

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

Tuesday, November 29, 2011

**Forward contract prices opened mixed this morning.** U.S. cash markets are trading higher this again this morning, as packers play catch up on their fresh pork supplies after last week's reduced slaughter week. Product markets are firm because the picnics surged by 10%, reflecting strong demand for the lower valued cuts. Some analysts have the cash market gaining over \$3.00/cwt in the next 4 weeks leading up to Christmas, which would easily meet what has been factored in by the futures. Futures came under pressure yesterday, the opposite direction as a broad stock and commodity market move. The Canadian Dollar surged by more than a cent and a half in trade yesterday as there were rumours of a bailout for the Italian government that buoyed markets.

**Canadian delivered soymeal prices opened lower this morning.** Taiwan is planning to purchase 12,000 tonnes of soybeans. The Weekly Export Inspections report showed 41.4 million bushels were exported, which is on par with expectations. The bio-diesel tax credit is set to expire at the end of this year, inciting worries that US production would decrease.

**Canadian delivered corn prices opened higher this morning.** Taiwan is planning to purchase 23,000 tonnes of corn. The Weekly Export Inspections report came in at the high end of expectations, 30.6 million bushels. A firm profit margin for ethanol producers appears to be keeping domestic demand robust.

US Slaughter	
431,000 – Monday's	
423,000 – Monday's (year ago)	
Western Corn Belt	\$83.01
Daily National Price	\$84.08
Daily Sig3(M.Leaf)	\$157.13
Daily Sig4(M.Leaf)	\$154.12
4-Month Fwd Avg	\$161.71
#1 Export Sows (+500lbs)	\$49.00cwt
<b>B of C Ex. Rate (Noon)</b>	
\$1.0327CAD / \$0.9683US	
<b>Cash Prices: Week Ending November 25th, 2011</b>	
69.95/154.22	Signature #3
70.14/154.64	Signature #4
68.95/152.00	h@ms Cash
68.60/151.24	Hylife
ISO Weans \$36-53US	
Feeder Pigs \$48.50-62.50US	

	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Fixed Forward Range (Maple Leaf Sig. #3)		153.51	162.30	163.25	165.80	177.93	176.51	179.25	163.09	159.30
		162.02	166.28	164.67	174.80	181.24	183.14	180.20	179.59	159.30
(Maple Leaf Sig. #4)		154.70	160.93	160.93	163.31	173.40	176.80	175.20	164.45	158.58
		158.82	162.85	163.13	170.28	177.53	179.18	176.12	175.29	159.50
Soymeal Delivered	331	335	341	345	351	357	361	361	368	374
Corn Delivered	257	260	265							

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