

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

US Slaughter	
420,000 – Monday's	
1,000 – Monday's (year ago)	
Western Corn Belt	\$98.97
Daily National Price	\$101.27
Daily Sig3(M. Leaf)	\$184.88
Daily Sig4(M. Leaf)	\$183.19
4-Month Fwd Avg	\$151.70
#1 Export Sows (+500lbs) \$43.35cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0191CAD / \$0.9812US	
<b>Cash Prices: Week Ending June 29th, 2012</b>	
85.09/187.58 Signature #3	
84.30/185.85 Signature #4	
83.98/185.15 h@ms Cash	
83.37/183.80 Hylife	
ISO Weans \$26-35US	
Feeder Pigs \$44-56US	

Tuesday, July 03, 2012

**Forward contract prices opened mixed this morning.** U.S. cash markets are holding near steady with last week's levels, despite pork cut-out values dropping sharply. Last week's hog slaughter exceeded both last years and the previous week's levels by approximately 2%, with some producers more willing to ship lighter weight animals in order to better fit this week's holiday reduced schedule. Friday's Hogs and Pigs report revealed no surprises in hog inventory, with all major categories landing within the tight range of 100.5% -101.5% of year ago levels. Talk of expansion was put to rest for the time being, with the recent run up in corn and soybean markets providing strong rationale to delay any significant plans for growth. The breeding herd was pegged at 101% of year ago levels, while the productivity of sows in terms of litter size was only 0.6% higher than last year compared to a recent trend of 2% larger.

USDA Hogs & Pigs Report Jun 29, 2012	Analysts Estimates Average	12 as Pct of '11
Inventories on Jun 1	(Pct. Of Jun 1, 2011)	(Pct. Of Jul 2, 2012)
All hogs and pigs	101.3	100.8
Kept for breeding	100.7	101
Kept for market	101.4	100.6
Mar-May Pig Crop 1	100.9	100.6

**Canadian delivered soymeal prices opened higher this morning.** Soybean markets are continuing to ride a bullish trend. Crop conditions have deteriorated another 8% to 45% in good to excellent condition. The weather forecast has high temperatures and little precipitation for the next four days. Export inspections came in higher than expected, at 13.9 million bushels.

**Canadian delivered corn prices opened higher this morning.** Corn crop conditions have decreased by 8% since last week, leaving the good to excellent rating at 48%. The U.S. has 25% of the crop in the silking stage and it is at risk of yield damage if the weather remains too hot and dry. Weather forecasts continue to be hot and dry, following the weekend where areas like the Southern and central Midwest reached 95-100 degree F.

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)		160.11 169.88	151.08 151.55	144.38 151.37	137.02 142.15	138.88 143.08	139.66 145.27	146.67 149.47	144.24 148.91	147.72 156.64
(Maple Leaf Sig. #4)		161.53 167.83	151.71 156.30	143.61 151.37	138.29 143.52	138.28 144.24	140.67 143.21	145.74 147.46	146.46 148.27	147.14 155.32
Soymeal Delivered	526	528	530	502	497					
Corn Delivered	284									

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