

Thursday, March 15, 2012

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

US Slaughter	
417,000 – Wednesday's	
420,000 – Wednesday's (year ago)	
Western Corn Belt	\$87.00
Daily National Price	\$87.31
Daily Sig3(M.Leaf)	\$158.12
Daily Sig4(M.Leaf)	\$153.65
4-Month Fwd Avg	\$161.90
#1 Export Sows (+500lbs) \$50.25cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9915AD / \$1.0086US	
<b>Cash Prices: Week Ending March 9th, 2012</b>	
70.84/156.18 Signature #3	
70.15/154.65 Signature #4	
69.76/153.80 h@ms Cash	
68.74/151.55 Hylife	
ISO Weans \$41-58.50US	
Feeder Pigs \$73-86US	

**Forward contract prices opened higher this morning.** U.S. cash markets moved higher in trade yesterday with packers willing to increase their bids in an effort to meet their slaughter requirements. Hogs may have been pulled ahead of schedule due to the unseasonably warm weather seen over the last two months, with the recent heat wave only exacerbating the tightening supply. Lean Hog futures continue their bearish trend as a string of news from China leads traders to believe that exports to that country will fall short of levels seen in 2011. Adding to the bearish sentiment, cattle futures are down sharply from the highs seen a few weeks ago. The Canadian Dollar came under pressure yesterday, with data from China showing signs of a slowing economy which would pressure demand for the commodities.

**Canadian delivered soymeal prices opened higher this morning.** Higher than expected crush reports and tight supplies had U.S. soybeans futures close on a high note. The National Oilseed Processors Association noted an above average crush last month by 3.8 million bushels. The weather in South America is warm, enticing farmers to utilize the good weather to plant corn, creating a concern that soybeans may lose acres to corn unless soybean prices remain strong.

**Canadian delivered corn prices opened higher this morning.** Potential increases in U.S. corn demand are causing concerns that the government estimates for year end supplies are overstated. Weekly sales of corn came in at the higher end of expectations of 836,400 metric tons. Corn acres may come at the expense of soybeans, but the continued rally in soy prices may limit corn acres.

	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		152.24 159.99	161.76 165.87	161.31 167.69	167.27 168.18	160.51 170.10	155.94 156.40	149.58 156.45	140.23 145.27	142.06 146.19
(Maple Leaf Sig. #4)		150.43 157.23	159.21 163.27	162.39 165.57	164.98 165.87	161.09 167.28	155.43 159.94	147.69 155.14	140.41 145.56	140.41 146.27
Soymeal Delivered	410	411	412	416	416	422	417			
Corn Delivered	274	276	272							

*This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of the author.*

**Rothsay Animal Vegetable Feed Fat**  
 \$840 tonne ↓ (2 – 19 mt)

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