



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, June 25, 2009

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

US Slaughter
412,000—Wednesday's
414,000—Wednesday's (Year Ago)
US Iowa/Southern MN \$57.64
Western Corn Belt \$57.63
Daily Sig #3 Est. (M.Leaf) \$121.07
B of C Ex. Rate (Noon) \$1.1461 CAD / \$0.8725 US
Cash Price (\$/cwt/ckg) Cash prices for week ending June 19th, 2009
53.24 / 117.38 Signature #3
51.88 / 114.38 MPMC Cash
49.41 / 108.94 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 mixed this morning.

The divergence in product values and cash bids for live supplies continued, despite packer margins already being in the red. Midwestern packers have been competing for the declining available live supplies, with many hesitant to cut back on their Monday to Friday kill schedules. However, sinking values for hams, loins and butts are preventing them from adding anything to their bids. Nearby Lean Hog futures took out the entire premium that they held over the cash market yesterday as traders grew impatient for an improvement in cash market fundamentals that would indicate a change from the bearish trend. Forward contract prices for the 4th Quarter of 2009 do not represent a profit, but compared to current prices and the forecasted cash market for this time frame, they represent fair value.

USDA Hog & Pig Report Expectations (June 1, 2009)

All hogs and pigs	96.7—99.0
Kept for breeding	96.2—98.5
Kept for marketing	96.7—99.1
Mar—May pig crop	97.0—100.8

Canadian delivered soymeal prices opened higher this morning. The soy complex carried it's mild gains from yesterday into the overnight session, with old crop seeing the majority of the gains. The US Census Crush Report came out this morning with soybean crushing at 146.08 million bushels for May, which is slightly lower than analysts' expectations.

Canadian delivered corn prices opened higher this morning. This morning's USDA Export Sales Report shows corn sales coming in below most analysts expectations. Corn closed lower yesterday and overnight, but a lower Canadian Dollar this morning is cancelling out these losses.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range		117.15	117.15	111.91	111.37	105.99	106.13	117.72	129.31
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		119.25	120.30	117.15	114.00	111.26	116.66	128.26	135.95
Estimated Hog Margin	-21.65	-22.35	-22.12	-22.44	-19.82	-17.48	-11.00	-1.37	2.90
Soymeal Delivered	544	553	565	575	425	425	425	420	431
Corn Delivered	180	182	184	184	180				

Risk Management Workshop for Swine Producers

Registration Fee: \$20/person (includes lunch)

MPMC members are eligible for a \$10 rebate

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July 13—Grandview (St. Elias Hall)

July 14—Portage La Prairie (Portage Fairboard Centre)

July 15—Altona (Millennium Exhibition Centre)

July 16—Steinbach (Mennonite Heritage Village)

July 17—Arborg (Arborg GO Office)