

Tuesday, May 01, 2012

Forward contract prices opened higher this morning. U.S. cash markets traded lower to start the week, continuing a counter seasonal trend that has developed over the last two weeks. Packer bids in some regions are trading as much as \$10/cwt lower than they were at this time last year. Lower cash bids yesterday influenced nearby Lean Hog futures with the May and July contracts dropping more than \$1.00/cwt. Traders continue to react to the weaker than expected cash market by selling the nearby months and narrowing the premium that these contracts have over the cash market. Slower exports to China and South Korea, compared to year ago levels, are a major to the recent poor performance. The Canadian Dollar was lower yesterday, after recent reports showed negative economic growth in the month of February.

Canadian delivered soymeal prices opened mixed this morning. The Crop Progress report illustrated planting progress more than double the five year average of 5%, at 12% as of April 29th. Reports out of Brazil are anticipating the soybean crop to be a much as 12% smaller as compared to last year's production.

Canadian delivered corn prices opened lower this morning. According to the Crop Progress report released yesterday the corn crop is 53% planted as of April 29th considerably ahead of the five year average of 27% for this date. Crop emergence is at 15%, more than double the five year average of 6%.

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

US Slaughter	
410,000	– Monday's
393,000	– Monday's (year ago)
Western Corn Belt	\$77.90
Daily National Price	\$82.64
Daily Sig3(M.Leaf)	\$141.13
Daily Sig4(M.Leaf)	\$144.99
4-Month Fwd Avg	\$147.82
#1 Export Sows (+500lbs)	\$42.00cwt
B of C Ex. Rate (Noon)	
\$0.9884CAD / \$1.0117US	
Cash Prices: Week Ending April 27th, 2012	
66.23/146.00	Signature #3
66.32/146.21	Signature #4
65.34/144.05	h@ms Cash
64.58/142.37	Hylife
ISO Weans \$23-32US	
Feeder Pigs \$52.50-72US	

	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)		143.84	149.84	143.81	142.63	136.73	129.98	131.80	131.51	138.36
(Maple Leaf Sig. #4)		150.17	150.75	153.32	143.08	143.57	135.00	135.91	136.99	140.64
Soymeal Delivered	483	485	487	490	493					
Corn Delivered	272									

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