

ArrowStream

Pork - Pork production for the last week of 2018 fell near 10%, year-over-year, but total yearly production was up an estimated 2.6% vs. 2017. While hams and loins have certainly weighed heavy on the wholesale USDA pork cutout, spot pork belly prices caught a late-year uptrend, closing out 13% higher (yoy). The December Hogs and Pigs report confirmed expectations of expansion into 2019, with Dec 1st market hog inventories the largest on record for the month. With pork output forecast 3.1% higher in Q1 (yoy), pork prices will likely remain under pressure.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Increasing	Ample	Lower
Sow	Increasing	Ample	Lower
Belly (bacon)	Increasing	Good	Higher
Sparerib(4.25 lb & down)	Increasing	Good	Lower
Ham (20-23 lb)	Increasing	Good	Lower
Ham (23-27 lb)	Decreasing	Good	Lower
Loin (bone in)	Decreasing	Good	Lower
Babyback Rib (1.75 lb & up)	Increasing	Good	Higher
Tenderloin (1.25 lb)	Increasing	Good	Lower
Boston Butt, untrmd (4-8 lb)	Increasing	Good	Lower
Picnic, untrmd	Decreasing	Good	Lower
SS Picnic, smoker trm box	Decreasing	Good	Lower
42% Trimmings	Decreasing	Good	Lower
72% Trimmings	Decreasing	Good	Higher

