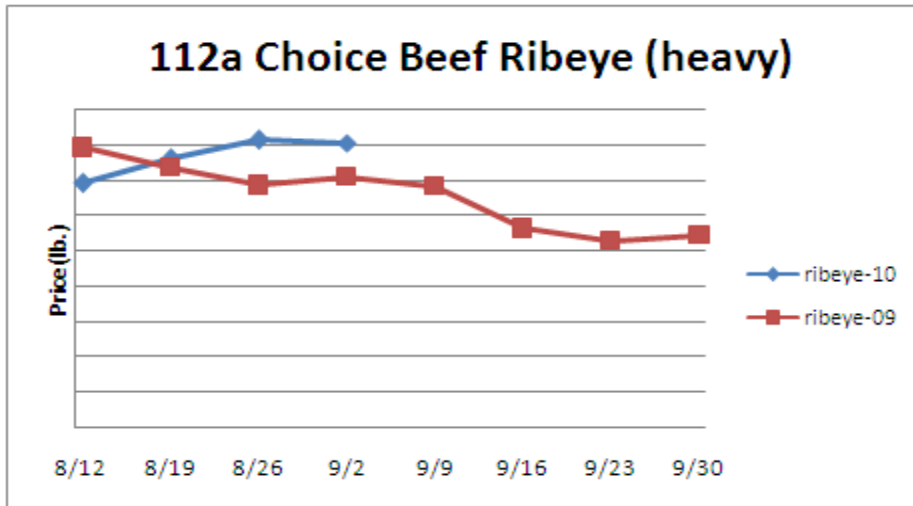


Beef, Veal and Lamb Report

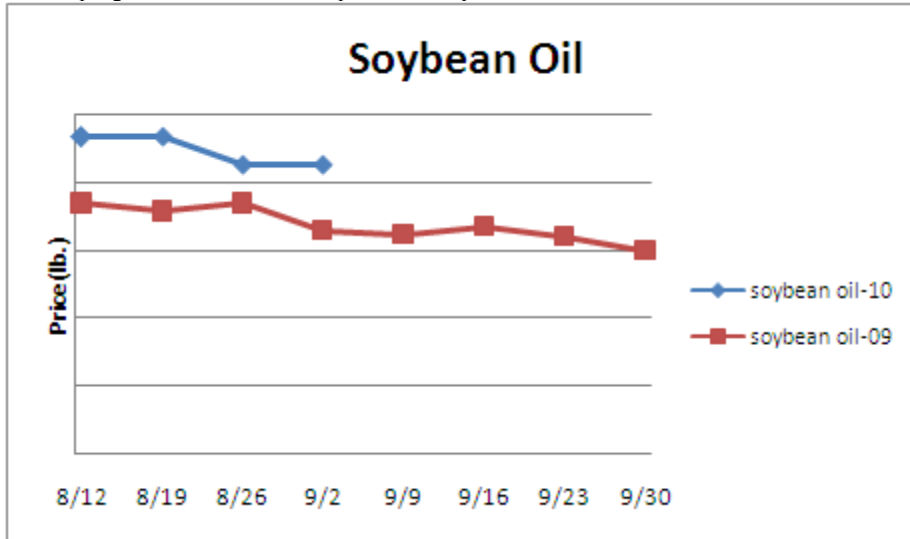
Beef, Veal & Lamb- Beef production last week rose 1.8% but was 1.4% less than last year. Lower cattle weights could temper beef output this month. The beef markets are mixed but mostly steady to lower. Labor Day holiday buying has culminated. Buyers are limiting purchases with shipment volumes during the last ten days historically light. This is a sign that the beef markets could weaken in the coming weeks. Still, relatively limited cattle supplies and lighter cattle weights are anticipated to continue to support most beef markets well above the previous year levels this month.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Higher
Ground Beef 81/19	Increasing	Good	Higher
Ground Chuck	Decreasing	Good	Higher
109 Export Rib (choice)	Increasing	Good	Higher
109 Export Rib (prime)	Increasing	Good	Higher
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Higher
116 Chuck (choice)	Decreasing	Good	Higher
120 Brisket (choice)	Decreasing	Good	Higher
121c Outside Skirt (ch/sel.)	Increasing	Good	Higher
167a Knuckle, Trimmed (choice)	Steady	Good	Higher
168 Inside Round (choice)	Decreasing	Good	Higher
174 Short Loin (choice 0x1)	Decreasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Higher
180 1x1 Strip (choice)	Increasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Higher
180 0x1 Strip (choice)	Decreasing	Good	Higher
184 Top Butt, boneless (choice)	Increasing	Good	Higher
184 Top Butt, boneless (prime)	Increasing	Good	Higher
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Decreasing	Good	Higher
189a Tender (select, 5 lb & up)	Increasing	Good	Higher
189a Tender (choice, 5 lb & up)	Increasing	Good	Higher
189a Tender (prime, heavy)	Decreasing	Good	Higher
193 Flank Steak (choice)	Decreasing	Good	Higher
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Decreasing	Good	Higher
75% Trimmings	Decreasing	Good	Higher
85% Trimmings	Decreasing	Good	Higher
90% Trimmings	Decreasing	Good	Higher
90% Imported Beef (frozen)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Increasing	Good	Higher
Veal Top Round (cap off)	Steady	Good	Higher

Oil and Grains Report

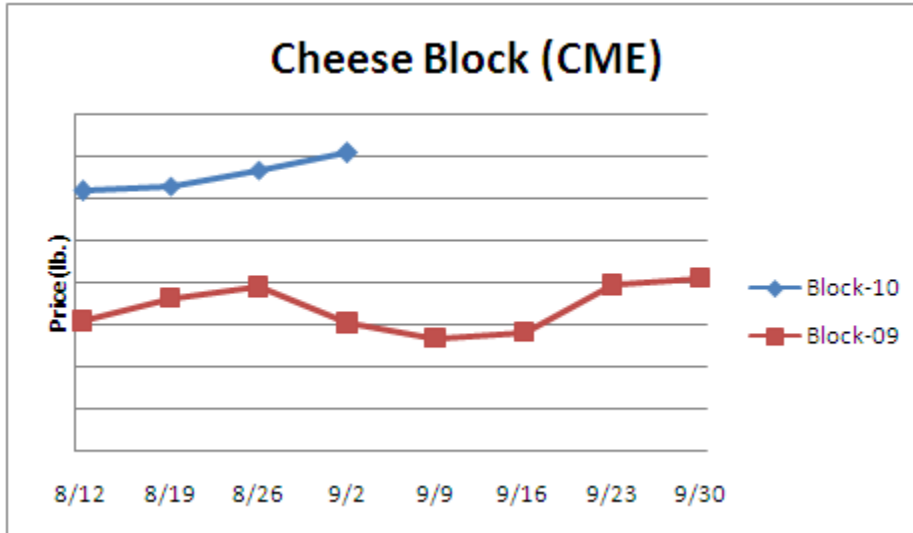
Oil & Grains- Early corn yields have been disappointing with the new harvest but yields should improve as the harvest progresses. Elevated corn prices could persist.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Soybeans	Decreasing	Good	Lower
Crude Soybean Oil	Steady	Good	Higher
Soymeal	Increasing	Good	Lower
Corn	Increasing	Good	Higher
Crude Corn Oil	Steady	Good	Higher
Distillers Grain, Dry	Steady	Good	Higher
Crude Palm Oil	Increasing	Good	Higher
Hard Red Winter Wheat	Decreasing	Good	Higher
Dark Northern Spring Wheat	Decreasing	Good	Higher
Canola Seed	Increasing	Good	Higher
Canola Oil	Increasing	Good	Higher

Dairy Report

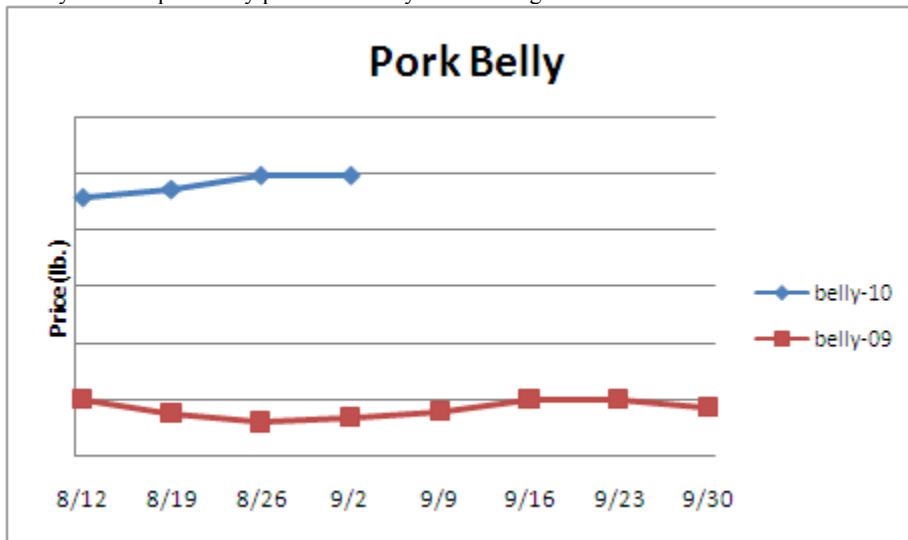
Dairy- The August milk-feed price ratio was the highest since January 2008 suggesting solid margins for milk farmers. Thus, milk farmers are expected to expand the milk cow herd and overall milk production compared to 2009 in the coming months. The cheese markets are edging upward. Fresh cheese supplies are limited and fluid milk continues to be directed to schools. Milk and fresh cheese supplies should improve this month which could lead to a \$.05 to \$.10 break in the cheese markets. The butter market remains firm. The butter market is likely to top soon.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Cheese Barrels- CME	Increasing	Good	Higher
Cheese 40 lb Blocks- CME	Increasing	Good	Higher
American Cheese	Increasing	Good	Higher
Cheddar Cheese	Steady	Good	Higher
Mozzarella Cheese	Increasing	Good	Higher
Provolone Cheese	Increasing	Good	Higher
Parmesan Cheese	Increasing	Good	Higher
Butter- One lb Solids	Increasing	Good	Higher
Nonfat Dry Milk	Decreasing	Good	Higher
Whey, Dry	Steady	Good	Higher
Class I Milk Base	Steady	Good	Higher
Class II Cream (Heavy Cream)	Increasing	Good	Higher
Class III Milk- CME	Increasing	Good	Higher
Class IV Milk- CME	Increasing	Good	Higher

Pork Report

Pork- Pork production last week rose 1.5% but was 4.4% smaller than last year. Pork output is forecasted to continue to build over the next few months which should influence many of the pork markets downward. Still, pork production is anticipated to trend below 2009 levels this fall. Hog producer margins have been solid which is expected to cause pork output to climb above 2010 levels later next year. Pork belly supplies remain critically short but will improve shortly. Lower pork belly prices are likely forthcoming.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Hogs	Decreasing	Good	Higher
Belly (bacon)	Steady	Good	Higher
Spare Rib (4.25 & down)	Decreasing	Good	Higher
Ham (23-27 lb)	Increasing	Good	Higher
Loin (bone-in)	Decreasing	Good	Higher
Baby Back Rib (1.75 & up)	Decreasing	Good	Lower
Tenderloin (1.25 lb)	Decreasing	Good	Higher
Boston Butt, untrimmed 4-8 lb.	Decreasing	Good	Higher
Picnic, untrimmed	Increasing	Good	Higher
SS Picnic, smoker trim boxed	Decreasing	Good	Higher
42% Trimmings	Decreasing	Good	Higher
72% Trimmings	Increasing	Good	Higher

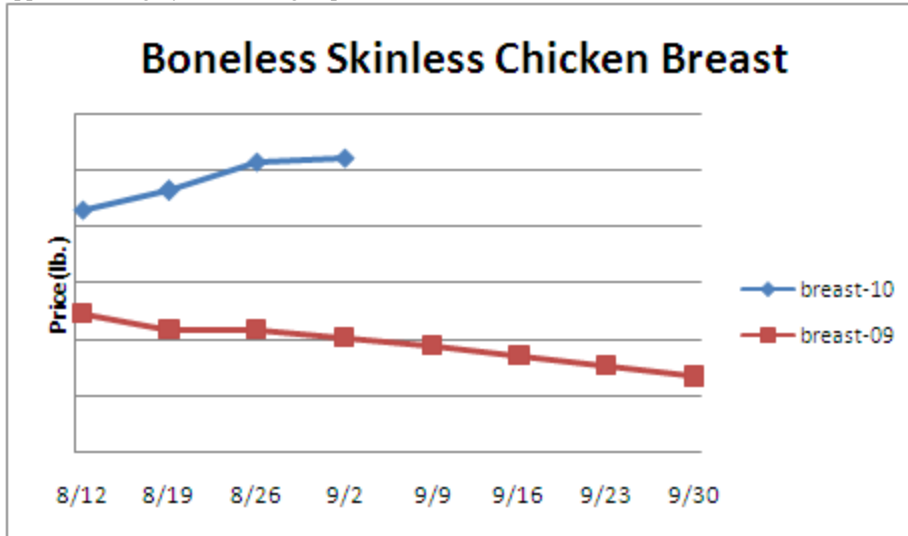
Canned Tomato Report

Tomato Products, Canned- Canned tomato supplies are improving. Lower canned tomato prices may be impending due to a reduction in raw tomato costs.

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Peeled Standard	Steady	Good	Lower
Diced, Fancy	Steady	Good	Lower
Ketchup, 33%	Steady	Good	Lower
Tomato Paste- Ind.	Steady	Good	Lower

Poultry Report

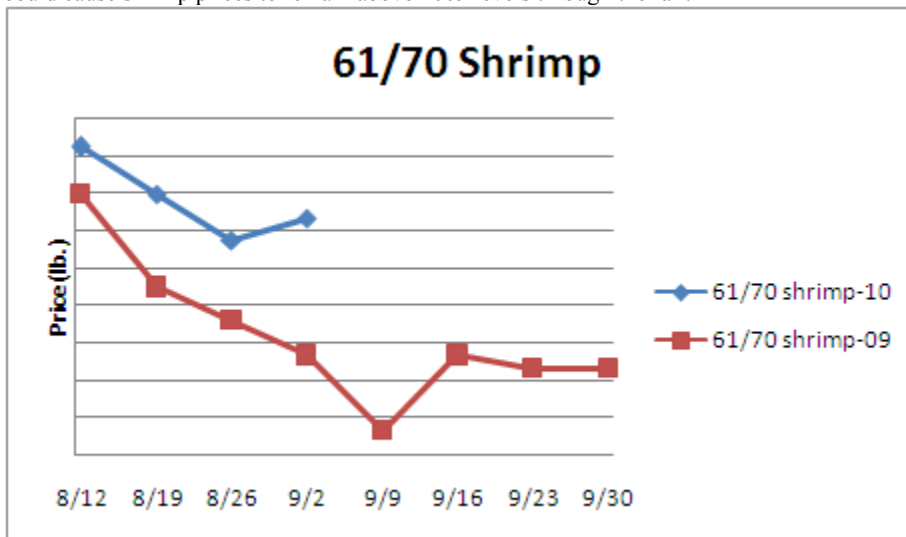
Poultry- The chicken breast markets held up very well in August due to solid demand and elevated alternative protein prices. Chicken breast demand is anticipated to fade in the coming weeks which should pressure chicken breast prices downward. Last year, the ARA weekly chicken breast index declined 13% during the next three weeks. Chicken breast prices are forecasted to average well below this summer's levels during the fall which could hurt chicken producer margins. That being said, we anticipate that chicken production expansion will persist into 2011. The chicken wing markets are steady to firm. Seasonal charts indicate that that the chicken wing markets could appreciate roughly \$.05 during September.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Whole Chicken (2.5-3 lb-GA)	Steady	Good	Higher
Whole Chicken (LA)	Steady	Good	Higher
Chicken Wings, Whole	Steady	Good	Lower
Chicken Wings, Jumbo Cut	Decreasing	Good	Lower
Chicken Breast, Bone-In	Increasing	Good	Higher
Chicken Breast, Bnless Sknless	Increasing	Good	Higher
Chicken Tender (random)	Steady	Good	Higher
Chicken Tender (sized)	Decreasing	Good	Higher
Chicken Legs (whole)	Increasing	Good	Lower
Chicken Leg Quarters	Steady	Good	Lower
Chicken Thighs, bone in	Decreasing	Good	Lower
Chicken Thighs, boneless	Increasing	Good	Lower
Large Eggs	Increasing	Good	Higher
Medium Eggs	Increasing	Good	Higher
Whole Eggs- Liq	Steady	Good	Higher
Egg Whites- Liq	Increasing	Good	Higher
Egg Yolks- Liq	Increasing	Good	Higher
Whole Turkey (8-16 lb)	Increasing	Good	Higher
Turkey Breast- Bnls/Sknls	Increasing	Good	Higher

Seafood Report

Seafood- US Gulf of Mexico July shrimp landings were cut short by the Gulf Oil spill. The shrimp harvest during the month was 62% less than last year. 2010 Gulf shrimp landings through July were estimated to be 38% smaller than the five year average. Total US shrimp supplies, including imports, are projected to be down 4% from last year. This could cause shrimp prices to remain above 2009 levels through the fall.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Salmon, Whole (10-12 lb)	Steady	Good	Lower
Catfish, Filets	Steady	Good	Lower
Trout, Drn. (8-14 oz)	Steady	Good	Same
Shrimp (16-20 count)	Decreasing	Good	Higher
Shrimp (61-70 count)	Increasing	Good	Higher
Shrimp, Tiger (26-30 count)	Increasing	Good	Higher
Snow Crab Legs (5-8 oz)	Steady	Good	Higher
Snow Crab Legs (8 oz up)	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	Higher

Bean, Rice, Coffee and Sugar Report

	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Pinto Beans	Steady	Good	Lower
Black Beans	Steady	Good	Lower
Rice, Long Grain	Decreasing	Good	Lower
Coffee Beans	Increasing	Good	Higher
Sugar	Increasing	Good	Higher
Honey	Steady	Good	Higher

Paper Product Report

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

Retail Price Change from Prior Month

	<u>Jul-10</u>	<u>Jun-10</u>	<u>May-10</u>
Beef and Veal	Decreasing	Increasing	Increasing
Dairy	Increasing	Increasing	Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Increasing	Increasing	Decreasing
Fresh Fish and Seafood	Increasing	Increasing	Increasing
Fresh Fruits and Vegetables	Decreasing	Decreasing	Decreasing

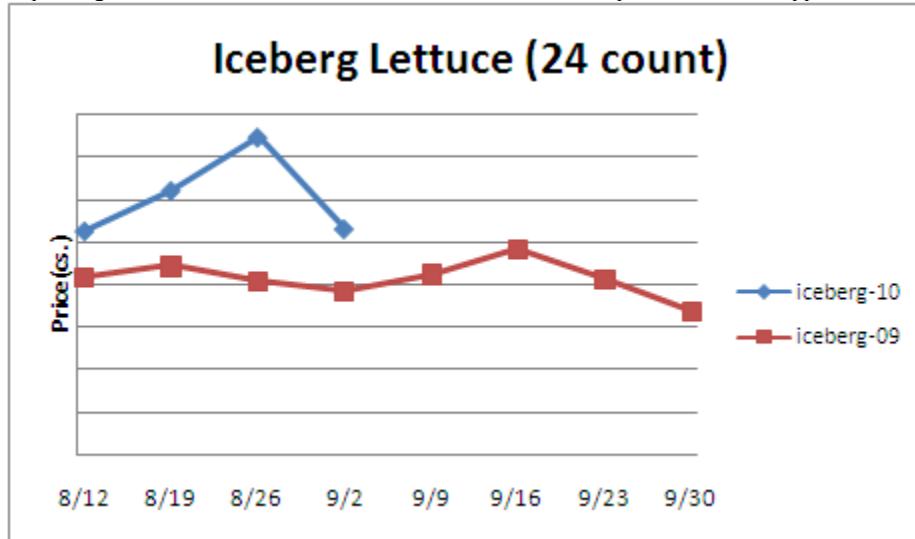
Processed Fruits and Vegetables Report

Processed Fruits and Vegetables- The corn for processing harvest will build this month. Canned corn supplies are adequate. Steady to lower canned corn prices are likely this fall.

<u>Canned 6/10</u>	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Corn, Fancy Whole Kernel	Steady	Good	Lower
Green Beans, Fancy 4 sv	Steady	Good	Lower
Green Peas, Fancy 4 sv/blend	Steady	Good	Lower
<u>Frozen</u>			
Corn, Cob 96 count	Steady	Good	Lower
Corn, Kernel 12/2.5 lb.	Steady	Good	Lower
Green Beans, Cut 12/2 lb.	Steady	Good	Same
Green Peas, 12/2.5 lb.	Steady	Good	Lower
Potatoes, FF Fancy, 6/5 lb.	Steady	Good	Same

Produce Report

Produce- The Idaho potato harvest is slowly progressing with output anticipated to expand in the coming weeks. This should influence the potato markets lower. History suggests that the potato markets could decline as much as 40% this month. Still, 2010 US fall potato acreage is the smallest since 1951 and total fall production is projected to decline 4% from last year. This could mitigate any pending potato market declines. Eastern tomato supplies are improving. Tomato demand is slow which could lead to lower prices. Lettuce supplies are improving as well.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Limes (150 count)	Increasing	Good	Lower
Lemons (95 count)	Steady	Good	Higher
Lemons (200 count)	Steady	Good	Higher
Honeydew (6 ct.)	Decreasing	Good	Lower
Cantaloupe (15 count)	Decreasing	Good	Lower
Blueberries (12 count)	Decreasing	Good	Higher
Strawberries (12 pints)	Decreasing	Good	Lower
Avocados, Hass (48 count)	Increasing	Good	Lower
Bananas (40 lb)-Term.	Decreasing	Good	Lower
Pineapple (7 ct.)- Term.	Decreasing	Good	Higher
Idaho Potato (60 count)	Increasing	Good	Higher
Idaho Potato (70 count)	Increasing	Good	Higher
Idaho Potato (70 count)-Term.	Increasing	Good	Higher
Idaho Potato (90 count)	Increasing	Good	Higher
Idaho Potato #2 (6 oz. min.)	Increasing	Good	Higher
Processing Potato (100 lb)	Decreasing	Good	Higher
Yellow Onions (50 lb)	Increasing	Good	Higher
Yellow Onions (50 lb)-Term.	Decreasing	Good	Higher
Red Onions (25 lb)-Term.	Decreasing	Good	Higher
White Onions (50 lb)-Term.	Decreasing	Good	Higher
Tomatoes, (large- case)	Increasing	Good	Higher
Tomatoes, (5x6, 25 lb.)-Term.	Decreasing	Good	Lower
Tomatoes, Vine Ripe, (4x5)	Decreasing	Good	Higher
Roma Tomatoes (large- case)	Decreasing	Good	Lower
Roma Tomatoes (xlarge- case)	Decreasing	Good	Lower
Green Peppers (large- case)	Decreasing	Good	Lower
Red Peppers (large- 15 lb. cs.)	Increasing	Good	Higher
Iceberg Lettuce (24 count)	Decreasing	Good	Higher
Iceberg Lettuce (24 cnt)-Term.	Increasing	Good	Higher

Produce Report (continued)

Leaf Lettuce (24 count)	Increasing	Good	Higher
Romaine Lettuce (24 count)	Decreasing	Good	Lower
Mesculin Mix (3 lb)-Term.	Decreasing	Good	Higher
Broccoli (14 cnt.)	Increasing	Good	Higher
Squash (case)	Decreasing	Good	Higher
Zucchini (case)	Steady	Good	Lower
Green Beans (bushel)	Decreasing	Good	Lower
Spinach, Flat 24's	Decreasing	Good	Higher
Mushrooms (large), Term.	Increasing	Good	Lower
Cucumbers, Bushel	Decreasing	Good	Higher
Pickles (200-300 ct.)-Term.	Increasing	Good	Higher
Asparagus (small)	Decreasing	Good	Higher
Freight (CA to City Avg.)	Steady	Good	Higher