

Friday, March 09, 2012

Forward contract prices opened lower this morning. U.S. cash markets are finishing the week near steady with where they started, but down sharply from the highs that were seen about mid-week. While there may have been some packers looking to shake things up in the cash market, pork prices cannot currently support cash bids in the high \$80's/cwt. With the hog supply projected to be steady for the next month and a half, better demand from export markets is likely to be the only factor that could move the cash market higher. Interestingly, the USDA are developing a new report that will reveal the volume and price of export sales of pork within 2 weeks of the sale, a significant improvement over the current 2 month lag. Summer month forward contract prices reflect fair value when one considers the likely scenario of lower sales of pork to China and South Korea, compared to last year.

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

US Slaughter	
419,000	– Thursday's
419,000	– Thursday's (year ago)
Western Corn Belt	\$84.87
Daily National Price	\$87.76
Daily Sig3(M.Leaf)	\$154.34
Daily Sig4(M.Leaf)	\$154.55
4-Month Fwd Avg	\$161.08
#1 Export Sows (+500lbs)	\$49.25cwt
B of C Ex. Rate (Noon)	\$0.9921CAD / \$1.0080US
Cash Prices: Week Ending March 9th, 2012	
70.84/156.18	Signature #3
70.15/154.65	Signature #4
69.76/153.80	h@ms Cash
n/a	Hylife
ISO Weans	\$46.50-64.50US
Feeder Pigs	\$80-95US

2012 Annual District Meetings

Manitoba	Date	Time	Location
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. This morning's WASDE report illustrated no major edits to U.S. soybean forecasts. U.S. soybean ending stocks for 2011/12 remain the same at 275 million bushels, soybean oil ending stocks are increased slightly by 100 million pounds to 2,415 million pounds and soybean meal ending stocks are unchanged at 300 thousand short tons. World soybean meal ending stocks are projected to be lower by 0.91 million metric tons, at 7.40 million metric tons.

Canadian delivered corn prices opened lower this morning. The WASDE report, released this morning, showed no changes to U.S. corn crop projections. U.S. corn area planted are expected to be 91.9 million acres with an average yield per harvested acre of 147.2 bushels and ending stocks of 801 million bushels. World ending stocks for corn are projected slightly lower by 0.82 million metric tons, at 124.53 million metric tons for 2011/12.

	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		151.35 159.07	161.61 165.70	161.16 167.52	167.26 168.17	160.49 170.04	155.12 155.58	148.76 155.60	139.63 144.65	141.46 145.56
(Maple Leaf Sig. #4)		148.23 155.80	158.53 162.57	161.69 164.86	164.44 165.32	160.70 166.69	154.62 158.76	146.88 153.95	139.81 144.93	139.81 144.93
Soymeal Delivered	403	407	408	412	412	417	411			
Corn Delivered	275	278								

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