

Friday, January 13, 2012

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

US Slaughter	
423,000 – Thursday's	
421,000 – Thursday's (year ago)	
Western Corn Belt	\$83.36
Daily National Price	\$84.37
Daily Sig3(M.Leaf)	\$155.82
Daily Sig4(M.Leaf)	\$152.71
4-Month Fwd Avg	\$160.12
#1 Export Sows (+500lbs)	\$47.25cwt
B of C Ex. Rate (Noon)	
\$1.0198CAD / \$.9806US	
Cash Prices: Week Ending January 13th, 2012	
70.33/155.06	Signature #3
68.70/151.46	Signature #4
68.49/151.00	h@ms Cash
n/a	Hylife
ISO Weans	\$46-68US
Feeder Pigs	\$62-75US


Forward contract prices opened mixed this morning. U.S. cash markets are trading mixed this morning, with no clear direction emerging after the first full week of production after the holidays. The pork cut-out made a much needed advance, gaining a \$1.00/cwt to \$84/cwt, however packer margins are still estimated to be less than the costs to process the hogs. Lean Hog futures are seeing more significant price fluctuations on a daily basis, but are staying within the same trading range seen over the last month. Traders have been looking for indications of direction from the cash market, but cash market fundamentals remain mixed. In spite of yesterday's WASDE report that estimated ending stocks to be steady with last month, traders focused on the increased production which negatively impacted the deferred month contracts. The Canadian Dollar was supported by news of increased exports as well as some indications of stability coming from the Euro zone.

Canadian delivered soymeal prices opened lower this morning. Weekly export sales of soybeans came in higher than expected at 434,200 metric tonnes. Meal sales were under the forecasted predictions at 47,600 tonnes, as well as oil sales which were at 1,100 metric tonnes. South America had some heavy rains, but the weather is headed back to very dry heat.

Canadian delivered corn prices opened lower this morning. The U.S. was noted in the WASDE report to have a larger than expected supply of corn. South America has worries about their possible declining yields as the corn enters its key reproductive stage of development, a decline in the competing crop would have buyers looking towards U.S. corn crops. Weekly corn export sales were lofty, above expectations at 298,500 tonnes.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Fixed Forward Range (Maple Leaf Sig. #3)		150.67	150.24	153.75	169.19	167.78	171.92	163.37	157.30	149.89
(Maple Leaf Sig. #4)		150.67	152.59	162.72	172.50	174.38	172.86	173.28	158.71	156.94
Soymeal Delivered	367	367	367	379	379	386	386	392		
Corn Delivered	256	257	264							

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
\$835 tonne ↓ (2 – 19 mt)

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