

Thursday, October 08, 2009

Hog Prices: ↑

Soymeal: ↑

Corn: ↔

Cdn Dollar: ↓

US Slaughter	
435,000—Wednesday's	
427,000—Wednesday's (Year Ago)	
US Iowa/Sthrn MN	\$49.31
Western Corn Belt	\$49.50
Daily National Price	\$52.73
Daily Sig #3(M.Leaf)	\$96.35
Daily Sig #4(M.Leaf)	\$99.39
#1 Export Sows (+500lbs) \$22.65/cwt	
B of C Ex. Rate (Noon) \$1.0619 CAD / \$0.9417 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	

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Manitoba Pork Marketing's forward contract prices opened higher this morning. US cash markets are expected to finish the week on a steady trend as packers are planning for a Saturday kill in excess of 150,000 hogs and are forced to compete against each other to achieve their slaughter requirements. In spite of the high production levels, packer margins have been under pressure from a falling cut-out and are estimated at a breakeven. Yesterday, Lean Hog futures climbed to near limit up and were able to maintain the gains into the close. Brokers cite fund buying as the main reason for the rally, as technical indicators triggered widespread buying by the large funds. The Canadian Dollar lost some value and contributed to better forward contract prices as weaker energy prices had the Loonie fall from early week gains that surpassed the highest level in more than a year.

Canadian delivered soymeal prices opened higher this morning. After closing higher yesterday, the soy complex went on to again push higher in the overnight session—mainly due to a weak US Dollar. A 12 month average for soymeal is now sitting at roughly \$359/MT, relatively flat from last week.

Canadian delivered corn prices opened steady this morning. Corn appears to be poised to end the week on a high note with another rally overnight. Pressure from the expected frost this weekend appears to be well accounted for in futures pricing, with the low US Dollar likely to be the pre-dominant factor this morning. Cash corn is up approximately \$8/MT over the past week.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range		87.17	87.62	96.39	108.03	109.99	116.33	128.28	132.90
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		90.10	93.99	106.14	111.93	111.94	124.38	135.59	137.54
Estimated Hog Margin	-22.16	-23.91	-18.42	-10.90	-5.05	-3.68	1.77	10.28	12.10
Soymeal Delivered	383/379	361	361	359	355	355	352	352	355
Corn Delivered	160	160	162	164	166	168	170	172	174



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

