



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

# Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit  
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Wednesday, February 13, 2013

**Forward contract prices opened lower this morning.** US cash markets reported a modest recovery in trade yesterday, but packers still have little incentive to aggressively seek supplies with current operating margins still negative by about \$2.00/hog. The pork cut-out did experience some support after the ham primal gained about 8% in value yesterday. However, the rest of the primal cuts that make up the voluntary pork carcass value were weaker. Export markets appear to be providing little support to the cash market, causing futures to come under pressure. The June contract is trading near its lowest level since last July when traders believed that the drought induced higher feed costs would trigger a liquidation in the breeding herd. The latest pork production estimates for the US are up about 1% over year ago levels, contributing to the recent weakness in the futures. Alternatively, the Canadian Dollar has been weaker recently, impacted by a weaker economic outlook.

US Slaughter	
420,000	Tuesday
421,000	Tuesday (year ago)
W. Corn Belt	\$83.62
National Price	\$89.12
Daily Sig 3	\$153.72
Daily Sig 4	\$158.66
Thunder Creek	\$153.63
4-Month Fwd	\$160.70

1 Export Sows (+500lbs)  
\$ 37.00 cwt.

**B of C Ex. Rate (Noon)**  
\$1.0029 CAD/\$0.9971 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. South American weather continues to weigh heavily on the market amid improved precipitation forecasts that are adding pressure to futures prices. As well, some traders in the US have expressed concern that the Chinese traders will fully shift their attention to SA next week as they return from this week's Lunar New Year holiday.

**Canadian delivered corn prices opened lower this morning.** US corn futures are trading lower this morning. As with soybeans, SA weather continues its influence on trading and the expected rainfall is prompting the bearish tone. Domestic ethanol demand remains weak and analysts also note that the premium price of US corn is limiting its export demand relative to the Ukraine and Brazil product. US markets are expected to react only modestly following last night's State of the Union Address in the United States.

Fixed Forward Range	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(Maple Leaf Sig. #3)			145.98 157.95	158.93 167.67	163.99 168.59	166.78 169.09	160.13 167.15	152.29 154.13	146.12 153.52	137.24 143.25	142.32 142.79
(Maple Leaf Sig. #4)			146.36 155.81	156.31 164.69	163.80 166.65	165.08 166.33	163.29 165.44	151.40 158.02	148.48 152.96	137.91 146.15	140.24 143.83
Soymeal Delivered	481	481	483	483	483	484					
Corn Delivered	289	289	292								

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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.

