

# Hog Margin Outlook

Meeting Your Marketing Needs

Friday, November 27, 2020

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

## US Slaughter

497,000	Wednesday
479,000	Year Ago

## Daily Prices

WCB	\$57.59
National	\$68.76
Nat'l Cutout Adj	\$69.82
Signature 4	\$158.93
BP4/TCP4	\$158.93
HyLife Cash	\$168.65
HyLife Cutout	\$172.84

**BoC Rate (Noon) prev. day**  
\$1.3013 CAD / \$0.7685 USD

## Cash Prices Week Ending

November 21, 2020

Signature 4	163.78/74.29
h@ms Cash	161.78/73.38
HyLife Cash	172.86/78.41
HyLife Cutout	175.51/79.61
BP4/TCP4	166.23/75.40
OlyWest 2020	165.80/75.21
OlyWest 2021 (Cutout)	181.20/82.19

**2020 Top-Up (YTD Rolling Est.)**

\$17.72 CAD/ckg

ISO Weans \$38.55 US Avg.

Feeder Pigs \$50.77 US Avg.

**Forward contract prices opened mostly lower this morning.** US cash markets have eroded over the course of this week, with abundant hog numbers pressuring cash bids. Some US packers will be running 2 shifts tomorrow (Saturday) in order to get ahead of the heavy supplies and make up for the loss of yesterday's kill due to Thanksgiving. Pork cut-out prices have held reasonably steady this week, after the declines of the last two weeks. Supplies in Cold Storage are very tight compared to any recent year, but the changes to the normal flow of pork to restaurants and retailers has probably rerouted pork through temporary channels and moderated the 'official' numbers. Lean Hog futures are expected to trade lower this morning in lighter than average trade given that there is less new information and many traders take an additional day off to extend their weekend. Reflecting this reduction in activity, markets will close one hour earlier today. The Canadian Dollar is trading just shy of its highest level so far in 2020 and having the effect of paring back forward contract prices by approximately \$6.00/ckg compared to levels seen at the start of the month.

**US soymeal futures opened lower this morning.** The soybean complex is reacting to today's release of export sales data that was delayed due to yesterday's US holiday. Parts of South America are approaching 50% completion on their spring planting, but despite recent rains, most areas remain deficient in moisture compared to conditions seen in recent years.

**US corn futures opened higher this morning.** Corn futures gained about 2 cents per bushel in early morning trade, with the delayed export sales report providing a little bit of support. USDA reported 302,000 tons of corn sold to Mexico, which is viewed as a positive development.

FC Range  
(at opening)

Maple Leaf  
Sig 4

Soymeal  
Del Wpg/S.Man

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Maple Leaf Sig 4	134.64 144.54	147.08 150.07	147.65 153.64	155.71 161.70	160.48 171.99	174.52 183.04	181.55 183.50	175.67 186.28	157.34 166.33
Soymeal Del Wpg/S.Man									

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## Risk Management at h@ms Marketing Services will be closed

Thursday, November 26 for US Thanksgiving - Markets are closed. Forward contracting will be suspended - the HMO and Opening Price information will not be published.

Normal business resumes on Friday, November 27. The main office will remain open.