



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, September 03, 2009

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↔

Cdn Dollar: ↓

Manitoba Pork Marketing's forward contract prices opened mixed this morning. US packers are maximizing their production schedules this week by adding an extra 60,000 hogs to their slaughter in order to make up for down time from next week's holiday. Packers had been bidding up the market early in the week, but are starting to drop their bids as supplies are abundant and meat prices have slid from the highs seen earlier this week. Ham values may have garnered extra attention from the export market due to the low prices, leading to the sharp rally in the last few weeks. However, increased export sales were probably short lived as buyers were only looking for inexpensive cuts. Lean Hog futures are expected to erode further as product markets weaken and hog supplies ramp up over the next several weeks.

Canadian delivered soymeal prices opened lower this morning. Overnight a lower US Dollar and supportive outside markets put an end to the bearish action seen in the soy complex for the better part of this week. The next WASDE Report is due on September 11th, and with the lateness of this year's crop, this Report could bring a good buying opportunity for producers looking to secure soymeal for the upcoming year.

Canadian delivered corn prices opened steady this morning. Sellers still appear to remain sparse, limiting any substantial movement for corn futures. Crude oil was modestly supportive overnight, but losses early this morning could hamper any bullish support for today. The Canadian Dollar remains relatively unchanged from yesterday, opening around \$0.9050US this morning

US Slaughter	
430,000—Wednesday's	
430,000—Wednesday's (Year Ago)	
US Iowa/Sthrn MN	\$48.62
Western Corn Belt	\$48.96
Daily National Price	\$51.41
Daily Sig #3 Est. (M.Leaf)	\$99.30
Daily Sig #4 Est. (M.Leaf)	\$102.35
B of C Ex. Rate (Noon)	
\$1.1065 CAD / \$0.9038 US	
Cash Price (S/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		91.29	82.19	82.51	91.64	102.79	104.85	111.44	125.33
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		96.75	88.26	89.27	101.77	106.84	106.84	121.27	132.94
Estimated Hog Margin	-31.31	-28.28	-29.88	-25.40	-14.98	-9.54	-8.09	-1.45	8.10
Soymeal Delivered	538	553/391	391	391	391	386	386	388	388
Corn Delivered	150	153	150	152	154	156	158	160	162

Rothsay Animal Vegetable Feed Fat

\$553/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

