

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↑

Cdn Dollar: ↓

US Slaughter	
432,000—Tuesday's	
429,000—Tuesday's (Year Ago)	
US Iowa/Sthrn MN	\$53.15
Western Corn Belt	\$53.21
Daily National Price	\$53.85
Daily Sig3(M.Leaf)	\$102.41
Daily Sig4(M.Leaf)	\$100.37
4-Month Fwd Avg	\$103.45
#1 Export Sows (+500lbs) \$22.75/cwt	
B of C Ex. Rate (Noon)	
\$1.0500 CAD / \$0.9524 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending October 16th, 2009	
42.32 / 93.29 Signature #3	
43.86 / 96.70 Signature #4	
41.06 / 90.53 MPMC Cash	
39.02 / 86.02 Springhill	

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Wednesday, October 21, 2009

Manitoba Pork Marketing's forward contract prices opened mixed this morning. Packers added more than \$2.00/cwt to cash bids yesterday, while at the same time wholesale pork prices dropped by about \$1.50/cwt, shrinking estimated packer margins to just under \$4.00 per hog. If bids continue to climb into Saturday, packers could be dealing with negative margins, which could trigger cuts to production. Lean hog futures retreated to the lower levels of last week, but continue to hold a premium to the cash market. Weaker product markets weighed on the market, calling into question the premium that the December contract holds to the cash market. The Canadian Dollar defied the influence of commodity markets yesterday and dropped by nearly 2 cents against the US Dollar. The weakness was attributed to a Bank of Canada statement that the recent rally in the Loonie will have a very detrimental impact on our economic recovery.

Canadian delivered soymeal prices opened lower this morning. Soybeans continued their move lower from yesterday into the overnight session despite a lower US Dollar. This bearish action is receiving support from a positive crop outlook for South American soybeans, with some analysts expecting a record breaking crop. A 12 month average for soymeal is now sitting at roughly \$364/MT.

Canadian delivered corn prices opened higher this morning. A sharp selloff in crude oil yesterday and overnight helped corn futures close lower. The weather outlook for the balance of the week is helping corn rally today, with scattered showers moving across the US Midwest into the Corn Belt.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range (Maple Leaf Sig. #3)		92.03	94.07 -	98.40 -	109.96 -	110.75 -	117.01 -	128.32 -	133.13 -
			95.89	108.03	112.65	112.68	124.47	135.54	137.47
Estimated Hog Margin	-21.79	-18.76	-14.87	-7.78	-2.70	-1.70	3.18	11.00	12.20
Soymeal Delivered	388	377	377	364	362	362	360	360	360
Corn Delivered	170	170	172	174	176	178	180	182	184



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