



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, September 25, 2013

Forward contract prices opened higher this morning.

US cash markets appreciated by close to \$2.00/cwt. in most regions as the hog supply has grown, but too late for packers to avoid another week of increased bids. Yesterday's slaughter was estimated at 435,000 hogs, comparable to year ago levels, but is an anomaly as in recent days production levels have been closer to 420,000 hogs. Wholesale pork prices maintained their value at \$100/cwt., providing only a slim profit for the more efficient plants. Lean Hog futures jumped higher in yesterday's trade with traders factoring in the tight supplies in the cash market. Traders have grown impatient as they wait for the hog flow to increase to seasonal levels, but numbers continue to come in well short of expectations. Nearby contracts are seeing further gains this morning, with added volatility expected ahead of the release of the latest U.S.D.A. Hogs and Pigs report on Friday.

Analyst Estimates for Hogs and Pigs Report		
	Average	Range
All on Sept. 1	98.6	96.4-100.3
Breeding	101.5	100.6-102.0
Marketing	98.3	98.9-100.2
Under 50 lbs.	98.8	97.0-101.6
50-119 lbs.	98.9	96.1-100.0
120-179 lbs.	98.3	95.9-101.1
180+ lbs.	96.2	94.0-99.3

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

US Slaughter	
435,000	Tuesday
438,000	Tuesday (year ago)
W. Corn Belt	\$93.54
National Price	\$97.10
Daily Sig 3	\$176.52
Daily Sig 4	\$177.44
Thunder Creek	\$176.52
4-Month Fwd.	\$159.03

B of C Ex. Rate (Noon)	\$1.0295 CAD/\$0.9713 USD
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Cash Prices Week Ending September 20, 2013	
Signature 3	81.79/180.32
Signature 4	79.31/174.85
h@ms Cash	78.63/173.35
Hylife	79.19/174.58
Thunder Creek	80.20/176.80

ISO Weans	\$42.11 US Avg.
Feeder Pigs	\$59.93 US Avg.
#1 Export Sows (+500lbs)	\$ 70.00 cwt.

h@ms 2013 Fall Marketing Meeting Schedule

Date and Time	Location
Nov. 7 @ 12:00 PM (Thurs.) - with lunch	Starbuck Community Hall - 25 Main Street, Starbuck
Nov. 8 @ 12:00 PM (Fri.) - with lunch	Smitty's - 145 Park Rd. W., Steinbach

Canadian delivered soymeal prices opened lower this morning.

US soybean futures are trading mixed. Soybean futures are maintaining their strength; tight US supplies and weather premiums from South America are supportive influences. As well, there is strong 'front end' export demand for the new crop. The upside is so far limited by the beginning of the US harvest although yield uncertainty is currently playing a supportive role.

Canadian delivered corn prices opened even this morning. US

corn futures are trading higher. Analysts are predicting sideways trade until the release of the next WASDE report on October 11. However, outlooks on fundamentals remain bearish due to, in part, anecdotal reports of better than expected yields, rising global stocks, and meagre export demand as a result of competition from the Black Sea region and South America

Fixed Forward Range	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #3		165.78 165.78	153.63 159.77	156.46 159.30	154.89 161.54	162.01 164.38	157.27 160.59	159.02 165.65	166.36 173.94	170.62 176.79
Maple Leaf Sig. #4		167.85 167.85	153.89 162.31	156.27 159.93	155.51 158.63	161.21 161.94	158.17 160.93	157.48 163.72	165.41 172.94	169.08 173.67
Soymeal Winnipeg Delivered	534	516	489	489	494	495				
Corn Wpg Delivered	224	226	189							

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WINNIPEG LIVESTOCK
HWY #6 AND RD 236

LIGHT HOG PROGRAM!

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SOWS
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