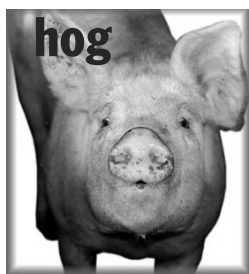


# 2012 Pork Export Demand Up 0.9 Percent



**GLENN GRIMES AND RON PLAIN**

Agricultural Economists •  
University of Missouri

## outlook

International pork trade continues to be positive for the hog market. U.S. pork exports in October were up 2.2 percent and imports were down 3.7 percent compare to 12 months earlier. For the first 10 months of 2012, pork exports were up 7.1 percent. It looks like 2012 will be the 19th year in the last 21 with a new record for pork exports. The biggest foreign customers for U.S. pork thus far in 2012 are Japan, Mexico, China, Canada, South Korea, Russia and Australia, respectively. These seven countries account for 87 percent of U.S. pork exports.

Pork imports during January-October were up 0.6 percent from a year ago with 78 percent of our pork imports coming from Canada, 9 percent from Denmark and 4 percent from Poland. Through October, exports have taken 23.4 percent of U.S. pork production and imports equaled 3.4 percent of production.

Russia has announced plans to require testing of imported beef and pork for the widely used feed additive ractopamine and to bar entry to those meats that test positive. Through October, 0.7 percent of U.S. beef production and 1.3 percent of pork production has been shipped to Russia.

Through October, the U.S. has imported 4,040,475 weaner-feeder pigs from Canada and 731,938 other hogs. Live hog imports are down 12,325 head (0.3 percent) compared to the same period last year. Through October, 2012 retail pork demand was down 0.7 percent, export de-

mand was up 0.9 percent, and live hog demand was down 0.5 percent.

Hog and pork prices are lower this week. The national average negotiated carcass price for direct delivered hogs on the morning report today was \$78.56/cwt, down \$3.29 from last Friday. The eastern corn belt was \$6.12 lower than last Friday at \$75.88/cwt. Both the western corn belt and Iowa-Minnesota had an morning price average price of \$82.50/cwt. Peoria had a top live price this morning of \$52 and Zumbrota had a live top today of \$55/cwt. The top for interior Missouri live hogs Friday was \$57.75/cwt, down \$2.25 from the previous Friday.

The Thursday afternoon calculated pork cutout value was \$83.83/cwt, down \$1.32 from the previous Thursday. Belly prices are higher, but hams, loins and butts are lower. The pork cutout value is \$6.91/cwt lower than a year ago.

Hog slaughter this week totaled 2.304 million head, down 2.5 percent from the week before and down 1.9 percent compared to the same week last year. The average hog carcass price is 93.7 percent of the cutout value, which is high for this time of year. That is one of the reasons that Saturday hog slaughter is down 52,000 head (25 percent) from a week ago. The average barrow and gilt live weight in Iowa-Minnesota last week was 274.9 pounds, 0.3 pounds below a week earlier and down 1.2 pounds from a year ago. This was the eleventh consecutive week with weights under the year-ago level.

Friday's close for the December lean hog futures contract was \$82.00/cwt, down 30 cents from the previous Friday. February hog futures ended the week \$1.93 higher at \$85.40/cwt. April hogs settled at \$90.40/cwt; June at \$99.85/cwt. Δ

*GLENN GRIMES AND RON PLAIN: Agricultural Economists, University of Missouri*