

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

US Slaughter	
417,000	– Wednesday's
411,000	– Wednesday's (year ago)
Western Corn Belt	\$80.49
Daily National Price	\$82.87
Daily Sig3(M.Leaf)	\$148.11
Daily Sig4(M.Leaf)	\$147.67
4-Month Fwd Avg	\$161.86
#1 Export Sows (+500lbs)	\$46.00cwt
B of C Ex. Rate (Noon)	
\$1.0039CAD / \$0.9961US	
Cash Prices: Week Ending April 7th, 2012	
67.04/147.80	Signature #3
66.52/146.65	Signature #4
66.00/145.51	h@ms Cash
64.92/143.13	Hylife
ISO Weans	\$38-42.60US
Feeder Pigs	\$64-74US

Thursday, April 12, 2012

Forward contract prices opened higher this morning. U.S. cash markets recovered a significant portion of the losses seen earlier this week, resulting in estimated packer operating margins being returned to the red. Packers have been trying to adapt to less interest from export markets than seen in recent months, forcing them to be more reliant on the domestic market. In the longer term, increases to cash bids will lag any gains that occur in pork cut-out values as profit margins need to return to positive territory. Lean Hog futures are trading higher this morning, largely in response to the recovery seen in the cash market yesterday. Nearby contracts have gained close to \$4.00/cwt in the last 2 weeks, and are now priced comparably with the cash market in June 2012. The Canadian Dollar has recovered from the 10 week lows seen earlier this week, with the Loonie trading at par value with the U.S. Dollar.

Canadian delivered soymeal prices opened higher this morning. Soybean meal futures are trading at contract highs, which are starting to impact consumption as weekly export sales illustrate. Weekly export sales are significantly lower than last week's 1.113 million tonnes, currently totalling ~800,000 tonnes. The new crop is perceived as tight as South American production was reduced this week by 17.6 million tonnes.

Canadian delivered corn prices opened higher this morning. The weather forecasted for the Corn Belt is looking ideal, with some rains early in the week, then onto a drier trend. Ethanol production was up last week by 2.6%. Weekly export sales are lower this week at ~600,000 tonnes, compared to last week's 1.122 million tonnes.

	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		159.80	159.34	164.59	156.71	154.79	148.30	140.16	142.00
(Maple Leaf Sig. #4)		163.92	165.75	165.51	166.34	155.25	155.19	145.21	146.13
Soymeal Delivered	437	439	443	446	449	451			
Corn Delivered	266	272							

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