

ArrowStream

Pork

Lean hogs and the pork cutout remain under seasonal pressure heading into December as only the rib primal traded slightly higher. The pork cutout was lower by 6% to \$90.21/cwt on Thursday's close, led by weakness in the belly and the trim segment. Breaking out the primals and subprimals, the loin primal was down 3% to \$81.25/cwt. The price of boneless pork loins was up \$0.02 to \$1.30/lb, and the loin/baby back ribs were higher by \$0.13 to \$2.61/lb. The tenderloins were up to \$1.61/lb. The pork butt primal was down 2% to \$102.54/cwt with the subprimal B/I pork butt up \$0.05 to \$1.19/lb but the boneless pork butt flat at \$1.37/lb. The rib primal was flat at \$148.91/cwt, with the medium spareribs higher by \$0.03 to \$1.64/lb. The belly primal was sharply lower by 19% to \$117.70/cwt with the subprimal derind 13/17 belly down \$0.26 to \$1.44/lb. In the trim segment, 42% trim was down \$0.25 to \$0.60/lb and 72% trim was lower by \$0.19 to \$0.85/lb. Looking ahead, despite the strength in international sales, the pork cutout and almost all of the primals were lower last week, dragged down by the trim segment. While cash hog prices are still projected to decline, and with no clear demand growth anticipated, the pork cutout is expected to continue trending lower in the near term. Prices USDA, FOB per pound.

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

