

Earlier Farrowing Might Be Answer

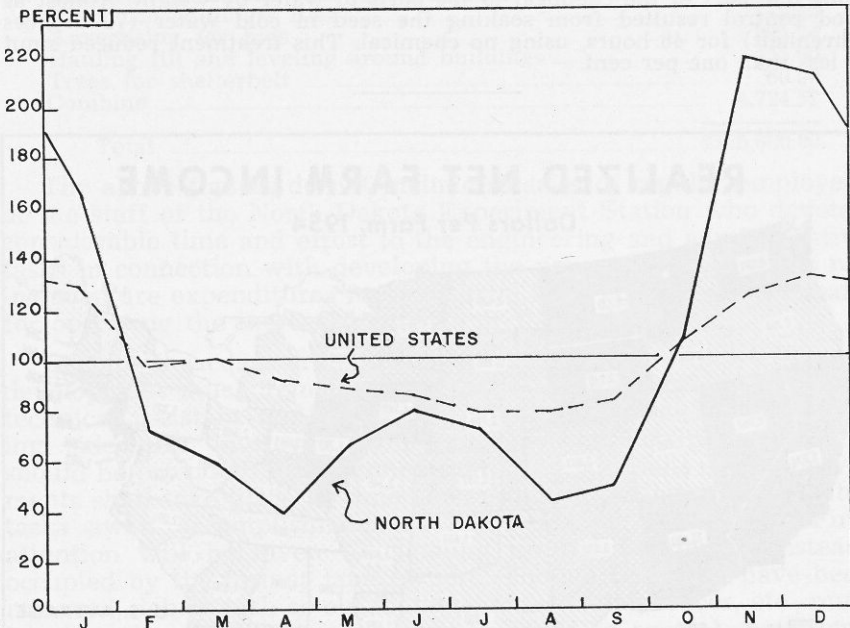
Late Marketing of Hogs Takes Away The Profit

By W. Warren DeKrey¹ and Clayton Hauge²

Hog marketings for North Dakota follow a different pattern than for the United States. However, the seasonal prices received for hogs in North Dakota are very similar to the national pattern. The seasonal marketings and prices of various grades and types of hogs are, of course, tremendously important to North Dakota hog producers.

In 1955, a research project was conducted in cooperation with the Union Stock Yards, West Fargo, North Dakota. Data has been obtained on numbers of hogs marketed monthly, type and

SEASONALITY IN HOG MARKETINGS, PERCENT OF ANNUAL AVERAGE, 1947-55



SOURCE: USDA. AGR. HANDBOOK NO. 83 AND AMS.

FIGURE 1.—In three winter months—November, December and January—half of North Dakota's pork goes to market.

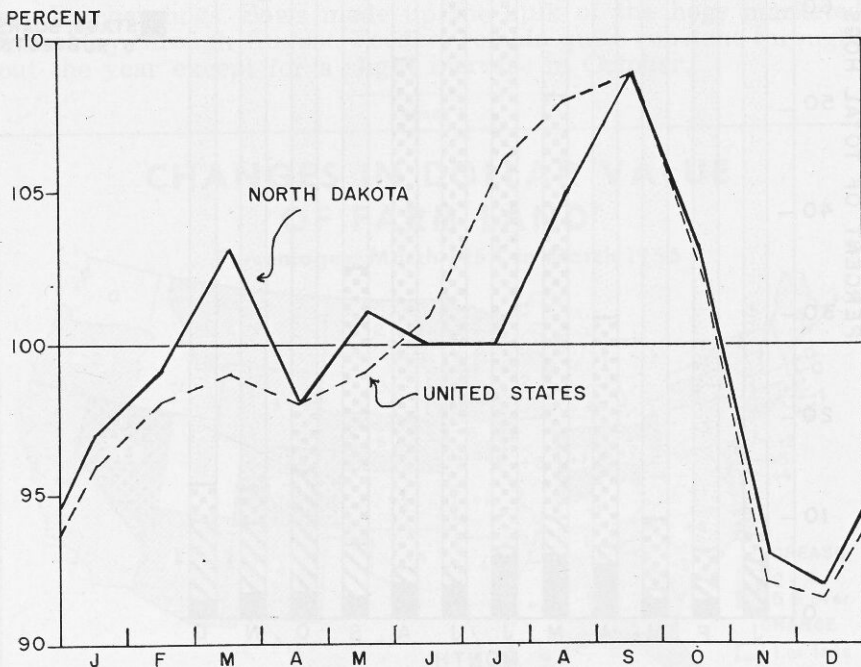
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buyers, weights, and prices received. One phase of this study involves the grading according to government standards. An analysis of this data will be presented in a later report.

A comparison of hogs marketed per month in North Dakota and the United States is presented as an annual average per cent. (Figure 1). It is readily seen that North Dakota hogs are not marketed in nearly as even a seasonal pattern as are hogs on a national average. Federal Crop and Livestock Services estimates show that 50 per cent of the hogs in North Dakota are marketed in November, December, and January. In comparison, for the United States as a whole, approximately 30 per cent of the hogs go to market during that period. North Dakota is primarily a spring farrowing state, which is the main reason for the seasonal variation being larger than the United States average. Approximately 85 per cent of the sows in North Dakota farrow in March, April, and May with the largest number farrowing in April. These hogs are marketed about eight months later—in November, December, and January, which results in the very uneven pattern of marketing. In many states sows are farrowed twice a year, which means the hogs are mar-

SEASONALITY IN HOG PRICES, PERCENT OF ANNUAL AVERAGE, 1947-55

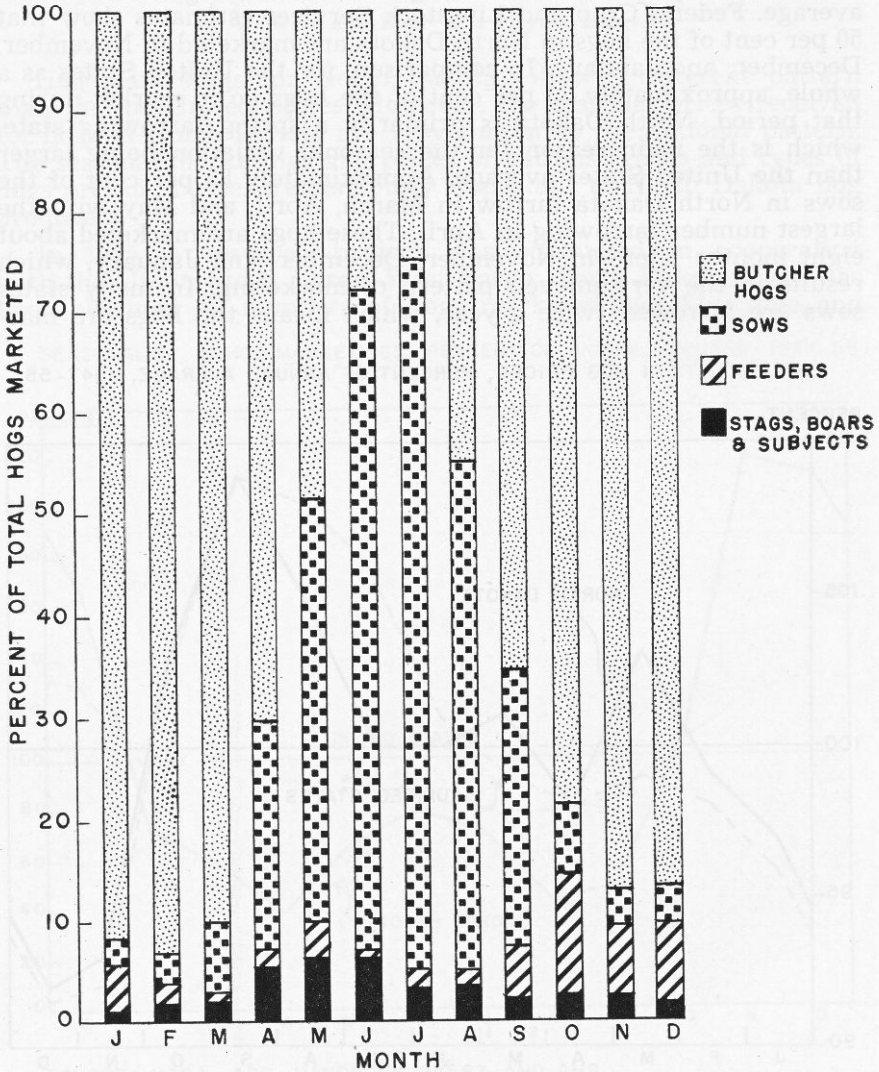


SOURCE: USDA AGR. HANDBOOK NO. 83 AND AMS

FIGURE 2.—Hog prices make a graph just opposite the graph of hog marketing—in other words, we shove most of our hogs on the market when prices are lowest.

keted twice a year, thus creating a much more stable marketing pattern.

The per cent of annual average hog price for North Dakota and the United States is very similar. (Figure 2). Two seasonal highs are apparent, one in February and March and one in July, August and September. The February-March high comes just



SOURCE: UNION STOCKYARDS, WEST FARGO, 1955

FIGURE 3.—Note that the sows go to market after the litters are weaned, in summer, while the top grades are marketed when prices are lowest.

before the fall pigs come to market and the late summer high comes just before the spring pigs are marketed. The late summer high is the most important high for North Dakota because it comes shortly before the bulk of the hogs are marketed.

The price has tended to fluctuate less in recent years. The December-January low is not quite so low as it once was, but the July-August price high is higher. An explanation for this is that the demand for pork is more or less uniform throughout the year while the supply is very un-uniform.

In 26 of 28 years studied, hog prices have declined in October and November. Figure 2 shows that for the nine year period, 1947-1955, average prices have declined from the latter part of September until sometime in December. This is approximately the same period that a majority of the North Dakota hogs are marketed. From this one must conclude that a large portion of these hogs are marketed when prices are at the seasonal low.

Preliminary data obtained from West Fargo Union Stock Yards show the breakdown of hogs marketed during 1955. (Figure 3). This information obtained from North Dakota's major livestock market should be indicative of the hogs marketed in the state. Given are the percentages of all hogs marketed which are butcher hogs, sows, feeders, and stags, boars, etc. The graph shows that 90 per cent of the hogs marketed from November through February are butcher hogs. Sows made up the bulk of the hogs marketed from May through August. Feeders remain quite constant throughout the year except for a slight increase in October.

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