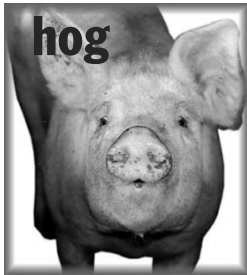


# Pork Shipments Rise To Most Major Buying Countries



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## outlook

The best news for the U.S. hog industry in 2008 has been international trade. Trade data for the month of October was released this week. U.S. pork imports during October were up 16.8 percent compared to September, but down 16.0 percent compared to October 2007. U.S. pork exports during October were up 15.5 percent from the month before and up 25.4 percent compared to October 2007. Shipments to most major buying country were up. Compared to 12 months earlier, October U.S. pork exports to Japan were up 30.7 percent, to Mexico up 74.7 percent, to Russia up 19.9 percent, to South Korea up 9.6 percent, and to Australia up 126.8 percent. Exports to Canada were down 3.7 percent and shipments to China and Hong Kong were down 29.1 percent compared to October 2007.

During the first 10 months of 2008, U.S. pork imports are down 16.5 percent and pork exports are up 60.7 percent. Through October, U.S. pork exports are 27.7 percent greater than for the entire year of 2007, which was a record year for exports. From January through October, the U.S. has exported 20.7 percent of U.S. pork production and imports have equaled only 3.5 percent of production.

During October imports of feeder pigs from Canada were down 3.3 percent and imports of slaughter hogs were down 60.6 percent com-

pared to October 2007. Through October, the U.S. has imported 1.2 percent fewer hogs and pigs from Canada than during the same months last year.

Cash hog prices ended the week little changed from the previous Friday. The top price Friday at Sioux Falls was \$40.50/cwt. Peoria had a top of \$38 and Zumbrota, MN topped at \$39/cwt. The interior Missouri top Friday was \$39.50/cwt, unchanged for the week. The national weighted average carcass price Friday

morning for negotiated hogs was \$53.66/cwt, \$0.44 lower than the previous Friday. Regional average prices on Friday morning were: eastern corn belt \$53.78, western corn belt \$53.52, and Iowa-Minnesota \$53.82/cwt.

USDA's Thursday afternoon calculated cutout value was \$60.27/cwt, up 3 cents from the previous Thursday. Pork loins and Boston Butts were higher than the previous week. Hams and bellies were lower.

This week's hog slaughter is estimated by USDA to be 2.335 million head, down 1.2 percent compared to the same week in 2007. Prior to October 2007, hog slaughter had never exceeded 2.3 million head in a week. Weekly slaughter was above 2.3 million 11 times in the fourth quarter of 2007, twice in January and now 11 times this fall.

The average carcass weight of barrows and gilts slaughtered the week ending November 29 was 200 pounds, same as the week before and 2 pounds lighter than for the same week in 2007.

The December lean hog futures contract ended the week at \$56.02/cwt, down \$1.43 from last Friday. The February contract settled at \$62.27 today, down \$1.93 for the week. April closed the week at \$67.77/cwt and June closed at 77.52/cwt. Δ