

In the hog sector there will be anticipation leading up to the June 1 Hogs & Pigs report scheduled to be released by USDA NASS on June 25. The report will give a glimpse as to the current state of the U.S. hog sector as of June 1 and give insights into possible disruptions caused by COVID-19. One piece of information that will be of interest is sow farrowings as this will give a view into producer's intentions which will have implications on production for the remainder of 2020 and into 2021. Another reason to look at sow farrowings will be because of the increased rate of sow slaughter that started to occur in late February.

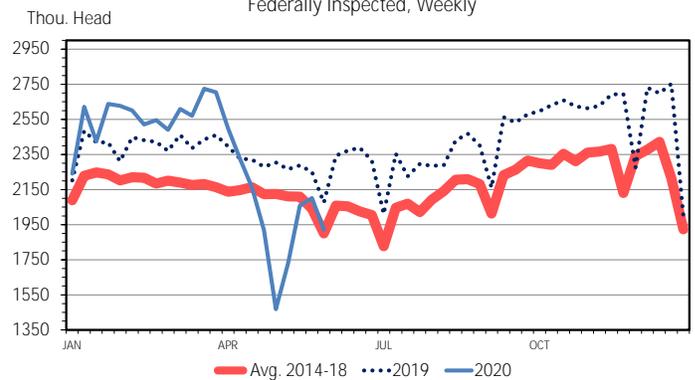
Weekly sow slaughter through May has been above every week this year with cumulative year-to-date slaughter over 1.4 million head, 11.4% above the same period last year. By and large, sow slaughter did not see the processing disruptions like what was observed in barrow and gilt slaughter. While barrow and gilt slaughter saw significant declines starting in late April and lasting through part of May, sow slaughter experienced normal variations and actually gained during April and May. Typically, sow slaughter starts to gradually decline going into the summer months. Since the start of February sow slaughter has done the opposite and gradually increased.

The March 1 Hogs & Pigs report gave an indication that sow farrowings were likely to decline as the report stated the March-May 2020 farrowing intentions were down marginally to 3.119 million head and June-August 2020 farrowing intentions were

slated to decline 4.3% to 3.134 million head. Keep in mind that the survey for the March 1 Hogs & Pigs report would have been conducted the first part of March, prior to the onset of COVID-19 in the U.S. Given the strong pace of sow slaughter through the year it is likely that March-May and June-August farrowings will be lower than what was reported in the March 1 report. Lower farrowings during the second and third quarter will have implications on hog slaughter during the fourth quarter of 2020 and into 2021.

BARROW AND GILT SLAUGHTER

Federally Inspected, Weekly

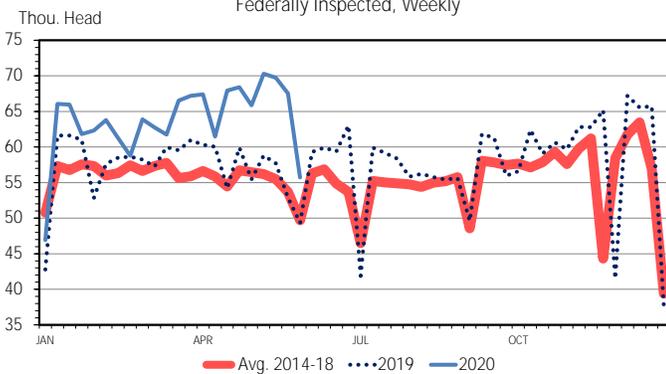


Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

H-S-13
06/05/20

SOW SLAUGHTER

Federally Inspected, Weekly

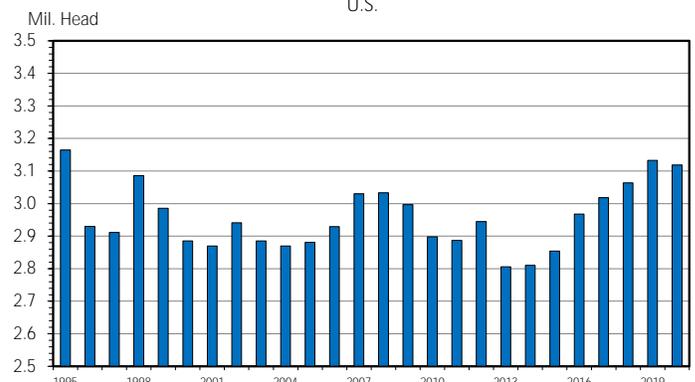


Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

H-S-15
06/05/20

MARCH - MAY SOWS FARROWING

U.S.



Data Source: USDA-NASS
Livestock Marketing Information Center

H-N-45
03/26/20



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.

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.