



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, June 17, 2009

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

US Slaughter
414,000—Tuesday's
398,000—Tuesday's (Year Ago)
US Iowa/Southern MN \$56.82
Western Corn Belt \$56.96
Daily Sig #3 Est. (M.Leaf) \$118.26
B of C Ex. Rate (Noon) \$1.1327 CAD / \$0.8828 US
Cash Price (\$/cwt/ckg) Cash prices for week ending June 12th, 2009
51.02 / 112.48 Signature #3
49.66 / 109.48 MPMC Cash
47.50 / 104.72 Springhill

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Manitoba Pork Marketing's forward contract prices opened higher this morning. Both pork product and live hog markets made gains yesterday as reduced production schedules may finally be triggering a supply induced rally. There is no direct evidence of an improvement in pork demand after the H1N1 impact, but pork is still moving through the domestic retail channels, albeit at lower prices. Some analysts cite export demand as being the bigger issue impacting hog markets, as Russian, Chinese, and Mexican pork purchases are down significantly from last year. Lean Hog futures are seeing support this morning from the improved cash market bids and tighter supplies. The Canadian Dollar provided further relief to our cash and forward contract prices yesterday with the Dollar dropping to just above \$0.88US on continued reaction to the Bank of Canada's talk of increasing the money supply.

Canadian delivered soymeal prices opened steady this morning. Old crop soybeans saw losses yesterday, which accelerated midday and went on to close marginally lower. Truck availability has increased substantially and producers can now expect roughly a 2 day wait for spot delivery.

Canadian delivered corn prices opened lower this morning. After trading lower yesterday, corn futures went on to trade marginally lower overnight. A sharp drop for crude oil (trading well below \$70US at open) is contributing to the bearish tone. Weather premiums remain minimal as the forecast shows a high pressure system helping maintain above normal temperatures for much of the Midwest.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range (Maple Leaf Sig. #3)		116.91	116.91	112.94	110.53	104.74	103.86	115.27	125.85
		-	-	-	-	-	-	-	-
		119.21	120.05	118.16	113.11	109.91	114.23	125.65	129.48
Estimated Hog Margin	-20.16	-22.63	-22.57	-23.81	-20.11	-16.56	-9.55	0.40	4.52
Soymeal Delivered	550	558	565	568	422	422	424	426	432
Corn Delivered	182	184	186	187	184				



Rothsay Animal Vegetable Feed Fat

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