



# Hog Margin Outlook

Meeting Your Marketing Needs

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Friday, May 08, 2009

Hog Prices: ↑  
Soymeal: ↔  
Corn: ↑  
Cdn Dollar: ↑

<b>US Slaughter</b>
403,000—Thursday's
414,000—Thursday's (Year Ago)
US Iowa/Southern MN
Western Corn Belt \$54.48
Daily Sig #3 Est. (M.Leaf) \$116.98
<b>B of C Ex. Rate (Noon)</b> \$1.1714 CAD / \$0.8537 US
<b>Cash Price (\$/cwt/ckg)</b> Cash prices for week ending May 8th, 2009
51.60 / 113.76 Signature #3
50.47 / 111.26 MPMC Cash
48.06 / 105.95 Springhill

*This information is intended to help you make your own pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of MPMC.*

## Manitoba Pork Marketing's forward contract prices opened higher this morning.

US cash markets are finishing the week steady with last week

as bids recovered surprisingly quick. Yesterday, some cash market regions gained almost \$2.00/cwt as pork product values provided underlying support. The rib and loin primal cuts are providing most of the support as the summer grilling season heats up, and demand for fresh pork at the retail level improves. Lean Hog futures finished the week higher, as traders viewed the implications of the H1N1 Influenza virus on pork demand as overblown. The Canadian Dollar is trading near its highest level in 6 months at over 86 cents US, with gains coming from higher oil and stock markets.

**Canadian delivered soymeal prices opened steady this morning.** Soybeans had a strong rally early in trading yesterday, but experienced sharp losses late in the session and closed marginally lower. Strength from outside markets and a lower US Dollar helped the soy complex recover and close higher in the overnight session. After a bullish week, cash soymeal sits up roughly \$12/MT from last Friday.

**Canadian delivered corn prices opened higher this morning.** While the forecast for the Cornbelt looks relatively dry through the weekend—the long range forecast still shows widespread precipitation. Despite relatively strong corn futures throughout the week, rallies have been tempered by the gains made this week by the Canadian Dollar.

<u>Weekly Comparison</u>	
WCB Cash (cwt)	- \$0.11
ISM Cash (cwt)	- \$0.15
Forward Prices (ckg)	- \$1-3
CDN Dollar (Per US\$)	- 0.0226

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range		134.30	138.49	143.33	136.45	130.95	125.64	116.57	128.37
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-10.02	-5.30	-4.21	-2.09	-4.63	-4.06	-3.24	0.51	8.81
Soymeal Delivered	486	480	487	497	501	390	390	390	392
Corn Delivered	190	192	194	196	198				



## Rothsay Animal Vegetable Feed Fat

\$620/tonne ↓ (2 – 19 mt)

To place your order call 1-866-768-4729

\*Price quoted is FOB Southeast Manitoba

