

Tuesday, September 03, 2013

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

US Slaughter	
2.210 mil.	Last Week
2.278 mil.	Last Week (year ago)
W. Corn Belt	\$86.79
National Price	\$93.18
Daily Sig 3	\$167.88
Daily Sig 4	\$174.55
Thunder Creek	\$170.50
4-Month Fwd.	\$157.03
B of C Ex. Rate (Noon)	
\$1.0553 CAD/\$0.9476 USD	
Cash Prices Week Ending August 30, 2013	
Signature 3	77.48/170.81
Signature 4	80.99/178.56
h@ms Cash	80.31/177.06
Hylife	79.91/176.18
Thunder Creek	79.83/176.00
ISO Weans	\$38.86 US Avg.
Feeder Pigs	\$55.95 US Avg.
#1 Export Sows (+500lbs)	\$ 62.00 cwt.

Forward contract prices opened higher this morning. US cash markets are expected to start this week with a lower trend as abundant hog supplies are allowing packers to meet their slaughter schedule without competing heavily for the hogs. On Friday, the wholesale pork market fell \$2.00/cwt., which puts the benchmark at its lowest level since May and down approximately 15% from its highs. Measures of US consumer confidence in general and restaurant demand more specifically were released on Friday and showed that US consumers were less optimistic than they were 2 months ago. However, the surveys that measure consumer confidence hit a 6 year high earlier in the summer, making it difficult to sustain these gains. Lean Hog futures are starting this holiday shortened week on a weaker trend, as the nearby contracts see influence from the recent losses in the cash market.

Canadian delivered soymeal prices opened higher this morning. US soybean futures are trading higher. Precipitation levels fell short of expectations over the weekend (50% coverage compared to an expected 85%), adding support to the new crop futures. While the Ohio River Valley benefitted most from rainfall over the weekend, major production areas in Illinois and Iowa are expected to be 'bone dry' for another 7 days. As well, support comes from expectations that good/excellent conditions will decline 4-6% in today's Crop Conditions report amid talk that national yield potentials could be cut by up to 1.2 bpa. There is further talk that extremely tight supplies will create difficulties for buyers seeking old crop.

Canadian delivered corn prices opened even this morning. US corn futures are trading higher. US corn has been pulled up by a strong overnight soybean trade and by talk suggesting a 2-3% decline in crop conditions that will be confirmed later today. A little more precipitation in northern states would be desirable due to late planting, but clearer weather in the south is helping along harvest that commenced in an area that currently covers from the delta to Arkansas/Missouri. While basis levels are expected to soften as the harvest ramps up, corn is expected to remain technically supported today as a result of strength in the soybean complex.

Fixed Forward Range	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #3		158.45 166.19	149.94 156.23	152.85 155.75	151.89 158.67	159.16 161.58	153.34 156.73	155.97 162.79	165.71 173.50	170.09 175.93
Maple Leaf Sig. #4		161.31 166.18	151.19 159.44	153.25 157.00	152.90 156.09	159.10 160.60	154.50 157.31	154.62 161.03	164.90 172.63	168.67 172.06
Soymeal Winnipeg Delivered	646	519	531	531	534	520				
Corn Wpg Delivered	279	281	204							

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