



Pork Merchandiser's Profit Maximizer

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Prepared by Steiner and Company, Manchester, NH 800-526-4612.

January 26, 2026

Pork supply and spring/summer premiums

Lean hog futures have seen a sharp increase since the start of the year. Considering that the December Hogs and Pigs report showed more hog supplies in the pipeline, the rally may have caught many by surprise. First, we outline what we think is driving the rally and then discuss the implications for product prices this coming spring and summer.

According to USDA, the pig crop for Sep–Nov was 0.4% higher than the previous year. This

marked a notable shift from earlier expectations for a 2–2.5% decline. In other words, hog slaughter in Mar–May should run about half a percent above year-ago levels. Add to this a 0.5–1% increase in carcass weights and pork supply in the spring is now expected to be higher than the previous year. As for the summer, the survey again suggests the potential for a 2.5–3% increase in slaughter, with any carcass weight increases adding to that as well.

Despite the prospect of more supply, futures are currently pricing hogs above last year's levels, particularly for the spring.

2026 Lean Hog Futures

	2-Jan	23-Jan		
Feb	84.100	88.350	4.250	5.1%
Apr	89.100	96.175	7.075	7.9%
May	93.375	99.550	6.175	6.6%
Jun	102.375	108.500	6.125	6.0%
Jul	103.725	109.175	5.450	5.3%
Aug	103.000	107.875	4.875	4.7%
Oct	86.900	90.525	3.625	4.2%
Dec	78.075	80.925	2.850	3.7%
Avg	92.58	97.63	5.053	5.5%

2027 Lean Hog Futures

	2-Jan	23-Jan		
Feb	82.975	82.975	4.250	5.1%
Apr	85.975	85.975	0.000	0.0%
May	89.375	89.375	0.000	0.0%
Jun	96.700	96.700	0.000	0.0%
Jul				
Aug				
Oct				
Dec				
Avg	88.76	88.76		

In our view, there are a couple of reasons for this. First, the pork cutout to start the year has been above year-ago levels even as more supply has been available. The pork cutout value between January 8 and January 23 averaged \$93.2/cwt, 2.7% higher than last year, while pork production during the three-week period was

2.6% higher than a year ago. Prices were higher across the board, with loin values up 6.8%, picnics up 7%, ribs up 22%, and hams up 5%. Indeed, the cutout would have been even higher if not for belly prices, which so far have been 7% lower than last year.

Given the current level of demand and some expectation that belly prices should seasonally move higher into the spring, futures have steadily revised higher their outlook for hog, and thus pork, prices this spring. **Speculative funds have added to their net long position, now approaching 100,000 contracts.** This represents a significant shift compared to where they were in December (see chart).

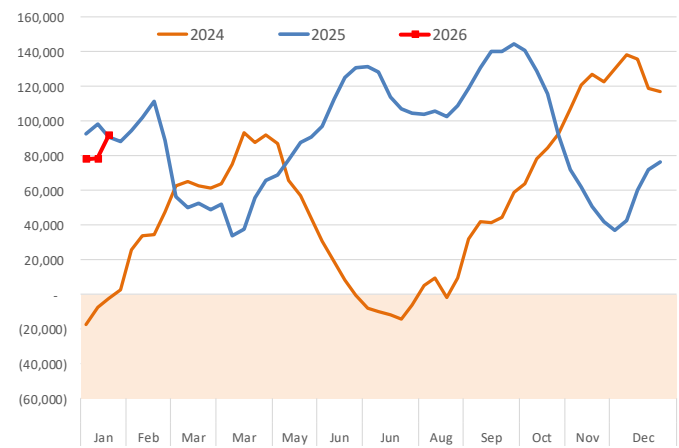
The second factor driving futures, in our view, is speculation that disease, be it PEDv or PRRS, will once again curtail hog supplies this spring and summer. The survey reflects producer expectations based on their breeding herd and productivity, but disease losses can quickly reverse the outlook. That was part of the story last year, when hog slaughter during late spring and summer diverged widely from survey expectations, and it is once again part of current speculation. It is important to note the speculative part of this, as there is no hard data to quantify the size of potential losses. Feeder pig prices have increased sharply, in part due to lower feed costs, but also suggesting tighter feeder pig supplies.

For processors and retailers, the market is signaling that demand has begun to outpace available supply. Pork prices at retail remain especially competitive versus beef, and in some cases chicken as well, helping drive sales. For hog producers, however, there are some cautionary flags given the volatility experienced last year. Futures are currently offering producers the opportunity to lock in a profit, and current hedging opportunities become even more attractive when factoring in government programs that subsidize part of the premium.

Bottom line: for processors, it is important to understand the factors driving current pricing and to help educate customers, both retailers and foodservice operators. Even as hog futures have

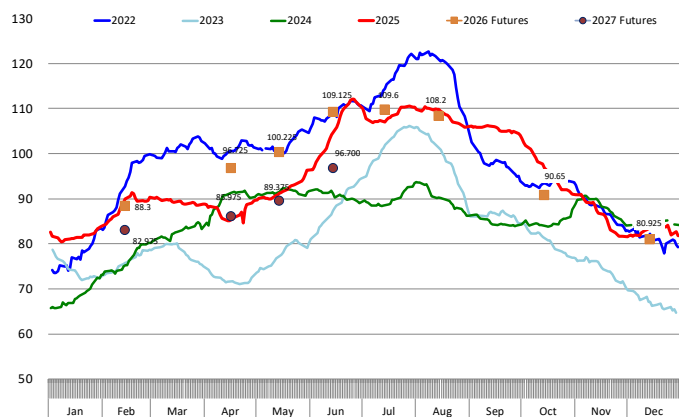
Lean Hogs: Managed Money, Net Position

Source: CFTC. Data valid through January 20, 2026



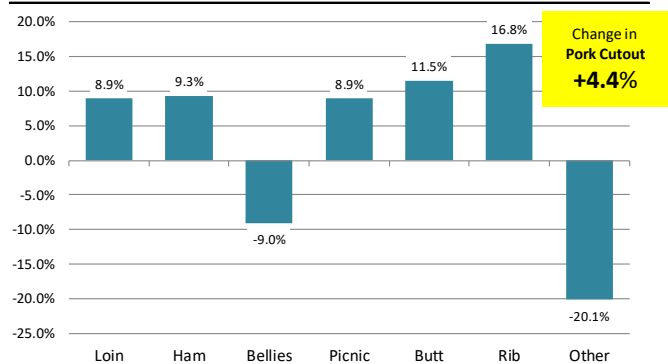
CALCULATED 1 DAY CME CASH HOG INDEX

Based on Daily USDA MPR Data. Wt. Avg. Price of Negotiated Cash Hog Price and Swine or Pork Market Formula (SPMF). See LM HG201



% Change in Primal Value: Jan 23, 2026 vs. Jan 24, 2025

Source: MPR-USDA



rallied, pork overall remains competitive relative to other proteins. For producers, 2026 promises to be another profitable year, especially for those able to manage risk.

Product Update

Iowa/Minnesota, Base Negotiated Purchase for Barrows and Gilts. Lean hog carcass values at about 82.57/cwt. on Friday were up \$2.2/cwt since Wed. January 14. Prices are up about \$0.6/cwt compared to year ago values.

Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA (page 8). Prices finished last week at \$0.9911, up about 2.6 of a cent since the Wed. January 14 quote and up about 2 cents from year ago levels.

Bnls. Strap on Pork Loins. Prices finished the week at \$1.3724 for the strap on loins, up 11.7 cents since Wed. January 14 and up 6 cents from the year ago levels.

Strap off loins at \$1.5906 are up 1.8 cents since Wed. January 14 and up about 3 cents compared to the year ago quote.

Boneless sirloins at \$1.3266 were up about one cent from the Wed. January 14 quote but down about 0.3 cents from the year ago price.

Pork tenderloin finished last week at \$1.8403, up one cent since the Wed. January 14 quote and up about 20.0 cents from the year ago price.

1/4 Trim Pork Butts (page 10), prices finished the week at \$1.2108, up 2.4 cents since Wed. January 14. Prices are down 7 cents from a year ago.

Spareribs, Trimmed - LGT, Vac (page 8). Prices finished the week at \$1.8990, down about 3 cents since Wed. January 14 but up about 25 cents from year ago levels.

Rib inventories on December 31 were 83.6 million pounds, up 2.4% from a year ago.

Bone-in Hams 17/20 hams (page 9) price was last quoted at \$0.9385/lb. up 4 cents since Wed. January 14 and up about 4 cents from a year ago.

20/23 hams finished the week at 89.46 cents (page 130) up 3 cents since Wed. January 14 and up about 5 cents from the year ago level.

23/27 hams finished the week at 88.41 , up about 4 cents from the Wed. January 14 quote and up about 11 cents from the year ago level.

Total ham cold storage stocks on December 31 at 67.3 million pounds were down 1.5% from year ago levels.

42 CL Pork Trim "FOB Basis". Prices finished the week at 50.31 cents, down about 7.0 cents since Wed. January 14 but up about 7 cents from the year ago price.

72 CL Pork Trim "FOB Basis". Prices finished the week at 105.22 cents, down 2.4 cents since the Wed. January 14 quote but up about 12 cents from the year ago levels.

Freezer stocks of all trimmings on December 31 were 45.9 million pounds, down 5.5% from the year ago levels.

72 CL Picnic Meat "FOB Basis". The premium of picnic meat to 72CL trim is currently at 18 cents compared to 27 cents average in the previous six months.

POULTRY

Whole Broilers

The National Whole Bird price was quoted at 129.10 on Friday, January 23, down about 7 cents from a year ago.

Broiler slaughter for the week ending January 17 was 172.95 million head, down 2.47% from a year ago. For the last two weeks broiler slaughter was up 4.6% vs. a year ago.

Breasts. Prices on boneless skinless breasts finished the week at \$1.3207, up 6 cents since Wed. January 14 but down about 16 cents from year ago levels.

Leg Quarters. Last week leg quarter prices at 49.85 cents per pound prices were up about 2.47 cents vs. two weeks ago but were down 2 cents from a year ago.

Wings. Prices at \$1.1237 are down about 78 cents from year ago levels.

Turkeys

The prices below reflect weekly quoted USDA prices.

Hens finished last week at \$1.7529, up 0.3 since Wed. January 14 and up about 87 cents from the year ago price.

Toms finished last week at \$1.7267, up 3 cents since Wed. January 14 and up about 84 cents from the year ago price.

Total turkey supplies in the freezer on December 31 were down 24.6% from a year ago at 165.0 million pounds. Whole birds were down 30.9% from a year ago with an inventory of 44.4 million pounds.

Turkey slaughter was 3.6670 million head for the week ending January 17, up 0.25% from a year ago. For the last two weeks slaughter has been up 6.64%.

Boneless Turkey Breast Meat. Boneless skinless turkey breast meat prices finished last week at \$7.0300, down since Wed. January 14. Prices are up about 474 cents vs. year ago levels.

BEEF

NOTE: WE ARE NOW REPORTING AND FORECASTING WEIGHTED AVERAGE BLUE SHEET PRICES FOR BEEF CUTS.

Choice 112A Heavy Bnls. Lip On Rib Eyes at \$10.1355 (weighted average quote) finished last week down about 48 cents since the Wed. January 14 quote and down about 39 cents vs. the year ago price.

Select 112A Heavy Lip On Rib Eyes at \$9.6107 (weighted average quote) finished last week down about 17 cents since the Wed. January 14 quote but up about 68 cents vs. the year ago price.

Currently Choice 112A Rib Eyes are \$0.5248 /lb. below Select. The 2017 annual average spread

(wt. average price) had the Choice at a premium to the Select by \$0.1235 per pound and the 2015-2019 five year average spread was Choice at a premium to the Select by \$0.1244 per pound.

81CL Meat Block With prices at \$4.0478 for 90CL and \$1.4725 for 50CL product, an 81CL meat block value is now \$3.4684 and a 78CL meat block is \$3.2752. Choice 114, 3 Clods are now being priced 62.64 cents under 81CL meat block grinding values of 90s and 50s. A year ago the spread was 76.52 cents and the five year average spread for is 63.56 cents over.

Choice #161 Boneless Rounds finished last week at \$4.1800, unchanged since Wed. January 14 but up about 47 cents from year ago levels.

Choice regular #168 insides finished last week quoted at \$4.3452 up about 20 cents since Wed. January 14 and up about 49 cents from the year ago price.

Choice ¼ inch trimmed #168 insides finished last week quoted at \$4.2483 up about 2 cents since Wed. January 14 and up about 27 cents from year ago levels.

Choice #170 Gooseneck Rounds finished last week at \$3.9851 up about 19 cents since Wed. January 14 but down about 14 cents from the year ago levels.

Choice #180 (0x1) Bnls. Strip Loins finished last week quoted at \$9.4041 (wt. avg.) up about 43 cents from the Wed. January 14 quote. Prices are up 56 cents from year ago levels.

Choice #184 Regular Heavy top butts finished at \$5.5041 (wt. avg.) up about 15 cents since Wed. January 14 and up about 133 cents from year ago levels.

Choice #184 ¼ inch trimmed Top Butts finished at \$5.5542 (wt. avg.) up about 10 cents since Wed. January 14 and up about 140 cents from the year ago levels.

Choice #185A Flap Meat prices finished Friday at \$8.3780 (wt. avg.) up about 36 cents since Wed. January 14 and up about 5 cents from year ago values.

COARSE GROUND BEEF –

73CL Coarse Ground product finished last week at **\$3.5315 up** about 7 cents since Wed. January 14 and up about 36 cents from year ago levels.

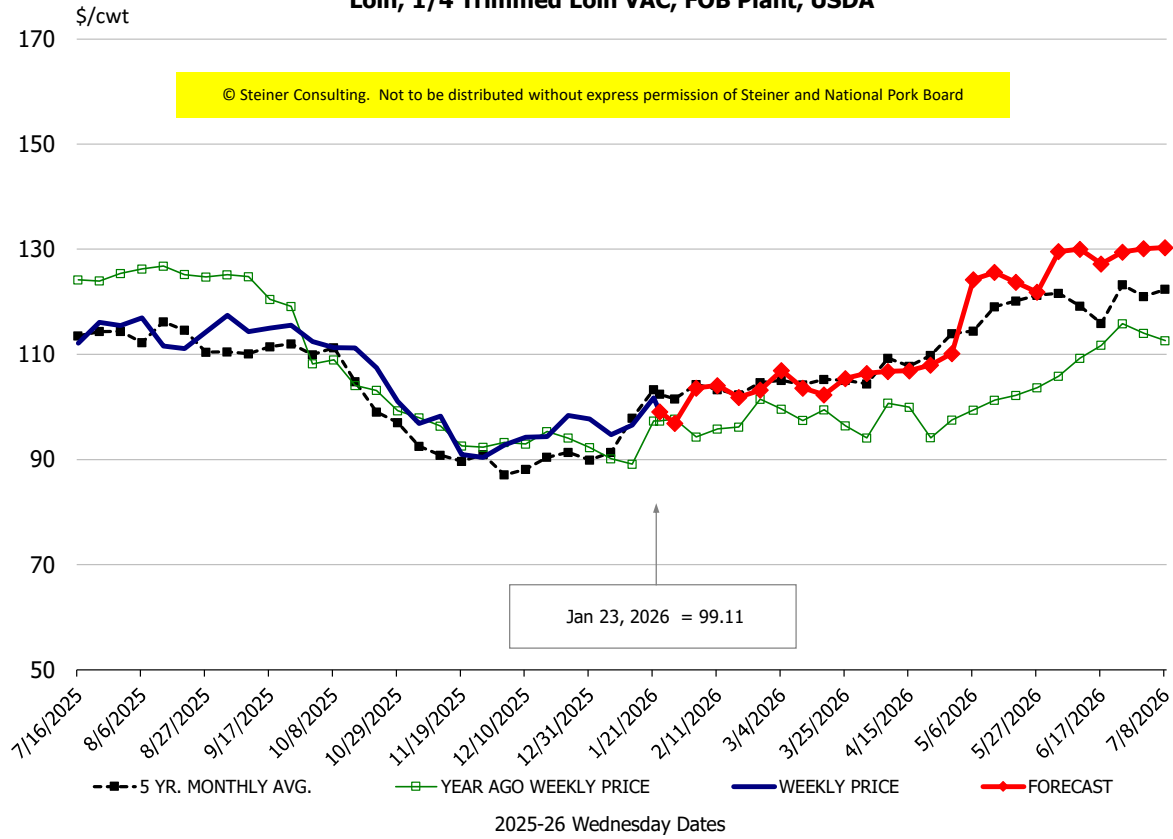
81CL Coarse Ground product finished last week at \$3.7913 down about 0.1 of a cent since Wed. **January 14 but up about 31 cents** from the year ago quote.

90CL Bnls. Beef prices finished the week at **\$4.0478** (wt. avg.) **down 0.56 cents** since Wed. January 14 but up 37 cents compared to the year ago price quote. **50 CL Beef Trim** prices finished last week at \$1.4725, up about 4 cents since Wed. January 14 and up 32 cents compared to year ago levels.

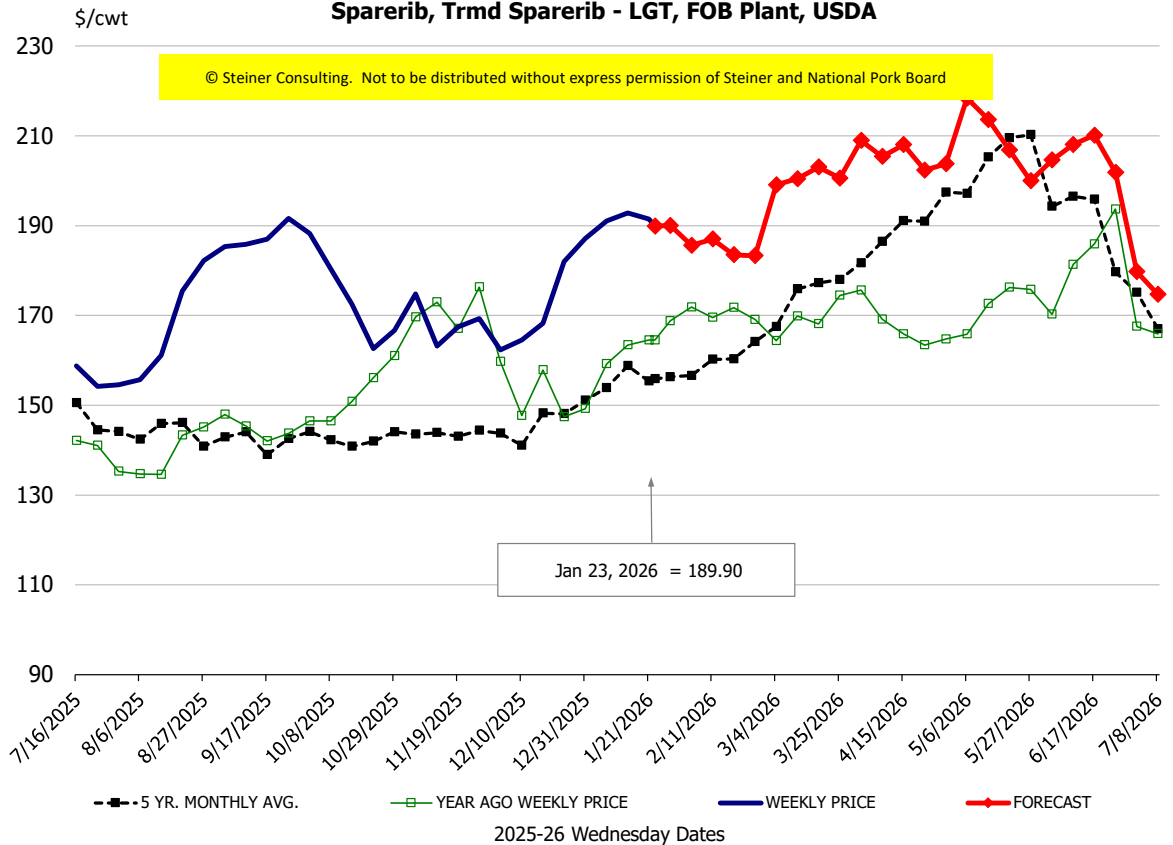
Protein Summary Table - WT. AVE.

	HISTORY								FORECAST						
	Jul	Aug	Sep	Oct	Nov	Dec	12/31/2025	1/9/2026	1/21/2026	Jan	Feb	Mar	Apr	May	Jun
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PORK															
Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA	113.5	113.4	114.8	107.7	94.5	94.6	97.7	95.32	92	93	103	100	104	115	132
Loin, 1/8 Trimmed Loin VAC, FOB Plant, USDA	121.4	125.7	124.9	121.1	110.2	106.2	108.5	108.37	110	112	118	117	119	132	140
Loin, Bnls CC Strap-off, FOB Plant, USDA	157.8	159.2	159.6	157.2	154.4	156.7	159.9	159.78	160	160	163	168	169	175	178
Loin, Tenderloin, FOB Plant, USDA	193.4	196.6	193.5	183.0	174.4	173.6	180.9	182.19	183	183	194	198	200	200	201
Butt, 1/4 Trim Butt Combo, FOB Plant, USDA	121.9	115.2	130.3	120.0	103.2	105.9	125.3	117.13	115	117	114	118	124	141	145
Sparerib, Trmrd Sparerib - LGT, FOB Plant, USDA	160.1	164.4	188.2	176.4	166.3	171.6	187.2	189.17	188	189	189	190	197	199	186
Sparerib, St Louis Spareribs, POLY, FZN, FOB Plant, USDA	265.9	254.1	258.2	264.2	260.8	262.0	250.7	263.25	234	249	263	282	291	292	286
Sparerib, Trmrd Sparerib - MED, FOB Plant, USDA	169.9	172.4	183.6	174.9	165.5	174.3	190.8	189.64	190	190	190	194	198	196	191
Loin, Backribs 2.0#/up, FOB Plant, USDA	296.5	273.0	261.3	261.8	257.4	258.2	261.3	264.32	263	269	271	279	289	293	299
Ham, 17-20# Trmrd Selected Ham, FOB Plant, USDA	118.1	120.2	115.0	110.8	98.1	103.2	93.6	95.81	96	97	87	90	90	99	104
Ham, 20-23# Trmrd Selected Ham, FOB Plant, USDA	109.0	115.6	110.1	102.9	89.7	94.7	78.5	80.81	85	85	87	87	89	92	104
Ham, 23-27# Trmrd Selected Ham, FOB Plant, USDA	107.1	110.9	105.1	100.2	87.4	94.9	80.3	79.83	85	84	85	86	89	92	103
Belly Cutout, FOB Plant, USDA	183.6	187.7	173.7	139.7	136.5	124.6	122.5	121.95	126	126	143	146	142	136	151
Belly, Derind Belly 9-13#, FOB Plant, USDA	227.1	226.0	211.8	172.7	167.3	156.2	151.9	154.42	163	157	176	179	174	171	192
Belly, Derind Belly 13-17#, FOB Plant, USDA	218.4	223.1	208.3	168.0	163.2	152.7	151.7	149.92	159	154	173	177	173	170	191
Trim, 42% Trim Combo, FOB Plant, USDA	121.0	124.4	111.7	86.3	67.5	48.1	38.7	47.61	46	48	57	68	75	74	79
Trim, 72% Trim Combo, FOB Plant, USDA	134.1	124.5	128.8	113.6	97.6	92.8	94.0	101.12	102	101	101	104	109	107	124
Trim, Picnic Meat Combo Cushion Out, FOB Plant, USDA	141.1	130.9	132.9	122.1	111.1	112.1	94.9	104.49	112	110	117	129	128	128	139
Carcass Cutout, FOB Plant, USDA	115.0	115.0	113.2	103.1	96.0	96.5	93.7	92.10	94	94	96	97	101	101	111
HOG CARCASS															
CME 1-Day Lean Hog Index	108.7	108.6	105.5	96.4	86.8	81.9	81.8	80.66	82	83	85	88	91	95	104
BROILERS															
BROILER, NATIONAL WHOLE BIRD PRICE, USDA	135.7	132.9	130.4	125.1	124.2	126.3	127.1	129.03	127	131	133	137	143	148	146
N.E. BROILER BREAST BONELESS-SKINLESS, USDA	191.1	199.9	153.8	114.1	114.4	116.1	117.3	118.89	125	124	134	158	175	200	205
N.E. BROILER BREAST LINE RUN, USDA	138.1	132.7	118.4	83.6	78.3	78.9	76.2	78.62	86	85	97	103	121	128	130
N.E. BROILER LEG QUARTERS, USDA	54.9	55.5	54.9	49.1	45.4	47.8	47.5	47.60	48	48	48	52	53	56	57
N.E. BROILER WINGS, USDA, WT.AVG.	158.4	172.5	149.9	110.2	102.1	98.0	98.8	98.83	108	103	115	109	107	108	110
TURKEYS															
HEN TURKEYS, EAST, FROZEN 10-12LBS, USDA	153.2	157.2	159.7	171.2	172.3	176.1	177.0	177.00	171	174	166	160	155	153	154
TOM TURKEYS, EAST, FROZEN 16-22LBS, USDA	154.4	156.4	158.7	166.0	173.3	173.6	169.8	168.40	171	172	163	158	154	152	153
UB BONELESS-SKINLESS TURKEY BREAST, TOM, FRESH	471.4	587.5	675.8	718.8	722.8	723.0	723.0	723.00	721	700	675	625	575	554	559
LIVE STEERS															
FIVE AREA DIRECT AVERAGE LIVE STEER, USDA	235.1	243.0	240.8	234.6	224.9	223.8	229.3	231.72	233	232	234	235	236	234	231
BEEF															
CHOICE, 112A, 3, USDA,RIBEYE, BONELESS, HEAVY, WT.AVG.	1071.0	1341.8	1459.1	1393.3	1404.3	1323.4	1121.6	977.38	1032	1085	1180	1299	1302	1314	1354
CHOICE, 161, 1, USDA,ROUND, BONELESS, WT. AVG.	418.0	418.0	418.0	418.0	418.0	418.0	418.0	418.00	431	422	429	425	420	424	418
CHOICE, 168, 3, TOP INSIDE ROUND, 1/4" MAX, WT. AVG., USDA	424.0	476.0	444.1	405.9	370.2	364.9	396.4	412.55	409	412	439	425	409	411	409
CHOICE, 170, 1, BOTTOM GOOSENECK ROUND, WT. AVG., USDA	396.8	417.0	406.1	397.2	379.6	344.7	402.2	369.39	385	385	380	367	352	357	365
CHOICE, 180, 3, USDA,STRIP LOIN, BONELESS, 0X1, WT. AVG.	929.8	848.9	857.6	894.9	971.7	898.0	847.5	854.73	864	885	953	1045	1091	1176	1219
CHOICE, 184, 3, USDA,TOP BUTT, BONELESS, WT. AVG.	694.4	632.2	551.8	509.3	538.3	520.4	512.9	515.56	523	535	575	578	596	625	633
CHOICE, 185A, 4, USDA,BOTTOM SIRLOIN, FLAP, WT. AVG.	985.4	979.4	845.1	750.8	746.5	716.2	776.1	783.45	800	785	878	930	961	952	977
USDA,COARSE GROUND 73%, WT. AVG.	341.0	351.1	323.4	284.4	337.1	314.0	315.4	330.04	357	345	332	319	345	356	351
COARSE GROUND 81%, WT. AVG., USDA	360.6	381.7	369.0	331.6	355.5	342.8	357.8	367.49	378	368	363	351	370	388	386
USDA, 90% BONELESS BEEF, CENTRAL, FRESH, WT. AVG.	417.3	429.8	432.5	411.7	404.1	395.5	394.6	401.71	396	403	417	423	431	440	445
USDA, 50CL BEEF TRIM, FRESH, NATIONAL, WT. AVG.	229.8	180.1	152.1	145.7	170.4	138.5	128.8	139.60	137	140	152	175	196	196	194

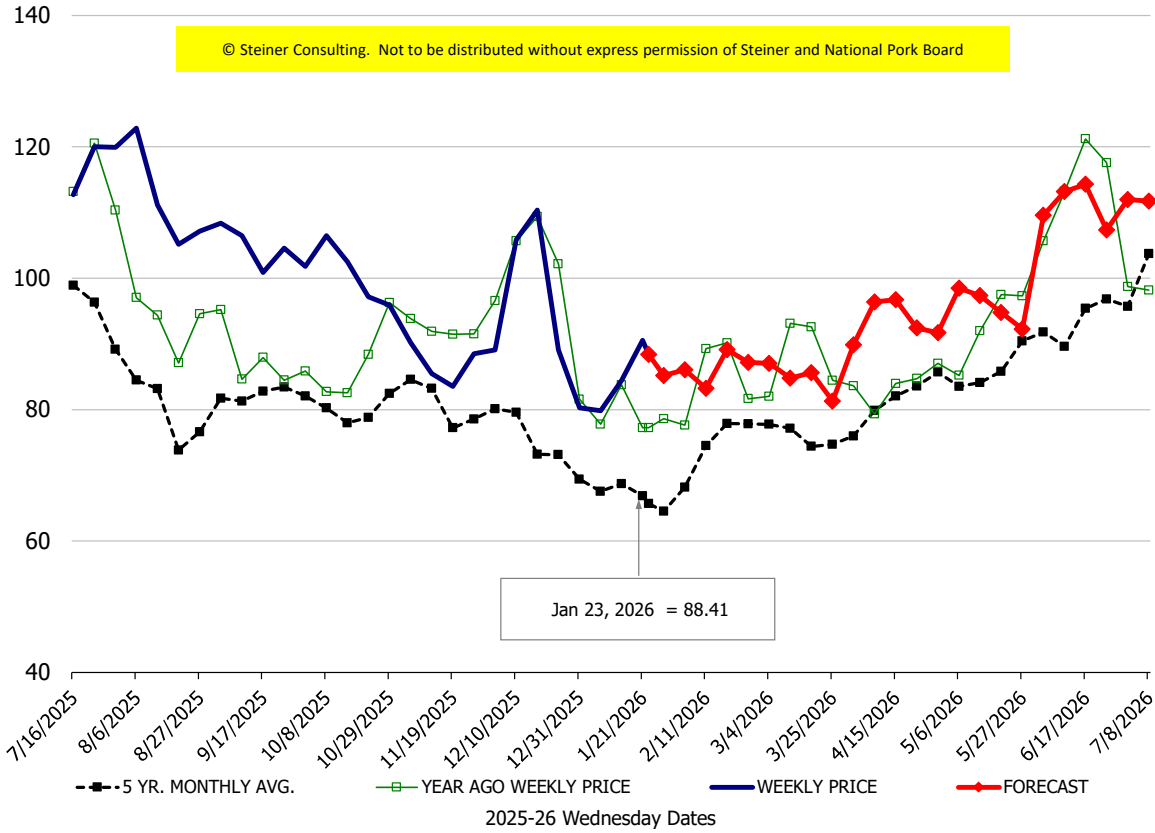
Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA



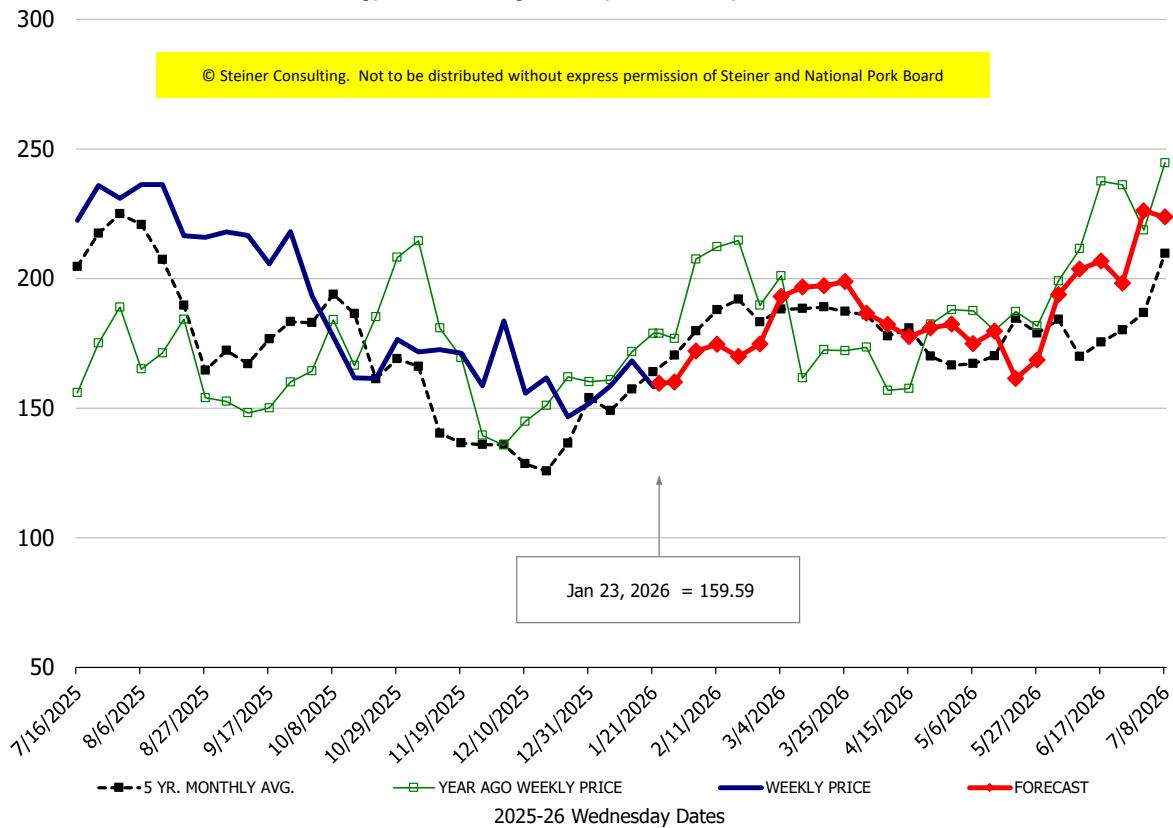
Sparerib, Trmd Sparerib - LGT, FOB Plant, USDA



Ham, 23-27# Trmd Selected Ham, FOB Plant, USDA

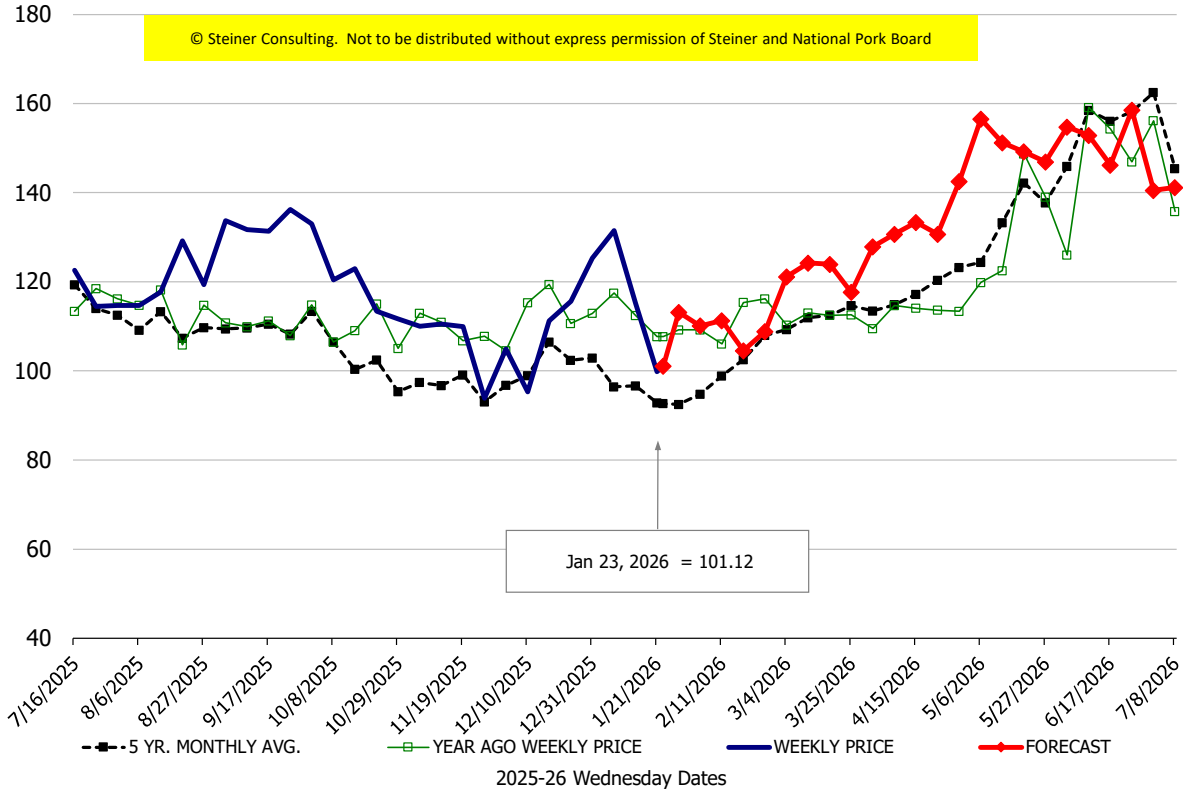


Belly, Derind Belly 9-13#, FOB Plant, USDA



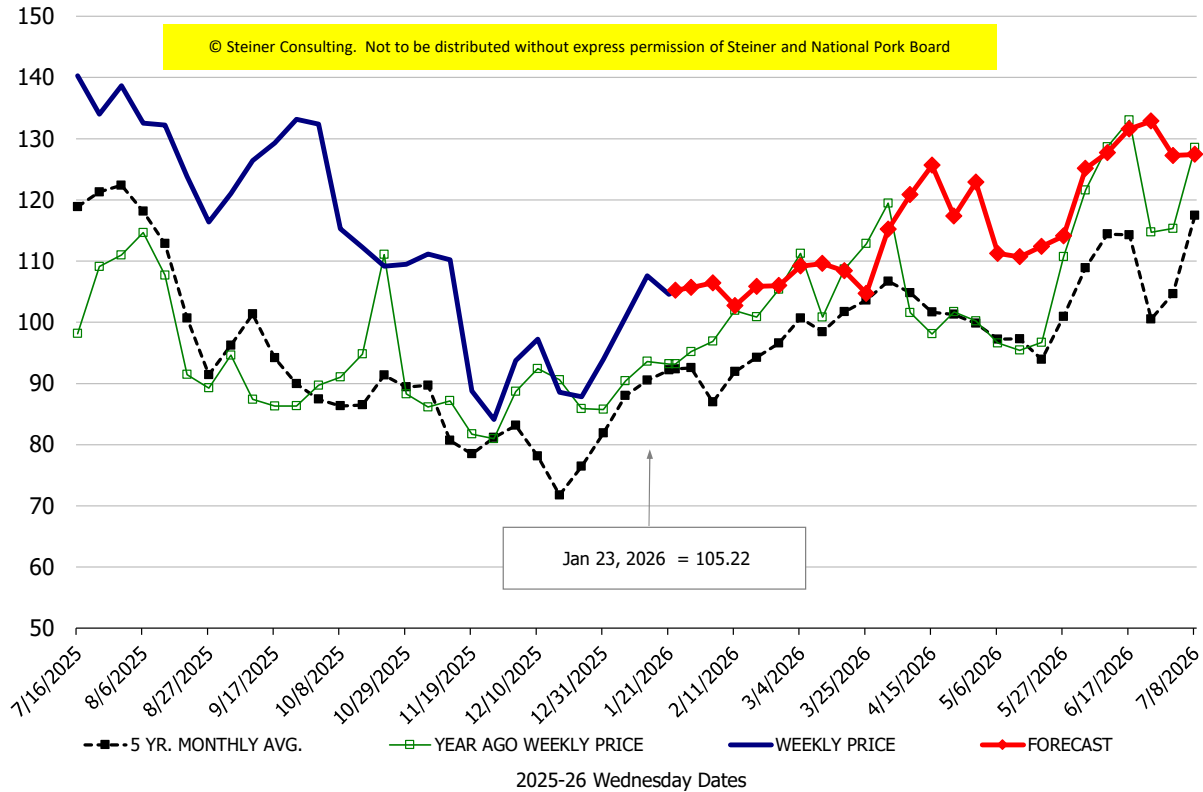
\$/cwt

Butt, 1/4 Trim Butt Combo, FOB Plant, USDA



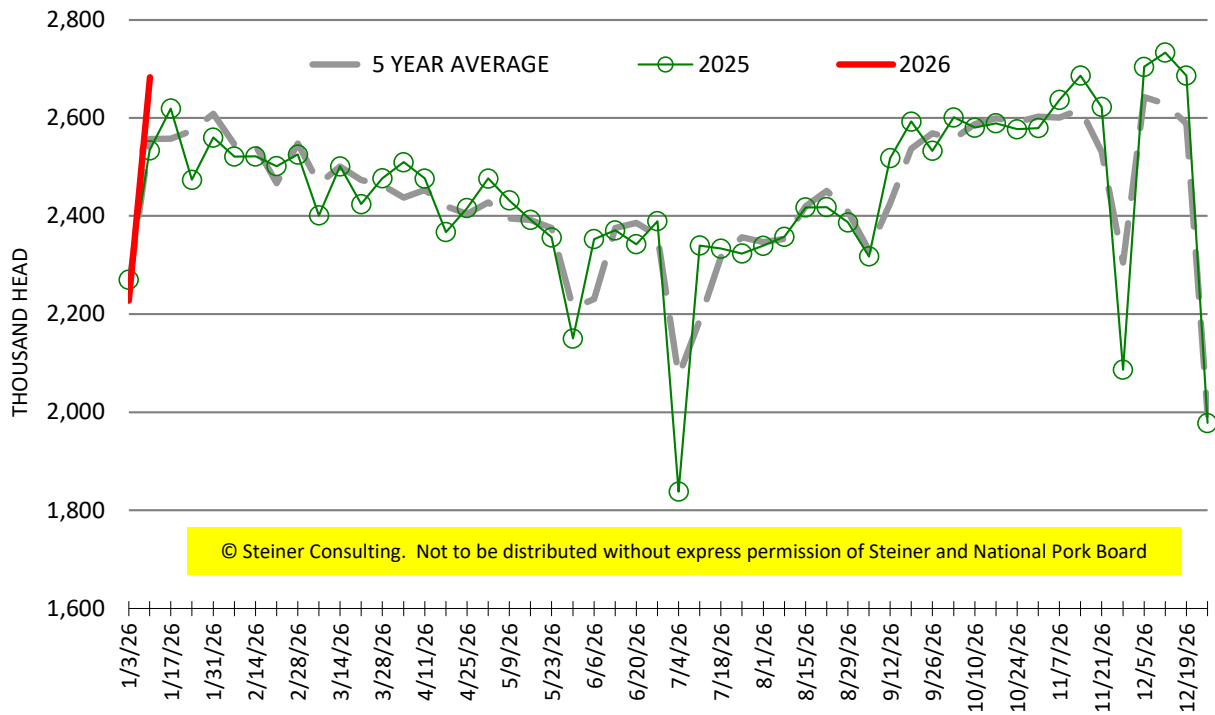
\$/cwt

Trim, 72% Trim Combo, FOB Plant, USDA



ESTIMATED WEEKLY FI HOG SLAUGHTER

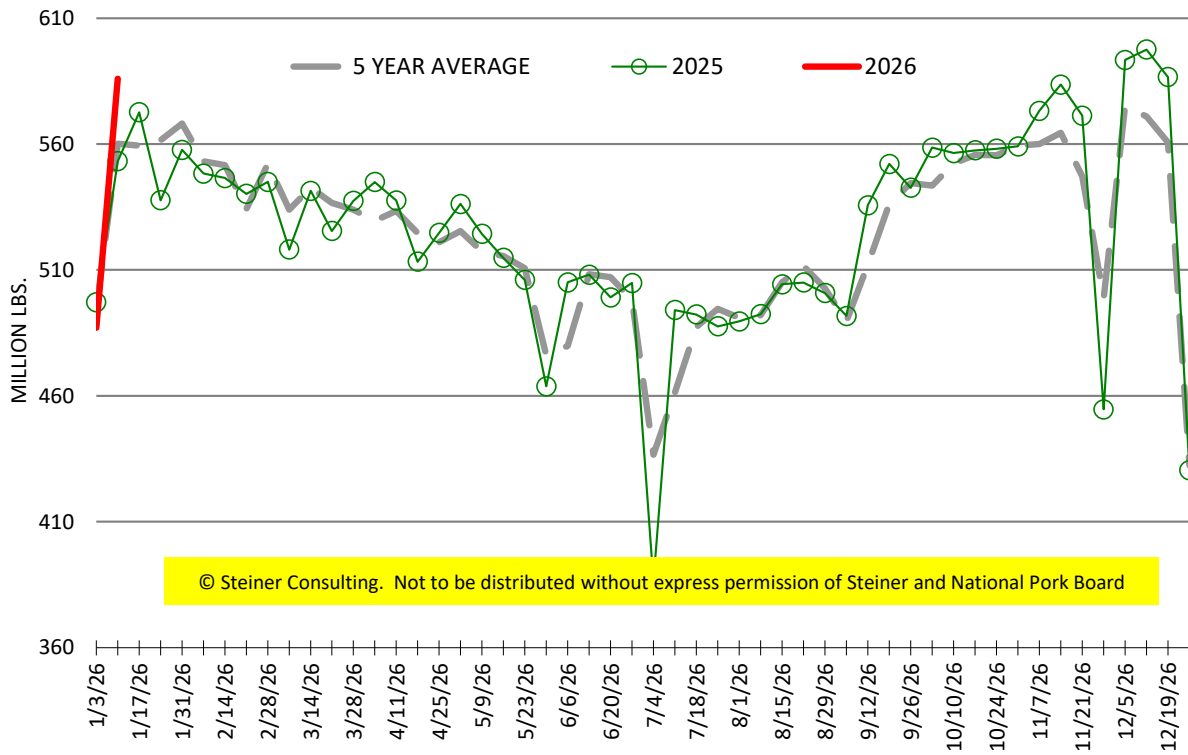
Source: USDA, '000 head



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ESTIMATED WEEKLY FI PORK PRODUCTION

Source: USDA, Mil. Pounds



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