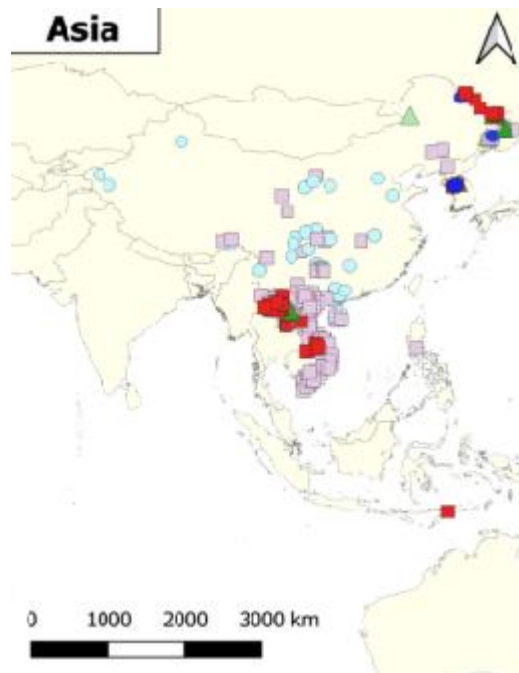
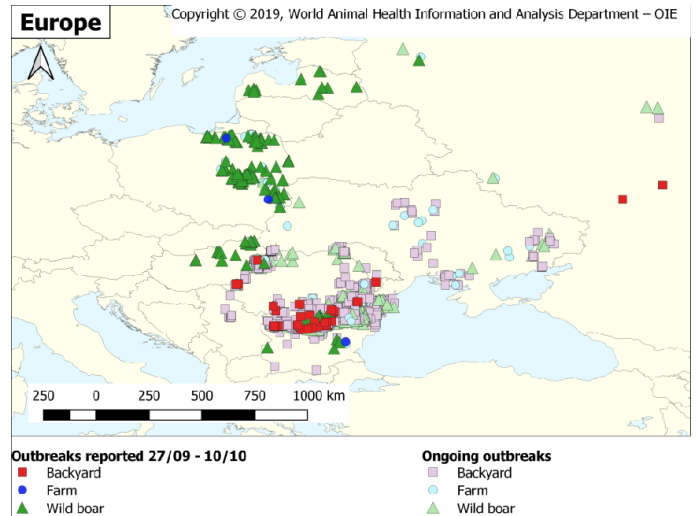


Things to Consider....

As reported by the OIE (World Organization for Animal Health), the latest ASF update reported total global losses for the period at 37,651 dead or culled animals due to the virus. For comparison, the previous period reported a total of 38,424 losses and amounted to 773 more losses than on the current report. For the two week period ending October 10th there has been an addition of 507 new ASF outbreaks, bringing the total number of ongoing outbreaks worldwide to 9,491.

Europe accounted for nearly two thirds of the total new outbreaks on the latest report, with the region reporting 330 new outbreaks. Despite accounting for the greatest share of new ASF outbreaks globally, the high representation in the wild boar population due to the regions' targeted surveillance program explains the relatively low figure of 890 losses for the reported two-week period. Notably, 203 of the new outbreaks in the region were found in the wild boar population and often represent a single case which is resolved immediately. While China did not notify the OIE of any new outbreaks, losses in Asia overall were 25,532 with nearly half that tally reported in Laos amid 47 new ASF outbreaks. Sources state that retail pork prices in China are up near 70% over year ago levels, the steepest rise in more than a decade. Notably, China has also increased their pork imports by more than 70% from last year to help meet domestic demand.

Vietnam accounts for nearly two-thirds of the total ongoing cases of ASF worldwide. Since the country first reported cases of ASF back in February 2019, every Vietnam province has since reported ASF outbreaks. This has resulted in roughly 5.4 million pigs or 18% of the hog herd in Vietnam to be culled this year so far. Vietnamese officials are encouraging domestic producers to rebuild their hog herds with new ASF outbreaks appearing to slow, in anticipation of increased pork demand for the coming Lunar New Year festivities. According to Reuters, prices are up 70% or comparatively \$2.59/kg.



Weekly Hog Price Recap

Cash hog pricing reported good daily strength, primarily midweek when packer cash bid volume was highest. CME cash by comparison improved daily however rose at a more stable pace, rising the most Friday. Wholesale pork values were primarily stronger, excluding hams, which helped pork cutout rise \$2.39/cwt over last Friday.

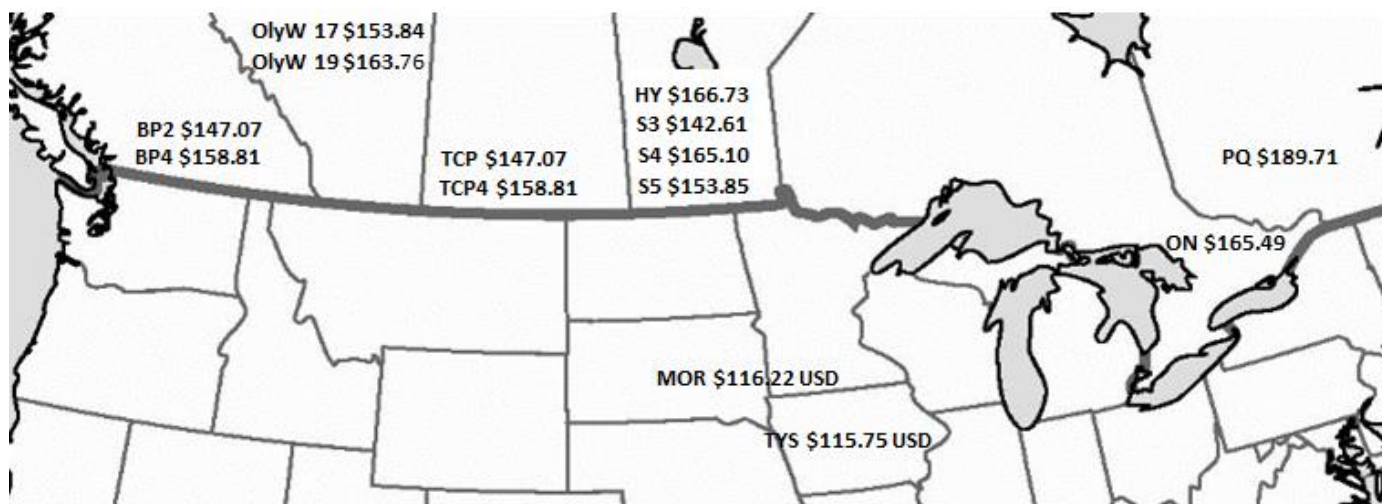
Cash Price	Weekly Averages		w/w	% Chg
	11-Oct-19	4-Oct-19		
ISM pm	\$54.24	\$50.41	\$3.83	7.6%
WCB pm	\$54.19	\$50.16	\$4.03	8.0%
Nat pm	\$53.52	\$49.53	\$4.00	8.1%
CME Index*	\$60.15	\$57.85	\$2.30	4.0%
BoC Exch	1.3289	1.3286	0.0003	0.0%

* Represents Friday-Thursday average

Monitored Canadian hog markets were generally \$3 to \$7 per hog higher than a week earlier. Values out of the Quebec improved near \$7.50/hog, while the OlyW 19 was up \$7/hog. The Sig 5 and values out of Ontario were up \$6-\$6.50 per hog, while Hylife and the Sig 4 rose around \$5.50/hog. The OlyW 17 improved the least on the week, up shy of \$3/hog from a week earlier. In the US, Tyson rose \$3/hog while JM values were up more than \$8 per hog from week ago levels.

Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW '19	2019 YTD	Difference to OlyW '19	Last 13 weeks	Difference to OlyW '19	Ending 11-Oct-19	Difference to OlyW '19
OlyW 2019	\$175.02		\$184.14		\$183.68		\$163.76	
OlyW 2017	\$172.06	-\$2.96	\$180.56	-\$3.58	\$177.39	-\$6.29	\$153.84	-\$9.92
ML Sig 3	\$163.82	-\$11.20	\$173.32	-\$10.82	\$167.69	-\$16.00	\$142.61	-\$21.15
ML Sig 4	\$175.79	\$0.77	\$183.52	-\$0.62	\$184.32	\$0.64	\$165.10	\$1.34
ML Sig 5	\$169.82	-\$5.20	\$178.42	-\$5.72	\$176.01	-\$7.68	\$153.85	-\$9.91
BP2/TCP **	\$168.81	-\$6.21	\$177.75	-\$6.39	\$178.05	-\$5.63	\$147.07	-\$16.69
BP4/TCP4 **	\$175.06	\$0.04	\$182.44	-\$1.70	\$185.06	\$1.37	\$158.81	-\$4.95
Hylife	\$176.75	\$1.74	\$184.53	\$0.39	\$184.25	\$0.57	\$166.73	\$2.97
Ontario	\$180.84	\$5.82	\$189.38	\$5.24	\$188.81	\$5.13	\$165.49	\$1.73
Québec	\$181.50	\$6.48	\$191.50	\$7.36	\$197.52	\$13.84	\$189.71	\$25.96
Tyson (USD)	\$138.81	-\$36.21	\$142.84	-\$41.30	\$139.55	-\$44.13	\$115.75	-\$48.01
John Morrell (USD)	\$131.89	-\$43.12	\$137.23	-\$46.91	\$132.71	-\$50.97	\$116.22	-\$47.54

**Thunder Creek reported with a 1-Week lag



Weekly Hog Margins

Hog margins tallied a second consecutive week of recovery, reaching levels not recorded since the latter half of March. Margins were tempered somewhat on rising feed costs with Canadian farrow-to-feed costs up near \$1/hog higher while those out of the monitored US region were up near \$0.50 per hog.

Hog margins out of Quebec strengthened the most, up near \$6.50/hog and followed by those out of the OlyW 19 which improved just shy of \$6/hog. Margins calculated out of Ontario and the prairie provinces were generally \$4-\$5 stronger while those out of the OlyW17 strengthened a more modest \$1.60/hog. In the US, Tyson margins rose near \$3.50/hog while JM margins were calculated \$8/hog stronger from a week earlier.

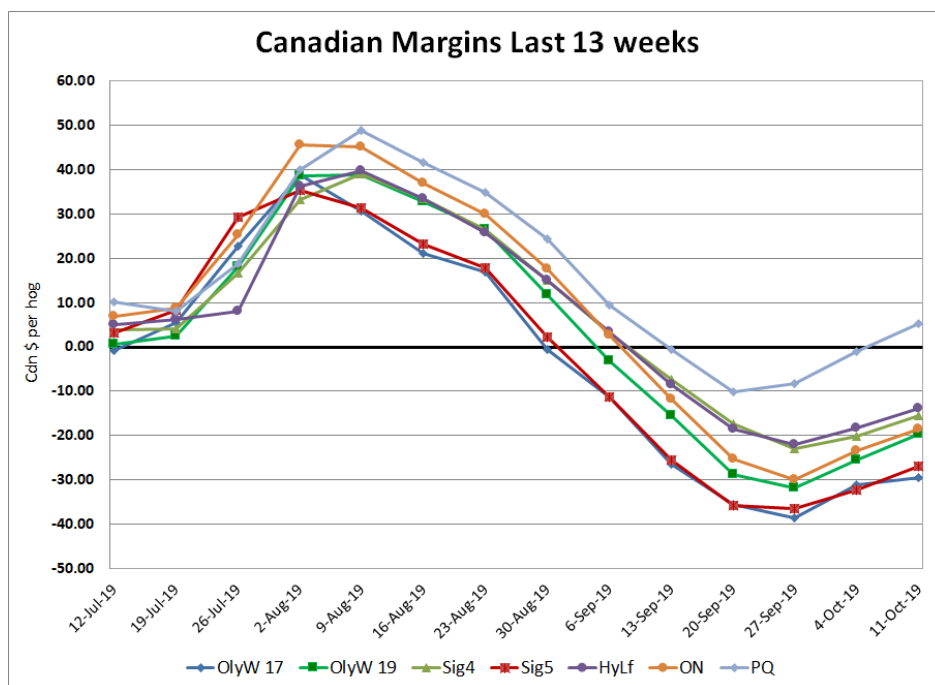
Regional MARGINS, \$/hog						
Packer/Region	11-Oct-19	Farrow to Finish			Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 17/Alberta	\$153.84	\$123.84	\$39.45	\$20.05	\$183.34	-\$29.50
OlyW 19/Alberta	\$163.76	\$123.84	\$39.45	\$20.05	\$183.34	-\$19.58
ML Sig 4/Manitoba	\$165.10	\$121.58	\$39.54	\$19.55	\$180.67	-\$15.57
ML Sig 5/Manitoba	\$153.85	\$121.58	\$39.54	\$19.55	\$180.67	-\$26.82
Hylife/Manitoba	\$166.73	\$121.59	\$39.54	\$19.55	\$180.68	-\$13.95
Ontario	\$165.49	\$119.52	\$40.71	\$23.76	\$183.99	-\$18.50
Québec	\$189.71	\$122.21	\$40.50	\$21.65	\$184.36	\$5.35
Tyson (USD)/Iowa	\$115.75	\$84.64	\$28.70	\$16.57	\$129.91	-\$14.16
John Morrell (USD)/ND	\$116.22	\$82.91	\$28.70	\$16.57	\$128.18	-\$11.96

* Feed costs standardized for a 285 pound market hog

US Regional Margins

Tyson: \$ -14.16 USD X 1.3289 = \$ -18.82 in Canadian

Morrell: \$ -11.96 USD X 1.3289 = \$ -15.89 in Canadian Dollars



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