



Hog Margin Outlook

Meeting Your Marketing Needs

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

US Slaughter	
2.00 Mill – Last Week's	
2.00 Mill – Last Week's (year ago)	
Western Corn Belt	\$88.95
Daily National Price	\$89.52
Daily Sig3(M.Leaf)	\$168.46
Daily Sig4(M.Leaf)	\$164.18
4-Month Fwd Avg	\$158.91
#1 Export Sows (+500lbs) \$43.75cwt	
B of C Ex. Rate (Noon) \$1.0332CAD / \$0.9679US	
Cash Prices: Week Ending June 8th, 2012	
76.37/168.37 Signature #3	
72.13/159.02 Signature #4	
74.40/164.03 h@ms Cash	
71.43/157.47 Hylife	
ISO Weans \$21-34US	
Feeder Pigs \$43-53US	

Monday, June 11, 2012

Forward contract prices opened mixed this morning. U.S. cash markets are called to open steady this morning after Friday's trade had the impact of negating most of the gains seen in last week's trade. The meat trade has performed better than most analysts anticipated after the U.S. Memorial Day holiday, with retail buying holding strong despite talk of a slow U.S. economy. Packer meat margins remain in negative but the larger, vertically integrated packers are still content to chase the available hog supply in order to maintain their slaughter schedule. Lean Hog futures are trading near steady this morning, with the July and August contracts holding a cautious premium over the current cash market. Over the weekend, a deal to prop up Spain's banks by the rest of the EU by a providing a 100 Billion Euro backstop was enough to have the Loonie move higher, currently trading at US\$0.9760.

Canadian delivered soymeal prices opened mixed this morning. Forecasted rain and reduced heat are seen as bullish factors in the soybean market. The USDA supply/demand report is out tomorrow with traders anticipating a tightening of soybean stocks. In addition, a 2% decrease in the good to excellent rating is expected to be reported on the weekly crop conditions.

Canadian delivered corn prices opened mixed this morning. Corn crops in Missouri and Illinois are near the pollination phase and will be under watch as some moisture stress maybe a problem. Weather forecasts have indicated cooler temperatures with more rain ahead for most of the Midwest. The Corn Belt is anticipating ¼ - ¾ of an inch of rain, which may ease stress. A drop of 3% is anticipated for corn's good to excellent rating, due out this afternoon.

	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		167.78	158.31	153.21	146.39	137.89	139.78	140.59	147.72	143.50
(Maple Leaf Sig. #4)		168.72	168.21	153.69	153.48	143.09	144.03	146.29	150.56	148.25
Soymeal Delivered	517	519	522	525	476					
Corn Delivered	282	282								

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