

Thursday, October 17, 2013

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

US Slaughter	
n/a*	Wednesday
n/a*	Wednesday (year ago)
W. Corn Belt	\$ n/a*
National Price	\$ n/a*
Daily Sig 3	\$ n/a*
Daily Sig 4	\$ n/a*
Thunder Creek	\$ n/a*
4-Month Fwd.	\$160.62
B of C Ex. Rate (Noon) \$1.0345 CAD/\$0.9666 USD	
Cash Prices Week Ending October 11, 2013	
Signature 3	76.81/169.41
Signature 4	77.19/170.18
h@ms Cash	76.51/168.68
Hylife	76.39/168.42
Thunder Creek	76.84/169.40
ISO Weans	\$n/a* US Avg.
Feeder Pigs	\$n/a* US Avg.
#1 Export Sows (+500lbs)	\$57.00 cwt.

Forward contract prices opened mixed this morning. US cash markets are trading mostly higher this morning, but are expected to see some significant price fluctuations in the coming days as packers return to their previous formula price procurement practices. The US Government shutdown and Debt Ceiling issue was resolved last night after the Federal Government passed a law to resume borrowing and full operations. USDA staff are expected to be back to work this morning, which should allow Canadian pricing to normalize for next week. Nearby Lean Hog futures hit a contract high this morning, buoyed by news of a resolution to the government shutdown and ideas that hog supply will not match USDA's forecasted levels that showed no reduction from the PED virus outbreak. High volatility in many of the Agricultural commodities is expected over the next few days, as traders start to reconcile to the most recent fundamental information with current market prices.

* n/a as a result of the partial US government shutdown; USDA not reporting.

Canadian delivered soymeal prices opened higher this morning. Market confidence returns as an agreement on raising the US debt ceiling until February was made. There are expectations of large export numbers that should be confirmed with USDA data as the civil service also heads back to work. However, there is no news of concrete data release dates and some evidence retroactive reports are unlikely. Pressure comes from talk that increased yields will offset upticks in exports and crush demand.

Canadian delivered corn prices opened higher this morning. US corn futures are trading higher on news of an interim conclusion to the US debt ceiling issue. Adding support are unconfirmed reports that China has purchased 1.2 MMT of US corn. Pressure comes from optimistic yield expectations and talk that carryout could exceed 2 billion bu. There are rumors the USDA could start reporting on Monday but some uncertainty about 'which' reports; a well-respected news outlet is reporting the next WASDE report will be released November 8.

Fixed Forward Range	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Maple Leaf Sig. #3		155.65 157.54	158.48 161.31	157.42 164.05	164.52 166.89	158.94 162.25	161.80 168.47	170.72 178.34	175.00 181.19	170.77 177.93
Maple Leaf Sig. #4		155.85 159.87	158.22 161.88	157.94 161.06	163.63 164.36	159.78 162.53	160.19 166.46	169.65 177.22	173.34 177.95	170.08 177.10
Soymeal Winnipeg Delivered	494	494	494	495	495	495				
Corn Wpg Delivered	184	184	194	194	194					

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h@ms 2013 Fall Marketing Meeting Schedule

Meeting	Date and Time	Location
Swift Current	Oct. 30 @ 12:00PM (Wed.) - with lunch	Days Inn - 905 North Service Rd. E., Swift Current
Saskatoon	Oct. 30 @ 6:00PM (Wed.) - with dinner	Sandman Hotel - 310 Circle Dr. W., Saskatoon
Starbuck	Nov. 7 @ 2:00 PM (Thurs.) - BBQ to follow	Starbuck Community Hall - 25 Main Street, Starbuck
Steinbach	Nov. 8 @ 12:00 PM (Fri.) - with lunch	Smitty's - 145 Park Rd. W., Steinbach