

Tuesday, December 10, 2013

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

US Slaughter	
435,000	Monday
428,000	Monday (year ago)
W. Corn Belt	\$76.98
National Price	\$82.11
Daily Sig 3	\$150.15
Daily Sig 4	\$155.09
Thunder Creek	\$149.39
4-Month Fwd.	\$165.22
B of C Ex. Rate (Noon) \$1.0641 CAD/\$0.9397 USD	
Cash Prices Week Ending December 06, 2013	
Signature 3	70.77/156.02
Signature 4	71.17/156.91
h@ms Cash	70.49/155.41
Hylife	70.47/155.36
Thunder Creek	70.49/155.40
ISO Weans	\$79.56 US Avg.
Feeder Pigs	\$82.25 US Avg.
#1 Export Sows (+500lbs)	\$64.50/cwt. tagged

Forward contract prices opened lower this morning. US cash markets are called steady to lower today while declines in slaughter numbers compared to last year are continually being offset by increases in live weights. A recent report notes that a large US packer has been 'backfilling' supply (using heavier weights) in order to make up for some losses due to PEDv issues experienced in their packer-owned facilities last summer. The result has been an increase in packer-owned weights of 8 lbs. or 4% higher than last year (217-219 lbs. on average) as reported to the USDA under the mandatory reporting system. There is a general consensus that, at least, packer-owned facilities will continue to add weight at the finishing barns as a way to mitigate holes in supply. The strategy appears to be working with WCB and ISM down over \$1/cwt. and the National base down \$0.33/cwt. since yesterday. Lean hog futures remain influenced by upcoming PEDv uncertainty as rumors and reports surface suggesting that the virus has now spread across Iowa into Nebraska; the June 2014 contract has bounced around \$100/cwt. since yesterday and is over that mark as of this morning. The Canadian dollar continues to play a supportive role as the deferred contracts trade below \$0.94 USD.

Canadian delivered soymeal prices opened higher this morning. Today, the WASDE and Crop Production reports are set to be released at 11:00 AM Central. There is a general consensus that no major price movements are expected, UNLESS there is a major supply side (ending stocks) or demand side (export estimates) revelation. A general consensus is calling for steady spot prices until S. American production becomes available.

Canadian delivered corn prices opened even this morning. US corn futures are trading lower. The market is eagerly anticipating the release of this morning's two important reports (the WASDE report is quarterly); trading ahead of the release is jittery as traders attempt to position themselves ahead of the recent bout of important USDA information. Upside potential is called limited unless large cuts to ending stocks appear.

Fixed Forward Range	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Maple Leaf Sig. #3		159.12	165.46	166.82	169.03	182.55	186.94	184.17	172.06	155.90
		163.51	166.43	170.24	175.38	190.36	191.83	191.52	182.55	164.23
Maple Leaf Sig. #4		156.16	162.77	165.14	164.81	178.29	182.17	180.24	173.93	157.80
		160.13	163.53	167.97	171.25	186.05	187.18	187.45	179.33	168.99
Soymeal Winnipeg Delivered	577	579	579	579						
Corn Wpg Delivered	189	191	193							

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"THE show for Hog Producers looking for information on producing and maintaining a high quality product essential in today's marketplace."



ONE DAY ONLY!
Thursday December 12, 2013
Keystone Centre
1175 18th Street Brandon, MB
10:00 AM to 4:30 PM