



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday December 3, 2009

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↓

Cdn Dollar: ↓

US Slaughter	
420,000	—Wednesday's
437,000	—Wednesday's (Year Ago)
US Iowa/Sthrn MN	\$57.65
Western Corn Belt	\$57.57
Daily National Price	\$59.33
Daily Sig3(M.Leaf)	\$110.46
Daily Sig4(M.Leaf)	\$110.23
4-Month Fwd Avg	\$125.11
#1 Export Sows (+500lbs)	\$32.75/cwt
B of C Ex. Rate (Noon)	
\$1.0468 CAD / \$0.9553 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending November 27th, 2009	
48.26 / 106.40	Signature #3
47.80 / 105.38	Signature #4
46.72 / 103.00	MPMC Cash
45.17 / 99.58	Springhill

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Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash markets continue their gains as packers are finding it difficult to meet the slaughter requirements for this weekend's kill. Packers have a strong incentive to maximize their production schedule as operating margins are good and the trend continues to favour building inventory. Producers apparently were very current with their deliveries going into the Thanksgiving Holiday and have forced packers to compete for the limited supply of market ready hogs. Funds and speculators are fueling gains in the Lean Hog futures, as they trade largely on technical indicators that continue to reflect a bullish trend. However, the recent strength in the Canadian Dollar has negated most of the gains in the Lean Hog futures.

Canadian delivered soymeal prices opened lower this morning. Cash soymeal prices moved lower throughout the day yesterday, fuelled by weakness in the soy complex from heavy fund and farmer selling. A higher US Dollar overnight helped the soy complex carry its losses into the overnight session. Losses today for soymeal futures could move the cash price back below the \$400/MT mark.

Canadian delivered corn prices opened lower this morning. Corn futures continued their losses overnight, receiving minimal support from funds. Scattered showers are expected for parts of the US Corn Belt—further delaying the final stretch of harvesting. This weather system is expected to clear out before the end of the week, hopefully in time to see a solid jump in Monday's USDA Crop Progress Report.

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		112.82 - 122.46	123.42 - 127.27	123.93 - 127.27	128.75 - 134.14	138.96 - 142.82	141.04 - 146.19	140.56 - 142.49	135.55 - 140.56
Estimated Hog Margin	-7.31	-1.97	3.02	3.86	7.84	14.76	16.27	14.99	12.55
Soymeal Delivered	405	392	385	385	381	381	382	384	382
Corn Delivered	169	171	173	175	177	179	181	183	185



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

