



# Hog Margin Outlook

Meeting Your Marketing Needs

Wednesday, December 27, 2017

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

[www.hamsmarketing.ca](http://www.hamsmarketing.ca)

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

~ Merry Christmas from h@ms Marketing Services ~  
~All the best to you and your families in 2018! ~

US Slaughter	
365,000	Tuesday
437,000	Year Ago
Daily Prices	
W. Corn Belt	\$56.16
National	\$63.49
Iowa/S. MN.	\$56.23
Signature 5	\$137.57
HyLife (prev. day)	\$142.30
Britco (prev. day)	\$131.21
TCP/BP2	\$137.57
<b>BoC Rate (Noon) prev. day</b>	
\$1.2759 CAD / \$0.7838 USD	
Cash Prices Week Ending December 23, 2017	
Signature 3	130.60/59.24
Signature 4	146.48/66.44
Signature 5	138.54/62.84
h@ms Cash	137.04/62.16
HyLife	144.48/65.54
Britco	134.34/60.94
TCP/BP2	143.62/65.15
Year-to-Date Top-Up Estimate	
\$4.20/ckg (call for details)	
ISO Weans	\$ 67.17 US Avg.
Feeder Pigs	\$ 77.64 US Avg.

**Forward contract prices opened higher this morning.** US cash markets are starting this holiday shortened production week with bids near steady with last week's close. Packers continue to benefit from healthy profit margins with the spread between cash prices paid for live hogs and wholesale pork prices near \$20 per cwt. The results of Friday's Hogs and Pigs report were generally considered neutral to bearish compared to most analysts' expectations. Near term supplies are expected to come in roughly 2% larger than year ago levels, while supplies represented in the lighter weight categories (delivered in April and later) are closer to 3% larger. Lean Hog futures opened higher to start this week in thin trade yesterday. Summer month contracts approached contract highs yesterday, but the Canadian Dollar appreciated more than 50 basis points, moderating the gains in Forward contract prices. The latest USDA survey results have not changed our hedging recommendations, with one third of May - August production targeted at \$185/ckg.

**Canadian delivered soymeal prices opened higher this morning.** The latest soybean export inspections met market expectations, allowing the market to recover from the free fall in prices experienced since the start of December. Yesterday's trade marked a definitive support in the soybean complex, as beans gained 20 cents a bushel. However, meal prices did not see the same level of support and are trading at their lowest level since mid-November.

**US corn futures opened higher this morning.** After putting in new contract lows last week, Corn futures climbed higher in response to better-than-expected exports figures and ideas that demand from Ethanol producers will grow.

Fixed Forward Range (at opening)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Maple Leaf Sig. #5		155.62 158.64	157.69 165.36	165.17 165.28	164.15 179.79	177.67 189.34	179.77 184.59	177.15 183.06	153.39 167.37	150.83 154.58
	435	441	441	446	446	451				

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Headingley Main Office	h@ms Holiday Schedule	Winnipeg Livestock (WLS)
Closed	Monday December 25	Closed
Closed	Tuesday, December 26	Closed
Closed	Monday, January 1	Closed