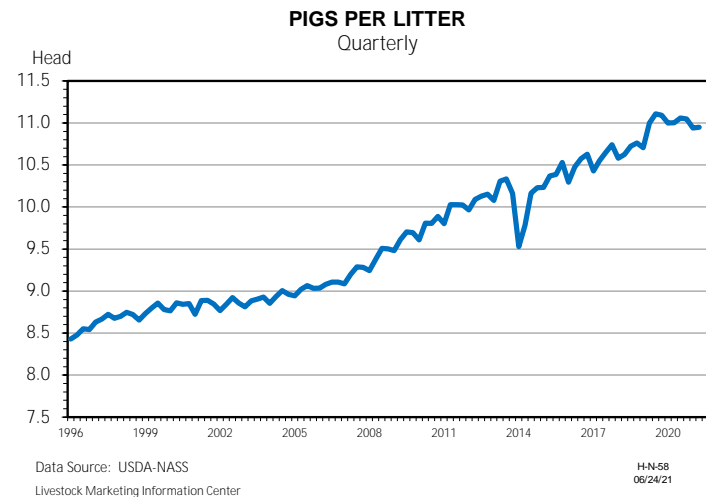


USDA National Agricultural Statistics Service (NASS) released the June 1 Hogs and Pigs Report yesterday. All hogs and pigs June 1 inventory was reported at 75.653 million head, down 2.2% from last year but slightly better the pre-report estimates expecting a 2.5% decline. Hogs kept for breeding was 6.230 million head (down 1.5%) which is close to industry expectations of down 1.4%. Market hogs were 69.423 million head, down 2.3% while pre-report estimates expected a 2.6% decrease.

The report showed that each market hog weight category was down. The under 50 pounds and 50-119 pounds posting declines of 2.9% and 2.7%, respectively, to 21.474 and 19.349 million head which is a bigger decrease than pre-report estimates of about a 1% decrease. Both the 120-179 pounds and 180 pounds and over categories were down 1.5% to 15.010 and 13.589 million head, respectively. Pre-report estimates were expecting a sharper decline for the heavy weight categories of down 4.4% and 5.6%.

The bigger surprise in the report was pigs per litter, which was 10.95, down 0.5% and the opposite direction of pre-report estimates which were expecting an increase of 0.6% to 11.07. Recent cases of PRRS have likely been a factor in producer productivity which was evidenced by the lower pigs per litter. The March-May farrowings were 3.067 million head, down 2.6% and close to industry expectations of down 2.4%. The lower pigs per litter and farrowings led to a 3.1% decrease in the pig crop to 33.584 million head. The industry was expecting a 1.8% decline.

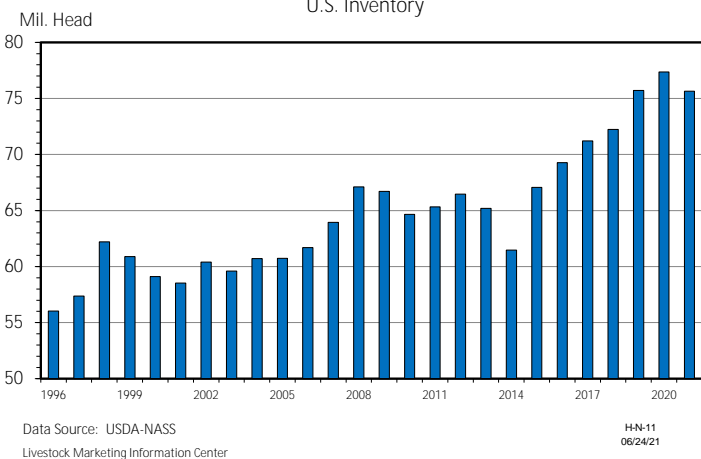
Farrowing intentions for June-August and September-November



were lower than pre-report estimates. June-August farrowing intentions were 3.115 million head, down 4.4% which was more pronounced than the 3.3% decline expected by industry analysts. September-November farrowing intentions were down 1.8% to 3.084 million head which was in line with pre-report estimates. Higher feed costs have been a headwind to producer profitability and likely a factor in the lower farrowing intentions for the June-August, and September-November periods. Reduced farrowings in coming months will likely lead to fewer hogs supplies through the first half of 2022.

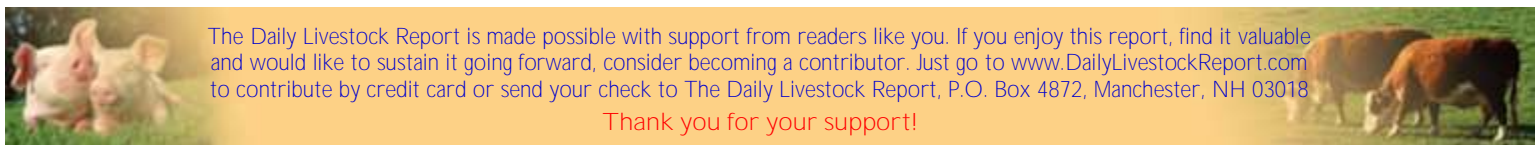
JUNE 1 ALL HOGS AND PIGS

U.S. Inventory



HOGS KEPT FOR BREEDING

Quarterly



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