

Friday, February 17, 2012

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

US Slaughter	
421,000 – Thursday's	
366,000 – Thursday's (year ago)	
Western Corn Belt	\$84.50
Daily National Price	\$87.06
Daily Sig3(M.Leaf)	\$154.30
Daily Sig4(M.Leaf)	\$153.94
4-Month Fwd Avg	\$163.46
#1 Export Sows (+500lbs) \$46.75cwt	
B of C Ex. Rate (Noon) \$0.9962 CAD / \$1.0038 US	
Cash Prices: Week Ending February 18th, 2012	
70.62/155.68	Signature #3
70.13/154.61	Signature #4
69.59/153.41	h@ms Cash
68.87/151.82	Hylife
ISO Weans	\$56-67US
Feeder Pigs	\$72.50-89.50US

Forward contract prices opened mixed this morning. U.S. cash markets are finishing the week lower, with packers cutting back their slaughter schedules in an effort to bring their operating margins back to profitability. Early week gains in the pork cut-out were pared in trade yesterday with weakness seen in almost all of the primal cuts. However, Lean Hog futures were content to factor in a more optimistic view of price trends in the next six months. Technical indicators have turned bullish, resulting in a marked increase in fund buying over the last several weeks. The Canadian Dollar is finishing this week slightly higher than par value with the U.S. Dollar after seeing more volatility recently. Forward contract prices represent close to fair value when compared to the normal seasonal trend, with June trading at a +\$20/ckg premium to current cash prices.

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 higher this morning. Timely rains forecast for Southern Brazil may not be enough to stop the recent rally in the soybean complex. Soybean Meal futures are trading at their highest level since late September, but are well short of contract highs. Positive news that Greece may be able to avoid defaulting on its debt is resulting in a weaker U.S. Dollar, making U.S. soybeans more competitive in the world market.

Canadian delivered corn prices opened higher this morning. Nearby Corn contracts gained 5 cents over night triggering some buy signals for technical traders. Compared with trade seen one month ago, corn markets appear bullish, as exports have picked up, and the South American crop will be too small to meet the demands of Asian buyers.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Fixed Forward Range (Maple Leaf Sig. #3)		153.53	155.17	170.86	170.40	175.77	166.79	161.28	154.45	144.64
(Maple Leaf Sig. #4)		151.95	153.27	167.49	170.68	172.70	166.84	160.62	152.41	144.68
Soymeal Delivered	372	372	377	377	383	383	389			
Corn Delivered	269	269	271	276						

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