



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, October 04, 2012

Forward contract prices opened higher this morning. U.S. cash markets were higher in trade yesterday with packers willing to bid up the supply. The recovery in cash prices continues, as key reporting regions have appreciated by \$15/cwt or close to 25% of their value over the last three weeks. Market hog supplies have tightened over the last two weeks, contributing to the recent rally. The strength in hog prices has come at a critical time to hog producers, as their operating loss per hog reached its highest level in years over the last month. Lean Hog futures continue to trend higher, seeing influence from the cash market and gaining confidence from last week's Hogs and Pigs report that supplies will be no larger than year ago levels for the next several months. The Canadian Dollar is trading higher this morning, ahead of tomorrow's employment data release that will provide an indication of the health of Canada's economy.

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

US Slaughter	
436,000	– Wednesday's
429,000	– Wednesday's (year ago)
Western Corn Belt	\$79.62
Daily National Price	\$79.86
Daily Sig3(M.Leaf)	\$144.05
Daily Sig4(M.Leaf)	\$139.91
Thunder Creek	\$144.19
4-Month Fwd Avg	\$135.25
#1 Export Sows (+500lbs)	\$26.25cwt

2012 Annual Fall Marketing Meetings			
Manitoba	Date	Time	Location
Brandon	31-Oct	Noon	Royal Oak Inn & Suites, 3130 Victoria Avenue
Starbuck	01-Nov	1:00 PM	Starbuck Community Hall, 25 Main Street
Steinbach	02-Nov	Noon	The Village Green Restaurant, 350 Park Road East
Saskatchewan	Date	Time	Location
Swift Current	08-Nov	Noon	Wong's Kitchen, 320 S Service Road East
Saskatoon	09-Nov	Noon	Sandman Hotel, 310 Circle Drive West

B of C Ex. Rate (Noon)	\$0.9870CAD / \$1.0132US
Cash Prices: Week Ending September 28th, 2012	
59.92/132.11	Signature #3
58.65/129.29	Signature #4
58.70/129.40	h@ms Cash
56.75/125.11	Hylife
55.16/121.60	Thunder Creek
ISO Weans	\$15.14US Avg
Feeder Pigs	\$20.20US Avg

Canadian delivered soymeal prices opened higher this morning. Exports of soybeans and soybean oil have been heavier than anticipated, especially to China. Soybean prices are down close to 15% from the record high levels put in one month ago. World supplies remain tight and consumption will need to drop in order to ration the available supply.

Canadian delivered corn prices opened higher this morning. South American corn is currently at a discount to U.S. origin corn by \$35-\$45 per tonne. The Mexican government is considering purchasing some corn from Argentina. They normally purchase all of their imports, totalling 8.5 million tonnes, from the U.S. Chinese markets are closed this week for "Golden Week" Holiday, despite this corn export sales are expected to be large.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)		126.02	127.83	128.07	139.82	144.62	149.48	167.01	172.00	175.73
(Maple Leaf Sig. #4)		127.83	131.89	137.11	144.35	146.43	163.08	175.62	176.53	178.92
		129.20	129.20	130.93	139.95	144.16	149.75	163.13	170.15	172.91
		132.70	134.27	136.63	143.81	147.66	160.46	171.47	173.23	175.56
Soymeal Delivered	533	536	539	543	545					
Corn Delivered	293	295								

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

LIGHT HOG PROGRAM!

ACCEPTING: SOWS BOARS LIGHTS MARKET HOGS