

The Indicator

QUARTERLY FORECAST REPORT

July, August, September 2011



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Executive Summary

The Indicator Forecast Report is a quarterly publication that takes a look at market trends and the “whys” behind market activity for the most recent quarter. The report provides an overall perspective of commodity markets.

Inflation

- Recent weakening of the euro has helped reduce U.S. exports.
- High commodity input costs continue to pressure retail food prices.
- The Consumer Price Index (CPI), a retail-based price index for all food, is expected to be 3 to 4% over calendar year 2011.

Beef

- The declining U.S. dollar continues to drive beef exports.
- **Entegra** - Cargill ground and roast beef prices are expected to trend lower in future months driven by short term production increases.

Beverages

- Concerns over crop output are driving frozen orange prices to three year highs.
- Coca Cola, the world's largest soft-drink maker, announced a 3 to 4% price increase in the second half of 2011 for bottle and can products.

Dairy

- U.S. milk production declined 10% driven by the heat wave which gripped much of the country in mid-July.
- Overall dairy prices will be firm in the near future trending downward toward the end of 2011.
- **Entegra** - Cheese prices increased in July 2011 but are expected to trend lower through the remainder of 2011.

Grains / Ingredients

- Wheat prices are expected to decline as Russia has ended an export ban on grains.
- Corn supplies are low mainly driven by the varying weather conditions experienced during planting and the early part of the growing season.
- **Entegra** - Producer's Rice Mill prices have remained flat but could rise in the fourth quarter of 2011.

Oils

- Soy oil prices are significantly higher than last year but are expected to trend slightly lower as supply improves.
- **Entegra** - Ventura prices are 25% higher than last year; prices are performing better than the market and are expected to trend lower than the markets.

Pork

- Consumer demand for pork is dropping driven by higher prices.
- Pork production is increasing for the short-term; this will help drive pork prices lower late in 2011.
- **Entegra** - Farmland bacon prices are expected to trend higher in the fourth quarter of 2011.

Poultry

- Chicken prices have been kept lower by increased production, but increased feed costs and decreasing consumer demand will reduce production in future periods driving prices higher.
- Turkey meat prices increased 4.4% in July 2011 driven by high feed costs. Prices will be firm to slightly higher for the rest of 2011.
- **Entegra** - Koch Foods and Jennie-O prices are expected to increase in the fourth quarter of 2011.

Produce

- Shortages and low quality of product could be experienced due to the recent heat wave across much of the U.S.
- **Entegra** - McCain prices are forecast to increase 3.2% in September 2011 driven by increased consumer demand.

Seafood

- Salmon prices have fallen and are expected to continue to fall slightly or remain firm depending on supply from Chile.
- **Entegra** - Tuna prices have increased 12% in June 2011 driven by world supply shortages which are a result of Japan's earthquake and tsunami.

Metals

- The U.S. aluminum market has stabilized leading to a 3.48% drop in pricing since the first quarter of 2011.
- Pricing for aluminum smallwares imported from China is anticipated to increase 5 to 8% during the next six months driven by raw material costs.
- The Chinese stainless steel market has stabilized and remains flat compared to the first quarter of 2011.

Pulp and Resin

- Market prices for PP (polypropylene) are trending lower driven by lower oil prices as well a reduction in U.S. exports.
- A limited supply of raw materials is pushing Bleached and Un-Bleached Recovered Fiber market prices upwards.

Labor

- The U.S. unemployment rate increased again in June 2011 to 9.2%.
- Temporary help services employment remains flat through Q2 2011.

Linen

- Cotton prices have declined significantly in the second quarter of 2011 driven by lesser demand for cotton yarn.

Inflation Report



The Indicator Forecast Report

July, August, September 2011

Table of Contents

Executive Summary Pg 1
Inflation Report Pg 2

Food Category Reports:

Beef Pg 3
Beverage Pg 4
Dairy Pg 5
Grains & Ingredients Pg 6
Pork Pg 7
Poultry Pg 8
Seafood Pg 9
Oil Pg 10
Produce Pg 10

Services & Supplies Reports:

Pulp & Resin Pg 11
Metals Pg 12
Linen Pg 13
Labor Pg 13

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Market Price Trends	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011
	(-) 12 months	(-) 6 months	Last Month
General Inflation	↑	↑	↑
PPI – Food	↑	↑	↑
CPI – Food	↑	↑	↑

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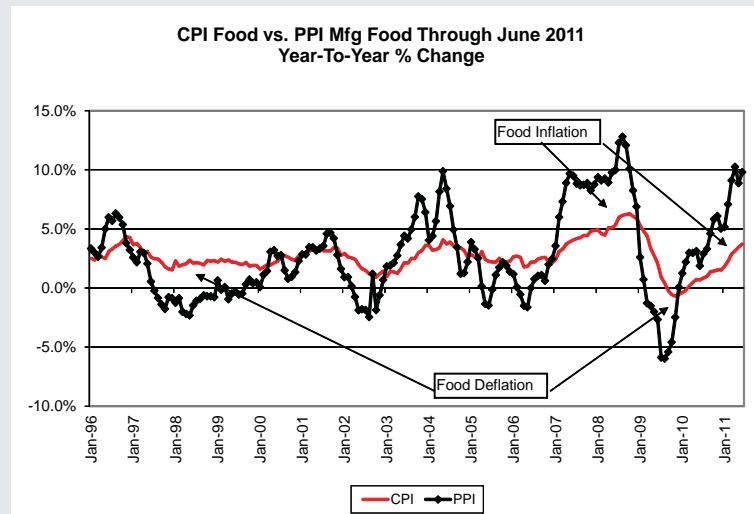
In July 2011, the euro fell against the U.S. dollar after a number of European banks were downgraded by Moody's Investors Service. (Moody's is a credit rating agency and a lower credit rating can impact investing behavior.) If this trend continues, U.S. exports of food products to European countries will be less attractive to manufacturers because U.S. products will be more expensive compared to products of other countries. This could help increase the U.S. food supply which could potentially provide some relief to the high levels of food inflation that U.S. consumers have been experiencing in 2011.

Retail food prices continue to be pressured by higher commodity input costs. The primary driver over the past year has been the dramatically higher corn prices. As corn prices increase, farmers delegate more acreage to corn crops at the expense of wheat and soybean acreage. The result is higher prices for all feed crops. According to the Financial Times, General Mills has recently spoken out against ethanol subsidies stating that they are driving food inflation. Biofuels and ethanol today consume 40% of the U.S. corn crops. Some companies are making the case that this percentage is too high and needs to decrease to ensure adequate corn crops are available for feed.

The Consumer Price Index (CPI) is expected to increase 3 to 4% in calendar year 2011 according to the U.S. Government as of June 24, 2011. CPI is a retail based price index for all food. Every category, with the exception of fresh fruits, is forecast to be higher in 2011 compared to 2010. In June 2011, CPI – Food, a specific index measured by the U.S. Government, was 3.7% higher than last year.

The Producers Price Index (PPI) Manufactured Food Index, a cost-based index, was a staggering 9.8% higher than last year in March 2011. This index weights all food categories equally and attempts to measure price inputs for the food manufactured in the U.S.

Sources: Bloomberg, Financial Time.com, U.S. Department of Agriculture, Bureau of Labor Statistics



Beef Report

Driven by drought conditions, commercial cow slaughter through June 2011 exceeds last year's levels. While this helps short term pricing, it could reduce future supply, which would drive prices higher in the coming months. Despite the heavy slaughters, cow prices have been firm. One of the primary drivers continues to be the weakened U.S. dollar which continues to drive U.S. beef exports to surpass 2003 record levels. U.S. imports are also lower year-over-year which is having a negative impact on supply.

Supply indicates that 50s and 90s (prime material for ground beef) prices should be under pressure but may drop through the third quarter of 2011. A strong futures market, rising feed costs and high exports are expected to push the pricing of ground beef higher in the fourth quarter of 2011. While the price of ground beef is high, it is less expensive than other cuts of beef. **Entegra's ground beef prices through Cargill are expected to remain firm through the summer with a slight reduction in price expected in September 2011. Additional price increases could be on the horizon as early as the fourth quarter of 2011 as supply continues to be an issue.**

According to the U.S. Department of Agriculture (USDA) the U.S. cattle herd is the smallest since the 1950's. Continued liquidation has taken place in the cow/calf regions of Texas and Oklahoma due

Market Price Trends

Beef Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(-) 12 months	(-) 6 months	Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Ground Beef (90/50 combined)	↑	↑	↓	↓	↑	↑
Roast Beef (168)	↑	↑	↑	↑	↑	↑
Composite Beef Cutout	↑	↑	→	↑	→	↑

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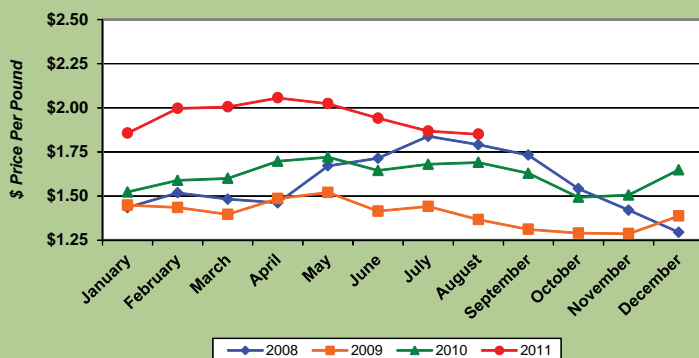
to continued drought. The weak economy and high food prices have caused people to shift to what have historically been "cheaper" cuts, boosting the value of the end cuts (roast beef). **Entegra's roast beef prices through Cargill are expected**

to be flat through August 2011 with a forecasted price decrease in September. Seasonal trends should keep prices flat through 2011.

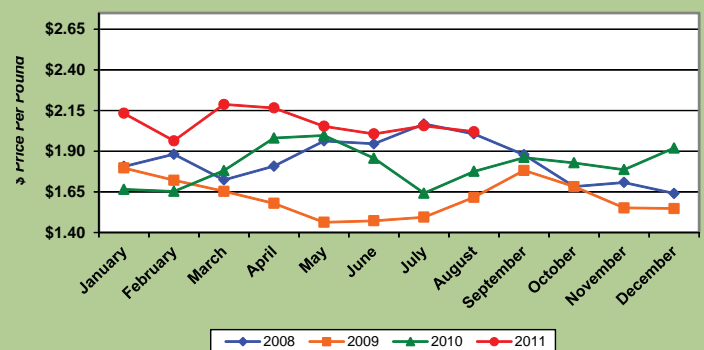
Sources: USDA/AMS, Cargill



USDA Beef Trimmings, National, FOB Plant, Fresh 90%



USDA 168 1 Round, Top Inside Round Select



Beverage Report

In July 2011, Coca-Cola, the world's largest soft-drink maker, announced a 3 to 4% price increase in the second half of 2011 for bottle and can products. This followed a previous 2% increase earlier in the year. The Atlanta-based company cited higher costs for raw materials, including fruit, metal and oil used to make plastic packaging. Orange juice, which is used in Coca-Cola's Minute Maid beverages, was up 37% in the past year through July 2011 as inventories declined.

Coca Cola's Minute Maid pricing extended to entegra has increased an average of 12% through June 2011 from a year ago. Tropicana's entegra prices increased an average of 2.5% in July 2011 from May 2011.

World demand for coffee continues to grow at a 1 to 2% rate. This trend will continue to cause tight supplies through the remainder of 2011, particularly with quality beans. The coffee markets have experienced corrections of approximately \$.50 cents from the all-time high prices of over \$3.00 per bag. This market correction is due mainly to the 2012 - 2013 Brazilian crop estimated to be higher than originally forecasted at 63 million bags. Higher coffee prices are beginning to drive consumer demand lower for the product. It is expected that coffee prices will be between \$2.40 and \$2.80 per bag through the third quarter of 2011.

Market Price Trends

Beverage Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(-) 12 months	(-) 6 months	Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Coffee	↑	↑	↓	↓	↓	↓
Cocoa	→	→	↓	↑	↑	↑
Frozen Orange Juice	↑	↑	↑	↑	↑	↑

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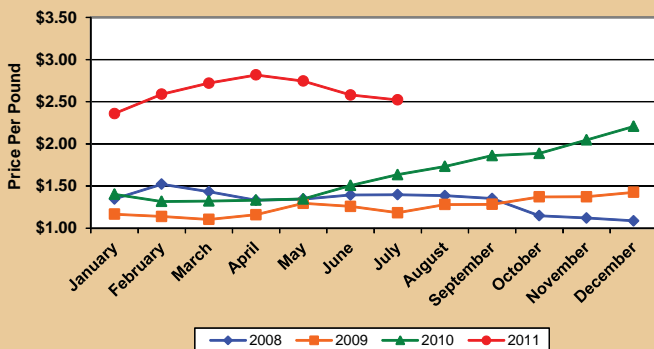
Entegra's Kraft and Royal Cup coffee pricing took a small decrease in July 2011 and prices are expected to continue to trend lower in the third quarter of 2011 through September. Entegra's Starbuck's coffee pricing increased 6% in July 2011 and an increase is expected in August as well. Starbuck's prices should then hold flat to possibly fall through the end of 2011.

Frozen orange prices are at three year highs. This is driven by concerns over crop output due to the December 2010 freezes and current dry conditions in Florida as well as potential tropical storms. The entire "old crop" of apple concentrate was sold out and the new crop is coming in at a much higher price with a poor apple crop out of Europe being a big

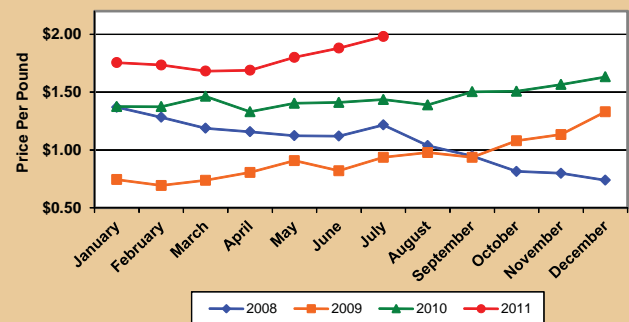
contributor. A weak U.S. dollar is also contributing to increased prices since a vast majority of apple juice concentrate is purchased from producers in China. **Entegra's Minute Maid and Gregory Packaging apple juice products took a price increase in July 2011 and are significantly higher than last year.**

Sources: Bloomberg, Procurement Leaders, ICE website, Agrimoney.com, Weekly Coffee Update (Sara Lee Foodservice), Coffee Market Report (Kraft Food), New York Board of Trade, Coffee Perspective (Royal Cup Coffee)

Coffee "C" Price, New York Board of Trade



NBOT - Frozen Concentrated Orange Juice (FCOJ)



Dairy Report

The recent U.S. heat wave that gripped the Mid-West and East Coast is expected to have a short-term, negative impact on production reducing the supply in the market. This will keep prices firm through the summer. The USDA reported June 2011 cattle inventory up 1% from last year. The 2011 overall milk production through June was running higher than 2010 driven by higher cow outputs.

With higher feed costs, lower anticipated market prices and lower herds, it is anticipated that U.S. milk production will be lower in 2012. The drop in 2012 production is expected to be offset by higher outputs from cows and lower U.S. exports of dairy products.

Milk prices are forecast to hold firm through the end of summer. Coupled with increased supply and reduced exports, milk prices are expected to decline through the end of 2011 into 2012. **Entegra's milk prices through regional dairies move with market prices are expected to decline through the end of 2011.**

Cheese prices are expected to hold firm through the end of summer driven by

very tight supply and demand markets. Additional supply from production and reduced exports are expected to drive cheese prices lower through the end of 2011 into 2012. **Entegra's natural cheese prices through DCI increased 12% in July 2011. August prices are expected to hold flat. Entegra's prices are expected to trend lower through the end of the year.**

Market experts believe butter prices hit their high in June 2011 when they were 30% higher than last year. July 2011 market prices fell 3% and they are expected to decline through the fourth quarter of 2011. There could be pressures on butter prices in the fourth quarter of 2011 as raw materials are

diverted to milk and cheese. **Entegra's butter July 2011 prices through AMPI are flat and however, they are still 17% higher than last year. Prices will trend lower in 2011.**

Despite relatively high market prices, egg production is being closely managed driven by higher feed costs. Egg prices are expected to remain firm through the third quarter of 2011. A relief in pricing is a possibility in the fourth quarter driven by lower consumer demand. **Entegra's processed egg prices increased 3.8% in July but are expected to trend lower in the third quarter of 2011.**

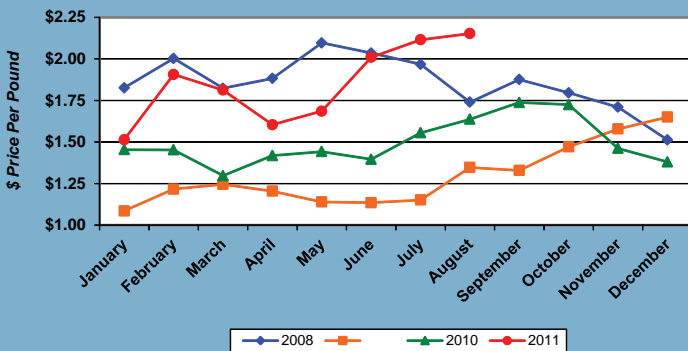
Sources: U.S. Department of Agriculture, Penn State Dairy Outlook, Blimling Report, Dean Dairy Report, Saputo Market Update, Dairyherd.

Market Price Trends

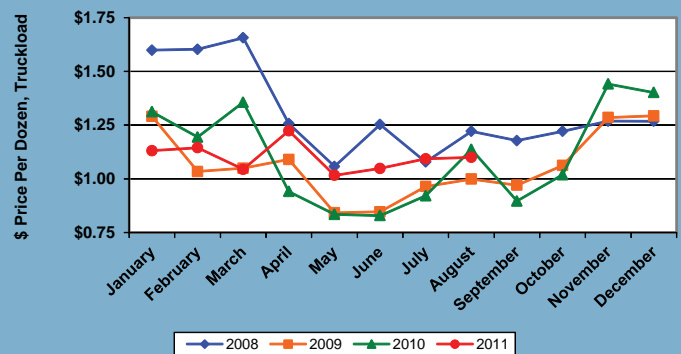
Dairy Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(-) 12 months	(-) 6 months	Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Butter 93 Score	↑	↓	↓	↑	↓	↓
Cheese 40lb Blocks	↑	↑	↑	↓	↓	↓

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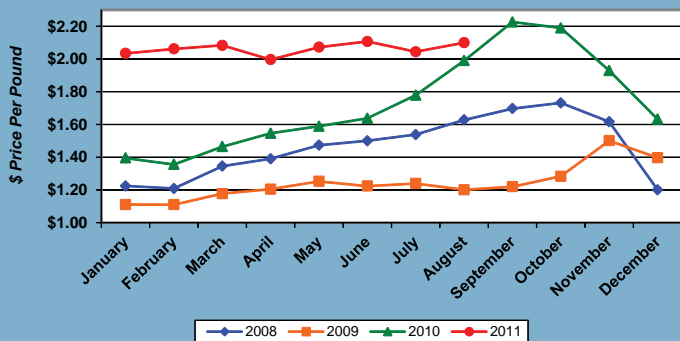
Chicago Mercantile Exchange, Cheese 40 Lb Blocks



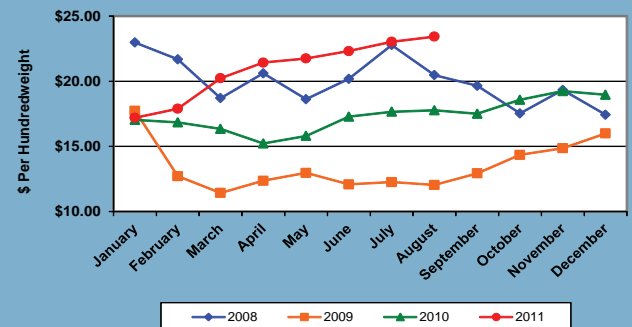
UB Shell Eggs, White Large, Midwest



Chicago Mercantile Exchange, Butter 93 Score (AA)



Class I Milk Price, by Federal Milk Order Marketing Area Central



Grains & Ingredients Report

In addition to the planting delays due to flooding in the Corn Belt, high temperatures are occurring during the reproductive stage for a large portion of the crop, stated University of Illinois Agricultural Economist Darrel Good. The USDA Crop Progress Report noted that 2011 planting acreage was down 8% from the 2010 levels; only 46% of the crop was deemed in good condition and 16% as excellent for the week ending July 24. This report followed excessive temperatures. These numbers are 3% and 7% lower than 2010 levels over the same period. This uncertainty makes it difficult to judge the overall price direction, but it appears there is more production risk than is currently reflected by the corn market thus corn prices will continue to trade in a wide range. The USDA's August 2011 production forecast is highly anticipated because it will establish a benchmark for forming production expectations.

Drought conditions resulted in below average hard red winter wheat production. June 2011 prices were over 50% higher compared to last year. Rabobank International, a leading financial group, forecasts that wheat futures will trend 7% lower through the end of 2011. This pricing decline is expected as Russia has ended an export ban on grains after the worst drought in 50 years which curbed production last year. Thus, importers are expected to turn to less expensive supplies of wheat, cutting exports from the U.S. and Europe and bringing down prices.

International cocoa prices remain very high by historic standards despite the fact that the soon-to-be-ended 2011 season has resulted in a large

Ingredient Commodity Markets	Market Price Trends			Market Prices Are Trending		
	Jul-2011 vs. Jul-2010 (-) 12 months	Jul-2011 vs. Dec-2010 (-) 6 months	Jul-2011 vs. Jun-2011 Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Chicago Soft Red Winter Wheat	↓	↑	↓	↓	↑	↑
Omaha Corn, U.S. 2 Yellow	↓	↓	↑	→	↓	↓
Rice	↑	↑	→	→	↑	↑
NYBOT Sugar 11	↑	↓	↑	↓	↓	↓
Coca (NYMEX)	↓	↓	↓	→	↑	↑

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global surplus. By the end of this season, world stocks will be around 1.64 million tons, enough to cover more than five months demand. The unusually high prices are driven by the prospects of a deficit next season. July 2011 cocoa prices have fallen more than 14% since March 2011 driven by the more stable political condition in The Ivory Coast. **Entegra's Hershey baking chocolate pricing increased 13% in July 2011.**

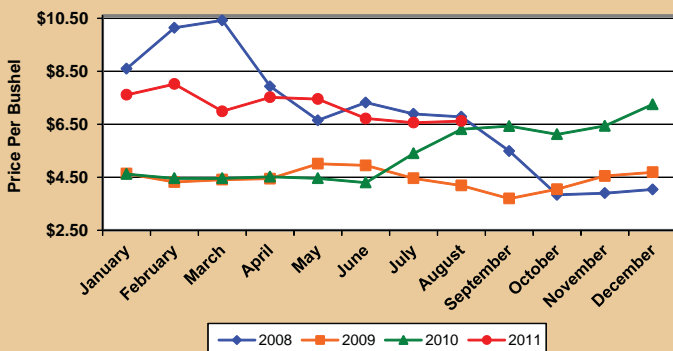
Sugar futures have gained 34% since hitting an eight-month low in May 2011 fueled by news of a poorer than expected harvest from Brazil. Dry weather in Brazil, the world's top sugar cane grower, hurt production as harvest dropped 23% in June 2011 over the same period last year. Also driving prices upwards is the rising demand -- buyers who had postponed purchases expecting a sustained price drop experienced last year are now scrambling for sugar. This should sustain the high prices through October 2011. **Entegra's**

bulk granulated sugar prices through Domino Foods Inc. have been flat throughout 2011.

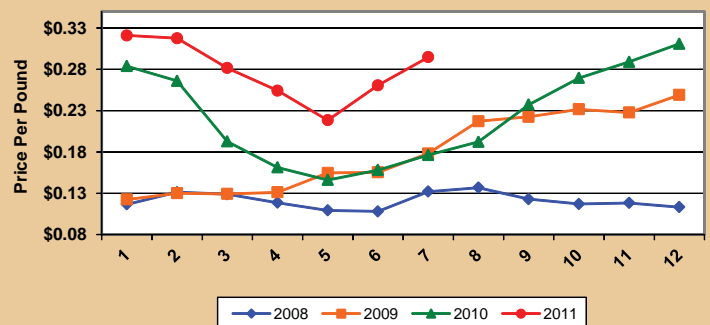
The USDA's 2011/12 rice production forecast was lowered 23% from a year earlier; it was the smallest forecast since 1998/99. On an annual basis, plantings are 26% below a year earlier and the smallest U.S. rice plantings since 1987/88. The substantial year-to-year decline in plantings is the result of both higher expected returns for alternative crops at planting and adverse weather in nearly all southern growing areas early in the season. The tight supplies have put pressure on the market pushing the 2011/12 season-average farm price (SAFP) for U.S. long-grain rice \$.70 in June 2011 compared to the previous month. **Entegra's Producer's Rice Mill prices have remained flat but could rise slightly in the fourth quarter of 2011.**

Sources: Southwest Farm Press, Bloomberg, USDA, World Crops, Article 1- DJ Commodity Index; Article 2- WASDE report; Article 3- Commodity Information Inc.

Chicago Soft Red Winter Wheat



NYBOT Sugar 11



Pork Report

Overall pork supplies are forecast at 2 to 3% above last year levels through the end of summer. Fall harvest levels are forecast near year-ago levels. The recent Mid-West heat slowed animal performance resulting in lighter hog weights. This has tightened hog availability driving pork prices to rally in the near future. Overall product demand on both the domestic and export fronts have been good. The USDA reported that pork stockpiles in the U.S. rose 20% at the end of June 2011 from a year earlier, as higher prices curbed demand. While this is a positive sign for pork prices, these inventory levels are the second lowest since 2005. Wholesale pork prices through June were up 19% from a year ago.

The price of bacon jumped \$.20 in July 2011 and is about 13% higher than last year. This increase is attributed to the higher feed costs pushing farmers to reduce their herds. Corn prices hit a record high of \$8 a bushel in June 2011. In addition to the higher corn prices, growing foreign demand in China and Korea is putting pressure on hog prices. Bacon prices are expected to fall throughout 2011 driven by seasonal buying patterns and a drop in consumer demand.

Market Price Trends

Pork Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(- 12 months)	(- 6 months)	Last Month	October 2011 (+ 3 months)	January 2012 (+ 6 months)	April 2012 (+ 9 months)
Bacon	↑	↑	↑	↓	↓	↓
Ham	↑	↑	↑	↑	↓	↓
General Pork	↑	↑	↑	↓	↓	↓

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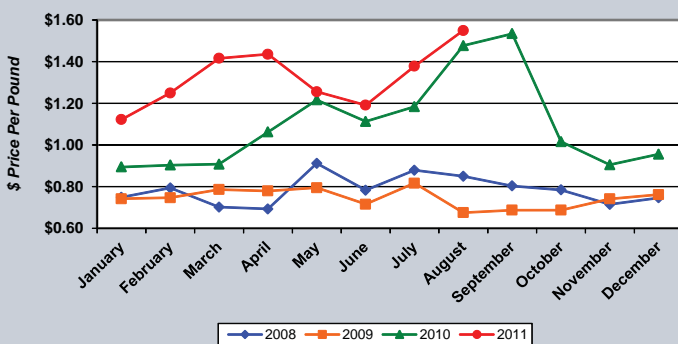
The U.S. Labor Department reported that U.S. supermarket bacon prices surged to a record high in June at \$4.84 per pound, up 20% from a year ago. Prices for bacon and other pork and beef cuts soared this year, reflecting smaller livestock herds, high feed costs and strong exports. For bacon in particular, demand has increased in recent years as restaurant chains are increasingly using the meat as a sandwich topping.

Entegra's Farmland bacon prices experienced a nearly 2% price reduction in July 2011 but are expected to trend higher in August driven by the recent heat wave.

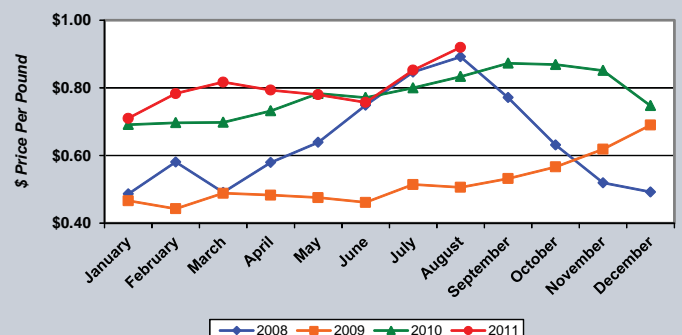
Sources: Bloomberg; Drovers Cattle Network; Farmland



USDA Bellies, Skin-On, Trimmed 14-16#, Total on FOB Basis



USDA Hams, Bone-In 20-23# Trim Spec 1, FOB Basis



Poultry Report

The U.S. poultry industry is continuing to operate in an environment of excessive losses. Weakened consumer demand for boneless / skinless breast meat has helped lower prices in the second quarter of 2011. Producers have reduced production as most are operating at a loss driven by continued high feed costs. These trends of lower consumer demand and high feed costs are expected to drive poultry prices higher through 2012.

According to the USDA, as of June 2011 the number of broiler chicks is sharply lower than the previous year. However, some of the decline in bird numbers is being offset by higher average weights when the birds are sent to slaughter. Broiler meat production over the first five months of 2011 is 4.8% higher than the previous year. The increased productivity pushed wholesale prices down 2.8% during the second quarter of 2011 compared to last year. Inventory levels for poultry products are up 8.3% through June 2011 but are expected to trend lower through the rest of the year. Broiler meat production is expected to fall in the third quarter of 2011 pushing prices higher.

With generally lower stock levels, prices for some leg meat products and wings have been increasing. Prices for leg quarters and thigh meat in June 2011 were both higher than last year. **Entegra's Koch Foods pricing for the overall poultry category has been flat against last year. Driven by underlying chicken markets, entegra is expecting higher chicken prices through the end of 2011 driven by reduced demand.**

Turkey meat production over the first five months of 2011 is 5.4% higher than the same period in 2010. Despite the higher production, cold storage holdings of whole turkeys remain

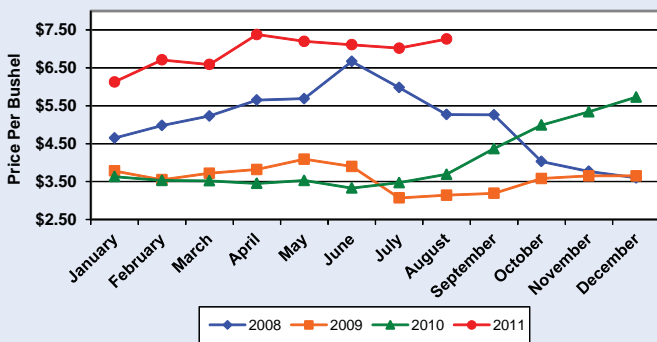
lower driving prices for frozen whole turkeys upwards compared to last year. The largest driver for turkey continues to be feed costs. **Entegra's Jennie-O turkey prices are directly related to corn and soymeal prices. Prices as of July 2011 increased 4.4% over the previous month and are 10% over last year. Prices are expected to increase slightly in the fourth quarter of 2011.**

Sources: Urner Berry / Comtell, USDA, Chicago Board of Trade, Kiplinger Agriculture Letter, Optionetics, Dailyfutures, University of Illinois

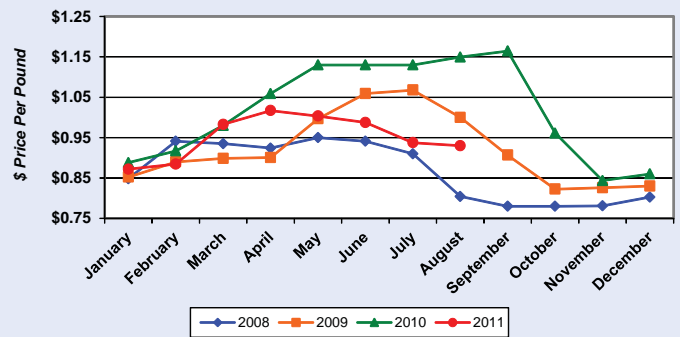
Poultry Commodity Market	Market Price Trends			Market Prices Are Trending		
	Jul-2011 vs. Jul-2010 (-) 12 months	Jul-2011 vs. Dec-2010 (-) 6 months	Jul-2011 vs. Jun-2011 Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Midwest Breasts, 1.25 lb	↓	↑	↓	→	↓	↑
Wings	↓	↓	↑	↑	↑	↑

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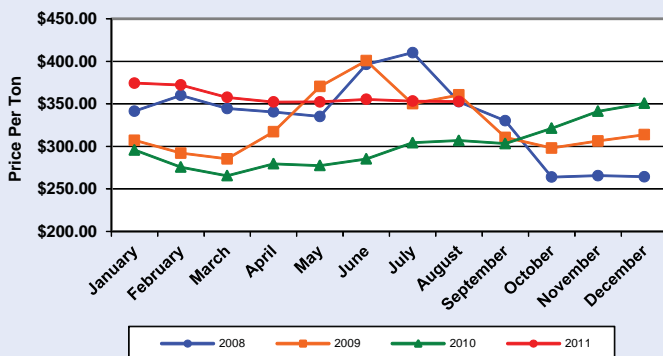
Omaha Corn, U.S. 2 Yellow



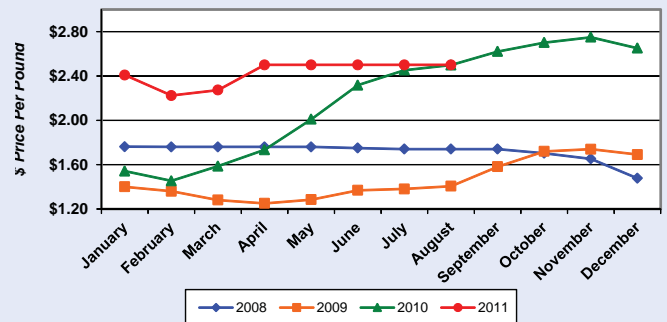
UB MW Breasts, 1.25 lbs & dn



CBOT Soy Meal Continuous Front-Month Futures



UB Turkey Meat - Breast, Tom, Fresh



Seafood Report

Tuna fishing has been poor in all catching areas. The Japanese earthquake / tsunami caused serious damage to fishing ports and vessels. The radiation concerns that followed are crippling summer fishing. The sudden increase in tuna demand from Japan, which usually supplies its own fish, is driving tuna markets upwards. Limited supplies, coming primarily out of Vietnam, Fiji and the Philippines, will maintain pressure on the tuna markets keeping pricing firm into the next quarter and beyond.

Entegra's June 2011 pricing for Tuna through Mitsui Foods rose 12% on average compared to last month. Prices could increase depending on world supplies.

The U.S. shrimp market continues in a relatively quiet mode. Spot inventories remain very low while overseas prices remain high and firm. Farmers and packers are facing inflationary conditions; higher production, fuel, and feed costs. A weakening U.S. dollar is making exports to the U.S. more expensive. Production problems resulting from an unseasonable climate and white spot virus in Vietnam and Indonesia are crippling supply. The earthquake and tsunami have also destroyed many fishing zones and fishing vessels. Suddenly Japan has become the world's leading importer. Market prices for shrimp are expected to remain firm with the growing demand as well as the rising production costs for both wild and farmed shrimp species. **Entegra's shrimp prices held firm in July 2011 but are still**

over 6.1% compared to last year. Prices are expected to remain firm throughout 2011.

Pricing on fresh salmon seems to have stabilized but could fall over time as supply is projected to increase. However, major Chilean salmon producers are starting to worry that the major ramp-up in production has depressed prices to an unattractive level and may hold back some production. Historically, this is a time of year with weak demand on farmed Atlantics, particularly as wild Alaskan salmon is seasonally available. Frozen pricing has started to soften on fillets, but portion prices remain stable, as the Chilean plants have not completely rebuilt their production lines and work force.

Salmon prices through entegra's contract have been firm through the second quarter of 2011 but are 14%

higher than last year. Depending on supply, look for firm to falling prices on salmon.

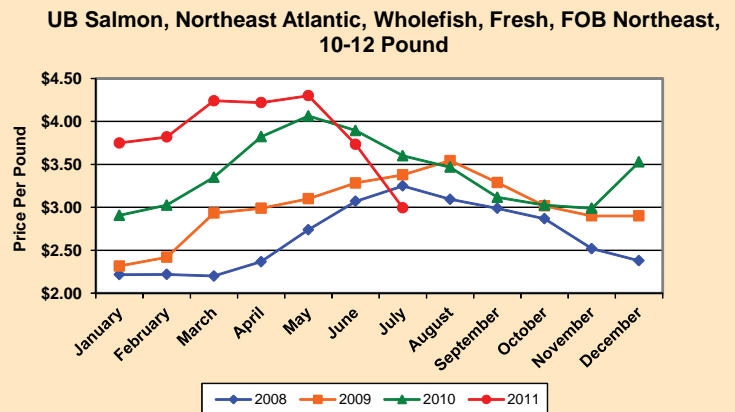
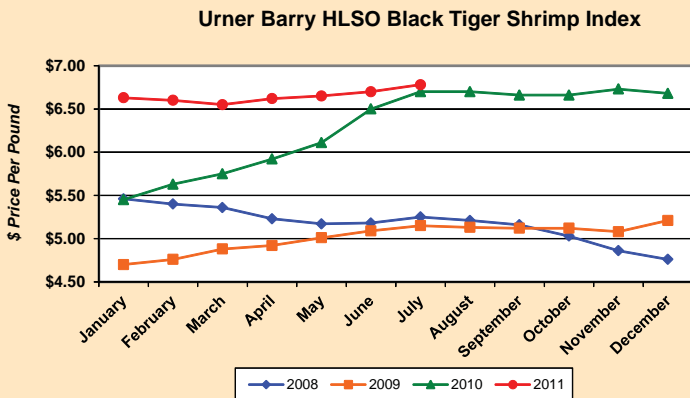
Low demand over the past few months from the U.S. has kept tilapia pricing low and inventories ample. The "shortage" predicted by most packers has not, and probably will not impact the market dramatically in the near future. Low U.S. orders have kept pricing down and shortages to a minimum. Replacement costs are lower on smaller fillets, but large sized fillets are expected to remain tight through mid-fall. Based on historical harvests, further price relief could be expected in the third quarter of 2011.

Sources: Fishsite, Mitsui Foods, USDA, Seafood Business, Slade Gorton

Market Price Trends

Seafood Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(-) 12 months	(-) 6 months	Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Black Tiger Shrimp	↑	↓	↑	↑	↑	↑
Atlantic Cod	↑	↑	↑	↑	↑	↑
Pacific Cod	↑	↑	→	↑	↑	↑
Atlantic Salmon 2/3 C Trim Chilean (Fresh)	↓	↓	↓	↓	→	→
Tilapia	↑	↑	→	↓	→	→

The trend information reflects the market; It does not reflect entegra Price Trends.



Produce Report

Current market prices and trends are not highlighted as part of The Indicator due to the seasonal and weekly price fluctuations experienced in the produce market. The significant supply or demand issue will be addressed. The recent heat wave that much of the U.S. has experienced has not severely impacted fresh fruits and vegetables. The biggest issue is that there might be delays in harvesting crops as workers were forced to work shorter days due to the extreme temperatures. Transportation and logistics costs have been decreasing over the past few months driven by the price of diesel fuel. Currently, there are not any critical long-term supply issues for the top moving produce. Entegra operators should expect to pay seasonal prices for produce through contracted vendors.

U.S. growers planted 4.9% additional acres of potatoes in 2011 compared to last year. This is the largest U.S. potato crop since 2007. Most of this year's increased acreage is under contract to processors. Canadian growers planted 1.6% more potatoes this year than they did in 2010. This is Canada's first potato acreage increase since 2004. The increase in acreage is being driven by strong prices and a boost in acres contracted by potato processors. Consumer demand for processed potatoes has been high for the past several years driving the market higher. **While entegra's contract with McCain for frozen French fries is performing better than market, prices are expected to increase 3.2% in September 2011.**



Driven by dramatic weather events over the past year and farmers dedicating fewer acres to frozen vegetable crops, U.S. frozen vegetables could increase significantly as early as the fourth quarter of 2011. Production costs have also increased which is impacting profit margins of packers. **With the exception of several top products through prime distribution, entegra frozen vegetable prices move with the market. Any increases in this market would be realized by entegra operators.**

Sources: Fresh Point, Pro-Act, Produce Alliance

Edible Oil Report

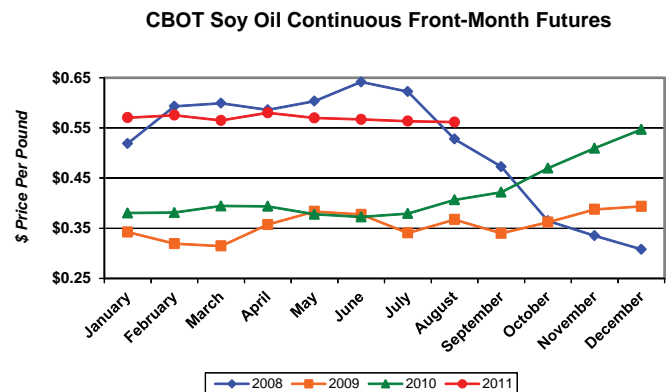
In July 2011, the USDA projected a 2.4% decline in bean acres planted from last year's levels. Despite the reduced acreage, the USDA is still projecting the soybean yield to be slightly higher than last year. Although the weather has been hot and dry, this is not an immediate threat to crop conditions unless this weather pattern lingers into the critical soybean pod filling stage in August. The USDA reported that 64% of soybeans were in good to excellent condition.

The 2011/12 U.S. season-average soybean price is projected at a record \$12.00 to \$14.00 per bushel, a decline of \$1.00 from recent forecasts. Driven on existing supply and the fact that weather does not yet seem to be an issue, it is expected that soy oil prices will decline the rest of the year into 2012. As of July 2011, market prices for soy oil are 45% higher than last year. **Entegra's Ventura prices are 25% higher than last year, performing better than market, and are expected to trend lower with the markets.**

Canola oil is trading at a \$.08 per pound premium over soybean oil for the August and September futures. The price for canola oil declined late in July 2011 for the October futures. This was driven by expectations of a better than expected crop

and increased production as two Canola processing facilities were opened in western Canada. This additional capacity will increase canola oil production, which should drive more competitive pricing compared to soybean oil.

Sources: USDA, Ventura Foods News & Views of Robert Whyte - Ventura Foods, VP - Oil Risk Management and Jim Crawford - Ventura Foods, VP - Commodity Operations



Pulp & Resin Report

A limited supply of raw materials is driving prices higher for both the Bleached and Un-Bleached Recovered Fiber markets. The primary driver of this shortage in supply is the extreme amount of product that China is consuming. At this time, there is no increase in supply anticipated. Prices are expected to remain elevated through the end of 2011. **Entegra paper prices through SCA and Georgia Pacific are expected to increase slightly in September 2011.**

Market prices for PET (polyethylene terephthalalndorama), a plastics used to package bottled beverages and manufacture plastic cups, appear to have hit a high and are currently stable. Even with higher U.S. production and increased U.S. imports, current supply in the market is tight. Raw materials for PET will likely drop in the third quarter of 2011 with a slight rebound in the fourth quarter of 2011.

Market prices for PP (polypropylene), a thermoplastic polymer used in packaging and for reusable containers, have stabilized and are trending lower for the rest of 2011. The market is being driven by lower oil prices as well a reduction in U.S. exports. PP production is currently running at 80% of capacity which is keeping prices from declining further. Market prices are expected to trend lower through the end of 2011.

Market Price Trends

Resin and Paper Commodity Markets	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	Market Prices Are Trending		
	(-) 12 months	(-) 6 months	Last Month	October 2011 (+) 3 months	January 2012 (+) 6 months	April 2012 (+) 9 months
Recovered Fiber Paper (Napkins, Paper Towels, etc.)	↑	↑	↑	↑	Unknown	Unknown
PET (cups)	↑	↑	↓	→	↓	↓
Polypropylene (cups and containers)	↑	↑	↑	→	↓	↓
Polystyrene (plastic ware)	↑	↑	→	→	↓	↓
PVC (film)	↑	↑	→	→	↓	↓

The trend information reflects the market; It does not reflect entegra Price Trends.

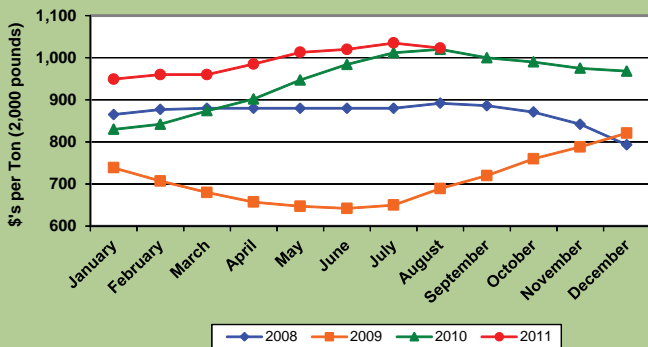
Entegra's plastic / resin prices for PACTIV, Prairie Packaging, Berry and Solo will follow their respective markets. Prices are expected to remain firm through the third quarter of 2011 and then possibly see some pricing improvements in the fourth quarter of 2011.

For the category overall, paper market prices are firm and expected to increase in the upcoming months due to limited supplies. On the contrary, plastic and resin market prices are benefitting from adequate supply and lower production costs and are expected trend lower in the upcoming months. It must be noted that any world events or severe weather in the Gulf of Mexico will have an immediate negative impact on pricing.

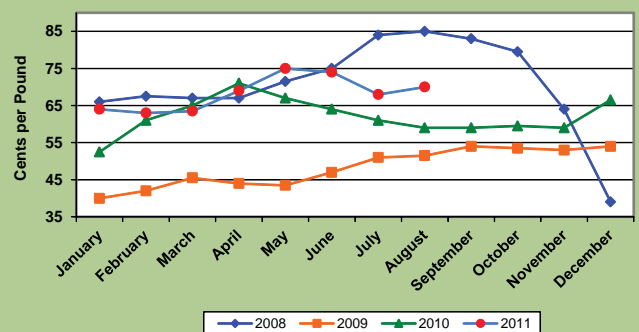


Sources: CMAI, ChemData, Plats, PCW

Wood Pulp



High Density Polyethylene Injection Mold Price



Metals Report

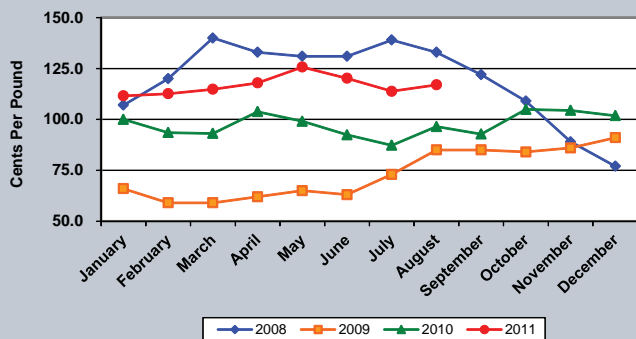
Aluminum

The U.S. aluminum market has stabilized leading to a 3.48% drop in pricing since the first quarter of 2011. Domestic aluminum manufacturers that have not increased pricing in 2011 are expected to do so before the end of the year by 4 to 5%. These increases are primarily driven by higher material costs and higher wages, a result of new collective bargaining agreements in the industry. Demand for U.S. produced equipment continues to increase which will keep the demand up on aluminum goods.

Pricing for aluminum smallwares imported from China is anticipated to increase 5 to 8% during the next six months driven by raw material costs. In comparison to U.S. produced aluminum goods, Chinese aluminum goods will still present better value primarily due to the wages and worker demand discrepancies of the two countries.

Source: ProPurchaser.com, London Metals Exchange, Conversations and communication with Edward Don's Import Division Manager.

Aluminum



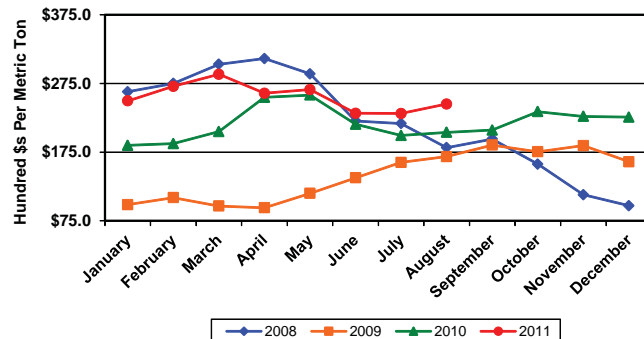
Stainless Steel

The Chinese stainless steel market has stabilized and remains flat compared to the first quarter of 2011. However the price of finished goods is increasing due to higher factory wages. As pressure from workers for even higher wages increases stainless steel prices can be expected to increase. Stainless steel prices have increased by \$25 per short ton since the first quarter of 2011. The global financial crisis also led to a shortage of funding for Chinese producers as banks tightened their lending policies. This limited expansion and forced companies to increase pricing to obtain needed capital.

Domestic sheet metal pricing remains flat compared to the second quarter of 2011 pricing. Domestic sheet is primarily used in the production of heavy equipment as virtually all stainless steel flatware is now imported. As being experienced by the domestic aluminum producers, the domestic stainless steel producers are expected to raise prices from 5-6% in the remaining half of 2011, due primarily to increases in worker wages and benefits.

Source: ProPurchaser.com, London Metals Exchange, Conversations and communication with Edward Don's Import Division Manager.

Primary Nickel



Linen Report

The cotton market continued to be volatile throughout the second quarter of 2011 with stable pricing on the international markets and declining prices on the domestic markets. Higher stocks in the new season should continue to push prices downward. In addition to the higher stocks, a lack of demand in the largest yarn producing countries is also helping push prices down.

Global demand for cotton yarn is rapidly falling culminating in a 10-month low in July as India's yarn supplies build up. The drop in demand is forcing mills to reduce production causing the yarn market to plummet.

Demand is expected to rise slowly with new concerns of a poor crop yield following the expansive drought in the U.S. Just 29% of the cotton crop was in good or excellent condition through July 2011, compared with 68% a year earlier. According to the USDA, Texas

Market Price Trends				Market Prices Are Trending		
Linen Commodity Market	Jul-2011 vs. Jul-2010	Jul-2011 vs. Dec-2010	Jul-2011 vs. Jun-2011	October 2011	January 2012	April 2012
	(- 12 months)	(- 6 months)	Last Month	(+ 3 months)	(+ 6 months)	(+ 9 months)
Cotton	↑	↓	↓	↓	↓	↓

The trend information reflects the market; It does not reflect entegra Price Trends.

is having its worst drought in at least a century. Since Texas is the largest cotton growing state, this could impact supply.

Cotton future prices for December 2011 rose by 4.1% settling at \$1.01 per pound in July. This is dramatically lower compared to the \$2.00 per pound customers were paying in April 2011.

Sources: www.cottoninc.com, www.usda.gov, www.emergingtextiles.com



Labor Report

The national unemployment rate edged higher for a third consecutive month, reaching 9.2% in June 2011. The long-term unemployed (those out of work for at least 27 weeks) remain a significant challenge to the labor market recovery, accounting for more than 44% of all unemployed workers. Job growth in June 2011 was limited to the private service sector, led by leisure and hospitality, professional and technical services and healthcare.

A gain of 24,000 jobs in professional and technical services was partially offset by a loss of 12,000 jobs in temporary help services. Temporary help services employment has been relatively flat thus far in 2011, averaging monthly gains of 4,000, down from an average job gain of 26,000 per month in 2010.

Sources: U.S. Bureau of Labor and Statistics, Kelly Services

Seasonal U.S. Unemployment Rate

