

Tuesday, May 15, 2012

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

US Slaughter	
403,000	— Monday's
392,000	— Monday's (year ago)
Western Corn Belt	\$78.68
Daily National Price	\$80.08
Daily Sig3(M.Leaf)	\$144.49
Daily Sig4(M.Leaf)	\$142.41
4-Month Fwd Avg	\$149.08
#1 Export Sows (+500lbs)	\$43.51cwt
B of C Ex. Rate (Noon) \$1.0019CAD / \$0.9981US	
Cash Prices: Week Ending May 11th, 2012	
63.64/140.31	Signature #3
65.12/143.56	Signature #4
63.10/139.12	h@ms Cash
62.83/138.52	Hylife
ISO Weans \$17-33US	
Feeder Pigs \$45-56US	

Forward contract prices opened higher this morning. U.S. cash bids started the week higher yesterday, a sign the bearish trend we have experienced for more than a month may be reversing. Most importantly, pork product values posted strong gains in trade yesterday with the pork cut-out up close to \$1.50/cwt, with all of the primal cuts contributing. Charts reflecting the nearby Lean Hog futures are also indicating a potential trend change as the market looks for optimism after 2 months of declines. That said, recent slaughter levels have crept up to more than 5% larger than year ago, which was not anticipated by the latest Hogs and Pigs report or industry analysts. Anecdotally, there are reports of an increase in feeder barn building permits in Western Iowa. The Canadian Dollar found support from evidence of good economic growth in Germany, but traders remain apprehensive about the possibility of Greece leaving the Euro.

Canadian delivered soymeal prices opened higher this morning. The weekly soybean planting report indicated seeding was 3% ahead of levels originally anticipated, at 46% complete. This represents an increase of 22% from last week. There are rumblings of more planted soybean acres, plus there appears to be an increased possibility of double cropping on winter wheat. The weekly export inspections were high at 20.3 million bushels.

Canadian delivered corn prices opened higher this morning. The weekly corn planting report showed seeding progress advanced by 16% this last week, at 87% complete. The 10 year average is 15% lower, at 72%. Corn emergence is at 56%. Weekly export inspections were a smidge lower than expected at 26.8 million bushels.

	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)		146.54	151.67	144.01	143.37	136.66	129.83	131.67	130.93	137.87
(Maple Leaf Sig. #4)		152.98	152.59	153.69	143.83	143.59	134.91	135.83	136.49	140.19
Soymeal Delivered	468	468	470	474	476					
Corn Delivered	274	276								

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