



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, August 19, 2009

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

Manitoba Pork Marketing's forward contract prices opened lower this morning. Packers are starting to compete for the ample supplies of live hogs, as packer margins are profitable at an estimated \$13.00 per hog. Hog supplies have recently outpaced USDA projections, indicating that producers were behind in their marketings and have spent the last several weeks attempting to catch up by delivering more hogs. Early indications of an increase in sow slaughter, reflected by lower cash bids for sows, provided some relief to the deferred month futures by limiting further losses in the last couple of days. The Canadian Dollar rallied back from its brief dip under US\$0.90, as stock and commodity markets recovered from early week losses.

Canadian delivered soymeal prices opened lower this morning. After closing moderately higher yesterday, soymeal futures traded lower overnight. Recent basis changes for old crop soymeal have helped bring cash soymeal down roughly \$35/MT from one week ago. Producers who have not already secured soymeal through until early October should consider taking advantage of this dip.

Canadian delivered corn prices opened steady this morning. Corn futures closed relatively flat yesterday, but went on to trade marginally lower overnight. Favourable weather continues to support this recent bearish trend—but any extended forecasts indicating a possibility of an early frost could quickly reverse this trend.

US Slaughter	
430,000—Tuesday's	
434,000—Tuesday's (Year Ago)	
US Iowa/Sthrn MN	\$46.92
Western Corn Belt	\$47.09
Daily National Price	\$51.34
Daily Sig #3 Est. (M.Leaf)	\$95.26
Daily Sig #4 Est. (M.Leaf)	\$100.56
B of C Ex. Rate (Noon)	
\$1.1036 CAD / \$0.9061 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending August 14th, 2009	
41.94 / 92.45 Signature #3	
47.11 / 103.85 Signature #4	
40.57 / 89.45 MPMC Cash	
38.00 / 83.77 Springhill	

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	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range		86.51	82.97	74.70	73.28	84.39	94.99	97.01	103.57
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		87.52	85.50	80.75	81.76	94.48	99.09	99.02	115.28
Estimated Hog Margin	-28.79	-35.14	-31.18	-31.59	-25.02	-13.65	-8.88	-8.15	-2.12
Soymeal Delivered	463	490	381	381	381	380	379	379	380
Corn Delivered	149	152	155	149	151	153	155	157	159

Rothsay Animal Vegetable Feed Fat

\$625/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

