

Thursday, April 24, 2014

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

US Slaughter	
418,000	Wednesday
418,000	Wednesday (year ago)
W. Corn Belt	\$115.77
National Price	\$115.95
Daily Sig 3	\$234.11
Daily Sig 4	\$227.05
Thunder Creek	\$234.45
4-Month Fwd.	\$235.20
B of C Ex. Rate (Noon)	
\$1.1032 CAD/ \$0.9064 USD	
Cash Prices Week Ending April 18, 2014	
Signature 3	106.85/235.56
Signature 4	107.87/237.80
h@ms Cash	107.18/236.30
Hylife	106.43/234.63
Thunder Creek	110.72/244.10
ISO Weans	\$80.70 US Avg.
Feeder Pigs	\$136.88 US Avg.
#1 Export Sows (+500lbs)	\$91.75 cwt.

Forward contract prices opened higher this morning. US cash markets have developed a firming trend in the middle of this week, with packers encouraged by stronger wholesale pork prices. The pork cut-out continues to be a key indicator of demand as market participants are interested in whether buyers are willing to step back into the market after the 10% price reduction seen in the last 3 weeks. Hog supplies available for slaughter remain tight, but Monday's slaughter schedule reductions across much of the US have alleviated some of this tightness for this week. There is still a great deal of uncertainty related to the impact of PED on hog inventory, but the numbers have not diverged significantly from the USDA Hogs and Pigs report. Lean Hog futures are taking back some of their recent gains, as some believe that the 'limit up' move in the summer months yesterday may have overshot the mark that fundamentals support. However, traders will add value to all futures months if cash markets hold their value and slaughter levels begin to tighten in line with the normal seasonal trend.

Canadian delivered soymeal prices opened lower this morning. The soybean complex is trading slightly higher this morning, despite more widespread rains throughout the US Midwest than was anticipated. Typically, delays in Corn planting would favour a bearish move in soybeans as growers may be more inclined to plant more acres of the shorter season crop. With weaker demand reported from China, due to weaker crush margins, soybean meal prices may be able to extend their bearish trend over the last week.

Canadian delivered corn prices opened higher this morning. Weather delays in planting this year's corn crop are starting to be seen in the market, with new crop contracts up 4% over the last week. Plantings are already behind the 'normal' pace with about a quarter of the US crop typically in the ground by the end of April.

Fixed Forward Range	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Maple Leaf Sig. #3		245.73 250.79	247.25 252.82	243.39 251.00	218.17 241.36	201.43 210.05	198.23 204.84	168.27 176.40	173.86 176.40
Maple Leaf Sig. #4		242.07 243.84	239.92 246.00	236.87 244.54	218.25 235.89	198.60 212.94	198.16 201.11	169.54 180.37	174.66 178.30
Soymeal Winnipeg Delivered	626	629	629	630	630	630			
Corn Winnipeg Delivered	189	189							

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