

Wednesday, July 03, 2013

Forward contract prices opened higher this morning. US packers are letting cash bids slide from levels seen last week as their daily slaughter schedules have been easy to meet due to the impact of tomorrow's Memorial Day holiday. Packers operating margins have weakened slightly due to a minor slide in wholesale pork prices. The pork carcass cut-out is down about \$5.00/cwt. from its record high level of two weeks ago, but packers are still dealing with positive operating margins of about \$16/hog; better than is typically seen at this time of year. Lean Hog futures are opening slightly lower this morning with the nearby contracts seeing influence from the weaker cash market fundamentals and concerns of post-holiday demand. Fall month forward prices are still running at a steep discount to the current cash market with traders using year ago trends as the model for this fall. Producers should be aware that forward contracting will be closed today at 11:30 Central time due to an early close at the CME Group. The forward contracting program is also suspended tomorrow (July 4) for the US holiday but will resume to normal hours on Friday, July 5.

US Slaughter	
424,000	Tuesday
418,000	Tuesday (year ago)
W. Corn Belt	\$99.11
National Price	\$102.72
Daily Sig 3	\$191.30
Daily Sig 4	\$191.99
Thunder Creek	\$191.22
4-Month Fwd.	\$164.73
#1 Export Sows (+500lbs)	\$ 60.50 cwt.
B of C Ex. Rate (Noon)	
\$1.0530 CAD/\$0.9496 USD	
Cash Prices: Week Ending June 28, 2013	
Signature 3	86.91/191.61
Signature 4	87.18/192.20
h@ms Cash	86.50/190.70
Hylife	86.41/190.50
Thunder Creek	85.55/188.60
ISO Weans	\$29.54 US Avg.
Feeder Pigs	\$51.66 US Avg.

Join Us to Celebrate the
Grand Opening of
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New Office



Tuesday, July 9th 2013
1:00 to 3:30 p.m.
5290 Monterey Road
Headingley, Manitoba
Pork On A Bun Will Be Served!

Canadian delivered soymeal prices opened higher this morning. US soybean futures are trading higher. Tight domestic supplies, South American labour and logistics issues, and rumors of improving EU imports are supporting the nearby contracts. Soil moisture levels are currently reported as 'abundant' for new crops, but the trade is focussed on a weather system that could bring temperatures into the 100s west of the Mississippi, by mid-July. The threat of prolonged exposure to heat will likely add support.

Canadian delivered corn prices opened higher this morning. US corn futures are trading higher. The December contract dipped below 500 yesterday amid pressure from generally favourable weather patterns and relatively bearish reports on acreage and crop conditions. However, there is a bit of uncertainty looming as the market considers the potential impact of a prolonged heat and dry spell on crop development in critical growing areas, predicted by mid-month.

Fixed Forward Range	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #3		169.96 185.59	161.73 163.67	155.43 163.20	145.82 152.13	148.74 151.65	148.59 154.44	154.92 158.33	152.10 155.51	154.24 158.14
Maple Leaf Sig. #4		172.17 181.32	162.05 168.98	158.41 163.11	147.23 155.20	149.30 153.05	148.80 152.00	154.64 157.85	153.32 156.15	152.95 156.73
Soymeal Delivered	635	639	641	641	455	455				
Corn Delivered	284	286	288							

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