



Weekly Regional HOG PRICE Report



Things to Consider....

April 25, 2023

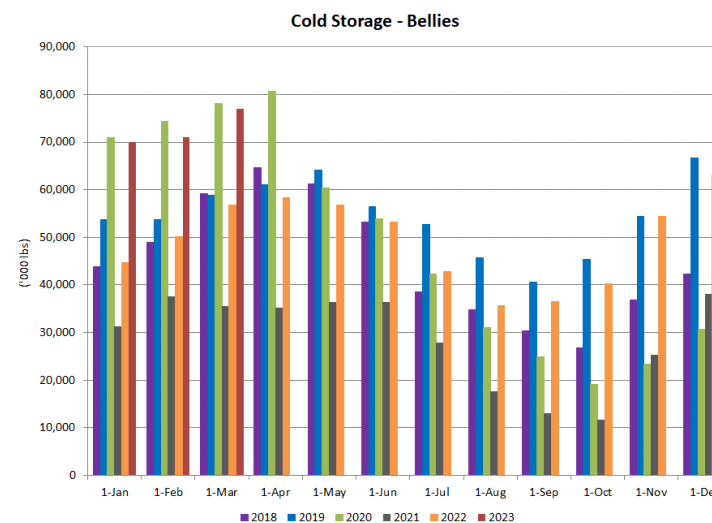
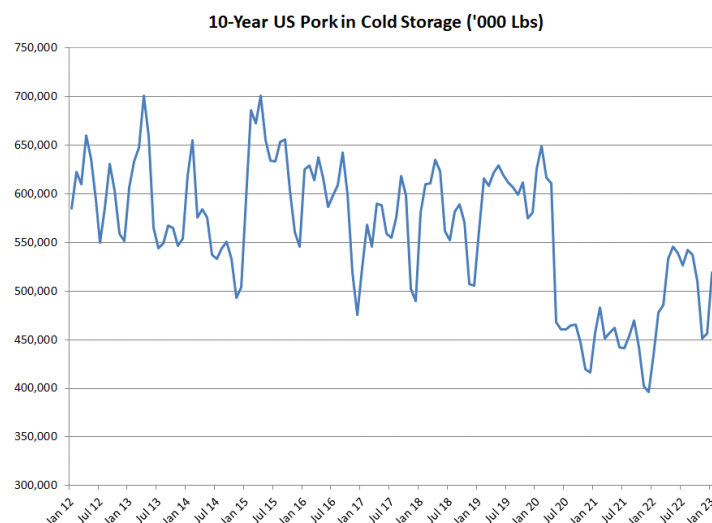
The latest US Cold Storage numbers reported pork stocks at 533.9 million pounds for March, up 12.7m pounds higher from February and 47.9m pounds over year-ago levels.

Lessened amounts of spare ribs, butts and unclassified pork were notably lower on the latest cold storage report, however increased quantities in most other pork categories more than offset the month-over-month declines for the month of March. Compared to the lower supplies recorded for this time last year, most primals are above year-ago levels with exception to spare-ribs and variety meats.

The category accounting for Other Pork increased the most on the month, rising 10.2m pounds in March and is 11.1m pounds over last year. Bellies rose 6.0m pounds from the month previous and is up 20.1m pounds over a year-ago, while trimmings increased 4.6m pounds for March bringing them 2.7m pounds over last year and bone-in picnics rose 2.6m pounds on the month and is 1.9m pounds over a year earlier. Total loins edged 780 thousand pounds higher for March, bringing all loins 3.9m pounds over last year.

Spare-ribs in cold storage recorded the greatest decline from previously reported, down 4.6m pounds on the month and 4.9m pounds under last year. Butts declined 3.2m pounds for March bringing them 2.6m pounds over last year, while unclassified pork fell 2.6m pounds on the month and is 1.7m pounds over last year. Variety meats slipped 679 thousand pounds on the latest report to bring them 1.7m pounds under a year earlier, while the category accounting for all hams was recorded modestly lower on the month and is 10.6m pounds over last year.

US Pork in Cold Storage					
('000 lbs)	Mar-23	Feb-23	Mar-22	M/M	Y/Y
Picnics	11,076	8,478	9,216	30.6%	20.2%
Hams	84,701	85,069	74,118	-0.4%	14.3%
Bellies	76,979	70,955	56,836	8.5%	35.4%
Loins	43,335	42,555	39,472	1.8%	9.8%
Ribs	111,876	116,456	116,768	-3.9%	-4.2%
Butts	23,274	26,475	20,670	-12.1%	12.6%
Trimmings	55,679	51,089	52,991	9.0%	5.1%
Other	58,216	48,007	47,096	21.3%	23.6%
Variety	21,808	22,487	23,527	-3.0%	-7.3%
Unclassified	46,972	49,617	45,305	-5.3%	3.7%
Total Pork	533,916	521,188	485,999	2.4%	9.9%



Weekly Hog Price Recap

Cash hogs varied with national cash down daily though moderately, while regional cash was down more significantly at the start of the week however improved the latter half. CME cash declined near daily, continuing to record modest daily moves. Wholesale pork values varied with lower picnics, ribs and loins offset by rises in other primals, especially higher bellies. US pork cutout was \$1.12/cwt over the previous week's average.

USD Cash Price	Weekly Averages				w/w	% Chg
	Head	21-Apr-23	Head	14-Apr-23		
ISM pm		\$68.38		\$71.28	-\$2.91	-4.1%
WCB pm		\$68.45		\$70.93	-\$2.48	-3.5%
Nat pm		\$67.44		\$70.05	-\$2.61	-3.7%
CME Index*		\$71.49		\$72.20	-\$0.71	-1.0%
Sows, 300-449lbs	11,615	\$33.58	11,700	\$38.73	-\$5.15	-13.3%
Sows, 500+ lbs	11,176	\$40.48	10,829	\$44.44	-\$3.96	-8.9%
BoC Exch		1.3448		1.3436	0.0012	0.1%

* Represents Friday-Thursday average

Monitored hog markets were generally \$1-\$5 per hog lower on the week, with those derived from lagged base pricing down the most. BP/TC dropped \$4.75/hog, followed by hog values out of Quebec which fell \$4.50/hog on the week while the OlyW 20 declined \$3.50/hog and the OlyW 21 was down \$2.25/hog. ML Sig 4 hogs fell \$1.75/hog, while those out of Ontario were \$1.50/hog lower and Hylife was down \$1/hog. In the US, Tyson hogs dropped more than \$6.50/hog while JM fell more than \$5/hog from the previous week.

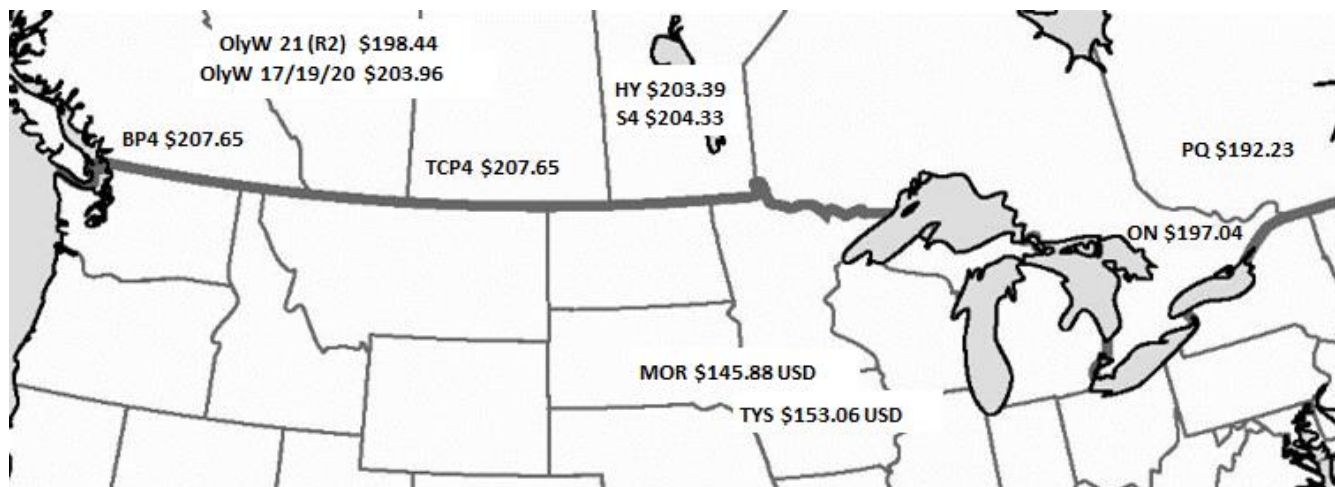
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2023 YTD AVG	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 21-Apr-23	Difference to OlyW21
IPM (MMS 5.0)	\$228.79		\$221.17		\$220.37		\$212.66	
OlyW 2021 (R2)**	\$225.17		\$209.98		\$208.85		\$198.44	
OlyW 2020*	\$232.15	\$6.99	\$217.10	\$7.11	\$216.04	\$7.19	\$203.96	\$5.53
ML Sig 4	\$223.86	-\$1.31	\$214.96	\$4.97	\$214.70	\$5.85	\$204.33	\$5.90
BP4/TCP4	\$225.40	\$0.24	\$218.12	\$8.13	\$216.88	\$8.03	\$207.65	\$9.22
Hylife	\$227.54	\$2.37	\$212.92	\$2.94	\$212.85	\$4.00	\$203.39	\$4.95
Ontario***	\$225.20	\$0.03	\$209.25	-\$0.74	\$209.22	\$0.37	\$197.04	-\$1.40
Québec (overall)	\$226.02	\$0.86	\$200.32	-\$9.67	\$202.99	-\$5.86	\$192.23	-\$6.21
Tyson (USD)	\$177.45	-\$47.72	\$166.79	-\$43.19	\$166.99	-\$41.86	\$153.06	-\$45.38
John Morrell (USD)	\$171.19	-\$53.97	\$159.29	-\$50.69	\$160.07	-\$48.78	\$145.88	-\$52.56

* 3 Year average uses actual OlyW20 ONLY for respective weeks. Starting Jan 2020 prices includes \$0.06 per kg proximity bonus

** 13 week average and the latest week uses the OlyW21 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 margins continue to weaken as a result of lower hog values and were further pressured by a jump in feed costs. Canadian farrow-to-finish feed costs rose \$5/hog, while those in the monitored US region were up more than \$2.50/hog from the previous week.

ML Sig 4 hog margins weakened \$6.85 to \$25.35/hog losses, followed by those out of Hylife which declined \$6 to \$26.30/hog losses. OlyW 20 hog margins weakened \$8.65 to \$37.30/hog losses, while the OlyW 21 declined \$7.30 to \$42.85/hog losses. Hog margins out of Ontario fell \$6.60 to nearly \$39/hog losses, while those out of Quebec weakened \$9.65 to \$44/hog losses. In the US, Tyson margins weakened \$9.20 to \$24.50/hog losses while JM declined \$7.75 to nearly \$30/hog losses for the week.

Regional MARGINS, \$/hog						
Packer/Region	21-Apr-23				Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$203.96	\$177.79	\$41.45	\$22.05	\$241.29	-\$37.33
OlyW 21 (R2)/Alberta	\$198.44	\$177.79	\$41.45	\$22.05	\$241.29	-\$42.85
ML Sig 4/Manitoba	\$204.33	\$166.59	\$41.54	\$21.55	\$229.68	-\$25.35
Hylife/Manitoba	\$203.39	\$166.59	\$41.54	\$21.55	\$229.68	-\$26.29
Ontario	\$197.04	\$167.52	\$42.71	\$25.76	\$235.99	-\$38.95
Québec (overall)	\$192.23	\$170.09	\$42.50	\$23.65	\$236.24	-\$44.01
Tyson (USD)/Iowa	\$153.06	\$128.26	\$30.70	\$18.57	\$177.53	-\$24.47
John Morrell (USD)/ND	\$145.88	\$126.53	\$30.70	\$18.57	\$175.80	-\$29.92

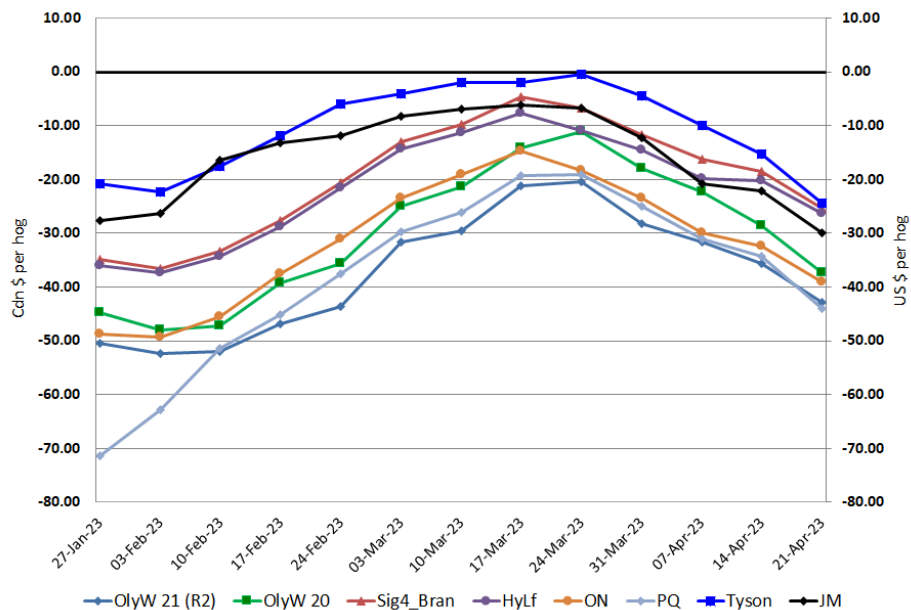
* Feed cost variables- 285 lb hog, 1.57 F:G nursery, 2.89 F:G feeder-finish, \$20 GMD

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

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

Tyson: $-\$24.47 \text{ USD} \times 1.3623 = -\33.34 CAD
 Morrell: $-\$29.92 \text{ USD} \times 1.3623 = -\40.76 CAD

Canadian & US Margins Last 13 weeks



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