

Friday, February 11, 2011

Hog Prices: ↑ Soymeal: ↔

Corn: ↓ Cdn Dollar: ↓

US Slaughter	
421,000 – Thursday's	
416,000 – Thursday's (year ago)	
US Iowa/Sthrn MN	\$87.29
Western Corn Belt	\$87.13
Daily National Price	\$84.44
Daily Sig3(M.Leaf)	\$158.99
Daily Sig4(M.Leaf)	\$149.21
4-Month Fwd Avg	\$170.33
#1 Export Sows (+500lbs) \$39.75 cwt	
B of C Ex. Rate (Noon) \$0.9955CAD / \$1.0045US	
Cash Prices: Week Ending February 11th, 2011	
68.70/151.46 Signature #3	
66.18/145.90 Signature #4	
67.16/148.07 MPMC Cash	
65.57/144.55 Springhill	

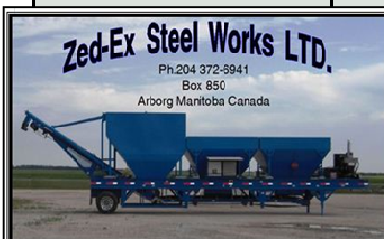
This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized

Forward contract prices opened higher this morning. U.S. cash markets are heating up after the cold spell negatively impacted hog deliveries earlier in the week, forcing some packers to chase hogs. This week's rally was not matched by an equivalent rally in wholesale pork markets, resulting in a dramatic narrowing of packer operating margins. In fact, projected margins for US packers are currently not enough to cover fixed costs. Lean Hog futures responded to the higher cash market as well as the bullish influence from grain markets this week, after USDA projected corn ending stocks at their lowest level in over 15 years. Summer month futures are all trading better than \$100/cwt, with June setting a new all-time record high at \$102.85. The Canadian Dollar lost ground against the U.S. Dollar over the week, but is still trading better than par value.

Canadian delivered soymeal prices opened mixed this morning. The soybean complex is trading mixed today with new crop futures remaining high in order to entice more soybean acres from farmers in 2011. Upside movement may be limited due to Brazil's expectation of a record soybean crop. A large crop in South America would relieve the current strain on U.S. soybean supplies.

Canadian delivered corn prices opened lower this morning. Profit taking is moving corn prices slightly lower; however, traders expect the bearish movement to be short lived. The announcement of an export sale totaling 210,000 tons to Mexico is working to underpin corn prices. Traders expect more corn to be sold to Mexico as cold weather damaged more than 240,000 acres.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		155.09 156.46	159.56 170.49	173.82 177.01	174.73 179.74	178.00 178.91	163.48 178.27	158.92 159.83	153.70 159.67	144.17 149.76
(Maple Leaf Sig. #4)		153.36 154.59	155.84 163.42	166.91 170.09	170.79 173.61	172.01 172.98	163.35 171.66	156.10 158.22	151.33 155.77	141.65 146.80
Soymeal Delivered	418	420	440	444	460	460	479	482	460	460
Corn Delivered	272	274	276	278	280					



Zed-Ex Steel Works LTD.
Ph.204 372-8941
Box 850
Arborg Manitoba Canada

Specializing in Concrete Building Systems
Barns, Shops, Schools, Churches, And MORE!
BIG OR SMALL WE BUILD THEM ALL!
Call Paul for a Free Estimate-
(204) 280-0887 or (204) 372-8814



BROAD VALLEY
READY-MIX
Custom Precast
& CONSTRUCTION
For precast call paul 204-280-0887
For redmix call chris 204-739-0231
Your Foundation is our Business
QUALITY .SERVICE.DEPENDABILITY