

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

US Slaughter	
427,000 – Tuesday's	
425,000 – Tuesday's (year ago)	
Western Corn Belt	\$85.38
Daily National Price	\$86.08
Daily Sig3(M.Leaf)	\$158.02
Daily Sig4(M.Leaf)	\$154.27
4-Month Fwd Avg	\$163.45
#1 Export Sows (+500lbs) \$46.75cwt	
B of C Ex. Rate (Noon) \$1.0097CAD / \$0.9904US	
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

Wednesday, January 25, 2012

Forward contract prices opened mixed this morning. U.S. cash markets are trading near steady, as packers are unwilling to cut back production schedules in an effort to bring their margins into line. The pork cut-out or the aggregate value of all the primal cuts was reported at \$84.73/cwt yesterday which is lower than what packers are paying for the live hogs. This implies that operating margins are in the red, and are unsustainable for the long term. Lean Hog futures have also been held back with the February and April contracts trading only slightly higher than the current cash market. However, the summer month contracts are holding a premium to these contracts that is comparable to history. The Canadian dollar is trading lower this morning, with direct bearish influence coming from weaker crude oil prices and concerns of a sluggish global economy.

Canadian delivered soymeal prices opened mixed this morning. South American weather has taken a positive turn, boosting their crop conditions if the rains come as forecasted. This has analysts thinking Brazil's production forecast will be higher. In light of this better competing soybean crop, demand for U.S. soy may shift.

Canadian delivered corn prices opened lower this morning. Corn prices have been seen to rally, leading analysts to believe the South American crop has been stressed and damaged enough so that U.S. corn is now seeing more demand. Analysts are forecasting that the USDA report will show strong export demand in the past week for U.S. corn.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)			151.11 152.97	154.24 163.08	172.21 175.47	170.81 177.33	175.03 175.96	165.19 174.99	158.57 159.97	152.13 159.16	141.69 146.83
(Maple Leaf Sig. #4)			151.19 152.98	152.79 160.18	168.48 172.62	171.72 174.97	172.56 173.46	165.93 172.07	158.61 162.95	150.77 158.02	142.01 147.27
Soymeal Delivered	369	366	369	376	376	382	382	391			
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)

To place your order call 1-866-768-4729

