

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

Hog Margin Outlook

Meeting Your Marketing Needs

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Tuesday, October 11, 2011

Forward contract prices opened lower this morning. U.S. cash markets started this week lower, as Canadian plants were idle due to our Thanksgiving holiday. Packers maintained an aggressive daily slaughter schedule of 430,000 hogs yesterday, but available hog supplies easily met that demand. Wholesale pork prices have been firm over the last several weeks, experiencing little weakness in the higher valued cuts. However, Lean Hog futures came under pressure in trade yesterday as speculators holding long positions were spooked by the weak start to this week's cash market. The October contract expires at the end of this week, following closely with the cash market, while the December is trading at a \$3.00 discount to the current cash market. The Canadian Dollar is trading near US\$0.97 this morning, experiencing sharp gains yesterday as France and Germany made commitments to support Europe's banks.

Canadian delivered soymeal prices opened higher this morning. Soybean harvest is near 35-40% complete as of Sunday. Ideal harvest weather continues in the forecast. The weekly export inspections report is expected for release today.

Canadian delivered corn prices opened higher this morning. Corn harvest is 35-40% complete as of Sunday, higher than last week's 21%. The USDA reports are expected to assist with the unknowns, as the crop progress report is due today at 4pm and tomorrow supply/demand estimates are due at 8:30am.

US Slaughter	
431,000	—Monday's
414,000	—Monday's (year ago)
Western Corn Belt	\$91.98
Daily National Price	\$93.39
Daily Sig3(M.Leaf)	\$174.13
Daily Sig4(M.Leaf)	\$171.21
4-Month Fwd Avg	\$159.00
#1 Export Sows (+500lbs)	\$53.50cwt
B of C Ex. Rate (Noon)	
\$1.0328 CAD / \$0.9682 US	
Cash Prices: Week Ending October 7th, 2011	
79.85/176.03	Signature #3
77.42/170.67	Signature #4
77.42/170.67	h@ms Cash
76.25/168.10	Hylife
ISO Weans \$16-43US	
Feeder Pigs \$32-43.50US	

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Fixed Forward Range (Maple Leaf Sig. #3)		152.84	153.88	152.56	164.39	166.10	168.69	179.65	178.70	180.15
		154.82	158.60	162.50	167.71	167.52	177.70	183.92	184.86	180.15
(Maple Leaf Sig. #4)		153.13	155.87	155.16	163.59	164.97	167.21	175.89	179.38	177.02
		155.87	157.89	160.29	164.97	166.99	174.00	181.77	183.42	177.75
Soymeal Delivered	348	349	350	354						
Corn Delivered	256	256	258							

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December 7th and 8th 2011 Keystone Centre Brandon, MB

150 exhibits - Two days of expert speakers

Pork Quality Competition - Pork Sampling

Attention Ladies: Best Bake and Make 2011

www.hogdays.ca

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