

US pork exports in November spiked up to the highest volume of the year, topping the next highest month (May) by more than 10%. Compared to November 2015, pork exports were up 18%. Pork imports during November were down 3% from the prior November. The net pork supply available in the US during November (production + imports - exports - change in cold storage inventory) climbed 6% from a year earlier, due mostly to pork production that was up 8% on the basis of one more slaughter day this November, compared to November 2015.

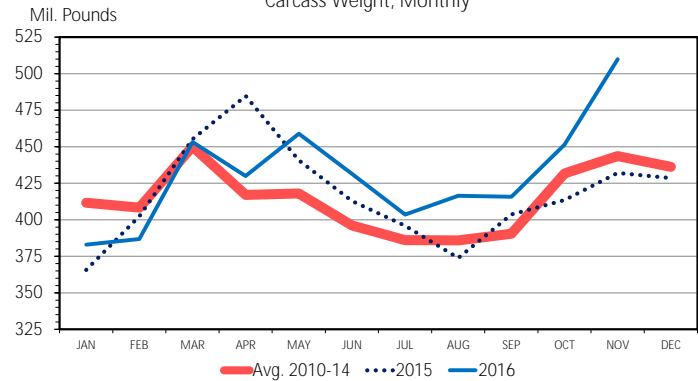
The 18% increase in exports amounted to a 78 million pound (carcass weight equivalent) increase from the prior November. Shipments to Mexico gained momentum, registering the biggest volume so far this year; a gain of 31 million pounds from a year earlier. Shipments to Japan were up 21 million pounds from a year prior and the largest November volume since 2011. Shipments to China were up 12 million pounds at 33 million pounds, a far cry from the 118 million pounds that was shipped there in November 2011.

The November jump in exports puts an annual pork export increase of 4% within reach. That would put pork exports at 5.2 billion pounds for the year, the biggest volume since 2012. It is worth noting that through the first half of the year, pork exports were down 1% from a year earlier. Pork exports during the summer quarter were up 5% from the prior summer.

Contrasting pork exports in terms of dollar value instead of physical volume makes the November pork trade look even more impressive. The value of November pork exports was up 28% from a year earlier. Pork exports in the form of fresh meat were up 36% on a value basis while frozen pork meat export value was up 32%. The value of ham exports was up 16%. This compares with US hog prices in November that were about 20% lower than in November 2015, but averaged more than 20% higher in December than in the prior month.

The upswing in exports late in the year provides encouragement for prospects into 2017. Concerns about future market potential for US pork in Mexico were an issue early in the year, with declining year-over-year volumes in 5 of the first 7 months. Recent exports support a small gain this year after a big jump in 2015. Pork export volume to China will be double that of

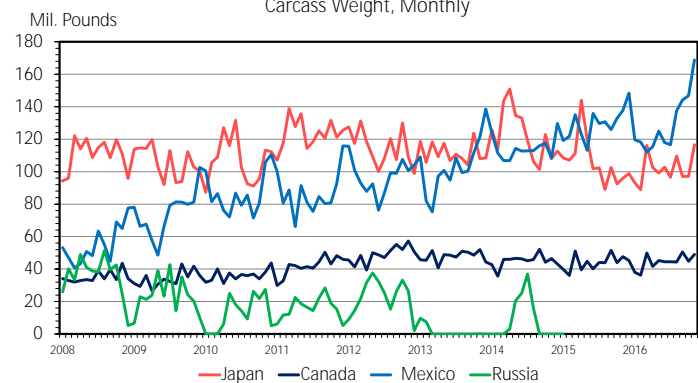
US PORK EXPORTS
Carcass Weight, Monthly



Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center

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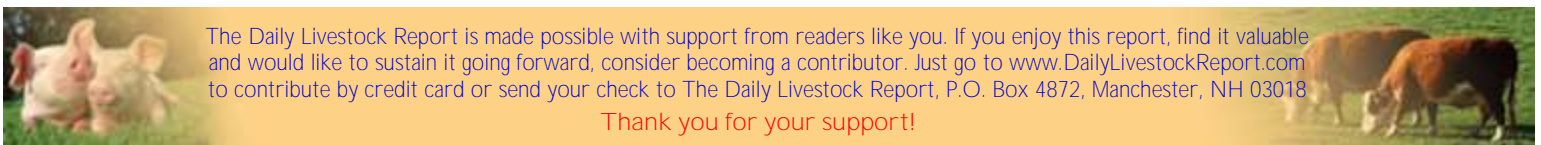
US PORK EXPORTS TO MAJOR MARKETS
Carcass Weight, Monthly



Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center

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a year ago in 2016. The value of pork exports to China in November was up 73% from November 2015 with volume up 50%, implying that average price paid per pound is moving upward. Finally, pork export volumes to newly developing markets, such as Central and South America are rebounding, after declining in 2015. Exports to these markets should be up 4%-5% this year following a 8% decline last year.



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