



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237

or visit www.mpmc.mb.ca

Tuesday, October 13, 2009

Hog Prices: ↓

Soymeal: ↑

Corn: ↑

Cdn Dollar: ↑

US Slaughter	
2.299 Mill—Last Week's	
2.374 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$48.39
Western Corn Belt	\$48.44
Daily National Price	\$52.62
Daily Sig #3(M.Leaf)	\$92.75
Daily Sig #4(M.Leaf)	\$97.36
#1 Export Sows (+500lbs)	\$22.65/cwt
B of C Ex. Rate (Noon)	
\$1.0424 CAD / \$0.9593 US	
Cash Price (\$/cwt/kg)	
Cash prices for week ending October 9th, 2009	
43.25 / 95.35 Signature #3	
45.18 / 99.61 Signature #4	
42.52 / 93.74 MPMC Cash	
40.03 / 88.26 Springhill	

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.

Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash markets are starting the week steady despite weak packer margins due to falling fresh pork values. Packers had some difficulty sourcing the live supplies to meet their production schedule last week, reflected by the smaller than expected slaughter at 2.3 million hogs. Cash bids could start to see weakness mid-way through the week if packers believe they will need to make cuts to their Saturday kill schedule. Lean Hog futures are trading at a large premium to the cash market, and could come under pressure if cash markets start to see weakness. The Canadian Dollar is trading near 97 cents US, the highest level in more than a year. Forward prices currently represent fair value given the recent surge in Lean Hog futures.

Canadian delivered soymeal prices opened higher this morning. Soybeans have seen strong rallies over the past couple days, which can be attributed mainly to a weaker US Dollar. China has started to shift its focus to South American soybeans in recent days, which could begin to limit gains. A 12 month average for soymeal is currently sitting around \$370/MT.

Canadian delivered corn prices opened higher this morning. After a sharp rally yesterday, corn went on to trade marginally lower in the overnight session. Crude oil is providing support to futures pricing, with crude trading above \$74US overnight.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range		89.04	85.82	94.36	105.45	107.39	113.56	125.13	129.88
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
		90.93	92.82	103.84	109.25	109.29	121.34	132.25	134.15
Estimated Hog Margin	-20.60	-17.70	-13.37	-5.90	-0.51	0.74	5.99	14.24	15.60
Soymeal Delivered	394	379	379	374	373	373	371	371	370
Corn Delivered	160	160	162	164	166	168	170	172	174



Rothsay Animal Vegetable Feed Fat

\$538/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

