

Wednesday, October 19, 2011

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

US Slaughter	
429,000 – Tuesday's	
424,000 – Tuesday's (year ago)	
Western Corn Belt	\$91.04
Daily National Price	\$92.98
Daily Sig3(M.Leaf)	\$169.60
Daily Sig4(M.Leaf)	\$167.73
4-Month Fwd Avg	\$159.88
#1 Export Sows (+500lbs)	\$47.50cwt
B of C Ex. Rate (Noon)	
\$1.0163CAD / \$0.9839 US	
Cash Prices: Week Ending October 14th, 2011	
77.60/171.08 Signature #3	
77.22/170.24 Signature #4	
76.31/168.24 h@ms Cash	
76.00/167.56 Hylife	
ISO Weans	\$24-41.70US
Feeder Pigs	\$38-47US

Forward contract prices opened mixed this morning. U.S. cash markets are expected to trade near steady through to the end of the week, with an increased appetite for hogs by packers being met by an ample marketing schedule. The pork cut-out continues to trade firm, defying the seasonal trend that would have wholesale pork prices decline by more than 10% over October and November. Exports to China are providing much of the support to the cash market to maintain values near the highs experienced in the summer, with talk that orders for whole carcasses extending to February. However, Lean Hog futures do not reflect this level of support from export sales in the contracts offered for the first half of 2012. The Canadian Dollar appears to have limited upside potential until a credible plan emerges from Europe to deal with its sovereign debt and banking crisis.

Canadian delivered soymeal prices opened mixed this morning. Weekly export inspections showed movement of 45 million bushels of soybeans, well above the 28.1 million bushels needed to meet USDA projections. There is talk of restocking activities in China, which USDA has factored into and increased soy export estimate of 56.5 million.

Canadian delivered corn prices opened higher this morning. Corn price support is founded by lack of producer selling and better than expected export news. China, it appears, is shifting to restock corn supplies in 2011/12, as well as feed their expanding hog herds. Weekly exports came in at 21.17 million bushels.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Fixed Forward Range (Maple Leaf Sig. #3)		155.77	156.79	154.45	164.16	165.09	168.00	177.67	176.74	178.12
		157.72	161.42	162.82	167.01	166.49	176.87	180.94	182.80	178.12
(Maple Leaf Sig. #4)		154.97	158.02	155.96	163.08	163.38	165.94	173.59	176.84	174.65
		154.97	159.64	159.83	163.80	165.37	172.81	177.56	179.19	175.37
Soymeal Delivered	366	372	377	385						
Corn Delivered	267	268	274							

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.



Rothsay Animal Vegetable Feed Fat

\$960 tonne ↓ (2 – 19 mt)

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