

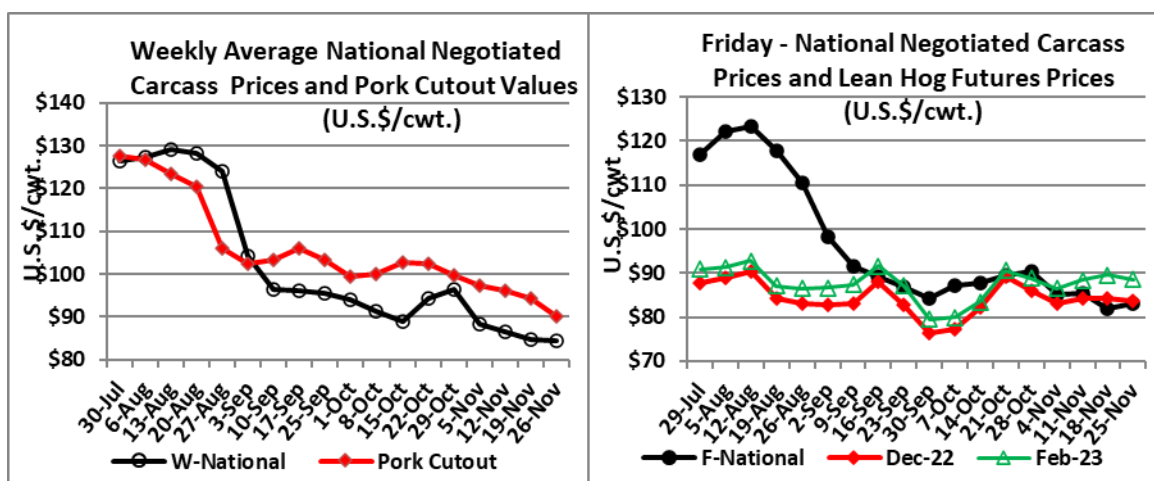
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Bi-Weekly Hog Report

November 28, 2022

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (National Negotiated) were mixed last week, higher mid-week before moving lower. Cash hog prices on Friday November 25, averaged US\$82.97 per cwt, a price increase of US\$1.16 per cwt from US\$81.81 per cwt the previous Friday. The negotiated weekly average National base price averaged US\$84.31 per cwt last week, a small price decline of US\$0.40 per cwt or 0.5 per cent from US\$84.71 per cwt the previous week.



Source: LMIC

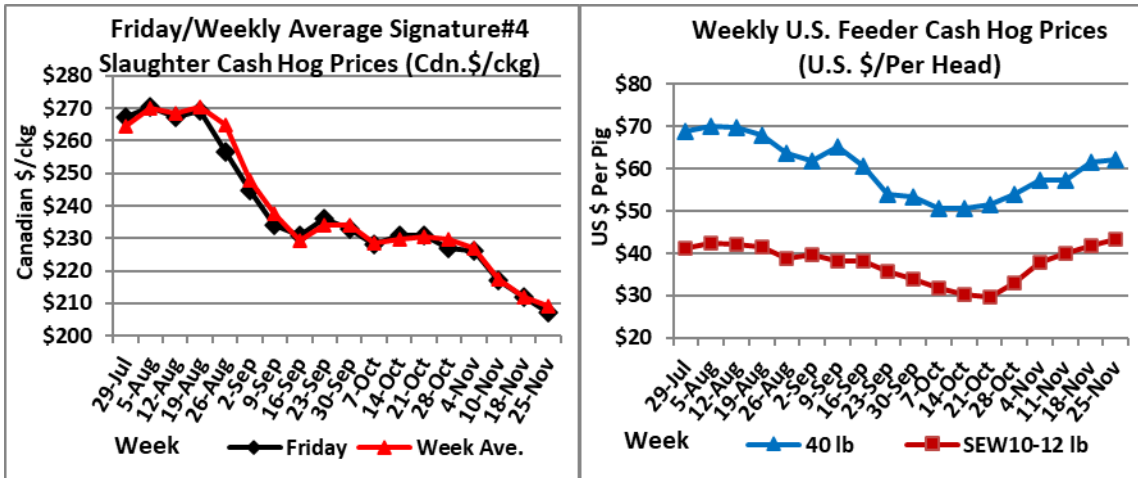
Source: LMIC, CME

Futures Markets

United States lean hog futures daily prices were mixed but mostly lower last week with prices moving lower, week-over-week. The nearby December 2022 contract settled Friday at US\$83.775 per cwt, a price decline of US\$0.450 per cwt from the previous Friday's close of US\$84.225 per cwt. The February 2023 contract declined US\$1.050 per cwt or 1.2 per cent last week to settle Friday at US\$88.500 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) prices were overall higher last week. Weighted average cash prices for U.S. based iso-weans (12lb) were US\$43.39 per head last week, a price increase of US\$1.49 per pig or 3.6 per cent from US\$41.90 per head the previous week. Feeder (40lb) cash prices averaged US\$62.04 per head last week, a price increase of US\$0.67 per head from US\$61.37 per head the previous week.



Source: HAMS Marketing

Source: LMIC, USDA

Canadian Hog Markets

In Canada, the Signature#4 (Maple Leaf) Index 100 daily price for Friday Nov. 25, 2022, was \$207.06 per ckg, a price decline of \$4.81 per ckg or 2.3 per cent from \$211.87 per ckg from the previous Friday. The Signature#4 (Maple Leaf) Index 100 weekly price (Friday to Thursday) averaged \$208.99 per ckg last week; a price decline of \$3.06 per ckg or 1.4 per cent from the previous weeks' average price of \$212.05 per ckg. The Canadian dollar was slightly higher last week to settle Friday at 74.755 cents, a slight increase (0.045 cents) from 74.710 cents the previous Friday.

United States Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the shorter U.S. Thanksgiving week ending November 26, 2022, were estimated at 2.223 million head, down 14.5 per cent from the previous week's estimate of 2.599 million head, and down 1.4 per cent from 2.255 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks averaged 2.474 million head, down 2.2 per cent from 2.530 million head over the same period in 2021. U.S hog slaughter numbers over the last eight weeks averaged 2.519 million head, down 1.7 per cent from 2.563 million head over the same period a year ago.

Meat Production

U.S. pork production for the shorter week ending November 26, 2022, was estimated at 478.1 million lb., down 14.4 per cent from 558.4 million lb. the previous week, and down 2.2 per cent from 488.7 million lb. the same week a year ago. Pork production over the last four weeks ending November 26, 2022, was estimated to average 531.9 million lb., down 2.8 per cent from 547.3 million lb. over the same period a year ago. Pork production over the last eight weeks ending November 26, 2022, averaged 540.6 million lb., down 2.0 per cent from 551.8 million lb. the same period a year ago.

U.S. beef production for the shorter week ending November 26, 2022, was estimated at 484.6 million lb., down 13.7 per cent from 561.3 million lb. the previous week, but up 1.5 per cent from 477.4 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken, and turkey over the four weeks ending November 19, 2022, were estimated to average 2.382 billion lb., up 3.9 percent from the 2.293 billion lb. over the same four weeks a year ago. Based on the weekly production numbers, U.S. meat production year-to-date for the first 46-weeks of 2022 was 1.1 per cent higher compared to the same period a year ago. Pork production over the last four weeks was 2.2 per cent lower compared to the same period a year ago, while pork production year-to-date is down about 2.1 per cent.

United States Weekly Meat Production

| | (Nov.19) Four Week Average - Million Lb. | | Percent Change | |
|--------------|--|----------------|----------------|---------------|
| | 2021 | 2022 | 4 Week | 2022 |
| Pork | 562.4 | 550.1 | -2.18% | -2.12% |
| Beef | 552.9 | 557.9 | 0.91% | 1.68% |
| Chicken | 1,046.5 | 1,141.6 | 9.08% | 2.97% |
| Turkey | 131.0 | 132.8 | 1.43% | -4.11% |
| Total | 2,292.8 | 2,382.4 | 3.911% | 1.056% |

Source: LMIC

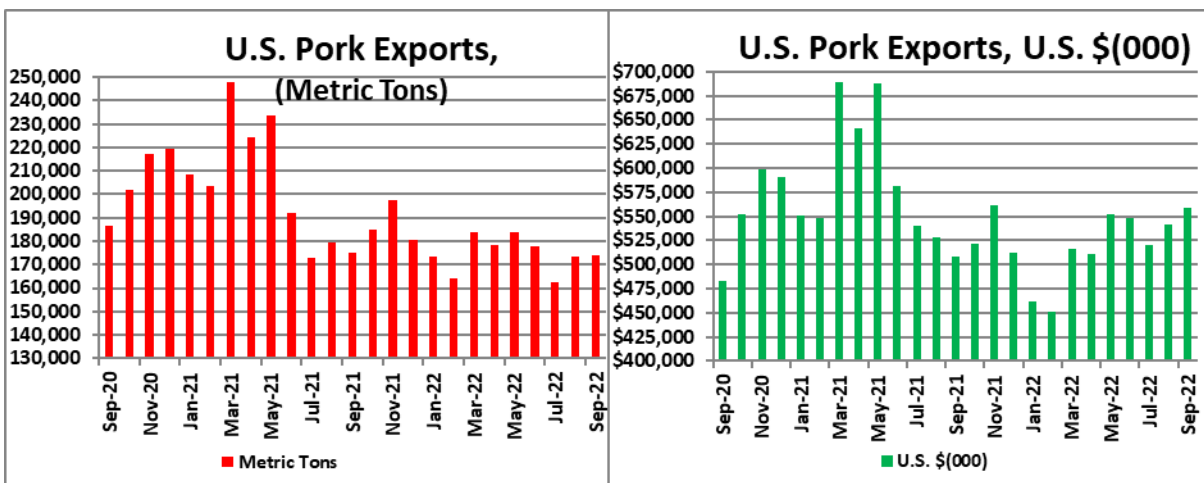
Cutout Values

Pork cutout values for the week ending November 26, 2022, averaged US\$90.07 per cwt, a price decline of US\$4.32 per cwt or 4.6 per cent from US\$94.39 per cwt the previous week; but up 5.9 per cent from US\$85.03 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending November 26, 2022, averaged US\$254.17 per cwt over the week, a price decline of US\$2.91 per cwt from US\$257.08 per cwt from the previous week; and 9.0 per cent lower from US\$279.25 per cwt the same week a year ago.

United States Pork Exports

United States pork exports in September 2022 were slightly higher by volume and higher by dollar sales from August 2022. United States exported 174,000 metric tons of pork in September 2022, up slightly from 173,335 metric tons in August 2022, but 0.59 per cent lower from September 2021.



Source: USDA, USMEF

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U.S. pork exports by volume in September 2022 were the highest to Mexico at 66,472 metric tons (38.2 per cent), followed by Japan at 30,337 metric tons (17.4 per cent). Canada was third by volume at 18,525 metric tons (10.6 per cent), followed by China at 17,365 metric tons (10.0 per cent), and South Korea at 11,773 metric tons (6.8 per cent).

By dollar amount, U.S. pork exports in September 2022 were \$558.9 million dollars, a 3.2 per cent increase from August 2022, and a 10.0 per cent increase from September a year ago. U.S. pork exports by dollar value for September 2022 were the highest to Mexico at \$158.9 million dollars (28.4 per cent), Japan at \$127.5 million dollars (22.8 per cent) and Canada at \$87.7 million dollars (15.7 per cent). China was the fourth largest pork importer from the U.S. in September at \$49.2 million dollars (8.8 per cent), which was 38 per cent higher than in September 2021.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on November 22 for the October 31, 2022, inventory numbers. The United States' pork stocks in cold storage totaled 511.1 million lb. on October 31, 2022, down 4.8 per cent from 537.0 million lb. on Sept. 30, 2022, but up 15.5 per cent from 442.4 million lb. on October 31, 2021. U.S. pork stocks in cold storage for October 31, 2022, were below the monthly 15-year average and below the monthly 15-year highs for October.

The U.S. beef stocks in cold storage totaled 509.9 million lb. on October 31, 2022, down 3.1 per cent from 526.2 million lb. the previous month (September 30, 2022), but up 7.6 per cent from 473.8 million lb. on October 31, 2021 (Year ago). Beef stocks in cold storage for October 31, 2022, were below the monthly 15-year highs for October, but above the 15-year monthly average for October.

Total pork, beef, chicken, and turkey in cold storage on October 31, 2022, was estimated to be 2.178 billion lb., down 6.4 per cent from 2.328 billion lb. the previous month, but up 10.3 per cent from 1.974 billion lb. a year ago on October 31, 2021. U.S. meat in cold storage for October 31, 2022, was just below the monthly 15-year average for October, and below the monthly 15-year highs for October.

United States Stocks in Cold Storage (Frozen)

| Commodity | 1,000 Pounds | | |
|-----------------------|---------------------|--------------------|--------------------|
| | 31-Oct-2021 | 30-Sep-2022 | 31-Oct-2022 |
| Pork | 442,370 | 536,980 | 511,056 |
| Beef | 473,763 | 526,170 | 509,949 |
| Chicken | 756,165 | 873,757 | 891,686 |
| Turkey | 301,999 | 391,530 | 265,857 |
| Total Combined | 1,974,297 | 2,328,437 | 2,178,548 |

Source: NASS

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