



Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, May 02, 2011

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

| US Slaughter | |
|--|--------------------------|
| 1.950 Mill. – Last Week's | |
| 2.022 Mill. – Last Week's (year ago) | |
| US Iowa/Sthrn MN | \$92.23 |
| Western Corn Belt | \$91.90 |
| Daily National Price | \$93.80 |
| Daily Sig3(M.Leaf) | \$159.79 |
| Daily Sig4(M.Leaf) | \$157.94 |
| 4-Month Fwd Avg | \$157.91 |
| #1 Export Sows (+500lbs) | \$42.50 cwt |
| B of C Ex. Rate (Noon) | \$0.9486CAD / \$1.0541US |
| Cash Prices: Week Ending April 29th, 2011 | |
| 71.75/158.17 Signature #3 | |
| 72.20/159.18 Signature #4 | |
| 71.07/156.67 h@ms Cash | |
| 70.97/156.47 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 higher this morning. U.S. cash markets are called steady to higher this morning after last week's trade showed no direction whatsoever. Last week's slaughter came in lower than anticipated at 1.95 million hogs, close to 75,000 less than the same week last year. The tighter hog supply has yet to hit the pork product market as it has stalled at less than \$95/cwt. Hams have come under pressure recently due in part to large supplies in cold storage, which forced prices to levels lower than year ago. Lean hog futures are expected to find some support this week as some technical indicators show a floor at current prices. In addition, summer month contracts now hold a smaller than average premium over the cash market for this time of year.

Canadian delivered soymeal prices opened mixed this morning. Soybean meal traded lower in overnight trade as the whole complex came under pressure on ideas of more corn acres switching to soybeans. Export sales overall and specifically to China have also contributed to the recent weakness.

Canadian delivered corn prices opened higher this morning. Corn planting progress remains very slow with the west side of the corn belt still largely untouched since fall. The USDA peg progress at well under 20%, which lags the five year average of 40%. The break in prices last week that saw some contracts fall 50 cents/bushel could be an anomaly in a market that is difficult to find any significant bearish fundamentals.

| | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
|--|-----|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Fixed Forward Range (Maple Leaf Sig. #3) | | 157.76 160.81 | 162.02 162.89 | 156.05 164.69 | 152.55 153.43 | 147.23 152.92 | 138.39 143.73 | 139.35 143.29 | 138.90 145.05 | 145.49 147.25 |
| (Maple Leaf Sig. #4) | | 155.98 158.34 | 159.43 160.53 | 159.14 161.59 | 152.04 154.07 | 146.81 151.22 | 137.40 142.49 | 139.35 142.15 | 138.33 141.91 | 144.29 144.97 |
| Soymeal Delivered | 381 | 386 | 391 | 406 | 409 | 382 | 390 | 390 | | |
| Corn Delivered | 286 | 288 | 290 | | | | | | | |



Rothsay Animal Vegetable Feed Fat

\$973/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

