

## WEEKLY OUTLOOK

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## REDUCTION IN PORK PRODUCTION IS SMALLER THAN INDICATED EARLIER

HOG PRODUCERS INDICATED SMALLER REDUCTIONS in pork production on September 1 than they intended in March and June. The unusually good weather for feed crops during July and August appears to have encouraged hog producers to increase farrowings from the level they planned on June 1. The large crops now being harvested are already having an impact on livestock production. The market will be well supplied with meat during the year ahead.

All hogs and pigs in the principal hog producing states totaled 52.2 million head on September 1, down 5 percent from a year ago. Hogs kept for breeding were down 5 percent and market hogs were down 6 percent.

Market hogs and pigs 60 pounds and over totaled 27.2 million head on September 1, down 7.3 percent from a year ago. This decrease is in line with the decrease in the March to May pig crop. Hog slaughter should continue at moderate levels through the fall and early winter.

The number of sows farrowing during the June to August period was 2.735 million, down 3.6 percent from last summer. In the March survey, producers indicated intentions to farrow 2.604 million, a decrease of 8.2 percent. In June they indicated 2.639 million, a decrease of 7 percent. The number of pigs saved per litter was 7.37, well above the long term average of 7.25 and last summer's 7.13. Thus, the pig crop was down only 1 percent. These are the hogs that will be coming to market during the December to February period. An unusually large slaughter occurred last winter in relation to the pig crop of the preceeding sumer. If the slaughter this winter is normal in relation to the summer pig crop, the decrease will be 13.5 percent from last winter.

Intentions to farrow during September to November show a decrease of 6 percent from last year. On June 1 producers intended to decrease farrowings 11.1 percent. The hogs from these sows will come to market from next March

to May. If corn and soybean meal prices continue weak, actual farrowings may exceed intentions, as they did during the summer.

Intentions to farrow during next December to February show a decrease of only 1 percent, so hog production next summer may exceed that of last summer. Pork production during the summer of 1981 was 4.3 percent below that of 1980.

The number of hogs, farrowings, and intentions to farrow indicate continued relief from the large production of pork that severely depressed prices during the first half of 1981. But relief will lessen as time passes. In addition, broiler production will continue to exceed year ago levels by 5 percent or more and pork will face increasing competition from beef. General economic stagnation will depress consumer demand. The very large crops of 1981 will keep pressure on hog prices.

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