

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

Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, July 30, 2012

Forward contract prices opened higher this morning. U.S. cash markets are called to open near steady this week as a return to higher temperatures in the Midwest could slow marketing's. There has been talk of good "out" movement from cold storage recently, which has augmented the lower weekly production levels. Lean Hog futures are largely focused on the impact of the higher grain prices, and their long term impact of reducing supply. There has been an increase in sow slaughter, but it is still too early to get a sense of how quickly liquidation of the breeding herd will occur. Another consideration for Lean Hog futures is the large long positions that have accumulated for both the commercial and fund sectors of the market. Should we start to see some weakness develop, heavy selling by these two groups could accentuate that bearish trend. The Canadian Dollar remains strong, as traders believe that some monetary stimulus for both the Eurozone and the U.S. is increasingly likely in the coming months.

Canadian delivered soymeal prices opened higher this morning. This weekend had some redeeming weather for soybeans, with showers and cooler temperatures. The forecast calls for a return of dry hot weather for the next week and a half. Yield estimates continue to decline, with the national average at 38 bushels per acre.

Canadian delivered corn prices opened mixed this morning. The weekend break in high temperatures and minor rain should slow the yield loss for corn. The Corn Belt is expected to see a continuation of the scorching hot and dry weather. A private estimate had the national yield average as low as 118 bushels per acre for corn

US Slaughter	
1.99 Mill — Last Week's	
1.99 Mill — Last Week's (year ago)	
Western Corn Belt	\$93.39
Daily National Price	\$95.64
Daily Sig3(M.Leaf)	\$172.21
Daily Sig4(M.Leaf)	\$170.78
Thunder Creek	\$172.14
4-Month Fwd Avg	\$143.32
#1 Export Sows (+500lbs) \$25.00cwt	
B of C Ex. Rate (Noon) \$1.0060CAD / \$0.9940US	
Cash Prices: Week Ending July 27th, 2012	
79.91/176.18 Signature #3	
77.93/171.81 Signature #4	
78.51/173.09 h@ms Cash	
76.91/169.55 Hylife	
78.52/173.10 Thunder Creek	
ISO Weans \$3-8US	
Feeder Pigs \$15-18US	

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)			146.62 147.08	139.98 146.90	133.70 138.78	135.55 139.70	139.53 147.39	148.78 151.55	150.63 155.26	153.73 166.73
(Maple Leaf Sig. #4)			148.40 152.95	141.18 148.06	136.09 141.27	136.09 141.98	140.94 145.77	148.28 149.99	153.12 154.91	153.46 164.42
Soymeal Delivered	637	637	611	589	581	581				
Corn Delivered	335	335								

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.



Follow us on twitter, get timely information on:
Sow prices, weekly prices and market updates.