



Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, September 21, 2009

Hog Prices: ↓
Soymeal: ↓
Corn: ↓
Cdn Dollar: ↓

US Slaughter	
2.310 Mill—Last Week's	
2.327 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$50.39
Western Corn Belt	\$50.87
Daily National Price	\$54.68
Daily Sig #3 Est. (M.Leaf)	\$100.00
Daily Sig #4 Est. (M.Leaf)	\$104.08
B of C Ex. Rate (Noon)	
\$1.0724 CAD / \$0.9325 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending September 18th, 2009	
45.31 / 99.90 Signature #3	
46.57 / 102.66 Signature #4	
44.30 / 97.66 MPMC Cash	
41.49 / 91.46 Springhill	

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Manitoba Pork Marketing's forward contract prices opened lower this morning. US packers are pulling back on their cash bids as hog supplies are more abundant in spite of the expanded slaughter schedule seen in recent weeks. Last week's hog slaughter came in at over 2.3 million hogs, only slightly less than last year's level. However, carcass weights continue to exceed year ago levels by more than 4 pounds, causing total pork production to exceed levels seen in September 2008. Lean Hog futures were unable to maintain the gains made early last week, but the October and December contracts continue to trade near par value to the cash market. Typically these contracts trade at a discount to the cash market as the market factors in a larger hog supply than what the cash market is experiencing.

Canadian delivered soymeal prices opened lower this morning. The soy complex closed lower on Friday and went on to once again trade significantly lower in the overnight session. The weather forecast for most soybean growing areas is for warm temperatures through until the end of the week, with a cool down starting mid next week.

Canadian delivered corn prices opened lower this morning. A higher US Dollar, weakness in outside markets and sharp losses for crude oil helped move corn futures lower overnight. The Canadian Dollar is opening lower than Friday—minimizing the full benefit of corn's recent losses and moving the cash price only marginally lower.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Fixed Forward Range (Maple Leaf Sig. #3)		92.15	83.32 -	83.92 -	92.74 -	104.51 -	106.97 -	113.34 -	125.80 -
Estimated Hog Margin	-25.37	-21.56	-21.48	-16.68	-8.56	-3.58	-2.56	2.89	11.49
Soymeal Delivered	395	374	368	368	372	363	363	372	372
Corn Delivered	145	148	145	147	149	151	153	155	157



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www.hogdays.ca

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