

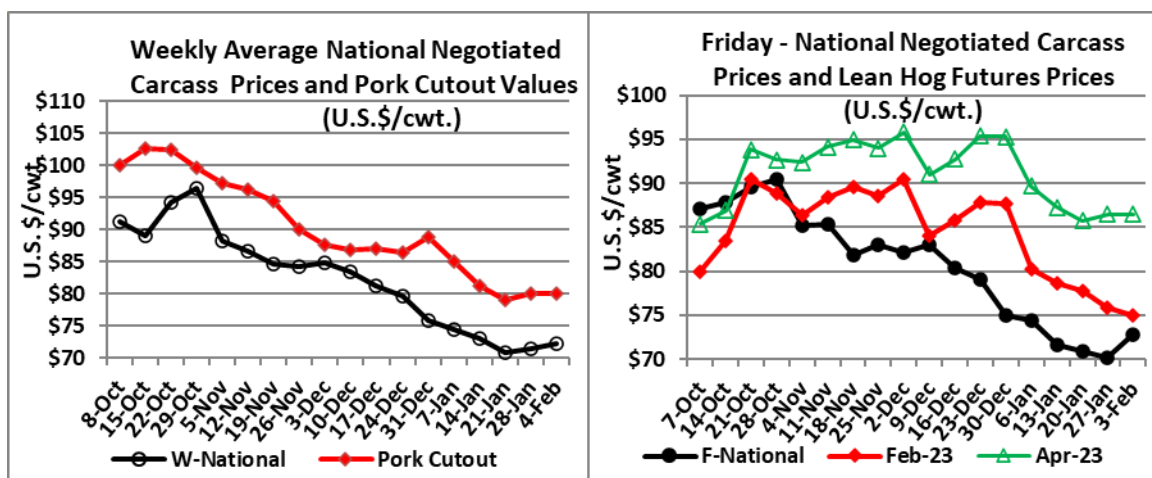
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Bi-Weekly Hog Report

February 6, 2023

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (National Negotiated) were mixed but mostly higher over the week to push prices higher from the previous week. Cash hog prices on Friday February 3rd averaged US\$72.83 per cwt, a price increase of US\$2.59 per cwt or 3.7 per cent from US\$70.24 per cwt the previous Friday. The negotiated weekly average National base price averaged US\$72.21 per cwt last week, a price increase of US\$0.87 per cwt or 1.2 per cent from US\$71.34 per cwt the previous week.



Source: LMIC

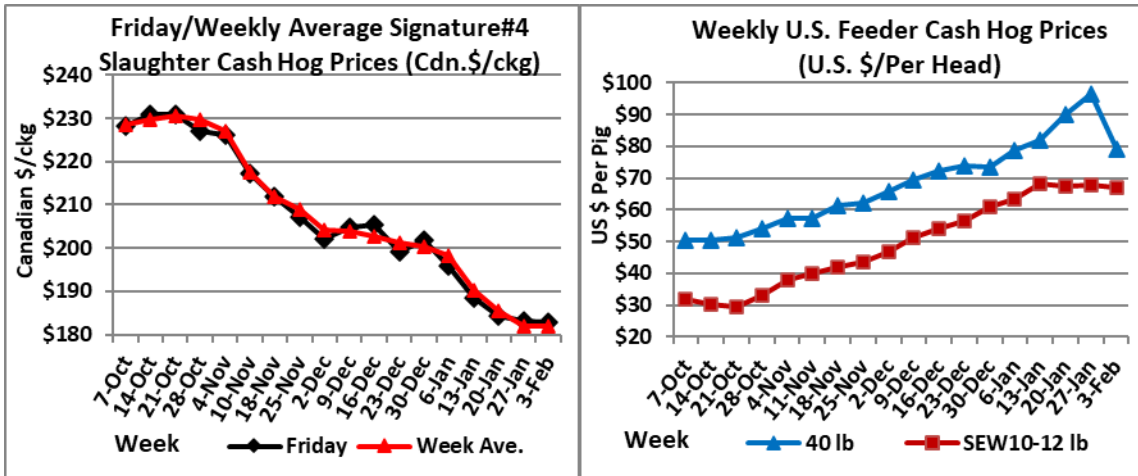
Source: LMIC, CME

Futures Markets

United States lean hog futures daily prices were mixed last week with nearby February prices moving overall lower, week-over-week. The nearby February 2023 lean hog futures contract settled Friday at US\$75.025 per cwt, a price decline of US\$0.850 per cwt or 1.1 per cent from the previous Friday's close of US\$75.875 per cwt. The April 2023 contract edged higher (US\$0.03 per cwt) to settle Friday at US\$86.475 per cwt. However, lean hog futures prices were significantly lower today (Monday).

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) prices were lower last week. Weighted average cash prices for U.S. based iso-weans (12lb) were US\$66.85 per head last week, a price decline of US\$0.88 per pig or 1.3 per cent from US\$67.73 per head the previous week. Feeder (40lb) cash prices averaged US\$79.22 per head last week, a significant price decline of US\$17.14 per head or 17.8 per cent from US\$96.36 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 February 3, 2023, was \$182.96 per ckg, a small price decline of \$0.32 per ckg from \$183.28 per ckg from the previous Friday. The Signature#4 (Maple Leaf) Index 100 weekly price (Friday to Thursday) averaged \$181.87 per ckg last week; unchanged from the previous weeks’ average price of \$181.87 per ckg. The Canadian dollar was lower last week with the U.S. raising their overnight lending rate. The Canadian dollar settled Friday at 74.68 cents, a price decline of 0.43 cents from 75.11 cents the previous Friday.

United States Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending February 4, 2023, were estimated at 2.575 million head, a 1.5 per cent increase from the previous week’s estimate of 2.536 million head, and up 5.7 per cent from 2.436 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks averaged 2.585 million head, up 5.9 per cent from 2.442 million head over the same period a year ago. U.S hog slaughter numbers over the last eight weeks averaged 2.404 million head, up 0.9 per cent from 2.382 million head over the same period a year ago.

Meat Production

U.S. pork production for the week ending February 4, 2022, was estimated at 563.0 million lb., up 1.5 per cent from 554.8 million lb. the previous week, and up 6.0 per cent from 531.3 million lb. the same week a year ago. Pork production over the last four weeks ending February 4, 2023, was estimated to average 564.5 million lb., up 5.6 per cent from 534.7 million lb. over the same period a year ago. Pork production over the last eight weeks ending February 4, 2023, averaged 524.0 million lb., up 0.8 per cent from 520.0 million lb. the same period a year ago.

U.S. beef production for the week ending February 4, 2023, was estimated at 529.1 million lb., down 3.0 per cent from 545.2 million lb. the previous week, and down 1.3 per cent from 536.0 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken, and turkey over the last four weeks ending January 28, 2023, were estimated to average 2.250 billion lb., up 0.4 percent from 2.242 billion lb. over the same four weeks a year ago.

United States Weekly Meat Production

	(Jan.28) Four Week Average - Million Lb.		Percent Change	
	2022	2023	4 Week	2023
Pork	541.9	552.8	2.02%	2.02%
Beef	532.1	522.7	-1.76%	-1.76%
Chicken	1,049.3	1,060.6	1.08%	1.08%
Turkey	118.4	113.6	-4.04%	-4.04%
Total	2,241.6	2,249.7	0.361%	0.361%

Source: LMIC

Cutout Values

Pork cutout values for the week ending February 4, 2023, averaged US\$80.01 per cwt, a slight price increase (US\$0.05 per cwt) from US\$79.96 per cwt the previous week; but down 16.4 per cent from US\$95.71 per cwt from the same week a year ago. Belly prices had the biggest price gains over the week increasing 0.6 per cent to average US\$92.71 per cwt. Trimmings had the largest declines with prices moving 1.0 per cent lower to average US\$84.06 per cwt.

Choice beef cutout prices (600-900 lb.) for the week ending February 4, 2023, averaged US\$265.82 per cwt over the week, a price decline of US\$3.35 per cwt or 1.2 per cent from US\$269.17 per cwt from the previous week. Current beef cutout values are 6.4 per cent lower than the same week a year ago when they averaged US\$284.05 per cwt.

Average chicken cutout values (breast) for the week ending February 4, 2023, averaged US\$114.03 per cwt, a price increase of US\$7.42 per cwt or 7.0 per cent from US\$106.61 per cwt from the previous week.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on January 25 for the December 31, 2022, inventory numbers. The United States' pork stocks in cold storage totaled 458.1 million lb. on December 31, 2022, up 15.6 per cent from 396.5 million lb. a year ago on December 31, 2021; and up 1.5 per cent from 451.6 million lb. a month ago on November 30, 2022. U.S. pork stocks in cold storage for December 31, 2022, were below the monthly 18-year average and the monthly 18-year highs for December.

U.S. beef stocks in cold storage totaled 544.0 million lb. on December 31, 2022, up 7.3 per cent from 507.1 million lb. a year ago on December 31, 2021; and up 4.0 per cent from 523.3 million lb. the previous month on November 30, 2022. Beef stocks in cold storage for December 31, 2022, were above the monthly 18-year average for December, but below the monthly highs for December.

United States Stocks in Cold Storage (Frozen)

1,000 Pounds			
Commodity	31-Dec-2021	30-Nov-2022	31-Dec-2022
Pork	396,461	451,555	458,142
Beef	507,123	523,263	543,955
Chicken	742,979	911,541	931,844
Turkey	165,754	140,267	189,715
Total Combined	1,812,317	2,026,626	2,123,656

Source: NASS

Total pork, beef, chicken and turkey in cold storage on December 31, 2022, was estimated to be 2.124 billion lb., up 17.2 per cent from 1.812 billion lb. a year ago on December 31, 2021; and up 4.8 per cent from 2.027 billion lb. on November 30, 2022. U.S. meat in cold storage for December 31, 2022, was above the monthly 18-year average, but well below the monthly 18-year highs for December.

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