

ArrowStream

Pork

The lean hog futures were all lower last week anywhere from 1 to 2%. The CME May lean hogs finished down to \$91.97/cwt or 1.1% last week. Breaking out the primals and subprimals, the loin primal was up 1.3% to \$102.59/cwt with the subprimal baby back ribs up \$.07/lb w/w to \$2.66/lb. The pork butt primal was down almost 2% w/. The subprimal B/I pork butt traded flat at \$1.46/lb but is still up 28% y/y. The rib primal was higher by 2.6% last week to \$172.47/cwt, and the medium spareribs closed up \$.08/lb to \$1.88/lb, which is higher by 25% this year. After dropping mid-week, the belly primal was flat again last week. The ham primal was up 1.6% w/w, but the picnic and pork trim were lower. The picnic was down almost 4%. In the trim complex, 72% was down almost 8% to \$.95/lb and the 42% sank almost 15% to \$.64/lb last week. Looking ahead, even with the recent weakness in lean hogs, overall pork demand looks firm to higher the next few months. The cutout should rise in the next few weeks on the strength in grocery store promotions and increased demand from the foodservice sector. Prices USDA, FOB per pound.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Decreasing	Available	Higher
Sow	Decreasing	Steady	Higher
Belly (bacon)	Increasing	Available	Higher
Sparerib(4.25 lb & down)	Increasing	Steady	Higher
Ham (20-23 lb)	Increasing	Steady	Lower
Ham (23-27 lb)	Increasing	Steady	Lower
Loin (bone in)	Increasing	Available	Higher
Babyback Rib (1.75 lb & up)	Increasing	Steady-Available	Higher
Tenderloin (1.25 lb)	Decreasing	Steady	Higher
Boston Butt, untrmd (4-8 lb)	Decreasing	Steady	Higher
Picnic, untrmd	Decreasing	Steady	Higher
SS Picnic, smoker trm box	Decreasing	Steady	Higher
42% Trimmings	Decreasing	Steady-Available	Higher
72% Trimmings	Decreasing	Steady-Available	Higher

