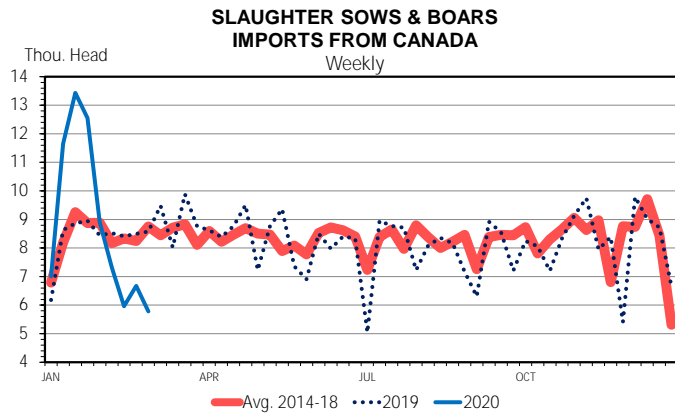


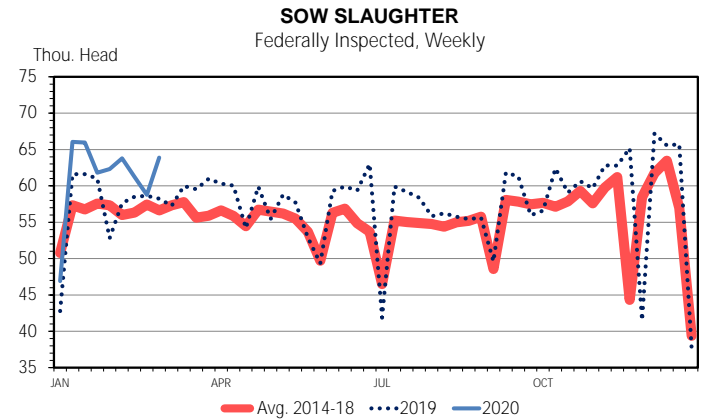
Federally Inspected hog slaughter is on a record pace to start 2020. Cumulative weekly hog slaughter was 28.6 million head through the first eleven weeks of the year. Year-to-date, hog slaughter is tracking about 5.9% above the same point a year ago. In the Quarterly Hogs & Pigs report released by USDA NASS on December 23, 2019, the inventory of market hogs on December 1 was reported as 77.3 million head, up 3.0% from the prior year. Of the market hogs, the lighter weight categories relative to last year (under 50 and 50-119 pound) reported increases of 1.2% (22.1 million) and 1.7% (19.7 million), respectively. But the heavier weight categories (120-179 and 180 pounds and over) were reported even higher at 4.6% (15.0 million) and 6.7% (14.1 million), respectively. Arguably, the heavier weight category hogs have worked through the system which partly explains the slaughter pace remaining above last year. Lighter weight hogs should be coming to market which may slow the slaughter pace marginally but will likely remain at record levels. The next Quarterly Hogs & Pigs report will update inventory levels as of March 1, that report is scheduled for release on March 26, 2020.

Another factor contributing to the higher slaughter numbers would be sow slaughter. For the first two months of 2020, cumulative weekly sow slaughter was 550,724 head, 7.4% above last year's level of 512,825 head. Some of the higher sow slaughter could be due to an increase of slaughter sows and boars from Canada. For three consecutive weeks in January an average of over 12,000 head were imported from Canada. These three weeks were a 35%-51% increase over normal weekly levels for that time of year. This influx of slaughter sows and boars may have temporarily



Data Source: USDA-AMS & USDA-APHIS  
Livestock Marketing Information Center

03/12/20

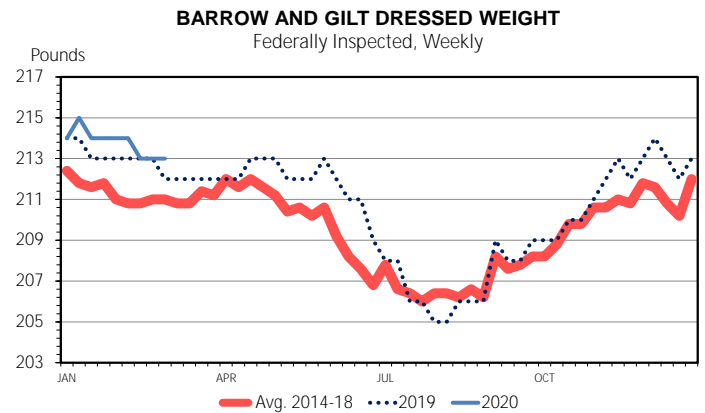


Data Source: USDA-AMS & USDA-NASS  
Livestock Marketing Information Center

H-S-15  
03/13/20

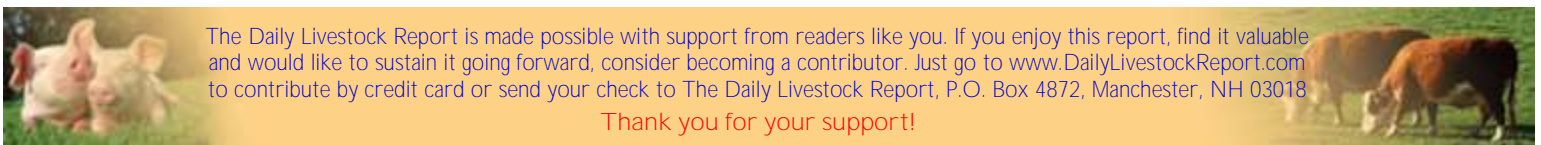
propped up U.S. sow slaughter levels and partly contributed to the strong pace as 2020 started.

Year-to-date, barrow and gilt dressed weights are averaging about 213.8 pounds which is 0.3% above the same time last year (213.1 pounds). Typically, dressed weights remain steady during the first half of the year before declining through the summer months then rise again going into the fourth quarter. Dressed weights can be a gauge to see if marketings are remaining current. With weights tracking marginally above last year, it appears that marketings are current despite the record number of hogs being slaughtered. For now, that is a good sign that there is demand for hogs.



Data Source: USDA-AMS & USDA-NASS  
Livestock Marketing Information Center

H-S-24  
03/13/20



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