



# Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237  
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Hog Prices: ↓↑  
Soymeal: ↓  
Corn: ↓  
Cdn Dollar: ↑

US Slaughter	
431,000—Thursday's	
436,000—Thursday's (Year Ago)	
US Iowa/Sthrn MN	\$58.87
Western Corn Belt	\$59.13
Daily National Price	\$59.93
Daily Sig3(M.Leaf)	\$114.26
Daily Sig4(M.Leaf)	\$112.14
4-Month Fwd Avg	\$122.87
#1 Export Sows (+500lbs) \$32.75/cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0542 CAD / \$0.9486 US	
<b>Cash Price (\$/cwt/ckg)</b> Cash prices for week ending December 4th, 2009	
50.35 / 111.00 Signature #3	
50.14 / 110.53 Signature #4	
48.90 / 107.80 MPMC Cash	
46.96 / 103.53 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.*

Friday December 4, 2009

**Manitoba Pork Marketing's forward contract prices opened mixed this morning.** Packers are still trying to top up this weekend's expanded kill and have been forced

to bid up the cash market. Most cash market regions are finishing the week near the US \$60.00/cwt, levels not seen in months. Wholesale pork prices continue to drive the counter-seasonal rally in hog prices with the primal cuts destined for further processing driving the cut-out higher. There continues to be very little difference between recent and year ago slaughter levels, indicating demand factors are providing the predominant force on the market. However, stronger US hog prices are being offset by the stronger Canadian Dollar which is trading nearly 20% higher than levels seen one year ago.

<u>Weekly Comparison</u>	
WCB Cash (cwt)	+ \$2.03
ISM Cash (cwt)	+ \$2.04
Forward Prices (ckg)	+ \$0-3
CDN Dollar (Per US\$)	+ 0.0048

**Canadian delivered soymeal prices opened lower this morning.** Weakness in the US Dollar and support from outside markets helped the soy complex rebound and make strong gains in the overnight session. US unemployment numbers were out this morning and numbers came back far more positive than analysts had expected, which will likely cause a correction in US markets that could be felt in commodity markets.

**Canadian delivered corn prices opened lower this morning.** Yesterday's USDA Export Sales Report showed a sharp drop in corn sales over the past week—dropping 46%. Brisk farmer selling and light buying helped push corn futures sharply lower yesterday with the lower US Dollar aiding corn futures in closing higher overnight. Outside markets could provide significant support this morning.

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		109.79 - 119.44	121.38 - 125.34	121.98 - 125.34	126.81 - 132.89	137.72 - 141.59	140.28 - 144.97	139.60 - 141.73	134.87 - 139.60
Estimated Hog Margin	-7.31	-1.97	3.02	3.86	7.84	14.76	16.27	14.99	12.55
Soymeal Delivered	405	395	391	391	388	388	389	389	389
Corn Delivered	164	166	168	170	172	174	176	178	180



## 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

