



Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, February 26, 2013

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

Forward contract prices opened higher this morning. US cash markets started this week with slightly higher cash bids as packers have some positive operating margin to work with. Producers have pulled back on their marketings over the last week, in reaction to the lower prices, but also due to poor winter driving conditions after some recent snowstorms blanketed the Midwest. Lean Hog futures are near steady this morning with influence coming from the cash market and the issue of China requiring 3rd party verification of US pork. These two factors have impacted prices for the last week, but summer month futures are still trading at a premium to the cash market that is comparable to typical levels for this time of year. The weaker Canadian Dollar has made a marked improvement in our forward prices and the drop over the last three weeks has amounted to nearly a \$5.00/kg. increase in forward prices.

US Slaughter	
405,000	Monday
422,000	Monday (year ago)
W. Corn Belt	\$76.11
National Price	\$82.84
Daily Sig 3	\$143.21
Daily Sig 4	\$150.94
Thunder Creek	\$143.17
4-Month Fwd	\$160.41
1 Export Sows (+500lbs)	\$ 39.00 cwt.

h@ms 2013 Annual District Meeting Schedule		
District/Locale	Date and Time	Location
Heartland	Feb. 28 @ 1:30PM (Thurs.)	Starbuck Community Hall - 25 Main Street, Starbuck
Swift Current	Mar. 5 @ 12:00 Noon (Tues.)	Wong's Kitchen - 320 S Service RD. E., Swift Current
Saskatoon	Mar. 5 @ 6:00 PM (Tues.)	Sandman Hotel - 310 Circle Dr. W., Saskatoon

B of C Ex. Rate (Noon) \$1.0265 CAD/\$0.9741 USD	
Cash Prices: Week Ending February 22, 2013	
Signature 3	66.57/146.76
Signature 4	70.28/154.93
h@ms Cash	69.60/153.43
Hylife	68.13/150.20
Thunder Creek	69.08/152.30
ISO Weans	\$45.90 US Avg.
Feeder Pigs	\$65.46 US Avg.

Canadian delivered soymeal prices opened mixed this morning. US soybean futures are trading lower. Profit taking as a result of the increasingly pessimistic technical picture (for grain traders) pushed prices lower yesterday, a trend that continued into the overnight session. South American weather maintains pressure on prices; Brazil's weather is 'ideal' and Argentina is forecast for more rain. As well, Brazilian port strikes have been postponed until perhaps March and there are rumors China is set to release some soybean reserves.

Canadian delivered corn prices opened higher this morning. Near-by US corn futures are trading higher. Despite cumulative shipments of only 39%, compared to the 45% 5-year average, there are reports that export demand for US corn increased yesterday. There were also rumors that ethanol buyers entered the market for spring and summer deliveries, anticipating increased production. However, prices remain in check amid favourable weather reports coming from South America and the recent winter storms in the US.

Fixed Forward Range	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(Maple Leaf Sig. #3)		142.44 154.73	158.23 167.22	163.43 168.16	166.69 169.06	160.43 167.92	152.38 154.27	145.91 153.50	137.18 143.35	142.40 142.88
(Maple Leaf Sig. #4)		143.98 153.69	156.62 164.86	163.57 166.87	165.64 166.92	162.24 166.83	152.33 158.94	149.20 153.79	138.72 147.18	141.11 144.79
Soymeal Delivered	510	516	518	518	518	519				
Corn Delivered	295	297	299							

This information is intended to aid producers in making 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

CALL CRYSTAL FOR MORE INFO 204-235-2225

LIGHT HOG PROGRAM!

ACCEPTING:
SOWS
BOARS
LIGHTS
MARKET HOGS