



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit
<http://hamsmarketing.ca>

Thursday, April 07, 2011

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

US Slaughter	
417,000 – Wednesday's	
412,000 – Wednesday's (year ago)	
US Iowa/Sthrn MN	\$87.18
Western Corn Belt	\$86.84
Daily National Price	\$89.89
Daily Sig3(M.Leaf)	\$152.62
Daily Sig4(M.Leaf)	\$152.98
4-Month Fwd Avg	\$167.02
#1 Export Sows (+500lbs) \$49.00cwt	
B of C Ex. Rate (Noon) \$0.9588CAD / \$1.0430US	
Cash Prices: Week Ending April 1st, 2011	
69.65/153.55 Signature #3	
67.84/149.57 Signature #4	
68.29/150.55 MPMC Cash	
67.36/148.50 Hylife	

This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited

Forward contract prices opened lower this morning. U.S. cash markets moved upward yesterday, and are expected to remain steady this morning. While wholesale pork prices were pushed to their highest level since August on Tuesday, yesterday there was a turnaround in prices, causing packer margins to decrease. A sharp fall in ham values has traders predicting an end to the seasonal strength around the Easter holiday. Profit taking was seen to move lean hog futures lower yesterday, with the April contract being the exception. With expiry coming up on April 14, many traders felt that the April contract was priced in relation to the cash market. The idea that June contracts are trading at a premium to the cash market is also working to put pressure on futures.

Canadian delivered soymeal prices opened higher this morning. The potential for end of year supply estimates to again move lower in tomorrow's U.S. government report has soybean prices moving higher. Spillover strength from corn is also seen to be providing support. Upside movement may be limited, as analysts seem comfortable that South American production will relieve the strain on supplies.

Canadian delivered corn prices opened higher this morning. As domestic demand remains strong in the face of high prices, corn is again moving higher. Steady buying from ethanol plants and livestock producers is helping corn push to new highs. The increases are coming despite a decrease in foreign demand, with weekly export sales reported at 619,600 tons for last week, down 68% from the previous week.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range (Maple Leaf Sig. #3)		168.58 170.77	168.58 173.41	172.86 173.74	164.37 174.68	160.85 161.73	156.08 161.84	147.39 152.80	148.37 152.36	146.30 152.08
(Maple Leaf Sig. #4)		163.76 164.95	165.63 168.35	167.14 168.67	165.40 168.72	158.49 160.36	153.98 158.27	144.79 149.94	146.77 149.60	143.48 147.09
Soymeal Delivered	380	382	395	399	414	417	404	409	409	
Corn Delivered	288	290	292	292						

CONGRATULATIONS
Evergreen Colony Ltd.
Winner of the March 2011 Sow and Boar Lottery