



# 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	
2.07 Mill	– Last Week's
1.99 Mill	– Last Week's (year ago)
Western Corn Belt	\$76.63
Daily National Price	\$81.64
Daily Sig3(M.Leaf)	\$139.84
Daily Sig4(M.Leaf)	\$144.28
4-Month Fwd Avg	\$146.90
#1 Export Sows (+500lbs)	\$42.00cwt
B of C Ex. Rate (Noon)	
\$0.9956CAD / \$1.0044US	
Cash Prices: Week Ending May 04th, 2012	
63.78/140.61	Signature #3
65.59/144.61	Signature #4
63.33/139.61	h@ms Cash
63.70/140.43	Hylife
ISO Weans \$17-36US	
Feeder Pigs \$50-60US	

Monday, May 07, 2012

**Forward contract prices opened mixed this morning.** U.S. cash markets are expected to start the week steady as pork product markets experienced only modest gains last week, leaving packers with negative margins. Weekly hog slaughter is slowly dropping, with last week's slaughter estimated at 2.069 million hogs. The weekly slaughter will likely drop another 70,000 hogs before it bottoms out in early July. Lean Hog futures represent a pessimistic view that traders think the cash market will have difficulty adding value over the next two months. Recent talk among analysts suggests that domestic demand is not performing well and this along with slower than expected exports have negated the normal impact of the seasonally reduced supply. The Canadian dollar is down close to 2 cents from last week's highs, due to uncertainty related to the election results in France and Greece.

**Canadian delivered soymeal prices opened lower this morning.** The Crop Progress report comes out this afternoon around 4 p.m. Soybean planting is anticipated to be 23% complete, considerably higher than last week's 12%. It is believed that soybean acreage may increase by 1.9 million acres due in part to higher new crop futures. The weather has been wet; however the next two weeks are forecast to be mostly dry, ideal for completing soybean planting.

**Canadian delivered corn prices opened lower this morning.** Corn planting progress will be officially released this afternoon in the Crop Progress report. It is expected that corn plantings will be 65% complete, up from last week's 53%. Wet weather has slowed progress; however the forecast for the next 10 days is for conditions ideal for planting and crop growth. Reports from private exporters indicated 240,000 tonnes of corn was sold to Mexico and 116,000 tonnes to South Korea.

	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)		141.17	148.43	142.08	143.17	136.77	130.63	132.46	131.93	138.82
(Maple Leaf Sig. #4)		147.56	149.35	151.67	143.63	143.64	135.67	136.59	137.44	141.12
Soymeal Delivered	487	487	489	492	494					
Corn Delivered	276	276								

*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.*

Do you want increased exposure to independent hog producers?  
**Access more than 400 producers by advertising in this space!**  
 For more information contact: Amanda Krasey @ (204)235-2237