
Pork and Swine Market Outlook

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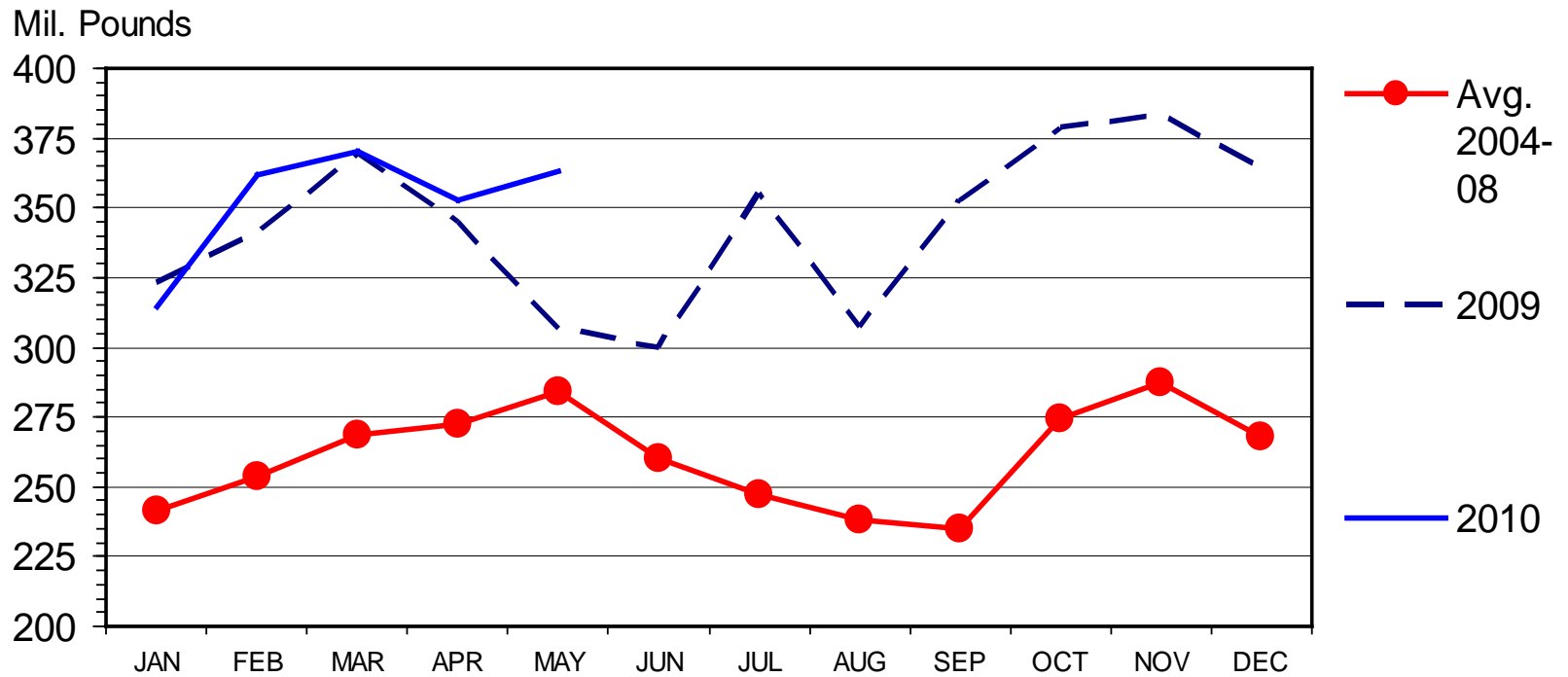
July 27, 2010

Broad Overview

- Export demand been strong; domestic less robust
 - Reduced supplies (both cold storage & hog production)
 - = Heightened prices
 - Macroeconomic concerns persist...
 - “Social pressures” increasing in influence...
 - = Heightened uncertainty (“the new normal”)
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U S PORK EXPORTS

Carcass Weight, Monthly

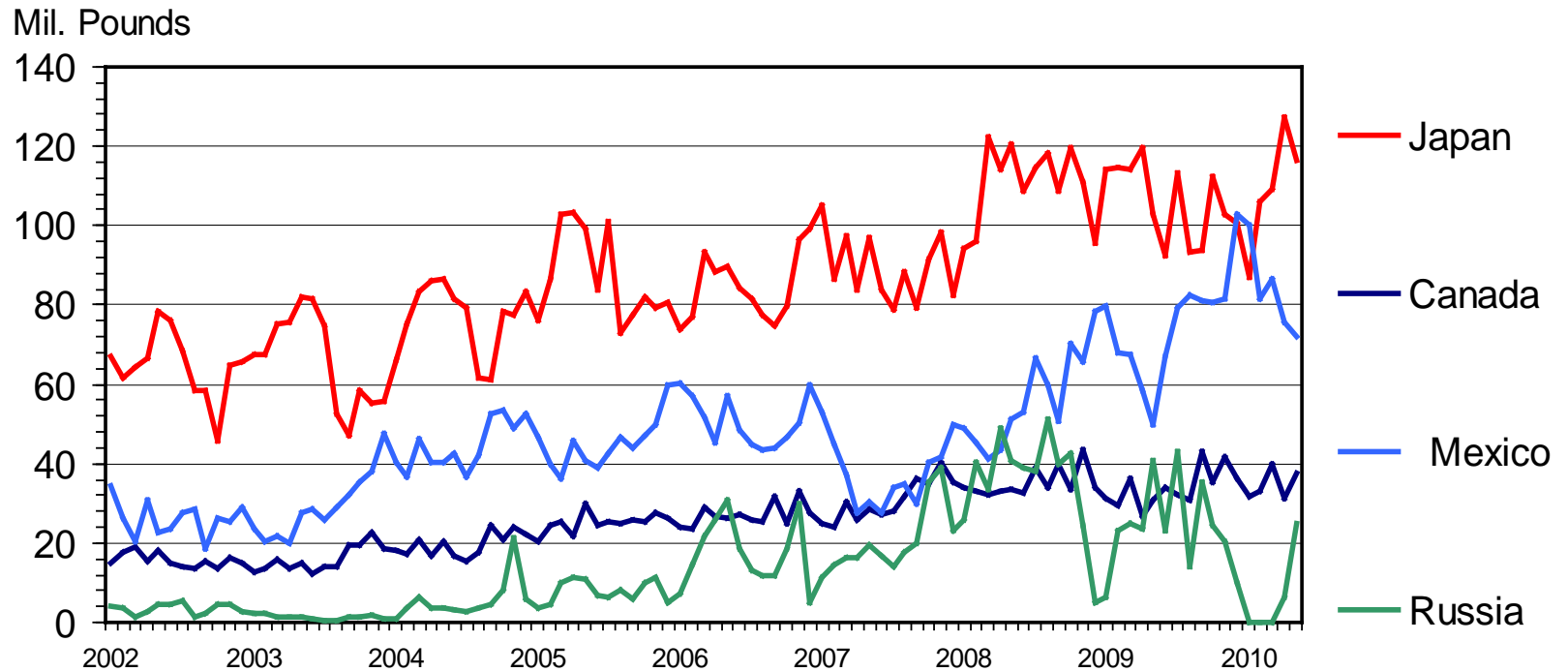


Data Source: USDA-ERS & USDA-FAS, Compiled by LMIC

I-N-30
07/14/10

U S PORK EXPORTS TO MAJOR MARKETS

Carcass Weight, Monthly

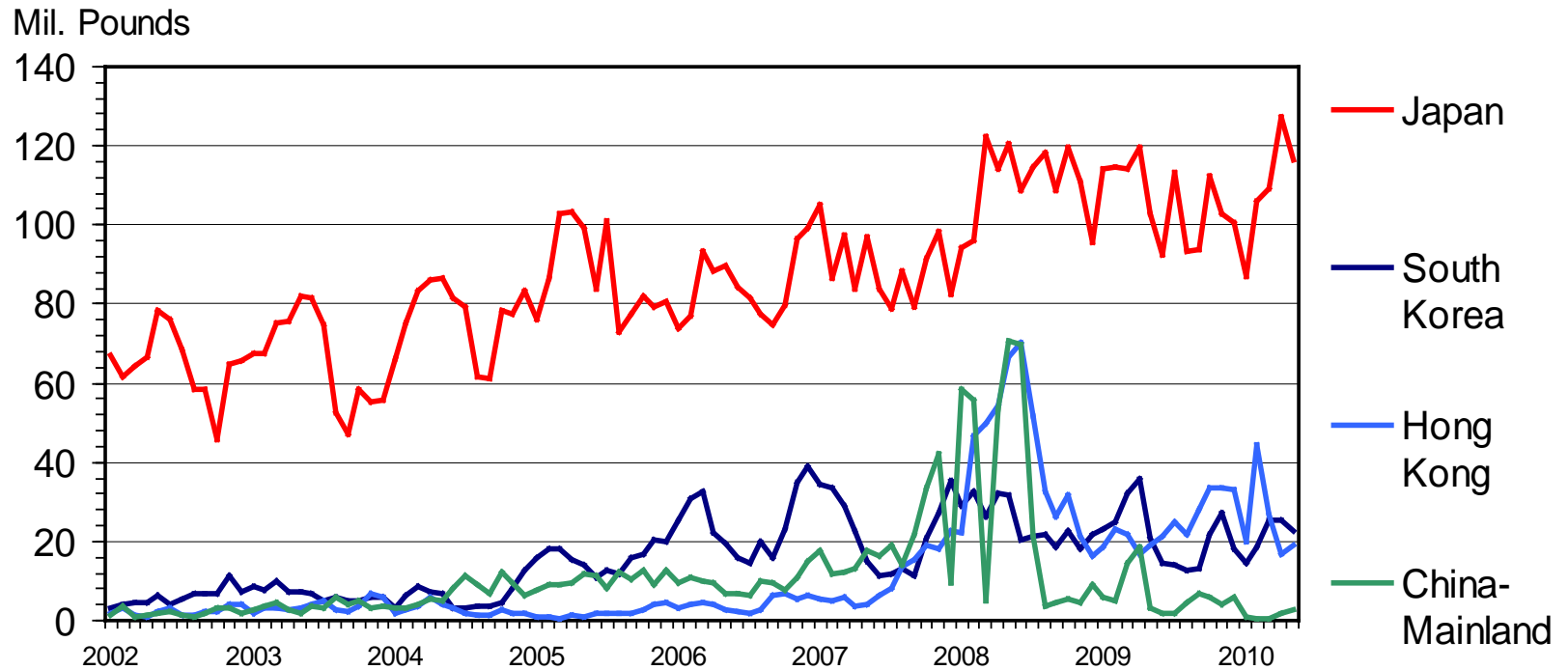


Data Source: USDA-ERS & USDA-FAS,
Compiled by LMIC

I-N-64
07/14/10

U S PORK EXPORTS TO MAJOR MARKETS

Carcass Weight, Monthly

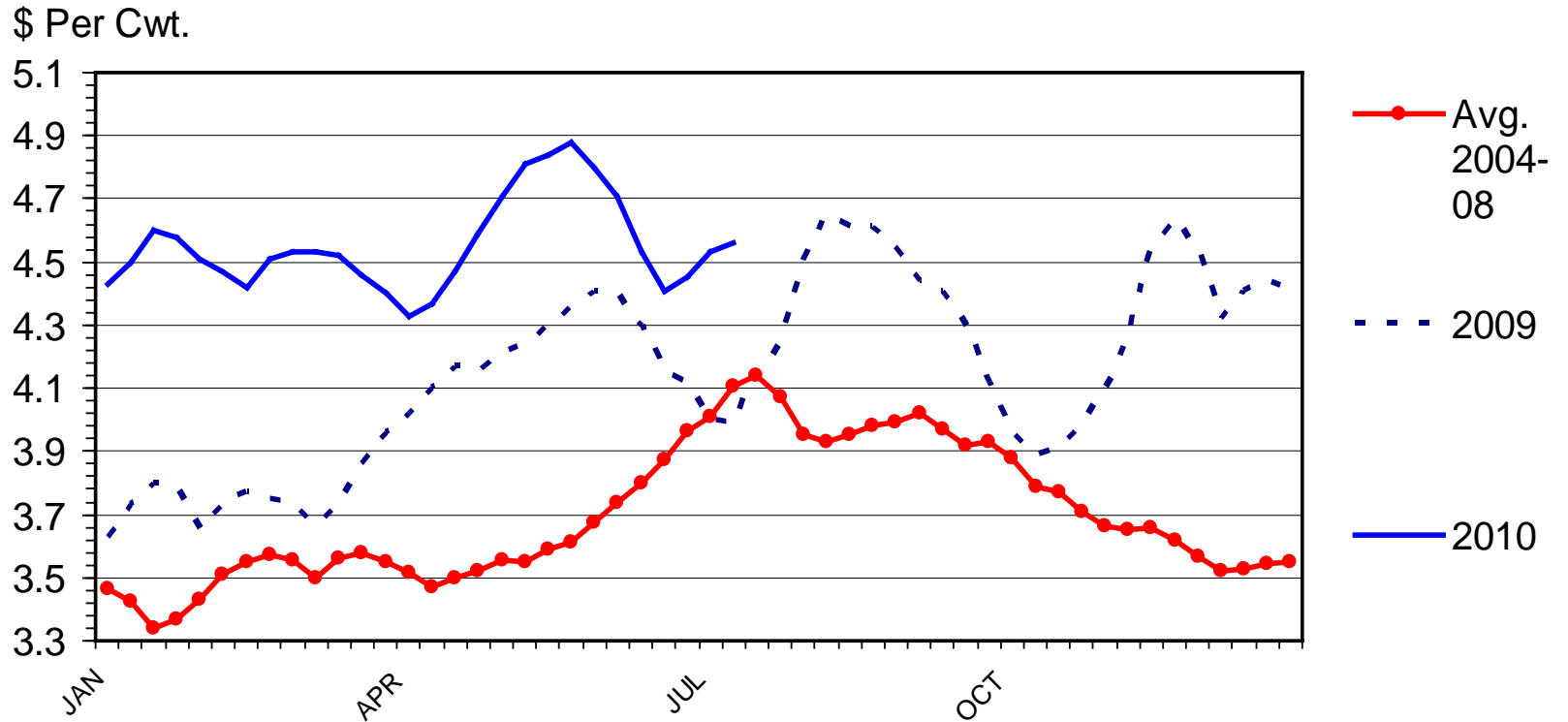


Data Source: USDA-ERS & USDA-FAS, Compiled by LMIC

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HOG BY-PRODUCT VALUE

Live Animal Basis, Weekly

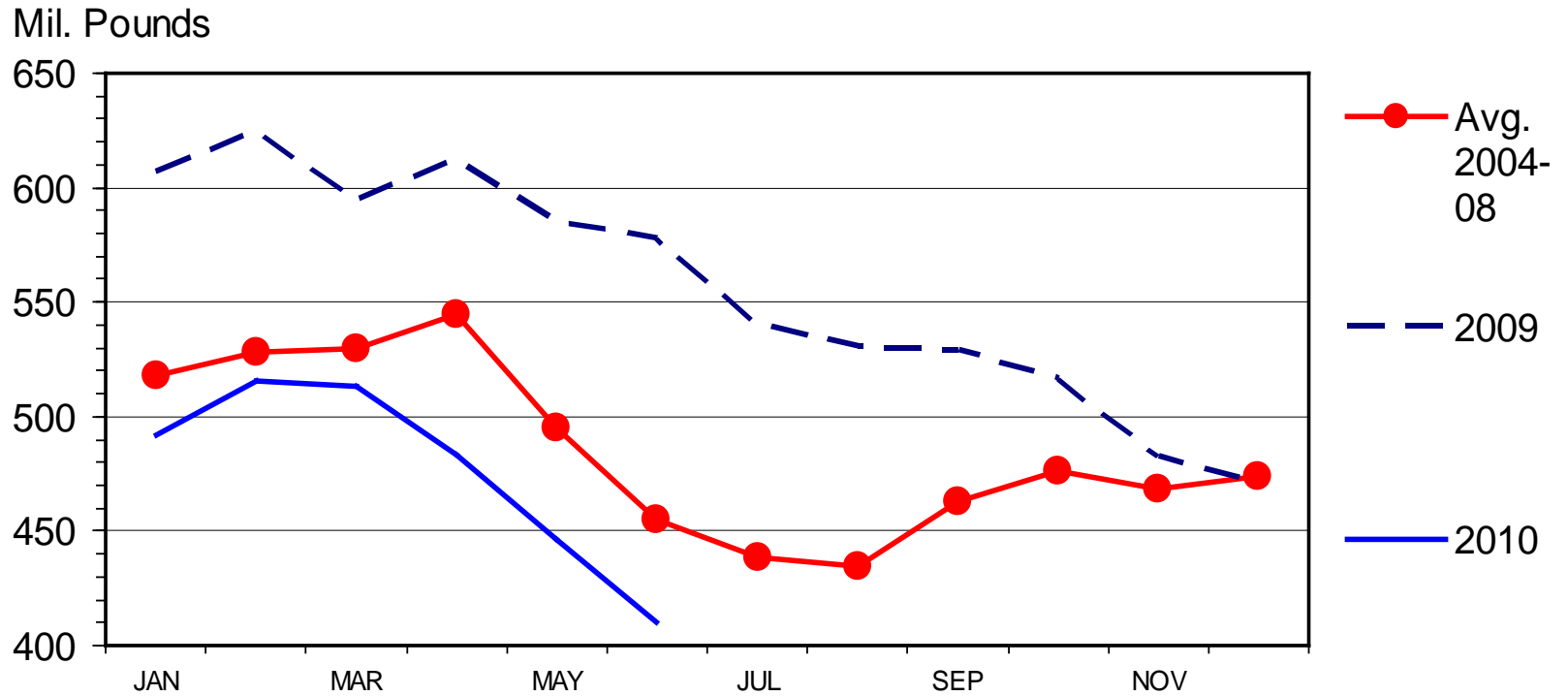


Data Source: USDA-AMS, Compiled by LMIC

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PORK IN COLD STORAGE

Frozen and Cured, End of the Month



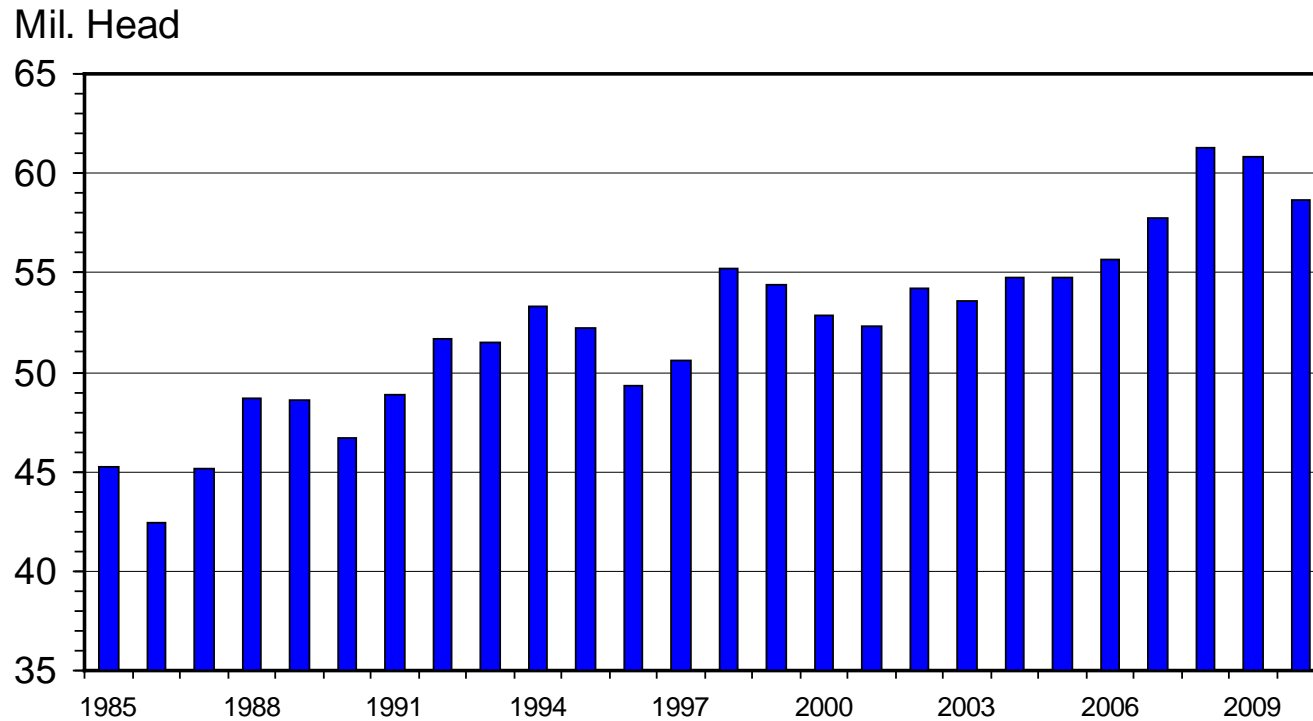
Livestock Marketing Information Center

Data Source: USDA/NASS

M-S-10
07/22/10

JUNE 1 MARKET HOGS

U.S. Inventory



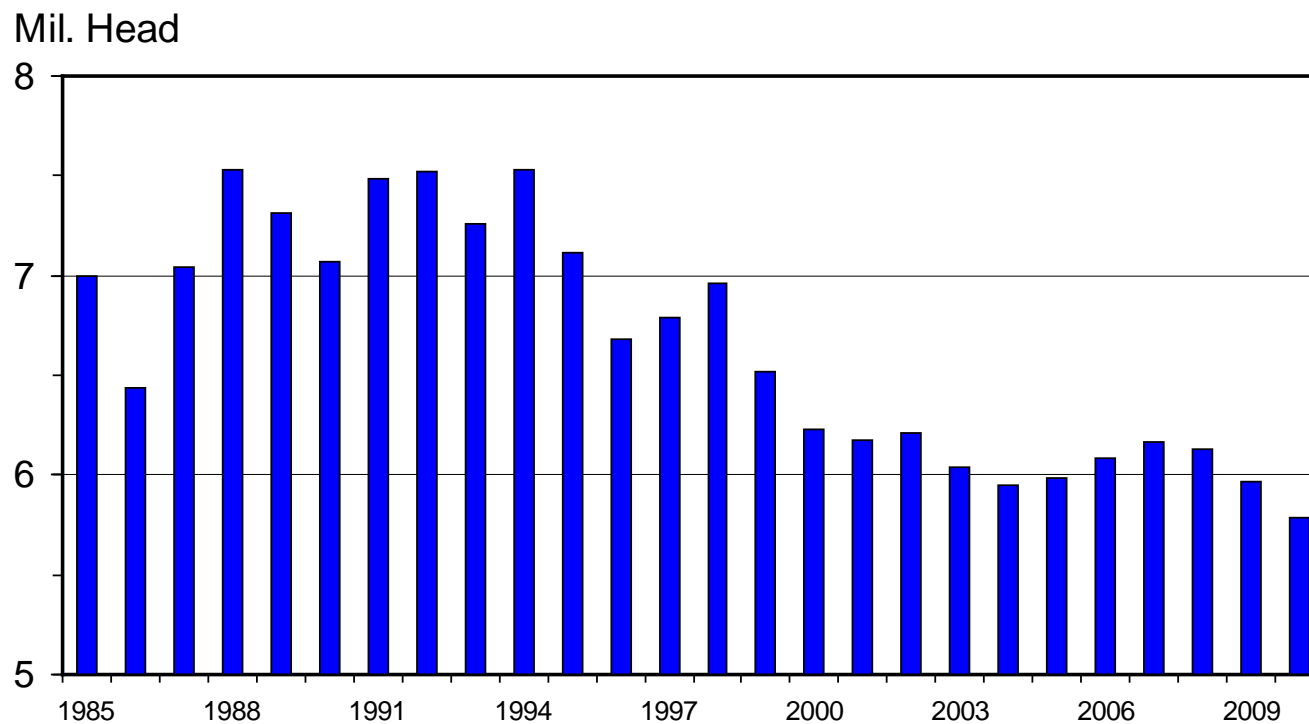
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Data Source: USDA/NASS

H-N-12
06/25/10

JUNE 1 HOG BREEDING HERD

U.S. Inventory



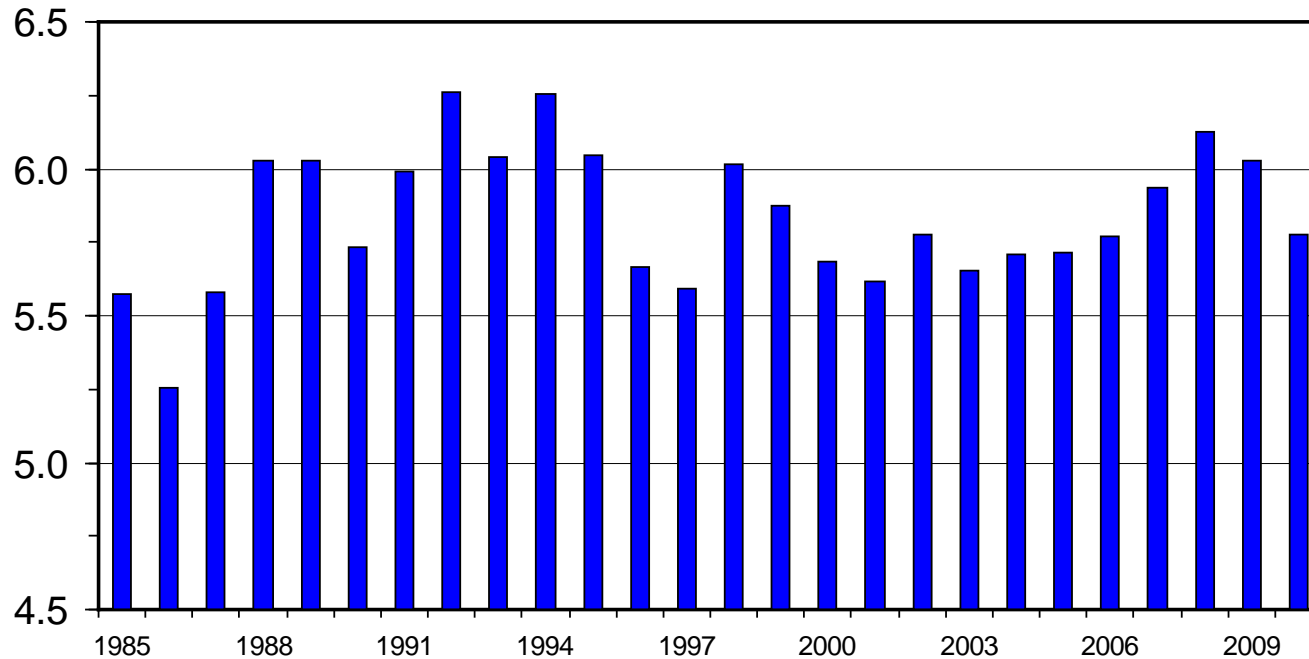
Livestock Marketing Information Center

Data Source: USDA/NASS

H-N-30
06/25/10

DECEMBER - MAY SOWS FARROWING U.S.

Mil. Head



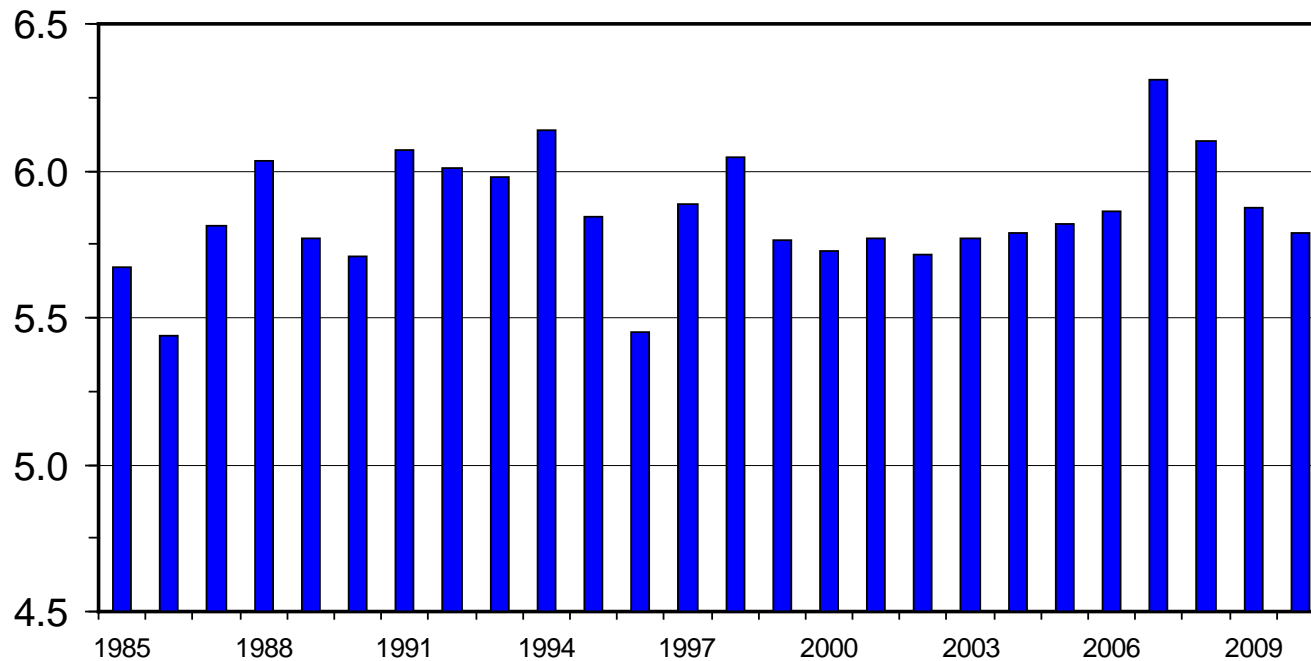
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Data Source: USDA/NASS

H-N-48
06/25/10

JUNE - NOVEMBER SOWS FARROWING U.S.

Mil. Head



Livestock Marketing Information Center

Data Source: USDA/NASS

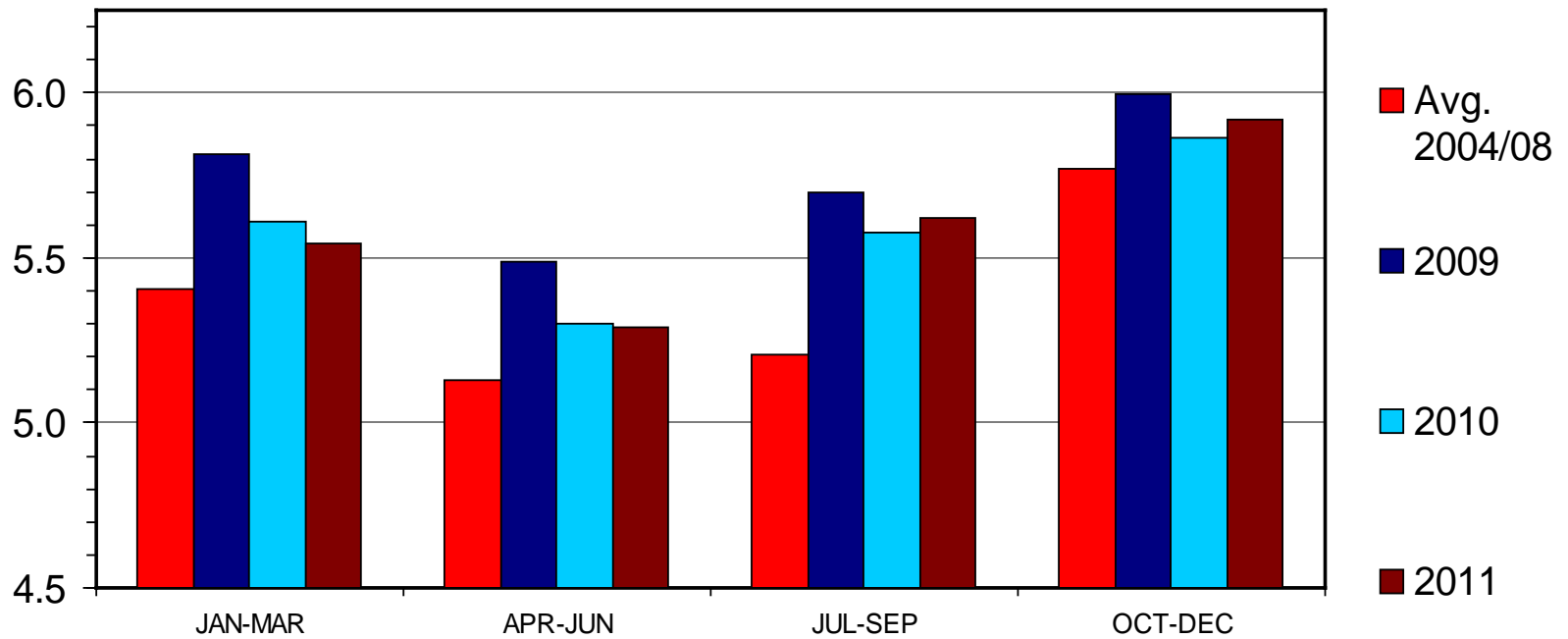
H-N-50

06/25/10

COMMERCIAL PORK PRODUCTION

Quarterly

Bil. Pounds

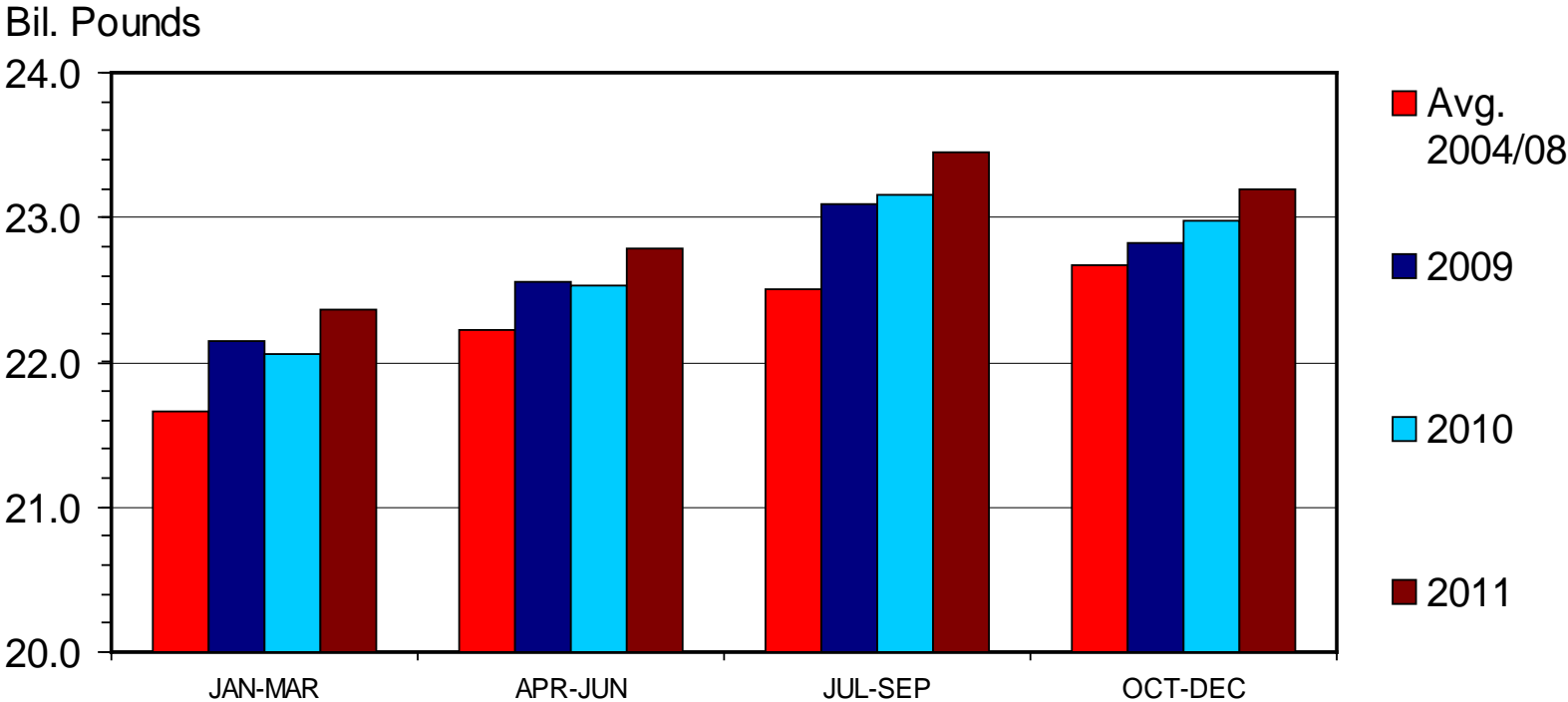


Data Source: USDA-NASS, Compiled and Forecasts by LMIC

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TOTAL RED MEAT & POULTRY PRODUCTION

Quarterly



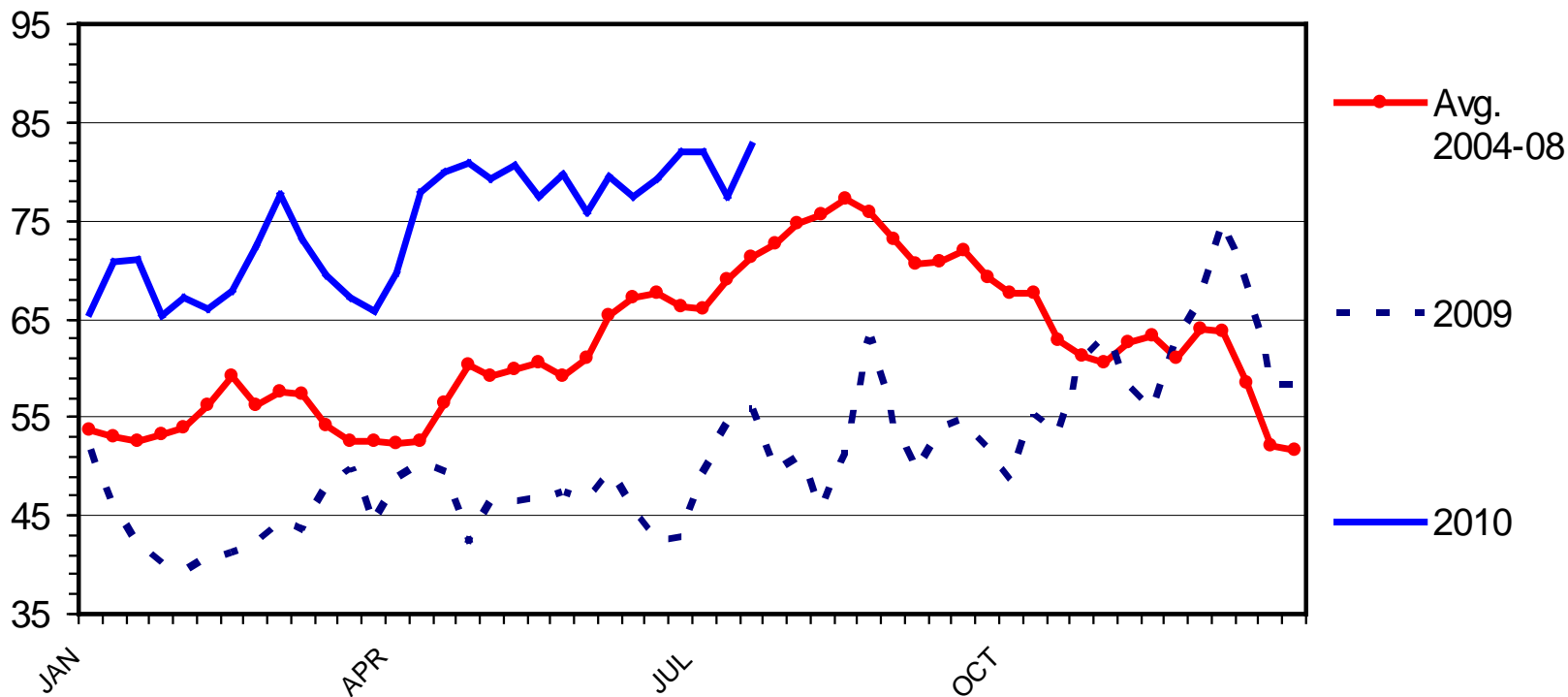
Data Source: USDA-NASS, Compiled and Forecasts by LMIC

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07/14/10

WHOLESALE HAM PRICES

Selected, 23-27 Pounds, Weekly

\$ Per Cwt.



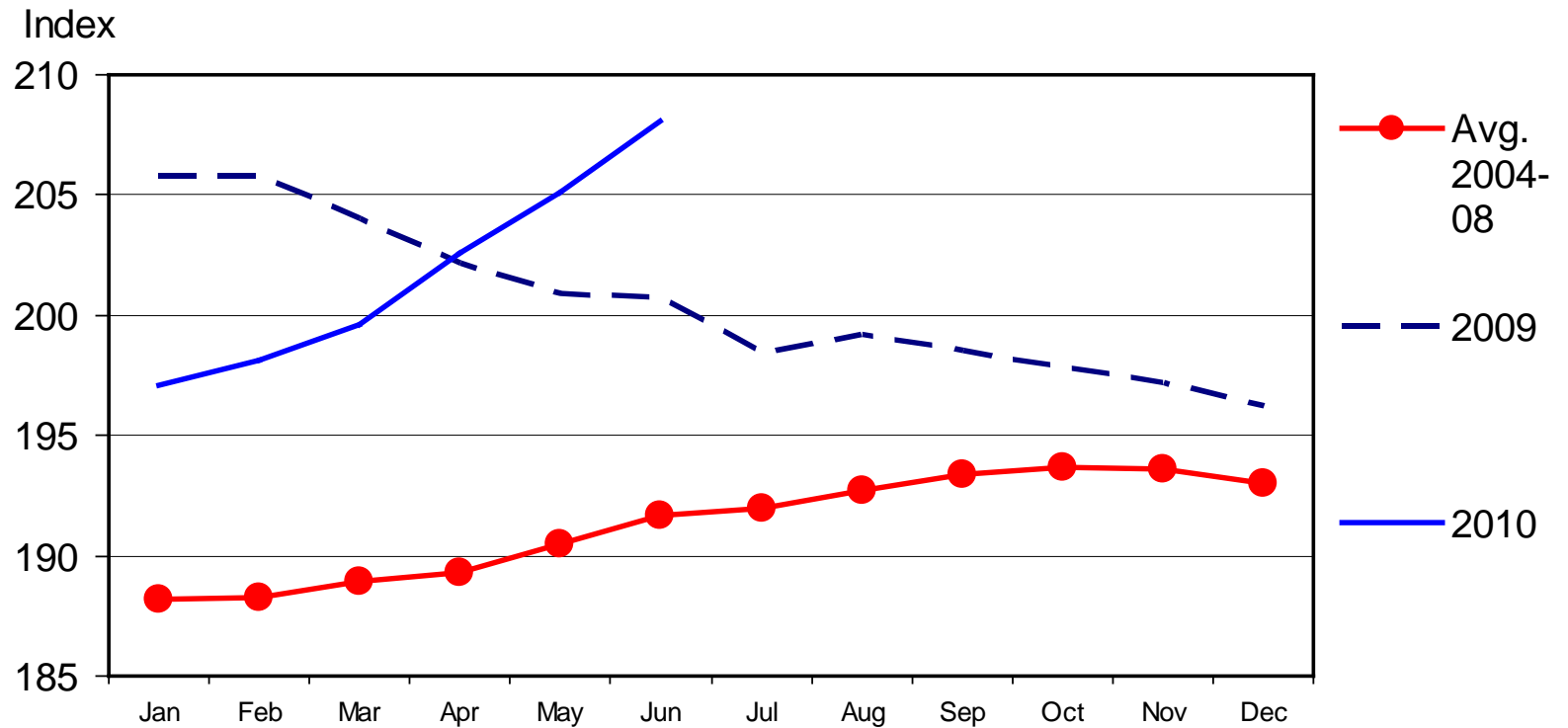
Livestock Marketing Information Center

Data Source: USDA/AMS

M-P-27
07/26/10

CPI - MEATS

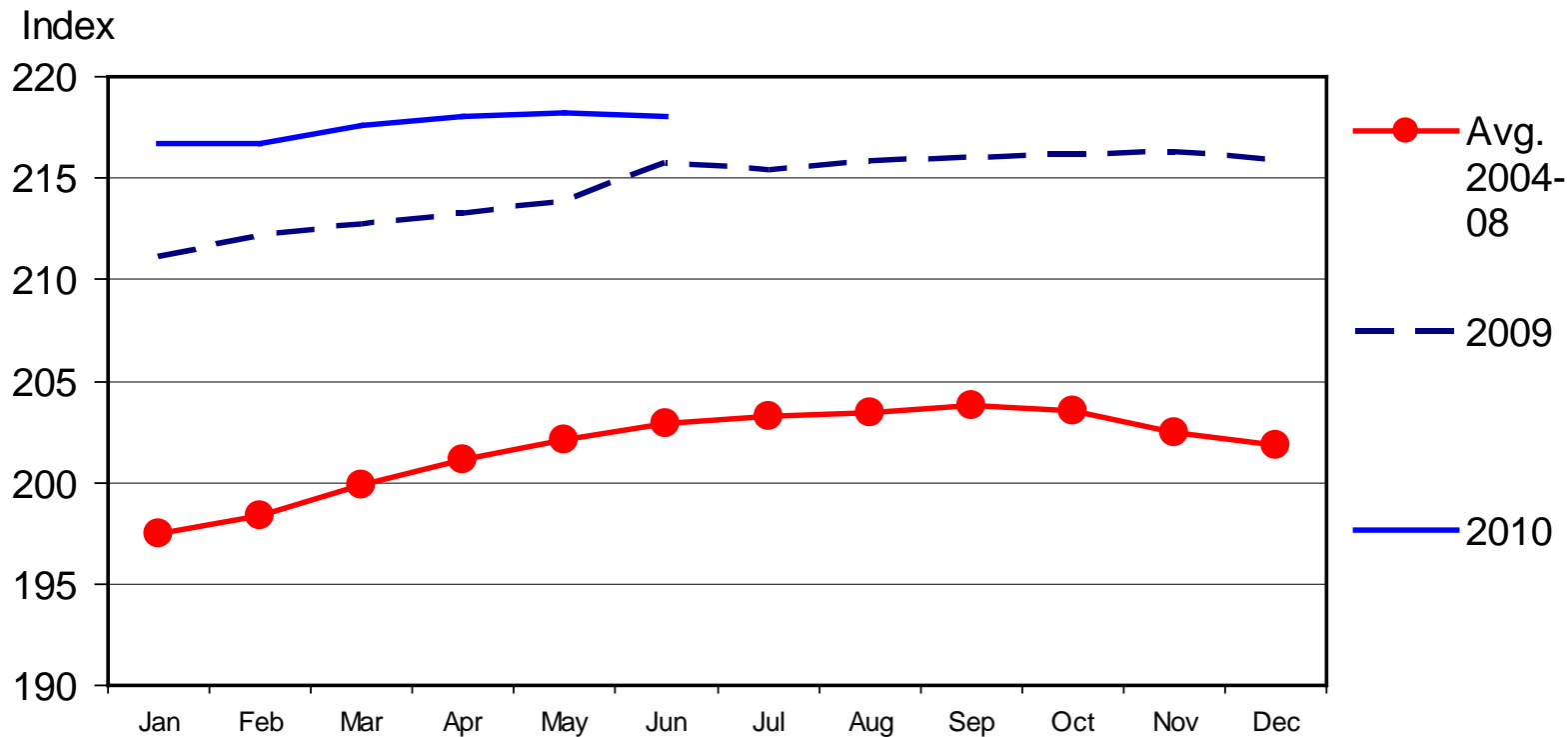
1982-1984 Base, Monthly



07/16/10

CONSUMER PRICE INDEX - ALL ITEMS

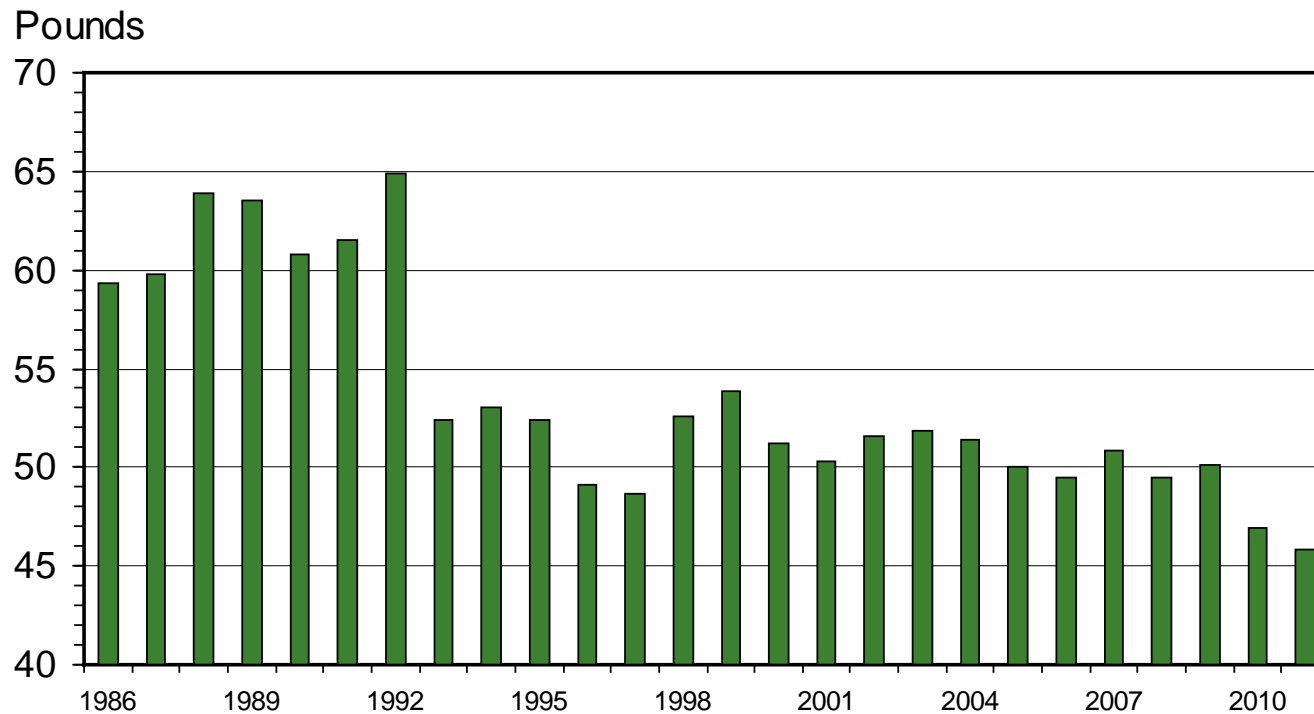
1982-1984 Base, Monthly



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U S PORK CONSUMPTION

Per Capita, Retail Weight, Annual



M-C-14
06/21/10

LH FUTURES (7/27)

Aug: 82.25

Oct: 76.15

Dec: 73.75

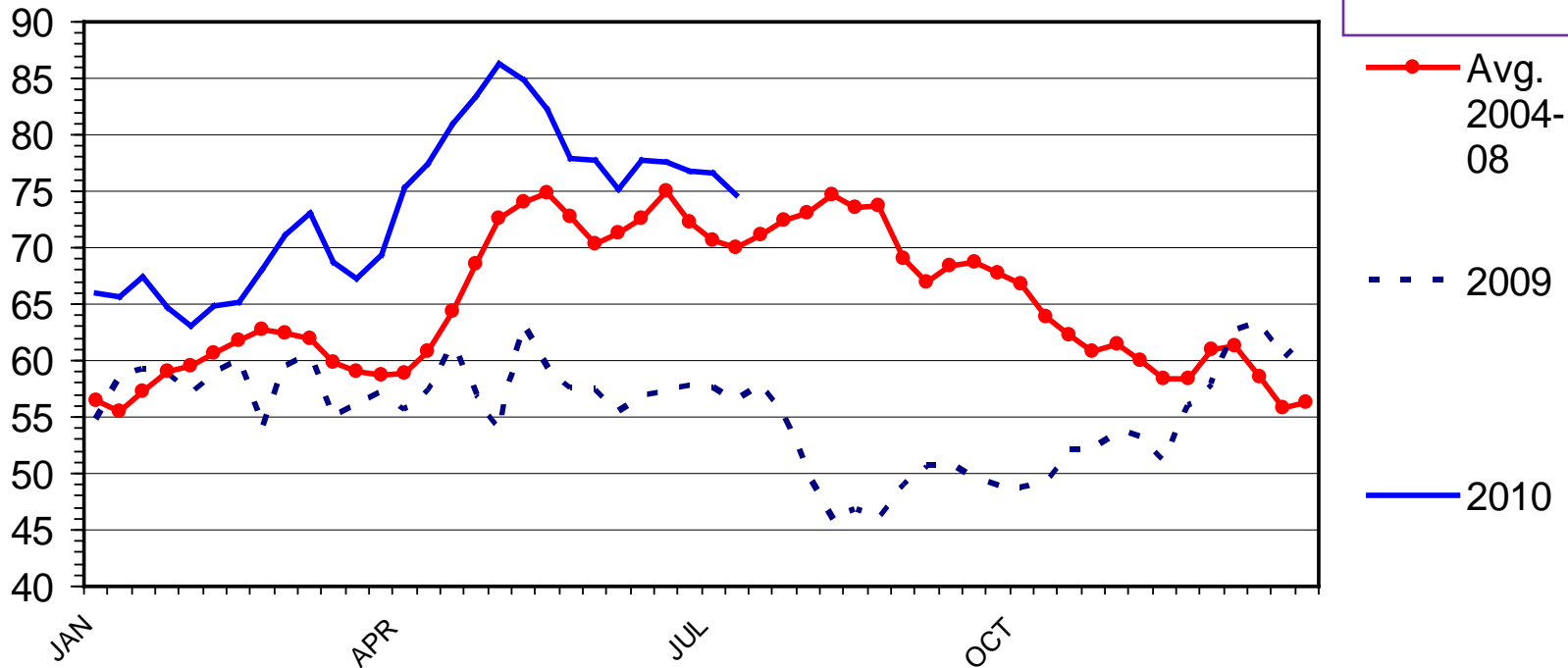
Feb (11'): 75.25

Apr (11'): 76.00

BARROW AND GILT PRICES

Iowa - So. Minnesota, Carcass Base Price, Weekly

\$ Per Cwt.



Data Source: USDA-AMS, Compiled & Analysis by LMIC

H-P-09
07/19/10

QUARTERLY HOG & PORK FORECASTS (LMIC: 7/23/2010)

Year Quarter	Comm'l Slaughter	% Chg. Average from Carcass Year Ago	% Chg. Average Weight Year Ago	% Chg. from Year Ago	Comm'l Pork Production	% Chg. from Year Ago
2010 Year	110256	-3.0	203	-0.0	22346	-2.8
2011 Year	109849	-0.4	204	0.4	22376	0.1

Year Quarter	Per Capita Consumption	% Chg. from Year Ago	Prices National Wtd Avg Base	% Chg. from Year Ago
2010 Year	47.0	-6.1	71-73	26.3
2011 Year	46.0	-2.1	71-77	2.8

Beyond Today's Ps & Qs

Industry pressures shaping today & tomorrow's markets:

- “Fair market” regulation adjustments/discussions
 - Does differentiation of niche products = stigmatizing of conventional products???
 - E.g. what impact does promotion of “humanely raised” pork have on “commodity pork?”
 - Perceived safety issues span beyond FSIS recalls
 - traceability and identification (in)ability sends signals
 - calls for antibiotic bans, etc. will likely continue...
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Industry pressures shaping today & tomorrow's markets:

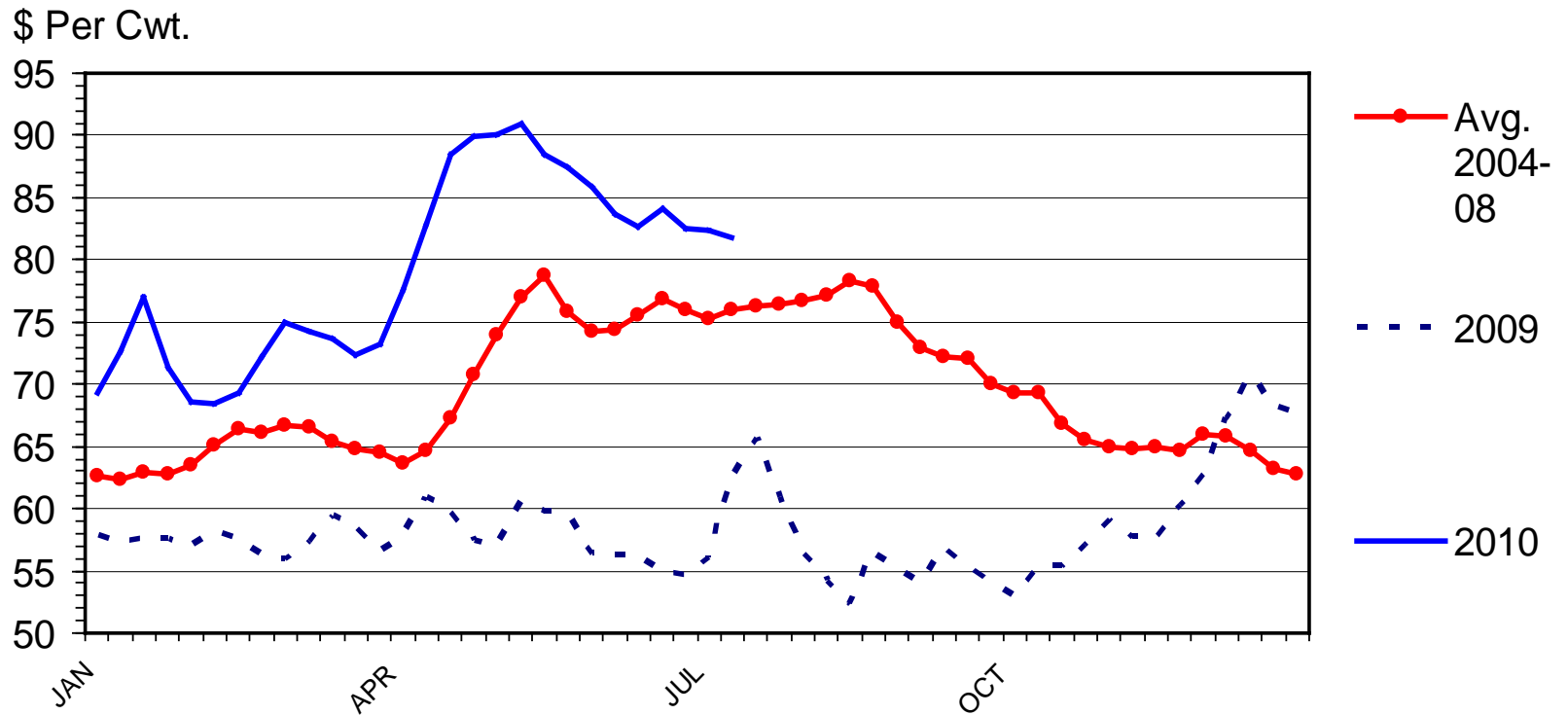
- Animal well-being/welfare
 - “social pressures” are here to stay ...
 - 1999(1)-2008(4) pork media index increased by 181% = 2.65% pork demand reduction...
 - national call to “level the field” coming???
 - Much more work on economic welfare impacts needed; distinction between “supporting voters” and “meat buyers” ...
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More information available at:
AgManager (<http://www.agmanager.info/>)

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HOG CUTOUT VALUE

Weekly

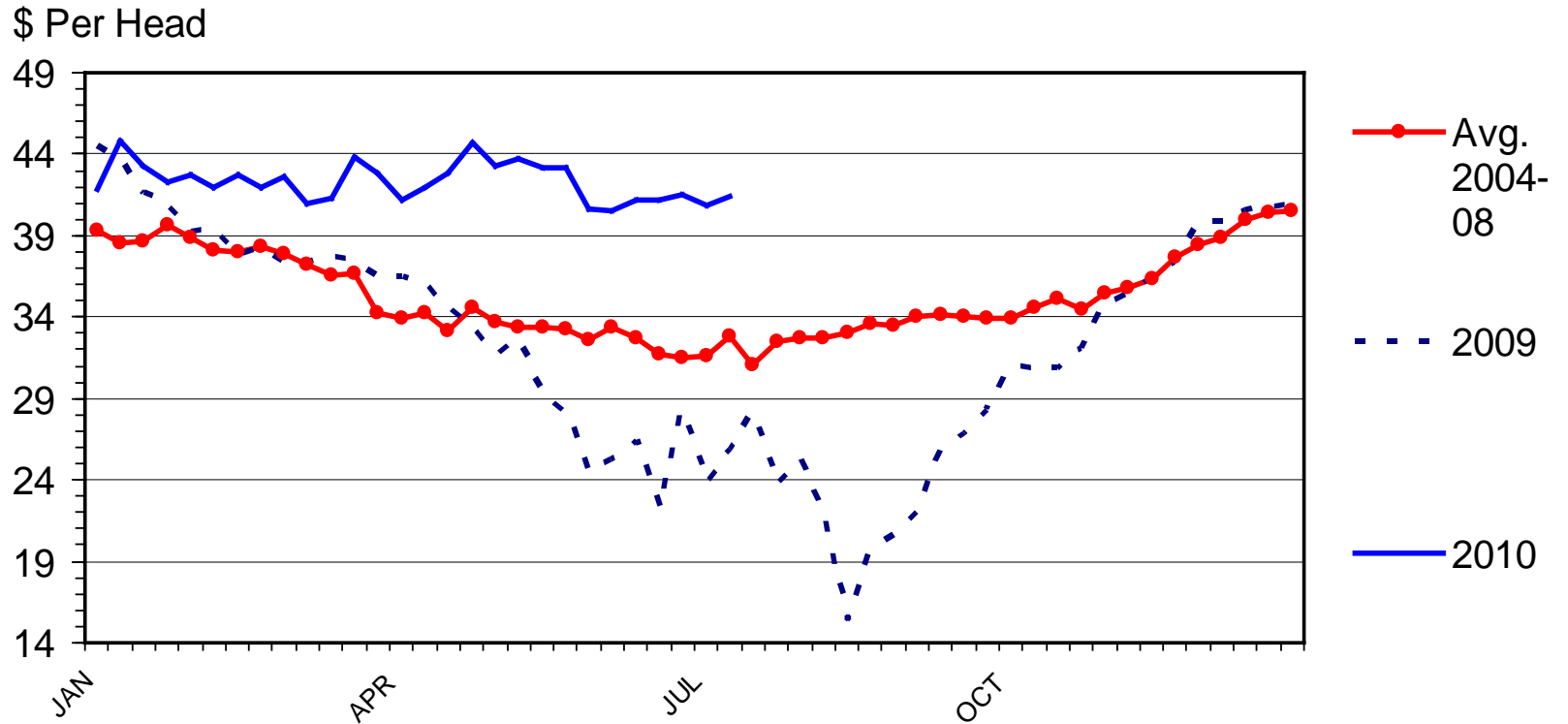


Data Source: USDA-AMS, Compiled by LMIC

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EARLY WEANED PIG PRICES

National, 10 Lbs, Delivered, Weekly

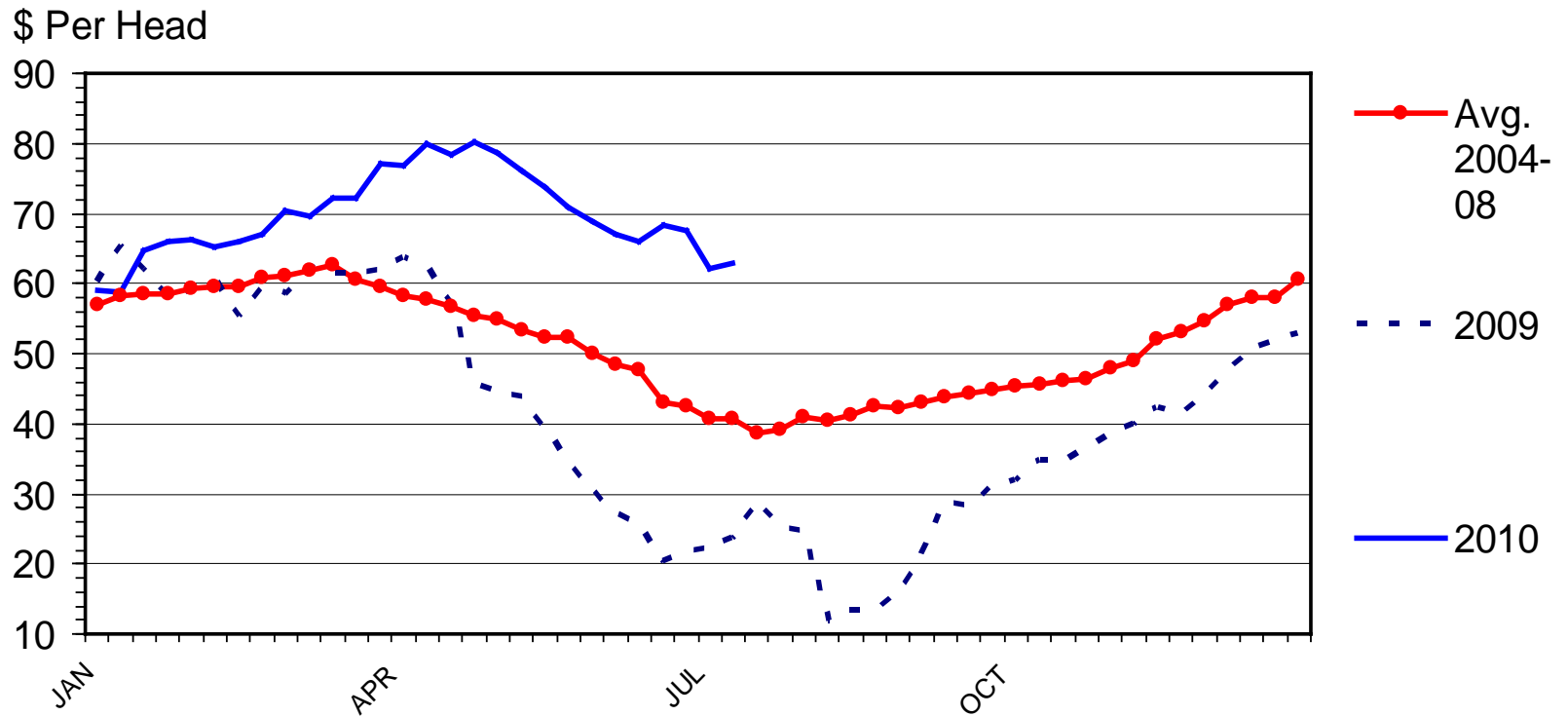


Data Source: USDA-AMS, Compiled by LMIC

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FEEDER PIG PRICES

40 Pounds, Weekly

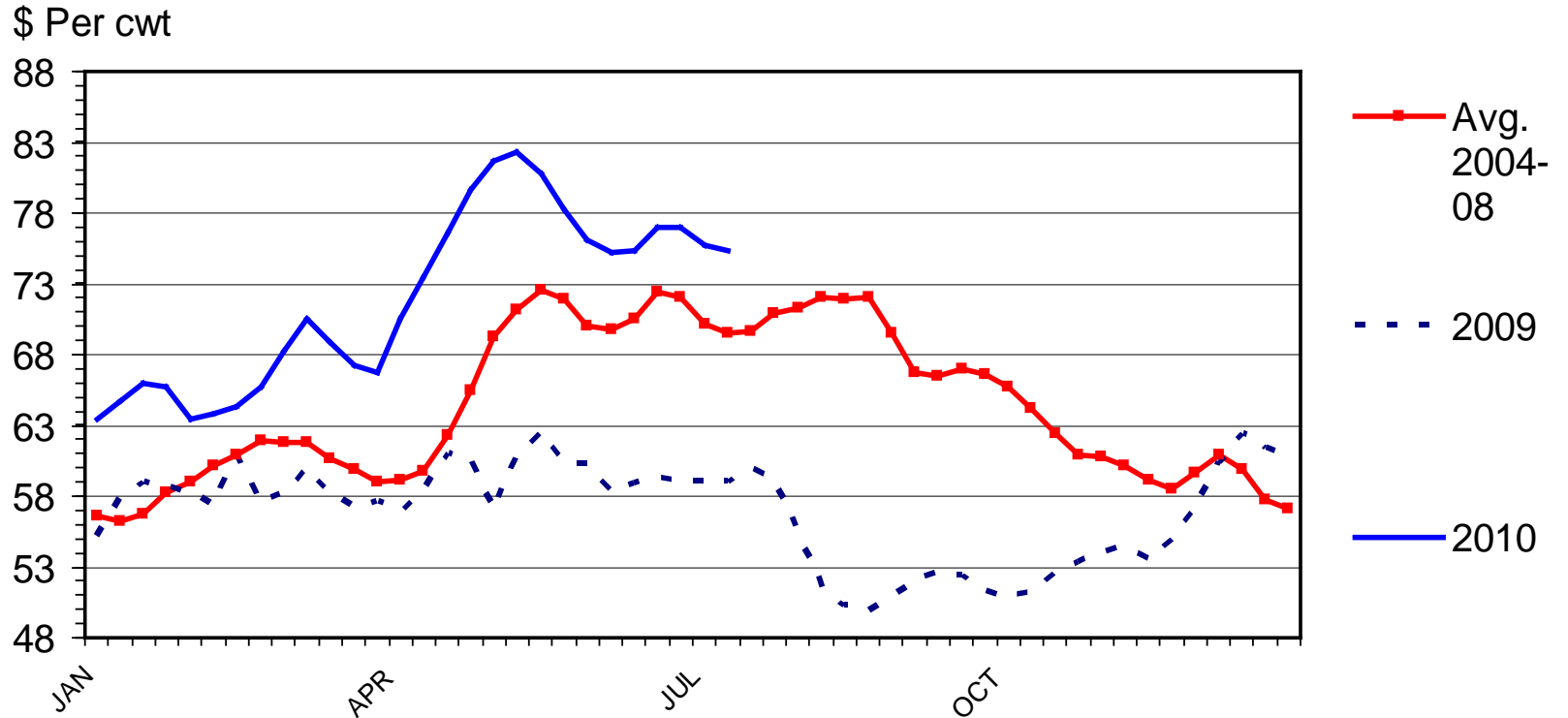


Data Source: USDA-AMS, Compiled by LMIC

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07/19/10

BASE SLAUGHTER HOG PRICES

National, Weighted Average Carcass Price, Weekly



Data Source: USDA-AMS, Compiled & Analysis by LMIC

H-P-23
07/19/10