



# Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, August 12, 2011

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

<b>US Slaughter</b>	
409,000—Thursday's	
389,000—Thursday's (year ago)	
US Iowa/Sthrn MN	\$104.63
Western Corn Belt	\$104.46
Daily National Price	\$105.73
Daily Sig3(M.Leaf)	\$189.41
Daily Sig4(M.Leaf)	\$185.64
4-Month Fwd Avg	\$150.51
#1 Export Sows (+500lbs) \$54.00 cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9892 CAD / \$1.0109 US	
<b>Cash Prices: Week Ending August 12th, 2011</b>	
86.09/189.80 Signature #3	
84.01/185.20 Signature #4	
84.66/186.65 H@ms Cash	
n/a Hylife	

**Forward contract prices opened higher this morning.** U.S. cash markets rallied in trade yesterday, and are expected to hold firm this morning as tight supplies continue to force packers to compete for live supplies. The pork cut-out has stalled near the \$110/cwt mark, trading near this record high for close to a week. Cash market traders point to the order from China as having the biggest influence on the demand side, with 50,000 carcasses being exported over the month of August and a portion of September. The same order made in November would not have the same impact on the market when hog supplies are at their largest and prices correspondingly lower. Lean Hog futures finished yesterday's trade regaining most of the previous days losses as world markets rebounded. Traders were slightly less pessimistic about the possibility of another global recession, with some better than expected jobs and economic stats.

**Canadian delivered soymeal prices opened higher this morning.** Outlook for soybeans seems promising with the anticipation of good weather ahead; cooler temperatures and rains. With greater stability being seen currently in U.S. equities, focus is on external financial markets to sway market sentiments. At this point prices still seem to have a lot of volatility, but trend upwards.

**Canadian delivered corn prices opened higher this morning.** Speculation on corn yield has a bearish bias as traders question yesterday's WASDE Report projections. Cool wet weather in the forecast can help save the available corn crop, but only to a limited degree. July weather is what really sets the tone for corn yield. Ethanol usage is up, and thus prices seem to be following suit and don't appear to be coming down anytime soon.

*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*

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)		158.41 159.31	151.40 158.67	143.76 149.76	144.76 149.31	146.27 153.56	153.11 156.30	154.11 156.39	155.02 164.60
(Maple Leaf Sig. #4)		157.79 158.14	152.07 156.47	143.97 149.16	146.61 148.72	146.76 150.65	152.77 156.03	152.86 156.03	154.86 162.49
Soymeal Delivered	386	390	389	397	400	407			
Corn Delivered	292	292							

## Rothsay Animal Vegetable Feed Fat

\$1,005/tonne ↓ (2 – 19 mt)

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

