

Trade Estimates Show Drop In Hog Numbers



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outlook

Pork demand for December-February at the consumer level continues to run a little above year-earlier levels. Our demand index shows a plus-1.6 percent from a year earlier. However, live hog demand for these three months was down 1.5 percent from 12 months earlier. Demand for beef at the consumer level was also positive by about three percent for these three months.

The trade estimates for the March 1 Hogs and Pigs report show the total number of hogs and pigs at 96.9 percent of a year earlier. Numbers kept for breeding were at 97.9 percent and kept for marketing at 96.8 percent.

Unfortunately these estimates look realistic to us. We need a bigger reduction to get the hog industry healthy from a profit standpoint. However, with the large investment per sow in the inventory and the importance of the hog enterprise to most farm businesses that have hogs, it is difficult to reduce the size of the industry.

Feeder pig prices at United Producers Tel-o-auction were \$1-5 per cwt higher than two weeks earlier. Early weaned 10-pound basis pigs for the nation last Friday, 50-54 percent

lean sold for an average of \$37.72 per head. Forty-pound basis pigs, 50-54 percent lean sold for an average of \$61.35 per head.

Live barrow and gilt weights for Iowa and Minnesota last week at 269.5 pounds were up 0.8 pound from a week earlier and up 2.0 pounds from 12 months earlier. This was the fourth-consecutive week that weights increased in Iowa and Minnesota. This many weeks of increasing weights seldom occurs in late winter-early spring.

Pork product cutout this Thursday afternoon at \$58.27 per cwt of carcass was down \$3.52 per cwt from a week earlier. Loins at \$68.35 per cwt were down \$5.99 per cwt, Boston butts at \$58.86 per cwt were down \$3.07 per cwt, hams at \$43.26 per cwt were down \$5.75 per cwt, and bellies at \$77.41 per cwt were down \$4.37 per cwt from seven days earlier.

Live hog prices Friday morning were \$0.75 per cwt lower to \$4.00 per cwt higher compared to a week earlier. Weighted average negotiated carcass prices Friday morning were \$1.32-1.57 per cwt higher compared to last Friday.

The prices for top live hogs at select markets Friday morning were: Peoria \$35 per cwt, Zumbrota, Minnesota, \$38 per cwt and interior Missouri \$38.75 per cwt.

The weighted average negotiated carcass prices Friday morning by area were: western Cornbelt \$56.74 per cwt, eastern Cornbelt \$53.76 per cwt, Iowa-Minnesota \$56.77 per cwt and nation \$54.87 per cwt.

Slaughter this week under Federal Inspection was estimated at 2,213 thousand head, down 2.2 percent from a year earlier. Δ



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