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## FEEDER PIG PRICES

The impact of exchange rates and trade rules shows up in our pork industry in a variety of ways. For instance, poultry and swine producers in the southeast region of the US can now bring in grain from South America at a price that is very competitive with the price of US grain sourced from the Midwest. This is because of the strength of the US dollar versus the Brazilian Real and the Argentinian Peso and the cost to transport grain within the US.

On the other hand, selling US products to other countries becomes harder because it takes more local currency to buy a metric tone of grain, a pound of pork or any other ad commodity from the US than from many of our competitors. The currently strong US dollar means pork from the European Union may be cheaper for the Chinese than US origin product. This is in spite of the fact that long term, the US producers have one of the lowest (and most competitive) costs of production.

Currency rates and the repeal of MCOOL are now playing out in the US feeder pig markets. The Canadian dollar traded last week over \$1.44 Canadian per US dollar. Only a few years ago it traded as low as \$0.90 Canadian per US dollar and the historic trade level is around \$1.25 Canadian per US dollar.

To understand the impact of this relationship I'll use weaned pig prices for Canadian born pigs delivered to the upper Midwest. When weaned pigs are worth \$40 US to US producers, this translates into \$36 Canadian dollars when the Canadian dollar was \$0.90 and \$57.60 when the Canadian dollar is \$1.44. Remember, the US producer paid \$40 US in both scenarios while the impact on the Canadian producer was quite different.

The impact of MCOOL real and strong US dollar is showing up in the number of pigs being imported from Canada. For the week ending January 9, 2016 US producers imported 97,197 pgs weighing less than 55 kg (110 lb.). The last time this many pigs crossed was the week ending January 19, 2013 when 98,805 pigs weighing less than 55 kg entered the US from Canada.

I've had several calls in the past few weeks from contacts and clients in western Canada about the possibilities of new facilities. Manitoba Pork has gone so far as to hire an engineering firm to put together construction budgets for new finishing facilities (the vast majority of these pgs would stay in Canada) while several feeder pig producers are talking expansion in light of the current demand for Canadian weaned pigs in the US.

In 2008 prior to the implementation of MCOOL, US producers imported 6.77 million feeders into the US vs 3.93 million in 2014 and 4.31 million last year. It appears the economic signals are in place to result in US imports of Canadian born feeder pigs increasing dramatically in the next few years. (M. Brumm, MNpork)

## LANEWAYS CLEAR

**PLEASE REMEMBER TO  
HAVE LANE WAYS CLEAR  
OF SNOW FOR OUR  
TRUCK DRIVERS AND THE  
SAFETY OF EVERYONE.**

## FUTURES MARKET

### BEEF

FEBRUARY	133.02
APRIL	133.40
JUNE	123.37

### PORK

FEBRUARY	63.00
APRIL	69.00
JUNE	78.95

## ORDER DESK

Ways to place your order:

Toll-free: 1.800.265.2203

Fax: 519.655.3505

Email: [orders@wsfeeds.ca](mailto:orders@wsfeeds.ca)

Online: [www.wsfeeds.ca](http://www.wsfeeds.ca)

## ***THE IMPORTANCE OF WATER***

Cold temperatures can make things difficult around the farm—frozen pipes and equipment that refuses to budge; a dangerous obstacle course in alleyways and loafing areas with slippery and often snow-covered areas; watering cups and tanks in (and out of) the barn that resemble blocks of ice, rather than a water source. It is critical that all livestock receive sufficient water in cold weather, just like during the summer months of heat and humidity. Water is important to digestion and feed utilization, as well as aiding a cow's ability to make milk, which is comprised of 87% water.

Make sure your cattle have access to fresh clean water at all times, including calves, heifers, dry and transition cows. Waterers need to be free from ice and easily accessible any time. It is also important to keep waterers free of manure and mud. Check waterers regularly to ensure there is sufficient water and that the equipment is functioning properly. Cows depend on water for many things and they depend on you to ensure they get what they need, when they need it. It makes a difference throughout winter and all year long!

## ***THINKING AHEAD***

It is still winter, with cold and snowy weather likely to continue for a few more weeks. This is a good time to think about the consequences of summer heat/humidity, and the impact it can have on your livestock. While we cannot accurately predict weather, it is more than likely going to be hot this summer! It helps to be prepared. Whether we will experience record-breaking heat or not, we know there will be a few hot and humid "dog-days" of summer, which inevitably can take a toll on the health and productivity of livestock. What about fans/sprinkler systems you've considered in the past and have not been able to install? Is there sufficient water in the barn for your cows? What about heat abatement strategies for calves, heifers and dry cows? Be proactive in developing plans to deal with heat/humidity *before* it happens and help to safeguard livestock from the impact these can have on their productivity and your profitability.

## ***HYGIENE AND YOUR CALVES***

How clean is clean? When it comes to raising quality calves and replacement heifers, cleanliness is paramount. This ties in with basics of biosecurity, which when not properly addressed can complicate the situation. On-farm trials have shown a reduction in death loss (less than 1%) when the focus for raising calves underscores a need for cleanliness and good hygiene. At a dairy facility in Wisconsin, the 170 calf hutches were placed on a grid of concrete and gravel — concrete for walkways, and gravel underneath each hutch and pen for drainage. Calves were bedded inside and outside of the hutch, using sand in the summer and straw in the winter. When calves are weaned, the hutch is removed, power-washed, disinfected and returned as needed. The sand and gravel are also cleaned, stirred up and allowed to dry in the sun for as long as possible. In the winter all straw is removed and the gravel pad stirred and allowed to dry as long as possible. Additionally, all of the gravel is removed periodically.

As an extra precaution, the entire calf area is fenced and locked, keeping visitors (including wildlife, etc.) from coming in contact with the calves. Make sure that anyone working or visiting your calves has clean clothes and washable or disposable boots, and that common methods of biosecurity and hygiene are maintained at all times. The difference can be significant. Check out your operation and see how it measures up! (Dairy Herd Management)

**WE WILL BE CLOSED FOR FAMILY DAY ON FEBRUARY 15, 2016**

**PLEASE ORDER YOUR FEED ACCORDINGLY.**