

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

Hog Margin Outlook

Meeting Your Marketing Needs

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Monday, February 11, 2013

Forward contract prices opened lower this morning. US cash markets finished last week sharply lower as it appeared that packers had decided to take action against their negative operating margins and reduce their cash market bids. The estimated slaughter of last week was impacted by this decision, with numbers estimated at 2.139 million head, down nearly 40,000 hogs from the week previous. Packers are still estimated to be losing about \$6.00/hog, when using the value of the voluntary pork cut-out in the calculation. Pork prices have decreased by about 5% over the last week, possibly coinciding with a reduction in export demand as orders from China to meet New Year's demand would have diminished. Export sales in December were down 13.6% from year ago levels reflecting softer demand from this segment of the market. Currently, there is little support for spring and summer month contracts except for the fact that they have already fallen about 4% of their value in the last 2 weeks.

US Slaughter	
2.139 mil.	Last Week
2.112 mil.	Last Week (year ago)
W. Corn Belt	\$84.55
National Price	\$90.12
Daily Sig 3	\$155.29
Daily Sig 4	\$160.29
Thunder Creek	\$155.22
4-Month Fwd	\$156.54

1 Export Sows (+500lbs)
\$ 36.50 cwt.

B of C Ex. Rate (Noon)
\$1.0020 CAD/\$0.9980 USD

Cash Prices: Week Ending February 08, 2013

Signature 3	72.52/159.87
Signature 4	71.85/158.40
h@ms Cash	71.17/156.90
Hylife	70.98/156.48
Thunder Creek	72.30/159.40
ISO Weans	\$52.12 US Avg.
Feeder Pigs	\$80.27 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	Sandman Hotel - 310 Circle Drive West, Saskatoon

Canadian delivered soymeal prices opened lower this morning. US soybean futures opened lower this morning. Prices fell to their lowest levels since mid-January following the release of Friday's WASDE Report. Despite modest production uncertainty, an upward revision of global supplies was noted. Global demand this week is expected to remain relatively low due to holiday closures in China. A general consensus is that the market is heavily influenced by South American developments. However, analysts will need to focus on North American production estimates for longer term outlooks.

Canadian delivered corn prices opened lower this morning. US corn futures opened lower this morning. Grains markets are down in general following Friday's WASDE Report. The Report showed higher ending stocks than analysts' previous average estimates that were also higher than the USDA's January figures. Export demand was cut by 50 million bu. as Ukraine's and Brazil's corn appear to be favoured to the US variant. Ethanol demand remained unchanged 'adding' supply to the US carryout.

Fixed Forward Range	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
(Maple Leaf Sig. #3)		144.56 147.33	146.18 158.21	159.74 168.53	164.83 169.45	167.36 169.67	161.38 168.01	153.50 155.35	147.35 154.79	138.65 144.69
(Maple Leaf Sig. #4)		145.80 146.69	146.57 156.07	157.11 165.53	164.27 167.50	165.65 166.91	162.48 166.28	152.60 159.24	151.69 154.21	140.92 147.59
Soymeal Delivered	491	491	494	494	494	495				
Corn Delivered	294	296	298							

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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.

