

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

US Slaughter	
427,000 – Monday's	
419,000 – Monday's (year ago)	
Western Corn Belt	\$84.82
Daily National Price	\$85.42
Daily Sig3(M.Leaf)	\$156.72
Daily Sig4(M.Leaf)	\$152.83
4-Month Fwd Avg	\$163.73
#1 Export Sows (+500lbs) \$46.75cwt	
B of C Ex. Rate (Noon) \$1.0080CAD / \$0.9921US	
Cash Prices: Week Ending January 20th, 2012	
70.42/155.25	Signature #3
69.40/153.01	Signature #4
68.72/151.50	h@ms Cash
68.14/150.23	Hylife
ISO Weans	\$57-69US
Feeder Pigs	\$58-74.50US

Tuesday, January 24, 2012

Forward contract prices opened mixed this morning. U.S. cash markets are feeling a little softer this week, with some regions reporting weaker cash bids from packers. The pork cut-out remains valued only slightly higher than the live hog values, with yesterday's report showing declines in all of the primal values. Summer month Lean Hog futures are finding support, in part due to increased fund influence on all commodities. After yesterday's gains, June – August contracts are trading within \$2.50/cwt. of the benchmark US\$100/cwt. The Canadian dollar climbed to within 50 basis points of parity with the US Dollar yesterday, but trade this morning is nearly 1 cent lower than that level. Traders are growing more concerned about the Euro as it was revealed that there is a significant gap between what bondholders of Greek debt expect as a return and what Greece is actually able to pay.

Canadian delivered soymeal prices opened lower this morning. The dry weather in South America has traders speculating losses of near 8 million tonnes of soybeans. If this prediction is accurate, world ending stocks would be very tight, slipping to 55 million tonnes. Current positive market factors are the lower U.S. dollar and confidence in the global market. However, although China crush margins are very good, the Chinese buyers are on holidays this week.

Canadian delivered corn prices opened lower this morning. Corn export demand was noted as picking up slightly, as well, ethanol plants are still making a small profit without the blending credit. The tightening supply should hold corn prices up, along with the strong cash market.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)			151.92 153.78	154.99 163.84	172.06 175.32	170.67 177.18	173.84 174.77	164.37 174.12	157.44 158.83	150.55 157.52	140.05 145.16
(Maple Leaf Sig. #4)			151.97 153.77	153.51 160.91	168.33 172.48	171.58 174.82	171.40 172.29	165.10 171.22	157.49 161.81	149.21 156.40	140.39 145.61
Soymeal Delivered	366	364	366	374	374	380	380	382			
Corn Delivered	256	257	264								

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