

Wednesday, July 08, 2009

Hog Prices: ↓

Soymeal: ↓

Corn: ↓

Cdn Dollar: ↓

US Slaughter
406,000—Tuesday's
424,000—Tuesday's (Year Ago)
US Iowa/Southern MN \$57.60
Western Corn Belt \$57.74
Daily Sig #3 Est. (M.Leaf) \$123.10
B of C Ex. Rate (Noon) \$1.1631 CAD / \$0.8598 US
Cash Price (\$/cwt/ckg) Cash prices for week ending July 3rd, 2009
55.41 / 122.16 Signature #3
53.60 / 118.16 MPMC Cash
51.26 / 113.00 Springhill

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Manitoba Pork Marketing's forward contract prices opened lower this morning. US packers have lost patience for an improvement in pork product values and are expected to drop their bids for live supplies in an effort to recover from their chronically unprofitable margins. Hog supplies are at their tightest for the year, but the reduced supply has not been enough to offset the weaker domestic and export demand of the last several months. August Lean Hog futures are holding a US\$5.00/cwt premium over the current cash market, which could erode quickly if the cash market experiences some sharp declines later this week. The Canadian Dollar saw little influence from the weaker crude oil prices as the currency bounces from its longest losing streak in 18 months. Some economists believe the currency to be undervalued, due to the recent depreciation of the Loonie against most of the G-10 currencies.

Canadian delivered soymeal prices opened lower this morning. A positive weather outlook and the negative influence of outside markets led to both old crop and new crop soybeans trading substantially lower yesterday. Over the course of the last week, cash soymeal has dropped roughly \$44/MT—despite decreased purchasing power.

Canadian delivered corn prices opened lower this morning. Though the overall tone for corn futures is currently bearish, a lack of sellers is providing some resistance to large drops in pricing. The cash price is sitting approximately \$12/MT lower than one week ago.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		122.66	116.25	113.65	106.71	104.46	116.18	127.05	125.38
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		127.47	121.60	117.81	112.05	115.25	126.84	130.78	130.78
Estimated Hog Margin	-22.98	-23.41	-25.25	-22.58	-20.29	-13.46	-3.27	2.23	2.93
Soymeal Delivered	520	533	540	412	390	390	408	401	401
Corn Delivered	164	166	168	164	166	168	170		

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

Cancelled

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)