

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

US Slaughter	
427,000 – Wednesday's	
423,000 – Wednesday's (year ago)	
Western Corn Belt	\$84.34
Daily National Price	\$85.03
Daily Sig3(M.Leaf)	\$156.76
Daily Sig4(M.Leaf)	\$153.04
4-Month Fwd Avg	\$159.75
#1 Export Sows (+500lbs) \$47.05cwt	
B of C Ex. Rate (Noon) \$1.0140CAD / \$0.9862US	
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
67.69/149.24	Hylife
ISO Weans	\$47-68US
Feeder Pigs	\$59-75US

Thursday, January 19, 2012

Forward contract prices opened mixed this morning. Cash markets are trading firm again this morning, defying forecasts of weakness in January based on ideas of slowing export demand. While operating margins on a per hog basis are scarcely better than \$2.00/pig, packers have been slow to adjust their slaughter schedules in order to effect a change in what they are paying for live supplies. The USDA Cold Storage report will be released tomorrow afternoon and will shed some light on the pork movement over December, giving the market a better perspective with which to analyze the current market. Lean Hog futures are trading slightly lower this morning, projecting a very modest appreciation in price over the next 3 months. The Canadian Dollar is trading at its highest level in two months, with strength being attributed to stronger commodity prices and an improved outlook for the US economy.

Canadian delivered soymeal prices opened mixed this morning. Supporting soybean prices is an increasingly optimistic view of the world economy, along with the rumours of upcoming large purchases to be made by China. South American weather is still worrisome, yet there are signs of a declining La Nina trend, meaning the worst of their weather problems may soon come to an end.

Canadian delivered corn prices opened mixed this morning. With the lower U.S. dollar, corn prices appear lower to export markets, enticing more buyers to come into the market. Egypt purchased 120,000 tonnes of U.S. corn and South Korea acquired 110,000 tonnes of U.S. corn for March and April delivery.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Fixed Forward		151.03	149.42	152.97	169.40	168.01	172.40	163.38	157.01	150.69
Range (Maple Leaf Sig. #3)		151.03	151.74	161.79	172.62	174.51	173.33	173.14	158.40	157.70
(Maple Leaf Sig. #4)		151.01	149.99	151.55	165.75	168.99	170.00	164.15	157.08	149.36
		151.01	151.78	158.92	169.89	172.22	170.90	170.27	161.40	156.59
Soymeal Delivered	356	356	356	367	367	373	373	380		
Corn Delivered	256	257	264							

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