

Monday, June 13, 2011

Hog Prices: ↑↓ **Soymeal:** ↓
Corn: ↑ **Cdn Dollar:** ↑

US Slaughter	
1.746 Mill. — Last Week's	
2.030 Mill. — Last Week's (year ago)	
US Iowa/Sthrn MN	\$91.41
Western Corn Belt	\$91.10
Daily National Price	\$90.17
Daily Sig3(M.Leaf)	\$163.11
Daily Sig4(M.Leaf)	\$156.34
4-Month Fwd Avg	\$153.78
#1 Export Sows (+500lbs)	\$42.50cwt
B of C Ex. Rate (Noon) \$0.9768CAD / \$1.0238US	
Cash Prices: Week Ending June 10th, 2011	
71.20/156.96 Signature #3	
71.19/156.94 Signature #4	
70.40/155.21 MPMC Cash	
70.09/154.53 Hylife	

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Forward contract prices opened mixed this morning. U.S. cash markets finished last week as the strongest in several weeks with most regions climbing over \$90/cwt. However, the strength seen in packer bids was not driven by higher pork product values as the value of the pork cut-out is now trading at less than the value of live hogs, implying that gross operating margins are in the red. Last week's data release of pork export sales had mixed reviews with numbers for April showing slightly weaker numbers compared to the month of March, but still more than 15% higher than April 2010. Summer and fall month forward contracts have returned to the highest levels they have traded in a month, providing some opportunities for protection amid an uncertain price forecast.

Canadian delivered soymeal prices opened lower this morning. Linger pressure from last week's higher than expected supply forecasts has soybean prices moving lower this morning. Downside movement may be limited as flooding along the Missouri River threatens to disrupt grain transportation. Livestock producers in the area are aggressively pursuing feed supplies on concerns that rail movement may be shut down.

Canadian delivered corn prices opened higher this morning. Corn futures are moving higher as livestock producers and ethanol plants work to fill their stocks after last week's bullish supply outlook from the USDA. The government Report also predicted that inventories would fall in the next marketing year (beginning in September), even if farmers in the U.S. harvest the largest crop in history.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		162.35	154.90	152.57	147.01	142.96	143.95	145.51	152.28	151.46
		163.25	160.28	153.47	152.85	148.45	148.00	152.73	155.43	153.72
(Maple Leaf Sig. #4)		159.30	157.82	152.61	147.15	142.10	144.01	144.93	150.86	152.00
		159.30	159.73	154.52	151.67	147.32	147.15	149.03	152.78	152.70
Soymeal Delivered	418	418	420	422	413	413	413			
Corn Delivered	305	307	307							



Rothsay Animal Vegetable Feed Fat

\$1,025/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

