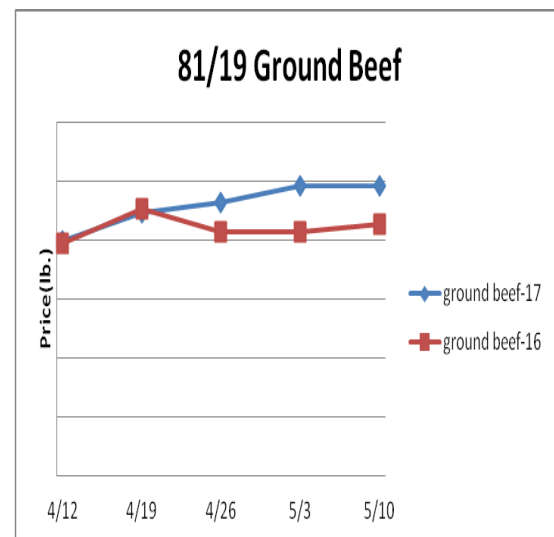
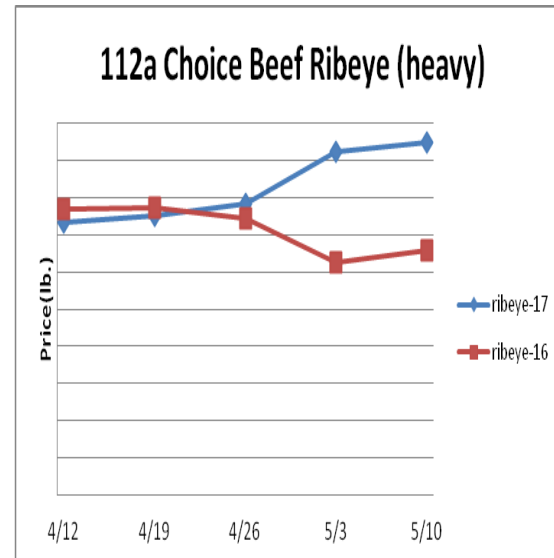


Beef, Veal and Lamb Report

Beef, Veal & Lamb- Beef production last week declined 2.3% but was 2.9% better than the same week last year. Beef output is expected to continue to trend above 2016 levels for the foreseeable future. Beef prices are on the rise but buyers are starting to pull back on purchases. Spot beef shipments last week were the smallest for any non-holiday week in nearly a year. Forward beef sales 22-90 days were the smallest in over five months. This suggests a top is near in beef. Beef 50% trim prices have set new record highs this week due in a large part to lighter cattle weights and strong ground beef demand. However, beef 50% trim prices have averaged flat to lower in June from May in eight of the last nine years.

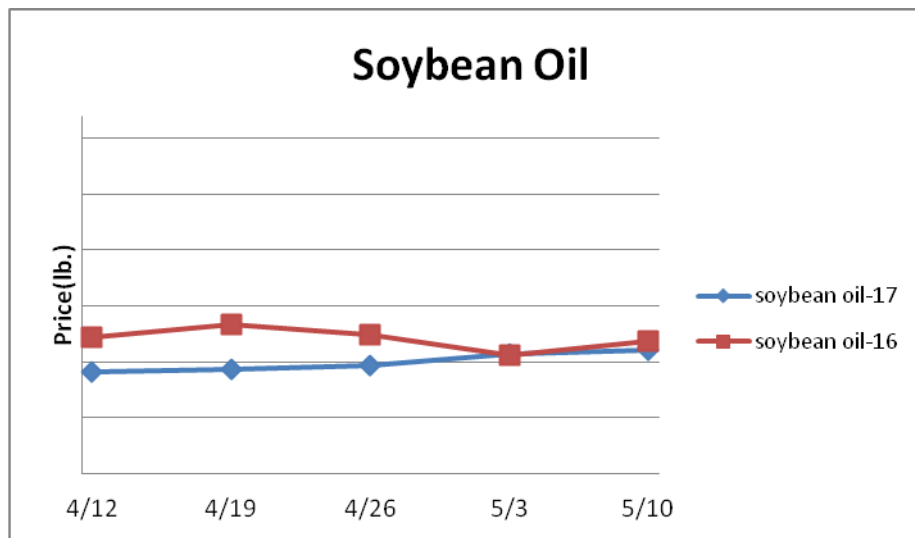
Description	Market Trend	Supplies	Price vs. Last Year
Live Cattle (Steer)	Increasing	Short	Higher
Feeder Cattle Index (CME)	Increasing	Short	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Increasing	Good	Lower
109 Export Rib (ch)	Increasing	Good	Higher
109 Export Rib (pr)	Decreasing	Good	Higher
112a Ribeye (ch)	Increasing	Good	Higher
112a Ribeye (pr)	Increasing	Good	Higher
114a Chuck , Shlder Cld(ch)	Increasing	Good	Higher
116 Chuck (sel)	Increasing	Good	Higher
116 Chuck (ch)	Increasing	Good	Higher
116b Chuck Tender (ch)	Increasing	Good	Higher
120 Brisket (ch)	Increasing	Good	Higher
120a Brisket (ch)	Increasing	Good	Higher
121c Outside Skirt (ch/sel)	Increasing	Good	Higher
121d Inside Skirt (ch/sel)	Decreasing	Good	Lower
121e Cap & Wedge	Increasing	Good	Higher
167a Knuckle, Trimmed (ch)	Increasing	Good	Higher
168 Inside Round (ch)	Increasing	Good	Higher
169 Top Round (ch)	Increasing	Good	Higher
171b Outside Round (ch)	Decreasing	Good	Higher
174 Short Loin (ch 0x1)	Increasing	Good	Higher
174 Short Loin (pr 2x3)	Increasing	Good	Higher
180 0x1 Strip (pr)	Increasing	Good	Higher
180 0x1 Strip (ch)	Increasing	Good	Higher
184 Top Butt, boneless (ch)	Increasing	Good	Lower
184 Top Butt, boneless (pr)	Increasing	Good	Lower
184-3 Top Butt, bnls (ch)	Increasing	Good	Lower
185a Sirloin Flap (ch)	Increasing	Good	Higher
185c Loin, Tri-Tip (ch)	Decreasing	Good	Lower
189a Tender (sel, 5 lb & up)	Decreasing	Good	Higher
189a Tender (ch, 5 lb & up)	Decreasing	Good	Higher
189a Tender (pr, heavy)	Increasing	Good	Higher
193 Flank Steak (ch)	Increasing	Good	Lower
50% Trimmings	Increasing	Good	Higher
65% Trimmings	Increasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Short	Higher
90% Trimmings	Increasing	Short	Higher
90% Imported Beef (frz)	Decreasing	Good	Higher
95% Imported Beef (frz)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Lower
Veal Top Round (cap off)	Steady	Good	Lower



Grains

The U.S. winter wheat crop has deteriorated due to recent adverse weather but not as much as feared...at least not yet. A total of 54% of the crop was rated in either good or excellent condition by the USDA as of May 7th which is down just 1 point from the prior week. Still, wheat supplies are expected to tighten.

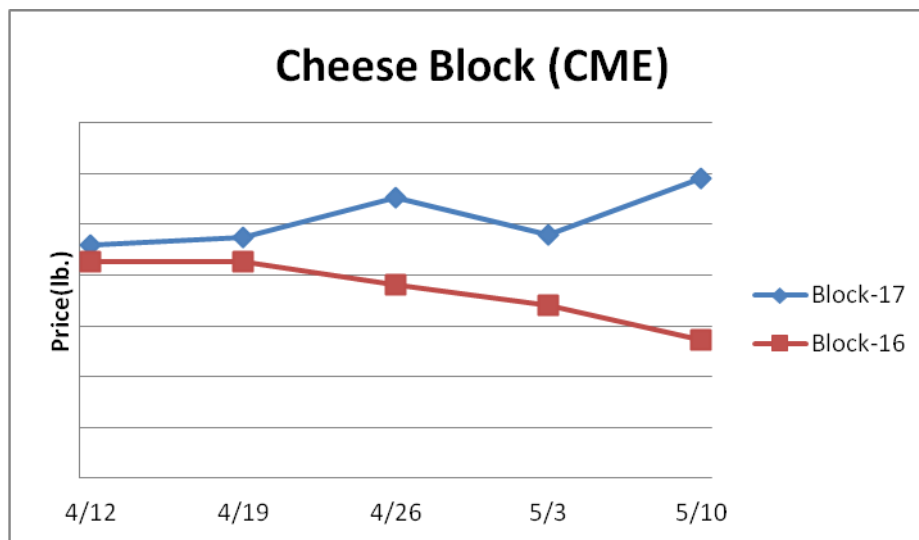
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Increasing	Good	Lower
Crude Soybean Oil, lb	Increasing	Good	Lower
Soybean Meal, ton	Increasing	Good	Lower
Corn, bushel	Decreasing	Good	Lower
Crude Corn Oil, lb	Steady	Good	Lower
High Fructose Corn Syrup	Decreasing	Good	Lower
Distillers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



Dairy

The CME butter markets remain relatively range bound. Butter production during March was just .3% better than the prior year while butter domestic consumption was down 1%. Butter exports were 55% lower than 2016 but imports fell by 35%. Tempered U.S. butter production may continue to underpin butter prices into the summer. March cheese output was 3.3% bigger than last year while total nonfat dry milk and skim milk powder production was flat. April 1st nonfat dry milk stocks were third highest for any month on record. This may temper the upside risk in cheese.

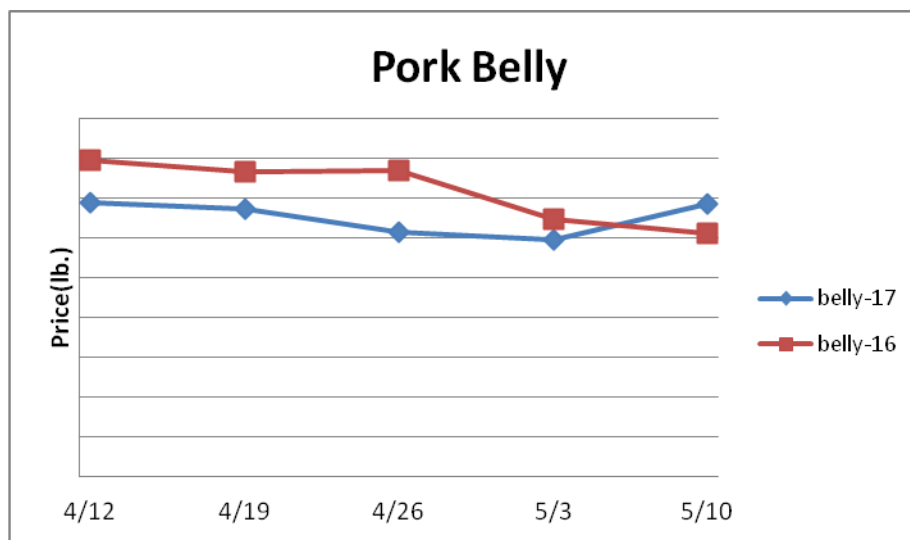
Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Higher
Cheese Blocks (CME)	Increasing	Good	Higher
American Cheese	Decreasing	Good	Higher
Cheddar Cheese (40 lb)	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Steady	Good	Same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



Pork

Pork output declined 1.1% last week but was 1.8% greater than the same week last year. The USDA is forecasting pork production to trend well above 2016 levels into the summer which should temper any seasonal price increases. That said, the belly markets are vulnerable to a notable upward price correction due to the historically low early spring inventories. U.S. pork exports in March were 20% larger than the previous year and a record for any month. Mexico remained the largest customer accounting for a third of the trade.

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



Poultry

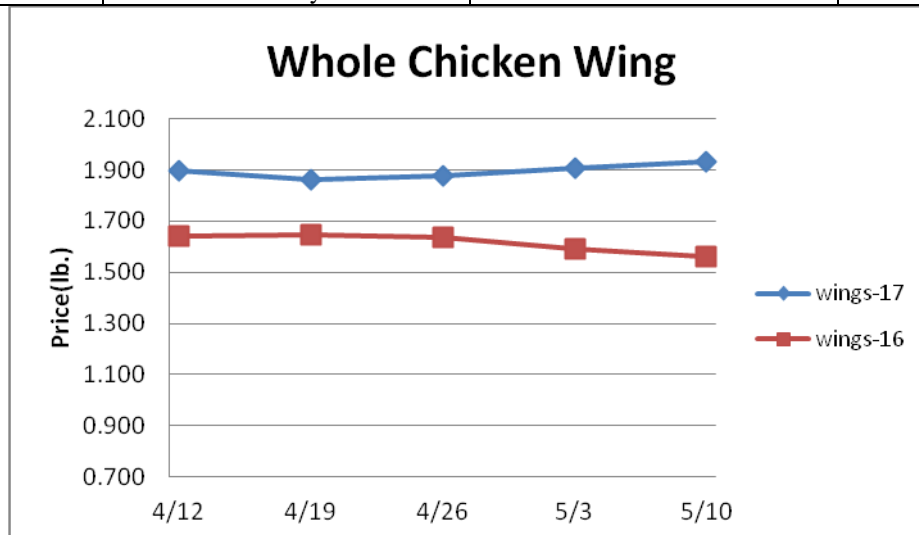
For the week ending April 29th, chicken production rose 4.6% from the prior week and was up 4% from the previous year. However, the six-week total of chicken output was just .3% better than 2016. Chicken producer margins have improved during the last several weeks with the rise in breast prices. This could lead to sustained better year over year gains in chicken production. Recent broiler egg set data suggests that chicken output in the coming weeks could trend near 2% above last year. U.S. chicken exports during March were 12.3% bigger than a year ago and the second largest for any month since the fall of 2014. Improving chicken exports should be supportive of chicken leg quarter prices and producer margins.

Description	Market Trend	Supplies	Price vs. Last Year
Whole Birds WOG-Nat	Increasing	Good	Higher
Wings (jumbo cut)	Increasing	Good	Higher
Wing Index (ARA)	Increasing	Good	Higher
Breast, Bnless Skinless NE	Increasing	Good	Higher
Breast, Bnless Skinless SE	Increasing	Good	Lower
Breast Boneless Index (ARA)	Increasing	Good	Higher
Tenderloin Index (ARA)	Decreasing	Good	Lower
Legs (whole)	Increasing	Good	Higher
Leg Quarter Index (ARA)	Increasing	Good	Higher
Thighs, Bone In	Decreasing	Good	Higher
Thighs, Boneless	Increasing	Good	Higher

Description	Market Trend	Supplies	Price vs. Last Year
Whole Turkey (8-16 lb)	Decreasing	Good	Lower
Turkey Breast, Bnls/Sknl	Decreasing	Good	Lower

Eggs

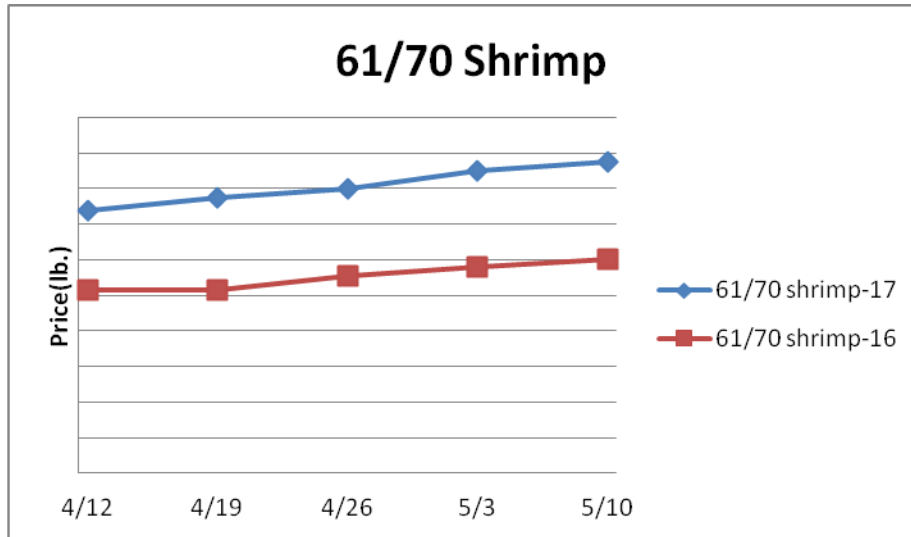
Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Steady	Short	Lower
Medium Eggs (dozen)	Steady	Short	Lower
Liquid Whole Eggs	Increasing	Short	Lower
Liquid Egg Whites	Steady	Short	Lower
Liquid Egg Yolks	Steady	Short	Higher
Egg Breaker Stock Central	Steady	Short	n/c



Seafood

Salmon imports are improving but remain subpar from Canada. During March, the U.S. imported .1% more salmon than the prior year setting a record for the month. However, salmon imports from Canada were down 6.8% from 2016. Lackluster imports from Canada could be relatively supportive of the salmon markets during the next few months.

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



Paper and Plastic Product Report

Description	Market Trend	Supplies	Price vs. Last Year
Wood Pulp (paper)			
NBSK- Paper napkin	Steady	Good	Higher
42 lb. Linerboard-corrugated box	Steady	Good	Higher
Plastic Resins (plastic, foam)			
PS-CHH-utensils, cups, to-go cont.	Decreasing	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

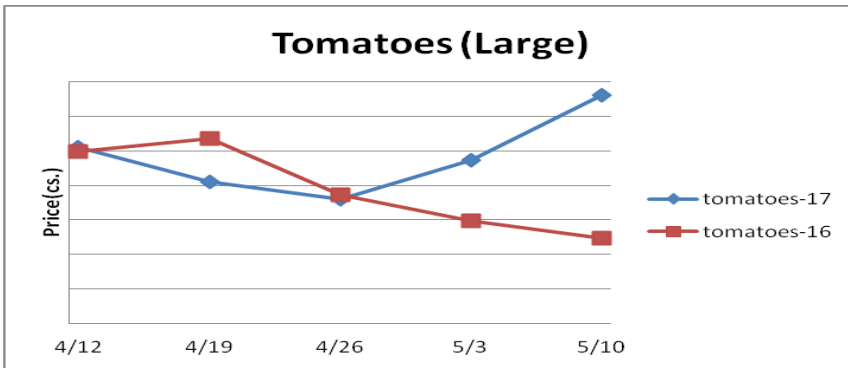
Description	Mar-17	Feb-17	Jan-17
Beef and Veal	Increasing	Increasing	Decreasing
Dairy	Decreasing	Increasing	Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Increasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Decreasing	Increasing
Fresh Fruits and Vegetables	Increasing	Increasing	Decreasing

Various Markets

Lower raw product prices for farmers are expected to lead to a decline in California tomato for processing production this year. The USDA is projecting contracted tonnage to match the smallest level since 2005. This could bring support to canned tomato prices later this year.

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

Produce



Avocado supplies remain limited due to continued subpar imports from Mexico and a lackluster California crop. This factor and solid demand are supporting avocado prices. Supplies from Mexico and California are anticipated to remain disappointing for the next several months which should buoy the markets. That said, history suggests that the upside may be limited in avocado prices from here. Lettuce supplies have improved as of late driving lettuce prices lower. There may be more downside to lettuce prices in the near term.

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

