



Weekly Regional HOG PRICE Report



February 20, 2024

Things to Consider....

In the latest data, Canadian stocks of frozen and chilled pork for the first quarter slipped 404 tonnes or -0.5% from the previous quarter, bringing the latest stocks 931 tonnes or -1.2% under year-ago supplies.

Pork trimmings increased the most from last reported, up 745 to 10,228 tonnes in the first quarter but 686 tonnes under last year.

Quarterly pork ribs were up 467 to 11,229 tonnes bringing the latest stocks 1,333 tonnes under Q1 2023.

Ham stocks increased 337 from the previous quarter to 9,545 tonnes and up 231 tonnes over a year earlier.

Pork butts rose 237 to 2,285 tonnes as of January however is 127 tonnes under last year.

Loins climbed 177 tonnes on the quarter to 5,519 tonnes in Q1, however is 825 tonnes under year-ago supplies.

Offsetting some of the earlier mentioned quarter-over-quarter increases were primarily reduced stocks of unclassified pork and more moderate reductions in pork back/shoulders, and bellies.

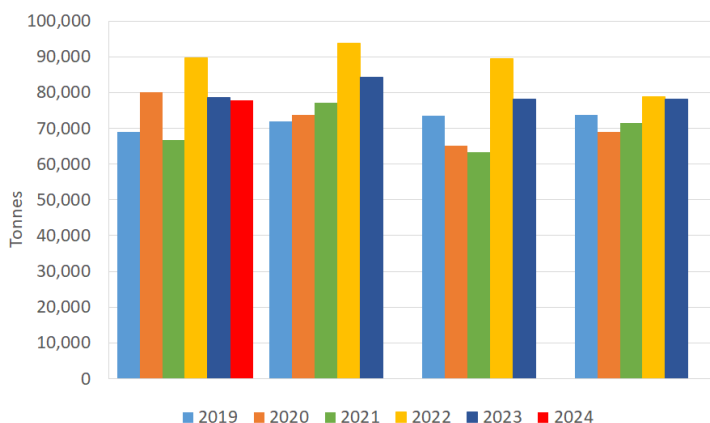
The category accounting for unclassified pork fell 1,505 in the latest quarter to 28,007 tonnes, a modest 92 tonnes over a year earlier.

Pork backs & shoulders dropped 567 to 1,887 tonnes for the first quarter of 2024, bringing them 33 tonnes under last year.

Belly stocks fell 276 to 4,785 tonnes, bringing current supplies 636 tonnes over year-ago supplies.

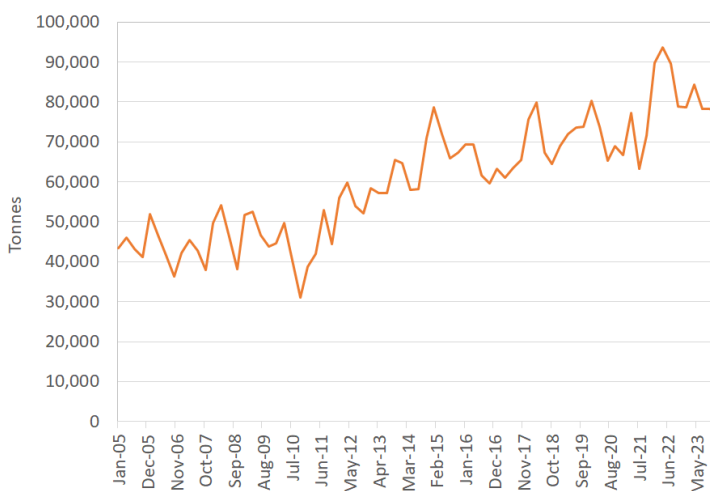
Canadian Cold Storage, Stocks of frozen and chilled meats					
(reported in tonnes)	Q1 2024	Q4 2023	Q1 2023	Q/Q Chg%	Y/Y Chg%
Pork, total	77,782	78,186	78,713	-0.5%	-1.2%
Hams	9,545	9,208	9,314	3.7%	2.5%
Pork, loins	5,519	5,342	6,344	3.3%	-13.0%
Pork, bellies	4,785	5,061	4,149	-5.5%	15.3%
Pork, butts	2,285	2,048	2,412	11.6%	-5.3%
Pork, picnics	4,297	4,316	3,183	-0.4%	35.0%
Pork, ribs	11,229	10,762	12,562	4.3%	-10.6%
Pork, backs and shoulders	1,887	2,454	1,920	-23.1%	-1.7%
Pork, trimmings	10,228	9,483	10,914	7.9%	-6.3%
Unclassified pork	28,007	29,512	27,915	-5.1%	0.3%

Canadian Stocks of Frozen and Chilled Total Pork



Quarter 1 refers to the first business day of January, Quarter 2 refers to the first business day of April, Quarter 3 refers to the first business day of July and Quarter 4 refers to the first business day of October.

Canadian Stocks of Frozen & Chilled Meats - Total Pork



Weekly Hog Price Recap

Regional and national cash hogs improved much of the week, recording one day of mostly moderate declines mid-week. CME cash climbed higher daily however recorded more moderate moves compared to cash hogs. Wholesale pork primal values improved overall, excluding a modest -0.3% decline in bellies, supporting US pork cutout \$2.40/cwt over the previous week.

USD Cash Price	Weekly Averages				w/w	% Chg
	Head	16-Feb-24	Head	09-Feb-24		
ISM pm		\$68.15		\$62.68	\$5.47	8.7%
WCB pm		\$67.99		\$64.25	\$3.74	5.8%
Nat pm		\$67.68		\$64.31	\$3.37	5.2%
CME Index*		\$74.56		\$73.81	\$0.75	1.0%
Sows, 300-449lbs	14,380	\$48.21	14,758	\$42.56	\$5.65	13.3%
Sows, 500+ lbs	13,142	\$53.90	13,281	\$48.50	\$5.41	11.1%
BoC Exch		1.3507		1.3485	0.0022	0.2%

* Represents Friday-Thursday average

Monitored hog markets were mixed to generally higher. BP4/TC4 was up shy of \$5/hog, followed by hogs of out Hylife which climbed \$4/hog. Ontario hogs improved \$3/hog, while the OlyW 20 was up around \$2.50/hog and the ML Sig 4 climbed \$0.60/hog higher. Hogs out of Quebec slipped \$0.50/hog while those off the OlyW 21 fell \$1.30/hog. In the US, Tyson hogs improved \$5.80/hog while JM hog values rose \$7.75/hog from a week earlier.

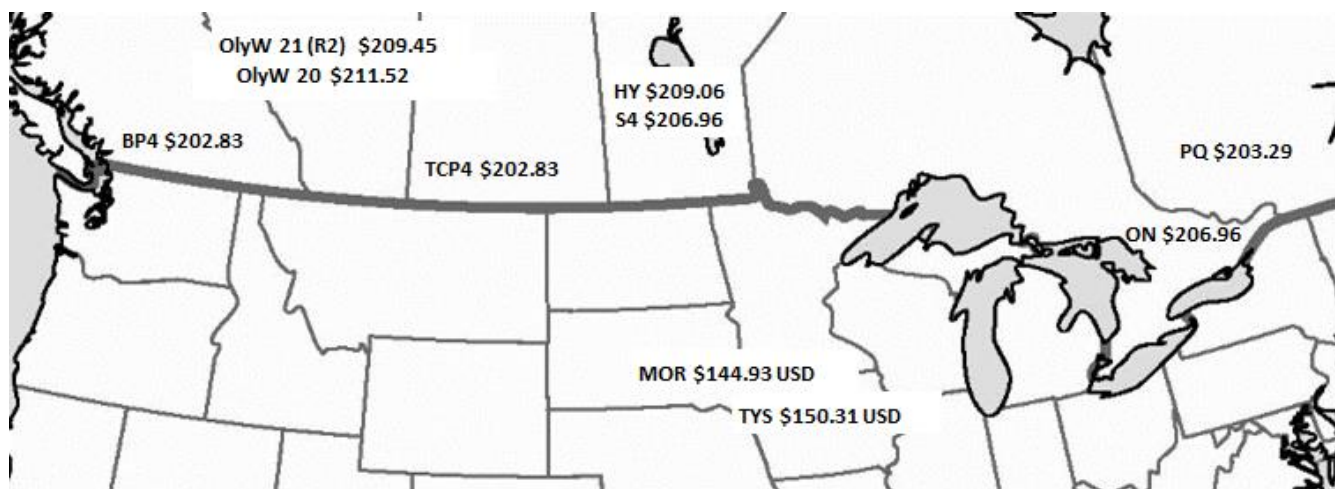
Regional Pricing, \$/hog								
Packer/Region	3 Year	Difference to OlyW21	2024 YTD AVG	Difference to OlyW21	Last 13 weeks	Difference to OlyW21	Ending 16-Feb-24	Difference to OlyW21
IPM (MMS 5.0)	\$241.28		\$219.65		\$218.67		\$219.86	
OlyW 2021 (R2)**	\$235.03		\$203.84		\$204.71		\$209.45	
OlyW 2020*	\$246.94	\$11.90	\$197.66	-\$6.18	\$199.57	-\$5.14	\$211.52	\$2.07
ML Sig 4	\$236.46	\$1.43	\$197.24	-\$6.60	\$197.25	-\$7.46	\$206.96	-\$2.50
BP4/TCP4	\$232.63	-\$2.41	\$190.73	-\$13.11	\$194.30	-\$10.41	\$202.83	-\$6.63
Hylife	\$237.26	\$2.22	\$205.51	\$1.66	\$203.18	-\$1.53	\$209.06	-\$0.39
Ontario***	\$240.95	\$5.92	\$192.82	-\$11.02	\$191.89	-\$12.82	\$206.96	-\$2.49
Québec (overall)	\$231.55	-\$3.48	\$201.96	-\$1.89	\$200.07	-\$4.63	\$203.29	-\$6.16
Tyson (USD)	\$192.82	-\$42.21	\$123.65	-\$80.20	\$124.18	-\$80.52	\$150.31	-\$59.14
John Morrell (USD)	\$186.78	-\$48.26	\$117.79	-\$86.05	\$114.88	-\$89.83	\$144.93	-\$64.52

* 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 improved on better hog values overall and another reduction in feed costs. Canadian farrow-to-finish feed costs fell shy of \$2/hog while those in the monitored US region declined \$1.50/hog from a week earlier.

Hylife hog margins strengthened \$6 to \$1/hog profits on the week, while ML Sig 4 margins improved \$2.50 to \$0.60/hog losses. Ontario hog margins strengthened \$4.85 to \$4.55/hog losses while those out of Quebec recovered \$1.45 to \$7.25/hog losses. OlyW 20 hog margins strengthened \$4.35 to \$7.75/hog losses while those off the OlyW 21 improved \$0.60 to \$9.85/hog losses. In the US, Tyson hog margins strengthened \$7.25 to \$7.40/hog losses while JM margins strengthened \$9.25 to \$11/hog losses for the week.

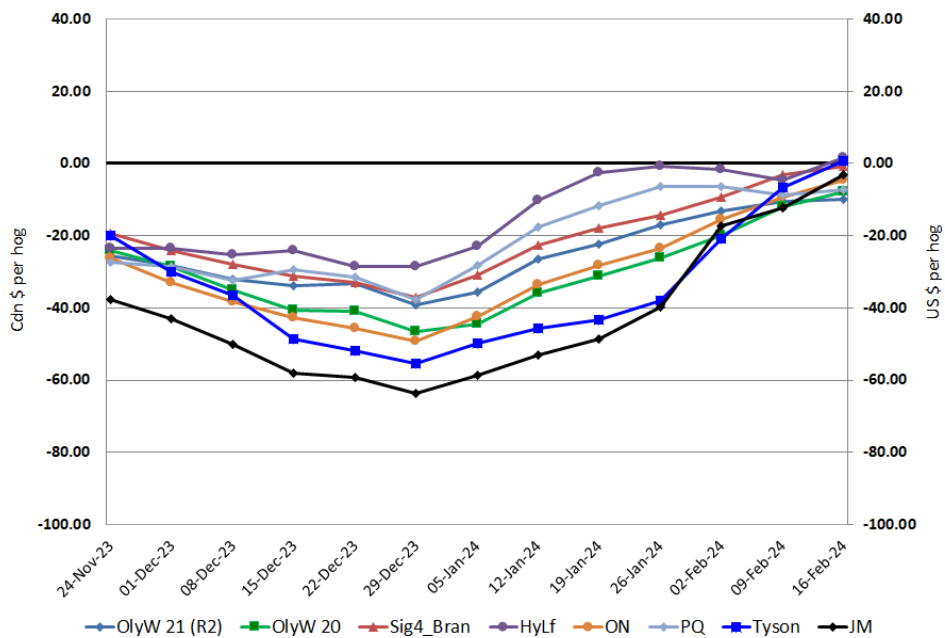
Regional MARGINS, \$/hog					
Packer/Region	16-Feb-24 Hog Price	Farrow to Finish Feed*	Fixed COP	Total COP	Weekly Margin
OlyW 20/Alberta	\$211.52	\$148.08	\$71.20	\$219.28	-\$7.76
OlyW 21 (R2)/Alberta	\$209.45	\$148.08	\$71.20	\$219.28	-\$9.83
ML Sig 4/Manitoba	\$206.96	\$136.88	\$70.70	\$207.58	-\$0.62
Hylife/Manitoba	\$209.06	\$136.88	\$70.70	\$207.58	\$1.48
Ontario	\$206.96	\$137.81	\$73.68	\$211.49	-\$4.53
Québec (overall)	\$203.29	\$140.38	\$70.15	\$210.53	-\$7.24
Tyson (USD)/Iowa	\$150.31	\$95.53	\$54.17	\$149.70	\$0.61
John Morrell (USD)/ND	\$144.93	\$93.80	\$54.17	\$147.97	-\$3.04

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

* Feed & Fixed COP expenses updated January 2024 onward

Tyson: \$0.61 USD x 1.3518 = \$0.82 CAD
 Morrell: **\$(3.04)** USD x 1.3518 = **\$(4.11)** 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.