



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, July 23, 2009

Hog Prices: ↓

Soymeal: ↑

Corn: ↑

Cdn Dollar: ↑

US Slaughter
406,000—Wednesday's
419,000—Wednesday's (Year Ago)
US Iowa/Southern MN \$58.59
Western Corn Belt \$58.73
Daily Sig #3 Est. (M.Leaf) \$118.21
B of C Ex. Rate (Noon) \$1.0981 CAD / \$0.9107 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

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Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash markets are making gains late this week and narrowing the gap to the pork cut-out after the recent surge in wholesale prices. The weekly hog slaughter is expected to run under 2 million hogs as a couple of US plants were down again for maintenance and repairs earlier this week. Yesterday, the USDA released its July Cold Storage Report that showed a 9% increase in pork compared to last year. This increase in supplies was within trade expectations and was not unexpected given the recent decline in export sales. Lean Hog futures still maintain an average premium over the cash market and are trading relatively steady this morning. The Canadian Dollar is maintaining a level near \$0.91 US after it saw strength from both commodity and stock markets.

Canadian delivered soymeal prices opened higher this morning. Today's USDA Export Sales Report showed a large increase in sales, leading to a 99% increase from the previous 4-week average. Recently, the soy complex has generally lacked direction, as the influence of good weather and tight ending stocks appear to already be factored in.

Canadian delivered corn prices opened higher this morning. Corn futures traded lower yesterday, but went on to erase those losses in the overnight session. There's talk that the USDA could possibly adjust corn acres lower, which is creating a strong bullish tone today and helped the market open significantly higher this morning.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range		115.28	108.27	106.67	99.32	97.50	108.57	116.52	116.49
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		117.28	113.28	110.39	105.36	106.56	118.63	120.64	120.04
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	375	375	375	365	362	362
Corn Delivered	151	153	155	158	151	153	155		



Rothsay Animal Vegetable Feed Fat

\$535/tonne ↑ (2 – 19 mt)

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

**Price quoted is FOB Southeast Manitoba*

