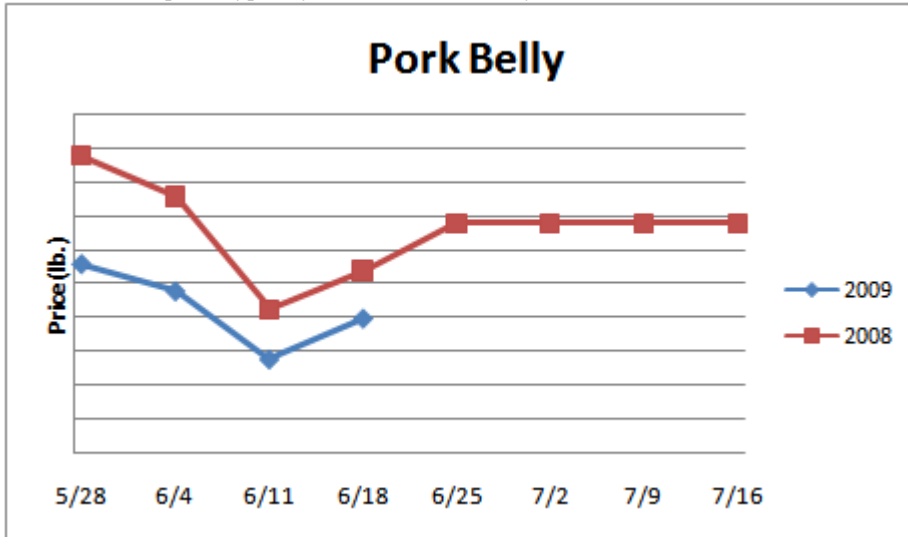


Pork Report

Pork- Pork output last week declined 1.2% but was 3.6% larger than last year. Hog supplies are reported to be backed up some due in part to slow pork demand. Hog prices are expected to remain below 2008 levels through the summer which could lead to additional herd contraction. Smithfield announced this week that they will reduce their swine breeding herd by 3% in the coming months. The pork markets are relatively stable at the current buyer engaging levels. Back rib prices typically turn downward in July.



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

*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.