



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, July 09, 2009

Hog Prices: ↑

Soymeal: ↓

Corn: ↔

Cdn Dollar: ↓

US Slaughter
393,000—Wednesday's
420,000—Wednesday's (Year Ago)
US Iowa/Southern MN \$57.10
Western Corn Belt \$57.58
Daily Sig #3 Est. (M.Leaf) \$123.01
B of C Ex. Rate (Noon) \$1.1655 CAD / \$0.8580 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

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 higher this morning. Product markets are providing little in the way of direction, as all of the primal cuts are seeing increased volatility with no decisive trend. Consequently, many packers have had an inconsistent slaughter schedule that also contributes to erratic cash bids. Packers are also seeing some of the tightest supplies of live hogs in two years, owing to the normal seasonal drop in production at this time of year. Lean Hog futures viewed the recent uncertainty as a trigger to drop the nearby contract values, with yesterday's losses totaling between \$1.00 and \$2.00/cwt. The Canadian Dollar is providing some relief to Canadian hog prices, dropping about 8% of its value over the last month. The recent drop has had the impact of improving cash and forward prices by about \$10.00/ckg.

Canadian delivered soymeal prices opened lower this morning. The soy complex received modest support overnight from expectations that Friday's WASDE Report will have another adjustment lower. Producers are encouraged to consider securing old crop soymeal to avoid shortages, which have been common, late in the season in past years.

Canadian delivered corn prices opened steady this morning. Despite crude oil's sharp drop yesterday (to just above \$60US), corn futures closed only moderately down and went on to trade up overnight. The Canadian Dollar is trading slightly higher this morning, helping to increase purchasing power and keeping the cash price stable.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		124.57	118.20	116.22	108.76	106.70	118.50	127.08	127.03
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		129.57	123.51	119.10	114.09	116.35	129.22	131.38	130.83
Estimated Hog Margin	-22.98	-23.41	-25.25	-22.58	-20.29	-13.46	-3.27	2.23	2.93
Soymeal Delivered	508	518	522	405	396	396	389	384	384
Corn Delivered	164	166	168	164	166	168	170		



Rothsay Animal Vegetable Feed Fat

\$555/tonne ↓ (2 – 19 mt)

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

**Price quoted is FOB Southeast Manitoba*

