

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

# Hog Margin Outlook

*Meeting Your Marketing Needs*

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**Monday, February 13, 2012**

**Forward contract prices opened mixed this morning.** U.S. cash markets are expected to open steady this morning, but could see some weakness mid-week due to the negative operating margins that have plague most packers. Last week's slaughter is estimated at 2.13 million hogs, about 20,000 fewer than the same week last year. Lean Hog futures experienced declines to finish last week, but are finding support in today's trade partly due to the most recent release of pork export data. December yielded the second largest monthly pork sales figure of all-time, with a 22% increase over year ago levels. Standout destinations for U.S. pork were China and South Korea which purchased 93 and 37 million pounds of pork in the month. The Canadian Dollar is trading higher this morning, near par value with the U.S. dollar. Traders were more optimistic about the debt crisis in Europe after Greece agreed to implement tighter austerity measures.

<b>US Slaughter</b>	
2.13 MILL – Last Week's	
2.15 MILL – Last Week's (year ago)	
Western Corn Belt	\$85.97
Daily National Price	\$87.46
Daily Sig3(M.Leaf)	\$157.84
Daily Sig4(M.Leaf)	\$155.50
4-Month Fwd Avg	\$161.72
#1 Export Sows (+500lbs) \$46.50cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0016CAD / \$.9984US	
<b>Cash Prices: Week Ending February 10th, 2012</b>	
70.96/156.43	Signature #3
70.26/154.89	Signature #4
69.87/154.04	h@ms Cash
68.94/151.98	Hylife
ISO Weans \$56-67US	
Feeder Pigs \$72.50-89.50US	

## 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 higher this morning.** There was a large sale of 120,000 metric tons of soybeans to an unknown destination, last week. The weak U.S. dollar combined with assuring Greek debt news creates positive external market confidence. Uncertain South American crops conditions are price supportive.

**Canadian delivered corn prices opened higher this morning.** There was a large sale of 240,000 tonnes of corn to Egypt. The lower U.S. dollar, combined with positive external markets created by Greece's austerity measures and uncertain South American crops conditions are supporting corn futures.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		150.15 152.44	153.64 163.75	169.17 173.31	168.71 175.15	174.93 175.86	166.13 175.82	161.43 161.89	154.39 161.30	143.79 148.86
(Maple Leaf Sig. #4)		150.46 152.60	151.80 160.35	165.87 169.96	169.07 172.28	171.90 172.79	166.24 172.31	160.79 164.99	152.36 159.50	143.88 149.06
Soymeal Delivered	362	364	373	373	381	381	383			
Corn Delivered	261	263	268	268						

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