

# ArrowStream

## Pork

The lean hog futures were all lower last week anywhere from 2-4%. After trading a bit higher on Monday to start the week, the overall pork cutout finished flat at \$97.88/cwt. Breaking out the primals and subprimals, the loin primal was up 2% to \$97.49/cwt with the subprimal baby back ribs up \$.19/lb w/w to \$2.59/lb. The pork butt primal was flat w/w, but the subprimal B/I pork butt traded lower by \$.02/lb to \$1.46/lb but is still up 28% y/y. The rib primal was flat last week at \$161.50/cwt, and the medium spareribs closed at \$1.80/lb, which is higher by 39% this year. It was a volatile week of trading for the belly primal as it was sharply lower to start the week, but the late rally had bellies flat w/w at \$120.93/cwt. The ham, picnic, and pork trim were mixed. In the trim complex, 72% was up 1.2% to \$1.04/lb, and the 42% was lower by 2.3% to \$0.71/lb. Looking ahead, even with the recent weakness in lean hogs, overall pork demand looks firm to higher the next few months. The cutout should rise in the next few weeks on the strength in grocery store promotions and some increased demand from the foodservice sector. Prices USDA, FOB per pound.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Increasing	Available	Higher
Sow	Decreasing	Steady	Higher
Belly (bacon)	Decreasing	Available	Higher
Sparerib(4.25 lb & down)	Decreasing	Steady	Higher
Ham (20-23 lb)	Decreasing	Steady	Higher
Ham (23-27 lb)	Increasing	Steady	Higher
Loin (bone in)	Increasing	Available	Higher
Babyback Rib (1.75 lb & up)	Increasing	Steady-Available	Higher
Tenderloin (1.25 lb)	Decreasing	Steady	Higher
Boston Butt, untrmd (4-8 lb)	Decreasing	Steady	Higher
Picnic, untrmd	Increasing	Steady	Higher
SS Picnic, smoker trm box	Increasing	Steady	Higher
42% Trimmings	Decreasing	Steady-Available	Higher
72% Trimmings	Decreasing	Steady-Available	Higher

