



Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, December 15, 2009

Hog Prices: ↓↑

Soymeal: ↑

Corn: ↔

Cdn Dollar: ↓

Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash markets continue to push higher with tightening supplies of live hogs starting to factor into packers' buying strategies. Stronger demand for some of the higher valued cuts such as loins and ribs, is also contributing to the strength. The pork cut-out is now trading at the highest level seen so far in 2009, and is contributing to some of the best operating margins for the year. Lean Hog futures are starting the day mostly lower, but could see a recovery as cash market fundamentals remain strong. The Canadian Dollar continues to trade at just over \$0.94US, with values varying little from the US Dollar over the last week. *Congratulations Barrickman Colony, the November winner of MPMC's monthly sow & boar prize draw!*

Canadian delivered soymeal prices opened higher this morning. A weak US Dollar accelerated fund buying yesterday, helping the soy complex close sharply higher. This week's USDA Export Inspections Report is down roughly 12% from last week—but is still 34% higher than this time last year. The 10-month average for delivered soymeal is now sitting at \$392/MT.

Canadian delivered corn prices opened steady this morning. After initially opening lower, corn futures quickly gained steam from strength in other gains and closed higher. Yesterday's USDA Crop Progress Report pegged harvest at 92% complete. North Dakota is still lagging greatly, with 40% of its crop still in the field.

US Slaughter	
418,000—Monday's	
435,000—Monday's (Year Ago)	
US Iowa/Sthrn MN	\$63.64
Western Corn Belt	\$63.75
Daily National Price	\$64.50
Daily Sig3(M.Leaf)	\$123.79
Daily Sig4(M.Leaf)	\$121.29
4-Month Fwd Avg	\$126.38
#1 Export Sows (+500lbs) \$28.05/cwt	
B of C Ex. Rate (Noon) \$1.0593 CAD / \$0.9440 US	
Cash Price (\$/cwt/ckg) Cash prices for week ending December 11th, 2009	
53.94 / 118.91 Signature #3	
52.41 / 115.55 Signature #4	
51.96 / 114.55 MPMC Cash	
50.52 / 111.37 Springhill	

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	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		118.93	121.07	121.70	126.55	139.66	141.94	141.65	135.82
		-	-	-	-	-	-	-	-
		119.90	124.95	124.95	134.81	143.55	146.95	143.40	141.65
Estimated Hog Margin	-3.49	-1.72	2.58	3.58	8.26	15.89	17.25	15.65	10.88
Soymeal Delivered	408	401	397	397	391	391	393	393	391
Corn Delivered	172	174	176	178	180	182	184	186	188



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

