

Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit
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Friday, May 07, 2010

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

US Slaughter	
390,000 – Thursday's	
411,000- Thursday's (year ago)	
US Iowa/Sthrn MN	\$85.20
Western Corn Belt	\$85.61
Daily National Price	\$87.07
Daily Sig3(M.Leaf)	\$163.78
Daily Sig4(M.Leaf)	\$161.30
4-Month Fwd Avg	\$151.92
#1 Export Sows (+500lbs) \$50.50 cwt	
B of C Ex. Rate (Noon) \$1.0437CAD / \$0.9563 US	
Cash Prices: Week Ending April 30th, 2010	
72.48/159.78 Signature #3	
70.46/155.34 Signature #4	
70.95/156.42 MPMC Cash	
68.23/150.42 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. U.S. cash markets are finishing the week higher than last Friday, after a roller coaster week of packer bids. Packers were aggressive buyers early in the week, but the gains were unsustainable after the pork cut-out only increased marginally. Cash markets are now trading at a premium to the summer month futures as traders factor in the growing uncertainty in global financial markets. Greece's government passed into law new measures to help prevent that country from defaulting on its huge debt obligations. However, there is still pessimism that these measures will prevent the "domino effect" of other countries (Portugal, Ireland and Spain) from defaulting on their debt. This issue continues to evolve and is the largest factor impacting currency markets and weakening the Canadian Dollar.

Canadian delivered soymeal prices opened lower this morning. Soybean markets are trading lower this morning despite strong export demand and lack of farmer selling. Seeding in the U.S. is continuing at a rapid pace with excellent weather aiding growth.

Canadian delivered corn prices opened lower this morning. Corn markets are lower this morning, influenced by widespread bearish tendencies in the commodities markets; however, losses were capped by steady weekly exports. According to traders, corn held up well in the face of concern for the Euro and a decrease in crude oil prices.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range: (Maple Leaf Sig. #3)		155.68	155.97	152.50	139.97	134.66	125.49	118.64	123.96
		157.42	158.13	156.68	142.57	141.13	133.21	130.31	131.21
(Maple Leaf Sig. #4)		151.04	153.60	148.61	139.28	132.83	124.79	123.32	122.85
		153.65	154.53	154.53	144.50	138.53	131.15	131.15	128.47
Estimated Hog Margin	28.56	29.32	28.52	26.43	18.93	16.35	11.45	11.14	12.43
Soymeal Delivered	350	347	356	365	363	334	331	331	344
Corn Delivered	158	160	162	164	166	168	170	168	168



Rothsay Animal Vegetable Feed Fat

\$588/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

