

Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, April 05, 2010

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

US Slaughter	
2.179 Mill—Last Week's	
2.163 Mill—Last Week's (year ago)	
US Iowa/Sthrn MN	\$70.94
Western Corn Belt	\$70.74
Daily National Price	\$69.68
Daily Sig3(M.Leaf)	\$130.64
Daily Sig4(M.Leaf)	\$124.61
4-Month Fwd Avg	\$149.25
#1 Export Sows (+500lbs) \$45.50 cwt	
B of C Ex. Rate (Noon) \$1.0075 CAD / \$0.9925US	
Cash Prices: Week Ending April 2nd, 2010	
57.43 / 126.61 Signature #3	
56.95 / 125.55 Signature #4	
56.29 / 124.10 MPMC Cash	
54.06 / 119.17 Springhill	

This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of the author.

Forward contract prices opened higher this morning. US cash markets are called to open steady to \$0.50/cwt higher this morning despite ample hog supplies for this time of year. Last week's slaughter came in at 2.179 million hogs, about 1% larger than in this week last year. Good Friday had a limited impact on the production schedule of almost all US packers. Compared to last year, cash hog bids are running 20% higher, while the pork cut-out is up nearly 30%. Lean Hog futures are expected to see firmer trade as cash market influence is positive and traders continue to factor in a return to normal trading relations with both Russia and China. However, the Canadian Dollar is dragging down Canadian hog prices as it climbs to within half a cent of equivalent value with the US Dollar.

Canadian delivered soymeal prices opened lower this morning. Soymeal futures are strengthening after the 3 day weekend, with limited new information hitting the market. A US employment report that was released on Friday showed the largest gain in US employment, resulting in the US Dollar gaining against most foreign currencies. Soymeal has traded in a relatively tight range for the last two months and is showing no signs of breaking out of this trend.

Canadian delivered corn prices opened steady this morning. Corn futures are starting the week higher as crude oil gained about \$0.50/barrel this morning. Traders are starting to watch mid-west weather more closely and factor in its implications for planting progress. The impact of the higher Canadian Dollar is negating the influence from the higher US corn futures to result in near steady delivered prices

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range: (Maple Leaf Sig. #3)		147.06 149.38	148.45 153.85	151.07 152.46	145.33 150.15	133.28 135.80	128.47 133.89	119.65 127.08	113.94 124.29
(Maple Leaf Sig. #4)		143.22 144.11	145.37 149.80	147.19 150.33	142.53 147.91	133.19 138.58	127.28 133.03	119.73 125.66	118.44 125.66
Estimated Hog Margin		19.15	21.79	21.69	19.61	12.12	9.65	5.10	5.0
Soymeal Delivered	329	329	328	328	337	333	309	306	306
Corn Delivered	142	144	146	148	150	152	154	152	152



Rothsay Animal Vegetable Feed Fat

\$568/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

