

Tuesday, August 06, 2013

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

US Slaughter	
365,000	Monday
362,000	Monday (year ago)
W. Corn Belt	\$97.41
National Price	\$100.34
Daily Sig 3	\$185.37
Daily Sig 4	\$184.90
Thunder Creek	\$185.26
4-Month Fwd.	\$154.91
B of C Ex. Rate (Noon)	
\$1.0382 CAD/\$0.96732 USD	
Cash Prices Week Ending August 2, 2013	
Signature 3	83.56/184.21
Signature 4	83.14/183.29
h@ms Cash	82.46/181.79
Hylife	82.38/181.61
Thunder Creek	84.96/187.30
ISO Weans	\$34.24 US Avg.
Feeder Pigs	\$52.67 US Avg.
#1 Export Sows (+500lbs)	\$ 71.00 cwt.

Forward contract prices opened higher this morning. US cash markets started the week decidedly higher, with gains across all reporting regions in both live and carcass bids. Packers are not waiting for hog supplies to recover from weak operating margins as the pork carcass cut-out is experiencing some counter-seasonal support. At this time, it is difficult to reconcile the improvement in wholesale pork prices, but tight hog supplies combined with improved domestic and export demand likely all contribute positively. Later today, the USDA will reveal export values and volumes from the month of June, with expectations for a continuation of the growth trend experienced in recent months. October and December Lean Hog futures have benefitted from the firmer cash market, with these months trading within US\$3.00/cwt. of contract highs. Producers considering protection in the fall timeframe should focus on early September as supplies are expected to ramp up by over 15% over the next 6 weeks, pressuring packer bids.

Canadian delivered soymeal prices opened lower this morning. US soybean futures are trading lower. Soybean conditions were raised to 64% good/excellent from 63% last week, adding pressure to new crop contracts; the 10-year average is 58%. Crop production estimates are starting to roll in as the WASDE, production and progress reports are all due released August 12. A Private analyst has estimates lower than the USDA as a result of considering planting lateness. Nonetheless, there are reports that the trade is looking for world ending stocks between 74.12 and 74.39 million tonnes, both record highs.

Canadian delivered corn prices opened lower this morning. Deferred US corn futures contracts are trading lower. There are reports of world ending stocks at their highest level in 12 years and talk that the USDA will revise their ending stock estimate over 2 billion bu. US corn is trading at a premium to other variants; as such, there is talk of a bearish bias moving forward. There is evidence that demand is starting to pick up as corn prices continue downward, but not enough to influence a price turnaround in the short-term.

Fixed Forward Range	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Maple Leaf Sig. #3		159.98 161.89	153.57 161.20	144.22 150.42	147.08 149.94	146.11 152.81	153.29 155.68	148.70 152.05	150.89 157.61	159.68 167.35
Maple Leaf Sig. #4		160.46 167.10	156.47 161.28	145.57 153.70	147.60 151.30	147.24 150.39	153.35 154.84	149.92 152.71	149.65 155.97	158.99 166.61
Soymeal FOB Winnipeg	497	497	447	418	418	427				
Corn FOB Wpg.	259	261	263							

This information is intended to aid producers in making pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the authors' consent.



FOR RENT

4025 square foot space in Headingley.
New building, develop to your own specifications.
For more information please call Perry Mohr
204-235-2234 or 204-771-5066