



Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, August 24, 2009

Hog Prices: ↑

Soymeal: ↑

Corn: ↓

Cdn Dollar: ↑

US Slaughter	
2.228 Mill—Last Week's	
2.238 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$46.36
Western Corn Belt	\$46.85
Daily National Price	\$51.53
Daily Sig #3 Est. (M.Leaf)	\$92.74
Daily Sig #4 Est. (M.Leaf)	\$98.78
B of C Ex. Rate (Noon)	
\$1.0799 CAD / \$0.9260 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending August 21st, 2009	
42.86 / 94.50 Signature #3	
45.50 / 100.30 Signature #4	
41.50 / 91.50 MPMC Cash	
38.88 / 85.72 Springhill	

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Manitoba Pork Marketing's forward contract prices opened higher this morning. Cash hog prices are starting the week firmer as product values made an unexpected surge on Friday, initiating a significant improvement in estimated packer margins. Specifically, the ham primal cuts gained over \$8.00/cwt according to the USDA, amounting to a 20% improvement in one day. Last week's slaughter was larger than what was projected by the latest USDA Hogs and Pigs Report, but did come up shy of both last week and last year's numbers. October and December Lean Hog futures are maintaining a premium over the current cash market, despite the reality that hog supplies will likely grow by another 150,000 hogs per week between now and the 4th Quarter of 2009.

Canadian delivered soymeal prices opened higher this morning. Soybean futures saw a sharp rally overnight, despite a higher US Dollar. Traders remain concerned about the lateness of this year's crop and the possibility of an early frost doesn't appear to be adequately accounted for in current soymeal pricing. The Canadian Dollar is above \$0.93US, but with the recent strong gains made by the soy complex, it's having little effect in tempering pricing.

Canadian delivered corn prices opened lower this morning. Corn's gains continued through the overnight session. Gains made by corn futures are much more restrained than that of soybeans, largely due to the fact that despite stable demand—this year's crop is expected to be the 2nd largest in US history.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range		91.43	87.96	79.63	77.07	87.98	97.30	99.27	105.72
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		92.42	90.44	85.58	86.57	97.89	101.86	101.27	117.02
Estimated Hog Margin	-30.80	-32.07	-28.36	-28.59	-24.50	-13.76	-9.55	-8.78	-2.70
Soymeal Delivered	490	518	397	397	397	385	373	373	372
Corn Delivered	151	154	157	151	153	155	157	159	161



Rothsay Animal Vegetable Feed Fat

\$600/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

