



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237
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Thursday, September 24, 2009

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

US Slaughter	
432,000	—Wednesday's
434,000	—Wednesday's (Year Ago)
US Iowa/Sthrn MN	\$49.79
Western Corn Belt	\$50.05
Daily National Price	\$54.54
Daily Sig #3(M.Leaf)	\$98.38
Daily Sig #4(M.Leaf)	\$103.81
#1 Export Sows (+500lbs)	\$20.05/cwt
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 cash markets are trending lower, with most packers having little trouble sourcing enough live supplies to meet their slaughter schedule. Longer term, weaker wholesale pork prices are expected to put more pressure on packer bids as packers will look to protect their operating margins. All of the primal cuts saw weakness in yesterday's USDA Carlot Pork Report, but hams continue to be the weakest, trading close to \$30/cwt lower than last year. Lean Hog futures were able to rebound from early week losses. The August Cold Storage Report provided some fundamental support to the October and December contracts. The Canadian Dollar is trading lower, with traders referencing comments from an official at the Bank of Canada that reiterates its belief that the high valued Loonie could limit Canada's recovery from the global economic recession.

Canadian delivered soymeal prices opened mixed this morning. After trading mixed yesterday, the soy complex went on to trade significantly lower overnight. These losses are negated by a lower Canadian Dollar, trading below \$0.93US at open leaving the 12 month average for new crop soymeal unchanged from yesterday morning at \$360/MT.

Canadian delivered corn prices opened higher this morning. Corn's gains yesterday were erased in the overnight session as a higher US Dollar and drastic drop in crude oil pricing set a negative tone. This morning's USDA Export Sales Report showed corn sales topping analysts' expectations of 1 million tonnes.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Fixed Forward Range (Maple Leaf Sig. #3)		91.43	82.61 -	83.02 -	91.84 -	102.72 -	104.68 -	111.05 -	124.28 -
Estimated Hog Margin	-25.37	-21.56	-21.48	-16.68	-8.56	-3.58	-2.56	2.89	11.49
Soymeal Delivered	386	386/378	359	359	363	358	358	361	361
Corn Delivered	149	152	149	151	153	157	159	161	163



Rothsay Animal Vegetable Feed Fat

\$523/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

