

Tuesday, December 08, 2009

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

<b>US Slaughter</b>	
430,000—Monday's	
425,000—Monday's (Year Ago)	
US Iowa/Sthrn MN	\$60.39
Western Corn Belt	\$60.37
Daily National Price	\$60.90
Daily Sig3(M.Leaf)	\$116.31
Daily Sig4(M.Leaf)	\$113.62
4-Month Fwd Avg	\$123.03
#1 Export Sows (+500lbs) \$29.05/cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0511 CAD / \$0.9514 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	

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**Manitoba Pork Marketing's forward contract prices opened lower this morning.** Hog markets are being driven higher by strong demand by packers for live supplies to capitalize on higher wholesale pork prices. The value of ham primal cuts have beaten all expectations over the last several months and will likely continue to drive the carcass cut-out higher for another week. However, beyond this timeframe hams typically lose value as there is not enough time for the product to be processed in order to meet Christmas demand. Lean Hog futures saw some weakness as traders are starting to be cautious of the "holiday glow" on pork prices. However, downside risk is limited if the cash market holds its value. Better than expected job creation in both the US and Canada prevented further weakness to the US Dollar, resulting in a steady trend near US\$0.945.

**Canadian delivered soymeal prices opened higher this morning.** After closing marginally higher yesterday, the soy complex once again rallied into the overnight session seeing little resistance from a steady US Dollar. Soybeans had a 20% jump in this morning's Export Inspections Report, further solidifying the bullish tone. A 12 month average for soymeal is now sitting at roughly \$390/MT.

**Canadian delivered corn prices opened lower this morning.** Yesterday's USDA Crop Progress Report came in at 88% complete. Northern states are still extremely behind, with North Dakota coming in at a mere 53% complete. Traders are expecting to see a jump in ending stocks on Thursday's WASDE Report—maintaining corn's recent bearish tone.

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		112.72	119.48	120.26	125.09	137.64	139.20	139.04	133.21
		-	-	-	-	-	-	-	-
		117.55	123.63	123.63	132.81	141.50	144.88	140.64	139.04
Estimated Hog Margin	-7.31	-1.97	3.02	3.86	7.84	14.76	16.27	14.99	12.55
Soymeal Delivered	410	398	392	392	390	390	393	393	392
Corn Delivered	162	164	166	168	170	172	174	176	178



**Rothsay Animal Vegetable Feed Fat**

**\$513/tonne ↓ (2 – 19 mt)**

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

\*Price quoted is FOB Southeast Manitoba

