

Hog Prices: ↓

Soymeal: ↓

Corn: ↓

Cdn Dollar: ↑

Monday, December 21, 2009

Manitoba Pork Marketing's forward contract prices opened lower this morning. Last week's US hog slaughter came in at 2.370 million hogs—relatively unchanged from levels seen last year, despite winter weather reducing the kill from the previous week. Packers are seeing an ample supply of cash hogs due to the remainder of 2009 being shortened weeks, which will likely lead to weakness in the cash price over the next few weeks. Strength in crude oil and outside markets has helped boost the Canadian Dollar up more than 1 cent from Friday's noon rate, trading above \$0.9480 US. Statistics Canada reported this morning that retail sales were up 0.8% in October from the previous month—a good sign of increased consumer confidence, which is adding to the bullish tone for the Canadian Dollar.

Canadian delivered soymeal prices opened lower this morning. After closing lower on Friday, the soy complex went on to erase these losses in the overnight session. Sustained demand from China for US soybeans is helping to offset bearish influences such as South Americas continued favourable weather and private forecasts that US soybean production for 2009 may be higher than previously estimated.

Canadian delivered corn prices opened lower this morning. Corn futures traded relatively flat overnight, leaving the March contract still sitting just under 400. Strength in the Canadian Dollar is helping to lower the cash price. The Crop Progress Report will not be issued today, in account of USDA's Washington office being closed due to the recent snowstorm, which pummelled the US East Coast.

US Slaughter	
2.370 Mill—Last Week's	
2.371 Mill—Last Week's (Year Ago)	
US Iowa/Sthrn MN	\$61.96
Western Corn Belt	\$62.22
Daily National Price	\$65.69
Daily Sig3(M.Leaf)	\$121.74
Daily Sig4(M.Leaf)	\$124.51
4-Month Fwd Avg	\$126.55
#1 Export Sows (+500lbs)	\$28.05/cwt
B of C Ex. Rate (Noon)	
\$1.0678 CAD / \$0.9365 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending December 18th, 2009	
56.16 / 123.82 Signature #3	
55.43 / 122.19 Signature #4	
53.70 / 118.39 MPMC Cash	
51.59 / 113.73 Springhill	

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Fixed Forward Range (Maple Leaf Sig. #3)	118.47	120.03 -	120.54 -	125.43 -	138.13 -	141.06 -	139.58 -	133.91 -	124.63 -
		123.94	123.94	133.24	142.04	145.46	141.63	138.60	127.17
Estimated Hog Margin	-0.31	2.84	4.19	8.07	15.41	16.97	15.27	13.01	7.50
Soymeal Delivered	391	385	385	379	379	376	376	380	375
Corn Delivered	166	168	170	172	174	176	178	180	182



Rothsay Animal Vegetable Feed Fat

\$563/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

