

Hog Margin Worksheet



February 6, 2012 Target weight:

Yield 270
75.5%

Annual Targeted Margin \$16.00
 DDG \$187.00
 Corn 107 \$6.07
 Meal 448 \$328.58
 All expense minus corn,ddg and meal \$90.00 per head

Hog Variable Costs:

Isowean	\$39
Yardage	\$18
Vet	\$4
Trucking	\$2
Interest	\$2
Insurance	\$1
Misc	\$5
Other Feed	\$19

	\$90.00

	Today's CME Px	Hog Basis	Estimated Cash w/ basis	Corn Price	Meal Price	Cost of Production:	Target:	Margin per pig today's market
FEB'12	\$86.95	(\$0.81)	\$86.14	\$6.24	\$327.50	\$80.63	\$10.50	\$11.24
MAR'12	\$88.70	(\$1.60)	\$87.10	\$6.24	\$327.50	\$80.63	\$14.19	\$13.20
APR '12	\$88.70	(\$2.40)	\$86.30	\$6.31	\$329.00	\$80.93	\$14.19	\$10.94
MAY '12	\$98.48	(\$4.00)	\$94.48	\$6.36	\$329.00	\$81.13	\$24.00	\$27.21
JUNE'12	\$98.48	\$0.41	\$98.89	\$6.41	\$331.60	\$81.38	\$30.00	\$35.68
JULY '12	\$98.90	\$0.62	\$99.52	\$6.46	\$331.60	\$81.58	\$26.40	\$36.58
AUG'12	\$98.58	(\$0.10)	\$98.48	\$6.05	\$331.10	\$79.96	\$27.00	\$37.75
SEP'12	\$88.95	\$4.03	\$92.98	\$6.05	\$329.80	\$79.93	\$14.00	\$26.60
OCT'12	\$88.95	\$2.14	\$91.09	\$6.05	\$326.40	\$79.86	\$9.70	\$22.90
NOV'12	\$84.63	\$0.66	\$85.29	\$5.46	\$326.10	\$77.53	\$6.50	\$15.80
DEC'12	\$84.63	(\$2.50)	\$82.13	\$5.51	\$326.10	\$77.73	\$6.50	\$8.96
Jan'13	\$85.45	(\$4.75)	\$80.70	\$5.68	\$327.20	\$78.41	\$9.00	\$4.67
Feb'13	\$85.45	(\$0.81)	\$84.64	\$5.73	\$328.30	\$78.63	\$10.50	\$12.24
Mar'13	\$86.25	(\$1.60)	\$84.65	\$5.73	\$328.30	\$78.63	\$14.19	\$12.27
Apr'13	\$86.25	(\$2.40)	\$83.85	\$5.80	\$327.70	\$78.90	\$14.19	\$10.08
May '13	\$92.10	(\$4.00)	\$88.10	\$5.85	\$327.70	\$79.10	\$24.00	\$18.35
June'13	\$92.10	\$0.41	\$92.51	\$5.90	\$328.50	\$79.31	\$30.00	\$26.90
	per cwt.	per cwt.	per cwt.	per bu.	per ton	per cwt.	per head	per head
Feb '12-Jan '13	\$90.95	(\$0.69)	\$90.26	\$6.07	\$328.58	\$79.97	\$16.00	\$20.96
			per cwt.	per bu.	per ton	per cwt.	per head	per head

Futures Prices	Corn Basis
March '12 Corn	\$6.44 (\$0.35) NOV
May '12 Corn	\$6.51 (\$0.30) DEC
July '12 Corn	\$6.56 (\$0.25) JAN
Sept '12 Corn	\$6.05 (\$0.20) FEB
Dec '12 Corn	\$5.81 (\$0.20) MAR
March '13 Corn	\$5.93 (\$0.15) APR
May '13 Corn	\$6.00 (\$0.15) MAY
July '13 Corn	\$6.05 (\$0.15) JUNE
	\$0.00 JULY
March '12 Meal	\$327.50 \$0.00 AUG
May '12 Meal	\$329.00 \$0.00 SEP
July '12 Meal	\$331.60 \$0.00 OCT
Aug '12 Meal	\$331.10
Sept '12 Meal	\$329.80
Oct '12 Meal	\$326.40
Dec '12 Meal	\$326.10
Jan '13 Meal	\$327.20
March '13 Meal	\$328.30
May '13 Meal	\$327.70
July '13 Meal	\$328.50

TODAY'S CME PRICE	HOG BASIS	TODAYS CASH HOG PRICE	TODAYS EST CASH CORN PRICE	TODAYS EST CASH MEAL PRICE	COST OF PRODUCTION	HISTORIC TARGET	MARGIN PER PIG GIVEN TODAY'S HOG,CORN, DDG AND MEAL PRICE.
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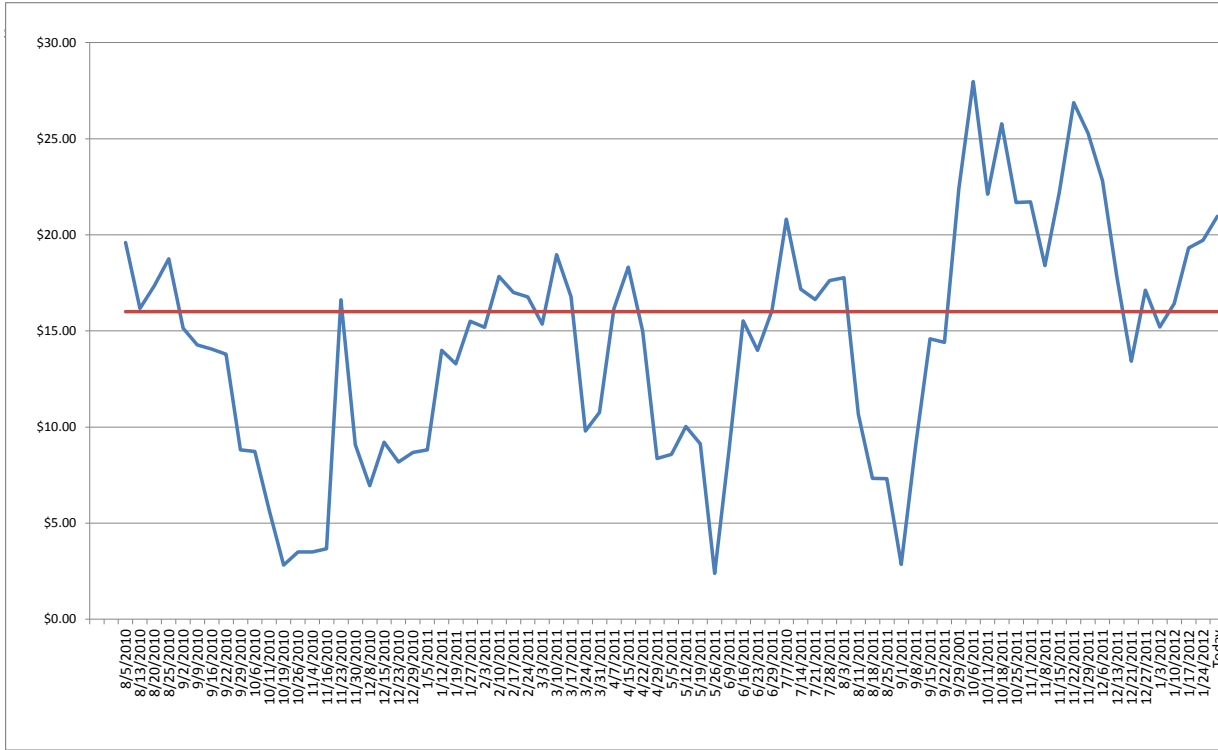


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This graph shows the opportunity for margin looking 12 months out.



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