



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	
407,000	– Wednesday's
403,000	– Wednesday's (year ago)
Western Corn Belt	\$90.74
Daily National Price	\$87.60
Daily Sig3(M.Leaf)	\$171.27
Daily Sig4(M.Leaf)	\$160.11
4-Month Fwd Avg	\$159.01
#1 Export Sows (+500lbs)	\$43.75cwt
B of C Ex. Rate (Noon)	
\$1.0297CAD / \$0.9712US	
Cash Prices: Week Ending June 1st, 2012	
70.36/155.12	Signature #3
70.24/154.86	Signature #4
69.42/153.05	h@ms Cash
68.63/151.31	Hylife
ISO Weans \$21-35US	
Feeder Pigs \$44-53US	

Thursday, June 07, 2012

Forward contract prices opened mixed this morning. U.S. cash markets were modestly higher yesterday, with most regions called steady this morning. Hog numbers have been on a downward trend, but are still coming in higher than what was anticipated. The USDA is currently conducting its survey of hog producers for the quarterly report released at the end of the month. The report is already highly anticipated due to the larger than expected slaughter we've experienced, and the recent 5 pound increase to carcass weights over year ago levels. Lean Hog futures are narrowly mixed with traders taking a wait-and-see approach on whether meat prices appreciate enough to warrant any further gains in the cash hog market. The Canadian Dollar is sharply higher, in part due to news that China's central bank cut interest rates in an effort to stimulate growth in that country.

Canadian delivered soymeal prices opened higher this morning. Projected soybean production in South America has been reduced by 15% which is expected to move demand to U.S. soybean supplies. A drier weather forecast supported soybean prices yesterday. The month of May was drier than average for most of the Midwest which lead to the near record planting progress.

Canadian delivered corn prices opened higher this morning. U.S. corn may see more Chinese demand as their prices hold a significant premium over US prices. With near record yields projected, prices are forecast to be near \$5.00 per bushel should weather conditions hold near normal.

	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		167.55	157.15	154.01	147.37	138.69	140.58	140.31	147.38	142.67
(Maple Leaf Sig. #4)		168.49	167.02	154.48	154.44	143.88	144.82	145.97	150.21	147.38
Soymeal Delivered	509	511	514	517	468					
Corn Delivered	274	274								

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 For more information contact: Amanda Krasey @ (204)235-2237