

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

US Slaughter	
2.06 Mill – Last Week's	
2.17 Mill – Last Week's (year ago)	
Western Corn Belt	\$82.24
Daily National Price	\$82.71
Daily Sig3(M.Leaf)	\$154.24
Daily Sig4(M.Leaf)	\$150.22
4-Month Fwd Avg	\$156.03
#1 Export Sows (+500lbs) \$44.50cwt	
B of C Ex. Rate (Noon) \$1.0232CAD / \$0.9773US	
Cash Prices: Week Ending January 6th, 2012	
67.83/149.53	Signature #3
67.08/147.89	Signature #4
66.23/146.00	h@ms Cash
65.67/144.77	Hylife
ISO Weans \$49-66US	
Feeder Pigs \$59-75US	

Monday, January 09, 2012

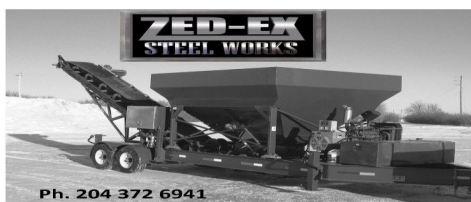
Forward contract prices opened mixed this morning. U.S. cash prices are expected to start the week steady to lower after last week's huge Saturday slaughter schedule, estimated at over 340,000 hogs. Packers were aggressive buyers last week, offsetting the effect an ample supply of hogs typically has on price. However, this week's buying strategy will likely be more defensive by packers as the pork cut-out has been moving lower and operating margins are at risk of moving into negative territory. Lean Hog futures have seen a steady trend since the holidays, consistent with most other commodities. The Canadian Dollar declined significantly in trade on Friday, largely due to news of lackluster jobs growth in Canada. In contrast, the U.S. jobs report showed 200,000 new jobs created in November, beating analysts' expectations.

Canadian delivered soymeal prices opened higher this morning. Price support for soybeans seem to be stemming from China purchases of U.S. soy and weather concerns for South America. The weather is drier than normal for Brazil and Argentina. They are forecast to get bits of rain this week which should save crops from being in a dangerously dry situation.

Canadian delivered corn prices opened higher this morning. The weak U.S. dollar today, combined with rough dry South American weather support corn prices today. Corn sales are at 60.7% cumulatively for the 2011/12 marketing year; this is above the five year average of 52.3%.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Fixed Forward		149.66	150.84	154.44	168.50	167.08	171.93	162.99	157.18	155.37
Range (Maple Leaf Sig. #3)		152.01	153.20	163.40	171.80	173.69	172.87	173.86	160.97	157.74
(Maple Leaf Sig. #4)		149.39	150.90	153.21	165.18	168.74	170.15	164.61	157.43	155.50
		150.12	153.27	160.15	169.47	171.12	171.07	170.83	163.29	157.51
Soymeal Delivered	366	366	366	377	377	385	385	390		
Corn Delivered	270	273	277							

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