



Hog Margin Outlook

Meeting Your Marketing Needs

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

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

US Slaughter	
417,000 – Tuesday's	
373,000 – Tuesday's (year ago)	
Western Corn Belt	\$85.79
Daily National Price	\$87.62
Daily Sig3(M.Leaf)	\$158.07
Daily Sig4(M.Leaf)	\$156.34
4-Month Fwd Avg	\$162.63
#1 Export Sows (+500lbs)	\$47.20cwt
B of C Ex. Rate (Noon)	
\$1.0052AD / \$0.9948US	
Cash Prices: Week Ending January 27th, 2012	
72.05/158.84	Signature #3
69.91/154.12	Signature #4
70.31/155.00	h@ms Cash
68.96/152.02	Hylife
ISO Weans	\$50-69US
Feeder Pigs	\$64.50-74.50US

Wednesday, February 01, 2012

Forward contract prices opened higher this morning. U.S. cash markets weakened in most regions yesterday, as some packers cut production in an attempt to bring cash bids in line with wholesale pork prices. The pork cut-out traded \$1.24/cwt higher, resulting in a marked improvement to estimated packer margins. However, pork production is only likely to decline over the next 6 months, in line with typical seasonal trends. Lean hog futures moved higher in trade yesterday, but are still representing values well short of normal cash market trends, when using the current cash market as the benchmark. Most of undervaluation can be attributed to the relatively weak cut-out value. The Canadian dollar is trading better than par value with the U.S. Dollar this morning, as traders have chosen to focus on higher commodity prices and indications that the Chinese economy remains strong.

2012 Annual District Meetings			
Saskatchewan	Date	Time	Location
Swift Current	Tue, Feb 28	Noon	Wong's Kitchen; 320 S Service Road East, Swift Current
Saskatoon	Wed, Feb 29	Noon	Sandman Hotel; 310 Circle Drive West, Saskatoon
Manitoba	Date	Time	Location
Southeast District - Steinbach	Fri, Mar 2	Noon	Smitty's Restaurant; Clear Spring Mall, Steinbach
Heartland Marketing District - Starbuck	Mon, Mar 5	1:30 PM	Starbuck Community Hall; 25 Main Street, Starbuck
Southwest District - Somerset	Wed, Mar 7	1:30 PM	Somerset Community Hall; 201 1st Street, Somerset
Northwest District - Neepawa	Wed, Mar 7	7:00 PM	Royal Canadian Legion #23; 423 Brown Avenue, Neepawa
H.B. Marketing District - Portage la Prairie	Thurs, Mar 8	2:00 PM	The Glesby Centre; 11 2nd Street, NE, Portage la Prairie
Interlake East District - Oak Hammock Marsh	Fri, Mar 9	1:30 PM	Oak Hammock Marsh; Snowgoose Bay at Highway 220
South Central District - Morris	Wed, Mar 14	1:30 PM	Morris Big M Centre; Stampede Grounds, Morris

Canadian delivered soymeal prices opened lower this morning. The U.S. dollar is lower today making U.S. goods such as soybeans, cheaper for foreign buyers. The world economy is seemingly upbeat with positive sentiment regarding Greece.

Canadian delivered corn prices opened lower this morning. Argentina's corn forecast was lowered to 26 million tonnes by the USDA. Corn prices are seeing support by tight supplies due to weather, this should increase demand for U.S. corn supplies.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		151.05	154.05	170.88	169.50	174.91	165.51	159.44	153.25	142.74
(Maple Leaf Sig. #4)		152.89	162.76	174.09	175.92	175.83	175.19	160.82	160.19	147.83
Soymeal Delivered	353	359	367	367	374	374	380			
Corn Delivered	261	264								

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