



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 & www.spimg.ca

Friday, March 12, 2010

Forward contract prices opened mixed this morning. US packers

dropped their cash bids by almost \$3.00/cwt yesterday as they tried to repair their operating margins that

have been in the red for most of the week. The size of this week's hog slaughter is expected to be significantly lower than recent weeks, at an estimated 2.1 million hogs, close to 70,000 hogs smaller than last week. The reason for the drop in hog slaughter is a combination of the Tyson plant still not slaughtering and the sharp pullback in cash bids. Lean Hog futures are expected to finish the week lower, as traders view the weaker cash market as a threat to hog prices in the summer months. The Canadian Dollar jumped to well over 98 cents US this morning, its highest level in almost two years as a Statscan report showed a drop in unemployment to 8.2%.

Canadian delivered soymeal prices opened lower this morning. Soybean futures saw very sharp losses yesterday, but did go on to see modest gains overnight with support from a lower US Dollar and positive outside markets. Recent losses and the higher Canadian Dollar are helping to bring the 9-month delivered soymeal average down to \$315/MT—a new low, and \$10/MT lower than last Friday.

Canadian delivered corn prices opened steady this morning. Corn traded relatively flat yesterday and went on to close slightly higher overnight. Though corn saw heavy fund selling yesterday, it received support from spread trading at the expense of soybeans. Crude oil reached as high as \$83US a barrel overnight, providing additional support to corn futures.

Weekly Comparison

WCB Cash (cwt)	- \$0.30
ISM Cash (cwt)	- \$0.20
Forward Prices (ckg)	- \$2-4
§CDN Dollar (Per US\$)	+ 0.0042

US Slaughter	
414,000—Thursday's	
415,000—Thursday's (year ago)	
US Iowa/Sthrn MN	\$71.51
Western Corn Belt	\$71.66
Daily National Price	\$74.40
Daily Sig3(M.Leaf)	\$134.83
Daily Sig4(M.Leaf)	\$135.56
4-Month Fwd Avg	\$141.98
#1 Export Sows (+500lbs) \$48.00/cwt	
B of C Ex. Rate (Noon) \$1.0265 CAD / \$0.9742 US	
Cash Prices: Week Ending March 12th, 2010	
62.24 / 137.21 Signature #3	
60.75 / 133.94 Signature #4	
60.75 / 133.94 MPMC Cash	
59.19 / 130.50 Springhill	

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	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Fixed Forward Range: (Maple Leaf Sig. #3)		128.44 135.01	139.71 143.94	143.00 147.67	144.38 145.03	140.52 143.62	129.71 132.23	123.85 130.81	116.32 123.85
(Maple Leaf Sig. #4)		127.01 131.93	135.20 139.93	140.66 143.81	142.18 143.09	137.81 142.54	130.34 134.35	124.03 129.77	116.92 122.76
Estimated Hog Margin	11.27	13.81	22.22	24.85	22.51	21.78	14.61	11.59	7.11
Soymeal Delivered	320	316	316	316	316	320	318	310	304
Corn Delivered	149	151	153	155	157	159	161	163	161



Rothsay Animal Vegetable Feed Fat

\$603/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

