



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, October 14, 2009

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

US Slaughter	
432,000—Tuesday's	
429,000—Tuesday's (Year Ago)	
US Iowa/Sthrn MN	\$50.01
Western Corn Belt	\$49.86
Daily National Price	\$52.62
Daily Sig #3(M.Leaf)	\$94.12
Daily Sig #4(M.Leaf)	\$96.18
#1 Export Sows (+500lbs) \$22.65/cwt	
B of C Ex. Rate (Noon)	
\$1.0298 CAD / \$0.9711 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	

Manitoba Pork Marketing's forward contract prices opened higher this morning. US cash markets are trading strong mid-week as packers have opted to compete for the available supplies instead of making cuts to their Saturday kill schedule. Helping make their decision was improved wholesale pork prices that are seeing a recovery from last week's losses, with all primal cuts contributing to the higher trend. Lean Hog futures did not see the same strength, but the December contract is maintaining a premium of about \$4.00/cwt over the current cash market, while the normal relationship of cash to futures is typically a discount of the same amount. The Canadian Dollar made up for lost time on this shortened week by spiking to over \$0.97US yesterday. The Loonie has cooled from yesterday's highs, but is still seeing bullish influence from strong energy prices and widespread weakness in the US Dollar.

Canadian delivered soymeal prices opened this higher morning. Yesterday's USDA Crop Progress Report showed that as of Sunday, harvest was 34% behind the 5-year average. Crop conditions also saw a 2% drop in the portion of the crop considered good/excellent. Soymeal pricing is benefiting from increased purchasing power, with the Canadian Dollar trading above \$0.9725US at open.

Canadian delivered corn prices opened higher this morning. While crop conditions for corn remained stable, only 13% of the crop has been harvested, well below the 5-year average of 35%. Weather remains a concern as below normal temperatures threaten the late planted crops and wet weather across much of the Corn Belt is slowing the harvest.

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		90.53	87.24	95.78	106.51	108.47	114.64	126.23	130.98
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-20.60	-17.70	-13.37	-5.90	-0.51	0.74	5.99	14.24	15.60
Soymeal Delivered	397	382	382	378	373	373	370	370	369
Corn Delivered	162	162	164	168	170	172	174	176	178



December 2nd & 3rd, Keystone Centre, Brandon MB
More than 150 exhibits, featuring the most recent developments in supplies, services, machinery and hog production techniques!
Two days of expert speakers ~ Swine Carcass Competition
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