

SWINE SOLUTIONS

New challenges and opportunities for pork production in 2021

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Remember when you could not wait for 2021? Our expectations were that life would return to normal and the disruption of the COVID-19 pandemic would be behind us. Stable ingredient prices and better market access and pricing were on most pork producers' wish lists for 2021. However, the new year brought with it a rude awakening; much higher ingredient prices resulted in slim profit margins, even with better market prices.

Pork producers realize that there are always new challenges, and one of the primary challenges today is feed costs. If we compare corn and soybean meal costs from January 2020 to January 2021, the increase for those ingredients alone is \$15–20 per head. Even with higher pig prices, farmers' margins are being squeezed. As we work through this scenario with pig farmers, several considerations need to be evaluated for each farm.

The first area to address is grow-finish diet formulas. There may be an opportunity to increase the amount of amino acids added to the diets and to subsequently decrease soybean meal. However, research from Hubbard Feeds has shown that it is crucial for the other amino acids important for rapid and efficient growth to be in balance, or performance will decrease more than the value of the feed cost savings. The amount of added amino acids is limited in the early grower period to prevent the levels of isoleucine and valine from becoming too low to achieve best performance. Conversely, Hubbard research has shown that a minimum of 12% crude protein results in improved performance in late finishers. Fortunately, four amino acids are cost-effective and can be added to grower and finisher diets.

The next area to evaluate is feed efficiency. First, adjust your feeders to 50–70% pan coverage to limit waste without limiting the feed intake necessary for optimal growth. Second, monitor particle size. Decreasing the particle size by 100 microns will improve feed efficiency by around 1%. Targeting the standard particle size deviation to be close to 2.0 will result in more uniformity for improved feed handling and intake. Finally, consider the energy level of the diet and the use of fat. When corn and fat prices were lower, many farms added fat to the finisher diets. Fat, however, has also increased in price and may not be an economical energy source right now. Typically, in cooler weather and in barns where pigs are not crowded, fat is worth up to four times the cost of corn. Here's a simple example: If corn is \$5.60 per bushel, that is \$0.10 per pound. If fat is \$0.45 per pound, that would make the ratio of fat to corn price 4.5:1 — or above the level of fat that is considered economical to use. While fat may not be economical now, when the hot weather of summer comes, fat has more value and should be evaluated again.

The price of DDGS has increased, as would be expected with an increase in corn cost. Hubbard Feeds has a DDGS dashboard that gives us guidance on the amount of DDGS that make economic sense in this market. Depending on the prices for corn, soybean meal, fat and amino acids, as well as the availability of fat and tryptophan, the return for using 10% DDGS can vary from a loss of approximately \$1 per pig to a gain of \$1 per pig. Returns using DDGS are farm-specific, depending on each farm's ingredient costs, so reach out to a Hubbard Feeds representative if you'd like an evaluation of DDGS usage for your farm.

Once we work through diet opportunities, we turn to feed budgets. Pigs are growing very well on the 2020 corn crop; test weights on corn are high and mycotoxins are generally lower this year. This is great for farms but may end up increasing the feed cost per pig. Check your feed usage to ensure that the pigs are moving through the feed budget into the last diet before marketing. If the pigs are getting very little of the last-phase diet, the feed budget can be adjusted to shift some of the pounds from the earlier diets to the lower-cost later diets. Closely scrutinizing the feed budget and making sure that pigs are receiving the correct amounts can be a relatively easy way to reduce feed costs.

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What about a technology to help improve gains and gut condition as we head toward higher market prices and summer temperatures? Hemorrhagic bowel syndrome is more prevalent in the summer months and, unfortunately, often strikes the fast-growing, heavier pigs. Hubbard [Assist](#), a yeast-based product, was designed to decrease death losses from hemorrhagic bowel syndrome and increase daily gains. This allows farms to sell more pigs and more pounds, which is beneficial — especially going into higher markets.

Lastly, don't forget about sows. Monitor their body condition. We are observing herds with increasing body condition scores. This may relate to the better-quality corn, similarly to what we see with gains in finishers. Check the body condition of your sows and look for opportunities to decrease their daily feed intake a bit during gestation. Check their body condition again every two weeks and make further adjustments based on your observations. Decreasing gestation feed by 1 to 2 pounds per week for over-conditioned sows could save you \$2–5 in feed costs per sow per turn.

The new year may not have started off the way we wished it might, but paying attention to a few details — like diet formulation, feed budgeting and health — can help producers adapt and make the most of the situation. The resilience we displayed in 2020 will serve us well in 2021.