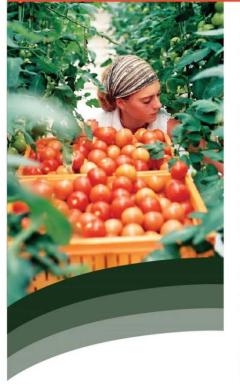
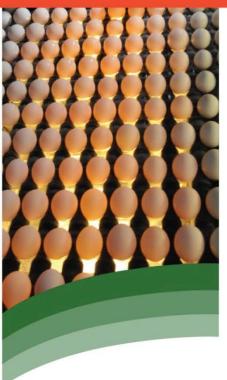
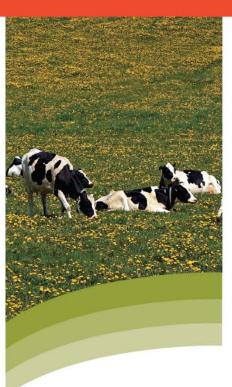


Creating Opportunities for American Farmers and Businesses









Creating Opportunities for American Farmers and Businesses

USDA Market News Swine Report Review

Taylor Cox

Creating Opportunities for American Farmers and Businesses

Overview

- ➤ Intro to LMR Swine Reporting
- Stakeholder Meetings
- Purchase Types

LMR Swine

- ➤ LMR Swine reporting started in 2001.
- ➤ Packers with a federally inspected plant slaughtering over 100,000 swine per year on average over 5 years or packing companies slaughtering 200,000 sows and boars per year on average over 5 years.
- Currently 50 plants that are located in 19 different states and owned by 26 companies are submitting swine data.

LMR Staff and Data

- Cover about 97% of swine trades.
- Reporters review between 7,000 to 11,000 records per day and have technical processes in place that flag any data falling outside of preset parameters. This data is then confirmed by reporters through direct correspondence.
- AMS applies the <u>3/70/20 Confidentiality</u> <u>Policy</u> to all LMR data.
- 20 daily and 2 weekly reports or 102 reports each week covering 2.0 to 2.5 million head per week.

LMR Staff and Data

- At 7:00 AM, 2 reporters cover prior day purchase data for barrows and gilts while 1 covers prior day purchase data for sows and boars (midnight to midnight).
- ➤ At 9:00 AM, 1 reporter covers prior day slaughter data.
- At 10:00 AM and 2:00 PM, 2 reporters cover morning and afternoon purchases or 119A and 119B submissions (1:30 PM-9:30 AM and 1:30 PM-1:30 PM).

LMR Swine Forms

- ➤ LPS 118A, 118B, & 118C (14 day actual schedule of delivery, prior day slaughter, and prior day purchases)
- ➤ LPS 119A & 119B (daily actual and estimated purchases for morning and afternoon reports and individual lot information)
- ➤ LPS 120 (Weekly non-carcass merit premiums)

LPS 118C, 119A, and 119B Forms

- ➤ 118C: total number of swine purchased by purchase type, base price and weight for all swine purchased on a live weight basis, and state of origin of the swine
- ➤ 119A: estimates of purchases for the day by purchase type and actual purchases for the submission period by purchase type.
- ➤ 119B: actual purchases for submission period by purchase type, average live weight, base price, head count, and state of origin.

LMR Swine Data (119B)

Deselect All Exp	ort to Excel Save Prefe	rence											
Input Date/Time	Reporting Date (mm	Reporting	Purchase T	Head Count	Base Price	Average Live	Origin	Class Code	Record Late	Record Changed	Reason Excluded	Exclude From Repo	File Replace
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	19	29.00	373.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	25	29.00	396.0	Minnesota	Barrows/Gilts	Yes			No	No
10/28/2016 9:48:06	10/28/2016	10:00 a.m.	Negotiated	1	30.25	320.0	Indiana	Barrows/Gilts	No			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	24	31.00	340.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	9	31.21	285.0	Iowa	Barrows/Gilts	Yes			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Other Marke	73	32.89	297.5	Illinois	Barrows/Gilts	No			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	20	33.00	282.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	42	33.21	286.0	Iowa	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	4	33.25	293.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	4	33.25	239.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 9:56:22	10/28/2016	10:00 a.m.	Negotiated	20	33.50	275.0	Minnesota	Barrows/Gilts	No	Yes		No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	168	33.66	257.0	Minnesota	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	166	33.66	272.0	Minnesota	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	159	33.66	261.0	Minnesota	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	171	34.25	262.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	169	34.25	264.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Other Marke	168	34.26	277.6	Indiana	Barrows/Gilts	No			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Other Marke	190	34.26	287.7	Illinois	Barrows/Gilts	No			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Other Marke	90	34.49	283.1	Illinois	Barrows/Gilts	No			No	No
10/28/2016 1:28:56	10/28/2016	2:00 p.m.	Negotiated	350	34.50	250.0	Iowa	Barrows/Gilts	No			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Negotiated	130	35.00	267.3	Illinois	Barrows/Gilts	No			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Negotiated	128	35.00	267.3	Illinois	Barrows/Gilts	No			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	26	35.25	279.0	Minnesota	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	84	35.25	239.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated	19	35.25	293.0	Illinois	Barrows/Gilts	Yes			No	No
10/28/2016 1:45:37	10/28/2016	2:00 p.m.	Negotiated	9	35.30	244.4	Illinois	Barrows/Gilts	No			No	No
10/28/2016 9:30:22	10/28/2016	10:00 a.m.	Negotiated	1	35.33	283.0	Illinois	Barrows/Gilts	No			No	No
10/28/2016 9:50:07	10/28/2016	10:00 a.m.	Swine or Por	70	35.66	275.0	Iowa	Barrows/Gilts	No			No	No
10/28/2016 9:50:07	10/28/2016	10:00 a.m.	Swine or Por	170	35.77	285.0	Iowa	Barrows/Gilts	No			No	No
10/28/2016 9:48:06	10/28/2016	10:00 a.m.	Negotiated	99	36.00	272.1	Indiana	Barrows/Gilts	No			No	No
10/28/2016 8:58:45	10/28/2016	10:00 a.m.	Negotiated	177	36.00	268.0	Ohio	Barrows/Gilts	No			No	No
10/28/2016 1:50:07	10/28/2016	2:00 p.m.	Negotiated	20	36.10	275.0	Iowa	Barrows/Gilts	No			No	No
10/28/2016 2:03:51	10/28/2016	2:00 p.m.	Negotiated F	155	36.19	291.0	Illinois	Barrows/Gilts	Yes			No	No

Prior Day Purchase and Slaughter Reports

Barrows and Gilts (8:00 AM):

National <u>HG200</u>
Iowa/Minnesota <u>HG204</u>
Eastern Cornbelt <u>HG207</u>
Western Cornbelt HG208

Boars and Sows (8:00 AM):

National <u>HG230</u>
Iowa/Minnesota <u>HG231</u>
Eastern Cornbelt <u>HG232</u>
Western Cornbelt <u>HG233</u>

Slaughter (10:00 AM): Daily Prior Day Slaughter HG201

Morning and Afternoon Purchase Reports

Morning Reports

(11:00 AM):

National HG202

Iowa/Minnesota HG205

Eastern Cornbelt HG209

Western Cornbelt HG211

Afternoon Reports

(3:00 PM):

National <u>HG203</u>

Iowa/Minnesota HG206

Eastern Cornbelt HG210

Western Cornbelt HG212

Weekly Reports: Weekly National Direct Swine Report HG214, Weekly Non-Carcass Merit Premium (LPS 120)

HG250

Stakeholder Meetings

Stakeholder Meetings

- <u>Baseline Study</u>, <u>Meetings</u>, and Report to Congress
- > Tasks:
 - Purchase Type Reporting Guidance:
 - Swine Purchases Based on the CME Lean Hog Index, Effective July 3, 2017
 - Formula Purchase where the Base
 Price is Known, Effective July 3, 2017

Purchase Types

LMR Purchase Type Comparison

5 Area LMR Cattle Purchase Types

		5	AREA	
	Cash	Formula	Forward Contract	Negotiated Grid
2005	55.8%	31.9%	4.6%	7.7%
2006	52.0%	33.3%	7.1%	7.7%
2007	49.8%	35.9%	6.8%	7.5%
2008	45.3%	38.1%	10.4%	6.3%
2009	43.2%	42.3%	8.1%	6.4%
2010	42.4%	42.2%	9.9%	5.5%
2011	36.8%	46.5%	10.9%	5.7%
2012	27.8%	56.2%	10.0%	5.9%
2013	24.1%	61.8%	8.6%	5.4%
2014	24.0%	58.7%	13.7%	3.6%
2015	21.3%	58.8%	16.7%	3.2%
2016	26.3%	59.4%	11.2%	3.1%
JAN-JUL 2017	27.9%	57.8%	11.6%	2.7%

LMR Swine Purchase Types

Yearly Comparison		Pr	oducer So	All Purchase Types	Packer			
Year	Negotiated	OMF	SPMF	OPA	Neg/Form	Packer Sold	Owned	
>8/2/01	16.68%	14.03%	42.66%	7.69%		2.31%	16.64%	
2002	14.65%	9.26%	43.38%	13.06%		2.24%	17.41%	
2003	13.29%	7.64%	39.14%	19.02%		2.11%	18.81%	
2004	11.03%	9.16%	40.47%	18.01%		2.11%	19.21%	
2005	11.02%	8.83%	40.85%	16.36%		2.47%	20.47%	
2006	9.59%	8.67%	37.78%	15.74%		6.21%	22.01%	
2007	8.66%	8.54%	37.97%	14.62%		6.47%	23.73%	
2008	8.66%	9.99%	37.56%	13.29%		6.23%	24.27%	
2009	6.86%	6.80%	43.57%	11.78%		5.80%	25.19%	
2010	5.16%	10.80%	38.66%	13.08%		5.60%	26.70%	
2011	4.23%	9.78%	38.40%	15.24%		4.67%	27.66%	
2012	3.63%	7.75%	40.89%	15.41%		4.34%	27.99%	
2013	3.24%	7.24%	41.19%	14.88%		4.00%	29.44%	
2014	2.73%	10.49%	40.90%	13.08%		4.25%	28.56%	
2015	2.61%	8.22%	43.16%	13.03%		4.24%	28.75%	
2016	2.53%	8.78%	40.59%	15.22%	0.06%	4.29%	28.53%	

Swine Purchase Types

- Negotiated Producer Sold (Type 1)
- Negotiated Packer Sold (Type 5)
- Other Market Formula Producer Sold (Type 2)
- Other Market Formula Packer Sold (Type 6)
- •Swine or Pork Market Formula Producer Sold (Type 3)
- Swine or Pork Market Formula Packer Sold (Type 7)
- •Other Purchase Arrangement Producer Sold (Type 4)
- Other Purchase Arrangement Packer Sold (Type 8)
- Packer Owned (Type 9)
- Negotiated Formula Producer Sold (Type 10)
- Negotiated Formula Packer Sold (Type 11)

Negotiated Purchase Definition (Types 1 & 5)

➤ A cash or spot market purchase by a packer of livestock from a producer under which the base price for the livestock is determined or known (hard priced) by seller-buyer interaction and agreement regardless of the method of price discovery used on a delivery day. Must be delivered within 14 days.

Negotiated Purchase Example

(Producer Sold - Type 1)

➤ Producer Acme Corp. of Illinois calls Initech of lowa at 3:15 PM yesterday and asks the packer what it will give for 170 head of hogs. Producer and packer agree to \$45.00. Acme will deliver its Minnesota finished hogs to Initech in 4 days time.

Negotiated Purchase Example (Producer Sold - Type 1)

LP	S-119	b: Swine Dail	y Report - Purc	hased Swine	Showing 106 of 106 results						
Sele	ect Al	Deselect A	All Export to	Excel Save I	Preference						
		Purchase T	Head Count	Average Li	Base Price	Origin	Reporting	Class Code			
		Negotiated	20		44.47	Minnesota	2:00 p.m.	Barrows/Gilts			
		Negotiated	20		44.47	Minnesota	2:00 p.m.	Barrows/Gilts			
)		Negotiated	170		45.00	Minnesota	10:00 a.m.	Barrows/Gi			
		Negotiated	150		45.00	Kentucky	2:00 p.m.	Barrows/Gilts			
		Negotiated	170		45.50	Iowa	2:00 p.m.	Barrows/Gilts			
		Negotiated	340		45.50	Iowa	2:00 p.m.	Barrows/Gilts			
		Negotiated	55		45.50	Iowa	2:00 p.m.	Barrows/Gilts			
		Negotiated	170		45.50	Minnesota	2:00 p.m.	Barrows/Gilts			

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>), IA/MN (<u>HG205</u> and <u>HG206</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (HG208)

Negotiated Purchase Example (Producer Sold - Type 1)

LM_HG200 Des Moines, Iowa Day, Month ##, 20## USDA Market New NATIONAL DATLY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20## CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS Actual Prior Day Week Ago Year Ago Producer Sold Negotiated 8.106 Other Market Formula Swine or Pork Market Formula 52,559 138,618 36,982 144,741 40,233 159,142 Other Purchase Arrangement Negotiated Formula 152,318 153,645 Packer Sold (all purchase types) 13,826 12,174 18.509 NEGOTTATED OTHER SWINE OTHER NEGOTIATED TOTALS/ MARKET OR PORK PURCHASE FORMULA WTD AVG FORMULA MARKET ARROMENT FORMULA Barrows & Gilts (carcass basis): Producer Sold 337,051 67.28 Base Price 65.39 68.16 67.89 Packer Sold 13,725 66.54 Base Price NEGOTIATED PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 5,929 Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand. Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng \$60.00 - \$67.00, Wtd Avg \$65.02, 5 Day Rolling Avg \$62.24 NEGOTIATED FORMULA PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 1,000 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$68.43, 5 Day Rolling Avg \$68.43 COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold) Barrows & Gilts (carcass basis): 6,929 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$65.51, 5 Day Rolling Avg \$65.51 NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis LOIN AREA/DEPTH (INCHES) 5.0/ 1.7 64.50 70. 63.00 69. 63.00 69.00 60.00 67.79 60.00 67.50 65.50 70.50 65.50 70.45 64.50 69.18 72.00 71.78 70.52 67.00 67.00 66.50 70.50 69.12 66.00 63.00 60.00 65.50 69.25 64.50 67.98 59.00 63.00 66.64 65.00 60.00 66.00 66.00 59.00 57.00 60.00 65.00 60.00 65.50 60.00 65.00 63.00 66.71 63.00 66.00

60.00 64.50 59.00 64.00 64.50

63.00

59.00 59.00 62.00

```
Barrows & Gilts (carcass basis): 5.929
compared to the prior day, on a plant by plant basis, weighted average base
prices were 4.00 lower to 3.88 higher, the market trend is not well estabished.
blow market activity with light demand.
compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
               NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
```

REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS

based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

NEGOTIATED PURCHASE (Including Packer Sold)

Negotiated Purchase Example (Producer Sold - Type 1)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 5,929
Compared to the prior day, on a plant by plant basis, weighted average base
prices were 4.00 lower to 3.88 higher, the market trend is not well estabished. slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200). 0.78 higher
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
               NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
                NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
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REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Negotiated Purchase Example (Packer Sold - Type 5)

Producer Umbrella Corp. located in Iowa has 8% ownership of competitor Gemma Packing in Iowa. At 11:30 AM today, Umbrella Corp. contacts packer Hooli of Iowa and negotiates a \$45.50 base price for its Iowa finished hogs. Umbrella Corp. will deliver 165 head of hogs to Hooli tomorrow.

Negotiated Purchase Example (Packer Sold - Type 5)

LP	S-11	9b: Swine Dail	y Report - Purc	hased Swine	Showing 17 of	17 results		
Sele	ect Al	Deselect A	II Export to	Excel Save F	Preference			
•••		Purchase T	Head Count	Average Li	Base Price	Origin	Reporting	Class Code
		Packer Sold	340		43.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sol	165		45.50	Iowa	2:00 p.m.	Barrows/Gi
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
0		Packer Sol	165		45.50	Iowa	2:00 p.m.	Barrows/Gi
		Packer Sold	165		45.50	Iowa	2:00 p.m.	Barrows/Gilts
		Packer Sold	165		46.00	Indiana	10:00 a.m.	Barrows/Gilts
		Packer Sold	165		46.00	Indiana	10:00 a.m.	Barrows/Gilts

- Daily PM: National (<u>HG203</u>) IA/MN (<u>HG206</u>), and WCB (<u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Negotiated Purchase Example (Packer Sold - Type 5)

LM_HGZOO
DES MOINES, IOWA

DAY, MONTH ##, 20##

USDA MArKET NEW
NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT
PLANT DELIVERED PURCHASE DATA FOR DAY, MONTH ## 20##

CURRENT VOLUME BY PURCHASE TYPE
BARROWS & GILTS LIVE AND CARCASS BASIS

ACTUAL
PI'OT DAY
WEEK ADD
YEAR ADD

Producer Sold Negotiated Other Market For Swine or Pork M Other Purchase / Negotiated Form Packer Sold (all ;	arket Formu Arrangement ula		Actual Prior Day 8,148 52,559 138,618 152,318 2,098 13.826	Week 6, 36, 144, 153, 4,	971 982 741	Actual Year Ago 8,106 40,233 159,142 128,366 0 18,509
	EGOTIATED	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA		IEGOTIATED FORMULA	TOTALS/ WTD AVG
Producer Sold Head Count Base Price Packer Sold Head Count Base Price	5,929 65.02	52,200 69.69	129,370 65.39	149,192 68.16	360 67.89	337,051 67.28 13,725 66.54

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 5,929

Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand.

Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher

Base Price Rng \$60.00 - \$67.00, wtd Avg \$65.02, 5 Day Rolling Avg \$62.24

NEGOTIATED FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 1,000

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng \$59.70 - \$69.06, Wtd Avg \$68.43, 5 Day Rolling Avg \$68.43

COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)

Barrows & Gilts (carcass basis): 6,929

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng \$59.70 - \$69.06, Wtd Avg \$65.51, 5 Day Rolling Avg \$65.51

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb carcass Basis

LOIN AREA/DEPTH (INCHES)

BF	4.0/	1.4	5.0/	1.7	6.0/	2.0	7.0/	2.3		
0.4	63.00	69.00	64.50	70.50	65.50	70.50	66.50	72.00	67.00	73.56
0.5	60.00	67.79	63.00	69.12	65.50	70.45	66.00	71.78	67.00	73.56
0.6	60.00	67.50	63.00	67.85	64.50	69.18	65.50	70.52	66.50	72.29
0.7	60.00	66.00	60.00	66.58	63.00	67.91	65.50	69.25	66.00	71.02
0.8	59.00	65.00	60.00	66.00	63.00	66.64	64.50	67.98	66.00	69.75
0.9	59.00	64.00	60.00	65.00	60.00	65.50	63.00	66.71	65.50	68.50
1.0	57.00	63.00	59.00	64.00	60.00	65.00	63.00	66.00	64.50	67.50
1.1	56.00	61.00	59.00	62.00	60.00	64.50	60.00	65.50	64.50	66.50
1.2	56.00	59.00	57.00	60.00	59.00	64.00	60.00	65.00	63.00	66.00

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 5,929

compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well estabished. slow market activity with light demand.

compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng \$41.00 - \$49.00, Wtd Avg \$44.02, 5 Day Rolling Avg \$44.53

NEGOTIATED FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 1,000

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng \$40.81 - \$47.33, Wtd Avg \$43.22, 5 Day Rolling Avg \$43.53

COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)

Barrows & Gilts (carcass basis): 6,929

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng \$40.81 - \$49.00, Wtd Avg \$43.91, 5 Day Rolling Avg \$44.01

NATIONAL DAILY DIKECT NEGUTIATED HOG PUKCHASE MATKIX

REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Negotiated Purchase Example (Packer Sold - Type 5)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 5,929
Compared to the prior day, on a plant by plant basis, weighted average base
prices were 4.00 lower to 3.88 higher, the market trend is not well estabished.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $41.00 - $49.00, Wtd Avg $44.02, 5 Day Rolling Avg $44.53
              NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $40.81 - $47.33, Wtd Avg $43.22, 5 Day Rolling Avg $43.53
   COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $40.81 - $49.00, Wtd Avg $43.91, 5 Day Rolling Avg $44.01
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Other Market Formula Definition (Types 2 & 6)

➤ A purchase of swine by a packer in which the pricing mechanism is a formula price based on one or more futures or option contracts.

Other Market Formula Example

(Producer Sold - Type 2)

➤ Producer Wonka Industries of Iowa has a longstanding pricing agreement with packer Gekko & Co. of Illinois to use a \$2.00 basis off the CME futures market. At noon today, Wonka calls Gekko and both agree to use CME's February futures quote (\$68.84). Gekko will pay Wonka \$66.84 to deliver its 510 head of Illinois finished hogs to Gekko on February 8.

Other Market Formula Example (Producer Sold - Type 2)

LPS-1	19b: Swine Daily Re	port - Purchase	ed Swine Show	wing 159 of 15	9 results		
Select A	All Deselect All	Export to Exce	Save Prefe	erence			
	Purchase Type	Head Count	Average Li	Base Price	Origin	Reporting	Class Code
	Other Market For	160		66.40	Iowa	2:00 p.m.	Barrows/Gilts
	Other Market For	160		66.40	Iowa	2:00 p.m.	Barrows/Gilts
	Other Market For	160		66.40	Iowa	2:00 p.m.	Barrows/Gilts
	Other Market For	160		66.40	Iowa	2:00 p.m.	Barrows/Gilts
	Other Market For	165		66.70	Minnesota	2:00 p.m.	Barrows/Gilts
	Other Market For	165		66.70	Minnesota	2:00 p.m.	Barrows/Gilts
	Other Market For	165		66.70	Iowa	2:00 p.m.	Barrows/Gilts
	Other Market For	165		66.70	Iowa	2:00 p.m.	Barrows/Gilts
Ð	Other Market F	510		66.84	Illinois	2:00 p.m.	Barrows/Gi
	Other Market For	170		67.23	Iowa	10:00 a.m.	Barrows/Gilts
	Other Market For	1800		67.51	Iowa	10:00 a.m.	Barrows/Gilts
	Other Market For	4140		67.51	Iowa	10:00 a.m.	Barrows/Gilts

- Daily PM: National (<u>HG203</u>) and ECB (<u>HG210</u>)
- Prior Day: National (<u>HG200</u>) and ECB (<u>HG207</u>)

Other Market Formula Example (Producer Sold - Type 2)

			`	
LM_HG200 Des Moines, Iowa	Day, Mon	th ##, 20##	¥	USDA Market New
NATIONAL DAILY DIRECT PRIOR DAY PLANT DELIVERED PURCHASE DATA F	HOG REPO	RT onth ## 20#	##	
		BY PURCHAS VE AND CARG		
Producer Sold	ı	Actual Prior Day		Year Ago
Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula Other Purchase Arrangement Negotiated Formula Packer Sold (all purchase types	;)	8,148 52,559 138,618 152,318 2,098 13,826	6,971 36,982 144,741 153,645 4,025 12,174	8,106 40,233 159,142 128,366 0 18,509
NEGOTIATED M FO	OTHER IARKET IRMULA	SWINE OR PORK MARKET FORMULA	OTHER NEGOT PURCHASE FO ARRGMENT	FIATED TOTALS/ DRMULA WTD AVG
Barrows & Gilts (carcass basis)	:	FORMULA		
Producer Sold Head Count 5,929 5 Base Price 65.02	2,200 69.69	129,370 65.39	149,192 68.16	360 337,051 67.89 67.28
Packer Sold Head Count Base Price				13,725 66.54
NEGOTIATED P				
Barrows & Gilts (carcass basis)	: 5,929			
Compared to the prior day, on a prices were 4.00 lower to 3.88 Slow market activity with light	plant by higher, t demand.	plant basi he market t	is, weighted ave trend is not we	erage base 11 estabished.
Compared to Prior Day's closing	weighted	average (L	_M_HG200), 0.7	78 higher
Base Price Rng \$60.00 - \$67.00,	Wtd Avg	\$65.02, 5 [Day Rolling Avg	\$62.24
NEGOTIATED FORMU	LA PURCHA	SE (Includ	ing Packer Sold))
Barrows & Gilts (carcass basis)	: 1,000			
Compared to Prior Day's closing	weighted	average (L	_M_HG200), no	comparison
Base Price Rng \$59.70 - \$69.06,	Wtd Avg	\$68.43, 5 E	Day Rolling Avg	\$68.43
COMBINED NEGOTIATED & NEGOT	TATED FOR	MULA PURCHA	ASES (Including	Packer Sold)
Barrows & Gilts (carcass basis)	: 6,929			
Compared to Prior Day's closing	weighted	average (L	_M_HG200), no	comparison
Base Price Rng \$59.70 - \$69.06,	Wtd Avg	\$65.51, 5 0	Day Rolling Avg	\$65.51
NATIONAL DAILY REPRESENTING INDIVID based on both Fat and Mu	OUAL PACKE Scle Meas	R CARCASS M urements fo	MERIT BUYING PRO or a 200 lb Caro	OGRAMS
		EPTH (INCHE		
BF 4.0/1.4 5.0/1.7 0.4 63.00 69.00 64.50 70. 0.5 60.00 67.79 63.00 69. 0.6 60.00 67.79 63.00 69. 0.6 60.00 60.00 60.00 60.00 66. 0.0 93.00 63.00 67. 1.0 57.00 63.00 59.00 64. 1.1 56.00 61.00 59.00 64. 1.1 56.00 61.00 59.00 62. 1.2 56.00 59.00 57.00 60.	50 65.50 12 65.50 85 64.50 58 63.00 00 63.00 00 60.00 00 60.00	0 70.45 0 69.18 0 67.91 0 66.64 0 65.50 0 65.00	7.0/2.3 66.50 72.00 66.00 71.78 65.50 70.52 65.50 69.25 64.50 67.98 63.00 66.71 63.00 66.00 60.00 65.50 60.00 65.00	8.0/2.7 67.00 73.56 67.00 73.56 66.50 72.29 66.00 71.02 66.00 69.75 65.50 68.50 64.50 67.50 64.50 66.50 63.00 66.00

Day, M	onth ##, 20##	ŧ	USDA M	larket N	vew:
		##			
	Actual Prior Day			Actua Year Ag	
	52,559	36,9	982	40,23	33
	152,318 2,098 13,826	4,(025	128,36 18,50	0
OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA		FORMULA	TOTALS WTD AV	
sis):					
52,200 69.69	129,370 68.39	149,192 68.16	360 67.89	337,05 67.2	
	,			13,72 66.5	
	DAY HOG RETA FOR DAY, JERRENT VOLUMENS & GILTS OTHER MARKET FORMULA 515): 52,200	DAY HOG REPORT TA FOR Day, Month ## 20# JURRENT VOLUME BY PURCHAS WS & GILTS LIVE AND CARC Actual Prior Day 52,559 t 152,318 2,098 ypes) 13,826 OTHER SWINE MARKET OR PORK FORMULA MARKET FORMULA 5is): 52,200 129,370	TA FOR Day, Month ## 20## URRENT VOLUME BY PURCHASE TYPE WS & GILTS LIVE AND CARCASS BASIS Actual Prior Day Week A 52,559 36,5 t 152,318 153, 2,098 4, ypes) 13,826 12,1 OTHER SWINE OTHER NARKET FORMULA MARKET ARRGMENT FORMULA FORMULA 552,200 129,370 149,192	DAY HOG REPORT TA FOR Day, Month ## 20## JURRENT VOLUME BY PURCHASE TYPE WS & GILTS LIVE AND CARCASS BASIS Actual Actual Prior Day Week Ago 52,559 36,982 152,318 153,645 2,098 4,025 13,826 12,174 OTHER SWINE OTHER NEGOTIATED MARKET OR PORK PURCHASE FORMULA FORMULA MARKET ARRGMENT FORMULA FORMULA Sis): 52,200 129,370 149,192 360	DAY HOG REPORT TA FOR Day, Month ## 20## JERRENT VOLUME BY PURCHASE TYPE WS & GILTS LIVE AND CARCASS BASIS Actual Actual Actual Actual Prior Day Week Ago Year Ag 52,559 36,982 40,22 152,318 153,645 128,36 2,098 4,025 2,098 4,025 13,826 12,174 18,50 OTHER SWINE OTHER NEGOTIATED TOTALS MARKET OR PORK PURCHASE FORMULA MARKET ARRGMENT FORMULA MARKET ARRGMENT FORMULA 515): 52,200 129,370 149,192 360 337,01 69.69 68.39 68.16 67.89 67.3

Other Market Formula Example (Producer Sold - Type 2)

Des Moines, Iowa	Day, M	onth ##, 20##	ŧ (JSDA Market News
NATIONAL DAILY DIRECT PR PLANT DELIVERED PURCHASE			##	
BA	CURRENT VOLU RROWS & GILTS	ME BY PURCHAS LIVE AND CARC		
Producer Sold		Actual Prior Day	Actual Week Ago	Actual Year Ago
NEW LINE W		0,140	V, 3/ ±	0,100
Other Market Formula	ormula.	52,559 128 618	36,982 144 741	40,233 150,142
Other Purchase Arrange	ment	152,318	153,645	128,366
Negotiated Formula		2,098	4,025	. 0
Packer Sold (all purchas	e types)	13,826	12,174	18,509
NEGOTIAT	MARKET FORMULA	SWINE OR PORK MARKET FORMULA		TATED TOTALS/ RMULA WTD AVG
Barrows & Gilts (carcass	basis):			
Producer Sold Head Count 5,9 Base Price 65. Packer Sold		129,370 68.39		360 337,051 57.89 67.28
Head Count Base Price				13,725 66.54

Other Market Formula Example

(Packer Sold - Type 6)

➤ At 1:00 PM, producer Sterling Cooper of Iowa, who owns 11% of competitor Gizmo Packing, calls packer Wayne Enterprises of Minnesota to lock in 154 head of hogs at the CME February futures quote of \$55.75 without any basis. Sterling Cooper will deliver its Iowa finished hogs to Wayne Enterprises on February 5.

Other Market Formula Example (Packer Sold - Type 6)

LPS-119	9b: Swine Daily Report - Purc	hased Swine	Showing 740 of	f 740 results			
Select Al	Deselect All Export to	Excel Save P	reference				
	Purchase Type Code	Head Count	Average Li	Base Price	Origin	Reporting	Class Code
	racket Joiu Other market For	100		JJ.UZ	10 W a	Ζ.υυ μ.ιιι.	Dallows/ Gills
	Packer Sold Other Market For	158		55.62	Iowa	2:00 p.m.	Barrows/Gilts
	Packer Sold Other Market For	158		55.62	Iowa	2:00 p.m.	Barrows/Gilts
	Packer Sold Other Market For	133		55.62	Iowa	2:00 p.m.	Barrows/Gilts
	Packer Sold Other Market For	148		55.75	Iowa	2:00 p.m.	Barrows/Gilts
D	Packer Sold Other Market	154		55.75	Iowa	2:00 p.m.	Barrows/Gi
	Packer Sold Other Market For	154		55.75	Iowa	2:00 p.m.	Barrows/Gilts
	Packer Sold Other Market For	162		55.75	Iowa	2:00 p.m.	Barrows/Gilts
	Packer Sold Other Market For	180		55.84	Iowa	2:00 p.m.	Barrows/Gilts
			i e				1

- Daily PM: National (<u>HG203</u>), IA/MN (<u>HG206</u>), and WCB (<u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Other Market Formula Example (Packer Sold - Type 6)

LM_HG200 Des Moines, Iowa	Day, Mo	nth ##, 20#	¥	USDA Market New
NATIONAL DAILY DIRECT PRIOR D PLANT DELIVERED PURCHASE DATA			##	
		E BY PURCHAS IVE AND CAR		
Broducer Sold		Actual Prior Day	Actual Week Ago	
Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula Other Purchase Arrangement Negotiated Formula Packer Sold (all purchase types)		8,148 52,559 138,618 152,318 2,098 13,826		40,233 159,142 128,366 0 18,509
NEGOTIATED	OTHER	SWINE OR PORK MARKET FORMULA		TIATED TOTALS/ ORMULA WTD AVG
Barrows & Gilts (carcass basi	s):	PORMOLA		
Producer Sold Head Count 5,929 Base Price 65.02	52,200 69.69	129,370 65.39	149,192 68.16	360 337,051 67.89 67.28
Packer Sold Head Count Base Price				13,725 66.54
NEGOTIATED	PURCHASE	(Including F	Packer Sold)	
Barrows & Gilts (carcass basi	s): 5,92	9		
Compared to the prior day, on prices were 4.00 lower to 3.8 slow market activity with lig	a plant b 8 higher, ht demand.	y plant bas the market 1	is, weighted av trend is not we	erage base 11 estabished.
Compared to Prior Day's closi	ng weighte	d average (I	_M_HG200), 0.	78 higher
Base Price Rng \$60.00 - \$67.0	0, Wtd Avg	\$65.02, 5 (Day Rolling Avg	\$62.24
NEGOTIATED FOR	MULA PURCH	ASE (Includ	ing Packer Sold)
Barrows & Gilts (carcass basi	s): 1,00	0		
Compared to Prior Day's closi	ng weighte	d average (I	_M_HG200), no	comparison
Base Price Rng \$59.70 - \$69.0	6, Wtd Avg	\$68.43, 5	Day Rolling Avg	\$68.43
COMBINED NEGOTIATED & NEG	OTIATED FO	RMULA PURCHA	ASES (Including	Packer Sold)
Barrows & Gilts (carcass basi	s): 6,92	9		
Compared to Prior Day's closi	ng weighte	d average (ı	_M_HG200), no	comparison
Base Price Rng \$59.70 - \$69.0	6, Wtd Avg	\$65.51, 5 (Day Rolling Avg	\$65.51
NATIONAL DAIL REPRESENTING INDIV based on both Fat and	IDUAL PACK	ER CARCASS N	OG PURCHASE MAT MERIT BUYING PR or a 200 lb car	OGRAMS
	LOIN AREA/	DEPTH (INCH	ES)	
0.5 60.00 67.79 63.00 6 0.6 60.00 67.50 63.00 6 0.7 60.00 66.00 60.00 6 0.8 59.00 65.00 60.00 6 0.9 59.00 64.00 60.00 6 1.0 57.00 63.00 59.00 6 1.1 56.00 61.00 59.00 6	.7 6 0.50 65. 9.12 65. 7.85 64. 6.58 63. 6.00 63. 5.00 60. 4.00 60. 2.00 60.	50 70.45 50 69.18 00 67.91 00 66.64 00 65.50 00 65.00 00 64.50	7.0/ 2.3 66.50 72.00 66.00 71.78 65.50 70.52 65.50 69.25 64.50 67.98 63.00 66.71 63.00 66.00 60.00 65.50 60.00 65.50	8.0/ 2.7 67.00 73.56 67.00 73.56 66.50 72.29 66.00 71.02 66.00 69.75 65.50 68.50 64.50 67.50 64.50 66.50 63.00 66.00

LM_HG200 Des Moines, Iowa		Day, M	onth ##, 20##	#	USDA M	narket News
NATIONAL DAILY DI PLANT DELIVERED F				##		
			ME BY PURCHAS LIVE AND CARG			
Producer Sold			Actual Prior Day	Act Week		Actual Year Ago
Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula Other Purchase Arrangement		8,148 52,559 138,618 152,318	6, 36, 144, 153.	741	8,106 40,233 159,142 128,366	
Packer Sold (all purchase types)			4,023 12,174			
		pes)	13,826			18,509
Packér Sold (all	purchase ty NEGOTIATED	OTHER MARKET FORMULA		12,		•
Packér Sold (all	purchase ty NEGOTIATED	OTHER MARKET FORMULA	13,826 SWINE OR PORK MARKET	OTHER N PURCHASE	174 EGOTIATED	TOTALS/
Packér Sold (all Barrows & Gilts (Producer Sold Head Count Base Price	purchase ty NEGOTIATED	OTHER MARKET FORMULA	13,826 SWINE OR PORK MARKET	OTHER N PURCHASE	174 EGOTIATED	TOTALS/
Packér Sold (all Barrows & Gilts (Producer Sold Head Count	purchase ty REGOTIATED (carcass bas 5,929	OTHER MARKET FORMULA is):	13,826 SWINE OR PORK MARKET FORMULA	OTHER N PURCHASE ARRGMENT	174 EGOTIATED FORMULA 360	TOTALS/ WTD AVG

Base Price

Other Market Formula Example (Packer Sold - Type 6)

LM_HG200 Des Moines, Iowa Day, Month ##, 20## USDA Market News NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20## CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS Actual Actual Actual Prior Day Week Ago Year Ago Producer Sold Negotiated 8,148 8.106 6,971 52,559 36,982 40,233 Other Market Formula Swine or Pork Market Formula 138,618 144.741 159,142 Other Purchase Arrangement 152,318 153,645 128,366 Packer Sold (all purchase types) 13,826 12,174 18,509 NEGOTIATED OTHER SWINE OTHER NEGOTIATED TOTALS/ FORMUL A MARKET OR PORK PURCHASE WTD AVG FORMULA MARKET ARRGMENT FORMULA Barrows & Gilts (carcass basis): Producer Sold Head Count 5.929 52,200 129.370 149.192 360 337.051 65.02 68.16 67.89 Base Price 69.69 65.39 67.28 Packer Sold Head Count 13.725

NEGOTIATED PURCHASE (Including Packer Sold)

66.54

Swine or Pork Market Formula Definition (Types 3 & 7)

➤ Purchase of swine by a packer in which the pricing mechanism is a formula price based on a market for swine, CME Lean Hog Index, pork or a pork product, other than any formula purchase with a floor, window, or ceiling price, or a futures or options contract for swine, pork or pork product.

Swine or Pork Market Formula Example (Producer Sold - Type 3)

➤ Six months ago producer Ollivander's Inc. of Kansas and packer Genco Pura of Nebraska agreed to a pricing arrangement of 91% of the pork carcass cutout off the afternoon close (PK602) on the day of delivery. Ollivander's Inc. called two days ago and agreed to deliver 170 head of its Kansas finished hogs to Genco Pura for \$71.40 yesterday afternoon.

Swine or Pork Market Formula Example (Producer Sold - Type 3)

LPS-	119b: Swine Daily Report - Purc	hased Swine	Showing 865 of	865 results			
Select	All Deselect All Export to	Excel Save P	reference				
	Purchase Type Code	Head Count	Average Li	Base Price	Origin	Reporting	Class Code
	Swine or Pork Market Formula	160		71.40	Kansas	10:00 a.m.	Barrows/Gilts
	Swine or Pork Market Formula	170		71.40	Kansas	10:00 a.m.	Barrows/Gilts
	Swine or Pork Market Formula	120		71.40	Kansas	10:00 a.m.	Barrows/Gilts
C	Swine or Pork Market For	170		71.40	Kansas	10:00 a.m.	Barrows/Gi
	Swine or Pork Market Formula	170		71.40	Kansas	10:00 a.m.	Barrows/Gilts
	Swine or Pork Market Formula	170		71.40	Minnesota	10:00 a.m.	Barrows/Gilts
	Swine or Pork Market Formula	121		73.78	Pennsylvania	10:00 a.m.	Barrows/Gilts
				1	1	·	

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>) and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>) and WCB (<u>HG208</u>)

Swine or Pork Market Formula Example (Producer Sold - Type 3)

```
LM HG200
Des Moines, Iowa
                                       Day, Month ##, 20##
                                                                               USDA Market New
NATIONAL DATLY DIRECT PRIOR DAY HOG REPORT
PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20##
                               CURRENT VOLUME BY PURCHASE TYPE
                          BARROWS & GILTS LIVE AND CARCASS BASIS
                                                                                         Actual
                                                Prior Day
                                                                     Week Ago
                                                                                       Year Ago
Producer Sold
  Negotiated
  Other Market Formula
Swine or Pork Market Formula
                                                                                        40,233
159,142
  Other Purchase Arrangement
Negotiated Formula
                                                                      153,645
Packer Sold (all purchase types)
                                                    13,826
                                                                       12,174
                                                                                         18.509
                   NEGOTTATED
                                     OTHER
                                                    SWINE
                                                                  OTHER NEGOTIATED
                                                                                       TOTALS/
                                    MARKET
                                                 OR PORK
                                                               PURCHASE
                                                                             FORMULA
                                                                                        WTD AVG
                                   FORMULA
                                                  MARKET
                                                               ARROMENT
                                                 FORMULA
Barrows & Gilts (carcass basis):
Producer Sold
                                                                                       337,051
67.28
  Base Price
                                                                  68.16
                                                                               67.89
                                                                                         13,725
66.54
  Base Price
                       NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 5,929
Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $60.00 - $67.00, Wtd Avg $65.02, 5 Day Rolling Avg $62.24
                  NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $59.70 - $69.06, Wtd Avg $68.43, 5 Day Rolling Avg $68.43
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $59.70 - $69.06, Wtd Avg $65.51, 5 Day Rolling Avg $65.51
                   NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
        REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis
                                   LOIN AREA/DEPTH (INCHES)
      4.0/ 1.4
63.00 69.00
60.00 67.79
60.00 67.50
                         5.0/ 1.7
64.50 70.
63.00 69.
                                           65.50 70.50
65.50 70.45
64.50 69.18
                                                                     72.00
71.78
70.52
                                                                               67.00
67.00
66.50
                                 70.50
                                 69.12
                                                             66.00
                         63.00
                                                             65.50 69.25
64.50 67.98
       59.00
               65.00
                                           63.00 66.64
                         60.00
                                 66.00
       59.00
57.00
                         60.00 65.00
59.00 64.00
                                           60.00 65.50
60.00 65.00
                                                             63.00 66.71
63.00 66.00
               63.00
                                                                               64.50
                                 62.00
```

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MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat, 7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range $68.54 - $75.31, Weighted Average $72.48

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (live basis, 240-320 lbs): 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher Price Rng $47.00 - $52.70, Wtd Avg $49.62, 5 Day Rolling Avg $47.48
```

Swine or Pork Market Formula Example (Producer Sold - Type 3)

```
MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat, 7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range $68.54 - $75.31, Weighted Average $72.48

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (live basis, 240-320 lbs): 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher Price Rng $47.00 - $52.70, Wtd Avg $49.62, 5 Day Rolling Avg $47.48
```

Swine or Pork Market Formula Example (Packer Sold - Type 7)

> Producer Soylent Corp. of Minnesota, who owns 22% of Gopher Packing, has a pricing agreement with packer Stark Industries of Minnesota that the base price is determined the day of delivery using the IA/MN (HG204) plus \$1.00. As of 7:00 AM this morning, Soylent Corp. agrees to sell its 164 head of Minnesota finished hogs to Stark Industries at \$65.17 for delivery later today.

Swine or Pork Market Formula Example (Packer Sold - Type 7)

LPS	LPS-119b: Swine Daily Report - Purchased Swine Showing 31 of 31 results												
Sele	ct All	Deselect All	Export to E	Excel Sa	ve P	reference							
	Pt	ırchase Type Co	de	Head Cou	nt	Average Li	Base Price	Origin	Reporting	Class Code			
	Pa	cker Sold Swine	or Pork Ma	165			62.71	Iowa	10:00 a.m.	Barrows/Gilts			
	Pa	cker Sold Swine	or Pork Ma	165			62.71	Iowa	10:00 a.m.	Barrows/Gilts			
	Pa	cker Sold Swine	or Pork Ma	1695			65.17	Iowa	10:00 a.m.	Barrows/Gilts			
D	Pa	acker Sold Swine	e or Pork	164			65.17	Minnesota	10:00 a.m.	Barrows/Gi			
	Pa	cker Sold Swine	or Pork Ma	345			65.17	Iowa	10:00 a.m.	Barrows/Gilts			
	Pa	cker Sold Swine	or Pork Ma	159			65.17	Minnesota	10:00 a.m.	Barrows/Gilts			
	Pa	cker Sold Swine	or Pork Ma	170			66.22	Minnesota	10:00 a.m.	Barrows/Gilts			

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>), IA/MN (<u>HG205</u> and <u>HG206</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Swine or Pork Market Formula Example (Packer Sold - Type 7)

LM HG200 Des Moines, Iowa Day, Month ##, 20## USDA Market New NATIONAL DATLY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20## CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS Actual Prior Day Week Ago Year Ago Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula 52,559 138,618 40,233 159,142 Other Purchase Arrangement Negotiated Formula 153,645 Packer Sold (all purchase types) 13,826 12,174 18.509 NEGOTTATED OTHER SWINE OTHER NEGOTIATED TOTALS/ MARKET OR PORK PURCHASE FORMULA WTD AVG FORMULA MARKET ARROMENT FORMULA Barrows & Gilts (carcass basis): Producer Sold 337,051 67.28 Base Price 68.16 67.89 13,725 66.54 Base Price NEGOTIATED PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 5,929 Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand. Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng \$60.00 - \$67.00, Wtd Avg \$65.02, 5 Day Rolling Avg \$62.24 NEGOTIATED FORMULA PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 1,000 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$68.43, 5 Day Rolling Avg \$68.43 COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold) Barrows & Gilts (carcass basis): 6,929 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$65.51, 5 Day Rolling Avg \$65.51 NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis LOIN AREA/DEPTH (INCHES) 4.0/ 1.4 63.00 69.00 60.00 67.79 60.00 67.50 5.0/ 1.7 64.50 70. 63.00 69. 65.50 70.50 65.50 70.45 64.50 69.18 72.00 71.78 70.52 67.00 67.00 66.50 70.50 69.12 66.00 63.00 65.50 69.25 64.50 67.98 59.00 65.00 63.00 66.64 60.00 66.00 59.00 57.00 60.00 65.00 59.00 64.00 60.00 65.50 60.00 65.00 63.00 66.71 63.00 66.00 63.00 64.50

59.00 62.00

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MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED
```

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat, 7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range \$65.50 - \$69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range \$62.17 - \$68.44, Weighted Average \$66.13

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (live basis, 240-320 lbs): 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher

Price Rng \$47.00 - \$52.70, Wtd Avg \$49.62, 5 Day Rolling Avg \$47.48

Swine or Pork Market Formula Example (Packer Sold - Type 7)

```
MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat,|
7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range $62.17 - $68.44, Weighted Average $66.13

NEGOTIATED PURCHASE (Including Packer Sold)

Darrows & Gilts (live basis, 240.520 lbs). 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher Price Rng $47.00 - $52.70, Wtd Avg $49.62, 5 Day Rolling Avg $47.48
```

Other Purchase Arrangement Definition (Types 4 & 8)

➤ A purchase of swine by a packer which is not a negotiated purchase, swine or pork market formula purchase, or other market formula purchase. (If it does not fit the other categories it goes here.)

Other Purchase Arrangement Example (Producer Sold - Type 4)

Producer Zoomit of Iowa has a longstanding cost-plus pricing agreement with packer Ron-Tech of lowa to use the soybean meal market quote for the day prior to ship to determine the price of its Iowa finished hogs. Zoomit called Ron-Tech a week ago and agrees to deliver 160 head of hogs today at 8:00 AM for \$59.44, based off yesterday's soybean meal close quote.

Other Purchase Arrangement Example (Producer Sold - Type 4)

LP	LPS-119b: Swine Daily Report - Purchased Swine Showing 232 of 232 results												
Sele	ect All	Deselect All Export to I	Excel Save P	reference									
Purchase Type Code			Head Count	Average Li	Base Price	Origin	Reporting	Class Code					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	110		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
D	O	ther Purchase Arrangem	160		59.44	Iowa	10:00 a.m.	Barrows/Gi					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
	0	ther Purchase Arrangement	165		59.44	Iowa	10:00 a.m.	Barrows/Gilts					
						i e							

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>), IA/MN (<u>HG205</u> and <u>HG206</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Other Purchase Arrangement Example (Producer Sold - Type 4)

			`								
LM_HG200 Des Moines, Iowa	Day, Mont	h ##, 20##	¥	USDA Market New							
NATIONAL DAILY DIRECT PRIOR DAY PLANT DELIVERED PURCHASE DATA FO	HOG REPOR	T onth ## 20#	##								
		BY PURCHAS									
Producer Sold	P	Actual rior Day		Year Ago							
Negotiated 8,148 6,971 8,106 other Market Formula 52,559 36,982 40,233 Swine or Pork Market Formula 138,618 144,741 159,142 other Purchase Arrangement 15,218 153,645 128,368 Negotiated Formula 2,098 4,025 9 Packer Sold (all purchase types) 13,266 12,174 18,509											
NEGOTIATED (M/ FOR	OTHER ARKET RMULA	SWINE OR PORK MARKET FORMULA	OTHER NEGO PURCHASE FO ARRGMENT	TIATED TOTALS/ ORMULA WTD AVG							
Barrows & Gilts (carcass basis)		PORTULA									
Producer Sold Head Count 5,929 53 Base Price 65.02 6 Packer Sold	2,200 69.69	129,370 65.39	149,192 68.16	360 337,051 67.89 67.28							
Head Count Base Price				13,725 66.54							
NEGOTIATED P	URCHASE (I	ncluding F	Packer Sold)								
Barrows & Gilts (carcass basis)											
Compared to the prior day, on a prices were 4.00 lower to 3.88 h Slow market activity with light	plant by higher, th demand.	plant basi e market t	is, weighted av trend is not we	erage base 11 estabished.							
Compared to Prior Day's closing	weighted	average (ı	_M_HG200), 0.	78 higher							
Base Price Rng \$60.00 - \$67.00,	Wtd Avg \$	65.02, 5 [Day Rolling Avg	\$62.24							
NEGOTIATED FORMUL	LA PURCHAS	E (Includ	ing Packer Sold)							
Barrows & Gilts (carcass basis)	: 1,000										
Compared to Prior Day's closing	weighted	average (ı	_M_HG200), no	comparison							
Base Price Rng \$59.70 - \$69.06,	Wtd Avg \$	68.43, 5 [Day Rolling Avg	\$68.43							
COMBINED NEGOTIATED & NEGOT	IATED FORM	ULA PURCHA	ASES (Including	Packer Sold)							
Barrows & Gilts (carcass basis)	: 6,929										
Compared to Prior Day's closing	weighted	average (L	_M_HG200), no	comparison							
Base Price Rng \$59.70 - \$69.06,	Wtd Avg \$	65.51, 5 (Day Rolling Avg	\$65.51							
NATIONAL DAILY (REPRESENTING INDIVID based on both Fat and Mus	UAL PACKER scle Measu	CARCASS N	MERIT BUYING PRO Or a 200 lb Car	OGRAMS							
		PTH (INCHE									
BF 4.0/1.4 5.0/1.7 0.4 63.00 69.00 64.50 70.1 0.5 60.00 67.79 63.00 69.1 0.6 60.00 67.50 63.00 67.1 0.7 60.00 66.00 60.00 66.00 0.8 59.00 65.00 60.00 65.0 0.9 39.00 64.00 60.00 65.1 1.1 36.00 63.00 39.00 62.4 1.1 36.00 39.00 53.00 62.4	50 65.50 12 65.50 85 64.50 58 63.00 00 63.00 00 60.00 00 60.00	70.45 69.18 67.91 66.64 65.50 65.00	7.0/ 2.3 66.50 72.00 66.00 71.78 65.50 70.52 65.50 69.25 64.50 67.98 63.00 66.71 63.00 66.00 60.00 65.50 60.00 65.50	8.0/2.7 67.00 73.56 67.00 73.56 66.50 72.29 66.00 71.02 66.00 69.75 65.50 68.50 64.50 67.50 64.50 66.50 63.00 66.00							

	LM_HG200 Des Moines, Iow	a	Day, Mo	onth ##, 20#	! #	USDA M	arket News
	NATIONAL DAILY PLANT DELIVERED)##		
				ME BY PURCHA LIVE AND CAR			
	Producer Sold			Actual Prior Day	Actu Week A		Actual Year Ago
	Negotiated Other Market			8,148 52,559	6,9 36,9	82	8,106 40,233
I	Other Purchas	e Arrangement		152,318 2.098	153,6 4.0	45	128,366
-	Packer Sold (al	ı purcnase ty	/pes/	13,820	12,1	/4	10,509
		NEGOTIATED	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER NE PURCHASE ARRGMENT	GOTIATED FORMULA	TOTALS/ WTD AVG
	Barrows & Gilts	(carcass bas	is):				
	Producer Sold Head Count Base Price Packer Sold Head Count Base Price	5,929 65.02	52,200 69.69	129,370 68.39	149,192 68.16	360 67.89	337,051 67.28 13,725 66.54
		NEGOTIATE	D PURCHASE	(Including	Packer Sold)		

Other Purchase Arrangement Example (Producer Sold - Type 4)

NATIONAL DAILY DI	RECT PRIOR	DAY HOG RE	PORT								
LANT DELIVERED PURCHASE DATA FOR Day, Month ## 20##											
			ME BY PURCHAS								
Producer Sold			Actual Prior Day	Act Week	tual Ago	Actual Year Ago					
Negotiated Other Market Fo	rmula	,	8,148 52,559		,971 ,982	8,106 40,233					
Other Purchase	Arrangement		152,318		, 645 025	128,366					
Packer Sold (all	purchase ty	/pes)	13,826	12	,174	18,509					
N	EGOTIATED	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER N PURCHASE ARRGMENT	NEGOTIATED FORMULA	TOTALS/ WTD AVG					
Barrows & Gilts (carcass bas	sis):									
Producer Sold Head Count Base Price Packer Sold	5,929 65.02	52,200 69.69	129,370 65.39	149,192 68.16	360 67.89	337,051 67.28					
Head Count Base Price						13,725 66.54					

Other Purchase Arrangement Example (Packer Sold - Type 8)

➤ Producer Konex of Iowa, who owns 27% of competitor packing company George's, has an agreement to use the Prior Day Western Cornbelt (HG208) plus \$0.50 for its Beta Agonist Free Iowa finished hogs when it sells to packer Hatfan of Iowa. Konex called Hatfan yesterday and agrees to deliver 162 head of hogs today at 9:00 AM for \$45.76.

Other Purchase Arrangement Example (Packer Sold - Type 8)

LF	LPS-119b: Swine Daily Report - Purchased Swine Showing 14 of 14 results													
Sel														
Purchase Type Code		Head Count	Average Li	Base Price	Origin	Reporting	Class Code							
		Packer Sold Other P	urchase A	162		45.76	Iowa	10:00 a.m.	Barrows/Gilts					
		Packer Sold Other P	urchase A	162		45.76	Iowa	10:00 a.m.	Barrows/Gilts					
)	Packer Sold Other Purchas		162		45.76	Iowa	10:00 a.m.	Barrows/Gi						
		Packer Sold Other	Purchas	162		45.76	Iowa	10:00 a.m.	Barrows/Gi					

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>), IA/MN (<u>HG205</u> and <u>HG206</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Other Purchase Arrangement Example (Packer Sold - Type 8)

			•									
LM_HG200 Des Moines, Iowa	Day, Mon	th ##, 20##	+	USDA Market New								
NATIONAL DAILY DIRECT PRIOR DAY PLANT DELIVERED PURCHASE DATA F			##									
		BY PURCHAS VE AND CARC										
Actual Actual Actual Prior Day Week Ago Year Ago												
Negotiated Other Market Formula Swine or Pork Market Formula Other Purchase Arrangement Negotiated Formula Packer sold (all purchase types	;)	8,148 52,559 138,618 152,318 2,098 13,826	6,971 36,982 144,741 153,645 4,025 12,174	8,106 40,233 159,142 128,366 0 18,509								
NEGOTIATED M FO	OTHER IARKET IRMULA	SWINE OR PORK MARKET FORMULA	OTHER NEGO PURCHASE F ARRGMENT	TIATED TOTALS/ ORMULA WTD AVG								
Barrows & Gilts (carcass basis)		FORMULA										
Producer Sold Head Count 5,929 5 Base Price 65.02 Packer Sold	2,200 69.69	129,370 65.39	149,192 68.16	360 337,051 67.89 67.28								
Head Count Base Price				13,725 66.54								
NEGOTIATED P												
Barrows & Gilts (carcass basis)	: 5,929											
Compared to the prior day, on a prices were 4.00 lower to 3.88 Slow market activity with light	plant by higher, to demand.	plant basi ne market t	s, weighted av rend is not we	erage base 11 estabished.								
Compared to Prior Day's closing	weighted	average (L	M_HG200), 0.	78 higher								
Base Price Rng \$60.00 - \$67.00,	Wtd Avg	\$65.02, 5 0	ay Rolling Avg	\$62.24								
NEGOTIATED FORMU	LA PURCHA	SE (Includi	ng Packer Sold)								
Barrows & Gilts (carcass basis)	: 1,000											
Compared to Prior Day's closing	weighted	average (L	M_HG200), no	comparison								
Base Price Rng \$59.70 - \$69.06,	Wtd Avg	\$68.43, 5 E	ay Rolling Avg	\$68.43								
COMBINED NEGOTIATED & NEGOT	IATED FOR	ULA PURCHA	SES (Including	Packer Sold)								
Barrows & Gilts (carcass basis)	: 6,929											
Compared to Prior Day's closing	weighted	average (L	M_HG200), no	comparison								
Base Price Rng \$59.70 - \$69.06,	Wtd Avg	\$65.51, 5 0	ay Rolling Avg	\$65.51								
NATIONAL DAILY REPRESENTING INDIVID based on both Fat and Mu	UAL PACKE	R CARCASS M	ERIT BUYING PR	OGRAMS								
LO	IN AREA/D	EPTH (INCHE	:5)									
0.9 59.00 64.00 60.00 65. 1.0 57.00 63.00 59.00 64.	50 65.5 12 65.5 85 64.5 58 63.0 00 63.0 00 60.0 00 60.0 00 60.0	70.45 69.18 67.91 66.64 65.50	7.0/ 2.3 66.50 72.00 66.00 71.78 65.50 70.52 65.50 69.25 64.50 67.98 63.00 66.71 63.00 66.00 60.00 65.50	8.0/2.7 67.00 73.56 67.00 73.56 66.50 72.29 66.00 71.02 66.00 69.75 65.50 68.50 64.50 67.50 64.50 66.50 63.00 66.00								

LM_HG200 Des Moines, Iow	a	Day, M	onth ##, 20##	¥	USDA M	arket	News
NATIONAL DAILY PLANT DELIVERED				¥#			
			ME BY PURCHAS				
Producer Sold			Actual Prior Day	Actu Week A		Acti Year A	
Negotiated Other Market	Formula		8,148 52,559	6,9 36,9		8,1 40,2	
Other Purchas	e Arrangement rmula	14	152,318	153,6 4.0		128,	366 0
Packer Sold (al	ı purcnase ty	pes)	13,820	12,1	/4	18,3	009
	NEGOTIATED	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA		GOTIATED FORMULA	TOTAL WTD A	
Barrows & Gilts	(carcass bas	is):					
Producer Sold Head Count Base Price Packer Sold	5,929 65.02	52,200 69.69	129,370 68.39	149,192 68.16	360 67.89	337,0 67.	28
Head Count Base Price						13,7 66.	
	NEGOTIATE	D PURCHASE	(Including F	Packer Sold)			

Other Purchase Arrangement Example (Packer Sold - Type 8)

Des Moines, Io		ouj, .	onth ##, 20##		000/11	larket News
NATIONAL DAILY PLANT DELIVERE				##		
			ME BY PURCHAS LIVE AND CARC			
Duadusan sald			Actual Prior Day		tual Ago	Actual Year Ago
Producer Sold Negotiated Other Market			8,148 52,559	36	,971 ,982	8,106 40,233
	se Arrangement		152,318		,645	128,366
Packér Sold (a	ll purchase ty	/pes)	13,826	12	,174	18,509
	NEGOTIATED	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER PURCHASE ARRGMENT	NEGOTIATED FORMULA	TOTALS/ WTD AVG
Barrows & Gilts	s (carcass bas	sis):				
Producer Sold Head Count Base Price	5,929 65.02	52,200 69.69	129,370 65.39	149,192 68.16	360 67.89	337,051 67.28
Packer Sold Head Count			ſ			13,725 66.54

Packer Owned Definition (Type 9)

Swine that a packer, including a subsidiary or affiliate of a packer, for more than 14 days immediately before sale or slaughter; and sold for slaughter to another packer.

Packer Owned Example (Type 9)

➤ Producer Scotfind of Kansas owns 15% of packer Zotware of Iowa. Scotfind agrees to sell a lot of 162 head of Kansas finished hogs to Zotware at \$60.00 to deliver yesterday afternoon.

Packer Owned Example (Type 9)

LPS-	118c: Sv	vine Prior	Day	Report - Purch	ased Swine S	howing 1067 of	f 1067 results
Select	All D	eselect A	II I	Export to Excel	Save Prefer	rence	
	Head	Aver	В	Purchase T	Origin	Class Code	Ownership
	160			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	160			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	160			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	160			Packer Ow	Kansas	Barrows/Gi	Packer Ow
	164			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	162			Packer Ow	Kansas	Barrows/Gi	Packer Ow
	164			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	160			Packer Owned	Kansas	Barrows/Gilts	Packer Owned
	160			Packer Owned	Kansas	Barrows/Gilts	Packer Owned

Prior Day Slaughter (<u>HG201</u>)

Packer Owned Example (Type 9)

AVERAGE LEAN PERCENT

```
LM_HG201
Des Moines, Iowa
                                            Day, Month ##, 20##
                                                                                              USDA Market News
NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
Slaughter Data for Day, Month ##, 20##
Barrows and Gilts (Live and Carcass Basis): 418,650
                                NEGOTTATED OTHER
                                                                  SWINE
                                                                              OTHER NEGOTTATED TOTALS
                                                              OR PORK PURCHASE
                                                FORMULA
                                                                MARKET ARRGMENT
Producer Sold:
HEAD COUNT
                                                              159,379
70.17
73.03
                                                                             75,594
73.95
75.51
                                                                                                       282 968
AVERAGE NET PRICE
                                       70.44
                                                   68.36
LOWEST NET LOT
HIGHEST NET LOT
                                      60.46
78.30
                                                   55.60
87.04
                                                                                                         57.89
85.01
277.34
                                                                83.87
277.48
                                                                             91.77
277.78
AVERAGE LIVE WT
AVERAGE CARCASS WT
                                     199.46
                                                 210.38
                                                                209.18
                                                                             208.71
                                                                                                         208.98
                                                                              -1.03
0.71
2.57
                                                                                                          -1.34
0.66
2.68
8.07
AVERAGE SORT LOSS
AVERAGE BACKFAT
AVG LOIN DEPTH (LD)
LEA (LD Converted)
                                       2.31
                                                     2.63
AVERAGE LEAN PERCENT
                                       54.36
                                                   55.97
                                                                                                          55.95
(Packer Buying Programs)
Packer Sold:
                                         TOTALS/WTD AVG
                                      All Purchase Types
HEAD COUNT
CARCASS BASE PRICE
AVERAGE NET PRICE
AVERAGE OF LOWEST NET LOTS
AVERAGE OF HIGHEST NET LOTS
AVERAGE LIVE WT
AVERAGE CARCASS WT
AVERAGE SORT LOSS
AVERAGE BACKFAT
AVERAGE LOIN DEPTH (LD)
                                                  2.59
LOINEYE AREA (LD Converted)
AVERAGE LEAN PERCENT
(Packer Buying Programs)
Packer Owned:
                                         TOTALS/WTD AVG
                                             123,004
HEAD COUNT
AVERAGE CARCASS WT
                                               208.31
AVERAGE BACKFAT
AVERAGE LOIN DEPTH (LD)
AVERAGE LEAN PERCENT
                                                53.92
MEASUREMENTS BASED ON SLAUGHTER DATA REPORTED:
Prior Slaughter Day's Average Market Hog based on reported slaughter data:
208.77 lbs carcass; BF 0.66; LD 2.63; LEA 7.91; FEII 53.40%
                                    CARCASS-BASED PURCHASES:
                            Wtd Avg Base
Wtd Avg Net Price
SWINE SCHEDULED FOR DELIVERY TO PACKING PLANTS FOR SLAUGHTER
(Dates based on reporting days)
August 31, 2017
                                                      422.033
    September 01, 2017
September 02, 2017
September 02, 2017
September 03, 2017
September 04, 2017
September 05, 2017
                                                      329,224
91,644
7,170
56,207
288,251
     September 07, 2017
                                                      281,993
     September 08, 2017
September 09, 2017
                                                      276,627
194,175
     September 10, 2017
                                                       16,583
```

```
Packer Sold:
                              TOTALS/WTD AVG
                            All Purchase Types
HEAD COUNT
                                  12,678
                                    69.69
CARCASS BASE PRICE
AVERAGE NET PRICE
                                    71.83
AVERAGE OF LOWEST NET LOTS
                                    66.35
AVERAGE OF HIGHEST NET LOTS
                                   79.94
AVERAGE LIVE WT
                                   277.53
AVERAGE CARCASS WT
                                   208.28
AVERAGE SORT LOSS
                                    -1.64
AVERAGE BACKFAT
                                    0.66
AVERAGE LOIN DEPTH (LD)
                                    2.59
LOINEYE AREA (LD Converted)
                                    7.77
AVERAGE LEAN PERCENT
                                    56.71
(Packer Buying Programs)
Packer Owned:
                              TOTALS/WTD AVG
                                 123,004
275.32
HEAD COUNT
AVERAGE LIVE WT
                                   208.31
AVERAGE CARCASS WT
AVERAGE BACKFAT
                                    0.68
AVERAGE LOIN DEPTH (LD)
                                    2.47
```

MEASUREMENTS BASED ON SLAUGHTER DATA REPORTED: Prior Slaughter Day's Average Market Hog based on reported slaughter data: 208.77 lbs carcass; BF 0.66; LD 2.63; LEA 7.91; FFLI 53.40%

53.92

Packer Owned Example (Type 9)

```
Packer Sold:
                             TOTALS/WTD AVG
                           All Purchase Types
                                  12,678
HEAD COUNT
                                   69.69
CARCASS BASE PRICE
                                   71.83
AVERAGE NET PRICE
AVERAGE OF LOWEST NET LOTS
                                   66.35
AVERAGE OF HIGHEST NET LOTS
                                   79.94
                                  277.53
AVERAGE LIVE WT
AVERAGE CARCASS WT
                                  208.28
AVERAGE SORT LOSS
                                   -1.64
AVERAGE BACKFAT
                                    0.66
                                    2.59
AVERAGE LOIN DEPTH (LD)
LOINEYE AREA (LD Converted)
                                    7.77
AVERAGE LEAN PERCENT
                                   56.71
(Packer Buying Programs)
Packer Owned:
                              TOTALS/WTD AVG
```

```
HEAD COUNT 123,004
AVERAGE LIVE WT 275.32
AVERAGE CARCASS WT 208.31
AVERAGE BACKFAT 0.68
AVERAGE LOIN DEPTH (LD) 2.47
AVERAGE LEAN PERCENT 53.92
```

MEASUREMENTS BASED ON SLAUGHTER DATA REPORTED:
Prior Slaughter Day's Average Market Hog based on reported slaughter data:
208.77 lbs carcass; BF 0.66; LD 2.63; LEA 7.91; FFLI 53.40%

Negotiated Formula Definition (Types 10 & 11)

➤ A purchase of swine by a packer which is similar to a negotiated purchase where there is interaction between a buyer and a seller to settle on a price (unknown) but a formula is used as the basis. Must be delivered within 14 days.

Negotiated Formula Example (Producer Sold - Type 10)

➤ Producer Newex of Ohio negotiates to sell a lot of hogs to packer Hottechi of Illinois on Friday using next Monday's Prior Day IA/MN (HG204) quote. Newex will deliver 155 head of Iowa finished hogs to Hottechi on Monday at 9:00 AM. The two do not have any longstanding agreements. On Monday the IA/MN quote is \$77.75.

Negotiated Formula Example (Producer Sold - Type 10)

LP	LPS-119b: Swine Daily Report - Purchased Swine Showing 156 of 156 results													
Select All Deselect All Export to Excel Save Preference														
	Р	urchase Type Code	Head Co	Ave	Base Price	Origin	Reporting	Class Code						
	P	acker Sold Negotiated Formula Purchas	se 159		77.46	Iowa	10:00 a.m.	Barrows/Gilts						
	P	acker Sold Negotiated Formula Purchas	se 156		77.75	Iowa	10:00 a.m.	Barrows/Gilts						
C	P	Packer Sold Negotiated Formula Pur	155		77.75	Iowa	10:00 a.m.	Barrows/Gi						
	Р	acker Sold Negotiated Formula Purchas	se 155		77.75	Iowa	10:00 a.m.	Barrows/Gilts						

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>) and IA/MN (<u>HG205</u> and <u>HG206</u>), ECB (<u>HG209</u> and <u>HG210</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), ECB (<u>HG207</u>), WCB (<u>HG208</u>)

Negotiated Formula Example (Producer Sold - Type 10)

LM_HG200 Day, Month ##, 20## Des Moines, Iowa USDA Market New NATIONAL DATLY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20## CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS Actual Prior Day week Ago Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula 52,559 138,618 40,233 159,142 Other Purchase Arrangement Negotiated Formula 153,645 Packer Sold (all purchase types) 13,826 12,174 18,509 NEGOTTATED OTHER SWINE OTHER NEGOTIATED TOTALS/ OR PORK PURCHASE MARKET FORMULA WTD AVG FORMULA MARKET ARROMENT FORMULA Barrows & Gilts (carcass basis): Producer Sold 337,051 67.28 Base Price 68.16 67.89 Head Count Base Price NEGOTIATED PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 5,929 Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand. Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng \$60.00 - \$67.00, Wtd Avg \$65.02, 5 Day Rolling Avg \$62.24 NEGOTIATED FORMULA PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 1,000 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$68.43, 5 Day Rolling Avg \$68.43 COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold) Barrows & Gilts (carcass basis): 6,929 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$65.51, 5 Day Rolling Avg \$65.51 NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis LOIN AREA/DEPTH (INCHES) 4.0/ 1.4 63.00 69.00 60.00 67.79 60.00 67.50 60.00 66.00 59.00 65.00 5.0/ 1.7 64.50 70.50 63.00 69.12 63.00 67.85 6.0/ 2.0 5.50 70.50 2.3 72.00 71.78 70.52 69.25 67.98 8.0/ 2. 67.00 73 67.00 73 66.50 72 6.0/ 2.0 65.50 70.50 65.50 70.45 64.50 69.18 63.00 66.64 60.00 65.50 60.00 65.50 60.00 64.50 59.00 64.00 69.12 67.85 66.58 66.00 65.00 64.00 62.00 60.00 66.00 65.50 66.00 66.00 65.50 64.50 64.50 63.00 60.00 65.50 64.50

66.71 66.00 65.50 65.00

63.00 63.00

59.00 57.00 56.00 56.00

64.00 63.00

60.00

59.00 57.00

```
prices were 4.00 lower to 3.88 higher, the market trend is not well established.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $73.00 - $80.00, Wtd Avg $76.52, 5 Day Rolling Avg $77.04
               NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1.000
Compared to Prior Day's closing weighted average (LM_HG200). no comparison
Base Price Rng $71.70 - $79.86, Wtd Avg $75.35, 5 Day Rolling Avg $76.33
   COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200).
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX

REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS

based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Base Price Rng \$71.70 - \$80.00, Wtd Avg \$75.88, 5 Day Rolling Avg \$76.71

NEGOTIATED PURCHASE (Including Packer Sold)

Compared to the prior day, on a plant by plant basis, weighted average base

Barrows & Gilts (carcass basis): 5,929

Negotiated Formula Example (Producer Sold - Type 10)

```
NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 5,929

Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well estabished. Slow market activity with light demand.

Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng $73.00 - $80.00, Wtd Avg $76.52, 5 Day Rolling Avg $77.04
```

```
NEGOTIATED FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 1,000

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng $71.70 - $79.86, Wtd Avg $75.35, 5 Day Rolling Avg $76.33

COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)

Barrows & Gilts (carcass basis): 6,929

Compared to Prior Day's closing weighted average (LM_HG200), no comparison

Base Price Rng $71.70 - $80.00, Wtd Avg $75.88, 5 Day Rolling Avg $76.71
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Negotiated Formula Example (Packer Sold - Type 11)

➤ Producer Green-Plus of Iowa, who owns 12% of Dell Packing of Iowa, has extra hogs to sell and calls up packer Labdrill of Iowa on Friday. The two do not have any longstanding agreements. Green-Plus agrees to sell the Iowa finished hogs to Labdrill at 90% of the Friday afternoon pork cutout (PK602). Green-Plus will deliver the 162 head of hogs Monday for \$45.76.

Negotiated Formula Example

(Packer Sold - Type 11)

LPS-119b: Swine Daily Report - Purchased Swine Showing 14 of 14 results									
Select Al		II Deselect All	Export to Excel Save F		reference				
	Purchase Type Code			Head Count	Average Li	Base Price	Origin	Reporting	Class Code
		Packer Sold Other Purchase A		162		45.76	Iowa	10:00 a.m.	Barrows/Gilts
		Packer Sold Other Purchase A		162		45.76	Iowa	10:00 a.m.	Barrows/Gilts
>		Packer Sold Other Purchas		162		45.76	Iowa	10:00 a.m.	Barrows/Gi
		Packer Sold Other Purchas		162		45.76	Iowa	10:00 a.m.	Barrows/Gi

- Daily AM and PM: National (<u>HG202</u> and <u>HG203</u>), IA/MN (<u>HG205</u> and <u>HG206</u>), and WCB (<u>HG211</u> and <u>HG212</u>)
- Prior Day: National (<u>HG200</u>), IA/MN (<u>HG204</u>), and WCB (<u>HG208</u>)

Negotiated Formula Example (Packer Sold - Type 11)

LM_HG200 Des Moines, Iowa Day, Month ##, 20## USDA Market New NATIONAL DATLY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20## CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS Actual Prior Day Week Ago Year Ago Producer Sold Negotiated Other Market Formula Swine or Pork Market Formula 52,559 138,618 40,233 159,142 Other Purchase Arrangement Negotiated Formula 153.645 Packer Sold (all purchase types) 13,826 12,174 18,509 NEGOTTATED OTHER SWINE OTHER NEGOTIATED TOTALS/ OR PORK PURCHASE MARKET FORMULA WTD AVG FORMULA MARKET ARROMENT FORMULA Barrows & Gilts (carcass basis): Producer Sold 337,051 67.28 Base Price 68.16 67.89 13,725 66.54 Head Count Base Price NEGOTIATED PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 5,929 Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well established. Slow market activity with light demand. Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher Base Price Rng \$60.00 - \$67.00, Wtd Avg \$65.02, 5 Day Rolling Avg \$62.24 NEGOTIATED FORMULA PURCHASE (Including Packer Sold) Barrows & Gilts (carcass basis): 1.000 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$68.43, 5 Day Rolling Avg \$68.43 COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold) Barrows & Gilts (carcass basis): 6,929 Compared to Prior Day's closing weighted average (LM_HG200), no comparison Base Price Rng \$59.70 - \$69.06, Wtd Avg \$65.51, 5 Day Rolling Avg \$65.51 NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS based on both Fat and Muscle Measurements for a 200 lb Carcass Basis LOIN AREA/DEPTH (INCHES) 5.0/ 1.7 64.50 70.50 63.00 69.12 63.00 67.85 4.0/ 1.4 63.00 69.00 60.00 67.79 60.00 67.50 2.3 72.00 71.78 70.52 69.25 67.98 6.0/ 2.0 65.50 70.50 65.50 70.45 64.50 69.18 63.00 66.64 60.00 65.50 60.00 65.50 60.00 64.50 59.00 64.00 69.12 67.85 66.58 66.00 65.00 64.00 62.00 60.00 66.00 65.50 66.00 66.00 65.50 64.50 64.50 63.00 60.00 66.00 65.00 60.00 65.50 64.50 59.00 57.00 56.00 56.00 66.71 66.00 65.50 65.00 64.00 63.00 60.00 59.00 63.00 63.00

59.00 57.00

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to the prior day, on a plant by plant basis, weighted average base
prices were 4.00 lower to 3.88 higher, the market trend is not well established.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
               NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
   COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
Compared to Prior Day's closing weighted average (LM_HG200),
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
                NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
```

REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS

based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Negotiated Formula Example (Packer Sold - Type 11)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 5,929
Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well estabished.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
                NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Purchase Type Scenarios

Swine Purchase Types

- Negotiated Producer Sold (Type 1)
- Negotiated Packer Sold (Type 5)
- Other Market Formula Producer Sold (Type 2)
- Other Market Formula Packer Sold (Type 6)
- •Swine or Pork Market Formula Producer Sold (Type 3)
- Swine or Pork Market Formula Packer Sold (Type 7)
- •Other Purchase Arrangement Producer Sold (Type 4)
- Other Purchase Arrangement Packer Sold (Type 8)
- Packer Owned (Type 9)
- Negotiated Formula Producer Sold (Type 10)
- Negotiated Formula Packer Sold (Type 11)

- ➤ Today is New Years Eve (January 1st). Joe of Bioplex (producer) and Jay of Finhigh (packer) meet at a party and start talking about hogs. Joe and Jay agree to a year long pricing arrangement using the negotiated quote on the HG212 report plus \$1.50 on the day of delivery. Joe unannounced delivers 50 head of hogs to Jay on January 6. (Eventually prices at \$71.56.)
- ➤ What is this Purchase Type?

Swine or Pork Market Formula – Producer Sold (Type 3)

```
MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat, 7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range $68.54 - $75.31, Weighted Average $72.48

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (live basis, 240-320 lbs): 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher Price Rng $47.00 - $52.70, Wtd Avg $49.62, 5 Day Rolling Avg $47.48
```

- Producer Blackzim of Minnesota and Groovestreet of Minnesota have a pricing agreement where packer Groovestreet will pay Blackzim the CME Lean Hog Index quote on the day of delivery for its Minnesota finished hogs. Blackzim calls Groovestreet two months later and agrees to take the CME Lean Hog Index quoted price tomorrow the day he delivers 60 head of hogs. (The price winds up being \$69.03.)
- What is this Purchase Type?

Swine or Pork Market Formula – Producer Sold (Type 3)

```
MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat,
7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
```

```
SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 136,392
Base Price Range $68.54 - $75.31, Weighted Average $72.48
```

NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (live basis, 240-320 lbs): 1,724
Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher
Price Rng \$47.00 - \$52.70, Wtd Avg \$49.62, 5 Day Rolling Avg \$47.48

- ➤ Today at 2:00 PM producer Betatech of Kansas agrees to sell its hogs to packer Cancity of Nebraska using today's CME Lean Hog Index (1:30 PM quote) at \$45.59. Betatech will deliver 55 head of Kansas finished hogs this afternoon at 2:30 PM.
- ➤ What is this Purchase Type?

Negotiated Sale – Producer Sold (Type 1)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to the prior day, on a plant by plant basis, weighted average base
prices were 4.00 lower to 3.88 higher, the market trend is not well established.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
              NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
   COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

- ➤ At 8:00 AM today, producer Sonron of Ohio agrees to sell 75 head of hogs to packer J-Texon of Illinois. Sonron will receive a \$1.00 premium for these Ohio finished, Beta Agonist Free hogs for delivery this afternoon at 2:00 PM. (Prices at \$72.12.)
- ➤ What is this Purchase Type?

Other Purchase Arrangement – Producer Sold (Type 4)

LM_HG200		
LM_NG200		
Des Moines. Iowa	Dav. Month ##. 20##	USDA Market News
DES MOTHES TOWA	Day, MULLII $\pi\pi$, $20\pi\pi$	USDA MALKEL NEWS

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20##

CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS

Producer Sold		Actual Prior Day	Acti Week A		Actual Year Ago
Negotiated Other Market Formula		8,148 52,559	6,9 36,9	982	8,106 40,233
Other Purchase Arrangemen	t .	152,318	153,6	545	128,366
Packer Sold (all purchase t	ypes)	13,826	12,1	L74	18,509
NEGOTIATED Barrows & Gilts (carcass ba	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER NE PURCHASE ARRGMENT	EGOTIATED FORMULA	TOTALS/ WTD AVG
Producer Sold Head Count 5,929 Base Price 65.02 Packer Sold Head Count Base Price	52,200 69.69	129,370 65.39	149,192 68.16	360 67.89	337,051 67.28 13,725 66.54

NEGOTIATED PURCHASE (Including Packer Sold)

- Producer Doncon of Kansas owns 10% of packer Plexzap of Nebraska. Doncon sells 25 head of Kansas finished hogs to Plexzap using 88% of today's afternoon pork cutout (PK602) for delivery tomorrow morning.
- What is this Purchase Type?

Packer Owned (Type 9)

```
Packer Sold:
                           TOTALS/WTD AVG
                          All Purchase Types
                                12,678
HEAD COUNT
CARCASS BASE PRICE
                                69.69
                                71.83
AVERAGE NET PRICE
AVERAGE OF LOWEST NET LOTS
                                66.35
                                79.94
AVERAGE OF HIGHEST NET LOTS
                                277.53
AVERAGE LIVE WT
AVERAGE CARCASS WT
                                208.28
AVERAGE SORT LOSS
                                -1.64
AVERAGE BACKFAT
                                 0.66
AVERAGE LOIN DEPTH (LD)
                                 2.59
                                 7.77
LOINEYE AREA (LD Converted)
AVERAGE LEAN PERCENT
                                 56.71
(Packer Buying Programs)
                            TOTALS/WTD AVG
Packer Owned:
                               123,004
HEAD COUNT
AVERAGE LIVE WT
                               275.32
                                208.31
AVERAGE CARCASS WT
                                 0.68
AVERAGE BACKFAT
AVERAGE LOIN DEPTH (LD)
                                  2.47
AVERAGE LEAN PERCENT
                                 53.92
               MEASUREMENTS BASED ON SLAUGHTER DATA REPORTED:
```

MEASUREMENTS BASED ON SLAUGHTER DATA REPORTED:
Prior Slaughter Day's Average Market Hog based on reported slaughter data:
208.77 lbs carcass; BF 0.66; LD 2.63; LEA 7.91; FFLI 53.40%

- ➤ Producer Isdom of Iowa and packer Golddex of Minnesota have a pricing arrangement to use a 1:30 PM CME Futures quote month. On February 1, Isdom agrees to deliver 200 head of Iowa finished hogs to Golddex on February 7 at \$68.87.
- ➤ What is this Purchase Type?

Other Market Formula – Producer Sold (Type 2)

Des Moines, Iowa	Day,	Month ##, 20##	‡	USDA N	Market News
NATIONAL DAILY DIRECT PLANT DELIVERED PURCHA			##		
	CURRENT VOL BARROWS & GILTS	UME BY PURCHAS LIVE AND CARG			
- 1 21		Actual Prior Day	Actu Week A		Actual Year Ago
Producer Sold					
Other Market Formula	Formula	52,559 128 618	36,9 144.7	82	40,233
Other Purchase Arran Negotiated Formula Packer Sold (all purch		152,318 2,098 13,826	153,6 4,0 12,1	25	128,366 0 18,509
NEGOTI	MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER NE PURCHASE ARRGMENT	GOTIATED FORMULA	
Barrows & Gilts (carca	ss basis):				
Base Price 6 Packer Sold	,92 52,200 5.0 69.69	129,370 68.39	149,192 68.16	360 67.89	67.28
Head Count Base Price					13,725 66.54

- ➤ Producer Namzim Farms of Iowa is owned by packer Donware Pack of Iowa (15%). Namzim Farms sells 100 head of Iowa finished hogs to competitor Ginko Packing in Nebraska on Monday using the Prior Day IA/MN quote (\$63.25) on the day of delivery (Thursday).
- ➤ What is this Purchase Type?

Swine or Pork Market Formula – Packer Sold (Type 7)

```
MEASUREMENTS BASED ON SLAUGHTER DATA SUBMITTED

5-Day Rolling Average Market Hog: 201.30 lb carcass, 0.65 inch back-fat,|
7.21 square inch loin/2.40 inch loin depth, FFLI: 53.01%

Price Range $65.50 - $69.25

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

Barrows & Gilts (carcass basis): 136,392

Base Price Range $62.17 - $68.44, Weighted Average $66.13

NEGOTIATED PURCHASE (Including Packer Sold)

Barrows & Gilts (live basis, 240-320 lbs): 1,724

Compared to Prior Day's closing weighted average (LM_HG200), 0.39 higher Price Rng $47.00 - $52.70, Wtd Avg $49.62, 5 Day Rolling Avg $47.48
```

- ➤ Producer Sumace Farms of Kansas is owned by packer Pope & Associates of Nebraska (7%). Sumace Farms sells 4,000 head of Kansas finished, Antibiotic Free hogs to a competitor in lowa with a \$3.00 premium (\$88.00).
- What is this Purchase Type?

Other Purchase Arrangement – Packer Sold (Type 8)

LM_HG200		
Des Moines, Iowa	Day, Month ##, 20##	

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT PLANT DELIVERED PURCHASE DATA FOR Day, Month ## 20##

CURRENT VOLUME BY PURCHASE TYPE BARROWS & GILTS LIVE AND CARCASS BASIS

Producer Sold		Actual Prior Day	Actua Week Ag		
Negotiated Other Market Formula		8,148 52,559	6,97 36,98	32 40,233	
Other Purchase Arrangemen	t	152,318	153,64	128,366	
Packer Sold (all purchase t	ypes)	13,826	12,17	74 18,509	
NEGOTIATED Barrows & Gilts (carcass ba	OTHER MARKET FORMULA	SWINE OR PORK MARKET FORMULA	OTHER NEG PURCHASE ARRGMENT	FORMULA WTD AVG	
· · · · · · · · · · · · · · · · · · ·	313).				
Producer Sold Head Count 5,929 Base Price 65.02 Packer Sold	52,200 69.69	129,370 65.39	149,192 68.16	360 337,051 67.89 67.28	
Head Count Base Price				13,725 66.54	

NEGOTIATED PURCHASE (Including Packer Sold)

USDA Market News

- ➤ Producer Dynamic Industries of Iowa owns 9% of packer Clockworx of Iowa. Dynamic Industries calls Openlane Packing today (Monday) with 40 head of hogs to sell. Dynamic Industries and Openlane Packing do not have any prior agreements. Openlane Packing agrees to use the unknown National quote (HG203) on the day of delivery (Friday). (Eventually priced at \$44.03.)
- ➤ What is this Purchase Type?

Negotiated Formula – Packer Sold (Type 11)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well estabished.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $40.00 - $50.00, Wtd Avg $44.52, 5 Day Rolling Avg $46.24
                NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 1,000
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $49.06, Wtd Avg $45.43, 5 Day Rolling Avg $46.03
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $39.70 - $50.00, Wtd Avg $45.01, 5 Day Rolling Avg $45.91
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

- Producer Yearin Corp. of Minnesota has an extra lot of hogs to sell. On Monday morning, Yearin calls packer Cheers and Duff Corp. in Minnesota and agrees to sell 80 head of Minnesota finished hogs to Cheers and Duff Corp. using next Wednesday's unknown Prior Day National quote (HG200) for delivery later that afternoon (1:30 PM). (Eventually priced at \$75.25.)
- ➤ What is this Purchase Type?

Negotiated Formula – Producer Sold (Type 10)

```
NEGOTIATED PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis): 5,929
Compared to the prior day, on a plant by plant basis, weighted average base prices were 4.00 lower to 3.88 higher, the market trend is not well estabished.
Slow market activity with light demand.
Compared to Prior Day's closing weighted average (LM_HG200), 0.78 higher
Base Price Rng $73.00 - $80.00, Wtd Avg $76.52, 5 Day Rolling Avg $77.04
                NEGOTIATED FORMULA PURCHASE (Including Packer Sold)
Barrows & Gilts (carcass basis):
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $71.70 - $79.86, Wtd Avg $75.35, 5 Day Rolling Avg $76.33
    COMBINED NEGOTIATED & NEGOTIATED FORMULA PURCHASES (Including Packer Sold)
Barrows & Gilts (carcass basis): 6,929
Compared to Prior Day's closing weighted average (LM_HG200), no comparison
Base Price Rng $71.70 - $80.00, Wtd Avg $75.88, 5 Day Rolling Avg $76.71
```

NATIONAL DAILY DIRECT NEGOTIATED HOG PURCHASE MATRIX
REPRESENTING INDIVIDUAL PACKER CARCASS MERIT BUYING PROGRAMS
based on both Fat and Muscle Measurements for a 200 lb Carcass Basis

Questions?

Contact Information

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Web: https://www.marketnews.usda.gov/mnp/ls-home

Livestock Mandatory Price Reporting Resources: https://www.ams.usda.gov/rules-regulations/mmr/lmr