

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

US Slaughter	
397,000 – Wednesday's	
403,000 – Wednesday's (year ago)	
Western Corn Belt	\$95.77
Daily National Price	\$92.00
Daily Sig3(M.Leaf)	\$180.29
Daily Sig4(M.Leaf)	\$167.71
4-Month Fwd Avg	\$159.48
#1 Export Sows (+500lbs) \$44.00cwt	
B of C Ex. Rate (Noon) \$1.0270CAD / \$0.9737US	
Cash Prices: Week Ending June 8th, 2012	
76.37/168.37 Signature #3	
72.13/159.02 Signature #4	
74.40/164.03 h@ms Cash	
71.43/157.47 Hylife	
ISO Weans \$21-34US	
Feeder Pigs \$43-53US	

Thursday, June 14, 2012

Forward contract prices opened mixed this morning. All cash market regions made significant gains as packers aggressively competed for the shrinking supply of live hogs. Some U.S. packers are attempting to maintain their pace of slaughter at levels seen a month ago, despite weekly hog numbers shrinking by close to 10%. The stronger cash market implies that the large cold storage supply currently in freezers is being drawn down from the record levels seen last month. Lean Hog futures are following cash market fundamentals closely, so much so that they closed higher yesterday, while some cattle contracts were limit down. Producers waiting for another pricing opportunity should consider early next week as a possibility, as the Canadian Dollar could come under heavy pressure depending on what transpires in Greece over the weekend. If the left wing party Syriza, is the winner of Sunday's election in Greece, the prospect of that country exiting the Euro increases. This event would throw the Euro into significant uncertainty, and likely influence the Canadian Dollar lower.

Canadian delivered soymeal prices opened higher this morning. Weekly export sales of soybeans were considerably higher than expected at 1,005,100 metric tons. This supports the bullish outlook of strong export demand. Soy crush numbers have been higher than expected as well; NOPA estimated 138.3 million bushels of soybeans were processed in May.

Canadian delivered corn prices opened higher this morning. Weekly export sales of corn were lower than expected at 169,800 metric tons. There is growing concern of dry weather impacting corn yields. Weather models have shown a decrease in moisture where it is needed most, the eastern Corn Belt.

	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		171.19	158.83	153.46	146.63	137.87	139.75	139.75	146.84	142.45
(Maple Leaf Sig. #4)		172.13	168.71	153.93	153.70	143.05	143.99	145.42	149.68	147.18
Soymeal Delivered	506	508	511	513	467					
Corn Delivered	280	280								

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