



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, August 13, 2009

Hog Prices: ↓↑

Soymeal: ↑

Corn: ↑

Cdn Dollar: ↑

US Slaughter	
428,000—Wednesday's	
410,000—Wednesday's (Year Ago)	
US Iowa/Sthrn MN	\$45.32
Western Corn Belt	\$45.54
Daily National Price	\$52.79
Daily Sig #3 Est. (M.Leaf) \$90.78	
Daily Sig #4 Est. (M.Leaf) \$101.91	
B of C Ex. Rate (Noon) \$1.0875 CAD / \$0.9195 US	
Cash Price (\$/cwt/ckg) Cash prices for week ending August 7th, 2009	
45.58 / 100.48 Signature #3	
50.37 / 111.04 Signature #4	
44.22 / 97.48 MPMC Cash	
41.61 / 91.74 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 mixed this morning. US packer bids continue to anticipate further drops in the pork cut-out, providing the rationale for the consistently lower trend. Despite the lower bids, hog slaughter is expected to exceed 2.1 million hogs and be the largest slaughter in months. This indicates that producers are not current with their marketings and this is confirmed by the extremely heavy carcass weights. US producers continue to react very slowly to the lower prices, as the pace by which they are liquidating their sow herd lags last year and sow prices have rallied over 30% in recent weeks, reflecting the tight supply. Lean Hog futures have found some support at current levels, with the October and December contracts trading at similar values to the current US cash market.

Canadian delivered soymeal prices opened higher this morning. Soybean futures closed higher overnight, supported by a lower US Dollar and rallying outside markets. The Canadian Dollar is trading above \$0.92US this morning, but this increase in buying power is not enough to counteract the gains made by soymeal futures—resulting in the cash price moving slightly higher than Wednesday.

Canadian delivered corn prices opened higher this morning. After starting the day lower, a sharp rally for crude oil and a lower US Dollar is helped corn futures take on a bullish tone and close higher. Farmer selling remains light and export/domestic demand remains firm. Truck availability is becoming tight, producers looking for a spot load of corn should account for increased lead time when ordering.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range		83.81	81.43	73.99	78.50	89.46	100.42	101.11	107.58
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		85.89	84.90	79.94	84.98	99.43	104.61	104.61	118.84
Estimated Hog Margin	-28.03	-32.52	-29.05	-30.39	-26.27	-17.19	-12.55	-11.80	-6.21
Soymeal Delivered	505	535	413	413	413	400	402	402	400
Corn Delivered	153	156	159	153	155	157	159	161	163



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

