



Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, January 03, 2014

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

US Slaughter	
432,000	Thursday
431,000	Thursday (year ago)
W. Corn Belt	\$78.58
National Price	\$80.31
Daily Sig 3	\$153.15
Daily Sig 4	\$151.58
Thunder Creek	\$153.14
4-Month Fwd.	\$168.49
B of C Ex. Rate (Noon)	
\$1.0633 CAD/\$0.9404 USD	
Cash Prices Week Ending January 3, 2014	
Signature 3	68.39/150.78
Signature 4	68.76/151.58
h@ms Cash	68.08/150.08
Hylife	n/a
Thunder Creek	66.81/147.30
ISO Weans	\$82.54 US Avg.
Feeder Pigs	\$92.32 US Avg.
#1 Export Sows (+500lbs)	\$57.50/cwt. tagged

Forward contract prices opened higher this morning. The US cash market is called steady to higher with thoughts coming out today that inclement weather could affect producer marketings and subsequently support cash markets in the short-term. As well, analysts are suggesting that there are enough market signals to support the notion of a low in the marketplace. ISM and WCB reporting regions are up over \$1.50/cwt to close out the week while the National reporting region is showing a modest gain of \$0.20/cwt to the base price. Lean hog futures are also expected to be supported in the short term on thoughts that weather and summer-month PEDv issues (working their way through the supply chain) could be factors affecting nearby contracts. Slaughter numbers, for example, have been lower than expectations for two days in a row and the perceived inability of the market to 'catch up' to the expectations is generally viewed as a factor lending support to the nearbys due to reduced supplies. Longer term estimates with both arguments surfacing that enough AND not-enough risk premiums have been factored into the contracts offered further out as a result of currently unknown PEDv is adding some uncertainty to the deferreds. The Canadian dollar is hovering around the \$0.94 USD-mark, trading slightly higher this morning than yesterday's close.

Canadian delivered soymeal prices opened lower this morning. US soybeans are trading higher as traders rebalance positions following a day of losses witnessed yesterday. The general consensus is that favourable S. American weather and year-end profit taking were behind yesterday's move lower. Although not a huge factor yet, the Chinese Ministry of Agriculture announce an H5N1 outbreak in poultry which could impact meal demand if the issue is not resolved soon.

Canadian delivered corn prices opened lower this morning. US corn futures are trading lower. There are some expectations of a bearish WASDE report (released next Friday) as well as pressure in other grain markets and good S. American weather adding some pressure. However there is also talk of support if the funds, attempting a rebalance, start buying next week. Only small rallies in corn are expected in what is considered a generally bearish market.

Fixed Forward Range	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Maple Leaf Sig. #3		161.25 163.20	165.40 168.82	167.78 174.14	181.28 192.03	188.61 193.50	185.54 192.86	173.53 184.72	157.42 165.72	156.87 161.80
Maple Leaf Sig. #4		159.64 161.72	163.76 166.97	163.99 170.43	177.15 187.00	183.59 188.51	181.08 188.08	174.56 180.86	157.82 169.65	158.20 159.92
Soymeal Winnipeg Delivered	551	551	551	554	555					
Corn Wpg Delivered	175	178								

This information is intended to aid producers in making pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution (including email forwarding) of the HMO is strictly prohibited.

WINNIPEG LIVESTOCK
HWY #6 AND RD 236

CALL CRYSTAL FOR MORE INFO 204-235-2225

LIGHT HOG PROGRAM!

ACCEPTING:
SOWS
BOARS
LIGHTS
MARKET HOGS