



Weekly Regional HOG PRICE Report



Things to Consider....

January 23, 2024

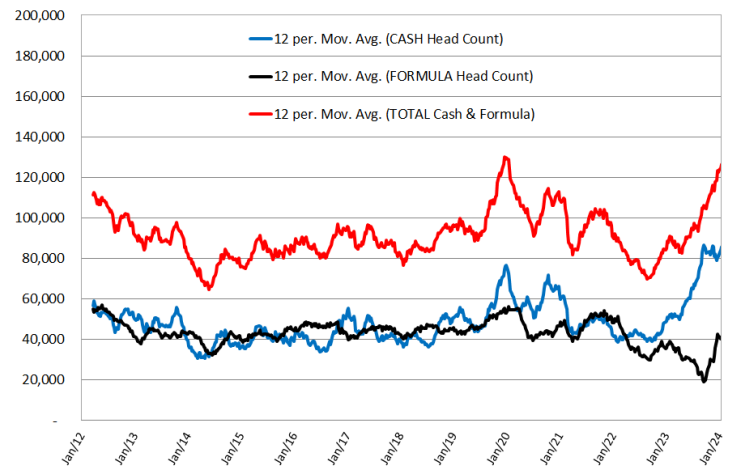
The US National Direct Feeder Pig Report (AMS_2810) is derived from information collected by the AMS's Voluntary Price Reporting authority and is presented as a weighted average. Prices quoted include freight and fees on a farm-to-farm basis, and may include a weight slide.

The latest weekly data reflected higher early wean prices however a decline in feeder pigs. The composite cash price for early weaned pigs averaging 10-12 lbs was \$38.16 USD/head. The composite cash price for a 40-lb pig was \$48.46 USD/head. It's worth noting that 2024 cash prices are at their lowest level recorded for this time since 2008. Compared to year-ago levels, current cash prices are down -46% than the same time in 2023.

The 12-week running average of cash receipts reported for early weans and feeder pigs increased significantly in 2023, surpassing the highs reached in the back-half of 2019 and in 2020. The running average for formula headcounts also saw an increase in late-2019 and early-2020, and again in much of 2021. Since that time, reported formula receipts have fallen to low levels historically. In considering the overall running average, total receipts have steadily increased throughout much of 2023 onward, a reflection of significantly increased reporting of direct cash trades.

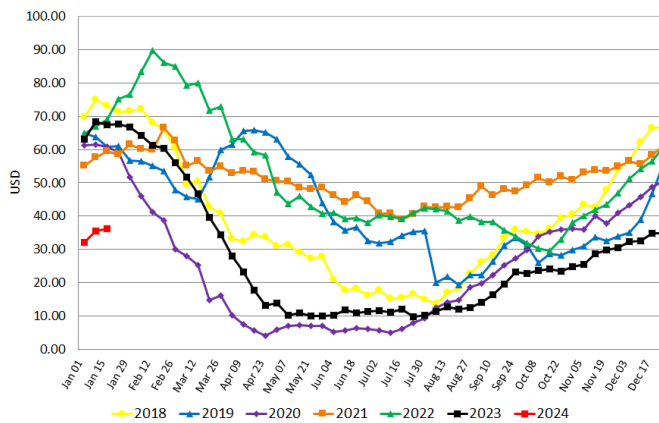
Weekly Feeder Pig Prices	19-Jan-24 Wtg Avg	12-Jan-24 Wtg Avg	W/W	20-Jan-23 Wtg Avg	Y/Y	2021-2023 3-Year Avg
10-12 lb Early Weans						
Cash, wtg avg	\$ 36.18	\$ 35.43	2.1%	\$ 67.53	-46.4%	\$ 43.83
Formula, wtg avg	\$ 48.74	\$ 43.43	12.2%	\$ 60.96	-20.0%	\$ 45.82
40 lb Feeder Pigs						
Cash, wtg avg	\$ 48.46	\$ 49.56	-2.2%	\$ 89.97	-46.1%	\$ 69.08

USDA Weekly Isoweane & Feeder Receipt Trend

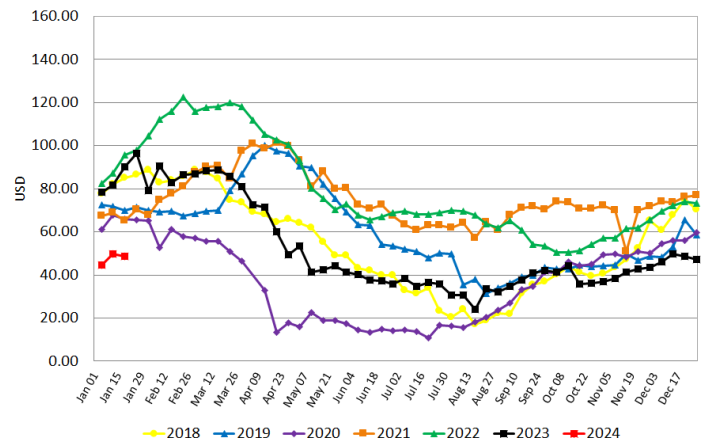


Annual Feeder Pig Prices	10-12 lb Early Weans		40 lb Feeder Pigs
	Cash	Formula	Cash
2018	\$39.71	\$39.69	\$54.44
2019	\$42.59	\$44.38	\$60.52
2020	\$25.96	\$37.01	\$38.09
2021	\$51.42	\$46.94	\$75.06
2022	\$51.74	\$49.48	\$79.35
2023	\$28.32	\$41.03	\$52.84

USDA Cash Isoweane 10-12 lb



USDA Cash Feeder 40 lb base



Weekly Hog Price Recap

Cash hogs improved for much of the week, however went unreported Monday and recorded a partial pull-back Friday. CME cash climbed daily, recording generally steady moves higher throughout the week. Most wholesale pork primal values finished higher, excluding moderate declines in hams and picnics, with US pork cutout averaging \$2.65/cwt above the week previous.

USD Cash Price	Weekly Averages				w/w	% Chg
	Head	19-Jan-24	Head	12-Jan-24		
ISM pm		\$47.07		\$45.53	\$1.54	3.4%
WCB pm		\$46.96		\$45.46	\$1.49	3.3%
Nat pm		\$46.91		\$45.19	\$1.72	3.8%
CME Index*		\$67.33		\$66.26	\$1.07	1.6%
Sows, 300-449lbs	12,276	\$31.74	13,037	\$32.91	-\$1.17	-3.5%
Sows, 500+ lbs	6,832	\$36.47	12,375	\$38.52	-\$2.06	-5.3%
BoC Exch		1.3482		1.3388	0.0094	0.7%

* Represents Friday-Thursday average

Monitored Canadian hog markets generally improved \$3-\$7 per hog on the week. Hylife hogs were up the most, rising \$6.85/hog, followed by hogs out of the east with Quebec up \$5/hog and Ontario \$4.55/hog higher. Hogs priced off the ML Sig 4 were up shy of \$4/hog while the OlyW 20 improved \$3.55/hog, the OlyW 21 was \$3.10/hog higher and BP4/TC4 climbed \$2.50/hog from last reported. In the US, Tyson hogs were up \$0.85/hog while JM hog values rose \$3.10/hog from the previous week.

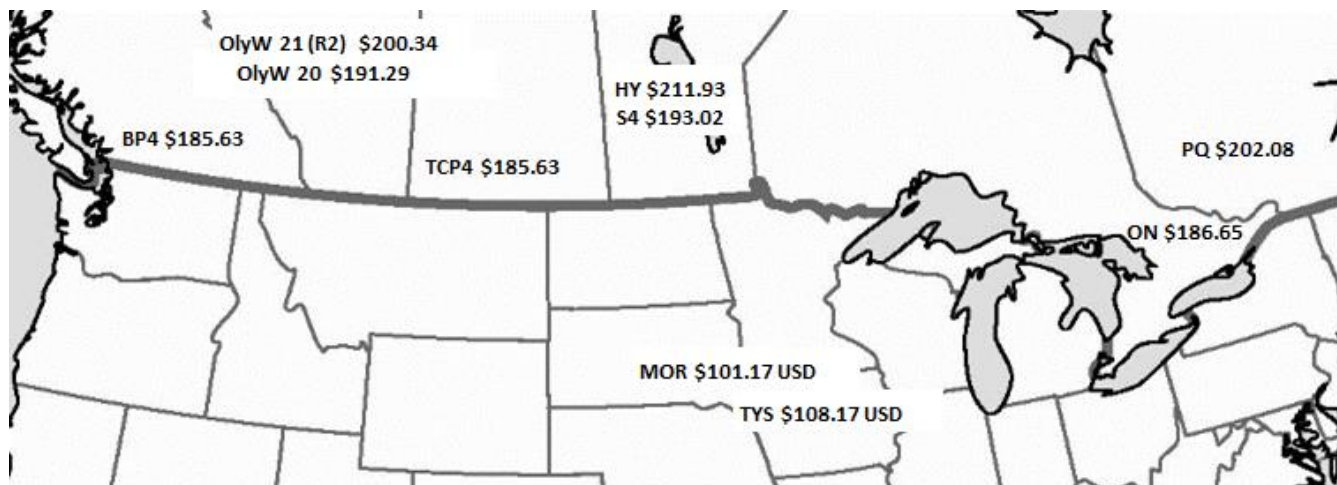
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2023 YTD AVG	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 19-Jan-24	Difference to OlyW21
IPM (MMS 5.0)	\$240.80		\$231.64		\$220.72		\$224.18	
OlyW 2021 (R2)**	\$234.61		\$224.03		\$207.97		\$200.34	
OlyW 2020*	\$246.62	\$12.01	\$231.92	\$7.89	\$205.68	-\$2.29	\$191.29	-\$9.05
ML Sig 4	\$236.08	\$1.47	\$226.14	\$2.11	\$201.56	-\$6.41	\$193.02	-\$7.32
BP4/TCP4	\$232.28	-\$2.33	\$223.30	-\$0.72	\$200.49	-\$7.48	\$185.63	-\$14.71
Hylife	\$236.77	\$2.16	\$225.49	\$1.46	\$208.09	\$0.12	\$211.93	\$11.59
Ontario***	\$240.60	\$5.99	\$225.18	\$1.15	\$196.90	-\$11.07	\$186.65	-\$13.69
Québec (overall)	\$231.35	-\$3.26	\$213.06	-\$10.97	\$201.15	-\$6.82	\$202.08	\$1.74
Tyson (USD)	\$192.89	-\$41.72	\$172.89	-\$51.14	\$130.81	-\$77.16	\$108.17	-\$92.17
John Morrell (USD)	\$186.81	-\$47.80	\$165.13	-\$58.90	\$118.52	-\$89.45	\$101.17	-\$99.17

* 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 were supported this week on improved hog values and another decline in feed costs. Canadian farrow-to-finish feed costs declined near \$1/hog while those in the monitored US region fell \$1.30/hog from a week earlier.

Hylife hogs strengthened to positive margins, surging \$7.80 to a \$0.65/hog profit on the week. Quebec margins improved shy of \$6 to \$15.75/hog losses while those off the ML Sig 4 were up \$4.85 to \$18.25/hog losses. OlyW 21 margins were up \$4 to \$22.55/hog losses while Ontario margins strengthened \$5.50 to \$31/hog losses, and OlyW 20 margins improved \$4.50 to \$31.60/hog losses. In the US, Tyson hog margins recovered \$2.20 to \$46.45/hog losses while JM margins strengthened \$4.50 to \$51.75/hog losses for the week.

Regional MARGINS, \$/hog						
Packer/Region	19-Jan-24	Farrow to Finish			Total COP	Weekly Margin
	Hog Price	Feed*	Variable	Fixed		
OlyW 20/Alberta	\$191.29	\$159.40	\$41.45	\$22.05	\$222.90	-\$31.61
OlyW 21 (R2)/Alberta	\$200.34	\$159.40	\$41.45	\$22.05	\$222.90	-\$22.56
ML Sig 4/Manitoba	\$193.02	\$148.20	\$41.54	\$21.55	\$211.29	-\$18.27
Hylife/Manitoba	\$211.93	\$148.20	\$41.54	\$21.55	\$211.29	\$0.64
Ontario	\$186.65	\$149.13	\$42.71	\$25.76	\$217.60	-\$30.95
Québec (overall)	\$202.08	\$151.70	\$42.50	\$23.65	\$217.85	-\$15.77
Tyson (USD)/Iowa	\$108.17	\$105.36	\$30.70	\$18.57	\$154.63	-\$46.46
John Morrell (USD)/ND	\$101.17	\$103.63	\$30.70	\$18.57	\$152.90	-\$51.73

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

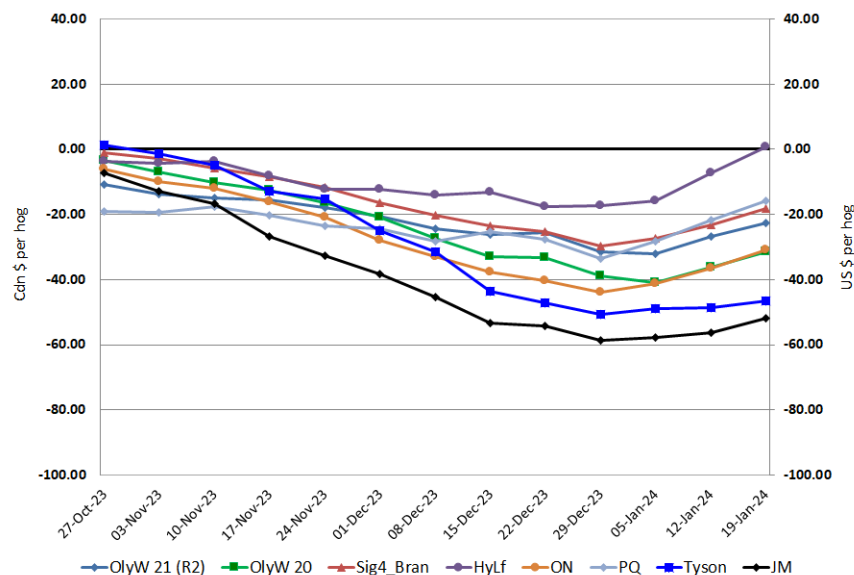
* Feed cost fixed expenses updated the week of April 8, 2022 onward

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

Tyson: $\$(46.46) \text{ USD} \times 1.3478 = \$(62.62) \text{ CAD}$

Morrell: $\$(51.73) \text{ USD} \times 1.3478 = \$(69.72) \text{ CAD}$

Canadian & US Margins Last 13 weeks



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