



Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, October 06, 2009

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

US Slaughter	
433,000—Monday's	
433,000—Monday's (Year Ago)	
US Iowa/Sthrn MN	\$47.47
Western Corn Belt	\$47.90
Daily National Price	\$52.50
Daily Sig #3(M.Leaf)	\$94.45
Daily Sig #4(M.Leaf)	\$100.23
#1 Export Sows (+500lbs)	\$22.65/cwt
B of C Ex. Rate (Noon)	
\$1.0757 CAD / \$0.9296 US	
Cash Price (\$/cwt/kg)	
Cash prices for week ending October 2nd, 2009	
44.16 / 97.35 Signature #3	
46.47 / 102.45 Signature #4	
43.53 / 95.96 MPMC Cash	
40.75 / 89.83 Springhill	

Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash markets are trading lower with pressure coming from the abundant supplies that are coming to market. Packers are not being forced to compete for the live hogs as slaughter levels have been record large for this time of year while wholesale pork prices are falling. Lean Hog futures are trading steady to lower in relatively low volume. The market failed to react positively to the details of Canada's transition program that attempts to encourage producers to exit production for a minimum of 3 years. The Loonie started the week sharply higher yesterday, despite lower energy and commodity markets. The primary focus on currency markets was weakness in the US Dollar after an uneventful G-7 meeting and the belief that the US Dollar will steadily lose value against most other world currencies.

Canadian delivered soymeal prices opened higher this morning. A change in weather forecasts yesterday, including a higher risk of widespread frost, helped push soymeal futures to close moderately higher. Yesterday's USDA Crop Progress Report showed only 15% of the crop harvested as of Sunday—20% behind the 10-year average.

Canadian delivered corn prices opened higher this morning. The corn harvest continues to lag, with only 10% complete—compared to the 10-year average of 28%. A sharp rally in crude oil yesterday continued through the overnight session, adding further support. These gains are tempered slightly by another strong jump for the Canadian Dollar, up almost 2 full cents from yesterday's noon rate.

This information is intended to help you make your own pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of MPMC.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range		80.30	80.94	89.76	101.43	103.40	109.77	122.51	127.42
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-22.16	-23.91	-18.42	-10.90	-5.05	-3.68	1.77	10.28	12.10
Soymeal Delivered	368/363	354	354	354	351	351	352	352	352
Corn Delivered	159	159	161	163	165	167	169	171	173

Rothsay Animal Vegetable Feed Fat

\$519/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

