

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

US Slaughter	
427,000—Wednesday's	
428,000—Wednesday's (year ago)	
US Iowa/Sthrn MN	\$63.42
Western Corn Belt	\$63.88
Daily National Price	\$67.45
Daily Sig3(M.Leaf)	\$122.42
Daily Sig4(M.Leaf)	\$125.17
4-Month Fwd Avg	\$138.24
#1 Export Sows (+500lbs) \$46.00/cwt	
<b>B of C Ex. Rate (Noon)</b> \$1.0455 CAD / \$0.9565 US	
<b>Cash Price (\$/cwt/ckg)</b> 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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Thursday, February 18, 2010

**Forward contract prices opened higher this morning.** US packers have been disciplined in keeping a cap on higher cash bids despite their need for more live supplies to meet a full production schedule. Estimated margins improved to nearly \$12/hog with gains in the pork cut-out yesterday, close to average levels for this time of year. News of Canada's hog herd shrinking by another 4.3% had a marginally positive impact on Lean Hog futures earlier this week, however, declines were largely expected and the impact of Canadian supply on US markets has diminished significantly. Traders have taken a reactionary approach to hog markets in the last several weeks, content to let the cash market influence the direction of futures. The Canadian Dollar lost some strength yesterday against its US counterpart, but the near term trend remains higher.

**Canadian delivered soymeal prices opened lower this morning.** Heavy selling by both funds and farmers helped push the soy complex significantly lower yesterday. South America continues to see favourable weather, keeping crop stress to a minimum and enforcing an overall bearish tone for US soybeans. A 9-month average for delivered soymeal is now sitting at \$348/MT.

**Canadian delivered corn prices opened lower this morning.** Corn futures saw sharp losses yesterday and moderate losses in the overnight session. The USDA's weekly Export Sales Report is delayed until Friday, due to a shortened week. Crude oil is now trading above \$78US a barrel, which is having less of an influence than earlier this week, with general weakness in grains over the past 24 hrs predominating.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Fixed Forward Range (Maple Leaf Sig. #3)		120.06	124.85	140.55	143.90	144.12	139.34	128.32	122.69
		-	-	-	-	-	-	-	-
		121.06	135.76	144.86	148.62	144.79	142.69	130.80	129.36
Estimated Hog Margin	5.91	2.86	9.40	18.05	20.53	19.58	17.86	11.68	8.97
Soymeal Delivered	363	359	350	350	346	346	347	344	339
Corn Delivered	150	152	154	156	158	160	162	164	166



**Rothsay Animal Vegetable Feed Fat**

**\$528/tonne ↑ (2 – 19 mt)**

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

\*Price quoted is FOB Southeast Manitoba

