



Hog Margin Outlook

Meeting Your Marketing Needs

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Friday, February 25, 2011

Hog Prices: ↓ Soymeal: ↑
Corn: ↑ Cdn Dollar: ↑

US Slaughter	
413,000	– Thursday's
425,000	– Thursday's (year ago)
US Iowa/Sthrn MN	\$81.33
Western Corn Belt	\$81.33
Daily National Price	\$83.12
Daily Sig3(M.Leaf)	\$146.72
Daily Sig4(M.Leaf)	\$145.21
4-Month Fwd Avg	\$164.38
#1 Export Sows (+500lbs)	\$44.75cwt
B of C Ex. Rate (Noon)	
\$0.9842CAD / \$1.0161US	
Cash Prices: Week Ending February 25th, 2011	
66.38/146.35	Signature #3
65.77/145.00	Signature #4
65.33/144.02	MPMC Cash
63.51/140.02	Springhill

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Forward contract prices opened lower this morning. The U.S. cash market is trading steady, with a few higher bids as some packers seek additional loads for next week. Seasonal tightening of hog supplies and anticipation for improved domestic demand are expected to support cash prices in the coming weeks. This week's slaughter level is seen to be 2.1 million, down 2.2% from last year at this time. Lean hog futures are expected to move slightly higher despite talk that high energy costs could work to curb demand. The Canadian Dollar saw a sharp spike in reaction to the increased energy costs.

DISTRICT MEETINGS	DATE	TIME	LOCATION	DISTRICT MEETINGS	DATE	TIME	LOCATION
Interlake East	1-Mar	1:30 PM	Oak Hammock Marsh	Southeast	4-Mar	12:00 PM	Steinbach- Smitty's Restaurant
Southwest	2-Mar	1:30 PM	Somerses Community Hall	HB Marketing	8-Mar	2:00 PM	Portage La Prairie Glesby Center
Northwest	2-Mar	7:00 PM	Neepawa Chicken Delight	Heartland Marketing	10-Mar	1:30 PM	Starbuck Community Hall
South Central	3-Mar	1:30 PM	Morris Big M Center	Saskatchewan	15-Mar	12:00 PM	Rosetown Elks Hall

Canadian delivered soymeal prices opened higher this morning. End user demand is working to move soybean prices higher today after recent declines. A new sale of soybeans to China totaling 165,000 tons has also contributed to the bullish movement. Upward progress is expected to be limited by increased production estimates in South America.

Canadian delivered corn prices opened higher this morning. An increase in export sales is working to move corn prices higher. The USDA reported export sales of 1.65 million tons for the week ended February 17, which was well above analyst expectations. Mexico was a top buyer, purchasing 505,200 tons, with Japan close behind ordering 300,000 tons of corn in the past 10 days.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)			152.42	170.31	171.22	175.52	160.99	156.46	150.73	140.94
			163.23	173.47	176.17	176.42	174.94	157.36	156.63	146.47
(Maple Leaf Sig. #4)			148.91	163.53	167.37	169.61	160.89	153.70	148.42	138.50
			156.41	166.67	170.16	170.58	168.44	155.81	152.81	143.59
Soymeal Delivered	388	389	405	410	414	418	423	425	418	418
Corn Delivered	274	276	278	280	282					



Rothsay Animal Vegetable Feed Fat

\$868/tonne ↑ (2 – 19 mt)

To place your order call 1-866-768-4729

*Price quoted is FOB Southeast Manitoba

