



Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, September 08, 2009

Hog Prices: ↓

Soymeal: ↓↑

Corn: ↓

Cdn Dollar: ↑

US Slaughter	
2.256 Mill—Last Week's	
2.049 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$49.61
Western Corn Belt	\$49.60
Daily National Price	\$52.74
Daily Sig #3 Est. (M.Leaf)	\$99.00
Daily Sig #4 Est. (M.Leaf)	\$101.93
B of C Ex. Rate (Noon)	
\$1.0889 CAD / \$0.9184 US	
Cash Price (S/cwt/kg)	
Cash prices for week ending September 4th, 2009	
44.42 / 97.92 Signature #3	
45.52 / 100.35 Signature #4	
43.06 / 94.92 MPMC Cash	
39.99 / 88.17 Springhill	

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Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash markets are starting the week with lower bids as yesterday's holiday has left packers with abundant available live supplies. Packers do not have the same incentive to maximize their slaughter schedule as they did one week ago, as packer margins have eroded by over \$10 per hog. Adding to the downward price pressure is the growing number of market supplies that are in line with normal seasonality. Over the next 6 weeks, the US weekly slaughter will grow by about 25,000 hogs/week. October and December Lean hog futures are holding a small premium to the cash market, while they are normally discounted significantly at this time of year. The Canadian Dollar is trading sharply higher, however, it is trading with higher volatility ahead of the Bank of Canada's rate and policy statement. Traders are watching for evidence that the Bank will increase the money supply in an effort to limit increases in our currency.

Canadian delivered soymeal prices opened mixed this morning. A sharply lower US Dollar is helping once again to push old crop soymeal above the \$500/MT mark. New crop soymeal is still seeing a bearish undertone, as the weather outlook remains favourable with above seasonal temperatures expected for the next couple weeks.

Canadian delivered corn prices opened lower this morning. Strength in stock and energy markets led to a slight rally for corn overnight, but it closed only marginally higher amidst continued weakness from the weather outlook. The Canadian Dollar is trading above \$0.93US at open, increasing purchasing power, setting a new low for cash corn in 2009.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Fixed Forward Range		91.53	82.58	81.11	90.07	99.62	101.65	108.12	121.46
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		93.82	88.55	89.54	100.02	104.00	103.64	117.48	128.93
Estimated Hog Margin	-28.28	-25.58	-26.89	-22.51	-12.62	-7.52	-6.43	-0.28	9.03
Soymeal Delivered	507	382	382	382	376	368	368	369	369
Corn Delivered	145	148	145	147	149	151	153	155	157



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

