



Hog Prices: ↑↓ Soymeal: ↑
Corn: ↑ CDN Dollar: ↑

Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, February 01, 2013

Forward contract prices opened mixed this morning. US cash markets gained about \$2.00/cwt. across most regions yesterday as packers were forced to compete for the limited uncommitted supplies in an effort to fill out their planned slaughter schedules. Currently, estimated operating margins are in the red by approximately \$6.00/pig. Most packers sell only a modest amount of fresh pork into the wholesale market, with the majority of product moving through their own processing facilities for further cutting/packaging or curing. As a result, there are times when estimated operating margins that use voluntarily reported wholesale pork prices are not an accurate measure of the profits derived from the whole pork carcass. Spring and summer month futures are trading near their highest levels in several weeks, as traders are cautious about the wholesale pork prices but are optimistic given the run of tight hog supplies. The Canadian Dollar is trading near parity with the US Dollar after a Statistics Canada report showed the Canadian economy grew more than expected in November.

| US Slaughter | |
|--|------------------------|
| 422,000 | Thursday |
| 415,000 | Thursday (year ago) |
| W. Corn Belt | \$88.85 |
| National Price | \$88.53 |
| Daily Sig 3 | \$159.46 |
| Daily Sig 4 | \$157.66 |
| Thunder Creek | \$159.25 |
| 4-Month Fwd | \$161.14 |
| #1 Export Sows (+500lbs) \$ 35.50 cwt. | |
| B of C Ex. Rate (Noon) \$0.9992 CAD/\$1.0008 USD | |
| Cash Prices: Week Ending February 01, 2013 | |
| Signature 3 | 71.99/158.70 |
| Signature 4 | 71.52/157.68 |
| h@ms Cash | 70.84/156.18 |
| Hylife | 70.12/154.59 |
| Thunder Creek | 72.03/158.80 |
| ISO Weans | \$51.98 US Avg. |
| Feeder Pigs | \$75.70 US Avg. |

| h@ms 2013 Annual District Meetings | | |
|---|---------------------------|---|
| Manitoba | Date and Time | Location |
| Manitoba West & H.B. Marketing District (joint-meeting) | Tues. Feb. 19 @ 1:30 PM | The Glesby Centre - 11 2nd St. NE, Portage la Prairie |
| Manitoba East | Fri. Feb. 22 @ 12:00 Noon | Smitty's Restaurant - Clear Spring Mall, Steinbach |
| Heartland Marketing District | Thurs. Feb. 28 @ 1:30PM | Starbuck Community Hall - 25 Main Street, Starbuck |
| Saskatchewan | Date and Time | Location |
| Swift Current | Tues. Mar. 5 @ 12:00 Noon | Wong's Kitchen - 320 S Service Road East, Swift Current |
| Saskatoon | Tues. Mar. 5 @ 6:00 PM | Sandiman Hotel - 310 Circle Drive West, Saskatoon |

Canadian delivered soymeal prices opened higher this morning. US soybean futures opened higher this morning. Nearby futures are supported on news that Argentina will not see enough rainfall this weekend, limiting expected yields. However, there are no expected changes for Brazil. US new crop futures are supported on news that China has purchased over 1.25 mmt of US beans for the 2013/14 marketing year. Cumulative sales thus far are at 91% of the USDA forecast, compared to the 77% 5-year average.

Canadian delivered corn prices opened higher this morning. US corn futures opened higher this morning. Despite poor export demand, there is a bullish tone to corn. Meagre rainfall estimates in Argentina have provided the catalyst for hedge funds to enter the market. However, like soybeans, Brazilian yield estimates remain unchanged amid more favourable weather conditions. Nonetheless, analysts note that technical resistance levels have been removed and expect higher prices in the short term.

| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|-----|--------|--------|--------|--------|--------|--------|--------|--------|
| Fixed Forward Range (Maple Leaf Sig. #3) | | 150.70 | 152.14 | 165.95 | 171.00 | 174.33 | 164.59 | 156.77 | 154.05 |
| | | 153.45 | 164.06 | 174.67 | 175.58 | 176.63 | 173.97 | 158.61 | 158.20 |
| (Maple Leaf Sig. #4) | | 151.26 | 151.85 | 162.39 | 169.50 | 171.67 | 165.53 | 155.73 | 154.98 |
| | | 152.15 | 161.27 | 170.74 | 172.70 | 172.92 | 171.49 | 162.32 | 157.48 |
| Soymeal Delivered | 509 | 509 | 507 | 507 | 507 | 508 | | | |
| Corn Delivered | 306 | 306 | 308 | | | | | | |

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NEW ROSEDALE FEEDMILL

New Rosedale Feed Mill Suppliers Day Producers are Invited!

Friday February 15, 2013 11:00AM-4:00PM
Supplier/Industry Demonstrations and Displays.
Door prizes and lunch provided.
Contact Stan or Tim at 204-252-2053 for more information.

