



Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, May 29, 2009

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

Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash mar-

kets are finishing the week higher, erasing some of the losses seen earlier in the week. However, product values are still showing few signs of improved demand as loins were down nearly \$2.00/cwt at a time when retailers should be active buyers, replenishing inventory after the long weekend. Lean Hog futures are cautious with their gains late this week, as traders are still cognizant of the weak packer margins and the bearish technical indicators. The Canadian Dollar is trading above of US\$0.91, as a slight improvement in the outlook for the US economy and higher commodity prices triggered the gains. Forward contract prices for the fall and winter months represent fair value as they maintain values similar to last year's cash prices.

<u>Weekly Comparison</u>	
WCB Cash (cwt)	+ \$0.07
ISM Cash (cwt)	- \$0.08
Forward Prices (ckg)	- \$6-10
CDN Dollar (Per US\$)	- 0.0269

Canadian delivered soymeal prices opened lower this morning. A sharply lower US Dollar helped soybeans push higher through the overnight session after the soy complex saw a selloff late in yesterday's session. The strong Canadian Dollar is helping to temper the gains that soymeal has made this past week—leaving it relatively level from a week ago.

Canadian delivered corn prices opened lower this morning. Favourable planting weather is expected throughout the weekend for much of the US Midwest, but corn is still receiving strong support from crude oil, which traded as high \$66.47US overnight. Fields in much of the eastern Corn Belt still remain saturated and concern is mounting that a chunk of those acres that have yet to be seeded could go to soybeans.

US Slaughter
425,000—Thursday's
432,000—Thursday's (Year Ago)
US Iowa/Southern MN \$57.69
Western Corn Belt \$57.79
Daily Sig #3 Est. (M.Leaf) \$117.84
B of C Ex. Rate (Noon) \$1.1124 CAD / \$0.8990 US
Cash Price (\$/cwt/ckg) Cash prices for week ending May 29th, 2009
52.97 / 116.78 Signature #3
51.61 / 113.78 MPMC Cash
49.51 / 109.16 Springhill

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	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range		121.47	126.51	123.30	117.95	112.15	108.59	119.79	128.85
(Maple Leaf Sig. #3)	123.00	-	-	-	-	-	-	-	-
Estimated Hog Margin	-12.97	-12.53	-9.60	-10.87	-10.04	-8.80	-5.01	3.05	6.67
Soymeal Delivered	514	521	524	529	425	425	428	428	428
Corn Delivered	187	189	191	193	195				



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*

