

ArrowStream

Pork - Pork production last week was up 3.3% and was 7.7% larger than the same week in 2017. Hog supplies are numerous and expected to keep pork production active. The USDA is projecting Q4 pork output to be 6.3% more than last year which should aid seasonal price declines this fall. There is no news about African swine fever in China, but this is being monitored closely as it may boost demand for U.S. pork. July 31st pork belly stocks were up 119% versus 2017. Pork belly prices are the cheapest since May 2015, but the downside risk from here is small.



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

