



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237

or visit www.mpmc.mb.ca

Monday, June 01, 2009

Hog Prices: ↓

Soymeal: ↓

Corn: ↑

Cdn Dollar: ↑

US Slaughter
1.804 Mill—Last Week's
1.825 Mill—Last Week's (Year Ago)
US Iowa/Southern MN \$58.84
Western Corn Belt \$59.00
Daily Sig #3 Est. (M.Leaf) \$118.54
B of C Ex. Rate (Noon) \$1.0961CAD / \$.09123 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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Manitoba Pork Marketing's forward contract prices opened lower this morning. Cash bids are starting the week steady, but packers are expected to find supplies tougher to find as more producers are current with their marketings compared to a few weeks ago. None of the primal cuts are providing any leadership in gaining value, preventing any sustained rally in live hog prices. Lean Hog futures fell sharply on Friday, but are seeing some support in the deferred contract months this morning. The futures are still burdened with poor cash market fundamentals and bearish bias on most technical indicators. The Canadian Dollar is currently maintaining the nearly 2 cent gain it made on Friday. Global investors are likely to remain apprehensive about investing in "commodity currencies" before a global economic recovery is in sight.

Canadian delivered soymeal prices opened lower this morning. After trading lower near the end of Friday's session, a weaker US Dollar helped soybeans rally overnight. Sales for the 2008/2009 soybean crop have now reached the USDA's total estimate for the crop year, and continuing strong demand is likely to help maintain a bullish tone through to harvest. The Canadian Dollar is sitting above \$0.92US, offsetting bullish factors with increased purchasing power.

Canadian delivered corn prices opened higher this morning. Corn rallied in the overnight session, pushed by a sharply lower US Dollar and crude oil trading above \$68US. Rain is in the forecast for the first part of the week for areas of the US that are still lagging greatly on planting progress.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range		119.09	124.24	120.18	115.55	111.88	107.88	118.89	128.05
(Maple Leaf Sig. #3)		- 126.22	- 128.10	- 125.62	- 120.31	- 117.33	- 118.89	- 128.89	- 131.55
Estimated Hog Margin	-12.97	-12.53	-9.60	-10.87	-10.04	-8.80	-5.01	3.05	6.67
Soymeal Delivered	510	510	514	520	418	418	418	420	420
Corn Delivered	190	192	194	196	194				



Rothsay Animal Vegetable Feed Fat

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