

Lean Hog Basis - Iowa/Southern Minnesota

Table 1. Iowa/Southern Minnesota lean hog basis 2012-2018 for 51 to 52 percent lean carcass contract (\$/cwt/carcass)

Market Period	Contract For Basis	3-yr Avg Futures	(Dollars/cwt.)								
			2012 Basis	2013 Basis	2014 Basis	2015 Basis	2016 Basis	2017 Basis	2018 Basis	3-yr Avg Basis	Std Dev
Jan 1-15	February	65.79	-3.15	-3.29	-7.26	-2.41	-5.41	-3.94	-4.73	-4.69	2.29
Jan 16-21	February	67.64	-1.87	-1.57	-6.21	1.42	-4.59	-0.17	-1.36	-2.04	2.04
Feb 1-15	February	70.39	-1.96	-1.36	-2.80	1.92	-1.39	-1.51	-2.08	-1.66	1.20
Feb 16-28	April	69.54	-3.85	-2.37	-9.36	-3.67	-5.34	4.30	-1.87	-0.97	4.29
Mar 1-15	April	68.99	-2.85	-4.25	-11.80	0.91	-5.56	1.13	-1.44	-1.95	3.21
Mar 16-31	April	65.92	-1.47	-4.30	-6.12	1.55	-5.45	0.09	0.72	-1.55	3.43
Apr 1-15	April	61.40	-3.47	-2.65	-4.68	-2.02	-2.88	-0.35	2.30	-0.31	2.98
Apr 16-30	May	69.99	-5.22	-7.13	-9.93	-6.37	-8.66	-5.58	-6.32	-6.86	2.96
May 1-15	May	71.46	-1.56	-3.14	-6.05	-3.72	-4.56	-3.66	-3.05	-3.75	2.29
May 16-31	June	78.68	-3.36	-2.88	-9.71	-3.48	-5.07	-6.29	-7.04	-6.13	1.52
Jun 1-15	June	81.21	-4.70	-3.36	-5.70	-3.01	-5.83	-4.64	-4.56	-5.01	1.83
Jun 16-30	July	83.88	1.36	-1.09	-11.62	0.22	-5.24	-1.83	-0.18	-2.42	3.35
Jul 1-15	July	84.64	-0.83	-2.85	-9.53	-2.66	-2.32	-4.84	-3.11	-3.42	1.93
Jul 16-31	August	74.35	-1.02	-0.44	-1.62	-1.60	-0.29	3.24	4.69	2.55	3.61
Aug 1-15	August	68.45	1.25	-2.51	-0.25	-2.38	0.46	-0.53	2.69	0.88	2.99
Aug 16-31	October	59.40	8.94	6.20	3.37	9.10	3.85	10.21	-3.22	3.61	5.83
Sep 1-15	October	58.32	-1.81	-0.42	-8.70	2.03	3.24	3.23	-1.62	1.62	3.32
Sep 16-30	October	56.96	-3.21	0.76	-4.83	-1.67	3.95	-0.55	2.21	1.87	2.48
Oct 1-15	October	59.10	-0.43	N/A	-1.23	-1.10	2.16	-1.35	0.26	0.36	3.26
Oct 16-31	December	54.66	4.03	-2.12	5.69	6.46	8.96	0.84	7.39	5.73	4.52
Nov 1-15	December	55.66	0.68	-4.13	-3.58	4.12	2.90	2.30	3.75	2.99	1.82
Nov 16-30	December	57.12	-4.12	-5.97	-5.02	-0.28	-1.03	-0.24	-1.06	-0.78	1.91
Dec 1-15	December	58.39	-1.19	-2.72	-1.61	-1.16	0.00	-0.83	1.00	0.05	2.22
Dec 16-31	February	65.40	-5.81	-7.63	-2.11	-3.90	-6.76	-8.04	-6.53	-7.11	1.58

Notes:

^{1/} Basis is calculated as Cash - Futures. A negative sign means that futures are greater than cash.

^{2/} Cash price is the producer sold total weighted average base price of all purchase types (negotiated, other market formula, swine/pork market formula, other purchase arrangement).

^{3/} 68 percent of the time basis is expected to fall within (+) or (-) one standard deviation of the average basis.

Lee Schulz, extension livestock economist, 515-294-3356, lschulz@iastate.edu

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