



Weekly Regional HOG PRICE Report



Things to Consider....

April 6, 2021

The latest US pork exports reported for February fell 2.3% from the previous month, recording a 4-month low, and is down 10.1% from last year's record high for the month historically. Seasonally, February can be a lower export month than January as shown by years other than 2020.

Mexico recorded the largest drop from previously reported, down 18.8 million pounds in a seasonal move from January. Several other major destinations for US pork recorded lessened amounts of US pork for the month of February, such as South Korea, China, Panama and Japan. South Korea fell 7.7 million pounds for February, while Panama declined 2.5 million pounds and Japan was down 1.9 million pounds. Mainland China fell 4.1 million pounds, while Taiwan edged lower, and Hong Kong climbed modestly higher for a combined total China* decline of 3.8 million.

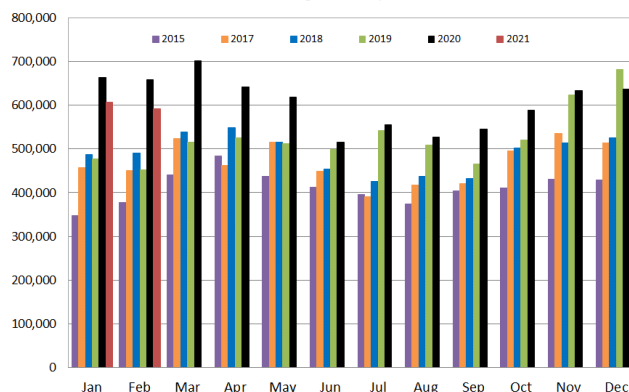
Offsetting some of these declines overall were increases of US pork to Colombia and the Philippines, up 7.6 and 7.5 million pounds, respectively. The quantities of US pork destined for Colombia are among the monthly highs recorded historically, while the Philippines recorded the highest monthly amount imported from the US since March 2010 at 20,622 million pounds. Countries such as Canada, Australia and New Zealand also recorded notable increases for February, each up more than a million pounds from last reported. Compared to a year ago, China* has seen a decline of roughly 6% while the "other countries" category gained about 4%.

US Pork Exports (carcass weight, 1,000 pounds)						
Top 7 Countries	Feb-20	Jan-21	Feb-21	M/M%	Y/Y%	YTD/LYTD%
Australia	26,119	21,194	22,534	6.3%	-13.7%	-25.1%
Canada	47,201	45,474	46,822	3.0%	-0.8%	-2.1%
China*	199,878	146,565	142,747	-2.6%	-28.6%	-28.6%
Colombia	17,713	19,005	26,632	40.1%	50.4%	26.4%
Japan	109,760	100,983	99,051	-1.9%	-9.8%	-3.8%
Mexico	138,213	146,580	127,736	-12.9%	-7.6%	-6.7%
South Korea	52,380	50,013	42,285	-15.5%	-19.3%	-9.6%
All US Pork Exports	658,182	605,992	591,938	-2.3%	-10.1%	-9.3%

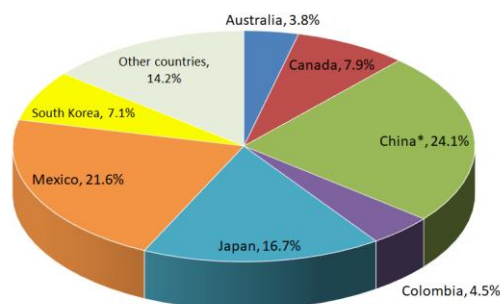
*Includes Mainland, Hong Kong & Taiwan

Total US Pork Exports

Carcass Weight 1,000 pounds

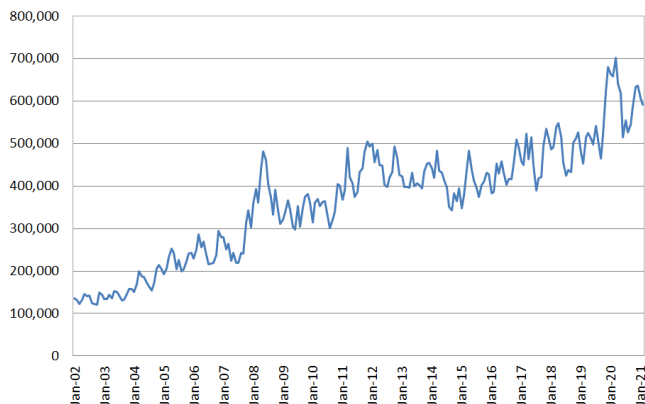


Percentage of Total US Pork Exports: Latest, Feb 2021

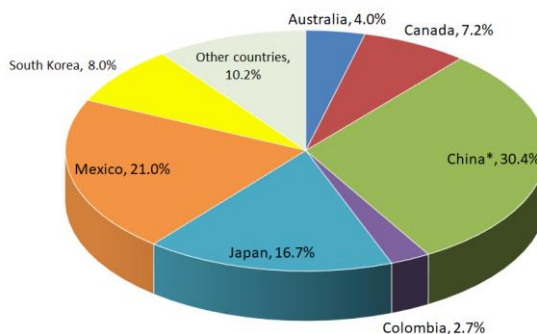


Total US Pork Exports

Carcass Weight 1,000 pounds



Percentage of Total US Pork Exports: Feb 2020



Weekly Hog Price Recap

Cash hogs continue to improve with regional and national cash recording good strength the front-half of the week. CME cash also improved daily, with better gains early in the week. Wholesale pork values varied throughout the week, however most primals finished higher with pork cutout \$1.16/cwt over the previous week.

USD Cash Price	Weekly Averages					
	Head	2-Apr-21	Head	26-Mar-21	w/w	% Chg
ISM pm		\$97.31		\$92.76	\$4.55	4.9%
WCB pm		\$97.24		\$92.76	\$4.48	4.8%
Nat pm		\$95.26		\$90.23	\$5.04	5.6%
CME Index*		\$98.45		\$94.12	\$4.33	4.6%
Sows, 300-449lbs	12,099	\$80.16	14,667	\$80.75	-\$0.59	-0.7%
Sows, 500+ lbs	10,711	\$87.08	12,294	\$87.36	-\$0.28	-0.3%
BoC Exch		1.2591		1.2565	0.0026	0.2%

* Represents Friday-Thursday average

Market hog values once again strengthened as much as \$12.50/hog this past week, with those out of the OlyW 20 up the most and the OlyW 21 up \$10.75/hog. Hog values out of Ontario were up closer to \$11/hog, while the ML Sig 4 rose \$10.75/hog. BP/TC improved \$9/hog, while values out of Quebec were up more than \$8.50/hog and Hylife climbed \$3/hog. In the US, Tyson was up \$12/hog while JM increased more than \$9.25/hog from week ago levels.

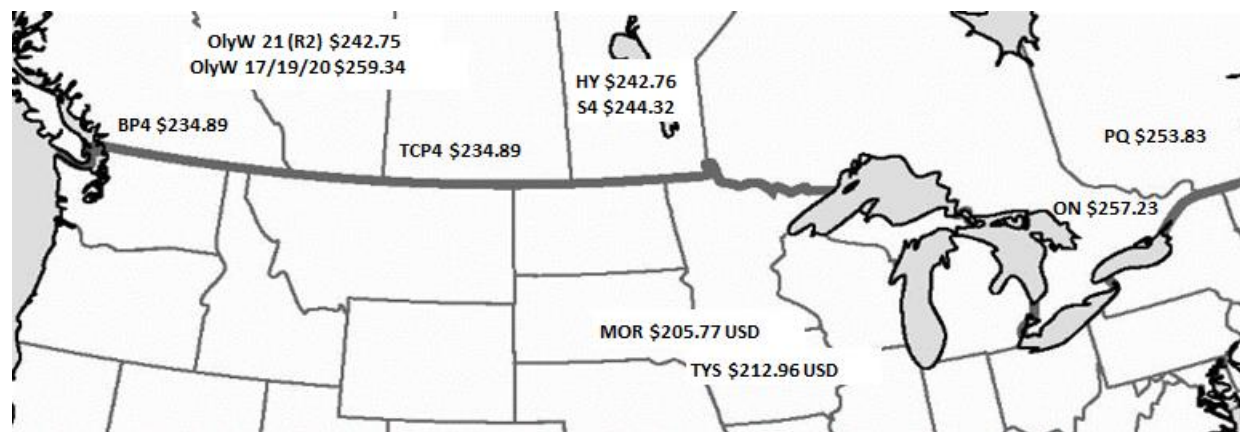
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2021 YTD	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 2-Apr-21	Difference to OlyW21
OlyW 2021 (R2)**	\$185.57		\$202.51		\$203.24		\$242.75	
OlyW 17/19/20*	\$177.52	-\$8.05	\$208.71	\$6.19	\$208.71	\$5.47	\$259.34	\$16.59
ML Sig 4	\$180.97	-\$4.61	\$200.21	-\$2.30	\$200.21	-\$3.02	\$244.32	\$1.56
BP4/TCP4	\$182.14	-\$3.43	\$195.07	-\$7.45	\$195.07	-\$8.17	\$234.88	-\$7.87
Hylife	\$185.76	\$0.19	\$206.82	\$4.31	\$206.79	\$3.55	\$242.76	\$0.01
Ontario***	\$178.19	-\$7.38	\$204.58	\$2.06	\$204.58	\$1.34	\$257.23	\$14.48
Québec	\$188.62	\$3.05	\$211.67	\$9.16	\$211.67	\$8.44	\$253.83	\$11.08
Tyson (USD)	\$128.04	-\$57.54	\$155.88	-\$46.63	\$155.88	-\$47.35	\$212.96	-\$29.79
John Morrell (USD)	\$120.75	-\$64.82	\$153.90	-\$48.61	\$153.90	-\$49.33	\$205.77	-\$36.98

*3 Year average uses actual OlyW'17, OlyW'19 and OlyW'20 for respective weeks. Starting Jan 2020 prices includes \$0.06 per kg proximity bonus

** 13 week average and the latest week uses the OlyW'21 including the floor price

*** Ontario pricing does not include any pork or cutout based formulas for market hogs

To Note: OlyW and BP4/TCP4 are nearly a full 1 week lag to Sig 4, Hylife, Ontario & Quebec



Weekly Hog Margins

Another week of rising hog and pork values helped strengthen hog margins further, alongside a reduction in feed costs. Canadian farrow-to-finish feed costs declined \$0.55/hog while feed costs in the monitored US region dropped \$1.15/hog from week earlier.

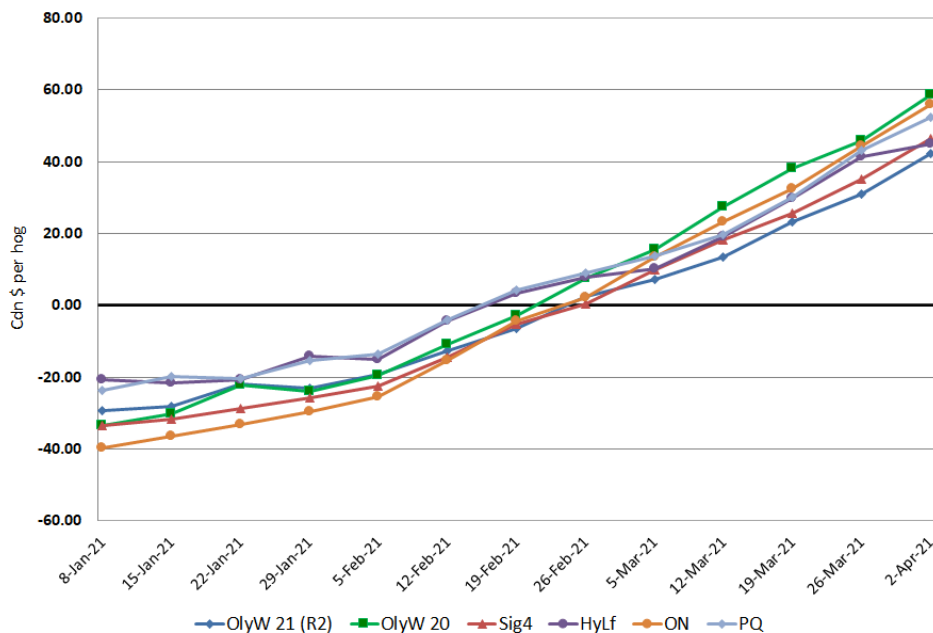
Hog margins of the OlyW 20 continue as the strongest north of the border, up \$13 to \$58.75/hog profits. Ontario strengthened near \$11.75 to \$56/hog profits, while Quebec margins improved more than \$9 to \$52.25/hog profits. Hog margins out of Hylife strengthened \$3.50 to \$44.75/hog profits while ML Sig 4 margins improved shy of \$11.50 to \$46.50/hog profits and the OlyW 21 strengthened near \$11.25 to \$42/hog profits. In the US, Tyson hog margins strengthened \$13.75 to \$68/hog profits while JM margins were up \$10.50 to \$62.75/hog profits from a week earlier.

Regional MARGINS, \$/hog						
Packer/Region	2-Apr-21		Farrow to Finish		Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$259.34	\$141.08	\$39.45	\$20.05	\$200.58	\$58.76
OlyW 21 (R2)/Alberta	\$242.75	\$141.08	\$39.45	\$20.05	\$200.58	\$42.17
ML Sig 4/Manitoba	\$244.32	\$138.82	\$39.54	\$19.55	\$197.91	\$46.41
Hylife/Manitoba	\$242.76	\$138.83	\$39.54	\$19.55	\$197.92	\$44.84
Ontario	\$257.23	\$136.76	\$40.71	\$23.76	\$201.23	\$56.00
Québec	\$253.83	\$139.45	\$40.50	\$21.65	\$201.60	\$52.23
Tyson (USD)/Iowa	\$212.96	\$99.54	\$28.70	\$16.57	\$144.81	\$68.15
John Morrell (USD)/ND	\$205.77	\$97.81	\$28.70	\$16.57	\$143.08	\$62.69

* Feed costs standardized for a 285 pound market hog

Tyson: \$68.15 USD x 1.2544 = \$85.49 CAD
 Morrell: \$62.69 USD x 1.2544 = \$78.64 CAD

Canadian Margins Last 13 weeks



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