

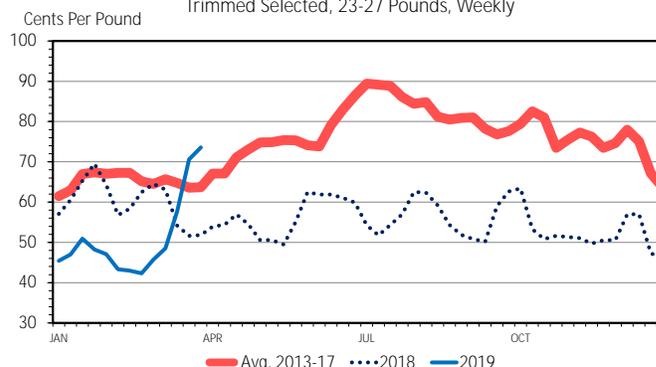
Pork cutout values have rallied in the last week of March to over \$81/cwt for National FOB to Plant negotiated sales. The weekending 3/29/2019 was the highest weekly average since July 2018. The cutout on a weekly basis gained \$6.16/cwt from the prior week, up 8% and is ahead of last year's by 15%.

The cutout appears to be gaining strength despite the roller coaster that the futures market was on last week. Composite primal values gained over 10% week over week in butts, picnics, and hams. Bellies gained 8%, from the week before while loins and ribs gained 6%, and 4%, respectively.

Compared to a year ago, hams and bellies have been the only composite cuts to make notable gains. The composite value for the belly was \$146.11/cwt, 44% higher than last year.

WHOLESALE HAM PRICES

Trimmed Selected, 23-27 Pounds, Weekly

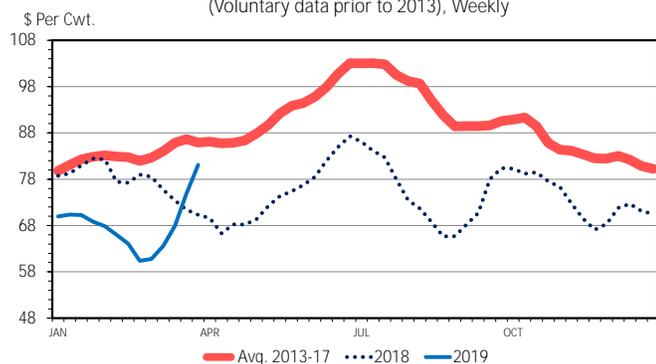


Data Source: USDA-AMS
 Livestock Marketing Information Center

M-P-27
 03/29/19

PORK CUTOUT VALUE

(Voluntary data prior to 2013), Weekly

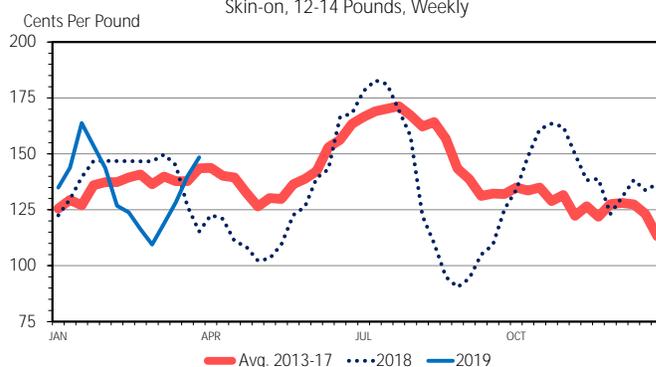


Data Source: USDA-AMS, Compiled by LMIC
 Livestock Marketing Information Center

H-P-10
 04/01/19

WHOLESALE PORK BELLY PRICES

Skin-on, 12-14 Pounds, Weekly



Data Source: USDA-AMS
 Livestock Marketing Information Center

M-P-29
 03/29/19

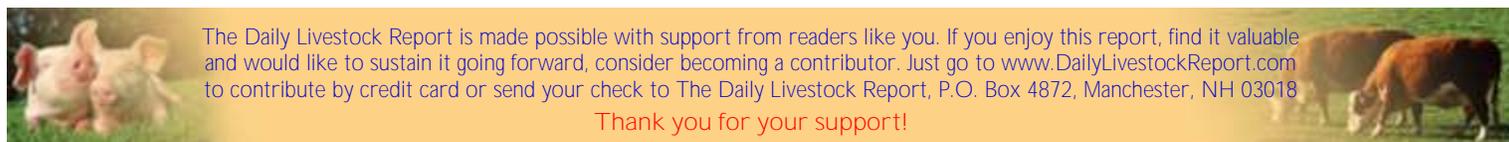
Ham averaged the week \$71.24/cwt, and is 35% above last year.

Hams struggled through most of 2018 and were continuing that trend early in 2019. Primal ham values have traded as low as \$41.52 so far this year but have been steadily climbing since mid-February.

Hams remain a key export item. The January trade data showed lackluster news in the way of ham exports. Across all ham exports, volumes were down 6.3%. Mexico, who buys north of 85% of the U.S. exported ham, was down 4.8%. As

mentioned in yesterday's DLR, there could be some gamesmanship being played with Canada importing U.S. ham and shipping to other places.

Easter could also be playing a role in the market. This March rally is earlier than the normal seasonal rally, which could also suggest domestic retailers are gearing up for Easter ham specials. If this is the case the rally in hams could be more short-term.



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