

THE WEEKLY COMMODITY REPORT

American Restaurant Association Inc. Food Commodity Service for the US Food Service Industry and Supply Chain
www.AmericanRestaurantAssociation.com, 1-888-423-4411

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Beef, Veal & Lamb-Beef production last week rose 1.8% and was .8% larger than 2009. Beef packer margins have suffered as of late which is causing packers to curtail beef output this week. Thus, many beef markets may move modestly upward from here. Lean boneless beef trimming supplies have tightened and the markets are moving upward. US beef imports could remain poor in the coming months which would be supportive of lean boneless beef and perhaps alternative grinding product markets including rounds and chucks. Cattle weights are suffering due to the challenging weather this winter. Price USDA, FOB per pound.

	Price	Last Week	Difference	Price 09
Live Cattle	.864	.851	+0.13	.829
Feeder Cattle Index (CME)	.987	.973	+0.14	.947
Ground Beef 81/19	1.316	1.447	-.131	1.309
Ground Chuck	1.358	1.470	-.112	1.379
109e Export Rib (choice)	4.178	4.162	+0.016	3.652
109e Export Rib (prime)	5.967	5.992	-.025	5.804
112a Ribeye (choice)	4.518	4.484	+0.034	4.179
112a Ribeye (prime)	6.788	6.883	-.095	6.534
115 Chuck, 2-piece (select)	1.679	1.667	+0.012	1.523
115 Chuck, 2-piece (choice)	1.689	1.637	+0.052	1.550
120 Brisket (choice)	1.638	1.594	+0.044	1.483
121c Outside Skirt (ch/sel)	2.631	2.636	-.005	2.259
121e Cap & Wedge	1.648	1.663	-.015	1.723
167a Knuckle, Trm. (ch.)	1.724	1.696	+0.028	1.771
168 Inside Round (ch.)	1.526	1.517	+0.009	1.675
174 Short Loin (ch. 0x1)	3.754	3.669	+0.085	3.576
174 Short Loin (prime)	5.141	5.083	+0.058	3.920
180 1x1 Strp (choice)	3.406	3.421	-.015	3.751
180 1x1 Strp (prime)	5.173	5.055	+0.118	5.323
180 0x1 Strp (choice)	3.817	3.754	+0.063	4.200
184 Top Butt, bnls (ch.)	2.227	2.175	+0.052	1.939
184 Top Butt, bnls (prime)	2.125	2.115	+0.010	2.212
185a Sirloin Flap (choice)	2.536	2.572	-.036	2.638
185c Loin, Tri-Tip (choice)	2.531	2.376	+0.155	2.252
189a Tender (select)	6.657	6.445	+0.212	5.830
189a Tender (choice)	6.781	6.887	-.106	5.783
189a Tender (prime)	9.239	9.173	+0.066	8.183
193 Flank Steak (choice)	2.751	2.684	+0.067	3.306
50% Trimings	.654	.667	-.013	.709
65% Trimings	.899	.879	+0.020	.817
75% Trimings	1.099	1.083	+0.016	1.096
85% Trimings	1.340	1.364	-.024	1.318
90% Trimings	1.508	1.472	+0.036	1.427
90% Imported Beef (frz.)	1.503	1.505	-.002	1.273
95% Imported Beef (frz.)	1.590	1.598	-.008	1.368
Veal Rack (Hotel 7 rib)	4.075	4.075	-	5.075
Veal Top Rnd. (cp. Off)	8.950	8.950	-	10.375

Oil, Grains, Misc.-The grain markets are mixed. We will almost certainly need more corn acreage in 2010 which could be supportive of corn prices in the coming months. Prices USDA, FOB.

	Price	Last Week	Difference	Price 09
Soybeans, bushel	9.154	9.141	+0.013	9.760
Crude Soybean Oil, lb.	.349	.342	+0.007	.304
Soybean Meal, ton	291.600	294.600	-3.000	316.600
Corn, bushel	3.314	3.417	-.103	3.616
Crude Corn Oil, lb.	.331	.385	-.054	.290
Distillers Grain, Dry	103.750	103.750	-	124.500
Crude Palm Oil, lb. BMD	.337	.329	+0.008	.258
HRW Wheat, bushel	4.275	4.390	-.115	5.505
DNS Wheat 14%, bushel	5.450	5.520	-.070	6.955
Canola, lb.	.159	.155	+0.004	.156
Canola Oil, SD, (Tor.), lb.	.445	.427	+0.018	.401
Pinto Beans, lb.	.297	.295	+0.002	.318
Black Beans, lb.	.348	.342	+0.006	.313
Rice, Long Grain, lb.	.258	.260	-.002	.294
Coffee, lb. NYBOT	1.307	1.326	-.019	1.214
Sugar, lb. NYBOT	.410	.404	+0.006	.190
Honey (Clover), lb.	1.440	1.440	-	1.450

**2010-11 Food Commodity Outlook Seminar- May 21st -Chicago- visit-
www.americanrestaurantassociation.com/seminars/chicago2010**

Dairy-The trade is anticipating CME cheese prices to move modestly lower this week. So far, however, cheese prices have firmed a little pressuring the class III milk futures markets upward. Spot CME cheese prices are still trading at a \$.30 a pound discount to the international market which suggests that exports should remain solid, bullish for cheese prices. Still, an appreciating US dollar could temper the US market discount and export demand in the coming weeks. The butter market appears to be making a bottom. Higher butter prices may be pending. Prices per pound, except Class I Cream (hundred weight), from USDA.

	Price	Last Week	Difference	Price 09
Cheese Barrels (CME)	1.478	1.498	-.020	1.198
Cheese Blocks (CME)	1.500	1.473	+0.027	1.208
American Cheese	1.835	1.868	-.033	1.493
Cheddar Cheese (40 lb.)	1.980	1.980	-	1.750
Mozzarella Cheese	1.843	1.858	-.015	1.568
Provolone Cheese	2.008	2.023	-.015	1.605
Parmesan Cheese	3.373	3.388	-.015	2.970
Butter (CME)	1.350	1.345	+0.005	1.103
Nonfat Dry Milk	1.248	1.324	-.076	.868
Whey, Dry	.388	.388	-	.165
Class I Base	14.840	14.840	-	10.720
Class II Cream, heavy	1.650	1.758	-.108	1.166
Class III Milk (CME)	14.150	13.960	+0.190	10.400
Class IV Milk (CME)	13.110	12.900	+0.210	10.150

Pork-Pork output last week rose .6% but was 3.2% less than 2009. The pork markets are mixed. The USDA pork cutout has declined roughly 13% in the last three weeks however the market is likely near a bottom. Excessive ham inventories are reported to have been cleaned up. With Easter holiday demand building higher ham prices may be forthcoming. Still, the ham market usually peaks in mid to late February and then turns downward roughly \$.10 a pound. Current belly futures may be presenting good bacon contracting opportunities. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 09
Live Hogs	.484	.464	+0.020	.414
Belly (bacon)	.900	.920	-.020	.750
Sparerib (4.25 lb. & down)	1.340	1.309	+0.031	1.160
Ham (23-27 lb.)	.667	.662	+0.005	.405
Loin (bone-in)	.771	.796	-.025	.791
Bbybck Rib (1.75 lb. & up)	2.398	2.377	+0.021	2.534
Tenderloin (1.25 lb.)	2.213	2.256	-.043	2.228
Boston Butt, untrmd. (4-8 lb.)	.676	.662	+0.014	.626
Picnic, untrmd.	.481	.476	+0.005	.377
SS Picnic, smoker trm. bx.	.627	.610	+0.017	.620
42% Trimings	.360	.410	-.050	.270
72% Trimings	.618	.609	+0.009	.409

Tomato Products, Canned-California tomato processors plan to contract 12.6 million tons in 2010, 5.5% less than last year. The canned tomato markets are weak. Prices per case (6/10) FOB, unless noted from ARA.

	Price	Last Week	Difference	Price 09
Whole Peeled, Standard	12.750	12.750	-	13.625
Diced, Fancy	13.250	13.250	-	14.500
Ketchup, 33%	14.125	14.125	-	14.500
Tomato Paste- Industrial (lb.)	.400	.400	-	.405

Processed Fruits & Vegetables-The markets remain relatively steady. Larger acreage and reduced costs could lead to lower canned vegetable prices later this year. Prices FOB per case from ARA.

	Price	Last Week	Difference	Price 09
Apples, sliced- can 6/10	22.417	22.417	-	20.750
Corn, Fcy whl kern- can 6/10	17.406	17.406	-	18.000
Green Beans Fcy- can 6/10	17.056	17.056	-	17.625
Green Peas, Fcy- can 6/10	18.250	18.250	-	18.875
Corn, Cob- froz 96 ct.	14.500	14.500	-	14.500
Corn, Kernel- froz 12/2.5#	18.750	18.750	-	18.750
Green Beans Cut- froz 12/2#	15.300	15.300	-	15.300
Green Peas- froz 12/2.5#	18.750	18.750	-	18.750
Potatoes, FF Fncy- froz 6/5#	12.750	12.750	-	12.750

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Poultry-Chicken production in recent weeks has continued to track modestly above year ago levels. Recent broiler egg set numbers suggest that chicken output may remain above 2009 levels into the spring. The six week moving average for broiler egg sets is .2% larger than last year. Still, chicken wing and leg quarter prices may weaken in the coming weeks which would be detrimental to chicken producer margins. We wouldn't be surprised to see chicken producers curb output later this year if the Russian embargo on US chicken continues. The chicken breast markets are fairly steady. History suggests that higher chicken breast prices may be impending. Still, if chicken output builds it may temper any breast market increases. Prices USDA, FOB per pound except when noted.

<u>Chicken</u>	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
Whole Birds (2.5-3 lb.-GA)	.833	.833	-	.870
Whole Birds (LA)	.920	.920	-	.950
Wings (whole)	1.735	1.755	-.020	1.490
Wings (jumbo, cut)	1.683	1.773	-.090	1.597
Breast, Bone In	.840	.835	+.005	.775
Breast, Bnless Skinless	1.560	1.545	+.015	1.405
Tenderloin (random)	1.290	1.290	-	1.510
Tenderloin (sized)	1.860	1.980	-.120	2.250
Legs (whole)	.465	.524	-.059	.545
Leg Quarters	.380	.380	-	.345
Thighs, bone in	.525	.527	-.002	.593
Thighs, boneless	.944	.963	-.019	1.157

<u>Eggs and Others</u>	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
Large (dozen)	1.313	1.313	-	1.164
Medium (dozen)	.995	1.000	-.005	.918
Whole Eggs- Liquid	.480	.473	+.007	.395
Egg Whites- Liquid	.410	.454	-.044	.297
Egg Yolks- Liquid	.664	.664	-	.710
Whole Turkeys (8-16 lb.)	.745	.778	-.033	.715
Turkey Breast, Bnls/Sknls	1.452	1.450	+.002	1.345

Are you executing futures contracts or managing contracts associated with the futures markets? We can help- ARA Trading 888-423-4411.

Seafood-December US shrimp import data was delayed this week due to the snow storms in the east. Expectations are for US shrimp imports to trend modestly below year ago levels in the coming months due to depressed US prices and a relatively deflated US dollar. Eventually, this could be bullish for the shrimp markets. In the interim, appealing shrimp prices are likely to endure. Snow crab leg prices are modestly higher. Prices for fresh product, unless noted, per pound from Fisheries Market News.

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
Salmon (wh. Atl., 10-12 lb.)	3.250	3.250	-	2.700
Catfish Filets	3.500	3.500	-	3.350
Trout (drn. 8-14 oz.)	3.000	3.000	-	2.900
Shrimp (16/20), Frz	4.761	4.554	+.207	5.556
Shrimp (61/70), Frz.	2.450	2.484	-.034	2.875
Shrimp, Tiger (26/30), Frz.	4.000	4.100	-.100	4.063
Snow Crab, Legs 5-8 oz, Frz	3.625	3.550	+.075	4.075
Snow Crab, Legs 8 oz/ up, Frz	4.075	4.050	+.025	N/A
Cod Tails, 3-7 oz., Frz.	2.983	2.983	-	3.513
Cod Loins, 3-12 oz., Frz	3.525	3.525	-	4.217
Salmon Portions, 4-8 oz, Frz	5.378	5.378	-	5.006
Pollack, Alaska, Deep Skin	2.075	2.075	-	N/A

Energy & Currency-Currency US dollar is worth.

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
Crude Oil, barrel- nymex	73.750	77.230	-3.480	37.550
Natural Gas, mbtu- nymex	5.290	5.454	-.164	4.543
Heating Oil, gal- nymex	1.937	2.032	-.095	1.304
Electricity, mwht- nymex	56.000	54.150	+1.850	54.420
Gasoline, gal- nymex	1.929	2.018	-.089	1.244
Diesel Fuel, gal- eia	2.781	2.781	-	2.219
Ethanol, gal- usda	1.720	1.730	-.010	1.465
Canadian \$	1.067	1.060	+.007	1.224
Japanese Yen	89.680	90.550	-.870	91.301
Mexican Peso	13.128	12.883	+.245	14.220
Euro	.727	.718	+.009	.771
Brazilian Real	1.857	1.844	+.013	2.252
Chinese Yuan	6.827	6.827	-	6.833

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

<u>Wood Pulp/ Plastic Resin</u>	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
WP; NBSK (napkin, towel)	870.360	842.610	+27.750	660.000
WP; 42 lb. Linerboard (corr.)	595.027	599.520	-4.493	680.000
Res; PS-CHH (cup, cont.)	.840-.880	.840-.880	-	.690-.730
Res; PP-HIGP (hvy utensil)	.930-.950	.930-.950	-	.580-.600
Res; PE-LLD (cn liner, film)	.740-.770	.740-.770	-	.530-.560

New Restaurant Openings- www.FoodserviceReport.com, 1-800-850-9574.

Produce-Tomato supplies from Florida continue to decline due to the freeze earlier this winter. Florida tomato shipments last week were 65% smaller than the same week a year ago. Fortunately, Mexican tomato shipments have been fairly adequate which has kept overall tomato prices in check. That being said, we're not confident that Mexican supplies can carry tomato demand until the Florida harvest is expected to improve late next month. Higher tomato prices may be forthcoming. Potato prices are trading at some of their lowest levels in years. Engaging potato prices are likely to persist. Prices USDA FOB shipping point unless noted (terminal).

	<u>Price</u>	<u>Last Week</u>	<u>Difference</u>	<u>Price 09</u>
Limes (150 ct.)	21.000	19.000	+2.000	10.500
Lemons (95 ct.)	17.040	17.040	-	11.490
Lemons (200 ct.)	22.280	22.280	-	15.490
Honeydew (6 ct.)	9.750	9.250	+.500	10.500
Cantaloupe (15 ct.)	13.000	11.125	+1.875	10.500
Blueberries (12 count)	20.667	21.000	-.333	14.000
Strwbriies (12 pnts.)	22.500	27.000	-4.500	16.400
Avocds (Hass 48 ct.)	24.000	24.000	-	24.250
Bananas (40 lb.)- Term.	16.281	15.813	+.468	19.667
Pineapple (7 ct.)- Term.	12.667	14.084	-1.417	12.959
Idaho Potato (60 ct., 50 lb.)	4.750	5.000	-.250	10.375
Idaho Potato (70 ct., 50 lb.)	4.750	5.000	-.250	10.438
Idaho Potato (70 ct.)-Term.	9.966	11.339	-1.373	16.519
Idaho Potato (90 ct., 50 lb.)	4.750	5.000	-.250	10.000
Idaho Pot. # 2 (6 oz., 100 lb.)	6.000	6.500	-.500	11.500
Processing Potato (cwt.)	4.500	4.500	-	5.500
Yellow Onions (50 lb.)	7.875	8.188	-.313	7.500
Yell Onions (50 lb.)-Term.	11.584	11.875	-.291	10.813
Red Onions (25 lb.)- Term.	8.813	9.042	-.229	8.584
White Onions (50 lb.)- Term.	28.875	27.438	+1.437	17.094
Tomatoes (large- case)	16.450	13.950	+2.500	8.200
Tomatoes (5x6-25 lb.)-Term	15.667	14.153	+1.514	10.146
Tomatoes (4x5 vine ripe)	7.450	8.475	-1.025	5.560
Roma Tomatoes (large- case)	8.260	7.777	+.483	7.165
Roma Tomatoes (xlarge-cs)	8.594	8.110	+.484	7.665
Green Peppers (large- case)	18.775	17.900	+.875	14.275
Red Peppers (large 15lb. cs.)	12.950	10.950	+2.000	8.950
Iceberg Lettuce (24 count)	6.053	5.940	+.113	7.000
Iceberg Lettuce (24)-Term.	11.333	14.167	-2.834	11.064
Leaf Lettuce (24 count)	5.960	5.853	+.107	6.734
Romaine Lettuce (24 cnt.)	5.852	5.855	-.003	7.809
Mesculin Mix (3 lb.)-Term.	6.344	6.281	+.063	6.719
Broccoli (14 ct.)	5.575	5.494	+.081	7.117
Squash (1/2 bushel)	27.600	27.600	-	13.675
Zucchini (1/2 bushel)	10.425	8.425	+2.000	7.925
Green Beans (bushel)	30.950	32.950	-2.000	24.438
Spinach, Flat 24's	8.050	8.950	-.900	9.825
Mushrms (10 lb, lg.)-Term.	12.360	11.443	+.917	14.604
Cucumbers (bushel)	13.170	11.370	+1.800	21.170
Pickles (200-300 ct.)- Term.	22.875	23.396	-.521	28.156
Asparagus (small)	14.500	14.000	+.500	11.500
Freight (Truck; CA-Cty Av.)	3925.000	3845.000	+80.000	3690.000

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

	<u>Dec-09</u>	<u>Nov-09</u>	<u>Oct-09</u>	<u>Sep-09</u>
Beef and Veal	-.517	+1.151	-.533	-.363
Dairy	+.516	-.740	+1.038	+.505
Pork	-.578	-1.994	+1.343	-.748
Chicken	-.286	+1.234	-.794	-1.082
Fresh Fish and Seafood	-.739	+1.660	-2.878	+1.138
Fresh Fruits and Veg.	+.322	+1.082	+1.113	+.042

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