

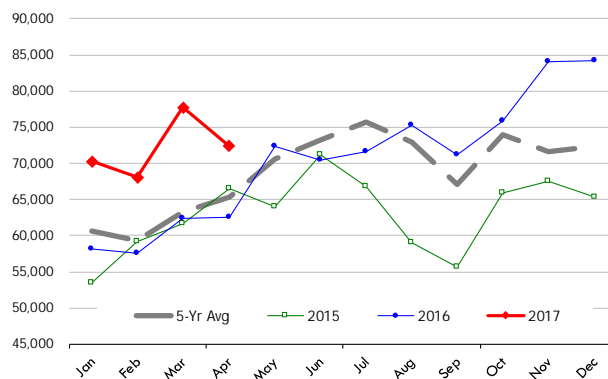
Export data for April was released on Friday and the results were even better than we expected based on the weekly reports. Demand for US red meat and poultry products in global markets remains strong, helping sustain industry expansion. Below is a brief recap of the key data from the latest report and implications for May shipments. Please keep in mind that the data is in metric ton, shipped weight basis. ERS will publish today the conversions in carcass weight basis, which then can be used to calculate monthly domestic beef availability and per capita consumption.

Beef: Total exports of fresh/frozen and cooked beef in April were 72,354 MT, 15.7% , higher than a year ago. This level of export volume far surpassed projections based on weekly shipments and helps provide some context to the very robust demand/pricing for beef in recent weeks. **Japan was the top market for US beef and veal, taking 19,544 MT in April, 17% more than the previous year, accounting for 27% of all beef exported.** South Korea was the second largest market for US beef, taking 10,945 MT, 7% more than a year ago. But the biggest contributor to the growth in US exports in April was not Japan and South Korea, it was Hong Kong. **Exports to Hong Kong increased by almost 3,900 MT (+69%) compared to the same period a year ago.** There has been a lot of speculation about the potential for US beef exports into China and the current trend for US exports to Hong Kong is indicative of the level of demand in this part of the world. The meat scandal in Brazil also may have supported US beef exports as well. The challenge for expanded US access will continue to be the Chinese zero tolerance for ractopamine residues in meat. Recently a Canadian shipment of pork feet into China was found to have ractopamine residues even as Olymel (the Canadian packer) was purchasing hogs that it thought were ractopamine free. Ractopamine and synthetic hormones will be key challenges for expanded exports to China. Exports based on weekly shipments are projected to be up 12% in May but given that April number came above estimates one could look at that growth target as conservative at this point.

Pork: April exports of fresh, frozen and cooked pork were 155,790 MT, 6% higher than a year ago. Based on the weekly export data we were expecting April exports to be about flat with last year. The only market that showed a decline compared to last year was mainland China, with shipments in April at 13,494 MT down 36% from last year. **Exports to most other markets registered strong increases.** Exports to Mexico in April were 46,458 MT, almost 4,200 MT (+10%) higher than a year ago. Mexico is now by far the top market for US pork and a stronger peso has further bolstered prospects for US shipments to that market. Other markets, whether it is the Philippines, Colombia, or Australia, also bolstered their purchases of US pork, which is now priced quite competitively relative to pork from the European Union. The total value of fresh/frozen and cooked pork in April was \$421.3 million, about \$28.1 million higher than a year ago. The value of US pork variety meats (offal) exported in April was \$75.1 million, about \$17 million higher than last year. The \$45 million increase in pork export revenue remains a positive factor for the US pork industry, which remains on an expansionary trajectory.

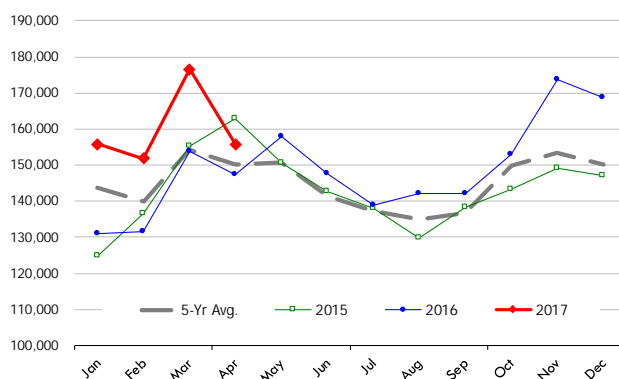
US Exports of Fr/Frz/Pres Beef: World Total

Source: USDA/FAS. Units: Metric Ton



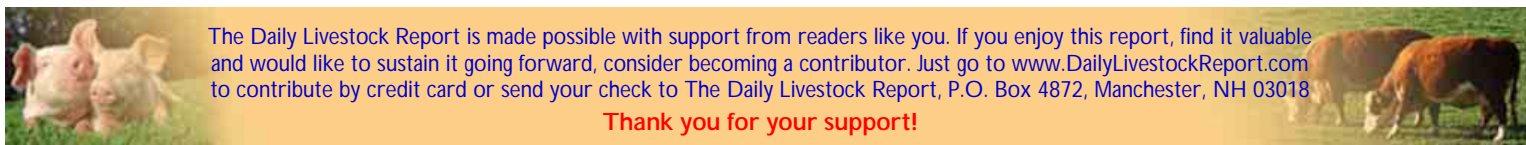
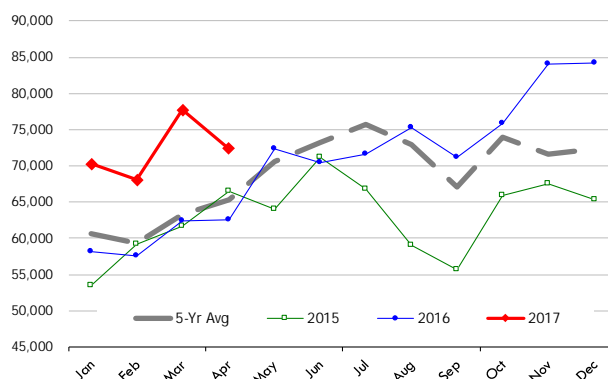
US Exports of Fr/Frz/Cooked Pork: World Total

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



US Exports of Fr/Frz Chicken: World Total

Source: USDA/FAS. Units: US Dollar. Analysis by: Steiner Consulting (800.526.4612)



The Daily Livestock Report is made possible with support from readers like you. If you enjoy this report, find it valuable and would like to sustain it going forward, consider becoming a contributor. Just go to www.DailyLivestockReport.com to contribute by credit card or send your check to The Daily Livestock Report, P.O. Box 4872, Manchester, NH 03018

Thank you for your support!

The Daily Livestock Report is published by Steiner Consulting Group, DLR Division, Inc.. To subscribe, support or unsubscribe please visit www.dailylivestockreport.com. Copyright © 2016 Steiner Consulting Group, DLR Division, Inc. All rights reserved.

The Daily Livestock Report is not owned, controlled, endorsed or sold by CME Group Inc. or its affiliates and CME Group Inc. and its affiliates disclaim any and all responsibility for the information contained herein. CME Group, CME and the Globe logo are trademarks of Chicago Mercantile Exchange, Inc.

Disclaimer: The Daily Livestock Report is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.

Daily Livestock Report

Sponsored by  **CME Group**

Vol. 15, No. 109 / June 5, 2017

PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **6/3/2017**

Source: Various USDA Agricultural Marketing Service reports. Some data are preliminary. Weekly Avg. Prices

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		3-Jun-17	27-May-17		4-Jun-16			
Total Beef, Pork, Chicken, Turkey	mil lbs., cwe	1,744	1,820	-4.19%	1,723	1.20%	39,152	1.9%
C FI Slaughter	Thou. Head	550	613	-10.28%	528	4.27%	13,022	5.7%
T FI Cow Slaughter **	Thou. Head	107	108	-1.17%	100	7.10%	2,208	1.4%
T Avg. Dressed Weight	Lbs.	788	791	-0.38%	812	-2.96%	808	-1.7%
T Beef Production	Million Lbs.	432.4	483.9	-10.64%	427.4	1.17%	10,521	3.8%
L Live Fed Steer Price	\$ per cwt	136.26	131.50	3.62%	129.29	5.39%		
E Dressed Fed Steer Price	\$ per cwt	215.14	208.61	3.13%	205.66	4.61%		
O Oklahoma Steer (600-700 lbs)	\$ per cwt	N/A	157.31	N/A	N/A	N/A		
& Choice Beef Cutout	\$ per cwt	245.44	246.28	-0.34%	222.40	10.36%		
B Hide/Offal	\$ per cwt, live wt	11.53	11.38	1.32%	11.22	2.76%		
E Rib Primal, Choice	\$ per cwt	422.55	418.98	0.85%	357.91	18.06%		
E Round Primal, Choice	\$ per cwt	183.84	182.18	0.91%	166.90	10.15%		
E Chuck Primal, Choice	\$ per cwt	188.68	191.09	-1.26%	160.88	17.28%		
F Trimmings, 50%	\$ per cwt	163.98	183.32	-10.55%	63.46	158.40%		
F Trimmings, 90%	\$ per cwt	228.34	226.97	0.60%	217.71	4.88%		
H FI Slaughter	Thou. Head	1,972	2,192	-10.04%	1,897	3.97%	50,219	2.7%
H FI Sow Slaughter **	Thou. Head	57.4	58.4	-1.77%	52.2	9.90%	1,155	-0.5%
O Avg. Dressed Weight	Lbs.	211.0	212.0	-0.47%	213.0	-0.94%	212	-0.4%
O Pork Production	Million Lbs.	416.2	464.2	-10.34%	403.7	3.10%	10,664	2.3%
G Iowa-S. Minn. Base	Wtd. Avg.	73.94	71.67	3.17%	75.49	-2.05%		
S Natl. Base Carcass Price	Wtd. Avg.	74.93	74.08	1.15%	75.38	-0.60%		
S Natl. Net Carcass Price	Wtd. Avg.	77.40	76.58	1.07%	77.67	-0.35%		
S Pork Cutout	205 Lbs.	90.99	89.89	1.22%	85.57	6.33%		
S Ham Primal	\$ per cwt	66.00	67.23	-1.83%	65.72	0.43%		
S Loin Primal	\$ per cwt	89.63	87.59	2.33%	95.62	-6.26%		
S Belly Primal	\$ per cwt	147.42	143.92	2.43%	109.78	34.29%		
S Trimmings, 72%, Fresh	\$ per cwt	84.84	82.36	3.01%	68.16	24.47%		
S Hog By-Product Value	\$ per cwt, live wt	3.96	3.92	1.02%	3.93	0.76%		
C Young Chicken Slaughter *	Million Head	167.4	164.6	1.69%	164.1	1.96%	3,379	1.2%
H Avg. Weight (RTC)	Lbs.	4.67	4.66	0.33%	4.77	-1.91%	6.13	-0.7%
I Young Chicken Production (RTC)	Million Lbs.	782.2	766.8	2.02%	782.2	0.01%	15,740	0.5%
C Eggs Set (19-state)	Million	215.1	215.5	-0.19%	211.1	1.93%	4,473	2.0%
K Chicks Placed (19-state)	Million Head	175.2	173.4	1.03%	173.1	1.23%	3,637	1.4%
E National Composite Whole Bird	Composite	115.62	113.84	1.56%	99.05	16.73%		
E Northeast Breast, B/S	\$/cwt	165.34	162.49	1.75%	113.92	45.14%		
E Northeast Leg Quarters	\$/cwt	41.16	40.94	0.54%	36.51	12.74%		
T Total Turkey Slaughter *	Million Head	4.533	4.193	8.11%	4.34	4.45%	86,835	-1.6%
U Avg. Weight (RTC)	Lbs.	24.91	25.08	-0.70%	25.28	-1.46%	31.99	2.5%
R Turkey Production (RTC)	Million Lbs.	112.9	105.2	7.36%	109.7	2.93%	2,227	0.4%
K National Hen (8-12 lb)	8-16 Lbs.	99.50	99.50	0.00%	117.00	-14.96%		
G Corn, Omaha	\$ per Bushel	3.44	3.43	0.29%	3.90	-11.79%		
R Distillers Grain, Chicago	\$ per Ton	105.00	105.00	0.00%	162.50	-35.38%		
A Wheat, Kansas City (deliv.)	\$ per Bushel	3.98	4.02	-1.00%	4.54	-12.33%		
I Soybeans, Cntrl IL	\$ per Bushel	9.06	9.34	-3.00%	11.34	-20.11%		
N Soybn Meal 48%, Cntrl IL	\$ per Ton	293.50	301.20	-2.56%	424.80	-30.91%		

* 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.

The Daily Livestock Report is made possible with support from readers like you. If you enjoy reading this report and would like to sustain it going forward, consider becoming a contributor by going to our website: www.DailyLivestockReport.com

Thank you for your support!

