

Tuesday, June 30, 2009

Hog Prices: ↓↑

Soymeal: ↓↑

Corn: ↓

Cdn Dollar: ↓

US Slaughter
408,000—Monday's
425,000—Monday's (Year Ago)
US Iowa/Southern MN \$57.27
Western Corn Belt \$57.29
Daily Sig #3 Est. (M.Leaf) \$121.64
B of C Ex. Rate (Noon) \$1.1583 CAD / \$0.8633 US
Cash Price (\$/cwt/ckg) Cash prices for week ending June 26th, 2009
54.65 / 120.49 Signature #3
52.95 / 116.74 MPMC Cash
50.24 / 110.77 Springhill

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Manitoba Pork Marketing's forward contract prices opened mixed this morning. Cash market bids started the week relatively steady but are starting to see mounting weakness as packers pull back on their slaughter schedules to improve their gross margins and account for Saturday's holiday (US Independence Day). Lean hog futures had a mixed reaction to last week's USDA Hogs and Pigs Report, with more optimism creeping into the nearby contracts while traders saw reason to discount the deferred months. Consensus amongst traders was that cuts to the breeding herd were not significant enough to make a big difference in 1st Quarter 2010 production. The Canadian Dollar rallied in response to stronger Crude Oil and the belief of greater stability in financial markets. *Forward contracting will be closed tomorrow for Canada Day.*

Canadian delivered soymeal prices opened mixed this morning. The Crop Progress Report showed that a large portion of the crop continues to be in great condition, and plantings are nearing completion—helping keep a negative tone for new crop. The Acreage Report showed a 2% increase from last year. A weaker Canadian Dollar at open (sitting at \$0.86US) is decreasing purchasing power.

Canadian delivered corn prices opened lower this morning. Corn's bearish tone continues, as this morning's USDA Grain Stock's Report shows a 6% increase from 2008. New crop is seeing weakness from favourable crop conditions, with 72% of the crop reported to be in good/excellent condition—up 2% from last week.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		116.40	110.04	107.32	100.43	99.48	111.12	122.76	121.74
(Maple Leaf Sig. #3)	119.68	-	-	-	-	-	-	-	-
		120.74	115.34	111.62	105.73	110.06	121.70	127.10	127.10
Estimated Hog Margin	-22.98	-23.41	-25.25	-22.58	-20.29	-13.46	-3.27	2.23	2.93
Soymeal Delivered	564	573	581	410	410	410	415	418	
Corn Delivered	176	178	178	176	178	180	182		

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)