



Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, October 01, 2013

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

Forward contract prices opened mixed this morning. US cash markets were down sharply in trade yesterday, as packers found hog supplies more abundant than in recent weeks. However, looking for a market trend today will be difficult, after the US Government shut down all non-essential services and effectively laid off 900,000 employees. Impacted by this decision are many of the staff at the USDA, which will not be operating their price reporting system and therefore making it difficult to establish the prices that were paid. There is a great deal of uncertainty related to this event which has no defined endpoint, but will hopefully be only a brief disruption to our normal business routine. Lean Hog futures are expected to open near steady this morning after yesterday's trade had the winter month contracts settle between 80 to 150 points lower. The market's reaction to Friday's Hogs and Pigs report appeared to be one of suspicion, with a modest drop in prices after the largest discrepancy between USDA results and analysts' expectations in several years.

US Slaughter	
432,000	Monday
437,000	Monday (year ago)
W. Corn Belt	\$89.69
National Price	\$96.03
Daily Sig 3	\$169.09
Daily Sig 4	\$175.31
Thunder Creek	\$168.92
4-Month Fwd.	\$156.50

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

B of C Ex. Rate (Noon)
\$1.0285 CAD/\$0.9722 USD

Canadian delivered soymeal prices opened lower this morning. US soybean futures are trading lower. Yesterday's Crop Progress report had a bearish influence on news that stocks, while 12% lower than September 2012, were higher than market expectations; September 1 stocks were reported at 823.6 million bu. compared to the 680 million bu. pre-report average estimate. Agriculture commodities are also feeling pressure today as US economic confidence wanes in the wake of a US government shutdown of non-essential services.

Cash Prices Week Ending September 27, 2013	
Signature 3	79.38/175.01
Signature 4	80.58/177.65
h@ms Cash	79.90/176.15
Hylife	79.72/175.75
Thunder Creek	81.47/179.60

Canadian delivered corn prices opened lower this morning. US corn futures are trading lower. As with soybeans, the Crop Progress report for US corn was bearish. September 1 stocks were reported 17% lower than September 2012 but up to 140.5 million bu. as compared to the pre-report estimate of 125 million. There is talk of more than usual uncertainty looming; public crop information could become very difficult to come by amid the US government shutdown.

ISO Weans	\$43.29 US Avg.
Feeder Pigs	\$61.62 US Avg.
#1 Export Sows (+500lbs)	\$ 73.50 cwt.

Fixed Forward Range	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Maple Leaf Sig. #3		150.81	153.65	153.25	160.36	155.56	157.93	165.98	170.26	170.09
		156.97	156.49	159.89	162.73	158.88	164.59	173.59	176.44	172.94
Maple Leaf Sig. #4		151.17	153.56	153.91	159.60	156.52	156.44	165.06	168.74	170.61
		159.62	157.23	157.03	160.34	159.27	162.70	172.61	173.35	172.27
Soymeal Winnipeg Delivered	492	476	476	477	478	479				
Corn Wpg Delivered	227	189	191							

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.

**Industry People are encouraged to register for
Brandon Hog Days: To be held on December 12, 2013**
Please register as your commitment is Imperative
for another successful year!
Registration Date: October 1

