

Daily Livestock Report

Market Comments

USDA released the results of its latest survey of refrigerated warehouses on Tuesday afternoon (April 21) and the report showed that **at the end of March, inventories of beef, pork and chicken products continued to trend below year ago levels**, a result of a sharp reduction in US meat production but also due to efforts from end users to reduce freezer stocks and free up financial resources. The impact of the reduction in supplies has been more pronounced in the chicken industry, whereby the cutbacks in slaughter and relatively good export volume have caused ending inventories to decline both compared to year ago and five year average levels. Below are some of the highlights from the report. Full details are included on page 2.

- Pork:** Total pork freezer stocks as of March 31 were 593.2 million pounds, 9.8% lower than a year ago but still 12.1% higher than the five year average. Ham stocks fell sharply in March, partly due to smaller production volumes and possibly because of good exports to Mexico. Also, Easter Sunday this year was on April 12, so there was some drawdown in inventories at the end of March as product was processed and transferred to distribution centers and stores. Total ham stocks were 73.3 million pounds, 22.7% lower than a year ago but still 11.9% higher than the five year average. Pork belly stocks moved counterseasonally lower in March. Normally stocks build up into the spring as end users prepare for the high demand summer business. However, March 31 pork belly inventories were 73.3 million pounds, 3.1% lower than the previous month and 25.9% lower than a year ago. Belly stocks still are 5.6% higher than the five year average.
- Beef & Poultry:** Total beef stocks at the end of March were 422.5 million pounds, 1% lower than a year ago but 1.7% higher than the five year average. Total chicken stocks were 634.7 million pounds, 17% lower than a year ago and 9.6% lower than the five year average. This was the smaller chicken freezer inventory level since May 2007. Turkey inventories was the only category among the main species to still show an increase over year ago levels. Total turkey stocks at the end of March were 508.0 million pounds, 18.6% higher than a year ago and 22.6% higher than the five year average.

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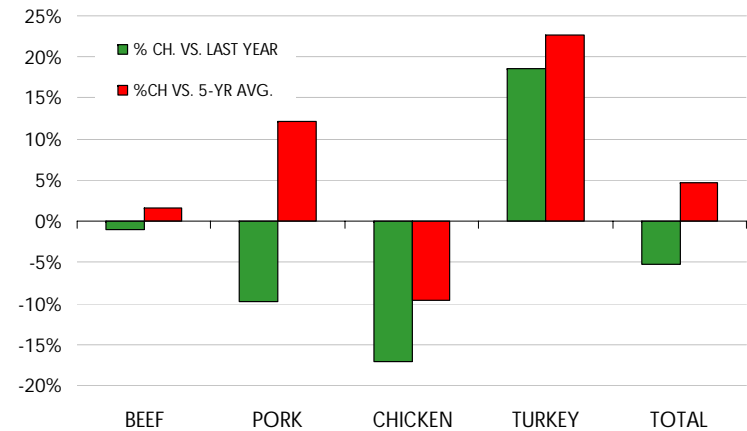
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E-Livestock Volume	21-Apr	20-Apr	14-Apr
LE (E-Live Cattle):	8,756	13,696	10,107
GF (E-Feeder Cattle):	1,599	1,543	1,927
HE (E-Lean Hogs):	7,919	9,678	13,056

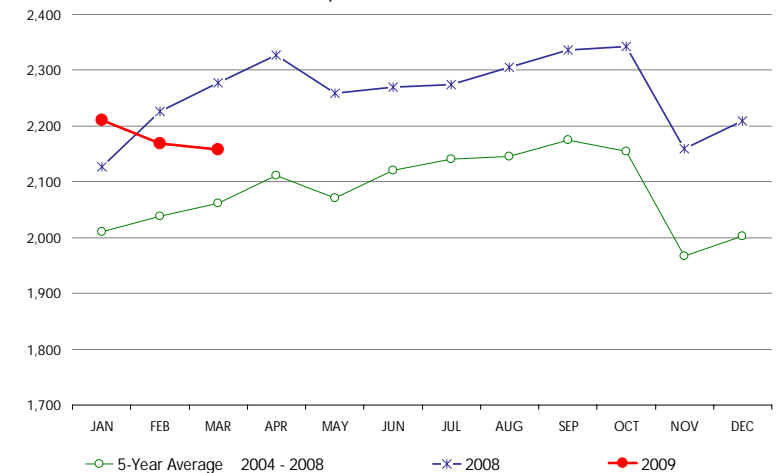
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MEAT IN COLD STORAGE AS OF MAR 31, 2009

% CHANGE VS. PREVIOUS MONTH AND YEAR AGO



BEEF, PORK, CHICKEN & TURKEY, COLD STORAGE STOCKS, MILLION POUNDS, END OF MONTH INVENTORIES



USDA STOCKS IN COLD STORAGE REPORT

COMMODITY	Stocks in All Warehouses			Percent Of	
	31-Mar-08	28-Feb-09	31-Mar-09	Mar-08	Feb-09
	1,000 Pounds				
<u>Frozen Pork</u>					
<i>Picnics, Bone-In</i>	14,389	12,085	14,373	100	119
<i>Hams, Total</i>	94,834	96,205	73,314	77	76
<i>Bone-in</i>	51,271	46,059	29,204	57	63
<i>Boneless</i>	43,563	50,146	44,110	101	88
<i>Bellies</i>	98,896	75,668	73,331	74	97
<i>Loins, Total</i>	48,540	44,048	44,029	91	100
<i>Bone-in</i>	18,082	20,141	20,752	115	103
<i>Boneless</i>	30,458	23,907	23,277	76	97
<i>Ribs</i>	87,121	92,883	85,842	99	92
<i>Butts</i>	22,978	25,351	22,844	99	90
<i>Trimming</i>	75,864	62,705	60,324	80	96
<i>Other</i>	116,166	110,589	113,838	98	103
<i>Variety Meats</i>	31,109	24,368	23,685	76	97
<i>Unclassified</i>	67,447	80,575	81,617	121	101
Total	657,344	624,477	593,197	90	95
<u>Frozen Beef</u>					
<i>Boneless</i>	351,252	369,433	357,884	102	97
<i>Beef Cuts</i>	75,456	65,081	64,573	86	99
Total	426,708	434,514	422,457	99	97
<u>Other</u>					
<i>Veal</i>	5,752	7,590	5,770	100	76
<i>Lamb & Mutton</i>	17,118	18,279	19,424	113	106
Total	22,870	25,869	25,194	110	97
Total Red Meat	1,106,922	1,084,860	1,040,848	94	96
<u>Chicken</u>					
<i>Broilers (Whole)</i>	22,540	21,435	21,389	95	100
<i>Hens</i>	1,774	5,132	3,634	205	71
<i>Other Chicken</i>	740,451	621,192	609,677	82	98
Total	764,765	647,759	634,700	83	98
<u>Turkey</u>					
<i>Whole Turkeys</i>	180,178	216,467	252,881	140	117
<i>Other Turkeys</i>	247,955	245,928	255,050	103	104
Total	428,133	462,395	507,931	119	110
<i>Ducks</i>	4,227	3,456	4,299	102	124
Total Poultry	1,197,125	1,113,610	1,146,930	96	103