

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

Forward contract prices opened lower this morning. US cash markets are expected to trade moderately lower this morning as the pork cut-out is starting to come under some pressure that has packers re-thinking their bids. While it makes sense to build inventories ahead of the holiday season, packers want to do this at price levels no higher than where they believe product values will be selling. The discount of close to \$5.00/cwt that the December Lean Hog futures is trading to the cash market has some packers pulling back on their production schedules. The 2013 contracts reflect normal seasonal appreciation of the cash market through the first six months of the year, but abundant inventories and questionable export demand may threaten the normal trend. The Canadian Dollar is still trading within half a cent of its lowest level of the last 2 months, up slightly from yesterday's trade when the Bank of Canada held interest rates steady at 1%.

US Slaughter	
434,000 - Tuesday's	
432,000 - Tuesday's (year ago)	
Western Corn Belt	\$83.69
Daily National Price	\$85.78
Daily Sig3(M.Leaf)	\$152.39
Daily Sig4(M.Leaf)	\$151.26
Thunder Creek	\$152.23
4-Month Fwd Avg	\$142.15
#1 Export Sows (+500lbs)	\$41.05 cwt
B of C Ex. Rate (Noon)	
\$0.9934CAD / \$1.0066US	
Cash Prices: Week Ending October 19th, 2012	
66.85/147.37	Signature #3
66.75/147.15	Signature #4
65.91/145.31	h@ms Cash
68.84/142.95	Hylife
65.54/144.50	Thunder Creek
ISO Weans	\$34.86 US Avg
Feeder Pigs	\$30.40US Avg

2012 Annual Fall Marketing Meetings			
Manitoba	Date	Time	Location
Brandon	31-Oct	Noon	Royal Oak Inn & Suites, 3130 Victoria Avenue
Starbuck	01-Nov	1:00 PM	Starbuck Community Hall, 25 Main Street
Steinbach	02-Nov	Noon	The Village Green Restaurant, 350 Park Road East
Saskatchewan	Date	Time	Location
Swift Current	08-Nov	Noon	Wong's Kitchen, 320 S Service Road East
Saskatoon	09-Nov	Noon	Sandman Hotel, 310 Circle Drive West

Canadian delivered soymeal prices opened higher this morning. Bullish factors are building in the soybean complex, with a growing long position by hedge funds and fundamental support from export demand. Higher prices have done little to ration export sales, with Chinese buyers continuing to favour US beans, partly due to the US track record as being a reliable supplier.

Canadian delivered corn prices opened higher this morning. Corn futures opened higher this morning. Signs of a recovering Chinese market and a higher US dollar against the Euro have helped the overnight commodity markets. There are reports that Mexico is diverting white corn into feed rations, another example of substitution happening due to high feed prices.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)			131.90	133.23	145.08	147.54	152.10	168.79	173.81	175.95
(Maple Leaf Sig. #4)			135.99	142.35	149.64	149.37	165.78	177.45	178.37	179.15
			133.19	135.99	145.08	147.03	152.33	164.86	171.93	173.13
			138.29	141.73	148.97	150.56	163.10	173.25	175.02	175.79
Soymeal Delivered	558	558	558	554	538	538				
Corn Delivered	304	304	306							

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