



*Jones*

# Feed Mills Information update



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[www.jfm.on.ca](http://www.jfm.on.ca)

July, 2008

## Equine Information Day and Open House

Saturday July 12, 2008

9:30am-3:30pm

- 9:30 Browse our equine supplies while enjoying coffee and a snack
- 10:00 Alternative Therapy – Mike Dimmers
- Bio Feedback Muscle Testing, Accupressure, First Degree Reiki
- 11:00 Metabolic Syndrome and Cushings Disease – Dr. Allison Moore
- 12:00 Maitland Valley Sausage Lunch
- 1:00 Hay Season 2008 – Joel Bagg of OMAFRA
- 2:00 Jones Select Horse Feeds – Welcome to our new line 
- Bill Bedford and Jen Armstrong, Jones Feed Mills Ltd.

Multiple exhibitors will be present to display their goods and opportunities

For more information, contact Jen at 519-699-5200 or [jen@jfm.on.ca](mailto:jen@jfm.on.ca),

or Bill at 519-501-8904

Full details available at [www.jfm.on.ca](http://www.jfm.on.ca) under the events section 

## Feature Product: Grain Protectant

Use Malathion Grain Protectant to minimize insects and insect damage during storage. To use, first clean you bin and then use Grain Protectant at the following rates:  
wheat at 415g/T;  
barley at 520g/T and  
oats at 735g/T.



## Grain Bank Policy

We have seen tremendous growth in the use of our grain banking option in the last number of years. Our customers have found grain banking to be an effective way of accessing our unique manufacturing technologies and services. The administration and complexity of the gain bank program has changed dramatically over the last number of years. OMAFRA has increased the requirements and paper trail necessary for us to ensure the continuation of this program. Because Jones Feed Mills Ltd. does not own the grain placed in the grain bank program, it is mandatory that Jones Feed Mills Ltd. has enough grain on storage at all times to cover the amount of grain owing on grain bank. These restrictions have made it necessary for us to review our grain bank program. We are not an elevator and are unable to store large amounts of grain. The following conditions apply to grain banking:

1. Jones Feed Mills Ltd. will accept, supply and store mixed grain/barley on behalf of the producer to be taken back by the producer in the form of manufactured feed within the crop year
2. Only one months worth of grain can be stored at the mill for each bank
3. Jones Feed Mills Ltd. does not accept grain for storage, only for grain bank purposes
4. Negative grain bank balances are allowed only when the producer has an adequate amount of grain on farm to cover the amount owing. The producer should notify Jones Feed Mills Ltd. to arrange pickup of grain to cover negative accounts.
5. Grain that is banked must be of good quality. Not all grain will be accepted by Jones Feed Mills Ltd.
6. A grain bank agreement must be signed by the producer to take part in the program.

## Today's Fact

Canada is the largest consumer of potatoes, with each person consuming around 120kg per year.



## Pickup Discounts

Due to the increase in fuel costs, we have raised our pickup discounts. The discounts are now \$0.50 per bag or \$15.00 per MT bulk.

# Hog Industry Update

The following is taken from Jim Long's (C.E.O. Genesis Inc) pork commentary for June 23<sup>rd</sup>

Last week Iowa-Minnesota's lean hog price was 74.16 up from the previous Friday's 68.56, an \$11 per head gain. We expect further appreciation.

- US packing plants at Columbus Junction, Ottawa, Waterloo, etc. have had lost times due to flood conditions. In the coming days we will see all plants working, chasing hogs and pushing prices.
- Cool weather that has slowed corn development has pulled hogs ahead. You only kill them once. There are fewer hogs than recent slaughter numbers indicate.
- Global prices of pork continue to pull pork out of North America. Market hogs are \$400 US per head in South Korea (cost of production \$300 per head). A market hog brings \$365 US in Russia.
- May's USDA Cold Storage Report shows huge demand and a bullish scenario. May's pork stock decline was the largest ever for that month. 85 million pounds, with the previous record of 52 million pounds set in 2005. Domestic and export demand is extraordinary. As supply falls, both domestically and globally we will see continued price appreciation.
- June 2009 Lean Hog Futures closed last Friday at 96.75, the highest in history. Global and domestic liquidation is accelerating. High feed prices are triggering financial loss and erosion of confidence. Liquidation of the sow herd continues. The US is currently marketing 7% more hogs than a year ago. We expect in the early fall Canada and the US combined marketings will be negative year over year. The liquidation in Canada, USA and Mexico have decreased the sow herd.
- Corn and Soybean prices have peaked. Demand will decrease. Ethanol plants will stop or not be built. The Mississippi River being closed means corn cannot be exported which cuts buying demand. Livestock and chicken production weights and numbers are decreasing. Global grain production is increasing.
- This past week three packers told large owners of Canadian sourced feeder pigs not to worry about Country of Origin Labelling (COOL) because by the time COOL happens every hog will be needed.
- Supply/Demand – Oil, like grains, has high prices. US oil consumption has dropped 3% in 2008. That was before \$135 barrel oil. Oil consumption is dropping in Europe and China. Oil demand will decrease. Grain demand will decrease. Prices are reaching levels that will close corn ethanol plants. Some closed last week. Demand is softening. Prices will soften too.

## Reminders:

Please place your order by 9:30am the day before the feed is required for out of area orders, and the day before for local orders to help us have the feed delivered when you require it.



There is a 20 bag or a half tonne minimum for bagged custom feeds and premixes, and a one tonne minimum for bulk feeds. Please keep this in mind when you call.



Please label your bins to reduce the risk of an error when feed is delivered. Bin labels are available from Jones Feed Mills.



## Livestock Futures – June 25, 2008

Live Cattle - \$/cwt	Change	Dressed Hogs \$/ckg	Change		
August	\$102.83	+0.33	July	\$137.05	-9.19
October	\$109.91	+0.91	August	\$138.90	-9.52
December	\$111.88	+1.90	October	\$137.05	-3.22
February	\$113.61		December	\$141.16	

Note:

The change column refers to the change in futures from the values published in the last update. All prices are in Canadian dollars.

**Canadian Dollar** \$0.9866 -0.0252