

Friday, March 02, 2012

Forward contract prices opened mixed this morning. U.S. cash markets are finishing the week higher than where they started, defying the trend we have seen in estimated operating margins. The pork cut-out is trading steady, but now finds itself at a deficit to cash hog values by approximately \$5.00/hog. This week's hog slaughter is expected to exceed both year ago and week ago levels, while average carcass weights are holding firm at a time when declines are usually seen. Lean Hog futures are experiencing no clear trend, with traders unwilling to factor in significant variances from year ago levels. The Canadian Dollar is finishing the week more than a cent higher than where it started. A string of bullish factors impacted our currency including higher commodity prices, greater stability for Europe and an improved outlook for the global economy.

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

US Slaughter	
421,000 — Thursday's	
424,000 — Thursday's (year ago)	
Western Corn Belt	\$86.97
Daily National Price	\$87.62
Daily Sig3(M.Leaf)	\$157.01
Daily Sig4(M.Leaf)	\$153.19
4-Month Fwd Avg	\$166.47
#1 Export Sows (+500lbs) \$48.75cwt	
B of C Ex. Rate (Noon) \$0.9849CAD / \$1.0153US	
Cash Prices: Week Ending March 2nd, 2012	
70.82/156.13 Signature #3	
70.16/154.68 Signature #4	
69.75/153.77 h@ms Cash	
n/a Hylife	
ISO Weans \$46.50-64.50US	
Feeder Pigs \$80-95US	

2012 Annual District Meetings

Manitoba	Date	Time	Location
Southeast District - Steinbach	Fri, Mar 2	Noon	Smitty's Restaurant; Clear Spring Mall, Steinbach
Heartland Marketing District - Starbuck	Mon, Mar 5	1:30 PM	Starbuck Community Hall; 25 Main Street, Starbuck
Southwest District - Somerset	Wed, Mar 7	1:30 PM	Somerset Community Hall; 201 1st Street, Somerset
Northwest District - Neepawa	Wed, Mar 7	7:00 PM	Royal Canadian Legion #23; 423 Brown Avenue, Neepawa
H.B. Marketing District - Portage la Prairie	Thurs, Mar 8	2:00 PM	The Glesby Centre; 11 2nd Street, NE, Portage la Prairie
Interlake East District - Oak Hammock Marsh	Fri, Mar 9	1:30 PM	Oak Hammock Marsh; Snowgoose Bay at Highway 220
South Central District - Morris	Wed, Mar 14	1:30 PM	Morris Big M Centre; Stampede Grounds, Morris

Canadian delivered soymeal prices opened lower this morning. Soy market increased by 2.7% this week, that is up 35 ¾ cents. U.S. export selling season has been extended as production decreases in South America push export demand to the U.S. Soybean prices need to remain competitive with corn prices to keep U.S. farmers enticed to plant adequate acres for soy.

Canadian delivered corn prices opened lower this morning. Corn is seeing more bearish pressure as the U.S. dollar strengthens today. In the short term corn may see some support, with the comparatively high prices for wheat and soy, corn appears to be the easy choice.

	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		154.12 164.11	169.01 173.09	168.55 174.91	174.27 175.18	165.95 175.49	159.49 159.95	152.88 159.71	142.93 147.93	144.75 148.84
(Maple Leaf Sig. #4)		152.24 160.67	165.68 169.72	168.85 172.01	171.22 172.10	165.98 171.96	158.85 162.98	150.87 157.92	142.99 148.10	142.99 148.10
Soymeal Delivered	391	395	396	399	399	406				
Corn Delivered	275	278								

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