



Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, August 31, 2009

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↔

Cdn Dollar: ↑

Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash markets are starting the week with slightly higher bids as packer margins are still well above average after last week's surge in wholesale pork prices. Last week's slaughter came in at 2.2 million hogs, slightly lower than last year. However, total pork production has consistently exceeded year ago levels as carcass weights are up more than 5 pounds. Lean Hog futures are being supported by the firmer cash market, but traders are awaiting a surge in hog supplies in the next several weeks which will have a bearish impact on the market. The Canadian Dollar is trading lower this morning, with the predominant factor being the Bank of Canada's threat to take action to weaken our currency against the US Dollar.

Canadian delivered soymeal prices opened lower this morning. Soybean futures were down dramatically in the overnight session, mainly due to an increasingly favourable weather outlook. Forecasters are calling for above normal temperatures through to mid September, which should safely put the majority of the soybean crop past a critical point in which a frost would have been devastating.

Canadian delivered corn prices opened steady this morning. After trading lower on Friday, corn futures moved lower in the overnight session. Weakness in energy markets is helping maintain corn's bearish tone, with crude oil futures once again trading below \$70US. The Canadian Dollar is somewhat weaker this morning, trading around \$0.9050US at open, minimizing the impact of these losses.

US Slaughter	
2.196 Mill—Last Week's	
2.227 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$46.75
Western Corn Belt	\$47.08
Daily National Price	\$50.62
Daily Sig #3 Est. (M.Leaf)	\$93.88
Daily Sig #4 Est. (M.Leaf)	\$97.74
B of C Ex. Rate (Noon)	
\$1.0879 CAD / \$0.9192 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending August 28th, 2009	
41.66 / 91.85 Signature #3	
44.68 / 98.51 Signature #4	
40.30 / 88.85 MPMC Cash	
37.78 / 83.28 Springhill	

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	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Fixed Forward Range		88.00	78.87	77.64	86.66	98.68	99.51	106.03	120.86
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-31.31	-28.28	-29.88	-25.40	-14.98	-9.54	-8.09	-1.45	8.10
Soymeal Delivered	580	595/412	412	412	397	398	398	394	394
Corn Delivered	152	154	151	153	155	157	159	161	163

Rothsay Animal Vegetable Feed Fat

\$560/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

