



# Hog Margin Outlook

Meeting Your Marketing Needs

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

Hog Prices: ↓↑

Soymeal: ↑

Corn: ↔

Cdn Dollar: ↓

Friday, November 13, 2009

**Manitoba Pork Marketing's forward contract prices opened mixed this morning.** US cash markets are finishing the week

lower as weaker pork prices and ample live supplies have triggered most packers to drop their cash bids. The week's slaughter is expected to come in well under 2.3 million hogs due to a slightly reduced slaughter on Remembrance Day. Lean hog futures saw little influence from the USDA's announcement of a 50 million dollar inclusion of pork in their school lunch programs. Optimism appears to be waning compared to the highs put in last week when winter and summer month contracts were trading \$1.50-\$4.00/cwt higher than this morning. The Canadian Dollar is seeing some weakness as oil and stock markets are finishing down from their recent highs seen earlier this week.

<u>Weekly Comparison</u>	
WCB Cash (cwt)	- \$1.41
ISM Cash (cwt)	- \$1.19
Forward Prices (ckg)	- \$1-5
CDN Dollar (Per US\$)	+ 0 .0118

**Canadian delivered soymeal prices opened higher this morning.** Soymeal futures saw sharp gains yesterday which continued through the overnight session. This recent bullish tone can be attributed to traders concerned with corn quality, pushing many traders to a soymeal/corn spread. A 12 month average is now up to \$370/MT.

**Canadian delivered corn prices opened steady this morning.** Corn saw losses yesterday and closed marginally higher overnight. Buying has shifted to soymeal as traders become concerned the a sizeable percentage of the corn crop could be found to have vomitoxin issues which would likely lead to an increase in use of soymeal.

<b>US Slaughter</b>	
435,000	–Thursday's
440,000	–Thursday's (Year Ago)
US Iowa/Sthrn MN	\$52.66
Western Corn Belt	\$52.94
Daily National Price	\$57.01
Daily Sig3(M.Leaf)	\$102.08
Daily Sig4(M.Leaf)	\$106.45
4-Month Fwd Avg	\$108.85
#1 Export Sows (+500lbs)	\$31.50/cwt
<b>B of C Ex. Rate (Noon)</b>	
\$1.0519 CAD / \$0.9507 US	
<b>Cash Price (\$/cwt/ckg)</b>	
Cash prices for week ending November 13th, 2009	
47.02 / 103.67	Signature #3
48.48 / 106.87	Signature #4
45.77 / 100.90	MPMC Cash
43.25 / 95.34	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.*

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)		91.84	100.54	110.69	112.66	118.46	131.42	136.04	136.33
		-	-	-	-	-	-	-	-
		97.16	110.21	114.56	114.59	127.55	137.22	140.61	137.49
Estimated Hog Margin	-13.01	-15.64	-6.97	-1.57	-0.15	5.38	13.66	14.89	13.80
Soymeal Delivered	402	397	376	373	373	370	370	370	370
Corn Delivered	168	170	172	174	176	178	180	182	184

## Rothsay Animal Vegetable Feed Fat

**\$518/tonne ↓ (2 – 19 mt)**

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

\*Price quoted is FOB Southeast Manitoba

