



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, October 07, 2009

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

US Slaughter	
434,000—Tuesday's	
437,000—Tuesday's (Year Ago)	
US Iowa/Sthrn MN	\$49.23
Western Corn Belt	\$49.15
Daily National Price	\$52.33
Daily Sig #3(M.Leaf)	\$95.24
Daily Sig #4(M.Leaf)	\$98.19
#1 Export Sows (+500lbs) \$22.65/cwt	
B of C Ex. Rate (Noon)	
\$1.0571 CAD / \$0.9460 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 higher this morning. Cash markets are surprising analysts this week with most of the cash market regions in the US rallying more than \$1.00/cwt yesterday. Hog producers have not slowed their deliveries as they continue to minimize their operating losses by staying current with marketings. Wholesale pork prices have been experiencing some losses, but continue to trade in the mid to low \$50/cwt despite a lack of any support for ham prices. Lean Hog futures finished yesterday with strong gains, with traders citing the cash market gains as supportive. However, this morning's trade is giving back some of yesterday's gains. The Canadian Dollar jumped sharply yesterday on higher oil prices and weak US Dollar fundamentals, taking our currency back to the highest level in one year.

Canadian delivered soymeal prices opened higher this morning. The soy complex saw a sharp weather-fuelled rally yesterday, but a stronger US Dollar overnight helped soybeans trade relatively flat overnight. Today, Brazil's National Commodity Supply Corporation is set to release its first soybean crop estimate of the year—which is expected to be higher than previous USDA estimates.

Canadian delivered corn prices opened higher this morning. Corn saw a sharp rally yesterday and is receiving strong support from crop maturity concerns heading towards a widespread frost this weekend. Today's estimate for the Brazilian corn crop is likely to be in line with USDA expectations, due to the possibility of acres switching from corn to soybeans.

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		84.69	85.57	94.31	105.38	107.33	113.65	125.59	130.30
(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	374/371	356	356	354	351	351	351	351	351
Corn Delivered	160	160	162	164	166	168	170	172	174



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