

Hog Prices: ↓

Soymeal: ↓

Corn: ↓

Cdn Dollar: ↑

Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237

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Thursday, December 10, 2009

Manitoba Pork Marketing's forward contract prices opened lower this morning. Lean hogs saw relatively flat trading yesterday with the exception of the December contract (that expires Monday), which saw gains putting it at a premium to cash. The US Midwest has been in the grips of a winter storm which has majorly affected hog slaughter numbers, bringing yesterday's count to only 307,000 hogs—down 28% from Tuesday. Russia has now banned imports from an additional 4 US plants, with the possibility of more to follow—due to antibiotic issues. The possibility of a drop in US pork exports to Russia is creating a bearish tone for lean hog futures this morning. The Canadian Dollar made strong gains yesterday, trading around \$0.95US at open.

Canadian delivered soymeal prices opened lower this morning. Fund selling helped the soy complex close lower yesterday, with a weaker US Dollar helping to erase those losses overnight. The WASDE Report showed a 15 million bushel reduction for US soybeans. Traders were expecting to see a drop of roughly 40 million bushels, which should create a bearish tone for the soy complex this morning.

Canadian delivered corn prices opened lower this morning. Corn saw marginal losses yesterday, which continued into the overnight session. A drop in forecasted exports helped push ending stocks up by 50 million bushels, though world ending stocks remain relatively unchanged. The stronger Canadian Dollar is helping to amplify the losses and move the cash price slightly lower.

US Slaughter	
307,000—Wednesday's	
436,000—Wednesday's (Year Ago)	
US Iowa/Sthrn MN	\$61.62
Western Corn Belt	\$61.98
Daily National Price	\$62.42
Daily Sig3(M.Leaf)	\$119.88
Daily Sig4(M.Leaf)	\$116.90
4-Month Fwd Avg	\$121.82
#1 Export Sows (+500lbs) \$29.05/cwt	
B of C Ex. Rate (Noon) \$1.0552 CAD / \$0.9477 US	
Cash Price (\$/cwt/ckg) 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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	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		111.68	118.47	118.50	123.33	136.95	139.01	138.43	134.95
		-	-	-	-	-	-	-	-
		116.53	122.45	122.45	132.12	140.81	144.19	140.46	138.43
Estimated Hog Margin	-7.31	-1.97	3.02	3.86	7.84	14.76	16.27	14.99	12.55
Soymeal Delivered	400	388	385	385	379	379	384	384	383
Corn Delivered	161	163	165	167	169	171	173	175	177



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

