Weekly Market Updates

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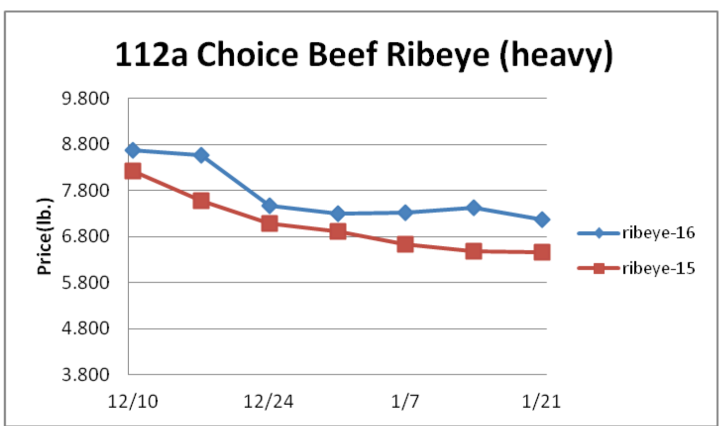
Beef- Beef production last week rose 3.2% and was 6.3% larger than the same week last year. Beef output is anticipated to trend above 2015 through the next several months. The USDA is forecasting beef production during the first half of 2016 to be 4.7% better than the previous year. Beef prices have risen 23% since bottoming before the holidays. However, buyers are starting to push back on the higher prices. Spot beef shipments last week fell to a five month low for any non-holiday week. Thus, several beef markets could move lower in the not-so-distant future. Last year, the choice 168 inside round market (10.7%) and 114a chuck shoulder clod (12.1%) declined sharply during the next two weeks. Price USDA, FOB per pound

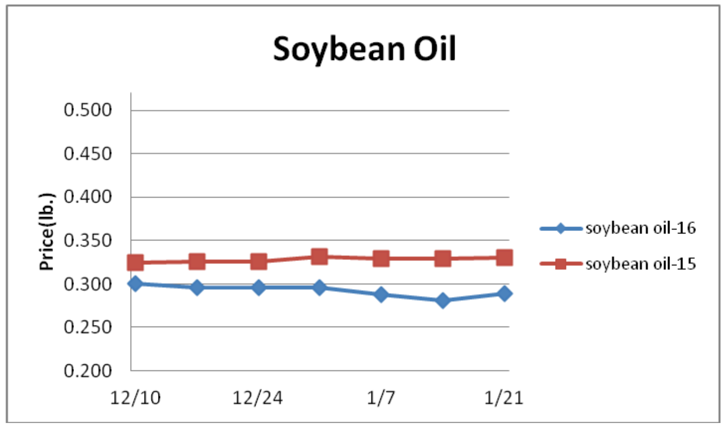
	Price	Last Week	Difference	Price 15
Live Cattle	1.335	1.326	+.009	1.641
Feeder Cattle Index (CME)	1.599	1.645	-.046	2.219
Ground Beef 81/19	2.372	2.301	+.071	2.931
Ground Chuck	2.605	2.571	+.034	3.073
109e Export Rib (choice)	6.384	6.508	-.124	5.945
109e Export Rib (prime)	8.236	8.261	-.025	8.547
112a Ribeye (choice)	7.178	7.423	-.245	6.462
112a Ribeye (prime)	8.697	8.739	-.042	9.210
116 Chuck (select)	3.102	3.227	-.125	3.175
116 Chuck (choice)	3.364	3.317	+.047	3.269
116b Chuck Tdnr (choice)	2.701	2.574	+.127	3.319
120 Brisket (choice)	2.855	2.683	+.172	3.572
121c Outside Skirt (ch/sel)	5.201	5.501	-.300	5.956
121d Inside Skirt (ch/sel)	3.801	4.091	-.290	4.692
167a Knckle, Trm. (ch.)	2.999	2.988	+.011	3.377
168 Inside Round (ch.)	2.546	2.707	-.161	2.753
174 Short Loin (ch. 0x1)	5.538	5.695	-.157	5.672
174 Short Loin (prime)	6.288	6.620	-.332	6.631
180 1x1 Strp (choice)	5.407	5.548	-.141	5.791
180 1x1 Strp (prime)	6.462	6.310	+.152	7.594
180 0x1 Strp (choice)	5.874	5.906	-.032	6.268
184 Top Butt, bnls (ch.)	3.427	3.375	+.052	3.610
184 Top Butt, bnls (prime)	3.427	3.168	+.259	3.994
185a Sirloin Flap (choice)	5.296	5.146	+.150	4.936
185c Loin, Tri-Tip (choice)	2.864	2.833	+.031	3.921
189a Tender (select)	9.999	9.866	+.133	9.851
189a Tender (choice)	9.637	10.235	-.598	9.793
189a Tender (prime)	14.513	14.590	-.077	14.550
193 Flank Steak (choice)	5.451	5.250	+.201	5.632
50% Trimmings	.708	.775	-.067	1.446
65% Trimmings	.884	.799	+.085	1.739
75% Trimmings	1.354	1.357	-.003	2.290
85% Trimmings	1.808	1.754	+.054	2.823
90% Trimmings	2.027	1.979	+.048	3.032
90% Imported Beef (frz.)	1.858	1.858	-	2.563
95% Imported Beef (frz.)	2.015	1.988	+.027	2.720
Veal Rack (Hotel 7 rib)	9.350	9.675	-.325	9.950
Veal Top Rnd. (cp. off)	16.875	17.225	-.350	16.975



Oil, Grains, Misc- The soybean oil market continues to flirt with the \$.30 level. But falling crude oil prices could limit world food oil use in fuel in the coming months. Further, the world soybean supply is projected to be a decade plus high in 2016. Thus, the upside price risk in soybean oil from here may be limited. Prices USDA, FOB

	Price	Last Week	Difference	Price 15
Soybeans, bushel	8.700	8.635	+.065	9.655
Crude Soybean Oil, lb.	.289	.281	+.008	.330
Soybean Meal, ton	280.300	284.600	-4.300	358.000
Corn, bushel	3.529	3.420	+.109	3.700
Crude Corn Oil, lb.	.400	.400	-	.355
High Fructose Corn Syrup	.129	.127	-.002	.131
Distillers Grain, Dry	129.438	129.292	+.146	178.318
Crude Palm Oil, lb. BMD	.262	.260	+.002	.293
HRW Wheat, bushel	4.500	4.580	-.080	5.77
DNS Wheat 14%, bushel	5.110	5.270	-.160	6.04
Durum Wheat, bushel	5.833	6.056	-.223	9.469
Pinto Beans, lb.	.206	.206	-	.243
Black Beans, lb.	.228	.228	-	.305
Rice, Long Grain, lb.	.237	.237	-	.251

3.281 +.034



Dairy- The CME cheese markets remain engaging for buyers. Cheese export demand is lethargic and the relatively warm fall in the Midwest has boosted milk output. December was the warmest in Wisconsin on record and 3.7 degrees warmer than the prior record set in 1923. Still, colder temperatures this winter along with curbed milk production in California could bring modest support to the cheese markets. The butter market remains inflated. Unless the domestic nonfat dry milk and international milk powder markets turn higher domestic butter prices may remain expensive. Prices per pound, except Class I Cream (hundred weight), from USDA

	Price	Last Week	Difference	Price 15
Cheese Barrels (CME)	1.495	1.520	-.025	1.450
Cheese Blocks (CME)	1.480	1.495	-.015	1.475
American Cheese	1.622	1.600	+.022	1.615
Cheddar Cheese (40 lb.)	1.592	1.585	+.007	1.600
Mozzarella Cheese	1.665	1.657	+.008	1.740
Provolone Cheese	2.102	2.095	+.007	2.098
Parmesan Cheese	3.450	3.442	+.008	3.445
Butter (CME)	2.132	2.100	+.032	1.550
Nonfat Dry Milk	.894	.893	+.001	1.106
Whey, Dry	.252	.246	+.006	.551
Class 1 Base	16.040	16.040	-	18.580
Class II Cream, heavy	2.537	2.312	+.225	1.846
Class III Milk (CME)	13.650	13.660	-.010	14.590
Class IV Milk (CME)	13.850	13.590	+.260	13.450

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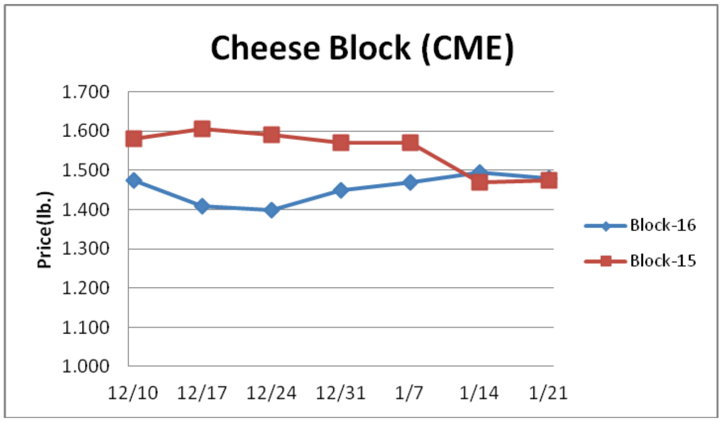
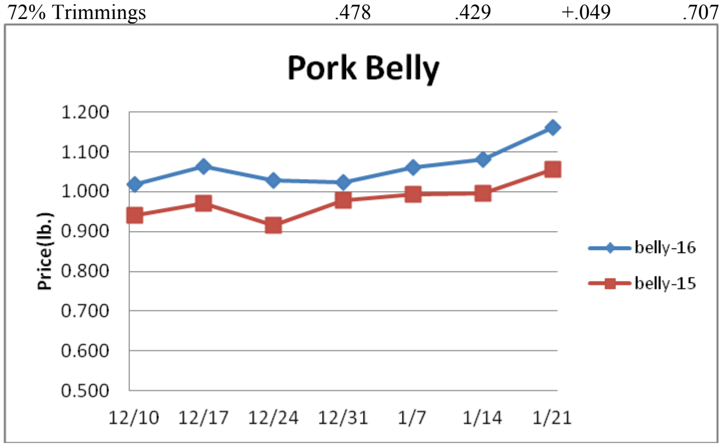
PERFORMANCE FOODSERVICE



Pork- Pork output last week declined 2.8% but was 1.2% better than last year. Hog slaughter was the smallest for any non-holiday week since October. Pork production usually peaks in the late fall to early winter period before turning downward. Further, the USDA is forecasting first quarter 2016 pork output to be just .7% bigger than last year. These factors could bring support to the pork markets in the coming months. The five year average move in the USDA pork cutout during the next 12 weeks is higher by 13%. Prices USDA, FOB per pound

	Price	Last Week	Difference	Price 15
Live Hogs	.389	.377	+.012	.512
Belly (bacon)	1.161	1.081	+.080	1.101
Sparerib (4.25 lb. & down)	1.571	1.546	+.025	1.673
Ham (20-23 lb.)	.591	.560	+.031	.801
Ham (23-27 lb.)	.579	.535	+.044	.772
Loin (bone-in)	.808	.763	+.045	.931
Bbybck Rib (1.75 lb. & up)	2.494	2.469	+.025	2.359
Tenderloin (1.25 lb.)	2.143	2.047	+.096	2.713
Boston Butt, untrmd. (4-8lb.)	.782	.769	+.013	.968
Picnic, untrmd.	.382	.369	+.013	.510
SS Picnic, smoker trm. bx.	.569	.643	-.074	.648
42% Trimmings	.214	.203	+.011	.395
72% Trimmings	.478	.429	+.049	.707

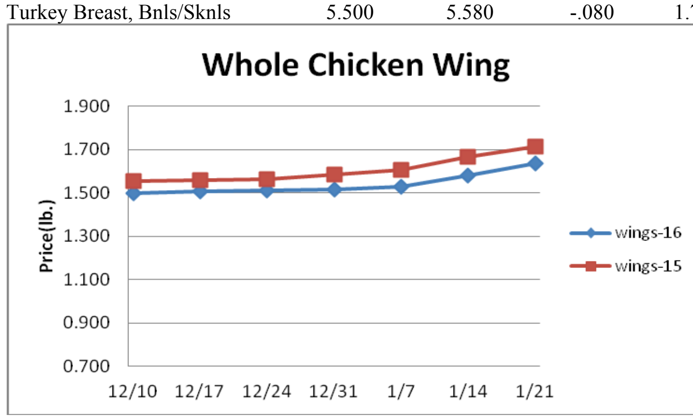


The Kitchen Sink (Various Markets) - Since making a four year high in December, the nearby cocoa futures market has declined 16.9%. However, relatively strong European cocoa crush data could push the market higher in the near term. Price bases noted below

	Price	Last Week	Difference	Price 15
Whole Peeled, Stand (6/10)	12.297	12.281	+.016	12.737
Tomato Paste- Industrial (lb.)	.455	.455	-	.472
Coffee, lb., ICE	1.118	1.154	-.036	1.633
Sugar, lb., ICE	.258	.260	-.002	.255
Cocoa, mt., ICE	2791.000	2878.000	-87.000	3127.000
Orange Juice, lb., ICE	1.210	1.326	-.116	1.364
Honey (Clover), lb.	1.775	1.789	-.014	2.061

Poultry- Chicken production for the week ending January 9th was .1% less than last year. Turkey output for the same week was up 1% compared to 2015. Seasonally rising demand is lifting the chicken wing markets and history suggests additional price increases are likely in the coming weeks. The USDA recently discovered multiple cases of avian flu in turkeys in Indiana. It is a different strain that decimated the turkey and table egg industry last spring and is believed to have a much smaller impact on the industries. However, it is important to monitor as Indiana typically accounts for 9% of table egg and 11% of turkey domestic production. The egg and turkey markets are expected to consistently fall below 2015 levels later this year. Prices USDA, FOB per pound except when noted.

Chicken	Price	Last Week	Difference	Price 15
Whole Birds (2.5-3 lb.-GA)	1.142	1.130	+.012	1.715
Wings (whole)	1.635	1.580	+.055	1.760
Wings (jumbo, cut)	1.641	1.697	-.056	1.882
Breast, Bone In	.925	.950	-.025	1.890
Breast, Bnless Skinless	1.475	1.465	+.010	1.372
Tenderloin (random)	1.500	1.400	+.100	1.940
Tenderloin (sized)	1.700	1.600	+.100	.578
Legs (whole)	.380	.336	+.044	.510
Leg Quarters	.335	.340	-.005	.392
Thighs, bone in	.484	.491	-.007	1.106
Thighs, boneless	.676	.666	+.010	1.197
Eggs and Others				
Large (dozen)	1.057	1.025	+.032	1.008
Medium (dozen)	.822	.685	+.137	.502
Whole Eggs- Liquid	.680	.680	-	1.023
Egg Whites- Liquid	.795	.795	-	.735
Egg Yolks- Liquid	1.200	1.200	-	.980
Whole Turkeys (8-16 lb.)	1.250	1.250	-	3.537
Turkey Breast, Bnls/Sknls	5.500	5.580	-.080	1.715



Seafood The elevated U.S. dollar value continues to encourage solid salmon imports. During November, the U.S. imported 11.9% more salmon that the previous year. Assuming the U.S. dollar continues to trade at elevated levels against seafood important currencies like the Japanese yen, strong salmon imports and relatively low salmon prices may persevere. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	Price	Last Week	Difference	Price 15
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	6.361	6.361	-	7.463
Shrimp (61/70), Frz.	3.650	3.650	-	3.967
Shrimp, Tiger (26/30), Frz.	4.850	4.850	-	6.384
Snow Crab, Legs 5-8 oz, Frz	5.225	5.225	-	5.400
Snow Crab, Legs 8 oz/ up, Fz	6.050	6.050	-	5.600
Cod Tails, 3-7 oz., Frz.	2.800	2.800	-	3.062
Cod Loins, 3-12 oz., Frz	3.175	3.175	-	3.037
Salmon Portions, 4-8 oz, Frz	5.775	5.775	-	6.275
Pollock, Alaska, Deep Skin	1.800	1.800	-	1.750

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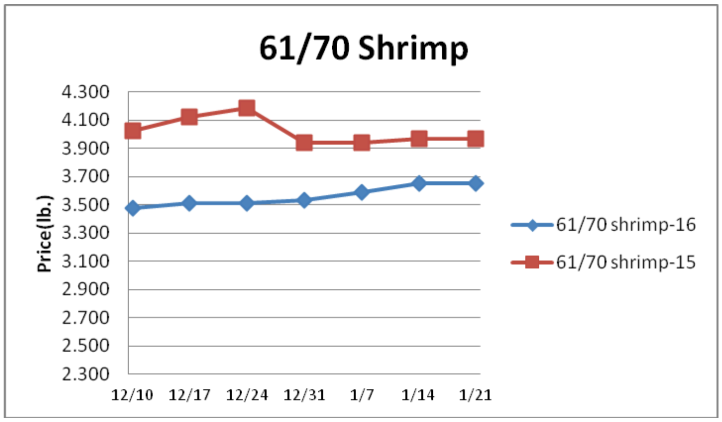
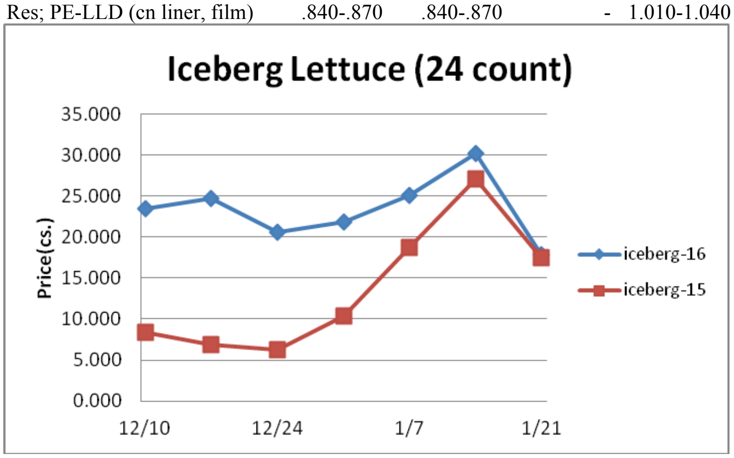


Energy & Currency- Crude oil prices remain depressed due to the ample world supply. The futures markets are not pricing crude oil above $40 a barrel until late in 2017. Currency US dollar is worth

	Price	Last Week	Difference	Price 15
Crude Oil, barrel- nymex	29.030	31.090	-2.060	46.72
Natural Gas, mbtu- nymex	2.117	2.293	-.176	2.985
Heating Oil, gal- nymex	.888	.997	-.109	1.602
Electricity, mwht- nymex	35.000	38.750	-3.750	52.25
Gasoline, gal- nymex	1.043	1.079	-.036	1.353
Diesel Fuel, gal- eia	2.112	2.177	-.065	2.933
Ethanol, gal- usda	1.209	1.234	-.025	1.283
Canadian $	1.463	1.422	+.041	1.208
Japanese Yen	116.813	118.189	-1.376	117.52
Mexican Peso	18.382	17.796	+.586	14.629
Euro	.917	.925	-.008	.864
Brazilian Real	4.075	3.996	+.079	2.606
Chinese Yuan	6.580	6.571	+.009	6.211

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

Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 15
WP; NBSK (napkin, towel)	965.876	970.045	-4.169	986.570
WP; 42 lb. Linerboard (corr.)	678.216	678.216	-	683.343
Res; PS-CHH (cup, cont.)	1.13-1.17	1.13-1.17	-	1.370-1.390
Res; PP-HIGP (hvy utensil)	.910-.930	.910-.930	-	1.080-1.110
Res; PE-LLD (cn liner, film)	.840-.870	.840-.870	-	1.010-1.040



Produce- The Idaho potato markets have firmed as of late but continue to track well below 2015 levels. Demand should expand in the coming months as inventories begin to decline which could lift the Idaho potato markets. The five year average move for the 70 count Idaho potato market is an increase of 24% during the next 14 weeks. Still potato prices may remain below the prior year levels into the summer. Earlier adverse weather continues to limit the lettuce supply bringing support to lettuce prices. Lettuce shipments could remain subpar during the next few weeks but the upside price risk may be limited from here. Price bases noted below.

	Price	Last Week	Difference	Price 15
Limes (150 ct.)	12.000	13.000	-1.000	17.000
Lemons (95 ct.)	27.350	27.350	-	21.850
Lemons (200 ct.)	26.850	26.850	-	23.850
Honeydew (6 ct.)	14.950	15.675	-.725	20.450
Cantaloupe (15 ct.)	11.450	12.950	-1.500	8.500
Blueberries (12 count)	26.750	26.750	-	25.334
Strawberries (12 pnts.)	20.967	18.450	+2.517	16.560
Avocados (Hass 48 ct.)	24.250	23.750	+.500	32.750
Bananas (40 lb.)- Term.	15.527	14.777	+.750	14.709
Pineapple (7 ct.)- Term.	12.032	12.163	-.131	15.782
Idaho Potato (60 ct., 50 lb.)	9.625	9.375	+.250	14.563
Idaho Potato (70 ct., 50 lb.)	10.250	9.313	+.937	14.563
Idaho Potato (70 ct.)-Term.	15.657	16.125	-.468	18.709
Idaho Potato (90 ct., 50 lb.)	10.500	10.373	+.127	7.750
Idaho Pot. # 2 (6 oz., 100 lb.)	12.000	12.000	-	12.750
Processing Potato (cwt.)	9.250	9.000	.250	9.250
Yellow Onions (50 lb.)	7.834	6.917	+.917	4.025
Yell Onions (50 lb.)-Term.	20.178	14.660	+5.518	10.938
Red Onions (25 lb.)- Term.	17.347	16.396	+.951	9.959
White Onions (50 lb.)- Term.	28.875	24.042	+4.833	14.493
Tomatoes (large- case)	30.784	30.784	-	7.450
Tomatoes (5x6-25 lb.)-Term	39.834	42.000	-2.166	10.012
Tomatoes (4x5 vine ripe)	24.950	28.950	-4.000	7.670
Roma Tomatoes (large- case)	10.575	16.075	-5.500	8.957
Roma Tomatoes (xlarge-cs)	11.075	16.825	-5.750	9.038
Green Peppers (large- case)	27.950	25.350	+2.600	6.257
Red Peppers (large 15lb. cs.)	23.950	28.950	-5.000	14.950
Iceberg Lettuce (24 count)	17.863	30.238	-12.375	17.515
Iceberg Lettuce (24)-Term.	39.063	37.000	+2.063	37.250
Leaf Lettuce (24 count)	14.242	17.967	-3.725	28.025
Romaine Lettuce (24 cnt.)	17.934	21.288	-3.354	25.077
Mesculin Mix (3 lb.)-Term.	6.219	6.375	-.156	7.188
Broccoli (14 ct.)	11.792	18.765	-6.973	18.178
Squash (1/2 bushel)	35.350	34.650	+.700	11.350
Zucchini (1/2 bushel)	32.650	31.350	+1.300	12.350
Green Beans (bushel)	26.050	24.400	+1.650	13.217
Spinach, Flat 24's	20.250	19.025	+1.225	19.225
Mushrms (10 lb, lg.)-Term.	15.389	15.667	-.278	15.667
Cucumbers (bushel)	22.250	23.350	-1.100	10.475
Pickles (200-300 ct.)- Term.	35.813	31.028	+4.785	35.313
Asparagus (small)	23.000	23.000	-	23.125
Freight (Truck; CA-Cty Av.)	4816.667	4816.667	-50.000	5380.000

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

	Dec-15	Nov-15	Oct-15	Sep-15
Beef and Veal	-2.370	-1.400	-1.017	-.638
Dairy	+.106	-.568	-.196	+.722
Pork	-2.320	-2.300	+.505	+.619
Chicken	-1.670	+.310	+.423	-.898
Fresh Fish and Seafood	-1.184	-.1350	-1.720	-.115
Fresh Fruits and Veg.	+.548	+.337	+1.634	+1.886