



Weekly Regional HOG PRICE Report



Things to Consider....

June 6, 2023

The latest national direct feeder pig report reflected prices which continue well below those recorded for this time seasonally, the second lowest period overall in 10-years behind the lows recorded in 2020.

Early weaned cash prices (10-12 pounds) for the week ending Jun 2nd at \$10.03/head, slipped 2 cents on the week and are \$30.70/head under a year earlier. Current early wean cash prices continue at lows not recorded since the period of April through July 2020, and previously late-spring & mid-summer periods in 2012, 2009 & 2008. Formula early weans (10-12 lbs) for the same week were reported at \$35.86/head, up \$4.58 from the previous week but \$5.78/head under the same week in 2022.

The category accounting for 40-pound feeder pig cash prices reported a weighted average of \$41.20/head in the week ending Jun 2nd, down shy of \$3 on the week and \$31.65/head under last year. Current prices are considered lower than mid-range historically (10-years, 2013-current).

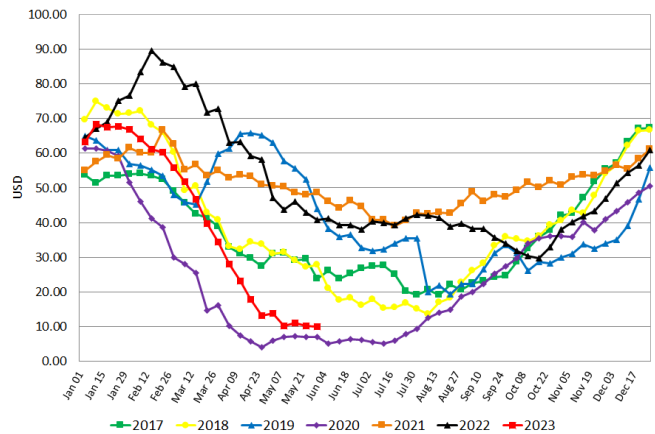
According to the latest report, feeder pig demand is steady-to-weak for moderate offerings. For comparison, demand for the same period last year were considered moderate on moderate offerings.

Feeder Pig Prices		02-Jun-23			
10-12 lb Early Weans		Head Count	Wtg Avg	w/w	y/y
Cash, wtg avg		46,181	\$ 10.03	-0.2%	-75.4%
Formula, wtg avg		16,976	\$ 35.86	14.6%	-13.9%
Cash, wtg avg		7,150	\$ 41.20	-6.7%	-43.4%

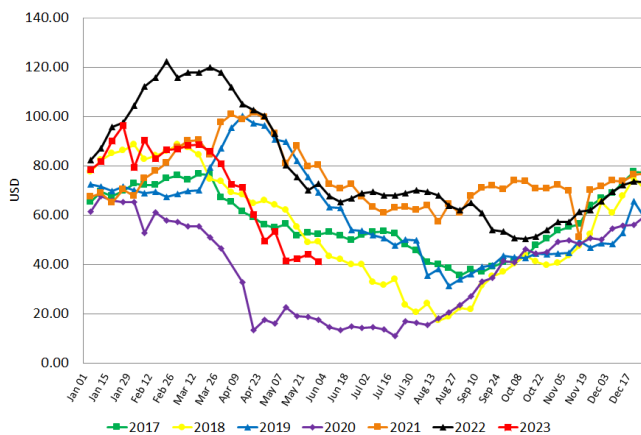
Feeder Pig Prices		26-May-23		03-Jun-22	
10-12 lb Early Weans		Head Count	Wtg Avg	Head Count	Wtg Avg
Cash, wtg avg		43,902	\$ 10.05	37,843	\$ 40.73
Formula, wtg avg		27,483	\$ 31.28	27,945	\$ 41.64
Cash, wtg avg		9,758	\$ 44.18	8,029	\$ 72.85

Feeder Pig Prices		2023	2022	2020-2022
10-12 lb Early Weans		YTD Avg	Last YTD	3-Year Avg
Cash, wtg avg		\$ 40.20	\$ 66.57	\$ 42.93
Formula, wtg avg		\$ 47.15	\$ 55.35	\$ 44.43
Cash, wtg avg		\$ 72.37	\$ 100.82	\$ 64.17

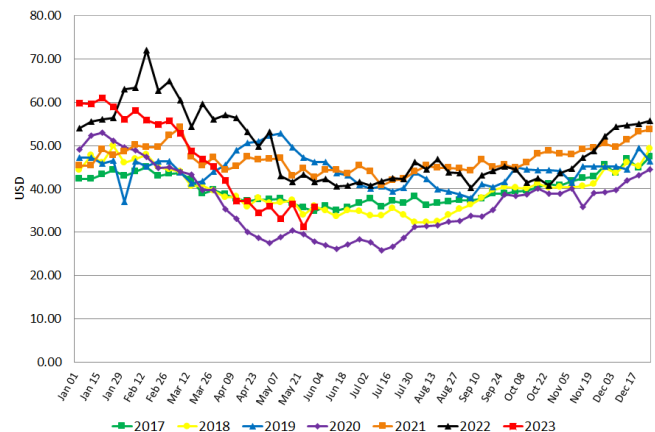
USDA Cash Isoweans 10-12 lb



USDA Cash Feeder 40 lb base



USDA Formula Isoweans 10-12 lb



Weekly Hog Price Recap

Cash hogs were primarily lower during much of the holiday-shortened week, however a strong surge in national and regional cash hog pricing Wednesday amid high bid volume were supportive. CME cash was mixed, down early on while improving the latter half of the week. Wholesale pork primal values averaged above the previous week, particularly hams and loins, supporting US pork cutout \$2.33/cwt over the previous week's average.

USD Cash Price	Weekly Averages				w/w	% Chg
	Head	02-Jun-23	Head	26-May-23		
ISM pm		\$88.64		\$85.98	\$2.66	3.1%
WCB pm		\$85.68		\$85.80	-\$0.12	-0.1%
Nat pm		\$82.53		\$79.54	\$2.99	3.8%
CME Index*		\$79.94		\$80.32	-\$0.38	-0.5%
Sows, 300-449lbs	9,864	\$18.03	12,037	\$17.26	\$0.76	4.4%
Sows, 500+ lbs	10,664	\$22.39	11,941	\$22.67	-\$0.28	-1.2%
BoC Exch		1.3542		1.3584	-0.0042	-0.3%

* Represents Friday-Thursday average

Monitored Canadian hog markets were mixed on the week, with those derived from lagged base pricing generally up the most. BP4/TCP4 rose \$6.45/hog followed by the OlyW 20 which was up \$3.45/hog, while Hylife improved \$1.45/hog and the OlyW 21 climbed \$1.10/hog higher. Quebec slipped \$0.10/hog, while Ontario and the ML Sig 4 each were down around \$1.30/hog. In the US, Tyson hogs fell \$1.50/hog, while JM edged \$0.25/hog under the previous week.

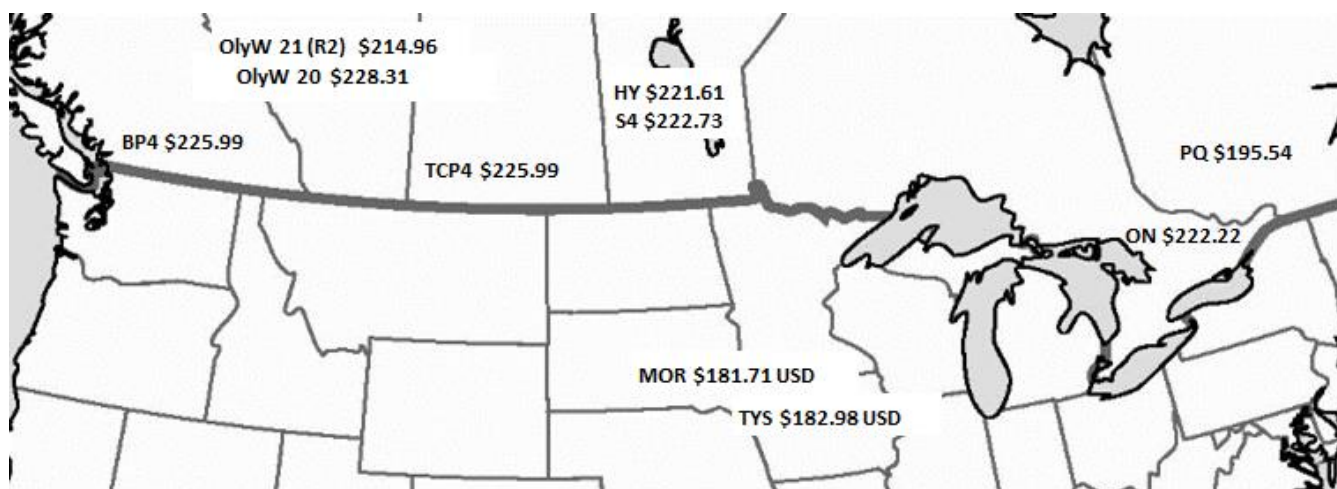
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2023 YTD AVG	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 02-Jun-23	Difference to OlyW21
IPM (MMS 5.0)	\$229.47		\$220.86		\$220.01		\$223.65	
OlyW 2021 (R2)**	\$225.68		\$209.40		\$209.91		\$214.96	
OlyW 2020*	\$233.90	\$8.22	\$216.55	\$7.15	\$217.60	\$7.69	\$228.31	\$13.35
ML Sig 4	\$225.60	-\$0.08	\$215.14	\$5.75	\$216.20	\$6.29	\$222.73	\$7.76
BP4/TCP4	\$227.07	\$1.39	\$217.07	\$7.67	\$218.04	\$8.13	\$225.99	\$11.03
Hylife	\$227.07	\$1.39	\$213.28	\$3.89	\$214.19	\$4.29	\$221.61	\$6.65
Ontario***	\$227.23	\$1.55	\$210.03	\$0.63	\$211.53	\$1.63	\$222.22	\$7.26
Québec (overall)	\$225.50	-\$0.18	\$198.06	-\$11.34	\$200.71	-\$9.20	\$195.54	-\$19.42
Tyson (USD)	\$180.36	-\$45.32	\$167.91	-\$41.49	\$168.74	-\$41.17	\$182.98	-\$31.98
John Morrell (USD)	\$174.62	-\$51.06	\$162.41	-\$46.99	\$164.14	-\$45.76	\$181.71	-\$33.26

* 3 Year average uses actual OlyW'20 only 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 strengthened overall, largely supported by a decrease in feed costs. Canadian farrow-to-finish feed costs fell \$1.75/hog, while those in the monitored US region were down \$2/hog from the previous week.

ML Sig 4 hog margins improved \$0.45 to \$6.55/hog profits, followed by those out of Hylife which strengthened \$3.20 to \$5.45/hog profits and the OlyW 20 which jumped \$5.20 to profitable levels at \$0.50/hog profits. Hog margins out of Ontario improved \$0.40 to \$0.25/hog losses, while those off the OlyW 21 saw margins strengthen \$2.85 to \$12.85/hog losses and Quebec improved \$1.60 to \$27.20/hog losses. In the US, Tyson climbed \$0.50 higher to \$19.30/hog profits while JM strengthened \$1.75 to \$19.75/hog profits for the week.

Regional MARGINS, \$/hog						
Packer/Region	02-Jun-23	Farrow to Finish			Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$228.31	\$164.29	\$41.45	\$22.05	\$227.79	\$0.52
OlyW 21 (R2)/Alberta	\$214.96	\$164.29	\$41.45	\$22.05	\$227.79	-\$12.83
ML Sig 4/Manitoba	\$222.73	\$153.09	\$41.54	\$21.55	\$216.18	\$6.55
Hylife/Manitoba	\$221.61	\$153.09	\$41.54	\$21.55	\$216.18	\$5.43
Ontario	\$222.22	\$154.02	\$42.71	\$25.76	\$222.49	-\$0.27
Québec (overall)	\$195.54	\$156.59	\$42.50	\$23.65	\$222.74	-\$27.20
Tyson (USD)/Iowa	\$182.98	\$114.43	\$30.70	\$18.57	\$163.70	\$19.28
John Morrell (USD)/ND	\$181.71	\$112.70	\$30.70	\$18.57	\$161.97	\$19.74

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

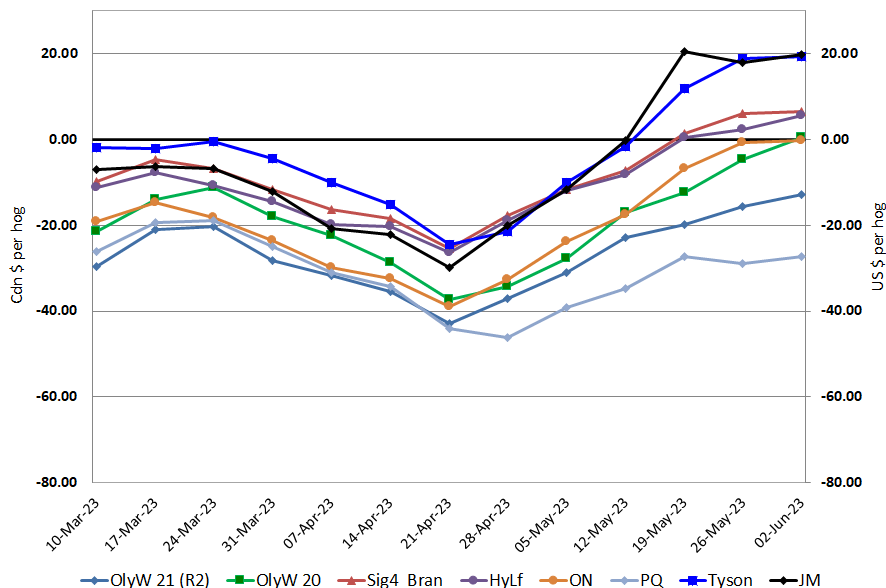
* Feed cost fixed expenses updated the week of April 8, 2022 onward

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

Tyson: \$19.28 USD x 1.3419 = \$25.87 CAD

Morrell: \$19.74 USD x 1.3419 = \$26.49 CAD

Canadian & US Margins Last 13 weeks



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