

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

Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, December 29, 2009

Manitoba Pork Marketing's forward contract prices opened higher this morning. Most packers scheduled full day yesterday and had little difficulty sourcing enough live hogs to meet the kill requirements. Producers are eager to become more current with their marketing and were content to take slightly less money to return to their normal delivery schedule. Lean Hog futures traded higher yesterday and are starting today on a similar trend, but volume is expected to be low as there is still an influence from the holidays. The 4th Quarter USDA Hogs and Pigs report will be released tomorrow afternoon. Most analysts expect a 3.5% drop in the breeding herd, while only a 2.5% drop in market hogs, due to ongoing improvements to productivity. The Canadian Dollar is finishing the year on the high side of 2009 trading range (US\$0.7653-US\$0.9753).

Canadian delivered soymeal prices opened higher this morning. Soybean futures started the week higher in yesterday's trade, but overnight lost some of those gains. Expectations for continued support in near term export sales are the bullish factor behind recent gains. Yesterday's strength triggered a bullish technical signal, representing a trend reversal.

Canadian delivered corn prices opened higher this morning. Corn markets did not see the bullish influence that many analysts had expected from the heavy snowfall that will no doubt further impede completion of this year's corn harvest. The USDA forecast is about 5% of the US crop was still left in the fields while analysts forecast that as much as 100 million bushels will be left un-harvested.

US Slaughter	
435,000—Monday's	
435,000—Monday's (Year Ago)	
US Iowa/Sthrn MN	\$58.72
Western Corn Belt	\$59.18
Daily National Price	\$63.40
Daily Sig3(M.Leaf)	\$113.77
Daily Sig4(M.Leaf)	\$118.03
4-Month Fwd Avg	\$126.63
#1 Export Sows (+500lbs) \$26.65/cwt	
B of C Ex. Rate (Noon)	
\$1.0488 CAD / \$0.9535 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending December 25th, 2009	
52.76 / 116.32 Signature #3	
55.05 / 121.37 Signature #4	
52.23 / 115.14 MPMC Cash	
50.10 / 110.44 Springhill	

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Fixed Forward Range (Maple Leaf Sig. #3)		118.22	119.59	124.37	137.08	139.88	140.07	134.62	126.50
		-	-	-	-	-	-	-	-
		122.41	122.41	132.30	140.90	144.25	141.03	139.12	128.04
Estimated Hog Margin	0.09	3.47	5.10	9.62	17.14	18.73	17.37	14.52	8.68
Soymeal Delivered	386	379	379	375	375	377	377	357	370
Corn Delivered	167	169	171	173	175	177	179	181	183

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

