

MARCH 2021

# WEEKLY PORK REPORT



“Mexican pig producers have not only been faced with a 15% drop in prices over the last year, but also a rise in feed costs and a fall down in the demand. Prices for corn and soybean meal in the US have risen due to late-season weather and a poor harvest. The productive gap that PRRS and PED has left in many of the large production systems of the country has begun to be reflected in fewer pigs hitting the market. I expected an increase of price for hog live for following months”

Jesús Morales



## TIGHTER SUPPLY AND WEATHER DISRUPTIONS IMPACT WHOLESALE PORK PRICES

### Highlights:

- Hog slaughter down almost 7% compared to a year ago and now below year ago levels for the last four weeks.
- Pork supply no longer benefiting from heavier carcass weights. Average weight of producer owned barrows and gilts is now below year ago levels.
- Processing items continue to underpin wholesale market. Processors are in the midst of filling Easter ham orders and current disruptions and robust exports have limited the supply of product available in the spot market.
- Spot market pork loads are now down as much as 7% from a year ago.
- USDA early forecasts for 2021/22 indicate an increase in corn planted acres. However, corn prices unlikely to return to sub \$4 levels given dry conditions and strong export demand.

Source: Pork Merchandiser's Profit Maximizer, February 22, 2021.

