



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit
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Wednesday, August 17, 2011

Hog Prices: ↓ Soymeal: ↑

Corn: ↑ Cdn Dollar: ↑

US Slaughter	
413,000–Tuesday's	
393,000–Tuesday's (year ago)	
US Iowa/Sthrn MN	\$102.97
Western Corn Belt	\$102.93
Daily National Price	\$104.99
Daily Sig3(M.Leaf)	\$185.22
Daily Sig4(M.Leaf)	\$182.95
4-Month Fwd Avg	\$148.01
#1 Export Sows (+500lbs)	\$59.00 cwt
B of C Ex. Rate (Noon)	
\$0.9817 CAD / \$1.0186 US	
Cash Prices: Week Ending August 12th, 2011	
86.09/189.80 Signature #3	
84.01/185.20 Signature #4	
84.66/186.65 H@ms Cash	
84.08/185.36 Hylife	

Forward contract prices opened lower this morning. Spurred on by big losses in the value of the pork cut-out, packers dropped their cash bids by about \$1.30/cwt in trade yesterday, erasing the gains made earlier in the week. The pork cut-out has traded in a tight range for several weeks leading up to yesterday's weakness, but declines in loins, hams and bellies forced the \$2.00/cwt drop. U.S. pork exports for June were released last week, surprising some traders by beating June 2010 volumes by only 2.4%. Year to date exports are up close to 15% over last year, with most of this increase coming from sales to Korea after their Foot and Mouth disease outbreak. Slower sales to Korea in June contributed to June's poorer performance as the tariff free quota that allowed for a spike in sales may have already been met in earlier months. The Canadian Dollar pulled back from gains seen yesterday, as investors remain cautious amid the renewed uncertainty in Europe.

Canadian delivered soymeal prices opened higher this morning. Crop concerns keeps prices bullish, as the Farm Service Agency issued crop acreage data to reflect expectations of a smaller harvest. A little price rally occurred due to the lower U.S. Dollar, making soybeans more attractive as an export.

Canadian delivered corn prices opened higher this morning.

Corn is looking bullish with support from gains in crude oil prices; that in combination with the USDA's Farm Service Agency data reflected a lower harvest than originally expected. Harvest is set to begin in the Midwestern states next month.

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)		157.03 157.48	150.12 157.31	141.76 147.69	142.75 147.24	143.59 150.79	150.34 153.49	151.37 153.62	153.00 162.50
(Maple Leaf Sig. #4)		156.76 156.76	150.77 155.12	141.98 147.11	144.59 146.68	144.10 147.94	150.03 153.20	150.07 153.20	152.02 159.55
Soymeal Delivered	388	393	394	400	404	406			
Corn Delivered	292	292							

Rothsay Animal Vegetable Feed Fat

\$1,005/tonne ↓ (2 – 19 mt)

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

