

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

Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, October 23, 2009

Manitoba Pork Marketing's forward contract prices opened higher this morning. US cash

markets are finishing the week on a steady trend as packers were

forced to maintain the cash bids in order to secure enough supplies to meet tomorrow's slaughter. However, their gross margin per hog declined as wholesale pork prices weakened. The USDA released its Cold Storage Report earlier this week and the results were somewhat surprising. Total pork in storage was up only 1% over last year's level, while September pork production exceeded last year's by closer to 2%. This could represent an improvement in demand, possibly in both domestic and export markets. The Canadian Dollar has dropped to less than 95 cents, providing a significant boost to both cash and forward contract prices.

Canadian delivered soymeal prices opened higher this morning. Despite a slightly higher US Dollar overnight, soybeans continued their rally from yesterday into the overnight session. Weather remains the primary influence in this week's gains. The 12 month average for soymeal is sitting at \$377/MT at open, up \$12/MT from one week ago.

Canadian delivered corn prices opened higher this morning. Widespread rain and fund buying helped corn futures maintain their bullish tone overnight. The Canadian Dollar has dropped by 2 cents from last Friday (reaching below \$0.95US this morning), decreasing purchasing power and amplifying the recent gains for futures.

Weekly Comparison

WCB Cash (cwt)	+ \$3.02
ISM Cash (cwt)	+ \$3.54
Forward Prices (ckg)	+ \$3-7
CDN Dollar (Per US\$)	- 0 .0169

US Slaughter	
430,000—Thursday's	
433,000—Thursday's (Year Ago)	
US Iowa/Sthrn MN	\$52.46
Western Corn Belt	\$52.52
Daily National Price	\$55.06
Daily Sig3(M.Leaf)	\$100.94
Daily Sig4(M.Leaf)	\$102.48
4-Month Fwd Avg	\$103.64
#1 Export Sows (+500lbs) \$22.75/cwt	
B of C Ex. Rate (Noon)	
\$1.0485 CAD / \$0.9537 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending October 23rd, 2009	
44.73 / 98.61 Signature #3	
45.22 / 99.69 Signature #4	
42.74 / 94.23 MPMC Cash	
40.51 / 89.31 Springhill	

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	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range (Maple Leaf Sig. #3)		92.01	94.28 - 95.87	98.61 - 108.23	109.14 - 112.98	110.93 - 112.98	117.18 - 125.35	129.19 - 136.40	133.99 - 138.42
Estimated Hog Margin	-22.19	-19.62	-15.37	-8.38	-3.16	-1.91	3.34	11.38	12.84
Soymeal Delivered	403	400	395	381	379	379	374	374	369
Corn Delivered	174	174	176	178	180	182	184	186	188



MPMC's Fall Marketing Meetings



Brandon - Wed Nov 4th (NOON)
 Royal Oak Inn & Suites
 (Light Lunch)

Starbuck - Thurs Nov 5th (1:30PM)
 Starbuck Community Hall
 (Pork On A Bun)

Steinbach - Fri Nov 6th (NOON)
 Smitty's Restaurant
 (Light Lunch)