollar is worth..

	Price	Last Week	Difference	Price 12
Crude Oil, barrel- nymex	47.430	44.220	+3.210	99.190
Natural Gas, mbtu- nymex	2.777	2.834	-.057	4.411
Heating Oil, gal- nymex	1.703	1.683	+.020	2.923
Electricity, mwht- nymex	39.350	40.150	-.800	62.370
Gasoline, gal- nymex	1.807	1.712	+.095	2.883
Diesel Fuel, gal- eia	2.864	2.917	-.053	3.988
Ethanol, gal- usda	1.398	1.432	-.034	2.850
Canadian $	1.300	1.279	+.021	1.133
Japanese Yen	119.572	121.178	-1.606	102.364
Mexican Peso	14.932	15.385	-.453	13.104
Euro	.912	.941	-.029	.725
Brazilian Real	3.135	3.258	-.123	2.311
Chinese Yuan	6.211	6.228	-.017	6.211

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)	988.075	988.075	-	998.611
WP; 42 lb. Linerboard (corr.)	683.059	683.059	-	669.956
Res; PS-CHH (cup, cont.)	1.150-1.190	1.150-1.190	-	1.360-1.400
Res; PP-HIGP (hvy utensil)	.930-.950	.930-.950	-	1.140-1.160
Res; PE-LLD (cn liner, film)	.880-.910	.880-.910	-	1.010-1.040



Produce- The tomato markets remain relatively steady. Despite earlier weather issues, tomato supplies have been adequate as of late. Total tomato shipments last week rose 3% and were 33% larger than the same week last year. However, high winds did cause some blossom drop for the pending tomato crops in Florida which could bring some support to the markets next month. Larger sized Idaho potato supplies remain restricted due to prior harvest issues. Idaho potato prices are expected to remain above 2014 levels this spring. Sufficient lettuce supplies are expected to persist into April. Price bases noted below.

	Price	Last Week	Difference	Price 12
Limes (150 ct.)	47.000	26.500	+20.500	73.000
Lemons (95 ct.)	19.350	19.350	-	23.850
Lemons (200 ct.)	24.850	24.850	-	22.350
Honeydew (6 ct.)	11.900	10.350	+1.550	11.417
Cantaloupe (15 ct.)	11.450	11.450	-	11.975
Blueberries (12 count)	18.500	11.334	+7.166	26.000
Strawberries (12 pnts.)	7.500	7.080	+.420	12.000
Avocados (Hass 48 ct.)	38.000	38.250	-.250	37.250
Bananas (40 lb.)- Term.	17.271	17.521	-.250	15.077
Pineapple (7 ct.)- Term.	15.657	15.563	+.094	12.375
Idaho Potato (60 ct., 50 lb.)	14.000	13.625	+.375	9.750
Idaho Potato (70 ct., 50 lb.)	13.000	12.750	+.250	9.750
Idaho Potato (70 ct.)-Term.	18.813	18.188	+.625	14.984
Idaho Potato (90 ct., 50 lb.)	6.250	6.250	-	9.750
Idaho Pot. # 2 (6 oz., 100 lb.)	8.250	8.000	+.250	8.500
Processing Potato (cwt.)	9.500	9.000	+.500	7.900
Yellow Onions (50 lb.)	6.500	4.750	+1.750	16.833
Yell Onions (50 lb.)-Term.	12.188	9.969	+2.219	28.263
Red Onions (25 lb.)- Term.	9.407	8.855	+.552	16.328
White Onions (50 lb.)- Term.	24.000	22.329	+1.671	32.825
Tomatoes (large- case)	10.700	10.200	+.500	17.200
Tomatoes (5x6-25 lb.)-Term	14.667	17.594	-2.927	20.714
Tomatoes (4x5 vine ripe)	10.950	10.950	-	14.950
Roma Tomatoes (large- case)	13.784	20.575	-6.791	11.087
Roma Tomatoes (xlarge-cs)	13.700	21.325	-7.625	11.337
Green Peppers (large- case)	8.750	11.250	-2.500	26.750
Red Peppers (large 15lb. cs.)	13.950	9.950	+4.000	15.950
Iceberg Lettuce (24 count)	8.263	11.083	-2.820	6.093
Iceberg Lettuce (24)-Term.	17.750	19.250	-1.500	13.166
Leaf Lettuce (24 count)	8.255	7.952	+.303	6.253
Romaine Lettuce (24 cnt.)	14.290	14.057	+.233	8.846
Mesculin Mix (3 lb.)-Term.	6.500	6.375	+.125	6.562
Broccoli (14 ct.)	12.150	13.135	-.985	8.875
Squash (1/2 bushel)	8.350	18.350	-10.000	14.350
Zucchini (1/2 bushel)	8.350	18.350	-10.000	11.350
Green Beans (bushel)	17.775	23.217	-5.442	15.383
Spinach, Flat 24's	13.188	16.800	-3.612	30.530
Mushrms (10 lb, lg.)-Term.	16.125	16.459	-.334	15.145
Cucumbers (bushel)	15.760	13.950	+1.810	12.324
Pickles (200-300 ct.)- Term.	29.000	25.667	+3.333	30.687
Asparagus (small)	9.750	22.750	-13.000	8.250
Freight (Truck; CA-Cty Av.)	5425.000	5155.000	+270.000	5391.667

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

	Feb-15	Jan-15	Dec-14	Nov-14
Beef and Veal	+.666	+.119	+.709	+.770
Dairy	-.994	-.900	+.639	-.183
Pork	-1.138	-.131	-1.721	-2.104
Chicken	-.286	+.416	-.262	+1.246
Fresh Fish and Seafood	-.619	+.842	-.700	-.350
Fresh Fruits and Veg.	-1.576	+.105	+1.174	-.833