



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237
or visit www.mpmc.mb.ca

Tuesday, May 19, 2009

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

US Slaughter
408,000—Monday's
414,000—Monday's (Year Ago)
US Iowa/Southern MN \$61.58
Western Corn Belt \$61.67
Daily Sig #3 Est. (M.Leaf) \$136.77
B of C Ex. Rate (Noon) \$1.1756 CAD / \$0.8506 US
Cash Price (\$/cwt/ckg) Cash prices for week ending May 15th, 2009
60.22 / 132.75 Signature #3
59.20 / 130.52 MPMC Cash
56.51 / 124.58 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 mixed this morning. US cash markets started the week lower, after the surge in cash bids last week left packers with negative margins. Product markets dropped sharply as the demand for grilling cuts that provided the strength leading up to the long weekend were sharply lower. Packers are likely to attempt a slow return to profitability by scaling back their production schedule for Saturday. Consequently, packer bids are likely to sink lower into tomorrow as producers are still playing catch-up with their deliveries as evidenced by average carcass weights exceeding last year's levels by about 5 lbs. The Canadian Dollar climbed sharply yesterday as commodity and stock markets rallied, triggering more interest in our commodity-based currency.

Canadian delivered soymeal prices opened higher this morning. The soy complex traded higher yesterday and into the overnight session, supported by fund buying and a lower US Dollar. USDA's Crop Progress Report showed plantings are only at 25%, well below the 5-year average of 44%. Drier weather and higher temperatures are expected for the majority of the US this week, which could result in a decrease in soybean acres in favour of corn.

Canadian delivered corn prices opened higher this morning. Corn futures had a bullish tone yesterday and overnight, fuelled by the rallying crude oil price—which broke above \$60US early this morning. Planting progress for corn remains behind schedule from last year and the 5-year average, and most analysts are expecting to see reduced yields as a result.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range		136.09	136.09	141.71	135.12	129.61	123.24	117.51	129.38
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-14.59	-7.10	-6.74	-4.22	-5.37	-5.04	-3.29	-0.33	8.11
Soymeal Delivered	519	518	526	535	540	415	415	415	415
Corn Delivered	197	199	201	203	205				



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*

