

Tuesday, January 18, 2011

Hog Prices: ↑ Soymeal: ↓

Corn: ↑ Cdn Dollar: ↓

US Slaughter	
N/A – Monday's	
N/A – Monday's (year ago)	
US Iowa/Sthrn MN	\$73.46
Western Corn Belt	\$73.12
Daily National Price	\$74.79
Daily Sig3(M.Leaf)	\$132.18
Daily Sig4(M.Leaf)	\$130.92
4-Month Fwd Avg	\$155.54
#1 Export Sows (+500lbs) \$38.25 cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9862CAD / \$1.0140US	
<b>Cash Prices: Week Ending January 14th, 2011</b>	
58.82/129.68 Signature #3	
58.70/129.42 Signature #4	
57.77/127.36 MPMC Cash	
55.97/123.40 Springhill	

*This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of the author.*

**Forward contract prices opened higher this morning.** U.S. cash markets started the week with steady bids, as hog supplies are on a tightening trend. Whereas packers are attempting to control their purchases to protect their operating margins. Product markets have been firmer than what is typically seen at this time of year, which could be an indication of better demand. Confirming this trend was the most recent report on pork exports, which showed that volumes grew by 5% over year ago levels, while the dollar value of exports grew by 15%. Lean hog futures are expected to reflect this news in trade today, but influence from other commodity markets could skew today's trade after the extended weekend. The Canadian Dollar is holding at better than U.S.\$1.01 and has closed below par value with the U.S. Dollar only once since the start of the new year.

**Canadian delivered soymeal prices opened lower this morning.** Better than expected weekend rains in Argentina are putting pressure on soybean prices today. The rainfall, which was the largest since fall, is seen to improve the conditions for developing soybeans. Also contributing to the downward movement is news that China has cancelled 2 cargoes of U.S. supplies due to poor margins.

**Canadian delivered corn prices opened higher this morning.** Weakness in the U.S. Dollar, along with crop losses in Argentina are expected to push corn to 30-month highs this morning. Rains that fell on the weekend in South America are likely too late to have helped the heat damaged corn. Traders are currently waiting to see if China will enter the market for corn to replenish domestic inventories.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Fixed Forward Range (Maple Leaf Sig. #3)		142.40	143.89	148.29	163.77	164.68	167.47	154.77	151.11	148.39
		142.40	147.52	158.30	166.95	170.60	169.29	167.69	152.03	151.60
(Maple Leaf Sig. #4)		140.01	143.56	145.80	157.79	161.85	161.82	156.24	149.16	147.69
		140.01	145.50	152.85	160.97	164.49	163.41	161.85	151.11	148.58
Soymeal Delivered	432	436	439	445	445	450	450	458	461	439
Corn Delivered	259	259	261	263	265	267				



**Rothsay Animal Vegetable Feed Fat**

**\$813/tonne ↑ (2 – 19 mt)**

To place your order call 1-866-768-4729

\*Price quoted is FOB Southeast Manitoba

