

Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, May 05, 2010

Hog Prices: ↑ **Soymeal:** ↑

Corn: ↑ **Cdn Dollar:** ↑

US Slaughter	
402,000 – Tuesday's	
404,000- Tuesday's (year ago)	
US Iowa/Sthrn MN	\$87.23
Western Corn Belt	\$86.56
Daily National Price	\$85.11
Daily Sig3(M.Leaf)	\$162.09
Daily Sig4(M.Leaf)	\$154.33
4-Month Fwd Avg	\$150.15
#1 Export Sows (+500lbs) \$50.50 cwt	
B of C Ex. Rate (Noon) \$1.0216CAD / \$0.9784 US	
Cash Prices: Week Ending April 30th, 2010	
69.28/152.73 Signature #3	
67.40/148.58 Signature #4	
67.79/149.44 MPMC Cash	
65.52/144.44 Springhill	

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Forward contract prices opened higher this morning. Cash markets are expected to trade marginally higher, but there is talk that packers have been successful in completing this week's buy, which could result in a lower trend into the end of the week. Yesterday's aggressive attempt to secure live supplies took packer bids in some cash market regions to levels higher than the June and July futures, typically the highest priced period of the year. Futures could be poised for further gains late this week with both fundamental and technical indicators reflecting a bullish trend. Uncertainty in global credit markets fuelled by the ongoing Greek debt crisis has kept the Canadian Dollar weak as traders favour the less risky U.S. Dollar. A sharp drop in crude oil prices also contributed to the declines as our economy is heavily reliant on energy exports.

Canadian delivered soymeal prices opened higher this morning. The soybean markets rallied this morning after session lows yesterday with elemental support coming from potential frost threats for newly planted crops. As well, traders are viewing heavy rains expected later in the week as a bullish factor, decreasing their inclination to sell.

Canadian delivered corn prices opened higher this morning. Corn markets are higher this morning after ending lower on a stronger U.S. Dollar; this is largely due to a lack of farmer selling and spillover support from a rally in wheat. Planting progress is for corn is unprecedented at approximately 70% done in the U.S. Corn Belt.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range: (Maple Leaf Sig. #3)		154.46	154.26	150.78	138.56	134.27	125.33	118.86	124.06
		155.87	155.58	154.17	141.14	139.73	132.86	130.03	131.14
(Maple Leaf Sig. #4)		149.85	151.11	146.92	137.82	132.39	124.55	123.33	122.88
		151.93	152.48	152.02	142.92	137.14	130.75	130.75	128.36
Estimated Hog Margin	28.56	29.32	28.52	26.43	18.93	16.35	11.45	11.14	12.43
Soymeal Delivered	354	352	350	359	354	330	330	330	331
Corn Delivered	152	154	156	158	160	162	160	160	160

CONGRATULATIONS

Designed Genetics

Winner of the April 2010 Sow Lottery