

Wednesday, June 01, 2011

**Hog Prices:** ↓ **Soymeal:** ↓

**Corn:** ↓ **Cdn Dollar:** ↓

US Slaughter	
423,000 – Monday's	
411,000 – Monday's (year ago)	
US Iowa/Sthrn MN	\$87.21
Western Corn Belt	\$87.19
Daily National Price	\$92.45
Daily Sig3(M.Leaf)	\$154.83
Daily Sig4(M.Leaf)	\$158.98
4-Month Fwd Avg	\$149.31
#1 Export Sows (+500lbs) \$43.25cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9688CAD / \$1.0322US	
<b>Cash Prices: Week Ending May 27th, 2011</b>	
73.19/161.35 Signature #3	
74.08/163.32 Signature #4	
72.62/160.09 MPMC Cash	
72.99/160.91 Hylife	

*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*

**Forward contract prices opened lower this morning.** U.S. cash markets continue to weaken amid ample supplies compared to the holiday reduced slaughter schedule. Packers in some regions are attempting to sharply reduce their cash bids in an attempt to recover some of the negative margins that they have incurred over the last several weeks. However, the inability of the pork cut-out to strengthen in line with the seasonal trend continues to work against a cash market recovery. Lean hog futures are factoring in no further strength in the summer timeframe, but the discount built into the 4<sup>th</sup> Quarter is smaller than what is typically seen at this time of year. The Canadian Dollar is trading at the lower end of its two month trading range, with lower oil prices and a weaker U.S. employment data providing the bearish influence.

**Canadian delivered soymeal prices opened lower this morning.** Dry weather throughout the Midwest over the next 10 days has soybean prices moving lower, despite bullish planting news. The USDA reported planting to be 51% in yesterday's Crop Progress Report, which is well below trader expectations of 59%. This compares to 41% last week, and 71% last year at this time.

**Canadian delivered corn prices opened lower this morning.** Warmer weather throughout the Corn Belt is allowing producers to plant their remaining acres, thereby putting pressure on prices. Yesterday's USDA Crop Progress Report showed corn seeding to be 86% complete, which is well below both trader expectations of 89% and the ten-year average of 92%.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		151.68	149.44	146.40	141.04	135.75	136.73	135.88	142.59	141.07
		153.91	154.80	147.30	146.86	141.21	140.77	143.04	145.72	143.31
(Maple Leaf Sig. #4)		150.94	152.85	147.40	141.78	135.62	137.62	136.35	142.59	142.41
		151.81	154.15	148.69	146.30	140.65	140.31	140.33	143.28	143.45
Soymeal Delivered	397	401	417	418	402	401	401			
Corn Delivered	288	290	290							



## Rothsay Animal Vegetable Feed Fat

**\$1,003/tonne ↑ (2 – 19 mt)**

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

\*Price quoted is FOB Southeast Manitoba

