

# Hog Margin Outlook

Meeting Your Marketing Needs

Thursday, July 27, 2017

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

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

US Slaughter	
443,000	Wednesday
433,000	Wednesday (year ago)
Daily Prices	
W. Corn Belt	\$82.49
National	\$90.16
Iowa/S. MN.	\$82.55
Signature 5	\$194.61
HyLife (prev. day)	\$198.47
Britco (prev. day)	\$188.80
TCP/BP2	\$194.61
<b>BoC Rate (Noon) prev. day</b> \$1.2505 CAD / \$0.7997 USD	
Cash Prices Week Ending July 22, 2017	
Signature 3	198.66/90.11
Signature 4	206.29/93.57
Signature 5	202.47/91.84
h@ms Cash	200.97/91.16
HyLife	204.29/92.67
Britco	205.00/92.99
TCP/BP2	208.56/94.60
ISO Weans	\$24.98 Avg.
Feeder Pigs	\$52.51 US Avg.

**Forward contract prices opened lower this morning.** US packers lowered their cash bids again yesterday as they are having no difficulty meeting their daily production targets. Wholesale pork prices were down sharply, with all of the primal cuts except pork bellies showing weakness. The pork carcass cut-out was down about \$2.00/cwt in trade yesterday and nearly \$6.00/cwt lower than the recent high seen about 2 weeks ago. Pork bellies and pork trim are providing all of the support and driven by strong demand and tightening supplies. The Cold Storage report showed Belly stocks were drawn down to their tightest level since February, but current inventory is still close to 5 times larger than the lowest level that was experienced in 2010. Lean Hog futures are seeing influence from the wholesale pork price declines, but the already large discount that the August and October contracts hold from the cash market are slowing any additional losses.

**Canadian delivered soymeal prices opened higher this morning.** After a wide swath of rains were seen across central areas of the Corn belt yesterday, traders are focused on the areas that were missed, including most of the Missouri, South and North Dakota. The long term forecast is for more dry weather which could push Soybean prices to new highs unless some sign of relief enters the weather models over the next few days.

**US corn futures opened higher this morning.** Precipitation amounts from yesterday's rains came in below expectations which is driving some of this morning's gains. In addition, the latest supply and demand estimates from China suggest the market may find more support from Chinese purchases, given a tighter supply outlook and expanding ethanol industry.

Fixed Forward Range (at opening)	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #5	166.25	147.52 160.04	144.68 147.38	127.37 138.45	125.05 132.81	132.07 139.79	140.35 143.32	144.60 149.41	149.93 150.27	153.03 165.22	163.13 174.65
Soymeal Wpg Delivered.	439	439	450	453	453						

This bulletin is intended as a marketing tool for subscribed members only. Prices are not quotes and all pricing is subject to verification. Opinions expressed do not guarantee future events or performance. Unauthorized distribution is strictly prohibited.

follow us @hamsmarketing  


### Some Important Phone Numbers

Main Office: 204-233-4991

Toll Free: 1-800-899-7675

Logistics: 204-235-2225

Risk Management: 204-235-2237

STRENGTH IN NUMBERS

