

Friday, October 14, 2011

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

US Slaughter	
428,000 –Thursday's	
424,000 –Thursday's (year ago)	
Western Corn Belt	\$90.58
Daily National Price	\$93.75
Daily Sig3(M.Leaf)	\$169.98
Daily Sig4(M.Leaf)	\$170.36
4-Month Fwd Avg	\$160.12
#1 Export Sows (+500lbs)	\$54.50cwt
B of C Ex. Rate (Noon)	
\$1.0238 CAD / \$0.9767 US	
Cash Prices: Week Ending October 14th, 2011	
77.60/171.08 Signature #3	
77.22/170.24 Signature #4	
76.31/168.24 hams Cash	
n/a Hylife	
ISO Weans	\$16-43US
Feeder Pigs	\$32-43.50US

Forward contract prices opened mixed this morning. U.S. cash markets are finishing the week firm, after consistent losses to packer bids were seen for the first half of the week. This week's slaughter is expected to come in under 2.3 million hogs, which is near the most recent forecast of supply completed by the USDA. Providing some support to the cash trade were wholesale pork values that jumped up close to \$2.00/cwt yesterday after the belly and loin primals saw impressive gains. Lean Hog futures have all but erased the losses seen earlier this week with winter month contracts up \$1.50/cwt this morning. The October Lean Hog contract expires today, trading at approximately \$93.50/cwt, within \$2.00 of contract highs and close to \$25.00/cwt higher than contract lows. The Canadian Dollar is seeing strength this morning against the U.S. Dollar on belief that Europe may be on the start of a meaningful solution to their debt and banking crisis.

Canadian delivered soymeal prices opened higher this morning. Soybean sales for the week ending Oct 6 are 672,400 metric tons, as noted by the USDA. Agreeable crop data combined with minimal pressure from financial markets look positive to attract buyers. The National Oilseed Processors Association crush report for September came in lower than expected at 110.3 million bushels, USDA's estimate was 120 million.

Canadian delivered corn prices opened higher this morning. USDA reported export sales for the week ending Oct 6 to be 1.3 million metric tons. This was on the high end of analysts' expectations which were 1.1 million tons. This does not include the 900,000 tons of corn China purchased.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Fixed Forward		155.70	156.73	154.70	162.52	164.38	166.46	176.84	175.90	177.69
Range (Maple Leaf Sig. #3)		157.66	161.38	163.08	167.27	164.85	175.34	180.11	181.98	177.69
(Maple Leaf Sig. #4)		155.83	158.53	156.93	162.16	162.16	164.81	172.78	176.41	174.60
		158.53	160.51	160.81	164.78	164.14	171.70	177.13	178.76	175.32
Soymeal Delivered	371	377	382	391						
Corn Delivered	256	256	258							

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 without the consent of the author.