

Friday, February 10, 2012

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

<b>US Slaughter</b>	
420,000 – Thursday's	
420,000 – Thursday's (year ago)	
Western Corn Belt	\$84.82
Daily National Price	\$87.66
Daily Sig3(M.Leaf)	\$154.56
Daily Sig4(M.Leaf)	\$154.68
4-Month Fwd Avg	\$162.04
#1 Export Sows (+500lbs)	\$47.00cwt
<b>B of C Ex. Rate (Noon)</b>	
\$0.9941CAD / \$1.0059US	
<b>Cash Prices: Week Ending February 10th, 2012</b>	
70.96/156.43	Signature #3
70.26/154.89	Signature #4
69.87/154.04	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 experience a significant drop yesterday, with many regions dropping over \$2.00/cwt. The Western Cornbelt weighted average price was equivalent to the pork cut-out, a significant change from the inverted relationship we have seen for several weeks. This implies that packers continue to contend with unprofitable margins as they still need to cover the operating and fixed costs of the plant. Summer month Lean Hog futures are trading lower this morning, but are holding in the relatively narrow trading range that have experienced in the last two weeks. USDA forecast for pork production in 2012 reflects a 2.1% increase over last year, however there is no matching increase for exports which implies that the domestic market will need to consume the difference. The Canadian Dollar is finishing the week lower as there is growing concern that Greece may be unable to secure the next round of bailout funds due to an unwillingness to make deep cuts to spending.

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 lower this morning.** In yesterday's WASDE report world soybean supplies were lowered, while U.S. supplies were noted as staying the same. A decrease of 3.15 million metric tons would suggest an increase in price. Contrary to that soybean prices went down on the CME.

**Canadian delivered corn prices opened lower this morning.** World ending stocks for corn were decreased in the WASDE report yesterday by 2.79 million metric tons. U.S. supplies were noted as staying the same. Despite a decrease in supply, overnight trading saw corn prices decrease on the CME.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		150.77	154.33	169.21	168.75	174.97	166.02	160.99	153.38	142.60
		153.07	164.46	173.35	175.19	175.89	175.71	161.45	160.26	147.65
(Maple Leaf Sig. #4)		151.07	152.48	165.90	169.11	171.94	166.13	160.36	151.37	142.71
		153.21	161.04	170.00	172.32	172.83	172.20	164.56	158.48	147.87
Soymeal Delivered	356	358	367	367	374	374	379			
Corn Delivered	261	263	268	268						

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