

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

Thursday, October 06, 2011

Forward contract prices opened mixed this morning. U.S. cash markets made strong gains in trade yesterday, defying the normal seasonal trend. Packers continue to compete hard for the hog supplies, even as hog numbers continue to meet or exceed expectations. The pork cut-out came under some pressure yesterday, with weaker values for the less expensive cuts such as butts, hams and shoulders that are destined for further processing. Packer margins remain positive, but are being eroded slowly as meat prices are not climbing as fast as cash bids. Lean hog futures are seeing continued influence from the stronger cash market, with both the October and December contracts trading at or near contract highs. The Canadian Dollar surged higher yesterday as traders were encouraged by the possibility of greater economic stability in Europe. However, the Loonie is expected to remain volatile as traders consider the outcome of tomorrow's Statscan report on employment.

Canadian delivered soymeal prices opened higher this morning. The week ending Sept 29, U.S. soybean sales were 741,800 metric tons. The USDA report also noted a sale to China for 354,100 tons. Soybean futures look to rise as global economic fears are calmed, even if only temporarily.

Canadian delivered corn prices opened higher this morning. USDA showed corn exports of 1,291,300 metric tons in the weekly export sales report, which is positive on the demand front as its in the upper range of expectations for export sales. Weather forecasts remain positive for harvest.

US Slaughter	
431,000	—Wednesday's
419,000	—Wednesday's (year ago)
Western Corn Belt	\$92.74
Daily National Price	\$92.34
Daily Sig3(M.Leaf)	\$177.63
Daily Sig4(M.Leaf)	\$171.26
4-Month Fwd Avg	\$161.43
#1 Export Sows (+500lbs)	\$53.50cwt
B of C Ex. Rate (Noon)	
\$1.0449 CAD / \$0.9570 US	
Cash Prices: Week Ending September 30th, 2011	
75.89/167.31	Signature #3
75.51/166.47	Signature #4
74.89/165.10	h@ms Cash
74.03/163.21	Hylife
ISO Weans \$16-41US	
Feeder Pigs \$27-40US	

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Fixed Forward Range (Maple Leaf Sig. #3)			157.05	158.11	154.39	165.42	167.34	168.59	179.42	178.46
			160.98	162.90	164.46	169.74	167.82	177.69	183.73	184.69
(Maple Leaf Sig. #4)			157.28	160.07	157.03	165.30	165.30	167.15	175.69	179.22
			161.18	162.11	162.24	166.32	167.35	174.02	181.63	183.30
Soymeal Delivered	377	349	349	349	357					
Corn Delivered	284	284								

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Rothsay Animal Vegetable Feed Fat

\$960 tonne ↓ (2 – 19 mt)

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