



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, May 27, 2009

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

US Slaughter
428,000—Tuesday's
418,000—Tuesday's (Year Ago)
US Iowa/Southern MN \$55.88
Western Corn Belt \$56.23
Daily Sig #3 Est. (M.Leaf) \$115.43
B of C Ex. Rate (Noon) \$1.1199 CAD / \$0.8929 US
Cash Price (\$/cwt/ckg) Cash prices for week ending May 22nd, 2009
57.77 / 127.35 Signature #3
56.40 / 124.35 MPMC Cash
53.98 / 119.00 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 lower this morning. US cash markets are trading steady today as packers start to add more to their cash bids in an attempt to maximize their production. Daily slaughter levels early this week have been large, as packers make up for lost time on the production schedule due to the Memorial Day holiday. Lean Hog futures traded lower yesterday, influenced largely by the cash market trend and the large premium that the nearby contracts hold over the cash market. However, losses were tempered by a slightly favourable Cold Storage report that showed a 7% drop in April inventory compared to last year. Technical indicators overwhelmingly favour selling the nearby contracts, which could pressure prices further. The Canadian Dollar has climbed back to levels not seen since October, with improving US consumer confidence cited as the reason.

Canadian delivered soymeal prices opened higher this morning. Yesterday's USDA Crop Progress Report showed that soybean plantings had nearly doubled from the previous week, sitting at 48% completion. Fund buying continues to be strong and is helping the soy complex maintain its bullish tone into this morning, despite the Canadian Dollar trading near \$0.90US.

Canadian delivered corn prices opened higher this morning. Planting progress for corn saw significant progress over the last week and is now 82% complete—up 20% from last week, but still 11% behind the 5-year average. Corn received support into the overnight session from a spike in crude oil pricing, which is sitting just above \$63US at opening.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range (Maple Leaf Sig. #3)		127.46	125.92 -	132.27 -	127.60 -	122.51 -	116.73 -	110.77 -	121.99 -
Estimated Hog Margin	-14.79	-11.29	-11.23	-8.72	-10.36	-9.16	-7.54	-3.21	5.42
Soymeal Delivered	527	527	529	532	537	428	428	428	428
Corn Delivered	190	192	194	196	198				



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

