

Monday, July 13, 2009

**Hog Prices:** ↓

**Soymeal:** ↓

**Corn:** ↓

**Cdn Dollar:** ↓

**Manitoba Pork Marketing's forward contract prices opened lower this morning.** Cash bids are starting the week steady, with packers hesitant to chase live supplies so early in the week, but have a larger appetite due to the recent improvement in the pork cut-out. Last week's slaughter came in well under 2 million hogs, down almost 4% compared to the same week last year. The tighter supplies are starting to support specific pork primal cuts, with hams for example trading at their highest level this year. Lean Hog futures are expected to trade steady to slightly lower this week as traders wait for further improvement to the cash market. The August contract is trading at a better-than-average premium to the current cash market and provides some rationale to forward price some of the late summer timeframe.

**Canadian delivered soymeal prices opened lower this morning.** The soy complex saw losses throughout the week, which continued into the overnight session, fuelled by a higher US Dollar. The recent stretch of favourable weather for crop development is likely to give this afternoon's USDA Crop Progress Report a bearish tone.

**Canadian delivered corn prices opened lower this morning.** Last week's downturn in crude oil and the negative influence of outside markets helped take the cash price to the lowest its been in 2009. Weather conditions in major corn growing areas should prove highly beneficial to corn pollination, which will hopefully result in higher than previously anticipated yields and increased ending stocks.

<b>US Slaughter</b>
1.957 Mill—Last Week's
2.157 Mill—Last Week's (Year Ago)
US Iowa/Southern MN \$57.07
Western Corn Belt \$57.27
Daily Sig #3 Est. (M.Leaf) \$122.30
<b>B of C Ex. Rate (Noon)</b> \$1.1650 CAD / \$0.8584 US
<b>Cash Price (\$/cwt/ckg)</b> Cash prices for week ending July 10th, 2009
55.67 / 122.72 Signature #3
53.85 / 118.72 MPMC Cash
51.55 / 113.64 Springhill

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	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		127.18	120.78	115.57	108.11	105.53	117.25	125.98	125.93
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		128.79	126.12	121.00	113.44	115.57	127.89	130.02	129.70
Estimated Hog Margin	-18.03	-13.56	-14.91	-12.43	-11.78	-6.15	3.91	7.92	7.73
Soymeal Delivered	499	505	510	403	392	392	390	392	392
Corn Delivered	162	164	166	162	164	166	168		

## 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**

**Cancelled**

**July 16—Steinbach** (Mennonite Heritage Village)

**July 17—Arborg** (Arborg GO Office)