

Tuesday, June 28, 2011

Hog Prices: ↔ Soymeal: ↑

Corn: ↑ Cdn Dollar: ↓

<b>US Slaughter</b>	
387,000 – Monday's	
393,000 – Monday's (year ago)	
US Iowa/Sthrn MN	\$98.42
Western Corn Belt	\$98.03
Daily National Price \$100.40	
Daily Sig3(M.Leaf)	\$177.19
Daily Sig4(M.Leaf)	\$175.73
4-Month Fwd Avg \$153.03	
#1 Export Sows (+500lbs) \$42.50cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9861CAD / \$1.0141US	
<b>Cash Prices: Week Ending June 24th, 2011</b>	
80.47/177.41	Signature #3
75.07/165.50	Signature #4
78.33/172.68	H@ms Cash
75.89/167.31	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 steady this morning.** U.S. cash markets have slid well under \$100/cwt after packers took decisive measures to minimize their operating margins. The combination of the pullback in cash bids and a higher pork cut-out have contributed to estimated margins returning to the black, but are still unprofitable for most packers. Lean hog futures have taken a pessimistic view for the short term, with the July and August contracts now discounted from the cash market by about \$4 and \$6/cwt. Cash markets may find some support at current levels given the firming trend in wholesale pork prices and the view that hog supplies will be near steady for at least a few more weeks. The Canadian Dollar is trading near the low end of its three month range, with influence from Greece's debt crisis causing investors to favour the U.S. Dollar, while oil prices continue on their lower trend.

**Canadian delivered soymeal prices opened higher this morning.** A decrease in overall crop ratings has soybean prices moving higher this morning. In yesterday's Crop Progress Report, the USDA rated 65% of the crop as good to excellent, down from 68% last week. Excessive rainfall in June is seen to be the major factor that is negatively affecting appearance and yield potential.

**Canadian delivered corn prices opened higher this morning.** As concerns ease regarding Europe's debt crisis, thereby putting pressure on the U.S. Dollar, corn prices are moving higher. As well, the USDA reported a 2% decrease (from 70% to 68%) in crops rated as good to excellent in yesterday's government report, despite traders expecting an increase in overall ratings.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)			156.93	154.22	148.68	142.74	143.74	144.80	151.61	151.43
			162.35	155.12	154.57	148.27	147.81	152.07	154.79	153.70
(Maple Leaf Sig. #4)			159.40	153.98	148.89	141.91	143.84	144.27	150.25	149.54
			161.15	156.08	153.10	147.17	147.08	148.40	152.80	152.71
Soymeal Delivered	392	392	400	402	397	395	395			
Corn Delivered	291	293	293							



**Rothsay Animal Vegetable Feed Fat**

**\$1,005/tonne ↓ (2 – 19 mt)**

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

\*Price quoted is FOB Southeast Manitoba

