Pork Merchandiser's **Profit Maximizer**

- Foodservice Edition

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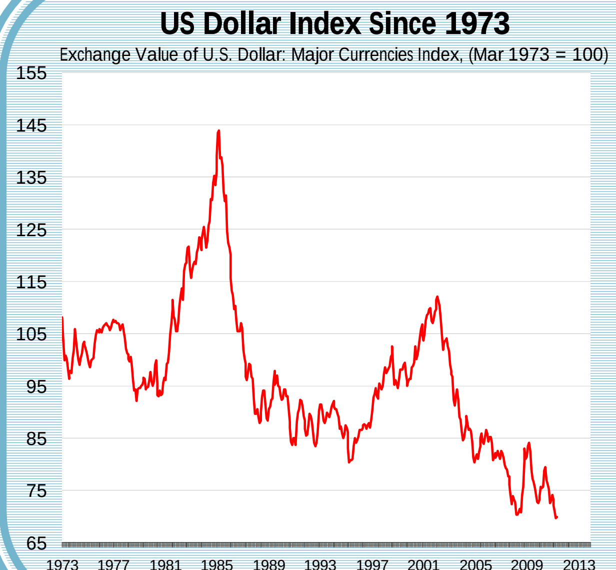
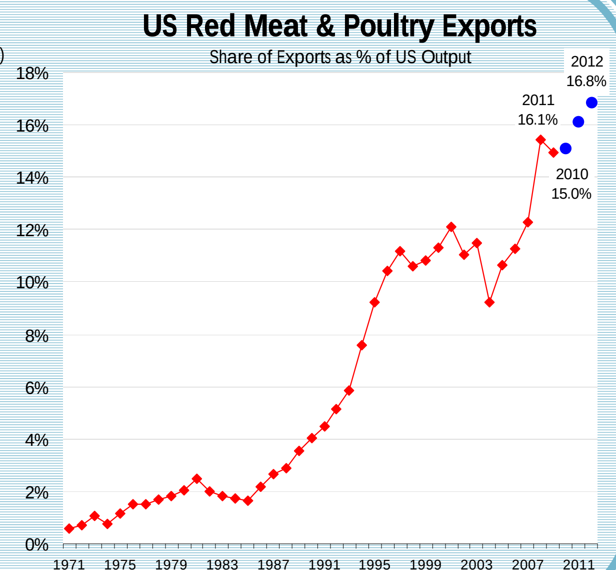
NEWS THIS WEEK!

1. The "full faith and credit of the US Government"

All the talk in Washington last week focused on the possibility of a technical US default and the impact this will have on the US economy, long term interest rates and the outlook for US government spending. It is interesting to note, however, that while equity markets were pressured all week by the default speculation, livestock futures held up quite well. The nearby August hog futures contract traded on Friday at $102.775/cwt., just shy of their all-time record high of last April. Nearby live cattle and feeder cattle futures jumped 100 and 125 points,





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respectively. All the talk of possible default on US debt remains long term bearish for the US dollar. With all its dysfunction, Washington will likely find a way to avoid default. The bigger question, however, is those US debts will continue to grow as a ratio to GDP. One way countries have sought to become more competitive is by devaluing their currency. As a result, we expect the US dollar to continue to slide lower in the next few years. In turn, we see the weakness of the US dollar as boosting demand for US meat protein in developed, and particularly, emerging markets. The two charts on page 1 illustrate this dichotomy. The value of the US currency has plummeted to the lowest level since the US currency completely abandoned the Bretton Woods system (and the implied gold standard peg). The US dollar index vs. major currencies is down some 12% from year ago levels and the situation is even more dramatic when we compare against particular currencies, such as the Australian dollar (-18%). The weak US dollar effectively lowers prices that world buyers pay for US beef, pork, and chicken while at the same time raising prices for meat protein coming into the US (primarily beef). The result is that during the first five months of 2011, combined US red meat and poultry exports were up 19% from a year ago on a volume basis and 25% higher on a value basis. During the same period, the volume of US red meat and poultry imports declined 10%, with beef imports down 15% overall, primarily due to significantly less beef coming from Australia, Canada and Brazil (cooked beef).

What are the implications of a weaker dollar on US domestic supply availability? We expect that exports of red meat and poultry will account for more than 16.1% of overall US output in 2011 and rise to 16.8% of output in 2012. Consequently, per capita US red meat and poultry disappearance this year is expected to be down 1.3% compared to 2010 and in 2012, disappearance will decline another 1.6%. This will help sustain higher meat protein prices in the coming 12-18 months despite somewhat anemic US economic growth.

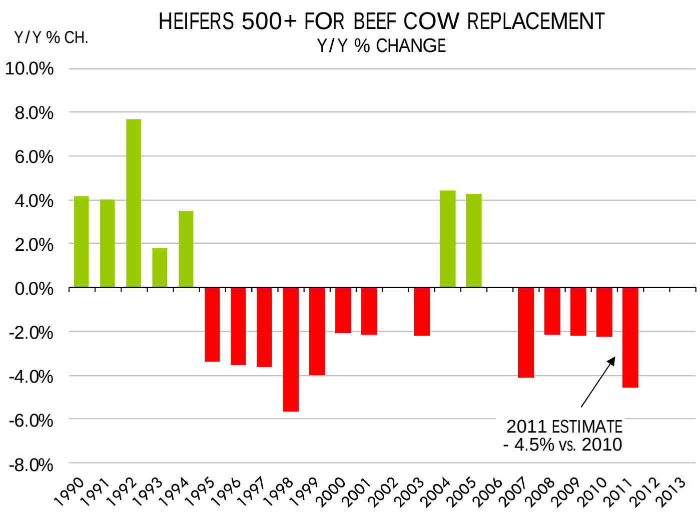
2. Cattle Inventories Continue to Shrink

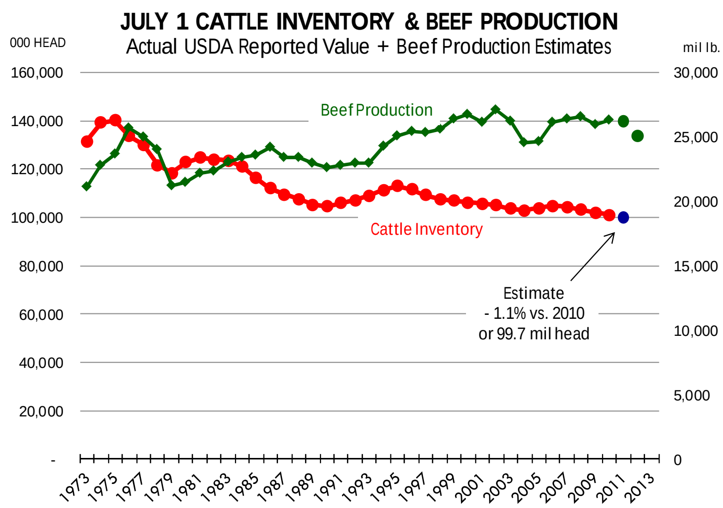
The latest data from USDA showed ever smaller US cattle inventories. Below are the highlights from the July 1 inventory count:

- Total inventory of cattle and calves on July 1 was 100 million head, 1.1 million head smaller than a year ago and 4.8 million head smaller or –4.6% than on July 1, 2006.

- The inventory of beef cows has declined about 300,000 head compared to a year ago and it is 1.8 million head, or –5.6% compared to 2006. Dairy cow inventories, on the other had, were about 50,000 head larger than a year ago and also 50,000 head larger than in 2006. Consider that as the number of cows in the herd has declined, so has the number of calves coming to market. The calf crop in 2011 is pegged at 35.5 million head (this is an estimate), about 184,800 head smaller than a year ago and 1.5 million head smaller than in 2006. The fact that the calf crop did not decline as much as the cow herd (185k for calves vs. 300k for cows) is somewhat puzzling. It may suggest that producers have been much more careful in managing their herds. Also, it may suggest that ongoing cow liquidation means that we currently have a much more productive herd. Finally, one can expect the USDA to revise lower the calf crop when it releases the January 1 inventory count.

- One of the more critical numbers in the cattle inventory report was the number of female calves (heifers) that were held back for beef cow herd rebuilding. High cattle prices this spring gave some hope that producers may start thinking about rebuilding the herd, the first step towards boosting beef production in the US. Unfortunately, the survey indicated that beef supplies will remain tight at least through 2013, and possibly further into the future. Heifers held back for beef cow herd replacement were reported at just 4.2 million head, 200,000 head or 4.5% lower than a year ago and 700,000 head or 14.3% lower than in 2006. Dairy cow herd replacement numbers, on the other hand, were up 150,000 head compared to last year and are 400,000 head larger than in 2006. Milk





prices also have increased sharply in recent months and it appears that producers are responding by boosting the number of dairy animal. Not so for US beef producers who have been hit hard by rising feed costs, drought conditions and escalating land prices.

3. **USDA released on July 22 the results of its monthly survey of refrigerated warehouses, reporting on cold storage stocks at the end of June**. The report showed a notable increase in beef, pork and poultry stocks. Below are some of the highlights:

Pork: The total pork inventory was up 20.3% from a year ago but it declined some 9.4% compared to the previous month. The report could be construed as a modestly bullish report for pork despite the fact that pork stocks are up 20% from a year ago. The pace of stock drawdown in June was larger than in 2010 and 2009, and implies robust pork demand in June. Ham inventories in June were 12% higher than a year ago and 23.3% higher than the previous month. Larger ham inventories should blunt the expected higher prices during Q3. Belly stocks in June were 47.0 million pounds, 33% larger than a year ago but 16% lower than the five year average.

Beef: Beef inventories in June were up 16.1% from a year ago and 2.6% larger than the five year average. Boneless beef stocks are 20.6% higher than a year ago and 2.9% larger than the five year average.

Poultry: The cold storage report offered some bearish indications for chicken prices. The industry is still coping with ample stocks of chicken breasts. Stocks for breast meat in June were 155.1 million pounds, 47.4% higher than a year ago and 32.6% higher than the five year average. Leg quarter stocks in June were 14.3% higher than a year ago and some 54.5% higher than the five year average.

Total beef, pork, broiler and turkey inventories at the end of June were 2.191 billion pounds, 11.9% higher than a year ago and 2.9% higher than the five year average.

Upcoming holidays:

2011 Labor Day [US and Canada] (Monday September 5); Rosh Hashanah (Thursday September 29); Yom Kippur (Saturday October 8); Columbus Day (Monday October 10; Canadian Thanksgiving Day (Monday October 10); Daylight Savings Time Ends [US and Canada] (Sunday November 6); Veterans Day (Friday November 11); Remembrance Day [Canada] (Friday November 11); Thanksgiving (Thursday November 24); Hanukkah (Wednesday December 21; Christmas Day (Sunday December 25); Boxing Day [Canada] (Monday December 26).

PORK

NOTE: WE ARE NOW REPORTING AND FORECASTING WEIGHTED AVERGAGE BLUE SHEET PRICES FOR PORK CUTS.

Live hogs. For the week ending July 30 hog slaughter was 1.992 million head, up about 2.15% from the same week a year ago. Slaughter for the last two reported weeks was up 2.38% vs. a year ago.

Iowa/Minnesota, Base Lean Market Hog 185 lbs. Carcass Values. Lean hog carcass values at $101.15/cwt. on Friday were up $6.80 since Wed. July 20. Prices are now about $16.81/cwt. over year ago values. Prices are likely to stay strong in August on heat causing lighter weights and the China business.

21/dn Pork Loins "**Total on FOB Basis**" (page 8). Prices finished last week at $1.4700 for the "Total on FOB Basis" quote, up about 12 cents since the Wed. July 20 quote and about 27 cents higher than year ago levels.

Bnls. Strap on Pork Loins. Prices finished the week at $2.1000 for the strap on loins, up about 21 cents since Wed. July 20 and up about 62 cents from the year ago levels. Strap off loins at $2.1644 are up about 14 cents since Wed. July 20 and up about 58 cents compared to the year ago quote.

Boneless sirloins at $1.5000 are up about 4 cents from the Wed. July 20 quote and up about 25 cents from the year ago price.

Pork tenderloin finished last week at $3.3450 up about one cent since the Wed. July 20 quote and up about 80 cents from the year ago price.

5/10 Pork Butts "Total on FOB Basis" (page 10), prices finished the week at $1.1894 up about 2 cents since Wed. July 20 and up about 17 cents from the year ago levels. US consumer demand for pork butts should continue to be good during the summer cookout season.

4.25/dn Spare Ribs "Total on FOB Basis" (page 8). Prices finished the week at $1.6500 down about one cent since Wed. July 20 but up about 30 cents from year ago levels.

Rib inventories on June 30 were 43.5 million pounds, up 2 percent from a year ago.

Hams "Total on FOB Basis".

The Total on FOB Basis for 17/20 hams (page 9) price was 81.50 cents unchanged since Wed. July 20 but down about 4 cents from a year ago.

20/23 hams finished the week at 89.00 cents for the Total on FOB Basis up about 2 cents since Wed. July 20 and up about 7 cents from the year ago level.

23/27 hams finished the week at 89.00 cents for the Total on FOB Basis up about 4 cents from the Wed. July 20 quote and up about 3 cents from the year ago level.

Total ham cold storage stocks on June 30 at 126.5 million pounds were up about 12 percent from year ago levels.

Bellies "Total on FOB Basis". 14/16 bellies (page 9) finished Friday at 150.00 cents, up about 15 cents since the Wed. July 20 quote and up about 15 cents from the year ago quote.

Cold storage stocks on June 30 were 47.0 million pounds, up about 33 percent from year ago levels.

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42 CL Pork Trim "FOB Basis". Prices finished the week at 82.29 cents up about 2 cents since Wed. July 20 and up about 14 cents from the year ago price. Current prices are the highest they have been since about August 2008 when prices hit 90 cents.

72 CL Pork Trim "FOB Basis". Prices finished the week at $0.8800 down about 7 cents since the Wed. July 20 quote and down about 5 cents from the year ago level.

Freezer stocks of all trimmings on June 30 were 43.1 million pounds, up 40% from the year go levels.

72 CL Picnic Meat "FOB Basis" (page 10). Picnics prices at $1.0400 are down about 3 cents from Wed. July 20 but up about 11 cents from the year ago price.

POULTRY

Georgia Dock Broilers. The Georgia dock price on Wednesday July 27 at 87.50 cents was unchanged from a year ago.

The composite market average price was down about 2 cents from the year ago levels at 79.78 on Monday July 25.

Broiler slaughter for the week ending July 30 was estimated at 159.08 million, down about 4.48% from a year ago. For the last two weeks slaughter was down 4.08% vs. a year ago.

Breasts. Prices on boneless skinless breasts finished the week at $1.2404 up about 5 cents since the Wed. July 20 quote but down about 28 cents from the year ago levels.

The broiler industry appears to be in the process of cutting production to match today's poor demand if you look at the egg sets (see page 2C).

Leg Quarters. The value of this item and the timing of price moves are completely dependent on the timing of export purchases and export business, which seems ok at this time. Leg quarter prices are now trading about 6 cents over year ago prices at 45.13.

Wings. Prices at $0.9599 are down about 24 cents from year ago levels. The cure for low prices is low prices.

Turkeys

Hens finished last week at $1.0600 up about one cent since Wed. July 20 and about 9 cents over the year ago price.

Toms finished last week at $1.0600 up about one cent since Wed. July 20 and about 10 cents over the year ago price.

Total turkey supplies in the freezer on June 30 were up one percent from a year ago at 509.9 million pounds. Whole birds were down 3% from year ago with that inventory at 271.4 million pounds.

Turkey slaughter was 4.544 million head for the week ending July 23, down 0.50% from a year ago. For the last two reported weeks slaughter was 0.27% above a year ago.

Boneless Turkey Breast Meat. Boneless skinless turkey breast meat prices finished last week at $2.50, unchanged since Wed. July 20. Prices are up about 3 cents vs. year ago prices.

BEEF

NOTE: WE ARE NOW REPORTING AND FORECASTING WEIGHTED AVERAGE BLUE SHEET PRICES FOR BEEF CUTS.

Choice 112A Heavy Bnls. Lip On Rib Eyes at $5.0049 (weighted average quote) finished last week down about 29 cents since the Wed. July 20 quote and down about 55 cents vs. the year ago price. **Select 112A Heavy Lip On Rib Eyes** prices finished last week at $4.6921 (weighted average quote) down about 39 cents since Wed. July 20 but up about 30 cents from the year ago price. The current spread between Choice and Select heavy ribs shows the Choice Rib Eyes are trading at a premium to the Select by $0.3128 per pound. The 2010 annual average spread (wt. average price) was the Choice at a premium to the Select by $0.5461 per pound and the previous five years (2006 thru 2010) average spread was Choice at a premium to the Select by $0.5833 cents per pound. Prices are low compared to their normal relationship to cattle prices. However, it is difficult to get enough demand to move prices up during the summer until September.

Choice regular #168 insides finished last week quoted at $1.9453 up about 5 cents since Wed. July 20 and up about 36 cents from the year ago price. **Choice ¼ inch trimmed #168 insides** finished last week quoted at $2.0068 almost unchanged since

Wed. July 20 but up about 35 cents from year ago levels.

Choice #170 Gooseneck Rounds finished last week at $1.8905 up about one cent since Wed. July 20 and up about 34 cents from the year ago levels.

Choice #180 (0x1) Bnls. Strip Loins finished last week quoted at $5.0509 (wt. avg.) down about 67 cents from the Wed. July 20 quote. Prices are about 3 cents above year ago levels.

Choice #184 Regular Heavy top butts finished at $3.1611 (wt. avg.) up about 11 cents since Wed. July 20 and up about 92 cents from year ago levels.

Choice #184 ¼ inch trimmed Top Butts finished at $3.4015 (wt. avg.) up about 17 cents since Wed. July 20 and up about #1.02 from the year ago levels.

Choice #185A Flap Meat prices finished Friday at $4.1998 (wt. avg.) down about 2 cents since Wed. July 20 but up about 84 cents/lb. from year ago values.

COARSE GROUND BEEF - 73CL Coarse Ground product finished last week at $1.3273 down about 8 cents since Wed. July 20 but up about 12 cents from year ago levels. Current prices are $0.0279 per pound UNDER the price of a 73CL meat block formulated from 90CL and 50CL trim. A year ago the margin was NEGATIVE $0.0523 per pound and the five years average for August is a positive $0.0074 per pound over. **81CL Coarse Ground** product finished last week at $1.4815 down about one cent since Wed. July 20 but up about 10 cents from the year ago quote. Currently 81CL Coarse Ground is trading for $0.0789 per pound UNDER a meat block made up of 90CL and 50CL trim. A year ago the spread was $0.0633 UNDER and the five year average spread for August is a negative margin of $0.0012.

MANUFACTURING BEEF AND TRIM –

Domestic cow meat supplies are now above year ago levels. The drought conditions in the Texas area keep getting worse. For the last four reported weeks the **total cow slaughter** rate (the last week being the week ending July 16) was 6.00% above a year ago. We basically think that most of the fall cows are or already have come to market and that once we get to the fall the number of cows coming to slaughter will decline.

Imported beef supplies from Australia are limited even though they have increasing a bit after being down very sharply due to weather issues in Australia and better demand for Australian product from non-USA countries. New Zealand's heavy slaughter season is over until October/November. Uruguay continues to find better markets for its beef and is shipping insignificant amounts to the USA.

The currency market continues to discourage shipments to the USA. The Australian dollar finished last week at US$1.0931/Australian dollar.

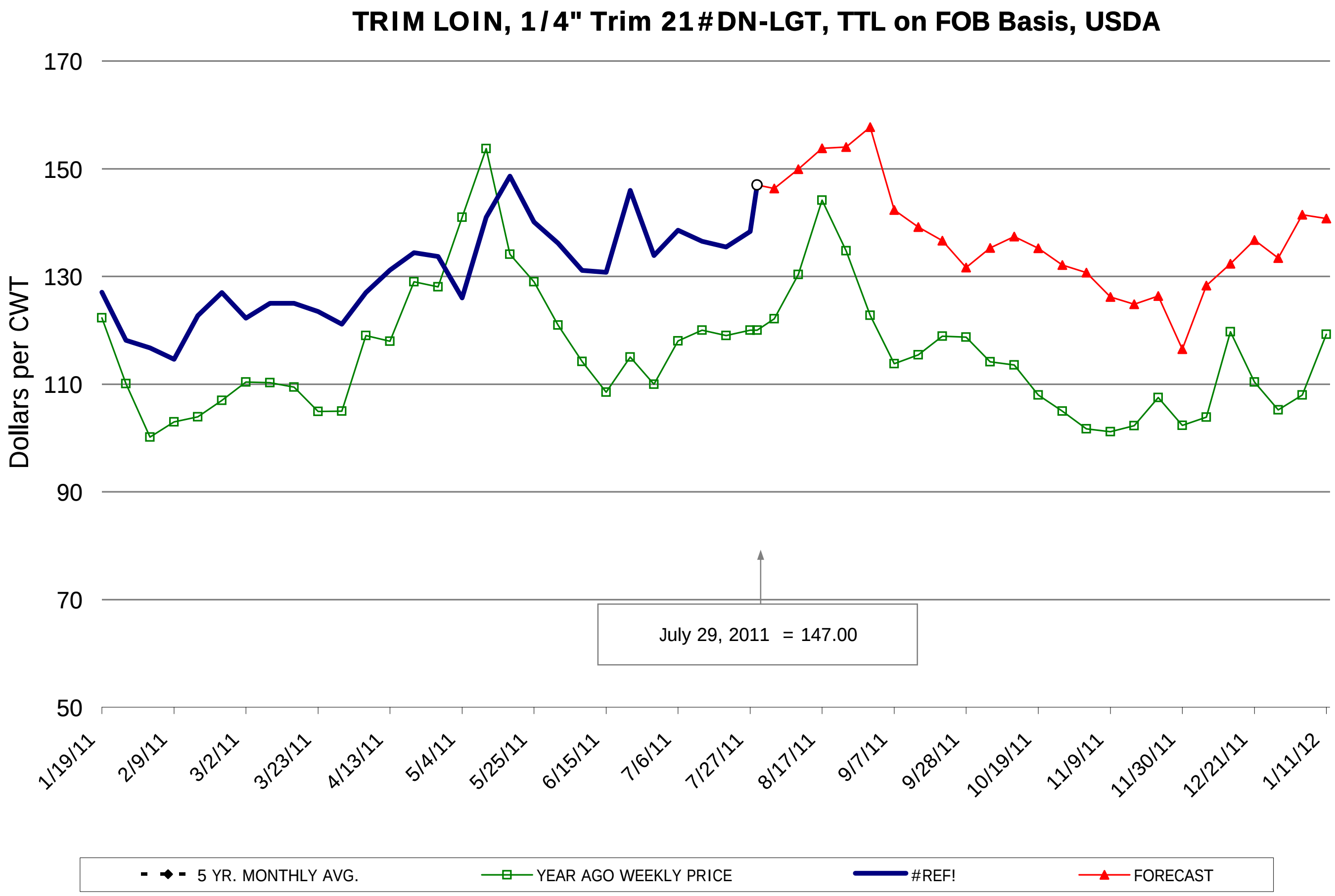
90CL Bnls. Beef prices finished the week at $1.7913 (wt. avg.) down about 3 cents since Wed. July 20 but about 14 cents over the year ago price quote. We expect prices to be higher in August, but some of the hot weather is going to need to break for that to happen. Farmers liquidated their beef and dairy cows in 2010, but we had expected that that liquidation will stop during the second half of 2011. The expanding draught conditions could make us wrong but we think in the end the cows for slaughter will slow up before the end of 2011. We expect significantly less cows slaughtered during the second half of 2011 vs. 2010. Fewer cows in the kill should mean higher prices.

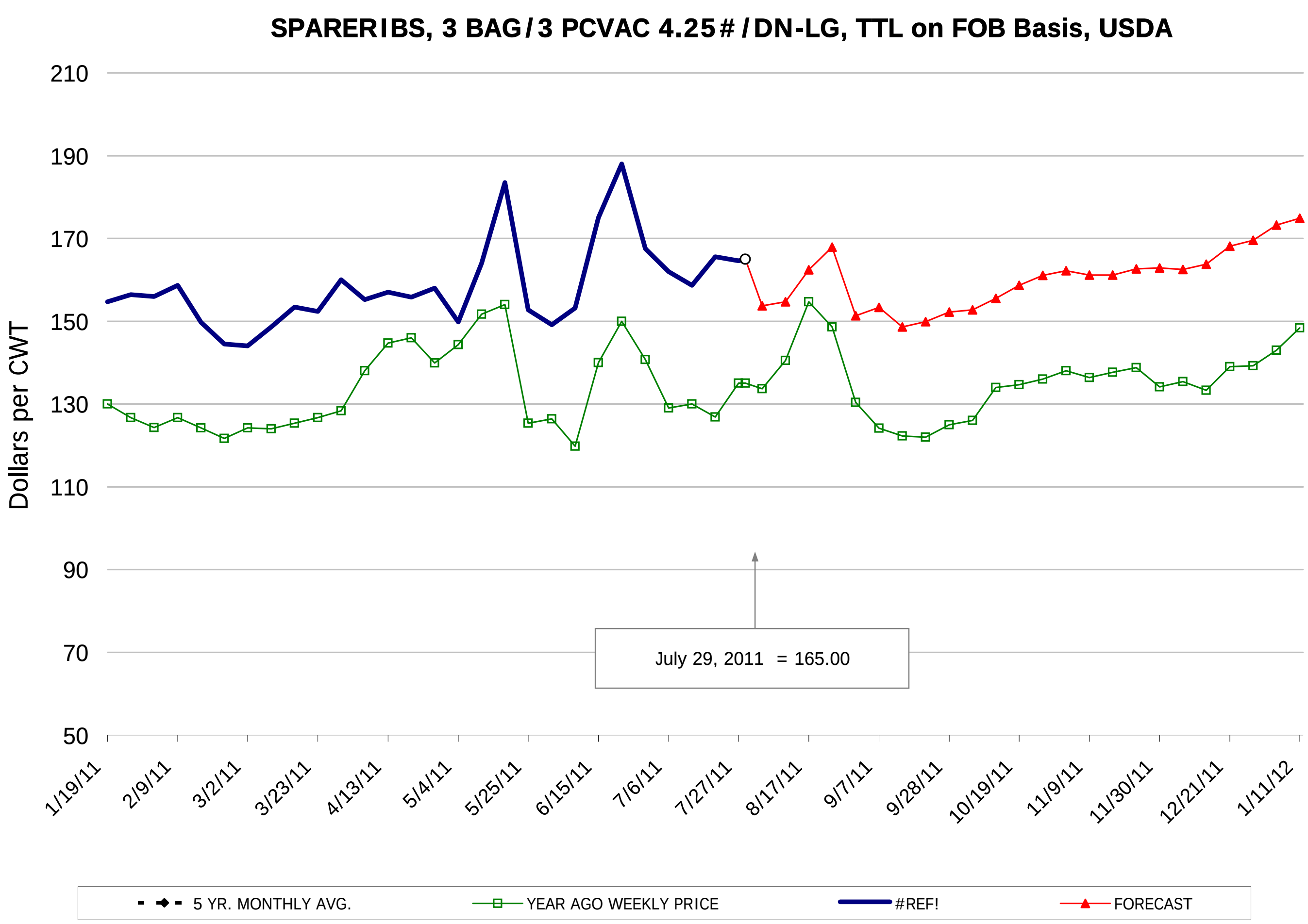
50 CL Beef Trim prices finished last week at $0.7651 on Friday down about one cent per lb. (wt. avg.) since Wed. July 20 but about 4 cents over the year ago level. Expect prices to be higher in August.

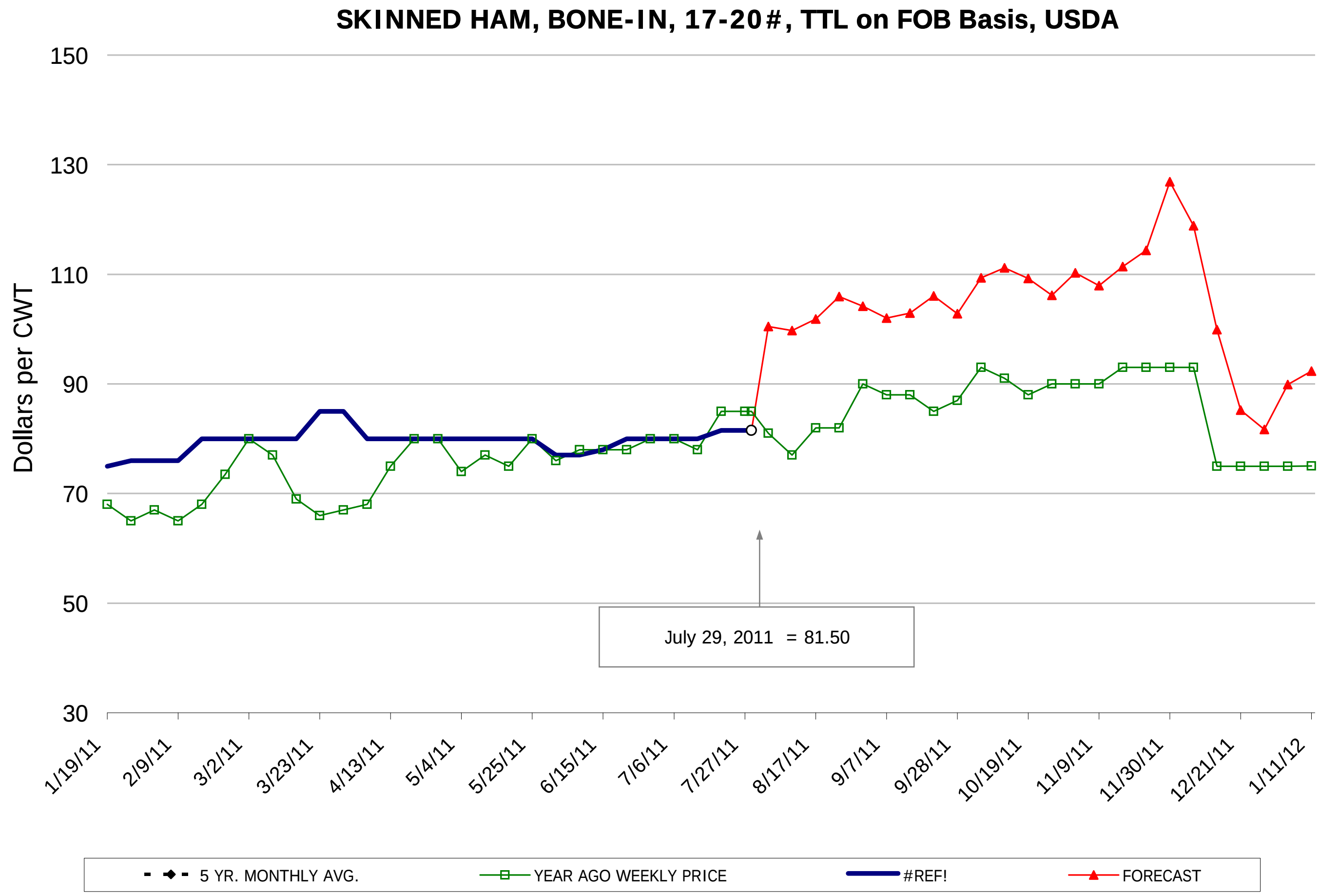
Food Service Summary Table - WT. AVE

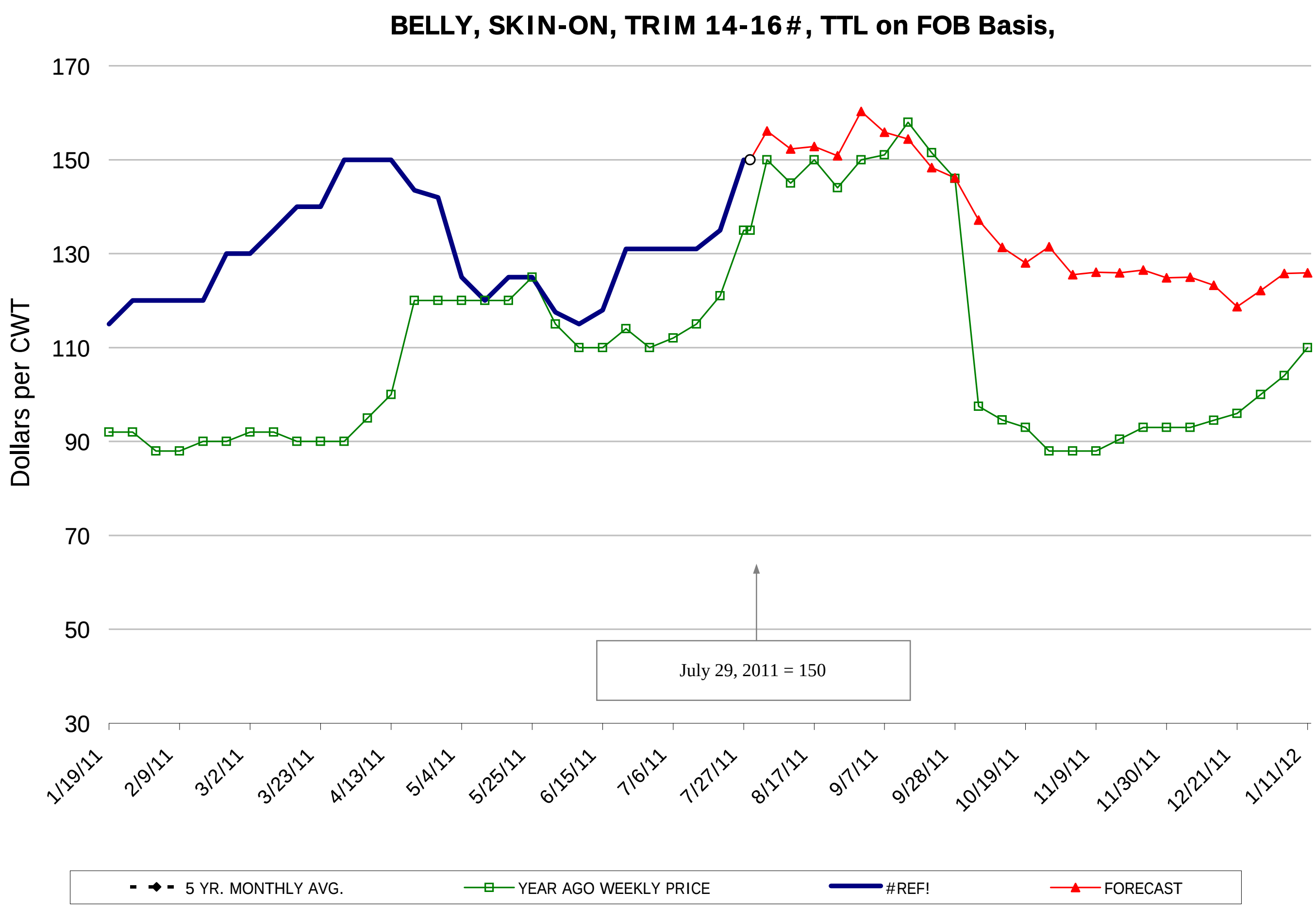
	2011 History								2011 FORECAST						
	Feb	Mar	Apr	May	Jun	Jul	7/20/2011	7/29/2011	8/10/2011	Aug	Sep	Oct	Nov	Dec	Jan
PORK															
TRIM LOIN, 1/4" Trim 21#DN-LGT, TTL on FOB Basis, USDA	1.20	1.23	1.32	1.39	1.36	1.37	1.35	1.47	1.50	1.51	1.39	1.35	1.27	1.30	1.42
TRIM LOIN, 1/8" TRM/less 21#DN-LGT, TTL on FOB Basis, USD/	1.30	1.34	1.44	1.54	1.54	1.55	1.55	1.58	1.67	1.68	1.54	1.53	1.49	1.53	1.64
LOINS, CNTRCUT, BNLS STRAP-OFF 5-11#, USDA	1.75	1.80	1.88	1.84	1.84	1.98	2.02	2.16	2.27	2.25	2.02	2.00	2.03	2.09	2.30
PORK TENDERLOIN 1.25/DN#,	2.56	2.58	2.70	2.90	3.07	3.27	3.33	3.35	3.30	3.30	2.97	2.86	2.87	2.91	3.02
TRIMMED BUTT, 1/4" TRM 5-10#, TTL on FOB Basis, USDA	1.26	1.17	1.19	1.15	1.16	1.18	1.17	1.19	1.28	1.29	1.25	1.23	1.21	1.27	1.26
SPARERIBS, 3 BAG/3 PCVAC 4.25#/DN-LG, TTL on FOB Basis, U	1.52	1.52	1.57	1.62	1.67	1.63	1.66	1.65	1.55	1.58	1.51	1.57	1.62	1.66	1.76
ST LOUIS STYLE RIBS 2 1/4 DN	2.52	2.52	2.57	2.62	2.67	2.63	2.66	2.65	2.55	2.58	2.51	2.57	2.62	2.66	2.76
SPARERIBS, 2 BAG/3 PCVAC 4.25#/UP-M, USDA	1.47	1.45	1.51	1.58	1.61	1.60	1.64	1.61	1.52	1.55	1.47	1.52	1.57	1.59	1.68
LOIN BACKRIB (BOXED), FRSH/FRZN, 1.75-2.00, USDA	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.69	2.66	2.65	2.74	2.94	2.79	2.79
LOIN BACKRIB (BOXED), FRSH/FRZN, 2.00/UP, USDA	2.51	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04	2.04
SKINNED HAM, BONE-IN, 17-20#, TTL on FOB Basis, USDA	0.78	0.82	0.80	0.80	0.78	0.81	0.82	0.82	1.00	1.02	1.04	1.09	1.11	1.00	0.93
SKINNED HAM, BONE-IN, 20-23#, TTL on FOB Basis, USDA	0.78	0.82	0.77	0.79	0.77	0.85	0.87	0.89	0.99	1.02	1.00	1.03	1.05	0.92	0.91
SKINNED HAM, BONE-IN, 23-27#, TTL on FOB Basis, USDA	0.78	0.80	0.77	0.80	0.77	0.85	0.85	0.89	0.99	1.02	1.00	0.95	0.97	0.89	0.90
SELECT, BNLS 5 MUSCLE HAMS 94-96%, TTL on FOB Basis, USD/	1.19	1.31	1.20	1.20	1.26	1.28	1.28	1.28	1.55	1.58	1.55	1.51	1.61	1.49	1.41
BELLY, SKIN-ON, TRIM 12-14#, TTL on FOB Basis,	1.21	1.39	1.47	1.23	1.22	1.36	1.35	1.45	1.49	1.50	1.50	1.29	1.23	1.19	1.24
BELLY, SKIN-ON, TRIM 14-16#, TTL on FOB Basis,	1.23	1.39	1.46	1.24	1.23	1.37	1.35	1.50	1.52	1.53	1.53	1.32	1.26	1.22	1.27
BELLY, SKIN-ON, TRIM 16-18#, TTL on FOB Basis,	1.23	1.39	1.47	1.25	1.22	1.36	1.31	1.50	1.47	1.50	1.50	1.29	1.23	1.19	1.24
42CL PORK TRIM, FRESH, COMBO, USDA	0.46	0.56	0.54	0.59	0.58	0.78	0.80	0.82	0.77	0.72	0.61	0.53	0.43	0.41	0.53
72CL PORK TRIM, FRESH, COMBO, USDA	0.86	0.85	0.84	0.85	0.86	0.95	0.95	0.88	1.11	1.08	0.98	0.94	1.00	1.00	1.05
HOG CARCASS															
250-270# HOGS, US 1-3, INTERIOR IOWA DIRECT HOG MARKET	0.81	0.83	0.91	0.90	0.95	0.96	0.94	1.01	1.00	1.02	0.97	0.93	0.89	0.89	0.91
BROILERS															
12 CITY BROILER COMPOSITE WEIGHTED AVG.	0.75	0.82	0.82	0.83	0.82	0.80	0.80	0.80	0.82	0.82	0.83	0.83	0.83	0.85	0.86
N.E. BROILER BREAST BONELESS-SKINLESS, USDA	1.20	1.34	1.36	1.31	1.25	1.21	1.19	1.24	1.34	1.35	1.39	1.25	1.20	1.28	1.37
N.E. BROILER BREAST LINE RUN, USDA	0.77	0.88	0.91	0.87	0.84	0.81	0.80	0.80	0.86	0.84	0.85	0.80	0.79	0.82	0.87
N.E. BROILER LEG QUARTERS, USDA	0.37	0.43	0.48	0.49	0.47	0.44	0.44	0.45	0.47	0.46	0.45	0.42	0.40	0.43	0.44
N.E. BROILER WINGS, USDA	0.97	0.86	0.83	0.82	0.90	0.96	0.96	0.96	1.00	0.98	1.12	1.18	1.17	1.24	1.35
TURKEYS															
HEN TURKEYS, EAST, FROZEN 10-12LBS,	0.93	0.95	0.98	1.02	1.05	1.05	1.05	1.06	1.08	1.08	1.12	1.16	1.16	1.05	0.95
UB BONELESS-SKINLESS TURKEY BREAST, TOM, FRESH,	2.23	2.28	2.50	2.50	2.50	2.50	2.50	2.50	2.65	2.65	3.05	2.69	2.45	2.40	2.20
LIVE STEERS															
FIVE AREA DIRECT AVERAGE LIVE STEER, USDA	1.06	1.14	1.21	1.12	1.08	1.12	1.11	1.08	1.13	1.13	1.18	1.19	1.20	1.22	1.22
BEEF															
CHOICE, 112A, 3 RIBEYE, BONELESS, HEAVY, USDA	4.81	5.19	5.82	5.46	5.33	5.39	5.29	5.00	5.25	5.25	5.48	5.98	7.00	6.93	6.08
CHOICE, 168, 3 TOP INSIDE ROUND, 1/4" MAX, USDA	1.92	2.19	2.14	2.05	1.99	2.03	2.01	2.01	2.16	2.13	2.23	2.21	2.19	2.28	2.44
CHOICE, 170, 1 BOTTOM GOOSENECK ROUND, USDA	1.92	2.03	1.99	1.92	1.88	1.90	1.88	1.89	1.96	1.97	2.10	2.21	2.21	2.09	2.22
CHOICE, 180, 3 STRIP LOIN, BONELESS, 0x1, USDA	4.29	5.09	5.97	5.17	5.20	5.50	5.72	5.05	5.02	5.01	4.96	4.67	4.75	4.87	5.17
CHOICE, 184, 3 TOP BUTT, BONELESS, USDA	2.58	2.76	2.80	2.41	2.46	3.16	3.23	3.40	3.34	3.33	3.12	2.97	2.86	2.96	3.20
CHOICE, 185A, 4 BOTTOM SIRLOIN, FLAP, USDA	3.23	3.82	3.68	3.60	3.90	4.20	4.22	4.20	4.00	3.98	3.37	3.34	3.39	3.49	3.70
COARSE GROUND 73%, USDA	1.69	1.60	1.77	1.72	1.63	1.46	1.40	1.33	1.60	1.60	1.60	1.60	1.64	1.60	1.86
COARSE GROUND 81%, USDA	1.97	1.88	1.94	1.89	1.82	1.62	1.49	1.48	1.72	1.74	1.74	1.73	1.79	1.76	2.08
90% BONELESS BEEF, CENTRAL, FRESH, USDA	1.97	1.97	2.03	1.99	1.90	1.83	1.82	1.79	1.86	1.85	1.85	1.85	1.87	1.98	2.15
50CL BEEF TRIM, FRESH, OMAHA BASIS, USDA	0.77	0.98	1.02	1.08	0.96	0.81	0.78	0.77	0.87	0.82	0.77	0.81	0.91	0.91	0.97

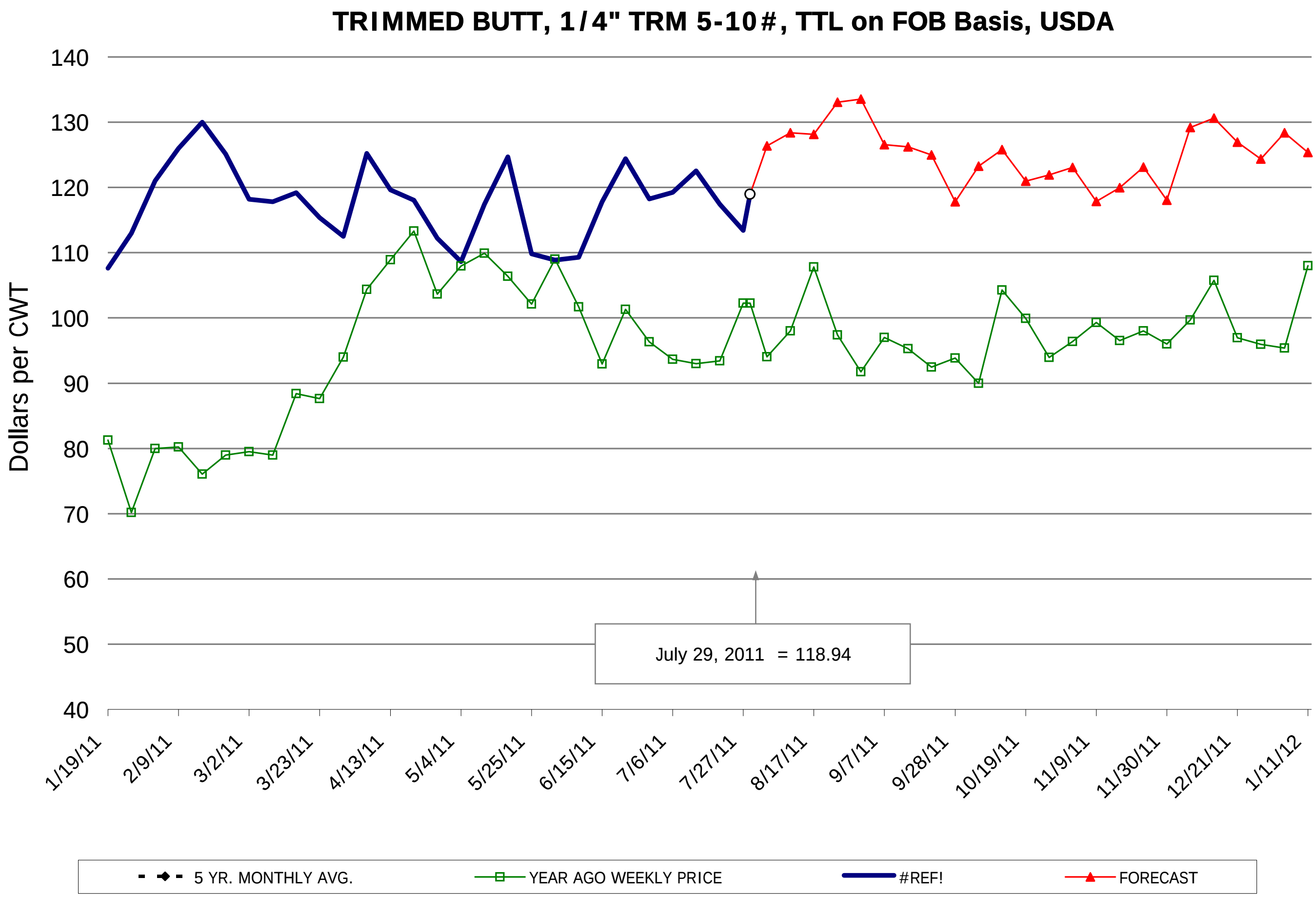
*St. Louis 2 1/4 dn rib prices are estimated at 3 1/2 dn plus $1.10


TRIM LOIN, 1/4" Trim 21#DN-LGT, TTL on FOB Basis, USDA
Dollars per CWT
170
150
130
110
90
70
50
July 29, 2011 = 147.00
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST

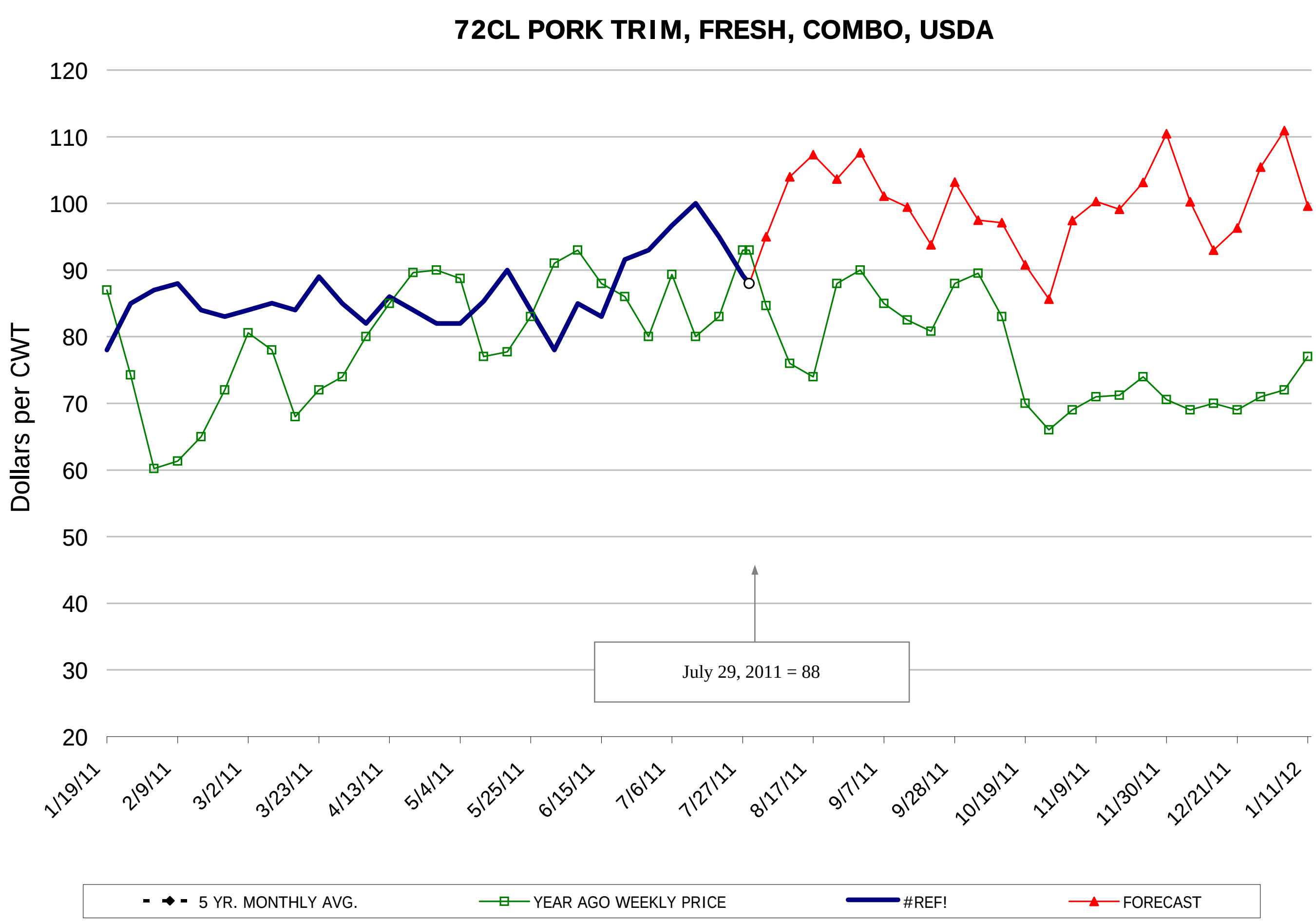

SPARERIBS, 3 BAG/3 PCVAC 4.25#/DN-LG, TTL on FOB Basis, USDA
Dollars per CWT
210
190
170
150
130
110
90
70
50
July 29, 2011 = 165.00
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST


SKINNED HAM, BONE-IN, 17-20#, TTL on FOB Basis, USDA
Dollars per CWT
150
130
110
90
70
50
30
July 29, 2011 = 81.50
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST

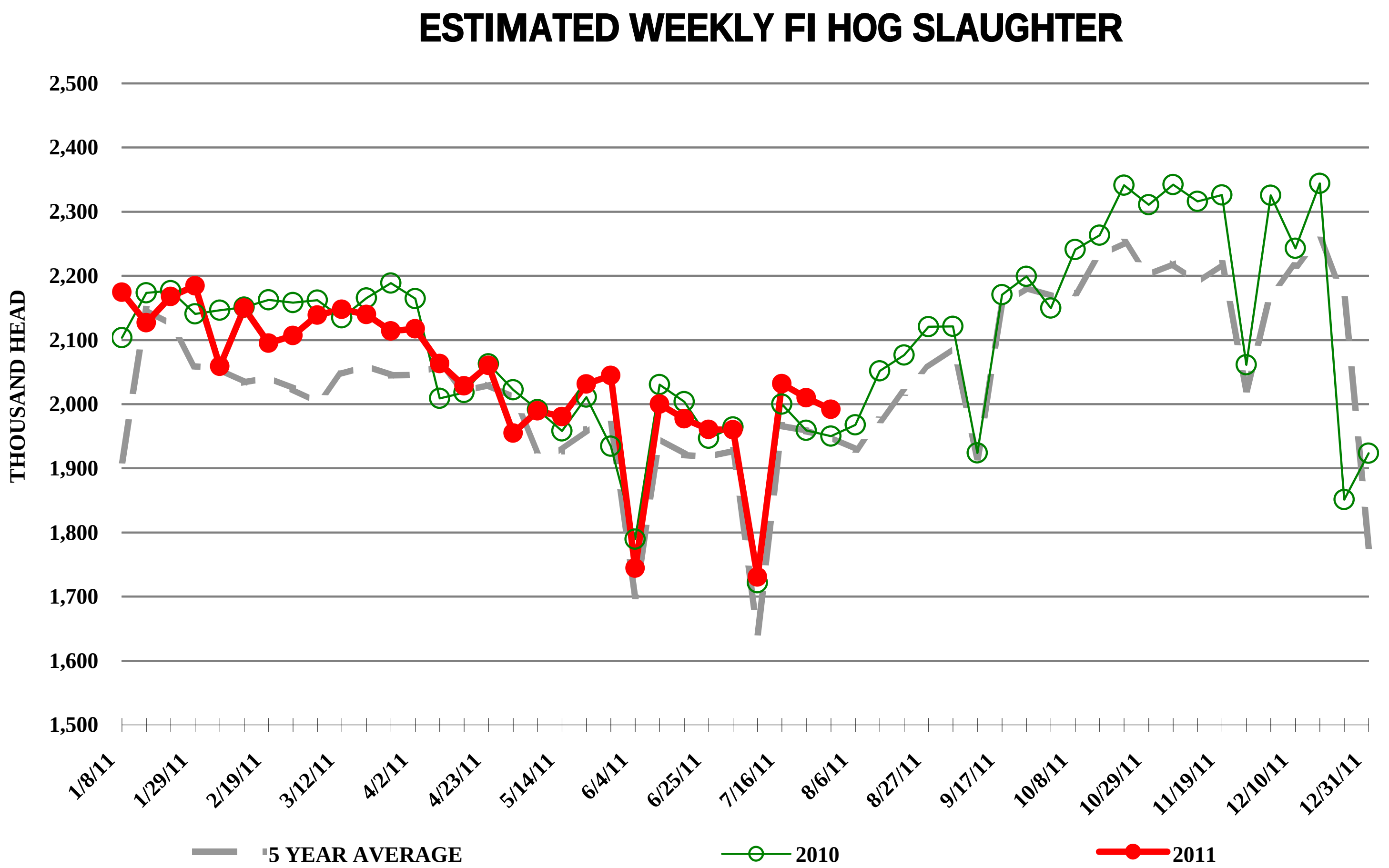

BELLY, SKIN-ON, TRIM 14-16#, TTL on FOB Basis,
Dollars per CWT
170
150
130
110
90
70
50
30
July 29, 2011 = 150
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST



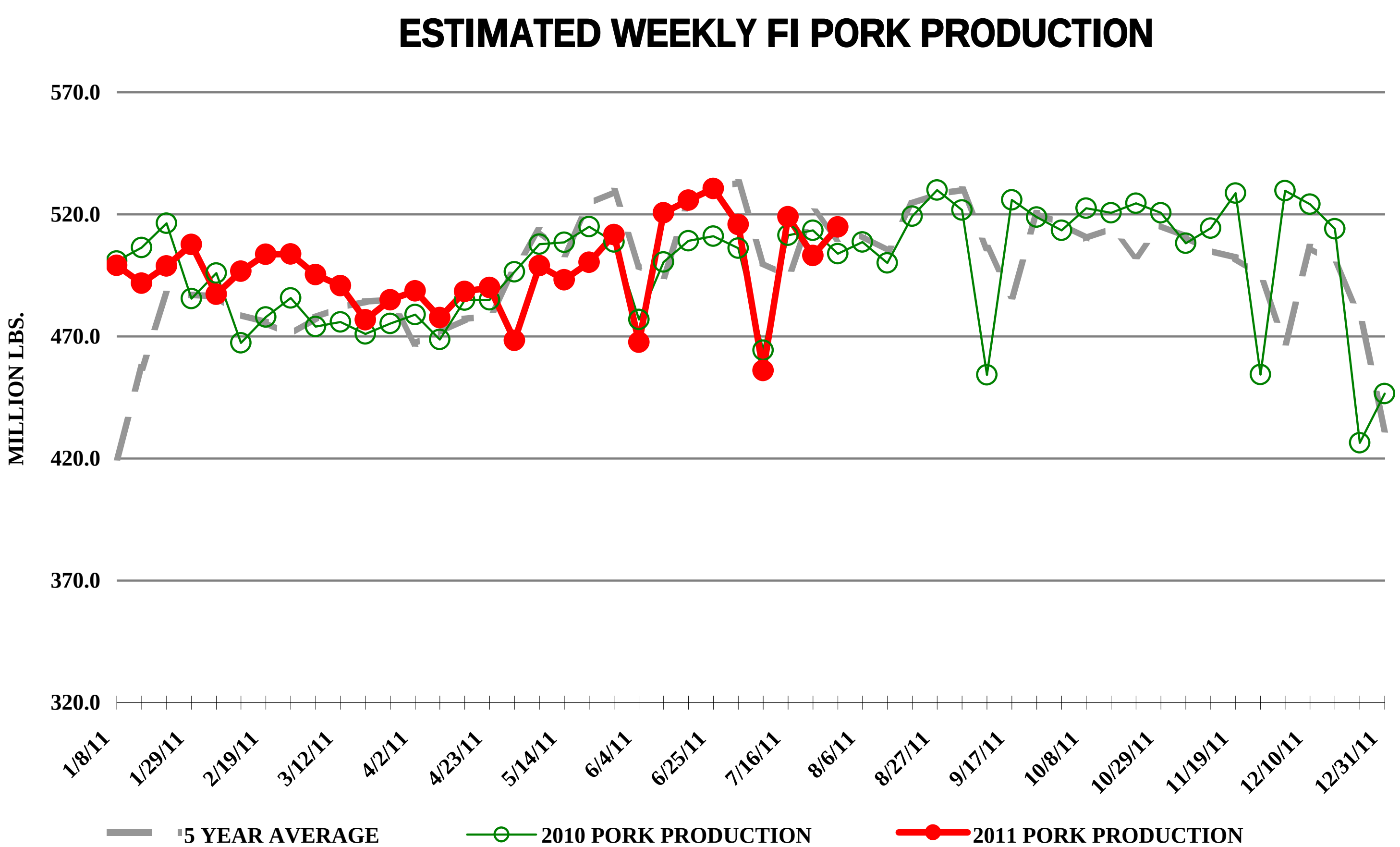
TRIMMED BUTT, 1/4" TRM 5-10#, TTL on FOB Basis, USDA
Dollars per CWT
140
130
120
110
100
90
80
70
60
50
40
July 29, 2011 = 118.94
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST



72CL PORK TRIM, FRESH, COMBO, USDA
Dollars per CWT
120
110
100
90
80
70
60
50
40
30
20
July 29, 2011 = 88
1/19/11
2/9/11
3/2/11
3/23/11
4/13/11
5/4/11
5/25/11
6/15/11
7/6/11
7/27/11
8/17/11
9/7/11
9/28/11
10/19/11
11/9/11
11/30/11
12/21/11
1/11/12
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
#REF!
FORECAST



ESTIMATED WEEKLY FI HOG SLAUGHTER
THOUSAND HEAD
2,500
2,400
2,300
2,200
2,100
2,000
1,900
1,800
1,700
1,600
1,500
1/8/11
1/29/11
2/19/11
3/12/11
4/2/11
4/23/11
5/14/11
6/4/11
6/25/11
7/16/11
8/6/11
8/27/11
9/17/11
10/8/11
10/29/11
11/19/11
12/10/11
12/31/11
5 YEAR AVERAGE
2010
2011



ESTIMATED WEEKLY FI PORK PRODUCTION
MILLION LBS.
570.0
520.0
470.0
420.0
370.0
320.0
1/8/11
1/29/11
2/19/11
3/12/11
4/2/11
4/23/11
5/14/11
6/4/11
6/25/11
7/16/11
8/6/11
8/27/11
9/17/11
10/8/11
10/29/11
11/19/11
12/10/11
12/31/11
5 YEAR AVERAGE
2010 PORK PRODUCTION
2011 PORK PRODUCTION