



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	
2.09 Mill	– Last Week's
1.95 Mill	– Last Week's (year ago)
Western Corn Belt	\$79.08
Daily National Price	\$83.10
Daily Sig3(M.Leaf)	\$142.16
Daily Sig4(M.Leaf)	\$144.66
4-Month Fwd Avg	\$147.48
#1 Export Sows (+500lbs)	\$44.00cwt
B of C Ex. Rate (Noon)	
\$0.9807CAD / \$1.0197US	
Cash Prices: Week Ending April 27th, 2012	
66.23/146.00	Signature #3
66.32/146.21	Signature #4
65.34/144.05	h@ms Cash
64.58/142.37	Hylife
ISO Weans \$28-34.50US	
Feeder Pigs \$57-72US	

Monday, April 30, 2012

Forward contract prices opened lower this morning. U.S. cash markets are expected to remain sluggish, while the pork cut-out could see support with the recent reduction in hog supply. Last week's hog slaughter came in larger than expected at 2.092 million hogs, with a Saturday slaughter 4 times larger than the previous week. U.S. pork production is down close to 8% from the peak seen in late January, but is still expected to drop an additional 8% over the next two to three months. Lean Hog futures are pricing in a modest rally of about \$5.00/cwt, approximately half of what is typical for this time of year. The slow-down in exports to China has almost perfectly coincided with the seasonal reduction in hog supply, causing a flat trend. The Canadian Dollar experienced one of the strongest weeks in months, after comments from the Governor of the Bank of Canada suggest interest rates may rise due to an improved economic outlook.

Canadian delivered soymeal prices opened higher this morning. Features of La Nina have hit Brazil hard this year causing a widespread drought and yields to suffer. It is anticipated that the soybean crop may be 12% lower than last year's. Soy prices have remained strong with steady export demand and projected tighter supplies.

Canadian delivered corn prices opened mixed this morning. Corn export demand is strong and higher than originally anticipated, further tightening supplies. Nearby corn futures rallied significantly higher, while the deferred months didn't rally as much due to expectations of above average yields coinciding with the early crop planting which should replenish tight supplies.

	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)			143.88	149.94	142.95	141.82	135.35	128.53	130.35	130.14	136.99
			150.22	150.84	152.48	142.28	142.18	133.53	134.44	135.62	139.27
(Maple Leaf Sig. #4)			146.52	149.23	145.10	142.26	134.42	129.57	129.57	131.33	136.28
			149.68	150.11	151.26	146.74	141.82	134.68	135.39	133.80	137.52
Soymeal Delivered	474	474	479	481	484	486					
Corn Delivered	272	272									

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