

Wednesday, December 16, 2009

Hog Prices: ↓↑

Soymeal: ↑

Corn: ↔

Cdn Dollar: ↓

Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash markets continue to trend higher with packers offering fierce competition for the diminishing supply of market ready hogs. Packer margins continue to run above average for this time of year and are the driving factor behind the stronger cash bids. The values of all the primal cuts have strengthened over the last two months, providing the unexpected support to packer profitability. Nearby Lean Hog futures jumped yesterday, attempting to factor in more of the counter seasonal move in the cash market. The February-April forward contract prices factor in only a marginal increase in Canadian cash prices. However, they typically would trade in excess of \$15/kg more than the current cash market at this time of year.

Canadian delivered soymeal prices opened higher this morning. After closing marginally lower yesterday, soymeal went on to trade higher overnight with strength coming from a weak US Dollar and interest from China for US soybeans. While domestic demand has shown improvement, South America's crop conditions remain very favourable and are helping maintain bearish pressure on the soy complex.

Canadian delivered corn prices opened steady this morning. Moderate strength in crude oil overnight helped corn futures close marginally higher after closing lower on Tuesday. The brisk farmer selling seen last week has slowed substantially, which has helped firm the cash market. The Canadian Dollar is trading up from earlier this week, opening above \$0.9450US this morning.

US Slaughter	
437,000—Tuesday's	
436,000—Tuesday's (Year Ago)	
US Iowa/Sthrn MN	\$63.49
Western Corn Belt	\$63.33
Daily National Price	\$65.42
Daily Sig3(M.Leaf)	\$123.28
Daily Sig4(M.Leaf)	\$123.33
4-Month Fwd Avg	\$128.06
#1 Export Sows (+500lbs) \$28.05/cwt	
B of C Ex. Rate (Noon)	
\$1.0624 CAD / \$0.9420 US	
Cash Price (\$/cwt/kg)	
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	

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.

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		121.34	123.35	123.85	128.71	139.41	142.18	140.63	136.83
		-	-	-	-	-	-	-	-
		122.32	127.24	127.24	134.55	143.31	146.71	142.67	139.65
Estimated Hog Margin	-3.49	-1.72	2.58	3.58	8.26	15.89	17.25	15.65	10.88
Soymeal Delivered	412	405	399	399	392	392	392	392	390
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

