



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit

www.hamsmarketing.ca

Wednesday, October 15, 2014

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

Forward contract prices opened lower this morning. US cash markets closed lower yesterday following the counter-seasonal support that has seen recent cash markets at record levels. A decline in hams, bellies and loins yesterday all contributed to the recent downturn resulting in the cutout at \$116.66, the lowest value since September 23. ISM and WCB reporting regions saw a decline of \$2.00+ USD/cwt.; the National reporting region saw a more modest \$0.37 USD/cwt. loss. Lean hog futures are mixed; the nearby contracts are generally lower while the deferred contracts into 2015 are generally seeing more support amid a supply situation that is uncertain. As well, yesterday was the last day to trade the October contract. In any event, there is talk of a more bearish outlook IF supply levels shift to something more normal, seasonally speaking. Fourth quarter 2014 to first quarter 2015 pork production is expected to drop by only 140 million lbs., the smallest drop in almost 20 years.

US Slaughter	
428,000	Tuesday
434,000	Tuesday (year ago)
W. Corn Belt	\$105.06
National Price	\$108.25
Daily Sig 3	\$216.38
Daily Sig 4	\$215.89
Thunder Creek	\$216.16
4-Month Fwd.	\$175.46

h@ms 2014 Fall Marketing Meeting Schedule		
Meeting	Date and Time	Location
Swift Current	Wed. Oct. 29 @ 10:00a	Days Inn - 905 North Service Road East
Saskatoon	Wed. Oct. 29 @ 5:00p	Sandman Hotel - 310 Circle Drive West
Headingley	Tues. Nov. 4 @ 2:00p	Headingley Com. Centre - 5353 Portage Ave.
Steinbach	Fri. Nov. 7 @ 12:00 noon	Smitty's Restaurant - Clear Spring Mall
Starbuck	Thurs. Nov. 13 @ 2:00p	Starbuck Community Hall - 25 Main Street

B of C Ex. Rate (Noon)
\$1.1236 CAD/ \$0.8899 USD

Canadian delivered soymeal prices opened mixed this morning. US soybeans are trading lower. A Crop Progress report showing a better than expected harvest pace is contributing to the turnaround and follows the upward trend that began in mid-August. The slower than average start and rain delays have been supportive but yesterday's progress report showed 40% complete, that while still behind the 53% average was better than the market's expectations.

Cash Prices Week Ending October 10, 2014	
Signature 3	100.30/221.13
Signature 4	97.88/215.79
h@ms Cash	97.20/214.29
Hylife	97.26/214.41
Thunder Creek	100.65/221.90
ISO Weans	\$69.43 US Avg.
Feeder Pigs	\$87.17 US Avg.
#1 Export Sows (+500lbs)	\$58.00 cwt. Tagged

Canadian delivered corn prices opened even this morning. US corn futures are trading lower. US corn is seeing some more pressure due to a harvest pace that met market expectations. While harvest is still very slow, the risk of damage to crops as a result of the slower pace is waning and trading reflects supply constraints more so than risk factors. US farmers now have 24% of the corn harvest complete compared to the 43% average. A massive US crop is still expected.

Fixed Forward Range (at opening)	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #3		173.92 178.58	175.47 181.69	169.36 175.08	169.67 176.64	171.23 174.87	175.41 178.53	179.61 186.89	184.81 191.05	182.16 187.83	177.93
Maple Leaf Sig. #4		173.03 178.66	177.25 181.07	167.12 173.57	168.83 174.57	168.83 172.66	172.68 174.89	176.04 184.30	182.49 187.52	182.19 185.58	177.79
Soymeal Winnipeg Delivered	431	431	431	427	422	422	422				
Corn Wpg, Delivered	153	153	153								

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

<p>Improve Piglet Digestive Health from Day One "It's easy to use and very cost effective"</p>		<p>Contact Andy Cell: 204-868-0419 Toll Free: 844-834-2702 ext. 235</p>
<p>For more information: Click, Tap, or Follow this link www.mspResistantStarch.com</p>		