

Tuesday, July 28, 2009

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

US Slaughter
418,000—Monday's
419,000—Monday's (Year Ago)
US Iowa/Southern MN \$57.05
Western Corn Belt \$57.15
Daily Sig #3 Est. (M.Leaf) \$113.50
B of C Ex. Rate (Noon) \$1.0835 CAD / \$0.9229 US
Cash Price (\$/cwt/ckg) Cash prices for week ending July 24th, 2009
53.24 / 117.38 Signature #3
50.98 / 112.38 MPMC Cash
48.44 / 106.78 Springhill

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Manitoba Pork Marketing's forward contract prices opened lower this morning. Higher cash bids are failing to materialize after several weeks of strength in the pork cut-out. Packers are restraining from increasing their slaughter schedules despite good profitability. Hams and loins are finding it difficult to maintain the gains made in the last two weeks, while some of the lower valued cuts are making marginal gains. Barring any unforeseen shutdowns, this week's slaughter is expected to exceed 2.05 million hogs, as the tightest supplies for the year are behind us. Lean Hog futures are seeing significantly lower prices than last Tuesday, as traders found it difficult to maintain the large premium over the cash market. News from Smithfield and Tyson that they were cutting an additional 45,000 sows did little to bolster the 2010 futures contracts.

Canadian delivered soymeal prices opened higher this morning. The Canadian Dollar traded as high as \$0.9306 US overnight, but it isn't enough to neutralize the strong gains the soy complex saw in the overnight market. A significantly weaker US Dollar and supportive outside markets are helping create a slightly bullish tone for soymeal.

Canadian delivered corn prices opened steady this morning. After steep losses early Monday, corn futures went on to recover and close slightly higher. USDA's Crop Progress Report showed 70% of the crop as good/excellent condition, down 1% from last week. Only 55% of US corn is currently silking—on track with last year, but still noticeably below the 5-year average of 76%.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		106.47	99.55 -	97.68 -	88.97 -	86.89 -	97.77 -	106.08 -	106.07 -
			104.50	100.16	94.91	95.90	107.67	109.65	109.55
Estimated Hog Margin	-17.17	-20.18	-19.05	-14.05	-14.59	-9.75	-0.65	3.33	3.46
Soymeal Delivered	438	453	466	374	374	374	372	368	368
Corn Delivered	149	152	155	159	149	151	153		



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

