



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, November 28, 2012

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

US Slaughter	
430,000 - Tuesday	
432,000 - Tuesday (year ago)	
Western Corn Belt	\$78.70
Daily National Price	\$79.65
Daily Sig3(M.Leaf)	\$143.33
Daily Sig4(M.Leaf)	\$140.48
Thunder Creek	\$143.52
4-Month Fwd Avg.	\$151.63
#1 Export Sows (+500lbs) \$ 52.00 cwt.	
B of C Ex. Rate (Noon) \$0.9936 CAD/\$1.0064 US	
Cash Prices: Week Ending November 23, 2012	
62.05/136.79 Signature #3	
64.07/141.25 Signature #4	
61.64/135.90 h@ms Cash	
61.58/135.75 Hylife	
63.41/139.80 Thunder Creek	
ISO Weans \$55.71 US Avg.	
Feeder Pigs \$60.53 US Avg.	

Forward contract prices opened higher this morning.

US cash markets are trading steady this morning, after cash markets spiked up higher in trade yesterday. Packers responded to higher product values with sharply higher bids and a willingness to compete for ample supplies. The pork cut-out gained \$1.63/cwt, taking values back to levels not seen for weeks. Pork prices might be benefitting from a near term shortage, after last week's holiday cut production by more than 10%. Lean Hog futures are trading slightly higher this morning, with bullish influence coming from the stronger cash market. The summer month contracts of 2013 are finding resistance in moving to new highs beyond the \$101/cwt. The Canadian Dollar is also running into upside resistance, benefitting Canadian pork prices. Currency traders are nervous about the approaching 'fiscal cliff' in the US where by income tax rates would be reset to higher levels potentially sending the US economy into recession.

Canadian delivered soymeal prices opened higher this morning.

Soybean futures opened lower this morning following lower Asian stock market trading. However, the US grain market (wheat) remains strong and is pulling up other crops such as soybeans. Further, export demand for US soybeans remains high and most analysts believe that Brazil is effectively out of the export business until their new crop harvest. While there were rumors that Argentine corn acres would be recommitted to soybeans, it has not had a significant impact on futures prices.

Canadian delivered corn prices opened mixed this morning.

Amidst trading mostly unchanged over the past couple days, US corn futures opened lower this morning. The EIA Ethanol Report will be released later today and another reported rise in stocks would be considered bearish. But, there are renewed concerns that a dry winter in the Corn Belt will not replenish moisture in the soil, leaving uncertainty in the longer term.

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Fixed Forward Range (Maple Leaf Sig. #3)			139.88 147.64	150.38 154.95	153.49 154.86	155.66 167.56	170.40 179.10	175.43 180.01	177.64 179.83	172.50 176.17	157.45 159.29
(Maple Leaf Sig. #4)			141.47 145.36	148.90 152.08	152.26 153.14	154.90 164.30	166.37 174.67	173.79 176.62	174.51 175.75	171.13 173.26	157.80 162.60
Soymeal Delivered	518	518	511	511	511						
Corn Delivered	300	300									

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