



Hog Prices:  $\uparrow$  Soymeal:  $\leftrightarrow$ 

## Hog Margin Outlook Meeting Your Marketing Needs

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

Friday, January 29, 2010

Forward contract prices opened higher this morning. US cash markets are finishing the week lower after the pork cut-out experienced the largest one week decline in months, fal-

<u>Weekly Comparison</u>								
WCB Cash (cwt)	- \$3.48							
ISM Cash (cwt)	- \$3.10							
Forward Prices (ckg)	- \$2-4							
SCDN Dollar (Per USS)	- 0.014							

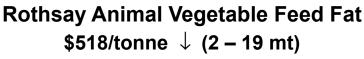
ling more than 10%. Some analysts argue that the pork cut-out rallied sharply earlier this month based on poor weather, reducing kill levels and consequently supplies of fresh pork. When packers were able to start refilling the freezers after the weather improved, fresh pork prices plummeted. This week's slaughter is expected to be just under 2.2 million, close to 3% lower than this week last year. Summer forward contract prices dropped by another \$3.00/ckg, as the weaker Canadian Dollar offset some of the losses in Lean Hog futures. The Canadian Dollar is seeing a bearish influence from lower oil prices, which have dropped about 10% in two weeks on demand concerns.

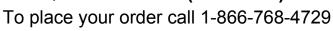
Canadian delivered soymeal prices opened steady this morning. Soy's modest gains from Thursday were almost cancelled out by losses overnight. The majority of soy's bearish tone is stemming from the prospect of decreased US exports in the upcoming months and the bumper crop expected in South America. A 9-month delivered average is now sitting at roughly \$354/MT, down slightly from last Friday.

Canadian delivered corn prices opened steady this morning. Corn futures saw losses overnight, with the US Dollar rallying overnight. The Buenos Aires Grain Exchange raised Argentina's production estimate to 18.4 million MT—significantly higher than the USDA's most recent estimate of only 15 million MT. Cash corn remains relatively unchanged from a week ago.

distribution of the HMO is prohibited IVII. Cash com remains relatively unchanged from a week ago.										
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
Fixed Forward Range (Maple Leaf Sig. #3)		121.18	126.04	138.67	142.07	141.50	136.52	125.29	121.08	
		-	-	-	-	-	-	-	-	
		125.15	133.81	143.04	146.38	142.47	140.03	127.87	126.36	
Estimated Hog Margin	7.57	5.11	9.83	17.32	19.78	18.48	15.95	9.09	6.39	
Soymeal Delivered	368/365	363	353	353	351	351	350	348	345	
Corn Delivered	154	156	158	160	162	164	166	168	170	











**B of C Ex. Rate (Noon)** \$1.0643 CAD / \$0.9396 US

Cash Price (S/cwt/ckg)
Cash prices for week ending
January 29th, 2010

57.47 /126.69 Signature #3

59.83 / 131.90 Signature #4

56.75 / 125.11 MPMC Cash

54.14/ 119.35 Springhill

This information is intended to help you make pricing decisions. Opinions given

do not guarantee any future events or performance. Any unauthorized