

Friday, August 19, 2011

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

| US Slaughter | |
|---|-------------|
| 412,000—Thursday's | |
| 413,000—Thursday's (year ago) | |
| US Iowa/Sthrn MN | \$97.98 |
| Western Corn Belt | \$98.07 |
| Daily National Price | \$104.55 |
| Daily Sig3(M.Leaf) | \$177.98 |
| Daily Sig4(M.Leaf) | \$183.75 |
| 4-Month Fwd Avg | \$147.82 |
| #1 Export Sows (+500lbs) | \$59.00 cwt |
| B of C Ex. Rate (Noon) \$0.9901 CAD / \$1.0099 US | |
| Cash Prices: Week Ending August 19th, 2011 | |
| 83.43/183.93 Signature #3 | |
| 83.38/183.83 Signature #4 | |
| 82.51/181.91 H@ms Cash | |
| 82.53/181.95 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 mixed this morning. U.S. packers are pulling their bids with ample supplies and a pork cut-out that appears to have started its bearish fall price trend. Some cash market regions are poised to drop over \$5.00/cwt in trade this week, as the flow of live hogs surge on the cooler weather over the last several weeks. The University of Missouri just published their Consumer Demand Index for meat products, and the result is positive. The demand for pork for the year ending June 30 rose by 5% over the previous year. This data suggests an alternative to the conventional view that demand growth came largely from export markets. Lean Hog futures have dropped approximately \$3.00/cwt in the nearby contracts, as traders have reconsidered their market view after the cash market weakness seen this week. The Canadian Dollar is trading higher this morning, but uncertainty coming from Europe on their ongoing debt crisis continues to support the U.S. Dollar.

Canadian delivered soymeal prices opened lower this morning. Soybean prices are being supported by production uncertainty with dry weather patches in the Midwest area, playing on the ambiguity of potential yields and their ratings. Actual rain forecasts haven't been living up to expectations, so caution and anxiety are holding soybeans.

Canadian delivered corn prices opened higher this morning. Japan made a large purchase early on for delivery in 2012-13, upholding corn further in a bullish position. This illustrates the concern for tight crop supplies and increasing prices amid recent losses in external markets. More information regarding crop conditions will be released next week by an annual agricultural tour survey across the Midwest.

| | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr |
|---|-----|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Fixed Forward Range (Maple Leaf Sig. #3) | | 157.07 157.52 | 150.08 157.30 | 141.23 147.19 | 142.22 146.74 | 144.12 151.38 | 150.93 154.10 | 150.65 152.92 | 152.21 161.78 |
| (Maple Leaf Sig. #4) | | 156.82 156.82 | 150.75 155.12 | 141.48 146.64 | 144.11 146.21 | 144.66 148.53 | 150.63 152.57 | 149.40 152.57 | 151.28 158.87 |
| Soymeal Delivered | 389 | 393 | 396 | 402 | 406 | 407 | | | |
| Corn Delivered | 301 | 303 | | | | | | | |



Zed-Ex Steel Works LTD.
Ph.204 372-6941
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
REDI-MIX
Custom Precast
& CONSTRUCTION
For precast call paul 204-280-0887
For redimix call chris 204-739-8231
Your Foundation is our Business
QUALITY .SERVICE.DEPENDABILITY