

Tuesday, June 05, 2012

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

US Slaughter	
408,000 – Monday's	
393,000 – Monday's (year ago)	
Western Corn Belt	\$86.63
Daily National Price	\$85.74
Daily Sig3(M.Leaf)	\$165.43
Daily Sig4(M.Leaf)	\$158.56
4-Month Fwd Avg	\$158.27
#1 Export Sows (+500lbs) \$43.75cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0418CAD / \$0.9599US	
<b>Cash Prices: Week Ending June 1st, 2012</b>	
70.36/155.12 Signature #3	
70.24/154.86 Signature #4	
69.42/153.05 h@ms Cash	
68.63/151.31 Hylife	
ISO Weans \$21-35US	
Feeder Pigs \$44-53US	

**Forward contract prices opened lower this morning.** U.S. cash bids were steady to higher in most regions yesterday, maintaining the advances made last week. The current belief in the market is that producers are responding to the higher bids by getting more current with their marketing's, evidenced by the recent decline in hog weights. Lean hog futures are seeing weakness this morning, especially in the nearby contracts. Traders are comparing the June contract that expires next week to the cash market that is running at a significant discount, resulting in declines of close \$0.50/cwt. The deferred month contracts are seeing influence from the weather and its impact on corn and soybean prices, as cost of production is a critical factor in any plan to expand. The Canadian Dollar remains near the lowest level seen in 2012, currently at US\$0.9625.

**Canadian delivered soymeal prices opened higher this morning.** The percentage of the Soybean crop rated in good to excellent condition was 4% lower than expected, at 65%. The ten year average is 71%. The weekly planting report indicated 94% of the crop is in the ground, an increase of 5% from the prior week. Weekly export inspections were higher than expected at 16.96 million bushels.

**Canadian delivered corn prices opened mixed this morning.** The US corn crop is 97% emerged and 72% is rated in good or excellent condition according to the USDA's weekly crop progress report. Weekly export inspections were lower than expected at 27.1 million bushels.

	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward		165.37	156.56	153.70	146.87	139.29	141.20	142.07	149.24
Range (Maple Leaf Sig. #3)		166.32	166.55	154.18	154.02	144.54	145.49	147.81	151.63
(Maple Leaf Sig. #4)		164.75	158.98	154.37	146.10	140.61	140.61	143.13	148.31
		166.23	165.43	159.07	154.04	145.97	146.71	145.72	149.61
Soymeal Delivered	490	492	495	497	453				
Corn Delivered	281								

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