

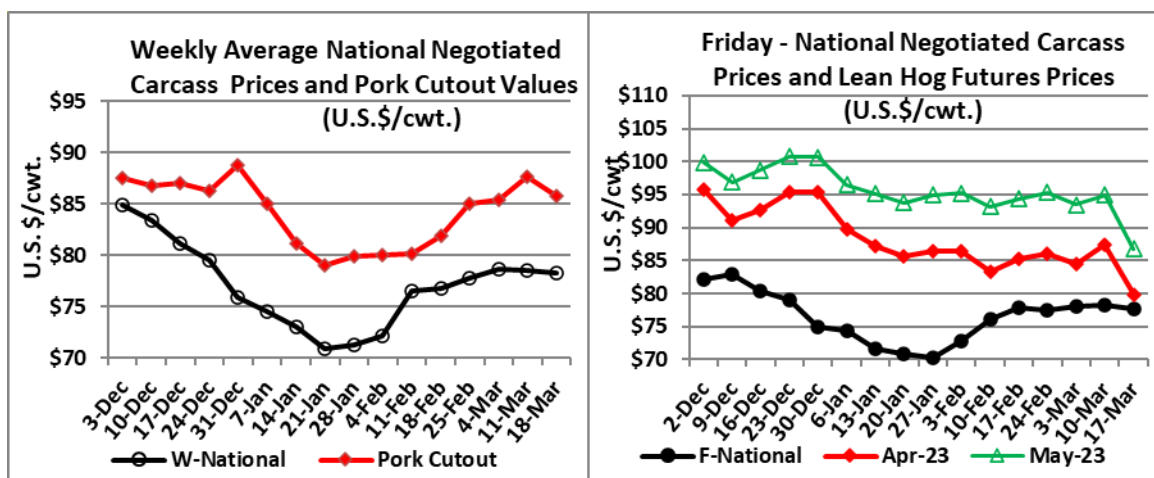
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Bi-Weekly Hog Report

March 20, 2023

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (National Negotiated) were mixed last week, peaking on Wednesday before moving lower into Friday. Daily average slaughter weight hog prices were lower, week-over-week. Cash hog prices on Friday March 17th averaged US\$77.67 per cwt, a small price decline of US\$0.53 per cwt or 0.7 per cent from US\$78.20 per cwt the previous Friday. The negotiated weekly average National base price averaged US\$78.28 per cwt last week, a small price decline of US\$0.30 per cwt from US\$78.58 per cwt the previous week.



Source: LMIC

Source: LMIC, CME

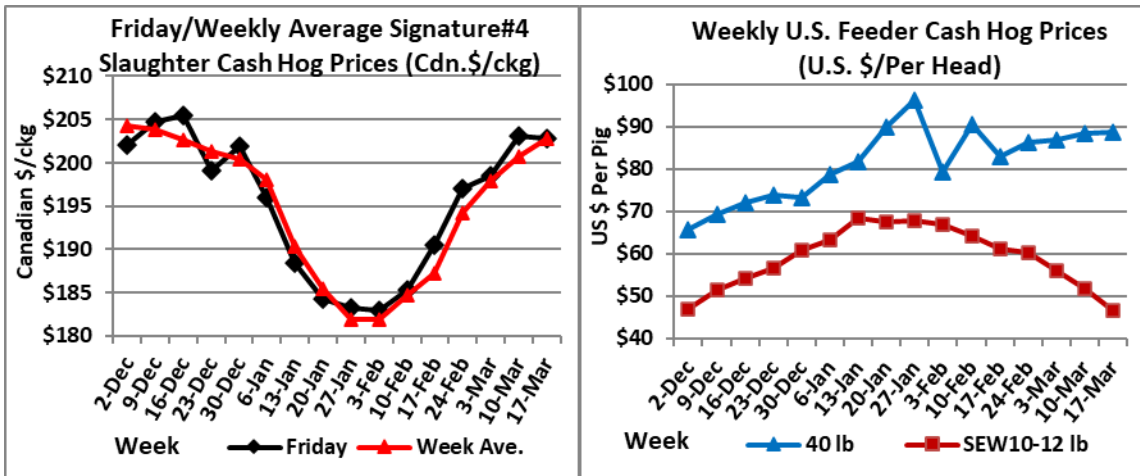
Futures Markets

United States lean hog futures prices were trending lower last week, ending the week significantly lower, week-over-week. The nearby April 2023 lean hog futures contract settled Friday at US\$79.875 per cwt, a price decline of US\$7.575 per cwt or 8.7 per cent from the previous Friday's close of US\$87.45 per cwt. The May 2023 contract declined US\$8.15 per cwt to settle Friday at US\$86.775 per cwt, while the June 2023 contract declined US\$9.45 per cwt or 9.2 per cent to settle Friday at US\$93.325 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) prices were mixed last week. Weighted average cash prices for U.S. based iso-weans (12lb) were US\$46.62 per head last week, a significant price decline of US\$5.07 per pig or 9.8 per cent from US\$51.69 per head the previous week. Feeder (40lb) cash prices averaged US\$88.55 per head last week, a slight price increase (US+\$0.12 per head) from

US\$88.43 per head the previous week. Iso-wean prices have declined significantly over the last few weeks while feeder prices have been steady-to-higher the last few weeks.



Source: HAMS Marketing

Source: LMIC, USDA

Canadian Hog Markets

In Canada, the Signature#4 (Maple Leaf) Index 100 daily price for Friday March 17th 2023, was \$202.74 per ckg, a small price decline of \$0.30 per ckg from \$203.04 per ckg from the previous Friday. The Signature#4 (Maple Leaf) Index 100 weekly price (Friday to Thursday) averaged \$202.85 per ckg last week; a price increase of \$2.10 per ckg from the previous weeks' average price of \$200.75 per ckg. The Canadian dollar relative to the U.S. dollar increased 0.38 cents last week settling Friday at 72.81 cents, a small price increase from 72.43 cents the previous Friday.

United States Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending March 18, 2023, were estimated at 2.492 million head, a slight decline from the previous week's estimate of 2.497 million head, but up 2.8 per cent from 2.425 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks averaged 2.468 million head, up 0.7 per cent from 2.452 million head over the same period a year ago. U.S hog slaughter numbers over the last eight weeks averaged 2.497 million head, up 1.0 per cent from 2.471 million head over the same period a year ago.

Meat Production

U.S. pork production for the week ending March 18, 2023, was estimated at 539.7 million lb., down slightly from 539.8 million lb. the previous week, but up 2.0 per cent from 528.9 million lb. the same week a year ago. Pork production over the last four weeks ending March 18, 2023, was estimated to average 534.3 million lb., down slightly from 534.8 million lb. over the same period a year ago. Pork production over the last eight weeks ending March 18, 2023, averaged 540.6 million lb., up slightly from 539.5 million lb. the same period a year ago.

U.S. beef production for the week ending March 18, 2023, was estimated at 519.1 million lb., down 0.6 per cent from 522.1 million lb. the previous week, and down 2.4 per cent from 531.8 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken, and turkey over the last four weeks ending March 11, 2023, were estimated to average 2.229 billion lb., down 1.8 percent from 2.269 billion lb. over the same four weeks a year ago. Based on the weekly production numbers U.S. meat production over the first ten-weeks of 2023, was only 0.4 per cent lower compared to the same ten-weeks a year ago. Pork production over the first ten-weeks in 2023 was 0.8 per cent higher compared to the same ten-week period in 2022. However, U.S. beef production for the first ten-weeks in 2023 was 4.4 per cent lower compared to the same period in 2022.

United States Weekly Meat Production

(Mar. 11) Four Week Average - Million Lb.	Percent Change			
	2022	2023	4 Week	YTD 2023
Pork	537.9	534.2	-0.70%	0.78%
Beef	548.8	514.0	-6.35%	-4.39%
Chicken	1,052.3	1,061.1	0.84%	1.47%
Turkey	130.4	119.6	-8.32%	-4.19%
Total	2,269.4	2,228.8	-1.789%	-0.418%

Source: LMIC

Cutout Values

Pork cutout values for the week ending March 18, 2023, averaged US\$85.80 per cwt, a price decline of US\$1.84 per cwt or 2.1 per cent from US\$87.64 per cwt the previous week; and down 17.9 per cent from US\$104.57 per cwt from the same week a year ago. Pork cutout values on Friday declined US\$3.54 per cwt to end Friday at US\$80.95 per cwt. Ham prices had the biggest losses over the week with prices declining US\$6.25 per cwt or 7.1 per cent to average US\$81.98 per cwt. Belly prices were also lower, with price declines of 3.6 per cent to average US\$98.89 per cwt.

Choice beef cutout prices (600-900 lb.) for the week ending March 18, 2023, averaged US\$284.47 per cwt over the week, a price decline of US\$2.01 per cwt or 0.7 per cent from US\$286.48 per cwt from the previous week. Current beef cutout values are 10.5 per cent higher than the same week a year ago when they averaged US\$257.34 per cwt.

Average chicken cutout values (breast) for the week ending March 18, 2023, averaged US\$139.88 per cwt, a price increase of US\$3.89 per cwt or 2.9 per cent from US\$135.99 per cwt from the previous week.

USDA World Agricultural Supply and Demand Estimates (WASDE)

On March 8, the USDA released the March World Agricultural Supply and Demand Estimates (WASDE). U.S. March projections for the 2023 meat production year were slightly (+0.22 per cent) increased from the February projections. Beef production in the March projections had a 0.6 per cent increase, while turkey had a 0.5 per cent increase from the February projections. Pork and broilers had slight declines. Beef production estimates were increased from the February projections based on projected higher cow slaughter numbers. Pork production was slightly reduced based on projected lighter carcass weights in the first half of the year.

U.S. meat production for 2023 is projected to have a small decline of 0.3 per cent from 2022. The production decline was slightly reduced from the February projections. The largest production increases for 2023 are projected to come from turkey (+6.95 per cent), followed by pork (+1.54 per cent), and broilers (+1.18 per cent). Beef production for 2023 is forecasted to have the biggest annual production decline (-5.74 per cent) contributing to the overall decline in meat production. (Source: USDA WASDE).

USDA March World Agricultural Supply and Demand Estimates

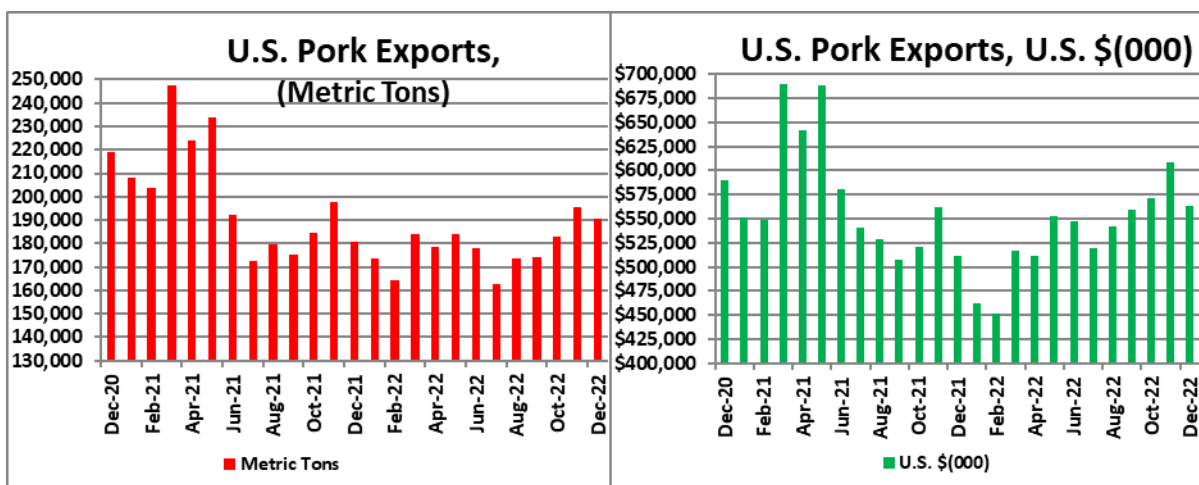
Year	Quarter	Million Pounds				Total Red Meat & Poultry
		Beef	Pork	Broiler	Turkey	
2020	Annual	27,174	28,303	44,583	5,743	106,556
2021	Annual	27,948	27,675	44,899	5,558	106,810
2022	March Est.	28,290	26,994	46,206	5,222	107,467
% Chg.	Est. 2021 to 2022	1.22%	-2.46%	2.91%	-6.05%	0.62%
2023	Feb. proj.	26,495	27,435	46,700	5,560	106,904
2023	Mar. proj.	26,665	27,410	46,750	5,585	107,144
2022	Chg. Feb. to March	0.64%	-0.09%	0.11%	0.45%	0.22%
% Chg.	Proj. 2022 to 2023	-5.74%	1.54%	1.18%	6.95%	-0.30%

Source: USDA March 8, 2023

United States Pork Exports

United States pork exports in January 2023, were 189,575 metric tons and valued at \$532.8 million dollars. United States pork exports in January 2023 were 0.6 per cent lower by volume and 5.3 per cent lower by dollar sales from December 2022.

However, United States pork exports in January 2023 were 9.2 per cent higher by volume and 15.3 per cent higher by sales value compared to January 2022.



Source: USDA, USMEF

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U.S. pork exports by value in January 2023 were the highest to Mexico at \$167.2 million (31 per cent), followed by Japan at \$114.1 million (21 per cent), and Canada at \$65.3 million (12 per cent). However, China was the third largest by volume in January at 18,060 metric tons. Chinese imports of U.S. pork increased 35 per cent by volume and 46 per cent by value compared to January of 2022.

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