



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

Hog Margin Outlook

Meeting Your Marketing Needs

Wednesday, September 06, 2017

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

US Slaughter	
449,000	Tuesday
426,000	Year Ago

Daily Prices	
W. Corn Belt	\$62.11
National	\$71.74
Iowa/S. MN.	\$62.12
Signature 5	\$149.19
HyLife (prev. day)	\$156.44
Britco (prev. day)	\$140.55
TCP/BP2	\$149.19

BoC Rate (Noon) prev. day	
\$1.2371 CAD / \$0.8083 USD	

Cash Prices Week Ending September 02, 2017	
Signature 3	148.65/67.43
Signature 4	168.65/76.50
Signature 5	158.65/71.96
h@ms Cash	157.15/71.28
HyLife	165.94/75.27
Britco	159.14/72.19
TCP/BP2	171.86/77.96

ISO Weans	\$20.53 US Avg.
Feeder Pigs	\$35.54 US Avg.

Forward contract prices opened lower this morning. US cash markets in three reporting regions were again lower over the previous session as packers have to compete very little for available supplies. On that note, a sharp increase in reported hog weights (up to 279.8 lbs. from 277.9 lbs. last week and 276.8 lbs. last year) have been reported, but there are thoughts that the two new plants that opened up yesterday will shore up available supplies in the short term. In the meantime, lean hog futures have shown significant strength at the beginning of the holiday-shortened week. Some market watchers have suggested yesterday's rally was a bit too high, too fast despite ideas that competition will increase as the new plant start ups appear to be on schedule for now. In the meantime, the Bank of Canada has announced it will raise interest rates by another 25 basis points (1/4%) this morning sending the Canadian dollar rallying toward 82 cents USD. The net result for hog sellers in Canada has been a lower forward contract (and cash) price relative to yesterday despite the recent strength in the forward contract market.

Canadian delivered soymeal prices opened higher this morning. US soybean futures are trading higher following some recent pressure which may have established a short-term bottom for now. There is enough uncertainty with current USDA (and private) yield forecasts for the market to price in a bit of a premium, and with the weather a bit on the dry side for finishing, a move higher appears entirely rational at this point. Yield estimates range between 47.1 bpa at the low end (private) and 49.4 bpa at the upper end (USDA and private) and ending stocks estimates range from 273 million to 475 million bushels, a fairly wide range for beans. Yesterday's Crop Progress report showed the national average came in the same as last week at 61% good/excellent (2% higher than the 10-year average) although there are still some issues in the northern USA.

US corn futures opened higher this morning. Yesterday's Crop Progress report showed the crop area in the good/excellent category downgraded 1%, but still coming in slightly higher than the 10-year average. While some major producing states did show modest improvements (e.g. Illinois and Iowa), the upgrades were largely offset by downgrades in other (usually northern) states. To be sure, there are enough concerns in the northerly producing states for the market to build in some premium and support for now. And we have also learned that 10% of the crop is mature compared to the 18% 5-year average at this time of year. Ending stocks estimates currently range between 1.8 and 2.2 billion bushels with the USDA at the upper end of the range. The next WASDE (USDA) update will be on September 12th.

Fixed Forward Range (at opening)	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #5		134.65 137.29	122.54 133.39	120.27 127.86	126.61 134.20	134.75 137.68	139.99 144.72	144.69 144.80	148.69 160.64	158.59 169.88
Soymeal Wpg Delivered.	424	411	415	415	421	424				

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.

nutrition partners
Solutions for Modern Livestock Production

Producers are invited to: New Location Grand Opening!

5270 Monterey Road, Headingley, Manitoba (beside h@ms)



Thursday, September 7 - 11:00AM to 3:00PM

Welcome - Pork On a Bun - Door Prizes