



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, September 24, 2012

Forward contract prices opened lower this morning. U.S. cash markets are called steady to higher this morning, continuing last week's strong performance amid heavy supplies. Last week's slaughter came in at over 2.4 million hogs, 100,000 larger than year ago levels and only marginally smaller than the previous week's. Supporting the cash market, is a firm pork cut-out that has been solidly trading in the mid-\$70's for several weeks. Wholesale pork prices have been surprisingly firm amid the large supplies, especially when one considers the results of Friday's Cold Storage report that showed supplies of pork were up 31% from year ago levels. The larger than expected supplies of pork in storage will test the resilience of the near term futures, as traders view the report as a bearish factor. Traders will also be focused on this Friday's release of the USDA Hogs and Pigs report where traders are looking for evidence of a significant reduction in the breeding herd.

Canadian delivered soymeal prices opened lower this morning. Soybeans are trending lower as reports reflect better than expected soybean yields. Harvest is expected to be 20% completed this week. South American weather is positive as recent showers are providing an optimal seed bed for producers to start planting.

Canadian delivered corn prices opened lower this morning. Corn harvest in the U.S. was strong this weekend with supportive weather. Expectations are for the harvest to be nearly 50% complete in tomorrow's release of the Crop Progress Report. South American weather is currently favourable for planting corn.

US Slaughter	
2.43 Mill – Last Week's	
2.29 Mill – Last Week's (year ago)	
Western Corn Belt	\$70.13
Daily National Price	\$72.21
Daily Sig3(M.Leaf)	\$125.39
Daily Sig4(M.Leaf)	\$125.02
Thunder Creek	\$125.44
4-Month Fwd Avg	\$133.54
#1 Export Sows (+500lbs)	\$27.00cwt
B of C Ex. Rate (Noon)	
\$0.9754CAD / \$1.0252US	
Cash Prices: Week Ending September 21st, 2012	
53.95/118.94	Signature #3
55.87/123.18	Signature #4
53.52/118.00	h@ms Cash
52.47/115.67	Hylife
51.53/113.60	Thunder Creek
ISO Weans	\$14.11US Avg
Feeder Pigs	\$16.39US Avg

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)			121.81 123.61	123.61 127.66	125.19 134.20	136.91 141.42	141.11 142.91	145.40 158.91	162.19 170.74	169.39 171.64	169.73 172.90
(Maple Leaf Sig. #4)			126.84 130.33	126.84 132.59	129.87 135.55	138.86 142.71	141.97 145.47	146.99 157.63	159.67 167.95	166.65 169.70	168.30 170.93
Soymeal Delivered	542	544	544	544	547						
Corn Delivered	321	309									

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.

WINNIPEG LIVESTOCK HWY #6 AND RD 236 CALL CRYSTAL FOR MORE INFO 204-235-2225

LIGHT HOG PROGRAM!

ACCEPTING: SOWS BOARS LIGHTS MARKET HOGS