

Weekly Hog Price Recap

Regional cash hogs varied during the week, posting some mid-week rises, however national cash fell daily. CME cash also recorded steady declines throughout the week. Wholesale pork primal values were lower overall, excluding ribs, dragging US pork cutout \$3.89/cwt under the previous week's average.

USD Cash Price	Weekly Averages					
	Head	13-Jan-23	Head	06-Jan-23	w/w	% Chg
ISM pm		\$73.54		\$75.29	-\$1.76	-2.3%
WCB pm		\$73.60		\$75.18	-\$1.58	-2.1%
Nat pm		\$72.92		\$74.26	-\$1.34	-1.8%
CME Index*		\$75.90		\$78.57	-\$2.67	-3.4%
Sows, 300-449lbs	13,812	\$37.65	12,108	\$39.32	-\$1.66	-4.2%
Sows, 500+ lbs	12,596	\$44.68	10,534	\$45.50	-\$0.82	-1.8%
BoC Exch		1.3401		1.3554	-0.0153	-1.1%

* Represents Friday-Thursday average

Market hog values continue to be pressured by declining hog and pork values. The overall Quebec market hog value was down the most, \$10.65/hog lower, followed closely by those out of Ontario which were down \$10.35/hog. Hylife fell shy of \$9/hog, while the ML Sig 4 was down \$8.50/hog. The OlyW 21 fell \$7.20/hog, while the OlyW 20 was \$6.85/hog lower, and BP/TC fell \$2.65/hog. In the US, Tyson hog values fell \$3.55/hog while JM was down \$3.30/hog from the previous week.

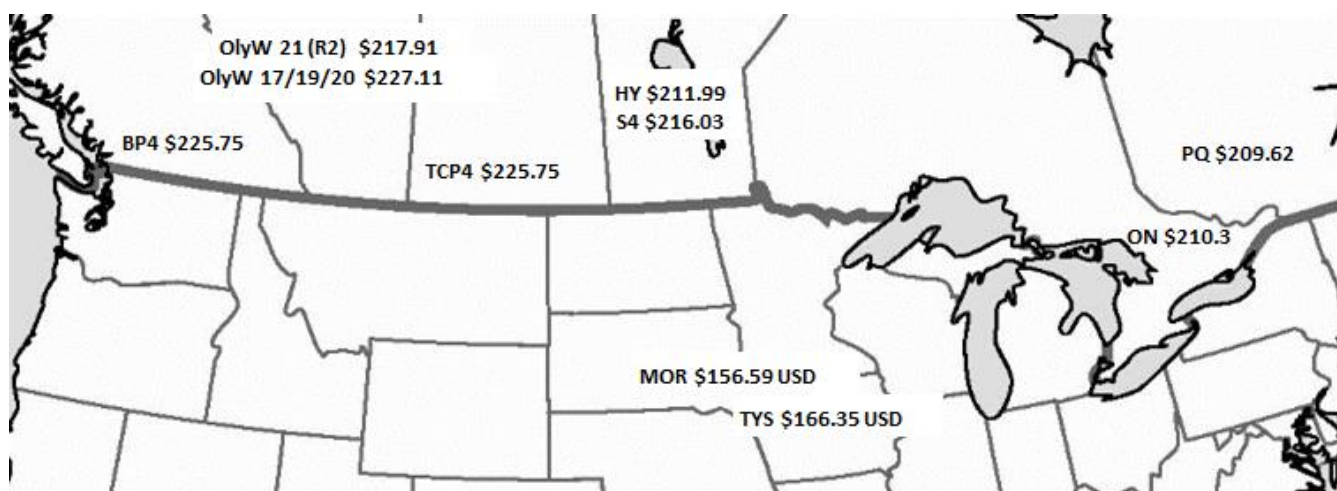
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2022 AVG	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 13-Jan-23	Difference to OlyW21
OlyW 2021 (R2)**	\$223.09		\$250.79		\$235.81		\$217.91	
OlyW 17/19/20*	\$221.34	-\$1.75	\$272.33	\$21.54	\$250.51	\$14.70	\$227.11	\$9.20
ML Sig 4	\$220.96	-\$2.13	\$254.94	\$4.16	\$237.31	\$1.50	\$216.03	-\$1.89
BP4/TCP4	\$221.51	-\$1.58	\$255.95	\$5.16	\$242.08	\$6.27	\$225.75	\$7.84
Hylife	\$222.67	-\$0.42	\$251.89	\$1.11	\$233.80	-\$2.01	\$211.99	-\$5.92
Ontario***	\$223.80	\$0.71	\$264.15	\$13.36	\$238.48	\$2.67	\$210.30	-\$7.61
Québec (overall)	\$249.38	\$26.29	\$263.29	\$12.51	\$238.84	\$3.03	\$209.62	-\$8.29
Tyson (USD)	\$173.32	-\$49.77	\$219.11	-\$31.67	\$187.75	-\$48.05	\$166.35	-\$51.56
John Morrell (USD)	\$166.96	-\$56.13	\$215.43	-\$35.36	\$179.42	-\$56.39	\$156.59	-\$61.33

* 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 continue to weaken on declining hog and pork values however were offset again in part by another modest decline in feed costs. Canadian farrow-to-finish feed costs fell \$1/hog, while those in the monitored US region were stable to modestly lower from the previous week.

Hog margins out of the OlyW 20 fell \$5.80/hog to \$27.50/hog losses, while margins out of ML Sig 4 were down \$7.45 to \$30.15/hog losses. Hylife margins weakened \$7.90 to \$34.20/hog losses, while the OlyW 21 fell \$6.15 to \$36.70/hog losses. Ontario hog margins weakened \$9.30 to \$44/hog losses, while those out of Quebec overall were \$9.55 lower to \$45/hog losses. In the US, Tyson weakened \$3.50 to \$15.20/hog losses while JM fell \$3.25 to \$23.25/hog losses for the week.

Regional MARGINS, \$/hog						
Packer/Region	13-Jan-23	Farrow to Finish			Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$227.11	\$191.11	\$41.45	\$22.05	\$254.61	-\$27.50
OlyW 21 (R2)/Alberta	\$217.91	\$191.11	\$41.45	\$22.05	\$254.61	-\$36.70
ML Sig 4/Manitoba	\$216.03	\$179.91	\$41.54	\$21.55	\$243.00	-\$26.97
Hylife/Manitoba	\$211.99	\$179.91	\$41.54	\$21.55	\$243.00	-\$31.01
Ontario	\$210.30	\$180.84	\$42.71	\$25.76	\$249.31	-\$39.01
Québec (overall)	\$189.87	\$183.41	\$42.50	\$23.65	\$249.56	-\$59.69
Tyson (USD)/Iowa	\$166.35	\$132.29	\$30.70	\$18.57	\$181.56	-\$15.21
John Morrell (USD)/ND	\$156.59	\$130.56	\$30.70	\$18.57	\$179.83	-\$23.24

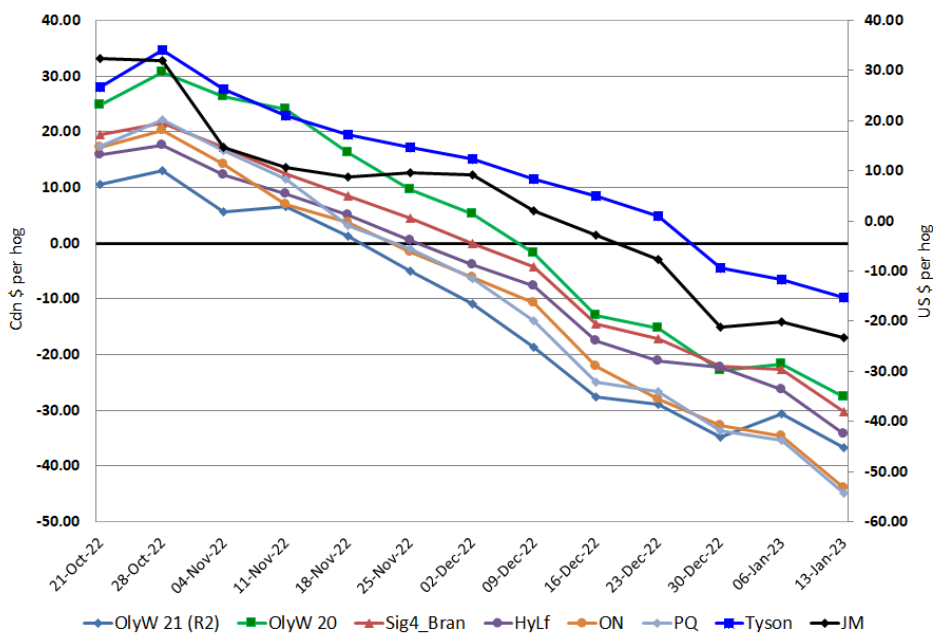
* Feed cost variables- 285 lb hog, 1.57 F:G nursery, 2.89 F:G feeder-finish, \$20 GMD

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

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

Tyson: $-\$15.21 \text{ USD} \times 1.339 = -\20.37 CAD
 Morrell: $-\$23.24 \text{ USD} \times 1.339 = -\31.12 CAD

Canadian & US Margins Last 13 weeks



Disclaimer: Commodity Professionals Inc. presents this report as a snapshot of the market using current information available at the time of the report. These findings are for informational purposes only and should not be reproduced or transmitted by any means without permission. Commodity Professionals Inc. does not guarantee, and accepts no legal liability arising from or connected to, the accuracy, reliability, or completeness of any material contained in the publication.