



CLIPPINGS a weekly column from Iowa State University Extension and Outreach

Week of July 27, 2020

For Immediate Release

Swine Producers Still Facing an Oversupply of Hogs

Dave Stender, Swine Program Specialist

One problem is declining, but swine producers are still facing an unprecedented disaster. The packing plant slow-down was a huge hurdle for swine producers to overcome. As harvest capacity was lowered due to plant shutdowns for cleaning, producers faced a major problem with market access - there were no openings to sell pigs. Iowa State University Animal Science researchers immediately tested new feed rations to help producers slow down the growth of market heavy pigs. The good news is that it worked and helped most producers avoid the crisis of being forced to decide what to do when there was no market for their pigs.

Now the problem is understanding the impact of pigs that are still backed up on the farm. The recent USDA hog and pigs report showed that something less than a million pigs have not been marketed on a normal schedule and are still on farms, probably some still on a reduced growth feed diet. The packing industry recovered from the plant shutdowns more rapidly than most of the analysts predicted; however, it is still unknown if the industry can reach 100 percent capacity. Extra space requirements for Covid-19 worker protection may slow the process down a little. Currently, we are at about 95 percent.

The fall harvest hog numbers from the USDA hog and pigs report forecast numbers that may exceed the capacity of the packers. The problem with that is the low prices producers are currently suffering through and the potential for continued low prices, because there are more hogs available than space in the harvest plant. Prolonged low prices is not an easy problem to manage.

Financial management for farm families is unique. Farm income can be irregular and unpredictable. Bills must be paid, livestock fed, and crops tended to. Taking care of a family's needs can bring added stress.

Iowa State University Extension and Outreach offers Farm Financial Planning, a program providing one-on-one financial support and advice to farmers. The program includes a computerized analysis of the farm business using FINPACK software from the Center for Farm Financial Management. Farm Financial Planning can help evaluate ways to correct negative cash flow and profitability problems. To set up an appointment, contact Mark Olsen, Farm Financial Associate for Northwest Iowa, at 712-660-1597. Or for more information, contact Gary Wright, Farm Management Specialist with ISU Extension and Outreach, at 712-223-1574.

As serious economic, personal and other stresses continue to impact and affect those in our agricultural community, please remember there is help. The Iowa Concern Hotline is always available by phone at 800-447-1985, by email at iowaconcern@iastate.edu and online at <https://www.extension.iastate.edu/iowaconcern/>.

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