

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

US Slaughter	
426,000	– Wednesday's
422,000	– Wednesday's (year ago)
Western Corn Belt	\$86.31
Daily National Price	\$86.51
Daily Sig3(M.Leaf)	\$160.10
Daily Sig4(M.Leaf)	\$155.40
4-Month Fwd Avg	\$161.77
#1 Export Sows (+500lbs)	\$46.75cwt
B of C Ex. Rate (Noon)	
\$1.0120CAD	/ \$0.9881US
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	

Thursday, January 26, 2012

Forward contract prices opened mixed this morning. U.S. packers continue to struggle with negative margins, with cash bids inching higher while pork prices move lower. U.S. operating margins are estimated to be -\$4.00 per hog, the worst margins experienced in more than a year. While unsustainable in the long term, it may be an indication that packers are optimistic about both domestic and export demand. The more efficient plants refuse to cut back on their production schedule, which will eventually force others to make more significant cuts to their hours. Lean Hog futures continue to make small, but steady gains with the June contract climbing to \$98.50/cwt, the highest price in 6 weeks. The Canadian Dollar approached parity with the U.S. Dollar yesterday, as the U.S. Federal Reserve revealed a lack of optimism for their economy by announcing that they would hold rates steady until 2014.

Canadian delivered soymeal prices opened mixed this morning. If the weather trend in South America continues, yield estimates for the soybean crop will improve, and world ending supplies will be more abundant. USDA reported weekly net sales below expectations at 592,300 metric tonnes.

Canadian delivered corn prices opened mixed this morning. Ethanol production last week totalled 6.538 million barrels; corn used in the production is approximately 99.49 million bushels, which is above the weekly average. U.S. corn exports rose last week by 1.04 million metric tonnes, according to the USDA.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)			149.81	152.88	170.25	168.88	173.98	164.41	157.74	150.57	140.49
			151.64	161.61	173.47	175.31	174.90	174.13	159.13	157.50	145.58
(Maple Leaf Sig. #4)			149.86	151.43	166.56	169.77	171.52	165.12	157.77	149.21	140.79
			151.64	158.73	170.66	172.97	172.42	171.22	162.07	156.37	145.99
Soymeal Delivered	359	359	365	373	373	380	380	387			
Corn Delivered	263	265	272								

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

