



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, July 22, 2009

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

US Slaughter
416,000—Tuesday's
411,000—Tuesday's (Year Ago)
US Iowa/Southern MN \$58.30
Western Corn Belt \$58.44
Daily Sig #3 Est. (M.Leaf) \$118.67
B of C Ex. Rate (Noon) \$1.1078 CAD / \$0.9027 US
Cash Price (\$/cwt/ckg) Cash prices for week ending July 17th, 2009
53.64 / 118.26 Signature #3
51.37 / 113.26 MPMC Cash
48.87 / 107.73 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. Cash bids for live supplies made gains yesterday and are called \$0.50-\$1.00/cwt higher this morning with packers attempting to fill out their kill schedule for what remains of the week. The pork cut-out continues to provide good underlying support for higher cash bids, with gains approaching +25% since early July. The surge in wholesale pork prices likely comes from the combination of shrinking inventories and improved demand in the processing sector. Lean Hog futures dropped sharply yesterday with traders questioning whether cash bids will follow the pork cut-out higher. Today's trade will see influence from traders speculating on this afternoon's release of the Cold Storage Report, which is expected to show a marginal increase in supplies.

Canadian delivered soymeal prices opened lower this morning. After trading lower yesterday, soybeans went on to close marginally higher in the overnight session as selling dried up. Producers are encouraged to consider securing old crop soymeal to avoid possible supply issues that are common with processors in late summer and early fall.

Canadian delivered corn prices opened lower this morning. Corn futures saw steep losses yesterday and traded relatively flat overnight. Cash has dipped below \$150/MT (a level not seen since Fall of 2006) and producers should take advantage of corn's recent losses and the strong Canadian Dollar.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		119.37	112.28	110.37	101.55	98.89	110.04	118.66	118.64
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-17.42	-13.18	-11.48	-10.41	-11.14	-6.56	2.41	6.38	6.33
Soymeal Delivered	437	447	455	364	360	360	358	357	357
Corn Delivered	143	146	149	152	143	146	149		

Rothsay Animal Vegetable Feed Fat

\$525/tonne ↔ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

