



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237

or visit www.mpmc.mb.ca

Tuesday, August 25, 2009

Hog Prices: ↓

Soymeal: ↑

Corn: ↔

Cdn Dollar: ↑

US Slaughter	
421,000—Monday's	
432,000—Monday's (Year Ago)	
US Iowa/Sthrn MN	\$46.34
Western Corn Belt	\$46.56
Daily National Price	\$50.71
Daily Sig #3 Est. (M.Leaf)	\$91.68
Daily Sig #4 Est. (M.Leaf)	\$96.70
B of C Ex. Rate (Noon)	
\$1.0742 CAD / \$0.9309 US	
Cash Price (\$/cwt/pkg)	
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 lower this morning. US cash markets are trading steady again today with packers content to start the week at levels similar to Friday as the increase in the pork cut-out values have made significant improvements to estimated packer margins. However, Lean Hog futures started the week with a \$1.00/cwt drop to most contracts as traders reacted to the most recent Cold Storage Report. The USDA reported supplies of pork on July 31 were about 8% larger than July 2008, but these numbers were not unexpected given the degree to which export sales have slumped in the last several months. The Canadian Dollar continues to trade with high volatility, trading around 93 cents US after a dip below 90 cents less than a week ago. Higher energy and stock markets combined with a relatively low risk of inflation in the short term have contributed to the recent rally.

Canadian delivered soymeal prices opened higher this morning. After making strong gains yesterday, soybean futures traded lower overnight. Yesterday's USDA Crop Conditions Report rated 69% of the soybean crop as good/excellent, a 3% improvement from last week—and 15% higher than the 10-year average. Long range weather forecasts are anticipating a cooling pattern beginning late next week.

Canadian delivered corn prices opened steady this morning. Corn futures rallied sharply yesterday, but traded lower overnight, despite a lower US Dollar late in the session. Crop conditions improved, with 70% at the good/excellent level. Only 18% of the crop has reached the dent stage, far off from the 5-year average of 43% for this timeframe.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range		89.93	86.37	77.49	76.11	84.99	96.15	98.12	104.54
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		90.91	88.94	83.41	84.40	94.86	100.10	100.10	115.44
Estimated Hog Margin	-30.80	-32.07	-28.36	-28.59	-24.50	-13.76	-9.55	-8.78	-2.70
Soymeal Delivered	500	525	399	399	399	389	385	385	384
Corn Delivered	151	154	157	151	153	155	157	159	161

**Please Join Us In Celebrating
The Grand Opening Of...**

Lunch Will Be Served

MPMC's New Assembly Yard Located at Winnipeg Livestock

(Highway #6 & Provincial Road 236)

Friday, August 28th 2009

12:00 Noon to 3:00 PM