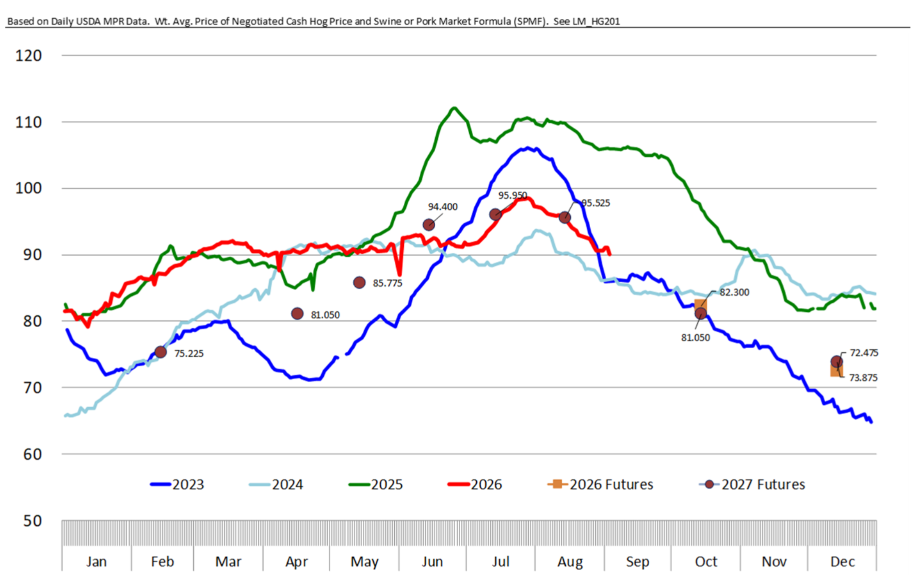
Pork Merchandiser's **Profit Maximizer**

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

September 9, 2026

Pork prices have underperformed our forecast this summer and this is primarily due to particularly weak demand for processing items, especially items that also have significant exposure to export demand. Almost half of the hams and picnics produced in the US go to export channels. Global demand has struggled to gain traction, in part because of the slowdown in demand in China and oversupply. Other Asian markets have also performed poorly. As a result, large exporters such as EU, Bazil and USA are competing fiercely for orders, lowering prices in the process. Hog prices among the major exporting and importing countries are down 20-45% vs. a year ago. The price decline is particularly evident in the EU, as African Swine Fever outbreaks have closed some export channels and resulted in a glut of product within the EU market. But exports only go so far in explaining the weakness in the pork market this summer. High ground beef prices were expected to provide some support for fresh pork, especially items like pork loins and butts. That did not happen. Instead, the glut of chicken we think had a particularly negative impact.

CME CASH HOG INDEX + FUTURES FOR 2026 AND 2027



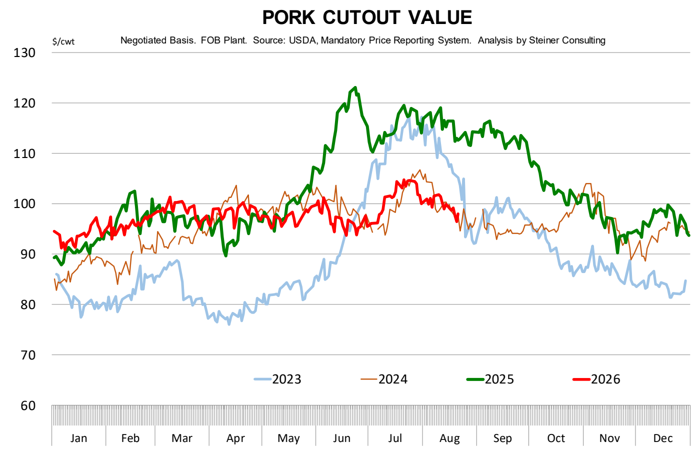
The combination of weak product pricing and higher feed costs will continue to limit pork supply in the near to medium term. The hog breeding herd on June 1 was 1.2% lower than a year ago. This is expected to result in a lower pig crop not only during Jun-Aug but also Sep-Nov. Indeed, pork supplies during winter/spring of

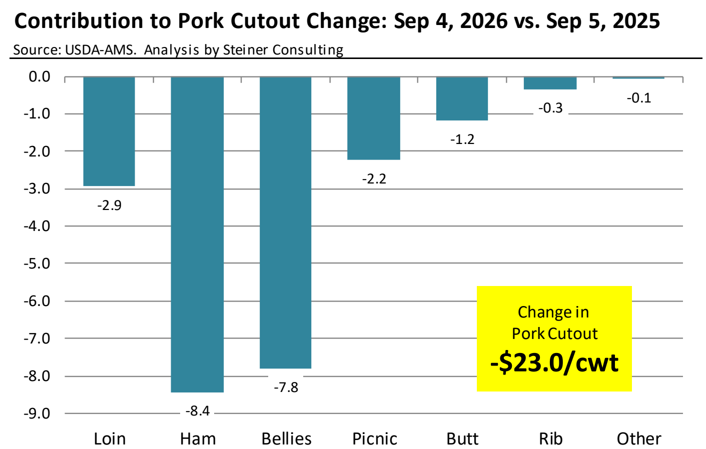
2027 are expected to be near previous year and we think the supply risk is skewed to the downside. Higher feed costs now imply breakevens in the mid 90s compared to the low 80s just three months ago. Our forecast is for hog slaughter to be slightly lower in 2027. Per capita availability was marginally higher this year but it now expected to decline 1.7% in 2027 and expected to be the lowest in more than a decade. Our current forecast is for US pork exports in 2027 to post only a 2.2% increase. However, if EU production continues to contract, there should be more opportunities for US pork in 2027. Much, however, will depend on the state of demand in Asia and pork production/prices in Mexico, which now takes over 40% of all US pork exports.

Price outlook: At the start of the year our hog forecasts for 2026 were in the mid 90s. That forecast was revised to the high 80s in our spring update and we continue to project the average price for the year at $88, about $1 lower than what we projected in June. The cutout Forecast has been revised lower from $98/cwt in June to $96/cwt currently. We have not made significant revisions to the cutout forecast for 2027, which is currently projected at $97.5/cwt, 1.4% higher than in 2026 while the hog forecast at $87/cwt is expected to be down 1.5%.

2. Pork cutout trend going into the fall

The last big holiday weekend of the spring and summer is now behind us and, as is usually the case, resulted in a fair amount of volatility and noise in the product market. The pork cutout on Thursday was quoted as low as $91.1/cwt and on Friday it was $92.9/cwt, a 6% decline compared to where the pork cutout was trading at the start of the week. The drop in the cutout value last week was mostly due to lower belly prices, which were as high as $162.8/cwt to start the week but by Thursday printed at $121.9/cwt, a 25% decline. This was not a supply issue. Slaughter for the week was 2.287 million head, 90,000 head less than the week before and 1.3% lower than the previous year. Rather, it simply shows the impact that reduced processing schedules combined with inventory drawdowns can have on daily pricing





ahead of long holiday weekends. We would not be surprised if prices bounce this week as processors return to full production schedules. Still, the normal seasonal pattern is for belly prices to move lower after Labor Day.

More important for the cutout, and something we expect to discuss more in the coming weeks, is the outlook for hams. So far, ham prices have far underperformed earlier expectations and have been a big drag on the cutout. The pork cutout on Friday was $23/cwt (-20%) lower than a year ago and more than a third of the decline was due to the lower value of the ham primal. Holiday demand, high turkey prices and current very attractive ham prices should incentivize retailers to feature hams more prominently this fall. But persistent weakness in the world market is a major concern and critical for hog futures this fall.

Product Update

Iowa/Minnesota, Base Negotiated Purchase for Barrows and Gilts. Lean hog carcass values at about 90.03 /cwt. on Friday were down $2.9/cwt since Wed. August 26. Prices are down about $15.9/cwt compared to year ago values.

Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA (page 8). Prices finished last week at $1.0213, down about 6.3 cents since the Wed. August 26 quote and down about 15 cents from year ago levels.

Bnls. Strap on Pork Loins. Prices finished the week at $1.2689 for the strap on loins, down 4.1 cents since Wed. August 26 and down 8 cents from the year ago levels.

Strap off loins at $1.5145 are up 6.1 cents since Wed. August 26 but down about 6 cents compared to the year ago quote.

Boneless sirloins at $1.1331 were down about one cent from the Wed. August 26 quote and down about 22.7 cents from the year ago price.

Pork tenderloin finished last week at $1.9358, up 2 cents since the Wed. August 26 quote but down about 1.5 cents from the year ago price.

1/4 Trim Pork Butts (page 10), prices finished the week at $1.2709, down 1.2 cents since Wed. August 26. Prices are down 20 cents from a year ago.

Spareribs, Trimmed - LGT, Vac (page 8). Prices finished the week at $1.7494, up about one cent since Wed. August 26 but down about 10 cents from year ago levels.

Rib inventories on July 31 were 60.2 million pounds, down 2.4% from a year ago.

Bone-in Hams 17/20 hams (page 9) price was last quoted at $0.8028/lb. down 3 cents since Wed. August 26 and down about 33 cents from a year ago.

20/23 hams finished the week at 75.24 cents (page 130) up 3 cents since Wed. August 26 but down about 38 cents from the year ago level.

23/27 hams finished the week at 72.66 , up about 1 cent from the Wed. August 26 quote but down about 36 cents from the year ago level.

Total ham cold storage stocks on July 31 at 155.9 million pounds were up 23.5% from year ago levels.

<u>42 CL Pork Trim</u> "FOB Basis". Prices finished the week at 82.86 cents, down about 1.7 cents since Wed. August 26 and down about 35 cents from the year ago price.

<u>72 CL Pork Trim</u> "FOB Basis". Prices finished the week at 82.66 cents, down 3.3 cents since the Wed. August 26 quote and down about 38 cents from the year ago levels.

Freezer stocks of all trimmings on July 31 were 35.0 million pounds, down 4.1% from the year ago levels.

<u>72 CL Picnic Meat</u> "FOB Basis". The premium of picnic meat to 72CL trim is currently at 25 cents compared to 22 cents average in the previous six months.

POULTRY

Whole Broilers

The National Whole Bird price was quoted at 125.38 on Friday, September 4, down about 8 cents from a year ago.

Broiler slaughter for the week ending August 29 was 171.71 million head, down 3.32% from a year ago. For the last two weeks broiler slaughter was down 1.5% vs. a year ago.

<u>Breasts</u>. Prices on boneless skinless breasts finished the week at $1.2218, up 1 cent since Wed. August 26 but down about 60 cents from year ago levels.

<u>Leg Quarters</u>. Last week leg quarter prices at 53.36 cents per pound prices were up about 0.49

cents vs. two weeks ago but were down 3 cents from a year ago.

Wings. Prices at $1.1237 are down about 54 cents from year ago levels.

Turkeys

The prices below reflect weekly quoted USDA prices.

Hens finished last week at $1.7967, down 2 cents since Wed. August 26 but up about 25 cents from the year ago price.

Toms finished last week at $1.8250, down 2 cents since Wed. August 26 but up about 26 cents from the year ago price.

Total turkey supplies in the freezer on July 31 were up 0.3% from a year ago at 406.7 million pounds. Whole birds were down 4.4% from a year ago with an inventory of 222.5 million pounds.

Turkey slaughter was 3.7260 million head for the week ending August 29, down 4.49% from a year ago. For the last two weeks slaughter has been down 5.16%.

Boneless Turkey Breast Meat. Boneless skinless turkey breast meat prices finished last week at $3.0800, unchanged since Wed. August 26. Prices are down about 335 cents vs. year ago levels.

BEEF

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

Choice 112A Heavy Bnls. Lip On Rib Eyes at $15.0512 (weighted average quote) finished last week up about 33 cents since the Wed. August 26 quote and up about 21 cents vs. the year ago price.

Select 112A Heavy Lip On Rib Eyes at $11.2600 (weighted average quote) finished last week up about 8 cents since the Wed. August 26 quote and up about 2 cents vs. the year ago price.

Currently Choice 112A Rib Eyes are $3.7912 /lb. below Select. The 2025 annual average spread (wt. average price) had the Choice at a premium to the Select by $1.5031 per pound and the 2021-2025 five year average spread was Choice at a premium to the Select by $1.73 per pound.

81CL Meat Block With prices at $4.4929 for 90CL and $0.9998 for 50CL product, the 81CL meat block value is now $3.7070 and the 78CL meat block is $3.4450. Choice 114, 3 Clods are now being priced 42.62 cents under 81CL meat block grinding values of 90s and 50s. A year ago the spread was 46.63 cents and the five year average spread for is 46.62 cents over.

Choice regular #168 insides finished last week quoted at $3.9005 down about 12 cents since Wed. August 26 and down about 105 cents from the year ago price.

Choice ¼ inch trimmed #168 insides finished last week quoted at $3.9827 down about 8 cents since Wed. August 26 and down about 101 cents from year ago levels.

Choice #170 Gooseneck Rounds finished last week at $3.9038 down about 24 cents since Wed. August 26 and down about 80 cents from the year ago levels.

Choice #180 (0x1) Bnls. Strip Loins finished last week quoted at $9.7759 (wt. avg.) down about 7 cents from the Wed. August 26 quote. Prices are up 102 cents from year ago levels.

Choice #184 Regular Heavy top butts finished at $504.600 (wt. avg.) **down** about 2 cents since Wed. August 26 and **down** about 120 cents from year ago levels.

Choice #184 ¼ inch trimmed Top Butts finished at $5.2083 (wt. avg.) up about 4 cents since Wed. August 26 but down about 88 cents from the year ago levels.

Choice #185A Flap Meat prices finished Friday at $8.3602 (wt. avg.) up about 11 cents since Wed. August 26 but down about 143 cents from year ago values.

COARSE GROUND BEEF –

73CL Coarse Ground product finished last week at $**2.7253 down** about 6 cent since Wed. August 26 and down about 121 cents from year ago levels.

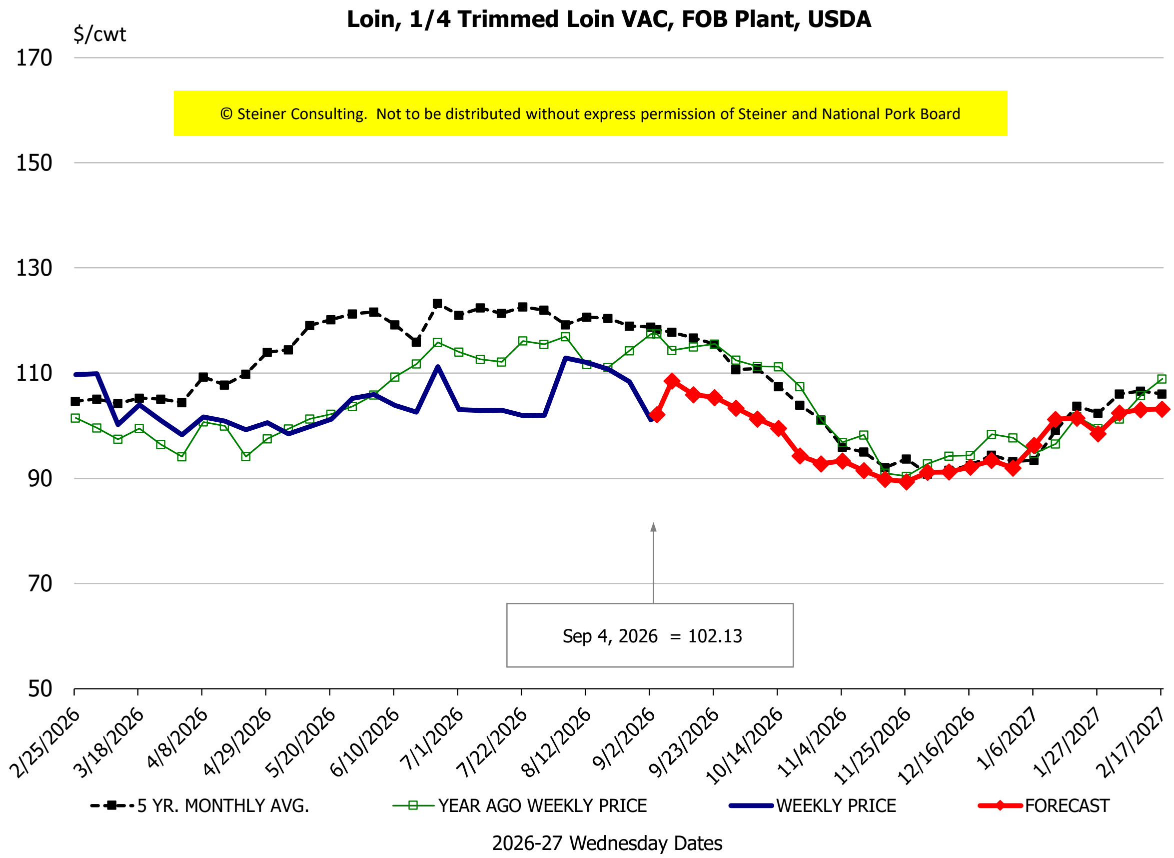
81CL Coarse Ground product finished last week at $3.4052 down about 22 cents since Wed. **August 26 and down** about **78** cents from the year ago quote.

90CL Bnls. Beef prices finished the week at $**4.4929** (wt. avg.) **up 3.17** cents since Wed. August 26 and up 15 cents compared to the year ago price quote.

50 CL Beef Trim prices finished last week at $0.9998, down about 26 cents since Wed. August 26 and down 73 cents compared to year ago levels.

Protein Summary Table - WT. AVE.

	HISTORY								FORECAST						
	Feb	Mar	Apr	May	Jun	Jul	8/12/2026	8/21/2026	9/2/2026	Aug	Sep	Oct	Nov	Dec	Jan
PORK															
Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA	106.0	102.1	99.1	101.2	104.5	103.2	112.0	109.81	110	110	109	98	91	92	99
Loin, 1/8 Trimmed Loin VAC, FOB Plant, USDA	114.6	114.9	110.0	111.5	115.8	115.6	118.5	119.27	119	120	117	111	103	102	106
Loin, Bnls CC Strap-off, FOB Plant, USDA	161.5	163.6	159.8	158.2	157.7	154.5	151.3	155.40	157	155	159	150	147	150	158
Loin, Tenderloin, FOB Plant, USDA	188.6	181.3	181.1	192.6	197.6	194.0	192.9	189.46	187	190	184	176	172	175	202
Butt, 1/4 Trim Butt Combo, FOB Plant, USDA	112.0	115.0	117.2	156.9	137.1	108.3	108.9	109.63	118	109	117	108	107	113	108
Sparerib, Trmd Sparerib - LGT, FOB Plant, USDA	177.2	170.8	181.2	196.2	192.4	181.2	167.7	170.94	166	172	164	165	168	169	178
Sparerib, St Louis Spareribs, POLY, FZN, FOB Plant, USDA	265.9	277.3	275.1	269.7	278.9	284.7	256.8	263.35	241	243	240	247	250	251	260
Sparerib, Trmd Sparerib - MED, FOB Plant, USDA	181.5	174.0	186.9	196.0	193.6	184.2	172.9	172.05	165	173	162	163	166	167	176
Loin, Backribs 2.0#/up, FOB Plant, USDA	276.0	282.2	284.6	296.9	298.4	273.7	242.5	262.25	258	262	260	256	249	255	278
Ham, 17-20# Trmd Selected Ham, FOB Plant, USDA	93.5	91.1	90.4	85.5	84.0	97.7	93.7	89.88	89	89	94	95	96	93	84
Ham, 20-23# Trmd Selected Ham, FOB Plant, USDA	86.2	83.2	85.0	82.3	78.4	97.2	83.8	82.33	82	79	89	88	90	89	75
Ham, 23-27# Trmd Selected Ham, FOB Plant, USDA	85.1	77.9	85.0	82.1	81.3	98.8	80.6	76.33	80	77	86	85	87	86	72
Belly Cutout, FOB Plant, USDA	137.4	154.3	141.9	119.2	118.9	142.5	164.2	156.30	146	160	142	142	131	111	129
Belly, Derind Belly 9-13#, FOB Plant, USDA	171.1	193.7	169.2	147.0	143.4	172.5	207.7	194.82	180	198	180	179	161	128	160
Belly, Derind Belly 13-17#, FOB Plant, USDA	167.8	187.7	170.8	145.6	142.9	167.0	199.9	188.98	173	195	170	169	151	124	158
Trim, 42% Trim Combo, FOB Plant, USDA	61.6	74.5	72.9	66.6	86.0	73.8	85.5	88.23	80	86	76	65	60	50	52
Trim, 72% Trim Combo, FOB Plant, USDA	100.6	108.5	104.2	104.9	104.2	94.3	93.5	88.82	90	91	90	86	84	82	88
Trim, Picnic Meat Combo Cushion Out, FOB Plant, USDA	106.3	113.2	107.5	109.5	106.4	103.6	106.8	96.60	101	101	102	101	95	98	101
Carcass Cutout, FOB Plant, USDA	95.9	98.5	98.1	97.0	96.7	101.3	100.2	97.98	95	99	96	94	92	90	90
HOG CARCASS															
CME 1-Day Lean Hog Index	87.4	91.2	90.7	90.8	92.1	95.4	95.8	92.92	89	95	88	85	81	76	81
BROILERS															
BROILER, NATIONAL WHOLE BIRD PRICE, USDA	128.0	129.4	129.4	129.0	128.5	127.8	127.0	127.24	128	127	127	127	126	128	131
N.E. BROILER BREAST BONELESS-SKINLESS, USDA	145.1	152.5	169.4	154.6	134.7	125.3	120.2	121.80	128	121	122	122	120	119	126
N.E. BROILER BREAST LINE RUN, USDA	88.5	88.6	98.7	108.4	112.4	125.8	118.0	113.54	115	117	112	108	98	98	108
N.E. BROILER LEG QUARTERS, USDA	50.4	51.6	54.3	57.2	59.7	58.9	54.9	53.04	53	54	52	50	49	48	50
N.E. BROILER WINGS, USDA, WT.AVG.	119.6	99.8	95.2	87.5	85.1	114.4	124.2	123.35	129	124	129	132	135	139	139
TURKEYS															
HEN TURKEYS, EAST, FROZEN 10-12LBS, USDA	168.1	168.1	173.2	175.5	179.5	180.3	181.0	183.00	187	182	185	185	182	174	161
TOM TURKEYS, EAST, FROZEN 16-22LBS, USDA	169.0	169.3	174.1	176.0	180.0	181.2	182.0	184.00	187	183	185	185	182	174	161
UB BONELESS-SKINLESS TURKEY BREAST, TOM, FRESH	615.0	559.8	540.0	538.0	457.0	370.8	308.0	308.00	313	309	308	311	315	322	332
LIVE STEERS															
FIVE AREA DIRECT AVERAGE LIVE STEER, USDA	243.1	238.3	245.7	259.7	257.2	246.1	235.3	225.53	222	230	222	223	222	224	225
BEEF															
CHOICE, 112A, 3, USDA,RIBEYE, BONELESS, HEAVY, WT.AVG.	1059.7	1201.6	1139.1	1165.6	1279.0	1256.7	1372.2	1439.97	1375	1405	1374	1405	1525	1524	1264
CHOICE, 161, 1, USDA,ROUND, BONELESS, WT. AVG.	418.0	418.0	418.0	418.0	418.0	418.0	418.0	418.00	431	419	424	427	426	417	424
CHOICE, 168, 3, TOP INSIDE ROUND, 1/4" MAX, WT. AVG., USDA	445.1	448.7	415.9	424.3	425.9	407.9	415.3	422.51	453	417	434	422	398	378	426
CHOICE, 170, 1, BOTTOM GOOSENECK ROUND, WT. AVG., USDA	424.9	438.4	399.8	414.9	390.5	372.9	399.1	395.07	407	390	402	402	384	374	400
CHOICE, 180, 3, USDA,STRIP LOIN, BONELESS, 0X1, WT. AVG.	986.1	1081.5	1064.7	1083.9	1110.9	908.8	917.9	967.31	891	938	877	850	883	878	926
CHOICE, 184, 3, USDA,TOP BUTT, BONELESS, WT. AVG.	599.5	642.0	614.2	594.0	567.9	523.2	507.9	519.72	549	507	512	511	526	523	554
CHOICE, 185A, 4, USDA,BOTTOM SIRLOIN, FLAP, WT. AVG.	899.6	1021.2	1015.2	971.6	894.7	804.6	844.2	852.87	839	823	808	765	754	753	896
USDA,COARSE GROUND 73%, WT. AVG.	348.4	341.2	339.1	337.4	358.3	311.9	284.3	303.45	306	302	306	296	304	294	364
COARSE GROUND 81%, WT. AVG., USDA	372.0	381.4	377.7	399.6	416.0	362.5	345.4	365.62	363	355	345	329	327	320	399
USDA, 90% BONELESS BEEF, CENTRAL, FRESH, WT. AVG.	425.6	440.1	455.3	461.8	461.3	461.4	456.7	454.70	455	454	450	443	433	430	432
USDA, 50CL BEEF TRIM, FRESH, NATIONAL, WT. AVG.	152.6	179.4	179.7	186.4	185.0	167.3	138.7	139.70	148	143	134	113	127	115	143


Loin, 1/4 Trimmed Loin VAC, FOB Plant, USDA
$/cwt
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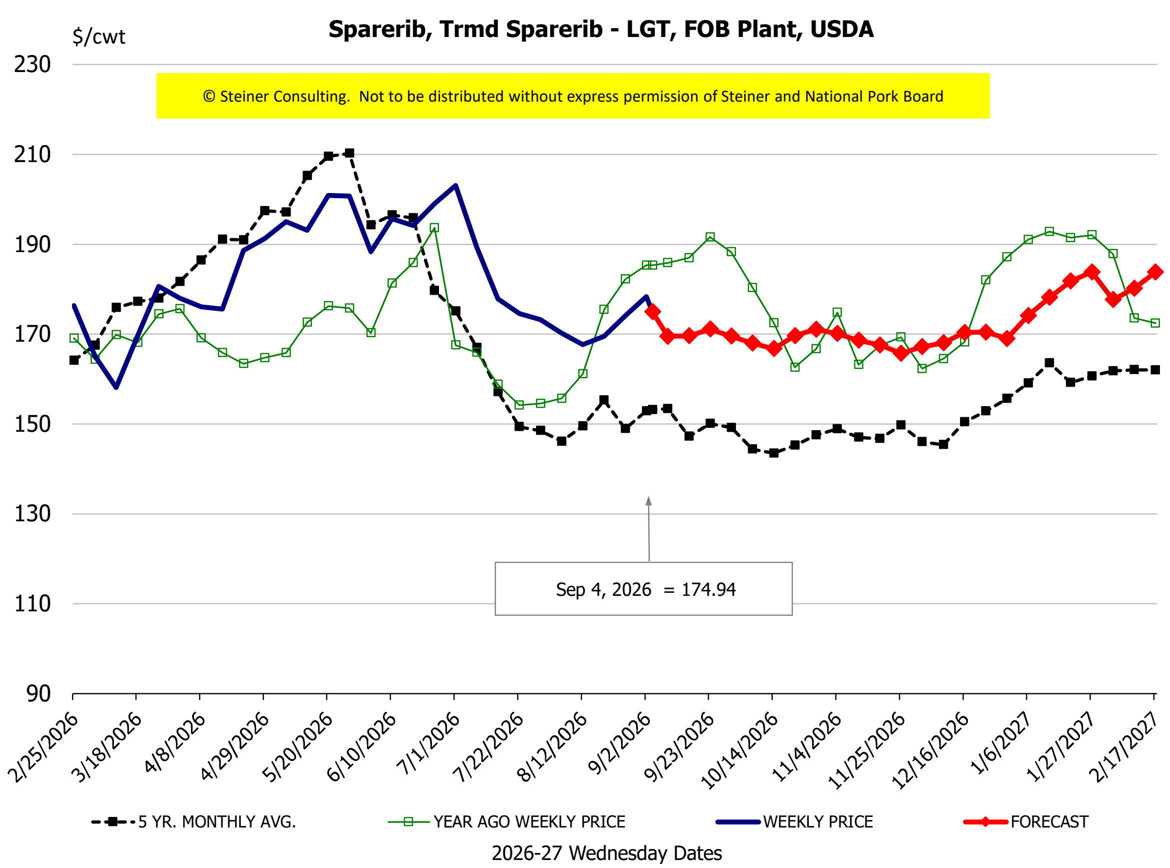
Sep 4, 2026 = 102.13
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
WEEKLY PRICE
FORECAST
2026-27 Wednesday Dates


Sparerib, Trmd Sparerib - LGT, FOB Plant, USDA
$/cwt
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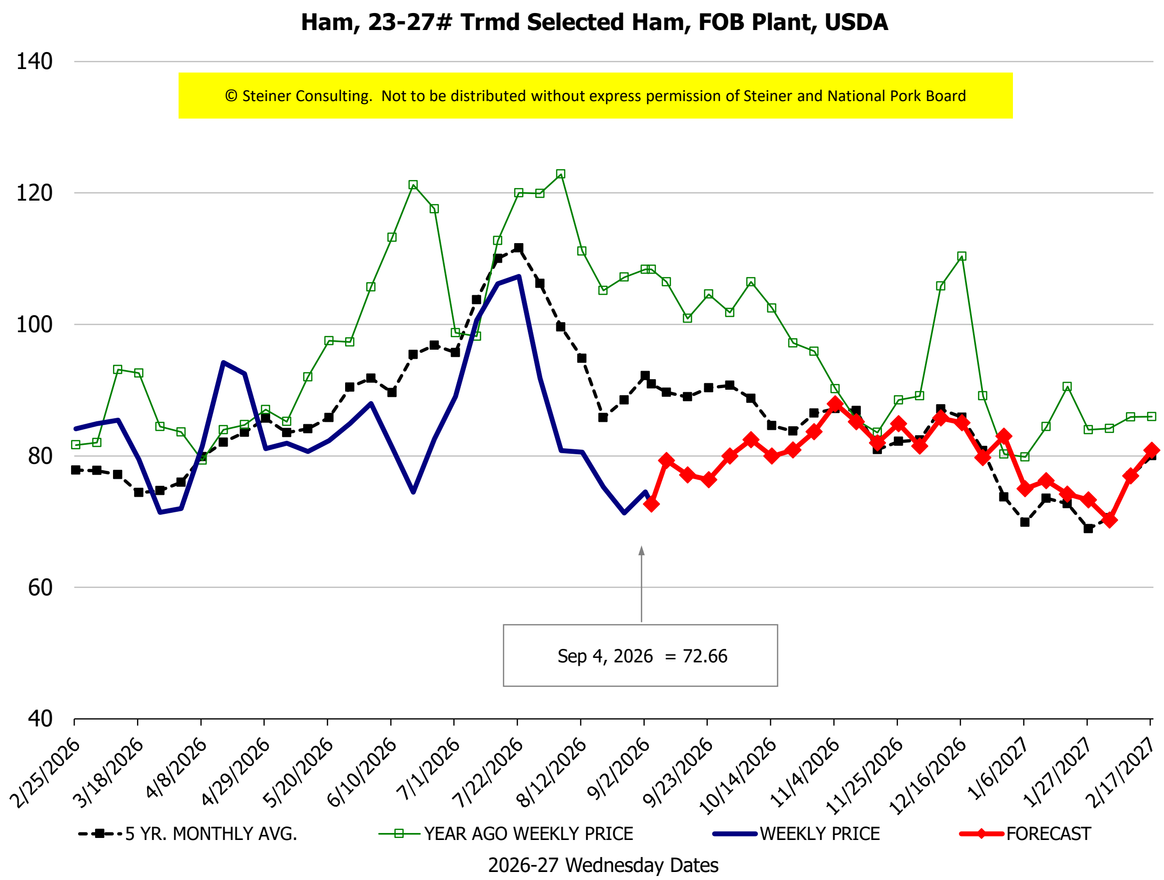
Sep 4, 2026 = 174.94
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
WEEKLY PRICE
FORECAST
2026-27 Wednesday Dates



Ham, 23-27# Trmd Selected Ham, FOB Plant, USDA
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140
120
100
80
60
40
Sep 4, 2026 = 72.66
2/25/2026
3/18/2026
4/8/2026
4/29/2026
5/20/2026
6/10/2026
7/1/2026
7/22/2026
8/12/2026
9/2/2026
9/23/2026
10/14/2026
11/4/2026
11/25/2026
12/16/2026
1/6/2027
1/27/2027
2/17/2027
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
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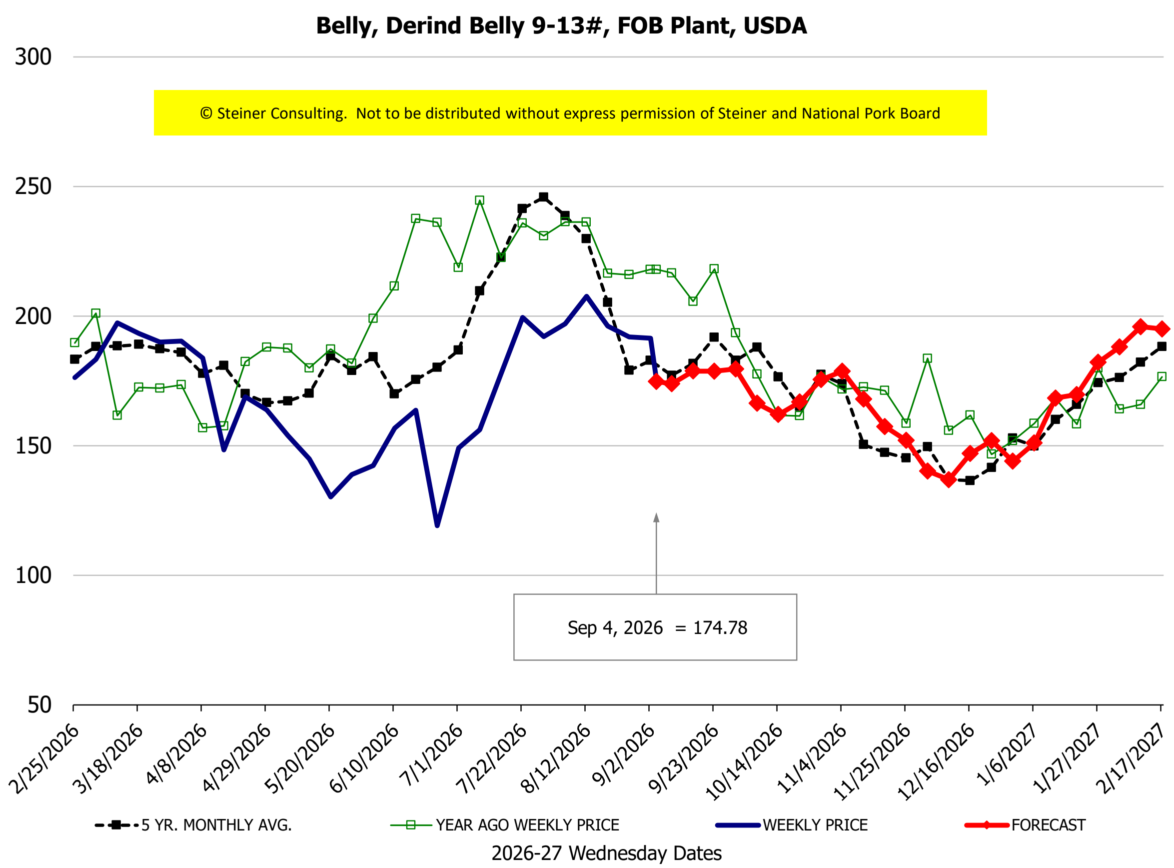

Belly, Derind Belly 9-13#, FOB Plant, USDA
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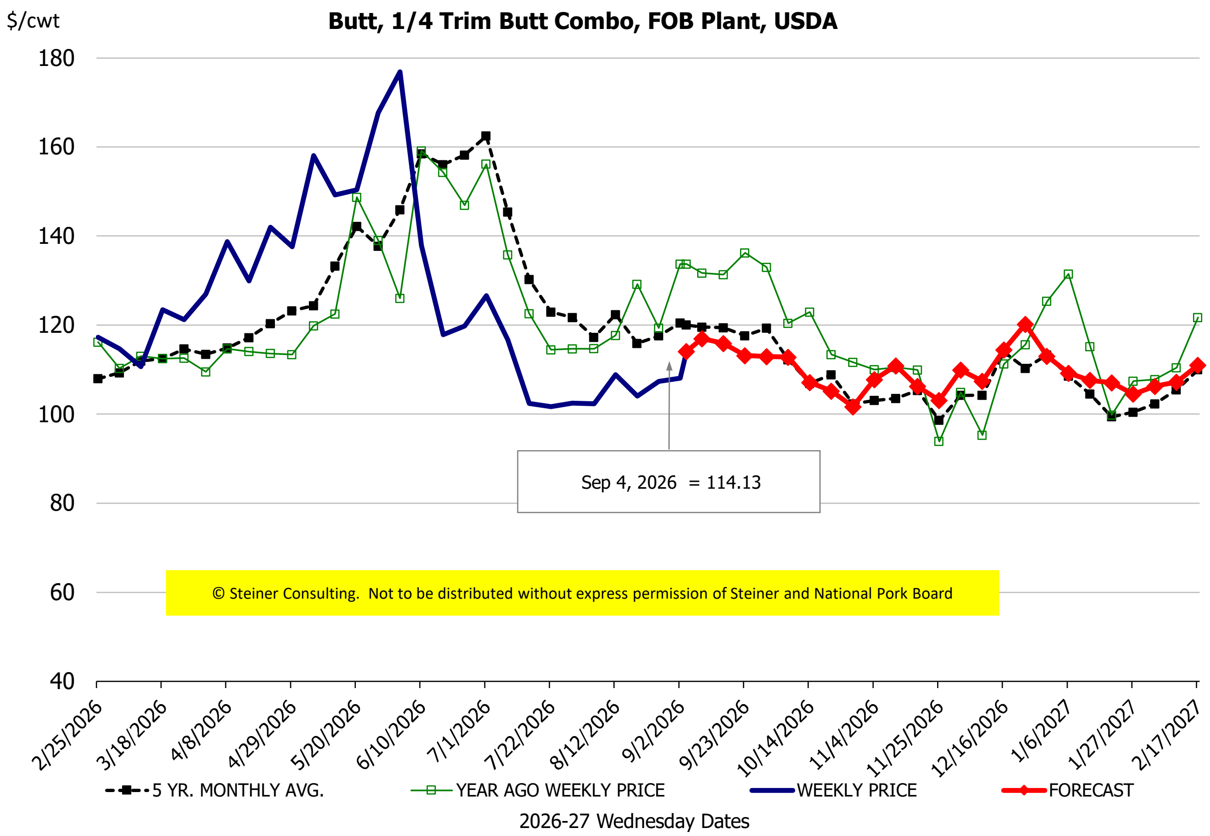
300
250
200
150
100
50
Sep 4, 2026 = 174.78
2/25/2026
3/18/2026
4/8/2026
4/29/2026
5/20/2026
6/10/2026
7/1/2026
7/22/2026
8/12/2026
9/2/2026
9/23/2026
10/14/2026
11/4/2026
11/25/2026
12/16/2026
1/6/2027
1/27/2027
2/17/2027
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
WEEKLY PRICE
FORECAST
2026-27 Wednesday Dates


$/cwt
Butt, 1/4 Trim Butt Combo, FOB Plant, USDA
180
160
140
120
100
80
60
40
Sep 4, 2026 = 114.13
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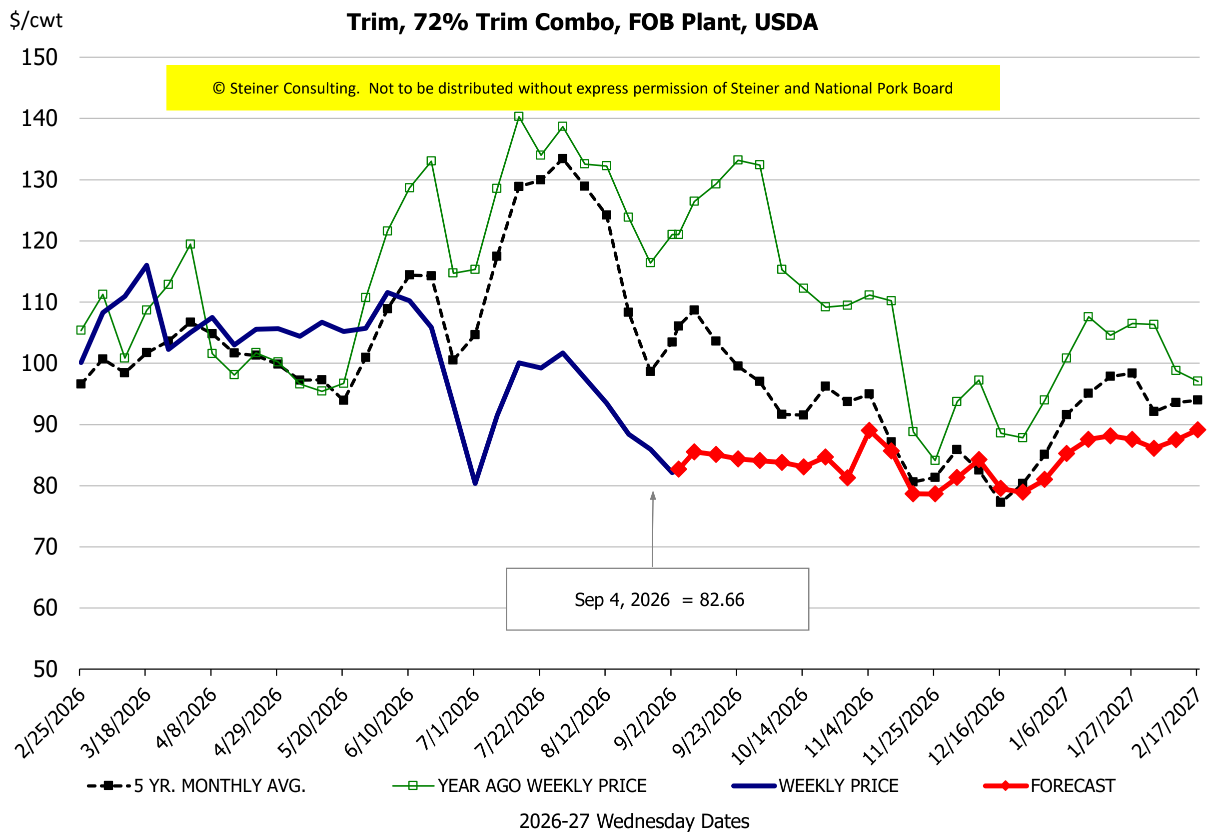
2/25/2026
3/18/2026
4/8/2026
4/29/2026
5/20/2026
6/10/2026
7/1/2026
7/22/2026
8/12/2026
9/2/2026
9/23/2026
10/14/2026
11/4/2026
11/25/2026
12/16/2026
1/6/2027
1/27/2027
2/17/2027
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
WEEKLY PRICE
FORECAST
2026-27 Wednesday Dates


$/cwt
Trim, 72% Trim Combo, FOB Plant, USDA
150
140
130
120
110
100
90
80
70
60
50
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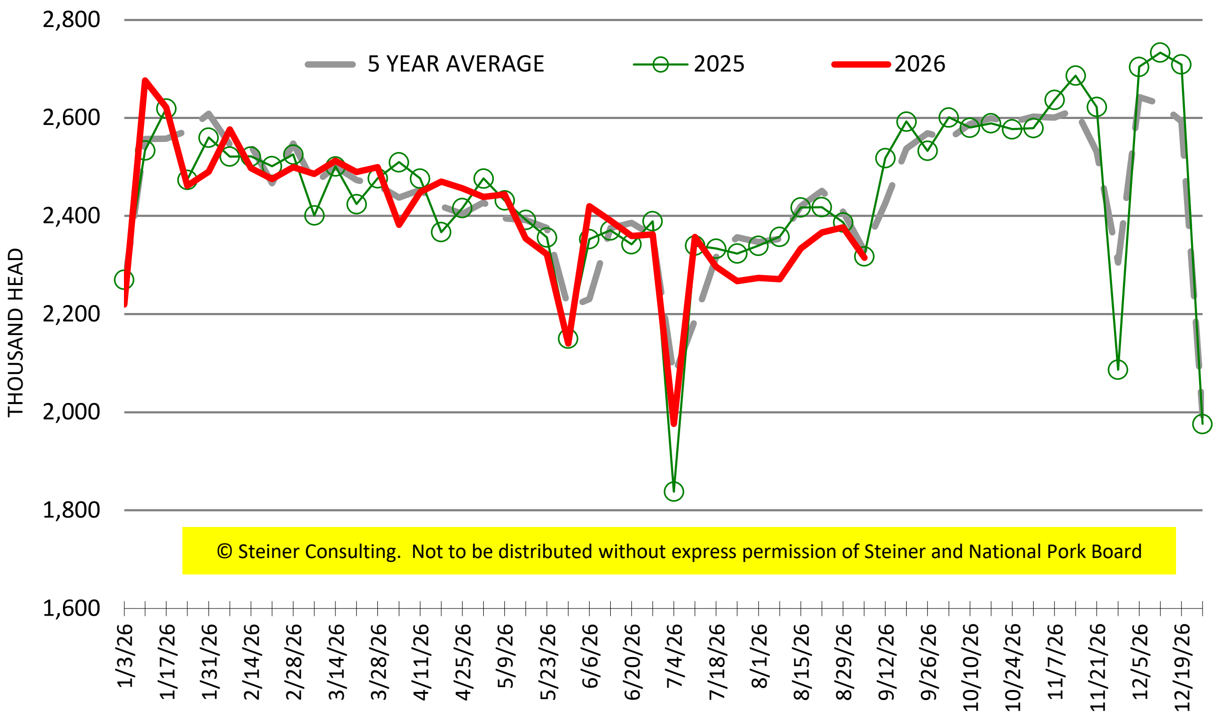
Sep 4, 2026 = 82.66
2/25/2026
3/18/2026
4/8/2026
4/29/2026
5/20/2026
6/10/2026
7/1/2026
7/22/2026
8/12/2026
9/2/2026
9/23/2026
10/14/2026
11/4/2026
11/25/2026
12/16/2026
1/6/2027
1/27/2027
2/17/2027
5 YR. MONTHLY AVG.
YEAR AGO WEEKLY PRICE
WEEKLY PRICE
FORECAST
2026-27 Wednesday Dates

ESTIMATED WEEKLY FI HOG SLAUGHTER

Source: USDA, '000 head



ESTIMATED WEEKLY FI PORK PRODUCTION

Source: USDA, Mil. Pounds