



Hog Margin Outlook

Meeting Your Marketing Needs

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



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

US Slaughter	
2.161 Mill—Last Week's	
2.226 Mill—Last Week's (year ago)	
US Iowa/Sthrn MN	\$63.77
Western Corn Belt	\$64.36
Daily National Price	\$67.40
Daily Sig3(M.Leaf)	\$124.87
Daily Sig4(M.Leaf)	\$125.99
4-Month Fwd Avg	\$137.43
#1 Export Sows (+500lbs)	\$44.50/cwt
B of C Ex. Rate (Noon)	
\$1.0480 CAD / \$.9542 US	
Cash Price (\$/cwt/ckg)	
Cash prices for week ending February 12th, 2010	
57.67 / 127.13 Signature #3	
57.28 / 126.28 Signature #4	
56.37 / 124.28 MPMC Cash	
54.20 / 119.48 Springhill	

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Tuesday, February 16, 2010

Forward contract prices opened higher this morning. US cash markets started the week lower, despite a reduced daily slaughter due to yesterday's US President's Day. Many packers are short on supplies to meet their intended production schedule but are not able to bid the market higher without negatively impacting their margins. Wholesale pork prices have been stagnant recently but have stopped the decline they experienced in late June. Lean hog futures are expected to see favourable influence from the recently released December US pork exports, which showed a 14% increase over last year. The Canadian Dollar is trading higher this morning, and is expected to experience higher volatility as the details of the bailout in Greece are released.

Canadian delivered soymeal prices opened higher this morning. Friday's moderate gains for the soy complex were followed by a sharp rally overnight. A lower US Dollar and positive outside markets overnight are the major supportive factors for the recent gains. South America saw scattered showers over the weekend, with areas forecasted to see more precipitation late this week and into the weekend.

Canadian delivered corn prices opened higher this morning. Corn futures erased Friday's losses overnight, seeing some support from higher crude oil pricing, which pushed above \$75US a barrel. The Canadian Dollar is trading around \$0.9575 US this morning, increasing purchasing power and tempering a jump for the cash price.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Fixed Forward Range (Maple Leaf Sig. #3)		118.57	123.38	140.08	143.45	143.83	139.98	128.90	123.49
		-	-	-	-	-	-	-	-
		119.53	135.27	144.42	147.68	144.31	142.39	131.39	129.94
Estimated Hog Margin	5.91	2.86	9.40	18.05	20.53	19.58	17.86	11.68	8.97
Soymeal Delivered	366	364	353	353	348	348	344	341	334
Corn Delivered	156	158	160	162	164	166	168	170	172

h@ms Producer Meetings

- Swift Current—**TODAY @ The Days Inn (noon)**
- Saskatoon—Feb 17th @ The Travelodge (noon)

Lunch will be served at both meetings.