

Friday, February 03, 2012

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

US Slaughter	
416,000 – Thursday's	
396,000 – Thursday's (year ago)	
Western Corn Belt	\$87.13
Daily National Price	\$87.91
Daily Sig3(M.Leaf)	\$159.47
Daily Sig4(M.Leaf)	\$155.80
4-Month Fwd Avg	\$162.13
#1 Export Sows (+500lbs)	\$47.20cwt
B of C Ex. Rate (Noon) \$0.9985CAD / \$1.0015US	
Cash Prices: Week Ending February 3rd, 2012	
71.81/158.31	Signature #3
70.66/155.78	Signature #4
70.62/155.68	h@ms Cash
n/a	Hylife
ISO Weans	\$50-69US
Feeder Pigs	\$64.50-74.50US

Forward contract prices opened lower this morning. U.S. cash markets were mixed in trade yesterday, but are showing few signs of being pressured by the negative operating margins. In fact, a large Saturday slaughter could push this week's kill to close to 2.2 million head, larger than year ago levels. Packers are optimistic about the long term direction of the market, choosing to build supplies even with negative margins with a goal to sell the pork for a higher price. Summer month Lean Hog futures continue to make modest gains, as they approach the contract highs that were last seen two and half months ago. Traders are betting that demand for pork from both the domestic and export market will remain strong, and result in a typical seasonal rally. The Canadian Dollar is holding steady to finish the week with improved U.S. jobs data offsetting the uncertainty that Greece will meet its upcoming debt repayment obligations.

2012 Annual District Meetings

Saskatchewan	Date	Time	Location
Swift Current	Tue, Feb 28	Noon	Wong's Kitchen; 320 S Service Road East, Swift Current
Saskatoon	Wed, Feb 29	Noon	Sandman Hotel; 310 Circle Drive West, Saskatoon

See Website for full District Meeting Schedule

Canadian delivered soymeal prices opened mixed this morning. Supporting the soybean market this week was purchases by China and Europe. Weekly export sales were at 368,400 metric tonnes, while meal sales were at 74,700 metric tonnes.

Canadian delivered corn prices opened lower this morning. Support for corn prices came from the lower U.S. dollar, tight cash market and better than expected exports. Weekly corn exports were 912,000 metric tonnes, higher than anticipated. Besides the weekly sales, there was a private sale of 107,340 tonnes of U.S. corn sold to Japan.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		150.88 153.16	154.37 164.43	169.38 173.50	168.92 175.33	175.09 176.01	165.72 175.37	160.85 161.31	154.04 160.94	142.92 147.98
(Maple Leaf Sig. #4)		151.15 153.27	152.50 161.01	166.06 170.14	169.25 172.44	172.05 172.94	165.81 171.87	160.21 164.39	152.02 159.15	143.03 148.19
Soymeal Delivered	361	364	372	372	379	379	385			
Corn Delivered	260	262	269	269						

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