

BACKGROUND

Many slaughter hogs are purchased on their lean value basis. Reporting of lean-value prices is a spreadsheet-generated matrix report of what packers are paying for different carcass weights combined with the percentage of lean red meat per carcass. The major lean-value determining factor is backfat, which is closely correlated to the lean meat yield. The primary basis for value is lean, determined on individual packer fat measurements, which may be adjusted for superior or inferior muscling. Each packer which gathers fat and muscle measurements, and has a lean value buying program, submits data used for the generation of this matrix. Each cooperating packer provides a base carcass price and premiums/discounts for lean value and weights. The values are calculated daily for each participating packer that makes negotiated purchases; then a high-low value range is determined and published in the matrix.

The following are 5 examples of actual previously published information for the National Daily Direct Negotiated Hog Purchase Matrix (report LM_HG200). This matrix expressed data for a 185 pound carcass. Effective January 3, 2012, the base carcass weight of the Daily Direct Negotiated Hog Purchase Matrix will increase from 185 lbs. to 200 lbs. Included below is a matrix for each of the selected dates for a 200 pound carcass using the same base price data supplied by the same market participants on those days. Only buying programs based on both fat and muscle measurements are included.

LM_HG200

Des Moines, Iowa

Mon, Nov 21, 2011

USDA Market News

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT

185 lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	74.50	86.87	75.00	87.89	76.00	90.01	76.75	91.58	77.00	93.15
0.5	72.00	85.45	74.50	86.47	76.00	88.59	76.50	90.16	77.00	91.73
0.6	72.00	84.38	74.50	85.28	75.00	87.18	76.00	88.75	76.75	90.32
0.7	72.00	83.69	72.00	84.46	74.50	84.77	76.00	87.34	76.50	88.91
0.8	70.00	82.88	72.00	83.56	74.50	84.46	75.00	85.92	76.50	87.49
0.9	70.00	82.88	72.00	82.88	72.00	83.64	74.50	84.54	76.00	86.08
1.0	69.00	81.25	70.00	82.00	72.00	82.74	74.50	83.64	75.00	84.87
1.1	68.00	81.25	70.00	81.25	72.00	82.00	72.00	82.82	75.00	83.97
1.2	68.00	79.63	69.00	79.63	70.00	80.52	72.00	82.00	74.50	83.15
1.4	64.50	78.00	68.00	78.00	69.00	78.00	70.00	79.29	72.00	82.00

200 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	75.00	86.87	76.50	87.89	77.50	90.01	78.50	91.58	79.00	93.15
0.5	72.00	85.45	75.00	86.47	77.50	88.59	78.00	90.16	79.00	91.73
0.6	72.00	84.38	75.00	85.28	76.50	87.18	77.50	88.75	78.50	90.32
0.7	72.00	83.54	72.00	84.46	75.00	84.77	77.50	87.34	78.00	88.91
0.8	71.00	82.68	72.00	83.56	75.00	84.46	76.50	85.92	78.00	87.49
0.9	71.00	82.00	72.00	82.72	72.00	83.64	75.00	84.54	77.50	86.08
1.0	69.00	80.45	71.00	82.00	72.00	82.74	75.00	83.64	76.50	84.87
1.1	68.00	79.16	71.00	80.50	72.00	82.00	72.00	82.82	76.50	83.97
1.2	68.00	77.87	69.00	79.21	71.00	80.52	72.00	82.00	75.00	83.15
1.4	64.50	73.06	68.00	76.64	69.00	78.00	71.00	79.29	72.00	82.00

LM_HG200

Des Moines, Iowa

Fri, Nov 11, 2011

USDA Market News

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT

185 Lbs. carcass Matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	74.50	88.20	75.00	89.12	76.00	90.05	76.75	90.97	77.00	92.23
0.5	72.00	87.36	74.50	88.28	76.00	89.21	76.50	90.13	77.00	91.31
0.6	72.00	87.04	74.50	87.36	75.00	88.28	76.00	89.21	76.75	90.47
0.7	72.00	87.04	72.00	87.04	74.50	87.44	76.00	88.37	76.50	89.54
0.8	70.00	86.19	72.00	86.19	74.50	86.52	75.00	87.44	76.50	88.70
0.9	70.00	86.19	72.00	86.19	72.00	86.19	74.50	86.60	76.00	87.78
1.0	69.00	84.50	70.00	84.50	72.00	84.76	74.50	85.68	75.00	86.94
1.1	68.00	84.50	70.00	84.50	72.00	84.50	72.00	84.84	75.00	86.02
1.2	68.00	82.81	69.00	82.81	70.00	82.81	72.00	84.00	74.50	85.18
1.4	64.50	81.12	68.00	81.12	69.00	81.12	70.00	82.32	72.00	84.00

200 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	75.00	88.20	76.50	89.12	77.50	90.05	78.50	90.97	79.00	92.23
0.5	72.00	87.36	75.00	88.28	77.50	89.21	78.00	90.13	79.00	91.31
0.6	72.00	86.46	75.00	87.36	76.50	88.28	77.50	89.21	78.50	90.47
0.7	72.00	85.58	72.00	86.50	75.00	87.44	77.50	88.37	78.00	89.54
0.8	71.00	84.70	72.00	85.62	75.00	86.52	76.50	87.44	78.00	88.70
0.9	71.00	84.00	72.00	84.74	72.00	85.66	75.00	86.60	77.50	87.78
1.0	69.00	82.41	71.00	84.00	72.00	84.78	75.00	85.68	76.50	86.94
1.1	68.00	81.09	71.00	82.47	72.00	84.00	72.00	84.84	76.50	86.02
1.2	68.00	79.77	69.00	81.15	71.00	83.00	72.00	84.00	75.00	85.18
1.4	64.50	74.84	68.00	78.51	69.00	79.88	71.00	83.00	72.00	84.00

LM_HG200

Des Moines, Iowa

Thu, Nov 3, 2011

USDA Market News

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT

185 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	76.50	93.92	77.00	95.03	78.00	97.32	78.75	99.02	79.00	100.72
0.5	74.00	92.39	76.50	93.50	78.00	95.79	78.50	97.49	79.00	99.19
0.6	74.00	90.90	76.50	91.97	77.00	94.26	78.00	95.96	78.75	97.66
0.7	74.00	90.90	74.00	90.90	76.50	92.73	78.00	94.43	78.50	96.13
0.8	72.00	90.02	74.00	90.02	76.50	91.20	77.00	92.90	78.50	94.60
0.9	72.00	90.02	74.00	90.02	74.00	90.02	76.50	91.37	78.00	93.07
1.0	71.00	88.25	72.00	88.25	74.00	88.25	76.50	89.85	77.00	91.54
1.1	70.00	88.25	72.00	88.25	74.00	88.25	74.00	88.32	77.00	90.02
1.2	70.00	86.49	71.00	86.49	72.00	86.49	74.00	87.00	76.50	87.87
1.4	66.50	84.72	70.00	84.72	71.00	84.72	72.00	85.26	74.00	87.00

200 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	77.00	93.92	78.50	95.03	79.50	97.32	80.50	99.02	81.00	100.72
0.5	74.00	92.39	77.00	93.50	79.50	95.79	80.00	97.49	81.00	99.19
0.6	74.00	90.86	77.00	91.97	78.50	94.26	79.50	95.96	80.50	97.66
0.7	74.00	89.33	74.00	90.47	77.00	92.73	79.50	94.43	80.00	96.13
0.8	73.00	87.80	74.00	88.94	77.00	91.20	78.50	92.90	80.00	94.60
0.9	73.00	86.50	74.00	87.41	74.00	89.68	77.00	91.37	79.50	93.07
1.0	71.00	84.86	73.00	86.50	74.00	88.16	77.00	89.85	78.50	91.54
1.1	70.00	83.50	73.00	84.92	74.00	86.63	74.00	88.32	78.50	90.02
1.2	70.00	82.14	71.00	83.56	73.00	86.00	74.00	87.00	77.00	88.00
1.4	66.50	77.07	70.00	80.84	71.00	82.26	73.00	86.00	74.00	87.00

LM_HG200

Des Moines, Iowa

Wed, Oct 26, 2011

USDA Market News

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT

185 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	79.50	99.97	80.00	101.15	81.00	103.59	81.75	105.39	82.00	107.20.
0.5	77.00	98.34	79.50	99.52	81.00	101.96	81.50	103.77	82.00	105.58
0.6	77.00	96.72	79.50	97.89	80.00	100.33	81.00	102.14	81.75	103.95
0.7	77.00	95.09	77.00	96.27	79.50	98.71	81.00	100.51	81.50	102.32
0.8	75.00	93.46	77.00	94.64	79.50	97.08	80.00	98.89	81.50	100.69
0.9	75.00	92.82	77.00	93.01	77.00	95.45	79.50	97.26	81.00	99.07
1.0	74.00	91.00	75.00	91.38	77.00	93.82	79.50	95.63	80.00	97.44
1.1	73.00	91.00	75.00	91.00	77.00	92.20	77.00	94.01	80.00	95.81
1.2	73.00	89.18	74.00	89.18	75.00	89.49	77.00	91.29	79.50	93.10
1.4	69.50	87.36	73.00	87.36	74.00	87.36	75.00	89.18	77.00	91.00

200 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	80.00	99.97	81.50	101.15	82.50	103.59	83.50	105.39	84.00	107.20.
0.5	77.00	98.34	80.00	99.52	82.50	101.96	83.00	103.77	84.00	105.58
0.6	77.00	96.72	80.00	97.89	81.50	100.33	82.50	102.14	83.50	103.95
0.7	77.00	95.09	77.00	96.27	80.00	98.71	82.50	100.51	83.00	102.32
0.8	76.00	93.46	77.00	94.64	80.00	97.08	81.50	98.89	83.00	100.69
0.9	76.00	91.83	77.00	93.01	77.00	95.45	80.00	97.26	82.50	99.07
1.0	74.00	90.20	76.00	91.38	77.00	93.82	80.00	95.63	81.50	97.44
1.1	73.00	88.57	76.00	89.78	77.00	92.20	77.00	94.01	81.50	95.81
1.2	73.00	85.86	74.00	87.07	76.00	90.00	77.00	91.29	80.00	93.10
1.4	69.50	80.19	73.00	84.11	74.00	86.00	76.00	90.00	77.00	91.00

NATIONAL DAILY DIRECT PRIOR DAY HOG REPORT

185 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	82.00	100.24	82.50	101.42	83.50	103.86	84.25	105.67	84.50	107.49
0.5	79.50	98.61	82.00	99.78	83.50	102.23	84.00	104.04	84.50	105.86
0.6	79.50	96.97	82.00	98.15	82.50	100.60	83.50	102.41	84.25	104.22
0.7	79.50	95.34	79.50	96.52	82.00	98.97	83.50	100.78	84.00	102.59
0.8	77.50	93.71	79.50	94.89	82.00	97.34	82.50	99.15	84.00	100.96
0.9	77.50	92.31	79.50	93.26	79.50	95.71	82.00	97.52	83.50	99.33
1.0	76.50	90.50	77.50	92.00	79.50	94.07	82.00	95.89	82.50	97.70
1.1	75.50	90.50	77.50	90.50	79.50	92.44	79.50	94.26	82.50	96.07
1.2	75.50	88.69	76.50	88.87	77.50	90.65	79.50	92.50	82.00	93.50
1.4	72.00	87.50	75.50	87.50	76.50	88.80	77.50	90.65	79.50	92.50

200 Lbs. carcass matrix

BF	1.4		1.7		2.0		2.3		2.7	
0.4	82.50	100.24	84.00	101.42	85.00	103.86	86.00	105.67	86.50	107.49
0.5	79.50	98.61	82.50	99.78	85.00	102.23	85.50	104.04	86.50	105.86
0.6	79.50	96.97	82.50	98.15	84.00	100.60	85.00	102.41	86.00	104.22
0.7	79.50	95.34	79.50	96.52	82.50	98.97	85.00	100.78	85.50	102.59
0.8	78.50	93.71	79.50	94.89	82.50	97.34	84.00	99.15	85.50	100.96
0.9	78.50	92.07	79.50	93.26	79.50	95.71	82.50	97.52	85.00	99.33
1.0	76.50	90.44	78.50	92.00	79.50	94.07	82.50	95.89	84.00	97.70
1.1	75.50	88.81	78.50	90.32	79.50	92.44	79.50	94.26	84.00	96.07
1.2	75.50	87.50	76.50	88.87	78.50	91.50	79.50	92.50	82.50	93.50
1.4	72.00	87.50	75.50	87.50	76.50	87.50	78.50	91.50	79.50	92.50