



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237

or visit www.mpmc.mb.ca

Thursday, May 14, 2009

Hog Prices: ↓

Soymeal: ↑

Corn: ↑

Cdn Dollar: ↓

US Slaughter
412,000—Wednesday's
418,000—Wednesday's (Year Ago)
US Iowa/Southern MN \$64.76
Western Corn Belt \$64.76
Daily Sig #3 Est. (M.Leaf) \$138.68
B of C Ex. Rate (Noon) \$1.1683 CAD / \$0.8559 US
Cash Price (\$/cwt/ckg) 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

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Manitoba Pork Marketing's forward contract prices opened lower this morning. Packers are starting to pull their bids after they managed to increase the daily slaughter every day this week by more than 15,000 hogs over last week's levels. Short-term demand for pork products has rebounded from the lows seen last week as retailers stocked up for the US Memorial Day weekend, which typically adds significant value to the fresh grilling cuts such as loins and ribs. Lean Hog futures are not as optimistic about the prospects of the cash market, despite this week's rally in most cash market regions to levels not seen last year. Traders are apprehensive about negative packer operating margins and the premium that the June and July contracts hold over the current cash market.

Canadian delivered soymeal prices opened higher this morning. Despite the soy complex trading lower in the overnight session and a marginally higher US Dollar—cash soymeal has climbed above \$500/MT at opening. Recent weakness for the Canadian Dollar (trading just below \$0.85US at open) is decreasing purchasing power and further inflating soymeal pricing.

Canadian delivered corn prices opened higher this morning. Corn futures saw weakness in the overnight session—fuelled by a drop in crude oil pricing and the strong US Dollar. Farmer selling remains light and along with fund buying is helping support a bullish tone for corn this morning—pushing cash above the \$200/MT.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range		138.94	136.87	140.74	137.30	131.81	123.75	117.79	129.60
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		138.48	142.89	147.51	143.21	134.50	129.66	130.74	140.34
Estimated Hog Margin	-10.02	-5.30	-4.21	-2.09	-4.63	-4.06	-3.24	0.51	8.81
Soymeal Delivered	500	499	503	512	517	400	400	400	405
Corn Delivered	200	202	204	206	208				



Rothsay Animal Vegetable Feed Fat

\$625/tonne ↑ (2 – 19 mt)

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

**Price quoted is FOB Southeast Manitoba*

