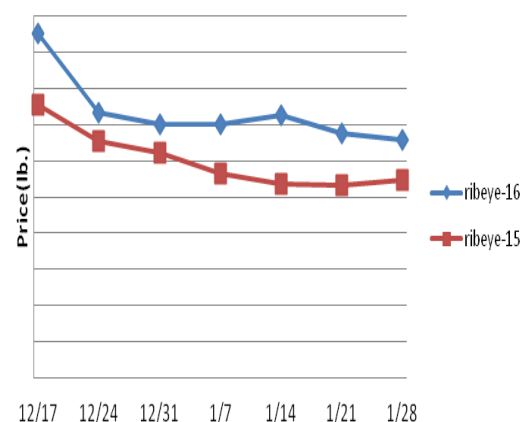


Beef, Veal and Lamb Report

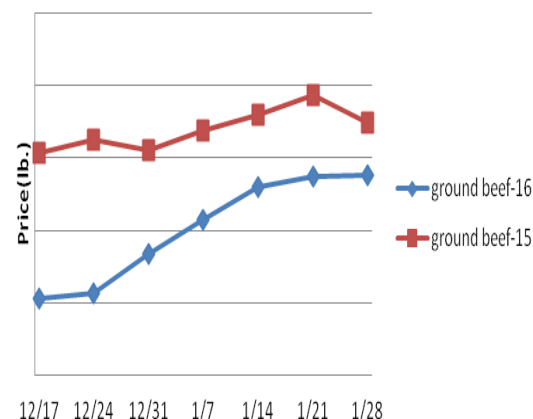
Beef, Veal & Lamb Beef output last week declined .2 but was .4% better than the same week last year. The January 1 cattle on feed inventory was .5% smaller than last year, however, the near slaughter ready cattle supply is bigger. Cattle placements into feedlots during December were down .8 from 2014. The average placement weight was 1.7% heavier. Solid beef production gains versus 2015 are anticipated this winter. Many of the beef markets have softened during the last week due in part to a downturn in shipments. However, retailers may be planning further feature activity which could bring support to the markets soon. Choice boxed beef forward beef shipments last week were the biggest since July. Price USDA, FOB per pound

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

112a Choice Beef Ribeye (heavy)



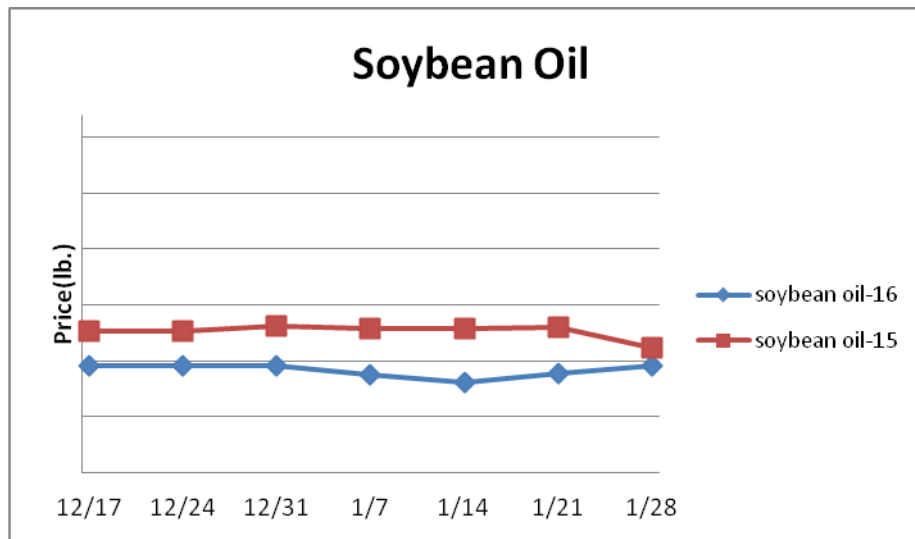
81/19 Ground Beef



Grains

The relaxation of export tariffs in one the world's largest corn, wheat and soybean product exporting countries, Argentina, is tempering demand for U.S. product. Bigger Argentine harvests in the coming years may continue to moderate U.S. grain and oilseed exports. The grain markets may remain range-bound this winter.

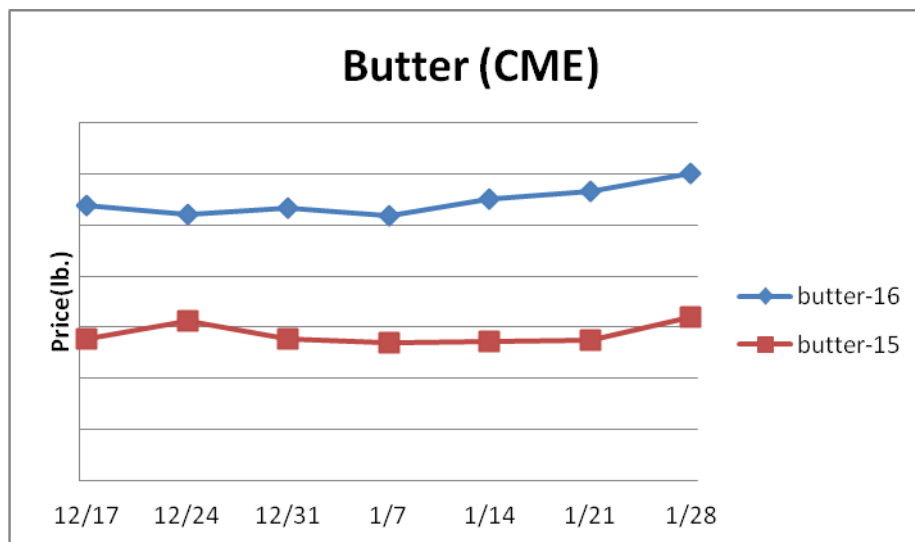
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Decreasing	Good	Lower
Crude Soybean Oil, lb	Increasing	Good	Lower
Soybean Meal, ton	Decreasing	Good	Lower
Corn, bushel	Increasing	Good	Lower
Crude Corn Oil, lb	Steady	Good	Higher
High Fructose Corn Syrup	Steady	Good	Lower
Distillers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



Dairy

U.S. milk output remains lackluster. During December, the U.S. produced just .7% more milk than the previous year due to a .3% larger milk cow herd and a .4% gain in milk per cow yields. Milk farmers added a net 1,000 head to the herd during the month. December marked the fifth consecutive month where milk production growth was less than 1% year over year. This is due in a large part to poor margins for milk farmers in the biggest producing state California. Milk output there during December was down 3% from 2014. Elevated butter prices could persevere this winter. Prices per pound, except Class I Cream (hundred weight), from USDA.

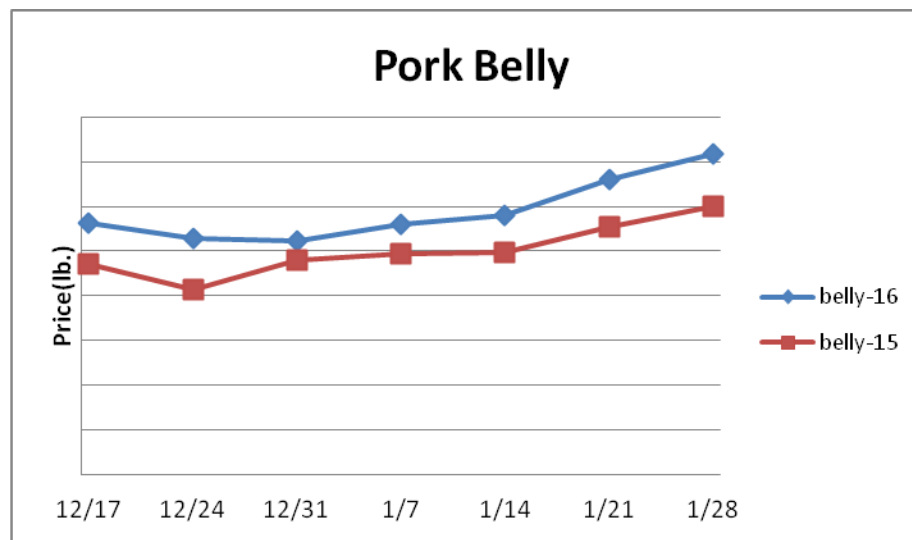
Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Decreasing	Good	Lower
Cheese Blocks (CME)	Decreasing	Good	Lower
American Cheese	Decreasing	Good	Higher
Cheddar Cheese (40 lb)	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Lower
Provolone Cheese	Decreasing	Good	Higher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



Pork

Pork production last week rose 1.7% but was .2% less than the same week last year. Hog supplies are starting to seasonally tighten which should cause pork output to decline in the coming months and bring modest support to the pork markets. December 31st pork stocks were 8% more than the prior year with ham (2%), belly (13%), rib (55%) holdings all above 2014. However, pork belly disappearance during the month was 4% better than the prior year and a record for any month. Further pork belly price appreciation may be forthcoming. Prices USDA, FOB per pound.

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



Poultry

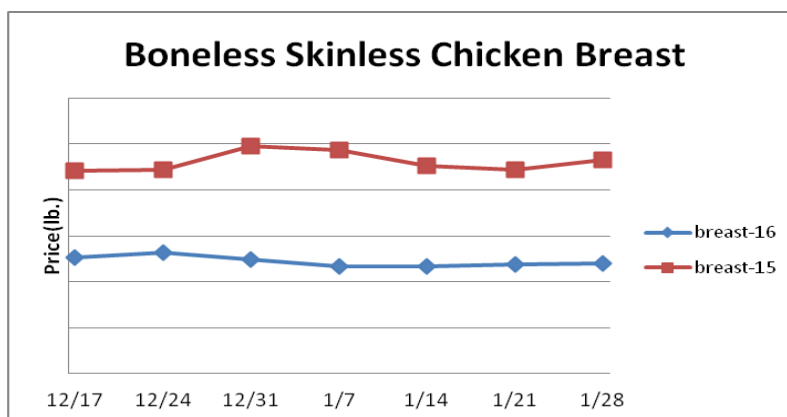
Chicken production for the week ending January 9th was .1% less than last year. Turkey output for the same week was up 1% compared to 2015. Seasonally rising demand is lifting the chicken wing markets and history suggests additional price increases are likely in the coming weeks. The USDA recently discovered 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.

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

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

Eggs

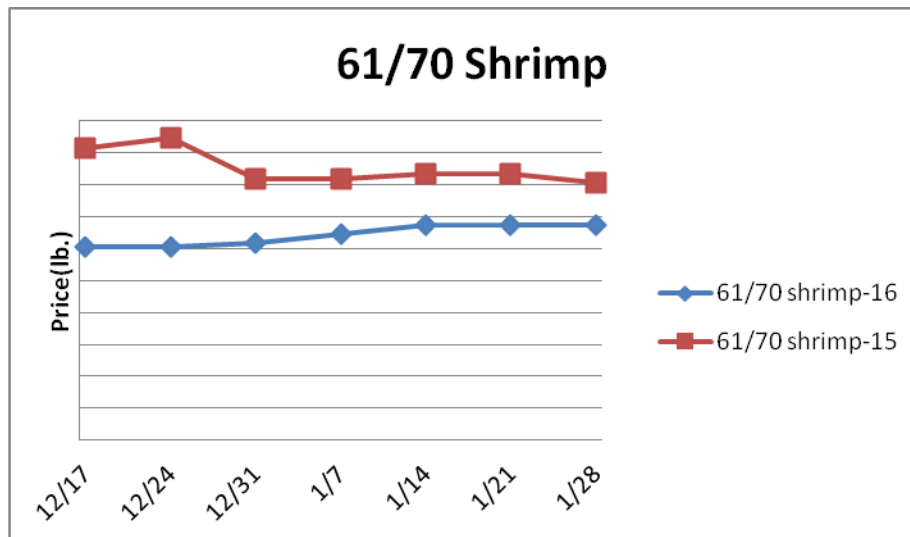
Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Increasing	Short	Higher
Medium Eggs (dozen)	Increasing	Short	Higher
Liquid Whole Eggs	Increasing	Short	Higher
Liquid Egg Whites	Decreasing	Short	Higher
Liquid Egg Yolks	Decreasing	Short	Higher



Seafood

The Alaskan Bering Sea snow crab fishing season is starting to gain momentum with 7.3 million pounds landed as of January 26th. This represents 20% of the quota. As a reminder, the 2015-16 Alaskan Bering Sea snow crab quota is historically small and a whopping 40% below the prior season. The downside risk in snow crab leg prices may be nominal. Prices for fresh product, unless noted, per pound from Fisheries Market News.

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



Paper and Plastic Product Report

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

Retail Price Change from Prior Month

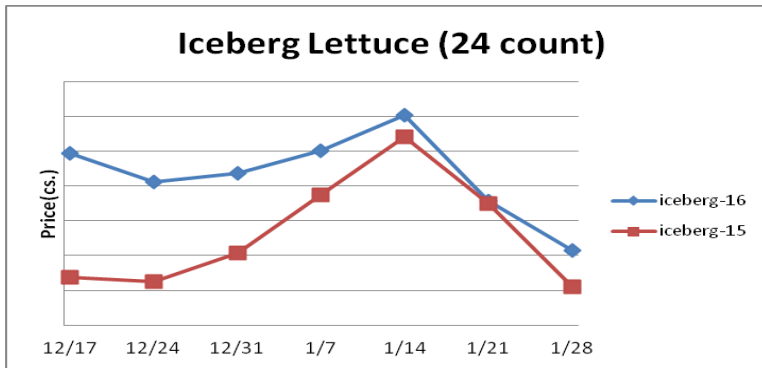
Description	Dec-15	Nov-15	Oct-15
Beef and Veal	Decreasing	Decreasing	Decreasing
Dairy	Increasing	Decreasing	Decreasing
Pork	Decreasing	Decreasing	Increasing
Chicken	Decreasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Decreasing	Decreasing
Fresh Fruits and Vegetables	Increasing	Increasing	Increasing

Various Markets

The Arabica coffee futures market has found modest support but continues to trade at historically depressed levels. The nearby Arabica coffee futures market has not traded appreciable below \$1 in 11 years.

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

Produce



The tomato markets remain inflated due in part to challenging weather both in Florida and Mexico. U.S. tomato shipments last week declined 12.9% from the prior week and were 17.8% less than the same week last year. Season to date tomato shipments are tracking 5.1% below the previous period. The tomato markets could remain erratic during the next few weeks. Lettuce prices have declined as the weather has improved in the Yuma-Imperial Valley region. The downside price risk in the iceberg lettuce markets from here, however, may only be modest. Avocado prices usually trend higher during the mid to late winter.

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

