

Tuesday, November 22, 2011

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

US Slaughter	
432,000—	Monday's
431,000 —	Monday's (year ago)
Western Corn Belt	\$80.54
Daily National Price	\$83.65
Daily Sig3(M.Leaf)	\$153.31
Daily Sig4(M.Leaf)	\$154.19
4-Month Fwd Avg	\$162.91
#1 Export Sows (+500lbs)	\$50.50cwt
<b>B of C Ex. Rate (Noon)</b>	
\$1.0385CAD / \$0.9629US	
<b>Cash Prices: Week Ending</b>	
<b>November 18th, 2011</b>	
68.71/151.48	Signature #3
70.33/155.06	Signature #4
68.04/150.00	h@ms Cash
68.35/150.68	Hylife
ISO Weans \$24-59US	
Feeder Pigs \$43-59.50US	

**Forward contract prices opened lower this morning.** U.S. cash markets are trading higher again this morning, after finishing yesterday with higher bids. Cash markets have been falling for three weeks, but the reduction in the slaughter schedule due to the holiday this Thursday is enough to limit supply and entice higher packer bids. Most of the primal cuts are still trading significantly higher than year ago levels, providing the rationale for cash hog bids that exceed year ago levels by more than 20%. Lean Hog futures are suggesting a continuation of the cash market support, with the December contract trading at an \$8.00/cwt premium to the current cash market. This would imply that cash will strengthen by close to \$2.50/cwt per week for the next three weeks. The Canadian Dollar is under pressure as investors react to the ongoing situation in Europe and the lack of an agreement from the U.S. Congress's Super committee to come up with an agreement for deficit reduction.

**Canadian delivered soymeal prices opened higher this morning.** Soybean planting in South America is off to a good start, which adds to the negative tone for U.S. soybean prices. U.S. and European debt combined with the bearish view of the global economy look to drive commodities lower. USDA forecast for weekly export inspections came in at 40.76 million bushels, lower than last week but still in the range of analyst expectations.

**Canadian delivered corn prices opened higher this morning.** Corn harvest is 96% complete, lower than last year's 99% at this time. USDA forecasted exports to be 34.56 million/week, and the weekly export inspections came in at 37.56 million bushels, higher by 3 million bushels.

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		156.06	155.28	165.60	166.55	169.16	181.75	180.32	182.64	165.67
		156.06	163.85	168.13	167.98	178.22	185.08	186.99	183.60	181.69
(Maple Leaf Sig. #4)		157.65	156.45	163.92	164.14	166.58	177.10	180.52	179.45	166.98
		157.65	160.60	164.66	166.36	173.60	181.26	182.92	180.37	177.33
Soymeal Delivered	333	333	339	346	349	361	361	366	366	373
Corn Delivered	264	265	271	272						

*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**

**\$860 tonne ↓ (2 – 19 mt)**

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