

Thursday, March 29, 2012

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

<b>US Slaughter</b>	
413,000 – Wednesday's	
419,000 – Wednesday's (year ago)	
Western Corn Belt	\$81.15
Daily National Price	\$84.05
Daily Sig3(M.Leaf)	\$148.51
Daily Sig4(M.Leaf)	\$148.95
4-Month Fwd Avg	\$158.37
#1 Export Sows (+500lbs) \$48.00cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9984CAD / \$1.0016US	
<b>Cash Prices: Week Ending March 24 th, 2012</b>	
69.86/154.01	Signature #3
70.12/154.58	Signature #4
69.02/152.16	h@ms Cash
68.60/151.24	Hylife
ISO Weans	\$32-46US
Feeder Pigs	\$68-85US

**Forward contract prices opened lower this morning.** Cash markets came under pressure mid-week, with packers still struggling with poor operating margins. The pork cut-out has found some support recently, putting together a short string of gains this week and allowing for some optimism in cash market fundamentals. Lean hog futures were down sharply in trade yesterday afternoon, after the USDA confirmed that cash bids dipped under the \$80/cwt benchmark in some parts of the US. Most analysts have the USDA's Hogs and Pigs Report showing no significant growth in any of the major categories. A survey of industry analysts has Market hogs up +1.8% over year ago levels, while the Breeding herd number up only +0.3%. The Canadian Dollar is holding steady at parity with the U.S. Dollar, with no sign of divergence from this trend despite supportive indicators of a growing U.S. economy.

**Canadian delivered soymeal prices opened lower this morning.** Private export sales of soybeans to China were reported by the USDA at 120,000 metric tonnes. The South American drought and the potential cuts to production is supporting prices. Some traders say this could prevent soybeans from losing acres to corn plantings.

**Canadian delivered corn prices opened lower this morning.** Weekly export sales for corn are short of expectations by a large margin. Expectations were 600,000-900,000 metric tons, while as of last week corn sales were at 288,400 metric tons. Anticipation of one of the largest corn crops weighs on future expectations, pressuring corn contracts for delivery later in the year.

	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		149.28	157.34	156.88	162.69	155.87	151.81	144.70	135.95	137.79
(Maple Leaf Sig. #4)		153.88	161.48	163.32	163.61	165.54	152.27	151.60	141.02	141.94
Soymeal Delivered	420	424	426	428	428	431	423			
Corn Delivered	274	270	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**  
 \$870 tonne ↓ (2 – 19 mt)

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