

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

Hog Margin Outlook

Meeting Your Marketing Needs

Tuesday, May 21, 2013

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

US Slaughter	
410,000	Monday
415,000	Monday (year ago)
W. Corn Belt	\$89.07
National Price	\$93.28
Daily Sig 3	\$167.66
Daily Sig 4	\$170.03
Thunder Creek	\$167.96
4-Month Fwd.	\$161.39
1 Export Sows (+500lbs) \$ 43.00 cwt.	
B of C Ex. Rate (Noon) \$1.0269CAD/\$0.9738 USD	
Cash Prices: Week Ending May 17, 2013	
Signature 3	75.09/165.55
Signature 4	75.49/166.42
h@ms Cash	74.81/164.92
Hylife	74.89/465.11
Thunder Creek	74.93/165.20
ISO Weans	\$27.24 US Avg.
Feeder Pigs	\$55.52 US Avg.

Forward contract prices opened mixed this morning. US cash markets are trading higher to start this week, with most regions finding stability at current price levels. Last week's hog slaughter was estimated by the USDA to be 2.035 million head, almost 4% smaller than year ago levels and the smallest non-holiday slaughter week seen so far in 2013. With packer margins estimated near break-even levels, the cash bids that packers are currently offering are sustainable at current levels. However, any weakness in wholesale pork prices would be met with a pullback in cash bids. Next week's US Memorial Day holiday is an important benchmark for most traders, as demand for fresh pork on this holiday can set the tone for the rest of the summer. Currently, pork is priced favourably to both beef and chicken, but this does not guarantee that consumers will respond with more pork on their barbecues. Lean Hog futures are expected to see influence from the cattle market and the impressive gains made in planting the US corn crop over the last week.

Canadian delivered soymeal prices opened higher this morning. US soybean futures are trading lower. Support comes from tight domestic supplies and a firm interior basis; The Crop Progress report released yesterday reflected market expectations of 24% planted compared to 6% last week – the 18-state, 5-year average is 42%. There is talk that approximately ½ million acres originally intended for corn will be switched to soybeans and that overall production will be the second highest in the past 10 years.

Canadian delivered corn prices opened even this morning. US corn futures are trading lower. Farmers planted 41.83 million acres last week, breaking the previous record of 34.1 million acres planted in one week. The Crop Progress report estimates exceeded market expectations showing 71% complete compared to 28% last week; the 18-state, 5-year average is 79%. The outlook is bearish and there is talk that some profit taking will materialize as most analysts expect pressure on futures price to continue.

Fixed Forward Range	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
(Maple Leaf Sig. #3)		166.77 169.14	168.37 168.85	158.67 165.91	150.61 152.51	144.26 151.86	135.62 141.79	138.47 141.31	139.19 144.88	145.35 147.72
(Maple Leaf Sig. #4)		165.62 168.92	166.53 167.82	161.63 165.98	151.72 158.51	147.97 152.57	137.76 145.86	139.79 143.47	140.11 143.23	145.80 146.53
Soymeal Delivered	559	560	562	568	568	420	418	418		
Corn Delivered	291	293	295							

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 authors' consent.



FOR RENT

4025 square foot space in Headingley.
New building, develop to your own specifications.
For more information please call Perry Mohr
204-235-2234 or 204-771-5066