

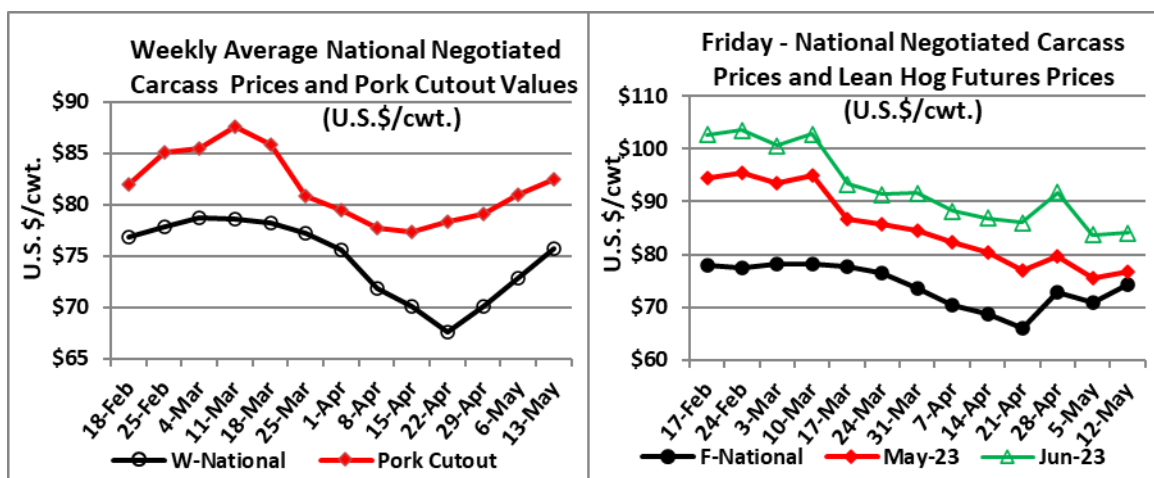
*This information is provided as a resource by Saskatchewan Agriculture staff.
All prices are in Canadian dollars unless otherwise noted.
 Please use this information at your own risk.*

Bi-Weekly Hog Report

May 15, 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 declining into Friday, but still managed to have a price increase, week-over-week. Cash hog prices on Friday May 12 averaged US\$74.38 per cwt, a price increase of US\$3.51 per cwt or 5.0 per cent from US\$70.87 per cwt the previous Friday. The negotiated weekly average National base price averaged US\$75.70 per cwt last week, a price increase of US\$2.89 per cwt or 4.0 per cent from US\$72.81 per cwt the previous week.



Source: LMIC

Source: LMIC, CME

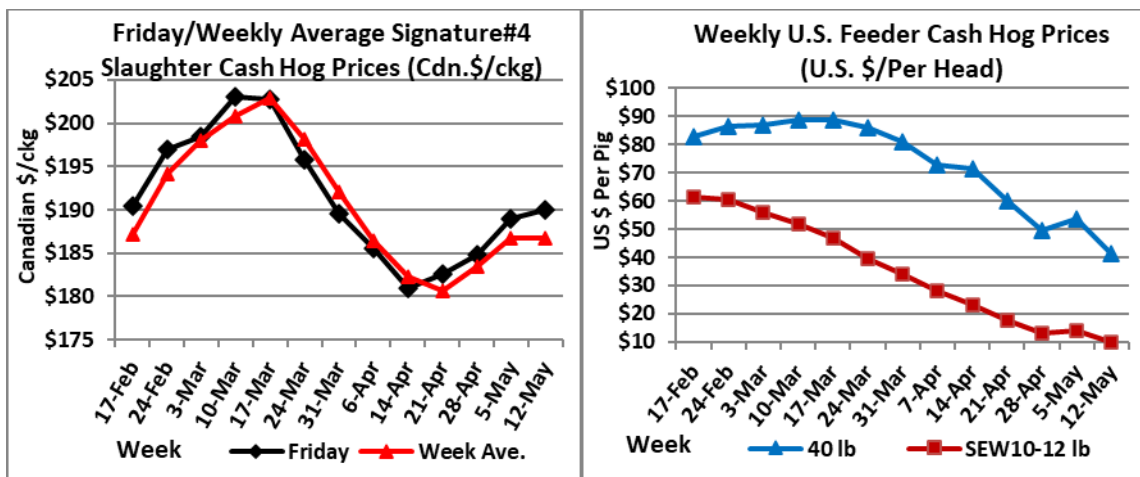
Futures Markets

United States lean hog futures prices were steady-to-higher last week after trending primarily lower since mid-March. The nearby May 2023 lean hog futures contract increased US\$1.100 per cwt or 1.5 per cent from the previous Friday's close to settle Friday at US\$76.625 per cwt. The June 2023 contract increased US\$0.325 per cwt, while the July 2023 contract declined slightly (US\$-0.10 per cwt), with the June contract settling Friday at US\$84.10 per cwt, and the July contract settled at US\$85.325 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) prices continued to trend lower last week and have declined significantly since early March. Weighted average cash prices for U.S. based iso-weans (12lb) were US\$10.19 per head last week, down US\$3.67 per pig or 26.5 per cent from US\$13.86 per head the previous week, and down almost US\$46 per pig or 82 per cent from the first week in March.

Feeder (40lb) cash prices averaged US\$41.47 per head last week, a price decline of US\$12.02 per head or 22.5 per cent from US\$53.49 per head the previous week. Feeder prices are over US\$45 per pig or 52 per cent lower since the first week in March 2023.



Source: HAMS Marketing

Source: LMIC, USDA

Canadian Hog Markets

In Canada, the Signature#4 (Maple Leaf) Index 100 daily price for Friday May 12, 2023, was \$189.99 per ckg, a price increase of \$1.07 per ckg or 0.6 per cent from \$188.92 per ckg from the previous Friday. The Signature#4 (Maple Leaf) Index 100 weekly price (Friday to Thursday) averaged \$186.67 per ckg last week; a slight price decline from the previous weeks' average price of \$186.68 per ckg. The Canadian dollar relative to the U.S. dollar declined 0.56 cents last week to settle Friday at 73.89 cents, down from 74.48 cents the previous Friday.

United States Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending May 13, 2023, were estimated at 2.375 million head, a 2.9 per cent decline from the previous week's estimate of 2.447 million head, but a 0.5 per cent increase from 2.363 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks averaged 2.414 million head, up 1.5 per cent from 2.377 million head over the same period a year ago. U.S hog slaughter numbers over the last eight weeks averaged 2.426 million head, up 1.4 per cent from 2.392 million head over the same period a year ago.

Meat Production

U.S. pork production for the week ending May 13, 2023, was estimated at 515.0 million lb., down 3.0 per cent from 531.2 million lb. the previous week, but almost unchanged from 514.0 million lb. the same week a year ago. Pork production over the last four weeks ending May 13, 2023, was estimated to average 523.3 million lb., up 0.8 per cent from 519.0 million lb. over the same period a year ago. Pork production over the last eight weeks ending May 13, 2023, averaged 526.3 million lb., up 0.7 per cent from 522.5 million lb. the same period a year ago.

U.S. beef production for the week ending May 13, 2023, was estimated at 526.5 million lb., up 3.5 per cent from 508.5 million lb. the previous week, but down 1.0 per cent from 531.9 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken, and turkey over the last four weeks ending May 6, 2023, were estimated to average 2.216 billion lb., up 0.8 percent from 2.197 billion lb. over the same four weeks a year ago. Based on the weekly production numbers U.S. meat production over the first eighteen weeks of 2023, was 0.45 per cent lower compared to the same period a year ago in 2022. U.S. beef production over the last four weeks was 6.1 per cent lower compared to the same period a year ago, while beef production year-to-date for the first eighteen weeks in 2023 was 4.9 per cent lower compared to the same period a year ago.

United States Weekly Meat Production

	(May 6) Four Week Average - Million Lb.		Percent Change	
	2022	2023	4 Week	YTD 2023
Pork	518.4	526.4	1.55%	0.93%
Beef	539.7	506.9	-6.08%	-4.91%
Chicken	1,032.7	1,056.2	2.27%	1.25%
Turkey	106.6	126.2	18.37%	-1.25%
Total	2,197.379	2,215.595	0.829%	-0.451%

Source: LMIC

Cutout Values

Pork cutout values for the week ending May 13, 2023, averaged US\$82.48 per cwt, a price increase of US\$1.56 per cwt or 1.9 per cent from US\$80.92 per cwt the previous week; but down 18.2 per cent from US\$100.77 per cwt from the same week a year ago. Belly prices had the biggest losses over the week from the three main cutouts with prices declining US\$2.60 per cwt or 3.2 per cent to average US\$79.40 per cwt. Ham prices were 9.0 per cent higher with price gains of US\$6.86 per cwt to average US\$73.19 per cwt, while loin prices only increased 1.1 per cent to average US\$82.60 per cwt last week.

Choice beef cutout prices (600-900 lb.) for the week ending May 13, 2023, averaged US\$306.63 per cwt over the week, a price decline of 0.9 per cent from US\$309.41 per cwt from the previous week. Current beef cutout values are 19.3 per cent higher than the same week a year ago when they averaged US\$256.95 per cwt.

Average chicken cutout values (breast) for the week ending May 13, 2023, averaged US\$135.38 per cwt, a price increase of US\$3.57 per cwt or 2.7 per cent from US\$131.81 per cwt from the previous week.

USDA World Agricultural Supply and Demand Estimates (WASDE)

On May 12, the USDA released the May World Agricultural Supply and Demand Estimates (WASDE). U.S. May projections for the 2023 meat production year were slightly (+0.12 per cent) increased from the April projections. Beef production in the May projections had a 0.55 per cent increase, while broilers had a 0.32 per cent increase compared to the April projections. Pork had a slight (+0.08 per cent) increase from the April projections. Beef production estimates in May were increased from the April projections based on higher recent slaughter data and larger than previously expected cattle placements in the first half of 2023. Turkey production was forecasted lower from the April estimates based on recent hatchery data.

U.S. meat production for 2023 is projected to have a slight increase (+0.02 per cent) from 2022. The overall production increase (+0.12 per cent) in the May projections helped to bring 2023 production into positive territory, although very slightly. The largest production increases for 2023 are projected to come from turkey (+3.49 per cent), followed by broilers (+1.82 per cent) and pork (+1.43 per cent). Beef production for 2023 is forecasted to have a big annual production decline (-4.84 per cent) pushing total meat production lower and almost unchanged from 2022. (Source: USDA WASDE).

USDA May 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	May Est.	28,291	26,996	46,206	5,222	107,469
% Chg.	Est. 2021 to 2022	1.23%	-2.45%	2.91%	-6.05%	0.62%
2023	Apr. proj.	26,775	27,360	46,900	5,585	107,357
2023	May proj.	26,921	27,381	47,048	5,404	107,491
2022	Chg. Apr. to May	0.55%	0.08%	0.32%	-3.24%	0.12%
% Chg.	Proj. 2022 to 2023	-4.84%	1.43%	1.82%	3.49%	0.02%

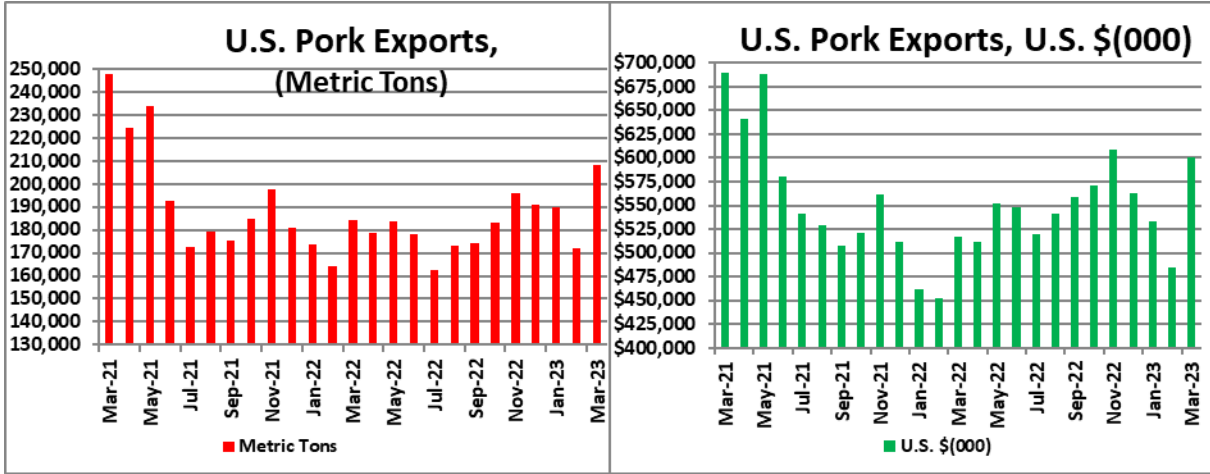
Source: USDA May 12, 2023

United States Pork Exports

United States pork exports rebounded strongly in March 2023. U.S. pork exports were 208,024 metric tons and valued at \$600.8 million dollars. United States pork exports in March 2023 were 21.1 per cent higher by volume from February 2023, and 13.0 per cent higher in volume from March 2022. U.S. pork exports by volume were the largest monthly total since May 2021.

U.S. pork exports by volume in March 2023 was largest to Mexico (39.6 per cent), Japan (15.7 per cent), and Canada (9.1 per cent). South Korea was the fourth largest importer of U.S. pork (8.7 per cent) followed by China at 14,286 metric tons (6.9 per cent). U.S. pork exports by volume to these countries all increased from March 2022.

United States pork exports by dollar value in March 2023 were 24.1 per cent higher from February 2023, and 16.3 per cent higher compared to March 2022. U.S. pork exports by value in March 2023 were the highest to Mexico at \$174 million (29.0 per cent), followed by Japan at \$131.1 million (21.8 per cent), and Canada at \$83.0 million (13.8 per cent). Pork Exports to South Korea improved and were the fourth largest by dollar value at \$56.7 million (9.4 per cent). Mexico had the biggest year-over-increase in pork imports from the U.S. in March increasing almost \$41 million or 30.8 per cent from March 2022.



Source: USDA, USMEF

Source: USDA, USMEF

For more information, contact:

Brad Marceniuk, PAg, MSc, BSA
Provincial Livestock Economist
(306) 933-5098

brad.marceniuk@gov.sk.ca