

Daily Livestock Report

Vol. 8, No. 29/ February 15, 2010

Market Comments

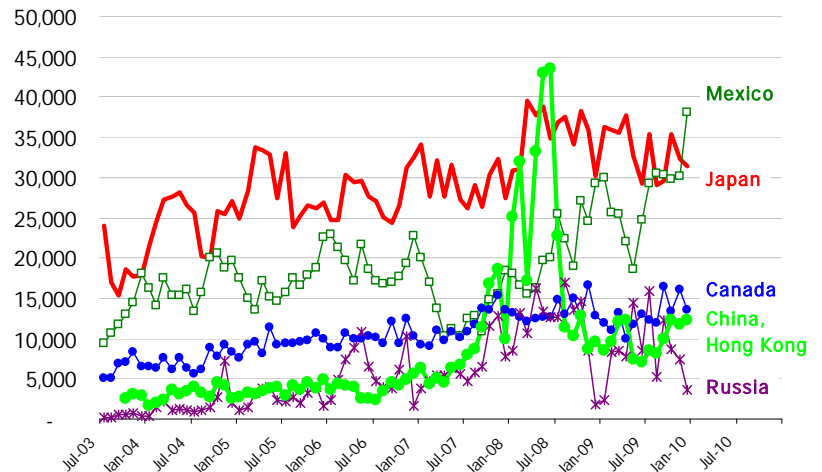
The US meat trade statistics for December were released on Friday and below are some of the highlights. Keep in mind that this is based on shipped weight data, rather than the carcass weight statistics which will be released on Monday. Also, on page 2 please find the weekly price/supply data.

- **Pork: US total pork exports in December were reported to be 124,056 MT, 5.5% lower than the previous month but 14.3% higher than year ago levels.** Total shipments of fresh/frozen pork were up 2.7% compared to a year ago, with exports to Japan up 3.8%, exports to Mexico up 3.4% and exports to Canada up 2.7%. Exports of fresh/frozen US pork to China continued to remain weak, down 64% from a year ago but the decline was more than offset by a 73% increase in US exports to Hong Kong. Altogether US shipments of fresh/frozen pork to China/Hong Kong were up 25% compared to year ago levels. So fresh/frozen exports were modestly higher than a year ago but that does not explain the double digit increase. To explain that, one has to look at shipments of prepared or preserved pork, which in December reached 21,198 MT, 151% higher than the previous year. The bulk of this increase was due to a sharp increase in US shipments of prepared/preserved exports to Mexico, which in December reached 9,658 MT, an almost five fold increase compared to year ago levels.

- **Beef: US beef exports in December continued to advance higher, in large part due to higher exports to Asian markets.** US total beef exports in December were 55,044 MT, 23.1% higher than a year ago. Mexico remains the top market for US beef, and at 16,183 MT it accounted for about a third of all US beef exports. However, exports to Mexico in December also rose 1.4% from a year ago, while shipments to Canada, the second largest US beef market were 9,559 MT, down 1.1% compared to the previous year. US beef shipments to South Korea, on the other hand, surged higher and at 7,085 MT they were 122% higher than a year ago. Exports to Japan were up 22%, while shipments to Vietnam, Taiwan and Hong Kong were up 60.7%, 28.8% and 135.6%, respectively. As Asian economies recover from the sharp contraction they experienced in 2009, they should continue to contribute to the growth in US beef exports. The value of the US dollar remains key, especially the cross currency rates with the Australian dollar and Brazilian real

- **Broilers: US broiler exports rose modestly in December but keep in mind that this was before Russia decided to ban all US broiler products.** Total US exports of fresh/frozen broiler products were 243,347 MT, up 5.5% compared to a year ago.

US PORK EXPORTS, METRIC TON, SW



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PRODUCTION & PRICE SUMMARY

Week Ending **2/13/2010**

Item	Units	Last Week	Prior Week	Pct. Change	Last Year	Pct. Change	2010 YTD	Y/Y % Change
		13-Feb-10	6-Feb-10		14-Feb-09			
F FI Slaughter	Thou. Head	602	642	-6.23%	618	-2.63%	3,900	-0.3%
C FI Cow Slaughter **	Thou. Head	126	139	-9.68%	129	-2.44%	633	-0.4%
A Avg. Live Weight	Lbs.	1283	1291	-0.62%	1313	-2.28%	1,292	-1.4%
T Avg. Dressed Weight	Lbs.	774	775	-0.13%	789	-1.90%	775	-1.4%
T Beef Production	Million Lbs.	464.1	496.0	-6.43%	485.8	-4.47%	3,010	-1.7%
L Live Fed Steer Price	\$ per cwt	87.38	85.67	2.00%	82.20	6.30%		
E Dressed Fed Steer Price	\$ per cwt	140.15	136.67	2.55%	131.05	6.94%		
E OKC Feeder Steer Price	619-700 Lbs.	97.00	96.04	0.99%	97.58	-0.59%		
E Beef Cutout Value	619-900 Ch.	139.32	139.34	-0.01%	136.33	2.19%		
E Hide/Offal	\$/cwt	9.62	9.55	0.73%	6.89	39.62%		
H FI Slaughter	Thou. Head	2,161	2,149	0.56%	2,229	-3.06%	13,141	-8.0%
O FI Sow Slaughter **	Thou. Head	57.8	63.3	-8.76%	58.4	-1.10%	286	-5.4%
S Avg. Dressed Weight	Lbs.	204.0	204.0	0.00%	204.0	0.00%	204	-0.3%
G Pork Production	Million Lbs.	439.4	437.5	0.43%	454.7	-3.36%	2,673	-8.4%
S Iowa-S. Minn. Direct	Wtd. Avg.	64.77	63.07	2.70%	58.74	10.27%		
S Natl. Base Carcass Price	Wtd. Avg.	63.69	63.38	0.49%	57.42	10.92%		
S Natl. Net Carcass Price	Wtd. Avg.	66.19	65.89	0.46%	59.58	11.09%		
S Pork Cutout	185 Lbs.	68.47	68.59	-0.17%	58.08	17.89%		
C Young Chicken Slaughter *	Million Head	159.9	151.3	5.65%	155.5	2.83%	795	2.0%
H Avg. Weight	Lbs.	5.53	5.48	0.91%	5.49	0.73%	5.57	1.0%
I Chicken Production	Million Lbs.	884.2	829.3	6.62%	853.7	3.57%	4,426	3.1%
C Eggs Set	Million	204.8	201.9	1.44%	201.8	1.49%	1,215	0.4%
K Chicks Placed	Million Head	163.0	165.5	-1.49%	168.0	-3.00%	998	-0.9%
E 12-City Broiler Price	Composite	79.74	79.96	-0.28%	80.66	-1.14%		
N Georgia Dock Broiler Price	2.5-3 Lbs.	82.66	82.6	0.07%	86.9	-4.88%		
T Young Turkey Slaughter *	Million Head	4.353	4.103	6.09%	4.456	-2.31%	21.480	-4.9%
U Avg. Weight	Lbs.	30.41	30.52	-0.36%	30.15	0.86%	30.48	-0.2%
R Turkey Production	Million Lbs.	132.4	125.2	5.71%	134.3	-1.47%	655	-5.1%
K Eastern Region Hen Price	8-16 Lbs.	77.50	77.10	0.52%	75.00	3.33%		
G Corn, Omaha	\$ per Bushel	3.51	3.36	4.46%	3.58	-1.96%		
R DDGs, Minnesota	\$ per Ton	97.50	99.00	-1.52%	125.00	-22.00%		
A Wheat, Kansas City	\$ per Bushel	4.33	4.25	1.88%	5.37	-19.37%		
I Soybeans, S. Iowa	\$ per Bushel	9.48	9.19	3.16%	9.79	-3.17%		
N Soybn Meal, 48% Decatur	\$ per Ton	298.40	292.20	2.12%	309.20	-3.49%		

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago due to reporting lag.