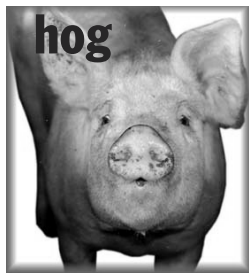


Pork Imports Down This Year, Imports Up



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outlook

Today, the Canadian government released a list of U.S. commodities for potential retaliation as part of the ongoing dispute over U.S. rules for country of origin labeling of meats. The WTO gave the U.S. until May 23 to bring our regulations in line with international trade rules. Canada says they will not implement new tariffs until the WTO authorizes them.

Pork exports were down 11.9 percent in April. The biggest drop was in shipments to Russia, China, South Korea, and Japan. Pork shipments to Japan, our biggest foreign customer, were down 8.6 percent. Pork imports were up 8.0 percent in April, due to more pork coming from Canada. In total, 20.4 percent of April U.S. pork production was exported while imports equaled 3.6 percent of production.

During the first third of the year, pork exports were down 14.8 percent and imports were up 1.9 percent.

Feeder pig imports were down 11.6 percent in April. The number of slaughter hogs coming south from Canada was up 10.7 percent. Total swine imports were down 8.4 percent in April. January-April hog imports were down 8.1 percent compared to the first third of 2012.

As of June 2, 91 percent of corn acres were planted, up from 86 percent the week before,

but down from 100 percent a year earlier.

It was a good week for prices. Hogs, wholesale pork, and hog futures were all higher. The national average negotiated carcass price for direct delivered hogs on the morning report today was \$93.74/cwt, up \$2.90 from last Friday. Neither the eastern corn belt, western corn belt, nor Iowa-Minnesota sold enough hogs to enough different packers this morning for a published price quote. Peoria had a top live price this morning of \$62/cwt. Zumbrota, MN topped at \$65/cwt. The top for interior Missouri live hogs Friday was \$66.75/cwt, up 75 cents from the previous Friday.

Friday morning's pork cutout calculation based on mandatory price reporting was \$96.10/cwt FOB plants, up \$2.59 from the week before. Loin, belly, and ham prices were higher this week. The wholesale belly price set a new record high of \$168.37/cwt on Monday. The average hog carcass price is 97.4 percent of the calculated pork cutout value.

Hog slaughter this week totaled 2.018 million head, up 8.1 percent from the week before and up 0.6 percent compared to the same week last year.

The average barrow and gilt live weight in Iowa-Minnesota last week was 276.7 pounds, up 1.3 pounds from a week earlier and up 1.8 pounds from a year ago. Although this Iowa-Minnesota live weight series is running above the year-ago level, the national average carcass weight is lower than last year.

The June lean hog futures contract closed at \$98.15/cwt today, up \$2.53 from the previous week. July hog futures ended the week \$2.40 higher at \$96.25/cwt. August hogs settled at \$95.20/cwt. Δ

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