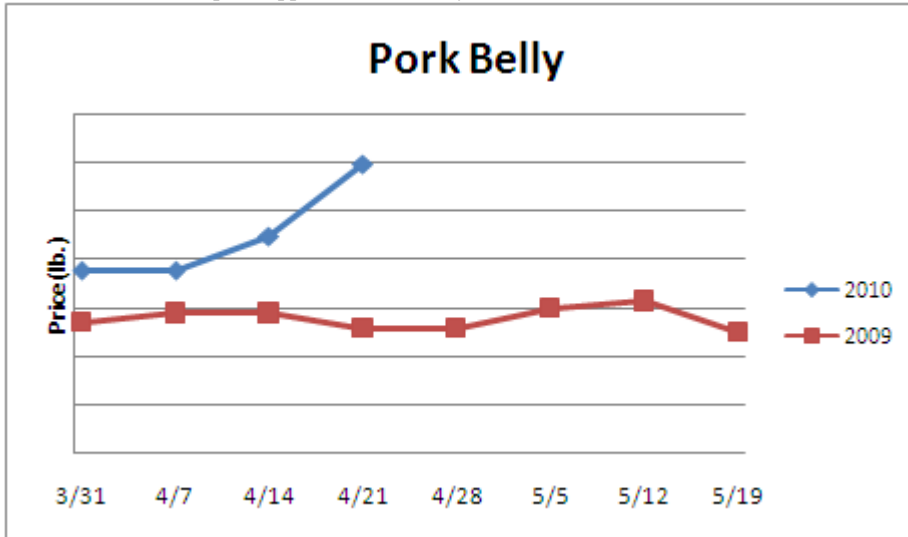


# Pork Report

**Pork-** Pork production last week rose .8% but was 4.9% less than the same week a year ago. Pork output has been slowed in recent weeks by packers due to the elevated hog costs. However, many hog producers are holding their hogs with confidence due to the tighter overall supply anticipated this late spring and summer. The pork markets are trending higher. History suggests that the USDA pork cutout, an index of pork prices, could rise 10% plus during the next five weeks. Rib price appreciation is likely next month.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
<b>Live Hogs</b>	Increasing	Good	Higher
<b>Belly (bacon)</b>	Increasing	Good	Higher
<b>Spare Rib (4.25 &amp; down)</b>	Increasing	Good	Higher
<b>Ham (23-27 lb)</b>	Increasing	Good	Higher
<b>Loin (bone-in)</b>	Increasing	Good	Higher
<b>Baby Back Rib (1.75 &amp; up)</b>	Increasing	Good	Lower
<b>Tenderloin (1.25 lb)</b>	Increasing	Good	Lower
<b>Boston Butt, untrimmed 4-8 lb.</b>	Increasing	Good	Higher
<b>Picnic, untrimmed</b>	Increasing	Good	Higher
<b>SS Picnic, smoker trim boxed</b>	Increasing	Good	Higher
<b>42% Trimmings</b>	Increasing	Good	Higher
<b>72% Trimmings</b>	Increasing	Good	Higher

\*This data and these comments are provided for information purposes only and are not intended to be used for specific trading strategies. Past financial results are not necessarily indicative of future performance. Any examples given are strictly hypothetical and no representation is being made that a person will or is likely to achieve profits or losses similar to those examples. Neither the information, nor any opinion expressed constitutes a solicitation to buy or sell futures or options on futures contracts or OTC products. Covered parties (as defined below) shall not be liable for any direct, indirect, incidental, special or consequential damages of any kind, whatsoever (including attorney's fees and lost profits or savings) in any way due to, resulting from, or arising in connection with the Market Trends Report, including its content, regardless of any negligence of the covered party including but not limited to technical inaccuracies and typographical errors. "Covered Parties" is defined as American Restaurant Association Inc., ARA Trading and the employees of both companies. Commodity trading involves risks, and you should fully understand those risks before trading. © 2007 American Restaurant Association Inc. This publication is protected under U.S. copyright law. Please do not redistribute without permission. Thank you.