



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

Hog Margin Outlook

Meeting Your Marketing Needs

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

www.hamsmarketing.ca

Monday, November 03, 2014

Forward contract prices opened higher this morning. US cash markets are expected to slow their bearish trend this week after having lost more than a quarter of their value over the last month. Hog supplies that are growing in line with seasonal trends, reduced losses from PEDv and higher carcass weights have all contributed to the weakness. In spite of the recent down turn, hog and pork prices are still up 5% from year ago levels, reflecting the fact that pork production is down 2% from year ago levels and improved demand over 2014. All Lean Hog futures are trading at a discount to the current cash market index with the exception of the June 2015 contract which is near equivalent value. Normally, summer month futures hold a premium of approximately \$12/cwt. The market developed some bearish momentum when cash values started to weaken, but many analysts believe 2015 contracts to be over-sold, which could lead to buying support from speculators. Price uncertainty remains huge for 2015, given the significant changes in supply and demand factors over the last 8 months.

h@ms 2014 Fall Marketing Meeting Schedule		
Meeting	Date and Time	Location
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

Canadian delivered soymeal prices opened even this morning. US soybean futures are trading lower despite tight supplies, strong demand, US logistics concerns and news that the funds have increased their net long positions to the highest levels in three months. Fundamentals do remain bearish, however, and there has been speculation that the 'top' of the recent soymeal rally has finally been reached; there is also talk that the factors providing support have been now effectively priced into the market.

Canadian delivered corn prices opened even this morning. US corn futures are trading lower. Relative softness in the soybean complex is a factor in this morning's relative weakness. There has been very little disruption in the corn harvest due to weather but some talk that farmers have been prioritising soybeans over corn as there is some further talk of cooler temperatures looming and light snow in the northerly states. Crop Progress report will be released this afternoon at 4PM, Eastern.

US Slaughter	
2.197 mil.	Last Week
2.270 mil.	Last Week (year ago)
W. Corn Belt	\$85.87
National Price	\$90.56
Daily Sig 3	\$177.47
Daily Sig 4	\$181.23
Thunder Creek	\$177.38
4-Month Fwd.	\$169.38
B of C Ex. Rate (Noon)	
\$1.1275 CAD/ \$0.8869 USD	
Cash Prices Week Ending October 31, 2014	
Signature 3	179.63/81.48
Signature 4	189.30/85.87
h@ms Cash	187.80/85.19
Hylife	184.46/83.67
Thunder Creek	191.40/86.82
ISO Weans	\$67.34 US Avg.
Feeder Pigs	\$83.04 US Avg.
#1 Export Sows (+500lbs)	\$64.00 cwt. Tagged

Fixed Forward Range (at opening)	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #3		168.65 174.88	168.54 174.26	170.31 175.82	171.87 175.51	175.83 178.95	181.61 188.88	186.80 193.04	185.37 191.10	174.44 181.73
Maple Leaf Sig. #4		171.26 175.08	166.94 173.38	170.06 174.39	170.06 173.89	173.69 175.90	178.58 186.83	185.02 190.05	184.96 189.39	175.58 180.42
Soymeal Winnipeg Delivered	526	520	513	513	513	513				
Corn Wpg, Delivered	163									

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<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>
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