

Tuesday, May 08, 2012

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

US Slaughter	
413,000	– Monday's
376,000	– Monday's (year ago)
Western Corn Belt	\$77.00
Daily National Price	\$81.02
Daily Sig3(M.Leaf)	\$140.22
Daily Sig4(M.Leaf)	\$142.88
4-Month Fwd Avg	\$146.69
#1 Export Sows (+500lbs)	\$43.00cwt
B of C Ex. Rate (Noon)	
\$0.9935CAD / \$1.0065US	
Cash Prices: Week Ending May 04th, 2012	
63.78/140.61	Signature #3
65.59/144.61	Signature #4
63.33/139.61	h@ms Cash
63.70/140.43	Hylife
ISO Weans \$17-36US	
Feeder Pigs \$50-60US	

Forward contract prices opened lower this morning. U.S. cash markets are called to trade steady today, with prices close to \$13/cwt lower than those seen last year at this time. From their peak in late January, prices have decreased approximately \$10/cwt despite hog numbers tightening. Consumer pork prices both for the export and domestic markets have been under pressure for reasons not entirely clear. The U.S. economy has been on a slow but steady recovery, and prices of competing meats have not substantially changed from late last year. Traders of Lean Hog futures are hesitant to price in any significant improvement in prices until they can adequately explain and rationalize the prolonged weakness we have seen. Exacerbating the weakness, funds have been heavy sellers of the nearby contracts, as they rely primarily on technical indicators which have been unequivocally bearish.

Canadian delivered soymeal prices opened lower this morning. The weekly Soybean planting and progress report has the crop at 24% complete, compared to last year's 6% and last week's 12%. Weekly export inspections came in well below trade expectations at 9.99 million bushels. Trade expectations were for exports of 15 million bushels.

Canadian delivered corn prices opened lower this morning. Corn planting progress was reported to be 71% completed, compared to last year's 32% and last week's 53%. Corn emergence was noted at 32%. Weekly export inspections came in a little lower than expected at 29.3 million bushels.

	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)		142.70	147.80	141.23	142.29	135.86	129.72	131.56	130.83	137.72
(Maple Leaf Sig. #4)		149.12	148.72	150.87	142.75	142.76	134.79	135.71	136.34	140.02
Soymeal Delivered	484	484	486	489	491					
Corn Delivered	274	276								

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