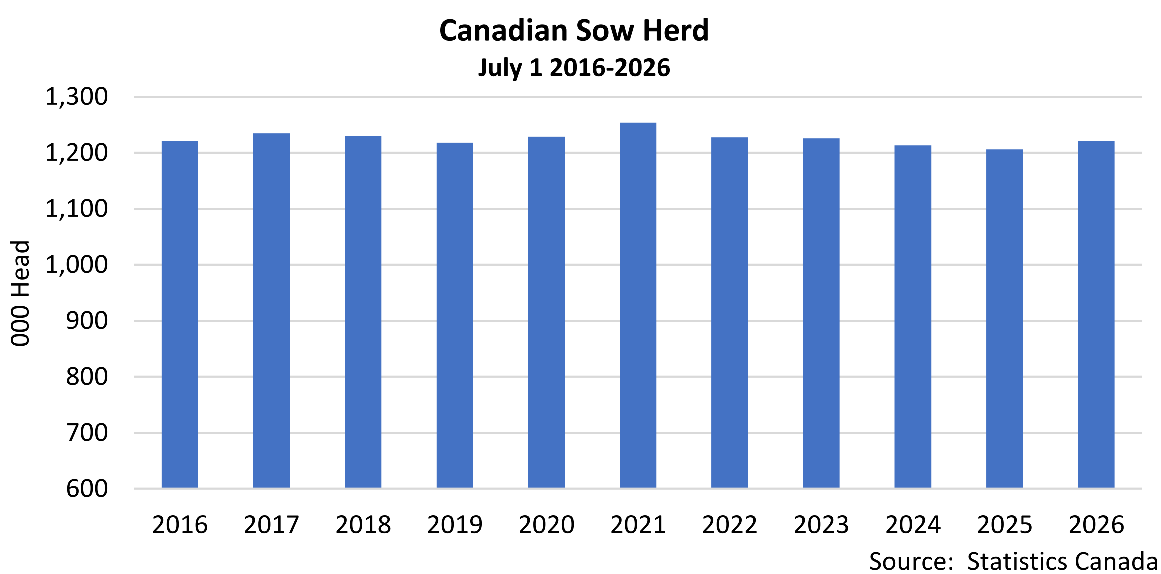
Make Informed Decisions

Kevin Grier
Market Analysis and Consulting Inc.

July Hog Inventory Report

Statistics Canada mid-year hog inventory report showed that as of July 1, 2026 the total number of hogs in Canada increased by 1% compared to last year. The sow inventory was up 1%, and inventory of market hogs of all weight ranges were also up 1%. The annual compound growth rate (CAGR) or average annual growth rate of the sow herd between 2010 and 2026 has been 0%. There were about 1.2 million sows on July 1, 2010, and 1.2 million in 2026. Between 2021 and 2026 the average annual growth rate was -0.5%. As usual with the Canadian hog inventory, depending on an individual's perspective, the industry is either stable or stagnant.



The eastern Canadian show herd was unchanged this year versus last. Both Ontario and Quebec reporting a similar number of sows this summer compared to 2025. The western sow herd was reported up by 2% this July compared to last July. That increase was led by Manitoba with a 3% gain, followed by 1% in Saskatchewan and no change in Alberta.

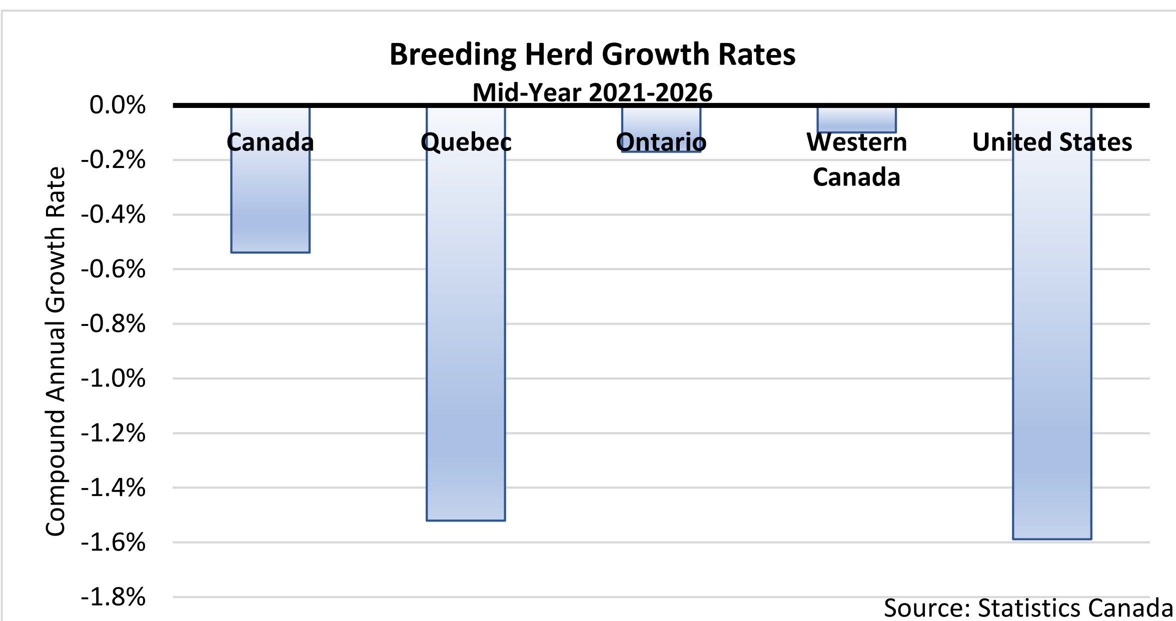
Modest Expansions in the West, Notable Gains Coming in Ontario

The gains in the western sow herd are likely multiple, modest expansions of existing operations. The consensus is that operations have taken the opportunity to expand and add spaces as they renovate and remodel to adopt to the sow housing requirements. In other words, the western expansion is not due to a few operations making large expansions. It is many operations, making incremental increases. It is likely that these increases will continue through this year and into next. For their part, the colonies on the prairies are making these changes as well. In addition, many colonies are now in the process of adding sow barns. These additions have all been encouraged by the solid margins of the past two and a half years.

Ontario is likely to see notable increases in sow numbers either in the January or July 2027 inventory reports. There could or should be increases of up to 15,000 new sows over the next year in Ontario. Again, the main reason is the solid farrow to finish margins as well as the exceptional returns on weaners going south.

Comparisons to the U.S.

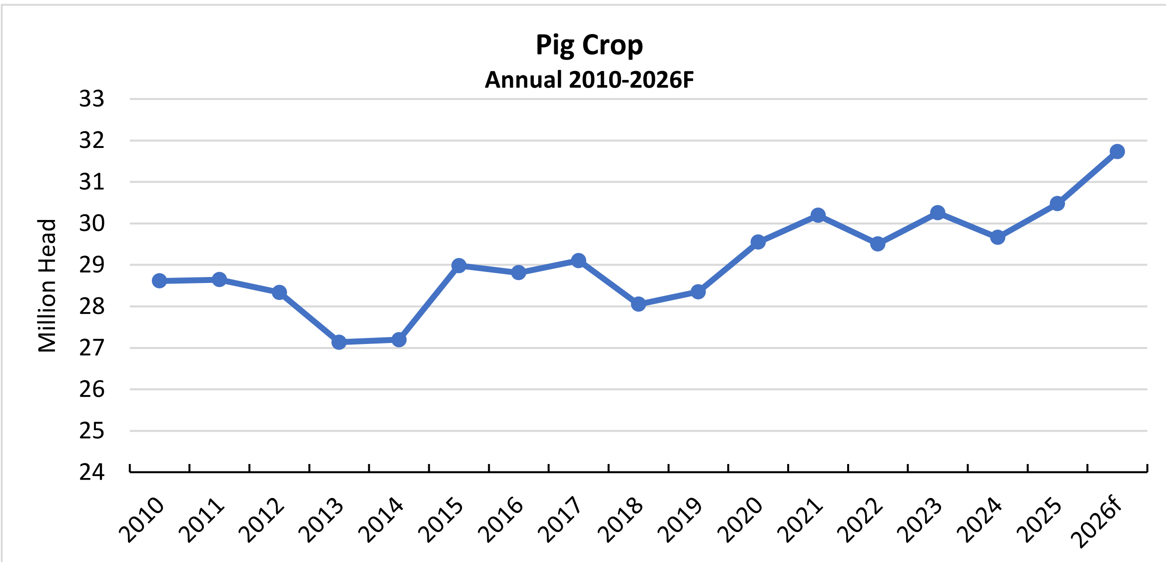
As noted, the Canadian sow and breeding herd has been in decline by about half a percentage a year since 2021. That compares to the 1.6% CAGR decline in the United States since 2021. The U.S. breeding herd declined 1% this June compared to last. That compares to the 1% gain in the Canadian breeding herd this year.



The U.S. herd decline was roughly the same magnitude as the Quebec decline. The Quebec decline was encouraged and facilitated by the Quebec hog board downsizing program. Recall that program provided financial incentives to reduce hog numbers to align with the Olymel capacity reductions since 2021. The U.S. decline, is generally considered to be symptomatic of unusual caution due to trade concerns, tepid demand and lingering fall-out from proposition 12

Growth Fueled by Productivity

As noted, the July 1 sow herd is up only 1% and the CAGR since 2021 has been -0.5%. This year's pig crop, however, is on pace to increase by at least 3%. The CAGR of the pig crop from 2021 through the 2026 forecast has been +1%.



While the sow herd has been steady, or stagnant, depending on point of view, the industry's growth has been fueled by productivity.

Kevin Grier

September 2, 2026

A version of this article first appeared in the August 31, 2026, edition of the Canadian Pork Market Report.

For a free three-month trial of that report, email, kevin@kevingrier.com