



Weekly Regional HOG PRICE Report



Things to Consider....

May 17, 2022

The latest US retail meat prices released for the month of April reflected generally higher prices overall, keeping in mind data is released with a monthly lag. Current cash prices of pork have declined however retail values reported for the previous month continued at neat record levels.

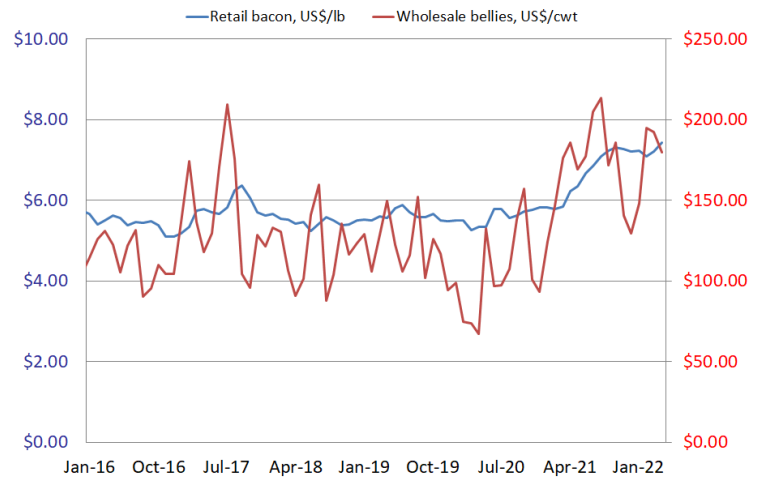
Retail bacon prices climbed 22 cents or +3.0% to \$7.42/lb, surpassing the previous record high reached in October at \$7.32/lb. The latest rise brings retail values +19.4% or \$1.21 over year ago levels. Current retail bacon prices are \$1.72 over the 3-year average for the month of April. In comparison, wholesale belly values fell -6.5% from March or \$12.49 lower to \$179.79/cwt for April, with current values -3.3% or \$6.05 under this time last year.

All retail chops edged 5 cents higher or +1.3% to \$4.18/lb for April, the second highest historically behind the high recorded in June 2020 at \$4.19/lb, bringing the latest retail cut 33 cents or +8.7% over last year. Current retail prices are 55 cents over the 3-year average for the month of April. Boneless chops climbed 10 cents higher or +2.9% to \$4.58/lb, bringing boneless chops +5.7% or 25 cents over last year. Bone-in chops slipped 9 cents or -2.0% to \$4.59/lb, bringing the cut +10.2% or 43 cents over year ago levels. Wholesale loins edged \$0.37 higher to \$99.90/cwt or +0.4% from the previous month, and +4.1% or \$3.93/cwt over last year.

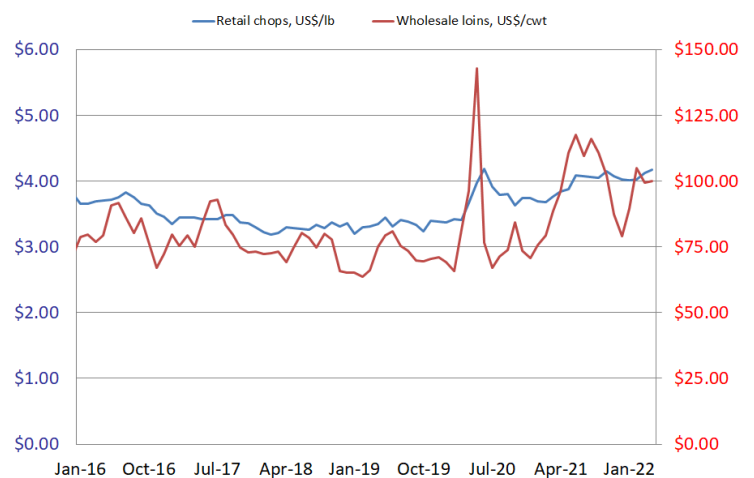
All retail hams declined 13 cents or -3.2% to \$3.92/lb for April, bringing hams 38 cents or +10.6% over year ago levels. Current retail price levels are 62 cents over the 3-year average for the month of April. Boneless ham values fell 17 cents or -3.2% to \$4.99/lb on the month, bringing the cut 13 cents or +2.7% over last year. Wholesale ham values averaged \$82.61/cwt which was up \$3.38 or +4.3% from March and \$9.59 lower or -10.4% under year ago levels. For comparison wholesale picnics averaged \$64.70/cwt, up \$10.88 or +20.2% for April however down \$9.53 or -12.8% from last year.

The category reporting other retail pork values rose 6 cents or +1.7% to \$3.58/lb, the second highest historically behind the highs reached in November at \$3.67/lb, bringing other pork 40 cents or +12.7% over last year. Current levels are 71 cents over the 3-year average for the month of April.

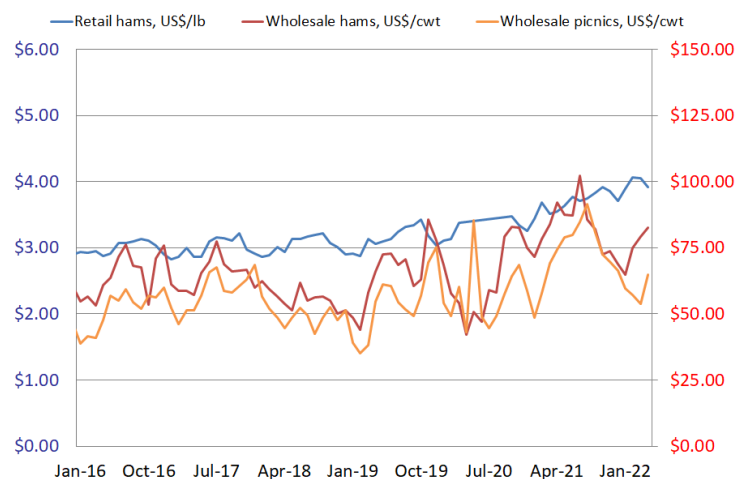
Retail Bacon VS Wholesale Bellies



Retail Chops VS Wholesale Loins



Retail Hams VS Wholesale Hams/Picnics



Weekly Hog Price Recap

Regional and national cash hogs recorded mixed movements during the week, with improvements early on however some significant late-week declines. CME cash moved similarly to cash hogs however at a more moderate pace in comparison. Most wholesale pork primals finished the week lower, particularly bellies, hams and butts. US pork cutout fell \$4.62/cwt from the previous week's average.

USD Cash Price	Weekly Averages				w/w	% Chg
	Head	13-May-22	Head	06-May-22		
ISM pm		\$112.21		\$109.08	\$3.13	2.9%
WCB pm		\$110.49		\$108.07	\$2.42	2.2%
Nat pm		\$106.41		\$102.34	\$4.07	4.0%
CME Index*		\$100.99		\$101.13	-\$0.14	-0.1%
Sows, 300-449lbs	12,111	\$72.32	12,076	\$81.61	-\$9.29	-11.4%
Sows, 500+ lbs	10,498	\$79.20	10,435	\$88.86	-\$9.66	-10.9%
BoC Exch		1.2988		1.2851	0.0137	1.1%

* Represents Friday-Thursday average

Market hog values generally improved however those derived from lagged pricing mechanisms recorded week-over-week declines. Hog values out of Ontario were up \$2.50/hog, followed by those out of the ML Sig 4 which improved \$2.30/hog from a week earlier. Hylife edged \$0.15/high higher, while the OlyW21 was up \$0.30/hog. The OlyW 20 edged \$0.25/hog lower, while hog values out of Quebec were down near \$0.40/hog and BP/TC values fell \$1.55/hog. In the US hog values improved more significantly, with Tyson up \$4.55/hog while JM rose \$5.05/hog from week ago levels.

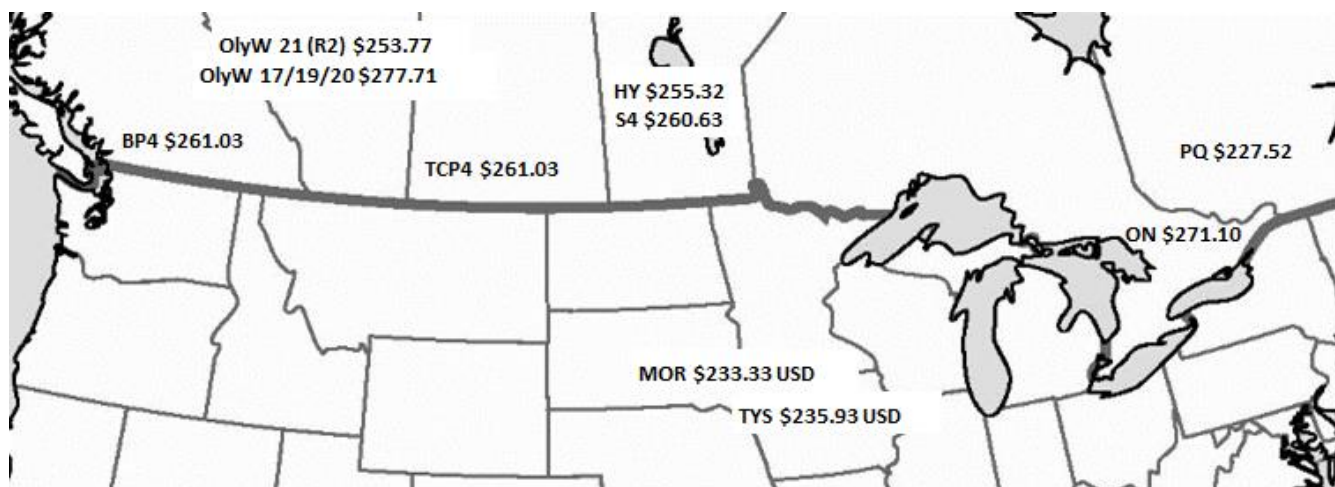
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2022 YTD	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 13-May-22	Difference to OlyW21
OlyW 2021 (R2)**	\$209.54		\$236.49		\$249.41		\$253.77	
OlyW 17/19/20*	\$206.18	-\$3.36	\$252.38	\$15.89	\$270.32	\$20.91	\$277.71	\$23.94
ML Sig 4	\$204.52	-\$5.01	\$237.01	\$0.52	\$251.91	\$2.50	\$260.63	\$6.86
BP4/TCP4	\$205.95	-\$3.59	\$235.84	-\$0.65	\$251.51	\$2.09	\$261.03	\$7.26
Hylife	\$209.06	-\$0.48	\$238.51	\$2.02	\$250.86	\$1.44	\$255.32	\$1.55
Ontario***	\$206.45	-\$3.09	\$245.99	\$9.50	\$263.38	\$13.96	\$271.10	\$17.34
Québec	\$217.49	\$7.95	\$234.82	-\$1.67	\$243.74	-\$5.68	\$227.52	-\$26.25
Tyson (USD)	\$154.77	-\$54.77	\$203.96	-\$32.53	\$223.70	-\$25.72	\$235.93	-\$17.84
John Morrell (USD)	\$147.95	-\$61.59	\$203.08	-\$33.41	\$221.86	-\$27.55	\$233.33	-\$20.44

*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

Monitored hog margins were mixed overall on varied hog values and feed costs. Canadian farrow-to-finish feed costs climbed \$0.65/hog while those out of the monitored region in the US fell \$1.50/hog from a week earlier.

Hog margins out the OlyW 20 weakened \$0.85 to \$37.80/hog profits on the week, followed by those out of Ontario which improved \$1.85 to \$31.50/hog profits. Hog margins out of the ML Sig 4 strengthened \$1.65 to \$24.35/hog profits, while Hylife margins edged \$0.50 lower to \$19.05/hog profits and the OlyW 21 declined \$0.30 to \$13.90/hog profits. Hog margins out of Quebec continue in the red, weakening \$1 to \$12.30/hog losses. Hog margins in the US improved, with Tyson strengthening \$6.10 to \$56.80/hog profits while JM was up \$6.55 to shy of \$56/hog profits from the previous week.

Regional MARGINS, \$/hog						
Packer/Region	13-May-22	Farrow to Finish			Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$277.71	\$176.39	\$41.45	\$22.05	\$239.89	\$37.82
OlyW 21 (R2)/Alberta	\$253.77	\$176.39	\$41.45	\$22.05	\$239.89	\$13.88
ML Sig 4/Manitoba	\$260.63	\$173.19	\$41.54	\$21.55	\$236.28	\$24.35
Hylife/Manitoba	\$255.32	\$173.19	\$41.54	\$21.55	\$236.28	\$19.04
Ontario	\$271.10	\$171.12	\$42.71	\$25.76	\$239.59	\$31.51
Québec	\$227.52	\$173.69	\$42.50	\$23.65	\$239.84	-\$12.32
Tyson (USD)/Iowa	\$235.93	\$129.86	\$30.70	\$18.57	\$179.13	\$56.80
John Morrell (USD)/ND	\$233.33	\$128.13	\$30.70	\$18.57	\$177.40	\$55.93

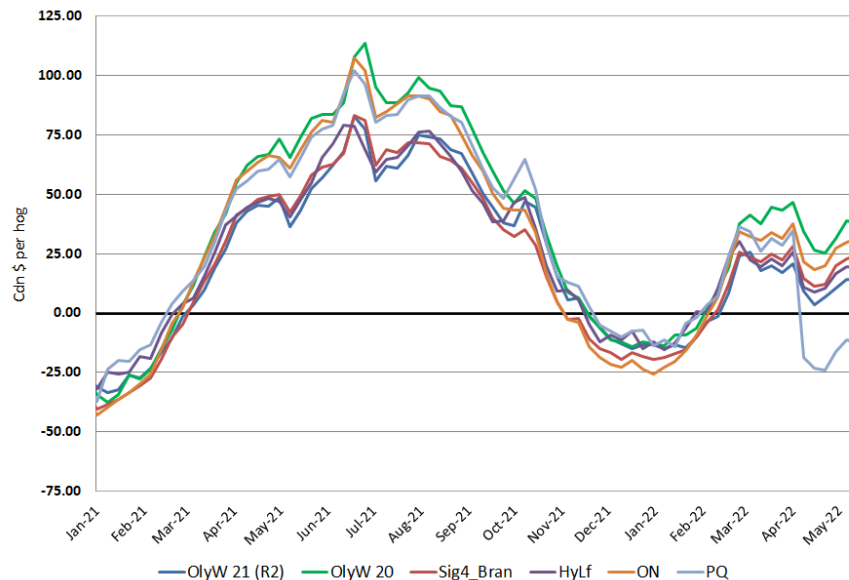
* Feed cost variables- 285 lb hog, 1.57 F:G nursery, 2.89 F:G feeder-finish, \$20 GMD,

* Feed cost fixed expenses updated the week of April 8, 2022 onward

* Variable and Fixed Costs updated as of April 15, 2022

Tyson: \$56.80 USD x 1.2834 = \$72.90 CAD
 Morrell: \$55.93 USD x 1.2834 = \$71.78 CAD

Canadian Margins 2021-2022



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