

Thursday, April 28, 2011

Hog Prices: ↓ Soymeal: ↑

Corn: ↑ Cdn Dollar: ↑

US Slaughter	
411,000	– Wednesday's
411,000	– Wednesday's (year ago)
US Iowa/Sthrn MN	\$91.41
Western Corn Belt	\$90.88
Daily National Price	\$93.56
Daily Sig3(M.Leaf)	\$159.07
Daily Sig4(M.Leaf)	\$158.58
4-Month Fwd Avg	\$158.14
#1 Export Sows (+500lbs)	\$42.50 cwt
B of C Ex. Rate (Noon)	\$0.9549CAD / \$1.0472US
Cash Prices: Week Ending April 22nd, 2011	
73.35/161.70	Signature #3
72.27/159.33	Signature #4
72.29/159.36	MPMC Cash
71.64/157.94	Hylife

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Forward contract prices opened lower this morning. U.S. cash market bids broke the lower trend of the last week by gaining close to \$2.00/cwt in some regions yesterday. Packers are being forced to make a decision between increasing bids or cutting production in spite of the pressure being applied by a weaker trending pork cut-out. Current estimates for gross operating margins are just \$2.00/hog, which is unsustainable in the longer term. Lean hog futures are directly reflecting the weak cash market by dropping over \$1.50/cwt this morning. Traders are unwilling to maintain a large premium over the cash market when there are signs that consumers are balking at the near record high prices. The Canadian Dollar is trading over \$1.05 this morning, with crude oil prices over \$112/barrel supporting our currency.

Canadian delivered soymeal prices opened higher this morning. Soybean markets are seeing increased volatility with traders attempting to factor in higher than anticipated acreage, but slower planting progress. In yesterday's trade, the soybean meal contracts saw bearish influence from other grain markets, but were supported by rumours that China was an active buyer of U.S. beans.

Canadian delivered corn prices opened higher this morning. Corn futures are called to move higher this morning as traders cannot escape the reality that planting progress is so far behind. A window for drier weather is allowing for parts of the Midwest to hit the fields, but not enough to make gains on planting progress compared to the average. Typically on May 1, 40% of the corn crop is in the ground, but we are on pace for a number closer to 15%.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range (Maple Leaf Sig. #3)			156.73 161.52	162.53 163.41	155.81 163.72	152.31 153.18	146.80 152.49	138.75 144.09	139.72 143.65	139.85 146.01
(Maple Leaf Sig. #4)			156.33 159.03	159.93 161.03	158.91 160.66	151.81 153.84	146.39 150.80	137.75 142.83	139.70 142.50	139.26 142.84
Soymeal Delivered	386	386	391	395	407	412	399	394	394	
Corn Delivered	281	283	285	287						



Rothsay Animal Vegetable Feed Fat

\$973/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

