

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

Hog Margin Outlook

Meeting Your Marketing Needs

Tuesday, November 13, 2012

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

Forward contract prices opened higher this morning.

US cash markets started the week higher in trade yesterday, with most regions reporting gains between \$0.80 - \$1.00/cwt. Packers still have strong incentives to maintain an aggressive slaughter schedule as operating margins are profitable. Last week's slaughter continued to reflect a more abundant supply than was anticipated with a 3% increase over year ago levels, while carcass weights on average are down from year ago. Lean Hog futures started this week near steady with last week's close, with 2013 contracts showing limited reaction to Friday's WASDE report. The latest USDA estimate has total pork production for 2013 down slightly more than 1%, a modest reduction given the pressure being applied by the high price of feed ingredients. The nearly 4% drop in the soybean meal prices after the bearish WASDE results has had a limited impact on Lean Hog futures. The Canadian Dollar is maintaining its steady trend, near par value with the US Dollar.

Canadian delivered soymeal prices opened lower this morning.

Soybean futures are trading firm this morning. The USDA revised its crop estimate for soybeans and the US crop is now estimated at a higher than the previously estimated 2.97 billion bushels. Although bearish in the short-term, the long term trend in soybeans is still firm given that there is a strong export demand for the US crop.

Canadian delivered corn prices opened lower this morning.

Corn futures are trading higher this morning after losing on yesterday's trade but remain in their recent trading range. Analysts are suggesting that the overnight firming was a result of a market correction. Last Friday's WASDE report pegged the US corn harvest 0.2 percent higher than expectations counter to earlier predictions. The US corn harvest is now estimated at 10.725 billion bushels. South American corn is still facing a less than ideal planting situation.

US Slaughter	
399,000 - Monday	
433,000 - Monday (year ago)	
Western Corn Belt	\$77.78
Daily National Price	\$83.03
Daily Sig3(M.Leaf)	\$142.66
Daily Sig4(M.Leaf)	\$147.47
Thunder Creek	\$143.11
4-Month Fwd Avg	\$149.14
#1 Export Sows (+500lbs)	\$ 44.50 cwt
B of C Ex. Rate (Noon)	
\$1.0006 CAD/\$0.9994 US	
Cash Prices: Week Ending	
November 9, 2012	
65.92/145.32 Signature #3	
67.13/147.99 Signature #4	
65.31/143.99 h@ms Cash	
64.92/143.12 Hylife	
65.54/146.70 Thunder Creek	
ISO Weans	\$47.58 US Avg
Feeder Pigs	\$46.72 US Avg

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)		138.26	139.89	150.46	154.29	156.77	170.57	175.65	177.62
		142.39	147.71	155.06	155.67	168.78	179.34	180.26	179.93
(Maple Leaf Sig. #4)		139.40	142.05	149.53	153.59	156.55	167.05	174.56	175.04
		143.85	145.97	152.74	154.48	162.99	175.45	177.42	176.30
Soymeal Delivered	513	513	508	508	508				
Corn Delivered	295	297	297	297					

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

LIGHT HOG PROGRAM!

CALL CRYSTAL FOR MORE INFO 204-235-2225

ACCEPTING:
SOWS
BOARS
LIGHTS
MARKET HOGS