

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

Hog Margin Outlook

Meeting Your Marketing Needs

Thursday, November 08, 2012

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

Forward contract prices opened higher this morning.

US cash markets are trading with no apparent direction in spite of the profitable position that packers are benefitting from currently. Hog numbers have eased lower in recent weeks to levels that are comparable to year-ago and closer to the USDA forecast. Yesterday, Lean Hog futures were sharply higher, with the nearby contracts seeing the biggest gains. Support for the rally came in part from the perception that the December contract was discounted too heavily from the current cash market. However, the seasonal trend from now until mid-December when the nearby contract expires is typically one of weakness until the end of November followed by a slight recovery for the last two weeks. The rally across all futures months should be viewed as a good hedging opportunity for those producers who are looking for some certainty in prices for the next 10 months. The Canadian Dollar is trading in a steady trend, with limited reaction from the US election or the weakness in the stock markets experienced yesterday.

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

Canadian delivered soymeal prices opened higher this morning.

Following the lower trading trend in most commodities yesterday, soybean futures opened lower this morning. Soybeans continue a downward trend that started at the beginning of the month. New crop futures are trading slightly higher, with speculation that delays in corn planting in South America could lead to a drop in soybean acres in the US as corn would have a profit advantage. Analysts expect US soybean production to be higher by 1.1 percent over October's WASDE Report but 6.5 percent lower than last year.

Canadian delivered corn prices opened higher this morning.

All corn futures opened lower or even this morning. Analysts are predicting lower estimates for the 2012 US corn harvest for a third straight month ahead of tomorrow's WASDE Report. Preliminary estimates peg the corn harvest down 0.6 percent from the October forecast which would result in the smallest crop in 5 years or 14 percent lower than 2011.

US Slaughter	
435,000	- Wednesday
433,000	- Wednesday (year ago)
Western Corn Belt	\$78.74
Daily National Price	\$83.58
Daily Sig3(M.Leaf)	\$143.93
Daily Sig4(M.Leaf)	\$147.94
Thunder Creek	\$147.57
4-Month Fwd Avg	\$145.88
#1 Export Sows (+500lbs)	\$ 44.50 cwt
B of C Ex. Rate (Noon)	
\$0.9972CAD / \$1.0028US	
Cash Prices: Week Ending November 2, 2012	
66.74/147.13	Signature #3
68.39/150.78	Signature #4
66.24/146.04	h@ms Cash
66.13/145.78	Hylife
50.68/150.50	Thunder Creek
ISO Weans	\$43.76 US Avg
Feeder Pigs	\$42.93 US Avg

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)		135.70	136.82	147.35	149.68	153.53	168.89	173.94	177.27
		139.81	144.61	151.93	151.05	167.28	177.61	178.52	179.74
(Maple Leaf Sig. #4)		136.89	139.59	147.30	149.65	153.73	165.42	172.96	174.58
		142.03	143.93	151.21	151.77	164.56	173.41	175.18	175.92
Soymeal Delivered	547	547	543	543	543				
Corn Delivered	294	294							

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.



FOR RENT

4025 square foot space in Headingley.
New building, develop to your own specifications.
For more information please call Perry Mohr
204-235-2234 or 204-771-5066