



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	
421,000 – Tuesday's	
414,000 – Tuesday's (year ago)	
Western Corn Belt	\$86.72
Daily National Price	\$87.67
Daily Sig3(M.Leaf)	\$158.13
Daily Sig4(M.Leaf)	\$154.80
4-Month Fwd Avg	\$160.58
#1 Export Sows (+500lbs)	\$47.00cwt
B of C Ex. Rate (Noon)	
\$0.9948CAD / \$1.0052US	
Cash Prices: Week Ending February 3rd, 2012	
71.81/158.31	Signature #3
70.66/155.78	Signature #4
70.62/155.68	h@ms Cash
69.57/153.38	Hylife
ISO Weans \$50-69US	
Feeder Pigs \$64.50-74.50US	

Wednesday, February 08, 2012

Forward contract prices opened mixed this morning. U.S. cash markets are maintaining a steady trend in spite of the bearish pressure coming from the negative operating margins. The aggregate value of all the primal cuts continues to lag behind what packers are willing to pay for live hogs. However, the integrated packers with consumer brands have an added incentive to keep operating amid these conditions as they are able to garner a margin from sales of these products. This leaves the "cut-out plants" at a disadvantage to the integrated operations, forcing them to cut production by a disproportionately larger share of the kill. The Canadian Dollar is trading near steady with yesterday's trade as investors await a decision by the Greek government that would have them agree to austerity measures in order to ensure that they meet their ongoing debt obligations.

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

See Website for full District Meeting Schedule

Canadian delivered soymeal prices opened mixed this morning. Supporting soybean prices are expectations of lower ending stocks and a weaker U.S. dollar. The USDA WASDE report comes out tomorrow to shed greater insight on production volumes. Morocco provided support with a private purchase of 20,000 tonnes of U.S. soybean oil.

Canadian delivered corn prices opened lower this morning. Yesterday the House of Representatives implemented a new measure to currently halt approval of E-15 ethanol for more testing. Ending stocks of U.S. and South American corn are expected lower.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		148.71	152.27	168.26	167.81	173.75	164.27	160.02	153.58	143.03
(Maple Leaf Sig. #4)		150.99	162.32	172.38	174.21	174.67	173.88	160.48	160.47	148.08
Soymeal Delivered	362	363	372	372	379	379	384			
Corn Delivered	261	263	268	268						

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 without the consent of the author.

Rothsay Animal Vegetable Feed Fat
\$810 tonne ↓ (2 – 19 mt)

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