

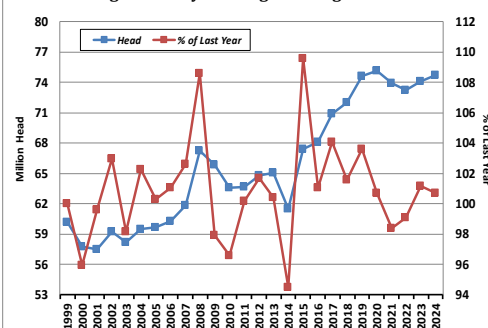
The USDA Hogs and Pigs report showed the December 1 US hogs and pigs at 75.81 million head compared to expectations of 75.61 and 75.46 last December. All hogs and pigs came in just slightly above the guesses 100.5% of last year versus an average trade expectation of 100.2% and a range of 99.4% to 101%. Kept for breeding came in at 100.1% of last year versus 100.1% expected (range 98.5%-101.1%), and market hogs at 100.5% versus 100.2% expected (range 99.4%-101.2%). Market hogs under 50 pounds came in at 101.2% of last year versus an average trade expectation of 100.7%, 50-119 pounds 101.4% versus 100.5%, 120-179 pounds 99.4% versus 99.5%, 180 pounds and over 99.5% versus 99%. The September-November pig crop came in at 102% of last year versus an average trade expectation of 100.8% expected (range 100%-101.9%). Total red meat supplies in freezers were 854.92 million lbs, down 3 percent from last month and 5 percent from last year. Total pounds of beef in freezers was 440.542,000 pounds, up 2 percent from the previous month but down 4 percent from last year. Frozen pork supplies were 391.071 million lbs., down 8 percent from the prior month and down 6 percent from last year. Stocks of pork bellies were 22.504 million lbs., up 39 percent from last month but down 53 percent from last year.

The hog and pig report featured most categories near estimates. However, hog inventory numbers were slightly higher than the average guess and could be considered slightly bearish. Total red meat and frozen pork supplies were well below last month and last year, which could offset any bearishness from the hog and pig report. Tomorrow's opening may be anyone's guess with the holiday-shortened trading day, with hog futures closing at 12:15 PM Chicago time and reopening Thursday at 8:30 AM.

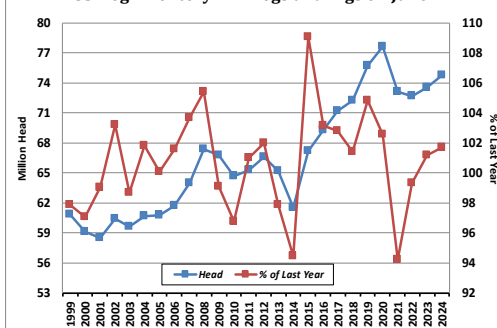
Report Summary

| | Hogs and Pigs Report | | |
|--|----------------------|--------------------------------------|--|
| | Current Year | Current Year as Percent of Last Year | Current Year as Percent of 2 Years Ago |
| | Million Head | Percent | Percent |
| December 1 Inventory | | | |
| All Hogs and Pigs | 75.845 | 100.5 | 101.2 |
| Kept for Breeding | 6.004 | 100.1 | 96.8 |
| Kept for Market | 69.841 | 100.5 | 101.6 |
| Market Hogs and Pigs by Weight Groups | | | |
| Under 50 Pounds | 21.834 | 101.2 | 100.2 |
| 50-119 Pounds | 19.426 | 101.4 | 101.5 |
| 120-179 Pounds | 14.824 | 99.4 | 100.2 |
| 180 Pounds and Over | 13.757 | 99.5 | 105.6 |
| Pig Crop | | | |
| Sep-Nov | 35.238 | 102.0 | 101.5 |

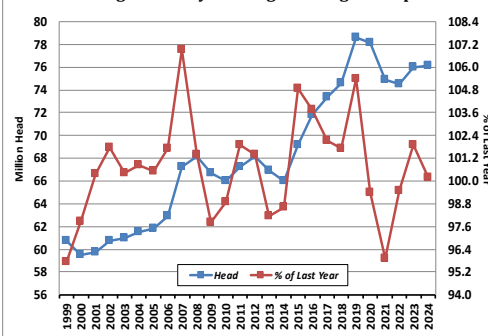
US Hog Inventory: All Hogs and Pigs on March 1



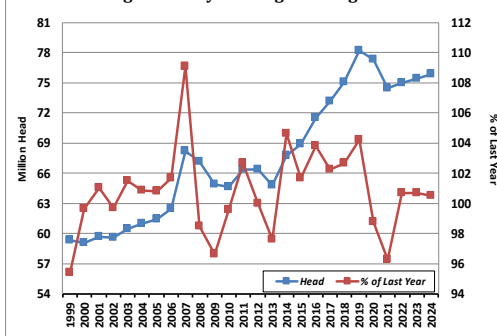
US Hog Inventory: All Hogs and Pigs on June 1



US Hog Inventory: All Hogs and Pigs on Sept 1

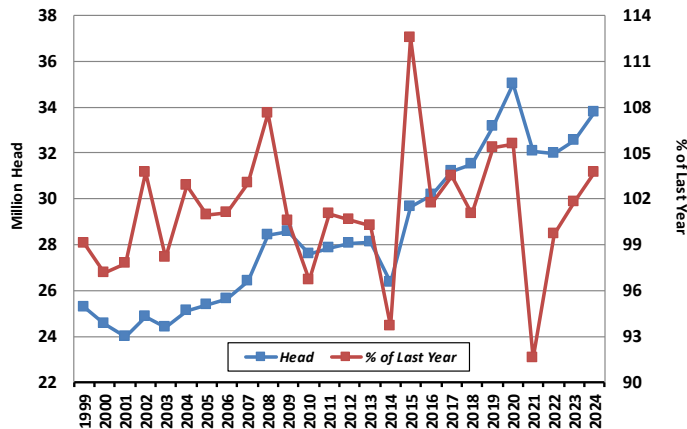


US Hog Inventory: All Hogs and Pigs on Dec 1

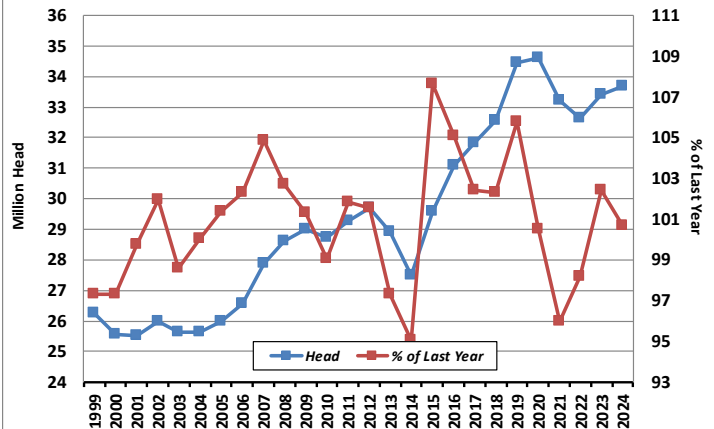


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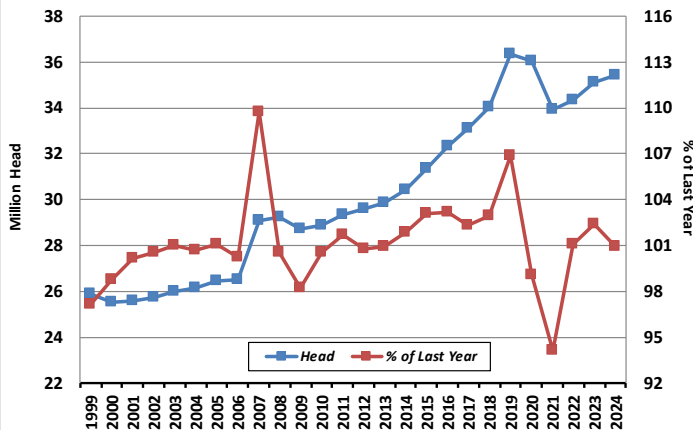
US Pig Crop: December-February



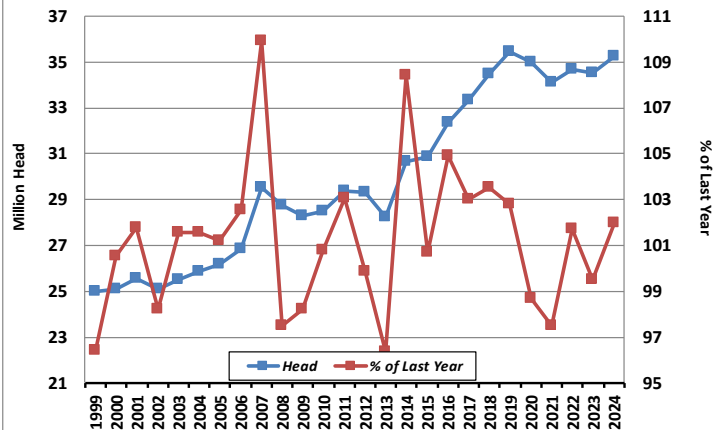
US Pig Crop: March-May



US Pig Crop: June-August



US Pig Crop: September - November



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