



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, June 03, 2009

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

US Slaughter
421,000—Tuesday's
422,000—Tuesday's (Year Ago)
US Iowa/Southern MN \$58.36
Western Corn Belt \$58.50
Daily Sig #3 Est. (M.Leaf) \$116.10
B of C Ex. Rate (Noon) \$1.0827 CAD / \$0.9236 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 continue to be pressured lower by the weak pork product values. All of the primal cuts traded lower yesterday, resulting in a drop of more than \$1.00/cwt in the pork cut-out. Packers are cutting their production schedules in an effort to move back to promising profit margins. The cutbacks come at a time when slaughter levels are already near their lowest levels for the year and packers are typically short of supplies to meet fresh pork orders. Lean Hog futures could no longer maintain their premium over the cash market. All of the summer month contracts dropped the limit yesterday reflecting the unusual weak trend in the cash market. The Canadian Dollar is providing no relief, trading near 92 cents US and up about 20% over the last 3 months.

Canadian delivered soymeal prices opened lower this morning. The soy complex saw some relief from its recent bullish trend in the overnight session due to a higher US Dollar. Overall, the tone remains bullish, with dry conditions in major soybean producing areas in China adding increased pressure to new crop futures. Truck availability remains lower than expected—for spot load delivery please account for at least 3 business days.

Canadian delivered corn prices opened higher this morning. The weaker US Dollar helped corn move lower overnight, though corn is still seeing pressure from decreased selling by farmers. Precipitation is moving through the majority of the Corn Belt today further delaying planting.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range		110.89	117.03	116.24	113.59	110.13	106.89	117.84	127.11
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-12.97	-12.53	-9.60	-10.87	-10.04	-8.80	-5.01	3.05	6.67
Soymeal Delivered	501	498	515	520	405	405	405	412	412
Corn Delivered	193	195	197	199	195				



Rothsay Animal Vegetable Feed Fat

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

