ILLINOIS FARM AND FOOD OUTLOOK

COLLEGE OF AGRICULTURE
DEPARTMENT OF AGRICULTURAL ECONOMICS

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MARCH 1 REPORT ON HOGS AND PIGS

THE NATION'S PORK PRODUCERS AND CONSUMERS received encouraging news in the March 1 Hogs and Pigs report, released March 22. For pork producers, the good news is that the expansion in pork production is progressing at a modest rate. For meat consumers, the report indicates that pork supplies at the meat counters will be greater than a year ago by midyear and for the last four months of 1976, will be about 8 to 10 percent above the very short supply for the same period in 1975.

The March 1 report covered the 14 major hog-producing states in which 85 percent of the nations' supply is raised. Illinois hog producers raise about 11 percent of the nations' hogs, second to Iowa producers with 25 percent of the total.

The 14-state total of hogs and pigs on farms March 1 was 40,865,000--up 1 percent from a year earlier. Hogs kept for breeding were up 10 percent. This is a continuation of the modest rate of expansion in hog production indicated by the report last December 1, when hogs kept for breeding were up 3 percent. The hog breeding herd as of March 1 is still 12 percent below the same figure for March 1, 1974, and also for the same date in 1973.

Hog producers' farrowing intentions for the March-May quarter of 1976 are up 10 percent over the same period in 1975, but 18 percent below 1974. The pigs to be farrowed during March-May will start coming to market in September, and will provide the pork for the rest of 1976. June-August farrowing intentions were up 11 percent over 1975, but 5 percent below the same period in 1974. The pigs from June-August farrowings will be ready for market in the first few months of 1977. We need to remind ourselves, however, that these estimates are intentions only--that is, what pork producers think they will do.

The estimate of market hogs on March 1 was 34,159,000--very near to the same number counted on March 1 last year. The distribution by sizes varied, however. Hogs over 220 pounds, those going to market this month, were equal to year-ago figures. Current hog slaughter in March verifies the March 1 estimate. Federally inspected slaughter for the weeks ending March 13 and March 20 exceeded year-earlier figures for the first time since February, 1975. Veteran observers suggest that a milder winter and the better feeding quality of the 1975 corn crop resulted in a temporary "catch-up" in recent pork marketings.

The inventory of hogs weighing 120 to 219 pounds was 9 percent below a year ago, indicating that the spring and early summer marketings will fall short of the number marketed during the same period in 1975.

Pigs under 60 pounds were 12 percent above year-earlier inventories. Farrowings in the December, 1975-February, 1976 quarter were up 15 percent over a year ago, and the current inventory count reflects this increase. Hogs from this weight group will come to market in the late summer and fall, causing pork supplies to rise above year-earlier levels.

Market prices at country points should hold at the $45 level or higher this spring, move up seasonally into the high $40's or low $50's in midyear, and drop back to the $42-$47 range during the fall. Competition from broilers and beef will be a factor in these projections, especially if dry weather and poor range conditions in the west this summer cause nonfed beef slaughter to remain at or near recent high levels during the summer months.

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