



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, August 06, 2009

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↓

Cdn Dollar: ↓

US Slaughter	
423,000—Wednesday's	
411,000—Wednesday's (Year Ago)	
US Iowa/Sthrn MN	\$49.95
Western Corn Belt	\$50.25
Daily National Price	\$57.12
Daily Sig #3 Est. (M.Leaf) \$98.74	
Daily Sig #4 Est. (M.Leaf) \$108.69	
B of C Ex. Rate (Noon) \$1.0720 CAD / \$0.9328 US	
Cash Price (\$/cwt/kg) Cash prices for week ending July 31st, 2009	
50.45 / 111.23 Signature #3	
49.09 / 108.23 MPMC Cash	
46.39 / 102.27 Springhill	

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Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash markets continue lower with early week cuts to the slaughter schedule resulting in abundant supplies for packers for the remainder of the week. Average carcass weights are also contributing to the burdensome supply with current weights exceeding last year's levels by close to ten pounds. Lean hog futures opened lower this morning, with traders referencing the lower cash market trend and the bearish technical indicators. The Canadian Dollar is trading slightly lower this morning, but still near its highest level since October 2008. Forward contract prices are being eroded by both lower Lean Hog futures and a strong Canadian Dollar, however downside potential to the cash market is still considerable over the next six months.

Canadian delivered soymeal prices opened lower this morning. Old and new crop soymeal saw a modest rally yesterday, but the complex saw heavy fund selling and a higher dollar in the overnight session—helping it close lower. This retreat is likely to be very short-lived and producers should consider purchasing old crop soymeal before outside forces or unfavourable weather start another rally.

Canadian delivered corn prices opened lower this morning. Corn futures saw a wave of fund selling which started yesterday and continued overnight. Analysts yield predictions for the US corn crop are above the latest USDA estimate (which would already break records) reinforcing the bearish tone from early last week.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)		90.05	88.02	79.15	76.30	87.07	96.28	96.27	102.63
		-	-	-	-	-	-	-	-
		94.95	91.07	85.06	86.05	96.87	99.71	99.71	112.43
Estimated Hog Margin	-24.89	-25.43	-20.98	-20.71	-15.49	-5.70	-1.55	-1.38	3.71
Soymeal Delivered	484	511	407	407	407	397	392	392	392
Corn Delivered	155	158	161	155	157	159			



Rothsay Animal Vegetable Feed Fat

\$580/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

