

Tuesday, May 27, 2014

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

US Slaughter	
1.973 mil.	Last Week
2.072 mil.	Last Week (year ago)
W. Corn Belt	\$107.41
National Price	\$110.37
Daily Sig 3	\$213.70
Daily Sig 4	\$212.64
Thunder Creek	\$213.60
4-Month Fwd.	\$219.31
B of C Ex. Rate (Noon)	
\$1.0854 CAD/ \$0.9213 USD	
Cash Prices Week Ending May 23, 2014	
Signature 3	99.05/218.36
Signature 4	97.04/213.94
h@ms Cash	96.36/212.44
Hylife	96.09/211.85
Thunder Creek	98.75/217.70
ISO Weans	\$72.49 US Avg.
Feeder Pigs	\$114.56 US Avg.
#1 Export Sows (+500lbs)	n/a

Forward contract prices opened mixed this morning. US cash markets have started out lower this week, following yesterday's Memorial Day holiday long weekend. US base prices are all down this morning by as much as a \$2 CAD/kg as compared to Friday, depending on the reporting region. Last week's slaughter was down 4.8% although production was up 0.3% largely on the strength of higher hog weights. The shortened slaughter week as a result of the US long weekend will skew comparative statistics next week although daily numbers will continue to be watched closely. US futures markets are called steady this morning however actual market moves have not been observed as of this writing; the hog market not yet open. Another 189 positive accessions were reported in the US as of week ending May 10. While the disease is still spreading, the market's reaction (or relative inaction such as the case may be) is showing some uncertainty considering that a direct correlation of reported accessions and available pork supply has yet to be made; a situation expected to remain for some time. In any event, producers should remember that futures premiums are currently built into the forward prices following the rally that started around the 15th of January, offering values not seen in recent history. Should the US pork industry weather the PEDv storm in terms of supply issues, current forward contract offerings could provide decent price stability at good value amid the uncertainty.

Canadian delivered soybean prices opened lower this morning. US soybean futures are trading lower. Pressure comes from talk of generally good planting weather forecasts in US' critical growing areas, good harvest weather in Argentina and some weakness in the overnight palm oil market. As well, there are reports another 244,000 MT of soybeans have been sold to Chinese crushers from state reserves at ~600 USD/MT. Crop Progress numbers will be released at 4PM, Eastern today due to yesterday's holiday.

Canadian delivered corn prices opened lower this morning. US corn futures are trading lower. There are rumors that export numbers will influence the trade lower ahead of the report released Friday. However, the general consensus is that the real pressure comes from planting progress, the weather and some technical indicators. Progress estimates are coming in between 85 and 90% ahead of the report released later today. Weekend weather was 'beneficial' and forecasts remain 'near ideal' for corn.

Fixed Forward Range	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Maple Leaf Sig. #3			237.85	221.48	205.01	201.74	173.50	178.99	169.79	164.49	164.49
			240.34	245.97	213.49	208.23	181.49	181.49	169.79	171.30	165.49
Maple Leaf Sig. #4			229.94	219.79	200.46	199.90	172.94	177.98	169.66	164.91	164.91
			232.64	238.38	214.57	202.80	183.59	181.56	170.05	171.79	164.91
Soymeal Winnipeg Delivered	643	643	645	645	645						
Corn Wpg. Delivered	181	181	179								

This information is intended to aid producers in making marketing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution (including email forwarding) of the HMO is strictly prohibited.



Some Important h@ms Marketing Phone Numbers

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STRENGTH IN NUMBERS

