



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

Wednesday, February 24, 2010

Forward contract prices opened higher this morning.

Cash hog prices are gaining some strength with higher cut-out prices providing underlying support. Loins have experienced significant gains this past week, being the largest contributor to the rallying cut-out value. Packers have been forced to cut back on production levels as hog supplies continue to run about 3% lower than last year. Lean hog futures took back the gains made earlier in the week, with traders hesitant to anticipate any significant gains due to uncertainty on both supply and demand factors. Yesterday, the Canadian Dollar dropped more than a cent against the US Dollar, as a report released showed a steep drop in US consumer confidence, calling into question the economic recovery.

Canadian delivered soymeal prices opened mixed this morning.

Negative outside markets and a higher US Dollar helped soy close lower yesterday. Weather concerns remain at the forefront and helped soy trade higher overnight. Aside from moisture concerns in South America, traders are already considering the implications of heavy snowfall this winter in much of the US and the likelihood of late plantings.

Canadian delivered corn prices opened higher this morning.

Losses for crude oil yesterday and the US Dollar pushed corn futures lower. These losses were short-lived though, as corn rallied in the overnight session. As with soybeans, weather was the major motivator for corn's rally. The Loonie dropped sharply yesterday, and is trading just under \$0.95 US this morning, moving the cash price up.

US Slaughter	
429,000—Tuesday's	
428,000—Tuesday's (year ago)	
US Iowa/Sthrn MN	\$66.73
Western Corn Belt	\$66.78
Daily National Price	\$68.09
Daily Sig3(M.Leaf)	\$128.74
Daily Sig4(M.Leaf)	\$127.10
4-Month Fwd Avg	\$140.31
#1 Export Sows (+500lbs) \$52.00/cwt	
B of C Ex. Rate (Noon)	
\$1.0517 CAD / \$0.9508 US	
Cash Price (\$/cwt/kg)	
Cash prices for week ending February 19th, 2010	
56.03 / 123.53 Signature #3	
56.85 / 125.34 Signature #4	
55.13 / 121.53 MPMC Cash	
52.95 / 116.73 Springhill	

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	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Fixed Forward Range (Maple Leaf Sig. #3)		120.29	125.11 - 136.00	140.82 - 145.16	144.20 - 150.08	146.69 - 147.18	140.99 - 145.73	129.86 - 132.43	124.68 - 130.98
Estimated Hog Margin	6.05	4.43	11.00	19.44	21.88	20.76	18.44	11.82	8.98
Soymeal Delivered	360	360	357	357	349	349	349	348	343
Corn Delivered	158	160	162	164	166	168	170	172	174

- *Interlake East District—Mar 2nd @ 1:30pm—Oak Hammock Marsh
- *Southwest District—Mar 3rd @ 1:30pm—Somerset Community Hall
- *Northwest District—Mar 3rd @ 7:00pm—Royal Canadian Legion (Neepawa)
- *South Central District—Mar 4th @ 1:30pm—Morris Big M Centre
- *Southeast District—Mar 5th @ Noon—Smitty's Restaurant (Steinbach)
- *HB Marketing Hutterite District—Mar 10th @ 2pm—The Glesby Centre (Portage)
- *Heartland Marketing Hutterite District—Mar 11th @ 1:30pm—Starbuck Community Hall

MPMC's 2010 Annual District Meetings