



Hog Margin Outlook

Meeting Your Marketing Needs

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

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

Thursday, March 01, 2012

Forward contract prices opened higher this morning. U.S. packers struggling with very poor operating margins have prevented any significant rally in the cash market, as there is little incentive for packers to maintain production levels. The export business has slowed down significantly from two months ago, a factor that kept hog prices stronger than is typically seen through the early winter months. Lean Hog futures found support late in yesterday's trading session, but are not seeing a continuation into this morning. Summer month contracts represent good value, especially in the context of the uncertain export markets, which may have trouble meeting the same volumes as was seen last year. The Canadian Dollar continues to appreciate amid improving global economic indicators, resulting in a negative impact on forward prices.

US Slaughter	
422,000	– Wednesday's
423,000	– Wednesday's (year ago)
Western Corn Belt	\$85.71
Daily National Price	\$87.53
Daily Sig3(M.Leaf)	\$155.00
Daily Sig4(M.Leaf)	\$153.29
4-Month Fwd Avg	\$163.64
#1 Export Sows (+500lbs)	\$48.75cwt
B of C Ex. Rate (Noon)	\$0.9866CAD / \$1.0136US
Cash Prices: Week Ending February 24th, 2012	
71.07/156.68	Signature #3
69.97/154.26	Signature #4
69.89/154.07	h@ms Cash
74.97/151.80	Hylife
ISO Weans	\$46.50-64.50US
Feeder Pigs	\$80-95US

2012 Annual District Meetings

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 higher this morning. Improved rains in Argentina since mid-January have only slightly increased soy crop yield recovery in the region. There is insufficient fresh news to influence the bullish momentum of soy, however, weekly export sales are on par with expectations. Soy futures should stabilize assuming the markets have factored in all of the Soy-complex's available information.

Canadian delivered corn prices opened higher this morning. U.S. ethanol production is on pace to exceed the USDA's yearly estimate, however, given notably poor plant operating margins near term ethanol production looks to slide. Corn used in last week's ethanol production was 95.44 million bushels producing a total of 6.272 million barrels of ethanol. To meet the USDA's estimate, corn needs to average 94.3 million bushels/week, thus illustrating an overage of 1.14 million bushels/week currently being used.

	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		150.34	166.31	165.86	171.78	163.29	157.27	151.21	141.64	143.47
(Maple Leaf Sig. #4)		148.57	163.07	166.22	168.80	163.39	156.69	149.25	141.75	141.75
Soymeal Delivered	386	391	391	396	396	402				
Corn Delivered	275	278								

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
\$840 tonne ↓ (2 – 19 mt)

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

